

# Balance Sheets

As of March 31, 2019 and 2020

	Millions of yen		Thousands of U.S. dollars**
	2019	2020	2020
<b>[Assets]</b>			
<b>Current assets</b>	¥144,064	¥127,542	\$1,170,110
Cash and deposits	2,565	1,870	17,156
Accounts receivable	5,031	1,573	14,431
Land and buildings for sale	114,653	120,268	1,103,376
Prepaid expenses	213	227	2,083
Short-term loans receivable	19,727	2,191	20,101
Other	1,878	1,412	12,954
Allowance for doubtful accounts	(4)	(1)	(9)
<b>Non-current assets</b>	287,907	292,160	2,680,367
Tangible fixed assets	172,012	168,725	1,547,936
Buildings	46,976	50,422	462,587
Structures	374	382	3,505
Vehicles	14	8	73
Tools, furniture and fixtures	343	347	3,183
Land	104,484	99,528	913,101
Construction in progress	19,820	18,036	165,468
Intangible fixed assets	829	874	8,018
Leasehold rights	465	465	4,266
Other	364	409	3,752
Investments and other assets	115,064	122,559	1,124,394
Investment securities	75,056	58,140	533,394
Shares of subsidiaries and associates	24,622	33,326	305,743
Investments in other securities of subsidiaries and associates	11,654	27,274	250,220
Guarantee deposits	2,220	2,387	21,899
Other	1,548	1,465	13,440
Allowance for doubtful accounts	(38)	(34)	(312)
<b>Total assets</b>	<b>431,971</b>	<b>419,702</b>	<b>3,850,477</b>

\*\*The U.S. dollar amounts have been translated, for convenience only, at 109 yen=US\$1, the prevailing exchange rate on the Tokyo Foreign Exchange Market as of March 31, 2020

# Balance Sheets

As of March 31, 2019 and 2020

	Millions of yen		Thousands of U.S. dollars**
	2019	2020	2020
<b>[Liabilities]</b>			
<b>Current liabilities</b>	¥139,533	¥86,195	\$790,780
Short-term loans payable	116,700	62,500	573,394
Accounts payable	12,059	12,971	119,000
Income taxes payable	531	815	7,477
Accrued consumption taxes, etc.	487	560	5,138
Advances received	5,713	4,494	41,229
Deposits received	3,841	4,735	43,440
Provision for bonuses	201	119	1,092
<b>Non-current liabilities</b>	148,082	198,009	1,816,596
Long-term loans payable	107,700	163,000	1,495,413
Guarantee deposits received	20,449	20,588	188,881
Deferred tax liabilities	18,318	12,625	115,826
Provision for retirement benefits	1,562	1,742	15,982
Other	53	53	486
			0
<b>Total liabilities</b>	287,616	284,205	2,607,385
<b>[Net assets]</b>			0
<b>Shareholders' equity</b>	98,995	102,908	944,110
<b>Capital</b>	12,426	12,426	114,000
<b>Capital surplus</b>	12,242	12,424	113,982
Legal capital surplus	12,242	12,424	113,982
<b>Retained earnings</b>	74,326	78,239	717,789
Legal retained earnings	1,437	1,437	13,183
Other retained earnings	72,888	76,801	704,596
Reserve for advanced depreciation of fixed assets	533	520	4,771
General reserve	88	88	807
Retained earnings brought forward	72,267	76,192	699,009
<b>Valuation and translation adjustments</b>	45,359	32,588	298,972
Valuation difference on available-for-sale securities	45,359	32,588	298,972
<b>Total net assets</b>	144,355	135,497	1,243,092
<b>Total liabilities and net assets</b>	431,971	419,702	3,850,477

※The U.S. dollar amounts have been translated, for convenience only, at 109 yen=US\$1, the prevailing exchange rate on the Tokyo Foreign Exchange Market as of March 31, 2020

# Statements of Income

Years ended March 31, 2019 and 2020

	Millions of yen		Thousands of U.S. dollars <sup>※</sup>
	2019	2020	2020
Operating revenue	¥114,708	¥116,503	\$1,068,835
Land and building rental revenue	22,777	23,739	217,789
Land and building sales revenue	91,930	92,763	851,037
Operating cost	90,011	89,842	824,239
Gross operating profit	24,696	26,661	244,596
Selling, general and administrative expenses	13,450	12,774	117,193
<b>Operating profit</b>	<b>11,246</b>	<b>13,887</b>	<b>127,404</b>
Non-operating revenue	942	1,302	11,945
Interest and dividends received	835	1,252	11,486
Miscellaneous revenue	107	50	459
Non-operating expenses	2,162	1,886	17,303
Interest expenses	1,574	1,697	15,569
Miscellaneous losses	587	188	1,725
<b>Ordinary profit</b>	<b>10,026</b>	<b>13,303</b>	<b>122,046</b>
Extraordinary losses	141	0	0
Other	141	0	0
<b>Profit before income taxes</b>	<b>9,884</b>	<b>13,303</b>	<b>122,046</b>
Income taxes - current	2,968	3,940	36,147
Income taxes - deferred	(13)	(94)	(862)
<b>Net profit</b>	<b>6,929</b>	<b>9,456</b>	<b>86,752</b>

※The U.S. dollar amounts have been translated, for convenience only, at 109 yen=US\$1, the prevailing exchange rate on the Tokyo Foreign Exchange Market as of March 31, 2020

# Statements of Changes in Net Assets

Years ended March 31, 2019 and 2020

(Unit: Millions of yen)

	Shareholders' equity								Valuation and translation adjustments		Total net assets	
	Capital	Capital surplus		Earnings reserve	Retained earnings			Total retained earnings	Total shareholders' equity	Valuation difference on available-for-sale securities		Total valuation and translation adjustments
		Capital reserve	Total capital surplus		Other retained earnings							
					Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward					
Balance as of March 31, 2018	¥12,426	¥12,242	¥12,242	¥1,437	¥545	¥88	¥72,267	¥68,749	¥70,820	¥95,489	¥34,539	¥130,028
Changes during the year												
Dividend of surplus							(3,423)	(3,423)	(3,423)			(3,423)
Net profit							6,929	6,929	6,929			6,929
Reversal of reserve for advance depreciation of fixed assets					(12)		12					
Changes in items other than shareholders' equity during the year (net amount)										10,820	10,820	10,820
Total changes during the year					(12)		3,518	3,505	3,505	10,820	10,820	14,326
Balance as of March 31, 2019	12,426	12,242	12,242	1,437	533	88	72,267	74,326	98,995	45,359	45,359	144,355
Changes during the year												
Dividend of surplus							(5,544)	(5,544)	(5,544)			(5,544)
Net profit							9,456	9,456	9,456			9,456
Reversal of reserve for advance depreciation of fixed assets					(12)		12					
Changes in items other than shareholders' equity during the year (net amount)										(12,770)	(12,770)	(12,770)
Total changes during the year					(12)		3,925	3,912	3,912	(12,770)	(12,770)	(8,857)
Balance as of March 31, 2020	12,426	12,242	12,242	1,437	520	88	76,192	78,239	102,908	32,588	32,588	135,497

(Unit: Thousands of U.S. dollars<sup>\*\*</sup>)

	Shareholders' equity								Valuation and translation adjustments		Total net assets	
	Capital	Capital surplus		Earnings reserve	Retained earnings			Total retained earnings	Total shareholders' equity	Valuation difference on available-for-sale securities		Total valuation and translation adjustments
		Capital reserve	Total capital surplus		Other retained earnings							
					Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward					
Balance as of March 31, 2019	\$114,000	\$112,312	\$112,312	\$13,183	\$4,890	\$807	\$663,000	\$681,890	\$908,211	\$416,138	\$416,138	\$1,324,358
Changes during the year												
Dividend of surplus							(50,862)	(50,862)	(50,862)			(50,862)
Net profit							86,752	86,752	86,752			86,752
Reversal of reserve for advance depreciation of fixed assets					(12)		110					
Changes in items other than shareholders' equity during the year (net amount)										(117,156)	(117,156)	(117,156)
Total changes during the year					(110)		36,009	35,890	35,890	(117,156)	(117,156)	(81,257)
Balance as of March 31, 2020	114,000	112,312	112,312	13,183	4,771	807	699,009	717,789	944,110	298,972	298,972	1,243,092

\*\*The U.S. dollar amounts have been translated, for convenience only, at 109 yen=US\$1, the prevailing exchange rate on the Tokyo Foreign Exchange Market as of March 31, 2020

These financial statements in English are based on information in the company's accounts for the 71st term audited by KPMG AZSA LLC. This information is presented in a manner consistent with the data published in the announcement of financial results. However, these financial statements in English have not been audited by KPMG AZSA<sup>4</sup> LLC.