

APAMAN

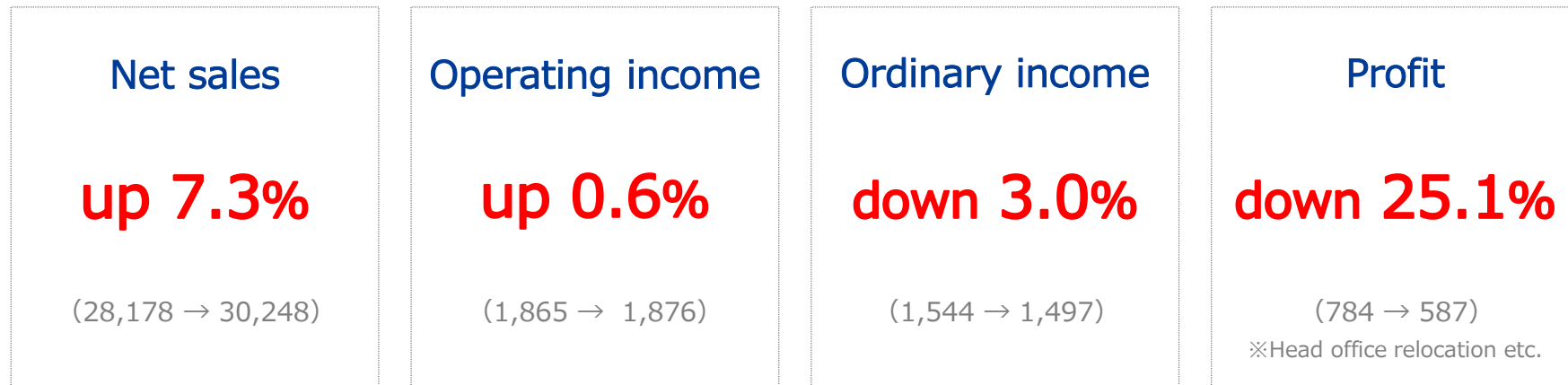
Briefings on Financial Results
for the Third Quarter of the Fiscal Year Ending September 30, 2017 (FY2017)

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

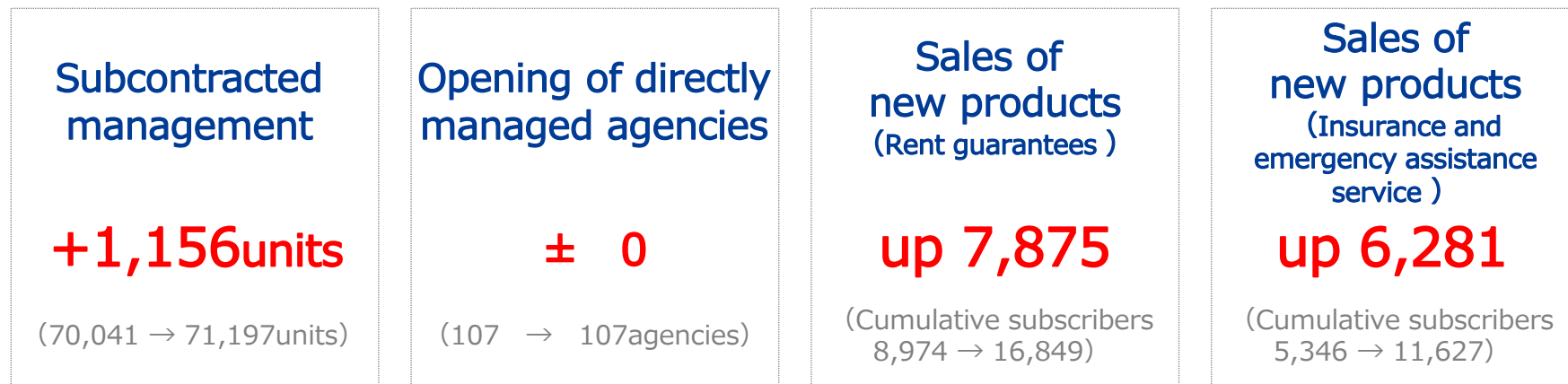
1. Topics
2. Consolidated
3. Results by Segment
4. Medium-term Management Plan (From FY2016 to FY2020 / 5years)
5. Transformation of business structure

1 . Topics

■ Results of Operations (YonY/Millions of yen)



■ Growth Strategy (Progress on Medium-term Management Plan)



2. Consolidated

(1) Overview of Consolidated Results (3-year comparison)

(Millions of yen)

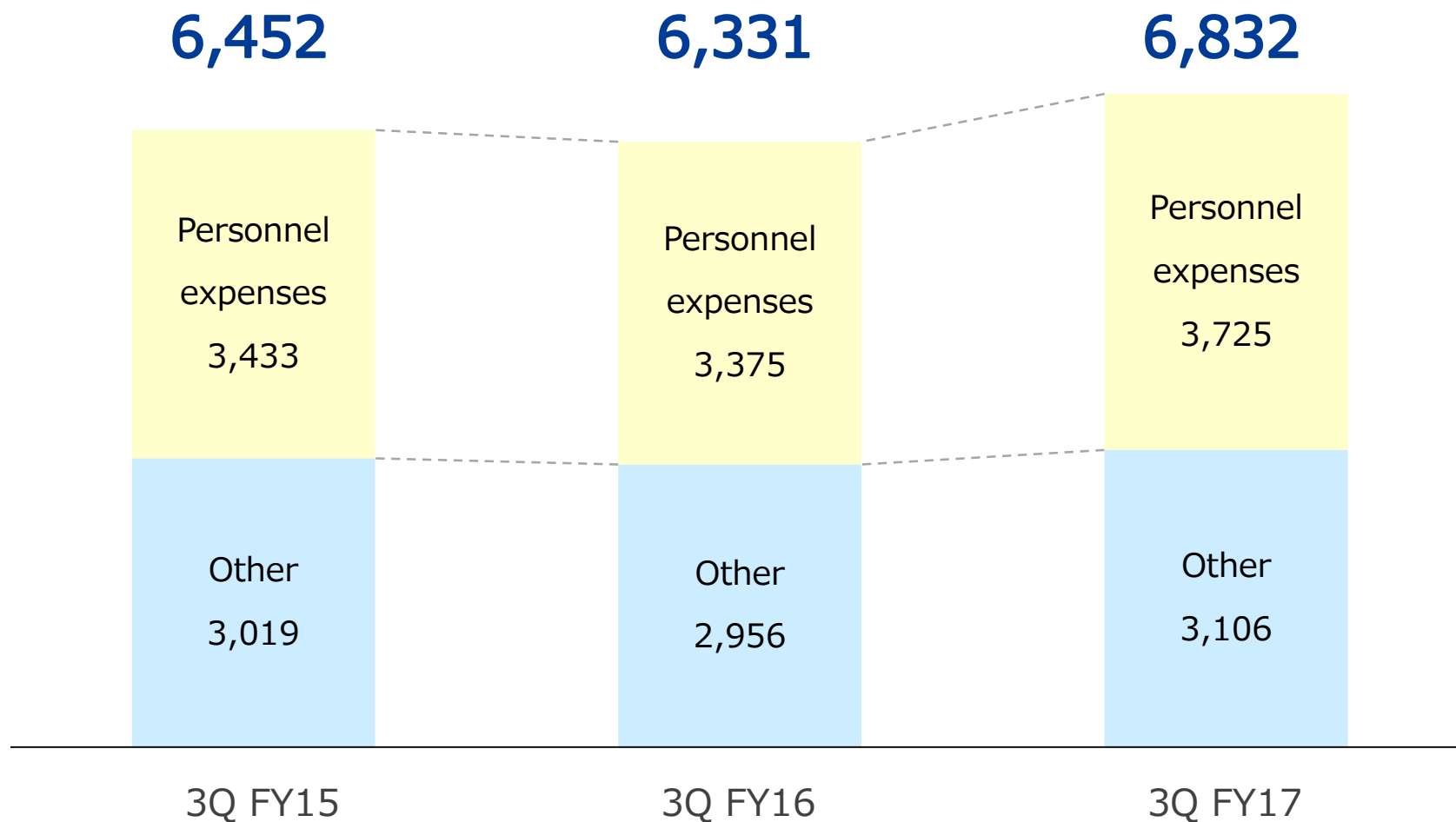
	3Q FY15	3Q FY16	3Q 17	YoY change
Net Sales	28,147	28,178	30,248	+2,069
Gross profit	8,111	8,197	8,708	+511
Operating income (operating margin)	1,658 (5.9%)	1,865 (6.6%)	1,876 (6.2%)	+10 (▲0.4%)
Ordinary income	1,004	1,544	1,497	▲46
Profit	▲723	784	587	▲197
EBITDA	2,690	3,162	3,074	▲88

EBITDA = Ordinary income + interest expenses + depreciation + amortization of goodwill

Note: Amounts are rounded down to the nearest million yen and percentages are rounded off to the first decimal place. Accordingly, figures calculated using mathematical formulas and the resulting figures stated in this material may not agree.

(2) SG&A expenses transition (3-year comparison)

(Millions of yen)



* 「人事制度変更」と「M&Aに伴う人員増」による人件費の増加が主な販管費の増加要因です。

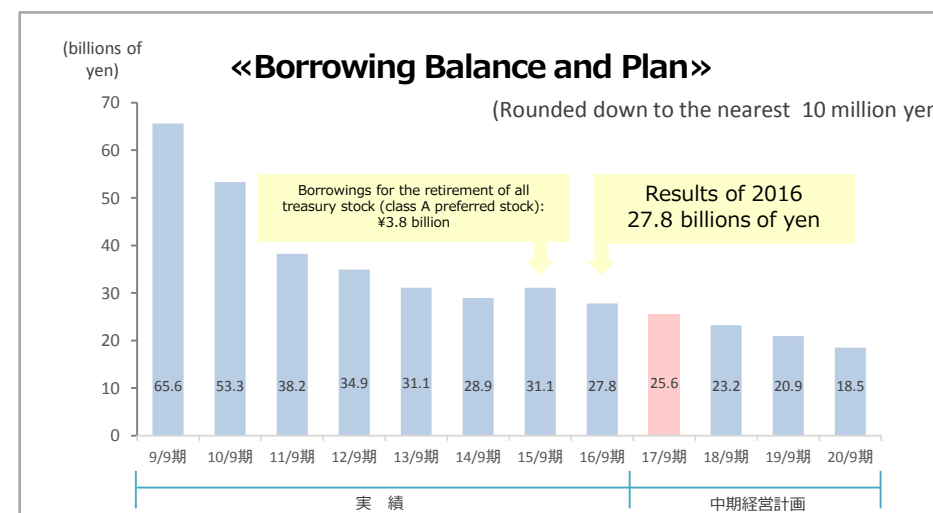
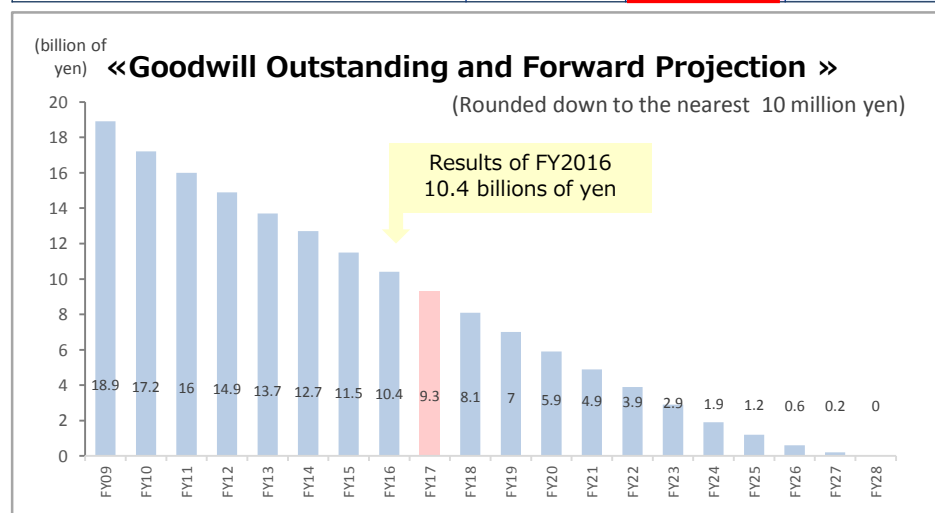
(3) Overview of Consolidated Balance Sheet (vs. end-FY2016)

(Millions of yen)

Assets	End FY16	End 3Q FY17	YoY change
Current assets	7,888	7,863	▲25
Cash and deposits	3,847	3,285	▲561
Notes and accounts receivable-trade	1,538	1,445	▲92
Other	2,502	3,132	+629
Non-current assets	34,402	34,851	+448
Property, plant and equipment	15,956	16,627	+671
Intangible assets	11,504	11,424	▲80
Goodwill	10,449	10,056	▲392
Other intangible assets	1,054	1,367	+312
Investments and other assets	6,942	6,799	▲142
Total assets	42,291	42,714	+422

Liabilities	End FY16	End 3Q FY17	YoY change
Current liabilities	8,422	8,684	+262
Accounts payable-trade	982	1,133	+150
Short-term loans payable note1	2,839	2,758	▲80
Other	4,601	4,793	+191
Non-current liabilities	29,781	28,739	▲1,041
Long-term loans payable	24,989	23,907	▲1,081
Long-term lease and guarantee deposited	4,222	4,200	▲22
Other	569	632	+62
Net assets	4,087	5,289	+1,202

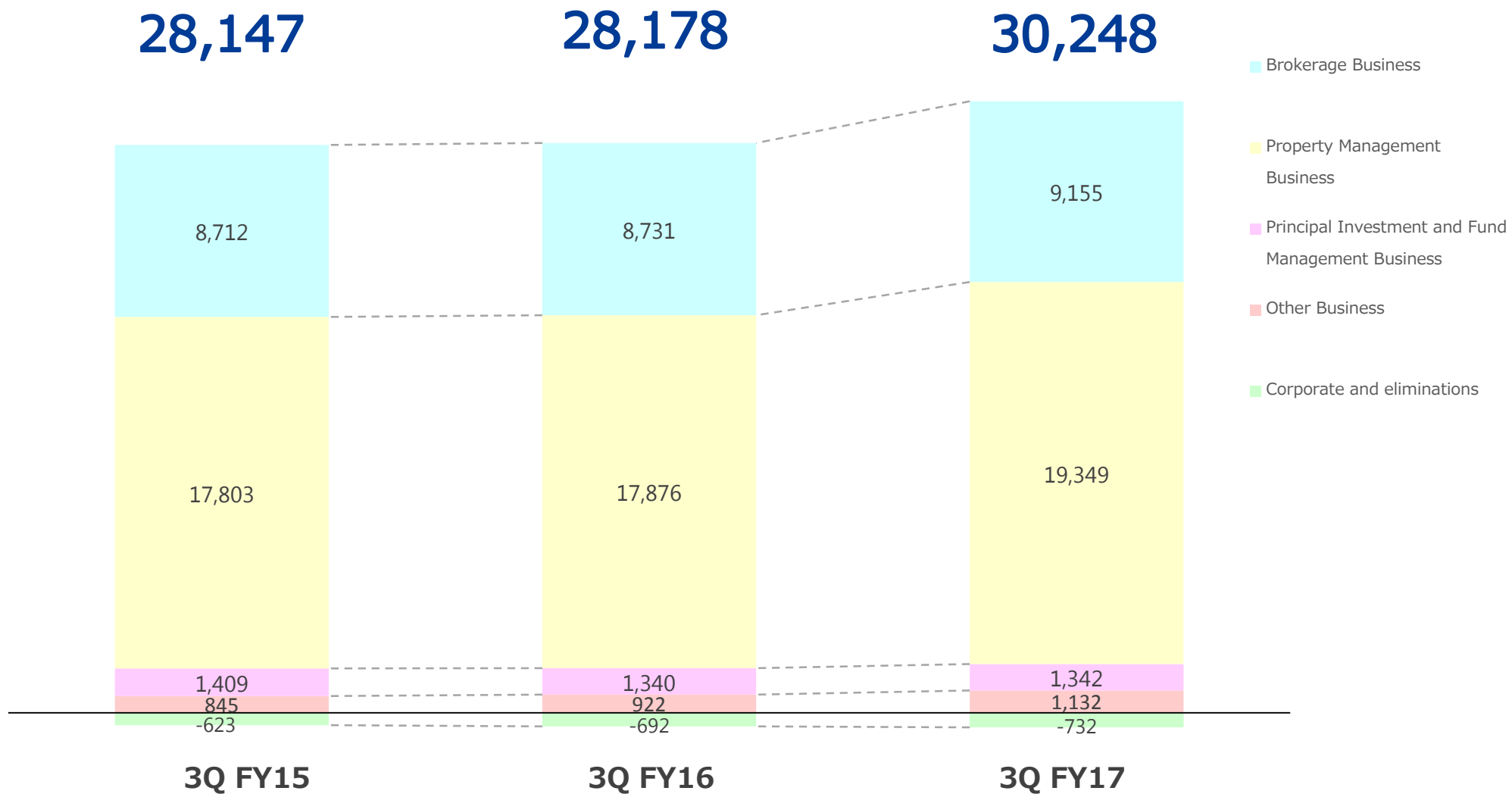
Note 1: Includes current portion of long-term loans payable



3 . Results by Segment

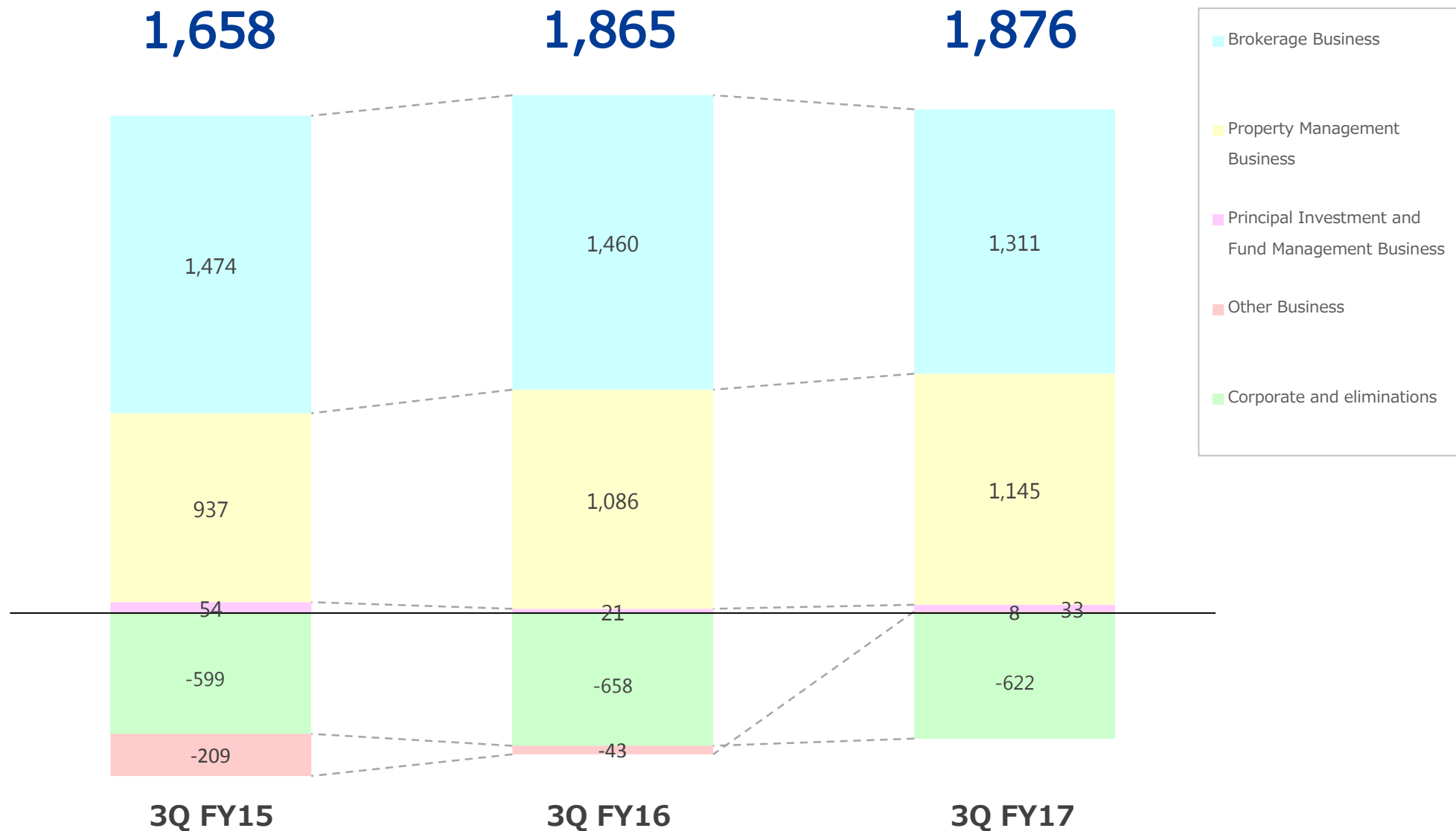
(1) Net Sales by Segment (3-year comparison)

(Millions of yen)



(2) Operating Income by Segment (3-year comparison)

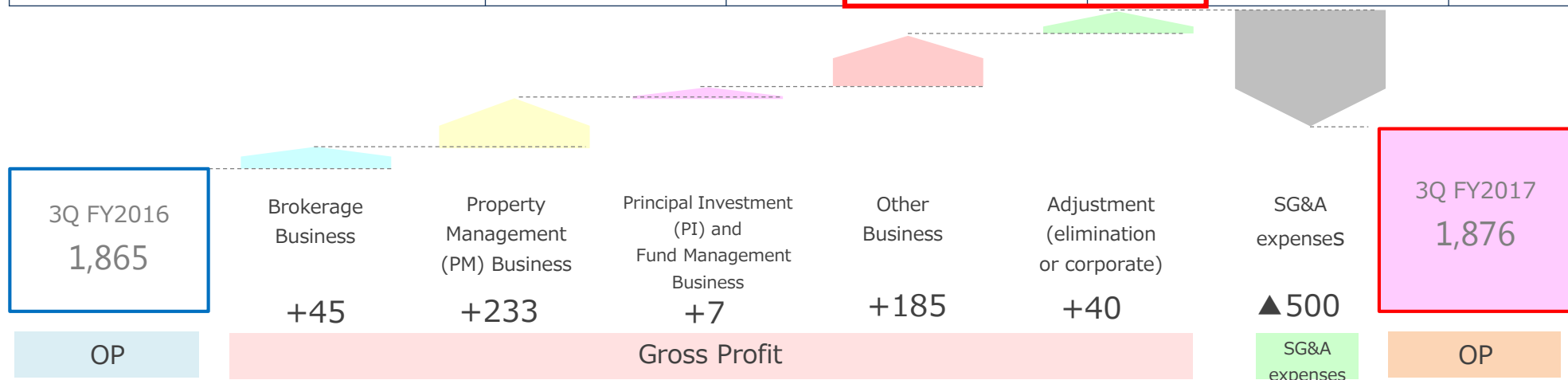
(Millions of yen)



(3) Analysis of Net Sales and Operating Income by Segment (YoY) **APAMAN**

(Millions of yen)

	3Q FY16			3Q FY17			YoY change		
	Net sales	Gross profit	Gross profit margin	Net sales	Gross profit	Gross profit margin	Net sales	Gross profit	Gross profit margin
Brokerage Business	8,731	4,566	52.3%	9,155	4,612	50.4%	+424	+45	▲1.9pt
Property Management (PM) Business	17,876	3,034	17.0%	19,349	3,267	16.9%	+1,473	+233	▲0.1pt
Principal Investment (PI) and Fund Management Business	1,340	523	39.1%	1,342	530	39.5%	+2	+7	+0.4pt
Other Business	922	315	34.3%	1,132	500	44.2%	+210	+185	+9.9pt
Adjustment (elimination or corporate)	▲692	▲243	-	▲732	▲201	-	▲40	+40	-
Total	28,178	8,197	29.1%	30,248	8,708	28.8%	+2,069	+511	▲0.3pt
SG&A expenses (SG&A expenses ratio)	6,331	22.5%		6,832	22.6%		+500		+0.1pt
Operating income (Operating margin)	1,865	6.6%		1,876	6.2%		+10		▲0.4pt



(4) Overview of Brokerage Business (3-year comparison)

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(Millions of yen)

		3Q FY15	3Q FY16	3Q FY17	YonY change
Net sales (Segment)		8,712	8,731	9,155	+424
Franchise agencies		5,182	5,355	5,523	+168
Directly managed agencies		3,530	3,376	3,632	+256
Operating income (Segment)		1,474	1,460	1,311	▲150
Franchise agencies		618	834	570	▲265
Directly managed agencies		856	626	741	+115
No. of contracted franchises		1,143	1,166	1,151	▲15
Franchise agencies		1,051	1,061	1,044	▲17
Directly managed agencies		92	105	107	+2
Per directly managed agency (Japan)	Net sales	44.4	39.5	40.1	+0.6
	Operating income	10.8	7.6	8.4	+0.8
Results of FY2016 Per directly managed agency (Japan)			Net Sales 50.8 Operating income 9.0		

Notes: 1. Net sales and operating income per agency are calculated based on the average number of directly managed agencies (Japan) operated during the period.
2. Amounts are rounded down to the nearest million yen and percentages are rounded off to the first decimal place. Accordingly, figures calculated using mathematical formulas and the resulting figures stated in this material may not agree.

(5) Overview of Property Management Business (3-year comparison) **APAMAN**

(Millions of yen)

	3Q FY15	3Q FY16	3Q FY17	YonY change	
Net sales (Segment)	17,803	17,876	19,349	+1,473	
Sub-leasing	13,143	13,038	13,769	+731	
Rental management	4,660	4,839	5,580	+741	
Sub-leasing occupancy rate	96.5%	93.9%	94.1%	+0.2%	
Operating income	937	1,086	1,145	+59	
Total number of units under management	63,242	66,701	71,197	+4,496	
Sub-leasing	27,692	27,614	28,963	+1,349	
Rental management	35,550	39,087	42,234	+3,147	
Per 1,000 units	Net sales	290	271	273	+2
	Operating income	15.3	16.5	16.2	▲0.3
Results of FY2016			Net sales	359	
Per 1,000 units			Operating income	20.9	

* 本資料の表示数値は金額に関しては切り捨て、パーセンテージ表示については四捨五入等、端数計算により行っているため、算式に基づき算定される数値とその結果として記載される数値は必ずしも一致しない場合があります。
 * 月次情報でお知らせしておりますサブリースの入居率（1 - (空室家賃÷家賃総額)）は、採用しておりません。
 * サブリースと賃貸管理の売上については、共通売上を各期末の管理戸数にて按分しております。

(6) Primary Real Estate Held

■ Example of owned property
RIHGA ROYAL HOTEL Kokura



リーガロイヤルホテル小倉へ賃貸

Aruaru City

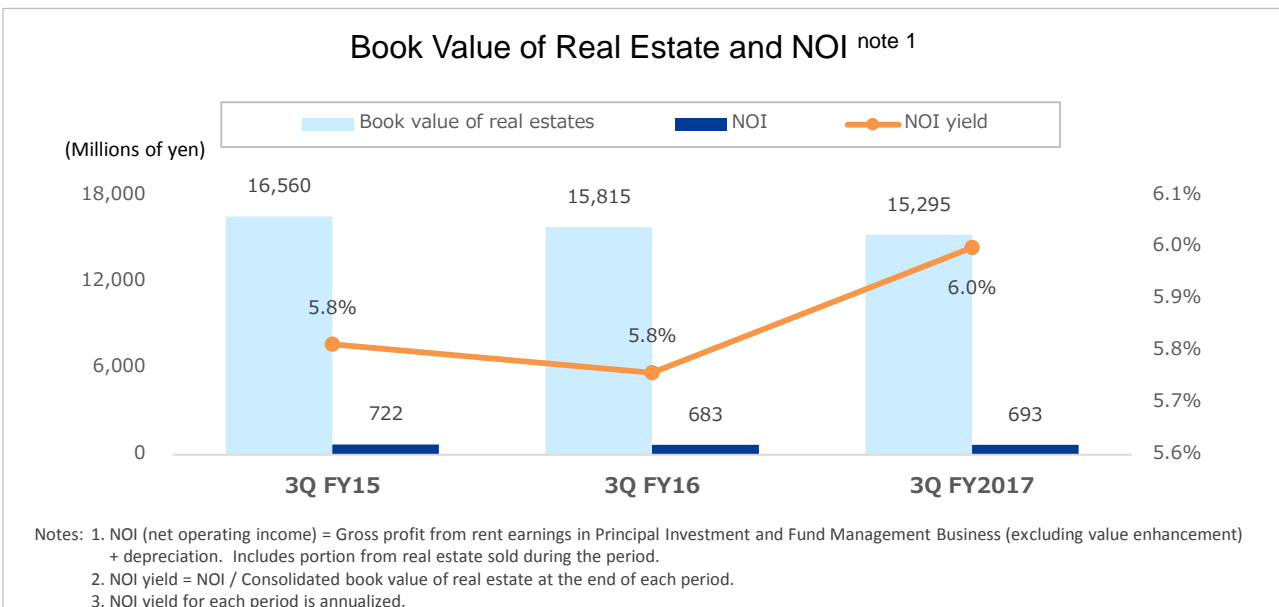


One of Japan's largest subculture buildings
Approximately 2.6 million visitors annually

Aruaru City Building No. 2
(multi-story parking garage)



Multi-story, self-parking parking garage for 1,000 vehicles



4. Medium-term Management Plan

(From FY2016 to FY2020 / 5years)

(1) Quantitative Targets (Income plan)

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(Millions of yen)

	FY16 (Actual)	FY17 (Plan)	FY18 (Plan)	FY19 (Plan)	FY20 (Plan)
Net sales	37,383	43,000	46,600	51,000	56,000
Brokerage Business	11,455	13,700	14,800	15,900	16,800
Property Management Business	23,845	26,900	29,500	32,800	37,000
Other Businesses ^{note2}	2,082	2,400	2,300	2,300	2,200
Gross profit	10,965	13,600	15,200	16,900	18,400
Brokerage Business	6,105	8,000	9,000	10,000	10,800
Property Management Business	4,023	4,700	5,300	6,000	6,700
Other Businesses ^{note2}	836	900	900	900	900
Operating income	2,489	3,200	3,700	4,400	4,900
Ordinary income	2,065	2,800	3,300	4,000	4,600
Profit	1,653	1,500	1,600	2,200	2,700
EBITDA *	4,219	4,900	5,400	6,000	6,600

Notes: 1. EBITDA = Ordinary income + interest expenses + depreciation + amortization of goodwill

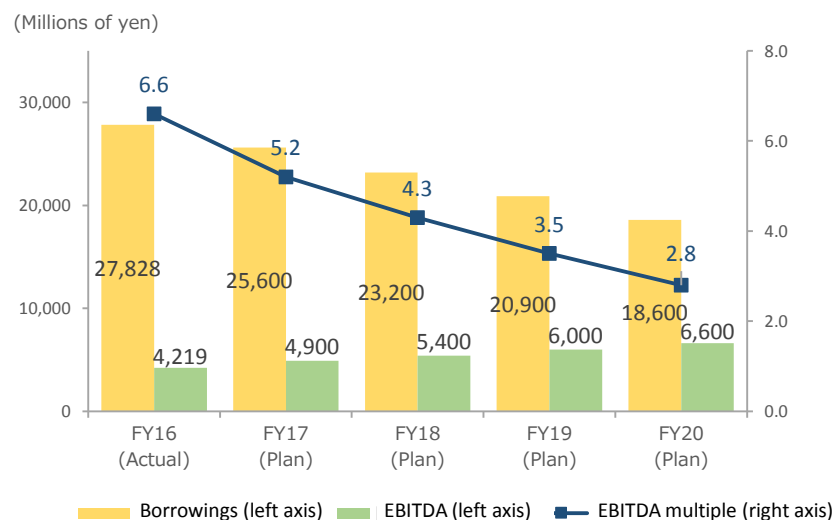
2. Other businesses include Principal Investment and Fund Management Business, Other Business and corporate and eliminations.

(2) Quantitative Targets (Financial plan)

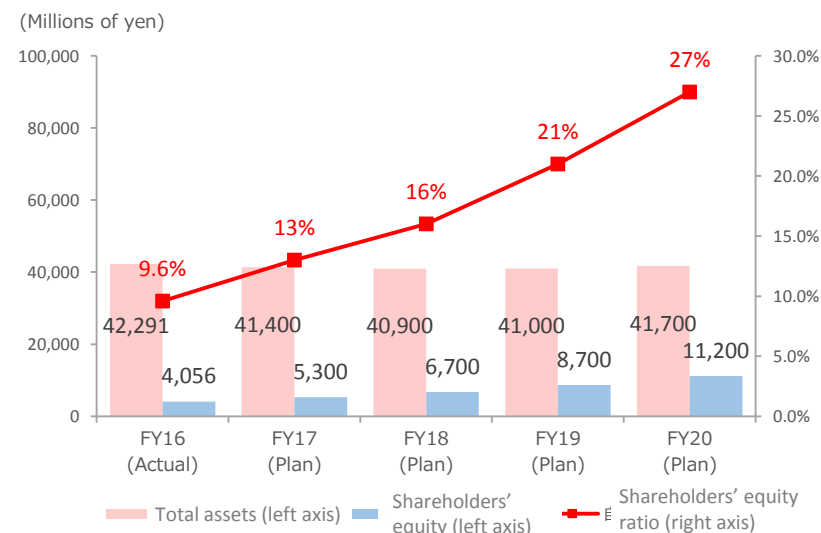
(Millions of yen)

	FY16 (Actual)	FY17 (Plan)	FY18 (Plan)	FY19 (Plan)	FY20 (Plan)
Total assets	42,291	41,400	40,900	41,000	41,700
Total liabilities	38,204	36,100	34,100	32,200	30,400
Of which borrowings	27,828	25,600	23,200	20,900	18,600
Total net assets	4,087	5,300	6,800	8,800	11,300

EBITDA ^{note1} Multiple ^{note2}



Shareholders' Equity Ratio



Notes: 1. EBITDA = Ordinary income + interest expenses + depreciation + amortization of goodwill
 2. EBITDA multiple: Interest bearing debt / EBITDA (Operating income + depreciation + amortization of goodwill)

(3) Quantitative Targets (Brokerage segment)

Number of agencies	unit	FY16 (Actual)	FY17 (Plan)	FY18 (Plan)	FY19 (Plan)	FY20 (Plan)
Franchise agencies	Agencies	1,057 (▲7)	1,104 (+47)	1,124 (+20)	1,144 (+20)	1,164 (+20)
Directly managed agencies	Agencies	107 (+12)	125 (+18)	140 (+15)	155 (+15)	170 (+15)
S u b t o t a l	Agencies	1,164 (+5)	1,229 (+65)	1,264 (+35)	1,299 (+35)	1,334 (+35)
Brokerage segment Net sales	Billions of yen	11.4 (+0.1)	13.7 (+2.3)	14.8 (+1.1)	15.9 (+1.1)	16.8 (+0.9)
Brokerage segment Operating income	Billions of yen	1.9 (▲0.1)	2.6 (+0.7)	2.8 (+0.2)	3.1 (+0.3)	3.2 (+0.1)
Directly managed segment Net sales and operating income per agency (Japan)	Millions of yen	50 (▲5) 9 (▲3)	55 (+5) 11 (+2)	55 (+0) 11 (+0)	55 (+0) 11 (+0)	55 (+0) 11 (+0)

(4) Quantitative Targets (PM segment)

Number of properties under management	Unit	FY16 (Actual)	FY17 (Plan)	FY18 (Plan)	FY19 (Plan)	FY20 (Plan)
Rental management	Thousands of unit	41 (+5)	43 (+2)	48 (+5)	54 (+6)	61 (+7)
Sub-leasing	Thousands of unit	28 (+1)	31 (+2)	34 (+3)	38 (+4)	43 (+5)
Total	Thousands of unit	70 (+6)	74 (+4)	82 (+8)	92 (+10)	104 (+12)
PM segment Net sales	Billions of yen	23.8 (+0.1)	26.8 (+3.0)	29.5 (+2.7)	32.8 (+3.3)	37.0 (+4.2)
PM segment Operating income	Billions of yen	1.3 (+0)	1.5 (+0.2)	1.9 (+0.4)	2.3 (+0.4)	2.8 (+0.5)
PM segment Net sales and operating income per 1,000 units	Millions of yen	359 (▲23) 20 (▲0)	378 (19) 22 (+2)	378 (0) 24 (+2)	377 (▲1) 26 (+2)	377 (0) 29(+3)

1. Strengthening core business-related activities

Example for incidental products



Insurance and 24-hour emergency assistance service



Bacterial detergents and deodorants



Simple type fire extinguishers



Rent guarantees

Example for Share Services



renting private homes and rooms



Coworking



Parking lot



trunk room

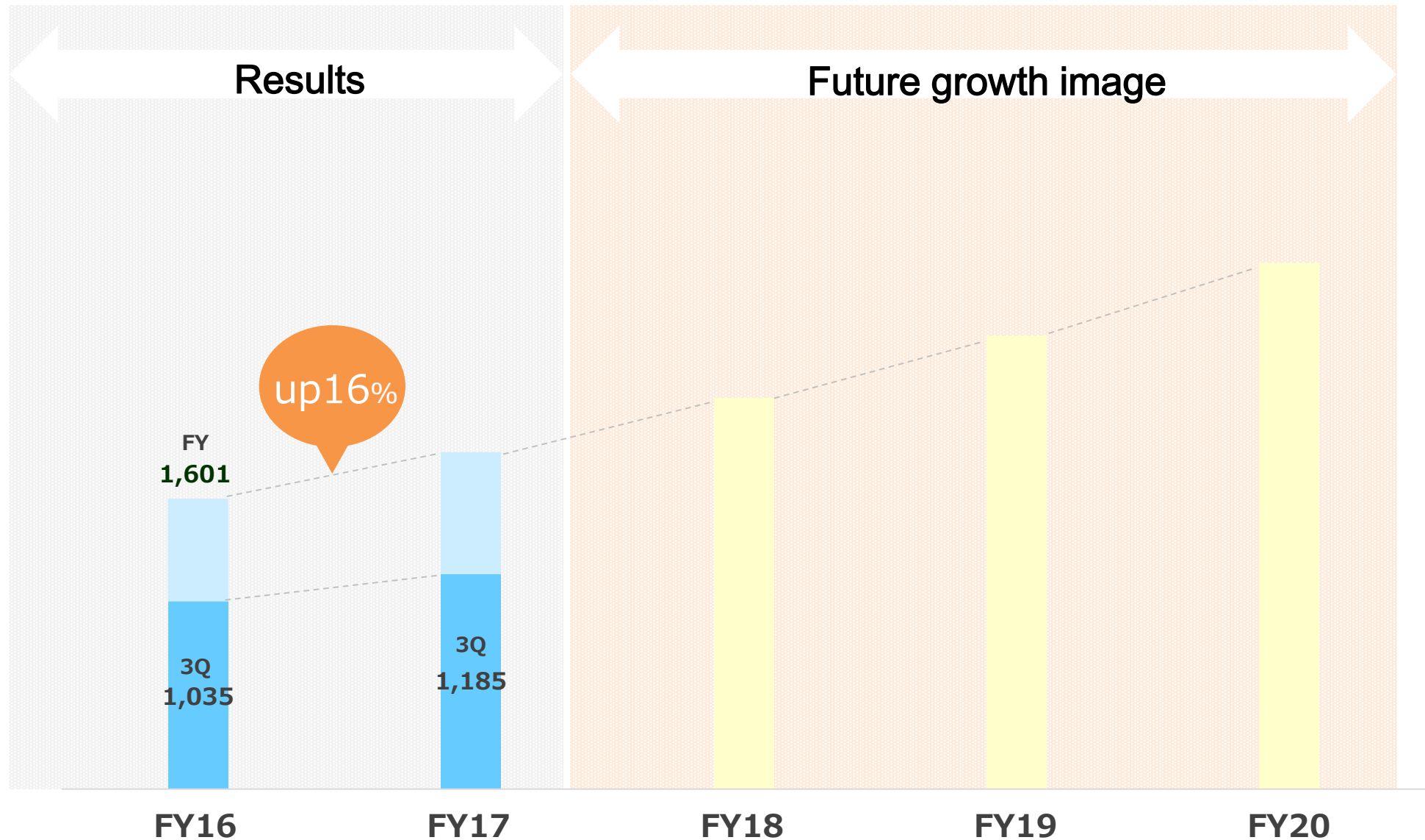
2. Strengthening subcontracted management



3. Increase in number of directly managed agencies



(6) Image of increasing in gross profit of directly managed agencies



* The figures represented by the graph of FY2017 for the full fiscal year is forecast, and the growth rate of 16% is the same as the year-on-year forecast.

5. Transformation of business structure

(1) Jump to a new stage with technology as the core

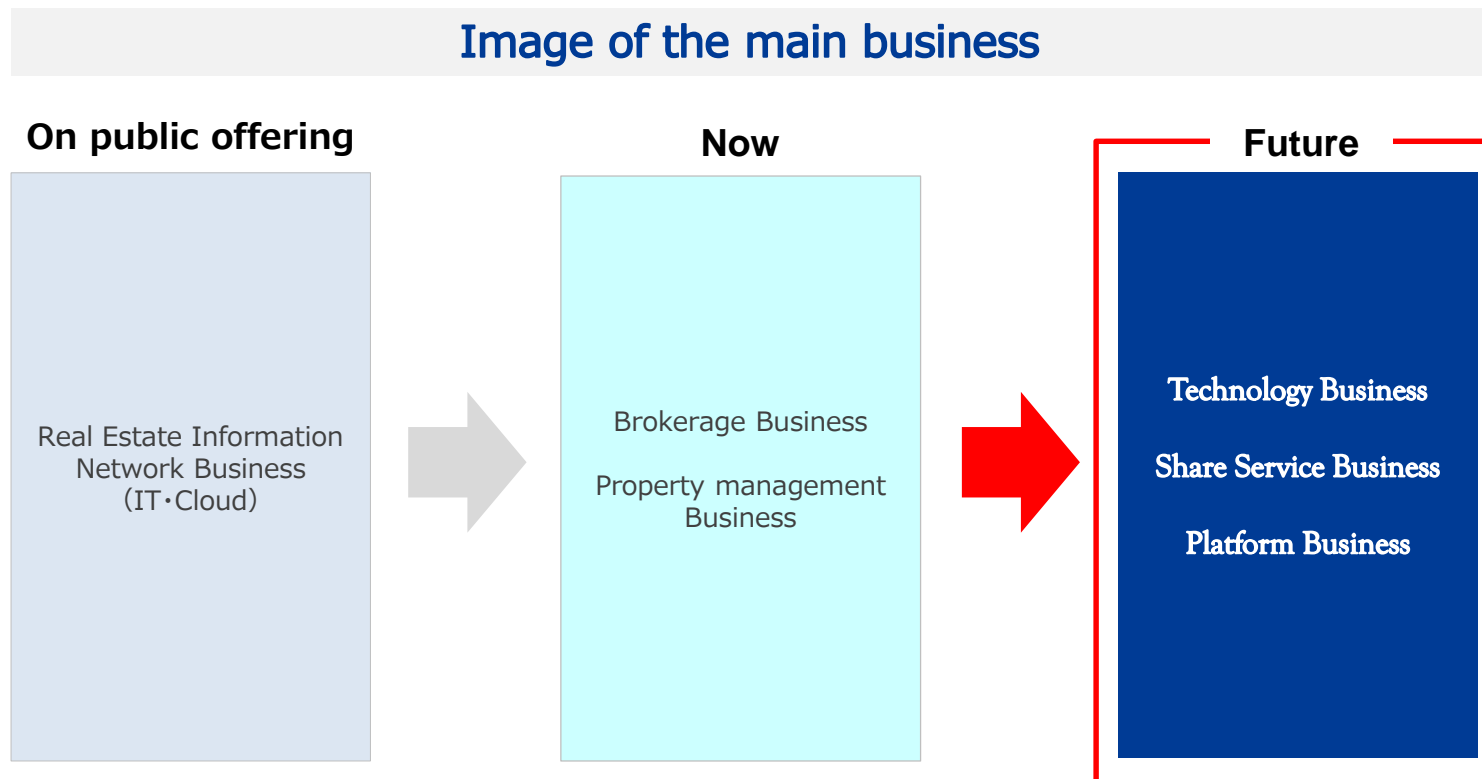
Our company was established with the desire to contribute to the qualitative improvement of the real estate industry by making use of IT.

In the reference period settlement period at the time of the initial public offering, about 93% of sales are technologies (IT · cloud), after that, the Brokerage / PM business has expanded.

However, in recent years, technology has become important again in the environment where technologies and SNS set the winner's defeat of the company and the share service has been dramatically expanding.

In July 2017, we established the 1,000 employees involved in systems and creatives. We would like to go back to the new enterprise stage that turns back at the time of establishment and centered on technology.

Please stay tuned.



Thank you for your attention

The information presented in these materials, excluding past results but including management strategies, plans, and forecasts, is forward-looking information, based on certain assumptions deemed reasonable in light of the information available at the time these materials were prepared. Actual results may differ significantly from these forecasts as a result of a variety of factors going forward.

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