TATERU, Inc.
FY2018 2Q
FINANCIAL RESULTS

FY2018 2Q Financial Results Briefing Materials

August 2018 TATERU, Inc. (TSE1:1435)

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TATERU

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FY2018 2Q
FINANCIAL RESULTS OVERVIEW

Name	TATERU, Inc.
Head office	21F, 1-5-8, Jingumae, Shibuya-ku, Tokyo
Established	January 23, 2006
Representative	Daisaku Furuki, Representative Director/CEO
Capital	7,246 million yen
Employees	484 persons (consolidated basis / full-time employees / as of June 30, 2018)
Businesses	Development and operation of IoT apartment management app “TATERU Apartment” Planning and operation of real estate investment-type crowdfunding “TATERU Funding”
Subsidiaries	Robot Home Co., Ltd. (IoT business) TATERU bnb, Inc. (Minpaku business) TATERU Funding, Inc. (Crowdfunding business) Invest Online, Inc. (Apartment platform business) IO Funding Co., Ltd. (Crowdfunding business)
Associates	TRASTA inc.

- Achieved net sales of 141.2% YoY and operating income of 119.9% YoY

- Achieved a total increase in membership of 13,749persons (2,622 persons) and 509contracts (49 contracts), and 132.2% YoY in 2Q (cumulative total)

() ･･･The numbers inside the parentheses show the numeric data of Invest Online, Inc.

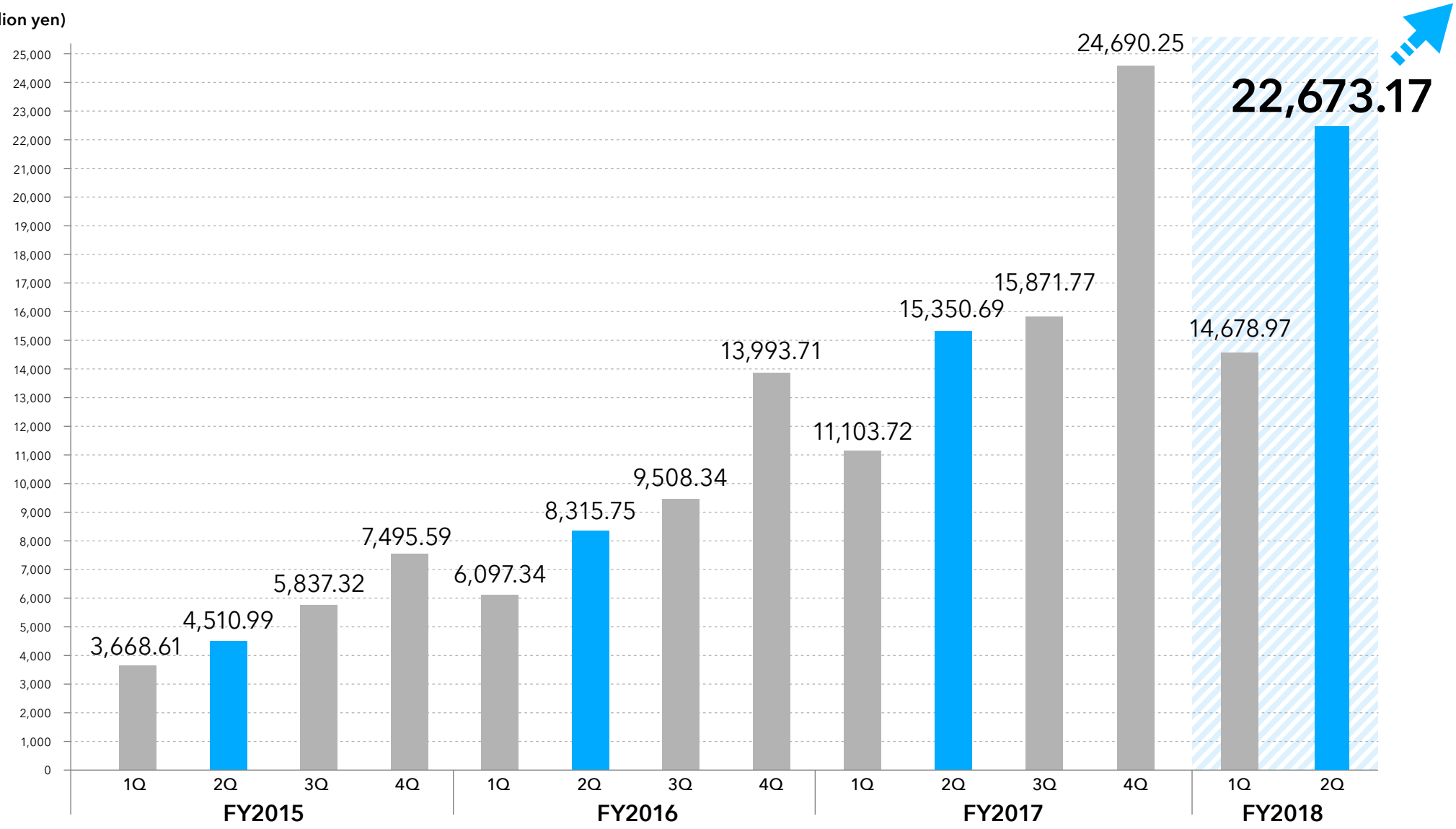
Achieved net sales of 141.2% YoY, operating income of 119.9% YoY and profit attributable to owners of parent of 117.0% YoY

(Unit: million yen)

	FY2017 2Q		FY2018 2Q		
	Amount	% of sales	Amount	% of sales	YoY
Net sales	26,454	100.0%	37,352	100.0%	**141.2%**
Gross profit	4,406	16.7%	6,490	17.4%	147.3%
Selling, general and administrative expenses	2,481	9.4%	4,182	11.2%	168.6%
Operating income	1,925	7.3%	2,308	6.2%	**119.9%**
Ordinary income	1,866	7.1%	2,187	5.9%	117.2%
Profit attributable to owners of parent	1,214	4.6%	1,420	3.8%	**117.0%**

Record high in net sales on a quarterly basis

(Unit: million yen)



*As the Company shifted to consolidated accounting from 2Q FY2016, results for 1Q FY2016 and before are not consolidated.

Segment information

TATERU Funding business, TATERU bnb business, and Robot Home businesses have also achieved profitability

(Unit: million yen)

	TATERU Apartment	TATERU Funding	TATERU bnb	Robot Home	Others	Total	Consolidated PL
Net sales	36,144	292	266	467	216	37,388	37,352
Operating income	3,202	136	112	136	1	3,588	2,308

Increase in equity ratio from 43.6% to 67.4% due to fund raising

(Unit: million yen)

	December 31, 2017	End 2Q FY2018	YoY change
Current assets	15,511	27,922	+12,410
Inventories	3,332	6,111	+2,779
Non-current assets	6,352	7,379	+1,026
Total assets	21,864	35,302	+13,437
Liabilities	12,197	11,365	▲831
Net assets	9,667	23,936	+14,268
Total liabilities and net assets	21,864	35,302	+13,437

・Increase in capital stock and capital surplus of 13.2 billion yen due to issuance of new shares through international offering

Even when considering a budget with an emphasis on 4Q, performance is strong

(Unit: million yen)

	12th Fiscal Period FY2017 (Result)	13th Fiscal Period, FY2018 (Forecast)			
		Result	Budget		
		2Q	Full-year	% of sales	YoY
Net sales	67,016	37,352	76,611	100%	114.3%
Operating income	5,898	2,308	7,113	9.3%	120.6%
Ordinary income	5,863	2,187	7,099	9.3%	121.1%
Profit attributable to owners of parent	3,995	1,420	4,815	6.3%	120.5%

Forecast record income, with an increase of about 20%

FY2018 of each segment

(Unit: million yen)

	TATERU Apartment	TATERU Funding	TATERU bnb	Robot Home	Others	Total	Consolidated PL
Net sales	74,100	563	554	1,246	146	76,611	76,611
Operating income	7,422	302	183	336	38	8,282	7,113

Notice regarding issuance of new shares through international offering

Total number of shares before the issurance of new shares 79,059,000 shares

Number of shares to be increased by the issuance of new shares 7,100,000 shares

Total number of shares after the issuance of new shares 86,159,000 shares

Use of Proceeds:

The Company intends to use proceeds of 13,236 million yen from this issuance of new shares as follows.

1. Funds to expand existing and new businesses
2. Funds for equity and other investments to achieve further growth and expand market share as a real estate tech company
3. Funds to repay loans payable

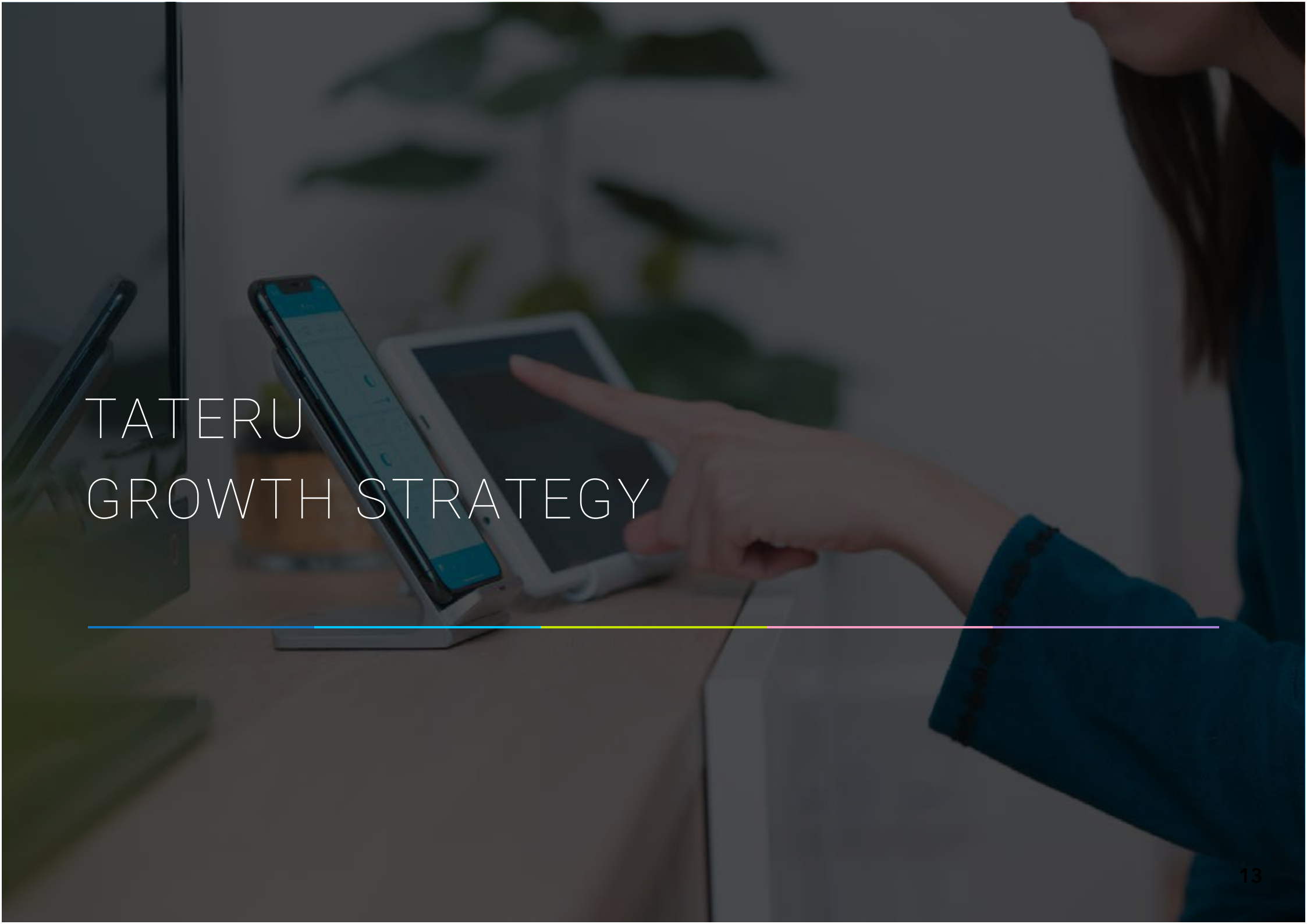
Issuance of subscription rights to shares on the conditions of business performance achievement in FY2017 2Q

Issued 0.97% out of the current total number of outstanding shares

Period	(Consolidated) Operating income	Exercisable ratio of paid stock options
FY2018 or FY2019	In excess of 7.0 billion yen	33% of allocation is exercisable
FY2019 or FY2020	In excess of 10.0 billion yen	66% of allocation is exercisable
FY2020 or FY2021	In excess of 12.5 billion yen	100% of allocation is exercisable

Reference data: Recent trends in operating income

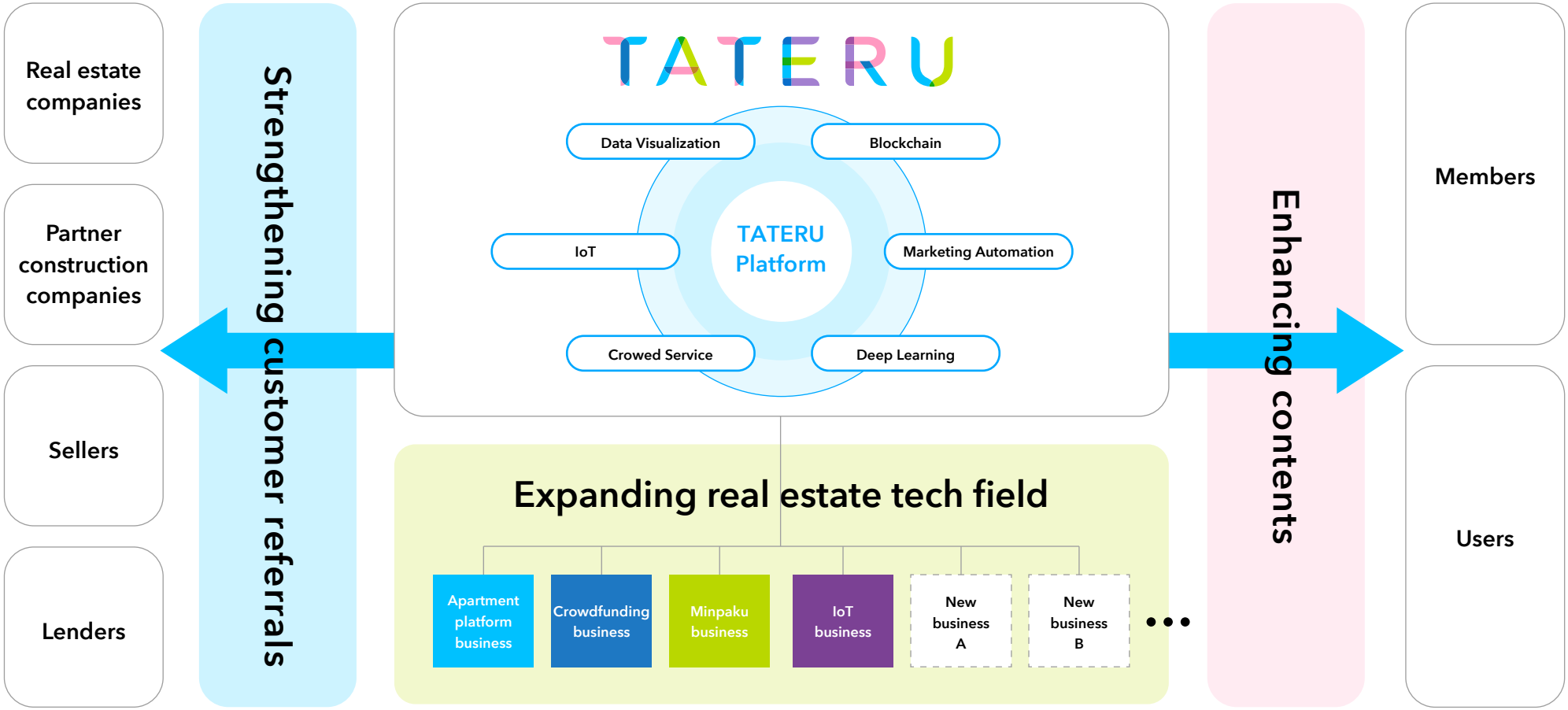
FY2015 −1.89 billion yen　FY2016 −3.80 billion yen　FY2017 −5.89 billion yen



TATERU GROWTH STRATEGY

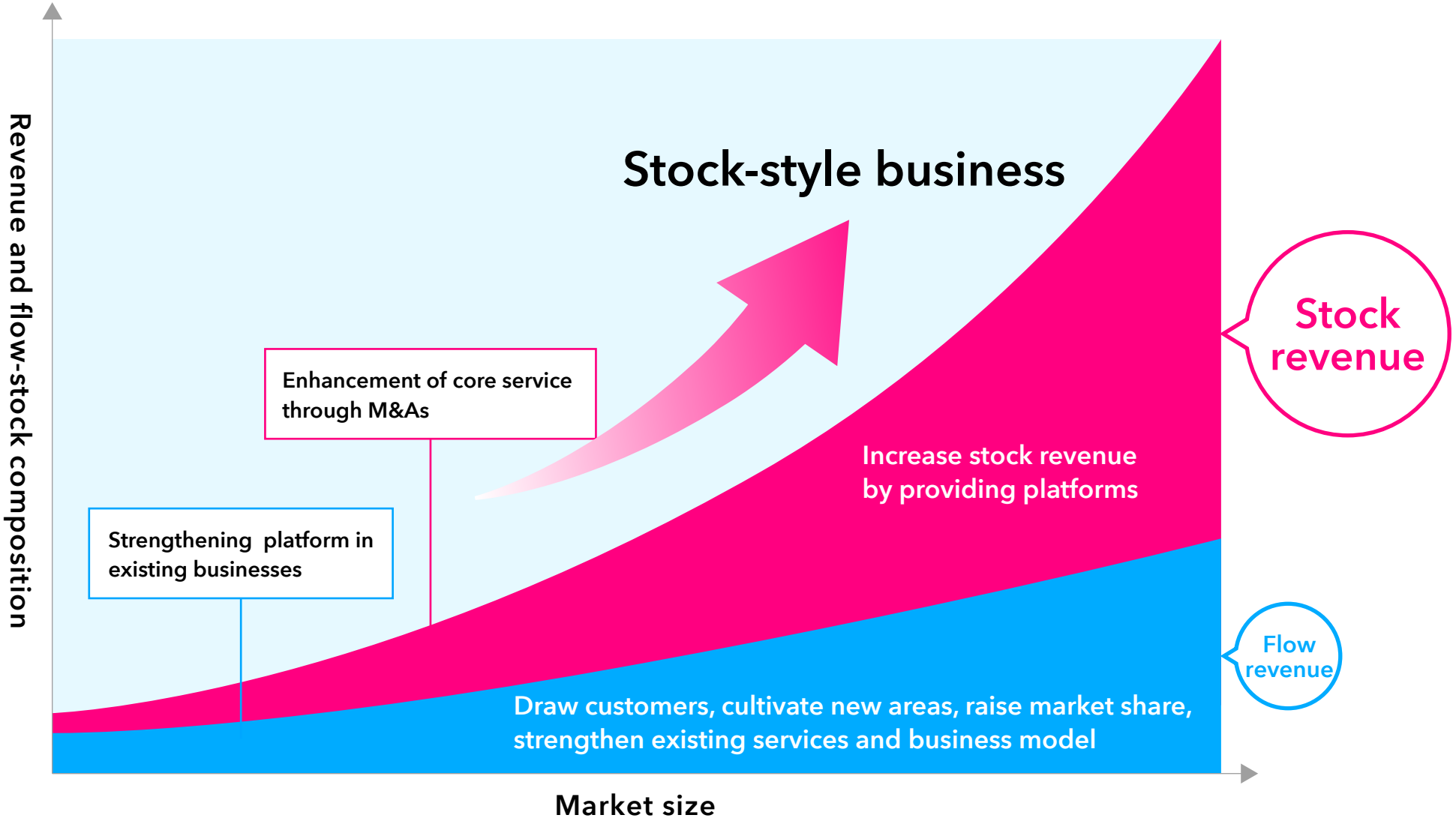
Began preparation for shifting to holding company system to further expand real estate tech field

Planned to shift to holding company system from April 2019



TATERU Group revenue structure Medium-term income growth

Turning to stock-style business and reinforcement



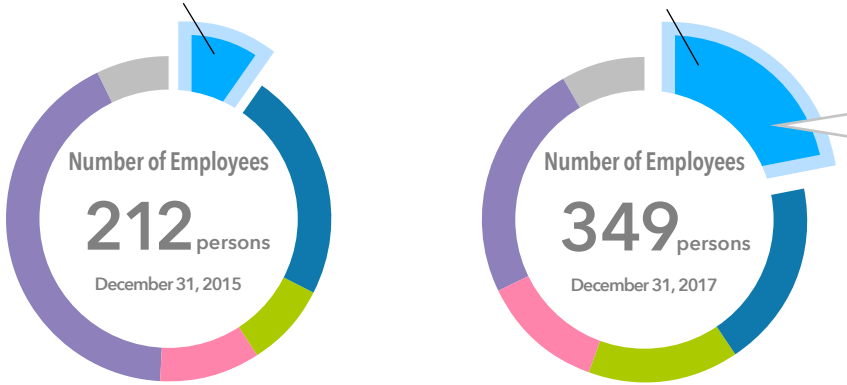
Doubled the proportion of IT engineers, aiming for further growth as a Real Estate Tech company

Proportion of IT engineers

Approx. 2 times

Doubled the proportion of IT engineers in order to further enhance the real estate platform development as a Real Estate Tech company after going public in 2015.

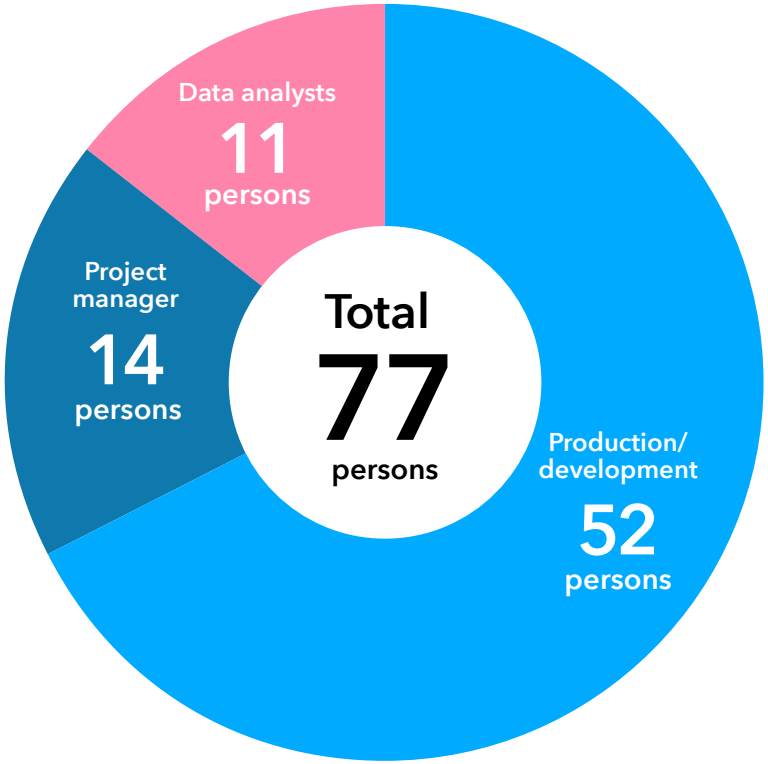
IT engineers (21 persons) 9.9% → **IT engineers (77persons) 22.1%**



	2015/12	2017/12
IT engineers	21persons 9.9%	77persons 22.1%
Concierges	48persons 22.6%	65persons 18.6%
Buyers	18persons 8.5%	52persons 14.9%
Construction	21persons 9.9%	43persons 12.3%
PM	89persons 42.0%	83persons 23.8%
Others -management-	15persons 7.1%	29persons 8.3%

*Excluding the number of employees in subsidiary of Invest Online, Inc.

IT Business Administration Department composition by category



Selected “Competitive IT Strategy Company 2018” by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange as a company that engages in strategic IT use

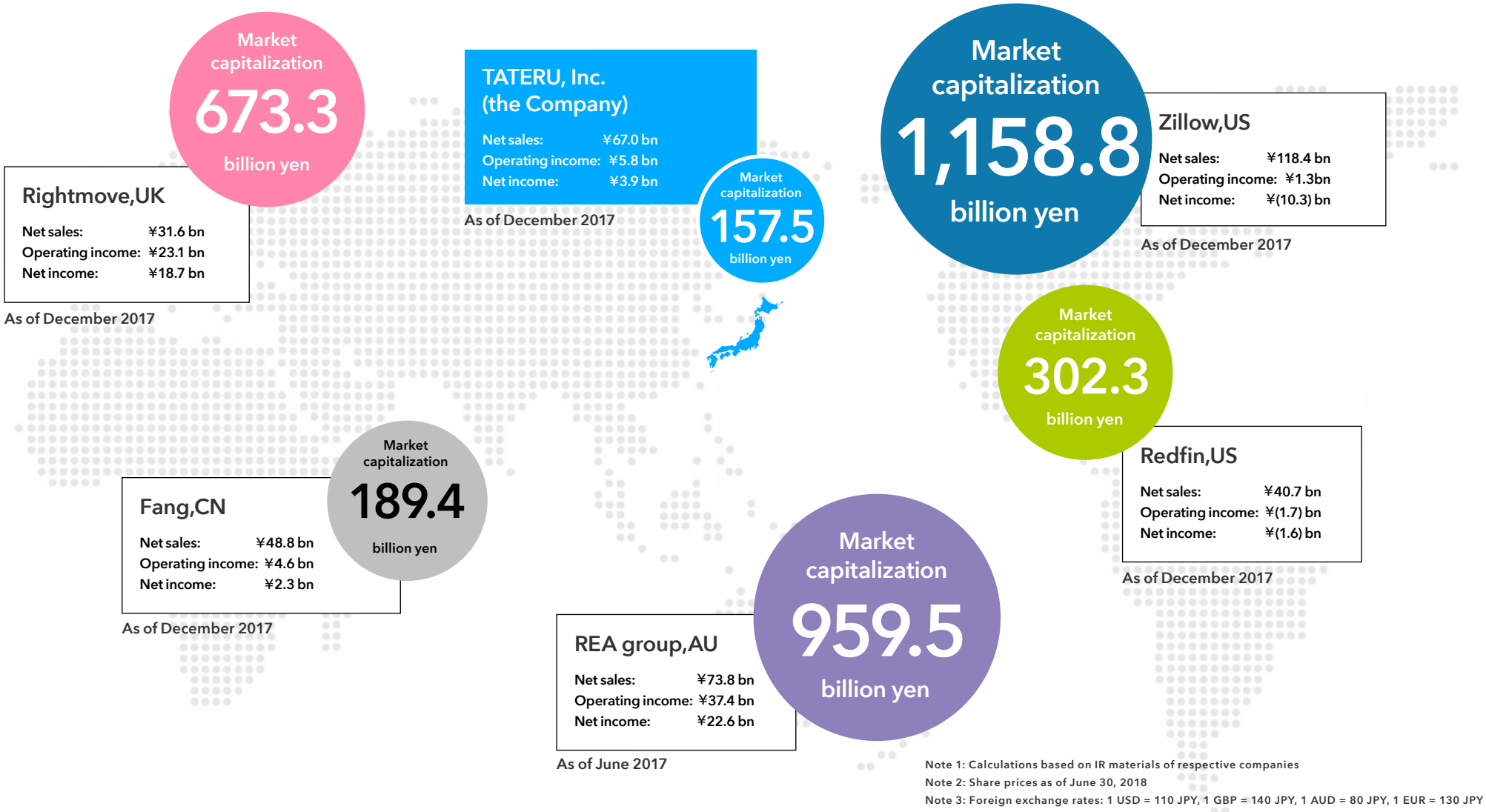
2018
攻めのIT経営銘柄
Competitive IT Strategy Company

Competitive IT Strategy Companies

The program targets TSE-listed companies proactively engaging in efforts for IT utilization to improve management innovations, earnings and productivity from the perspective of improving mid- to long-term corporate value and fortifying competitiveness. METI and the TSE select such companies among all TSE-listed companies as Competitive IT Strategy Company Stocks by industry and introduce them to the public. In particular, in the 2018 program, METI and the TSE focused on the assessment of companies based on the efforts for utilizing cutting-edge technologies, e.g., IoT, big data, AI and robots, which will contribute to the realization of the Fourth Industrial Revolution, so as to create new business models and corporate value. Additionally, efforts for renovating legacy systems were highly evaluated from the standpoint of future prospects and possibilities.

(Source) “Announcement of Selected Competitive IT Strategy Companies and Noteworthy IT Strategy Companies for 2018,” METI news release dated May 30, 2018
http://www.meti.go.jp/english/press/2018/0530_003.html

Real Estate Tech Market Size



Note 1: Calculations based on IR materials of respective companies
Note 2: Share prices as of June 30, 2018
Note 3: Foreign exchange rates: 1 USD = 110 JPY, 1 GBP = 140 JPY, 1 AUD = 80 JPY, 1 EUR = 130 JPY

Real Estate Tech business

TATERU

Apartment platform business

TATERU Apartment

Crowdfunding business

TATERU Funding

Minpaku business

TATERU bnb

Real estate portal site

TATERU Buy-Sell

IoT business

Robot Home

Apartment kit

IoT device development /

App development for owners /

Tool development for management companies /

Big data business

Apartment platform business

TATERU Apartment

Introducing IoT apartment management with the “TATERU Apartment" app

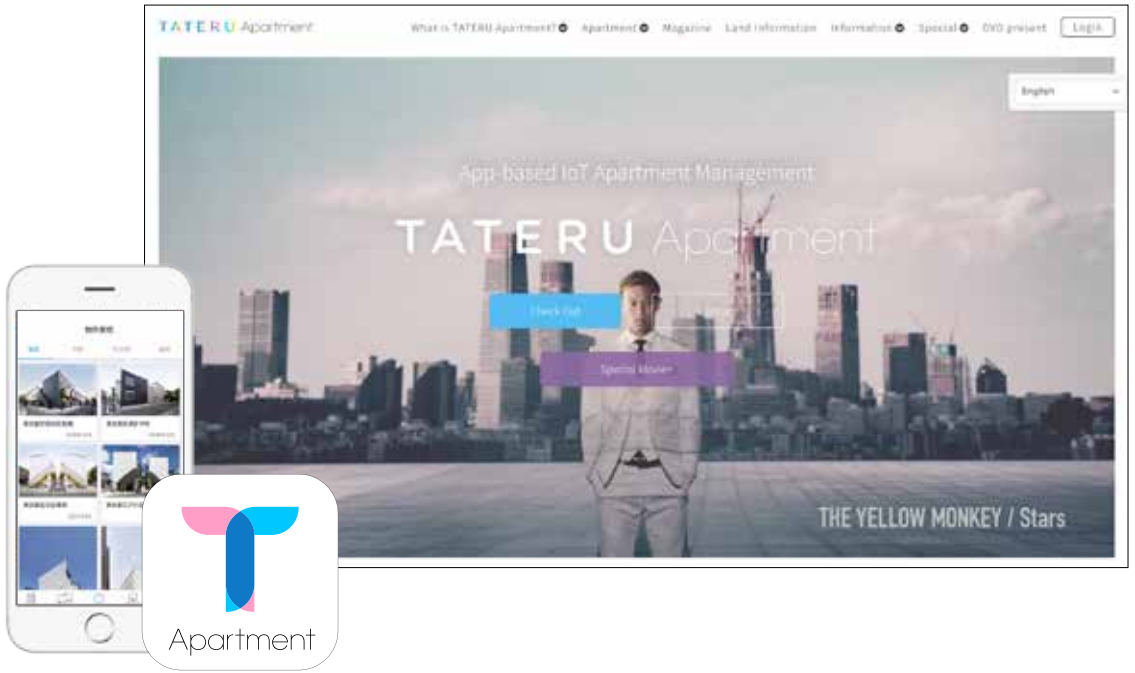
Membership ..... 156,108 persons
(18,951 persons)

Owners ..... 1,954 persons

Managed properties ..... 20,846 units

Occupancy rate ..... 98.0 %

as of June 30, 2018



() ･･･The numbers inside the parentheses show the number in Invest Online, Inc.

TATERU Apartment business: 5 strengths

1. Inventory reduction through land matching
2. One-stop IoT apartment management via app
3. Acquisition and nurturing of new members via marketing automation system
4. IoT apartment through in-house development
5. High profitability model through land information matching

1. Inventory reduction through land matching

Assuming estimated sales in FY2017 of 67.0 billion yen, inventory can be reduced from 39.1 billion yen to 6.1 billion yen

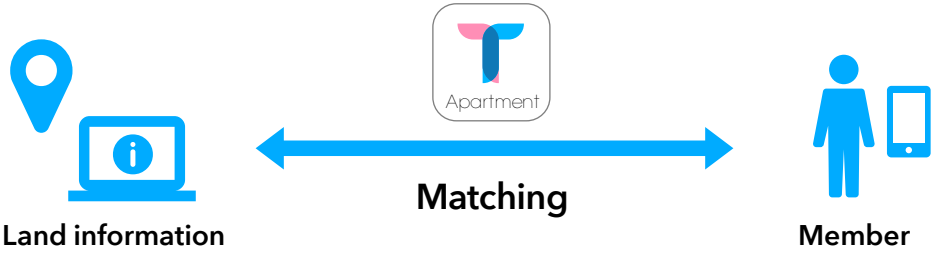
(Assuming turnover of 7months)

= Achievement of debt-free management by land matching scheme

Former two-stage distribution model



TATERU Apartment one-stage distribution model



- **Merits for members**

  Significantly lower costs, including intermediary margin and double taxation

- **Merits for real estate companies**

  Charging brokerage commissions

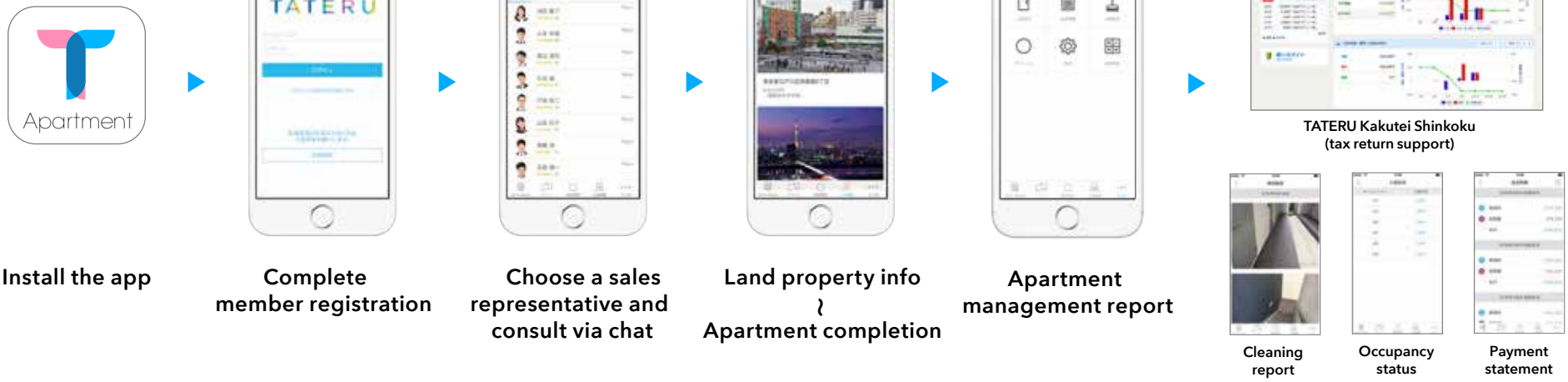
- **Merits for TATERU**

  Low financial risk as the Company does not hold land inventory

2. One-stop IoT apartment management via app

TATERU Apartment × PKSHA TECHNOLOGY

TATERU Apartment × Money Forward



Install the app

Complete member registration

Choose a sales representative and consult via chat

Land property info ≀ Apartment completion

Apartment management report

Cleaning report

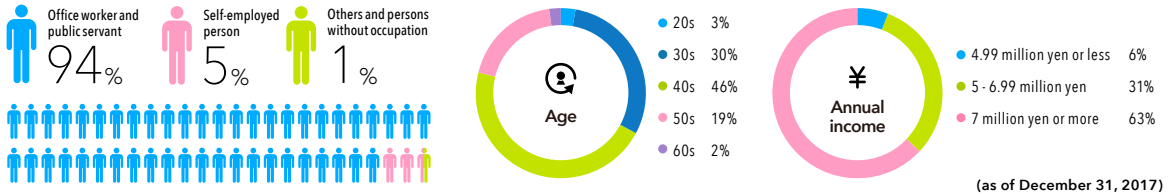
Occupancy status

Payment statement

Features of TATERU Apartment management

- Original business model of "initiating apartment management from land matching"
- "Office workers in their 30s to 50s with annual income over 7 million yen" have started TATERU as a means of wealth accumulation

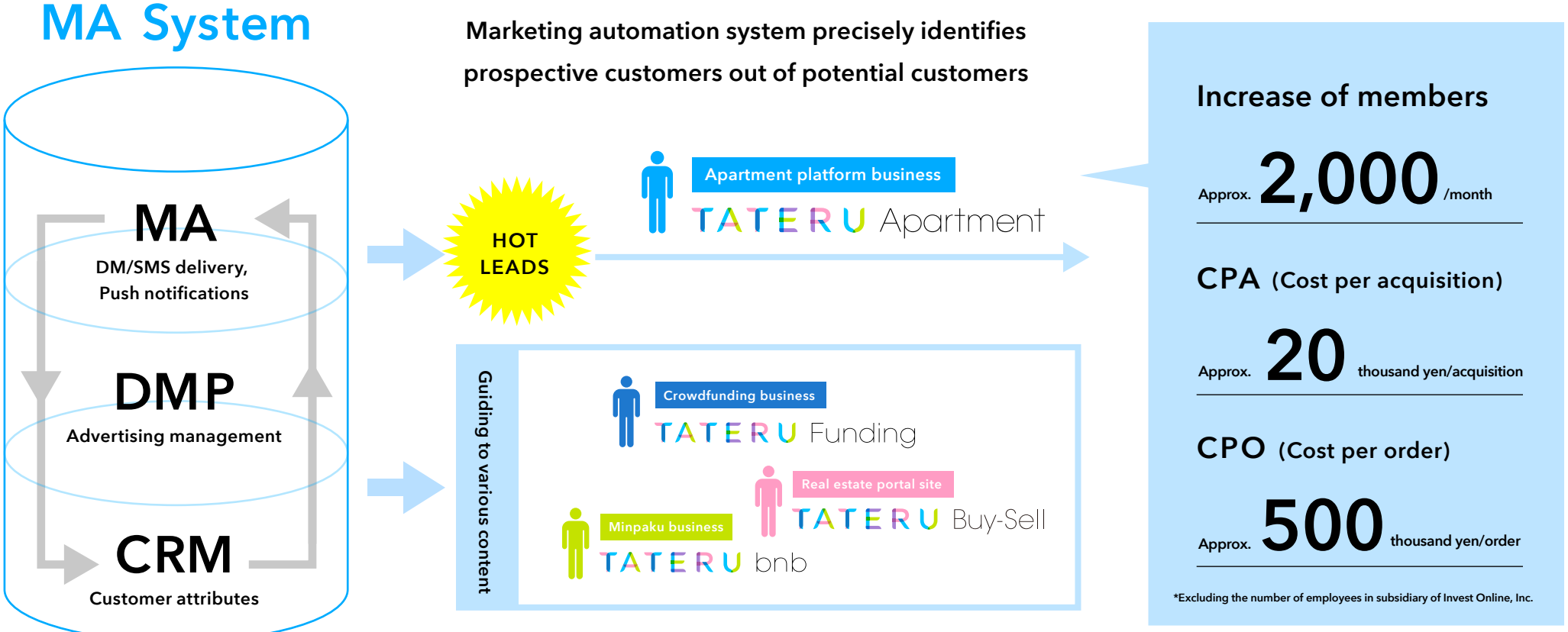
Positioning map of TATERU Apartment owners



(as of December 31, 2017)

3. Acquisition and nurturing of new members via marketing automation system

Advertising by dedicated in-house digital marketers



4. IoT apartment through in-house development

IoT for rental properties are provided in TATERU Apartment, now allowing single households with IoT environment

Plan to provide 10,000 units by December 2018.

[Overview of TATERU Apartment standard devices]



CENTRAL CONTROLLER

Tablet type gateways that can be equipped with various functions



Amazon Echo

Voice control of home appliances by connection with smart speakers



TAG SECURITY

Detects window open, close, vibration and informs you via app even when away from home



SMART LOCK(*1)

Offers four ways(*2) to unlock doors in a simple and convenient manner



NATURE SENSOR REMOTE CONTROLLER

Remote controller that acquires the status of the home environment and can control devices remotely



SMART LIGHT

Turn on/off lights and adjust colors/tone of lighting

(*1) The above SMART LOCK image is a prototype under development and its design differs from currently installed devices.

(*2) Smartphones / Keypads / NFC such as card keys / physical keys

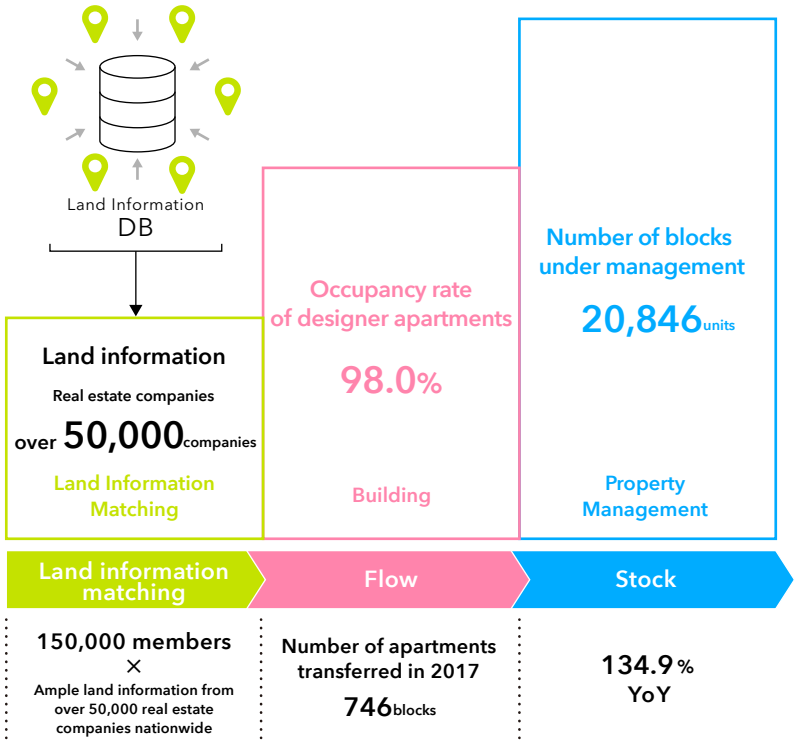




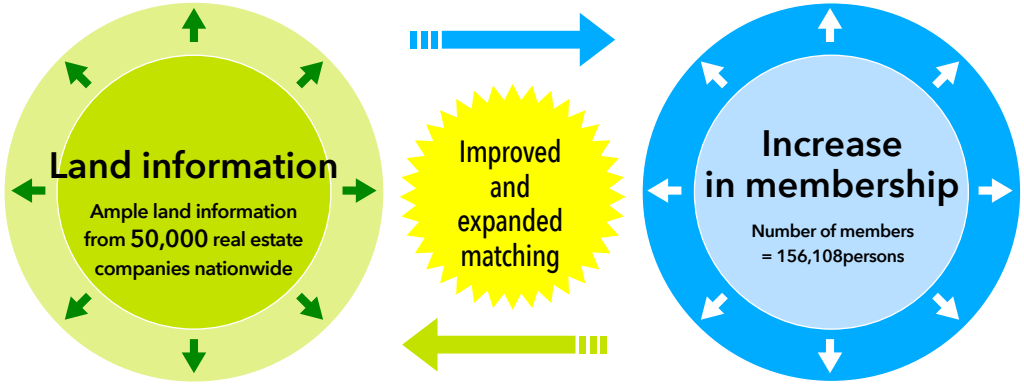
For details, refer to page 29

5. High profitability model through land information matching

Unique apartment platform sequence



Accelerated growth model combining land information and membership

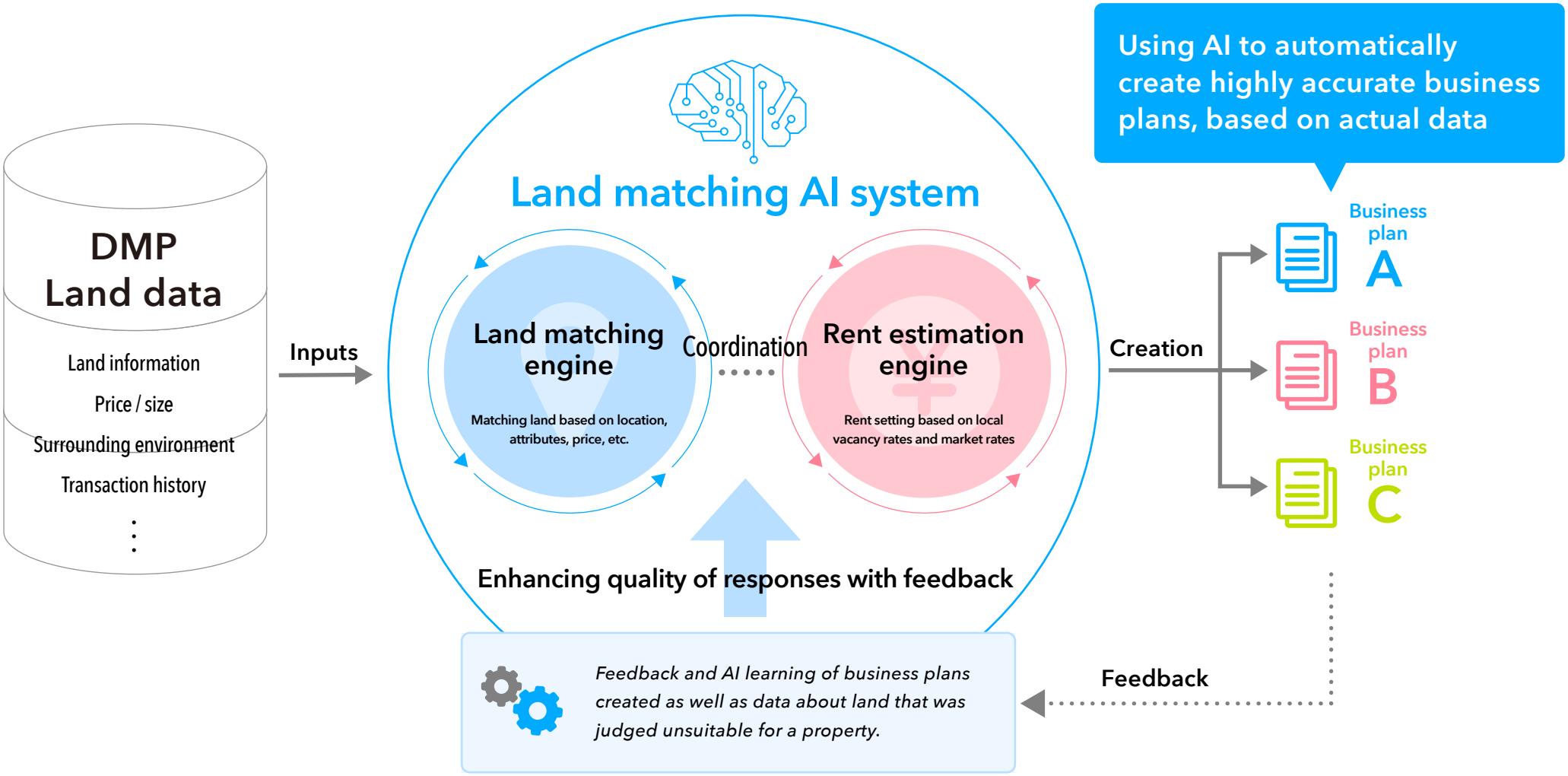


Two-revenue structure from matching of land and members

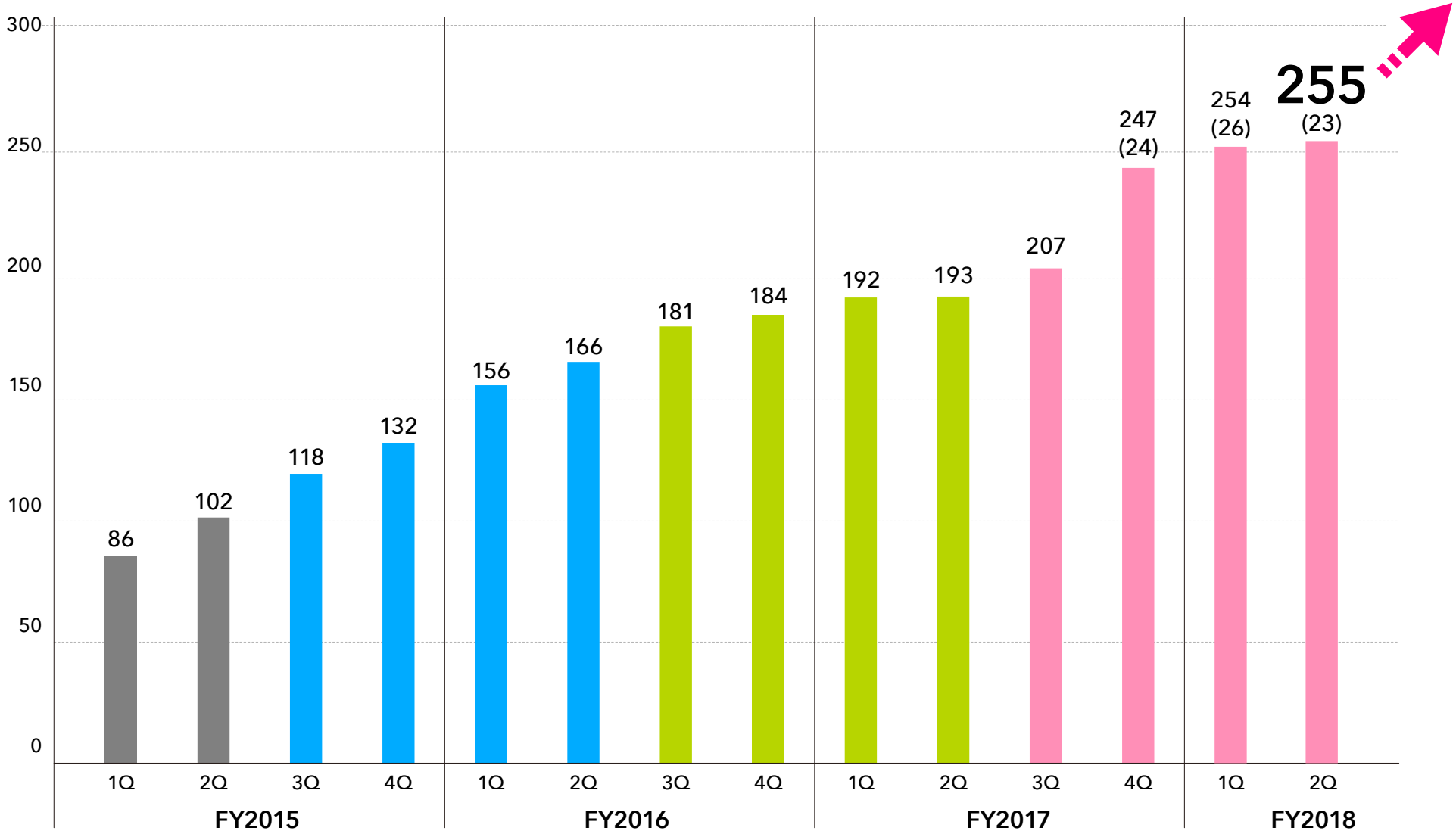


Began development of “Land matching AI system”

Moving to automated planning for apartment management businesses



Record high in contracts on a quarterly basis



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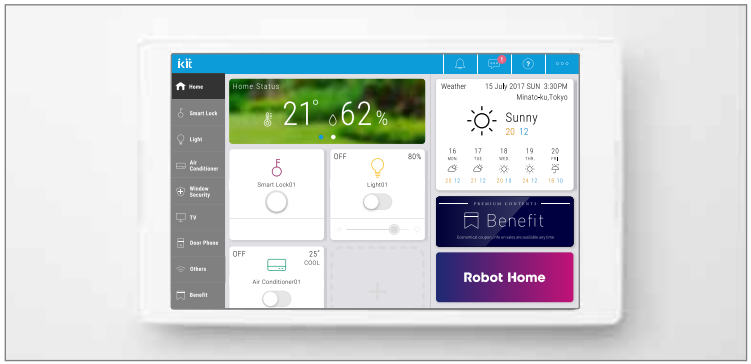
Robot Home

Sales and OEM provision of "Apartment kit" which enables anyone to provide IoT rental housing

Planning to provide 10,000 units by December 2018.

kit



CENTRAL CONTROLLER



Amazon Echo



TAG SECURITY



SMART LOCK



NATURE SENSOR
REMOTE CONTROLLER



SMART LIGHT

*Devices standardly provided are subject to change depending on development status.
*The above SMART LOCK image is a prototype under development and its design differs from currently installed devices.

Orders received to introduce in
8,000 rooms

OEM provision

TATERU

Evolve into IoT apartment



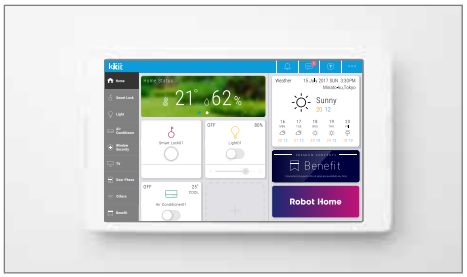
Order unit price per unit

an increase of

175,000yen (ex.tax)

Apartment kit

3 features: 1. Ease of use 2. High security 3. High convenience



CENTRAL CONTROLLER

Tablet type gateways that can be equipped with various functions



Amazon Echo

Voice control of home appliances by connection with smart speakers



TAG SECURITY

Detects window open, close, vibration and informs you via app even when away from home



SMART LOCK (*1)

Offers four ways (*2) to unlock doors in a simple and convenient manner

(*1) The above SMART LOCK image is a prototype under development and its design differs from currently installed devices.

(*2) Smartphones / Keypads / NFC such as card keys / physical keys



NATURE SENSOR REMOTE CONTROLLER

Remote controller that acquires the status of the home environment and can control devices remotely



SMART LIGHT

Turn on/off lights and adjust colors/tone of lighting



DOOR PHONE

Intercom that can respond via the cloud even when away from home

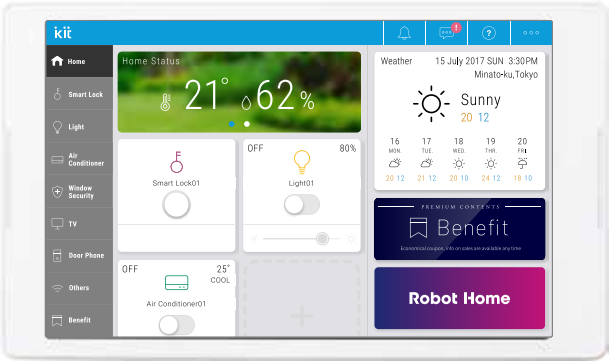
1. Ease of use

Each IoT device is connected in advance,
allowing use from the first day of occupancy



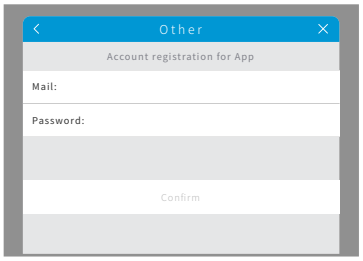
*Showroom

<Tablet standardly provided in TATERU Apartment>



Available from the first day of occupancy!

<Setup via App>



Tablet setup screen



App setup screen

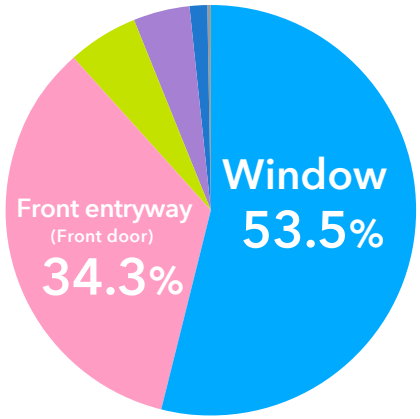
Only an email address and password are required!

2. High security

Number of burglaries committed in 2016

Approx. **40,000** cases (Approx. **107** cases per day)

Entry point for burglaries

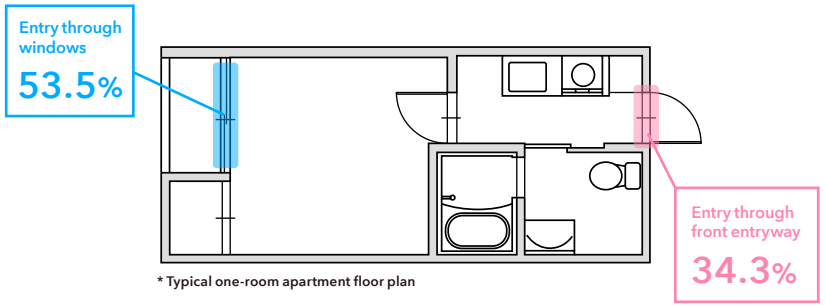


Shared housing (three floors or less)
9,130 crimes committed in total (2016)

Windows and **front doors** account for Approx.

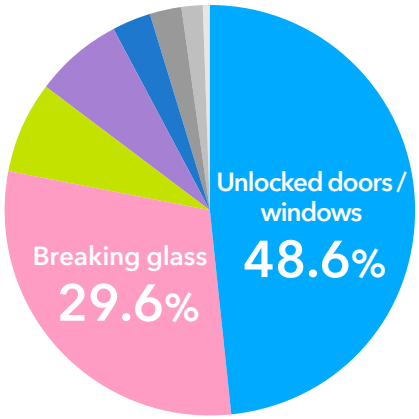
90% of burglary entry points

53.5%	Window
34.3%	Front entryway (front door)
5.4%	Unknown
4.3%	Other entryway
1.5%	Other
0.1%	Emergency exit



* Typical one-room apartment floor plan

Means for entry into shared housing



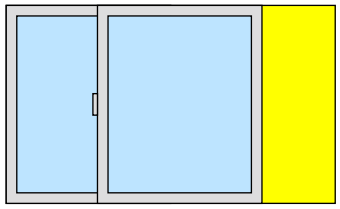
Shared housing (three floors or less)
9,130 crimes committed in total (2016)

The means for entry into shared housing are …

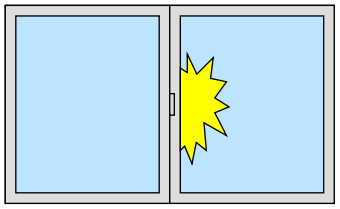
Unlocked doors / windows 48.6%

Breaking glass 29.6%

48.6%	Unlocked doors/ windows	3.1%	Other
29.6%	Breaking glass	2.6%	Other unlocking
7.2%	Duplicate keys	1.7%	Door lock-picking
6.9%	Unknown	0.3%	Door removal



Unlocked doors/windows
(Entry through doors/windows)
48.6%



Breaking glass
(Entry through windows)
29.6%

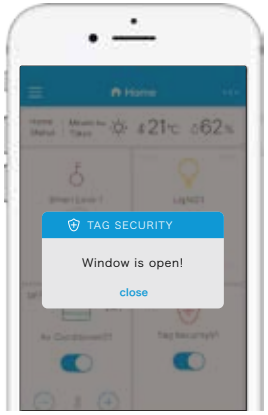
Source: "Smile (Home) Crime Prevention #110," National Police Agency (http://www.npa.go.jp/safetylife/seianki26/theme_a/a_d_1.html)

2. TATERU kit SECURITY

Sensors detect entry → Alerts residents → Police are notified as necessary

Crime prevention on windows (TAG SECURITY)





Screen informing detection of window open, close, or vibration

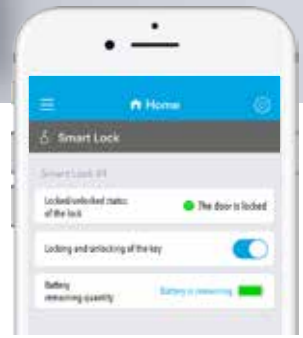


Camera launch screen (under development)

- When windows are opened
  * Magnet sensors detect opening and alerts residents via tag security
- Breaking glass
  * Detect through vibration sensors
- Unlocked doors/windows
  * Alert residents through lock check functions (under development)

Crime prevention on front doors (SMART LOCK)





Displays open/close status (under development)

- Unlawful unlocking
  * Discourage intruders via alarm sounds
- Unlocked doors/windows
  * An auto-lock function is available

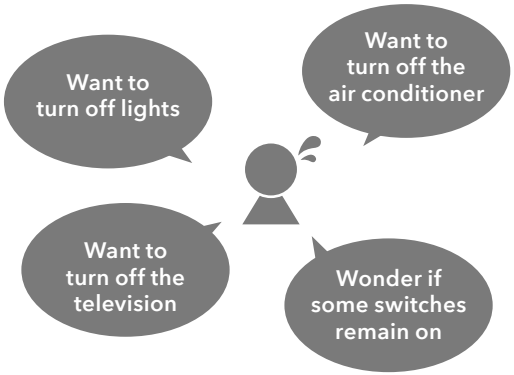
*The above SMART LOCK image is a prototype under development and its design differs from currently installed devices.

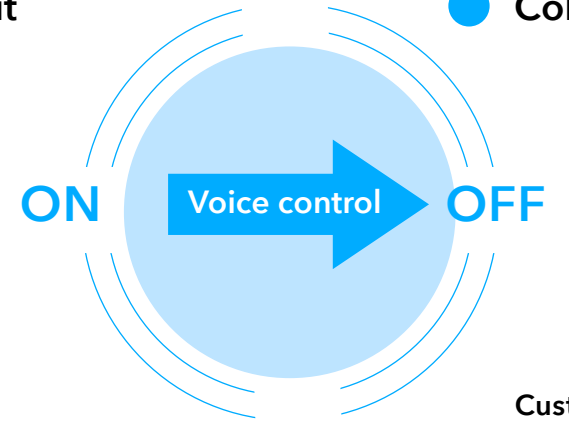
3. High convenience

Compatibility with smart speakers allows for connecting to various home appliances such as lighting, air conditioners, and televisions, to enable customized settings via voice control.

Voice control frees residents from worries of un-switched-off devices while away from home

For example, when going out





Collectively control switches via voice



Customize home appliances via voice control



NATURE SENSOR REMOTE CONTROLLER

Residents can check the status of indoor temperature and humidity, as well as control air conditioners, televisions, and others with one tap of the central controller. In addition, control of infrared communication devices such as air conditioners is available even when away from home.



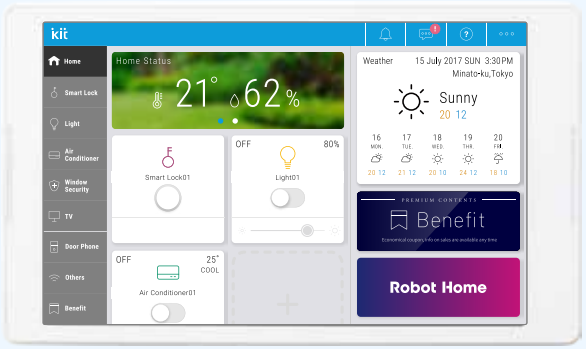
SMART LIGHT

Residents can set the tone of lighting to their taste. Lights can be turned off remotely while away from home in case they were not switched off.

Overview of app functions

Concierge for all rental properties

A tablet type gateway that can be equipped with various functions. Connections to various IoT devices and home appliances allow residents to obtain a unique gateway which suits their own lifestyle. Plus, chat service supports the daily lives of residents by providing water leakage solution and point of contact in the event of moving out.



Tablet type gateway (central controller)

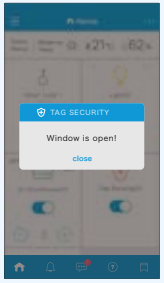


Smartphone app

TAG SECURITY

Detects window open, close, vibration and informs you via app even when away from home

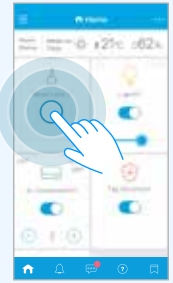
TAG SECURITY installed on window detects its open, close, and vibration, and you can check the abnormality in the house via smartphone when away from home.



SMART LOCK

4 easy ways to unlock the door

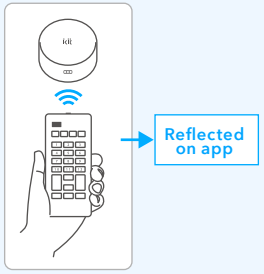
Doors can be unlocked by the app, keypad, traffic system IC card, and physical keys, and doors are locked automatically when closed. (*Also possible with certain NFC-equipped smartphones.)



NATURE SENSOR REMOTE CONTROLLER

Remote controller that acquires the status of the home environment and controls devices remotely

Indoor humidity and temperature can be read and displayed on tablets and smartphones. Control of infrared communication devices such as air conditioning are available even when away from home.



SMART LIGHT

Turn on/off lights and adjust colors/tone of lighting

Residents can easily set the tone of lighting with a smartphone. Lights can be turned off remotely in case they were not switched off while away from home.



Utilizing SMART DOOR PHONE / Correspond to all the home delivery services

TATERU kit HOME ENTRANCE

By utilizing SMART DOOR PHONE, various home delivery system is available even when away from home. Network camera installed in the room enables you to monitor the service in real time and tell your detailed request by voice call.

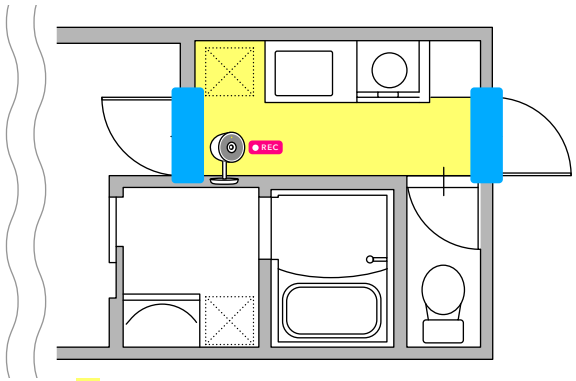
(Under development)

Correspond to all the home delivery services

Physically limiting the area to break into



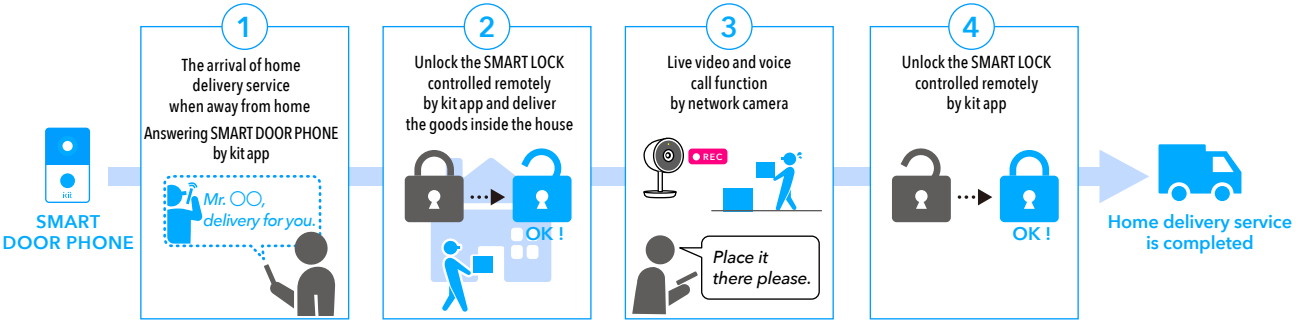
Layout of room entrance, which physically limits the area to break into



・・・HOME ENTRANCE area

・・・Doors that can be locked

The flow of home delivery service utilizing TATERU kit HOME ENTRANCE





Arrival of home delivery service when away from home



Answer the interphone by kit app



Capable of specifying the location to place the goods by voice call

A more comfortable daily life: kit's support services for residents

Benefit

Emergency — Peace of mind in emergencies Supports daily lives

Life service sharing economy 生活110番

Seikatsu #110

Websites containing useful information and contractor search/comparison that help to solve daily troubles

Compare contractors
Capable of searching and comparing services concerning fixing, cleaning, and crime prevention

Original services
Providing original services with unaddressed needs

Daily life information
Updates on useful tips for every day life

Housekeeping — Supports daily lives with housework and house cleaning services

Bears
5,200 staff nationwide with a customer satisfaction rate of 96.5%. The first recipient of the "Housework Services Certification" in Japan.

Housework/Housekeeping Supports domestic work	**House cleaning** Specialized cleaning by professionals n areas such as the kitchen
Cooking Custom cooking is available	**Kids/Babysitters** Caretaking, school pickup and drop off of children and simple errands
Senior support Supports comfortable lives for residents 60 years old and above	**Gifts** Housework services can be presented to others as gifts

Car Rental — Support outings with hassle-free unmanned car rental check-in

ORIX CarShare
Rental offices have expanded to 1,500 nationwide. Car sharing service with a wide range of cars to choose from.

Fee	
	Basic monthly fee 980 yen
	15 minutes 200 yen and up
	6 hour package 3,500 yen and up / 12 hour package 4,500 yen and up / 24 hour package 6,000 yen and up / Night package 2,500 yen and up
	IC card issuance fee (per card) 1,000 yen

* Fee plans change depending on car

Medical — Medical support Directly consult with doctors at any time

first call
Directly consult with doctors anytime for an unlimited number of times for 540 yen/month (incl.tax) (Free for the first month)

Consult via chat	Consult via video message



Consult with doctors about medical problems at any time



Clinical department-based consultation is available, including internal medicine and ophthalmology

Fashion — Support styling with a men's fashion rental service

Leeap
No cleaning required when returning clothes
Fashion rental service for men with a monthly fee

Casual Plan 7,800 yen /month (ex.tax)	·Stylists propose two outfits with three tops and one bottom ·Rent clothes once a month (*Two rentals are available during the first month)
Jacket&Pants Plan 13,800 yen /month (ex.tax)	·Stylists propose two outfits with one jacket, two tops, and one bottom ·Rent clothes once a month (*Two rentals are available during the first month)

Storage — Storage service with easy removal, depositing, and management via PC and smartphone

Sumally Pocket
Users can freely choose storage boxes, with plans offered that include removal and fee at up to 30% discount.

Up to 20% off	Up to 30% off
3 box plan	**6 box plan**
1,000 yen per month (before tax)	1,800 yen per month (before tax)
3 box storage (normally 1,050 yen per month*1)	6 box storage (normally 2,100 yen per month*3)
With 3 removals a year (normally 2,940 yen per year*2)	With 6 removals a year (normally 5,880 yen per year*4)

*1, 2, 3, 4 Based on fees when using the economy large box plan.

New business partners and services coming soon!

Release of Apartment kit for Owner

Property management app for apartment owners

1. View properties

Check the status of properties at any time on dedicated screen for property owners.

Users can check the status of properties at a glance and confirm occupancy rates as well as the number of visitors to vacant room websites.



2. Chat

Discuss any issues via chat.

Users can communicate with management companies via chat. Feel free to discuss any issues, from matters related to residents, to how to determine rent.



3. Check the market

Utilize data as material for management decisions

Users can view local rent levels, crime rates, population density, local facilities, and other data on the app. Use it when setting rents, and as material to consider when making decisions about rental management.



4. Find residents

Simple flow that makes finding residents easy.

Minimize communication with management companies and perform all necessary communication via the app. Users can find residents efficiently by significantly shortening the time until the next resident moves in.



Screen notifying moving out (push notification)

Screen to start advertising for residents

Completion screen

Overview screen

5. Management function

Paperless function making document management simple.

Users can manage all required documents on the app, from payment statements, contracts, repair history, to tax returns. It is paperless, so there is no worry about losing or forgetting to compile documents.





for Owner

Providing an app that gives owners full control, from resident search to overall management

Develop an owner solution app leveraging the accumulated database of TATERU business



App screen designed for owners

Apartment ikit by Robot Home

Owner

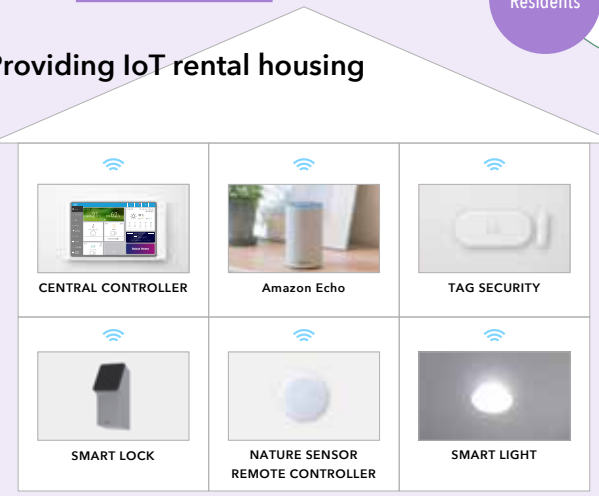
Residents

Management company

for Customer

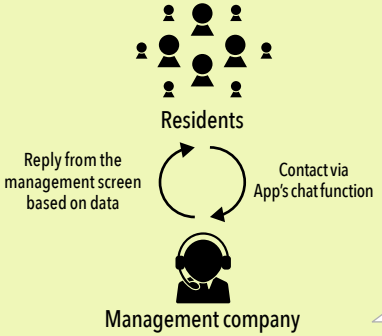
Providing IoT rental housing





for Property Management

Accelerating communication with owners Providing management tools





Management screen designed for management companies

Crowdfunding business

TATERU Funding

exceed 60,000 members

Real estate investment-type crowdfunding starting from 10,000 yen per account via app

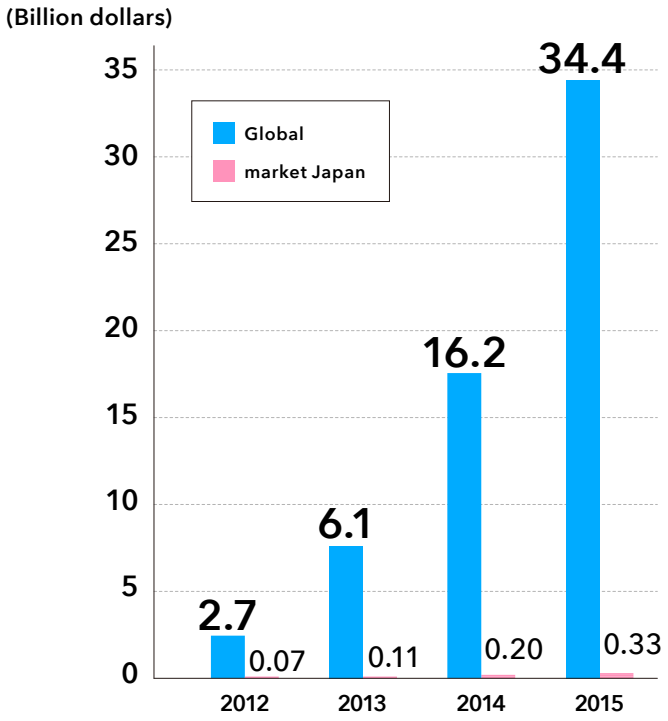


- Investment starting from 10,000 yen per account
- Application/cancellation procedures are free of charge
- Annual yield is 3%-5%

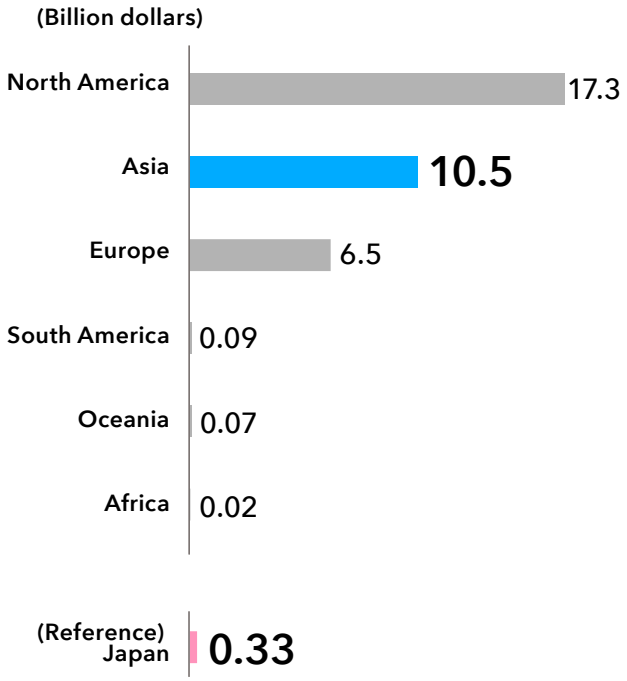
as of June 30, 2018

Global crowdfunding market size

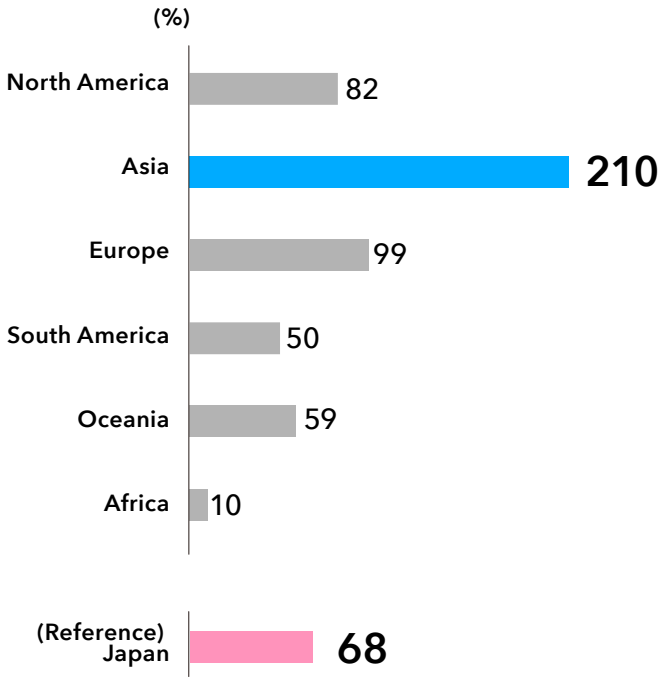
Trends in global crowdfunding market size



Regional market size

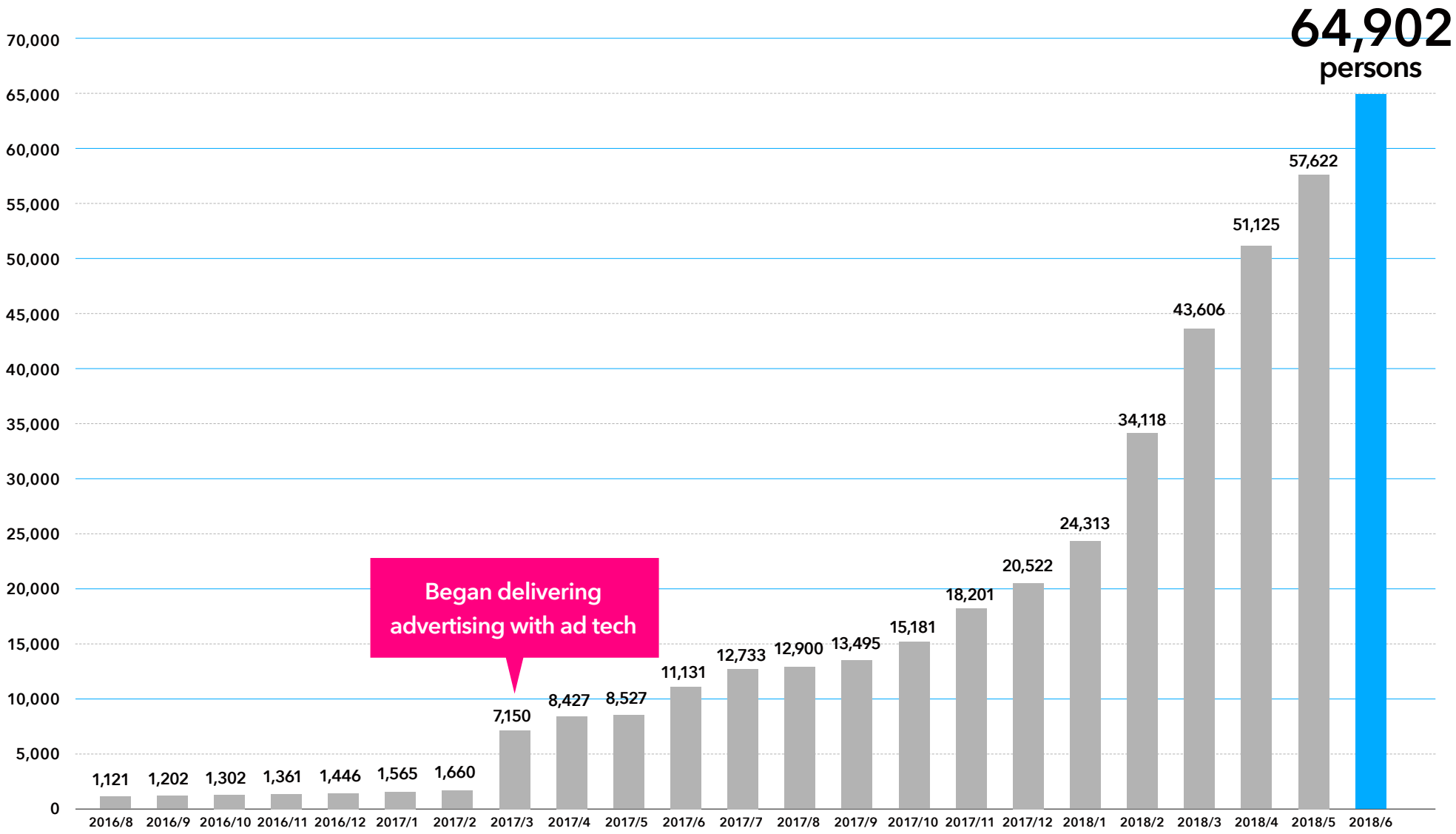


Growth rates (YoY)



* As of 2015 *Japanese market size calculated with an exchange rate of 1 USD = 110 JPY
* Created based on the "2015CF Crowdfunding Industry Report," Yano Research Institute, Statista, and Massolution/Crowdsourcing.org

Trends in membership since start of operation



Synergies with the TATERU Apartment business

Retention of new customers and strategy to enable cross-selling to "TATERU Apartment"

Supporting apartment management entrepreneurship

TATERU Funding MARKET

Inflow to "TATERU Apartment"

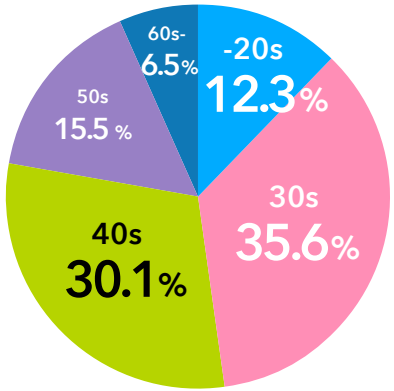
Sales of 16 blocks in TATERU Apartment
Sales of 1,103 million yen

TATERU Apartment

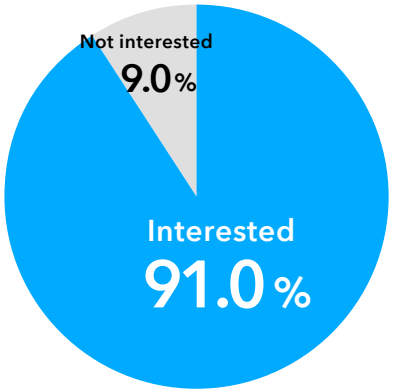
- TATERU Funding to initiate TATERU Apartment management entrepreneurship
- Cultivating new customer base starting from the approachable amount of 10,000 yen per account
- Crowdfunding, a new choice that utilizes IT

Applicants ratio

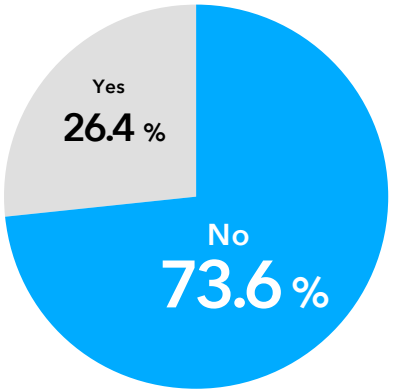
Age



Real estate investment



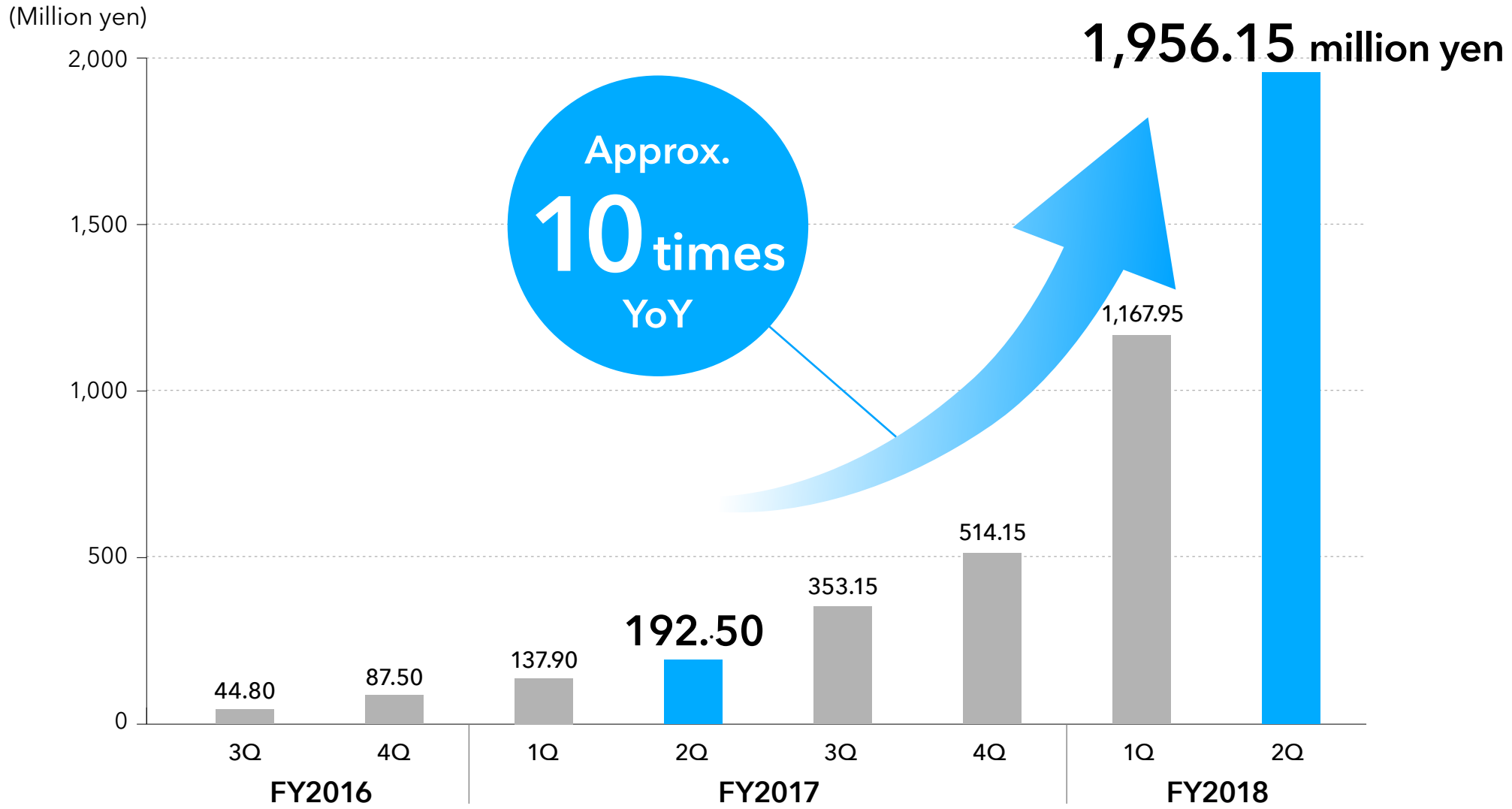
Experience in real estate investment



as of June 30, 2018

Cumulative total funds solicited rose steadily

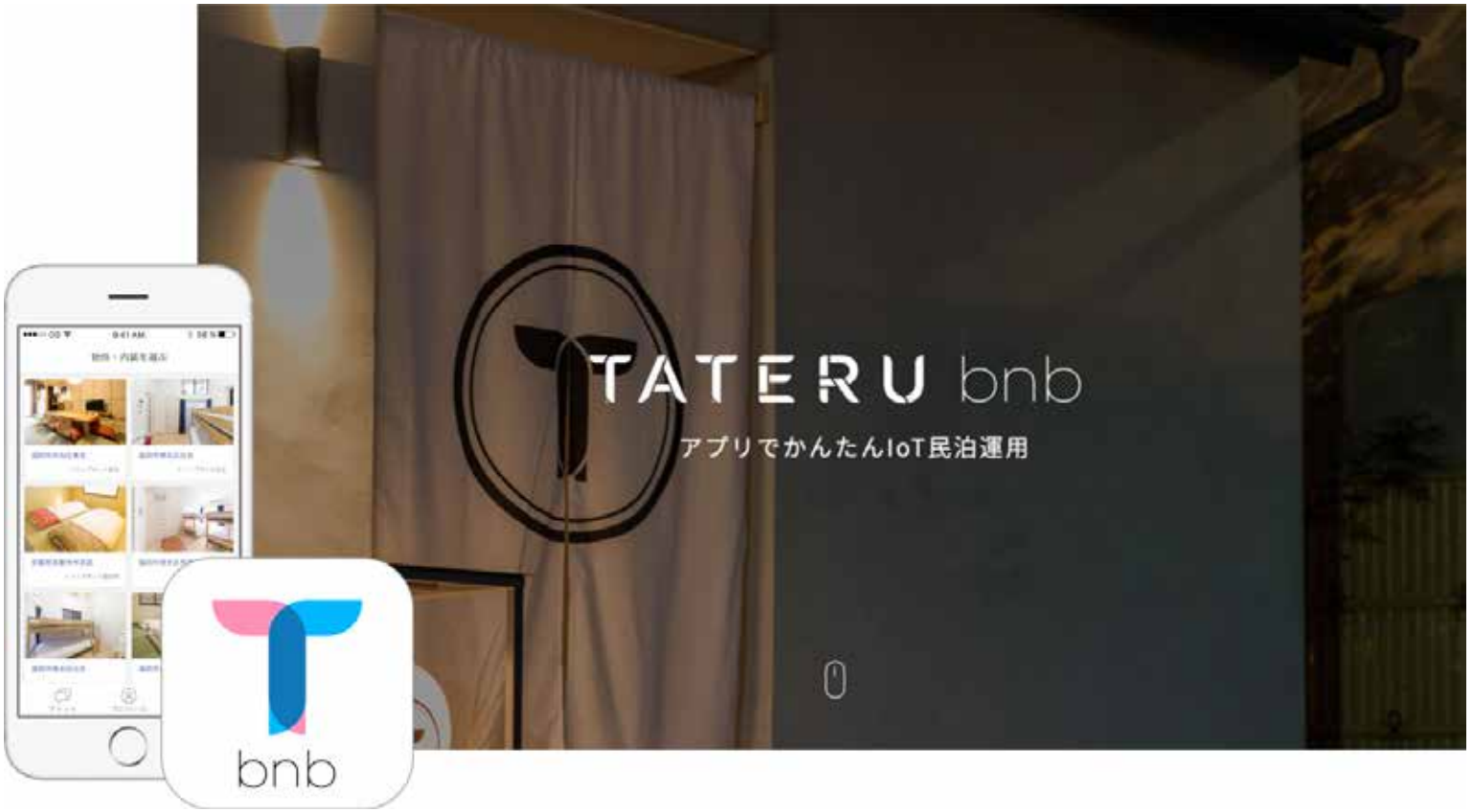
(32 funds in total, cumulative total funds solicited of 1,956.15 million yen)



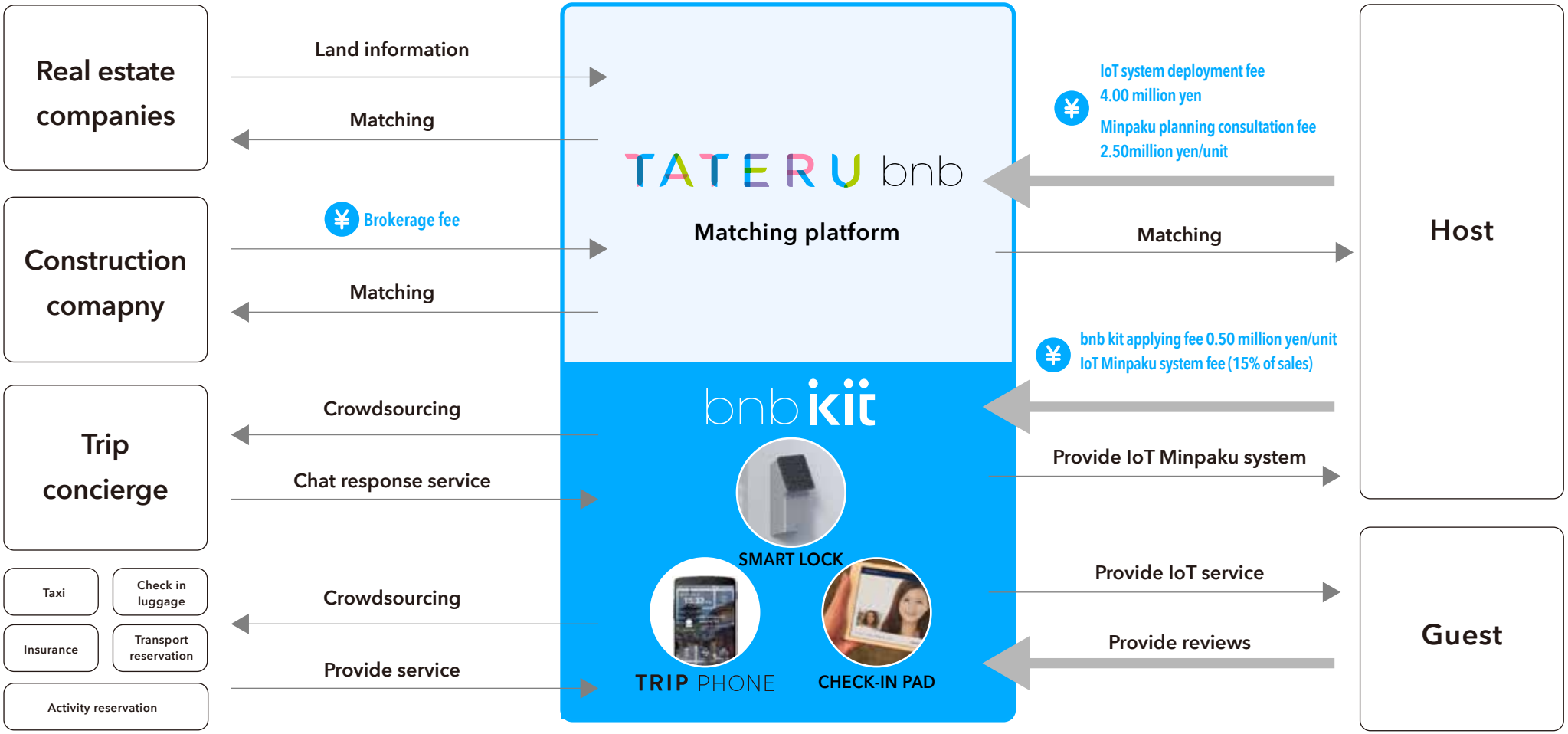
Minpaku business

TATERU bnb

Introducing IoT Minpaku Operation



IoT Minpaku matching platform



June 15, 2018
Enforcement of "Private Lodging Business Act (New Minpaku Law)" and "Revised Inns and Hotels Act"

New Minpaku Law →For hosts wishing to begin Minpaku easily

For example, it is suitable for a case where a house owner wants to rent own house during summer for a month, or during winter for a month as Minpaku

→May begin easily by notification, not authorization

→180 days is enough

Revised Inns And Hotels Act →For hosts wishing to begin Minpaku as investment in full scale

For example, it is suitable for a case where an investor wants to acquire properties exclusively for Minpaku and operate them as investment throughout the year

- **(Before revision)** 10 rooms or more are required → **(After revision)** Even just one room can be registered
- **(Before revision)** Install manned reception → **(After revision)** Facilities can be operated unmanned

Points for revised Inns and Hotels Act

Revision points

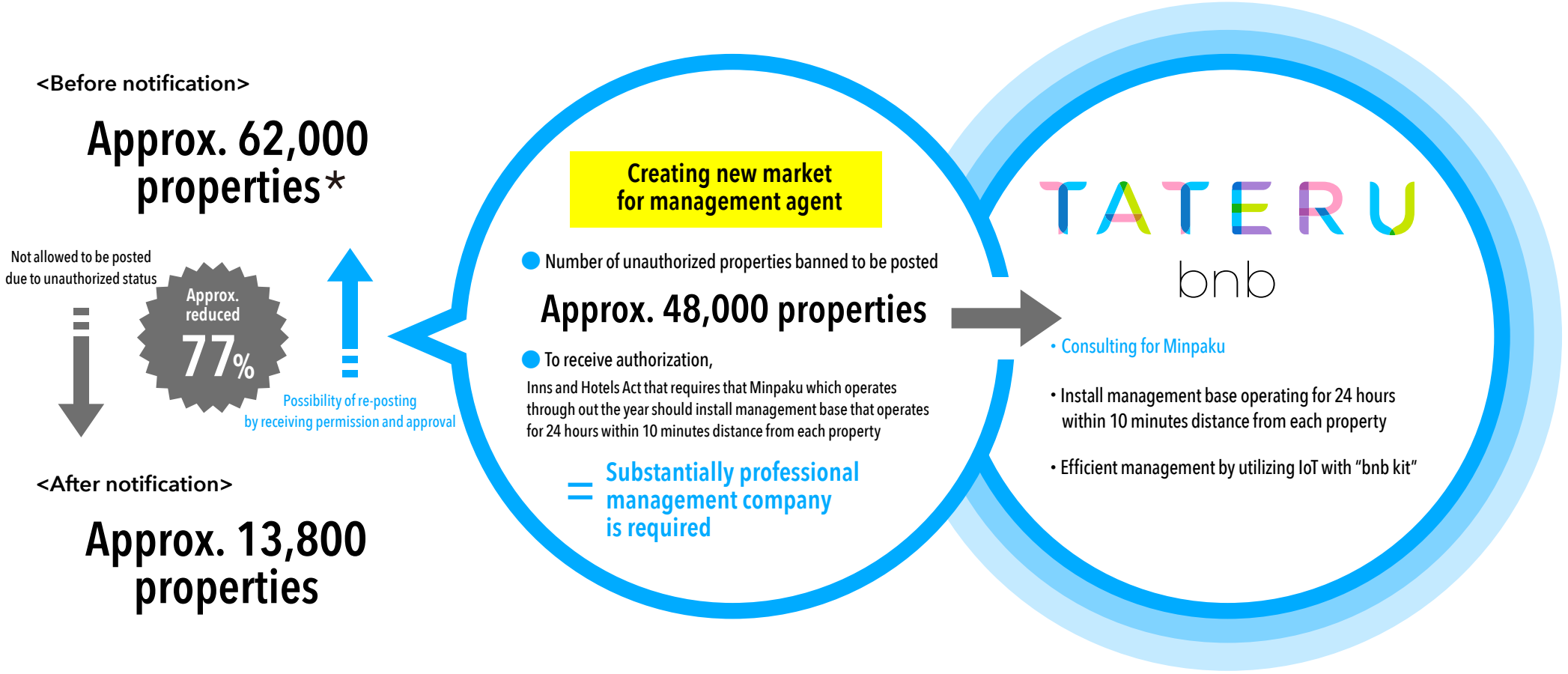
- Can be operated with one room
- Abolished reception requirement
- Check-in is available without any face-to-face contact by ITC

Unmanned management is available

- Install management office operating for 24 hours within 10 minutes distance from each accommodation

→ **Professional handling is necessary**

By receiving authorization, properties not allowed to be posted due to unauthorized status may be managed as Minpaku



* As of June 7, 2018 (reference) NIKKEI ASIAN REVIEW
https://asia.nikkei.com/Business/Airbnb-removes-80-of-Japan-home-share-listings

Develop within 10 minutes distance from the hostel “TRIP POD” in Fukuoka as the management site



Construction example of Apartment Type







・・・ Apartment Type (At the planning and development stage)


No.1
TRIP POD FUKUOKA -snack & bed-


No.2
TATERU bnb HARUYOSHI -machiya-


No.3
TATERU bnb MINOSHIMA -room-


No.4
TATERU bnb SUMIYOSHI -room-


No.5
TATERU bnb TAKASAGO B

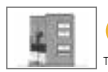

No.6
TATERU bnb YOSHIZUKA


No.7
TATERU bnb KOMONDO-MACHI


No.8
TATERU bnb SHIMOGOFUKU-MACHI


No.9
TATERU bnb TAKASAGO A


No.10
TATERU bnb OMIYA


No.11
TATERU bnb TUSHIMASHOJI


No.12
TATERU bnb SUMIYOSHI


No.13
TATERU bnb SUMIYOSHI 02


No.14
TATERU bnb SUMIYOSHI 03


No.15
TATERU bnb CHIYO


No.16
TATERU bnb YOSHIZUKA 02


No.17
TATERU bnb HIGASHI-HIE


No.18
TATERU bnb MINOSHIMA


No.19
TATERU bnb YOSHIZUKA 03


No.20
TATERU bnb YOSHIZUKA 05


No.21
TATERU bnb NARAYA-MACHI

Deploying Minpaku properties that correspond to Revised Inns and Hotels Act and New Minpaku Law across Japan

Kyoto area



Fukuoka area



NEW

Tokyo area



IoT Minpaku management platform

bnb kit

Minimum initial cost 30,000 yen / minimum monthly cost 9,800 yen



CHECK-IN PAD



SMART LOCK



* Under development

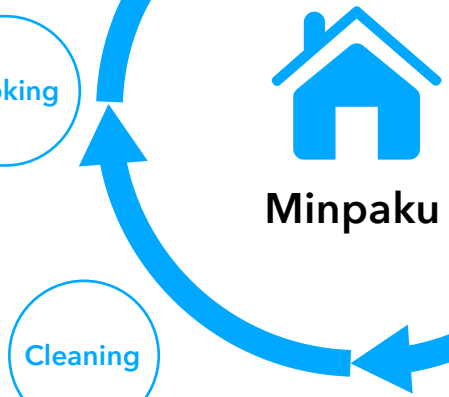
Accommodation management system

bnb BOOK

Visualizing guests' credit scores

bnb SCORE

Machine Learning & Big Data Underwriting





TRIP PHONE

Sharing economy service offering Minpaku cleaning

bnb CLEANING

Smart check-in system of bnb kit



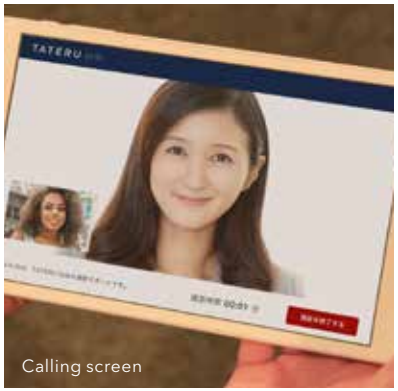
SMART LOCK(*1)

You can unlock easily, conveniently with those 4 ways. (*2)

- Smartphone App
- Public transportation-related IC cards
- Numeric keypad
- Conventional keys

(*1) The above SMART LOCK image is a prototype unde development and its design differs from currently installed devices.

(*2) Guests can unlock by the key number (key pad) issued when making reservation



Calling screen



Passport uploading screen

CHECK-IN PAD

CHECK-IN PAD is available in multiple languages (Japanese, English, Chinese (Both traditional and simplified), Korean) and guest can check-in from CHECK-IN PAD. It provides check-in function needed for minpaku operation such as guest data recording when check in, acquisition of password information, key issuing, identification function.

*Identification function differs depending on the local regulation of each property



TRIP PHONE

During the stay guest can rental IoT device TRIP PHONE, which provides trip concierge service for free. Trip concierge offers meticulous response to various request during stay such as introduction and reservation of popular restaurant around the facility, transportation guidance, taxi reservation. Moreover, by analyzing chat data and action history, you can grasp needs of guests and it enables efficient minpaku operation.

Utilizing the “TRIP PHONE” IoT device

CONNECT FOR JAPAN EXPERIENCE
TRIP PHONE

- Smartphone designed for foreign tourists -



TRIP Concierge

AI and human concierge combination offers meticulous response to various requests of tourists.

On a 24-hour basis Supports Japanese, English, Chinese, and Korean (Simplified characters,Traditional Chinese)

Tethering

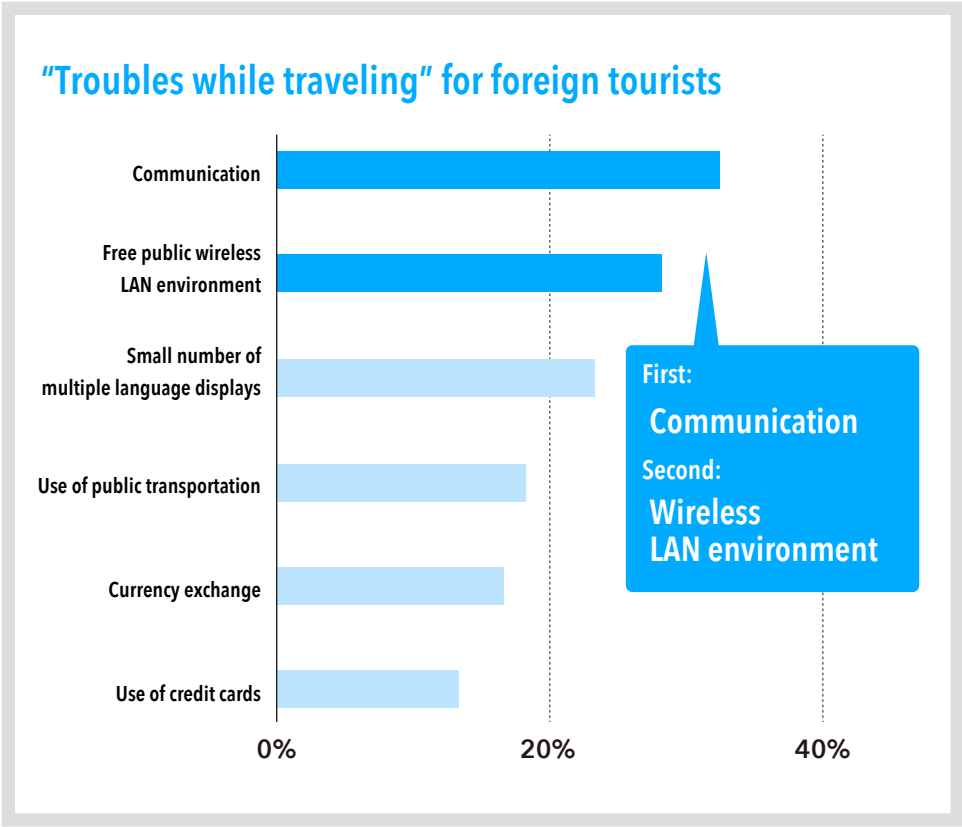
TRIP PHONE provides Internet connectivity anytime, anywhere for tourists’ smartphones and computers.

Translation

Translate 31 foreign languages via handwriting or sound.

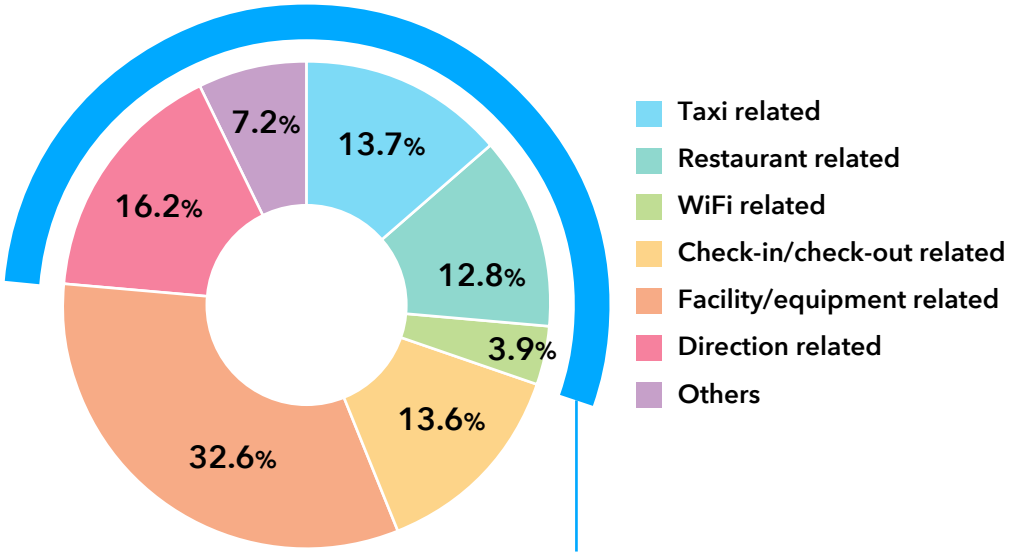
Guide

GPS-connected audio guide system introduces a town’s popular spots as if listening to a museum audio guide.



Utilizing the “TRIP PHONE” IoT device

Inquiries from guests



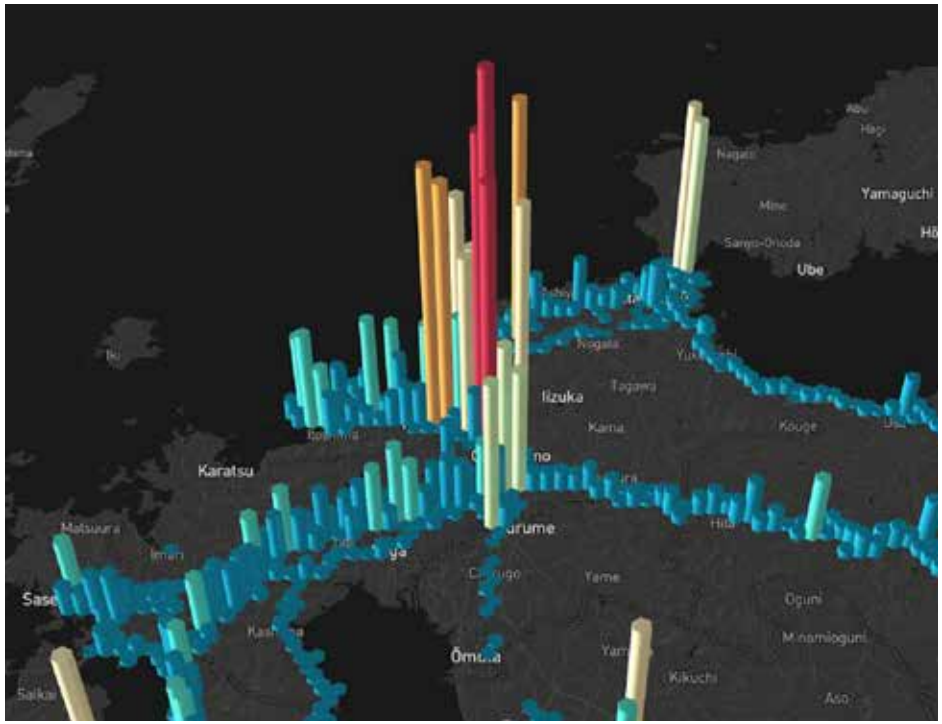
Inquiries other than facility related

53.8%

= Effectively used as concierge

= Improved customer satisfaction, higher review scores by OTA

User directional analysis



Revenue and expense simulation for accommodation facilities

Reference price of property

Total	101.50 million yen
Land	53.00 million yen
Property	27.00 million yen
Minpaku planning consultation fee	10.00 million yen
bnb kit applying fee	2.00 million yen
IoT system deployment fee	4.00 million yen
Furniture and home appliances fee	5.00 million yen
Interior coordinate fee	0.5 million yen

Room charge	Average occupancy rate	Accommodation structure
¥13,000	75%*1	4 units / 1 building

Owner's revenue and expenses

Annual sales	¥14,235,000
Annual operating expenses*2	-¥8,186,700
Annual profit	¥6,048,300
Yield on investment	5.9%

The Company's sales

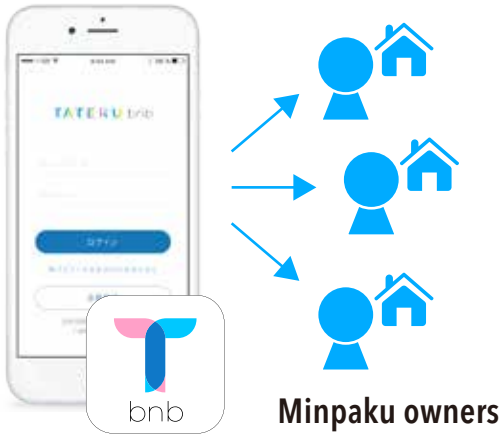
IoT Minpaku system fee =15% of sales	¥2,135,250 (included in operating expenses)

*1 Occupancy rate of 75% is not guaranteed

*2 The breakdown is IoT Minpaku system fee (15% of sales) plus actual operating expenses such as utilities, linen, cleaning, and personnel (subject to change)

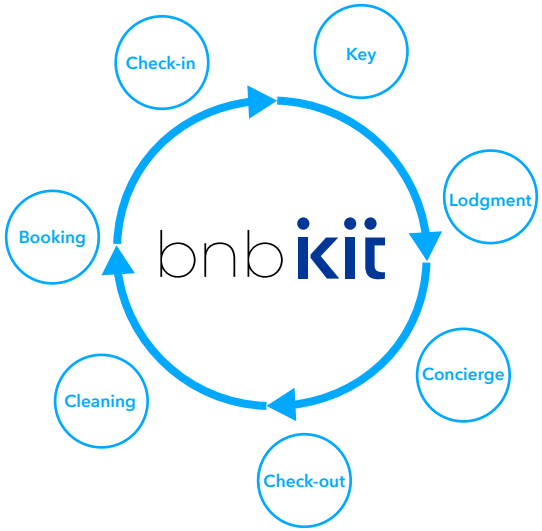
Three revenue structures via IoT Minpaku platform

1. Sales of Minpaku apartments as investment properties



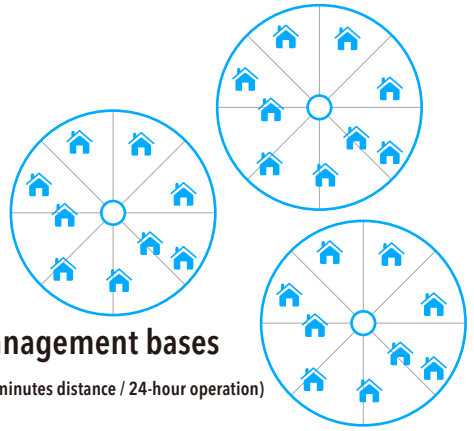
2. IoT Minpaku management platform

Minimum initial cost 30,000 yen / minimum monthly cost 9,800 yen



3. Management agency

15% of sales revenue



FLOW | STOCK | STOCK

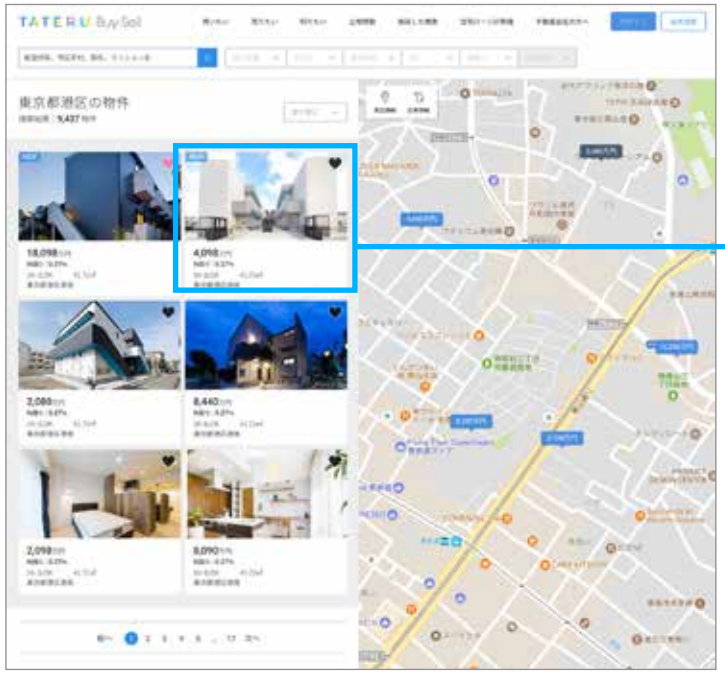
Real estate portal site "TATERU Buy-Sell" is opened

TATERU Buy-Sell

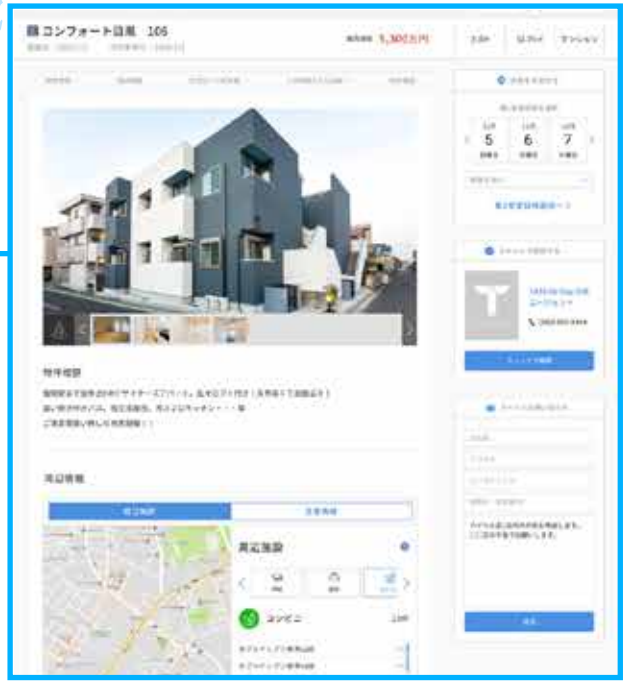


It is *free* to be listed on Real estate portal site "TATERU Buy-Sell"
And planning to expand its business *throughout Japan*
regarding agents and property data listed on.
The contents *for real estate agent* will be open
in August 2018.

Property search screen



Detailed screen 01 (details of the property)



Detailed screen 02 (peripheral information screen)



*Some of them are under development

TATERU Ventures

Expanding market share in real estate tech

presently 2 IPO

Investee companies list (excerpt)

Listed on the Mothers section of the Tokyo Stock Exchange

Global Link Management Inc.

Operates development, sale, and management businesses for apartments held for investment purposes within 30 minutes of the Yamanote Line in Tokyo. In the future, intends to utilize IT to roll out the Tokyo model globally.

Uhuru Corporation

Engages in business cocreation based on IoT with its mainstay "enebular" IoT orchestration service, which connects edge device data and the cloud.

Secual, Inc.

Develops, manufactures, and sells smart security products, while also providing relevant management services.

TRASTA inc.

Integrator of hotel and IT services, providing a smart hostel business that caters to a wide variety of needs including overseas tourists.

ietty Co., Ltd.

Operates and develops the ietty "sought after" rental property matching website, a rental property recommendation platform.

Listed on the Mothers section of the Tokyo Stock Exchange

GA technologies Co., Ltd.

Operates the "Renosy" integrated platform for used real estate, which utilizes AI. Covers a wide range, from the sale of real estate for actual use or income, to renovation services.

MANSION MARKET inc.

Operates one of the largest apartment sales/rental information websites in Japan, and also provides information concerning property market rates (asset value), historic transaction prices, etc.

DIGISURF, Inc.

Realizes profit generation and customer traffic for idle properties with the goal of bringing more comfort to leisure.

ATSUMARU Co., Ltd.

Develops a platform to create customer traffic utilizing big data and artificial intelligence.

Property Access K.K.

Deploys international real estate transaction platform for Japanese companies utilizing AI and other technologies, mainly in Southeast Asia.

Disclaimer regarding forward-looking statements

The materials and information presented in this release include “forward-looking statements.” These statements are based on expectations, forecasts, and assumptions that are subject to risks at the time of release, and include uncertainties that may cause outcomes to differ in substance from these statements.

These risks and uncertainties include industries in general, market conditions, and general domestic and international economic conditions such as interest rate and foreign exchange fluctuations.

TATERU undertakes no obligation to update or revise the “forward-looking statements” included in this release, even in the event of new information, future events, or other circumstances.