

## 3Q Financial Highlights, Year ending March 31, 2012



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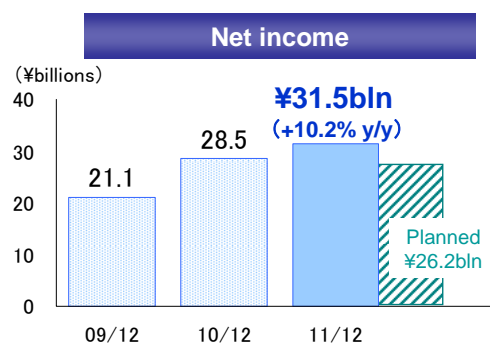
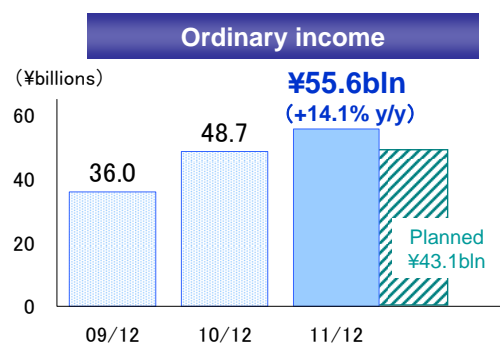
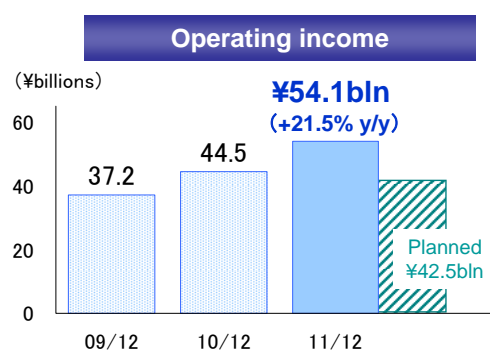
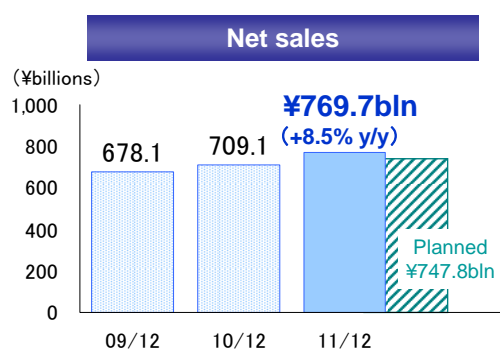
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# I . 3Q Financial Results

## I -1 Income summary

### Sales and income exceeded planned

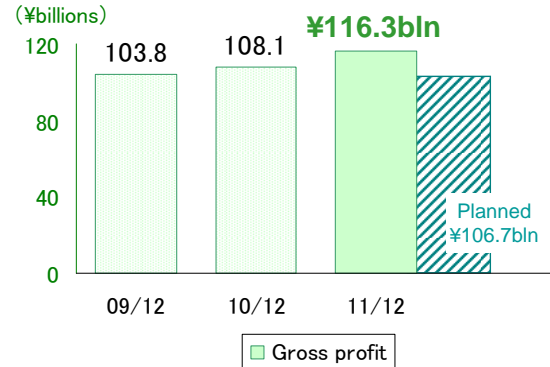
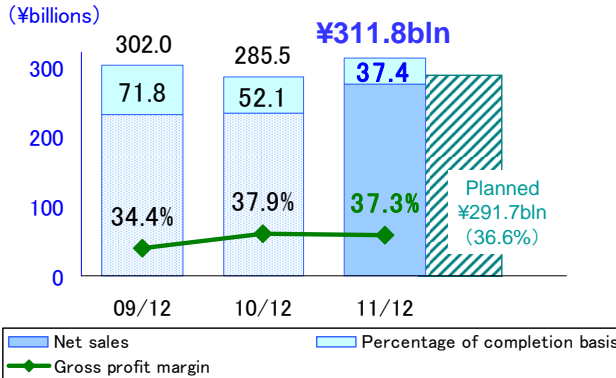


## I -2 Income summary by segment (Construction)

(¥billions)

	3Q FY10	3Q FY11	(y / y)
<b>Net sales</b>	<b>285.5</b>	<b>311.8</b>	<b>(+9.2%)</b>
<b>Gross profit</b>	<b>108.1</b>	<b>116.3</b>	<b>(+7.6%)</b>
<b>Gross profit margin</b>	<b>37.9%</b>	<b>37.3%</b>	<b>[- 0.6p]</b>

[ ] : Difference from same period in previous year



Due to the revision of accounting standard by "Management Approach", the segment of "Building and Repairs" of Daito Building Management has been categorized under "Real estate" instead of "Construction" since FY 2010.

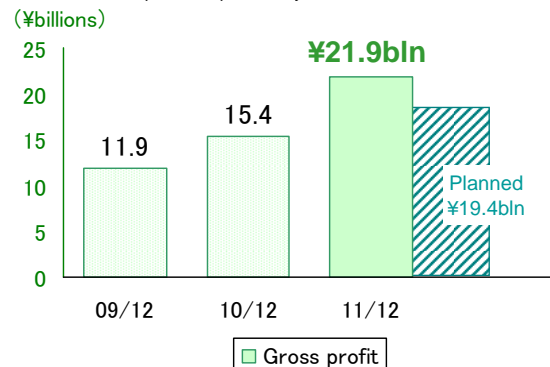
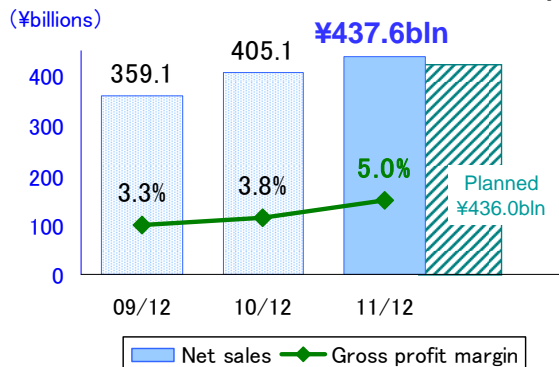
Segment	Building & Repairs /Daito Building Management (¥billions)		
	09/12	10/12	11/12
Net sales	14.5	21.0	22.7
Gross profit	2.7	4.2	4.8
Segment	Construction	Real estate	Real estate

## I -3 Income summary by segment (Real estate)

(¥billions)

	3Q FY10	3Q FY11	(y / y)
<b>Net sales</b>	<b>405.1</b>	<b>437.6</b>	<b>(+8.0%)</b>
<b>Gross profit</b>	<b>15.4</b>	<b>21.9</b>	<b>(+41.6%)</b>
<b>Gross profit margin</b>	<b>3.8%</b>	<b>5.0%</b>	<b>[+1.2p]</b>

[ ] : Difference from same period in previous year



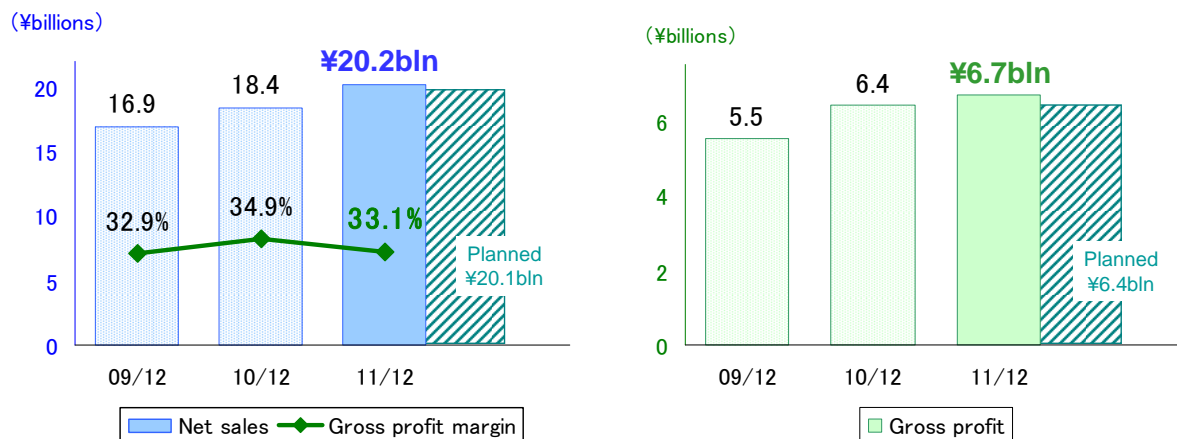
Due to the revision of accounting standard by "Management Approach", the segment of "Building and Repairs" of Daito Building Management has been categorized under "Real estate" instead of "Construction" since FY 2010.

Segment	Building & Repairs /Daito Building Management (¥billions)		
	09/12	10/12	11/12
Net sales	14.5	21.0	22.7
Gross profit	2.7	4.2	4.8
Segment	Construction	Real estate	Real estate

## I -4 Income summary by segment (Others)

	(¥billions)		
	3Q FY10	3Q FY11	(y / y)
<b>Net sales</b>	18.4	20.2	(+10.1%)
<b>Gross profit</b>	6.4	6.7	(+4.6%)
<b>Gross profit margin</b>	34.9%	33.1%	[- 1.8p]

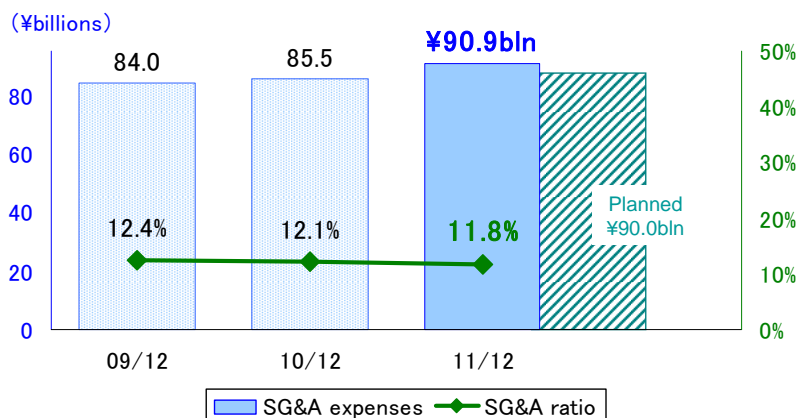
[ ] : Difference from same period in previous year



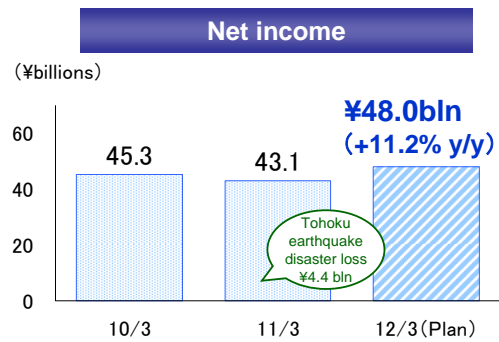
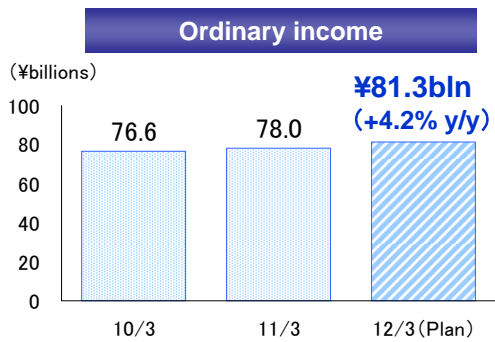
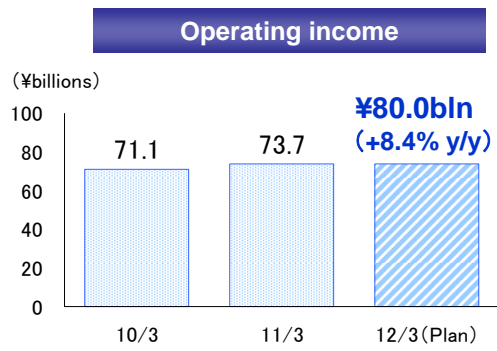
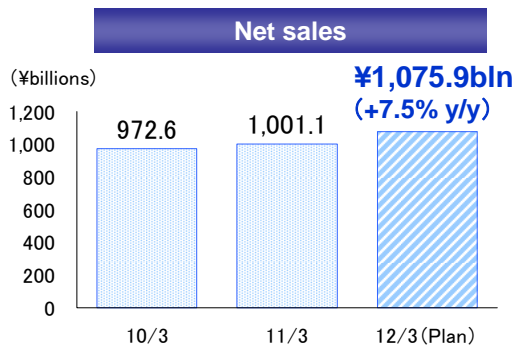
## I -5 Selling, general and administrative expenses

	(¥billions)		
	3Q FY10	3Q FY11	(y / y)
<b>SG&amp;A expenses</b>	85.5	90.9	(+6.3%)
<b>SG&amp;A ratio</b>	12.1%	11.8%	[- 0.3p]

[ ] : Difference from same period in previous year



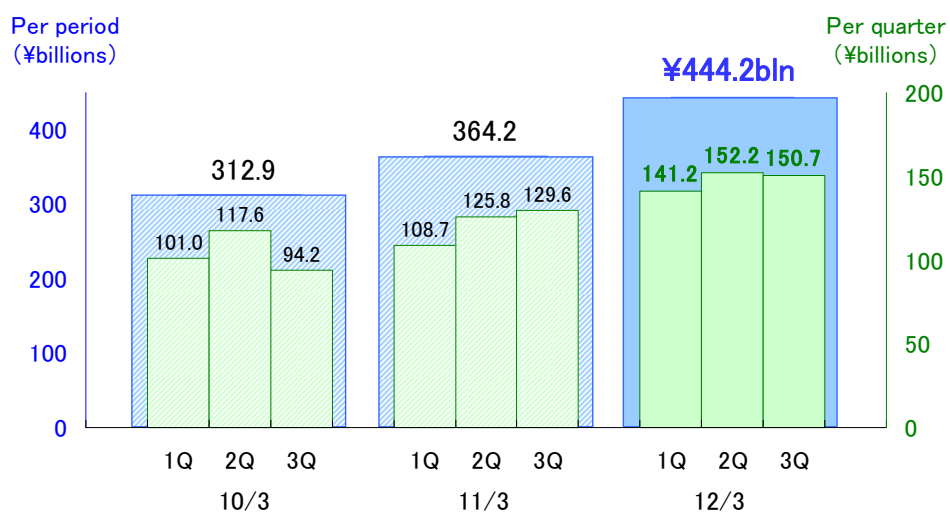
## No change in financial forecasts



## II. Orders received

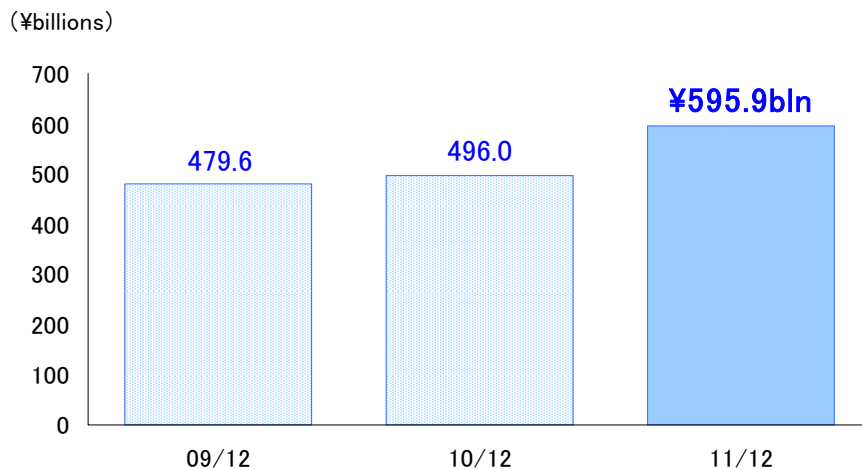
### II-1 Orders received

◇Orders received **¥444.2bln** (122.0% y/y)



## II -2 Orders received backlog

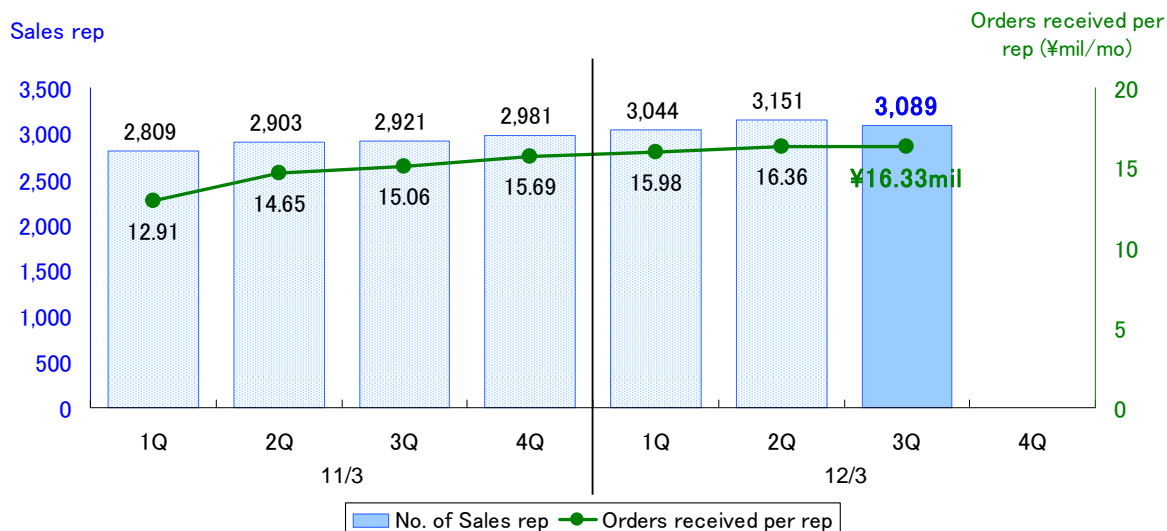
◇Orders received backlog **¥595.9bln** (120.1% y/y)



## II -3 Sales representatives and sales efficiency

◇Sales representatives **3,089** (+168 y/y)

◇Orders received per rep **16.33mil / mo** (+1.27mil)

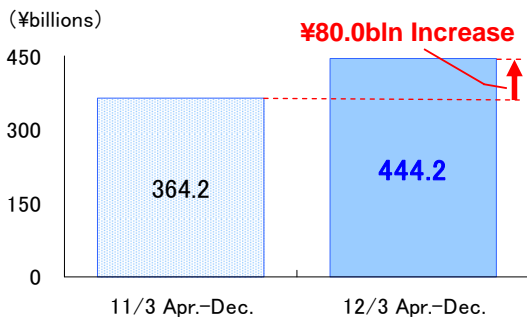


## II -4 Comparing with the result of FY2010

### Comparison with Apr.-Dec.

**¥80.0bln Increase**

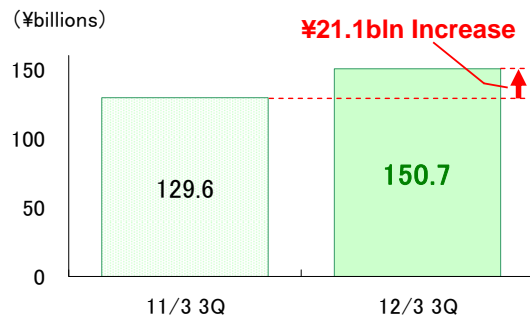
① By Numbers	+ ¥64.1bln
(5,621 → 6,492)	
② By Cancellation	+ 0.1bln
(- ¥72.5bln → -¥72.4bln)	
③ By Unit price	+ ¥8.5bln
(¥72.12mil / unit → ¥73.63mil / unit)	
④ By Building & repairs	+ ¥7.3bln
(¥31.3bln → ¥38.6bln)	



### Comparison with 3Q

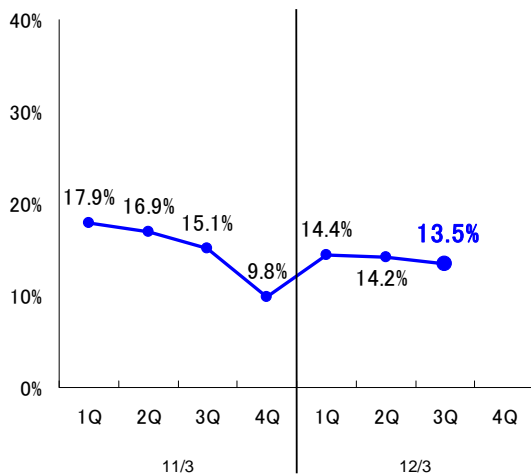
**¥21.1bln Increase**

① By Numbers	+ ¥17.5bln
(1,935 → 2,173)	
② By Cancellation	- ¥0.4bln
(- ¥23.1bln → - ¥23.5bln)	
③ By Unit price	+ ¥1.6bln
(¥72.83mil / unit → ¥73.69mil / unit)	
④ By Building & repairs	+ ¥2.4bln
(¥11.8bln → ¥14.2bln)	



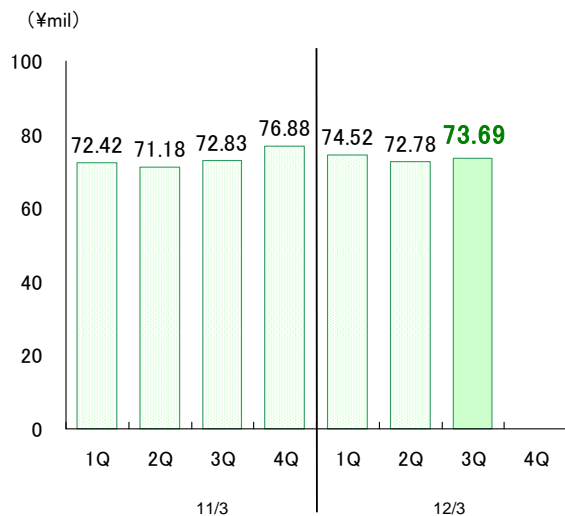
## II -5 Cancellation rate and Unit price of orders received

### Cancellation rate<sup>※1</sup>



※1 Cancellation rate = the amount of cancellation / the amount of new orders received  
Orders received = the amount of new orders received - the amount of cancellation

### Unit price<sup>※2</sup>

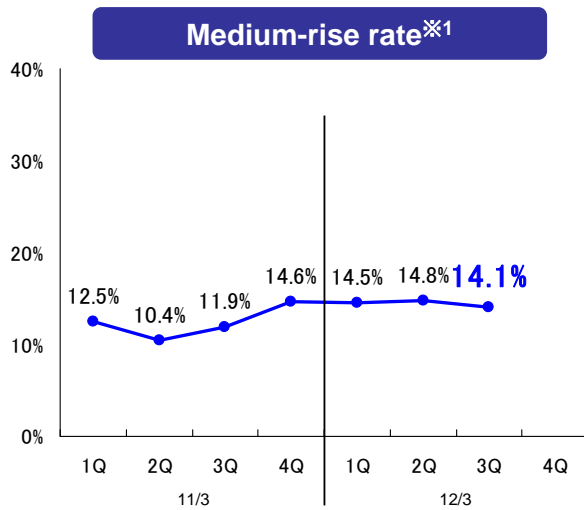


※2 Unit price = the amount of Orders received / the number of orders received

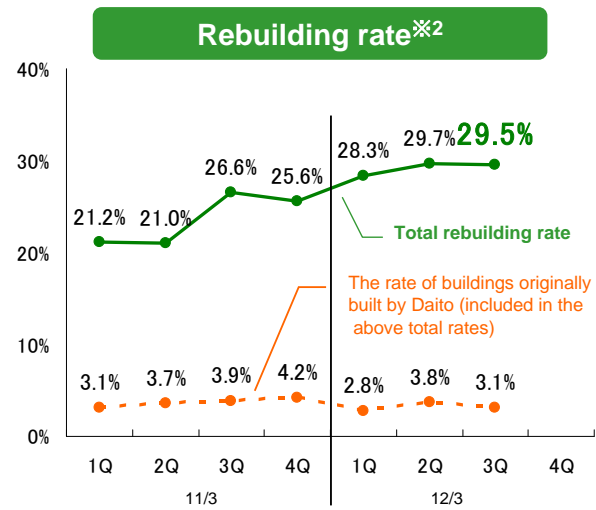
## II -6 Medium-rise rate and rebuilding rate

◇ **Medium-rise rate** **14.1%** (+2.2p y/y)

◇ **Rebuilding rate** **29.5%** (+2.9p y/y)



※1 Middle-rise rate =  
Number of orders received for 3 stories and up / The total orders received

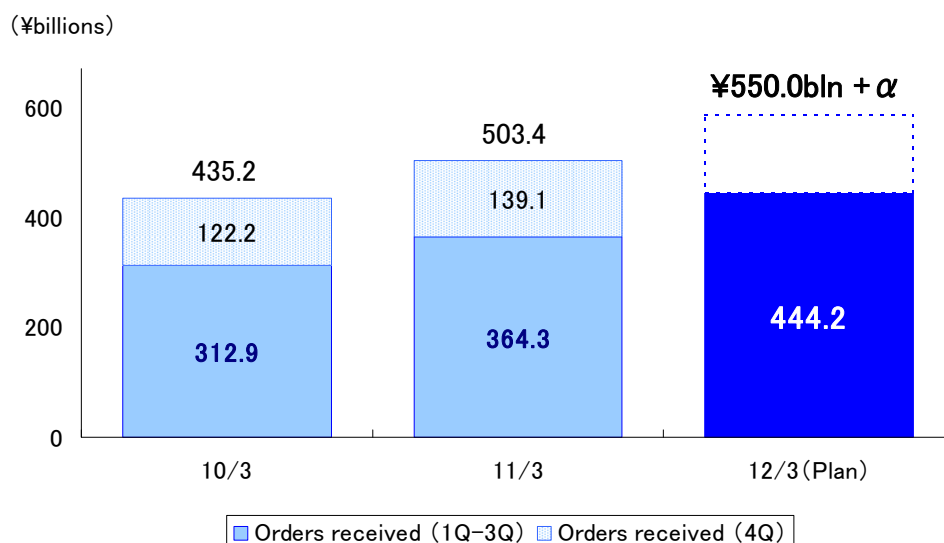


※2 Total rebuilding rate =  
The no. of orders received for rebuilding / The total orders received

The rate of bldgs originally built by Daito =  
The no. of orders received for buildings originally built by Daito / The total orders received

## II -7 Plan for Orders received

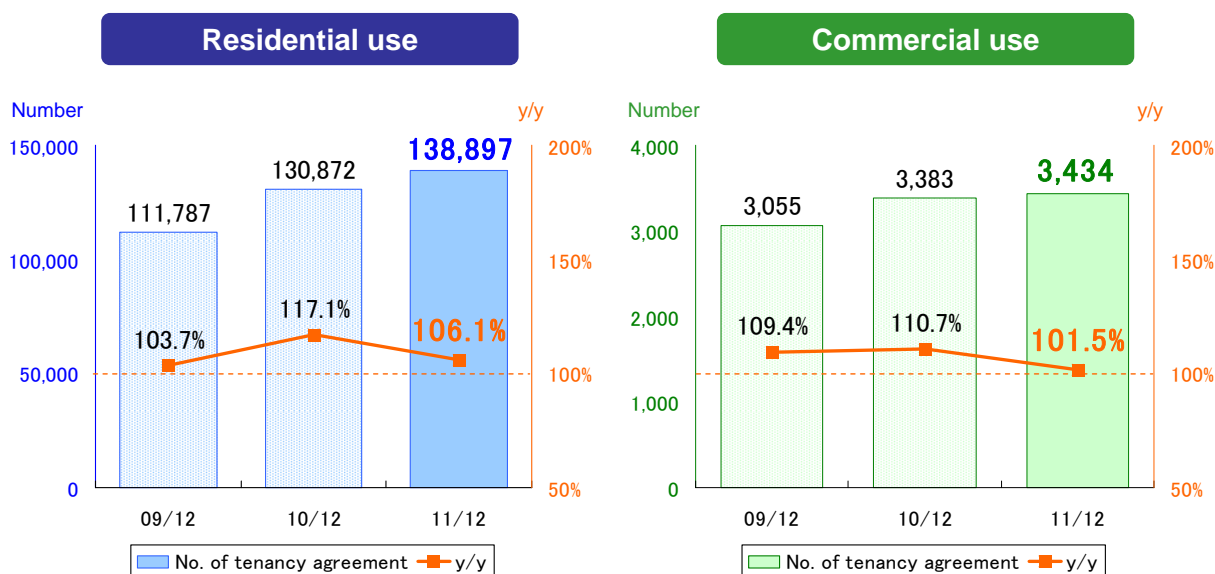
◇ **Orders received FY12 Plan** **¥550.0bln +  $\alpha$**  (+109.3% Over)



### Ⅲ. Occupancy rate

#### Ⅲ-1 Tenancy agreement

◇ Tennancy agreement 142,331 (+106.0% y/y)



### III-2 Rent basis occupancy rate

Residential use 96.0% (+1.2p y/y)

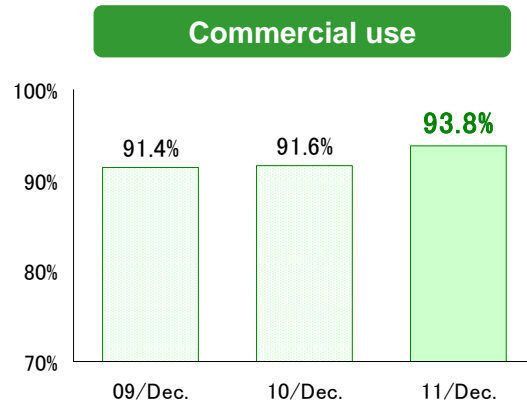
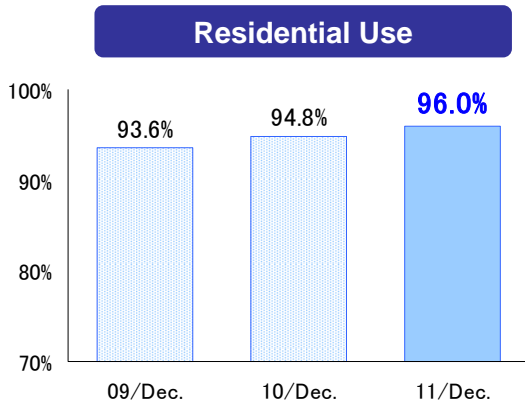
8,100 units Improvement

$$673,500 \text{ units} \times 1.2\% \doteq 8,100$$

Commercial use 93.8% (+2.2p y/y)

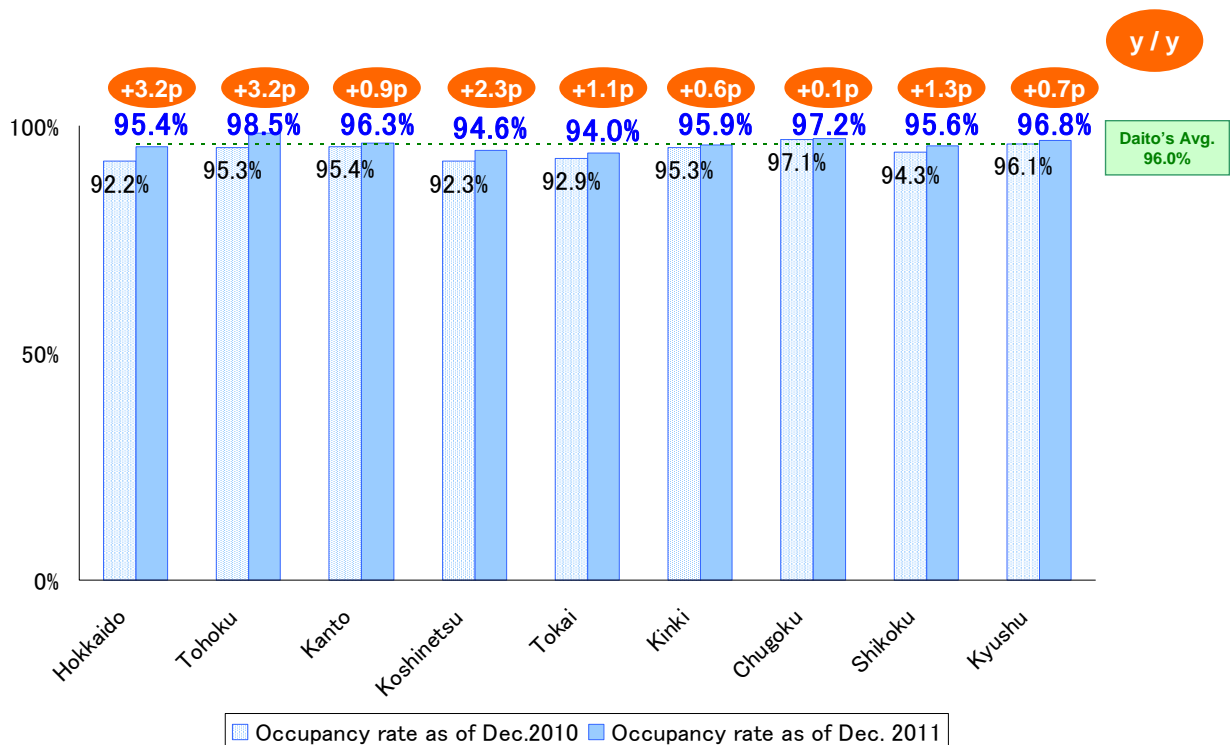
840 units Improvement

$$38,300 \text{ units} \times 2.2\% \doteq 840$$



※ Rent basis occupancy rate = 1 - (rent guarantee for vacant rooms / total rent)

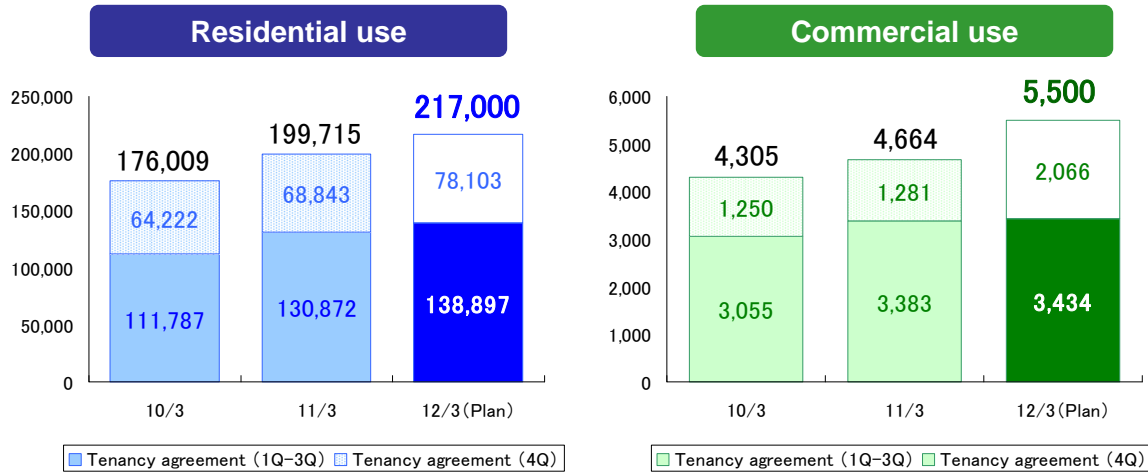
### III-3 Rent basis occupancy rate by area (Residential use)



### III-4 Plan for tenancy agreement

◇ Plan for tenancy agreement **222,500** (+108.9% y/y)

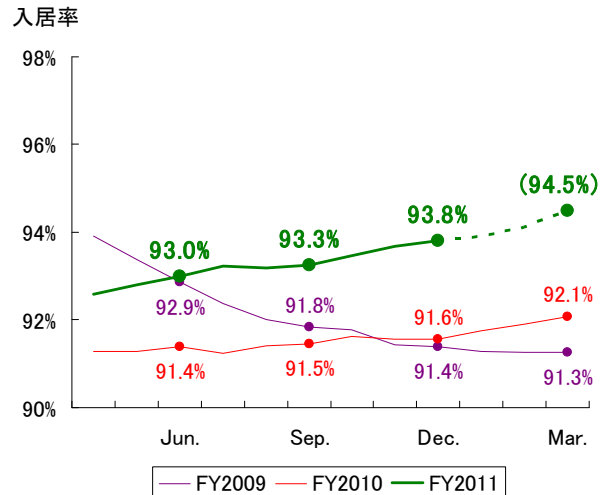
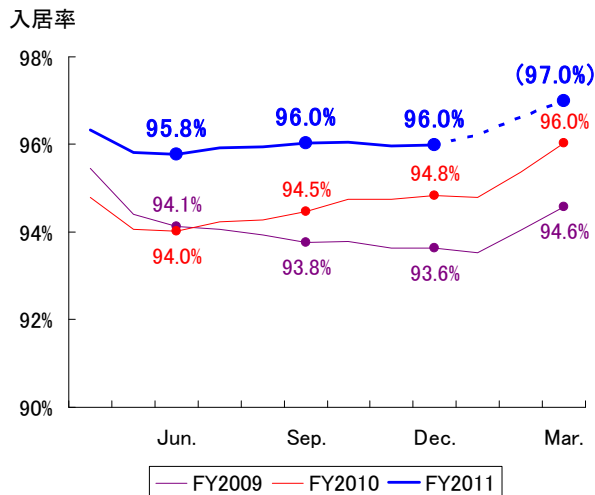
Plan for required tenancy agreement ⇒ **80,169**  
 Residential use : 78,103 Commercial use : 2,066



### III-5 Plan for occupancy rate

Occupancy rate for residential use at the end of FY2011 **97.0%** (+1.0p y/y)

Occupancy rate for commercial use at the end of FY2011 **94.5%** (+2.4p y/y)



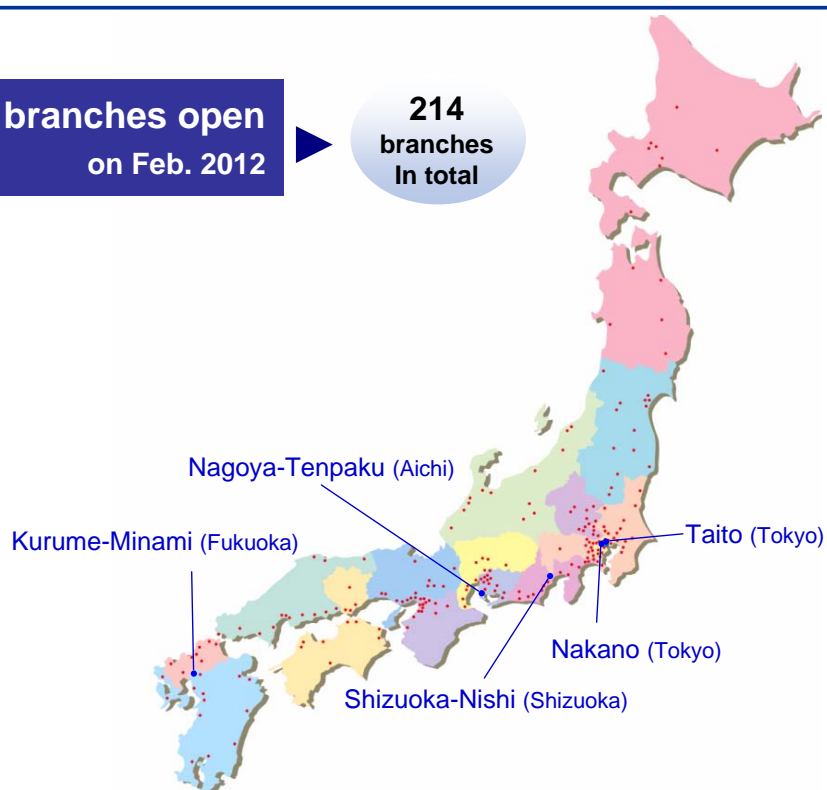
※ Rent basis occupancy rate = 1 - (rent guarantee for vacant rooms / total rent)

## IV. Topics

### IV Expanding sales net with opening new branches

**5 new branches open  
on Feb. 2012**

**214  
branches  
In total**



## V. Appendix

### V-1 Non-consolidated statement of income

(¥ millions)

	3Q FY11	3Q FY10	y / y	plan (year)
<b>Net sales</b>	<b>328,857</b>	308,447	<b>+6.6%</b>	<b>481,950</b>
Construction	313,871	289,909	+8.3%	461,600
Real estate & others	14,985	18,538	- 19.2%	20,350
<b>Gross profit</b>	<b>112,982</b>	105,586	<b>+7.0%</b>	<b>166,900</b>
Construction	115,608	108,951	+6.1%	170,800
Real estate & others	- 2,626	- 3,364	+85.7	- 3,900
<b>SG &amp; A expenses</b>	<b>76,785</b>	71,269	<b>+7.7%</b>	<b>107,600</b>
<b>Operating income</b>	<b>36,196</b>	34,317	<b>+5.5%</b>	<b>59,300</b>
<b>Ordinary income</b>	<b>37,979</b>	38,856	<b>- 2.3%</b>	<b>61,900</b>
<b>Net income</b>	<b>21,486</b>	22,535	<b>- 4.7%</b>	<b>36,400</b>

## V-2 Financial summaries of major subsidiaries (Construction)

( ¥ millions )

	Construction business							
	Daito Construction				Daito Steel			
	3Q FY11	3Q FY10	y / y	plan (year)	3Q FY11	3Q FY10	y / y	plan (year)
<b>Net sales</b>	<b>2,864</b>	3,297	- 13.1%	<b>5,000</b>	<b>2,702</b>	2,214	+22.0%	<b>3,188</b>
Gross profit	125	199	- 37.2%	304	133	96	+38.5%	121
SG&A expenses	67	59	+13.6%	134	52	53	- 1.9%	70
<b>Operating income</b>	<b>57</b>	140	- 59.3%	<b>168</b>	<b>80</b>	43	+86.0%	<b>51</b>
<b>Ordinary income</b>	<b>97</b>	173	- 43.9%	<b>200</b>	<b>79</b>	41	+92.7%	<b>48</b>
<b>Net income</b>	<b>96</b>	172	- 44.2%	<b>183</b>	<b>46</b>	26	+76.9%	<b>28</b>

## V-3 Financial summaries of major subsidiaries ( Real estate )

( ¥ millions )

	Real estate business											
	Daito Building Management				Housecom				House Leave			
	3QFY11	3QFY10	y / y	plan (year)	3QFY11	3QFY10	y / y	plan (year)	3QFY11	3QFY10	y / y	plan (year)
<b>Net sales</b>	<b>421,946</b>	386,285	+9.2%	<b>566,200</b>	<b>5,361</b>	5,064	+5.9%	<b>7,937</b>	<b>1,205</b>	953	+26.4%	<b>1,766</b>
Gross profit	22,166	16,490	+34.4%	26,900	5,361	5,064	+5.9%	7,937	899	645	+39.4%	1,066
SG&A expenses	7,654	7,661	- 0.1%	11,700	5,316	5,098	+4.3%	7,398	167	116	+44.0%	196
<b>Operating income</b>	<b>14,511</b>	8,828	+64.4%	15,200	<b>44</b>	- 33	+70.5%	538	<b>732</b>	528	+38.6%	869
<b>Ordinary income</b>	<b>14,879</b>	9,189	+61.9%	15,550	<b>26</b>	- 31	- 82.1%	632	<b>736</b>	528	+39.4%	869
<b>Net income</b>	<b>8,101</b>	5,317	+52.4%	9,000	<b>- 44</b>	- 62	-	322	<b>408</b>	316	+29.1%	499

## V-4 Sales Structure of Real estate business

( ¥ millions )

	3QFY11	(Ratio)	3QFY10	y / y
Whole-building lease ※1	<b>396,087</b>	(90.5%)	361,926	<b>+9.4%</b>
Building and repairs ※2	<b>22,742</b>	(5.2%)	21,046	<b>+8.1%</b>
Brokerage	<b>8,866</b>	(2.0%)	7,855	<b>+12.9%</b>
Lease business ※3	<b>4,509</b>	(1.0%)	4,510	<b>- 0.0%</b>
Sub-lease ※4	<b>3,347</b>	(0.8%)	8,001	<b>- 58.2%</b>
Others	<b>2,061</b>	(0.5%)	1,843	<b>+11.8%</b>
Total	<b>437,614</b>	(100.0%)	405,184	<b>+8.0%</b>

※1 Whole-building lease contract as Lease Management Trust System by Daito Building Management

※2 Building and repairs by Daito Building Management (recorded sales on construction till FY2010)

※3 Mainly Shinagawa East One Tower

※4 Sub-lease contract by Daito Trust Construction (Contracted from 1994-2000)

## V-5 Financial summaries of major subsidiaries (Others - 1)

( ¥ millions )

	Other business (Financial business)							
	Daito Finance				D.T.C			
	3QFY11	3QFY10	y / y	plan (year)	3QFY11	3QFY10	y / y	plan (year)
<b>Net sales</b>	<b>1,034</b>	1,235	- 16.3%	<b>1,381</b>	<b>1,832</b>	1,706	<b>+7.4%</b>	<b>2,750</b>
Gross profit	622	751	- 17.2%	820	668	609	+9.7%	992
SG&A expenses	113	145	- 22.1%	186	6	7	- 14.3%	9
<b>Operating income</b>	<b>508</b>	605	- 16.0%	633	<b>661</b>	602	<b>+13.1%</b>	982
<b>Ordinary income</b>	<b>511</b>	614	- 16.8%	644	<b>660</b>	606	<b>+9.8%</b>	988
<b>Net income</b>	<b>295</b>	355	- 16.9%	375	<b>660</b>	606	<b>+8.9%</b>	988

## V-6 Financial summaries of major subsidiaries (Others - 2)

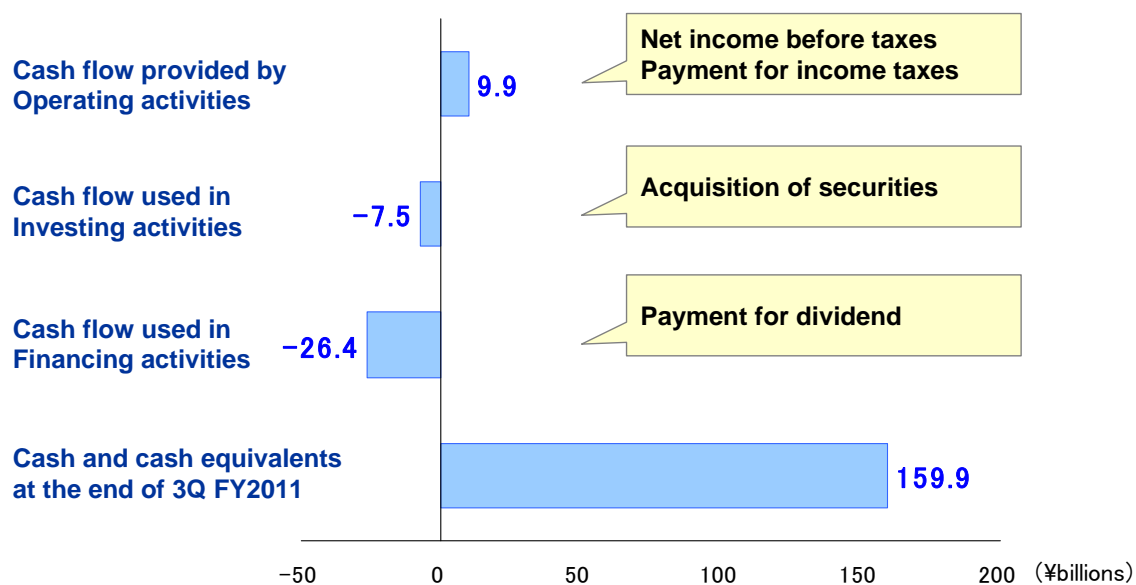
( ¥ millions )

	Other business (Other)											
	Care Partner				Gaspal				D. A. D. (M)			
	3QFY11	3QFY10	y / y	plan (year)	3QFY11	3QFY10	y / y	plan (year)	3QFY11	3QFY10	y / y	plan (year)
<b>Net sales</b>	<b>5,051</b>	4,641	<b>+8.8%</b>	<b>6,527</b>	<b>12,697</b>	10,842	<b>+17.1%</b>	<b>18,366</b>	<b>1,373</b>	1,496	<b>- 8.2%</b>	<b>2,122</b>
Gross profit	645	950	- 32.1%	676	2,986	2,346	+27.3%	4,268	737	688	+7.1%	1,152
SG&A expenses	395	819	- 51.8%	602	2,197	1,843	+19.2%	2,890	488	540	- 9.6%	796
<b>Operating income</b>	<b>249</b>	130	<b>+91.5%</b>	73	<b>789</b>	503	<b>+56.9%</b>	1,377	<b>248</b>	147	<b>+68.7%</b>	355
<b>Ordinary income</b>	<b>248</b>	49	<b>+406.1%</b>	73	<b>801</b>	506	<b>+58.3%</b>	1,377	<b>36</b>	792	<b>- 95.5%</b>	362
<b>Net income</b>	<b>278</b>	38	<b>+631.6%</b>	93	<b>486</b>	558	<b>- 12.9%</b>	887	<b>36</b>	792	<b>- 95.5%</b>	362

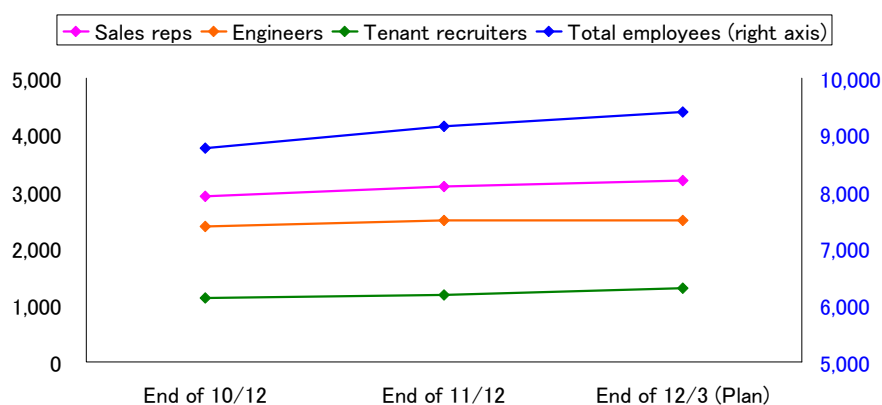
## V-7 Financial conditions

3Q FY2011				End of FY2010			
				( ¥billions )			
Current assets	<b>336.4</b> (- 32.7)	Current liabilities	<b>155.3</b> (- 37.8)	Current assets	<b>369.1</b>	Current liabilities	<b>193.2</b>
		Noncurrent liabilities	<b>213.0</b> (+5.6)			Noncurrent liabilities	<b>207.4</b>
Noncurrent assets	<b>166.0</b> (+2.2)	Total liabilities	<b>368.3</b> (- 32.4)	Noncurrent assets	<b>163.8</b>	Total liabilities	<b>400.7</b>
		Net assets	<b>134.0</b> (+1.8)			Net assets	<b>132.2</b>
Total	<b>502.4</b> (- 30.4)	Total	<b>502.4</b>	Total	<b>532.9</b>	Total	<b>532.9</b>
BPS		¥1,670.82		BPS		¥1,662.65	
Equity ratio		26.4%		Equity ratio		24.6%	

## V-8 Cash flows

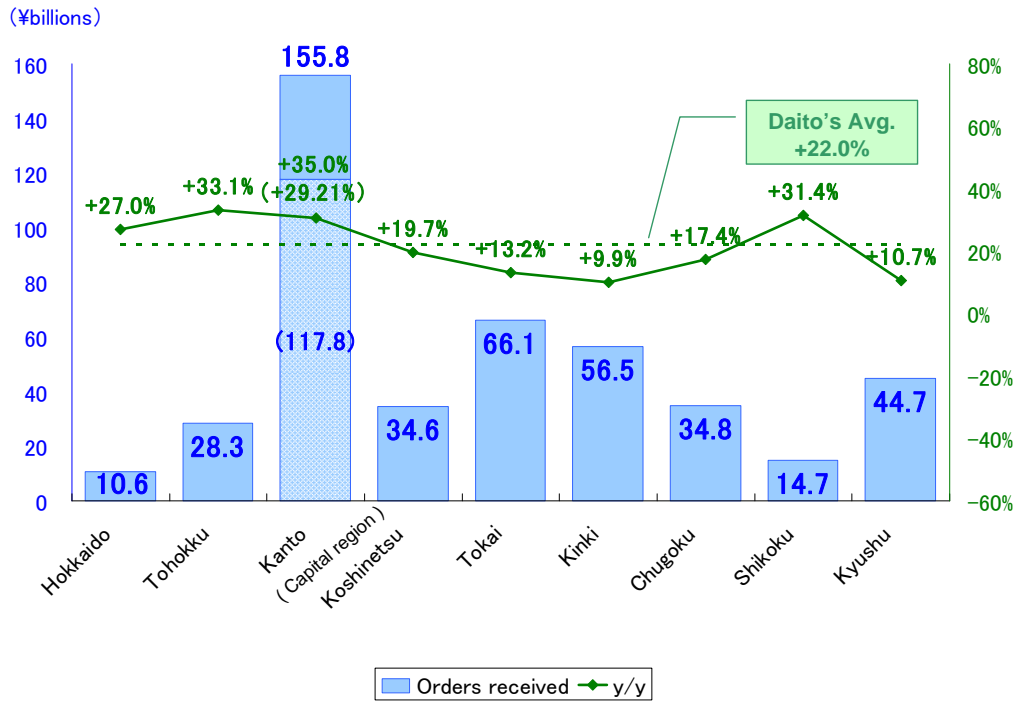


## V-9 Number of employees by each occupations (Non-consolidated)

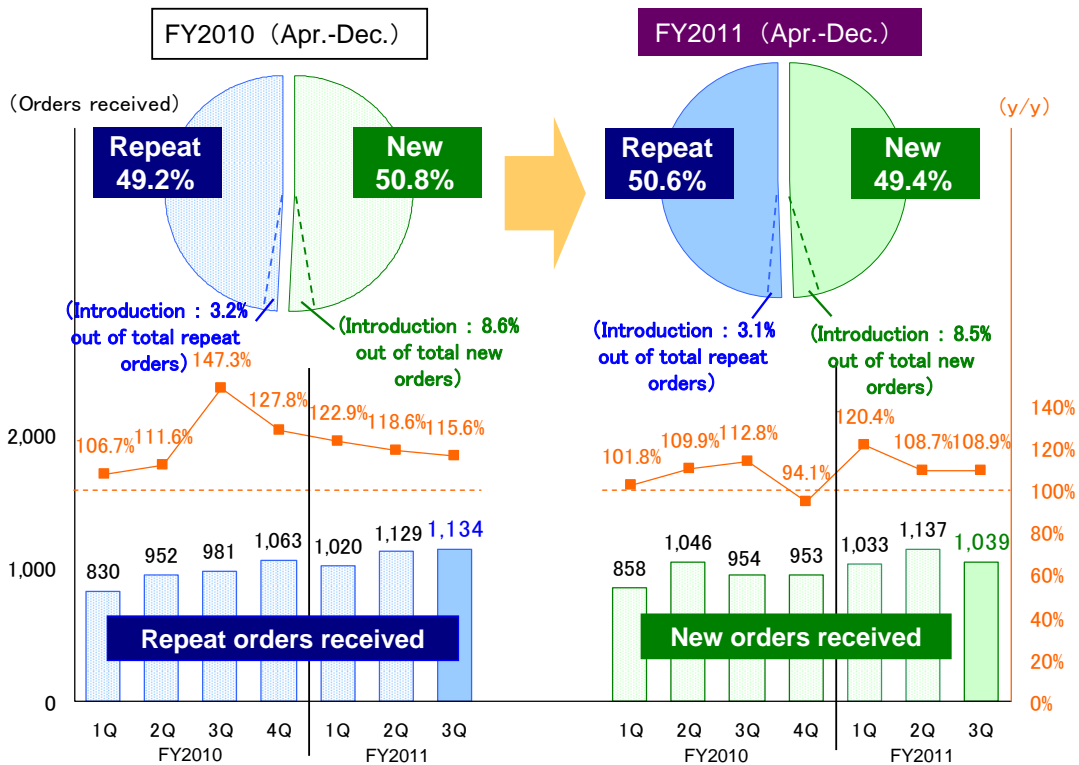


	End of 10/12	End of 11/12	(y/y)	Plan/End of 12/3
Total employees	8,761	9,154	+393	9,400
Sales reps	2,921	3,089	+168	3,200
Engineers	2,393	2,494	+101	2,497
Tenant recruiters	1,127	1,185	+58	1,300

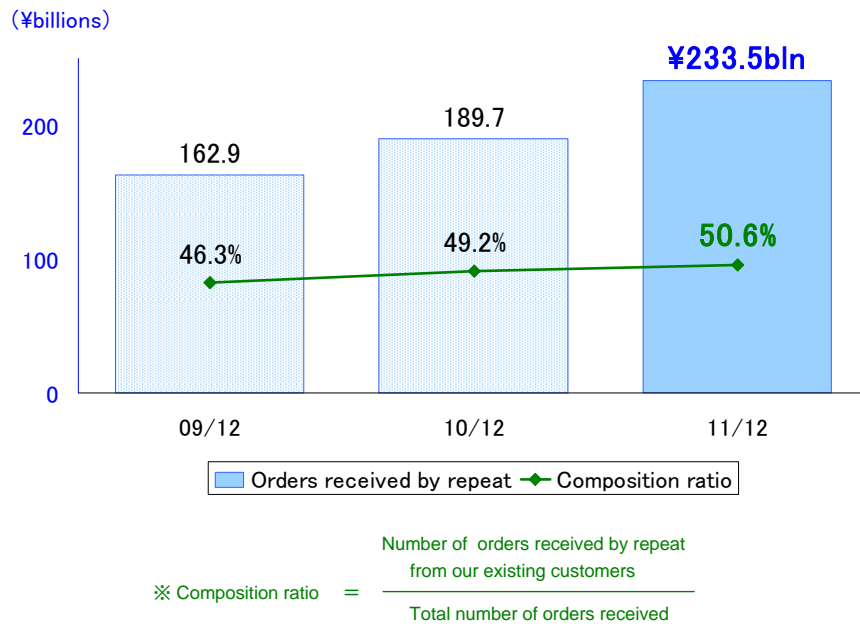
## V-10 Orders received by area



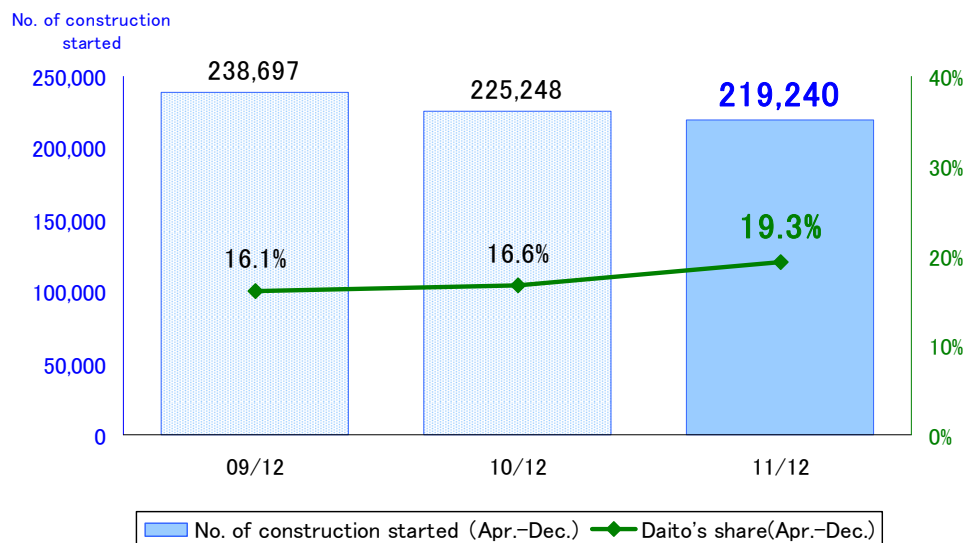
## V-11 Channels of orders received



## V-12 Orders received by repeat

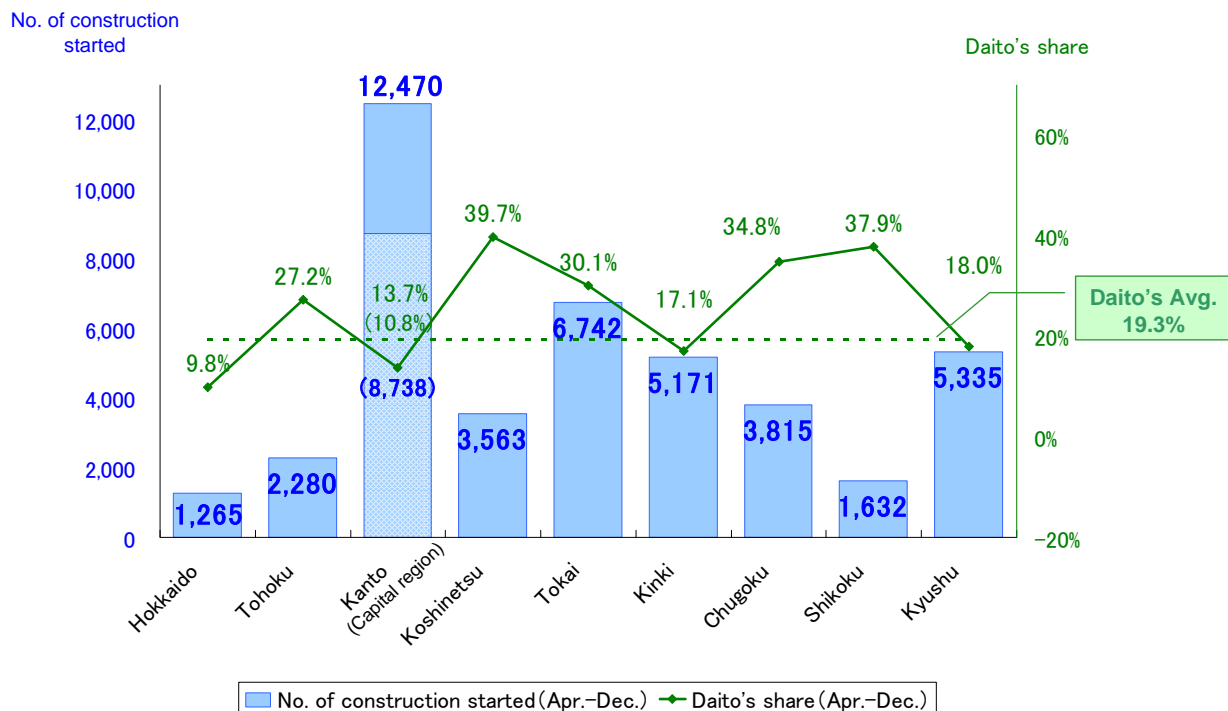


## V-13 Number of construction started & Daito's Share

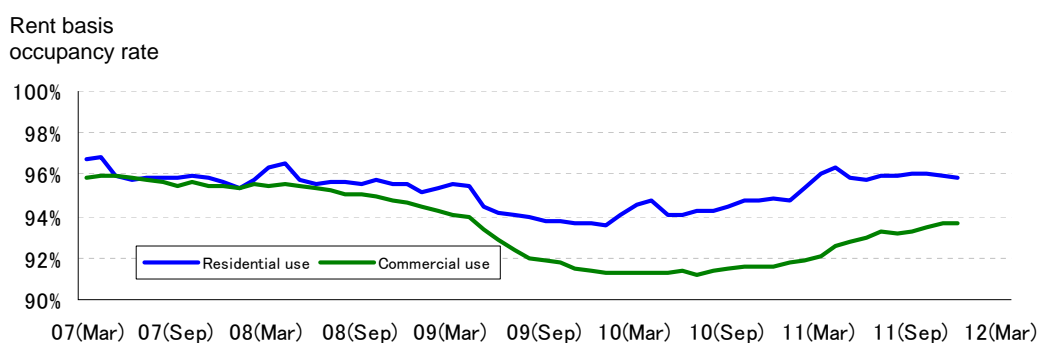


(Ministry of Land, Infrastructure, Transport and Tourism : "Housing and Land Survey")

## V-14 Number of apartment construction started by area & Daito's share

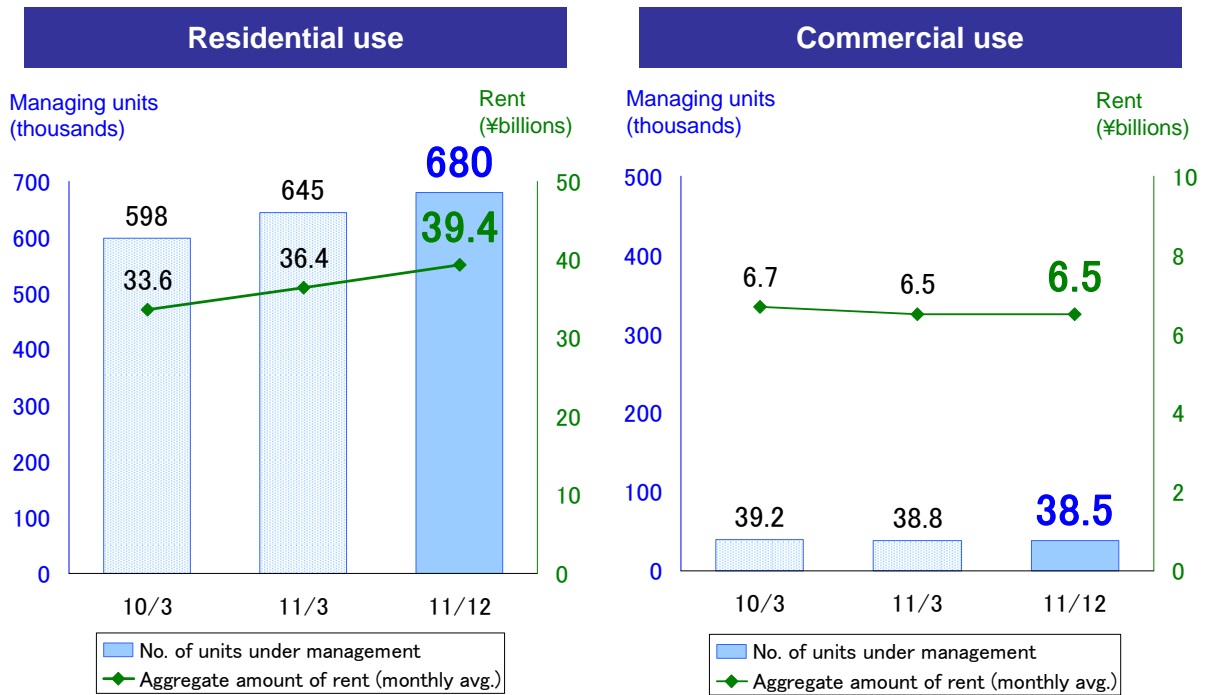


## V-15 Rent basis occupancy rate



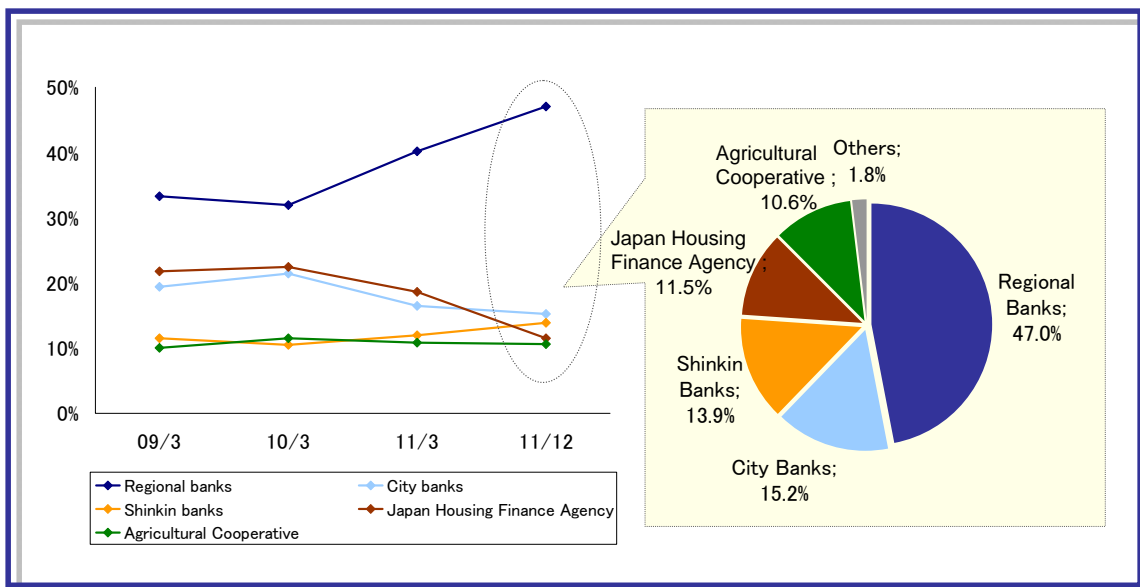
Rent basis occupancy rate	2007(Dec.)	2008(Dec.)	2009(Dec.)	2010(Dec.)	2011(Dec.)	y / y
Residential use (%)	95.7%	95.5%	93.6%	94.8%	96.0%	+1.2p
Commercial use (%)	95.4%	94.7%	91.4%	91.6%	93.8%	+2.2p

## V-16 Number of units under management & aggregate amount of rent



## V-17 Customer's financing channel

### Shares of financial institutions (No. of construction started basis)



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