

# Results of Operations for the Fiscal Year Ended June 30, 2022

Steady progress with the platform creation strategy

August 15, 2022

Nihon Jyoho Create Co., Ltd.  
(Tokyo Stock Exchange Growth Market: 4054)

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**FY6/22 Financial Results**

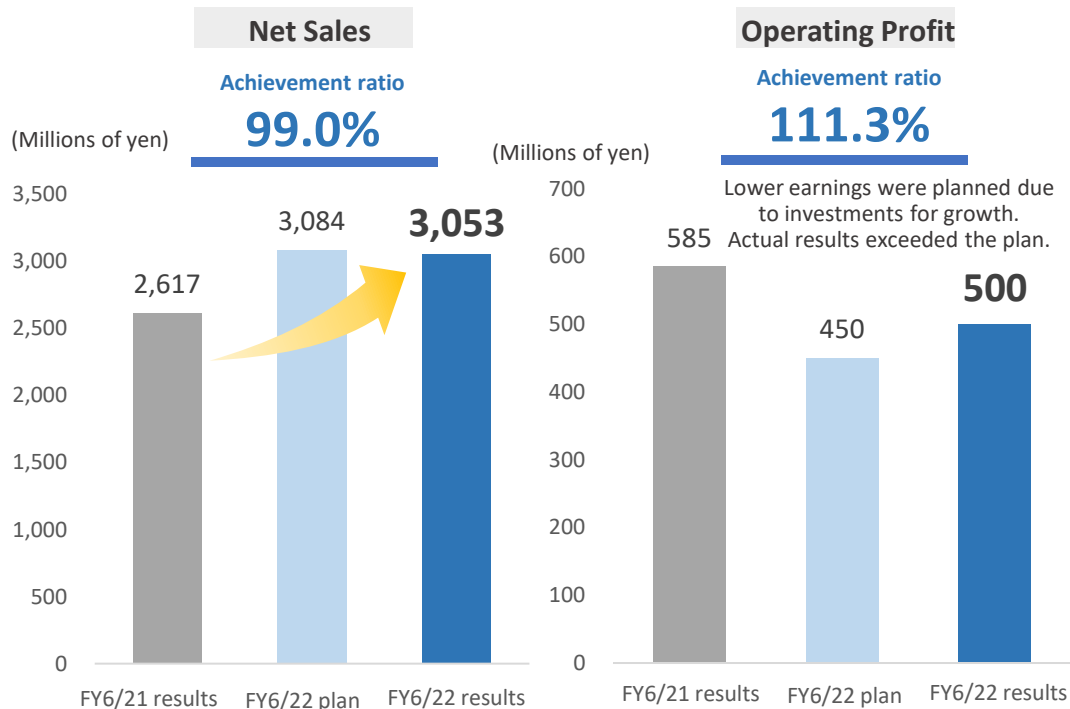
# **Overview of the Past Fiscal Year**

**Performance was as planned and the pace of investments for growth,  
including NJC's first acquisition, increased**

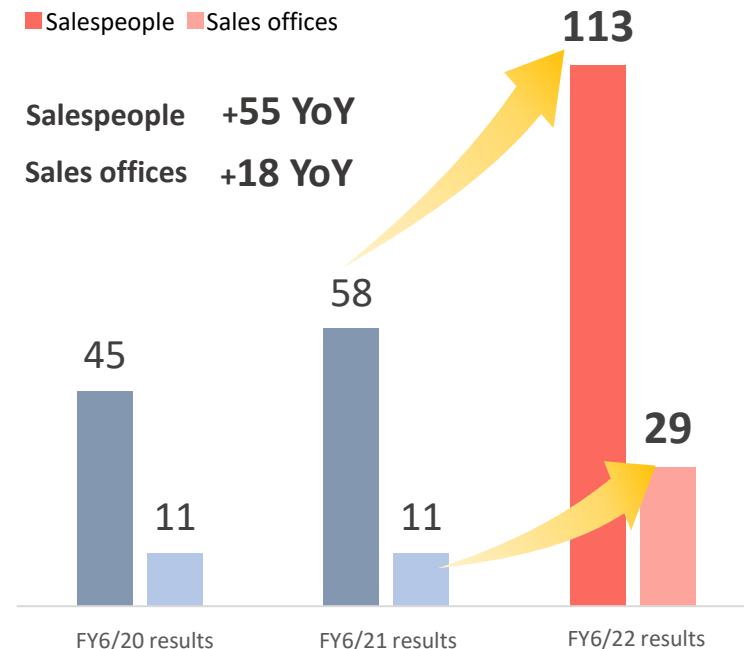
## FY6/22 Financial Highlights

- Sales have increased every year since **NJC's establishment (28th consecutive years)**. Earnings were higher than planned and the **cancelation rate** remained low at **0.5%**.
- **18 sales offices** were added, raising the **total to 29** with the goal of nationwide coverage; the **sales team** increased by 55 from FY6/21 to **113**.
- NJC's first **acquisition** significantly increased the product lineup and number of new customers.

### FY6/22 Results vs. Plan



### Growth of the Sales Office Network and Sales Team



## Financial Highlights

### Record-high sales, progress with recruiting and an acquisition

(Millions of yen)	4Q FY6/21	4Q FY6/22	YoY change	FY6/21	FY6/22	YoY change
	Results			Results		
<b>Net sales</b>	675	<b>856</b>	<b>+26.8%</b>	2,617	<b>3,053</b>	<b>+16.7%</b>
Brokerage solutions	220	246	+11.9%	850	929	+9.3%
Property management solutions	449	599	+33.4%	1,743	2,086	+19.7%
<b>Gross profit</b>	476	<b>635</b>	<b>+33.3%</b>	1,929	<b>2,261</b>	<b>+19.3%</b>
<b>Gross profit margin</b>	70.6%	<b>74.3%</b>	+3.7pt	73.7%	<b>74.0%</b>	+0.3pt
<b>Operating profit</b>	132	<b>51</b>	<b>-61.2%</b>	585	<b>500</b>	<b>-14.5%</b>
<b>Operating margin</b>	19.6%	<b>6.0%</b>	-13.6pt	22.4%	<b>16.4%</b>	-6.0pt
<b>EBITDA</b>	-	-	-	633	<b>572</b>	-9.7%
<b>Ordinary profit</b>	137	<b>50</b>	<b>-63.4%</b>	642	<b>538</b>	<b>-16.2%</b>
<b>Profit</b>	63	<b>-55</b>	<b>-187.1%</b>	414	<b>283</b>	<b>-31.7%</b>

Brokerage solutions is sales of brokerage support services provided to real estate brokers.

Property management solutions is sales of administration support services provided to rental management companies.

## Financial Highlights (Quarterly)

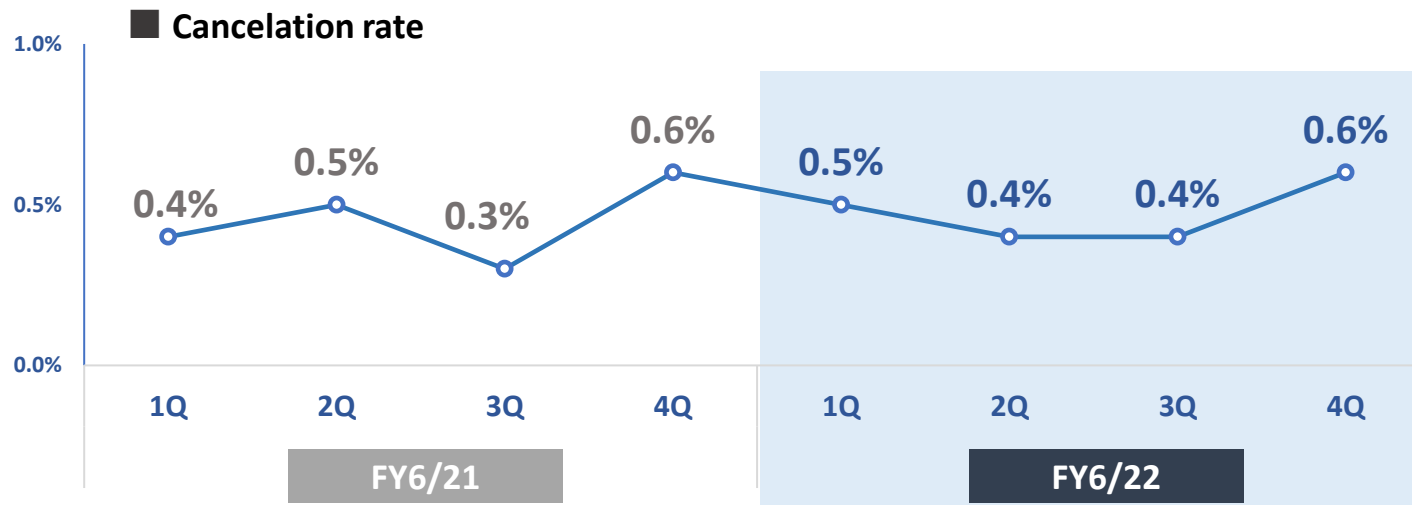
Record-high quarterly sales in the 4Q as the cancelation rate remained low

(Millions of yen)	FY6/21 results				FY6/22 results			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Net sales</b>	648	654	639	675	743	765	688	<b>856</b>
Brokerage solutions	205	211	213	220	220	230	232	246
Property management solutions	437	437	420	449	515	525	446	599
<b>Operating profit</b>	163	175	114	132	176	191	81	51
<b>Operating margin</b>	25.2%	26.9%	17.9%	19.6%	23.8%	25.0%	11.9%	6.0%
<b>Ordinary profit</b>	150	217	135	137	214	190	82	50
<b>Profit</b>	104	151	94	63	149	132	57	-55

### 4Q FY6/22 Sales

**+26.8% YoY**

Strong YoY sales growth due to expansion to more areas of Japan and the larger number of salespeople. Earnings higher than planned as cost controls offset expenses involving substantial up-front investments, including acquisition of RealNetPro, for growth.



### Average cancellation rate in FY6/22

**0.5%**

FY6/21 average cancellation rate: 0.5%

The cancellation rate is the decrease in monthly fees caused by contract cancellations divided by fees in that month from existing contracts.

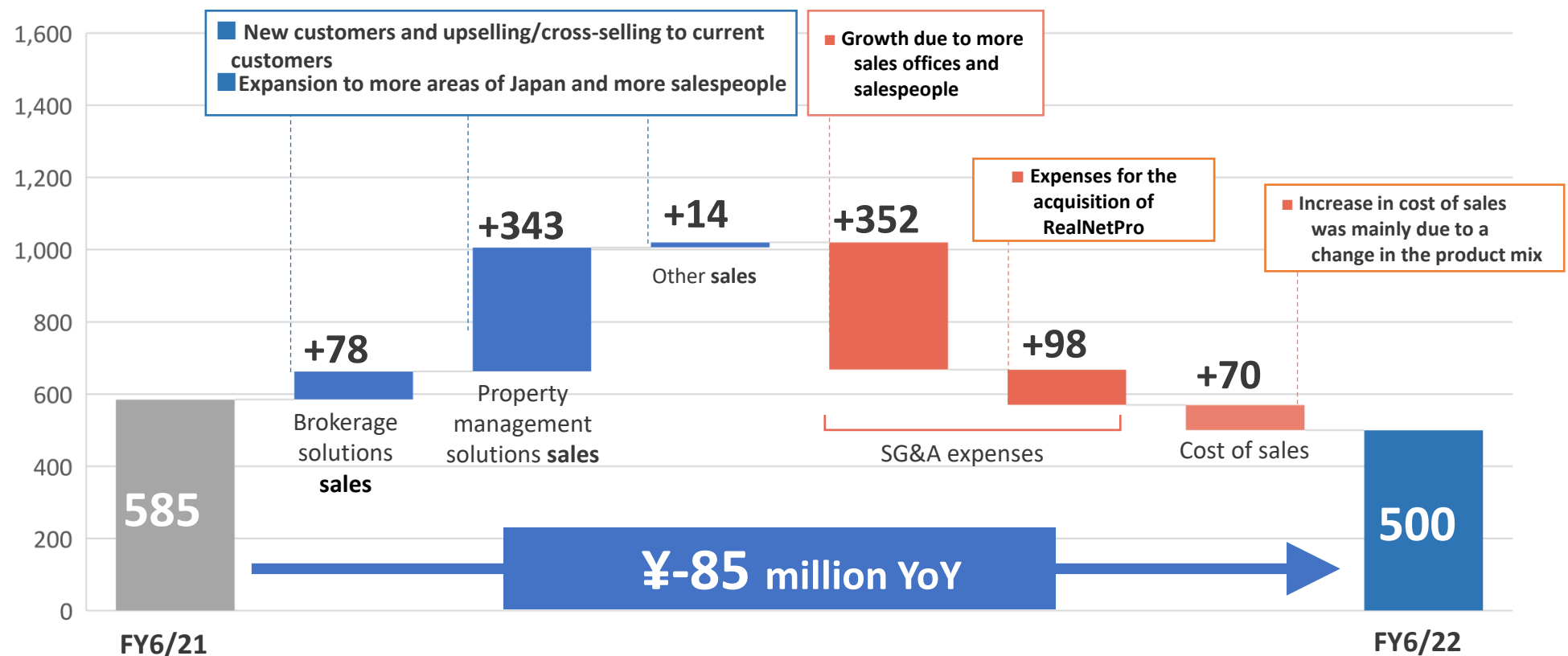
## Components of Change in Operating Profit

Sales increased due to new customers and upselling/cross-selling to current customers

Progress with hiring salespeople, M&A and other expenditures for growth

**Operating profit: ¥500 million    Operating margin: 16.4%**

(Millions of yen)



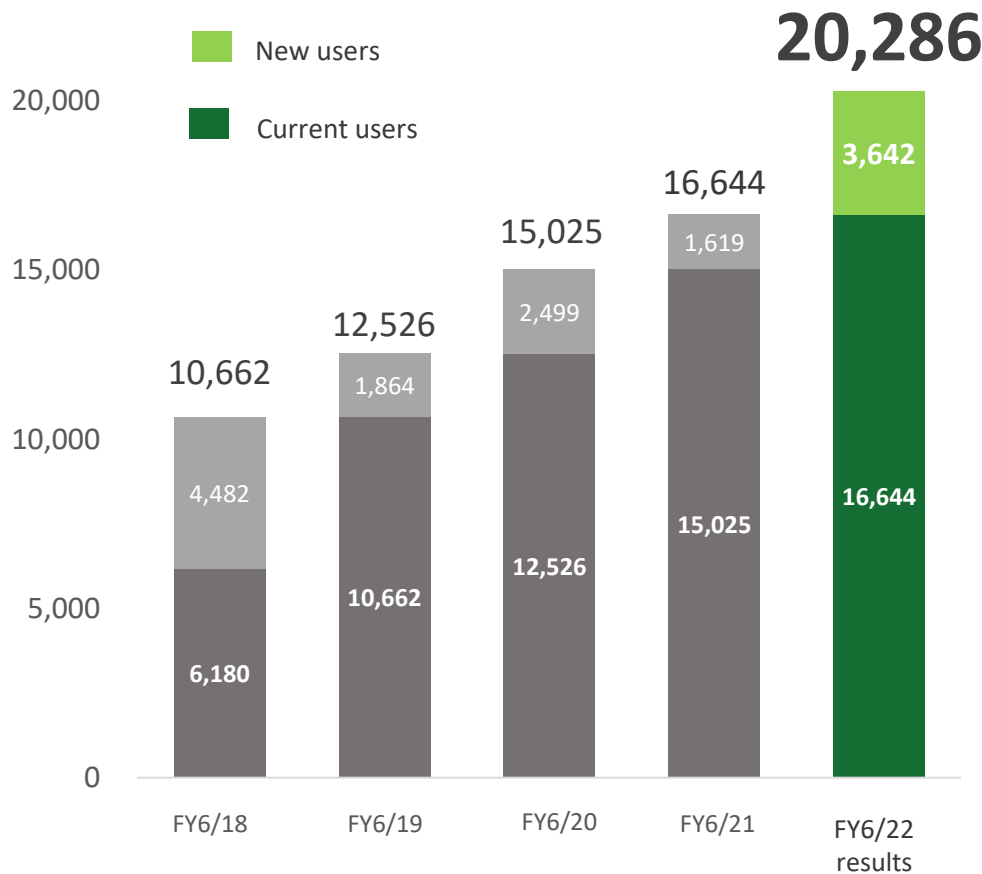
## Steady Growth (1)

### Companies using the free B-to-B Property Listing Platform (Fudosan BB)

Big increase in new users of Fudosan BB (21.4% more than planned) because of the larger sales team.

(No. of companies)  
25,000

Number of companies using Fudosan BB

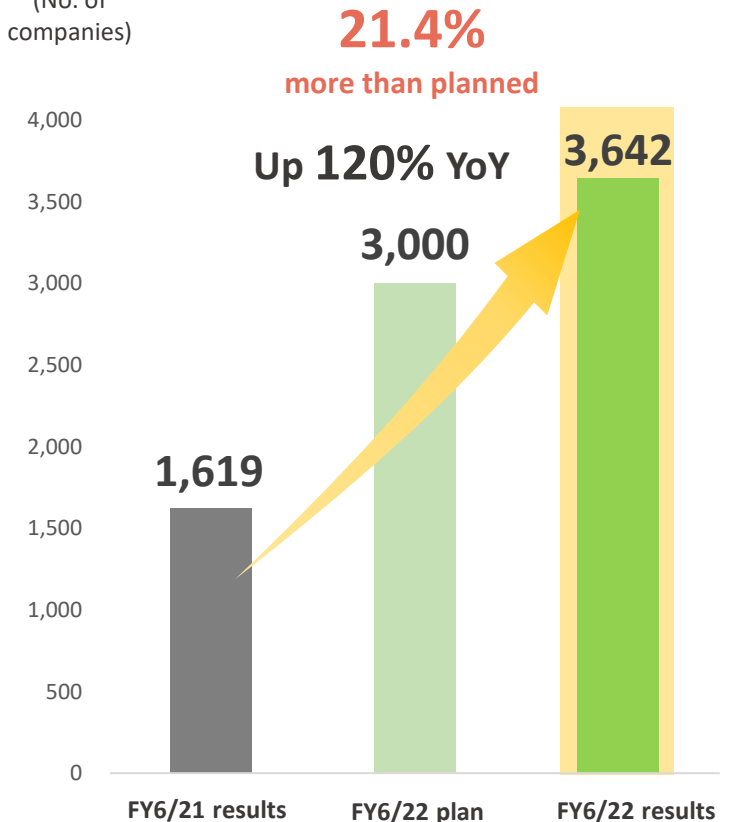


### Higher than planned number of new Fudosan BB users

Increasing number of users due to more offices, a stronger sales team, inside sales and other activities

Number of Fudosan BB users

(No. of companies)

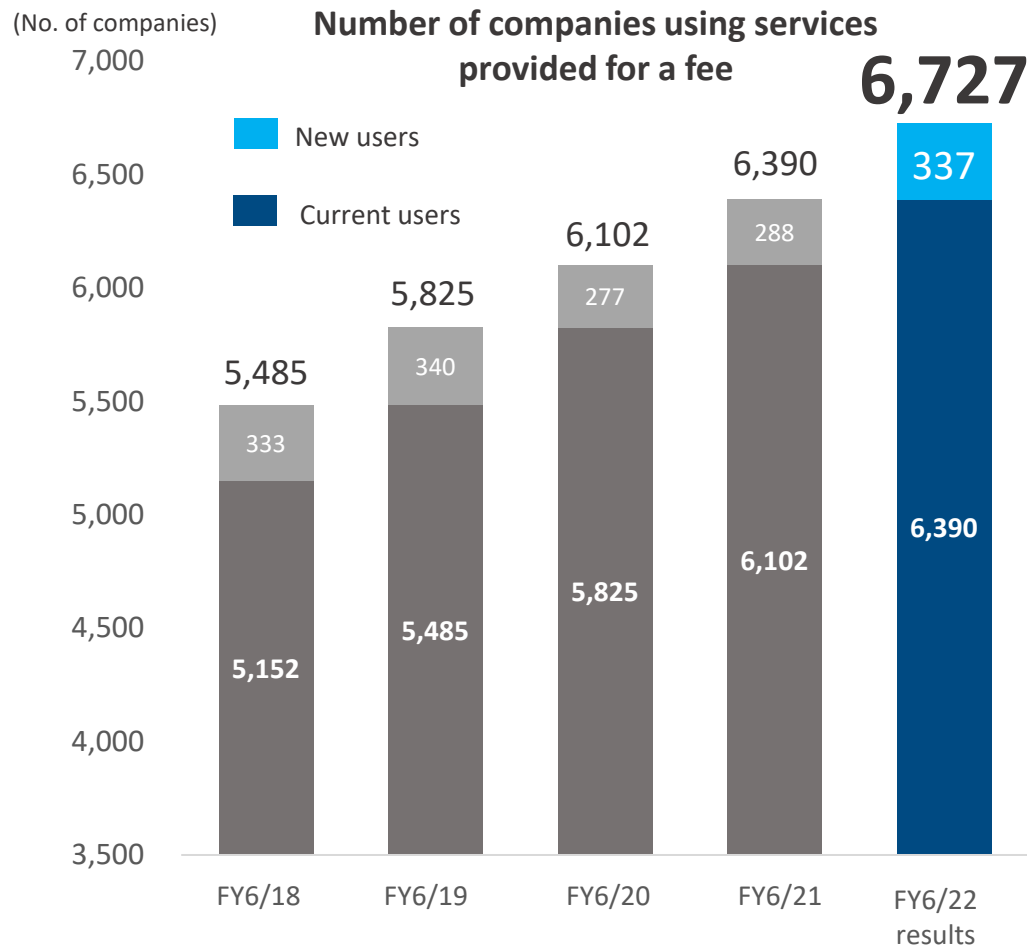




## Steady Growth (2)

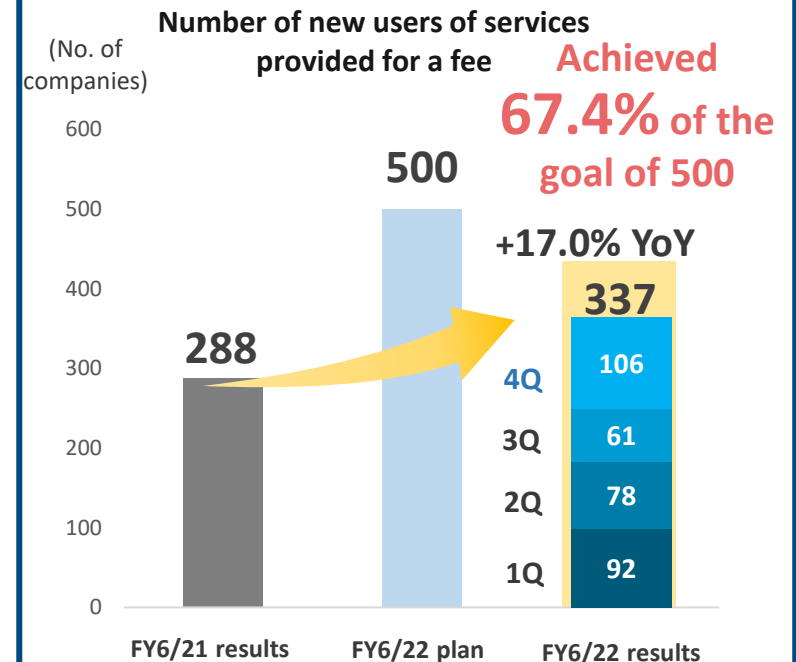
### ■ Increasing number of companies using services provided for a fee

Big increase in new users of free services but a low conversion rate to services with fees. To raise this rate, improving proposal skills of new salespeople and reexamining strategies of individual sales offices.



## Issue and Actions

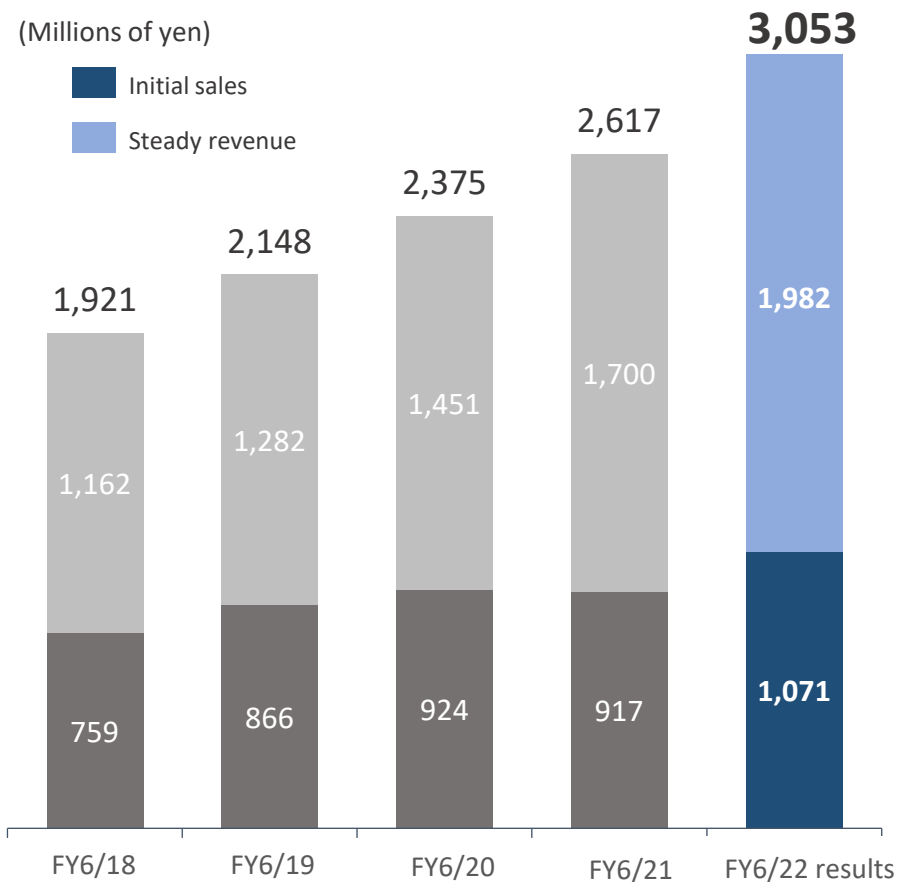
- The need to upgrade skills of young salespeople:
- Online/offline training programs and other activities throughout the year; benefits started appearing in the 4Q
  - Established a department early in FY6/22 solely for training activities. Also placed emphasis on measures to reduce the workforce attrition rate.



## Steady Growth (3)

### Growth of sales

28th consecutive year of sales growth backed by the consistent increase in steady revenue

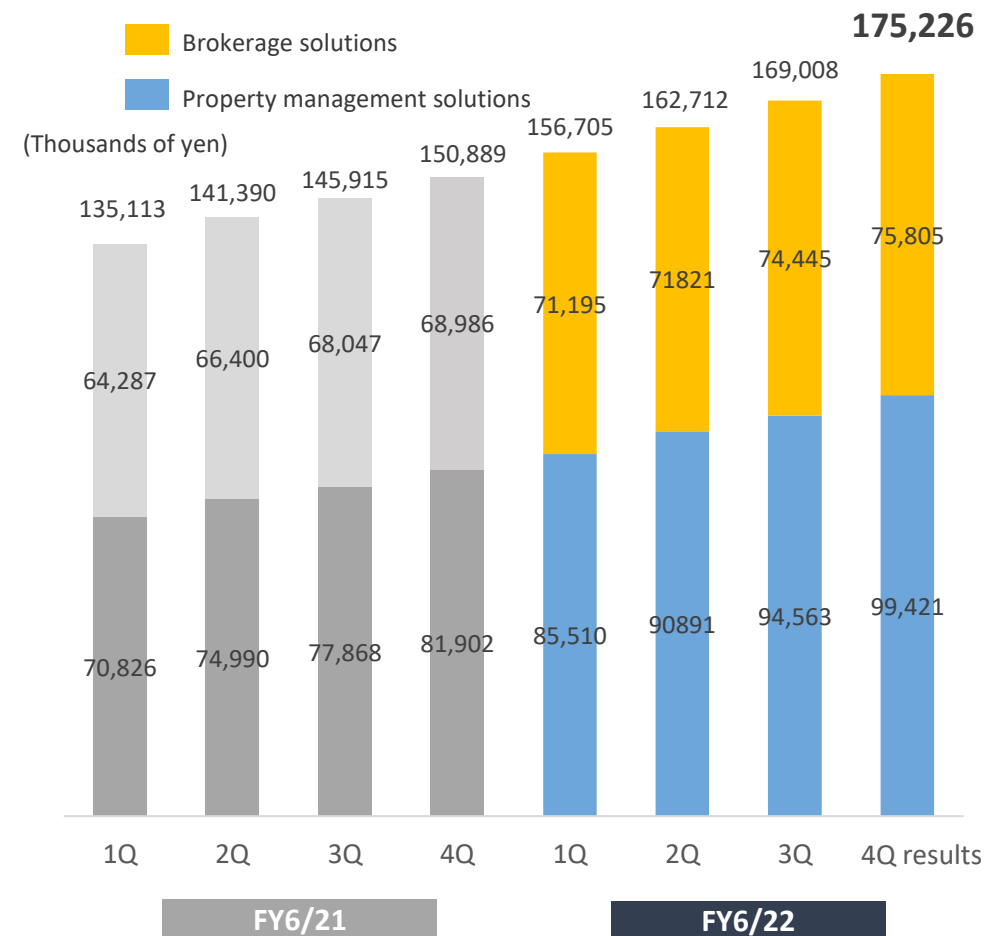


\* Initial sales: Sales recognized when a sale is made; consists of expenses for starting to use software and for the software license

\* Steady revenue: License fees and service use fees recognized as sales during the utilization/maintenance period

### Growth of monthly recurring revenue (Quarterly)

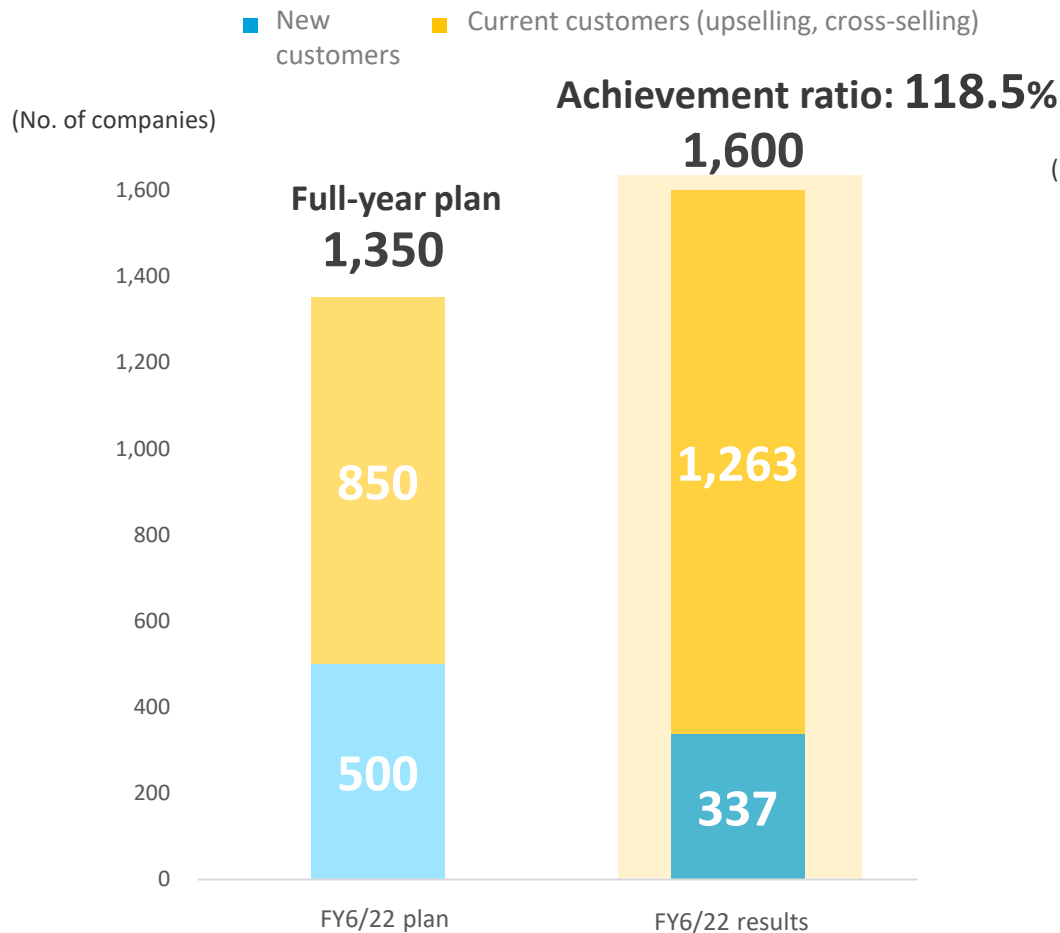
Solid monthly recurring revenue continued to increase by upselling/cross-selling new and current customers



## Steady Growth (4)

### Total orders vs. the plan

Orders surpassed the plan because of sales strategies for a combination of new and existing users

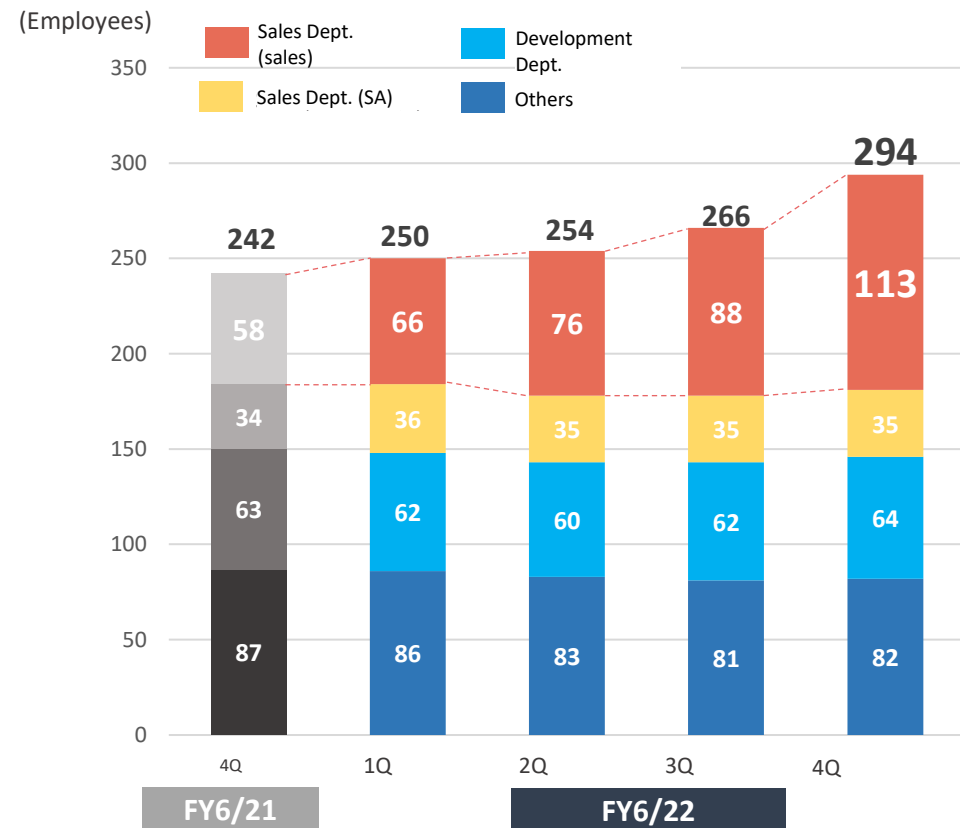


### New employees (Quarterly)

92% of the plan due to successful recruiting activities for salespeople

#### Business Category Full-time Employees

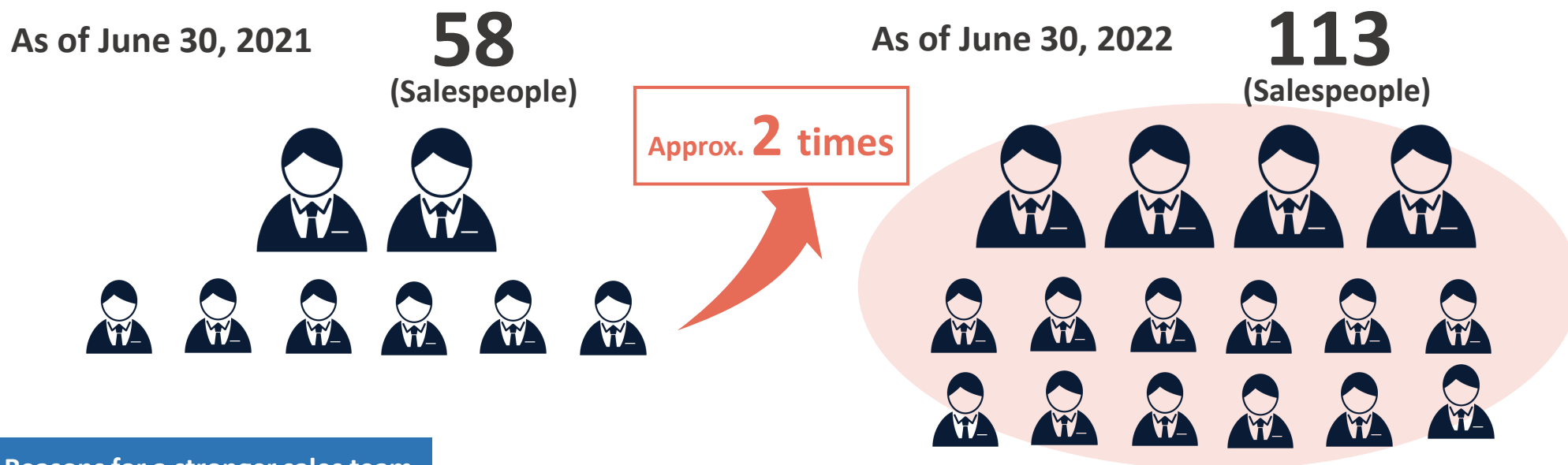
Sales team: Increased from 58 to 113 (+55)



## FY6/22 Highlights

### Customer Strategy

Larger sales team gives NJC a stronger sales infrastructure



### Reasons for a stronger sales team

Two-way communication consulting is vital for the digital transformation of the real estate industry. Moving quickly due to the unavoidable shortage of people with digital transformation skills.

#### Two-way communication consulting

- Customer explains issues
- All-inclusive approach to solve customers' problems



Sales consultant



Customer

- Accurately created and targeted solutions
- Responses to new and amended laws
- Increase profitability and growth
- The need for higher productivity
- Activities for attracting more customers
- Business and management analysis

# FY6/22 Highlights

## Customer Strategy

**Added 18 sales offices to expand to more areas of Japan**



# FY6/22 Highlights

## Product Development

### Product development for increasing platform value

#### Platform



#### New services

Nov. 2021

### Started selling the E-contract service

This service for using electronic instead of paper real estate contracts became fully operational on May 18, 2022. An original NJC e-contract service that is part of the digital transformation of the real estate industry.

System for online contracts

#### e-contract



Sep. 2021

### Started selling Web Manager Small 3

Launched a website production tool specifically for real estate companies at an affordable price. This product has enabled NJC to add new companies and many other types of new customers even faster.

WebManagerSmall3



#### Under development

### Developing a new version of Fudosan BB

The upgraded version is expected to **have a CRM function** and cover property transactions. In addition, more added value will help increase the number of customers.

\* Scheduled to be released in stages in each area of Japan.

B-to-B Property Listing Platform



### Developing a property appraisal service that uses artificial intelligence

Work is advancing as planned on an AI property appraisal service that uses NJC's real estate database.



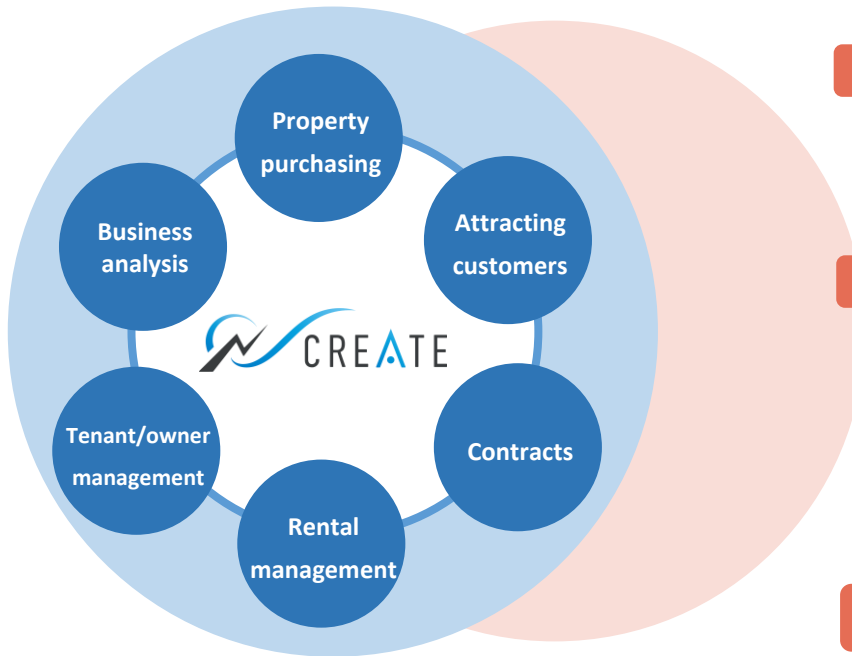
AI property appraisal

## FY6/22 Highlights

### Business Alliances

# Steady increase in the number of alliances with partner companies (now 13)

#### Platform



#### Property data alliance

- DAIKYO ANABUKI CONSTRUCTION INCORPORATED



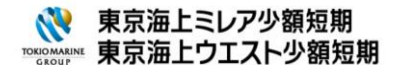
#### E-contract alliances

- OEM provision of e-contract service to Century 21 Real Estate of Japan Ltd.
- SS Technologies Corporation



#### Insurance data alliances

- SBI Nihon SSI Co., Ltd.
- AIG General Insurance Company, Ltd.
- Tokio Marine Millea SAST Insurance Co.,Ltd. and Tokio Marine West SAST Insurance Co.,Ltd.



#### E-payment service alliance

- Metaps Payment Inc.



#### Rent guarantee data alliances

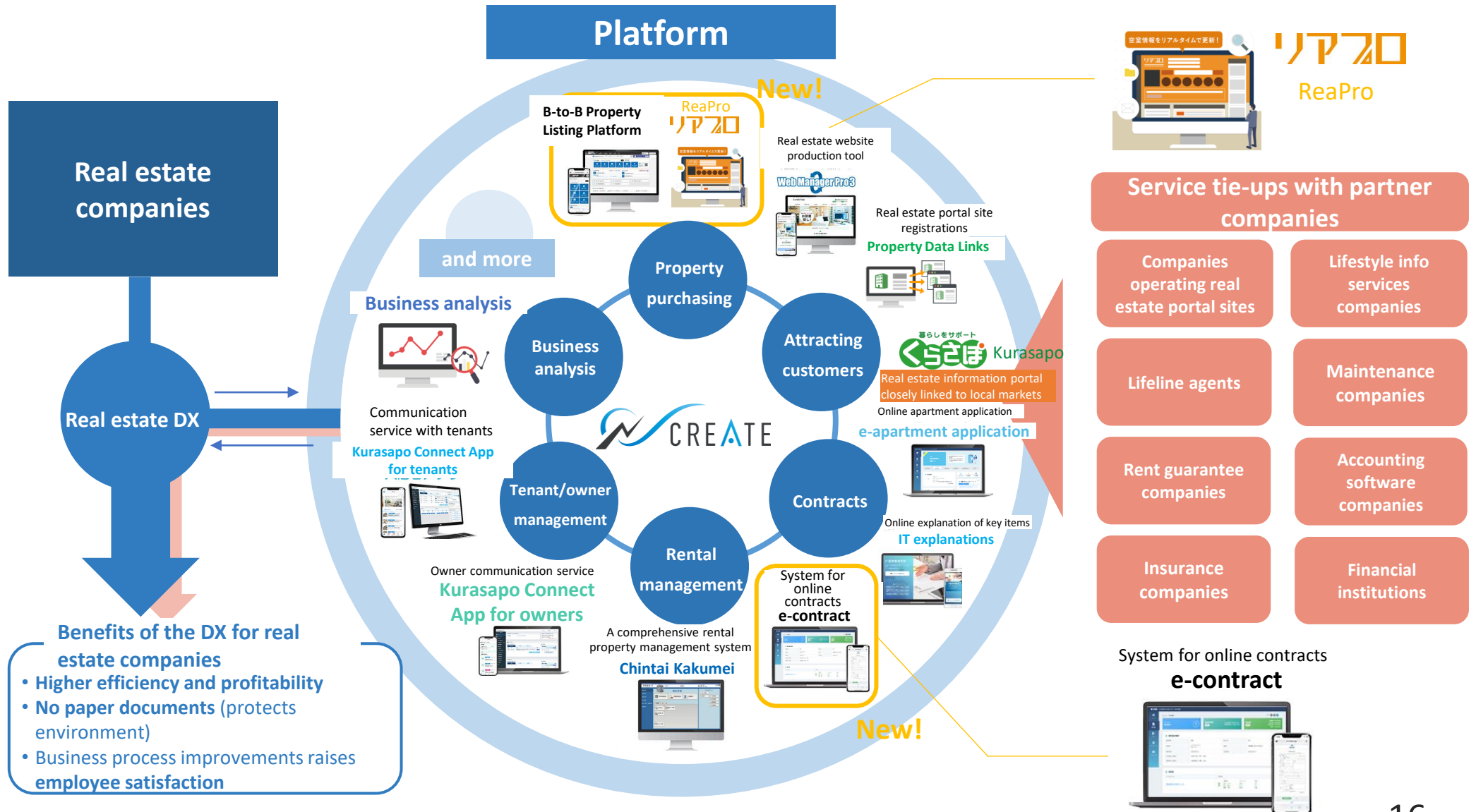
- Nihon Kyosai Co.,Ltd
- Momiji Card,Inc.
- ehime reliance card.inc

**\*Total alliances in this category: 37**

- Credit Saison Co.,Ltd.
- OSAKA-TAKKEN SUPPORT CENTER
- Nisshyo Guarantee

# Measures for More Growth of Platform Value

Adding new services and using M&A for expansion of the product lineup  
 More alliances with business partners are also raising platform value



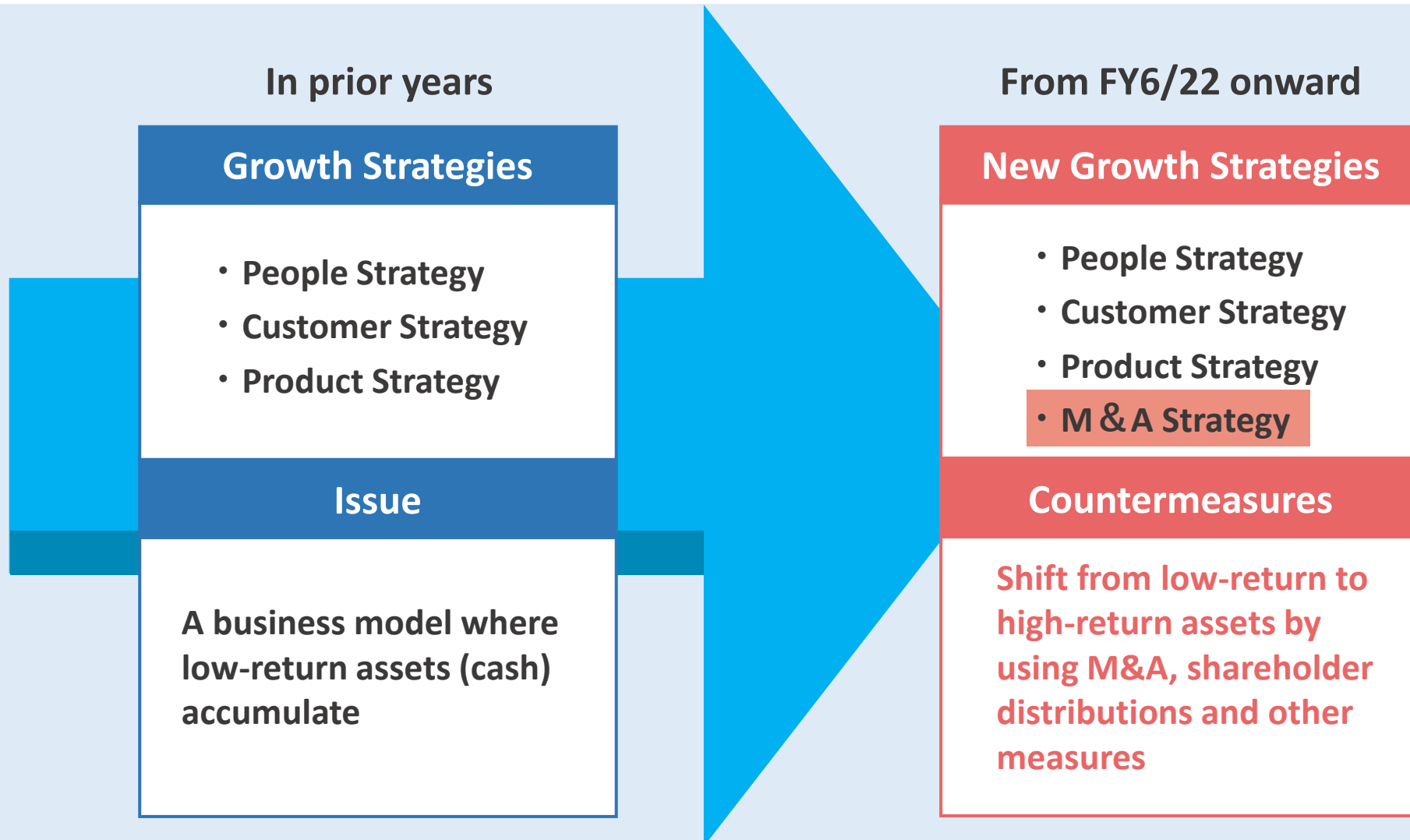


## FY6/22 Financial Results

# M&A and Post-merger Integration

## M&A and Other Strategic Initiatives for Growth

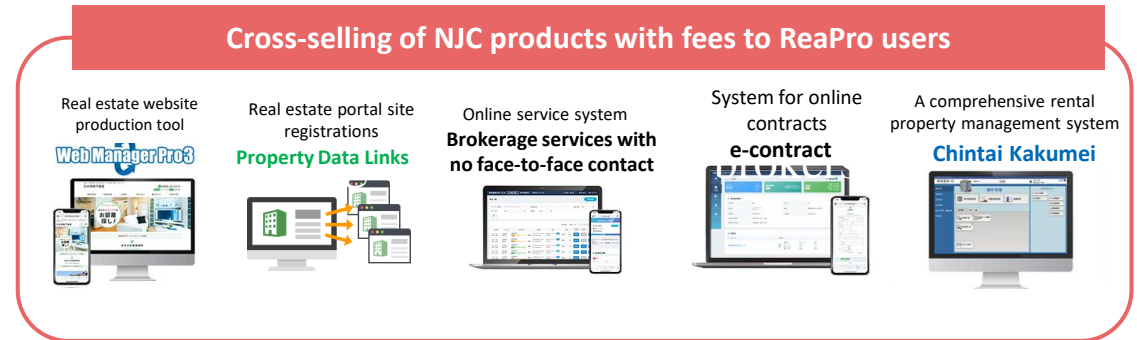
### Aiming to use M&A to speed up growth



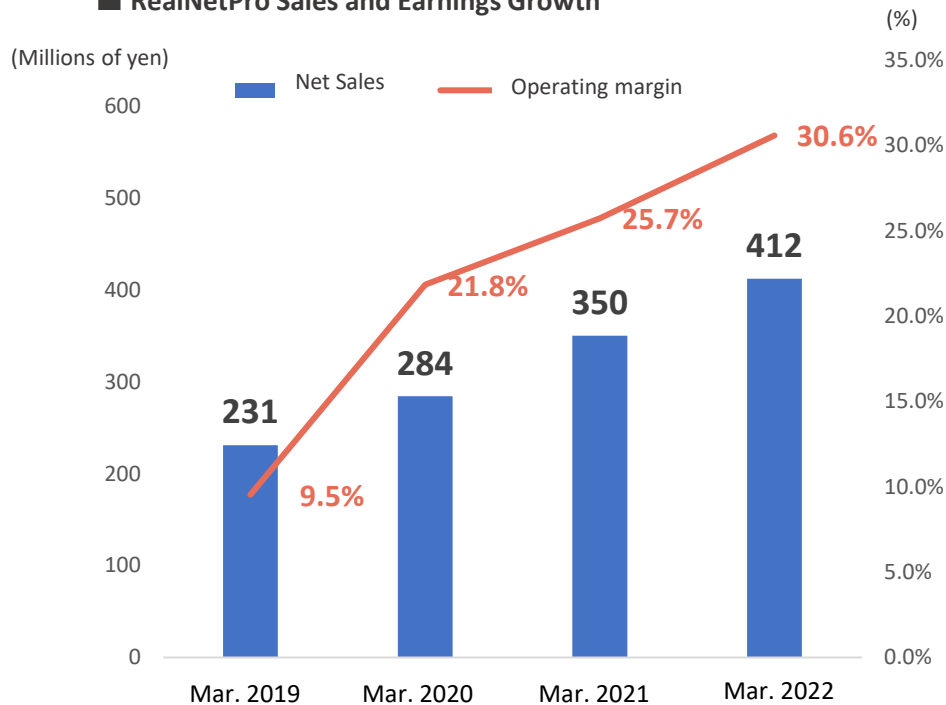
# Acquisition RealNetPro Management Integration

<b>Company name</b>	RealNetPro Co., Ltd. <b>RNP</b>
<b>Establishment</b>	August 22, 2008
<b>Location</b>	3F MA building Shiba III, 5-13-14 Shiba, Minato-ku, Tokyo
<b>Business activities</b>	Services for real estate companies, including ReaPro, a system developed and operated by RealNetPro for real-time vacancy information

## Synergies after the acquisition



## RealNetPro Sales and Earnings Growth



## Cross-selling



## Cross-selling of NJC products with fees to customers added by the RealNetPro acquisition

Registered property management companies **2,753**  
 Registered real estate brokers **35,192**

\*As of April 30, 2022

## Synergies with Nihon Jyoho Create

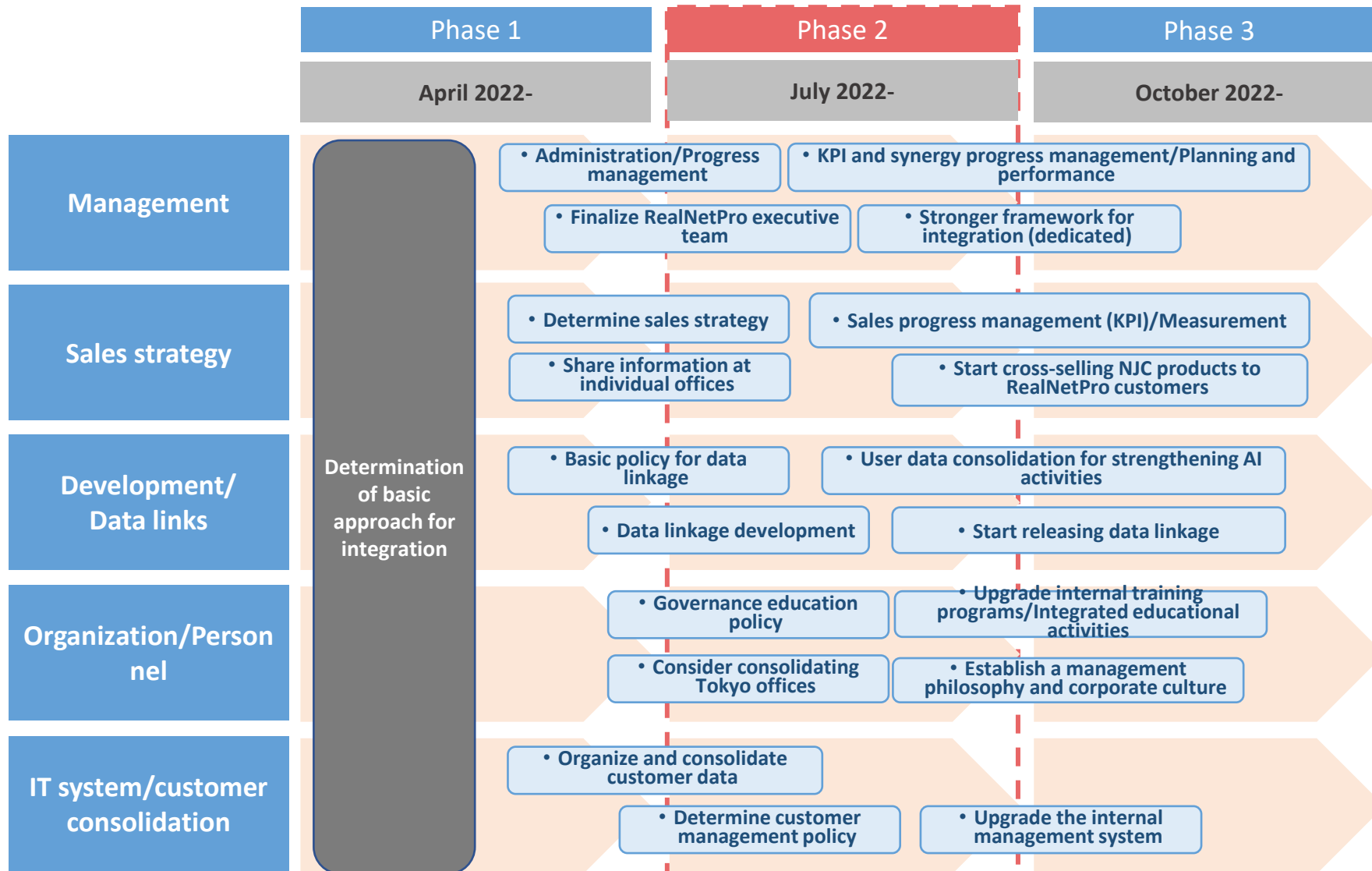
More prospective customers

More new users of products/services with fees

Growth of MRR due to cross-selling

# RealNetPro Post-merger Integration Progress and Schedule

Expect synergies to begin in FY6/23



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## **FY6/23 Plan and Initiatives for Growth**

## Sales and Earnings Plan for FY6/23

The goal is more growth by using products and a sales strategy for organic growth and by benefiting from synergies with RealNetPro

(Millions of yen)	FY6/22 results	FY6/23 plan	YoY change
<b>Net sales</b>	<b>3,053</b>	<b>4,200</b>	<b>+37.5%</b>
<b>Gross profit</b>	<b>2,261</b>	<b>2,949</b>	<b>+30.4%</b>
<b>Gross profit margin</b>	<b>74.0%</b>	<b>70.2%</b>	<b>-3.8pt</b>
<b>Operating profit</b>	<b>500</b>	<b>850</b>	<b>+69.7%</b>
<b>Operating margin</b>	<b>16.4%</b>	<b>20.2%</b>	<b>+3.8pt</b>
<b>EBITDA</b>	<b>572</b>	<b>1,214</b>	<b>+112.2%</b>
<b>Ordinary profit</b>	<b>538</b>	<b>903</b>	<b>+67.8%</b>
<b>Profit</b>	<b>283</b>	<b>593</b>	<b>+109.5%</b>

## **FY6/23 Key Initiatives**

**Position the product strategy and sales strategy as the basis for business activities and use the benefits of FY6/22 investments for growth to speed up the growth of sales and earnings.**

### **Product Strategy**

- (1) Strengthen services and link services with ReaPro (data linkage)**
- (2) Develop the next version of management solutions**

### **Sales strategy**

- (1) Increase sales activities for Fudosan BB, the e-apartment application service and the e-contract service**
- (2) Upgrade the skills of salespeople**
- (3) Cross-selling of NJC products to ReaPro customers**

## Product Strategy

# Strengthen services for increasing cross-selling of products with fees; for management solutions, start developing the next version of Chintai Kakumei

### (1) More competitive services and linkage of services with ReaPro

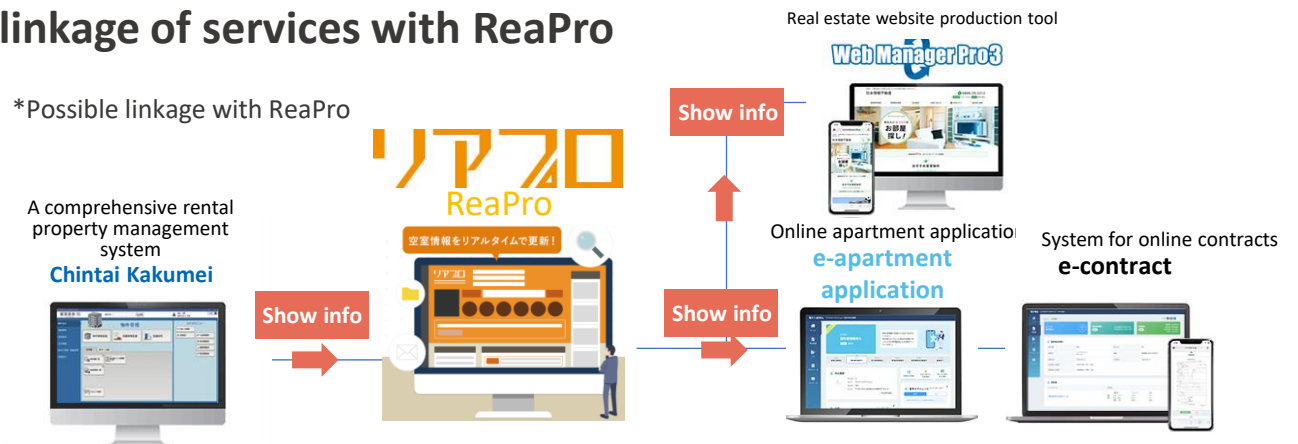
#### More competitive services

Build a sound base for the growth of cross-selling by making current services more powerful and adding new products.

#### Services linked with ReaPro

(launch in August 2022 or later)

Data linkage with all products is possible, such as by placing Chintai Kakumei listings on ReaPro. Also plan to speed up growth by cross-selling NJC products to ReaPro customers.



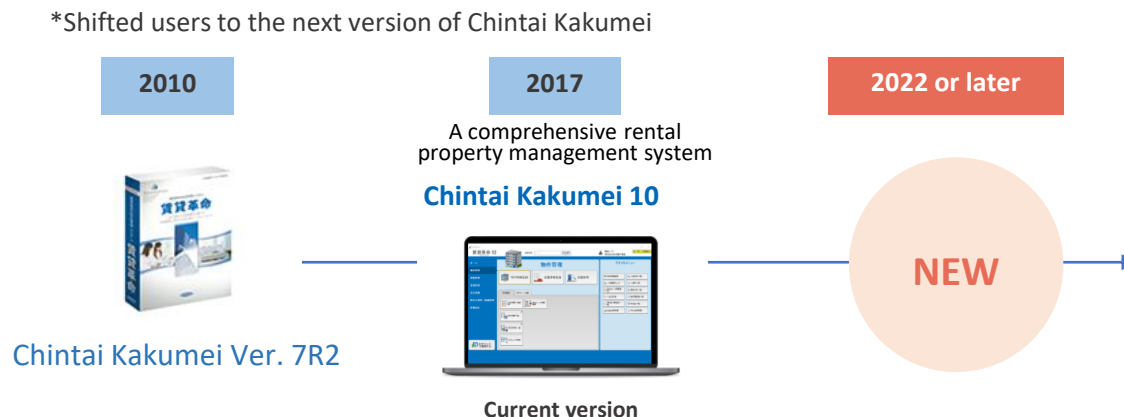
### (2) Develop the next version of the Chintai Kakumei rental property management system

#### Develop the next version of the Chintai Kakumei

\*Chintai Kakumei 11 (tentative name) release date not yet determined

Plan to create a next-generation solution for the rental property management market by reinforcing improvements made to the current version and adding new functions.

- Add new customers
- Shift current customers to the new version





## Sales Strategy

Increase sales activities for the core Fudosan BB service and for new customers for the e-apartment application service/e-contract service; continue training to improve the skills of salespeople

### (1) Increase sales activities for Fudosan BB/e-apartment application/e-contract

#### ■ Main elements of sales growth

- Faster real estate DX due to revisions of laws and regulations
- Area expansion strategy (more sales offices)
- Larger number of salespeople

Use revisions of laws and regulations and the NJC growth strategy as the base for using property info services for real estate companies to add more customers and for reinforcing cross-selling of services for contracts.

#### A larger share of the market for contract services as laws and regulations change

\*Real estate transaction documents began shifting from paper to e-documents following the May 18, 2022 enactment of amendments to the Law concerning the Establishment of Laws for the Formation of a Digital Society.



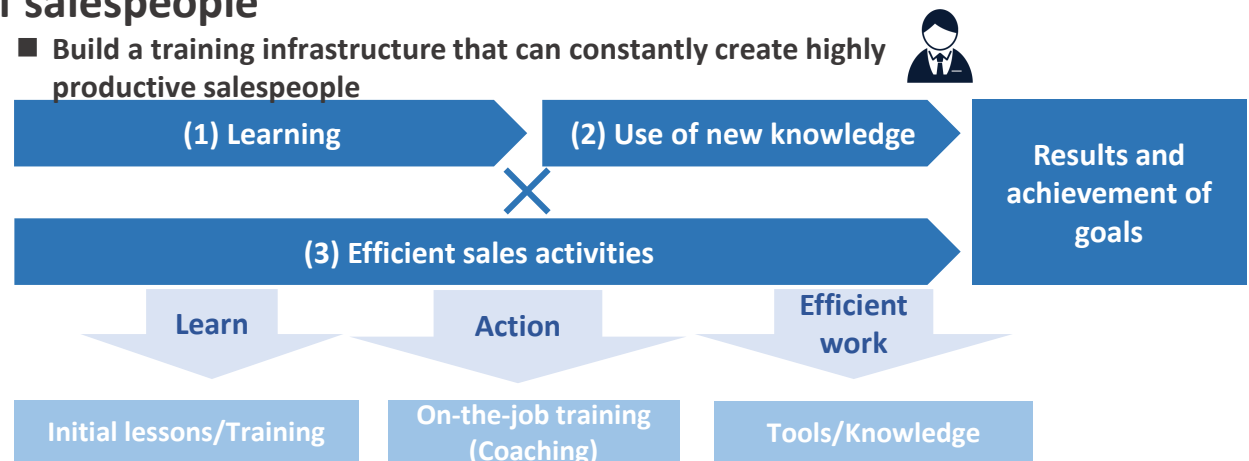
### (2) Continue to improve the skills of salespeople

#### ■ Main elements of improving skills

- Create a framework for training programs
- Training activities for younger salespeople
- Firmly establish the NJC philosophy/Energize the NJC organization
- Use tools for sharing knowledge

More efficient sales activities and faster sales and earnings growth by making newly hired salespeople productive quickly and by creating a more powerful organization

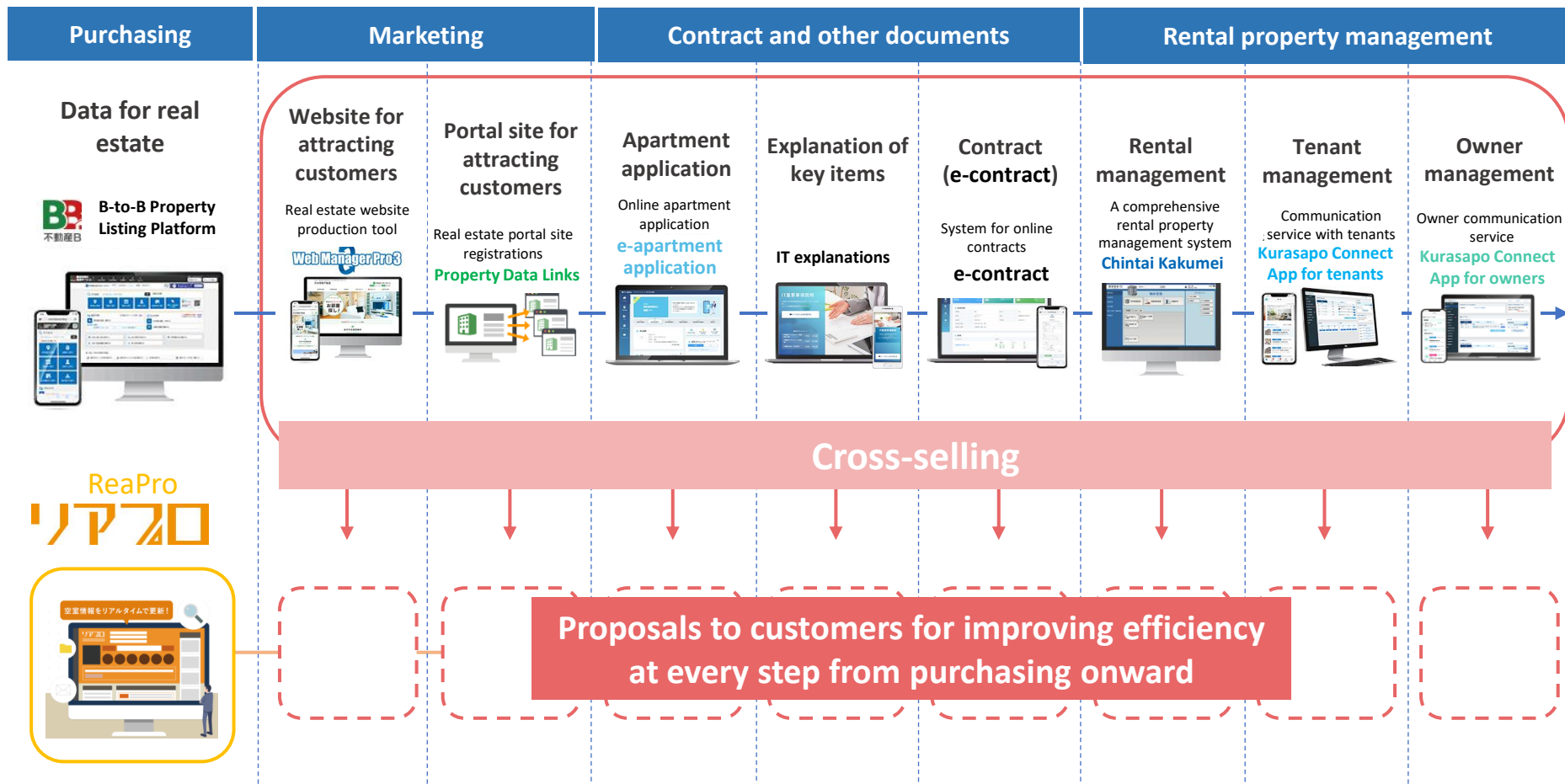
#### ■ Build a training infrastructure that can constantly create highly productive salespeople



## Sales Strategy

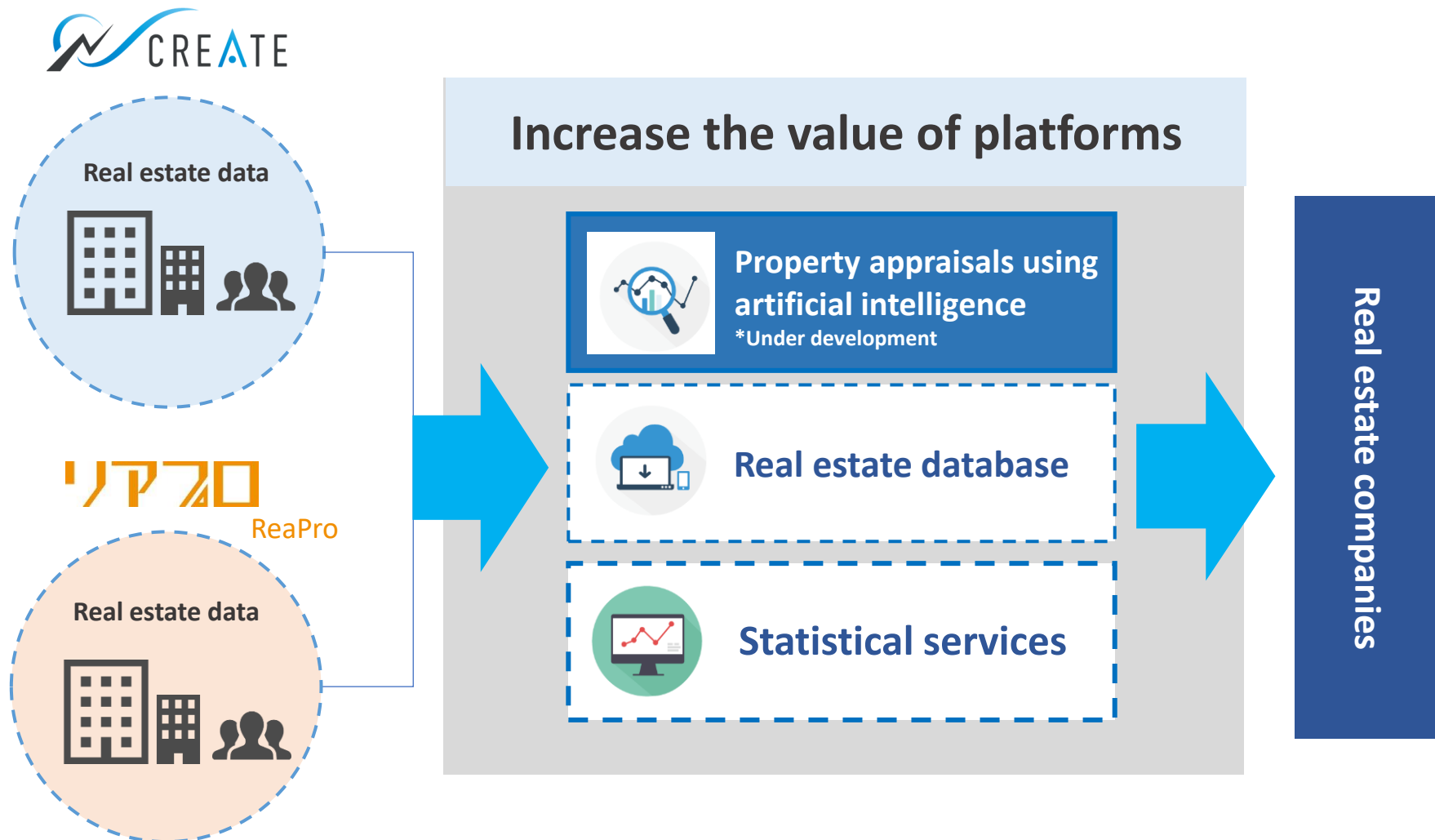
### (3) Cross-selling of NJC products to ReaPro customers

- Use the fully integrated lineup of NJC services to cross-sell services with fees to ReaPro customers.
- Increase efficiency and success rate of sales activities by sharing customer information with RealNetPro.



## Data Utilization | Leverage Synergies with RealNetPro

Strengthen big data services by integrating customer and property data of NJC and RealNetPro, performing AI property appraisals, and using other activities



## Revised Three-year Plan

**A plan that includes new wholly owned subsidiary RealNetPro**

# Three-year Growth Strategy

- 1 Advance to overall optimization of customers' business processes rather than for only some processes.**
- 2 Use upselling and cross-selling backed by a larger customer base and stronger lineup of products and services for the growth of sales and earnings as well as corporate value.**
- 3 Aiming for step up to Prime Market listing by becoming a company that plays vital roles in Japan's real estate industry.**
- 4 Use M&A as one growth strategy for even faster growth.**

## Revised Three-year Plan

### ■ Previous Three-year Plan

	FY6/22 plan	FY6/23 plan	FY6/24 plan
Net sales	¥3,080 million	¥3,900 million	¥5,000 million
Gross profit	¥450 million	¥850 million	¥1,560 million
EBITDA	¥580 million	¥980 million	¥1,700 million
Ordinary profit	¥490 million	¥920 million	¥1,600 million

### ■ New Three-year Plan (consolidated)

	FY6/22 results	FY6/23 plan	FY6/24 plan
Net sales	¥3,050 million	¥4,200 million	¥5,300 million
Gross profit	¥500 million	¥850 million	¥1,350 million
EBITDA	¥570 million	¥1,210 million	¥1,720 million
Ordinary profit	¥530 million	¥900 million	¥1,380 million

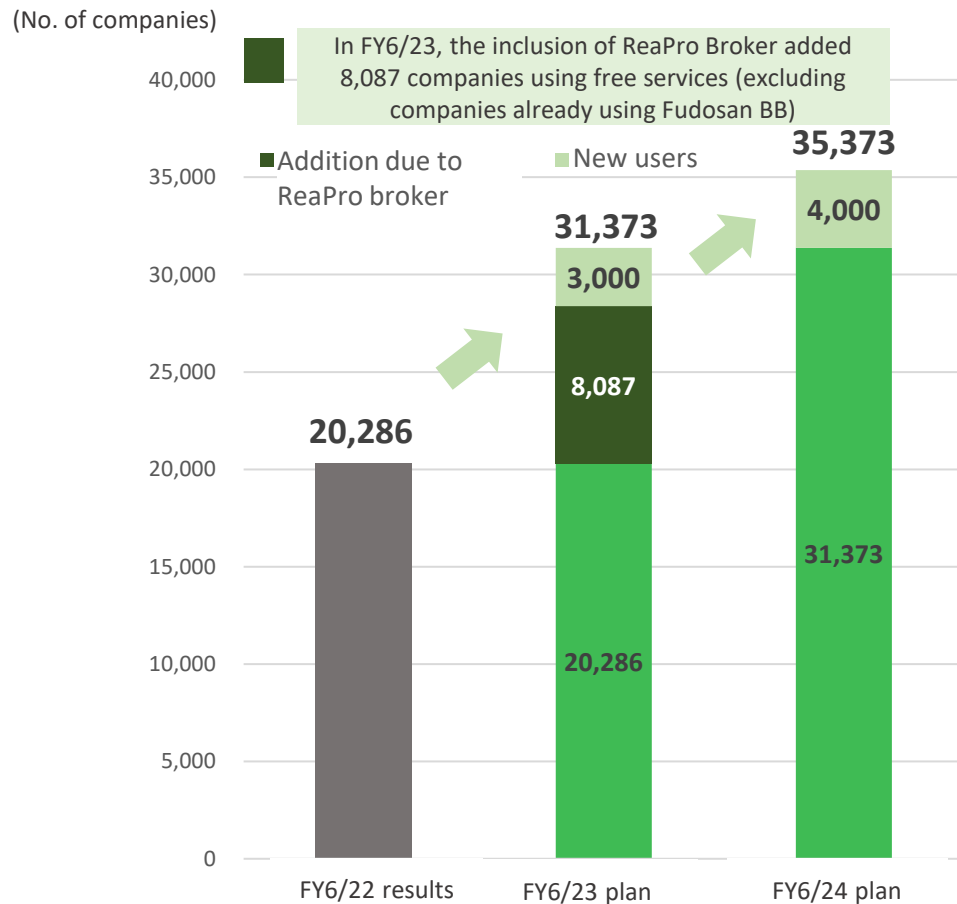
### Highlights of the revised plan

- FY6/23 and FY6/24 sales and earnings plans have been revised
- Increased sales due to the acquisition of RealNetPro and lowered FY6/24 earnings because of priority on investments for growth
- Goodwill resulting from the RealNetPro acquisition will be amortized over 10 years (about 150 million yen/year)
- Will continue expenditures for M&A and other actions as opportunities arise

## Key Performance Indicators of the Three-year Plan Update

### ■ Users of free B-to-B services (Fudosan BB and ReaPro Broker)

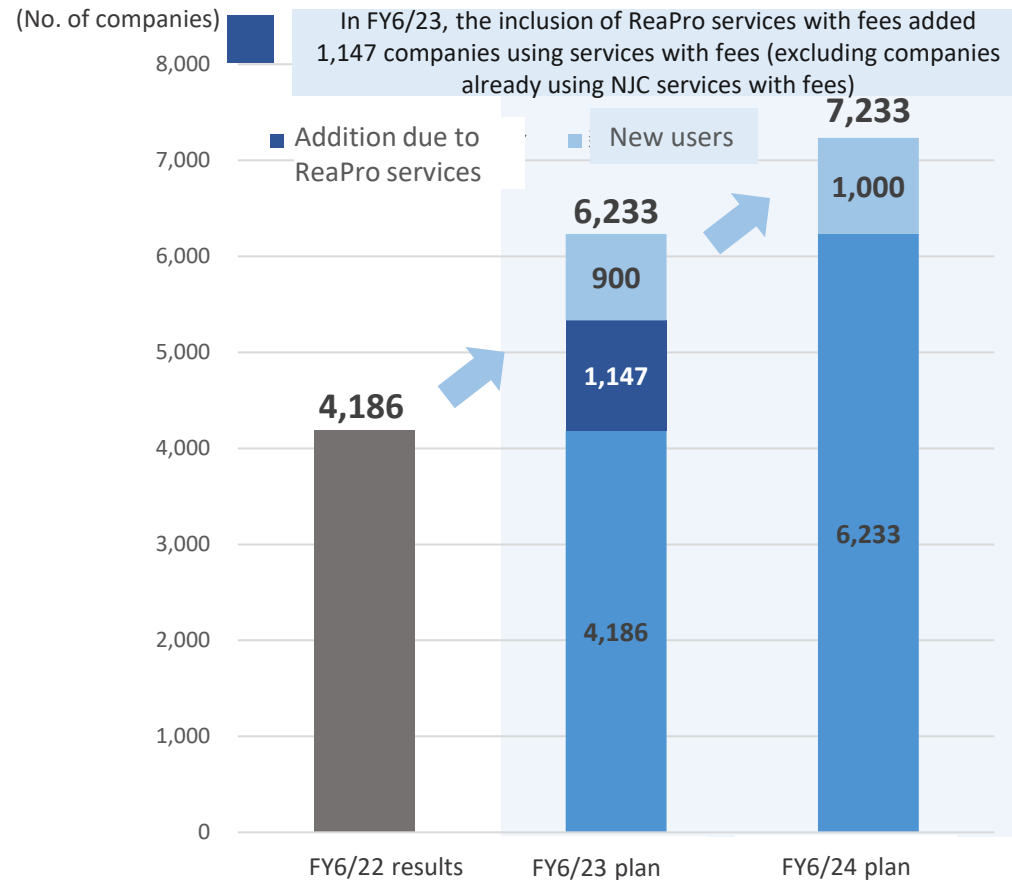
Strong growth in relation to the plan due to the addition of ReaPro customers; now focusing on moving users to services with fees



### Revision

### ■ Users of services provided for a fee

Note concerning revision of previously disclosed information  
 In previous years, the number of users of services with a fee included customers using services that were purchased and generated no monthly fees. From now on, only the number of users of services with a monthly fee will be used because this is believed to be a more accurate indicator of business operations. All services with fees that are currently sold have monthly fees.

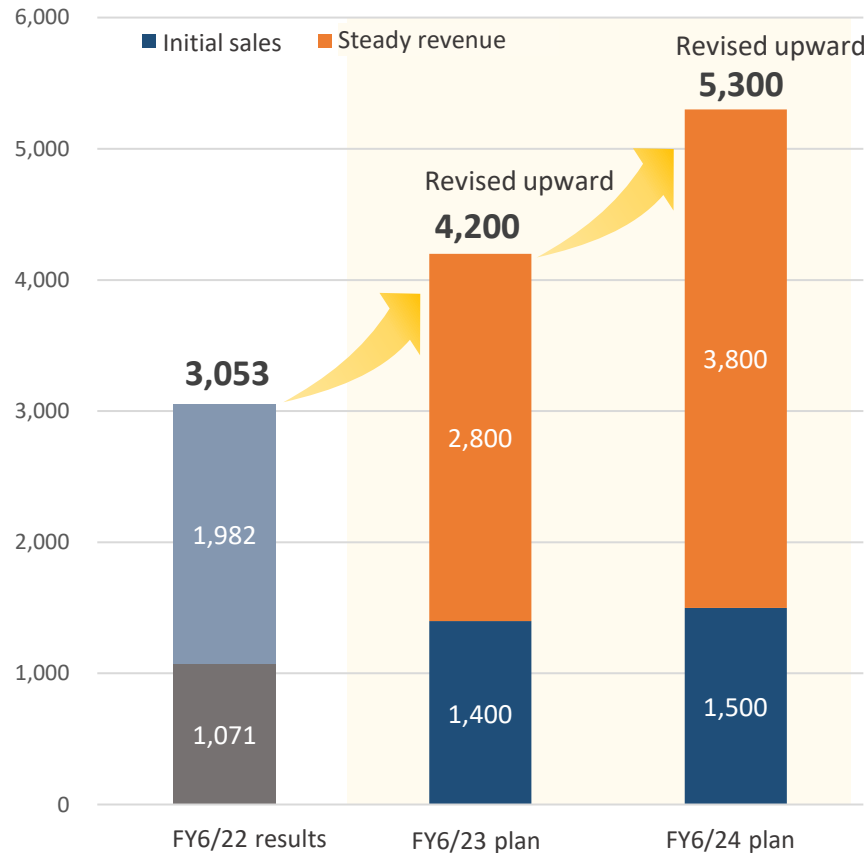


## Key Performance Indicators of the Three-year Plan Update

### ■ Sales plan

Projected growth by using a customer strategy supported by RealNetPro synergies and a more powerful sales infrastructure

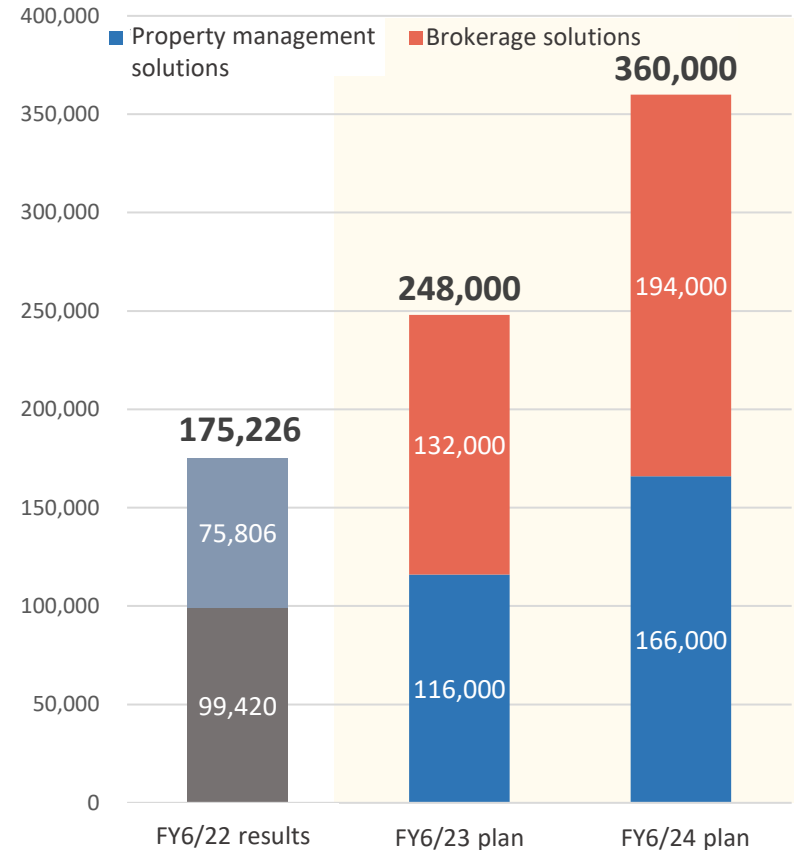
(Millions of yen)



### ■ Monthly recurring revenue plan

MRR is expected to increase due to upselling/cross-selling of brokerage and property management solutions

(Thousands of yen)

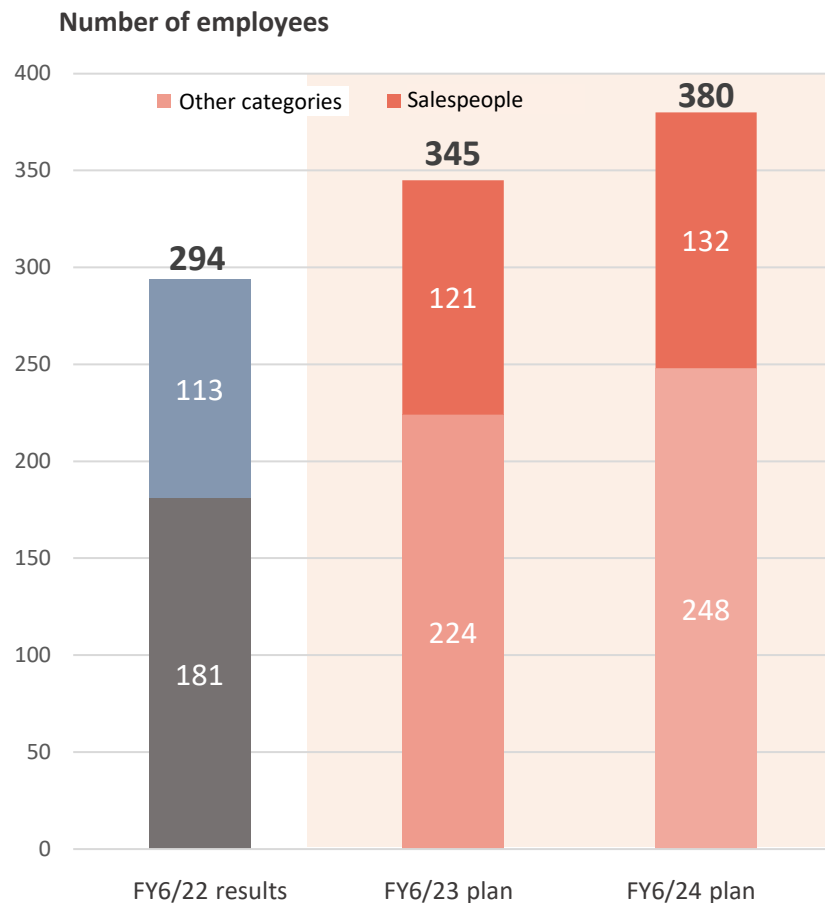




## Key Performance Indicators of the Three-year Plan Update

### ■ Employees (plan for salespeople)

Plan on an increasing number of salespeople due to the acquisition of RealNetPro and continuing expenditures for more growth



### ■ Highlights of the revised workforce plan

- No significant change in the workforce growth plan even after the acquisition of RealNetPro
- Continuing to hire salespeople to strengthen sales capabilities while upgrading the skills of younger employees currently in the sales team
- Plan to increase the number of engineers, system advisers, call center personnel and others in other categories as the growth of business operations continues

\*System advisers are located at sales offices and have the primary duties of assisting customers use NJC services and visiting customers periodically. These advisers help ensure customer satisfaction, lower the cancelation rate and increase repurchases of products and services.

# Appendix

## Mission & Vision

# Mission

**Dedicated to the happiness of  
everyone we serve!**

# Vision

**Use technology to create innovative  
platforms for the real estate sector**

## Become a platformer in the real estate domain

**Our goal is to build platforms that transform dreams into reality and make many people happy.**

**Real estate transactions produce happiness and appreciation by fulfilling customers' dreams in the form of a property that precisely matches their requirements. This is our belief. Real estate companies are dedicated to achieving the simple goal of transforming customers' dreams into reality and making them happy. We play a role in this happiness by using the latest technologies to create extremely convenient platforms for real estate companies.**

**Yonetsu Kenichi, Representative Director, President**



## Company Profile

Company name	Nihon Jyoho Create Co., Ltd.
Establishment	August 1994
Location	13-18 Kanmachi, Miyakonojo-shi, Miyazaki prefecture
Number of employees	319 including 294 full-time employees (As of June 30, 2022)
Business activities	Development and sales of application systems and services for real estate industry
Executive officers	<p>Yonetsu Kenichi, Representative Director, President</p> <p>Maruta Hideaki, Director, Head of Development Dept</p> <p>Arai Atsushi, Director, Head of Sales Dept</p> <p>Senokuchi Naohiro, Director, Head of Administration Dept</p> <p>Umino Daisuke, Director, Chair of Audit &amp; Supervisory Committee</p> <p>Miura Hiroshi, External Director, Audit &amp; Supervisory Committee member</p> <p>Yamamoto Osamu, External Director, Audit &amp; Supervisory Committee member</p>
Listed market	Tokyo Stock Exchange (Growth) code: 4054

### Offices

Sapporo/Asahikawa/Sendai/Koriyama/Takasaki/Niigata  
 Shinjuku/Tachikawa/Saitama/Funabashi/Chiba/Yokohama/Machida  
 Osaka/Kyoto/Kobe/Kanazawa/Nagoya/Hamamatsu/Shizuoka  
 Hiroshima/Okayama/Matsuyama/  
 Fukuoka/Kikakyusyu/Nagasaki/Kumamoto/Miyazaki (Headquarters)

### 29 locations in Japan (As of June 30, 2022)



## [Reference] Profile of Business Operations

Established

In **1994**

Number of business locations in Japan

**29**

\*as of June 30, 2022

Number of employees

**294**

\*Full-time employees  
\*as of June 30, 2022

Net sales

**28th consecutive year of sales growth**

Average of monthly cancelation rates

**0.5%**

\*as of June 2022 result

Users of products

Users of free services

**20,286**

\*as of June 30, 2022

Rental management system ranking (number of users)

**No.1**

\*1

MRR

**175 million**

\*as of June 30, 2022

Users of services with fees

**6,727**

\*as of June 30, 2022

\*1 Based on 2020 internet survey by the Japan Rental Property Management Business Association (survey was January 17 to 31, 2020 and February 14 to 20, 2020)

# Structure of the Three-year Growth Strategy

Before

2022 - 2024

2025 -

The platformer stage

The platform building stage

Build a platform like no other by  
investing in three categories

Product strategies

**Stronger products**

Use upselling and cross-selling supported by even more competitive products and newly developed products for sales growth and higher profitability.

People strategies

**Stronger sales team**

More salespeople to aim for a larger market share. Establish a training program for quickly transforming people with no experience into productive salespeople.

Customer strategies

**Marketing and the sales network**

Stronger marketing and more sales bases because increasing points of contact with customers is vital for differentiating Nihon Jyoho Create regarding the real estate DX.

Become more than a software company

The DX of the real estate industry  
Optimization of individual business processes for customers

Growth

Innovation

Creation

**Vision: Dedicated to the happiness of everyone we serve!**

## Summary of the Three-year Plan

### External factors – Fast market growth fueled by the digital transformation (DX) in three areas

- (1) Industry DX: New mindsets in the entire real estate industry due to amended laws
- (2) Business process DX: More online activities by real estate companies because of the pandemic
- (3) Consumer DX: Rising pct. of the public who were born and grew up during the internet/information age (digital natives)

#### Passage of digital reform laws

Personal and corporate seals are no longer needed on real estate transaction contracts from May 18, 2022. Digitalization of contracts is expected to speed up the DX of all real estate transactions. NJC has developed its own e-contract format. This contract was released on November 19, 2021 with the goal of quickly targeting the demand for digital



#### Changes due to telework demand

Telework demand is moving Chintai Kakumei from on-premises to the cloud. NJC uses cloud and other support to enable real estate companies to shift to online business processes.



#### About 6,000 homebuilding companies start operating every year

There are more than 120,000 homebuilding companies in Japan and 5,000 to 6,000 of companies in this business start operating every year. Some businesses will be started by digital natives, which will speed up the DX. NJC has added a service plan (the Start Value Plan) to serve this customer segment.

新規開業向け  
オールインワンシステム  
**スタート・バリュープラン**  
Start Value Plan



Source:

Statistics for Homebuilders and Residential Land and Building Transaction Brokers, end of fiscal 2018, Real Estate Transaction Improvement Organization and Number of Residential Land and Building Transaction Companies, Ministry of Land, Infrastructure, Transport and Tourism

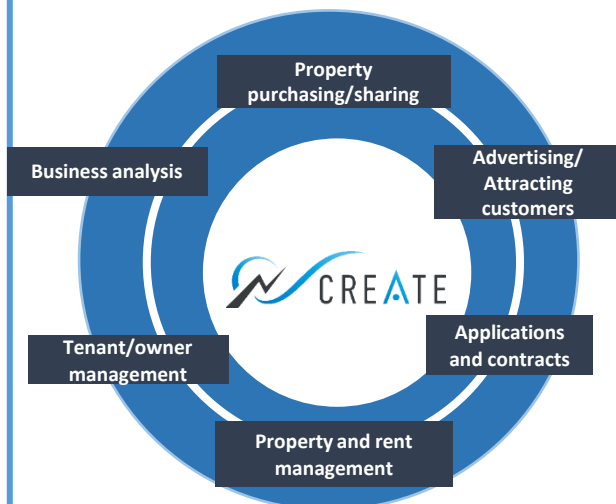


## Summary of the Three-year Plan

### NJC plans to grow rapidly along with the real estate industry DX

- (1) Platform strategy: A product lineup covering all real estate business processes
- (2) Investments in people/assets: Up-front expenditures for hiring people, adding sales offices and developing products
- (3) As the real estate DX market emerges, market share growth is the highest priority

#### A platform encompassing all real estate business processes



#### Recruiting and Network Expansion

Continue upgrading sales consulting linked to local markets, a core strength of NJC. The digitalization of Japan's real estate companies will require a nationwide network of physical offices and more sales consultants. Starting in FY6/22, NJC is making big investments for more sales offices and more people.

#### More sales offices and salespeople



#### Growth of the Real Estate DX Market

Real estate industry IT capital expenditures in Japan are only about 10% of these expenditures in the U.S. Productivity is only 40% of the U.S. level. Furthermore, real estate industry productivity in Japan is far below the average for all industries\*1. NJC believes that the real estate DX era is just beginning and plans to make up-front expenditures to capture market share.

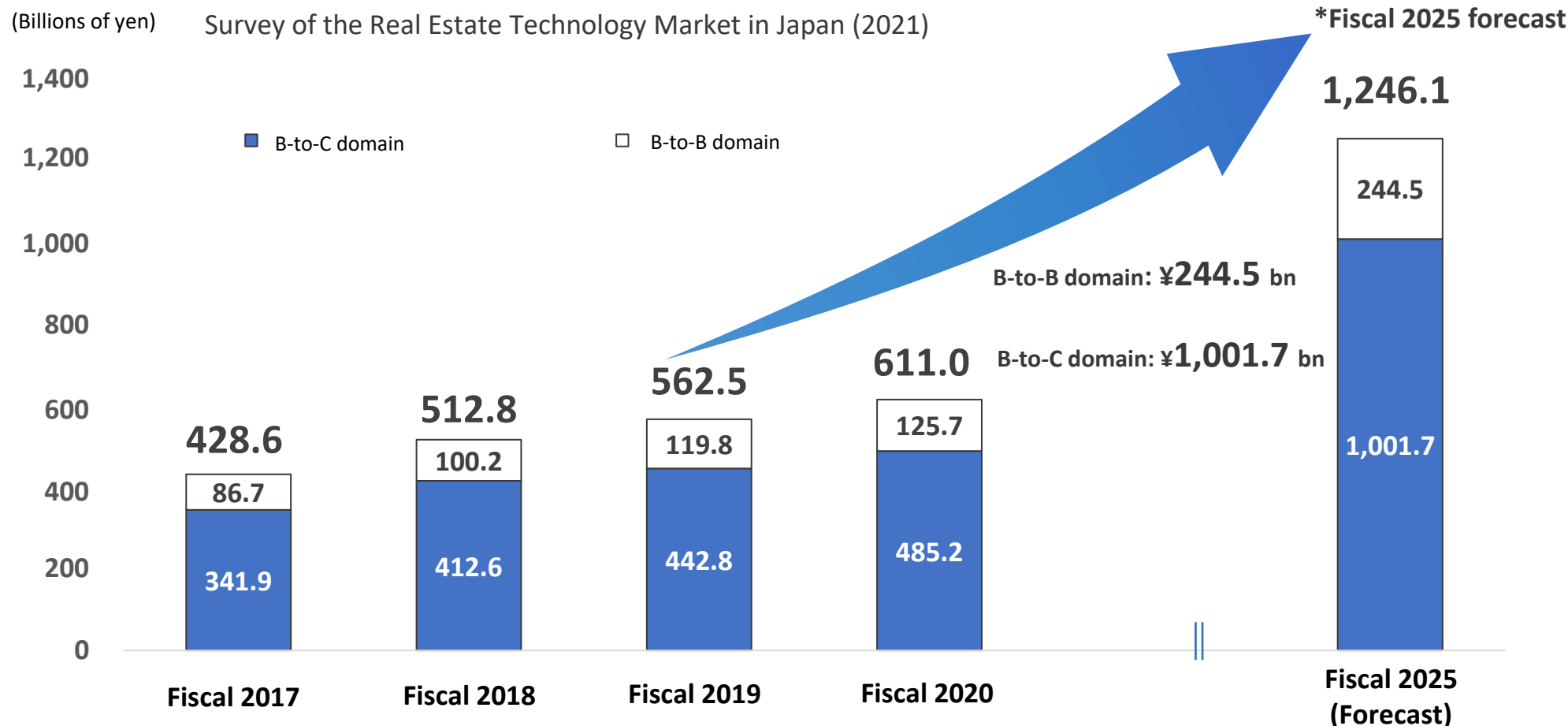
\*1 Source: Survey for Economic Analysis of ICT in fiscal 2018, Ministry of Internal Affairs and Communications

Source: 2015 Analysis of Labor Economics (September 2015), Ministry of Health, Labour and Welfare

## Japan's Growing Real Estate Technology Industry

Rapid growth of **Japan's real estate technology industry** is expected, which will increase the need for the products of **Nihon Jyoho Create**

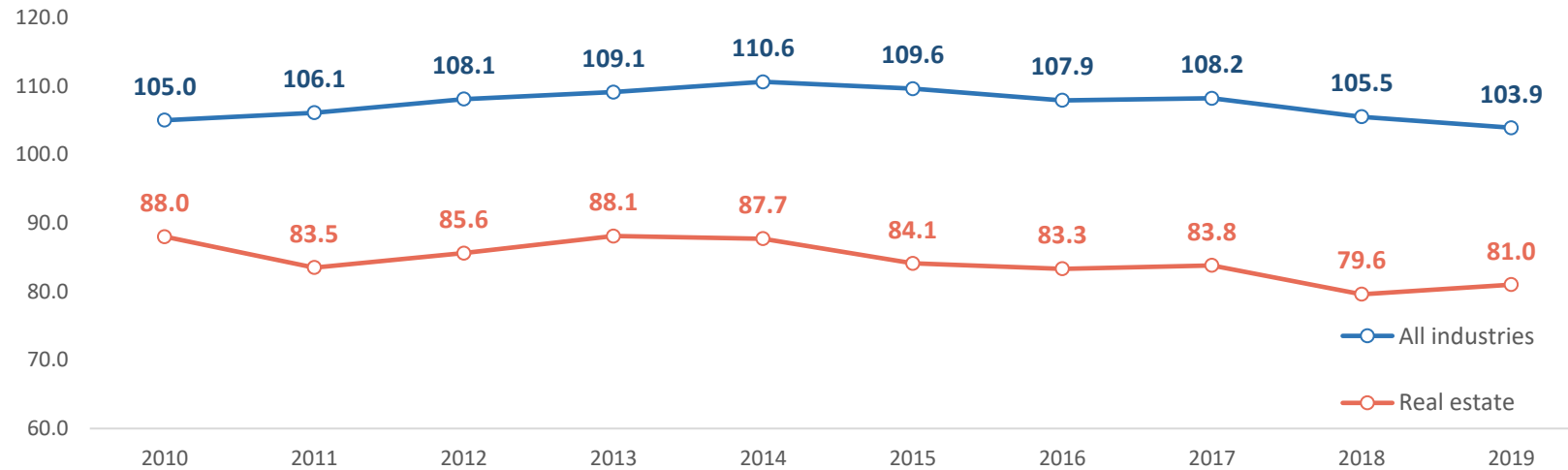
Market size: **¥1,246.1 billion**



Source: 2021 Japanese Real Estate Technology Market Survey by Yano Research Institute, August 17, 2021

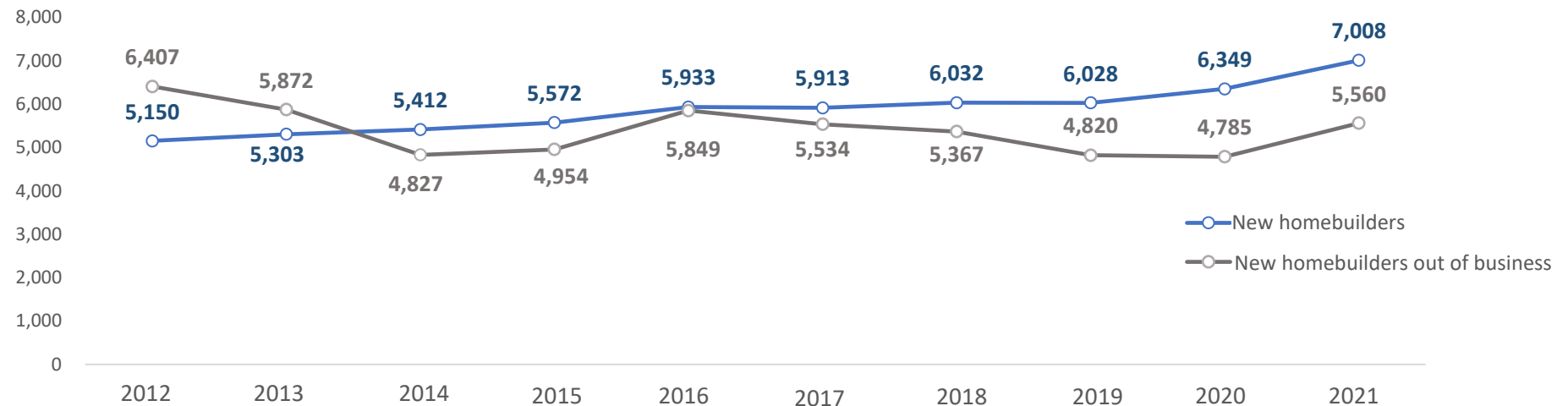
# Real Estate Industry Labor Productivity and Number of Homebuilders

## ■ Labor productivity index



Index (Year 2000=100) based on real GDP/Number of employees for real labor productivity, Survey for Economic Analysis of ICT in fiscal 2020 (2021), Ministry of Internal Affairs and Communications

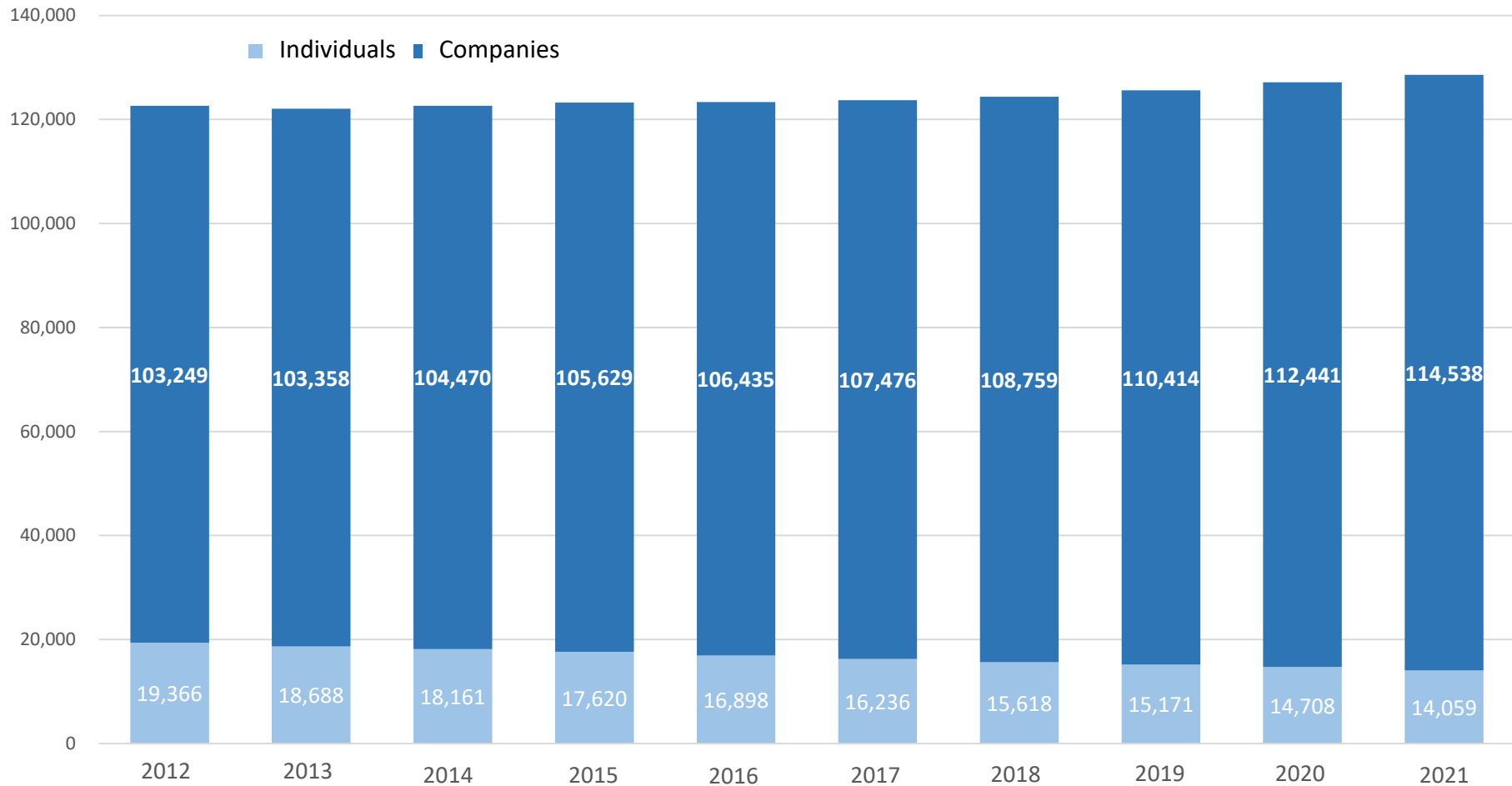
## ■ Change in number of homebuilders in Japan



Source: Statistics for Homebuilders and Residential Land and Building Transaction Brokers, end of fiscal 2021, Real Estate Transaction Improvement Organization and Number of Residential Land and Building Transaction Companies, Ministry of Land, Infrastructure, Transport and Tourism

## Homebuilders in Japan

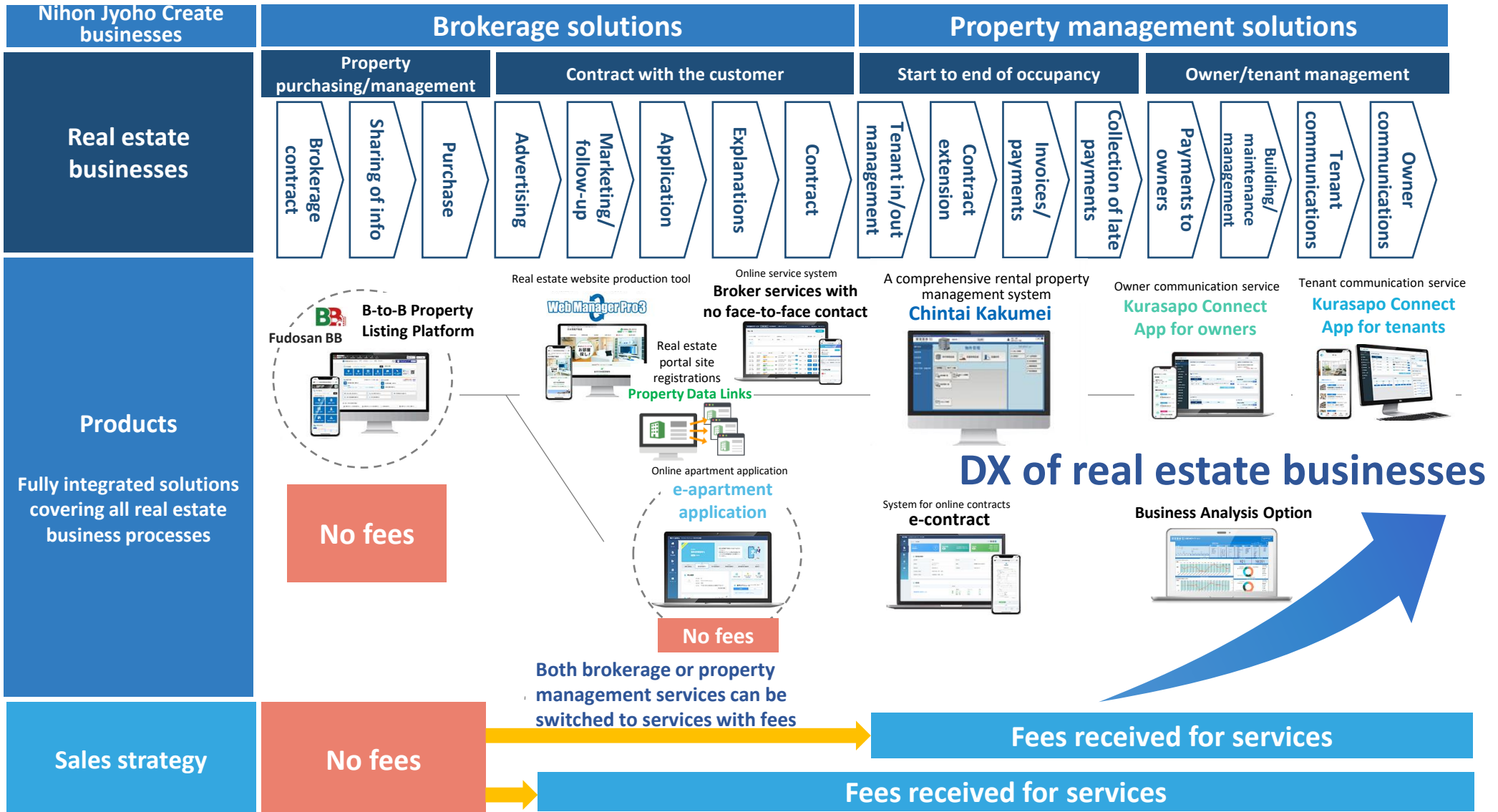
**The number of homebuilders has increased slightly, remaining generally steady at about 120,000**  
**The number of companies is increasing and the number of operations by individuals is decreasing**



Source: Statistics for Homebuilders and Residential Land and Building Transaction Brokers, Homebuilders in Japan, end of fiscal 2021, Real Estate Transaction Improvement Organization

# Use of Freemiums for Cross-selling and Upselling

The Fudosan BB property listing platform for real estate brokers, which is offered at no charge, is used to attract customers and provide an entry point for cross-selling and upselling activities.

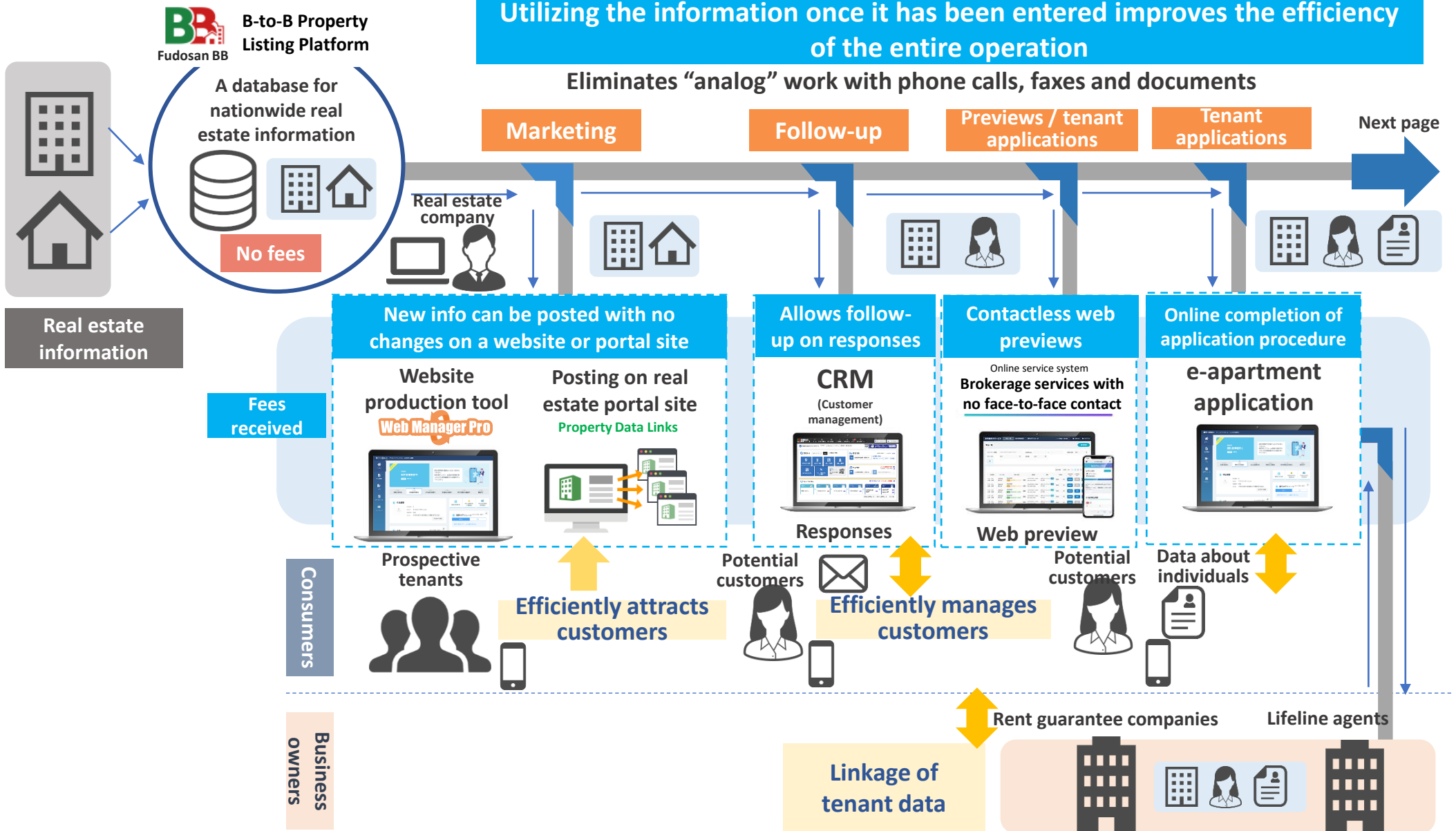


# Use of Freemiums for Cross-selling and Upselling

Seamless data linkage for efficiency of all real estate business processes

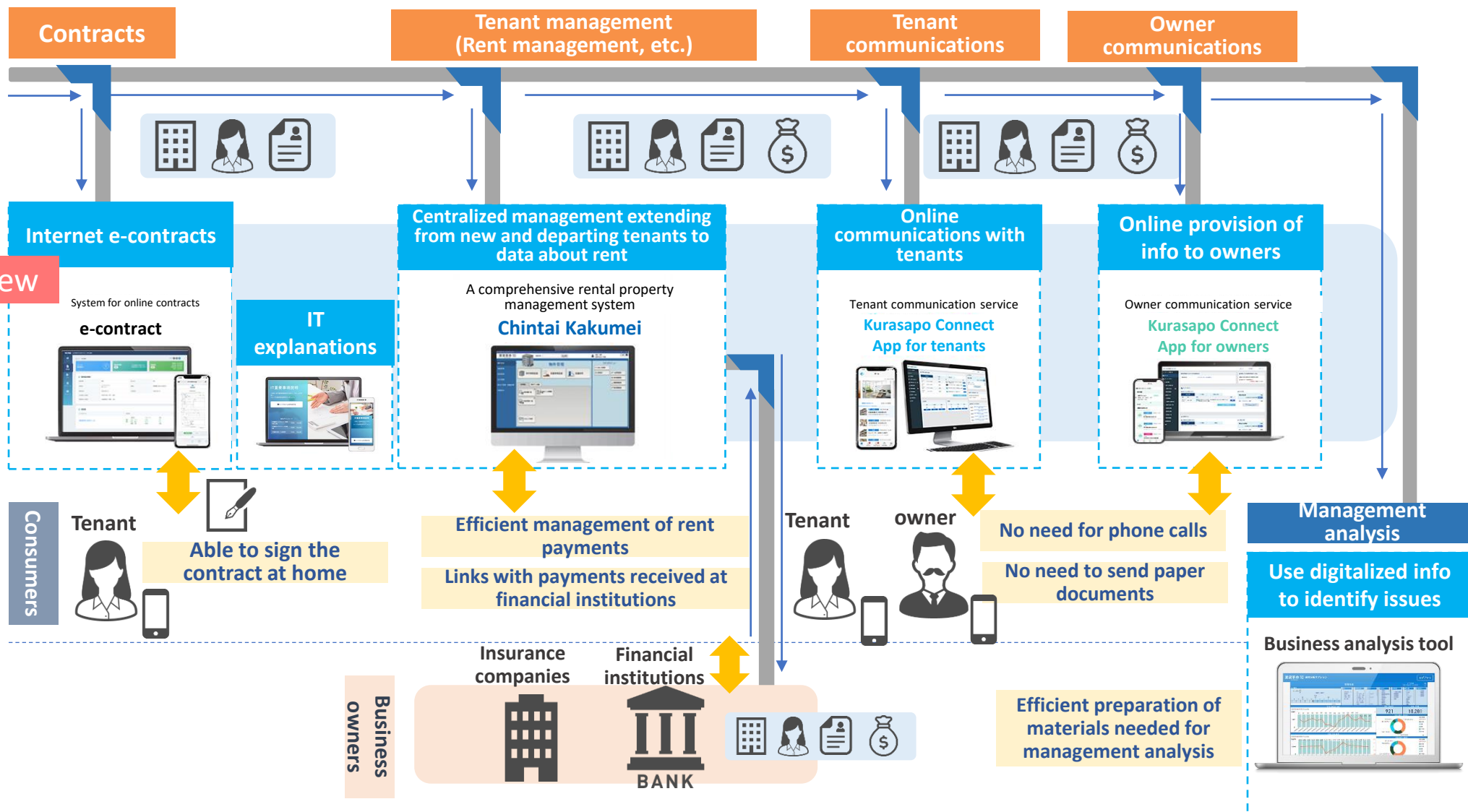
Utilizing the information once it has been entered improves the efficiency of the entire operation

Eliminates "analog" work with phone calls, faxes and documents



# Use of Freemiums for Cross-selling and Upselling

Data encompasses every step from purchasing properties to managing new and departing tenants



## Products and Services

Internet platform for B-to-B sharing of property listings

# Fudosan BB

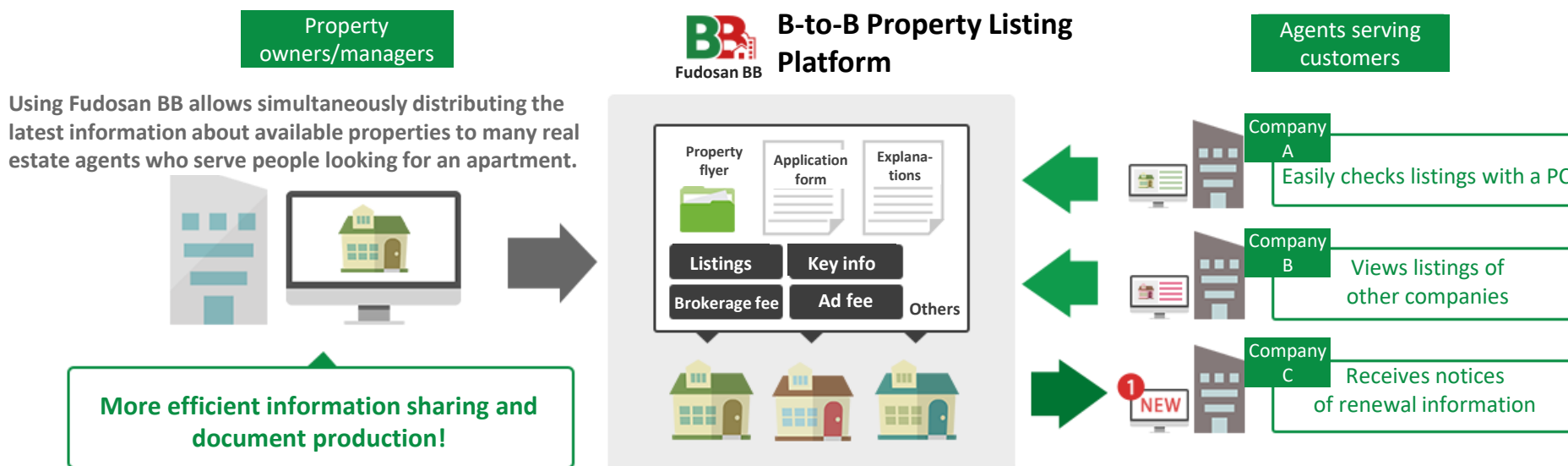


### B-to-B Property Listing Platform



A **free** internet service for the **real-time sharing** among real estate agents **of their listings**

Fudosan BB allows real estate agents to view listings any time of the day, resulting in the more efficient sharing of information among property management companies and real estate brokers





## Products and Services

### Real estate website production tool

## WebManagerPro Series

WebManagerPro was created specifically to produce real estate websites designed to attract more customers. Many templates are available for the simple production of original websites.



- Compatible with mobile phones
- Responsive web design template
- Entry form optimization (EFO)
- Long tail optimization (LTO)
- SSL for secure internet communications

### ■ Drag-and-drop website production

This format allows even real estate companies with no website production experience to create a website with ease. Using the management screen allows performing tasks that would normally require a website production company.



### ■ Allows simultaneous PC/Smartphone editing

PC and smartphone editing at the same time cuts the time needed for website production. Websites easy to view on a smartphone are also useful for searches.



### ■ Linkage with NJC's real estate system makes businesses tasks more efficient

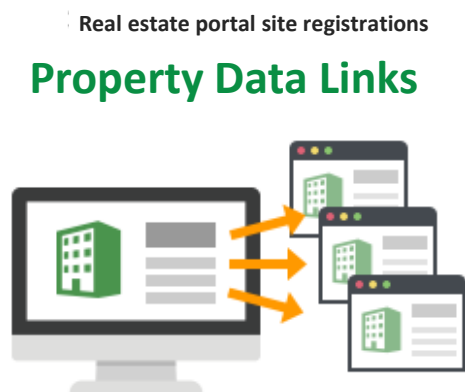
Linkage with Chintai Kakumei and Fudosan BB allows incorporating registered properties in the website. Efficiency is higher due to elimination of the need for manual input of data.



## Products and Services

### Real estate portal site registrations

### Property Data Links



New property information entries are automatically incorporated in the portal site



### Property Data Links

This service can post property information registered on Fudosan BB, Chintai Kakumei and Baibai Kakumei simultaneously on many types of portal sites. Using this service saves time and prevents input errors because there is no need to use the input forms of each site.

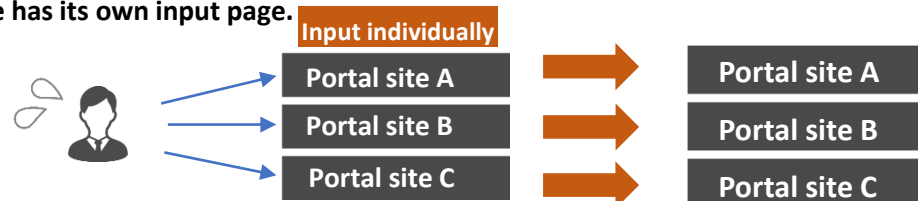
With Property Data Links

Linkage with Fudosan BB and Chintai Kakumei allows posting real estate information on many portal sites simultaneously with no need for the re-entry of data. Time for inputting data is reduced.



Conventional method

Normally, data about a property must be input individually because every portal site has its own input page.



## Products and Services

Online service system

Contactless brokerage services

Use **contactless brokerage services** to attract customers  
**Fully integrated: Web preview - e-apartment application - IT explanations**



Web sales activities



Web preview



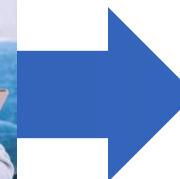
e-apartment application



IT explanations

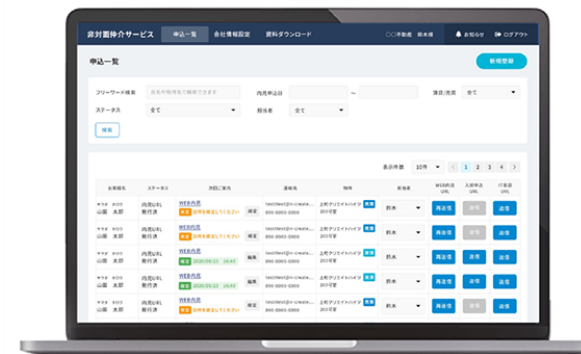


e-contract



An online customer interaction service for fully contactless activities for sales, previews, tenant applications and explanation of key items.

**Online communication tools** for previews and explanation of key items are **also products developed by Nihon Jyoho Create**. This ensures easy and efficient communications with customers with no need to switch to a different tool.



## Products and Services

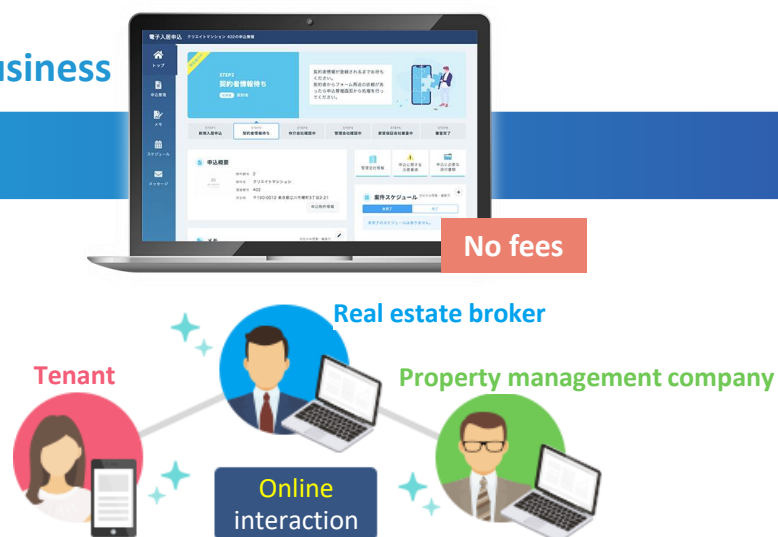
Online service system

Electronic apartment application/e-contract

Combining e-applications with the new e-contract service further raises the speed of the digitalization of real estate transactions

### Electronic apartment application

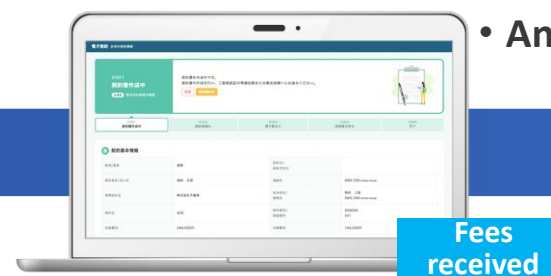
Real estate business



Electronic apartment applications are a function provided to property management companies using Fudosan BB (no fee) in order to perform every step of the application process online. No need for paper applications, faxes and phone calls. These e-applications reduce tasks and are ideal for telework.

### e-contract

- Started on Nov. 19, 2021
- An original NJC service



\* Previously, Articles 35 and 37 of the Home Building Business Law require paper documents for new contracts. The personal seal requirement for new transactions was end by May 2022 with enactment of laws involving reforms for the use of digital technologies.

Customers pay a fee for the online signing of agreements for the renewal of a real estate lease or a rented parking space. This online service improves the ease and safety of some procedures for rental agreements that previously required face-to-face meetings and sending documents by postal mail.

## Products and Services

A comprehensive rental property management system

# Chintai Kakumei 10

Centralizes every property management task from tenant changes to rent

# 賃貸革命10

## Chintai Kakumei



Survey

Based on perception of rental management systems of individuals nationwide between the ages of 20 and 59.

Date: May 2018

Method: Internet questionnaire

Centralized management of rent invoicing, collection and payment processing significantly reduces data processing errors and lost data.

Efficient rent management raises the value of companies



Chintai Kakumei facilitates the centralized management of information about properties, owners and tenants. The scale of this information makes it possible to use Chintai Kakumei for many other tasks. Examples include property management and the management of leases, rent payments, tenant inquiries, repairs and maintenance, and other items. Eliminating wasted time and reducing mistakes helps companies become a more trusted partner for owners and customers.

## Products and Services

### Communication Service

# Kurasapo Connect

A smartphone app with a link to Chintai Kakumei for simple communications with tenants and owners

Tenant communication service

### Kurasapo Connect App for tenants



This tenant app allows tenants to use a smartphone to submit questions about their residences, receive notices, apply for lease renewals or terminations, confirm date and amount of rent payment, and perform other activities.

Owner communication service

### Kurasapo Connect App for owners



This app is used by a property management company to send owners payment remittance notices, income and expense reports, and reports following visits to buildings. Communications also include notices sent to owners and questions and other messages from owners to property management companies.

## Competitive Superiority

# Competitive Superiority

Market share growth backed by superior products, sales and support capabilities, accomplishments, and experience

1	2	3	4	5
<p><b>Products encompass all steps</b></p>	<p><b>A large sales network</b></p>	<p><b>Support</b></p>	<p><b>Market share</b></p>	<p><b>Expertise acquired over 27 years</b></p>

A broad lineup of products for solving many issues for customers, resulting in one-stop solutions extending from brokerage to property management tasks

Consulting closely linked to regional needs and characteristics for real estate companies nationwide; earns customers' trust by providing proposals as well as valuable support

A nationwide IT system advisory network to assist customers after starting to use Nihon Jyoho Create's service; support includes remote assistance by Nihon Jyoho Create's own call center and other forms of support

The rental management system market has high barriers to new entrants because of the complexity of rental management tasks. Nihon Jyoho Create has a large share of this market. Furthermore, up-to-date property data is used for new analysis services.

As the speed of the DX increases, regional rules are emerging in the real estate sector and each company uses its own method for digitalization. With 27 years of experience, Nihon Jyoho Create has the knowledge needed to implement the DX in the best possible manner for the real estate industry.

## IR E-mail Service

Nihon Jyoho Create has an e-mail IR message service to maintain strong lines of communication with investors.

Simply register your e-mail address to receive the latest IR news.

- Timely disclosure announcements
- Public relations announcements

[Register now](#)

\*Link to the IR mail registration screen of the Nihon Jyoho Create IR website



Call toll-free for more information: 0120-965-458



Postal mail



Demonstration

Support



[製品一覧](#)
[導入事例](#)
[事業内容](#)
[新着情報](#)
[導入について](#)
[お役立ち情報](#)
[企業・IR情報](#)



### E-mail IR Message Service Registration

We will provide investors with our IR information by e-mail.

[E-mail IR Message Service Registration](#)



## Examples of Feedback from Customers

Information in the Nihon Jyoho Create corporate website about how companies are using its services.

Please read the feedback of customers.

[See examples now](#)

\* Link to the Nihon Jyoho Create corporate website



Rental management

Nara prefecture  
**Kato Home Co., Ltd.**

One person can perform the supervisory tasks that previously required several people.

Chintai  
Kakumei



Rental management

Aichi prefecture  
**Honshu Kensetsu Inc.**

Confirmations of payments received, which required a lot of work by two people, is done by one person with no overtime.

Chintai  
Kakumei

WebManagerPro



Rental management

Toyama prefecture  
**FP Fudosan Center Co., Ltd.**

We reduced the number of people and time needed for office work. Nihon Jyoho Create helped with brokerage operations in addition to property management tasks.

Chintai  
Kakumei

WebManagerPro



Rental management

Osaka prefecture  
**Soveric Corporation**

Our work was much faster and there were no errors after we started using Chintai Kakumei.

Chintai  
Kakumei

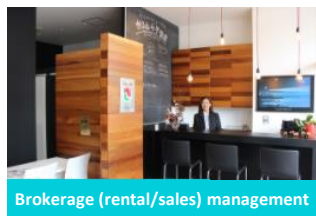


Rental management

Saitama prefecture  
**Sansho Intelligent Co., Ltd.**

After switching to Chintai Kakumei, we were amazed at Nihon Jyoho Create's outstanding follow-up support.

Chintai  
Kakumei



Brokerage (rental/sales) management

Fukuoka prefecture  
**Reliance Inc.**

Management tasks were much easier after we switched from WebManagerPro2 to WebManagerPro 3.

Chintai  
Kakumei

WebManagerPro



Brokerage (rental/sales) management

Ishikawa prefecture  
**Miyoshi Kaihatsu Co., Ltd.**

We stopped data management using personal data and characteristics. We are also focusing on using the internet to attract customers.

Chintai  
Kakumei

WebManagerPro



Rental management

Okayama prefecture  
**Fukushima Takken Co., Ltd.**

We started using Nihon Jyoho Create products to stop relying solely on real estate portal sites.

Chintai  
Kakumei

WebManagerPro



Brokerage (rental/sales) management

Toyama prefecture  
**Aozora Fudosan Co., Ltd.**

Calls from prospective customers doubled after we started using WebManagerPro3.

WebManagerPro

Fudo-san  
BB

Many more messages from customers are on the Nihon Jyoho Create website

## Sustainability (SDGs)

The corporate website includes information about activities that contribute to accomplishing the SDGs. We use our real estate support services for activities with our stakeholders for the creation of a sustainable society.

[See SDG information now](#)

\* Link to the Nihon Jyoho Create SDG page

### Social progress due to the real estate industry digital transformation

We are building a stronger foundation for the real estate industry by creating a real estate industry data infrastructure using IT and by incorporating the digital transformation in all aspects of this industry. Our activities are also playing a role in social progress by eliminating variations in information accessibility in different areas in order to ensure that people everywhere in Japan have equal access to real estate data.



#### Examples of SDG activities

- Digitalization of real estate data in Japan
- Online real estate transactions
- One-stop solutions for real estate business processes
- Operation of a real estate portal site

### SUSTAINABLE DEVELOPMENT GOALS



# Precautions Regarding This Presentation

## Precautions Concerning Forward-looking Statements

- This presentation contains forecasts and other forward-looking statements based on information that is currently available. Nihon Jyoho Create Co., Ltd. (NJC) makes no guarantees of assurance for the outcome of these forecasts as they include inherent uncertainties and risks. Actual performance, therefore, may differ from these forecasts due to changes in the business environment and other factors.
- Factors that could have an impact on actual performance may include changes in the economies of Japan and other countries, industries associated with NJC's business operations or other items.
- Information in this presentation that is not related to NJC is based on information available to the public and other sources. NJC has not verified in any way the accuracy or suitability of this information and makes no guarantees about the accuracy or suitability of this information.
- Information in this presentation about companies other than NJC is based on sources available to the public.
- This presentation does not constitute a solicitation for the purchase or sale of securities of any type, even if there are statements to this effect. Furthermore, this presentation cannot be used as the basis for a contract or obligation of any type.
- Investors should rely on their judgment after reading without fail the prospectus (including amendments) on the new share issue and application for share sale prepared by NJC.

Dedicated to the happiness of  
everyone we serve!



**Nihon Jyoho Create Co., Ltd.**