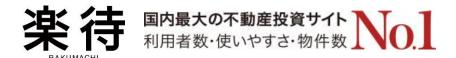
# Financial Results FY 1Q 7/2021





## **Corporate Vision**

# Creating the fair RE investment market

RE: Real Estate

Supporting the RE investors

Providing them with the knowledge and latest information

Creating the sound RE industry

Promoting fair transaction and legal compliance

Improving the information of RE

Providing the accurate price information to the market

## Management Policy FY 7/2021

- 1. To promote Digital Transformation of RE investment market
- 2. Target: 5,000 RE agencies using Property Listing Service that is SaaS model (※1)
- 3. To improve a degree of recognition of Rakumachi using You Tube

※ 1 ) Software as a Service revenue model

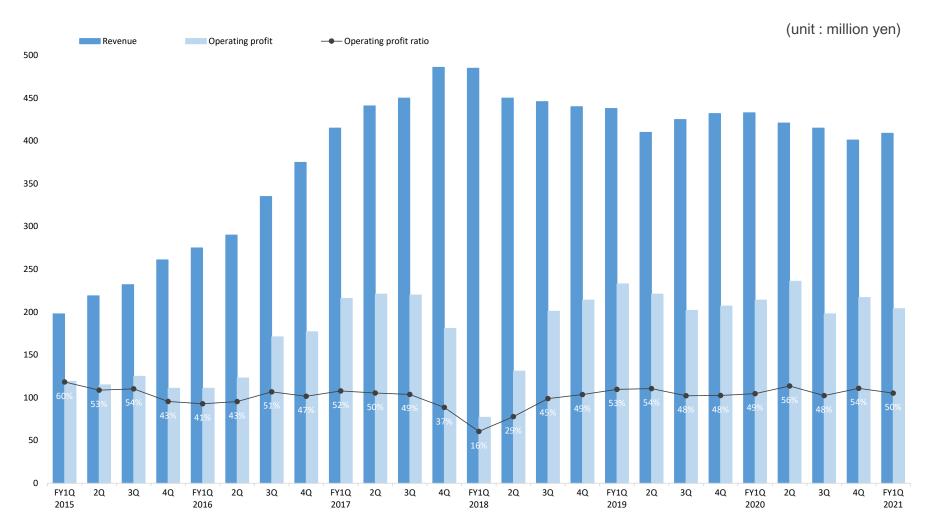
## Overview

	FY1Q/2020	FY1Q/2021	YonY	
Revenue (unit : million yen)	433	409	-24	-5.6%
Operating profit (unit : million yen)	214	204	-10	-4.8%
Ordinary profit (unit : million yen)	214	204	-10	-4.6%
Net profit (unit : million yen)	140	134	-6	-3.8%
Revenue of Property Listing Service (unit: million yen) (※)	189	201	+12	+6.5%
Ratio of Property Listing Service (unit:%) (%)	44	49	+5	+12.8%
RE agencies using Property Listing Service (unit: number) (%)	4,371	4,294	-77	-1.8%
Number of property listings (unit: thousand)	57	53	-4	-6.4%
Number of users (unit: thousand)	177	222	+45	+25.8%
Page views (unit: million)	23	31	+8	+31.7%

※Property Listing Service is SaaS

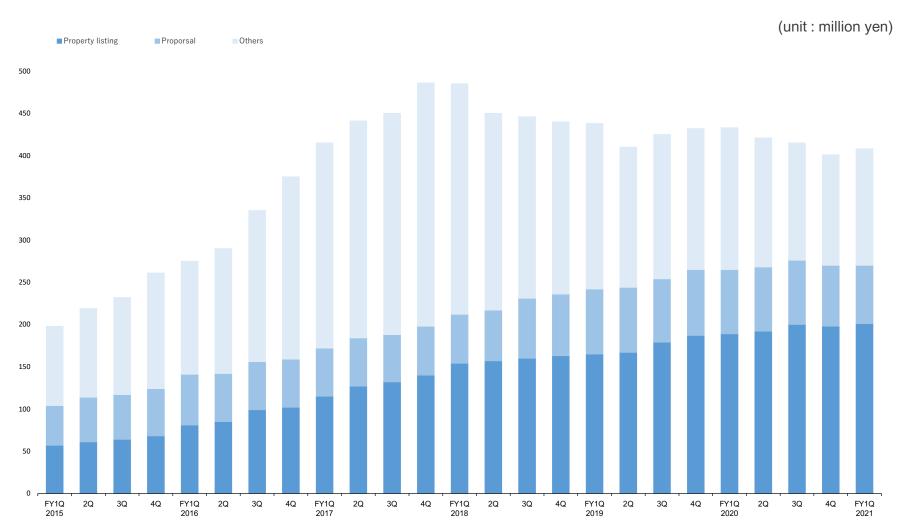
## Quarterly Trend of Revenue and Operating profit

- Revenue is recovering from the impact of the covid-19
- We can remain high profitability, because main service is SaaS



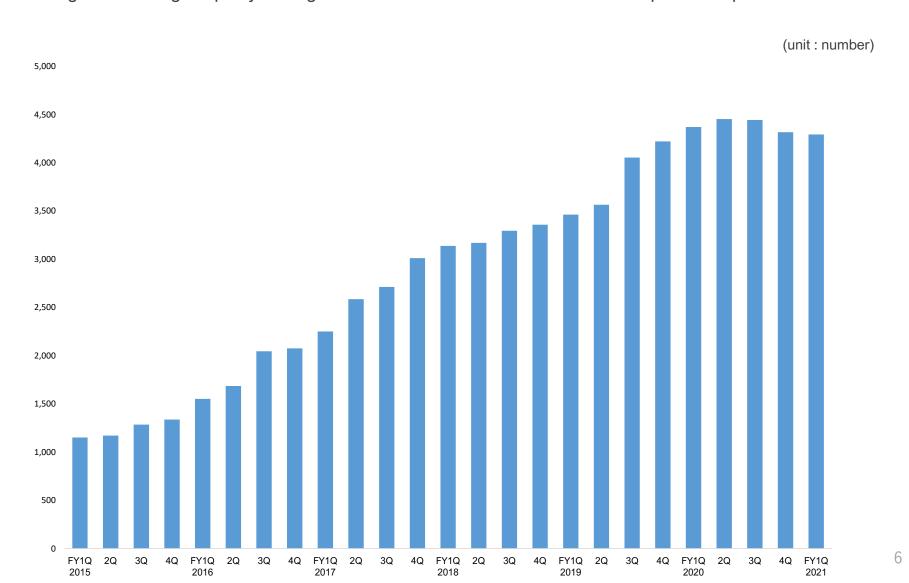
## Quarterly Trend of Revenue by Main Services

- Due to the influence of new Advertising Service, Others is recovering from FY1/2021
- Due to the influence of price revision in some area, Property Listing Service increased



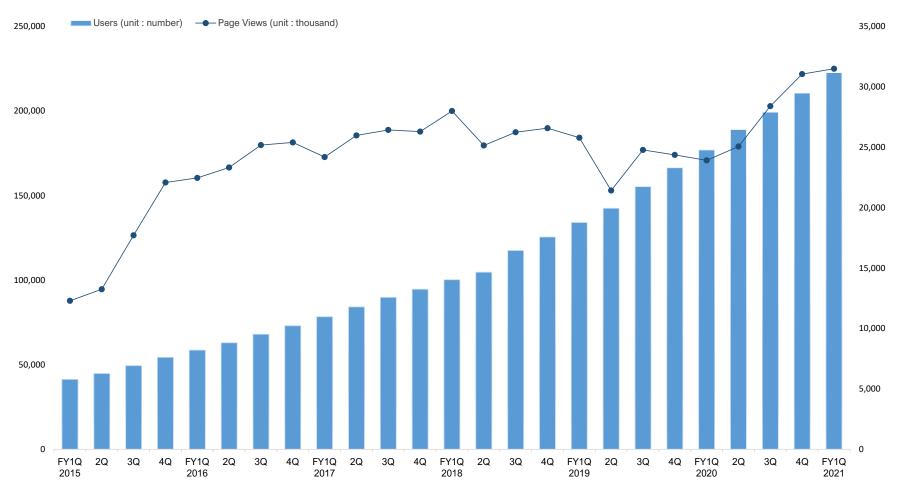
## RE agencies using Property Listing Service

■ RE agencies using Property Listing Service remained the same level as the previous quarter



## Quarterly Trend of Page views and The Number of Users

- Page views increased due to the improvement of the Rakumachi
- The number of users exceeded 200,000 people



## The number of YouTube Rakumachi channel subscribers

The number of subscribers on YouTube Rakumachi channel has greatly increased since FY7/2019 (unit: The number of subscribers) 180,000 160,000 140,000 120,000 100,000 80,000 60,000 40,000 20,000 0 2Q 3Q 3Q 4Q

FY1Q

2020

2Q

FY1Q

2021

4Q

FY1Q

2019

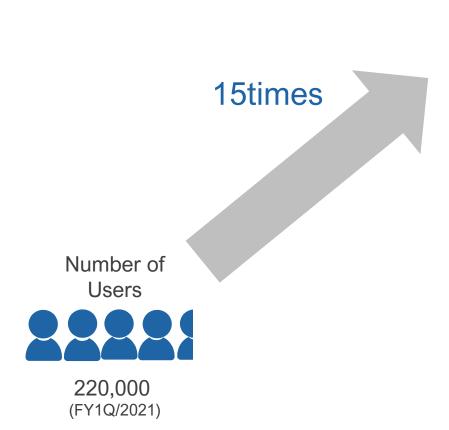
## Forecast for next term performance and dividend

- It is impossible to forecast next term performance, because of the covid-19
  - < The unpredictable contents >
    Revenue of advertising service and seminar service
    Expenses of advertising
- We will pay dividends for shareholder return from FY 7/2021

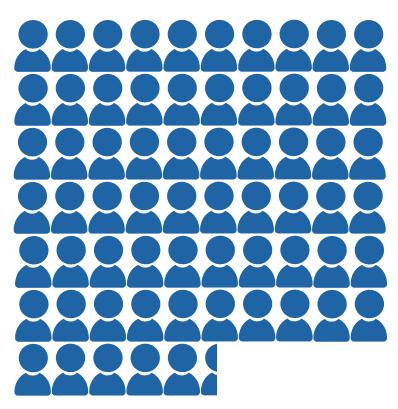
Dividend amount: 5yen per share

Dividend ratio: About 10%

## Market Potential (Users)



#### Number of tax filing with income from RE



3.2 million people (Source: National Tax Agency)

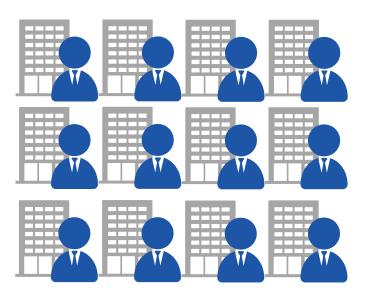
## Market Potential (RE agencies)



4,300

(FY1Q/2021)

#### Number of RE agencies



120,000 agencies (companies) (Source : RE Transaction Improvement Organization)

Number of stores does not be disclosed. There is high possibility that the number of stores is more than that of companies.

## **Topics**

Acquisition of treasury stocks

The purpose of acquisition of treasury stocks
 The Perspective of the stock price and the improvement of return to shareholders

The contents of acquisition of treasury stocks

The total number of stocks 400,000 stocks (maximum)

The total amount of stocks 200,000 thousand yen (maximum)

The term of the acquisition from 15th December 2020 to 30th June 2021

## **Topics**

■ Many people is using our Online Message service exceeding 1,700,000 people.



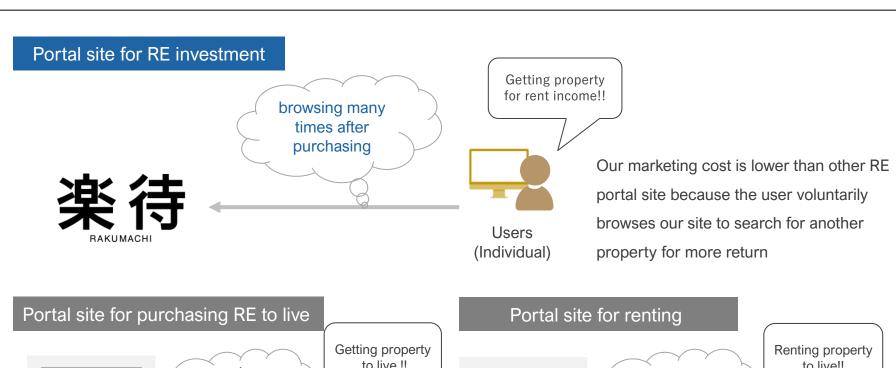
## **Topics**

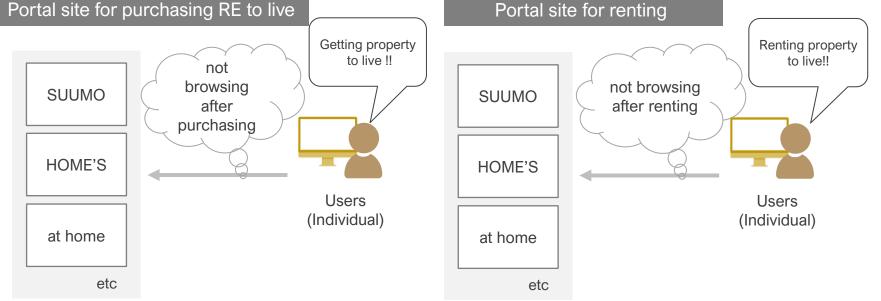
Many people is using our online RE valuation tool for investment.



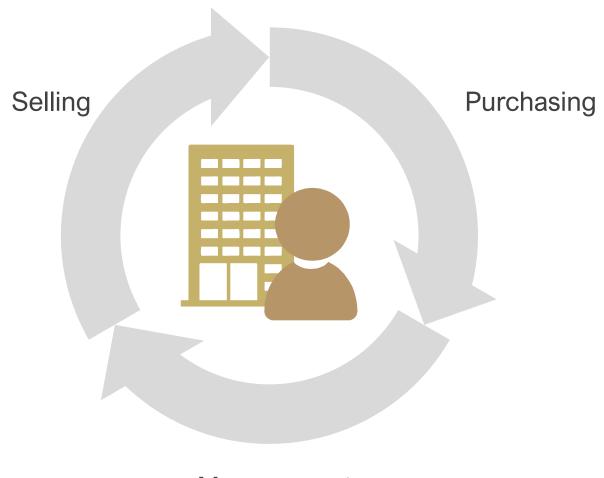
Appendix

## Strength – Lower Marketing Cost



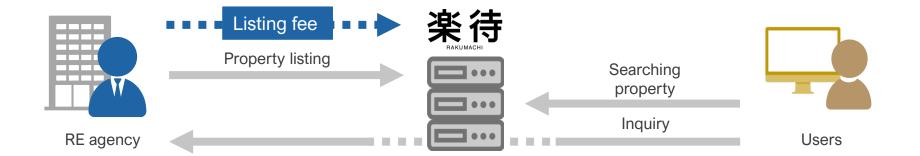


# Strength – All in One Service for RE investment



Management

# Service (1) Property Listing



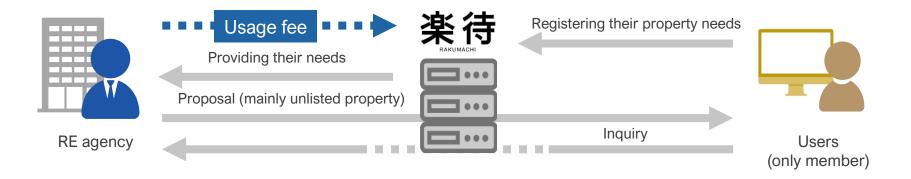
#### The flow of Inquiry



Searching with condition from location, property type and yield

Inquiring RE agency after checking property condition

# Service (2) Proposal



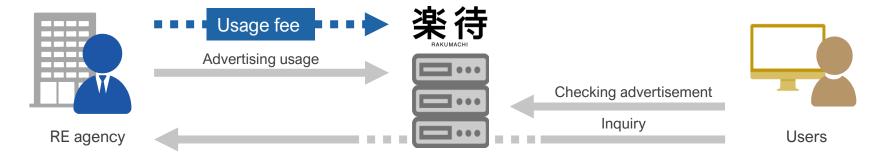
#### The flow of confirming their needs



Searching for users who have the same property needs

Checking their needs, status and inquiry history

# Service (3) Advertising



#### The top screen of PC



#### The advertisement of mail-magazine



#### The seminar advertisement

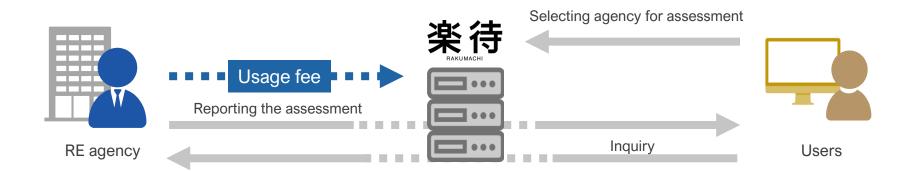


# The top screen of smartphone



: advertisement space

# Service (4) Assessment for selling



#### The flow of requesting assessment for selling

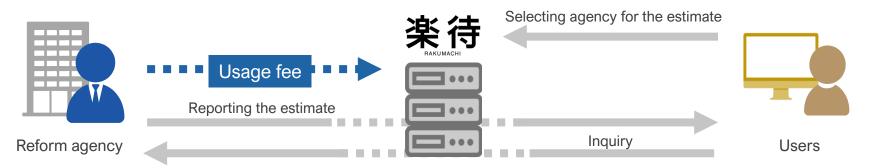






Able to select RE agencies with up to 5

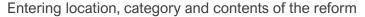
## Service (5) Estimate for Management



XThere are four categories of exterior painting, leasing management, new construction and interior reform

#### The flow of requesting estimate







Able to select Reform agencies with up to 5

## **ESG** initiatives

CSR: Supporting Earth-Life Science Institute(ELSI) and Japan Shogi Association(JSA)



#### Earth-Life Science Institute

We have been supporting ELSI since April 2019
We started the contribution program of Firstlogic Astrobiology



#### Japan Shogi Association

We have been supporting JSA because we hope students realize the importance of logical thinking

## **ESG** initiatives

Rakumachi contributes to solving vacant house problem

#### Vacant house has become a social problem

- Vacant house cause many problems such as collapse for aging, arson and security deterioration
- 13.6% of nationwide houses are vacant houses. (by residential and land Statistical survey in 2018)

#### RE investors are interested in investing in that house

- · Investing in that house is easy to entry because vacant house is low price
- · Needs for investing in that house has increased at Rakumachi

 $\downarrow$ 

#### Vacant house owners can sale properties

#### to RE investors in Rakumachi

- · Using Property Listing Service
- Using Proposal Service

#### Vacant house will be revived for investment properties

RE investors provide tne rental properties for all people



Vacant houses which are published

in Rakumachi

## DX initiatives

- Digital transformation and 5G of RE investment market
- <About 20 years ago>
- RE investment salesmen did business with paper, phone and fax Sales were based on a personal network



#### <About 10 years ago>

"Rakumachi" promoted digitalization of real estate transaction
 RE investment salesmen could reach distant customers with PC



#### <Pre><Pre>ent and future>

With the spread of covid-19
 We can provide video calling on Rakumachi app
 from June 2020 for telework



## DX initiatives

From now on thanks to digital technology,RE transaction is getting smoother. We will have enhanced the value of Rakumachi following services.

- Online message service
- Online application of our services
- Online movie contents release







## **DX** initiatives

All devisions can carry out the planning of the service, so we are going to work on promoting DX not only in specific department but throughout the company.

## Ranking

Firstlogic and Rakumachi was in many rankings

- < Firstlogic >
- 1st The Nikkei NEXT1000 the ranking of growth rate of total asset in 5 years (5th February 2019)
- 29th Great Place to Work Ranking 2019 Small Midsize Entity Segment
- 146th TOYO KEIZAI INC. 
   「The ranking of Operating profit per person 」
- · 156th TOYO KEIZAI INC. The New Corporate power ranking (24th January 2019)
- Encouragement Award 6th the White Company Way Award
- The nomination of Forbes Asia's 200 Best Under A Billion 2018.
- The nomination of \[ \text{Deloitte Touche Tohmatsu Itd Japan Technology Fast 50} \]
- < Rakumachi >
- 1st Degree of Usability (Gomez consulting : June 2019)
- 1st Number of Users (in-company investigation: April 2019)
- 1st Number of Property Listing (Japan Marketing Research Organaization,Inc: June 2019)

## Corporate Profile

Name First logic, Inc. (Stock exchange listing: Tokyo first section, code 6037)

Date of

23 rd Oct. 2005

establishment

33F Hibiya Mitsui Tower, Tokyo Midtown, Yurakucho 1-1-2

**Place** 

Chiyoda-ku Tokyo,100-0006

Business The management of real estate investment portal site Rakumachi

Corporate identity Making the contribution of development of the society

Vision Creating fair RE investment market

This document includes descriptions which are based on information available as of today.
Actual situation mentioned in it would be different from what is was stated because of incidents in the future.