



## Business Environment

- The domestic economy was facing a lull in the recovery trend due to the effects of restriction in economic activity on the spread of COVID-19, downward pressure on personal consumption, especially service spending, and production cuts in some manufacturing industries.
- With downside risks due to soaring raw material prices and the chip shortage, the economic outlook remains uncertain and opaque, despite the growth with the progress of vaccinations and the recovery of overseas economies is expected.
- With high land and construction costs, sales prices in the condominium market in the Greater Tokyo Area continued to rise. In the property investment market, the demand for highly convenient Compact Condominium Buildings for Investment-Purpose in central Tokyo areas remained steady as an asset with stable income expected. The demand for logistics facilities in the Greater Tokyo Area remained strong while the supply was lacking. Also, vacancy rates for the commercial offices in central Tokyo are upward and should pay attention to future trends in rent.

## Business Performance

- [P/L] Along with paying close attention to market trends, the Company vigorously promoted sales of business sites and urban-style compact offices to other developers in the Asset Solution Business while systematically promoting the sale of Compact Condominium Buildings for Investment-Purpose in the Condominium Sales Business. Both sales and income increased, with net sales of 11,475 million yen (up 53.0% y-o-y), ordinary income of 1,307 million yen (up 128.7% y-o-y), and quarterly net income of 1,124 million yen (up 137.6% y-o-y).
- [B/S] Real estate for sale in process increased by 2,411 million yen y-o-y due to progress in purchasing condominium development sites and logistics facility development sites in Tokyo, such as Minato-ku and Chuo-ku.

## Business Management

- The first project of Sub-divided Real Estate for Investment-Purpose - “Joint Owners”, all 462 units sold out.
- Steady progress in sales.

# Balance Sheet

(Unit: Millions of yen)	March 31, 2021		March 31, 2022	
	End of 2Q	Year End	End of 2Q	Change
Cash and deposits	4,309	4,933	6,181	1,247
Real estate for sale	3,744	8,731	● 4,520	(4,210)
Real estate for sale in process	10,105	5,961	● 8,372	2,411
Others	109	304	189	(114)
<b>Total current assets</b>	<b>18,268</b>	<b>19,930</b>	<b>19,264</b>	<b>(665)</b>
<b>Total noncurrent assets</b>	<b>1,888</b>	<b>1,531</b>	<b>1,485</b>	<b>(45)</b>
<b>Total deferred assets</b>	<b>1</b>	<b>0</b>	<b>-</b>	<b>(0)</b>
<b>Total assets</b>	<b>20,158</b>	<b>21,462</b>	<b>20,750</b>	<b>(712)</b>
Accounts payable for construction contracts	108	100	282	182
Short-term loans payable	7,023	8,862	● 5,693	(3,168)
Current portion of bonds	250	250	● -	(250)
Others	313	330	417	87
<b>Total current liabilities</b>	<b>7,694</b>	<b>9,542</b>	<b>6,394</b>	<b>(3,148)</b>
Long-term loans payable	5,937	4,879	● 6,631	1,751
Others	226	230	233	3
<b>Total noncurrent liabilities</b>	<b>6,164</b>	<b>5,109</b>	<b>6,864</b>	<b>1,754</b>
<b>Total liabilities</b>	<b>13,858</b>	<b>14,652</b>	<b>13,258</b>	<b>(1,393)</b>
Capital stock	854	854	854	-
Capital surplus	40	40	40	-
Retained earnings	5,334	5,834	6,520	686
Others	69	80	74	(5)
<b>Total net assets</b>	<b>6,299</b>	<b>6,810</b>	<b>● 7,491</b>	<b>681</b>
<b>Total liabilities and net assets</b>	<b>20,158</b>	<b>21,462</b>	<b>20,750</b>	<b>(712)</b>

## ● Breakdown of Real estate for sale

(Unit: Millions of yen)	Mar. 2021	Mar.2022 2Q	Change
Asset solution	3,064	2,503	(561)
Condominium unit	5,666	2,017	(3,649)
Residential housing	-	-	-
<b>Total</b>	<b>8,731</b>	<b>4,520</b>	<b>(4,210)</b>

## ● Breakdown of Real estate for sale in process

(Unit: Millions of yen)	Mar. 2021	Mar.2022 2Q	Change
Asset solution	3,971	3,782	(189)
Condominium unit	1,989	4,590	2,601
Residential housing	-	-	-
<b>Total</b>	<b>5,961</b>	<b>8,372</b>	<b>2,411</b>

## ● The balance of Interest-bearing debt

(Unit: Millions of yen)	Mar. 2021	Mar.2022 2Q	Change
Short-term	9,112	5,693	(3,418)
Long-term	4,879	6,631	1,751
<b>Total</b>	<b>13,991</b>	<b>12,324</b>	<b>(1,666)</b>

## ● Shareholders' equity ratio

	Mar. 2021	Mar.2022 2Q	Change(%)
Equity ratio	31.7%	36.1%	4.4

# Income Statement

(Unit: Millions of yen)	March 31, 2021		March 31, 2022				
	2Q		2Q		Year-on -year		Full year
	Actual	% of Total	Actual	% of Total	Change	Change (%)	Forecast
Net sales	7,500	100.0%	● 11,475	100.0%	3,975	53.0%	16,270
Cost of sales	6,114	81.5%	9,016	78.6%	2,901	47.5%	-
<b>Gross profit</b>	<b>1,385</b>	<b>18.5%</b>	● <b>2,459</b>	<b>21.4%</b>	<b>1,073</b>	<b>77.5%</b>	-
Selling, general and administrative expenses	651	8.7%	● 1,033	9.0%	382	58.6%	-
<b>Operating income</b>	<b>734</b>	<b>9.8%</b>	● <b>1,425</b>	<b>12.4%</b>	<b>691</b>	<b>94.2%</b>	<b>1,650</b>
Non-operating income	7	0.1%	4	0.0%	(2)	(31.7%)	-
Non-operating expenses	169	2.3%	● 122	1.1%	(46)	(27.4%)	-
<b>Ordinary income</b>	<b>571</b>	<b>7.6%</b>	● <b>1,307</b>	<b>11.4%</b>	<b>735</b>	<b>128.7%</b>	<b>1,460</b>
Extraordinary income	-	-	27	0.2%	27	-	-
Extraordinary loss	-	-	30	0.3%	30	-	-
<b>Income before income taxes</b>	<b>571</b>	<b>7.6%</b>	<b>1,305</b>	<b>11.4%</b>	<b>733</b>	<b>128.3%</b>	-
Income tax	98	1.3%	180	1.6%	82	83.4%	-
<b>Net income</b>	<b>473</b>	<b>6.3%</b>	● <b>1,124</b>	<b>9.8%</b>	<b>651</b>	<b>137.6%</b>	<b>1,270</b>

## ● Number of sales

	Mar. 2021 2Q	Mar.2022 2Q	Change
Asset solution	7projects	10projects	3projects
Condominium unit	73units	164units	91units
Residential housing	2buildings	0	(2buildings)

## ● Breakdown of selling, general and administrative expenses

(Unit: Millions of yen)	Mar. 2021 2Q	Mar.2022 2Q	Change
Personal expenses	282	365	83
Sales commission	113	281	167
Advertising expenses	17	33	15
Others	237	353	116
<b>Total</b>	<b>651</b>	<b>1,033</b>	<b>382</b>

## ● Breakdown of non-operating expenses

(Unit: Millions of yen)	Mar. 2021 2Q	Mar.2022 2Q	Change
Interest expenses	119	121	1
Other	49	1	(47)
<b>Total</b>	<b>169</b>	<b>122</b>	<b>(46)</b>

# Sales and profit by reportable segments

- With closely monitoring market trends, we utilized our strength in land procurement planning and business proposals to promote sales of business sites and urban-style compact offices to other developers in the Asset Solution Business, while the Condominium Sales Business made systematic progress in the sale of the entire building of Compact Condominium Buildings for Investment-Purpose. As a result, both of sales and income increased for the 2<sup>nd</sup> quarter cumulative period, with net sales of 11,475 million yen (up 53.0% y-o-y) and operating income of 1,425 million yen (up 94.2% y-o-y).

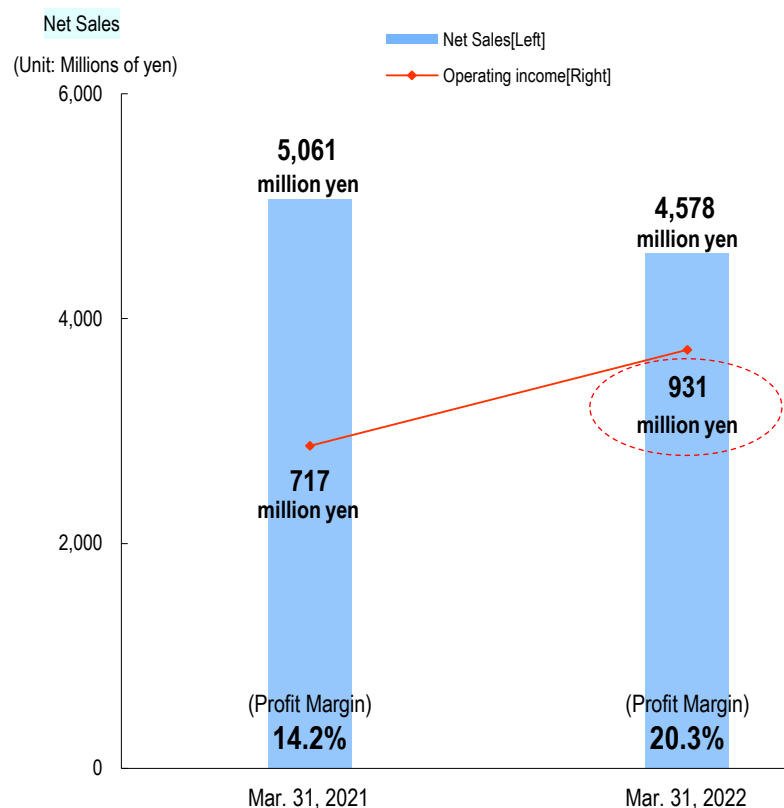
【Net Sales】		March 31, 2021		March 31, 2022			
		2Q		2Q		Year-on-year	
		Actual	% of Total	Actual	% of Total	Change	Change (%)
(Unit: Millions of yen)							
Asset Solution Business	5,061	67.5%	4,578	39.9%	(482)	(9.5%)	
Condominium Unit Sales Business	2,202	29.4%	6,864	59.8%	4,661	211.6%	
Residential Housing Sales business	203	2.7%	-	-	(203)	-	
Others	32	0.4%	32	0.3%	0	2.1%	
Elimination and/or corporate	-	-	-	-	-	-	
<b>Net sales total</b>	<b>7,500</b>	<b>100.0%</b>	<b>11,475</b>	<b>100.0%</b>	<b>3,975</b>	<b>53.0%</b>	

【Operating Income】		March 31, 2021		March 31, 2022			
		2Q		2Q		Year-on-year	
		Actual	Operating Margin Ratio	Actual	Operating Margin Ratio	Change	Change (%)
(Unit: Millions of yen)							
Asset Solution Business	717	14.2%	931	20.3%	214	29.9%	
Condominium Unit Sales Business	262	11.9%	885	12.9%	623	237.6%	
Residential Housing Sales business	39	19.2%	-	-	(39)	-	
Others	9	31.0%	10	31.5%	0	3.8%	
Elimination and/or corporate	(294)	-	(401)	-	(106)	-	
<b>Operating income total</b>	<b>734</b>	<b>9.8%</b>	<b>1,425</b>	<b>12.4%</b>	<b>691</b>	<b>94.2%</b>	

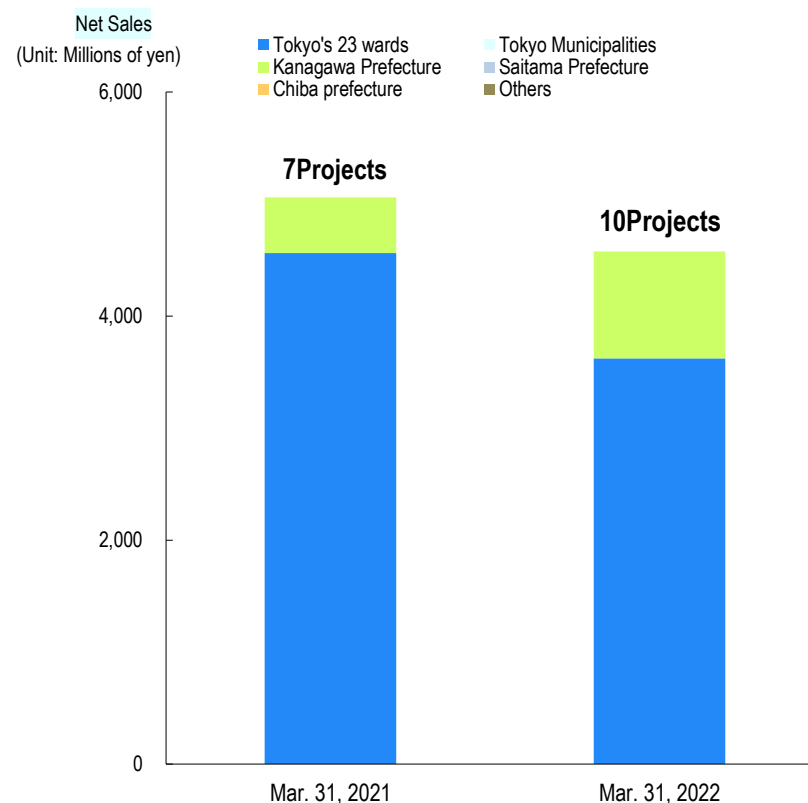
# Overview of Asset Solution Business

- With closely monitoring market trends, we vigorously promoted sales of business sites and urban-style compact offices to other developers in the Tokyo and Kanagawa areas by leveraging our strength in purchasing and proposing land, and delivered a total of 10 projects.
- Net sales of 4,578 million yen (down 9.5% y-o-y) and operating income of 931 million yen (up 29.9% y-o-y) were recorded.

Actual Result of 2Q

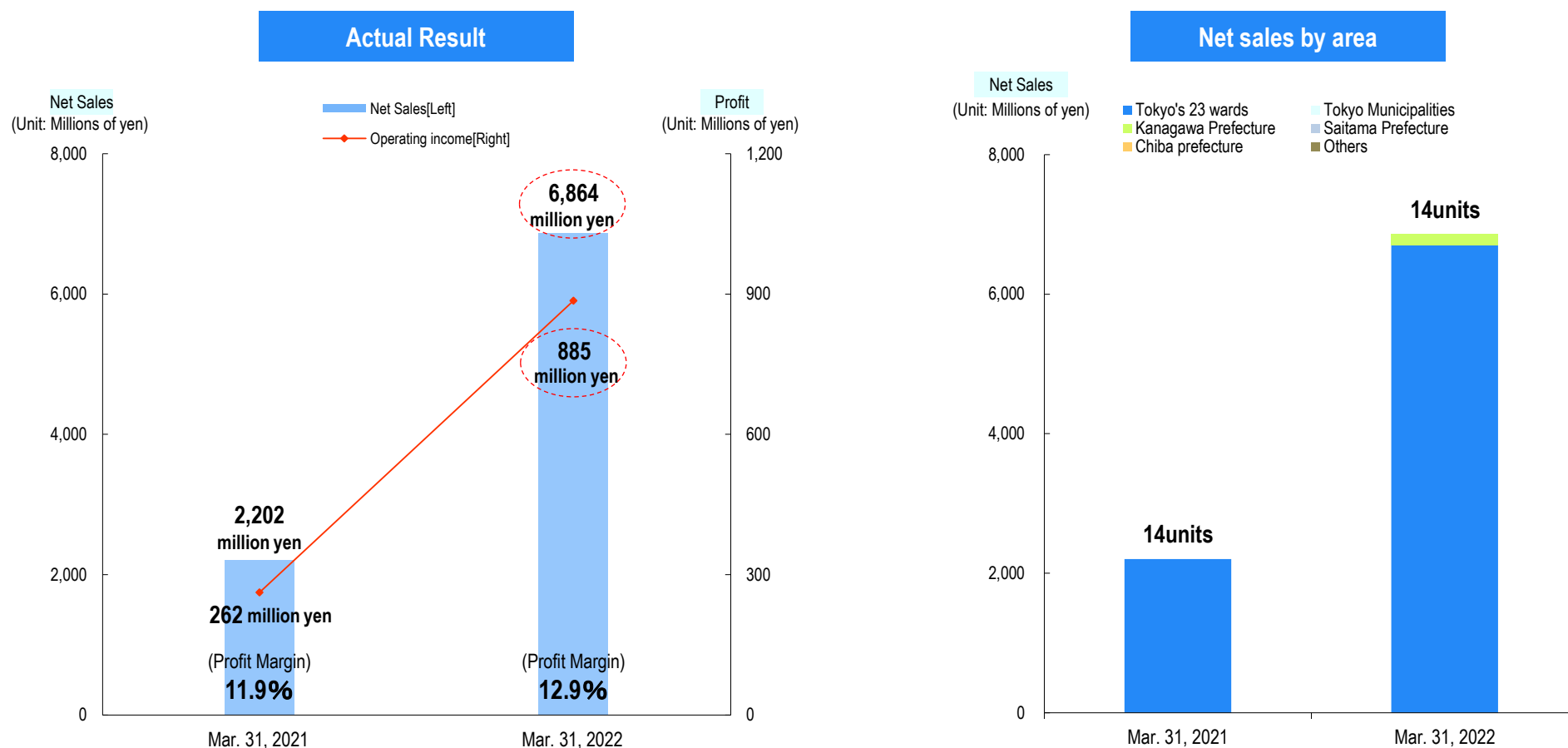


Net sales by area



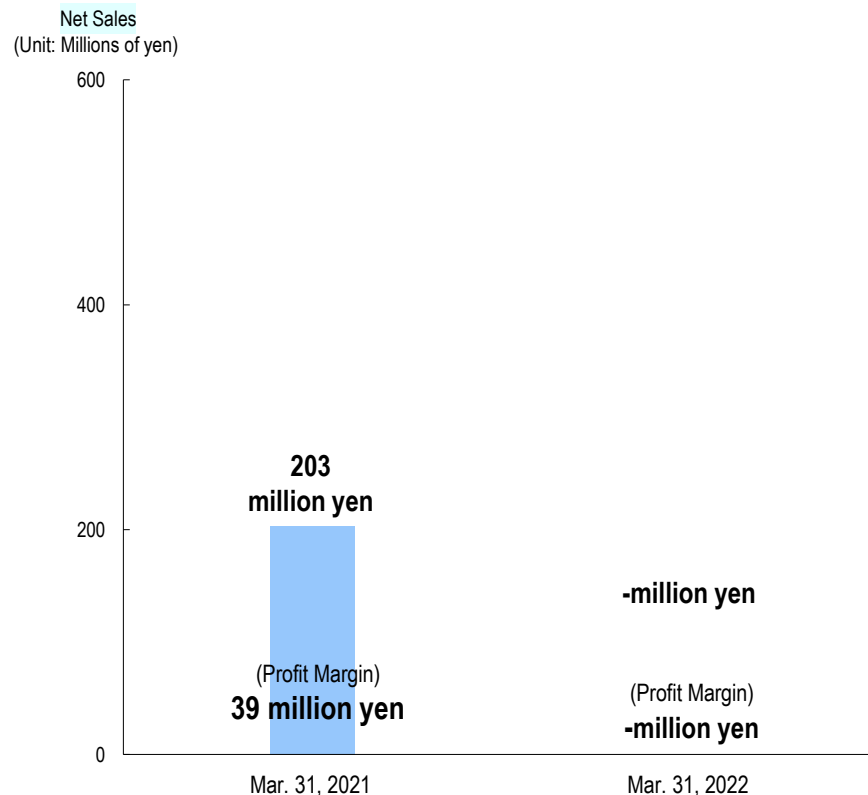
# Overview of Condominium Unit Sales Business

- A total of 164 units were handed over due to the en bloc sales and the sale of the entire building of Compact Condominium Buildings for Investment-Purpose, mainly located in central Tokyo, including Chiyoda, Minato, and Meguro wards.
- Net sales of 6,864 million yen (up 211.6% y-o-y) and operating income of 885 million yen (up 237.6% y-o-y) were recorded.

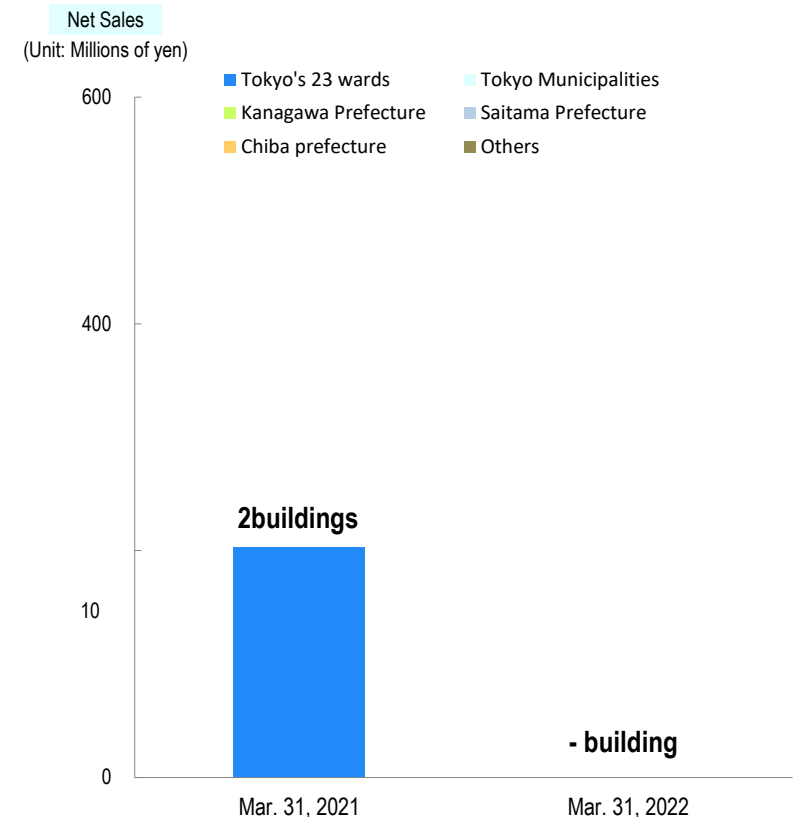


- Considering market conditions of real estate in Tokyo, the Company concentrated the business resources on the Asset Solution Business and Condominium Unit Sales Business, which are in high demand from investors, and thus no results related to Residential Housing Sales business were generated.

Actual Result



Net sales by area

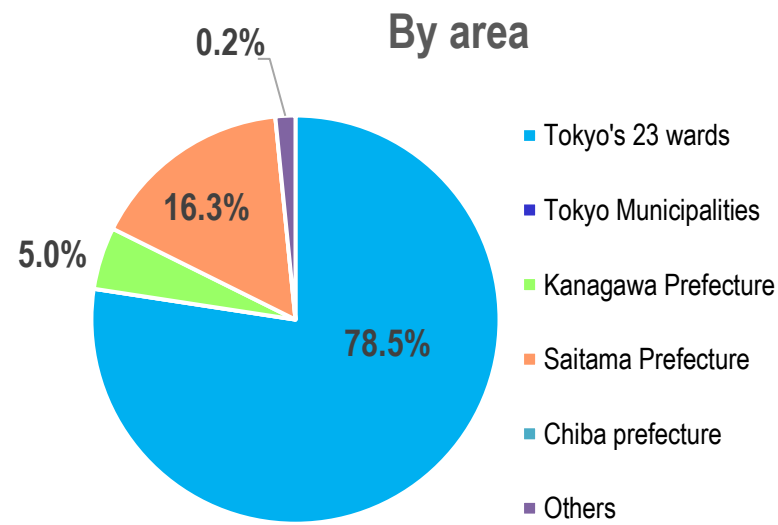
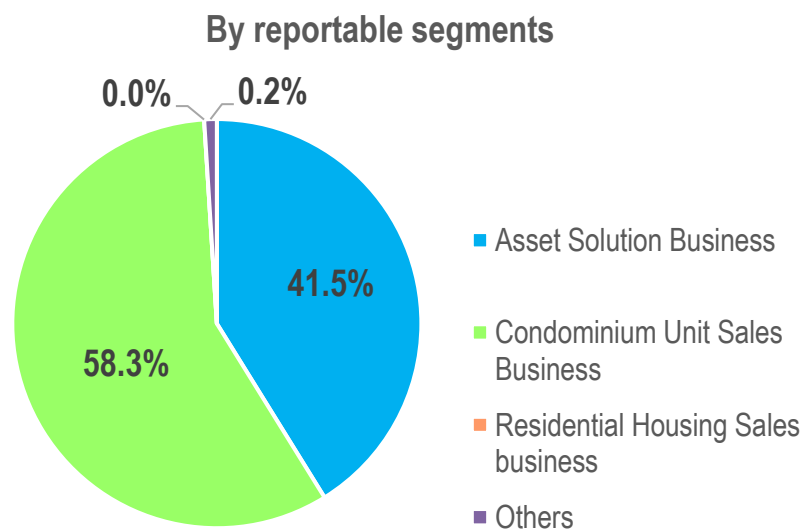




# Property Acquisitions

- With the completion of a large-scale project for the en bloc sales of Compact Condominium Buildings for Investment-Purpose, the Company actively engaged in new procurement activities for business sites, including land for condominium development and logistics facilities in favorable locations in Tokyo, while monitoring the real market trend to secure more sales as planned.
- As of the end of September 2021, the company had concluded a purchase agreement with sales values of approximately 27.7 billion yen (an increase of 1.8 billion yen y-o-y).

## Overview of the net sales of 27.7 billion yen planned



# Project in Progress

## 【 Asset Solution Business 】 (Tentative) Urawa Misono Project (Logistics Facility)

### Overview

Location	: Midori Ward, Saitama City, Saitama Prefecture
Access	: 2.2 km from Urawa IC on Tohoku Expressway
Site Area	: 1854.24m <sup>2</sup>
Structure	: Steel Structure, 4 floors above ground
Completion	: Mar 2022 (Scheduled)

### Point 1

The 4th project in the logistics facility business. The Property is located 2.2 km from the Urawa IC on the Tohoku Expressway and has good access to the entire Kanto region, including Tokyo, a high consumption area.

### Point 2

Four manual vertical sliding sectional doors, which can be used even for large vehicles, 1-meter high stilt type floor equipped with a dock leveler and three elevators, making it easy to load and unload cargo.



## 【 Condominium Unit Sales Business 】 (Tentative) Renaissance Court Shibuya Shoto (Compact Condominium Buildings for Investment-Purpose)

### Overview

Location	: Shoto, Shibuya-ku, Tokyo
Access	: 11-min. walk from Shibuya station on JR Yamanote Line 11-min. walk from Shibuya station on Tokyo Metro Fukutoshin, Hanzomon, Ginza Line 5-min. walk from Shinsen station on Keio Inokashira Line
Total No. of Units	: 8 units
Structure	: Reinforced Concrete (RC) 3 stories above ground
Completion	: Jan 2022 (Scheduled)

### Point 1

Located in the "Shoto Area," a calm, tranquil, and upscale residential area with only an 11-min walk to Shibuya Station, a huge terminal station and cultural transmission area, which is able to realize a high-grade lifestyle.

### Point 2

The 2nd project in our top-grade "Renaissance Premium Court" series. Features include hands-free keys, touchless elevators for non-contact movement, smartphone-compatible intercom, underfloor heating, etc. The countertops kitchen uses granite and is designed with a focus on materials.



# Project in Progress

## 【 Condominium Unit Sales Business 】 Renaissance Court Meguro (Compact Condominium Buildings for Investment-Purpose)

### Overview

- Location : Shimomeguro, Meguro-ku, Tokyo
- Access : 10-min. walk Meguro Station on JR Yamanote Line, etc.  
6-min. walk from Fudomae station on Tokyu Meguro Line
- Total No. of Units : 19 units
- Structure : Reinforced Concrete (RC) 4 stories above ground
- Completion : Mar 2021

### Point 1

A 10-min walk from Meguro Station, which is served by 4 subway lines, and close to the Meguro River, famous for its cherry blossom trees. Nakameguro Station, where many popular restaurants are located, is also within walking distance. A popular area where you can realize a fulfilling lifestyle regardless of whether on or off.

### Point 2

Facing two-way roads in the southeast and southwest, it offers convenient facilities such as auto locks, Wi-Fi facilities, delivery lockers, and hands-free keys. Designed for a comfortable living environment as all units are equipped with balconies and a large sliding door closet in the living room.



## 【 Condominium Unit Sales Business 】 (Tentative) Renaissance Court Kamata River Terrace (Compact Condominium Buildings for Investment-Purpose)

### Overview

- Location : Higashi-Kamata, Ota-ku, Tokyo
- Access : 5-min. walk from Keikyu Kamata station on Keikyu Main Line and Keikyu Airport Line
- Total No. of Units : 20 units
- Structure : Reinforced Concrete (RC) 5 stories above ground
- Completion : Mar 2022 (Scheduled)

### Point 1

Located just a 5-min walk from Keikyu Kamata Station on the Keikyu Main Line, which provides direct access to Shinagawa and Yokohama terminal stations, as well as Haneda Airport, and offers comfortable living environments and excellent convenience for commuting to work and school.

### Point 2

Facing 2 roads on the north and south, and adopts an open floor plan. Hands-free keys and smartphone-compatible intercom allow safe and comfortable entry and exit. All units have a balcony, and room designs are varied, including a type with a shoes-in closet at the entrance and a type with two rooms.



## For Inquiries

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