



# DAITO TRUST CONSTRUCTION CO., LTD.

## 3Q Financial Highlights, Year ending March 31, 2016

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### Contents

I . 3Q Financial Results . . . . .	3
II . Results and Prospects of Major indicator . . . . .	13
III . Financial Forecasts . . . . .	25
IV . Topics . . . . .	29
V . Appendix . . . . .	34

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## I . 3Q Financial Results, Year ending March 2016

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3

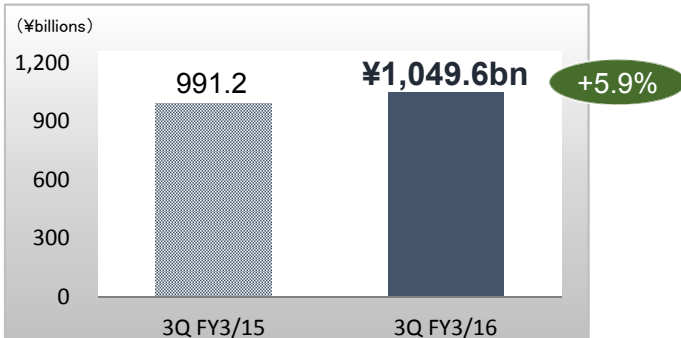
I - 1

### 3 Q Financial Results summary

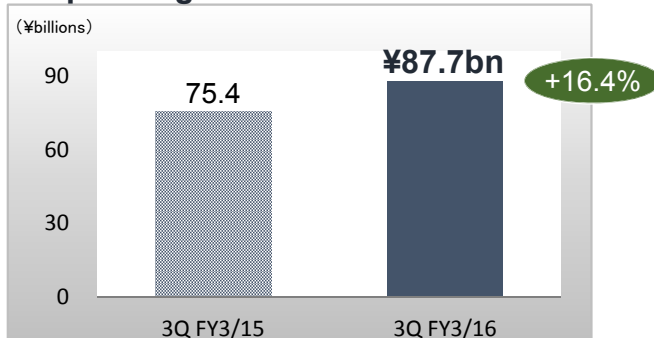
Sales and each profits are updated the highest record.

● : YOY

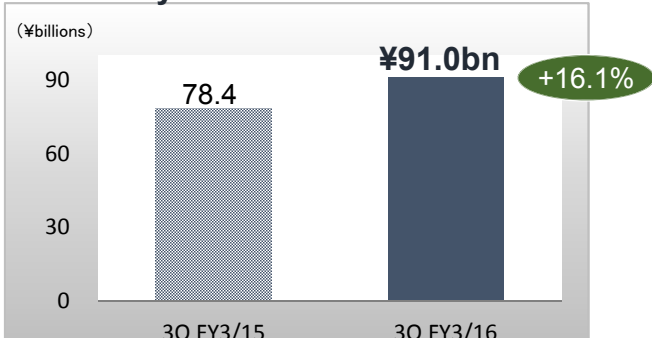
#### ■ Net sales



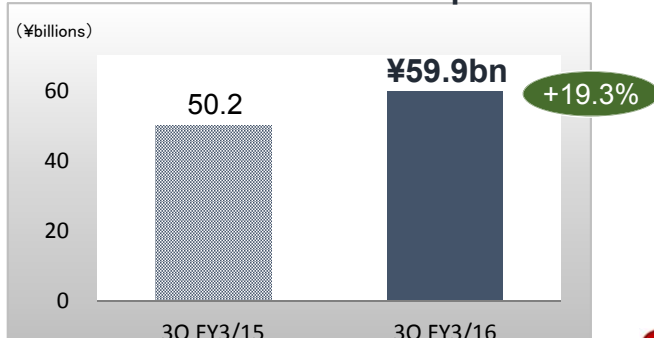
#### ■ Operating Income



#### ■ Ordinary Income



#### ■ Net Income attributable to parent



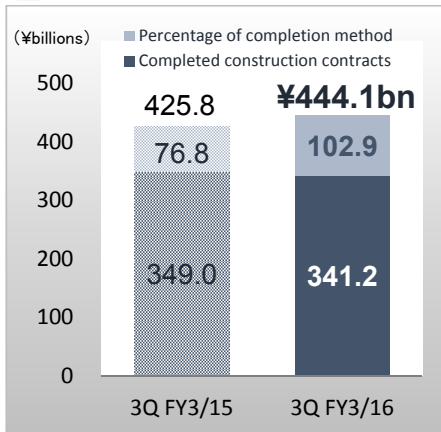
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4

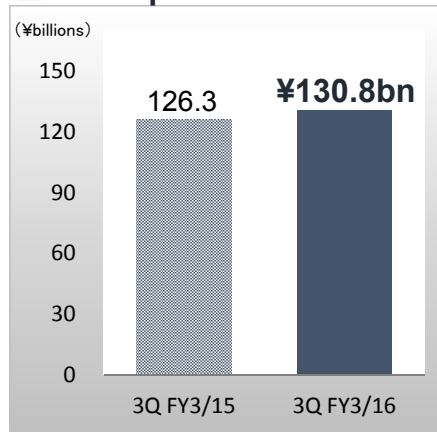
(¥billions)

	3Q FY3/15	3Q FY3/16	(YoY)
Net sales	425.8	444.1	(+4.3%)
Gross profit	126.3	130.8	(+3.5%)
Operating Income	59.8	68.7	(+14.7%)

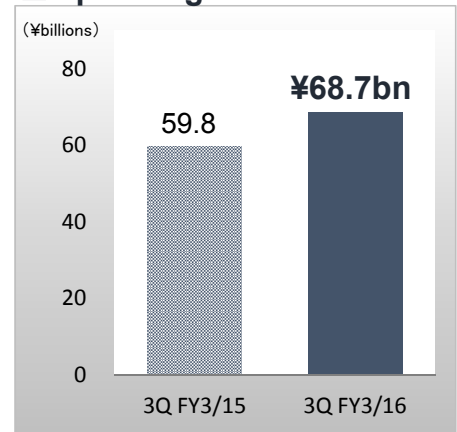
## ■ Net sales



## ■ Gross profit



## ■ Operating Income



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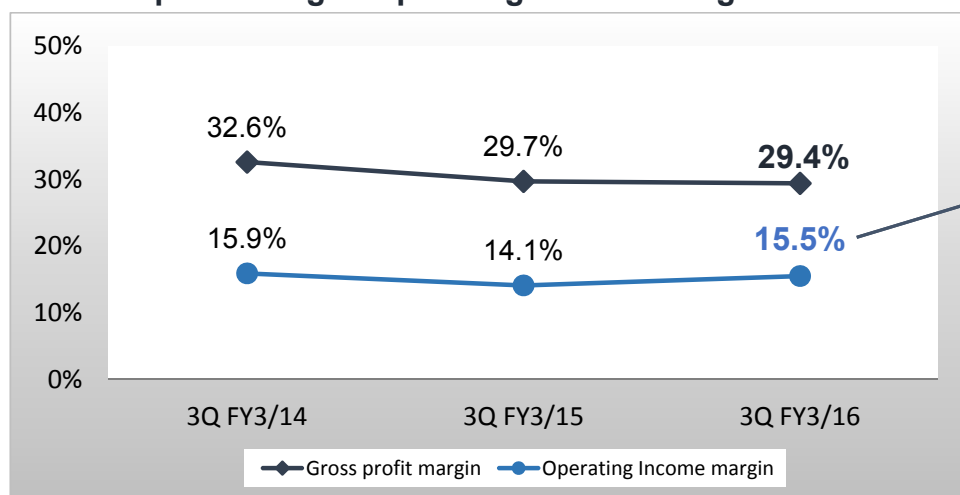
5

	3Q FY3/15	3Q FY3/16	(YoY)
Gross profit margin	29.7%	29.4%	(Δ0.3p)
Operating Income margin	14.1%	15.5%	(+1.4p)

## Major breakdown of GMR (Δ0.3p YoY)

- ① Results of price increase +0.7p
- ② Labor cost Δ0.8p
- ④ Exchange loss Δ0.2p
- ③ Material cost ±0.0p

## ■ Gross profit margin・Operating Income margin



Restraint of the operating income margin improvement by the cost reduction

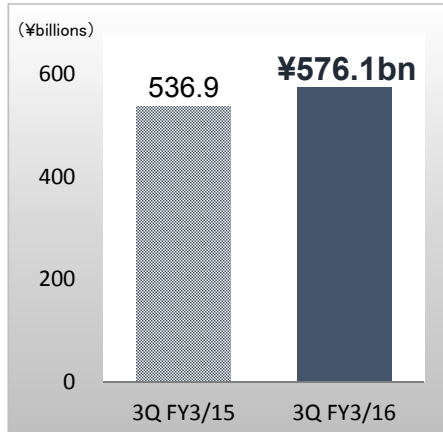
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6

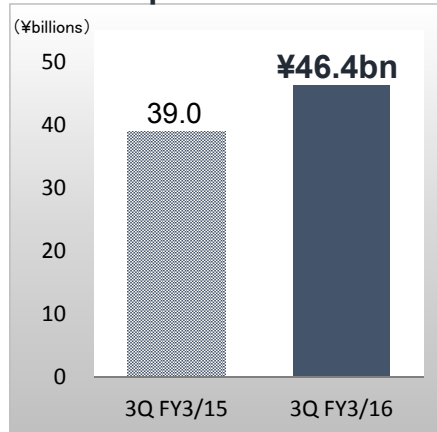
(¥billions)

	3Q FY3/15	3Q FY3/16	(YoY)
Net sales	536.9	576.1	(+7.3%)
Gross profit	39.0	46.4	(+18.9%)
Operating Income	14.7	19.7	(+33.5%)

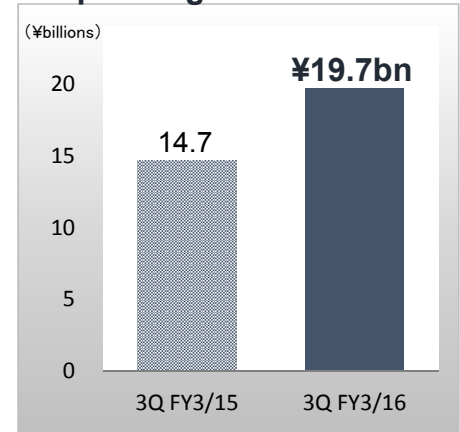
## ■ Net sales



## ■ Gross profit

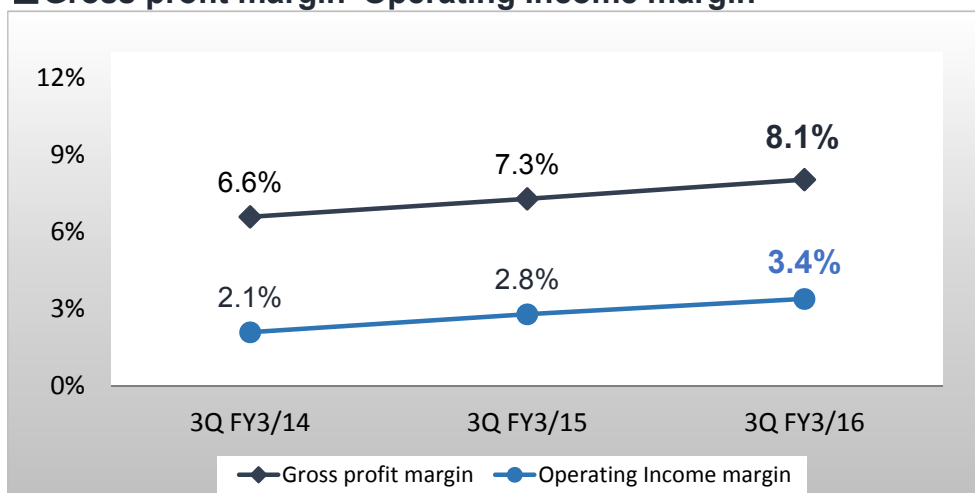


## ■ Operating Income



	3Q FY3/15	3Q FY3/16	(YoY)
Gross profit margin	7.3%	8.1%	(+0.8p)
Operating Income margin	2.8%	3.4%	(+0.6p)

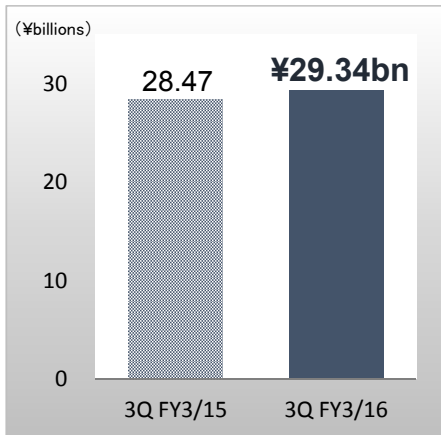
## ■ Gross profit margin・Operating Income margin



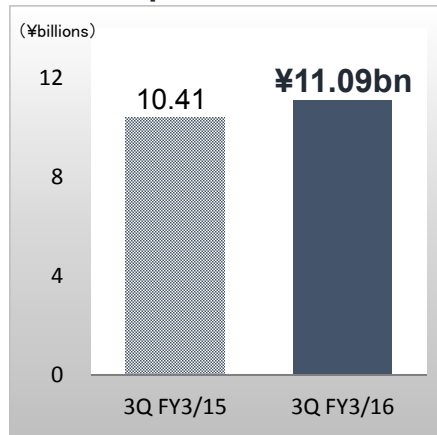
(¥billions)

	3Q FY3/15	3Q FY3/16	(YoY)
Net sales	28.47	29.34	(+3.1%)
Gross profit	10.41	11.09	(+6.6%)
Operating Income	6.05	6.22	(+2.9%)

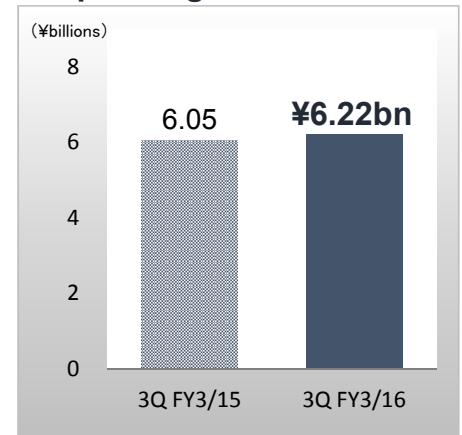
## ■ Net sales



## ■ Gross profit



## ■ Operating Income

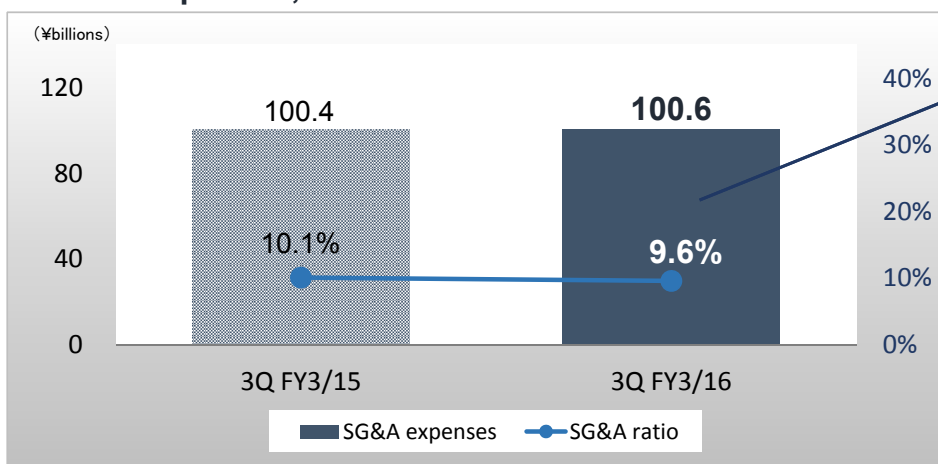


(¥billions)

	3Q FY3/15	3Q FY3/16	(YoY)
SG&A expenses	100.4	100.6	(+0.2%)
SG&A ratio	10.1%	9.6%	[Δ0.5p]

[ ] : Difference from previous same period

## ■ SG&amp;A expenses, SG&amp;A ratio



Major breakdown of  
SG&A expenses (+¥0.2bn  
YoY)

- ① Labor cost Δ¥1.3bn
- ② Advertising expenses +¥0.2bn
- ③ Others +¥1.3bn

## End of 3Q FY3/16

## End of FY3/15

(¥billions)

Current assets	429.7 (△64.5)	Current liabilities	218.6 (△48.8)
		Noncurrent liabilities	196.1 (△0.7)
		Total liabilities	414.7 (△49.6)
Noncurrent assets	237.9 (+31.2)	Net assets	253.0 (+16.2)
Total	667.7 (△33.3)	Total	667.7

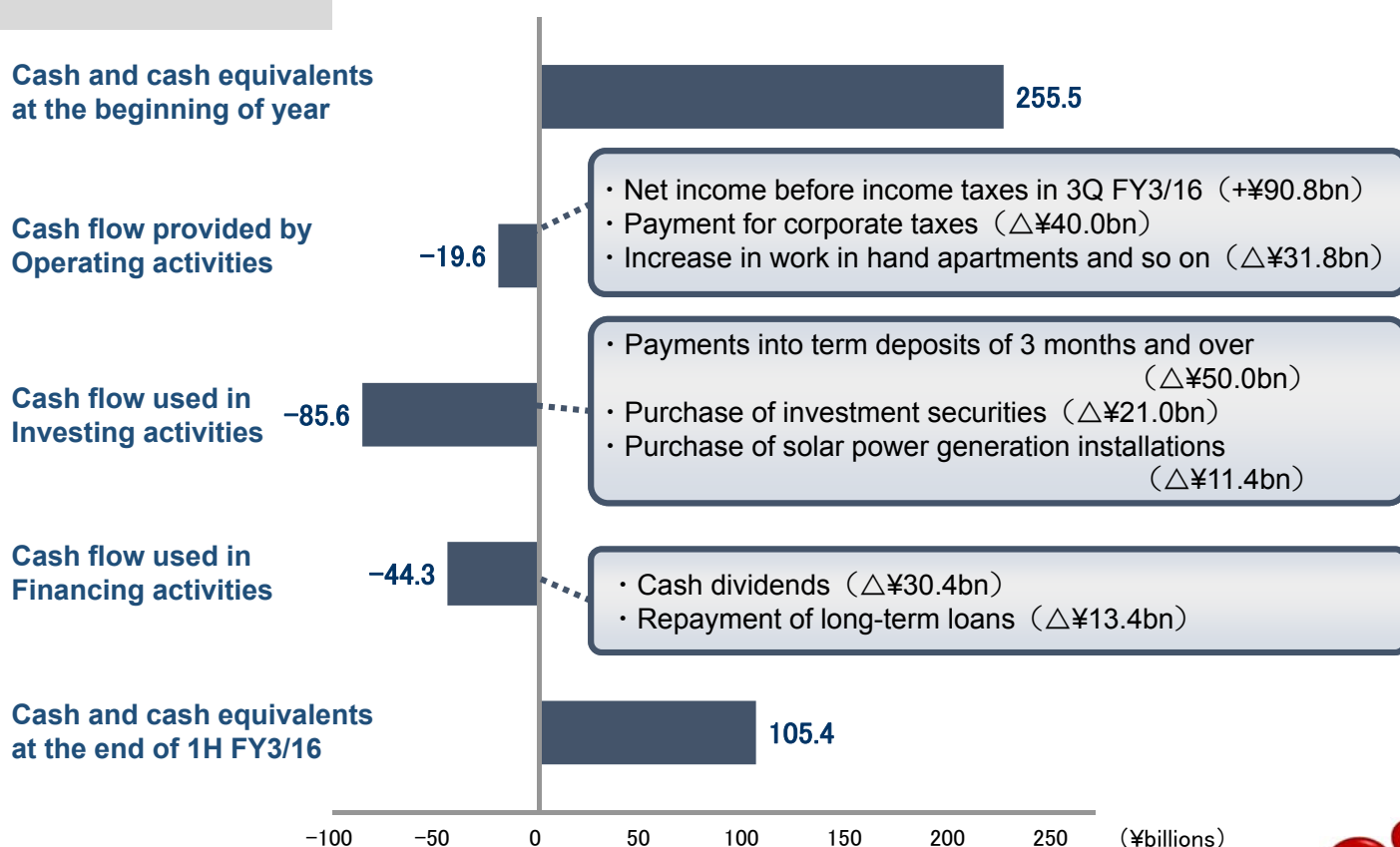
Current assets	494.3	Current liabilities	267.4
		Noncurrent liabilities	196.8
		Total liabilities	464.3
Noncurrent assets	206.7	Net assets	236.7
Total	701.1	Total	701.1

BPS	¥3,278.38
Equity ratio	38.2%

BPS	¥3,060.84
Equity ratio	34.3%

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11



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12

## Ⅱ. Results and Prospects of Major indicator

13

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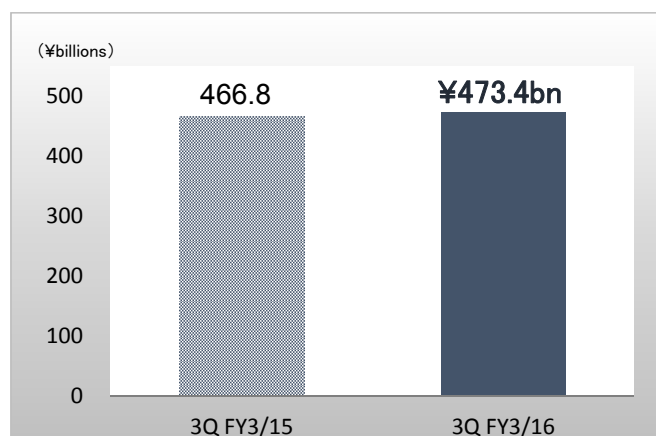
Ⅱ－1

Orders received and Orders in hand (Year on year)

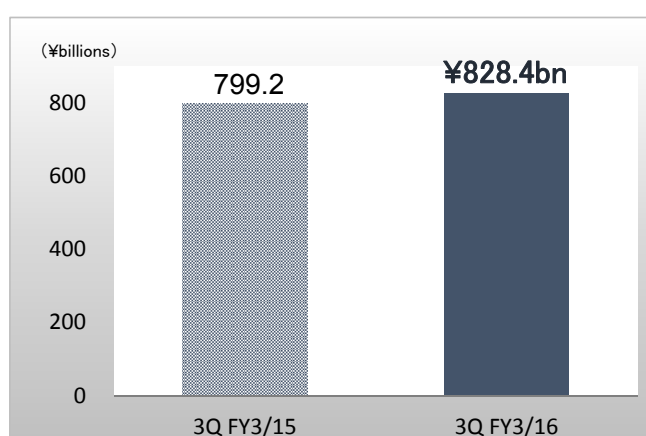
◆Orders received      ¥473.4bn (+1.4% YoY)

◆Orders in hand      ¥828.4bn (+3.7% YoY)

Orders received



Orders in hand

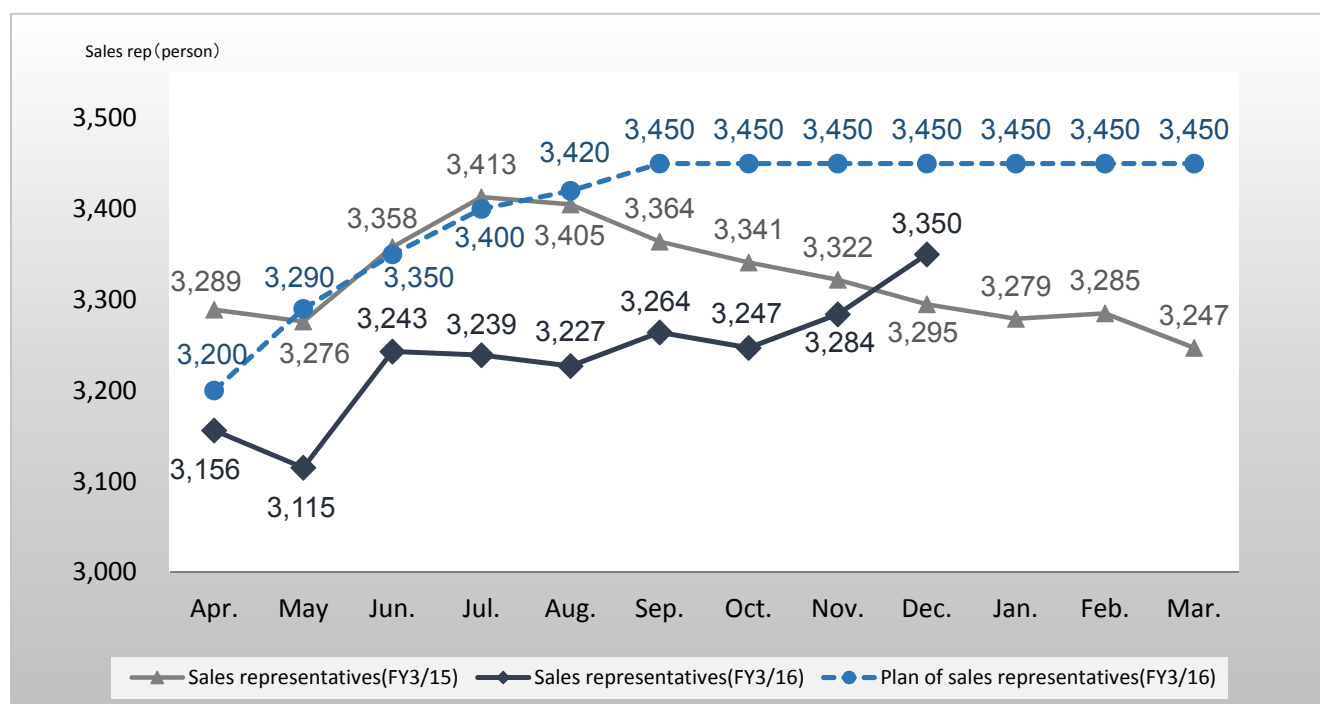
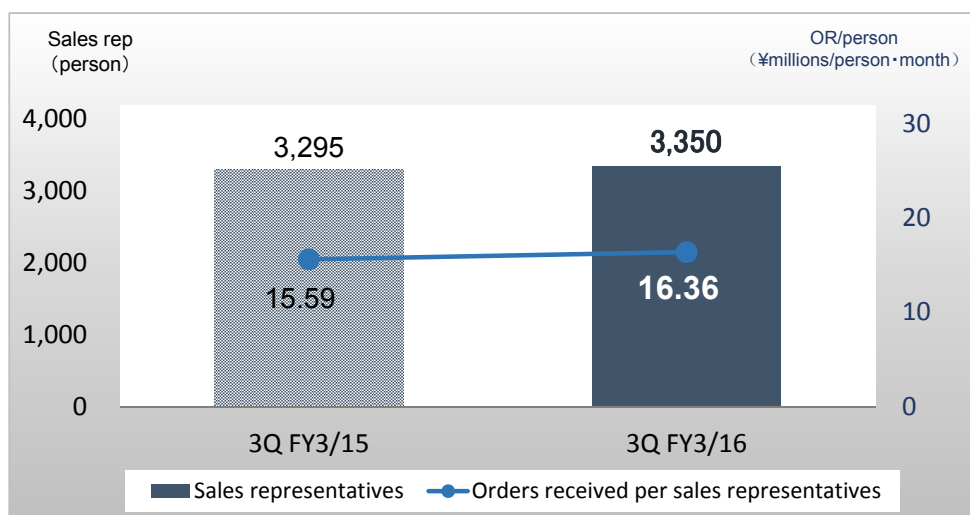


14

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◆Sales representatives 〈end of 12/15〉 3,350staffs (+55 YoY)

◆Orders received per sales rep ¥16.36million/Month  
(+¥770thousands YoY)

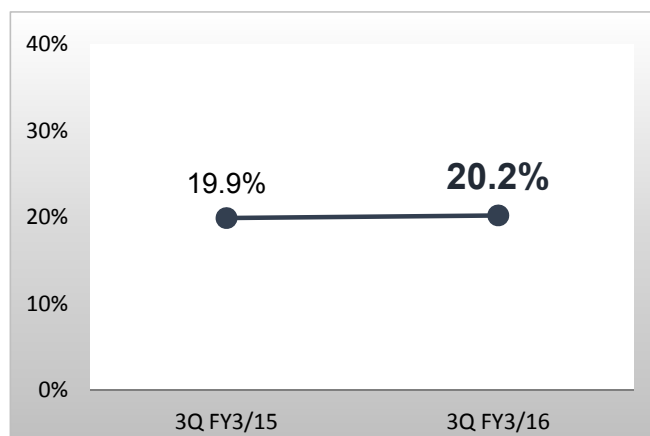




◆Rate of medium-rise 20.2% (+0.3p YoY)

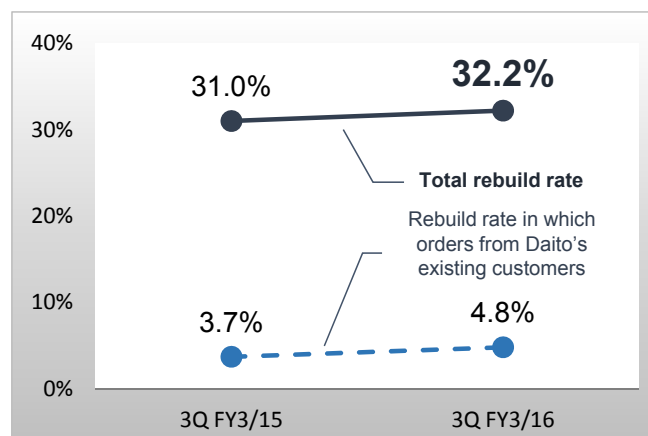
◆Rate of rebuild 32.2% (+1.2p YoY)

Rate of medium-rise ※1



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

Rate of rebuild ※2



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

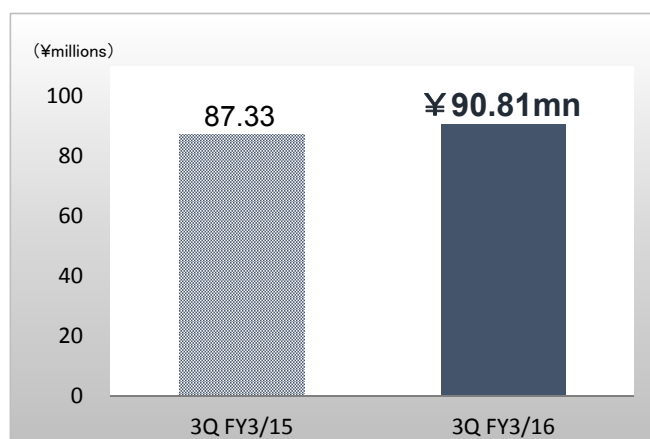
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17

◆Unit price ¥90.81mn (+¥3.48mn YoY)

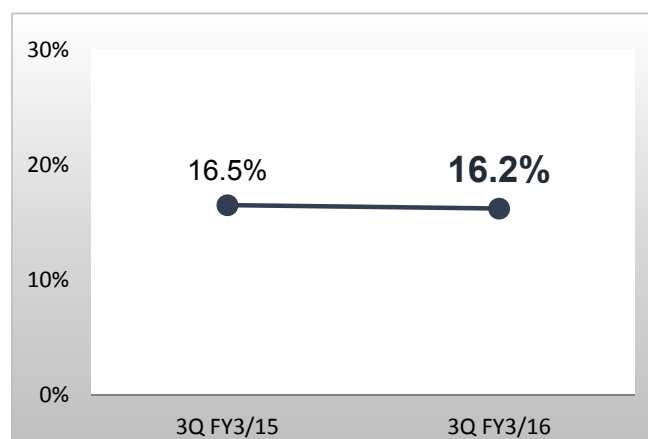
◆Cancellation rate 16.2% (Δ0.3p YoY)

Unit price ※1



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

Cancellation rate ※2



※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

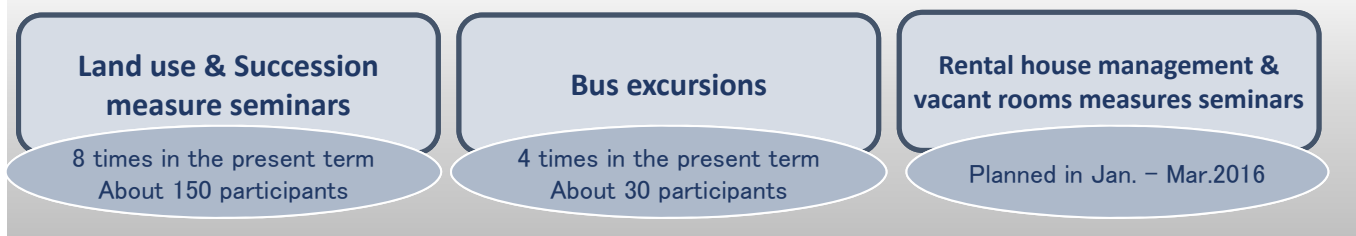
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18

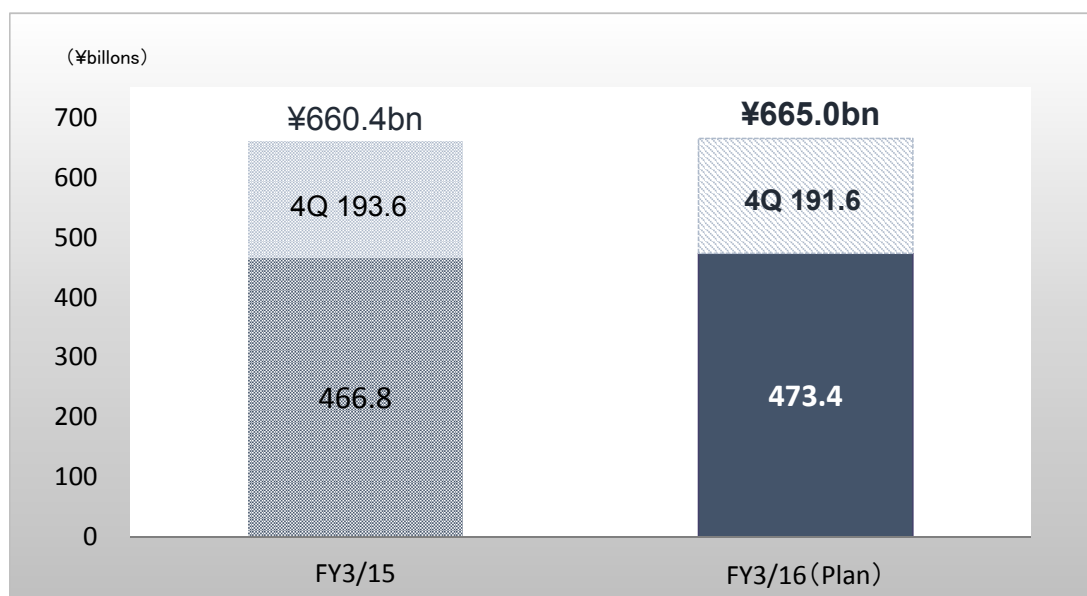
## 1. Tablets- driven orders operation



## 2. Seminars hold by the head office



## ◆Plan of orders received &lt;FY3/16&gt; ¥665.0Xbn(+0.7% YoY)



## ◆ New Tenants

175,066 (+5.5% YoY)

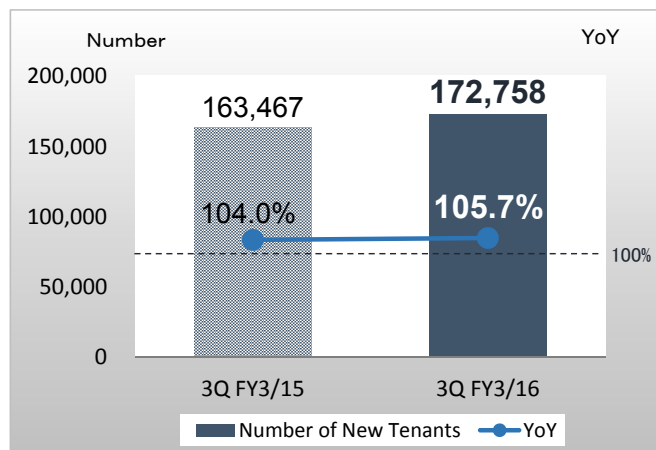
## ● Residential use

172,758 (+5.7% YoY)

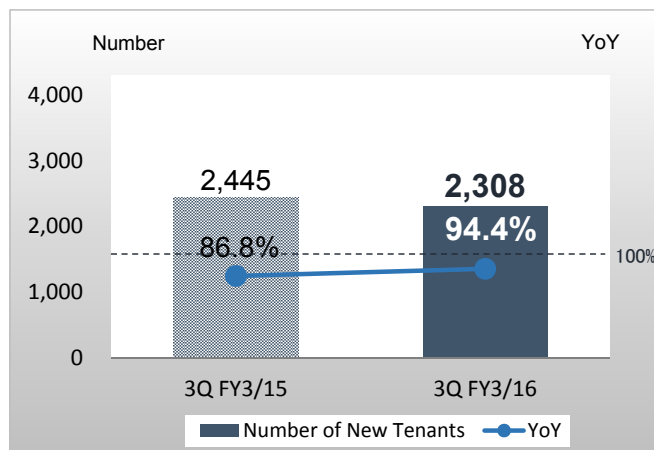
## ● Commercial use

2,308 (△5.6% YoY)

## Residential use



## Commercial use



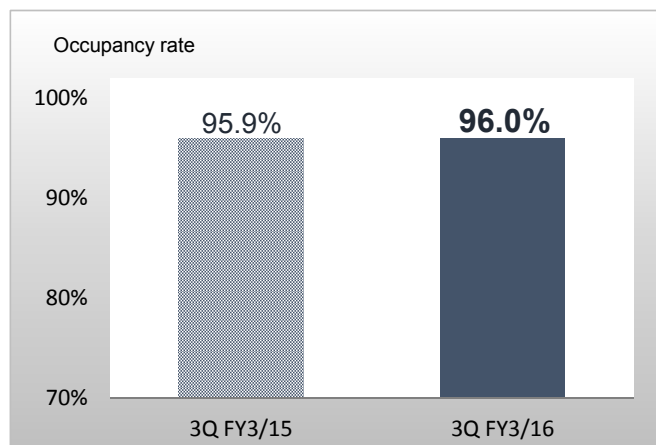
## ◆ Residential use

96.0% (+0.1p YoY)

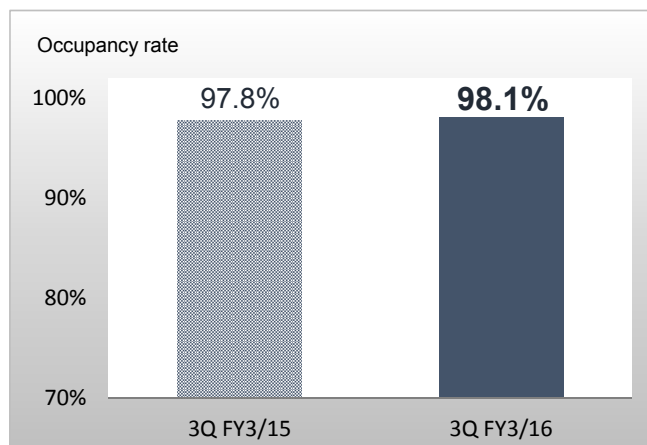
## ◆ Commercial use

98.1% (+0.3p YoY)

## Residential use



## Commercial use



## 1. Campaigns of 4Q(Jan.-Mar.2016)

**The N Europe Aurora Tour present campaign**  
Application from special site and invitations in a drawing



**The campaign for contracting customers**

Some contracting customers are presented a luxurious HE in a drawing

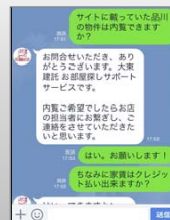
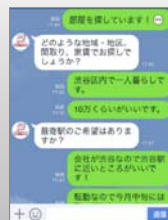


## 2. SNS(LINE)-driven acquiring of responses

LINE

「The finding a room support services」

Starting corresponding on duty 24h (Jan.4th~)



23

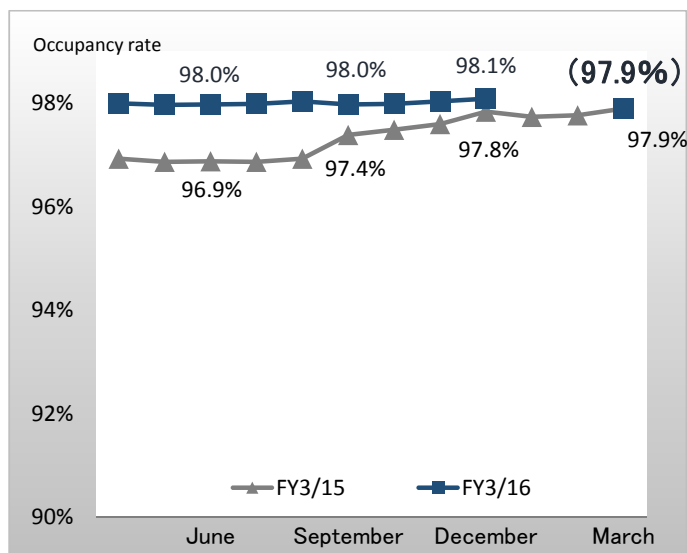
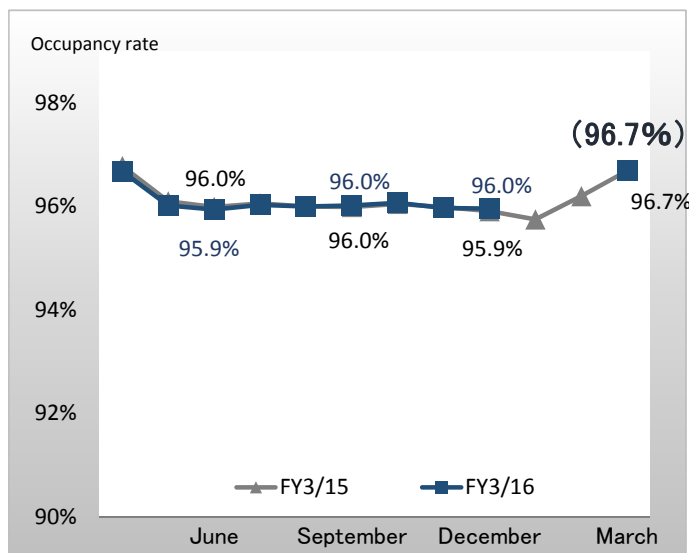
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Residential use

FY3/16 Plan **96.7%**

Commercial use

FY3/16 Plan **97.9%**



24

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## III. Financial Forecasts

25

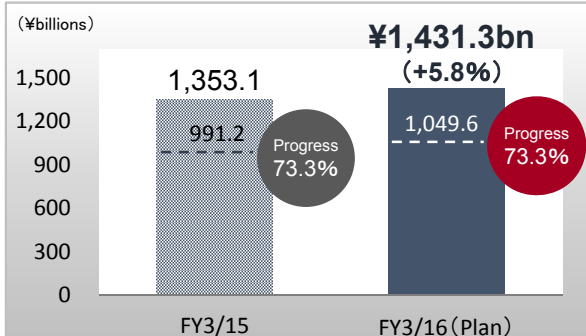
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III-1

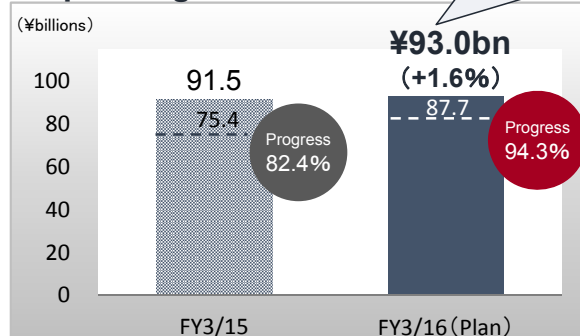
No change in FY3/16 original plan

( ) : YoY

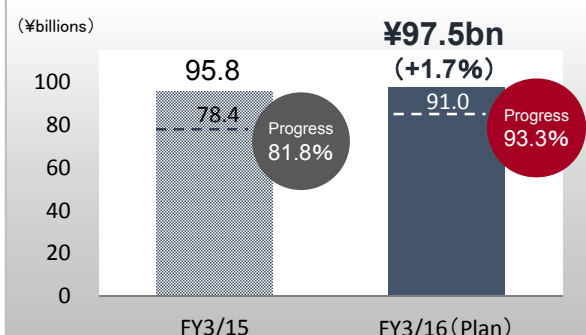
### Net sales



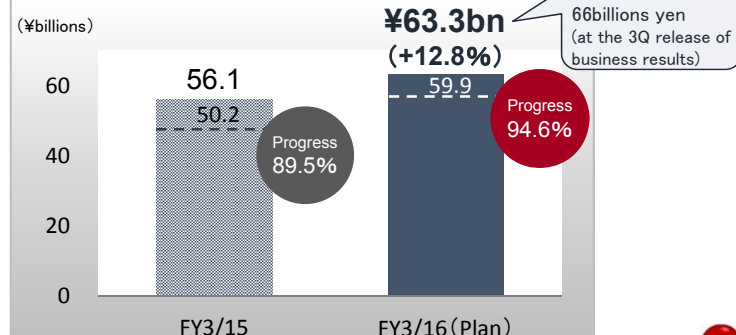
### Operating Income



### Ordinary Income



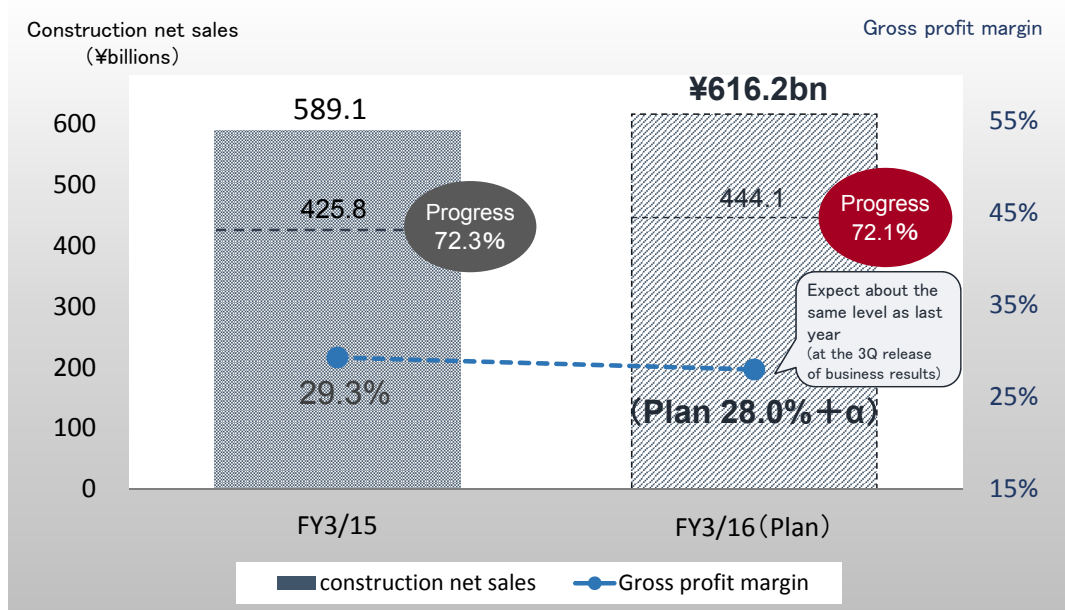
### Net Income attributable to parent



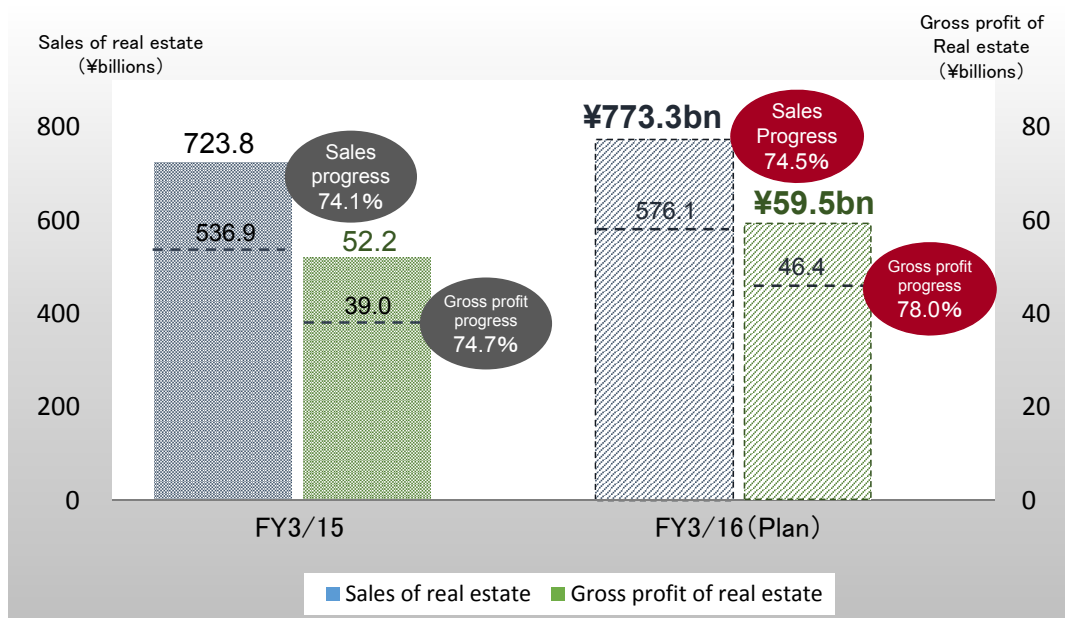
26

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### ◆ Plan of construction net sales <FY3/16> ¥616.2bn (+4.6% YoY)



### ◆ Plan of real estate sales <FY3/16> ¥773.3bn (+6.8% YoY)



## IV. Topics

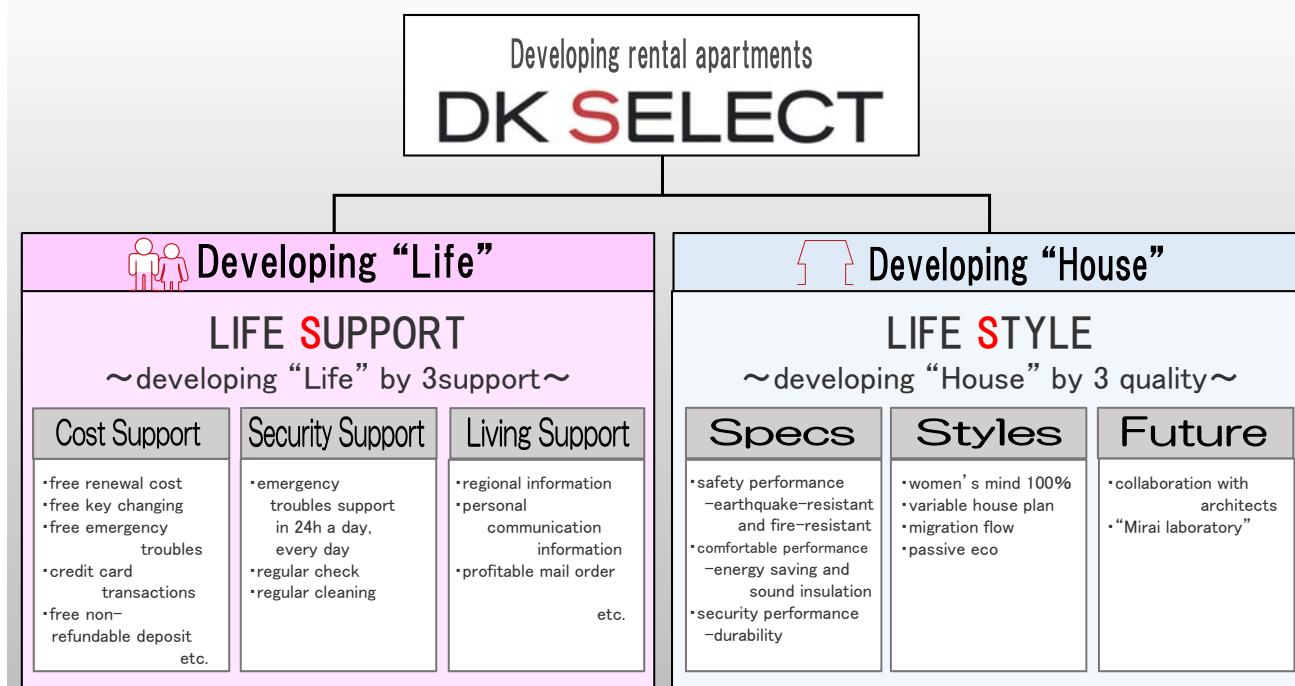
29

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IV-1

Daito' s rental apartment brand **DK SELECT**

Rental apartments develop both “House & Life”  
⇒ Creating the life of great individuality



●DK SELECT SITE URL: <http://www.dk-select.jp>

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30



## share purchase of Solasto corporation and the conclusion of a capital business tie-up contract



### 【Corporate Profile】

Corporation name: Solasto Corporation  
 Office location : DBC Shinagawa Tokyu building 6F,  
 1-7-18 Konan, Minato-ku, Tokyo  
 Capital : 300 millions yen

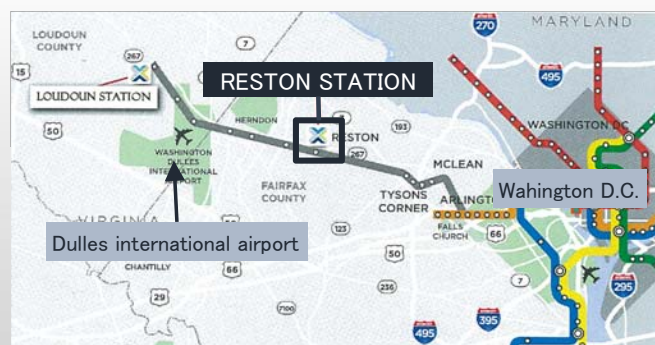
Established : October, 1968  
 Business activities : medical-related trustee business,  
 nursing care business,  
 childcare business, and career center

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31

## Participate in the new real estate development project in U.S.A “Reston Station”

21 stories apartment “BLVD | Reston Station” will be completed in April, 2016



### 【Building and Investment outline】

- Name : BLVD | Reston Station
- Location : 1908 Reston Metro Plaza, Reston, VA
- Rooms : 448 rooms
- Site area : 6,272m<sup>2</sup>
- Floor area : 46,992m<sup>2</sup>
- Total investment : 16.6 millions dollars

32

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## Participation to “fukushima sakura project”

## 『fukushima sakura project』

The purpose of this project is bringing the new cherry tree “Haruka” growing in Fukushima to the whole country, and doing reconstruction assistance to fading memories and rumor of the Great East Japan Earthquake.

This project conducts some publicity activities including the projection mapping in Fukushima with support companies.



## Holding “Projection mapping 2016 Haruka～Shirakawa Hanakagari～

Apr. 15<sup>th</sup> - 16<sup>th</sup>  
2016

## ■ The date and time

- April 15<sup>th</sup> (Fri) and 16<sup>th</sup> (Sat), 2016  
showing 4 times / a day

## ■ Location

- Shirakawa Performing Arts Theater Hall  
“Cominess” (under construction)

## ■ fukushima sakura project HP URL

<http://www.fukushimasakura.jp/>



(c) SAKURA PROJECT / NHK ENTERPRISES

※ “Haruka” was named by Japanese actress Haruka Ayase who starred in NHK epic drama “Yae no Sakura” which was set in Fukushima in 2013.

## VI. Appendix

(¥millions)

	3Q FY3/16	3Q FY3/15	YoY	Plan(full-year)
<b>Net sales</b>	<b>459,459</b>	439,569	<b>+4.5%</b>	<b>636,500</b>
Construction	444,328	426,050	+4.3%	616,500
Real estate & others	15,131	13,519	+11.9%	20,000
<b>Gross profit</b>	<b>130,932</b>	124,479	<b>+5.2%</b>	<b>172,400</b>
Construction	130,120	125,518	+3.7%	172,400
Real estate & others	812	△1,038	—	0
<b>SG &amp; A expenses</b>	<b>80,928</b>	82,428	<b>△1.8%</b>	<b>125,100</b>
<b>Operating income</b>	<b>50,004</b>	42,051	<b>+18.9%</b>	<b>47,300</b>
<b>Ordinary income</b>	<b>74,989</b>	48,329	<b>+55.2%</b>	<b>74,500</b>
<b>Net income</b>	<b>56,321</b>	31,614	<b>+78.1%</b>	<b>56,000</b>

(¥millions)

	Construction business							
	Daito Construction				Daito Steel			
	3Q FY3/16	3Q FY3/15	YoY	plan (full-year)	3Q FY3/16	3Q FY3/15	YoY	plan (full-year)
<b>Net sales</b>	<b>4,859</b>	3,808	<b>+27.6%</b>	<b>6,000</b>	<b>3,497</b>	3,470	<b>+0.8%</b>	<b>4,499</b>
Gross profit	193	3	—	153	204	133	+53.3%	191
SG&A expenses	66	75	△12.5%	92	55	53	+4.2%	75
<b>Operating income</b>	<b>126</b>	△72	—	<b>61</b>	<b>148</b>	79	<b>+86.5%</b>	<b>116</b>
<b>Ordinary income</b>	<b>175</b>	△39	—	<b>122</b>	<b>148</b>	80	<b>+85.8%</b>	<b>117</b>
<b>Net income</b>	<b>124</b>	△42	—	<b>75</b>	<b>98</b>	51	<b>+90.5%</b>	<b>77</b>

(¥millions)

	3Q FY3/14		3Q FY3/15		3Q FY 3/16		
	Amount	(Ratio)	Amount	(Ratio)	Amount	(Ratio)	YoY
Whole-building lease ※1	461,856	(92.0%)	494,172	(92.0%)	<b>527,485</b>	(91.6%)	<b>+6.7%</b>
Building and repairs ※2	22,928	(4.6%)	22,412	(4.2%)	<b>22,991</b>	(4.0%)	<b>+2.6%</b>
Brokerage	9,461	(1.9%)	9,676	(1.8%)	<b>10,577</b>	(1.8%)	<b>+9.3%</b>
Rental guarantee business	1,709	(0.3%)	2,443	(0.5%)	<b>4,595</b>	(0.8%)	<b>+88.1%</b>
Lease business ※3	4,439	(0.9%)	4,387	(0.8%)	<b>4,519</b>	(0.8%)	<b>+3.0%</b>
Electricity business	321	(0.1%)	1,716	(0.3%)	<b>3,267</b>	(0.6%)	<b>+90.4%</b>
Others	1,207	(0.2%)	2,091	(0.4%)	<b>2,710</b>	(0.4%)	<b>+29.6%</b>
Total	501,923	(100.0%)	536,900	(100.0%)	<b>576,146</b>	(100.0%)	<b>+7.3%</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

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37

(¥millions)

	Real estate business											
	Daito Building Management				Housecom				House Leave			
	3QFY3/16	3QFY3/15	YoY	plan (full-year)	3QFY3/16	3QFY3/15	YoY	plan (full-year)	3QFY3/16	3QFY3/15	YoY	plan (full-year)
Net sales	<b>557,296</b>	521,683	<b>+6.8%</b>	<b>745,102</b>	<b>6,295</b>	5,820	<b>+8.2%</b>	<b>9,120</b>	<b>4,595</b>	2,443	<b>+88.1%</b>	<b>6,672</b>
Gross profit	<b>39,685</b>	36,586	<b>+8.5%</b>	<b>49,722</b>	<b>6,218</b>	5,820	<b>+6.8%</b>	<b>9,120</b>	<b>4,263</b>	2,131	<b>+100.0%</b>	<b>6,132</b>
SG&A expenses	<b>10,685</b>	9,854	<b>+8.4%</b>	<b>15,706</b>	<b>6,026</b>	5,751	<b>+4.8%</b>	<b>8,465</b>	<b>567</b>	350	<b>+62.1%</b>	<b>782</b>
Operating income	<b>29,000</b>	26,732	<b>+8.5%</b>	<b>34,015</b>	<b>192</b>	68	<b>+180.9%</b>	<b>654</b>	<b>3,695</b>	1,781	<b>+107.4%</b>	<b>5,350</b>
Ordinary income	<b>29,652</b>	27,277	<b>+8.7%</b>	<b>34,779</b>	<b>196</b>	75	<b>+161.0%</b>	<b>953</b>	<b>3,706</b>	1,796	<b>+106.3%</b>	<b>5,356</b>
Net income	<b>19,893</b>	17,765	<b>+12.0%</b>	<b>22,860</b>	<b>100</b>	26	<b>+278.7%</b>	<b>562</b>	<b>2,315</b>	1,046	<b>+121.3%</b>	<b>3,368</b>

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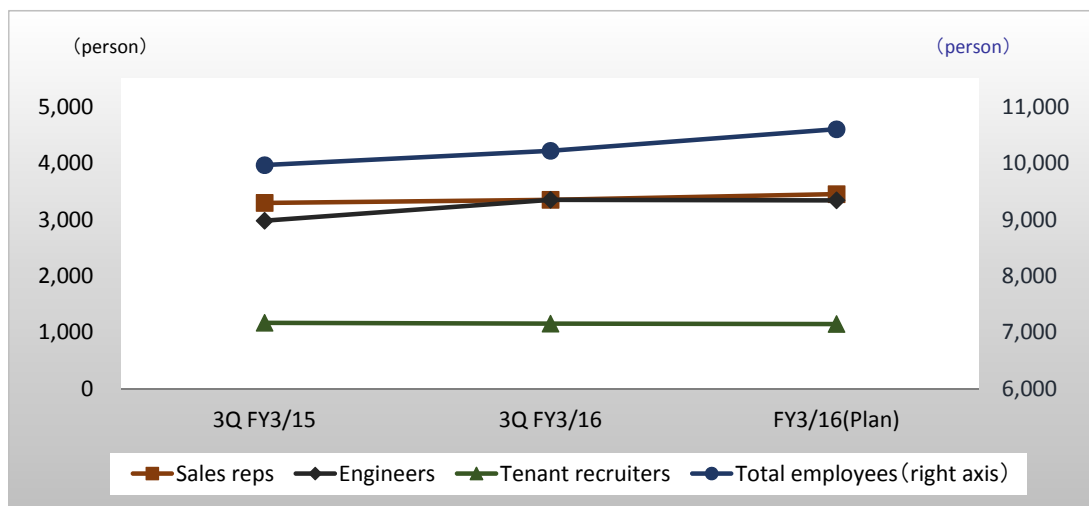
38

(¥millions)

	Other business (Financial business)							
	Daito Finance				D.T.C			
	3Q FY3/16	3Q FY3/15	YoY	plan (full-year)	3Q FY3/16	3Q FY3/15	YoY	plan (full-year)
Net sales	992	779	+27.3%	1,099	2,492	2,472	+0.8%	3,362
Gross profit	735	464	+58.3%	791	895	1,034	△13.4%	1,358
SG&A expenses	91	90	+1.8%	164	12	9	+21.9%	17
Operating income	643	374	+71.9%	627	883	1,024	△13.8%	1,341
Ordinary income	643	375	+71.3%	627	890	1,031	△13.7%	1,349
Net income	415	236	+75.8%	410	890	1,031	△13.7%	1,349

(¥millions)

	Other business (Other)											
	Care Partner				Gaspal				D. A. D. (M)			
	3QFY3/16	3QFY3/15	YoY	plan (full-year)	3QFY3/16	3QFY3/15	YoY	plan (full-year)	3QFY3/16	3QFY3/15	YoY	plan (full-year)
Net sales	7,335	7,053	+4.0%	9,445	17,366	17,198	+1.0%	26,450	1,788	2,210	△19.1%	3,078
Gross profit	828	1,111	△25.4%	935	6,336	5,363	+18.1%	9,240	845	1,201	△29.6%	1,517
SG&A expenses	594	554	+7.2%	832	4,011	3,465	+15.8%	5,528	672	779	△13.6%	1,111
Operating income	234	557	△58.0%	103	2,324	1,897	+22.5%	3,712	172	421	△59.0%	405
Ordinary income	243	563	△56.8%	103	2,342	1,927	+21.5%	3,729	△1,339	421	—	360
Net income	164	330	△50.3%	65	1,535	1,230	+24.8%	2,438	△1,339	421	—	322

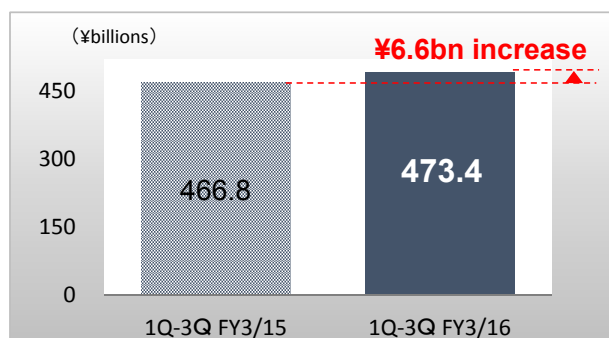


	3Q FY3/15	3Q FY3/16	(YoY)	FY3/16 (Plan)
Total employees	9,965	10,218	+253	10,600
Sales reps	3,295	3,350	+55	3,450
Engineers	2,979	3,077	+98	3,340
Tenant recruiters	1,171	1,156	△15	1,150

## Comparison with 1Q-3Q FY3/15

¥6.6bn (Increase)

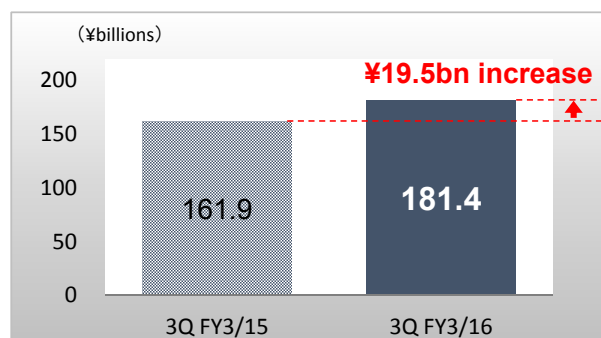
- ① Number of orders(Projects)  $\Delta$ ¥11.5bn  
(5,895projects → 5,763projects)
- ② Per project price  $+\text{¥}20.1\text{bn}$   
(¥87.33mn → ¥90.81mn)
- ③ Cancellation  $+\text{¥}0.5\text{bn}$   
(16.5% → 16.2%)
- ④ Building & repairs  $\Delta\text{¥}2.5\text{bn}$   
(¥44.1bn → ¥41.6bn)

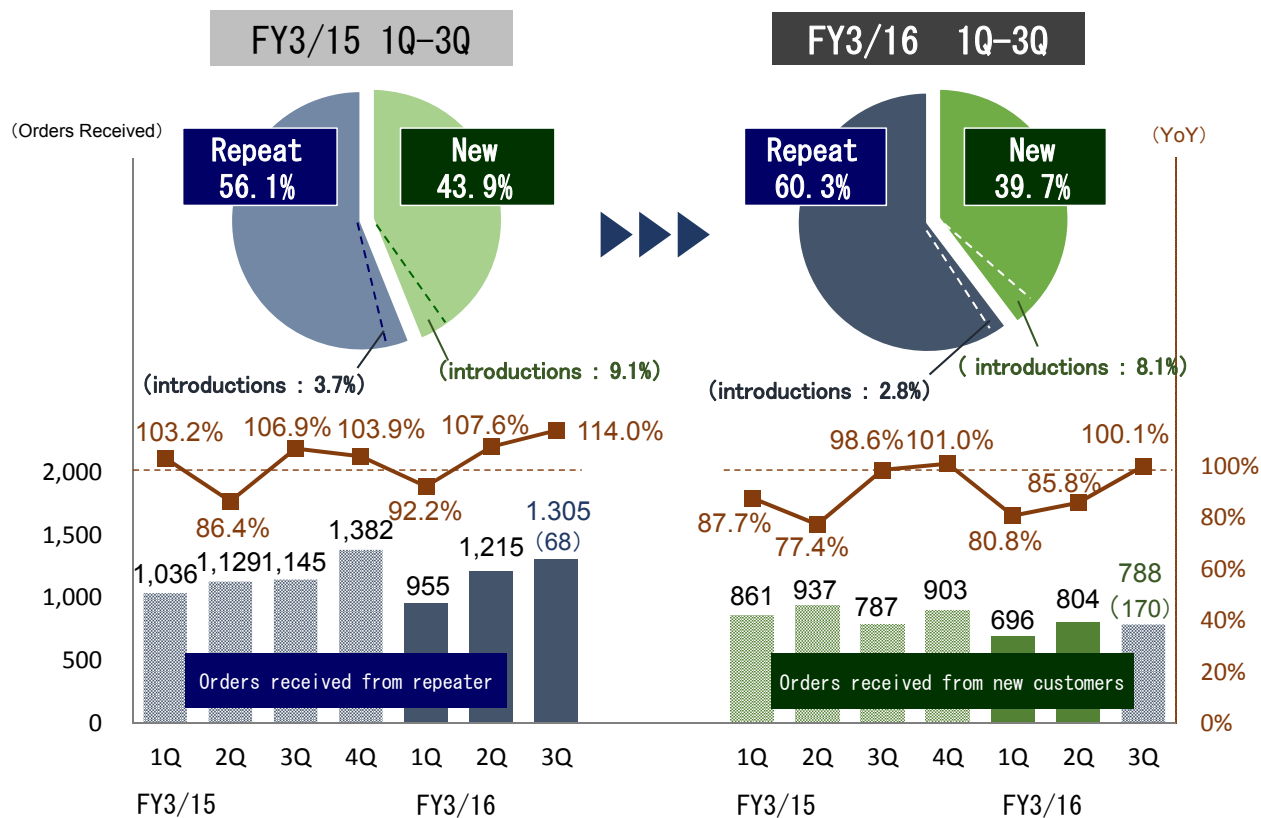


## Comparison with 3Q FY3/15

¥19.5bn (Increase)

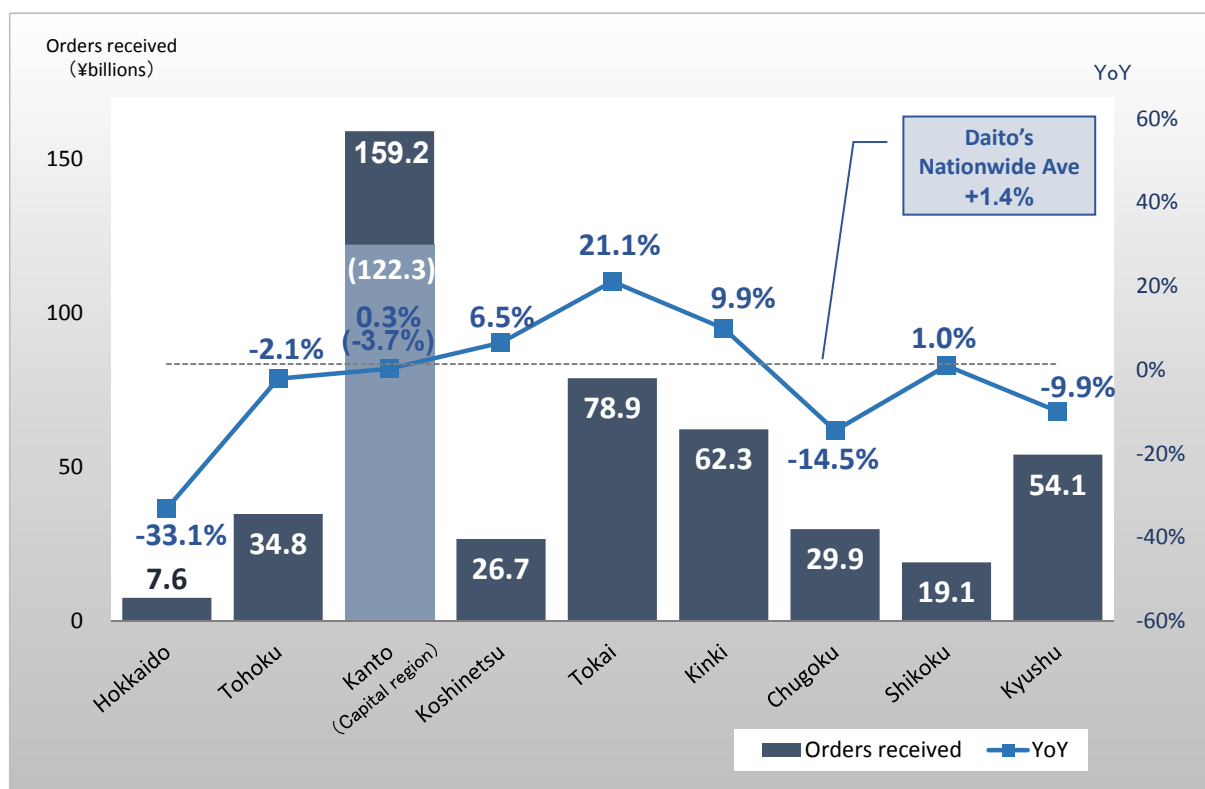
- ① Number of orders(Projects)  $+\text{¥}14.5\text{bn}$   
(1,933projects → 2,093projects)
- ② Per project price  $+\text{¥}8.6\text{bn}$   
(¥90.86mn → ¥94.96mn)
- ③ Cancellation  $\Delta\text{¥}1.1\text{bn}$   
(16.2% → 15.1%)
- ④ Building & repairs  $\Delta\text{¥}2.5\text{bn}$   
(¥17.5bn → ¥15.0bn)





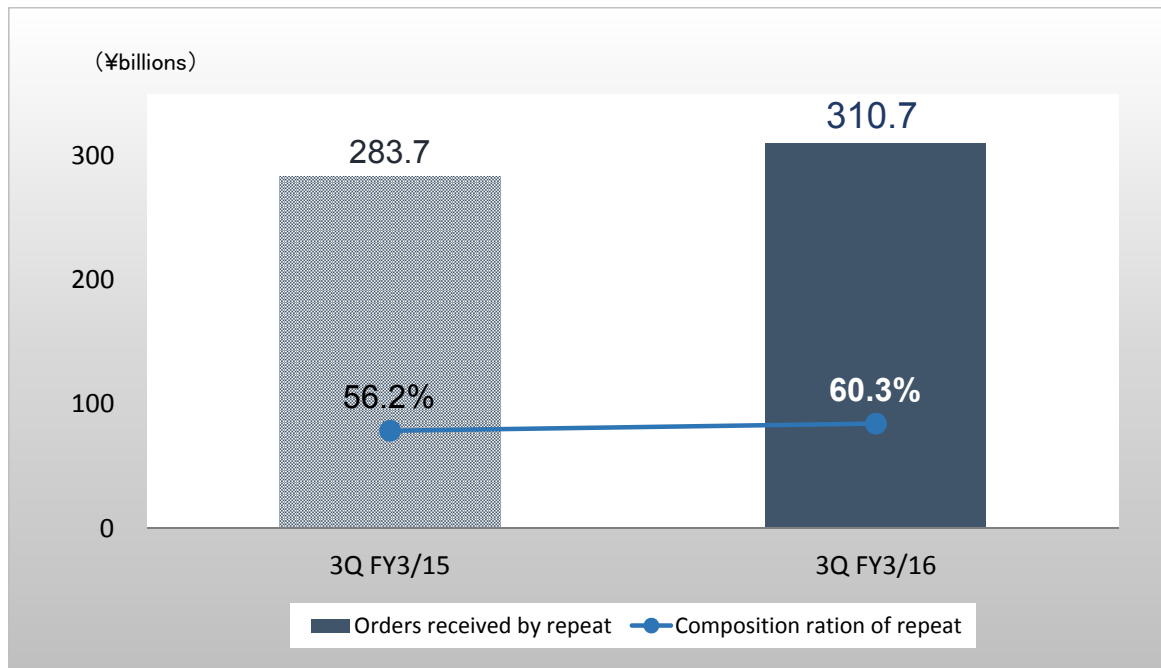
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43



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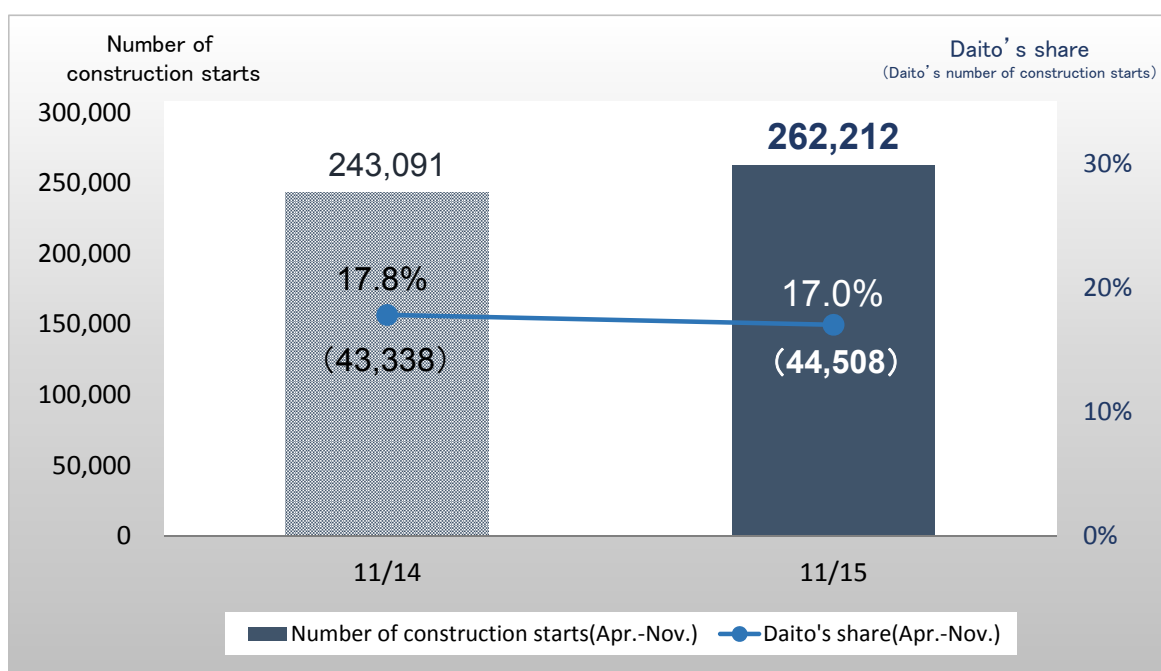
44



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

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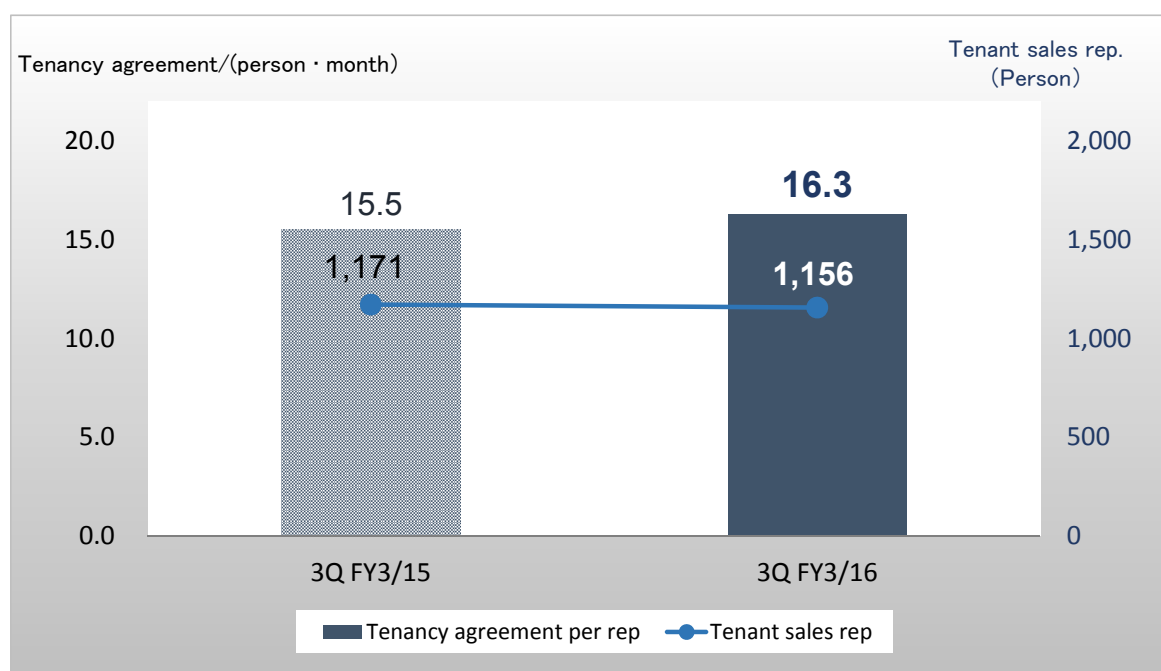
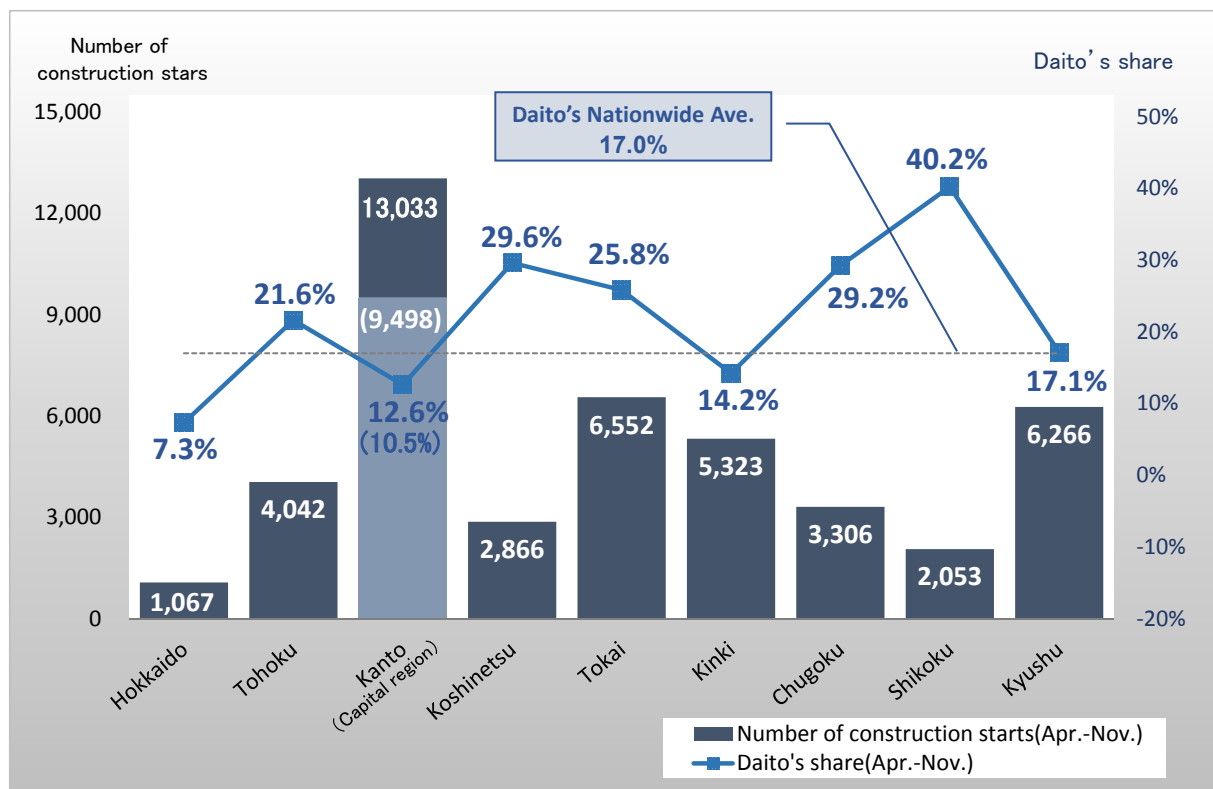
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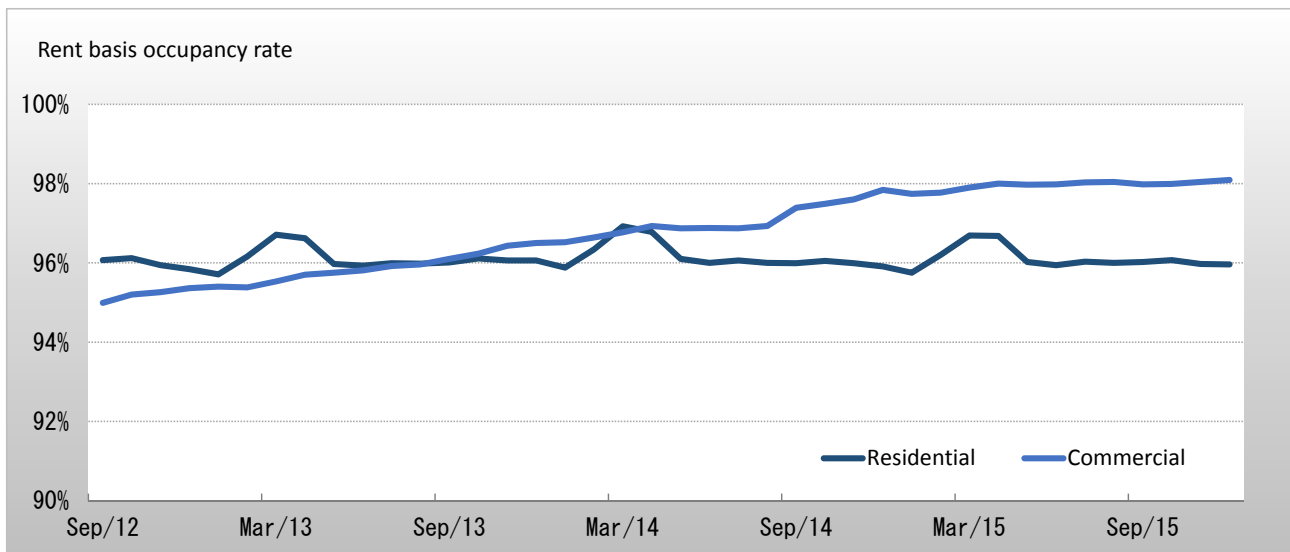
(Ministry of Land, Infrastructure, Transport and Tourism : "Housing and Land Survey")

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46



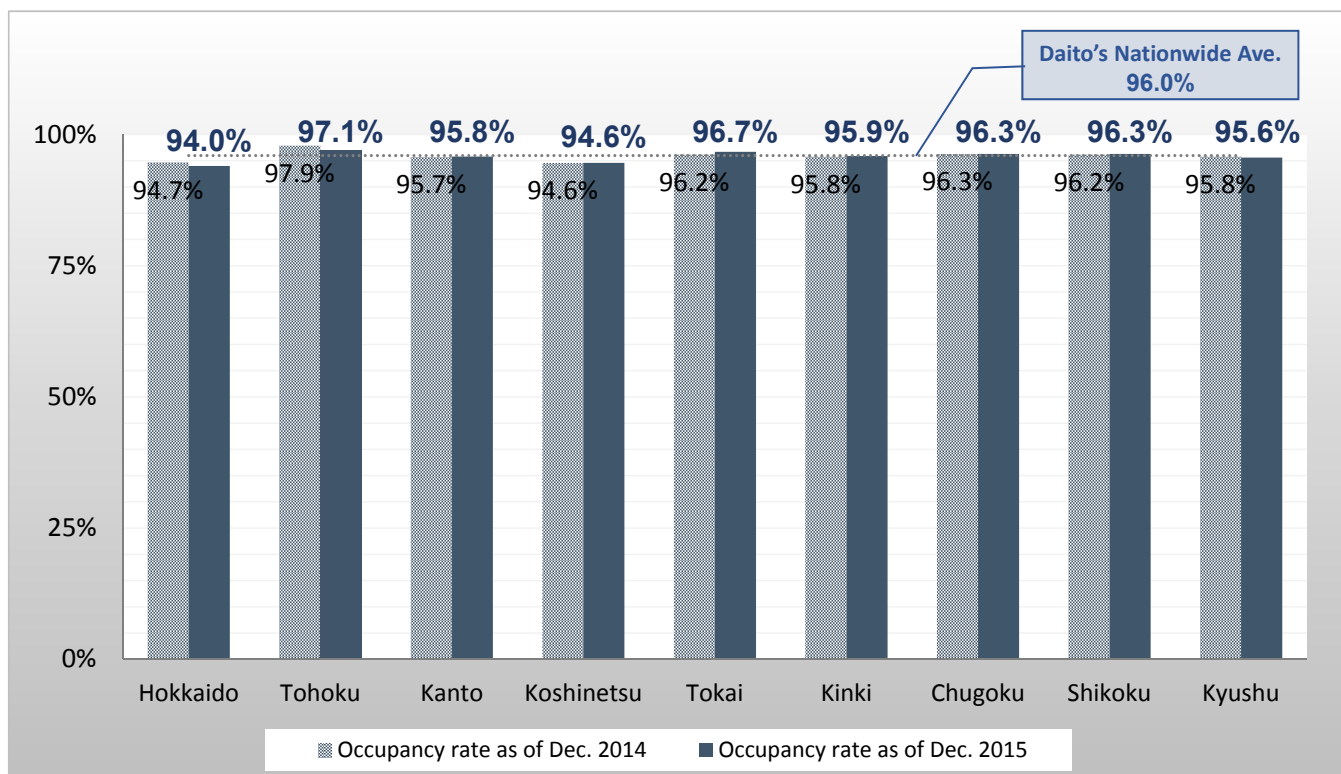




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Residential use	95.9%	95.8%	96.1%	95.9%	96.0%	+0.1p
Commercial use	93.8%	95.4%	96.5%	97.8%	98.1%	+0.3p

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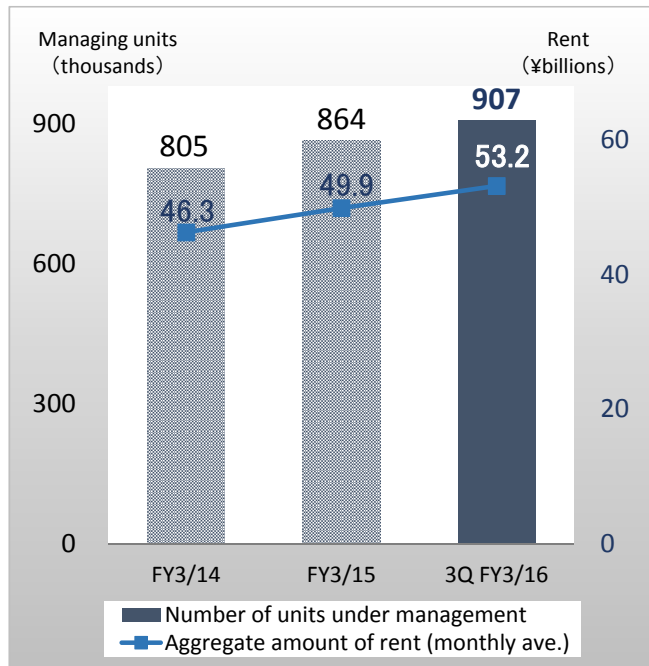
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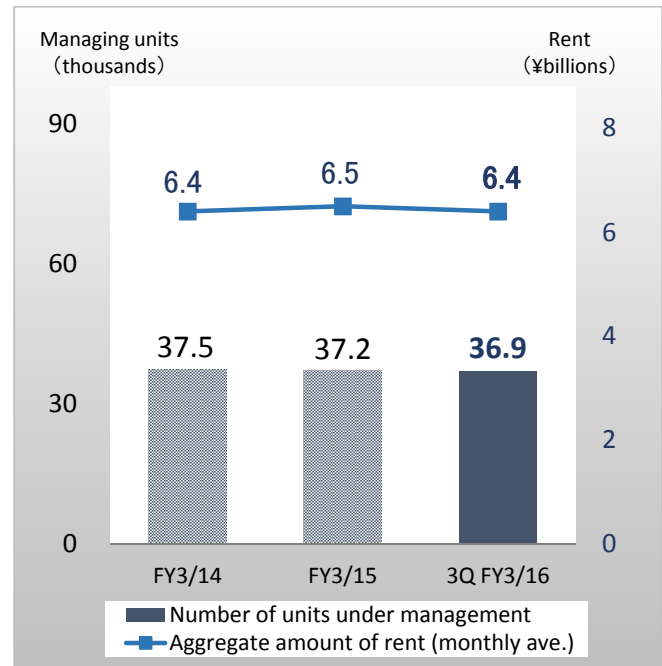
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50

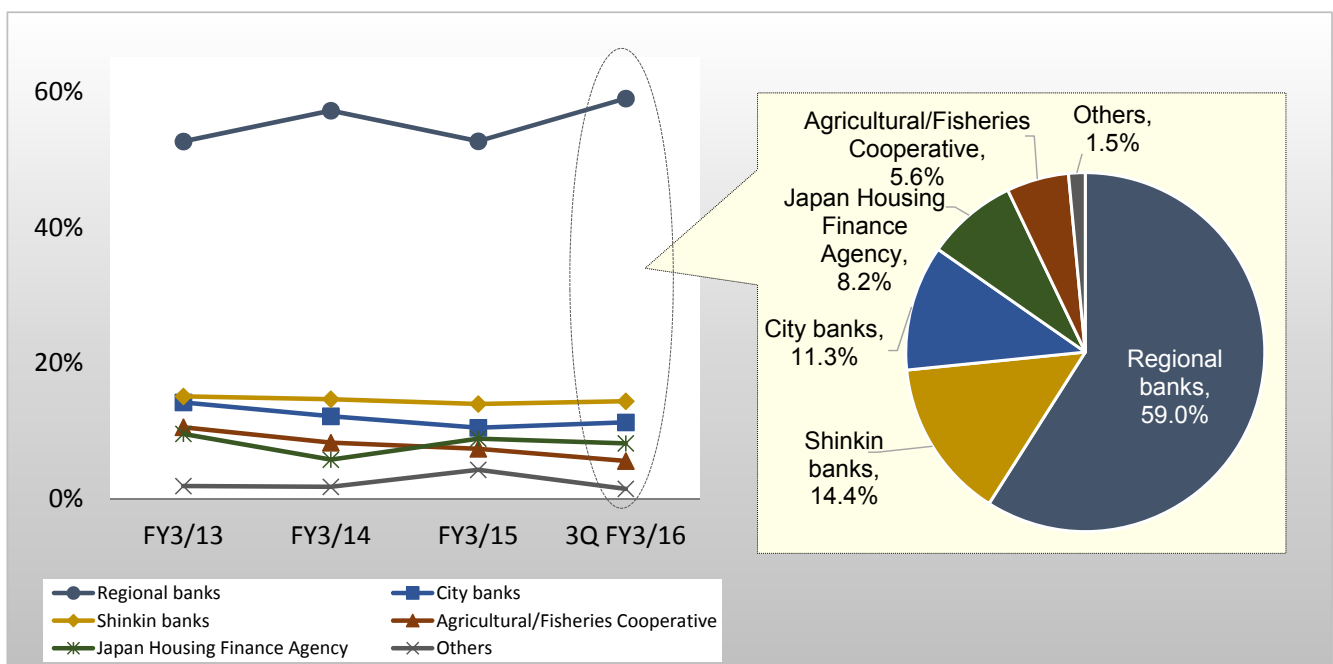
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