

# Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

February 12, 2021

Company name: SPACE VALUE HOLDINGS CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 1448 URL <https://www.svh.co.jp>  
 Representative: President & CEO Naoki Morioka  
 Inquiries: Executive Officer / Manager Hideki Shimada TEL 03-5439-6070  
 Scheduled date to file Quarterly Securities Report: February 15, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2020	52,912	(10.7)	34	(97.2)	326	(77.4)	1,074	154.7
Nine months ended December 31, 2019	59,273	6.9	1,251	(38.5)	1,443	(27.1)	421	(62.5)

Note: Comprehensive income Nine months ended December 31, 2020 ¥2,301 million [36.6%]  
 Nine months ended December 31, 2019 ¥1,684 million [–%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2020	30.57	30.53
Nine months ended December 31, 2019	12.02	11.99

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	79,623	26,354	33.0
As of March 31, 2020	79,307	24,558	30.9

Reference: Equity As of December 31, 2020 ¥26,278 million  
 As of March 31, 2020 ¥24,472 million

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2020	–	0.00	–	15.00	15.00
Year ending March 31, 2021	–	0.00	–		
Year ending March 31, 2021 (Forecast)				15.00	15.00

Note: Revisions to the cash dividend forecasts most recently announced: None

### 3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes									
	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	80,000	(6.4)	2,500	0.7	2,500	(12.4)	2,580	158.7	73.39

Note: Revisions to the earnings forecasts most recently announced: None

### 4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2020  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

#### (4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2020	35,556,584 shares	As of March 31, 2020	35,556,584 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	195,256 shares	As of March 31, 2020	223,468 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	35,150,361 shares	Nine months ended December 31, 2019	35,121,094 shares
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Note: The number of treasury shares at the end of each period does not include shares of the Company held by share-based benefit trusts (200,508 shares as of December 31, 2020 and 202,948 shares as of March 31, 2020). Also, the shares of the Company held by the share-based benefit trusts are included in treasury shares that are deducted for calculation of the average number of outstanding shares during the period (201,502 shares for the nine months ended December 31, 2020 and 206,064 shares for the nine months ended December 31, 2019).

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Explanation of proper use of financial results forecast, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements shown in this document, including the financial results forecast, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially due to various factors.

## Quarterly consolidated financial statements

### Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	4,245	6,674
Notes receivable, accounts receivable from completed construction contracts	23,584	18,289
Accrued rental income	6,094	5,836
Real estate for sale	2,080	2,366
Real estate for sale in process	–	410
Costs on construction contracts in progress	1,625	3,928
Other inventories	937	978
Other	1,335	1,827
Allowance for doubtful accounts	(87)	(85)
Total current assets	39,815	40,226
Non-current assets		
Property, plant and equipment		
Rental ,net	3,069	2,813
Buildings and structures, net	5,575	5,271
Land	8,895	8,382
Other, net	5,919	5,778
Total property, plant and equipment	23,459	22,246
Intangible assets		
Goodwill	2,852	2,744
Other	1,566	1,524
Total intangible assets	4,418	4,269
Investments and other assets		
Investment securities	9,500	11,000
Other	2,526	2,284
Allowance for doubtful accounts	(413)	(404)
Total investments and other assets	11,613	12,880
Total non-current assets	39,491	39,397
Total assets	79,307	79,623

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	17,288	15,340
Short-term borrowings	3,256	8,140
Current portion of long-term borrowings	3,898	4,038
Income taxes payable	750	655
Advances received on construction contracts in progress	1,121	1,911
Advances received-rental	3,721	3,104
Provision for warranties for completed construction	256	380
Provision for bonuses	735	356
Other provisions	129	107
Other	4,073	3,445
Total current liabilities	35,230	37,479
Non-current liabilities		
Long-term borrowings	15,123	11,411
Retirement benefit liability	1,928	1,936
Other provisions	78	138
Other	2,388	2,304
Total non-current liabilities	19,519	15,790
Total liabilities	54,749	53,269
Net assets		
Shareholders' equity		
Share capital	7,000	7,000
Capital surplus	2,337	1,774
Retained earnings	13,358	14,433
Treasury shares	(428)	(381)
Total shareholders' equity	22,267	22,826
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,504	3,672
Foreign currency translation adjustment	(200)	(131)
Remeasurements of defined benefit plans	(99)	(89)
Total accumulated other comprehensive income	2,204	3,451
Share acquisition rights	83	74
Non-controlling interests	2	1
Total net assets	24,558	26,354
Total liabilities and net assets	79,307	79,623

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales		
Net sales of completed construction contracts	48,444	43,190
Rental sales	9,576	9,439
Sales in development business	1,252	281
Total net sales	59,273	52,912
Cost of sales		
Cost of sales of completed construction contracts	41,508	37,891
A rental cost	8,038	7,357
Cost of sales in development business	1,023	165
Total cost of sales	50,569	45,414
Gross profit		
Gross profit on completed construction contracts	6,936	5,299
Gross profit on rental	1,538	2,081
Gross profit - development business	229	116
Total gross profit	8,703	7,497
Selling, general and administrative expenses	7,452	7,462
Operating profit	1,251	34
Non-operating income		
Interest income	17	15
Dividend income	259	203
Land and house rent received	28	24
Purchase discounts	16	14
Subsidy income	—	183
Other	181	172
Total non-operating income	504	613
Non-operating expenses		
Interest expenses	176	135
Rent cost of real estate	10	12
Commission for syndicated loans	4	33
Settlement package	27	80
Other	91	61
Total non-operating expenses	311	321
Ordinary profit	1,443	326

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Extraordinary income		
Gain on sales of non-current assets	28	737
Other	18	1
Total extraordinary income	46	739
Extraordinary losses		
Loss on sales of non-current assets	17	33
Loss on retirement of non-current assets	7	29
Impairment loss	168	—
Loss on liquidation of business	125	—
Other	2	—
Total extraordinary losses	320	63
Profit before income taxes	1,169	1,002
Income taxes	705	(72)
Profit	464	1,074
Profit (loss) attributable to non-controlling interests	42	(0)
Profit attributable to owners of parent	421	1,074

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	464	1,074
Other comprehensive income		
Valuation difference on available-for-sale securities	1,274	1,167
Foreign currency translation adjustment	(59)	49
Remeasurements of defined benefit plans, net of tax	5	10
Total other comprehensive income	1,220	1,227
Comprehensive income	1,684	2,301
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,682	2,302
Comprehensive income attributable to non-controlling interests	2	(0)