



Sansei Landic Co., Ltd

**Financial Results for the Fiscal Year
Ended December 2020**

February 25, 2021

Overview of Financial Results for the Fiscal Year Ended December 2020

- Both consolidated sales and each profit exceeded the plan, and we revised upward our business forecasts.

Net sales	17,774 million yen	Down 1.4% YoY
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Operating income	847 million yen	Down 54.5% YoY
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Ordinary income	709 million yen	Down 59.7% YoY
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Net income	357 million yen	Down 69.1% YoY
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Amount of purchases	13,290 million yen	Up 0.9% YoY
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Comparison of Consolidated Income Statement



- Both sales and profits decreased year-on-year due to the impact of COVID-19.

(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

Comparison of Non-consolidated Income Statement



- Net income significantly fell short of the revised plan due to reversal of deferred tax assets.

(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

Summary of Consolidated Balance Sheet



- Property for sale increased owing to delays in sales activities in FY12/20.

(Million yen)

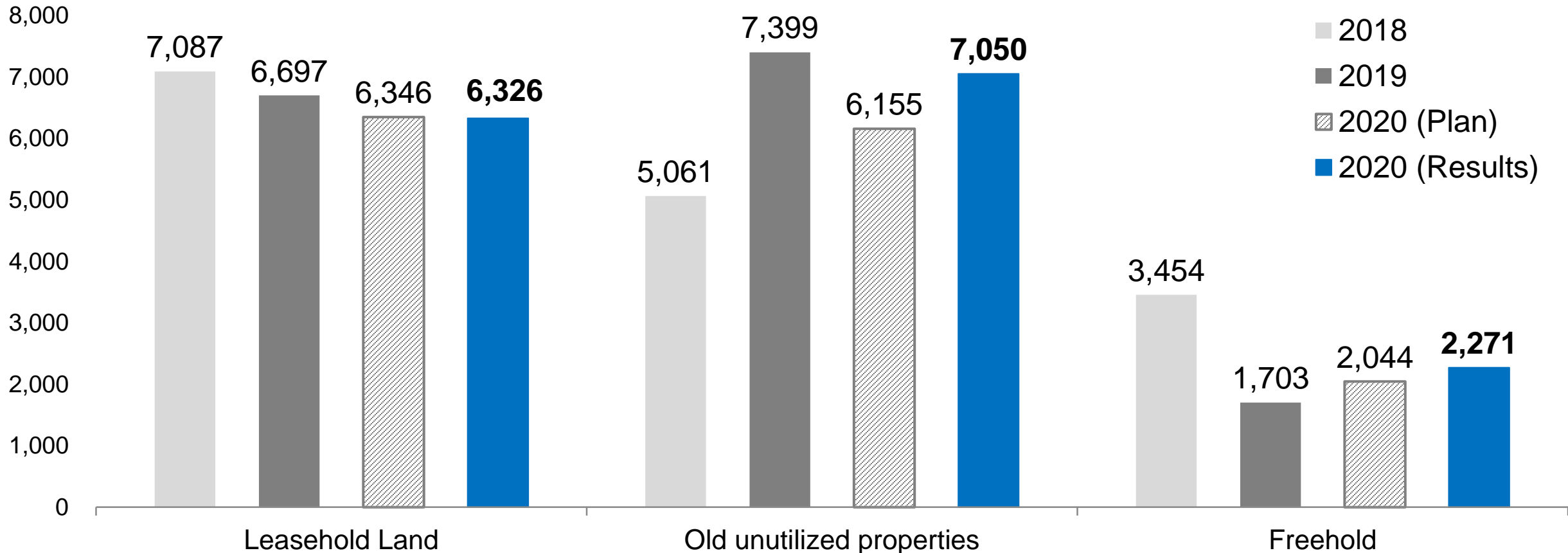
	FY12/19	FY12/20		
	Amount	Amount	Vs. end of previous term	Pct. change
Cash and deposits	4,133	4,329	+196	+4.7%
Property for sale	13,493	14,424	+931	+6.9%
Interest-bearing liabilities	7,202	8,341	+1,138	+15.8%
Net assets	9,894	10,066	+171	+1.7%
Total assets	19,293	20,070	+777	+4.0%
Shareholders' equity ratio	51.3%	50.1%	-1.2pt	—
ROA	9.8%	3.6%	—	—

Sales by Business Segment (Real Estate Sales Business)



- Leasehold land: Sales were almost as planned, but profit margin fell short of the plan.
- Old unutilized properties: Sales and profits significantly exceeded the plan.
- Freehold: Sales and profits exceeded the plan.

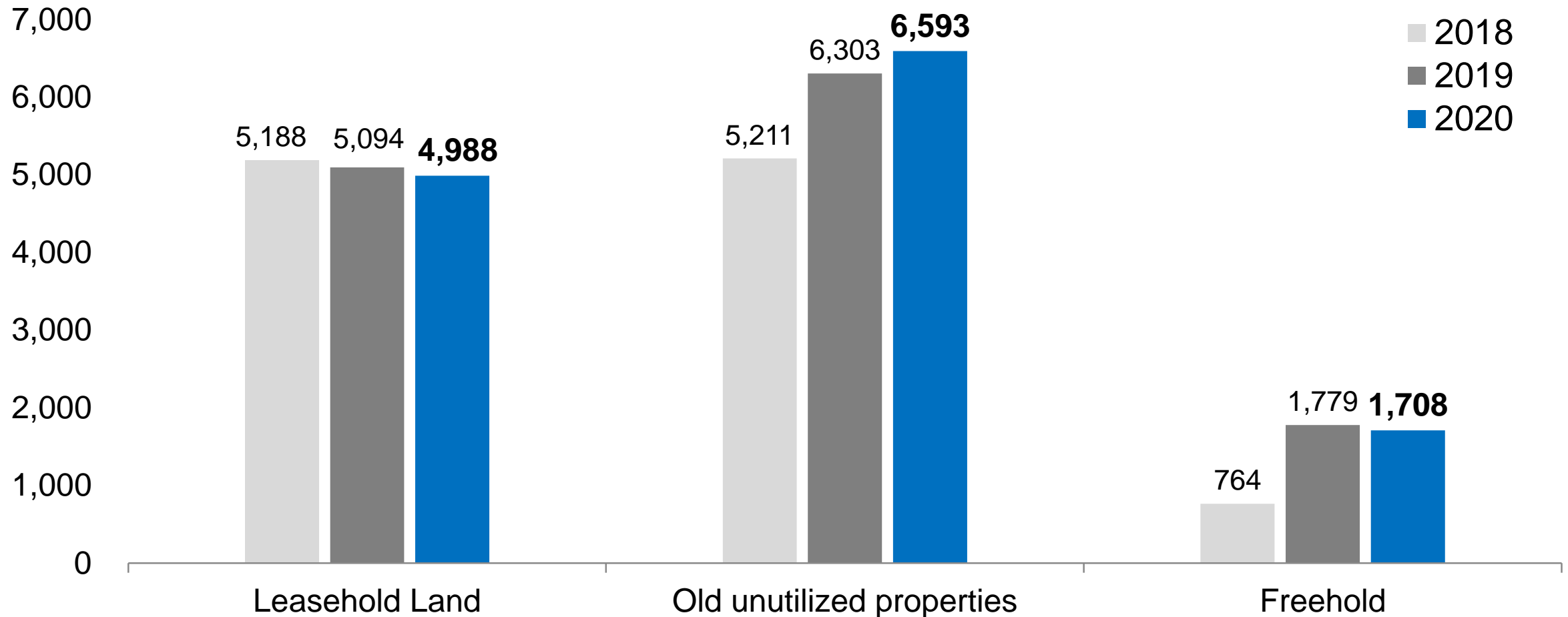
Sales (million yen)



Purchases by Business Segment (Real Estate Sales Business)

- Leasehold land: Purchased at the same level as the previous year
- Old unutilized properties: Increased purchasing in Western Japan area
- Freehold: Increased purchasing in Kanto area

Purchase amount (million yen)

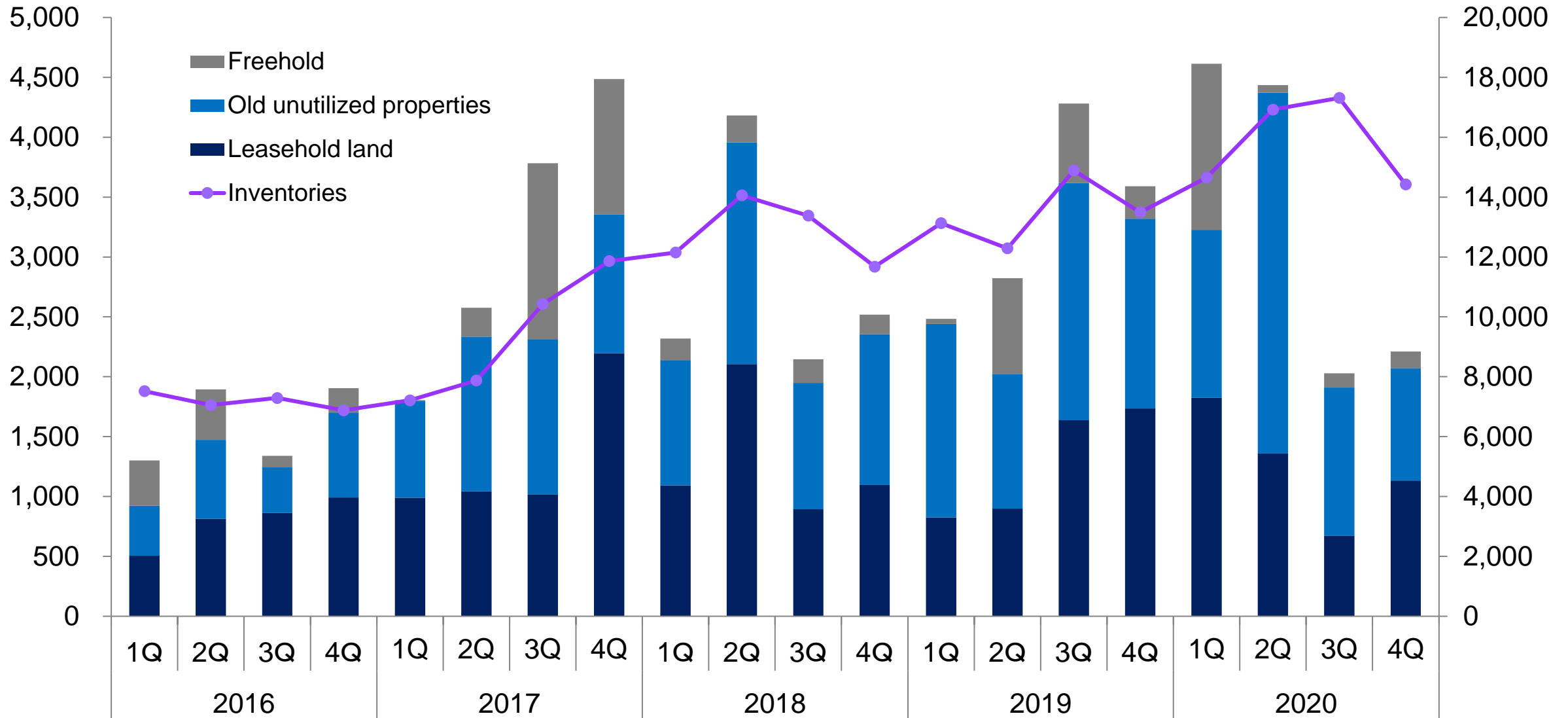


Changes in the Amount of Purchases and Inventories



Purchase amount (million yen)

Inventories (million yen)

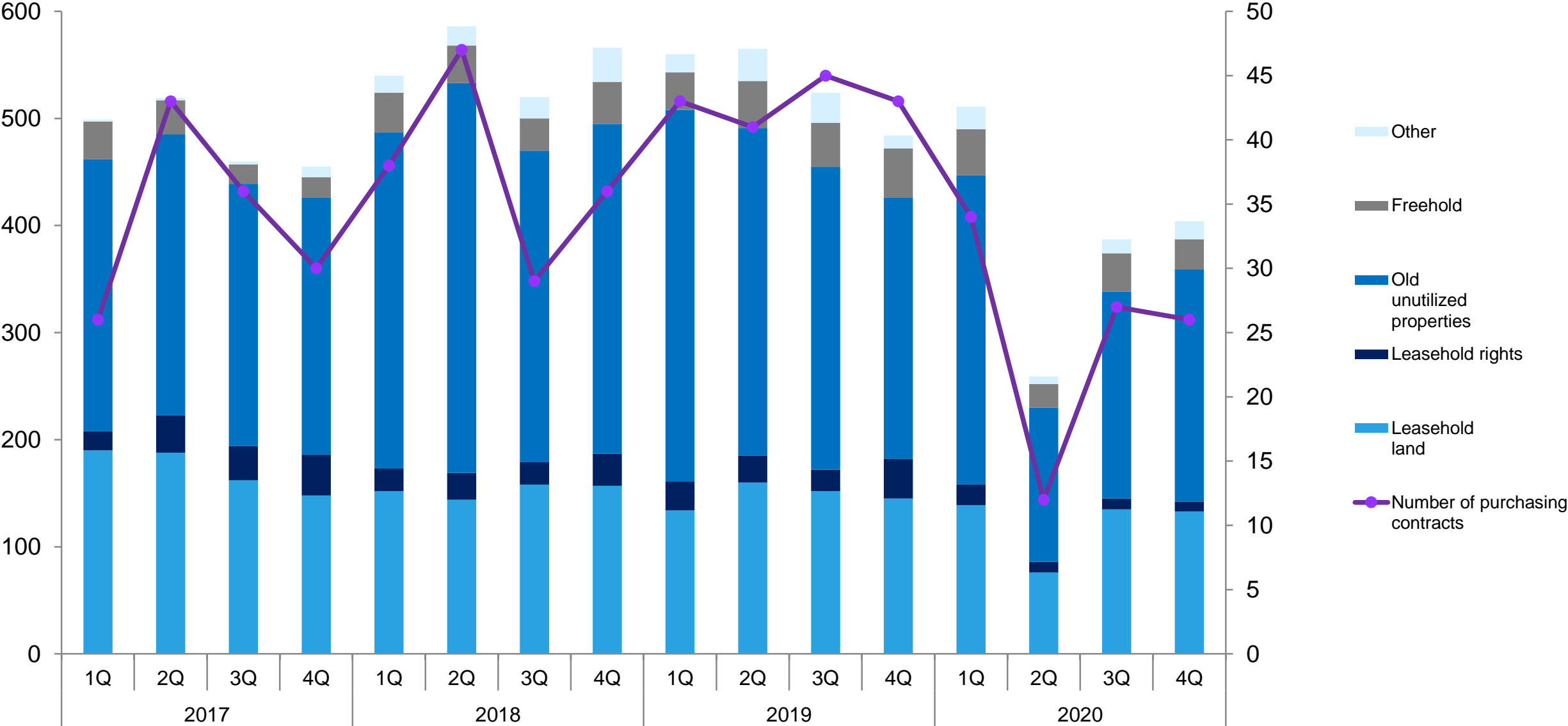


Changes in the Number of Projects and Number of Purchasing Contracts



Number of projects

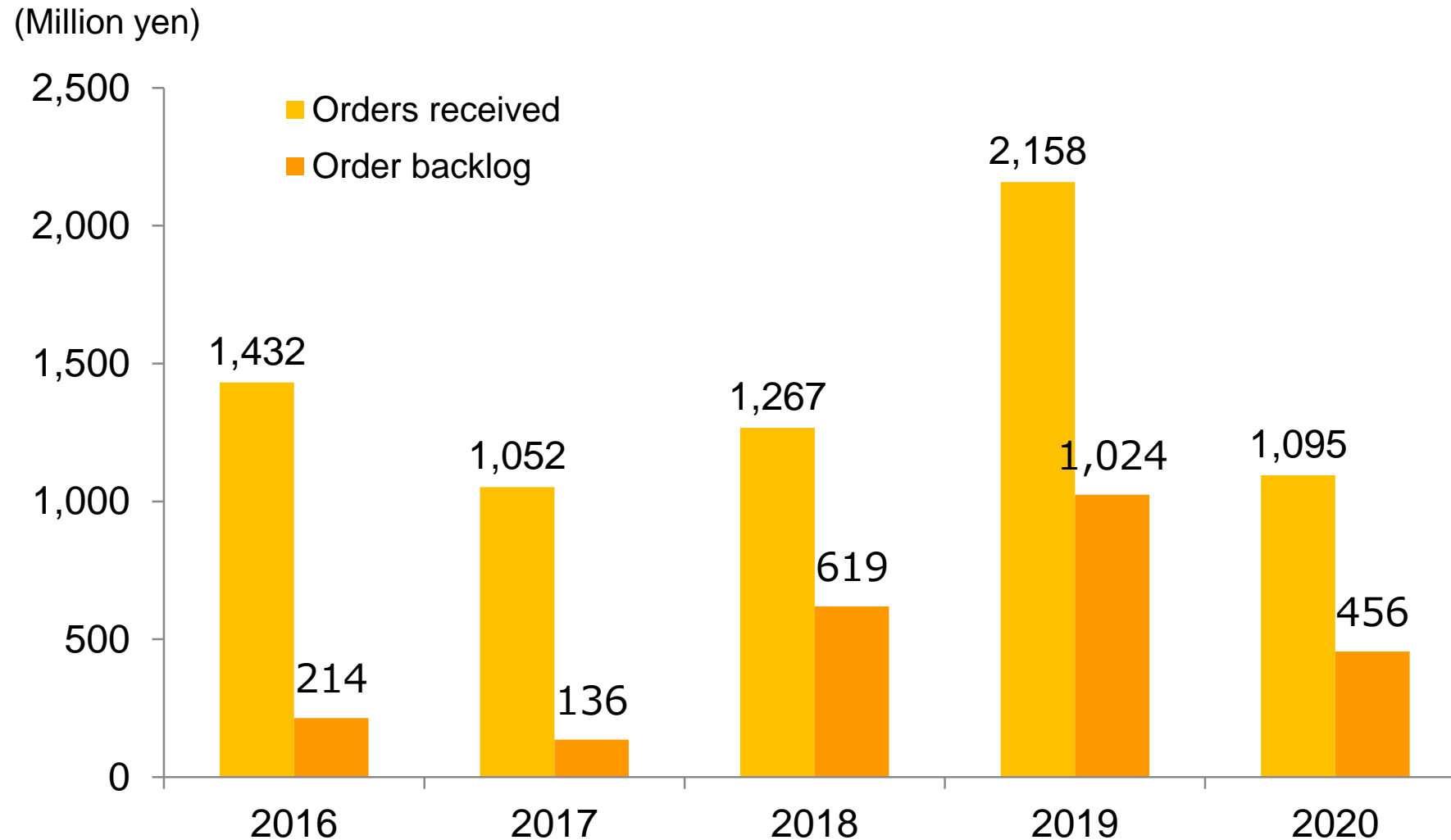
Number of purchasing contracts



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



- Orders decreased significantly due to the impact of COVID-19.



FY12/21 Business Forecasts

- The impact of COVID-19 has slowed down since the second half of last year, and the worksites have regained stability.

Purchasing

- No change in the lending attitude of financial institutions nationwide
- Real estate prices tend to remain high
- Demand for detached houses and condominiums is brisk

Continuing to purchase with cautious stance

Sales

- Some sales activities stagnated due to the impact of COVID-19
- Consumer sentiment is recovering

Focused on building relationships quickly, despite the limitations of face-to-face sales. Promote business efficiency by adopting IT technology

Fundraising Initiatives: Crowdfunding

- First offering: Raised 50 million yen in December 2019.
- Second offering: Raised 50 million yen in May 2020.
- Third offering: Raised 100 million yen in November 2020.

底地くんファンド#1

株式会社サンセイランディックファンディング

募前成立

投資受付金額
50,000,000円/50,000,000円

100%

諸条件

予定利回り (年率・税引前)	3.0%	予定運用期間	約11ヶ月 2019/12/20～2020/11/30*予定	募集金額	50,000,000円
元本償還方法	満期一括	利息配当方法	毎四半期	担保・保証	担保なし・保証なし
最低成立金額	20,000,000円				

このファンドでは先着順で募集を行います

投資ガイド

このファンドの募集スケジュール

先着

先着での申込受付は終了いたしました。

諸条件の内容の解説

底地くんファンド#2

株式会社サンセイランディック

運用中

投資受付金額
50,000,000円/50,000,000円

100%

底地くんファンド#2

株式会社サンセイランディック

運用中

投資受付金額
50,000,000円/50,000,000円

100%

基本情報

1. 抽選

先着での申込受付は

投資申込の前に必ずご確認
重要事項説明書、

ファンドの条件

予定利回り (年率・税引前)	2.50%	予定運用期間	約8ヶ月 2020/5/26～2021/1/31*予定	募集金額	50,000,000円 うち2500万円を抽選方式で募集します
元本償還方法	満期一括	利息配当方法	毎四半期	担保・保証	担保なし・保証なし
最低成立金額	20,000,000円				

底地くんファンド#3

株式会社サンセイランディック

運用中

投資受付金額
100,000,000円/100,000,000円

100%

基本情報

1. 抽選 2. 先着

先着での申込受付は終了いたしました。

投資申込の前に必ずご確認
重要事項説明書、署名割合契約約款

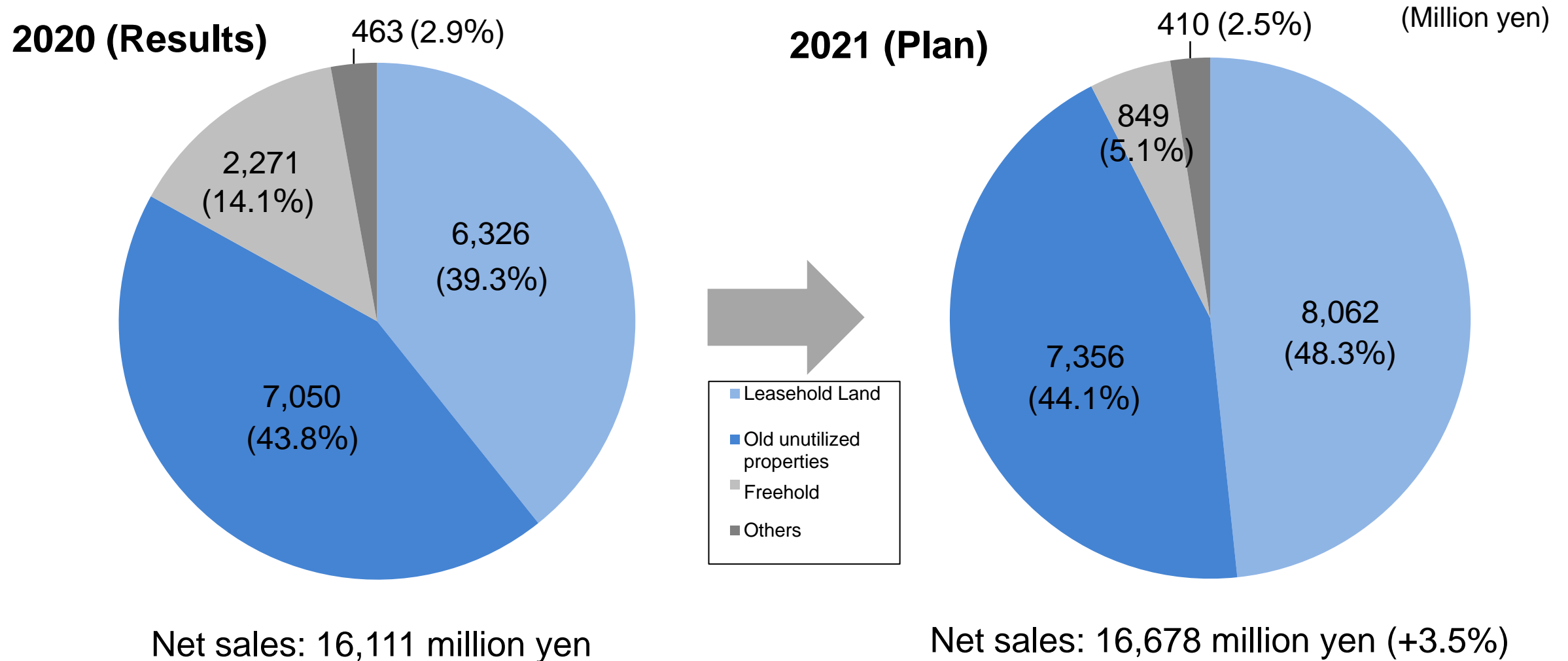
ファンドの条件

予定利回り (年率・税引前)	2.00%	予定運用期間	約11ヶ月 2020/11/24～2021/10/29*予定	募集金額	100,000,000円 うち5000万円を抽選方式で募集します
元本償還方法	満期一括	利息配当方法	毎四半期	担保・保証	担保なし・保証なし
最低成立金額	30,000,000円				

Real Estate Sales Business: Sales Plan by Business



- Leasehold land: 8,062 million yen, Old unutilized properties: 7,356 million yen, Freehold: 849 million yen, Others: 410 million yen.



FY12/20 Business Forecasts (Non-consolidated)



(Million yen)

	FY12/21	Pct. change
Net sales	17,706	+9.9%
Gross profit	4,263	+14.4%
Operating income	948	+12.1%
Ordinary income	762	+13.6%
Net income	505	+185.2%
EPS (Yen)	59.93	+185.9%
Dividend (Yen)	25	—

- Sales and profits are expected to exceed the level in 2020.
- Since net income decreased in 2020 due to the reversal of deferred tax assets, the rate of increase in net income is expected to be higher in 2021 than the rate of increase in ordinary income.

Status of the Construction Business



- Net sales fell short of the plan by 5.2%.
- Aiming to return to profitability as soon as possible by further strengthening management through the absorption merger.

(Million yen)

	FY12/18	FY12/19	FY12/20	FY12/21 (Plan)
Net sales	883	1,818	1,662	1,712
Segment profit/loss	-173	-44	-4	12

FY12/21 Business Forecasts (Consolidated)



(Million yen)

	FY12/21	Pct. change
Net sales	18,385	+3.4%
Gross profit	4,368	+9.6%
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 and profits in the Real Estate Sales business is expected to exceed the level in 2020. Plan to return to profitability in the Construction business.
- SG&A expenses are expected to increase due to capital investment in new businesses and sales commissions, which were temporarily suspended due to the impact of COVID-19.

Progress of Medium-term Management Plan

Review of the Previous Medium-term Management Plan (2018-2020)



- Fall significantly short of the plan due to the outbreak of COVID-19.

(Million yen)

	Mid-term management plan	FY12/20	
	(Final year)	Amount	Achievement rate
Operating income	2,000	847	-57.6%
Ordinary income	1,900	709	-62.7%
ROA	12.0%	3.6%	—

Growth

- In the community redevelopment project business, we are studying a broader range of projects and making progress concerning a number of projects.
- In the project to support people with disabilities, it is performing well and working on more properties in this business has been delayed due to COVID-19. The Minpaku business completed its business upon completion of rights adjustment.
- Started operation of a new motorcycle parking business.

Stable

- Opened Kyoto branch in 2018 to expand business area.
- Strengthened sales to local real estate companies has increased the number of projects coming in.
- Expanded sales to financial institutions, etc., which led to an increase in the number of projects signed.
- Active capitalization of some properties held.
- Diversification of fundraising through crowdfunding.

Return

- Dividend increase for six consecutive years.
- Resolution by the Board of Directors to purchase treasury stock
- Established the Sokochi-kun Children's Future Support Fund
- Implemented pay raise for employees

External environment

Stagnation in the tourism and accommodation industry due to the spread of COVID-19



Increase in the number of projects for the sale of hotels and Japanese inns and the number of inquiry for consultations from local governments



Internal environment

Strengthening of conceptual and proposal capabilities through business alliance with three specialized companies



Expansion of targets for consideration



**Narrowing down projects from a large number of project information.
Promote examination of projects that can build win-win-win relations and lead to regional revitalization.**

Purpose

- Training to develop employees capable of creating new businesses

Details

- Lecture on the method of "thinking, focusing, and deepening" for new businesses
- Inspection of local sites
- Exchange of opinions with young entrepreneurs who are engaged in community development
- Announcement of new business plans to local and management teams

Considering the concrete potential of the business plan proposed by a female employee of the Sales Department

Growth: Minpaku Business

Location: Ota-ku, Tokyo

- Matcha House: Began operation in May 2016
- Azuki House: Began operation in November 2018



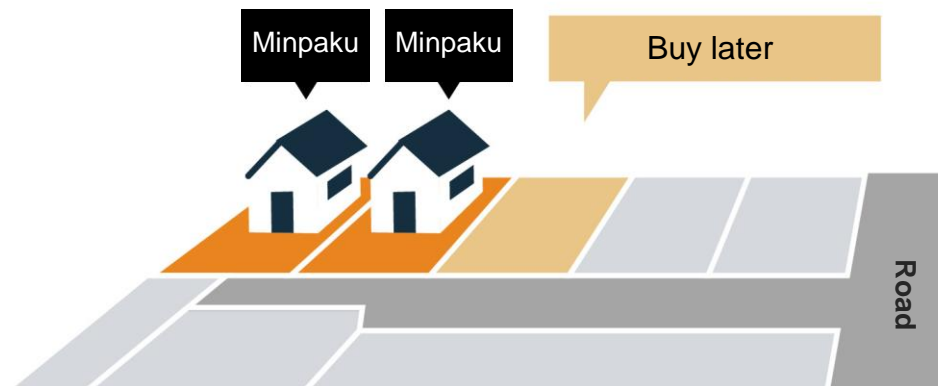
Initial
ownership



Operated 2 company-owned properties with poor road access as Minpaku facilities.



After right
adjustment



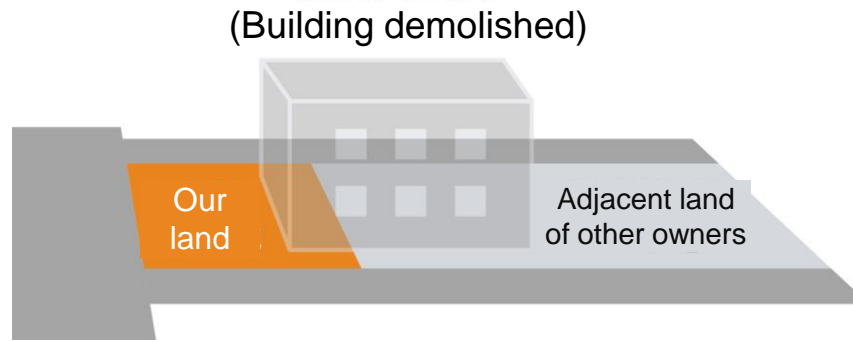
After adjusting the rights of the adjacent land, we sold the three lots as one.

Growth: Utilization as Motorcycle Parking

Location: Katsushika-ku, Tokyo
Motorcycle parking: Began operation in January 2021

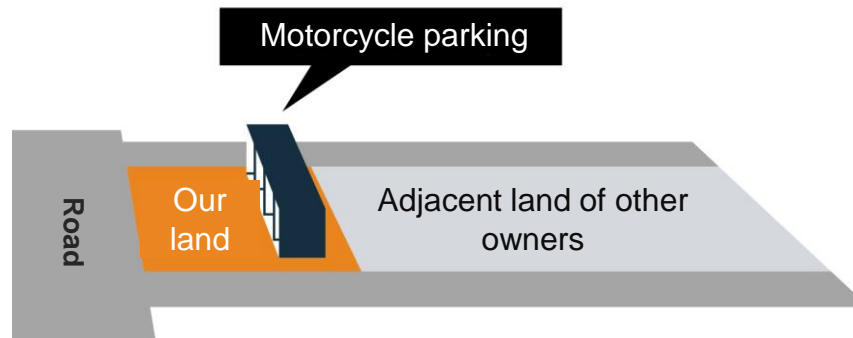


Initial ownership



Although the building has been demolished, the land is a narrow open lot. The property tax and other assessments are high, and we are considering how to utilize it.

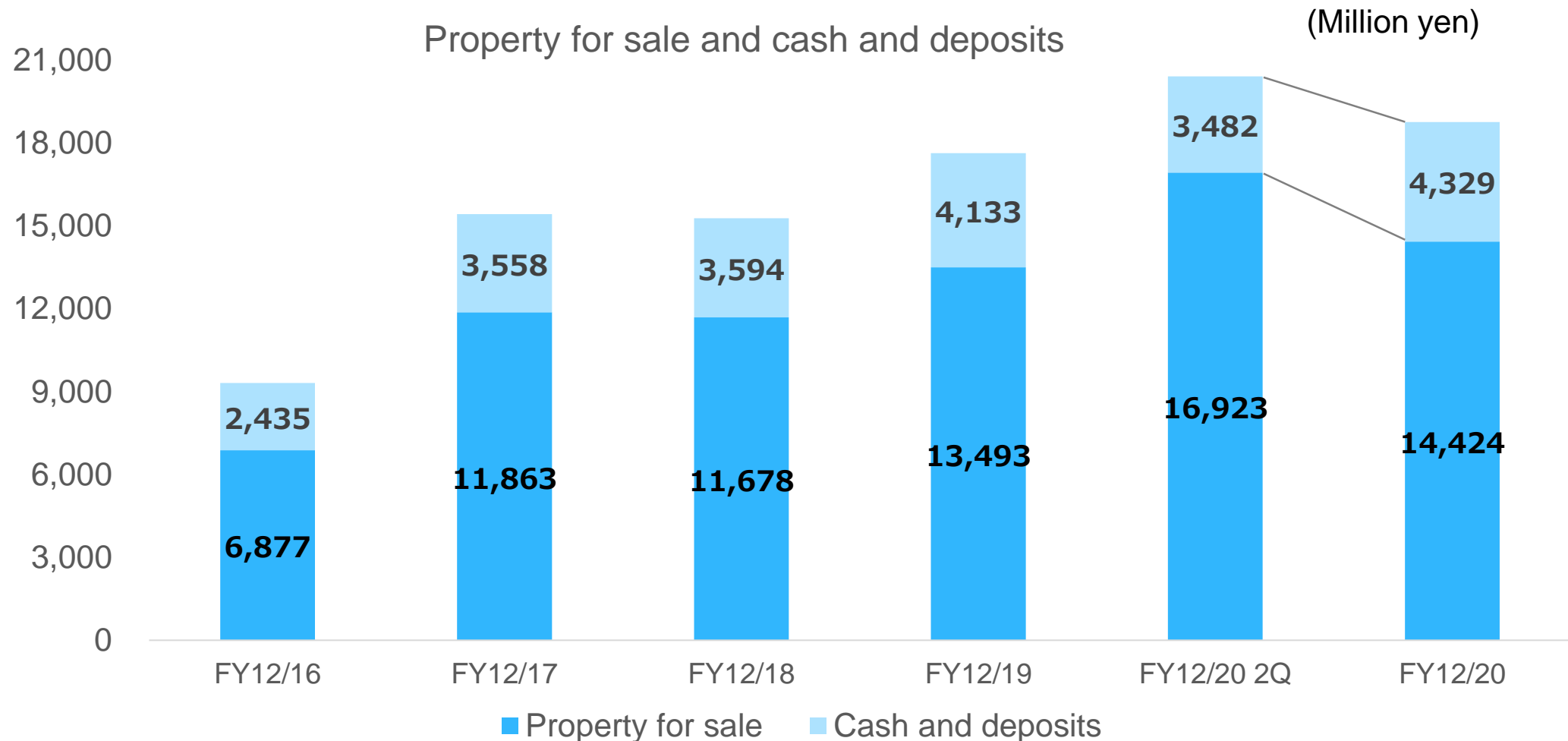
After adding value



Due to many nearby automobile parking facilities, the decision was made to use this land for motorcycle parking.

Stable: Partial Sales of Some Owned Assets

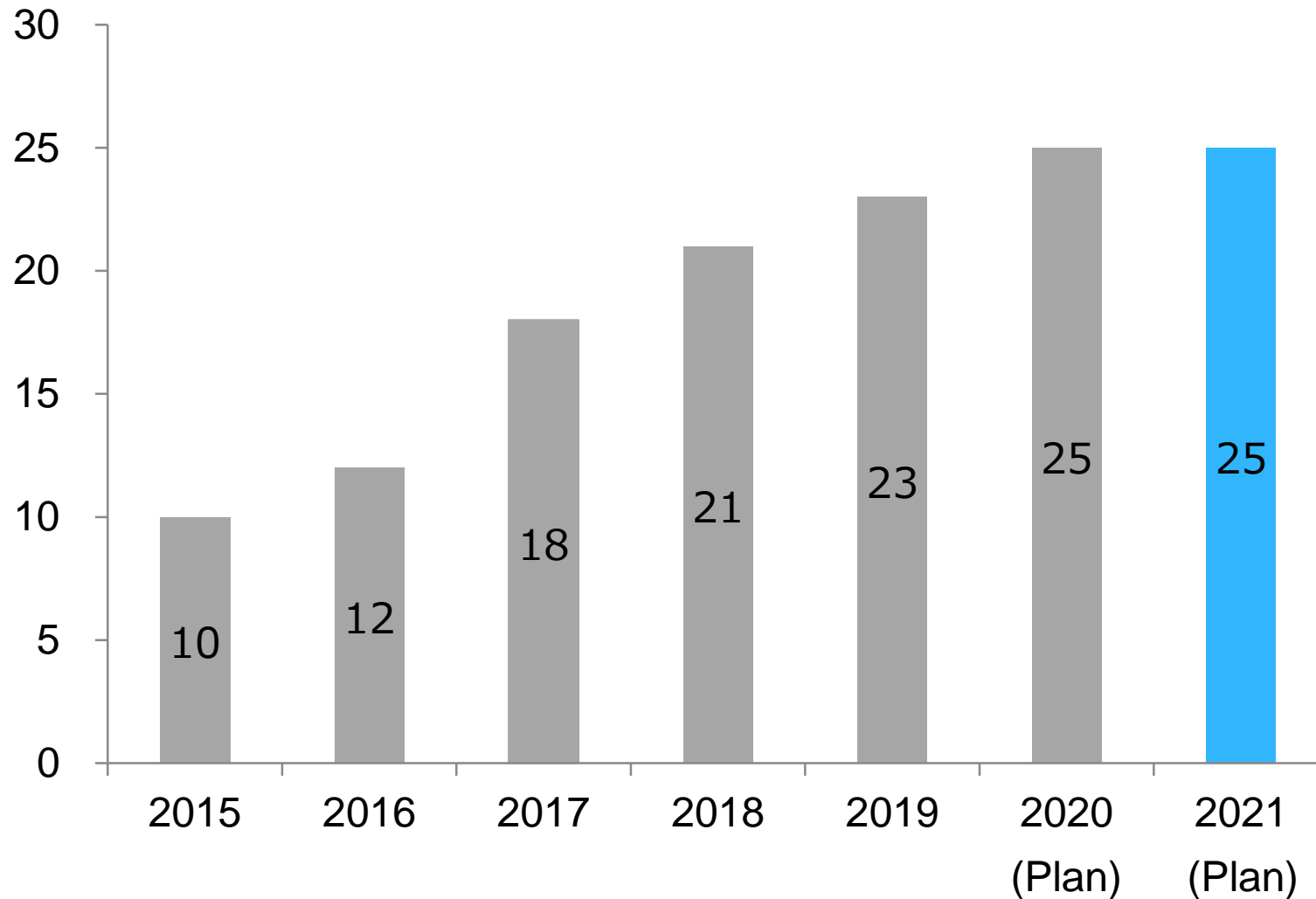
- Generate cash through active sales of some owned properties.
- More property sales are planned based on the current levels of properties owned and cash.



Shareholder Returns (Dividends)



Dividend (yen)



- We plan to pay a dividend of 25 yen for 2021, the same as for 2020, but it may be increased depending on our performance.
- The benefit for long-term shareholders has been increased.
As part of this revision, shareholders who own 100 shares for less than one year will no longer receive the benefit.

Shareholder Returns (Shareholder Benefit Program)

- Beginning with 2020, there are two shareholder benefit categories.
- Upgraded benefits for long-term shareholders in order to encourage more shareholders to hold our shares over the long term.

Number of shares held	2020		2021	
	QUO Card and canned bread		QUO Card or gift catalog	
	Holding less than 1 year	Holding more than 1 year	Holding less than 1 year	Holding more than 1 year
100 shares	QUO Card (500 yen)		Not eligible	QUO Card (500 yen)
200 to less than 500 shares	3 canned breads	3 canned breads + QUO Card (500 yen)	QUO Card (500 yen)	Gift catalog ①
500 shares or more	4 canned breads	4 canned breads + QUO Card (500 yen)	QUO Card (1,000 yen)	Gift catalog ②

*The gift catalog includes canned bread.


As sales of selected properties continue for the generation of cash, the Board of Directors approved a resolution on February 12, 2021 to acquire its treasury stock.

- | | |
|--------------------------------------|---|
| ■ Type of shares to acquire: | Common stock of Sansei Landic Co., Ltd
200,000 shares (maximum) |
| ■ Total number of shares to acquire: | *Ratio to the total number of shares issued
(excluding treasury stocks: 2.37%) |
| ■ Total acquisition cost: | 250,000,000 yen (maximum) |
| ■ Acquisition period: | February 15, 2021 through May 14, 2021 |
| ■ Method for acquisition: | Market purchase |

With the spread of COVID-19, our sales activities, which are mainly face-to-face sales, were greatly affected.

We will prioritize our response to COVID-19 and implement measures to deal with the various problems and management issues we are facing.

The new medium-term management plan ending in FY2023 is scheduled to be disclosed in mid-2021 or later.

Company name	Sansei Landic Co., Ltd
Representative	Takashi Matsuzaki, President and CEO
Established	February 1976
Capital stock	818,435,600 yen (As of the end of December 2020)
Listing	December 18, 2014, First Section of the Tokyo Stock Exchange Securities Code: 3277 *Listed on the JASDAQ Stock Exchange on December 13, 2011
Head office	5-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo
Branch	Sapporo, Sendai, Musashino, Nagoya, Kyoto, Kansai, Fukuoka
Subsidiary	One's Life Home Co., Ltd. (Construction)  One's Life Home natural modern from architects
Number of employees	Non-consolidated: 160 (consolidated:182) ...As of the end of December 2021

Thank you very much for your attention.

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

