

# **Summary of Financial Statements**

**- For the six months ended September 30, 2019-**



**November 2019**

**Disclaimer:**

Forecasts or assessment figures on this document is depend and based on data available at the date of issue.

Results or actual performances may be different from those estimates because of unexpected affairs.

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# 1. Summary of Consolidated Income Statements

P.1

Billions of yen

|  | March 2019       | March 2020       | Change              |                 | March 2019                     | March 2020                  | YoY Change          |              |  |
|--|------------------|------------------|---------------------|-----------------|--------------------------------|-----------------------------|---------------------|--------------|--|
|  | Interim<br>< A > | Interim<br>< B > | Amount<br>< B - A > | %               | Result<br>< C >                | Forecast<br>Annual<br>< D > | Amount<br>< D - C > | Progress     |  |
| <b>Net sales</b>   | <b>441.1</b>     | <b>414.2</b>     | <b>(26.9)</b>       | <b>( 6.1%)</b>  | <b>891.0</b>                   | <b>860.0</b>                | <b>(31.0)</b>       | <b>48.2%</b> |  |
| Construction contracts   | 266.9            | 262.6            | (4.3)               | ( 1.6%)         | 541.6                          | 525.0                       | (16.6)              | 50.0%        |  |
| Design and supervision   | 4.1              | 4.1              | 0.0                 | 0.5%            | 11.7                           | 12.5                        | 0.8                 | 32.9%        |  |
| Leasing and management   | 41.5             | 41.9             | 0.5                 | 1.1%            | 84.9                           | 86.0                        | 1.1                 | 48.8%        |  |
| Real estate sale   | 120.0            | 96.8             | (23.2)              | ( 19.3%)        | 235.6                          | 218.5                       | (17.1)              | 44.3%        |  |
| Others   | 8.6              | 8.8              | 0.2                 | 1.9%            | 17.1                           | 18.0                        | 0.9                 | 48.7%        |  |
| <b>Gross profit</b>  | <b>75.7</b>      | <b>72.9</b>      | <b>(2.8)</b>        | <b>( 3.7%)</b>  | <b>157.9</b>                   | <b>148.5</b>                | <b>(9.4)</b>        | <b>49.1%</b> |  |
| Construction contracts   | 50.2             | 45.8             | (4.3)               | ( 8.6%)         | 100.6                          | 90.5                        | (10.1)              | 50.6%        |  |
| [Profit ratio of construction contracts]                       | [ 18.8%]         | [ 17.4%]         | [(1.4p)]            |                 | [ 18.6%]                       | [ 17.2%]                    | [(1.4p)]            |              |  |
| Design and supervision   | 2.2              | 2.1              | (0.1)               | ( 6.0%)         | 6.2                            | 6.5                         | 0.3                 | 32.5%        |  |
| Leasing and management   | 9.1              | 9.7              | 0.5                 | 5.6%            | 20.0                           | 19.6                        | (0.4)               | 49.3%        |  |
| Real estate sale   | 12.6             | 13.8             | 1.2                 | 9.7%            | 28.3                           | 29.0                        | 0.7                 | 47.7%        |  |
| Others   | 1.6              | 1.5              | (0.1)               | ( 6.3%)         | 2.9                            | 2.9                         | 0.0                 | 50.6%        |  |
| Selling, general and administrative expense                    | 29.6             | 29.3             | (0.3)               | ( 1.2%)         | 59.4                           | 62.5                        | 3.1                 | 46.8%        |  |
| <b>Operating income</b>  | <b>46.1</b>      | <b>43.6</b>      | <b>(2.5)</b>        | <b>( 5.4%)</b>  | <b>98.4</b>                    | <b>86.0</b>                 | <b>(12.4)</b>       | <b>50.7%</b> |  |
| [Operating income ratio]                                       | [ 10.5%]         | [ 10.5%]         | ( -p)               |                 | [ 11.0%]                       | [ 10.0%]                    | [(1.0p)]            |              |  |
| Interest income (expenses), net                                | (0.0)            | (0.6)            | (0.5)               |                 | 1.2                            | (1.6)                       | (2.8)               |              |  |
| Others, net  | 0.3              | 0.4              | 0.1                 |                 | 0.7                            | 0.6                         | (0.1)               |              |  |
| <b>Ordinary income</b>   | <b>46.4</b>      | <b>43.4</b>      | <b>(2.9)</b>        | <b>( 6.3%)</b>  | <b>100.4</b>                   | <b>85.0</b>                 | <b>(15.4)</b>       | <b>51.1%</b> |  |
| [Ordinary income ratio]  | [ 10.5%]         | [ 10.5%]         | ( -p)               |                 | [ 11.3%]                       | [ 9.9%]                     | [(1.4p)]            |              |  |
| Special income (losses), net                                   | 21.5             | 0.1              | (21.4)              |                 | 20.9                           | -                           | (20.9)              |              |  |
| Income before income taxes                                     | 67.9             | 43.6             | (24.3)              | ( 35.8%)        | 121.2                          | 85.0                        | (36.2)              | 51.3%        |  |
| Current tax  | 21.6             | 11.2             | (10.4)              |                 | 35.9                           | } 25.0                      | (8.8)               |              |  |
| Deferred tax   | (0.3)            | 2.1              | 2.4                 |                 | (2.3)                          |                             |                     |              |  |
| Net income attributable to non-controlling interests           | 0.1              | 0.1              | (0.1)               |                 | 0.2                            |                             |                     |              |  |
| <b>Net income attributable to owners of parent</b>             | <b>46.4</b>      | <b>30.2</b>      | <b>(16.2)</b>       | <b>( 34.9%)</b> | <b>87.4</b>                    | <b>60.0</b>                 | <b>(27.4)</b>       | <b>50.3%</b> |  |
| Depreciation and amortization, excluding goodwill-amortization | 2.2              | 2.3              | 0.1                 | 5.8%            |                                |                             |                     |              |  |
| Number of employees  | 7,101            | 7,317            | 216                 | 3.0%            |                                |                             |                     |              |  |
|  |                  |                  |                     |                 | Dividend(Forecast)             |                             | March 2019          | March 2020   |  |
|  |                  |                  |                     |                 | Dividends per share            |                             | ¥80.00              | ¥60.00       |  |
|  |                  |                  |                     |                 | Total amount (Billions of yen) |                             | 24.05               | -            |  |



## 2.Summary of Non-Consolidated Income Statements

P.2

Billions of yen

|  | March 2019       | March 2020       | Change              |                 | March 2019      | March 2020                  | YoY Change          |              |
|--|------------------|------------------|---------------------|-----------------|-----------------|-----------------------------|---------------------|--------------|
|  | Interim<br>< A > | Interim<br>< B > | Amount<br>< B - A > | %               | Result<br>< C > | Forecast<br>Annual<br>< D > | Amount<br>< D - C > | Progress     |
| <b>Net sales</b>   | <b>334.0</b>     | <b>300.2</b>     | <b>(33.8)</b>       | <b>( 10.1%)</b> | <b>652.3</b>    | <b>600.0</b>                | <b>(52.3)</b>       | <b>50.0%</b> |
| Construction contracts   | 223.1            | 224.8            | 1.7                 | 0.8%            | 452.7           | 440.0                       | (12.7)              | 51.1%        |
| Commissioned works   | 2.8              | 2.7              | (0.2)               | ( 5.3%)         | 7.0             | 6.5                         | (0.5)               | 41.5%        |
| Design and supervision   | 4.2              | 4.3              | 0.1                 | 2.2%            | 12.3            | 12.5                        | 0.2                 | 34.2%        |
| Lease rentals of buildings                                     | 1.9              | 2.3              | 0.4                 | 22.8%           | 4.1             | 4.5                         | 0.4                 | 51.5%        |
| Real estate sale   | 101.9            | 66.1             | (35.9)              | ( 35.2%)        | 176.3           | 136.5                       | (39.8)              | 48.4%        |
| <b>Gross profit</b>  | <b>56.2</b>      | <b>50.6</b>      | <b>(5.6)</b>        | <b>( 10.0%)</b> | <b>113.2</b>    | <b>99.5</b>                 | <b>(13.7)</b>       | <b>50.8%</b> |
| Construction contracts   | 43.0             | 38.9             | (4.1)               | ( 9.5%)         | 85.9            | 75.0                        | (10.9)              | 51.9%        |
| Commissioned works   | 2.0              | 1.9              | (0.1)               | ( 6.6%)         | 4.9             | 4.5                         | (0.4)               | 42.3%        |
| [Profit ratio of construction works]                           | [ 19.9%]         | [ 17.9%]         | [(2.0p)]            |                 | [ 19.8%]        | [ 17.8%]                    | [(2.0p)]            |              |
| Design and supervision   | 2.3              | 2.2              | (0.1)               | ( 5.2%)         | 6.5             | 6.5                         | (0.0)               | 33.5%        |
| Lease rentals of buildings                                     | 0.6              | 1.0              | 0.4                 | 59.0%           | 1.7             | 2.0                         | 0.3                 | 51.6%        |
| Real estate sale   | 8.2              | 6.5              | (1.7)               | ( 20.4%)        | 14.1            | 11.5                        | (2.6)               | 56.7%        |
| Selling, general and administrative expense                    | 14.8             | 16.1             | 1.4                 | 9.1%            | 31.7            | 34.5                        | 2.8                 | 46.8%        |
| <b>Operating income</b>  | <b>41.4</b>      | <b>34.4</b>      | <b>(7.0)</b>        | <b>( 16.9%)</b> | <b>81.5</b>     | <b>65.0</b>                 | <b>(16.5)</b>       | <b>52.9%</b> |
| [Operating income ratio]                                       | [ 12.4%]         | [ 11.5%]         | [(0.9p)]            |                 | [ 12.5%]        | [ 10.8%]                    | [(1.7p)]            |              |
| Interest income (expenses), net                                | 0.1              | 19.9             | 19.8                |                 | 1.2             | 19.7                        | 18.5                |              |
| Others, net  | 0.2              | 0.2              | 0.1                 |                 | 0.4             | 0.3                         | (0.1)               |              |
| <b>Ordinary income</b>   | <b>41.7</b>      | <b>54.5</b>      | <b>12.8</b>         | <b>30.8%</b>    | <b>83.1</b>     | <b>85.0</b>                 | <b>1.9</b>          | <b>64.2%</b> |
| [Ordinary income ratio]  | [ 12.5%]         | [ 18.2%]         | [5.7p]              |                 | [ 12.7%]        | [ 14.2%]                    | [1.5p]              |              |
| Special income (losses), net                                   | (0.0)            | (0.0)            | 0.0                 |                 | (0.1)           | -                           | 0.1                 |              |
| Income before income taxes                                     | 41.7             | 54.5             | 12.8                | 30.8%           | 83.0            | 85.0                        | 2.0                 | 64.1%        |
| Current tax  | 12.2             | 10.0             | (2.2)               |                 | 24.2            | } 20.0                      | (5.4)               |              |
| Deferred tax   | 0.9              | 0.8              | (0.0)               |                 | 1.2             |                             |                     |              |
| <b>Net income</b>  | <b>28.6</b>      | <b>43.8</b>      | <b>15.1</b>         | <b>52.8%</b>    | <b>57.6</b>     | <b>65.0</b>                 | <b>7.4</b>          | <b>67.3%</b> |
| Depreciation and amortization, excluding goodwill-amortization | 1.0              | 1.2              | 0.2                 | 20.3%           |                 |                             |                     |              |
| Number of employees  | 2,464            | 2,520            | 56                  | 2.3%            |                 |                             |                     |              |

Billions of yen

|   | 3/31/2019    | 9/30/2019    | Change        |                |   | 3/31/2019    | 9/30/2019    | Change        |                |
|---|--------------|--------------|---------------|----------------|---|--------------|--------------|---------------|----------------|
|   |              |              | Amount        | %              |   |              |              | Amount        | %              |
| <b>Current assets:</b>                        | <b>568.3</b> | <b>548.8</b> | <b>(19.5)</b> | <b>( 3.4%)</b> | <b>Current liabilities:</b>                             | <b>287.3</b> | <b>263.6</b> | <b>(23.7)</b> | <b>( 8.3%)</b> |
| Cash and bank deposits                        | 212.4        | 156.5        | (55.9)        | ( 26.3%)       | Notes and accounts payable                              | 138.8        | 132.5        | (6.2)         | ( 4.5%)        |
| Notes and accounts receivable, trade          | 139.3        | 167.4        | 28.1          | 20.2%          | Current portion of long-term debt                       | 17.8         | 14.5         | (3.3)         | ( 18.5%)       |
| Negotiable Certificates of Deposit            | 2.8          | 5.4          | 2.6           | 96.3%          | Current portion of bonds                                | 10.0         | 20.0         | 10.0          | 100.0%         |
| Costs on uncompleted construction contracts   | 10.7         | 11.9         | 1.2           | 10.9%          | Advances received on uncompleted construction contracts | 18.0         | 19.6         | 1.6           | 9.0%           |
| Real estate for sale                          | 87.2         | 76.5         | (10.8)        | ( 12.3%)       | Other current liabilities                               | 102.8        | 77.0         | (25.8)        | ( 25.1%)       |
| Cost and advances for real estate operations  | 78.1         | 90.3         | 12.2          | 15.7%          | <b>Long-term liabilities:</b>                           | <b>117.9</b> | <b>127.4</b> | <b>9.6</b>    | <b>8.1%</b>    |
| Real estate for development projects          | 24.1         | 24.4         | 0.4           | 1.6%           | Straight bonds  | 20.0         | 20.0         | -             | -%             |
| Other current assets                          | 13.9         | 16.5         | 2.6           | 18.6%          | Long-term debt  | 72.6         | 81.7         | 9.1           | 12.5%          |
| Allowance for doubtful accounts               | (0.2)        | (0.1)        | 0.0           | -%             | Net defined benefit liability                           | 1.1          | 1.1          | 0.1           | 5.5%           |
|   |              |              |               |                | Provision for loss on litigation                        | 2.5          | 2.5          | (0.0)         | ( 1.7%)        |
|   |              |              |               |                | Other long-term liabilities                             | 21.6         | 22.1         | 0.5           | 2.2%           |
|   |              |              |               |                | <b>Total liabilities</b>                                | <b>405.2</b> | <b>391.0</b> | <b>(14.2)</b> | <b>( 3.5%)</b> |
|   |              |              |               |                | <b>Shareholders' Equity:</b>                            | <b>373.6</b> | <b>382.9</b> | <b>9.3</b>    | <b>2.5%</b>    |
| <b>Fixed assets:</b>                          | <b>204.9</b> | <b>217.5</b> | <b>12.6</b>   | <b>6.1%</b>    | Capital stock   | 57.5         | 57.5         | -             | -%             |
| Property and equipment, Land leasehold rights | 136.6        | 143.8        | 7.2           | 5.3%           | Capital surplus   | 7.5          | 7.6          | 0.1           | 0.7%           |
| Goodwill                                      | 3.0          | 2.9          | (0.1)         | ( 3.4%)        | Retained earnings                                       | 313.2        | 322.4        | 9.1           | 2.9%           |
| Investment securities                         | 25.3         | 31.0         | 5.7           | 22.6%          | Treasury stock  | (4.6)        | (4.5)        | 0.1           | -%             |
| Deferred tax assets                           | 9.3          | 7.7          | (1.6)         | ( 17.2%)       | <b>Accumulated Other Comprehensive Income:</b>          | <b>(6.6)</b> | <b>(8.7)</b> | <b>(2.1)</b>  | <b>-%</b>      |
| Other fixed assets                            | 31.5         | 32.8         | 1.4           | 4.4%           | Net unrealized gain on other securities                 | 5.1          | 3.6          | (1.5)         | ( 29.3%)       |
| Allowance for doubtful accounts               | (0.8)        | (0.8)        | (0.0)         | -%             | Translation adjustments                                 | (4.8)        | (5.6)        | (0.8)         | -%             |
|   |              |              |               |                | Retirement benefits liability adjustments               | (6.9)        | (6.6)        | 0.3           | -%             |
|   |              |              |               |                | <b>Non-controlling interests</b>                        | <b>1.0</b>   | <b>1.1</b>   | <b>0.0</b>    | <b>1.2%</b>    |
|   |              |              |               |                | <b>Total net assets</b>                                 | <b>368.1</b> | <b>375.3</b> | <b>7.2</b>    | <b>2.0%</b>    |
| <b>Total assets</b>                           | <b>773.2</b> | <b>766.3</b> | <b>(7.0)</b>  | <b>( 0.9%)</b> | <b>Total liabilities and net assets</b>                 | <b>773.2</b> | <b>766.3</b> | <b>(7.0)</b>  | <b>( 0.9%)</b> |

#### 《Summary of Consolidated Statements of Change in Net Assets》

Billions of yen

|  | 3/31/2019    | Cash dividends | Treasury stock<br>Purchased etc. | Net income attributable<br>to owners of parent | other        | 9/30/2019    |
|--|--------------|----------------|----------------------------------|--|--------------|--------------|
| Shareholders' Equity:                  | 373.6        | (21.0)         | 0.1                              | 30.2   | 0.1          | 382.9        |
| Capital stock                          | 57.5         |                |                                  |  |              | 57.5         |
| Capital surplus                        | 7.5          |                | 0.0                              |  | 0.1          | 7.6          |
| Retained earnings                      | 313.2        | (21.0)         |                                  | 30.2   |              | 322.4        |
| Treasury stock                         | (4.6)        |                | 0.1                              |  |              | (4.5)        |
| Accumulated other comprehensive income | (6.6)        |                |                                  |  | (2.1)        | (8.7)        |
| Non-controlling interests              | 1.0          |                |                                  |  | 0.0          | 1.1          |
| <b>Total net assets</b>                | <b>368.1</b> | <b>(21.0)</b>  | <b>0.1</b>                       | <b>30.2</b>                                    | <b>(2.0)</b> | <b>375.3</b> |

### 《Notes and accounts receivable, trade》

Billions of yen

|   | 3/31/2019 | 9/30/2019 | Change |          |
|---|-----------|-----------|--------|----------|
|   |           |           | Amount | %        |
| PFI projects                                | 2.8       | 2.1       | (0.7)  | ( 24.9%) |
| Others                                      | 136.5     | 165.3     | 28.8   | 21.1%    |
| Notes and accounts receivable, trade, total | 139.3     | 167.4     | 28.1   | 20.2%    |

### 《Real estate balance》

Billions of yen

|   | 3/31/2019 | 9/30/2019 | Change |          |
|---|-----------|-----------|--------|----------|
|   |           |           | Amount | %        |
| Real estate for sale                          | 87.2      | 76.5      | (10.8) | ( 12.3%) |
| Costs and advances for real estate operations | 78.1      | 90.3      | 12.2   | 15.7%    |
| Real estate for development projects          | 24.1      | 24.4      | 0.4    | 1.6%     |
| Inventories                                   | 189.4     | 191.2     | 1.9    | 1.0%     |
| Property and equipment, Land leasehold rights | 136.6     | 143.8     | 7.2    | 5.3%     |
| Real estate balance, total                    | 325.9     | 335.0     | 9.1    | 2.8%     |

### 《Interest-bearing debt balance》

Billions of yen

|                                      | 3/31/2019 | 9/30/2019 | Change |          |
|--------------------------------------|-----------|-----------|--------|----------|
|                                      |           |           | Amount | %        |
| Current portion of long-term debt    | 17.1      | 13.8      | (3.3)  | ( 19.2%) |
| Long-term debt                       | 70.7      | 80.4      | 9.7    | 13.7%    |
| Current portion of bonds             | 10.0      | 20.0      | 10.0   | 100.0%   |
| Straight bonds                       | 20.0      | 20.0      | -      | -%       |
| Total                                | 117.9     | 134.3     | 16.4   | 13.9%    |
| PFI projects                         | 2.5       | 1.9       | (0.6)  | ( 25.0%) |
| Interest-bearing debt balance, total | 120.4     | 136.2     | 15.8   | 13.1%    |

### 《Equity ratio》

Billions of yen

|                      | 3/31/2019 | 9/30/2019 | Change |      |
|----------------------|-----------|-----------|--------|------|
|                      |           |           | Amount | %    |
| Shareholders' equity | 367.0     | 374.2     | 7.2    | 2.0% |
| [Equity ratio]       | [ 47.5%]  | [ 48.8%]  | [1.3p] |      |

|  | March 2019<br>Interim<br>< A > | March 2020<br>Interim<br>< B > | Change<br>Amount<br>< B - A > | Billions of yen<br>March 2019<br>Result |
|--|--------------------------------|--------------------------------|-------------------------------|---|
| Income before income taxes   | 67.9                           | 43.6                           | (24.3)                        | 121.2                                   |
| Depreciation and amortization  | 2.2                            | 2.3                            | 0.1                           | 4.6                                     |
| Special income (losses)  | (0.1)                          | (0.1)                          | 0.0                           | 0.5                                     |
| Amortization of goodwill   | 2.1                            | 0.1                            | (1.9)                         | 2.3                                     |
| Provision for (reversal of) allowance for doubtful accounts, net               | 0.0                            | (0.0)                          | (0.0)                         | (0.1)                                   |
| Increase (decrease) in provision for loss on litigation                        | (0.1)                          | (0.0)                          | 0.1                           | (0.1)                                   |
| Gain on transfer of business   | (21.3)                         | -                              | 21.3                          | (21.3)                                  |
| Valuation loss on inventories  | -                              | 0.1                            | 0.1                           | 0.1                                     |
| Decrease (increase) in costs on uncompleted construction contracts             | (2.8)                          | (1.2)                          | 1.6                           | (1.5)                                   |
| Increase (decrease) in amounts received for uncompleted construction contracts | 1.5                            | 1.6                            | 0.1                           | (3.0)                                   |
| Decrease (increase) in notes and accounts receivable                           | (24.3)                         | (28.1)                         | (3.7)                         | (28.7)                                  |
| Increase (decrease) in notes, accounts payable and accrued expenses            | (1.2)                          | (6.2)                          | (5.1)                         | 2.8                                     |
| Decrease (increase) in inventories   | (14.9)                         | (0.1)                          | 14.8                          | (23.7)                                  |
| Increase (decrease) in deposits  | (3.7)                          | 1.3                            | 5.0                           | 11.6                                    |
| Others   | (14.9)                         | (15.9)                         | (1.0)                         | 4.8                                     |
| Income taxes paid  | (19.7)                         | (23.9)                         | (4.3)                         | (36.5)                                  |
| <b>Net cash provided by (used in) operating activities</b>                     | <b>(29.3)</b>                  | <b>(26.6)</b>                  | <b>2.8</b>                    | <b>33.1</b>                             |
| Payment for purchase of securities   | (0.9)                          | (4.3)                          | (3.4)                         | (1.4)                                   |
| Proceeds from redemption of securities   | 1.4                            | 0.9                            | (0.6)                         | 3.7                                     |
| Purchases of property, equipment and intangible assets                         | (16.2)                         | (12.5)                         | 3.7                           | (30.1)                                  |
| Proceeds from sale of property, equipment and intangible assets                | 0.4                            | 0.0                            | (0.4)                         | 0.4                                     |
| Payment for purchase of investment securities                                  | (0.8)                          | (8.0)                          | (7.2)                         | (6.6)                                   |
| Proceeds from transfer of business   | 20.4                           | -                              | (20.4)                        | 20.4                                    |
| Payments for transfer of business  | (1.6)                          | -                              | 1.6                           | (1.6)                                   |
| Others   | 0.4                            | (0.5)                          | (0.9)                         | 0.7                                     |
| <b>Net cash provided by (used in) investing activities</b>                     | <b>3.1</b>                     | <b>(24.5)</b>                  | <b>(27.7)</b>                 | <b>(14.5)</b>                           |
| Increase (decrease) in short-term borrowings, net                              | (0.4)                          | -                              | 0.4                           | (10.0)                                  |
| Increase in long-term debt   | 10.3                           | 10.0                           | (0.3)                         | 30.3                                    |
| Repayment of long-term debt  | (4.2)                          | (4.2)                          | 0.0                           | (26.5)                                  |
| Proceeds from issuance of bonds  | -                              | 10.0                           | 10.0                          | 10.0                                    |
| Cash dividends paid  | (12.0)                         | (21.0)                         | (9.0)                         | (15.0)                                  |
| Purchase of treasury stock   | (0.0)                          | (0.0)                          | 0.0                           | (0.0)                                   |
| Incidental expenses for loan   | (0.0)                          | (0.4)                          | (0.4)                         | (0.6)                                   |
| Others   | (0.3)                          | (0.1)                          | 0.2                           | (0.5)                                   |
| <b>Net cash provided by (used in) financing activities</b>                     | <b>(6.7)</b>                   | <b>(5.7)</b>                   | <b>1.0</b>                    | <b>(12.4)</b>                           |
| Effect of exchange rate changes on cash and cash equivalents                   | (0.1)                          | (0.5)                          | (0.5)                         | (0.1)                                   |
| <b>Net increase (decrease) in cash and cash equivalents</b>                    | <b>(32.9)</b>                  | <b>(57.3)</b>                  | <b>(24.4)</b>                 | <b>6.1</b>                              |
| Cash and cash equivalents at beginning of the year                             | 206.9                          | 213.0                          | 6.1                           | 206.9                                   |
| <b>Cash and cash equivalents at end of the period</b>                          | <b>173.9</b>                   | <b>155.6</b>                   | <b>(18.3)</b>                 | <b>213.0</b>                            |



《Orders》

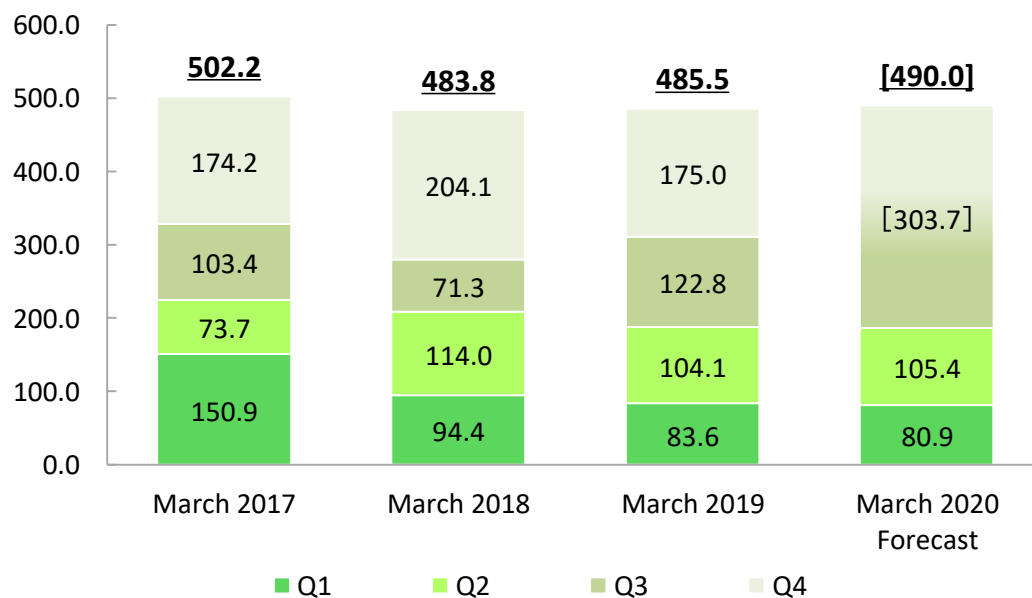
|                             | March 2019       | March 2020       | Change |
|-----------------------------|------------------|------------------|--------|
|                             | Interim<br>< A > | Interim<br>< B > |        |
| Orders                      | 187.7            | 186.3            | (1.4)  |
| Construction business       | 181.2            | 180.2            | (1.0)  |
| Private-sector condominiums | 155.8            | 164.3            | 8.5    |
| General construction        | 21.8             | 12.2             | (9.6)  |
| Civil engineering           | 0.5              | 1.0              | 0.5    |
| Consulting contracts        | 3.1              | 2.7              | (0.4)  |
| Design and supervision      | 6.6              | 6.1              | (0.4)  |

Billions of yen

| March 2019      | March 2020<br>Forecast | YoY Change          |          |
|-----------------|------------------------|---------------------|----------|
|                 |                        | Amount<br>< D - C > | Progress |
| Result<br>< C > | Annual<br>< D >        |                     |          |
| 485.5           | 490.0                  | 4.5                 | 38.0%    |
| 471.9           | 477.0                  | 5.1                 | 37.8%    |
| 405.6           | 443.5                  | 37.9                | 37.0%    |
| 56.8            | 25.0                   | (31.8)              | 48.8%    |
| 1.9             | 1.5                    | (0.4)               | 66.8%    |
| 7.6             | 7.0                    | (0.6)               | 38.2%    |
| 13.6            | 13.0                   | (0.6)               | 47.3%    |

《Orders received, quarterly》

(Billions of Yen)



《Primary Orders》

| Project name                                     | Project Owner                      | Location              | Total Units |
|--|------------------------------------|-----------------------|-------------|
| Solaie Gran Nagareyama Otakanomori               | Tobu Railway etc.                  | Nagareyama-shi Chiba  | 794         |
| Leafia Residence Hashimoto                       | Odakyu Real Estate etc.            | Machida-shi Tokyo     | 425         |
| (Tentative name) KASHIWANOHA 162 BLOCK Project   | Mitsui Fudosan Residential         | Kashiwa-shi Chiba     | 364         |
| (Tentative name) Nishi-ku Utsubohonmachi Project | Daiwa House Industry               | Nishi-ku Osaka-shi    | 353         |
| SANMAISON Fukuchiyama                            | Sanyo Homes Corporation            | Fukuchiyama-shi Kyoto | 112         |
| MEGA CITY TERRACE II Block                       | Sumitomo Realty & Development etc. | Higashi-ku Nagoya-shi | 352         |

### 《Order by Size(Private-sector condominiums)》

|                     | March 2019 |        | March 2020 |        | Change |          |
|---------------------|------------|--------|------------|--------|--------|----------|
|                     | Interim    | Share  | Interim    | Share  | Amount | %        |
| Less than 200 units | 53.7       | 35.3%  | 59.2       | 37.6%  | 5.5    | 10.3%    |
| 200 to 399 units    | 66.8       | 44.0%  | 72.0       | 45.8%  | 5.2    | 7.8%     |
| 400 units or more   | 31.5       | 20.7%  | 26.1       | 16.6%  | (5.4)  | ( 17.3%) |
| Total               | 152.0      | 100.0% | 157.3      | 100.0% | 5.3    | 3.5%     |

Billions of yen

| March 2019 |        |
|------------|--------|
| Annual     | Share  |
| 161.4      | 41.0%  |
| 145.5      | 36.9%  |
| 87.0       | 22.1%  |
| 393.9      | 100.0% |

\* Excluding construction incidental to the condominiums

### 《Order by Region》

|                         | March 2019 |        | March 2020 |        | Change |          |
|-------------------------|------------|--------|------------|--------|--------|----------|
|                         | Interim    | Share  | Interim    | Share  | Amount | %        |
| Tokyo metropolitan area | 153.9      | 82.0%  | 138.2      | 74.2%  | (15.7) | ( 10.2%) |
| Kinki area              | 25.3       | 13.5%  | 29.0       | 15.6%  | 3.7    | 14.6%    |
| Tokai area              | 8.5        | 4.5%   | 19.1       | 10.2%  | 10.6   | 125.2%   |
| Total                   | 187.7      | 100.0% | 186.3      | 100.0% | (1.4)  | ( 0.7%)  |

Billions of yen

| March 2019 |        |
|------------|--------|
| Annual     | Share  |
| 353.4      | 72.8%  |
| 101.6      | 20.9%  |
| 30.5       | 6.3%   |
| 485.5      | 100.0% |

\*Excluding overseas orders

### 《Exclusive contract and Construction-with-design orders》

|                                 | March 2019 | March 2020 | Change |
|---------------------------------|------------|------------|--------|
|                                 | Interim    | Interim    |        |
| Exclusive contract              | 90.4%      | 94.0%      | 3.6p   |
| Construction-with-design orders | 92.7%      | 95.2%      | 2.5p   |

| March 2019 |
|------------|
| Annual     |
| 82.4%      |
| 91.3%      |

\*Excluding commissioned works

**Tokyo metropolitan area**

|                   | From 4/1/2017 to 3/31/2018 |                    |              |                          |                    |               | From 4/1/2018 to 3/31/2019 |                    |              |                          |                    | From 4/1/2019 to 9/30/2019 |                    |              |                          |                    |
|-------------------|----------------------------|--------------------|--------------|--------------------------|--------------------|---------------|----------------------------|--------------------|--------------|--------------------------|--------------------|----------------------------|--------------------|--------------|--------------------------|--------------------|
|                   | Supplied                   |                    |              | Initial month sales rate |                    |               | Supplied                   |                    |              | Initial month sales rate |                    | Supplied                   |                    |              | Initial month sales rate |                    |
|                   | Total                      | Haseko constructed | Share        | Total                    | Haseko constructed | Share         | Total                      | Haseko constructed | Share        | Total                    | Haseko constructed | Total                      | Haseko constructed | Share        | Total                    | Haseko constructed |
| Under 49 units    | 6,729                      | 0                  | -            | 73.9%                    | -                  | -             | 5,656                      | 0                  | -            | 71.0%                    | -                  | 2,321                      | 15                 | 0.6%         | 71.7%                    | 66.7%              |
| 50 ~ 99 units     | 8,152                      | 1,233              | 15.1%        | 69.6%                    | 63.3%              | 8,119         | 2,236                      | 27.5%              | 65.3%        | 68.2%                    | 2,733              | 728                        | 26.6%              | 66.5%        | 66.2%                    |                    |
| 100 ~ 199 units   | 6,829                      | 3,095              | 45.3%        | 64.6%                    | 61.4%              | 8,071         | 3,622                      | 44.9%              | 61.6%        | 65.9%                    | 2,524              | 1,362                      | 54.0%              | 65.6%        | 70.0%                    |                    |
| 200 ~ 399 units   | 6,724                      | 4,019              | 59.8%        | 64.5%                    | 64.3%              | 6,873         | 4,715                      | 68.6%              | 58.6%        | 59.5%                    | 1,790              | 1,151                      | 64.3%              | 54.2%        | 55.3%                    |                    |
| 400 units or more | 8,403                      | 4,356              | 51.8%        | 70.7%                    | 60.2%              | 7,922         | 4,275                      | 54.0%              | 55.5%        | 53.2%                    | 2,628              | 1,442                      | 54.9%              | 62.3%        | 52.3%                    |                    |
| <b>Total</b>      | <b>36,837</b>              | <b>12,703</b>      | <b>34.5%</b> | <b>68.8%</b>             | <b>62.1%</b>       | <b>36,641</b> | <b>14,848</b>              | <b>40.5%</b>       | <b>62.0%</b> | <b>60.6%</b>             | <b>11,996</b>      | <b>4,698</b>               | <b>39.2%</b>       | <b>64.6%</b> | <b>60.3%</b>             |                    |

|       | From 1/1/2017 to 12/31/2017 |        |       |
|-------|-----------------------------|--------|-------|
| Total | 35,898                      | 12,391 | 34.5% |

|       | From 1/1/2018 to 12/31/2018 |        |       |
|-------|-----------------------------|--------|-------|
| Total | 37,132                      | 14,825 | 39.9% |

|       | From 1/1/2019 to 9/30/2019 |       |       |
|-------|----------------------------|-------|-------|
| Total | 19,546                     | 7,713 | 39.5% |

**Kinki area**

|                   | From 4/1/2017 to 3/31/2018 |                    |              |                          |                    |               | From 4/1/2018 to 3/31/2019 |                    |              |                          |                    | From 4/1/2019 to 9/30/2019 |                    |              |                          |                    |
|-------------------|----------------------------|--------------------|--------------|--------------------------|--------------------|---------------|----------------------------|--------------------|--------------|--------------------------|--------------------|----------------------------|--------------------|--------------|--------------------------|--------------------|
|                   | Supplied                   |                    |              | Initial month sales rate |                    |               | Supplied                   |                    |              | Initial month sales rate |                    | Supplied                   |                    |              | Initial month sales rate |                    |
|                   | Total                      | Haseko constructed | Share        | Total                    | Haseko constructed | Share         | Total                      | Haseko constructed | Share        | Total                    | Haseko constructed | Total                      | Haseko constructed | Share        | Total                    | Haseko constructed |
| Under 49 units    | 2,629                      | 0                  | -            | 69.3%                    | -                  | -             | 2,828                      | 89                 | 3.1%         | 73.8%                    | 51.7%              | 1,498                      | 0                  | -            | 85.4%                    | -                  |
| 50 ~ 99 units     | 5,708                      | 549                | 9.6%         | 82.0%                    | 76.9%              | 5,584         | 608                        | 10.9%              | 80.8%        | 71.7%                    | 2,402              | 170                        | 7.1%               | 78.8%        | 64.7%                    |                    |
| 100 ~ 199 units   | 5,667                      | 1,466              | 25.9%        | 77.3%                    | 71.4%              | 5,993         | 1,377                      | 23.0%              | 78.8%        | 69.3%                    | 2,185              | 570                        | 26.1%              | 73.4%        | 68.6%                    |                    |
| 200 ~ 399 units   | 3,060                      | 1,444              | 47.2%        | 73.7%                    | 67.7%              | 4,363         | 1,706                      | 39.1%              | 70.1%        | 68.7%                    | 1,386              | 536                        | 38.7%              | 70.1%        | 61.2%                    |                    |
| 400 units or more | 2,785                      | 1,779              | 63.9%        | 73.9%                    | 77.0%              | 1,310         | 884                        | 67.5%              | 41.8%        | 46.4%                    | 804                | 197                        | 24.5%              | 78.1%        | 54.3%                    |                    |
| <b>Total</b>      | <b>19,849</b>              | <b>5,238</b>       | <b>26.4%</b> | <b>76.6%</b>             | <b>72.9%</b>       | <b>20,078</b> | <b>4,664</b>               | <b>23.2%</b>       | <b>74.4%</b> | <b>64.7%</b>             | <b>8,275</b>       | <b>1,473</b>               | <b>17.8%</b>       | <b>77.0%</b> | <b>63.5%</b>             |                    |

|       | From 1/1/2017 to 12/31/2017 |       |       |
|-------|-----------------------------|-------|-------|
| Total | 19,560                      | 5,319 | 27.2% |

|       | From 1/1/2018 to 12/31/2018 |       |       |
|-------|-----------------------------|-------|-------|
| Total | 20,958                      | 4,983 | 23.8% |

|       | From 1/1/2019 to 9/30/2019 |       |       |
|-------|----------------------------|-------|-------|
| Total | 12,049                     | 2,297 | 19.1% |

[FYR] Share in Kinki area , Excluding studio apartment.

|                      |        |       |       |        |       |       |       |       |       |
|----------------------|--------|-------|-------|--------|-------|-------|-------|-------|-------|
| Fiscal Year Basis:   | 15,138 | 5,238 | 34.6% | 14,602 | 4,664 | 31.9% | 5,610 | 1,473 | 26.3% |
| Calendar Year Basis: | 15,107 | 5,319 | 35.2% | 14,808 | 4,983 | 33.7% | 8,675 | 2,297 | 26.5% |



## 7. Segment Information (Consolidated)

P.9

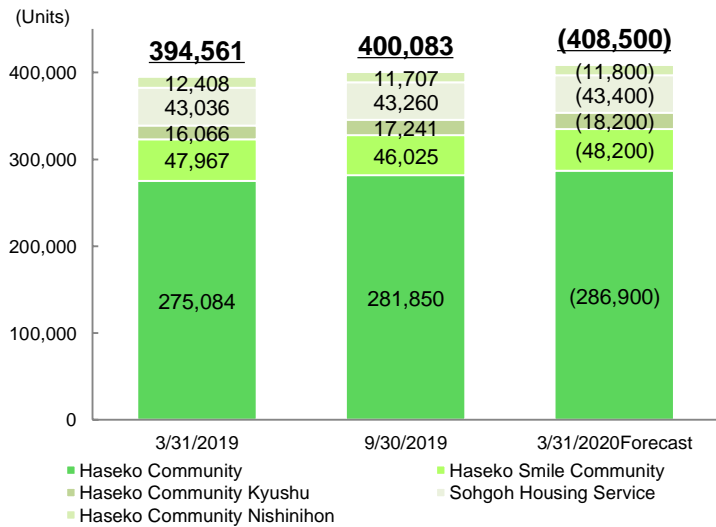
Billions of yen

|  | March 2019<br>Interim result |                    |             | March 2020<br>Interim result |                    |             | March 2020<br>Annual forecast |                    |             |
|--|------------------------------|--------------------|-------------|------------------------------|--------------------|-------------|-------------------------------|--------------------|-------------|
|  | Net sales                    | Ordinary<br>income | Net income  | Net sales                    | Ordinary<br>income | Net income  | Net sales                     | Ordinary<br>income | Net income  |
| <b>Construction-related Business</b>                 |                              |                    |             |                              |                    |             |                               |                    |             |
| Haseko Corporation                                   | 334.0                        | 41.7               | 28.6        | 300.2                        | 54.5               | 43.8        | 600.0                         | 85.0               | 65.0        |
| Fuji Kensetsu, Co., Ltd.                             | 20.9                         | 1.8                | 1.4         | 15.9                         | 1.0                | 1.0         | 32.0                          | 2.5                | 1.5         |
| Hasec, Inc.  | 35.9                         | 0.3                | 0.2         | 36.8                         | 0.3                | 0.2         | 69.4                          | 0.5                | 0.4         |
| Foris Corporation                                    | 5.3                          | 0.3                | 0.2         | 5.6                          | 0.3                | 0.2         | 10.5                          | 0.5                | 0.3         |
| <b>Service related Business</b>                      |                              |                    |             |                              |                    |             |                               |                    |             |
| Haseko Anesis Corporation                            | 6.8                          | 3.2                | 17.6        | 6.8                          | 5.7                | 5.6         | 8.7                           | 5.9                | 5.8         |
| Haseko Reform, Inc.                                  | 18.2                         | 0.3                | 0.3         | 19.0                         | 0.8                | 0.5         | 41.8                          | 1.6                | 1.1         |
| Haseko Livenet, Inc.                                 | 15.8                         | 1.4                | 1.1         | 17.6                         | 1.7                | 1.2         | 37.4                          | 3.0                | 2.1         |
| Haseko Business Proxy, Inc.                          | 0.9                          | 0.0                | 0.0         | 0.9                          | 0.0                | 0.0         | 2.1                           | 0.1                | 0.1         |
| Haseko Urbest, Inc.                                  | 3.3                          | 0.4                | 0.3         | 3.9                          | 0.6                | 0.4         | 8.8                           | 2.1                | 1.5         |
| Haseko Real Estate, Inc.                             | 8.3                          | 0.3                | 0.2         | 10.4                         | 0.5                | 0.3         | 23.6                          | 1.7                | 1.2         |
| Haseko Intec, Inc.                                   | 1.5                          | (0.1)              | (0.1)       | 2.4                          | 0.0                | 0.0         | 6.0                           | 0.4                | 0.3         |
| Haseko Systems, Inc.                                 | 3.0                          | 0.2                | 0.2         | 3.4                          | 0.3                | 0.2         | 6.8                           | 0.5                | 0.3         |
| <b>Haseko Property Management Holdings, Inc.</b>     |                              |                    |             |                              |                    |             |                               |                    |             |
| Haseko Community, Inc.                               | 18.7                         | 1.2                | 0.9         | 21.2                         | 1.4                | 1.0         | 46.6                          | 3.3                | 2.4         |
| Haseko Smile Community, Co., Ltd.                    | 4.1                          | 0.3                | 0.2         | 4.6                          | 0.4                | 0.2         | 10.5                          | 0.9                | 0.6         |
| Sohgoh Housing Service, Co., Ltd.                    | 2.8                          | 0.4                | 0.2         | 2.8                          | 0.4                | 0.3         | 6.5                           | 1.1                | 0.8         |
| Haseko Community Kyushu, Inc.                        | 0.9                          | 0.0                | 0.0         | 0.9                          | 0.0                | 0.0         | 2.6                           | 0.1                | 0.1         |
| Haseko Community Nishinohon, Inc. *1                 | 0.2                          | (0.1)              | (0.1)       | 0.6                          | (0.1)              | (1.2)       | 1.3                           | (0.1)              | 0.0         |
| <b>Haseko Real Estate Development Holdings, Inc.</b> |                              |                    |             |                              |                    |             |                               |                    |             |
| Haseko Real Estate Development, Inc. *2              | 2.9                          | (0.0)              | (0.1)       | 6.0                          | 0.8                | 0.6         | 16.2                          | 0.5                | 0.3         |
| Sohgoh Real Estate, Co., Ltd.                        | 9.2                          | 0.4                | 0.4         | 14.6                         | 0.8                | 0.8         | 41.6                          | 1.8                | 1.2         |
| JOINT PROPERTY, CO., LTD.                            | 0.9                          | 0.0                | 0.0         | 1.0                          | 0.1                | 0.0         | 1.9                           | 0.1                | 0.1         |
| <b>Haseko Senior Holdings, Co., Ltd.</b>             |                              |                    |             |                              |                    |             |                               |                    |             |
| Century Life, Co., Ltd.                              | 1.8                          | 0.0                | 0.0         | 1.7                          | (0.0)              | (0.1)       | 3.8                           | 0.1                | 0.1         |
| Seikatsu Kagaku Un-Ei, Co., Ltd.                     | 4.1                          | 0.2                | 0.3         | 4.1                          | 0.1                | 0.0         | 8.6                           | 0.3                | 0.2         |
| Furusato, Co., Ltd.                                  | 1.1                          | 0.0                | 0.0         | 1.1                          | 0.0                | 0.0         | 2.3                           | 0.3                | 0.2         |
| <b>Overseas related Business</b>                     |                              |                    |             |                              |                    |             |                               |                    |             |
| Haseko America, Inc.                                 | 2.5                          | (0.0)              | (0.0)       | 0.4                          | (0.6)              | (0.6)       | 0.3                           | (1.2)              | (1.2)       |
| <b>Consolidated</b>                                  | <b>441.1</b>                 | <b>46.4</b>        | <b>46.4</b> | <b>414.2</b>                 | <b>43.4</b>        | <b>30.2</b> | <b>860.0</b>                  | <b>85.0</b>        | <b>60.0</b> |

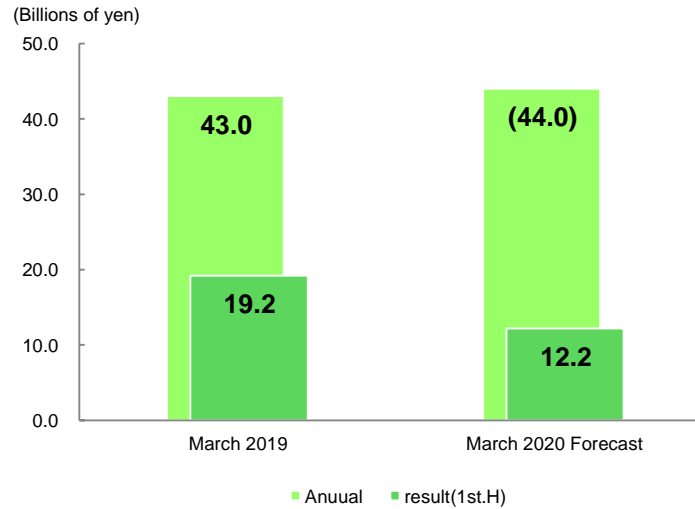
\*1 The condominium building management business has been transferred from SAYCO Building Management to Haseko Community Nishinohon since August 1, 2018.

\*2 The company name has been changed from Joint Corporation on April 1, 2019. On the same date, Haseko Real Estate Holdings transferred the condominium business and rental condominium business.

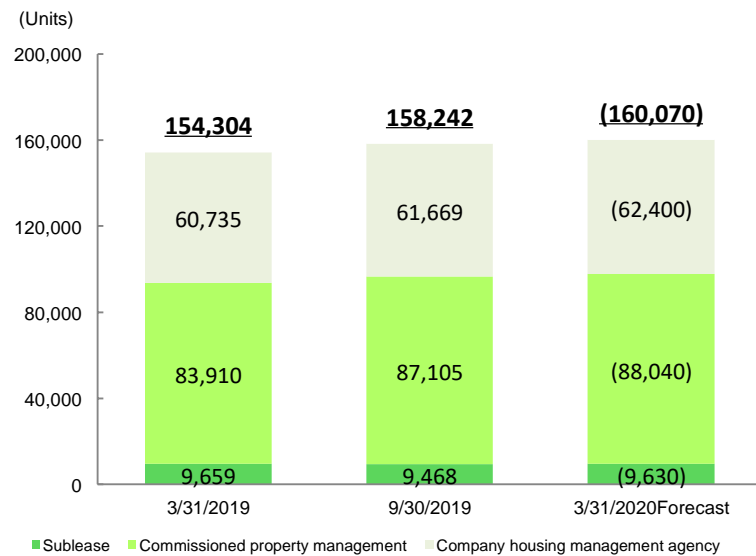
### Condominium Building Management



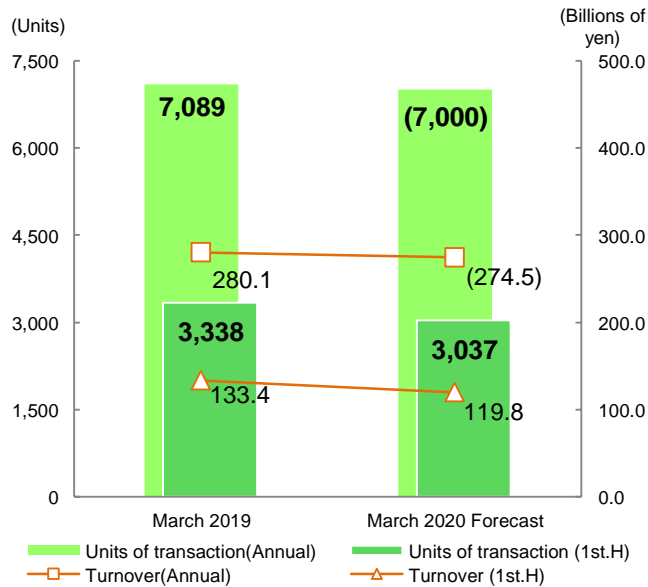
### Extensive Refurbishment and Interior improvement Orders



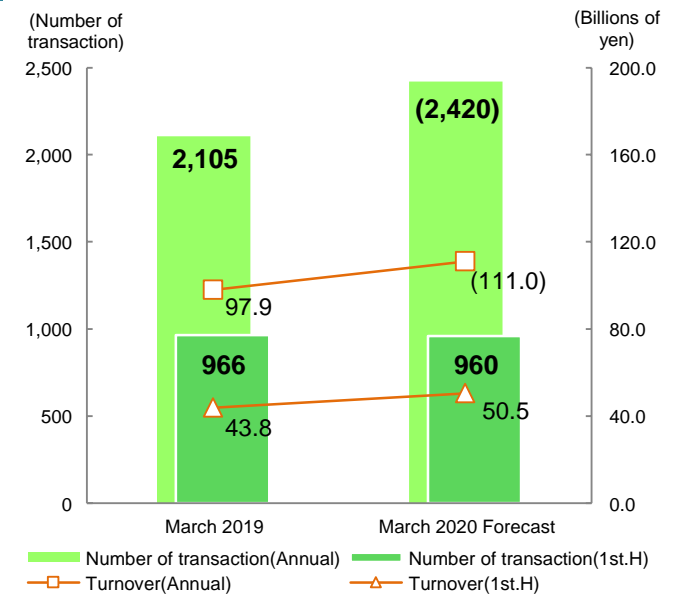
### Rental Apartment Management and Operation



### Consignment Sales



### Real estate brokerage



|   |  | Interim Result |            |            |            |            |            |
|---|--|----------------|------------|------------|------------|------------|------------|
|   |  | March 2015     | March 2016 | March 2017 | March 2018 | March 2019 | March 2020 |
| <b>Consolidated</b>                                 |  |                |            |            |            |            |            |
| Net Sales   |  | 290.2          | 353.7      | 344.7      | 389.4      | 441.1      | 414.2      |
| Operating Income                                    |  | 14.6           | 29.3       | 36.0       | 43.0       | 46.1       | 43.6       |
| Ordinary Income                                     |  | 14.3           | 29.2       | 36.7       | 43.3       | 46.4       | 43.4       |
| Net income attributable to owners of parent         |  | 10.0           | 20.0       | 24.9       | 32.0       | 46.4       | 30.2       |
| Total Assets  |  | 443.9          | 510.7      | 572.9      | 622.0      | 708.5      | 766.3      |
|   | Inventories *1                           | 113.3          | 142.5      | 145.3      | 139.8      | 177.0      | 191.2      |
|   | Property and Equipment, Leasehold rights | 54.9           | 81.8       | 101.7      | 115.3      | 132.2      | 143.8      |
| Real Estate Balance total                           |  | 168.3          | 224.2      | 247.0      | 255.1      | 309.3      | 335.0      |
| Loan payable, Bonds                                 |  | 138.6          | 131.4      | 154.3      | 136.8      | 122.3      | 136.2      |
| Shareholders' equity                                |  | 114.4          | 160.6      | 200.0      | 256.7      | 329.7      | 374.2      |
| Equity ratio  |  | 25.8%          | 31.4%      | 34.9%      | 41.3%      | 46.5%      | 48.8%      |
| Net cash provided by (used in) Operating activities |  | (5.4)          | 25.0       | 6.7        | 1.9        | (29.3)     | (26.6)     |
| Net cash provided by (used in) Investing activities |  | (0.2)          | (12.3)     | (9.5)      | (2.7)      | 3.1        | (24.5)     |
| Net cash provided by (used in) Financing activities |  | (23.3)         | (40.0)     | (17.6)     | (10.4)     | (6.7)      | (5.7)      |
| Cash and cash equivalents at end of the period      |  | 108.8          | 106.4      | 130.9      | 190.0      | 173.9      | 155.6      |
| <b>Non-Consolidated</b>                             |  |                |            |            |            |            |            |
| Net Sales   |  | 205.1          | 248.0      | 238.3      | 290.0      | 334.0      | 300.2      |
| Operating Income                                    |  | 12.0           | 25.3       | 32.5       | 38.4       | 41.4       | 34.4       |
| Ordinary Income                                     |  | 13.4           | 25.3       | 32.8       | 38.4       | 41.7       | 54.5       |
| Net Income  |  | 9.8            | 18.3       | 26.1       | 26.9       | 28.6       | 43.8       |
| Total Assets  |  | 347.3          | 373.5      | 455.2      | 501.5      | 555.1      | 614.0      |
| Shareholders' equity                                |  | 100.7          | 130.3      | 183.1      | 228.5      | 275.9      | 324.5      |
| Equity ratio  |  | 29.0%          | 34.9%      | 40.2%      | 45.6%      | 49.7%      | 52.9%      |
| Order   |  | 214.8          | 218.8      | 224.6      | 208.4      | 187.7      | 186.3      |
| <b>Outstanding shares</b>                           |  |                |            |            |            |            |            |
| Common stock (including treasury stock)             |  | 300,794        | 300,794    | 300,794    | 300,794    | 300,794    | 300,794    |
| Treasury stock                                      |  | 178            | 186        | 189        | 3,436      | 3,409      | 3,353      |
| (Treasury stock remaining in the trust) *2          |  | [-]            | [-]        | [-]        | [3,242]    | [3,209]    | [3,150]    |
| The average number of shares                        |  | 300,617        | 300,609    | 300,605    | 300,110    | 297,375    | 297,423    |

\*1 Real estate for sale + Costs and advances for real estate operations + Real estate for development projects

\*2 The company has introduced system of "Board Benefit Trust" and "Employee Stock Ownership Plan" since the second quarter of March 2018.

