

Engaged in real estate business in the Kinki region centered on Kyoto and Shiga

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【5533 Elitz Holdings Sector : Real Estate】

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Sep.2021	4,565	-	605	-	649	-	438	-	139.5	1,017.4	39.0
Sep.2022	4,864	6.5	612	1.2	685	5.5	432	-1.4	137.7	1,092.0	44.0
Sep.2023 f	5,376	10.5	937	53.1	882	28.8	564	30.6	176.8	-	56.0

Note: Consolidated basis. Figures for the fiscal year ending September 2023 are the company's forecasts.

Providing Real Estate Brokerage and Management Services as well as Resident Support Services in the Kinki Region

Composed of Elitz Holdings and six of its consolidated subsidiaries, the group is engaged in the real estate brokerage business, the real estate management business and the resident support business in the Kinki region centered around Kyoto and Shiga prefectures.

The composition of sales for the real estate brokerage business, real estate management business, and resident support business segments in fiscal year ended September 2022 was 49.6%, 37.3% and 13.1%, respectively.

(1) Real estate brokerage business

In its real estate brokerage business segment, the group engages in the real estate rental brokerage business, the real estate rental brokerage related business, the real estate sales brokerage business, the real estate leasing business, the real estate development business and the overseas business. For each business line, companies in the corporate group collaborate closely on matters such as introductions and outsourcing. Operations are conducted in a way that minimizes the outflow of profit opportunities.

(2) Real estate management business

The group is engaged in the maintenance and resident management of rental properties such as condominiums and apartments. It also provides maintenance services and management support for condominiums, as well as operational assistance for condominium management associations. The contribution to sales and profits from the condominium management business is not significant.

The group manages more than 24,000 units, excluding its own buildings, for which it has maintained an occupancy rate of approximately 95% over the last two fiscal years.

(3) Resident support business

The group offers a range of services to customers of the corporate group, which consists of owners, residents and property buyers of its managed properties. These services include fire insurance solicitation, rent default guarantees, 24/7 on-call service for issues such as lost keys or plumbing problems, internet contract arrangements and coordination of other infrastructure services.

Although there are a large number of small transactions, business partners of the group, such as insurance companies, Internet providers and power producers and suppliers (PPS), are the main service providers, thus making it a low-cost and profitable business.

Financial Statements

Statement of income	Fiscal Year	Sep.2021		Sep.2022		Six months to Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		4,565	100.0	4,864	100.0	2,851	100.0
Cost of sales		1,272	27.9	1,117	23.0	684	24.0
Gross profit		3,293	72.1	3,747	77.0	2,166	76.0
Selling, general and administrative expenses		2,688	58.9	3,134	64.4	1,598	56.1
Operating profit		605	13.3	612	12.6	568	19.9
Non-operating income		63	-	91	-	17	-
Non-operating expenses		19	-	18	-	13	-
Ordinary profit		649	14.2	685	14.1	571	20.0
Profit before income taxes		651	14.3	662	13.6	570	20.0
Net profit		438	9.6	432	8.9	379	13.3

Balance sheet	Fiscal Year	Sep.2021		Sep.2022		Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		3,490	54.8	4,311	55.3	5,131	59.5
Cash and deposits		2,995	47.1	3,374	43.3	4,141	48.0
Accounts receivable-trade		228	3.6	242	3.1	388	4.5
Inventories		173	2.7	547	7.0	446	5.2
Non-current assets		2,873	45.2	3,482	44.7	3,495	40.5
Property, plant and equipment		2,567	40.3	2,839	36.4	2,834	32.9
Intangible assets		19	0.3	18	0.2	18	0.2
Investments and other assets		286	4.5	623	8.0	643	7.5
Total assets		6,363	100.0	7,793	100.0	8,627	100.0
Current liabilities		1,594	25.1	2,162	27.7	2,881	33.4
Accounts payable - trade		111	1.7	118	1.5	166	1.9
Current portion of long-term borrowings.		98	1.5	118	1.5	117	1.4
Non-current liabilities		1,571	24.7	2,200	28.2	2,068	24.0
Long-term borrowings		1,415	22.2	2,014	25.8	1,884	21.8
Net assets		3,196	50.2	3,431	44.0	3,678	42.6
Owners' equity		3,196	50.2	3,431	44.0	3,678	42.6

Statement of cash flows	Fiscal Year	Sep.2021	Sep.2022	Six months to Mar.2023
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		549	286	1,077
Depreciation		100	110	54
Cash flows from investing activities		-365	-764	-51
Cash flows from financing activities		-213	855	-268
Dividends paid		-116	-122	-138
Net increase in cash and cash equivalents		-28	378	757
Cash and cash equivalents		2,940	3,319	4,077

Note: Consolidated

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

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