

**Loadstar Capital K.K.**  
**Consolidated Financial Results for the**  
**Fiscal year ended December 31, 2018 (Japanese GAAP)**

February 8, 2019

Stock listing: Tokyo Stock Exchange Securities code: 3482  
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(Amounts rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Fiscal year ended December 31, 2018 (January 1, 2018 to December 31, 2018)**

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended December 31, 2018	9,670	10.0	2,392	75.3	2,117	78.0	1,359	71.2
Fiscal year ended December 31, 2017	8,794	88.7	1,364	81.9	1,189	69.1	794	69.5

Note: Comprehensive income: Fiscal year ended December 31, 2018: ¥1,359 million, 66.6%  
 Fiscal year ended December 31, 2017: ¥815 million, 73.7%

	Earnings per share	Diluted earnings per share	ROE	Ordinary profit on Total assets	Operating profit on Net sales
	yen	yen	%	%	%
Fiscal year ended December 31, 2018	64.93	63.49	26.0	7.7	24.7
Fiscal year ended December 31, 2017	44.33	42.73	23.6	6.6	15.5

Note: Income on equity method investments: Fiscal year ended December 31, 2018: -  
 Fiscal year ended December 31, 2017: -

- Notes: 1. Based on the decision made at the Board of Directors meeting held on October 30, 2018, the Company conducted a 2-for-1 stock split on November 30, 2018. Earnings per share was calculated assuming that the stock split took effect at the beginning of the fiscal year ended December 31, 2017 (January 1, 2017).  
 2. Debuting on the Tokyo Stock Exchange's Mothers market on September 28, 2017, the Company calculated diluted profit per share based on the average market price of shares over the period from the first day of listing to the end of the FY2017 (December 31, 2017), which is deemed as the year-to-date average share price.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	million yen	million yen	%	yen
December 31, 2018	33,028	5,880	17.8	277.03
December 31, 2017	21,979	4,557	20.7	218.08

Reference: Total equity: December 31, 2018: ¥5,879 million, December 31, 2017: ¥4,557 million

- Notes: 1. Based on the decision made at the Board of Directors meeting held on October 30, 2018, the Company conducted a 2-for-1 stock split on November 30, 2018. Earnings per share was calculated assuming that the stock split took effect at the beginning of the fiscal year ended December 31, 2017 (January 1, 2017).

(3) Consolidated Statement of Cash Flows

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
December 31, 2018	△4,462	△153	5,872	5,871
December 31, 2017	△777	△2	4,126	4,615

2. Dividends

	Dividend per share					Total amount of dividends	Payout ratio (Consolidated)	Ratio of dividend to equity attributable to owners of the parent (Consolidated)
	End-Q1	End-Q2	End-Q3	Year-end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
FY2017	-	-	-	5.50	5.50	114	14.5	3.4
FY2018	-	-	-	9.50	9.50	201	14.8	3.9
FY2019 (forecast)	-	-	-	11.50	11.50		14.7	

Notes: Based on the decision made at the Board of Directors meeting held on October 30, 2018, the Company conducted a 2-for-1 stock split on November 30, 2018. Dividends was calculated assuming that the stock split took effect at the beginning of the fiscal year ended December 31, 2017 (January 1, 2017).

3. Forecast for the FY2019 (January 1, 2019 to December 31, 2019)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	13,487	39.5	3,137	31.1	2,777	31.2	1,659	22.1	78.17

\*Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries causing changes in scope of consolidation): None
- (2) Adoption of simplified accounting methods and special accounting practices to preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
- 1) Changes in accordance with revisions to accounting and other standards: Applicable
  - 2) Changes other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Number of shares issued (common stock)

	December 31, 2018	December 31, 2017
1) Number of shares issued (including treasury stock)	21,224,000	10,448,000
2) Number of shares held in treasury	112	-
	Fiscal year ended December 31, 2018	Fiscal year ended December 31, 2017
3) Average number of shares outstanding during the period	20,937,060	8,957,726

[For Reference] Overview of Non-consolidated Results

**Non-consolidated Results for the Fiscal year ended December 31, 2018 (January 1, 2018 to December 31, 2018)**

(1) Non-consolidated Operations Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended December 31, 2018	9,456	8.3	2,177	68.1	1,851	71.2	1,300	69.3
Fiscal year ended December 31, 2017	8,729	87.6	1,295	74.6	1,081	59.0	767	64.6

	Earnings per share	Diluted earnings per share
	yen	yen
Fiscal year ended December 31, 2018	62.10	60.73
Fiscal year ended December 31, 2017	42.86	41.32

- Notes: 1. Based on the decision made at the Board of Directors meeting held on October 30, 2018, the Company conducted a 2-for-1 stock split on November 30, 2018. Earnings per share was calculated assuming that the stock split took effect at the beginning of the fiscal year ended December 31, 2017 (January 1, 2017).
2. Debuting on the Tokyo Stock Exchange's Mothers market on September 28, 2017, the Company calculated diluted profit per share based on the average market price of shares over the period from the first day of listing to the end of the FY2017 (December 31, 2017), which is deemed as the year-to-date average share price.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	million yen	million yen	%	yen
December 31, 2018	27,485	5,792	21.1	272.85
December 31, 2017	19,743	4,527	22.9	216.67

Reference: Total equity: December 31, 2018: ¥5,790 million, December 31, 2017: ¥4,527 million

- Notes: 1. Based on the decision made at the Board of Directors meeting held on October 30, 2018, the Company conducted a 2-for-1 stock split on November 30, 2018. Earnings per share was calculated assuming that the stock split took effect at the beginning of the fiscal year ended December 31, 2017 (January 1, 2017).

\*This report is exempt from the audit.

\*Appropriate Use of Forecasts and Other Important Information

The above forecasts, which constitute forward-looking statements, are based on information available to the Company as of the date of the release of this document. Loadstar Capital makes no assurances as to the actual results, which may differ materially from the above forecasts due to a range of factors. For information related to the forecast, please refer to "(3) Forecasts on operating performance" on page 2 in section "1. Qualitative Information Regarding Financial Results" in the Appendix.

In addition, the Company has scheduled to hold the earnings briefing on February 12, 2019 for institutional investors and analysts. The presentation materials for the earnings briefing will be posted on the Company's website later.

## Appendix

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## 1. Qualitative Information Regarding Financial Results

### (1) Summary of operating performance

In 2018, the Japanese economy was solid, driven by strong personal consumption due to improvement in the labor market and income environment in conjunction with strong corporate earnings. Meanwhile, the impact on the global economy from developments including the U.S. Federal Reserve Board's interest rate hikes, trade friction between the U.S. and China, and uncertainty in the EU including the Brexit issue, need to be watched closely.

In the real estate and real estate finance sectors, to which the Group belongs, particularly in the B to B office real estate market, the financing environment is favorable due to the Bank of Japan maintaining its monetary easing policy, and financial institutions have continued to proactively lend while the appetite for acquiring properties remains robust. According to Miki Shoji Co., Ltd.'s latest office building market data (for December 2018), the vacancy rate for existing office buildings in Tokyo's five central wards (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, and Shibuya-ku) remains low at 1.88%, while the average rent is ¥20,887 per tsubo, and has been rising for 60 consecutive months.

Meanwhile, according to Yano Research Institute Ltd.'s "Crowdfunding Market in Japan: Key Research Findings 2018" webpage (published on December 3, 2018) (URL: [https://www.yano.co.jp/press-release/show/press\\_id/2036](https://www.yano.co.jp/press-release/show/press_id/2036)), the domestic crowdfunding market is expanding at a high growth rate, as the market size in fiscal 2018 is projected to have been ¥204.4 billion, representing a 20.3% increase versus the previous year.

In this environment, in the Corporate Funding Business, we increased the assets held on our balance sheet by investing in mid-size office buildings ranging in price from roughly several hundred million yen to approximately three billion yen in central Tokyo, our core market. In the real estate Crowdfunding Business, in which we lend to companies which hold real estate, the number of investor members and the cumulative investment amount both increased.

As a result of these activities, net sales in the Fiscal year ended December 31, 2018, totaled ¥9,670 million (up 10.0% compared with the previous fiscal 2017), operating profit was ¥2,392 million (up 75.3%), ordinary profit was ¥2,117 million (up 78.0%), and profit attributable to owners of the parent amounted to ¥1,359 million (up 71.2%).

Overviews of operating performance by key services are as follows. Because the Group has a single segment, information is categorized by service rather than by segment.

#### (a) Corporate Funding Business

##### 1) Real estate investment

Real estate investment sales totaled ¥8,214 million (up 5.8%), due to the sale of nine properties.

##### 2) Real estate leasing

Although nine properties were sold as mentioned above, eleven new properties were acquired, resulting in real estate leasing sales of ¥1,234 million (up 27.9%).

#### (b) Crowdfunding Business

Sales in the Crowdfunding Business totaled ¥220 million (up 239.5%), due to the fact that operating loans increased to ¥3,340 million (up 186.1%).

#### (c) Other

The total was ¥0 million (down 25.8%) due to administrative fee revenue, etc.

## (2) Financial Position

### (Assets)

As of December 31, 2018, total assets were ¥33,028 million (up 50.3% compared with the end of fiscal 2017). This was mainly due to the acquisition of real estate as inventory and the increase of operating loans receivable.

### (Liabilities)

As of December 31, 2018, total liabilities were ¥27,147 million (up 55.8%). This was mainly due to the increase in both loans payable and deposits received from silent partnership.

### (Net Assets)

As of December 31, 2018, net assets were ¥5,880 million (up 29.0%). This was mainly due to the increase in retained earnings resulting from profit attributable to owners of the parent, and the decline in retained earnings due to dividends.

## (3) Overview of Cash flows

As of December 31, 2018, the outstanding balance of cash and cash equivalents (hereinafter, "cash") was ¥5,871 million, an increase of ¥1,256 million from December 31, 2017.

The cash flows during the fiscal year ended December 31, 2018, and the factors behind these cash flows, are discussed below.

### (Cash flows from operating activities)

Net cash used in operating activities was ¥4,462 million. The main sources of operating cash flow were ¥1,928 million from profit before income taxes, and a ¥3,369 million increase in deposits received from silent partnership, resulting in an increase of ¥3,094 million. On the other hand, major uses of operating cash flow included a ¥7,556 million increase in Real estate as inventory resulting from steady up-front investment mainly focused on property acquisitions.

### (Cash flows from investment activities)

Net cash used in investment activities was ¥153 million. This was mainly due to ¥73 million in expenditure to purchase property, plant and equipment, ¥13 million in expenditure to purchase investment securities, and ¥60 million in expenditure to pledge security and guarantee deposits.

### (Cash flows from financing activities)

Net cash provided by financing activities was ¥5,872 million yen. This was mainly due to proceeds of ¥10,470 million from long-term borrowings, repayments of ¥4,561 million from long-term borrowings, and a ¥114 million in outflow due to the payment of dividends, and other factors.

	Fiscal year ended December 31, 2015	Fiscal year ended December 31, 2016	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018
Equity-to-asset ratio	25.9	15.3	20.7	17.8
Equity-to-asset ratio on a market capitalization basis	-	-	71.4	48.2

### (Notes)

1. The above indicators have been calculated based on the following formulas, using consolidated financial figures for each.

Equity-to-asset ratio: Total equity / Total assets

Equity-to-asset ratio on a market capitalization basis: Market capitalization / Total assets

2. The equity-to-asset ratio on a market capitalization basis for the fiscal year ended December 31, 2015, and the fiscal year ended December 31, 2016, have been omitted due to the fact that the Company's shares were not listed at the time.

## (4) Future Outlook

We expect the real estate and real estate finance sectors, to which the Group belongs, to remain firm going forward in light of the favorable financing environment, but we will also keep a close watch on moves made by the Bank of Japan and the Financial Services Agency, as well as the global situation. Amid this type of environment, we will aim to increase the amount of real estate assets held and build a stable management base, as well as increase the ratio of stable profits by bolstering the Crowdfunding Business. For the upcoming fiscal year (the fiscal year ending December 31, 2019), we are forecasting consolidated net sales of ¥13,487 million, consolidated operating profit of ¥3,137 million, consolidated

ordinary profit of ¥2,777 million, and consolidated profit attributable to owners of parent of ¥1,659 million.

## **2. Basic Rationale for Selecting Accounting Standards**

The Group plans to continue to use Japanese accounting standards in the near term, as doing so allows for comparison with other domestic companies in the industry. Going forward, the Group will address the issue of the possible adoption of IFRS (International Financial Reporting Standards) as appropriate, taking into consideration the situation both in Japan and overseas.



### 3. Consolidated Financial Statements and Notes

#### (1) Consolidated Financial Position

(Millions of yen)

	As of December 31, 2017	As of December 31, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	4,615	5,871
Operating loans	1,167	3,340
Real estate as inventory	15,987	23,194
Deferred tax assets	14	28
Other	64	350
Total current assets	21,849	32,785
Non-current assets		
Property, plant and equipment	5	71
Intangible assets	11	8
Investments and other assets	112	162
Total non-current assets	130	242
Total assets	21,979	33,028
<b>Liabilities</b>		
Current liabilities		
Short-term loans	50	50
Current portion of long-term loans	452	4,365
Income taxes payable	255	454
Other	347	488
Total current liabilities	1,105	5,359
Non-current liabilities		
Long-term loans	12,757	14,751
Deposits received from silent partnership	2,989	6,358
Other	569	677
Total non-current liabilities	16,316	21,787
Total liabilities	17,421	27,147
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,330	1,369
Capital surplus	1,320	1,359
Retained earnings	1,905	3,150
Treasury shares	-	(0)
Total shareholders' equity	4,557	5,879
Stock acquisition rights to shares	0	1
Total net assets	4,557	5,880
Total liabilities and net assets	21,979	33,028

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018
Net sales	8,794	9,670
Cost of sales	6,837	6,401
Gross profit	1,957	3,269
Selling, general and administrative expenses	592	876
Operating profit	1,364	2,392
Non-operating income		
Penalty Charges	-	3
Insurance income	13	3
Consumption tax differences	3	6
Other	0	1
Total non-operating income	16	14
Non-operating expenses		
Interest expenses	132	187
Loss on valuation of derivatives	25	25
Commission fee	23	76
Other	10	0
Total non-operating expenses	191	289
Ordinary profit	1,189	2,117
Extraordinary losses		
Head office transfer cost	-	14
Total extraordinary losses	-	14
Profit before dividend distribution from silent partnerships and income taxes	1,189	2,102
Dividends distribution from silent partnership	66	174
Profit before income taxes	1,123	1,928
Income taxes - current	337	595
Income taxes - deferred	△8	△26
Total income taxes	328	569
Profit	794	1,359
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of the parent	794	1,359

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018
Profit	794	1,359
Other comprehensive income		
Deferred gains or losses on hedges	21	-
Total other comprehensive income	21	-
Comprehensive income	815	1,359
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	815	1,359
Comprehensive income attributable to non- controlling interests	-	-

(3) Consolidated Statements of Changes in Net Assets  
Year ended December 31, 2017 (January 1, 2017 to December 31, 2017)

(Millions of yen)

	Shareholders' Equity			
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	549	539	1,111	2,200
Changes during period				
Issuance of new shares	781	781	-	1,562
Profit attributable to owners of the parent	-	-	794	794
Net changes of items other than shareholders' equity	-	-	-	-
Total changes during period	781	781	794	2,356
Balance at end of period	1,330	1,320	1,905	4,557

	Accumulated other comprehensive income		Stock acquisition rights to shares	Total net assets
	Deferred gains or losses on hedges	Total accumulated other comprehensive income		
Balance at beginning of period	(21)	(21)	0	2,180
Changes during period				
Issuance of new shares	-	-	-	1,562
Profit attributable to owners of the parent	-	-	-	794
Net changes of items other than shareholders' equity	21	21	(0)	21
Total changes during period	21	21	(0)	2,377
Balance at end of period	-	-	0	4,557

Year ended December 31, 2018 (January 1, 2018 to December 31, 2018)

(Millions of yen)

	Shareholders' Equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,330	1,320	1,905	-	4,557
Changes during period					
Issuance of new shares	39	39	-	-	78
Dividends of surplus	-	-	(114)	-	(114)
Purchase of treasury shares	-	-	-	(0)	(0)
Profit attributable to owners of the parent	-	-	1,359	-	1,359
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes during period	39	39	1,244	(0)	1,322
Balance at end of period	1,369	1,359	3,150	(0)	5,879

	Stock acquisition rights to shares	Total net assets
Balance at beginning of period	0	4,557
Changes during period		
Issuance of new shares	-	78
Dividends of surplus	-	(114)
Purchase of treasury shares		
Profit attributable to owners of the parent	-	1,359
Net changes of items other than shareholders' equity	0	0
Total changes during period	0	1,323
Balance at end of period	1	5,880

## (4) Consolidated Statement of Cash Flows

(Millions of yen)

	Year ended December 31, 2017	Year ended December 31, 2018
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,123	1,928
Depreciation and amortization	261	361
Interest and dividends income	(0)	(0)
Insurance income	(13)	(3)
Interest expenses	132	187
Decrease (increase) in operating loans receivable	(932)	(2,172)
Decrease (increase) in Real estate as inventory	(3,853)	(7,556)
Increase (decrease) in deposits received from silent partnership	2,231	3,369
Increase (decrease) in accounts payable-other and accrued expenses	77	2
Decrease/increase in consumption taxes receivable/payable	350	(386)
Increase (decrease) in guarantee deposits received	107	82
Other	44	306
Subtotal	(471)	(3,881)
Interest and dividends income received	0	0
Interest expenses paid	(132)	(187)
Income taxes paid	(187)	(397)
Proceeds from insurance income	13	3
Net cash provided by (used in) operating activities	(777)	(4,462)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(0)	(73)
Purchase of intangible assets	(3)	(0)
Purchase of investment securities	-	(13)
Payments for lease and guarantee deposits	(1)	(60)
Other	2	(4)
Net cash provided by (used in) investing activities	(2)	(153)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(52)	-
Proceeds from long-term loans payable	8,109	10,470
Repayment of long-term loans payable	(5,483)	(4,561)
Proceeds from issuance of common stock	1,552	77
Cash dividends paid	-	(114)
Other	-	1
Net cash provided by (used in) financing activities	4,126	5,872
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	3,345	1,256
Cash and cash equivalents at beginning of period	1,269	4,615
Cash and cash equivalents at end of period	4,615	5,871

(5) Notes to quarterly consolidated financial statements

(Note on the going-concern assumption)

Not applicable

(Changes in accounting policies)

(Application of Practical Solution on Transactions Granting Employees and Others Stock Acquisition Rights, which Involve Considerations, with Vesting Conditions, etc.)

Starting on and after April 1, 2018, the Company has applied Practical Solution on Transactions Granting Employees and Others Stock Acquisition Rights, which Involve Considerations, with Vesting Conditions, etc. (PITF No. 36, January 12, 2018, "PITF No. 36.") and its relevant guidance, and accounts for transactions granting employees and others stock acquisition rights, which involve considerations, with vesting conditions, in accordance with the Accounting Standard for Share-based Payment (ASBJ Statement No. 8, December 27, 2005) and its relevant guidance.

However, with regard to the application of PITF No. 36, in accordance with the transitional treatment provided in Paragraph 10 (3) of PITF No. 36, transactions granting employees and others stock acquisition rights, which involve considerations, with vesting conditions that have been granted prior to the application of PITF No. 36 continue to be accounted for using the previous method.

(Segment and other information)

【Segment information】

Year ended December 31, 2017 (January 1, 2017 to December 31, 2017)

Segment information is omitted here, as all operations of the Group belong to a single segment of real estate related business.

Year ended December 31, 2018 (January 1, 2018 to December 31, 2018)

Segment information is omitted here, as all operations of the Group belong to a single segment of real estate related business.

【Related information】

Year ended December 31, 2017 (January 1, 2017 to December 31, 2017)

(1) Information by product and service

(Millions of yen)

	Corporate Funding (real estate investment)	Corporate Funding (real estate leasing)	Crowdfunding	Other	Total
Sales to outside customers	7,762	965	65	1	8,794

(2) Information by geographic area

1) Net sales

Information is omitted here, as sales to outside customers in Japan exceeds 90% of the total net sales in the consolidated statements of income.

2) Property, plant and equipment

Information is omitted here, as property, plant and equipment held in Japan exceeds 90% of the total property, plant and equipment in the consolidated balance sheets.

(3) Information by major customer

(Millions of yen)

Name of customer	Net sales	Segment
Yunuo International Inc.	1,452	Real estate related business
Sun Frontier Fudousan Co., Ltd.	1,165	Real estate related business
List Development Co., Ltd.	1,152	Real estate related business
NIHON MATERIAL Co., Ltd.	1,150	Real estate related business
Individual investors	953	Real estate related business

Year ended December 31, 2018 (January 1, 2018 to December 31, 2018)

(1) Information by product and service

(Millions of yen)

	Corporate Funding (real estate investment)	Corporate Funding (real estate leasing)	Crowdfunding	Other	Total
Sales to outside customers	8,214	1,234	220	0	9,670

(2) Information by geographic area

1) Net sales

Information is omitted here, as sales to outside customers in Japan exceeds 90% of the total net sales in the consolidated statements of income.

2) Property, plant and equipment

Information is omitted here, as property, plant and equipment held in Japan exceeds 90% of the total property, plant and equipment in the consolidated balance sheets.

(3) Information by major customer

(Millions of yen)

Name of customer	Net sales	Segment
MetLife Insurance K.K.	2,350	Real estate related business
NIPPON REIT Investment Corporation	1,460	Real estate related business
Broadia Private REIT, Inc.	1,150	Real estate related business



(Per Share Information)

	Year ended December 31, 2017 (January 1, 2017 to December 31, 2017)	Year ended December 31, 2018 (January 1, 2018 to December 31, 2018)
Net assets per share	218.08 yen	277.03 yen
Earnings per share	44.33 yen	64.93 yen
Diluted earnings per share	42.73 yen	63.49 yen

- Notes: 1. Based on the decision made at the Board of Directors meeting held on October 30, 2018, the Company conducted a 2-for-1 stock split on November 30, 2018. Earnings per share was calculated assuming that the stock split took effect at the beginning of the fiscal year ended December 31, 2017 (January 1, 2017).
2. Debuting on the Tokyo Stock Exchange's Mothers market on September 28, 2017, the Company calculated diluted profit per share based on the average market price of shares over the period from the first day of listing to the end of the FY2017 (December 31, 2017), which is deemed as the year-to-date average share price.
3. Earnings per share and diluted earnings per share were calculated based on the following data.

	Year ended December 31, 2017 (January 1, 2017 to December 31, 2017)	Year ended December 31, 2018 (January 1, 2018 to December 31, 2018)
Earnings per share		
Profit attributable to owners of the parent (millions of yen)	794	1,359
Amount not attributable to common stock shareholders (millions of yen)	-	-
Profit attributable to common stock shareholders of the parent (millions of yen)	794	1,359
Average number of common stock during period (shares)	17,915,452	20,937,060
Diluted earnings per share		
Adjustments to profit attributable to owners of the parent (millions of yen)	-	-
Increase in the number of common stock (shares)	669,269	473,299
Residual securities that are not dilutive and not included in the calculation for earnings per share	-	The number of stock acquisition rights to shares:150 (common shares:150,000)

(Material subsequent events)

Not applicable