

# Fact Book 2016

22nd term (January 1-December 31, 2016)

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## (Consolidated) Main financial data over 5 years

(Units: million yen)

	18th term Ending Dec. 2012	19th term Ending Dec. 2013	20th term Ending Dec. 2014	21st term Ending Dec. 2015	22nd term Ending Dec. 2016
<b>Fiscal year</b>					
Sales	10,184	13,558	18,842	27,705	34,347
Gross profit	3,146	3,547	4,893	6,690	8,852
Operating income	1,504	1,844	2,815	4,012	4,680
Ordinary income	860	1,200	2,075	3,126	3,575
Net income attributable to parent	392	1,905	△ 2,411	△ 3,039	△ 3,936
Cash flow from business activities	1,112	4,093	△ 1,803	3,877	14,684
Cash flow from investment activities	△ 241	2,294	1,041	61	7,656
Cash flow from financial activities	556	△ 4,450	3,368	3,683	11,003
Information per share (yen)					
Net income	7.72	31.14	34.59	44.65	58.76
Diluted net income per share	—	29.81	34.38	44.50	57.41
Net assets	78.88	137.14	169.05	208.28	259.07
Dividend amount	0	1	3	8	15
<b>End of fiscal year</b>					
Total assets	45,910	43,695	50,141	58,088	73,703
Net assets	4,212	9,587	11,656	13,994	17,363
Cash and deposits	2,234	4,161	4,733	4,516	8,204
Real estate for sale	5,716	2,050	5,054	4,744	6,103
Real estate for sale in process	8,055	7,898	12,698	22,676	39,319
Interest-bearing liabilities	39,463	31,670	35,430	39,739	51,177
Total no. of employees	54	60	71	106	125
<b>Main management indicators</b>					
Operating profit margin ratio (%)	14.8	14.9	14.9	14.5	13.6
Interest coverage ratio <sup>*1</sup> (fold)	1.6	6.1	-	-	-
ROA <sup>*2</sup> (%)	0.9	4.3	5.1	5.6	6.0
ROE <sup>*3</sup> (%)	10.0	27.7	22.7	23.7	25.1
ROIC <sup>*4</sup> (%)	—	4.5	6.7	7.2	6.5
Dividend payout ratio (%)	0.0	3.2	8.7	17.9	25.5
Debt-to-equity ratio (%)	86.0	72.5	70.7	68.4	69.4
Capital adequacy ratio (%)	9.2	21.9	23.2	24.1	23.6
Total return ratio <sup>*5</sup> (%)	—	3.2	21.0	30.2	36.8

\*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)

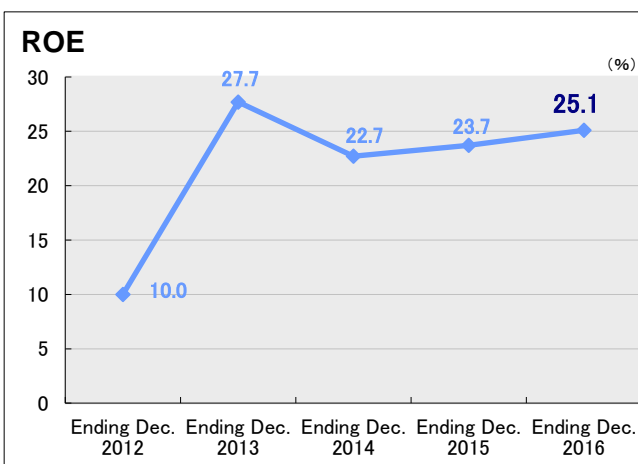
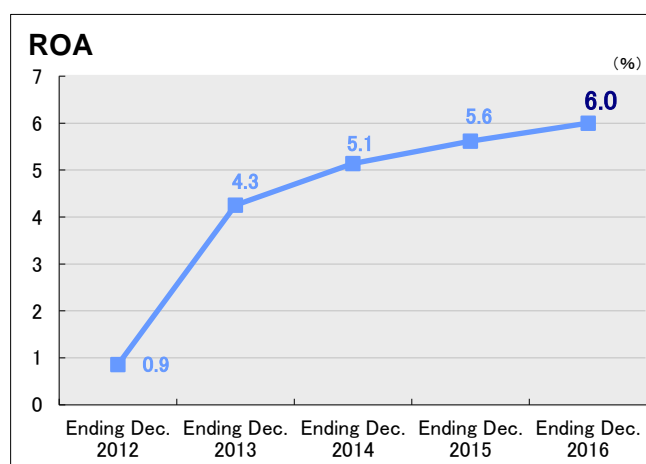
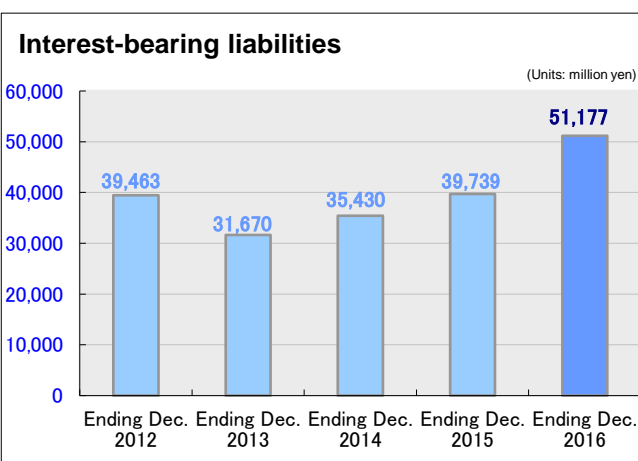
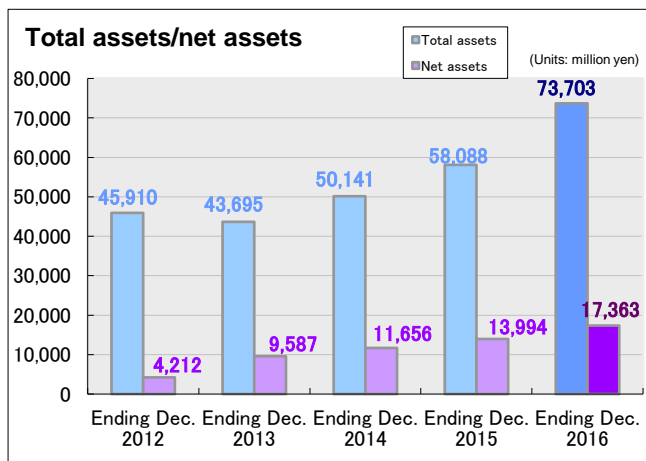
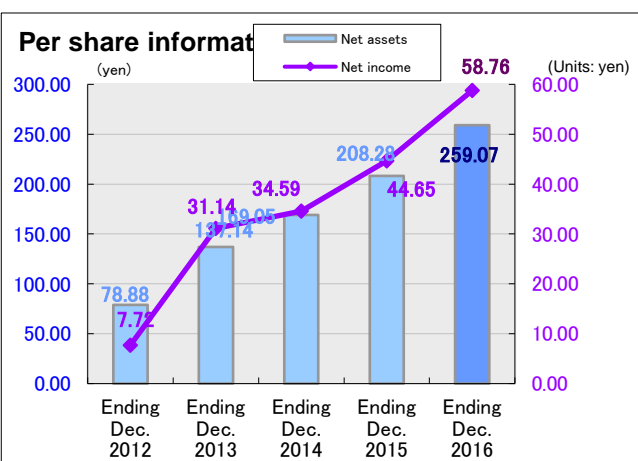
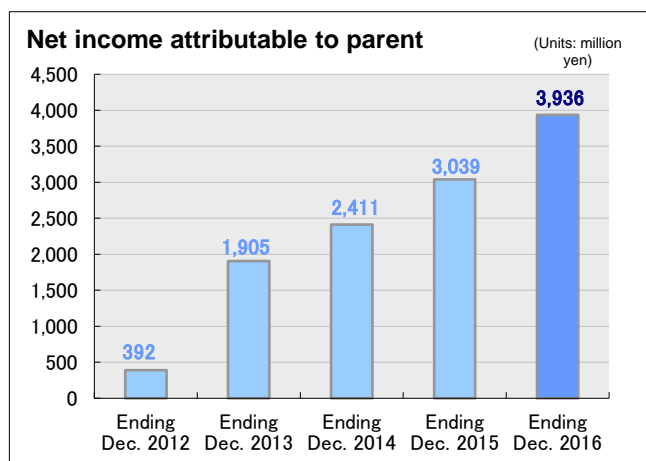
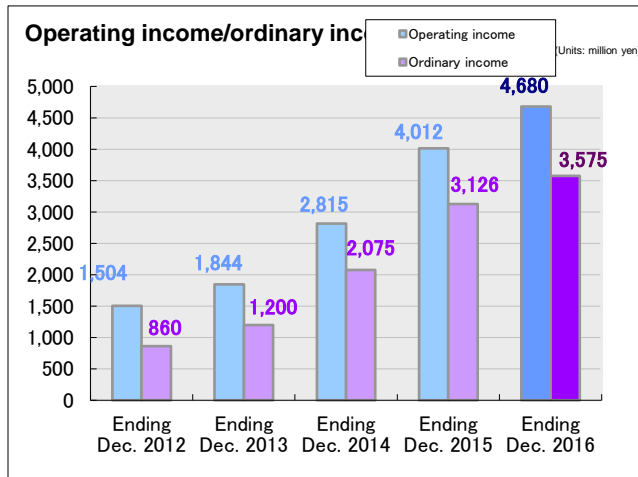
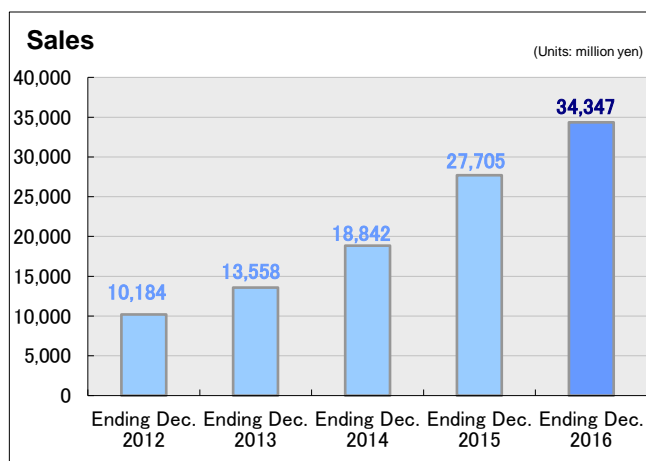
\*5 Total return ratio = (total dividends + total share buyback amount) / net income

\* 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)

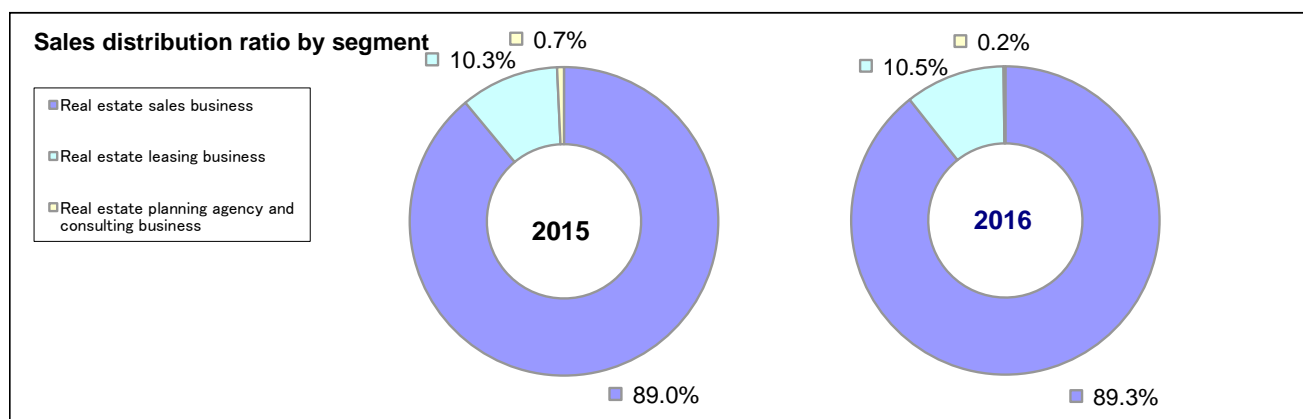
## (Consolidated) Main changes to financial data



## (Consolidated) Segment information

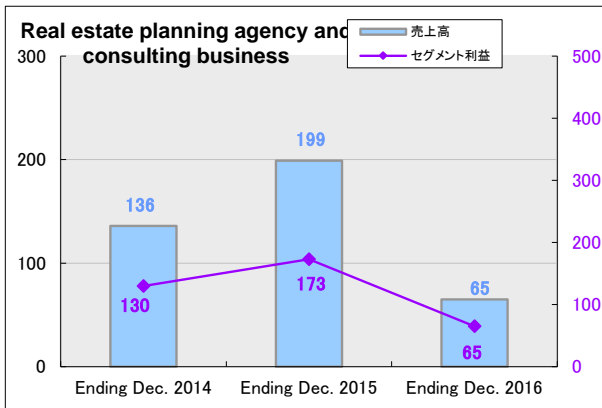
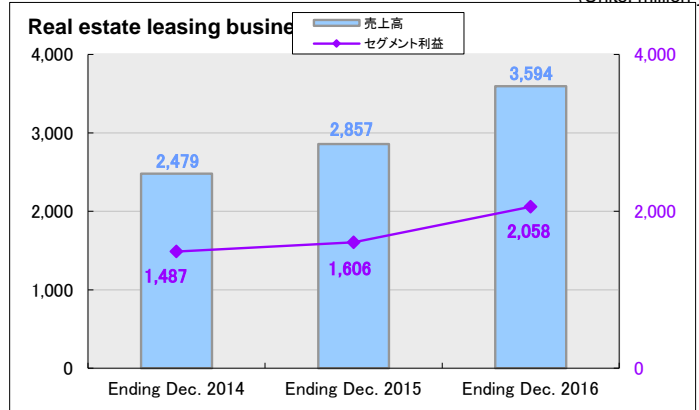
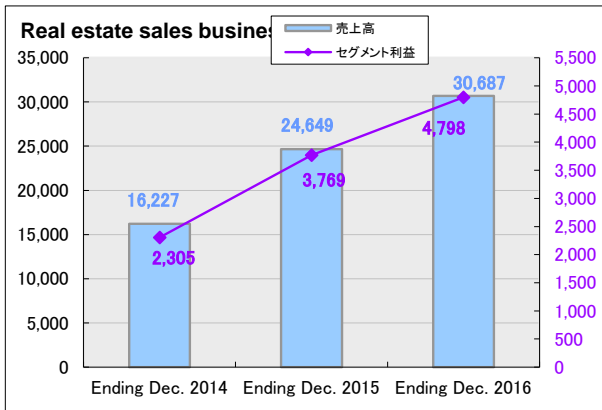
(Units: million yen)

	20th term Ending Dec. 2014	21st term Ending Dec. 2015	22nd term Ending Dec. 2016
<b>Sales</b>			
Real estate sales business	16,227	24,649	30,687
Real estate leasing business	2,479	2,857	3,594
Real estate planning agency and consulting business	136	199	65
<b>Total</b>	<b>18,842</b>	<b>27,705</b>	<b>34,347</b>
<b>Segment margin</b>			
Real estate sales business	2,305	3,769	4,798
Real estate leasing business	1,487	1,606	2,058
Real estate planning agency and consulting business	130	173	65
<b>Total</b>	<b>3,924</b>	<b>5,549</b>	<b>6,921</b>



## (Consolidated) Changes by segment

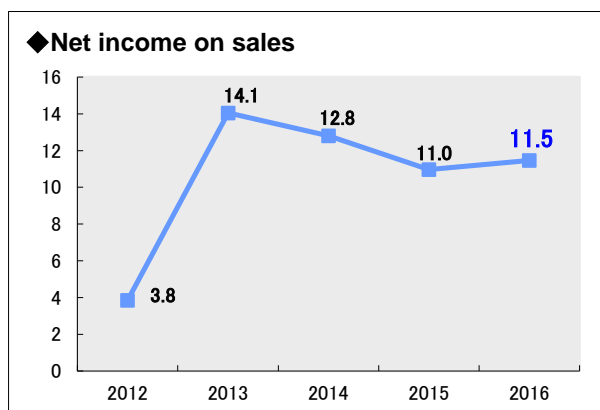
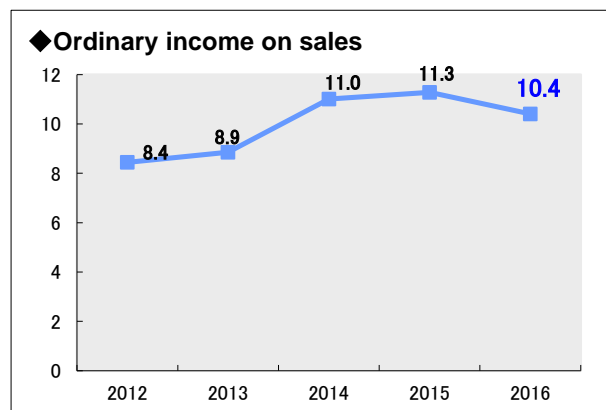
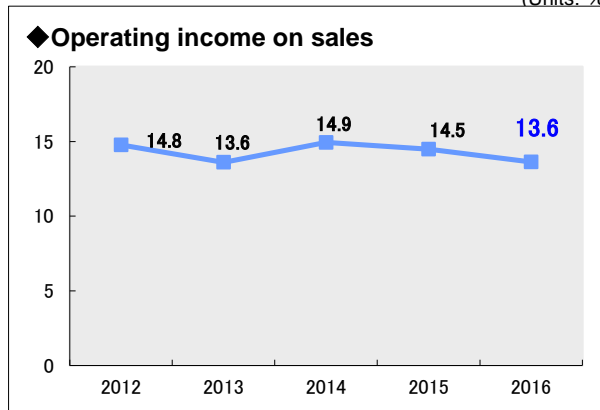
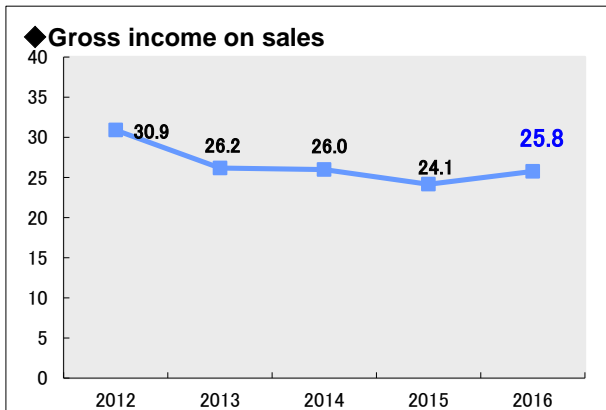
(Units: million yen)



# (Consolidated) Changes to main management indicators

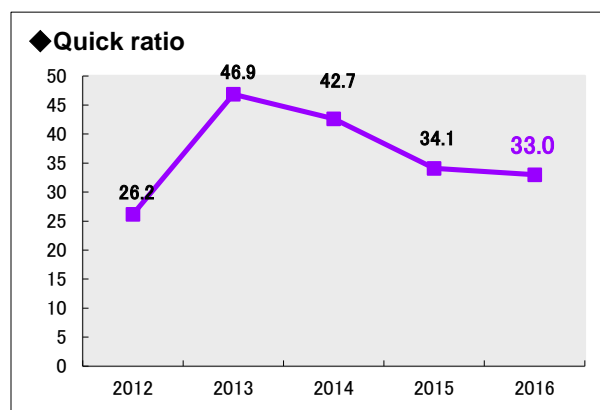
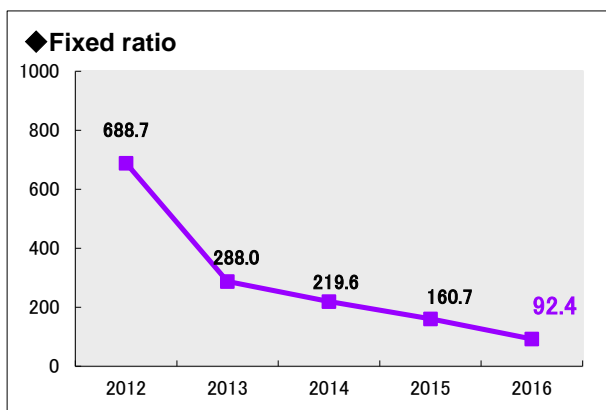
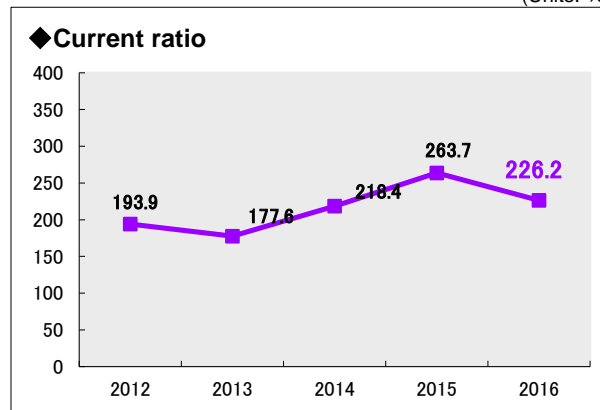
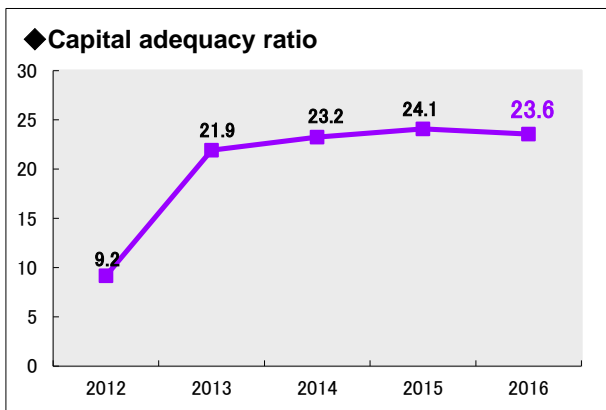
## Profitability

(Units: %)



## Security

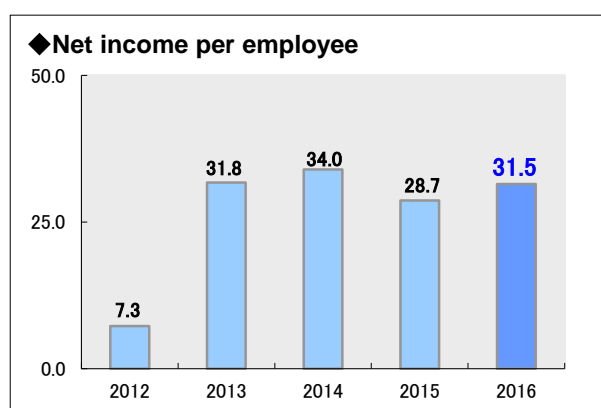
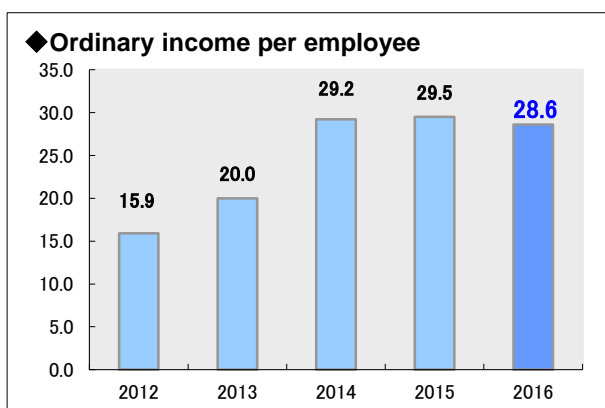
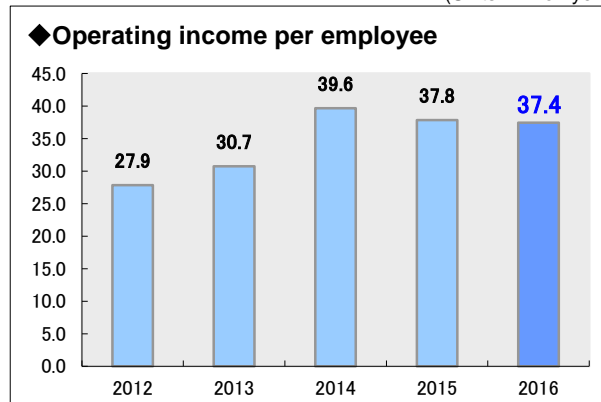
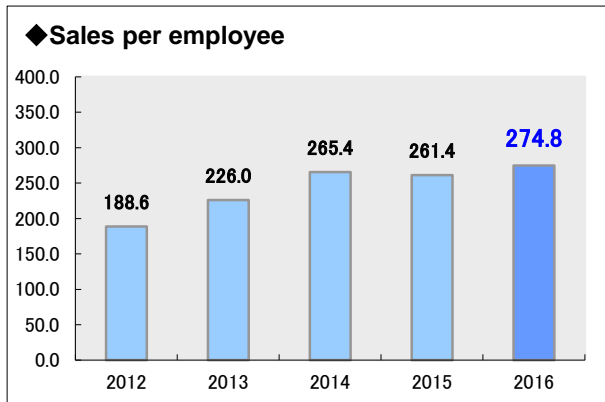
(Units: %)



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

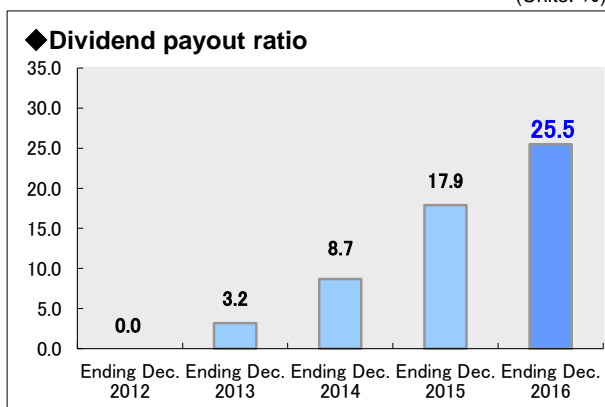
## Productivity

(Units: million yen)

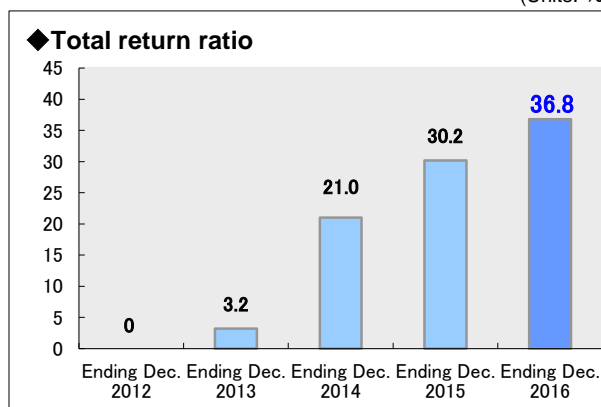


## Dividend payout ratio/Total return

(Units: %)



(Units: %)



## Share information

<b>Total no. of shares</b>	72,000,000 shares
<b>Total no. of shares issued</b>	70,594,887 shares
<b>Total no. of shareholders</b>	7,721

\*The total number of shares issued was increased by 83,000 due to the exercise of a share warrant.

## Major shareholders

Name/title	No. of shares owned (shares)	Ownership ratio (%)
Koryu Oh	10,600,000	15.6
Nissei Build Kogyo Co., Ltd.	6,500,000	9.6
Sanai Housing Corp.	6,090,000	9.0
Seiryu Asset Management Co., Ltd.	3,000,000	4.4
Seiryu Amusement, K.K.	3,000,000	4.4
Seiko Leisure Co., Ltd.	3,000,000	4.4
Tenma Seiryu Co., Ltd.	3,000,000	4.4
Japan Trustee Services Bank, Ltd.	2,402,700	3.5
NS Corporation	1,360,300	2.0
Takatoshi Ito	990,800	1.5

※ES-CON Japan, Ltd. retains 2,794,100 shares of its own stock, but is excluded from the list of major shareholders above.

※Shareholding ratio is calculated without including treasury stock.

## 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)



## Company overview

<b>Established</b>	April 18th, 1995
<b>Capital stock</b>	6,034,000,000 yen
<b>Sales</b>	34,347,000,000 yen
<b>No. of employees</b>	125 (consolidated), 91 (separate)
<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
<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
(Consolidated subsidiary) ES-CON Asset Management Co., Ltd.	100	Investment management, Type II financial instruments business, investment advice, agency	100
(Consolidated subsidiary) ES-CON Living Service Ltd.	10	Real estate management and renovation, operation of hotels and restaurants	100
(Consolidated subsidiary) ES-CON JAPAN REIT Investment Corporation	200	—	100
(Consolidated subsidiary) E-STATE Co., Ltd.	10	Real estate sales business Real estate leasing business	(100)
(Consolidated subsidiary) Pro Net ES-CON Eight, Ltd.	3	Real estate leasing business	(100)
(Consolidated subsidiary) Aries Investment Two, LLC	3	Real estate sales business Real estate leasing business	(100)

\*Items in ( ) are owned indirectly

For inquiries regarding this matter:

**ES-CON Japan IR Information Inquiry Desk**

**06 - 6223 - 8055**

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

