

Briefings on Financial Results for the Fiscal Year
Ended September 30, 2014, and
the Second Medium-Term Management Plan

Apamanshop Holdings Co., Ltd. (Securities code: 8889)

Friday, November 7, 2014

1 Summary of Consolidated Financial Results (YoY)

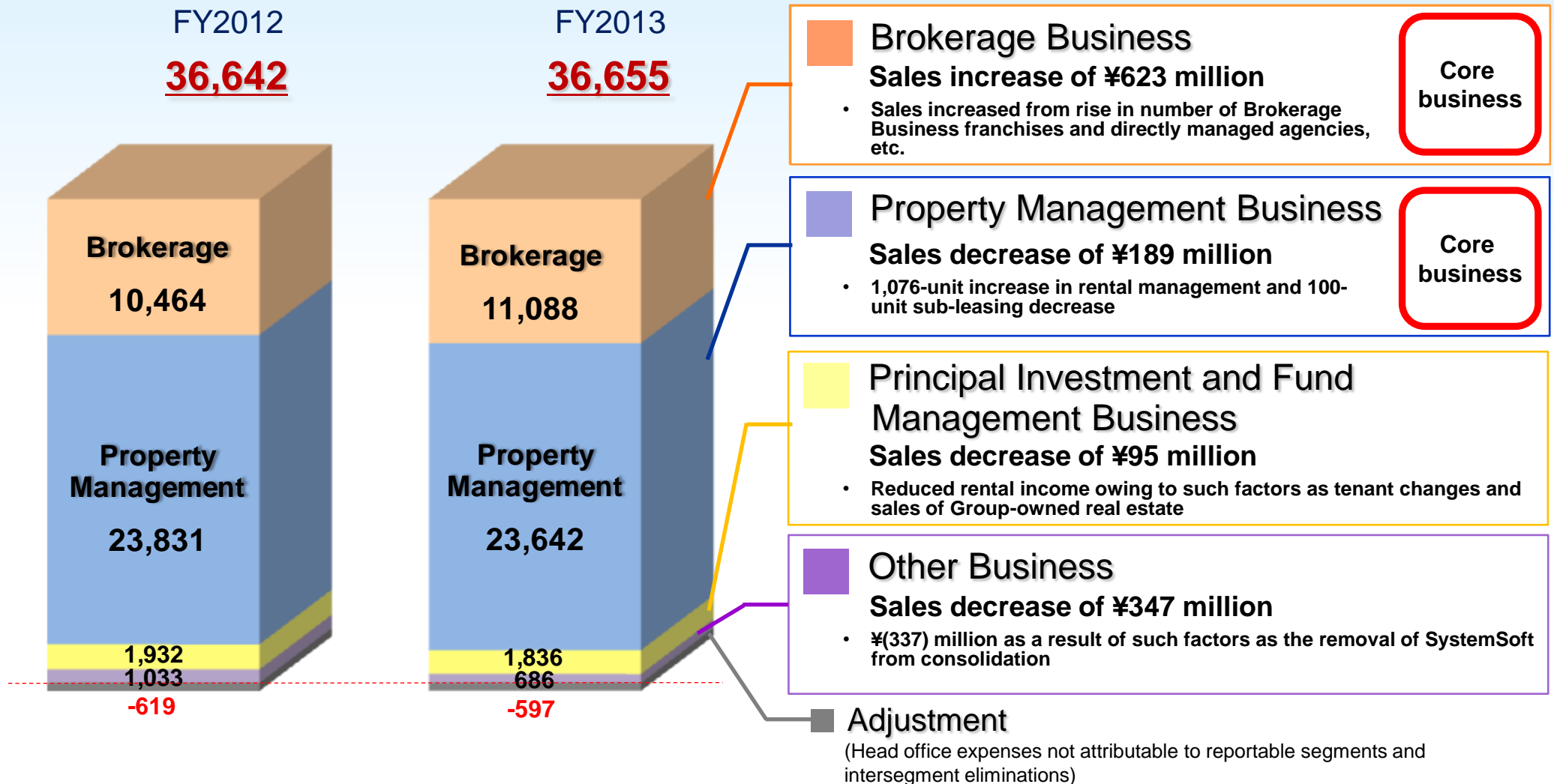
(Millions of yen)

	FY2012	FY2013	YoY	Major factors contributing to year-on-year change
Net sales	36,642	36,655	12 0.0%	<ul style="list-style-type: none"> • Sales increase of ¥623 million from brokerage business • A decrease of ¥248 million as a result of the removal of SystemSoft from consolidation
Gross profit	9,914	10,221	307 3.1%	<ul style="list-style-type: none"> • Core business earnings growth of ¥573 million • A decrease of ¥174 million as a result of the removal of SystemSoft from consolidation
Operating income	2,310	2,108	-202 -8.7%	<ul style="list-style-type: none"> • Increase in SG&A expenses of ¥509 million • A decrease of ¥95 million as a result of the removal of SystemSoft from consolidation
Ordinary income	1,408	1,439	30 2.2%	<ul style="list-style-type: none"> • Improved non-operating income and expenses
Net income	2,213	1,482	-730 -33.0%	<ul style="list-style-type: none"> • Gain from applying equity method to SystemSoft Corporation (1H) • Impacts of tax revisions

Note: Hereafter, amounts are truncated and percentages are rounded off to the first decimal place. Accordingly, figures calculated using mathematical formulas and the resulting figures stated in this document may not agree.

2 Net Sales (1) Results by Business Segment (YoY)

(Millions of yen)



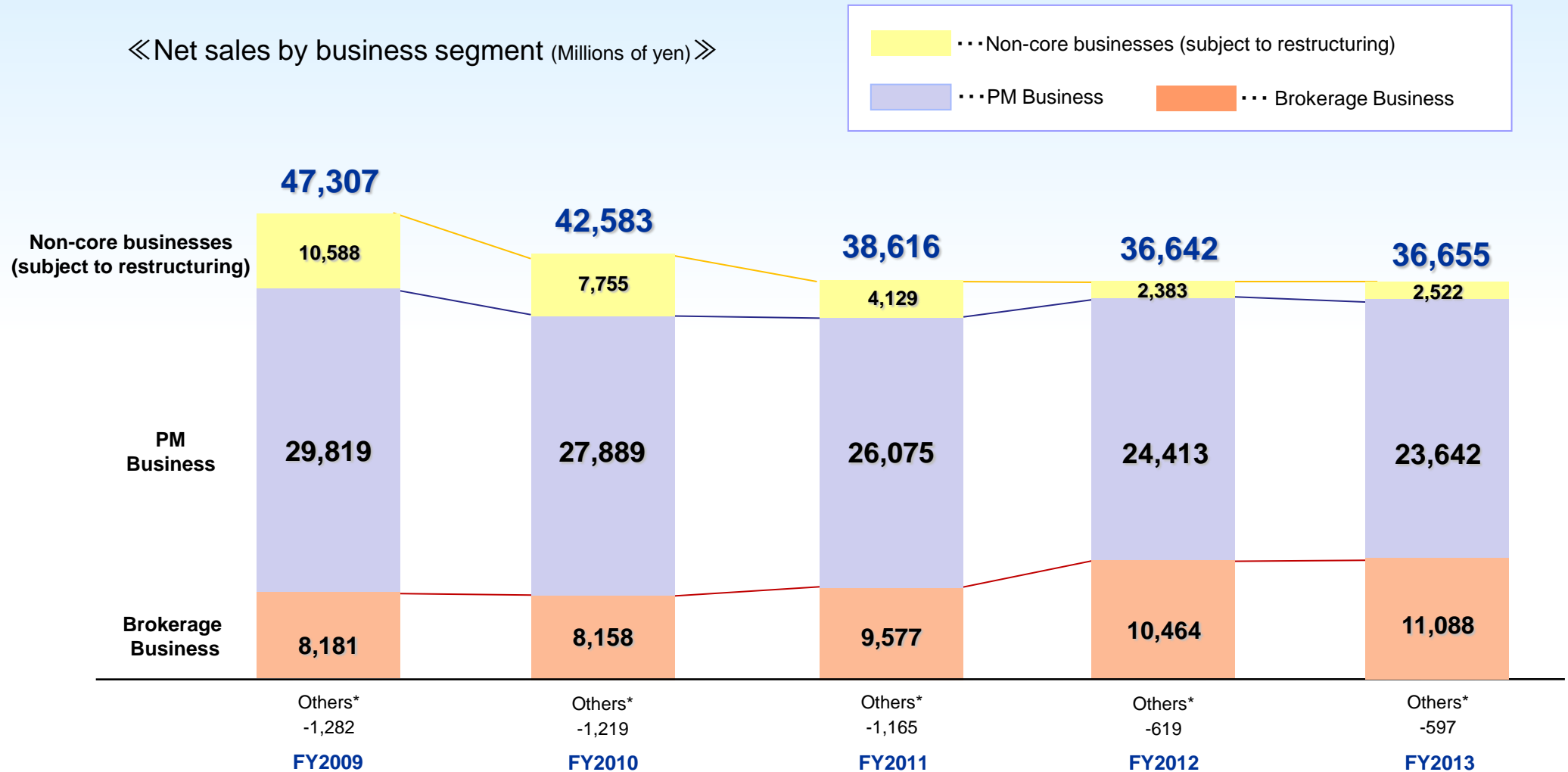
<Partially changed segments>

From 1Q FY2013, we shifted parking and SOHO office rental businesses from the Property Management Business to the Other Business category. We retrospectively recalculated FY2012 net sales by business segment under the new segment categorization.

3

Net Sales (2) Sales of Core and Non-Core Businesses

«Net sales by business segment (Millions of yen)»

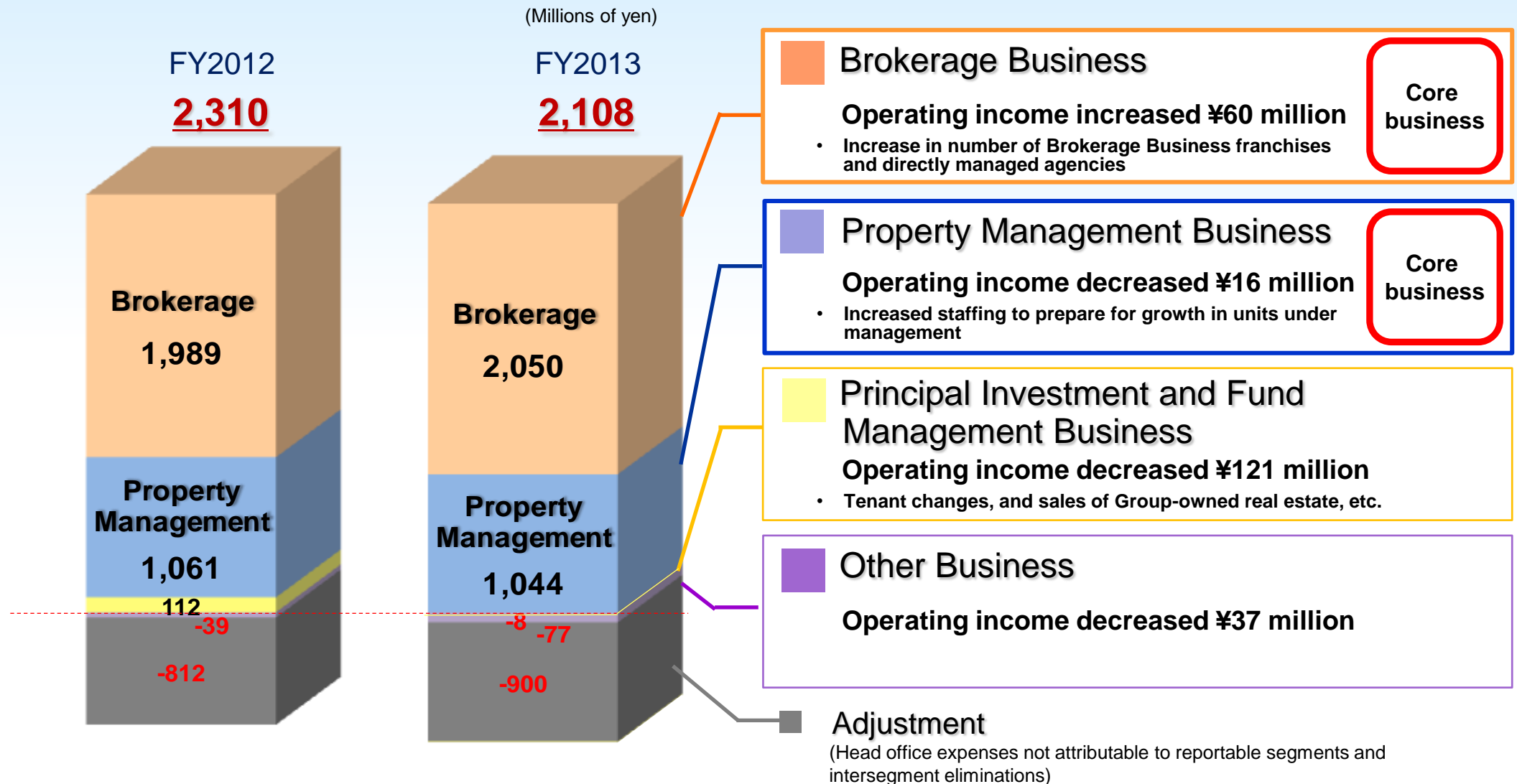


*Others includes head office expenses not attributable to reportable segments and inter-segment adjustments.

Note: From 1Q FY2013, we shifted parking and SOHO office rental businesses from the Property Management Business to the Other Business category. However, the above segment sales reflect categorizations before these changes, except for FY2012 and FY2013.

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Operating Income (1) Results by Business Segment (YoY)



<Partially changed segments>

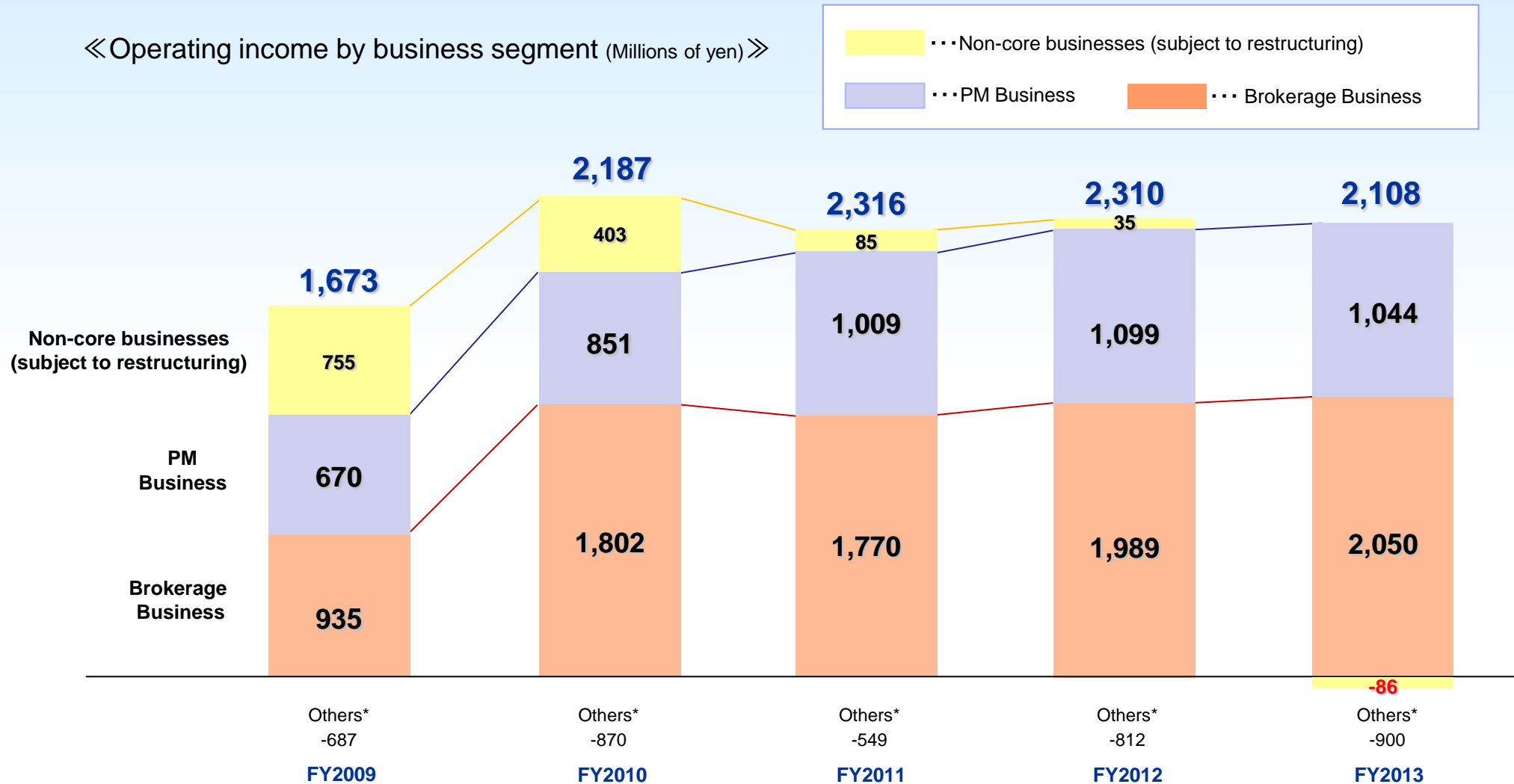
From 1Q FY2013, we shifted parking and SOHO office rental businesses from the Property Management Business to the Other Business category. We retrospectively recalculated FY2012 operating income by business segment under the new segment categorization.

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Operating Income

(2) Changes in Operating Income from Business Restructuring

«Operating income by business segment (Millions of yen)»



*Others includes head office expenses not attributable to reportable segments and inter-segment adjustments.

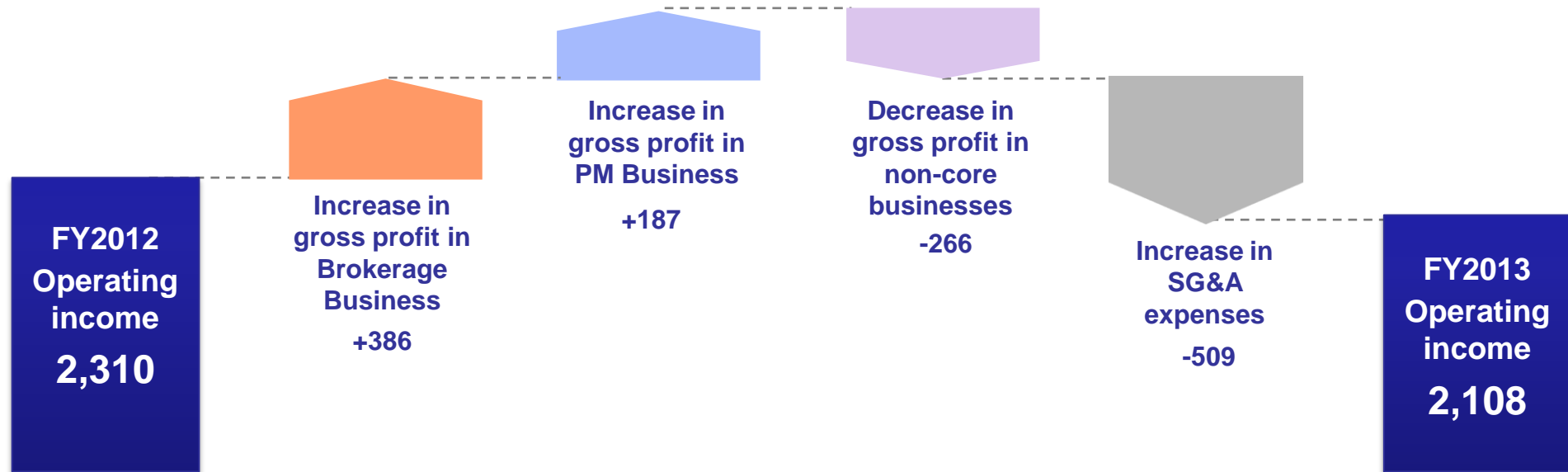
Note: From 1Q FY2013, we shifted parking and SOHO office rental businesses from the Property Management Business to the Other Business category. However, the above segment income reflects categorizations before these changes, except for FY2012 and FY2013.

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Analysis of Net Sales and Operating Income by Business Segment (YoY)

(Millions of yen)

	FY2012			FY2013			YoY		
	Net sales	Gross profit	Gross profit margin	Net sales	Gross profit	Gross profit margin	Net sales	Gross profit	Gross profit margin
Brokerage Business	10,464	5,567	53.2%	11,088	5,954	53.7%	623	386	0.5pp
Property Management (PM) Business	23,831	3,510	14.7%	23,642	3,698	15.6%	-189	187	0.9pp
Principal Investment and Fund Management Business	1,932	749	38.8%	1,836	644	35.1%	-95	-104	-3.7pp
Other Business	1,033	289	28.0%	686	195	28.5%	-347	-93	0.5pp
Adjustment (elimination or corporate)	(619)	(201)	—	(597)	(270)	—	22	-69	—
Total	36,642	9,914	27.1%	36,655	10,221	27.9%	12	307	0.8pp
SG&A expenses (SG&A expenses ratio)	7,603		20.8%	8,113		22.1%	509		1.4pp
Operating income (Operating income margin)	2,310		6.3%	2,108		5.8%	-202		-0.6pp



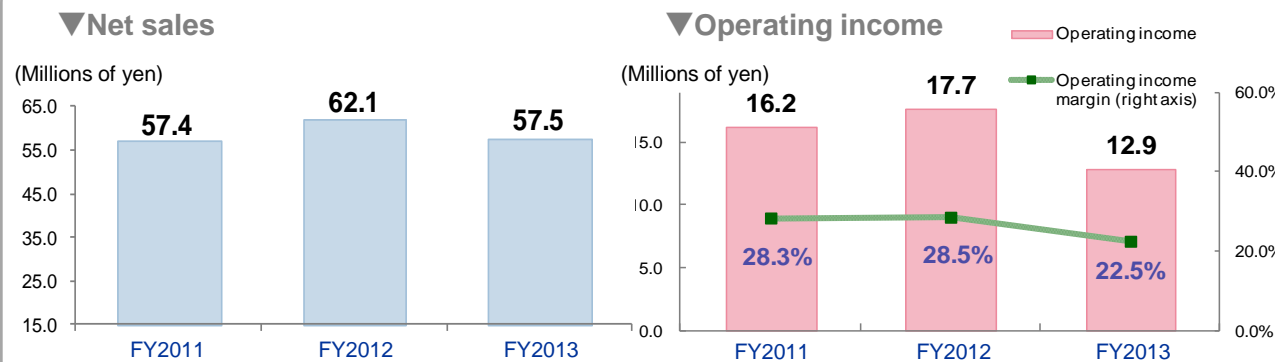
8 Brokerage Business—Directly Managed Agencies

Figures per directly managed agency declined owing to such factors as reinforced property registration system and new agency launches

(Thousands of yen)

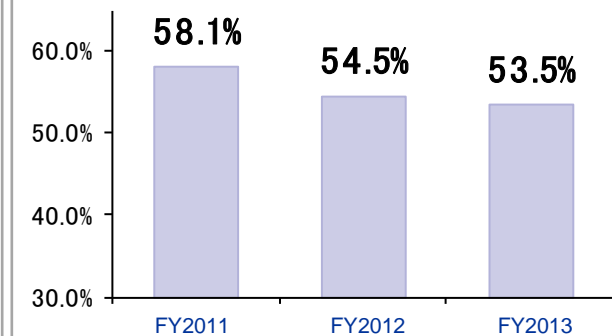
Trends at directly managed agencies	FY2012	FY2013	YoY
Net sales per directly managed agency	62,186	57,533	-4,653
Operating income per directly managed agency	17,728	12,919	-4,809
Operating income margin	28.5%	22.5%	-6.1pp
Contract closing rate by directly managed agencies	54.5%	53.5%	-1.0pp

Net sales and operating income per directly managed agency*



*Net sales or operating income by directly managed agencies (in Japan) / average no. of directly managed agencies
 Net sales consist of rental brokerage income and related services income of directly managed agencies (excluding intersegment transactions).
 Calculated operating income based on cost of sales and SG&A expenses (excluding head office expenses) generated at directly managed agencies

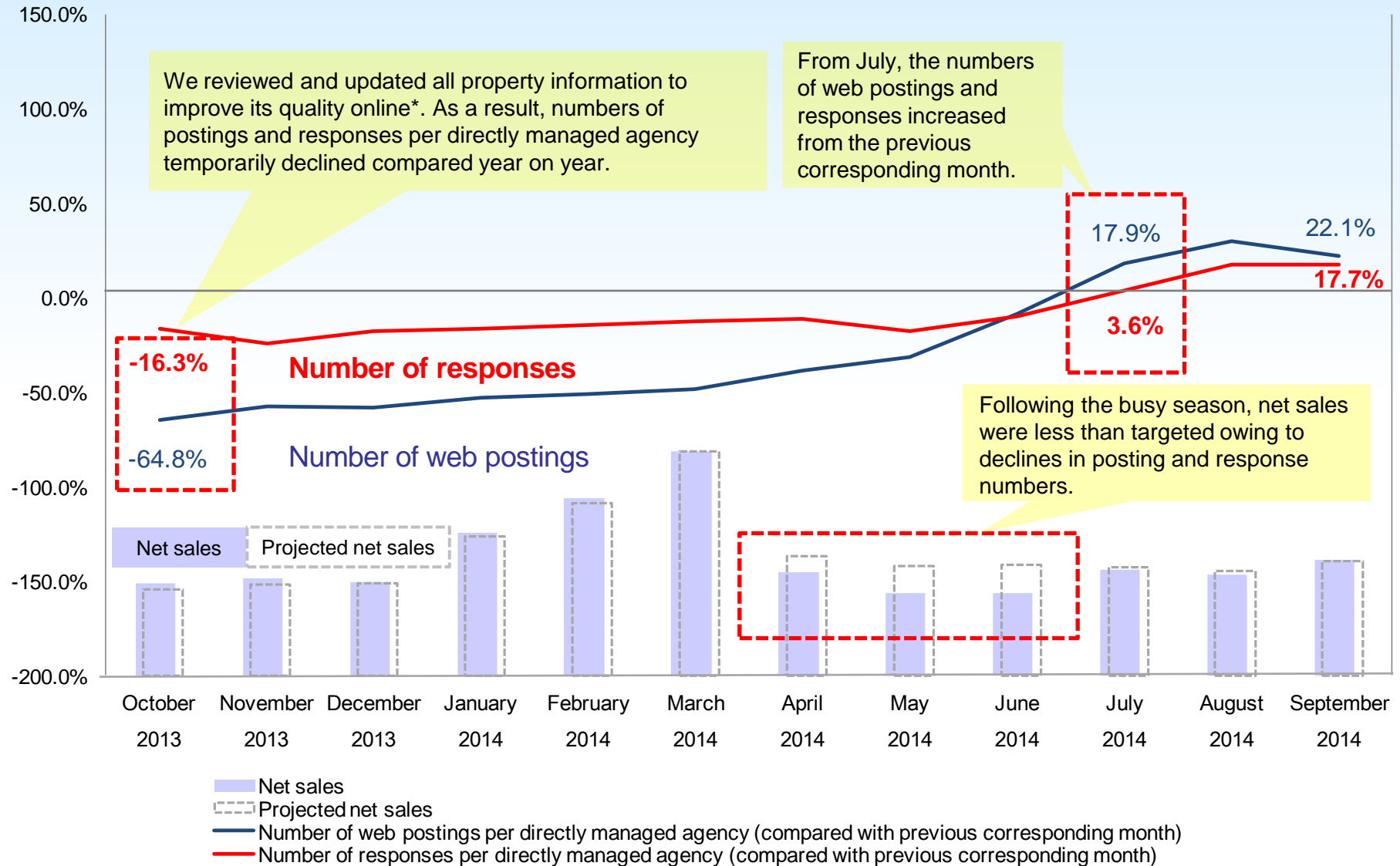
Contract closing rate by directly managed agencies**



**No. of contracting customers (in Japan) / no. of visitors (in Japan)

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<Brokerage Business> Numbers of Web Postings and Responses and Net Sales—**Directly Managed Agencies**



*Quality improvement: Reinforced inspection and check system for property information posted by directly managed agencies.

Note: Web posting and response numbers shown compared with monthly averages per agency of last two years.

10 Response Services Campaign

Provided preferential treatment for members to further extend services for tenants and implemented multi-targeted campaigns for broader age group.



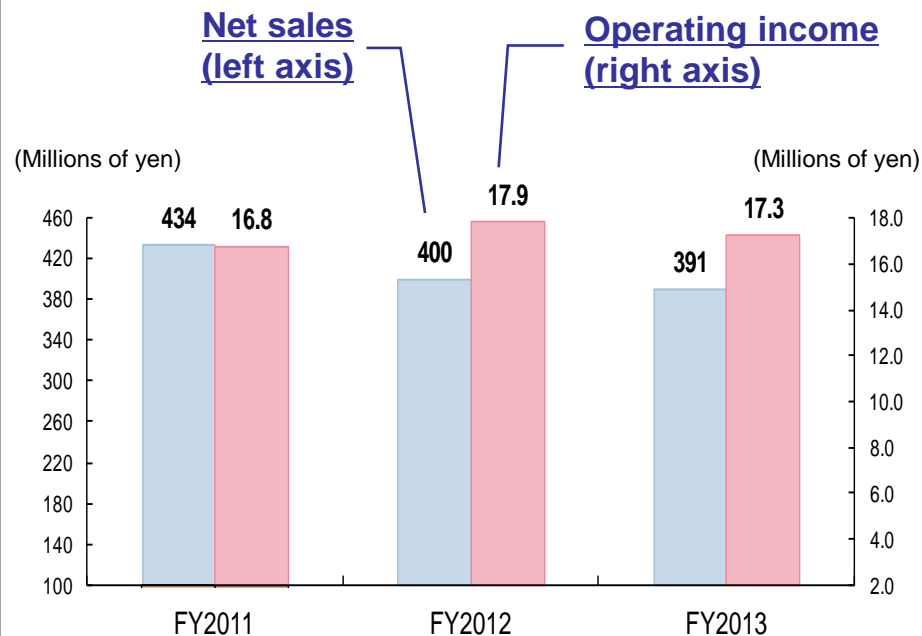
11 Property Management Business

Reinforced sales structure to boost sub-leasing occupancy rate (nationwide average) by 1.7 percentage points year on year

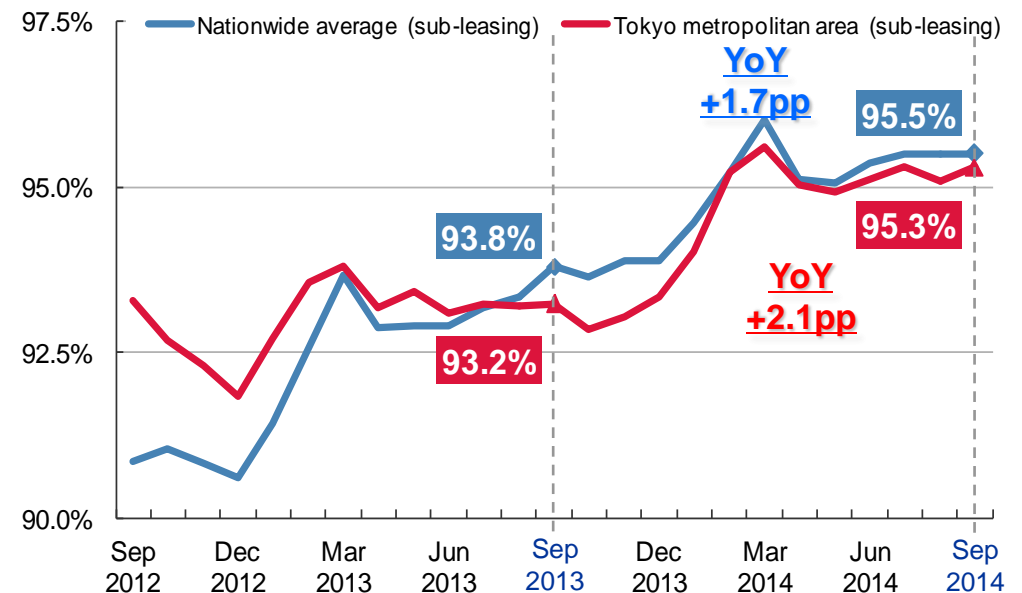
No. of units under management	FY2012	FY2013	YoY
Rental management	31,791	32,867	1,076
Sub-leasing	27,659	27,559	-100
Total	59,450	60,426	976

Note: As we shifted SOHO office rental business from the Property Management to the Other Business category from 1Q of FY2013, the number of units under management above doesn't include SOHO business numbers (169 units in FY2012 and 200 units in FY2013).

Net sales / Operating income per 1,000 units



Sub-leasing occupancy rate*

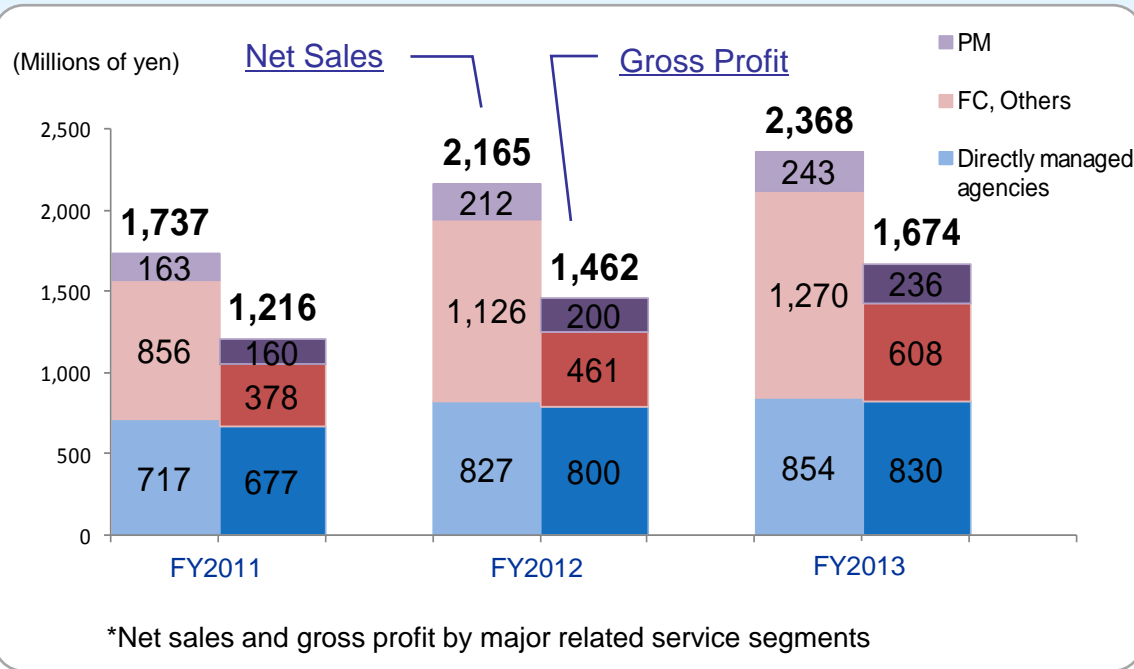


*Occupancy rate = units contracted / units under management
(two main subsidiaries: Apamanshop Leasing Co., Ltd. and Apamanshop Sublease Co., Ltd.)

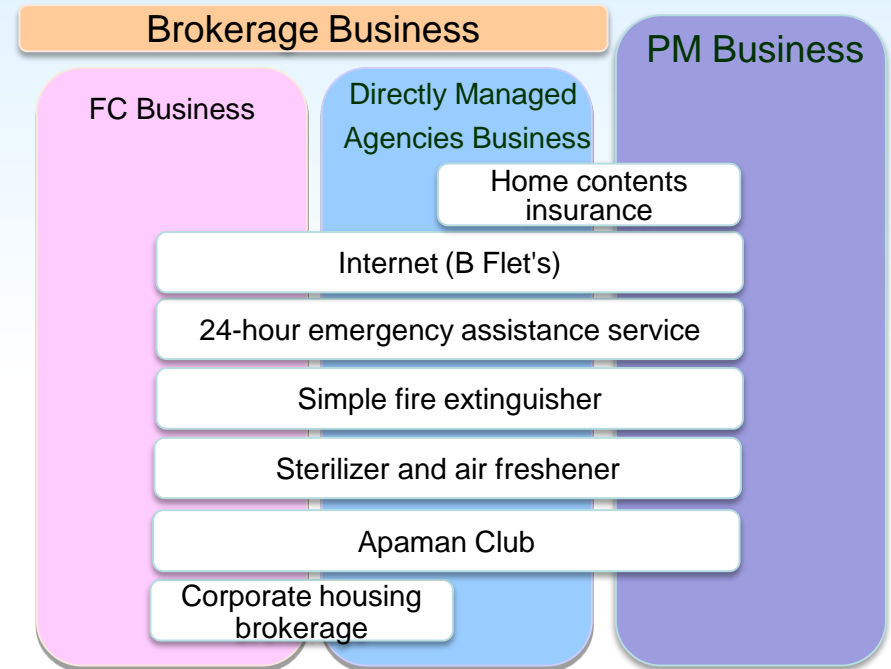
12 Income from Related Services

Reinforced brokerage and introduction of related services for tenants and owners as a third key source of earnings

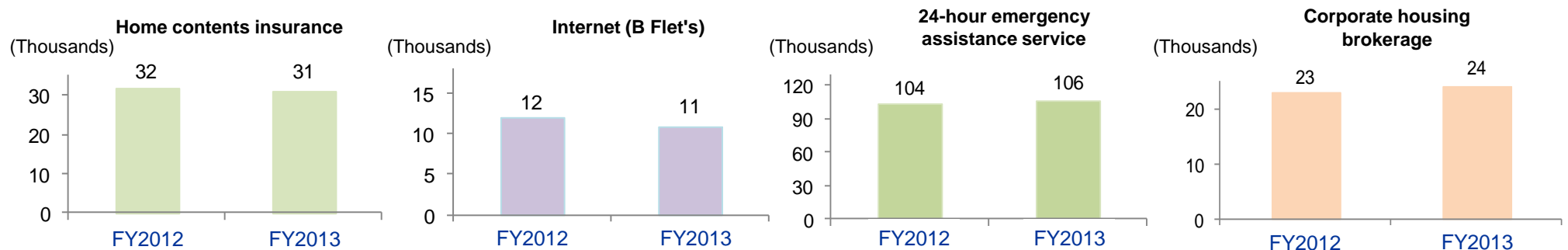
Net sales and gross profit from related service operation*



Major related services example



▼Reference: Contracted service numbers



13 Five-Year Summary of Selected Consolidated Financial Data (1)

(Millions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013
	Actual	Actual	Actual	Actual	Actual

1. Financial highlights

Net sales	47,307	42,583	38,616	36,642	36,655
Gross profit	10,731	10,634	10,034	9,914	10,221
Operating income	1,673	2,187	2,316	2,310	2,108
Ordinary income	480	859	1,353	1,408	1,439
Net income (loss)	3,058	(3,126)	93	2,213	1,482
Total assets	77,374	56,339	52,797	50,043	48,551
Interest-bearing debt	53,379	38,256	34,941	31,131	28,984
Shareholders' equity	7,940	6,636	6,729	8,976	9,716
Net cash provided by (used in) operating activities	1,677	2,365	2,579	2,200	2,605
Net cash provided by (used in) investing activities	2,145	9,701	855	1,333	(185)
Net cash provided by (used in) financing activities	(3,155)	(12,660)	(3,114)	(3,834)	(2,978)

13 Five-Year Summary of Selected Consolidated Financial Data (2)

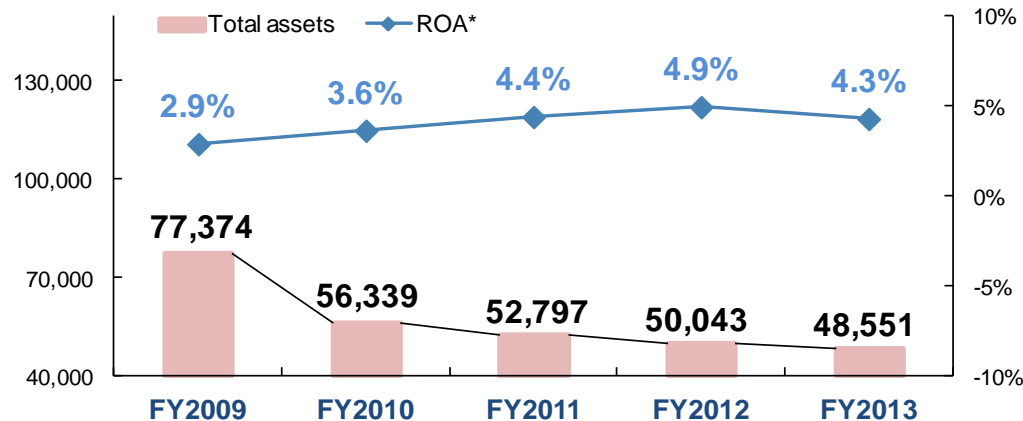
(Millions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013
	Actual	Actual	Actual	Actual	Actual

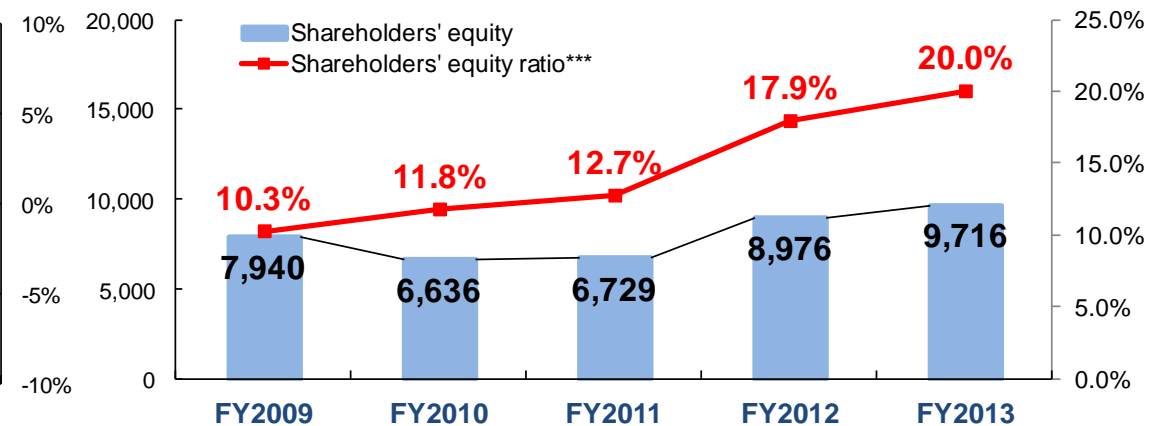
2. Total assets / shareholders' equity

Total assets	77,374	56,339	52,797	50,043	48,551
ROA*	2.9%	3.6%	4.4%	4.9%	4.3%
Shareholders' equity	7,940	6,636	6,729	8,976	9,716
ROE**	54.8%	-42.9%	1.4%	25.7%	15.9%
Shareholders' equity ratio***	10.3%	11.8%	12.7%	17.9%	20.0%

(Millions of yen)



(Millions of yen)



*ROA: (Operating income + non-operating income) / total assets (average)

**ROE: Net income / shareholders' equity (average)

*** Shareholders' equity ratio: Shareholders' equity / total assets

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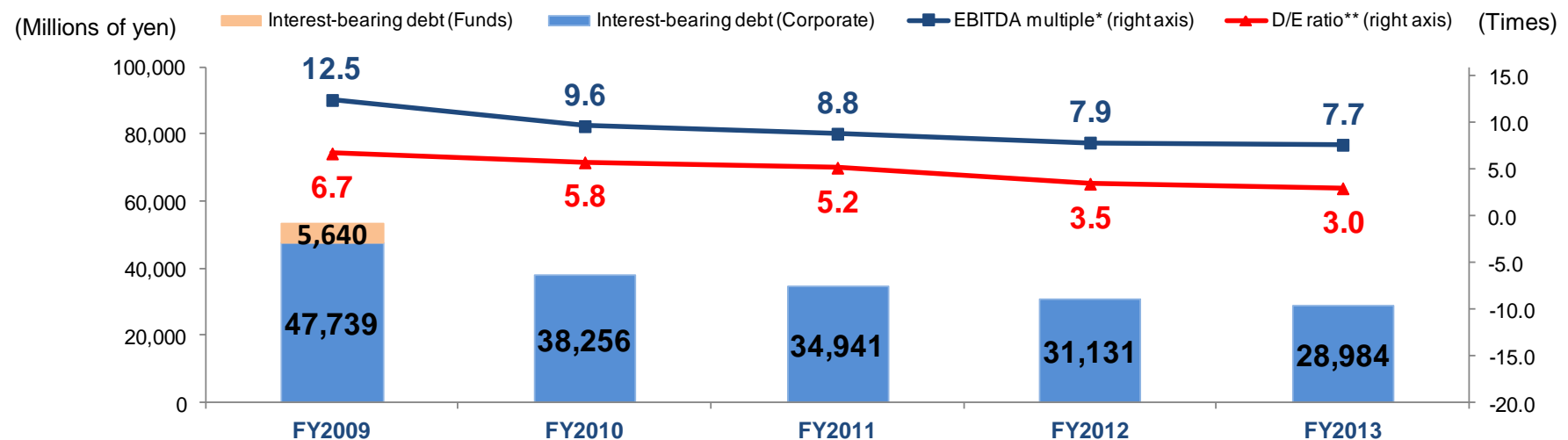
Five-Year Summary of Selected Consolidated Financial Data (3)

(Millions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013
	Actual	Actual	Actual	Actual	Actual

3. Interest-bearing debt

Interest-bearing debt	53,379	38,256	34,941	31,131	28,984
Corporate	47,739	38,256	34,941	31,131	28,984
Funds	5,640	—	—	—	—
EBITDA	4,284	3,965	3,953	3,948	3,786
EBITDA multiple* (times) (right axis)	12.5	9.6	8.8	7.9	7.7
D/E ratio** (times) (right axis)	6.7	5.8	5.2	3.5	3.0



*EBITDA multiple: Interest-bearing debt / EBITDA (operating income + depreciation + amortization of goodwill)

**D/E ratio: Interest-bearing debt / shareholders' equity

14 Consolidated Performance Forecast for FY2014

(Millions of yen)

	FY2013	FY2014	YoY	
	Actual	Forecast		
Net sales	36,655	38,700	2,044	5.6%
Gross profit Gross profit margin	10,221 27.9%	11,500 29.7%	1,278	12.5%
Operating income Operating income margin	2,108 5.8%	2,400 6.2%	291	13.8%
Ordinary income Ordinary income margin	1,439 3.9%	1,800 4.7%	360	25.1%
Net income Net income margin	1,482 4.0%	1,000 2.6%	-482	-32.5%

Note: Based on future performance trends, we will quickly announce necessary revisions to full-year forecast.

1 Quantitative Targets—Income Plan

- Planning to boost performances of core businesses by increasing numbers of agencies and units under management

(Millions of yen)

	FY2013 (Actual)	FY2014 (Plan)	FY2015 (Plan)	FY2016 (Plan)
Net sales	36,655	38,700	40,300	42,000
Brokerage Business	11,088	12,300	13,200	13,900
PM Business	23,642	24,000	24,700	25,700
Other businesses*	1,925	2,400	2,400	2,400
Gross profit	10,221	11,500	12,200	12,900
Brokerage Business	5,954	6,900	7,500	8,000
PM Business	3,698	3,900	4,000	4,100
Other businesses*	569	700	700	800
Operating income	2,108	2,400	2,700	3,000
Ordinary income	1,439	1,800	2,200	2,500
Net income	1,482	1,000	1,300	1,600

*Other businesses: Principal Investment and Fund Management Business, Other Business, and corporate and eliminations

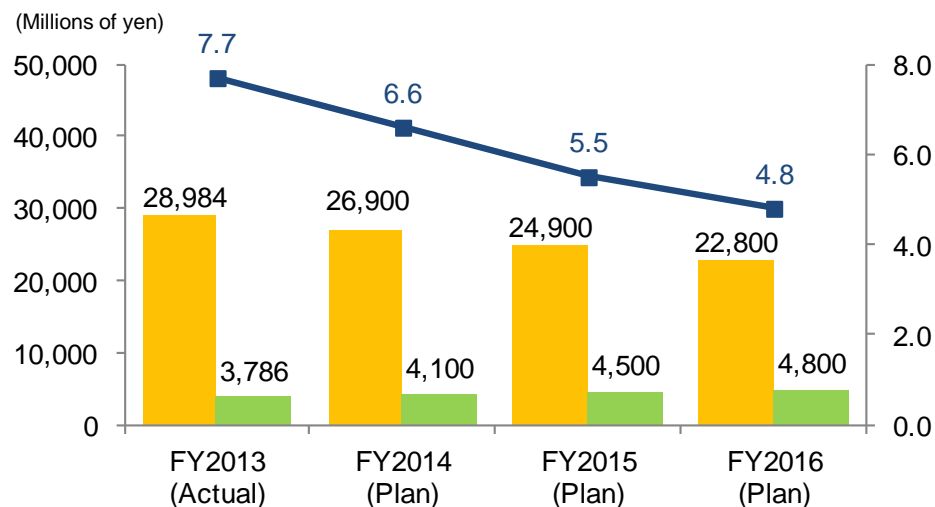
2 Quantitative Targets—Financial Plan

Part 1: Quantitative Targets

(Millions of yen)

	FY2013 (Actual)	FY2014 (Plan)	FY2015 (Plan)	FY2016 (Plan)
Total assets	48,551	47,300	46,200	45,500
Total liabilities	38,788	36,700	34,500	32,500
Borrowings	28,984	26,900	24,900	22,800
Total net assets	9,763	10,600	11,700	13,000
EBITDA	3,786	4,100	4,500	4,800

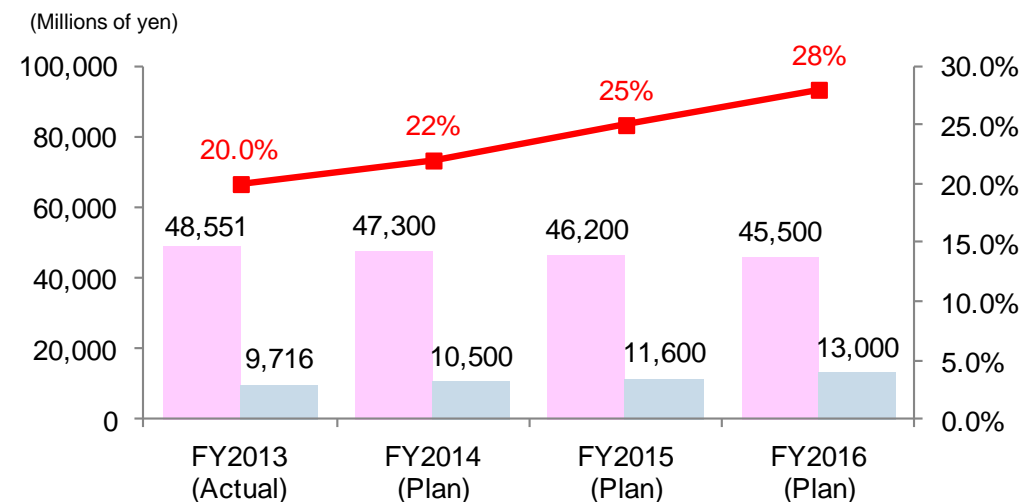
EBITDA multiple*



■ Borrowings (left axis) ■ EBITDA (left axis)
—■— EBITDA multiple (right axis)

*EBITDA multiple: Interest bearing debt / EBITDA (operating income + depreciation + amortization of goodwill)

Shareholders' equity ratio



■ Total assets (left axis)
■ Shareholders' equity (left axis)
—■— Shareholders' equity ratio (right axis)

1

Apamanshop Strengths

One of the largest
rental brokerage
networks in Japan:
1,132 agencies*

Among highest rental
brokerage orders
received in Japan:
Approximately 430,000
orders**



One of the largest
number of housing
owners operating
in Japan:
Approximately
250,000 owners**

*No. 1 in the number of agencies in the rental housing brokerage industry based on a September 2014 survey (up to 1,132 agencies) by Yano Research Institute Ltd. Comparing numbers of agencies of eight leading operators. Total number of directly managed agencies and franchises, including overseas and contracted franchises. Contracted franchises include agencies that have decided to open and agencies preparing to open.

**As of the end of September 2013, including franchises orders (internally sourced information)

2 Future Growth Strategies

- Fully harness the Apamanshop brand
- Bolster and expand business by leveraging Brokerage Business and Property Management Business synergies

Brokerage Business

- Franchise agencies and directly managed agencies
- ✓ Agency number expansion
- ✓ Operational in-sourcing
- ✓ Product sales expansion

Property Management Business

- Rental management and sub-leasing
- ✓ Expansion in number of units under management
- ✓ Improved occupancy rate
- ✓ Operational in-sourcing
- ✓ Product sales expansion

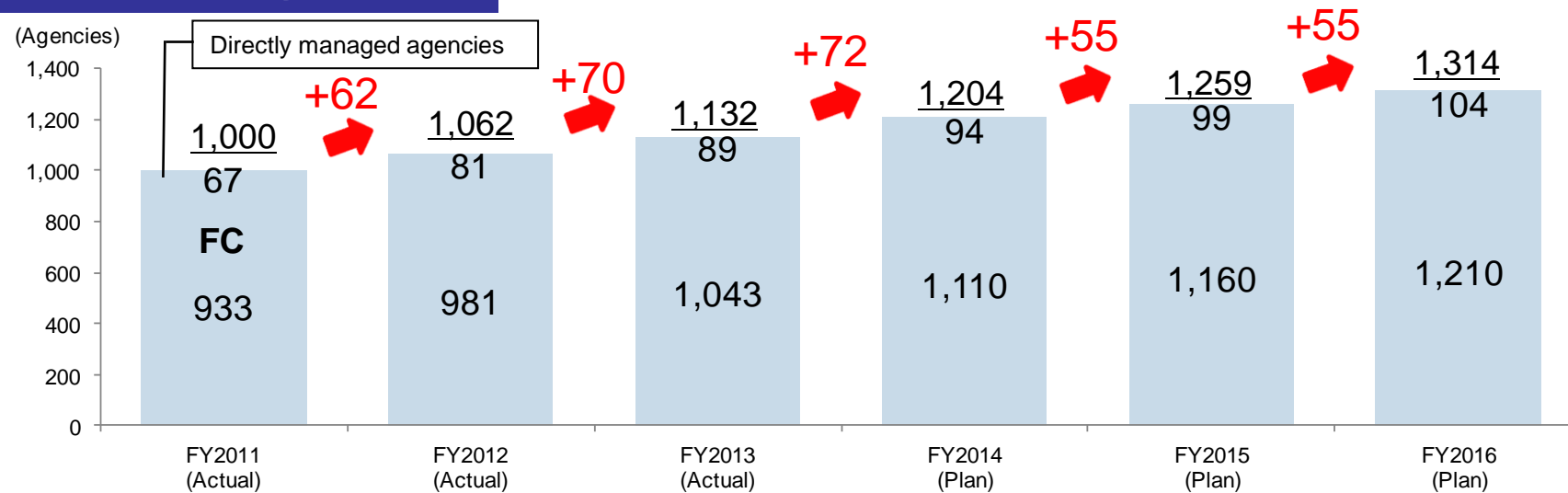
Related Businesses

- Parking business
- Vending machine business and others
- ✓ Scale expansion

3 Key Indices—**Brokerage Business**

	FY2013 (Actual)	FY2014 (Plan)	FY2015 (Plan)	FY2016 (Plan)
Total (agencies)	1,132	1,204	1,259	1,314
No. of franchise agencies	1,043	1,110	1,160	1,210
No. of directly managed agencies	89	94	99	104
Net sales per directly managed agency (millions of yen)	57	59	60	60
Operating income per directly managed agency (millions of yen)	12	14	16	16

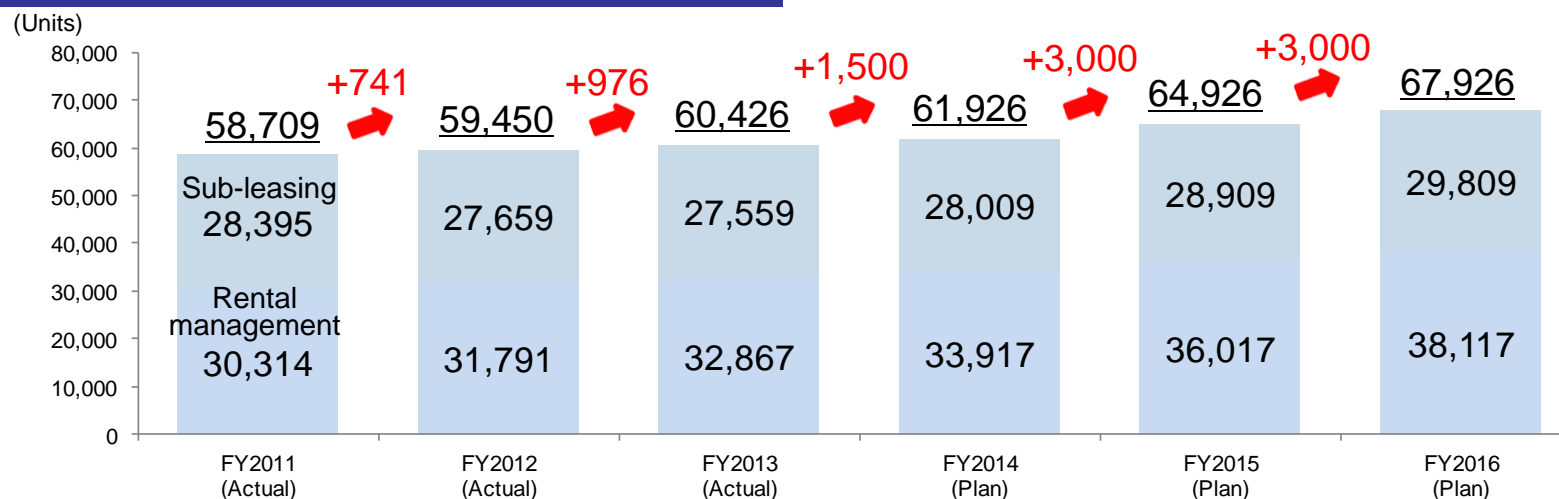
Number of agencies



4 Key Indices—Property Management Business

	FY2013 (Actual)	FY2014 (Plan)	FY2015 (Plan)	FY2016 (Plan)
Total (units)	60,426	61,926	64,926	67,926
Rental management	32,867	33,917	36,017	38,117
Sub-leasing	27,559	28,009	28,909	29,809
Occupancy rate* (Sub-leasing)	95.5%	95%	95%	95%
Net sales per 1,000 units (millions of yen)	391	392	390	387
Operating income per 1,000 units (millions of yen)	17	18	18	18

No. of units under management



*Occupancy rate = units contracted / units under management (two main subsidiaries: Apamanshop Leasing Co., Ltd. and Apamanshop Sublease Co., Ltd.)