



DAITO TRUST CONSTRUCTION CO., LTD.



Report on Settlement of 1 Q of FY ending in March 31, 2019

1Q Financial Highlights, Year ending March 31, 2019

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

Contents

I. Results in 1 Q of FY ending in March 2019 . . .	3
II. Key Figures	13
III. Financial forecasts	24
IV. Topics	30
V. Appendix	40

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

I . Results in 1 Q of FY ending in March 2019

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

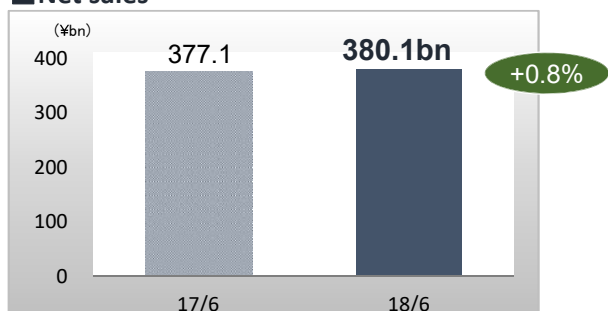
3

PL Consolidated PL

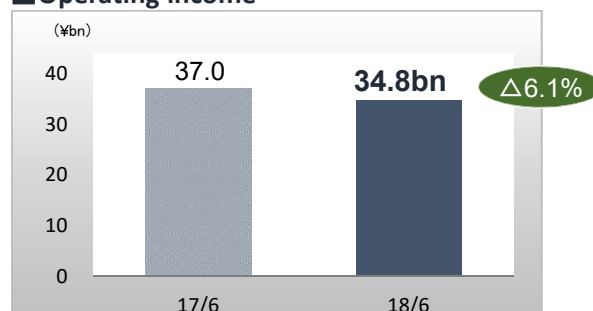
Profit & Loss highlights

● : YoY

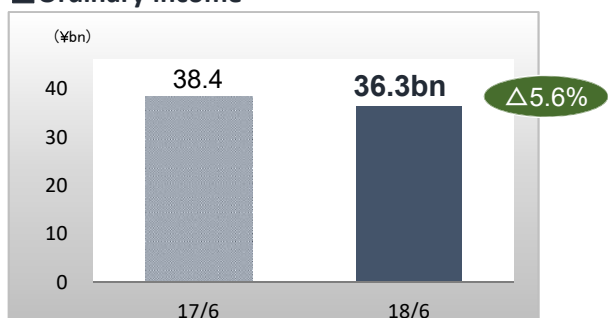
■ Net sales



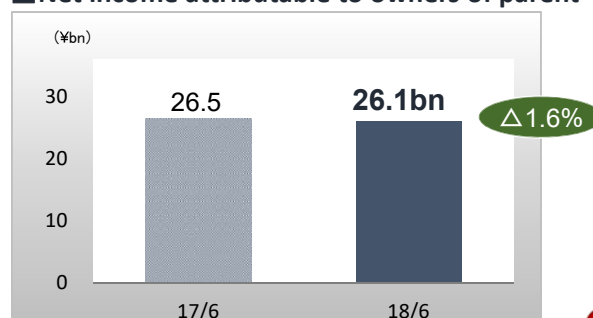
■ Operating income



■ Ordinary income



■ Net income attributable to owners of parent



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

4

PL

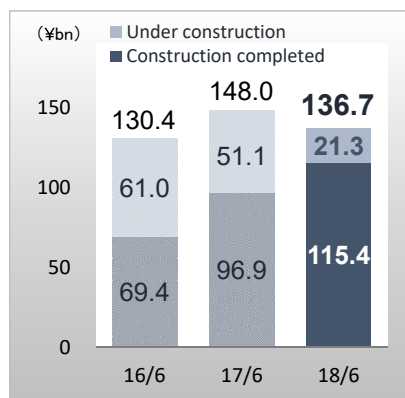
Construction segment ①

Profit & Loss by segment (Construction business)

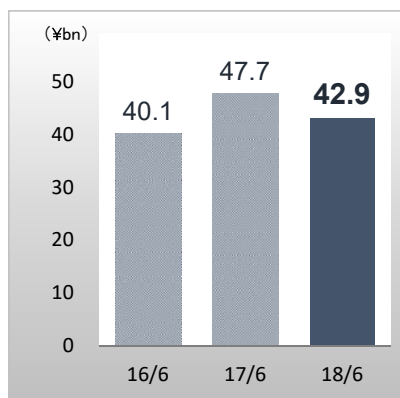
(¥bn)

	2017/6	2018/6	(YoY)
Net sales	148.0	136.7	(△7.6%)
Gross profit	47.7	42.9	(△10.0%)
Operating income	26.0	22.3	(△14.3%)

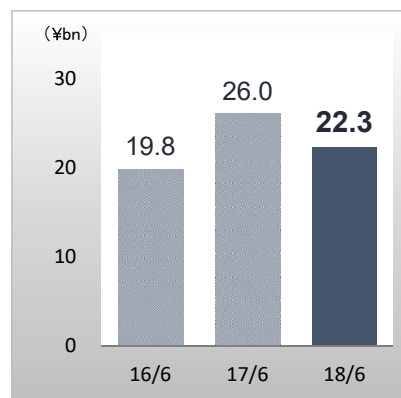
Net sales (Percentage of completion method)



Gross profit



Operating income



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

5

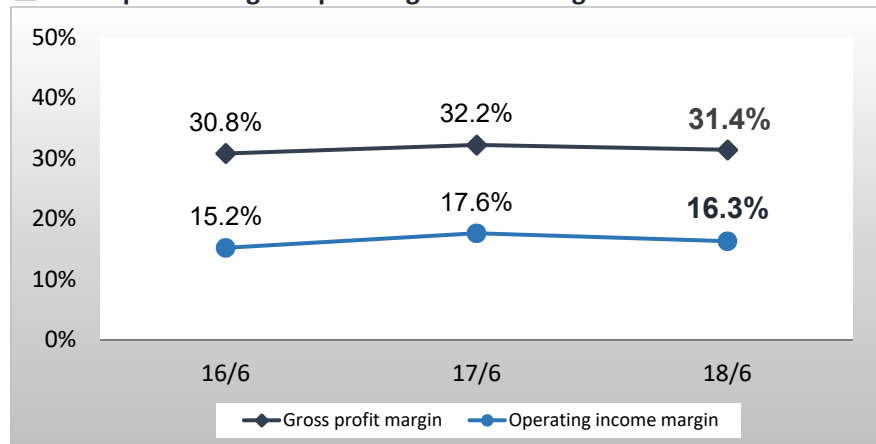
PL

Construction segment ②

Profit & Loss by segment (Construction business)

	2017/6	2018/6	(YoY)
Gross profit margin	32.2%	31.4%	(△0.8p)
Operating income margin	17.6%	16.3%	(△1.3p)

Gross profit margin • Operating income margin



Major breakdown of the variance (△0.8p)

- ① Recognition of deferred income (sold loans receivable) △0.7p
- ② Labor cost △0.1p
- ③ Material cost △0.1p
- ④ Exchange +0.1p

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

6

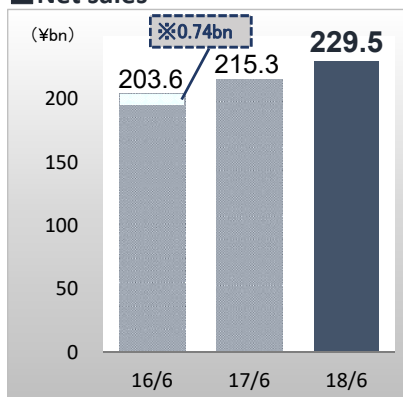
PL

Real estate segment ①

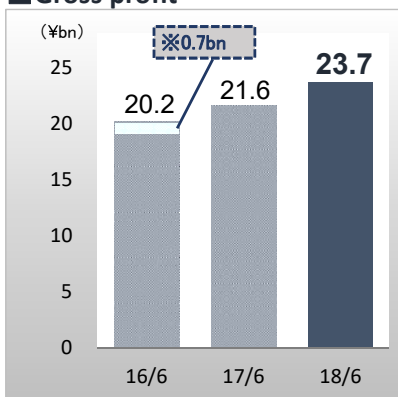
Profit & Loss by segment (Real estate business)

	2017/6	2018/6	(YoY)
Net sales	215.3	229.5	(+6.6%)
Gross profit	21.6	23.7	(+9.5%)
Operating income	11.5	13.4	(+16.3%)

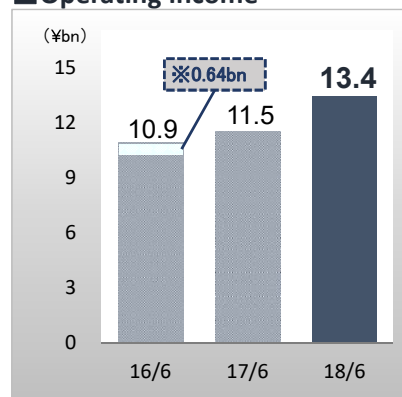
Net sales



Gross profit



Operating income



※ Increase due to the change of accounting period of House Leave Co., Ltd. (from Feb. to Mar.)

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

7

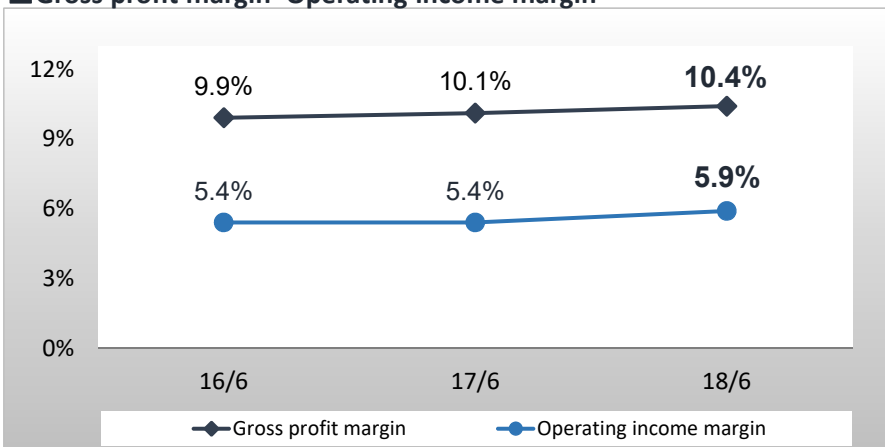
PL

Real estate segment ②

Profit & Loss by segment (Real estate business)

	2017/6	2018/6	(YoY)
Gross profit margin	10.1%	10.4%	[+0.3p]
Operating income margin	5.4%	5.9%	[+0.5p]

Gross profit margin・Operating income margin



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

8

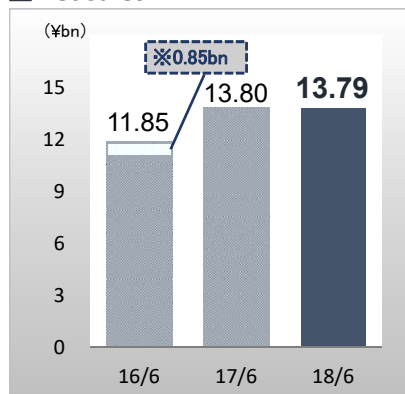
PL

Other segments

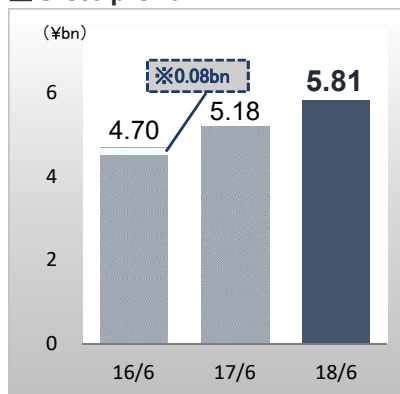
Profit & Loss by segment (Other businesses)

	2017/6	2018/6	(YoY)
Net sales	13.80	13.79	(△0.1%)
Gross profit	5.18	5.81	(+12.1%)
Operating income	3.08	3.10	(+0.5%)

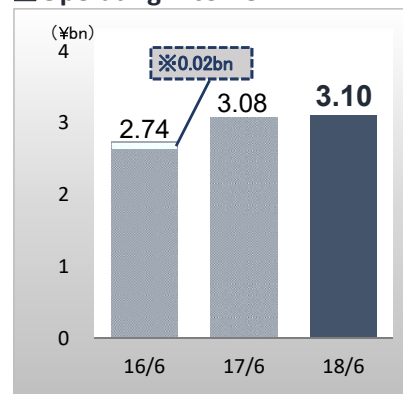
Net sales



Gross profit



Operating income



※ Increase due to the change of accounting period of Care Partner Co., Ltd. (from Feb. to Mar.)

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

9

PL

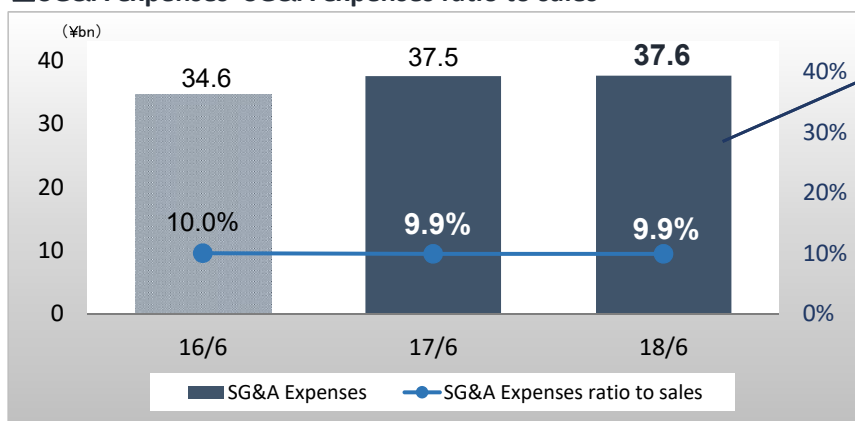
SG&A Expenses

Transition of selling, general and administrative expenses

	2017/6	2018/6	(YoY)
SG&A expenses	37.5	37.6	(+0.4%)
SG&A expenses ratio to sales	9.9%	9.9%	[±0.0p]

[] : Difference from same period in previous year

SG&A expenses • SG&A expenses ratio to sales



Major breakdown of the variance (+ ¥0.1bn)

- ① Labor cost $\Delta 1.2\text{bn}$
- ② Advertising & general publicity expenses $+0.2\text{bn}$
- ③ Other expenses $+1.1\text{bn}$

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

10

Financial Review

Consolidated BS

Balance Sheet highlights

(¥bn)

End of June 2017

End of March 2018

End of June 2018

Current Assets	426.3	Current Liabilities	280.7	Current Assets	509.8 (+83.5)	Current Liabilities	296.2 (+15.5)	Current Assets	457.9 (Δ51.9)	Current Liabilities	249.6 (Δ46.6)
		Fixed Liabilities	166.1			Fixed Liabilities	249.7 (+83.6)			Fixed Liabilities	245.5 (Δ4.2)
Fixed Assets	289.2	Total Liabilities	446.9	Fixed Assets	333.1 (+43.9)	Total Liabilities	545.9 (+99.0)	Fixed Assets	332.4 (Δ0.7)	Total Liabilities	495.2 (Δ50.7)
		Net Assets	268.7			Net Assets	297.0 (+28.3)			Net Assets	295.1 (Δ1.9)
Total Assets	715.6	Total	715.6	Total Assets	842.9 (+127.3)	Total	842.9 (+127.3)	Total Assets	790.3 (Δ52.6)	Total	790.3 (Δ52.6)

Equity ratio	37.6%	Equity ratio	35.6%	Equity ratio	37.6%
BPS	¥3,568.27	BPS	¥4,002.51	BPS	¥3,983.86
EPS	¥349.62	EPS	¥1,165.29	EPS	¥348.70

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

11

Financial Review

Consolidated CF

Cash Flows highlights

Cash and cash equivalents at the beginning of FY 19/3

213.7

Cash flows from operating activities

Δ 20.2

Major breakdown items

- Net income before income tax in FY 19/3 1Q (+¥37.2bn)
- Payment of income tax, etc. (Δ¥26.4bn)
- Payment of bonus (Δ¥17.1bn)
- Increase of building under construction (Δ¥5.2bn)
- Payment of accounts payable (Δ¥4.1bn)

Cash flows from investment activities

Δ 18.0

Major breakdown items

- Deposits and withdrawals of time deposits (Δ¥15.0bn)
- Purchase of new software systems (Δ¥3.0bn)

Cash flows from financing activities

Δ 48.2

Major breakdown items

- Payment of dividends (Δ¥22.8bn)
- Repayment of long-term loans (Δ¥12.6bn)
- Acquisition of treasury stock (Δ¥5.2bn)

Cash and cash equivalents at the end of 1Q FY 19/3

126.5

-50 0 50 100 150 200 (¥bn)

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

12

II. Key Figures

Orders received

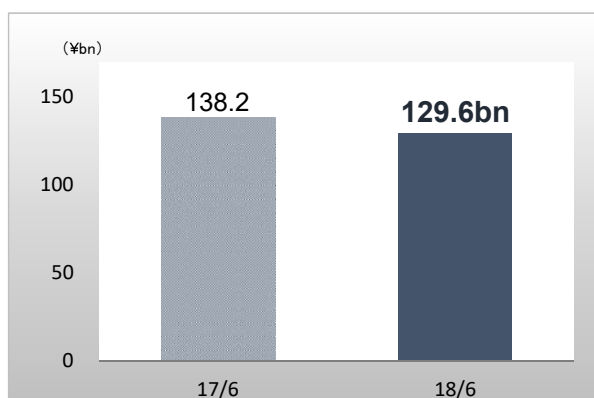
Orders received
& orders in hand

Transition of orders received and
orders in hand (Year on Year)

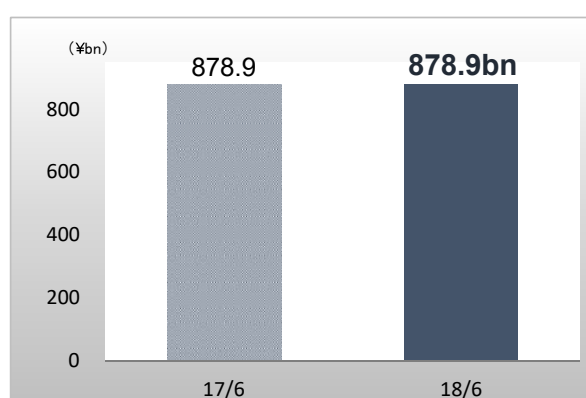
◆Orders received ¥129.6bn (△6.2% YoY)

◆Orders in hand ¥878.9bn (±0.0% YoY)

Orders received



Orders in hand



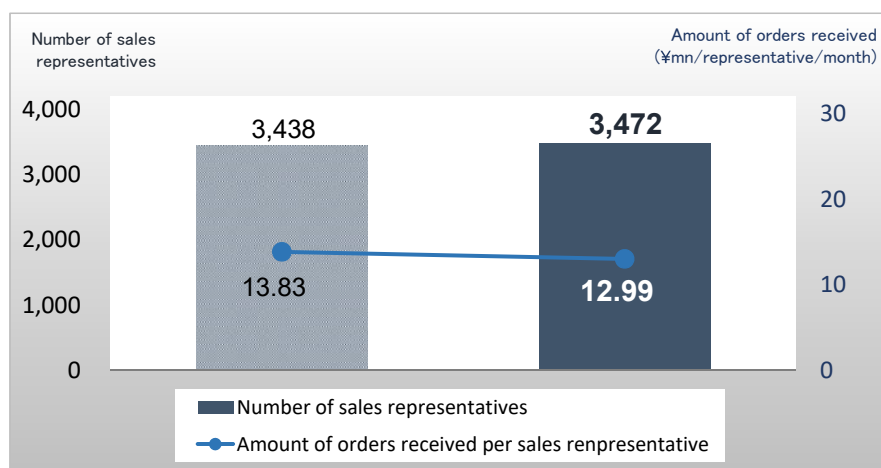
Orders received

Efficiency in receiving orders

Transition of number of sales representatives and orders received per sales representative (Year on Year)

◆ Number of sales representatives 〈end of Jun.〉 3,472 (+34 YoY)

◆ Amount of orders received per sales representative
¥12.99 mn/month (Δ¥0.84 mn YoY)



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

15

Orders received

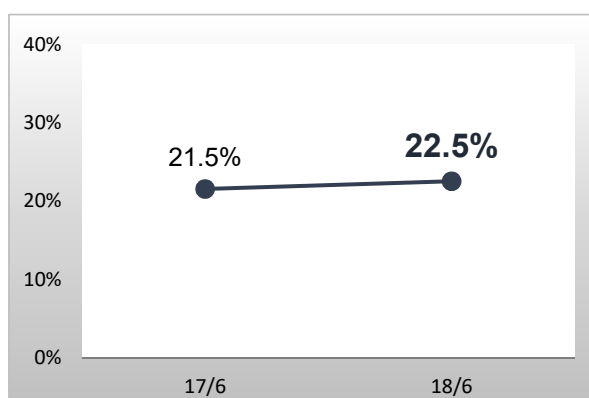
Index ①

Transition of mid-rise ratio and rebuild ratio (comparison with previous FY)

◆ Mid-rise ratio 22.5% (+1.0p YoY)

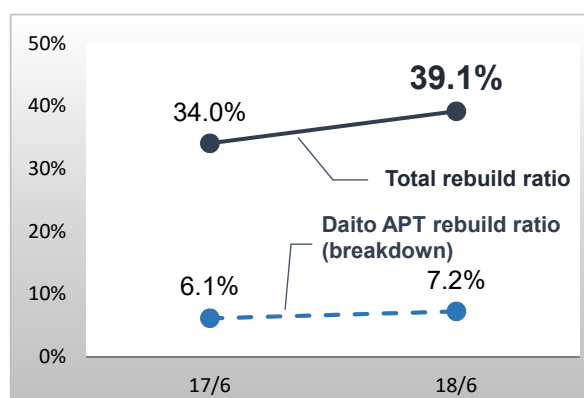
◆ Rebuild ratio 39.1% (+5.1p YoY)

Mid-rise ratio※1



※1 Mid-rise ratio = Number of orders received for APT house with 3 or more stories / Total number of orders received

Rebuild ratio※2



※2 Total rebuild ratio = Number of orders received for rebuilding APT / Total number of orders received

Daito APT rebuild ratio = Number of orders received for rebuilding APT built by Daito / Total number of orders received

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

16

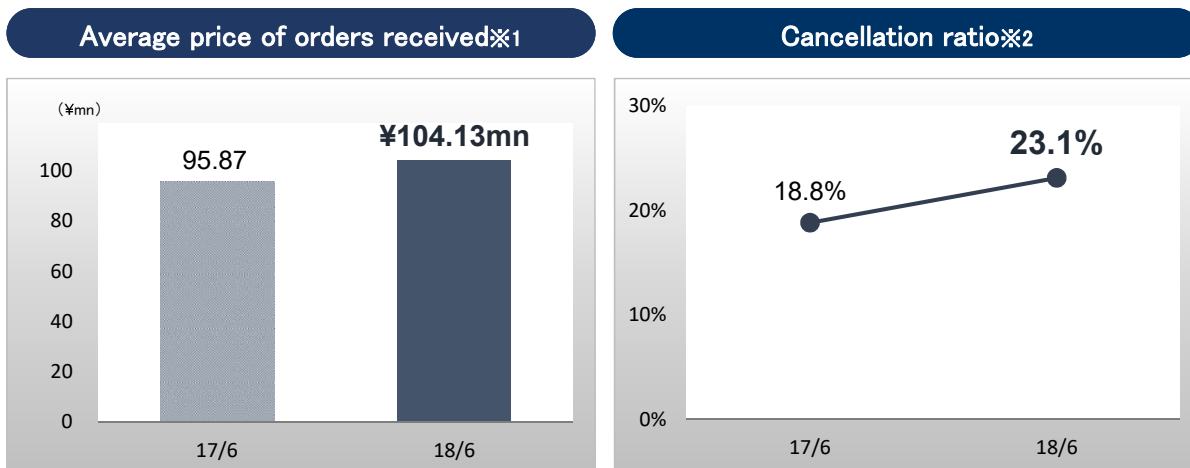
Orders received

Index ②

Transition of average price of orders received and cancellation ratio (Year on Year)

◆ Average price of order received **¥104.13mn (+¥8.26mn YoY)**

◆ Cancellation ratio **23.1% (+4.3p YoY)**



※1 Average price of order received =
Amount of new orders received / Number of orders received

※2 Cancellation ratio = Amount of cancellation / Amount of new orders received

Orders received = Amount of new orders received
- Amount of cancellation

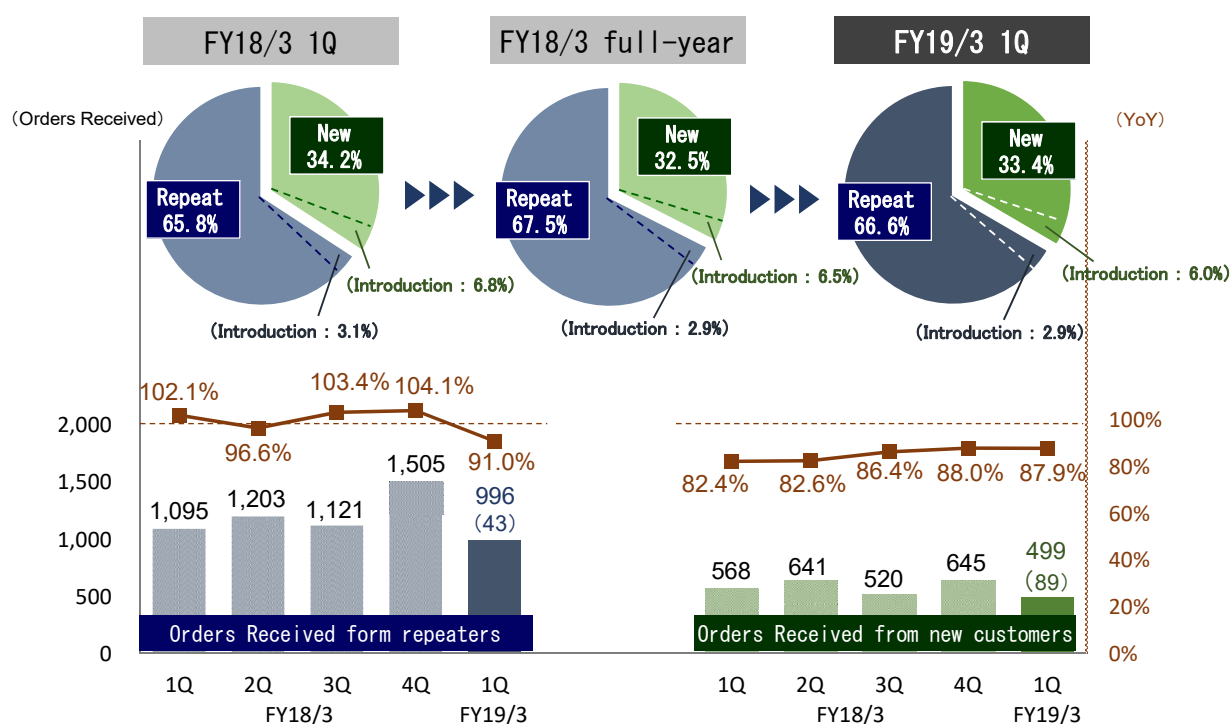
Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

17

Orders received

Index ③

Number of orders received & their channels (Year on Year)



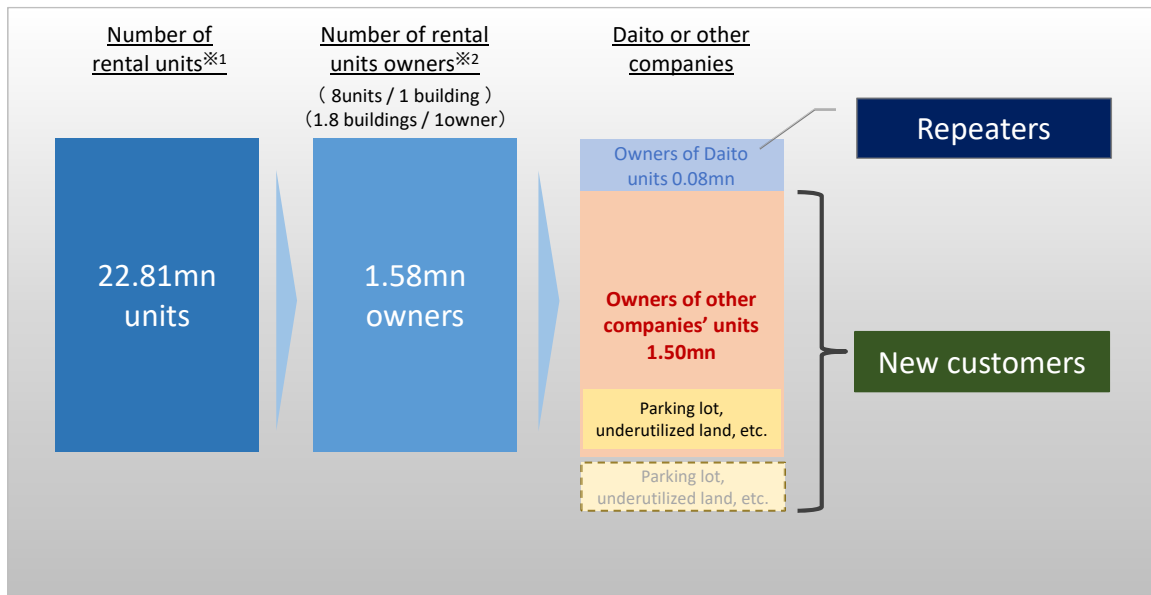
Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

18

Orders received

Strategy for receiving orders

Target segment for new customers



※1: Sources: 2013 Housing and Land Survey, MIC

※2: Our estimate based on 2013 Housing and Land Survey

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

19

Tenancy recruitment

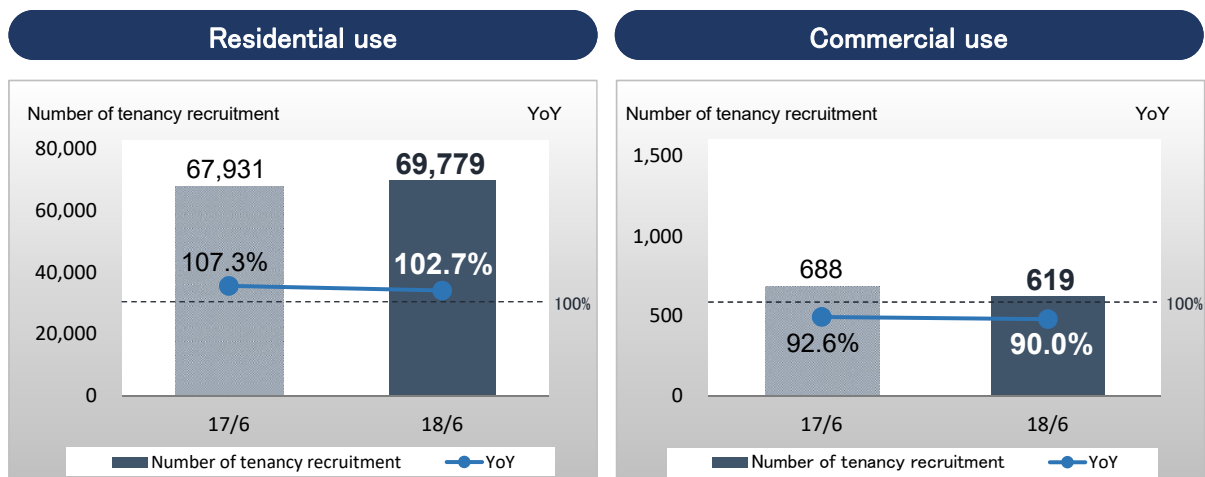
Number of recruitment

Number of tenancy recruitment

◆Number of tenancy recruitment 70,398 (+ 2.6% YoY)

●Residential use 69,779 (+ 2.7% YoY)

●Commercial use 619 (Δ10.0% YoY)



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

20

Tenancy recruitment

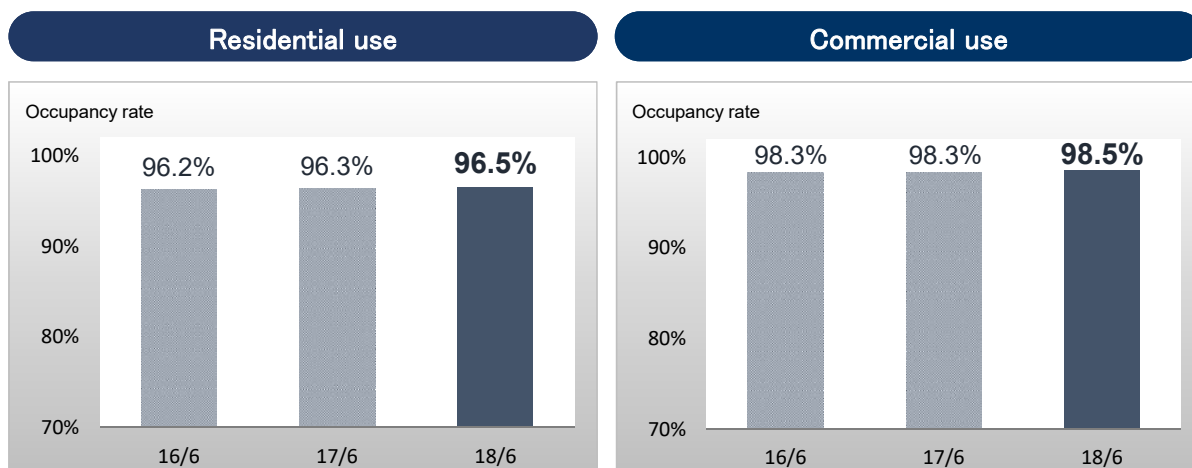
Occupancy rate①

Transition of Rent-based occupancy rate※
(as of June)

Continuously maintains sound level of occupancy
(residential use : 96% ・ commercial use : 94%)

◆ Residential use 96.5% (+0.2p YoY)

◆ Commercial use 98.5% (+0.2p YoY)



Rent-based as occupancy rate = 100% - (Lease fee payment for vacant units / Aggregate amount of rent [%])

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

21

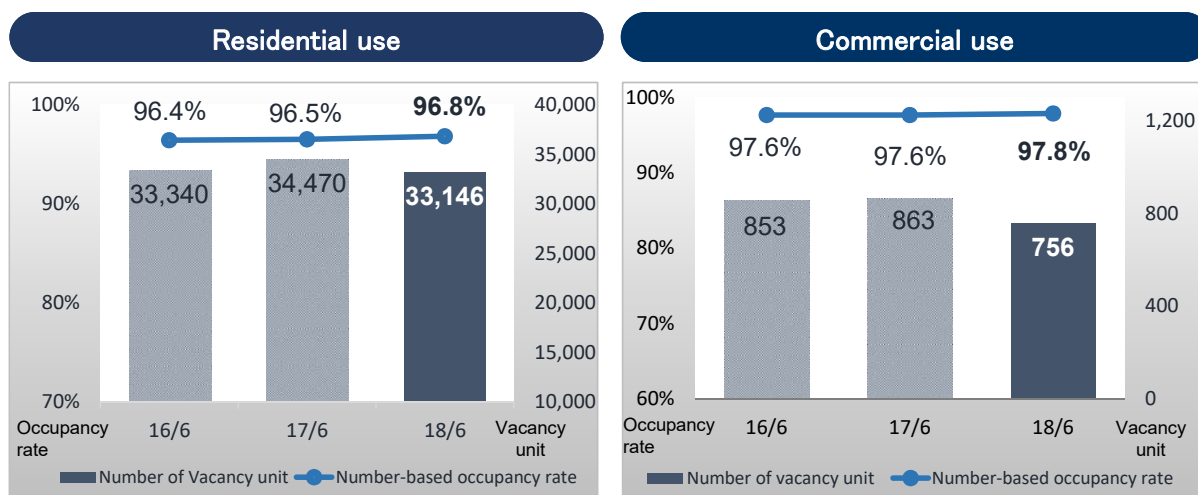
Tenancy recruitment

Occupancy rate②

Transition of Number-based occupancy rate※
(as of June 30, 2018)

◆ Residential use units 96.8% (+0.3p YoY)

◆ Commercial use units 97.8% (+0.2p YoY)



※Number-based occupancy rate = (Number of occupancy units) / (Number of units under management)

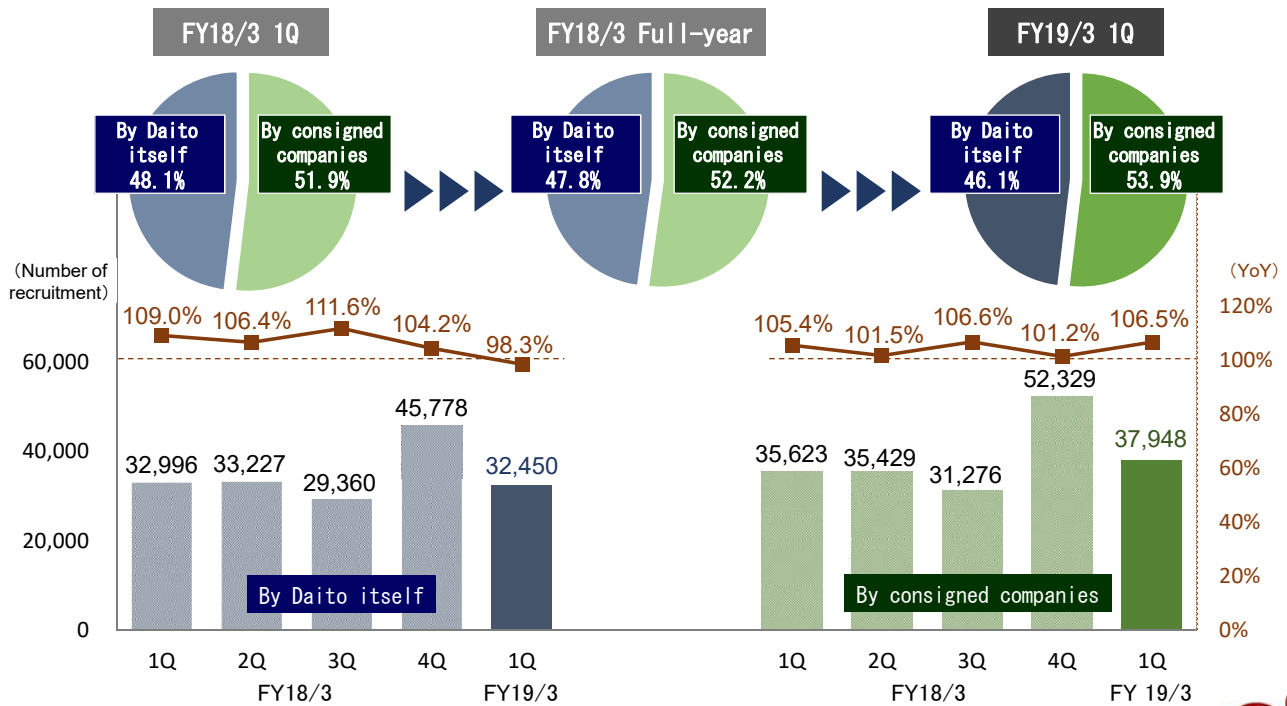
Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

22

Tenancy recruitment

Number of recruitment

Transition of number of tenancy recruitment
(by Daito itself and by consigned companies)



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

23

III. Financial Forecasts

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

24

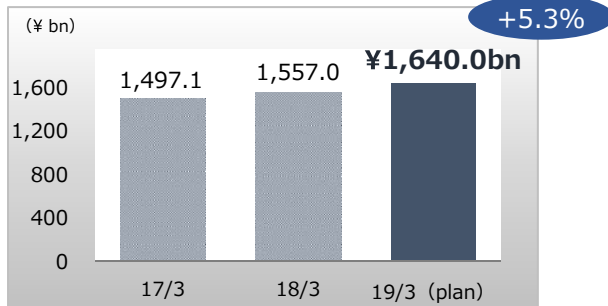
Financial forecasts

Consolidated PL

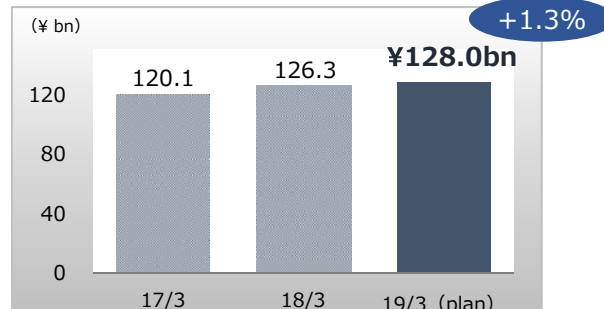
Profit & Loss Forecast

There is no change from the forecast at the beginning of this FY

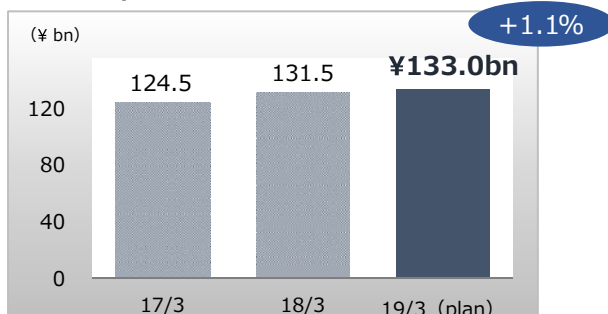
■ Net sales



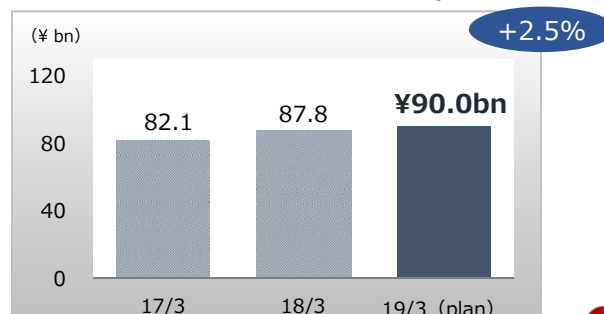
■ Operating income



■ Ordinary income



■ Net income attribute to owners of parent



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

25

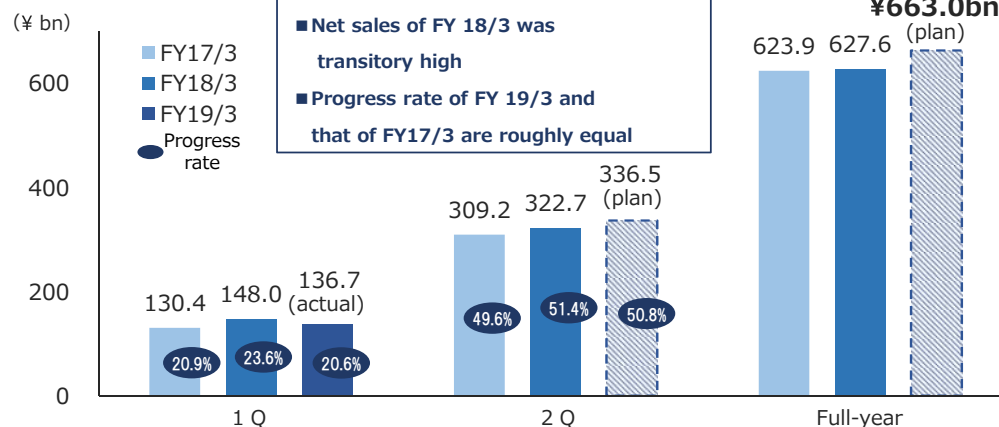
Financial forecasts

Construction business

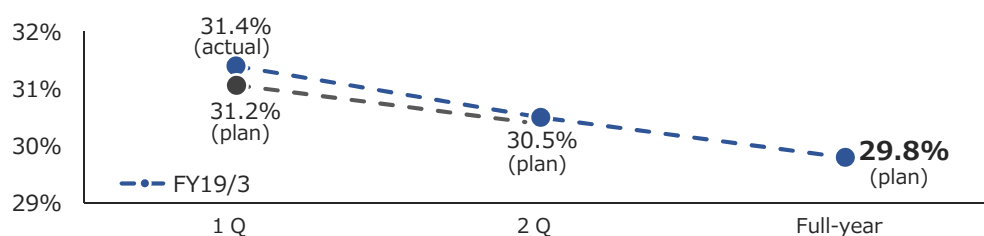
Plan of net sales and gross profit (Construction business)

There is no change from original plan

■ Net sales



■ Gross profit margin



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

26

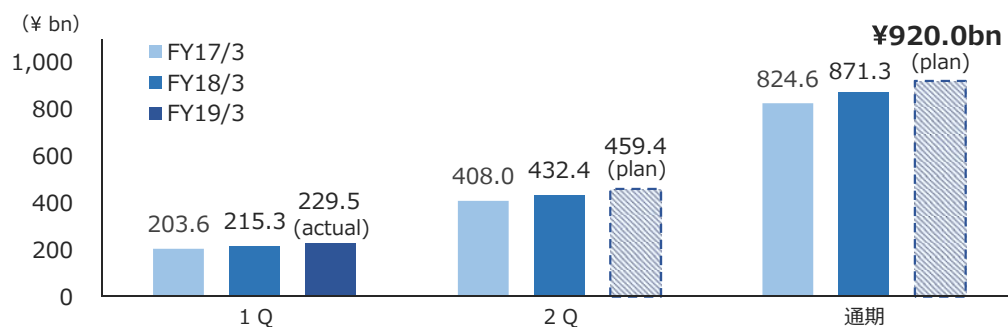
Financial forecasts

Real estate business

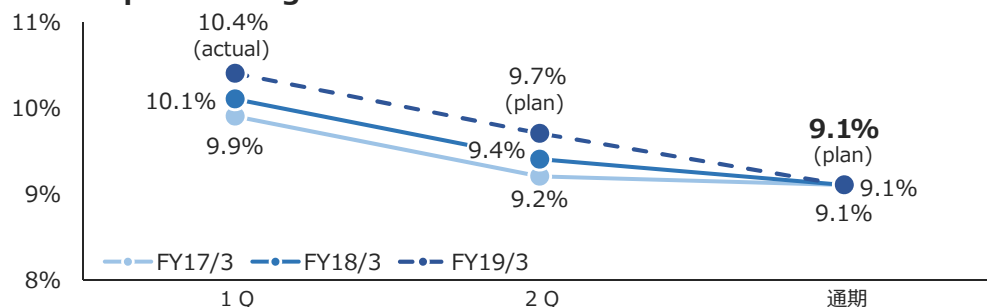
Plan of net sales and gross profit (Real estate business)

There is no change from original plan

■ Net sales



■ Gross profit margin



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

27

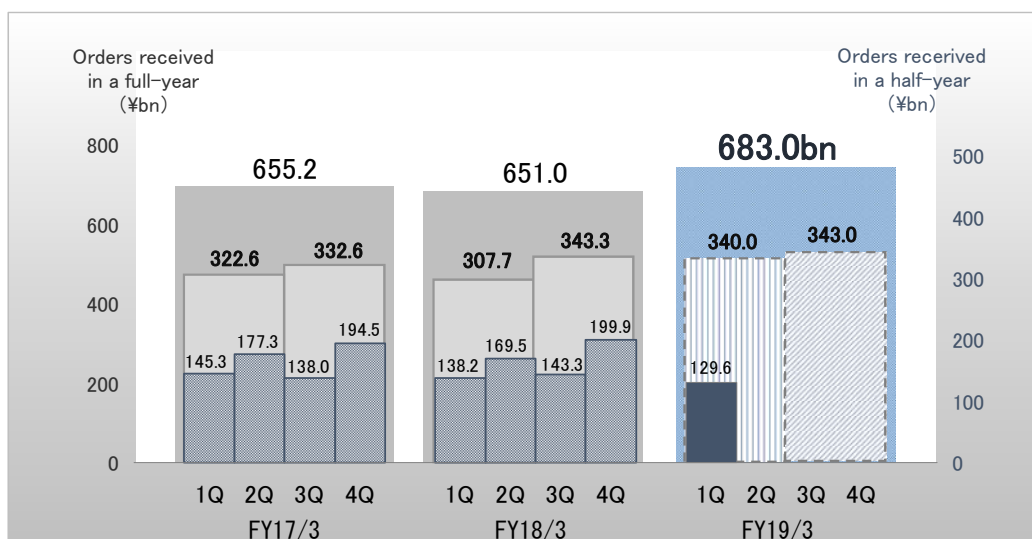
Financial forecasts

Plan of orders received

Transition of orders received

◆ Plan of orders received in a full-year ¥683.0bn (+4.9% YoY)

◆ Plan of orders received in a half-year ¥340.0bn (+5.3% YoY)

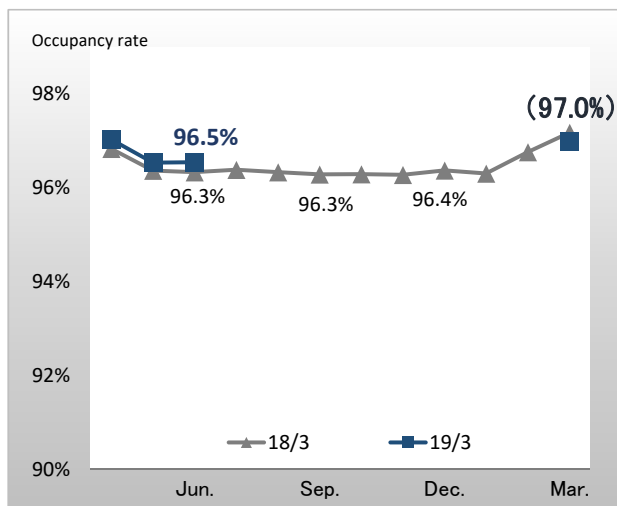


Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

28

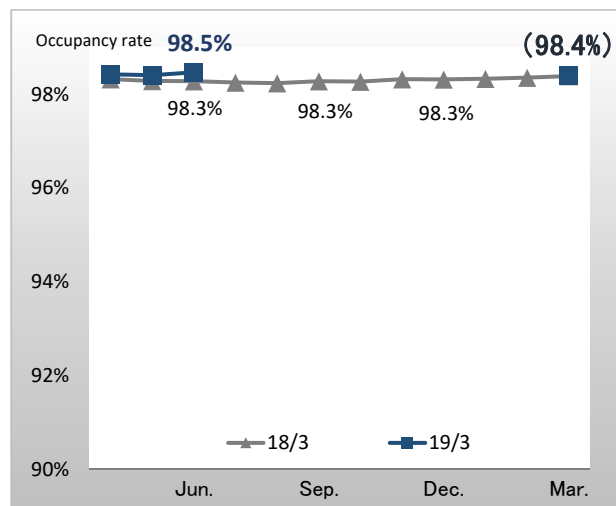
Occupancy rate of
residential use units

Target in 2019/3 **97.0%**



Occupancy rate of
commercial use units

Target in 2019/3 **98.4%**



IV. Topics

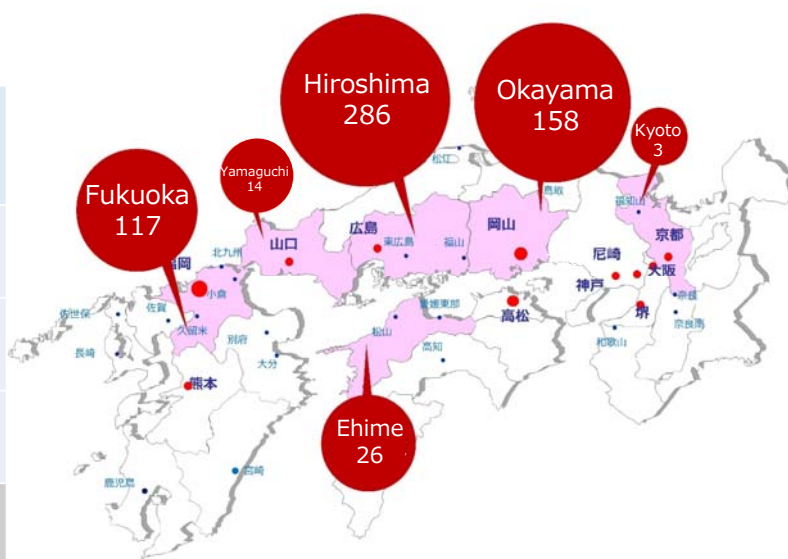
Topics

Heavy Rain in July 2018

Damage caused by Heavy Rain in July 2018

《Damage of under construction and management(as of Jul. 26)》

Covered with water	Number of buildings under construction	Number of buildings under management
Up to foundation	7	—
Above ground floor	1	351
Other	—	253
Total	8	604



▲ Damage of buildings under management(as of Jul.26)

Topics

Heavy Rain in July 2018

Daito's support activity

■ Our support for areas and people damaged by the heavy rain

1.	Financial donation to local governments ¥30mn From Daito Group ¥25mn From Daito Group Mirai Fund ¥5mn
2.	Providing residential units 668units (as of 2018/7/26) ※For owners and tenants of Daito units who are affected by the heavy rain
3.	Providing furniture and home electric appliances ※For tenants affected by the heavy rain
4.	Financial donation to owners of Daito's units ※Conducted according to internal guidelines
5.	Financial donation to employees ※Conducted according to internal guidelines

Regarding recent concerns over subleasing industry, here we would like to explain our business process.

«Matters reported in the media»

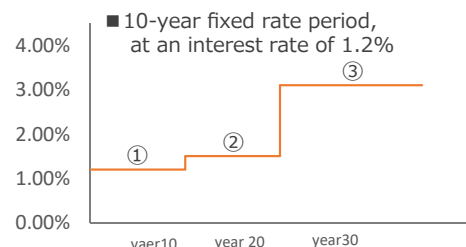
- Risky business plan
- Inaccurate financial plan
- Low quality construction
- Lack of explanation to owners



Business plan taking changeable factors into account

Forecast of interest rate for debt financing

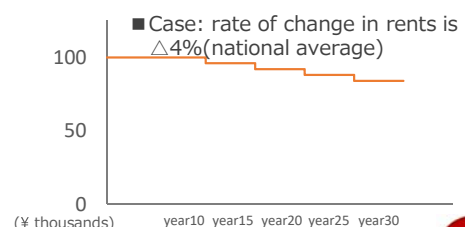
- ①Year 1 - end of fixed rate period : Actual fixed rate
- ②End of fixed rate period - year 20 : Assuming 1.50% or more
- ③Year 21 - : Assuming 3.10% or more



Forecast of market rent

Based on historical change in each prefecture, etc.
 ex.)Tokyo : ▲2.0% Nara : ▲3.4% Kagoshima : ▲4.5%

In case of whole-building lease, occupancy does not affect the owners and losses.



Topics

Loan acceptance

Business plan considering risk factors



Giving thorough review of business plan

Confirmation of customer's assets available for equity investments

- Visit customer's home with sales representative, chief manager, branch manager
- Give explanation of financing terms
- Confirm original of account balance certificate, passbook, etc.

Customer and our 3 staffs sign and seal certificate of explanation and confirmation

▲ certificate of confirmation of business plan (except)

Topics

Inspection of construction process

Check system of construction process



Securing construction quality through in-process inspections※

※Visual confirmation and photo documentation

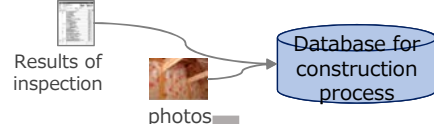
Inspection of construction quality by subcontractor and site supervisor and photo documentation

Checklist <387 items>



Photo documentation

All inspection results and photos are stored in database



Organize photos of each construction process into a completion report and submit it to the owner

Completion report



Unseeable parts of walls, ceilings, etc. can also be verified by the photos



Topics

Agreement of whole-building lease

Explanation upon agreement of whole-building lease



Agreement process of whole-building lease is conducted by licensed personnel

Strictly ensure explanation and delivery of documents by personnel licensed as Property Manager※ upon the agreement

※Property Manager or more than 6 years of operational experience



Property management personnel



Owner

Main contents of the agreement document

- ①Lease term and renewal periods
- ②Amount and payment methods of the rent
- ③Future volatility in rent, etc.



A fundamental contract as Leasing management and sub-lease business

Holders of the license:788 persons

◎ From July, companies registered as management company are totally obliged by MLTI. to conduct above process mentioned so as to prevent troubles between owners and the companies(sub-leasees)

Topics

Agreement of whole-building lease

Agreement of whole-building lease (disclosure statement)



Agreement of whole-building lease Disclosure Statement

[Revision of rent](excerpt)

With economic conditions, rent in the neighborhood, changes in legal and administrative regulations and the like considered, rent of the whole-building can be revised in every five years after full ten years has passed since the inception date of the lease term.

Topics

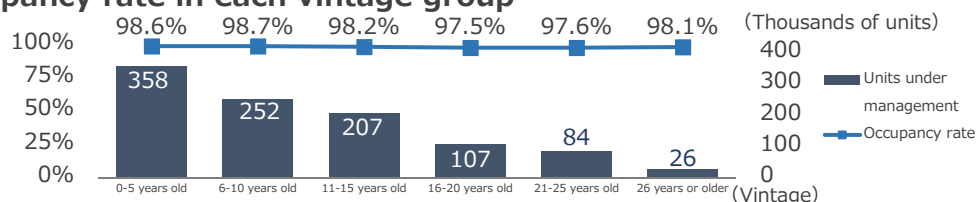
Management structure

Occupancy rate and rent fluctuation of rental housing units in each vintage group under our management



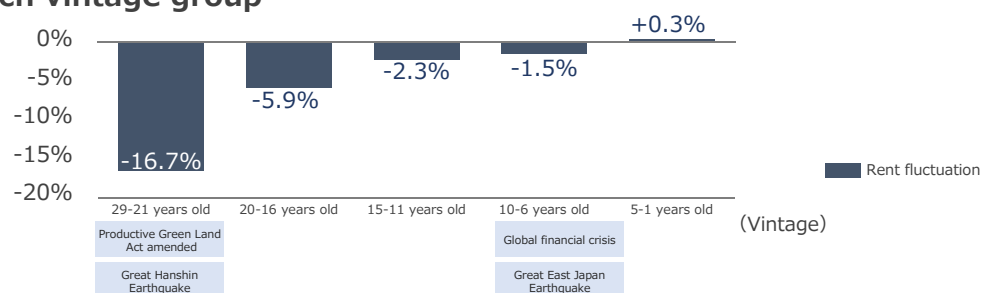
■ Number of rental housing units and occupancy rate in each vintage group

Even old units maintain high occupancy rates



■ Rent fluctuation of rent in each vintage group

No large fluctuations in rent except for when there was an oversupply due to an amendment of the Productive Green Land Act



Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

39

V. Appendix

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

40

Profit & Loss of each segment <FY19/3>

《Construction business》

(¥mn)

	17/6	18/6	YoY	19/3 (Plan)
Net sales	148,042	136,719	△7.6%	663,000
Gross profit	47,725	42,940	△10.0%	197,300
(Gross profit margin)	32.2%	31.4%	△0.8p	29.8%
Operating income	26,021	22,303	△14.3%	105,800
(Operating income margin)	17.6%	16.3%	△1.3p	16.0%

《Real estate business》

(¥mn)

	17/6	18/6	YoY	19/3 (Plan)
Net sales	215,341	229,590	+6.6%	920,000
Gross profit	21,695	23,765	+9.5%	83,500
(Gross profit margin)	10.1%	10.4%	+0.3p	9.1%
Operating income	11,577	13,462	+16.3%	37,100
(Operating income margin)	5.4%	5.9%	+0.5p	4.0%

《Other businesses》

(¥mn)

	17/6	18/6	YoY	19/3 (Plan)
Net sales	13,809	13,797	△0.1%	57,000
Gross Profit	5,185	5,811	+12.1%	22,400
(Gross profit margin)	37.6%	42.1%	+4.5p	39.3%
Operating income	3,084	3,100	+0.5%	11,700
(Operating income margin)	22.3%	22.5%	+0.2p	20.5%

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

41

Profit & Loss (Non-consolidated) <FY19/3>

Daito Trust Construction

(¥mn)

	17/6	18/6	YoY	Plan(Full-year)
Net Sales	151,951	137,995	△9.2%	665,600
Construction	148,033	137,307	△7.2%	663,000
Real estate & Others	3,918	688	△82.4%	2,600
Gross profit	47,436	43,290	△8.7%	196,500
Construction	46,579	42,930	△7.8%	194,800
Real estate & Others	857	359	△58.0%	1,700
SG&A expenses	29,028	28,350	△2.3%	134,500
Operating income	18,408	14,939	△18.8%	62,000
Ordinary income	36,424	44,592	+22.4%	95,000
Net income	30,211	40,637	+34.5%	72,900

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

42

Profit & Loss of major subsidiaries (Construction) <FY19/3>

(¥mn)

	Construction business							
	Daito Construction				Daito Steel			
	17/6	18/6	YoY	Plan (full-year)	17/6	18/6	YoY	Plan (full-year)
Net sales	1,489	1,945	+30.6%	8,300	1,046	1,030	△1.5%	5,014
Gross profit	△8	113	—	312	59	60	+0.4%	281
SG&A expenses	32	31	△2.5%	144	19	19	+1.4%	79
Operating income	△40	82	—	168	40	40	△0.1%	202
Ordinary income	△23	103	—	245	38	41	+7.5%	219
Net income	△17	79	—	245	25	19	△22.2%	140

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

43

Sales structure of real estate business<FY19/3>

(¥mn)

	16/6		17/6		18/6		
	Amount	(Ratio)	Amount	(Ratio)	Amount	(Ratio)	YoY
Whole-building leases※1	185,720	(91.2%)	196,428	(91.2%)	207,553	(90.4%)	+5.7%
Building and repairs	6,918	(3.4%)	7,708	(3.6%)	9,258	(4.0%)	+20.1%
Brokerage of real estate	4,087	(2.0%)	3,875	(1.8%)	4,139	(1.9%)	+6.8%
Rent guarantee business	2,698	(1.3%)	2,557	(1.2%)	3,039	(1.3%)	+18.8%
Electricity business	1,699	(0.8%)	2,123	(1.0%)	2,118	(0.9%)	△0.2%
Leasing business※2	1,538	(0.8%)	1,554	(0.7%)	1,535	(0.7%)	△1.2%
Others	965	(0.5%)	1,092	(0.5%)	1,945	(0.8%)	+78.2%
Total	203,628	(100.0%)	215,341	(100.0%)	229,590	(100.0%)	+6.6%

※1 Sub-lease contract in Lease Management Trust System by Daito Kentaku Partners

※2 Mainly Shinagawa East One Tower

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

44

Profit & Loss of major subsidiaries (Real estate-1) <FY19/3>

(¥ mn)

	Real estate business							
	Daito Kentaku Partners※1				Daito Kentaku Leasing※2			
	17/6	18/6	YoY	Plan (full-year)	17/6	18/6	YoY	Plan (full-year)
Net sales	207,933	220,835	+6.2%	881,700	1,498	5,134	+242.6%	21,700
Gross profit	17,498	18,797	+7.4%	62,300	819	2,246	+174.2%	9,400
SG&A expenses	4,318	5,306	+22.9%	21,800	273	1,478	+441.0%	7,200
Operating income	13,179	13,491	+2.4%	40,500	545	767	+40.6%	2,200
Ordinary income	17,595	17,739	+0.8%	45,600	545	1,061	+94.4%	3,000
Net income	13,405	13,418	+0.1%	32,400	371	382	+2.9%	2,000

※1 Daito Building Management Co.,Ltd. changed its trade name to Daito Kentaku Partners Co.,Ltd. on April 1, 2017.

※2 The subsidiary was founded in October 2016 and fully started its operation in late May 2017.

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

45

Profit & Loss of major subsidiaries (Real estate-2) <FY19/3>

(¥ mn)

	Real estate business							
	House Leave				Housecom			
	17/6	18/6	YoY	Plan (full-year)	17/6	18/6	YoY	Plan (full-year)
Net sales	2,557	3,039	+18.8%	12,732	2,463	2,644	+7.3%	11,355
Gross profit	2,401	2,841	+18.3%	11,745	2,400	2,511	+4.6%	10,909
SG&A expenses	683	778	+13.9%	3,852	2,290	2,339	+2.2%	9,813
Operating income	1,717	2,062	+20.1%	7,893	109	171	+56.6%	1,096
Ordinary income	1,718	2,063	+20.1%	7,897	112	174	+55.4%	1,344
Net income	1,135	1,476	+30.1%	5,479	64	112	+73.6%	880

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

46

Profit & Loss of major subsidiaries (Other businesses-1) <FY19/3>

(¥ mn)

	Other businesses (Financial business)											
	Daito Finance				House Guard				D.T.C			
	17/6	18/6	YoY	Plan (full-year)	17/6	18/6	YoY	Plan (full-year)	17/6	18/6	YoY	Plan (full-year)
Net sales	376	405	+7.7%	1,332	541	677	+25.1%	2,829	941	846	△10.1%	3,359
Gross profit	294	353	+19.7%	1,148	257	321	+25.0%	1,323	377	395	+4.7%	1,351
SG&A expenses	45	54	+18.5%	179	197	248	+26.1%	1,072	5	5	△11.2%	15
Operating income	249	298	+19.9%	968	60	73	+21.2%	250	371	390	+5.0%	1,335
Ordinary income	249	298	+19.9%	969	60	73	+21.2%	250	182	389	+113.7%	1,335
Net income	164	205	+24.9%	672	59	77	+29.3%	237	182	389	+113.7%	1,335

Profit & Loss of major subsidiaries (Other businesses-2) <FY19/3>

(¥ mn)

	Other businesses (Gas Supply Business・Care Business)							
	Gaspal <small>※ Consolidated financial statement of Gaspal Group in this FY.</small>				Care Partner			
	17/6	18/6	YoY	Plan (full-year)	17/6	18/6	YoY	Plan (full-year)
Net sales	5,989	6,522	+8.9%	27,231	2,857	3,034	+6.2%	11,736
Gross profit	2,618	3,046	+16.3%	11,873	398	396	△0.5%	1,173
SG&A expenses	1,609	1,635	+1.6%	7,032	247	241	△2.6%	1,023
Operating income	1,008	1,410	+39.9%	4,840	151	155	+2.9%	150
Ordinary income	959	1,300	+35.6%	4,425	150	155	+3.8%	150
Net income	858	810	△5.7%	3,070	62	111	+79.0%	103

Profit & Loss of major subsidiaries (Other businesses-3) <FY19/3>

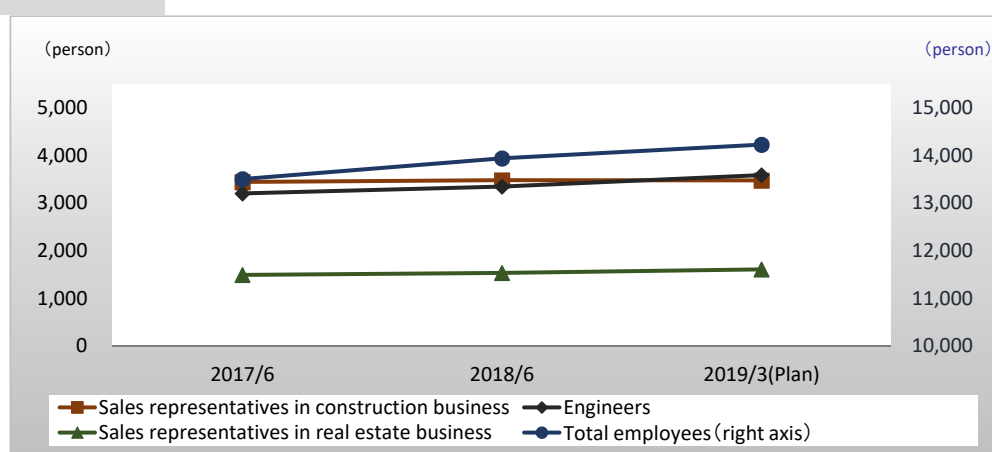
(¥ mn)

	Other businesses (Energy Business・Foreign business)											
	Daito Energy				DAITO ASIA DEVELOPMENT (MALAYSIA) SDN. BHD.				DAITO ASIA DEVELOPMENT (MALAYSIA) II SDN. BHD.			
	17/6	18/6	YoY	Plan (full-year)	17/6	18/6	YoY	Plan (full-year)	17/6	18/6	YoY	Plan (full-year)
Net sales	2,596	955	△63.2%	4,219	663	734	+10.7%	3,220	—	1,108	—	4,584
Gross profit	292	115	△60.4%	168	314	331	+5.5%	1,483	—	559	—	2,196
SG&A expenses	293	59	△79.9%	126	239	263	+10.0%	1,059	—	337	—	1,345
Operating income	△1	56	—	42	75	68	△8.7%	424	—	222	—	851
Ordinary income	△42	47	—	8	147	358	+142.4%	368	—	498	—	753
Net income	△43	47	—	8	147	358	+142.4%	341	—	498	—	609

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

49

Transition of number of employees in each business section (major 3 companies)



	2017/6	2018/6	(YoY)	End of March 2019(Plan)
Total employees	13,498	13,934	+436	14,220
Sales representative in construction business※1	3,438	3,472	+34	3,470
Engineers	3,197	3,338	+141	3,580
Sales representative in real estate business※2	1,485	1,525	+40	1,600

※1 Including Customer Support Department (specialized in support of existing customers)

※2 From FY 18/3, total number of leasing sales personnel in Daito Kentaku Leasing and Daito Kentaku Partners

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

50

Orders received compared with 1Q of FY18/3

Decreased ¥8.6bn

① Number of orders(project) $\Delta 16.1\text{bn}$

(1,663 orders \rightarrow 1,495 orders)

② Per project price $+12.3\text{bn}$

(¥95.87mn/project \rightarrow
¥104.13mn/project)

③ Cancellation $\Delta 6.8\text{bn}$

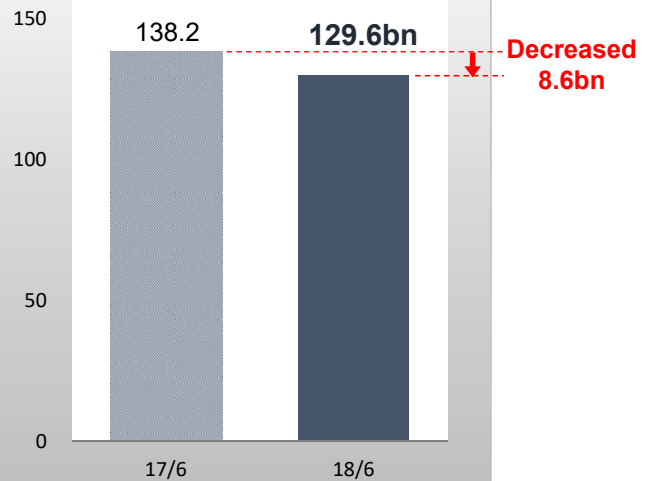
(18.8% \rightarrow 23.1%)

④ Building & repairs $+2.0\text{bn}$

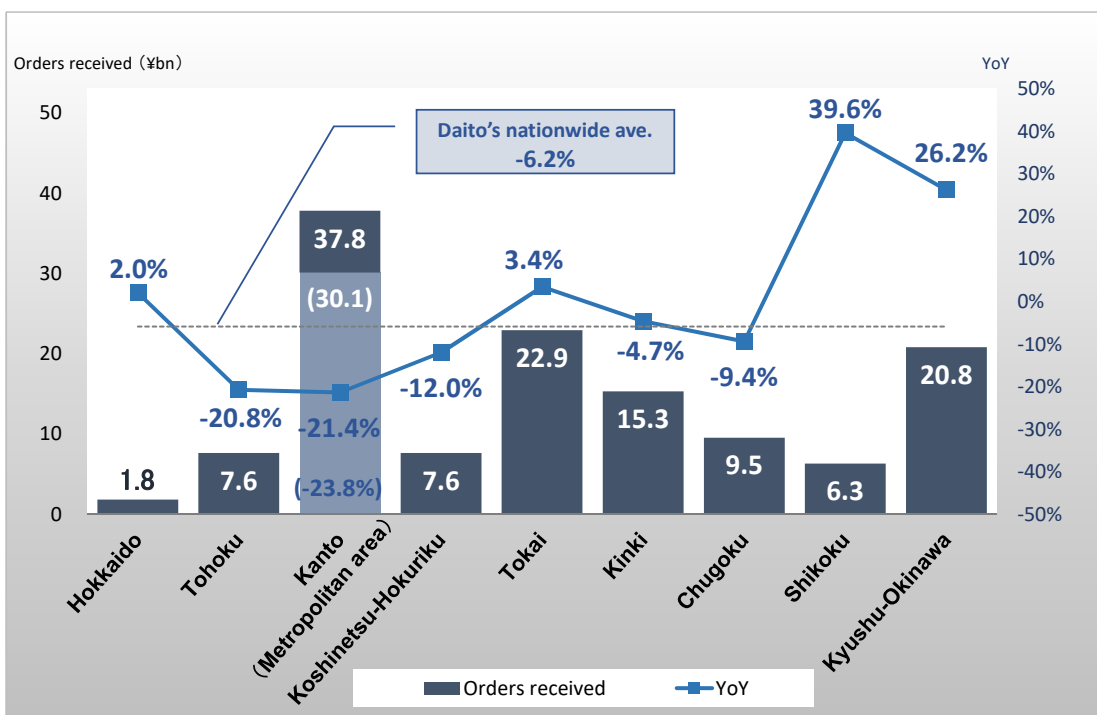
(¥10.8bn \rightarrow ¥12.8bn)

Order received

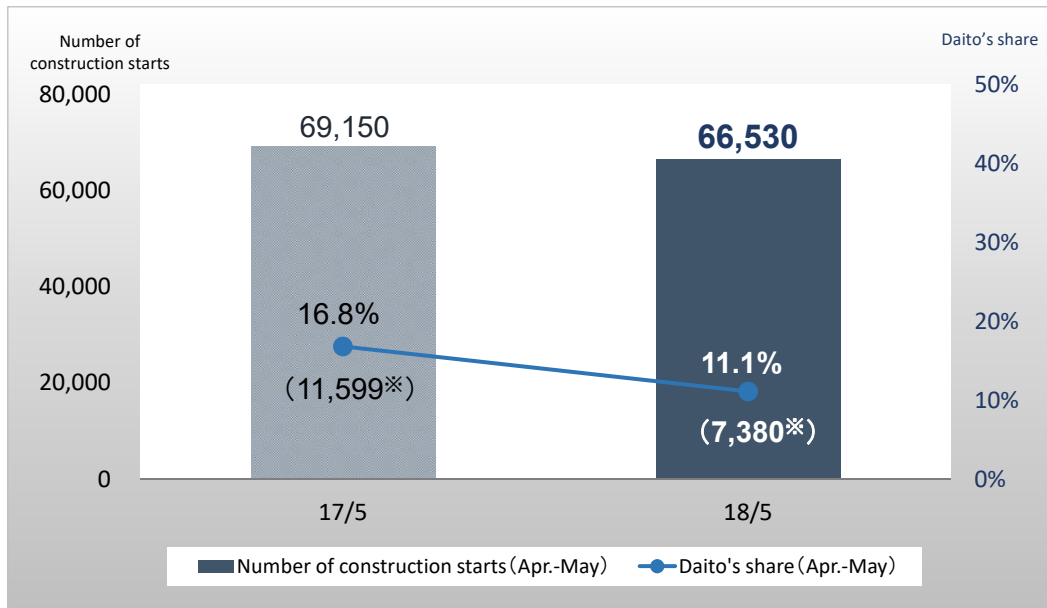
(¥bn)



Orders received in each region



Number of construction starts & Daito's share (Year on Year)

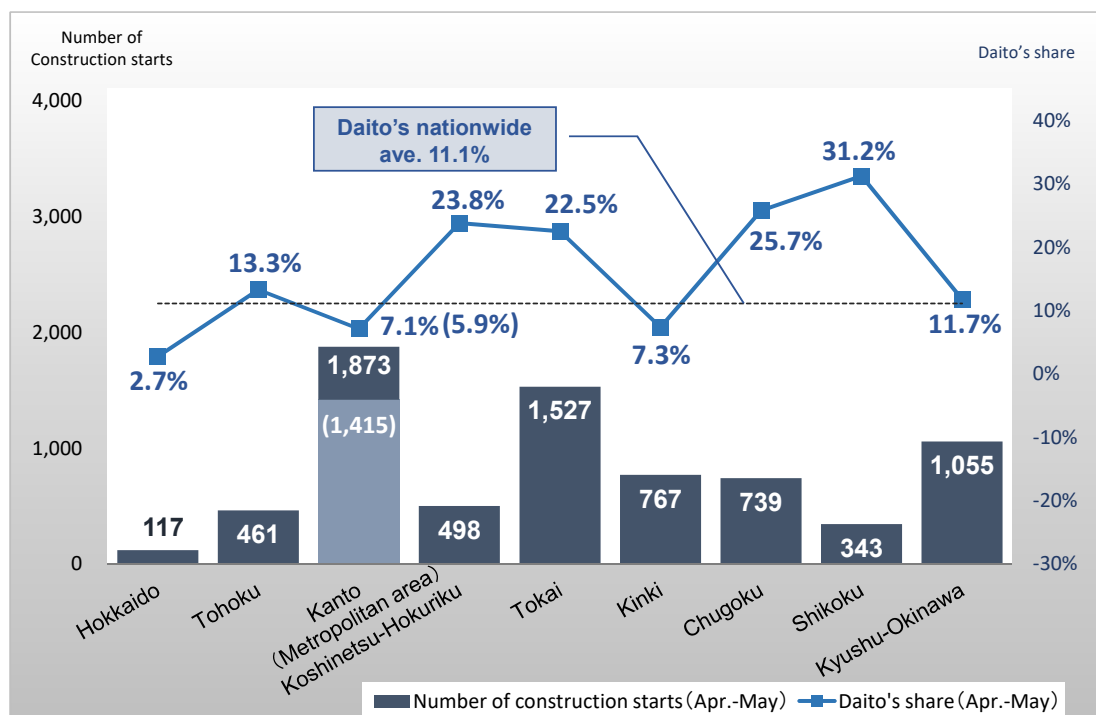


※Number of construction starts by Daito group
(Ministry of Land, Infrastructure, Transport and Tourism : "Housing Starts Statistics")

Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

53

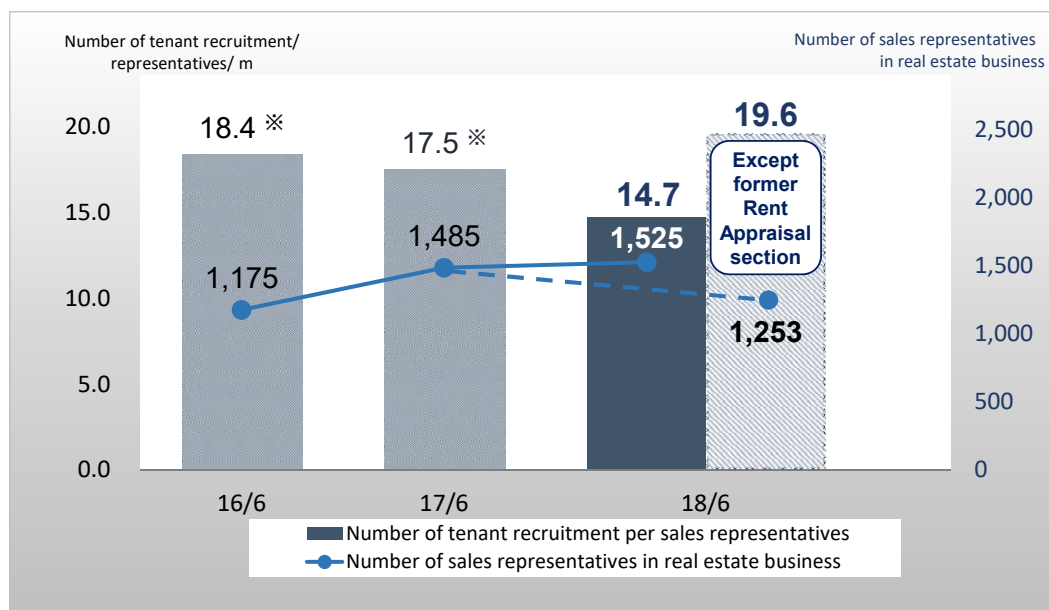
Number of construction starts by area & Daito's share



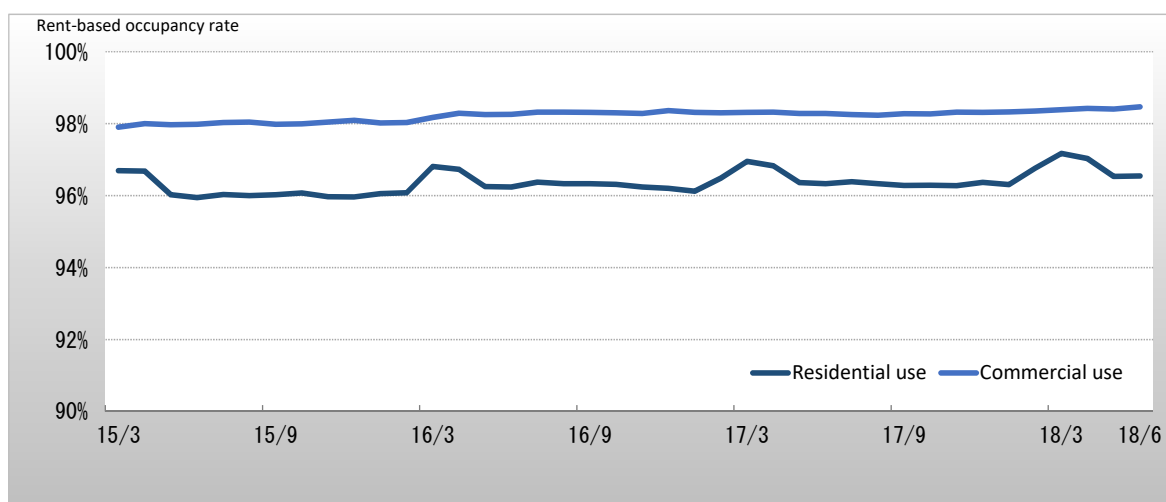
Copyright© DAITO TRUST CONSTRUCTION CO., LTD.

54

Transition of the number of tenant recruitment per sales representatives (Year on Year)



Transition of rent-based occupancy rate

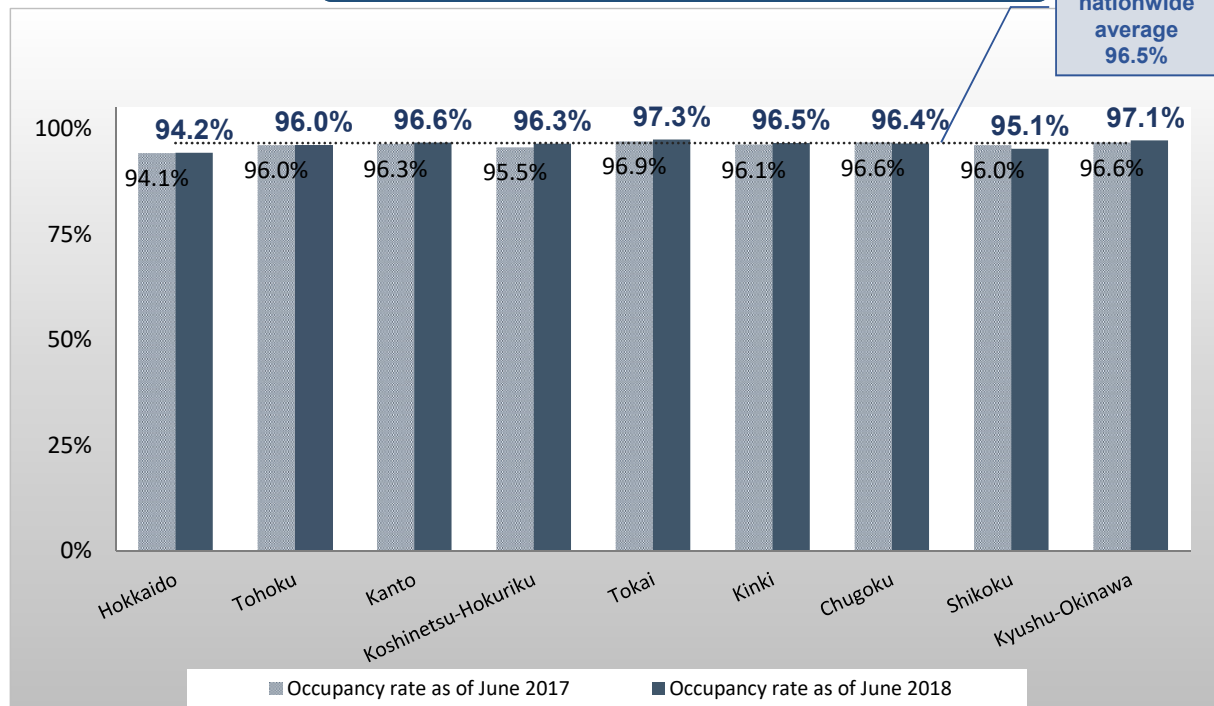


Rent-based occupancy rate	14/6	15/6	16/6	17/6	18/6	YoY
Residential use (%)	96.0%	95.9%	96.2%	96.3%	96.5%	+0.2p
Commercial use (%)	96.9%	98.0%	98.3%	98.3%	98.5%	+0.2p

Rent-based occupancy rate in each region (as of June : Residential use)

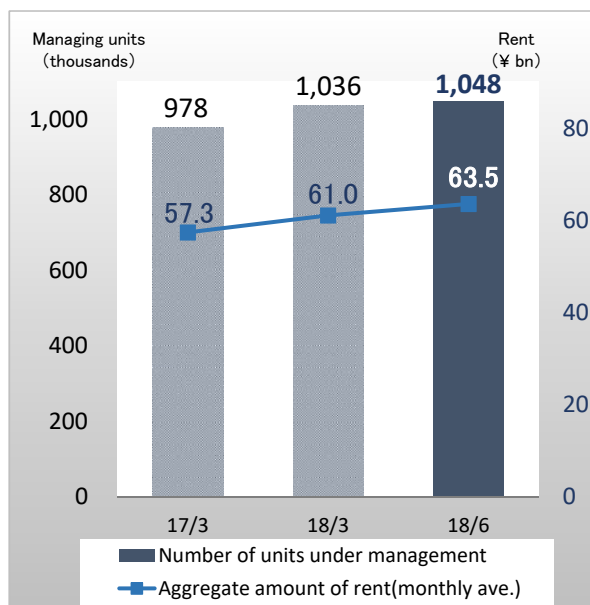
Continuously maintains high level
of occupancy in each region

Daito's
nationwide
average
96.5%

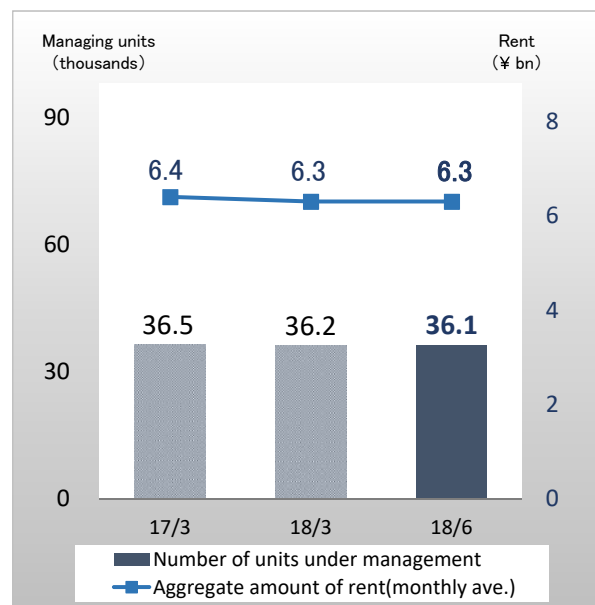


Number of units under management & aggregate amount of rent

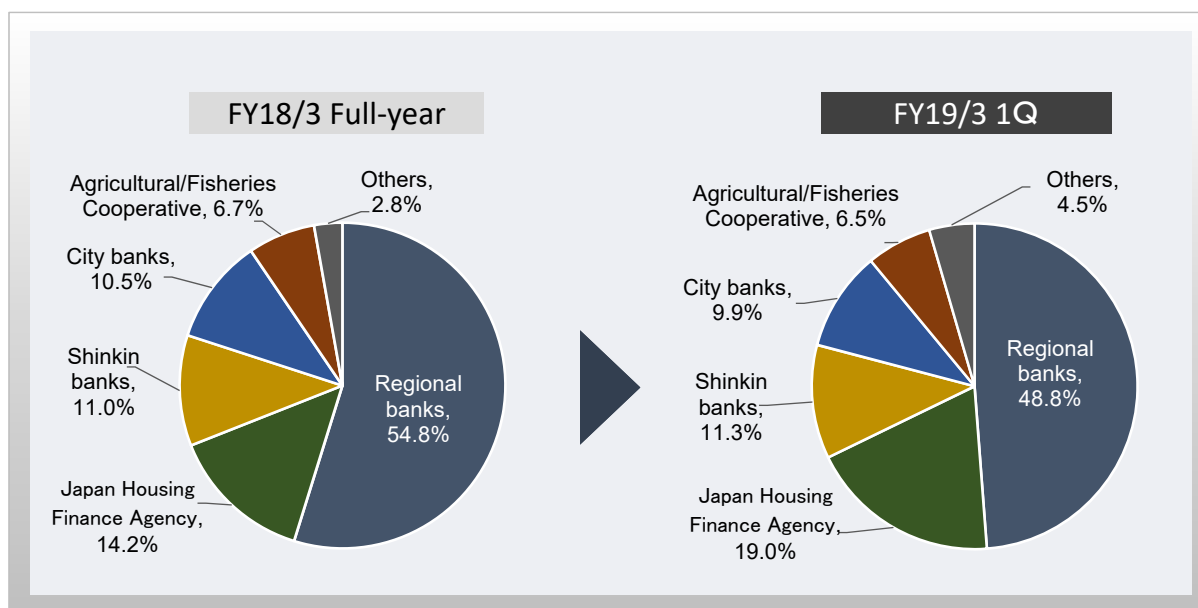
Residential use



Commercial use



Resources of finance for construction (loan acceptance basis)



1. Disclaimer of warranties for the contents
Daito pays careful attention about the information carried on this documents. However, Daito can not offer the guarantee about the accuracy, reliability, safety, etc.
Please recognize the information about future forecast that Daito may offer is prediction of Daito at a certain time and is uncertain.
2. Copyright etc.
All the information offered on this documents is protected by the law of the Copyright Act and others. Quotation, reproduction and the duplicate without Daito's authorization are prohibited.