



SHIFT 2019 –Fusion–

SEKISUI CHEMICAL CO., LTD.

Presentation of Financial Results

for the First Quarter of Fiscal Year 2019, which ending March 31, 2020

Keita Kato,

Representative Director
Senior Managing Executive Officer
Head of Business Strategy Department

30 July, 2019



Results for 1Q FY2019 and Forecasts for 1H FY2019

Forex Rate	1Q FY2018	2Q FY2018	1H FY2018	1Q FY2019	2Q FY2019	1H FY2019	FY2019 (Initial Plan)
Assumption	¥108/US\$ ¥134/€	¥110/US\$ ¥129/€	¥109/US\$ ¥132/€	¥110/US\$ ¥125/€	¥108/US\$ ¥122/€	¥109/US\$ ¥124/€	¥110/US\$ ¥125/€
Results (Avg. rate for each term)	¥109/US\$ ¥130/€	¥111/US\$ ¥130/€	¥110/US\$ ¥130/€	¥110/US\$ ¥124/€	-	-	-

1Q FY2019 Results

- Increases in sales and profit; operating income essentially progressing in line with 1H plans
- Ordinary income around the same level as the previous fiscal year owing to the incidence of a foreign exchange loss
- Substantial decrease in the bottom line compared with the previous year due to a loss on devaluation of investment in securities and incidences of other extraordinary losses

(Billions of yen)	1Q FY2018	1Q FY2019	Difference
Net Sales	241.9	249.7	+7.8
Operating Income	9.4	10.8	+1.4
Ordinary Income	11.7	11.4	-0.3
Net Income Attributable to Owners of the Parent	7.6	3.0	-4.7

1Q FY2019 Results: Net Sales and Operating Income by Divisional Company

■ While the HPP Company was affected by a slowdown in the global economy, domestic demand in the Housing and UIEP companies was firm; progress in line with 1H plans Group-wide; secured increases in sales and profit

- HPP: Longer than anticipated downturn in smartphone and automobile market conditions; progress slightly slow with respect to 1H plans
- Housing: Growth in the number of houses sold; continued leveling out of 1Q versus 2Q sales; 1Q sales exceeding plans
- UIEP: Movement essentially in line with 1H plans; this is because of progress in increasing sales volumes and improving the product mix of both prioritized products in Japan and overseas products

(Billions of yen)	1Q FY2018		1Q FY2019		Difference	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
HPP*	84.7	11.5	78.6	9.0	-6.1	-2.5
Housing*	94.0	-1.6	107.4	2.4	+13.4	+4.0
UIEP*	50.6	1.1	51.3	1.5	+0.8	+0.3
Medical**	16.4	1.7	16.3	1.7	-0.1	-0.1
Other	1.3	-2.6	1.2	-2.7	0	-0.1
Eliminations or Unallocatable Accounts	-5.0	-0.8	-5.1	-1.1	-0.1	-0.2
Total	241.9	9.4	249.7	10.8	+7.8	+1.4

*HPP: High Performance Plastics Company, Housing: Housing Company, UIEP: Urban Infrastructure & Environmental Products Company

**The Medical Business separated from the HPP Company from FY2019.

1H FY2019 Earnings Forecasts

- Projecting an increase in sales; each level of profit expected to come in in line with plans

(Billions of yen)	1H FY2018	1H FY2019 (Forecasts)	Difference	1H FY2019 Plan (Apr. 2019)
Net Sales	554.9	564.0	+9.1	569.0
Operating Income	42.2	43.0	+0.8	43.0
Ordinary Income	45.9	43.0	-2.9	43.0
Net Income Attributable to Owners of the Parent	32.6	29.0	-3.6	29.0
Dividend per Share (Yen)	21	23	+2	23

1H FY2019 Forecasts: Net Sales and Operating Income by Divisional Company

■ The effects of initiatives in the HPP Company expected to emerge in the 2Q together with firm domestic demand in the Housing and UIEP companies; projecting increases in sales and profit for the total 1H

- HPP: Targeting a return in 2Q operating income to around the previous year's level; this is largely due to increased sales in growth fields and products and successful efforts to control fixed costs
- Housing: Progress with efforts to level out 1Q versus 2Q sales; putting in place manufacturing and construction systems with a view to handover at the end of the 1H
- UIEP: Continued growth in prioritized products in Japan on the back of firm domestic demand; ongoing growth overseas

(Billions of yen)	1Q FY2018		1Q FY2019		2Q FY2018		2Q FY2019 (Forecasts)		1H FY2018		1H FY2019 (Forecasts)		1H FY2019 Plan (Apr. 2019)	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
HPP*	84.7	11.5	78.6	9.0	86.6	11.6	86.4	11.5	171.3	23.1	165.0	20.5	171.5	23.1
Housing*	94.0	-1.6	107.4	2.4	152.8	18.7	149.6	16.6	246.9	17.2	257.0	19.0	257.0	18.5
UIEP*	50.6	1.1	51.3	1.5	60.4	3.2	62.7	4.5	111.0	4.3	114.0	6.0	113.0	4.9
Medical**	16.4	1.7	16.3	1.7	17.8	2.7	18.7	2.7	34.2	4.4	35.0	4.4	34.5	4.0
Other	1.3	-2.6	1.2	-2.7	1.4	-3.1	2.3	-2.5	2.7	-5.7	3.5	-5.2	3.5	-5.3
Eliminations or Unallocatable Accounts	-5.0	-0.8	-5.1	-1.1	-6.1	-0.4	-5.4	-0.6	-11.1	-1.2	-10.5	-1.7	-10.5	-2.2
Total	241.9	9.4	249.7	10.8	312.9	32.7	314.3	32.2	554.9	42.2	564.0	43.0	569.0	43.0

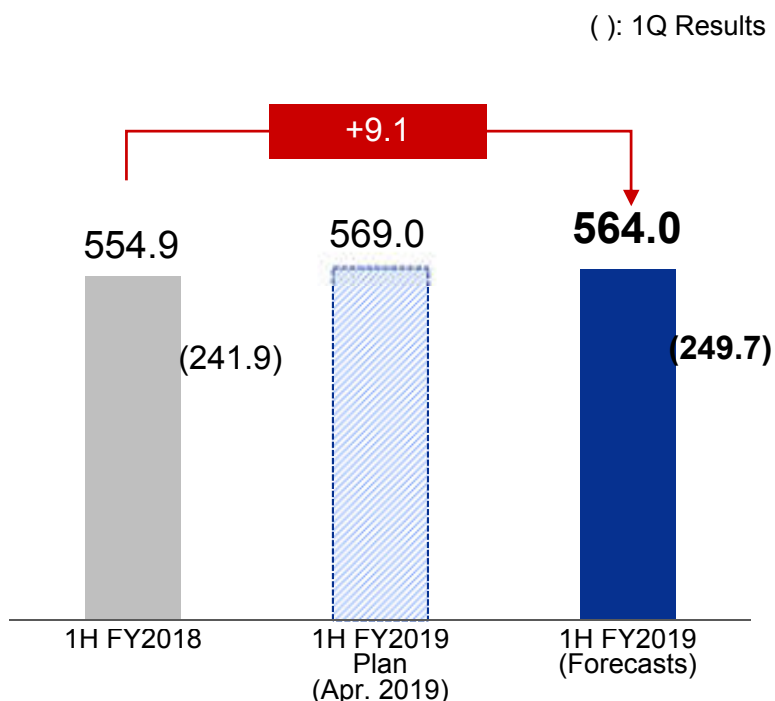
1H FY2019 Forecasts: Analysis of Net Sales and Operating Income

- With the slowdown in the global economy mainly impacting the HPP Company, sales volumes and improvements in the product mix to fall substantially below plans; however, projecting increases in sales and profit in line with plans due to successful efforts to control fixed costs
- Initiate cost innovations across the entire supply chain

HPP	-1.1
Housing	+3.8
UIEP	+2.0
Medical	+0.8

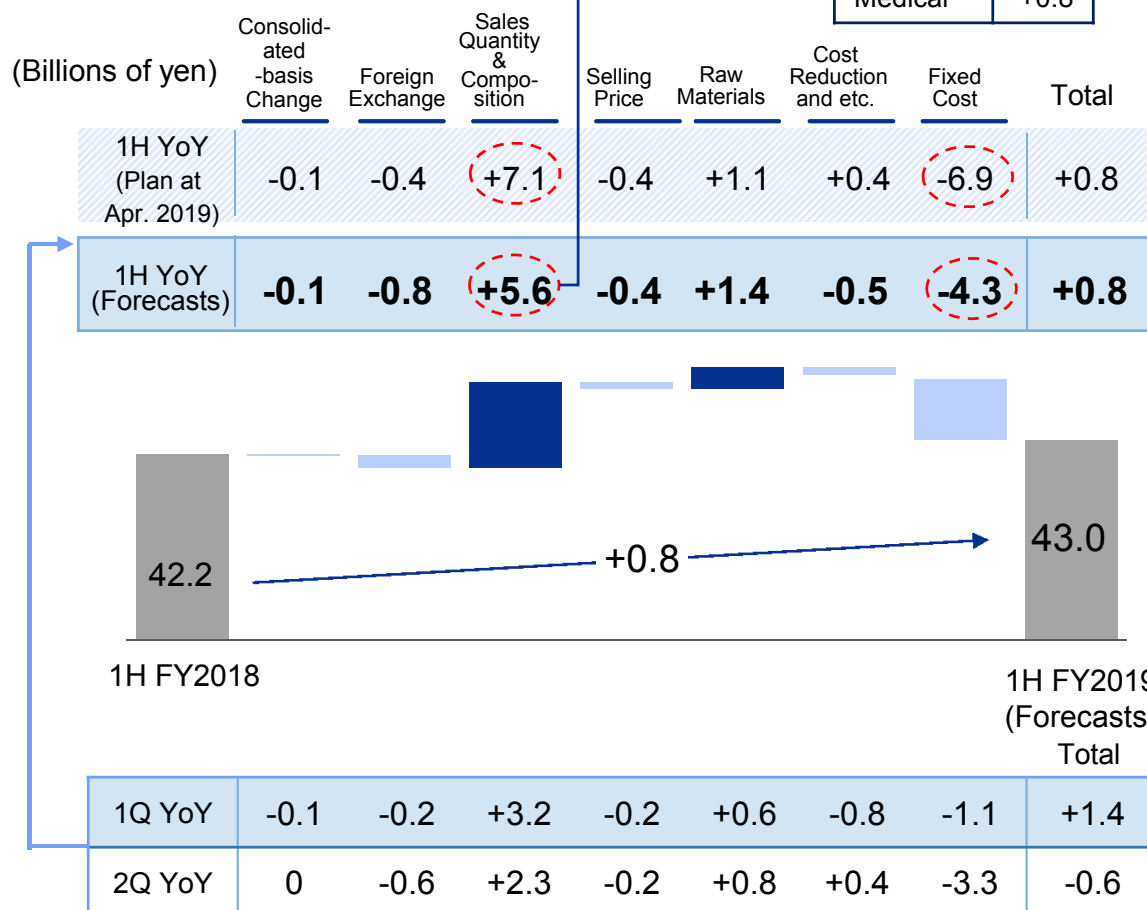
Net Sales

(Billions of yen)



Analysis of Operating Income

(Billions of yen)



Purchase of AIM Aerospace Group

- Establish a business platform in the aviation field where the barriers to entry are high
- Acquire CFRP and other composite material-related technologies for use in the aviation field; pursue synergies with existing technologies

Important stepping stone for realizing a "New Phase of Growth"

Overview of AIM Aerospace Group and Its Purchase

AIM Aerospace Group Strengths and Attributes

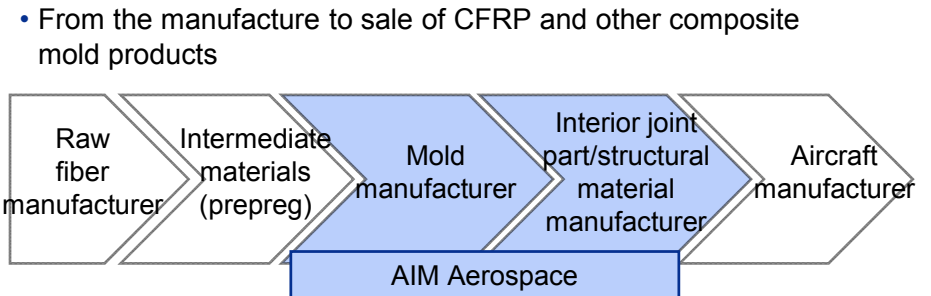
Attributes including relationships with customers	<ul style="list-style-type: none"> • Long-term business relationships with The Boeing Company and major suppliers • High market share for ducts used in the manufacture of B787
Technology response capabilities	<ul style="list-style-type: none"> • Thermoplastic CFRP technological capabilities; track record of product delivery • Composite material molding technology compatible with most major materials (glass, aramid, carbon fiber, etc.)

Overview of AIM Aerospace Group

- Net sales in FY2018 (ended December 31, 2018): US\$178.5 million
- Purchase cost: US\$510 million; expectation of a stock transfer in the 2H of 2019

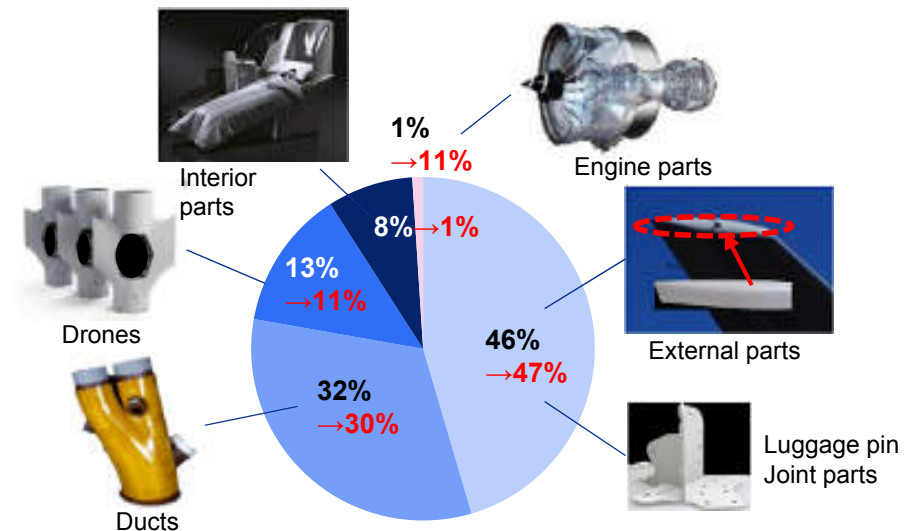
Targeted companies	AIM Aerospace Corporation and six subsidiaries
Headquarters and other bases	Headquarters: Seattle, Washington, US; two bases in Seattle; production bases in Orange City, Iowa
Business activities	Development, manufacture and sales of thermosetting and thermoplastic CFRP composite mold materials
Number of employees	Approximately 1,100
History	1988 Established 2016 Liberty Hall purchases AIM Aerospace Group 2017 AIM Aerospace purchases Quatro, a manufacturer of CFRP composite materials based in the US

CFRP Duct Supply Chain



Sales Composition by Product (FY2018) * FY2022 forecasts in red

- Secure stable earnings through secondary structural materials (external parts, joint parts, etc.) and ducts
- Target sales growth through high-value-added engine and other parts

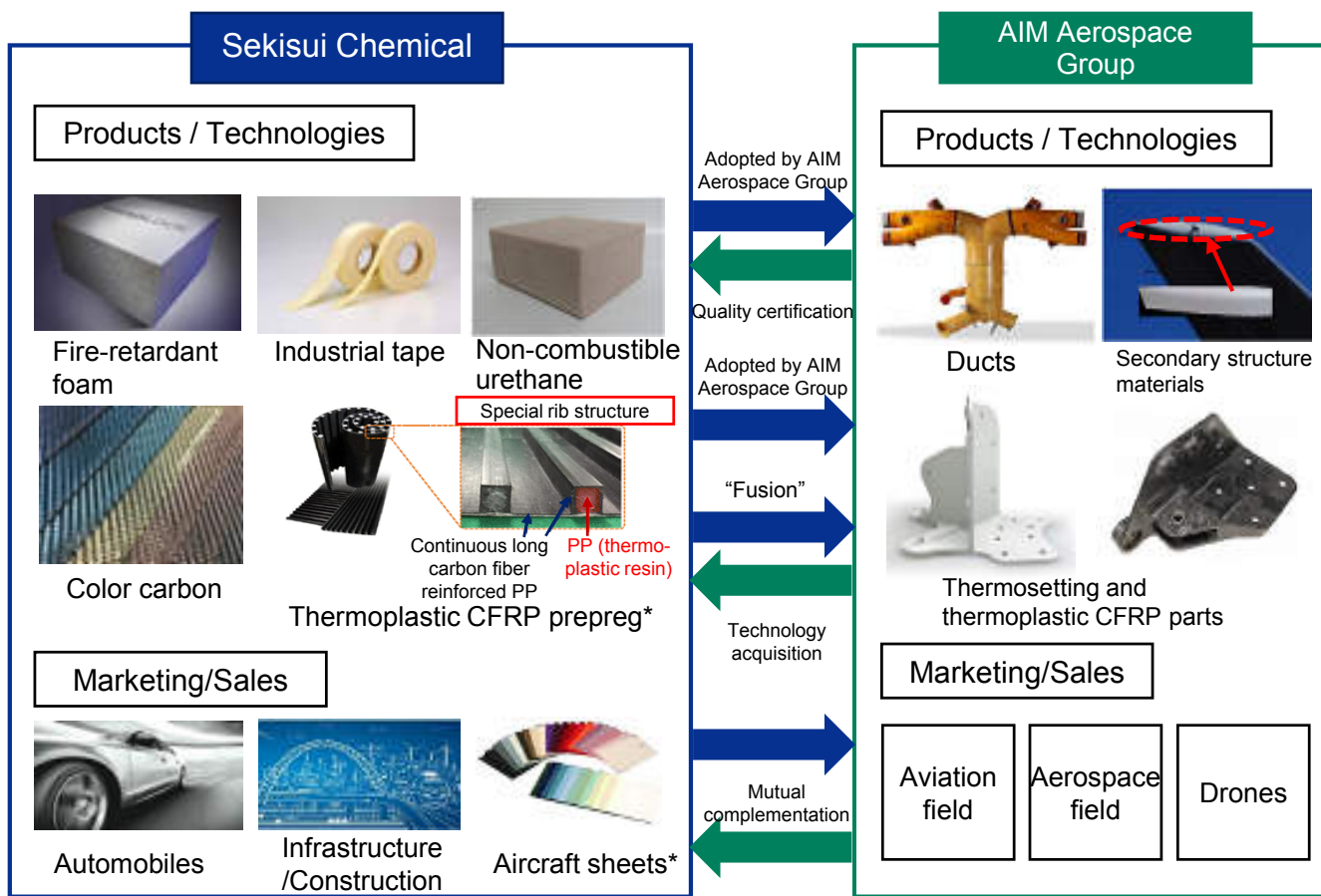


Purchase of AIM Aerospace Group

- Target net sales of ¥50 billion in the aviation field in FY2025 by quickly realizing and maximizing synergy effects

Synergy Effects

- Synergy effects mainly in sales and marketing in the short term; synergy effects expected to emerge with respect to the development of thermoplastic CFRP-related technologies in the medium to long term



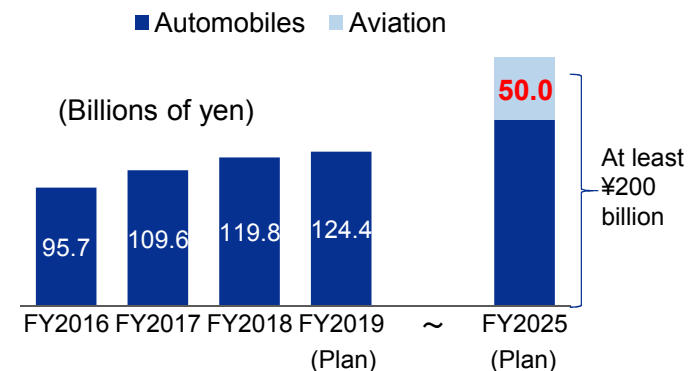
* UIEP product / technology

Business Plan

- Expand business in the Mobility Materials domain in a bid to realize a "New Phase of Growth" (2020s: Net sales of ¥2 trillion; operating income of ¥200 billion)
- Incorporate into the Automobiles and Transportation field of the HPP Company; working toward quickly realizing and maximizing synergy effects

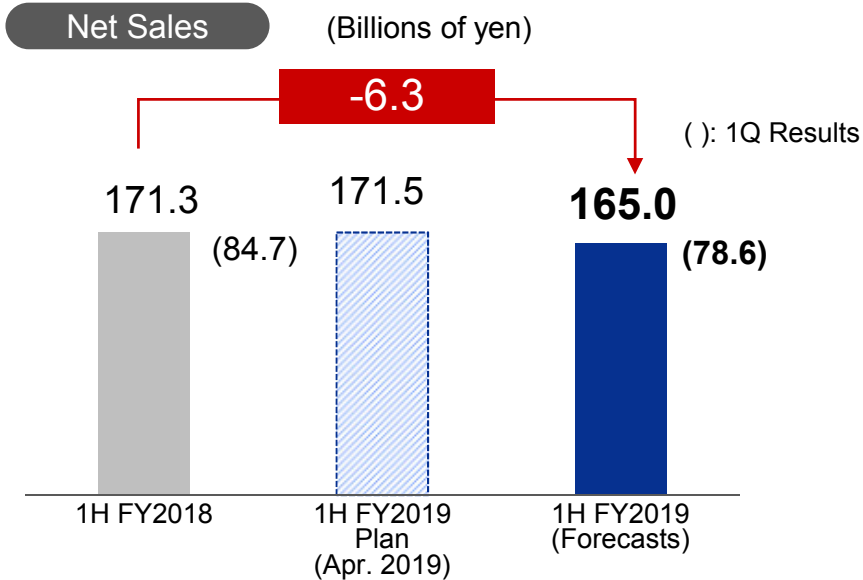
Plan to Expand Sales in the Automobiles and Transportation Field

- Aim for net sales of ¥50 billion targeting the aviation field in FY2025



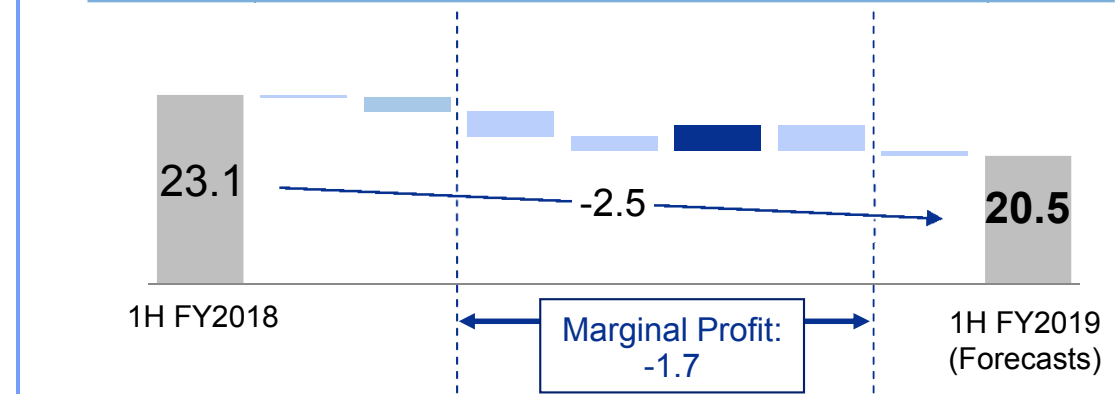
1H FY2019 Forecasts

- Longer than anticipated downturn in smartphone and automobile market conditions; downward revision of 1H operating income plans
- Targeting a return in 2Q operating income to around the previous year's level; this is largely due to increased sales in growth fields and products and successful efforts to control fixed costs

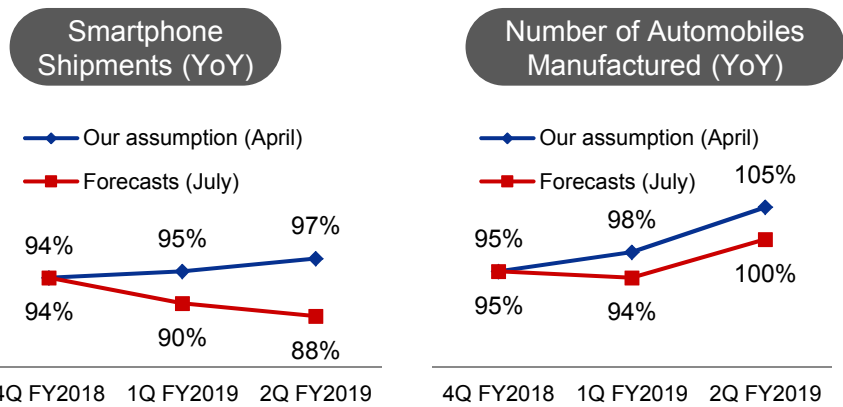


Analysis of Operating Income (Billions of yen)

	Consolidated -basis Change	Foreign Exchange	Selling Quantity & Composition	Selling Price	Raw Materials	Cost Reduction and etc.	Fixed Costs	Total
1H YoY (Plan at Apr. 2019)	-0.1	-0.3	+1.7	-0.2	+0.7	-0.1	-1.8	0
1H YoY (Forecasts)	-0.1	-0.6	-1.1	-0.6	+1.1	-1.1	-0.2	-2.6



	1Q YoY	2Q YoY	Total
Consolidated -basis Change	-0.1	0	-0.1
Foreign Exchange	-0.1	-0.5	-0.6
Selling Quantity & Composition	-1.9	+0.7	-1.2
Selling Price	-0.4	-0.2	-0.6
Raw Materials	+0.4	+0.7	+1.1
Cost Reduction and etc.	-0.8	-0.3	-1.1
Fixed Costs	+0.4	-0.6	-0.2
Total	-2.5	-0.1	-2.6



Three Strategic Fields

■ Prolonged slump in market conditions in the Electronics as well as Automobiles and Transportation fields; implement emergency measures in the 2Q. Progress in line with plans in the Building and Infrastructure field

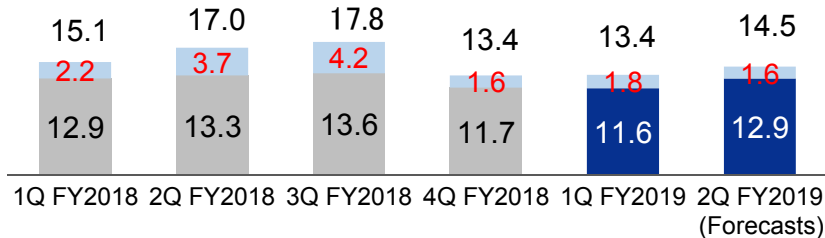
Net Sales in the Three Strategic Fields and Progress in 1H FY2019 Plan

*The increase owing to M&A is marked in red

Electronics

(Billions of yen)

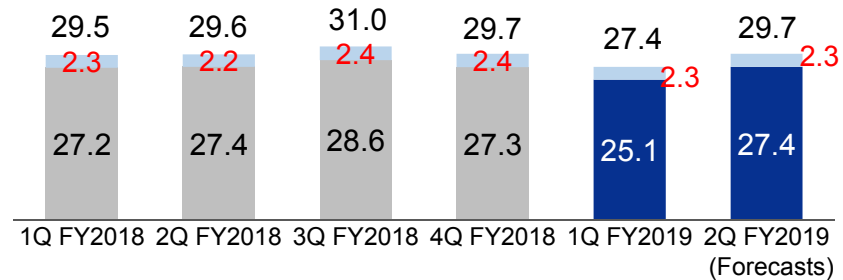
- Smartphone-related product demand trending substantially below projection; recovery time unclear
- Steady rollout into the non-liquid field; further sales growth in the 2Q



Automobiles and Transportation

(Billions of yen)

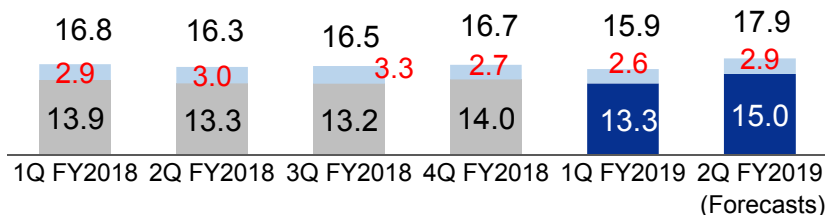
- Slump in overall high-performance interlayer film sales growth due to market recovery delays in Europe, continued sluggish conditions in China, and a deterioration in automobile sales in the U.S. One-time factors such as inventory adjustments by customers also having an impact
- Steady growth in interlayer film sales for HUDs; further sales growth in the 2Q



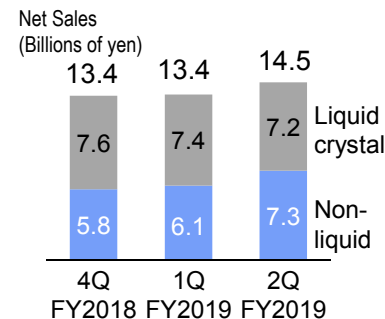
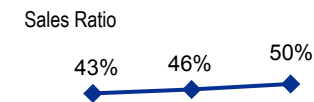
Building and Infrastructure

(Billions of yen)

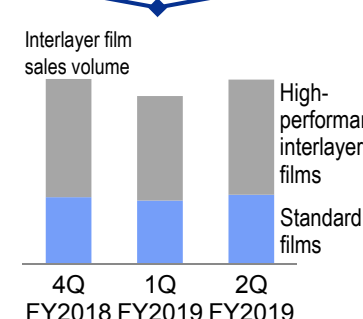
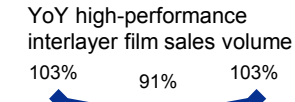
- CPVC: Continued period of extremely harsh global competition as anticipated
- Fire-resistant and thermal insulation materials: Steady growth; boost in sales of thermal insulation materials on the back of investment to expand production capacity; progress with fire-resistant material fusion with SoflanWiz Co., Ltd.



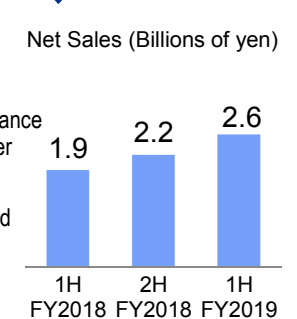
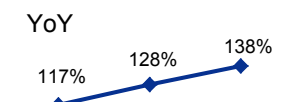
Focus on the non-liquid field



High-performance interlayer film sales growth



Strengthen thermal insulation and noncombustible materials



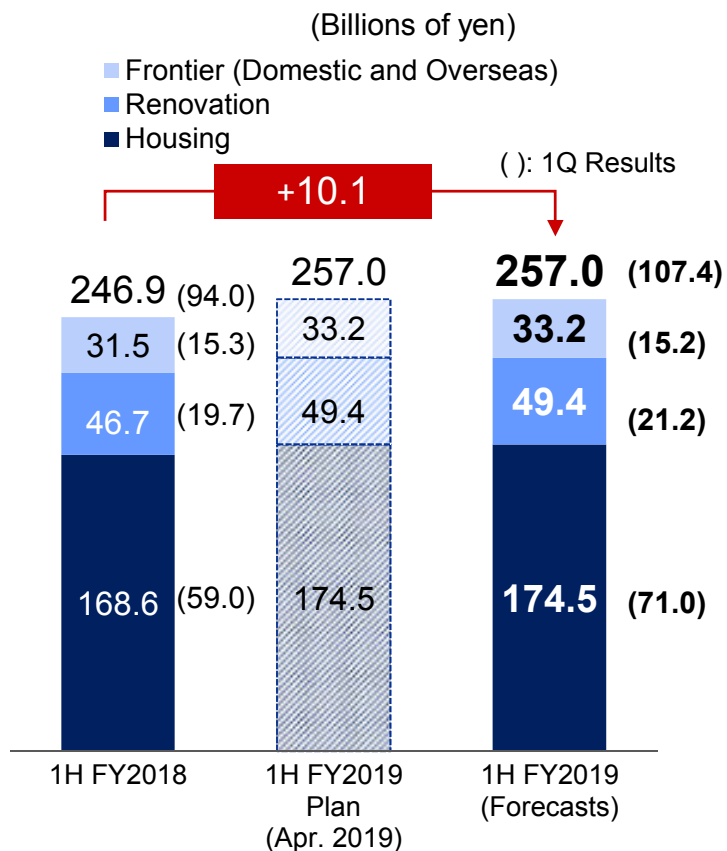
Housing business progressing ahead of plans; upward revision of 1H operating income plans

- Housing: Increase in the number of houses sold; progress with efforts to level out 1Q versus 2Q sales (1Q sales: +20%); strengthen labor structures associated with manufacturing and construction toward the end of the 1H
- Renovation: Return to a growth trajectory on the back of an increase in sales (1Q Sales: +8%); work to capture demand prior to the consumption tax rate hike in the 2Q (2Q Sales: +4%)

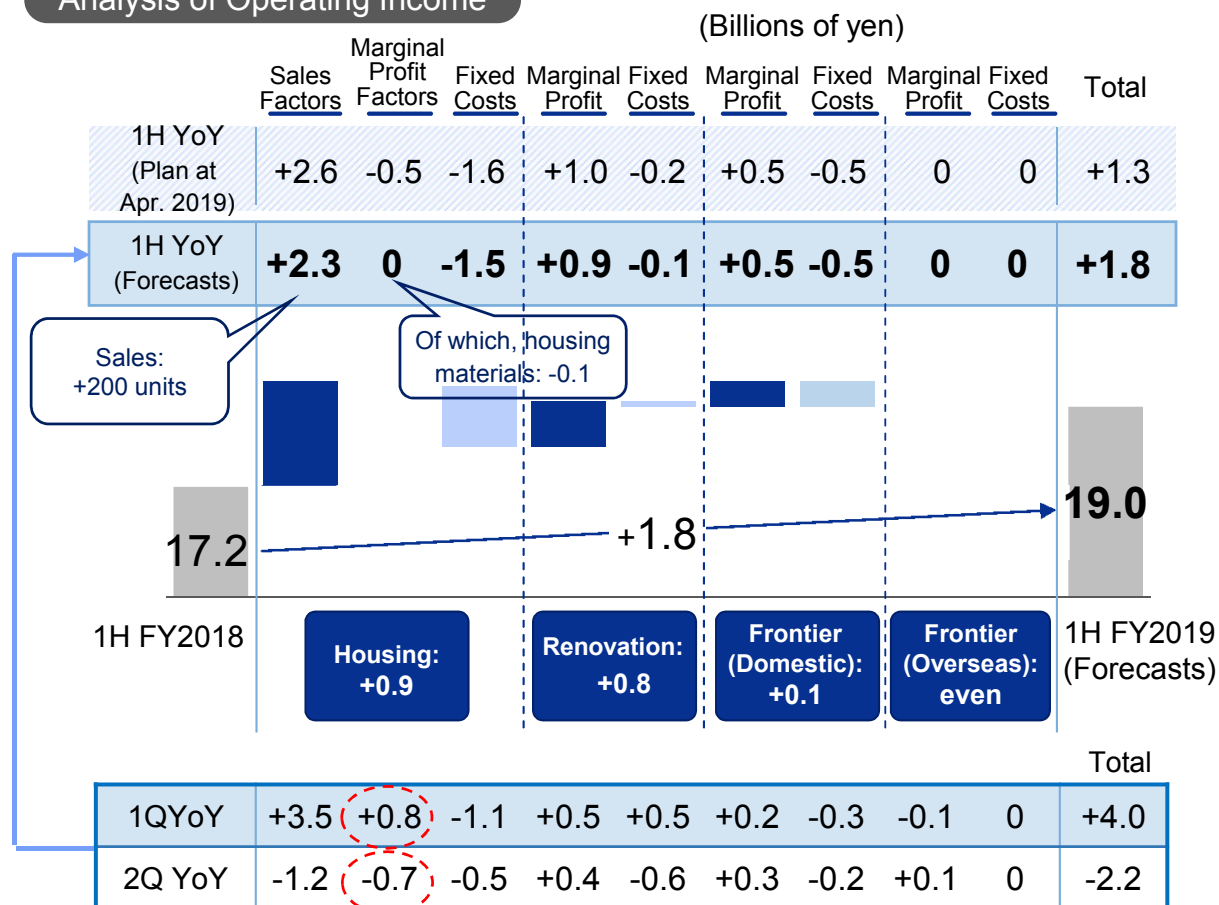
Results and Plan for Orders (YoY)

	1Q	2Q	1H	Initial Plan
Housing Order (Units)	-1%	+2%	Even	+2%
Renovation Order (Amount)	+2%	+1%	+2%	+4%

Net Sales by Business



Analysis of Operating Income



■ Work to achieve 2Q order plans by deepening and strengthening the three initiatives aimed at securing orders

1Q Overview and 2Q Market Forecasts

- Fell short of 1Q plans for the number of houses sold (plan +4%, YoY)
- Year-on-year downturn in steel frame-related products due to a greater than anticipated drop in urban rebuilding demand backlash; continued growth in wood frame-related products targeting first buyers
- Increase in the ratio of houses equipped with such options as storage battery; steady progress in promoting energy self sufficiency
- Captured visitors by increasing the sales force (personnel and model home galleries, etc.) (1Q: +3%, YoY)
- Market environment in the 2Q expected to remain in line with the 1Q

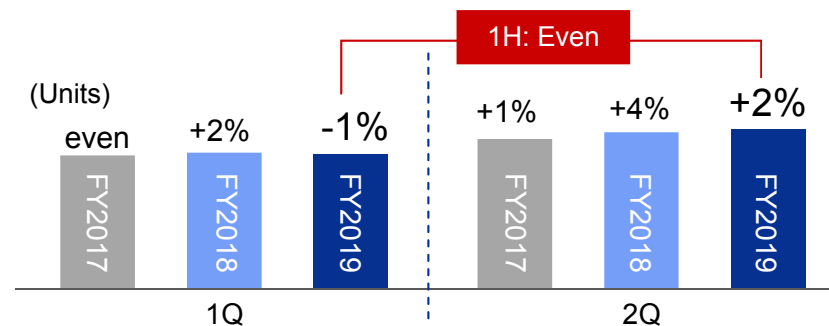
1Q Order (Units, YoY)

Steel-frame housing	-6%
Wood-frame housing	+14%
Apartments buildings	+12%
Total	-1%

1H Housing Order Plan

New Housing Order (Units, YoY)

- Revise 1H order plans to 100% (initial plan +2%, YoY)



Progress of 1H Initiatives Aimed at Securing Orders

Sales Force

- ✓ Increase the number of model home galleries (As of 1 Q FY2019-end: +3%, YoY)
- ✓ Roll out experience-based showrooms (AR·VR) nationwide (As of 1H FY2019-start: 10 locations to as of 1H FY2019-end: 17 locations)

Product Strategies

- Complete a product lineup that caters to a broad spectrum of customers

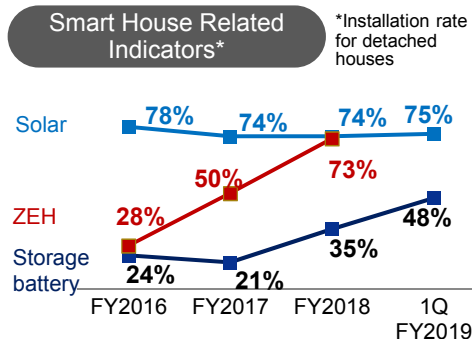
Price Zone	Steel Frame	Parfait Series, DESIO Series, and etc.	April 2019: Introduced new exterior walls
		Smart Power Station Series	
High	Steel Frame	Smart Power Station Urban	April 2019: New release
	Wooden Frame	Grand To You V	

Land Strategies

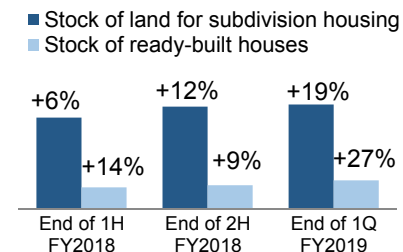
- Secured sufficient stocks of land (for subdivision housing as of the end of the 1Q: +19%, YoY; of ready-built houses: +27%, YoY)

- Secure orders in line with the previous year focusing mainly on first buyers

- ✓ Maximize orders for Company-owned land for built-for-sale housing (especially ready-built houses) (1Q: +9%→2Q: +18%)
- ✓ Expand orders for new products
- ✓ Accelerate zero-energy house (ZEH) compliance (FY2019 ZEH ratio target: 80%)



Land related indicators (YoY)



1H FY2019 Forecasts

■ Steady increase in sales volumes and improvements in the product mix of prioritized products in Japan and overseas products; upward revision of 1H operating income plans; projecting record high 1H profit

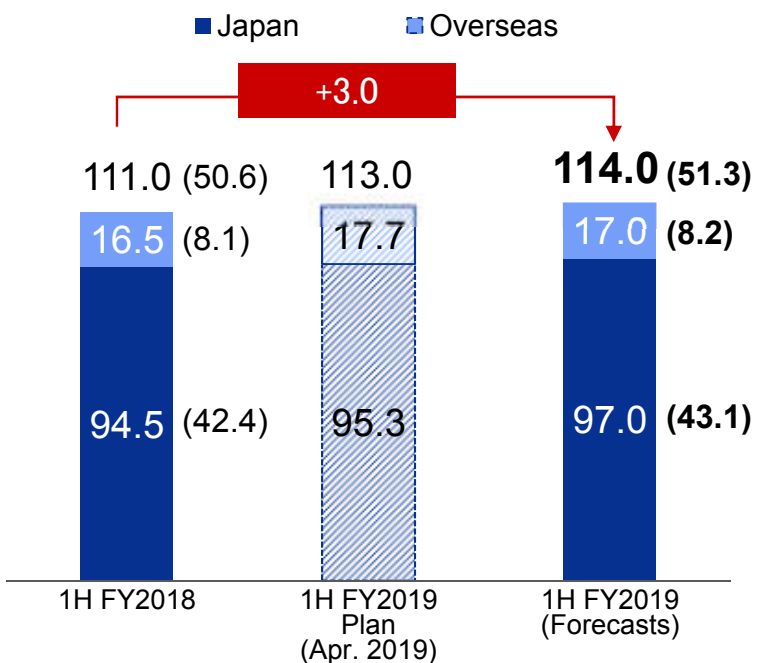
* Prioritized products: High-value-added products with the potential for market growth and substitutability

- Japan: Steady growth of prioritized products* focusing mainly on non-residential facilities and the public sector
- Japan: Firm trends in general products; improvement in the spread between raw materials and selling prices
- Overseas: Boost in sales of aircraft sheets and FFU products on the back of investments to expand production capacity; steady growth

Net Sales by Business

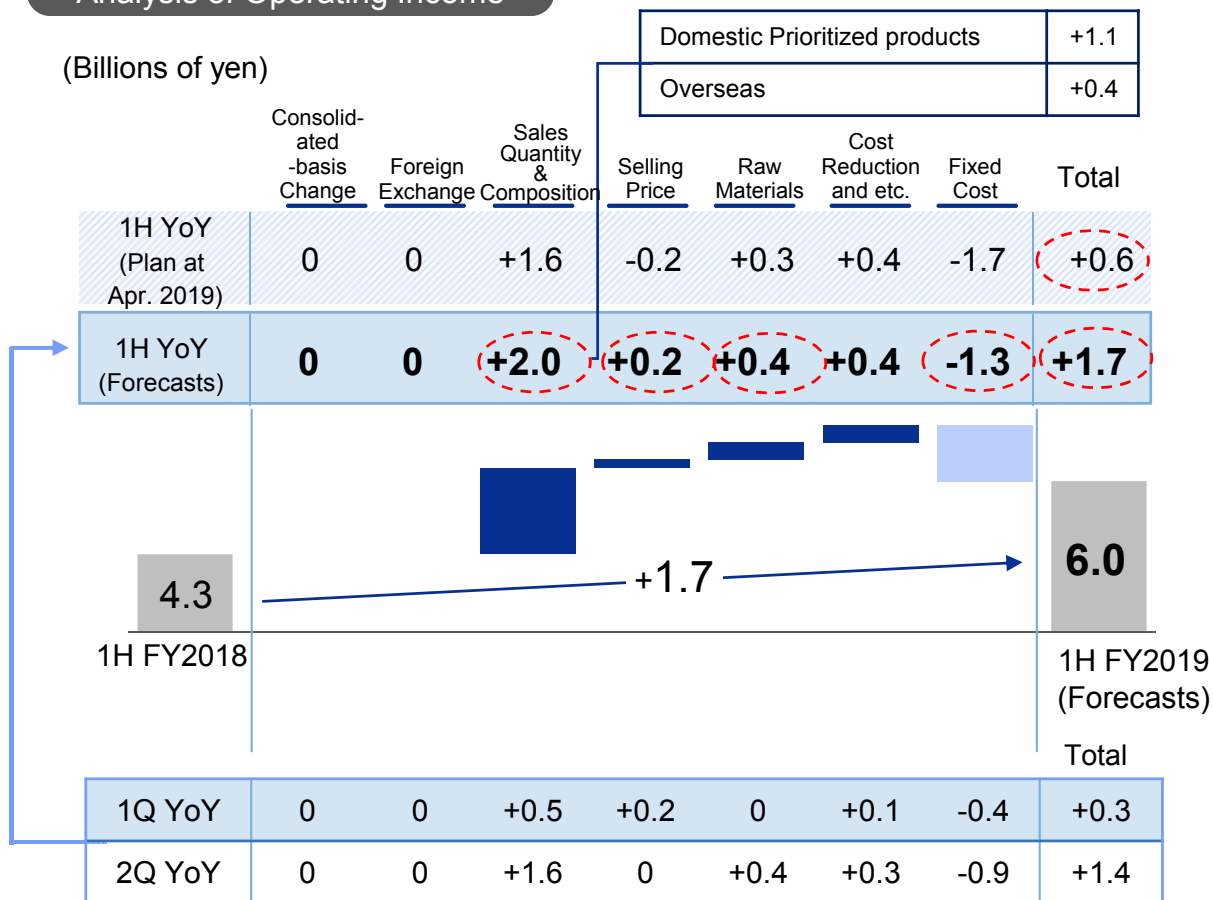
(Billions of yen)

(): 1Q Results



Analysis of Operating Income

(Billions of yen)



Three Strategic Fields

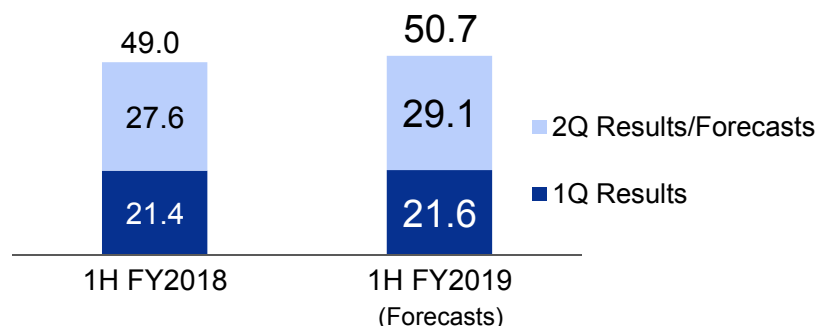
- Increase in sales in both the 1Q and 2Q in each of the piping and infrastructure as well as advanced materials fields; trends essentially flat in the building and living environment field
- Steady growth in prioritized product as well as overseas product sales

Net Sales in the Three Strategic Fields and Progress in 2H FY2019

Piping and Infrastructure

(Billions of yen)

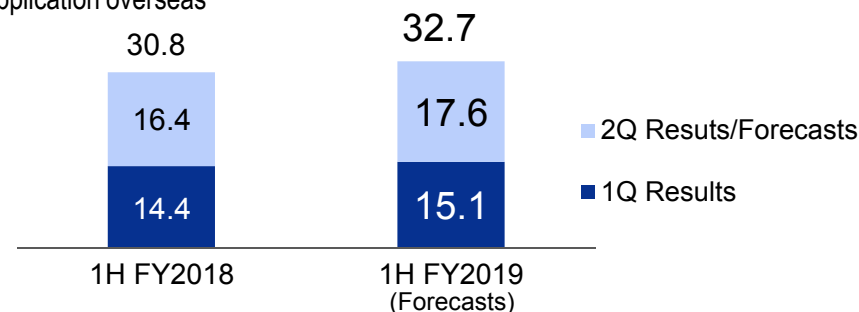
- Robust trends in domestic piping materials for buildings (mainly targeting the public sector)
- Industrial Piping materials targeting the IT sector plant business are experiencing difficulties as a result of restraints on capital investment; recovery time unclear



Advanced Materials

(Billions of yen)

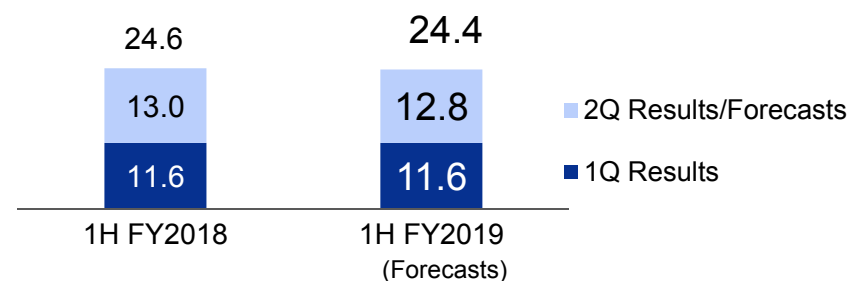
- Steady growth in aircraft sheets; effects of investments to expand production capacity begin to emerge
- Increased civil engineering application of FFU products in Japan as well as FFU railway sleeper application overseas



Building and Living Environment

(Billions of yen)

- Flat demand in each business; trends in line with plans



Prioritized Product Sales and Overseas Sales*

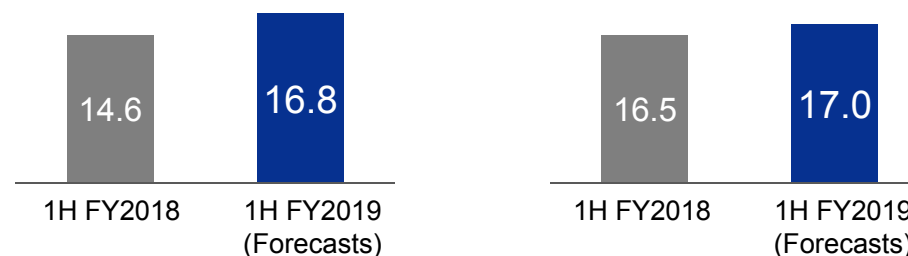
(Billions of yen)

* Including the export of domestic products

- Substantial increase in prioritized products; steady expansion of overseas products

Prioritized Products Sales

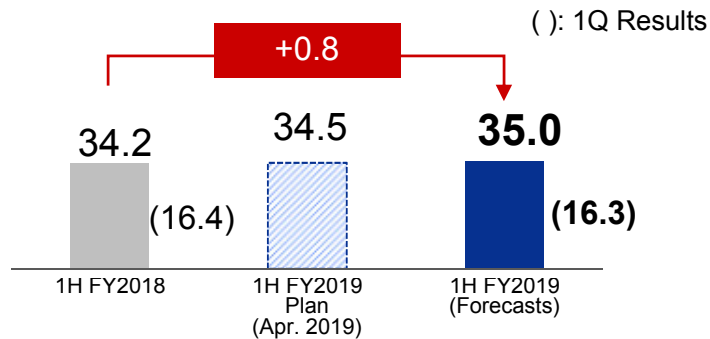
Overseas Sales*



- Diagnostics business progressing slightly ahead of plans; upward revision of 1H operating income plans; Pharmaceutical Sciences business essentially in line with 1H plans

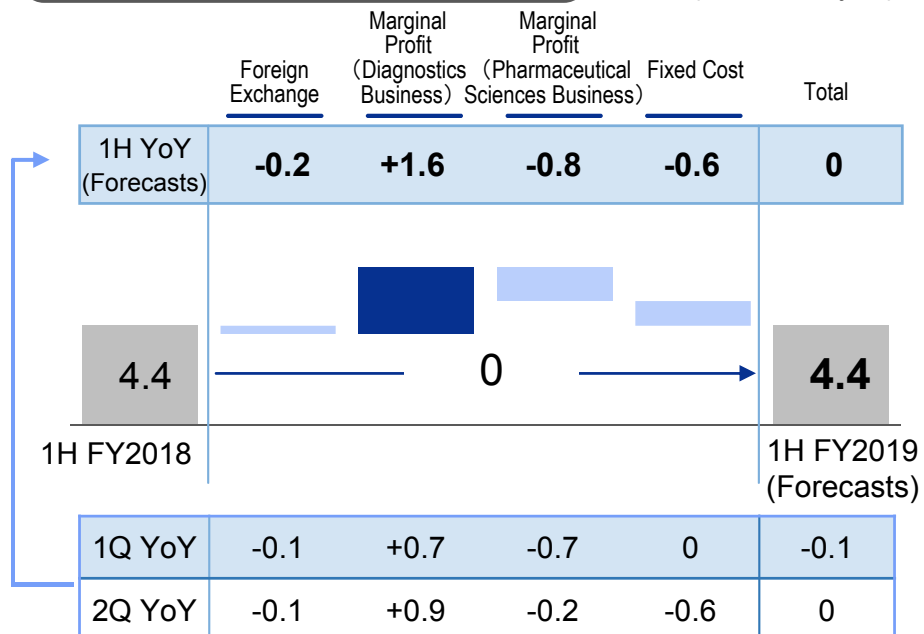
Net Sales

(Billions of yen)



Analysis of Operating Income

(Billions of yen)

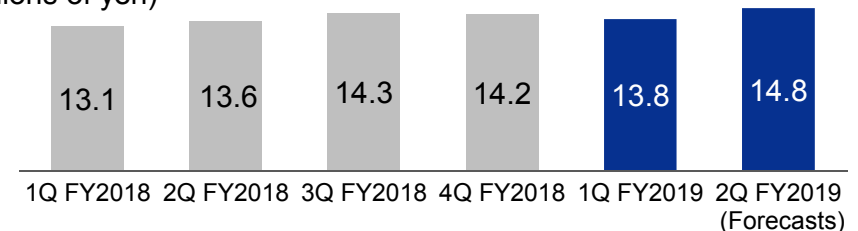


Trends in Net Sales by Business and Progress in 1H FY2019

Diagnostics Business

- Steady growth in mainstay diagnostic reagents mainly in Europe, North America, and China
- Steady progress in the introduction of new products

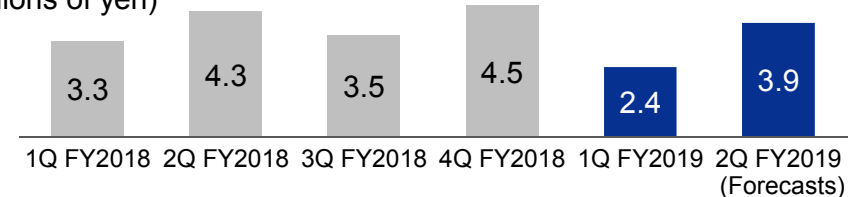
(Billions of yen)



Pharmaceutical Sciences Business (Pharmaceutical and Fine Chemicals, Drug Development Solutions)

- Despite a drop in sales as a result of customers' circumstances in the 1Q, projecting a recovery in the 2Q
- Introduce new ingredients; expecting a boost in sales in the 2H

(Billions of yen)





Financial Results

for 1Q FY2019

Consolidated Companies

Number of Consolidated Companies

	Mar. 31, 2019	June 30, 2019	Difference
Consolidated Subsidiaries	153	159	Increased: 8 Subsidiaries* ¹ Decreased: 1 Subsidiaries* ²
Affiliates (Equity Method)	8	8	Increased: 0 Subsidiaries Decreased: 0 Subsidiaries

*1: Sekisui Town Management Co., Ltd., Inet Co., Ltd., SEKISUI SEIKEI IZUMO CO., LTD., SEKISUI YOUNGBO HPP (WUXI) CO.,LTD. and etc.

*2: PT Cayman Limited

Influence of Change in the Number of Consolidated Companies

	1Q FY2019 (YoY)	Difference
Net Sales	+0.1 bil. yen	SEKISUI YOUNGBO HPP (WUXI) CO.,LTD and etc.* ³
Operating Income	-0.1 bil. yen	

*3: Newly Consolidated from 1Q FY2019

Summary of Profit and Loss

		1Q FY2018	1Q FY2019	Difference
(Billions of yen)				
Net Sales		241.9	249.7	+7.8
Gross Profit		78.0	80.4	+2.5
Gross Profit Rate		32.2%	32.2%	0
Selling, Gen. and Admin. Expenses		68.5	69.6	+1.1
Operating Income		9.4	10.8	+1.4
Equity in Earnings of Affiliates		0.1	0.4	+0.2
Other Non-operating Income and Expenses		2.1	0.2	-2.0
Ordinary Income		11.7	11.4	-0.3
Extraordinary Income		-	-	-
Extraordinary Loss		0.5	5.0	4.5
Income before Income Taxes		11.2	6.4	-4.8
Corporate Income Tax, etc.		3.1	3.0	-0.1
Net Income Attributable to Non-controlling Interests		0.5	0.4	-0.1
Net Income Attributable to Owners of the Parent		7.6	3.0	-4.7
Foreign Exchange (Avg. rate)	1US\$	109 yen	110 yen	
	1€	130 yen	124 yen	

Balance Sheets (Assets)

(Billions of yen)	Mar. 31, 2019	June 30, 2019	Difference	
Cash and Deposits	69.9	73.6	+3.8	
Account Receivable on Sales	187.0	166.5	-20.4	
Inventories	192.2	207.4	+15.2	Increase of land for sale and increase in work in process, and etc.
Other Current Assets	21.0	25.6	+4.6	
Tangible Non-Current Assets	309.5	318.2	+8.7	At fair value: -3.9 Loss on impairment of fixed assets and goodwill: -2.9
Intangible Non-Current Assets	50.8	49.7	-1.1	
Investments in Securities	163.3	153.7	-9.6	Influence of Change of Consolidated Companies ▶ +6.0 bil. yen
Investments & Other Assets	30.1	30.6	+0.5	Foreign exchange ▶ -7.0 bil. yen
Total Assets	1,023.7	1,025.3	+1.6	Actual basis; +2.5 bil. yen

Balance Sheets (Liabilities & Net Assets)

(Billions of yen)	Mar. 31, 2019	June 30, 2019	Difference
Non-Interest-Bearing Liabilities	337.1	327.6	-9.5
Interest-Bearing Liabilities	53.8	83.8	+30.0
Net interest-bearing Liabilities	(-16.0)	(+10.2)	+26.2
Total Liabilities	391.0	411.4	+20.5
Capital Stock etc.	209.2	209.2	0
Retained Earning	408.0	387.7	-20.4
Treasury Stock	-44.3	-34.5	+9.8
Unrealized Holding Gain on Securities	36.8	33.9	-2.9
Non-controlling Interests	25.5	25.3	-0.2
Other Net Assets	-2.4	-7.7	-5.3
Total Net Assets	632.7	613.8	-18.9
Total Liabilities, Net Assets	1,023.7	1,025.3	+1.6
Shareholders' Equity to Total Assets (%)	59.3%	57.4%	-1.9%

Net income
▶ **3.0 bil. yen**

Dividends paid
▶ **-10.7 bil. yen**

Retirement of treasury stock
▶ **-12.7 bil. yen**

Purchases of treasury stock
▶ **-3.3 bil. yen**

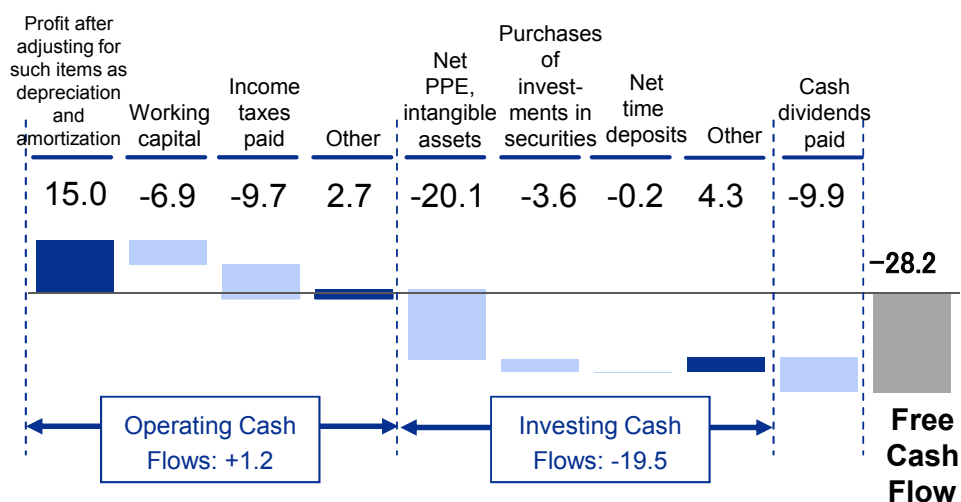
Retirement of treasury stock
▶ **12.7 bil. yen**

Consolidated Cash Flows

(Billions of yen)	1Q FY2018	1Q FY2019
Operating Cash Flows	1.2	8.3
Investing Cash Flows	-19.5	-14.8
Financing Cash Flows	16.3	8.5
Net Increase in Cash and Cash Equivalents	-2.4	0.8
Cash and Cash Equivalents at the End of Term	74.7	71.0
Free Cash Flow =Operating Cash Flows + Investing Cash Flows - Dividends Paid	-28.2	-17.4

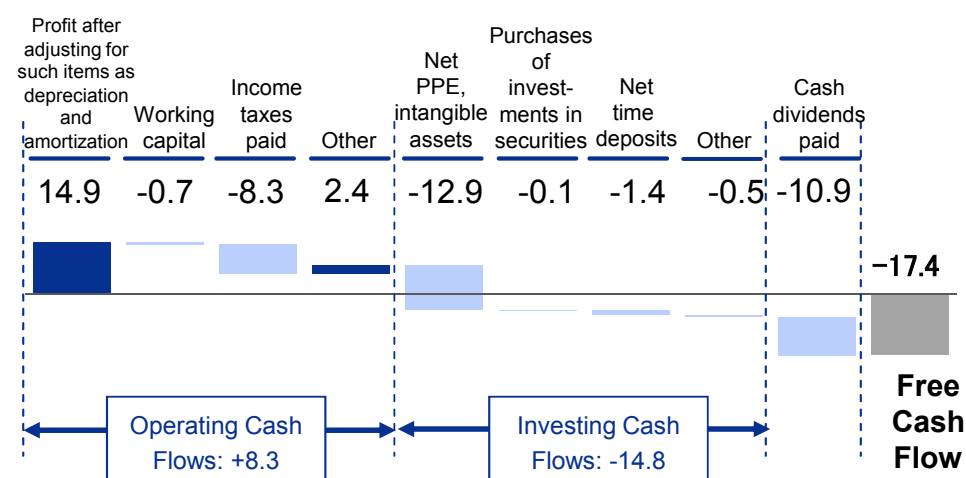
1Q FY2018 Free Cash Flow

(Billions of yen)



1Q FY2019 Free Cash Flow

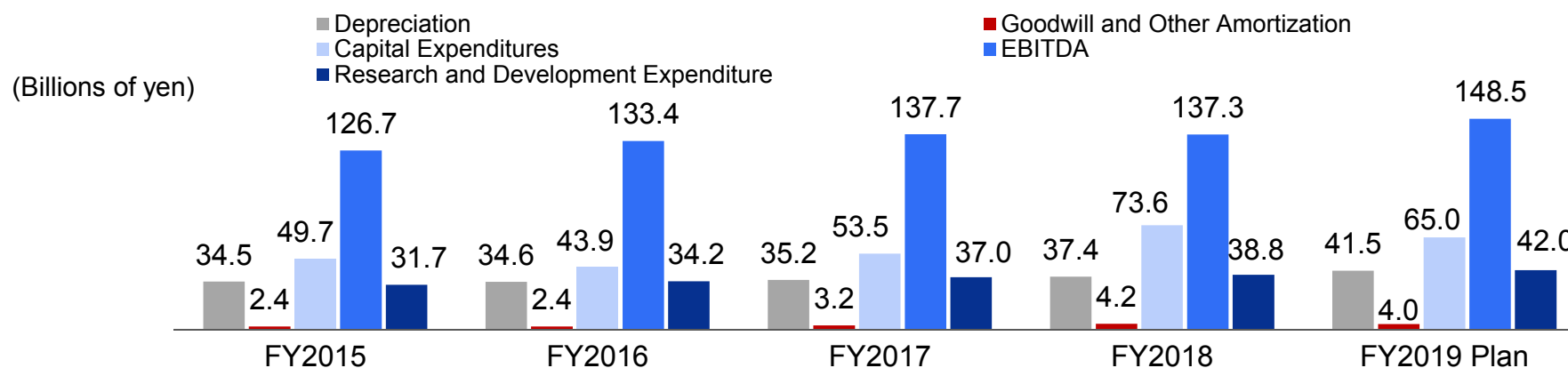
(Billions of yen)



Depreciation and Amortization, Capital Expenditures, Research and Development Expenditure

(Billions of yen)	1Q FY2018	1Q FY2019	Difference	FY2018	FY2019 (Plan)	Difference
Depreciation	8.8	9.6	+0.8	37.4	41.5	+4.2
Goodwill and Other Amortization	1.1	1.0	0	4.2	4.0	-0.2
Capital Expenditures	25.3	14.5	-10.8	73.6	65.0	-8.6
EBITDA	19.3	21.5	+2.2	137.3	148.5	+11.1
Research and Development Expenditure	9.6	9.5	-0.1	38.8	42.0	+3.2

Depreciation and Amortization, Capital Expenditures, Research and Development Expenditure



*1 Depreciation does not include amortization of M&A industrial property rights

*2 Goodwill and Other Amortization = Goodwill amortization + Amortization of M&A industrial property rights

*3 EBITDA = Operating Income + Depreciation + Goodwill and other amortization



This slide presentation may contain forward-looking statements.

Such forward-looking statements are based on current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements due to changes in global economic, business, competitive market and regulatory factors.



Housing Company Results and Plan

1. Main data in Housing business		FY2019		FY2018		
		1Q	1H (Forecasts)	1Q	1H	2H
CONSOLIDATED	Net Sales (Billions of yen)	107.4	257.0	94.0	246.9	259.9
	Housing	71.0	174.5	59.0	168.6	178.6
	Renovation	21.2	49.4	19.7	46.7	48.3
	Frontier (Domestic)	14.8	32.1	14.9	30.7	31.8
	Real estate	12.6	27.1	12.7	26.0	26.7
	Residential Services	2.2	5.0	2.2	4.7	5.1
	Overseas	0.4	1.1	0.4	0.8	1.1
CONSOLIDATED	1.Number of houses sold (Housing units)	2,200	5,570	1,880	5,380	5,560
	Detached houses	2,100	5,170	1,810	5,030	5,170
	Heim	1,670	4,070	1,430	4,080	4,200
	Two-U	430	1,100	380	950	970
	Apartments buildings	100	400	70	350	390
OTHERS	2. Main data					
	Prices <Sales subsidiaries: Detached houses>/ Unit (Millions of yen)	30.7	-	30.7	30.9	31.5
	Prices <Sales subsidiaries: Detached houses>/ Tsubo (3.3 Square meter)(Thousands of yen)	840	-	837	841	852
	Floor space (Square meter)	121.0	-	121.0	121.3	122.0
	Exhibition places (Units)	-	450	-	429	430
	Sales staff (Number of person)	2,694	2,657	2,674	2,646	2,515
	Rebuilding ratio (%)*	24%	27%	26%	28%	28%
Referral sales ratio (%)*	34%	33%	33%	33%	36%	

* Rebuilding ratio and Referral sales ratio are based on time of orders-received.

Housing Company Results and Plan

2. Housing orders	FY2019		FY2018			FY2017	
	1Q	1H (Forecasts)	1Q	1H	2H	1H	2H
(Millions of yen)							
Year-start Backlog	219,500	-	206,900	-	213,900	206,000	207,800
Growth Rate	+6%	-	±0%	-	+3%	±0%	±0%
New Orders	92,715	206,250	92,443	206,423	217,375	202,957	207,061
Growth Rate	±0%	±0%	±0%	+2%	+5%	±0%	±0%
Sales of Housing and Renovation	84,615	207,150	71,593	199,423	211,775	201,157	207,961
Growth Rate	+18%	+4%	-5%	-1%	+2%	±0%	±0%
Balance at the end	227,600	218,600	227,750	213,900	219,500	207,800	206,900
Growth Rate	±0%	+2%	+2%	+3%	+6%	±0%	±0%

3. Housing starts	FY2019		FY2018		
	1Q	1H (Forecasts)	1Q	1H	2H
(Units)					
Housing starts*	232,000	474,000	245,040	491,418	461,518
Privately-owned houses* (included in above) =A	77,650	140,000	71,758	146,498	141,212
Detached house sales by our company=B (Unit base)	2,100	5,170	1,810	5,030	5,170
Our share in Detached houses=B/A	2.7%	3.7%	2.5%	3.4%	3.7%

*“Housing starts” and “Privately-owned houses” after 1Q of FY2019 are based on forecasts.

4. The ratio of the houses equipped with the high-performance specifications	FY2019		FY2018		
	1Q	1H (Forecasts)	1Q	1H	2H
Solar power generation systems installed	75%	76%	75%	75%	73%
Tiled exterior walls (Heim type JX)	69%	71%	73%	73%	72%
Storage battery installed	48%	50%	27%	30%	40%
Comfortable Air System	79%	80%	75%	76%	79%