

# **Briefings on Financial Results for the Fiscal Year Ended September 30, 2023 (FY2023)**

**APAMAN Co., Ltd.**

**November 10, 2023**

**Tokyo Stock Exchange (Standard): 8889**

# Contents

- 1. FY2023 Financial Summary**
- 2. FY2023 Results by Segment**
- 3. FY2024 Consolidated Forecast**
- 4. Growth Strategy and Challenges**
- 5. Management Philosophy**

# FY2023 Financial Summary

# Topics

Net sales

¥**45.7** billion

Up **1.9%** YoY

EBITDA

¥**3.75** billion

Up **9.4%** YoY

Operating  
profit

¥**2.04** billion

Up **7.9%** YoY

Profit attributable to  
owners of parent

¥**570** million

Up **118.8%** YoY

Net sales, EBITDA<sup>Note</sup> and operating profit:

Higher sales and earnings in the Platform Business  
Smaller loss in other business

Profit: Decrease in extraordinary loss (including impairment loss)

# Financial Summary | Overview of Consolidated Statement of Income

(Millions of yen)

	FY2022	Ratio to net sales	FY2023	Ratio to net sales	YoY change
Net sales	44,926	-	45,785	-	+858
Gross profit	10,802	24.0%	11,092	24.2%	+290
SG&A expenses	8,909	19.8%	9,050	19.8%	+140
Operating profit	1,893	4.2%	2,042	4.5%	+149
Ordinary profit	1,419	3.2%	1,312	2.9%	-106
Profit attributable to owners of parent	262	0.6%	573	1.3%	+311
<b>EBITDA<sup>Note</sup></b>	<b>3,435</b>	<b>7.6%</b>	<b>3,758</b>	<b>8.2%</b>	<b>+323</b>

- Non-operating expenses: Equity-method profit/loss; loss of ¥150 million (down ¥80 million YoY)
- Non-operating income: Foreign exchange gains/loss; gain of ¥0 million (down ¥290 million YoY)
- Extraordinary income: Loss (gain) on sales of non-current assets; gain of ¥90 million (up ¥160 million YoY)

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

# Financial Summary | Overview of Consolidated Balance Sheet

(Millions of yen)

	FY2022	FY2023	Change
<b>Current assets</b>	16,450	<b>16,756</b>	+305
Cash and deposits	8,318	<b>8,920</b>	+601
Accounts receivable-trade	1,817	<b>1,799</b>	-18
Operational investment securities	1,054	<b>1,015</b>	-38
Other	5,258	<b>5,020</b>	-238
<b>Non-current assets</b>	19,094	<b>18,187</b>	-907
Property, plant and equipment	2,687	<b>2,316</b>	-370
Intangible assets	9,776	<b>9,533</b>	-243
Goodwill	5,604	<b>4,844</b>	-760
Other	4,172	<b>4,689</b>	+517
Investments and other assets	6,630	<b>6,337</b>	-293
<b>Total assets</b>	35,545	<b>34,944</b>	-601

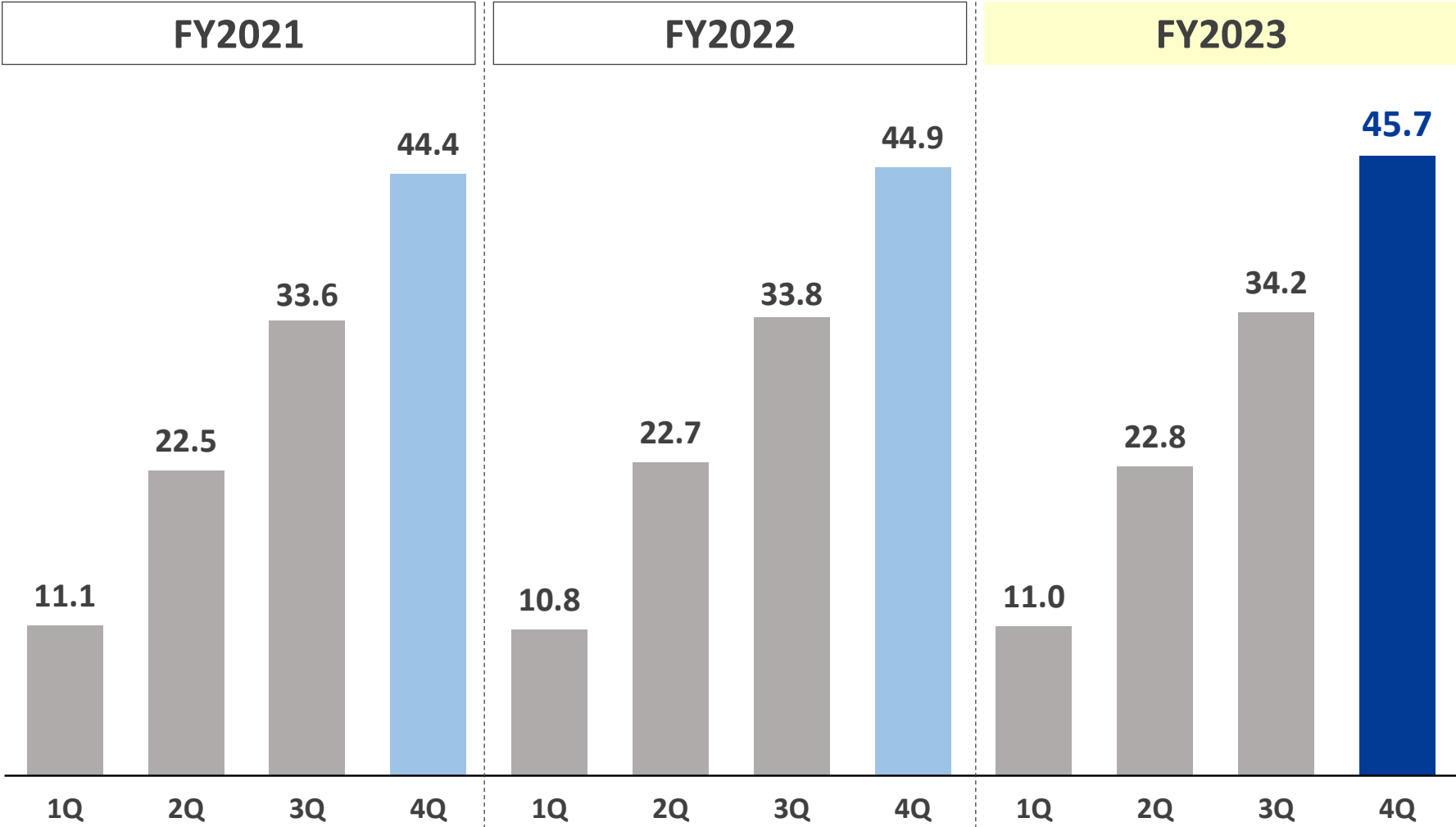
	FY2022	FY2023	Change
<b>Current liabilities</b>	11,952	<b>13,326</b>	+1,374
Accounts payable-trade	1,537	<b>1,814</b>	+277
Short-term borrowings <sup>Note 1</sup>	3,036	<b>3,887</b>	+850
Other	7,377	<b>7,624</b>	+247
<b>Non-current liabilities</b>	19,277	<b>17,049</b>	-2,227
Long-term borrowings	15,707	<b>13,338</b>	-2,368
Long-term lease and guarantee deposited	1,453	<b>1,327</b>	-126
Other	2,116	<b>2,383</b>	-267
<b>Total liabilities</b>	31,229	<b>30,376</b>	-853
<b>Capital</b>	8,002	<b>8,021</b>	+18
<b>Net assets</b>	4,315	<b>4,567</b>	-251
<b>Total liabilities and net assets</b>	35,545	<b>34,944</b>	-601

Note 1: Includes current portion of long-term borrowings

Copyright © APAMAN Co., Ltd. All rights reserved.

# Financial Summary | Quarterly Sales

(Billions of yen)

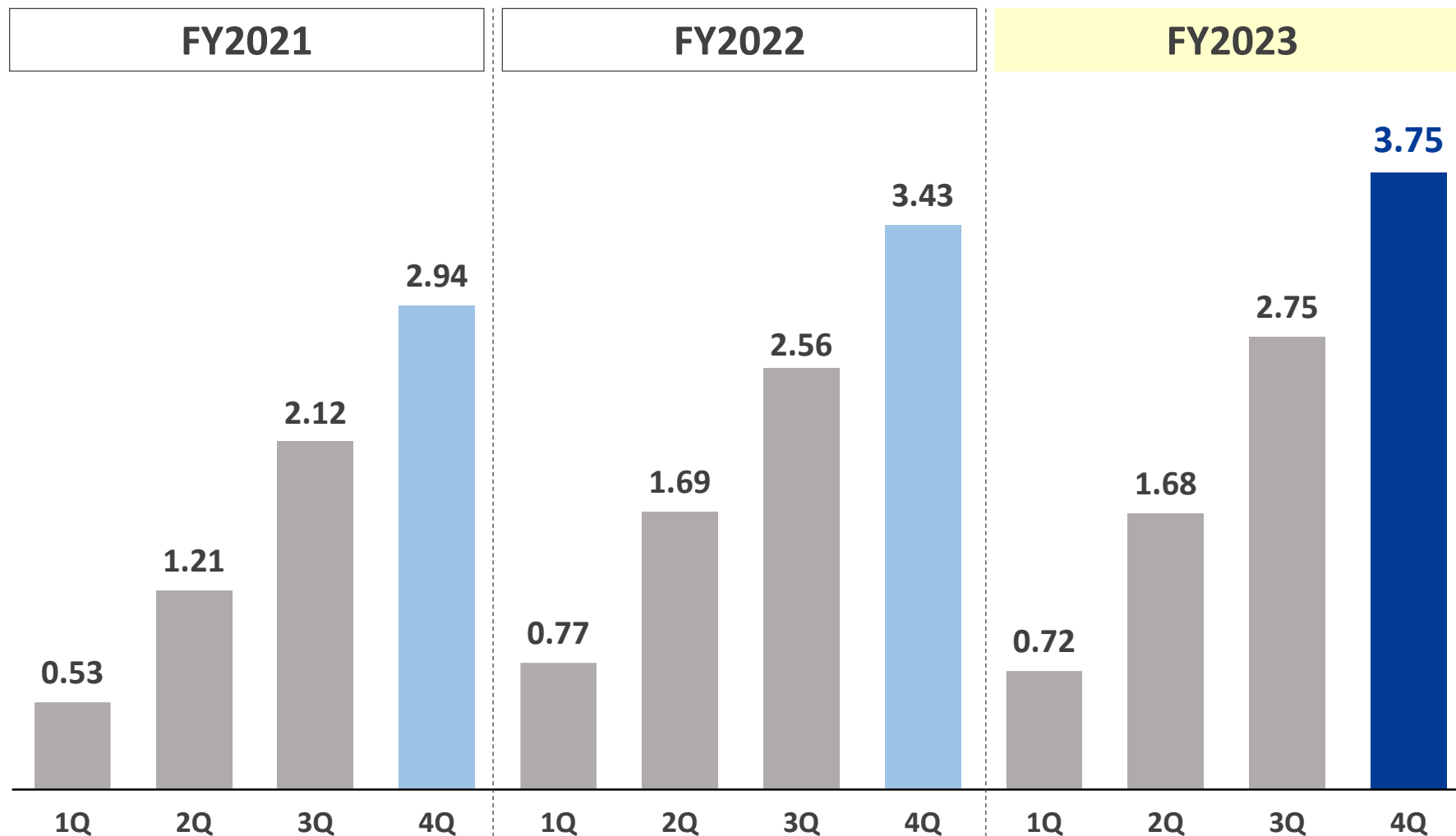


➤ Effect on the application of the accounting standard for revenue recognition: FY2023 -¥730 million (FY2022 -¥690 million, FY2021 -)

Note: Quarterly sales are cumulative results.

# Financial Summary | Quarterly EBITDA <sup>Note</sup>

(Billions of yen)

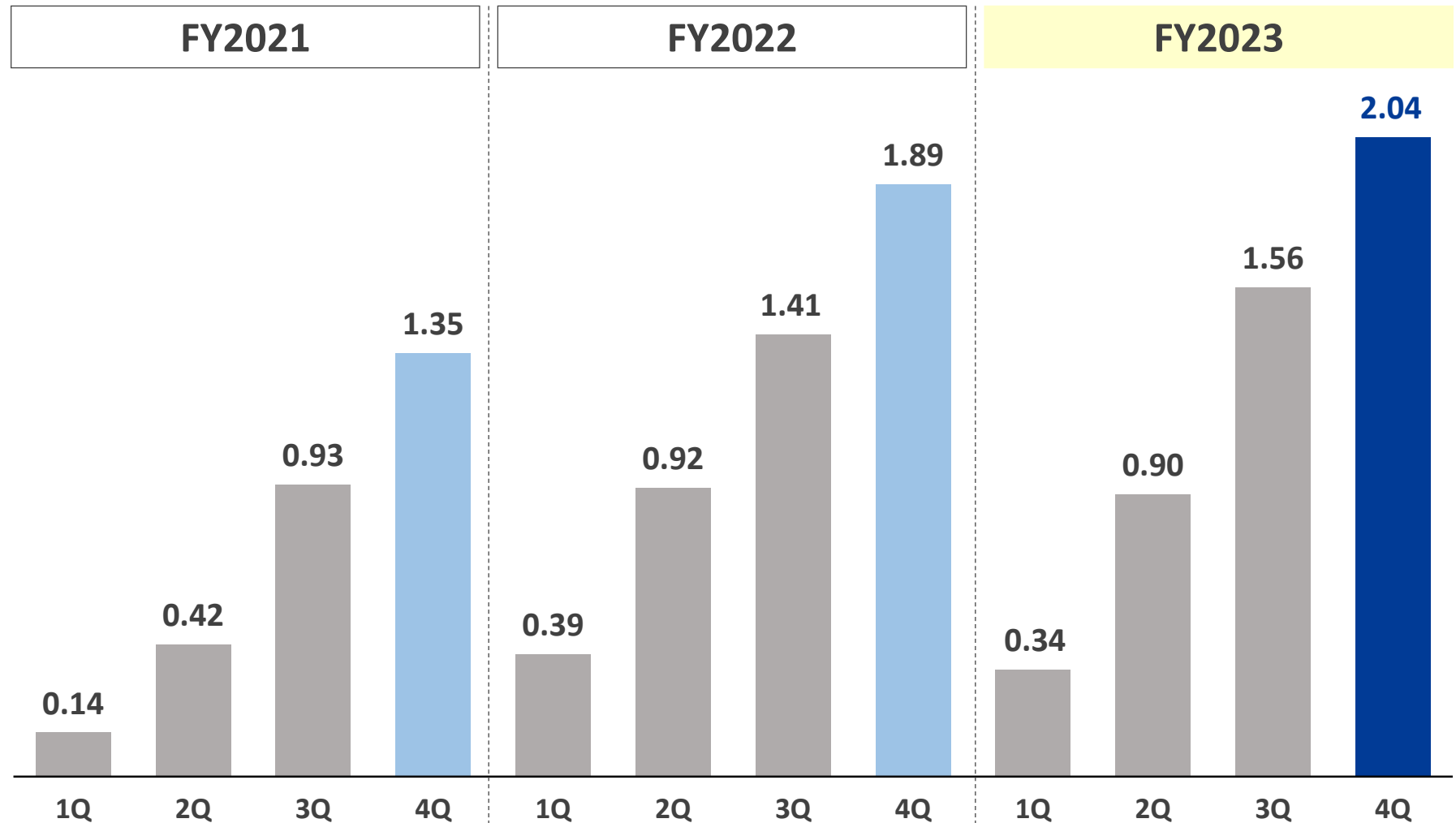


Note: EBITDA = Operating profit + depreciation + amortization of goodwill  
Quarterly EBITDA is cumulative results.



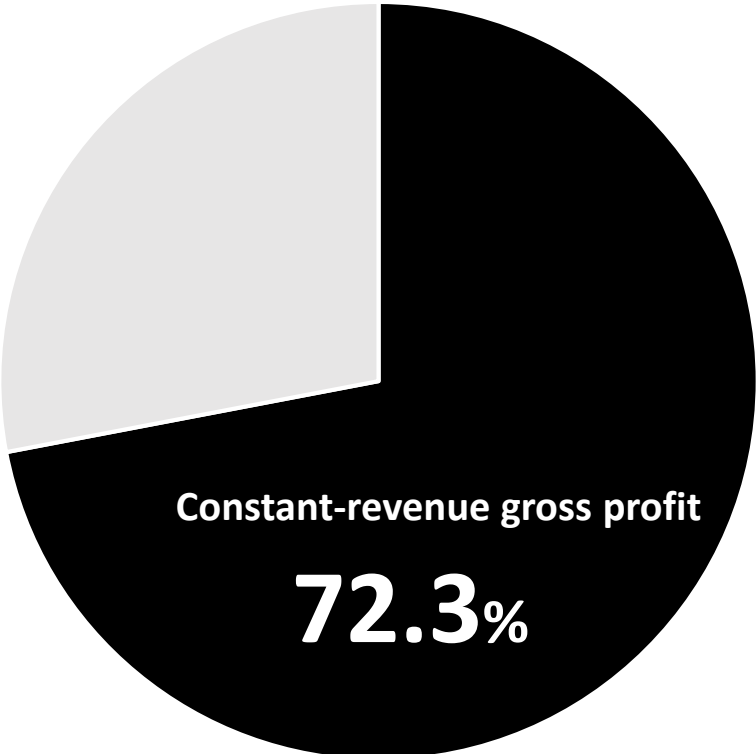
# Financial Summary | Quarterly Operating Profit

(Billions of yen)



Note: Quarterly operating profit is cumulative results.

## Constant revenue accounts for about 70% of gross profit



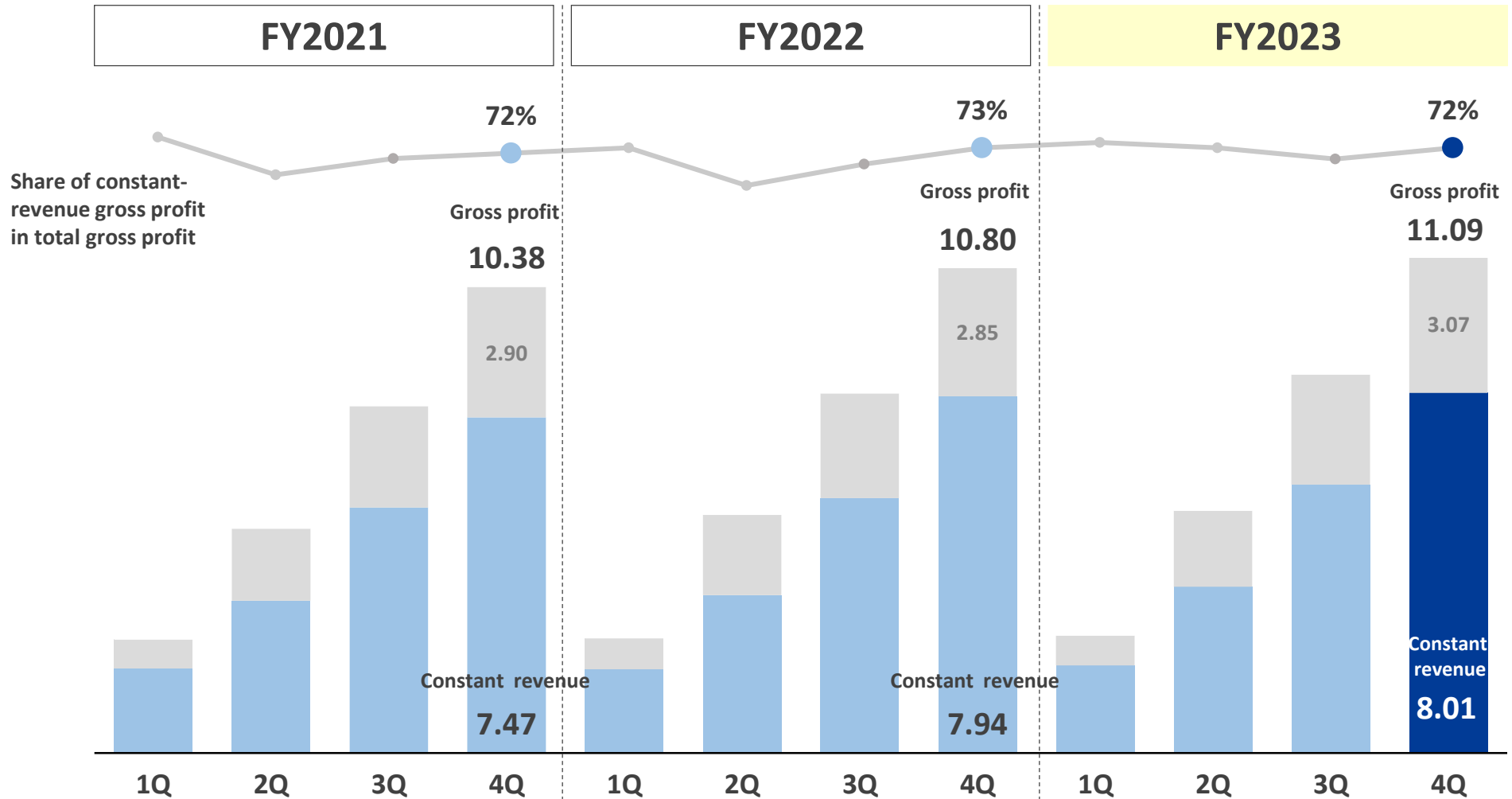
Platform	Rental management <small>(Includes sub-leasing)</small>	Management fee
	Company-rented housings	Brokerage fee
Technology	Cloud service	Usage fee
	Franchise service	Royalty fee
Other	Metered parking	Parking fee

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 Sep. 30, 2023

# Financial Summary | Share and Amount of Constant Revenue Gross Profit

(Billions of yen)



Note: Quarterly gross profit is cumulative results

Copyright © APAMAN Co., Ltd. All rights reserved.

# **FY2023 Results by Segment**

# 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

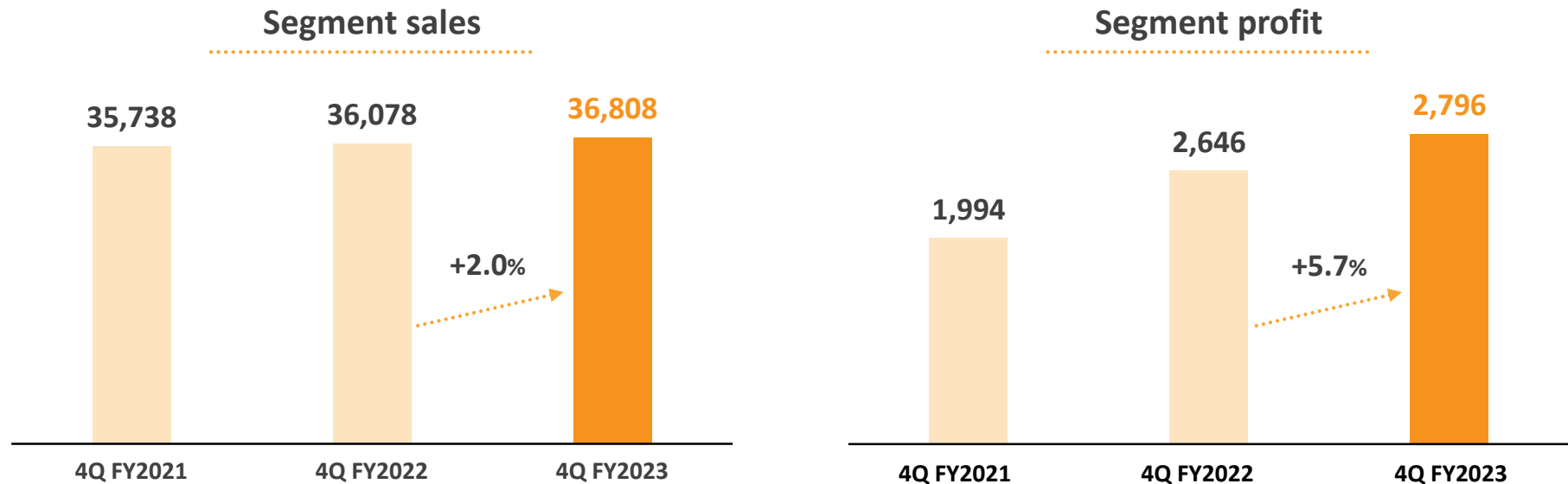
	FY2022	FY2023	YoY Change
No. of units under management	90,608	88,663	-1,945
No. of directly managed stores	71	70	-1
No. of companies using the company housing agency service	3,189	3,443	+254
No. of companies using the company-rented housing service	115	132	+17

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

## Topics

- Focused on improving customer services and current sources of earnings
- Subleased company-rented housing reached 1,000 units in the second quarter

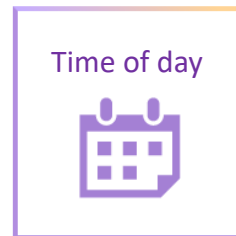
(Millions of yen)



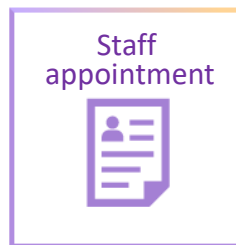
- Lower sales due to the application of the accounting standard for revenue recognition: -¥730 million in 4Q FY2023
- Lower sales due to the application of the accounting standard for revenue recognition: -¥690 million in 4Q FY2022

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

## The use of technology to search for an apartment



- Customers can select a time of day when visiting the store is easier
- Improves the efficiency of store operations



- Assigning the most suitable individual for each customer's requirements improves customer satisfaction and the pct. of customers who lease an apartment from APAMAN



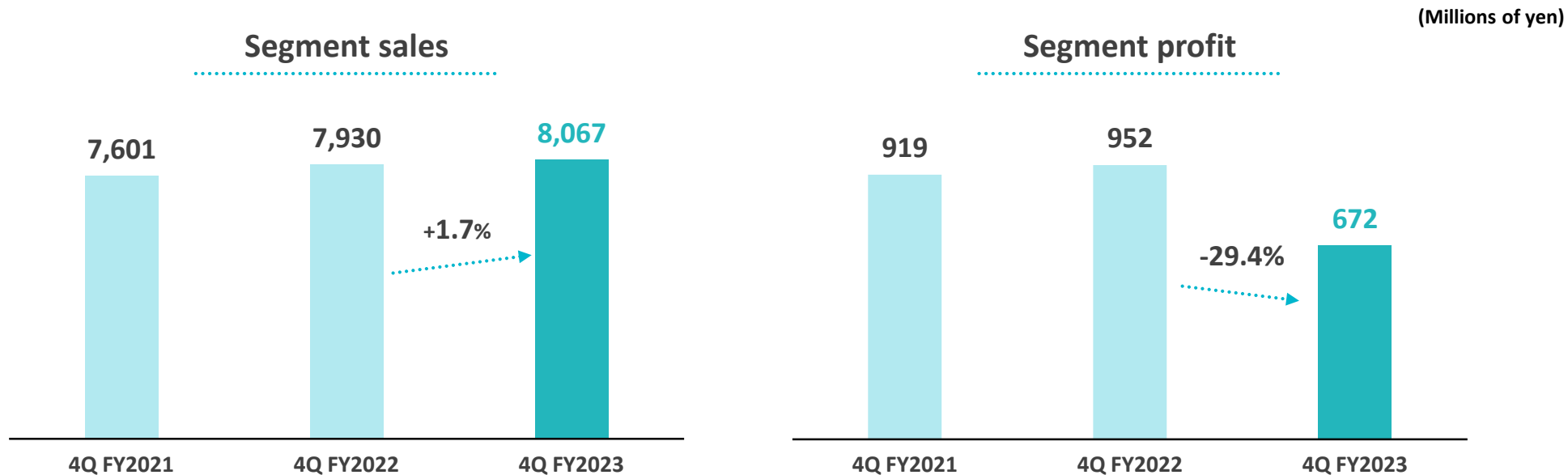
- More efficient customer services

\*Images are for illustration purposes.

# Results by Segment | Technology Business (FC)

## Topics

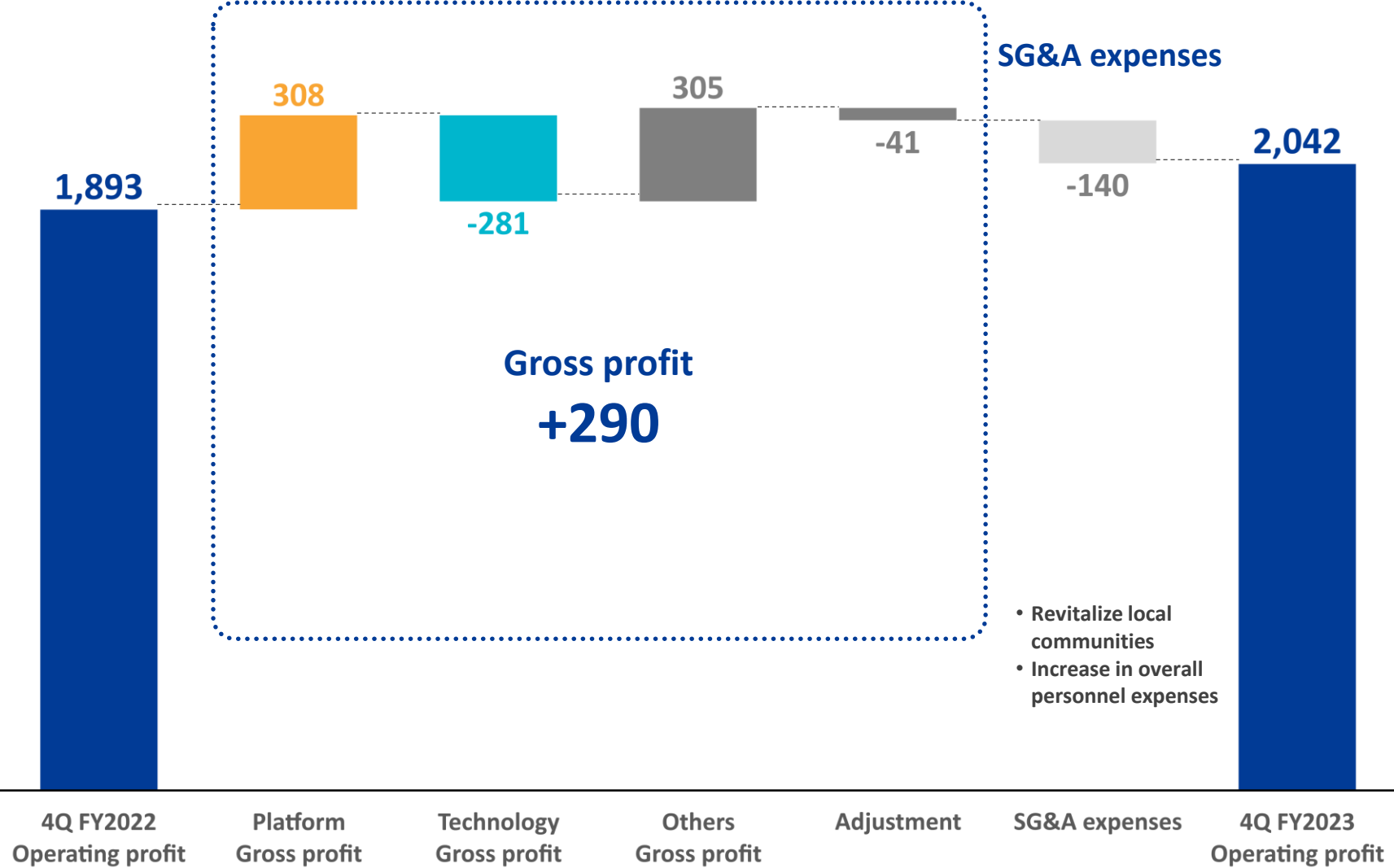
- Higher depreciation due to digital transformation of APAMAN
- Held FC National Conference Locally for the first time in 3 years





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

(Millions of yen)



# **FY2024 Consolidated Forecast**

# Overview of Consolidated Forecast

(Millions of yen)

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

	FY2023 Results	FY2024 Forecast	Change
<b>Net sales</b>	45,785	<b>46,000</b>	<b>+214</b>
<b>EBITDA</b>	3,758	<b>3,900</b>	<b>+141</b>
<b>Operating profit</b>	2,042	<b>2,100</b>	<b>+57</b>
<b>Ordinary profit</b>	1,312	<b>1,400</b>	<b>+87</b>
<b>Profit attributable to owners of parent</b>	573	<b>600</b>	<b>+26</b>

# Growth Strategy and Challenges

- 1. Growth of rental management revenues**
- 2. Acquisition of rental properties under management**
- 3. Expansion of company housing for employees**

- 1. Importance to cash flow**
- 2. Debt-free management** (Net Debt 0)
- 3. Reduction of assets held**

# Management Philosophy

## Management Philosophy

- I. We pursue the happiness of all employees and their families with a sense of mind.
- II. We raise a personality without being arrogant humbly and contribute to the community.
- III. Businesses dedicated to the happiness of our customers.

### **In line with our management philosophy**

- ✓ **Salary increase of 8.1% over the past two years**
- ✓ **Introduction of a single-parent subsidy scheme**
- ✓ **Introduction of a defined contribution pension scheme**
- ✓ **Substantial increase in qualification allowances**

**and more**



# APAMAN

## Cautionary Statements

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.

Every effort has been made to ensure the accuracy of the information contained herein, but APAMAN makes no guarantee regarding the accuracy, usefulness, or timeliness of such information. APAMAN assumes no responsibility for losses incurred as a result of errors in the information contained herein.

These materials were prepared for the purpose of presenting the business overview of APAMAN and its affiliates, and are not intended as a solicitation or offer for investment. Investment decisions are entirely those of the investors.

This presentation uses numbers that are accurate at this time and makes no guarantee regarding numbers used in past presentations concerning results of operations.