

Business environment topics

- Sales price increases especially in the Tokyo central area, but the government supports keep a steady demand in the residential real-estate market.
- Active trading in investment real-estate market, reflecting foreign and domestic investors' large appetite.

Performance topics

- [B/S] Aggressively made acquisitions of new land for development which lead to future profit
⇒ Increase of real estate for sale in process.
- [P/L] Drastically improved operating performance year-on-year basis
⇒ Recorded operating income, ordinary income, and net income

Management topics

- Financial health increases fund-raising capability
⇒ Increase of long-term loans payable and decrease of financing costs
- Start of completion and delivery of newly launched "Investment Apartment".

Balance Sheets

(Unit: million yen)	Fiscal Year ended March 31, 2015		Fiscal Year ending March 31, 2016	
	End of Q3	Year end	End of Q3	Change
Cash and deposits	1,228	2,532	1,816	-715
Real estate for sale	2,824	1,897	● 1,346	-551
Real estate for sale in process	2,600	1,208	● 3,199	1,990
Others	102	84	444	359
Total current assets	6,755	5,723	6,806	1,082
Total noncurrent assets	377	377	456	79
Total assets	7,132	6,100	7,263	1,162
Accounts payable for construction contracts	81	72	130	57
Loans payable (short-term loans payable and current portion of long-term loans payable)	3,715	2,527	2,457	● -70
Others	437	215	145	-69
Total current liabilities	4,234	2,815	2,733	-82
Long-term loans payable	915	489	1,639	● 1,149
Others	66	78	96	18
Total noncurrent liabilities	982	567	1,736	1,168
Total liabilities	5,216	3,383	4,469	1,086
Capital stock	854	854	854	-
Capital surplus	40	40	40	-
Retained earnings	1,021	1,822	1,898	75
Others	-0	-0	-0	-0
Total net assets	1,916	2,717	2,793	75
Total liabilities and net assets	7,132	6,100	7,263	1,162

● Decrease of real estate for sale

Breakdown of the balance at the end of Q3 of FY16/3

Condominium unit sales : 1,288 million yen 45 units

Residential housing sales : 58 million yen 1 houses

Total : 1,346 million yen

● Increase of real estate for sale in process

Breakdown of the balance at the end of Q3 of FY16/3

Liquidation : 449 million yen

Condominium unit sales : 1,287 million yen

Residential housing sales : 1,462 million yen

Total : 3,199 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
(December 31, 2015) 4,096 million yen

Change 1,079 million yen

● The equity ratio : 38.5%.

Profit and Loss Statements

(Unit: million yen)	Fiscal Year ended March 31, 2015		Fiscal Year ending March 31, 2016				
	Q3 (Cumulative)		Q3 (Cumulative)		Year-on-year		12months
	Actual	% of total	Actual	% of total	Change	Change (%)	Plan
Net sales	4,622	100.0%	● 5,359	100.0%	737	16.0%	10,600
Cost of sales	3,883	84.0%	4,328	80.8%	444	11.5%	-
Gross profit	738	16.0%	1,031	19.2%	292	39.7%	-
Selling, general and administrative expenses	953	20.7%	● 905	16.9%	-48	-5.1%	-
Operating income	-215	-4.7%	125	2.3%	341	-	710
Non-operating income	85	1.9%	24	0.5%	-61	-71.6%	-
Non-operating expenses	176	3.8%	● 69	1.3%	-106	-60.5%	-
Ordinary income	-306	-6.6%	80	1.5%	386	-	565
Extraordinary income	36	0.8%	-	-	-36	-100.0%	-
Extraordinary loss	-	-	-	-	-	-	-
Income before income taxes	-269	-5.8%	80	1.5%	349	-	-
Income taxes	3	0.1%	4	0.1%	0	18.7%	-
Net income	-273	-5.9%	75	1.4%	349	-	560

● Number of sales

	FY 15/3 Q3 (Cumulative)	FY 16/3 Q3 (Cumulative)	Change
Liquidation	0 properties	6 properties	6 property
Condominium unit sales	46 units	78 units	32 units
Residential housing sales	75 houses	19 houses	-56 houses

● Details of selling, general and administrative expenses

(Unit: million yen)	FY 15/3 Q3 (Cumulative)	FY 16/3 Q3 (Cumulative)	Change
Personnel expenses	348	359	11
Sales commission	93	57	-36
Advertising expenses	234	161	-73
Other	277	326	49
Total	953	905	-48

● Details of non-operating expenses

(Unit: million yen)	FY 15/3 Q3 (Cumulative)	FY 16/3 Q3 (Cumulative)	Change
Interest expenses	175	68	-106
Other	1	1	0
Total	176	69	-106

Net Sales and Operating Income by Segment

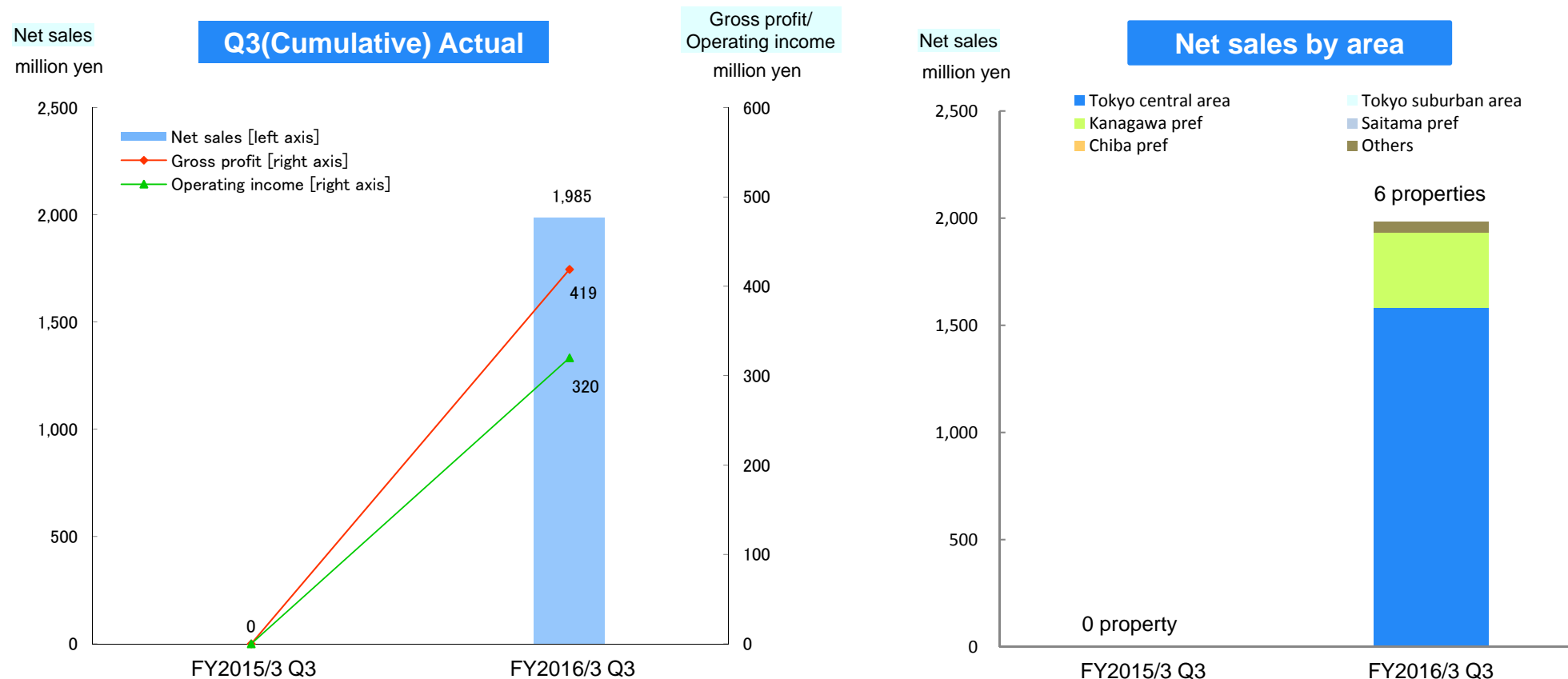
- ✓ Liquidation business and condominium unit sales business continued to be strong and achieved sales & income growth on a year-on-year basis.
- ✓ Residential housing sales business resulted in decreased sales & income due to the over-dependence on completion and delivery in Q4.

[Net sales]		Fiscal Year ended March 31, 2015		Fiscal Year ending March 31, 2016			
		Q3(Cumulative)		Q3(Cumulative)		Year-on-year	
		Actual	% of total	Actual	% of total	Change	Change (%)
(Unit: million yen)							
	Liquidation business	-	-	1,985	37.0%	1,985	-
	Condominium unit sales business	1,731	37.5%	2,535	47.3%	803	46.4%
	Residential housing sales business	2,877	62.2%	819	15.3%	-2,057	-71.5%
	Other business	12	0.3%	19	0.4%	6	49.8%
	Elimination or corporate	-	-	-	-	-	-
Net sales total		4,622	100.0%	5,359	100.0%	737	16.0%

[Operating income]		Fiscal Year ended March 31, 2015		Fiscal Year ending March 31, 2016			
		Q3(Cumulative)		Q3(Cumulative)		Year-on-year	
		Actual	Profit margin (%)	Actual	Profit margin (%)	Change	Change (%)
(Unit: million yen)							
	Liquidation business	-	-	320	16.1%	320	-
	Condominium unit sales business	-32	-1.9%	221	8.7%	253	-
	Residential housing sales business	120	4.2%	-76	-9.3%	-197	-
	Other business	9	76.2%	11	58.3%	1	14.6%
	Elimination or corporate	-313	-	-350	-	-36	-
Operating income total		-215	-4.7%	125	2.3%	341	-

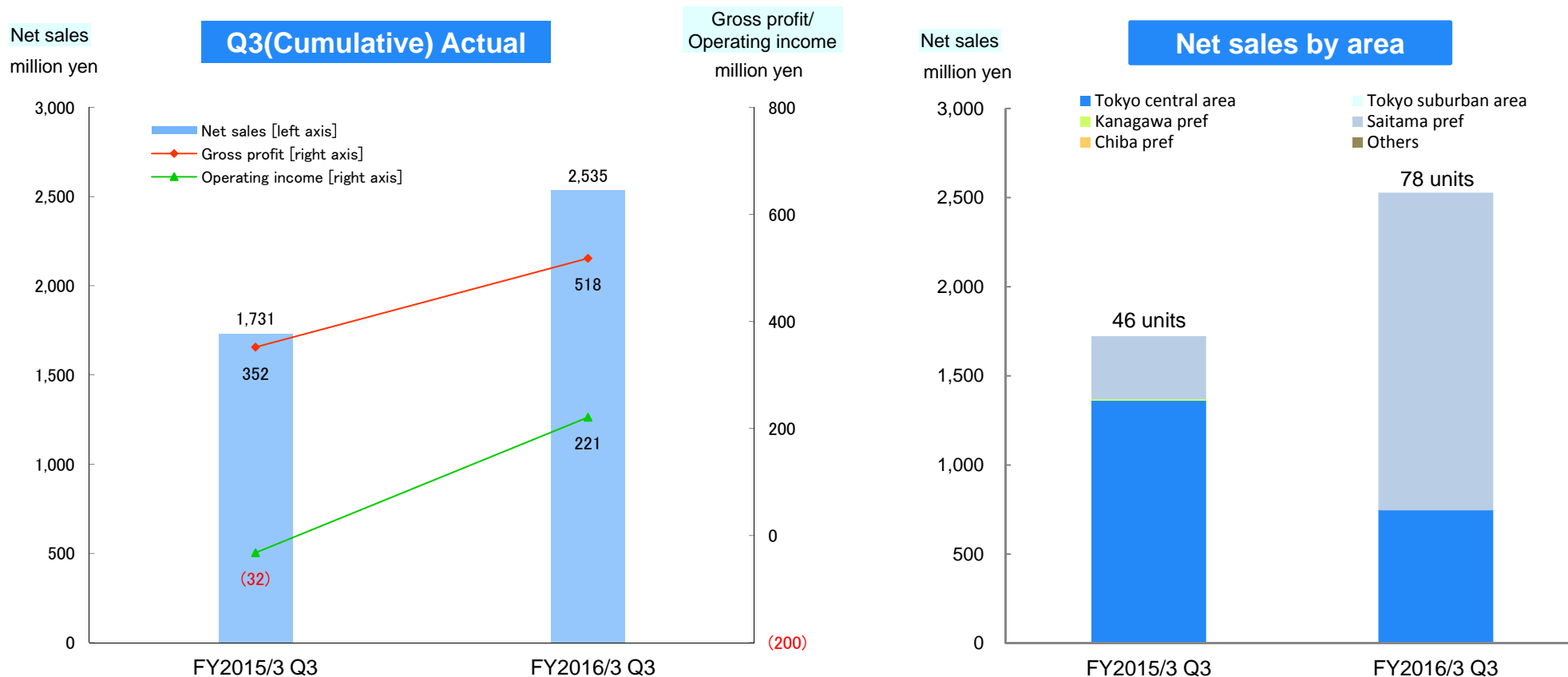
Situation of Liquidation Business

- ✓ Completed six deliveries of properties for development.
- ✓ Deliveries of projects with high profitability drastically increased net sales, gross profit and operating income.
- ✓ Boost aggressive acquisitions and sellouts of those highly liquid properties, on an ongoing basis.



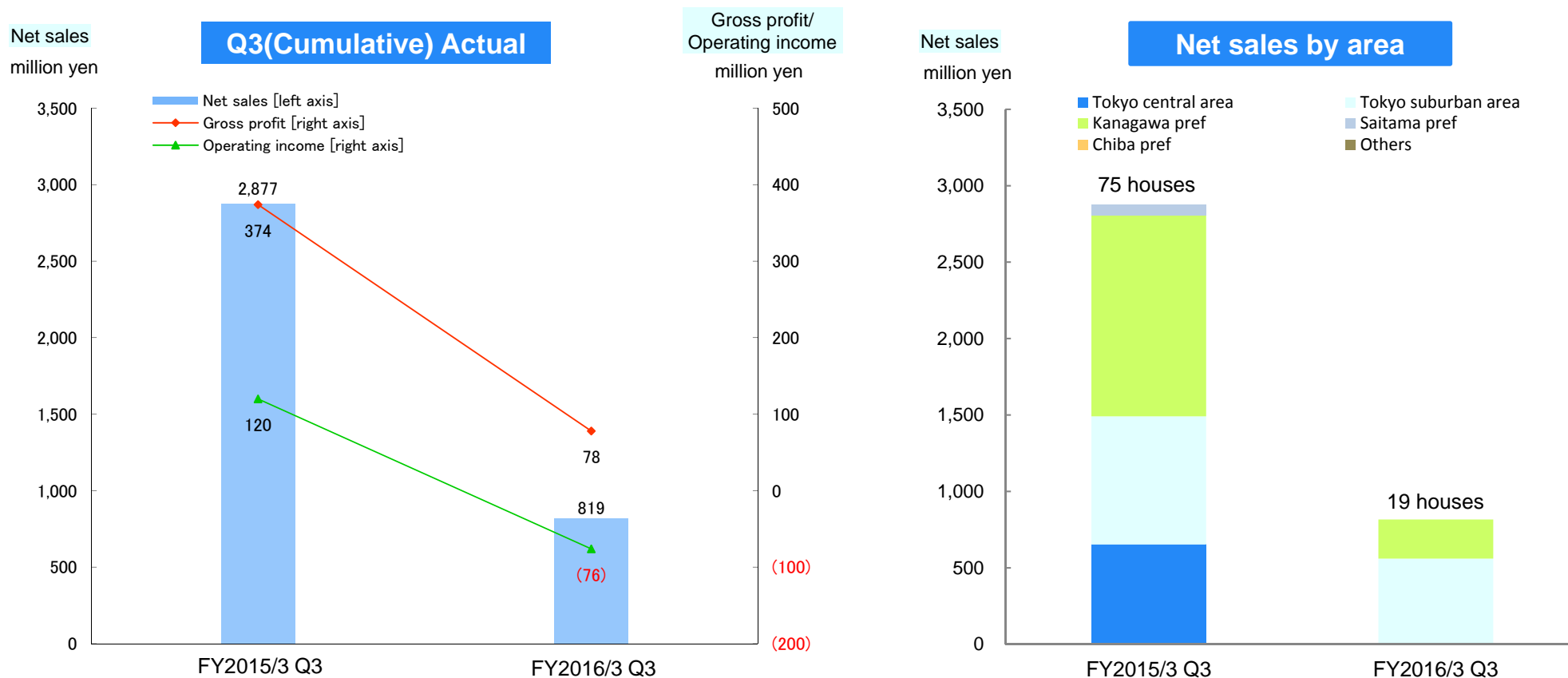
Situation of Condominium Unit Sales Business

- ✓ Completed deliveries of 78 units (+32 units year-on-year) in Tokyo and Saitama area, and achieved sales of 2,535 million yen (up 46.4% year-on-year).
- ✓ Completing early sellout and saving sales expenses by getting away from consignment-sales model, achieved high income growth.
⇒ Operating income of 221 million yen.



Situation of Residential Housing Sales Business

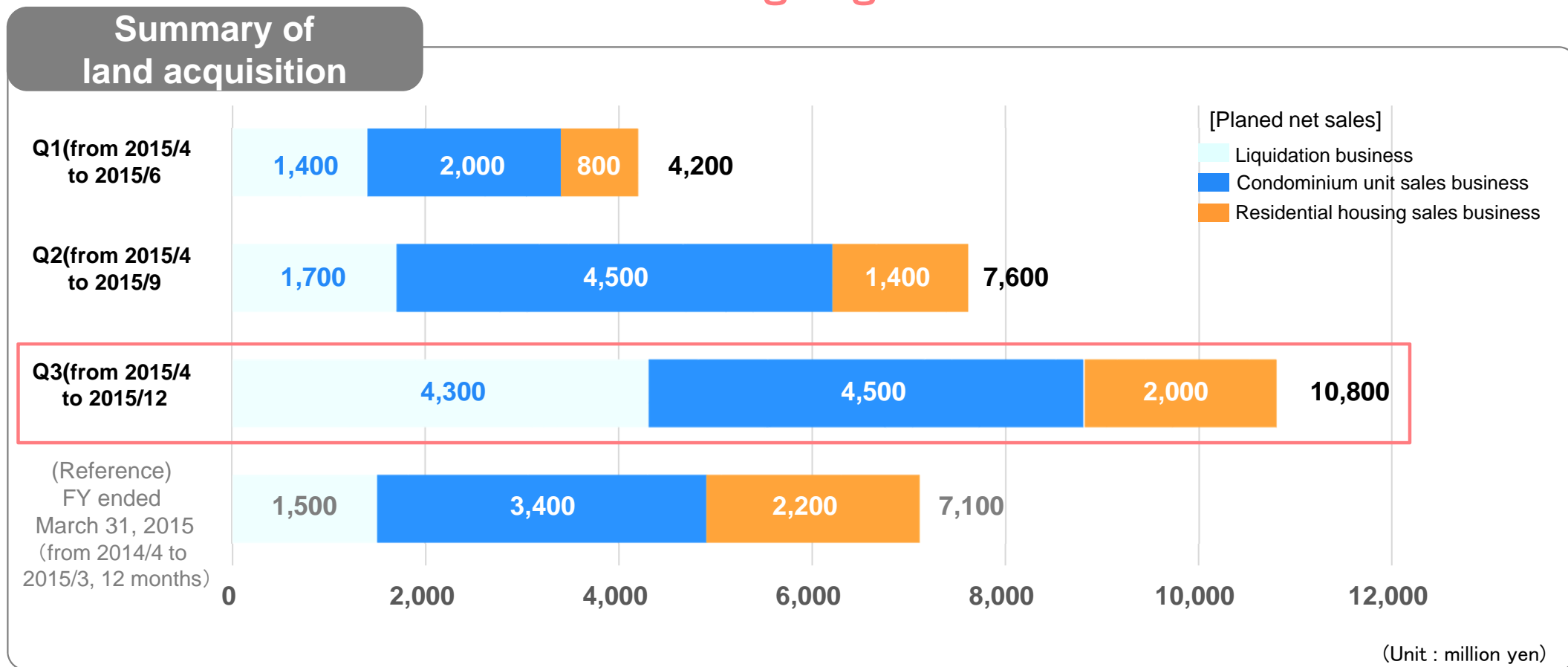
- ✓ Completed deliveries of 19 houses (-56 houses year-on-year) in Tokyo suburban and Kanagawa area, and posted sales of 819 million yen (down 71.5% year-on-year).
- ✓ Start of completion and delivery of investment apartments in this quarter.
⇒ Planning deliveries of 9 blocks in this fiscal year.



Situation of Land Acquisition

Completed land acquisitions with planned net sales of 10,800 million yen.

Boost aggressive acquisitions which lead to future profit, on an ongoing basis.



RENAISSANCECOURT Nishikawaguchi

[Overview]

Location : Namiki 3-chome, Kawaguchi-shi, Saitama
 Access : 5 minutes' walk from Nishikawaguchi station on the JR Keihin Tohoku Line
 Total number of units : 40 units
 Structure : 11-story reinforced concrete structure
 Completion : November 2016 (schedule)

Point 1

Very close to the station (5 minutes' walk).

Point 2

Good access to central Tokyo, and highly convenient location for commuting, leisure activities, and shopping.



RENACOURT Higashimurayama

[Overview]

Location : Kumegawa-cho 4-chome, Higashimurayama-shi, Tokyo
 Access : 7 minutes' walk from Higashimurayama station on the Seibu Shinjuku Line and the Seibu Kokubunji Line
 Total number of units : 6 units
 Structure : Two-story wooden apartment
 Completion : February 2016

Point 1

7 minutes' walk from the Higashimurayama station, and good access to Shinjuku and Kokubunji.

Point 2

Living environment of lush greenery, and various facilities, such as hospitals and supermarkets, within walking distance.



[For Inquiries]

IR Division: Corporate Development Division

TEL: 03-5962-0775 FAX: 03-5962-0774

E-mail: ir@kksnt.co.jp URL: <http://www.kksnt.co.jp/>

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