

(1) CONSOLIDATED BALANCE SHEETS 1

	Millions of Yen Balance at March 31, 2017	Millions of Yen Balance at Dec. 31, 2017	Thousands of U.S. Dollars (Note) Balance at Dec. 31, 2017
<ASSETS>			
I Current Assets:			
1. Cash and deposits	¥45,700	¥52,924	\$472,541
2. Accounts receivable-trade	422	274	2,454
3. Real estate for sale	27,260	23,729	211,872
4. Real estate for sale in process	75,237	70,236	627,114
5. Other current assets	1,577	1,577	14,085
Total current assets	150,199	148,743	1,328,067
II Noncurrent Assets:			
1. Property, plant and equipment	33,749	34,544	308,430
2. Intangible assets			
① Goodwill	1,538	1,379	12,318
② Other intangible assets	30	25	226
Total intangible assets	1,569	1,405	12,545
3. Investments and other assets	1,315	1,406	12,558
Total noncurrent assets	36,634	37,355	333,533
Total assets	¥186,833	¥186,099	\$1,661,601

Note : U.S. Dollar amounts are translated from yen, for convenience only, at the rate of US\$1=¥112.

(2) CONSOLIDATED BALANCE SHEETS 2

	Millions of Yen Balance at March 31, 2017	Millions of Yen Balance at Dec. 31, 2017	Thousands of U.S. Dollars (Note) Balance at Dec. 31, 2017
<LIABILITIES>			
I Current Liabilities:			
1. Notes and accounts payable-trade	¥2,521	¥633	\$5,656
2. Current portion of bonds	3,050	13,050	116,517
3. Current portion of long-term loans payable	500	500	4,464
4. Income taxes payable	1,986	2,525	22,550
5. Advances received	3,801	866	7,735
6. Provision for bonuses	51	17	158
7. Other current liabilities	1,500	736	6,576
Total current liabilities	13,410	18,329	163,659
II Noncurrent Liabilities:			
1. Bonds payable	48,300	38,262	341,629
2. Long-term loans payable	9,800	9,800	87,500
3. Deferred tax liabilities	4,382	4,392	39,220
4. Provision for directors' retirement benefits	633	655	5,855
5. Net defined benefit liability	126	128	1,145
6. Other noncurrent liabilities	1,240	1,167	10,421
Total noncurrent liabilities	64,483	54,406	485,773
Total liabilities	77,894	72,736	649,432
<NET ASSETS>			
Shareholders' Equity:			
1. Capital stock	12,499	12,499	111,599
2. Capital surplus	12,708	12,372	110,466
3. Retained earnings	84,819	89,579	799,815
4. Treasury stock	(1,085)	(1,086)	(9,697)
Total shareholders' equity	108,941	113,364	1,012,184
Accumulated Other Comprehensive Income:			
1. Valuation Difference on Available-for-Sale Securities	(1)	(1)	(15)
Total accumulated other comprehensive income	(1)	(1)	(15)
Total net assets	108,939	113,362	1,012,169
Total liabilities and net assets	¥186,833	¥186,099	\$1,661,601

Note : U.S. Dollar amounts are translated from yen, for convenience only, at the rate of US\$1=¥112.

(3) CONSOLIDATED STATEMENTS OF INCOME

	Millions of Yen April 1, 2016 to Dec. 31, 2016	Millions of Yen April 1, 2017 to Dec. 31, 2017	Thousands of U.S. Dollars (Note) April 1, 2017 to Dec. 31, 2017
I Net Sales	¥26,685	¥31,699	\$283,031
II Cost of Sales	16,037	16,694	149,058
Gross profit	10,647	15,004	133,972
III Selling, General and Administrative Expenses	4,211	4,539	40,533
Operating income	6,435	10,465	93,439
IV Other Income (Expenses)			
1. Interest income	0	1	13
2. Interest expenses	(303)	(331)	(2,960)
3. Other, net	48	75	676
Total other income (expenses)	(285)	(254)	(2,270)
Income before income taxes	6,180	10,210	91,169
V Income Taxes—current	2,283	3,887	34,707
VI Income Taxes—deferred	10	(93)	(837)
Profit (loss)	¥3,886	¥6,417	\$57,299
Profit (loss) attributable to owners of parent	¥3,886	¥6,417	\$57,299
Net Income per Share	Yen	Yen	(Note)
1. Primary	¥109.00	¥181.99	\$1.62
2. Fully diluted	—	—	—

Note : U.S. Dollar amounts are translated from yen, for convenience only, at the rate of US\$1=¥112.

(4) STATUS OF NEW CONDOMINIUM SUBDIVISION SALES BUSINESS

	<u>Millions of Yen</u> April 1, 2016 to Dec. 31, 2016	<u>Millions of Yen</u> April 1, 2017 to Dec. 31, 2017	<u>Millions of Yen</u> April 1, 2016 to March 31, 2017	Thousands of U.S. Dollars (Note) April 1, 2016 to Dec. 31, 2017
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I Handover Record:

Newly built condominiums

① Number of units (Unit)	318	399	444	—
② Amount	¥20,778	¥25,534	¥27,449	\$227,985

II Contract Amount:

Newly built condominiums

① Number of units (Unit)	327	297	492	—
② Amount	¥23,109	¥16,212	¥32,136	\$144,758

III Outstanding Contracts:

Newly built condominiums

① Number of units (Unit)	294	231	333	—
② Amount	¥18,488	¥11,523	¥20,844	\$102,886

Note : U.S. Dollar amounts are translated from yen, for convenience only, at the rate of US\$1=¥112.

(5) KEY FINANCIAL DATA AND TRENDS (CONSOLIDATED)

Year ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Thousands of U.S. Dollars (Note)
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2017
Net sales	¥35,824	¥30,079	¥19,691	¥30,247	¥37,921	\$322,745
Ordinary income	8,491	6,324	2,718	5,011	5,845	76,502
Profit (loss) attributable to owners of parent	5,457	4,227	2,008	3,060	3,605	49,162
Net assets	108,939	105,844	103,139	101,950	100,320	981,437
Total assets	186,833	184,641	185,284	158,929	163,225	1,683,187
Net cash provided by (used in) operating activities	18,868	(1,991)	1,786	5,866	10,396	169,982
Net cash provided by (used in) investment activities	(104)	(53)	(10,603)	(11,108)	(119)	(937)
Net cash provided by (used in) financing activities	(2,412)	(4,657)	10,817	(6,379)	(3,550)	(21,731)
Increase from Newly Consolidated Subsidiary	—	—	207	—	—	—
Cash and cash equivalents at end of year	45,694	29,342	36,043	33,835	45,457	411,657
Number of shares outstanding (Shares)	35,784,000	35,784,000	35,784,000	35,784,000	35,784,000	—
Net assets per share (Yen / U.S. Dollars)	3,089.41	2,967.93	2,874.97	2,858.65	2,812.82	27.83
Primary net income per share (Yen / U.S. Dollars)	153.35	118.53	56.33	85.82	101.09	1.38
Fully diluted net income per share (Yen / U.S. Dollars)	—	—	—	—	—	—
Equity ratio (%)	58.3	57.3	55.3	64.1	61.5	—
Return on equity (%)	5.1	4.1	2.0	3.0	3.6	—
Ratio of ordinary income to sales (%)	23.7	21.0	13.8	16.6	15.4	—
Price earnings ratio (Times)	13.04	14.19	37.10	25.39	22.54	—
Number of employees (Persons)	185	168	175	121	122	—

Note : U.S. Dollar amounts are translated from yen, for convenience only, at the rate of US\$1=¥111.