



SEKISUI CHEMICAL CO., LTD.

Presentation of Financial Results  
for 3Q FY2021, ending March 31, 2022

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Director

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January 31, 2022

# Results for the 3Q and Forecasts for FY2021

Forex Rate	FY2020			FY2021			
	3Q	4Q	2H	3Q	4Q	2H	2H Plan (Oct.)
Assumptions	-	-	-	¥110/US\$ ¥129/€	¥114/US\$ ¥128/€	¥114/US\$ ¥129/€	¥110/US\$ ¥129/€
Results (Avg. rate for each term)	¥105/US\$ ¥125/€	¥105/US\$ ¥126/€	¥105/US\$ ¥126/€	¥114/US\$ ¥130/€	-	-	

# Overview of 3Q FY2021 Results

- Despite soaring raw material prices and the prolonged impact of shortages in semiconductor supply, increases in Groupwide sales and operating income in the 3Q owing to the improvement in selling prices, increase in the number of new houses sold, and growth in diagnostic reagent sales
- Sales and operating income progressed slightly ahead of plans (Oct.)
- Substantial increases in ordinary income and the bottom line owing to such factors as foreign exchange gains and the gain on sale of cross-shareholdings

(Billions of yen)	3Q FY2020	3Q FY2021	Difference
Net Sales	266.4	290.7	+24.3
Operating Income	17.5	21.9	+4.5
Ordinary Income	13.2	21.8	+8.7
Net Income Attributable to Owners of the Parent	7.6	16.7	+9.0

# Overview of 1-3Q FY2021 Results

- Increases in sales, operating income, and ordinary income
- Decrease in the bottom line owing to the loss on impairment of SEKISUI AEROSPACE CORPORATION in the 1H

(Billions of yen)	1-3Q FY2020	1-3Q FY2021	Difference
Net Sales	756.4	838.7	+82.2
Operating Income	39.9	57.5	+17.6
Ordinary Income	33.8	62.8	+29.0
Net Income Attributable to Owners of the Parent	20.7	12.7	-7.9

# 3Q FY2021 Results: Net Sales and Operating Income by Divisional Company

## ■ Increase in sales in each segment and substantial profit growth in the Housing and Medical segments in the 3Q

- HPP: Soaring raw material prices and the growing impact of shortages in semiconductor supply offset by improvements in selling prices and cost reductions; secured an increase in profit through cutbacks in fixed costs
- Housing: Despite the growing impact of a surge in component costs and slowdown in new housing orders, substantial increases in sales and profit owing to an upswing in the number of houses sold
- UIEP: Despite the growing impact of further increases in raw material prices and delays in certain construction projects, secured profit at roughly the same level as the previous year
- Medical: Steady progress in diagnostics demand in Japan and overseas; substantial increases in sales and profit owing to growth in US COVID-19 diagnostics demand

(Billions of yen)	3Q FY2020 (Oct. –Dec.)		3Q FY2021 (Oct. –Dec.)		Difference		1-3Q FY2020 (Apr.-Dec.)		1-3Q FY2021 (Apr.–Dec.)		Difference	
	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	86.4	11.4	93.5	12.2	+7.1	+0.8	225.5	20.6	263.6	31.5	+38.1	+10.9
Housing	113.9	3.6	123.3	6.6	+9.5	+3.0	344.5	16.6	373.1	21.4	+28.6	+4.8
UIEP	50.7	3.2	53.5	3.1	+2.8	-0.1	146.9	5.7	149.6	6.3	+2.7	+0.6
Medical	19.6	2.3	24.1	3.6	+4.5	+1.3	51.5	4.9	63.8	8.5	+12.2	+3.7
Other	0.7	-2.3	1.1	-2.4	+0.4	-0.1	2.1	-6.5	3.0	-7.6	+0.8	-1.1
Eliminations or Unallocatable Accounts	-4.9	-0.7	-4.8	-1.1	+0.1	-0.4	-14.1	-1.3	-14.4	-2.6	-0.3	-1.3
<b>Total</b>	<b>266.4</b>	<b>17.5</b>	<b>290.7</b>	<b>21.9</b>	<b>+24.3</b>	<b>+4.5</b>	<b>756.4</b>	<b>39.9</b>	<b>838.7</b>	<b>57.5</b>	<b>+82.2</b>	<b>+17.6</b>

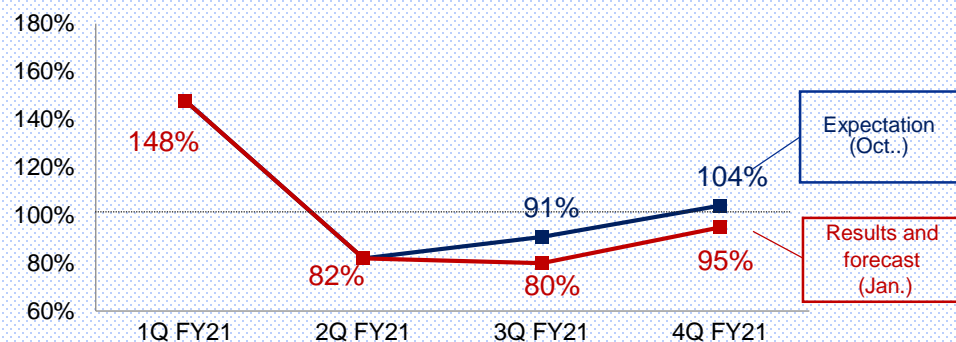
\* HPP: High Performance Plastics Company, Housing: Housing Company, UIEP: Urban Infrastructure & Environmental Products Company

# Outlook for Market Conditions

■ Automotive demand lower than assumptions (Oct.) owing to the prolonged impact of shortages in semiconductor supply; raw material prices forecast to rise further

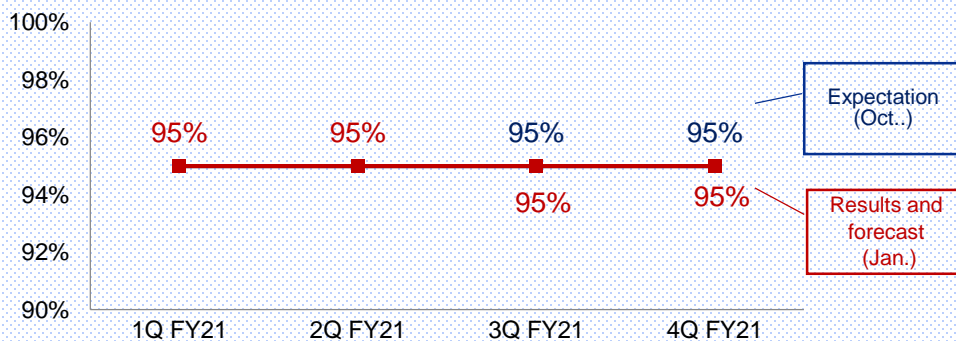
## Number of Automobiles Manufactured (YoY)

Prolonged impact of shortages in semiconductor supply; despite a modest recovery trend from the 4Q, forecast to fall substantially below assumptions (Oct.)



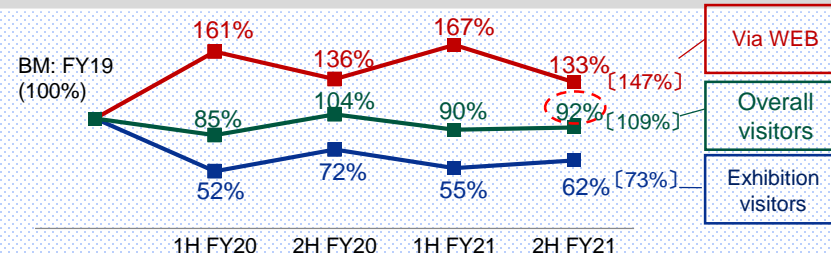
## Smartphone Shipments (YoY)

Forecast to trend in line with assumptions (Oct.) in the 2H



## Housing - Visitors (vs FY19)

In addition to the delay in recovery attributable to COVID-19, visits to exhibitions and the number of visitors overall forecast to fall below assumptions reflecting corrections following the earlier rush prior to the termination of housing loan tax measures

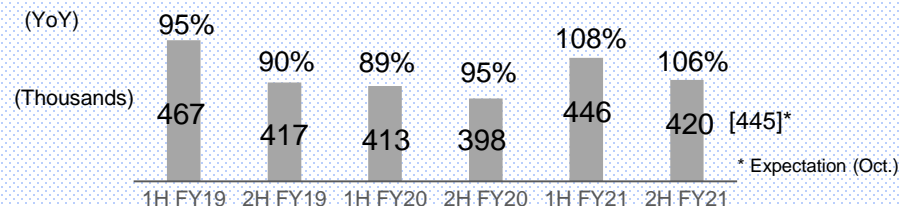


## New Housing Starts

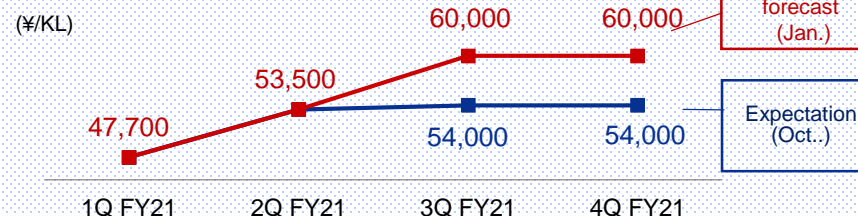
\* Figures in parentheses are expectations (Oct.)

Despite a continued recovery, demand forecast to fall slightly below assumptions (Oct.)

\* Timing when demand for each of the UIEP Company's products can be expected to emerge: From four to six months after the start of residential construction



## Domestic Naphtha Price Assumptions



## 2H FY2021 Forecasts: Net Sales and Operating Income by Divisional Company

- Substantial increase in Groupwide sales; upward revision in sales, operating income projected to come in in line with plans (Oct.)
- Increases in sales and profit in each segment
- Upward revision in operating income in the Medical segment; operating income projected to come in in line with plans (Oct.) in other segments

(Billions of yen)	2H FY2020		2H FY2021 Forecasts		Difference		2H FY2021 Plan (Oct. 2021)		Difference	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
HPP	170.8	19.8	186.6	22.7	+15.8	+2.9	179.3	22.7	+7.3	0
Housing	254.6	17.5	269.2	22.2	+14.6	+4.7	275.2	22.2	-6.0	0
UIEP	108.4	8.7	116.9	11.8	+8.5	+3.1	115.5	11.8	+1.5	0
Medical	40.4	4.5	48.9	6.1	+8.5	+1.6	43.1	5.1	+5.8	+1.0
Other	2.1	-4.6	3.6	-5.8	+1.5	-1.2	3.6	-5.2	0	-0.6
Eliminations or Unallocatable Accounts	-9.9	-1.1	-9.2	-2.5	+0.7	-1.4	-9.2	-2.1	0	-0.4
Total	566.5	44.9	616.2	54.5	+49.7	+9.7	607.6	54.5	+8.6	0

## 3Q & 4Q FY2021 Forecasts:

### Net Sales and Operating Income by Divisional Company

- While factoring in a further surge in raw material prices and the growing impact of prolonged shortages in semiconductor supply, projecting an increase in Groupwide profit in the 4Q

(Billions of yen)	3Q FY2020 Results		3Q FY2021 Results		Difference		4Q FY2020 Results		4Q FY2021 Forecasts		Difference	
	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	86.4	11.4	93.5	12.2	+7.1	+0.8	84.4	8.3	93.1	10.5	+8.7	+2.2
Housing	113.9	3.6	123.3	6.6	+9.5	+3.0	140.8	13.9	145.9	15.6	+5.1	+1.7
UIEP	50.7	3.2	53.5	3.1	+2.8	-0.1	57.7	5.6	63.4	8.7	+5.8	+3.2
Medical	19.6	2.3	24.1	3.6	+4.5	+1.3	20.8	2.2	24.8	2.5	+4.0	+0.3
Other	0.7	-2.3	1.1	-2.4	+0.4	-0.1	1.5	-2.2	2.5	-3.4	+1.1	-1.1
Eliminations or Unallocatable Accounts	-4.9	-0.7	-4.8	-1.1	+0.1	-0.4	-5.0	-0.4	-4.4	-1.4	+0.6	-1.0
Total	266.4	17.5	290.7	21.9	+24.3	+4.5	300.1	27.4	325.5	32.6	+25.4	+5.2



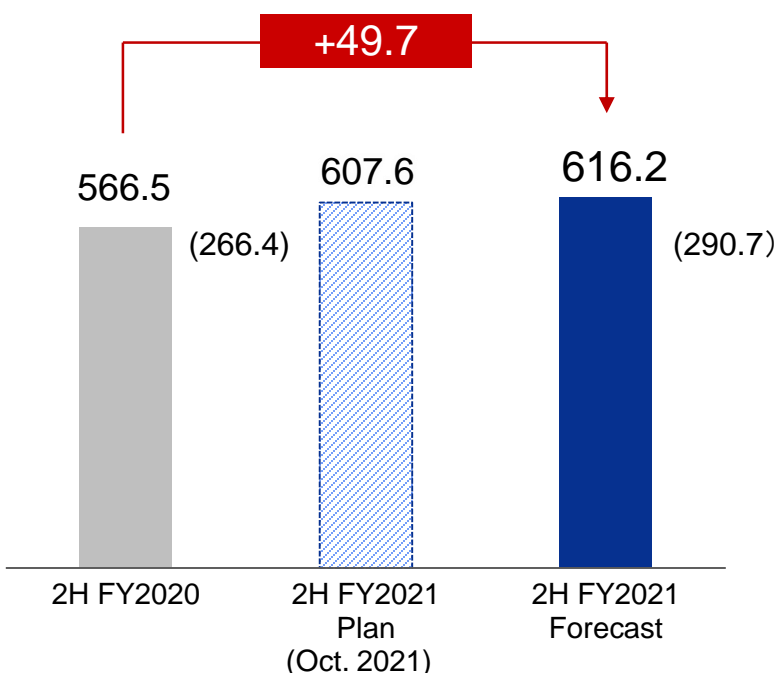
# 2H FY2021 Forecasts: Net Sales and Operating Income

- Sales projected to increase exceeding plans (Oct.) owing to the recovery in market conditions, improvement in selling prices, growth in sales of high-performance products, and other factors
- Minimize the effect of soaring raw material prices and the growing impact of prolonged shortages in semiconductor supply through sales volumes and product mix, improvement in selling prices, and cost reductions; projected to achieve Groupwide operating income plan (Oct.) thanks also to contributions from the decrease in retirement benefit expenses

## Net Sales

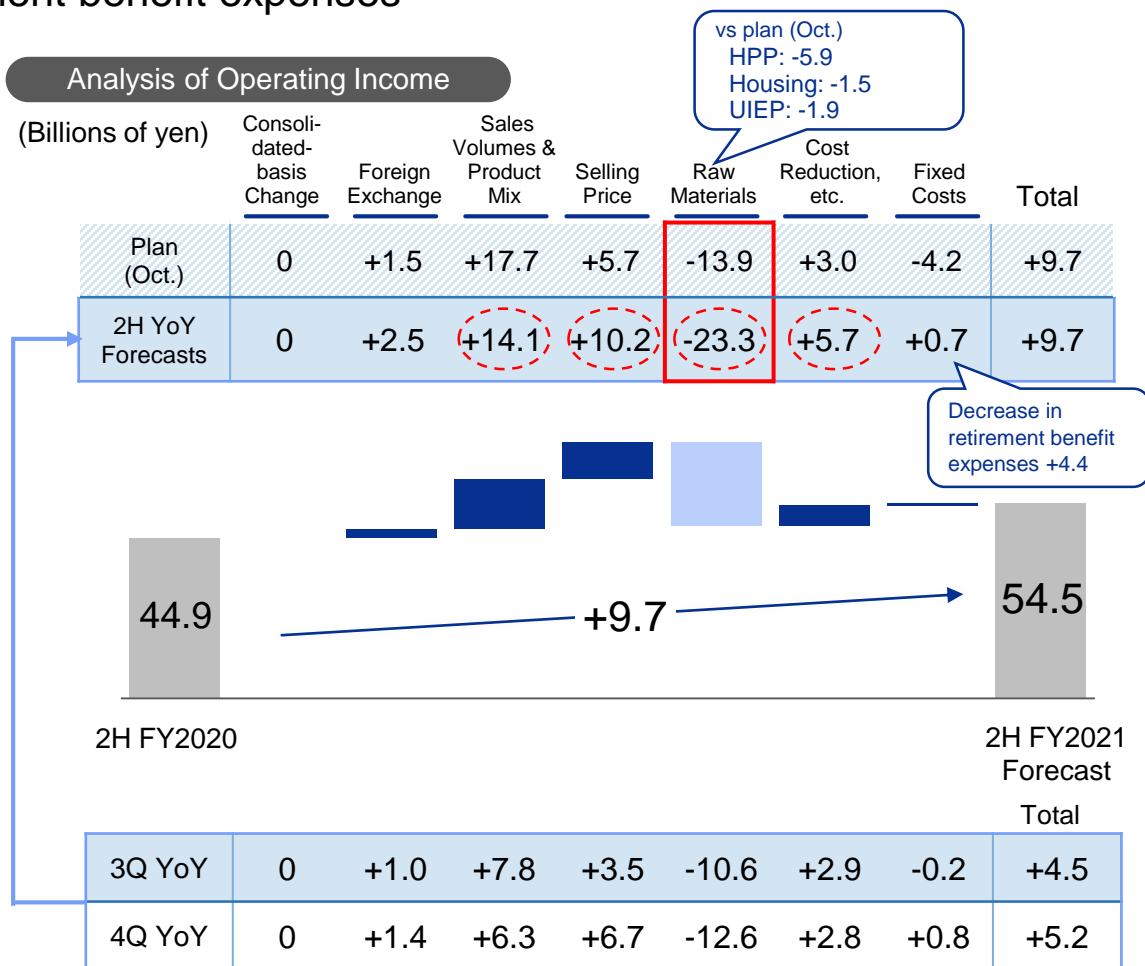
\* ( ) = 3Q Results

(Billions of yen)



## Analysis of Operating Income

(Billions of yen)



# FY2021 Forecasts: Net Sales and Operating Income by Divisional Company

- Projected to achieve operating income plans (Oct.) for both the Group and each segment
- Target record-high profit in the Medical segment

(Billions of yen)	FY2020 Results		FY2021 Forecasts		Difference		FY2021 Plan (Oct. 2021)		Difference	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
HPP	309.9	28.9	356.7	42.0	+46.8	+13.1	349.4	42.0	+7.3	0
Housing	485.3	30.5	519.0	37.0	+33.7	+6.5	525.0	37.0	-6.0	0
UIEP	204.6	11.3	213.0	15.0	+8.4	+3.7	211.6	15.0	+1.4	0
Medical	72.3	7.0	88.7	11.0	+16.4	+4.0	82.8	10.0	+5.9	+1.0
Other	3.6	-8.8	5.5	-11.0	+1.9	-2.2	5.5	-10.4	0	-0.6
Eliminations or Unallocatable Accounts	-19.1	-1.7	-18.8	-4.0	+0.3	-2.3	-18.8	-3.6	0	-0.4
Total	1,056.6	67.3	1,164.1	90.0	+107.5	+22.7	1,155.5	90.0	+8.6	0

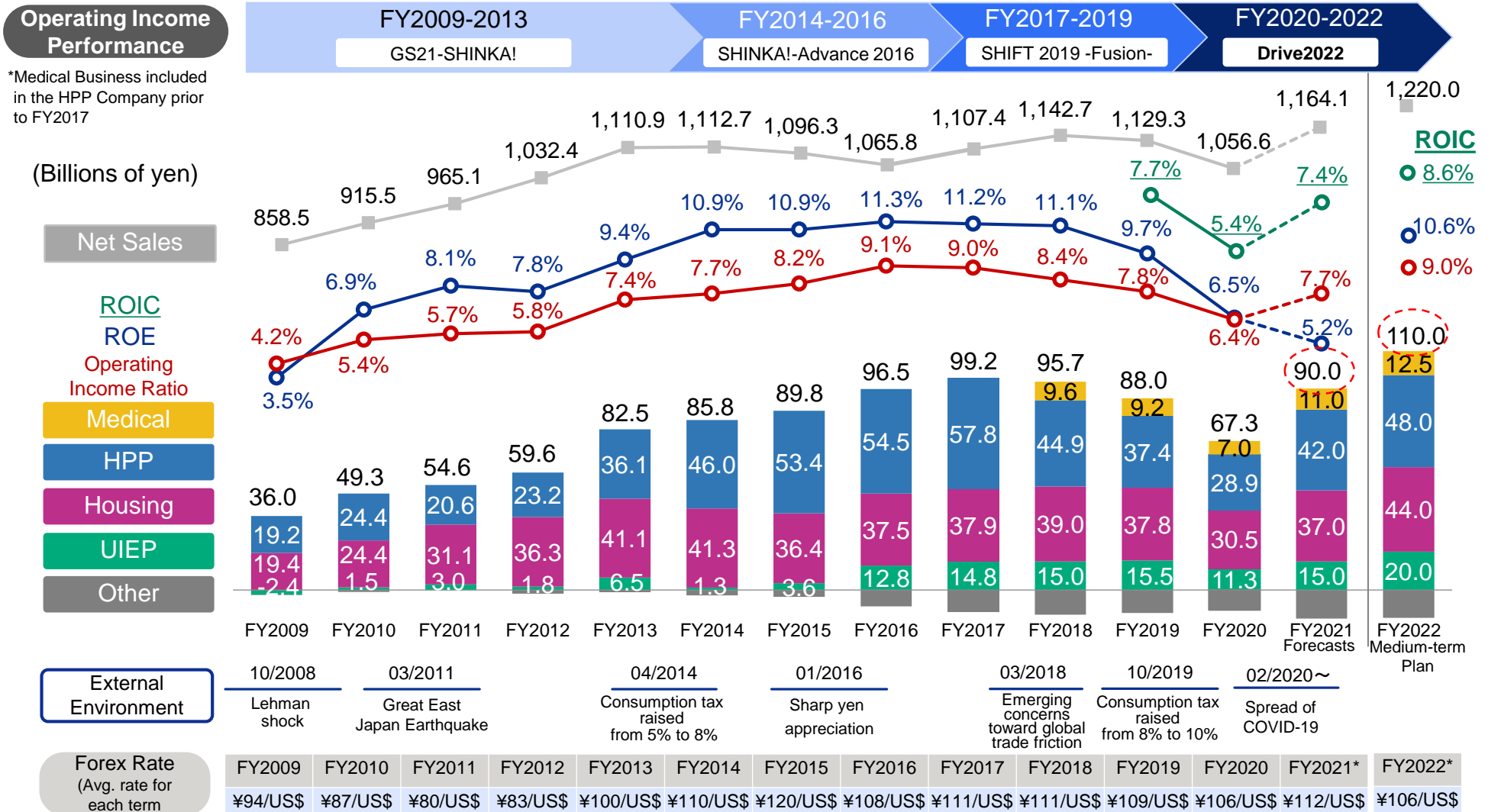
# Overview of FY2021 Forecasts

- Substantial increase in sales; substantial increases also in profit with operating income and ordinary income projected to exceed FY2019 levels
- Ordinary income forecast to reach a record high
- Strengthen preparations with an eye toward the final FY of the Medium-term Management Plan **“Drive 2022”**

(Billions of yen)	FY2020	FY2021 Forecasts	Difference	FY2021 Plan (Oct. 2021)	Difference
Net Sales	1,056.6	1,164.1	+107.5	1,155.5	+8.6
Operating Income	67.3	90.0	+22.7	90.0	0
Ordinary Income	62.6	94.0	+31.4	94.0	0
Net Income Attributable to Owners of the Parent	41.5	34.0	-7.5	34.0	0

# Progress under the Medium-term Management Plan, **Drive 2022**

Operating income in FY2021 to recover exceeding the level in FY2019 paving the way to achieve the FY2022 Medium-term Management Plan



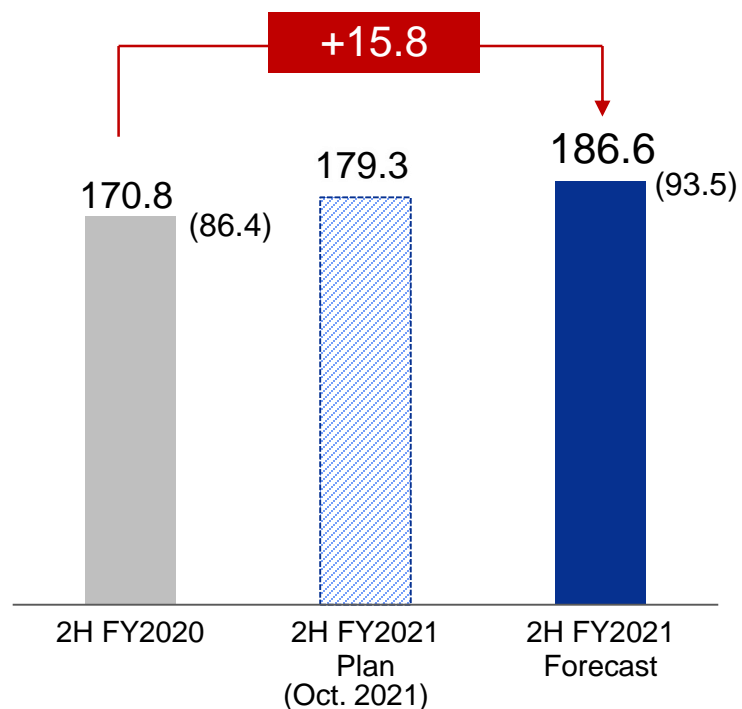
\* FY2021, FY2022 are assumptions

- Despite the impact of a drop in automobile production owing to shortages in semiconductor supply as well as smartphone production, projecting a certain recovery in the Building and Infrastructure field
- Offset the growing impact of further increases in raw material prices through improvements in selling prices, cost reductions, and cutbacks in fixed costs; projecting an increase in profit in line with plans (Oct.)

## Net Sales

\* ( ) = 3Q Results

(Billions of yen)



## Analysis of Operating Income

(Billions of yen)

	Consolidated-basis Change	Foreign Exchange	Sales Volumes & Product Mix	Selling Price	Raw Materials	Cost Reduction, etc.	Fixed Costs	Total
Plan (Oct.)	0	+1.0	+2.8	+2.8	-7.9	+2.1	+2.1	+2.9
2H YoY Forecasts	0	+1.7	+1.8	+6.4	-13.8	+4.1	+2.7	+2.9

	2H FY2020	2H FY2021 Forecast
Operating Income	19.8	22.7
Marginal Profit	-1.5	-1.5
Total	18.3	21.2

	3Q YoY	4Q YoY
Consolidated-basis Change	0	0
Foreign Exchange	+0.7	+1.0
Sales Volumes & Product Mix	+1.1	+0.8
Selling Price	+2.3	+4.1
Raw Materials	-6.8	-7.0
Cost Reduction, etc.	+2.4	+1.8
Fixed Costs	+1.2	+1.5
Total	+0.8	+2.2

Decrease in retirement benefit expenses +0.6

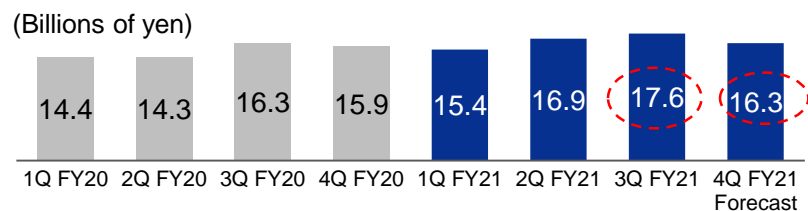
Marginal Profit: -1.5

■ Despite difficulties in the Mobility field owing to the drop in automobile production, the Electronics field to progress in line with plans in the 3Q; substantial increase in sales in the Building and Infrastructure field; projecting a partial recovery in automobile production from the 4Q, with sales expected to increase in each of the three strategic fields in the 2H

## Three Strategic Field Sales and Overview of Progress

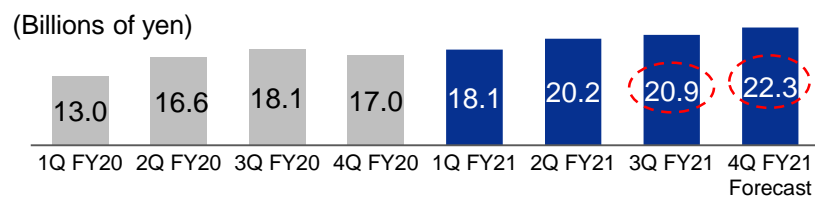
### Electronics

- 3Q: Firm trends in panel demand; sales expansion in liquid crystal fields
- 4Q: Results driven by such products as binder resins for MLCCs in the Non-LCD field



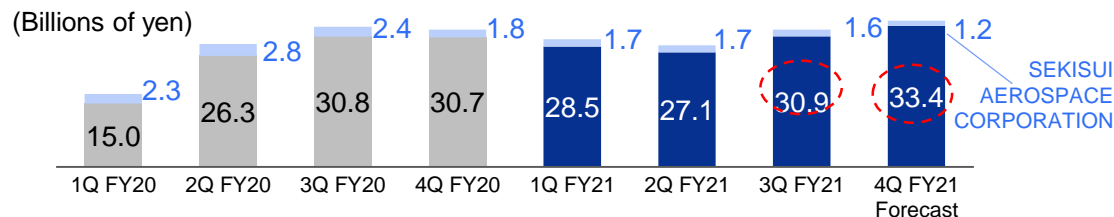
### Building and Infrastructure

- CPVC: Firm demand mainly in India and the Middle East; price increases taking hold
- Fire-resistant and noncombustible materials: In addition to a recovery in construction market conditions, robust increase in sales; progress in improving selling prices



### Mobility

- 3Q: Results remaining at previous year's levels owing to the growing impact of the drop in automobile production attributable to shortages in semiconductor supply
- Secure high-performance interlayer film results in line with the previous year; continued YoY growth in HUD films
- 4Q: Growth in high-performance interlayer film sales focusing mainly on HUD films owing to the partial recovery in automobile production (2H HUD film: More than 110% YoY)
- SEKISUI AEROSPACE CORPORATION: Expansion of new fields through portfolio transformation as planned and the incidence of synergy effects

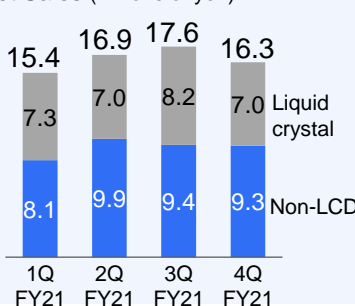


### Focus on the non-LCD field

Sales composition



Net Sales (Billions of yen)

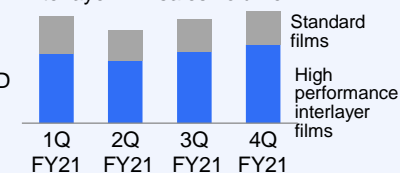


### High-performance interlayer film sales growth

YoY high-performance interlayer film sales volume



Interlayer film sales volume

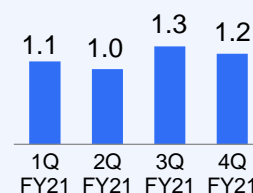


### Strengthen thermal insulation and noncombustible materials

YoY



Thermal insulation and noncombustible materials sales (Billions of yen)



# Housing Company: 2H FY2021 Forecasts

- Despite a slowdown in new housing orders, substantial increases in sales and profit in the 3Q owing to an increase in the number of houses sold and cost reductions
- Despite the growing impact of soaring component costs in the 4Q, focusing on subdivision and ready-built houses as well as effort to reduce costs in a bid to achieve 2H operating income plans (Oct.)

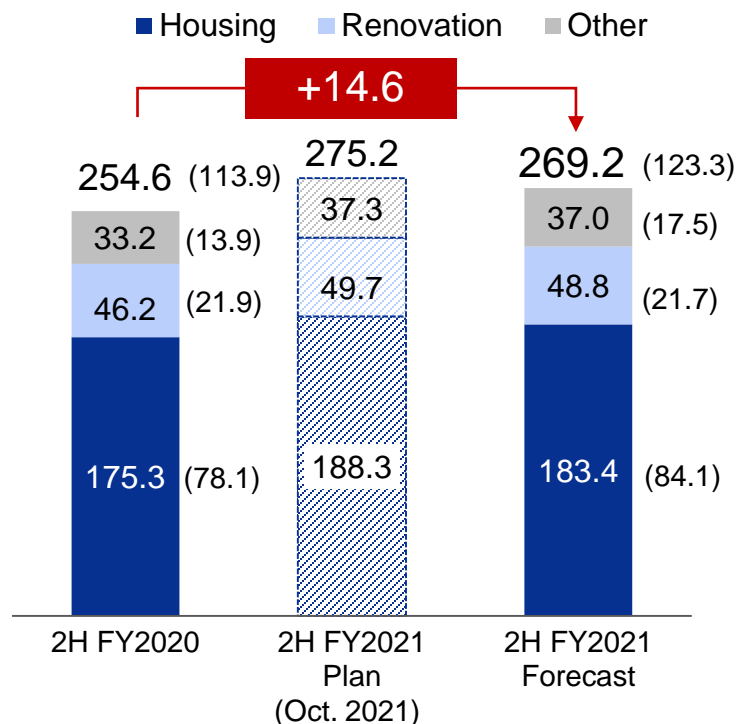
- Housing: Growing impact of trends in component costs; focusing on subdivision and ready-built houses as well as increasing the ratio of smart houses in the 4Q
- Renovation: Despite falling short of 3Q order plans, focusing on increasing strategic product sales
- Other: Increase in contributions to profit from the Town and Community Development Business in line with plans

## Results and Plan for Orders

*%: YoY	3Q	Plan (Oct.)	4Q	Plan (Oct.)	2H	Plan (Oct.)
Housing Order (Units)	100%	105%	101%	108%	100%	106%
Renovation Order (Amount)	103%	108%	110%	113%	106%	110%

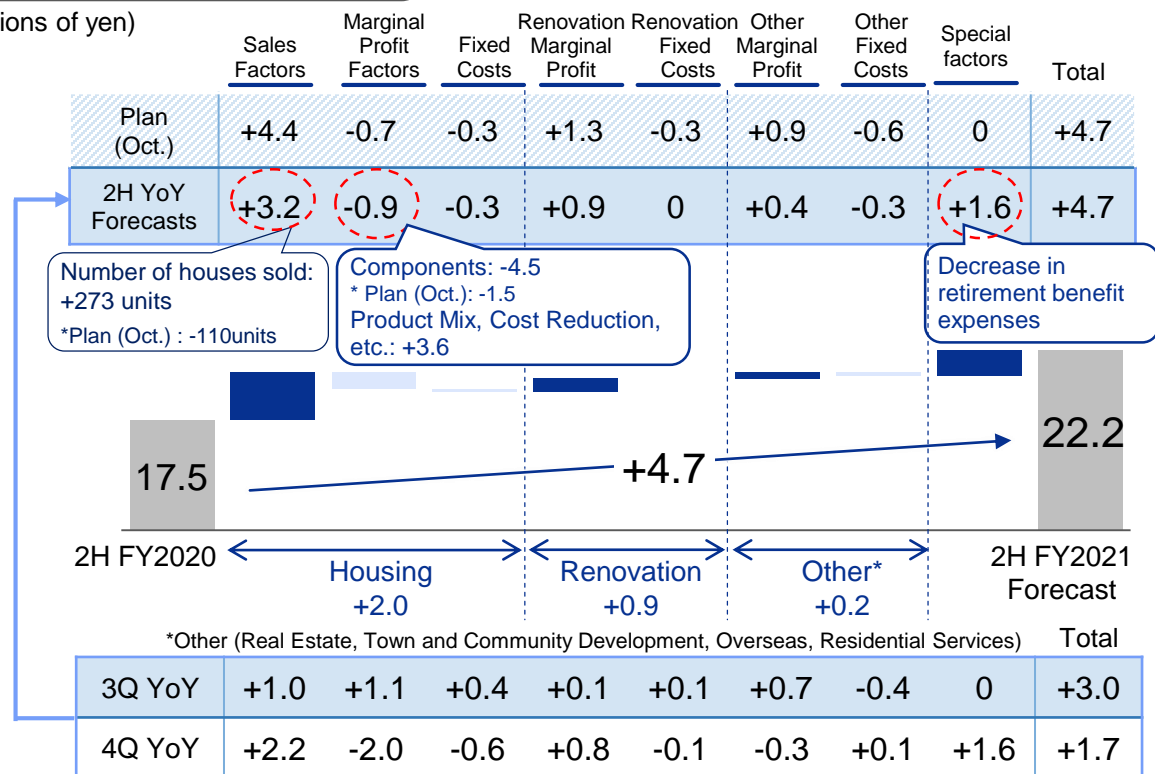
## Net Sales by Business \* ( ) = 3Q Results

(Billions of yen)



## Analysis of Operating Income

(Billions of yen)

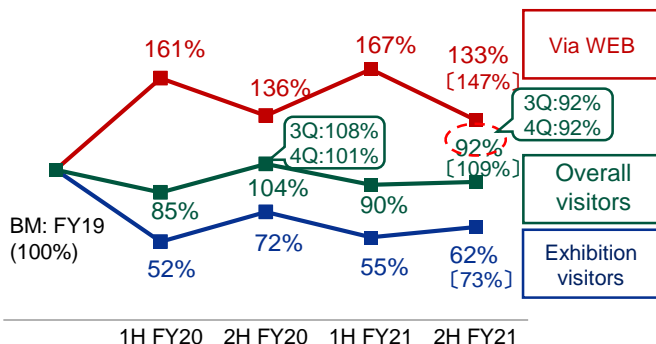


- While a recovery in the 4Q number of visitors continues to be delayed, work to improve negotiation efficiency by strengthening WEB-based initiatives and utilizing experience-based facilities
- Secure orders in line with the previous year by actively introducing new Town and Community Development projects

## Customer and Order Trends

### Visitors

\* Figures in parentheses are expectations (Oct.)



### Number of Orders by Type of Construction

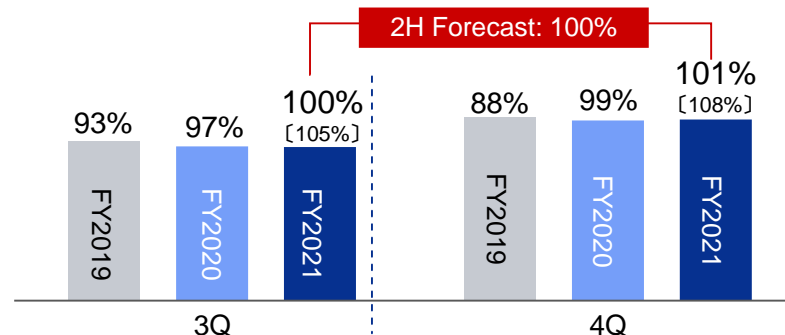
*%: YoY		3Q	4Q	2H FY21
Detached Houses	Rebuilding	114%	110%	112%
	New construction <sup>*1</sup>	89%	97%	94%
	Subdivision housing	105%	96%	100%
	Of which, ready-built houses	131%	97%	111%
Total (Including apartment buildings)		100%	101%	100%

\*1 Land: Client arrangement

## Order Results and Plan

### New Housing Orders (Units, YoY)

\* Figures in parentheses are Plans (Oct.)



## 2H Measures to Acquire Orders

Sales Force/  
Attracting  
Customers

- Improve negotiation efficiency through integrated online and face-to-face proposals
  - Strengthen WEB and online measures (open a members-only special site)
  - Actively roll out experience-based GREENMODEL PARK facilities  
63 locations including Museum (end of March 2022)  
(Compared with the end of December 2021: +16 locations)

Product  
Strategies

- Expand new Smart Power Station FR GREENMODEL product orders
  - Strengthen Smart House and resilience appeal through large-capacity storage batteries

Land  
Strategies

- Actively introduce new Town and Community Development projects
  - Project scale: 11 projects with approx. 500 lots as of Oct.  
⇒ Expand to 13 projects with approx. 600 lots

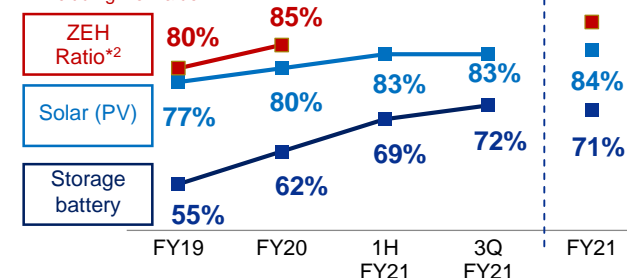
Brand

- Introduce a symbol mark and English logo with an eye to the next 50 years (at right)

### Smart House-related Indicators<sup>\*1</sup>

\*1 Detached house order installation rate (ZEH ratio of houses sold)

<sup>\*2</sup> Excluding Hokkaido



Continue to create residential and social prominence toward the 100th anniversary



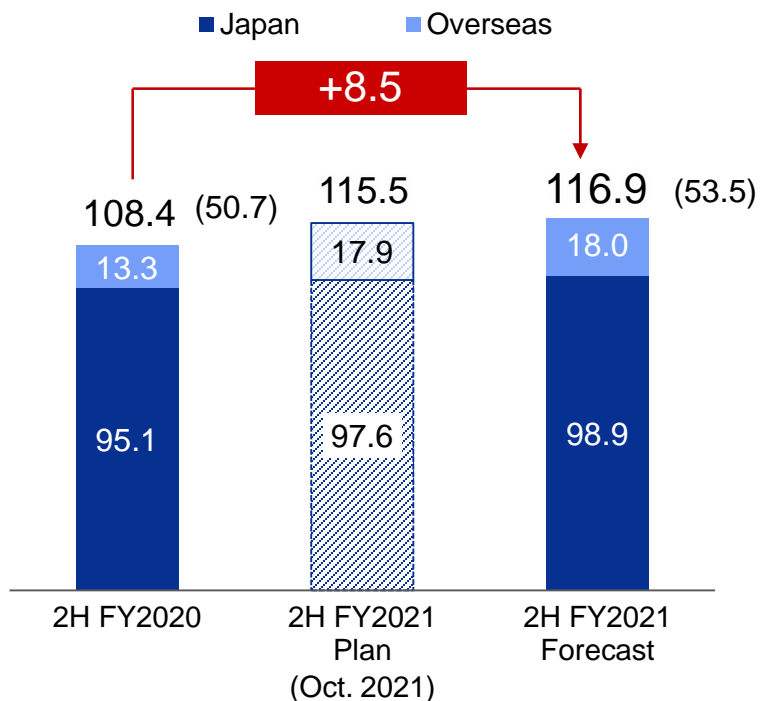
■ Offset the further surge in raw material prices through improvements in selling prices and reductions in fixed costs; projecting an increase in profit in line with plans (Oct.); expecting a partial recovery in both housing and non-residential market conditions

- Japan: Focus on improving selling prices and expanding sales of prioritized products
- Overseas: Despite delays in certain construction projects owing to the impact of COVID-19, recovery trend in demand

## Net Sales

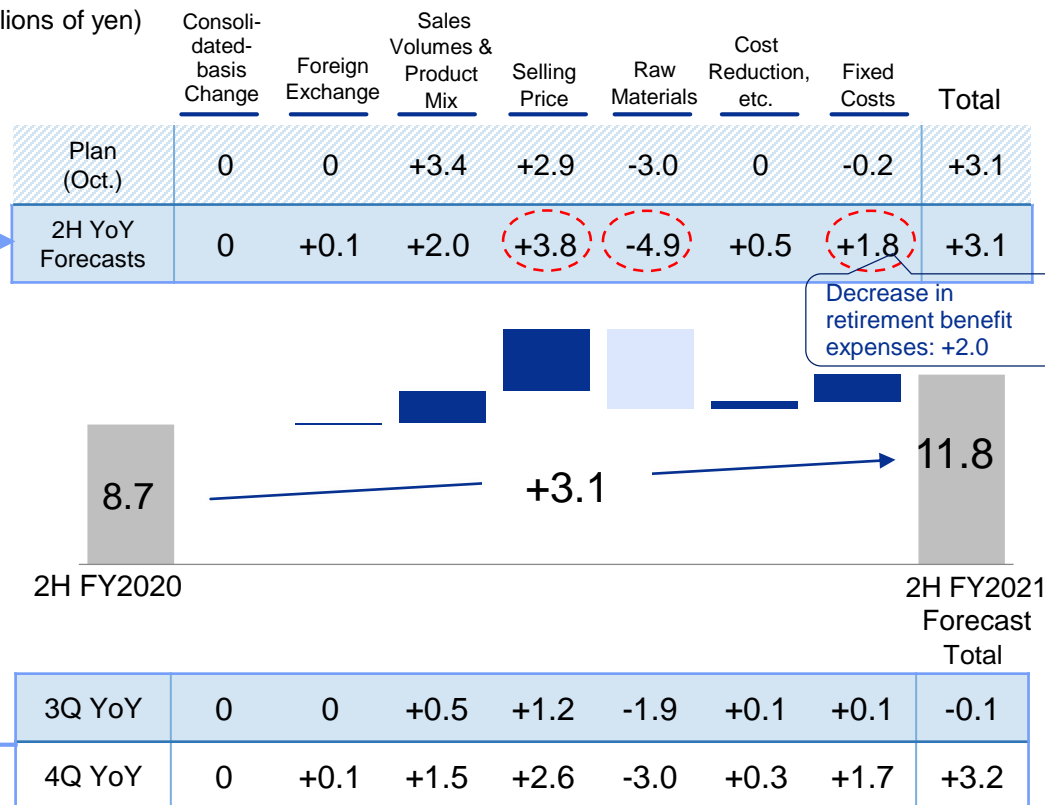
\* ( ) = 3Q Results

(Billions of yen)



## Analysis of Operating Income

(Billions of yen)

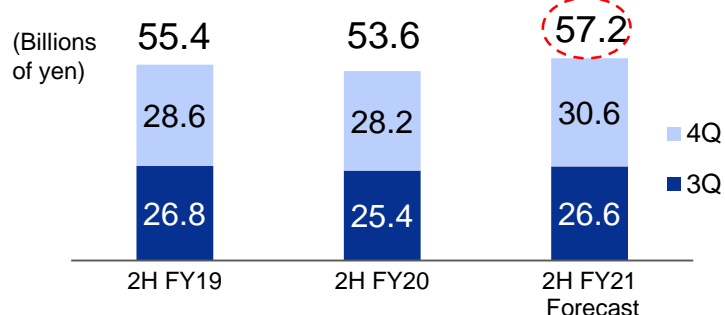


■ Projecting increases in sales in each of the three strategic fields owing to the partial recovery in market conditions and progress in improving selling prices

## Net Sales in the Three Strategic Fields

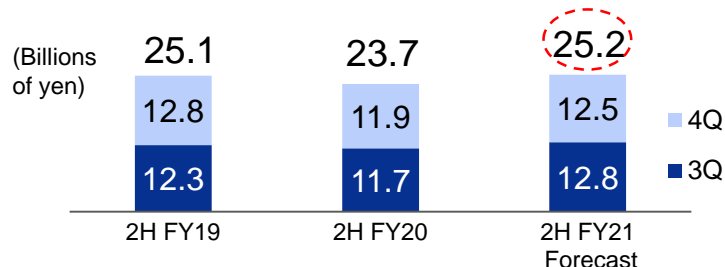
### Piping and Infrastructure

- Firm trends in the housing sector; projecting a modest recovery from the 4Q in non-residential demand
- Firm trends in the Plant business owing to robust semiconductor-related demand
- Incidence of certain delays in overseas pipeline renewal construction due to the impact of COVID-19



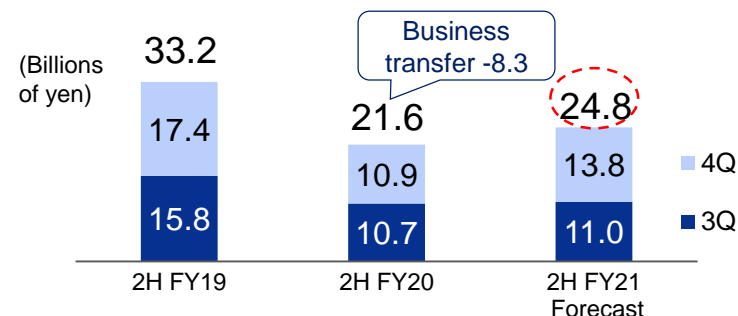
### Building and Living Environment

- Recovery in housing sector demand; return to FY2019 levels
- Progress in improving profitability



### Advanced Materials

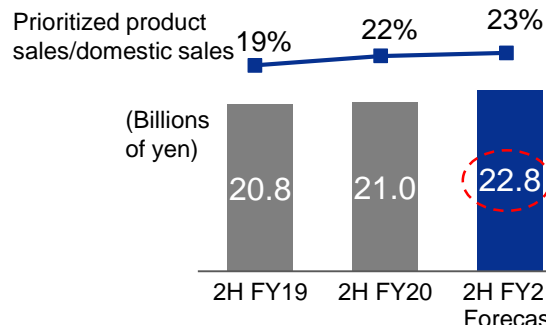
- Sheets: Despite weak aircraft demand, progress in line with plans
- FFU (railway sleeper application): Despite a modest recovery trend in Japan, incidence of certain delays in construction overseas
- High-performance molded products (clean containers, etc.): Growth in excess of plans against the backdrop of firm market conditions



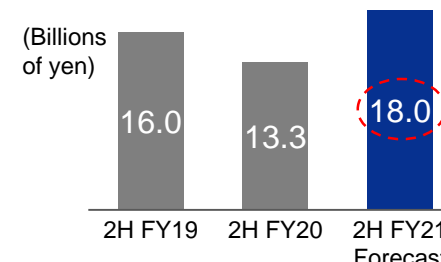
## Prioritized Product Sales and Overseas Sales

- Secure YoY increases in prioritized product and overseas sales

### Prioritized Product Sales



### Overseas Sales

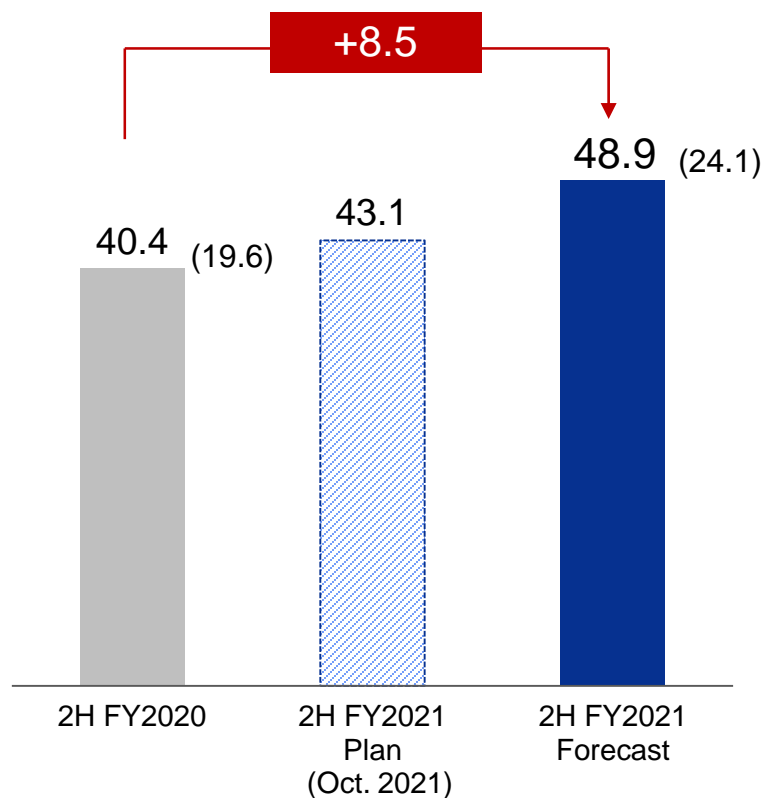


- Steady trends in diagnostics demand in both Japan and overseas; projecting substantial increases in sales and profit due to growth in US COVID-19 diagnostics kit demand
- Firm trends in the Pharmaceutical Science Business
- Work to strengthen development of genetic testing and other products

## Net Sales

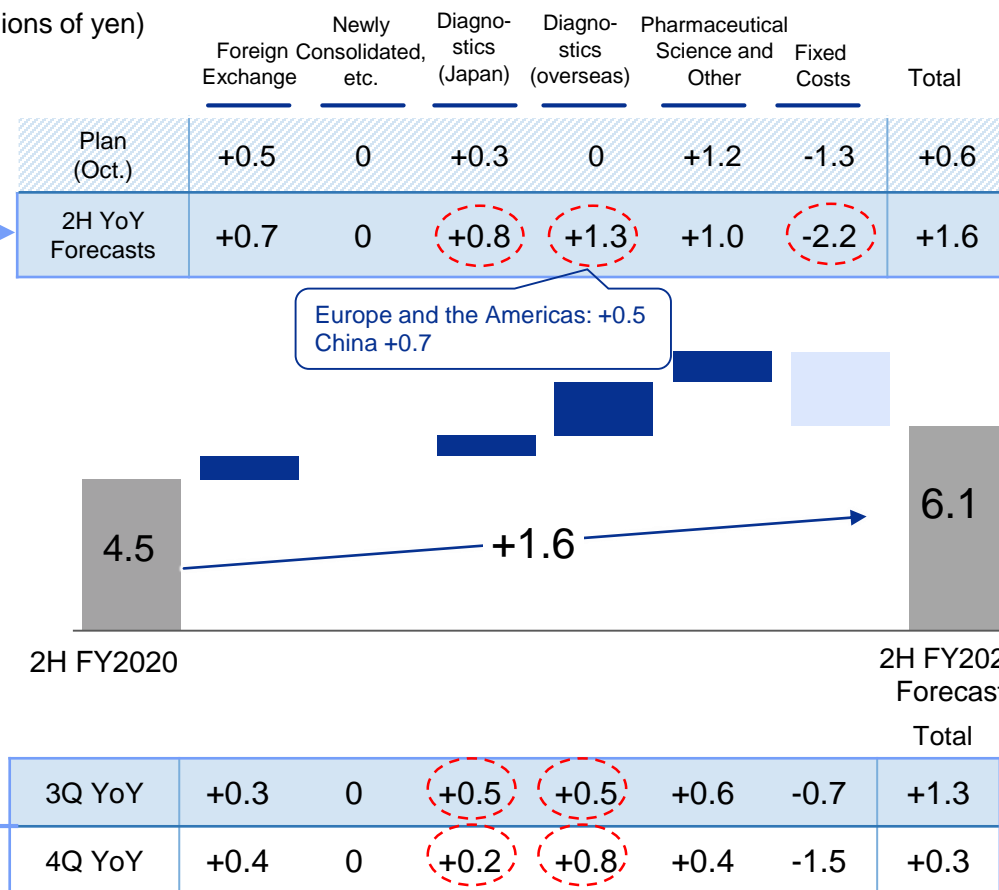
\* ( ) = 3Q Results

(Billions of yen)



## Analysis of Operating Income

(Billions of yen)

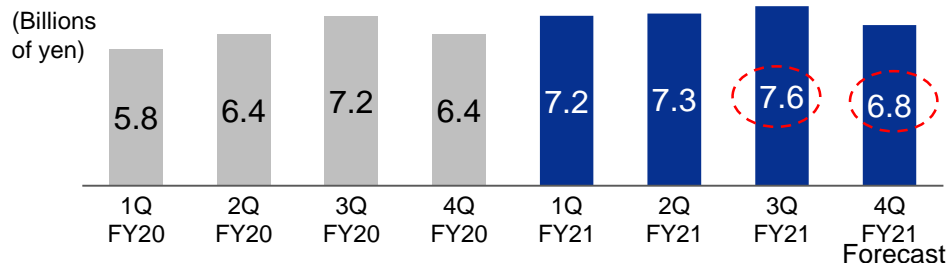


■ Projecting substantial increases in Diagnostics business sales, exceeding plans (Oct.) both in Japan and overseas; contributions from new pharmaceutical ingredients in the Pharmaceutical Sciences Business in line with plans

## Net Sales by Business and Overview of Progress

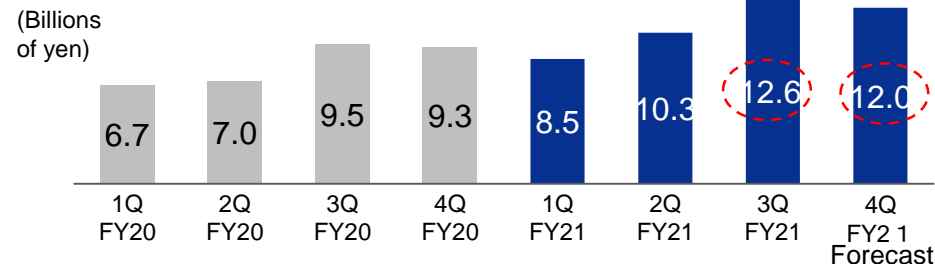
### Diagnostics (Japan)

- 3Q: Recovery in demand; progress exceeding plans
- 4Q: Projecting continued firm recovery in demand; focusing on expanding sales of blood coagulation equipment



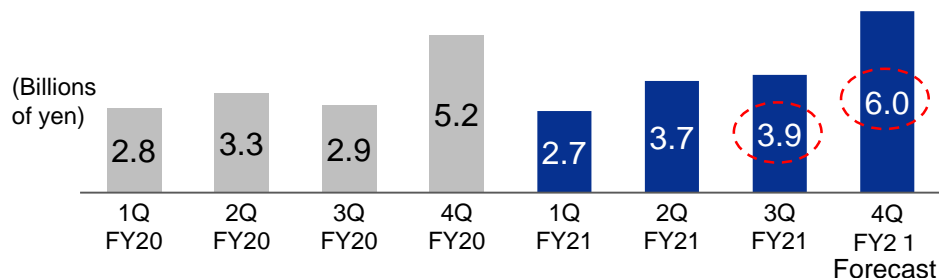
### Diagnostics (overseas)

- 3Q: Progress exceeding plans; COVID-19 diagnostics kit demand growth exceeding expectations in the US; substantial growth in blood coagulation reagent sales in China
- 4Q: Projecting a certain downturn in COVID-19 diagnostics kit demand



### Pharmaceutical Sciences (Pharmaceutical and Fine Chemicals, Drug Development Solutions, Enzymes)

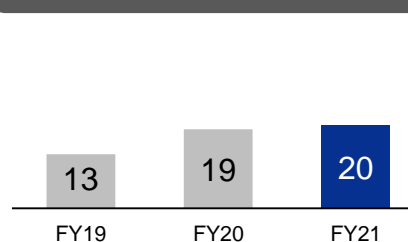
- Contributions to profit from new pharmaceutical ingredients in line with plans from the 4Q
- Robust orders in the Drug Development Solutions Business



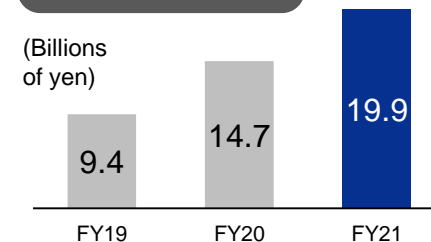
## Trends in New Product Development and Sales

- Completed application for proprietary COVID-19 diagnostics kits in the US; new coagulation equipment brought to the market in the 3Q

### Number of New Products Released



### New Product Sales





# Financial Results

## 3Q FY2021

# Consolidated Companies

## Number of Consolidated Companies

	Mar. 31, 2021	Dec. 31, 2021	Difference
Consolidated Subsidiaries	161	155	Increased: 0 Subsidiaries Decreased: 6 Subsidiaries* <sup>1</sup>
Affiliates (Equity Method)	8	8	Increased: 0 Subsidiaries Decreased: 0 Subsidiaries

\*<sup>1</sup> Muhan Co., Ltd., SEKISUI SYSTEMBATH (SHENYANG) CO.,LTD., SEKISUI CHEMICAL (THAILAND) CO., LTD., SEKISUI REFRESH CO., LTD., SEKISUI POLYMATECH (THAILAND) CO., LTD., Ainet Co., Ltd.

## Impact of Change in the Number of Consolidated Companies

(Billions of yen)	1-3Q FY2021 (YoY)	Difference
Net Sales	-5.8	Kyushu Sekisui Shoji Infratec Co., Ltd.* <sup>2</sup> , Partial business transfer* <sup>3</sup> , PT.SEKISUI TECHNO MOLDING INDONESIA* <sup>4</sup> , and other
Operating Income	0	

\*<sup>2</sup> Change in company name from SEKISUI HINOMARU CO., LTD. in April 2021

\*<sup>3</sup> Partial business transfer during the 2Q of FY2020

\*<sup>4</sup> Excluded from the scope of consolidation from the 4Q of FY2020

# Summary of Profit and Loss

		1-3Q FY2020	1-3Q FY2021	Difference	
(Billions of yen)					
Net Sales		756.4	838.7	+82.2	
Gross Profit		235.9	259.8	+23.9	
Gross Profit Margin		31.2%	31.0%	-0.2%	
Selling, Gen. and Admin. Expenses		196.1	202.3	+6.3	
Operating Income		39.9	57.5	+17.6	
Equity in Earnings of Affiliates		1.3	0.2	-1.1	Foreign exchange gain: +5.0
Other Non-operating Income and Expenses		-7.3	5.2	+12.5	
Ordinary Income		33.8	62.8	+29.0	Gain on sale of shares: +25.9
Extraordinary Income		-	25.9	+25.9	
Extraordinary Loss		3.2	51.1	+48.0	SEKISUI AEROSPACE CORPORATION Loss on impairment: +49.5 ▶ Goodwill: +37.4 ▶ Intangible assets: +12.1
Income before Income Taxes		30.7	37.6	6.9	
Corporate Income Tax, etc.		8.9	23.5	+14.6	
Net Income Attributable to Non-controlling Interests		1.1	1.3	+0.2	
Net Income Attributable to Owners of the Parent		20.7	12.7	-7.9	Tax-effect accounting not applied to loss on impairment of goodwill: +37.4
Foreign Exchange (Avg. rate)	1US\$	106 yen	111 yen		
	1€	122 yen	131 yen		

# Balance Sheets (Assets)

(Billions of yen)	Mar. 31, 2021	Dec. 31, 2021	Difference
Cash and Deposits	87.5	116.9	+29.5
Account Receivable on Sales	170.6	177.8	+7.2
Inventories	222.9	244.9	+22.0
Other Current Assets	24.6	34.4	+9.8
Tangible Non-current Assets	351.4	353.9	+2.5
Intangible Non-current Assets	97.6	46.2	-51.5
Investments in Securities	174.7	135.8	-38.8
Investments & Other Assets	20.9	25.3	+4.4
<b>Total Assets</b>	<b>1,150.1</b>	<b>1,135.2</b>	<b>-14.9</b>

Inventories (B/S item)	Dec. 31, 2021	Difference
Ready-built housing (products)	28.6	+1.3
Prepared land for subdivision housing	56.1	-2.6
Land under preparation (work in process)	9.9	-4.5
Housing under construction (work in process)	34.3	+11.0
Components, other (raw materials)	4.5	+1.0
Housing Total	133.5	+6.1
Non-residential total (products, other)	111.4	+15.9
Inventories Total	244.9	+22.0

SEKISUI AEROSPACE CORPORATION  
Loss on impairment: -49.5

Sales of share: -46.0  
At fair value: +7.6

Foreign exchange: +7.8  
▶ Actual basis: -22.7



# Balance Sheets (Liabilities & Net Assets)

(Billions of yen)	Mar. 31, 2021	Dec. 31, 2021	Difference	
Non-interest-bearing Liabilities	317.6	346.1	+28.5	
Interest-bearing Liabilities	138.2	121.3	-16.9	
(Net interest-bearing Liabilities)	(50.7)	(4.4)	(-46.4)	
Total Liabilities	455.8	467.4	+11.6	
Capital Stock etc.	209.0	209.0	0	
Retained Earnings	441.1	423.6	-17.5	Retirement of treasury stock +8.1
Treasury Stock	-43.4	-44.6	-1.2	Purchases of treasury stock -9.5
Unrealized Holding Gain on Securities	50.8	37.3	-13.5	Sales of shares -18.1
Non-controlling Interests	27.3	27.0	-0.3	Shares at fair value +5.3
Other Net Assets	9.6	15.4	+5.9	
Total Net Assets	694.4	667.8	-26.5	
Total Liabilities, Net Assets	1,150.1	1,135.2	-14.9	
Equity to Total Assets (%)	58.0%	56.4%	-1.6%	
D/E Ratio, Net	0.08	0.01	-0.07	

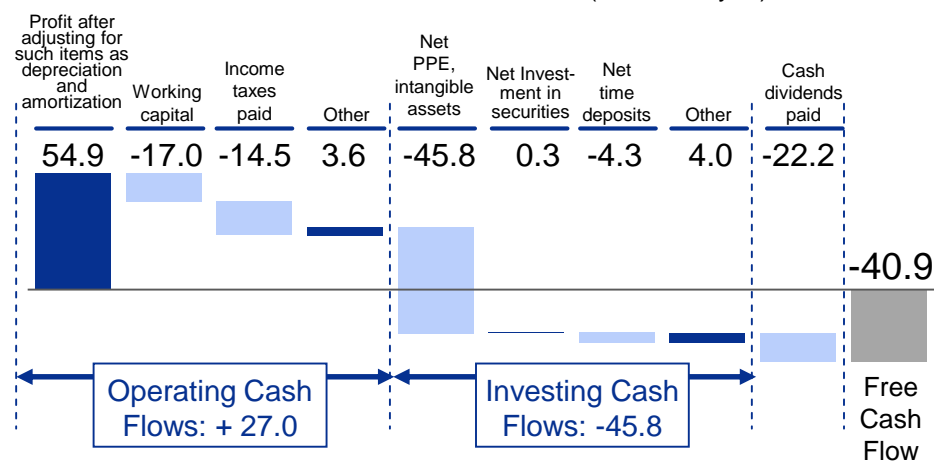
Net income	+12.7
Dividends paid	-21.5
Retirement of treasury stock	-8.1
Retirement of treasury stock	+8.1
Purchases of treasury stock	-9.5
Sales of shares	-18.1
Shares at fair value	+5.3

# Consolidated Cash Flows

(Billions of yen)	1-3Q FY2020	1-3Q FY2021
Operating Cash Flows	27.0	65.7
Investing Cash Flows	-45.8	17.6
Financing Cash Flows	20.9	-53.1
Net Increase in Cash and Cash Equivalents	3.8	31.2
Cash and Cash Equivalents at the End of Term	78.6	107.9
Free Cash Flow =Operating Cash Flows + Investing Cash Flows - Dividends Paid	-40.9	60.2

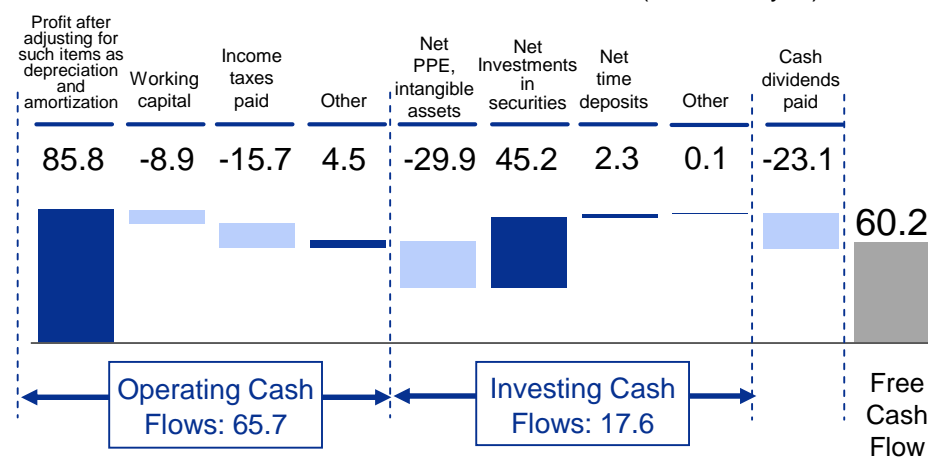
## 1-3Q FY2021 Free Cash Flow

(Billions of yen)



## 1-3Q FY2021 Free Cash Flow

(Billions of yen)

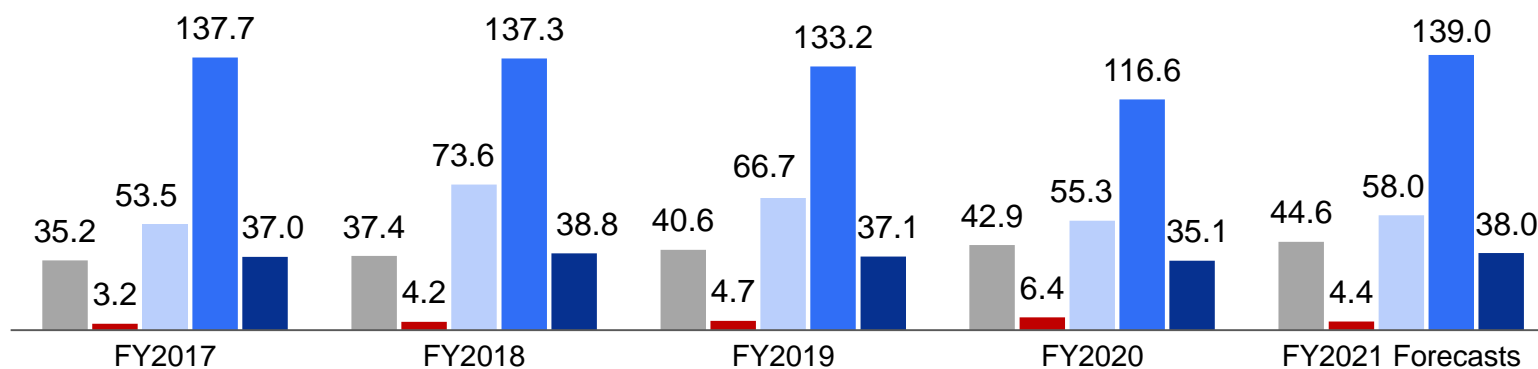


# Depreciation and Amortization, Capital Expenditures, Research and Development Expenditure

(Billions of yen)	1-3Q FY2020	1-3Q FY2021	Difference	FY2020	FY2021 Forecasts	Difference
Depreciation	31.8	32.8	+0.9	42.9	44.6	+1.7
Goodwill and Other Amortization	4.8	3.8	-1.0	6.4	4.4	-2.0
Capital Expenditures	43.0	35.2	-7.8	55.3	58.0	+2.7
EBITDA	76.5	94.0	+17.5	116.6	139.0 (Record-high)	+22.4
Research and Development Expenditure	25.9	27.0	+1.1	35.1	38.0	+2.9

## Depreciation and Amortization, Capital Expenditures, Research and Development Expenditure

(Billions of yen) ■ Depreciation ■ Goodwill and Other Amortization ■ Capital Expenditures ■ EBITDA ■ Research and Development



\*1 Depreciation does not include amortization of M&A intangible assets

\*2 Goodwill and Other Amortization = Goodwill amortization + Amortization of M&A intangible assets

\*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.

Note: In the case of numerical values denominated in billions of yen, numbers below a billion are rounded up or down to the nearest hundred million

# Housing Company Results and Plan

## 1. Main data in Housing business

		FY2021				FY2020				FY2019 Full Year
		1H	2H		Full Year Forecasts	1H	2H		Full Year	
			3Q	Forecasts			3Q			
CONSOLIDATED	Net Sales (Billions of yen)	249.8	123.3	269.2	519.0	230.6	113.9	254.6	485.3	512.9
	Housing	171.6	84.1	183.4	355.0	161.2	78.1	175.3	336.5	360.4
	Renovation	45.9	21.7	48.8	94.7	41.5	21.9	46.2	87.6	95.0
	Other	32.4	17.5	37.0	69.3	28.0	13.9	33.2	61.2	57.5
	Real estate	24.7	12.2	26.7	51.4	23.4	11.7	24.4	47.7	45.5
	Residential Services	3.8	2.0	4.2	7.9	3.7	1.9	4.1	7.8	7.9
	Town and Community Development	2.8	2.9	4.8	7.6	0.1	0.1	3.8	3.9	0.2
	Overseas	0.6	0.2	0.7	1.3	0.6	0.1	0.6	1.3	1.9
OTHERS	1.Number of houses sold (Housing units)	5,040	2,345	5,520	10,560	4,910	2,290	5,245	10,155	10,910
	Detached houses	4,830	2,270	5,175	10,005	4,645	2,210	4,910	9,555	10,200
	Housing/Rebuilding	4,075	1,960	4,355	8,430	4,085	1,935	4,250	8,335	9,215
	Ready-built houses	755	310	820	1,575	560	275	660	1,220	985
	Apartment buildings, other	210	75	345	555	265	80	335	600	710
	2. Main data									
	Prices <Sales subsidiaries: Detached houses>/ Unit (Millions of yen)	31.6	32.5	-	-	31.5	31.6	31.1	31.3	31.5
	Prices <Sales subsidiaries: Detached houses>/ Tsubo (3.3 Square meter)(Thousands of yen)	895	911	-	-	878	886	881	879	868
	Floor space <Sales subsidiaries: Detached houses> (Square meter)	116.4	117.9	-	-	118.4	117.7	116.3	117.4	119.7
	Exhibition places (Units)	435	-	431	431	439	-	441	441	446
Sales staff (Number of person)	2,533	2,441	2,380	2,380	2,612	2,529	2,451	2,451	2,487	

# Housing Company Results and Plan

## 2. Housing orders

		FY2021				FY2020				FY2019			
		1H	3Q	2H Forecasts	Full Year Forecasts	1H	3Q	2H	Full Year	1H	3Q	2H	Full Year
(Millions of yen)													
New construction Renovation	Year-start Backlog	184,800	192,500	192,500	-	205,400	194,500	194,500	-	219,500	217,320	217,320	-
	Growth Rate	-10%	-1%	-1%	-	-6%	-11%	-11%	-	+6%	+2%	+2%	-
	New Orders	200,607	94,491	199,821	400,428	175,319	91,265	190,806	366,125	203,590	93,241	193,472	397,062
	Growth Rate	+14%	+4%	+5%	+9%	-14%	-2%	-1%	-8%	-1%	-6%	-11%	-6%
	Sales of Housing/Renovation	192,907	93,491	210,121	403,028	186,219	90,065	200,506	386,725	205,770	88,861	205,392	411,162
	Growth Rate	+4%	+4%	+5%	+4%	-10%	+1%	-2%	-6%	+3%	+1%	-3%	±0%
	End-balance	192,500	193,500	182,200	-	194,500	195,700	184,800	-	217,320	221,700	205,400	-
Growth Rate	-1%	-1%	-1%	-	-11%	-12%	-10%	-	+2%	-2%	-6%	-	

## 3. Housing starts

		FY2021				FY2020				FY2019
		1H	3Q	2H Forecasts	Full Year Forecasts	1H	3Q	2H	Full Year	
(Units)										
Housing starts		445,674	226,818	420,326	866,000	414,039	207,126	398,125	812,164	883,687
Privately-owned houses + Houses for sale starts (included in above) =A		220,321	114,982	212,052	432,373	195,340	103,176	197,108	392,448	429,492
Detached house sales by our company=B (Unit base)		4,830	2,270	5,175	10,005	4,645	2,210	4,910	9,555	10,200
Our share in Detached houses=B/A		2.2%	2.0%	2.4%	2.3%	2.4%	2.1%	2.5%	2.4%	2.4%

\*\*Housing starts" and "Privately-owned houses" after 3Q of FY2021 are based on forecasts

## 4. The ratio of houses equipped with smart specifications

		FY2021				FY2020				FY2019
		1H	3Q	2H Forecasts	Full Year Forecasts	1H	3Q	2H	Full Year	
Solar power generation systems installed		83%	83%	84%	84%	79%	78%	80%	80%	77%
Storage battery installed		69%	72%	73%	71%	60%	61%	64%	62%	55%
Comfortable Air System		72%	70%	70%	71%	72%	74%	75%	73%	77%