Investor Presentation

FY 2021/9 1Q Results

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February 5, 2021
Japan Best Rescue System Co., Ltd.

①Financial Result for FY 2021/9 1Q

②TOPICS

③Supplementary Materials

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①Financial Result for FY 2021/9 1Q

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Summary on Financial Result

✓ Marked a record high for sales & profit of 1Q.

Sales:	Driven by our core business, we have got off to a good start with a record high sales.
Operating Profit:	High growth increased by 22 % compared with the previous corresponding period supported by the increase of sales for Membership and Insurance business segment. The impact of COVID-19 against company-wide business result is expected to stay minor prospectively.
Ordinary Profit:	Realized the gain of JPY 115 million on sales of securities.
Net Profit:	The net profit has substantially increased by more than 110% as we booked corporate tax adjustment amount of JPY 48 million of past years in the previous FY.

(Unit: JPY million)

	FY2020/9 1Q	% of Net sales	FY2021/9 1Q	% of Net sales	Movement Change	Movement % change
Net sales	**2,871**	**-**	**3,156**	**-**	**+ 284**	**+ 9.9%**
Cost of sales	1,457	50.7%	1,714	54.3%	+ 257	+ 17.7%
Gross profit	1,414	49.3%	1,441	45.7%	+ 26	+ 1.9%
SG & A	1,106	38.5%	1,065	33.8%	- 41	- 3.7%
Operating profit	**307**	**10.7%**	**375**	**11.9%**	**+ 68**	**+ 22.2%**
Ordinary profit	323	11.3%	432	13.7%	+ 109	+ 33.8%
Profit attributable to owners or parent	143	5.0%	302	9.6%	+ 159	+ 110.9%

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Sales and Operating Profit by Segment

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✓ The growth of Membership and Insurance segment has driven company-wide business result.

Membership: The growth of existing business has directly contributed to the enhancement of business performance by finalizing the restructuring of unprofitable business.

Insurance: New service such as smartphone insurance in addition to our core item of home contents insurance has contributed to the increase of sales and profit.

Adjustment amount: Net reduction through cost-saving and increase of cost burden by each segment due to the change of cost allocation rules.

(Unit: JPY million)

	FY2020/9 1Q		FY2021/9 1Q		Movement			
					Net sales		Operating profit	
	Net sales	Operating profit	Net sales	Operating profit	Change	% change	Change	% change
Emergency	399	28	374	10	- 25	- 6.4%	- 18	- 63.6%
Membership	**1,431**	**384**	**1,591**	**410**	**+ 160**	**+ 11.2%**	**+ 25**	**+ 6.6%**
Insurance	**958**	**58**	**1,083**	**79**	**+ 124**	**+ 13.0%**	**+ 21**	**+ 36.1%**
Repair	80	-19	64	-19	- 15	- 19.5%	+ 0	-
Life & Technology	10	-40	46	-41	+ 35	+ 331.7%	- 1	-
Adjustment	-8	-103	-4	-63	+ 4	-	+ 40	-
Total	**2,871**	**307**	**3,156**	**375**	**+ 284**	**+ 9.9%**	**+ 68**	**+ 22.2%**

※Breakdown of adjustment (compared with the previous period) of + JPY 40 million
・・・Net reduction 24 + Emergency 4 + Membership 6 + Repair 2 + Life & Tech 4

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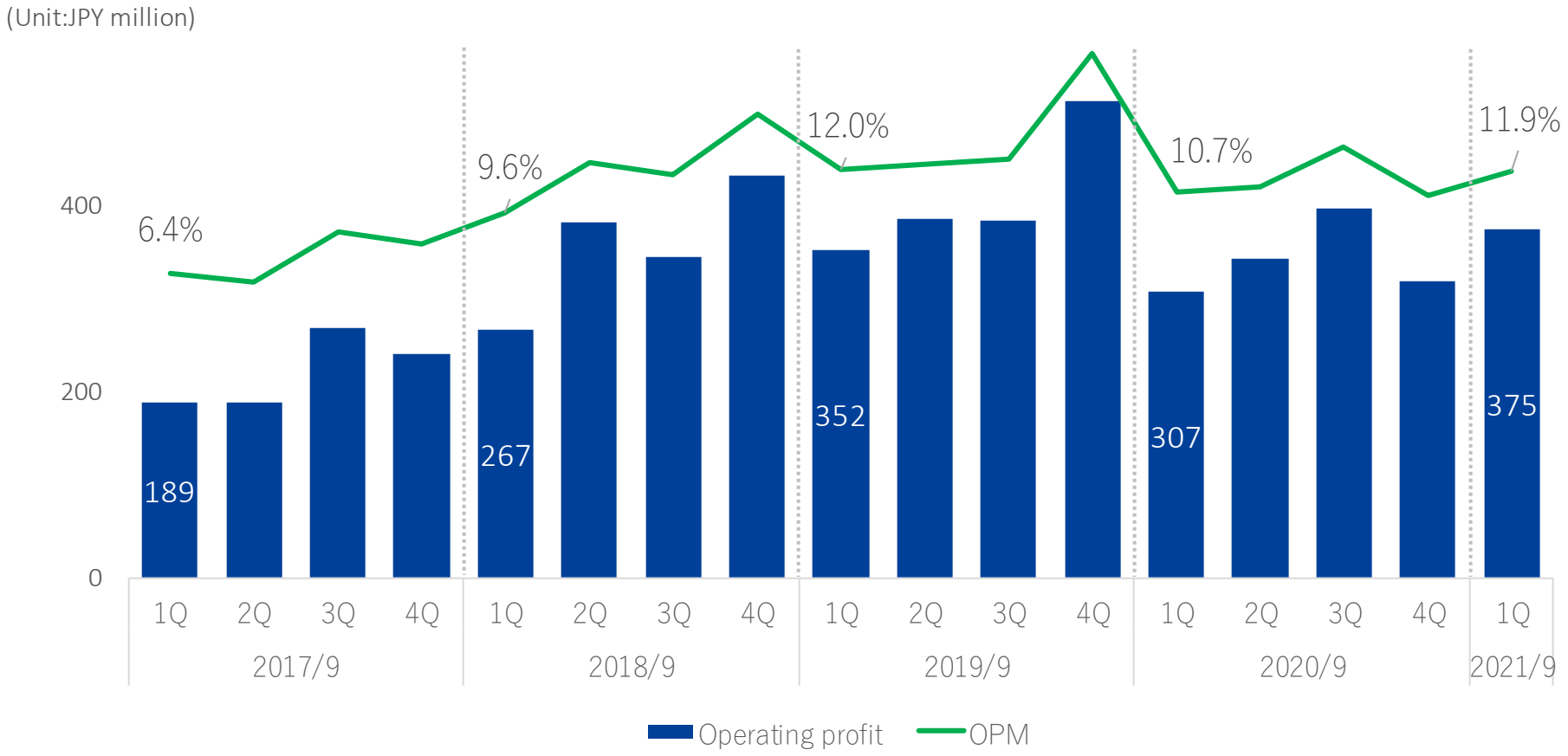
Quarterly Results of Operating Profit and OPM

✓ **The business structure focusing on stock & subscription services has driven the stable profit.**

Operating Profit: Marked new record high for 1Q exceeding the historical record high for 1Q of FY 2019/9.



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Consolidated Balance Sheet

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✓ The financial base has been further stabilized supported by the increase of deferred income.

Deferred income: The deferred income together with long-term deferred income has continued to increase due to the increase of members.

Non-current asset: Implementing system investment in order to strengthening the structure of company by improving operational efficiency. The expense for introducing ERP system has been booked as intangible asset (software in progress) JPY 77 million.

(Unit: JPY million)

＜Assets＞			
	FY2020/9	FY2021/9 1Q	Movement
Current assets	10,897	10,812	- 0.8%
Cash & deposits	**8,770**	**8,625**	**- 1.7%**
Non-current assets	9,987	10,357	+ 3.7%
Tangible assets	157	149	- 4.9%
Intangible assets	478	587	+ 22.8%
Investment securities	7,560	7,781	+ 2.9%
Allowance for doubtful accounts	- 51	- 48	-
Deferred assets	319	324	+ 1.7%
Total assets	21,204	21,494	+ 1.4%

＜Liabilities・Net assets＞			
	FY2020/9	FY2021/9 1Q	Movement
Current liabilities	5,083	5,251	+ 3.3%
Deferred income	**1,982**	**1,982**	**+ 0.0%**
Policy reserve	722	710	- 1.6%
Non-current liabilities	8,212	8,300	+ 1.1%
Bonds	975	975	0.0%
Long-term debt	1,382	1,302	- 5.8%
Long-term deferred income	**5,657**	**5,823**	**+ 2.9%**
Total net assets	7,907	7,942	+ 0.4%
Total liabilities and net assets	21,204	21,494	+ 1.4%

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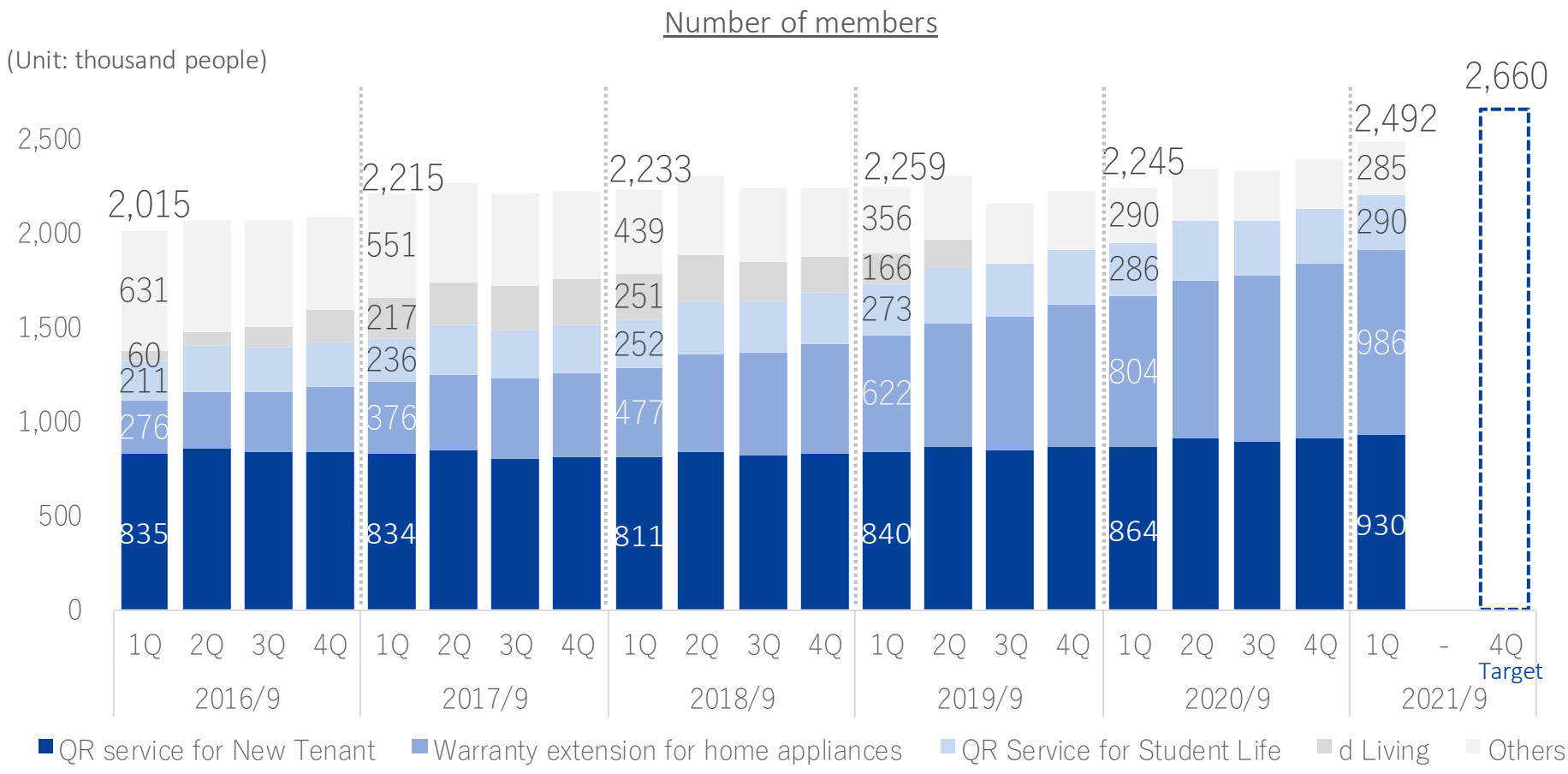
Membership Data

✓ The number of members for 1Q 2021/9: 2,492,000

Number of members: For the first case for 1Q result, the core item of *QR Service for New Tenant* has acquired more than 900,000 members.

Target: Secured +10% growth of members YOY due to the sales increase of existing items and aim at exceeding the target by promoting tie-up with new business alliance partners.



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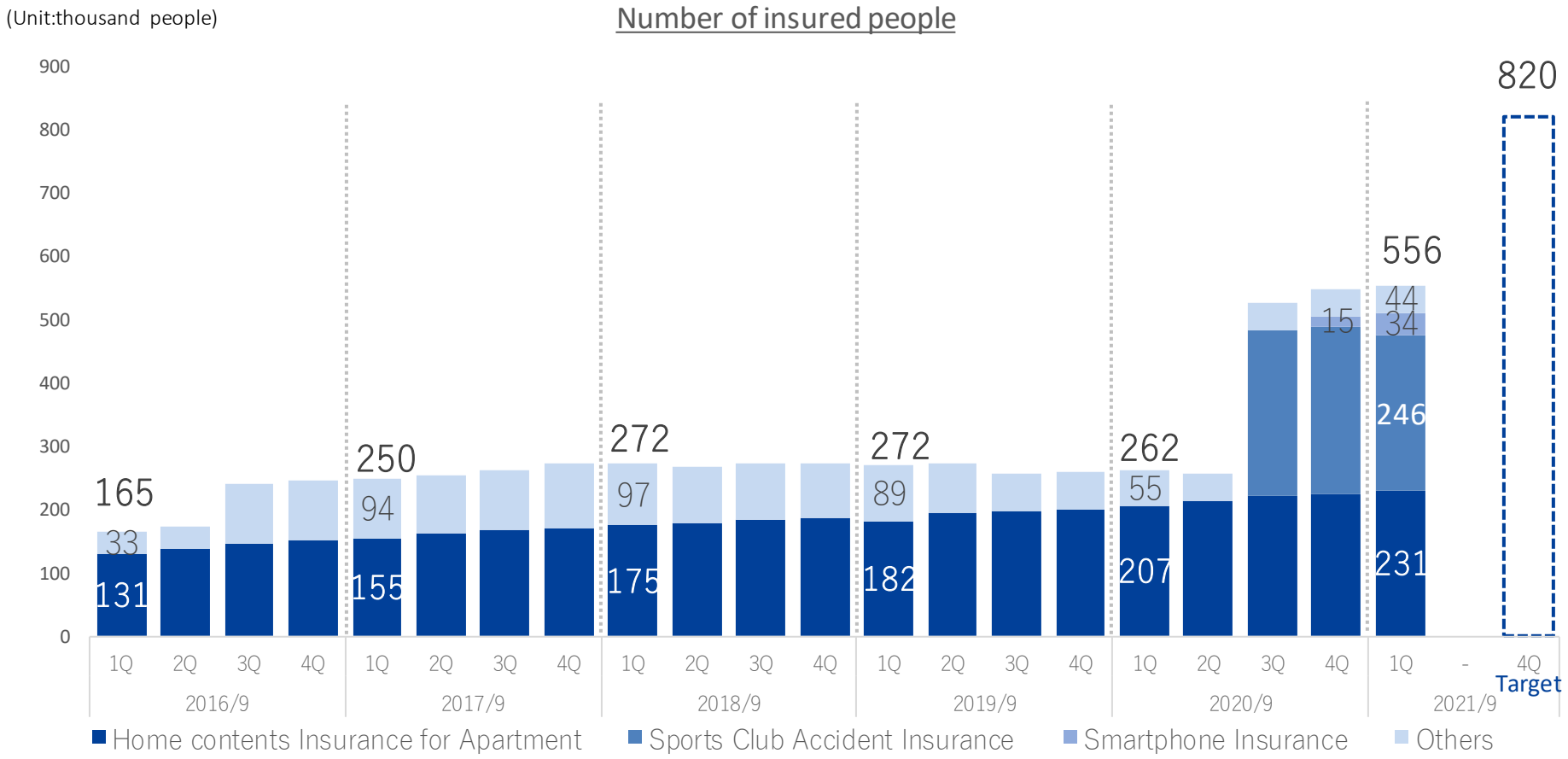
Insurance Data

✓ The number of insured people for 1Q 2021/9: 556,000

Home contents Ins.: The core item of *Home contents Insurance for Apartment* has continued to increase in a robust manner.

Target: Both home contents ins. in the form of group insurance and collaboration with *Nippon Life Insurance Co.* is coming up soon.



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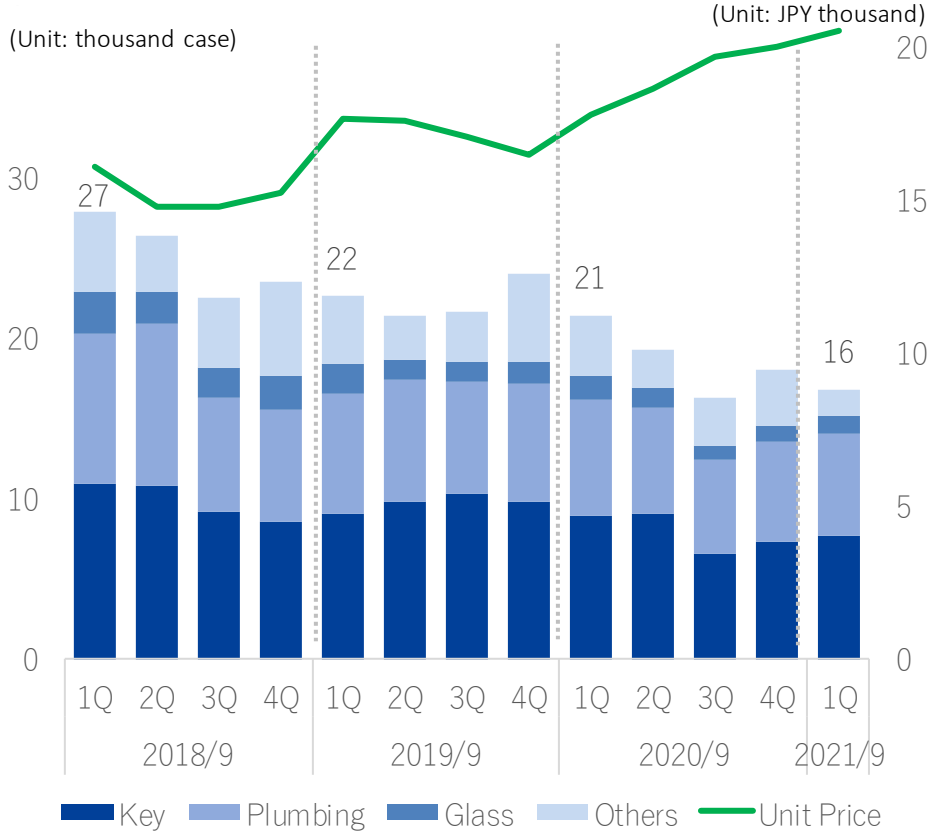
Emergency Services Data

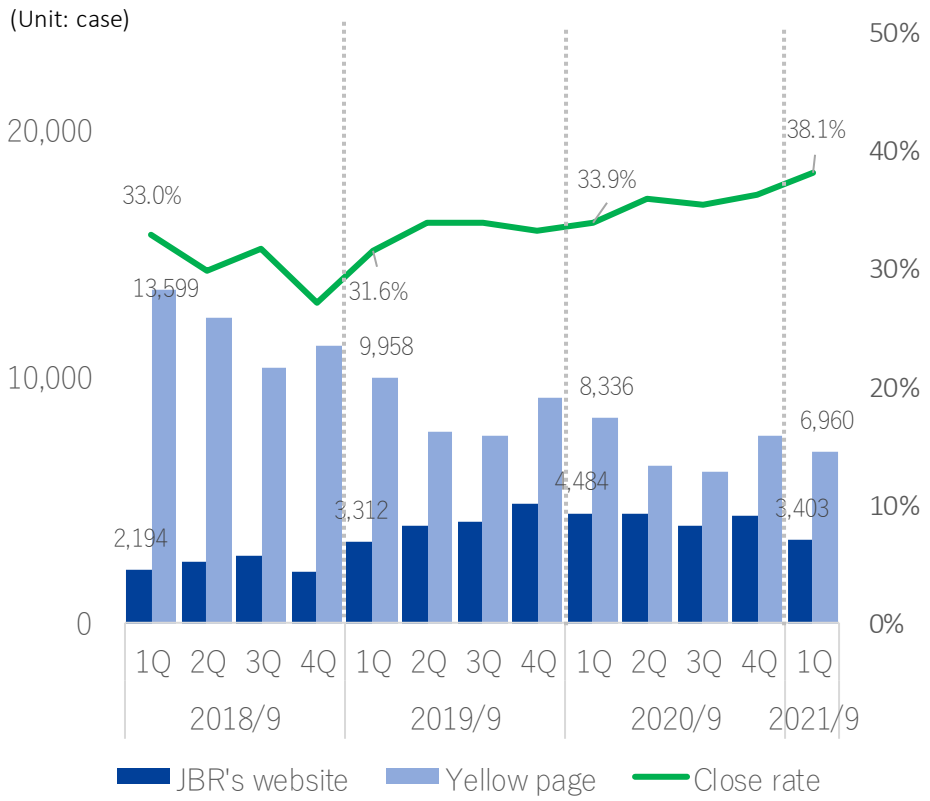
✓ The number of works for 1Q 2021/9: 16,000

The number of works: The number of works for keys, plumbing, glass has bottomed out in 3Q of the previous FY and been recovering on a continuous basis.
The number of incoming calls has drastically increased after the middle of December due to wave of cold weather in Japan.

Number of service provided + JBR commission rate



Number of service by major media + close rate



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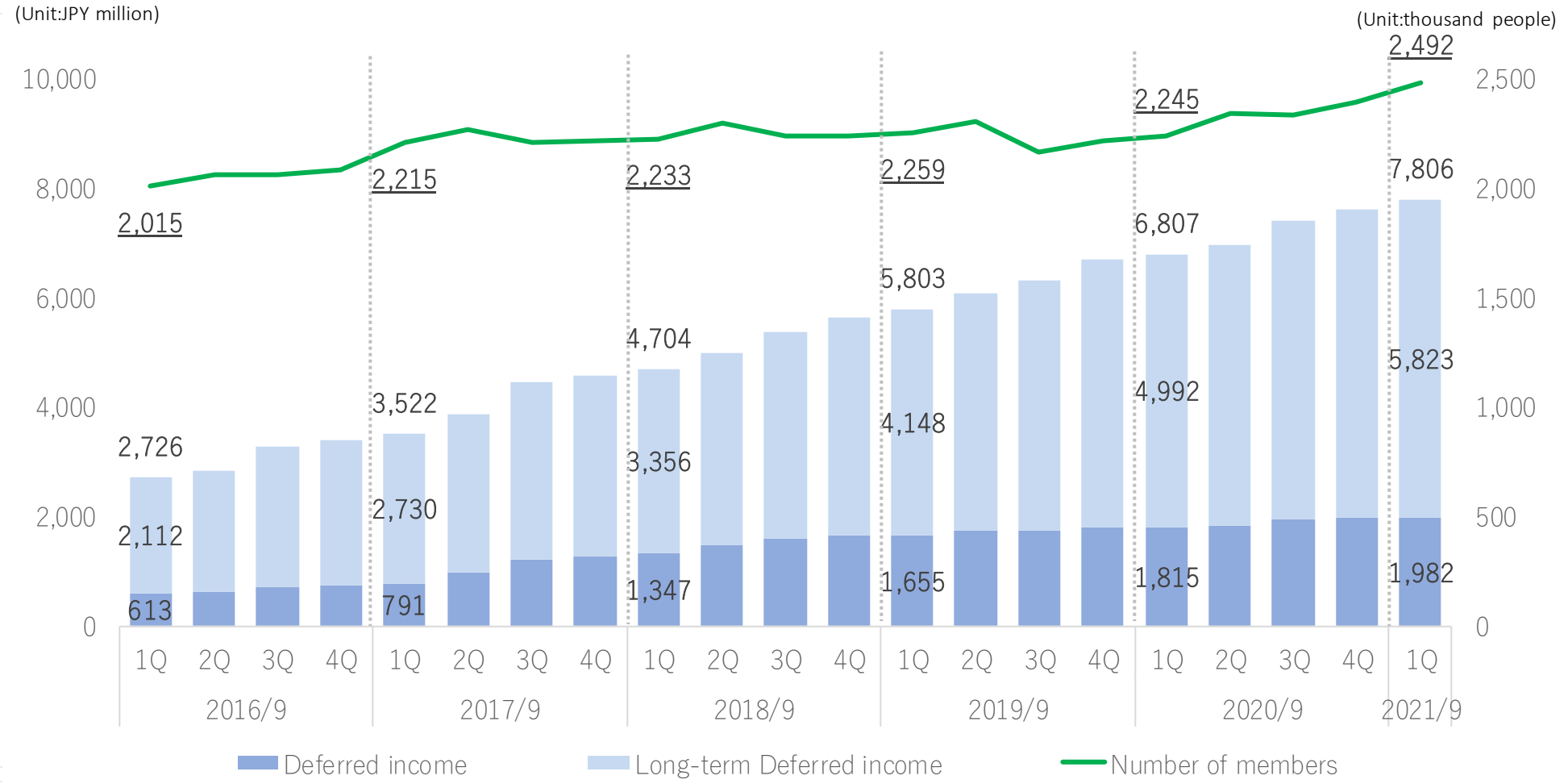
Deferred Income Data

✓ Deferred Income for 1Q 2021/9: JPY 7,806 Million

The deferred income has increased on a continuous basis as we could smoothly acquire members for our core service of Membership.



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②TOPICS

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Living Link – Improving the content of service

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✓ **Living Link, application exclusive for members: Exceeded more than 100,000 downloads.**

We will move forward with developing services which are attractive for both tenants and real estate companies.

Function Name of Service	Content
Notification Bulletin board function	It will change the way of communication between tenants and real estate companies, such as solving the troubles “I cannot take incoming call as I am on duty”.
Video calling feature Video contents	Our specialist staffs support to solve troubles for tenants through webcam. Customer can sensuously explain the issue via “hand-written chat”.
“Torisetsu” Instruction manual	Able to unify the instruction manual on a paperless basis. Contributing to decreasing the man-hours for both customers and real estate companies.
Life Cycle Concierge	Offering various attractive services with the special discount.



The above mentioned services are the only one part of the function of Living Link.
We have been working on developing new services by making use of AI.

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Growth Strategy of Membership Business

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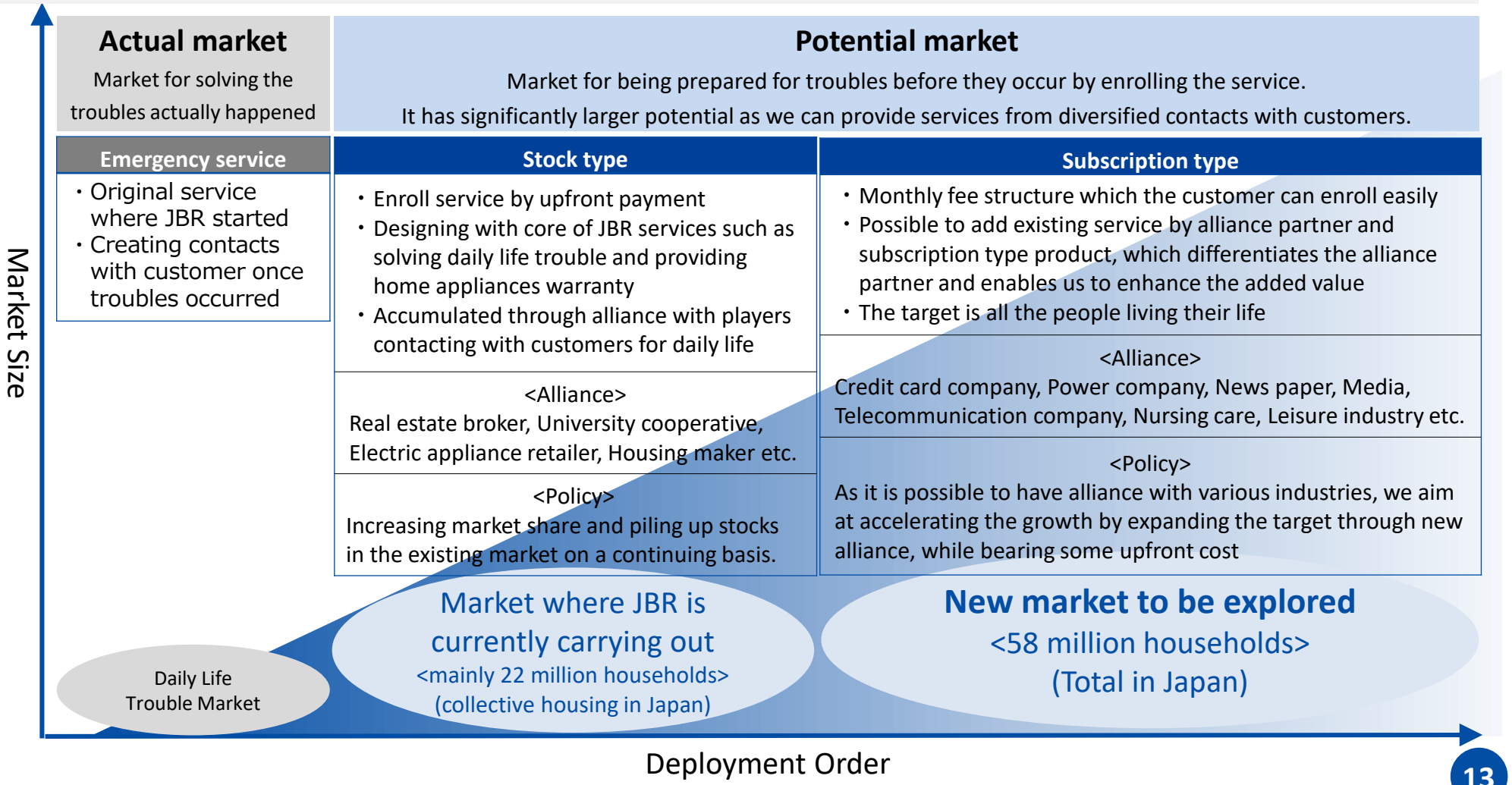
✓ Aiming at growth and acquisition of members in the potential market expanded highly.

Stock type: For acquiring stock type members, we expect to further grow by penetrating into potential market.

Subscription type: We aim at pushing up the business result through acquiring members via existing partners and promoting new partners.



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Growth Strategy of Insurance Business

✓ Accelerated to go into new market and products based on our growth base with Home contents ins.

Accelerating expanding the casualty insurance such as **home contents insurance in the form of group insurance** which will be launched soon.
We are to soon start selling insurance collaborated with ***Nippon Life Insurance Co.*** and promote multi-product and multi-channel strategy.

■ Multi-Product & Multi-Channel Strategy

Product \ Market	Existing	New
New	New Product × Existing Market <Policy> To develop new product with the focus on real estate property market, which is our major sales channel. <Product category> Product for property management and landlord such as fire ins. **Home contents ins. in the form of group contract**	New Product × New Market <Policy> To seek for multi-product & multi-channel through alliance partners who has strong sales channel, product planning and development ability. <Product category> Product planning through discussion with alliance partners. Product for the sales channel of ***Nippon Life Insurance Co.*** and *Seven Bank, Ltd.* with which we have capital tie-up.
Existing	Existing Product × Existing Market <Policy> To strengthen the sales channel by expanding sales agency network and promote market penetration. <Product category> **Home contents ins.**, Bicycle ins., **Smartphone ins.**, etc.	Existing Product × New Market <Policy> To seek for creating new market in horizontal development by utilizing alliance and new tie-up of our group. <Product category> To seek for product development along with each existing procedure such as lawyer insurance

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③Supplementary Materials

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Corporate Summary

Corporate Name	Japan Best Rescue System Co., Ltd.	
Establishment	February 1997	
Head Office	Urbannet Fushimi Bldg., Nishiki 1-10-20, Naka-ku, Nagoya City	
Tokyo Head Office	Otemachi Nomura Bldg., Otemachi 2-1-1, Chiyoda-ku, Tokyo	
Board members	Representative Director	Mr. Nobuhiro Sakakibara
	Director	Mr. Mitsuhiro Wakatsuki
	Director (Non-executive)	Mr. Norio Shiraishi
	Director (Non-executive)	Mr. Housei Iwamura
	Director (Non-executive)	Mr. Akio Hamaji
	Full-time company auditor	Mr. Masakatsu Sawada
	Auditor (outside)	Mr. Tetsuroh Yoshioka
	Auditor (outside)	Mr. Hiroyuki Ooshida
Number of Employees	Consolidated basis: 244, Non-consolidated basis: 195 ※as at end of FY 2020/9, only full-time employees	
Capital	JPY 780 Million	
Listed stock exchanges	Tokyo Stock Exchange 1st Section (listed in September 2007) Nagoya Stock Exchange 1st Section (listed in November 2007)	

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Corporate History

Start-up phase | Growth phase | Reorganization phase | 2nd start-up phase

August 1999
Changed the corporate name to Japan Best Rescue System

August 2005
Listed on Mothers

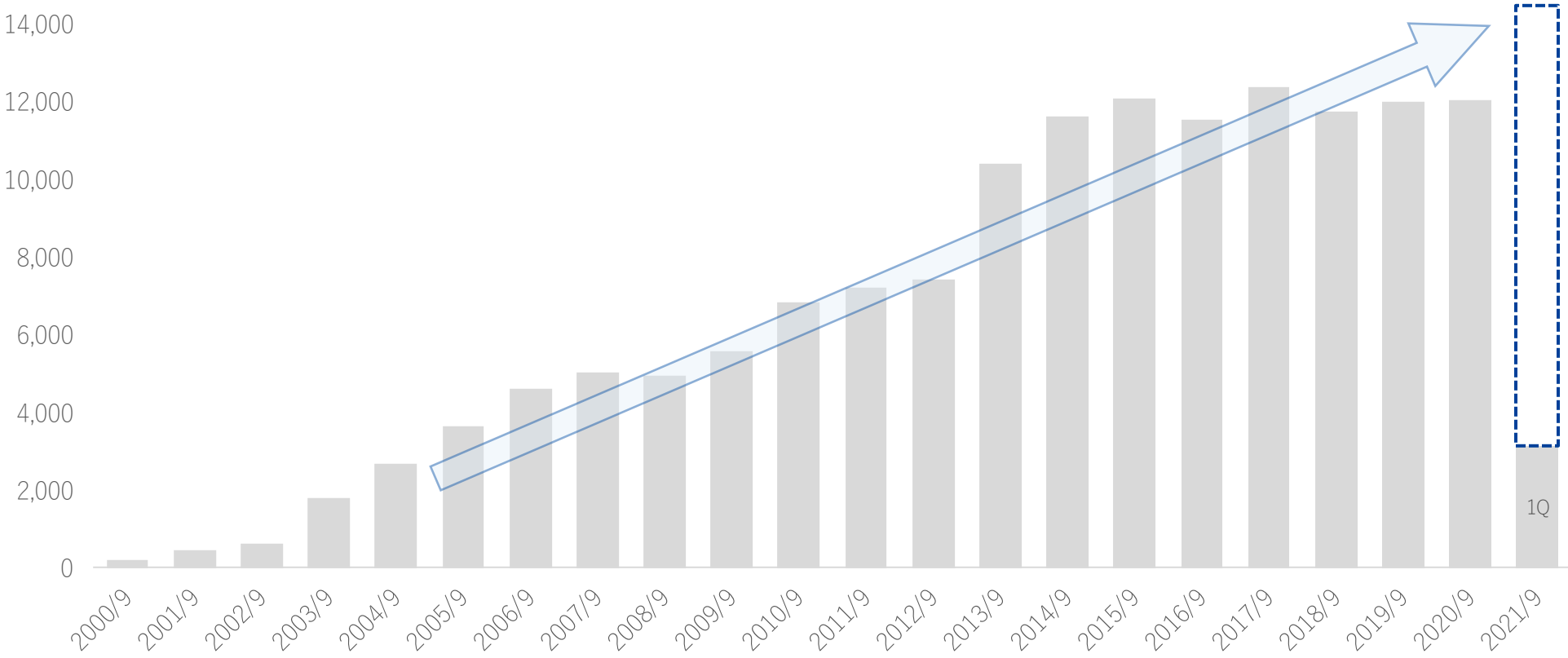
September 2007
Listed on 1st Section of Tokyo Stock Exchange

October 2008
Acquired Japan Small Amount and Short-term Insurance Co., Ltd.

October 2015
Reorganized the JBR grp.

October 2016
Started medium-term plan

(Unit: JPY million)



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Business Model

Segment <Name>	Profit structure Sales breakdown*	Our service	Customer attraction
<Emergency>	Flow 11.8%	QR service (general customers)	Website Yellow page
<Membership>	Stock Subscription 50.4%	QR service (membership customers) Problem solving for keys, plumbing, window pane and other various daily life troubles for 24 hours a day, 365 days a year	Alliance Companies: Real estate broker, University cooperative, Credit card, Electric company, Travel agency etc.
		Warranty extension for home appliances	Alliance Companies: Electric appliance retailers, DIY, Housing maker, etc.
<Insurance>	Stock 34.3%	Home contents insurance also other various unique insurance (Small amount short term & Casualty)	Alliance Companies: Real estate broker, Sportsclub operator, Broadband business, etc.
<Repair>	Flow 2.0%	Repair of value added materials (wood, stone & metal)	Alliance Companies: Housing maker, Hotel, Commercial facility, etc.
<Life & Technology>	Recurring 1.5%	Power retail business, AI application	Alliance Companies: Real estate broker

Call Center

Customer

*End of FY2021/9 1Q

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We would like to convey our emotion of “thank you” to more people through our corporate activity slogan **“WE HELP PEOPLE IN NEED”**.

Disclaimer

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