

TRANSLATION FOR REFERENCE ONLY

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Aplix IP Holdings Corporation

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Aplix developed a “notifying beacon” for the water server

Use beacons to optimize the ordering of replenishment in the growing market of bottled water for home delivery

Following the announcement made on November 7th, 2014 that Aplix’s “notifying beacon” for the water filter was adopted by a major US manufacturer, Aplix IP Holdings Corporation (“Aplix”) announced today that it has developed a “notifying beacon” for the water server, which always gets hold of the timing for bottle change, and when replenishment needs to be ordered, such order can easily be placed by a smartphone.

Water servers are normally provided together with the delivery of bottled water and the demands mainly come from the corporate entities. However, ever since the great East Japan earthquake on March 11th, 2011, people are more concerned about the safety of drinking water, and the demand for water for everyday use, such as for cooking, has enlarged. As the demand for storing water as such has grown, delivery of bottled water has now spread to households. According to the announcement made by the Japan Delivery Water & Server Association (“JDSA”), the domestic market in Japan for water delivery is expected to exceed 126,700 million yen this year. Although the demand is growing steadily, the users of water servers on the other hand are facing issues of not ordering enough or having ordered too much due to lack of order management for the replenishment, so as a result, the providers lose out on opportunities to sell.

Being the first to develop the “notifying beacon” for the water server, Aplix provides the solution for ordering continuous replenishment for household products. Aplix’s “notifying beacon” allows the users to easily order replenishment when needed and the delivery date could also be specified or changed. For the providers, they may also receive more additional orders due to improved customer satisfaction. The risk of contract termination is reduced, efficiency for the receiving orders is improved, and they could also get a better understanding of the frequency and trends for water usage by their customers.

Aplix’s “notifying beacon”, the solution for ordering replenishment, not only gets profits from sharing revenue from the sales of related supplies and products or services, or from the sales of beacons, but it is also a business that can generate continuous profits, so it is positioned to be the growth driver, which we can expect even better profitability in the future. Apart from household products, both domestic and overseas manufacturers are developing various products for the offices or factories, which adopt the “notifying beacon”. Revenue sharing from those products will become our main source of revenue from the next quarter onwards.

■ 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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