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東証JASDAQ上場

Stock Code : 8893

Presentation Material on Operating Performance during the First Half of the Fiscal Year ending March 31, 2016

November 6 (Friday), 2015
Shin-Nihon Tatemono Co., Ltd.



SHIN-NIHON TATEMONO CO., LTD.

Stock Code : 8893

Business environment topics

- Government policies to support house acquisition and low-interest financing stimulated the potential demand, keeping a steady condition in the residential real-estate market.
- Higher demand in the rental market and a revision of succession duties boosted transactions of real estate for investment.
- Strong competition among real-estate developers generated higher land acquisition cost.

Performance topics

- [B/S] Focusing on sales of existing properties, and aggressively made acquisition of new lands for development.
⇒ Decrease of real estate for sale, and the balance of real estate for sale in process is three times as large as that of the end of FY 15/3.
- [P/L] Operating income, ordinary income, and net income were achieved, securing a desirable income target.

Management topics

- Development of business portfolio ⇒ Launch of new business, “Investment Condominium Business”.
- Conducted a reverse stock split (one-for-five) as at 10/1.

Balance Sheets

(Unit: million yen)	Fiscal Year ended March 31, 2015		Fiscal Year ending March 31, 2016	
	End of H1	Year end	End of H1	Change
Cash and deposits	1,008	2,532	1,795	-736
Real estate for sale	2,838	1,897	● 799	-1,097
Real estate for sale in process	3,292	1,208	● 3,729	2,521
Others	168	84	162	77
Total current assets	7,307	5,723	6,488	764
Total noncurrent assets	417	377	377	0
Total assets	7,725	6,100	6,865	764
Accounts payable for construction contracts	261	72	666	593
Loans payable (short-term loans payable and current portion of long-term loans payable)	4,356	2,527	1,584	● -943
Others	155	215	139	-75
Total current liabilities	4,773	2,815	2,390	-425
Long-term loans payable	878	489	1,504	● 1,014
Others	65	78	88	10
Total noncurrent liabilities	944	567	1,592	1,025
Total liabilities	5,717	3,383	3,983	599
Capital stock	854	854	854	-
Capital surplus	40	40	40	-
Retained earnings	1,111	1,822	1,987	164
Others	0	-0	-0	-0
Total net assets	2,007	2,717	2,882	164
Total liabilities and net assets	7,725	6,100	6,865	764

● Decrease of real estate for sale

Breakdown of the balance at the end of H1 of FY16/3

Condominium unit sales	:	658 million yen	25 units
Residential housing sales	:	140 million yen	4 houses
Total	:	799 million yen	

● Increase of real estate for sale in process

Breakdown of the balance at the end of H1 of FY16/3

Liquidation	:	492 million yen
Condominium unit sales	:	2,304 million yen
Residential housing sales	:	933 million yen
Total	:	3,729 million yen

● Status of interest-bearing liabilities

End of FY 15/3 (March 31, 2015)	3,017 million yen
End of H1 of FY 16/3 (September 30, 2015)	3,088 million yen
Change	71 million yen

● The equity ratio : 42.0%.

Profit and Loss Statements

(Unit: million yen)	Fiscal Year ended March 31, 2015		Fiscal Year ending March 31, 2016				
	H1		H1		Year-on-year		12months
	Actual	% of total	Actual	% of total	Change	Change (%)	Plan
Net sales	3,171	100.0%	● 3,954	100.0%	782	24.7%	10,600
Cost of sales	2,647	83.5%	3,129	79.1%	482	18.2%	-
Gross profit	524	16.5%	824	20.9%	300	57.3%	-
Selling, general and administrative expenses	652	20.6%	● 621	15.7%	-30	-4.7%	-
Operating income	-128	-4.1%	203	5.2%	331	-	710
Non-operating income	24	0.8%	9	0.2%	-15	-63.1%	-
Non-operating expenses	111	3.5%	● 44	1.1%	-67	-60.6%	-
Ordinary income	-215	-6.8%	168	4.3%	383	-	565
Extraordinary income	35	1.1%	-	-	-35	-100.0%	-
Extraordinary loss	-	-	-	-	-	-	-
Income before income taxes	-180	-5.7%	168	4.3%	348	-	-
Income taxes	2	0.1%	3	0.1%	0	19.2%	-
Net income	-183	-5.8%	164	4.2%	348	-	560

● Number of sales

	FY 15/3 H1	FY 16/3 H1	Change
Liquidation	0 property	5 properties	5 properties
Condominium unit sales	36 units	60 units	24 units
Residential housing sales	51 houses	14 houses	-37 houses

● Details of selling, general and administrative expenses

(Unit: million yen)	FY 15/3 H1	FY 16/3 H1	Change
Personnel expenses	229	246	16
Sales commission	61	37	-24
Advertising expenses	172	121	-51
Other	188	217	29
Total	652	621	-30

● Details of non-operating expenses

(Unit: million yen)	FY 15/3 H1	FY 16/3 H1	Change
Interest expenses	110	43	-67
Other	1	0	-0
Total	111	44	-67

Net Sales and Operating Income by Segment

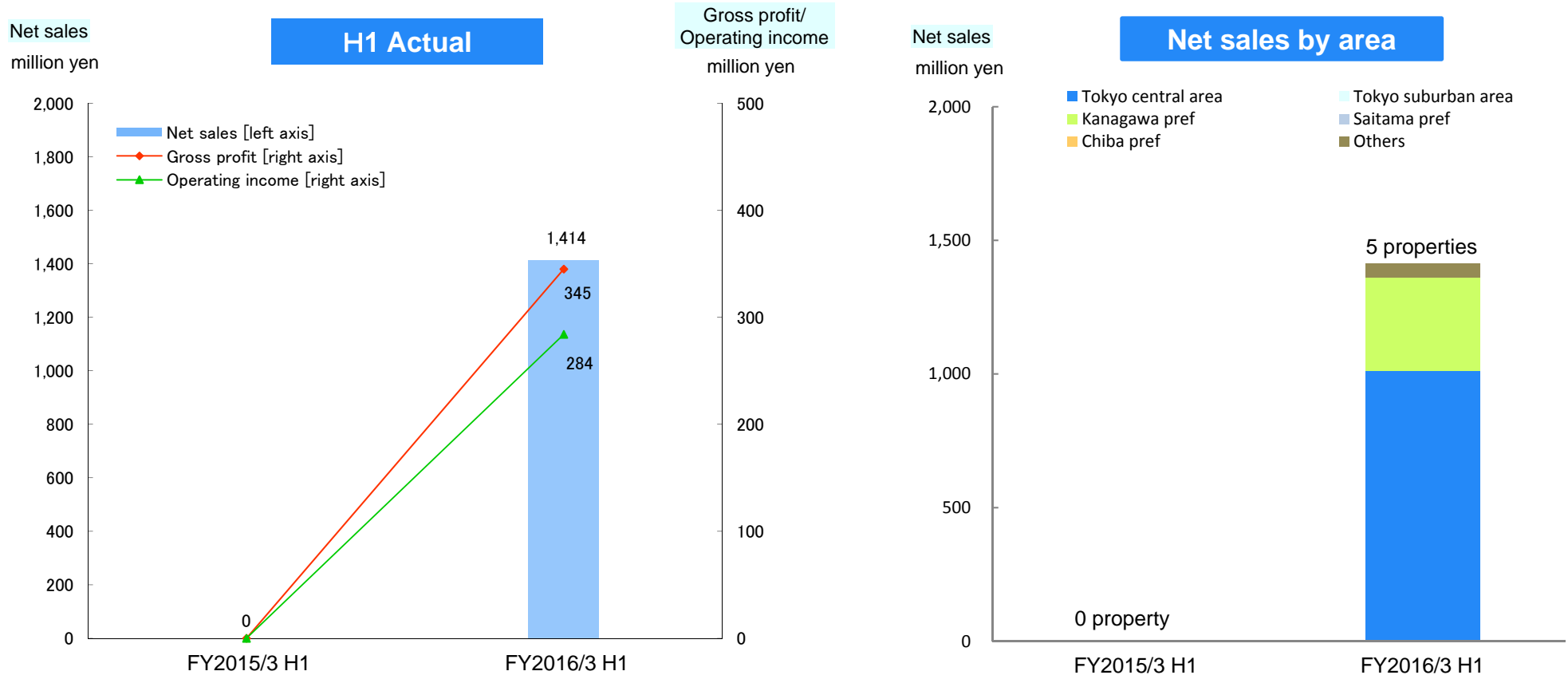
- ✓ Liquidation business and condominium unit sales business contributed to sales and income growth on a year-on-year basis.
- ✓ Liquidation business acquired high profit margin (20.1%).

[Net sales]		Fiscal Year ended March 31, 2015		Fiscal Year ending March 31, 2016			
		H1		H1		Year-on-year	
		Actual	% of total	Actual	% of total	Change	Change (%)
(Unit: million yen)							
	Liquidation business	-	-	1,414	35.8%	1,414	-
	Condominium unit sales business	1,344	42.4%	1,929	48.8%	585	43.5%
	Residential housing sales business	1,818	57.3%	594	15.0%	-1,223	-67.3%
	Other business	8	0.3%	14	0.4%	6	74.8%
	Elimination or corporate	-	-	-	-	-	-
Net sales total		3,171	100.0%	3,954	100.0%	782	24.7%

[Operating income]		Fiscal Year ended March 31, 2015		Fiscal Year ending March 31, 2016			
		H1		H1		Year-on-year	
		Actual	Profit margin (%)	Actual	Profit margin (%)	Change	Change (%)
(Unit: million yen)							
	Liquidation business	-	-	284	20.1%	284	-
	Condominium unit sales business	-16	-1.2%	202	10.5%	219	-
	Residential housing sales business	89	5.0%	-55	-9.3%	-145	-
	Other business	6	72.2%	9	61.0%	2	47.7%
	Elimination or corporate	-207	-	-237	-	-30	-
Operating income total		-128	-4.1%	203	5.2%	331	-

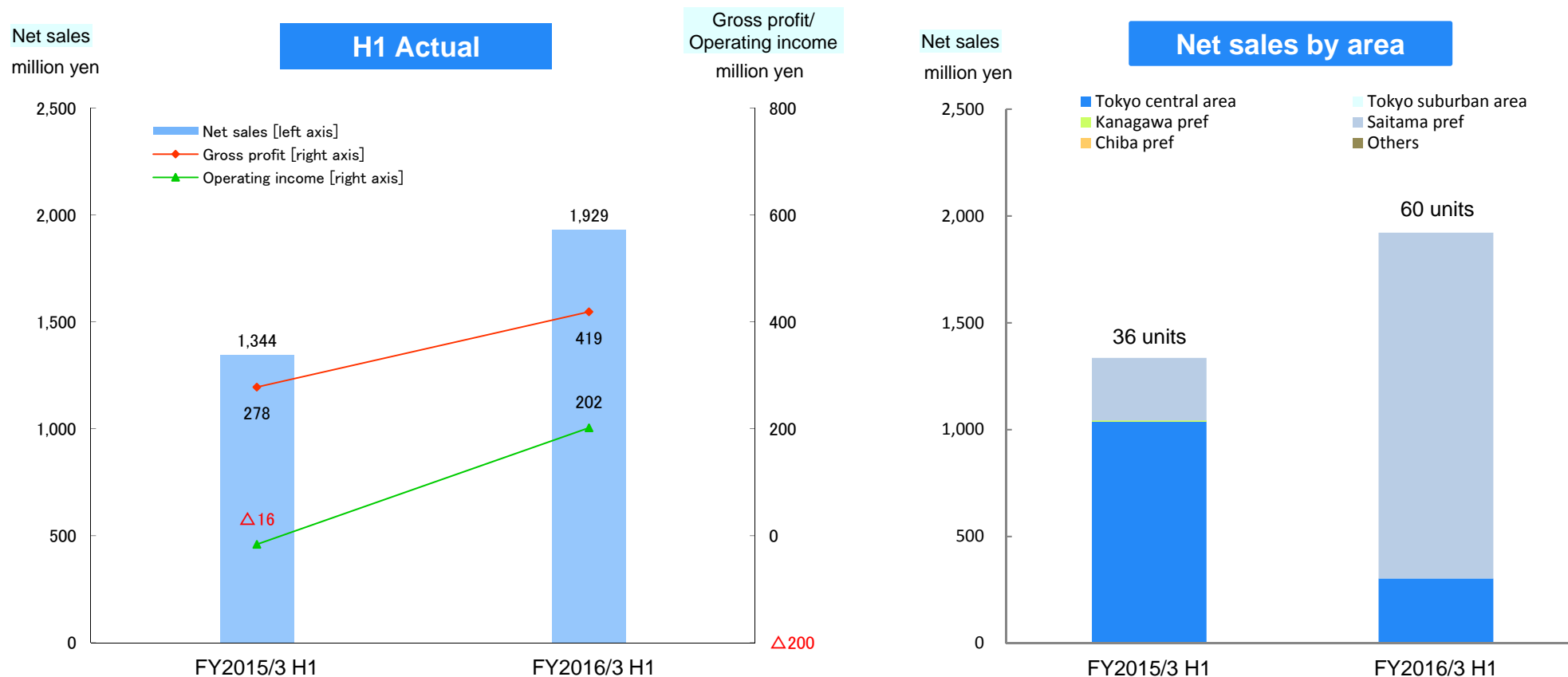
Situation of Liquidation Business

- ✓ Completed five deliveries of properties for development.
- ✓ Market-oriented deliveries of projects with high profitability drastically increased net sales, gross profit and operating income.



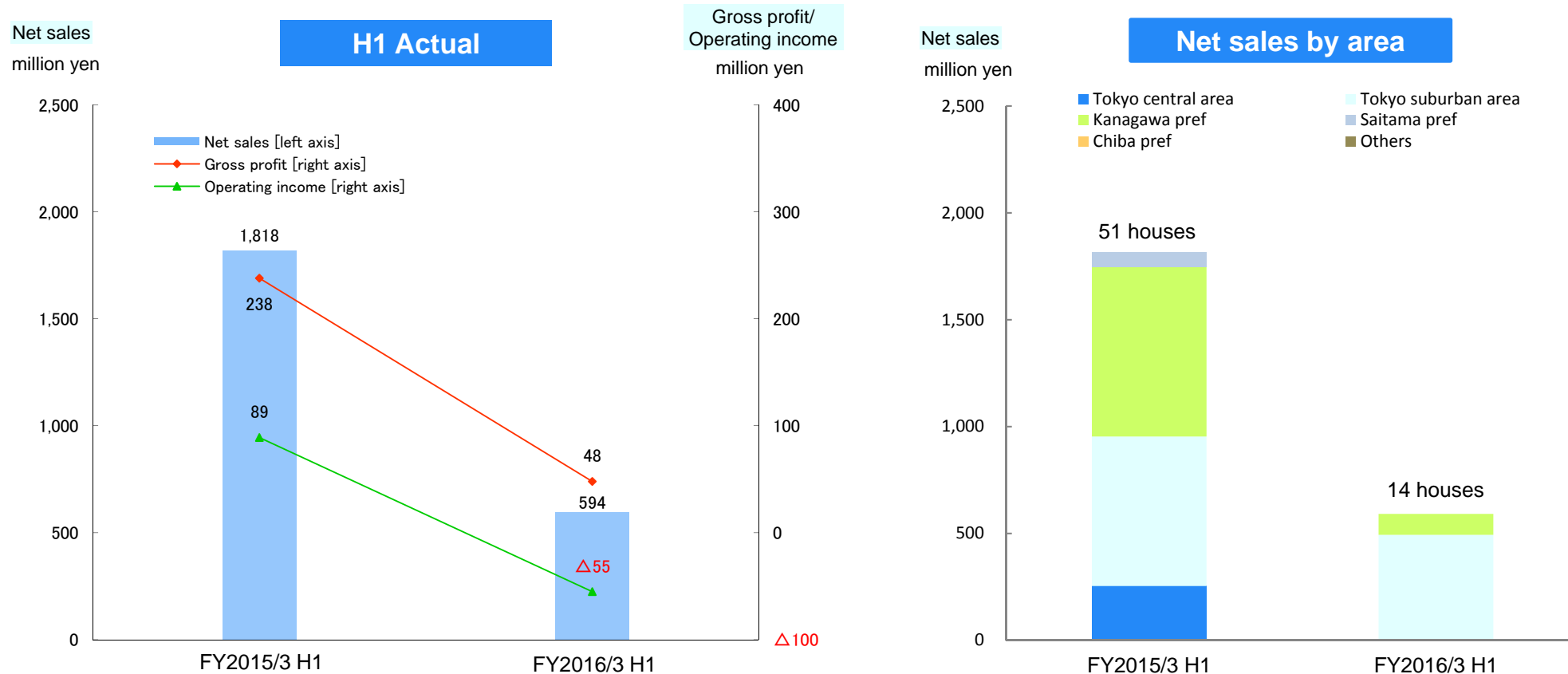
Situation of Condominium Unit Sales Business

- ✓ Completed deliveries of 60 units (+24 units year-on-year) in Tokyo central and Saitama area, and achieved sales of 1,929 million yen (up 43.5% year-on-year).
- ✓ Securing income target and saving sales expenses by getting away from consignment-sales model, achieved high income growth.
⇒ Operating income of 202 million yen.



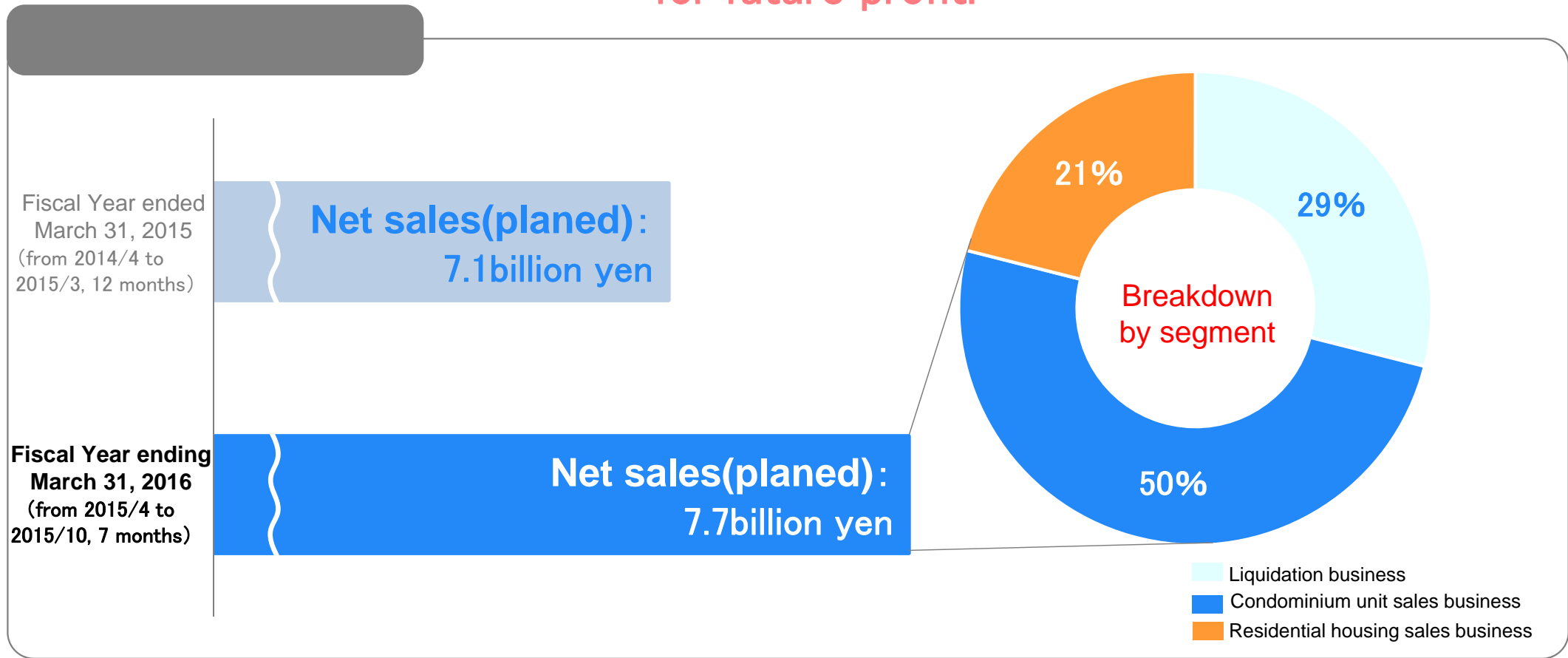
Situation of Residential Housing Sales Business

- ✓ Completed deliveries of 14 houses (-37 houses year-on-year) in Tokyo suburban and Kanagawa area, and posted sales of 594 million yen (down 67.3% year-on-year).
- ✓ Completions and deliveries of projects are concentrated in the forth quarter.



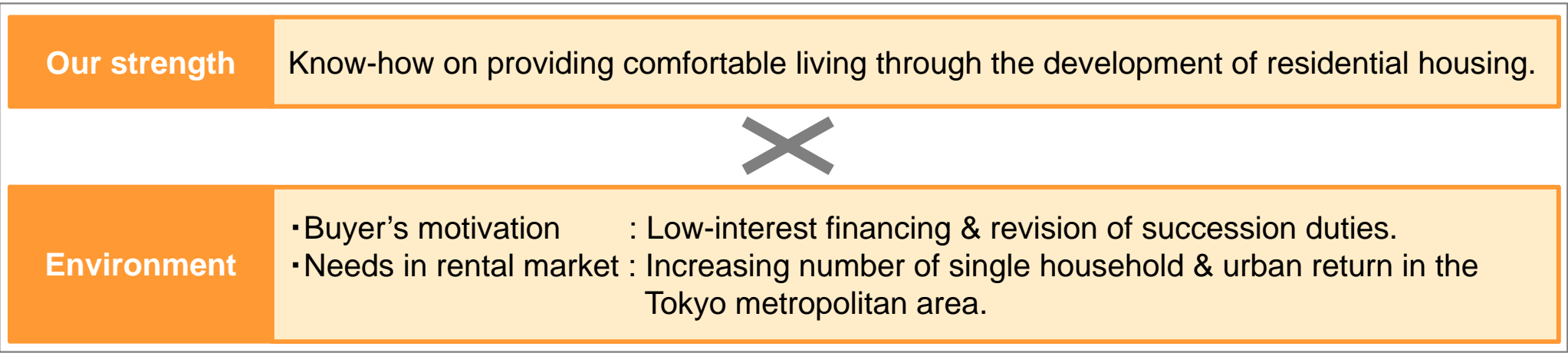
As at 11/6, planned net sales from newly acquired lands for project are greater than those of last year (12 months).

With careful analysis of profitability, push forward aggressive acquisitions for future profit.



Launch of Investment Condominium Business

Financial strength provided us with an opportunity to launch new business



Projects in progress (Investment Condominium and Apartment)

RENAISSANCECOURT Tabata

[Overview]

Location : Nishi-ogu 1-chome, Arakawa-ku, Tokyo

Access : 13 minutes' walk from Tabata station on the JR Yamanote Line

Total number of units : 29 units

Structure : 8-story reinforced concrete structure

Completion : October 2016 (schedule)

Point 1

3 stations and 5 lines are available.

Point 2

Easy commute, and easy access to urban leisure area.



RENACOURT Ohanajaya

[Overview]

Location	: Takaramachi 2-chome, Katsushika-ku, Tokyo	Structure	: Two-story wooden apartment
Access	: 5 minutes' walk from Ohanajaya station on the Keisei Line	Completion	: February 2016 (schedule)
Total number of units	: 10 units		

Point 1

Nearest Ohanajaya station is surrounded by convenient shop street and many parks with good old-fashioned atmosphere.



RENACOURT Keisei Takasago

[Overview]

Location	: Takasago 2-chome, Katsushika-ku, Tokyo	Structure	: Two-story wooden townhouse
Access	: 4 minutes' walk from Keisei Takasago station on the Keisei Line	Completion	: February 2016 (schedule)
Total number of units	: 8 units in block A 8 units in block B		

Point 1

Satisfied environment with supermarkets and hospitals.



Projects in progress (Residential housing)

RENATOWN Mizue II

[Overview]

- Location : Nishi-Mizue 3-chome, Edogawa-ku, Tokyo
- Access : 11 minutes' walk from Mizue station on the Toei Shinjuku Line
- Total number of units : 2 houses
- Start of sales : December 2015 (schedule)
- Completion : December 2015 (schedule)

Point 1

Good location with refreshing breeze blowing across Edogawa river.
Direct access to central Tokyo area.

Point 2

Space-efficient planning with sliding doors and shared storage.
Two-story, 4bedrooms, living and dining room, and kitchen with tatami corner and spacious LDK.



RENATOWN Ichikawamama

[Overview]

- Location : Mama 2-chome, Ichikawa-shi, Chiba
- Access : 12 minutes' walk from Ichikawa station on the JR Sobu Rapid Line
8 minutes' walk from Ichikawamama station on the Keisei Line
- Total number of units : 3 houses
- Start of sales : January 2016 (schedule)
- Completion : January 2016 (schedule)

Point 1

2 stations and 4 lines are available.
Premium location with Mama-gawa river and a row of cherry trees where people can enjoy changing seasons and nature.

Point 2

Every house has over 20-tatami living and dining room.
Comfortable and spacious design in consideration of harmony with surrounding environment.



[For Inquiries]

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