



Sansei Landic Co., Ltd.

**Financial Results for the Second Quarter
of the Fiscal Year Ending December 2023**

August 24, 2023

Overview of Financial Results for the
Second Quarter of the Fiscal Year
Ending December 2023

- Sales and profits both exceeded forecasts. The full-year forecast has been revised upwards, with record sales and profits expected.
- The year-end dividend forecast has been increased from 32 yen (including a special dividend of 3 yen) to 33 yen a share, an increase of 1 yen on the ordinary dividend.
- Purchases were higher than in the same period of the previous year due to the purchase of large-scale leasehold land.

Net sales	11,980 million yen	Up 46.7% YoY
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Operating income	1,656 million yen	Up 81.4% YoY
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Ordinary income	1,423 million yen	Up 70.9% YoY
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Net income attributable to owners of parent	939 million yen	Up 31.7% YoY
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Amount of purchases	9,136 million yen	Up 29.2% YoY
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Comparison of consolidated income statement



- Leasehold land, Old unutilized properties and Freehold are all performing well, with sales and profits exceeding plans.
- SG&A expenses also increased due to higher purchasing and sales.

(Unit: Million yen)

	21/2Q	22/2Q	23/2Q		
	Results	Results	Revised plan	Results	Vs. plan
Net sales	9,109	8,165	11,500	11,980	+480
Gross profit	2,331	2,708	—	3,801	—
SG&A	1,642	1,795	—	2,144	—
Operating income	689	913	1,400	1,656	+256
Ordinary income	631	832	1,250	1,423	+173
Net income attributable to owners of parent	402	713	800	939	+139

Summary of consolidated balance sheet



- Steady growth in both purchasing and sales. The shareholders' equity ratio is on the rise.

(Unit: Million yen)

	FY12/22	23/2Q		
	Amount	Amount	Vs. end of previous term	Pct. change
Cash and deposits	3,837	4,265	+428	+11.2%
Property for sale	23,657	24,623	+965	+4.1%
Interest-bearing liabilities	16,399	16,519	+120	+0.7%
Net assets	11,056	11,833	+777	+7.0%
Total assets	28,976	30,777	+1,800	+6.2%
Shareholders' equity ratio	38.1%	38.4%	+0.3pt	—

Summary of consolidated cash flow

- CF from operating activities was positive, mainly due to solid sales.
- CF from investing activities was negative due to the relocation of the head office and the Kansai branch.

(Unit: Million yen)

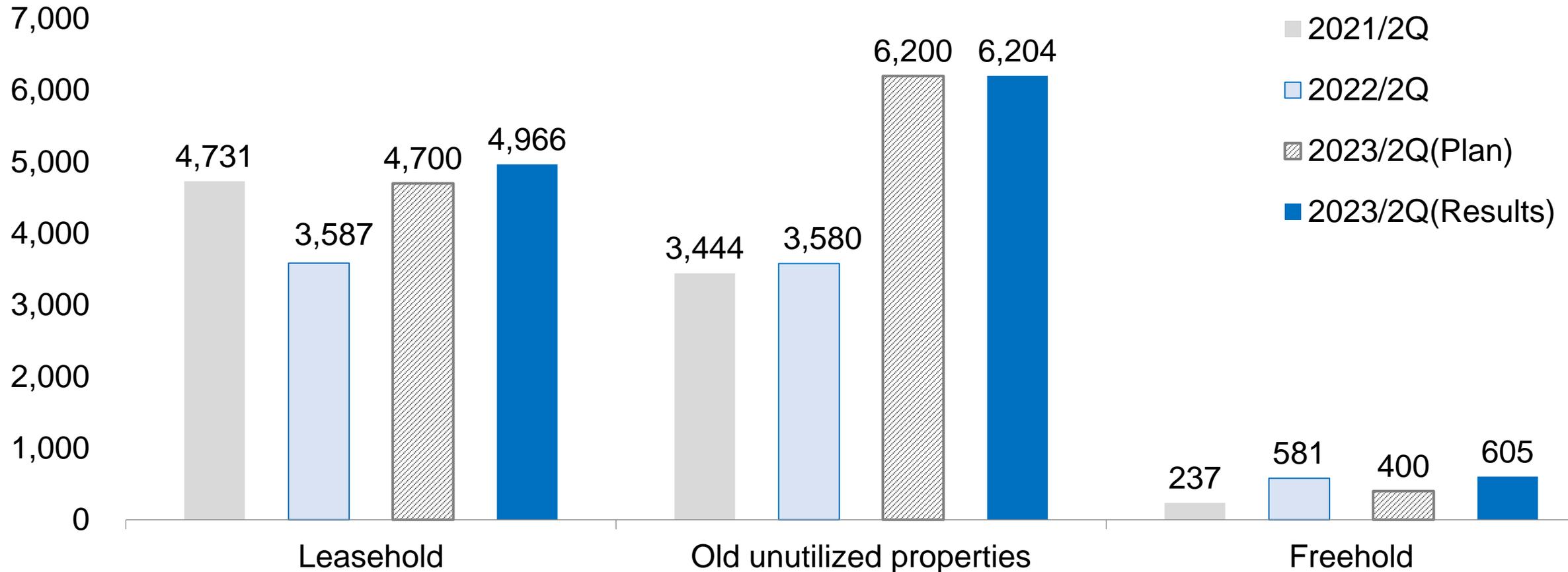
	21/2Q	22/2Q	23/2Q
	Results	Results	Results
Cash flow from operating activities	2,110	1,184	911
Cash flow from investing activities	-26	-205	-655
Cash flow from financing activities	-2,129	-559	-56
Net increase in cash and cash equiv.	-46	420	200
Cash and cash equiv. at end of period	3,661	5,173	3,389

Sales by business segment

Sales increased by 50.8% YoY to **11,980 million yen.**

- Sales were up significantly YoY in Leasehold land, Old unutilized properties, Freehold and exceeded the estimates.

Sales (million yen)

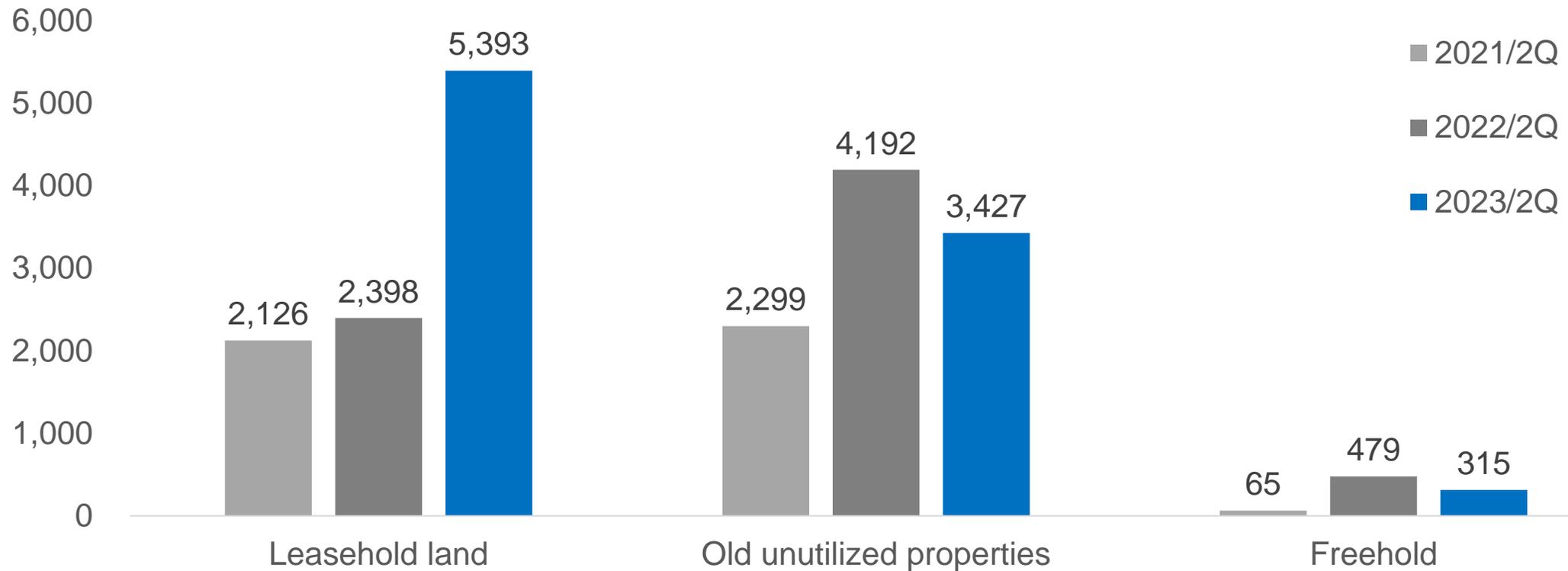


Purchases by business segment

Purchases increased by 29.2% YoY to **9,136 million yen**.

- Old unutilized properties and Freehold purchases were down on the previous year, but Leasehold land purchases increased significantly, partly due to large projects.

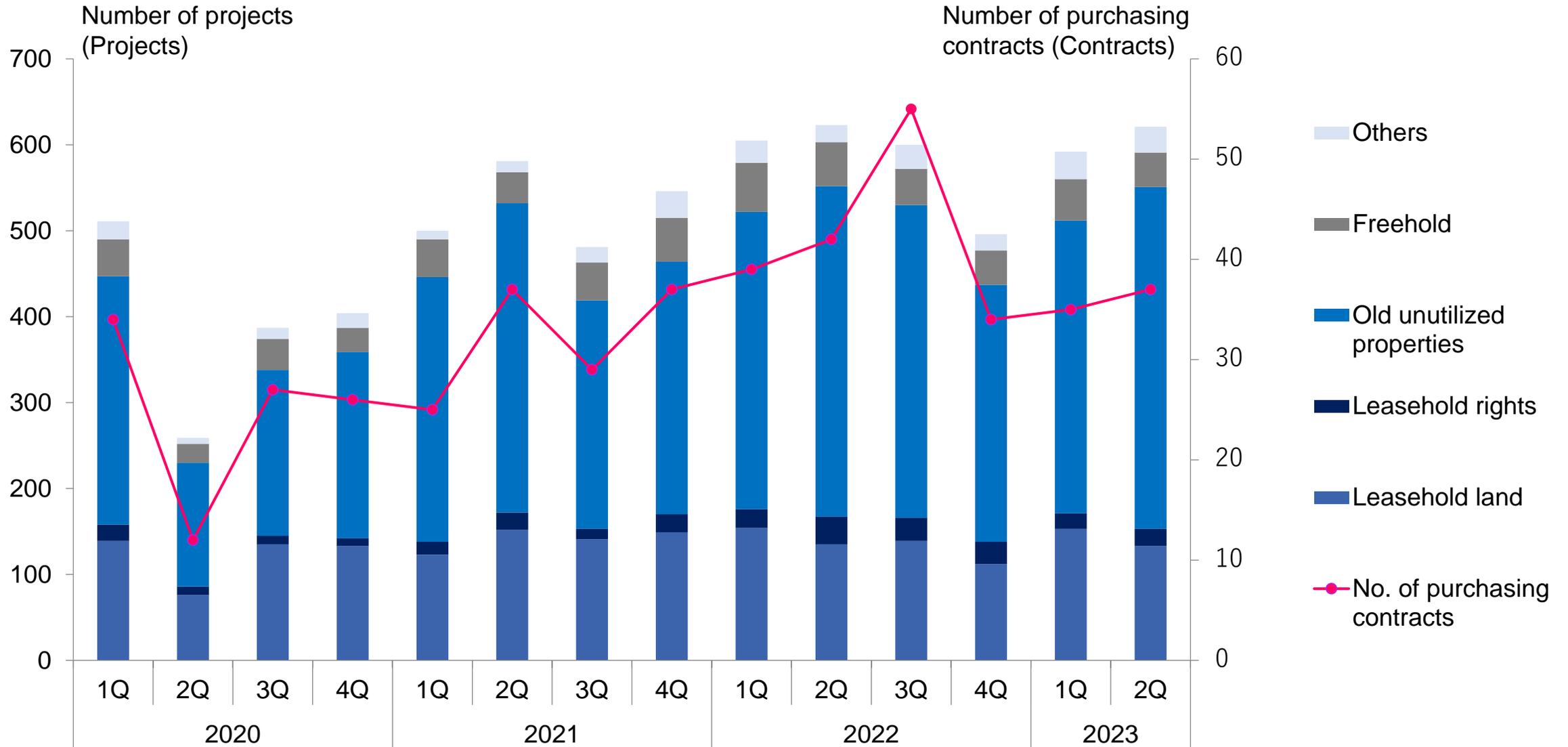
Purchase amount (million yen)



Changes in the number of projects and number of purchasing contracts

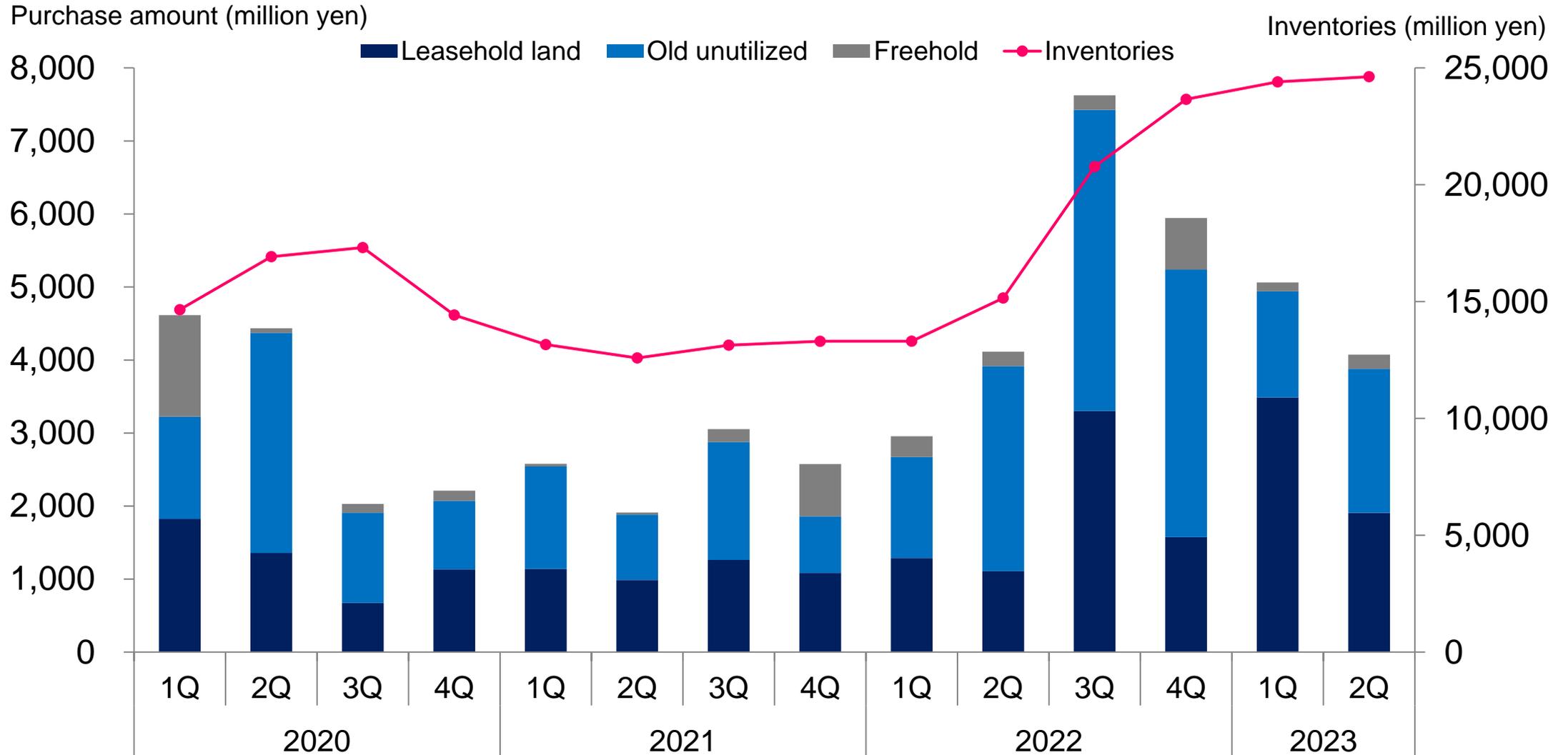


- The number of projects and contracts remained at a consistently high level.



Changes in the amount of purchases and inventories

- Purchases were significantly higher than planned due to an increase in the purchase of Leasehold land, and inventories reached a record high.



FY12/23 Business Forecasts

FY12/23 Full-year business forecasts



- Sales and profits are expected to exceed the level before the spread of the new coronavirus and reach a record high.
- The rights adjustment of properties purchased in the 2H of previous year was partially completed earlier than scheduled, and sales progressed sequentially from the beginning of the current fiscal year.

(Unit: Million yen)

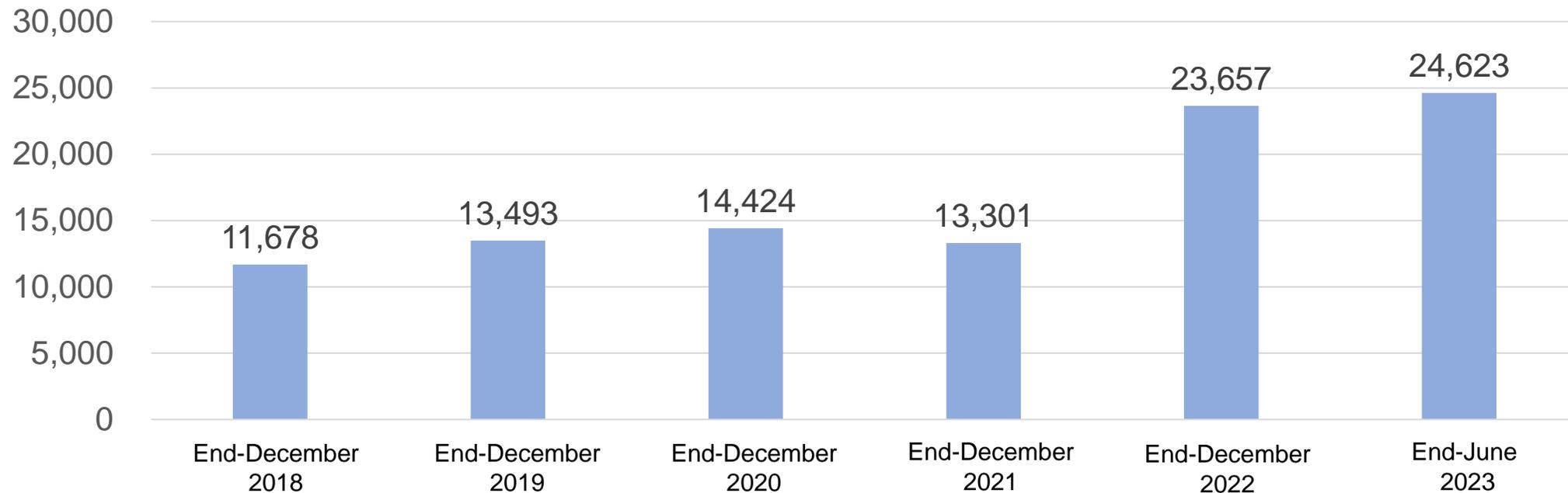
	FY12/22	FY12/23		
		Initial plan	Revised plan (announced in May 2023)	Revised plan (announced in August 2023)
Net sales	15,533	17,119	20,500	23,500
Operating income	1,469	1,594	1,700	2,150
Ordinary income	1,283	1,305	1,400	1,800
Net income attributable to owners of parent	1,060	836	900	1,180

Property for sale

- Strong purchasing has led to a record high level of property for sale, and purchasing remains strong.
- Sales activities are progressing well, and sales are expected within the project period.
- Already proceeding with adjusting the rights of properties purchased with a view to sales in the next fiscal year and beyond.

Property for sale

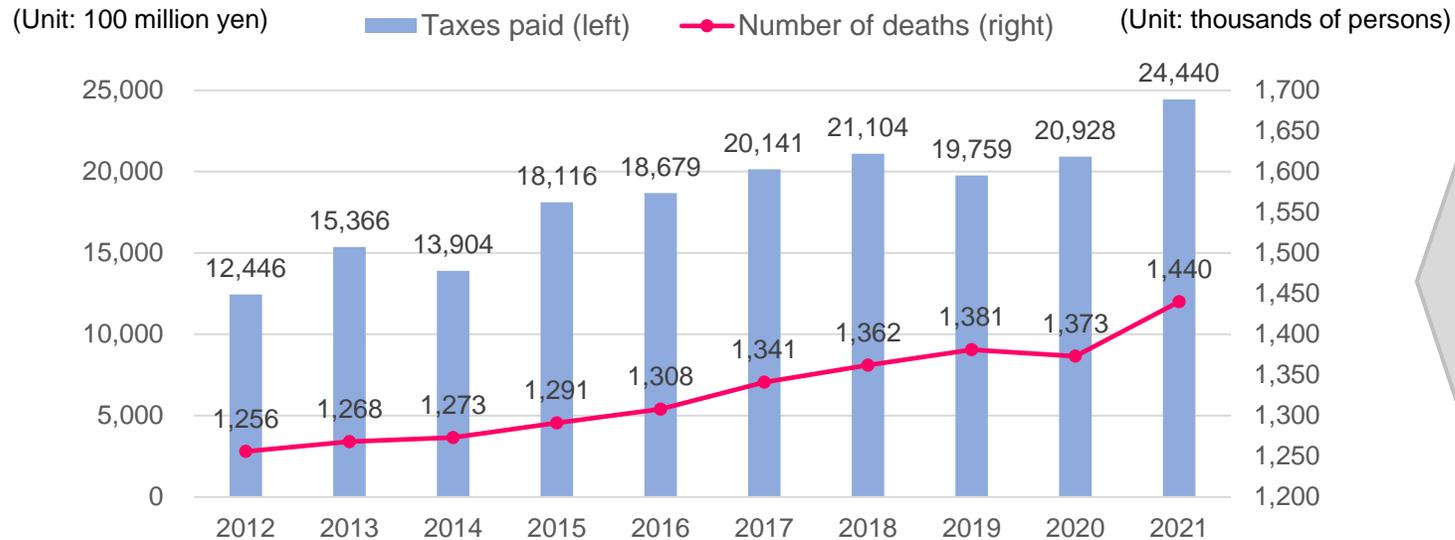
(Unit: Million yen)



Growth opportunities and the means of achievement

- The market supply of Leasehold land and Old unutilized properties is expected to increase in line with the number of inheritances. To reap these benefits, the number of the plots of Owner's partners will be increased, while the relationships with business partners will be strengthened.

Increase in inheritance tax payable



(Source: Ministry of Finance, Ministry of Health, Labour and Welfare)

Means of striking out for the future

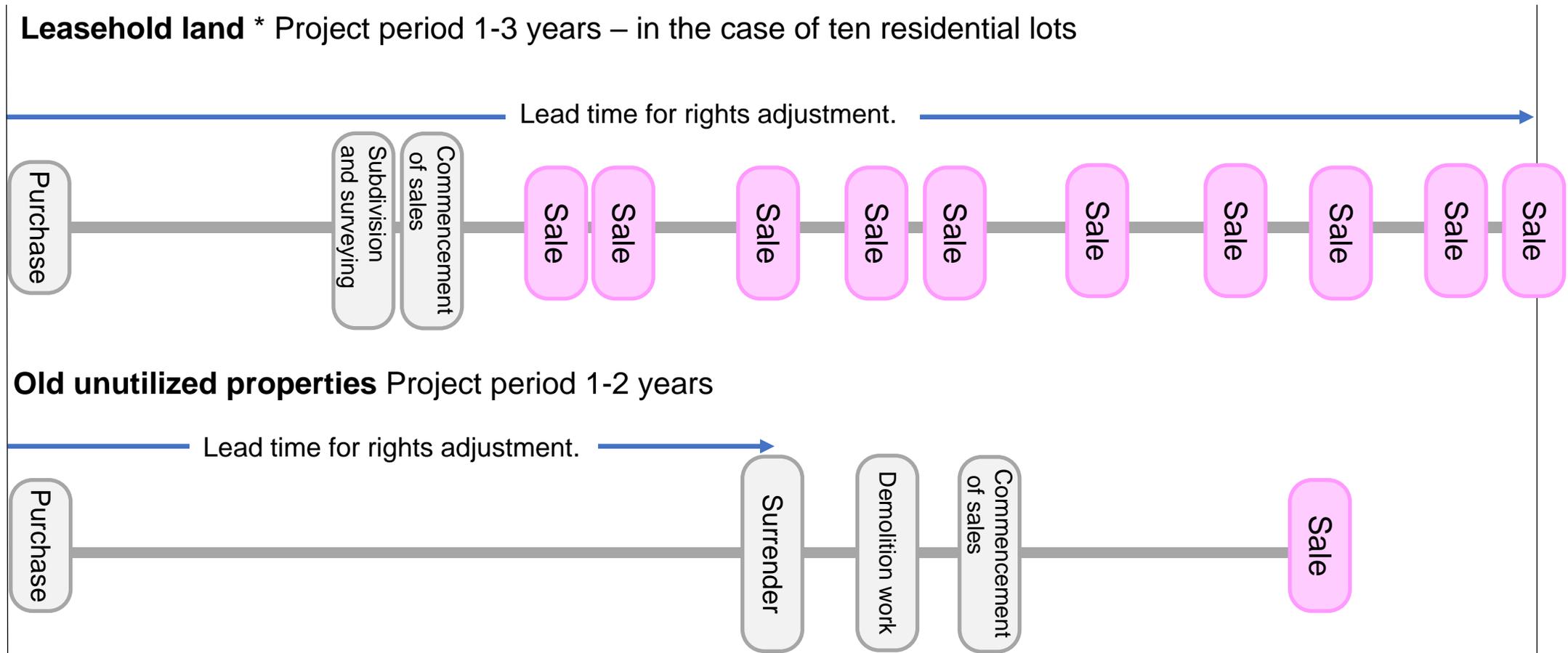
**Corral landowners by expanding Owner's partners
(Number of leasehold land managed: over 800)**

Strengthen relationships with professionals, local real estate agents and financial institutions

- Leasehold land and Old unutilized properties, often sold due to inheritance or inheritance planning, are expected to increase in market supply as the number of inheritances increases.

Process from purchase to sale

- Lead times from purchase to sales activities differ between Leasehold land and Old unutilized properties.
(The following are lead times for typical property size)



Purchase

- The volume of information has increased, and purchase volumes remain high
- No significant changes in the competitive environment
- Property prices continue to remain high across Japan, although this varies from area to area

Current purchasing remains strong. Continue to view the property market closely and maintain a cautious approach to purchasing.

Sales

- Buying sentiment remains strong
- Property demand remains firm nationwide, but property sales have stagnated slightly in some areas due to soaring prices.

The sales environment also remains strong. Ensure early completion of sales within the project period.

External environment

- Revival of inbound tourism
- Increasing domestic and international flows of people
- An increasing number of municipalities and other organisations want to use idle assets, including vacant houses effectively

Internal environment

- Strengthening the workforce by recruiting people with OTA experience
- Strengthening the cooperation with the community further

Status of deployment



[Hachimantai]

Occupancy rates increased by more than 10% YoY, thanks to successful accommodation plan challenges and others and single-month surpluses are also in sight. Promote lateral expansion to unutilized holiday homes in the vicinity.

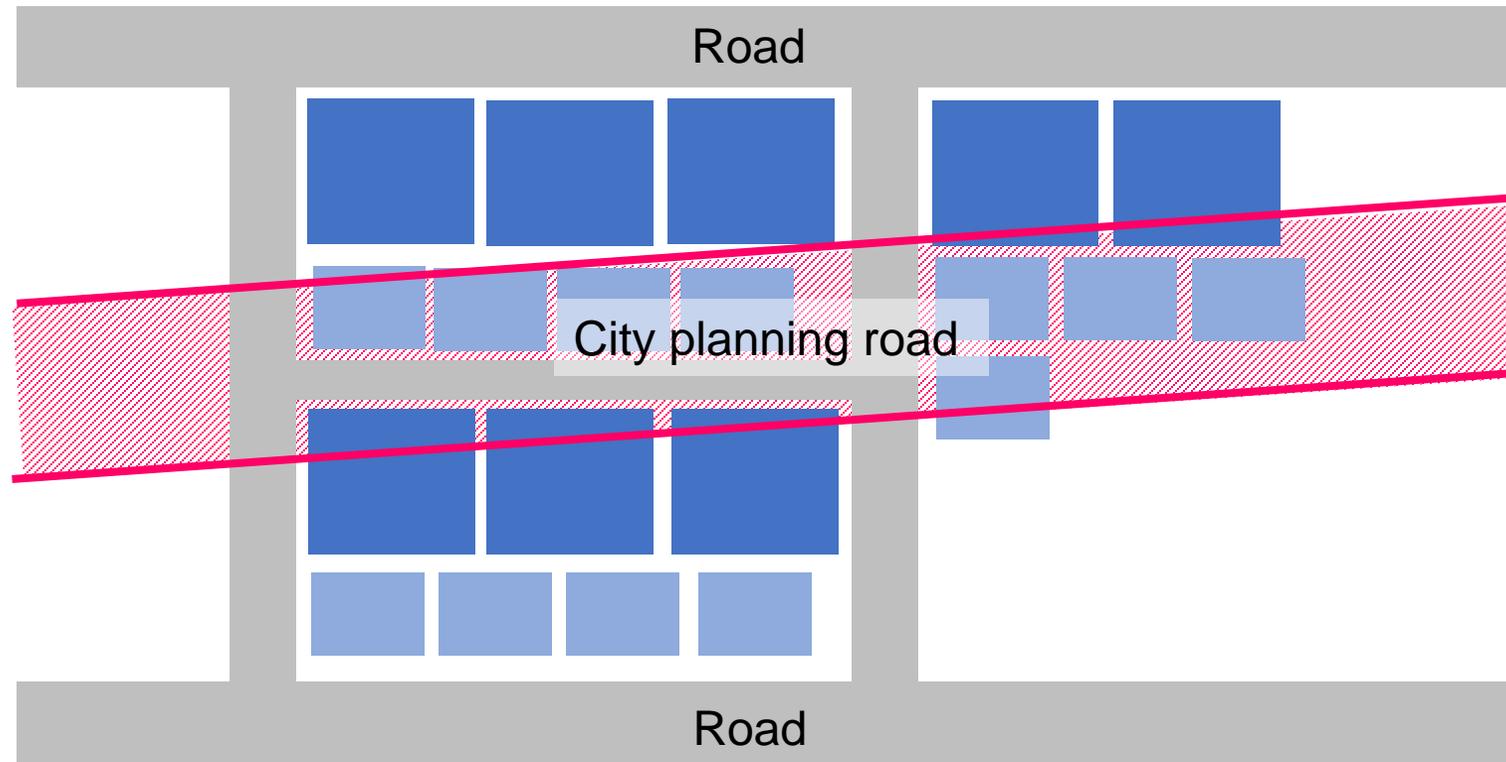


[Rider house for women]

Trailer house nearing completion. Pre-emptive operations are also considered.

ESG initiatives: Real estate rights adjustment example

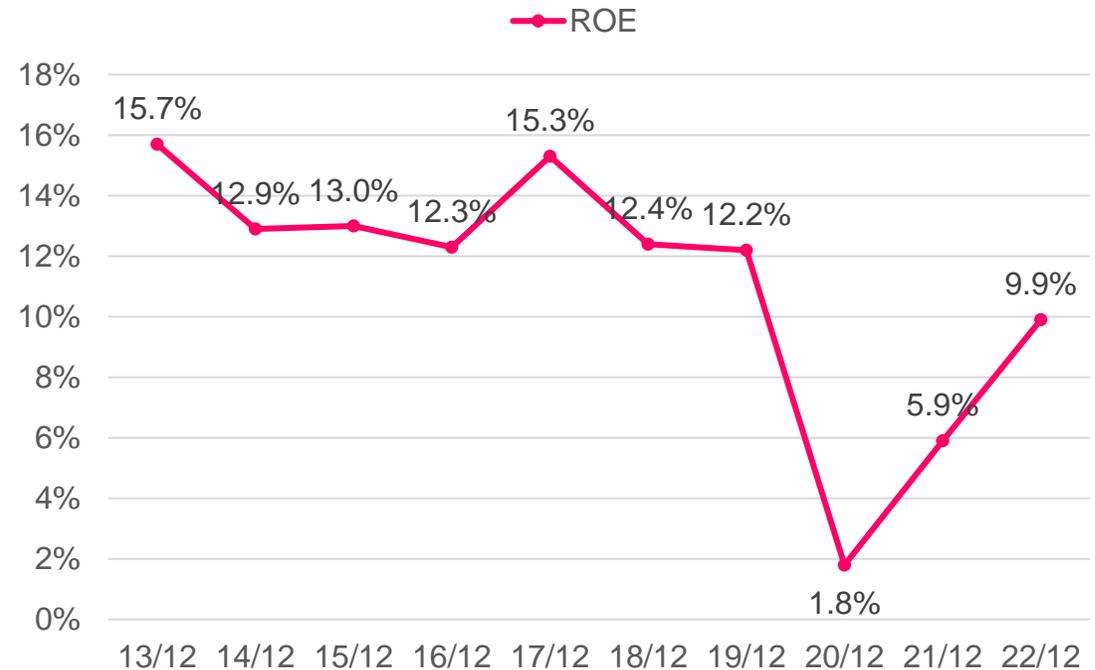
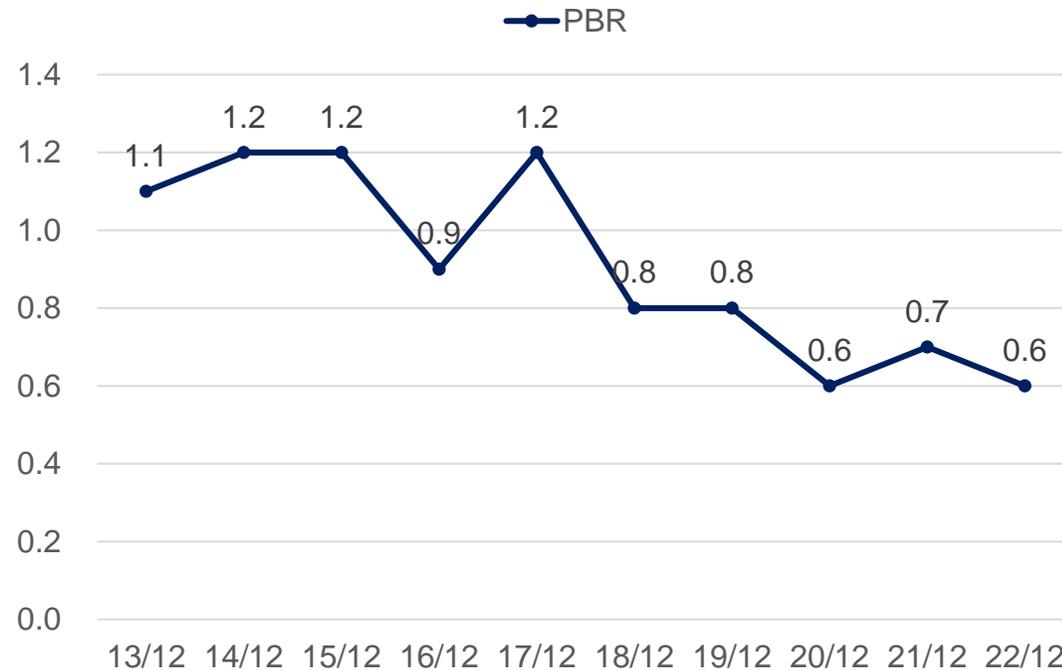
Location: Tokyo Land area: approx. 3,300m² Leasehold holders: 20



Leasehold land at a level where a city planning road is involved: Leasehold land is surveyed by the Company, and negotiations start with each leaseholder after the exact land registry has been established for the parcels where a city planning road is involved.

Current recognition

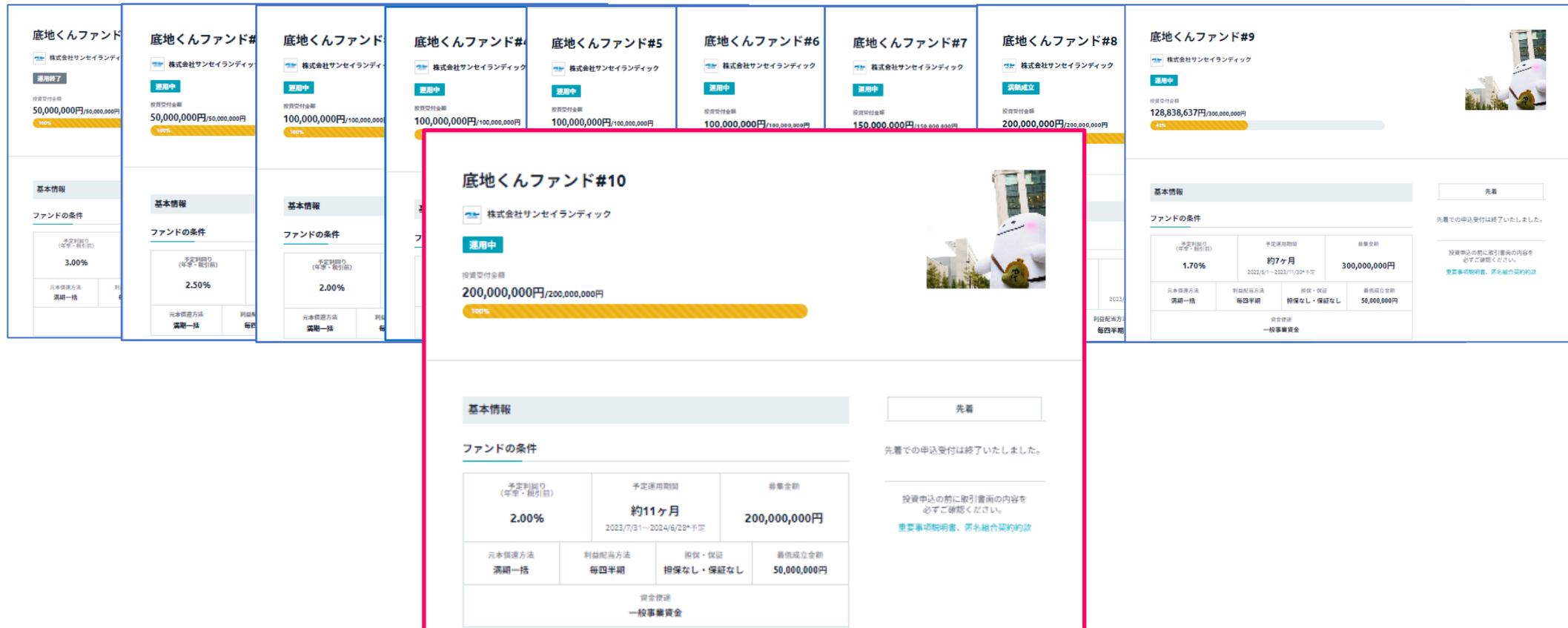
- Improvement of PBR is recognised as an essential management issue, and specific measures are already being considered.
- Recognition of the need to further improve and maintain ROE and achieve sustainable profit growth over the medium to long term to enhance PBR.



The company plans to announce a framework or specific measures, such as "On realising the management with awareness of the cost of capital and share price" and "Sustainability management", by the announcement of the full-year results for FY12/2023.

Strengthening the management infrastructure: Crowdfunding

- First to ninth offering: Raised 978 million yen in total.
- 10th offering: 200 million yen was raised in July 2023. Yield to subscriber is 2.0%.



The screenshot displays a grid of crowdfunding offerings from Sansei Landic. Offering #10 is highlighted with a red border. Below is a detailed view of the highlighted offering.

底地くんファンド#10

株式会社サンセイランディック

運用中

投資受付金額
200,000,000円/200,000,000円

100%

基本情報

先着

先着での申込受付は終了いたしました。

投資申込の前に取引書面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](#)

ファンドの条件

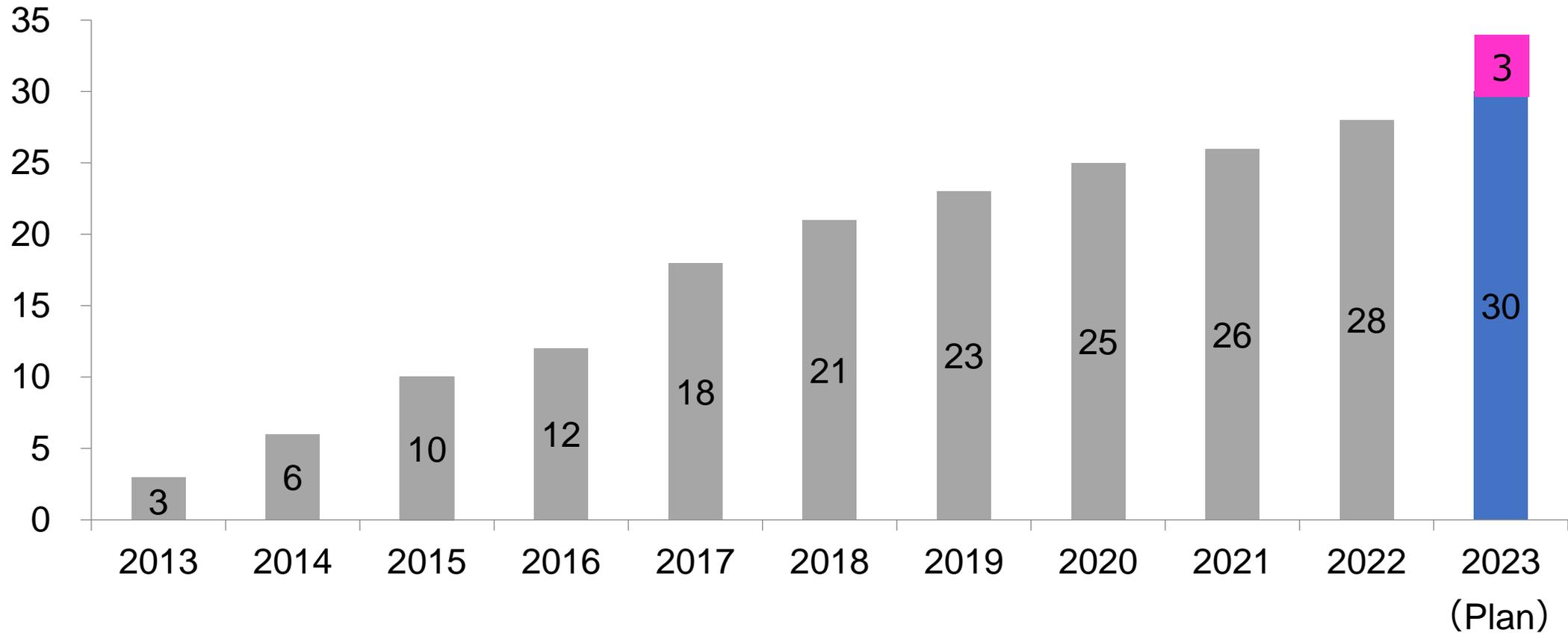
予定利率 (年率・複利前)	予定運用期間	募集金額
2.00%	約11ヶ月 2023/7/31～2024/6/28*予定	200,000,000円
元本償還方法	利益配当方法	担保・保証
満期一括	毎四半期	担保なし・保証なし
		募集成立金額
		50,000,000円

資金使途
一般事業資金

Shareholder returns (dividends)

- Revised year-end dividend forecast (ordinary dividend) for FY12/2023 from 29 a share to 30 yen. With a special dividend of 3 yen a share following the abolition of shareholder benefit plans, the annual dividend is expected to be 33 yen a share, representing an increase for the 10th consecutive year.

Dividends (Yen)



Company profile



Company name	Sansei Landic Co., Ltd
Representative	Takashi Matsuzaki, President and CEO
Established	February 1976
Capital stock	860,878,000 yen (As of the end of June 2023)
Listing	Standard Market of the Tokyo Stock Exchange Securities Code : 3277 *Listed on the JASDAQ Stock Exchange on 2011, First Section of the Tokyo Stock Exchange on 2014
Head office	6-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo
Branch	Sapporo, Sendai, Musashino, Nagoya, Kyoto, Kansai, Fukuoka
Number of employees	182...As of the end of June 2023

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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