Five-Year Summary
Haseko Corporation and its Consolidated Subsidiaries
(Years ended March 31, 2013, 2014, 2015, 2016 and 2017)

	Millions of Yen				
	2013	2014	2015	2016	**2017**
For the Year:					
Net sales	¥558,919	¥587,571	¥642,167	¥787,354	**¥772,328**
Cost of sales	505,460	526,208	563,230	674,007	**629,454**
Selling, general and administrative expenses	29,130	32,525	36,239	44,585	**53,842**
Operating income	24,329	28,838	42,698	68,762	**89,032**
Ordinary income	19,976	25,405	41,889	67,327	**88,827**
Income before income taxes	11,704	30,721	42,306	68,850	**78,256**
Net income attributable to owners of parent	13,064	24,830	28,542	51,226	**58,762**
For the Year:					
Cash flows from operating activities	38,231	55,267	39,984	65,590	**109,536**
Cash flows from investing activities	14,843	29,395	(4,067)	(30,801)	**(19,824)**
Cash flows from financing activities	(24,115)	(65,425)	(40,235)	(16,286)	**(40,213)**
Cash and cash equivalents at end of the year	118,239	137,689	133,563	152,115	**201,456**
At Year-end:					
Total current assets	¥352,624	¥356,926	¥380,841	¥448,140	**¥478,611**
Total assets	460,864	457,408	476,914	589,993	**630,937**
Total current liabilities	215,044	209,699	248,586	259,960	**270,002**
Total long-term liabilities	132,015	128,237	84,239	144,658	**122,468**
Total shareholders' equity	124,482	128,632	143,356	191,580	**245,358**
Net assets	113,805	119,472	144,089	185,375	**238,467**
	Yen				
Per Share Data:					
Net income attributable to owners of parent	¥ 41.72	¥ 81.36	¥ 94.64	¥170.41	**¥195.48**
Diluted net income	32.52	67.98	92.90	–	**–**
Net assets	259.89	346.17	478.45	615.21	**791.24**
Ratios:					
Profit ratio of construction contracts	8.9	9.2	11.3	15.8	**19.2**
Operating income ratio	4.4	4.9	6.6	8.7	**11.5**
Equity ratio (%)	24.7	26.1	30.2	31.3	**37.7**
Return on equity (%)	12.1	21.3	21.7	31.2	**27.8**
Price/Earnings ratio (times)	10.31	7.94	12.38	6.15	**6.16**
Payout ratio (%)	–	3.7	10.6	8.8	**15.3**
Number of employees	4,640	5,188	5,379	6,136	**6,602**

Note) The Company completed a reverse stock split of its common stock and Class B I preferred stocks, at ratio of 1 share for 5 shares on October 1, 2013. Net assets per share, net income per share and diluted net income per share as of and for the year ended March 31, 2013 are calculated under the assumption that the reverse stock split took place at the beginning of the previous fiscal year.

Analysis of Financial Condition and Business Performance

(1) Business Performance for the Fiscal Year Ended March 2017

For the fiscal year ended March 2017, the Japanese economy remained on a modest recovery trend, given the continued improvements in employment and income environments, although delays in recovery were seen in certain areas. Meanwhile, the condominium market remained sluggish for the period, as was the case in the previous year, with supply in the Tokyo metropolitan area remaining at the 30,000-unit level for the second consecutive year, standing at 36,450 units (down 4.4% year-on-year). In the Kinki area, new supply stayed flat at 18,359 units (down 0.1% year-on-year) despite the large supply of condominiums with studio units (3,631 units). The initial month sales rate, which serves as a benchmark of sales conditions, was 68.5% (down 4.2 points) in the Tokyo metropolitan area, dropping to the 60% level for the first time since fiscal 2008 (when the figure was 64.1%). In the Kinki area, the figure remained at the 70% level, standing at 71.9% (up 0.1 points), but the conditions became increasingly difficult. Accordingly, the number of for-sale units being marketed as of the end of March 2017 increased both in the Tokyo metropolitan area and the Kinki area, rising to 6,749 units (up 11.8%) for the former and to 2,493 units (up 9.6%) for the latter. An analysis of products supplied in the fiscal year shows that the average unit space dropped to 69.19m2 (down 2.3%) and the average market price decreased to 55.41 million yen (down 1.4%) in the Tokyo metropolitan area. In the Kinki area, the average unit space shrank to 63.27m2 (down 2.6%) and the average market price was 38.77 million (down 0.3%). As such, the figures turned downward in both areas.

Under such conditions, for the fiscal year under review, which represents the final year of the "newborn HASEKO Step Up Plan" (Plan NBs), the Company's medium-term business plan, the Haseko Group achieved record high consolidated ordinary income with condominium construction works in the Construction-Related Business achieving good results. Moreover, orders received on a non-consolidated basis renewed a record high for the third consecutive year.

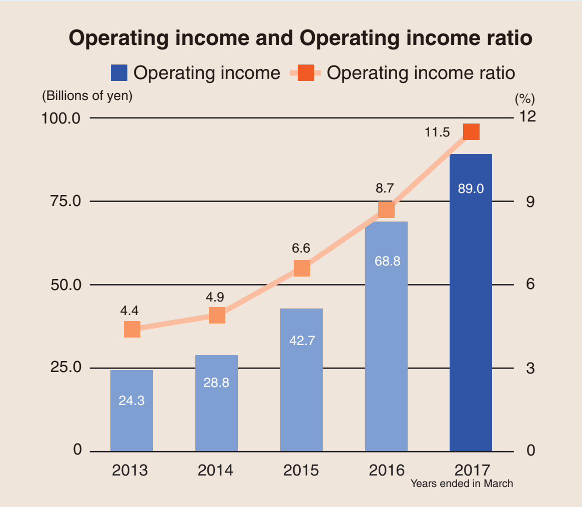
As a result of the above, while net sales decreased 1.9% year-on-year to 772.3 billion yen in the fiscal year ended March 2017, the Company posted operating income of 89.0 billion yen (up 29.5%), ordinary income of 88.8 billion yen (up 31.9%) and net income attributable to owners of parent of 58.8 billion yen (up 14.7%), due to improved gross profit margin of completed construction contracts for condominium construction works. The operating income ratio was 11.5% (up 2.8 points) and ordinary income ratio came to 11.5% (up 2.9%).

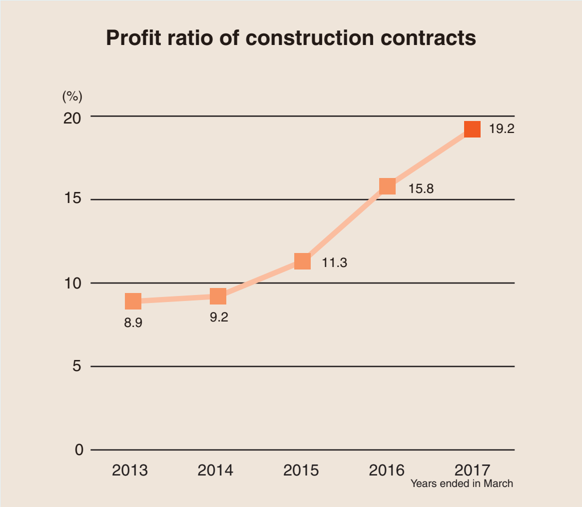
(2) Performance by Segment

Construction-Related Business

For construction works, project owners have continuously had a high regard for the Company's ability to gather land information and product planning ability, its attitude regarding construction quality and keeping construction schedules, efficient production system and such. Under such circumstances, the construction profitability upon receiving orders and the gross profit margin of construction contracts completed in the fiscal year are both on an improving trend, thanks to the increasing scale of the properties to construct, among other factors.

In terms of orders for new construction of for-sale condominiums, the Company won orders for 107 projects in total throughout Japan, comprised of 72 in the Tokyo metropolitan area including 27 large projects with at least 200 units and 35 in the Kinki and Tokai areas including 10 large projects with at least 200 units. In addition, aside from for-sale condominiums, the Company received an order for the City-Sponsored





Higashi-Tamondai Housing Building Replacement Project (Tarumi-ku, Kobe-shi; 425 units), a building replacement project using the PFI method.

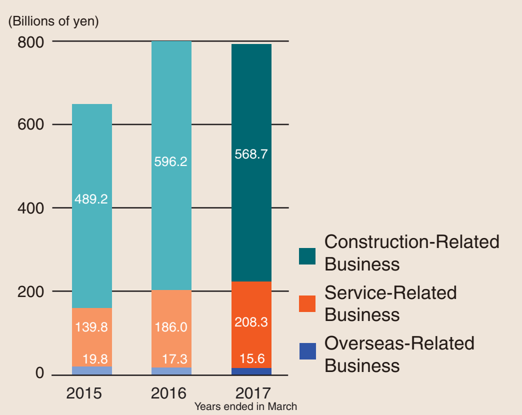
As for construction completion, the Company completed construction of 103 projects including 5 projects for rental housing, etc.

In design and supervision operations, the Haseko Group proactively works to enrich fundamental performance, improve versatility and secure environmental and disaster prevention performance of condominiums by utilizing plans it has proposed and technologies and know-how it has accumulated through its construction track record of over 600,000 units built.

In the Tokyo metropolitan area, the Company completed BRANCHERA Urawa Komaba (Urawa-ku, Saitama-shi; 146 units) located in a high-class residential area with abundant greenery, among other properties. For the Company, this is the first property for which female employees of the Haseko Group were engaged in all the operations from business planning to development promotion, design, construction, sale, interior fittings and management for the condominium. The property has achieved female-friendly housing, as the units are equipped with Dresser III, a washstand created from the female perspective, among other features. Such an endeavor, which internally and externally demonstrates the attractiveness of the construction industry where females can work actively, has been highly regarded. Haseko also completed The Residence Kemigawa-hama Gardens (Mihama-ku, Chiba-shi; 545 units). Making the best use of the extensive site of approximately 21,000m2, the property focuses on the sense of openness and has buildings arranged in a way in which all the units face southeast or southwest, with well-equipped common facilities.

In the Kinki area, construction was completed for Proud City Tsukaguchi Mark Forest (Amagasaki-shi, Hyogo; 587 units). It is the second condominium within the ZUTTOCITY

Sales breakdown by reportable segment



districts, a large-scale, station-front redevelopment project combining residential and retail facilities with a total development area of approximately 8.4 hectares, and is located two minutes on foot from the station. The Company also completed Laurel Court Crevia Amagasaki-Ekimae (Amagasaki-shi, Hyogo; 131 units), which is located in a large-scale redevelopment area in front of Amagasaki Station on the JR Line and a one-minute walk from the station.

In the overseas market, Haseko completed THE AUTHENTIC (110 units), a serviced apartment for Japanese people, in Hanoi, Vietnam, in the fiscal year ended March 2017. The property is the Company's first project in Vietnam.

In the sale of for-sale condominium units, the Company conducted sale and delivery of 21 properties that were newly completed in the fiscal year under review as well as other products.

As a result of the above, while the segment posted a year-on-year decrease in sales, which stood at 568.7 billion yen (down 4.6%), it achieved a year-on-year increase in operating income, amounting to 81.9 billion yen (up 14.8%), mainly due to improved gross profit margin of completed construction contracts.

Service-Related Business

TIn for-sale condominium management operations, the number of units the Haseko Group is consigned to manage reached 369,288 units (up 2.2% year-on-year), reflecting the impact of orders received for large-scale projects for which the Company provides land, among other factors.

In large-scale repair work and interior remodeling, the Company endeavored to increase orders received for properties other than those the Haseko Group is consigned to manage. As a result, orders received amounted to 36.6 billion yen, a year-on-year increase of 17.1%.

In the management of rental condominiums and corporate housing management agency services, the number of units Haseko operates reached a combined total of 143,895 units, an increase of 3.0% from the end of the previous fiscal year, as additional consignment for corporate housing management agency services from existing corporate clients increased steadily.

In the senior services business, Haseko reorganized the business within the Group and acquired shares of a company that conducts community-based nursing care services specialized in care for people with dementia. The number of paid facilities for the elderly and housing for the elderly in operation totaled 2,010 units, down 2.1% year-on-year.

In consigned sales of newly-built condominiums, the number of contracted units increased year-on-year due to good achievements in large-properties for station-front redevelopment projects and multi-use development projects, although the number of newly supplied condominium units was low.

In real estate brokerage operations, the number of sold units in the renovation business, which had been increasing, decreased year-on-year, but the number of cases in which the Company conducted brokerage increased for land of for-sale condominiums and for-investment real estate, etc.

As a result of the above, the segment achieved a year-on-year increase both in sales and profit, as it did in the previous fiscal year, posting sales of 208.3 billion yen (up 12.0%) and operating income of 9.7 billion yen (up 10.5%).

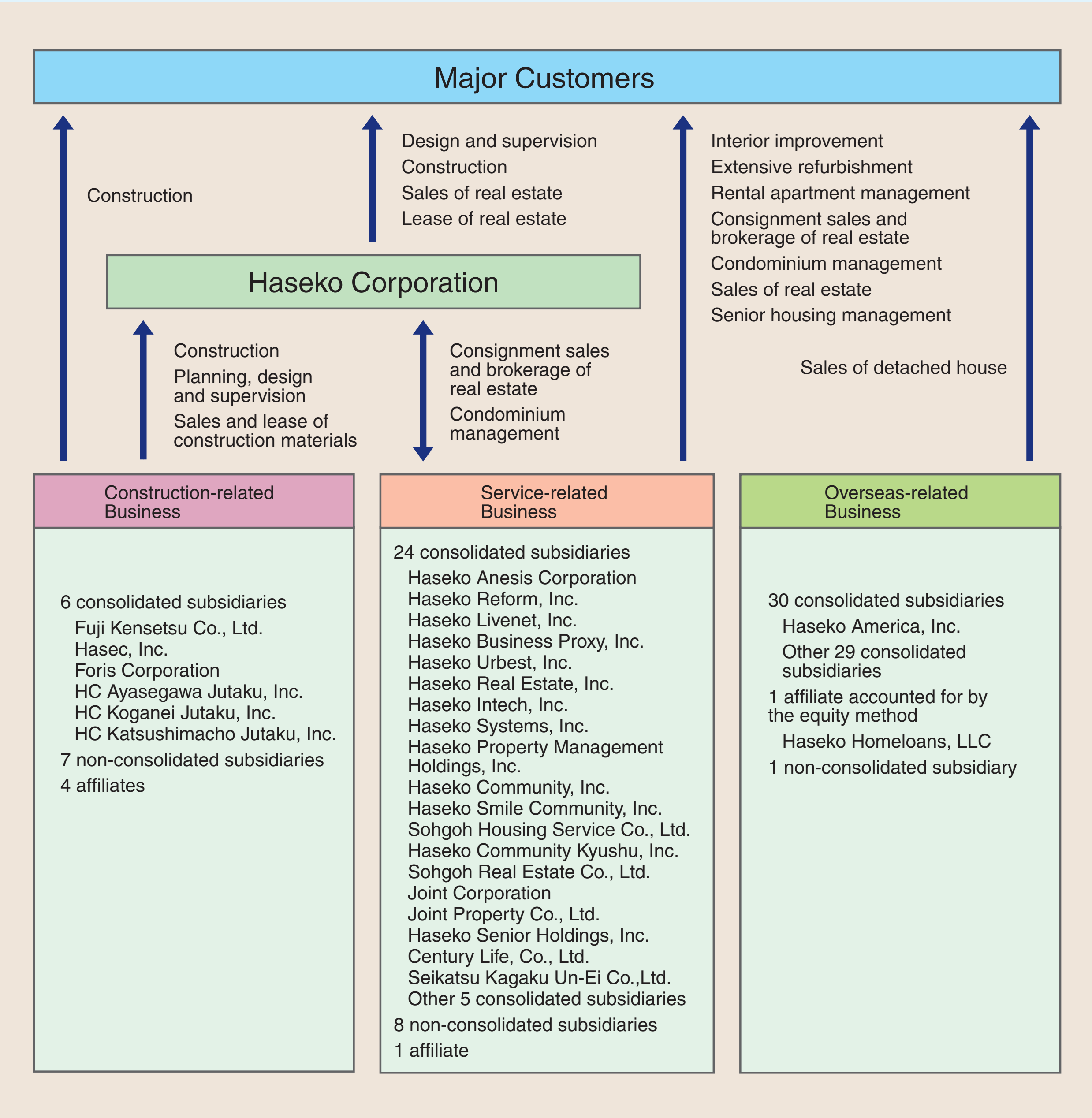
Overseas-Related Business

Sales decreased year-on-year due to a drop in the number of contracted units and delivered units in the for-sale stand-alone housing business in Oahu, Hawaii.

As a result of the above, the segment posted sales of 15.6 billion yen (down 9.6%), while achieving operating income of 0.1 billion yen (in contrast to operating loss of 9.7 billion yen in the previous fiscal year).

Furthermore, the segment had posted operating loss in the

Business schematic of Haseko group's reportable segments



previous fiscal year as it recorded 9.9 billion yen in valuation loss on inventories as cost of sales

(3) Financial Position

Total assets at the end of the consolidated fiscal year ended March 2017 increased by 40.9 billion yen from the end of the previous fiscal year to 630.9 billion yen. This is because of an increase in current assets by 30.5 billion yen, mainly due to an increase in cash and bank deposits by 48.5 billion yen.

Total liabilities were 392.5 billion yen, a decrease of 12.1 billion yen from the end of the previous fiscal year. This is because of a decrease in long-term liabilities by 22.2 billion yen mainly due to repayment of borrowings, despite an increase in current liabilities by 10.0 billion yen.

Consolidated net assets were 238.5 billion yen, an increase of 53.1 billion yen from the end of the previous fiscal year, because of an increase in retained earnings by 53.8 billion yen due to the recording of net income attributable to owners of parent, among other reasons.

As a result, the equity ratio was 37.7% compared to 31.3% at the end of the previous fiscal year.

(4) Cash Flows

Net cash provided by operating activities was 109.5 billion yen, an increase of 43.9 billion yen compared with the net cash provided by operating activities totaling 65.6 billion yen in the previous fiscal year. Major factors included the recording of 78.3 billion yen in income before income taxes.

Net cash used in investing activities was 19.8 billion yen, an increase of 11.0 billion yen in income compared with the net cash used in investing activities totaling 30.8 billion yen in the previous fiscal year. Major factors included payment of 24.1 billion yen for the acquisition of property and equipment and intangible assets.

Net cash used in financing activities was 40.2 billion yen, a decrease of 23.9 billion yen in income compared with the net cash used in financing activities totaling 16.3 billion yen in the previous fiscal year. Major factors included payment of 62.7 billion yen for the repayment of long-term debt.

As a result of the above, the balance of cash and cash equivalents at the end of the consolidated fiscal year totaled 201.5 billion yen, an increase of 49.3 billion yen from 152.1 billion yen at the end of the previous consolidated fiscal year.