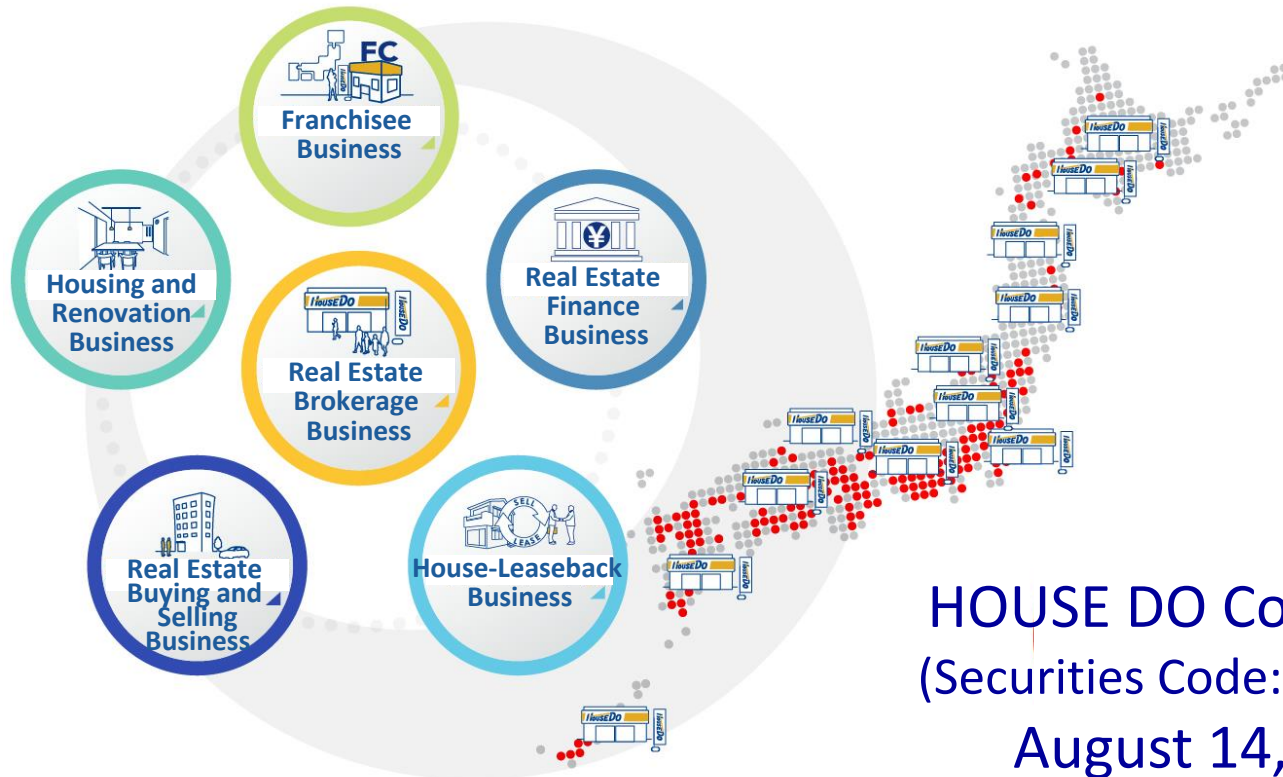




Results of Operations for the Fiscal Year Ended June 2017



HOUSE DO Co., Ltd.
(Securities Code: 3457)
August 14, 2017

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FY6/17 Consolidated Results Summary

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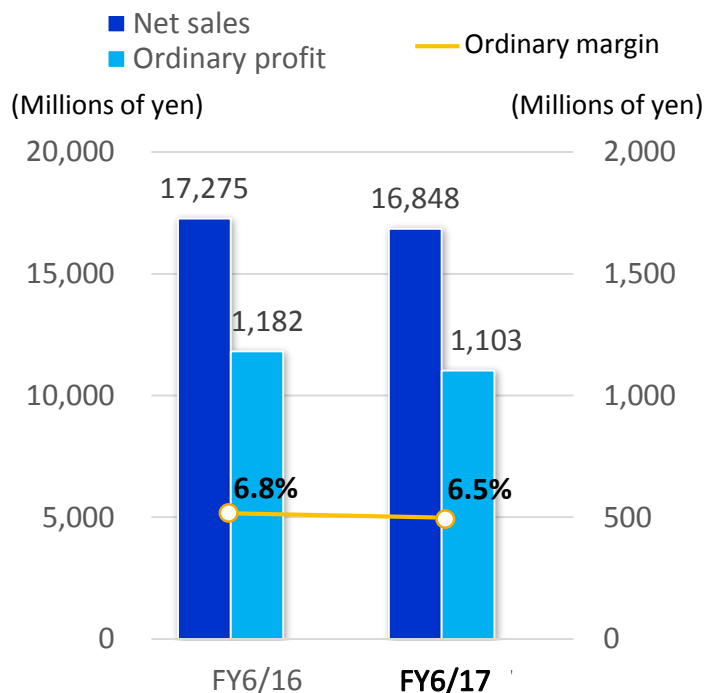
Company Profile

<p>FY6/17 Full-year results</p>	<p>The first year of the medium-term plan (Jul. 2016–Jun. 2019)</p> <table border="1" data-bbox="450 358 1760 686"> <thead> <tr> <th></th> <th>Plan</th> <th>Results</th> <th>(Millions of yen)</th> </tr> </thead> <tbody> <tr> <td>Ordinary profit</td> <td>1,100</td> <td>1,103</td> <td>Achieved</td> </tr> <tr> <td>Profit</td> <td>715</td> <td>737</td> <td>Achieved</td> </tr> <tr> <td>Dividend payout ratio</td> <td>20%</td> <td>23%</td> <td>Achieved</td> </tr> </tbody> </table>		Plan	Results	(Millions of yen)	Ordinary profit	1,100	1,103	Achieved	Profit	715	737	Achieved	Dividend payout ratio	20%	23%	Achieved
	Plan	Results	(Millions of yen)														
Ordinary profit	1,100	1,103	Achieved														
Profit	715	737	Achieved														
Dividend payout ratio	20%	23%	Achieved														
<p>Key strategic goal progress</p>	<p>Making steady progress with shifting investments to steady-income businesses (Franchisee, House-Leaseback, Real Estate Finance)</p> <p>➡ Aiming to return to a growth trajectory</p>																
<p>Change in listing</p>	<p>Dec. 8, 2016: Listed on the Tokyo Stock Exchange first section</p>																
<p>Dividends</p>	<ul style="list-style-type: none"> <p>Raised the year-end dividend from ¥17 to ¥20 due to the TSE first section listing and strong results of operations (A proposal to pay the ¥20 dividend will be submitted at the shareholders' meeting scheduled for September 26, 2017.)</p> 																

FY6/17 Summary of Consolidated Statement of Income

(Millions of yen)

(Year-on-year comparison)



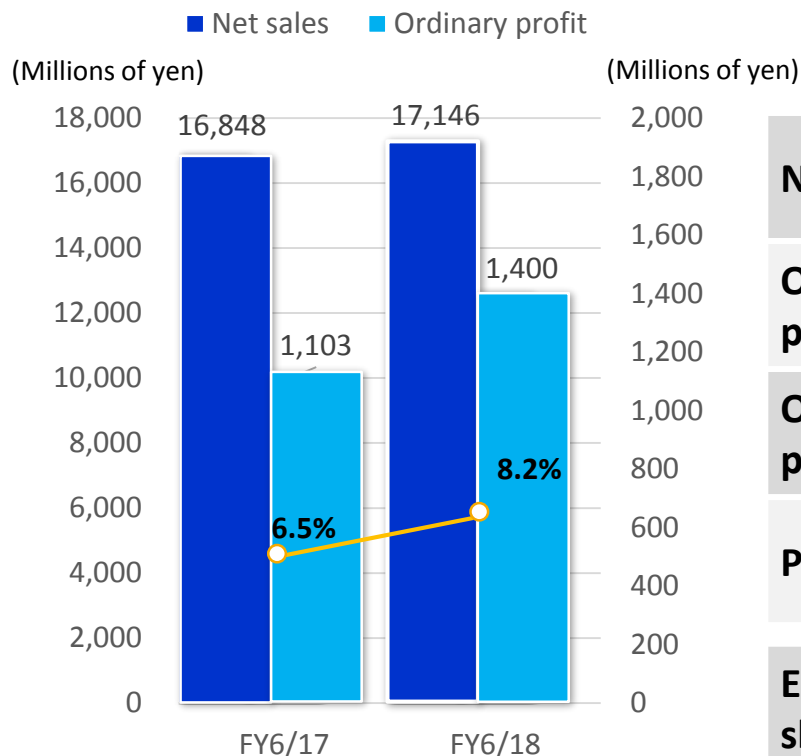
	FY6/16		FY6/17		YoY change
		% to sales		% to sales	
Net sales	17,275	100.0%	16,848	100.0%	-2.5%
Gross profit	6,153	35.6%	6,572	39.0%	+6.8%
SG&A expenses	4,875	28.2%	5,323	31.6%	+9.2%
Operating profit	1,277	7.4%	1,249	7.4%	-2.2%
Non-operating income	49	0.3%	83	0.5%	+68.1%
Non-operating expenses	144	0.8%	229	1.4%	+58.9%
Ordinary profit	1,182	6.8%	1,103	6.5%	-6.7%
Profit	741	4.3%	737	4.4%	-0.5%

- **Gross profit: Up 6.8% YoY**
- **Gross profit ratio: Up 3.4 points due to growth of earnings from steady-income businesses**
- **SG&A expenses: Up 9.2%** because of investments in personnel and advertising/promotion activities for growing businesses

FY6/17 Forecast and Results and FY6/18 Forecast



(Millions of yen)



	FY6/17 (fct.)	FY6/17 Results	Progress ratio for FY	FY6/18 (fct.)
Net sales	16,322	16,848	103.2%	17,146
Operating profit	1,247	1,249	100.1%	1,603
Ordinary profit	1,100	1,103	100.2%	1,400
Profit	715	737	103.1%	920
Earnings per share (Yen)	84.45	87.02	103.0%	108.29

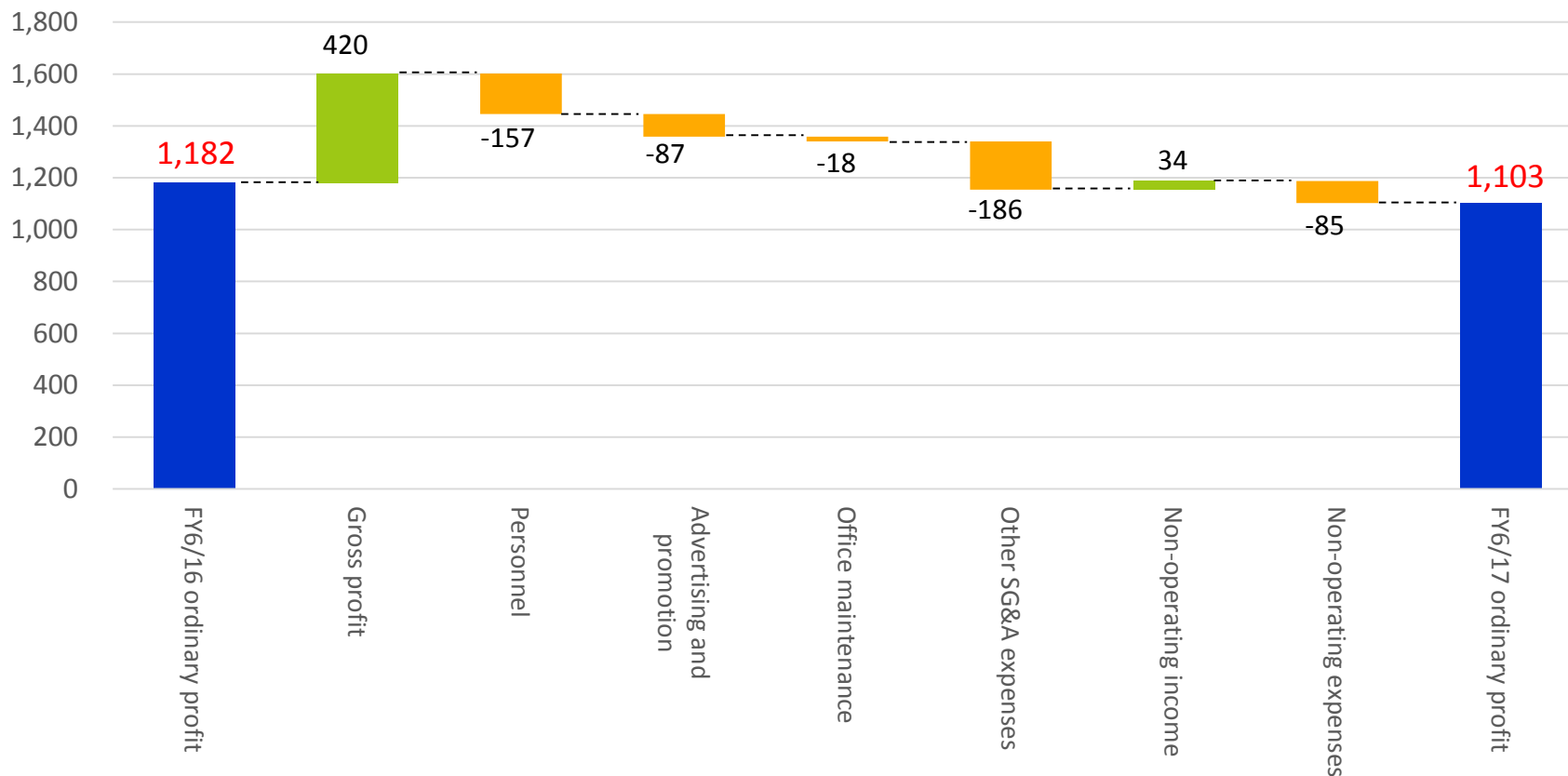
- Net sales: ¥16.84 billion ➔ **3.2% higher than the forecast**
- Ordinary profit: ¥1.10 billion ➔ **0.2% higher than the forecast**
- **FY6/18 forecast: Planning on 27.0% growth in ordinary profit to ¥1.4 billion (ordinary margin of 8.2%)**

Breakdown of an Increase in Ordinary Profit



- **Gross profit increased** because all steady-income businesses – Franchisee, House-Leaseback, Real Estate Finance – performed well and the Real Estate Brokerage Business also posted a strong performance backed by favorable market conditions because of low interest rates on mortgages.
- There were investments in personnel and advertising/promotion activities in order to focus on steady-income business. Other SG&A expenses include system maintenance expenses.

(Millions of yen)



Selling, General and Administrative Expenses



SG&A Expenses

(Millions of yen)

	FY6/16		FY6/17		YoY change
		% to sales		% to sales	
SG&A Expenses	4,875	28.2%	5,323	31.6%	9.2%
Personnel	2,540	14.7%	2,697	16.0%	6.2%
Advertising and promotion	1,033	6.0%	1,120	6.6%	8.4%
Office maintenance	198	1.1%	216	1.3%	9.0%
Others	1,103	6.4%	1,289	7.7%	16.9%
Gross profit	6,153	35.6%	6,572	39.0%	+6.8%

- SG&A expenses increased to 31.6% of sales from 28.2% one year ago.
- **Shifted existing employees to the Franchisee Business and the House-Leaseback Business in order to target opportunities for earnings growth.**
- Advertising expenses increased due to additional advertisements reflecting the larger number of stores and investments for the faster growth of the Franchisee Business and House-Leaseback Business. Fees for selling income properties, the cost of shareholder benefits and management fees for IT system maintenance were mainly responsible for the increase in other expenses.

Consolidated Balance Sheet



(Millions of yen)

	FY6/16	FY6/17	Change
Current assets	7,393	12,212	+4,818
Cash and deposits	2,001	3,129	+1,128
Inventories	4,916	5,804	+887
Other	475	3,276	+2,800
Non-current assets	5,501	8,060	+2,559
Property, plant and equipment	5,207	7,729	+2,522
Intangible assets	72	56	-16
Investments and other assets	220	274	+53
Total assets	12,895	20,273	+7,378

(Millions of yen)

	FY6/16	FY6/17	Change
Liabilities	10,725	17,494	+6,768
Current liabilities	6,003	10,071	+4,068
Non-current liabilities	4,722	7,422	+2,700
Net assets	2,169	2,779	+609
Shareholders' equity	2,168	2,776	+607
Accumulated other comprehensive income	0	0	0
Subscription rights to shares	1	2	+1
Total liabilities and net assets	12,895	20,273	+7,378

Shareholder's equity ratio: 16.8% → 13.7%

- Cash and deposits increased mainly because of higher retained earnings.
- Inventories increased because of increases in real estate for sale and real estate for sale in process.
- Other current assets increased because of operating loans of ¥2,865 million associated with the growing number of loans in the Real Estate Finance Business.
- Property, plant and equipment increased because of the larger number of house-leaseback transactions.

- Current liabilities increased because of a rise in short-term loans payable due to fund new loans in the Real Estate Finance Business.
- Non-current liabilities increased because of an increase in house-leaseback properties, and a rise in long-term loans payable due to fund new loans in the Real Estate Finance Business.
- Shareholders' equity increased because of higher retained earnings resulting from profit.

Dividends



- Dividend policy: Increase corporate value through sustainable growth of business operations and improving profitability
- FY6/17: Annual dividends of ¥20 per share including IPO commemorative dividend of ¥3 and ordinary dividend of ¥17
- FY6/18: Plan to pay dividends with a payout ratio of at least 25%

	FY6/16	FY6/17	FY6/18 Forecast
Dividend per share (Yen)	16	20	27
Total dividends (Millions of yen)	135	169	229
Earnings per share (Yen)	88.31	87.02	108.29
Dividend payout ratio (%)	18.1%	23.0%	25%+

Note: Details of dividends were described in the press release announced on June 12, 2017.

FY6/17 Fourth Quarter Investor Relations/Public Relations Announcements



Date	Subject
Apr. 3, 2017	The number of franchisee contracts specializing in buying houses and other real estate surpassed 100.
May 11, 2017	The HOUSEDO web system was certified as a service eligible for an IT use subsidy by an agent of the Ministry of Economy, Trade and Industry.
May 15, 2017	Announcement of change in name and CEO of a consolidated subsidiary
Jun. 8, 2017	Announcement of a new activity in the House-Leaseback Business, that allows homeowners to sell their homes without leaving
Jun. 12, 2017	Announcement of TSE first section listing commemorative dividend forecast
Jun. 15, 2017	Announcement of a seminar presented by Mr. Ando, HOUSEDO's President and CEO, concerning the real estate market forecast and growth strategies for the real estate industry
Jun. 27, 2017	Announcement of syndicated loan agreement at a consolidated subsidiary

More information about these releases (in Japanese) is available on the HOUSEDO website (<http://www.housedo.co.jp/>).

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FY6/17 Sales by Business Segment



Sales by Segment

(Year-on-year comparison)

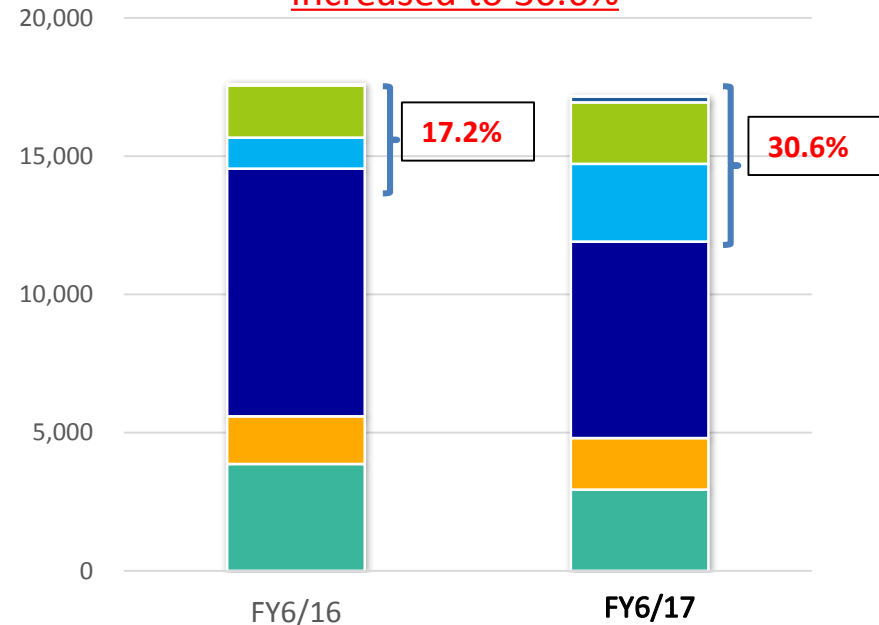
(Millions of yen)

	FY6/16	FY6/17	YoY change
Franchisee Business	1,880	2,220	+18.1%
House-Leaseback Business	1,128	2,807	+148.9%
Real Estate Finance Business	23	221	+824.3%
Real Estate Buying and Selling Business	8,949	7,111	-20.5%
Real Estate Brokerage Business	1,722	1,859	+7.9%
Housing and Renovation Business	3,873	2,944	-24.0%
Other	31	10	-67.5%
Adjustment	-333	-326	-
Total	17,275	16,848	-2.5%

Changes in Segment Sales

(Millions of yen)

→ Steady-income business share increased to 30.6%



- Medium-term plan goal is to increase sales from steady-income businesses (Franchisee, House-Leaseback, Finance).

Steady-income business sales **rose to 30.6%** of total sales, well above the **initial FY6/17 plan of 21.4%**.

- Real Estate Buying and Selling Business: Sales decreased because FY6/16 includes the recognition of sales from FY6/15 transactions due to timing differences that pushed forward, and large properties.
- Housing and Renovation Business: Sales decreased due to a decline in the number of new custom-built houses.

FY6/17 Operating Profit by Business Segment



Operating Profit by Segment

(Year-on-year comparison)

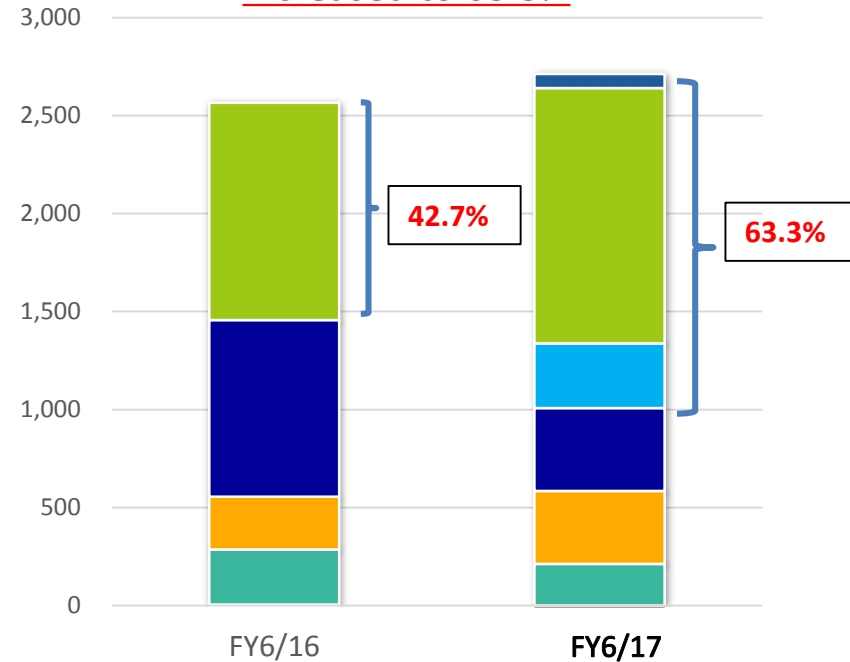
(Millions of yen)

	FY6/16	FY6/17	YoY change
Franchisee Business	1,110	1,304	+17.5%
House-Leaseback Business	-8	330	-
Real Estate Finance Business	-14	72	-
Real Estate Buying and Selling Business	902	422	-53.2%
Real Estate Brokerage Business	268	373	+39.1%
Housing and Renovation Business	281	212	-24.3%
Other	5	-17	-
Adjustment	-1,268	-1,450	-
Total	1,277	1,249	-2.2%

Changes in Segment Operating Profit

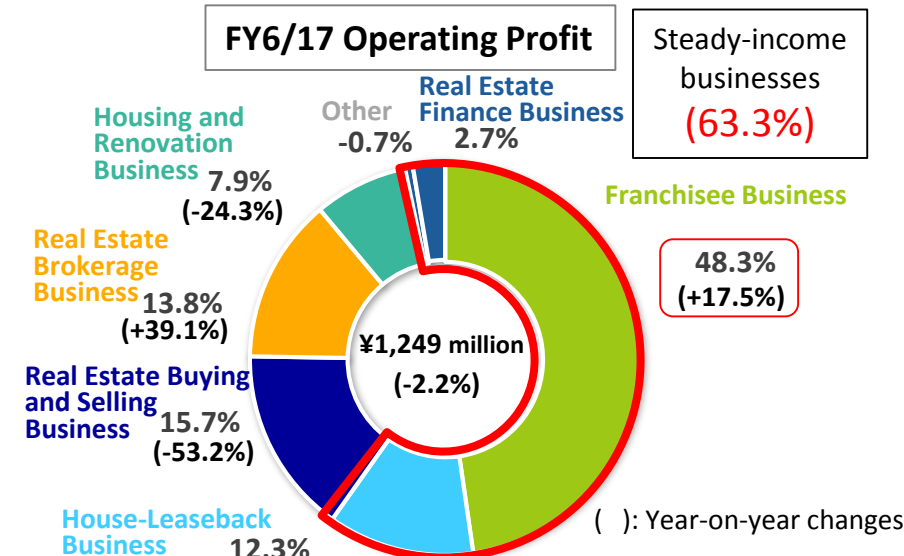
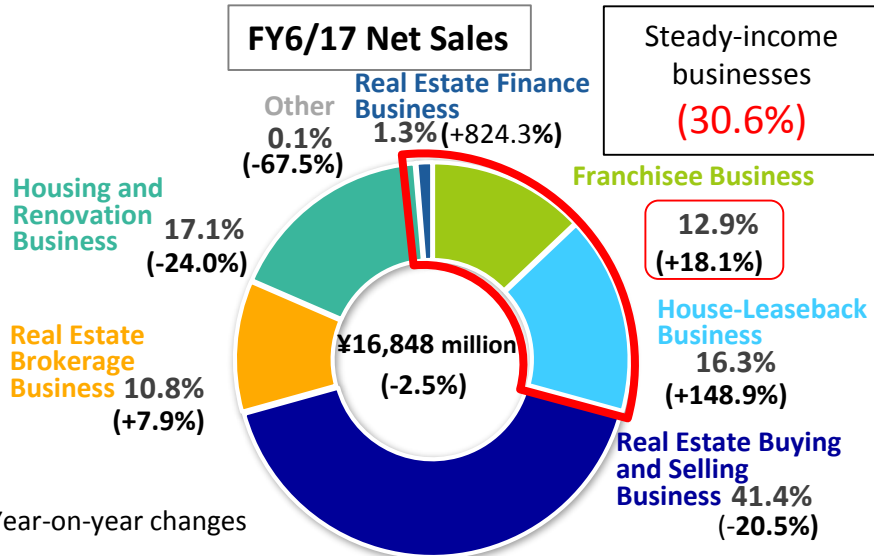
(Millions of yen)

➔ Steady-income business share increased to 63.3%



- Steady-income businesses accounted for **63.3%** of operating profit compared with the **initial FY6/17 plan of 56.6%**.
- Franchisee Business: Consistent growth in earnings because of growth in the number of franchised stores
- House-Leaseback Business: Became profitable despite the purchase of more properties and investments in personnel and advertising/promotion activities
- Real Estate Brokerage Business: Higher productivity resulted in an increase in earnings despite the shift of people to steady-income businesses.

FY6/17 Composition of Segment Sales and Operating Profit



(Millions of yen)	FY6/16	FY6/17	FY6/18 (fct.)	YoY change
Franchisee Business	1,880	2,220	2,556	+15.1%
House-Leaseback Business	1,128	2,807	2,166	-22.8%
Real Estate Finance Business	23	221	490	+121.6%
Real Estate Buying and Selling Business	8,949	7,111	7,375	+3.7%
Real Estate Brokerage Business	1,722	1,859	1,901	+2.3%
Housing and Renovation Business	3,873	2,944	2,978	+1.2%
Other	31	10	-	-
Adjustment	-333	-326	-323	-
Total	17,275	16,848	17,146	+1.8%

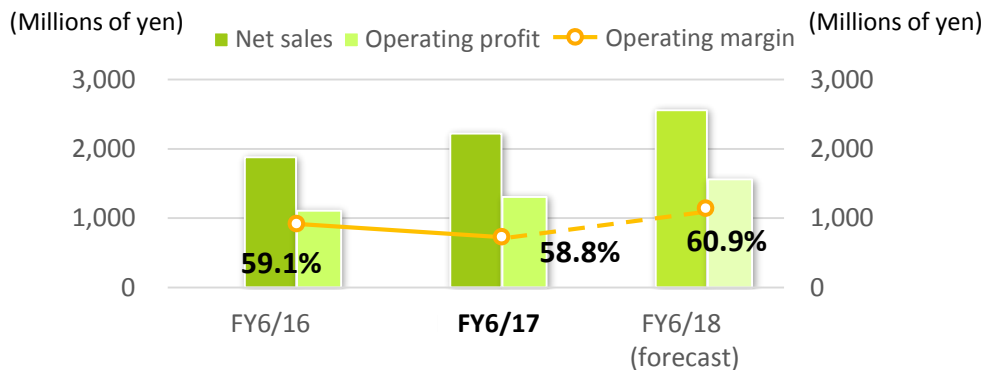
(Millions of yen)	FY6/16	FY6/17	FY6/18 (fct.)	YoY change
Franchisee Business	1,110	1,304	1,558	+19.4%
House-Leaseback Business	-8	330	331	+0.3%
Real Estate Finance Business	-14	72	160	+119.9%
Real Estate Buying and Selling Business	902	422	481	+14.0%
Real Estate Brokerage Business	268	373	253	-32.2%
Housing and Renovation Business	281	212	201	-5.1%
Other	5	-17	-	-
Adjustment	-1,268	-1,450	-1,382	-
Total	1,277	1,249	1,603	+28.4%



Franchisee Business

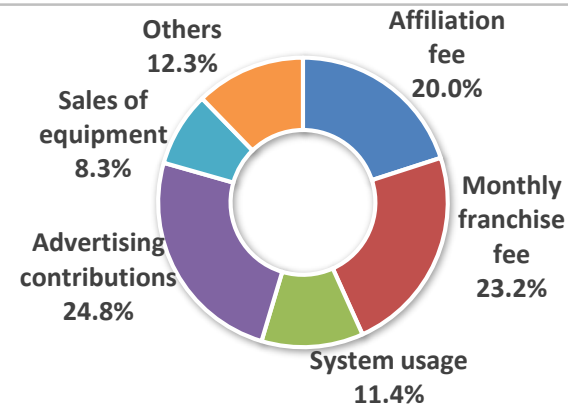


Net Sales / Operating Profit

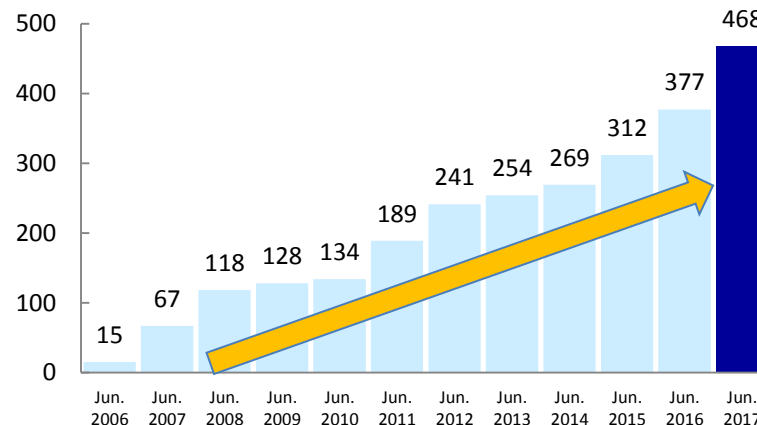


	FY6/16	FY6/17	YoY change	FY6/18 (fct.)
Net sales (Millions of yen)	1,880	2,220	+18.1%	2,556
Operating profit (Millions of yen)	1,110	1,304	+17.5%	1,558
Operating margin (%)	59.1%	58.8%	-	60.9%
Total no. of franchised stores (incl. stores preparing to open)	377	468	+24.1%	573
Total no. of franchised stores opened	317	378	+19.2%	457

Franchisee Business Sales Composition



Changes in Number of Franchised Stores

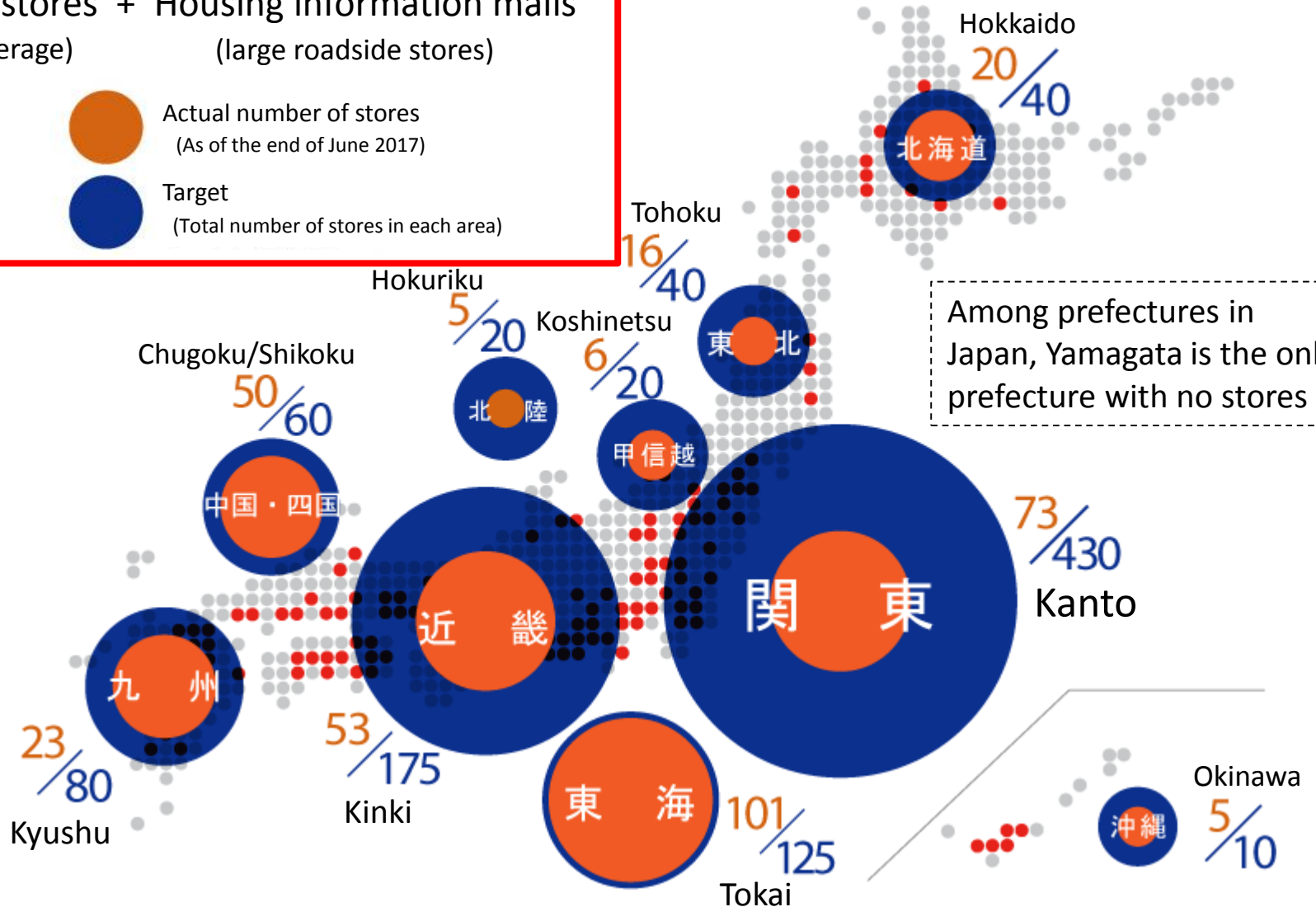
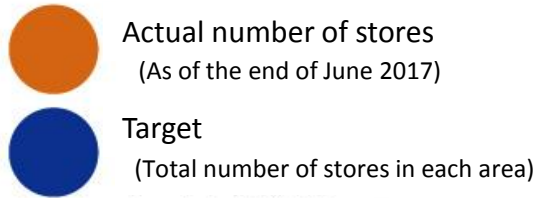


- **Steady growth** – 144 new franchisee contracts and 110 franchised stores opened during the fiscal year.
- Provided better services to customers through franchised stores by offering new services involving real estate transactions.
- Advertising investments and TSE first section listing helped attract more franchisees.

A Nationwide Network of Franchised Stores



Satellite stores + Housing information malls
 (only brokerage) (large roadside stores)



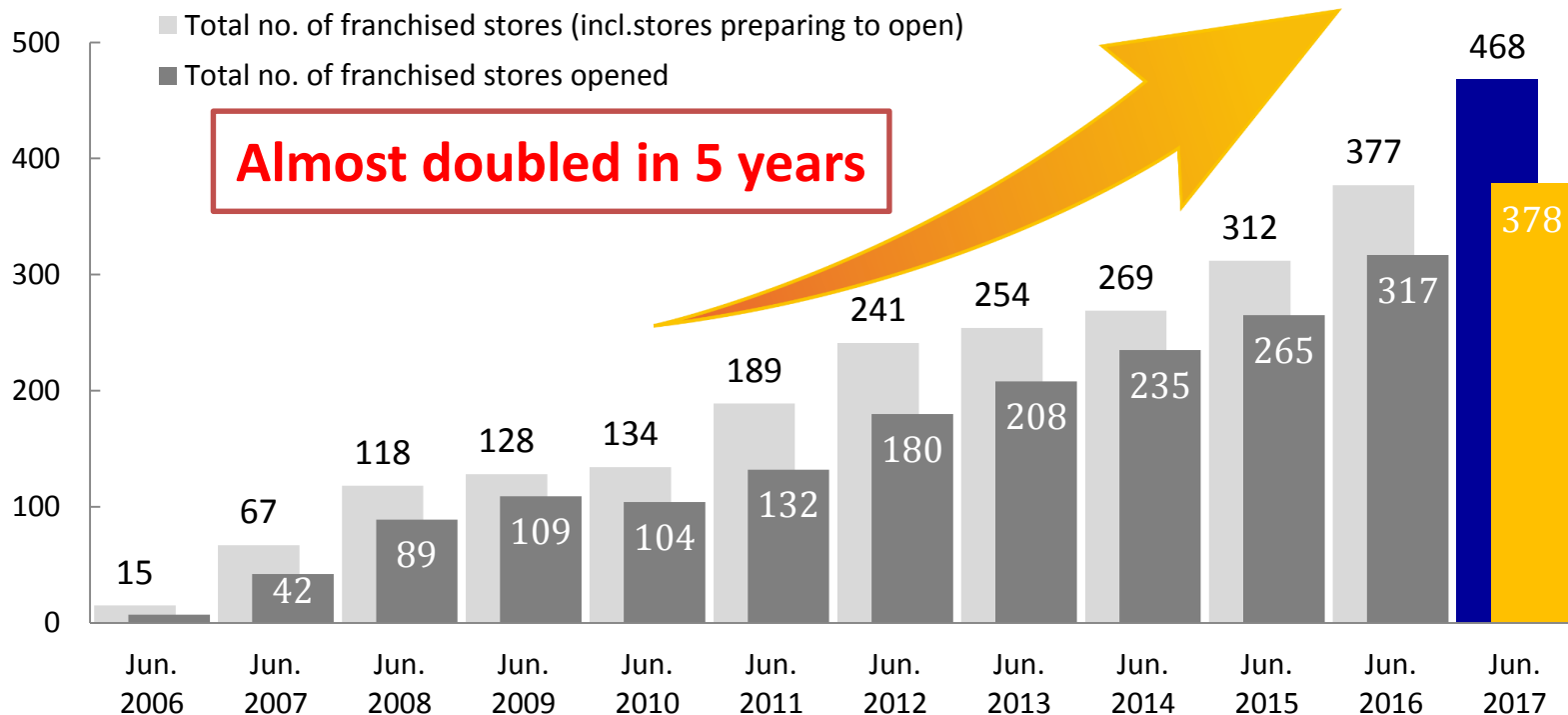


Growth in Number of Franchised Stores



At the end of June 2017, there was a total of 468 franchised stores
(451 stores franchised to third parties and 17 stores franchised to group companies)

Note: Including 90 stores preparing to open



	Satellite stores	Stores specializing in buying houses and other real estate	Housing information malls	Total
Stores franchised to third parties	341	110	0	451
Stores franchised to group companies	6	6	5	17
Total	347	116	5	468



Franchisee Business

- Expansion of franchised store network
Our goal: 1,000 stores in Japan
50,000 stores in Asia
- Providing all information whether from HOUSE DO or other companies
- Offering a reliable and convenient services for customers
- Establishment of a network of small/midsize real estate companies

Our Goal: 700 stores by 2020 and 1,000 stores by 2025



Mr. Atsuya Furuta
(former baseball player),
the face of HOUSEDO

ハウスドゥ!
イメージキャラクター
古田 敦也 氏
(元プロ野球選手)



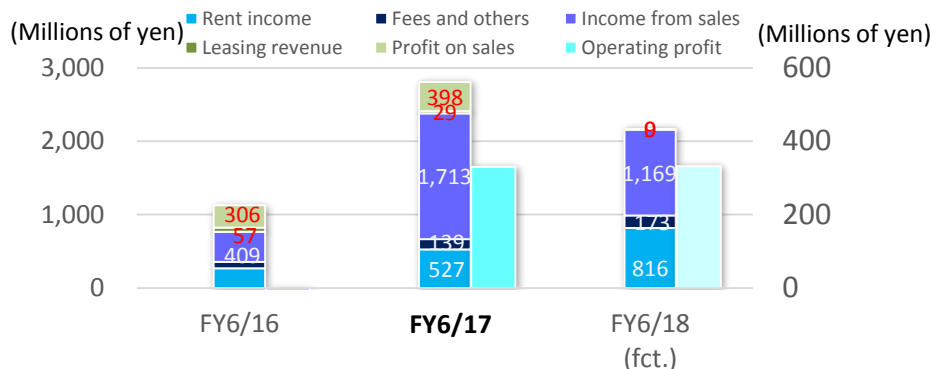
■ Growth in Number of Franchised Stores



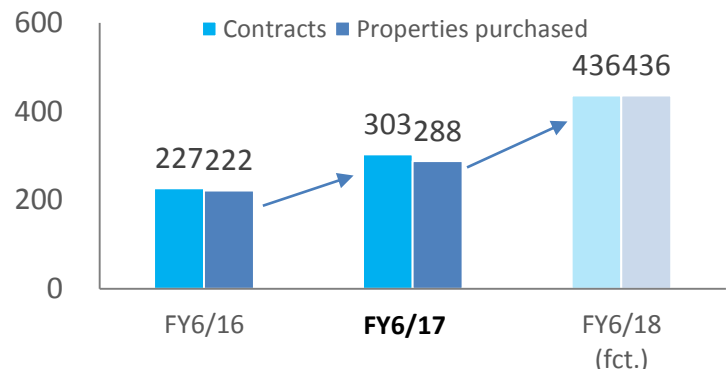
House-Leaseback Business



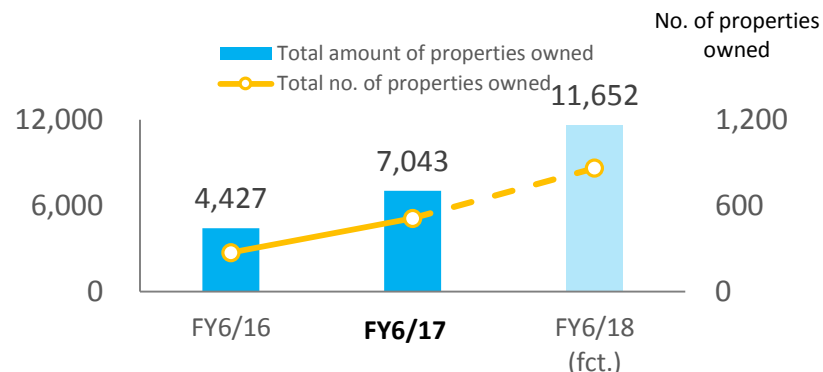
Net Sales / Operating Profit



Changes in Number of Contracts and Properties Purchased



Changes in Total Number and Amount of Properties Owned

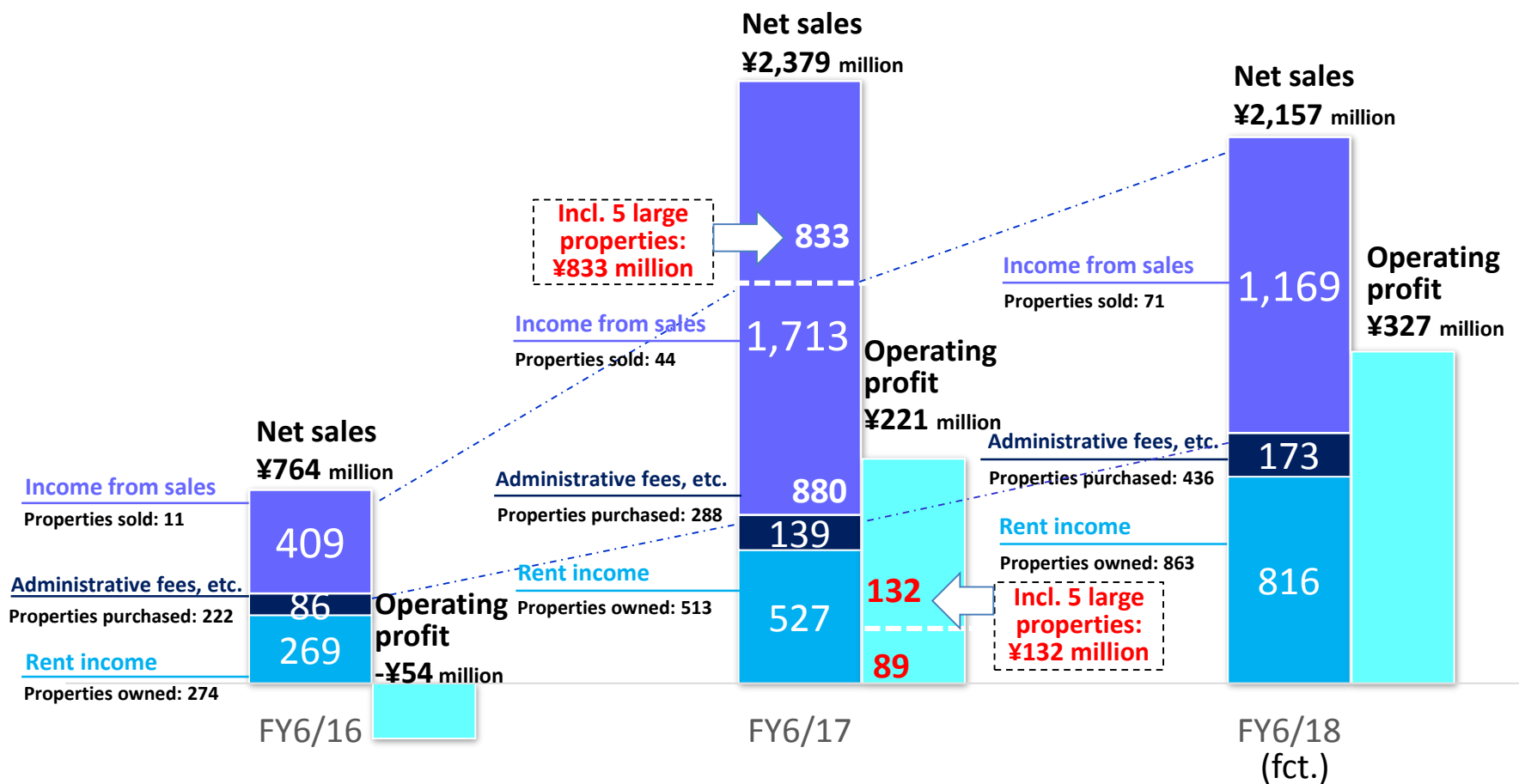


	FY6/16	FY6/17	YoY change	FY6/18 (fct.)
Net sales (Millions of yen)	1,128	2,807	+148.9%	2,166
Operating profit (Millions of yen)	-8	330	-	331
Operating margin (%)	-	11.8%	-	15.3%
No. of house-leaseback contracts	227	303	+33.5%	436
No. of properties purchased	222	288	+29.7%	436
Total no. of properties owned	274	513	+87.2%	863
Total amount of properties owned (Millions of yen)	4,427	7,043	+59.1%	11,652

- **Contracts: 288**
- **House-leaseback properties sold: ¥1,713 million on total of 44 properties; Profit on sales: ¥398 million on 2 properties**
- **Properties owned: Steady growth continued – 513 properties; total amount: ¥7.0 billion at the end of FY6/17**
- **Due to sales of large properties**
- **Contracts increased due to investments in personnel and advertising/promotion activities: Avg. of 18.9 contracts per month in FY6/16 and 25.3 per month in FY6/17**



House-Leaseback Business (Non-consolidated)



Average no. of house-leaseback contracts	18.9	25.3	36.3
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Total Amount and Number of Properties Owned



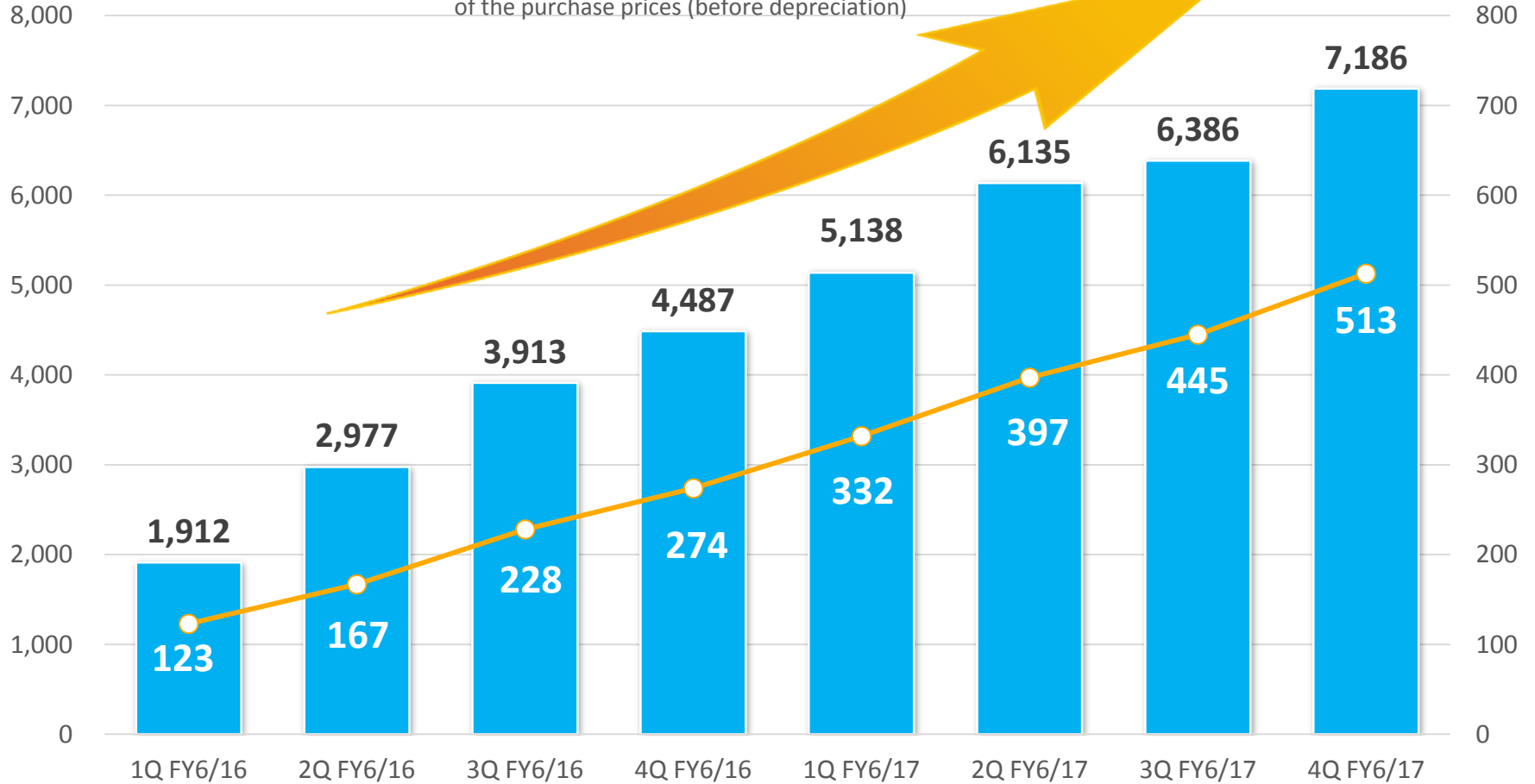
Total amount of properties owned (Millions of yen)

■ Total amount of properties owned

○ Total number of properties owned

Note: Total amount of properties owned is the sum of the purchase prices (before depreciation)

Number of properties owned





House-Leaseback Business

- Meeting the need for “selling a home while living in it”
- Rent (income gain) + Sale (capital gain)
- Effective use of real estate against falling birthrate and depopulation
- Liquidation of real estate
 - Assets are converted into cash
 - Cash is then circulated back to the market, which helps to stimulate the economy

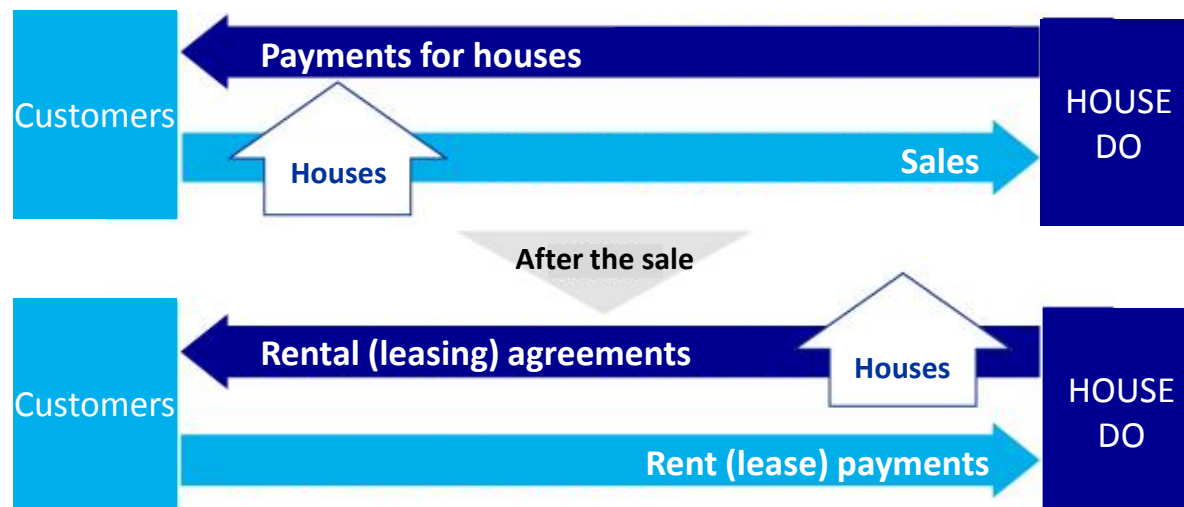
Selling a home while living in it

Steady income



Capital gain

House-Leaseback



Important Keys for Customers

- **Buying back own house at anytime**
- **Sharing profits on sale when the house is sold**

→ These key features meet the customers' needs

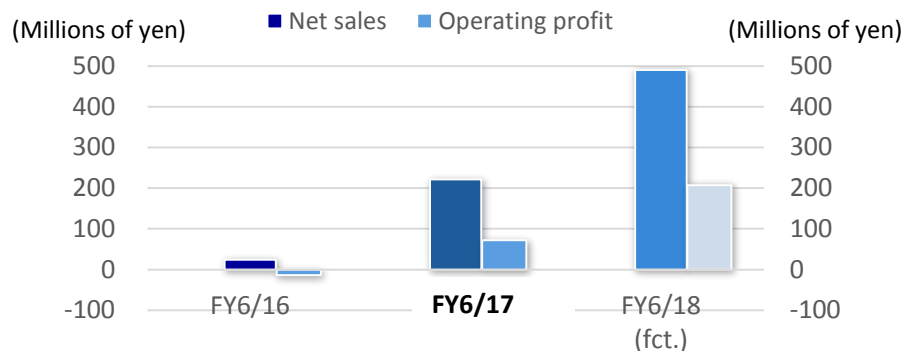
Reasons for the Growth of the House-Leaseback Business

- **An immense need for “selling a home while living in it”**
- **A sharp decrease in the number of moneylenders in Japan**
- **Exemption from restrictions on total lending limits in the Moneylending Control Act (House-leaseback does not belong to moneylending business)**

→ House-leaseback is a “blue ocean” strategy business

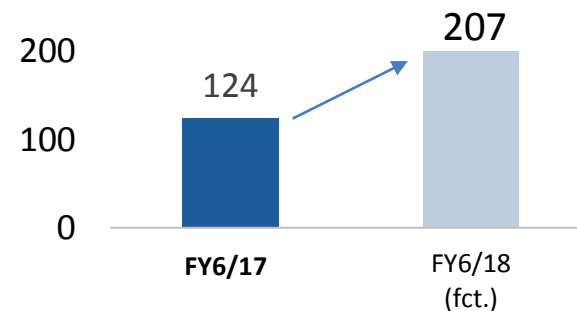


Net Sales / Operating Profit

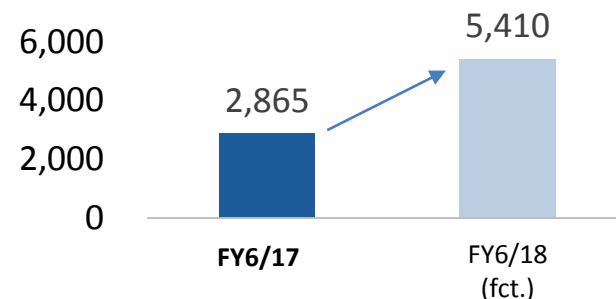


	FY6/16	FY6/17	YoY change	FY6/18 (fct.)
Net sales (Millions of yen)	23	221	+824.3%	490
Operating profit (Millions of yen)	-14	72	-	160
Operating margin (%)	-	32.9%	-	32.7%
New loans	-	124	-	207

New Loans

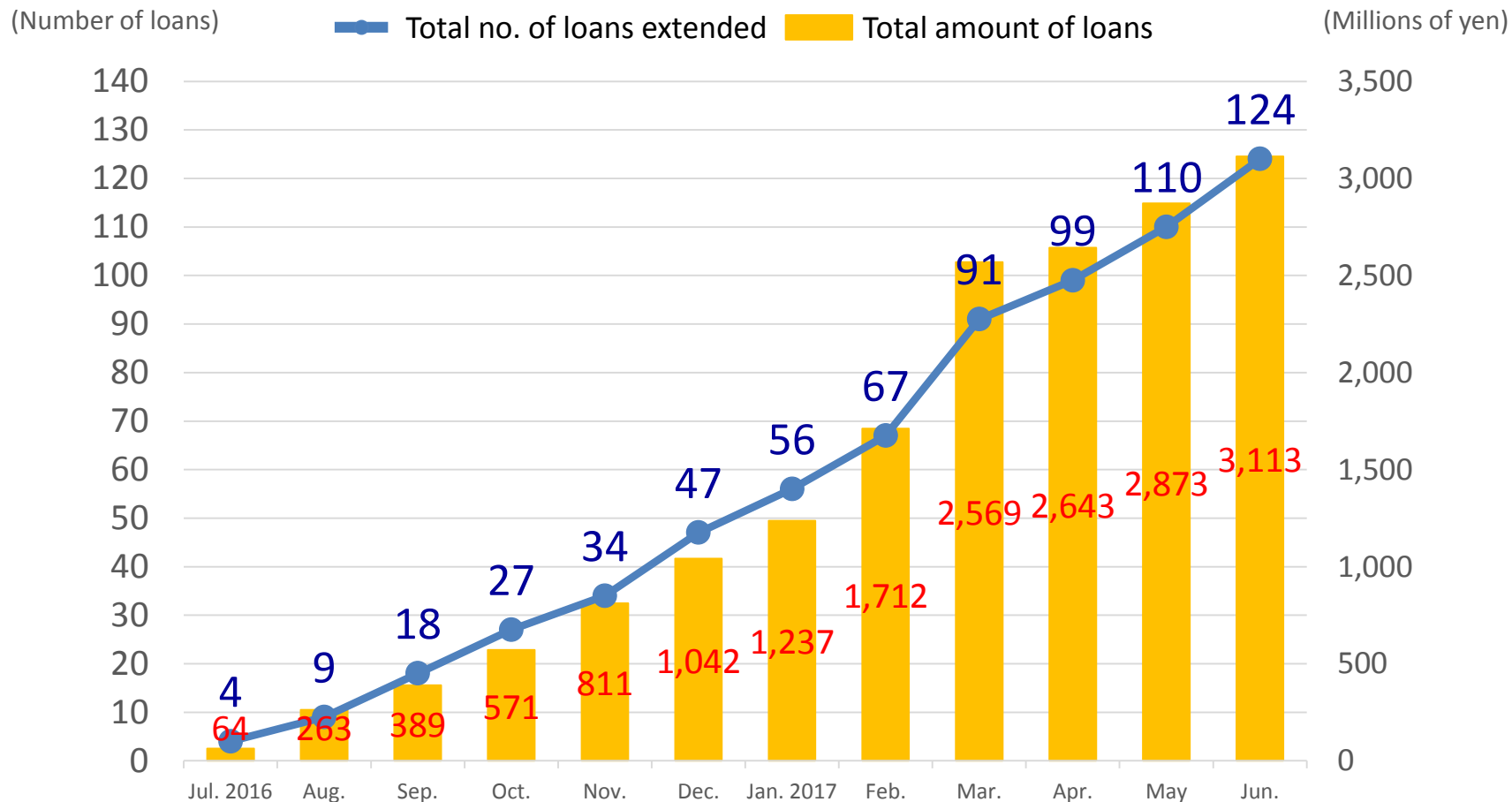


Loans Outstanding



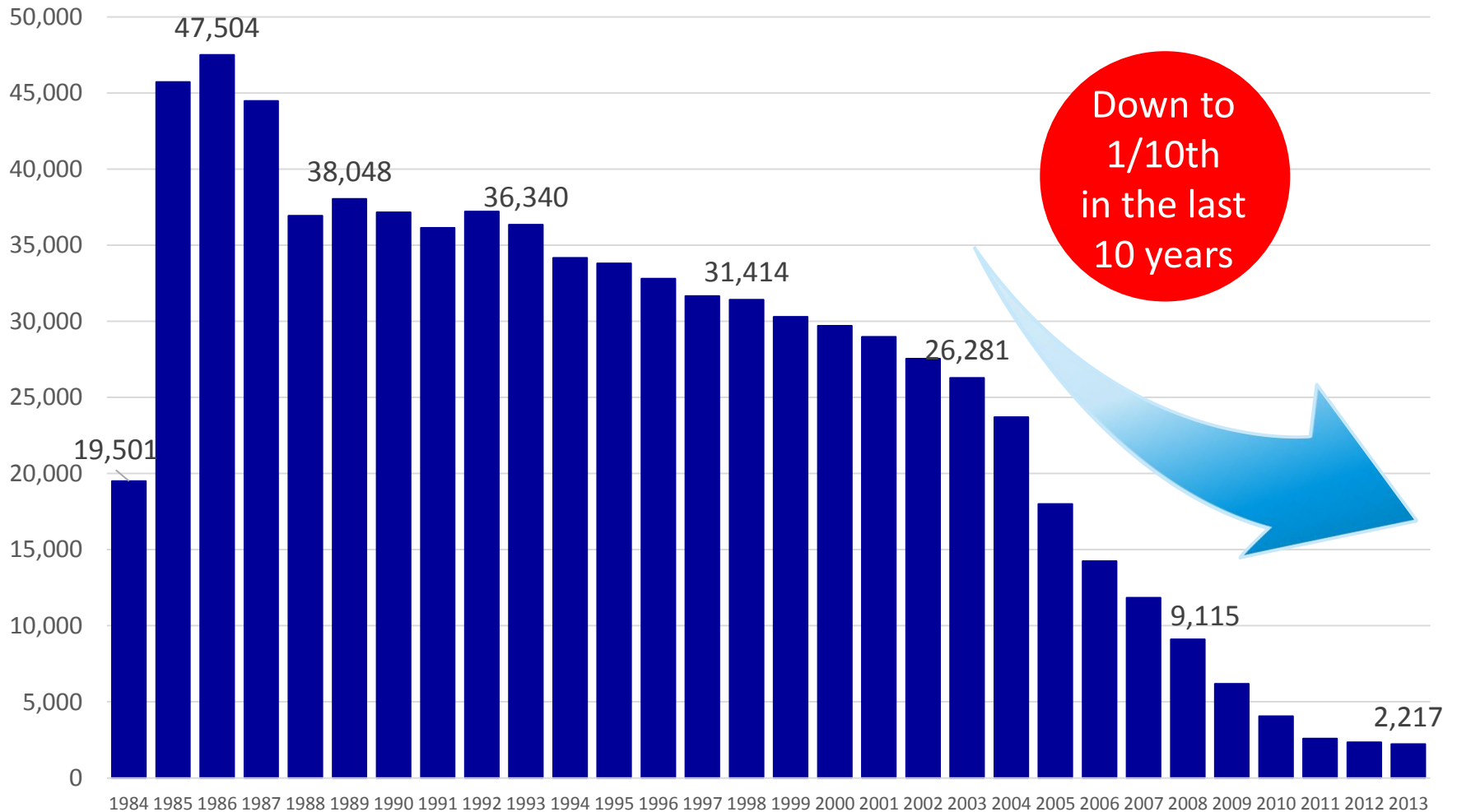
- Real estate secured loans: 124 new loans and ¥2,865 million outstanding
- The number and amount of loans far exceeded the FY6/17 plan; the FY6/18 plan has been increased due to strong demand among customers.
- Also benefiting from synergies as a supplementary business for the House-Leaseback Business.
- Establishing alliances with financial institutions to target the demand for reverse mortgages.

Total Number and Amount of Real Estate Secured Loans



Note: Performance during the first year of this business

Number of Moneylenders in Japan



Source: Moneylending business data of the Financial Services Agency

10-second automatic assessment using artificial intelligence



Do! BANK



10-Second Do!





Real Estate Secured Loans

- For real estate owners who need cash
- For real estate owners with low income
- For non-Japanese citizens
- For real estate owners who need to convert assets into cash

Reverse Mortgage



(Assessment/sales)

Alliances with regional financial institutions

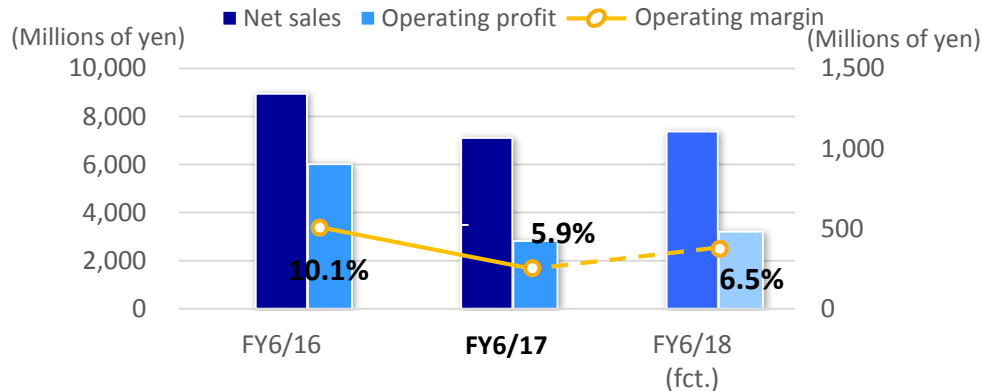
Financial Institutions (Provide funds)



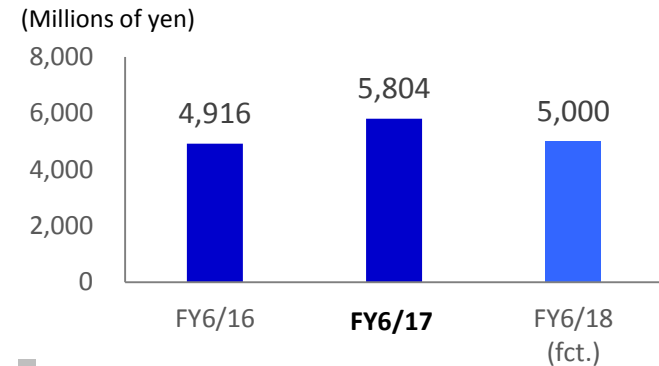
Real Estate Buying and Selling Business



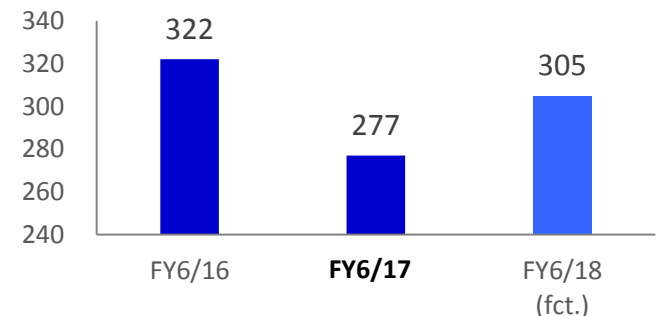
Net Sales / Operating Profit



Inventories



Number of Transactions



	FY6/16	FY6/17	YoY change	FY6/18 (fct.)
Net sales (Millions of yen)	8,949	7,111	-20.5%	7,375
Operating profit (Millions of yen)	902	422	-53.2%	481
Operating margin (%)	10.1%	5.9%	-	6.5%
Number of transactions	322	277	-14.0%	305

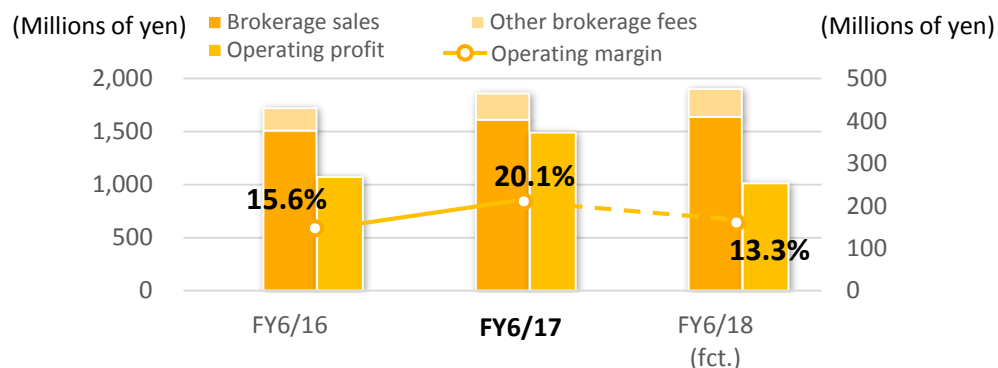
- FY6/16 includes the recognition of sales and earnings from activity in FY6/15 due to timing differences for properties where recognition of sales and earnings was pushed forward from FY6/15 and large properties, including two valued at more than ¥200 million each; approximate effects of about ¥530 million on sales and ¥120 million on earnings.
- Due to the continuation of low interest rates on mortgages and firm real demand for houses in FY6/17, this business ended its cautious stance regarding purchases and began stepping up acquisitions of real estate. The inventory of property for sale increased and real demand for houses was strong.
- The inventory was unchanged at about ¥5 billion due to the decision to place priority on inventory turnover rather than quantity.



Real Estate Brokerage Business

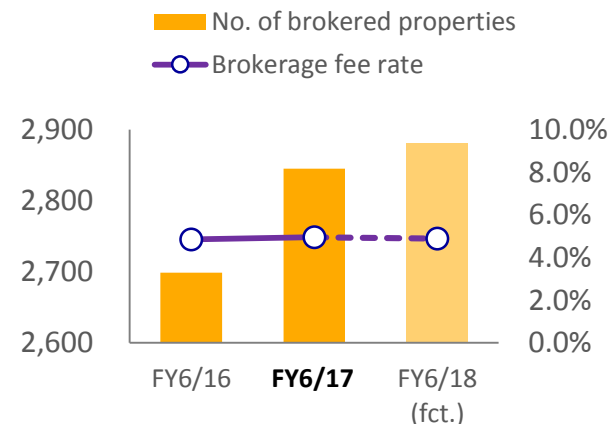


Net Sales / Operating Profit

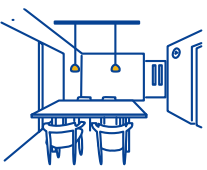


	FY6/16	FY6/17	YoY change	FY6/18 (fct.)
Net sales (Millions of yen)	1,722	1,859	+7.9%	1,901
Operating profit (Millions of yen)	268	373	+39.1%	253
Operating margin (%)	15.6%	20.1%	-	13.3%
No. of brokered properties	2,699	2,845	+5.4%	2,881
Brokerage fee rate	4.86%	4.96%	-	4.90%

Changes in Number of Brokered Properties and Brokerage Fee Rate



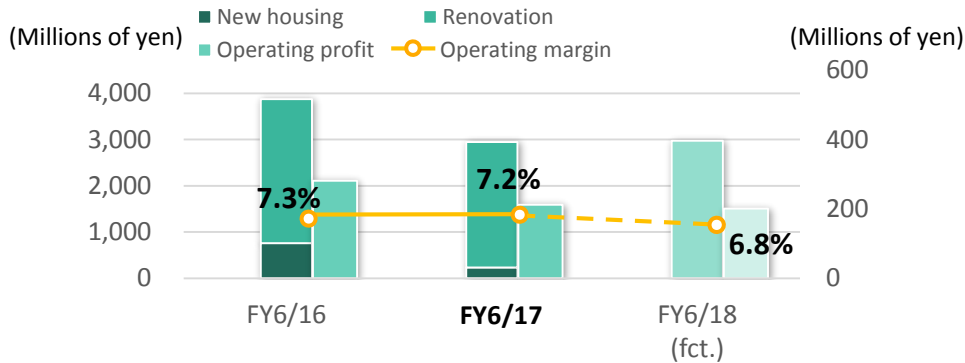
- **Brokered properties increased by 146, or 5.4% YoY: Young staff members acquired skills and contributed to this growth**
- Benefits from the TSE 1st section listing, more franchised stores and higher awareness of the HOUSEDO brand.
- Performance remained strong and the operating margin improved despite the shift of human resources to steady-income businesses.
- Using synergies originating with the real estate brokerage business for growth of renovation and real estate purchasing operations (A role model for franchised stores).



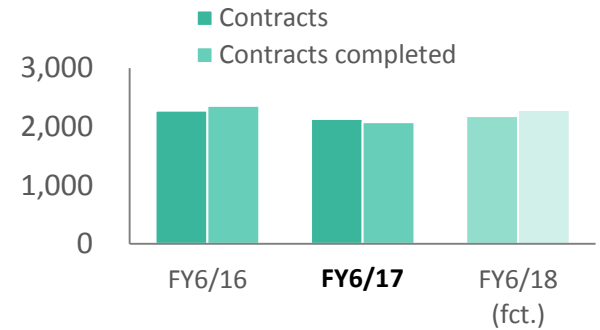
Housing and Renovation Business



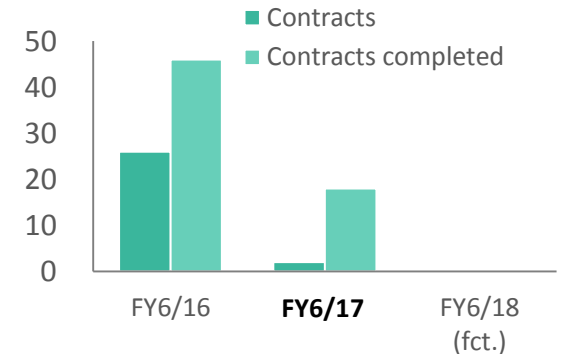
Net Sales / Operating Profit



Renovation Contracts



New Housing Contracts



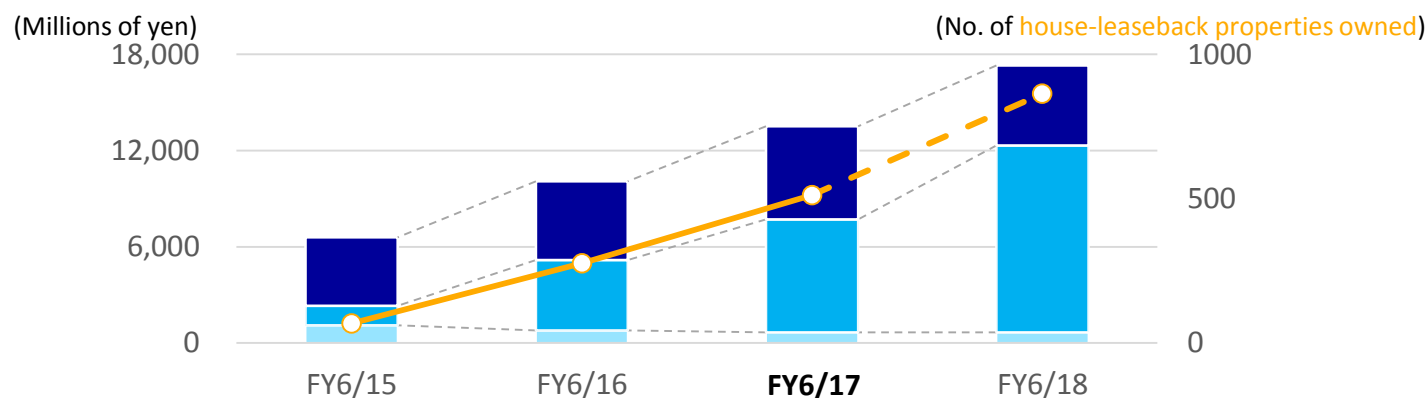
	FY6/16	FY6/17	YoY change	FY6/18 (fct.)
Net sales (Millions of yen)	3,873	2,944	-24.0%	2,978
Operating profit (Millions of yen)	281	212	-24.3%	201
Operating margin (%)	7.3%	7.2%	-	6.8%
Renovation contracts	2,274	2,131	-6.3%	2,180
Renovation contracts completed	2,354	2,076	-11.8%	2,283
New housing contracts	26	2	-92.3%	-
New housing contracts completed	46	18	-60.9%	-

- Sales decreased because of a temporary downturn in contracts at the end of FY6/16 due to the decision to postpone the next consumption tax hike.
- By targeting opportunities involving existing houses, orders are currently solid for existing housing brokerage/renovation package deals.

Inventories and Non-current Assets



	(Millions of yen)			
	FY6/15	FY6/16	FY6/17	FY6/18 (fct.)
Inventories	4,265	4,916	5,804	5,000
Non-current assets (Buildings, land)	2,329	5,174	7,710	12,319
Assets for House-Leaseback Business	1,227	4,427	7,043	11,652
Assets for rent income, etc.	1,102	746	667	666
Total no. of house-leaseback properties owned	68	274	513	863



- Real estate for sale is inventories in the Real Estate Buying and Selling Business. Property acquisitions continue while using synergies with directly operated store brokerage operations. Inventory turnover is the key performance indicator.
- Non-current assets increased because of properties owned in the House-Leaseback Business and other income-producing properties. House-leaseback purchases and the number of properties owned increased due to investments in personnel and advertising/promotion activities.

■ Purpose of the shareholder benefit program

Shareholder benefits are a means of thanking shareholders for their support, making HOUSEDO stock even more appealing, and increasing the number of medium- and long-term shareholders.

■ Summary

(1) Eligible shareholders

Shareholders who are listed in the shareholder register as of June 30 and own at least one trading unit (100 shares) are eligible to receive these benefits

(2) Benefits and distribution

Shareholders receive points based on the number of shares held that can be used at the HOUSEDO shareholder benefit website. Shareholders can exchange points for food products, electronics, gift items, Quo Cards, and original HOUSEDO items. Points can also be used to make donations to charities

Shareholder benefit points (One point is about ¥1)

Shares owned	Number of points to be granted		Delivery
	One year	Two years or more (Note)	
100-299 shares	1,500 pt	1,650 pt	Scheduled for late September
300-499 shares	3,000 pt	3,300 pt	
500-699 shares	5,000 pt	5,500 pt	
700-999 shares	7,000 pt	7,700 pt	
1,000-1,999 shares	9,000 pt	9,900 pt	
2,000-2,999 shares	11,000 pt	12,100 pt	
3,000 shares or more	13,000 pt	14,300 pt	

Note: Two years or more is defined as being listed in the shareholder register as of June 30 for at least two consecutive years with the same shareholder number.

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FY6/17 Consolidated Results Summary

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FY6/17 Results by Segment

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FY6/18 Forecasts

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Company Profile

1. Increase the number of franchised stores and quickly raise the number of stores to more than 500.
2. Increase purchases in the House-Leaseback Business and expand operations to more types of activities.
3. Sell ¥3 billion of preferred stock to fund growth in House-Leaseback investments and other expenditures.
(The preferred stock sale will require the approval of the shareholder meeting to be held on September 26, 2017)
4. Expand the activities of Financial Do to include loan guarantees and reverse mortgages.
5. Achieve an ordinary profit of ¥1,400 million and profit of ¥920 million.

Third-party Allotment of Preferred Stock



1. Summary of the preferred stock

- Payment date: September 27, 2017
(The preferred stock sale will require the approval of shareholders at the meeting to be held on September 26, 2017.)
- Proceeds: ¥3 billion (300 shares of Class A preferred stock at ¥10 million per share)
- Dividend: ¥800,000 per share (yield of 8.0%)
- Voting rights: None (shares without voting rights)

2. Buyer of the preferred stock

- UDS Corporate Mezzanine No. 4 Limited Partnership
Investors: Development Bank of Japan Inc.
Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Finance and Leasing Company Limited

3. Reason for issuing preferred stock

- Financial soundness and a larger fund procurement capability resulting from an increase in equity
- Limit the dilution of value for existing shareholders and ensure the independence of business operations
- Increase investments in the House-Leaseback Business and other businesses and increase capital for the Finance Business.

**Note: For more information, see the August 14, 2017 press release concerning the issuance of preferred stock.
(Japanese version only)**

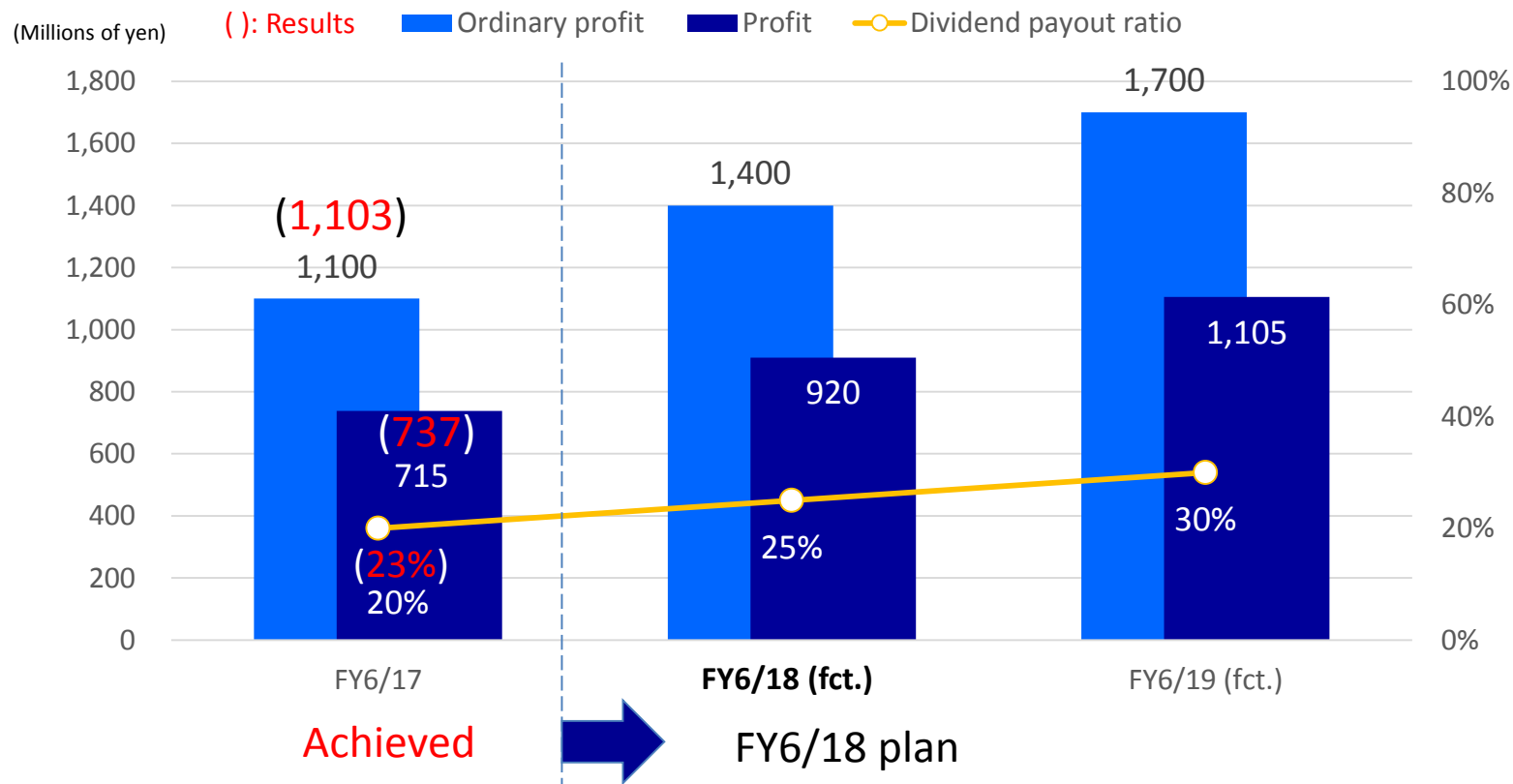
(Millions of yen)	Net sales	YoY change	Operating profit	YoY change	Ordinary profit
Franchisee Business	2,556	+15.1%	1,558	+19.4%	
House-Leaseback Business	*1 2,166	-22.8%	331	+0.3%	
Real Estate Finance Business	490	+121.6%	160	+119.9%	
Real Estate Buying and Selling Business	7,375	+3.7%	481	+14.0%	
Real Estate Brokerage Business	1,901	+2.3%	*2 253	-32.2%	
Renovation Business	2,978	+1.2%	201	-5.1%	
Other	-	-	-	-	Non-operating income: +36
Adjustment	-323	-	-1,382	-	Non-operating expenses: -240
Total	17,146	+1.8%	1,603	+28.4%	1,400

■ Plan to increase operating profit by 28.4% and ordinary profit by 27.0% **(+27.0%)**

*1 Sales down because of the FY6/17 sales in the House-Leaseback Business of five large properties resulting in aggregate sales of ¥833 million and a profit of ¥132 million

*2 Profit down because of investments to open two directly operated stores

Last Two Years of the Medium-term Plan Announced on August 22, 2016



	FY6/17	FY6/18	FY6/19
Ordinary profit (Millions of yen)	1,100 (1,103)	1,400 (+27.0%)	1,700 (+21.4%)
Profit (Millions of yen)	715 (737)	920 (+24.7%)	1,105 (+20.1%)
Dividend payout ratio (%)	20%+ (23.0%)	25%+	30%+

(): Results

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FY6/17 Consolidated Results Summary

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Company Profile

Company Profile



Company Name

HOUSE DO Co., Ltd.

President and CEO

Masahiro Ando

Established

January 2009 (founded in 1991)

Capital

¥361 million

Securities Code

3457

Stock Listing

1st Section of the Tokyo Stock Exchange

Net Sales

¥16.8 billion
(consolidated, fiscal year ended June 30, 2017)

Employees

439 (group total, as of June 30, 2017)

Tokyo Headquarters

1-8-1 Marunouchi, Chiyoda-ku, Tokyo

Kyoto Head Office

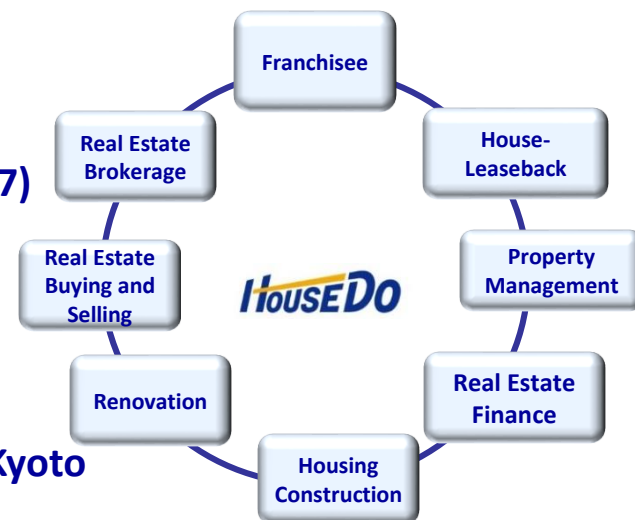
670 Tearaimizu-cho, Nakagyo-ku, Kyoto-shi, Kyoto

Business Activities

Franchisee Business, House-Leaseback Business, Real Estate Finance Business, Real Estate Buying and Selling Business, Real Estate Brokerage Business, Renovation Business, and Property Management Business



Tokyo Headquarters



Corporate Philosophy:

We are dedicated to perpetual prosperity and greater happiness by constantly creating affluence for customers, employees and society.

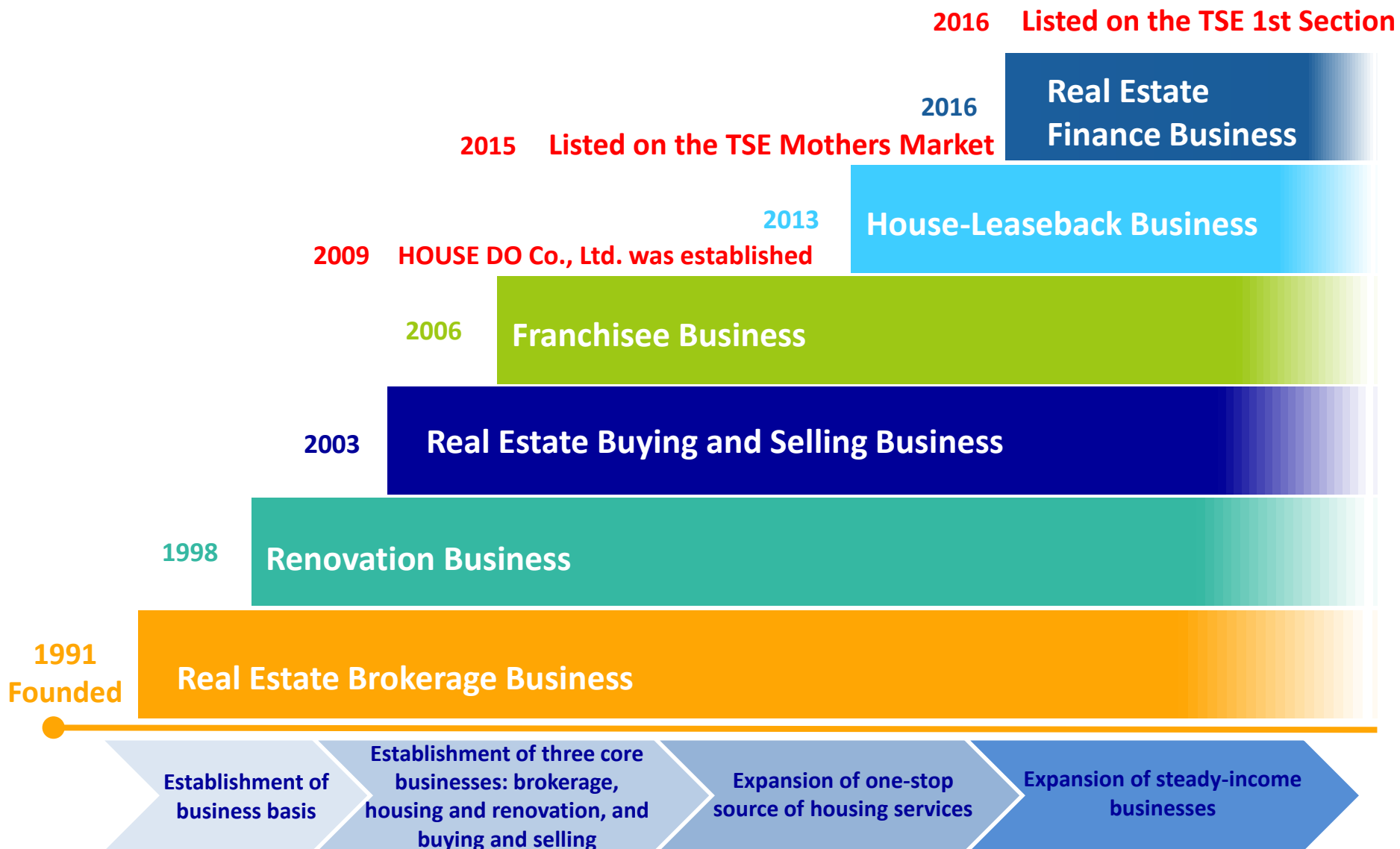
Management Philosophy:

We will be an organization that our customers need and we will focus all our energy and resources on serving our customers.

Brand Philosophy:

The HOUSEDO brand stands for activities that create an open housing market in Japan and a commitment to building a new residential information system for enabling customers to move to the best possible housing for each stage of their lives.

Company History and Business Development



The Strengths of HOUSEDO



- 1 Assessment skills >
- 2 Sales skills >
- 3 Nationwide coverage >

All based on operations
in local markets



Build a network for creating points of contact with customers and establishing close ties with the area served by each store

HOUSEDO provides the real estate business to make the world more reliable and convenient

Real Estate
Information
Distribution

**Build a network of 1,000
franchised stores in Japan
(goal is 2025)**

Real Estate
Solutions
(for Japan's aging population)

**House-Leaseback
Real Estate Finance
Reverse Mortgage**

One-stop source of housing services

Using the Real Estate Brokerage Business for expanding services related to housing

Franchisee Business (Nationwide network of franchise chain)

Real Estate Brokerage Business

Reinforcement of business synergies

Renovation Business

Real Estate Buying and Selling Business

House-Leaseback Business

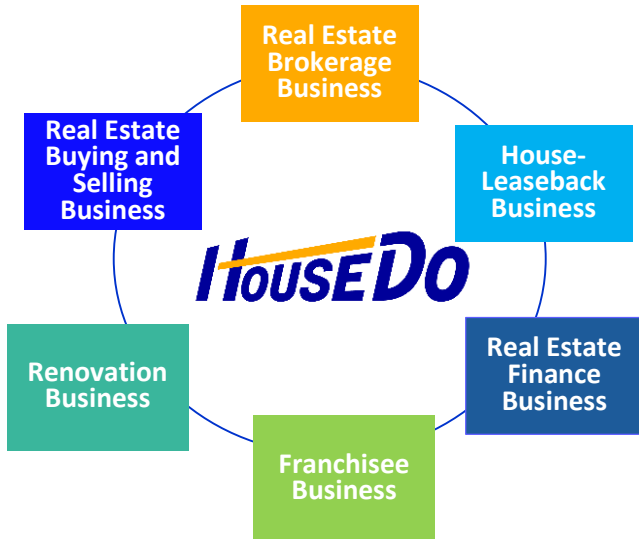
Real Estate Finance Business (Secured loans) (Insurance)

The SPA Strategy for the Real Estate Sector

(SPA: Specialty store retailer of private label apparel)



Real Estate Service Producer



Grasp customers' needs and wants

Land

Newly constructed houses

Condominiums

Detached houses

Loan

Insurance

• HOUSEDO services
• Other companies' services
Providing access to all information in an open manner



Customers

Offer useful and reliable services constantly

Fulfill the role of a real estate service producer

Real Estate Service Producer

Real estate
technology
company

Real estate
information

Customer
information

Marketing

Promotion

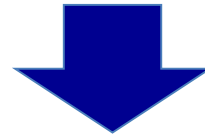
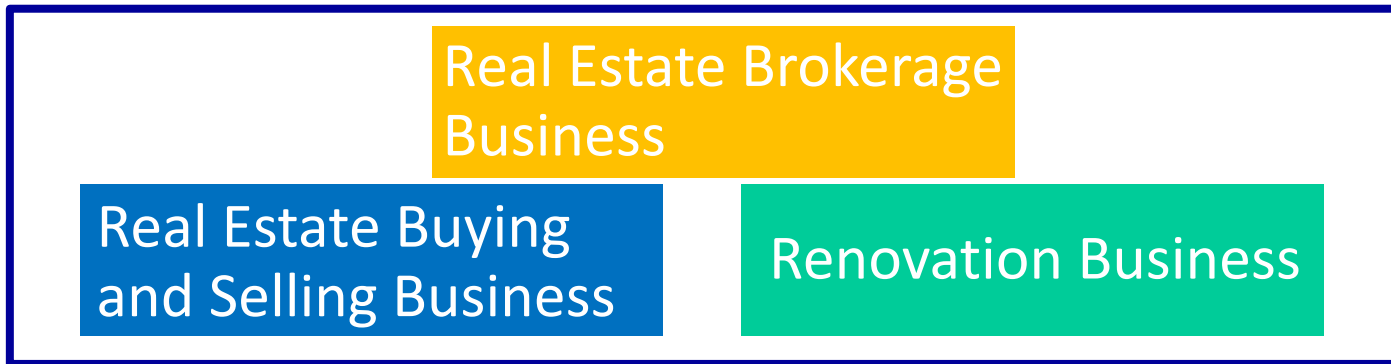
1,000
stores
by 2025

Growth Strategy

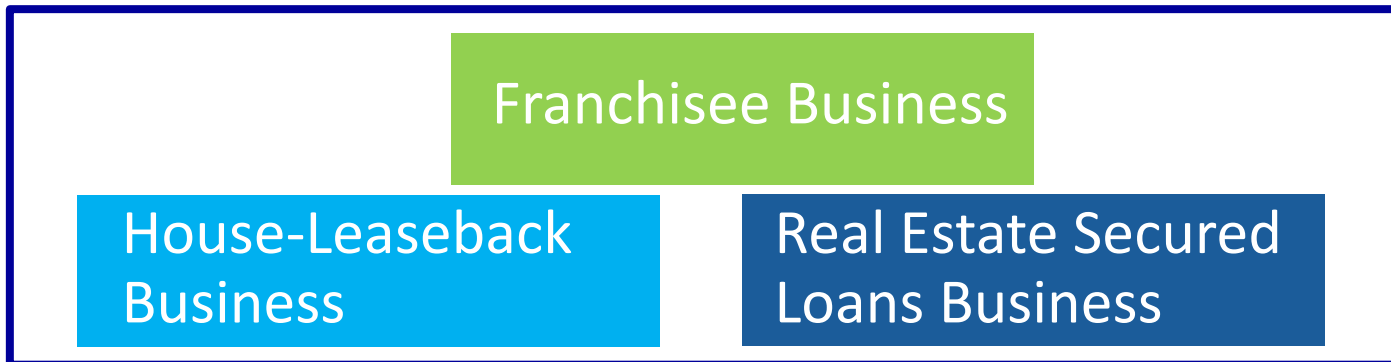
– Invest in Steady-income Businesses



Labor-intensive income



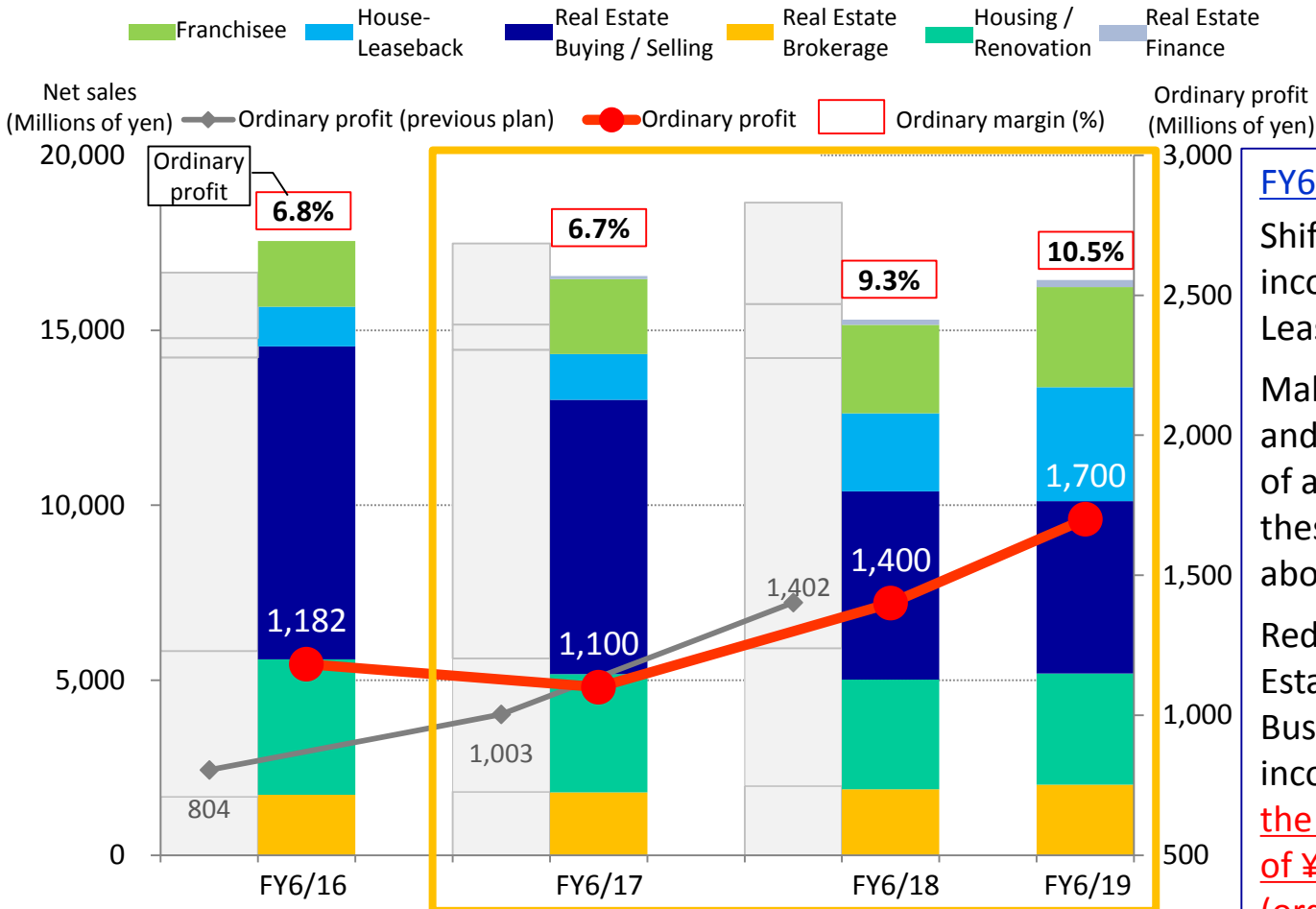
Steady income



Medium-term Plan Announced in August 2016 (toward FY6/19)



Net Sales / Ordinary Profit Plan for Next Three Years



FY6/17

Shift weighting to the steady-income Franchisee and House-Leaseback Businesses

Make advertising and promotion and human resource investments of about ¥100 million each in these two businesses, a total of about ¥200 million

Reduce weighting of the Real Estate Buying and Selling Business, using growth of steady-income businesses to achieve **the FY6/19 ordinary profit target of ¥1,700 million (ordinary margin of 10.5%)**

Net sales YoY change	+18.5%	-5.5%	-7.6%	+7.5%
Ordinary profit YoY change	+130.4%	-6.9%	+27.2%	+21.4%

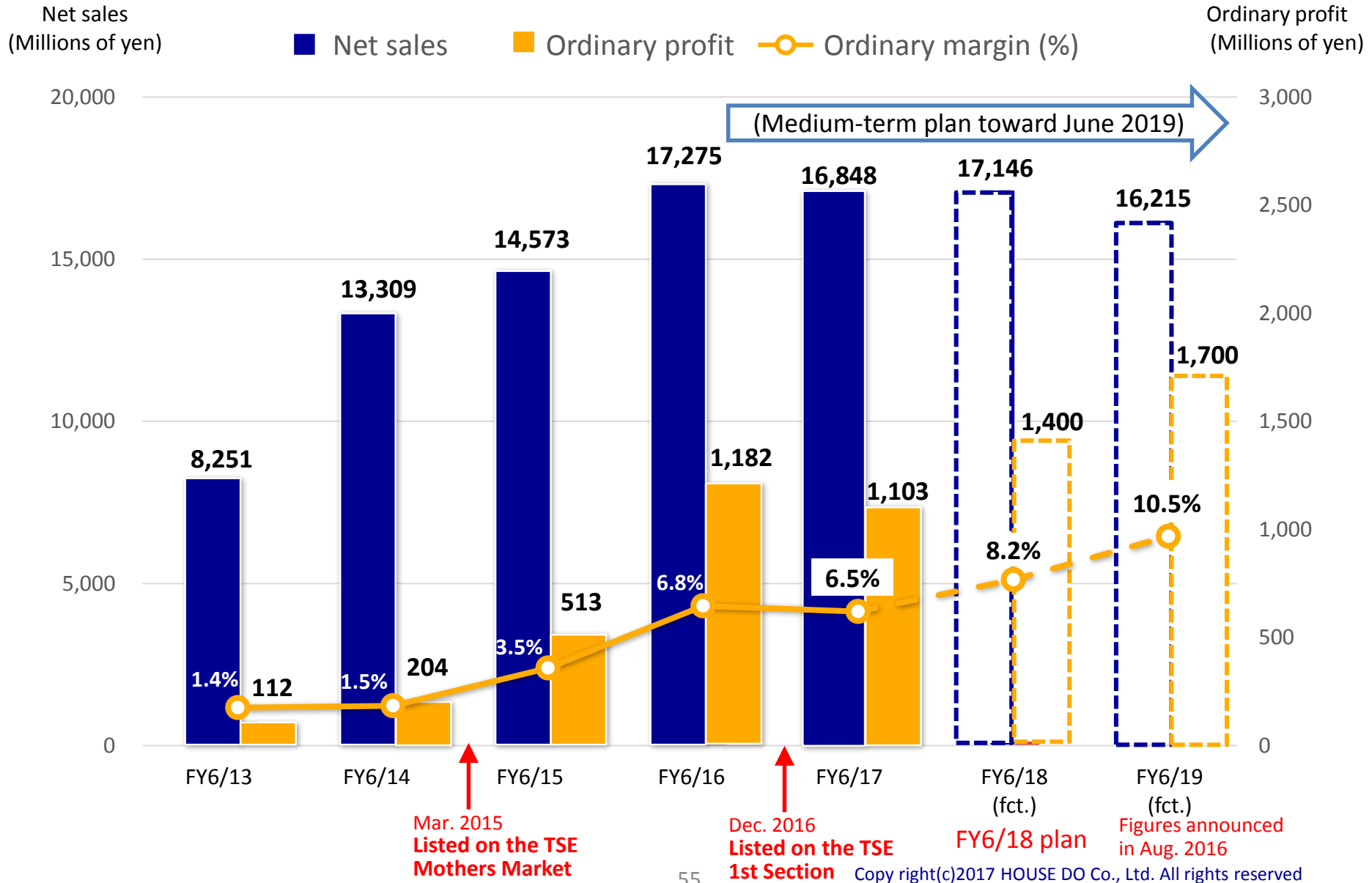
Medium-term Plan Announced in August 2016 (toward FY6/19)



(Millions of yen)

	FY6/16	FY6/17 plan	FY6/18 plan	FY6/19 plan
Net sales	17,275	16,322	15,087	16,215
Gross profit	6,153	6,683	7,127	7,936
SG&A expenses	4,875	5,435	5,603	6,026
Operating profit	1,277	1,247	1,524	1,909
Operating margin	7.4%	7.6%	10.1%	11.8%
Ordinary profit	1,182	1,100	1,400	1,700
Ordinary margin	6.8%	6.7%	9.3%	10.5%
YoY change in ordinary profit	+130.4%	-6.9%	+27.2%	+21.4%

Net Sales / Ordinary Profit (consolidated)



Innovate the real estate industry!

HOUSE DO has the goals of raising the number of stores to 1,000 in Japan and 50,000 in Asia!

Innovate the Industry

Making real estate an industry that benefits customers



The HOUSE DO website contains a variety of information for investors.

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Forward-looking Statements

Materials and information provided in this announcement contain forward-looking statements. These statements are based on expectations, forecasts and assumptions incorporating risk and uncertainties that may cause actual performance to differ from these statements.

Risk factors and other uncertainties include general economic conditions in Japan and other countries, such as industry and market conditions, and changes in interest rates and foreign exchange rates.

Even in the event of new information, a future event or some other event, the HOUSEDO Group has no obligation to update or revise the forward-looking statements in this announcement.