

# Sansei Landic (TYO: 3277)

Sales went up by about 50%, and operating profit rose by 80%. Full-year forecasts revised up again, aiming for record-high sales and profits.

## ◆ Summary of 2Q results for FY12/2023: Significant increase in sales and profit and upward revision of forecasts.

In the 2Q results for FY12/2023, Sansei Landic recorded a YoY increase of approximately 40% in sales of Leasehold land and an increase of more than 70% in Old unutilized properties. With operating profit increasing by 80%, the company's revenue and profit grew significantly. Following the announcement of the 1Q results, the company revised its full-year forecasts again. The company's inventories reached a new record high, as purchases remained strong, and real estate held for sale at the end of 2Q remained at a high level of 24.6 billion yen. The dividend was revised from the initially planned 29 yen a share to 30 yen. The company plans to pay 33 a share at the end of the current financial year, including a special dividend of 3 yen instead of the abolition of the shareholder benefit plan.

## ◆ Share price: The share price has recovered to the 1,000 yen level for the first time in four years and nine months

The company's share price bottomed out at 800 yen on 16 January 2023 and recovered to 1,000 yen at the end of August. The share price reached its highest level since the beginning of the year. This results from investors increasing their confidence in the company's earnings, given two upward revisions, abundant inventories and the expectation of a strong property market. PBR has recovered to 0.75x. The company is expected to continue to perform strongly, and a PBR of 1x should come in sight.

## ◆ Financial results for 2Q FY12/2023: Sales exceeded 10 billion yen for the half year, and operating profit exceeded 1.6 billion yen, exceeding the revised forecast revealed at the 1Q result announcement.

Sales and profits significantly increased, with sales rising 46.7% YoY, to 11,980 million yen and operating profit growing by 81.4% to 1,656 million yen. Quarterly net income attributable to shareholders of the parent company rose 31.7% YoY to 939 million yen. The company's sales exceeded the revised forecasts at the 1Q results announcement, with sales of 11.5 billion yen, operating profit of 1.4 billion yen and quarterly net income attributable to owner of parent of 800 million yen. The 1Q results for the previous year included the construction business, which was sold afterwards. Excluding this business and comparing Real Estate Sales business alone on an apple-to-apple basis, sales increased by 50.8%.

Regarding sales performance by business segment, Leasehold land sales increased by 38.4%, while Old unutilized properties sales increased significantly by 73.3%, both exceeding the company estimates. The strong performance was due to the high level of purchases of both Leasehold land and Old unutilized properties and the build-up of inventories from the previous year's 3Q.

In the BS, properties for sale increased by 965 million yen to 24,623 million yen compared with the end of FY12/2022. Around 90% of these properties were purchased within the last two years and are scheduled to be sold in the current or next financial year or later. Interest-bearing debt increased by only 120 million yen from the end of the same period, as short-term borrowings increased by 2,005 million yen due to an increase in properties for sale, but long-term borrowings decreased by 2,488 million yen due to the sale of large properties. Total assets increased by 1,800 million yen to 30,777 million yen, while the equity ratio at the end of 2Q was 38.4%, up 0.3 percentage points YoY.

JPY, mn	Net sales	YoY %	Oper. profit	YoY %	Ord. profit	YoY %	Profit ATOP	YoY %	EPS (¥)	DPS (¥)
2019/12	18,020	7.1	1,860	5.4	1,758	7.0	1,158	15.1	137.08	23.00
2020/12	17,774	-1.4	847	-54.5	709	-59.7	357	-69.1	42.34	25.00
2021/12	16,836	-5.3	1,117	31.9	999	40.9	609	70.5	73.56	26.00
2022/12	15,513	-7.7	1,469	31.5	1,283	28.4	1,060	73.9	129.61	28.00
2023/12 (Prev. CE)	20,500	32.0	1,700	15.7	1,400	9.1	900	-15.1	109.55	32.00
2023/12 (Revised CE)	23,500	51.3	2,150	46.3	1,800	40.2	1,180	11.3	143.44	33.00
2022/12 2Q	8,165	-10.4	913	32.5	832	31.9	713	77.2	86.67	0.00
2023/12 2Q	11,980	46.7	1,656	81.4	1,423	70.9	939	31.7	114.38	0.00

## 2Q financial results update

### Real estate

As of 29 September, 2023

Share price(28/9)	¥1,071
52weeks high/low	¥1,098/800
Avg Vol (3 month)	39.0 thou shrs
Market Cap	¥9.19 bn
Enterprise Value	¥21.08 bn
PER (23/12 CE)	7.45 X
PBR (22/12 act)	0.75 X
Dividend Yield (23/12 CE)	3.08 %
ROE (TTM)	11.42 %
Operating margin (TTM)	11.44 %
Beta (5Y Monthly)	0.56
Shares Outstanding	8.584 mn shrs
Listed market	TSE Standard

### Stock price performance



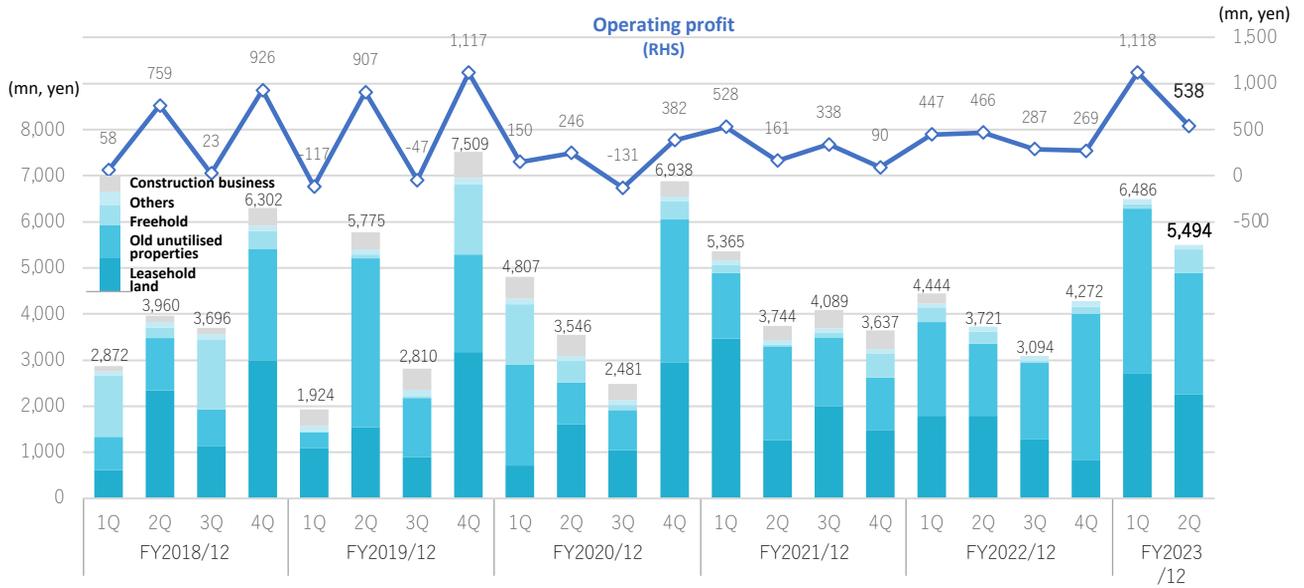
### Points of interest

The company operates a nationwide property rights adjustment business, realising stable revenue opportunities in niche markets. It is recovering from the impact of Covid-19 on its operations. A medium-term plan was formulated to strengthen qualitatively during 2022-24 and be listed on TSE Prime Market from 2025 onwards.

This report is made at the request of Sansei Landic. For details, refer to the disclaimer on the last page



## Quarterly sales and operating profit



Source: Omega Investment from company materials

### ➤ Real Estate Sales business trends

The company transferred all shares in One's Life Home Co Ltd, which operates a construction business, at the end of March 2022. Consequently, it runs a single segment of Real Estate Sales business from this fiscal year. Excluding the construction business in 1Q FY12/2022, sales increased by 50.8% YoY for Real Estate Sales business alone.

**Leasehold land : Sales were 4,966 million yen (+38.4%).** Sales of Leasehold land purchased last year have progressed, with sales up by approximately 40% YoY. The number of sales fell slightly by 168, or 1.8%, due to some large projects. Sales continued to be firm, mainly in the Tokyo metropolitan area.

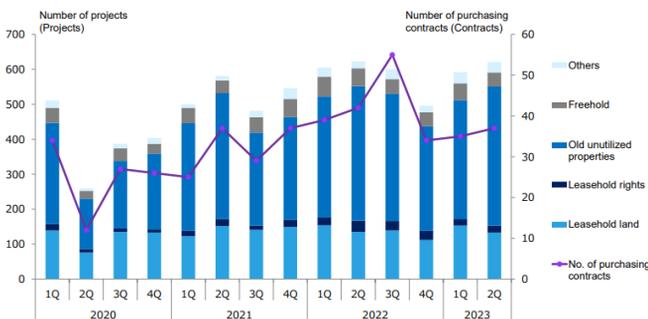
**Old unutilized properties: Sales recorded 6,204 million yen (+73.3%).** Old unutilized properties have performed well, particularly in western Japan. In recent years, the company has been strengthening its sales structure outside the Tokyo metropolitan area, which has given it a strong competitive advantage, and the results are starting to emerge. There were 47 projects, a significant increase of 113.6%.

**Freehold: Sales were 605 million yen (+4.2%).** Sales rose YoY despite the company anticipating a decline. The number of transactions counted 10, a decrease of 9.1%.

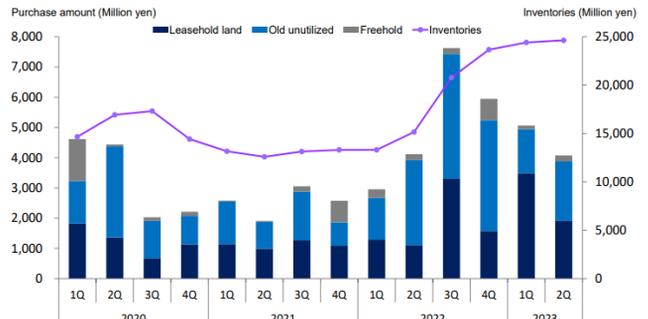
### ➤ Purchase of real estate for sales: Significant increase in purchases of Leasehold land, reaching a record high

**Purchases in Real Estate Sales business increased by 9,136 million yen, or 29.2%,** to more than 4 billion yen in 2Q, following a high quarterly level of more than 5 billion yen since 3Q FY12/2022. The breakdown is as follows: Leasehold land: 5,393 million yen (+124.9%), Old unutilized properties: 3,427 million yen (-18.3%), Freehold: 315 million yen (-34.2%). Old unutilized properties and Freehold properties were lower YoY, but Leasehold land sales increased significantly due to some large projects.

### Project numbers and purchase contracts



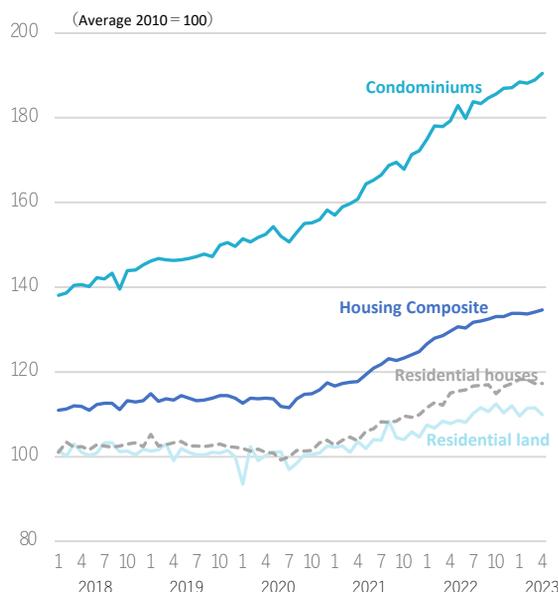
### Purchase and Inventory



Source: company materials

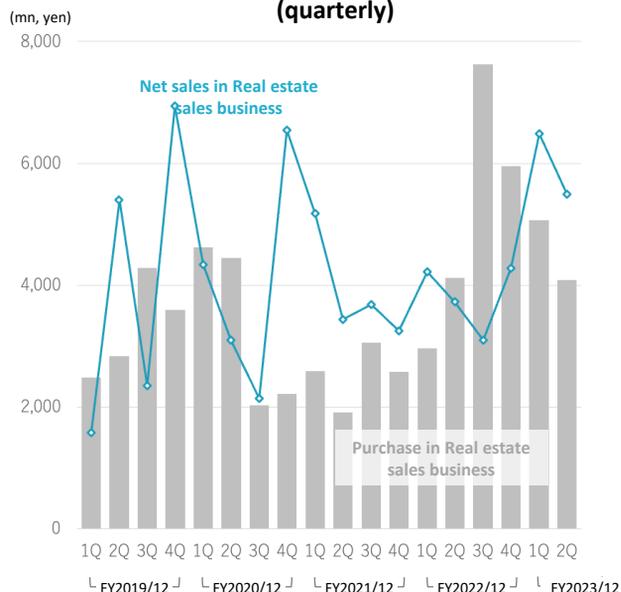


## Property price index (residential)



Source: Omega Investment, based on Ministry of Land, Infrastructure, Transport and Tourism data.

## Real estate sales and purchases (quarterly)



Source: Omega Investment from company materials

This is due to 1) the strong property market in recent years, 2) the expansion of large properties requiring a rights adjustment period of more than one-year managing risk, and 3) the success of the strategic area expansion, which has led to an increase in purchases not only in the metropolitan area but also nationwide.

The company continues to purchase properties from a cautious perspective and is building up its inventory, intending to sell them in the next fiscal year or later, with around 90% of properties purchased within the last two years scheduled for sale in the current or next fiscal year or later.

The above right-hand chart shows the trend of purchases and sales in the company's Real Estate Sales business: purchases remained low from 3Q FY12/2020 due to a slowdown in sales activities caused by COVID-19 but have been recovering since the start of FY12/2022. In particular, the company has significantly increased its real estate for sale since 3Q FY12/2022. The results will be reflected in the positive earnings to be announced this year.

### ◇ Forecasts for FY12/2023: To be revised up again.

With the 2Q result announcement, the company revised up to its FY12/2023 forecasts, the second upward revision since the 1Q earnings announcement. Compared to the previous estimates, the company's sales and operating profit forecasts were raised by 15% and 27%, respectively. Compared to the initial guidance, sales and operating profit were raised by 37% and 35%, respectively. The repeated upward revisions are attributable to the fact that in the Old unutilized properties business, the value of each transaction is large

### Upward revisions to FY12/2023 consolidated forecasts

JPY, mn	Net sales	Oper. profit	Ord. profit	Profit ATOP	EPS (¥)
Initial forecast at FY12/2022 result call (A) (14 February 2023)	17,119	1,594	1,305	836	102.68
Previous forecast (B) (15 May 2023)	20,500	1,700	1,400	900	109.55
<b>Revised forecast (C)</b>	<b>23,500</b>	<b>2,150</b>	<b>1,800</b>	<b>1,180</b>	<b>143.44</b>
Change (C - B)	3,000	450	400	280	-
<b>Percentage change (C/B,%)</b>	<b>+14.6</b>	<b>+26.5</b>	<b>+28.6</b>	<b>+31.1</b>	-
Change (C - A)	6,381	556	495	344	-
<b>Percentage change (C/A,%)</b>	<b>+37.3</b>	<b>+34.9</b>	<b>+37.9</b>	<b>+41.1</b>	-
FY12/2022 actual	15,533	1,469	1,283	1,060	129.61
<b>Revised forecast, YoY (%)</b>	<b>51.3</b>	<b>46.3</b>	<b>40.2</b>	<b>11.3</b>	-
<b>Progress ratio as at 2Q (%)</b>	<b>51.0</b>	<b>77.0</b>	<b>79.1</b>	<b>79.6</b>	-

Source: Omega Investment from company materials



and affects sales depending on the timing of the recording of sales and that the company announces conservative forecasts because of this. The revised full-year forecasts call for a 51.3% YoY increase in sales and a 46.3% increase in operating profit, representing progress of 51% on sales and 77% on operating profit as of 2Q against the full-year forecasts. As mentioned, the company's real estate inventory has built up significantly, and given that the real estate market remains strong, there is potential for further upside to the earnings.

◇ **Share price: The share price has recovered to above 1,000 yen level. Further upside is expected.**

The share price regained momentum following strong 2Q results and an upward revision to the full-year forecast, closing at 1,082 yen on 4 September, marking the highest price YTD. As mentioned above, there is further upside to the earnings in the current financial year, and given that the real estate market will likely remain solid into the next financial year and the company's real estate inventories are high, there appears to be further upside to the share price.

Price to book has also recovered to above 0.7x following the rising share price and has recently exceeded 0.70x, the average for the past five years. However, given the company's unique business model and earnings opportunity, it is still cheap. The company has stated that improving its PBR is a vital management issue and is considering concrete measures to address it. The company plans to announce specific measures to realise the cost of capital and share price conscious management by the time the full-year result announcement. The share price should be revalued further if the company progresses on concrete measures to realise sustainable profit growth.

### 5-year stock price move



### Historical PBR (last five years)



## Financial data (quarterly)

FY (¥mn)	2020/12				2021/12				2022/12				2023/12	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
<b>[Sales by segment]</b>														
<b>Net sales</b>	<b>4,807</b>	<b>3,546</b>	<b>2,481</b>	<b>6,938</b>	<b>5,365</b>	<b>3,744</b>	<b>4,089</b>	<b>3,637</b>	<b>4,444</b>	<b>3,721</b>	<b>3,094</b>	<b>4,272</b>	<b>6,486</b>	<b>5,494</b>
Year-on-year basis	149.7%	-38.6%	-11.7%	-7.6%	11.6%	5.6%	64.8%	-47.6%	-17.2%	-0.6%	-24.3%	17.4%	45.9%	47.6%
<b>Real estate sales business</b>	<b>4,339</b>	<b>3,092</b>	<b>2,137</b>	<b>6,543</b>	<b>5,171</b>	<b>3,434</b>	<b>3,679</b>	<b>3,244</b>	<b>4,222</b>	<b>3,721</b>	<b>3,094</b>	<b>4,272</b>	<b>6,486</b>	<b>5,494</b>
Year-on-year basis	175.3%	-42.7%	-9.2%	-5.7%	19.2%	11.1%	72.1%	-50.4%	-18.3%	8.3%	-15.9%	31.7%	53.6%	50.8%
Sales composition ratio	90.3%	87.2%	86.2%	94.3%	96.4%	91.7%	90.0%	89.2%	95.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Leasehold land	719	1,613	1,044	2,950	3,464	1,267	2,003	1,474	1,793	1,794	1,284	832	2,707	2,259
Year-on-year basis	-33.8%	4.3%	17.4%	-7.1%	381.4%	-21.5%	91.9%	-50.0%	-48.2%	41.6%	-35.9%	-43.6%	51.0%	25.9%
Sales composition ratio	15.0%	45.5%	42.1%	42.5%	64.6%	33.8%	49.0%	40.5%	40.3%	48.2%	41.5%	19.5%	41.7%	41.1%
Old unutilised properties	2,180	897	872	3,101	1,419	2,025	1,488	1,151	2,024	1,556	1,649	3,170	3,571	2,633
Year-on-year basis	520.6%	-75.5%	-32.0%	-47.1%	-34.9%	125.8%	70.6%	-62.9%	42.6%	-23.2%	10.8%	175.4%	76.4%	69.2%
Sales composition ratio	45.4%	25.3%	35.1%	44.7%	26.4%	54.1%	36.4%	31.6%	45.5%	41.8%	53.3%	74.2%	55.1%	47.9%
Freehold	1,305	465	106	395	191	46	101	526	315	266	49	157	101	504
Year-on-year basis	4560.7%	428.4%	92.7%	-74.2%	-85.3%	-90.1%	-4.7%	33.2%	64.9%	478.3%	-51.5%	-70.2%	-67.9%	89.5%
Sales composition ratio	27.1%	13.1%	4.3%	5.7%	3.6%	1.2%	2.5%	14.5%	7.1%	7.1%	1.6%	3.7%	1.6%	9.2%
Others	133	117	116	97	96	95	88	94	89	105	112	114	106	96
Year-on-year basis	21.5%	12.5%	-7.9%	-23.0%	-28.3%	-18.8%	-24.1%	-3.1%	-7.3%	10.5%	27.3%	21.3%	19.1%	-8.6%
Sales composition ratio	2.8%	3.3%	4.7%	1.4%	1.8%	2.5%	2.2%	2.6%	2.0%	2.8%	3.6%	2.7%	1.6%	1.7%
<b>Construction business</b>	<b>468</b>	<b>455</b>	<b>343</b>	<b>395</b>	<b>194</b>	<b>309</b>	<b>409</b>	<b>392</b>	<b>222</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Year-on-year basis	34.1%	19.8%	-24.9%	-30.1%	-58.4%	-32.1%	19.3%	-0.8%	14.0%	-	-	-	-	-
Sales composition ratio	9.7%	12.8%	13.8%	5.7%	3.6%	8.3%	10.0%	10.8%	5.0%	-	-	-	-	-
<b>[Statements of income]</b>														
<b>Net sales</b>	<b>4,807</b>	<b>3,546</b>	<b>2,481</b>	<b>6,938</b>	<b>5,365</b>	<b>3,744</b>	<b>4,089</b>	<b>3,637</b>	<b>4,444</b>	<b>3,721</b>	<b>3,096</b>	<b>4,272</b>	<b>6,486</b>	<b>5,494</b>
Cost of sales	3,865	2,557	1,934	5,431	4,020	2,756	2,945	2,745	3,146	2,310	1,963	3,066	4,320	3,859
Gross profit	942	989	548	1,507	1,344	986	1,143	892	1,297	1,411	1,132	1,206	2,166	1,636
SG&A expenses	792	744	678	925	816	826	805	802	850	946	845	937	1,084	1,097
<b>Operating profit</b>	<b>150</b>	<b>245</b>	<b>-131</b>	<b>382</b>	<b>528</b>	<b>160</b>	<b>338</b>	<b>90</b>	<b>447</b>	<b>466</b>	<b>287</b>	<b>269</b>	<b>1,118</b>	<b>538</b>
Non-operating profit	9	5	51	5	12	8	8	6	7	7	6	7	8	6
Non-operating expenses	55	63	60	10	37	40	34	39	39	55	54	64	80	165
Ordinary income	<b>103</b>	<b>188</b>	<b>-140</b>	<b>298</b>	<b>502</b>	<b>128</b>	<b>311</b>	<b>56</b>	<b>415</b>	<b>417</b>	<b>239</b>	<b>212</b>	<b>1,045</b>	<b>378</b>
Extraordinary income	0	0	0		3	0	0	0	19	0	0	1	-	-
Extraordinary expenses	0	0	0			0	0				8	7	-	-
Loss before income taxes	103	188	-140	298	506	128	311	56	435	399	231	205	1,045	378
Total income taxes	36	72	-49	295	183	48	166	-4	59	60	36	54	361	122
<b>Net income</b>	<b>67</b>	<b>114</b>	<b>-90</b>	<b>176</b>	<b>323</b>	<b>79</b>	<b>145</b>	<b>61</b>	<b>375</b>	<b>338</b>	<b>196</b>	<b>151</b>	<b>683</b>	<b>255</b>
<b>[Balance Sheets]</b>														
<b>Current assets</b>	<b>18,816</b>	<b>20,798</b>	<b>20,577</b>	<b>19,040</b>	<b>17,554</b>	<b>17,371</b>	<b>18,769</b>	<b>18,968</b>	<b>19,018</b>	<b>21,579</b>	<b>26,379</b>	<b>27,929</b>	<b>28,392</b>	<b>29,382</b>
Property for sale	14,655	16,923	17,312	14,424	13,493	12,586	13,134	13,301	13,304	15,152	20,775	23,657	24,404	24,623
Non-current assets	1,188	1,164	1,197	1,030	951	1,054	1,081	1,082	1,124	1,099	1,129	1,047	1,233	1,394
Tangible assets	451	449	443	306	291	290	293	301	317	313	314	299	312	529
Investments and other assets	668	653	691	655	595	703	732	730	761	743	769	701	873	817
<b>Total assets</b>	<b>20,004</b>	<b>21,962</b>	<b>21,774</b>	<b>20,071</b>	<b>18,505</b>	<b>18,425</b>	<b>19,849</b>	<b>20,051</b>	<b>20,134</b>	<b>22,678</b>	<b>27,508</b>	<b>28,976</b>	<b>29,626</b>	<b>30,777</b>
Current liabilities	9,883	7,767	7,699	5,772	5,517	7,540	8,633	8,731	8,153	8,871	11,168	12,606	13,658	16,133
Short-term borrowings	7,729	6,352	6,676	4,463	4,272	6,105	7,171	7,367	5,025	5,057	6,960	10,192	11,151	12,198
Non-current liabilities	345	4,303	4,274	4,232	2,919	792	976	1,017	1,525	3,114	5,453	5,314	4,405	2,810
Long-Term Borrowings		3,958	3,929	3,879	2,570	483	683	740	1,260	2,827	5,153	5,033	4,093	2,545
<b>Total liabilities</b>	<b>10,228</b>	<b>12,071</b>	<b>11,973</b>	<b>10,004</b>	<b>8,436</b>	<b>8,332</b>	<b>9,609</b>	<b>9,749</b>	<b>9,679</b>	<b>11,968</b>	<b>16,622</b>	<b>17,920</b>	<b>18,064</b>	<b>18,943</b>
<b>Total net assets</b>	<b>9,776</b>	<b>9,891</b>	<b>9,801</b>	<b>10,067</b>	<b>10,070</b>	<b>10,093</b>	<b>10,240</b>	<b>10,301</b>	<b>10,463</b>	<b>10,692</b>	<b>10,886</b>	<b>11,056</b>	<b>11,561</b>	<b>11,833</b>
Total shareholders' equity	9,776	9,891	9,801	10,067	10,070	10,093	10,240	10,297	10,459	10,688	10,882	11,052	11,562	11,833
Capital stock	818	818	818	818	818	820	820	820	821	822	824	833	860	860
Legal capital reserve	779	779	779	779	779	781	781	781	782	785	786	796	823	824
Retained earnings	8,174	8,289	8,200	8,465	8,577	8,656	8,802	8,863	9,023	9,362	9,557	9,708	10,164	10,419
Stock acquisition right	4	4	4	4	4	4	4	4	4	3	3	3	-	-
<b>Total liabilities and net assets</b>	<b>20,004</b>	<b>21,962</b>	<b>21,774</b>	<b>20,071</b>	<b>18,505</b>	<b>18,425</b>	<b>19,849</b>	<b>20,051</b>	<b>20,134</b>	<b>22,678</b>	<b>27,508</b>	<b>28,976</b>	<b>29,626</b>	<b>30,777</b>
<b>[Statements of cash flows]</b>														
<b>Cash flow from operating activities</b>		<b>-3,683</b>		<b>-916</b>		<b>2,110</b>		<b>1,704</b>		<b>1,184</b>		<b>-9,267</b>		<b>911</b>
Loss before income taxes		291		712		635		1,003		833		1,269		1,423
Cash flow from investing activities		-9		-287		-26		-51		-205		-266		-655
Cash flow from financing activities		3,021		952		-2,129		-608		-559		7,971		-56
Net increase in cash and cash equiv.		-671		-251		-46		1,045		420		-1,563		200
Cash and cash equiv. at beginning of period		3,958		3,958		3,707		3,707		4,752		4,752		3,188
<b>Cash and cash equiv. at end of period</b>		<b>3,287</b>		<b>3,707</b>		<b>3,661</b>		<b>4,752</b>		<b>5,173</b>		<b>3,188</b>		<b>3,839</b>

Source: Omega Investment from company materials

## Financial data

	2011/12	2012/12	2013/12	2014/12	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12
FY (¥mn)												
[Statements of income]	<b>8,042</b>	<b>9,475</b>	<b>9,187</b>	<b>10,443</b>	<b>11,567</b>	<b>12,300</b>	<b>13,098</b>	<b>16,833</b>	<b>18,020</b>	<b>17,774</b>	<b>16,836</b>	<b>15,533</b>
<b>Net sales</b>	8.5	17.8	-3.0	13.7	10.8	6.3	6.5	28.5	7.1	-1.4	-5.3	-7.7
YoY change (%)	5,557	7,061	6,254	7,055	7,798	8,344	8,566	12,028	12,902	13,788	12,467	10,485
Cost of sales	2,485	2,415	2,934	3,389	3,769	3,957	4,532	4,805	5,119	3,986	4,368	5,047
Gross profit	1,735	1,898	2,014	2,184	2,470	2,510	2,770	3,039	3,258	3,139	3,250	3,578
SG&A expenses	750	517	920	1,205	1,300	1,446	1,762	1,766	1,861	847	1,117	1,469
<b>Operating profit</b>	<b>14.5</b>	<b>31.0</b>	<b>77.9</b>	<b>30.9</b>	<b>7.9</b>	<b>11.3</b>	<b>21.9</b>	<b>0.2</b>	<b>5.4</b>	<b>-54.5</b>	<b>31.9</b>	<b>31.5</b>
YoY change (%)	9.3	5.5	10.0	11.5	11.2	11.8	13.5	10.5	10.3	4.8	6.6	9.5
Operating income margin (%)	135	5	12	14	15	15	12	28	42	88	34	26
Non-operating profit	138	85	122	174	118	133	106	150	144	226	152	212
Non-operating expenses	747	437	810	1,044	1,196	1,329	1,669	1,643	1,759	709	999	1,283
Ordinary income	54	23					97			32	3	20
Extraordinary income	4	17					94	104		29		33
Extraordinary expenses	797	443	810	1,044	1,196	1,329	1,672	1,539	1,759	712	1,003	1,269
Loss before income taxes	353	209	354	418	472	475	561	533	600	355	394	209
Total income taxes	444	233	456	626	724	854	1,111	1,007	1,159	358	609	1,060
<b>Net income attributable to owner of parent</b>	<b>47.6</b>	<b>47.5</b>	<b>95.4</b>	<b>37.5</b>	<b>15.6</b>	<b>17.9</b>	<b>30.2</b>	<b>-9.4</b>	<b>15.1</b>	<b>-69.1</b>	<b>70.5</b>	<b>73.9</b>
YoY change (%)												
[Balance Sheets]												
Current assets	5,251	6,257	8,023	7,836	10,366	9,749	15,874	15,745	18,094	19,040	18,968	27,929
Property for sale	3,698	4,834	6,346	5,166	7,699	6,877	11,863	11,678	13,493	14,424	13,301	23,657
Non-current assets	834	836	895	957	1,031	1,083	1,042	1,032	1,199	1,030	1,082	1,047
Tangible assets	136	135	569	603	572	591	467	458	456	306	301	299
Investments and other assets	612	622	226	258	383	405	494	505	669	655	730	701
<b>Total assets</b>	<b>6,085</b>	<b>7,093</b>	<b>8,919</b>	<b>8,793</b>	<b>11,398</b>	<b>10,833</b>	<b>16,916</b>	<b>16,777</b>	<b>19,294</b>	<b>20,071</b>	<b>20,050</b>	<b>28,976</b>
Current liabilities	2,663	3,098	4,587	3,165	4,910	3,751	8,430	6,160	9,047	5,772	8,731	12,606
Short-term borrowings	1,733	2,095	3,362	2,094	3,778	2,624	7,076	4,728	7,203	4,462	5,544	10,192
Non-current liabilities	181	562	465	367	453	226	479	1,710	351	4,232	1,017	5,314
Long-Term Borrowings	147	526	419	320	180	88	364	1,320		3,879	740	5,033
<b>Total liabilities</b>	<b>2,845</b>	<b>3,660</b>	<b>5,051</b>	<b>3,531</b>	<b>5,363</b>	<b>3,977</b>	<b>8,909</b>	<b>7,869</b>	<b>9,399</b>	<b>10,004</b>	<b>9,748</b>	<b>17,920</b>
<b>Total net assets</b>	<b>3,241</b>	<b>3,433</b>	<b>3,868</b>	<b>5,262</b>	<b>6,034</b>	<b>6,856</b>	<b>8,006</b>	<b>8,908</b>	<b>9,894</b>	<b>10,066</b>	<b>10,301</b>	<b>11,056</b>
Total shareholders' equity	3,241	3,433	3,868	5,262	6,034	6,852	8,002	8,904	9,890	10,062	10,297	11,052
Capital stock	257	257	257	661	710	720	788	811	814	818	820	833
Legal capital reserve	218	218	218	622	671	681	749	772	775	779	781	796
Retained earnings	2,766	2,958	3,393	3,978	4,654	5,451	6,464	7,320	8,302	8,465	8,863	9,708
Stock acquisition right						4	4	4	4	4	4	3
<b>Total liabilities and net assets</b>	<b>6,085</b>	<b>7,093</b>	<b>8,919</b>	<b>8,793</b>	<b>11,398</b>	<b>10,833</b>	<b>16,916</b>	<b>16,777</b>	<b>19,294</b>	<b>20,071</b>	<b>20,050</b>	<b>28,976</b>
Equity ratio (%)	53.3	48.4	43.4	59.8	52.9	63.3	47.3	53.1	51.3	50.1	51.4	38.1
[Statements of cash flows]												
Cash flow from operating activities	970	-953	-664	1,761	-1,451	1,611	-3,666	1,617	-420	-917	1,704	-9,267
Loss before income taxes	797	443	810	1,044	1,196	1,329	1,672	1,539	1,759	712	1,003	1,269
Cash flow from investing activities	127	-15	-175	-111	-116	-184	107	-64	-71	-288	-51	-266
Cash flow from financing activities	-877	692	1,136	-612	1,588	-1,278	4,667	-1,495	984	953	-608	7,971
Issuance of shares	406			800	97	21	37	45	6	9		
Net increase in cash and cash equiv.	219	-276	296	1,039	22	150	1,108	58	493	-251	1,045	-1,563
Cash and cash equiv. at beginning of period	850	1,069	793	1,089	2,128	2,150	2,299	3,407	3,465	3,959	3,707	4,752
<b>Cash and cash equiv. at end of period</b>	<b>1,069</b>	<b>793</b>	<b>1,089</b>	<b>2,128</b>	<b>2,150</b>	<b>2,299</b>	<b>3,407</b>	<b>3,465</b>	<b>3,959</b>	<b>3,707</b>	<b>4,752</b>	<b>3,188</b>
Free cash flow	1,097	-968	-839	1,650	-1,567	1,427	-3,559	1,553	-491	-1,205	1,653	-9,533

Source: Omega Investment from company materials



## General disclaimer and copyright

This report was created and displayed based on interviews with the company concerned and financial statements, but we do not guarantee the accuracy, completeness, or credibility of the content and data. This report is for informational purposes only and is not intended to solicit or recommend investment. Omega Investment is not responsible for the consequences of using this report.

This report is informed by the target company through interviews with the target company, but the hypotheses, conclusions and all other content contained in this report are based on research by Omega Investment.

Intellectual ownership, including copyrights of the text and data, belongs to Omega Investment. Distribution, transfer, reproduction, transfer or other use constitutes copyright infringement of this report and is strictly prohibited.