



DAITO TRUST CONSTRUCTION CO., LTD.

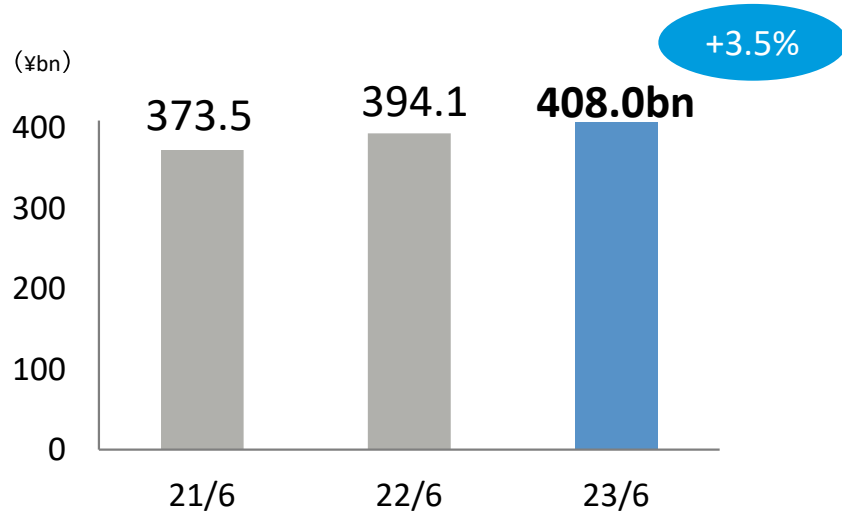
Report on Settlement of 1Q ending March 31, 2024

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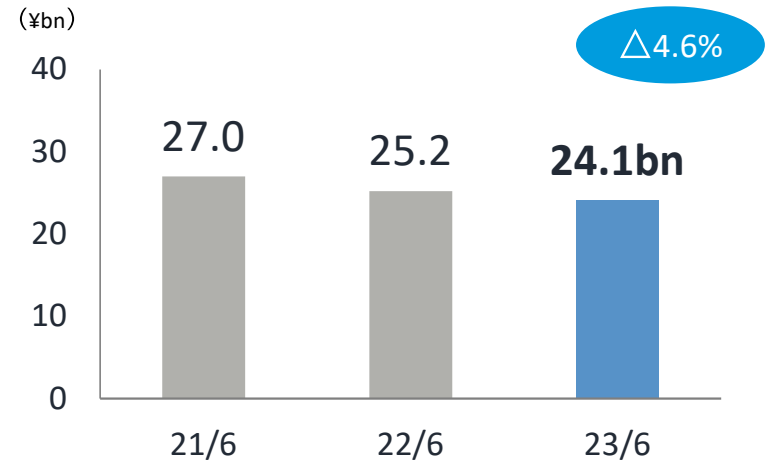
I . Results in 1Q of FY ending March 31, 2024

● : YoY

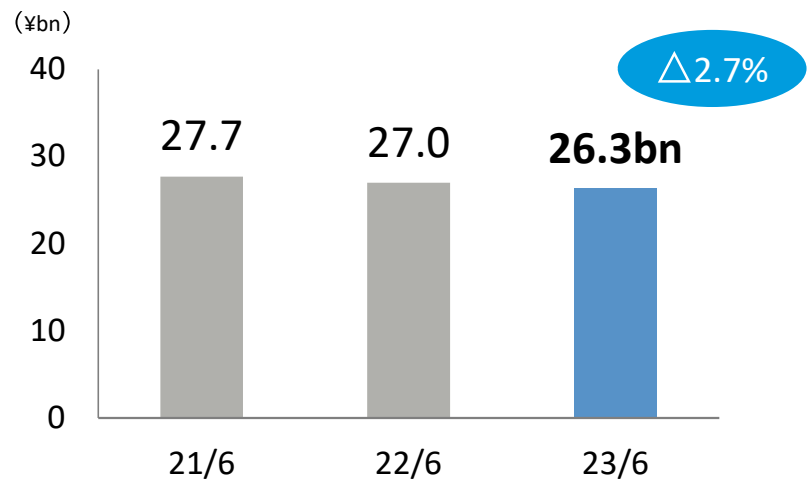
Net sales



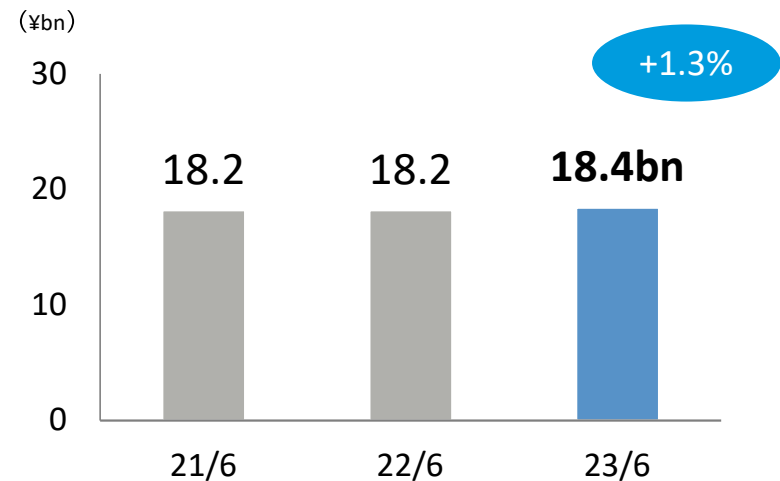
Operating income



Ordinary income



Net income attributable to owners of parent



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

Major factors of fluctuation (Operating income Δ ¥1.1bn)

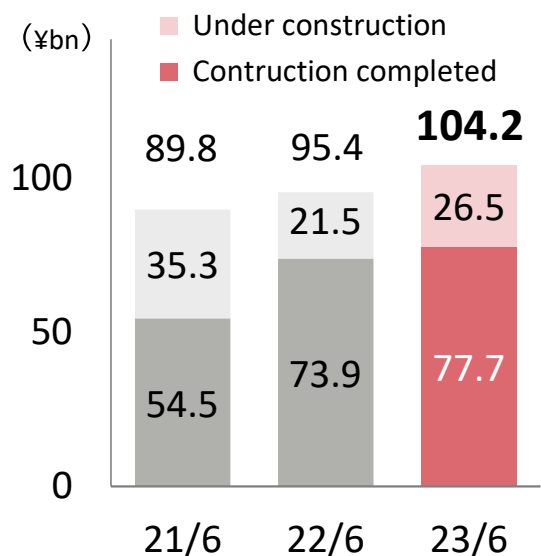
Gross profit on completed construction contracts <+¥1.7bn>	<ul style="list-style-type: none"> • Increase in completed construction (¥95.4bn → ¥104.2bn) +¥1.89bn • Decrease in gross profit margin (21.6% → 21.4%) Δ¥0.16bn
Gross profit on real estate business < Δ ¥0.2bn>	<ul style="list-style-type: none"> • Increase in profit from whole-building lease business +¥0.04bn • Increase in profit from real estate brokerage business +¥0.19bn • Increase in profit from guarantee business +¥0.09bn • Decrease in restoration to original condition or repairing construction Δ¥0.38bn • Increase in profit from electricity business +¥0.12bn • Decrease in profit from the other businesses Δ¥0.27bn
Gross profit on the other businesses <+¥1.8bn>	<ul style="list-style-type: none"> • Increase in profit from overseas hotel business +¥0.74bn • Increase in profit from gas business +¥0.95bn • Increase in profit from investment condominium business (INVALANCE Ltd.,) +¥0.21bn • Increase in renovation and resale business +¥0.14bn
SG&A expenses < Δ ¥4.5bn>	<ul style="list-style-type: none"> • Increase in personnel expenses Δ¥3.60bn • Increase in advertising & general publicity expenses Δ¥0.26bn • Increase in recruitment fee / training fee Δ¥0.09bn • Increase in the other expenses Δ¥0.56bn

Profit & Loss by segment (Construction business-1)

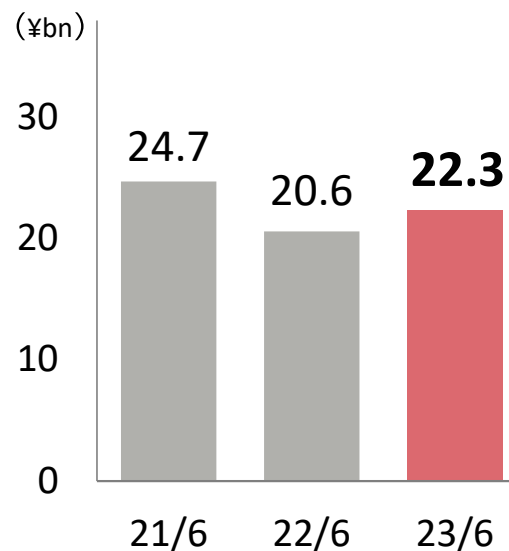
(¥bn)

	2022/6	2023/6	(YoY)
Net sales	95.4	104.2	(+9.2%)
Gross profit	20.6	22.3	(+8.4%)
Operating income	1.8	0.6	(△64.0%)

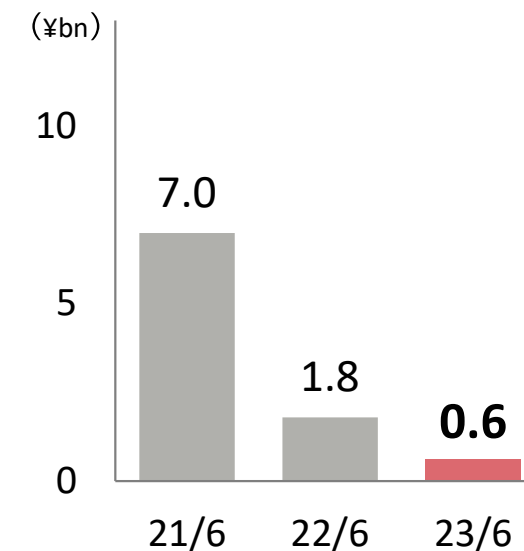
■ Net sales



■ Gross profit



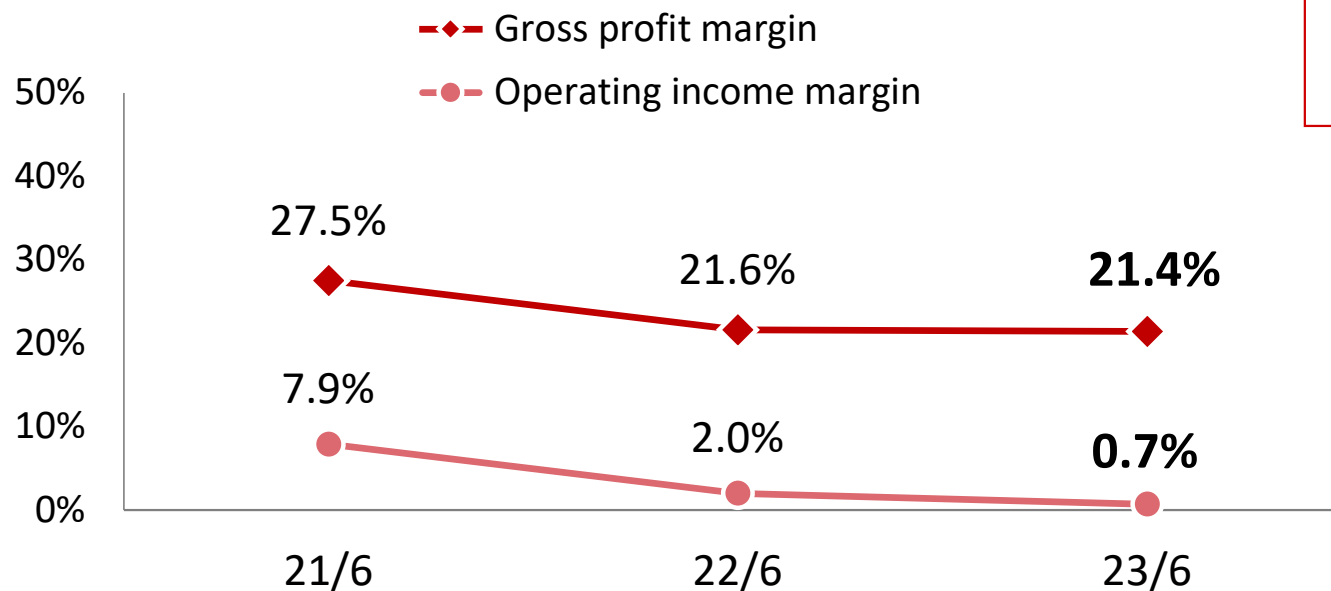
■ Operating income



Profit & Loss by segment (Construction business-2)

	2022/6	2023/6	(YoY)
Gross profit margin	21.6%	21.4%	(Δ 0.2p)
Operating income margin	2.0%	0.7%	(Δ 1.3p)

■ Gross profit margin / Operating income margin



Major breakdown of the variance (Δ 0.2p YoY)

Price revision	+2.3p
Labor cost	Δ 1.6p
Material cost	Δ 2.9p
Exchange / Import materials	+2.0p

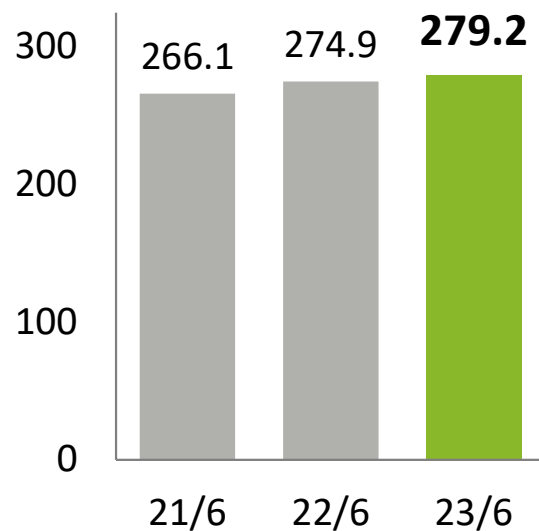
Profit & Loss by segment (Real estate business-1)

(¥bn)

	2022/6	2023/6	(YoY)
Gross profit margin	274.9	279.2	(+1.5%)
Gross profit	34.7	34.5	(△0.7%)
Operating income	24.5	23.4	(△4.4%)

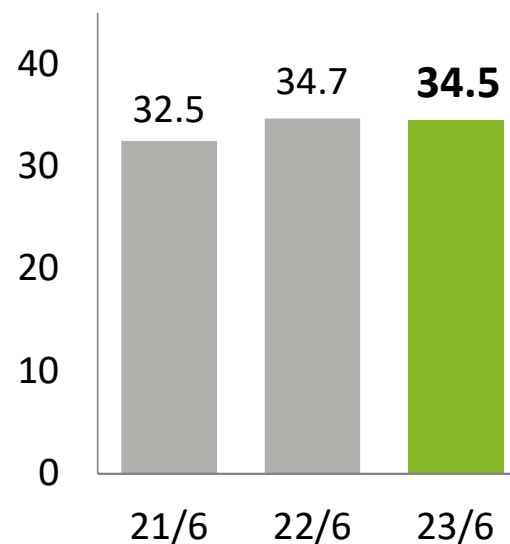
■ Net sales

(¥bn)



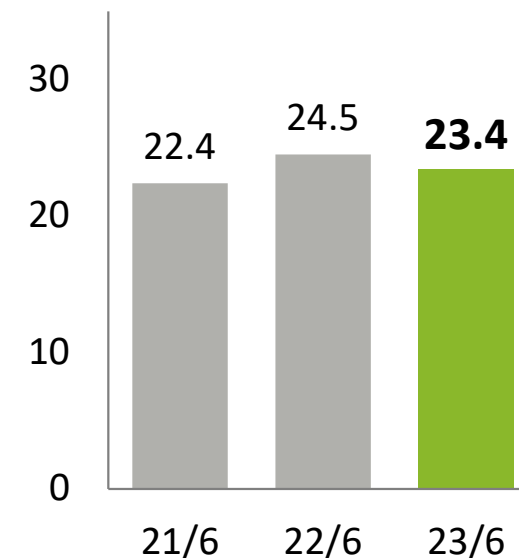
■ Gross profit

(¥bn)



■ Operating income

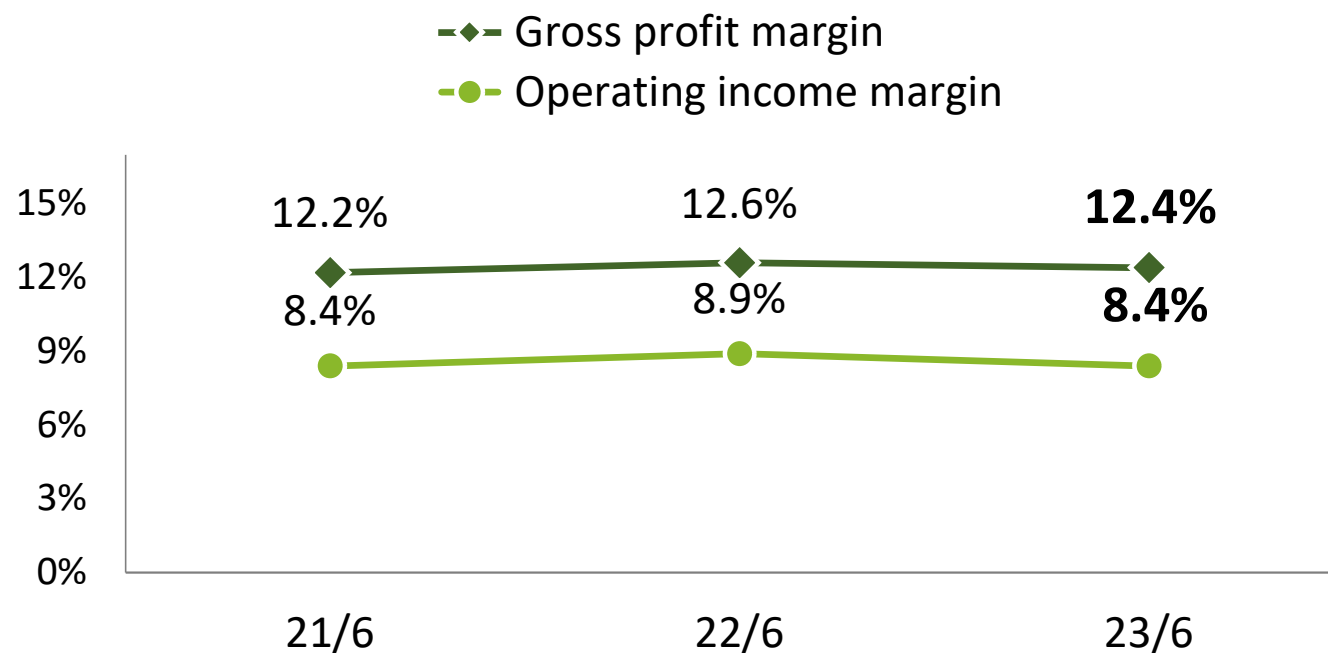
(¥bn)



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

	2022/6	2023/6	(YoY)
Gross profit margin	12.6%	12.4%	($\Delta 0.2p$)
Operating income margin	8.9%	8.4%	($\Delta 0.5p$)

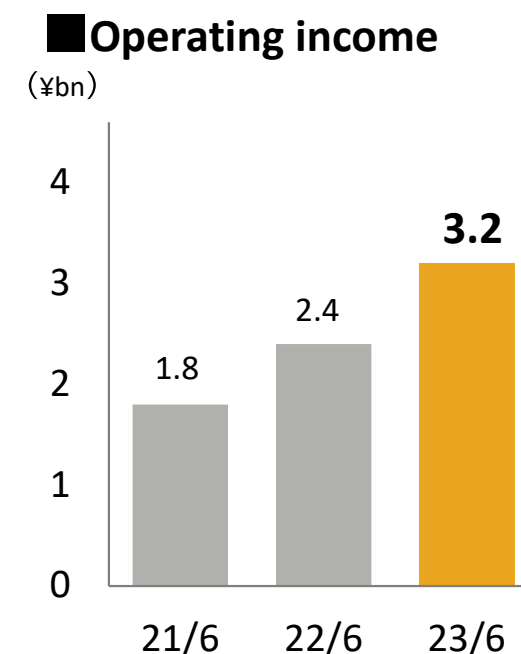
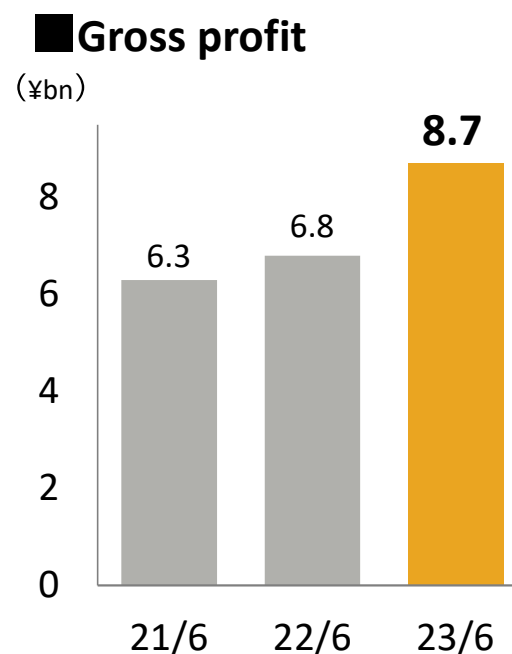
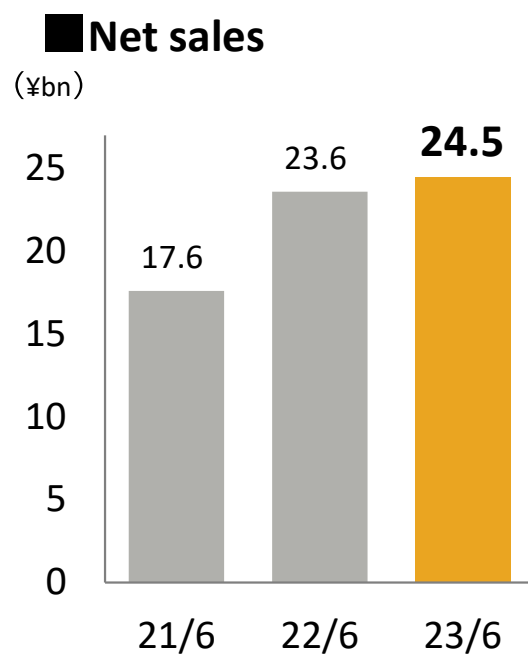
■ Gross profit margin / Operating income margin



Profit & Loss by segment (Other businesses)

(¥bn)

	2022/6	2023/6	(YoY)
Net sales	23.6	24.5	(+3.9%)
Gross profit	6.8	8.7	(+27.4%)
Operating income	2.4	3.2	(+35.3%)



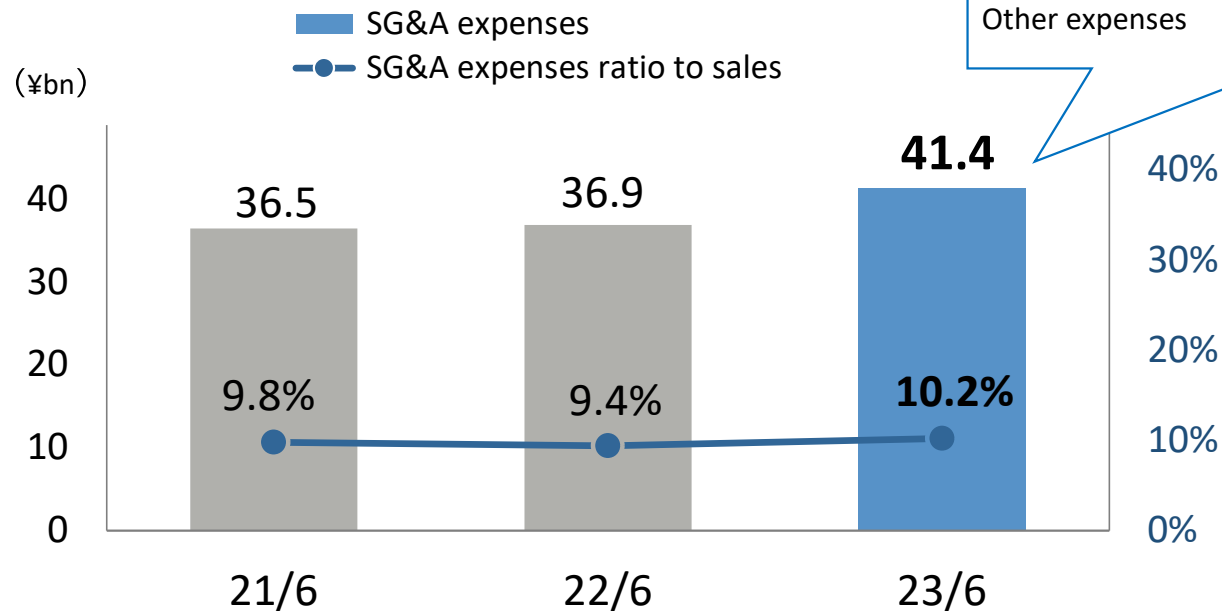
Profit & Loss (Selling, general and administrative expenses)

(¥bn)

	2022/6	2023/6	(YoY)
SG&A expenses	36.9	41.4	(+12.2%)
SG&A expenses ratio to sales	9.4%	10.2%	[+0.8p]

[] : Difference from same period in previous year

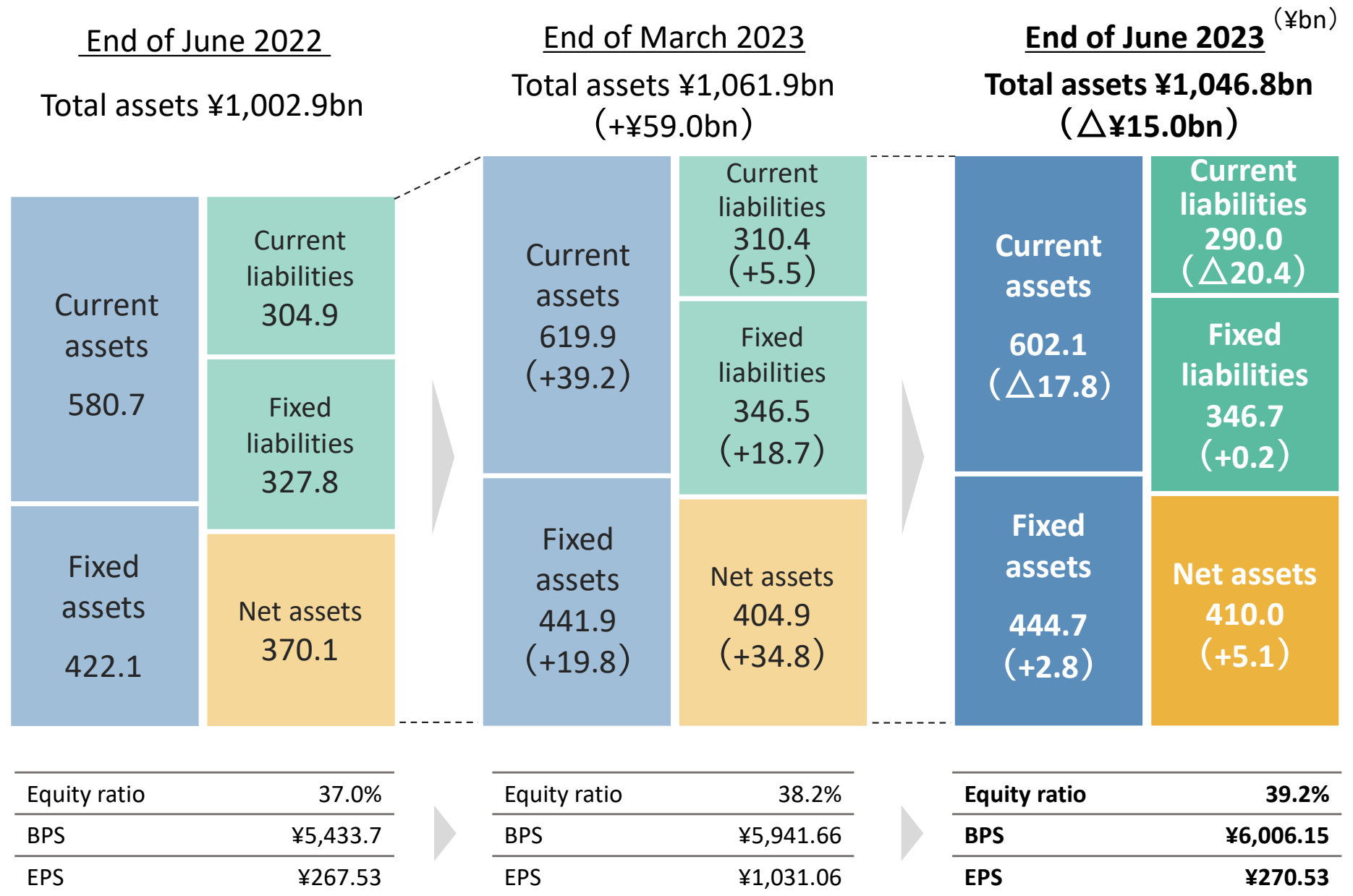
SG&A expenses / SG&A expenses ratio to sales



Major breakdown of the variance (+¥4.5bn YoY)

Labor cost	+¥3.60bn
Advertising & general publicity expenses	+¥0.26bn
Recruitment and training expenses	+¥0.09bn
Other expenses	+¥0.56bn

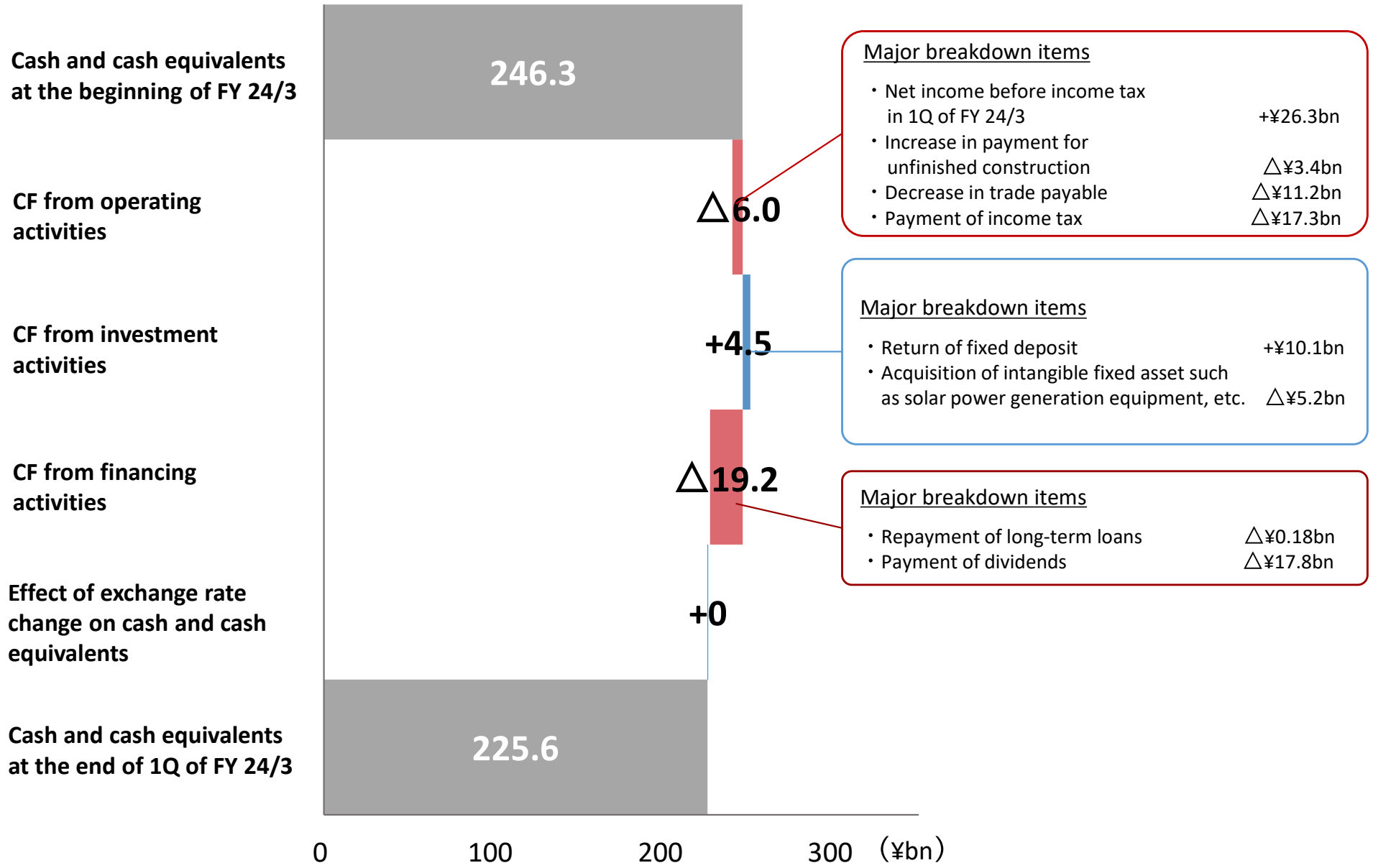
Financial review (Consolidated BS)



※BPS : Net assets per share

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

Financial review (Consolidated CF)



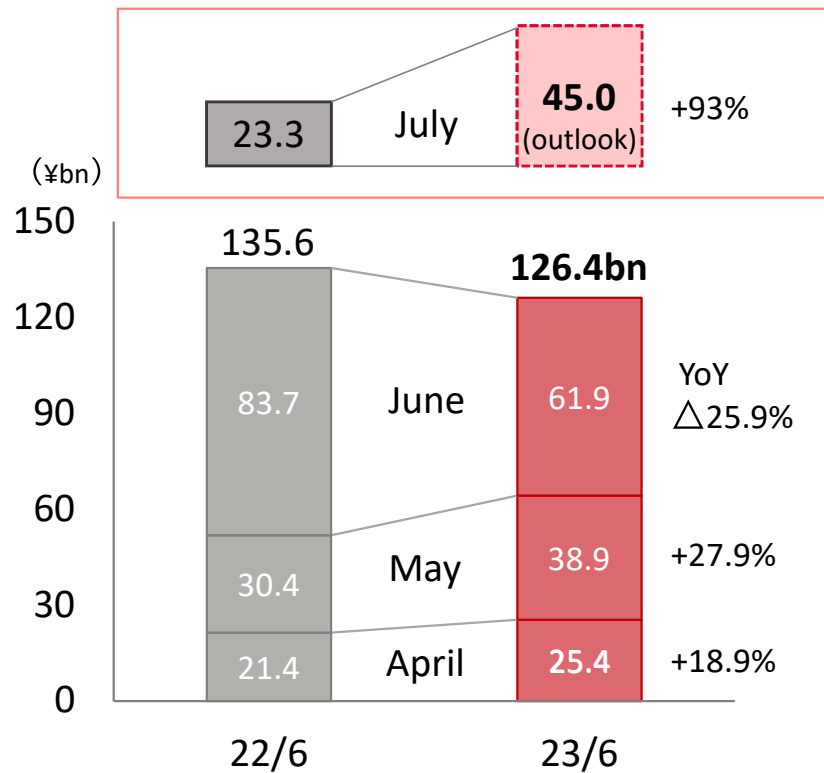
Ⅱ . Key Figures

Orders received

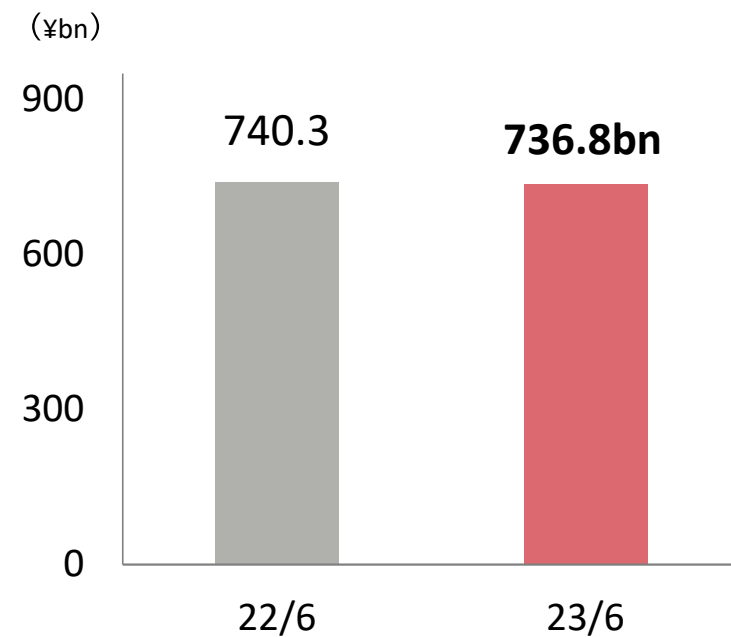
Orders received **¥126.4bn** ($\Delta 6.8\%$ YoY)

Orders in hand **¥736.8bn** ($\Delta 0.5\%$ YoY)

■ Orders received



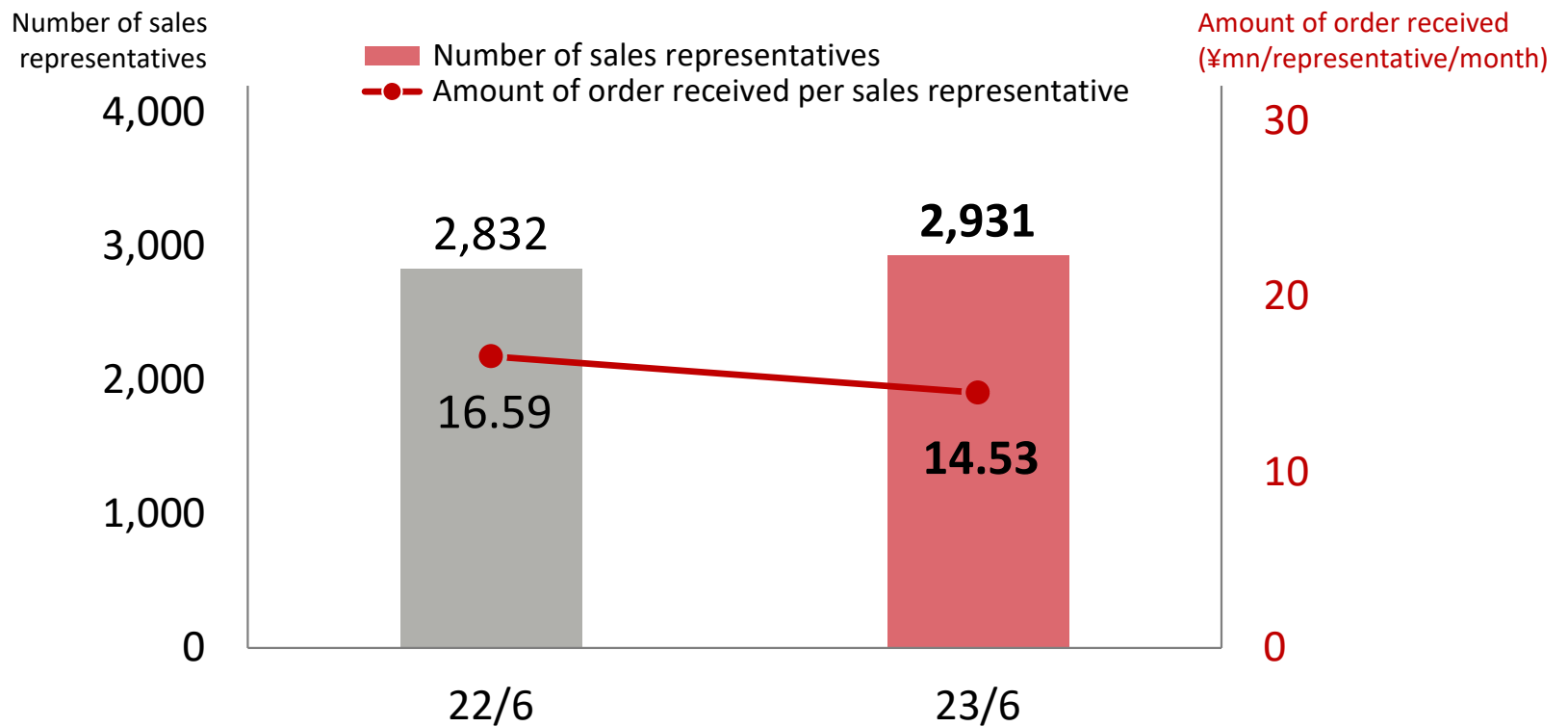
■ Orders in hand



Orders received (Efficiency in receiving orders)

Number of sales representatives <as of end of June> 2,931 (+99 YoY)

**Amount of order received per sales representative
¥14.53mn / month (Δ¥2.06mn YoY)**



Orders received (Mid-rise ratio and rebuild ratio)

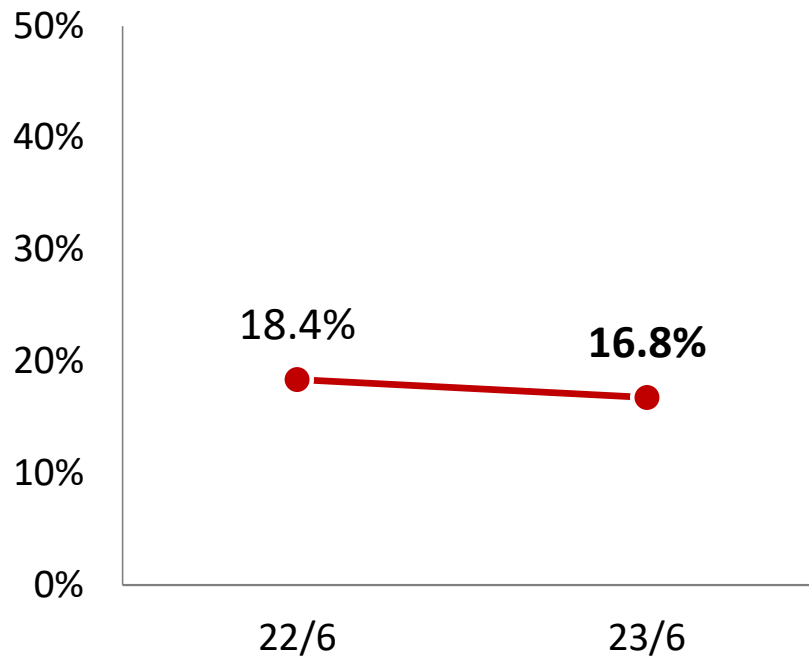
Mid-rise ratio

16.8% (Δ1.6p YoY)

Rebuild ratio

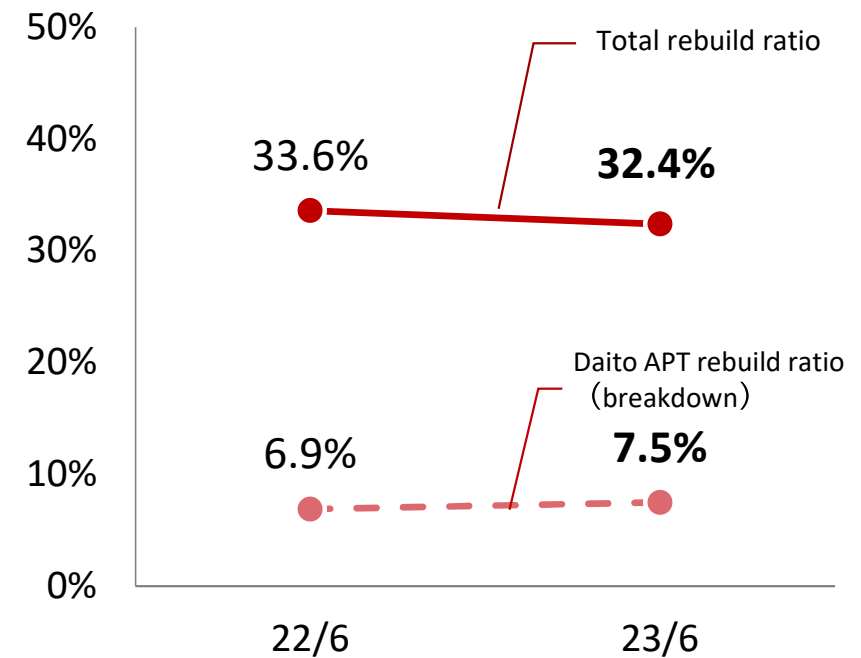
32.4% (Δ1.2p YoY)

■ **Mid-rise ratio**※1



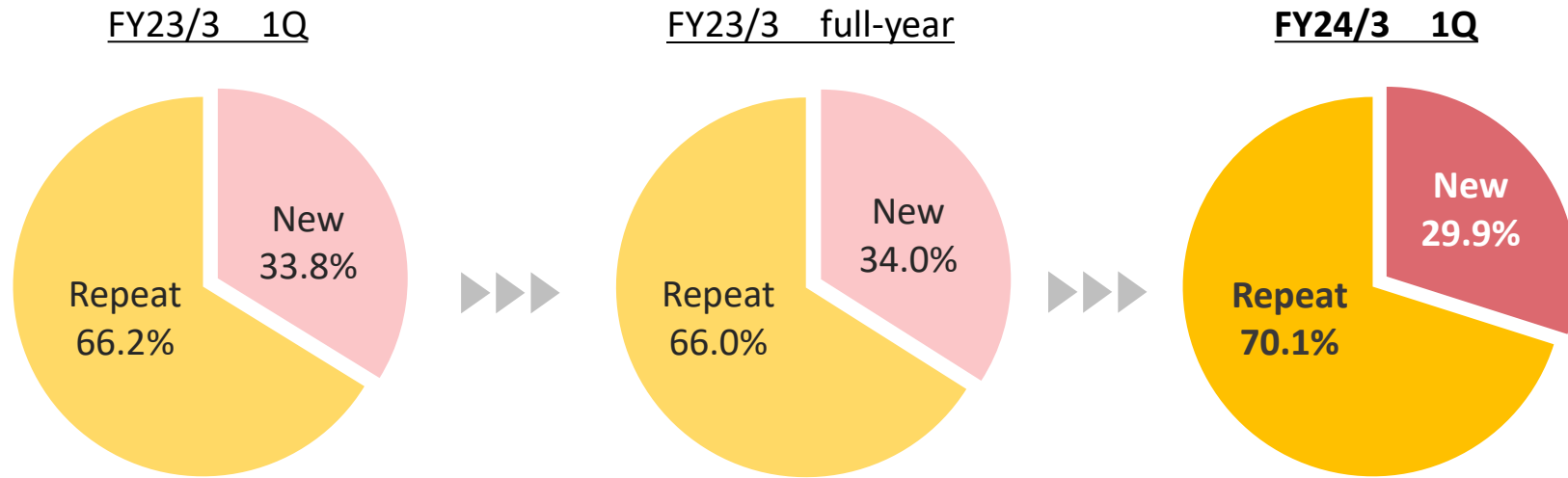
※1 Mid-rise ratio = Number of orders received for APT house with 3 or more stories / Total number of orders received

■ **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

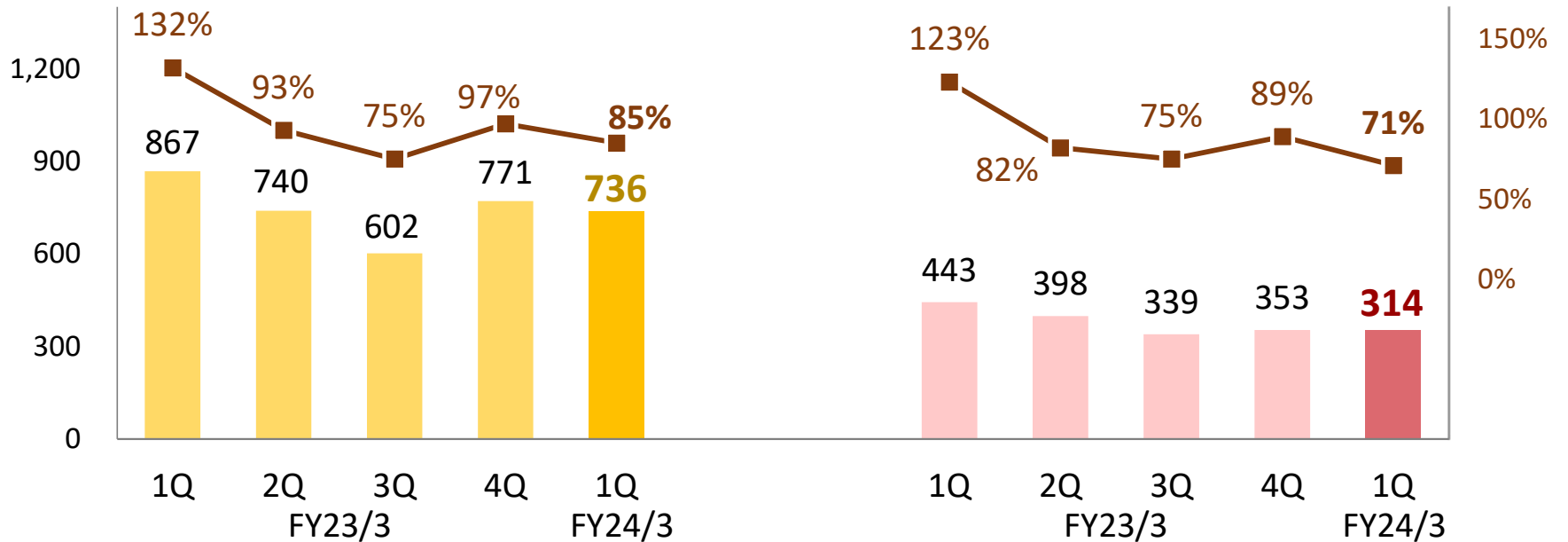
Orders received (Number of orders received & their channels)



(Number of orders Received)

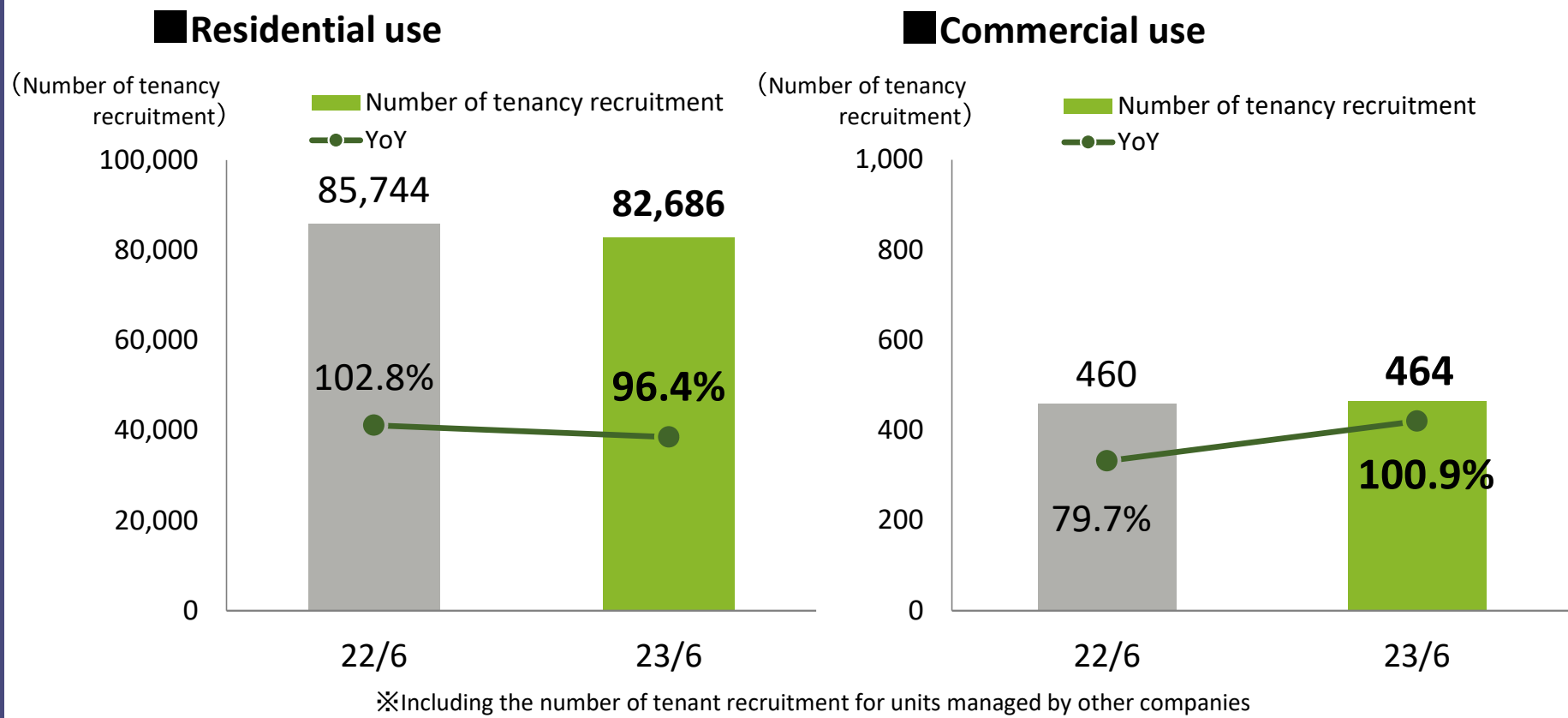
■ Orders Received form repeaters

■ Orders Received from new customers (YoY)



Tenancy recruitment (Number of recruitment)

Number of tenancy recruitment	83,150 (△3.5% YoY)
Residential us	82,686 (△3.6% YoY)
Commercial use	464 (+0.9% YoY)

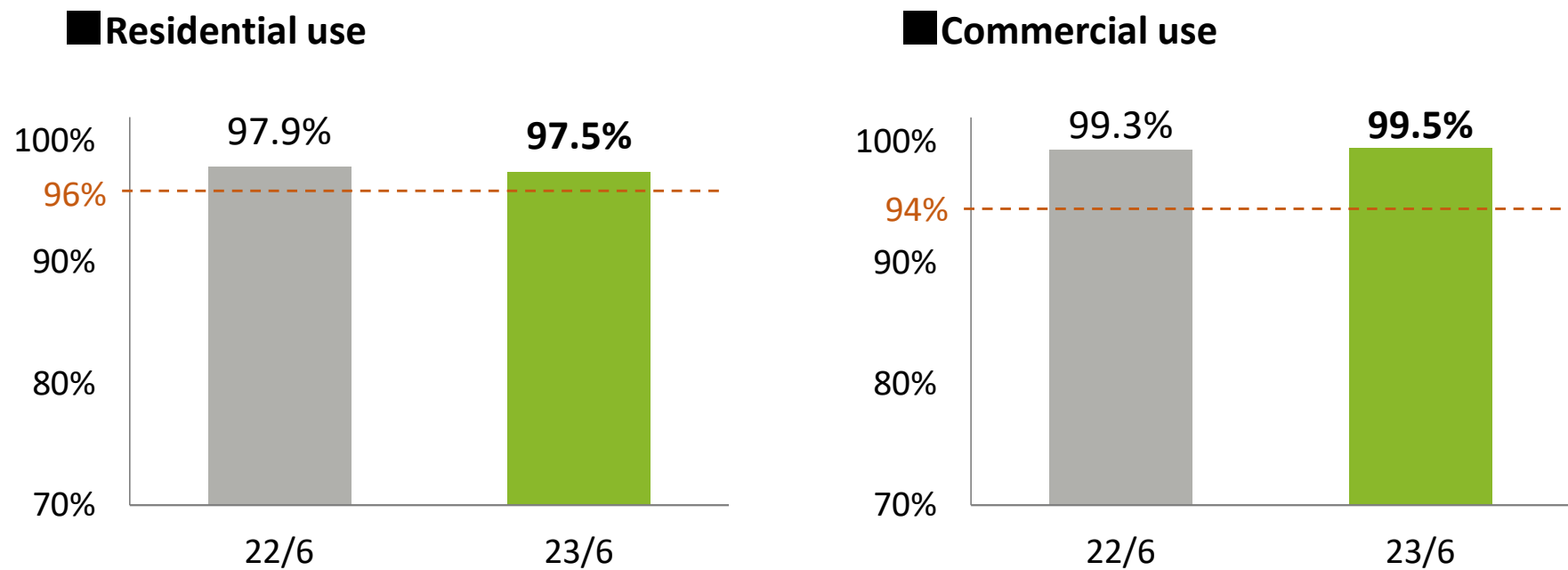


Tenancy recruitment (Rent-based occupancy rate※)

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

Residential use **97.5%** (Δ0.4p YoY)

Commercial use **99.5%** (+0.2p YoY)



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

Tenancy recruitment (Number-based occupancy rate※)

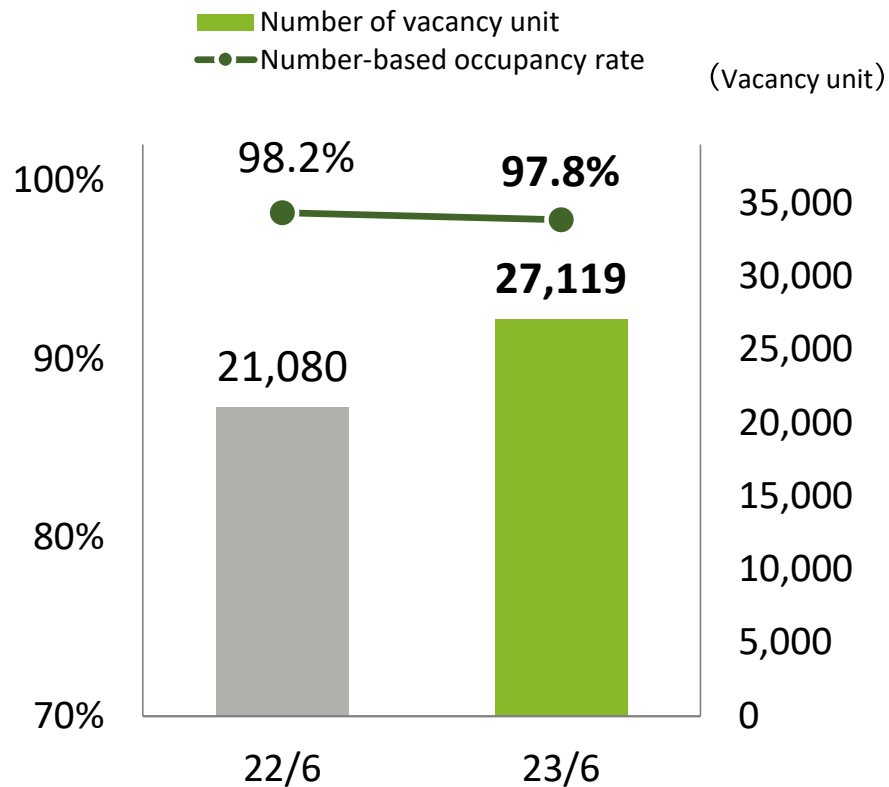
Residential use units

97.8% (Δ0.4p YoY)

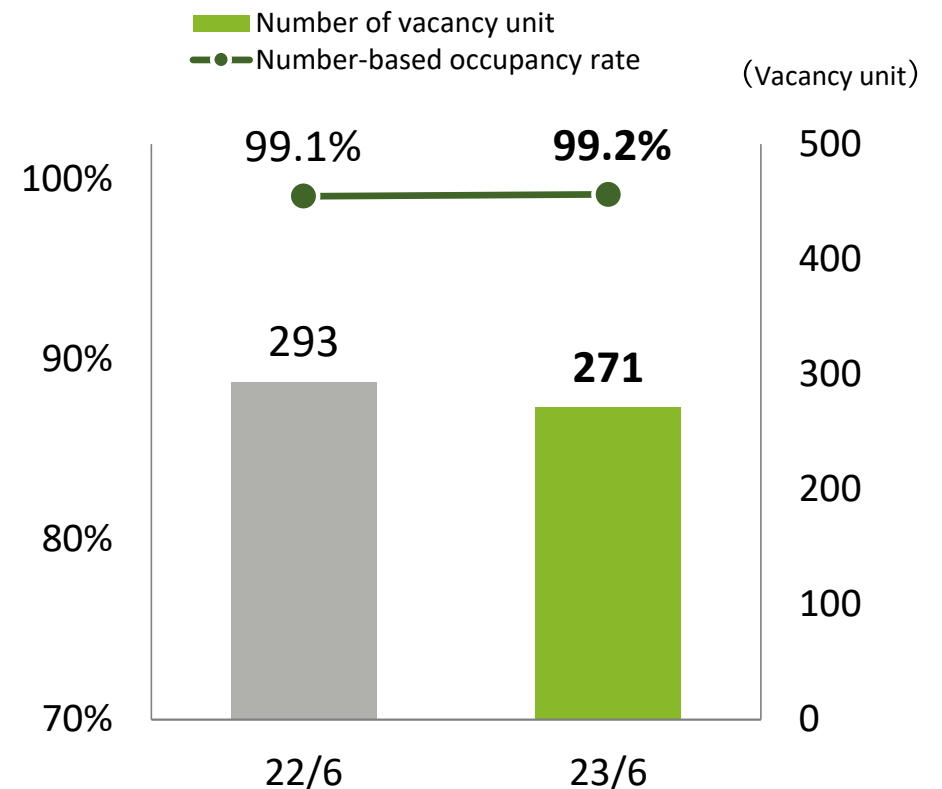
Commercial use units

99.2% (+0.1p YoY)

■ Residential use



■ Commercial use

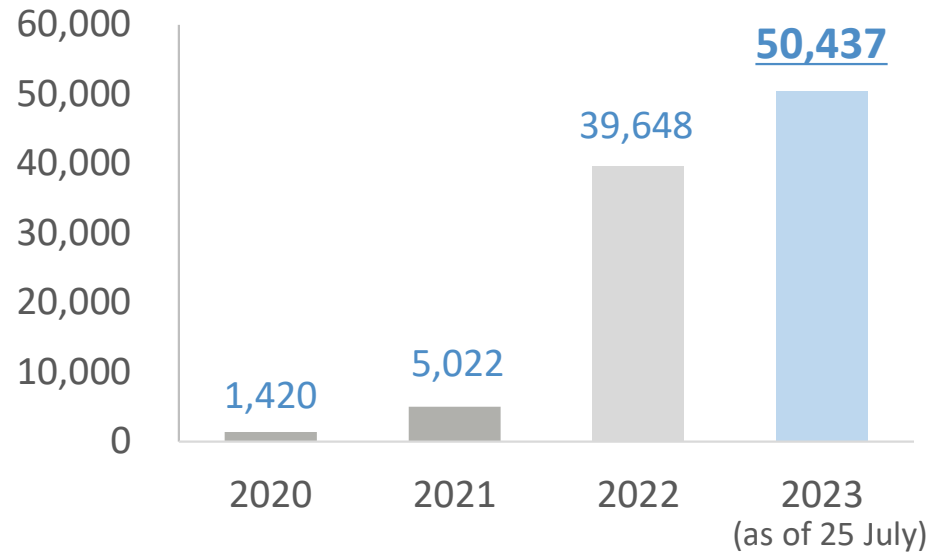


※Number-based occupancy rate = (Number of occupancy units) / (Number of units under management)

Ⅲ. Topics

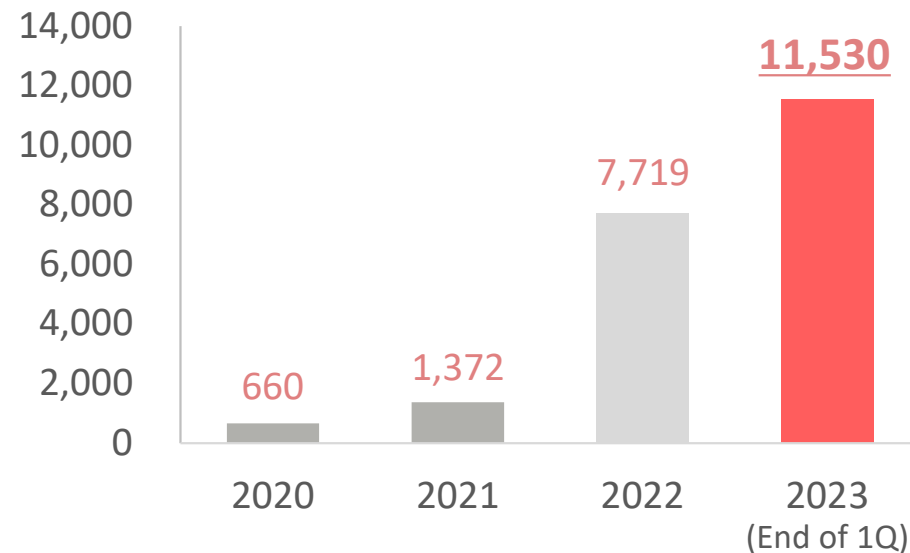
Topics (ZEH rental housing)

■ Number of units sold in total



over 50,000

■ Number of units completed in total



over 10,000

Entry into biomass power generation business

The Company signed a business transfer agreement for a woody biomass power plant.

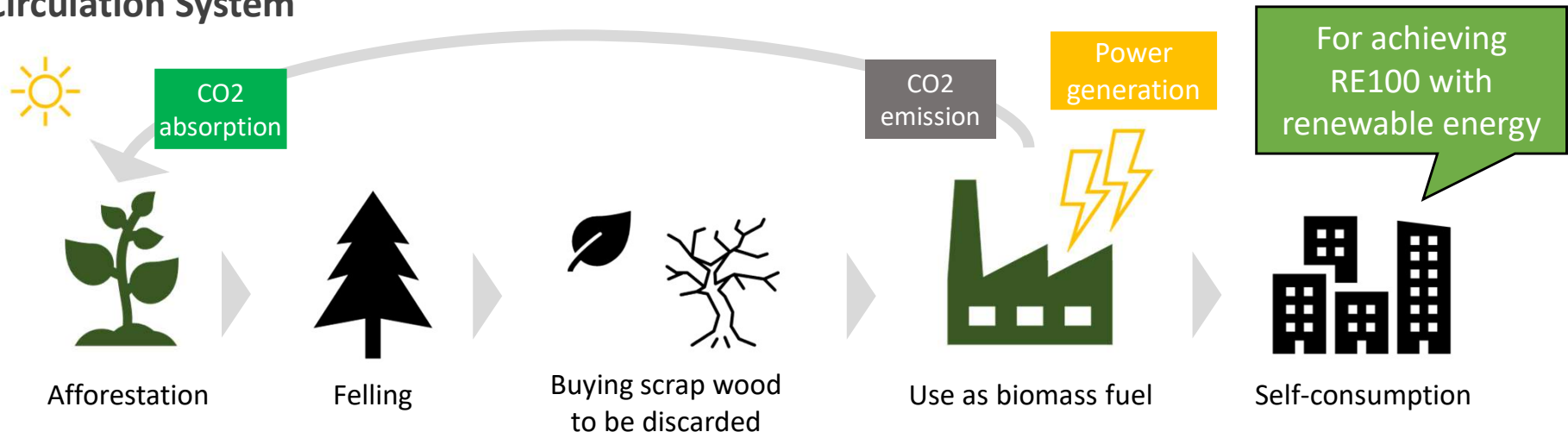
Place	Asago City, Hyogo Prefecture
Power capacity	5,600 kilowatts
Site area	About 3.5 ha
Power generation	About 40 million kilowatts / year, equivalent to the annual electricity consumption of approximately 9,400 average households
CO2 emission reduction	About 18,000 t / year



Biomass power plant in Asago City

- ✓ Forest circulation using domestic timber contributes to forest conservation and the revitalization of the domestic forestry industry.
- ✓ By using the energy generated at this power plant, the Group's domestic adoption rate of renewable energy is expected to reach 50%.

Circulation System



IV. Appendix

Profit & Loss of each segment < FY24/3 >

(¥mn)

《 Construction business 》	22/6	23/6	YoY	24/3(plan)
Net sales	95,491	104,241	+9.2%	460,000
Gross profit	20,606	22,332	+8.4%	105,000
(Gross profit margin)	21.6%	21.4%	△0.2p	22.8%
Operating income	1,889	679	△64.0%	22,000
(Operating income margin)	2.0%	0.7%	△1.3p	4.8%

《 Real estate business 》	22/6	23/6	YoY	24/3(plan)
Net sales	274,981	279,230	+1.5%	1,140,000
Gross profit	34,755	34,516	△0.7%	134,000
(Gross profit margin)	12.6%	12.4%	△0.2p	11.8%
Operating income	24,543	23,451	△4.4%	82,000
(Operating income margin)	8.9%	8.4%	△0.5p	7.2%

《 Other businesses 》	22/6	23/6	YoY	24/3(plan)
Net sales	23,656	24,570	+3.9%	115,000
Gross Profit	6,839	8,715	+27.4%	36,000
(Gross profit margin)	28.9%	35.5%	+6.6p	31.3
Operating income	2,424	3,279	+35.3%	17,000
(Operating income margin)	10.2%	13.3%	3.1p	14.8%

Profit & Loss (Non-consolidated) <FY24/3>

(¥mn)

	22/6	23/6	YoY	24/3(plan)
Net sales	96,959	107,441	+10.8%	473,000
Construction	96,305	104,397	+8.4%	460,000
Real estate & others	654	3,044	+365.1%	13,000
Gross profit	20,956	23,795	+13.5%	109,000
Construction	20,492	22,192	+8.3%	103,000
Real estate & others	464	1,603	+246.0%	6,000
SG&A expenses	23,750	26,263	+10.6%	-
Operating income	△2,794	△2,468	+11.6%	-
Ordinary income	45,494	47,527	+4.5%	57,000
Net income	45,725	47,479	+3.8%	52,000

Sales structure of real estate business <FY24/3>

(¥mn)

	21/6		22/6		23/6			24/3(plan)
	Amount	(Ratio)	Amount	(Ratio)	Amount	(Ratio)	YoY	Amount
Lease up of rental housing units *1	238,357	(89.6%)	246,095	(89.5%)	251,791	(90.3%)	+2.3%	1,021,500
Building and repairs	11,404	(4.3%)	10,685	(3.9%)	7,590	(2.7%)	△29.0%	32,000
Brokerage of rental estate	5,467	(2.0%)	5,695	(2.1%)	5,372	(1.9%)	△5.7%	24,000
Rental guarantee business	4,430	(1.7%)	4,693	(1.7%)	4,854	(1.7%)	+3.4%	20,000
Electricity business	2,109	(0.8%)	2,313	(0.8%)	2,718	(1.0%)	+17.5%	10,000
Leasing business *2	1,634	(0.6%)	1,701	(0.6%)	1,747	(0.6%)	+2.7%	6,500
Others	2,741	(1.0%)	3,796	(1.4%)	5,155	(1.8%)	+38.5%	26,000
Total	266,145	(100%)	274,981	(100%)	279,230	(100%)	+1.5%	1,140,000

※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) <FY24/3>

(¥mn)

Construction Business								
	Daito Construction				Daito Steel			
	22/6	23/6	YoY	24/3 (plan)	22/6	23/6	YoY	24/3 (plan)
Net sales	786	1,149	+46.1%	8,000	1,117	1,494	+33.7%	6,800
Gross profit	35	33	△4.0%	500	48	77	+61.1%	200
SG&A expenses	26	31	+20.5%	200	22	25	+14.2%	0
Operating income	9	2	△75.3%	200	25	52	+101.3%	100
Ordinary income	16	14	△16.1%	300	25	52	+102.6%	100
Net income	11	8	△20.0%	200	16	26	+60.7%	100

Profit & Loss of major subsidiaries (Real estate businesses-1) <FY24/3>

(¥mn)

Real estate business								
	Daito Kentaku Partners				Daito Kentaku Leasing			
	22/6	23/6	YoY	24/3 (plan)	22/6	23/6	YoY	24/3 (plan)
Net sales	262,861	266,949	+1.6%	1,083,200	7,630	6,428	△15.8%	31,000
Gross profit	26,453	25,999	△1.7%	95,600	3,412	2,608	△24.2%	11,900
SG&A expenses	5,570	6,556	+11.7%	30,800	2,140	2,356	+9.0%	10,600
Operating Income	20,883	19,442	△6.9%	64,700	1,271	251	△80.7%	1,200
Ordinary income	21,217	19,767	△6.8%	65,900	1,323	282	△86.6%	2,100
Net income	14,755	14,063	△4.7%	45,600	874	208	△76.5%	1,200

Profit & Loss of major subsidiaries (Real estate businesses-2) <FY24/3>

(¥mn)

Real estate business								
	House Leave				Housecom Group			
	22/6	23/6	YoY	24/3 (plan)	22/6	23/6	YoY	24/3 (plan)
Net sales	4,693	4,854	+3.4%	19,800	3,649	3,222	△11.9%	14,288
Gross profit	4,555	4,622	+1.5%	19,000	3,329	-	-	-
SG&A expenses	1,135	1,126	△0.8%	4,900	3,234	-	-	-
Operating income	3,420	3,496	+2.2%	14,100	95	△57	-	462
Ordinary income	3,422	3,500	+2.3%	14,100	96	△56	-	646
Net income	2,373	2,429	+2.4%	9,700	91	△51	-	389

Profit & Loss of major subsidiaries (Financial businesses) <FY24/3>

(¥mn)

Other businesses (Financial business)												
	Daito Finance				House Guard				D.T.C			
	22/6	23/6	YoY	24/3 (plan)	22/6	23/6	YoY	24/3 (plan)	22/6	23/6	YoY	24/3 (plan)
Net sales	571	582	+1.8%	2,200	1,254	1,504	+19.9%	5,500	4,405	4,125	△6.34%	18,400
Gross profit	440	449	+2.1%	1,700	545	630	+15.7%	2,400	591	△209	—	1,400
SG&A expenses	66	78	+19.3%	200	386	441	+14.2%	1,700	8	8	△1.3%	0
Operating income	373	370	△1.0%	1,400	158	189	+19.4%	600	583	△217	—	1,400
Ordinary income	382	378	△0.9%	1,900	158	189	+19.4%	600	584	△217	—	1,400
Net income	265	261	△1.3%	1,300	114	129	+13.9%	400	584	△217	—	1,400

Profit & Loss of major subsidiaries (Other businesses-1) <FY24/3>

(¥mn)

Other businesses (Energy, Care, Investment condominium business)												
	Gaspal Group				Care Partner				INVALANCE			
	22/6	23/6	YoY	24/3 (plan)	22/6	23/6	YoY	24/3 (plan)	22/6	23/6	YoY	24/3 (plan)
Net sales	8,832	9,672	+9.5%	42,000	3,793	3,914	+2.0%	15,900	6,847	4,750	△30.6%	26,300
Gross profit	3,646	4,596	+26.1%	19,400	398	347	△12.8%	1,400	895	1,114	+24.4%	4,100
SG&A expenses	2,216	2,437	△10.0%	10,000	297	262	△11.6%	1,100	608	704	+15.7%	3,100
Operating income	1,430	2,159	+51.0%	9,400	101	84	△16.8%	300	287	410	+42.8%	1,000
Ordinary income	1,221	1,942	+59.0%	8,500	94	80	△15.4%	200	326	403	+23.8%	1,000
Net income	824	1,349	+63.7%	5,900	53	△20	—	100	222	217	△2.3%	700

Profit & Loss of major subsidiaries (Other businesses-2) < FY24/3 >

(¥mn)

Other businesses (Overseas business)								
	DAITO ASIA DEVELOPMENT (MALAYSIA) SDN.BHD.				DAITO ASIA DEVELOPMENT (MALAYSIA) II SDN.BHD.			
	22/6	23/6	YoY	24/3 (plan)	22/6	23/6	YoY	24/3 (plan)
Net sales	233	704	+202.1%	3,000	442	1,134	+156.5%	4,200
Gross profit	△21	303	—	1,300	44	521	+1.079.2%	1,800
SG&A expenses	138	265	+91.8%	1,000	232	376	+62.2%	1,400
Operating Income	△160	37	—	200	△187	144	—	400
Ordinary income	△208	△42	+79.5%	△200	△238	58	—	0
Net income	△209	△43	+79.2%	△200	△241	57	—	0

Amount of orders received, and amount from construction completed

■ Amount of orders received

(¥mn)

	21/6	22/6	23/6	YoY	24/3(plan)
Residential use	66,254	123,608	113,644	△8.1%	490,800
Rental housing	66,062	122,719	113,055	△7.9%	487,900
Detached housing	191	888	589	△33.7%	2,900
Commercial use	3,127	3,352	3,428	+2.3%	8,200
Building and repairs	8,232	8,662	9,391	+8.4%	41,000
Total	77,614	135,623	126,464	△6.8%	540,000

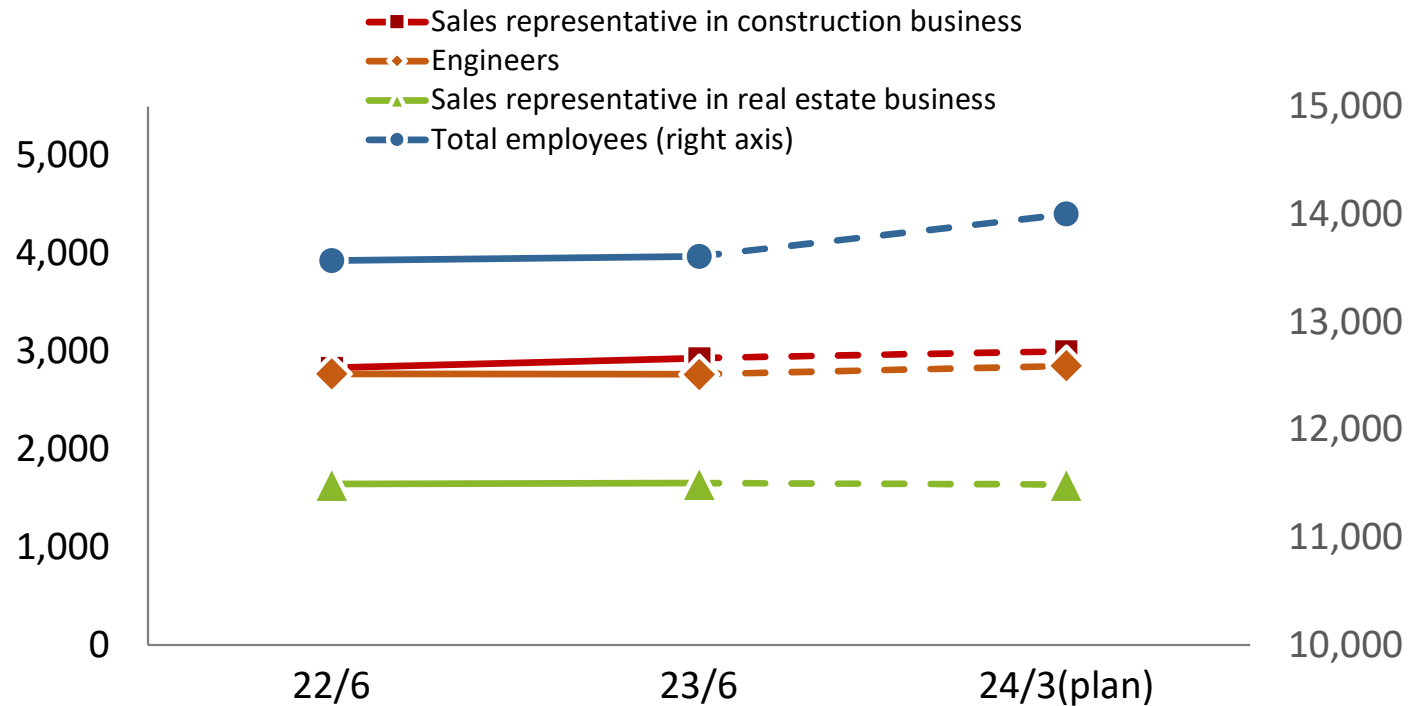
■ Net income from completed construction

(¥mn)

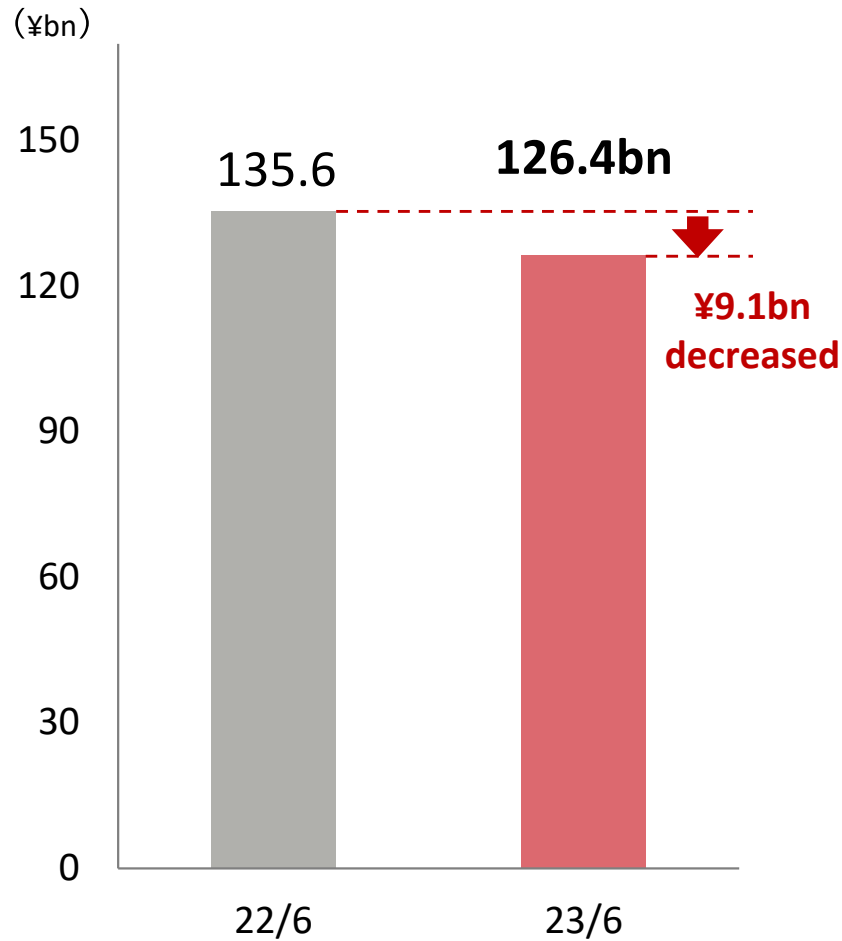
	21/6	22/6	23/6	YoY	24/3(plan)
Residential use	86,702	91,125	100,830	+10.7%	439,000
Rental housing	86,048	90,737	100,101	+10.3%	436,600
Detached housing	654	387	729	+88.2%	2,400
Commercial use	1,791	2,579	1,682	△34.8%	9,000
Building and repairs	12,734	12,472	9,318	△25.3%	44,000
Total	101,228	106,176	111,832	+5.3%	492,000

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

	22/6	23/6	YoY	24/3(plan)
Total employees	13,570	13,610	+40	14,000
Sales representative in construction business	2,832	2,931	+99	3,000
Engineers	2,771	2,766	△5	2,850
Sales representative in real estate business	1,645	1,654	+9	1,640

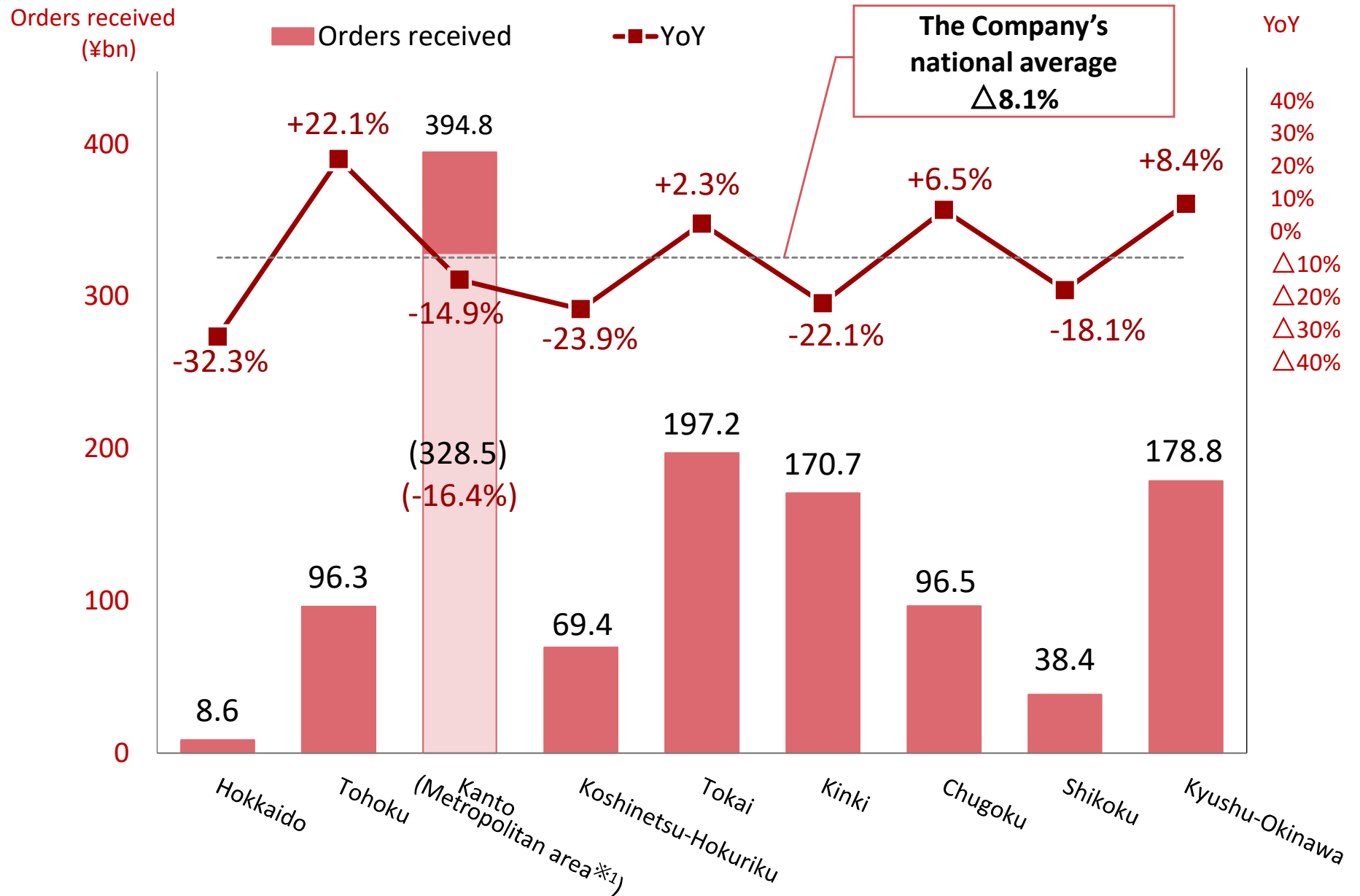


■ 1Q comparison



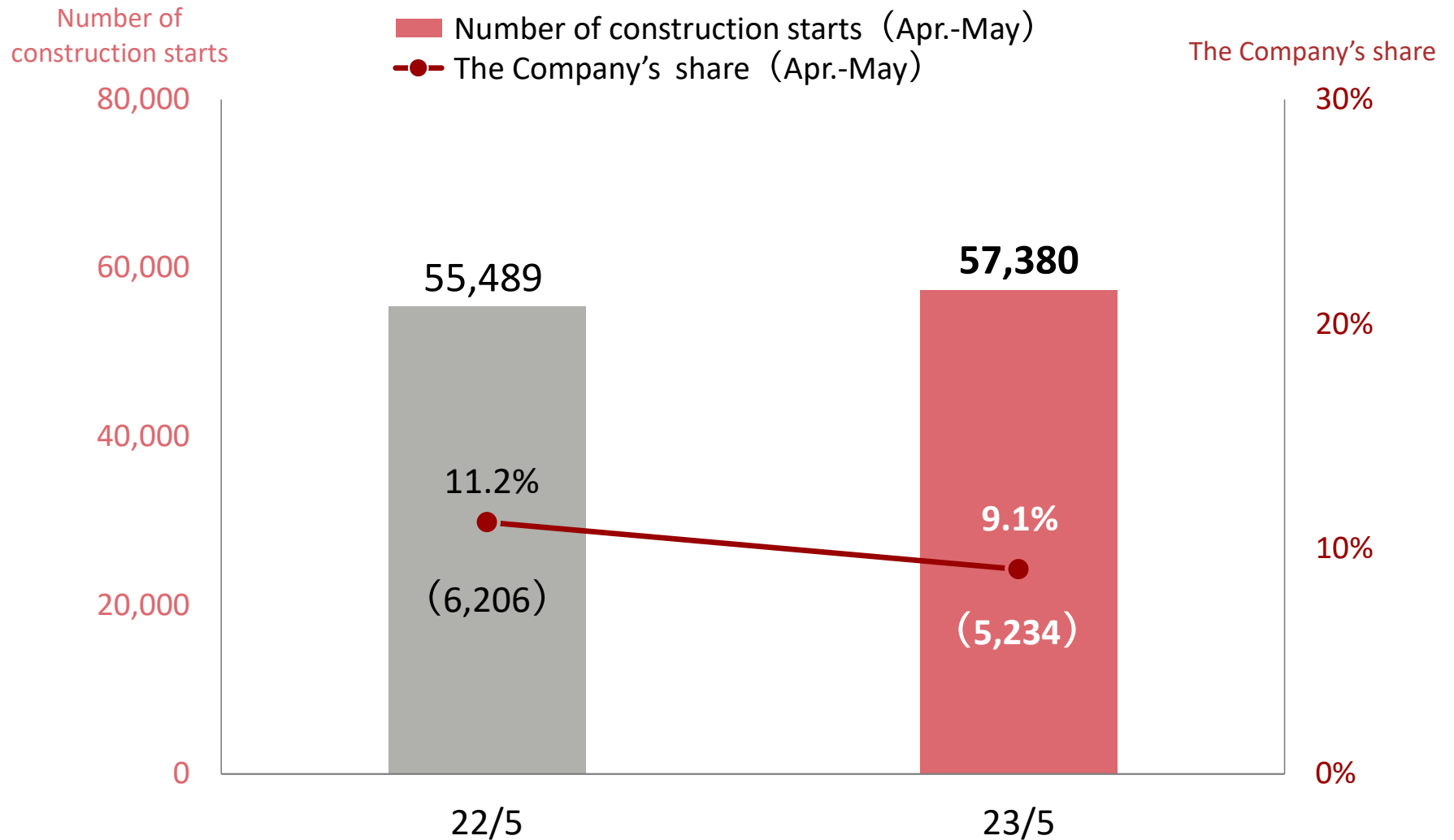
- ① **Number of orders (project)** Δ ¥30.0bn
(1,310 orders \rightarrow 1,050 orders)
- ② **Per project price** +¥14.3bn
(115.74mn / project \rightarrow 129.37mn / project)
- ③ **Cancellation** +¥1.7bn
(Cancellation ratio 17.5% \rightarrow 17.6%)
- ④ **Optional construction contracts** +¥4.9bn
(¥12.7bn \rightarrow ¥17.6bn)

Amount of orders received in each region



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

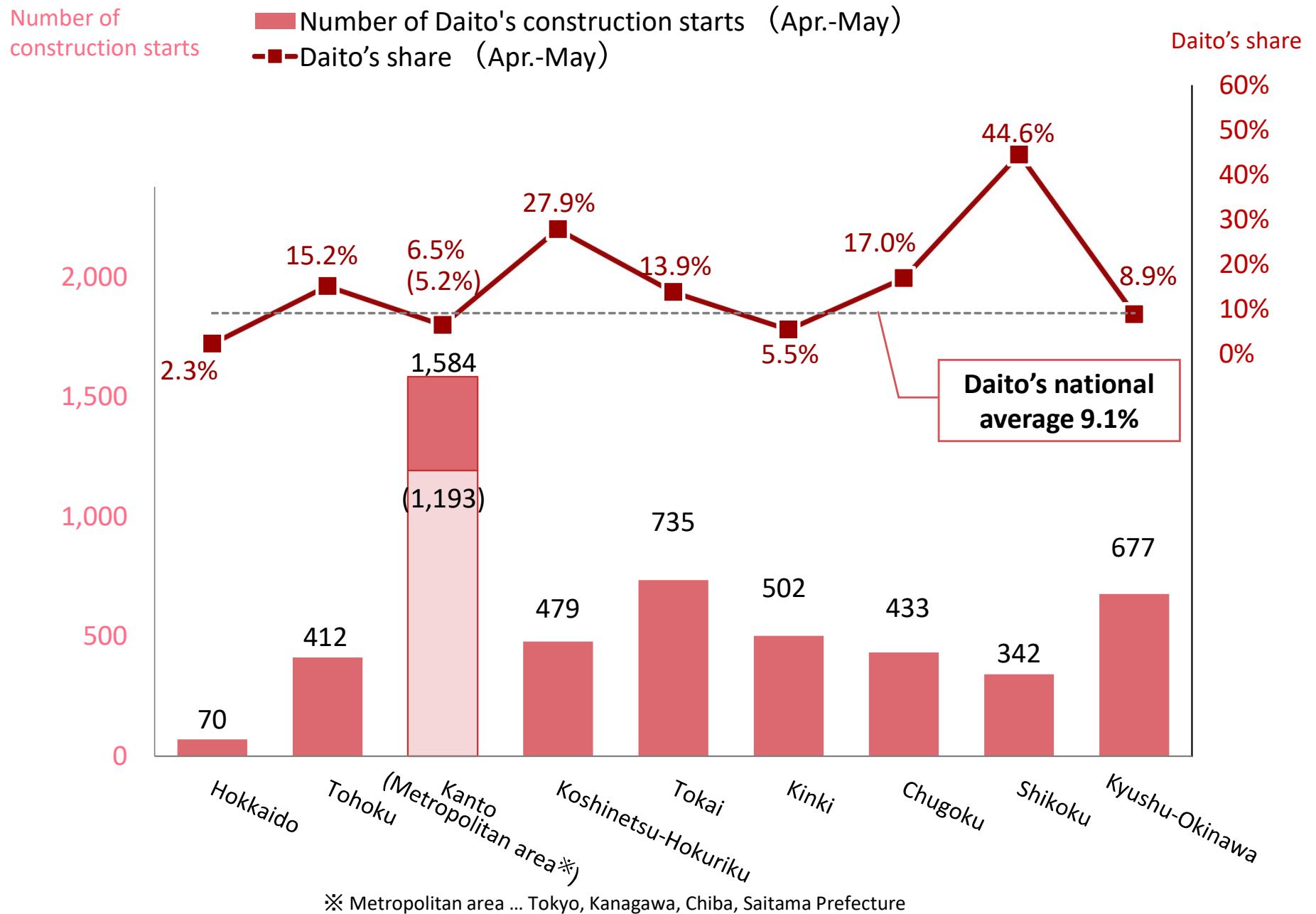
Number of construction starts & Daito's share <YoY>



※ (Number of construction starts by Daito group)

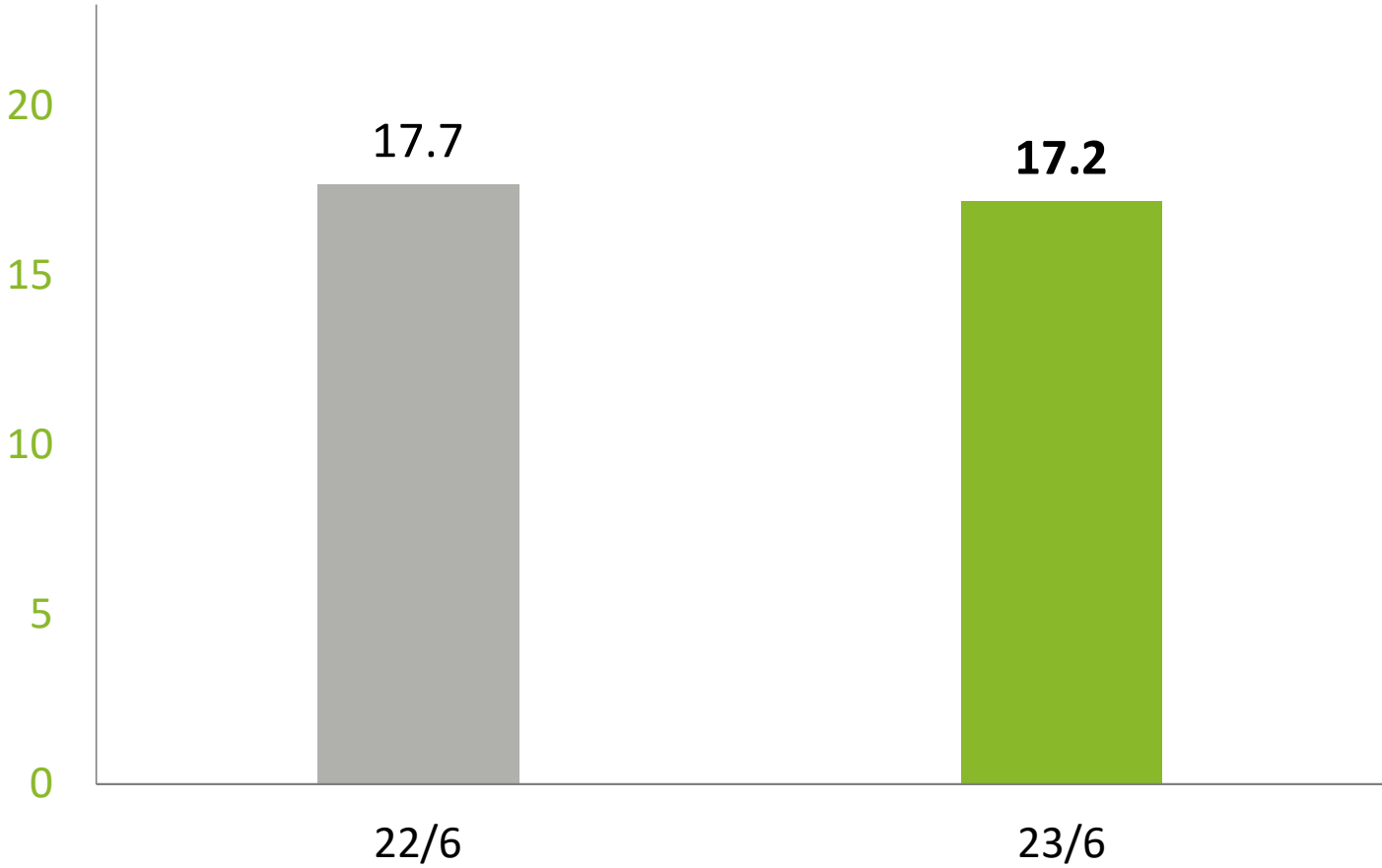
(Ministry of Land, Infrastructure, Transport and Tourism : "Housing Starts Statistics")

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



Transition of the number of tenant recruitment per sales representatives

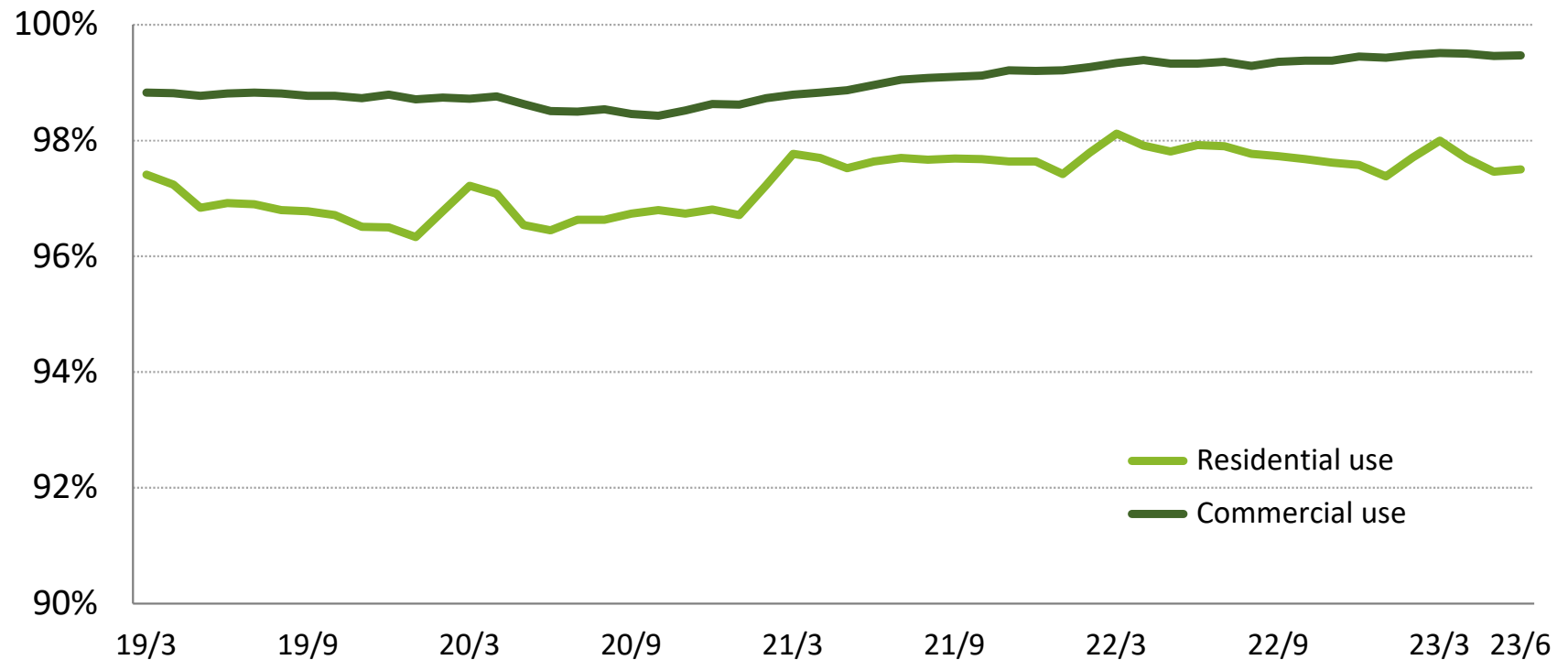
Number of tenant recruitment
/ representatives / month



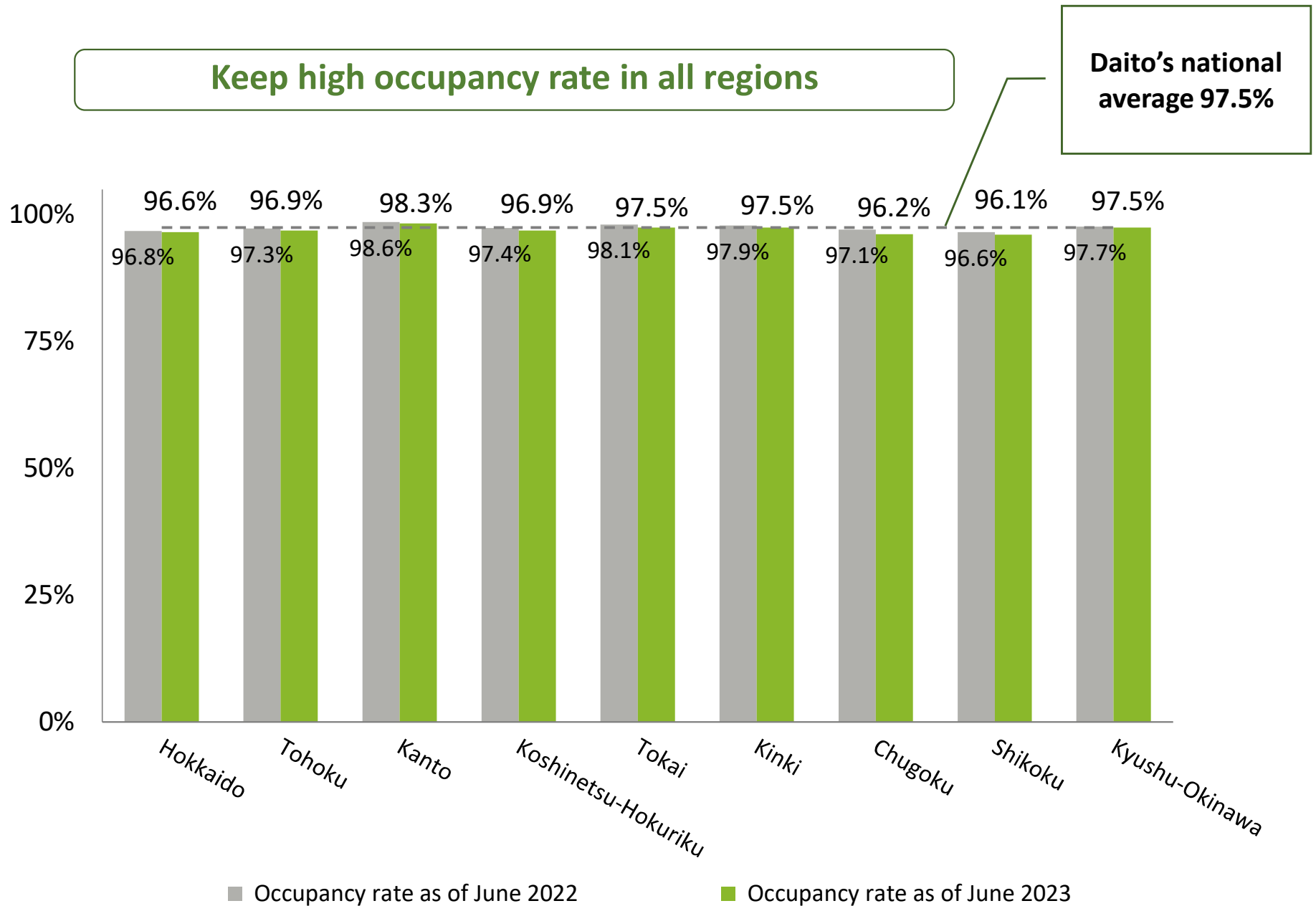
Transition of rent-based occupancy rate

Rent-based occupancy rate	19/6	20/6	21/6	22/6	23/6	YoY
Residential use (%)	96.9%	96.5%	97.6%	97.9%	97.5%	△0.4p
Commercial use (%)	98.8%	98.5%	99.0%	99.3%	99.5%	+0.2p

Rent-based occupancy rate

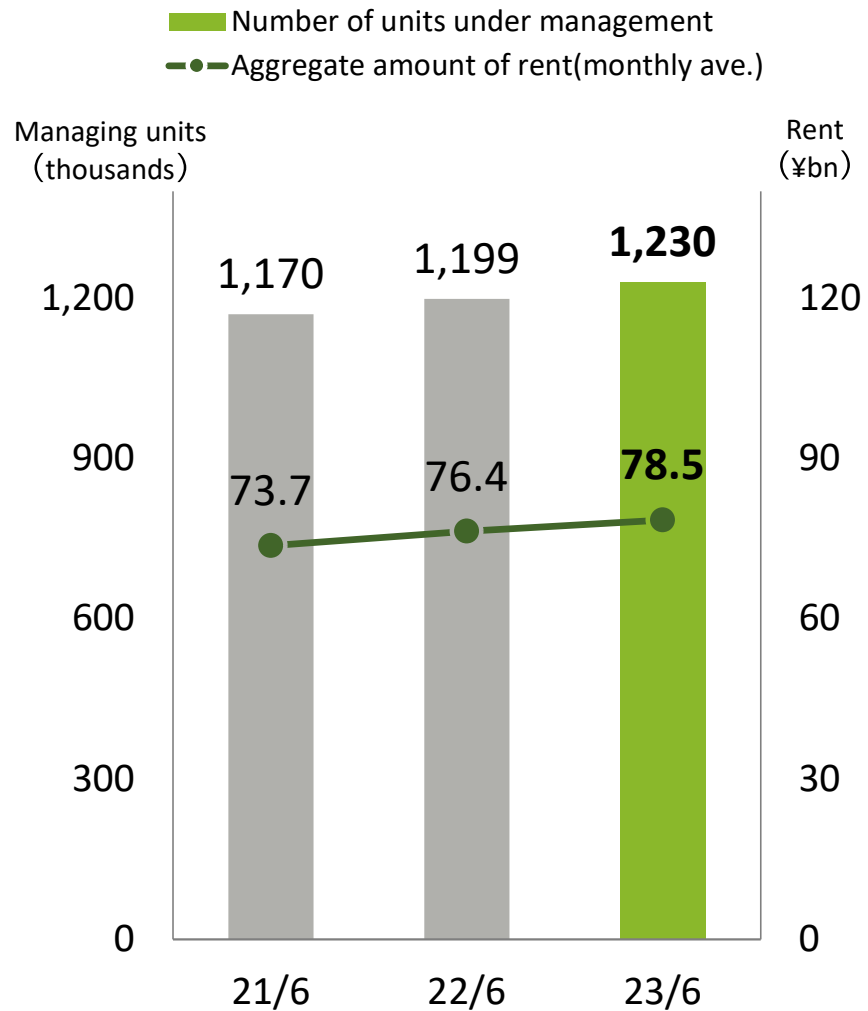


Rent-based occupancy rate in each region (as of June : Residential use)

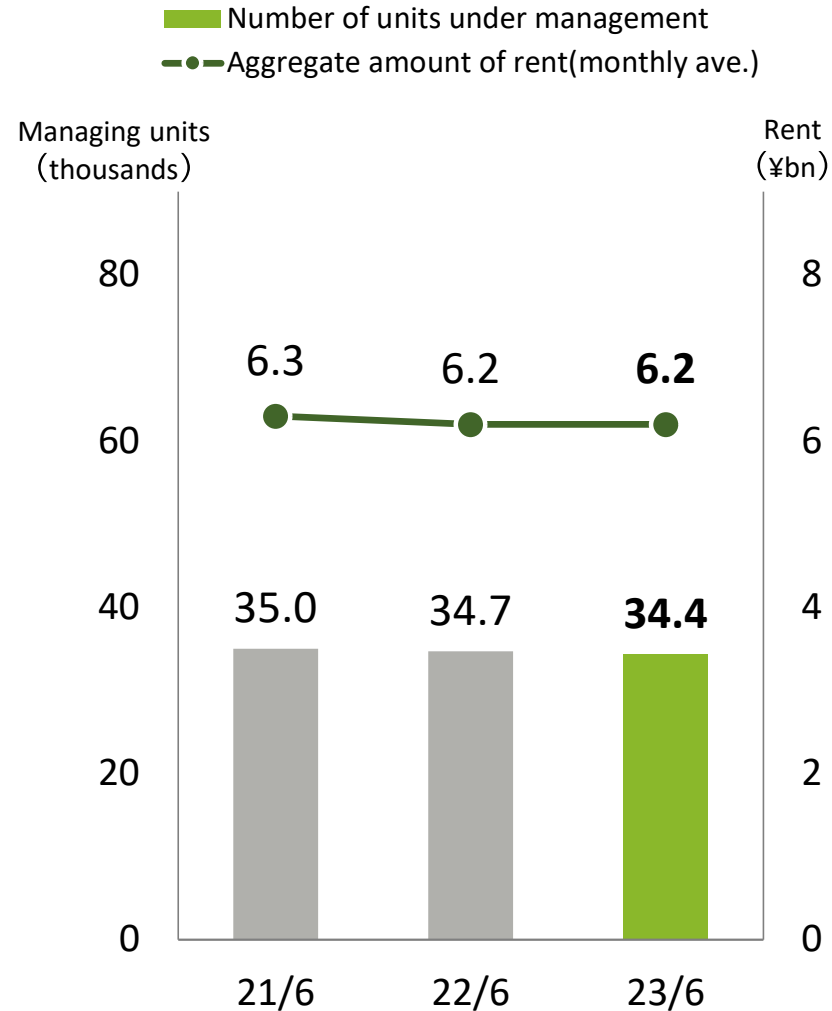


Number of units under management & aggregate amount of rent

Residential use

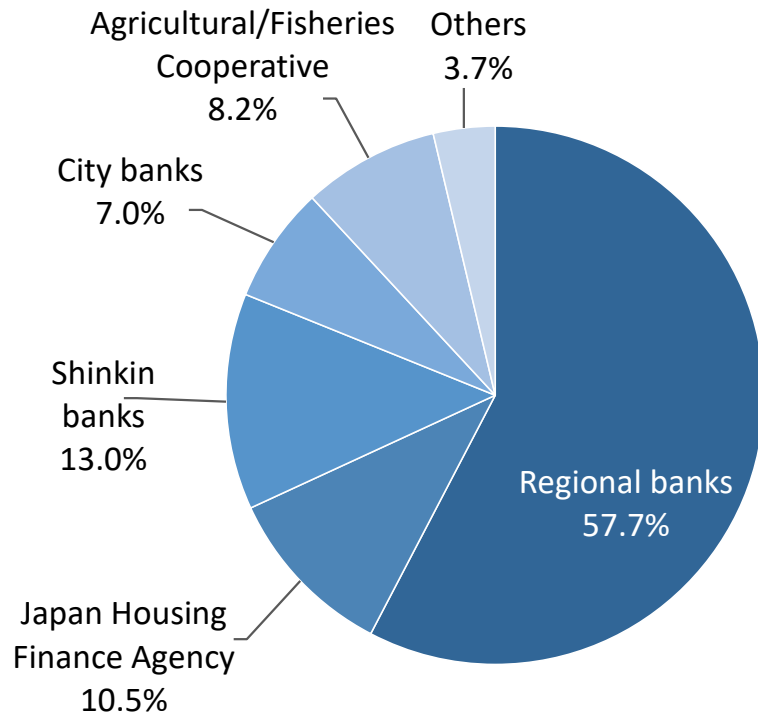


Commercial use

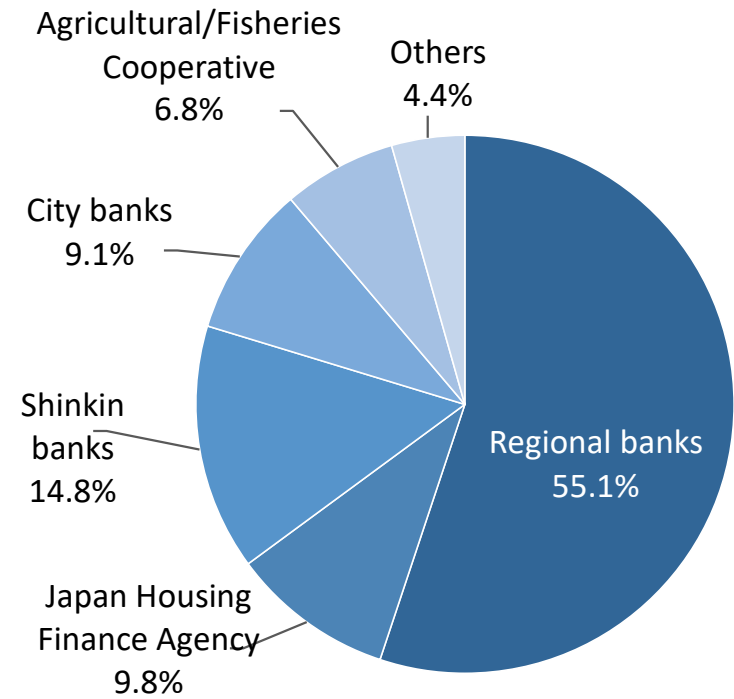


Customer's funds route

FY22/3



FY24/3 1Q



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