



## 1Q Financial Highlights, Year ending March 31, 2015

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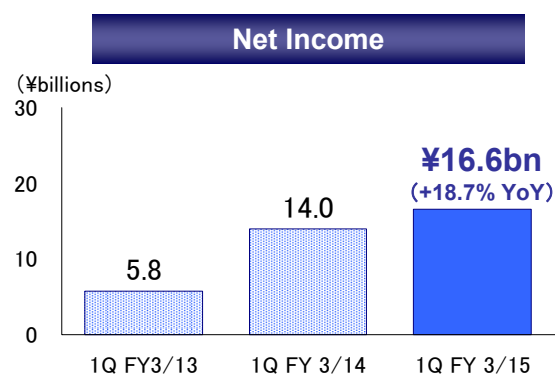
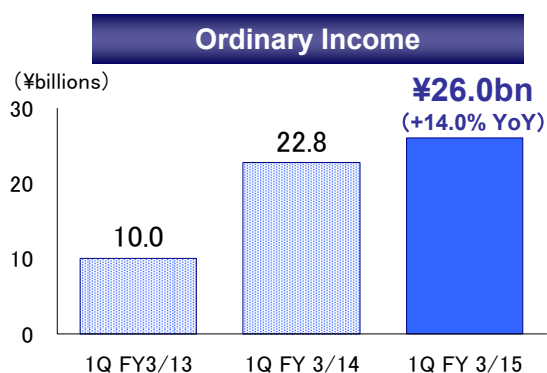
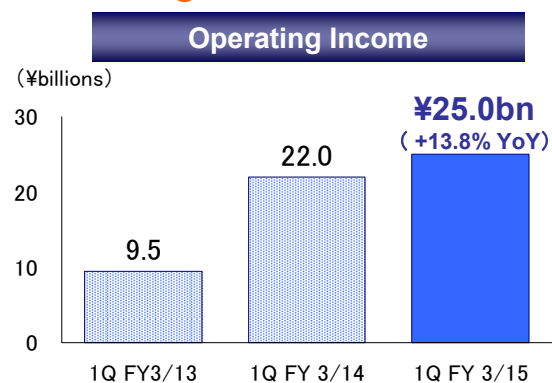
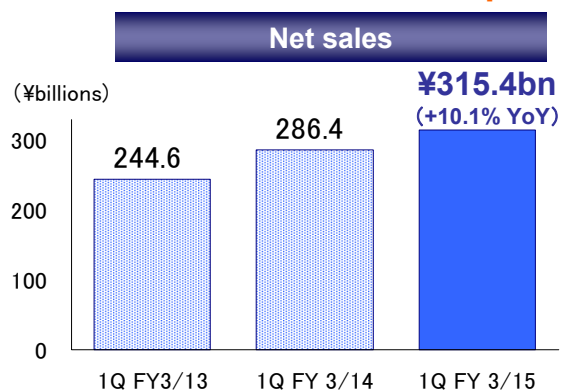
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# I . 1Q Financial Results

## I – 1 1Q Financial Results summary

**Sales and each profits updated the highest record**



## I – 2 1Q Financial Results by segment ( Construction )

(¥billions)

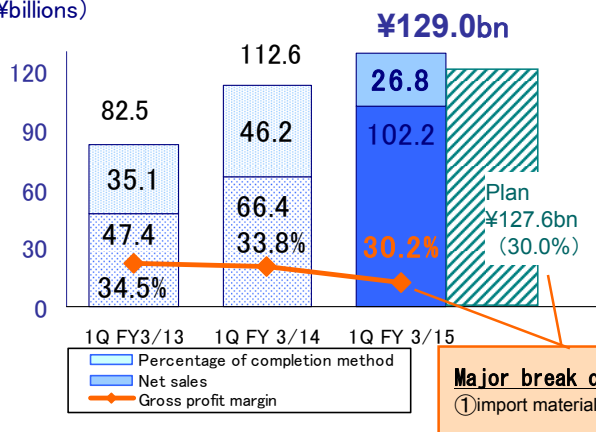
	1QFY3/14	1QFY3/15	(YoY)
Net sales	112.6	129.0	(+14.6%)
Gross profit	38.0	38.9	(+2.5%)
Gross profit margin	33.8%	30.2%	[Δ3.6p]

Major breakdown of Δ3.6p

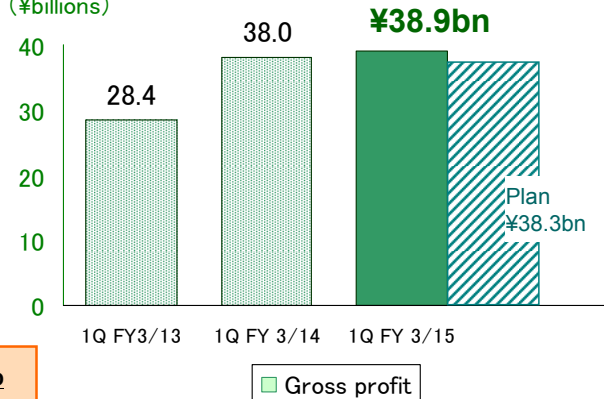
- ① Labor cost Δ3.5p
- ② Import material cost Δ0.1p

[ ] : Difference from previous same period

(¥billions)



(¥billions)



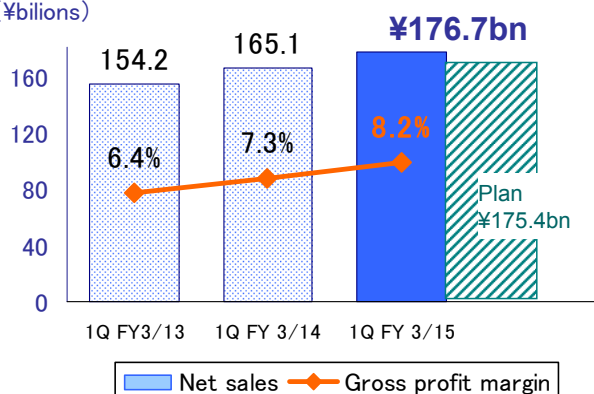
## I – 3 Income summary by segment ( Real estate )

(¥billions)

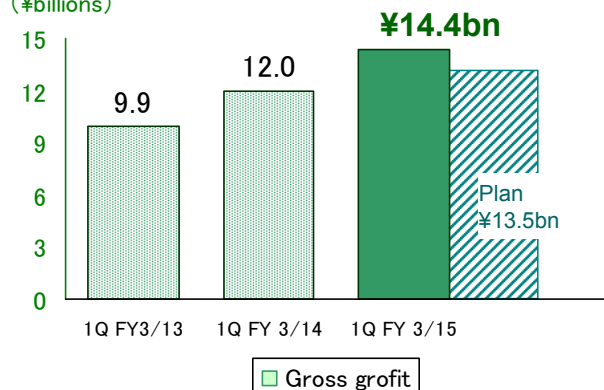
	1QFY3/14	1QFY3/15	(YoY)
Net sales	165.1	176.7	(+7.0%)
Gross profit	12.0	14.4	(+20.5%)
Gross profit margin	7.3%	8.2%	[+0.9p]

[ ] : Difference from previous same period

(¥billions)



(¥billions)



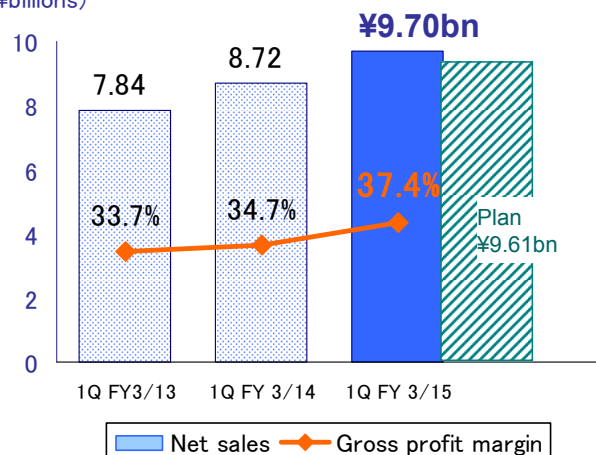
## I – 4 1Q Financial Results by segment ( Others )

(¥billions)

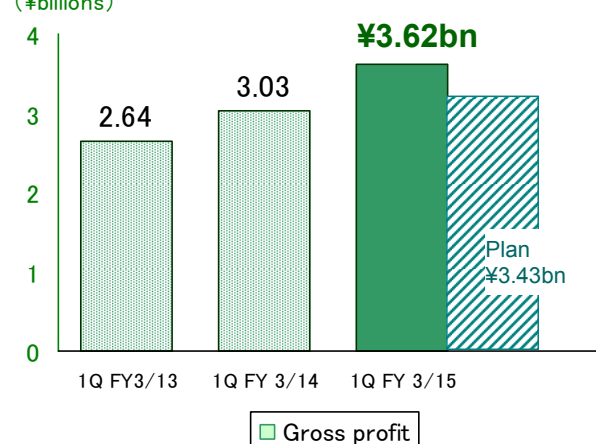
	1QFY3/14	1QFY3/15	(YoY)
Net sales	8.72	9.70	(+11.2%)
Gross profit	3.03	3.62	(+19.7%)
Gross profit margin	34.7%	37.4%	[+2.7p]

[ ] : Difference from previous same period

(¥billions)



(¥billions)



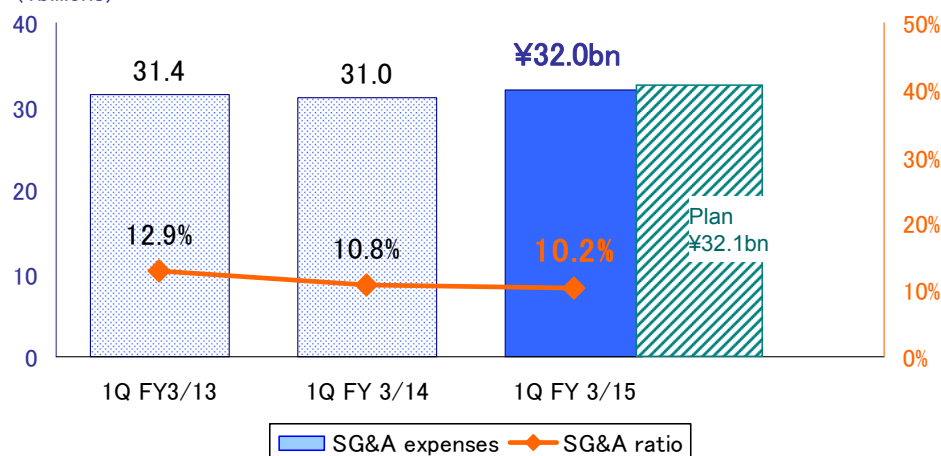
## I – 5 Selling, general and administrative expenses

(¥billions)

	1Q FY3/14	1Q FY3/15	(YoY )
SG&A expenses	31.0	32.0	(+3.1%)
SG&A ratio	10.8%	10.2%	[Δ0.6p]

[ ] : Difference from previous same period

(¥billions)



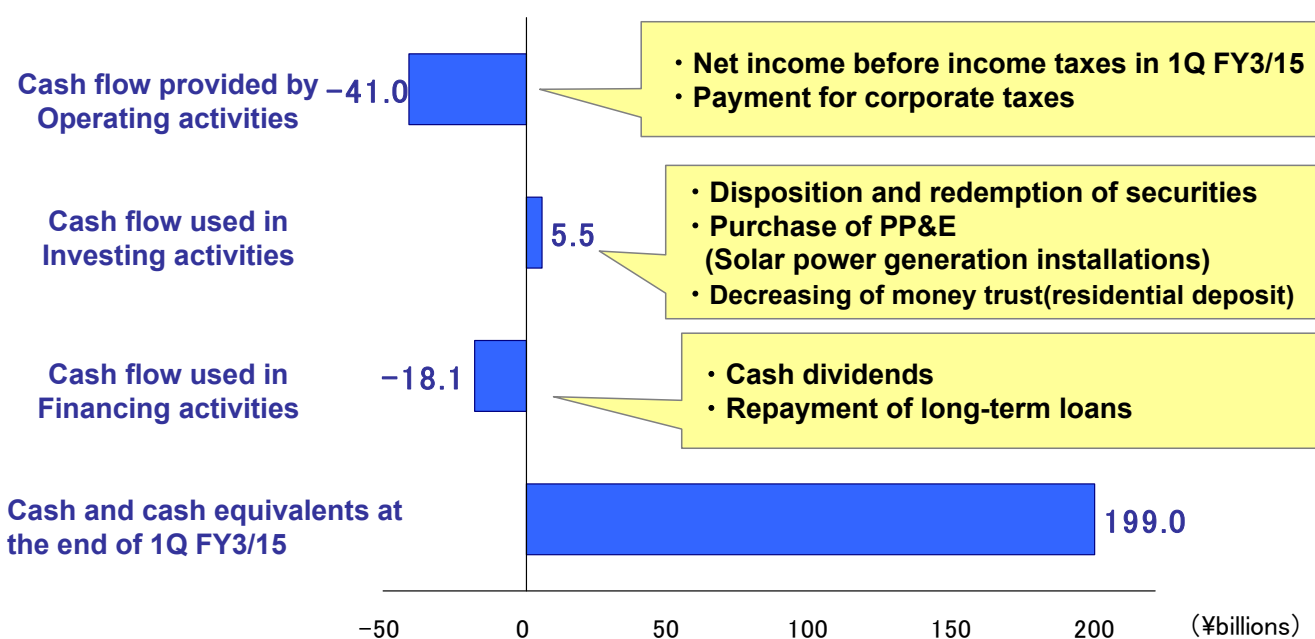
## I – 6 B/S summary

1Q FY 3/15				End of FY3/14			
				(¥billions)			
Current assets	429.8 (Δ53.1)	Current liabilities	203.1 (Δ52.2)	Current assets	482.9	Current liabilities	255.4
Noncurrent assets	199.8 (Δ1.5)	Noncurrent liabilities	201.4 (Δ5.5)	Noncurrent assets	201.4	Noncurrent liabilities	206.9
		Total liabilities	404.5 (Δ57.8)			Total liabilities	462.4
		Net assets	225.1 (+3.1)			Net assets	222.0
Total	629.7 (Δ54.6)	Total	629.7	Total	684.4	Total	684.4

BPS	¥2,856.81	BPS	¥2,823.23
Equity ratio	36.1%	Equity ratio	32.9%

## I – 7 Cash flows

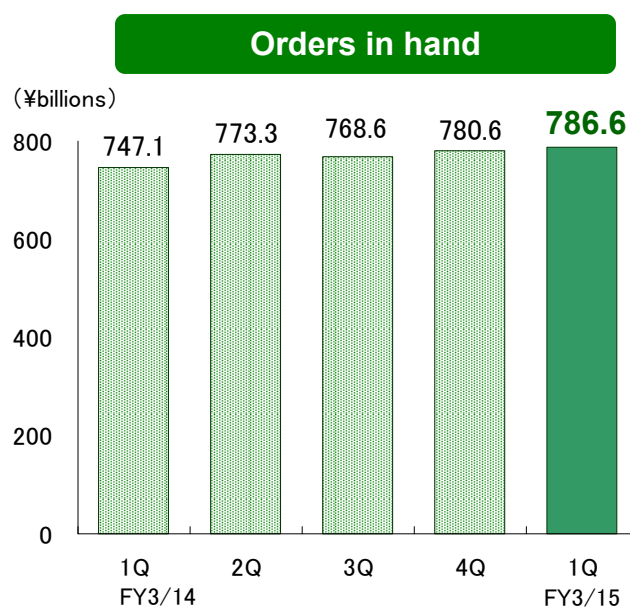
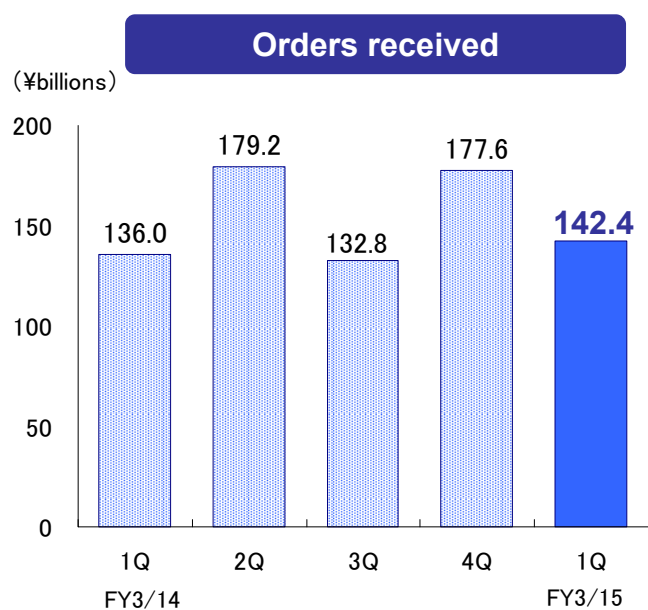


## Ⅱ. Key Figures

### Ⅱ - 1 Orders received and Orders in hand

◇Orders received    **¥142.4bn** ( +4.7% YoY)

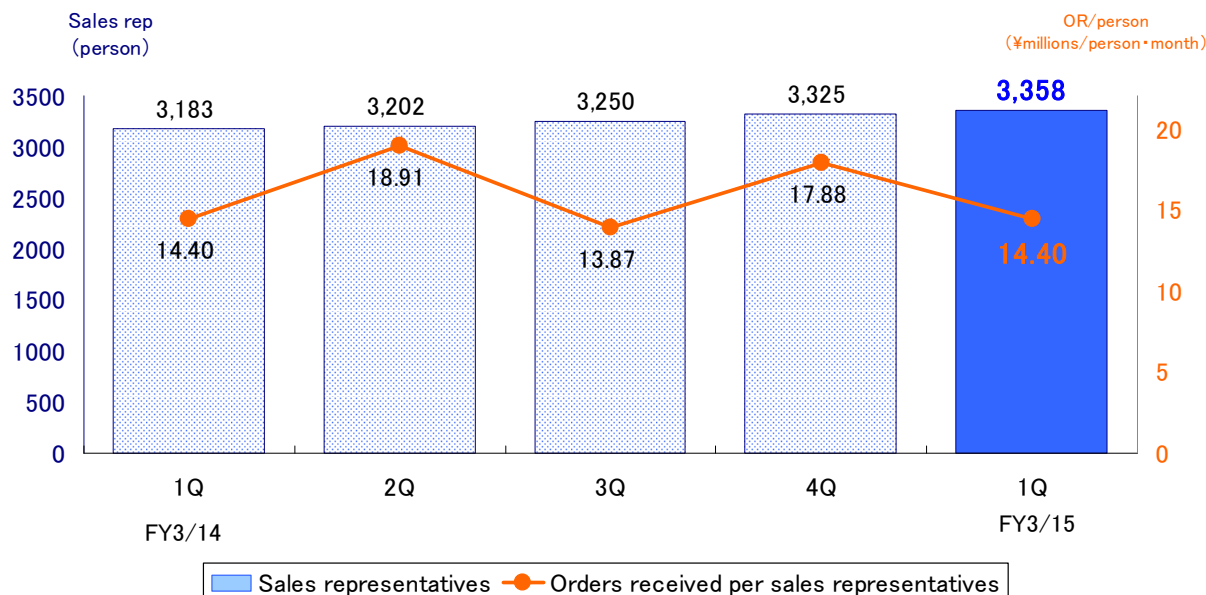
◇Orders in hand    **¥786.6bn** ( +5.3% YoY)



## II – 2 Business staffs and Orders received per sales rep ( Quarterly comparison )

◇Sales representatives **3,358staffs ( +175YoY)**

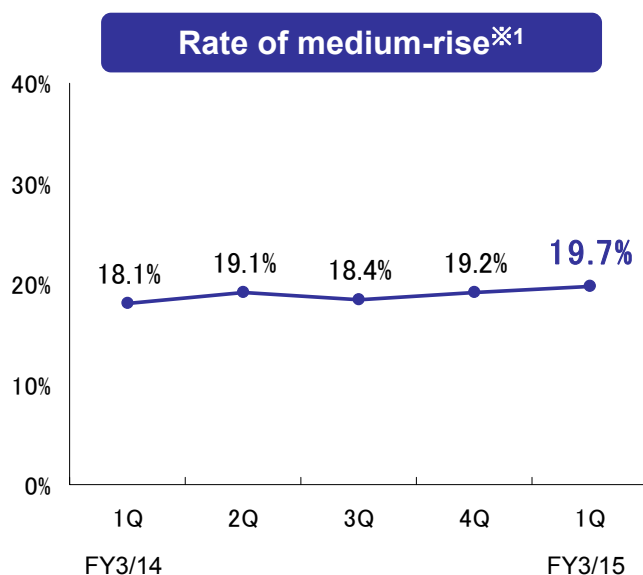
◇Orders received per sales rep **¥14.40million / Month ( ±0 YoY)**



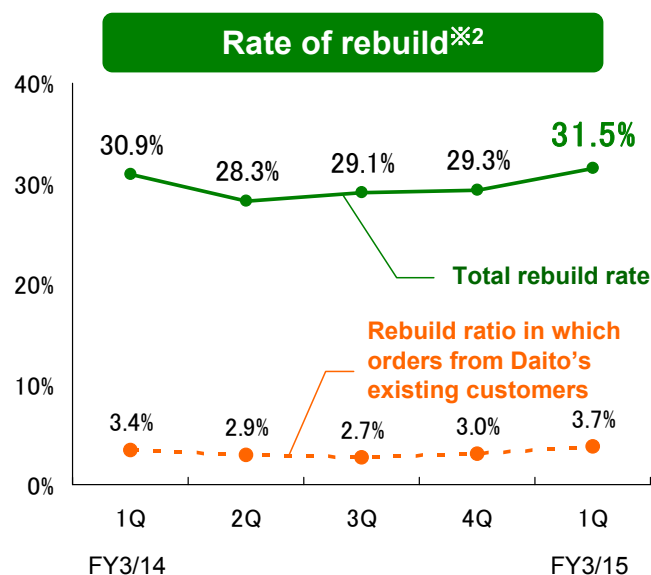
## II – 3 Important indicators from orders received

◇Rate of medium-rise **19.7% (+1.6p YoY)**

◇Rate of rebuild **31.5% (+0.6p YoY)**



※1 Rate of mid-rise =  
Orders received for over three-storied APT / Total orders received

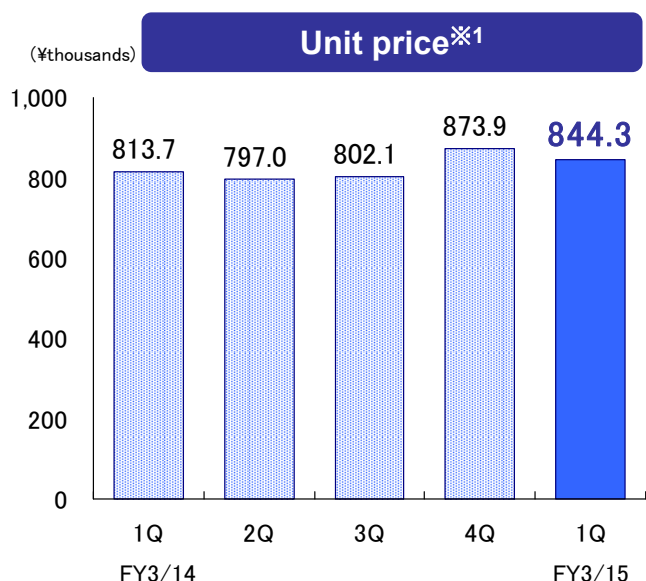


※2 Rebuild rate = Orders received by rebuild / Total orders received

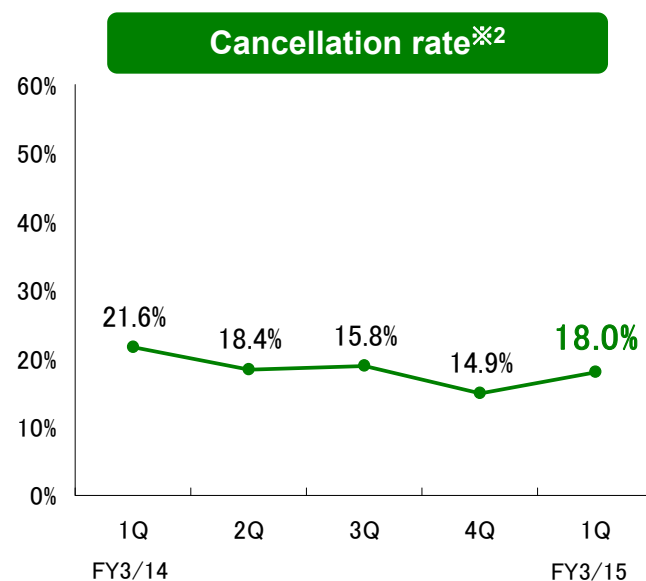
## II – 4 Cancellation rate and Unit price of orders received

◇ Unit price **¥84.43mn (+¥3.06mn YoY)**

◇ Cancellation rate **18.0% (Δ3.6p YoY)**



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

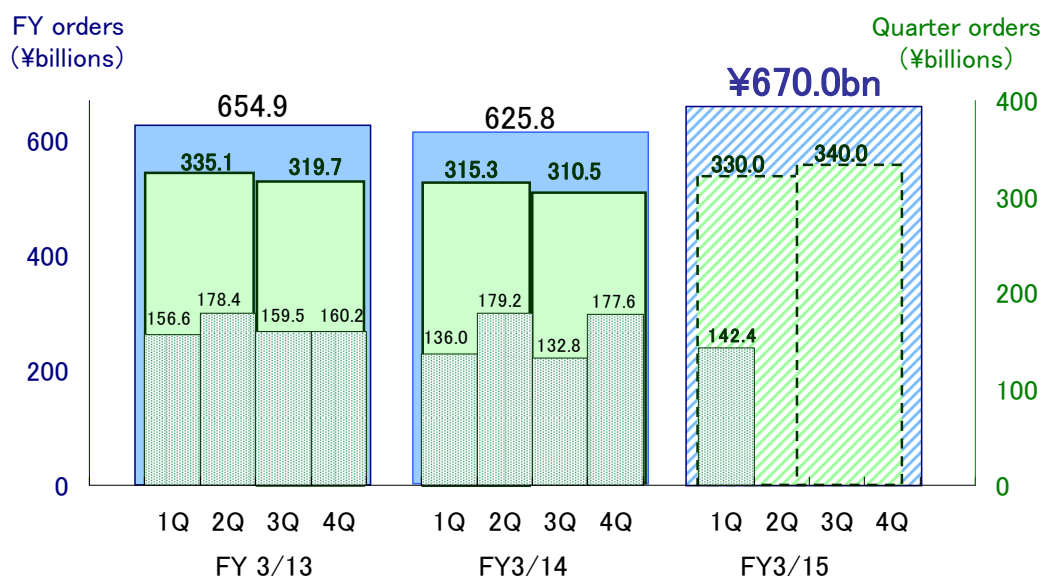


※2 Cancellation rate = the amount of cancellation / the amount of new orders received  
Orders received = the amount of new orders received – the amount of cancellation

## II – 5 Change of the amount of Orders received

◇ Planning of construction awards FY3/15 **¥670bn (+7.1% YoY)**

(Planning of construction awards first half FY3/15 **¥330bn (+4.7%YoY)**)





### 1. Hold seminars of inheritance property nationally

Seminars of inheritance property (Jun.~Aug./85 places)

「志」の資産承継  
—引継ぐ人の意思を明確に伝える—  
家族の「幸せ」を生み出すための円満・円滑の5つのポイントをお伝えします

Adult Guardian ship, trust, testament, Advancement, Corporation

●seminars of inheritance property

Interests of land owners

Until now	From now
<ul style="list-style-type: none"> <li>●tax-reduction strategy (reduction of ratable value, etc.)</li> <li>●making of taxpaying funds</li> </ul>	<ul style="list-style-type: none"> <li>●Transfer of properties (who, what, how)</li> <li>●Measure not to fight in the inheritance... etc.</li> </ul>

### 2. Increase and development of female sales rep

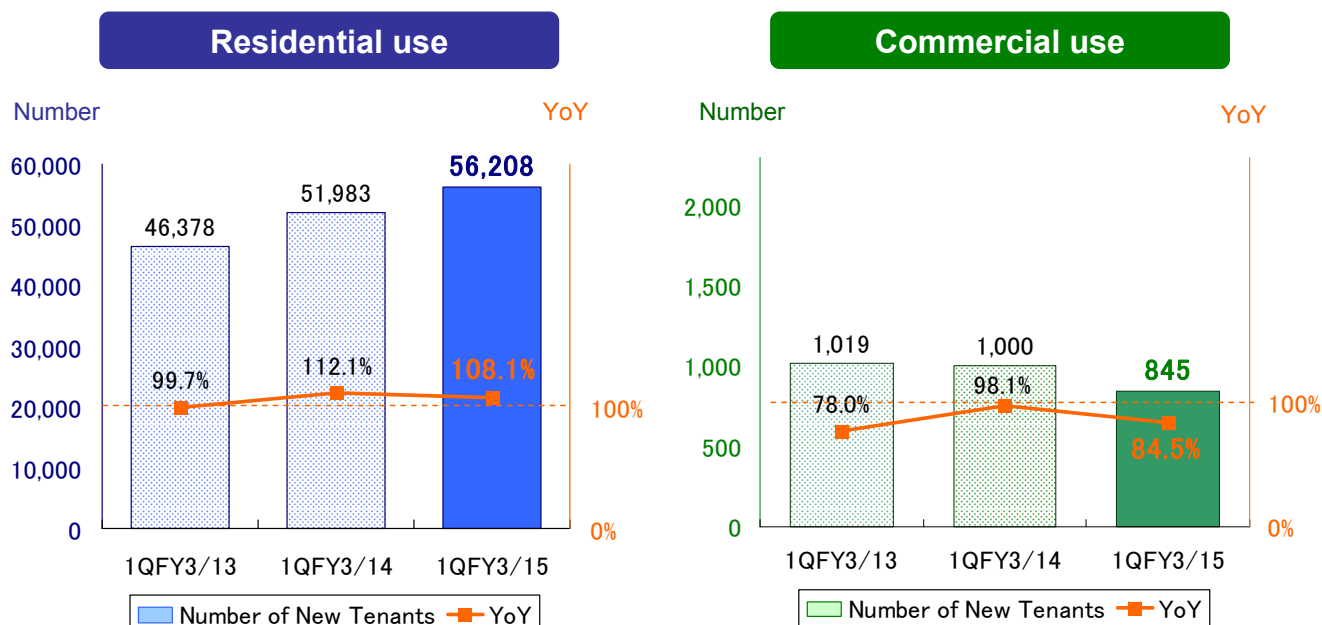


### 3. Development and injection of Three-storied timbered apartments



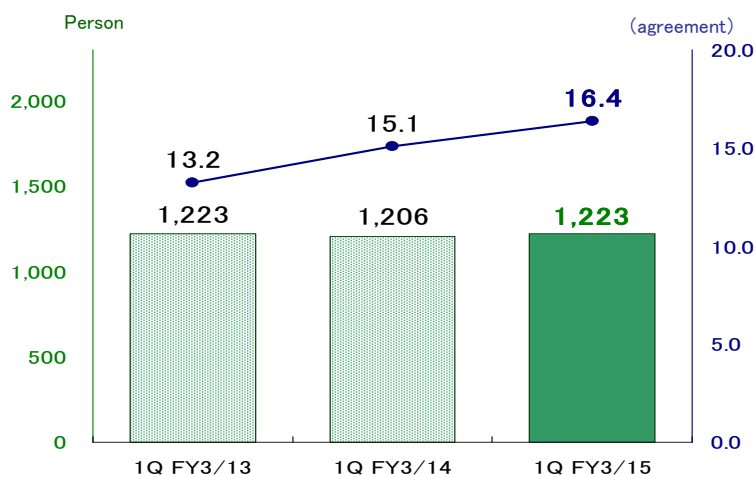
◇ **New Tenants** **57,053** ( **+7.7% YoY** )

- **Residential use** **56,208** ( **+8.1% YoY** )
- **Commercial use** **845** ( **△15.5% YoY** )



## II – 9 Tenancy agreement per rep

◇ **Tenancy agreement per rep** **16.4/rep** · month ( **+1.3YoY** )



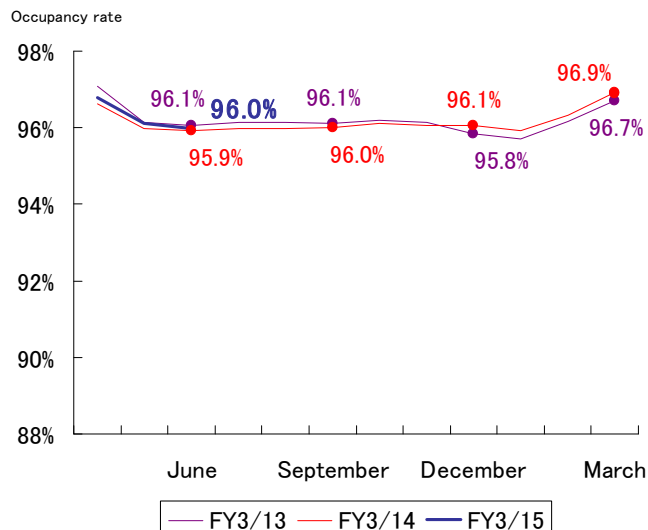
	1Q FY3/13	1Q FY3/14	1Q FY3/15
Tenant sales rep.	1,223	1,206	1,214
①Exclusive duty for inquiries to Daito	55	408	709
②Exclusive duty for real estate agencies	53	236	307
③Both of ①&②	1,115	562	177
④Clerical duty	—	—	21



## II -10 Plan for tenancy agreement and occupancy rate

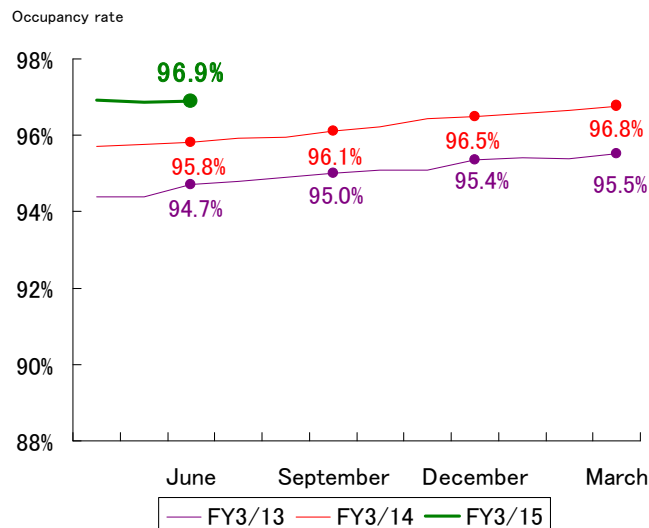
1Q FY3/15

Occupancy rate of residential use  
96.0% (+0.1p YoY)



1Q FY3/15

Occupancy rate of Commercial use  
96.9% (+1.1p YoY)



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

## II -11 Enforcing and extending tenancy sales

### 1. Start to air new CM

お部屋さがしは  
**いい部屋ネット**

Unfold the three stories which were elected from “destined encounter campaign”

#### 『Trailer of destined encounters』

2014.  
July 21st~

あなたは、運命の出会いを  
信じますか？



#### 『Destined mails』

2014  
Aug.16th~



Future broadcast plans  
『A lost whale』 Nov. 2014~  
『NANMANDABU』 Feb. 2015~

### 2. Increase Daito's fan & introduces by LINE



delivery of original free stamps



Great  
Popularity

Friends (download)  
More than 6.5 millions

- Expansion of the fans
- Acquisition of the new customers
- Increase of introducers by delivered information like campaigns etc.

### 3. Payment of initial cost/improvement of convenience

- Various credit-card payment

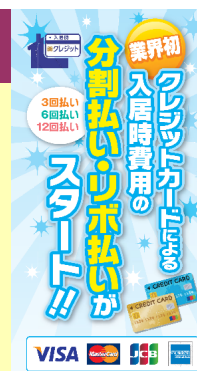
2013.10.1~

Lump-sum payment

+

2014.7.1~  
Start

Installed payment  
Revolving payment



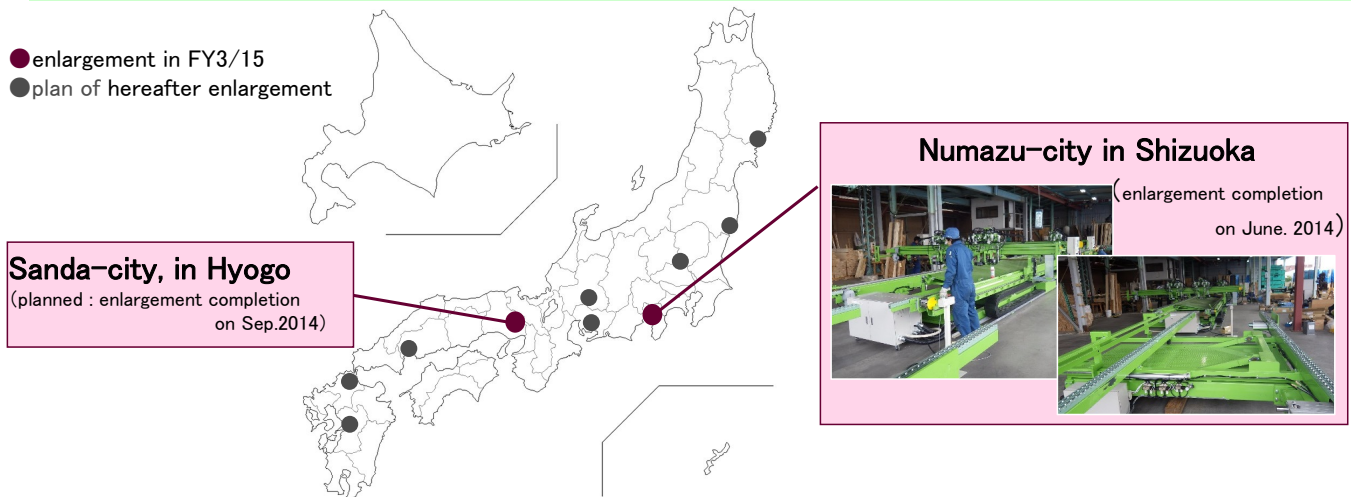
## III. Topics

### III- 1 Effort at reinforcing construction systems ①

2×4 panels production/  
start of enlargement line operations (Numazu-city in Shizuoka)

3/15YoY additional production line  
(allied 2 factories :  
Daito's obligation fees about ¥500millions)

Our partner panel factories  
Annual amount of productions  
**10%UP**

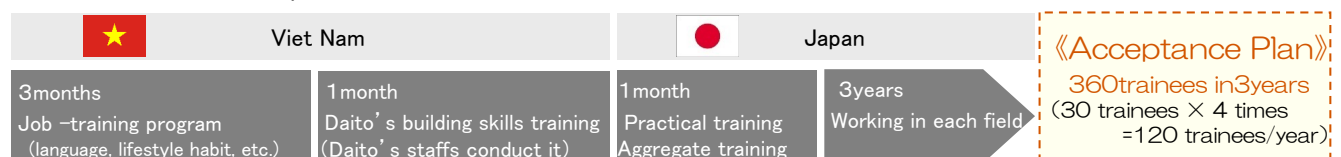


### III- 2 effort at reinforcing construction systems ②

【Cooperate with Technical Internship Program】  
First 25 trainees start training from Nov. 2014



【Flow of the trainee acceptance】



## IV. Appendix

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

(¥millions)

	1Q FY3/15	1Q FY3/14	YoY	Plan(full-year)
<b>Net sales</b>	<b>133,352</b>	116,831	<b>+14.1%</b>	<b>605,800</b>
Construction	129,099	112,651	+14.6%	584,500
Real estate & others	4,253	4,179	+1.8%	21,300
<b>Gross profit</b>	<b>38,322</b>	37,177	<b>+3.1%</b>	<b>174,200</b>
Construction	38,686	37,811	+2.3%	175,200
Real estate & others	△363	△634	—	△1,000
<b>SG &amp; A expenses</b>	<b>26,041</b>	25,635	<b>+1.6%</b>	<b>123,900</b>
<b>Operating income</b>	<b>12,280</b>	11,541	<b>+6.4%</b>	<b>50,300</b>
<b>Ordinary income</b>	<b>13,275</b>	12,316	<b>+7.8%</b>	<b>55,300</b>
<b>Net income</b>	<b>8,277</b>	7,400	<b>+11.8%</b>	<b>34,700</b>



## IV- 2 Financial summaries of major subsidiaries (construction) <3/2015>

(¥millions)

	Construction business							
	Daito Construction				Daito Steel			
	1Q FY3/15	1Q FY3/14	YoY	plan (full-year)	1Q FY3/15	1Q FY3/14	YoY	plan (full-year)
<b>Net sales</b>	<b>971</b>	1,042	<b>△6.8%</b>	<b>5,250</b>	<b>943</b>	890	<b>+6.0%</b>	<b>4,606</b>
Gross profit	△4	12	—	95	46	43	+5.5%	170
SG&A expenses	27	33	△16.7%	148	17	17	△0.1%	76
<b>Operating income</b>	<b>△31</b>	△20	—	<b>△52</b>	<b>28</b>	26	<b>+9.3%</b>	<b>94</b>
<b>Ordinary income</b>	<b>△20</b>	△5	—	<b>0</b>	<b>28</b>	25	<b>+10.3%</b>	<b>93</b>
<b>Net income</b>	<b>△22</b>	△5	—	<b>0</b>	<b>19</b>	15	<b>+21.8%</b>	<b>59</b>

## IV- 3 Sales structure of Real estate business <3/2015>

(¥millions)

	1Q FY3/13		1Q FY3/14		1Q FY 3/15		
	Amount	(Ratio)	Amount	(Ratio)	Amount	(Ratio)	YoY
Whole-building lease ※1	140,782	(91.3%)	151,894	(92.0%)	<b>162,867</b>	(92.2%)	<b>+7.2%</b>
Building and repairs ※2	7,758	(5.0%)	7,550	(4.5%)	<b>7,458</b>	(4.2%)	<b>△1.2%</b>
Brokerage	3,109	(2.0%)	3,234	(2.0%)	<b>3,375</b>	(1.9%)	<b>+4.4%</b>
Lease business ※3	1,472	(1.0%)	1,493	(0.9%)	<b>1,433</b>	(0.8%)	<b>△4.0%</b>
Rental guarantee business	472	(0.3%)	546	(0.3%)	<b>726</b>	(0.4%)	<b>+32.8%</b>
Electricity business	1	(0.0%)	32	(0.0%)	<b>503</b>	(0.3%)	<b>+1,461.9%</b>
Sub-lease ※4	332	(0.2%)	94	(0.1%)	<b>52</b>	(0.0%)	<b>△44.6%</b>
Others	306	(0.2%)	310	(0.2%)	<b>318</b>	(0.2%)	<b>+2.4%</b>
<b>Total</b>	<b>154,235</b>	<b>(100.0%)</b>	<b>165,158</b>	<b>(100.0%)</b>	<b>176,734</b>	<b>(100.0%)</b>	<b>+7.0%</b>

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

※2 Building and repairs by Daito Building Management (recorded sales on construction till FY3/10)

※3 Mainly Shinagawa East One Tower

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

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

(¥millions)

	Real estate business											
	Daito Building Management				Housecom				House Leave			
	1QFY3/15	1QFY3/14	YoY	plan (full-year)	1QFY3/15	1QFY3/14	YoY	plan (full-year)	1QFY3/15	1QFY3/14	YoY	plan (full-year)
<b>Net sales</b>	<b>171,933</b>	160,532	<b>+7.1%</b>	<b>698,177</b>	<b>1,979</b>	1,854	<b>+6.7%</b>	<b>8,637</b>	<b>726</b>	546	<b>+32.8%</b>	<b>2,676</b>
Gross profit	13,698	11,705	+17.0%	45,700	1,979	1,854	+6.7%	8,637	621	360	+72.3%	2,123
SG&A expenses	3,274	2,779	+17.8%	13,956	1,946	1,982	△1.9%	8,171	97	49	+98.1%	402
<b>Operating income</b>	<b>10,424</b>	8,925	<b>+16.8%</b>	<b>31,744</b>	<b>32</b>	△128	—	<b>465</b>	<b>524</b>	311	<b>+68.3%</b>	<b>1,721</b>
<b>Ordinary income</b>	<b>10,598</b>	9,115	<b>+16.3%</b>	<b>32,389</b>	<b>33</b>	△82	—	<b>793</b>	<b>534</b>	318	<b>+67.9%</b>	<b>1,744</b>
<b>Net income</b>	<b>7,046</b>	5,600	<b>+25.8%</b>	<b>20,598</b>	<b>12</b>	△58	—	<b>469</b>	<b>323</b>	200	<b>+61.2%</b>	<b>1,097</b>

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

(¥millions)

	Other business (Financial business)							
	Daito Finance				D.T.C			
	1QFY3/15	1QFY3/14	YoY	plan (full-year)	1QFY3/15	1QFY3/14	YoY	plan (full-year)
<b>Net sales</b>	<b>244</b>	239	<b>+2.1%</b>	<b>881</b>	<b>816</b>	864	<b>△5.7%</b>	<b>3,159</b>
Gross profit	144	144	+0.1%	505	376	402	△6.5%	1,284
SG&A expenses	33	35	△3.7%	155	3	3	△8.1%	13
<b>Operating income</b>	<b>110</b>	109	<b>+1.3%</b>	<b>350</b>	<b>373</b>	399	<b>△6.5%</b>	<b>1,271</b>
<b>Ordinary income</b>	<b>110</b>	109	<b>+1.4%</b>	<b>350</b>	<b>376</b>	389	<b>△3.5%</b>	<b>1,277</b>
<b>Net income</b>	<b>70</b>	66	<b>+5.8%</b>	<b>220</b>	<b>376</b>	389	<b>△3.5%</b>	<b>1,277</b>

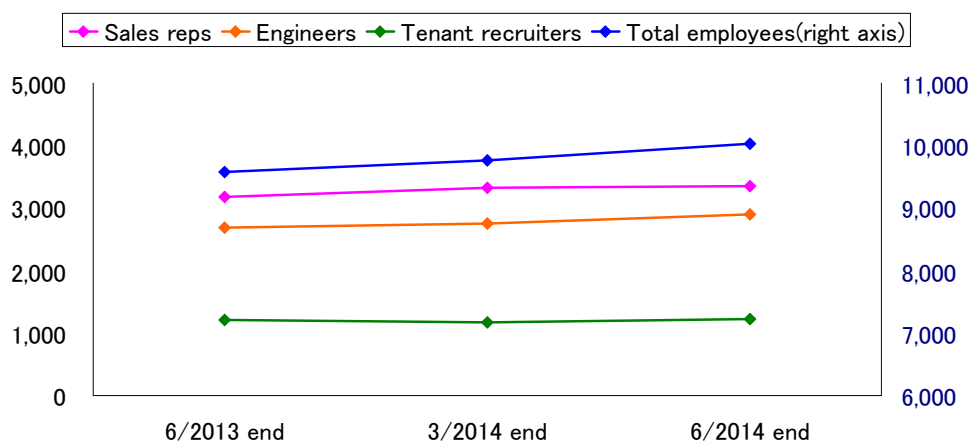


## IV- 6 Financial summaries of major subsidiaries (Others-2) <3/2015>

(¥millions)

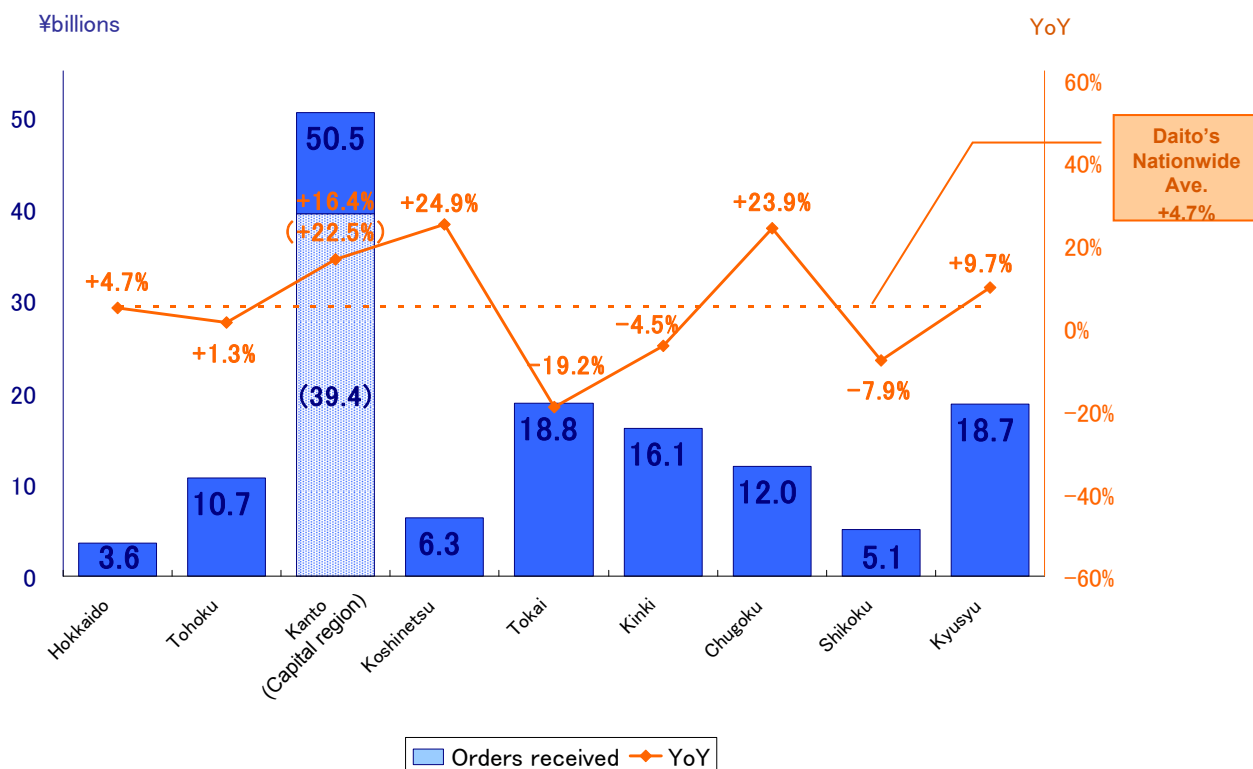
	Other business (Other)											
	Care Partner				Gaspal				D. A. D. (M)			
	1QFY3/15	1QFY3/14	YoY	plan (full-year)	1QFY3/15	1QFY3/14	YoY	plan (full-year)	1QFY3/15	1QFY3/14	YoY	plan (full-year)
Net sales	2,321	2,175	+6.7%	9,289	5,895	4,997	+18.0%	25,334	700	602	+16.2%	2,773
Gross profit	368	331	+11.3%	1,241	1,900	1,401	+35.7%	7,869	380	325	+16.8%	1,511
SG&A expenses	165	153	+7.9%	691	1,103	1,000	+10.4%	4,758	243	217	+12.2%	1,002
Operating income	202	177	+14.2%	550	796	400	+98.8%	3,110	136	108	+25.9%	509
Ordinary income	199	175	+13.4%	550	802	403	+98.7%	3,150	158	36	+330.5%	470
Net income	111	100	+11.1%	346	523	246	+112.4%	1,981	158	36	+330.5%	470

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

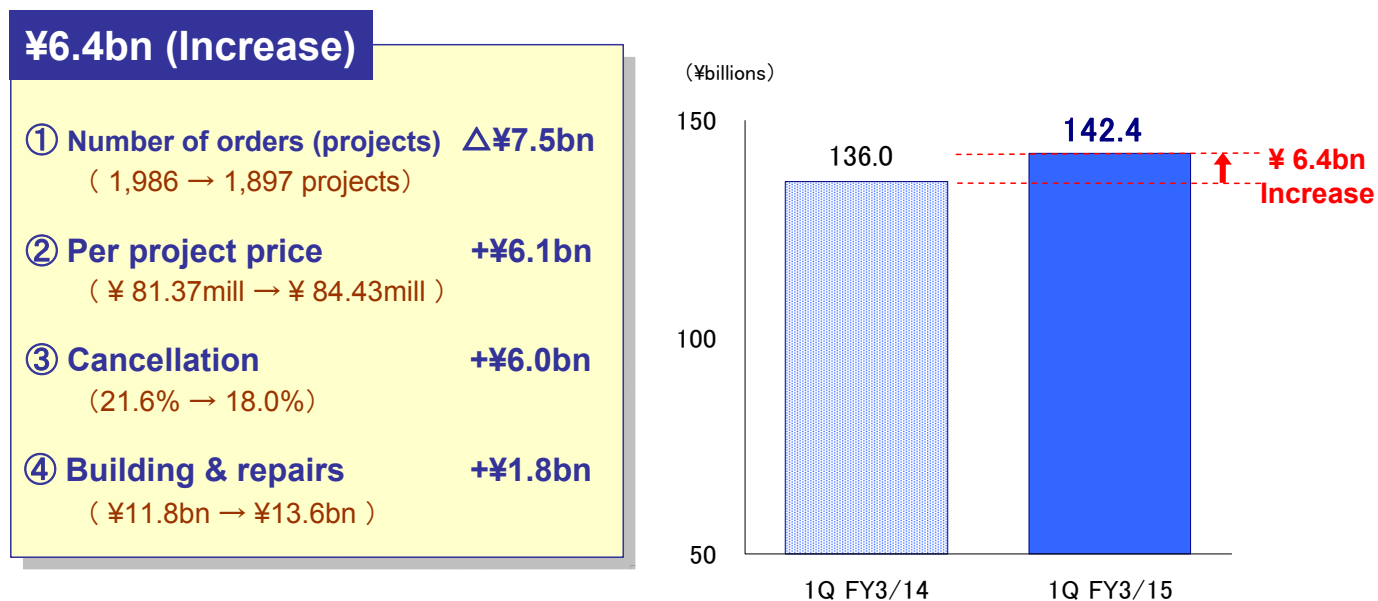


	6/2013 end	6/2014 end	YoY	3/2015 plan
Total employees	9,575	10,030	+455	10,400
Sales reps	3,183	3,358	+175	3,500
Engineers	2,683	2,897	+214	3,120
Tenant recruiters	1,206	1,223	+17	1,160

## IV- 8 Orders received by area

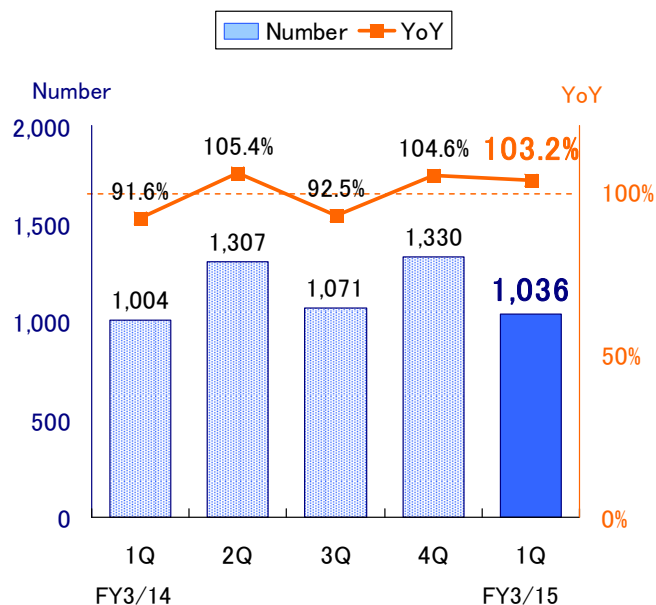


## IV- 9 1Q FY3/15 Orders Comparison with 1Q FY 3/14

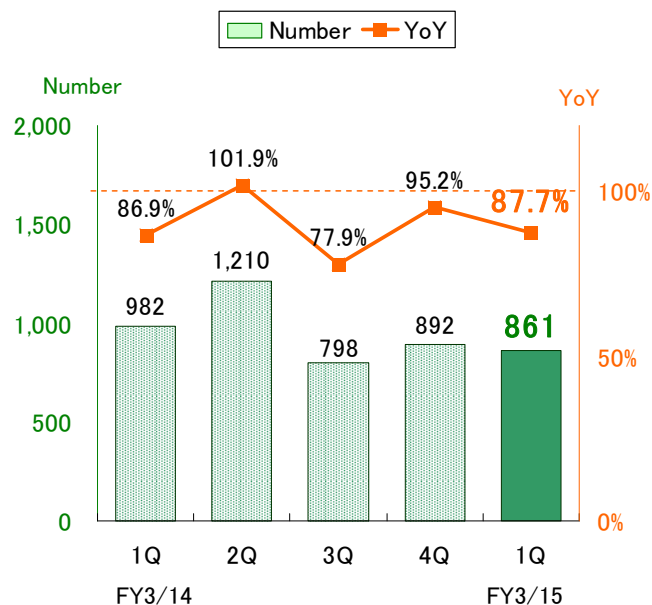


## IV- 10 Channels of orders received

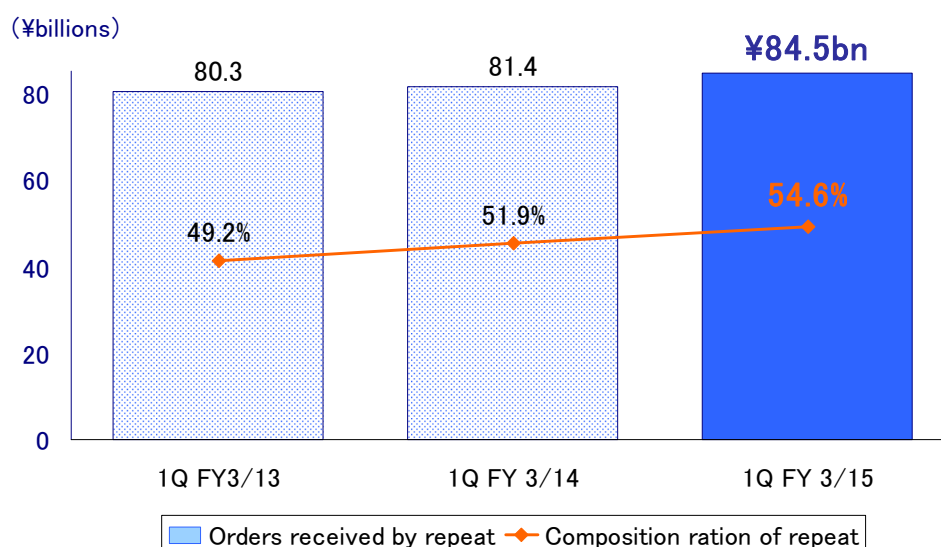
### Orders received by Repeat & Introduction



### Orders received from new customers

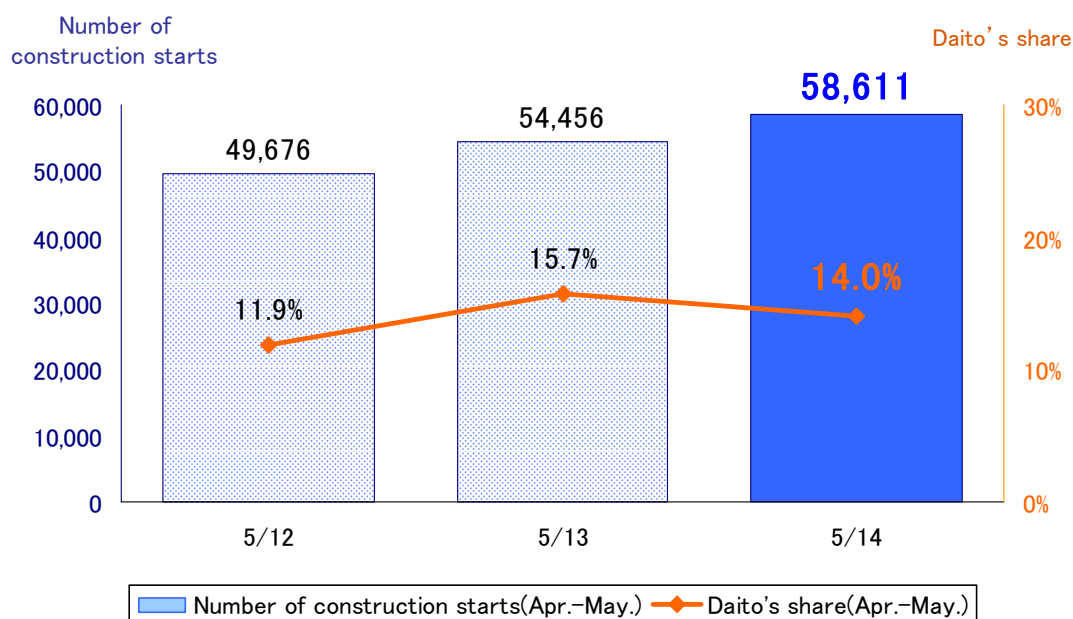


## IV- 11 Orders received by repeat



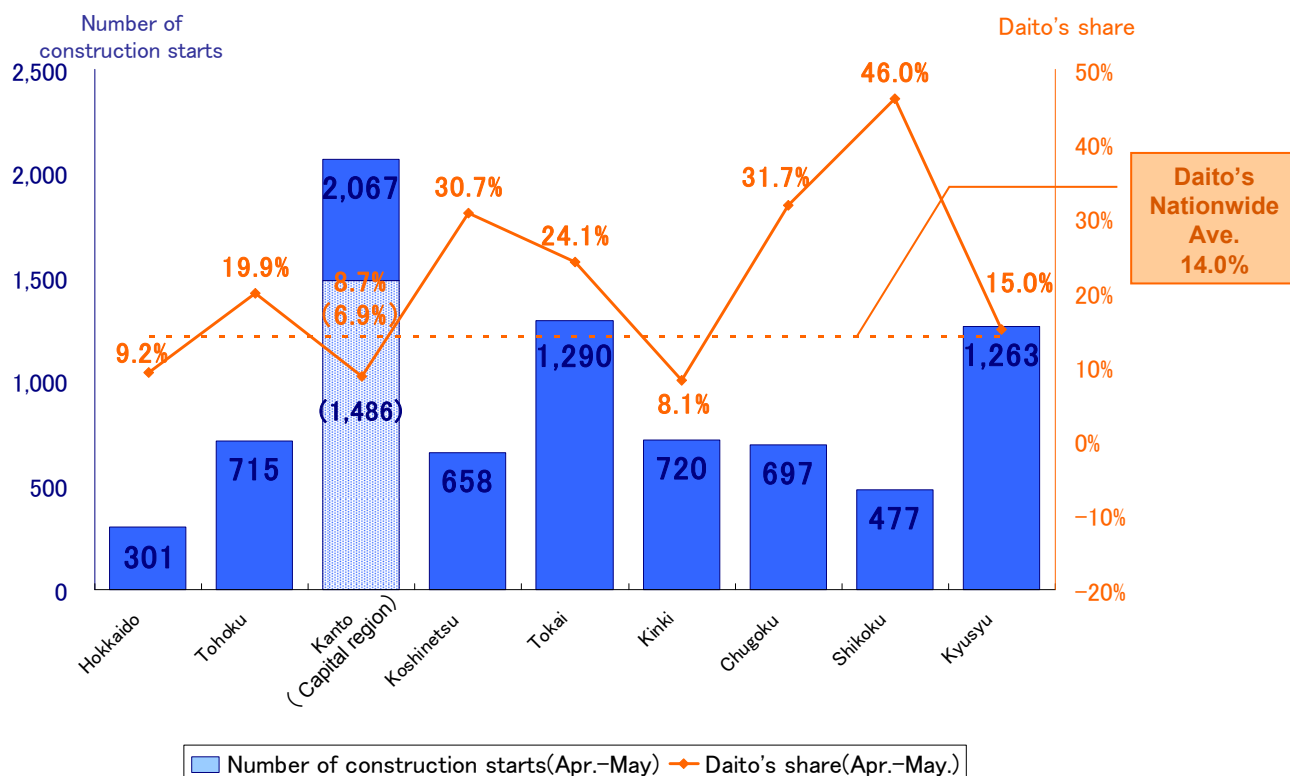
※ Composition ratio of repeat =  $\frac{\text{Number of orders received by repeat from our existing customers}}{\text{Total number of orders received}}$

#### IV- 12 Number of construction starts & Daito's share

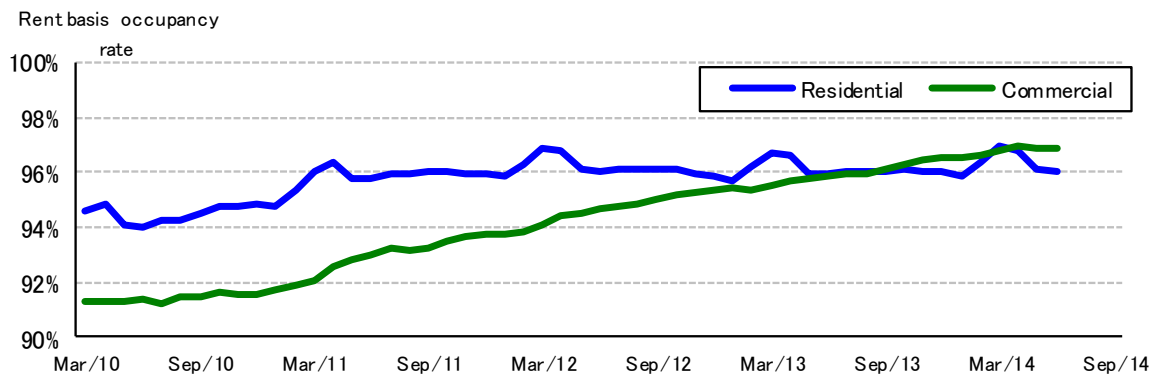


(Ministry of Land, Infrastructure, Transport and Tourism : "Housing and Land Survey")

#### IV- 13 Number of construction starts by area & Daito's share

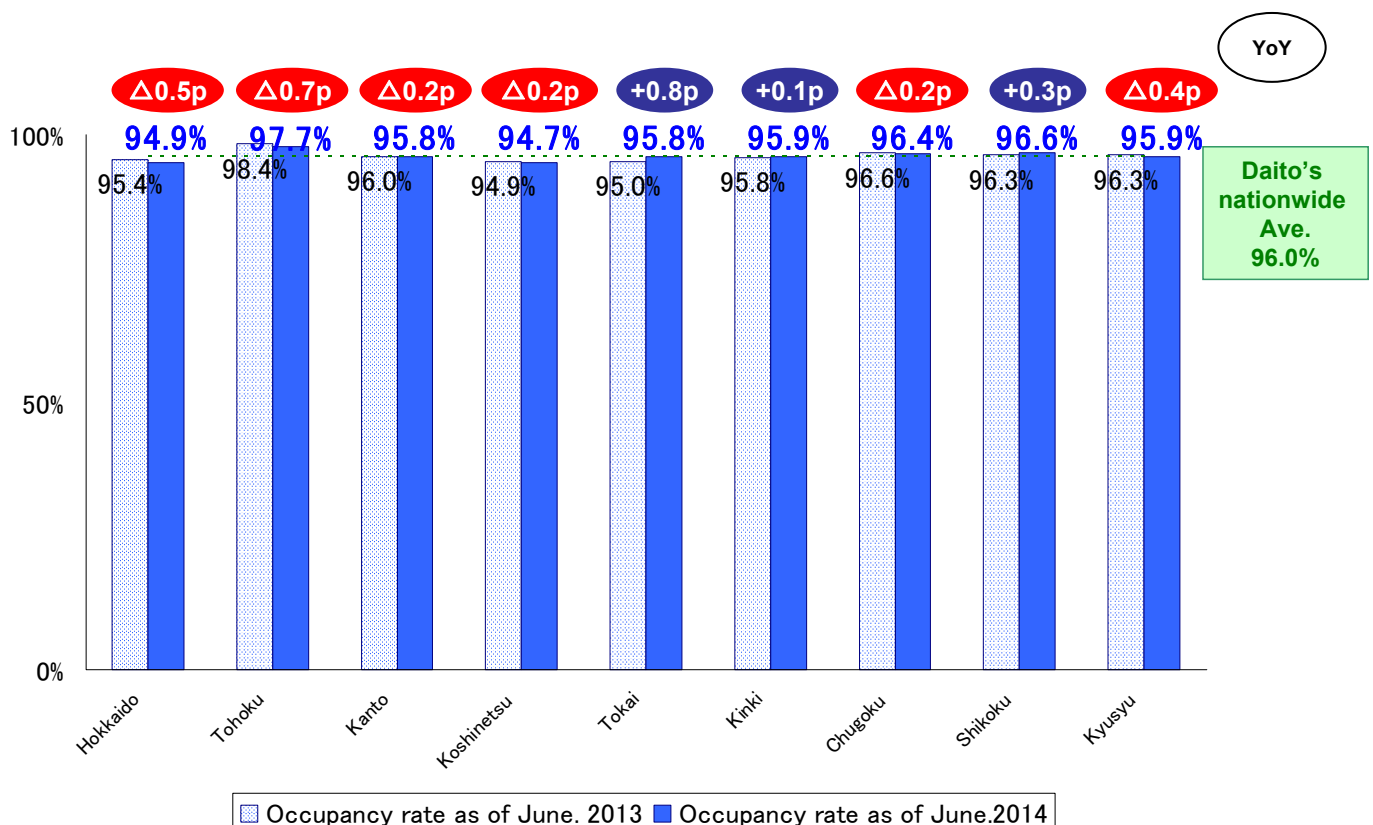


#### IV- 14 Rent basis occupancy rate

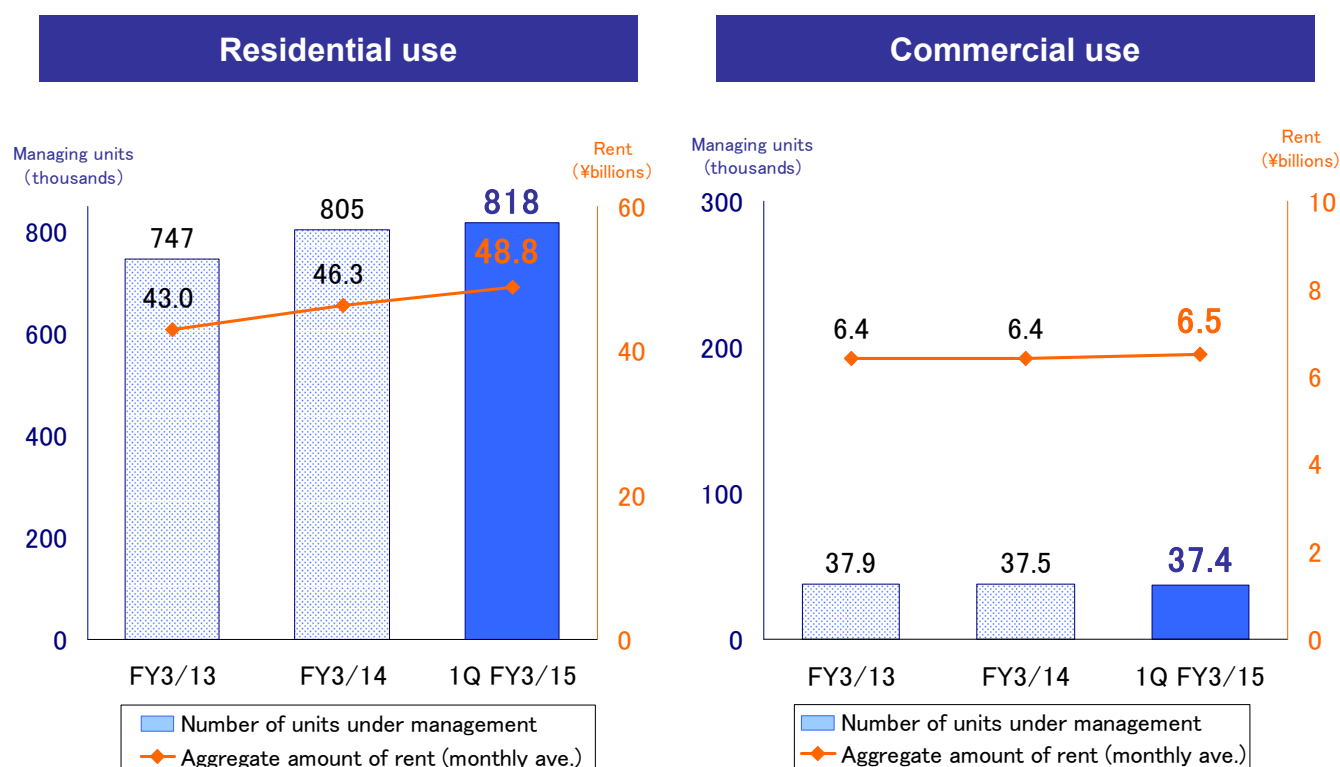


Rent basis occupancy rate	2010 (Jun.)	2011 (Jun.)	2012 (Jun.)	2013 (Jun.)	2014 (Jun.)	YoY
Residential use (%)	94.0%	95.7%	96.1%	95.9%	96.0%	+0.1p
Commercial use(%)	91.4%	93.0%	94.7%	95.8%	96.9%	+1.1p

#### IV- 15 Rent basis occupancy rate by area ( Residential use / June )

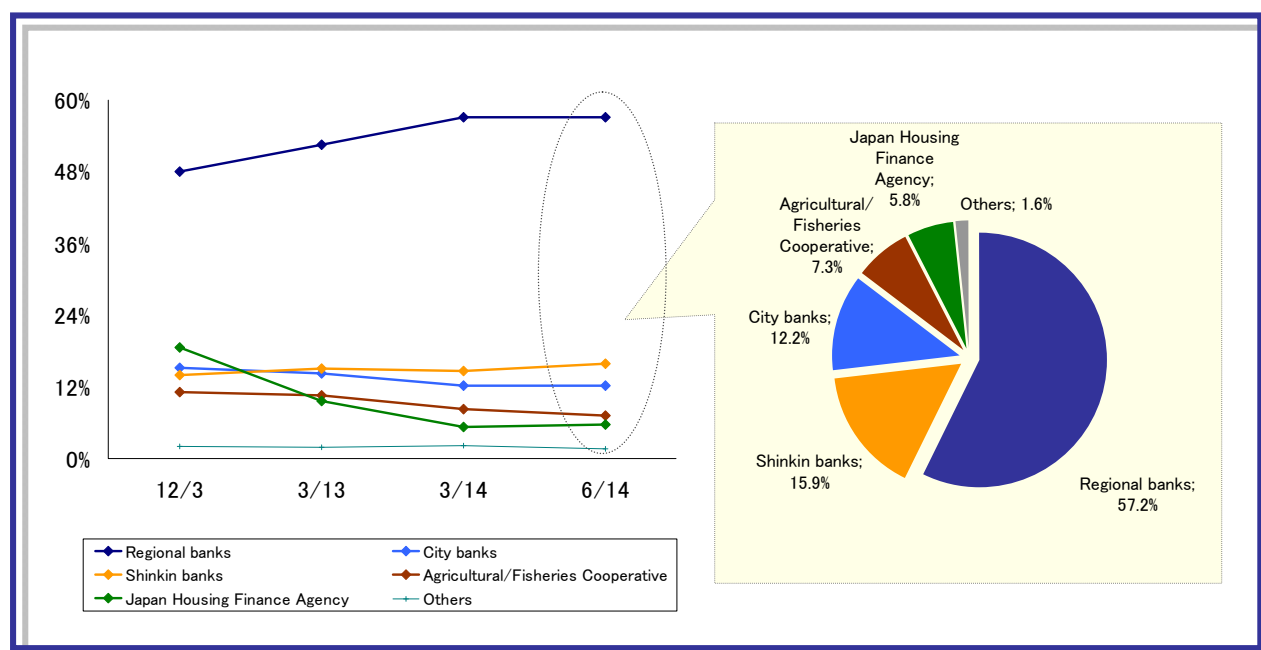


## IV- 16 Number of units under management & aggregate amount of rent



## IV- 17 Customer's financing channel

### Shares of financial institutions ( Construction starts basis)



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**Daito Trust Construction Co. Ltd**

**URL : <http://www.kentaku.co.jp>**

**E-Mail : [keiki@kentaku.co.jp](mailto:keiki@kentaku.co.jp)**