

February 12, 2021

Notice Concerning Difference between Business Forecasts and Actual Results for the Fiscal Year Ended December 2020

Sansei Landic Co.,Ltd announces its difference between consolidated full-year business forecasts for the fiscal year ended December 2020 (January 1, 2020 - December 31, 2020) announced on July 31, 2020 and its actual results announced today. Details are as follows.

1. Difference between consolidated business forecasts and actual results

Difference between consolidated full-year business forecasts and actual results for the fiscal year ended December 2020 (January 1, 2020 - December 31, 2020)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A) (announced on July 31, 2020)	16,725	647	450	268	31.81
Actual results (B)	17,774	847	709	357	42.34
Increase/decrease (B-A)	1,049	200	259	88	
Change rate (%)	6.3	30.9	57.5	33.1	
(Reference) Previous results (FY12/19)	18,020	1,860	1,758	1,158	137.08

2. Difference between consolidated business forecasts and actual results

At the time of the announcement of the consolidated full-year business forecasts on July 31, 2020, we prepared the conservative forecasts in view of the status of our business activities at that time, while the timing of the containment of COVID-19 was unclear. However, in the fourth quarter, we were able to recover our sales activities better than expected and achieved the results mentioned above.

Results by business segment are as follows.

In the Group's mainstay Real Estate Sales business, sales and operating income both exceeded the plan by 1,074 million yen and 165 million yen, respectively. This was achieved through higher-than-expected sales of old unutilized buildings and freehold, while sales of leasehold land progressed as planned.

In the Construction business, sales fell short of the plan by 13 million yen, as sales of renovations fell short of the plan, despite the higher-than-expected custom-built home sales. On the other hand, operating loss decreased by 29 million yen from the forecast as a result of efforts to improve profitability, including thorough cost management and expenses reductions.

3. Difference between non-consolidated business forecasts and actual results

Difference between non-consolidated full-year business forecasts and actual results for the fiscal year ended December 2020 (January 1, 2020 - December 31, 2020)

	Net sales	Ordinary income	Net income	Net income per share
Previous forecasts (A) (announced on July 31, 2020)	Million yen 15,037	Million yen 488	Million yen 307	Yen 36.38
Actual results (B)	16,111	671	177	21.00
Increase/decrease (B-A)	1,074	182	-129	
Change rate (%)	7.1	37.4	-42.3	
(Reference) Previous results (FY12/19)	16,266	1,752	1,172	138.79

4. Difference between non-consolidated business forecasts and actual results

For the reasons stated in section 2, net sales and ordinary income exceeded the plan by 1,074 million yen and 182 million yen, respectively.

On the other hand, net income fell below the plan by 129 million yen due to the reversal of deferred tax assets of 220 million yen after careful consideration of the recoverability of deferred tax assets in light of the impact of COVID-19 on our performance.