

## Closing Announcement of Third Quarter of the Fiscal Year Ending March 31, 2018 [Japanese Standards] (Consolidated)

February 13, 2018

Name of Listed Company: Prospect Co., Ltd. Listed on the Tokyo Stock Exchange  
 Code No.: 3528 URL: <http://www.prospectjapan.co.jp>  
 Representative: (Title) Representative Director and President (Name) Curtis Freeze  
 Contact Person: (Title) Representative Director, Managing Director (Name) Masato Tabata TEL: 03-3470-8411  
 Scheduled Date of Submitting Quarterly Report: February 13, 2018  
 Scheduled Date of Commencement of Dividend Payment: -  
 Whether supplementary explanation materials for the quarterly closing are prepared: Yes  
 Whether explanation meeting is held for the quarterly closing: No

(Indicated by rounding off an amount less than 1 million yen)

## 1. Consolidated Results for Third Quarter of Fiscal Year Ending March 31, 2018 (From April 1, 2017 to December 31, 2017)

(1) Consolidated Operating Results (cumulative) (% indicates the rate of increase or decrease from the same quarter of the previous year.)

	Sales		Operating profit		Ordinary profit		Net profit attributable to owners of the parent	
	(million yen)	%	(million yen)	%	(million yen)	%	(million yen)	%
Third Quarter of the Fiscal Year Ending March 31, 2018	8,086	2.4	Δ461	-	245	-	2,083	-
Third Quarter of the Fiscal Year Ended March 31, 2017	7,895	Δ7.0	Δ202	-	Δ10	-	Δ21	-

(Note) Comprehensive income: Third Quarter of Fiscal Year Ending March 31, 2018: 2,151 (million yen) (-%) Third Quarter of Fiscal Year Ended March 31, 2017: Δ189 (million yen) (-%)

	Net profit per share		Fully diluted net profit per share	
	(yen, sen)		(yen, sen)	
Third Quarter of the Fiscal Year Ending March 31, 2018	6.87		6.27	
Third Quarter of the Fiscal Year Ended March 31, 2017	Δ0.12		-	

## (2) Consolidated Financial Condition

	Total assets	Net asset	Net worth ratio	Net asset per share
	(million yen)	(million yen)	%	(yen, sen)
Third Quarter of the Fiscal Year Ending March 31, 2018	40,516	24,562	63.2	62.21
Fiscal Year Ended March 31, 2017	27,368	12,489	42.0	67.77

(Reference) Net worth: Third Quarter of Fiscal Year Ending March 31, 2018: 25,596 (million yen) Fiscal Year Ended March 31, 2017: 11,505 (million yen)

## 2. Status of Dividend

	Annual dividend				
	End of 1 <sup>st</sup> quarter	End of 2 <sup>nd</sup> quarter	End of 3 <sup>rd</sup> quarter	End of period	Total
	(yen, sen)	(yen, sen)	(yen, sen)	(yen, sen)	(yen, sen)
Fiscal Year Ended March 31, 2017	-	-	-	3.00	3.00
Fiscal Year Ending March 31, 2018	-	-	-		
Fiscal Year Ending March 31, 2018 (Forecast)				4.00	4.00

(Note) Existence of adjustment of the dividend forecast most recently announced: None

## 3. Expected Consolidated Results for Fiscal Year Ending March 31, 2018 (From April 1, 2017 to March 31, 2018)

The Company Group has proactively adopted M&A as a diversification strategy and has also expanded its asset management business as one of its important segments. As these businesses tend to be significantly affected by changes in economic conditions and market environment, it is extremely difficult to properly forecast and disclose ordinary business results. As there is a risk of misleading investors, etc., in disclosing business results forecast under such circumstances, the Company has adopted a policy to make timely disclosure of closing business results and a summary of the business to be conducted on a quarterly basis, and not to disclose a forecast of consolidated business results.

\* Precautions

- (1) Changes in material subsidiaries in the current consolidated cumulative quarter (changes in the special subsidiaries accompanying changes in the scope of consolidation): Yes  
 New: 1 (Company Name: The Prospect Japan Fund Limited), Exclusion: --- (Company Name: )  
 (Note) For details, refer to “2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes to Quarterly Consolidated Financial Statements (Changes in Material Subsidiaries in the Current Consolidated Cumulative Quarter)” on p. 8 of the attached materials.

(2) Application of accounting particular to preparation of Consolidated Quarterly Financial Statements: None

- (3) Changes in accounting policy, changes in accounting estimate and restatement  
 [1] Changes in accounting policy in connection with the amendment of accounting standards, etc.: None  
 [2] Changes in accounting policy other than [1] above: None  
 [3] Changes in accounting estimate: None  
 [4] Restatement: None

(4) Number of outstanding shares (common stocks)

[1] Number of outstanding shares at the end of term (including treasury stocks):	3Q of the Fiscal Year Ending March 31, 2018:	414,232,572 shares	Fiscal Year Ended March 31, 2017:	172,556,807 shares
[2] Number of treasury stocks at the end of term:	3Q of the Fiscal Year Ending March 31, 2018:	2,775,519 shares	Fiscal Year Ended March 31, 2017:	2,773,334 shares
[3] Average number of shares during the term (cumulative quarter):	3Q of the Fiscal Year Ending March 31, 2018:	303,064,625 shares	3Q of the Fiscal Year Ended March 31, 2017:	169,799,864 shares

\* The quarterly closing announcement is not subject to quarterly review.

\* Explanation about Appropriate Use of the Forecast of Business Results and other Matters to be Noted

Description regarding the future such as the forecast of business results stated in this material is based on information which the Company has currently obtained and certain assumptions that the Company determines to be reasonable, and does not make assurances of the achievement thereof by the Company. Also, actual results, etc., may significantly differ from the forecast depending on various factors. For the conditions constituting the precondition of the forecast of business results and the matters to be noted in using the forecast of business results, etc., refer to “1. Qualitative Information of the Current Quarterly Closing (3) Explanation about Future Forecast Information, including Forecast of Consolidated Business Results” on p. 3 of the attached materials.

○ Table of Contents of Attached Materials

1. Qualitative Information of the Current Quarterly Closing .....	2
(1) Explanation about Business Results .....	2
(2) Explanation about Financial Conditions .....	3
(3) Explanation about Future Forecast Information, including Forecast of Consolidated Business Results .....	3
2. Quarterly Consolidated Financial Statements and Major Notes .....	4
(1) Consolidated Quarterly Financial Statements .....	4
(2) Quarterly Consolidated Profit and Loss Statement and Consolidated Statement of Comprehensive Income .....	6
Quarterly Consolidated Profit and Loss Statement	
Consolidated Cumulative Third Quarter .....	6
Consolidated Statement of Comprehensive Income	
Consolidated Cumulative Third Quarter .....	7
(3) Notes to Quarterly Consolidated Financial Statements .....	8
(Notes to Assumptions on Going Concern) .....	8
(Explanatory Note in Case of Significant Changes in the Amount of Shareholders' Equity) .....	8
(Changes in Material Subsidiaries in the Current Consolidated Cumulative Quarter) .....	8
(Application of Accounting Particular to Preparation of Consolidated Quarterly Financial Statements) .....	8
(Changes in Accounting Policy) .....	8
(Changes in Accounting Estimate) .....	8

## 1. Qualitative Information of the Current Quarterly Closing

### (1) Explanation about Business Results

The Japanese economy during the Current Consolidated Cumulative 3rd Quarter continued along a moderate recovery track partly due to the effects from various policies implemented by the central government. On the other hand, there remain concerns with regard to uncertainty in overseas economic conditions and the impact on financial and capital markets.

Under such a business environment, sales of the Company Group for the Consolidated Cumulative 3rd Quarter for the year ending March 31, 2018 were 8,086 million yen (7,895 million yen in the same quarter in the previous year), operating loss was 461 million yen (operating loss of 202 million yen in the same quarter in the previous year), ordinary profit was 245 million yen (ordinary loss of 10 million yen in the same quarter in the previous year), quarterly net profit attributable to owners of the parent was 2,083 million yen (quarterly net loss attributable to owners of the parent of 21 million yen in the same quarter in the previous year).

In this regard, in the Consolidated Cumulative 2nd Quarter, in connection with The Prospect Japan Fund Limited (hereinafter referred to as “TPJF”) becoming a subsidiary, we recorded profit on negative goodwill of 2,420 million yen in extraordinary profit.

Business performance by segment is as follows.

In addition, the name of the reported segment has been changed since the Consolidated 1st Quarter. The previously named “Solar Business” has been renamed the “Renewable Energy Business” due to the start of the biomass related business. There is no other impact on the segment information other than the name change.

#### [1] Real Estate Sales Business, Condominium Sales Business

We mainly sell condominiums for general customers in the metropolitan area.

In the Current Consolidated Cumulative 3rd Quarter, we executed new contracts for 102 housing units at 3,937 million yen (114 housing units at 3,869 million yen in the same quarter in the previous year) and delivered 93 housing units and recorded sales of 3,018 million yen and segment profit of 288 million yen (44 housing units for sales of 1,710 million yen and segment loss of 6 million yen in the same quarter in the previous year).

#### [2] Real Estate Sales Business, Land and Buildings

We focus our sales on residential land and detached homes as well as individual buildings, etc.

In the Current Consolidated Cumulative 3rd Quarter, no contracts or sales results were recorded (contracts of 364 million yen, sales of 490 million yen and segment profit of 44 million yen in the same quarter in the previous year).

#### [3] Real Estate Sales Business, Custom-Made Homes

We undertake contract construction and reform construction for detached homes, etc., mainly in Yamagata Prefecture as a business area.

In the Current Consolidated Cumulative 3rd Quarter, we executed new contracts for 33 buildings of 957 million yen (26 buildings of 808 million yen in the same quarter in the previous year) and delivered 25 buildings and recorded sales of 1,026 million yen and a segment loss of 5 million yen (29 buildings, sales of 1,113 million yen and segment profit of 17 million yen in the same quarter in the previous year) (including reforms, etc.).

#### [4] Asset Management Business

We conduct management business of real estate and securities, comprised of Japanese stocks.

In the Current Consolidated Cumulative 3rd Quarter, we recorded sales of 477 million yen and segment profit of 269 million yen (sales of 246 million yen and segment profit of 91 million yen in the same quarter in the previous year).

#### [5] Construction Business

We conduct propulsion construction and pre-stressed concrete (PC) construction, etc.

In the Current Consolidated Cumulative 3rd Quarter, we recorded sales of 3,173 million yen and segment profit of 201 million yen (sales of 415 million yen and segment profit of 149 million yen in the same quarter in the previous year).

#### [6] Renewable Energy Business

We conduct renewable energy business, the main revenue source of which is the sale of electricity generated by PV, etc.

In the Current Consolidated Cumulative 3rd Quarter, we recorded sales of 384 million yen and segment profit of 119 million yen (sales of 182 million yen and segment profit of 73 million yen in the same quarter in the previous year).

[7] Other

For others, mainly as real estate lease business, we lease condominiums, etc., owned by the Company to general customers.

In the Current Consolidated Cumulative 3rd Quarter, we recorded sales of 39 million yen and segment profit of 19 million yen (sales of 47 million yen and segment profit of 21 million yen in the same quarter in the previous year).

(2) Explanation about Financial Conditions

Total assets at the end of the Current Consolidated 3rd Quarter were 40,516 million yen, an increase of 13,148 million yen as compared with the end of the previous consolidated fiscal year. This was due to an increase in cash and deposits and securities in connection with TPJF becoming a consolidated subsidiary, an increase in inventory assets in connection with the new purchase of land for the condominium sales business and the progress of projects, and an increase in tangible fixed assets related to capital investment in the renewable energy business, etc.

Liabilities at the end of the Current Consolidated 3rd Quarter were 15,954 million yen, an increase of 1,075 million yen as compared with the end of the previous consolidated fiscal year. This was due to an increase in borrowings as a result of new financing of project funds in the condominium sales business and capital investment funds, etc., in the renewable energy business, etc.

Net assets at the end of the Current Consolidated 3rd Quarter were 24,562 million yen, an increase of 12,072 million yen as compared with the end of the previous consolidated fiscal year. This was due to an increase in capital and capital surplus as a result of the issuance of new shares in connection with consolidation of TPJF, etc.

(3) Explanation about Future Forecast Information, including Forecast of Consolidated Business Results

With regard to the outlook for the future, improvement in the economic environment is expected due to the success of various economic policies. However, it is expected that it will take considerable time until improvements in income and employment situations are observed, and the overall situation in the immediate future is still somewhat unpredictable.

Under such circumstances, the Company Group has proactively adopted M&A as a diversification strategy and has also expanded its asset management business as one of its important segments. As these businesses tend to be significantly affected by changes in economic conditions and market environment, it is extremely difficult to properly forecast and disclose ordinary business results. As there is a risk of misleading investors, etc., in disclosing business results forecast under such circumstances, the Company has adopted a policy to make timely disclosure of closing business results and a summary of the business to be conducted on a quarterly basis, and not to disclose a forecast of sales and a forecast of profits for the Fiscal Year ended March 31, 2018.

## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Consolidated Quarterly Financial Statements

(Unit: thousand yen)

	Previous Consolidated Fiscal Year (March 31, 2017)	Current Consolidated 3rd Quarter (December 31, 2017)
<b>Assets</b>		
Current Assets		
Cash and deposits	5,409,806	6,785,765
Notes and accounts receivable	295,664	403,044
Accounts receivable for completed construction projects	1,071,410	605,083
Accounts receivable for investment advisory fees	16,397	2,517
Securities	790,188	10,909,623
Real estate for sale	925,573	687,989
Real estate for sale in process	2,451,405	3,294,724
Real estate for development	476,221	27,039
Expenses for uncompleted construction projects	27,631	150,074
Raw materials and stores	21,088	13,493
Deferred tax assets	376,038	194,909
Other	1,137,521	2,678,709
Allowance for doubtful accounts	△49,358	△47,269
Total Current Assets	12,949,590	25,705,706
Fixed Assets		
Tangible fixed assets		
Buildings (net)	710,726	678,467
Machinery, equipment and delivery equipment (net)	3,372,631	3,206,740
Tools, furniture and fixtures (net)	53,093	42,477
Land	2,558,513	2,579,338
Construction in progress	891,705	2,169,359
Total tangible fixed assets	7,586,671	8,676,383
Intangible fixed assets		
Goodwill	1,015,260	870,670
Software	17,602	16,384
Other	30,255	37,517
Total intangible fixed assets	1,063,118	924,571
Investments and other assets		
Investment securities	114,546	114,546
Investments in capital	2,761,293	3,784,864
Long-term loans	2,445,624	1,005,725
Deferred tax assets	11,567	6,743
Other	1,076,068	955,250
Allowance for doubtful accounts	△640,442	△657,327
Total investments and other assets	5,768,658	5,209,802
Total Fixed Assets	14,418,447	14,810,757
Total Assets	27,368,038	40,516,463

(Unit: thousand yen)

	Previous Consolidated Fiscal Year (March 31, 2017)	Current Consolidated 3rd Quarter (December 31, 2017)
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Notes and accounts payable	833,260	754,178
Accrued construction payment	1,759,135	769,976
Short-term borrowings	181,400	586,530
Bonds to be redeemed within a year	51,900	53,800
Current portion of long-term borrowings	1,798,503	3,607,530
Corporate income tax, etc., payable	244,108	89,769
Amount received for uncompleted construction projects	179,947	279,811
Reserve for bonuses	135,026	56,244
Reserve for officers' bonuses	12,420	-
Allowance for compensation for completed construction projects	11,375	11,445
Allowance for construction projects losses	16,700	6,300
Provision for loss on litigation	20,000	-
Other	655,190	1,002,157
<b>Total Current Liabilities</b>	<b>5,898,968</b>	<b>7,217,744</b>
<b>Fixed Liabilities</b>		
Bonds	146,700	164,800
Long-term borrowings	7,854,349	7,387,108
Deferred tax liabilities	1,890	270,095
Net defined benefit liabilities	136,674	134,563
Reserve for retirement benefits for officers	114,822	147,195
Allowance for compensation for completed construction projects	201,995	201,995
Provision for loss on compensation expenses	23,000	23,000
Asset retirement obligations	11,179	11,185
Other	489,024	396,625
<b>Total Fixed Liabilities</b>	<b>8,979,636</b>	<b>8,736,569</b>
<b>Total Liabilities</b>	<b>14,878,604</b>	<b>15,954,313</b>
<b>Net Assets</b>		
<b>Shareholders' equity</b>		
Capital	4,257,256	11,227,977
Capital surplus	5,480,641	10,971,093
Retained earnings	1,838,718	3,412,904
Treasury stock	△140,020	△140,148
<b>Total shareholders' equity</b>	<b>11,436,596</b>	<b>25,471,827</b>
<b>Accumulated other comprehensive income</b>		
Foreign currency translation adjustments	69,318	125,151
<b>Total accumulated other comprehensive income</b>	<b>69,318</b>	<b>125,151</b>
New share subscription rights	778,640	△1,249,058
Non-controlling interest	204,878	214,229
<b>Total Net Assets</b>	<b>12,489,433</b>	<b>24,562,150</b>
<b>Total Liabilities and Net Assets</b>	<b>27,368,038</b>	<b>40,516,463</b>

(2) Quarterly Consolidated Profit and Loss Statement and Consolidated Statement of Comprehensive Income  
 (Quarterly Consolidated Profit and Loss Statement)  
 (Consolidated Cumulative Third Quarter)

(Unit: thousand yen)

	Previous Consolidated Cumulative 3rd Quarter (From April 1, 2016 To December 31, 2016)	Current Consolidated Cumulative 3rd Quarter (From April 1, 2017 To December 31, 2017)
Sales	7,895,869	8,086,679
Cost of Goods Sold	6,622,752	6,172,182
Gross Profit on Sales	1,273,116	1,914,496
Selling, General and Administrative Expenses	1,475,164	2,376,183
Operating profit or operating loss (Δ)	Δ202,047	Δ461,686
Non-operating Income		
Interest income and dividend	328,716	253,068
Gain on investments in capital	-	711,557
Valuation gain on securities	-	9,227
Clerical affairs fee received	1,700	3,350
Penalties income	4,660	-
Reversal of selling expenses	394	383
Foreign currency exchange profit	119,993	21,009
Reversal of allowance for doubtful accounts	444	-
Other	22,318	31,164
Total Non-operating Income	478,227	1,029,760
Non-operating Expenses		
Interest expenses	232,634	255,191
Borrowing fees	14,674	13,996
Bond issuance cost	-	1,225
Transfer to allowance for doubtful accounts	-	1,136
Other	39,820	50,587
Total Non-operating Expenses	287,129	322,137
Ordinary profit or ordinary Loss (Δ)	Δ10,949	245,936
Extraordinary Profits		
Profit on sale of fixed assets	1,226	1,857
Profit on reversal of stock acquisition rights	7,593	8,320
Profit on negative goodwill	-	2,420,250
Reversal of provision for loss on litigation	-	4,871
Total Extraordinary Profits	8,820	2,435,299
Extraordinary Losses		
Retirement loss on fixed assets	196	9
Total Extraordinary Losses	196	9
Quarterly net profit or net loss before dividends distribution from silent partnership, income taxes (Δ)	Δ2,326	2,681,227
Dividends distribution from silent partnership	7,675	10,552
Quarterly net profit before taxes, etc. or quarterly net loss before taxes, etc. (Δ)	Δ10,001	2,670,675
Corporate income tax, resident tax and business tax payable	30,944	116,307
Adjustment of corporate income tax, etc.	Δ24,861	453,936
Total corporate income tax, etc.	6,082	570,244
Quarterly net profit or quarterly net loss (Δ)	Δ16,083	2,100,430
Quarterly net profit attributable to non-controlling interests	4,964	16,894
Quarterly net profit attributable to owners of the parent or quarterly net loss attributable to owners of the parent (Δ)	Δ21,047	2,083,536



(Consolidated Statement of Comprehensive Income)  
(Consolidated Cumulative Third Quarter)

(Unit: thousand yen)

	Previous Consolidated Cumulative 3rd Quarter (From April 1, 2016 To December 31, 2016)	Current Consolidated Cumulative 3rd Quarter (From April 1, 2017 To December 31, 2017)
Quarterly net profit or quarterly net loss ( $\Delta$ )	$\Delta 16,083$	2,100,430
Other comprehensive income		
Foreign currency translation adjustments	$\Delta 173,664$	50,950
Total other comprehensive income	$\Delta 173,664$	50,950
Quarterly comprehensive income	$\Delta 189,747$	2,151,381
(Breakdown)		
Quarterly comprehensive income attributable to owners of the parent	$\Delta 169,710$	2,139,368
Quarterly comprehensive income attributable to non-controlling interests	$\Delta 20,037$	12,012

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to Assumptions on Going Concern)

No applicable matter.

(Explanatory Note in Case of Significant Changes in the Amount of Shareholders' Equity)

During the Current Consolidated Cumulative 3rd Quarter, new shares were issued in connection with TPJF becoming a subsidiary. New shares were issued due to the partial exercise of 1st New Share Subscription Rights (234,000 units), partial exercise of 2nd New Share Subscription Rights (10,000 units), partial exercise of 3rd New Share Subscription Rights (85 units), and partial exercise of 4th New Share Subscription Rights (1,221 units). As a result, capital increased by 6,970,720 thousand yen and capital surplus increased by 5,490,451 thousand yen, and capital was 11,227,977 thousand yen and capital surplus was 10,971,093 thousand yen at the end of the Current Consolidated 3rd Quarter.

(Changes in Material Subsidiaries in the Current Consolidated Cumulative Quarter)

During the Consolidated 2nd Quarter, TPJF became a wholly-owned subsidiary of the Company. In connection therewith, TPJF has been included in the scope of consolidation from the Consolidated 2nd Quarter.

TPJF falls under the category of a special subsidiary of the Company.

(Application of Accounting Particular to Preparation of Consolidated Quarterly Financial Statements)

No applicable matter.

(Changes in Accounting Policy)

No applicable matter.

(Changes in Accounting Estimate)

No applicable matter.

## Closing of Third Quarter of the Fiscal Year Ending March 31, 2018: Supplementary Explanation Material

### [Closing Overview]

For sales, in the condominium sales business, in which two new buildings were completed during the Current Consolidated Cumulative 3rd Quarter, and in the renewable energy business, in which five solar power generation projects have been operating stably, etc., sales exceeded results in the previous period. As a result, the entire Group recorded sales of 8,086 million yen, exceeding the same period in the previous year.

For operating profit, due to recording of company-wide expenses of 1,176 million yen, which do not belong to any specific reported segment, etc., the entire Group recorded loss of 461 million yen.

In addition to the above, due to recording of extraordinary profits of 2,420 million yen generated from profit on negative goodwill in connection with The Prospect Japan Fund Limited becoming a subsidiary, for quarterly net profit attributable to owners of the parent in the Current Consolidated Cumulative 3rd Quarter, profit of 2,083 million yen was recorded.

### 1. Consolidated Business Results

	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2014	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2015	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2016	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2017	Consolidated Cumulative 3Q of the Fiscal Year Ending March 31, 2018	Rate of increase or decrease from the previous year (%)	(Reference) Full year of the Fiscal Year ended March 31, 2017
Sales	5,585	11,007	8,486	7,895	8,086	2.4	14,143
Operating profit	△ 106	246	△ 393	△ 202	△ 461	-	△ 43
Ordinary profit	△ 130	321	△ 390	△ 10	245	-	516
Net profit attributable to owners of the parent (for the year)	△ 130	162	△ 468	△ 21	2,083	-	488
Net profit per share (for the year)	△ 1.54	1.47	△ 2.98	△ 0.12	6.87		2.88

### (Individual Business Results)

	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2017	Consolidated Cumulative 3Q of the Fiscal Year Ending March 31, 2018	Rate of increase or decrease from the previous year (%)	(Reference) Full year of the Fiscal Year ended March 31, 2017
Sales	2,352	3,149	33.9	6,565
Operating profit	△ 403	△ 360	-	△ 96
Ordinary profit	△ 48	558	-	643
Net profit (for the year)	△ 40	300	-	670
Net profit per share (for the year)	△ 0.24	0.99		3.95

### 2. Business Results by Reported Segment

#### (1) Sales

	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2014	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2015	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2016	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2017	Consolidated Cumulative 3Q of the Fiscal Year Ending March 31, 2018	Rate of increase or decrease from the previous year (%)	(Reference) Full year of the Fiscal Year ended March 31, 2017
Real estate sales business							
Condominium sales	3,541	2,890	1,305	1,710	3,018	76.5	4,103
Land and building	-	-	111	490	-	△ 100.0	2,264
Custom-made homes	1,891	1,452	1,284	1,113	1,026	△ 7.8	1,565
Asset management business	127	428	256	246	477	93.8	173
Construction business	-	6,207	5,489	4,105	3,173	△ 22.7	5,722
Renewable energy business	-	-	40	182	384	110.3	250
Total	5,559	10,978	8,487	7,848	8,080	3.0	14,080
Other	26	44	43	47	39	△ 16.1	62
Elimination of intersegment transactions	-	△ 16	△ 45	-	△ 33	-	-
Total	5,585	11,007	8,486	7,895	8,086	2.4	14,143

#### (2) Operating profit

	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2014	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2015	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2016	Consolidated Cumulative 3Q of the Fiscal Year Ended March 31, 2017	Consolidated Cumulative 3Q of the Fiscal Year Ending March 31, 2018	The rate of increase or decrease from the previous year (%)	(Reference) Full year of the Fiscal Year ended March 31, 2017
Real estate sales business							
Condominium sales	38	138	△ 107	△ 6	288	-	313
Land and building	-	-	6	44	-	△ 100.0	218
Custom-made homes	130	103	32	17	△ 5	-	29
Asset management business	55	110	37	91	266	191.1	△ 39
Construction business	-	396	292	149	185	23.9	287
Renewable energy business	-	-	△ 105	73	119	63.3	73
Total	224	748	154	369	855	131.6	881
Other	14	21	27	21	3	△ 81.5	28
Depreciation of goodwill	△ 69	△ 142	△ 147	△ 148	△ 144	-	△ 197
Expenses of entire company	△ 276	△ 382	△ 427	△ 444	△ 1,176	-	△ 756
Total	△ 106	246	△ 393	△ 202	△ 461	-	△ 43