TRANSLATION FOR REFERENCE ONLY

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Aplix's beacon adopted by the Kyoto Municipal Transportation Bureau in the Kyoto City Bus The first ever practical implementation of beacon in the service

to support traffic infrastructures

Aplix IP Holdings Corporation ("AIP") announced today that its beacon product, which has been attracting attention as the new solution for a wide range of services such as O2O and location information and the like, has been adopted by the Kyoto Municipal Transportation Bureau in the Kyoto City Bus, which plays an important role in Kyoto City's transportation. By working with an application co-developed by the Kyoto Municipal Transportation Econology & Management Research Institutue of KYOTO ("ASTEM"), the first ever practical implementation of beacons in the service to notify the approaching of the bus has been launched.

The Kyoto Municipal Transportation Bureau has successfully conducted a trial experiment, in which Aplix's beacon was placed in a certain bus of a certain route, and as the bus was approaching, the bus approaching information was shown in the special display located at the bus stop. Due to the success of the experiment, Aplix's beacon is now implemented in all 788 buses, and by working with the application "Pockloc", a bus location system for mobile phones co-developed by the Kyoto Municipal Transportation Bureau and ASTEM, the approaching of buses would be reflected on the displays of the bus stops, and users could be notified of such. This has made the first ever supporting service for traffic infrastructures by beacons possible.

Kyoto City is the 7th largest city in Japan in terms of total population, and it is also the home of numerous shrines and temples, national treasures, important cultural properties, ancient historic sites and traditional old houses. Over 50 million tourists, both domestically and internationally, visit Kyoto each year, and the city bus plays the pivotal role in supporting the transportation infrastructure. By using Aplix's beacon in the buses utilized by so many local residents and tourists, now everybody can experience more comfort and convenience when taking a bus.

The Kyoto Municipal Transportation Bureau has implemented the wireless bus location system in approximately 300 bus stops throughout the city since before, but the bus location system they have implemented this time is completely different. By using Aplix beacons, the service to notify the approaching of buses can now be provided. This service starts off with a few bus stops, and the special display will be installed in 60 bus stops by the end of this year. The coverage of this service is expected to gradually expand.

The Aplix beacon adopted by the Kyoto City Bus uses the iBeacon licensed technology. Aplix has continued to develop/commercialize those crucial features for beacons in real-world applications, which include improving the precision of location measurement and offloading communication overhead from the mobile devices. As the Aplix beacon is equipped with the security feature such as authentication, it is continued to be implemented in practical use cases by various industries, public services and local governments. By offering

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not only the beacon hardware, but also advanced software technologies for services using beacons, we devote ourselves to expand our business in the market for the social infrastructure, as well as increase revenues.

About the Aplix IP Holdings Group

The Aplix IP Holdings Group operates its business in pursuit of its mission to enable people all over the world to enjoy more fulfilling lives through software technologies. Its technology business offers two different kinds of beacons developed by Aplix – location beacons and notification beacons. Provided as a location beacon, the MyBeacon® Series constantly transmits radio signals and is increasingly used in many different business sectors, including food and drink services, apparel and fashion, distribution, real estate, leisure and entertainment, logistics and transport and tourism, as well as in public works and by local governments as a positional information solution. As a notification beacon, the *Oshirase Beacon*, which is embedded in equipment, sends out radio signals only when it detects a predetermined status. It can be combined with all kinds of appliances, especially light electrical products, such as water purifiers, humidifiers, electric fans and coffeemakers. In the publishing and video business, the Group has created numerous well-received titles. One example is the *Broken Blade* series, which has sold a cumulative total of more than 3 million copies in book form. Offering books and picture books for children in this business segment, HOLP SHUPPAN Publishing has released popular books including *Don't Spill the Milk*!

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