



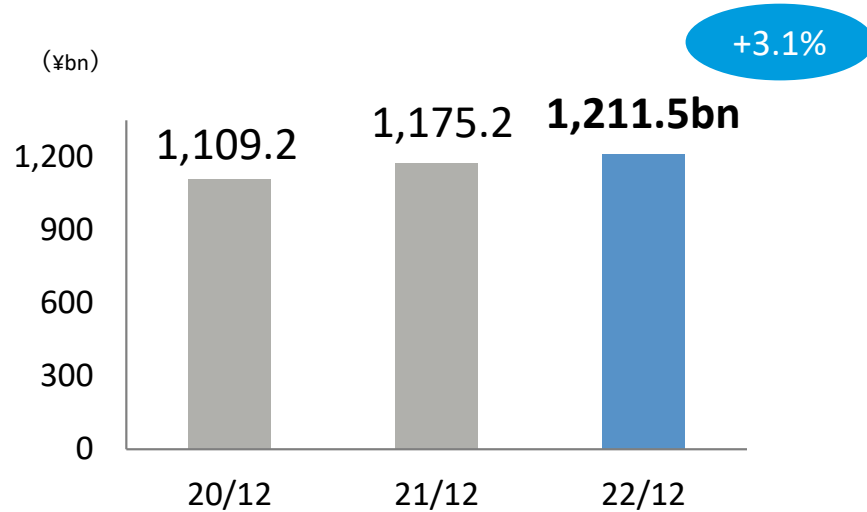
DAITO TRUST CONSTRUCTION CO., LTD.

Report on Settlement of 3Q ending March 31, 2023

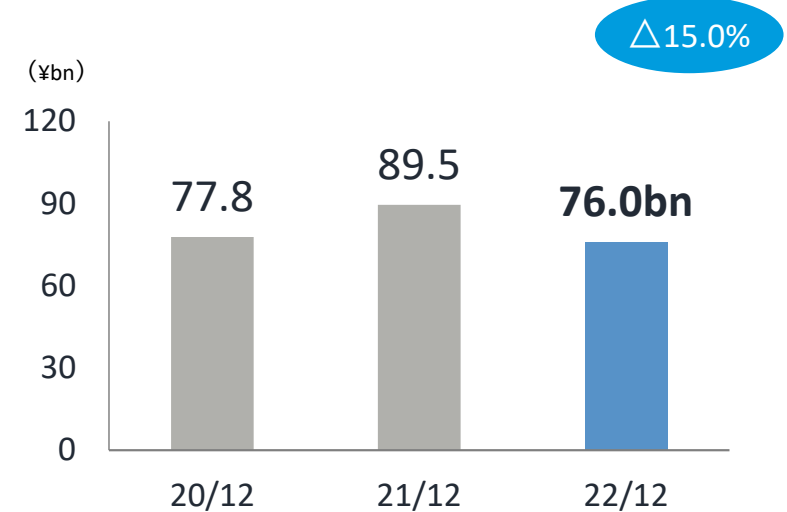
I . Results in 3Q of FY ending March 31, 2023	3
II . Key Figures	14
III . Forecasts of FY ending March 31, 2023	23
IV . Topics	25
V . Appendix	31

I . Results in 3Q of FY ending March 31, 2023

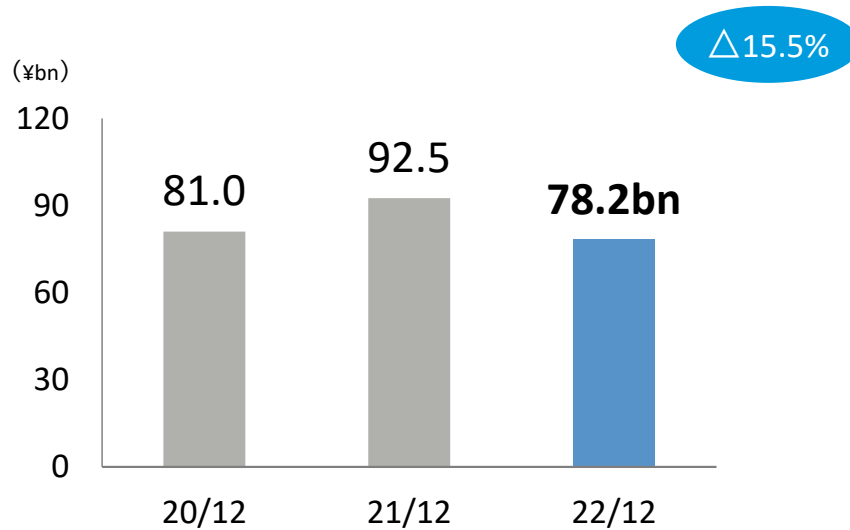
Net sales



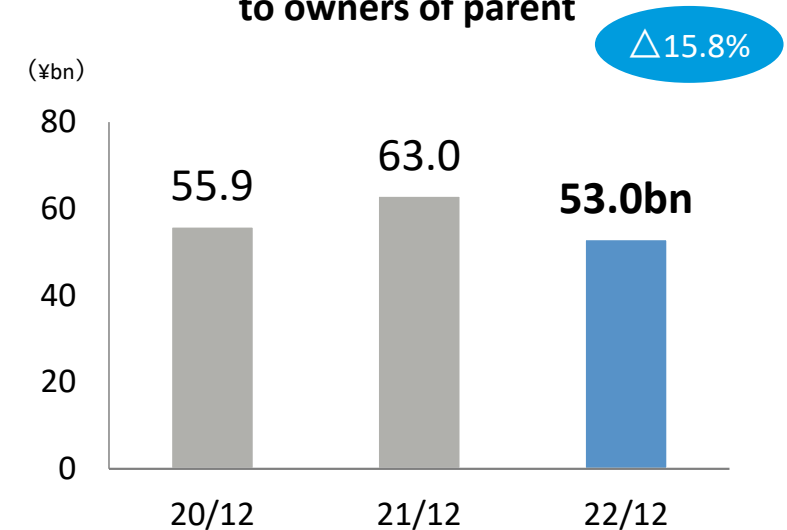
Operating income



Ordinary income



Net income attributable to owners of parent



PL (Factors of fluctuation in operating income) <YoY>

Major factors of fluctuation (Operating income Δ ¥13.5bn)

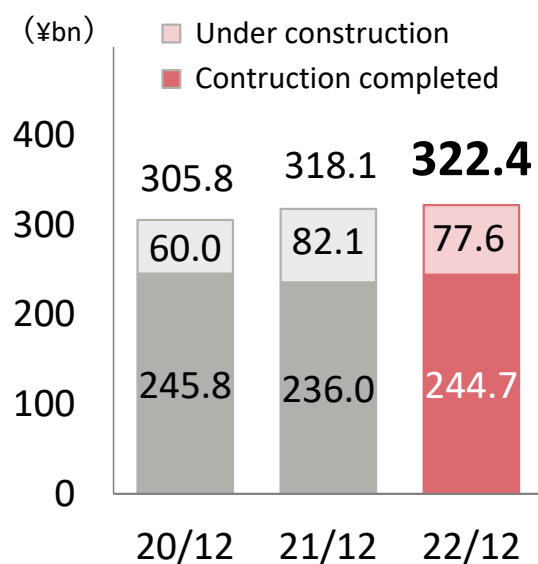
Gross profit on completed construction contracts < Δ ¥16.0bn >	<ul style="list-style-type: none"> • Increase in completed construction (¥318.1bn \rightarrow ¥322.4bn) +¥1.13bn • Decrease in gross profit margin (26.3%\rightarrow21.0%) Δ¥17.14bn
Gross profit on real estate business < +¥4.9bn >	<ul style="list-style-type: none"> • Increase in profit from whole-building lease business +¥1.76bn • Increase in profit from brokerage business +¥0.49bn • Increase in profit from guarantee business +¥0.70bn • Decrease in restoration to original condition or repairing construction Δ¥0.25bn • Increase in profit from electricity business +¥0.23bn • Increase in profit from the other businesses +¥1.97bn
Gross profit on the other businesses < +¥2.5bn >	<ul style="list-style-type: none"> • Increase in profit from overseas hotel business +¥1.10bn • Increase in profit from investment condominium business (INVALANCE Ltd.,) +¥0.20bn • Increase in profit from renovation and resale business, etc. +¥0.28bn • Increase in profit from gas business +¥0.90bn
SG&A expenses < Δ ¥4.9bn >	<ul style="list-style-type: none"> • Increase in personnel expenses Δ¥3.06bn • Decrease in advertising & general publicity expenses +¥0.08bn • Increase in recruitment fee / training fee Δ¥0.44bn • Increase in the other expenses Δ¥1.48bn

Profit & Loss by segment (Construction business-1)

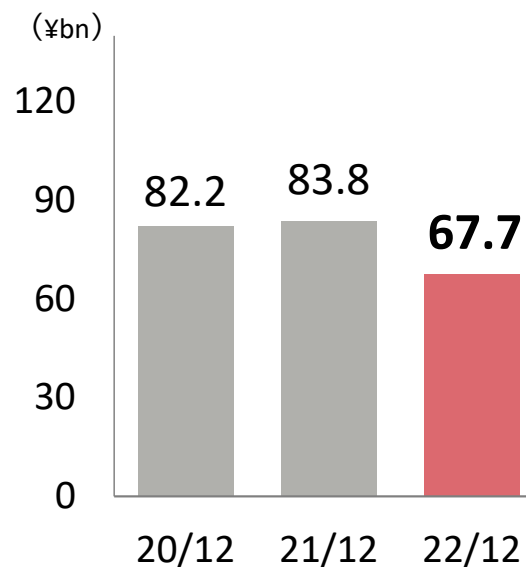
(¥bn)

	2021/12	2022/12	(YoY)
Net sales	318.1	322.4	(+1.3%)
Gross profit	83.8	67.7	(△19.1%)
Operating income	31.2	10.6	(△65.8%)

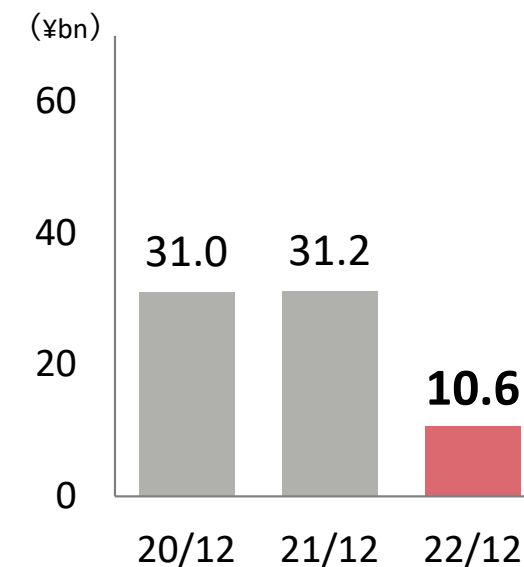
■ **Net sales** (Percentage of completion method)



■ **Gross profit**



■ **Operating income**



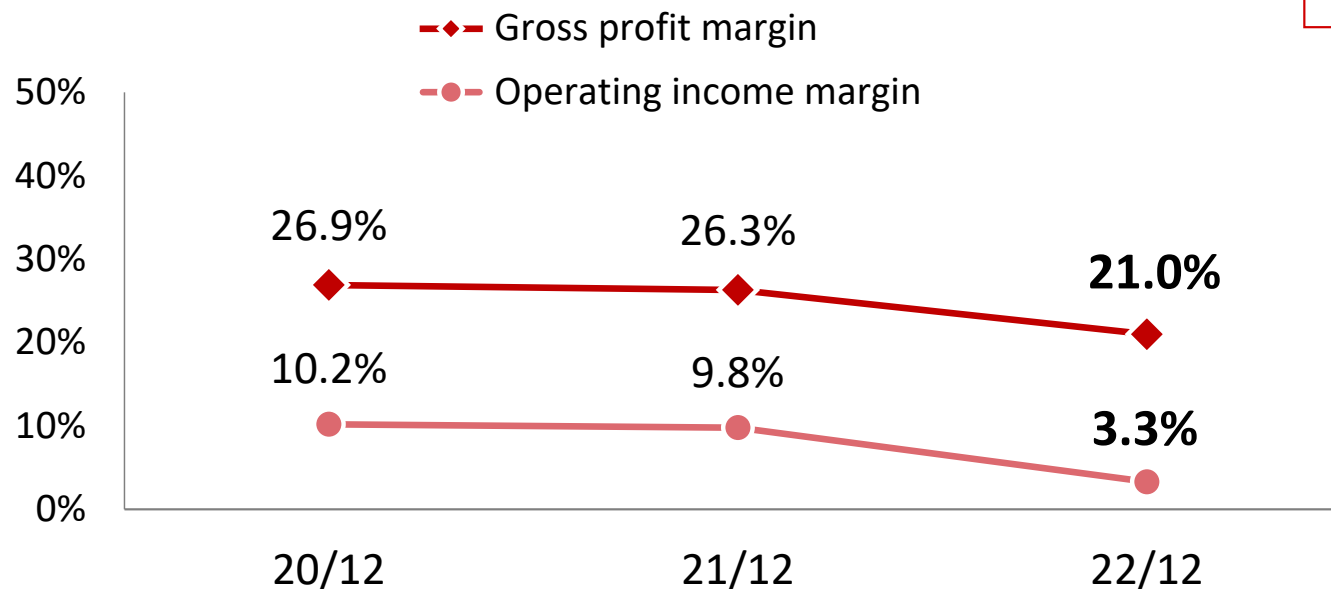
Profit & Loss by segment (Construction business-2)

	2021/12	2022/12	(YoY)
Gross profit margin	26.3%	21.0%	(Δ 5.3p)
Operating income margin	9.8%	3.3%	(Δ 6.5p)

Major breakdown of the variance (Δ 5.3p YoY)

Labor cost	Δ 1.0p
Material cost	Δ 1.3p
Exchange	Δ 3.0p

■ Gross profit margin / Operating income margin



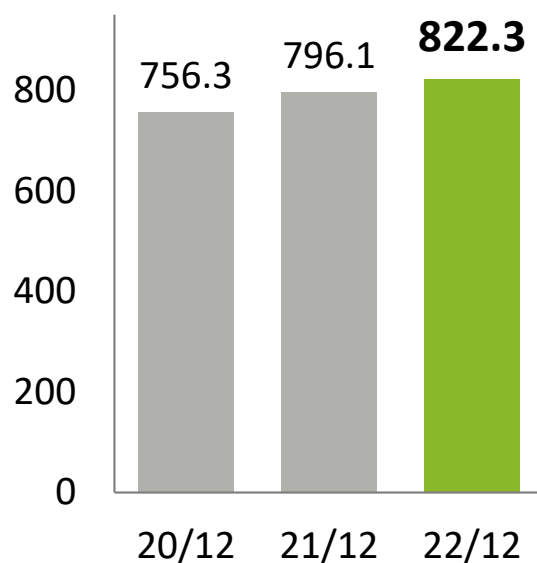
Profit & Loss by segment (Real estate business-1)

(¥bn)

	2021/12	2022/12	(YoY)
Gross profit margin	796.1	822.3	(+3.3%)
Gross profit	94.8	99.7	(+5.2%)
Operating income	61.2	66.6	(+8.9%)

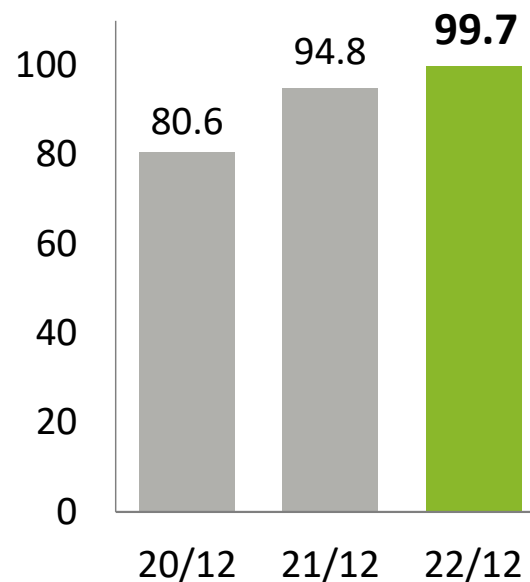
■ Net sales

(¥bn)



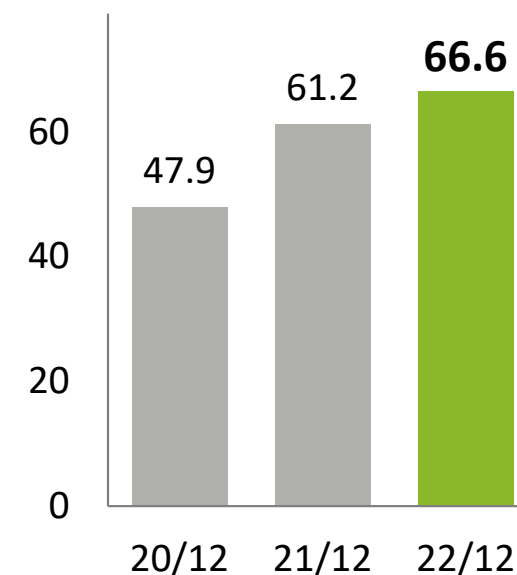
■ Gross profit

(¥bn)



■ Operating income

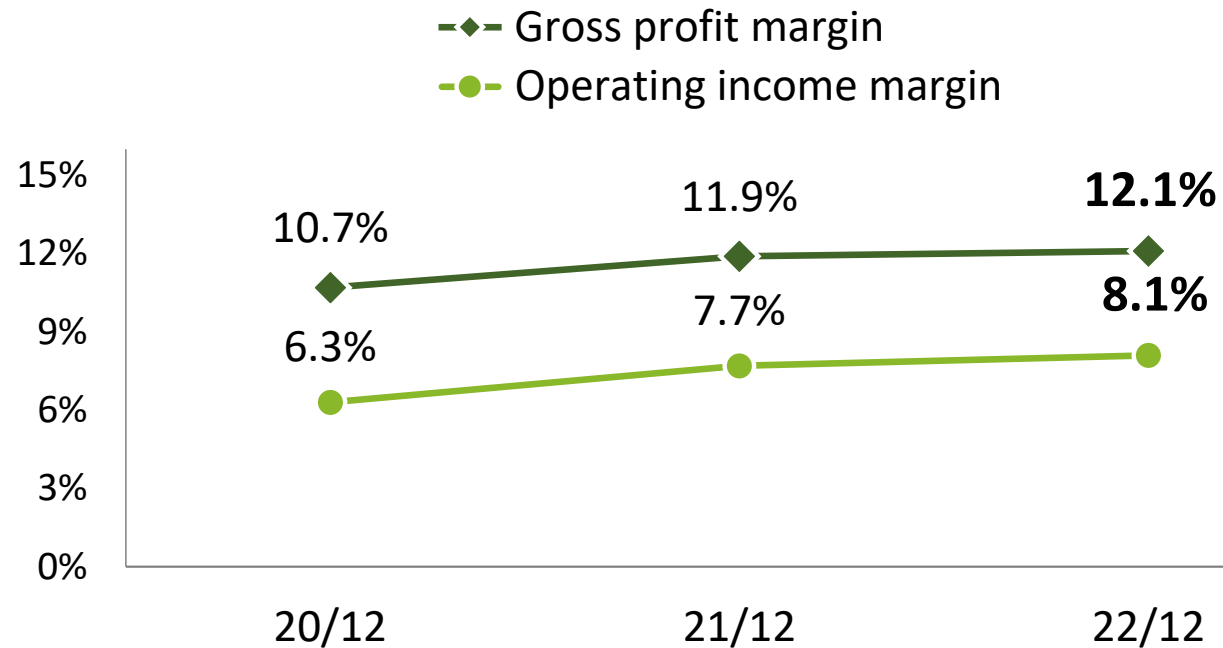
(¥bn)



Profit & Loss by segment (Real estate business-2)

	2021/12	2022/12	(YoY)
Gross profit margin	11.9%	12.1%	(+0.2p)
Operating income margin	7.7%	8.1%	(+0.4p)

■ Gross profit margin / Operating income margin



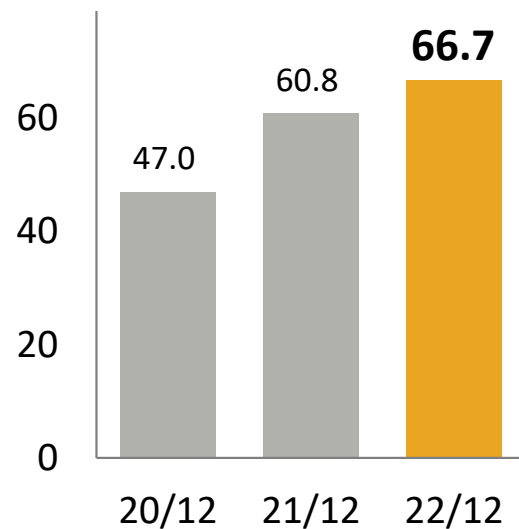
Profit & Loss by segment (Other businesses)

(¥bn)

	2021/12	2022/12	(YoY)
Net sales	60.8	66.7	(+9.7%)
Gross profit	19.0	21.6	(+13.5%)
Operating income	8.1	9.3	(+14.8%)

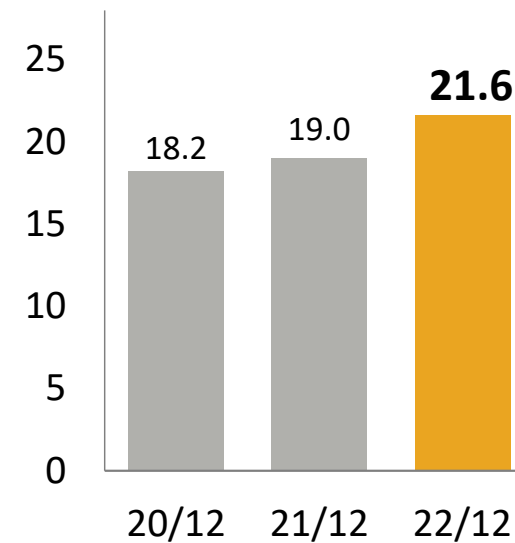
■ Net sales

(¥bn)



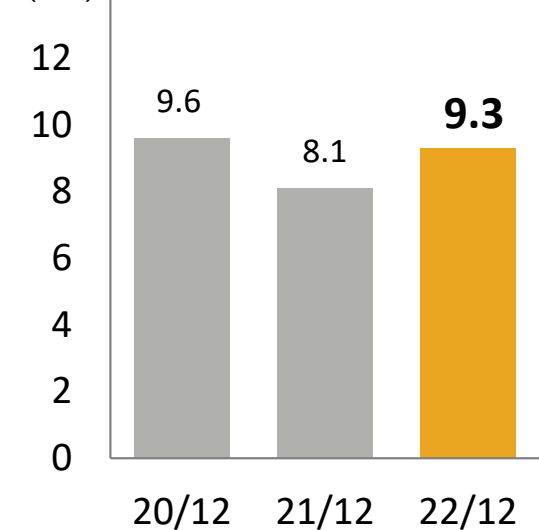
■ Gross profit

(¥bn)



■ Operating income

(¥bn)



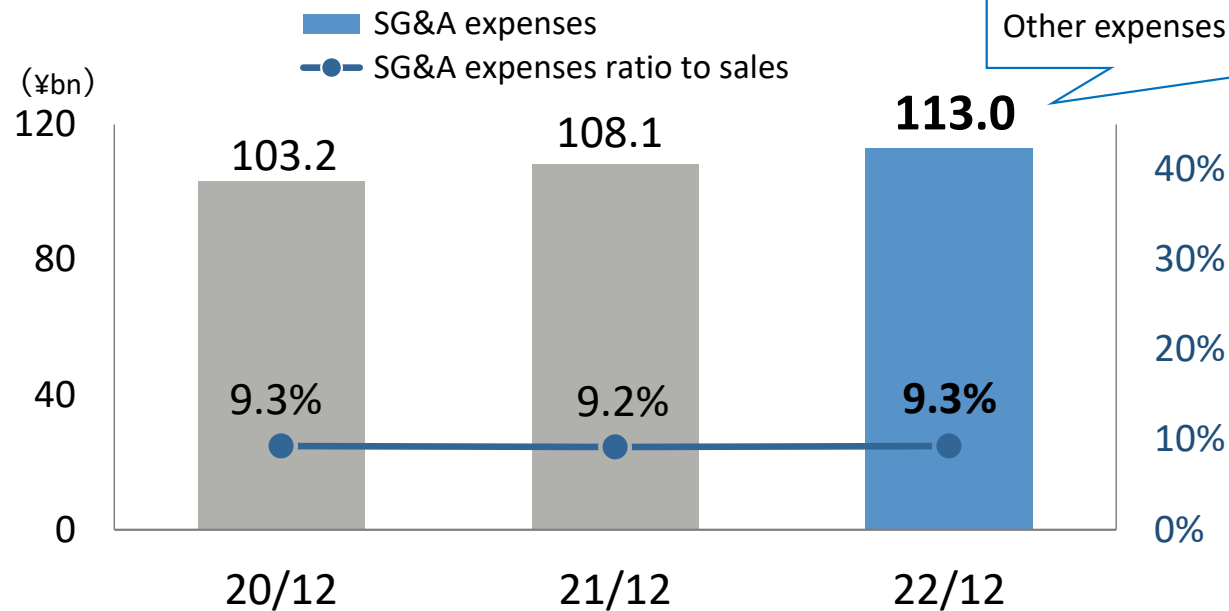
Profit & Loss (Selling, general and administrative expenses)

(¥bn)

	2021/12	2022/12	(YoY)
SG&A expenses	108.1	113.0	(+4.5%)
SG&A expenses ratio to sales	9.2%	9.3%	[+0.1p]

[] : Difference from same period in previous year

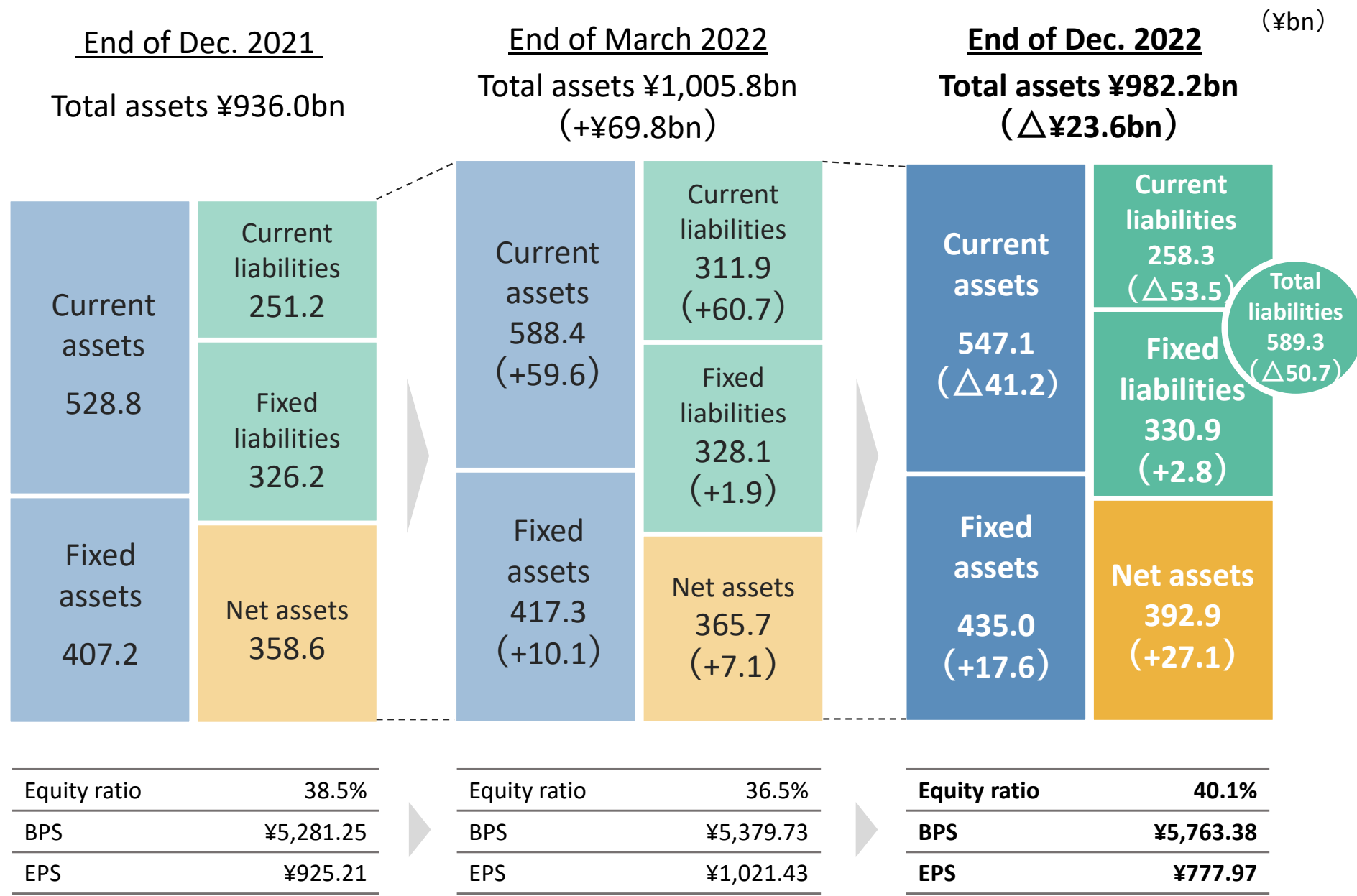
SG&A expenses / SG&A expenses ratio to sales



Major breakdown of the variance (+¥4.9bn YoY)

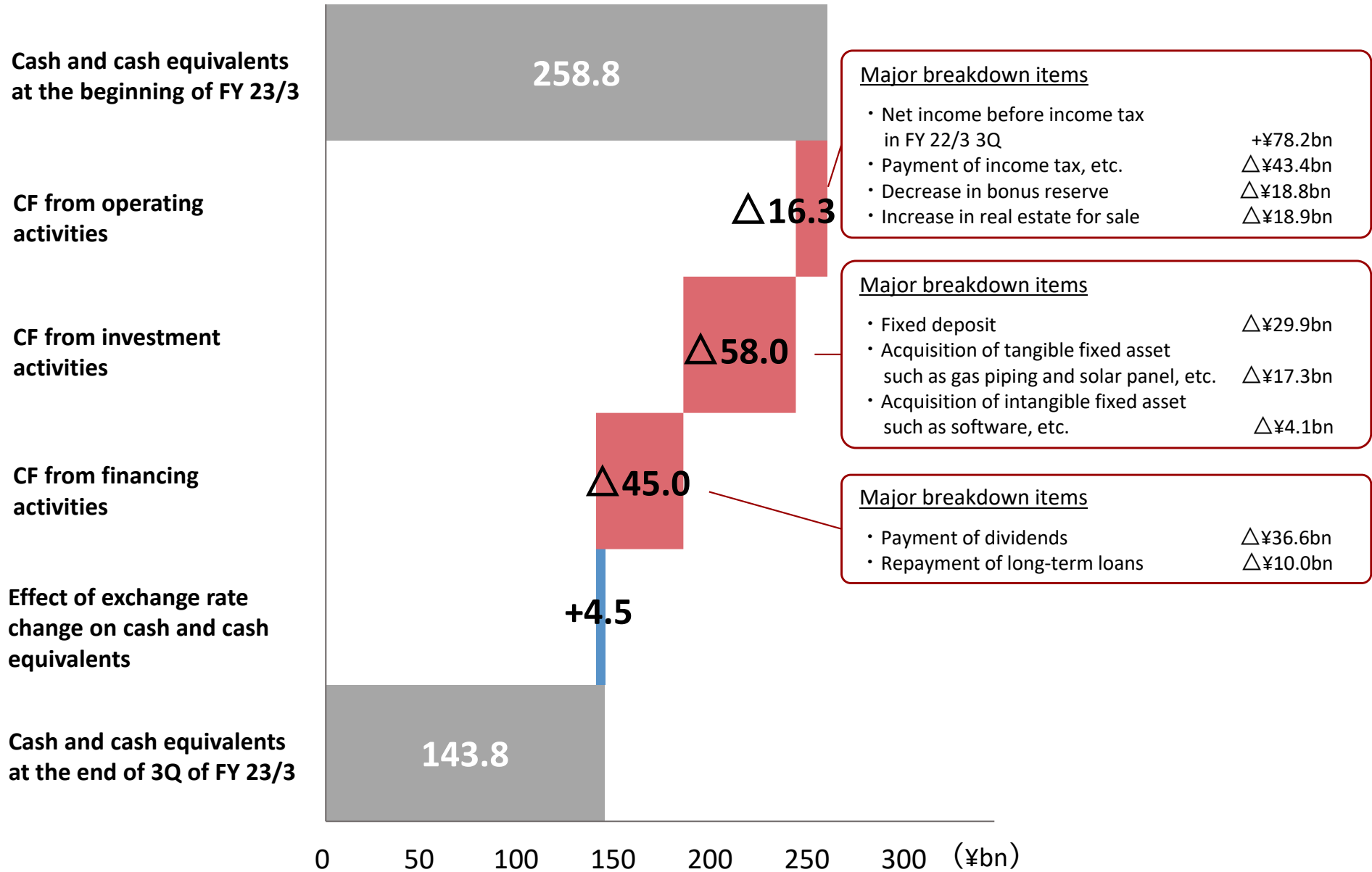
Labor cost	+¥3.06bn
Advertising & general publicity expenses	△¥0.08bn
Recruitment and training expenses	+¥0.44bn
Other expenses	+¥1.48bn

Financial review (Consolidated BS)



※BPS : Net assets per share
 ※EPS : Quarterly (current year) net income per share

Financial review (Consolidated CF)



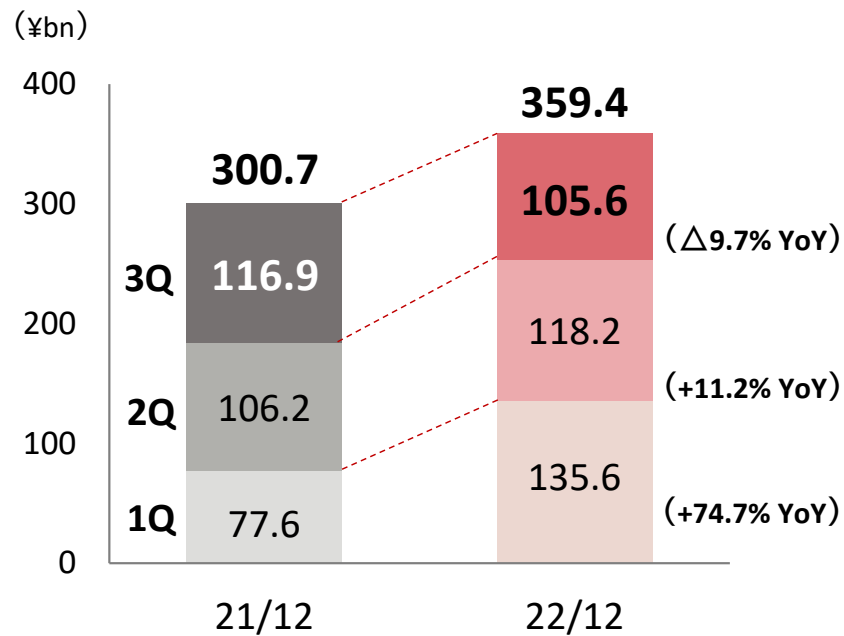
Ⅱ . Key Figures

Orders received

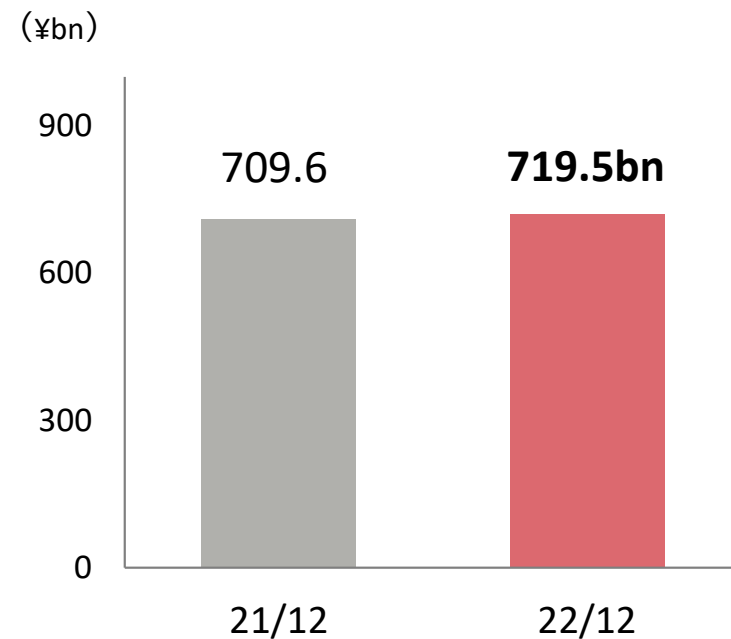
Orders received **¥359.4bn** **(+19.5% YoY)**

Orders in hand **¥719.5bn** **(+1.4% YoY)**

■ Orders received



■ Orders in hand

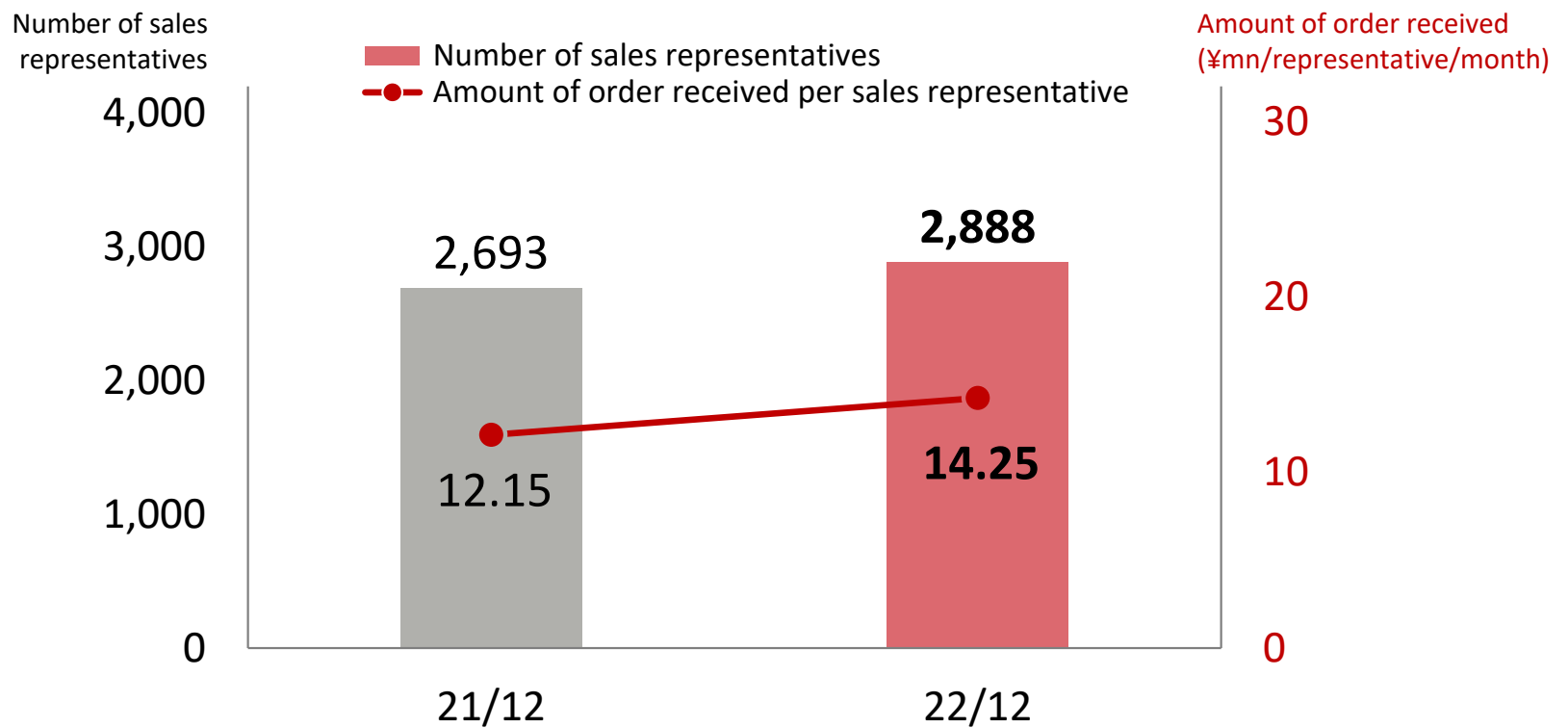


Orders received (Efficiency in receiving orders)

Number of sales representatives <as of end of Dec.> 2,888 (+195 YoY)

Amount of order received per sales representative

¥14.25mn / month (+¥2.10mn YoY)



Orders received (Mid-rise ratio and rebuild ratio)

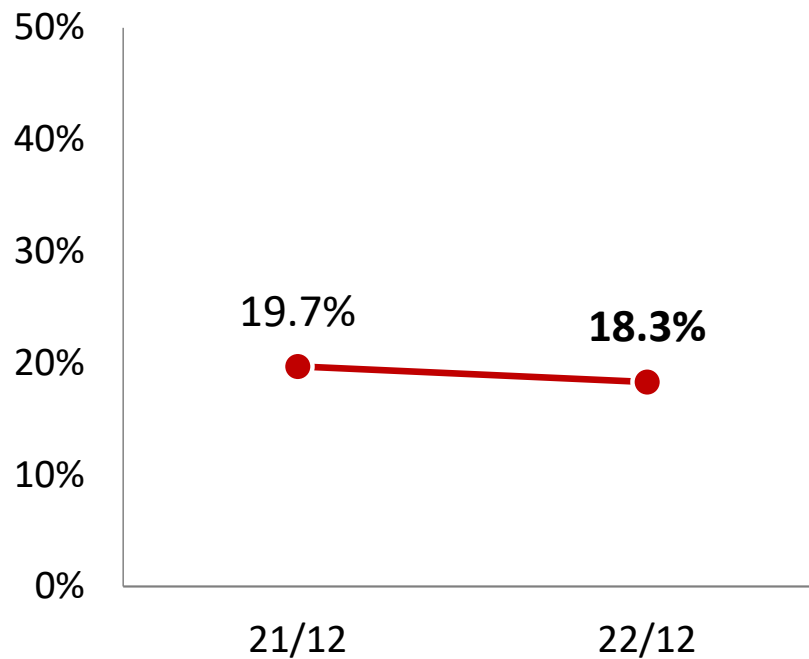
Mid-rise ratio

18.3% (Δ1.4p YoY)

Rebuild ratio

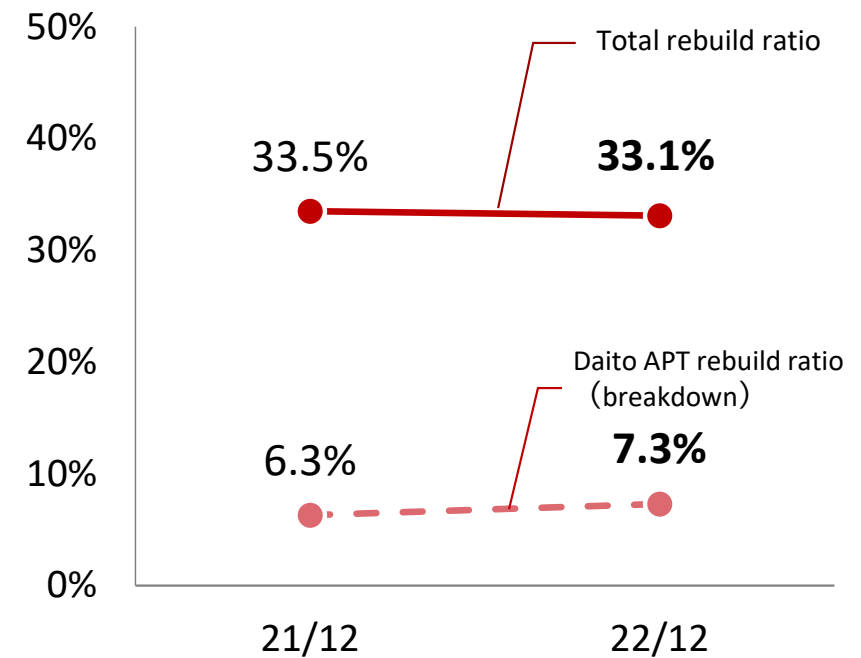
33.1% (Δ0.4p YoY)

■ **Mid-rise ratio**※1



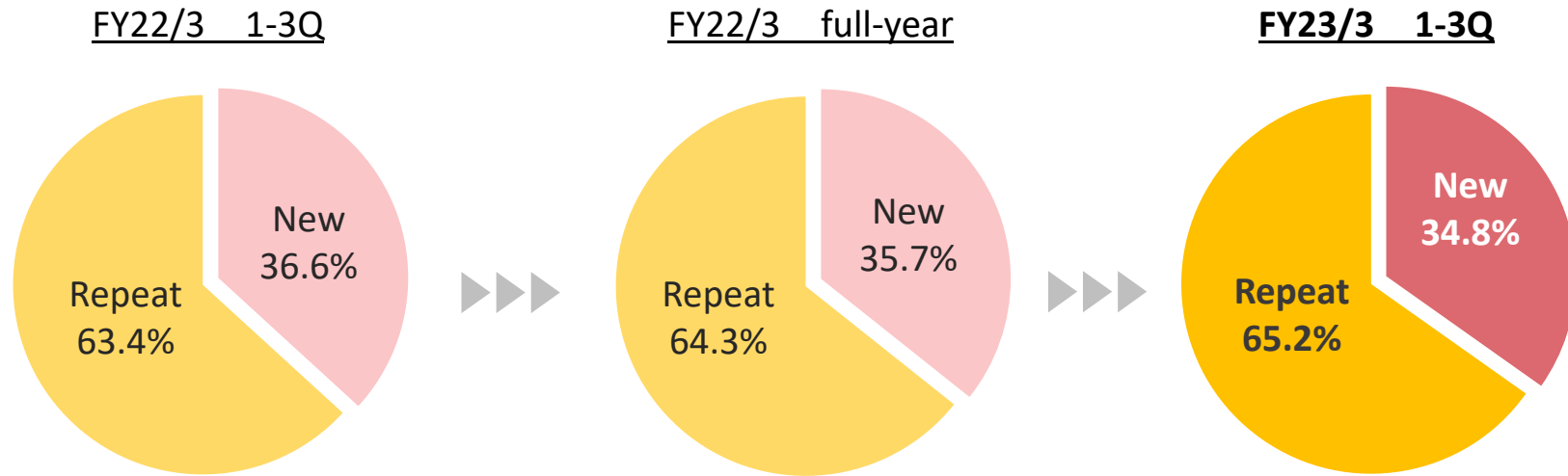
※1 Mid-rise ratio = Number of orders received for APT house with 3 or more stories / Total number of orders received

■ **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

Orders received (Number of orders received & their channels)

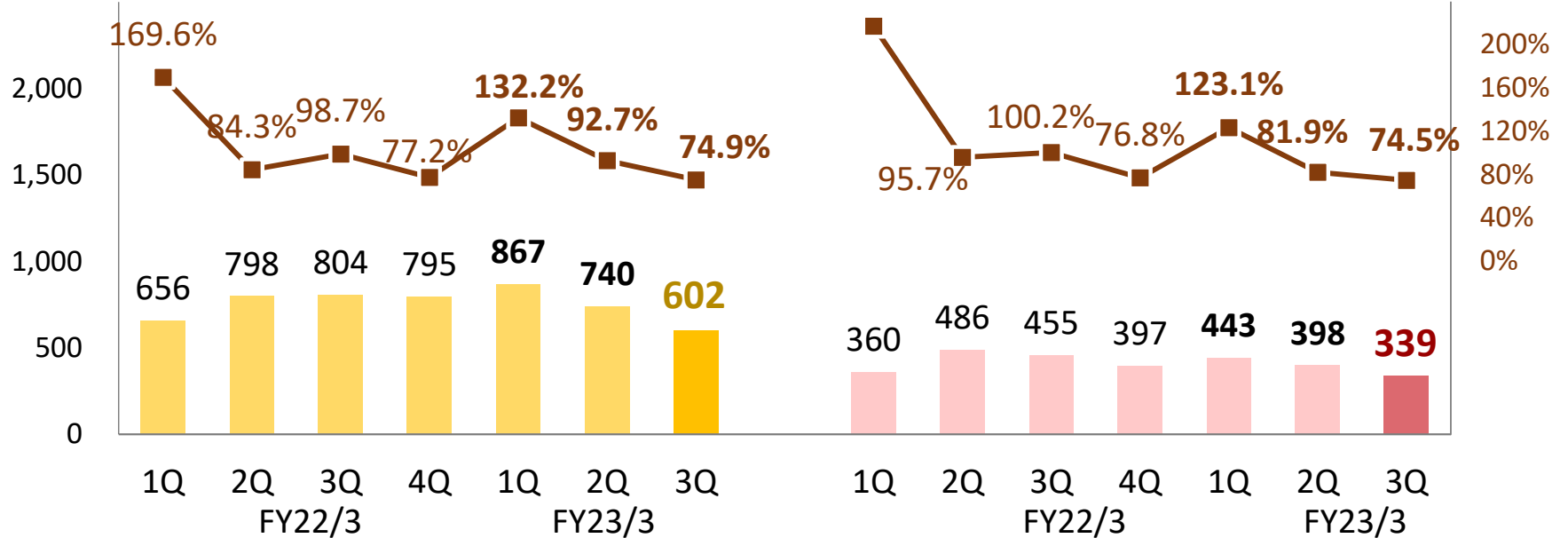


(Number of orders Received)

■ Orders Received from repeaters

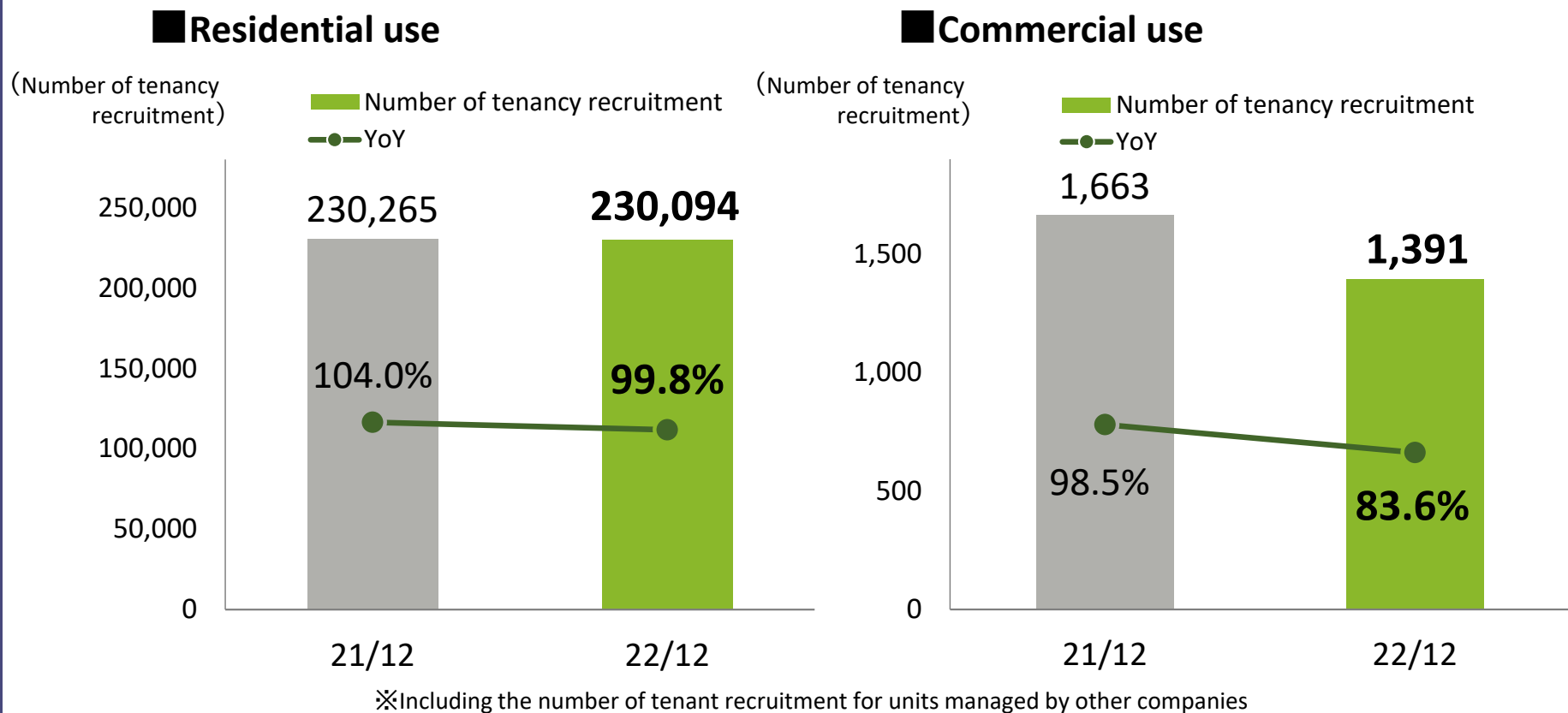
■ Orders Received from new customers

(YoY)



Tenancy recruitment (Number of recruitment)

Number of tenancy recruitment	231,485 (△ 0.2% YoY)
Residential us	230,094 (△ 0.1% YoY)
Commercial use	1,391 (△ 16.4% YoY)

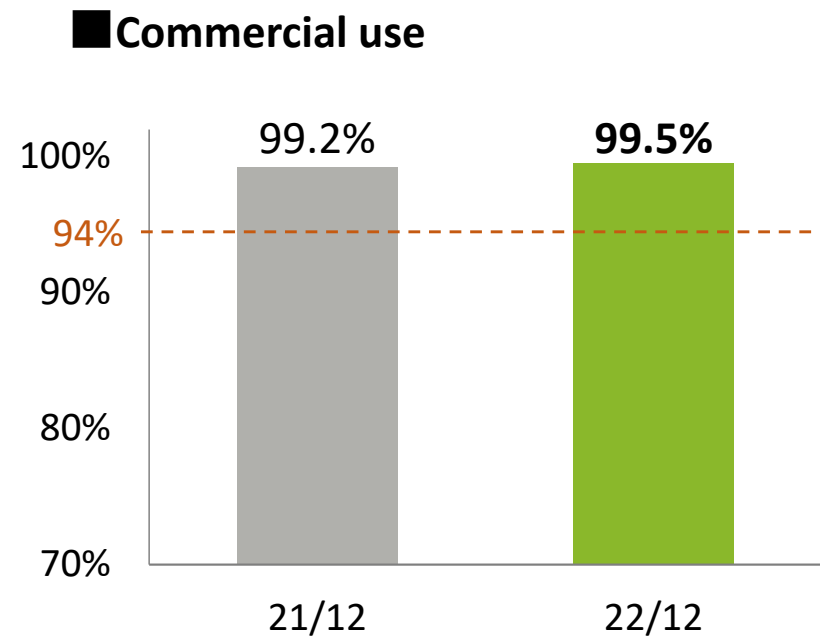
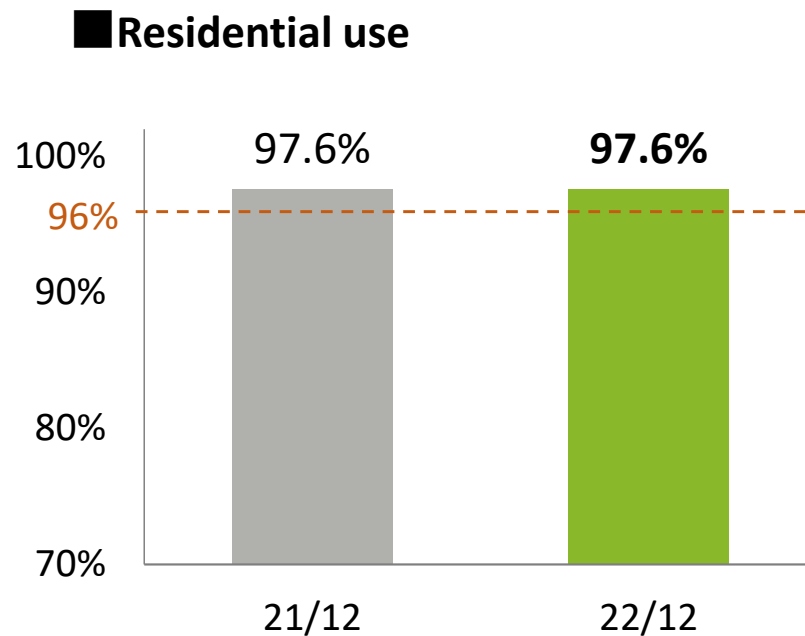


Tenancy recruitment (Rent-based occupancy rate※)

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

Residential use **97.6% (+0.0p YoY)**

Commercial use **99.5% (+0.3p YoY)**



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

Tenancy recruitment (Number-based occupancy rate※)

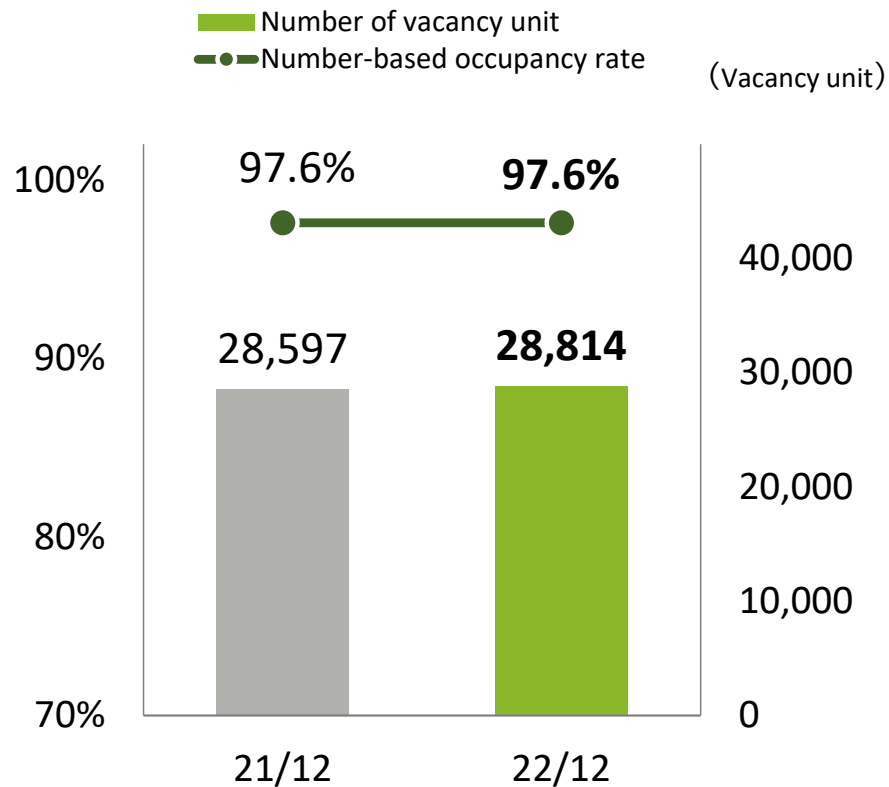
Residential use units

97.6% (+0.0p YoY)

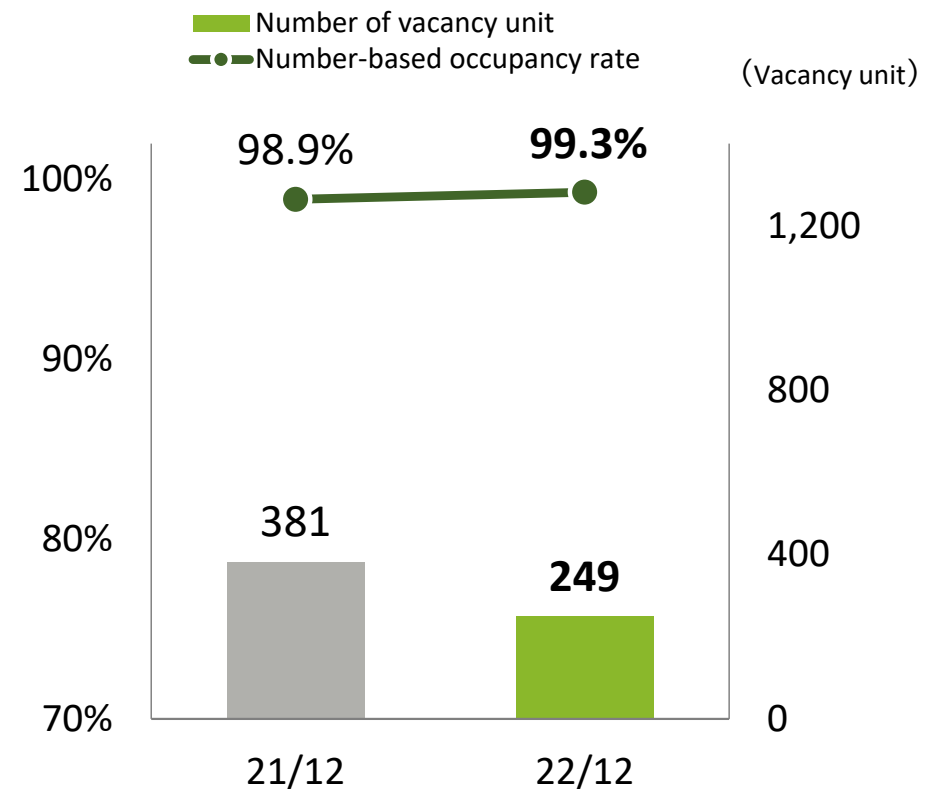
Commercial use units

99.3% (+0.4p YoY)

■ Residential use



■ Commercial use

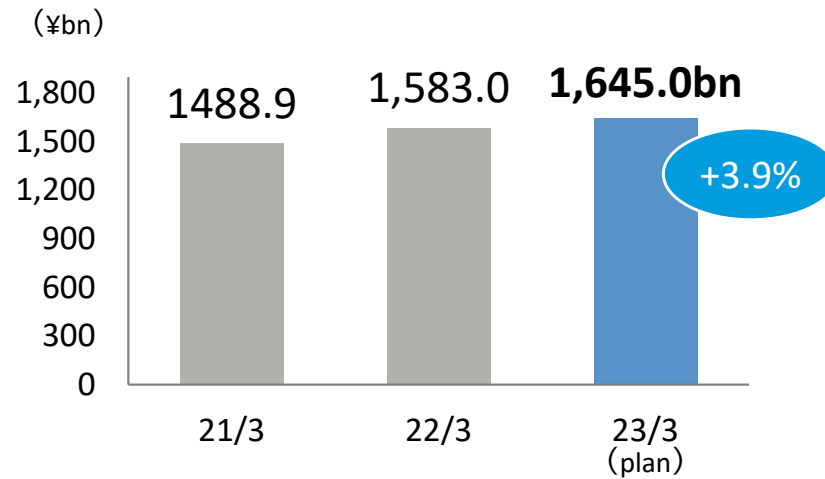


※Number-based occupancy rate = (Number of occupancy units) / (Number of units under management)

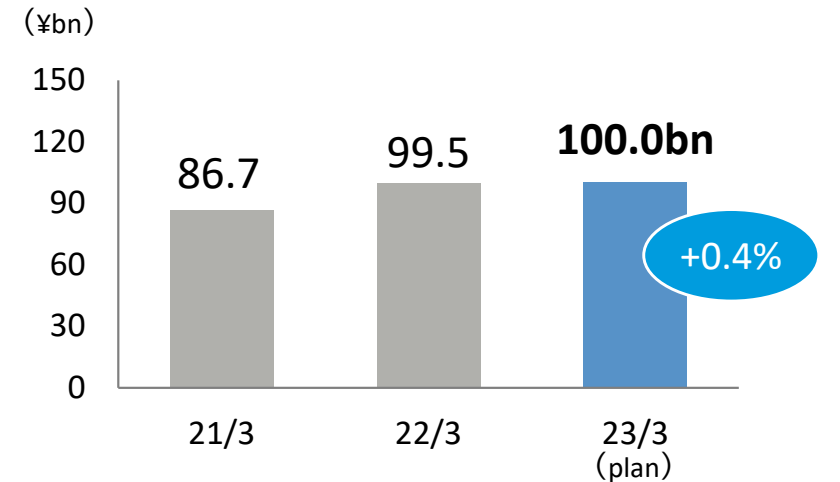
Ⅲ. Forecasts of FY ending March 31, 2023

There is no revision of the full-year plan from the initial forecasts.

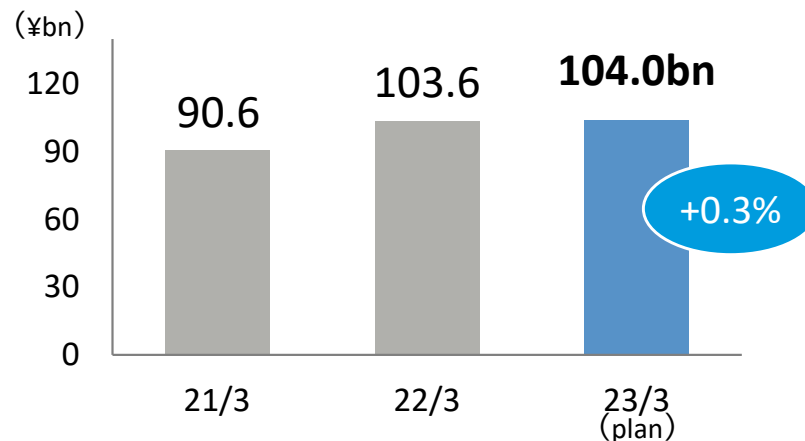
■ Net sales



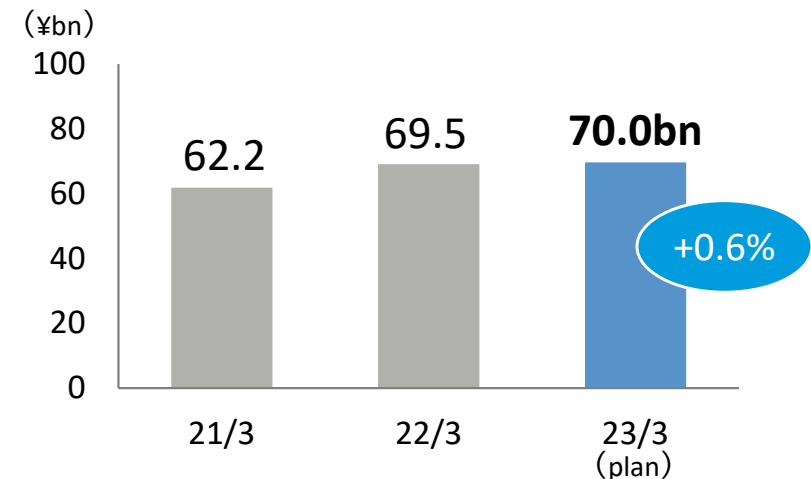
■ Operating income



■ Ordinary income



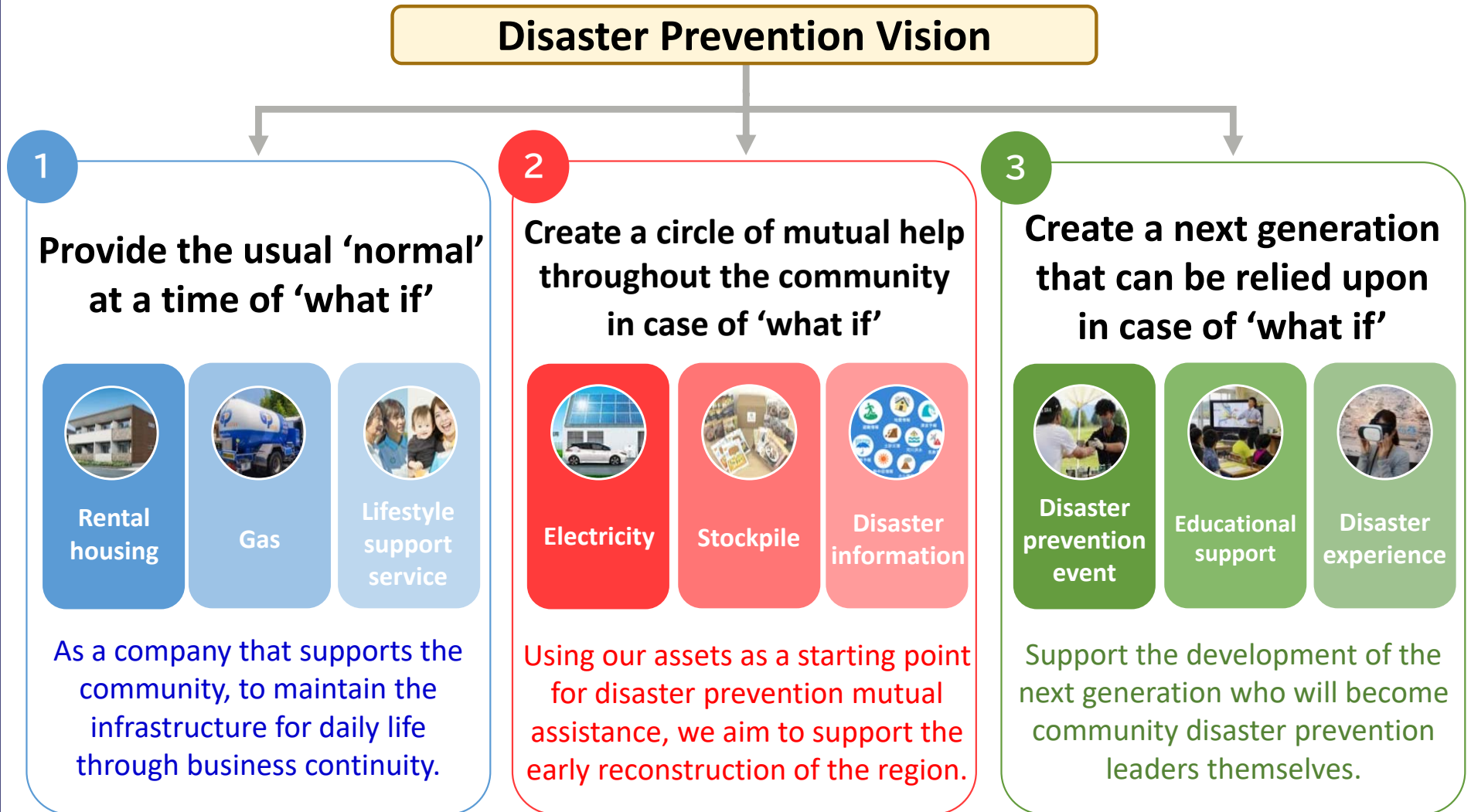
■ Net income attributable to owners of parent



IV. Topics

Daito group Disaster Prevention Vision 2030

Philosophy : Be there for the community if a disaster happens



Disaster prevention agreements with local governments

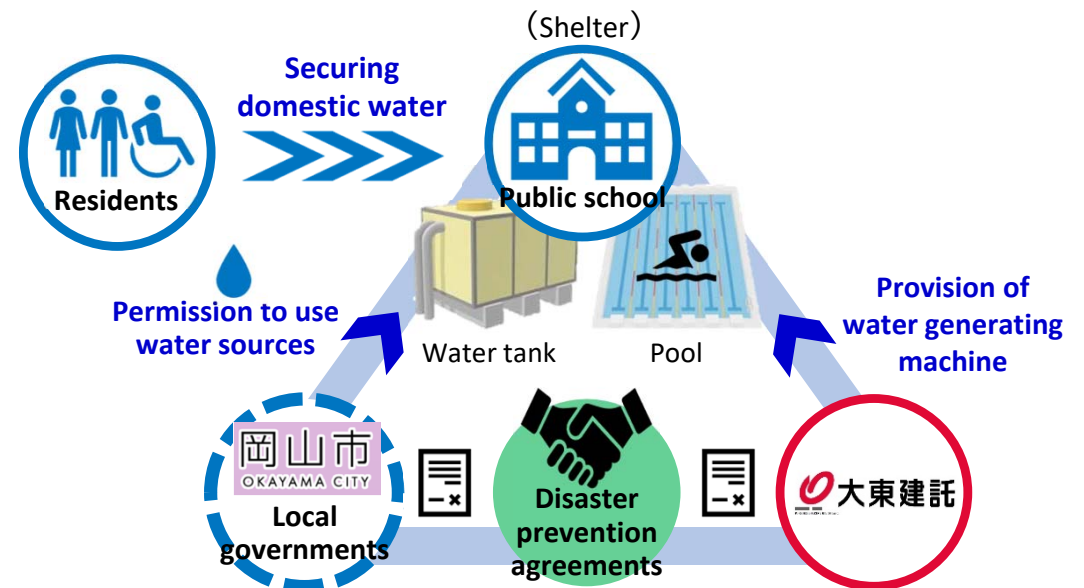
Promoting mutual aid activities for early recovery of the entire community in preparation for 'what if' situations in the community

Summary	Contents of agreement	Performance of the Group
Provision of goods	Providing disaster relief supplies such as food and beverages, warm clothing, etc.	3 bases by Daito Kentaku (Kawasaki City, Fukuoka City, Kumamoto City)
Acceptance of disaster victims	Accepting people who have difficulty returning home due to disasters	2 bases by Daito Kentaku (Minato-ku, Koto-ku) 1 base by Gaspal (Kanazawa City) 40 bases by Care Partner (Kanto and Kansai metropolitan area)
Provision of infrastructure	Providing infrastructure such as gas, electricity, and water	1 base by Daito Kentaku (Okayama City)

Emergency water generating machine



- ✓ Secure domestic water from water stored in pools, cisterns, etc. at shelters.



Initiatives for Environment

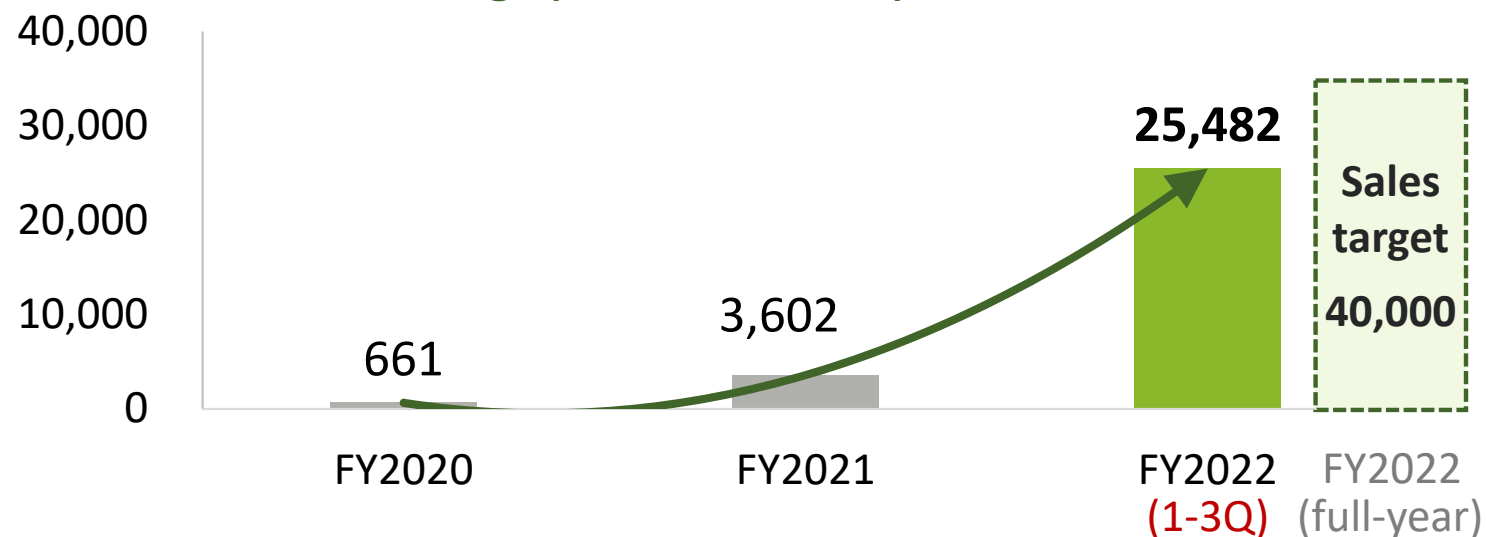
Green Loan Financing

Loan amount : 9.0 billion yen

Use of funds : Installation of solar panels

*Together with the 11 billion yen raised through Green Bonds in the previous fiscal year, the total will be 20 billion yen.

Sales of ZEH rental housings (number of unit)



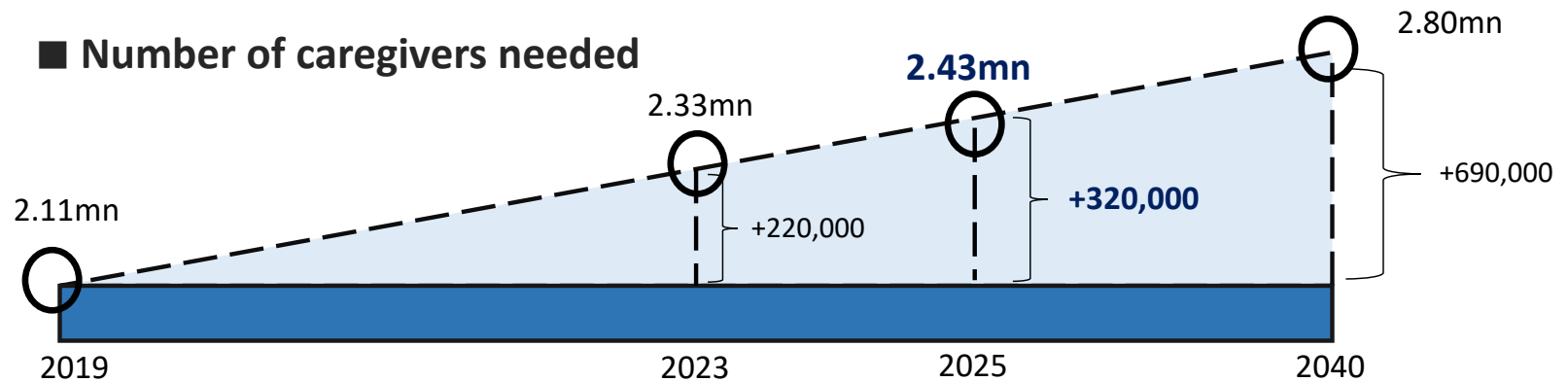
7th place in the Decarbonization Management Survey GX500

Assessment Field	Assessment Point
1. Disclosure	Disclosure of policies on environmental management, Risk analysis and countermeasures
2. Emissions management and reduction performance	Identification of greenhouse gas emissions, Implementation of emission reductions
3. Energy conservation and renewable energy utilization	Whether the company is aware of the amount of electricity consumed and it is promoting the introduction of renewable energy and energy conservation
4. Specific measures to reduce greenhouse gas emissions	Specific decarbonization activities, employee training, collaboration with environmental organizations, Use of ESG bonds
5. Reduction target setting	Medium- and long-term goals, Target height and timing of goal attainment

Started accepting Vietnamese students as interns

Create a work environment in which foreigners can play an active role and secure human resources for nursing care.

By 2025, 2.43 million caregivers (+320,000 from 2019) are expected to be needed in Japan.



(Source) Ministry of Health, Labour, and Welfare JP

Affiliation with Dong-A University (Da Nang, Vietnam)

The program aims to actively accept students who wish to work in Japan and to secure human resources by making an ongoing relationship with the university.

This year, the first year of the program, we accepted two undergraduate nursing students from the university.



Interns from Vietnam ▶

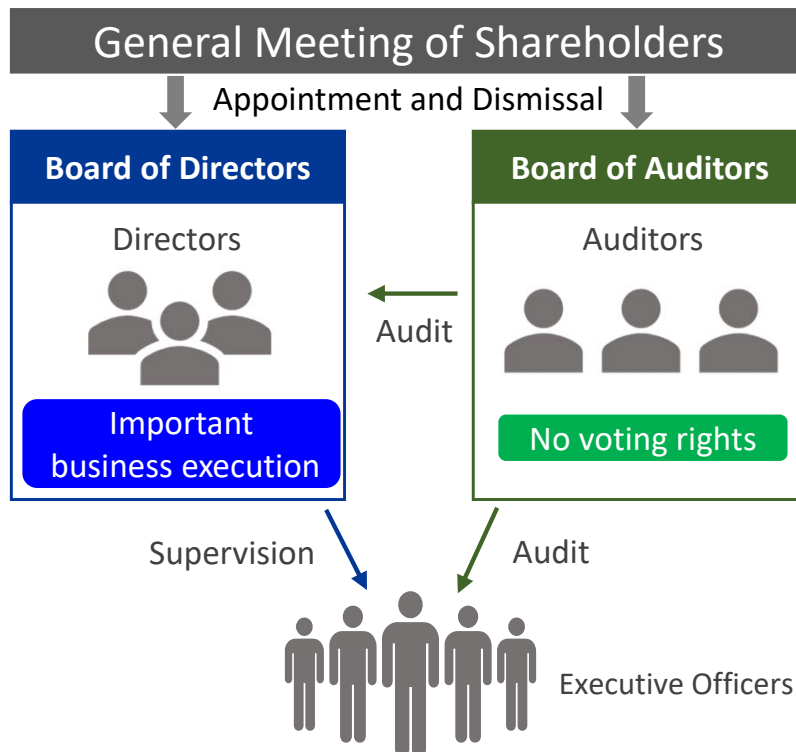
The Company has decided to shift to a “Company with an Audit & Supervisory Committee”

subject to the approval of the 49th Ordinary General Meeting of Shareholders to be held in June 2023.

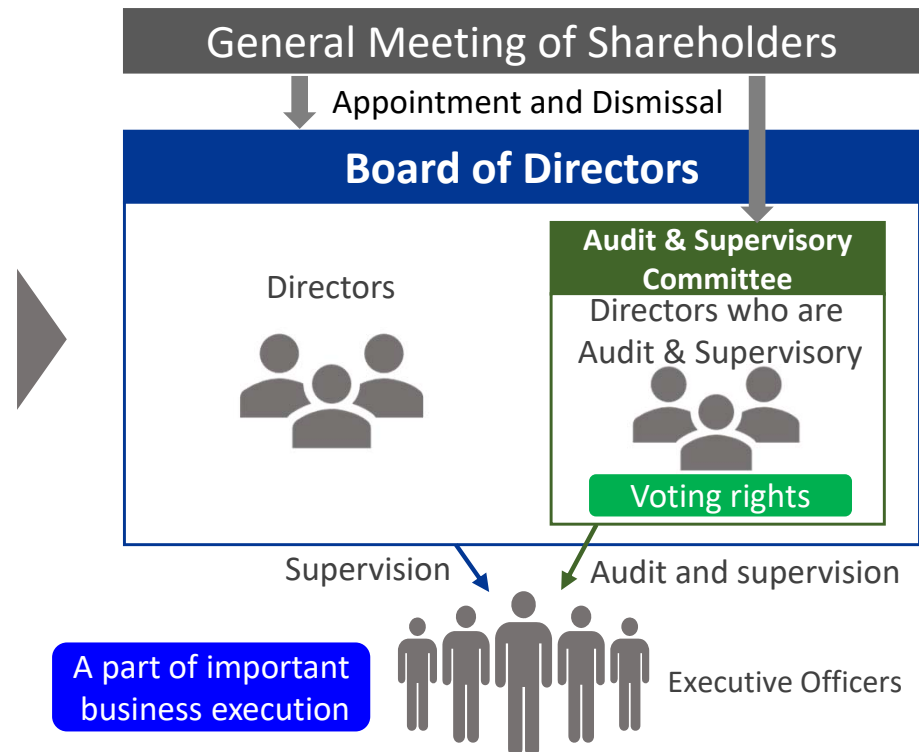
Clarifying the roles of execution and supervision to strengthen governance

1. Speeding up the decision-making process
2. Strengthening the audit and supervisory functions of the Board of Directors

Company with a Board of Auditors



Company with an Audit & Supervisory Committee



V . Appendix

Profit & Loss of each segment < FY23/3 >

(¥mn)

《 Construction business 》	22/3 3Q	23/3 3Q	YoY	23/3(plan)
Net sales	318,186	322,472	+1.3%	445,000
Gross profit	83,801	67,785	△19.1%	94,000
(Gross profit margin)	26.3%	21.0%	△5.3p	21.1%
Operating income	31,216	10,680	△65.8%	22,000
(Operating income margin)	9.8%	3.3%	△6.5p	4.9%

《 Real estate business 》	22/3 3Q	23/3 3Q	YoY	23/3(plan)
Net sales	796,198	822,335	+3.3%	1,105,000
Gross profit	94,807	99,707	+5.2%	133,000
(Gross profit margin)	11.9%	12.1%	+0.2p	12.0%
Operating income	61,220	66,638	+8.9%	83,000
(Operating income margin)	7.7%	8.1%	+0.4p	7.5%

《 Other businesses 》	22/3 3Q	23/3 3Q	YoY	23/3(plan)
Net sales	60,859	66,751	+9.7%	95,000
Gross Profit	19,066	21,634	+13.5%	32,000
(Gross profit margin)	31.3%	32.4%	+1.1p	33.7%
Operating income	8,152	9,356	+14.8%	17,000
(Operating income margin)	13.4%	14.0%	+0.6p	17.9%

Profit & Loss (Non-consolidated) <FY23/3>

(¥mn)

	22/3 3Q	23/3 3Q	YoY	23/3(plan)
Net sales	322,189	329,144	+2.2%	458,000
Construction	319,609	324,980	+1.7%	450,000
Real estate & others	2,580	4,164	+61.4%	8,000
Gross profit	84,257	69,481	△17.5%	97,000
Construction	82,916	67,206	△18.9%	93,000
Real estate & others	1,341	2,275	+69.6%	4,000
SG&A expenses	69,904	70,863	+1.4%	96,000
Operating income	14,353	△1,382	—	1,000
Ordinary income	58,685	49,316	△16.0%	54,000
Net income	51,940	56,071	+8.0%	51,000

Sales structure of real estate business <FY23/3>

(¥mn)

	21/3 3Q		22/3 3Q		23/3 3Q			23/3(plan)
	Amount	(Ratio)	Amount	(Ratio)	Amount	(Ratio)	YoY	
Lease up of rental housing units ^{※1}	687,066	(90.8%)	718,677	(90.3%)	740,258	(90.0%)	+3.0%	994,000
Building and repairs	25,617	(3.4%)	28,993	(3.6%)	28,401	(3.5%)	△2.0%	35,000
Brokerage of rental estate	13,321	(1.7%)	15,820	(2.0%)	15,765	(1.9%)	△0.3%	24,400
Rental guarantee business	11,904	(1.6%)	13,293	(1.7%)	13,954	(1.7%)	+5.0%	19,000
Electricity business	6,025	(0.8%)	5,873	(0.7%)	6,821	(0.8%)	+16.1%	7,900
Leasing business ^{※2}	5,090	(0.7%)	4,942	(0.6%)	5,189	(0.6%)	+5.0%	6,700
Others	7,300	(1.0%)	8,597	(1.1%)	11,944	(1.5%)	+38.9%	18,000
Total	756,325	(100.0%)	796,198	(100.0%)	822,335	(100.0%)	+3.3%	1,105,000

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

※2 Mainly Shinagawa East One Tower

Profit & Loss of major subsidiaries (Construction business) < FY23/3 >

(¥mn)

Construction Business								
	Daito Construction				Daito Steel			
	22/3 3Q	23/3 3Q	YoY	23/3 plan	22/3 3Q	23/3 3Q	YoY	23/3 plan
Net sales	4,591	3,280	△28.6%	6,500	3,491	4,100	+17.4%	5,200
Gross profit	303	161	△46.7%	410	158	181	+14.5%	200
SG&A expenses	109	85	△22.0%	150	62	66	+6.7%	80
Operating income	194	76	△60.6%	260	95	114	+19.6%	120
Ordinary income	237	126	△46.7%	320	94	115	+22.3%	110
Net income	163	86	△47.2%	220	62	66	+6.2%	70

Profit & Loss of major subsidiaries (Real estate businesses-1) <FY23/3>

(¥mn)

Real estate business								
	Daito Kentaku Partners				Daito Kentaku Leasing			
	22/3 3Q	23/3 3Q	YoY	23/3 plan	22/3 3Q	23/3 3Q	YoY	23/3 plan
Net sales	762,424	787,225	+3.3%	1,053,000	20,796	21,366	+2.7%	28,500
Gross profit	71,158	74,209	+4.3%	96,000	9,017	9,323	+3.4%	13,000
SG&A expenses	16,834	19,014	+13.0%	28,500	6,144	6,441	+4.8%	10,000
Operating Income	54,324	55,194	+1.6%	67,500	2,873	2,882	+0.3%	3,000
Ordinary income	55,032	56,075	+1.9%	68,500	3,154	2,946	△6.6%	4,000
Net income	38,219	38,888	+1.8%	47,000	2,093	1,891	△9.7%	2,500

Profit & Loss of major subsidiaries (Real estate businesses-2) <FY23/3>

(¥mn)

Real estate business								
	House Leave				Housecom Group			
	22/3 3Q	23/3 3Q	YoY	23/3 plan	22/3 3Q	23/3 3Q	YoY	23/3 plan
Net sales	13,293	13,954	+5.0%	18,900	9,688	9,831	+1.5%	14,700
Gross profit	12,786	13,482	+5.4%	18,200	8,932	8,923	△0.1%	13,600
SG&A expenses	3,274	3,217	△1.7%	4,900	9,370	9,255	△1.2%	13,160
Operating income	9,512	10,264	+7.9%	13,300	△438	△332	—	440
Ordinary income	9,520	10,271	+7.9%	13,300	△427	△321	—	640
Net income	6,609	7,076	+7.1%	9,200	△343	△269	—	390

Profit & Loss of major subsidiaries (Financial businesses) < FY23/3 >

(¥mn)

Other businesses (Financial business)												
	Daito Finance				House Guard				D.T.C			
	22/3 3Q	23/3 3Q	YoY	23/3 plan	22/3 3Q	23/3 3Q	YoY	23/3 plan	22/3 3Q	23/3 3Q	YoY	23/3 plan
Net sales	1,610	1,731	+7.5%	2,300	3,255	3,683	+13.2%	4,800	12,716	13,585	+6.8%	18,250
Gross profit	1,213	1,330	+9.6%	1,800	1,445	1,542	+6.7%	2,100	783	1,141	+45.6%	1,770
SG&A expenses	234	188	△19.5%	300	1,024	1,061	+3.7%	1,510	21	24	+14.7%	20
Operating income	979	1,142	+16.6%	1,500	421	480	+14.1%	590	762	1,117	+46.5%	1,750
Ordinary income	520	1,170	+125.0%	1,500	421	480	+14.1%	590	764	1,121	+46.7%	1,750
Net income	357	811	+127.2%	1,080	300	344	+14.7%	420	764	1,121	+46.7%	1,750

Profit & Loss of major subsidiaries (Other businesses-1) < FY23/3 >

(¥mn)

Other businesses (Energy, Care, Investment condominium business)												
	Gaspal Group				Care Partner				INVALANCE			
	22/3 3Q	23/3 3Q	YoY	23/3 plan	22/3 3Q	23/3 3Q	YoY	23/3 plan	22/3 3Q	23/3 3Q	YoY	23/3 plan
Net sales	23,498	25,926	+10.3%	39,400	11,304	11,266	△0.3%	15,400	15,646	14,603	△6.7%	21,500
Gross profit	10,860	11,758	+8.3%	18,000	1,429	1,060	△25.8%	2,000	2,293	2,489	+8.6%	3,500
SG&A expenses	6,224	6,663	+7.0%	9,400	861	904	+5.0%	1,300	1,777	1,914	+7.7%	2,600
Operating income	4,635	5,094	+9.9%	8,600	568	156	△72.5%	700	515	575	+11.7%	900
Ordinary income	4,253	4,613	+8.5%	7,800	540	135	△74.9%	660	551	570	+3.3%	860
Net income	2,932	3,156	+7.7%	5,400	355	90	△74.6%	430	393	417	+16.0%	600

Profit & Loss of major subsidiaries (Other businesses-2) < FY23/3 >

(¥mn)

Other businesses (Overseas business)								
	DAITO ASIA DEVELOPMENT (MALAYSIA) SDN.BHD.				DAITO ASIA DEVELOPMENT (MALAYSIA) II SDN.BHD.			
	22/3 3Q	23/3 3Q	YoY	23/3 plan	22/3 3Q	23/3 3Q	YoY	23/3 plan
Net sales	229	1,377	+499.5%	1,500	434	2,227	+412.2%	2,000
Gross profit	△308	351	—	360	△253	697	—	400
SG&A expenses	307	590	+92.2%	690	495	876	+76.9%	1,000
Operating Income	△615	△239	—	△310	△748	△179	—	△600
Ordinary income	△858	△1,050	—	△340	△1,013	△1,068	—	△620
Net income	△861	△1,052	—	△260	△1,019	△1,074	—	△470

Amount of orders received, and amount from construction completed

■ Amount of orders received

(¥mn)

	21/3 3Q	22/3 3Q	23/3 3Q	YoY	23/3(plan)
Residential use	186,222	261,988	321,372	+22.7%	461,200
Rental housing	184,229	260,799	319,361	+22.5%	459,200
Detached housing	1,992	1,189	2,010	+69.1%	2,000
Commercial use	7,183	7,380	5,472	△25.9%	13,800
Building and repairs	31,311	31,429	32,571	+3.6%	45,000
Total	224,717	300,799	359,417	△19.5%	520,000

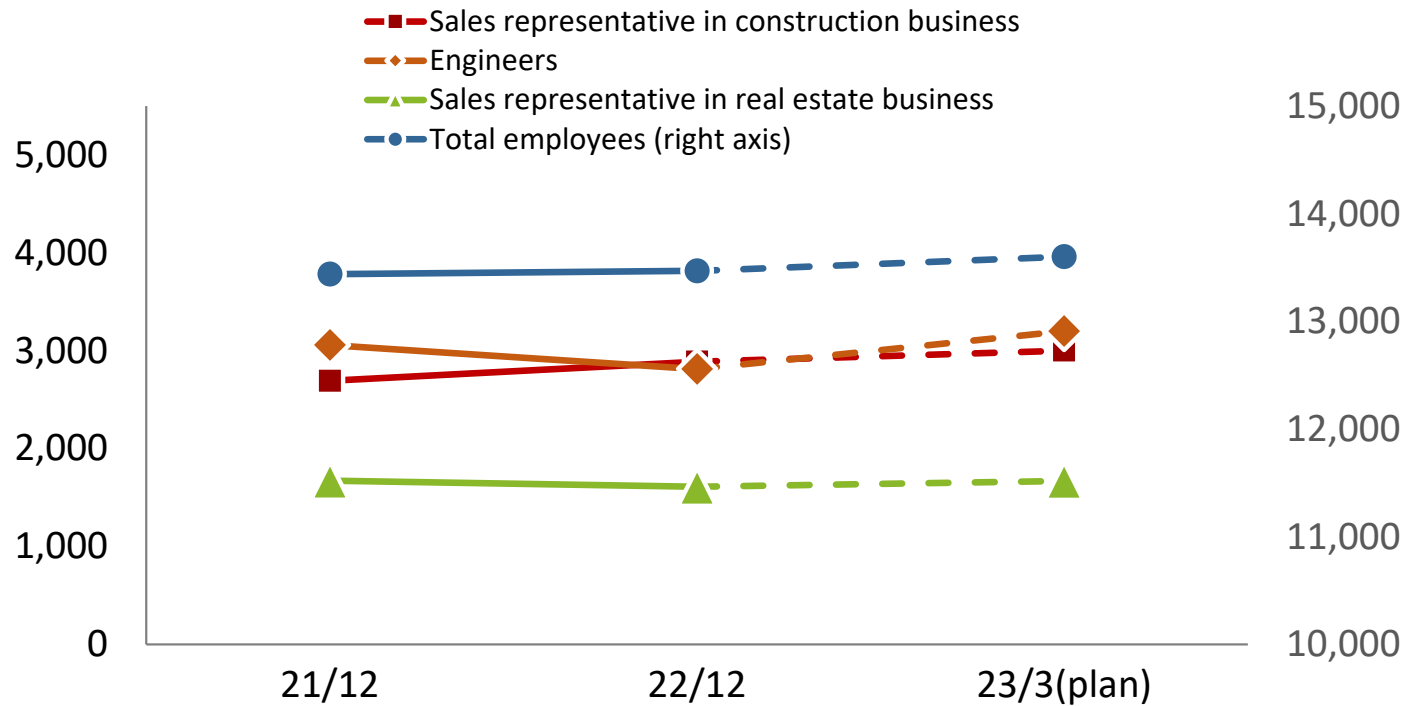
■ Net income from completed construction

(¥mn)

	21/3 3Q	22/3 3Q	23/3 3Q	YoY	23/3(plan)
Residential use	294,232	304,679	307,059	+0.8%	427,600
Rental housing	292,624	302,337	305,480	+1.0%	424,700
Detached housing	1,608	2,341	1,578	△32.6%	2,900
Commercial use	4,231	7,039	8,821	+25.3%	10,400
Building and repairs	33,002	35,460	34,993	△1.3%	42,000
Total	331,467	347,180	350,874	+1.1%	480,000

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

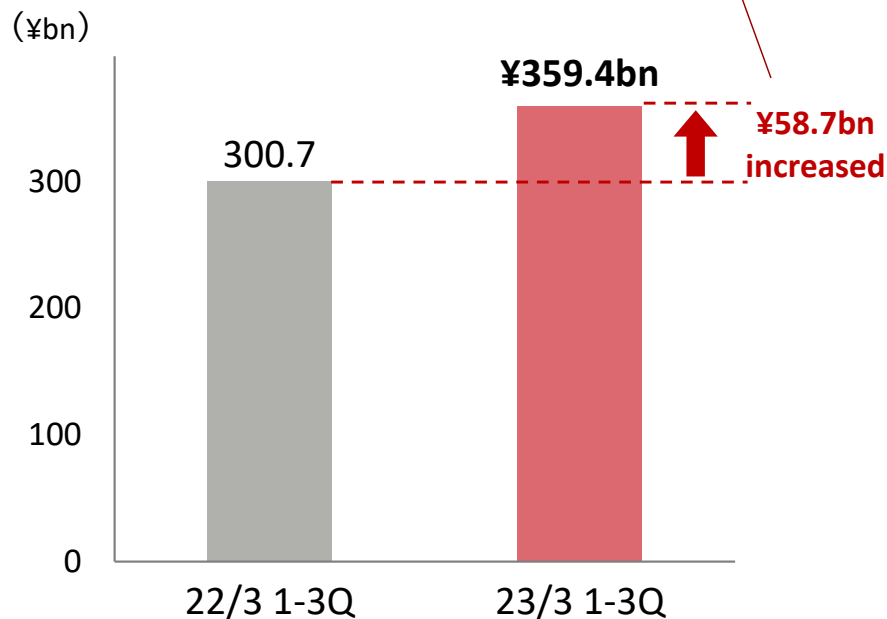
	21/12	22/12	YoY	23/3(plan)
Total employees	13,457	13,469	+12	13,600
Sales representative in construction business	2,693	2,888	+195	2,850
Engineers	3,058	2,813	△245	3,200
Sales representative in real estate business	1,672	1,610	△62	1,670



Orders received compared with FY22/3

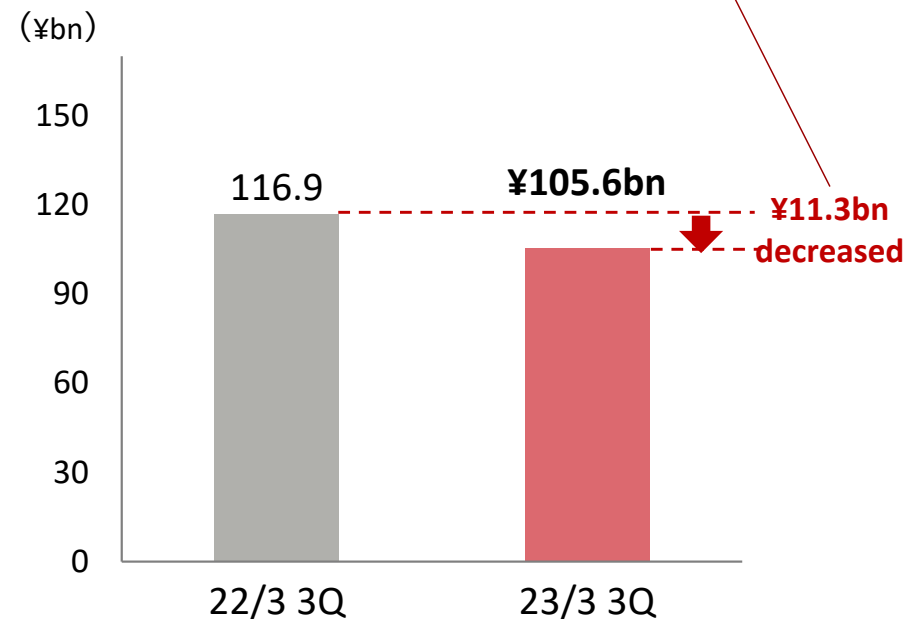
1-3Q comparison

- ① **Number of orders (project)** Δ ¥18.0bn
(3,599 → 3,389)
- ② **Per project price** +¥38.2bn
(¥106.07mn/project → ¥117.34mn/project)
- ③ **Cancellation** +¥30.6bn
(28.7% → 20.1%)
- ④ **Building & repairs** +¥7.8bn
(¥44.1bn → ¥51.9bn)



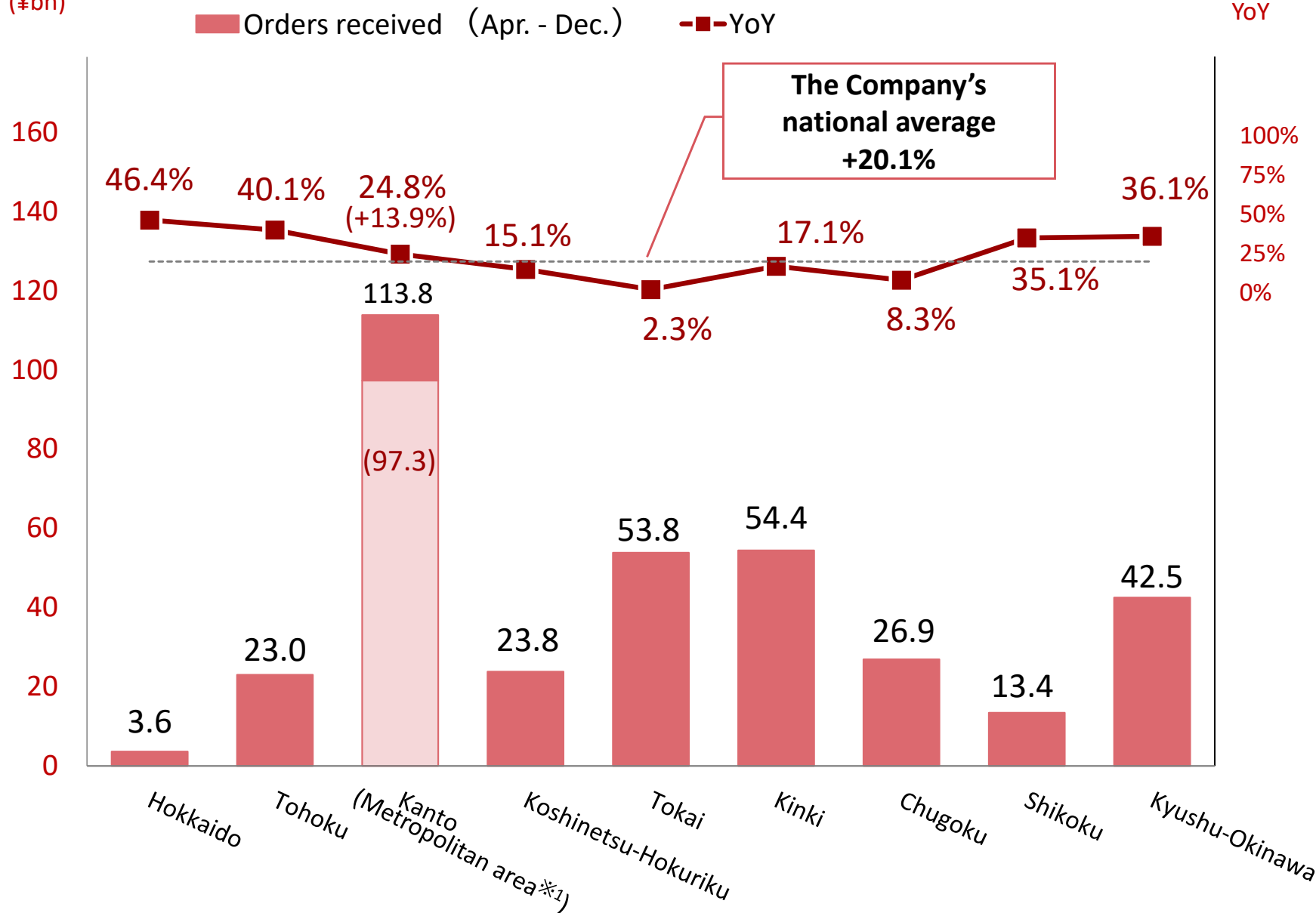
3Q comparison

- ① **Number of orders (project)** Δ ¥34.3bn
(1,259 → 941)
- ② **Per project price** +¥12.6bn
(¥108.15mn/project → ¥121.57mn/project)
- ③ **Cancellation** +¥11.1bn
(25.0% → 20.8%)
- ④ **Building & repairs** Δ ¥0.8bn
(¥19.6bn → ¥18.8bn)



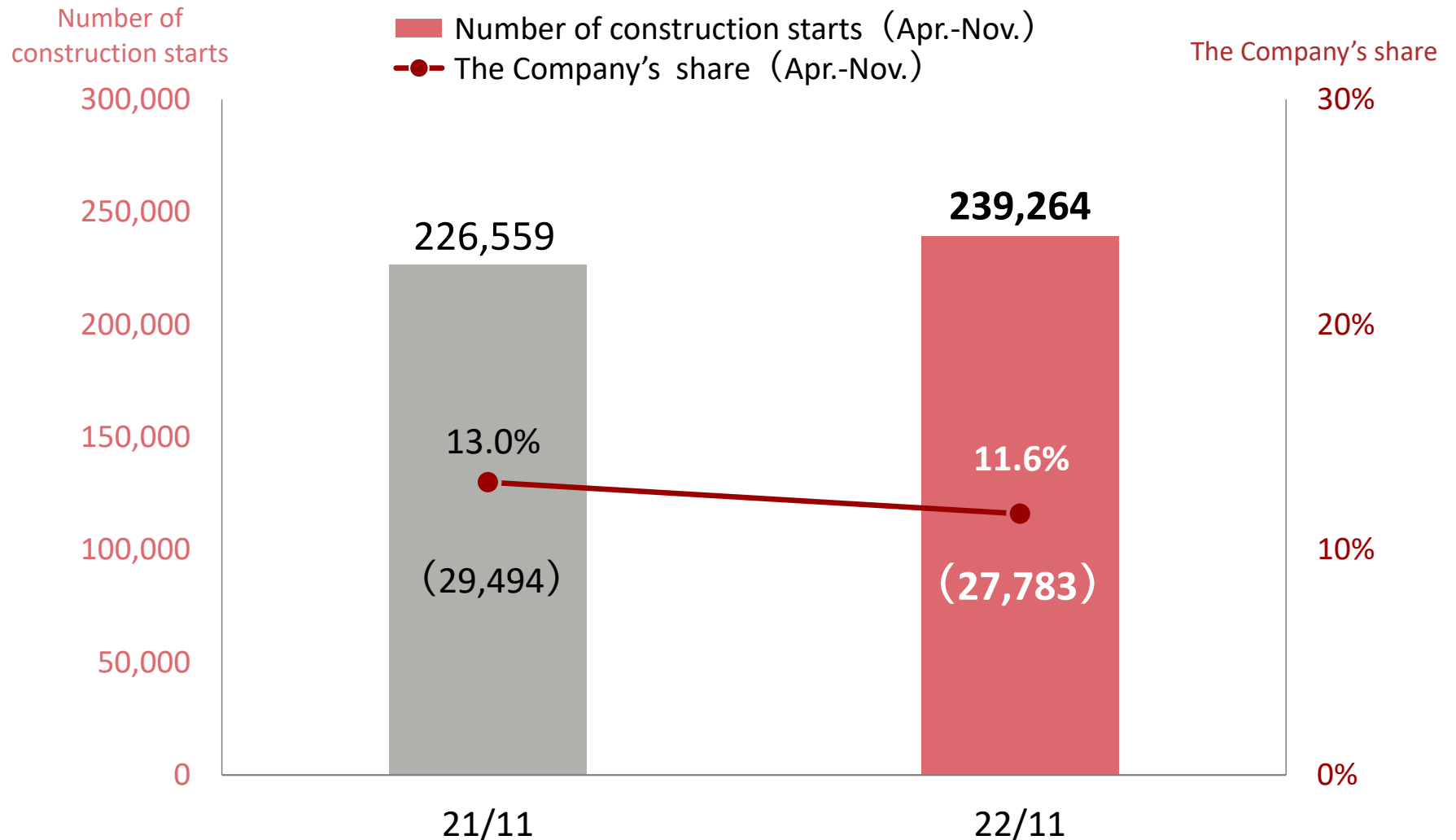
Amount of orders received in each region

Orders received
(¥bn)



※1 Metropolitan area ... Tokyo, Kanagawa, Chiba, Saitama Prefecture

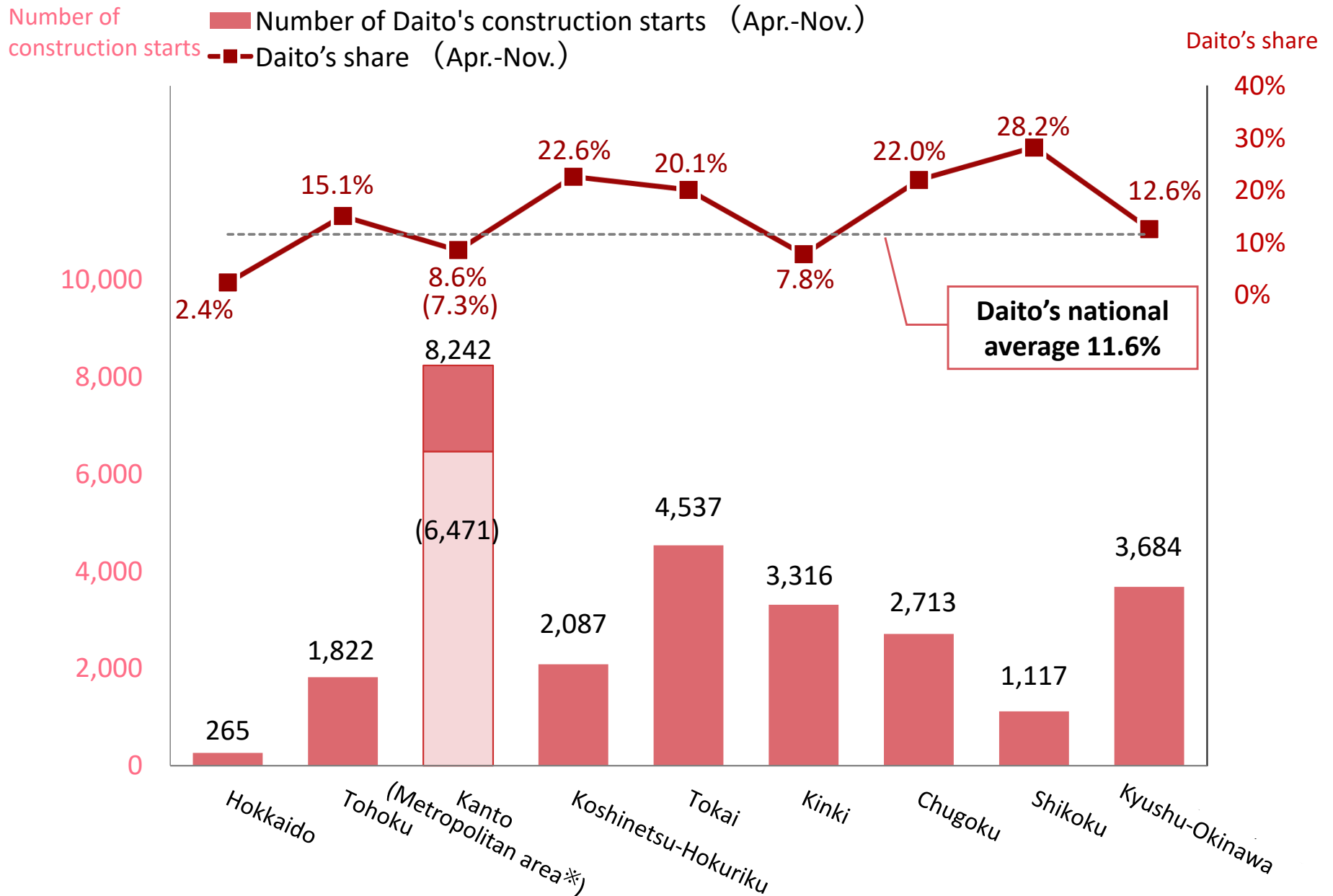
Number of construction starts & Daito's share <YoY>



※ (Number of construction starts by Daito group)

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

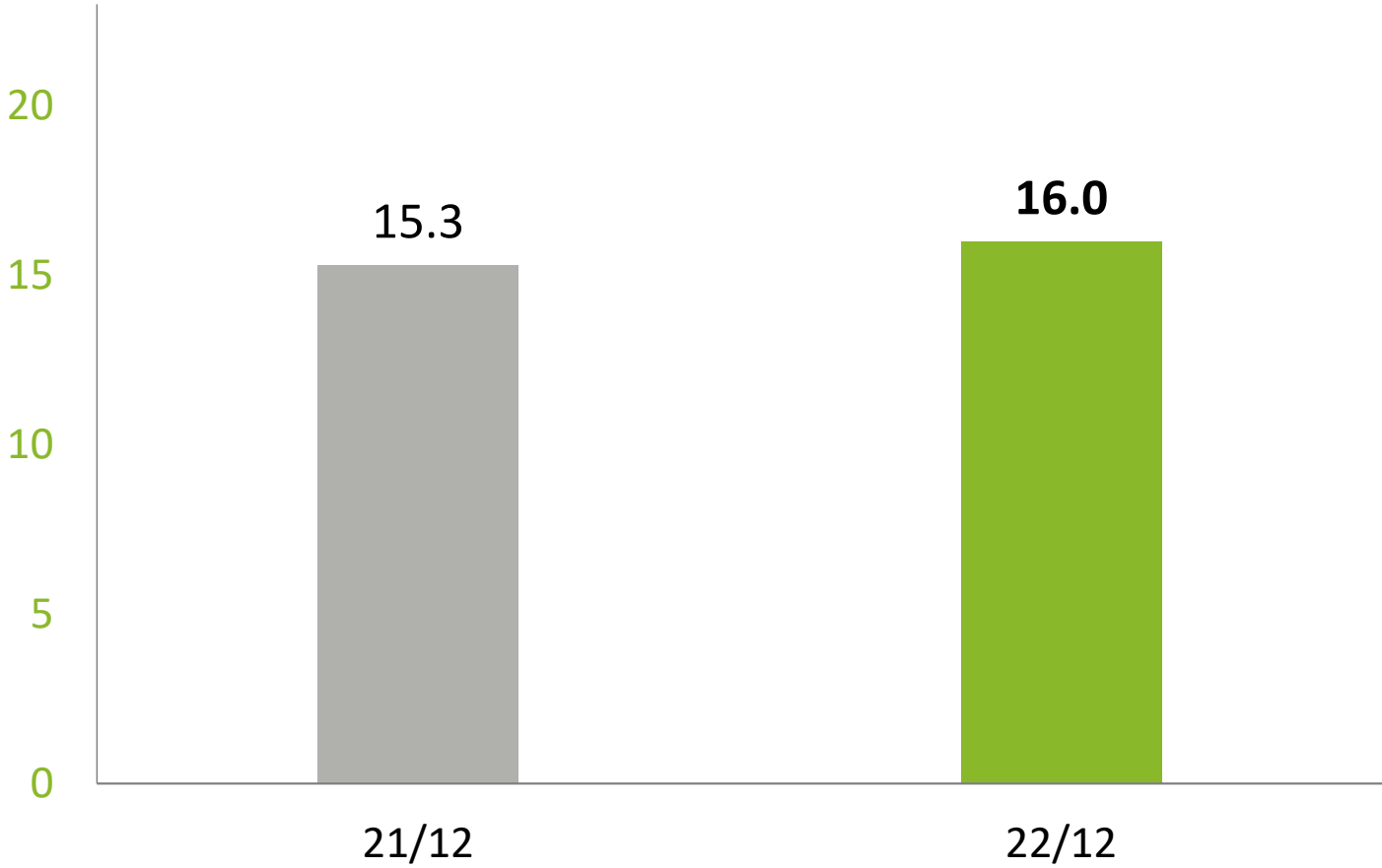
Number of Daito's construction starts in each region & Daito's share



* Metropolitan area ... Tokyo, Kanagawa, Chiba, Saitama Prefecture

Transition of the number of tenant recruitment per sales representatives <YoY>

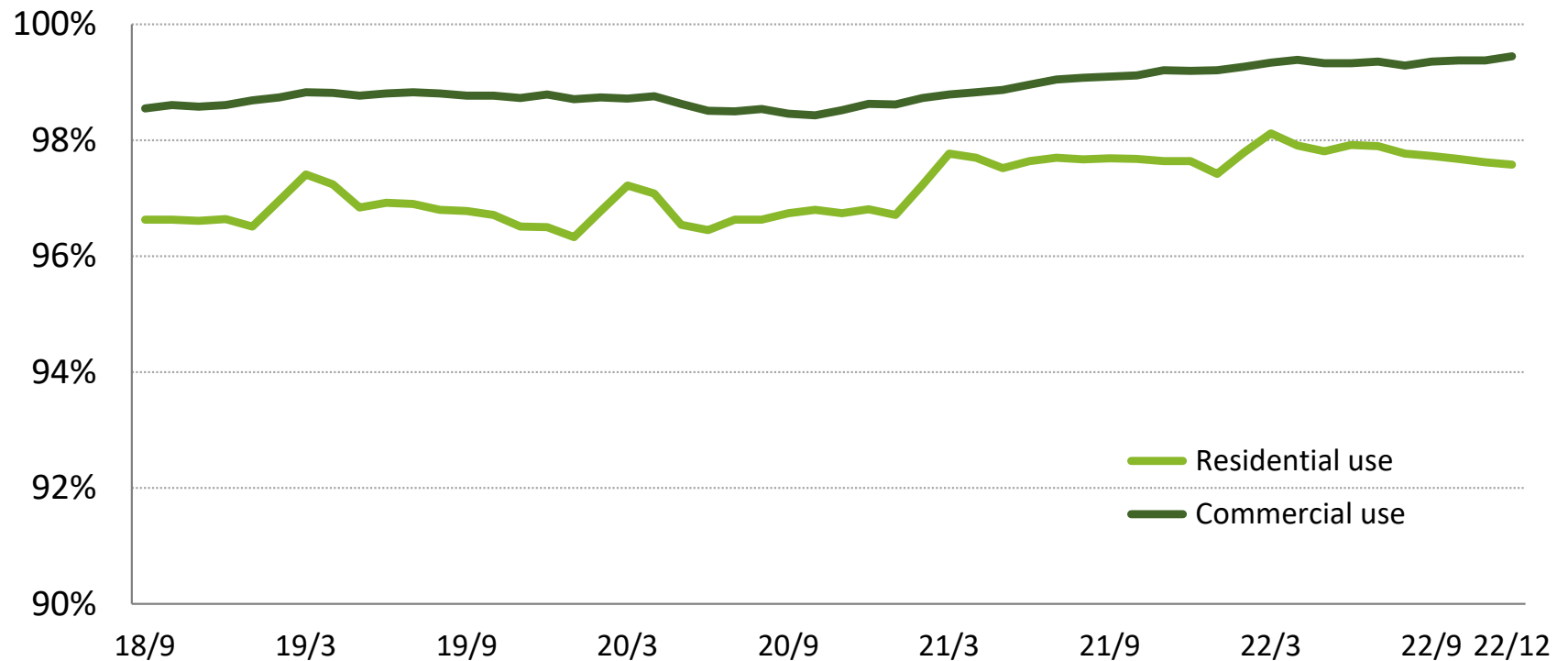
Number of tenant recruitment
/ representatives / month



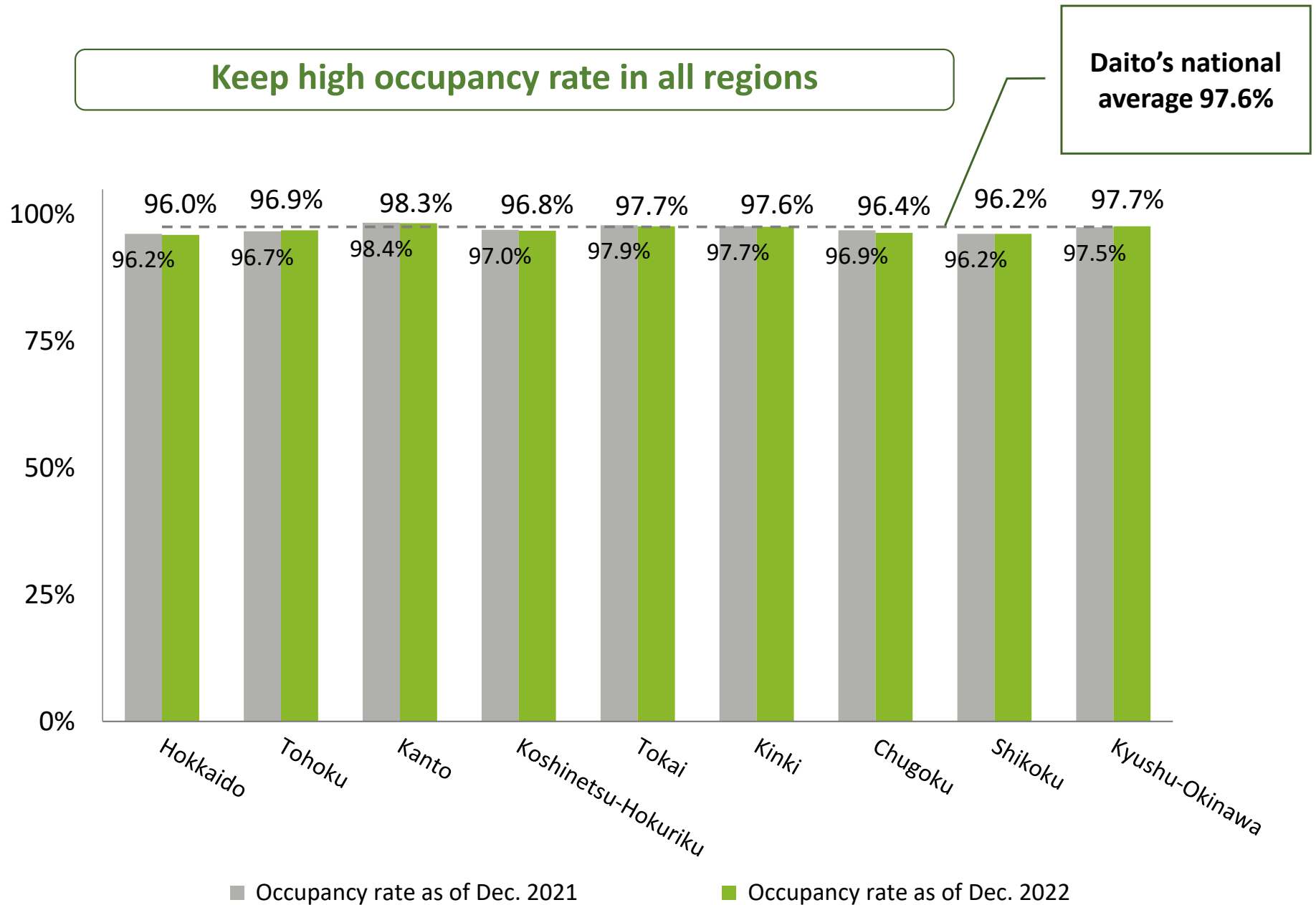
Transition of rent-based occupancy rate

Rent-based occupancy rate	18/12	19/12	20/12	21/12	22/12	YoY
Residential use (%)	96.6%	96.5%	96.8%	97.6%	97.6%	+0.0p
Commercial use (%)	98.6%	98.8%	98.6%	99.2%	99.5%	+0.3p

Rent-based occupancy rate

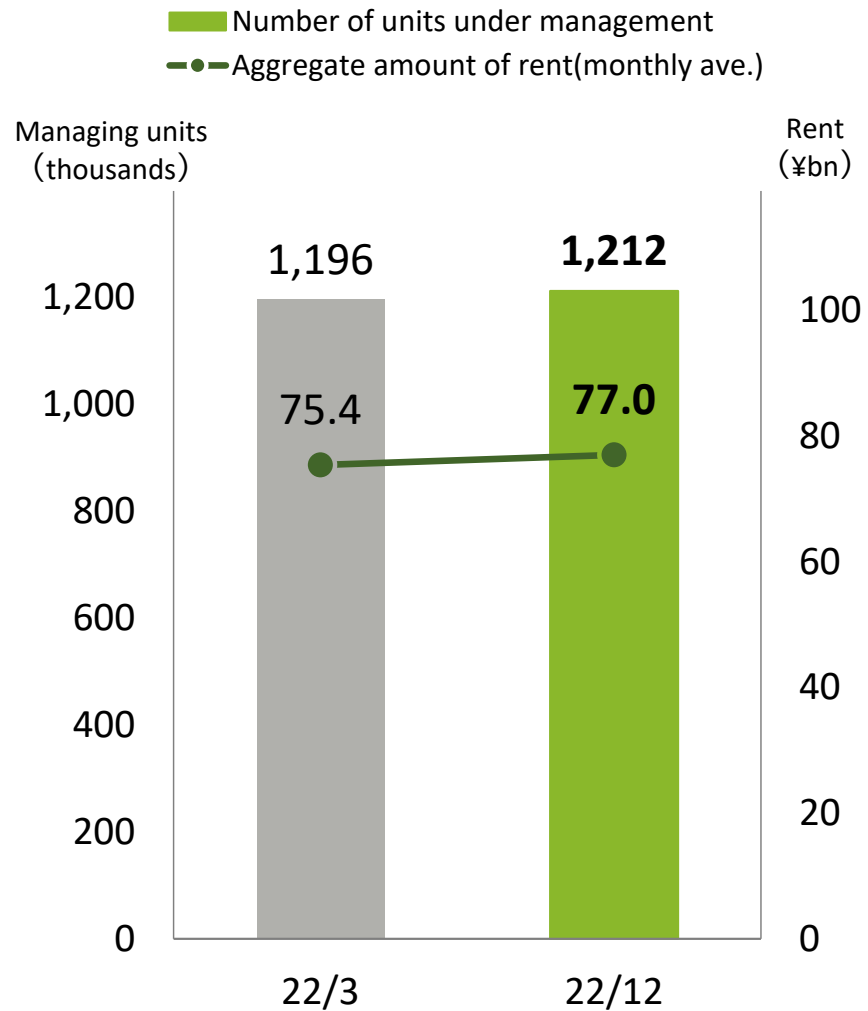


Rent-based occupancy rate in each region (as of Dec. : Residential use)

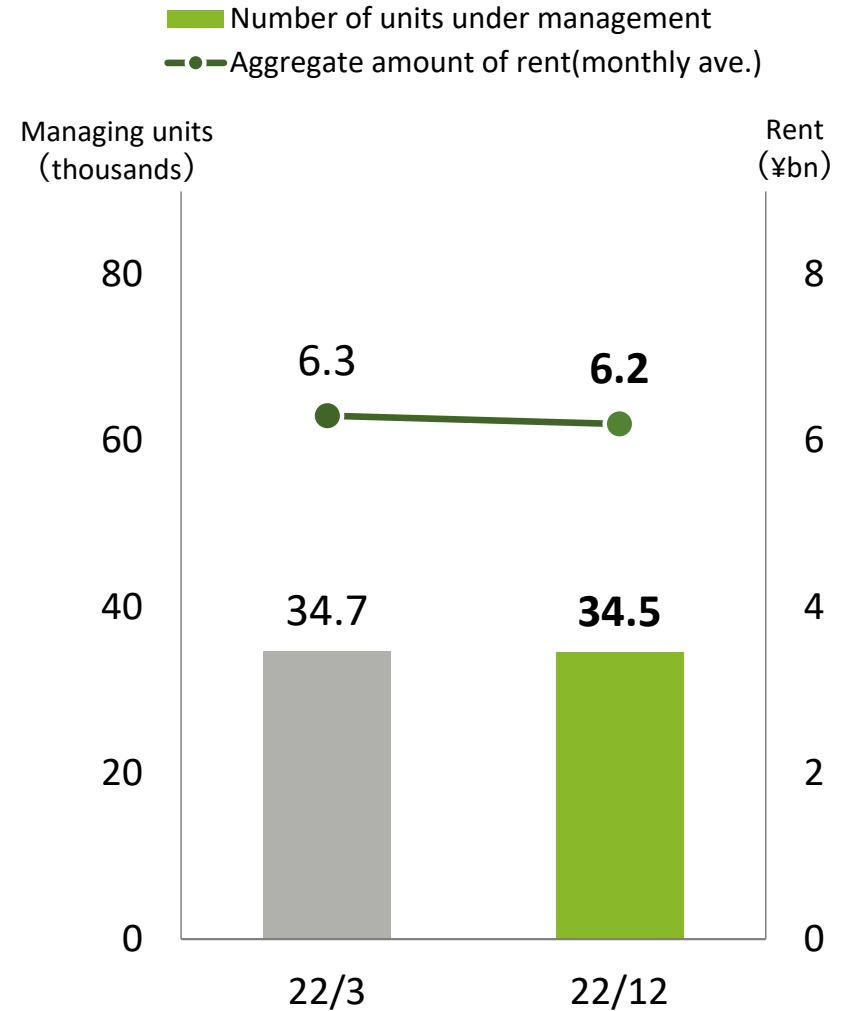


Number of units under management & aggregate amount of rent

Residential use

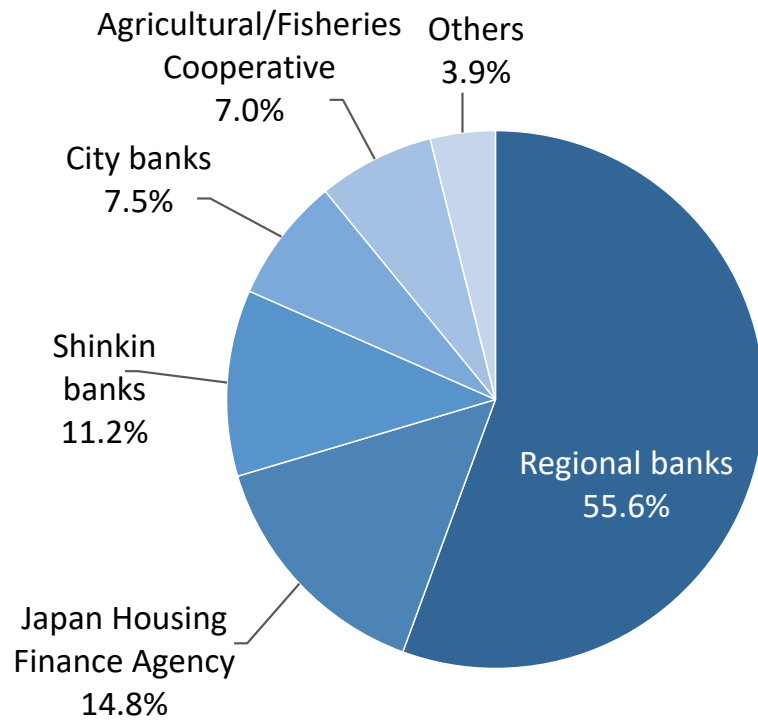


Commercial use

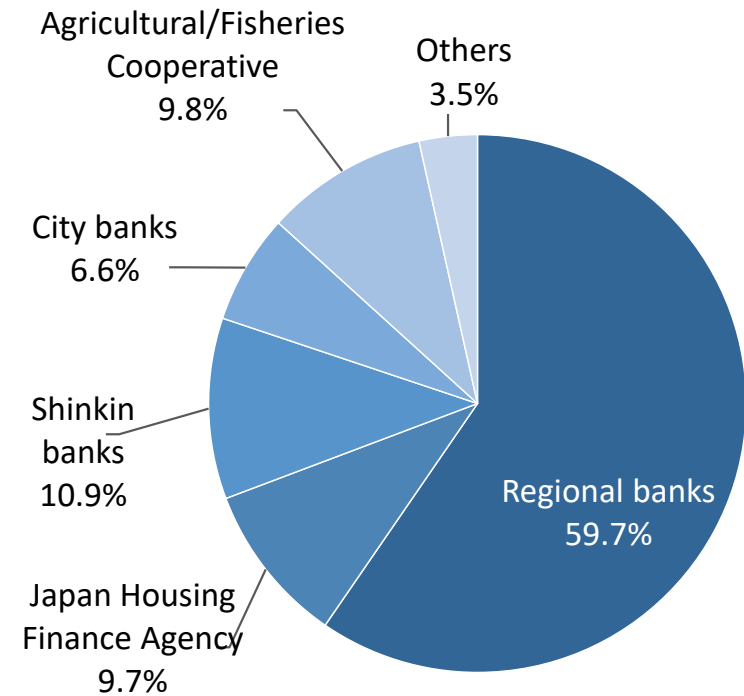


Customer's funds route

FY22/3 full-year



FY23/3 3Q



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.