



March 18, 2019

Company name: TATERU, Inc.
Representative: Daisaku Furuki, Representative Director/CEO
(Stock exchange code: 1435, TSE First Section)
Contact: Yusuke Takasugi,
Managing Director/CFO, General Manager,
Business Management Division
(Phone: +81-3-6447-0651)

Notice Concerning Conclusion of Basic Agreement on Change in Consolidated Subsidiary (Share Transfer)

TATERU, Inc. (the “Company”) hereby announces that at the meeting of the Board of Directors held today, it has resolved to conclude a basic agreement to transfer all shares held by the Company (hereinafter, the “Transfer of Shares”) in the Company’s consolidated subsidiary Invest Online, Inc. (hereinafter, “Invest Online”) to Japan Investment Adviser Co., Ltd. (hereinafter, “Japan Investment Adviser”), and that today this basic agreement was concluded with Japan Investment Adviser.

1. Reason and purpose of Transfer of Shares

Based on the management philosophy “Internet × Real: accelerating new services,” the Company has achieved innovation through its IT capabilities, thereby expanding its scale of business and diversifying its income. Furthermore, the Company aims to be a leading company of the next generation in the business field of “real estate tech,” where technologies have been infused into the real estate industry.

Under these circumstances, in November 2017, the Company converted Invest Online (formerly Realize Asset Management Co., Ltd.), the operator of the real estate investment consulting and matching platforms “*Shinchiku hitomune toshiho* (Ways to Invest in Newly Built Real Estate)” and “*Chintai-heiyo jyutaku no susume* (A Recommendation of Residential & Commercial Mixed-Use Property)” to its consolidated subsidiary.

However, changes in the stances of financial institutions regarding lending has led to tightening of lending standards for real estate investment, resulting in a drastic change in the business environment for the real estate industry. Amid this significant environmental change, the Company has been in the process of considering future development for Invest Online. During this process, Japan Investment Adviser presented to us a proposal to acquire shares of Invest Online, and with the expectation that a synergy effect can be achieved with the financial solutions business and others operated by Japan Investment Adviser, the Company came to the conclusion that this proposal would be beneficial to the improvement of the corporate value of Invest Online.

Going forward, the Company will move forward with negotiations toward concluding the agreement on the Transfer of Shares.

2. Outline of Transfer of Shares

(1) Outline of changing subsidiary

(1) Name	Invest Online, Inc.		
(2) Head office	KDX Shinjuku Building 11F 3-2-7, Nishishinjuku, Shinjuku-ku, Tokyo		
(3) Representative	Dai Kisaku, Representative Director		
(4) Business	Real estate investment consulting and matching		
(5) Capital	227,000 thousand yen		
(6) Established	June 2000		
(7) Major shareholders and shareholding ratios	TATERU, Inc. (80.0%) Dai Kisaku (20.0%)		
(8) Relationship between listed company and this company	Capital	Consolidated subsidiary of the Company	
	Personnel	One Director of the Company serves concurrently as a Director.	
	Trade	None of particular note	
(9) Operating results and financial position of this company for the past three years			
Fiscal period	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net assets	135,866 thousand yen	456,793 thousand yen	738,787 thousand yen
Total assets	373,627 thousand yen	894,846 thousand yen	1,265,595 thousand yen
Net sales	881,011 thousand yen	1,337,149 thousand yen	1,768,679 thousand yen
Operating income	146,312 thousand yen	201,021 thousand yen	406,615 thousand yen
Ordinary income	148,881 thousand yen	204,298 thousand yen	409,064 thousand yen
Net income	101,660 thousand yen	128,721 thousand yen	281,515 thousand yen
Net income per share	65.71 yen	77.58 yen	167.41 yen

(2) Outline of company receiving share transfer

(1) Name	Japan Investment Adviser Co., Ltd.	
(2) Head office	Kasumigaseki Common Gate West Tower 34F, 3-2-1, Kasumigaseki, Chiyoda-ku, Tokyo	
(3) Representative	Naoto Shiraiwa, President, CEO and Director	
(4) Businesses	Financial Solutions Media-related Business	
(5) Capital	11,639,700 thousand yen (as of December 31, 2018)	
(6) Established	September 1, 2006	
(7) Net assets	32,076,455 thousand yen (as of December 31, 2018)	
(8) Total assets	106,781,861 thousand yen (as of December 31, 2018)	
(9) Major shareholders and shareholding ratios (as of December 31, 2018)	Naoto Shiraiwa (28.2%) KODO Holdings Co., Ltd. (16.5%) Japan Trustee Services Bank, Ltd. (Trust Account) (15.5%)	
(10) Relationship between listed company and this company	Capital	Not applicable.
	Personnel	Not applicable.
	Trade	Not applicable.
	Relationships with related parties	Not applicable.

(3) Number of shares transferred, transfer value, and number of shares owned before and after transfer

(1) Number of shares owned before change	1,346,040 shares (80.0%)
(2) Number of shares transferred	1,346,040 shares (80.0%)
(3) Transfer value	The transfer value is scheduled to be determined through future deliberations toward concluding the agreement on the transfer of shares based on the basic agreement.
(4) Number of shares owned after change	0 shares (- %)

(4) Schedule

Conclusion of basic agreement	March 18, 2019
Conclusion date of share transfer agreement	Late March 2019 (Scheduled)
Share transfer execution date	Late March 2019 (Scheduled)

3. Future outlook

An announcement will be made once the Company has determined the impact of the Transfer of Shares on the consolidated financial results and non-consolidated financial results for the fiscal year ending December 31, 2019. The Company does not disclose financial results forecasts for the current fiscal year, but plans to promptly disclose its financial results forecast as soon as it becomes possible to make a reasonable estimate.