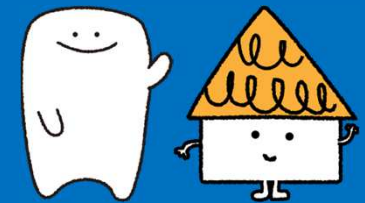


Sansei Landic Co., Ltd

Supplementary Materials for Consolidated Financial Results for FY12/20

February 12, 2021



FY12/20 Topics



- Both consolidated sales and each profit exceeded the plan, and we revised upward our business forecasts.
- Construction business narrowed its deficit, but failed to return to profitability.
- Purchase amount exceeded the year-on-year result, despite the delays in sales activities due to COVID-19.
Purchase amount: 13.29 billion yen (+0.9% YoY)
- At the Board of Directors Meeting held today, we resolved to purchase its treasury stock.

Financial Results (Consolidated)

(Million yen)



	FY12/18	FY12/19	FY12/20		
	Results	Results	Plan	Results	Difference
Net sales	16,833	18,020	16,725	17,774	+1,049
Gross profit	4,805	5,118	3,837	3,986	+148
SG&A	3,039	3,257	3,190	3,138	-51
Operating income	1,765	1,860	647	847	+200
Ordinary income	1,642	1,758	450	709	+259
Extraordinary income	—	—	—	32	+32
Extraordinary loss	103	—	—	29	+29
Net income	1,006	1,158	268	357	+88

■ Net sales

-1.4% YoY

■ Gross profit

-22.1% YoY

■ SG&A

-3.7% YoY

■ Operating income

-54.5% YoY

■ Ordinary income

-59.7% YoY

■ Net income

-69.1% YoY

Financial Results (Non-consolidated)

(Million yen)



	FY12/18	FY12/19	FY12/20		
	Results	Results	Plan	Results	Difference
Net sales	16,050	16,266	15,037	16,111	+1,074
Gross profit	4,677	4,879	3,586	3,727	+140
SG&A	2,737	2,981	2,906	2,881	-25
Operating income	1,940	1,898	679	845	+165
Ordinary income	1,606	1,752	488	671	+182
Extraordinary income	—	—	—	31	+31
Extraordinary loss	67	—	—	—	—
Net income	1,068	1,172	307	177	-129

- Net sales
-1.0% YoY
- Gross profit
-23.6% YoY
- SG&A
-3.3% YoY
- Operating income
-55.5% YoY
- Ordinary income
-61.7% YoY
- Net income
-84.9% YoY
Significantly fell short of the plan due to reversal of deferred tax assets of 220 million yen.

Summary of Consolidated Balance Sheet



(Million yen)

	FY12/19	FY12/20		
	Amount	Amount	Vs. end of previous term	Pct. change
Cash and deposits	4,133	4,329	+196	+4.7%
Property for sale	13,493	14,424	+931	+6.9%
Interest-bearing liabilities	7,202	8,341	+1,138	+15.8%
Net assets	9,894	10,066	+171	+1.7%
Total assets	19,293	20,070	+777	+4.0%
Shareholders' equity ratio	51.3%	50.1%	-1.2pt	—

■ Cash and deposits
Increased due to active capitalization of some properties held.

■ Property for sale
Increased due to an increase with some of the properties scheduled to be sold in 2020 being delayed into 2021, as we voluntarily refrained from sales activities due to COVID-19.

■ Interest-bearing liabilities
Long-term loans payable increased due to increased purchases of properties with a project period of more than one year, while short-term loans payable decreased through property sales.

Sales by Business Segment



(Million yen)

	FY12/18	FY12/19	FY12/20		
	Results	Results	Plan	Results	Vs. plan
Real Estate Sales business	16,049	16,266	15,037	16,111	+7.1%
Leasehold land	7,087	6,697	6,346	6,326	-0.3%
Old unutilized properties	5,061	7,399	6,155	7,050	+14.5%
Freehold	3,454	1,703	2,044	2,271	+11.1%
Others	445	466	490	463	-5.4%
Construction business	783	1,753	1,687	1,662	-1.5%

■ Leasehold Land

Sales were almost as planned, but profit margin fell short of the plan due to the aggressive capitalization of some properties.

■ Old Unutilized Properties

Sales and profits significantly exceeded the plan.

■ Freehold

Sales and profits exceeded the plan.

■ Construction Business

Net sales decreased by 5.2% YoY.

Quarterly Changes in the Real Estate Sales Business



Sales (million yen)



Purchases and Orders Received by Business Segment



(Million yen)

	FY12/18	FY12/19	FY12/20	
	Results	Results	Results	YoY
Real Estate Sales business	11,164	13,177	13,290	+0.9%
Leasehold land	5,188	5,094	4,988	-2.1%
Old unutilized properties	5,211	6,303	6,593	+4.6%
Freehold	764	1,779	1,708	-4.0%
Construction business (Orders received)	1,267	2,158	1,095	-49.3%

■ Real Estate Sales Business

Annual purchase plan: 14.2 billion yen

Its performance exceeded the year-on-year results but fell short of the plan reflecting the impact of the voluntary restraint in sales activities due to COVID-19.

■ Construction Business

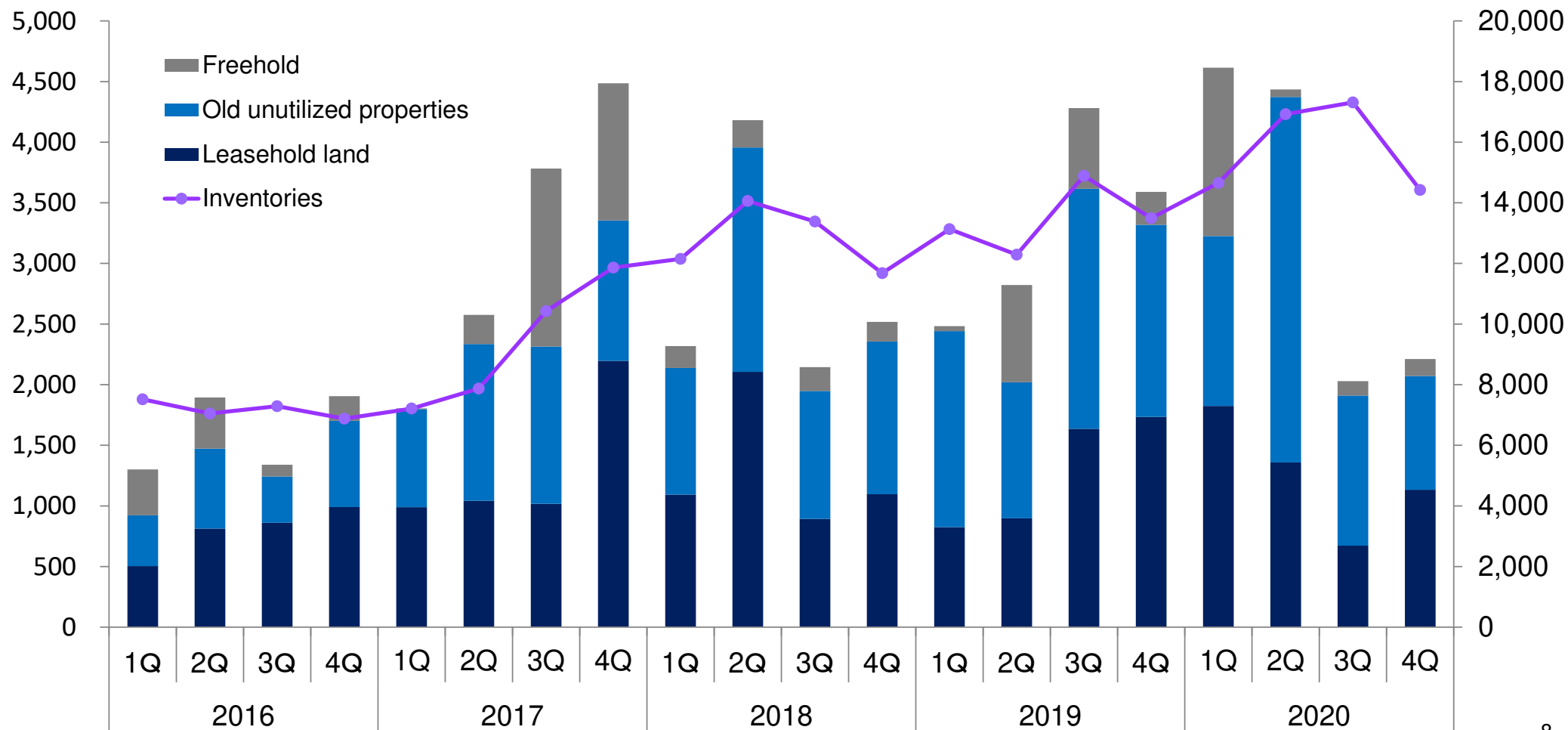
Orders decreased significantly primarily due to a rush demand in the previous fiscal year prior to the consumption tax hike, and the impact of COVID-19 on our custom home and renovation businesses.

Changes in the Amount of Purchases and Inventories



Purchase amount (Million yen)

Inventories (Million yen)

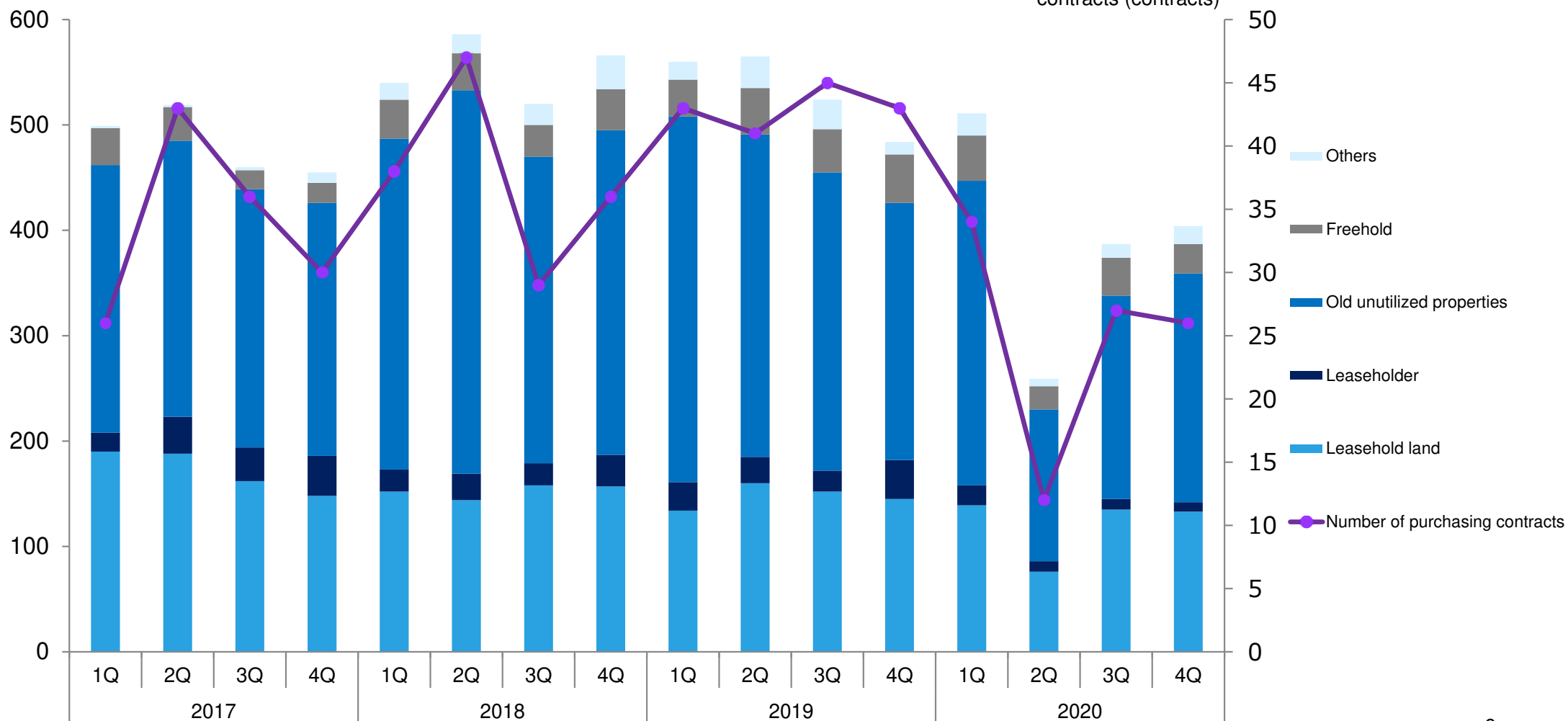


Changes in the Number of Projects and Number of Purchasing Contracts



Number of projects

Number of purchasing contracts (contracts)



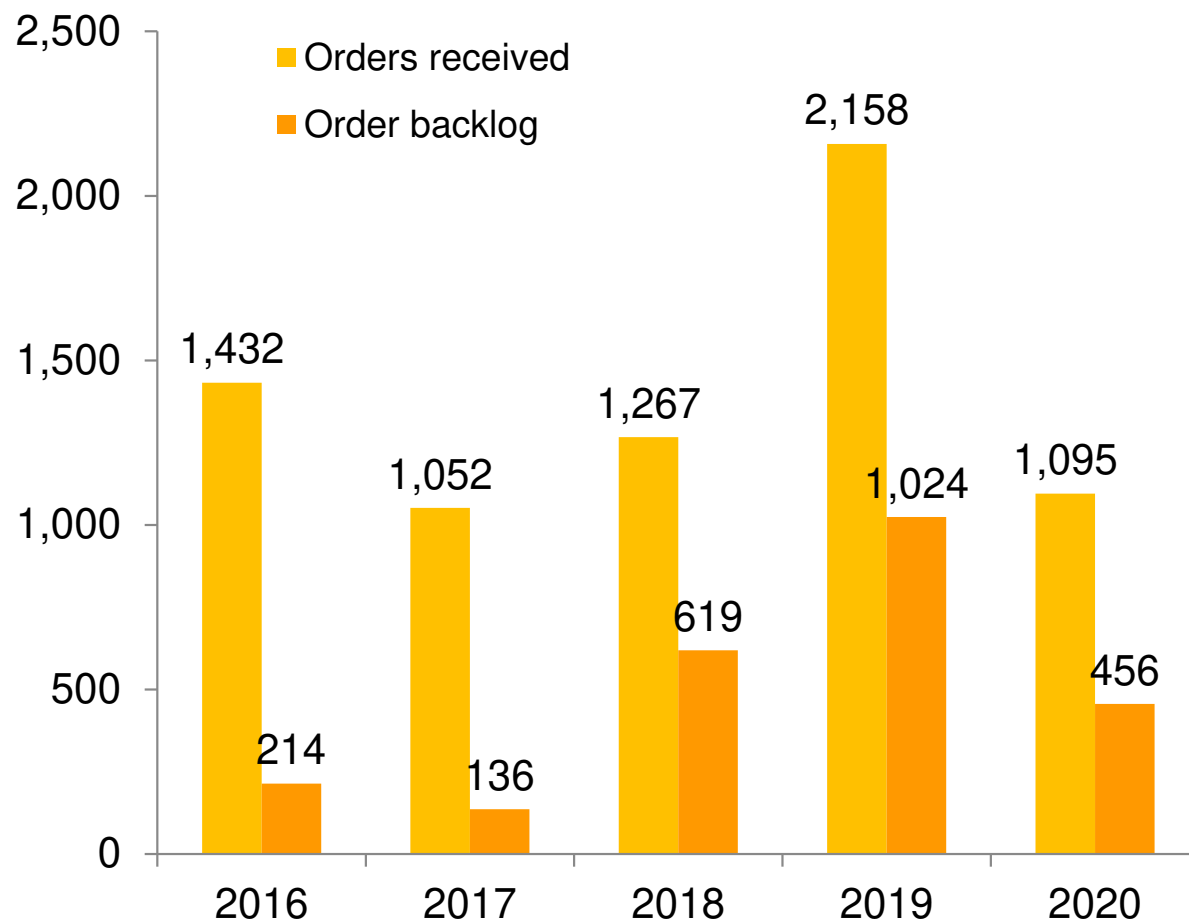
Construction business : Changes in the amount of orders received and order backlog



One's Life Home
natural modern from architects



Orders received (million yen)



- Due to the significant increase in the order backlog at the end of 2019, the trend remained favorable until 2Q, but this was followed by a temporary period of stagnation due COVID-19. After the period of voluntary restraint, business performance gradually improved, but it did not achieve profitability.
- Resolution of the absorption-type merger of One's Life Home, Inc. by its parent company Sansei Landic, with the aim of further strengthening the management.

FY12/21 Business Forecasts



Consolidated business forecasts for FY12/21 (January 1, 2021 – December 31, 2021)

(Million yen)

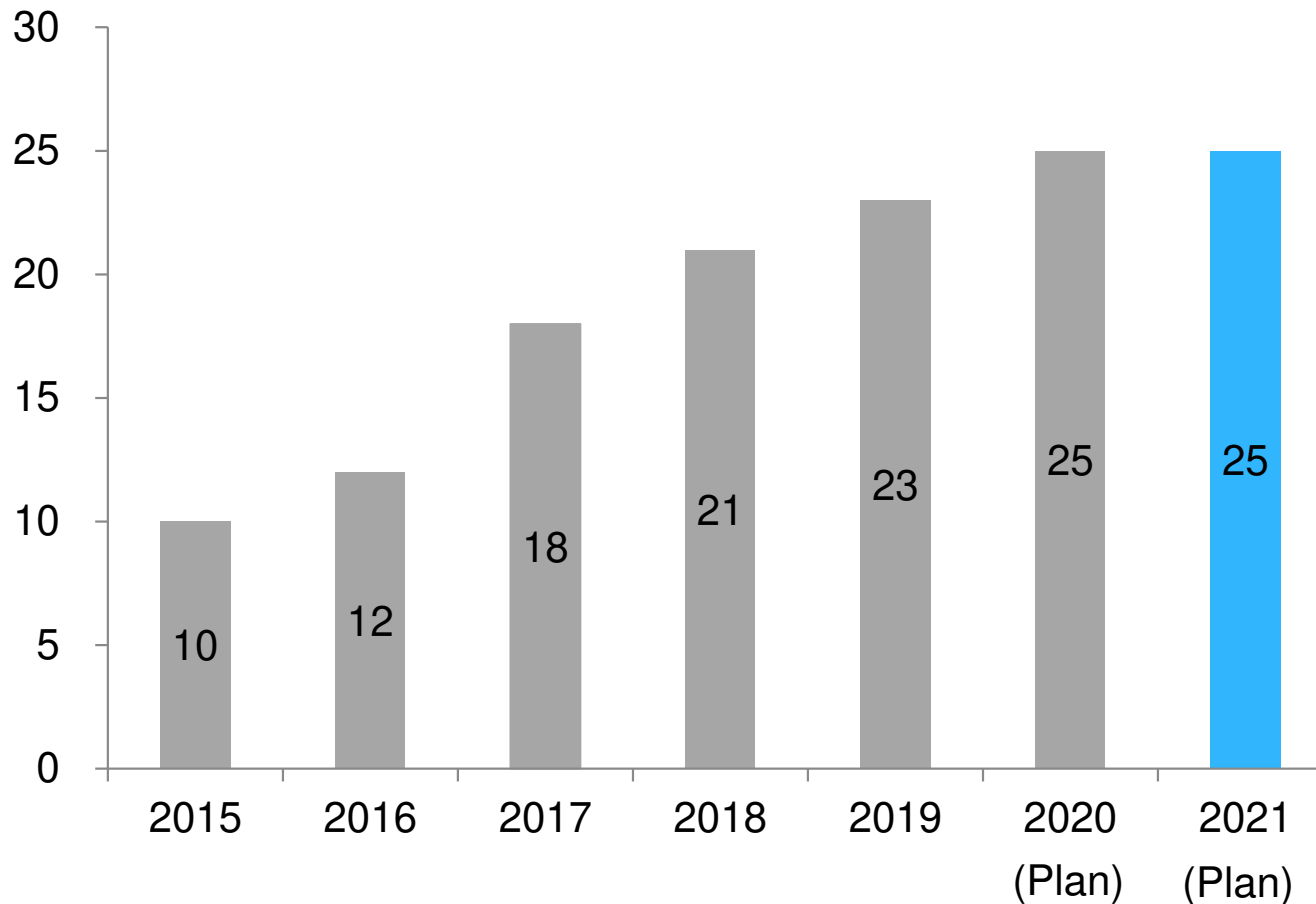
	FY12/21	Pct. change
Net sales	18,385	+3.4%
Operating income	919	+8.5%
Ordinary income	762	+7.5%
Net income	505	+41.3%
EPS (Yen)	59.88	+41.4%
Dividend (Yen)	25	—

- Sales in the Real Estate Sales business is expected to exceed the level in 2020. Plan to return to profitability in the Construction business.
- In 2021, net income is expected to increase at a higher rate than the rate of increase in ordinary income, because of the decrease in net income due to the reversal of deferred tax assets in 2020.
- In order to deal with management issues resulting from the impact of COVID-19 at our company that were not envisioned, we will extend the formulation period of the new medium-term management plan into 2021 and plan to announce it from mid-2021 onwards.

Shareholder Returns (Dividends)



Dividends (Yen)



- We plan to pay a dividend of 25 yen in 2021, which will maintain the level of 2020. However, we will consider increasing dividends based on business performance.
- To strengthen preferential treatment for our long-term shareholders, we abolished shareholder benefits for shareholders who hold 100 to 199 shares for less than one year.

Shareholder Returns (Acquisition of Treasury Stock)



At the Board of Directors Meeting held today, we have resolved to acquire treasury stock, since we have made steady progress in active capitalization of some of the properties held.

- | | |
|--------------------------------------|--|
| ■ Type of shares to acquire: | Common stock of Sansei Landic Co., Ltd |
| ■ Total number of shares to acquire: | 200,000 shares (upper limit)
*Ratio to the number of shares issued: 2.37% |
| ■ Total amount of shares to acquire: | 250,000,000 yen (upper limit) |
| ■ Acquisition period: | From February 15, 2021 to May 14, 2021 |
| ■ Method of acquisition: | Market purchase |

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

