

# Financial Results Briefing Materials for the First Quarter Ending March 31, 2024

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August 4, 2023(FRI) SHIN-NIHON TATEMONO CO., LTD.

## Business Environment

- In the domestic economy, economic normalization and rebound demand in services are boosting recovery, while Shuntō (spring wage offensive) increases offer future support. Yet, rising resource prices challenge consumer confidence, warranting caution.
- In the newly-built condominium market, prices rise with strong demand. Logistics facilities market expects sustained strength, partly due to the “2024 problem”.

## Business Performance

- [P/L] Sales of development sites and logistics facilities, and collective sales of investment properties progressed as planned. We achieved 8,157 million yen in net sales, 1,062 million yen in ordinary income, and 722 million yen in quarterly net income.
- [B/S] Net worth of 9,237 million yen was recorded, an increase of 141 million yen from the end of the previous fiscal year.

## Business Management

- Initiated ZEH-M Oriented certified condominium design and development, emphasizing asset value and global environmental sustainability.
- Dividend of 30 yen per share(an increase of 8 yen from the previous year).

# Balance Sheet

(Unit: Millions of yen)	March 31, 2023		March 31, 2024	
	End of 1Q	Year End	End of 1Q	Change
Cash and deposits	5,499	6,920	9,589	2,668
Real estate for sale	2,093	3,212	● 3,297	85
Real estate for sale in process	11,020	13,895	● 13,112	(782)
Others	453	538	477	(60)
<b>Total current assets</b>	<b>19,067</b>	<b>24,565</b>	<b>26,476</b>	<b>1,910</b>
<b>Total noncurrent assets</b>	<b>1,227</b>	<b>1,744</b>	<b>1,560</b>	<b>(183)</b>
<b>Total deferred assets</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>(0)</b>
<b>Total assets</b>	<b>20,297</b>	<b>26,313</b>	<b>28,039</b>	<b>1,726</b>
Accounts payable for construction contracts	318	391	2,032	1,640
Short-term loans payable	4,038	6,509	● 6,480	(29)
Current portion of bonds	50	50	● 50	-
Others	362	1,464	1,542	77
<b>Total current liabilities</b>	<b>4,768</b>	<b>8,416</b>	<b>10,105</b>	<b>1,689</b>
Bonds	175	150	● 125	(25)
Long-term loans payable	8,333	8,455	● 8,388	(67)
Others	147	194	183	(11)
<b>Total noncurrent liabilities</b>	<b>8,656</b>	<b>8,800</b>	<b>8,696</b>	<b>(104)</b>
<b>Total liabilities</b>	<b>13,424</b>	<b>17,216</b>	<b>18,802</b>	<b>1,585</b>
Capital stock	854	854	854	-
Capital surplus	40	40	40	-
Retained earnings	5,900	8,080	8,206	125
Others	76	119	● 135	15
<b>Total net assets</b>	<b>6,872</b>	<b>9,096</b>	<b>9,237</b>	<b>141</b>
<b>Total liabilities and net assets</b>	<b>20,297</b>	<b>26,313</b>	<b>28,039</b>	<b>1,726</b>

## ● Breakdown of Real estate for sale

(Unit: Millions of yen)	Mar. 2023	Mar.2024 1Q	Change
Asset solution	-	-	-
Condominium unit	3,212	3,297	85
<b>Total</b>	<b>3,212</b>	<b>3,297</b>	<b>85</b>

## ● Breakdown of Real estate for sale in process

(Unit: Millions of yen)	Mar. 2023	Mar.2024 1Q	Change
Asset solution	6,056	6,449	393
Condominium unit	7,839	6,663	(1,175)
<b>Total</b>	<b>13,895</b>	<b>13,112</b>	<b>(782)</b>

## ● The balance of Interest-bearing debt

(Unit: Millions of yen)	Mar. 2023	Mar.2024 1Q	Change
Short-term	6,559	6,530	(29)
Long-term	8,605	8,513	(92)
<b>Total</b>	<b>15,165</b>	<b>15,043</b>	<b>(121)</b>

## ● Shareholders' equity ratio

(Unit: Millions of yen)	Mar. 2023	Mar.2024 1Q	Change
Equity ratio	9,096	9,237	141

(Unit: Millions of yen)	March 31, 2023		March 31, 2024				
	1Q		1Q		Year-on -year		Full year
	Actual	% of Total	Actual	% of Total	Change	Change (%)	Forecast
Net sales	829	100.0%	● 8,157	100.0%	7,327	883.0%	23,660
Cost of sales	723	87.2%	6,513	79.8%	5,790	800.5%	-
<b>Gross profit</b>	<b>106</b>	<b>12.8%</b>	<b>1,643</b>	<b>20.2%</b>	<b>1,537</b>	<b>1,443.4%</b>	<b>-</b>
Selling, general and administrative expenses	323	39.0%	● 532	6.5%	208	64.6%	-
<b>Operating income</b>	<b>(217)</b>	<b>(26.2%)</b>	<b>1,111</b>	<b>13.6%</b>	<b>1,328</b>	<b>-</b>	<b>2,680</b>
Non-operating income	1	0.1%	13	0.2%	12	1,217.5%	-
Non-operating expenses	47	5.7%	● 62	0.8%	14	31.0%	-
<b>Ordinary income</b>	<b>(263)</b>	<b>(31.8%)</b>	<b>1,062</b>	<b>13.0%</b>	<b>1,326</b>	<b>-</b>	<b>2,430</b>
Extraordinary income	-	-	-	-	-	-	-
Extraordinary loss	-	-	12	0.2%	12	-	-
<b>Income before income taxes</b>	<b>(263)</b>	<b>(31.8%)</b>	<b>1,050</b>	<b>12.9%</b>	<b>1,313</b>	<b>-</b>	<b>-</b>
Income tax	29	3.6%	327	4.0%	297	992.6%	-
<b>Net income</b>	<b>(293)</b>	<b>(35.4%)</b>	<b>722</b>	<b>8.9%</b>	<b>1,016</b>	<b>-</b>	<b>1,680</b>

## ● Number of sales

	Mar. 2023 1Q	Mar.2024 1Q	Change
Asset solution	3projects	4projects	1projects
Condominium unit	0units	82units	82units

## ● Breakdown of selling, general and administrative expenses

(Unit: Millions of yen)	Mar. 2023 1Q	Mar.2024 1Q	Change
Personal expenses	219	140	(78)
Sales commission	-	68	68
Advertising expenses	10	8	(1)
Others	93	314	221
<b>Total</b>	<b>323</b>	<b>532</b>	<b>208</b>

## ● Breakdown of non-operating expenses

(Unit: Millions of yen)	Mar. 2023 1Q	Mar.2024 1Q	Change
Interest expenses	47	61	14
Other	0	0	0
<b>Total</b>	<b>47</b>	<b>62</b>	<b>14</b>

# Sales and profit by reportable segments

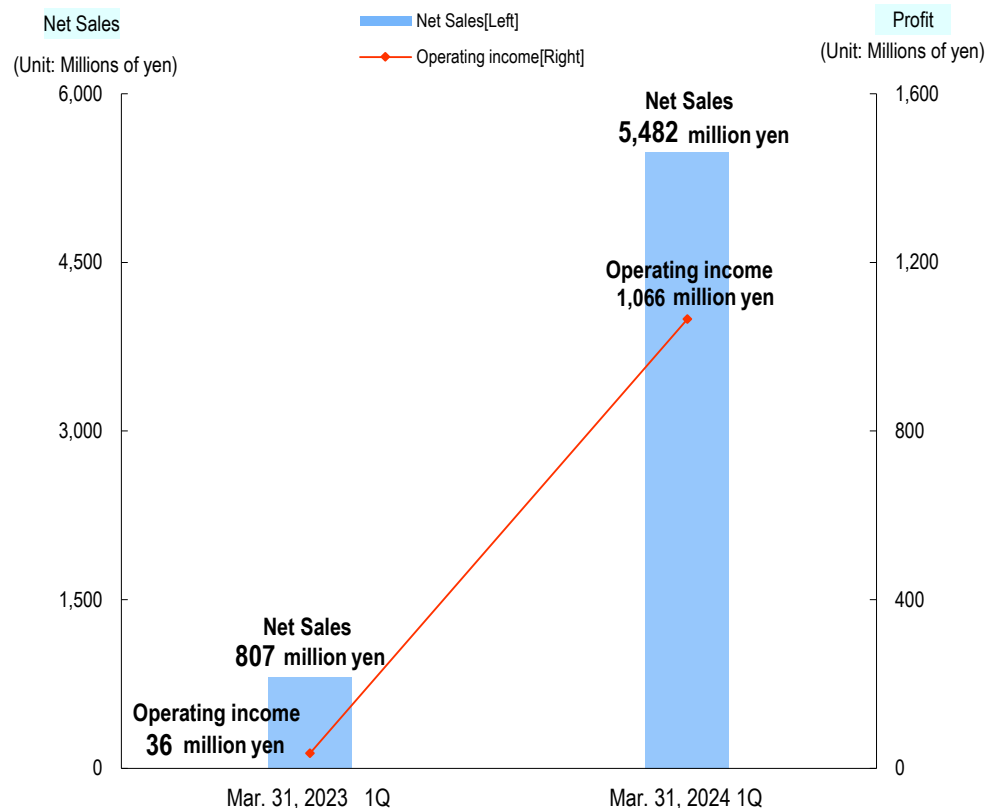
- Delivered development sites for other developers, logistics facilities, and collective sales of investment properties with strong demand.
- Both sales and income increased, with net sales of 8,157 million yen (up 7,327 million yen y-o-y) and operating income of 1,111 million yen (up 1,328 million yen y-o-y).

【Net Sales】 (Unit: Millions of yen)		March 31, 2023		March 31, 2024			
		1Q		1Q		Year-on-year	
		Actual	% of Total	Actual	% of Total	Change	Change (%)
Asset Solution Business	807	97.3%	5,482	67.2%	4,675	579.2%	
Condominium Unit Sales Business	6	0.8%	2,657	32.6%	2,651	419 times	
Asset-Holding Business	16	1.9%	17	0.2%	1	9.4%	
Others	0	0.0%	0	0.0%	0	6.2%	
Elimination and/or corporate	-	-	-	-	-	-	
<b>Net sales total</b>	<b>829</b>	<b>100.0%</b>	<b>8,157</b>	<b>100.0%</b>	<b>7,327</b>	<b>883.0%</b>	

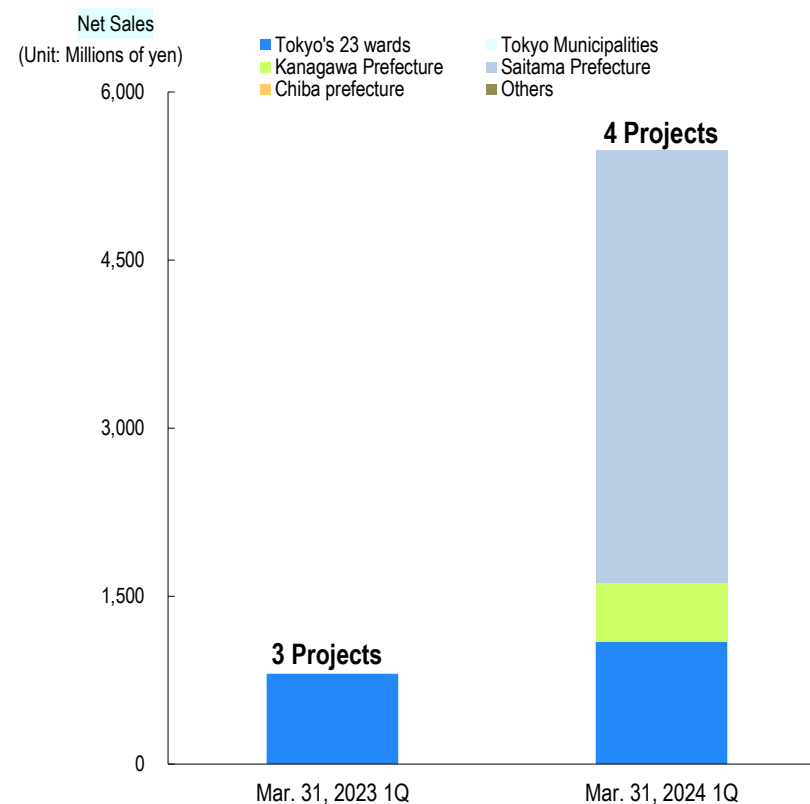
【Operating Income】 (Unit: Millions of yen)		March 31, 2023		March 31, 2024			
		1Q		1Q		Year-on-year	
		Actual	Operating Margin Ratio	Actual	Operating Margin Ratio	Change	Change (%)
Asset Solution Business	36	4.5%	1,066	19.4%	1,029	28 times	
Condominium Unit Sales Business	(56)	(892.1%)	275	10.4%	332	-	
Asset-Holding Business	5	32.5%	5	29.4%	(0)	(0.8%)	
Others	0	100.0%	0	75.9%	(0)	(19.4%)	
Elimination and/or corporate	(202)	-	(235)	-	(33)	-	
<b>Operating income total</b>	<b>(217)</b>	<b>(26.2%)</b>	<b>1,111</b>	<b>13.6%</b>	<b>1,328</b>	<b>-</b>	

- Successfully sold development land for condominium development for other developers in Shinagawa and Nakano wards and Yokohama City, Kanagawa Prefecture, and timely delivery of the “Iruma project”, a large-scale logistics facility.
- Both sales and income increased, with sales of 5,482 million yen (up 4,675 million yen y-o-y) and operating profit of 1,066 million yen (up 1,029 million yen y-o-y).

**Actual Result of 1Q**

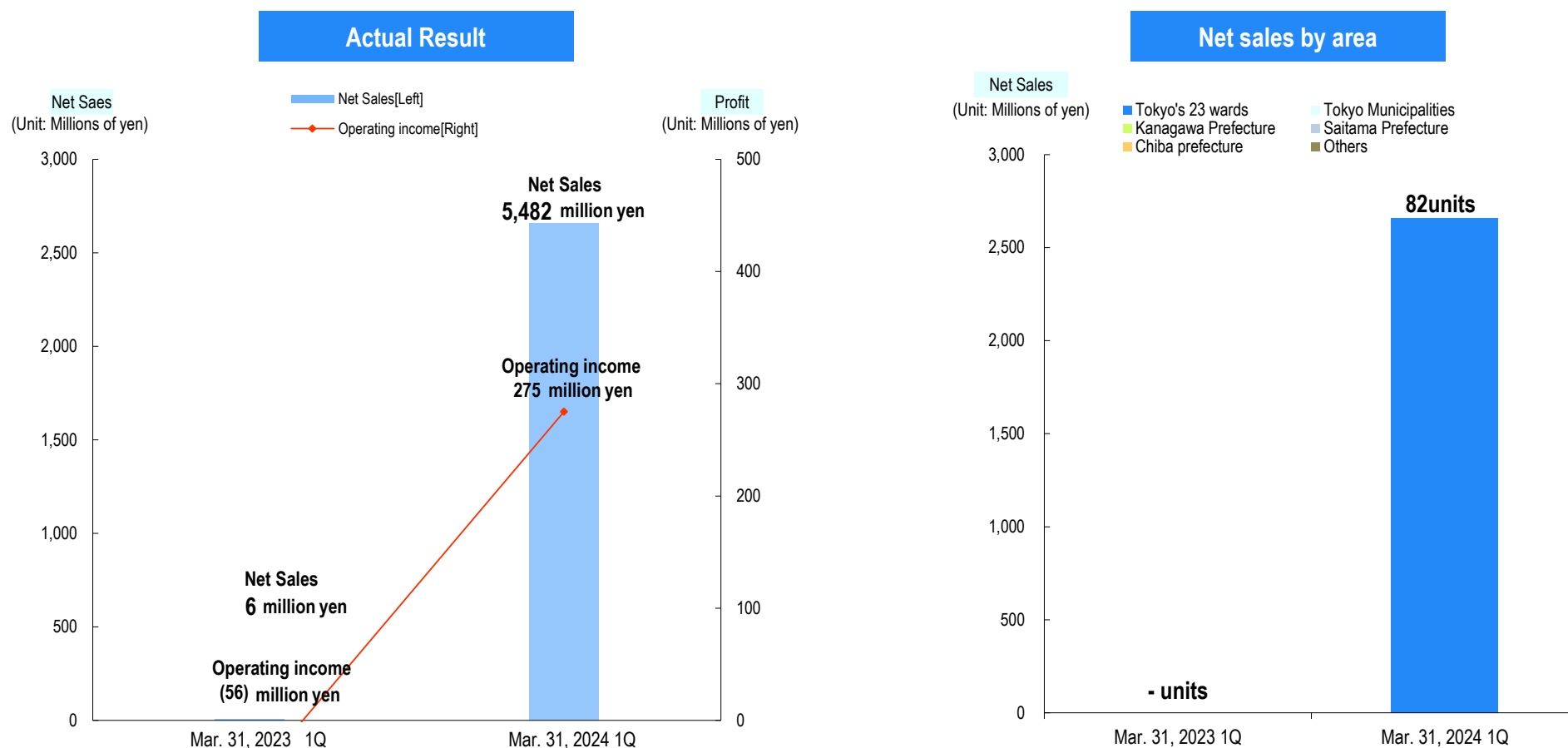


**Net sales by area**



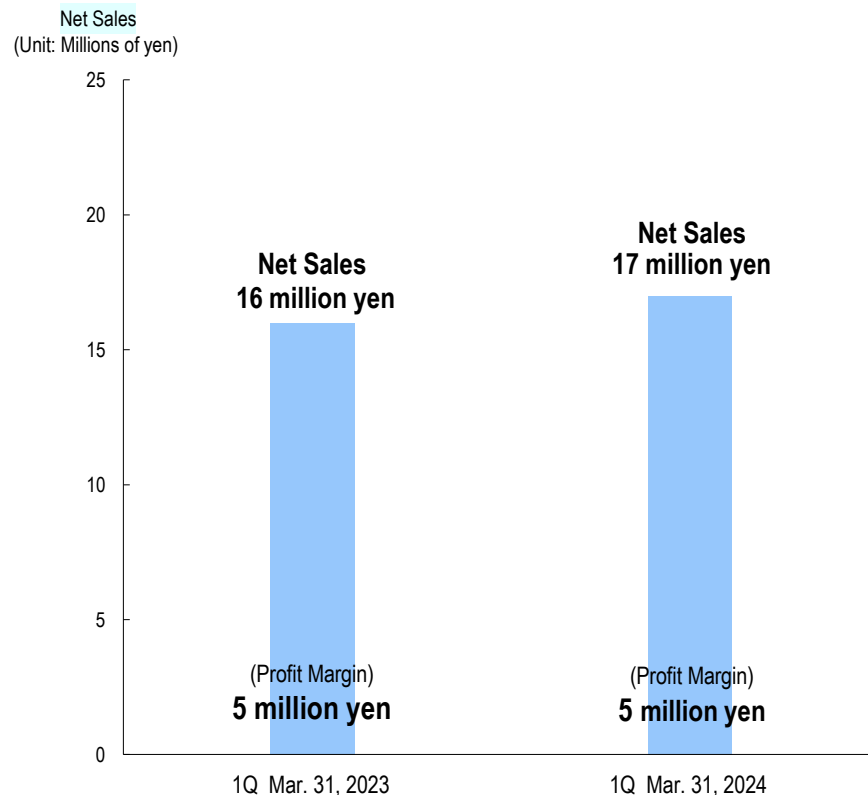
# Overview of Condominium Unit Sales Business

- Successfully sold and delivered 82 units of collective sales of quality high-yield investment properties near Tokyo stations, including Setagaya and Nakano wards, as scheduled.
- Both sales and income increased, with sales of 2,657 million yen (up 2,651 million yen y-o-y) and operating profit of 275 million yen (up 332 million yen y-o-y).

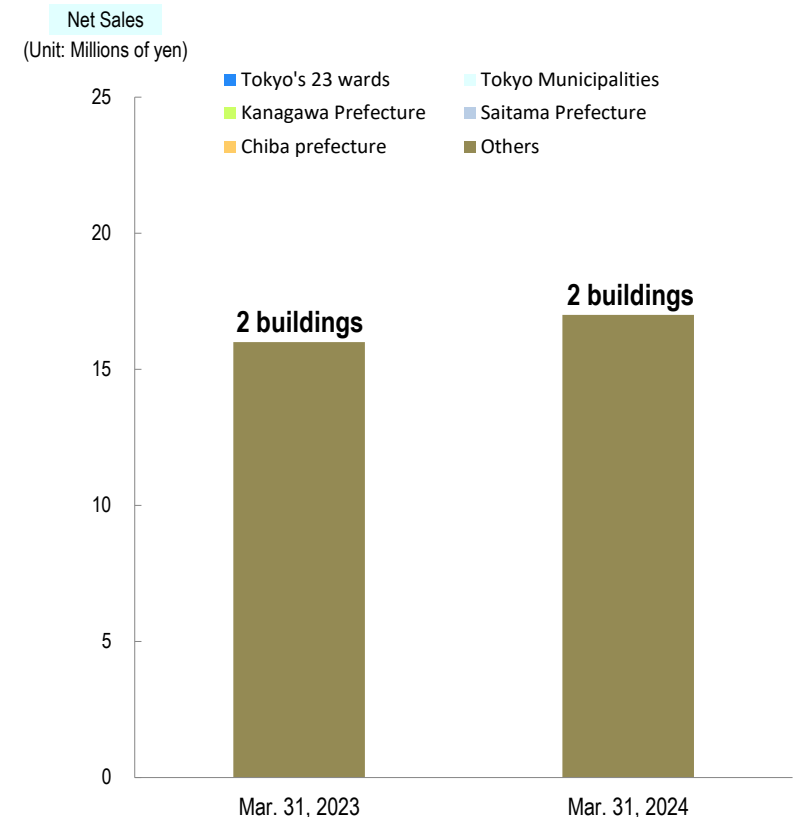


- Operates two rental properties owned.
- Recorded net sales of 17 million yen and operating income of 5 million yen.

Actual Result



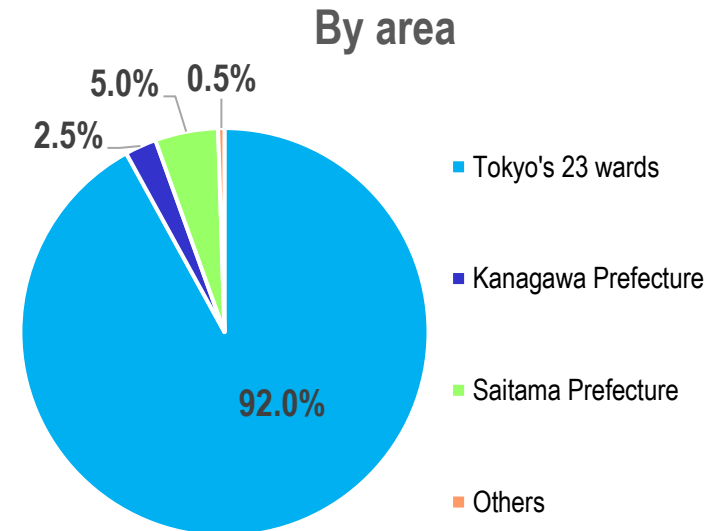
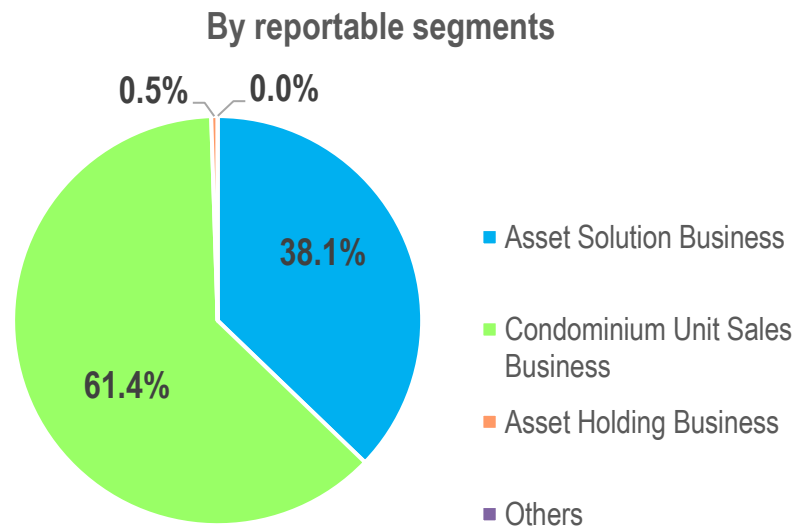
Net sales by area





- Actively purchasing properties in popular, convenient areas, especially near Tokyo's 23 ward stations.
- As of the end of the first quarter, the company had already concluded a purchase agreement for planned sales of approximately 37.8 billion yen.

## Breakdown of the 37.8 billion yen purchase agreements



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

### Overview

Location : Sakura-shinmachi, Setagaya-ku, Tokyo  
Access : 8-min. walk from Sakurashinmachi station on Tokyu Denentoshi Line

No. of Units : 21 units (Planned)

Structure : RC 5 stories above ground

Completion : Jan 2024 (Scheduled)

### Point 1

Parks and green areas are provided where you can feel the changes of seasons as well as nature. It is also at the popular residential area where Sakurashinmachi shopping street, a lively place known as “Sazaesandori Ave.” is near by.

### Point 2

Provided with 6 types of residential unit plans like the one with a roof balcony that realize comfortable residential environment making it suitable for the variety of lifestyles.

Focused on the high quality of design which fits with the town's landscape and atmosphere.



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

### Overview

Location : Higashi-kohjiya, Ota-ku, Tokyo  
Access : 6-min. walk from Otorii station on Keikyu Airport Line

No. of Units : 31 units (Planned)

Structure : RC 4 stories above ground

Completion : Nov 2023 (Scheduled)

### Point 1

Near to Haneda Airport and is popular from airport workers and users. Direct access to Shinagawa and Yokohama Station is possible which realizes convenient transportation.

### Point 2

Highly convenient facilities like self locking door, Wi-Fi, delivery box, and hands-free keys are provided.

The units are fully equipped with a movable partition and private garden where you can enjoy gardening and seasonal changes.



## For Inquiries

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