

Summary of Consolidated Financial Results for the Second Quarter Ended September 30, 2019

Raysum, Co. Ltd.

Nov. 2019



Financial Highlight for the Second Quarter Ended September 30, 2019



Consolidated P/L Performance Trends

Unit million yen

| | FY ended Mar 2018 Results | FY ended Mar 2019 Results | FY ended Mar 2020 | |
|---|------------------------------|------------------------------|-------------------|-------------------|
| | | | Plan | Results(6 months) |
| Net Sales | 44,274 | 58,547 | 69,000 | 17,806 |
| Operating Income | 11,309 (25.5%) | 10,990 (18.8%) | 12,050 (17.5%) | 2,449 (13.8%) |
| Ordinary Income | 10,953 | 10,904 | 11,850 | 2,290 |
| Profit attributable to owner of parent | 9,234 | 7,894 | 7,700 | 1,631 |

Segment P/L Performance Trends

Unit million yenc

| | | FY ended Mar 2018 Results | FY ended Mar 2019 Results | FY ended Mar 2020 | |
|-----------------------------|------------------|------------------------------|------------------------------|-------------------|--------------------|
| | | | | Plan | Results (6 months) |
| Wealth Management | Net Sales | 37,641 | 51,884 | 60,000 | 13,993 |
| | Operating Income | 10,513 | 10,791 | 12,000 | 2,270 |
| Property Management | Net Sales | 3,244 | 4,570 | 5,000 | 2,585 |
| | Operating Income | 1,109 | 1,144 | 1,000 | 676 |
| Servicing Business | Net Sales | 2,269 | 381 | — | — |
| | Operating Income | 234 | 2 | — | — |
| Other Business | Net Sales | 1,118 | 1,711 | 4,000 | 1,226 |
| | Operating Income | 0 | △ 336 | △ 250 | △ 213 |
| Total | Net Sales | 44,274 | 58,547 | 69,000 | 17,806 |
| | Operating Income | 11,857 | 11,601 | 12,750 | 2,733 |
| Adjustment of All Companies | Net Sales | — | — | — | — |
| | Operating Income | △ 548 | △ 610 | △ 700 | △ 283 |
| Consolidated | Net Sales | 44,274 | 58,547 | 69,000 | 17,806 |
| | Operating Income | 11,309 | 10,990 | 12,050 | 2,449 |

Consolidated B/S Performance Trends

Unit million yenc

| | FY ended Mar 2018 | FY ended Mar 2019 | FY ended Sep 2020 |
|--|----------------------|----------------------|----------------------|
| Current assets | 68,009 | 66,669 | 68,011 |
| Cash and deposits | 20,634 | 22,075 | 23,213 |
| Real estate for sale (including sale in process) | 39,009 | 41,688 | 41,677 ※1 |
| Purchased receivable | 5,887 | – | – |
| Advance payments-trade | 269 | 1,201 | 961 |
| Accounts receivable – other | 2,210 | 1,705 | 2,158 |
| Non-Current assets | 8,459 | 9,729 | 9,545 |
| Property, plant and equipment and intangible assets (Land, software asset, etc.) | 2,758 | 4,430 | 4,283 |
| Investments and other assets (Investment securities, etc.) | 5,700 | 5,298 | 5,261 |
| Total assets | 76,469 | 76,398 | 77,556 |

| | FY ended Mar 2018 | FY ended Mar 2019 | FY ended Sep 2020 |
|--|----------------------|----------------------|----------------------|
| Current liabilities | 3,128 | 6,743 | 4,629 |
| Short-term loans payable (including current portion of long- term loans payable) | 1,352 | 2,084 | 1,200 ※2 |
| Other accounts payable, deposits received, etc. | 1,776 | 4,659 | 3,426 ※3 |
| Non-current liabilities | 25,129 | 26,333 | 30,202 |
| Long-term loans payable | 20,937 | 21,420 | 25,336 ※2 |
| Deposits received from tenants | 4,167 | 4,781 | 4,750 |
| Non-current liabilities other than the above | 25 | 132 | 113 |
| Net assets | 48,211 | 43,322 | 42,724 ※4 |
| Total liabilities And Net assets | 76,469 | 76,398 | 77,556 |
| Equity ratio | 63.0% | 56.7% | 55.1% |

OVERVIEW OF BUSINESS

- No change is made to the values of the full-year plan
- Already secured necessary commodity inventory
- Steadily progressing with sales to achieve plan

Status of Sales for the First Six Months of the Fiscal Year in Wealth Management Business

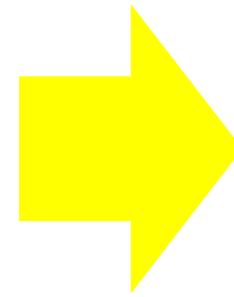
| | | FY ended March 2018 Results | FY ended March 2019 Results | FY ending March 2020 | |
|-------------------------------|---------------------|--------------------------------|--------------------------------|----------------------|---------------|
| | | | | Plan | 1Q+2Q Results |
| Wealth Management Business | Net Sales | 37,641 | 51,884 | 60,000 | 13,993 |
| | Operating Income | 10,513 | 10,791 | 12,000 | 2,270 |

Net Sales Rate of progress 23%

Profit Rate of progress 19%

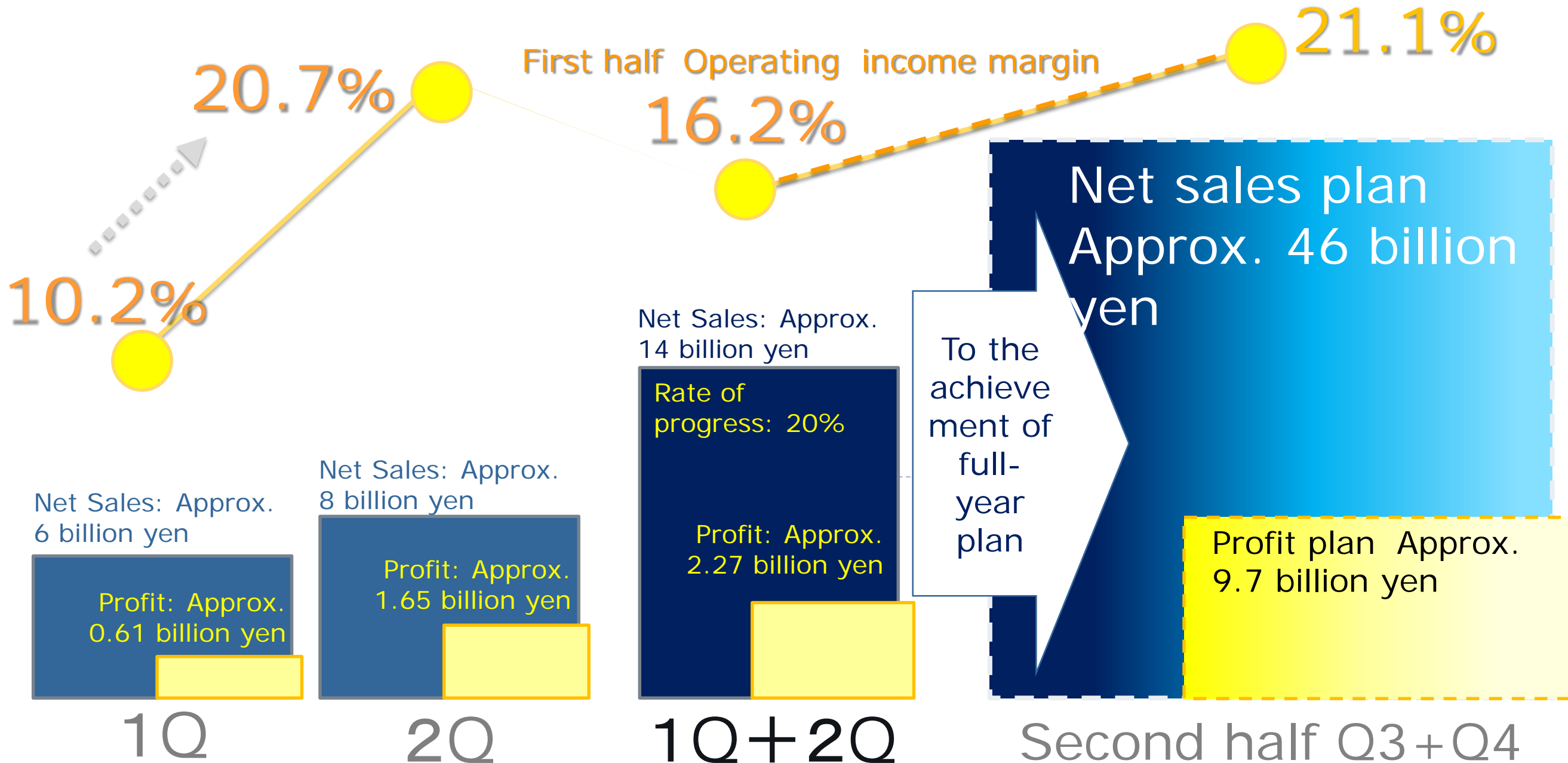
- ✓ Number of products sold was the same as that in the previous year
- ✓ Low-price-range products sold quickly

First half: Concentration of low-price-range products

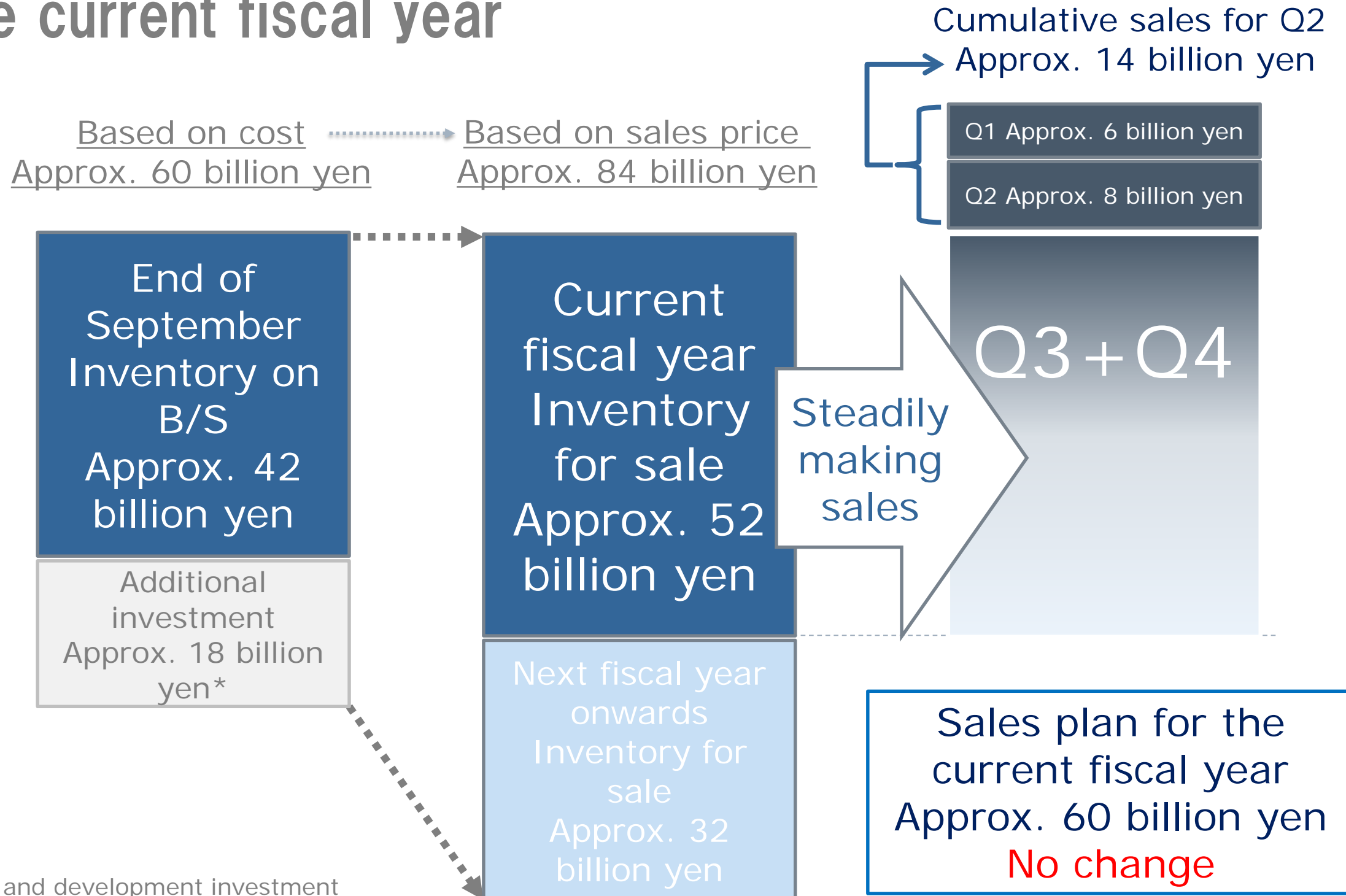


Second half: Scheduled to sell high-price-range products

Second half Profit margin plan

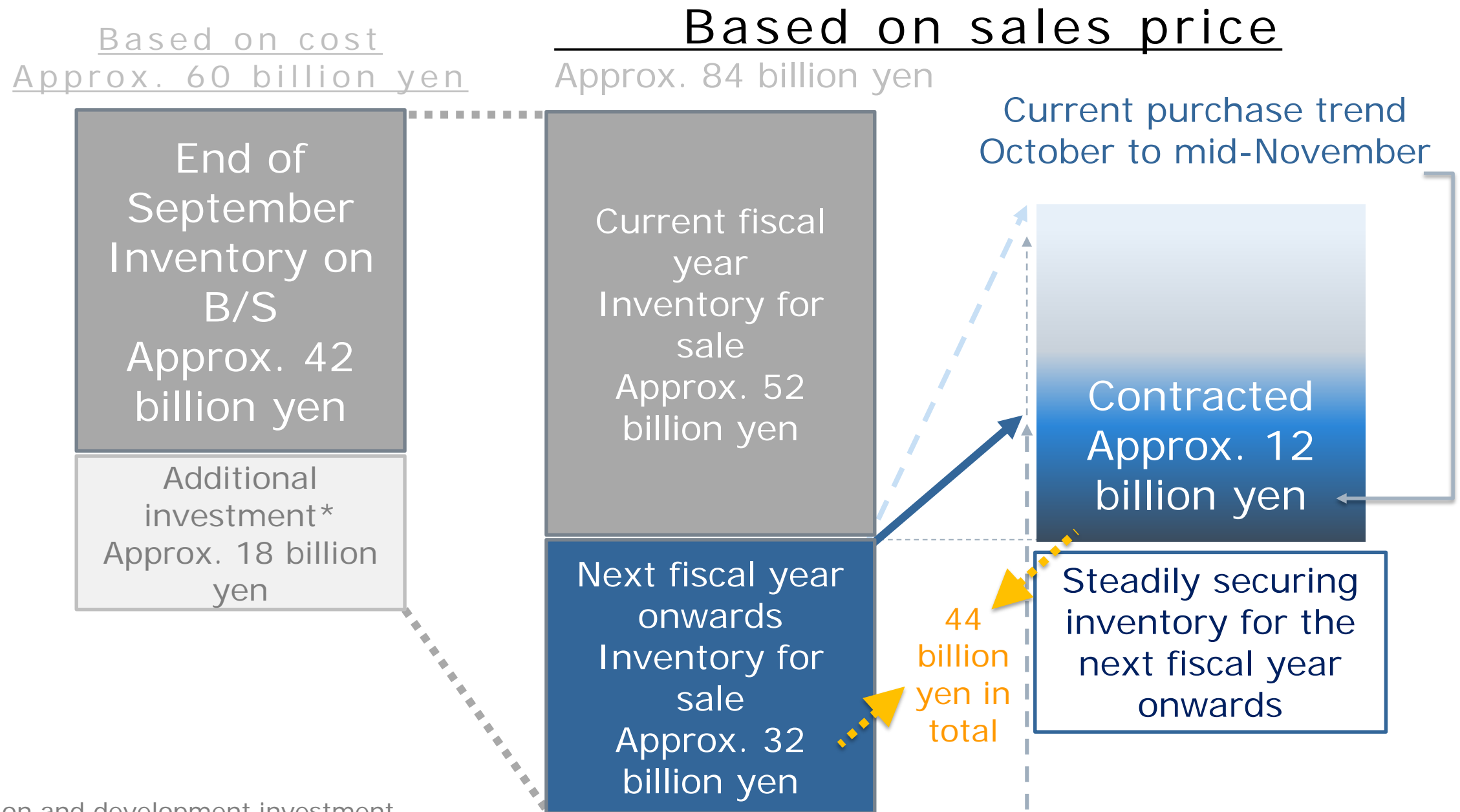


Sufficiently secured inventory for the current fiscal year



*Renovation and development investment necessary for commercialization

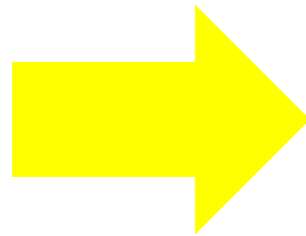
Also steadily secured inventory for the next fiscal year onwards



*Renovation and development investment necessary for commercialization

Central Tokyo: Meguro Ward Ikejiri-Ohashi Project

Before
CF Zero



After
CF 12 million per month



Training institute of university hospital



Lower floor:
Company supporting startups

Upper floor:
Retinal detachment surgery center
Advanced medical base corresponding to an aging society



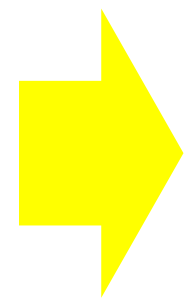
Middle floor:
Authorized nursery school
A facility in central Tokyo supporting women's advancement in society



Example of Expansion to Regional Cities

(400,000 beds per year at community hostels)

Providing services in 13 languages,
and accepted guests from
approximately 100 countries until
now



Pursuing the value of
interaction with life and
cultural communities



Opened in December 2015

Nishiarai, Tokyo

Opened in September 2016

WeBase Kamakura

Providing services in 6 languages
Welcoming guests from 80 countries

Opened in October 2018

WeBase Kyoto

Providing services in 11 languages
Welcoming guests from 92 countries

Opened in December 2018

WeBase Takamatsu

Providing services in 6 languages
Welcoming guests from 57 countries

Opened on October 11, 2019

WeBase Hiroshima

Welcoming
guests from 40
countries

Opened in July 2017

WeBase Hakata

Providing services in 5 languages
Welcoming guests from 51 countries

RAYSUM

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お問い合わせ先/Contact

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