

# Summary of Financial Statements

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- For the six months ended September 30, 2023 -



**November 2023**

**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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# Summary of Financial Results & Topics

## Financial Results for 1H FY2023

- In Consolidated financial results for 1H FY2023, Net Sales increased by 17.1% year-on-year to 523.0 billion yen due to increases in Net sales of Construction contracts and Real estate sale. Ordinary Income increased by 18.3% year-on-year to 43.3 billion yen due to an increase in the profit of Real estate sale, etc.
- The progress rate of Ordinary income against the annual forecast is 52.1%, progressing as expected.
- Orders Received (non-consolidated) increased by 25.3% year-on-year to 203.6 billion yen mainly due to an increase in orders received from Private-sector condominiums. The progress rate against the annual forecast of 500 billion yen is 40.7%, which is in line with our expectations, and. Orders Received in 2H FY2023 are expected to increase as initially forecasted.
- FY2023 annual forecast has not been changed from the initial forecast announced in May 2023.

## Shareholder return

- The interim dividend in FY2023 is decided to be 40 yen/share. ( as announced at the beginning of FY2023)
- The annual dividend forecast in FY2023 has not been changed from the initial forecast announced this May (80 yen/share).

## Topics

- “HASEKO Group Integrated Report 2023 (Japanese version)” is issued. We hope this will help you understand HASEKO group. The English version will be issued around the end of December 2023.

<https://www.haseko.co.jp/hc/csr/report.html>

# Summary of Financial Results for 1H FY2023

Billions of yen

Consolidated	FY2022 1H (A)	FY2023 1H (B)	Change		FY2023 Annual	
			(B)-(A)	%	Forecast	Progress
Net Sales	446.4	523.0	76.6	17.1%	1,080.0	48.4%
Gross profit	71.9	79.2	7.3	10.1%	164.0	48.3%
Operating Income	37.7	43.3	5.6	14.8%	88.0	49.2%
Operating Income ratio	8.4%	8.3%	(0.1pt)		8.1%	
Ordinary Income	36.6	43.3	6.7	18.3%	83.0	52.1%
Ordinary Income ratio	8.2%	8.3%	0.1pt		7.7%	
Net Income ※	24.7	28.7	4.0	16.0%	55.5	51.7%
Net Income ratio	5.5%	5.5%	-pt		5.1%	
Order received (Non-consolidated)	162.4	203.6	41.2	25.3%	500.0	40.7%

※ Net Income attributable to owners of parent

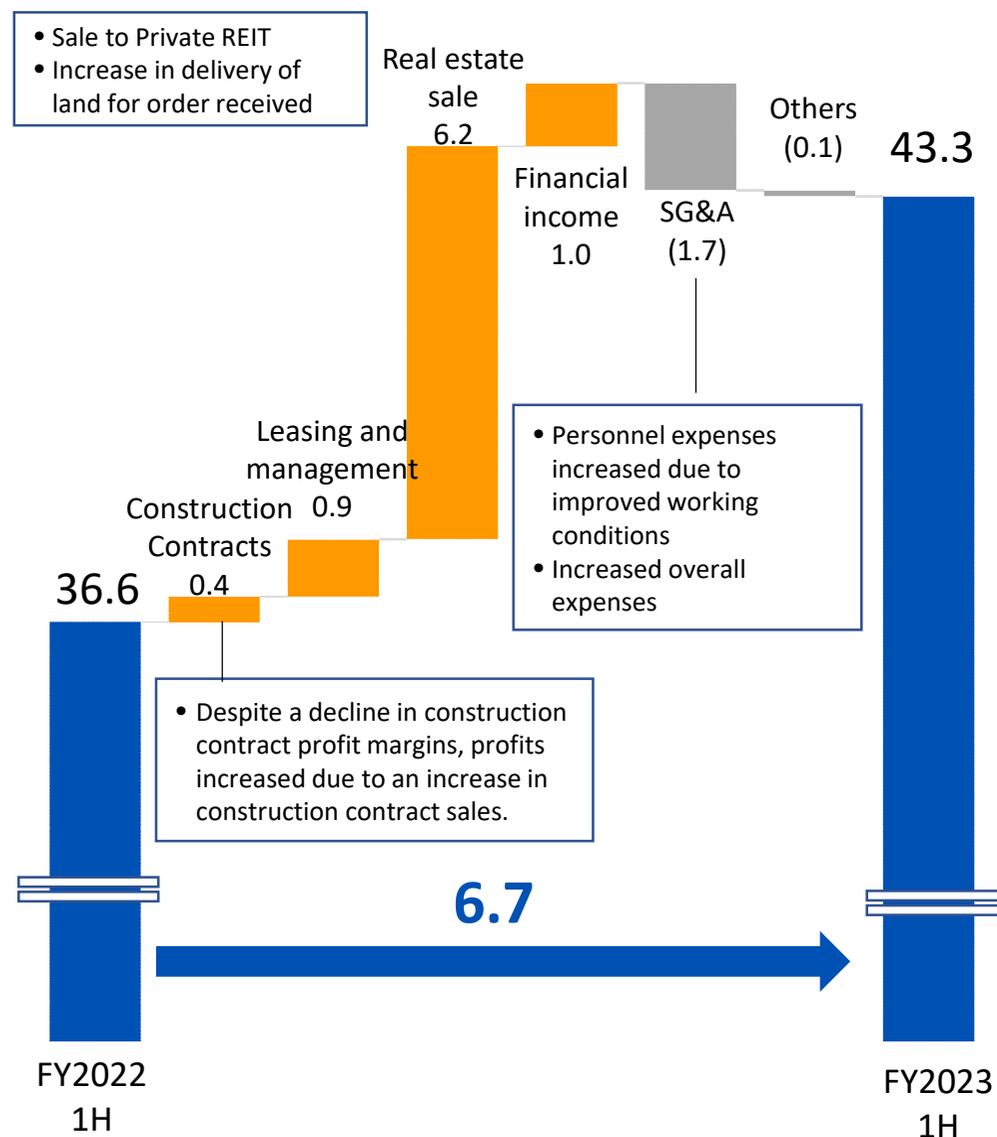
# Consolidated Income Statements

Billions of yen

	FY2022	FY2023	Change	
	1H < A >	1H < B >	Amount < B - A >	%
<b>Net sales</b>	<b>446.4</b>	<b>523.0</b>	<b>76.6</b>	<b>17.1%</b>
Construction contracts	230.0	261.9	31.9	13.9%
Design and supervision	3.8	3.6	(0.2)	( 4.5%)
Leasing and management	42.0	44.7	2.7	6.4%
Real estate sale	161.6	203.3	41.7	25.8%
Others	9.0	9.5	0.5	5.3%
<b>Gross profit</b>	<b>71.9</b>	<b>79.2</b>	<b>7.3</b>	<b>10.1%</b>
Construction contracts	39.2	39.6	0.4	1.0%
[Profit ratio of construction contracts]	17.1%	15.1%	(2.0p)	
Design and supervision	2.1	1.9	(0.2)	( 10.9%)
Leasing and management	9.3	10.3	0.9	9.7%
Real estate sale	19.6	25.7	6.2	31.6%
Others	1.7	1.7	0.1	3.3%
Selling, general and administrative expense	34.2	35.9	1.7	5.0%
<b>Operating income</b>	<b>37.7</b>	<b>43.3</b>	<b>5.6</b>	<b>14.8%</b>
[Operating income ratio]	8.4%	8.3%	(0.1p)	
Financial income (expenses)	(1.9)	(0.9)	1.0	
Others, net	0.8	0.9	0.1	
<b>Ordinary income</b>	<b>36.6</b>	<b>43.3</b>	<b>6.7</b>	<b>18.3%</b>
[Ordinary income ratio]	8.2%	8.3%	0.1p	
Special income (losses), net	(0.0)	(0.0)	0.0	
Income before income taxes	36.6	43.3	6.7	18.3%
Current tax	11.2	13.8	2.6	
Deferred tax	0.6	0.7	0.1	
Net income attributable to non-controlling interests	(0.0)	0.0	0.0	
<b>Net Income attributable to owners of parent</b>	<b>24.7</b>	<b>28.7</b>	<b>4.0</b>	<b>16.0%</b>

## Consolidated Ordinary Income

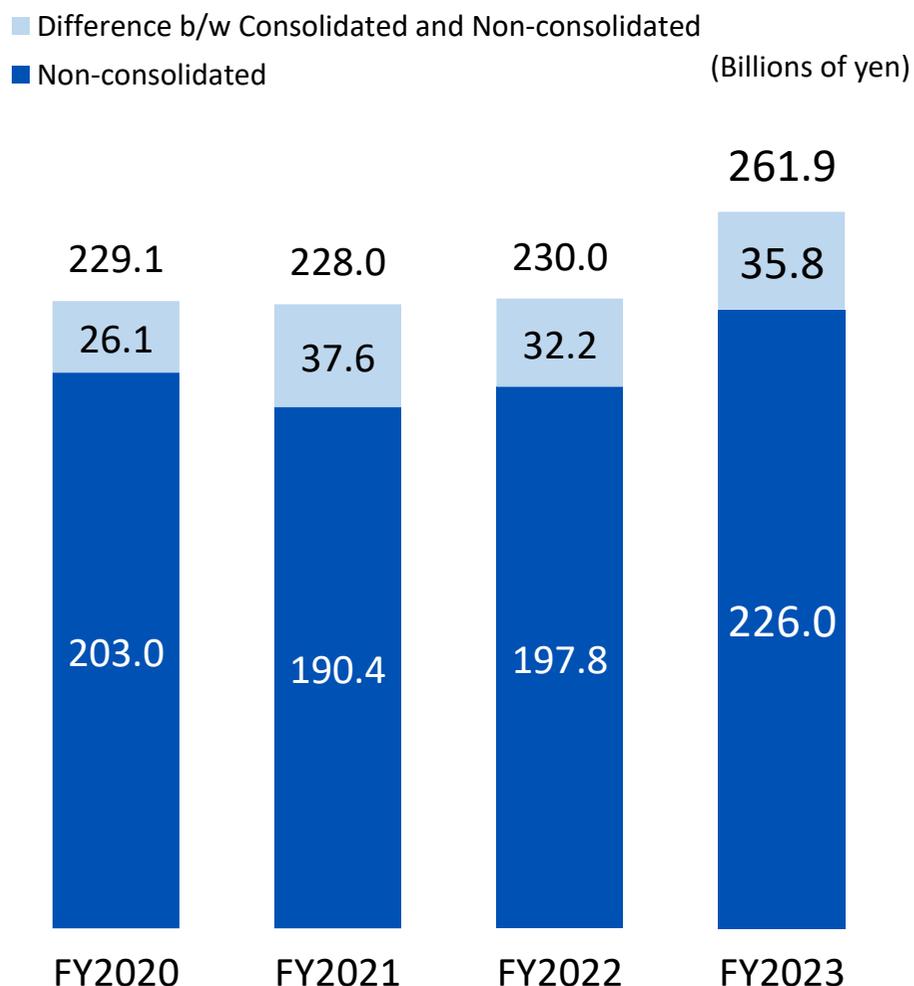
(Billions of yen)



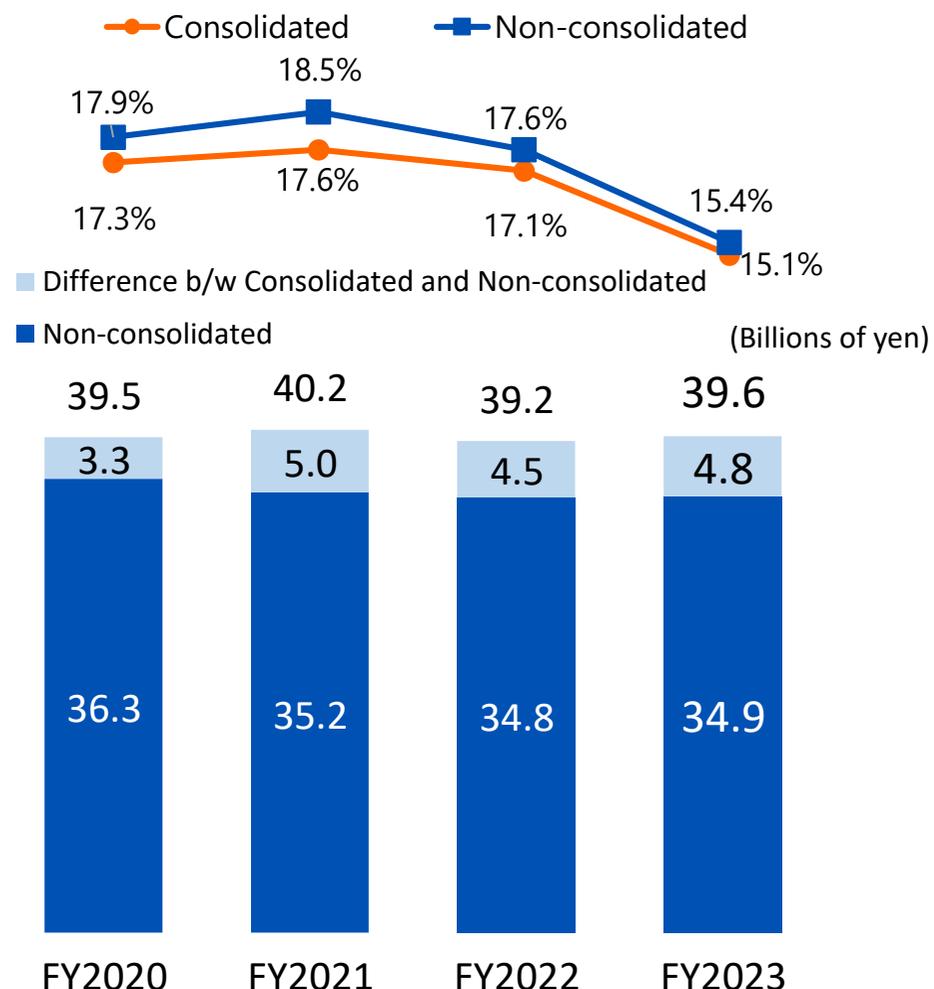
# Net sale & Gross profit of Construction contracts

- Net sale of Construction contracts year-on-year increased due to an increase in Non-consolidated construction amount.
- Gross profit of Construction contracts year-on-year increased slightly due to an increase in construction amount, which offset the decline of the profit ratio on a non-consolidated basis due to an increase in material and labor prices.
- The profit ratio of Construction contracts in 1H FY2023 was below the FY2023 interim forecast. We will strive to improve productivity by introducing industrialized construction methods and promoting DX, etc.

## Net sale of Construction contracts (1H)\*



## Gross Profit & Ratio of Construction Contracts (1H)\*



\*Non-consolidated Net sale of Construction contracts and Gross Profit of Construction contracts include Non-consolidated Net Sale and Gross profit of Commissioned works, respectively.

# Order Received (Non-consolidated) Result

- Orders Received (Non-consolidated) for 1H FY2023 increased by 25.3% year-on-year to 203.6 billion yen and was higher than FY2023 interim forecast.
- We will continue to strive to secure new orders received in order to achieve the FY2023 annual forecast.

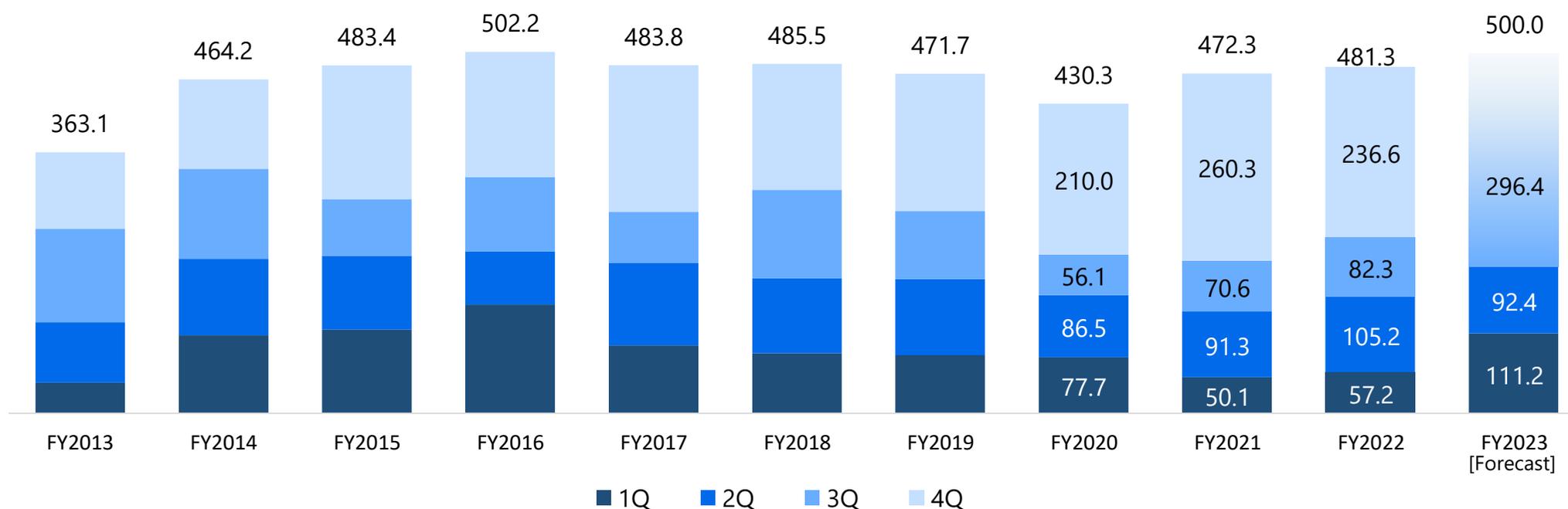
(Billions of yen)

	FY2022	FY2023 Result		FY2023 Forecast	
	1H	1H	Change	Annual	Progress
Construction business	155.0	196.0	41.0	487.0	40.2%
Private-sector condominiums	128.6	159.5	30.9	425.0	37.5%
Rental condominiums Company housing. Etc.	13.7	20.7	7.0	45.0	46.0%
Non-Residence	2.9	2.7	(0.2)	2.5	107.9%
Other	6.4	9.7	3.3	8.5	113.6%
Consulting contracts	3.5	3.5	0.0	6.0	58.6%
Design and supervision	7.4	7.6	0.1	13.0	58.1%
<b>Order Received</b>	<b>162.4</b>	<b>203.6</b>	<b>41.2</b>	<b>500.0</b>	<b>40.7%</b>

# Order Received (Quarterly trends)

## 《Quarterly Order Received》

(Billions of yen)

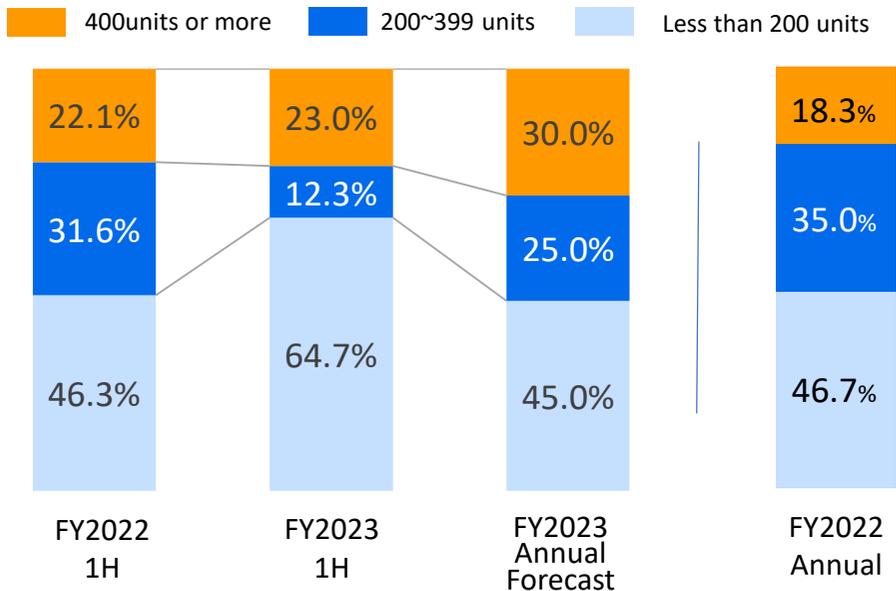


Main Order Property	Property Owners	Location	Units
LIVIO Tower Shinagawa	Nippon Steel Kowa Real Estate Co., Ltd.	Minato-ku Tokyo	815
※ Koto-ku Shiohama 2-chome Project New Construction (Rental condominium)	Asahi Kasei Realty & Residence Corporation, etc.	Koto-ku Tokyo	563
Prime Parks Yokohama Namiki The Residence	Keikyu Corporation, etc.	Kanazawa-ku Yokohama-shi	509
Kyoto Shimogyo-ku Ekimae Largest Project	Keihan Real Estate Co., Ltd., etc	Shimogyo-ku Kyoto-shi	271
“Himeji Yamato Yashiki Ruins” Condominium Project	Kintetsu Real Estate Co.,Ltd., etc.	Himeji-shi Hyogo	200
Construction associated with Ise City Eki-mae C District Type 1 Urban Redevelopment Project	Ise City Eki-mae C District Urban Redevelopment Association	Ise-shi Mie	102

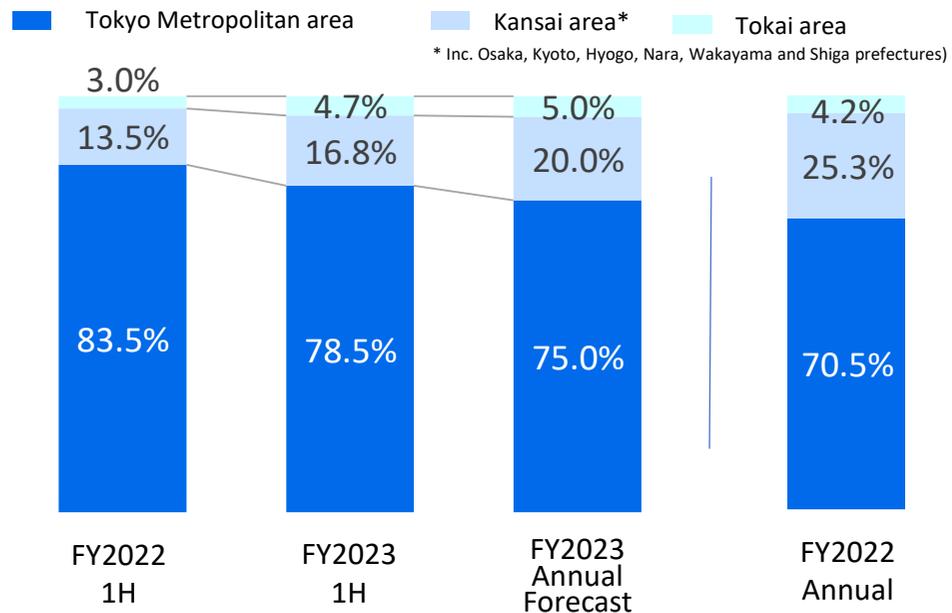
※ Tentative name

# Order Received (Ratio by Size, Region, Exclusive contract and Construction-with-design orders)

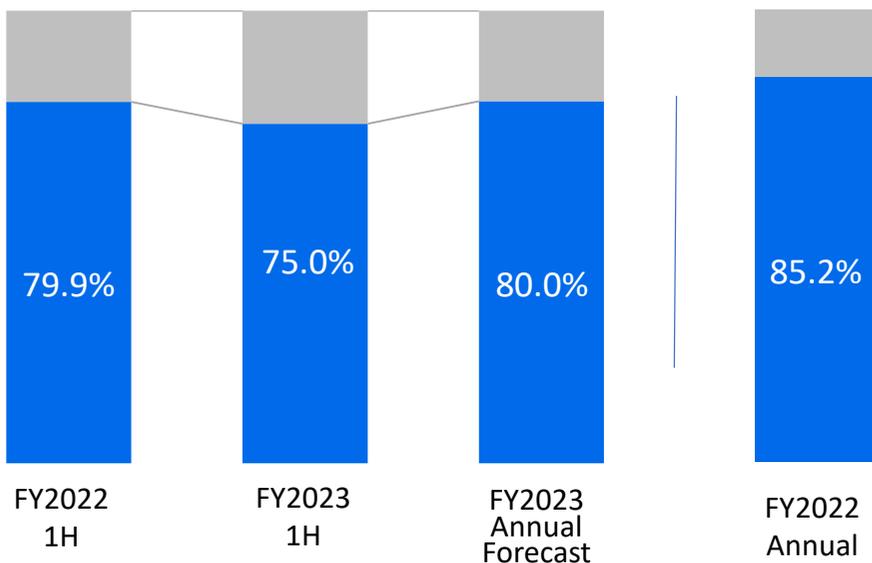
## Orders received by Size (Private-sector condominiums)



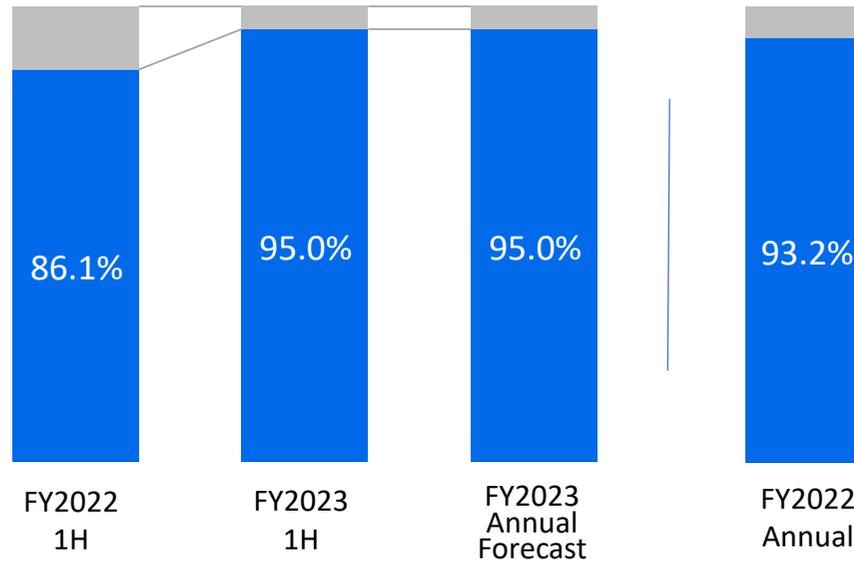
## Orders received by Region



## Exclusive contract



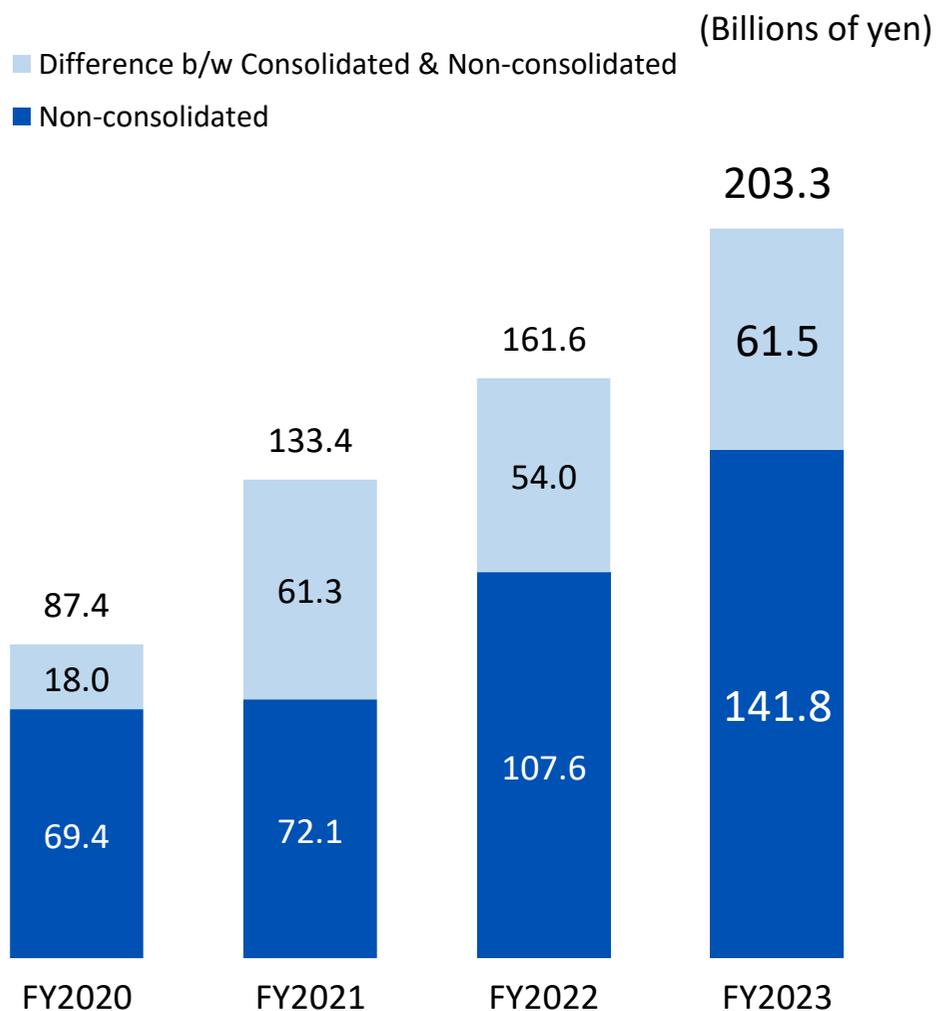
## Construction-with-design orders



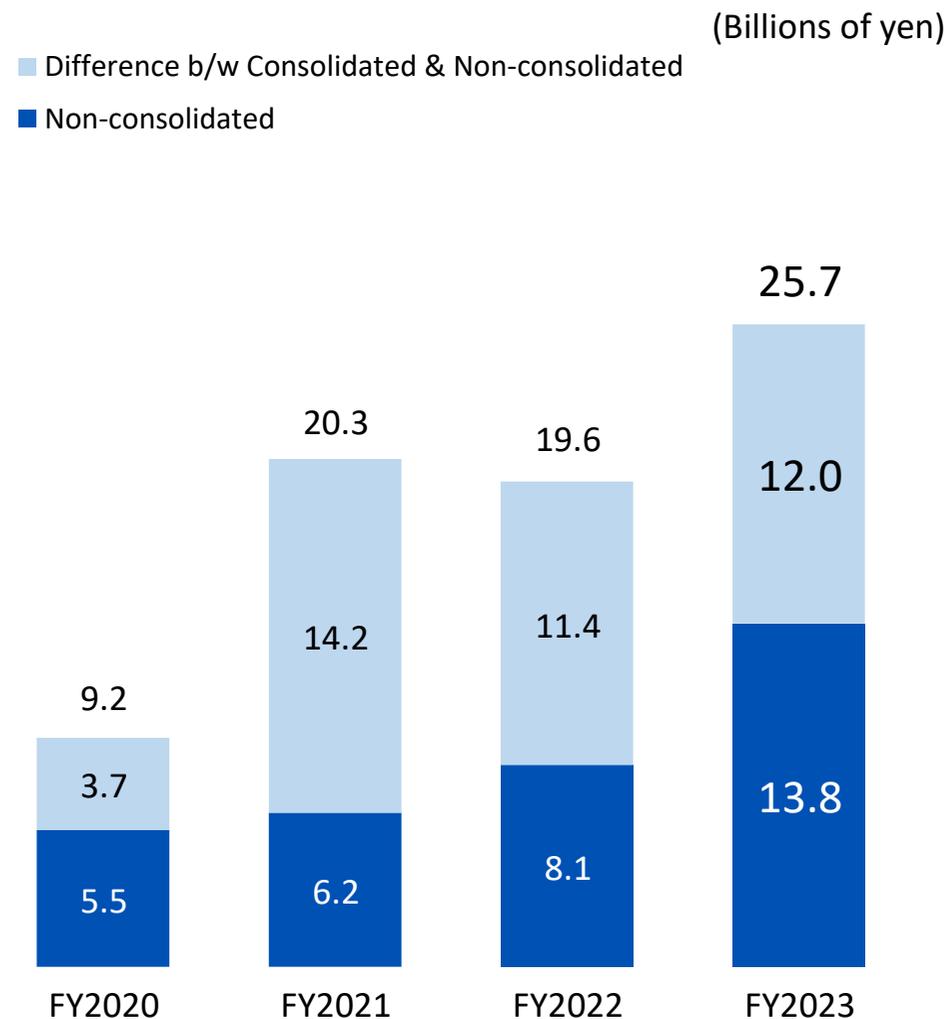
# Net sale and Gross profit of Real estate sale

Net sales and Gross profit of Real estate sale for 1H FY2023 increased year-on-year due to increases in sales of rental condominiums to the Private REIT, deliveries of land for orders received, and deliveries of for-sale condominiums.

## Net sale of Real estate sale (1H)

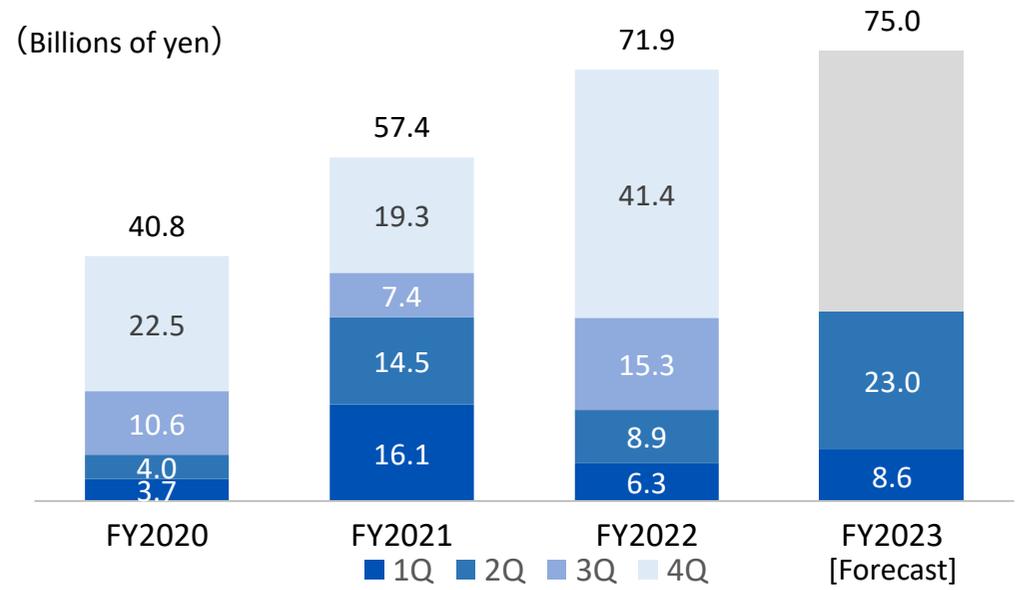


## Gross profit of Real estate sale (1H)

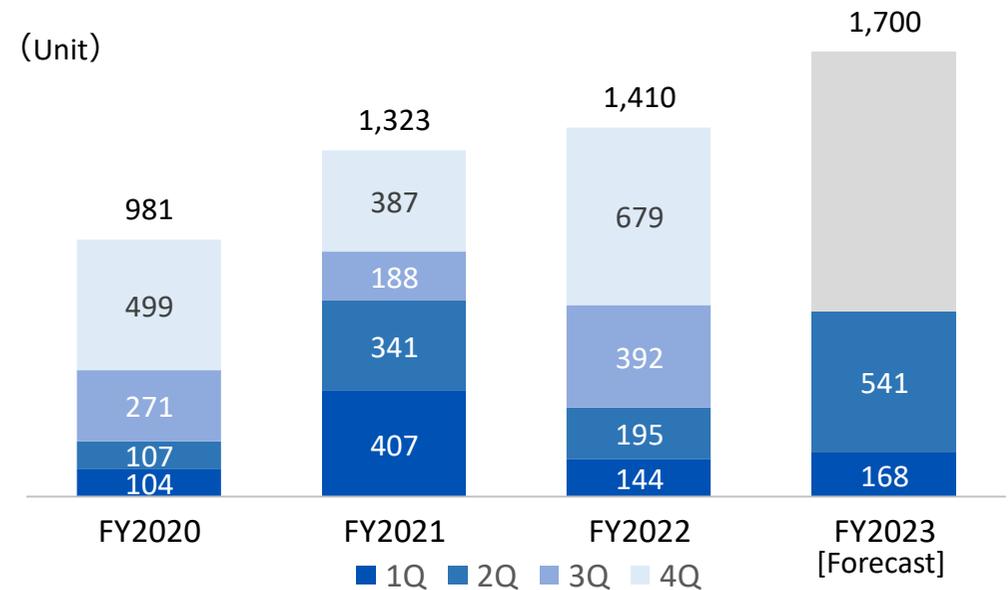


# Key indicators of For-sale Condominiums business

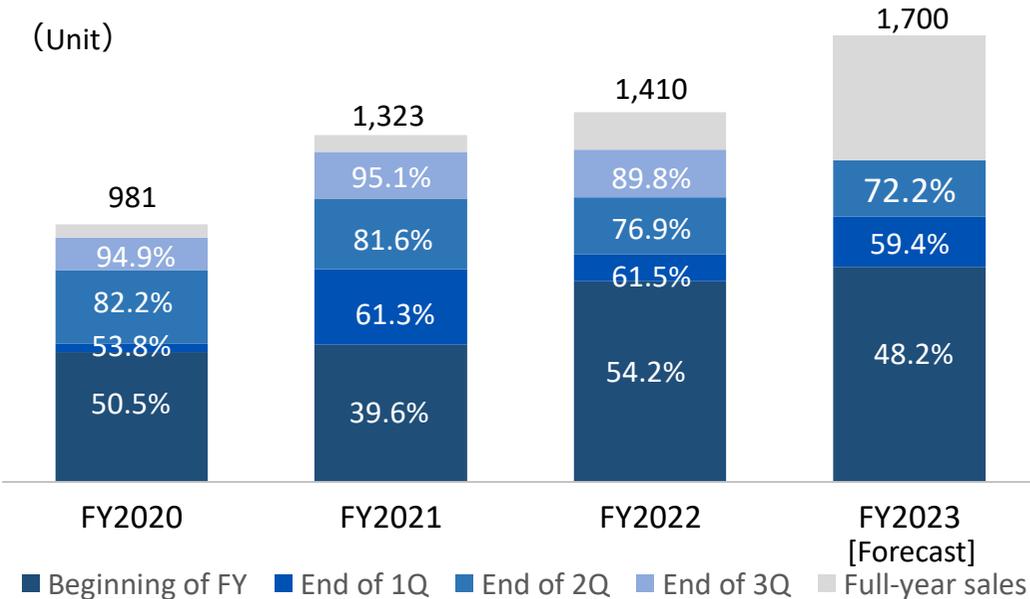
### Sales of For-sale Condominium business



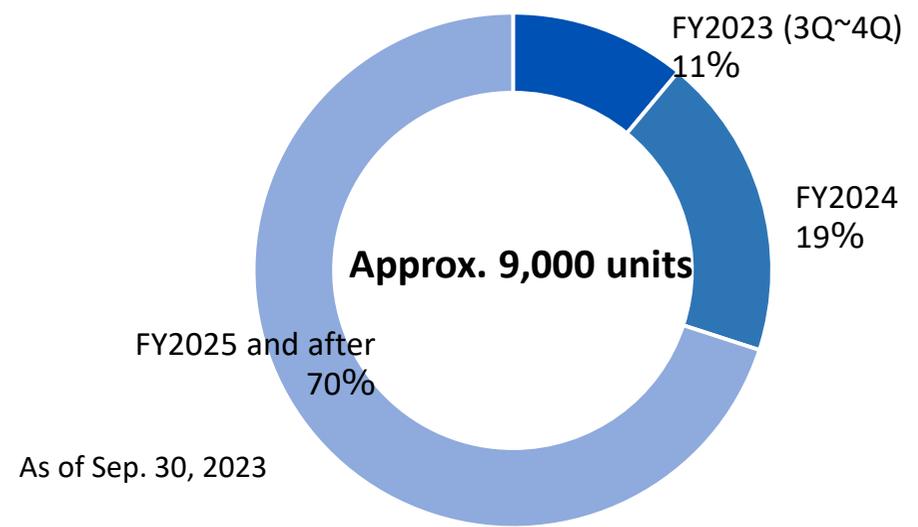
### Number of units for For-sale Condominium Sales



### Contract progress rate against the number of annual expected units



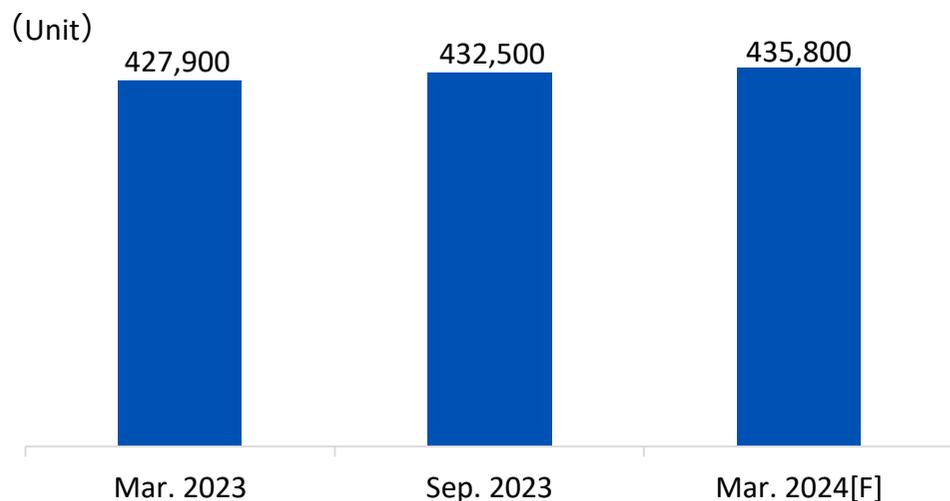
### For-sale Condominium units planning by fiscal year



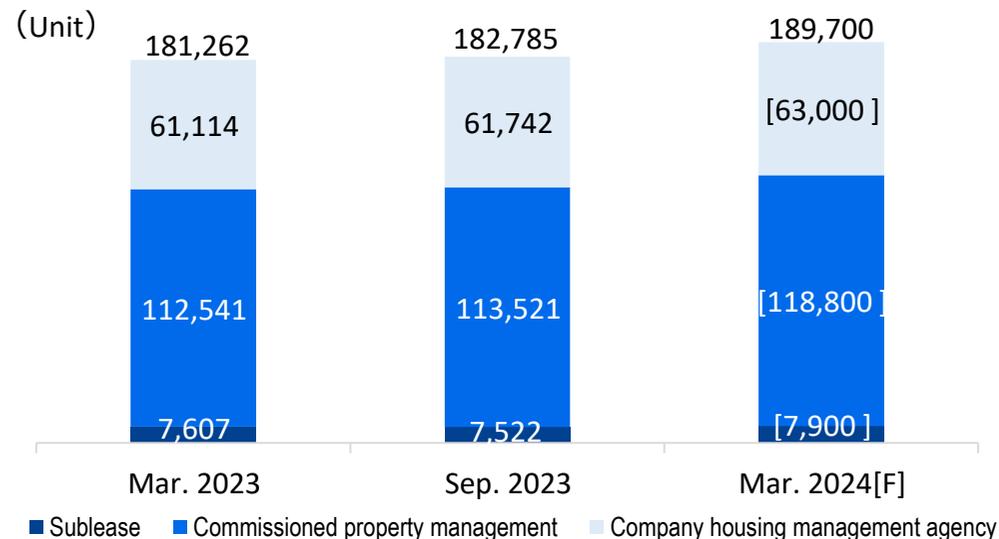
(Note) Each graph shows by total number of Haseko Corporation, Haseko Real Estate Development Holdings, Haseko Real Estate Development, and Sohgho Real Estate after considering the companies' share.

# Operational Benchmarks of Service-Related Business

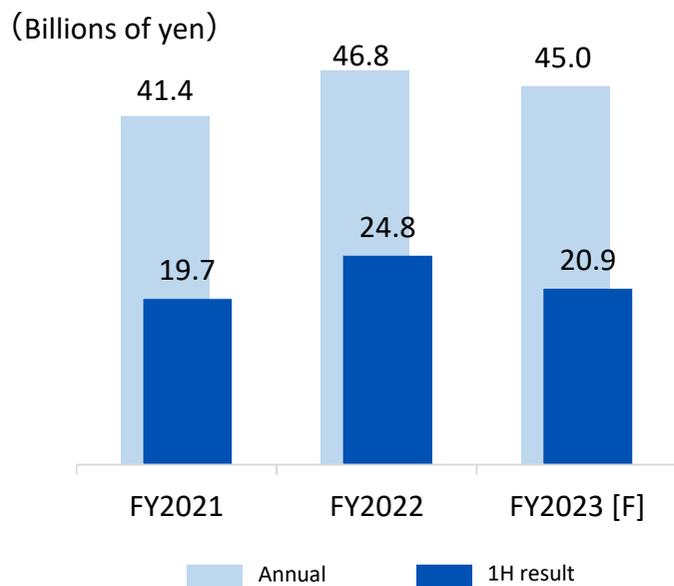
## Condominium Building Management



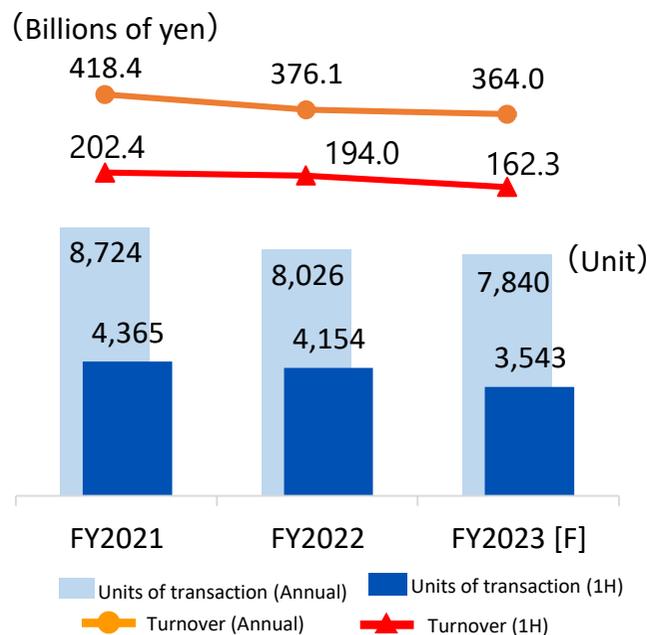
## Rental Apartment Management Operation



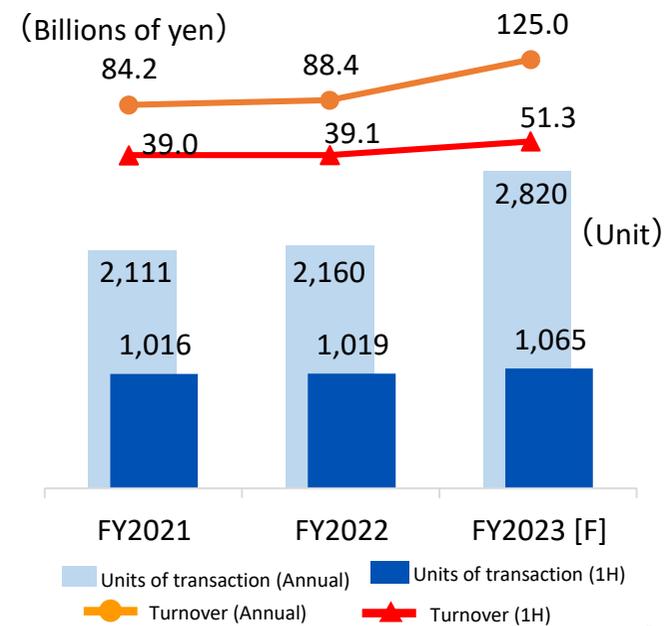
## Extensive Refurbishment and Interior improvement Orders



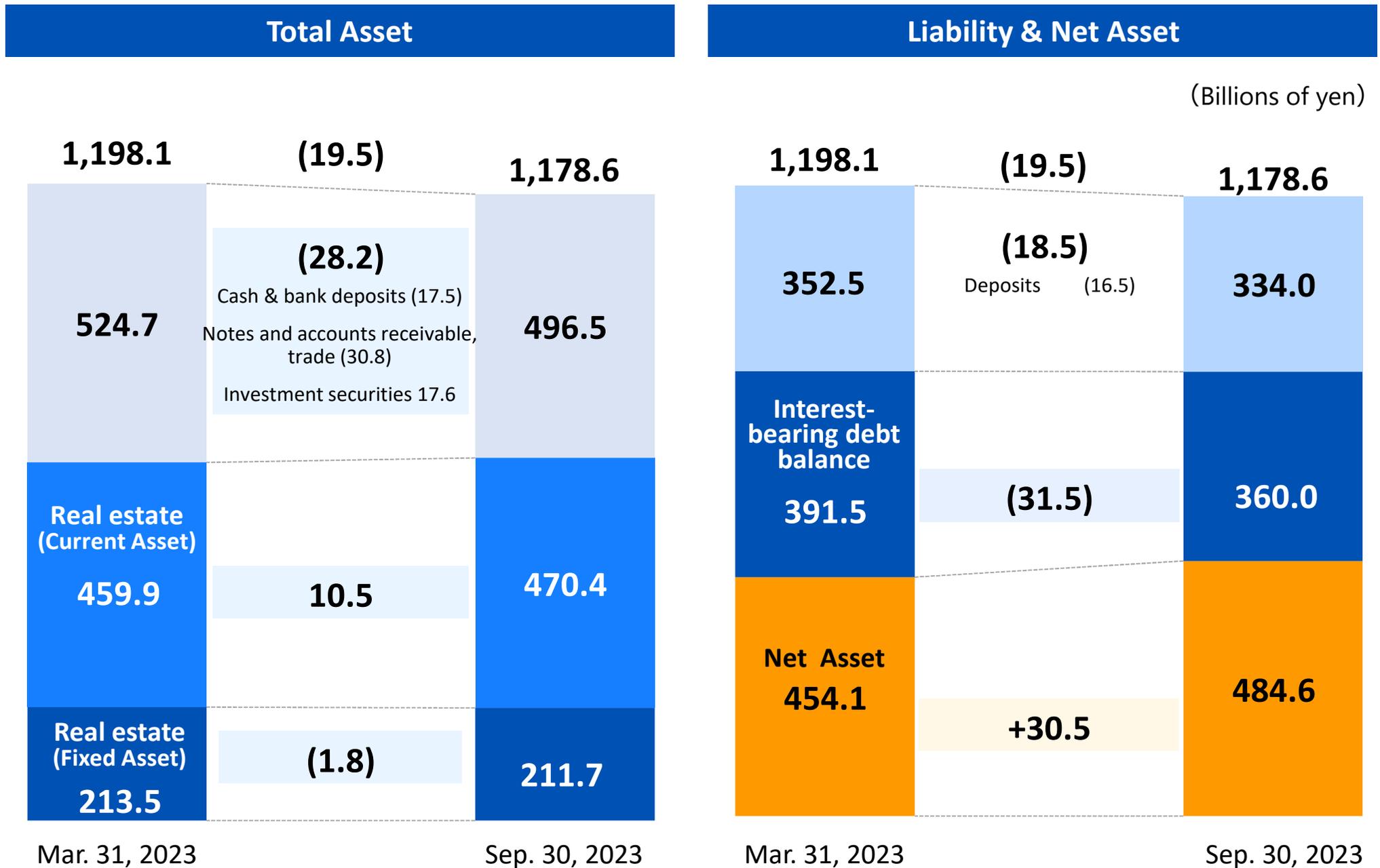
## Consignment Sales



## Real estate brokerage

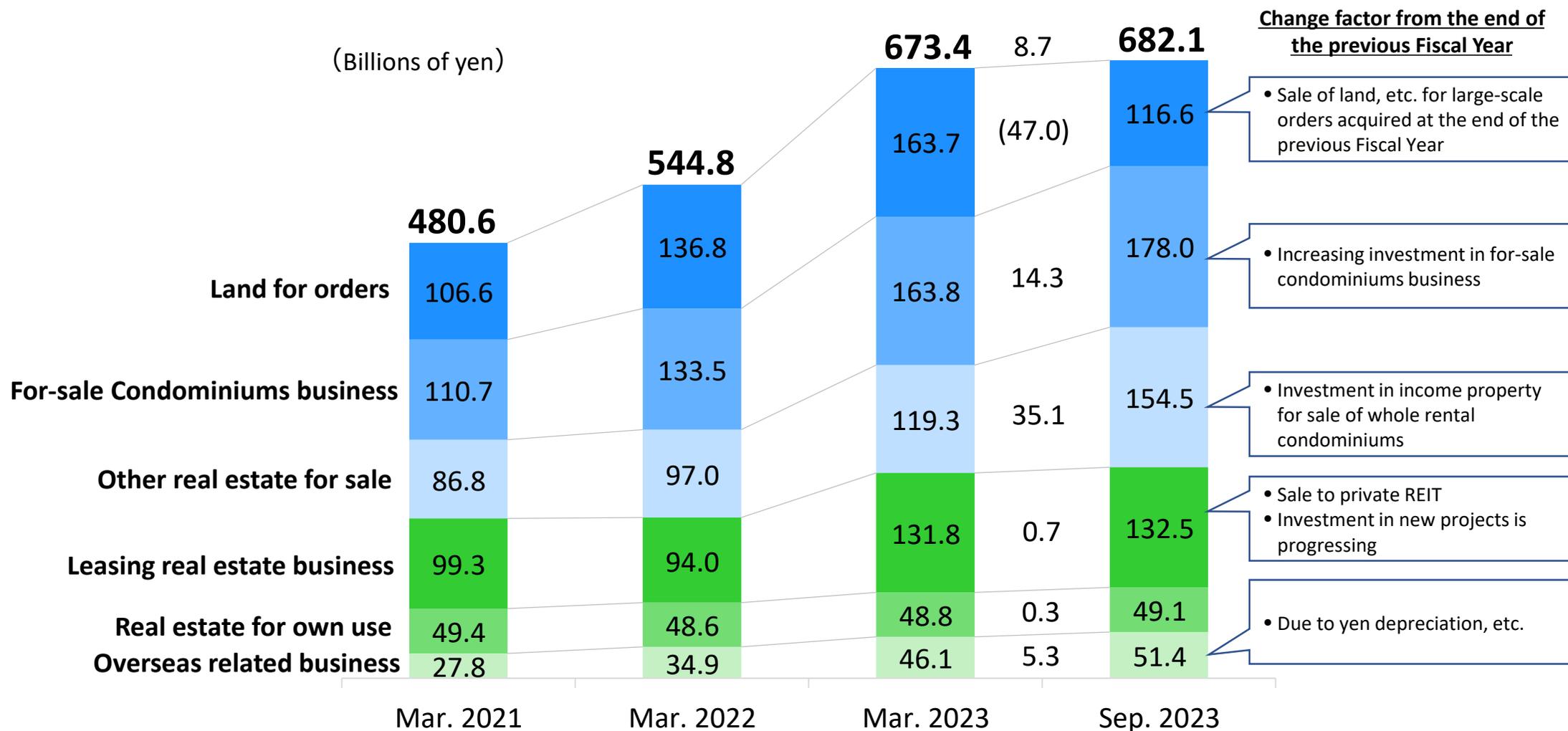


# Main factors for changes in Consolidated Balance Sheets



(Note) Real estate (Current Asset) : Real estate for sale + Cost and advances for real estate operations + Real estate for development projects  
 Real estate (Fixed Asset) : Property and equipment Land leasehold rights

# Breakdown of Real estate balance by use

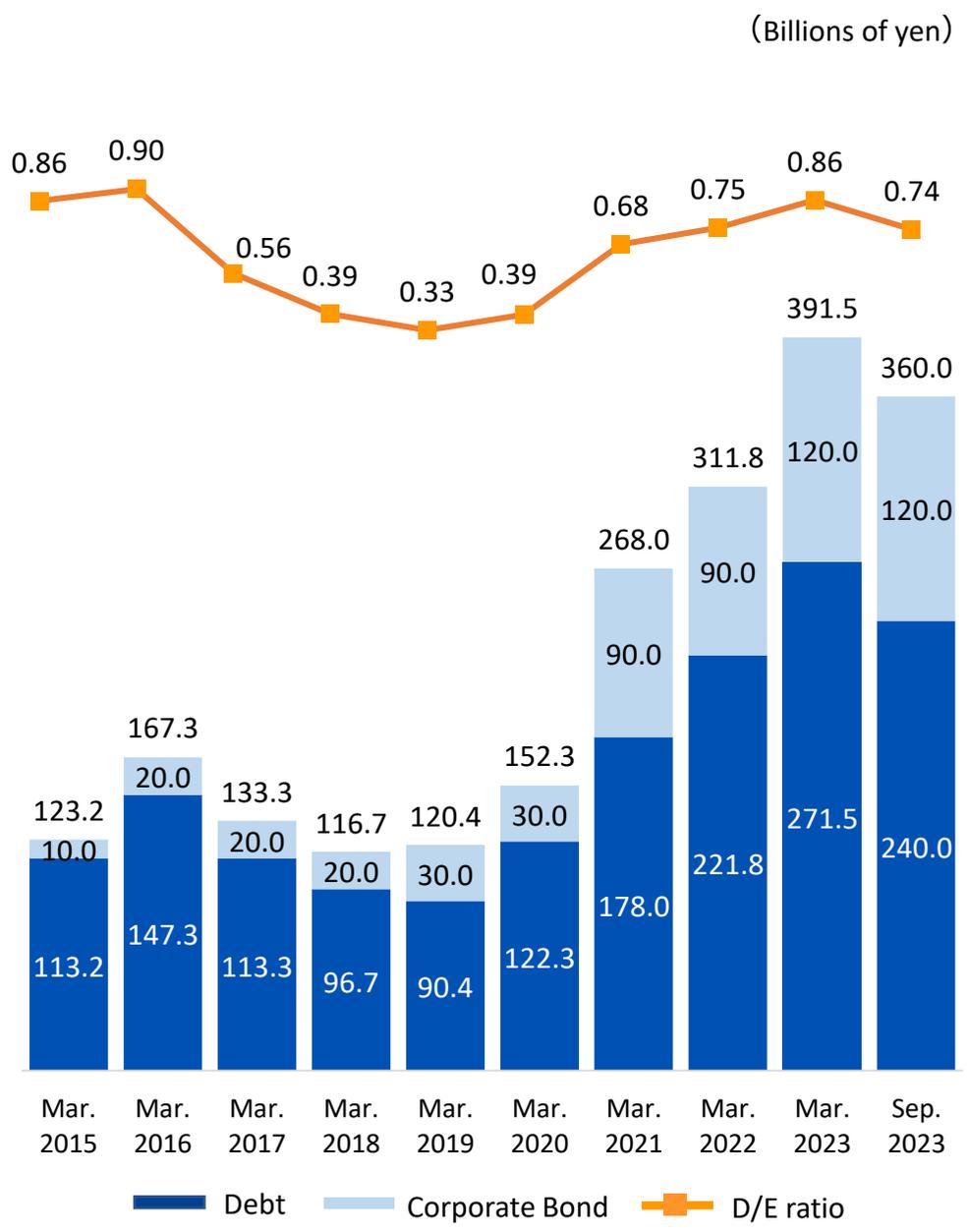


The above real estate balance are total of Real estate for sale, Costs and advances for real estate operations, Real estate for development projects, Property and equipment Land leasehold rights on Consolidated Balance Sheets

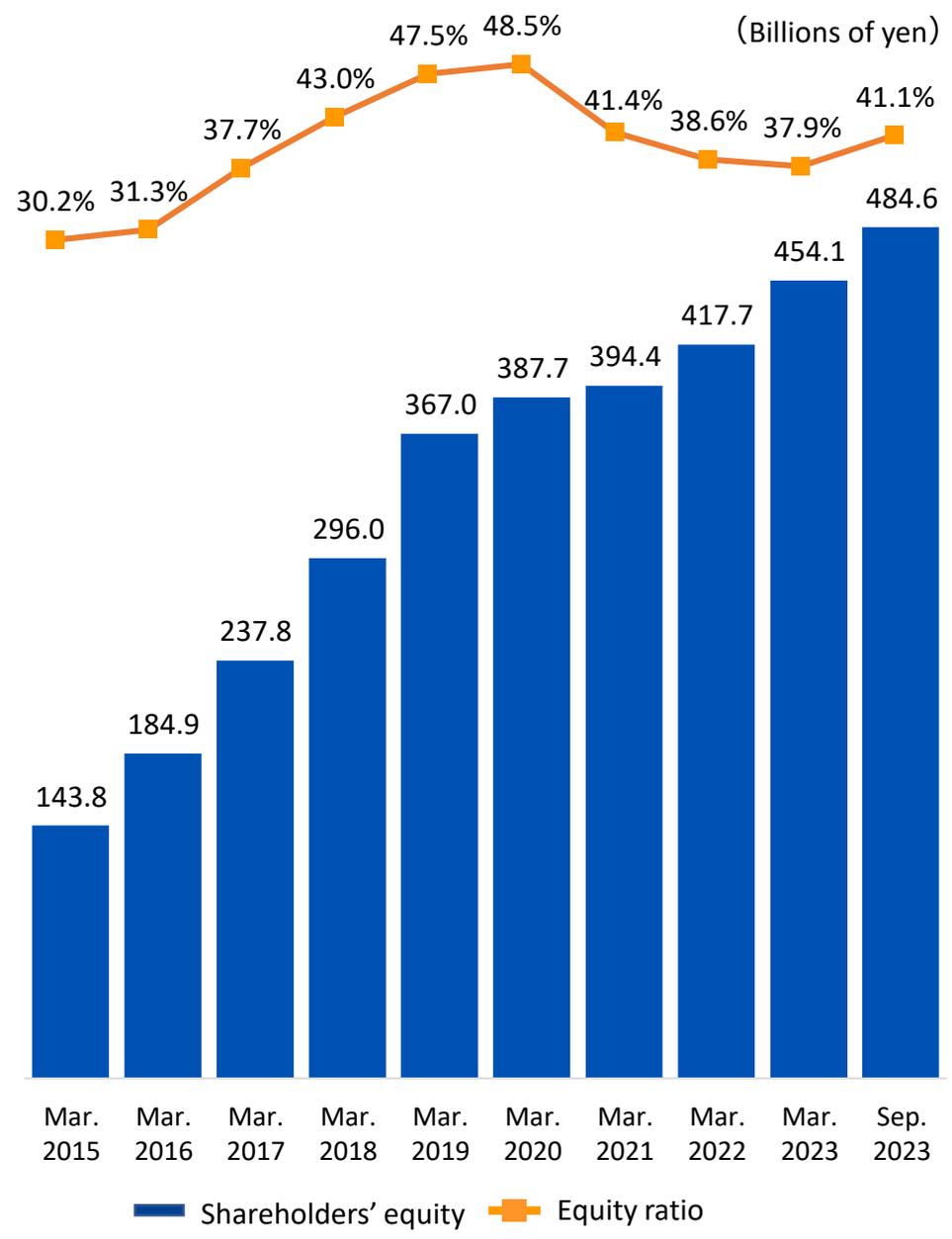
- **Land for orders:** Land for receiving construction orders, etc. by providing land for project owners
- **For-sale Condominium business:** For-sale condominiums business and new for-sale houses business
- **Other real estate for sale:** Income property for sale of whole rental condominiums, renovation business, etc.
- **Leasing real estate business:** Including sales to Private REIT
- **Real estate for own use:** Paid facilities for the elderly, Technical research institutes, and others
- **Overseas related business:** Development in Hawaii State

# Interest-bearing debt and Shareholders' equity

## Interest-bearing debt



## Shareholder's equity



# Consolidated Cash Flow

(Billions of yen)

	FY2022 1H	FY2023 1H	Change
<b>Net cash provided by (used in) operating activities</b>	<b>(39.7)</b>	<b>44.0</b>	<b>83.7</b>
Income before income taxes	36.6	43.3	6.7
Decrease (increase) in notes and accounts receivable	15.2	30.8	15.7
Decrease (increase) in inventories	(19.2)	3.9	23.1
Income taxes paid	(17.6)	(20.0)	(2.4)
<b>Net cash provided by (used in ) operating activities</b>	<b>(24.4)</b>	<b>(23.8)</b>	<b>0.6</b>
Purchases of property, equipment and intangible asset	(14.7)	(13.2)	1.5
Payment for purchase of investment securities	(8.6)	(10.5)	(1.9)
<b>Free Cash Flow</b>	<b>(64.1)</b>	<b>20.2</b>	<b>84.3</b>
<b>Net cash provided by (used in ) financing activities</b>	<b>(14.5)</b>	<b>(42.7)</b>	<b>(28.2)</b>
Increase (decrease) in short-term borrowings, net	-	(31.5)	(31.5)
Cash dividends paid	(12.5)	(11.1)	1.4
<b>Cash and cash equivalents at end of the period</b>	<b>188.0</b>	<b>187.1</b>	<b>(0.9)</b>

# Topics



# “Sustaina Branche Hongyotoku” ~ Project for Future Creative Residence ~

- Residential experimental house that aims to create a future residence that utilizes advanced technology and has net-zero CO2 emissions by completely renovating an existing house.
- Adopted project of "Next Generation Housing Project 2022" of Ministry of Land, Infrastructure, Transport and Tourism

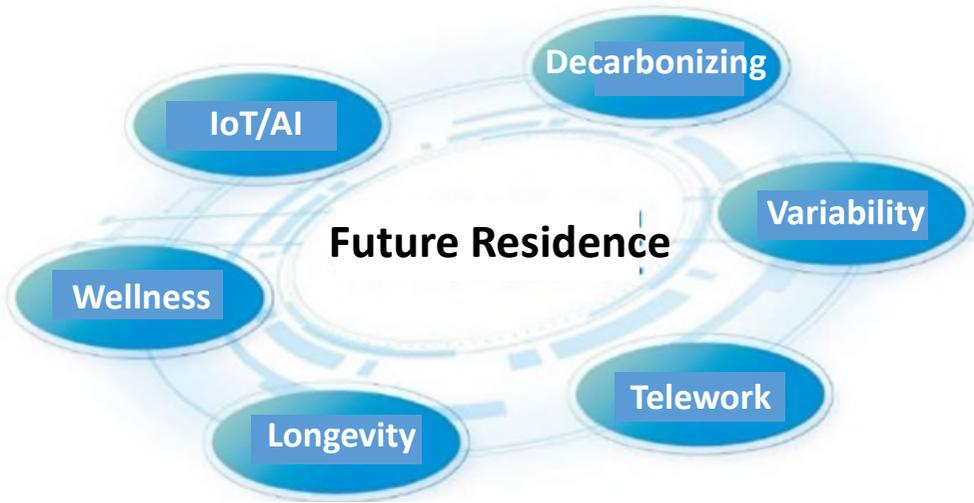
**Aiming for net-zero CO2 emissions by improving the energy efficiency of homes and using renewal energy**

**Residential experimental house for future residence creation with smart home system**

- ◆ Renovation with the same functions as a new building using the existing building
- ◆ Update insulation efficiency, Low-E multi-layered glass, and LED lighting
- ◆ Renovation of infrastructure facilities to all-electric
- ◆ Installation of SPG equipment on roofs, outer walls, and balcony handrails
- ◆ Adoption of pure hydrogen fuel cell
- ◆ Introduced “Kenes Green Supply®” environmental value plan of Kanden Energy Solution Co., Inc.

- ◆ Enhancement of crime prevention measures using image analysis by AI
- ◆ Contribution to improved logistics efficiency (reduction of redeliveries) by combining delivery trunk room to each house and unlocking with smart lock at the entrance
- ◆ Verification of sleep quality and fatigue recovery effects by lighting, temperature and humidity, and images using IoT devices

Before renovation



Research and technology development for the future (image)

# GREEN RENOVATION ~ Environmentally friendly renovation~ (Sustaina Branche Hongyotoku)

■ Through improved energy efficiency and renewable energy, Sustaina Branche Hongyotoku has become the first existing renovated property in Japan to achieve net-zero CO<sub>2</sub> emissions during building operations.

## Adoption of solar power generation on rooftops, walls, and glass handrails



Rooftop



Wall surface



Glass handrails

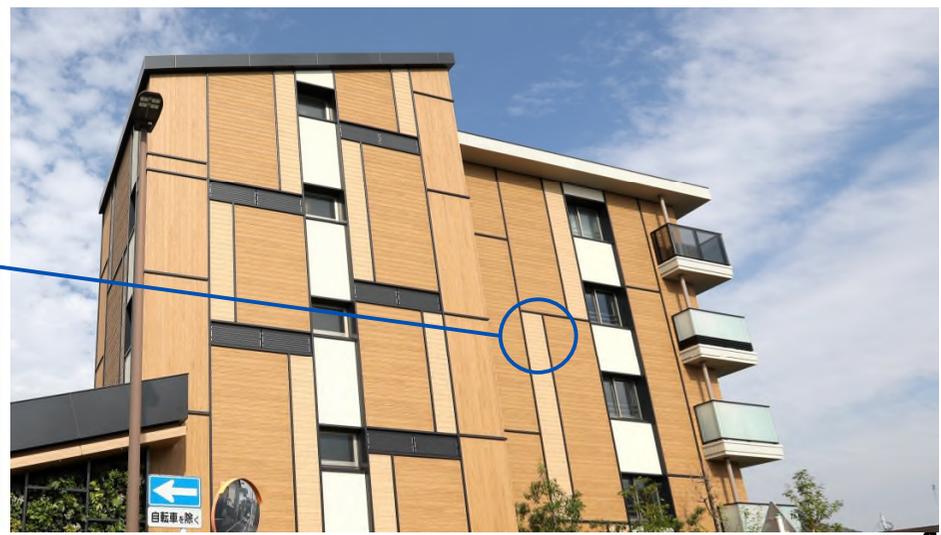
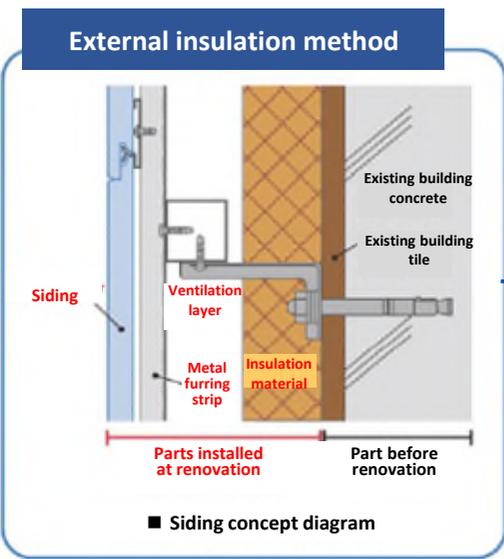
## Adoption of pure hydrogen fuel cells

Contributes to carbon neutrality by using hydrogen



## Adoption of siding exterior thermal insulation

By using external siding insulation over the existing tiles, ensuring the performance of the exterior skin according to ZEH-M-oriented standards.

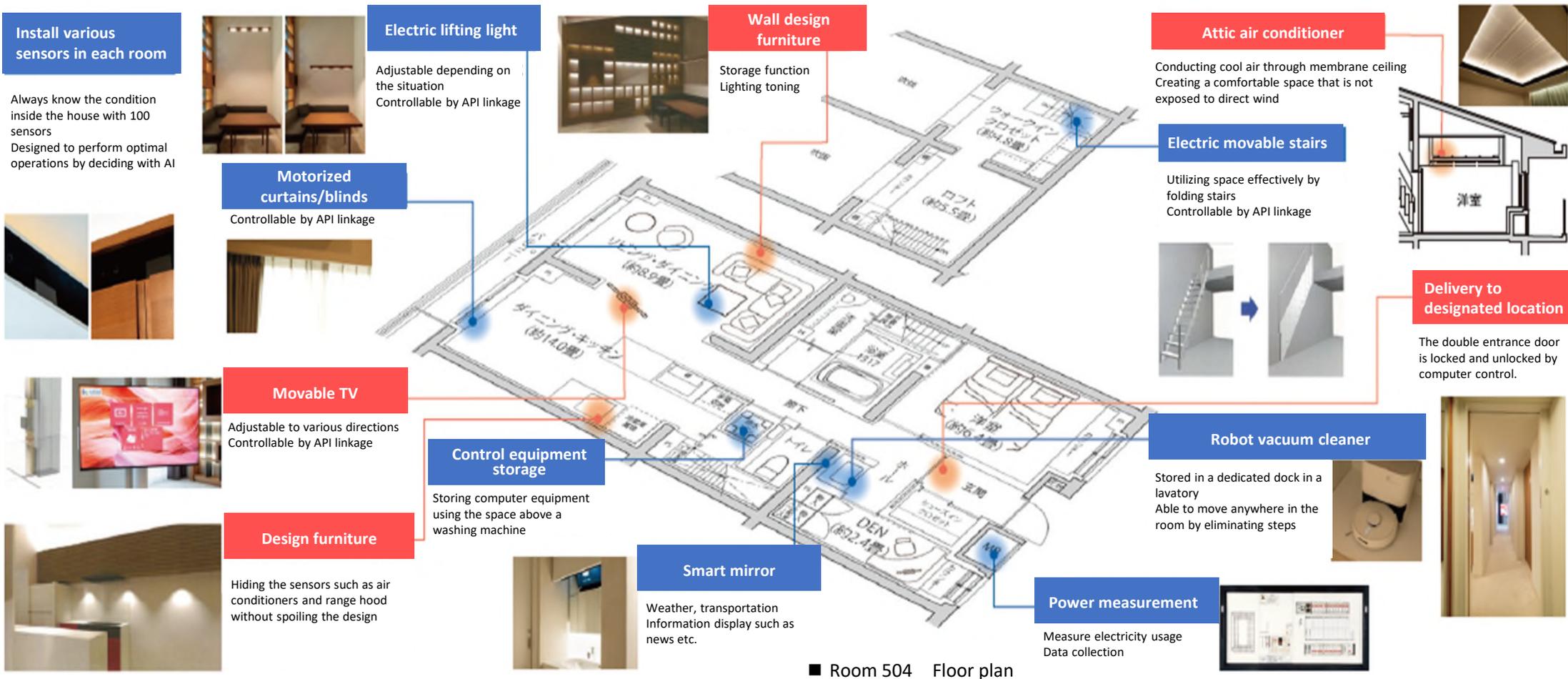


Thirteen of the 36 units are designed as experimental housing to test new habitability and different tests are conducted in each room.

## IoT+AI Smart Housing

In collaboration with Dean Sakamura of Toyo University for Faculty of Information Networking for Innovation and Design, collaboration Hub for University and Business (INIAD cHUB), to connect the equipment in residences through IoT, everything can be controlled by AI.

We will verify the concept of next-generation smart homes and collect data from various angles, promote research and technology development aimed at creating new home value.



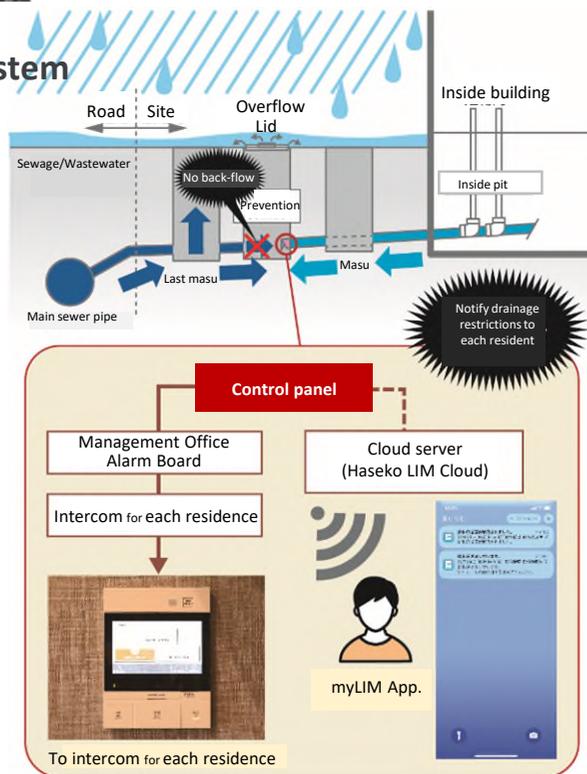
## Anomaly detection system using AI image recognition

By pre-registering the faces of specific people who often enter the condominium, such as residents and delivery workers, a facial recognition camera installed at the entrance can allow only those specific people into the condominium. AI detects anomalies from images taken by security cameras installed in condominiums and notifies building owners and residents.



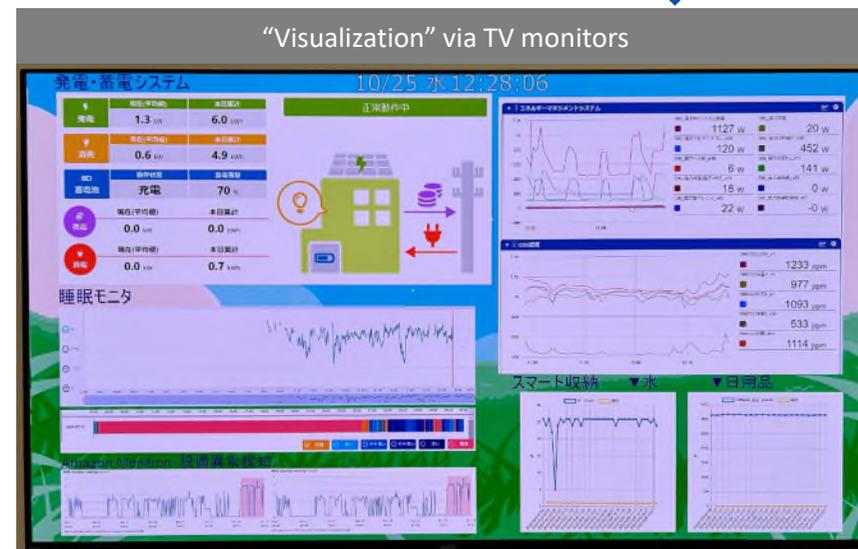
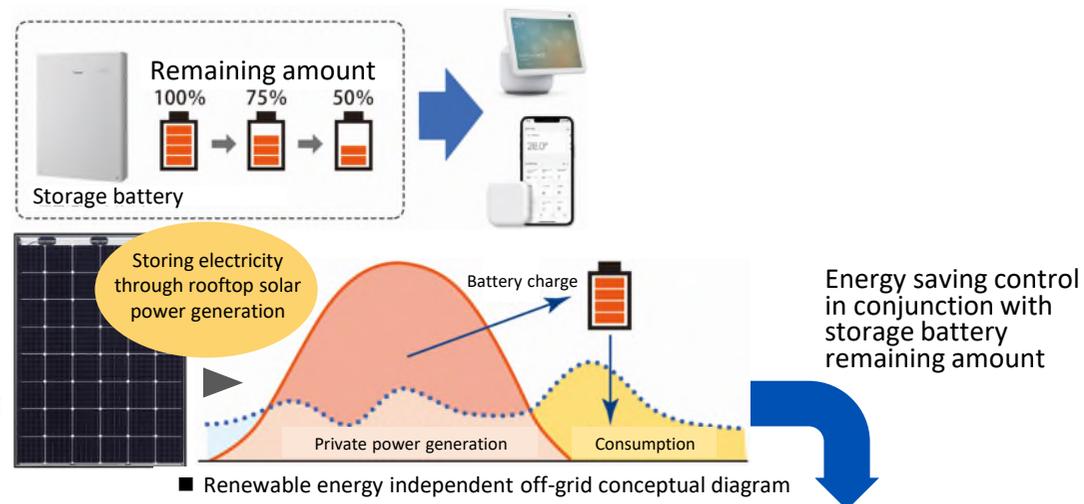
## Drain backflow prevention system

When a situation occurs in which wastewater flowing through sewer pipes backs up due to torrential rain and flows into the condominium, sensors detect the situation and notify drainage restrictions to each resident through the intercom or the proprietary app "myLIM App."



## Renewable energy independent off-grid

This condominium alone is equipped with 4kW of solar power generation and 6.5kWh of storage batteries, and we are testing a lifestyle that relies only on renewable energy without using grid power. Rather than not using necessary home appliances, home appliances are automatically controlled to energy-saving mode depending on the remaining battery capacity, allowing you to maintain a comfortable lifestyle. By collecting lifestyle information such as energy consumption, temperature and humidity, CO2 concentration, daily necessities, and sleep quality and projecting it onto the wall-mounted TV to make it visible, you can create smarter lifestyles and new business models.



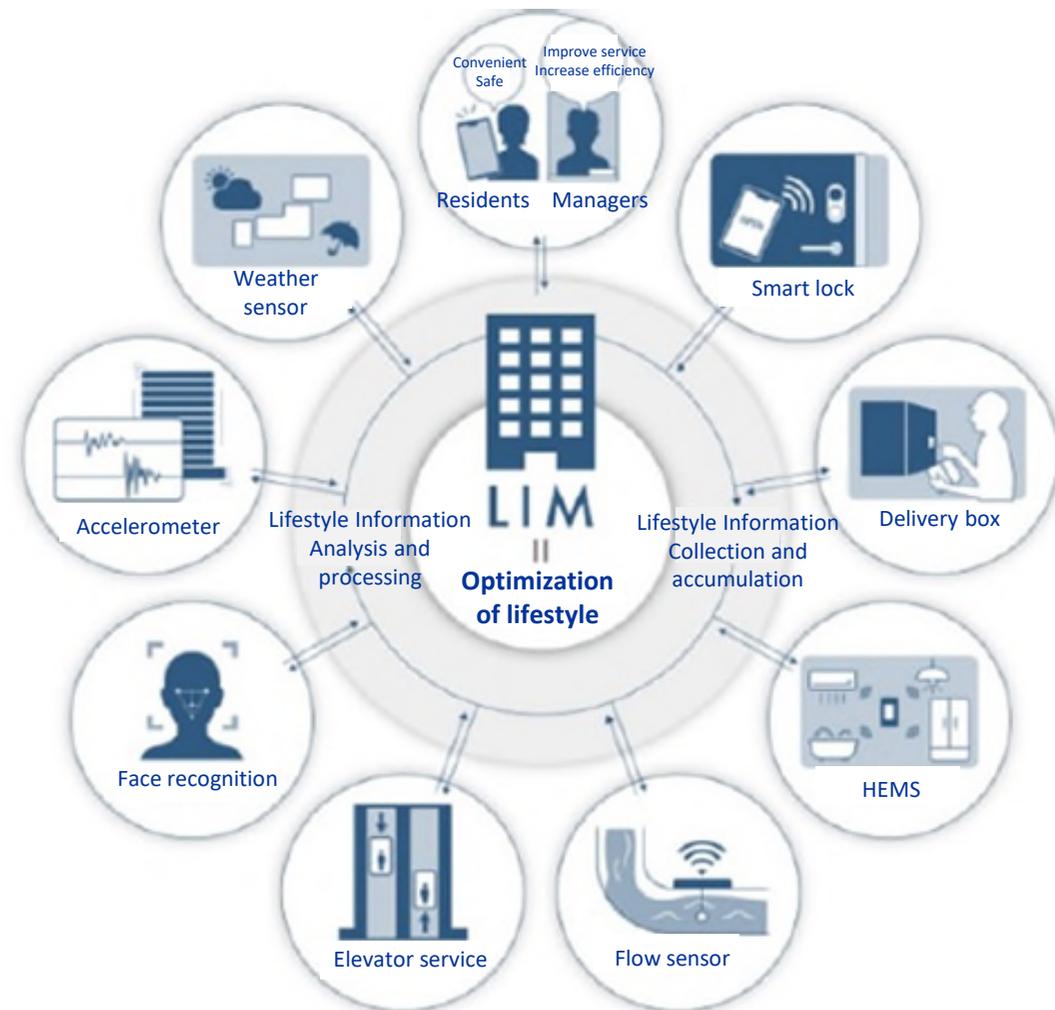
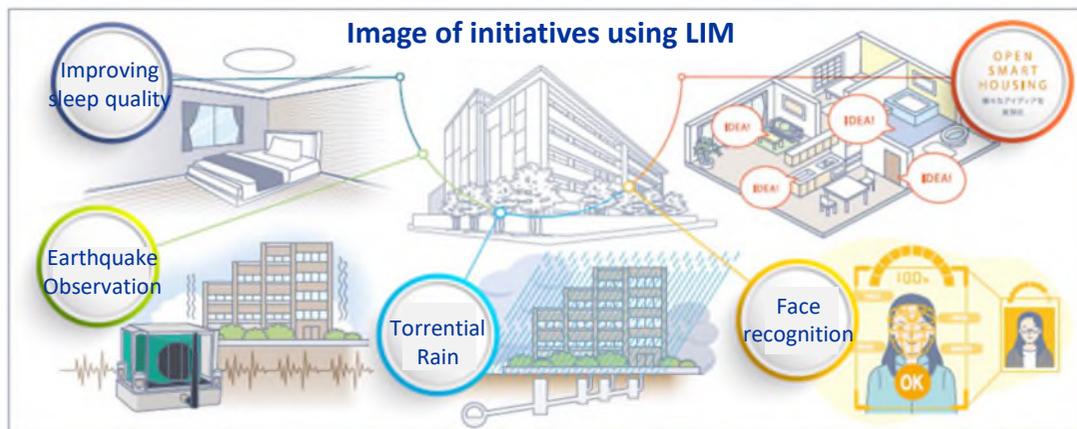
# Verification of "LIM" (Sustaina Branche Hongyotoku)

- "LIM (Living Information Modeling)" is Haseko's original concept utilizing "Lifestyle information" provided in condominiums.
- By utilizing IoT devices and AI technology, we will verify the efforts to sophisticate existing businesses using data and create new value.

## About "LIM"

We have developed a concept called LIM (Living Information Modeling) that utilizes information related to life in condominiums, such as the condition of the building, the usage of facilities since the residents started living in the condominium, as well as the life logs (living data) of the residents.

Information obtained from condominiums is accumulated and aggregated in LIM CLOUD, and by analyzing and processing this data, we provide safe, secure, and comfortable living for residents, and utilize it to maintain and improve the asset value of the building.



# Promotion of redevelopment and reconstruction project

- Acquiring condominium land is becoming difficult due to competition from other uses, and redevelopment and rebuilding are becoming more important.
- We will continue to steadily work on rebuilding deteriorated housing complexes as a particularly important factor.

## Minamikojiwa 7-chome Station Area Type 1 Urban Redevelopment Project

<Construction area of urban redevelopment project>

<Image from the traffic plaza side>



\* Based on the Edogawa-ku website

Created by Minamikojiwa 7-chome District Urban Redevelopment Preparation Association

Name	Minamikojiwa 7-chome station area type 1 urban redevelopment project	
Place	Part of Minamikojiwa 7-chome, Edogawa-ku, Tokyo	
Construction area	Approx. 1.5ha	
Building details	Building area	Approx. 11,990m <sup>2</sup>
	Total area	Approx. 155,000m <sup>2</sup>
	Highest limit	GL+160m
	Main use	Stores, public facilities, residence, childcare facilities, parking lots, bicycle parking lots

## Tamagawa housing “Ni-mune” apartment complex reconstruction



\* As of Aug. 2023

Park entrance completion image

Project Name	Tamagawa housing “Ni-mune” apartment complex reconstruction
Place	Nishi-izumi 2-chome, Komae-shi / Somechi 3-chome, Chofu-shi
Contractor	Tamagawa Housing Ni-mune Apartment Reconstruction Association
Site area	52,348.00m <sup>2</sup>
Building area	19,410.15m <sup>2</sup>
Total area	101,933.69m <sup>2</sup>
Building heights	36.91m
Main use	Residence
Residence units	1,217units (The number of for-sale condominium units is undecided)
Schedule	FY2023 Rights conversion
	FY2024 Construction start
	FY2027 Completion of 1st section
	FY2028 Completion of 2nd section

# Promoting environmentally friendly concrete “H-BA Concrete”

- HASEKO's uniquely developed environmentally friendly concrete "H-BA Concrete" has received "Special Evaluation Method Certification" from MLIT.
- H-BA Concrete can now be adopted for condominiums with housing performance indicators.

## Renai Esaka Enokicho



Environmentally friendly concrete developed by HASEKO Corporation

For the first time, "H-BA Concrete" (patented) will be fully adopted for the building's foundation, ground frame, and attached facilities. Approximately 7,560 m<sup>3</sup> of concrete used in the construction of Renai Esaka Enokicho will be converted into H-BA concrete, as a result approximately 378 tons of greenhouse gas (CO<sub>2</sub>) emissions (equivalent to the amount absorbed by approximately 27,000 cedar trees in one year) is expected to be reduced.

In addition, the adoption of "H-BA concrete" in condominiums that use housing performance indicators will be the first time in the Kansai area.

Place	12-24 Enokicho, Suita-shi, Osaka
Units	149 units
Structure/Scale	Reinforced concrete construction, 11 stories above ground
Developer	Sohgoh Real Estate, Co., Ltd.
Completion	Scheduled for December 2024

# Reference Information

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# Summary of Consolidated Income Statements

Billions of yen

	FY2022	FY2023	Change		FY2023 Forecast		FY2022	FY2023 Forecast		
	1H < A >	1H < B >	Amount < B - A >	%	Interim < C >	< B-C >	Result < D >	Annual < E >		Progress
<b>Net sales</b>	<b>446.4</b>	<b>523.0</b>	<b>76.6</b>	<b>17.1%</b>	<b>530.0</b>	<b>(7.0)</b>	<b>1,027.3</b>	<b>1,080.0</b>	<b>52.7</b>	<b>48.4%</b>
Construction contracts	230.0	261.9	31.9	13.9%	250.0	11.9	502.4	530.0	27.6	49.4%
Design and supervision	3.8	3.6	(0.2)	( 4.5%)	3.5	0.1	11.8	12.0	0.2	30.3%
Leasing and management	42.0	44.7	2.7	6.4%	44.5	0.2	86.6	90.0	3.4	49.7%
Real estate sale	161.6	203.3	41.7	25.8%	223.0	(19.7)	408.5	430.0	21.5	47.3%
Others	9.0	9.5	0.5	5.3%	9.0	0.5	18.0	18.0	0.0	52.7%
<b>Gross profit</b>	<b>71.9</b>	<b>79.2</b>	<b>7.3</b>	<b>10.1%</b>	<b>78.0</b>	<b>1.2</b>	<b>161.3</b>	<b>164.0</b>	<b>2.7</b>	<b>48.3%</b>
Construction contracts	39.2	39.6	0.4	1.0%	40.0	(0.4)	83.3	85.0	1.7	46.6%
[Profit ratio of construction contracts]	17.1%	15.1%	(2.0p)		16.0%	(0.9p)	16.6%	16.0%	(0.6p)	
Design and supervision	2.1	1.9	(0.2)	( 10.9%)	1.5	0.4	6.4	6.0	(0.4)	31.3%
Leasing and management	9.3	10.3	0.9	9.7%	9.5	0.8	19.3	19.5	0.2	52.6%
Real estate sale	19.6	25.7	6.2	31.6%	25.5	0.2	49.9	51.0	1.1	50.5%
Others	1.7	1.7	0.1	3.3%	1.5	0.2	2.4	2.5	0.1	68.9%
Selling, general and administrative expense	34.2	35.9	1.7	5.0%	36.0	(0.1)	71.1	76.0	4.9	47.3%
<b>Operating income</b>	<b>37.7</b>	<b>43.3</b>	<b>5.6</b>	<b>14.8%</b>	<b>42.0</b>	<b>1.3</b>	<b>90.2</b>	<b>88.0</b>	<b>(2.2)</b>	<b>49.2%</b>
[Operating income ratio]	8.4%	8.3%	(0.1p)		7.9%	0.4p	8.8%	8.1%	(0.7p)	
Financial income (expenses) *	(1.9)	(0.9)	1.0		(3.3)	2.4	(3.1)	(5.5)	(2.4)	
Others, net	0.8	0.9	0.1		0.3	0.6	1.2	0.5	(0.7)	
<b>Ordinary income</b>	<b>36.6</b>	<b>43.3</b>	<b>6.7</b>	<b>18.3%</b>	<b>39.0</b>	<b>4.3</b>	<b>88.3</b>	<b>83.0</b>	<b>(5.3)</b>	<b>52.1%</b>
[Ordinary income ratio]	8.2%	8.3%	0.1p		7.3%	1.0p	8.6%	7.7%	(0.9p)	
Special income (losses), net	(0.0)	(0.0)	0.0		-	(0.0)	(0.9)	-	0.9	
Income before income taxes	36.6	43.3	6.7	18.3%	39.0	4.3	87.3	83.0	(4.3)	52.1%
Current tax	11.2	13.8	2.6				29.1	} 27.5	(0.5)	
Deferred tax	0.6	0.7	0.1		13.0	1.5	(1.1)			
Net income attributable to non-controlling interests	(0.0)	0.0	0.0				(0.0)			
<b>Net Income attributable to owners of parent</b>	<b>24.7</b>	<b>28.7</b>	<b>4.0</b>	<b>16.0%</b>	<b>26.0</b>	<b>2.7</b>	<b>59.3</b>	<b>55.5</b>	<b>(3.8)</b>	<b>51.7%</b>

Depreciation and amortization, excluding goodwill-amortization	3.0	3.5	0.6	18.8%
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\*Interest income + Dividend income - Interest expense - Interest on bonds - Incidental loan expenses, etc.

# Summary of Non-Consolidated Income Statements

Billions of yen

	FY2022	FY2023	Change		FY2023 Forecast		FY2022	FY2023 Forecast		
	1H	1H	Amount < B - A >	%	Interim		Result <D>	<E>	Annual	
	< A >	< B >			<C>	<B-C>			<E-D>	Progress
<b>Net sales</b>	<b>312.3</b>	<b>375.0</b>	<b>62.7</b>	<b>20.1%</b>	<b>380.0</b>	<b>(5.0)</b>	<b>706.2</b>	<b>730.0</b>	<b>23.8</b>	<b>51.4%</b>
Construction contracts	195.0	222.7	27.7	14.2%	210.0	12.7	425.7	450.0	24.3	49.5%
Commissioned works	2.8	3.3	0.5	18.9%	3.0	0.3	6.4	6.0	(0.4)	55.2%
Design and supervision	4.3	4.1	(0.2)	( 3.7%)	4.0	0.1	13.1	13.0	(0.1)	31.5%
Lease rentals of buildings	2.7	3.0	0.4	13.9%	3.0	0.0	5.5	6.0	0.5	50.3%
Real estate sale	107.6	141.8	34.2	31.8%	160.0	(18.2)	255.4	255.0	(0.4)	55.6%
<b>Gross profit</b>	<b>46.2</b>	<b>51.6</b>	<b>5.4</b>	<b>11.8%</b>	<b>50.5</b>	<b>1.1</b>	<b>95.4</b>	<b>100.0</b>	<b>4.6</b>	<b>51.6%</b>
Construction contracts	32.7	32.7	0.0	0.1%	33.0	(0.3)	68.4	70.0	1.6	46.7%
Commissioned works	2.1	2.2	0.1	4.0%	1.5	0.7	4.4	3.5	(0.9)	61.8%
[Profit ratio of construction works]	17.6%	15.4%	( 2.2p)		16.2%	( 0.8p)	16.8%	16.1%	( 0.7p)	
Design and supervision	2.4	2.1	(0.3)	( 11.0%)	2.0	0.1	7.1	6.5	(0.6)	32.2%
Lease rentals of buildings	1.0	0.9	(0.1)	( 8.7%)	1.0	(0.1)	1.7	2.0	0.3	45.1%
Real estate sale	8.1	13.8	5.7	70.1%	13.0	0.8	13.8	18.0	4.2	76.6%
Selling, general and administrative expense	19.8	20.6	0.8	4.2%	20.5	0.1	41.5	44.0	2.5	46.8%
<b>Operating income</b>	<b>26.4</b>	<b>31.1</b>	<b>4.6</b>	<b>17.5%</b>	<b>30.0</b>	<b>1.1</b>	<b>53.9</b>	<b>56.0</b>	<b>2.1</b>	<b>55.5%</b>
[Operating income ratio]	8.5%	8.3%	( 0.2p)		7.9%	0.4p	7.6%	7.7%	0.1p	
Financial income (expenses) *	7.4	11.2	3.8		8.7	2.5	8.0	9.2	1.2	
Others, net	0.5	0.7	0.2		0.3	0.4	0.6	0.8	0.2	
<b>Ordinary income</b>	<b>34.3</b>	<b>42.9</b>	<b>8.7</b>	<b>25.3%</b>	<b>39.0</b>	<b>3.9</b>	<b>62.5</b>	<b>66.0</b>	<b>3.5</b>	<b>65.1%</b>
[Ordinary income ratio]	11.0%	11.5%	0.5p		10.3%	1.2p	8.8%	9.0%	0.2p	
Special income (losses), net	(0.0)	0.0	0.0		-	0.0	(0.3)	-	0.3	
Income before income taxes	34.3	42.9	8.7	25.3%	39.0	3.9	62.2	66.0	3.8	65.1%
Current tax	7.3	9.8	2.5		9.0	1.4	17.1	18.0	1.4	
Deferred tax	0.7	0.6	(0.1)				(0.5)			
<b>Net income</b>	<b>26.3</b>	<b>32.5</b>	<b>6.3</b>	<b>23.9%</b>	<b>30.0</b>	<b>2.5</b>	<b>45.6</b>	<b>48.0</b>	<b>2.4</b>	<b>67.8%</b>
Depreciation and amortization, excluding goodwill-amortization	1.8	2.0	0.2	11.5%						

\*Interest income + Dividend income - Interest expense - Interest on bonds - Incidental expenses for loan, etc.

# Summary of Consolidated Balance Sheets

Billions of yen

	31-Mar-23	30-Sep-23	Change			31-Mar-23	30-Sep-23	Change	
			Amount	%				Amount	%
<b>Current assets:</b>	<b>869.2</b>	<b>834.3</b>	<b>(34.9)</b>	<b>(4.0%)</b>	<b>Current liabilities:</b>	<b>378.8</b>	<b>337.0</b>	<b>(41.8)</b>	<b>(11.0%)</b>
Cash and bank deposits	206.6	189.1	(17.5)	(8.5%)	Notes and accounts payable	93.2	88.6	(4.6)	(4.9%)
Notes and accounts receivable, trade	169.1	138.4	(30.8)	(18.2%)	Electronically recorded obligations	63.9	64.3	0.4	0.7%
Negotiable Certificates of Deposit	4.6	0.9	(3.7)	(81.2%)	Short-term debt	31.5	-	(31.5)	(100.0%)
Costs on uncompleted construction contracts	12.1	14.3	2.3	19.0%	Current portion of long-term debt	10.0	20.0	10.0	100.0%
Real estate for sale	217.0	184.0	(32.9)	(15.2%)	Current portion of bonds	20.0	20.0	-	-%
Cost and advances for real estate operations	212.6	252.6	40.0	18.8%	Advances received on uncompleted construction contracts	28.6	32.4	3.8	13.2%
Real estate for development projects	30.3	33.7	3.4	11.3%	Deposits	45.6	29.1	(16.5)	(36.2%)
Other current assets	16.9	21.3	4.4	25.9%	Other current liabilities	86.0	82.6	(3.4)	(3.9%)
Allowance for doubtful accounts	(0.1)	(0.1)	(0.1)	-%	<b>Long-term liabilities:</b>	<b>365.2</b>	<b>356.9</b>	<b>(8.3)</b>	<b>(2.3%)</b>
					Straight bonds	100.0	100.0	-	-%
					Long-term debt	230.0	220.0	(10.0)	(4.3%)
					Net defined benefit liability	1.6	1.7	0.1	4.6%
					Provision for loss on litigation	2.8	3.1	0.3	9.5%
					Other long-term liabilities	30.8	32.1	1.4	4.5%
					<b>Total liabilities</b>	<b>744.0</b>	<b>694.0</b>	<b>(50.0)</b>	<b>( 6.7%)</b>
<b>Fixed assets:</b>	<b>328.9</b>	<b>344.3</b>	<b>15.4</b>	<b>4.7%</b>	<b>Shareholders' Equity:</b>	<b>455.1</b>	<b>473.1</b>	<b>18.0</b>	<b>4.0%</b>
Property and equipment, Land leasehold rights	213.5	211.7	(1.8)	( 0.8%)	Capital stock	57.5	57.5	-	-%
Goodwill	2.2	2.1	(0.1)	(4.7%)	Capital surplus	7.4	7.4	-	-%
Investment securities	61.2	78.8	17.6	28.8%	Retained earnings	427.9	445.5	17.6	4.1%
Deferred tax assets	10.8	9.0	(1.7)	(15.9%)	Treasury stock	(37.6)	(37.2)	0.4	-%
Other fixed assets	42.0	43.4	1.4	3.3%	<b>Accumulated Other Comprehensive Income:</b>	<b>(1.0)</b>	<b>11.5</b>	<b>12.5</b>	<b>-%</b>
Allowance for doubtful accounts	(0.8)	(0.8)	0.0	-%	Net unrealized gain on other securities	0.7	4.3	3.6	508.3%
					Translation adjustments	5.2	13.7	8.4	160.8%
					Retirement benefits liability adjustments	(7.0)	(6.5)	0.5	-%
					<b>Non-controlling interests</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>25.7%</b>
					<b>Total net assets</b>	<b>454.1</b>	<b>484.6</b>	<b>30.5</b>	<b>6.7%</b>
<b>Total assets</b>	<b>1,198.1</b>	<b>1,178.6</b>	<b>(19.5)</b>	<b>( 1.6%)</b>	<b>Total liabilities and net assets</b>	<b>1,198.1</b>	<b>1,178.6</b>	<b>(19.5)</b>	<b>( 1.6%)</b>

# Summary of Cash Flows Statements (Consolidated)

Billions of yen

	March 2023 Interim < A >	March 2024 Interim < B >	Change Amount < B - A >	March 2023 Result
Income before income taxes	36.6	43.3	6.7	87.3
Depreciation and amortization	3.0	3.5	0.6	6.2
Special income (losses)	0.0	0.0	(0.0)	0.9
Amortization of goodwill	0.1	0.1	0.0	0.2
Provision (reversal) of allowance for doubtful accounts, net	0.0	0.0	0.0	(0.0)
Increase (decrease) in provision for loss on litigation	(0.0)	(0.0)	(0.0)	(0.0)
Valuation loss on inventories	-	0.0	0.0	1.6
Decrease (increase) in costs on uncompleted construction contracts	(2.2)	(2.3)	(0.1)	(0.7)
Increase (decrease) in amounts received for uncompleted construction contracts	1.3	3.8	2.5	3.2
Decrease (increase) in notes and accounts receivable	15.2	30.8	15.7	(21.2)
Increase (decrease) in notes, accounts payable and accrued expenses	(11.9)	(4.2)	7.7	15.1
Decrease (increase) in inventories	(19.2)	3.9	23.1	(97.4)
Increase (decrease) in deposits	(31.7)	(16.5)	15.2	(5.4)
Others	(13.2)	1.6	14.8	(13.6)
Income taxes paid	(17.6)	(20.0)	(2.4)	(28.1)
<b>Net cash provided by (used in) operating activities</b>	<b>(39.7)</b>	<b>44.0</b>	<b>83.7</b>	<b>(51.9)</b>
Purchases of property, equipment and intangible assets	(14.7)	(13.2)	1.5	(35.4)
Payment for purchase of investment securities	(8.6)	(10.5)	(1.9)	(18.4)
Others	(1.2)	(0.2)	1.0	(1.6)
<b>Net cash provided by (used in) investing activities</b>	<b>(24.4)</b>	<b>(23.8)</b>	<b>0.6</b>	<b>(55.4)</b>
Increase (decrease) in short-term borrowings, net	-	(31.5)	(31.5)	31.5
Increase in long-term debt	-	-	-	50.0
Repayment of long-term debt	(0.6)	-	0.6	(31.8)
Proceeds from issuance of bonds	-	-	-	30.0
Cash dividends paid	(12.5)	(11.1)	1.4	(23.6)
Purchase of treasury stock	(0.0)	(0.0)	0.0	(3.5)
Incidental expenses for loan	(1.3)	(0.1)	1.2	(1.5)
Others	(0.1)	(0.1)	0.0	(0.3)
<b>Net cash provided by (used in) financing activities</b>	<b>(14.5)</b>	<b>(42.7)</b>	<b>(28.2)</b>	<b>50.8</b>
Effect of exchange rate changes on cash and cash equivalents	1.8	1.3	(0.5)	0.0
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(76.8)</b>	<b>(21.3)</b>	<b>55.6</b>	<b>(56.5)</b>
Cash and cash equivalents at beginning of the year	264.9	208.3	(56.5)	264.9
<b>Cash and cash equivalents at end of the period</b>	<b>188.0</b>	<b>187.1</b>	<b>(0.9)</b>	<b>208.3</b>

# Summary of financial results of Major Subsidiaries

Billions of yen

	FY2022 1H			FY2023 1H			FY2023 Annual forecast		
	Net sales	Ordinary income	Net income	Net sales	Ordinary income	Net income	Net sales	Ordinary income	Net income
Haseko Corporation	312.3	34.3	26.3	375.0	42.9	32.5	730.0	66.0	48.0
<b>Construction-Related Business</b>									
Fuji Kensetsu, Co., Ltd.	14.7	1.4	1.0	16.4	0.7	0.5	38.2	3.3	2.1
Hasec, Inc.	0.4	0.3	0.2	0.4	0.3	0.2	0.8	0.6	0.4
Haseko Furnishing Co., Ltd.*	3.7	0.1	0.1	3.8	0.1	0.1	8.3	0.2	0.2
Hosoda Corporation	7.0	0.2	0.2	6.8	0.0	0.1	22.7	0.9	0.8
<b>Real Estate-Related Business</b>									
Haseko Real Estate Development Holdings, Inc.									
Haseko Real Estate Development, Inc.	17.4	0.7	0.6	12.9	(0.2)	(0.1)	54.0	2.2	1.3
Sohgoh Real Estate, Co., Ltd.	17.1	2.8	1.8	27.7	3.2	2.0	43.7	2.4	1.4
Haseko Homes	0.1	(0.0)	(0.0)	1.4	(0.1)	(0.1)	4.7	0.3	0.2
<b>Service-Related Business</b>									
Haseko Anesis Corporation	6.7	6.0	6.0	7.7	7.0	7.0	8.7	6.8	6.9
Haseko Reform, Inc.	21.0	0.9	0.7	22.1	1.1	0.8	45.1	1.6	1.1
Haseko Livenet, Inc.	18.8	1.8	1.3	22.7	1.9	1.3	53.5	4.8	3.2
Haseko Business Proxy, Inc.	0.9	0.1	0.1	1.1	0.2	0.1	2.2	0.3	0.2
Haseko Urbest, Inc.	4.3	0.5	0.4	5.4	1.4	1.0	12.9	3.5	2.4
Haseko Real Estate, Inc.	15.8	0.6	0.4	29.0	1.2	0.8	59.3	3.5	2.3
Haseko Intec, Inc.	2.3	(0.0)	(0.0)	3.5	0.3	0.2	7.2	0.6	0.4
Haseko Systems, Inc.	4.7	0.8	0.5	4.9	0.7	0.5	10.0	1.4	1.0
Haseko Property Management Holdings, Inc.									
Haseko Community, Inc.	27.4	2.0	1.4	29.9	2.6	1.8	60.2	4.6	3.2
Haseko Community Kyushu, Inc.	1.3	0.1	0.1	1.4	0.1	0.1	2.9	0.2	0.1
Haseko Community Nishinohon, Inc.	0.5	0.0	0.0	0.6	0.0	0.0	1.2	0.1	0.1
Haseko Community Okinawa, Inc.	0.2	0.0	0.0	0.2	0.0	0.0	0.5	0.1	0.1
JOINT PROPERTY, CO., LTD	1.0	0.1	0.1	0.8	0.1	0.0	2.4	0.2	0.1
Haseko Senior Well Design, Co., Ltd.	6.0	0.4	0.4	6.6	0.2	0.1	13.2	0.2	0.4
Furusato, Co., Ltd.	1.0	0.0	0.0	1.1	0.1	0.1	2.1	0.0	0.0
<b>Overseas-Related Business</b>									
Haseko America, Inc.	0.0	(1.5)	(1.5)	0.4	(2.3)	(2.3)	5.6	(2.8)	(2.8)
<b>Consolidated</b>	<b>446.4</b>	<b>36.6</b>	<b>24.7</b>	<b>523.0</b>	<b>43.3</b>	<b>28.7</b>	<b>1,080.0</b>	<b>83.0</b>	<b>55.5</b>

\* On April 1, 2023, Folis Corporation was changed to Haseko Furnishing Co., Ltd.

# Number of units supplied by scale & Sales status in initial month

## Tokyo metropolitan area

	FY2021 (From Apr. 1, 2021 to Mar. 31, 2022)					FY 2022 (From Apr. 1, 2022 to Mar. 31, 2023)					FY 2023 (From Apr. 1, 2023 to Sep. 30, 2023)				
	Supplied			Initial month sales rate		Supplied			Initial month sales rate		Supplied			Initial month sales rate	
	Total	Haseko	Share	Total	Haseko	Total	Haseko	Share	Total	Haseko	Total	Haseko	Share	Total	Haseko
Under 50 units	5,421	-	-	76.8%	-	4,272	-	-	75.2%	-	1,793	-	-	80.7%	-
50 ~ 99 units	8,770	1,055	12.0%	73.8%	74.6%	7,609	1,241	16.3%	75.0%	72.5%	2,664	477	17.9%	70.6%	66.2%
100 ~ 199 units	7,336	3,987	54.3%	72.3%	73.0%	5,901	3,184	54.0%	63.0%	64.2%	2,127	1,050	49.4%	60.6%	68.0%
200 ~ 399 units	4,526	3,109	68.7%	60.8%	58.5%	4,471	2,612	58.4%	70.1%	65.0%	2,159	1,070	49.6%	71.6%	67.9%
400 units or more	6,819	3,137	46.0%	77.4%	68.5%	6,379	2,751	43.1%	70.4%	48.8%	2,969	1,385	46.6%	73.9%	49.8%
Total: Fiscal year base	32,872	11,288	34.3%	72.9%	67.9%	28,632	9,788	34.2%	70.7%	61.1%	11,712	3,982	34.0%	71.4%	61.4%
Of which 20 stories and above	4,487	394	8.8%	—	—	4,099	624	15.2%	—	—	2,295	343	14.9%	—	—
Total: Calendar year base	33,636	11,583	34.4%	(Jan. 21~Dec. 21)		29,569	10,420	35.2%	(Jan. 22~Dec. 22)		16,682	5,636	33.8%	(Jan. 23~Sep. 23)	

## Kansai area (\*excluding Tokai area)

	FY2021 (From Apr. 1, 2021 to Mar. 31, 2022)					FY 2022 (From Apr. 1, 2022 to Mar. 31, 2023)					FY 2023 (From Apr. 1, 2023 to Sep. 30, 2023)				
	Supplied			Initial month sales rate		Supplied			Initial month sales rate		Supplied			Initial month sales rate	
	Total	Haseko	Share	Total	Haseko	Total	Haseko	Share	Total	Haseko	Total	Haseko	Share	Total	Haseko
Under 50 units	2,941	41	1.4%	72.3%	43.9%	3,393	1	0.0%	74.4%	100.0%	939	-	-	72.7%	-
50 ~ 99 units	5,505	630	11.4%	76.4%	72.2%	5,294	345	6.5%	75.7%	63.2%	1,798	165	9.2%	78.9%	75.8%
100 ~ 199 units	5,721	853	14.9%	66.4%	59.8%	5,573	917	16.5%	69.9%	58.3%	1,963	358	18.2%	67.5%	68.2%
200 ~ 399 units	2,851	1,594	55.9%	61.4%	66.1%	1,920	1,076	56.0%	61.7%	63.9%	1,020	521	51.1%	71.3%	70.4%
400 units or more	1,142	630	55.2%	73.4%	69.0%	1,072	506	47.2%	57.9%	51.4%	632	547	86.6%	71.4%	75.1%
Total: Fiscal year base	18,160	3,748	20.6%	70.0%	66.0%	17,252	2,845	16.5%	70.9%	59.8%	6,352	1,591	25.0%	72.5%	72.1%
Of which 20 stories and above	2,525	790	31.3%	—	—	2,450	332	13.6%	—	—	669	169	25.3%	—	—
Excluding studio apartment	14,934	3,748	25.1%	68.2%	66.0%	14,231	2,845	20.0%	69.4%	59.8%	5,247	1,591	30.3%	69.5%	72.1%
Total: Calendar year base	18,951	3,839	20.3%	(Jan. 21~Dec. 21)		17,858	3,188	17.9%	(Jan. 22~Dec. 22)		9,183	2,027	22.1%	(Jan. 23~Sep. 23)	

# Six years Summary

Billions of yen, Thousand shares

	Interim					
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Consolidated</b>						
Net Sales	441.1	414.2	369.9	414.8	446.4	523.0
Operating Income	46.1	43.6	30.9	41.4	37.7	43.3
Ordinary Income	46.4	43.4	30.0	40.9	36.6	43.3
Net income attributable to owners of parent	46.4	30.2	20.5	28.3	24.7	28.7
Total Assets	708.5	766.3	862.8	1,000.8	1,049.5	1,178.6
Inventories *	177.0	191.2	274.6	344.1	389.2	470.4
Property and Equipment, Leasehold rights	132.2	143.8	157.7	163.9	193.2	211.7
Real Estate Balance total	309.3	335.0	432.2	508.0	582.3	682.1
Interest-bearing debt balance	122.3	136.2	241.6	317.3	311.2	360.0
Shareholders' equity	329.7	374.2	387.7	401.5	441.1	484.6
Equity ratio	46.5%	48.8%	44.9%	40.1%	42.0%	41.1%
Net cash provided by (used in) Operating activities	(29.3)	(26.6)	(10.6)	5.1	(39.7)	44.0
Net cash provided by (used in) Investing activities	3.1	(24.5)	(7.4)	(13.9)	(24.4)	(23.8)
Net cash provided by (used in) Financing activities	(6.7)	(5.7)	65.1	31.1	(14.5)	(42.7)
Cash and cash equivalents at end of the period	173.9	155.6	198.9	237.1	188.0	187.1
Number of employees	7,101	7,317	7,603	7,726	7,765	7,978
<b>Non-Consolidated</b>						
Net Sales	334.0	300.2	278.4	268.9	312.3	375.0
Operating Income	41.4	34.4	28.1	25.9	26.4	31.1
Ordinary Income	41.7	54.5	37.5	33.3	34.3	42.9
Net Income	28.6	43.8	29.3	25.4	26.3	32.5
Total Assets	555.1	614.0	729.3	828.1	879.1	978.9
Shareholders' equity	275.9	324.5	341.6	348.2	370.1	398.7
Equity ratio	49.7%	52.9%	46.8%	42.1%	42.1%	40.7%
Order	187.7	186.3	164.2	141.4	162.4	203.6
Number of employees	2,464	2,520	2,486	2,516	2,486	2,507
<b>Outstanding shares</b>						
Common stock (including treasury stock)	300,794	300,794	300,794	300,794	300,794	300,794
Treasury stock	3,409	3,353	13,587	26,146	25,980	28,014
(Treasury stock remaining in the trust)	3,209	3,150	3,043	2,966	2,797	4,829
The average number of shares	297,375	297,423	289,542	274,882	274,792	272,728

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

