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For inquiries concerning the report, please contact info@stock-r.org

Planning, development and sales of newly built for-investment condominiums close to the station for the wealthy class

[2987 TASUKI Business Type: Real Estate]

Fiscal Year ending	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	Dividends (yen)
Sep. 2018	3,117	14.7x	173	-	108	29.4x	73	33.9x	25.4	218.7	0.0
Sep. 2019	5,118	64.2	424	144.6	330	205.3	221	202.7	69.3	149.3	0.0
Sep. 2020 (forecast)	6,993	36.6	568	33.8	505	52.9	338	52.6	71.9	-	0.0

Note: Non-consolidated bases. Figures for fiscal year ending September 2020 are company's forecast. It conducted 1-to-1,000 stock split on September 28, 2017 and 2.5-to-1 reverse stock split on June 12, 2020. Per share indices are corrected retroactively.

Business Details

Development and Sales of Newly Built for-Investment Condominiums centering on Tokyo 23 Wards

TASUKI Corporation conducts the Live Mana business and Day Pay business. In the Live Mana business, it conducts planning, development and sales of newly built for-investment condominiums to be transacted entirely and sales of land, both of which are mainly located in the 23 wards of Tokyo, for inheritance tax purposes and for inheritance of assets targeting the wealthy class, as well as provision of consulting and other services to real estate businesses, etc. In the Day Pay business, it provides a salary prepayment platform. The Day Pay business was just launched in October 2019, so its sales are small (figure 1).

Figure 1: Sales by Segment

Segments	Fiscal Year ending Sep. 2019			Fiscal Year Ending Sep. 2020 Cumulative Third Quarter	
	Sales (thousand yen)	Composition (%)	YoY (%)	Sales (thousand yen)	Composition (%)
LiveMana business	5,118,432	100.0	64.2	5,005,817	100.0
Real estate sales	4,907,552	95.9	60.1	4,852,664	96.9
Consulting fee, etc.	210,879	4.1	307.9	153,152	3.1
DayPay business	-	-	-	1,406	0.0
Total sales	5,118,432	100.0	64.2	5,007,224	100.0

Source: Prepared by The Stock Research Center based on the notifiable prospectus.

Business Results

Business Results for Fiscal Year ended September 2019

Real estate sales for the fiscal year ended September 2019 marked a 60.1% increase year-on-year to 4,907 million yen, as the sales of newly built for-investment condominiums and land resulted in 27 handover cases, an increase of 9 cases from the previous fiscal year. Consulting fees, etc. increased by 159 million yen from the previous fiscal year to 210 million yen as a result of proactive customer introductions, etc. to partner companies.

Corporate Plan for Fiscal Year ending September 2020

The corporate plan for the fiscal year ending September 2020 is net sales of 6,993 million yen (36.6% increase year-on-year), operating profit of 568 million yen (33.8% increase year-on-year), ordinary profit of 505 million yen (52.9% increase year-on-year) and profit of 338 million yen (52.6% increase year-on-year).

The corporate plan for the fiscal year ending September 2020 is calculated as the total of the actual results from October 2019 to April 2020 and the forecasted results for May through September 2020. For net sales, the forecast is 6,993 million yen (36.6% increase year-on-year) for the entire company, with 6,991 million yen (36.6% increase year-on-year) for the Live Mana business with 3 increased cases year-on-year totaling 30 handover cases, and 2 million yen for the Day Pay business.

Figure 2: Financial Statements

Statement of income	Fiscal year ended Sep. 2018		Fiscal year ending Sep. 2019		Fiscal year ending Sep. 2019 3Q (Cumulative)	
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales	3,117	100.0	5,118	100.0	5,007	100.0
Cost of sales	2,578	82.7	3,983	77.8	4,059	81.1
Gross profit	538	17.3	1,135	22.2	947	18.9
Selling, general and administrative expenses	365	11.7	710	13.9	583	11.6
Operating profit	173	5.6	424	8.3	364	7.3
Non-operating income	1	0.0	2	0.0	25	0.5
Non-operating expenses	66	2.1	96	1.9	70	1.4
Ordinary profit	108	3.5	330	6.5	319	6.4
Profit before income taxes	106	3.4	329	6.4	319	6.4
Profit	73	2.4	221	4.3	218	4.4

Balance sheet	Fiscal year ended Sep. 2018		Fiscal year ending Sep. 2019		Fiscal year ending Sep. 2019 3Q	
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets	3,312	97.6	3,684	95.6	4,777	96.3
Cash and deposits	515	15.2	574	14.9	1,642	33.1
Real estate for sale	0	0.0	760	19.7	1,341	27.1
Real estate for sale in process	2,370	69.9	2,236	58.0	1,716	34.6
Non-current assets	80	2.4	170	4.4	182	3.7
Property, plant and equipment	30	0.9	84	2.2	92	1.9
Intangible assets	3	0.1	32	0.9	34	0.7
Investments and other assets	45	1.3	52	1.4	55	1.1
Total assets	3,392	100.0	3,854	100.0	4,960	100.0
Current liabilities	1,358	40.0	2,567	66.6	1,888	38.1
Short-term borrowings	411	12.1	604	15.7	598	12.1
Current portion of long-term borrowings	770	22.7	1,698	44.1	1,070	21.6
Non-current liabilities	1,556	45.9	586	15.2	1,029	20.7
Long-term borrowings	1,519	44.8	541	14.1	961	19.4
Net assets	477	14.1	699	18.2	2,043	41.2
Shareholders' equity	477	14.1	699	18.2	2,043	41.2

Statement of cash flows	Fiscal year ended Sep. 2018	Fiscal year ending Sep. 2019
	(mn yen)	(mn yen)
Cash flows from operating activities	-1,543	52
Depreciation	3	6
Cash flows from investing activities	-35	-115
Cash flows from financing activities	1,751	122
Dividends paid	-	-
Net increase in cash and cash equivalents	172	58
Cash and cash equivalents	515	574

Source: Prepared by The Stock Research Center based on the notifiable prospectus.