



## Business environment topics

- In the residential real-estate market, high condominium prices caused the contract ratio to decrease under 70%. However, with the government support for house acquisition and low interest rate, people are highly motivated to purchase their houses.
- In the investment real-estate market, local investors' high motivation for investment and foreign investors' strong demand steadily boosted aggressive transactions.

## Performance topics

- 〔B/S〕 Aggressive acquisition of future profit making new properties.  
Increase of real-estate for sale and real-estate for sale in progress from the end of the previous fiscal year.
- 〔P/L〕 Posted operating income in all segments.  
Achieved an increase in operating income, ordinary income and net income on a year-on-year basis.

## Management topics

- Expansion of business portfolio => Launch of a new business, “Renovation of condominium business”

# Balance Sheet

( Unit : million yen )	Fiscal Year ended March 31, 2016		Fiscal Year ending March 31, 2017	
	End of Q3	Year end	End of Q3	Change
Cash and deposits	1,816	2,745	2,031	-714
Real estate for sale	1,346	329	2,649	● 2,320
Real estate for sale in process	3,199	4,215	3,778	● -436
Other	444	322	627	304
<b>Total current assets</b>	<b>6,806</b>	<b>7,612</b>	<b>9,086</b>	<b>1,474</b>
<b>Total noncurrent assets</b>	<b>456</b>	<b>447</b>	<b>665</b>	<b>218</b>
<b>Total deferred assets</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>6</b>
<b>Total assets</b>	<b>7,263</b>	<b>8,059</b>	<b>9,758</b>	<b>1,698</b>
Accounts payable for construction contracts	130	155	594	438
Loans payable (short-term loans payable and current portion of long-term loans payable)	2,457	2,266	4,598	● 2,332
Other	145	335	195	-139
<b>Total current liabilities</b>	<b>2,733</b>	<b>2,757</b>	<b>5,388</b>	<b>2,630</b>
Bonds	-	-	250	● 250
Long-term loans payable	1,639	1,936	918	● -1,018
Others	96	97	93	-4
<b>Total noncurrent liabilities</b>	<b>1,736</b>	<b>2,034</b>	<b>1,262</b>	<b>-772</b>
<b>Total liabilities</b>	<b>4,469</b>	<b>4,792</b>	<b>6,650</b>	<b>1,858</b>
Capital stock	854	854	854	-
Capital surplus	40	40	40	-
Retained earnings	1,898	2,372	2,213	-159
Others	-0	-0	-1	-0
<b>Total net assets</b>	<b>2,793</b>	<b>3,267</b>	<b>3,108</b>	<b>● -159</b>
<b>Total liabilities and net assets</b>	<b>7,263</b>	<b>8,059</b>	<b>9,758</b>	<b>1,698</b>

## ● Details of real estate for sale

( Unit : million yen )	FY 16/3	FY 17/3 Q3	Change
Liquidation	-	-	-
Condominium unit sales	260	2,561	2,301
Residential housing sales	68	87	19
<b>Total</b>	<b>329</b>	<b>2,649</b>	<b>2,320</b>

## ● Details of real estate for sale in process

( Unit : million yen )	FY 16/3	FY 17/3 Q3	Change
Liquidation	1,284	1,286	1
Condominium unit sales	1,629	1,106	-523
Residential housing sales	1,300	1,386	85
<b>Total</b>	<b>4,215</b>	<b>3,778</b>	<b>-436</b>

## ● Details of interest-bearing debts

( Unit : million yen )	FY 16/3	FY 17/3 Q3	Change
Short-term	2,266	4,598	2,332
Long-term	1,936	1,168	-768
	<b>4,203</b>	<b>5,766</b>	<b>1,563</b>

## ● Equity

( Unit : million yen )	FY 16/3	FY 17/3 Q3	Change
Equity	3,267	3,108	-159

# Profit and Loss Statements

(Unit: million yen)	Fiscal Year ended March 31, 2016		Fiscal Year ending March 31, 2017				
	Q3		Q3		Year-on-year		12months
	Actual	% of total	Actual	% of total	Change	Change (%)	Plan
Net sales	5,359	100.0%	● 6,070	100.0%	710	13.3%	11,900
Cost of sales	4,328	80.8%	4,972	81.9%	643	14.9%	-
<b>Gross profit</b>	<b>1,031</b>	<b>19.2%</b>	<b>1,098</b>	<b>18.1%</b>	<b>67</b>	<b>6.5%</b>	-
Selling, general and administrative expenses	905	16.9%	● 830	13.7%	-74	-8.2%	-
<b>Operating income</b>	<b>125</b>	<b>2.3%</b>	<b>267</b>	<b>4.4%</b>	<b>141</b>	<b>112.5%</b>	<b>810</b>
Non-operating income	24	0.5%	10	0.2%	-13	-56.2%	-
Non-operating expenses	69	1.3%	● 75	1.3%	6	8.8%	-
<b>Ordinary income</b>	<b>80</b>	<b>1.5%</b>	<b>202</b>	<b>3.3%</b>	<b>121</b>	<b>151.2%</b>	<b>710</b>
Extraordinary income	-	-	-	-	-	-	-
Extraordinary loss	-	-	59	1.0%	59	-	-
<b>Income before income taxes</b>	<b>80</b>	<b>1.5%</b>	<b>142</b>	<b>2.3%</b>	<b>62</b>	<b>77.1%</b>	-
Income taxes	4	0.1%	0	0.0%	-3	-82.2%	-
<b>Net income</b>	<b>75</b>	<b>1.4%</b>	<b>141</b>	<b>2.3%</b>	<b>66</b>	<b>87.0%</b>	<b>700</b>

## ● Number of sales

	FY 16/3 Q3	FY 17/3 Q3	Change
Liquidation	6 properties	11 properties	5 properties
Condominium unit sales	78 units	38 units	-40 units
Residential housing sales	19 houses	27 houses	8 houses

## ● Details of selling, general and administrative expenses

(Unit : million yen)	FY 16/3 Q3	FY 17/3 Q3	Change
Personnel expenses	359	408	48
Sales commission	57	41	-15
Advertising expenses	161	73	-88
Others	326	308	-18
<b>Total</b>	<b>905</b>	<b>830</b>	<b>-74</b>

## ● Details of non-operating expenses

(Unit : million yen)	FY 16/3 Q3	FY 17/3 Q3	Change
Interest expenses	68	75	7
Others	1	0	-0
<b>Total</b>	<b>69</b>	<b>75</b>	<b>6</b>

# Net Sales and Operating Income by Segment

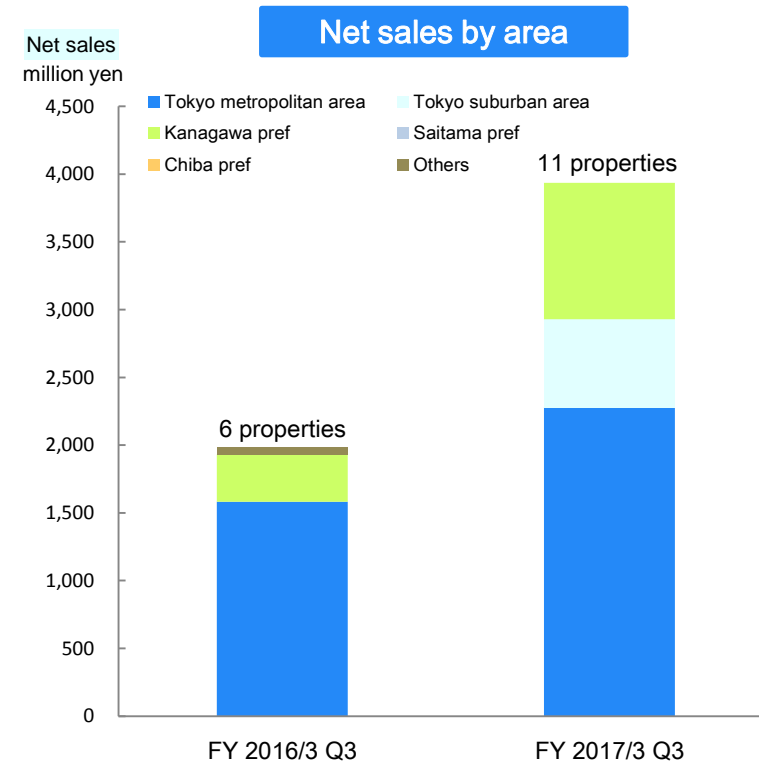
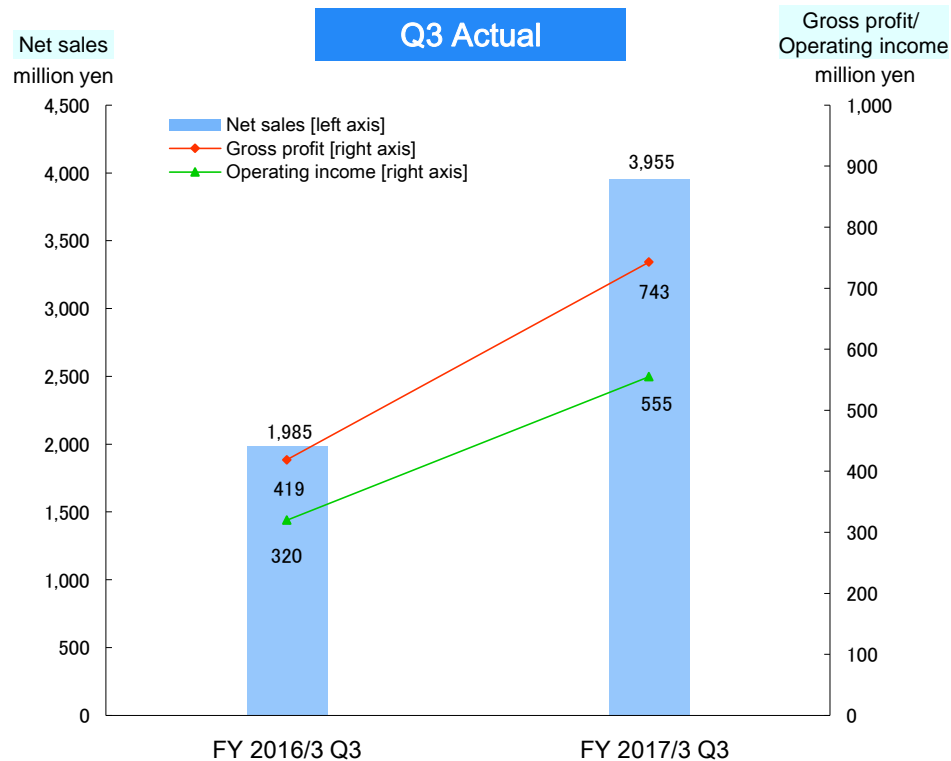
- ✓ Achieved operating income in all segments.
- ✓ Successful results in liquidation and residential housing sales business contributed to the sales and income growth.

【Net sales】 ( Unit : million yen )		Fiscal Year ended March 31, 2016		Fiscal Year ending March 31, 2017			
		Q3		Q3		Year-on-year	
		Actual	% of total	Actual	% of total	Change	Change(%)
Liquidation business	1,985	37.0%	3,955	65.2%	1,970	99.3%	
Condominium unit sales business	2,535	47.3%	843	13.9%	-1,692	-66.7%	
Residential housing sales business	819	15.3%	1,258	20.7%	439	53.5%	
Other business	19	0.4%	12	0.2%	-6	-33.2%	
Elimination or corporate	-	-	-	-	-	-	
<b>Net sales total</b>	<b>5,359</b>	<b>100.0%</b>	<b>6,070</b>	<b>100.0%</b>	<b>710</b>	<b>13.3%</b>	

【Operating income】 ( Unit : million yen )		Fiscal Year ended March 31, 2016		Fiscal Year ending March 31, 2017			
		Q3		Q3		Year-on-year	
		Actual	Profit margin (%)	Actual	Profit margin (%)	Change	Change (%)
Liquidation business	320	16.1%	555	14.0%	235	73.4%	
Condominium unit sales business	221	8.7%	35	4.2%	-185	-83.9%	
Residential housing sales business	-76	-9.3%	48	3.8%	124	-	
Other business	11	58.3%	10	80.0%	-0	-8.3%	
Elimination or corporate	-350	-	-381	-	-31	-	
<b>Operating income total</b>	<b>125</b>	<b>2.3%</b>	<b>267</b>	<b>4.4%</b>	<b>141</b>	<b>112.5%</b>	

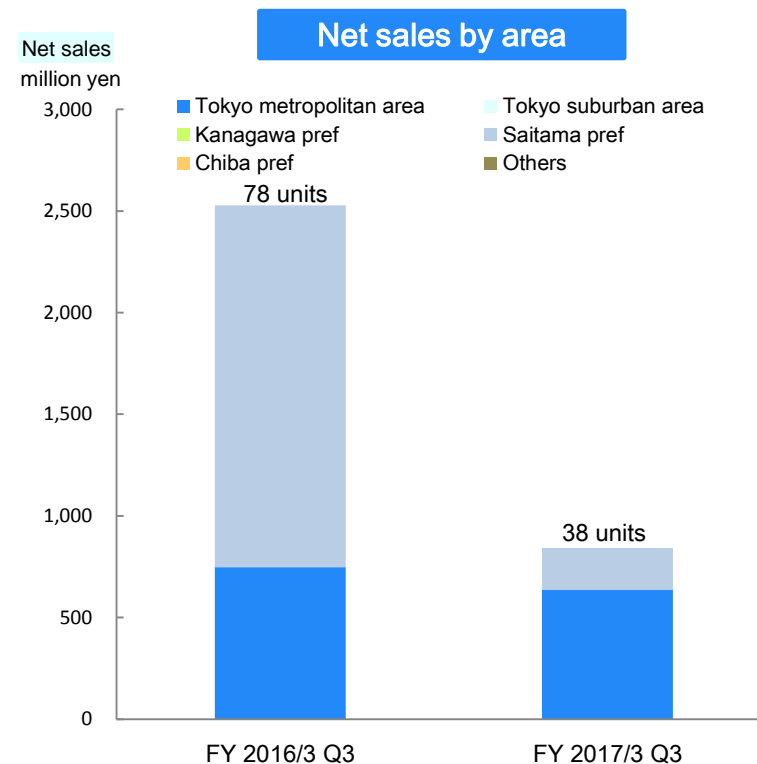
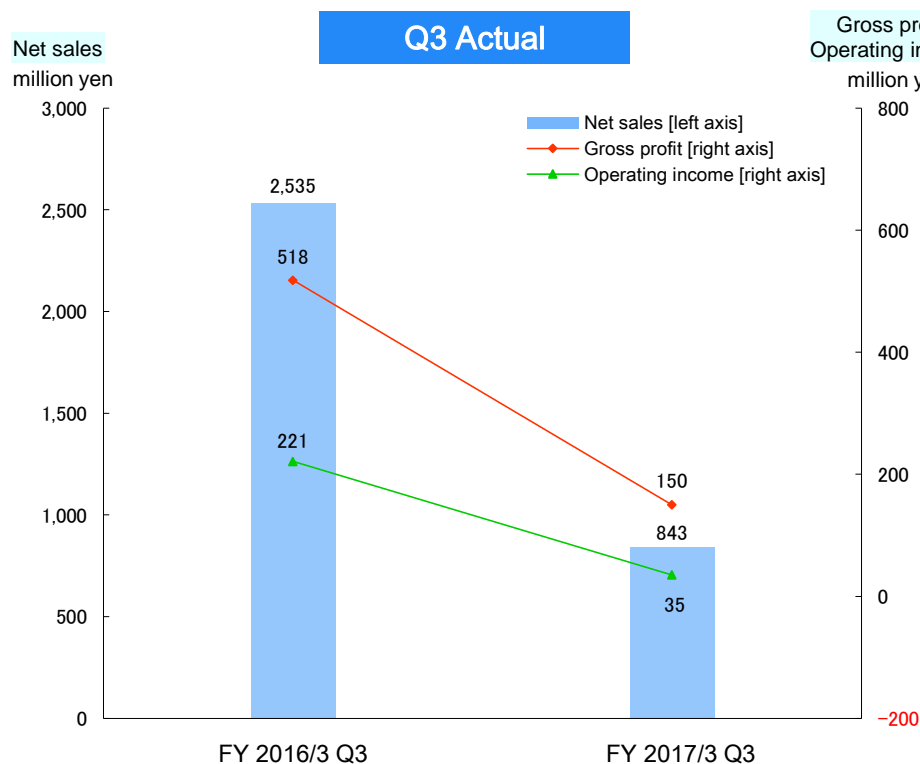
# Situation of Liquidation Business

- ✓ Completed 11 deliveries of lands for development and investment buildings (+5 properties year-on-year) in the first three quarters of this fiscal year.  
 => Significant profit and income growth.
- ✓ Keep aggressive acquisitions and sales of new lands for development, reflecting condominium developers' strong demand.



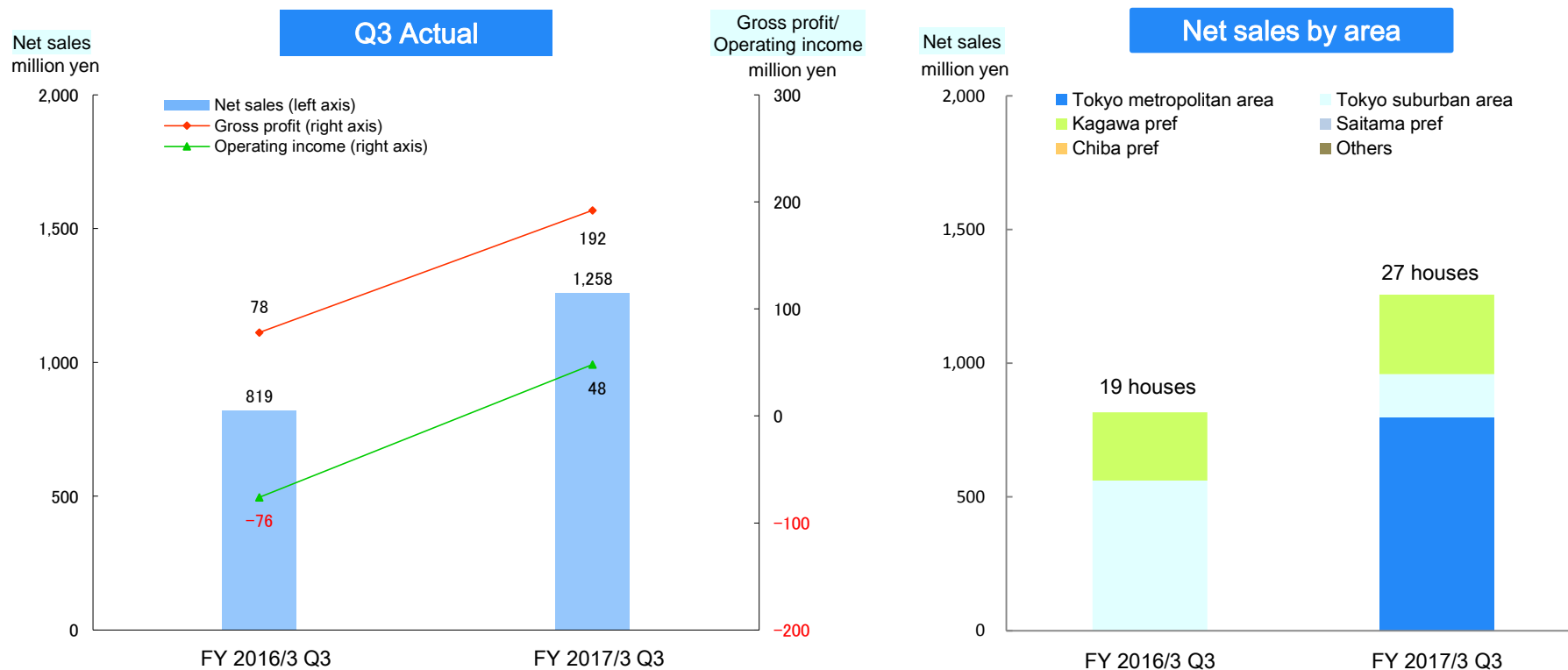
# Situation of Condominium Unit Sales Business

- ✓ Sales and operating income declined due to the concentration of projects delivery in the 4th quarter of this fiscal year.
- ✓ Completed delivery of 38 units (-40 houses year-on-year) in Tokyo metropolitan and Saitama area, and posted sales of 843 million yen (down 66.7% year-on-year) in the first three quarters of this fiscal year.



# Situation of Residential Housing Sales Business

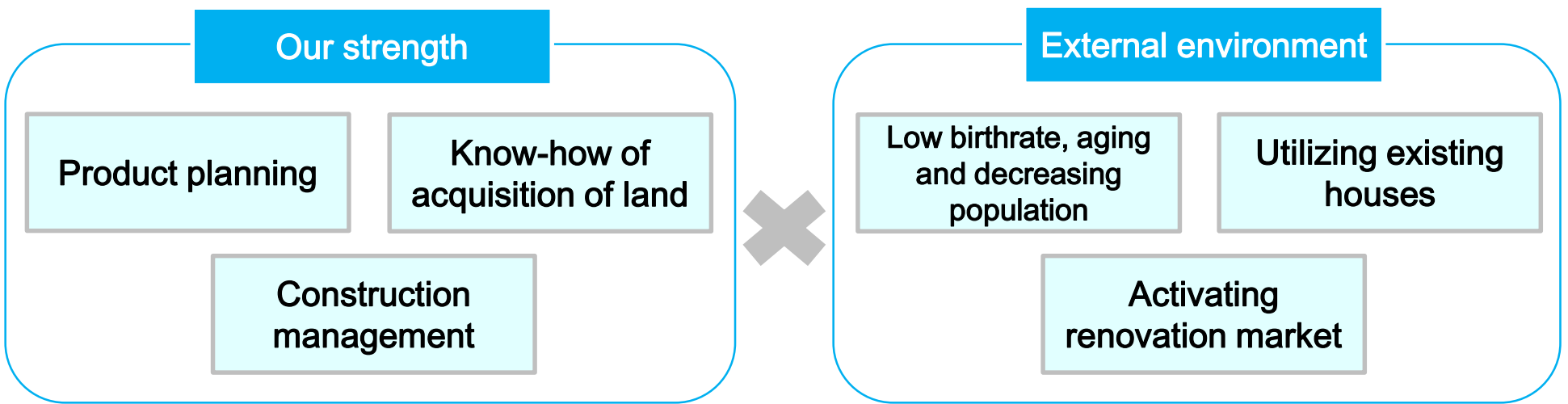
- ✓ Successful results in the Investment apartments contributed to the substantial income growth.
- ✓ Completed delivery of 27 houses (+8 houses year-on-year) in Tokyo suburban and Kanagawa area, and posted sales of 1,258 million yen (up 53.5% year-on-year) in the first three quarters of this fiscal year.





# Entering to “Renovation of condominium business”

Utilizing our strength and external environment, generate new business opportunities.



**We offer a fabulous fully renovated unit of condominium to our customers.**

**We produce 100 units of renovated condominium per year with aggressive acquisitions.**

# Projects in progress

## RENAISSANCE CITY Kawaguchi Namiki The Residence

### 【Overview】

- Location : Namiki 3-chome, Kawaguchi-shi, Saitama-ken
- Access : 4 minutes' walk from Nishikawaguchi station on JR Keihintohoku line.
- Total number of units : 38 units
- Structure : 8-story reinforced concrete structure
- Completion : End of August 2017 (scheduled)

### Point 1

4 minutes' walk from Nishikawaguchi station without any signals on the way home. Great access to Ikebukuro station.

### Point 2

Located right in front of a park with wide open spaces. All rooms are facing the park with lots of green spaces.



## RENACOURT Gotanno Minami

### 【Overview】

- Location : Adachi 2-chome, Adachi-ku, Tokyo
- Access : 5 minutes' walk from Kosuge station on Tobu Skytree line (Tobu isesaki line)
- Total number of units : 10 units in block A  
10 units in block B
- Structure : Two-story wooden apartment
- Completion : End of February 2017 (scheduled)

### Point 1

5 minutes' walk from Kosuge station with great access to Tokyo station.

### Point 2

All rooms are equipped with air conditioner, storage space, IH cooking heater, bathroom laundry dryer along with self-locking entrance door.



## RENATOWN Sakurajosui

### 【Overview】

- Location : Takaido 4-chome, Suginami-ku, Tokyo
- Access : 8 minutes' walk from Sakurajosui station on Keio line.
- Total number of units : 2 houses
- Completion : End of January 2017

### Point 1

8 minutes' walk from Sakurajosui station where express trains stop. 11 minutes direct access to Shinjuku station. Surrounded by commercial, educational, public and medical facilities.

### Point 2

Gorgeous residence located at a quiet residential area with wide open roof balcony and roughly 4-meter-high ceiling.



## RENATOWN Musashi-Kosugi

### 【Overview】

- Location : Shimokodanaka 3-chome, Nakahara-ku, Kawasaki-shi, Kanagawa-ken
- Access : 19 minutes' walk from Musashi-Kosugi station on Tokyu toyoko line, Meguro line and JR Nambu line
- Total number of houses : 3 houses
- Completion : End of January 2017

### Point 1

3 stations and 5 lines including Musashi-Kosugi station on Tokyu toyoko line are available. Direct access to major cities.

### Point 2

Surrounded by park, green way and river with lots of natures around. Able to enjoy the nature while living in the city.



【For Inquiries】

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変わること、変わらないこと。



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