

Sansei Landic Co., Ltd.

Supplementary Materials for Consolidated Financial Results for 2Q of FY12/21

August 12, 2021



- Business forecasts revised upward as both sales and profits exceeded the plan and the year-on-year results
- Purchase amount fell below the year-on-year results and plan but the current purchase situation is favorable as the number of projects and number of purchasing contracts are increasing
- Construction business fell below the plan and the year-on-year results
Disclosed the results of investigation as of today regarding our subsidiary's "Possibility of Inappropriate Transactions" released in June. Decided not to make retroactive adjustments in previous years as the effects on prior consolidated financial results are considered to be minimal*

*As stated in the "Notice of Absorption-type Merger of Subsidiary (Simplified Merger and Absorption-type Merger) and Discontinuation of Debt Waiver" as of June 28, 2021, we found out that inappropriate transactions may have been conducted at our consolidated subsidiary One's Life Home. Accordingly, we established an internal investigation committee and have been investigating this matter. We disclosed the results of investigation in the "Results of Investigation into Inappropriate Transactions by a Subsidiary and Future Policy" released today.

Our Response to COVID-19



We will continue to respond flexibly to prevent the spread of COVID-19.

Response to our clients	Response to our employees
<ul style="list-style-type: none">• During the spread of COVID-19, conduct PCR tests before visiting customers and thoroughly implement measures against infections such as wearing masks when seeing customers• Conduct telephone and online meetings• Refrain from holding and participating in face-to-face seminars• Refrain from holding and participating in business dinners and social gatherings• Installation of air purifiers on each floor including reception• Installation of carbon dioxide meters on each floor including reception• Apply antiviral agents and antibacterial finishing on each floor including reception	<ul style="list-style-type: none">• Provide masks for all employees• Continue remote working and staggered work hours• Lend computers and printers, etc. for remote working• Promotion of online application procedures• Conduct antibody tests• Conduct regular PCR tests• Establishment of vaccine leave

Financial Results



(Unit: Million yen)

	19/2Q	20/2Q	21/2Q		
	Results	Results	Plan	Results	Vs. plan
Net sales	7,701	8,354	8,375	9,109	+734
Gross profit	2,341	1,931	1,960	2,331	+371
SG&A	1,550	1,535	1,674	1,642	-31
Operating income	790	395	286	689	+402
Ordinary income	750	291	214	631	+416
Net income	473	182	137	402	+265

■ Net sales
+9.0% YoY

■ Gross profit
+20.7% YoY

■ Operating income
+74.3% YoY

■ Ordinary income
+116.4% YoY

■ Net income
+120.8% YoY

Summary of Consolidated Balance Sheet



(Unit: Million yen)

	FY12/20	21/2Q		
	Amount	Amount	Vs. end of previous term	Pct. change
Cash and deposits	4,329	4,281	-48	-1.1%
Property for sale	14,424	12,586	-1,838	-12.7%
Interest-bearing liabilities	8,341	6,587	-1,754	-21.0
Net assets	10,066	10,093	+26	+0.3%
Total assets	20,070	18,425	-1,645	-8.2%
Shareholders' equity ratio	50.1%	54.8%	+4.7pt	—

■ Property for sale

Decreased compared with the end of the previous fiscal year due to steady sales
 Sales for FY12/20 2Q: 8,354 million yen
 Sales for FY12/21 2Q: 9,109 million yen

■ Interest-bearing liabilities

Decreased compared with the end of the previous fiscal year due to increase in sales

Sales by Business Segment



(Unit: Million yen)

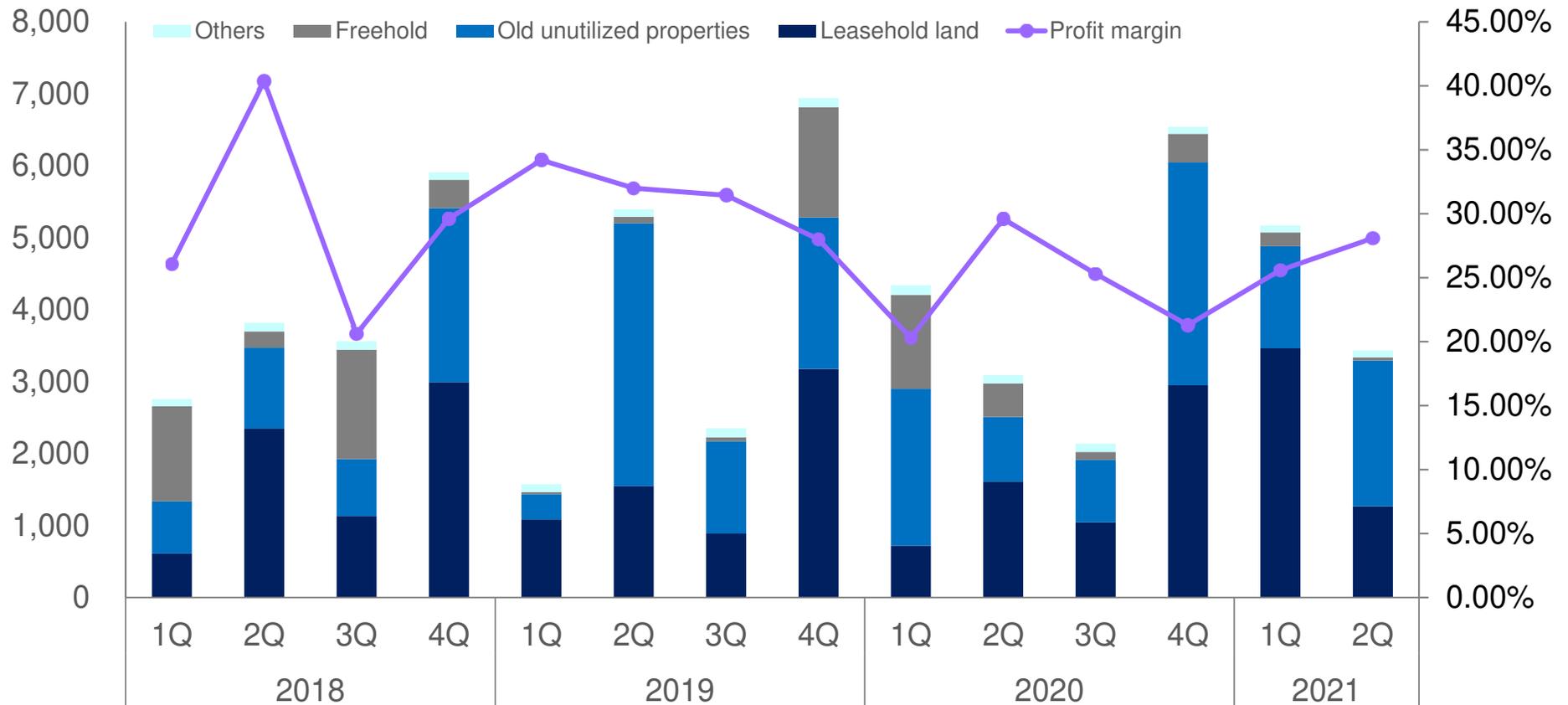
	19/2Q	20/2Q	21/2Q		
	Results	Results	Plan	Results	Vs. plan
Real Estate Sales business	6,972	7,431	7,695	8,605	+11.8%
Leasehold land	2,632	2,332	3,517	4,731	+34.5%
Old unutilized properties	4,008	3,077	3,704	3,444	-7.0%
Freehold	116	1,770	281	237	-15.6%
Others	214	250	192	191	-0.3%
Construction business	729	923	679	503	-25.8

- Leasehold land
Both sales and profits substantially exceeded the plan
- Old Unutilized Properties
Sales fell short of the plan but profits exceeded the plan
- Freehold
Sales fell short of the plan but profits exceeded the plan
- Construction business
Sales -45.4% YoY

Quarterly Changes in the Real Estate Sales Business



Sales (Million yen)



Purchases and Orders Received by Business Segment



(Unit: Million yen)

	19/2Q	20/2Q	21/2Q	
	Results	Results	Results	YoY
Real Estate Sales business	5,307	9,051	4,491	-50.4%
Leasehold land	1,723	3,183	2,126	-33.2%
Old unutilized properties	2,739	4,416	2,299	-47.9%
Freehold	844	1,450	65	-95.5%
Construction business (Orders received)	1,365	548	847	+54.5

■ Real Estate Sales business

Annual purchase plan: 13.8 billion yen
Substantially decreased year-on-year due to a significant increase in purchases in the previous year. The number of projects and the number of purchasing contracts significantly improved but negotiation period is likely to be protracted due to the effects of COVID-19.

■ Construction business

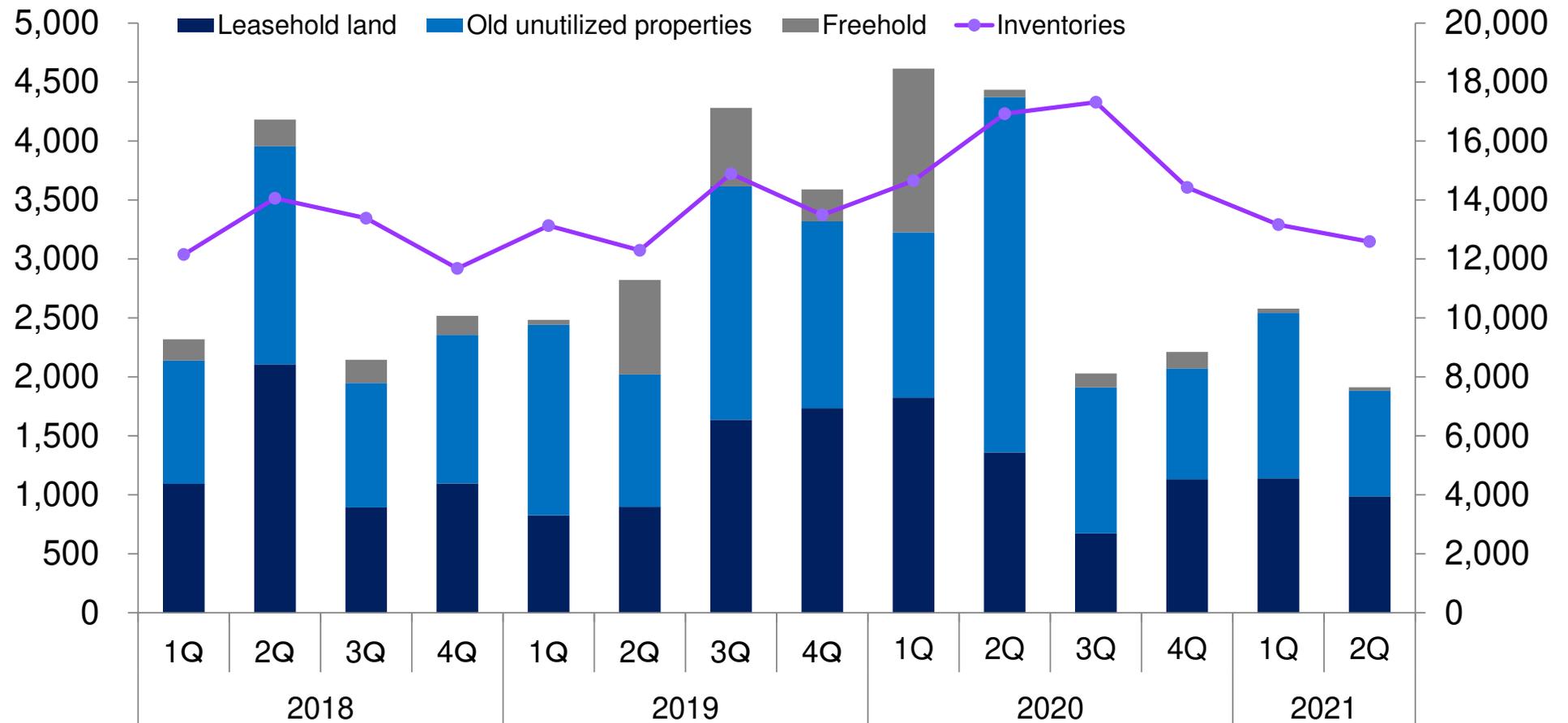
Although substantially decreased in the previous 2Q due to the effects of COVID-19, orders greatly exceeded the previous year as we caught up with the negotiations in the current 2Q.

Changes in the Amount of Purchases and Inventories



Purchase amount (Million yen)

Inventories (Million yen)

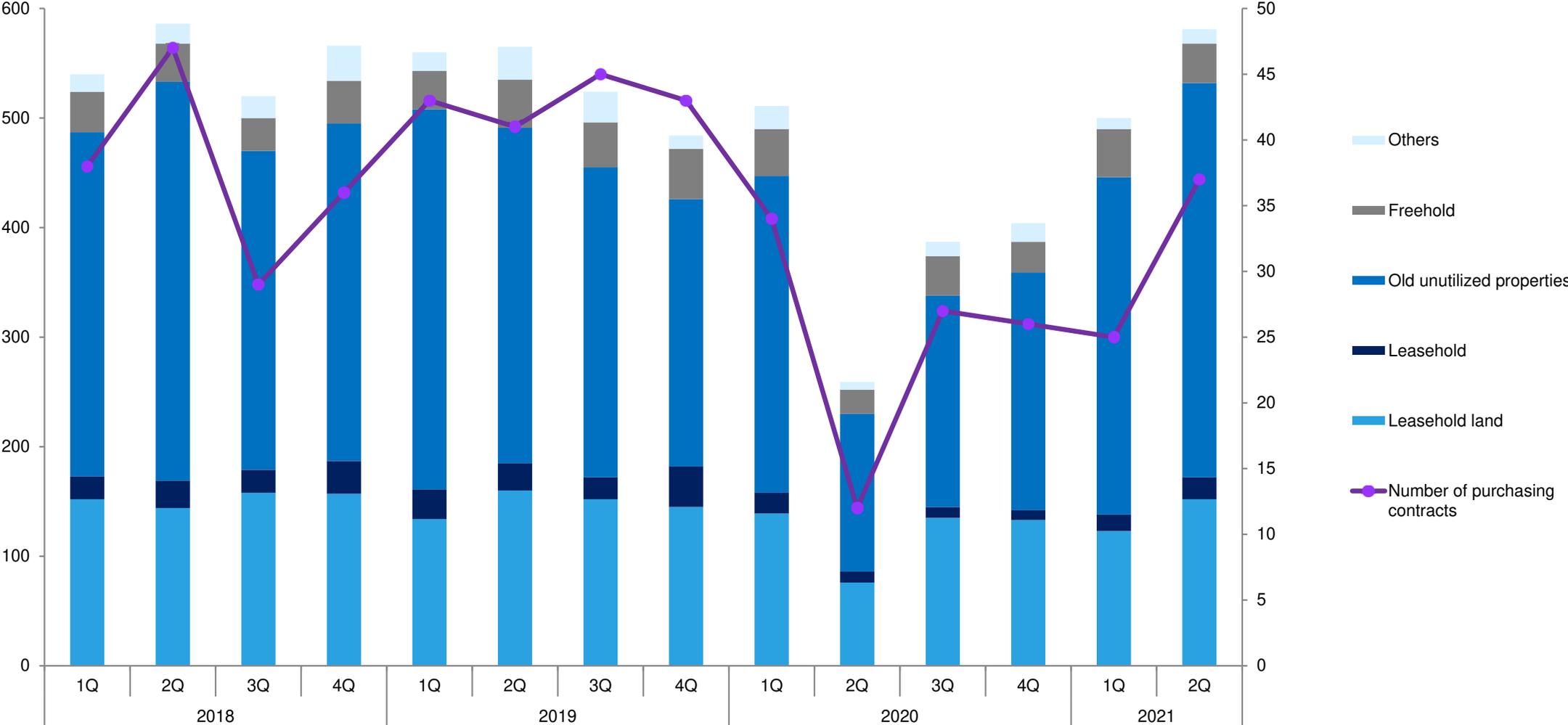


Changes in the Number of Projects and Number of Purchasing Contracts



Number of projects (Projects)

Number of purchasing contracts (Contracts)



Contact



- The statements including perspectives on our group, plans, policies, strategies, schedules and judgements that are not facts in this material are forward-looking statements about the future performance.
- Forward-looking statements about the future performance are based on information currently available and certain assumptions that our group believes to be reasonable. Actual results may differ significantly from the forward-looking statements due to various risk factors and uncertainties. Please do not place undue reliance on these forward-looking statements.
- The data in this material contains quotations of public information that we believe to be reliable and accurate, but we do not guarantee the accuracy or certainty of the contents.

<<Contact>>
Corporate Planning Office, Sansei Landic Co., Ltd
TEL : 03-5252-7511
E-mail : keiki@sansei-l.co.jp

