



JBR

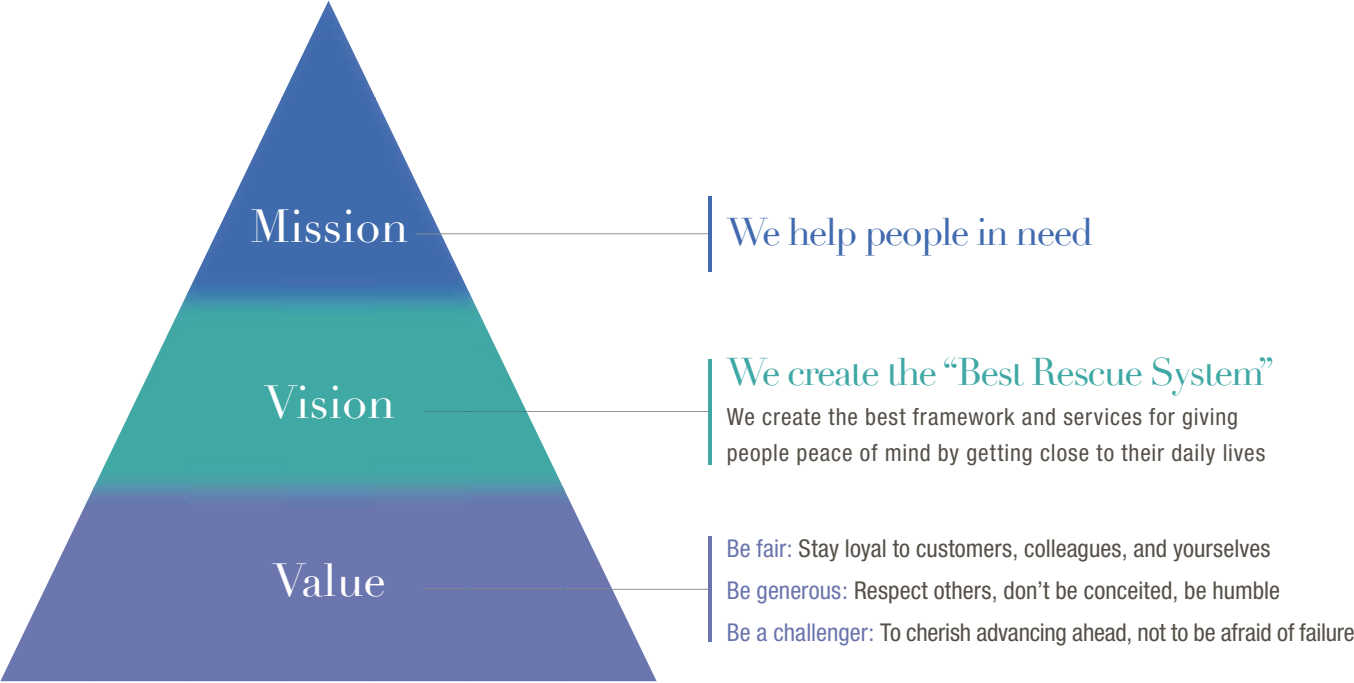
Integrated Report 2022

Japan Best Rescue System Co., Ltd.

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Phone: +81-52-212-9900 (Main line) <https://www.jbr.co.jp/en/>



With the establishment of its new Mid-Term Business Plan (covering FY2022 to FY2024), Japan Best Rescue System Co., Ltd. (JBR) redefined its Corporate Philosophy and established its new MVV (Mission, Vision, Value) System. This offers employees a common guideline in the direction the Group needs to go in the future and the ways of thinking we hold important.



Representative Director & CEO
Nobuhiro Sakakibara

 Career summary

Apr. 1989 Joined ACROSS Co., Ltd.
Jan. 1994 Established NOA, Ltd., Director
Feb. 1997 Established Japan Motorcycle Road Service Co., Ltd. (currently the Company), Representative Director (current position)
Apr. 2004 Director, SECOM WIN CO., LTD.
Nov. 2008 Director, Japan Small Amount & Short Term Insurance Co., Ltd. (current position)
May 2017 Director, JBR ANSHIN WARRANTY Co., Ltd. (currently Japan Warranty Support Co., Ltd.)



In the 25 years since our founding in February 1997, we at JBR have constantly worked toward one of our most important objectives: to help people in need. Of course, appropriate compensation is essential to maintaining an organization that can act systematically to help people in need. While earning that compensation, we have expanded our network of operation partners who directly help people in need; recruited members to form a foundation for providing stable service; expanded the range of our services to extend a helping hand to meet various needs; always taken new challenges as we continued providing services; and repeatedly evolved as a business. As a result, each day a great number of people

thank us for our services, which are guided by the principle of “solving daily life troubles,” that helped them in their needs.

However, our initiatives to help people in need have just begun. Undoubtedly, there are still many people in need in places we have not yet seen or noticed. The spirit of the SDGs, which is to “Leave No One Behind,” is very compatible with our own philosophy. Looking ahead to the next 25 years, we will continue to pursue our grand objective of helping people in need by finding people in need that we have not yet noticed and developing new products and services to extend a hand to them.

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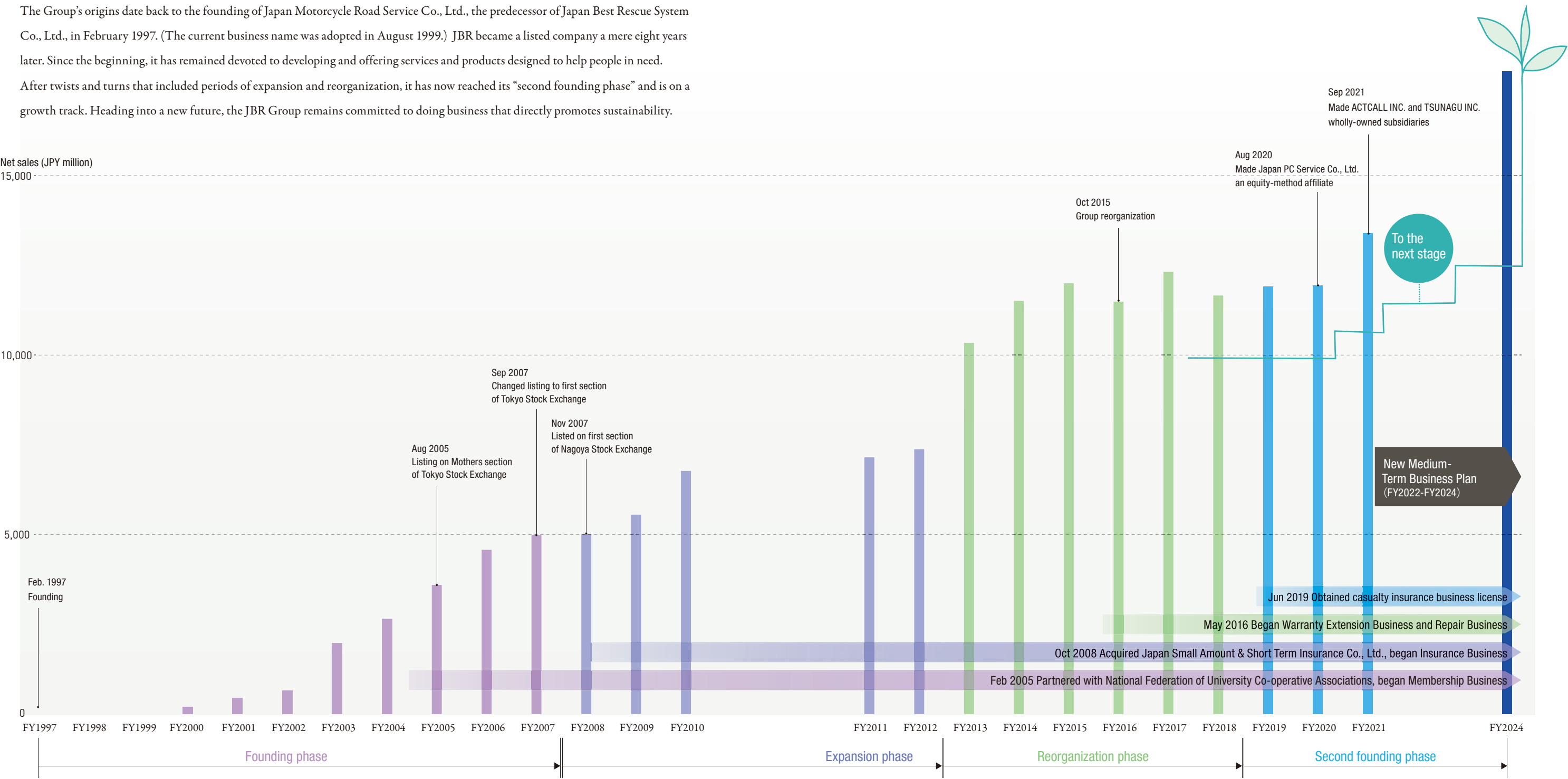
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Throughout its history, the JBR Group has been committed to helping people in need.
As such, the growth of our business itself contributes to social sustainability.

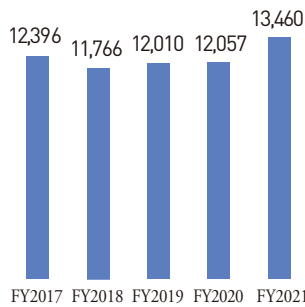
The Group’s origins date back to the founding of Japan Motorcycle Road Service Co., Ltd., the predecessor of Japan Best Rescue System Co., Ltd., in February 1997. (The current business name was adopted in August 1999.) JBR became a listed company a mere eight years later. Since the beginning, it has remained devoted to developing and offering services and products designed to help people in need. After twists and turns that included periods of expansion and reorganization, it has now reached its “second founding phase” and is on a growth track. Heading into a new future, the JBR Group remains committed to doing business that directly promotes sustainability.



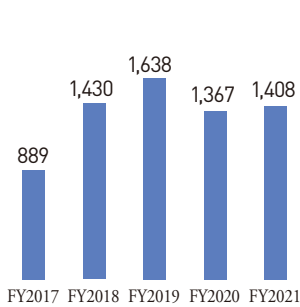


Financial Highlights (Consolidated)

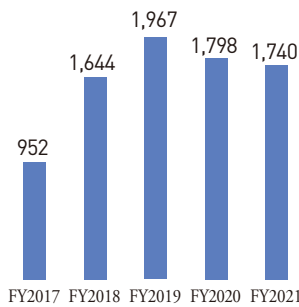
Net sales (JPY million)



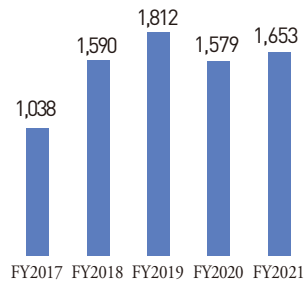
Operating profit (JPY million)



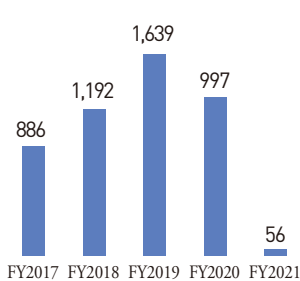
Ordinary profit (JPY million)



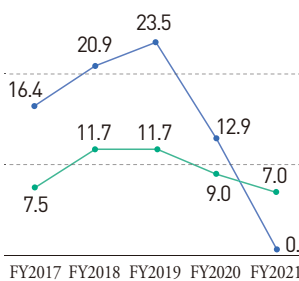
EBITDA (JPY million)



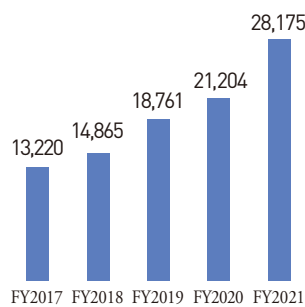
Net profit attributable to owners of parent (JPY million)



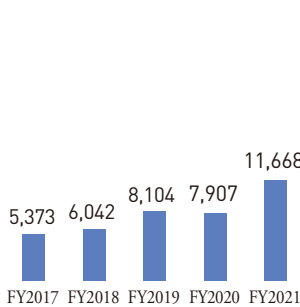
ROA
ROE (%)



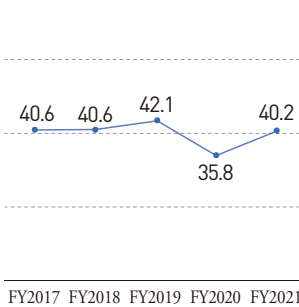
Gross assets (JPY million)



Net assets (JPY million)



Equity ratio (%)

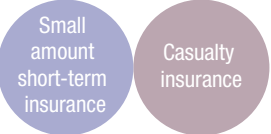


JBR Group Advantages

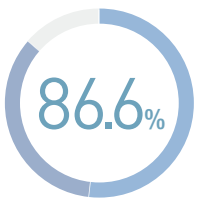
Multi-service format that respond to all types of troubles



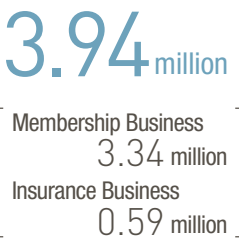
Licensed to sell both **casualty insurance** and **small amount short-term insurance**, JBR is developing numerous products



The ratio of **stock- and subscription-type** sales, which provide stable earnings, to all sales



Number of subscribers, which are increasing as we expand partnerships with a variety of industries



The JBR Group challenge: "We will not leave anyone in need!"
Number of people in need helped

203,586 persons/year

(total service calls for all businesses)

Number of partners covering the last mile

Approx. 10,000

Sales partners: 6,665
Construction partners: 3,200

Building up service expertise and ensuring quality
Contact Centers

7

Managing business efficiently with the smallest organization by using our partnerships and consolidating functions
Net sales per employee

¥39.01 million

*One of the highest productivity in the industry

Strengthening governance!
Percentage of Outside Directors

60%

(Ratio of Outside Directors to all Directors)

*On December 24, 2021, we transitioned to a company with an audit and supervisory committee, with Outside Directors making up 62.5% of Directors (five out of eight)

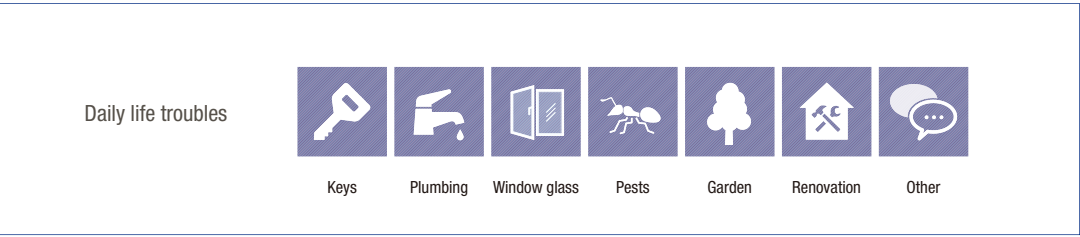
*Among companies listed on the first section of TSE, only 7.7% have a majority of independent outside directors

*All numbers from FY2021



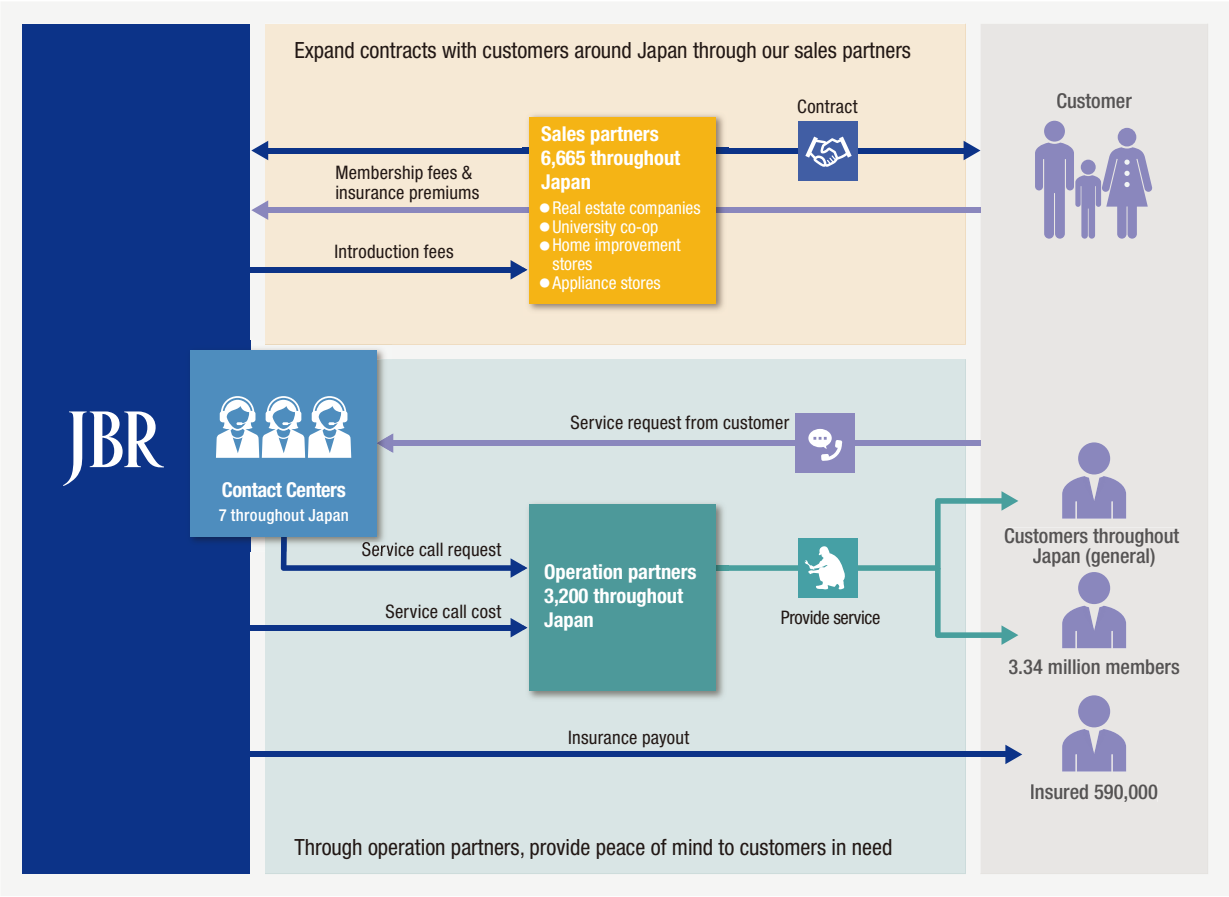
We provide comprehensive daily life troubleshooting services, all through the year and all throughout Japan.

Our “service infrastructure you can count on when in need” has become firmly established, as evidenced by our top share in the collective housing market.

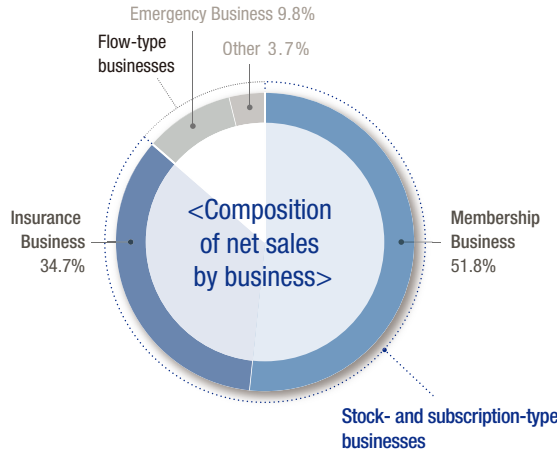


The JBR Group develops and offers an original rescue system for responding rapidly to people's troubles.

The JBR Group's rescue system



*All numbers from FY2021

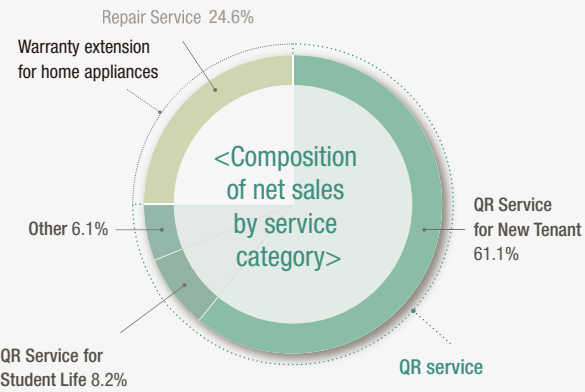


Earnings model

— <Composition of net sales by business>

Almost 90% of net sales from stock- and subscription-type businesses resistant to business environment changes

One of the greatest characteristics of the JBR Group's business model is that nearly 90% of net sales come from stock- and subscription-type businesses, which are resistant to changes in the business environment. Mainly, customers purchase contracts before trouble happens, so we can use that as a stable revenue base while pursuing our growth strategy.

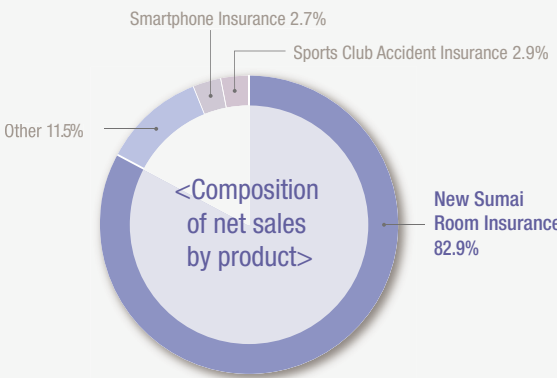


Membership Business

— <Composition of membership fee net sales by service category>

Service available to every household in Japan thanks to partnerships with a broad range of industries

Our Membership Business primarily offers three services: QR Service for New Tenant, QR Service for Student Life, and Warranty extension for home appliances. By carefully designing our products based on our years of expertise, we can partner with a wide range of industry sectors and achieve high profitability in our Membership Business: an operating profit margin of greater than 20%.



Insurance Business

— <Composition of insurance premium income by product>

Expanding various products, especially household belongings insurance, using relationships with real estate companies

In the Insurance Business, with the stable revenue base provided by our New Sumai Room Insurance for household belongings (which makes up more than 80% of our insurance premium income), we are developing a variety of products to meet the needs of partner businesses in a range of industries. Two Group companies selling small amount short-term insurance and casualty insurance are the heart of this business. They offer a wide range of solutions, from highly flexible and unique products to large-scale products for group insurance.

*All numbers from FY2021



Together with our network of some 10,000 partners throughout Japan, we pursue our mission “We Help People in Need” as we aim to achieve a society where no one is left behind.

■ Megatrends

Opportunities

- Growing need for outsourcing as the working population declines
- Changing lifestyles, more diverse values
- Predicted increase in service industry workers
- Expanding market for small-scale & light renovation
- Simple office work, AI, labor savings, 6G, connected society

Risks

- Gradual decline in population, households, new construction
- Increasing risk of abnormal weather and natural disasters
- Increasingly difficult to secure personnel
- Business becoming borderless, more diverse personnel

■ Initiatives

Business model See pp. 07-08

We provide comprehensive daily life troubleshooting services all through the year in response to all manner of troubles

Emergency Business

Membership Business

Insurance Business

Repair Business

Growth strategy See pp. 11-24

Execute FY24 Medium-Term Business Plan (FY2022 to FY2024) and thereby overcome issues that have surfaced

Redefine Corporate Philosophy

Rebuild business portfolio

Establish Group-wide strategy

Change the organizational system

■ Goal

■ Mission See p. 01

We Help People in Need

■ Our Ideal Best Rescue System See pp. 27-28

We do not leave anyone in need

■ Business activity materialities See pp. 25-26

- ▶ Supporting the aging society
- ▶ Promoting the use of the latest technology
- ▶ Ensuring both eco-friendliness and service quality

■ SDG initiatives See p. 25

Help achieve a sustainable society by solving social issues and thereby growing our business



■ Major capital and track record

[Social capital]

Network of partners across Japan

- Sales: 6,665
- Operation: 3,200

Abundant service content closely connected to people's homes and lives

Overwhelming number of subscribers

- Membership: 3.34 million
- Insurance: 0.59 million

Total: 3.94 million

[Intellectual capital]

Operation record: 55 million

[Human capital]

Employees: 345

[Financial capital]

Net assets: ¥11.6 billion

[Track record]

Number of people in need helped

203,586
persons/year
(total service calls for all businesses)

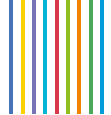
*All numbers from FY2021

■ Management foundation See pp. 33-40

Corporate governance

Compliance

Risk management



“We Help People in Need” Best Rescue System Takes Its Efforts to the Next Stage!

Representative Director & CEO
Nobuhiro Sakakibara



A look back on the previous Medium-Term Business Plan

“What is JBR?” How to break through to the next stage of growth: the starting point that’s embedded in our name

Under the previous Medium-Term Business Plan (covering FY2019 to FY2021), we advanced three key strategies: 1) form new alliances with businesses, 2) practice multi-layered marketing by pursuing collaboration between divisions and departments, and 3) create new services and products. Each strategy stands upon a revenue base that was developed in earlier years.

Our efforts over the last three years helped us to become aware of certain issues. During this time, we were constantly aware of a dilemma, because although we were producing

some positive outcomes with each of the three strategies, none of them were getting quite as far as we had anticipated.

When we were choosing alliance partners or developing new services or products, for example, we did not have the “unwavering standards” that we should have had. As a result, our focus was not as sharp as it should have been whenever we made a decision. We also discovered that the walls between divisions and departments were an obstacle. In quite a few cases, this kept us from developing new services and products.

These issues could be traced back to the way the JBR Group originated. Namely, up to now, the Group has expanded its services and products while acquiring a variety of businesses. For that reason, we were organized into several vertical businesses, acting more like a collection of “internal companies” rather than a cohesive unit. Each internal company had its own corporate culture and its unique organizational rules. When many different cultures exist together, one advantage is to make it easier for new

ideas to bloom. It is also true, unfortunately, that we nearly failed to see the identity at the core of who we are.

Now that we see these starting-point issues, we are committed to solving them and breaking through to our next stage of growth. With that understanding, one year into the previous Medium-Term Business Plan, we launched an effort to establish the next such plan. As we developed our vision, we placed the greatest emphasis on answering “What is JBR?” and “Where should JBR be going?” We worked for about two years to formulate a plan.

Basic stance on the new Medium-Term Business Plan and redefinition of our Corporate Philosophy

Redefining our starting point in the “Corporate Philosophy”

The JBR Group consists of people of diverse types. To

make the most of our people, the members of management concluded that the most pressing and important issue was to build an enterprise and organization that would align all of management in the same broad direction.

In answer to the question of what JBR is, the new Medium-Term Business Plan (covering FY2022 to FY2024) offers a clear vision of our own identity. The plan also describes where JBR should be going as an objective that all Group employees can share.

As a first step, we began a process of redefining our Corporate Philosophy. The purpose was not simply to change the Corporate Philosophy, but to begin by going back to our starting point and reorganizing our fundamental priorities.

There was absolutely no change in our mission that “We Help People in Need.” The more we discussed the topic, the more convinced the Medium-Term Business Plan project members became that we had found the answer. The great discovery from the discussion process was that the services



we created out of a desire to help people in need continue to win the support of society and are thriving today, but services that deviated too far from that vision have largely disappeared.

Ultimately, we decided to reconsider our Vision and Value. Our Vision answers the question of where JBR should be going, while our Value expresses the kind of person each Group employee should be.

Specifically, our Vision says that “we create the best framework and services for giving people peace of mind by getting close to their daily lives.” It states clearly how we engage society through our business. Incidentally, we decided that in FY2021 we would withdraw from the new power producers and suppliers (PPS) business. We had first entered the business in 2020, but it lost money for two straight years. Looking at this business now, under our new definition, we might not have entered the market in the first place. That is because electric power sales is rather far from our definition that “we get close to their daily lives” in order to “help people in need.”

Meanwhile, our Value is a positive expression of the way employees should be: “Be fair,” “Be generous,” and “Be a challenger.” The old definition was worded negatively because it was a vestige from a time when the business was in disarray. After reflecting on this, we decided to use wording that was the exact opposite.

We are convinced that by redefining our Corporate Philosophy, in future we will be more focused than ever before. We will be ready to develop new services and products, choose alliance partners, and enable each employee to act from their individual work sites.

Initiatives for changing strategies and organization

Creating Group-wide strategies and organization to pursue overall optimization

Up to now, the JBR Group operated under the internal company system. As such, our Group business strategies were put together based on each internal company's own strategies. However, partial optimization at each internal company will never lead to overall optimization for the Group.

For that reason, we started by deciding that under the new Medium-Term Business Plan, our strategies would determine the organization. To begin, we would set Group-

wide strategies for the JBR Group. Then we would change into the organization best suited for achieving those strategies. In other words, we carried out reform that went back to the starting point.

The first step in establishing Group-wide strategies was to clarify our core ideas for overall optimization of the Group. The result was that we became aware that our partnership strategy was still the most important and basic strategy for us. The JBR business model is supported by a network of sales partners and operation partners throughout Japan. Without them, we would not exist. Continuing to put our partnership strategy at our core and aiming to realize maximum value with the smallest organization and resources is management that gets back to our starting point.

As a second step, we aim for strategies that go on the “offense” or “defense” according to the situation. Under marketing strategies, which correspond to “offense,” we will actively expand alliances in keeping with our partnership strategy and proactively consider M&A if the target is a business consistent with our mission that “We Help People in Need.” Under operational strategies, which correspond to “defense,” we implemented a new core system (ERP system) to standardize business processes and make them more efficient. This is based on the idea of getting maximum value with the smallest organization and resources. Conventionally, the services we provided to tenants of leasing properties managed by Company A would be slightly different from services we provided to tenants of leasing properties managed by Company B. For reasons like this, there were numerous patterns in the way we dealt with each company with which we contracted. We always prioritized the idea of meeting each company's exact needs, and as a result, efficiency was continually disregarded. JBR decided to overhaul this system. Our approach was to standardize our services while carefully checking with each company with which we contracted. First, we standardized business processes and used that to help build an extremely simple core system. The fact that we were able to build that system before the start of the new Medium-Term Business Plan gave us a very big advantage in terms of promoting our operational strategies going forward.

Next, to change our organizational system, we made a bold transformation from an internal company system to a functional organization. Organizations must be constantly changing to adapt to changes in the market and the like. So, although it may be necessary to adopt

an internal company system again sometime, under the new Medium-Term Business Plan, we decided to return to being a functional organization. The reason is that we believed this is the best type of organization for pursuing overall optimization. Until now, many affairs were handled in small units and organized within internal companies, where they were closed off to the rest of the Group. By tearing down the walls, we hope to share each function's information, develop expertise and skills to a higher level, and accumulate know-how.

Organization of business portfolio

Ascertaining our business to get to sustained growth

Under the new Medium-Term Business Plan, we have begun getting our business portfolio in order. We are developing standards to assess the growth potential and profitability of our current businesses and businesses we are thinking of taking on in future. Such standards will help us determine what businesses to grow and how to grow them, what the best timing is to decide how each business is doing, and whether to withdraw from a business based on that assessment.

For example, in our mainstay Membership Business, QR Service for New Tenant, Repair Service, and QR Service for Student Life are very profitable. I should note that profitability has worsened at ACTCALL INC., a former competitor that we made into a subsidiary by M&A in September 2021. However, JBR experienced and overcame a similar situation five years ago. We are positive we can use that experience to return ACTCALL's profitability to about the same level as JBR's in a short time.

On the other hand, there are problems with the Emergency Business and Repair Business, where earnings continue to worsen. We have set a timeline for improvement and are working to make that happen, but if we are unable to achieve the desired results, we will determine to withdraw from those businesses.

We aim to achieve sustained growth going forward by continually reviewing our business portfolio.

Sustainability initiatives

Realizing a sustainable society by fully leveraging business characteristics that directly concern sustainability

Every business of the JBR Group began as a way for us to help people in need. As such, our business activities themselves directly concern sustainability, and expanding our business is the same as expanding sustainability management.

As a corporate citizen, JBR is obligated to pursue sustainability management and help achieve a sustainable society as society tries to realize carbon neutrality by 2050. We have identified key issues (materialities) with the aim of fully leveraging business characteristics that directly concern sustainability while further enhancing the awareness of all Group employees.

In the pursuit of our materialities through our business activities, we will address the major changes happening in our communities, like the declining birthrate and aging population and the rapid innovation of digital technologies. While so doing, we will dare to build a new Best Rescue System.

I respectfully ask our stakeholders for their continued support.





Significance of new Medium-Term Business Plan and a look back on the previous Medium-Term Business Plan

Previous Medium-Term Business Plan
FY21 Medium-Term Business Plan

FY2019 to FY2021

Internally, promote structural reform of the management and business; externally, focus on expanding alliances

New Medium-Term Business Plan
FY24 Medium-Term Business Plan

FY2022 to FY2024

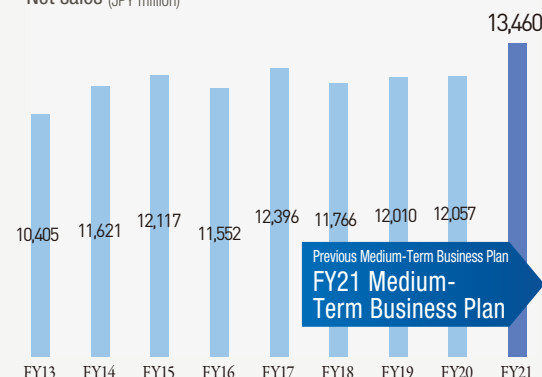
Building upon the achievements of the previous medium plan, promote rebuilding of management system that gets back to our starting point and scale up our growth strategy

A look back on the previous Medium-Term Business Plan

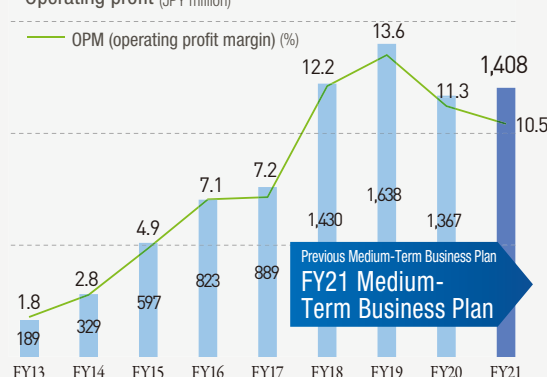
- Achieved record net sales in the last year of the plan, thanks to proactive expansion of alliances and other factors
- Increased profitability with initiatives to liquidate unprofitable business, standardize business processes, increase productivity and efficiency, etc.

(We built a solid revenue base capable of yielding an operating profit margin of greater than 10% despite headwinds like COVID-19, sudden procurement price jump of market electric power, etc.)

Net sales (JPY million)



Operating profit (JPY million)



New Medium-Term Business Plan: Basic Policies

To address the issues that surfaced as a result of executing the previous Medium-Term Business Plan as well as important issues relating to achieving medium- to long-term growth going forward, we will build a foundation for full-fledged growth in the future by promoting management that gets back to our origin, including redefining our Corporate Philosophy.

Basic Policy 1: Redefine Corporate Philosophy ▶ p. 01

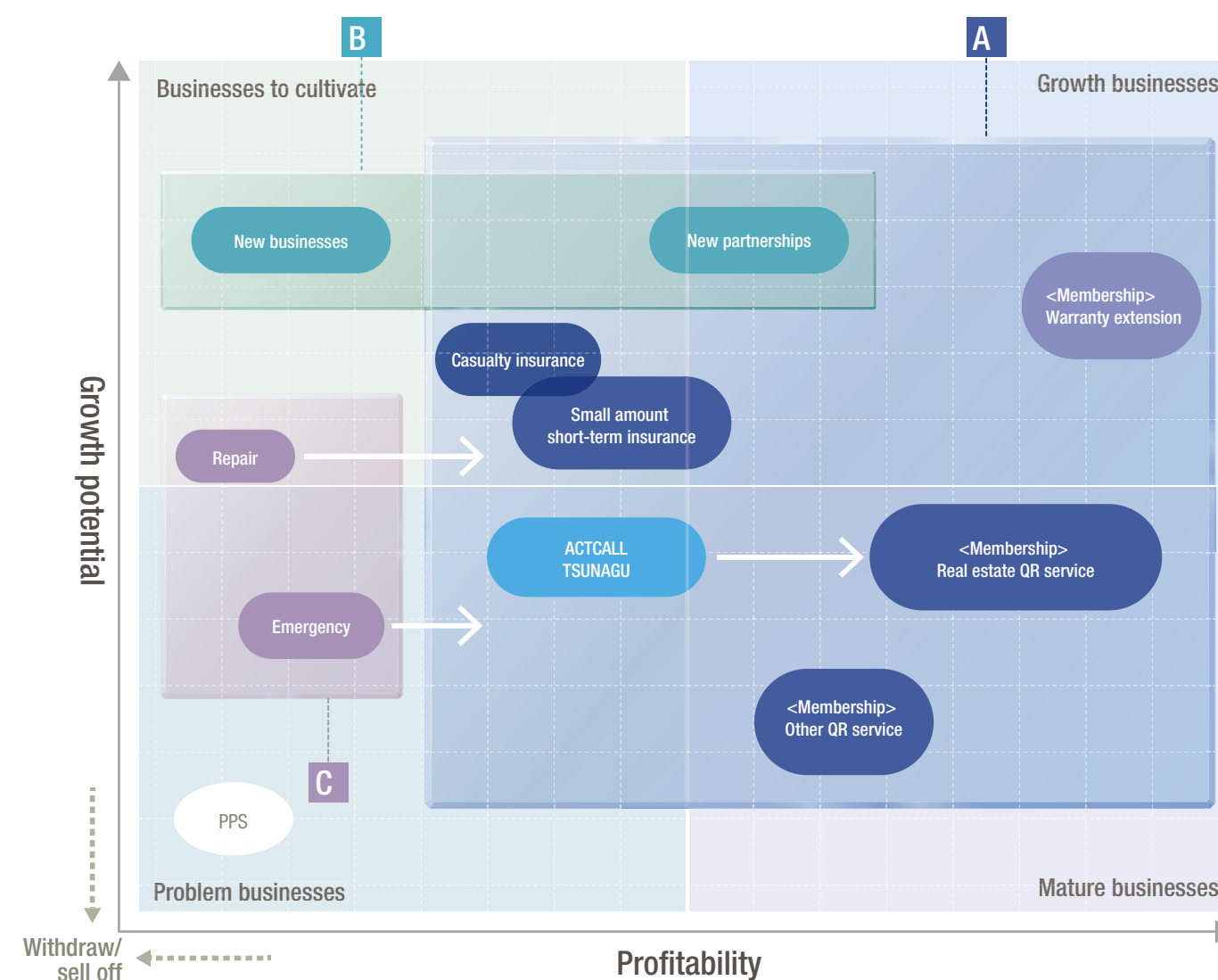
Basic Policy 2: Rebuild business portfolio ▶ p. 16

Basic Policy 3: Establish Group-wide strategy ▶ p. 17

Basic Policy 4: Change the organizational system ▶ p. 17

Basic Policy 2: Rebuild business portfolio

We will enhance the stability, growth potential, and profitability of management by constantly reviewing the JBR Group's business portfolio (how the Group business is structured) from a more strategic and long-term perspective. By doing so, we will concentrate and redistribute management resources, identify areas of strategic investment, and so on to promote well-balanced management.



A : Expand highly profitable businesses by penetrating market, promptly improve profitability of two companies acquired by M&A

B : Commit resources to develop new partners in existing businesses and create businesses to cultivate in and out of the Group

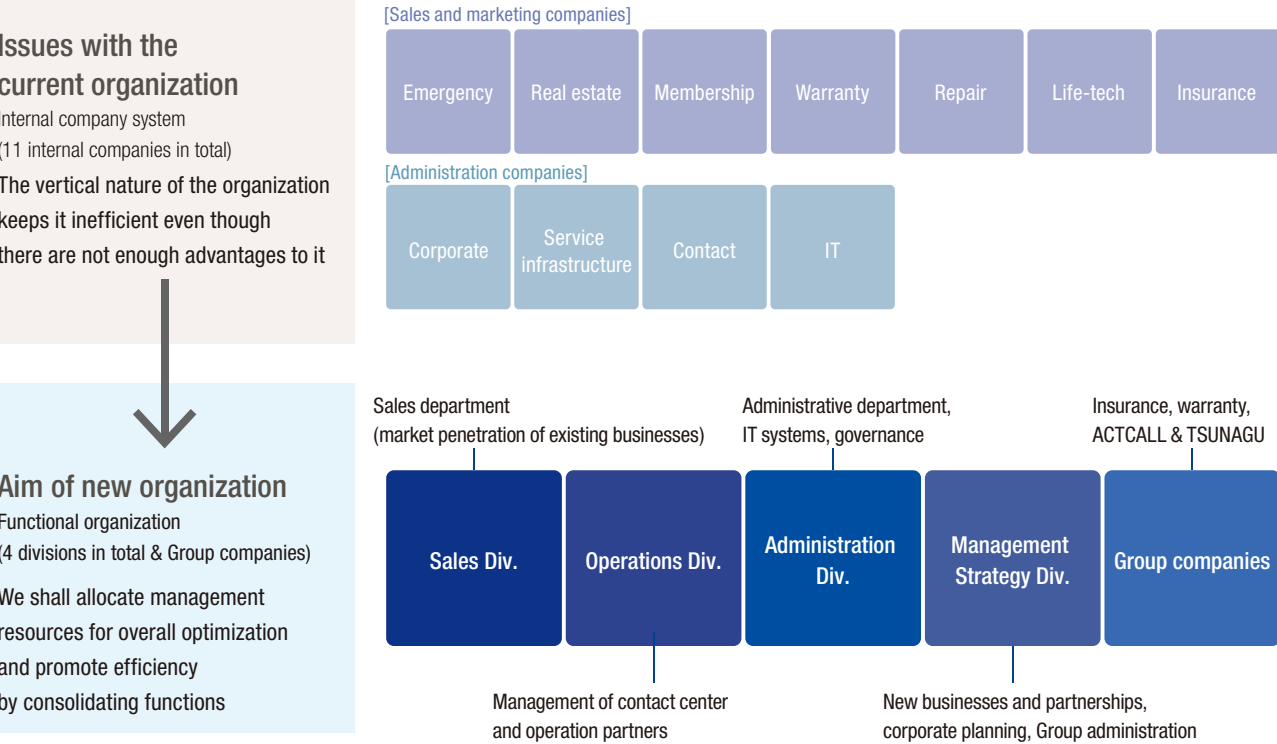
C : If growth and profitability are not expected to be improved, consider withdrawing from/selling off low-profitability businesses

Basic Policy 3: Establish Group-wide strategy



Basic Policy 4: Change the organizational system

Aiming for “efficient business growth with the smallest organization by making use of partnerships,”
in January 2022 we started transitioning to a new system optimized to achieve that aim.



Management targets

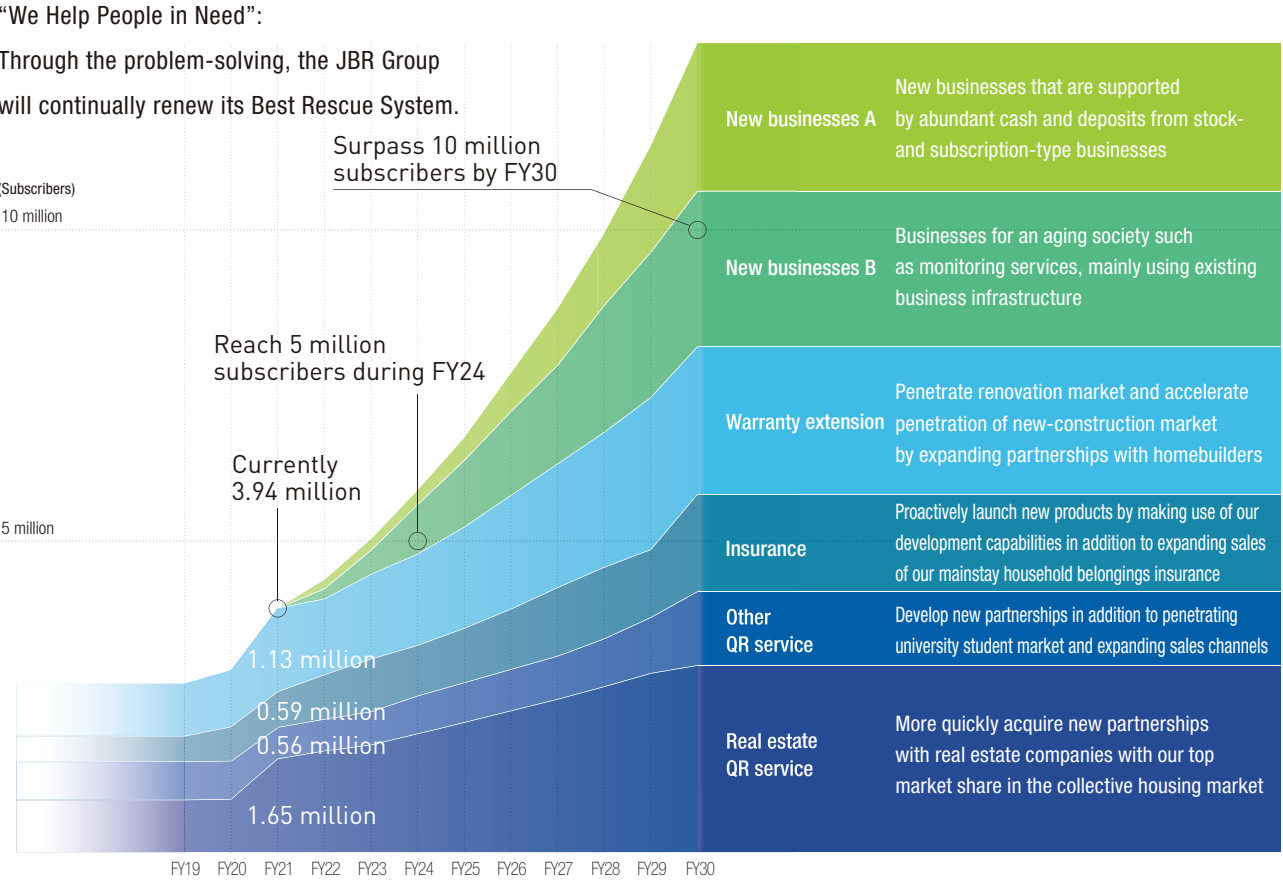
Numerical targets (JPY million)

	FY21	YoY	FY22	YoY	FY23	YoY	FY24	YoY	Vs. FY21
Net sales	13,460	+11.6%	18,000	+33.7%	20,000	+11.1%	22,000	+10.0%	+63.4%
Operating profit	1,408	+3.0%	1,730	+22.8%	2,000	+15.6%	2,500	+25.0%	+77.5%
Operating profit margin (OPM)	10.5%	-	9.6%	-	10.0%	-	11.4%	-	-
Ordinary profit	1,740	-3.2%	1,900	+9.2%	2,150	+13.2%	2,650	+23.3%	+52.2%
Net profit	56	-94.3%	1,200	+2,014.4%	1,500	+25.0%	1,800	+20.0%	+3,071.6%
EBITDA	1,653	+4.7%	2,309	+39.7%	2,644	+14.5%	3,185	+20.5%	+92.6%

KPIs

Subscribers (thousand)	3,940	+33.6%	4,407	+11.9%	4,923	+11.3%	5,471	+11.1%	+38.9%
Members	3,347	+39.5%	3,725	+11.3%	4,145	+10.8%	4,604	+11.1%	+37.6%
Insured	593	+7.8%	681	+14.9%	778	+14.1%	867	+11.5%	+46.2%
Number of employees	345	+41.4%	364	+5.5%	366	+0.5%	375	+2.5%	+8.7%
JBR non-consolidated	178	-8.7%	190	+6.7%	187	-1.6%	189	+1.1%	+6.2%
Group companies	167	+240.8%	174	+4.2%	179	+2.9%	186	+3.9%	+11.4%

Long-term outlook for the JBR Group





Pushing forward with growth investments for a leap forward and taking the lead in building unique social infrastructure



Director & COO
Mitsuhiro Wakatsuki

JBR Group business performance over time

Record net sales and an operating profit margin that continues to beat 10%

The consolidated business performance for FY2021 (“the term”) reveals that net sales grew 11.6% YoY to ¥13.4 billion, while operating profit grew 3.0% YoY to ¥1.4 billion. This was a new record for net sales.

Operating profit, on the other hand, was impacted by some unanticipated negative factors. We had planned that the newly begun power producers and suppliers (PPS) business would become profitable during the term, but we ran into serious difficulties when procurement prices on the wholesale electric power market rose abnormally high. Many businesses fell into management challenges and a number of them withdrew from the field. Given the situation, the JBR Group decided to withdraw while the business was still losing money. For that reason, we suffered an operating loss totaling ¥222 million. In spite of this significant special factor, however, the ratio of operating profit to net sales reached 10.5%, thus remaining above 10%.

Other than the PPS business, the businesses of the JBR Group remained on a healthy expansion track that was largely equal to our plans. Because we made the decision at an early stage to quit the PPS business, we believe this will have a great positive effect on our growth strategy in the next term and beyond.

Major reasons JBR has entered a full-fledged growth track

Three years of structural reform is starting to pay off. The JBR Group is on a full-fledged growth track.

Withdrawing from the4 PPS business had negative impacts. However, though it is not obvious from the business performance for the term, we perceive that the JBR Group has entered a full-fledged growth track. Details will be discussed later, but here I would like to start by explaining the reasons why we have entered a growth track.

Starting in 2018, during a period we consider our

“second founding,” we spent about three years making a complete structural reform.

To give an example, we sorted out our business partners based on profitability. In the Membership Business, we form partnerships with various real estate-related companies and provide QR Service for New Tenant, but there were some clients that sought services outside of contracts. Moreover, the services provided to each client differed a little from case to case.

For those reasons, we decided to officially turn down out-of-contract services and to quit doing business with a client if we could not negotiate improvements. Also, we made it a basic target to standardize the services we provide. We kept negotiating closely with each business partner, spending about two years in the standardizing process.

We also addressed workflows that varied from one internal company to another, such as the use of approval documents and procedures and systems for applications and approvals. For these, we established uniform standards and consolidated them. We made sure that risk management and compliance systems were firmly embedded within business processes. In other words, we made big progress building a solid Group governance system.

These efforts have resulted in visible and rapid improvements to profitability and productivity. We also have established a business process management and promotion system for developing new clients. With this in place, we have transitioned from a state of acting timidly in a sense to a state of acting confidently and rapidly. This has made it possible to expand our business horizontally in one stroke.

This has also radically changed the awareness of employees who witnessed this transformation. Now, throughout the Group, there is a sense in the air of wanting to work together to produce good numbers and employees have a very strong “income-earning awareness.” For example, the management department (and it is not an exception) is sometimes introduced to new customers by the banks or securities companies with whom the department does business, and they use this to proactively develop new customers. Sometimes, the department’s results even exceed those of the sales department. Of course, the sales department has also been significantly stimulated and is developing a strong income-earning awareness.

During the term, this positive spiral began to produce



real and noteworthy results, and we believe it has put us on a full-fledged growth track.

A unique business model for driving growth

Helping partners greatly expand their potential by offering subscription-based prevention services

There is another important reason why our business is expanding horizontally so vigorously. It is because we noticed the great potential in the JBR Group's business model and we opened the door for it.

JBR's business is to provide services and products for responding rapidly to all types of life troubles. Our Emergency Business only has contact with customers after some trouble occurs, and as such its earnings are not stable. That is why we have stepped up development of a business model wherein customers can sign up for services before trouble happens. This business model is preventive in nature: customers pay a set fee in advance and the JBR Group helps them free of charge when troubles happen. The service is very much like insurance. For that reason, overseas institutional investors have seen the JBR Group as a business in the financial sector in more than a few cases. Eventually, we realized that if our business is insurance-like, we do not necessarily have to limit our partnerships to real

estate-related companies.

In the past, it was only natural that the JBR Group would think of real estate-related customers as partners, because life troubles are obviously part of everyday life. But once we wiped away our preconceptions, we were surprised how many potential markets there were. We thought that building JBR services into a variety of industries' service packages could make our own services more attractive.

That is why we switched to a new policy of actively developing a subscription-based business model. Under the conventional pattern where we partnered with real estate-related companies, our partners sold JBR services that contained the partner's name, such as "ABC Apartment Finder Inc. QR Service for New Tenant." So all we were selling was an individual JBR service. By developing this into a subscription-based service that is itself incorporated into a service provided by a partner company, we greatly expanded our potential to find partners.

One example is an initiative with Osaka Gas Co., Ltd., with whom we had an existing relationship. "Kaketsuke Services" (urgent response services) are included in the menu of Osaka Gas services for which customers can pay a small monthly fee to get convenience and peace of mind. JBR provides the actual service. Such subscription-based membership services are rapidly expanding at this time. One advantage of a model that adds a JBR service to a partner company's service is that there is much lower risk of contract dissolution than is the case if our services were sold individually.

Incidentally, subscription-based services are also expanding with existing real estate-related company services. Under this model, subscribers pay a monthly service fee with their rent, so customers can join the service and hold down their occupancy costs that otherwise tend to be higher at the time of a move. There are advantages as well for JBR: there is less dissolution risk and less administrative work to renew the service, so we are actively transitioning to this model.

Big advances in Membership Business

Explosive increase in membership through organic growth and M&A; full-fledged growth ahead

We believe that the Membership Business, which makes up the core of the JBR Group's sales and profits, has entered a new growth phase.

Backed up by the approximately three-year initiative I mentioned previously, membership numbers showed explosive growth in FY2021. Membership grew by nearly one million, from 2.39 million on September 30, 2020 to 3.34 million on September 30, 2021. By service, that included a gain of 300,000 memberships by organic growth (100,000 for QR Service for New Tenant and 200,000 for Warranty extension for home appliances) and 630,000 by M&A

growth (acquisition of ACTCALL).

Trying to forecast how much memberships could increase by organic growth, we presently plan to reach 3.72 million by September 30, 2022, which is very conservative. Since we continue to actively develop new customers, we expect we may get more than this.

Incidentally, even if we look just at real estate-related business, we had 1.65 million memberships as of September 30, 2021. Since the membership of the second-place company (not listed on a stock exchange) is only about 300,000, this makes JBR the overwhelming No. 1 in the industry.

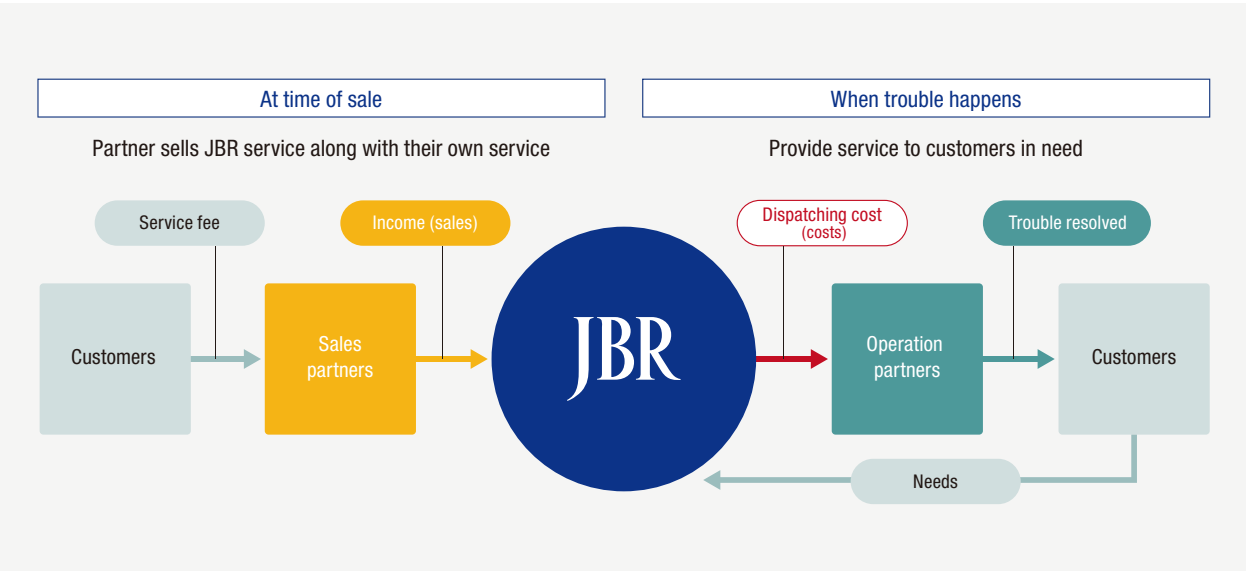
We forecast membership to increase at a strong rate, especially with real estate-related business, but we are also steadily developing new business that is not real estate-related. Therefore, we believe it is possible we will see big changes in the makeup of our membership in the next few years.

Expanding Insurance Business

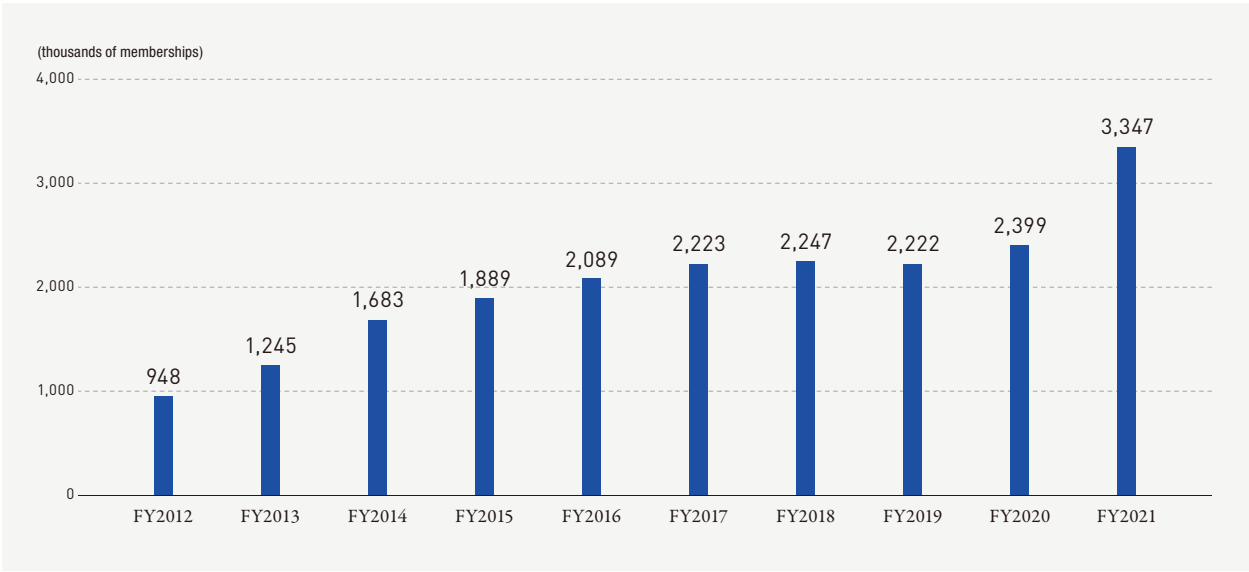
Stepping up product development with a two-pronged approach: small amount short-term insurance and casualty insurance

Also in the Insurance Business, which is our second pillar, the number of persons insured is growing quickly

JBR's basic business model



Membership trends in core business (Membership Business)





thanks to proactive development of insurance products. On the earnings side, New Sumai Room Insurance (household belongings insurance) is steadily gaining customers, and that is helping to stabilize our income from insurance premiums. In January 2020, we started selling comprehensive household belongings insurance to rental housing owners and real estate companies. This is one example of measures we are taking to further stabilize our business.

With the stable basis that household belongings insurance gives us, the JBR Group has actively developed products to help people in need with our Insurance Business. This development expanded out from our position as a small amount short-term insurer (which requires registering with the Prime Minister's office). The JBR Group has put more energy into developing new products than most small amount short-term insurers, of which there are more than 100 in Japan. We have been a leader in the industry, for example providing the chairman of the Small Amount & Short-Term Insurance Association of Japan for about five years.

In more than a few cases, however, while exploring the potential for partnerships with businesses in various industries, we encountered insurance needs for contracts of a scale too great for small amount short-term insurance. To enable us to respond to those needs, in 2019 we obtained a license from the Financial Services Agency to offer casualty insurance and established the new Rescue Insurance Co., Ltd. Products we have developed in recent years include

sports club accident insurance, smartphone insurance, and pregnancy insurance (see p. 31), which focuses on post-partum depression and treatment for infertility. Such products have created a new stir concerning the needs that people experience.

Then, in January 2022, we formed a capital and business alliance with the Minimini Group. This is another example of how we are further developing new insurance products in the real estate field.

By making these moves, as one of the few business groups offering a two-pronged approach with both small amount short-term insurance that is highly flexible and casualty insurance for larger-scale coverage, the JBR Group hopes to address all types of industry needs.

New business going forward and an image of medium-to long-term growth

Offering our “four-way good” scheme to all types of industries and soon getting to 10 million service agreements

We believe that the business model of the JBR Group is heading into a period of rapid expansion and growth as we ride the big waves that are the demands of the time.

Wherever people live, there is always the risk of daily life troubles. Somewhere, there is always someone “in

need.” Following our mission to help people in need, in the 25 years since our founding, the JBR Group has developed a wide range of services and products, including daily life trouble solution service, small amount short-term insurance and casualty insurance, warranty extension for home equipment, repair service, and monitoring service. Our business model, which is meant to prepare people for their needs, is in strong demand from a variety of industries. As such, many discussions about forming alliances are underway.

The companies seeking alliances with the JBR Group have one thing in common, which is that those companies themselves are “in need.” For example, in May 2021 we announced an alliance with The Fukuho Bank, Ltd. This was our first business alliance with a regional financial institution. However, the JBR Group is currently considering alliances with more than 20 regional financial institutions throughout Japan. What is driving this interest is that financial institutions see the earning capacity of their main business slowing as regional economies slump and there is a downturn in demand for financing. They realize that their traditional business model is not working well. Increasingly, these companies are seeking out the JBR Group as they search for new ways to support regional economies. On the one hand, the Group is responding to the needs of our customer financial institutions, but we also add our financial institutions' business partners to our own network of operation partners that we send on service calls. Our construction partners are also “in need” as the slumping of regional economies cuts into their work volume. We add local businesses like these as coporation partners and give them priority when we dispatch workers. This is set up to help people in need, local businesses in need, and financial institutions in need. When the JBR Group is included, this becomes a “four-way good” scheme.

We are now at a big turning point in the times, and more than a few industries have some needs (that is to say, problems) that require attention. Our aim is to help such industries and businesses solve their problems as well as we can by offering them our unique business model dedicated to helping people in need.

As of September 30, 2021, the JBR Group has 3.94 million service agreements in effect, counting both the Membership Business and Insurance Business. We believe we can boost that number to 10 million shortly before 2030.

This assumes we can win nearly 10% of the market based on a population of 120 million people in Japan.

However, population is not the limit on actual market size. A person living in collective housing who purchases the daily life trouble solution service may also purchase an extended warranty for an air conditioner they buy from an appliance store, as well as purchasing insurance to cover their household belongings. In a similar way, a single person could enter into three or four different contracts. We believe such expansion is possible going forward.

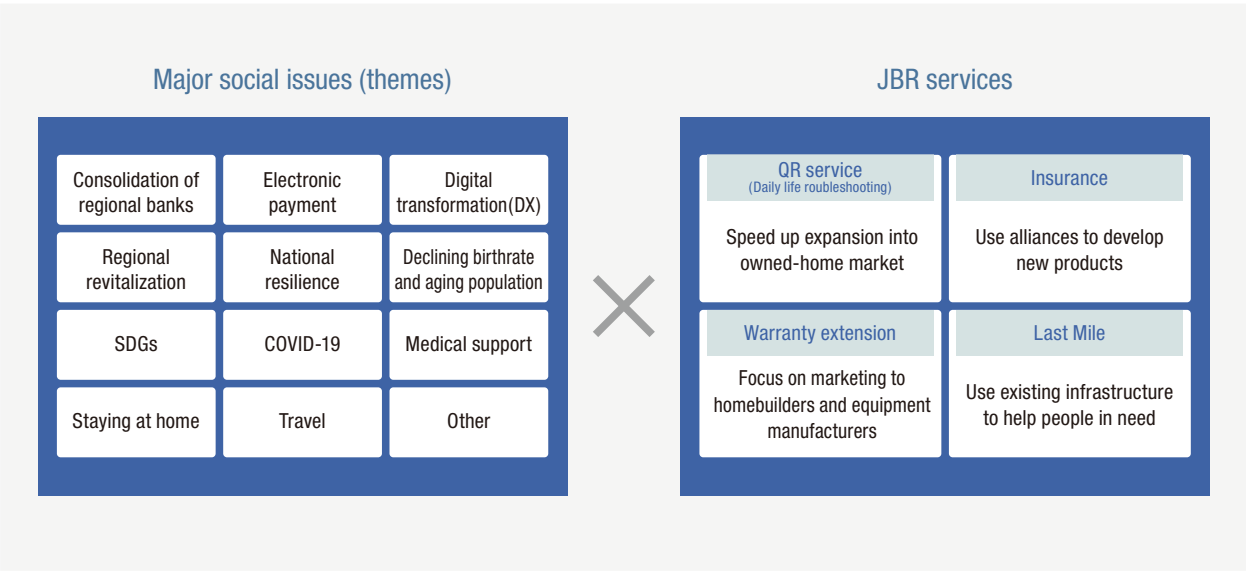
In December 2021, we entered into a capital and business alliance with ITOCHU Corporation. This alliance means something very different from other alliances we have formed to develop new business. By partnering with ITOCHU, which is developing its own business in the field of daily life consumption with a market-in approach, we can win contracts in the Membership Business and Insurance Business, the main businesses of the JBR Group, and step up the pace of our business expansion. The arrangement also gives us the potential to enhance the quality of our customer support, increase efficiency, and develop new services with data usage. Moreover, the alliance opens the door to the possibility of expanding overseas, something we have been exploring beneath the surface.

There are many sprouts of growth happening at the JBR Group right now. Remembering that it is our shared objective to help people in need, we will cultivate as many of these sprouts of growth as we can to more widely contribute to solving social issues.

We will practice management that exceeds the expectations of our stakeholders. We look forward to your continued support.



Basic overview of new service/new product/new business creation at JBR





■ Stance on sustainability

The growth of the JBR Group's business itself helps to achieve a sustainable society

The JBR Group exists to bring consumers products and services to solve life troubles. Therefore, by expanding our sales network (sales partners) and service network (operation partners) far and wide throughout Japan, we are building what could be called social infrastructure for daily life troubleshooting. As of now, we have expanded our network to about 10,000 partners (sales and operation partners combined) and are working to expand it more in the future.

This business structure means that the day-to-day business activities and future business growth of the JBR Group are themselves a contribution to sustainability, that is, the achieving of a sustainable society.

The JBR Group will continue contributing to sustainability through our business activities and growth.

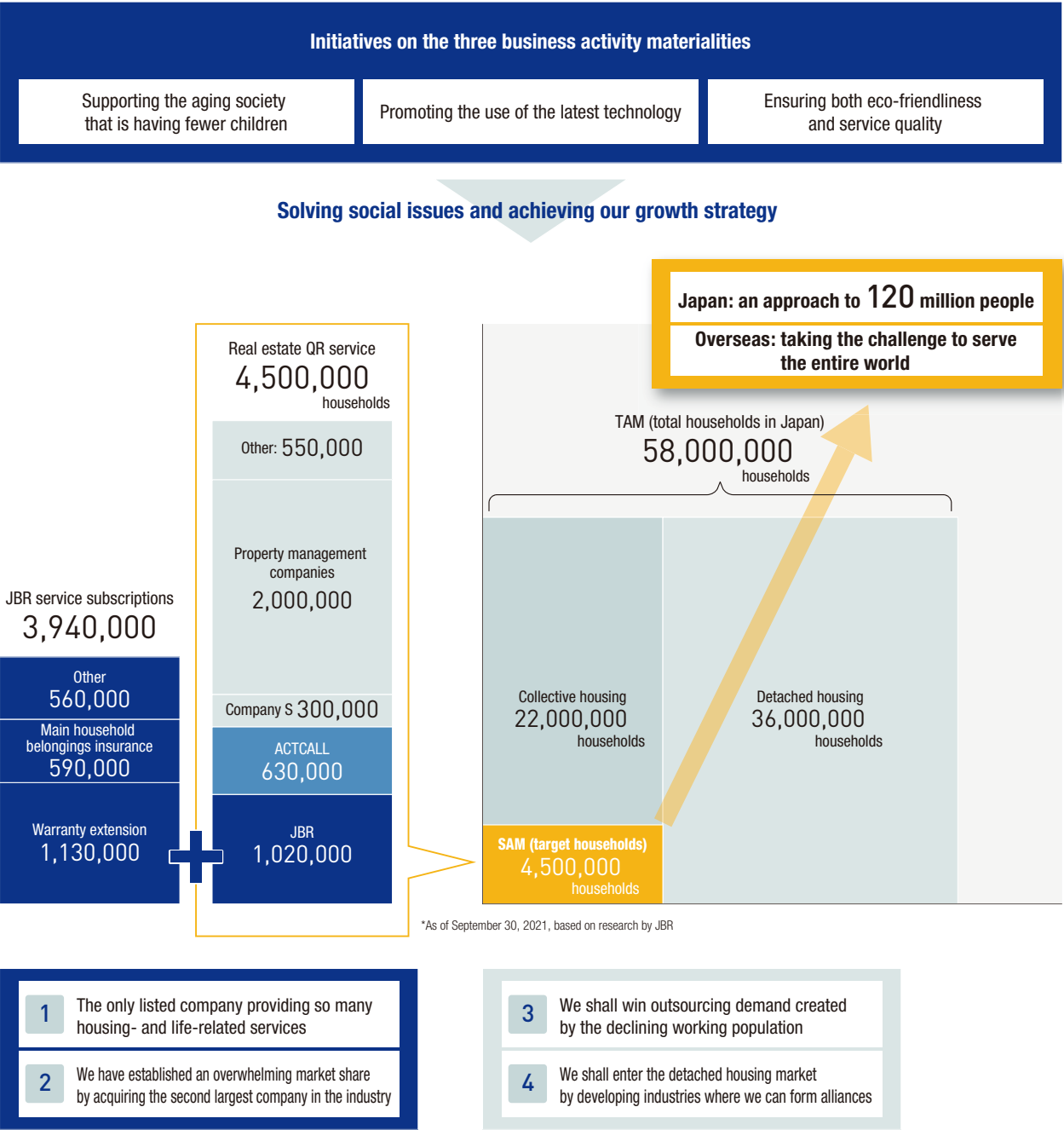
■ Initiatives on materialities and SDGs

The JBR Group has identified materialities aiming to achieve a society where no one is left behind. We take initiatives to solve two sets of issues: “business activity materialities,” which are the key issues that we are taking on with our corporate activities, and “management base materialities,” the key issues that are critical for strengthening the foundation of our business. By so doing, the JBR Group will contribute to achieving the SDGs (Sustainable Development Goals). An important part of our work on the business activity materialities is building sales and service partnerships, so we see SDG 17 in particular, “partnerships for the goals,” as the highest concept.

Category	Materialities (key issues)	Concrete measures for solving materialities	Relevant SDGs
Business activity materialities	Supporting the aging society that is having fewer children	We shall <ul style="list-style-type: none">▶ meet the need for outsourcing as the working population declines▶ create new services corresponding to changes in lifestyle and industry▶ maintain and expand the network of operation partners, which has the potential to shrink	<div>17 PARTNERSHIPS FOR THE GOALS</div> <div>+</div> <div>4 QUALITY EDUCATION</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13 CLIMATE ACTION</div>
	Promoting the use of the latest technology	We shall <ul style="list-style-type: none">▶ improve the efficiency and quality of contact center operation▶ minimize IT risk by adopting ERP▶ use 55 million data points from our operating track record to develop trouble-prevention services	
	Ensuring both eco-friendliness and service quality	We shall <ul style="list-style-type: none">▶ reduce paper consumption▶ improve service call efficiency▶ install vending machines in office that generate donations	
Management base materialities	Building a higher-level governance system	We shall <ul style="list-style-type: none">▶ set management strategies and goals that both solve social issues and produce economic benefits▶ establish audit, nomination, and remuneration committees and sustainability and internal control committees▶ continue to review business portfolio & visualize management by strengthening administrative accounting	
	Strengthening BCP system	We shall <ul style="list-style-type: none">▶ build capacity to continue taking calls even under pandemic and natural disaster conditions	
	Maintaining active dialogue with stakeholders	We shall <ul style="list-style-type: none">▶ maintain an active dialogue with investors▶ disclose information simultaneously in Japanese and English	
	Building great places to work	We shall <ul style="list-style-type: none">▶ develop employees and promote better work-life balance	

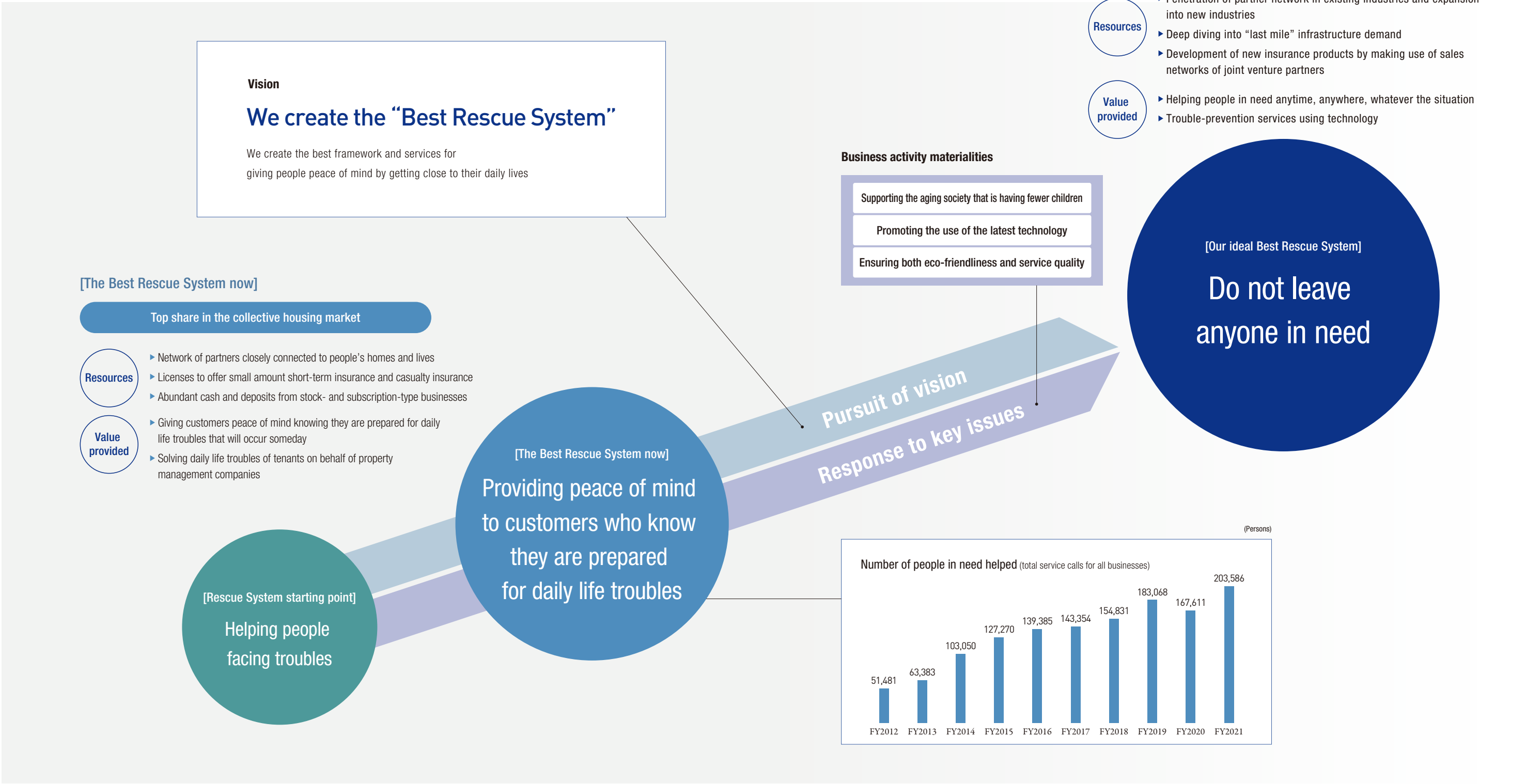
■ Solving social issues and achieving our growth strategy by working on business activity materialities

Today we are at a major turning point. Population and environmental problems are big megatrends affecting the market environment. These are significant social issues that no enterprise can ignore any longer. Another big megatrend is the rapid innovation in digital technologies like AI, IoT, 6G, and DX (digital transformation). The JBR Group has grasped these big changes, and we are actively working to respond to them with the business activity materialities “Supporting the aging society that is having fewer children,” “Promoting the use of the latest technology,” and “Ensuring both eco-friendliness and service quality.”





The aim of the JBR Group is to constantly improve and build a better Best Rescue System by pursuing our Vision and responding to our materialities.



■ Basic stance on the environment

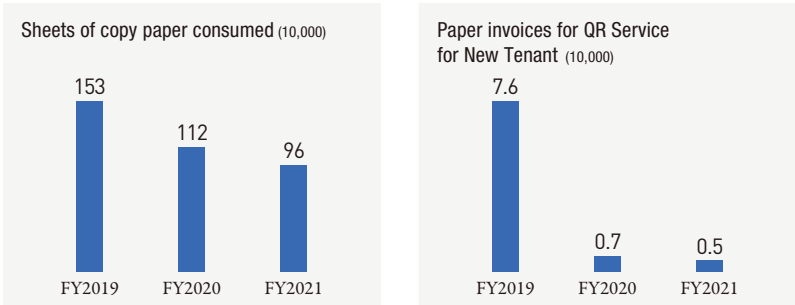
JBR takes environmental initiatives as part of our "business activity materialities," the key issues that we are taking on with our corporate activities as a whole. We are taking actions designed to save energy while enhancing service quality, for example reducing paper consumption and improving service call efficiency. In addition, we are working to contribute to environmental protection by supporting groups dedicated to that purpose.



Eco-friendliness

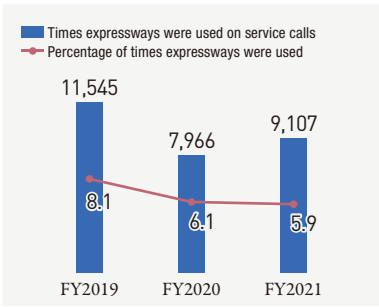
Reducing paper consumption

In FY2018, JBR used nearly two million sheets of copy paper. Initiatives since then have cut consumption each year, and in FY2021, only about half as many sheets were used. Additionally, since October 2019, we have been issuing invoices and payment documents online. As a result, our mainstay QR Service for New Tenant has gone from issuing nearly 80,000 paper invoices yearly to only a few thousand.



Improving service call efficiency

JBR is working to make service calls more efficient when we are contacted by someone with a life trouble. This means reviewing and revising operations, developing new networks (operation partners), and increasingly dispatching service personnel from locations close to the place where the trouble occurred. As a result, the number of times expressways were used on service calls dropped 31% from FY2019 to FY2020. In FY2021, the use of expressways increased, in part because the number of subscriptions for QR Service for New Tenant and Warranty extension for home appliances combined grew by about 300,000. As a percentage of all service calls, however, the use of expressways is on a declining trend.



Office vending machines generate donations

A portion of the sales from vending machines located in our Nagoya Head Office is donated to OISCA, an organization working to protect the environment around the world. (This initiative began in July 2020.)



■ Basic stance on personnel

People are JBR's most important management resource. As such, we are taking action to increase employees' job satisfaction. We are working to create a wide range of personnel value. JBR Group employees get help finding work-life balance and are being offered more training. We are also pursuing shared value with the operation partners who work with the Group to develop our business.



A Motivating Place to Work

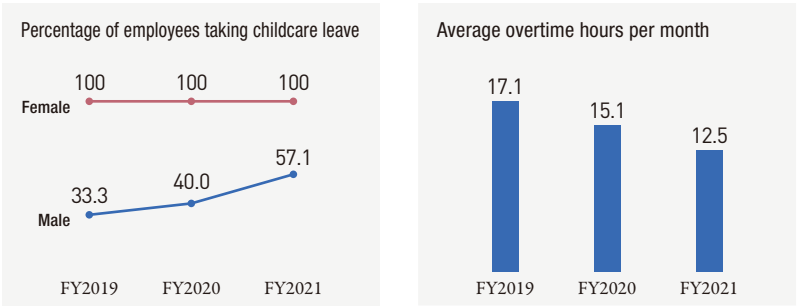
Promoting the General Employer Action Plan

▶ For details, see the JBR website. (Japanese only)
<https://www.jbr.co.jp/corporate/actionplan/>

JBR has established and is carrying out a General Employer Action Plan as based on Japan's Act for Measures to Support the Development of the Next Generation and Act on Promotion of Women's Participation and Advancement in the Workplace. We are working to resolve three specific issues: the fact that we have successfully recruited and retained female employees but have few of them in management; the fact that we have not established measures to inform employees about our childcare leave system or encourage them to use it; and the fact that employees in some posts have to put in long work hours during busy times.

Promoting work-life balance and reducing overtime

As part of our efforts to promote work-life balance from the work style reform perspective, we are encouraging employees to take paid leave and enhancing our childcare leave and reduced work hours programs. In July 2020, we established a childcare leave system for men. We set a target of no more than 10 hours of overtime on average per month in FY2022. As part of the effort to reduce overtime, in FY2020 we introduced a prior approval system to keep overtime work at reasonable levels and increase operational efficiency. As a result, the percentage of employees taking childcare leave and the amount of overtime have been trending as shown on the right.



Development of employees and operation partners

JBR is working to foster our personnel and lay a foundation for job satisfaction. This includes trainings for all employees and building a staff development program using personnel evaluations and feedback. Using web conferencing systems and other means, we gave an average of 4.7 trainings per employee in FY2021. This is a big recovery in training levels over the 1.9 trainings on average the previous year, when the COVID-19 pandemic affected our schedule. We will continue to systematize training participation and will examine and establish a training plan for management personnel.

In terms of both sales and service, we recognize how important it is to maintain and enhance the service quality that our operation partners provide. For that reason, we have written textbooks that we use to develop these partners. At meetings for our operation partners, we share information about accidents and claims and work to raise awareness of good manners.



At a meeting for operation partners



Cover to JBR textbook, Plumbing Edition



■ Basic stance on society

In addition to responding to social issues through our business activities, JBR engages in a variety of social initiatives as a corporate citizen. When we are fostering new businesses, we always emphasize providing a pathway to solve social issues. And in our social initiatives, we emphasize achieving sustainable communities.

Fostering sustainable new businesses

Development of pregnancy insurance with focus on postpartum depression and treatment for infertility for second or later pregnancy

As part of our effort, Group company Japan Small Amount & Short Term Insurance Co., Ltd. together with Karadanote Inc. started offering Parenting Mutual Support Insurance & Parenting Risk Sharing in January 2022. The pregnancy insurance is focused specifically on postpartum depression and infertility treatment for the second pregnancy and beyond. The product is the first of its type in Japan.* Women covered under this plan are grouped by their children's ages and share risk together. If a situation happens that is covered by the plan, subscribers support each other with payments made after the fact.

*Based on research by Karadanote as of December 31, 2021

Parenting Mutual Support Insurance

Three characteristics of Parenting Risk Sharing

1

Women who are pregnant can join the insurance. Subscribers pay **no premiums during pregnancy** but are subject to paying premiums from the month the child is born

2

There are no premiums to pay if none of the subscribers in the Group have a claim

3

Premiums are variable but capped, even if there are many claims

Realizing sustainable communities

KidZania official sponsor

JBR endorses the fundamental Philosophy of KidZania, which is to prepare children for life by helping them to experience different occupations and social situations. We host exhibits in the pavilion called Climbing Building at the KidZania locations in Tokyo and Koshien.



Support for group operating child abuse prevention hotline

More and more of JBR's employees are continuing to work while raising children. That is one reason we want to contribute to initiatives for protecting children. Out of that desire, we became a corporate member of CAPNA, a nonprofit that operates a child abuse prevention hotline, and we support its work with donations.



Support for Nagoya City Board of Education initiative

In July 2021, JBR registered as a "corporate partner program for promoting parental education" of the Nagoya City Board of Education. As such, we offer employees who are children's guardians the opportunity to experience "parental education." Specifically, we are continually working to minimize employee overtime and raising awareness with an initiative to encourage employees to have meals with their families.

"Work Notebook for Elementary School Students," a publication backed by the Nagoya City Board of Education, has carried the content we provided, including articles describing work at JBR and interviews with employees. These articles use language understandable to children to make work at a local company more appealing. We anticipate this will spark children's interest in the working world and get them to consider local employment as adults.



Work Notebook for Elementary School Students

Installation of AED

We installed an AED at the reception desk of JBR's Nagoya Head Office because we want to be prepared in case an employee, visitor, or nearby resident has an emergency. We train our employees in use of the AED and chest compression (cardiac massage) with mannequins so they can provide lifesaving care in an emergency.



BCP initiatives

JBR launched our BCP Project in July 2019. We established a business continuity plan (BCP) that anticipates a large-scale disaster. We maintain rules and build operating structures corresponding to business operations risks and computer system risks.

Core system backup measures

JBR reconsidered the configuration of our old system, which presented challenges to business continuity. We began using a new ERP system in October 2021. The new system uses cloud computing technology, which enables more reliable data backups and a more stable business continuity system.

Building capacity to continue taking calls under emergency conditions

In our initiatives for ensuring we can continue taking calls under emergency conditions, we completed consolidating CTI-using systems and moving them to the cloud in FY2020. We have a system in place that lets call center operations to be done remotely.

Communication with investors

JBR actively promotes communication with stakeholders. We hold periodic financial results briefings for investors, along with more than 100 meetings annually with institutional investors, and several seminars annually for individual investors.

	FY2020	FY2021
Meetings with institutional investors	166	218
Seminars for individual investors	5	5



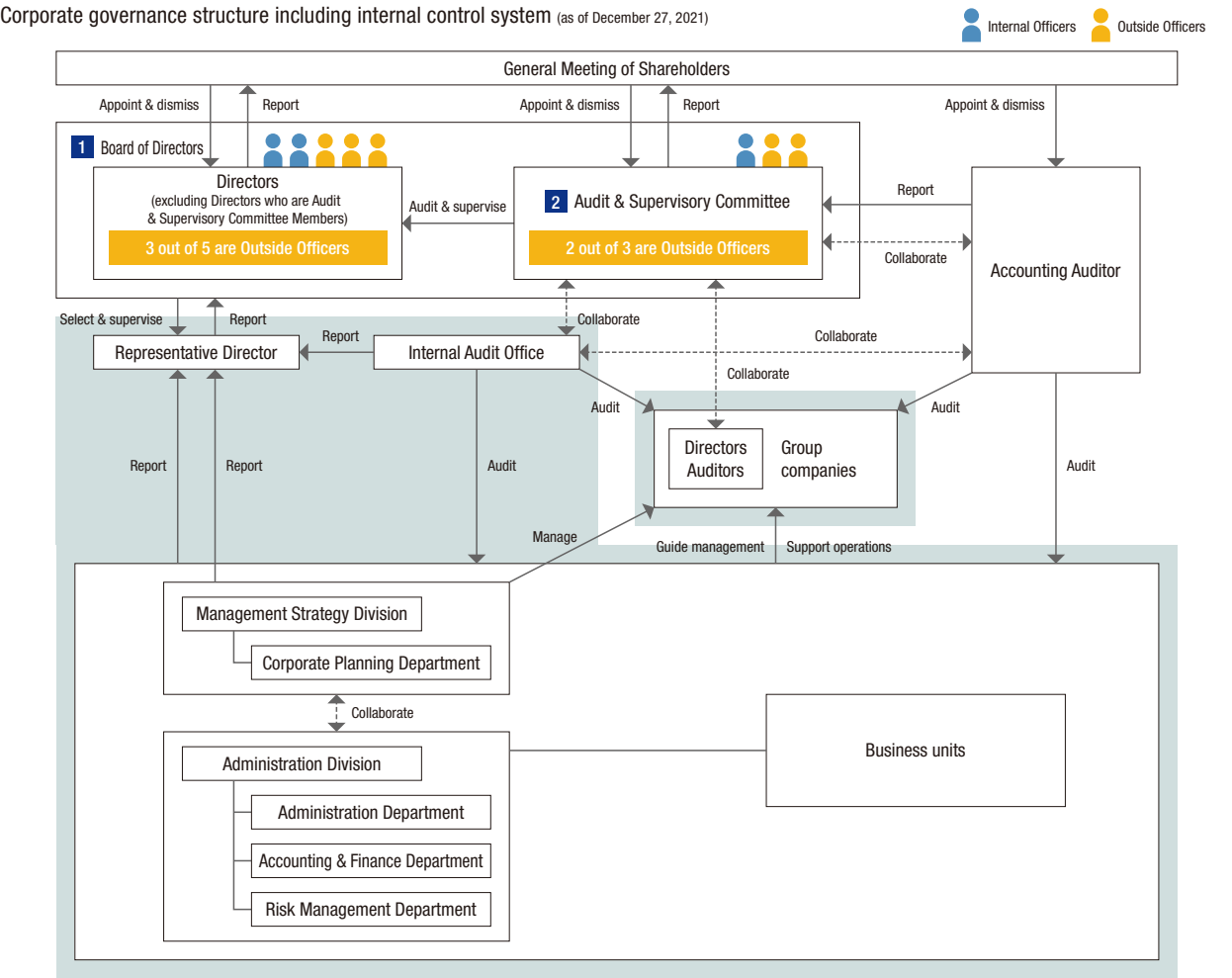
■ Basic stance

The JBR Group works to build good relations with all stakeholders and offer them satisfying services to ensure we can achieve sustained growth and increase corporate value over the long term.

■ Overview of corporate governance

The JBR Group has the following organs for corporate governance: General Meeting of Shareholders, Board of Directors, Audit & Supervisory Committee, and Accounting Auditor.

Based on a decision made at the 25th Ordinary General Meeting of Shareholders on December 24, 2021, JBR is transitioned to being a company with an audit and supervisory committee. The aim is to further strengthen the supervisory function of the Board of Directors.



1	Board of Directors	In principle, ordinary meetings of the Board of Directors are held once a month, while extraordinary meetings are held as needed. The Board of Directors reviews measures and plans relating to important matters, responds to changes in the business environment, and supervises the execution of duties. JBR appoints five Outside Directors who have deep experience from managing other companies or holding important government offices and are deeply experienced and knowledgeable as certified public accountants and consultants. Their role is to express their opinion from an independent, objective point of view and otherwise strengthen the corporate governance of JBR.
2	Audit & Supervisory Committee	In principle, the Audit & Supervisory Committee meets at least once a month. Members audit operations, for example by attending meetings of the Board of Directors and other important meetings. As necessary, they directly inquire with the Accounting Auditor on accounting matters and audit and supervise the execution of duties by Directors. The committee also exercises its right as appropriate to state its opinion on the designation of Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors' remuneration, etc.

Evaluating the effectiveness of Board of Directors

The effectiveness of the Board of Directors is analyzed and evaluated to improve its functioning as based on the Corporate Governance Code set out by the Tokyo Stock Exchange.

Analysis and evaluation method

For the first time in FY2021, an external organization conducted a web-based survey of all Directors and Auditors, including Outside Officers, and collected and tallied the findings. The purpose was to build awareness of JBR's position from an objective, third-party point of view. Survey questions covered the makeup of the Board of Directors, its operating, discussion, and monitoring functions, as well as support systems and training for Directors and Auditors, dialogue with shareholders (investors), and more.

Overview of analysis and evaluation results

Based on the analysis and evaluation results, the Board of Directors concluded that in general the board was appropriately and effectively carrying out its roles and duties. The evaluation noted that in FY2021, proposals presented to the Board of Directors were well organized and analyzed, with references and information that were easy to understand, and that there was constructive discussion and exchange of opinion. The findings also confirmed issues that will need to be addressed going forward in light of revisions to the Corporate Governance Code. Those include enhancing discussions on risk and crisis management systems in the Group as a whole, discussions that are expected to happen during the process of carrying out the management strategy and management plan; expanding supervisory and monitoring systems at subsidiaries based on the Basic Policy on Internal Control; and reflecting matters relating to ESG response and SDG initiatives in our management strategy.

Response going forward

Mindful of JBR's move to the Prime Market, the Board of Directors will work to further improve its ability to execute as part of its proactive efforts on the above issues.

Officers' remuneration, etc.

The maximum remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) as decided upon at the 25th Ordinary General Meeting of Shareholders on December 24, 2021 is ¥200 million annually (¥20 million for Outside Directors). For those Directors who serve concurrently as employees, this amount does not include their employee salary.

The maximum compensation for Directors who are Audit & Supervisory Committee Members as decided upon at the same meeting is ¥40 million annually. As of the time when data was submitted, there are five Directors (excluding Directors who are Audit & Supervisory Committee Members) who are paid remuneration under these limits (includes three Outside Directors) and there are three Directors who are Audit & Supervisory Committee Members (including two who are Outside Directors) who are also paid under these limits.

Position	Total remuneration and other compensation (JPY thousand)	Total remuneration and other compensation, by type (JPY thousand)				Number of officers receiving remuneration
		Fixed remuneration	Performance-linked remuneration	Retirement allowances	Portion of amount on left that is non-monetary compensation, etc.	
Directors (excluding Outside Directors)	5,496	5,496	—	—	—	2
Auditors (excluding Outside Auditors)	9,270	9,270	—	—	—	1
Outside Officers	21,240	21,240	—	—	—	6

*Figures on the left include one Outside Auditor who stepped down as of the end of the 24th Ordinary General Meeting of Shareholders on December 17, 2020.
*As of December 24, 2021, JBR has switched from being a company with a board of company auditors to a company with an audit and supervisory committee. The remuneration and other compensation totals shown on the left applied to the current business year prior to the switch to being a company with an audit and supervisory committee.

Basic policy on remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members)

Because officer remuneration systems are an extremely important part of corporate governance, JBR established the following policy for determining individual remuneration and other compensation for Directors (excluding Directors who are Audit & Supervisory Committee Members) at the Board of Directors meeting of December 24, 2021.

- In principle, remuneration paid to Directors (excluding Directors who are Audit & Supervisory Committee Members) consists of fixed remuneration and employee salary.
- Remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members) is reviewed and revised each year to reflect the company's operating results, the individual's contribution to those results, and the role expected of the individual.
- The level of remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members) is set to give Directors greater incentive to increase corporate value. The level considers what is high enough to attract excellent talent and takes account of remuneration levels at other companies.
- If a situation occurs during the fiscal year that warrants changing the remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members), the Board of Directors shall decide on that change, taking account of the situation.

Internal control system

In principle, ordinary meetings of the Board of Directors are held once a month, while extraordinary meetings are held as needed. The Board of Directors reviews various plans and measures relating to important matters, responds to changes in the business environment, and supervises the execution of duties. Employee training is designed to give the highest priority to ensuring penetration of the Group's Corporate Code of Conduct, Compliance Guidelines, and internal reporting system among all Group company employees. Additionally, we have employees with management responsibilities take trainings from outside organizations and the like as appropriate. In principle, the Audit & Supervisory Committee also meets at least once a month.

At the Board of Directors meeting on December 24, 2021, JBR decided to adopt the following internal control system to ensure appropriate operations, based on Article 399, Paragraph 13-1-1-c of the Companies Act of Japan.

- [1] System for ensuring that execution of Director and employee duties complies with the law and our Articles of Incorporation
- [2] Systems related to the safekeeping and management of information relating to the execution of duties by Directors
- [3] Regulations and other systems concerning control over risk of loss
- [4] System for ensuring that Directors' duties are executed efficiently
- [5] The following systems and other systems for ensuring that business operations of the business group, which consists of the Company and its Group companies, are performed properly
 - System related to reporting to the Company on matters concerning the execution of duties by subsidiaries' directors, etc.
 - Regulations and other systems concerning control over risk of loss at subsidiaries
 - System for ensuring that duties of directors, etc., of subsidiaries are conducted efficiently
 - System for ensuring that execution of duties of director, etc., and employees of subsidiaries comply with the law and our Articles of Incorporation
 - Other systems for ensuring that business operations of the business group, which consists of the Company and its Group companies, are performed properly
- [6] Matters concerning those employees when the Audit & Supervisory Committee suggests posting of employees to assist in its duties
- [7] Matters relating to the independence of employees in [6] above from directors and matters relating to the effectiveness of instructions of the Audit & Supervisory Committee to those employees
- [8] Systems for directors and employees to report to the Audit & Supervisory Committee and systems relating to other reports to the Audit & Supervisory Committee
- [9] Systems for ensuring that persons who report as in [8] above are not treated unfavorably because of such reporting
- [10] Matters relating to procedures for prepaying or repaying costs associated with execution of duties of Audit & Supervisory Committee Members and policies on the handling of other costs and liabilities associated with execution of those duties
- [11] Other systems for ensuring that the Audit & Supervisory Committee performs its audits effectively

For details, see JBR's annual securities report (Japanese only). ▶▶ https://www.jbr.co.jp/ir_info/irlibrary_report/

Response to the Corporate Governance Code

Except for the three items below, JBR is performing everything expected under the code as revised in June 2021, including content associated with our move to the Prime Market.

The reason why we are not performing those three items is described below. We will continue to examine ways to achieve optimal corporate governance.

Supplementary Principle 3.1.3: Sustainability initiatives

Under our powerful governance system and our Corporate Philosophy that "We Help People in Need," JBR aims to solve social issues through our business as we pursue social sustainability. The fundamental philosophy of the SDGs, which is to "Leave No One Behind," perfectly matches our own idea of what we want to achieve by growing our business. Therefore, sustainability initiatives are an important issue and indispensable for increasing JBR's corporate value over the medium- to long-term. We are specifically considering steps like establishing a sustainability committee as a way to disclose and provide sustainability information.

Supplementary Principle 4.1.3: Succession plan for the CEO

At this time, Representative Director & CEO Nobuhiro Sakakibara leads JBR as its executive officer. He not only serves as a management leader but contributes to enhancing JBR's corporate value. However, we recognize that successor planning is an important issue and have established an officers personnel system to develop new executives. Under this system, we have clearly stated the roles expected of Directors and Executive Officers and set clear standards for promotion, demotion, and reappointment. Furthermore, we develop executives by evaluating candidates in terms of their business results and behavioral characteristics as required of an organization's leader. The evaluation process is objective and built to ensure appropriateness, transparency, and fairness.

Supplementary Principle 4.10.1: Establishment of voluntary nomination committee and remuneration committee

JBR does not have a voluntary nomination committee and remuneration committee at this time because we appoint five Independent Outside Directors, who make up a majority of the Board of Directors. Going forward, we will consider establishing independent nomination and remuneration committees to strengthen the independence and objectivity of Board of Directors functions relating to Director nomination, remuneration, etc., and to enhance accountability.

For details, see JBR's Corporate Governance Report (Japanese only). ▶▶ https://www.jbr.co.jp/ir_info/governance/

Compliance

JBR appointed our Representative Director as the person who takes general responsibility for compliance overall. Under his strong leadership, we regularly and continually train our Directors, Executive Officers, and employees as based on our Corporate Code of Conduct, Compliance Guidelines, Compliance Manual, and Compliance Program. By making our Directors, Executive Officers, and employees fully aware of the spirit and meaning of JBR's Corporate Philosophy, we help them to understand that compliance is the cornerstone of our business activities.

Compliance Guidelines

- | | | | |
|---|---|--|--|
| [1] Earn customer trust | [7] Avoid insider trading | [12] Use information systems appropriately | [18] Prohibit acts where there is conflict of interest |
| [2] Practice appropriate trade with business partners | [8] Handle shareholder information appropriately | [13] Keep accurate records | [19] Behave sensibly |
| [3] Practice appropriate accounting and information disclosure | [9] Ensure that Directors perform their duty of loyalty and restrict them from engaging in competing business or business with a conflict of interest | [14] Comply with Japan's Labor Standards Act and prohibit discrimination | [20] Provide consultation services |
| [4] Comply with laws and regulations | [10] Prohibit any action that benefits antisocial forces | [15] Protect privacy | [21] Apply appropriate penalties |
| [5] Comply with Japan's Act on the Protection of Personal Information | [11] Respect intellectual property rights | [16] Keep workplaces safe | |
| [6] Ensure that JBR Group and member shops comply with laws and regulations | | [17] Maintain thorough internal regulations | |

For details, see the following URL (Japanese only). ▶▶ https://www.jbr.co.jp/corporate/compliance_guideline/

Risk management

Following is a description of the major items that JBR managers believe are potential risk factors to the development of the Group's business. Moreover, in the interest of proactive information disclosure to investors, we also disclose information about other concerns that do not necessarily fall under these risk factors if they seem important to investors making investment decisions.

<Risks related to business model>

Securing operation partners and maintaining service quality

Our operation partners are the critical service infrastructure of the JBR Group. They are in an important position because they are the ones who interact directly with customers at the work site and do the work. The quality of the services our operation partners provide is directly connected with the Group's service quality and the level of satisfaction that customers feel. The Group demands that our operation partners provide high-quality service to customers, but if the absolute number of service providers who can meet our service standards is not enough and we cannot maintain an adequate service infrastructure, there is a risk of this affecting how well the Group performs its work.

To counter this risk, we look at a number of things when selecting operation partners who will provide site services. With a particular emphasis on the completeness of our service infrastructure, we assess candidates based on JBR standards, conduct recruiting interviews, and manage credit. We also ensure service quality by periodically doing interviews, giving instruction on manners and technology, and giving additional training depending on the situation. However, operation partners manage their own businesses independently from JBR. As such, there are limits on the instruction and supervision we can provide, so there is potential risk. If an accident or other problem occurs while a operation partner is providing services to customers, insurance covers part of the risk, but such incidents could hurt our reputation. Therefore, there is a risk of harm to our brand image and a risk of losing trust, which could impact the Group's operating results.

Risks related to competition

The business of the JBR Group requires a service infrastructure network large enough to provide sufficient service to customers. This makes it hard for new businesses to enter the market, and at present there is not much impact from excessive competition and the like. As the market grows, however, competition with new and existing companies could intensify and impact the Group's operating results.

Additionally, the emergency response services that JBR provides do not require government approval or special qualifications or technology to enter the market. For that reason, if a competitor were to limit its business to a few regions or specialize in just some of the services we offer our customers, it could potentially develop a business in a short time. This could impact the Group's operating results to a degree in those regions or services.

Business development

In our daily life troubleshooting services, a key issue for the JBR Group is to precisely determine market needs and business opportunities and boldly dare to address them. We will continue to actively expand our business by developing business alliances that make more use of the Group's service infrastructure network and developing new businesses and products.

However, there is a great deal of uncertainty about the future associated with developing business alliances, new businesses, and new products. Therefore, if the future is very different than we first anticipated, it could potentially impact the Group's operating results going forward. Moreover, dissolution of such business alliances in the future could also potentially impact the Group's operating results. Other concerns relate to further expansion of our business domain by business and capital alliances or M&A. In every case, we will take steps to conduct detailed reviews of financial, contract, and other matters in advance and make decisions only after adequately considering risk. However, in addition to future business uncertainties, problems could occur that advance reviews did not catch. A situation like that could potentially impact the Group's operating results, such as by making it necessary to take an impairment charge on goodwill.

Following is a list of matters without further description. For details, see JBR's annual securities report (Japanese only).

▶▶ https://www.jbr.co.jp/ir_info/irlibrary_report/

<Organizational risks>

Personnel planning and organization/risks related to competition
Development of CEO successor

<Internal system risks>

Core system

<Other risks>

Dilution of shares from exercise of stock options
Protection of personal information
Trademark rights
Major disaster, etc.
Infection with COVID-19
Compliance



Officers and their skills (as of December 24, 2021)

Officers

Representative Director



Representative Director
Nobuhiro Sakakibara

Directors



Directors
Mitsuhiro Wakatsuki



Director (Outside, Independent)
Norio Shiraishi



Director (Outside, Independent)
Housei Iwamura



Director (Outside, Independent)
Akio Hamaji

Director, Audit & Supervisory Committee Member



Director, Full-Time Audit & Supervisory Committee Member
Masakatsu Sawada



Director, Audit & Supervisory Committee Member (Outside, Independent)
Tetsuro Yoshioka



Director, Audit & Supervisory Committee Member (Outside, Independent)
Hiroyuki Oshida

Officer skills matrix

The matrix below outlines the skills of the Board of Directors overall (knowledge, experience, and capabilities that are particularly expected of Directors) that are essential for JBR's sustained growth and increasing its corporate value over the medium to long term.

Name	Position	Knowledge, experience, and capabilities that are particularly expected										Skills required depending on nature of business	
		Attribute	Corporate management	Sustainability	IR	Finance & accounting	Investment & M&A	Organization & human resources	Governance	Innovation	Legal & risk management	International outlook	Sales & marketing
Nobuhiro Sakakibara	Representative Director		●							●			●
Mitsuhiro Wakatsuki	Director				●		●	●	●		●		
Norio Shiraishi	Director	Outside, Independent	●		●					●		●	●
Housei Iwamura	Director	Outside, Independent	●			●	●		●				
Akio Hamaji	Director	Outside, Independent	●	●	●		●				●		
Masakatsu Sawada	Director (Full-Time Audit & Supervisory Committee Member)				●						●		
Tetsuro Yoshioka	Director (Audit & Supervisory Committee Member)	Outside, Independent	●	●									
Hiroyuki Oshida	Director (Audit & Supervisory Committee Member)	Outside, Independent	●			●	●	●	●				

*The table above does not list all the knowledge, experience, and capabilities of each Director.

Reason for appointment of Outside Officers

Name	Reason for appointment
Norio Shiraishi	Shiraishi was appointed because he has served as a director at multiple enterprises, has great experience and wide-ranging insight as a long-time manager, and is thoroughly familiar with corporate management. He also meets all the requirements to serve as an independent officer under stock exchange rules and has no particular interests in the Company, and therefore it was determined he has no conflict of interest with ordinary shareholders and he was appointed to serve as an Independent Officer.
Housei Iwamura	Iwamura was appointed because as a certified public accountant, he has held the additional post of outside auditor at multiple enterprises and has great experience, an extensive track record, and wide-ranging knowledge and insight. He also meets all the requirements to serve as an independent officer under stock exchange rules and has no particular interests in the Company, and therefore it was determined he has no conflict of interest with ordinary shareholders and he was appointed to serve as an Independent Officer.
Akio Hamaji	Hamaji was appointed because he has great experience and wide-ranging insight as a long-time manager and is thoroughly familiar with corporate management. He also meets all the requirements to serve as an independent officer under stock exchange rules and has no particular interests in the Company, and therefore it was determined he has no conflict of interest with ordinary shareholders and he was appointed to serve as an Independent Officer.
Tetsuro Yoshioka	Yoshioka was appointed because he held an important position for Shizuoka Prefecture and has great experience, an extensive track record, and wide-ranging knowledge and insight as the representative director of another firm. He also meets all the requirements to serve as an independent officer under stock exchange rules and has no particular interests in the Company, and therefore it was determined he has no conflict of interest with ordinary shareholders and he was appointed to serve as an Independent Officer.
Hiroyuki Oshida	Oshida was appointed because he has great experience and insight as a consultant. He also meets all the requirements to serve as an independent officer under stock exchange rules and has no particular interests in the Company, and therefore it was determined he has no conflict of interest with ordinary shareholders and he was appointed to serve as an Independent Officer.



■ Comments from Directors



Markets have to expand if enterprises are to achieve sustained growth. JBR's services can easily be added to its client-partners' existing services. The fact that JBR's market is so expandable and creative is a great strength. My aim is to take the knowledge I have learned as an executive at listed companies for many years and harness it to increase the corporate value of JBR, an enterprise that focuses on helping people in need. I will do all that I can to enable JBR to keep creating the services society needs, expand markets, and achieve business growth by continually building relationships that benefit four parties: customers, operation partners, sales partners, and JBR.

Norio Shiraishi, Independent Outside Director

My work up to now has been to build a more effective governance system, such as monitoring the building and operation of an internal control system and maintaining the environment within the company, with a focus on the efficiency of auditing activities. In an age that values sustainability, the pursuit of the Corporate Philosophy "We Help People in Need" has a direct connection to realizing a sustainable society. By auditing and supervising the execution of duties by JBR's Board of Directors and Executive Officers, I will continue to consider the interests of the company's various stakeholders and strive to collaborate with them to realize sustained growth and the creation of corporate value over the medium to long term. By so doing, I hope to help establish a corporate governance system worthy of society's trust.

Masakatsu Sawada, Director (Audit & Supervisory Committee Member)



My intention is to help increase JBR's corporate value with my experience and knowledge as a certified public accountant. JBR got where it is today because it has constantly undertaken new challenges. There is always risk when stepping into new domains, but I hope JBR, while adhering to its Corporate Philosophy, will continue to take challenges. Committed as it is to help people in need, JBR has an important role to play as part of society's infrastructure. As it continues to grow as a business, I hope JBR will be a company that supports society as a "third safety net" after police and emergency services.

Housei Iwamura, Independent Outside Director



The most important point in JBR's growth strategy going forward comes down to this question: how shall we respond to consumers who value safety and peace of mind and want an efficient economic life in a post-pandemic, carbon neutral world, and what kind of new services shall we create and offer to them? I remain committed to expressing my opinion candidly on topics like how to organize our governance system for a changing business environment. As an Audit & Supervisory Committee Member, I will be careful to always get the latest information on society and the like and make sure JBR risk management uses that information. I will closely observe JBR's consumer-focused operations and the actions of its organizations and employees.

Tetsuro Yoshioka, Independent Outside Director (Audit & Supervisory Committee Member)



As a Director (Audit & Supervisory Committee Member), I will focus on ensuring the suitability of JBR's business management and its appropriateness in terms of seizing opportunities for growth. I will work to actively contribute to these aims from my independent position as an Outside Director, using my experience and knowledge and constantly refining them in an age and environment where things continue to change at a rapid pace. In particular, at a time when the COVID-19 pandemic has caused digitalization to progress all at once, it is a critical duty of JBR to promote DX from a strategic perspective and accurately grasp and manage the risks that are increasing as a result.

Hiroyuki Oshida, Independent Outside Director (Audit & Supervisory Committee Member)



To grow, an enterprise needs products and services different from what others offer. To continue in existence, however, an enterprise must foster strong corporate ethics and build an internal control system and risk management system. Nowadays, moreover, enterprises are expected to respond to ESG needs and the SDGs. Under its new Medium-Term Business Plan, JBR has defined its Vision as "We create the best framework and services for giving people peace of mind by getting close to their daily lives." This is a way of thinking conducive to well-being, one of the SDGs. My hope is to use my experience in corporate management to bring this new perspective and contribute to the growth and development of the company by offering advice and supervision as an Outside Director.

Akio Hamaji, Independent Outside Director





Major financial data

	FY2012	FY2013	FY2014		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Consolidated fiscal year (JPY million)											
Net sales	7,438	10,405	11,621		12,117	11,552	12,396	11,766	12,010	12,057	13,460
Operating profit	607	189	329		597	823	889	1,430	1,638	1,367	1,408
Ordinary profit	544	141	278		558	878	952	1,644	1,967	1,798	1,740
Profit attributable to owners of parent	259	-486	31		-176	27	886	1,192	1,639	997	56
Cash flows from operating activities	576	-151	1,619		1,316	1,666	1,670	2,177	1,659	2,191	1,654
Cash flows from investing activities	157	-889	-1,407		-568	490	-1,544	-303	-3,167	-2,981	1,061
Cash flows from financing activities	19	957	1,280		-2,421	-772	-1,268	-474	1,822	-165	-120
Cash and cash equivalents at end of period	6,376	6,293	7,786		6,113	7,498	6,356	7,756	8,071	7,115	10,975
Unearned revenue and long-term unearned revenue at end of period	961	1,461	1,962		2,631	3,411	4,590	5,661	6,710	7,640	9,266
End of consolidated fiscal year (JPY million)											
Gross assets	9,640	11,767	13,278		11,930	12,328	13,220	14,865	18,761	21,204	28,175
Equity capital	2,727	1,834	5,426		5,336	5,439	5,373	6,041	7,897	7,592	11,324
Net assets	2,860	1,968	5,595		5,404	5,439	5,373	6,042	8,104	7,907	11,668
Per-share indicators (JPY)											
Earnings per share	8.14	-16.45	0.94		-5.12	0.81	27.30	38.05	51.81	31.82	1.83
Dividends per share (year)*	3	3	2		3	6	9	11	15	16	17
Net assets per share	87.17	64.03	157.99		154.78	158.65	170.50	193.12	246.94	245.54	333.70
Financial indicators (%)											
Gross net sales margin	45.3	35.3	34.3		35.3	40.7	42.7	47.1	46.6	46.7	42.8
Operating profit margin	8.2	1.8	2.8		4.9	7.1	7.2	12.2	13.6	11.3	10.5
EBITDA (JPY million)	871	507	718		973	1,067	1,038	1,590	1,812	1,579	1,653
SG&A ratio	37.2	33.4	31.5		30.4	33.6	35.5	34.9	32.9	35.3	32.3
ROE (return on equity)	9.4	-26.5	0.6		-3.3	0.5	16.4	20.9	23.5	12.9	0.6
ROA (return on assets)	5.9	1.3	2.2		4.4	7.2	7.5	11.7	11.7	9.0	7.0
D/E ratio (times)	164.6	334.7	69.3		27.1	16.4	13.0	11.8	21.6	38.2	34.4
Equity ratio	28.3	15.6	40.9		44.7	44.1	40.6	40.6	42.1	35.8	40.2
Price-earnings ratio (times)	19.2	—	314.9		—	270.4	15.8	32.6	20.3	32.8	689.6
Dividend payout ratio	36.9	—	212.8		—	740.7	33.0	28.9	29.0	50.3	929.0

*Dividends are retrospectively restated to account for a 5-for-1 stock split on October 1, 2013 and a 100-for-1 stock split on April 1, 2014.

Non-financial data

	FY2012	FY2013	FY2014		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Subscribers (thousands)											
Members	948	1,245	1,683		1,889	2,089	2,223	2,247	2,222	2,399	3,347
Persons insured*	61	94	124		159	246	272	274	259	550	593
Employees (Persons)											
Consolidated											
Employees	136	184	189		158	252	232	217	226	244	345
Average number of temporary personnel not included in the above	93	137	142		153	167	186	160	233	158	330
Non-consolidated											
Employees	94	108	123		124	181	201	181	186	195	178
Average number of temporary personnel not included in the above	89	116	129		146	156	182	153	228	154	133

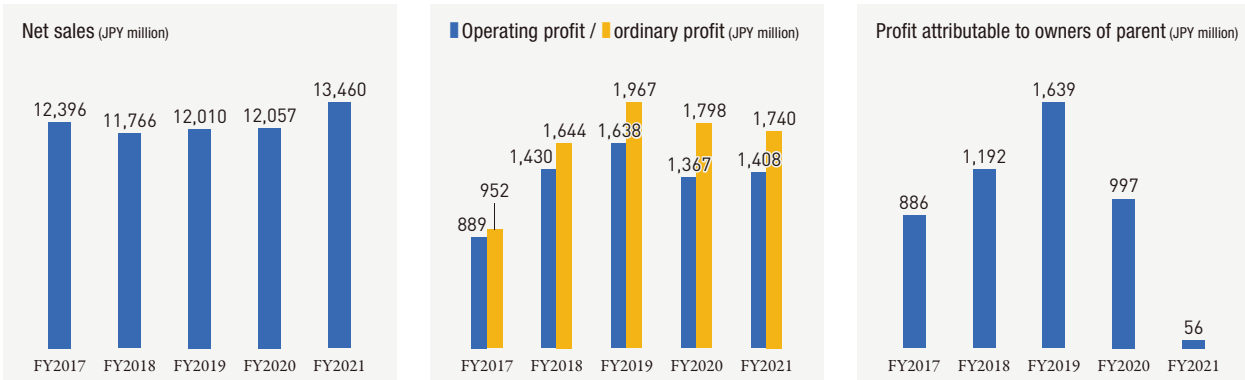
*For FY2015 and earlier, "persons insured" refers to the number of contracts in force.

FY2021 operating results

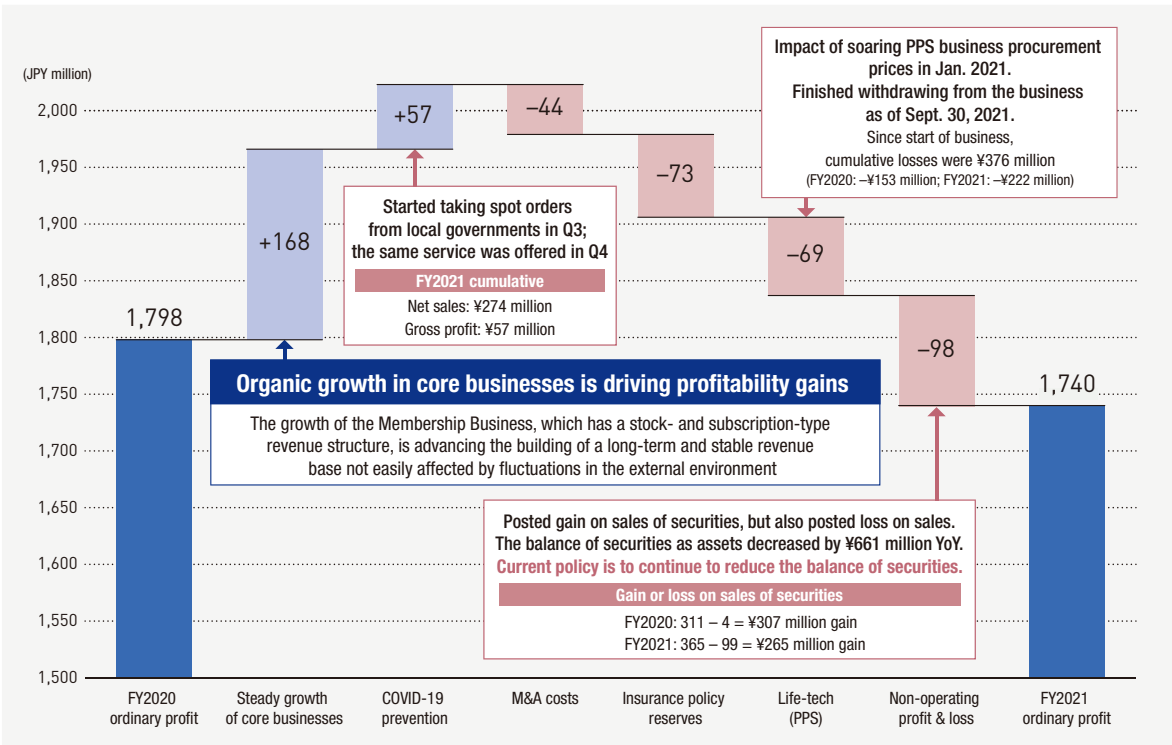
In the fiscal year 2021, Japan's economy was affected by the COVID-19 pandemic for a long time, which restricted economic and social activities. However, with the start of COVID-19 vaccination Japan, coronavirus cases are decreasing at a surprising speed, and lifestyles have slowly begun returning to normal. Against this background, based on the philosophy that "we help people in need," our Group significantly strengthened existing businesses and started to establish new businesses through the services that our customers appreciate so much.

The JBR Group's operating results for the term were as follows: net sales ¥13,460 million (up 11.6% YoY), operating profit ¥1,408 million (up 3.0% YoY), ordinary profit ¥1,740 million (down 3.2% YoY), and net profit attributable to owners of parent ¥56 million (down 94.3% YoY).

During the term, our Membership Business had 3.347 million active members and the Insurance Business had 593,000 insured.



Factors causing ordinary profit to vary

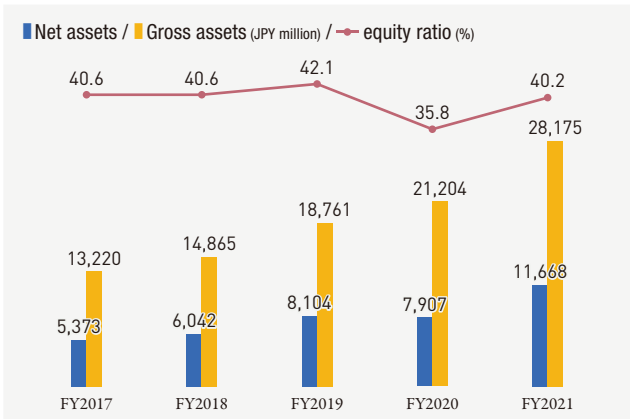


Performance by segment

<Emergency Business>	Attracted fewer customers on the web, primarily due to competitors' sites, resulting in a net sales decline of ¥1,325 million (down 11% YoY) and an operating loss of ¥25 million during the term (compared to operating profit of ¥50 million the previous term).
<Membership Business>	The core Membership service QR Service for New Tenant saw steadily expanding sales and members increased at a more extraordinary pace than expected. Net sales during the term were ¥6,974 million (up 15.1% YoY) with operating profit of ¥1,644 million (up 6.5% YoY).
<Insurance Business>	The number of subscribers to New Sumai Room Insurance, our core household belongings insurance, experienced strong growth, while JBR carried forward reserves we had been building against future insurance payouts. Net sales during the term were ¥4,677 million (up 11.7% YoY) with operating profit of ¥361 million (up 6.8% YoY).
<Repair Business>	Percentage of high-unit-price service calls using special service technology increased, raising our unit price, while JBR stopped providing some low-unit-price service calls, resulting in net sales of ¥266 million (up 0.6% YoY) and an operating loss of ¥72 million during the term (compared to operating loss of ¥77 million the previous term).
<Life-tech Business>	Sharp electricity price rises in the PPS business hurt profitability, leading the Board of Directors, at their meeting on June 21, 2021, to decide to withdraw from the business. As previously announced, JBR completed withdrawal from the business as of September 30, 2021. Net sales for the term were ¥230 million (up 169.7% YoY) with an operating loss of ¥222 million (compared to an operating loss of ¥153 million the previous term).

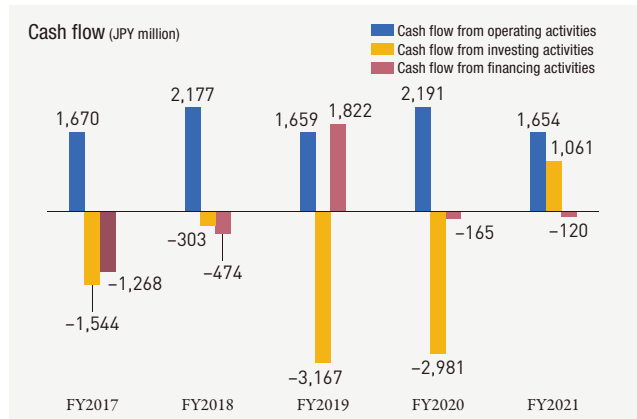
Financial position

<Assets>	Current assets reached ¥15,399 million (up ¥4,502 million YoY) due primarily to an increase in cash and deposits. Non-current assets came to ¥12,391 million (up ¥2,404 million YoY) due mainly to an increase in goodwill. As a result, gross assets amounted to ¥28,175 million (up ¥6,971 million YoY).
<Liabilities>	Current liabilities reached ¥7,519 million (up ¥2,435 million YoY) due primarily to an increase in short-term borrowings. Non-current liabilities came to ¥8,987 million (up ¥774 million YoY) due mainly to an increase in long-term unearned revenue. Interest-bearing liabilities amounted to ¥3,900 million (up ¥997 million YoY). As a result, total liabilities amounted to ¥16,507 million (up ¥3,210 million YoY).
<Net assets>	Net assets amounted to ¥11,668 million (up ¥3,761 million YoY) due primarily to JBR's capital surplus rising ¥2,445 million. JBR's equity ratio was 40.2% (a rise of 4.4 points YoY).



Cash flow

Cash and cash equivalents ("Cash") stood at ¥10,975 million (up 54.2% YoY) at the end of the term. The status and contributing factors for each category of cash flow in the term are as follows.



<Cash flow from investing activities>	Cash provided by investing activities totaled ¥1,061 million (compared to ¥2,981 million in outlays during the previous year). This is primarily the result of ¥1,145 million in proceeds from withdrawal of time deposits and ¥756 million in proceeds from sales of investment securities, offset in part by ¥526 million in purchases of other intangible assets.
<Cash flow from operating activities>	Cash provided by operating activities totaled ¥1,654 million (down 24.5% YoY). This is primarily the result of posting ¥737 million in profit before income taxes and a ¥910 million increase in long-term unearned revenue.
<Cash flow from financing activities>	Cash used in financing activities totaled ¥120 million (down 27.7% YoY). This is primarily the result of ¥470 million in cash dividends paid, ¥392 million in repayments of long-term loans payable, and ¥210 million in redemption of corporate bonds, offset in part by a ¥950 million increase in short-term loans payable.

■ Company overview

Company name	Japan Best Rescue System Co., Ltd.
Representative	Representative Director Nobuhiro Sakakibara
Established	February 1997
Capitalization	¥780.36 million (as of September 30, 2021)
Employees	345 (consolidated basis) 178 (non-consolidated) (as of September 30, 2021)
Headquarters	Urban Net Fushimi Bldg. 5F, 1-10-20 Nishiki, Naka-ku, Nagoya

■ Board members (as of December 24, 2021)

President	Nobuhiro Sakakibara
Director & COO and General Manager of Management Strategy Division	Mitsuhiro Wakatsuki
Outside Director	Norio Shiraishi
Outside Director	Housei Iwamura
Outside Director	Akio Hamaji
Director, Full-Time Audit & Supervisory Committee Member	Masakatsu Sawada
Outside Director, Audit & Supervisory Committee Member	Tetsuro Yoshioka
Outside Director, Audit & Supervisory Committee Member	Hiroyuki Oshida
Executive Officer, General Manager of Operations Division	Kumiko Urayama
Executive Officer, General Manager of Sales Division	Kei Ebata
Executive Officer, General Manager of Administration Division	Fumitaka Kondo

■ Status of shares (as of September 30, 2021)

Issuable shares	96,000,000
Number of shares outstanding	34,688,000
Number of shareholders	12,445

■ Major shareholders (as of September 30, 2021)

Name	Shares held	Shareholding ratio (%)
Nobuhiro Sakakibara	10,662,900	31.41
CHIC Holdings INC.	3,007,519	8.86
Custody Bank of Japan, Ltd. (Trust Account)	2,749,100	8.10
Hikari Tsushin K.K.	2,106,100	6.20
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,904,200	5.61
Custody Bank of Japan, Ltd. (Trust Account 9)	1,533,800	4.51
NOMURA PB NOMINEES LIMITED OMNIBUS – MARGIN (CASHPB)	1,454,400	4.28
UH Partners 2, Inc.	1,218,800	3.59
Sumitomo Realty & Development Co., Ltd.	1,000,700	2.94
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	901,100	2.65

*1 Shareholding ratios exclude treasury stock (750,822 shares).
*2 Shareholding ratios are rounded down to the second decimal place.

Group companies

Rescue Insurance Co., Ltd.

Otemachi Nomura Bldg. 7F, 2-1-1, Otemachi, Chiyoda-ku, Tokyo 100-0004
Underwriting of insurance on costs of fulfilling contractual obligations for corporations
<https://www.rescue-sonpo.jp/>

レスキュー損害保険株式会社

Japan Small Amount & Short Term Insurance Co., Ltd.

Otemachi Nomura Bldg. 7F, 2-1-1, Otemachi, Chiyoda-ku, Tokyo 100-0004
Sales of household belongings insurance for renters, among other products. Property management companies and real estate agencies sell insurance as the company's agent
<http://www.japan-insurance.jp/>

ジャパン少額短期保険株式会社

Japan Warranty Support Co., Ltd.

Otemachi Nomura Bldg. 7F, 2-1-1, Otemachi, Chiyoda-ku, Tokyo 100-0004
Sales and planning of warranty extension services for home equipment
<https://www.jpwsp.com/>

Japan Warranty Support

ACTCALL INC.

2-12-5, Yotsuya, Shinjuku-ku, Tokyo 160-0004
Membership Business sales and management of daily life troubleshooting service for renters
<https://actcall.jp/>

ACTCALL

TSUNAGU INC.

2-12-5, Yotsuya, Shinjuku-ku, Tokyo 160-0004
Operation of call centers for renter member services primarily operated by ACTCALL
<https://tsunagu-all.co.jp/>

TSUNAGU

Shareholder notes

Business year	October 1 each year to September 30 of the next year
Ordinary General Meeting of Shareholders	Held in December each year
Dates when list of shareholders eligible to receive dividends is finalized	Year-end dividends September 30 Interim dividends March 31
Record date	September 30 If necessary, they will be announced in advance.
Share units	100 shares

Shareholder registry administrator	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo
Listed stock exchanges	First Section, Tokyo Stock Exchange First Section, Nagoya Stock Exchange
Securities code	2453
How public announcements are made	Announcements are posted on the JBR website https://www.jbr.co.jp/

See the JBR website for the latest information on Group companies.

<https://www.jbr.co.jp/affiliated/>

