



Financial Highlights, Year ended March 31, 2015

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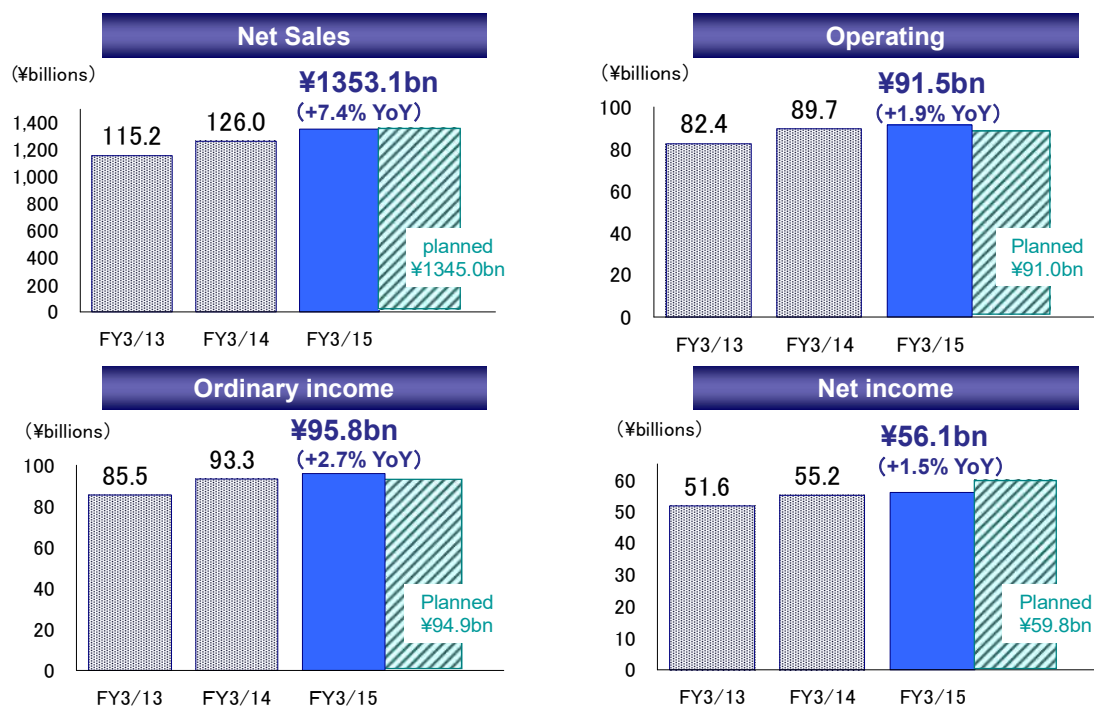


I. Financial Results FY2015

1.	Increase in sales and income for 7 th straight terms	Record-high
2.	Orders received ¥660.4billions (+5.5% YoY)	Record-high
	Occupancy rate 96.7% (Δ0.2P YoY) (Residential use in March)	Sound level
3.	<p>Shareholders returns</p> <p>①Annual dividend (Plan) ¥375 (+23yen) include commemorative dividend</p> <p>②Buy-back of own share and share retirement (Plan) ¥16.8bn - 1.23mn shares (upper limit)</p> <p>① Payout ratio 52.8% + ② Buy-back of own share, Share retirement 30% = Gross return 82.8%</p>	
4.	ROE 24.1% (Δ2.5P YoY) Payback·Cancellation of shares (record)	¥16.6bn 1.28mn shares

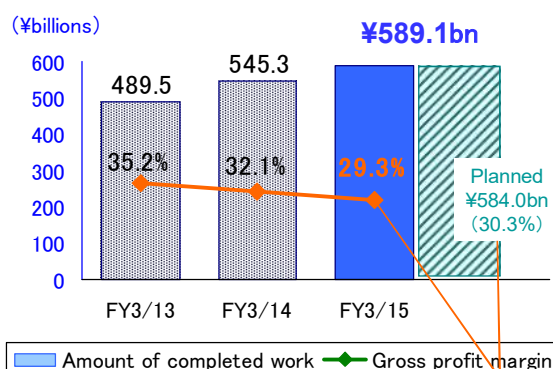
I – 2 Financial Result summary

Sales and each profits are updated the highest record



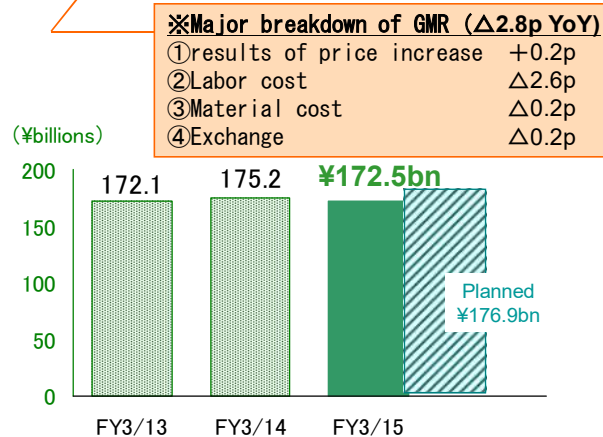
I – 3 Financial Results by segment (Construction)

	FY3/2014	FY3/2015	(YoY)	(¥billions)
Net sales	545.3	589.1	(+8.0%)	
Gross profit	175.2	172.5	(Δ1.6%)	
Gross profit margin	32.1 %	29.3%	[Δ2.8p]	[] : Difference from previous same period



※Major breakdown of GMR (Δ1.0p YoY)

- ①Labor cost Δ1.3p
- ②Material cost +0.2p
- ③Exchange +0.1p

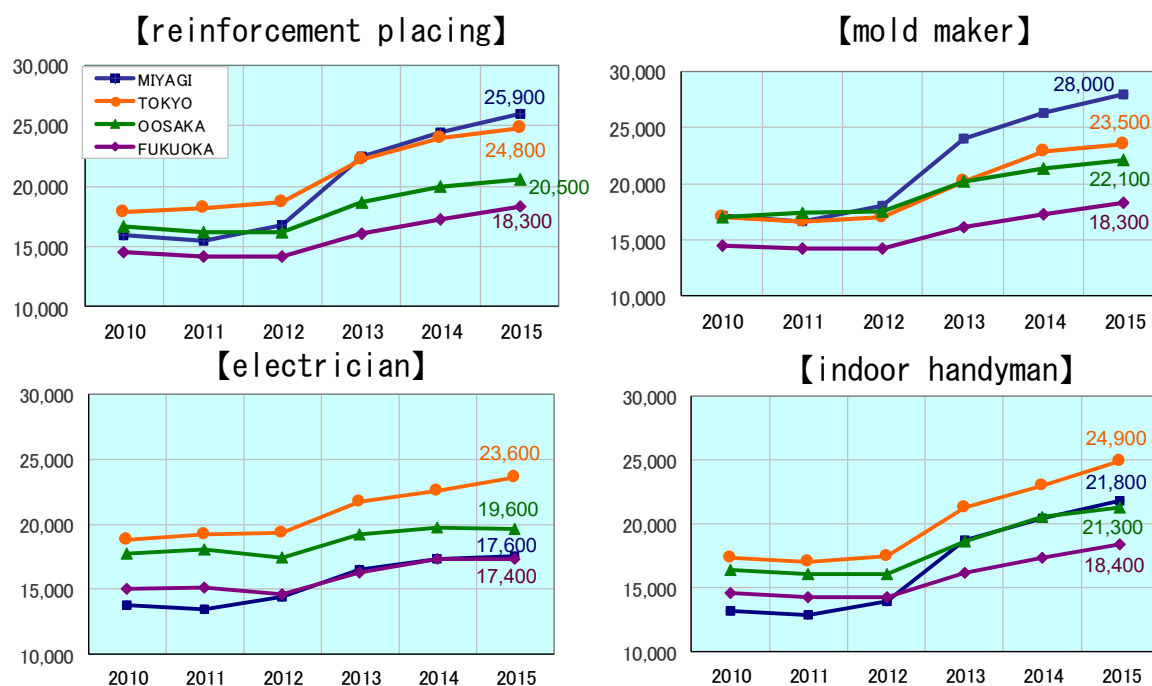


※Major breakdown of GMR (Δ2.8p YoY)

- ①results of price increase +0.2p
- ②Labor cost Δ2.6p
- ③Material cost Δ0.2p
- ④Exchange Δ0.2p

I-4 Labor cost (Public works)

(unit: ¥/person)



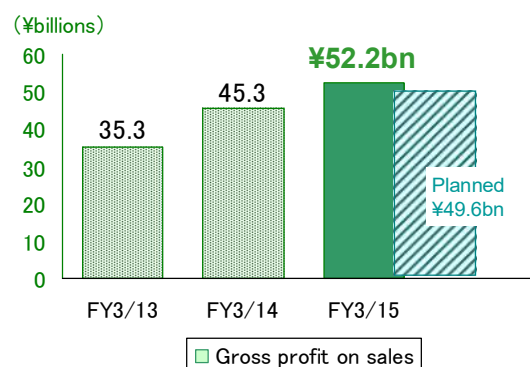
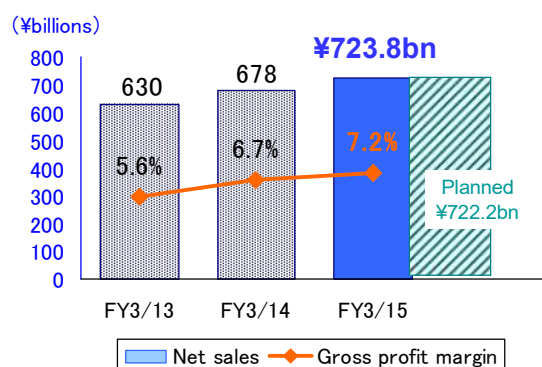
※place of origin: "Unit price list of the public construction design labor unit price(base amount)" (the Ministry of Land)
 ※it includes legal welfare expenses (worth5%) from 2013.

I-5 Financial Results by segment (Real estate)

(¥billions)

	FY3/2014	FY3/2015	(YoY)
Net sales	677.6	723.8	(+6.8%)
Gross profit	45.3	52.2	(+15.3%)
Gross profit margin	6.7%	7.2%	[+0.5p]

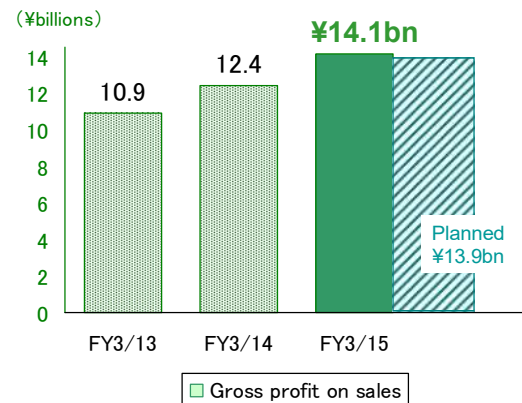
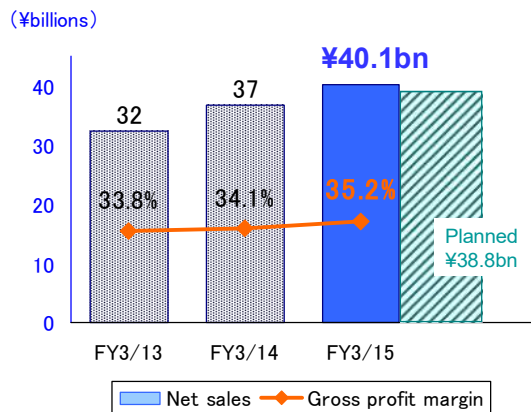
[] : Difference from previous same period



I—6 Financial Results by segment (Others)

	FY3/2014	FY3/2015	(YoY)
Net sales	36.6	40.1	(+9.7%)
Gross profit	12.4	14.1	(+13.2%)
Gross profit margin	34.1%	35.2%	[+1.1p]

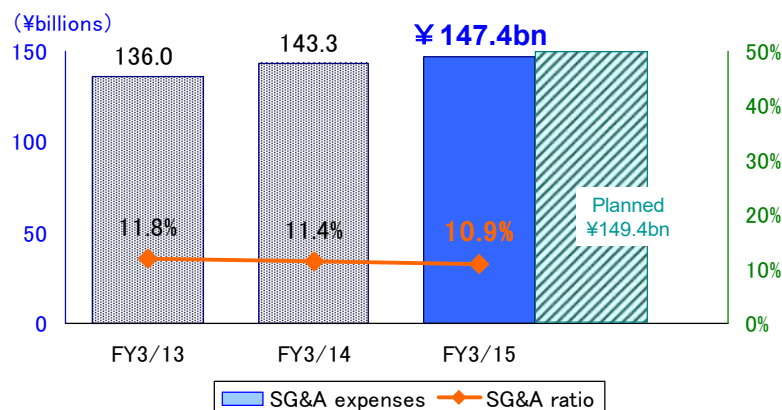
[] : Difference from previous same period



I—7 Selling, general and administrative expenses

	FY3/2014	FY3/2015	(YoY)
SG&A expenses	143.3	147.4	(+2.9%)
SG&A ratio	11.4%	10.9%	[Δ0.5p]

[] : Difference from previous same period

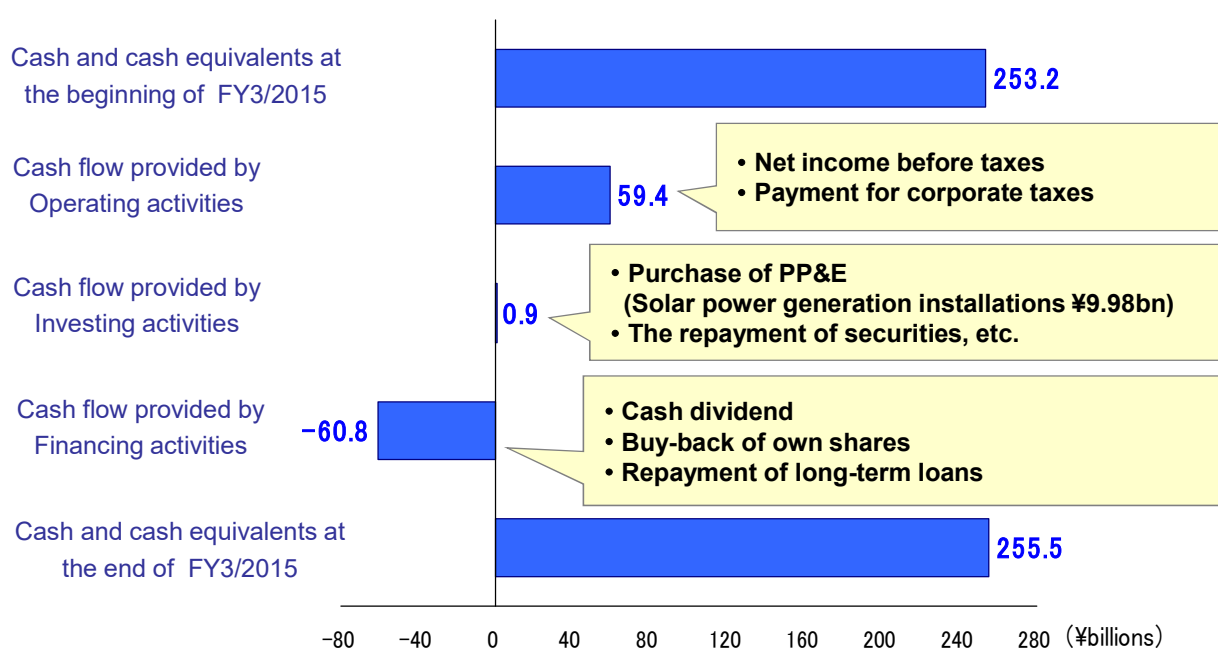


I-8 B/S summary

End of FY3/2015				End of FY3/2014			
				(¥billions)			
Current assets	494.3 (+11.4)	Current liabilities	267.4 (+12.0)	Current assets	482.9	Current liabilities	255.4
		Noncurrent liabilities	196.8 (Δ10.1)			Noncurrent liabilities	206.9
		Total liabilities	464.3 (+1.9)			Total liabilities	462.4
Current assets	206.7 (+5.3)	Net assets	236.7 (+14.7)	Noncurrent assets	201.4	Net assets	222.0
Total	701.1 (+16.7)	Total	701.1	Total	684.4	Total	684.4

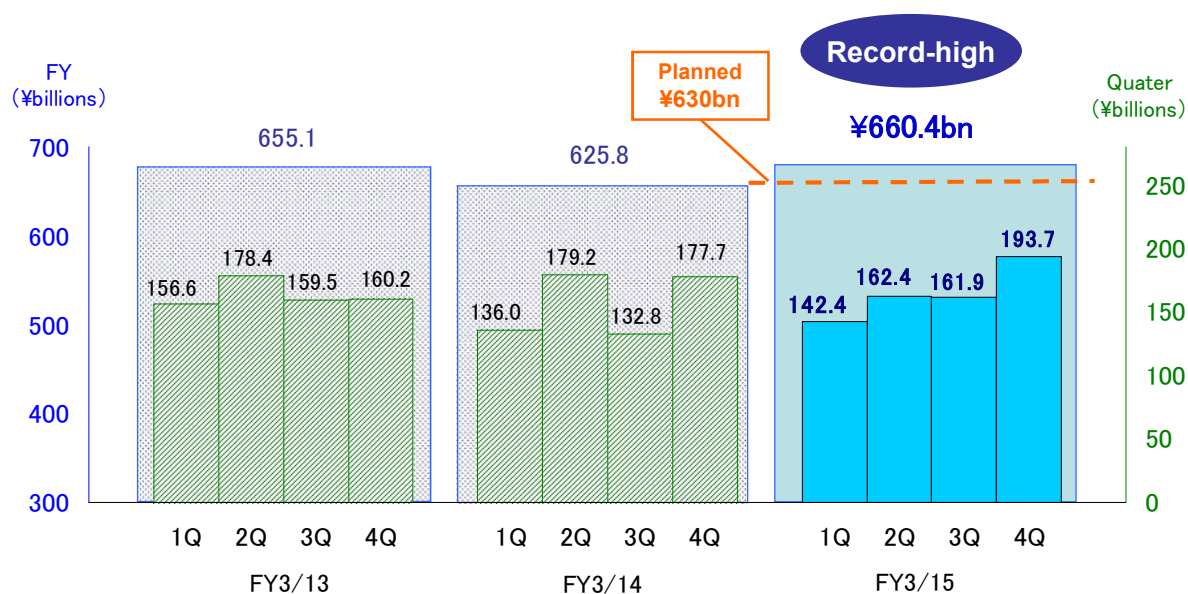
BPS	¥3,060.84	BPS	¥2,823.23
Equity ratio	32.9%	Equity ratio	31.0%
ROE	26.6%	ROE	29.6%

I-9 Cash flow

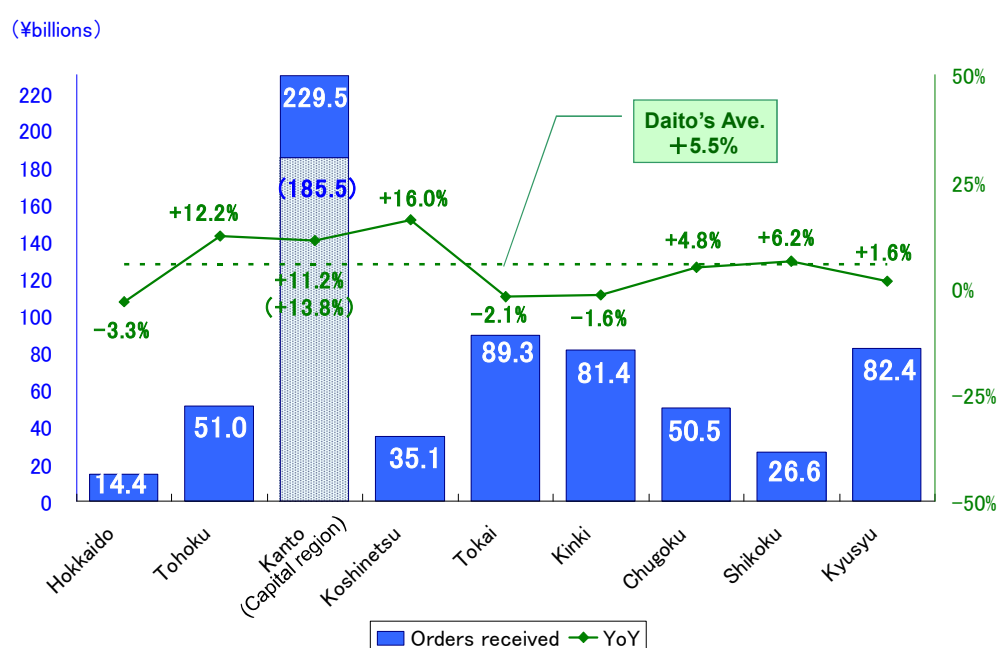


I – 10 Orders received

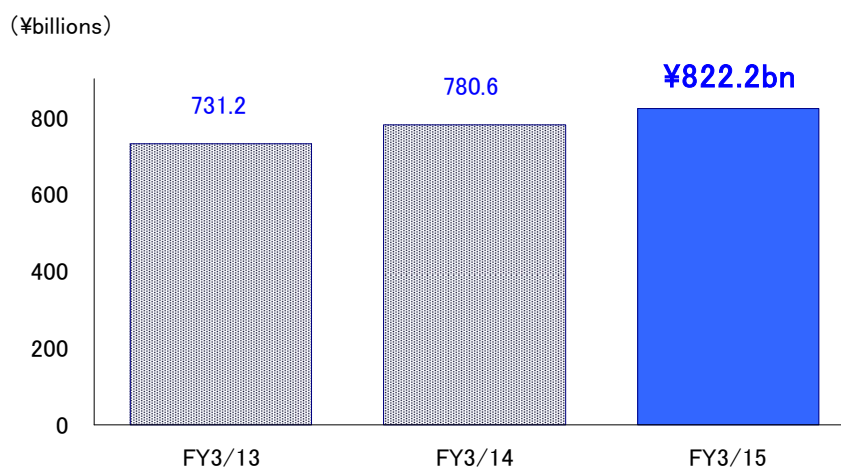
◇Orders received **¥660.4bn**
 (+5.5% YoY, schedule attainment rates 104.8%)



I – 11 Orders received by area



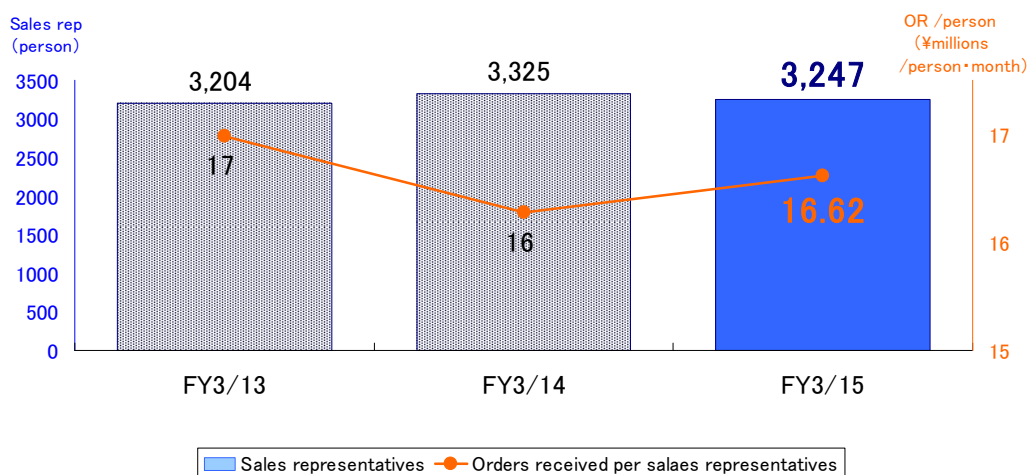
◇Orders on hand ¥822.2bn (+5.3% YoY)



◇Sales representatives<Term end> 3,247staffs (△78 YoY)

◇Orders received per salesrep<FY>

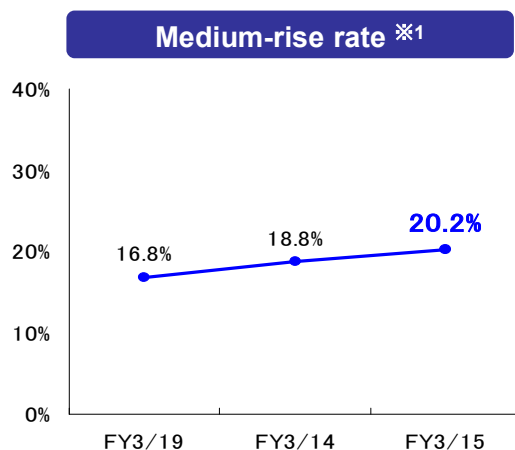
16.62millions / month (+340 thousands yen YoY)



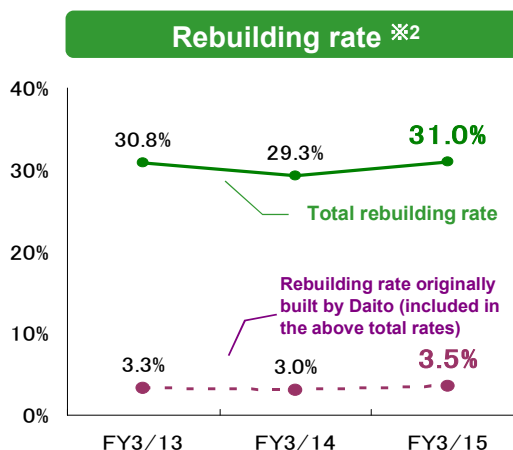
I – 14 Analysis of Orders received (Medium-rise rate and Rebuilding rate)

◇ **Medium-rise rate** **20.2% (+1.4p YoY)**

◇ **Rebuilding rate** **31.0% (+1.7p YoY)**



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



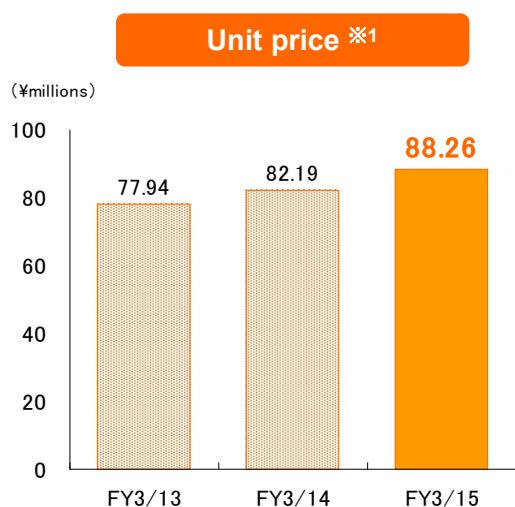
※2 Total rebuilding rate =
The no. of orders received for rebuilding / The total orders received

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

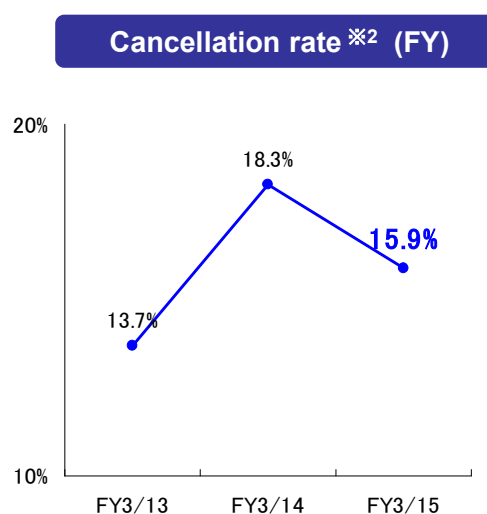
I – 15 Analysis of Orders received (Unit price and Cancellation rate)

◇ **Unit Price** **¥88.26mn (+6.07mn yen YoY)**

◇ **Cancellation rate** **15.9% (Δ2.4p YoY)**



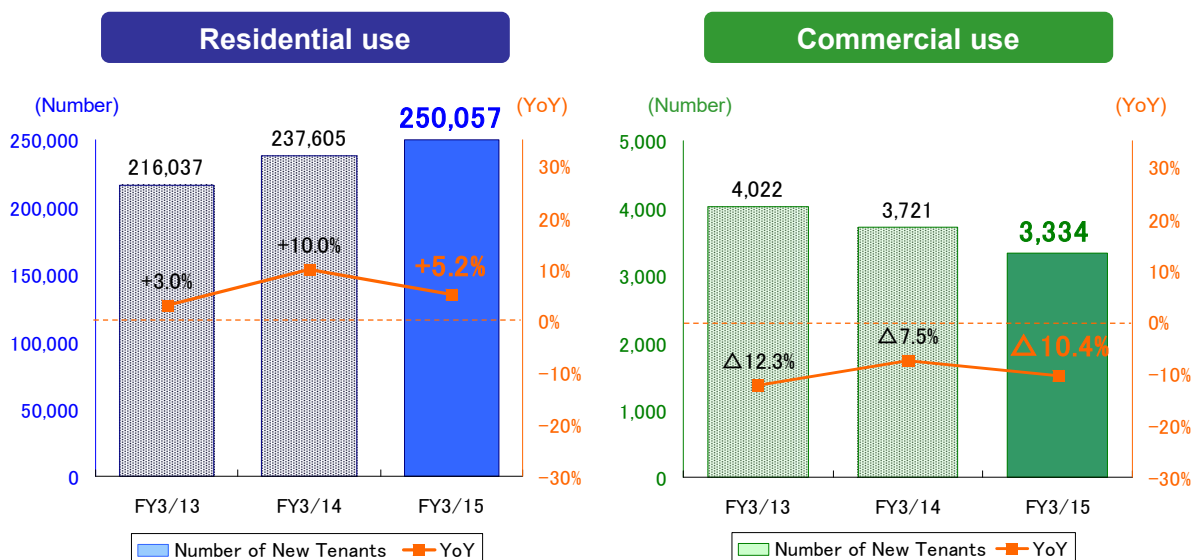
※1 Unit price = the amount of Orders received
/ the number of orders received



※2 Cancellation rate =
the amount of cancellation / the amount of new orders received

I – 16 New Tenants

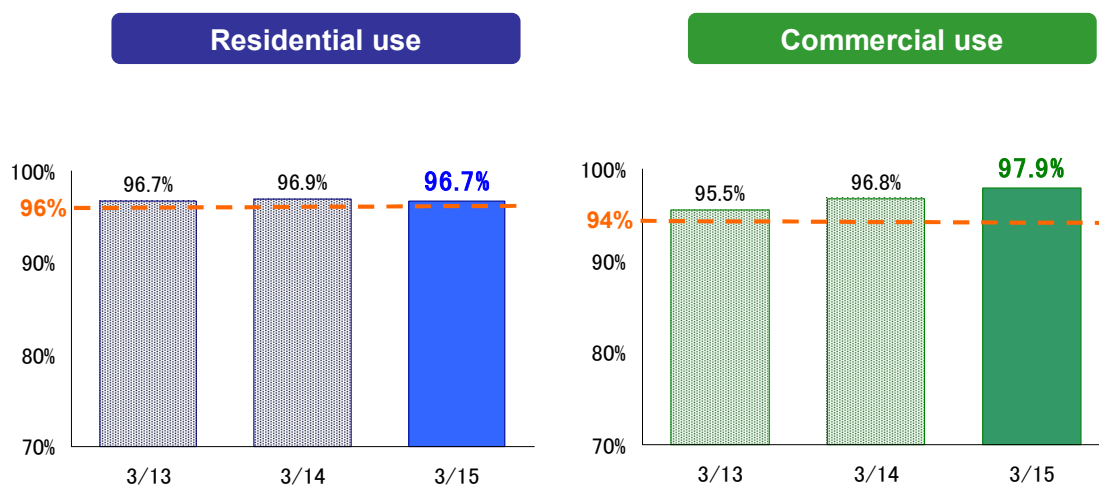
◇ New Tenants	253,391 (+5.0% YoY)
▪ Residential use	250,057 (+5.2% YoY)
▪ Commercial use	3,334 (△10.4% YoY)



I – 17 Rent basis occupancy rate※ (March)

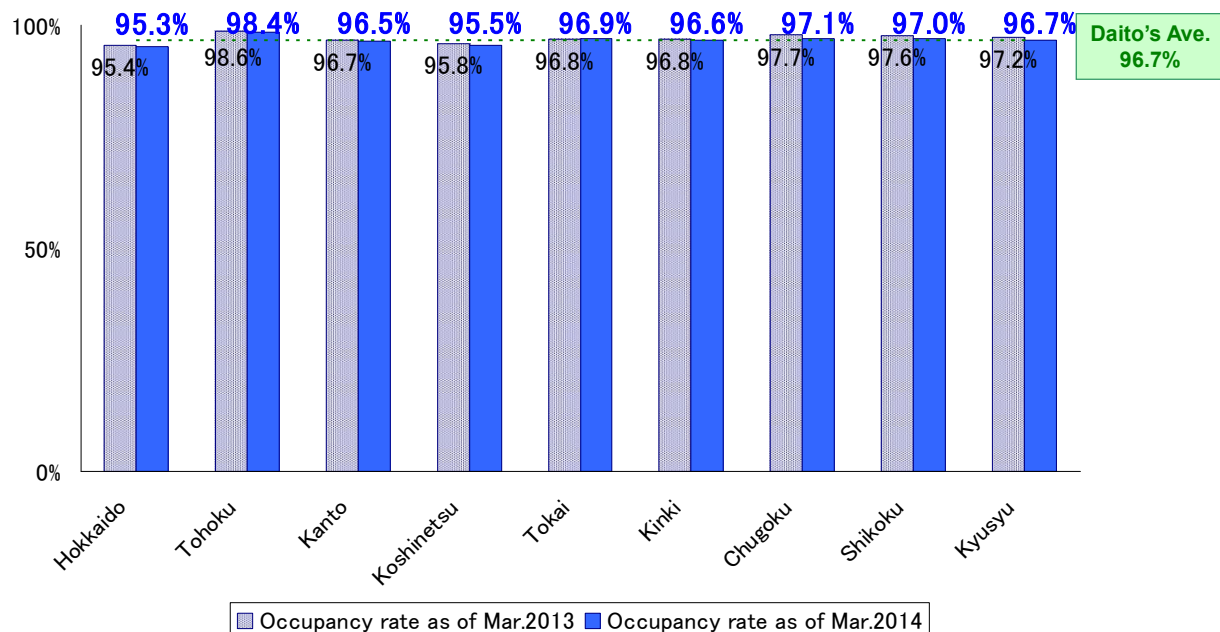
Maintain a sound level (Residential use 96% Commercial use 94%)

Residential use 96.7% (△0.2p YoY)	Commercial use 97.9% (+1.1p YoY)
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※ Rent basis occupancy rate = 1 - (rent guarantee for vacant rooms / total rent)

I – 18 Rent basis occupancy rate by area (Residential use in March)



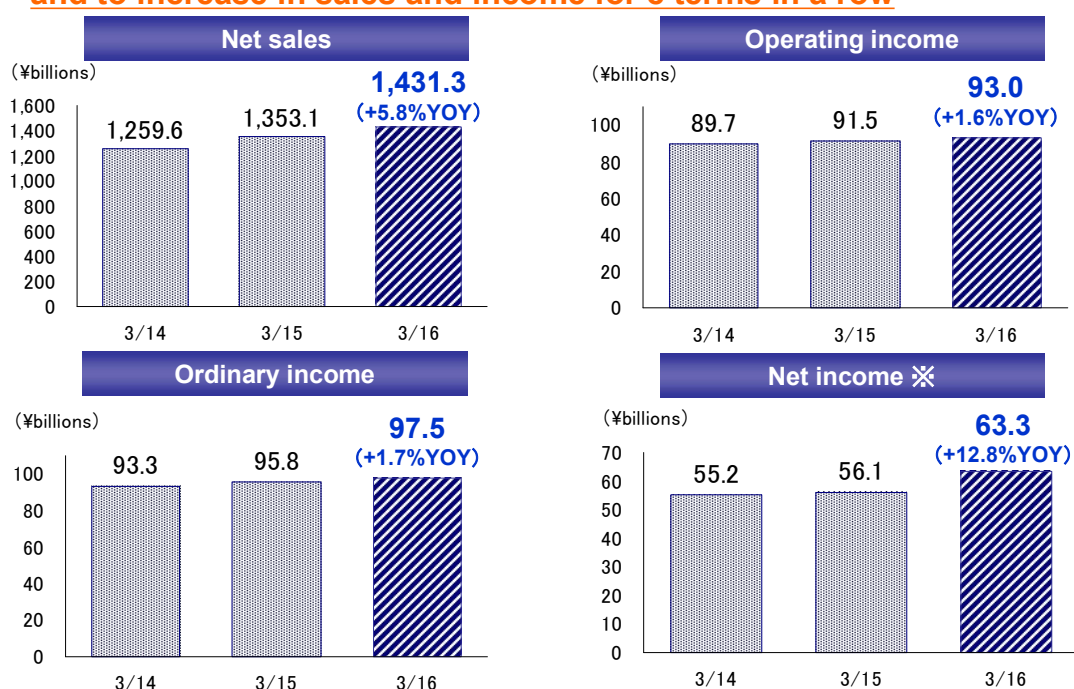
II . Financial Forecasts FY2016

II – 1 The premise of FY3/2016 plan

Orders	<ul style="list-style-type: none"> ■ An amendment to the Inheritance Tax Law, the needs of asset utilization backed by continuing extremely low interest rates ■ Landowners is aging Amiable and smooth needs of succession of assets to the next generation
Construction	<ul style="list-style-type: none"> ■ New building starts with large amount of orders outstanding ■ Increasing in labor cost due to earthquake disaster reconstruction demands and preparation for Tokyo Olympics
Rental housing needs	<ul style="list-style-type: none"> ■ Stable rental housing needs due to increasing number of households and the diversified tenants ■ More flexible to mobility of workers or households by recovery of economy

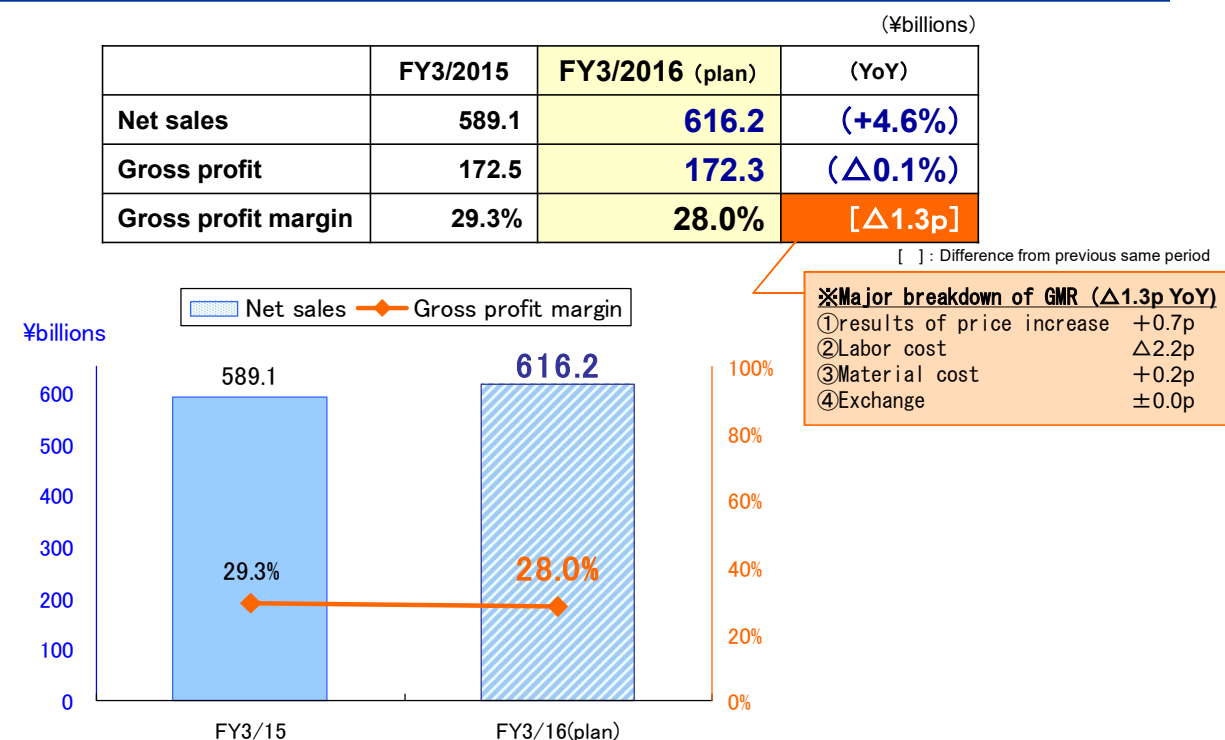
II – 2 Income summary

Planning to continue both sales and each profits reach a record-high, and to increase in sales and income for 8 terms in a row



※the net income attributes to the stockholders of the parent company in FY 3/2016

II – 3 Sales and gross profit margin on construction completed



II – 4 Effort to secure net sales and gross profit

Construction • Cost control

①Expansion of partner companies (partner program)

- FY3/2015 : 1,613 companies
→ **FY3/2016: 1,713companies**
(+ 100 companies)

※main 8 business :
foundation, framework, joinery work, panel,
exterior wall, inside work, electricity, water supply and drainage.



②Each construction department control initial costs

- 10 regions that constructions are concentrated control their order in rotation
(10 regions : Kashiwa, Koto, Itabashi, Setagaya, Yokohama, Nishinomiya, Osaka, Sakai, Okinawa, Okinawa-chubu)

II – 5 Effort to secure net sales and gross profit

③ Extension of 2×4 panel lines by our capital investment

- 2×4 panel lines are added to 2 factories;
Iwaki city in Fukushima and Toon city in Ehime

Those factories will cover
more than 10% of all
construction apartments



④ Foreign Technical Intern Training Program

- 20 foreigner started out their works from Jan.2015
(Tokyo, Chiba, Shizuoka, Okayama, Takamatsu, Fukuoka, etc.)

120 foreigner will start out
their work till the end of
this term.

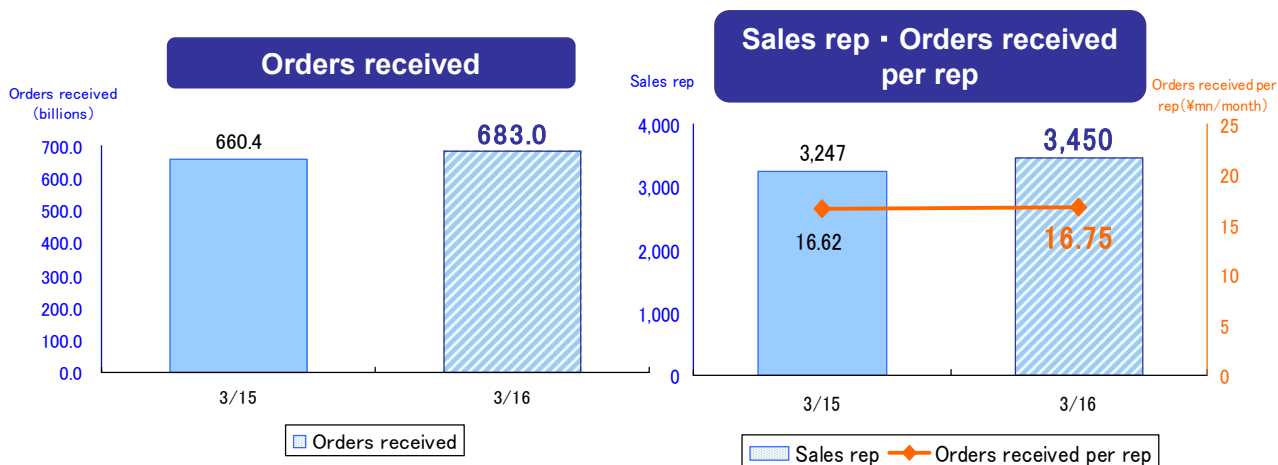


II – 6 Orders Received

Orders Received ¥683.0bn (103.4% YoY)

◇Sales representatives <end of March> 3,450 (+203YoY)

◇Orders received per sales rep ¥16.75mn(+¥0.13mn YoY)

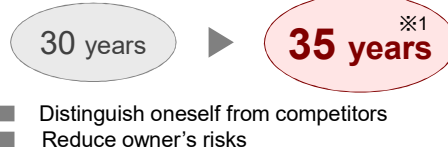


II – 7 Strategy to achieve our plan of ¥683.0bn orders received

Expansion of our services which respond to needs of customers

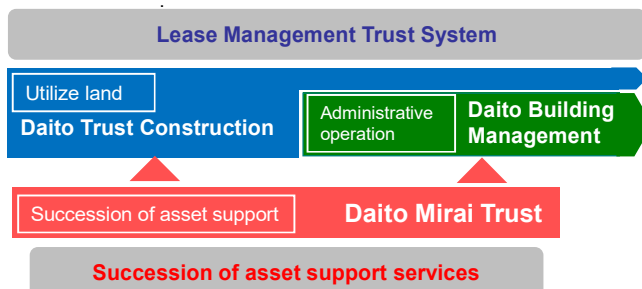
Expansion of Lease Management Trust System

Extension of the whole building lease period



※1 A contract may be canceled depending on the conditions.

Succession of asset services use of trust



II – 8 Strategy to achieve our plan of ¥683.0bn orders received

Expansion of rented accommodation sales with services for responding to the aging population with a declining birthrate

Day service center (Care Partner)



Childcare facility (Kids Partner)



Serviced rental housing for the aged



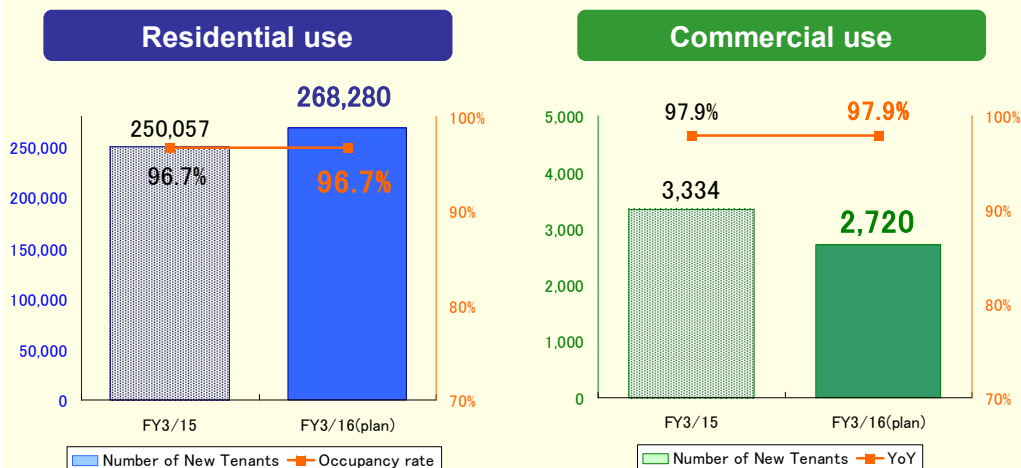
● RC apartment / the plan with a daycare facility three-storied (exterior)



II - 9 Strategy to recruits new tenants of 271,000 units in FY3/16

(FY3/16 end occupancy rate target residential use 96.7%, commercial use 97.9%)

	FY3/15	FY3/16 (plan)	(YoY)
New Tenants	253,391	271,000	(+6.9%)
Residential use	250,057	268,280	(+7.3%)
Commercial use	3,334	2,720	(△18.4%)



II - 9 Strategy to recruits new tenants of 271,000 units in FY3/16

(FY3/16 end occupancy rate target residential use 96.7%, commercial use 97.9%)

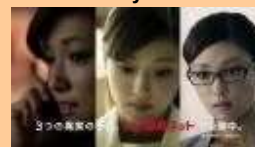
Enhance and expand the recognition of e-hey net brand

お部屋さがしは
いい部屋ネット

Real estate portal websites become more convenient



Spread the brand by TV commercial



Approach for the potential people by application of SNS

facebook twitter

Enhance the recognition by the golf tournament

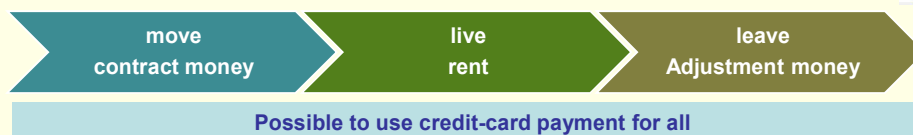


II – 10 Strategy to recruits new tenants of 271,000 units in FY3/16

(FY3/16 end occupancy rate target residential use 96.7%, commercial use 97.9%)

Services to become more convenient for tenants

① Possible to use a credit-card to pay



② No deposit • Flat cleaning plan



- Realize to cut down of the initial cost and adjustment money transparency

③ No guarantors service

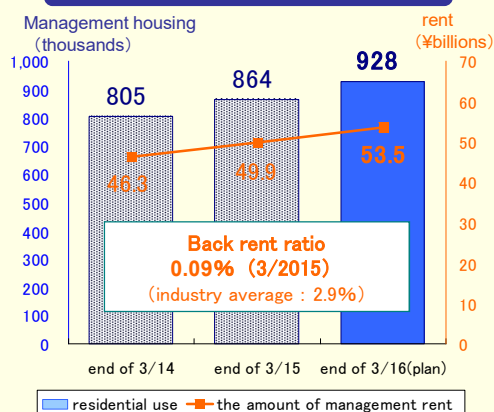


- Unnecessary to ask as a joint surety, smooth contract and ,moving

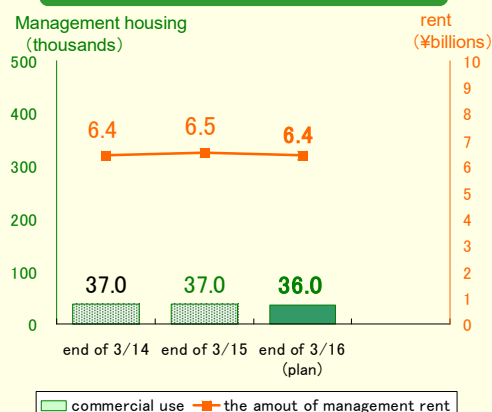
II – 11 Plan to manage more than 900 thousands residential use housing

	End of 3/14	End of 3/15	End of 3/16 (Plan)	(YoY)
	843,476	901,908	964,800	(+7.0%)
Residential use	805,911	864,678	928,000	(+7.3%)
Commercial use	37,565	37,230	36,800	(△1.2%)

Residential use



Commercial use



III. Shareholders return policy

III- 1 Return to shareholders (March.2014)

Return to shareholders of FY3/14

Gross return 80%

The amount of dividend ¥27.6bn
(Annual dividend ¥347)
payout ratio 50%

+

Buy-back of own share
Share retirement
¥16.6bn · 1.28mn shares
Earnings × 30%

=

The amount of reduction ¥44.2bn
(Net income ¥55.2bn)
Gross return 80%

shares(thousands)

85,000

80,000

75,000

70,000

Number of shares issued -1.6%

80,610

79,324

3/14

3/15

III- 2 Return to shareholders (March.2015)

Return to shareholders of FY3/15

Gross return 82.8%

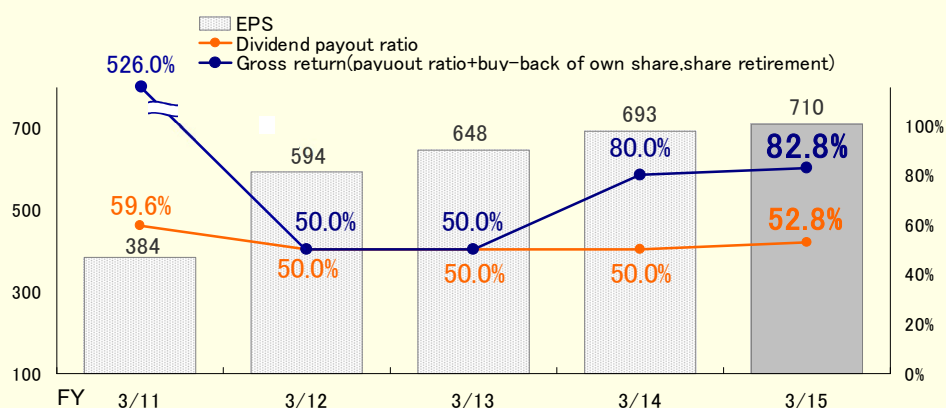
① Annual dividend : ¥375 (pre term+¥28, payout ratio 52.8%)

※mid-term 185yen, term end 170yen, 40th anniversary dividend 20yen

② Buy-back of own share : ¥16.8bn - 1.23mn shares

Share retirement

(Earnings × 30%)



III- 3 Plan for return to shareholders (March.2016)

Return to shareholders of FY3/16 [Plan]

Gross return 80%

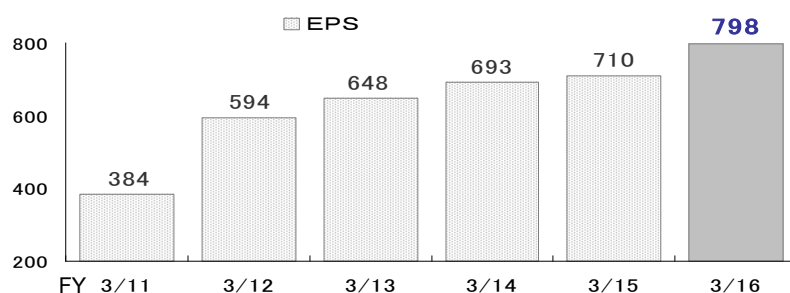
① Annual dividend : ¥399 (pre term+¥24, payout ratio 50%)

《 breakdown 》 mid-term ¥199

term end ¥200

② Buy-back of own share : Earnings × 30%

Share retirement



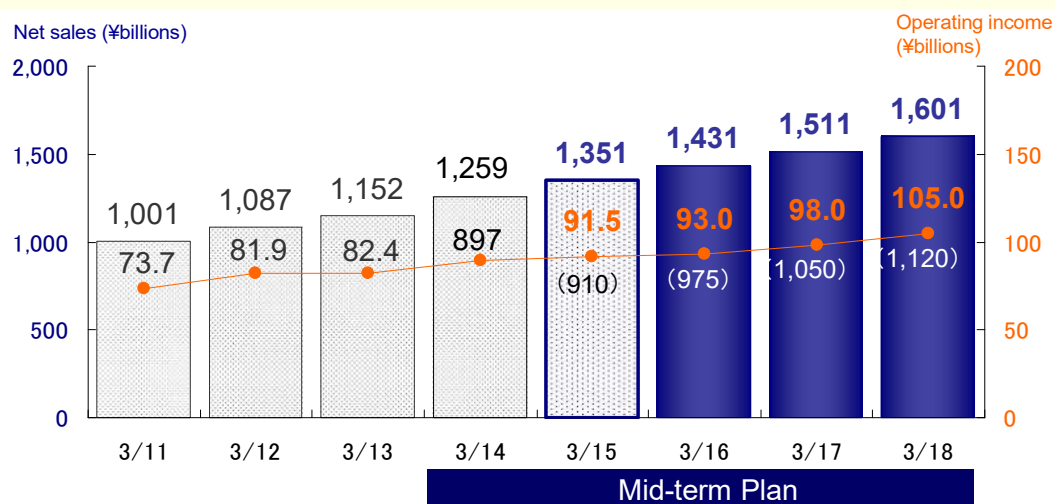
IV. Mid-term Plan

IV- 1 Revise Mid-term Plan (Net sales, Operating Income)

FY 3/18 Plan

Net sales 1,601.7bn (vs 3/13 +39.0% **annual growth 6.8%**)

Operating income 105.0bn (vs 3/13 +27.4% **annual growth 5.0%**)



※(figures) : The figures announced at 4/14

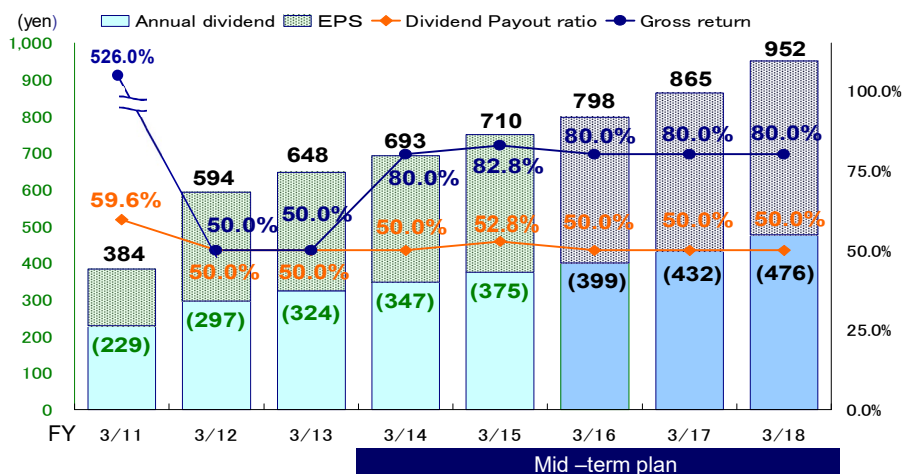
IV-2 Return to shareholders (EPS/dividend payout ratio × Gross return)

● Shareholders Return Policy

① Dividend payout ratio : 50%

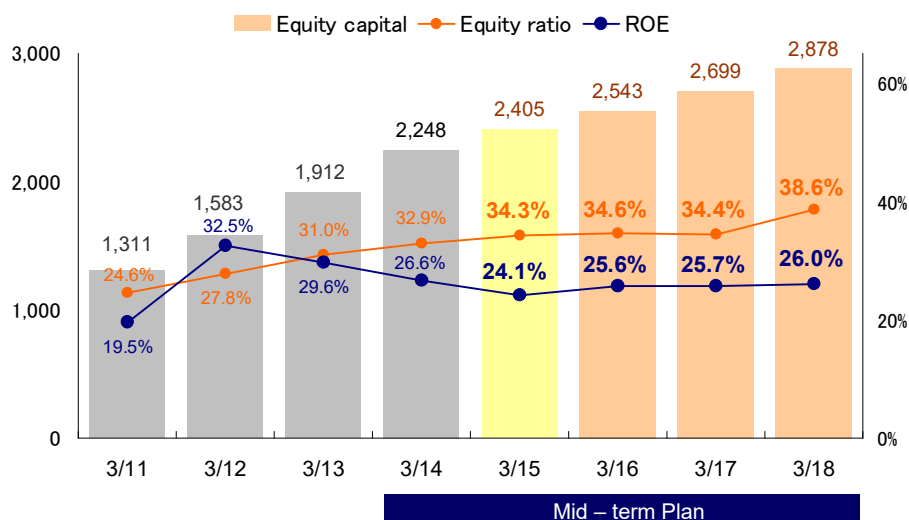
② buy-back of own share/retirement : Earnings × 30%

Gross return
80%
continuance



IV-3 Financial index (Equity ratio/ROE)

● Financial index : ROE over 20%



V. Appendix

V-1 Non-consolidated statement of income <3 / 2015>

(¥ millions)

	FY3/15	FY3/14	YoY	FY3/16 (Plan)
Net sales	608,973	563,343	+8.1%	636,500
Construction	589,473	545,774	+8.0%	616,500
Real estate & others	19,499	17,569	+11.0%	20,000
Gross profit	171,499	172,418	△0.5%	172,400
Construction	172,283	174,406	△1.2%	172,400
Real estate & others	△783	△1,988	—	0
SG & A expenses	121,353	120,368	+0.8%	125,100
Operating income	50,146	52,049	△3.7%	47,300
Ordinary income	58,990	56,825	+3.8%	74,500
Net income	34,471	33,542	+2.8%	56,000

V-2 Financial summaries of major subsidiaries (Construction) (3 / 2015)

(¥ millions)

	Construction business							
	Daito Construction				Daito Steel			
	FY3/15	FY3/14	YoY	FY3/16 (Plan)	FY3/15	FY3/14	YoY	FY3/16 (Plan)
Net sales	5,393	5,353	+0.7%	6,000	4,793	4,538	+5.6%	4,499
Gross profit	67	165	△59.3%	153	195	266	△26.7%	191
SG&A expenses	101	122	△17.1%	92	71	75	△5.2%	75
Operating income	△33	43	—	61	124	191	△35.1%	116
Ordinary income	15	102	△85.1%	122	125	191	△34.5%	117
Net income	11	60	△80.4%	75	81	118	△31.0%	77

V-3 Financial summaries of major subsidiaries (Real estate) (3 / 2015)

(¥ millions)

	Real estate business											
	Daito Building Management				Housecom				House Leave			
	FY3/15	FY3/14	YoY	FY3/16 (Plan)	FY 3/15	FY 3/14	YoY	FY3/16 (Plan)	FY 3/15	FY 3/14	YoY	FY3/16 (Plan)
Net sales	701,157	658,017	+6.6%	745,102	8,663	8,244	+5.1%	9,120	3,688	2,360	+56.3%	6,672
Gross profit	47,271	42,572	+11.0%	49,722	8,663	8,244	+5.1%	9,120	3,273	2,249	+45.5%	6,132
SG&A expenses	14,654	12,573	+16.6%	15,706	8,123	7,909	+2.7%	8,465	514	235	+118.2%	782
Operating income	32,617	29,999	+8.7%	34,015	539	334	+61.1%	654	2,758	2,014	+37.0%	5,350
Ordinary income	33,383	30,701	+8.7%	34,779	901	736	+22.4%	953	2,773	2,043	+35.7%	5,356
Net income	19,595	18,455	+6.2%	22,860	476	402	+18.5%	562	1,572	1,249	+25.9%	3,368

V-4 Financial summaries of major subsidiaries (Real estate) <3 / 2015>

(¥ millions)

	Real estate business											
	Daito Building Management				Housecom				House Leave			
	FY3/15	FY3/14	YoY	FY3/16 (Plan)	FY 3/15	FY 3/14	YoY	FY3/16 (Plan)	FY 3/15	FY 3/14	YoY	FY3/16 (Plan)
Net sales	701,157	658,017	+6.6%	745,102	8,663	8,244	+5.1%	9,120	3,688	2,360	+56.3%	6,672
Gross profit	47,271	42,572	+11.0%	49,722	8,663	8,244	+5.1%	9,120	3,273	2,249	+45.5%	6,132
SG&A expenses	14,654	12,573	+16.6%	15,706	8,123	7,909	+2.7%	8,465	514	235	+118.2%	782
Operating income	32,617	29,999	+8.7%	34,015	539	334	+61.1%	654	2,758	2,014	+37.0%	5,350
Ordinary income	33,383	30,701	+8.7%	34,779	901	736	+22.4%	953	2,773	2,043	+35.7%	5,356
Net income	19,595	18,455	+6.2%	22,860	476	402	+18.5%	562	1,572	1,249	+25.9%	3,368

V-5 Financial summaries of major subsidiaries (Others - 1) <3 / 2015>

(¥ millions)

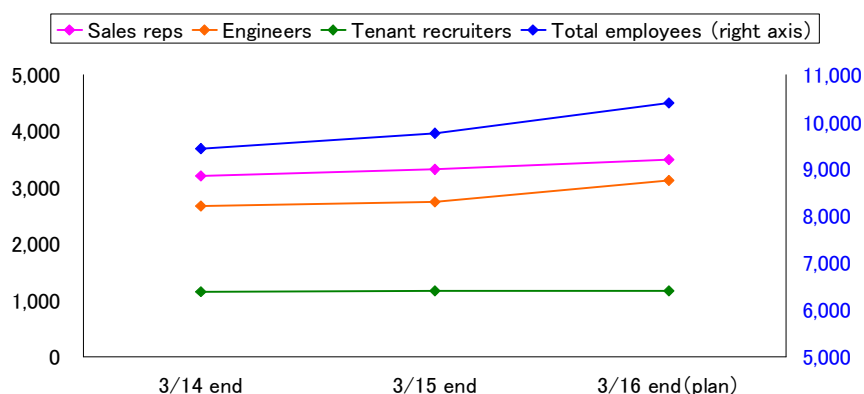
	Other business (Financial business)							
	Daito Finance				D.T.C			
	FY3/15	FY3/14	YoY	FY3/16 (Plan)	FY3/15	FY3/14	YoY	FY3/16 (Plan)
Net sales	1,071	975	+9.8%	1,099	3,662	3,451	+6.1%	3,362
Gross profit	637	580	+9.8%	791	1,568	1,476	+6.2%	1,358
SG&A expenses	115	127	△9.0%	164	14	13	+10.4%	17
Operating income	522	453	+15.1%	627	1,553	1,462	+6.2%	1,341
Ordinary income	524	453	+15.5%	627	1,563	1,458	+7.2%	1,349
Net income	329	274	+20.0%	410	1,563	1,458	+7.2%	1,349

V-6 Financial summaries of major subsidiaries (Others - 2) (3 / 2015)

(¥ millions)

	Other business (Other)											
	Care Partner				Gaspal				D. A. D. (M)			
	FY3/15	FY 3/14	YoY	FY3/16 (Plan)	FY3/15	FY 3/14	YoY	FY3/16 (Plan)	FY3/15	FY 3/14	YoY	FY3/16 (Plan)
Net sales	9,276	8,758	+5.9%	9,445	25,533	23,447	+8.9%	26,450	3,022	2,671	+13.2%	3,078
Gross profit	1,312	1,107	+18.5%	935	8,259	6,445	+28.1%	9,240	1,613	1,419	+13.7%	1,517
SG&A expenses	760	572	+32.9%	832	4,849	4,168	+16.4%	5,528	1,051	925	+13.6%	1,111
Operating income	552	535	+3.2%	103	3,410	2,277	+49.7%	3,712	561	493	+13.8%	405
Ordinary income	556	533	+4.3%	103	3,452	2,353	+46.7%	3,729	112	6	+1886%	360
Net income	310	305	+1.5%	65	1,575	1,402	+12.4%	2,438	122	△ 120	—	322

V-7 Number of employees by each occupations (Non-consolidated)

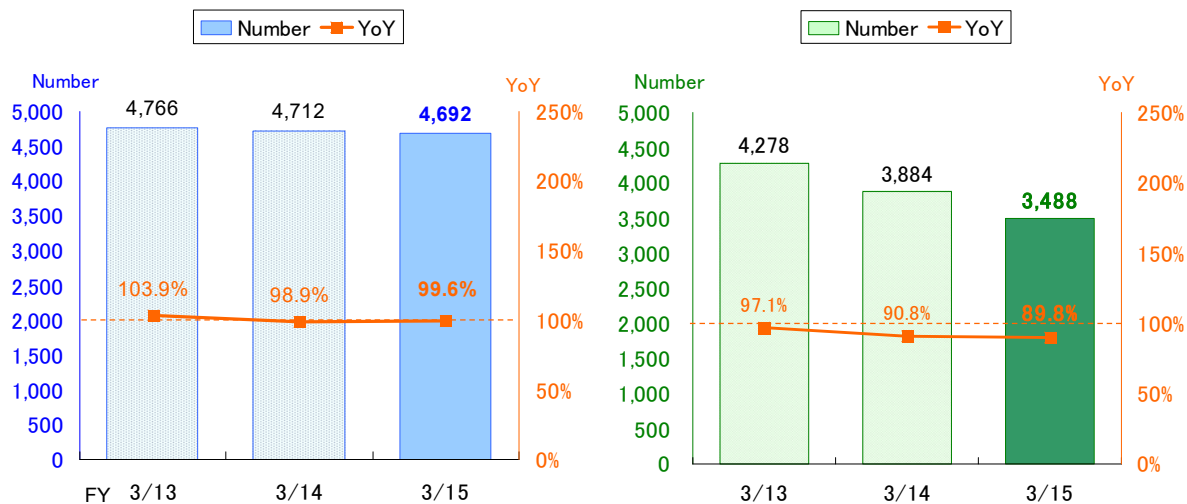


	3/14 end	3/15 end	(YoY)	3/16 plan
Total employees	9,767	9,940	+173	10,600
Sales reps	3,325	3,247	△78	3,450
Engineers	2,820	3,010	+190	3,340
Tenant recruiters	1,166	1,162	△4	1,150

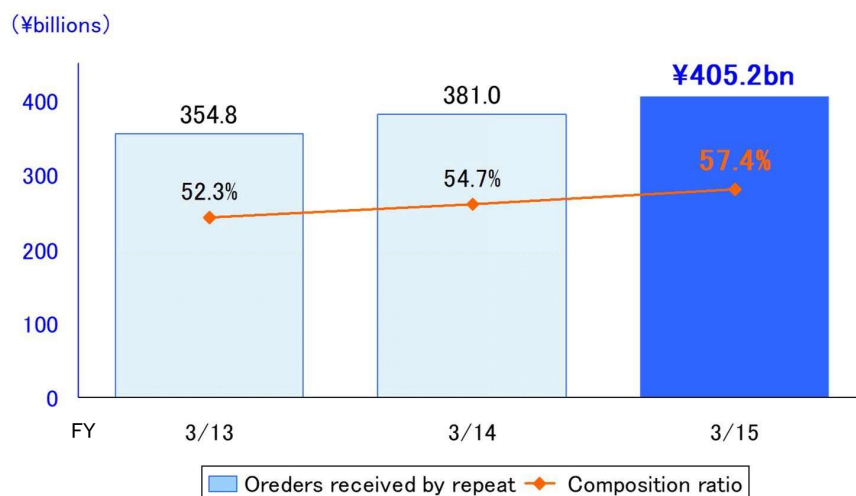
V-8 Channels of orders received

Orders received by repeat & via introduction by agents or others

Orders received from new customers

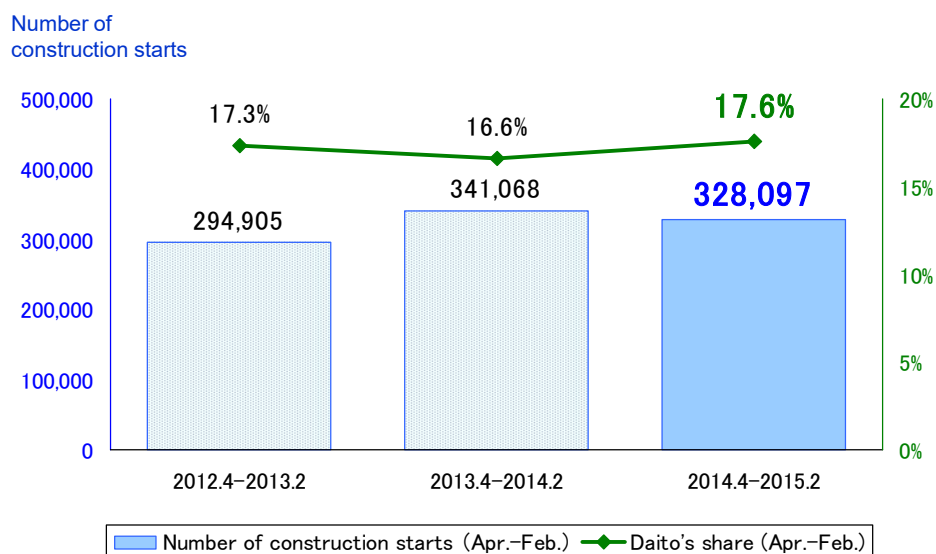


V-9 Orders received by repeat



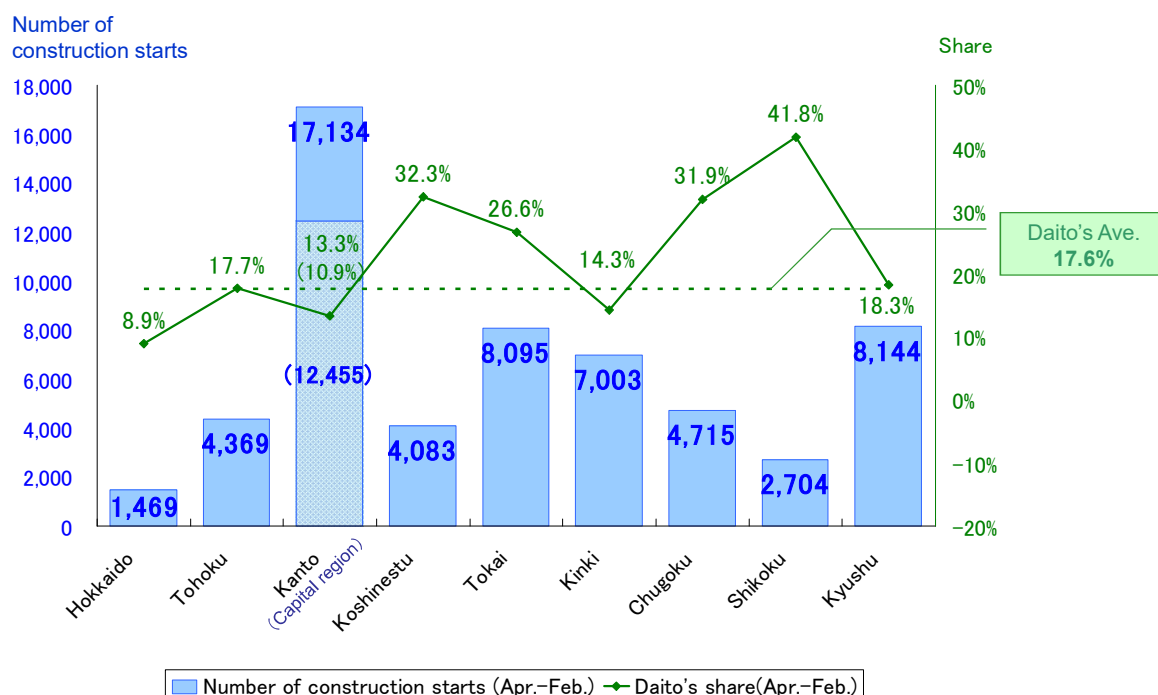
※ Composition ratio = $\frac{\text{Number of orders received by repeat from our existing customers}}{\text{Total number of orders received}}$

V-10 Number of construction starts & Daito's share

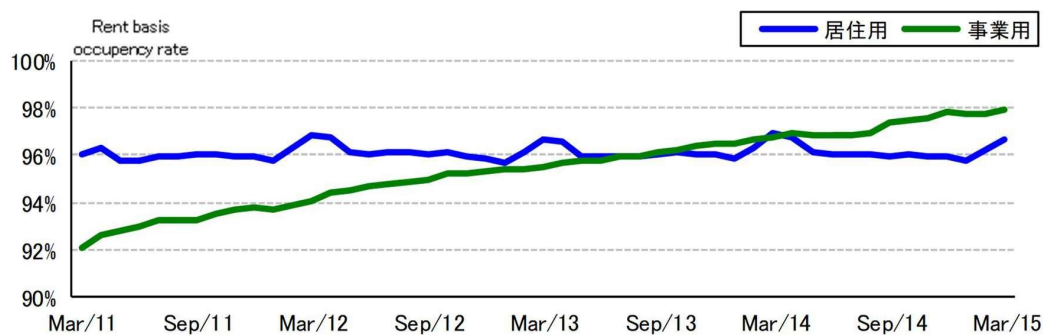


2(Ministry of Land, Infrastructure, Transport and Tourism : "Housing and Land Survey")

V-11 Number of construction starts by area & Daito's share

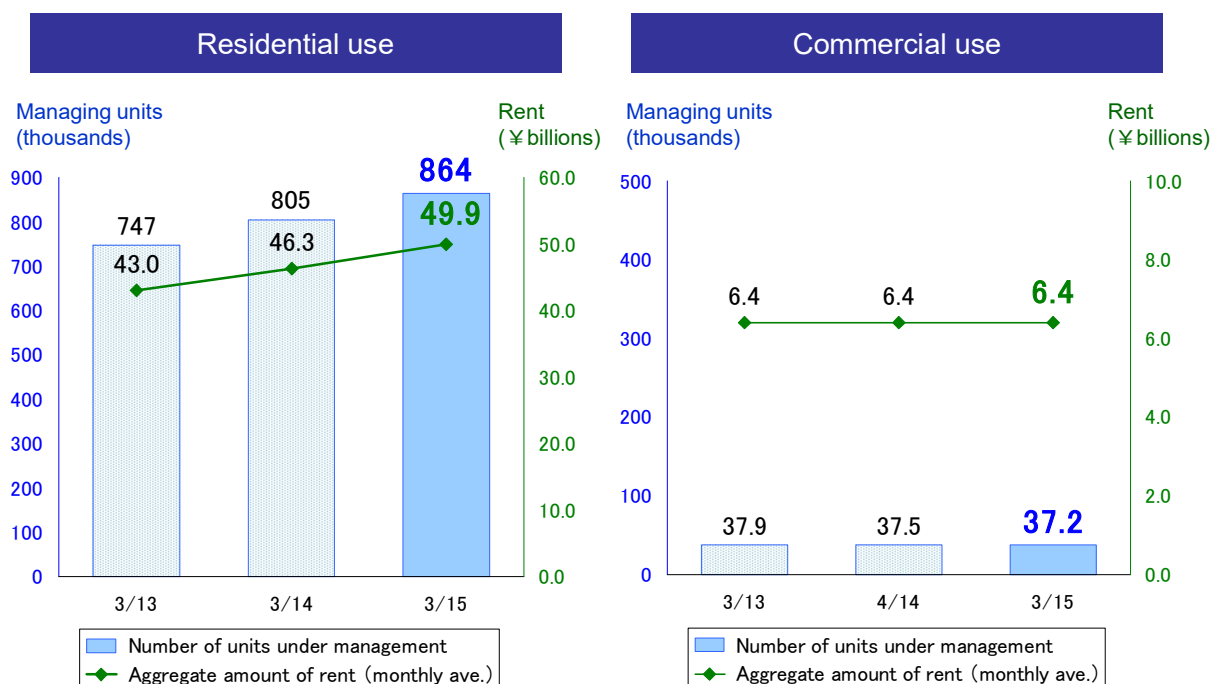


V-12 Rent basis occupancy rate

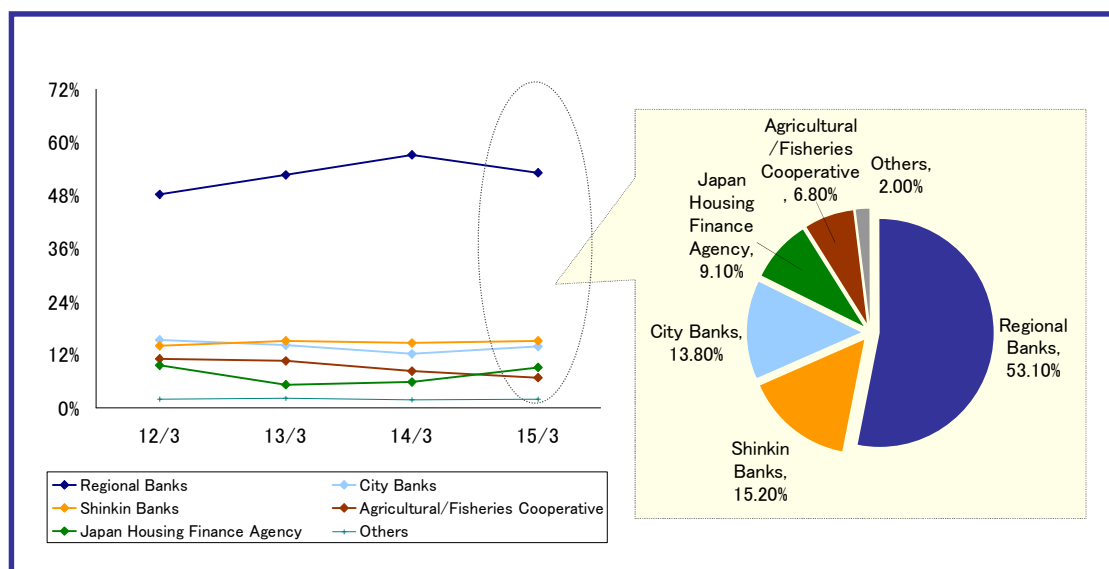


Rent basis occupancy rate	2011(Mar.)	2012(Mar.)	2013(Mar.)	2014(Mar.)	2015Mar.)	YoY
Residential use (%)	96.0%	96.8%	96.7%	96.9%	96.7%	△0.2p
Commercial use (%)	92.1%	94.1%	95.5%	96.8%	97.9%	+1.1p

V-13 Number of units under management & aggregate amount of rent



Shares of financial institutions (Construction starts basis)



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