

September 30, 2019

Company name: Apaman Co., Ltd.  
 Representative: Koji Omura, President and CEO  
 Securities code: 8889 (JASDAQ)  
 Inquiries: Masahiro Takata, Deputy Executive  
 Manager, Administration Division  
 TEL: +81-3-3231-8020

## Notice of Purchase of Rental House Stock by a Consolidated Subsidiary

Apaman Property Co., Ltd., a consolidated subsidiary of Apaman Co., Ltd., has purchased the stock of Rental House Co., Ltd., making this company a subsidiary of Apaman Property.

### 1. Reason for the acquisition of Rental House

Apaman has three business segments: Sharing Economy, Platform and Cloud Technology

Rental House manages and sub-leases residential rental properties that are located mainly in Wakayama prefecture. As of the end of August 2019, the company had 4,143 units under management, including 4,076 managed properties and 67 sub-leased properties, and managed 1,252 parking spaces. Rental House was acquired for the purpose of expanding the Platform Business through an increase in the number of units under management and in the provision of associated services. At the same time, Apaman Property acquired ASK Inc., a subsidiary that is 67% owned by Rental House, and Rental Guarantee System Co., Ltd., an affiliate that is 22% owned by Rental House.

### 2. Profiles of Rental House, ASK, and Rental Guarantee System

(1) Name	Rental House Co., Ltd.			
(2) Head office	571 Yoshida, Wakayama-shi, Wakayama			
(3) Representative	Hiroko Takeuchi, President			
(4) Business	Management of residential rental properties, real estate rental brokerage services			
(5) Capital	40 million yen			
(6) Established	October 19, 1982			
(7) Major shareholders and shareholding ratios	Hiroko Takeuchi 87.1% Rental House Co., Ltd. 12.9%			
(8) Relationships between Apaman and Rental House	Capital	Not applicable.		
	Personnel	Not applicable.		
	Business	Rental House is a franchisee of Apaman consolidated subsidiary Apaman Network Co., Ltd.		
(9) Results of operations and financial position for the last three years (Millions of yen)				
	Fiscal years ended	July 2016	July 2017	July 2018
	Net assets	181	167	178
	Total assets	621	754	692
	Net assets per share (Yen)	259,913.78	240,536.64	256,235.53
	Net sales	755	707	669
	Operating profit	16	(13)	19
	Ordinary profit	21	(12)	23
	Profit	27	(10)	10
	Net income per share (Yen)	39,100.45	(14,377.13)	15,698.88
	Dividend per share (Yen)	-	-	-

(1) Name	ASK Inc.		
(2) Head office	62-17, Shinzaike, Wakayama-shi, Wakayama		
(3) Representative	Hiroko Takeuchi, President		
(4) Business	Real estate leasing		
(5) Capital	3 million yen		
(6) Established	June 1, 1989		
(7) Major shareholders and shareholding ratios	Rental House Co., Ltd. 66.7% Hiroko Takeuchi 33.3%		
(8) Relationships between Apaman and ASK	Capital	Not applicable.	
	Personnel	Not applicable.	
	Business	Not applicable.	
(9) Results of operations and financial position for the last three years (Millions of yen)			
Fiscal years ended	February 2017	February 2018	February 2019
Net assets	37	39	36
Total assets	164	262	278
Net assets per share (Yen)	12,531.39	13,259.61	12,205.97
Net sales	94	116	88
Operating profit	14	7	(2)
Ordinary profit	12	4	(1)
Profit	8	2	(3)
Net income per share (Yen)	2,699.93	728.22	(1,053.63)
Dividend per share (Yen)	-	-	-

(1) Name	Rental Guarantee System Co., Ltd.		
(2) Head office	571 Yoshida, Wakayama-shi, Wakayama		
(3) Representative	Hiroko Takeuchi, President		
(4) Business	Guarantees of real estate rent payments		
(5) Capital	9 million yen		
(6) Established	December 24, 2009		
(7) Major shareholders and shareholding ratios	Hiroko Takeuchi 44.5% Rental Guarantee System Co., Ltd. 33.3% Rental House Co., Ltd. 22.2%		
(8) Relationships between Apaman and Rental Guarantee System	Capital	Not applicable.	
	Personnel	Not applicable.	
	Business	Not applicable.	
(9) Results of operations and financial position for the last three years (Millions of yen)			
Fiscal years ended	November 2016	November 2017	November 2018
Net assets	4	4	4
Total assets	4	4	4
Net assets per share (Yen)	38,490.56	38,670.56	38,850.56
Net sales	-	-	-
Operating profit	(0)	-	-
Ordinary profit	0	0	0
Profit	0	0	0
Net income per share (Yen)	99.05	180	180
Dividend per share (Yen)	-	-	-

### 3. Profile of the seller of Rental House stock

(1)	Name	Hiroko Takeuchi	
(2)	Address	Wakayama-shi, Wakayama	
(3)	Occupation	President of Rental House Co., Ltd.	
(4)	Relationships between Apaman and Hiroko Takeuchi	Capital	Not applicable.
		Personnel	Not applicable.
		Business	Not applicable.
		Related parties	Not applicable.

### 4. Number of shares to be acquired, acquisition price and share ownership before and after acquisition

(1)	Number of shares owned before acquisition	- shares (Voting rights: - units) (Ownership: -%)
(2)	Number of shares to be acquired	697 shares (Voting rights: 697 units)
(3)	Acquisition price	The price cannot be disclosed due to a confidentiality agreement. The price was determined by discussions between Apaman Property and the seller and takes into consideration a valuation calculated by a third party.
(4)	Number of shares owned after acquisition	697 shares (Voting rights: 697 units) (Ownership: 100%)

### 5. Schedule

- (1) Contract signing: September 26, 2019
- (2) Stock acquisition date: September 30, 2019

### 6. Outlook

Apaman believes that this acquisition will have only a negligible effect on results of operations in the current fiscal year. An announcement will be made promptly if there is a need to revise the forecast for the fiscal year.