

# Fact Book 2018

24th term (January 1 - December 31, 2018)

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## (Consolidated) Main financial data over 5 years

(Units: million yen)

	20th term Ending Dec. 2014	21st term Ending Dec. 2015	22nd term Ending Dec. 2016	23rd term Ending Dec. 2017	24th term Ending Dec. 2018
<b>Fiscal year</b>					
Sales	18,842	27,705	34,347	44,724	54,325
Gross profit	4,893	6,690	8,852	11,559	16,927
Operating income	2,815	4,012	4,680	7,042	11,561
Ordinary income	2,075	3,126	3,575	5,988	10,498
Net income attributable to parent	2,411	3,039	3,936	5,456	7,226
Cash flow from business activities	△1,803	△3,877	△14,684	△10,694	△7,123
Cash flow from investment activities	△1,041	61	7,656	9,167	223
Cash flow from financial activities	3,368	3,683	11,003	3,979	12,818
Information per share (yen)					
Net income	34.59	44.65	58.76	81.77	105.98
Diluted net income per share	34	44.50	57.41	79.81	105.48
Net assets	169.05	208.28	259.07	315.14	400.47
Dividend amount	3	8	15	18	32
<b>End of fiscal year</b>					
Total assets	50,141	58,088	73,703	86,435	109,747
Net assets	11,656	13,994	17,363	21,433	27,359
Cash and deposits	4,733	4,516	8,204	10,667	16,598
Real estate for sale	5,054	4,744	6,103	4,162	15,308
Real estate for sale in process	12,698	22,676	39,319	60,057	65,890
Interest-bearing liabilities	35,430	39,739	51,177	56,544	70,661
Total no. of employees	71	106	125	158	181
<b>Main management indicators</b>					
Operating profit margin ratio (%)	14.9	14.5	13.6	15.7	21.3
Interest coverage ratio <sup>*1</sup> (fold)	-	-	-	-	-
ROA <sup>*2</sup> (%)	5.1	5.6	6.0	6.8	7.4
ROE <sup>*3</sup> (%)	22.7	23.7	25.1	28.1	29.6
ROIC <sup>*4</sup> (%)	7	7.2	6.5	8.4	10.2
Dividend payout ratio (%)	8.7	17.9	25.5	22.0	30.2
Debt-to-equity ratio (%)	70.7	68.4	69.4	65.4	64.4
Capital adequacy ratio (%)	23.2	24.1	23.6	24.8	24.9
Total return ratio <sup>*5</sup> (%)	21	30.2	36.8	30.9	30.2

\*1 Interest coverage ratio= operating cash flow/interest payment

\*2 ROA: Return on assets

\*3 ROE: Return on equity

\*4 ROIC: Return on invested capital= operating profit after tax/(shareholders'equity+ interest-bearing liabilities)

\*5 Total return ratio= (total dividends+ total share buyback amount) / net income

\* 1,405,400 shares of treasury stock were acquired between November 17 and 18, 2014 (total share buyback amount: 299 million yen)  
(Number of treasury stock retained as of end of December 2014: 1,413,500 shares)

\* 1,138,900 shares of treasury stock were acquired between September 14 and October 7, 2015 (total share buyback amount:  
319 million yen). (Number of treasury stock retained as of end of December 2015: 2,552,400 shares)

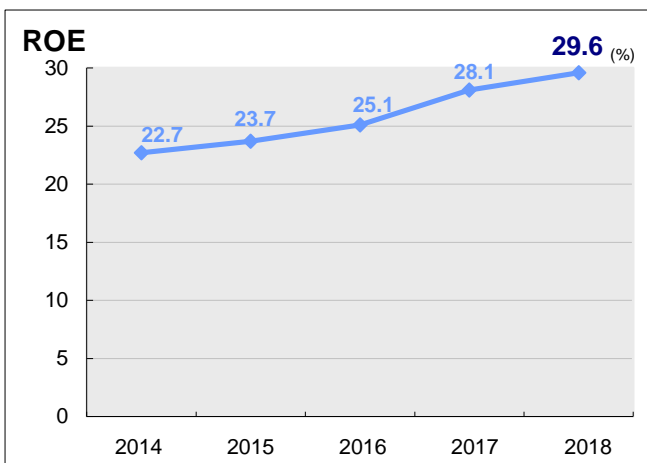
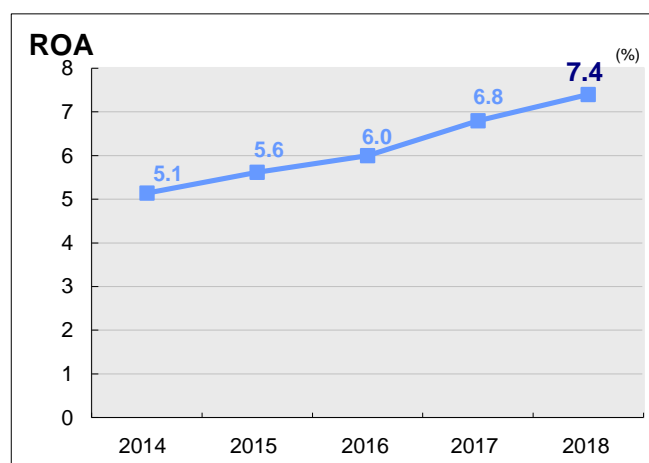
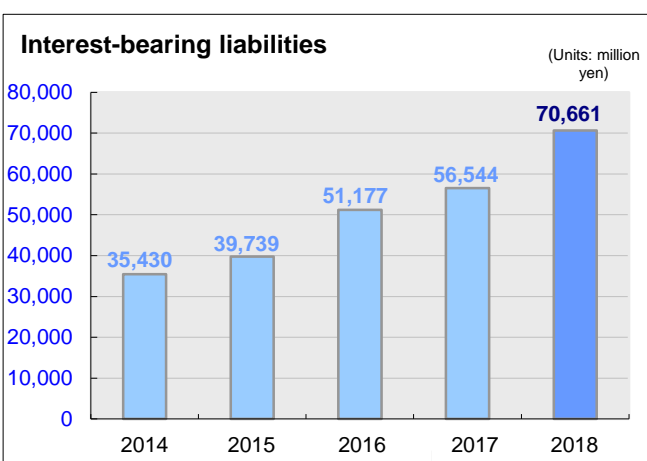
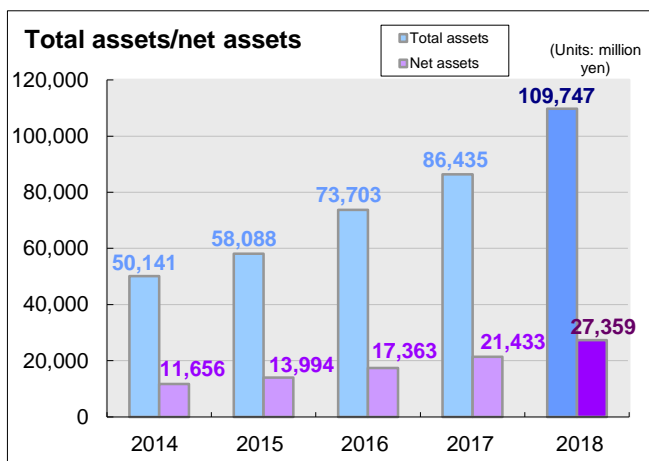
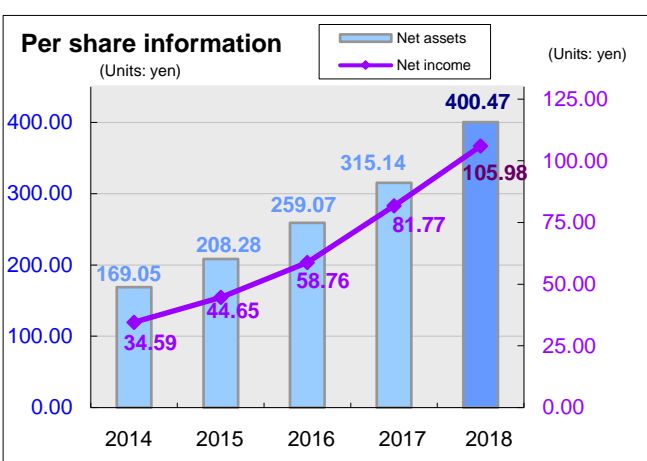
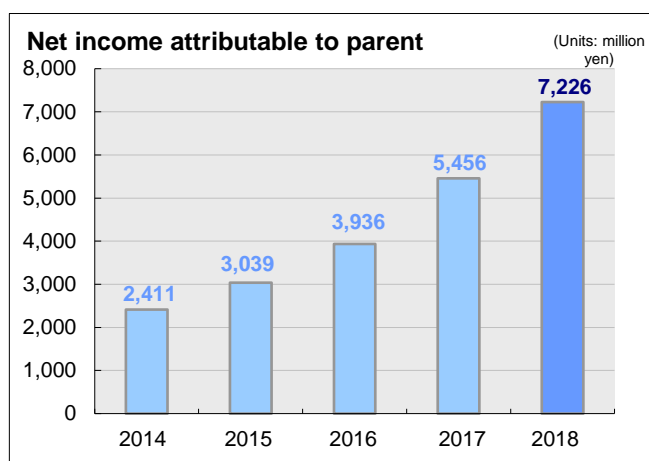
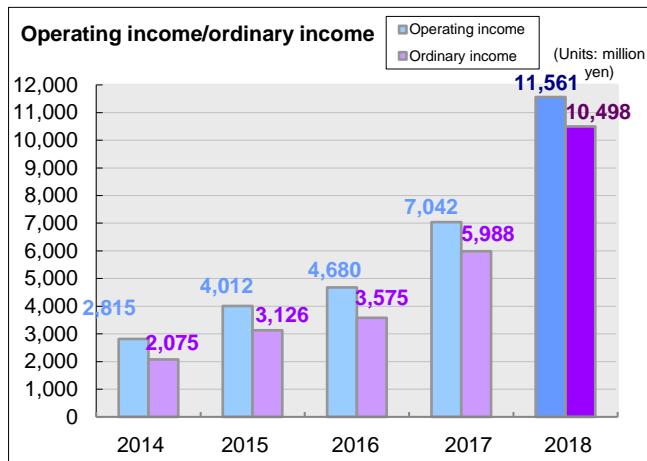
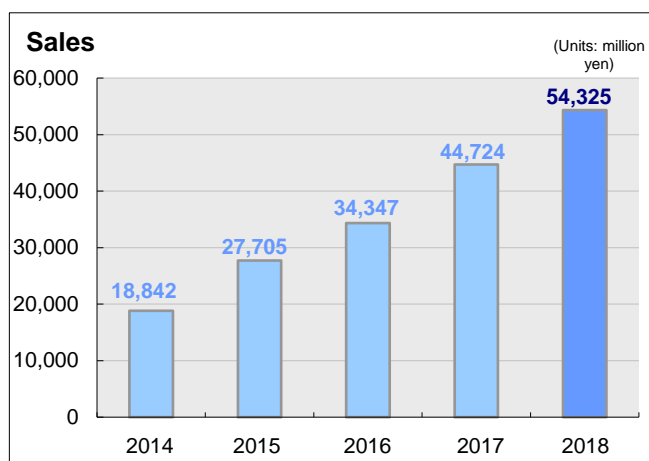
\* 241,700 shares of treasury stock were acquired between February 15 and 16, 2016 (total share buyback amount: 55 million yen)  
(Number of treasury stock retained as of end of December 2016: 2,794,100 shares)

\* 972,800 shares of treasury stock were acquired between January 4 and 11, 2017 (total share buyback amount: 430 million yen).  
450,000 shares of treasury stock were acquired between December 11 and 21, 2017 (total share buyback amount: 319 million yen).  
1,800,000 shares of treasury stock were retired on March 30, 2017.

(Number of treasury stock retained as of the end of December 2017: 2,416,900 shares)

\* 196,500 shares of treasury stock were acquired between January 4 and 10, 2018 (total share buyback amount: 131 million yen)  
(Number of treasury stock retained as of end of December 2018: 2,613,400 shares)

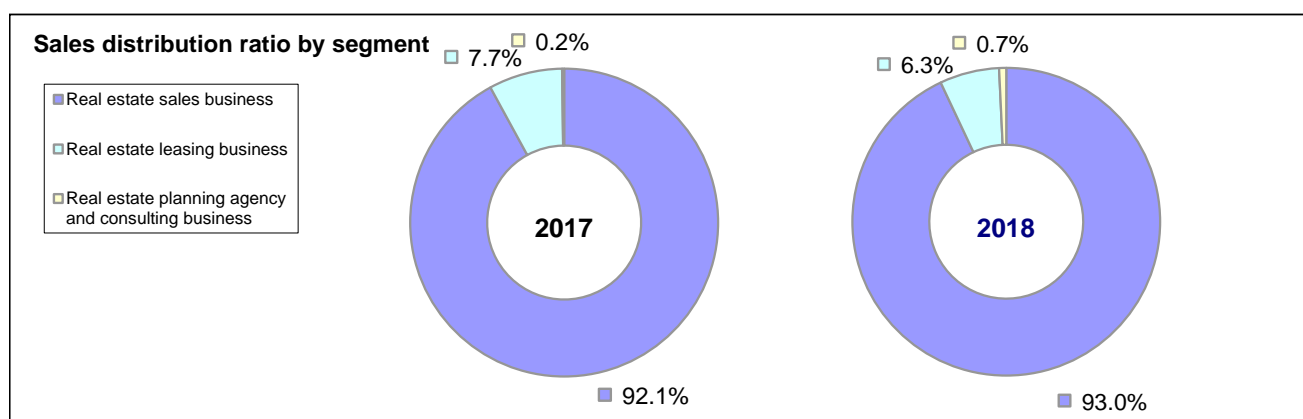
## (Consolidated) Main changes to financial data



## (Consolidated) Segment information

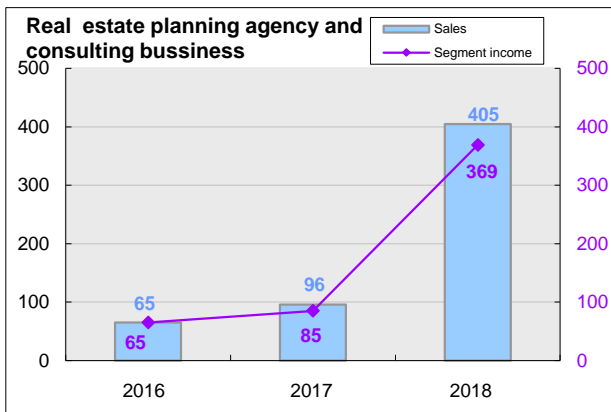
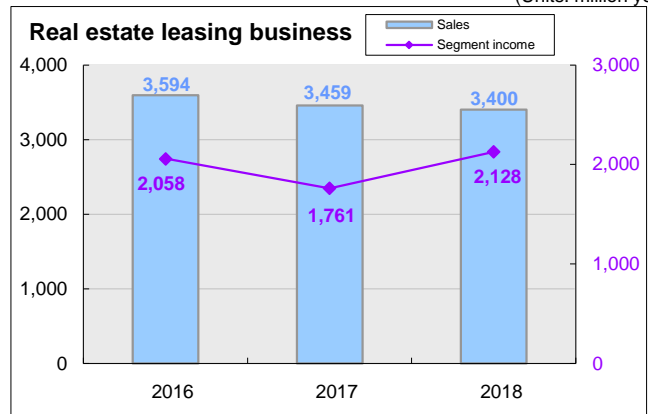
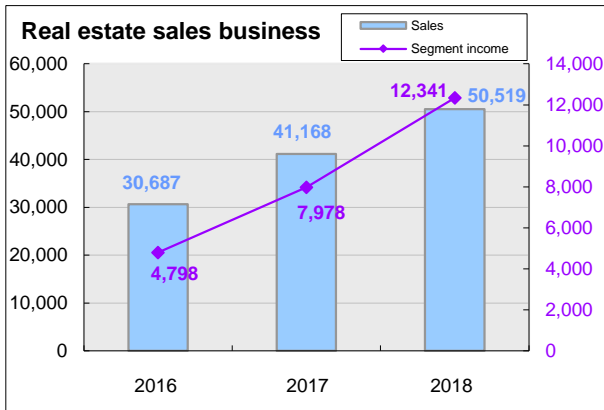
(Units: million yen)

	22nd term Ending Dec. 2016	23rd term Ending Dec. 2017	24th term Ending Dec. 2018
<b>Sales</b>			
Real estate sales business	30,687	41,168	50,519
Real estate leasing business	3,594	3,459	3,400
Real estate planning agency and consulting business	65	96	405
<b>Total</b>	<b>34,347</b>	<b>44,724</b>	<b>54,325</b>
<b>Segment margin</b>			
Real estate sales business	4,798	7,978	12,341
Real estate leasing business	2,058	1,761	2,128
Real estate planning agency and consulting business	65	85	369
<b>Total</b>	<b>6,921</b>	<b>9,825</b>	<b>14,839</b>



## (Consolidated) Changes by segment

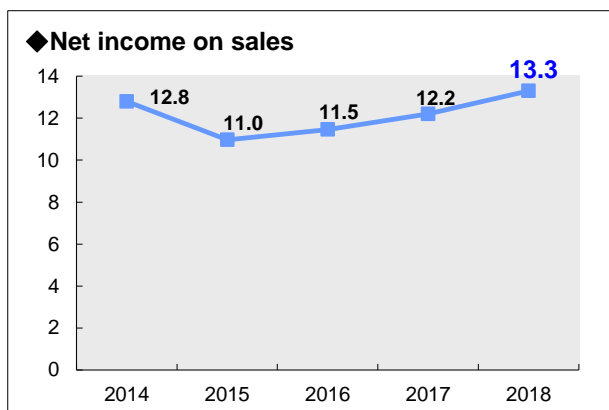
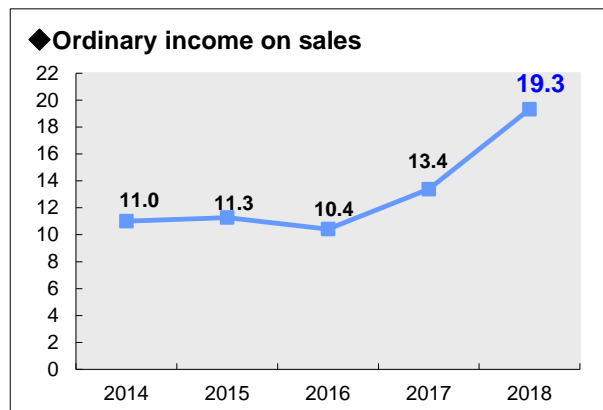
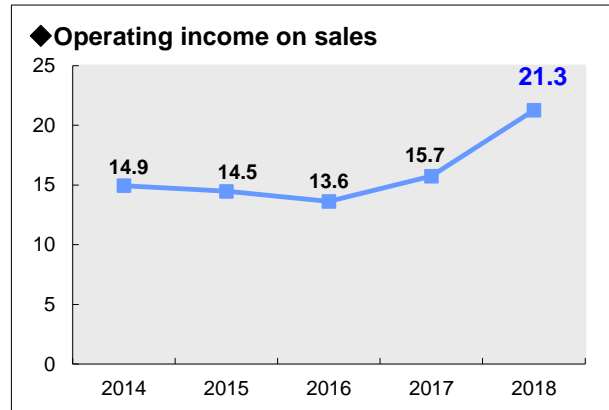
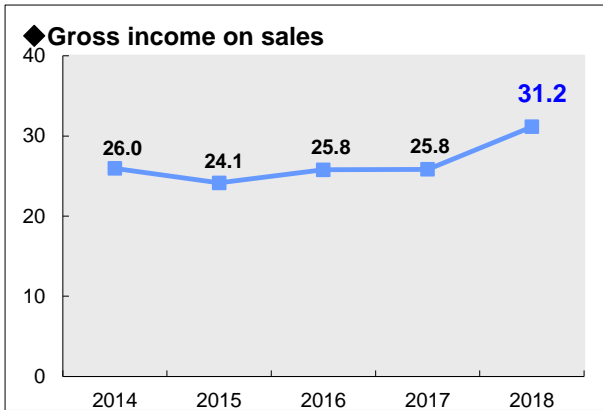
(Units: million yen)



# (Consolidated) Changes to main management indicators

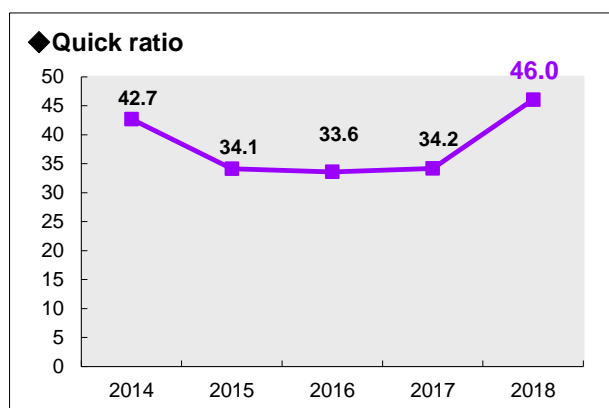
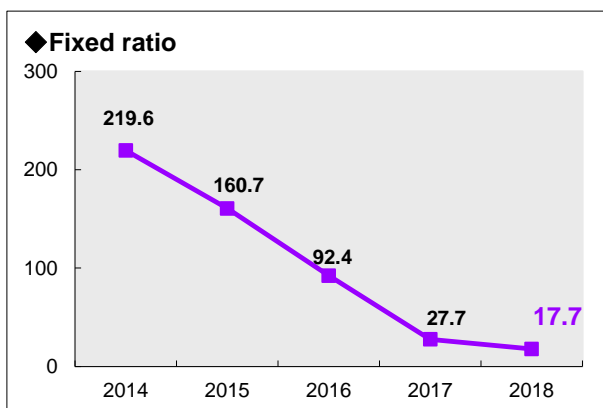
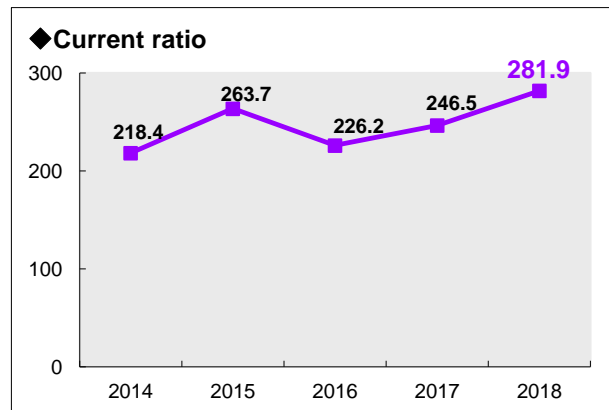
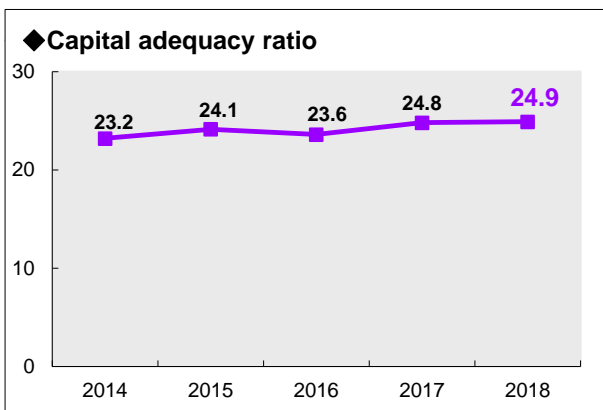
## Profitability

(Units: %)



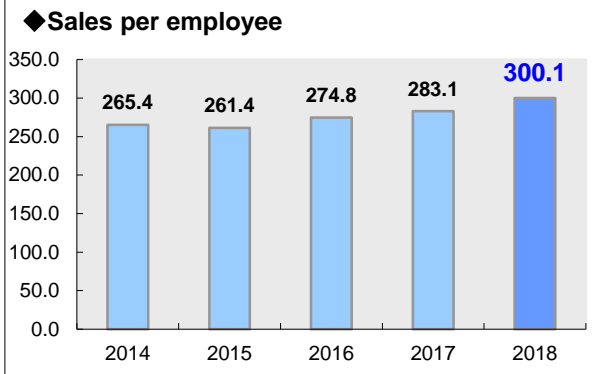
## Security

(Units: %)

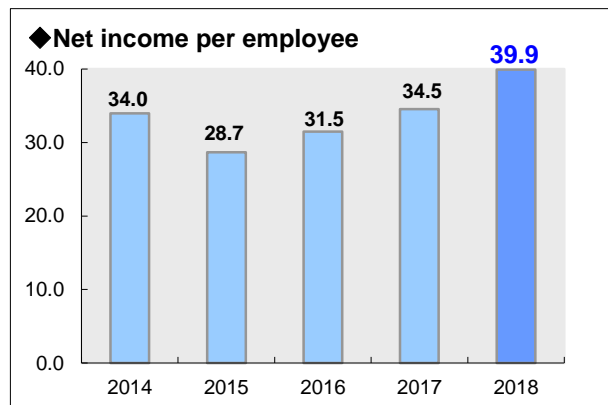
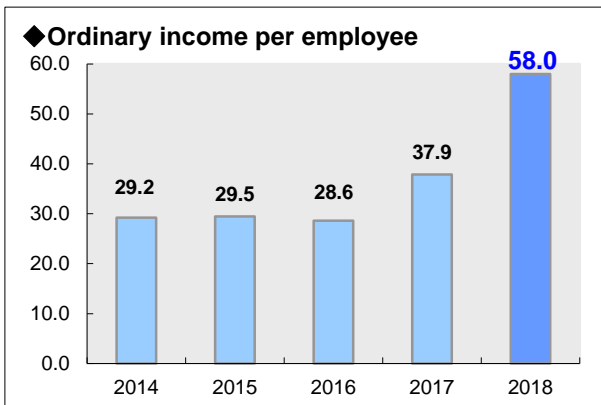
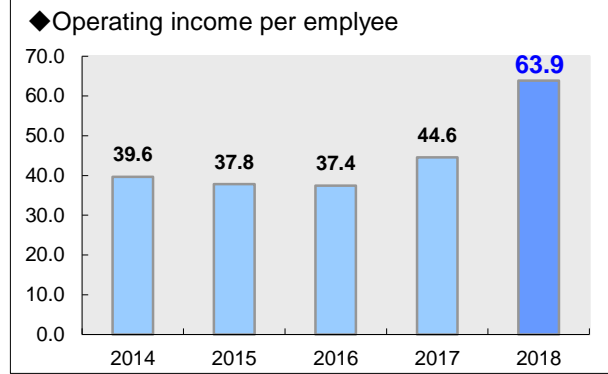


Quick ratio (%) = [(cash and deposits + notes receivable) - allowance for doubtful accounts] ÷ current liabilities × 100

## Productivity

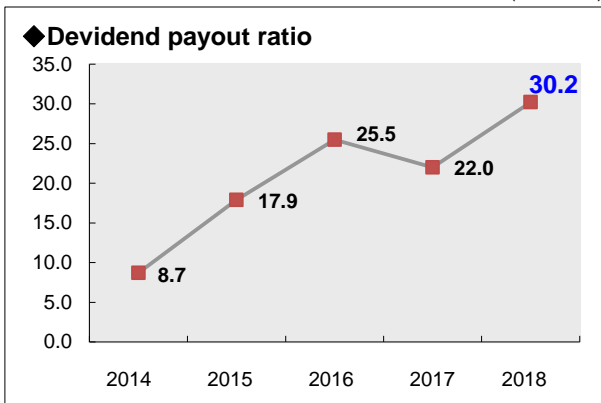


(Units: million yen)

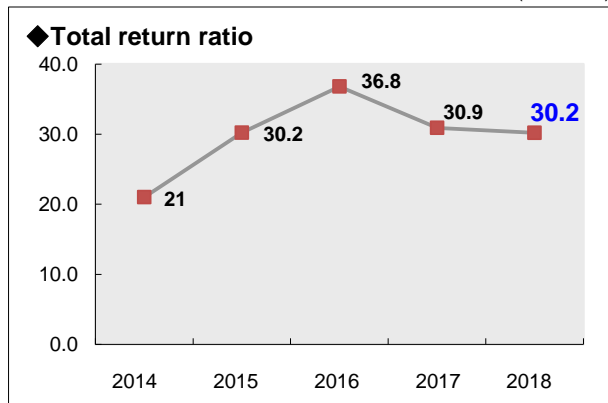


## Dividend payout ratio/Total return

(Units: %)



(Units: %)



## Share information (as of December 31, 2018)

<b>Total no. of shares</b>	72,000,000 shares
<b>Total no. of shares issued</b>	71,649,387 shares
<b>Total number of shareholder</b>	11,109

\* The total number of shares issued increased by 446,000 shares due to the exercise of share warrants.

## Major shareholders (as of December 31, 2018)

Name/title	No. of shares owned (shares)	Shareholding ratio (%)
CHUBU Electric Power Co., Inc.	22,980,000	33.3
Nissei Build Kogyo Co., Ltd.	6,500,000	9.4
Tenma Seiryu Co., Ltd.	3,610,000	5.2
Koryu Oh	2,100,000	3.0
Japan Trustee Services Bank, Ltd. (account in trust)	1,254,500	1.8
The Master Trust Bank of Japan, Ltd. (account in trust)	997,900	1.4
Takatoshi Ito	972,000	1.4
NS Corporation Co., Ltd.	800,300	1.2
Japan Trustee Services Bank, Ltd. (account in trust 5)	697,700	1.0
Nomura Securities Co., Ltd.	656,150	1.0

\* ES-CON Japan, Ltd., retains 2,613,400 shares of its own stock but is not among the major shareholders listed above.

\* Shareholding ratio is calculated without including treasury stock (2,613,400 shares) and is rounded to the first decimal place.

\* Treasury stock does not include the 721,500 shares held by Japan Trustee Services Bank, Ltd. (accounts in trust) for a share-based payment benefits trust for directors and a share-based payment benefits type ESOP trust.

\* CHUBU Electric Power Co., Inc. became a new major shareholder through its acquisition of 22,980,000 shares from Mr. Koryu Oh, a major and former leading shareholder; Tenma Seiryu Co., Ltd. and two other shareholders, former major shareholders.

## Changes in capital stock/no. of shares

	Capital stock at end of term (million yen)	No. of shares issued at end of term (Shares)	(Of which treasury stock) (Shares)	Remarks
17th term - 2011	4,211	333,964	81	
18th term - 2012	4,270	35,196,400	8,100	Nov. 2012 Dec. 2012 Third-party allocation of shares (18,000 shares) Stock split (1 share split into 100 shares)
19th term - 2013	5,998	69,748,887	8,100	Jul. 2013 Rights offering (addition of 34,552,487 shares)
20th term - 2014	6,019	70,317,887	1,413,500	Exercise of stock option by executives (addition of 569,000 shares) Nov. 2014 Acquisition of treasury stock (1,405,400 shares)
21st term - 2015	6,029	70,511,887	2,552,400	Exercise of stock option by executives (addition of 194,000 shares) Oct. 2015 Acquisition of treasury stock (1,138,900 shares)
22nd term - 2016	6,034	70,594,887	2,794,100	Exercise of stock option by executives (addition of 83,000 shares) Feb. 2016 Acquisition of treasury stock (241,700 shares)
23rd term - 2017	6,224	71,203,387	2,416,900	Exercise of stock option by executives (addition of 2,408,500 shares) Mar. 2017 Jan.-Dec. 2017 Retirement of treasury stock (decrease of 1,800,000 shares) Acquisition of treasury stock (1,422,800 shares)
24th term - 2018	6,259	71,649,387	2,613,400	Exercise of stock option by executives (addition of 446,000 shares) Jan. 2018 Acquisition of treasury stock (196,500 shares)



## Company overview (as of December 31, 2018)

<b>Established</b>	April 18th, 1995
<b>Capital stock</b>	6,259,000,000 yen
<b>Sales</b>	54,325,000,000 yen
<b>No. of employees</b>	181 (consolidated), 142 (parent only)
<b>Locations</b>	Tokyo Head Office 12th Floor, Try Edge Ochanomizu, 4-2-5 Kanda Surugadai, Chiyoda-ku, Tokyo 101-0062 Osaka Head Office 13th Floor, Meiji Yasuda Seimei Osaka Midosuji Building, 4-1-1 Fushimimachi, Chuo-ku, Osaka-shi, Osaka 541-0044 Nagoya Branch 5th Floor, Hirokoji Sakae Building, 2-4-1 Sakae, Naka-ku, Nagoya-shi, Aichi 460-0008 Fukuoka Branch 9th floor, Yasuda No. 7 Building, 13-15 Kamikawabata-machi, Hakata-ku, Fukuoka-shi, Fukuoka 812-0026
<b>Main business activities</b>	Real estate sales business, real estate leasing business, real estate planning agency and consulting business

## Affiliated companies

Company name	Capital stock (million yen)	Main business activities	Ratio of voting rights owned (%)
(Consolidated subsidiary) ES-CON Property Co., Ltd.	10	Commercial facility management Condominium management	100.0
(Consolidated subsidiary) ES-CON Asset Management Co., Ltd.	100	Investment management, Type II financial instruments business, investment advice, agency	100.0
(Consolidated subsidiary) ES-CON Living Service Ltd.	40	Real estate management and renovation, operation of hotels and restaurants	100.0
(Equity method affiliates) NBNS Investment Limited Liability Partnership	2,060	Real estate leasing business	50.0 (4.9)
(Other affiliated companies) CHUBU Electric Power Co., Inc.	430,777	Electricity business	-

\* Numbers in parentheses indicate the ratio of voting rights owned by consolidated subsidiaries and are included in the total figure.

For inquiries regarding this matter:  
**ES-CON Japan IR Information Inquiry Desk**  
**03-5297-6161**



(Operating hours: 9:00-18:00 on weekdays, closed on weekends and public holidays)