



# **Sansei Landic Co., Ltd**

**Financial Results for the Fiscal Year  
Ended December 2022  
February 20, 2023**

# **Overview of Financial Results for the Fiscal Year Ended December 2022**

- Although sales fell short of the previous year and the plan, the profit margin exceeded the forecasts, resulting in profits exceeding the previous year and the plan.

|   |                           |                      |
|---|---------------------------|----------------------|
| Net sales                                   | <b>15,533</b> million yen | <b>Down 7.7%</b> YoY |
| Operating income                            | <b>1,469</b> million yen  | <b>Up 31.5%</b> YoY  |
| Ordinary income                             | <b>1,283</b> million yen  | <b>Up 28.4%</b> YoY  |
| Net income attributable to owners of parent | <b>1,060</b> million yen  | <b>Up 73.9%</b> YoY  |
| Amount of purchases                         | <b>20,636</b> million yen | <b>Up 104.0%</b> YoY |

\* The construction business segment was excluded from the scope of consolidation from 2Q following the transfer of all shares in the consolidated One's Life Home, Inc. Net Income attributable to owners of parent increased significantly due to a decrease in income taxes of over 200 million yen due to the share transfer.

# Comparison of consolidated income statement



- Although net sales fell short of the plan, the profits exceeded the plan and the previous year due to an increase in the gross profit margin.

| (Unit: million yen)                            | FY12/20 | FY12/21 | FY12/22                                    |  |         |  |
|--|---------|---------|--|--|---------|--|
|  | Results | Results | Revised plan<br>(announced in<br>May 2022) | Revised<br>forecasts<br>(announced in<br>Jan 2023) | Results | Difference<br>(announced in<br>May 2022) |
| Net sales                                      | 17,774  | 16,836  | 17,103                                     | 15,520   | 15,533  | -1,570                                   |
| Gross profit                                   | 3,986   | 4,368   | 4,764                                      | —  | 5,047   | +283                                     |
| SG&A   | 3,138   | 3,250   | 3,362                                      | —  | 3,578   | +215                                     |
| Operating income                               | 847     | 1,117   | 1,402                                      | 1,530  | 1,469   | +67                                      |
| Ordinary income                                | 709     | 999     | 1,226                                      | 1,340  | 1,283   | +57                                      |
| Extraordinary income                           | 32      | 3       | 19   | —  | 20      | +0                                       |
| Extraordinary loss                             | 29      | 0       | 0  | —  | 33      | +33                                      |
| Net income attributable<br>to owners of parent | 357     | 609     | 1,058                                      | 1,080  | 1,060   | +1                                       |

# Comparison of non-consolidated income statement



- As with the consolidated results, although net sales were below the plan, profits exceeded the plan and the previous year.

| (Unit: million yen)  | FY12/20 | FY12/21 | FY12/22                                    |  |         |  |
|----------------------|---------|---------|--|--|---------|--|
|                      | Results | Results | Revised plan<br>(announced in<br>May 2022) | Revised<br>forecasts<br>(announced in<br>Jan 2023) | Results | Difference<br>(announced in<br>May 2022) |
| Net sales            | 16,111  | 15,529  | 16,875                                     | 15,300   | 15,309  | -1,565                                   |
| Gross profit         | 3,727   | 4,274   | 4,727                                      | —  | 5,016   | +289                                     |
| SG&A                 | 2,881   | 3,011   | 3,309                                      | —  | 3,527   | +217                                     |
| Operating income     | 845     | 1,263   | 1,417                                      | —  | 1,489   | +71                                      |
| Ordinary income      | 671     | 993     | 1,241                                      | 1,360  | 1,303   | +62                                      |
| Extraordinary income | 31      | 3       | 0  | —  | 0       | +0                                       |
| Extraordinary loss   | 0       | 0       | 7  | —  | 41      | +33                                      |
| Net income           | 177     | 603     | 1,046                                      | 1,070  | 1,053   | +7                                       |

# Summary of consolidated balance sheet

- Interest-bearing liabilities increased due to the increase in property for sale, resulting in a lower equity ratio.

(Unit: Million yen)

|                              | FY12/21 | FY12/22 |                          |             |
|------------------------------|---------|---------|--------------------------|-------------|
|                              | Amount  | Amount  | Vs. end of previous term | Pct. change |
| Cash and deposits            | 5,360   | 3,827   | -1,523                   | -28.4%      |
| Property for sale            | 13,301  | 23,657  | +10,356                  | +77.9%      |
| Interest-bearing liabilities | 8,107   | 16,399  | +8,291                   | +102.3%     |
| Net assets                   | 10,301  | 11,056  | +754                     | +7.3%       |
| Total assets                 | 20,050  | 28,976  | +8,926                   | +44.5%      |
| Shareholders' equity ratio   | 51.4%   | 38.1%   | -13.3pt                  | -           |
| ROE                          | 6.0%    | 9.9%    | +3.9pt                   | -           |

# Summary of consolidated cash flow

- Cash flow from operating activities was negative, mainly due to an increase in inventories as a result of increased purchases
- The decrease in cash and cash equivalents was mainly due to a significant YoY increase in purchases

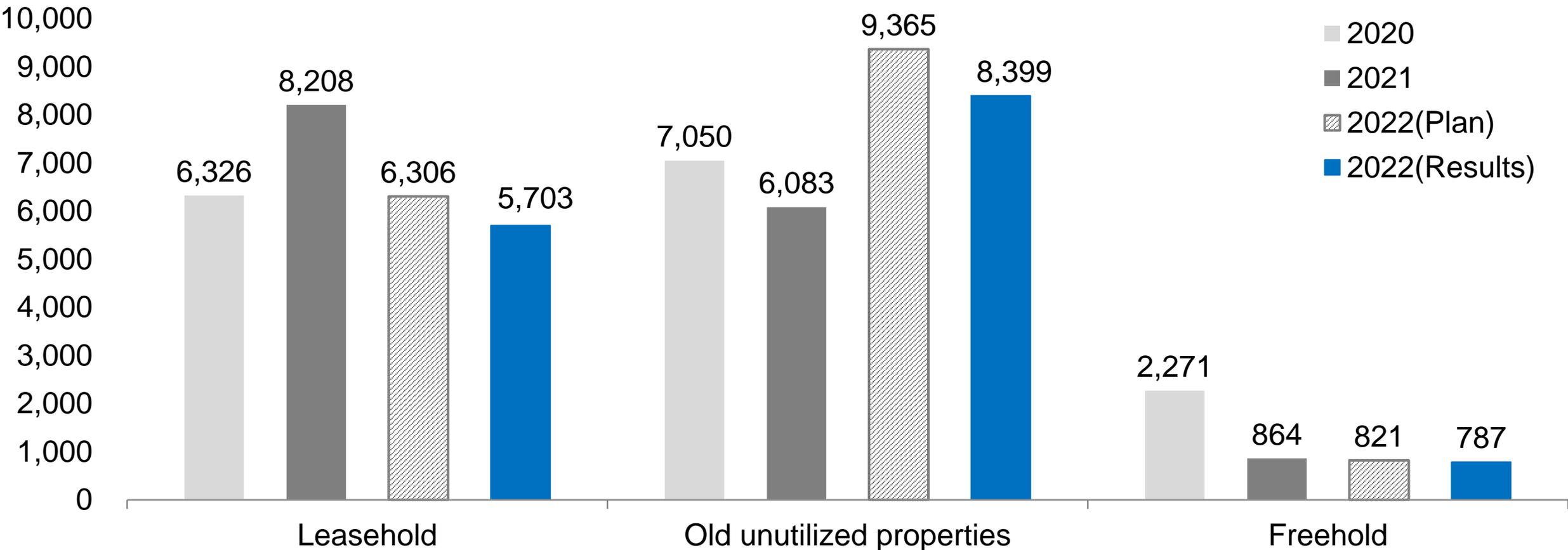
(Unit: Million yen)

|                                       | FY12/20 | FY12/21 | FY12/22 |
|---------------------------------------|---------|---------|---------|
|                                       | Results | Results | Results |
| Cash flow from operating activities   | -916    | 1,704   | -9,267  |
| Cash flow from investing activities   | -287    | -51     | -266    |
| Cash flow from financing activities   | 952     | -608    | 7,971   |
| Net increase in cash and cash equiv.  | -251    | 1,045   | -1,563  |
| Cash and cash equiv. at end of period | 3,707   | 4,752   | 3,188   |

# Sales by business segment

- Leasehold : Sales below plan, but profits well above plan
- Old unutilized properties : Sales below plan, but profits above plan
- Freehold : Sales below plan but profits broadly in line with plan

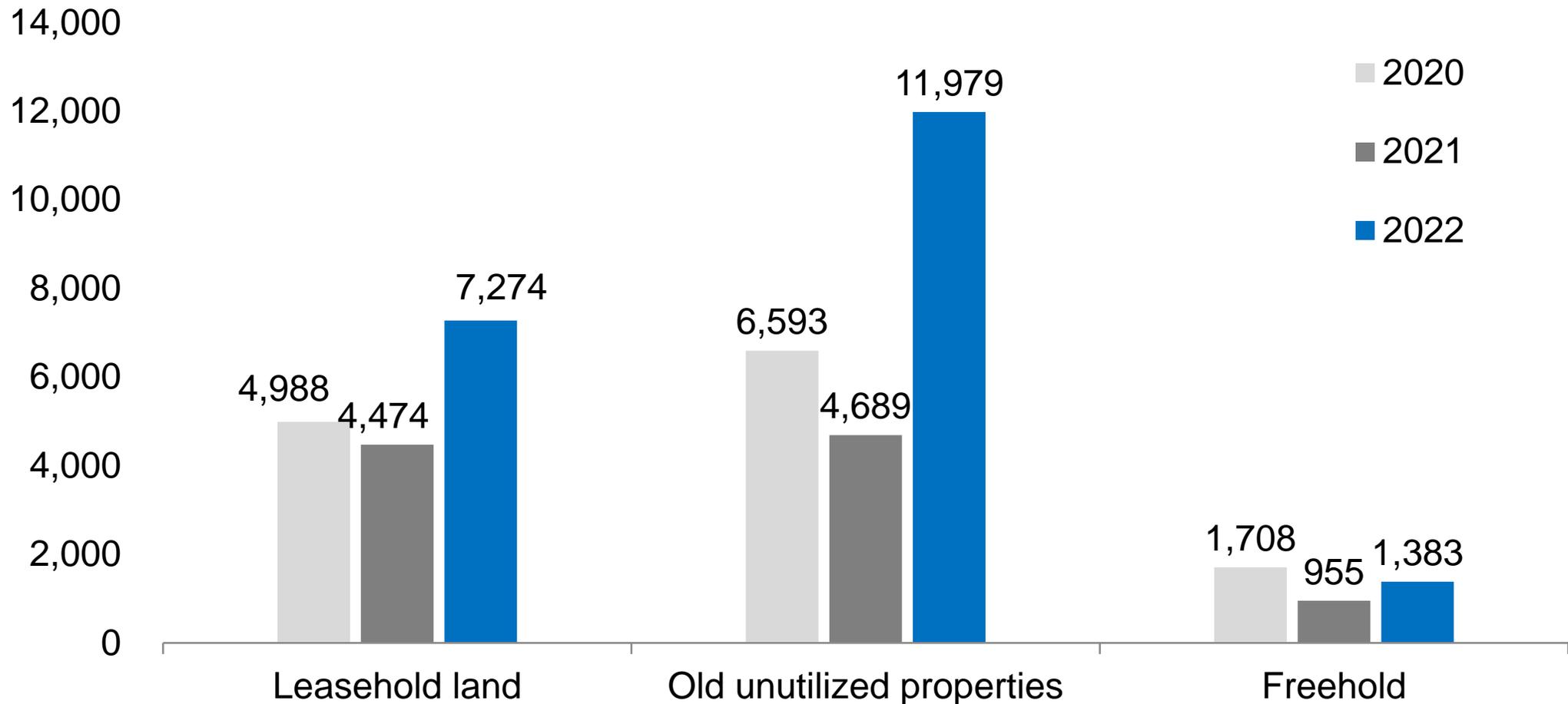
Sales (million yen)



# Purchases by business segment

- Purchases increased in all business divisions and recorded levels
- Purchases of old unutilized properties increased significantly as the proportion of large properties increased.

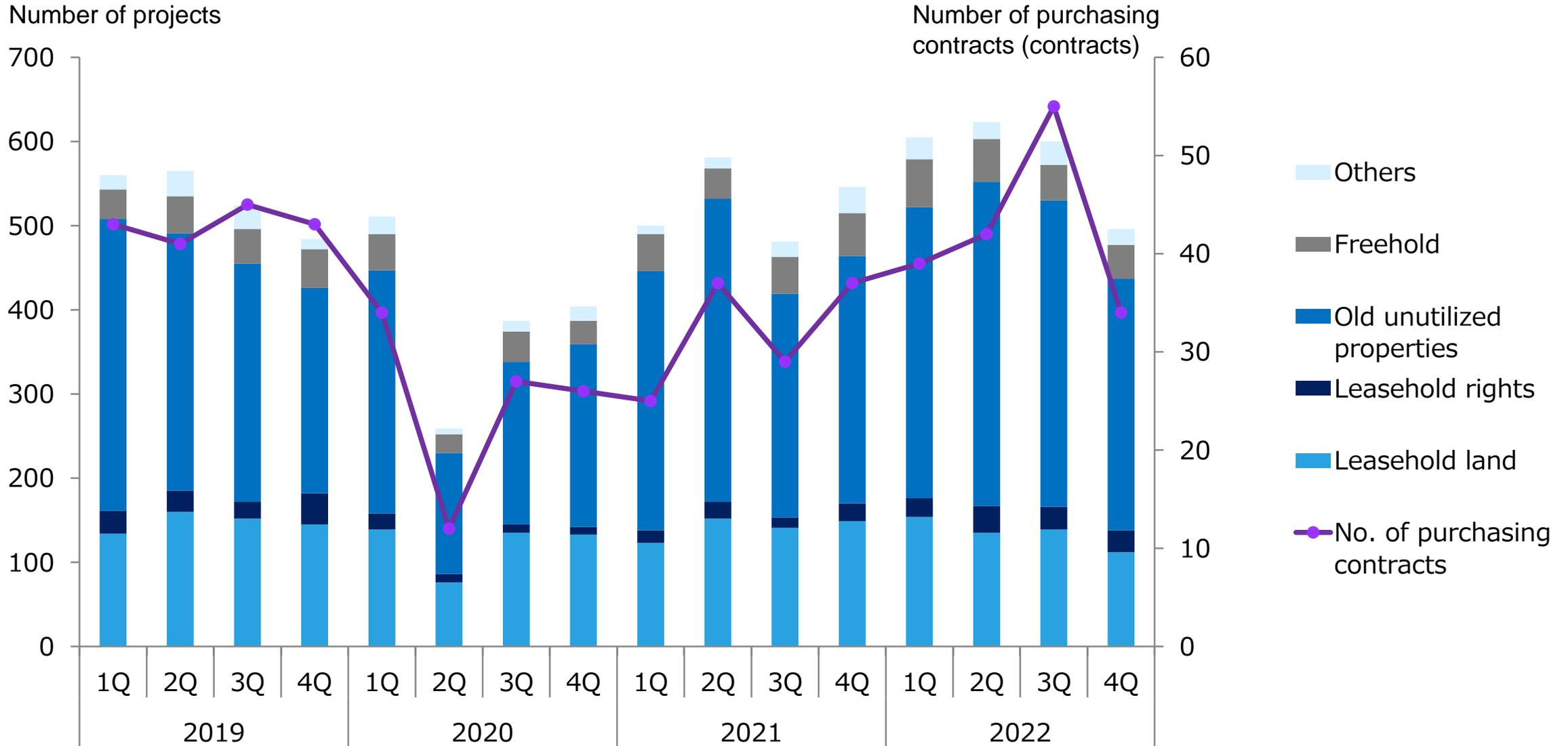
Purchase amount (million yen)



# Changes in the number of projects and number of purchasing contracts



- The number of projects remained high and stable. The number of contracts signed declined in 4Q but increased significantly over the year.



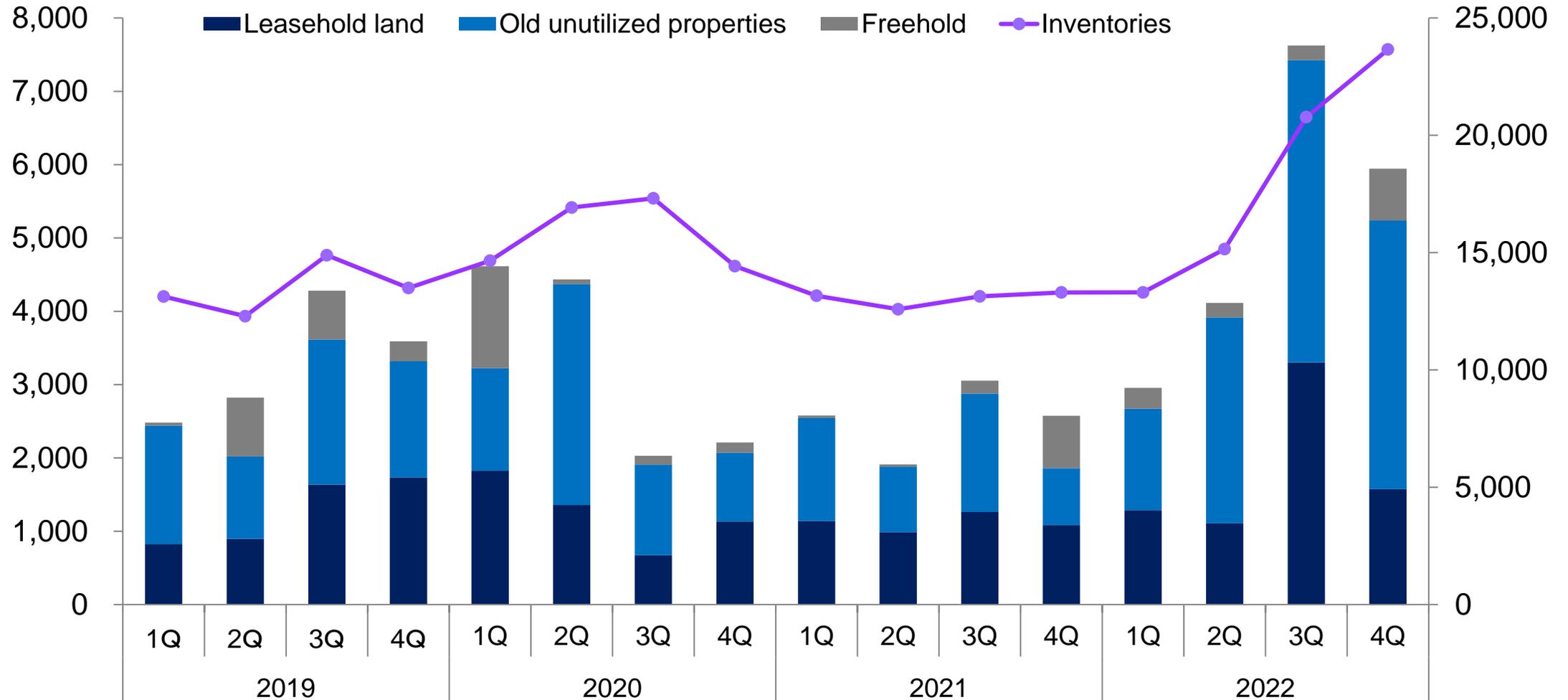
# Changes in the amount of purchases and inventories



- Purchases progressed well ahead of plan, with purchase and inventory levels at record highs.

Purchase amount (million yen)

Inventories (million yen)



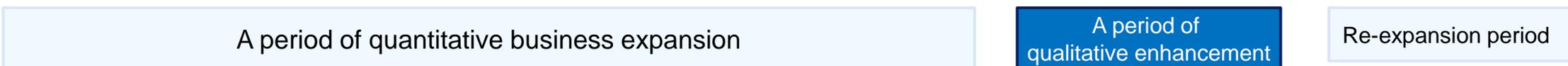
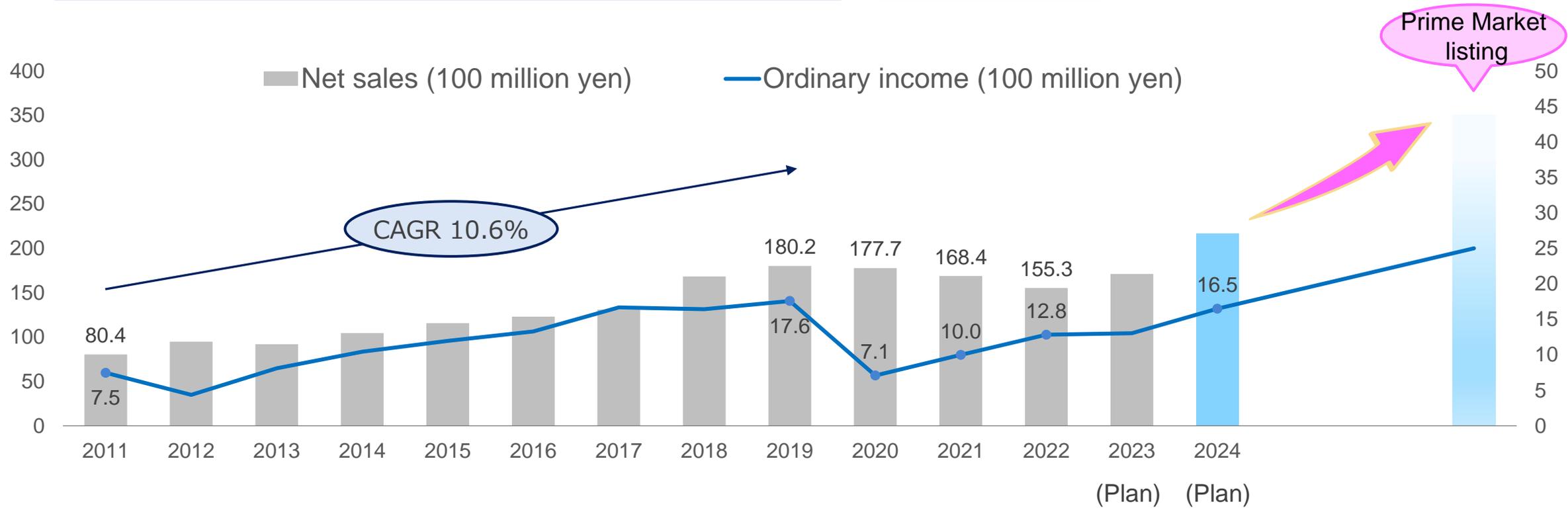
# **Medium-term Management Plan** **(2022-2024)**

**-Transformation to 2024-**

# Positioning of the medium-term management plan



- 2022-24 will be a period of qualitative enhancement, with a focus on growth initiatives aiming at TSE Prime listing from 2025 onwards
- Aiming to shift to renewed growth by strengthening the financial base for a prime listing and accelerating new initiatives through upfront investment.



**Build a solid business foundation that can realize a stable business growth even after the COVID-19 ends**

**Expansion of existing businesses**

- Strengthening of organizational capability
- Creation of opportunity for business expansion due to the promotion of new initiatives
- Human resources development

**Expansion of business domain**

- Efforts toward new businesses
- Implementation of M&As and alliances

**Strengthening of management base**

- Strengthening of governance system
- Review of back-office capable of responding to organizational growth
- Strengthening of financial foundation
- Personnel reform

# Expanding existing businesses: Initiatives to strengthen sales and marketing

## Progress in the first year of the plan

### Strengthening of organisational capabilities

- Introduce SFA (Sales Force Automation - sales support) and BI (Business Intelligence - analysis) systems.
- Establish dedicated websites for each site
- Strengthen inventory management

### New initiatives

- Implement new business schemes on a trial basis, focusing on leasehold land and old unutilised properties businesses as the core.

### Human resources development

- Review the sales education system, which has been mainly on-the-job training.
- Establish a human resources department to strengthen the education system.

### Numerical targets

- Revise gross profit margin targets upwards for the current fiscal year
- Achieve procurement targets in 3Q

## Key actions for the second year of the plan

- Strengthen knowledge management and cross-business collaboration
- Strengthen online marketing
- Improve sales productivity

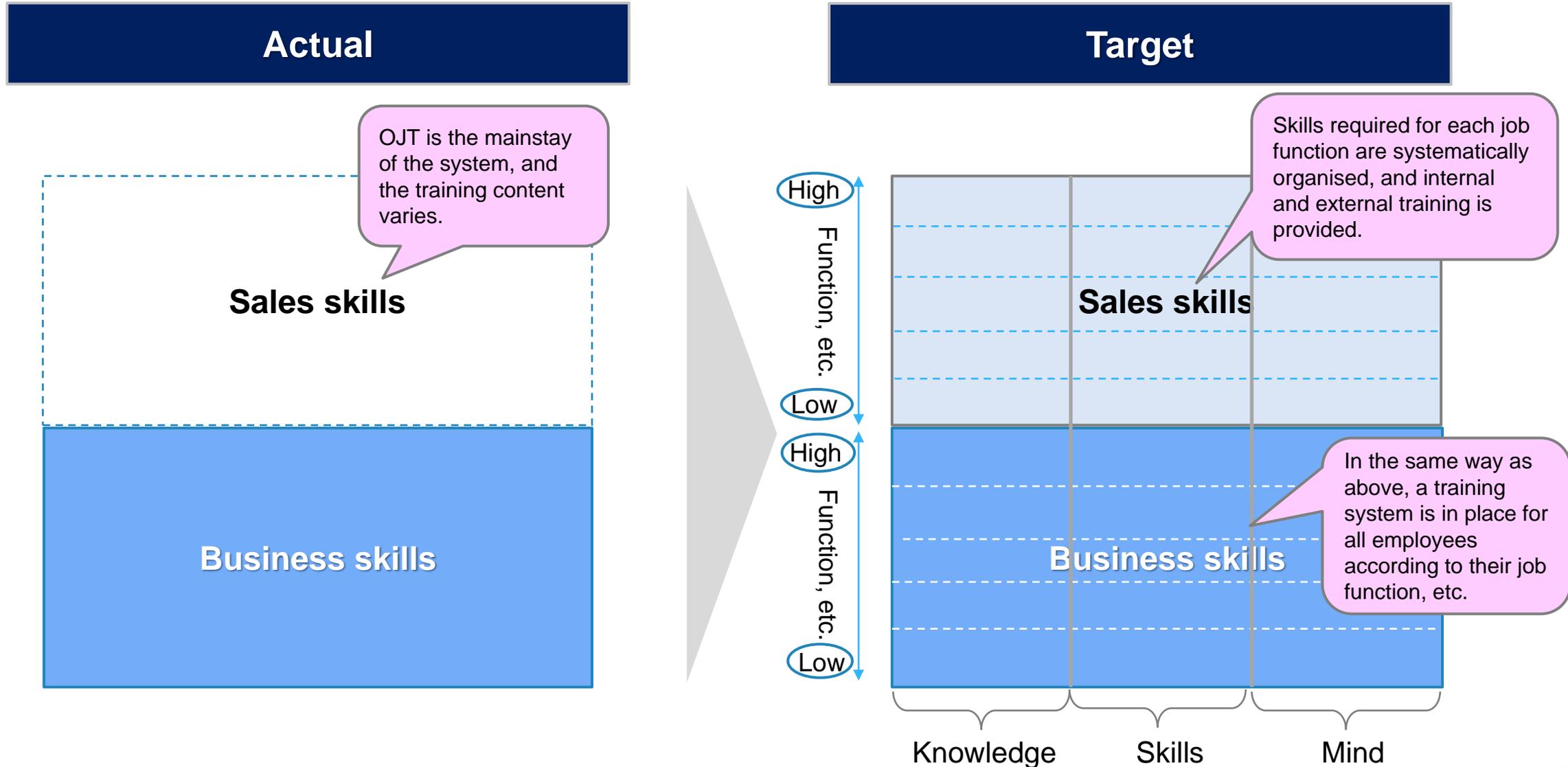
- Verify and scale commercialisation of business schemes explored to date

- Clarify required sales skills and implement a systematic training system
- Formulate human resources strategy

- Achieve purchasing and sales targets to meet the final year targets of the medium-term management plan

**Focus on measures to strengthen sales in order to achieve "stable and sustainable growth".**

# Expanding existing businesses: Strengthen the sales training system



## Create dedicated websites for each location



# Expansion of business domain: Hachimantai Tourism Revitalisation LLC website launched



Instagram

<https://hachimantai-llc.com>

Hachimantai City in Iwate Prefecture has valuable natural scenery and tourism resources. However, the owners of pensions (ryokan) and underused vacation homes (idle assets) scattered throughout the area, as well as the owners of ryokan and other managers face inheritance problems and difficulties in continuing their businesses due to an aging population and lack of successors.

We established the Hachimantai Tourism Revitalisation LLC in the hope that we could help solve the problems of the local authorities and the local people by using our rights adjustment capabilities to increase the added value of the real estate and make it more attractive again.



Hachimantai is written in hiragana, Japanese syllabary, to avoid mispronunciations and create a softer atmosphere.

Although the company name is rigid, we aim to create a friendly company in order to be accepted by the local community.

## <Management vision>

### Self-reliant and self-advancing

To think and act with an eye on the future, with a strong will and initiative, aiming for an agile organisation that takes a stand for running on ourselves.  
To actively involve those around us and challenge ourselves to create work that impacts society.

### Professional awareness

### Enjoy changes

A new business contest is held as part of in-house training.

The decision was made to commercialise an accommodation facility business for motorcycle riders, originated by a female employee, expecting it to embody the '**self-reliant and self-advancing**' principle set out in the management vision.

The aim is also to utilise the company's know-how in various fields.

### 【Envisioned plan】



\*Photo is an image only.

Location: Shizuoka Prefecture  
Type of property: accommodation facilities for motorcycle riders  
Number of buildings for rent: 2  
Capacity: 8 people in total

**Aiming to open by the end of 2023 in cooperation with local companies.**

Strengthening the  
governance  
system



## **Strengthen the governance system across the Group**

- ⇒ Develop a crisis management and business continuity plan (BCP)
- ⇒ Strengthen compliance, risk management and information management systems

Review back-  
office system



## **Improving the efficiency of back-office structures with a view to growth**

- ⇒ Promote PJT to improve operational efficiency across the company based on the business improvement plan
- ⇒ Improve productivity in sales and administration divisions, including through the use of IT

Strengthening of  
financial  
foundation



## **Maintain the balance between proactive investment in new businesses and financial soundness**

- ⇒ Thorough risk management of purchased properties
- ⇒ Strengthen fundraising through the active use of crowdfunding

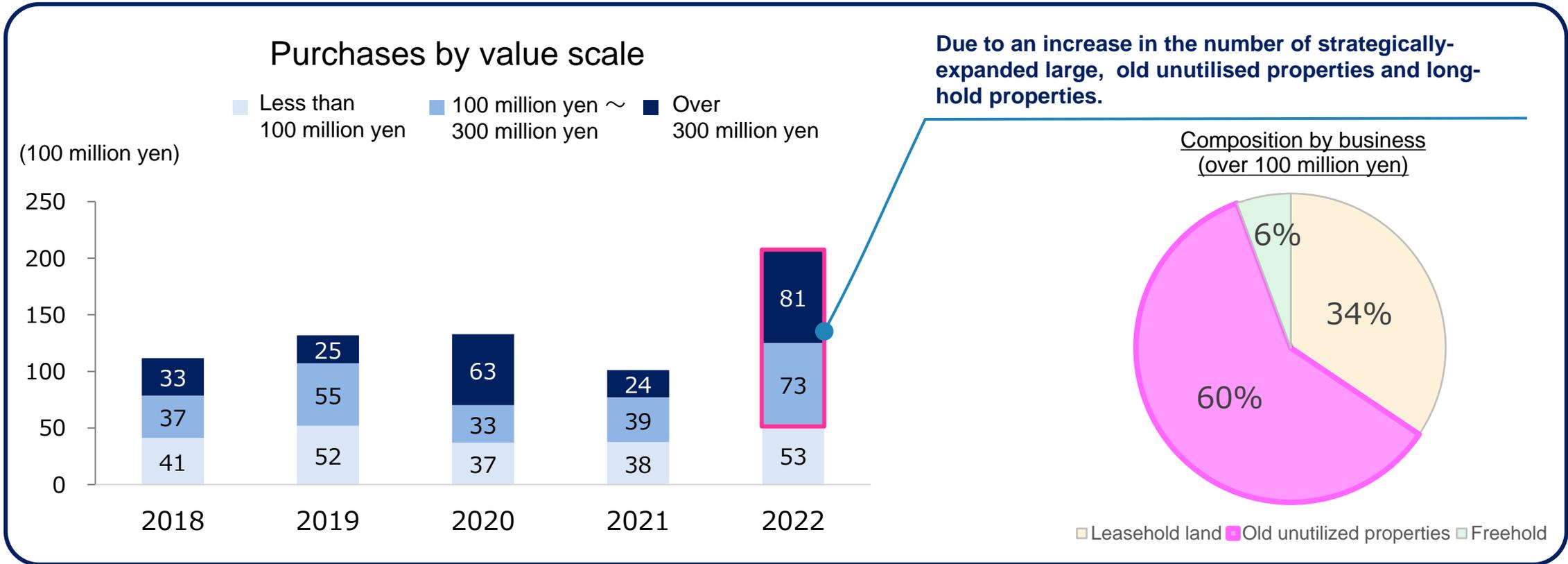
Personnel reform



## **Reform sales and recruit and train the human resources needed for future growth**

- ⇒ Create a Human Resources Department and start formulating a human resources organisational strategy
- ⇒ Review the evaluation and training system and strengthen recruitment in order to create a more comfortable working environment.

# Strengthening the management infrastructure: Risk management of purchased properties

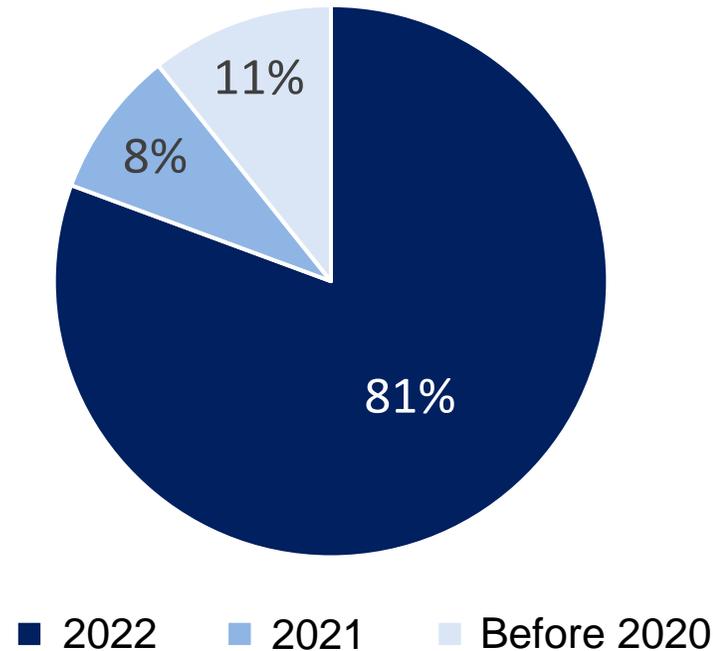


## Our policy

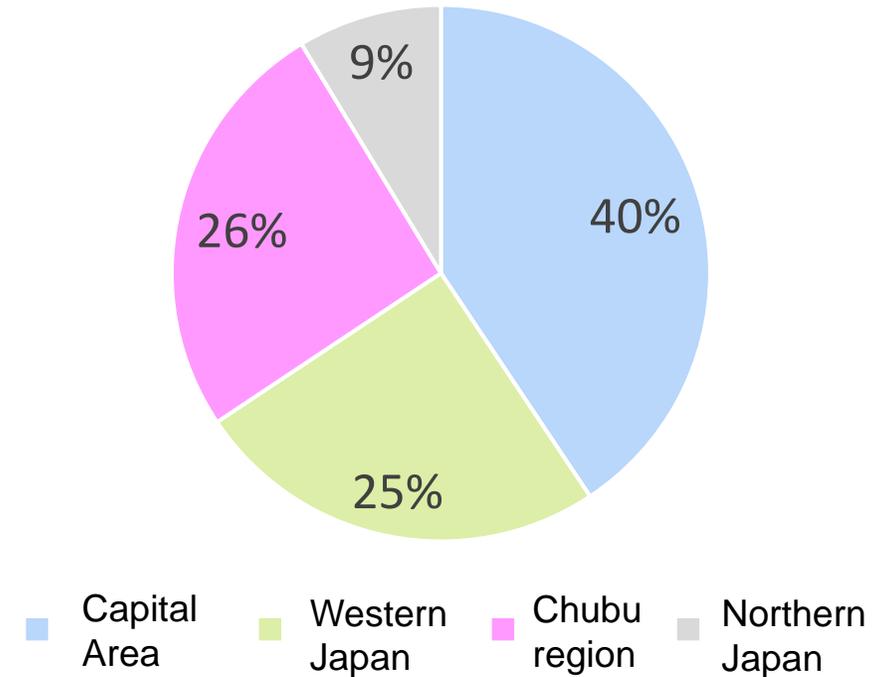
- We will not assume that property prices will rise and maintain a cautious approach to property purchases.
- Wherever possible, conclude a contract of sale at the same time as concluding a contract of property purchase.
- After purchasing a property, strengthen the management of sales activities up to the point of sale and ensure a thorough sales schedule.
- For properties that can be sold ahead of schedule, sell them in a timely manner while maximising profits.

(End-December 2022, by value)

Composition of balance by purchase period



Composition of balance by region

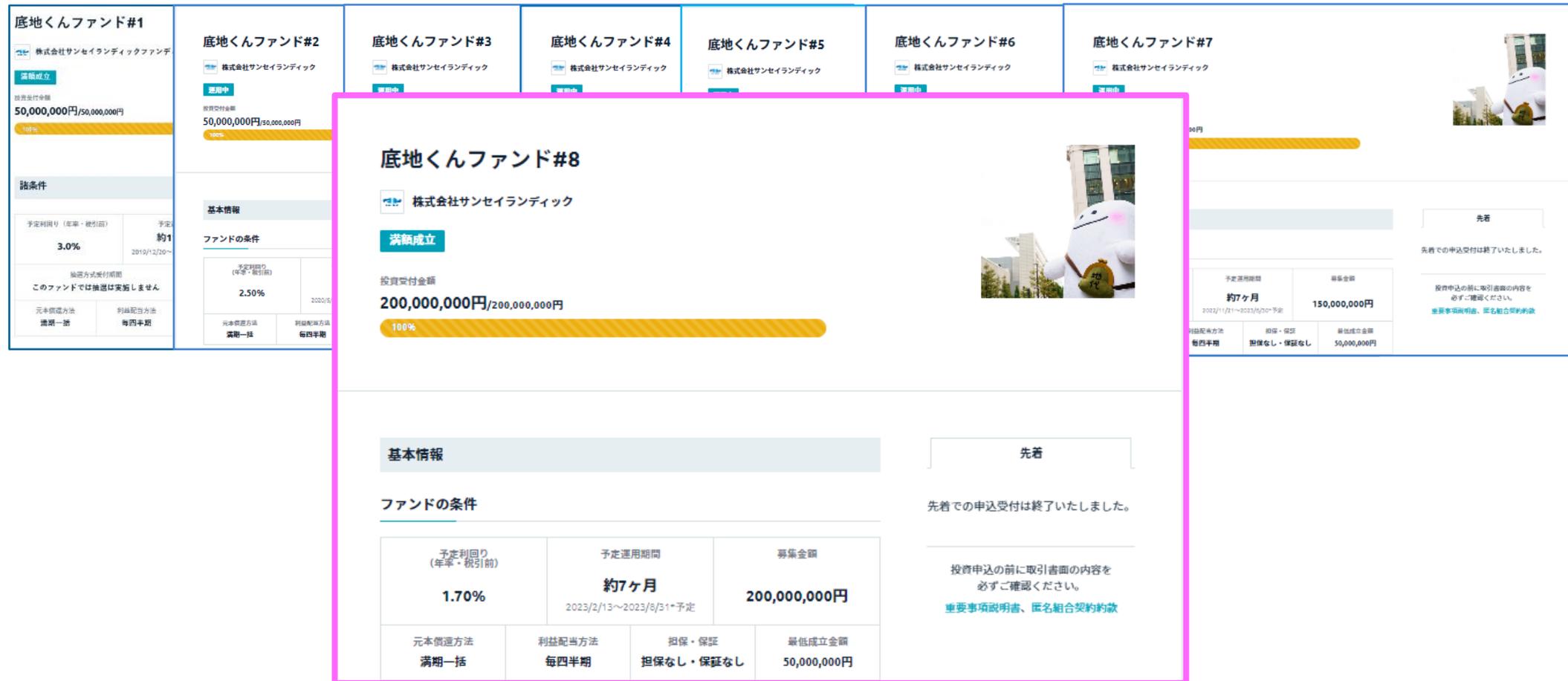


**Details of real estate for sale**

- **Over 80% of real estate for sale was purchased less than a year ago**
- **Diversified portfolio with real estate in all regions of the country**

# Strengthening the management infrastructure: Crowdfunding

- First to seventh offering: Raised 650 million yen in total.
- 8th offering: 200 million yen was raised in January 2023. Funding rates have fallen from an initial 3.0% to 1.7%.

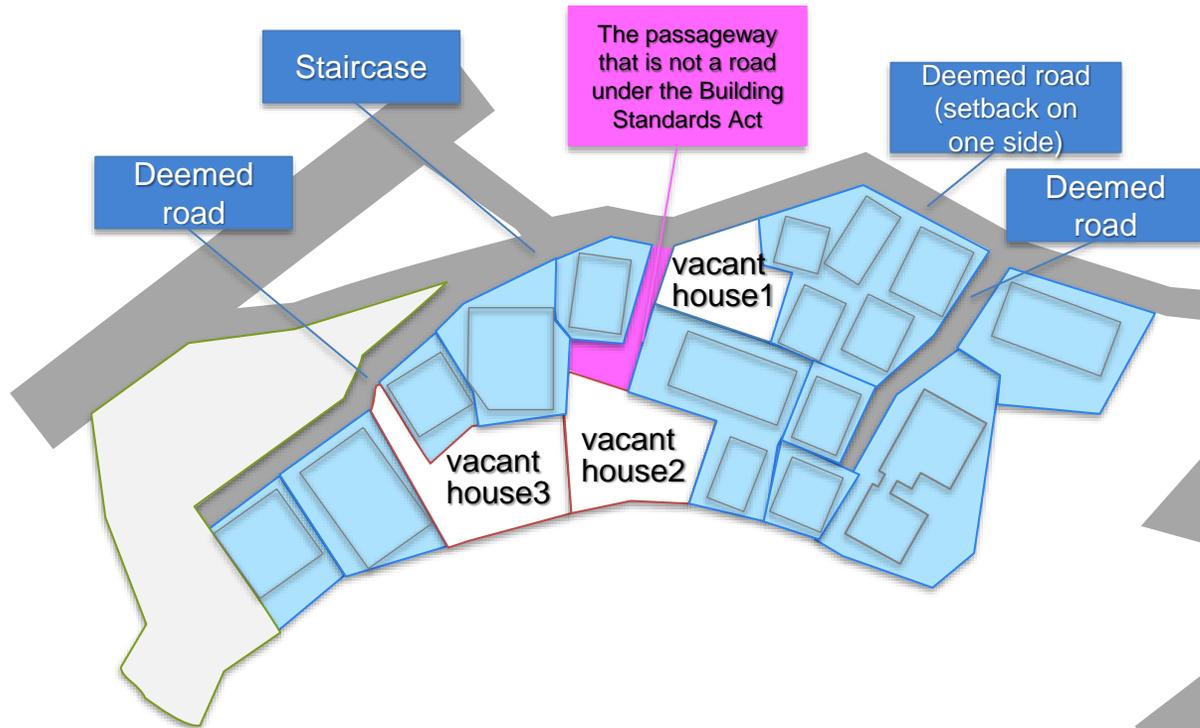


The screenshot displays seven crowdfunding offerings from Sansei Landic. Fund #8 is highlighted with a pink border. The offerings are as follows:

| 底地くんファンド#1   | 底地くんファンド#2                        | 底地くんファンド#3 | 底地くんファンド#4 | 底地くんファンド#5         | 底地くんファンド#6 | 底地くんファンド#7        | 底地くんファンド#8   |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
|--|-----------------------------------|------------|------------|--------------------|------------|-------------------|--|------|--------|--------------------------|--|------------------|--|---------|--|----------------|-------|--------|-----------|--------|------|--------|------|--|--|--|--|--|------|--|---------|--|----------------|-------|--------|--------------------------------|------|--------------|--------|------|--------|------|-------|-----------|--------|-------------|
| 募集成立   | 運用中                               | 運用中        | 運用中        | 運用中                | 運用中        | 運用中               | 募集成立   |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 投資実行金額<br>50,000,000円/50,000,000円  | 投資実行金額<br>50,000,000円/50,000,000円 |            |            |                    |            |                   | 投資実行金額<br>200,000,000円/200,000,000円  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 諸条件  | 基本情報                              |            |            |                    |            |                   | 基本情報   |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| <table border="1"> <tr> <td>予定利回り (年率・税引前)</td> <td>3.0%</td> </tr> <tr> <td>予定運用期間</td> <td>約1年<br/>2019/12/20~</td> </tr> <tr> <td>募集方式実行時期</td> <td>このファンドでは抽選は実施しません</td> </tr> <tr> <td>元本償還方法</td> <td>満期一括</td> </tr> <tr> <td>利益配当方法</td> <td>毎四半期</td> </tr> </table> | 予定利回り (年率・税引前)                    | 3.0%       | 予定運用期間     | 約1年<br>2019/12/20~ | 募集方式実行時期   | このファンドでは抽選は実施しません | 元本償還方法   | 満期一括 | 利益配当方法 | 毎四半期                     | <table border="1"> <tr> <td>基本情報</td> <td></td> </tr> <tr> <td>ファンドの条件</td> <td></td> </tr> <tr> <td>予定利回り (年率・税引前)</td> <td>2.50%</td> </tr> <tr> <td>予定運用期間</td> <td>2020/5/1~</td> </tr> <tr> <td>元本償還方法</td> <td>満期一括</td> </tr> <tr> <td>利益配当方法</td> <td>毎四半期</td> </tr> </table> | 基本情報             |  | 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 | 2020/5/1~ | 元本償還方法 | 満期一括 | 利益配当方法 | 毎四半期 |  |  |  |  | <table border="1"> <tr> <td>基本情報</td> <td></td> </tr> <tr> <td>ファンドの条件</td> <td></td> </tr> <tr> <td>予定利回り (年率・税引前)</td> <td>1.70%</td> </tr> <tr> <td>予定運用期間</td> <td>約7ヶ月<br/>2023/2/13~2023/8/31*予定</td> </tr> <tr> <td>募集金額</td> <td>200,000,000円</td> </tr> <tr> <td>元本償還方法</td> <td>満期一括</td> </tr> <tr> <td>利益配当方法</td> <td>毎四半期</td> </tr> <tr> <td>担保・保証</td> <td>担保なし・保証なし</td> </tr> <tr> <td>最低成立金額</td> <td>50,000,000円</td> </tr> </table> | 基本情報 |  | ファンドの条件 |  | 予定利回り (年率・税引前) | 1.70% | 予定運用期間 | 約7ヶ月<br>2023/2/13~2023/8/31*予定 | 募集金額 | 200,000,000円 | 元本償還方法 | 満期一括 | 利益配当方法 | 毎四半期 | 担保・保証 | 担保なし・保証なし | 最低成立金額 | 50,000,000円 |
| 予定利回り (年率・税引前)   | 3.0%                              |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 予定運用期間   | 約1年<br>2019/12/20~                |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 募集方式実行時期   | このファンドでは抽選は実施しません                 |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 元本償還方法   | 満期一括                              |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 利益配当方法   | 毎四半期                              |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 基本情報   |                                   |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 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   | 2020/5/1~                         |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 元本償還方法   | 満期一括                              |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 利益配当方法   | 毎四半期                              |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 基本情報   |                                   |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| ファンドの条件  |                                   |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 予定利回り (年率・税引前)   | 1.70%                             |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 予定運用期間   | 約7ヶ月<br>2023/2/13~2023/8/31*予定    |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 募集金額   | 200,000,000円                      |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 元本償還方法   | 満期一括                              |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 利益配当方法   | 毎四半期                              |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 担保・保証  | 担保なし・保証なし                         |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 最低成立金額   | 50,000,000円                       |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
|  |                                   |            |            |                    |            |                   | 先着   |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
|  |                                   |            |            |                    |            |                   | 先着での申込受付は終了いたしました。   |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
|  |                                   |            |            |                    |            |                   | <table border="1"> <tr> <td>先着</td> <td></td> </tr> <tr> <td>投資申込の前に取引書の内容を必ずご確認ください。</td> <td></td> </tr> <tr> <td>重要事項説明書、匿名組合契約約款</td> <td></td> </tr> </table> | 先着   |        | 投資申込の前に取引書の内容を必ずご確認ください。 |  | 重要事項説明書、匿名組合契約約款 |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 先着   |                                   |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 投資申込の前に取引書の内容を必ずご確認ください。   |                                   |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |
| 重要事項説明書、匿名組合契約約款   |                                   |            |            |                    |            |                   |  |      |        |                          |  |                  |  |         |  |                |       |        |           |        |      |        |      |  |  |  |  |  |      |  |         |  |                |       |        |                                |      |              |        |      |        |      |       |           |        |             |

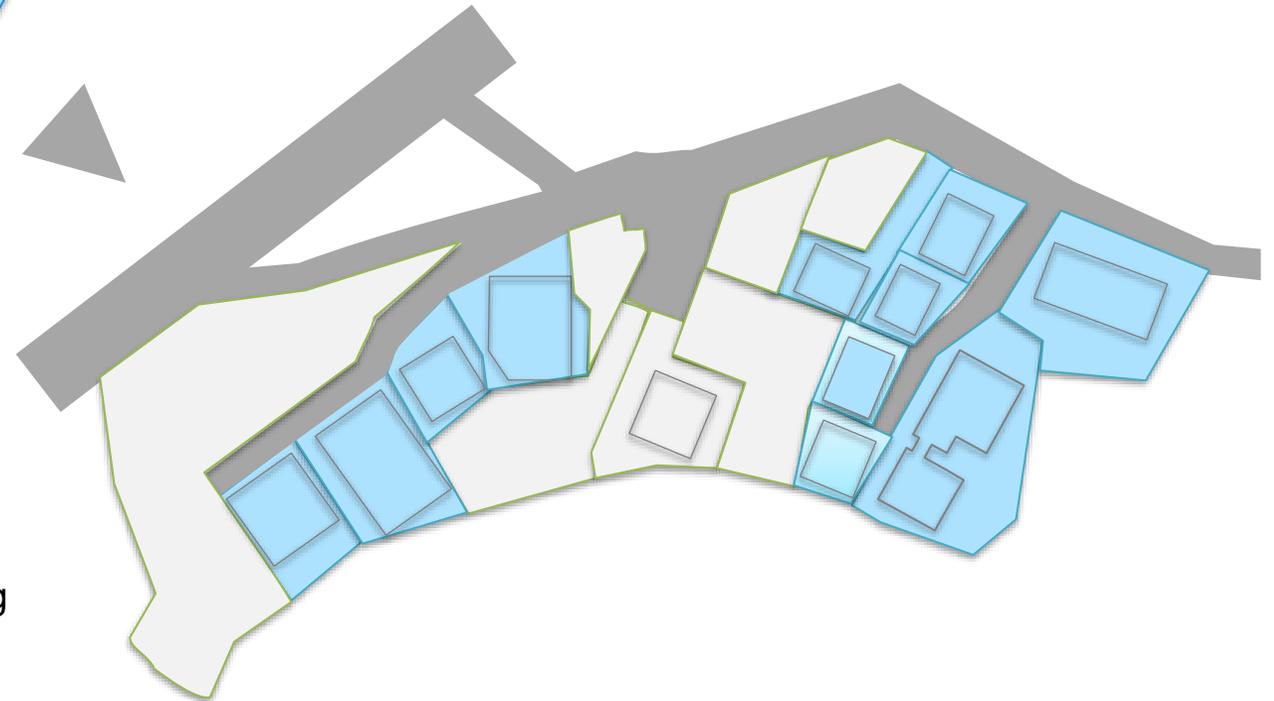
# ESG initiatives: Real estate rights adjustment example

Location: Yokohama City Land area: approx. 3,300m<sup>2</sup> Leasehold holders: 16

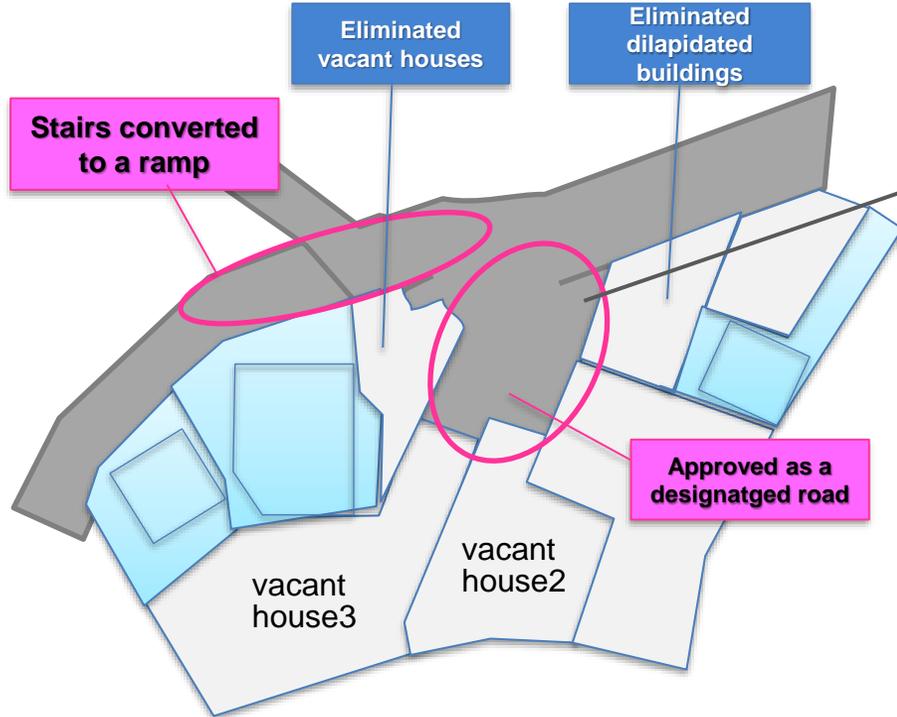


- General residential area. A high school is nearby and convenient for bus transportation.
- Vacant lots 2 and 3 are large but cannot be rebuilt due to poor road connection.
- Although not a school route, the corridor is used by many students and needs to be improved.

- Negotiated with the right-holders around the corridor to provide a road.
- The plot with the existing building overhanging the corridor was large, but rubbish had accumulated, and the building was dilapidated, so a new dwelling was built on the adjoining land at our expense. The residents were relocated there, the rest of the land was bought by us, and a road was laid out.

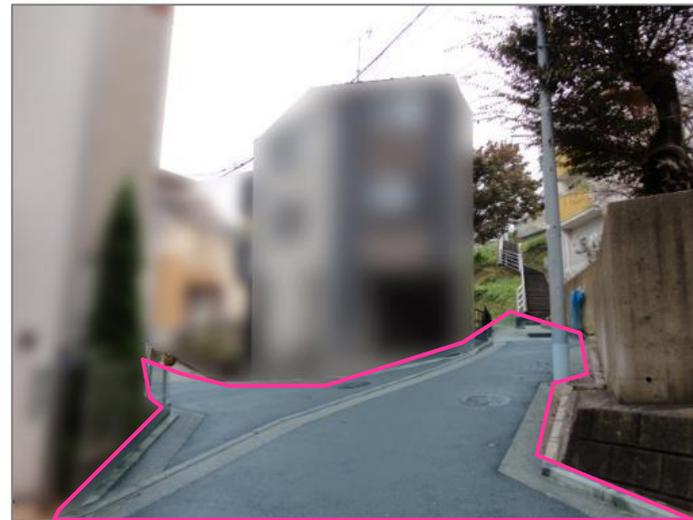


# ESG initiatives: Real estate rights adjustment example



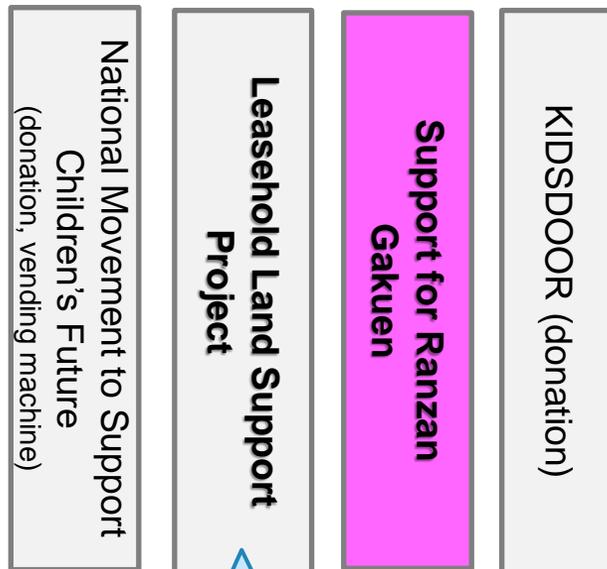
Improved convenience for commuting to work and school by developing a corridor that is not a road under the Building Standards Act as a road.

Stairs are incorporated into the road and made into a gentle slope to allow easy entry and turning of vehicles. Improved convenience and valuation of the land due to our rights adjustment



## Sansei Support Project

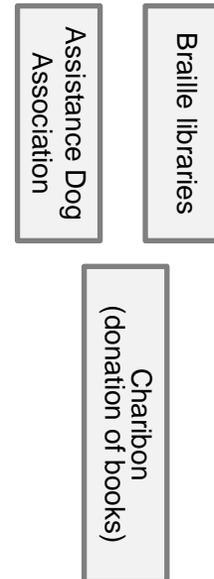
### Support for children



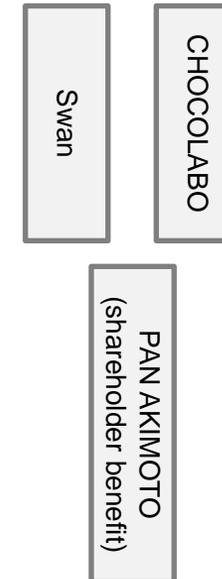
Sansei Landic's unique initiative

### Social welfare support activities

#### Support through donations



#### Support through purchasing



#### JOB assistance



### **About Ranzan Gakuen**

A children's mental health care facility established in 2007. It aims to foster the healthy development of children who need emotional treatment and support due to child abuse or other influences in their family environment and nurture their ability to live as human beings.

It provides psychological treatment, daily life support, medical support and educational support through residential and daycare and supports children's independence.

**Salary**

Record base increase planned

**Holidays**

In addition to statutory holidays and scheduled holidays, employees are entitled to an additional three days off as company holidays.

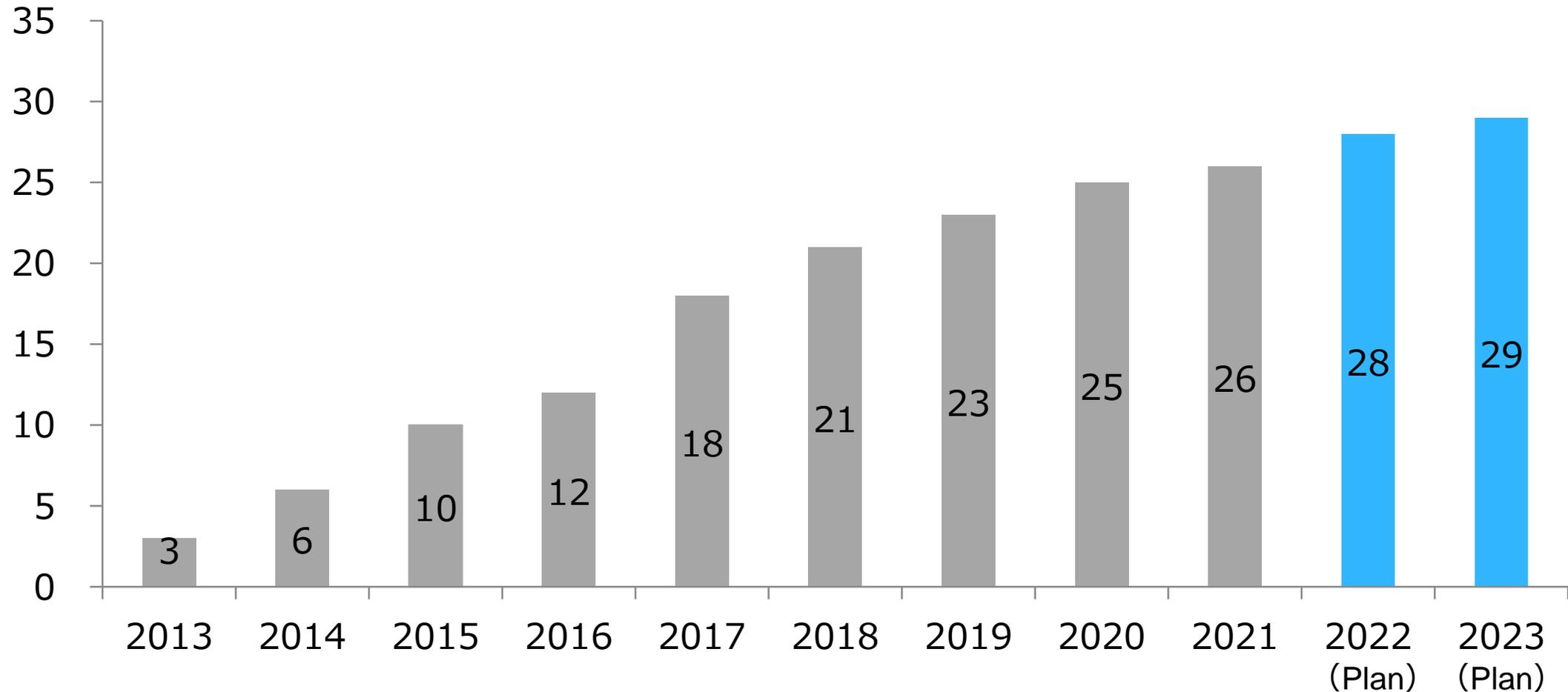
**Environ  
-ment**

Plans are in place to relocate the head office and Kansai (west Japan) branch by the end of 2023 to increase convenience and provide a better working environment for employees.

# Shareholder returns (Dividends)

- The dividend forecast for FY12/2022 will be raised to **28 yen** per share from **27 yen** in the previous estimates
- Expect to increase the dividend to **29 yen** a share for FY12/2023 to mark the **10th** consecutive year of increases

Dividends (yen)



# **FY12/23 Business Forecasts**

# Real estate market conditions and our response

- Manage the risk of purchased properties and increase the turnover rate of sales while turning cautious in some areas

## Purchase

- Property prices tend to remain high
- Generally, firm market conditions will continue, but we are turning cautious in some areas due to price hikes.
- Financial institutions' attitude to real estate financing is generally the same as it was.

**Thorough risk management of properties purchased, including continuing to identify and purchase properties from a cautious perspective.**

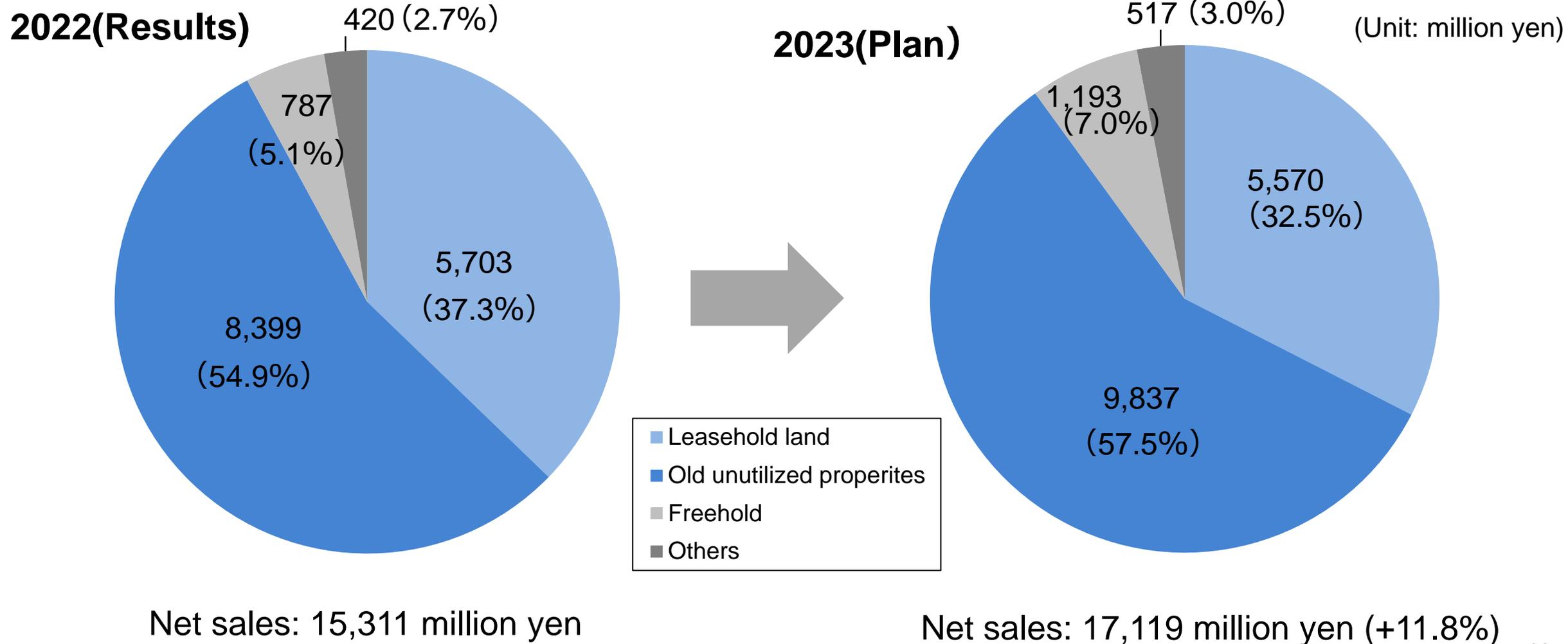
## Sales

- Leaseholders' purchasing sentiment remains strong
- The impact of COVID-19 is diminishing, and there will be no delays in the marketing activities

**Thoroughly implement sales schedules and promote the early sale of properties that can be sold ahead of schedule**

# Real Estate Sales Business: Sales Plan by Business

- Leasehold land: 5,570 million yen, Old unutilized properties: 9,837 million yen, Freehold: 1,193 million yen, Others: 517 million yen.



# FY12/23 Business Forecasts



Consolidated Forecasts for FY12/23 (January 1, 2023 - December 31, 2023)

(Unit: million yen)

|   | <b>FY12/23</b> | <b>Pct. change</b> |
|---|----------------|--------------------|
| Net sales                                   | 17,119         | 10.2%              |
| Operating income                            | 1,594          | 8.5%               |
| Ordinary income                             | 1,305          | 1.7%               |
| Net income attributable to owners of parent | 836            | -21.1%             |
| EPS (Yen)                                   | 102.68         | -20.8%             |
| Dividends (Yen)                             | 29             | —                  |

- Real estate sales business plans higher sales and profits than in 2022
- Net income is expected to increase YoY, excluding the impact of lower income tax due to the sale of a subsidiary in 2022
- The dividend is planned to increase by 1 yen and will be 29 yen a share, which will be the 10th consecutive year of dividend increases

# Company profile



|                     |   |
|---------------------|---|
| Company name        | <b>Sansei Landic Co., Ltd</b>   |
| Representative      | Takashi Matsuzaki, President and CEO  |
| Established         | <b>February 1976</b>  |
| Capital stock       | <b>833,723,600</b> yen (As of the end of December 2022)   |
| Listing             | Standard Market of the Tokyo Stock Exchange Securities Code : <b>3277</b><br>*Listed on the JASDAQ Stock Exchange on 2011,<br>First Section of the Tokyo Stock Exchange on 2014 |
| Head office         | 5-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo  |
| Branch              | Sapporo, Sendai, Musashino, Nagoya, Kyoto, Kansai, Fukuoka  |
| Number of employees | 179...As of the end of December 2022  |

## 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.
- 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.

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