

Briefings on Financial Results for the First Quarter of Fiscal Year Ending September 30, 2023 (FY2023)

APAMAN Co., Ltd.

February 10, 2023

Tokyo Stock Exchange (Standard): 8889

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1Q FY2023 Financial Summary

Topics

Net sales

¥**11.0** billion

Up

1.8%

YoY

EBITDA

¥**0.72** billion

down

6.5%

YoY

Operating
profit

¥**0.34** billion

down

13.0%

YoY

Profit attributable to
owners of parent

¥**-0.16** billion

down

¥0.23 billion

Net sales, EBITDA and operating profit were as planned.

Profit (ordinary profit): Foreign exchange loss of 0.16 billion yen was recorded.

Financial Summary | Overview of Consolidated Statement of Income

(Millions of yen)

	1Q FY2022	Ratio to net sales	1Q FY2023	Ratio to net sales	YoY change
Net sales	10,845	-	11,042	-	+197
Gross profit	2,562	23.6%	2,614	23.7%	+52
SG&A expenses	2,170	20.0%	2,273	20.6%	+102
Operating profit	392	3.6%	341	3.1%	-50
Ordinary profit	226	2.1%	29	0.3%	-197
Profit attributable to owners of parent	79	0.7%	-160	-1.4%	-239
EBITDA ^{Note}	777	7.2%	727	6.6%	-50

- Non-operating income: Foreign exchange gains/loss; loss of ¥160 million (down ¥190 million YoY)
- Non-operating expenses: Equity-method profit/loss; loss of ¥60 million (up ¥30 million YoY)
- Extraordinary income: Loss (gain) on change in equity; gain of ¥0 million (down ¥30 million YoY)

Note: EBITDA = Operating profit + depreciation + amortization of goodwill

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Financial Summary | Overview of Consolidated Balance Sheet

(Millions of yen)

	End-FY2022	1Q FY2023	Change
Current assets	16,450	15,610	-839
Cash and deposits	8,318	7,643	-675
Accounts receivable-trade	1,817	1,759	-58
Operational investment securities	1,054	1,059	+5
Other	5,258	5,147	-111
Non-current assets	19,094	18,915	-179
Property, plant and equipment	2,687	2,781	+94
Intangible assets	9,776	9,624	-152
Goodwill	5,604	5,415	-188
Other	4,172	4,208	+36
Investments and other assets	6,630	6,509	-121
Total assets	35,545	34,526	-1,019

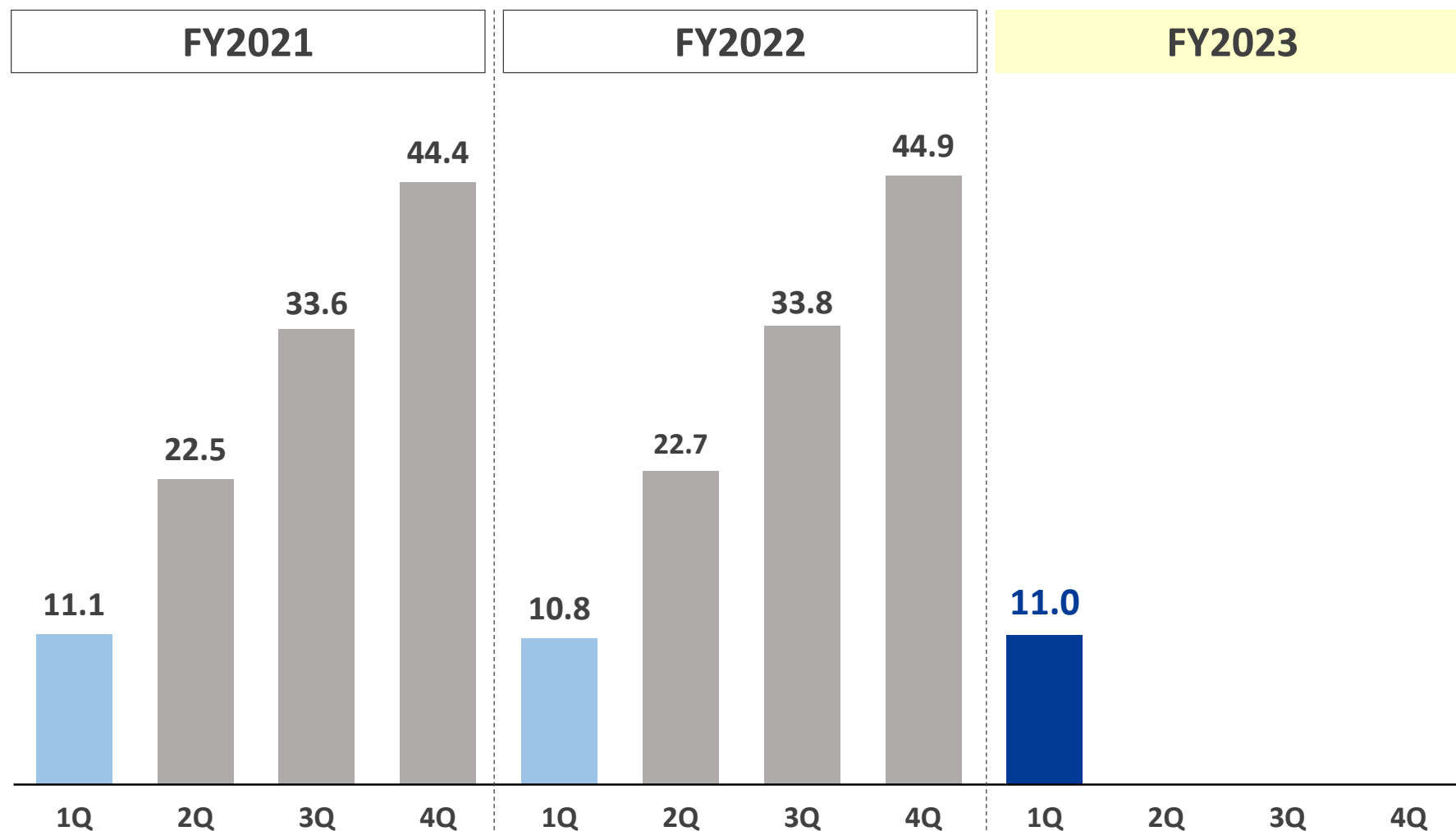
	End-FY2022	1Q FY2023	Change
Current liabilities	11,952	12,084	+132
Accounts payable-trade	1,537	1,333	-203
Short-term borrowings ^{Note 1}	3,036	3,318	+281
Other	7,377	7,432	+55
Non-current liabilities	19,277	18,518	-759
Long-term borrowings	15,707	15,030	-677
Long-term lease and guarantee deposited	1,453	1,424	-29
Other	2,116	2,063	-52
Total liabilities	31,229	30,603	-626
Capital	8,002	8,002	-
Net assets	4,315	3,923	-392
Total liabilities and net assets	35,545	34,526	-1,019

Note: 1. Includes current portion of long-term borrowings

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Financial Summary | Quarterly Sales

(Billions of yen)



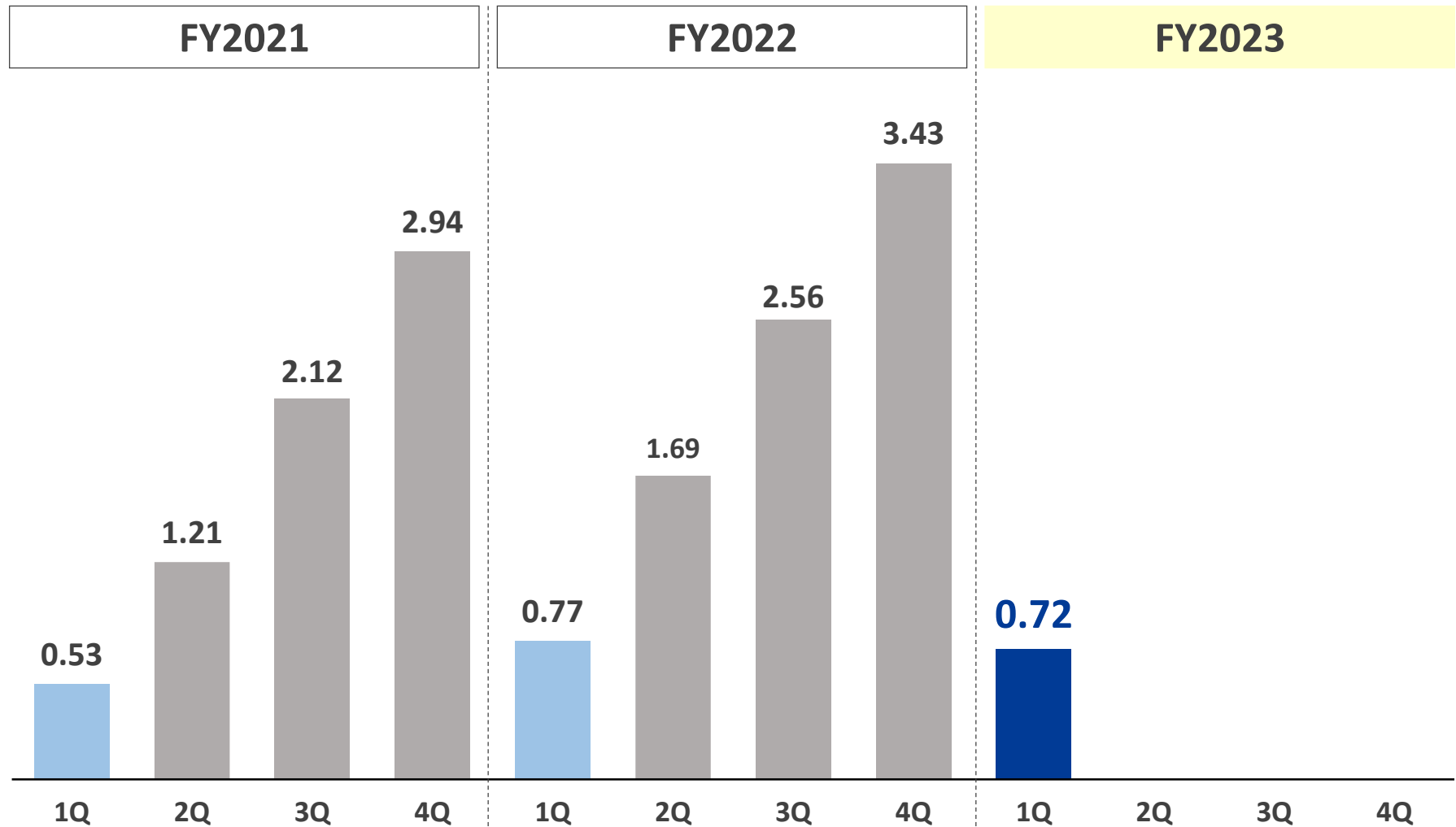
➤ Effect on the application of the accounting standard for revenue recognition: 1Q FY2023 ¥-160 million (1Q FY2022 ¥-160 million)

Note: Quarterly sales are cumulative results.

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Financial Summary | Quarterly EBITDA ^{Note}

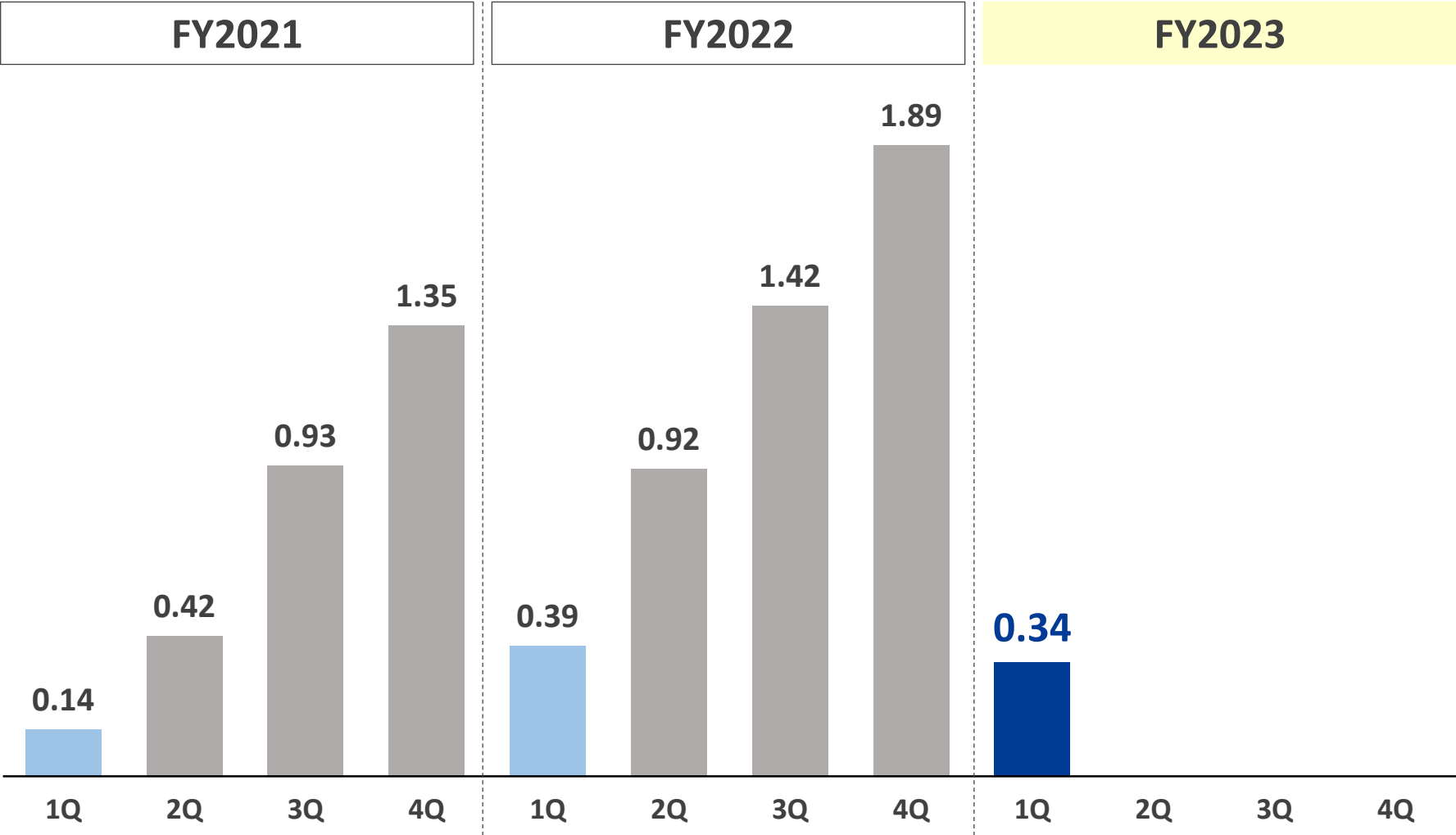
(Billions of yen)



Note: EBITDA = Operating profit + depreciation + amortization of goodwill
Quarterly EBITDA is cumulative results.

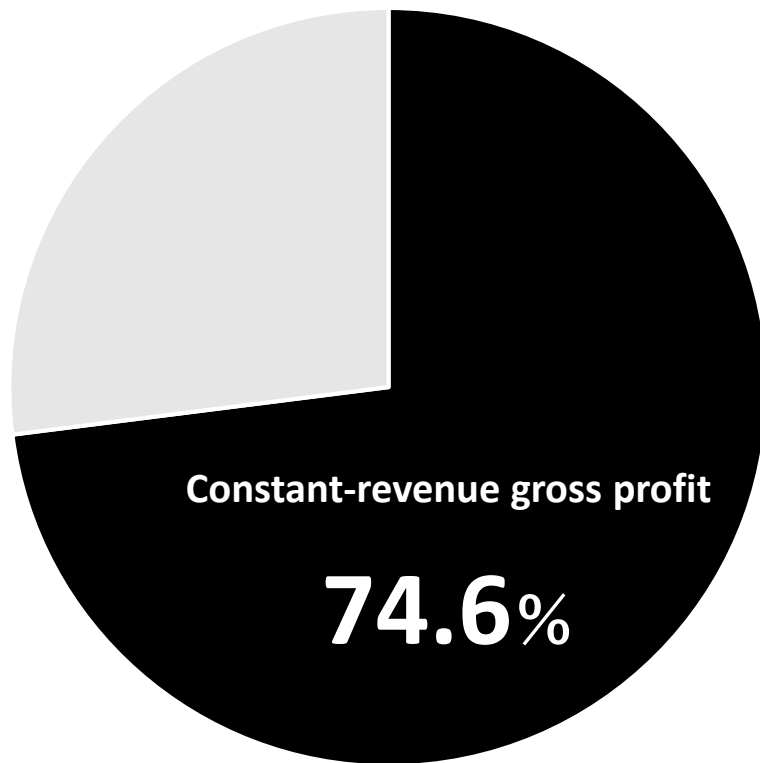
Financial Summary | Quarterly Operating Profit

(Billions of yen)



Note: Quarterly operating profit is cumulative results.

Constant revenue accounts for about 70% of gross profit



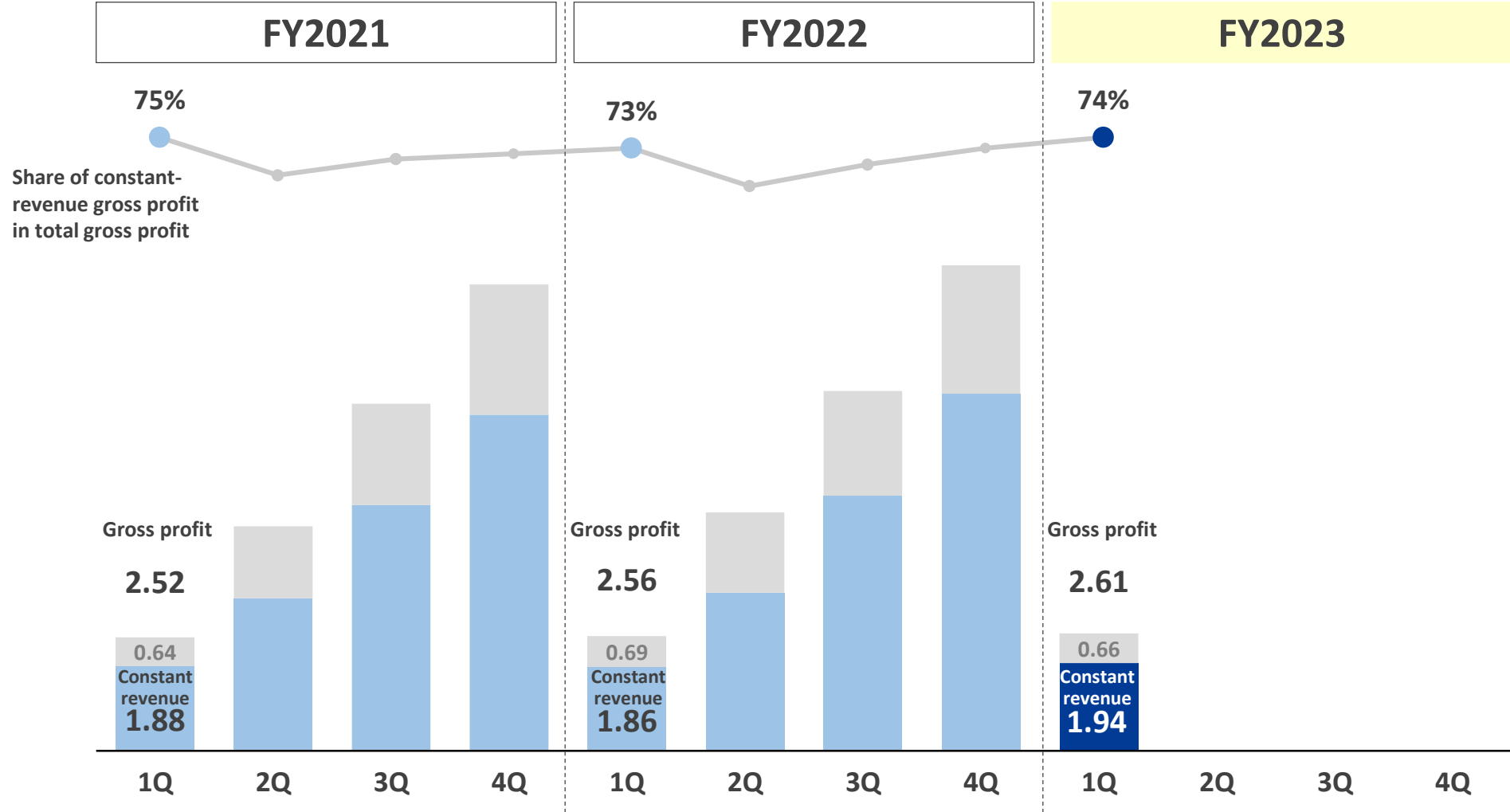
Platform	Rental management (Includes sub-leasing)	Management fee
	Company-rented housings	Brokerage fee
Technology	Cloud service	Usage fee
	Franchise service	Royalty fee
Other	Metered parking	Parking fee

Note: Sales for businesses in the same segment that are divided between constant-revenue and other gross profit include transactions within the segment that are eliminated in the consolidated financial statements.

As of Dec. 31, 2022

Financial Summary | Share and Amount of Constant Revenue Gross Profit

(Billions of yen)



Note: Quarterly gross profit is cumulative results

1Q FY2023 Results by Segment

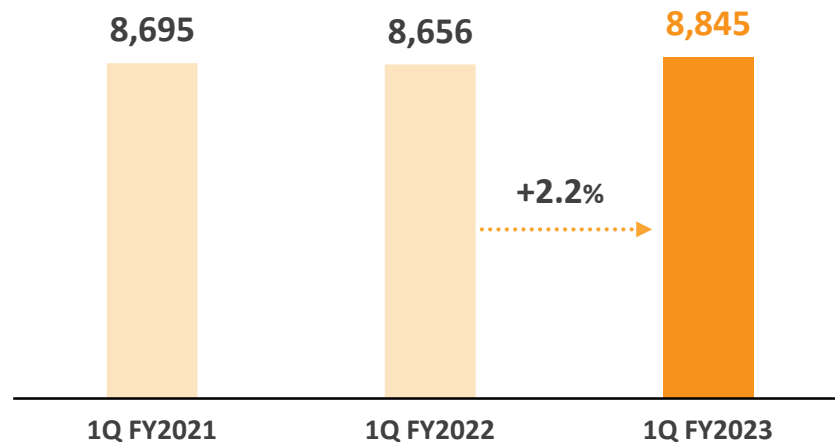
Results by Segment | Platform Business (PM + Company Housing + Store Operations)

(Millions of yen)

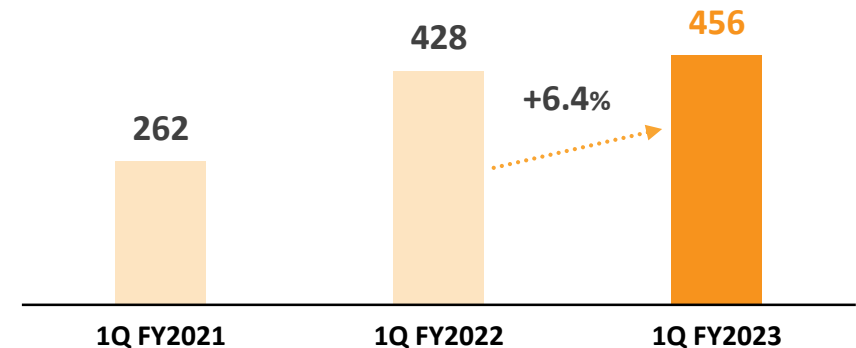
Topics

- Sales in PM, company housing and store operations were firm

Segment sales



Segment profit



- Lower sales due to the application of the accounting standard for revenue recognition: -¥160 million in 1Q FY2023
- Lower sales due to the application of the accounting standard for revenue recognition: -¥160 million in 1Q FY2022

Results by Segment | Platform Business (PM + Company Housing + Store Operations)

Topics

- The number of companies using the company-rented housing service and company housing agency service increased

	1Q FY2022	1Q FY2023	YoY Change
No. of units under management	90,442	90,511	+69
No. of directly managed stores	71	72	+1
No. of companies using the company housing agency service	2,912	3,346	+434
No. of companies using the company-rented housing service	75	119	+44

Results by Segment | Platform Business (PM + Company Housing + Store Operations)

Promotional activities targeting property owners



賃貸管理・サブリースは全国20万人の大家さんが選ぶ「アパマンショップオーナーWEB」

お部屋探しサイトはこちら

HOME 管理会社を探す 満室事例を見る コラムを見る アパマンの賃貸管理

賃貸管理アパマンショップ > 満室経営事例

満室経営事例

リフォーム・リノベーションなどによる満室経営の事例を紹介します。

全ての事例	リフォーム事例	リノベーション事例	土地活用事例	その他事例
<p>築32年の1Rを1LDKにリノベーションし、1カ月で満室を...</p> <p>店舗名 アパマンショップ池袋東口店 (東京都豊島区)</p>	<p>外観のリフォーム実施で満室実現に加え空室期間も改善</p> <p>店舗名 アパマンショップ麻布店 (東京都港区)</p>	<p>新婚・単身者に好まれる間取りに変更し満室実現。賃料面も...</p> <p>店舗名 アパマンショップあま市 (愛知県あま市)</p>	<p>長く安心して住めるリノベーション実施で満室実現</p> <p>店舗名 アパマンショップ池袋駅前公園店 (東京都豊島区)</p>	

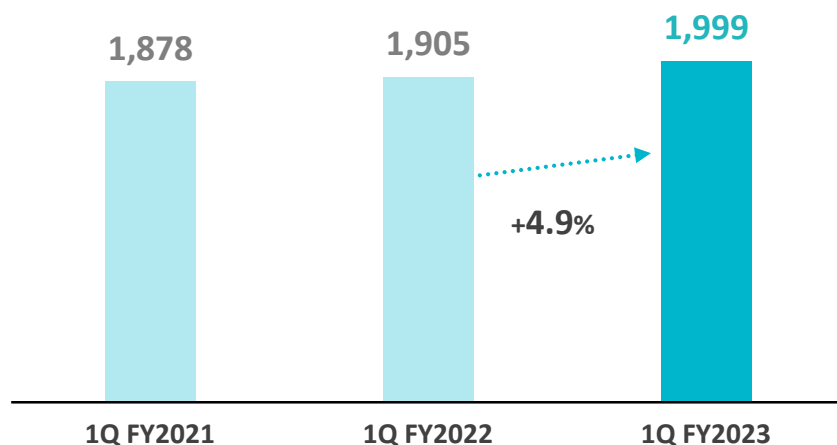
Results by Segment | Technology Business (FC)

(Millions of yen)

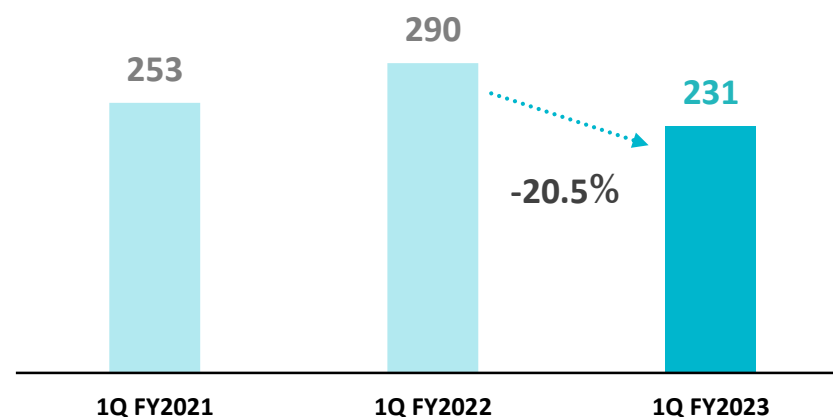
Topics

- Higher depreciation due to digital transformation of APAMAN
- Held FC National Conference Locally for the first time in 3 years

Segment sales

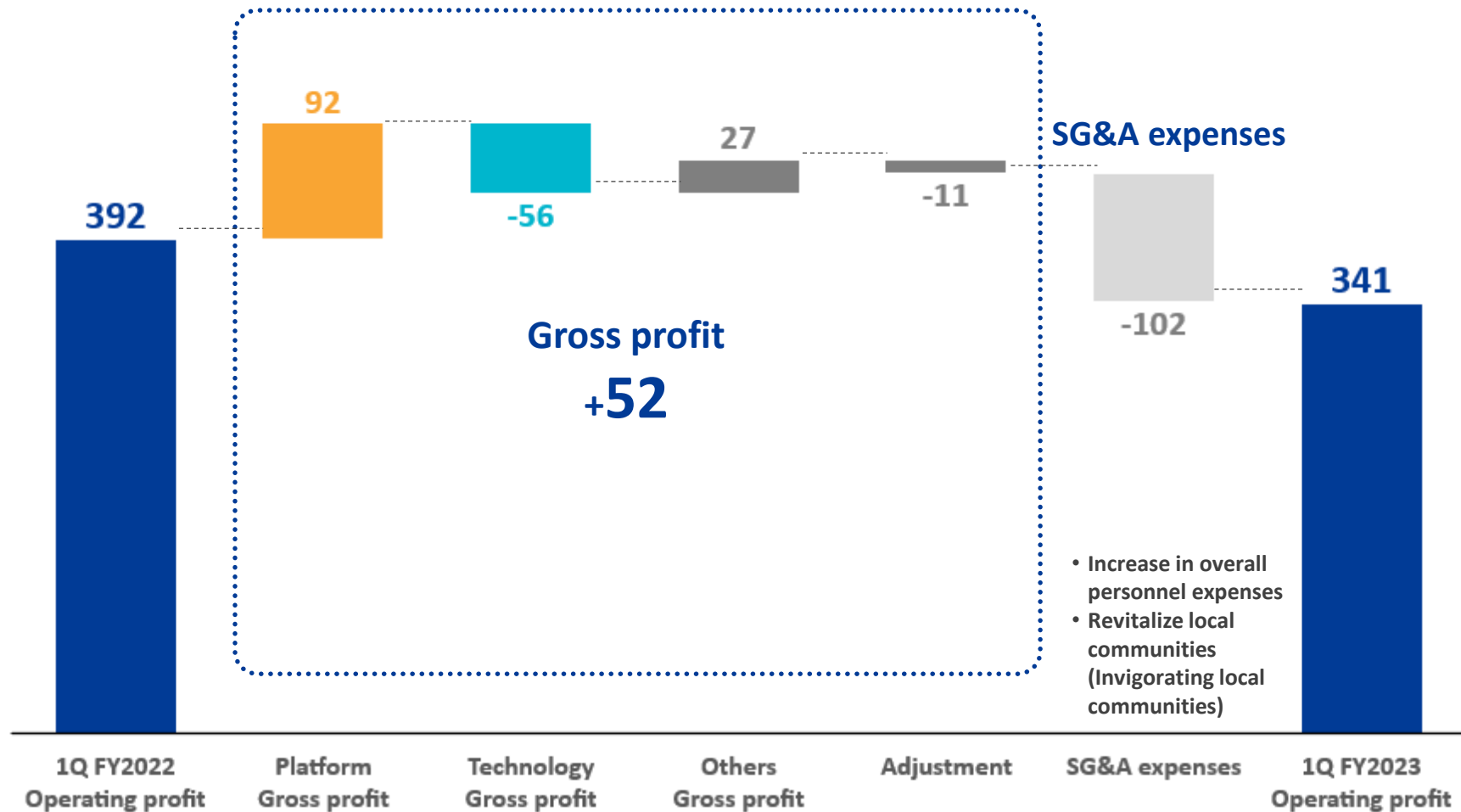


Segment profit



Results by Segment | Analysis of Operating Profit (YoY Change)

(Millions of yen)



FY2023 Consolidated Forecast

Overview of Consolidated Forecast

(Millions of yen)

Forecast increases in business efficiency and depreciation due to the digital transformation of APAMAN

	FY2022 Results	FY2023 Forecast	Change
Net sales	44,926	45,700	+773
EBITDA	3,435	3,600	+164
Operating profit	1,893	1,900	+6
Ordinary profit	1,419	1,300	-119
Profit attributable to owners of parent	262	300	+37

Growth Strategy

Real Estate × Technology

Services with value for society

(Billions of yen)

Japan's B-to-B real estate DX market is expected to grow to ¥244.5 billion in 2025
Japan's B-to-C real estate DX market is expected to grow to ¥1,001.7 billion in 2025



The property management support market is growing rapidly and growth is expected to continue

Primary Goals

- 1. More progress with the digital transformation of APAMAN**
- 2. Growth of earnings and the scale of operations (company housing, number of rental properties under management)**

Primary Goals | More Progress with the Digital Transformation of APAMAN

(1) Example of IT Services

AOS

A rental brokerage system that uses a single computer to handle everything from listing properties to working with customers.



apamanshop.com

One of Japan's largest websites for searching for an apartment to rent



BIG DATA

An information analysis service that uses big data



APS

A rental property management system that can process aggregate annual payments of more than ¥200 billion



SKIPS

An integrated system for raising the productivity of customers, rental brokerage companies and rental property management companies



Apartment checking cloud

Uses photos of damage to determine the fair amount of payments required when a tenant departs



Primary Goals | More Progress with the Digital Transformation of APAMAN

(2) Example of IT Services

Store visitor cloud	Register customer personal data using a smartphone for automatic transfer to a data management system
Introduction cloud	Centralized management of customer introductions from business partners
RPA	Digital labor is used for maintaining up-to-date market information. The data management system is updated every day with the latest information.
APSS	Linkage with about 350 real estate developers, homebuilders and other companies allows automatically receiving information daily about 200,000 available properties
Amaren Net	Facilitates the sharing of information among franchisee companies, agents and others nationwide
OEM API link	Links the database of the main IT system with the websites of all franchisees

SKIPS BB	One of Japan's largest B-to-B websites for rental property companies, linking the information of rental brokerage companies and rental property brokers
Owner Web	One of Japan's largest websites for creating a base of real estate owners
Renovation check cloud	Renovation companies use a smartphone to submit reports; report forms are generated automatically and data can be stored
Property patrol cloud	Uses a smartphone for internal reports about visits to buildings and owners; reports can be produced when away from the office
Appraisal cloud	Uses big data for instant assessments to determine the proper rent; can also automatically generate residential rental assessment reports
Owner portal	Allows property owners to use the internet to confirm financial other operational data. Property management companies can use charts for communications with owners.
Selkey cloud	A system that automates unlocking/locking doors of rental properties for rental property brokerage and property management companies; significantly improves productivity by eliminating the need to borrow keys

App production cloud, job opening website, franchise portal, e-learning and other services

Primary Goals | Growth of Earnings and the Scale of Operations

**More partner companies for
company housing**



**More rental properties under
management**

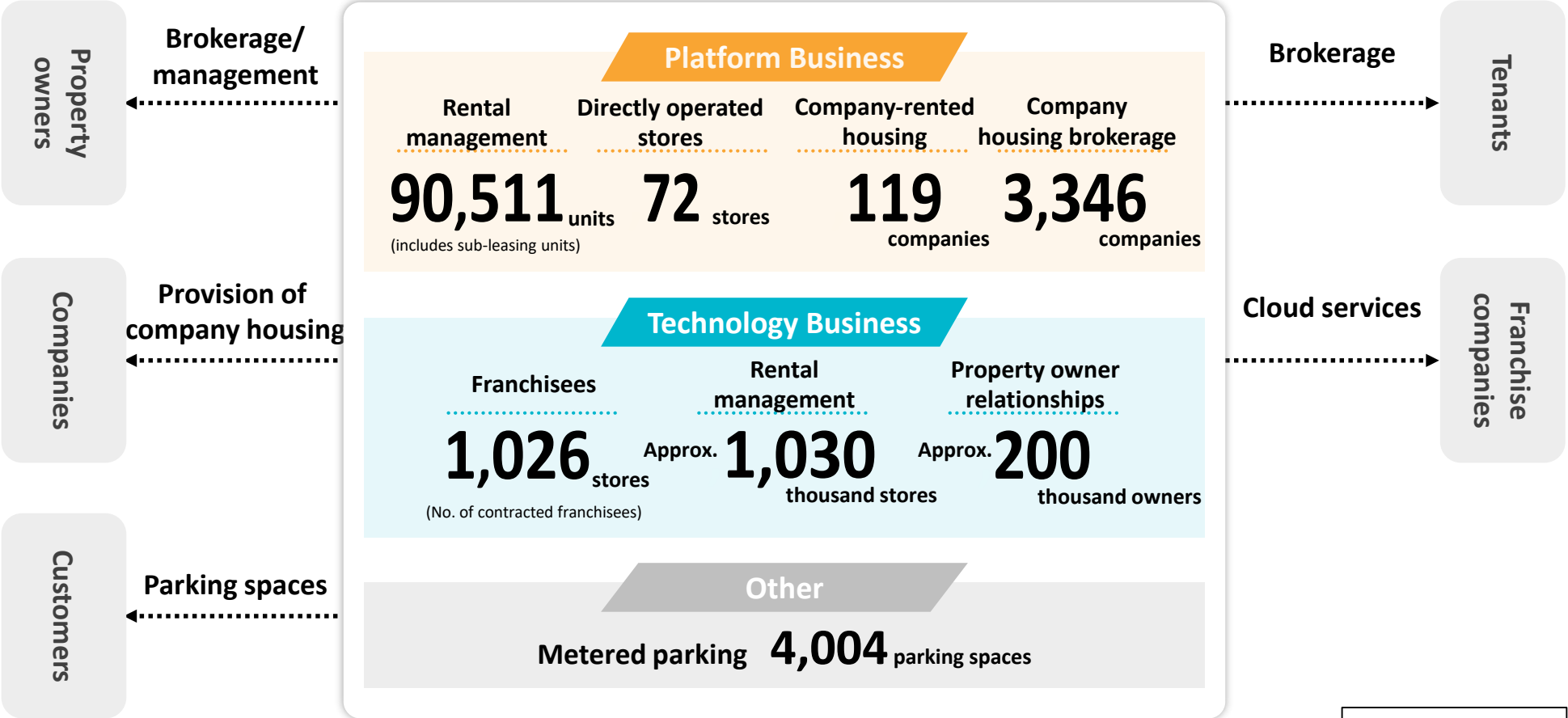


Appendix

Company Profile

Company name	APAMAN Co., Ltd.
Established	October 1999
Head office	Marunouchi Trust Tower North, 1-8-1 Marunouchi, Chiyoda-ku, Tokyo 100-0005
Capital	8,002 million yen (as of September 30, 2022)
Board members	<p>Koji Omura, President and CEO Takashi Kawamori, Managing Director Yujirou Takahashi, Outside Director Akihito Watanabe, Outside Director Takaaki Yamazaki, Full-time Audit & Supervisory Board Member Takeshi Yamada, Outside Audit & Supervisory Board Member Makoto Ariyasu, Outside Audit & Supervisory Board Member</p>
Employees	Consolidated: 1,099; Non-consolidated: 54 (as of September 30, 2022; excluding part-time employees)
Main business	Platform Business, Technology Business, Other
Group companies	<p>Japan Apaman Network Co., Ltd, Apaman Property Co., Ltd., wepark Co., Ltd., Mi LIFE Co., Ltd., PLEAST SERVICE CO.,LTD., RE-Standard Co., Ltd., Apaman Energy Co., Ltd., AMENITY HOUSE Inc., Apamanshop Leasing Hokkaido Co., Ltd., FIRST LIVING Co., Ltd., Gaspro Co.,Ltd., Apamanshop Sublease Co., Ltd., Rentalhouse Co.,Ltd., ClassHome Co.,Ltd., MYHOUSE Co.,Ltd, SUMiTA Partner Co., Ltd., dplan Co.,Ltd., JK HOME Co., Ltd., AREA PLANNING Co., Ltd., TOKYO BIG HOUSE COMMUNITY Co., Ltd., Manshitsu Keiei Network Co., Ltd., ASK Co., Ltd., SystemSoft Corporation, ARCHITECTS STUDIO JAPAN, INC.</p> <p>Overseas Apaman U.S.A., Corp., Global Capital Investments Holdings Limited, BETTER HOUSE Property Consultants (Shanghai) Limited, APAMANSHOP (THAILAND) CO.,Ltd, fabbit Philippines Inc., Hetai Real Estate Com.,Ltd.</p>

Using the Platform Business and Technology with innovative services
centered on advanced technologies



As of Dec. 31, 2022

Platform Business

Rental brokerage

Information about rental properties by 72 directly operated stores (including 3 in other countries)

Rental management

Total support for operating residential rental properties as the needs of tenants continues to diversify

Company-rented housing business

Intermediary services for company housing and leasing of entire buildings for company housing

Platform Business

- **24-hour emergency assistance service**
Quick responses for lost keys, leaks, broken windows and other problems
- **Tenant insurance**
Insurance for damage to a tenant's possessions due to an accident and for repairs caused by damage due to a random event involving the property
- **Telecommunications business**
- **Energy business**

Technology Business

IoT/ Big Data/ AI

- **Shared electronic keys**
Issuance of one-time keys, management of key utilization history
- **Use of AI for the automatic creation of suitable properties for a customer**

RPA

Automation of business processes by using robots

AR-Tech

- | | |
|---|---|
| • AOS
Store operation IT system | • Owner portal
A tool for communications with property owners |
| • APS
Property management IT system | • Introduction cloud
Management of the provision of information about available properties to customers |
| • Apamanshop.com
Portal site and app for rental properties | • Store visitor cloud
Use of iPads for the analysis of customer data |
| • SKIPS
Explanations using IT, customer services with no face-to-face contact | • Appraisal cloud
Uses big data to determine the proper rent for individual properties |

APAMAN

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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. 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. The information contained in these materials is subject to change without notice.

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