

FY2024 2Q FINANCIAL RESULTS

May 2024 robot home, Inc. (TSE: 1435)

robot**home**

In technology, we are changing homes
and changing the world.

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1. FY2024 2Q Financial Results Overview

Company overview

Name robot home Inc. ^(*1)

Head office 6-10-1 GINZA SIX 9F Ginza, Chuo-ku, Tokyo ^(*2)

Established January 23, 2006

Representative Daisaku Furuki, Representative Director/CEO

Capital 7,470 million yen (Including capital surplus)

Employees 228 persons
(consolidated basis / full-time employees / as of June 30, 2024)

Businesses AI / IoT business

robot home business

Subsidiaries

rh labo Inc.

rh investment Inc.

rh maintenance Inc.

rh warranty Inc.

IDC Inc.

Next Relation Inc.

^(*1) As of April 1, 2024, the trade name of “Robot Home, Inc.” became “robot home Inc.”

^(*2) The head office was relocated on April 1, 2024.

FY2024 2Q Highlights

- Consolidated net sales of ¥4,759 million, up 26.5% year on year
- Consolidated operating profit of ¥564 million, up 32.4% year on year

Reportable segment

AI/IoT business

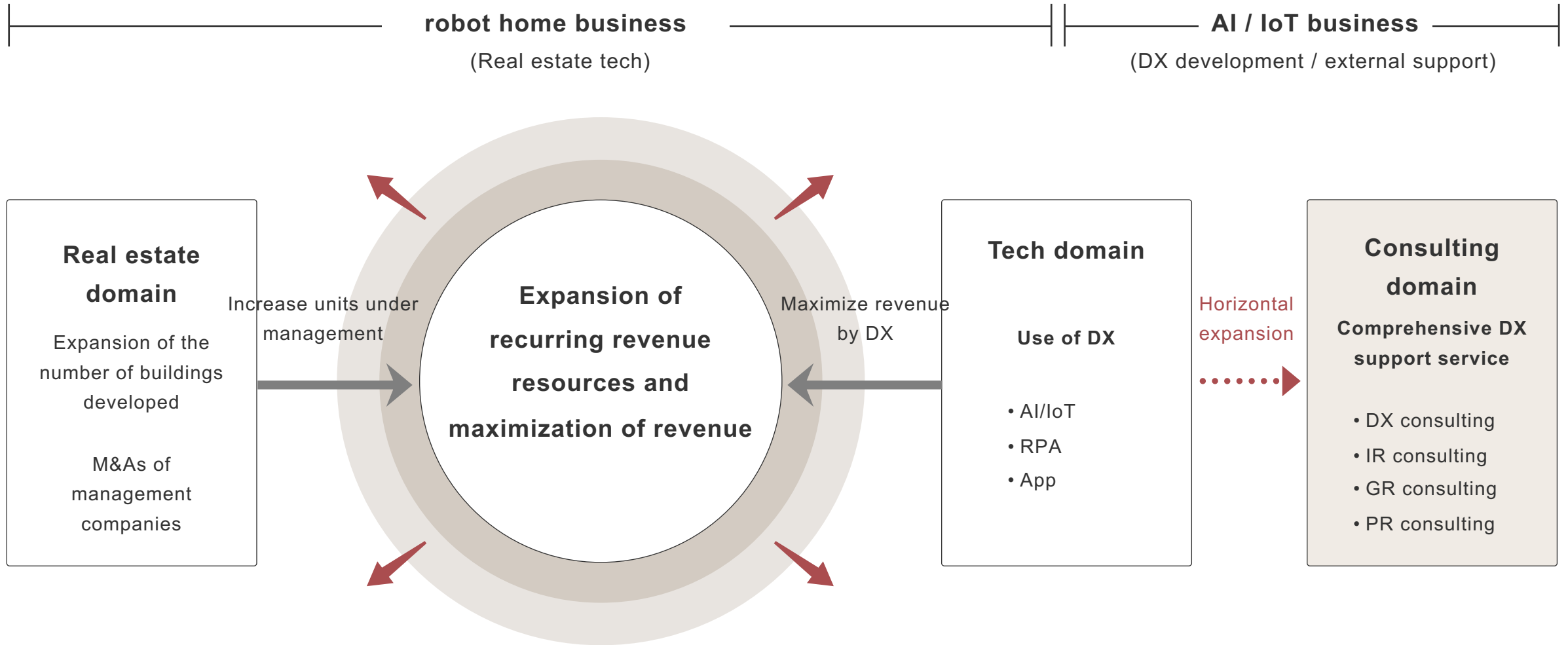
Service to support development, sale, and
installation of AI and IoT

Comprehensive DX support service

robot home business

Operation of rental property management
platform "robot home"

Expansion of knowledge in the real estate and technology domains to the DX domain

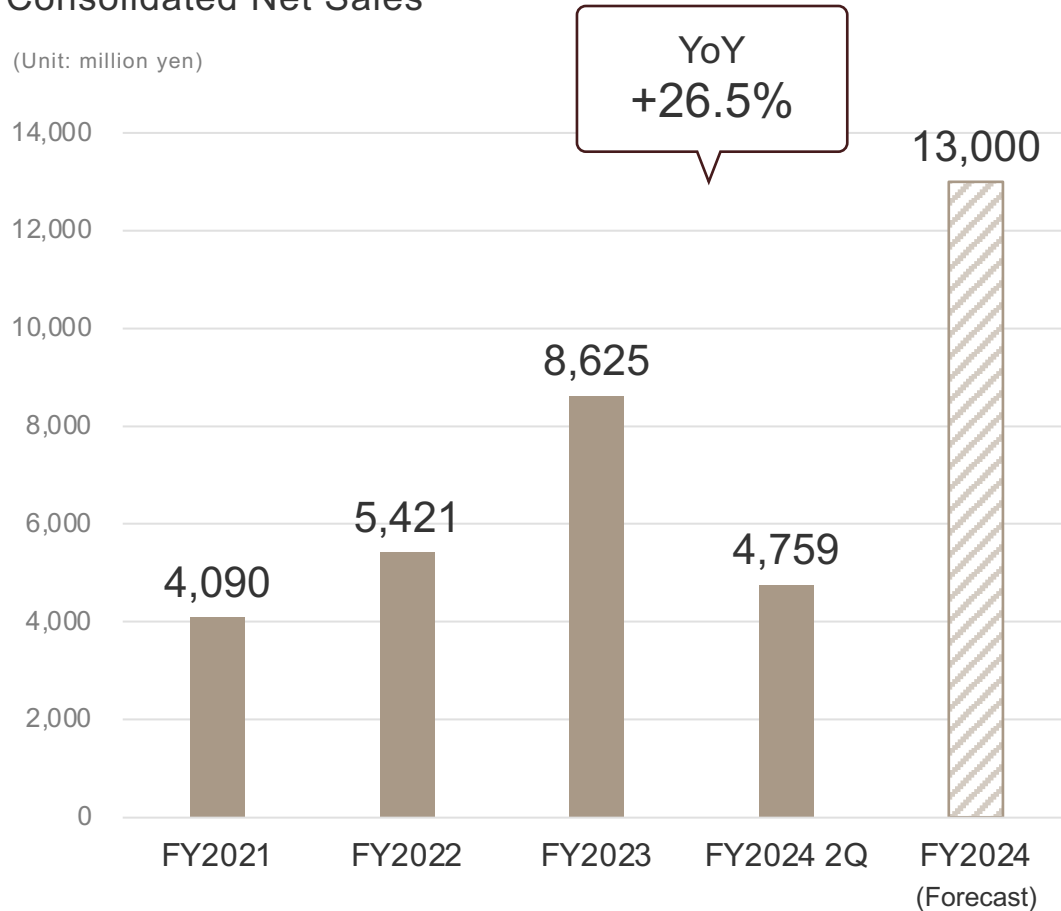


Trend in Financial Results of the robot home Group

Consolidated net sales and operating profit of the robot home Group for FY2024 2Q were ¥4,759 million (up 26.5% year on year), and ¥564 million (up 32.4% year on year), respectively.

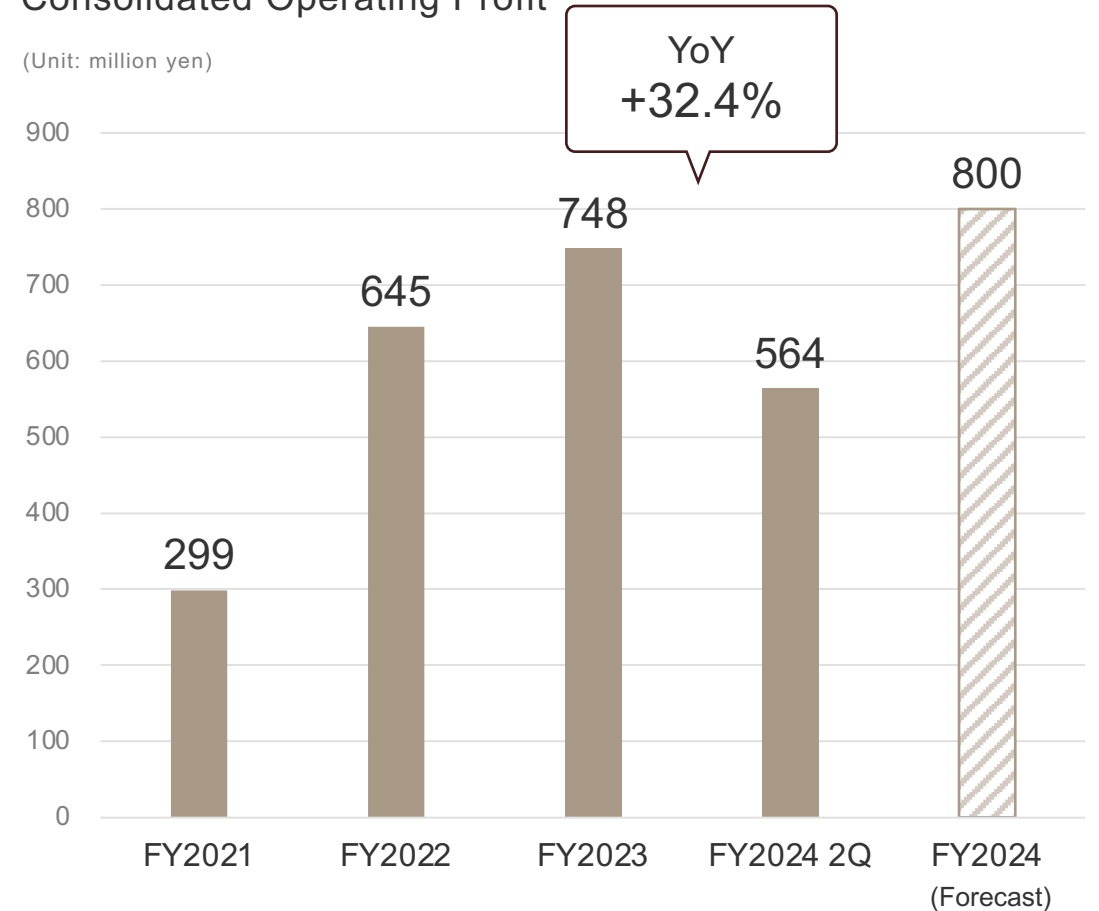
Consolidated Net Sales

(Unit: million yen)



Consolidated Operating Profit

(Unit: million yen)



* Figures for FY2022 and onward have been prepared in accordance with a new revenue recognition standard.

Consolidated statements of income

Consolidated net sales and operating profit of the robot home Group for FY2024 2Q were ¥4,759 million (up 26.5% year on year), and ¥564 million (up 32.4% year on year), respectively.

(Unit: million yen)

	Six months				Three months	
	FY2023 2Q	FY2024 2Q	YoY Change(¥)	YoY Change(%)	FY2024 1Q	FY2024 2Q
Net sales	3,763	4,759	996	+26.5%	2,758	2,000
AI/IoT business	193	289	95	+49.3%	128	161
robot home business	3,571	4,483	911	+25.5%	2,637	1,846
Gross profit	1,681	2,278	597	+35.5%	1,466	812
AI/IoT business	149	213	63	+42.2%	104	108
robot home business	1,532	2,074	541	+35.3%	1,366	707
Selling, general and administrative expenses	1,254	1,714	459	+36.6%	867	847
Operating profit	426	564	138	+32.4%	599	▲34
AI/IoT business	71	107	35	+50.3%	54	52
robot home business	878	1,284	405	+46.2%	967	316
Ordinary profit	420	560	139	+33.3%	594	▲33
Profit attributable to owners of parent	553	530	▲22	▲4.1%	563	▲33

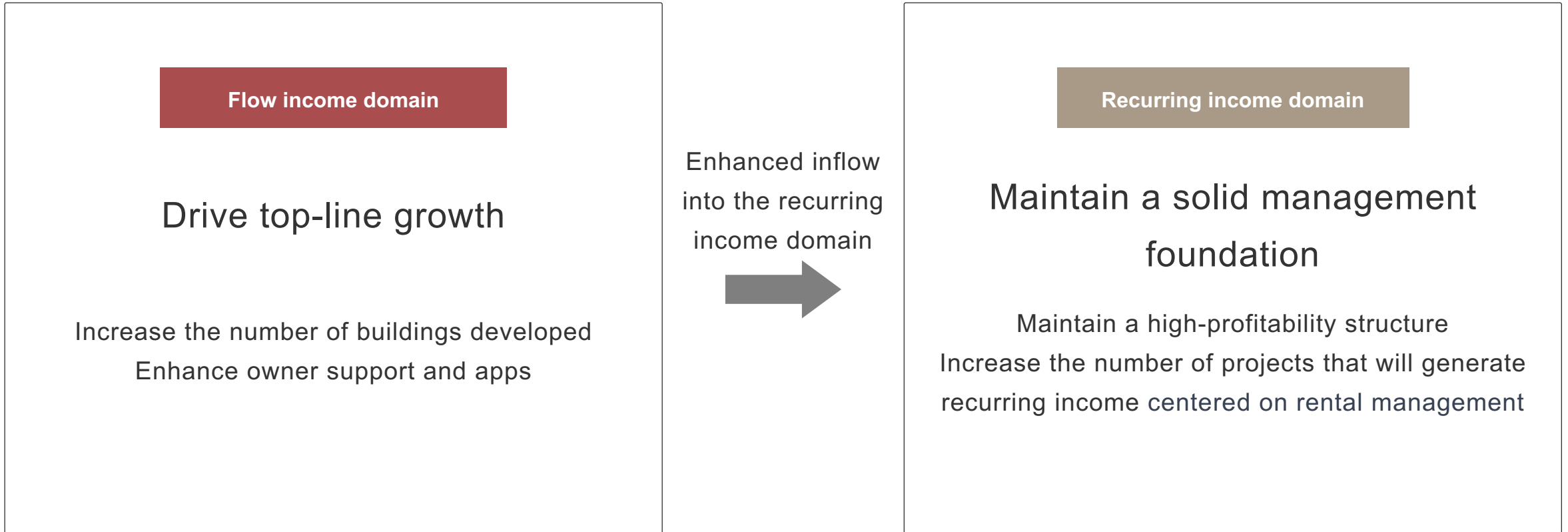
Consolidated balance sheets

The financial position remains robust. Effectively debt-free management with an equity ratio of 72.0%.

(Unit: million yen)	FY2023	FY2024 2Q	YoY Change (¥)
Current assets	9,032	9,246	214
Cash and deposits	4,718	4,749	30
Inventories	3,744	3,870	126
Non-current assets	2,986	3,256	269
Total assets	12,019	12,503	483
Liabilities	3,425	3,495	70
Interest-bearing debt	694	996	302
Net assets	8,594	9,007	413
Total liabilities and net assets	12,019	12,503	483

Medium-Term Management Policy

Work to drive top-line growth in the flow income domain, and through an enhanced inflow into the recurring income domain, build an even more solid management foundation.



Medium-Term Management Policy (Numerical Targets)

Work to drive top-line growth in the flow income domain, and through an enhanced inflow into the recurring income domain, build an even more solid management foundation.

	FY2024	FY2025	FY2026	FY2027	
Flow income domain	Number of buildings developed	60building	100building	140building	200building
	Net sales from flow income	9,000million	15,000million	21,000million	30,000million
Recurring income domain	Increase in the number of managed properties (Fiscal year)	600units	1,000units	1,400units	2,000units
	Increase in the number of managed properties (Cumulative)	600units	1,600units	3,000units	5,000units
	Increase in the amount of gross profit from recurring income (Fiscal year)	54million	90million	126million	180million
	Increase in the amount of gross profit from recurring income (Cumulative)	54million	144million	270million	450million

*Calculated on the assumption of ¥150 million in sales per building and ¥90,000 in gross profit per unit.

FY2024 Financial Results Forecast

Steady progress against initial plan.

(Unit: million yen)

	FY2023 (Result)	FY2024(Forecast)			
		Forecast		Result	
		Full-year	YoY change (%)	2Q	Progress(%)
Net sales	8,625	13,000	50.7%	4,759	36.6%
Operating profit	748	800	6.8%	564	70.6%
Ordinary profit	737	750	1.7%	560	74.7%
Profit attributable to owners of parent	886	700	▲21.0%	530	75.8%

2. robot home Group Growth Strategy



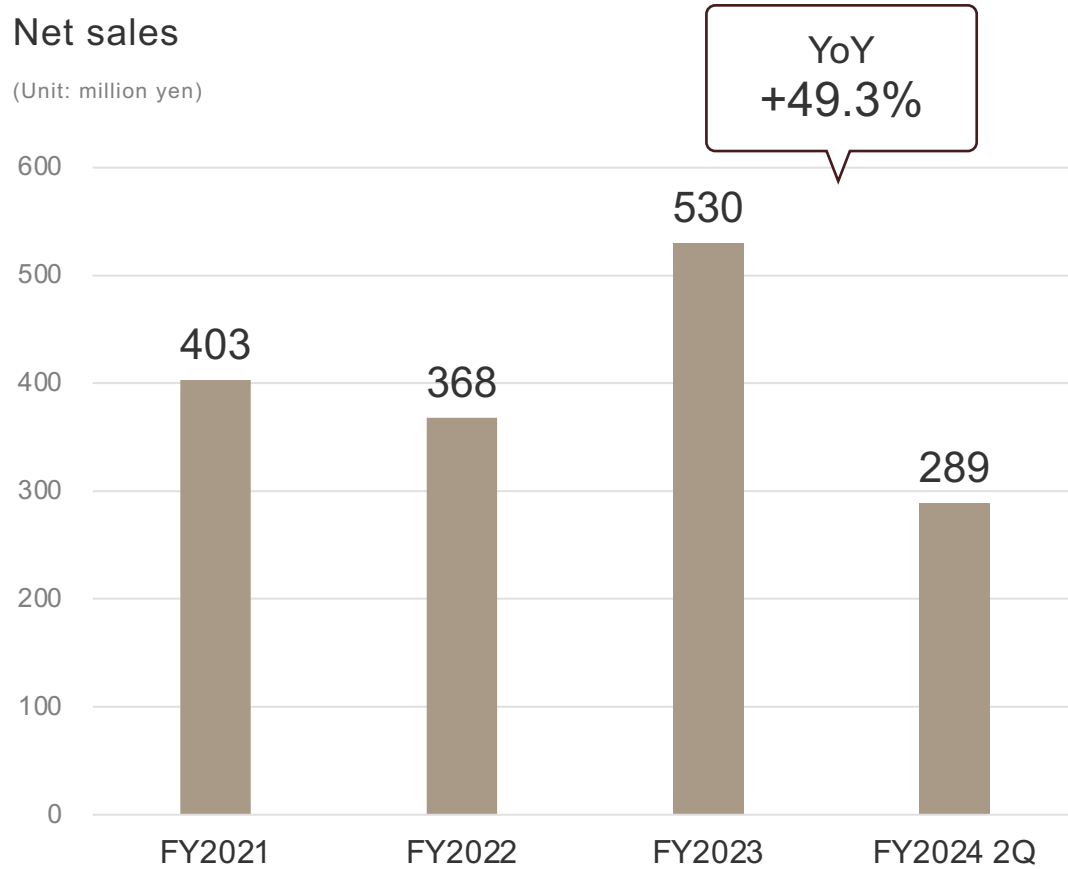
AI / IoT Business

Trend in Financial Results of the AI / IoT Business

Net sales and operating profit of the AI/IoT Business for FY2024 2Q were ¥289 million (up 49.3% year on year), and ¥107 million (up 50.3% year on year), respectively.

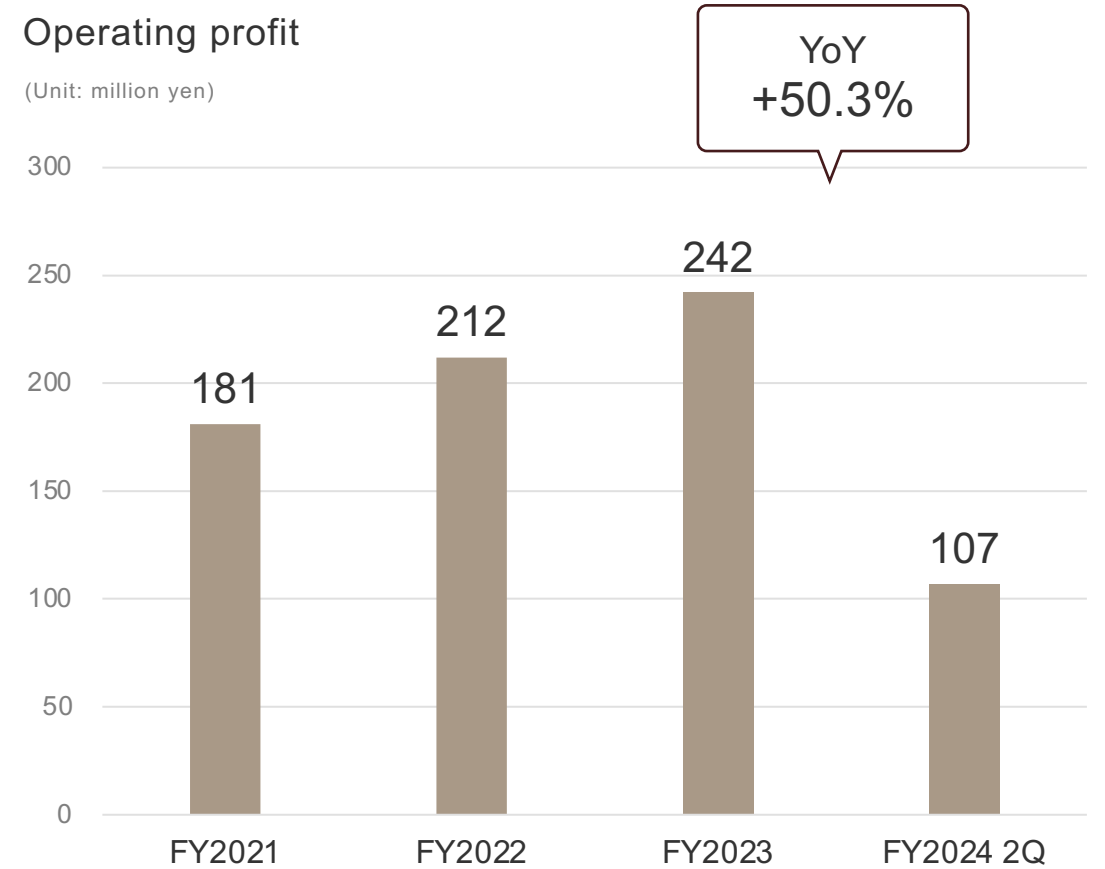
Net sales

(Unit: million yen)



Operating profit

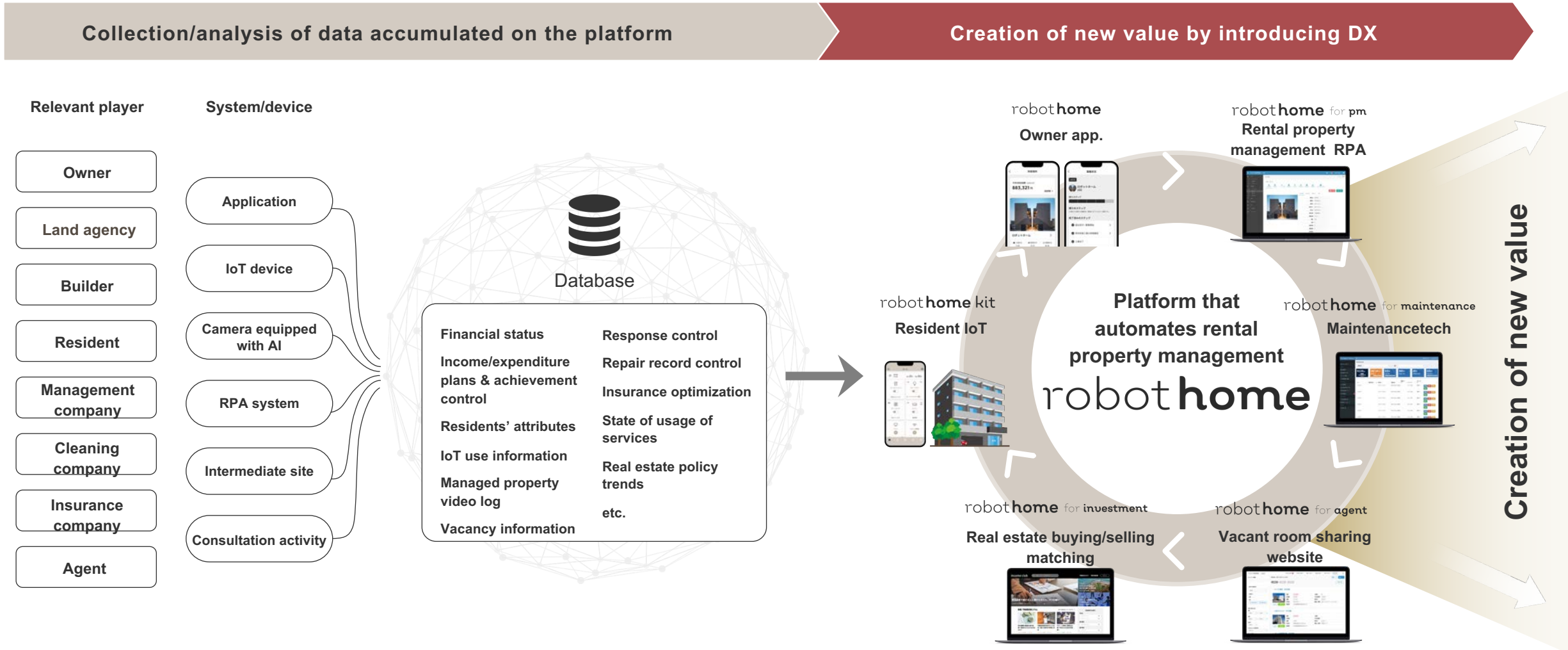
(Unit: million yen)



* Figures for FY2022 and onward have been prepared in accordance with a new revenue recognition standard.

Business Model of the AI / IoT Business

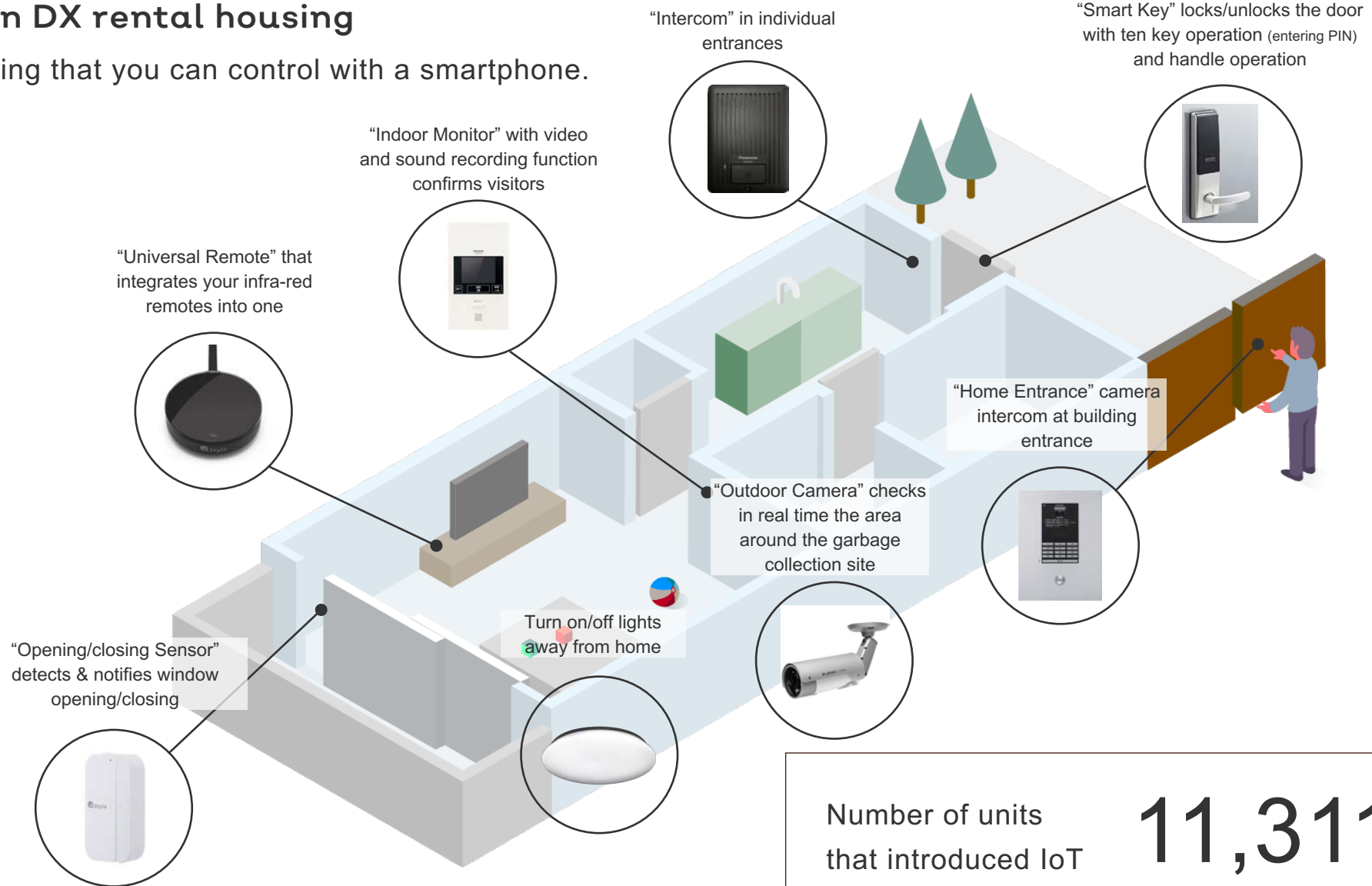
Maximize the value of collected data and create new value through the utilization of the data.



Provide next-generation DX rental housing

Smart life in an IoT rental housing that you can control with a smartphone.

robot home kit

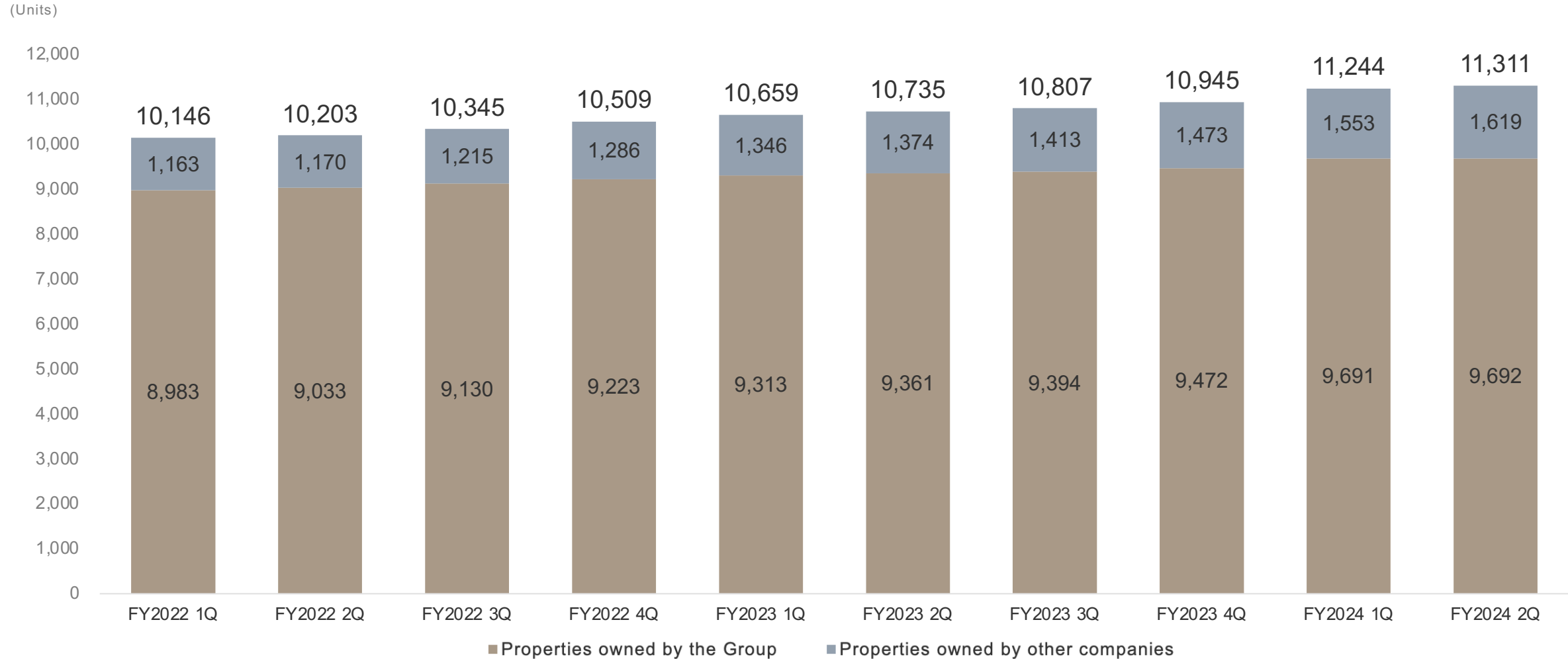


*The apartment layout is a sample.

Number of units that introduced IoT **11,311**
(as of June 30, 2024)

Trend in the Number Properties to Which IoT Has Been Introduced

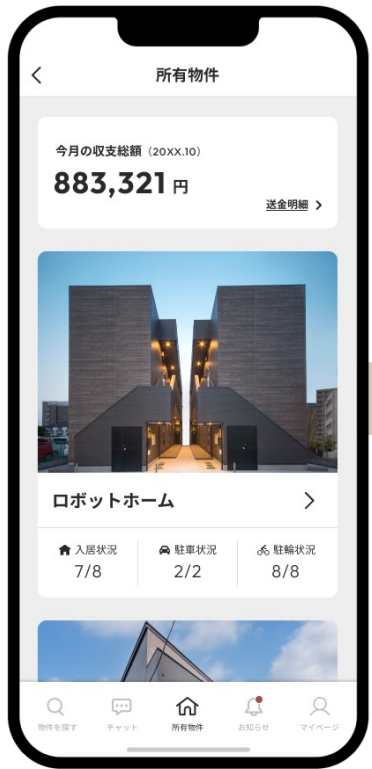
The number of units into which IoT is introduced has topped 11,000 and continues to show a steady upward trend.



Owners can manage rental housing operations with the app

App helps owners manage their rental properties, from previews to collecting rents and placing orders to suppliers, etc. The app also has a chat function to facilitate easy contact with the management companies.

robot home



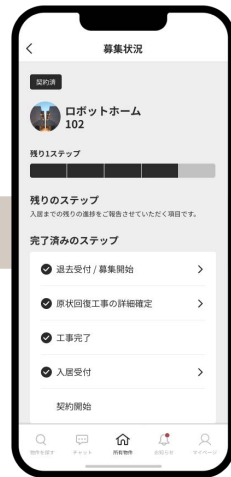
Receipt of a move-out request



Confirmation of work details



Preview status



Receipt of move-in request



Online contract signing



Number of owners

2,172

(as of June 30, 2024)

*Image UIs are contained.

Management companies can streamline operations with RPA

Reduces vacancy risk and improves service quality by streamlining operations utilizing RPA.

robot home for pm

Manage moving-in/moving-out

Receipt of move-in/move-out requests, receipt of repair requests, making orders, management of history

Management of remittance history

Management of rent payment, remittance to owners, management of vendor billing

Manage information

Management of property information, management of and search for owner information

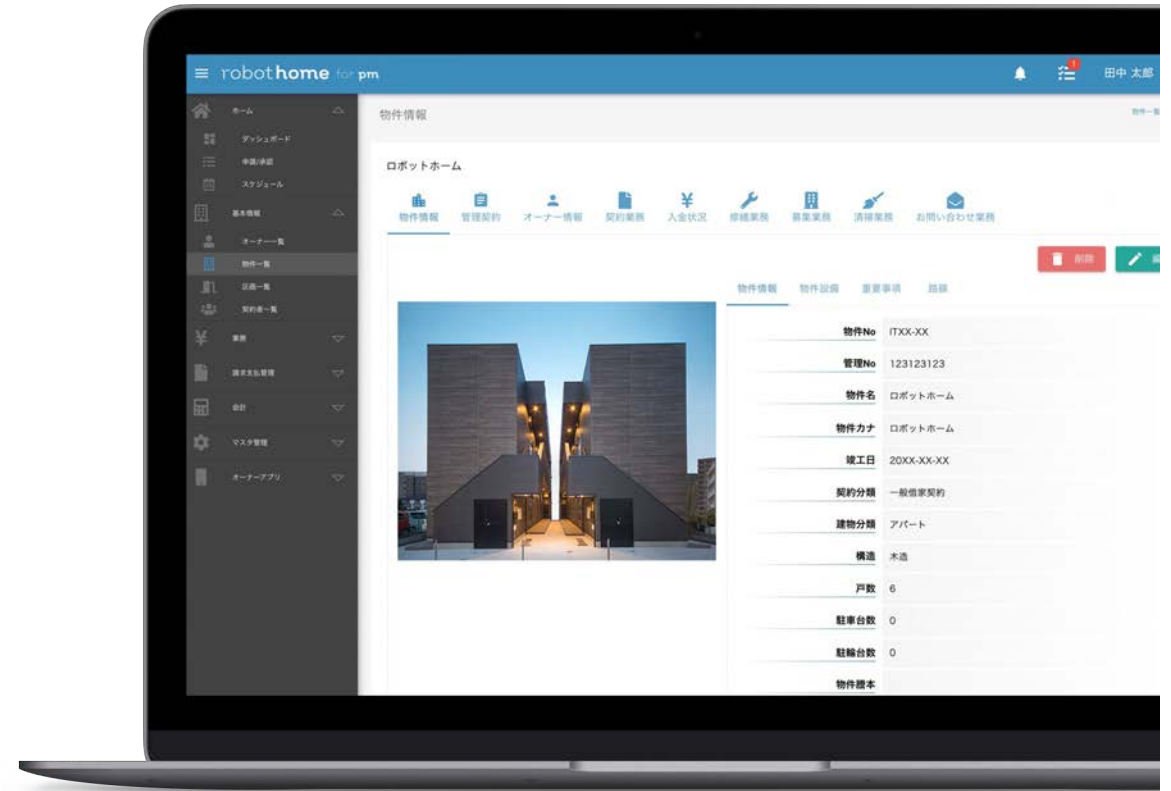
Management of documents

Management of contracts, remittance statements, and bills

Number of units
that introduced RPA

25,803

(as of June 30, 2024)



Efficiency Improvement in Cleaning, Inspection, Etc. Using an App

Improvement of operational efficiency and service quality of maintenance services realized through the in-house developed cleaning app.

robot home for maintenance

Optimized routes

Maximally efficient routes are presented to janitors.

Automatically generated reports

Quality is maintained through completion reports with images attached.

Management screen

The cleaning status can be confirmed at a glance.

Walk-around cleaning

27,514
times

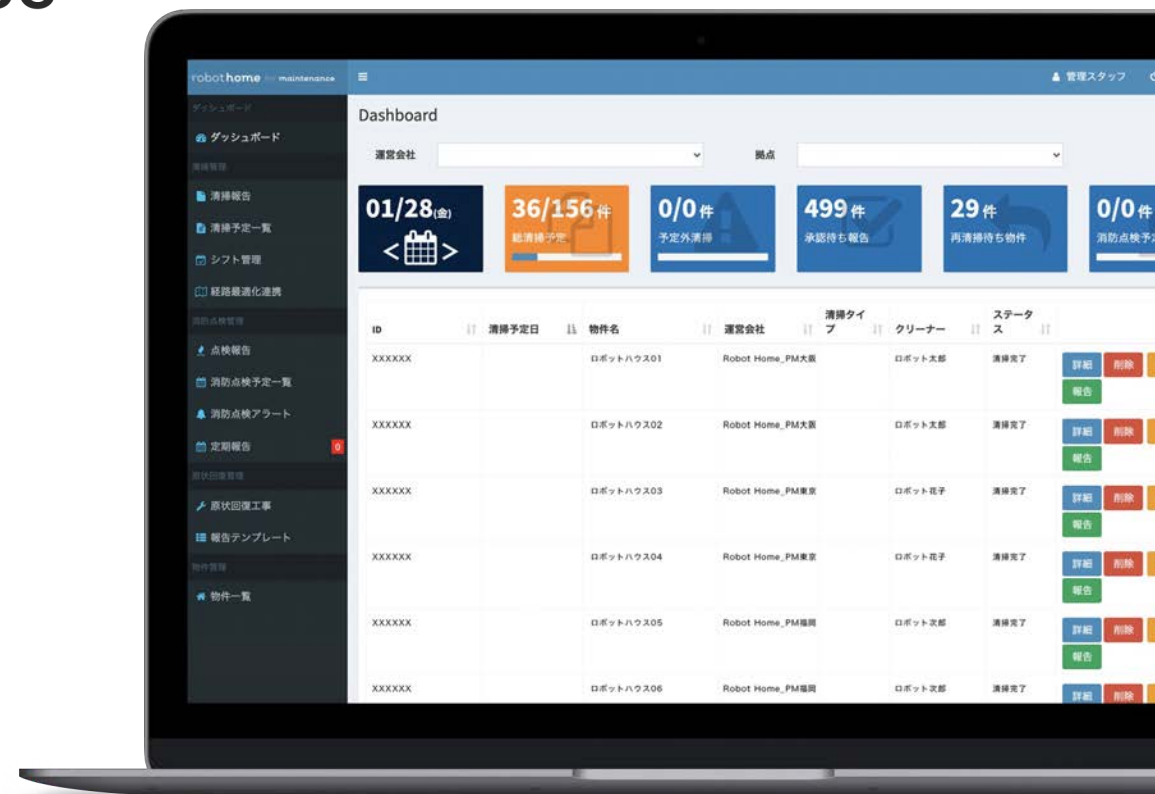
Fire-fighting inspection

2,777
times

Restoration work

2,869
cases

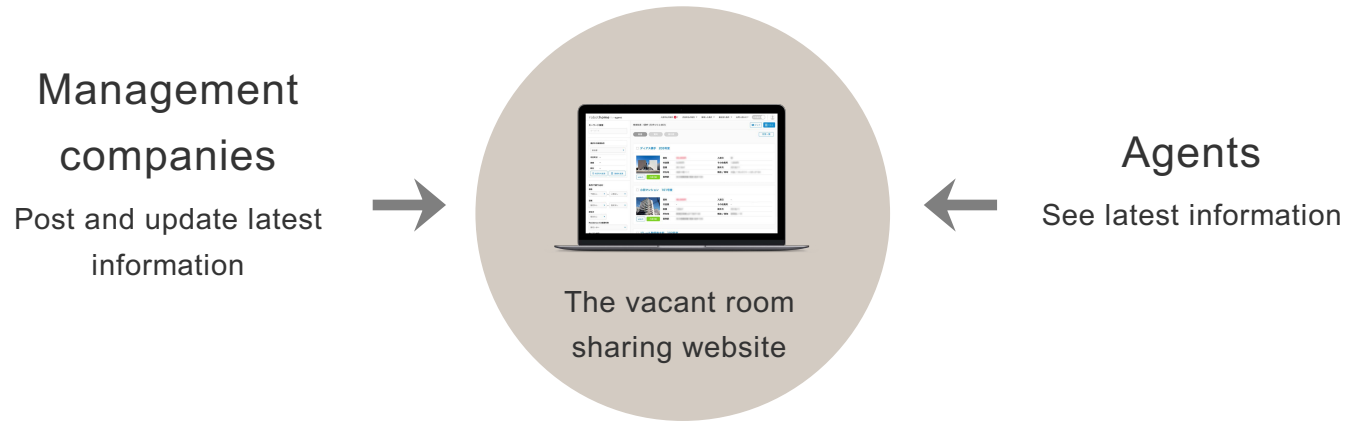
(as of June 30, 2024, total for the fiscal year)



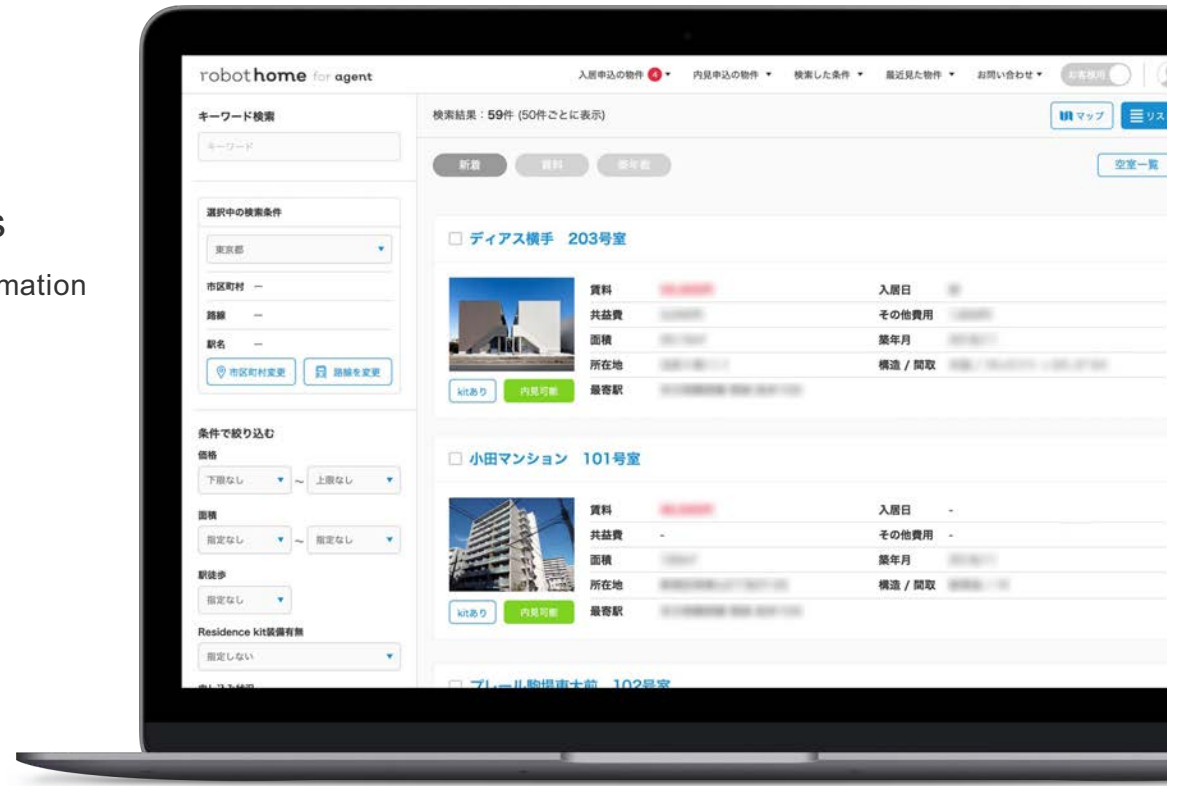
Agents can find tenants more efficiently through the vacant room sharing website

Quick search of vacant rooms on the website allows agents to find tenants more efficiently.

robot home for agent

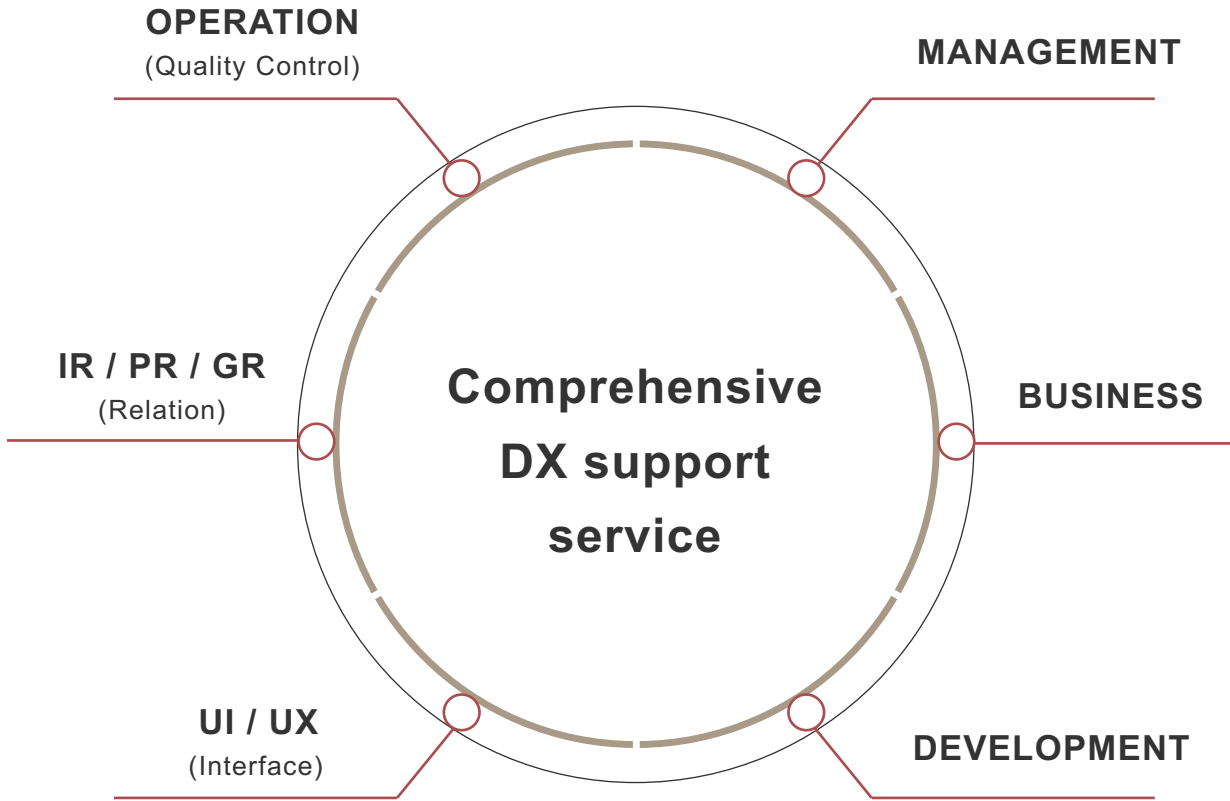


Number of registered agents: 26 prefectures nationwide, 8,732 registered agents in (as of June 30, 2024)



Overview of comprehensive DX support service

Launched a comprehensive DX support service drawing on our experience of developing and running various in-house products combining AI / IoT and real estate.



Clientele

KEIAI
デザインのカイアイ

ATSUMARU

SYLA
Technologies

Ro Facilities Inc.

NEXUS AGENT

STELLAR FORCE

INNOVATION DESIGN

TsunaGod

drive communications

Keeyls

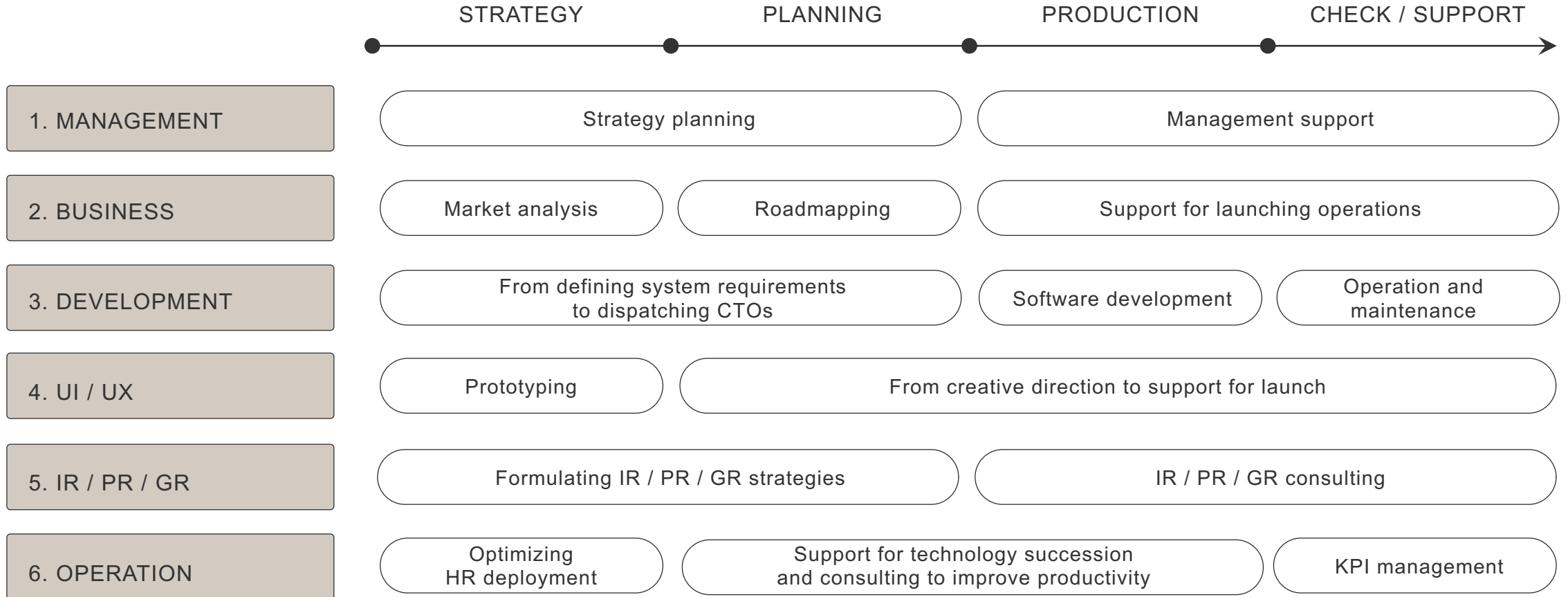
FANTAS technology

BYWILL

*Shown above are clients that gave permission to be named.

Overview of comprehensive DX support service

Six facets to support companies that need help in promoting DX.

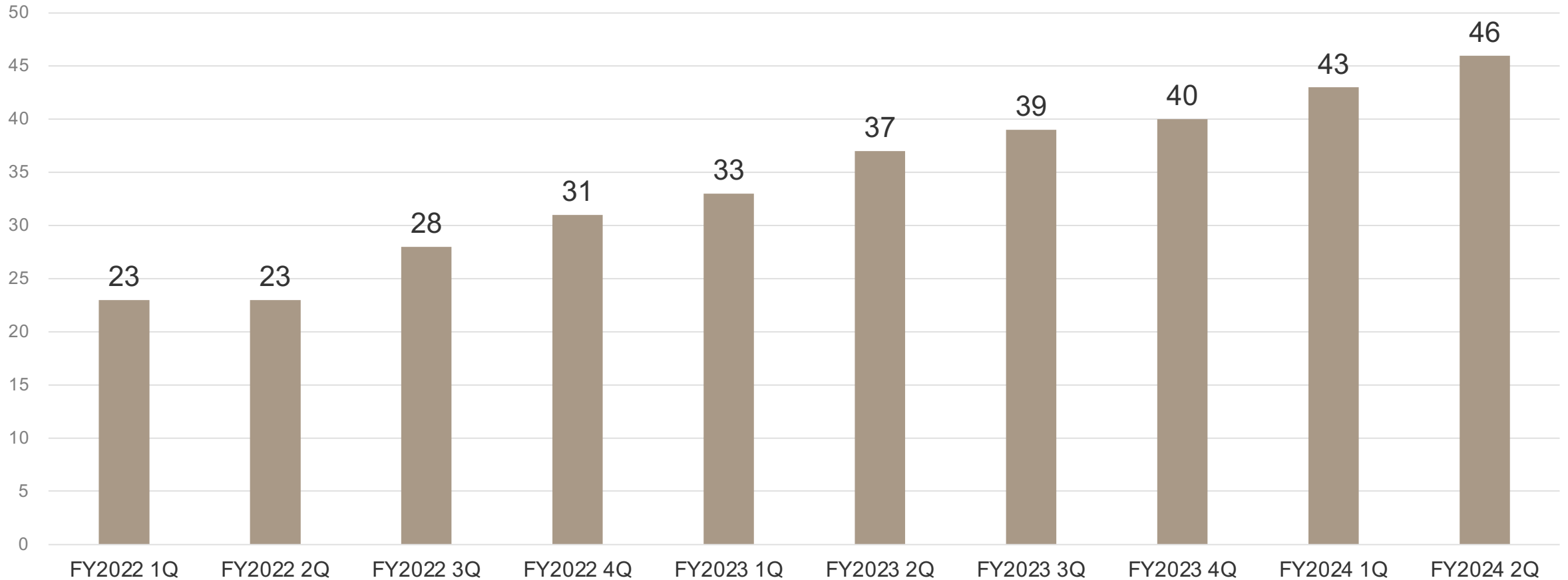


Number of Client Companies of Our Comprehensive DX Support Services

As we provide seamless, end-to-end services that support clients in strategy development to implementation, the number of client companies has steadily been increasing.

Number of client companies of the services (cumulative)

(Companies)



robot home Business

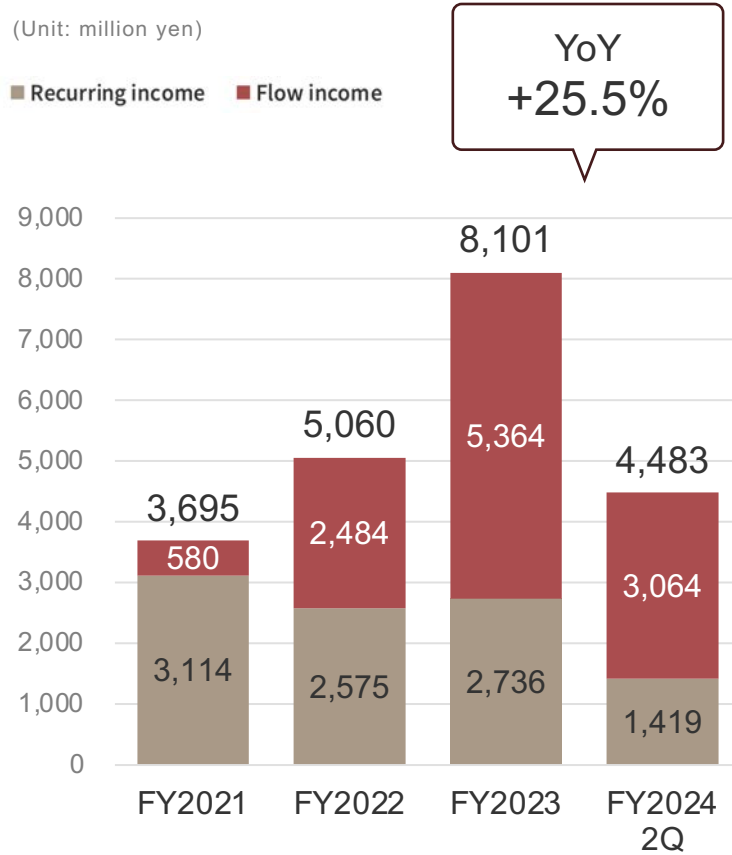
Trend in Financial Results of the robot home Business

Net sales and operating profit of the robot home Business for FY2024 2Q were ¥4,483 million (up 25.5% year on year), and ¥1,284 million (up 46.2% year on year), respectively.

Net sales

(Unit: million yen)

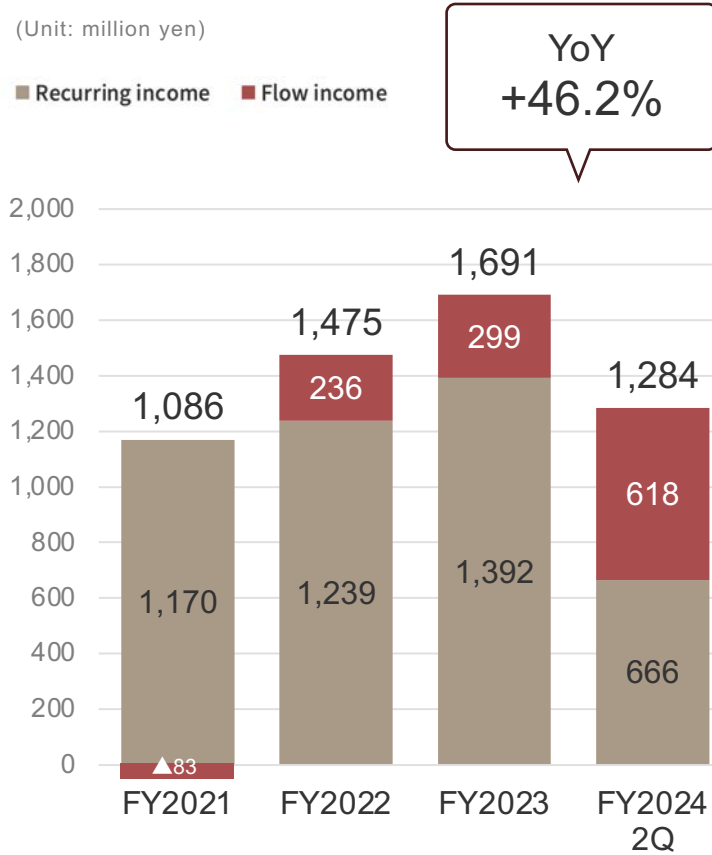
■ Recurring income ■ Flow income



Operating profit

(Unit: million yen)

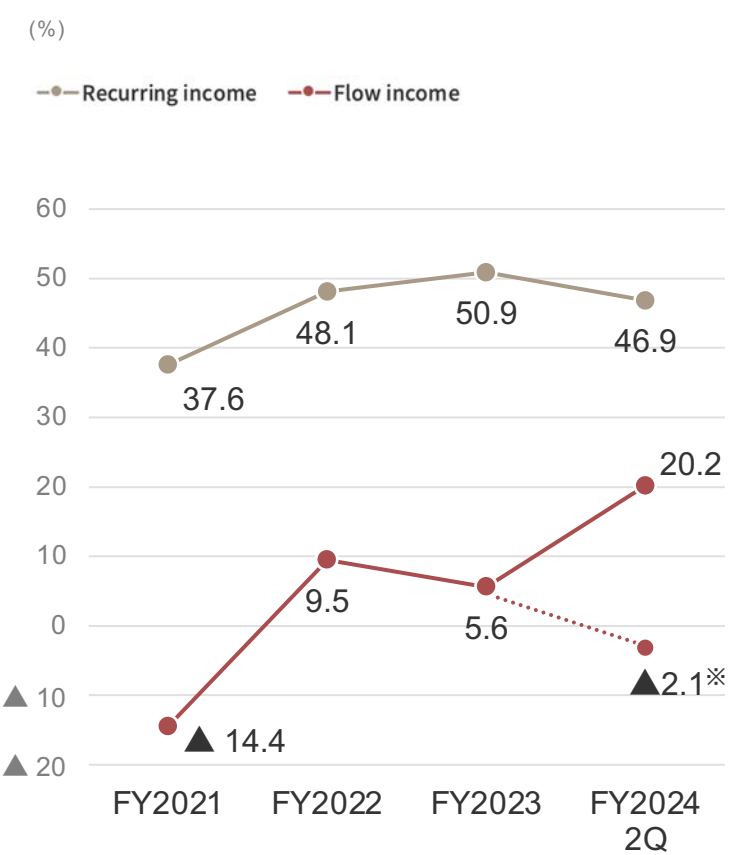
■ Recurring income ■ Flow income



Operating profit margin

(%)

● Recurring income ● Flow income



* Figures for FY2022 and onward have been prepared in accordance with a new revenue recognition standard.

* Excluding effects due to sales of large-scale inventories (see next page)

Effects due to sales of large-scale inventories in the robot home business

The following shows the performance of the robot home business excluding effects due to sales of large-scale inventories.

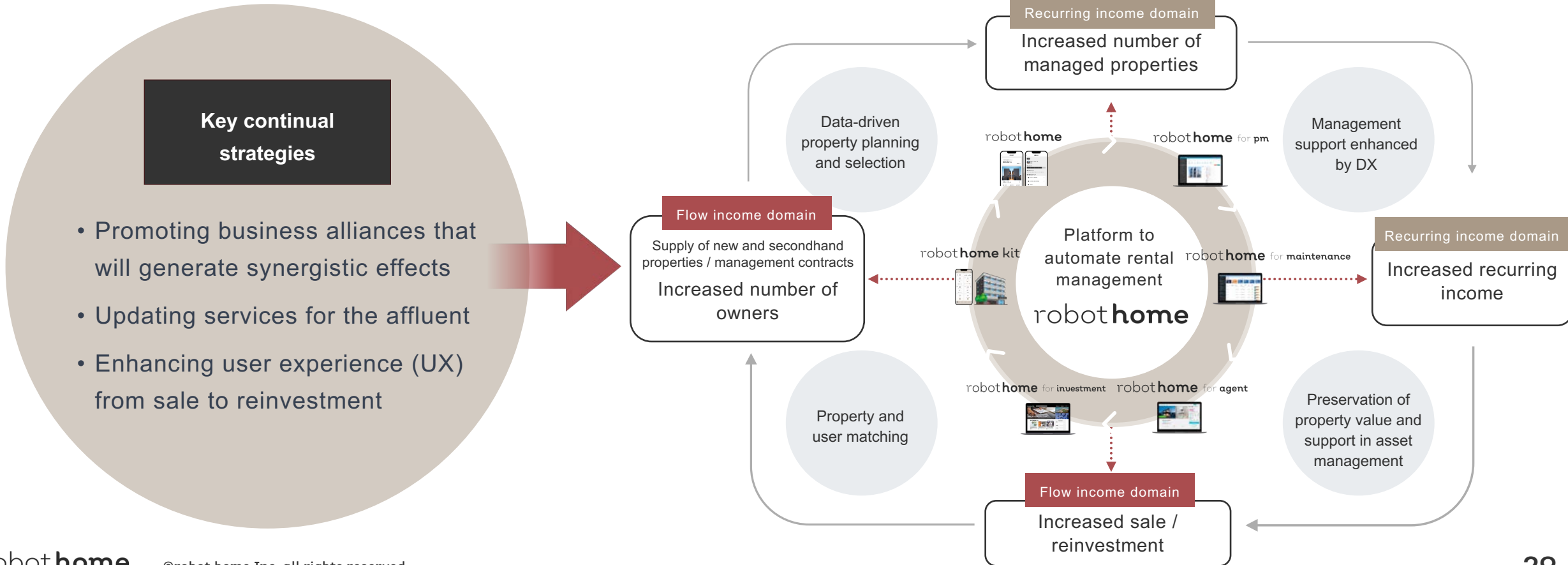
(Unit: million yen)	①	②	① - ②
	FY2024 2Q	Large-scale inventories	FY2024 2Q (Excluding effects due to sales of ②)
Net sales	4,483	1,137	3,345
Flow income	3,064	1,137	1,926
Recurring income	1,419	-	1,419
Operating profit	1,284	659	625
Flow income	618	659	▲41
Recurring income	666	-	666

Diagram to Summarize the Robot Home Business

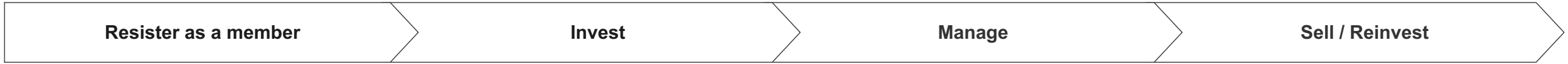
The Company's growth cycle is a virtuous one that involves supply of new and secondhand properties to real estate owners, increased recurring income through management contracts, sale and reinvestment (or additional purchase), and further growth of the circulation on the platform.

Growth in the number of properties supplied and clients


Growth of the platform due to the virtuous cycle



Business model overview



Flow income

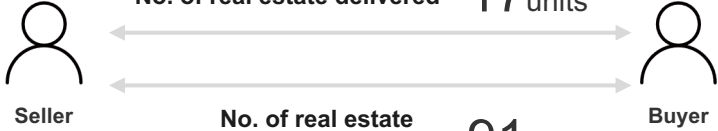


robot home Owner Apps

No. of members **3,200** persons

No. of owners **2,172** persons

Distribution within the platform



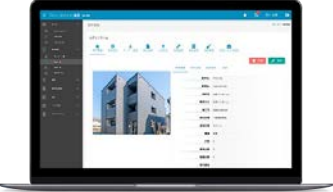
(as of June 30, 2024, total for the fiscal year)

Inflow from flow income to recurring income

Recurring income

Rental property management

robot home for pm



Managed properties **26,504** units

Occupancy rate **97.4%**

Maintenance

robot home for maintenance

Walk-around cleaning 27,514 times Fire-fighting inspection 2,777 times Restoration work 2,869 cases

(as of June 30, 2024, total for the fiscal year)

Company-guaranteed units

15,241 units

Vacant room sharing website

robot home for agent

Registered area 26 prefectures No. of registered agents 8,732 agents

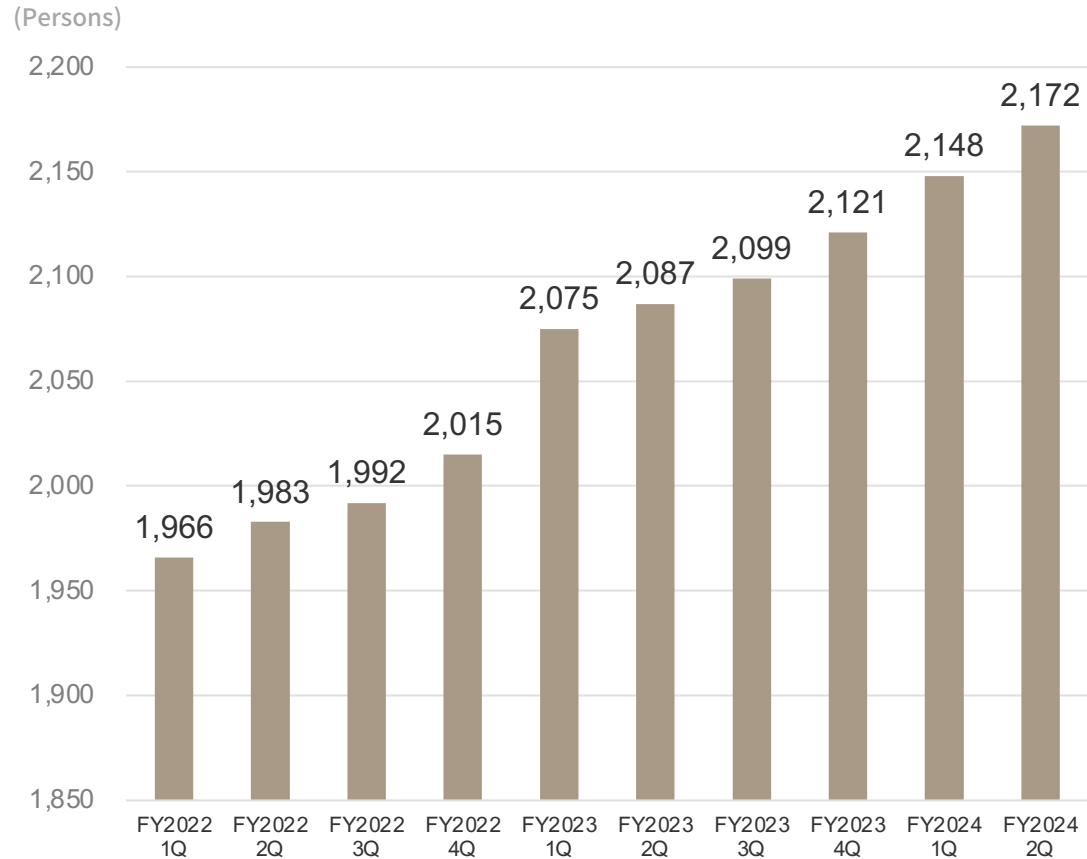
No. of units into which IoT is introduced

robot home kit
11,311 units

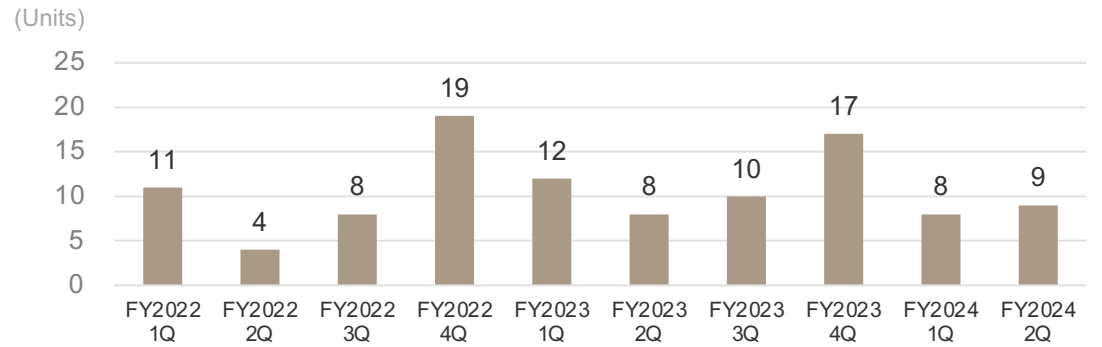
KPIs Related to Flow Income

Boosting the circulation on the platform through the steady rise in the number of property owners

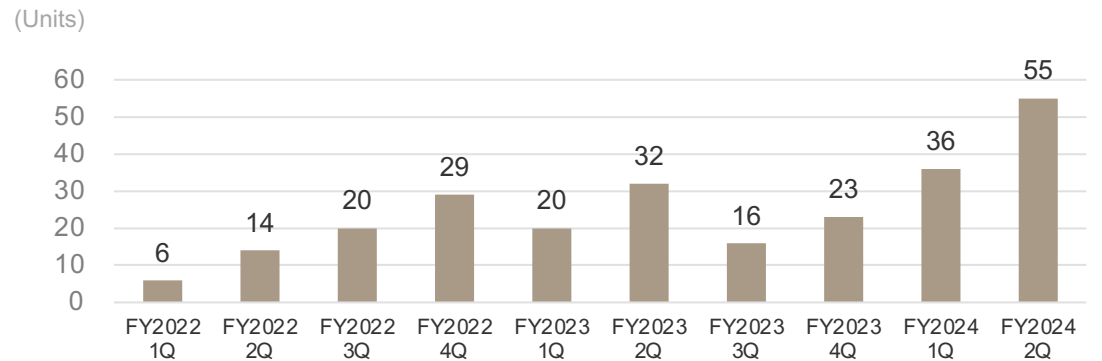
Number of property owners



Number of new properties delivered



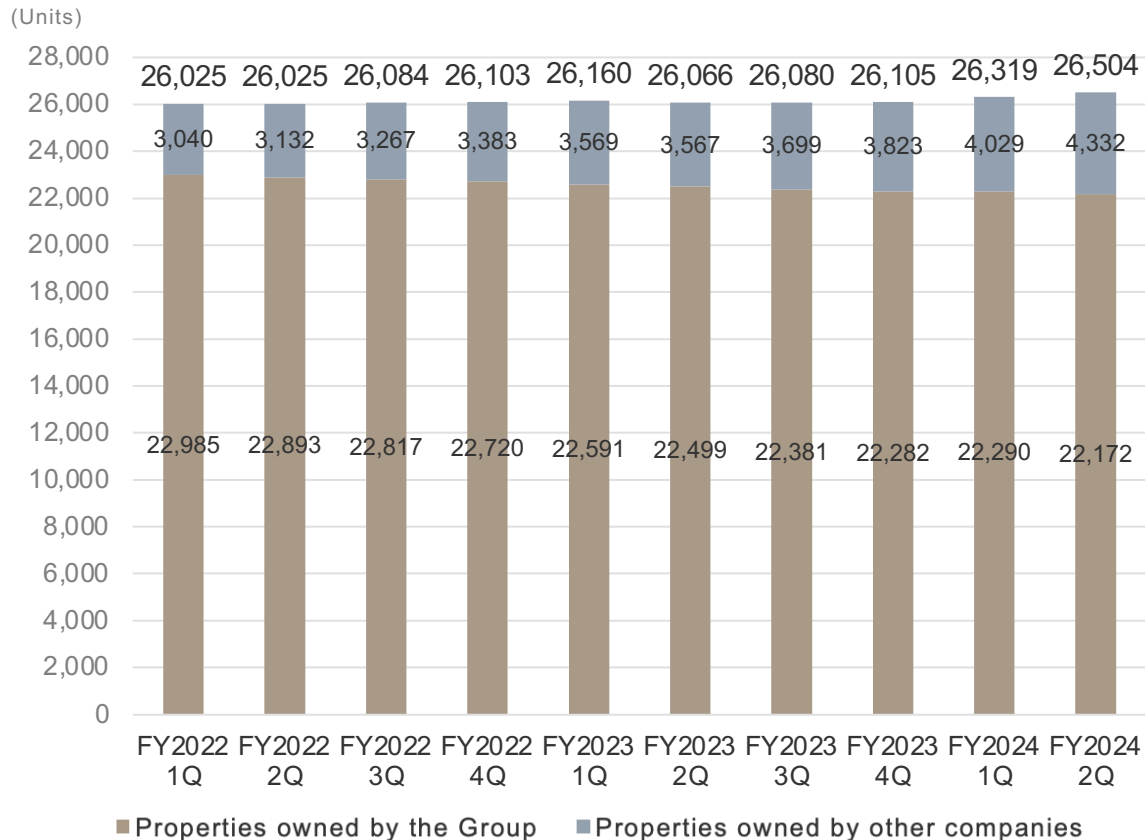
Number of secondhand properties intermediated



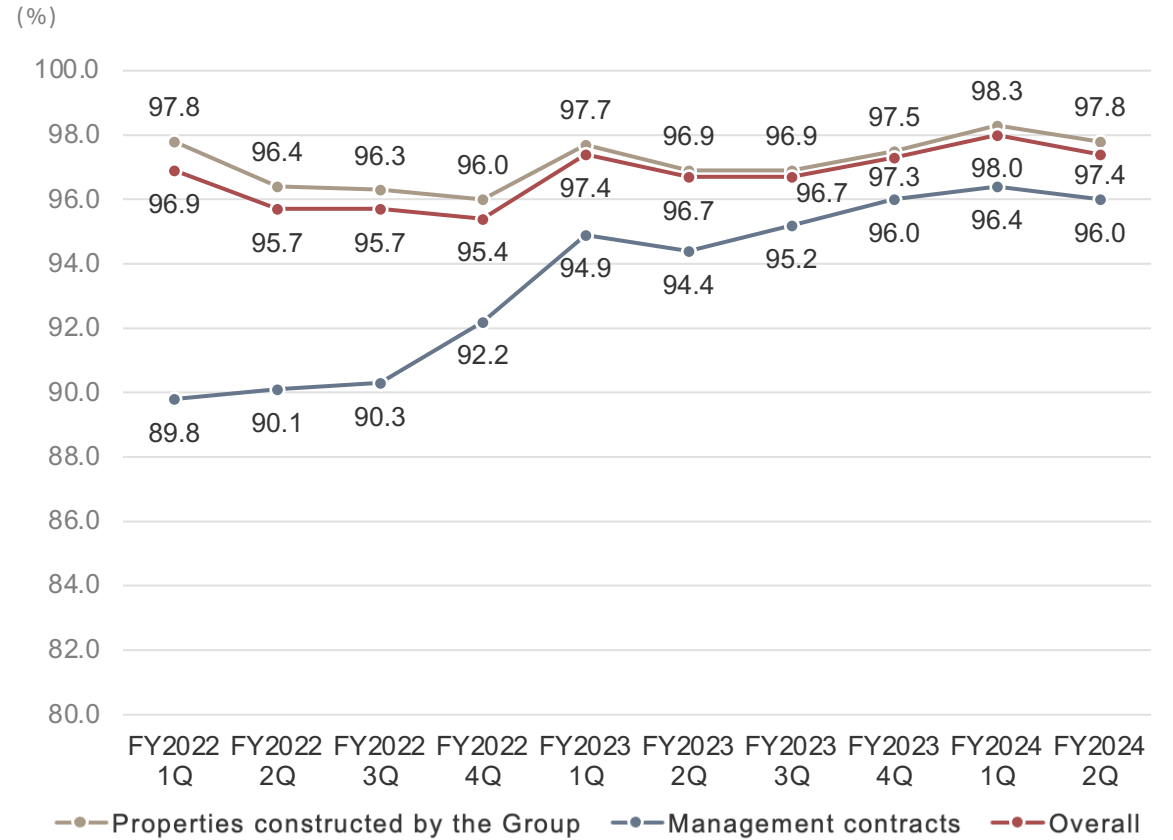
KPIs Related to Recurring Income

The occupancy rate for properties under management contracts has been trending upward. The platform is functioning effectively, maintaining a high occupancy rate.

Managed properties



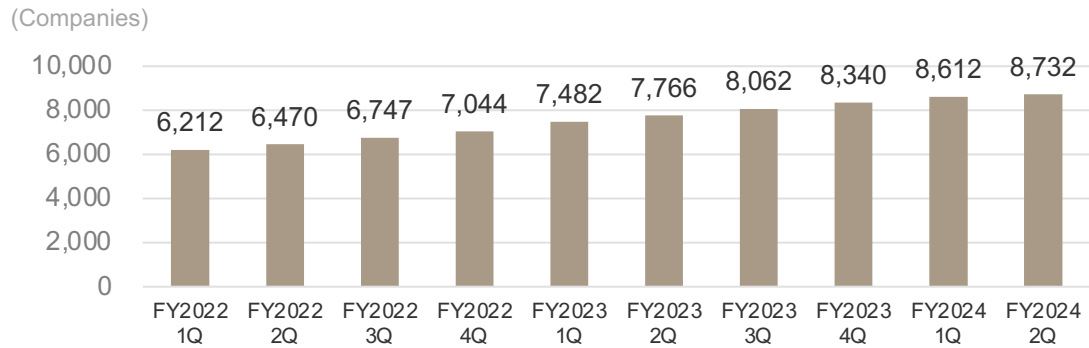
Occupancy rate



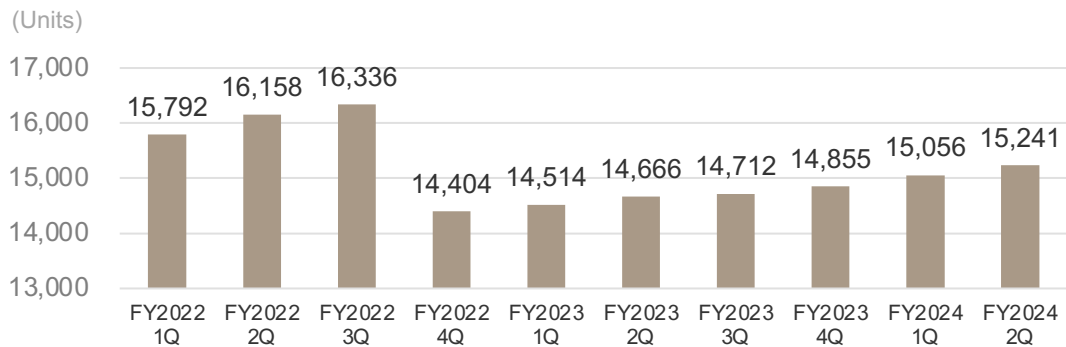
KPIs Related to Recurring Income

As the number of users of the rental property management platform increases, all indicators have been trending positively.

Number of registered agents

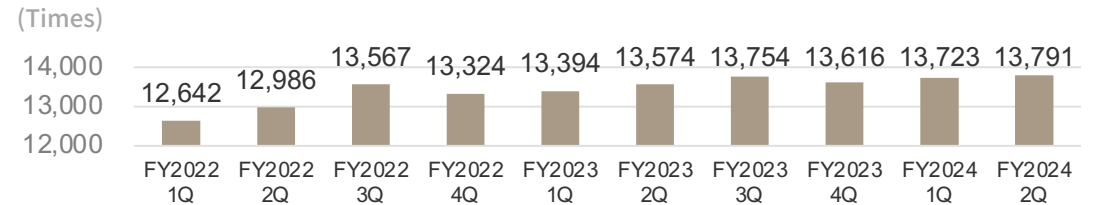


Number of company-guaranteed units

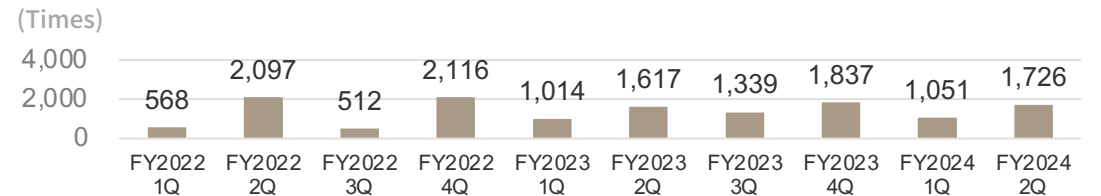


Number of times maintenance tasks are performed

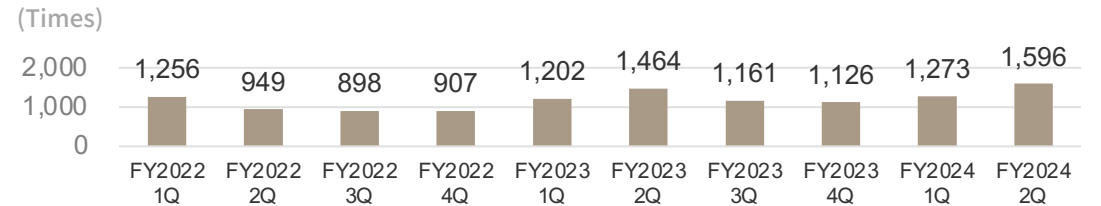
Walk-around cleaning



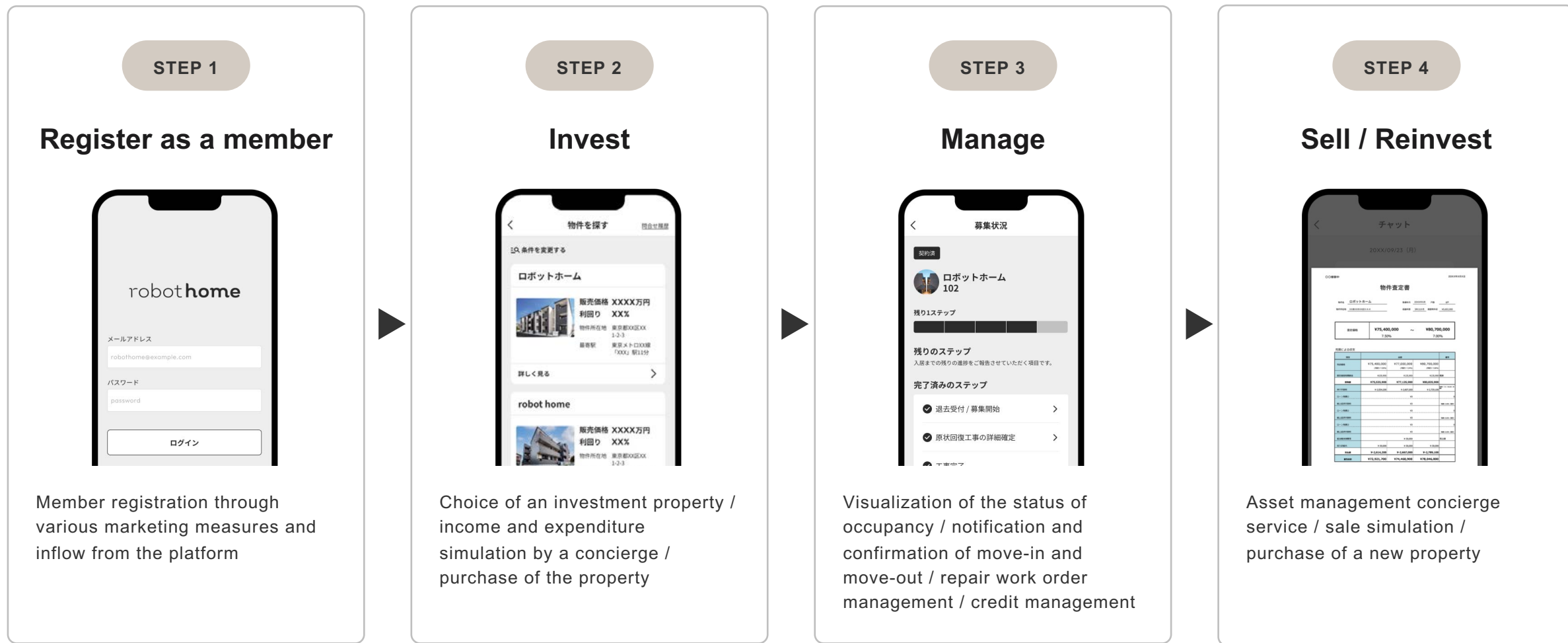
Fire-fighting inspection



Restoration work

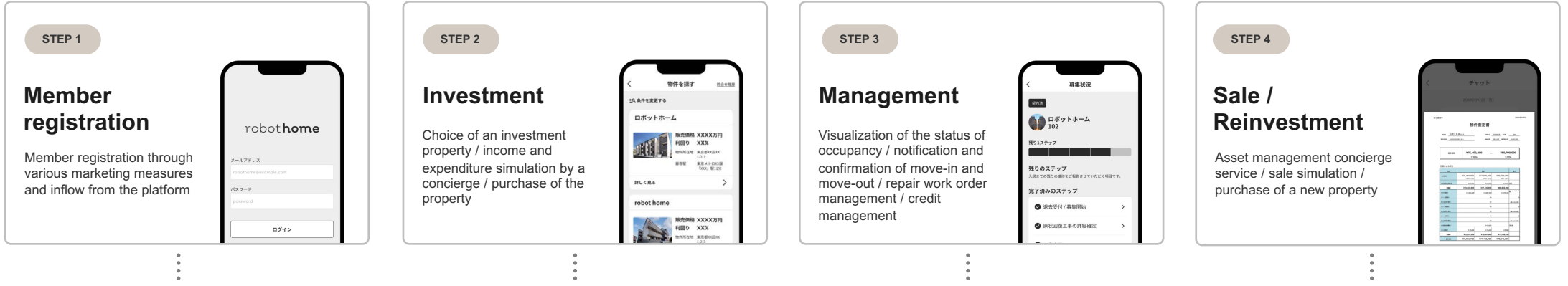


Develop a platform leveraging technology for rental property management owners

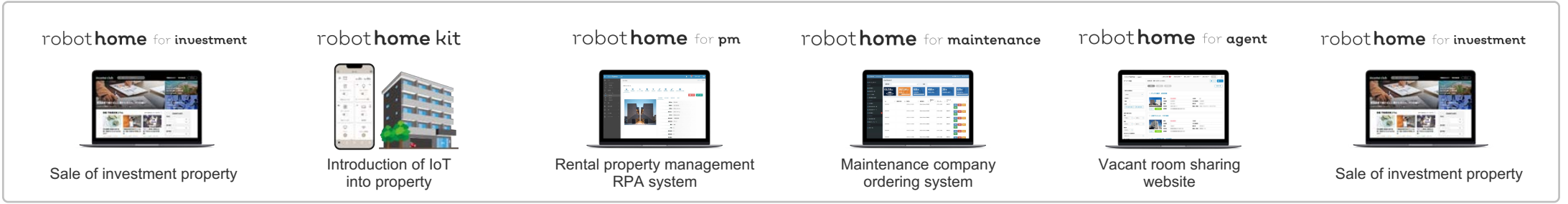


Connect all players on the platform and automate rental property management

Owner app flow



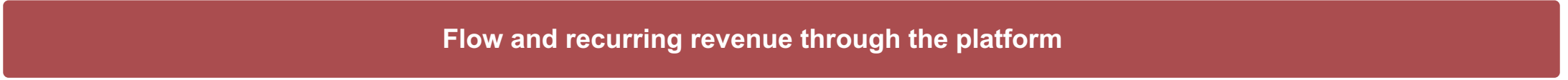
Supply chain integration



Relevant player



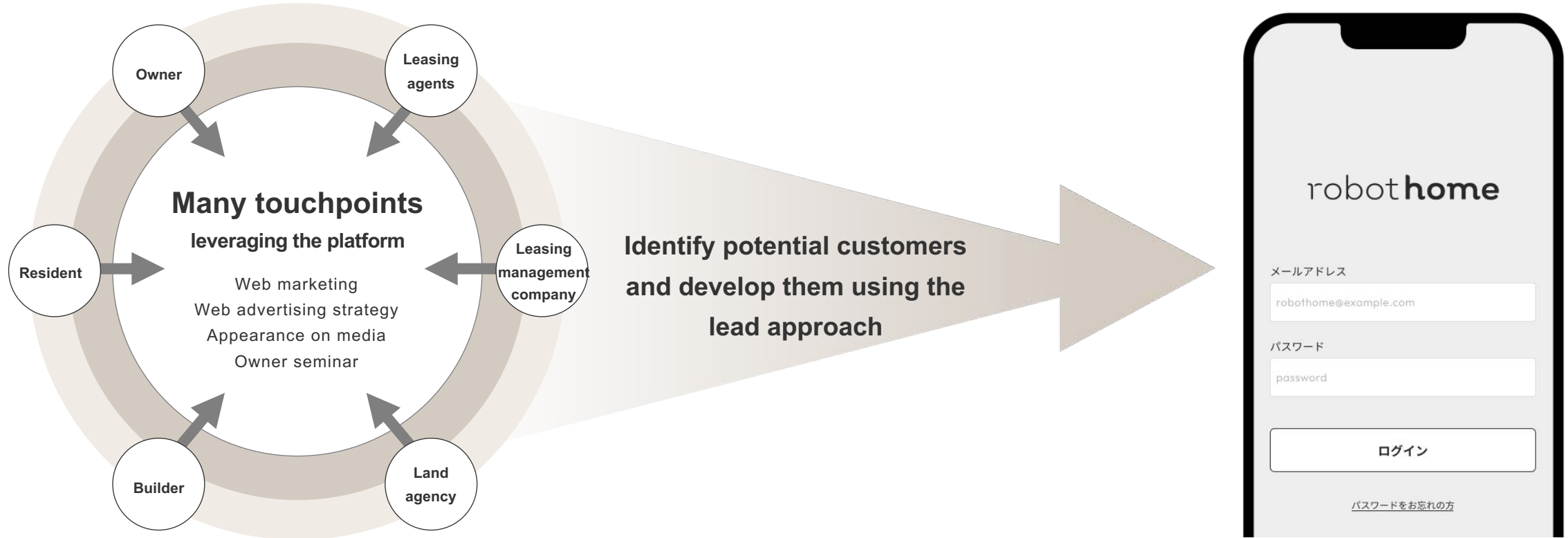
Type of revenue



Increase members through many touch points leveraging the platform

STEP 1	STEP 2	STEP 3	STEP 4
Register as a member	Invest	Manage	Sell / Reinvest

Increase members through inflow from the platform while using various marketing measures



One-stop Asset Building

STEP 1 Register as a member	STEP 2 Invest	STEP 3 Manage	STEP 4 Sell / Reinvest
--------------------------------	--------------------------	------------------	---------------------------

One-stop service, from online purchasing to land contract and construction to delivery

- **Online consultation**

Choosing land → Selecting a property → Income and expenditure simulation by a concierge

- **Land selection, contracting and delivery**

Formulating a project plan → Providing land information → Land contract concluded with Robot Home

- **From builder matching to building completion and delivery**

Introduction of affiliated builders (or Robot Home contracts for work) → Conclusion of a contract → View construction progress reports

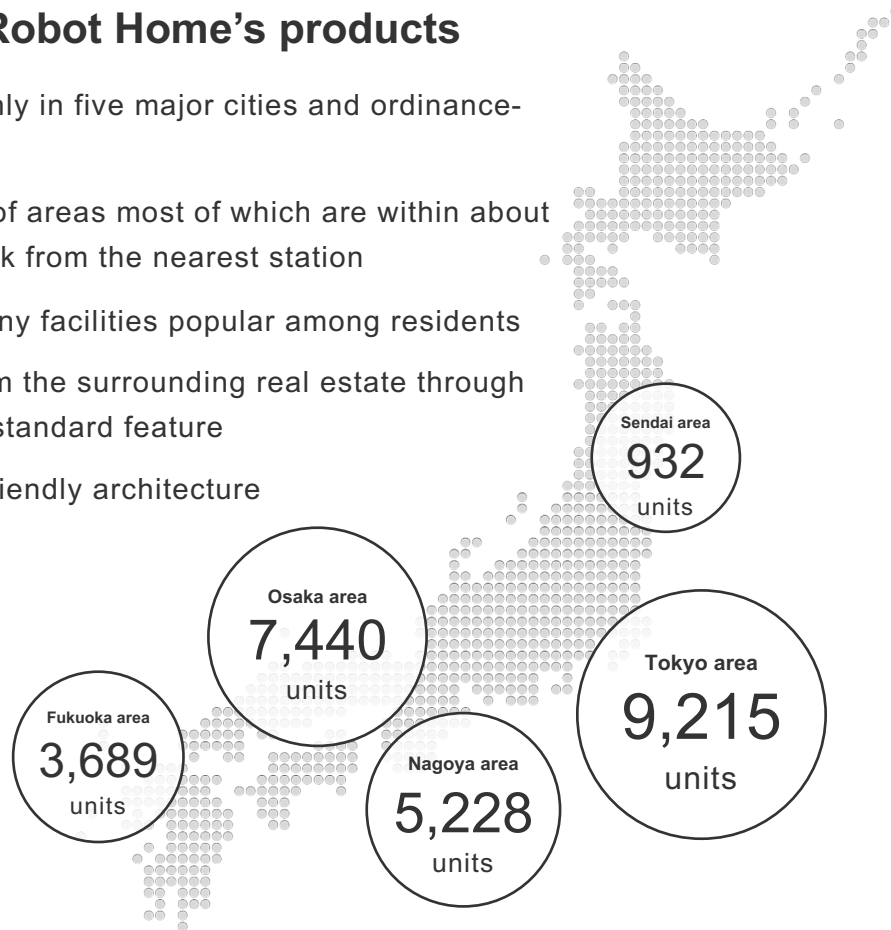


Deployment on a nationwide scale, careful selection of areas in high demand



Strengths of Robot Home's products

- Development mainly in five major cities and ordinance-designated cities
- Careful selection of areas most of which are within about a 5–10 minute walk from the nearest station
- Introduction of many facilities popular among residents
- Differentiation from the surrounding real estate through IoT adopted as a standard feature
- Environmentally friendly architecture



(as of June 30, 2024)

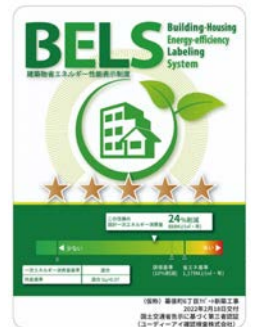
Development in carefully selected locations

Convenient and profitable locations are carefully selected with the target of areas within a 5–10 minute walk from the station.



Environmentally friendly architecture

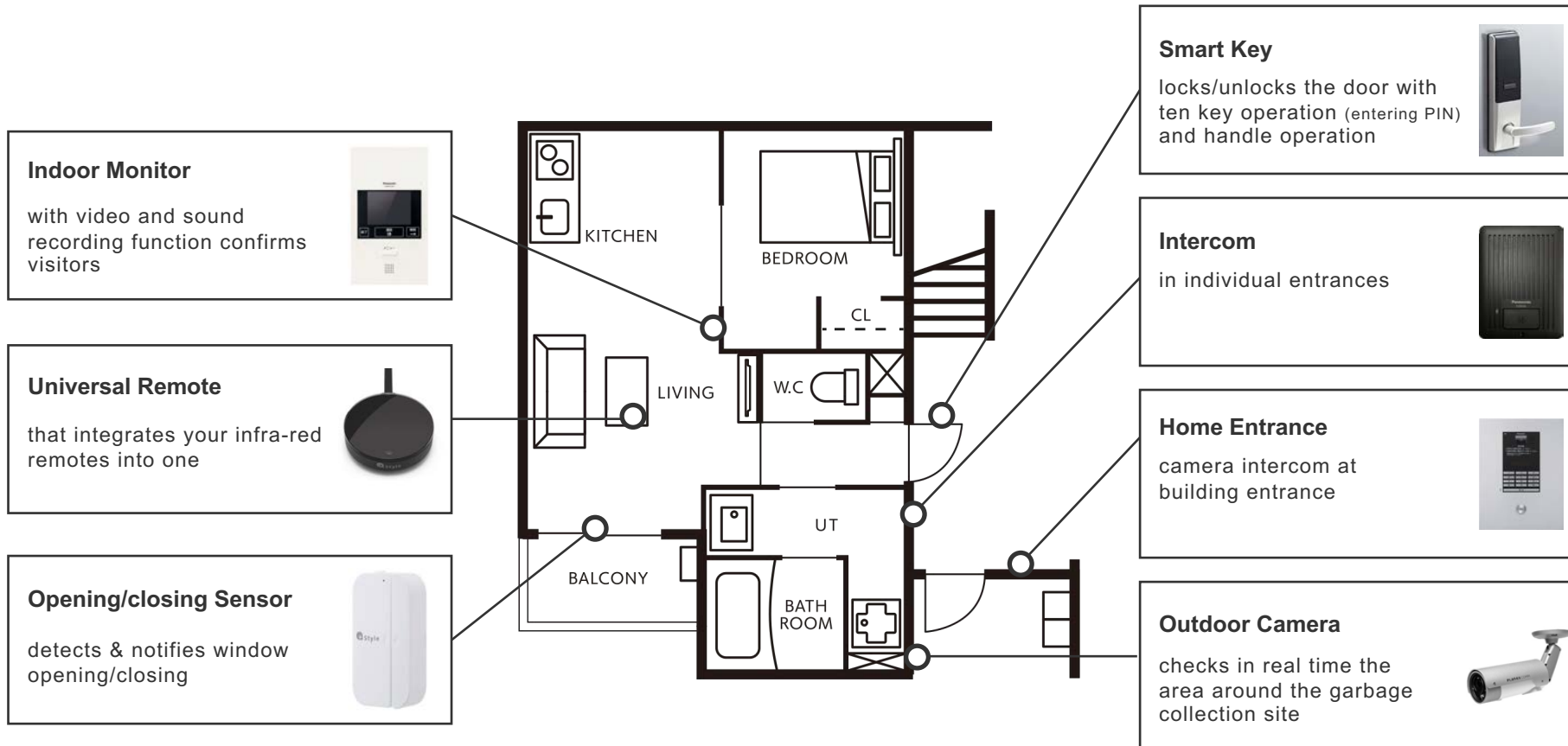
Development of properties that receive the highest five-star rating in the Building-Housing Energy-efficiency Labeling System (BELS)



Rental housing differentiated through IoT

STEP 1	STEP 2	STEP 3	STEP 4
Register as a member	Invest	Manage	Sell / Reinvest

Real properties are equipped with, as standard features, various IoT devices that improve residents' convenience. They can be easily operated with a single app.



Rental housing differentiated through IoT





Owners can manage rental housing operations with the app

Easy management of remittance statements, periodic reports and other things, through distribution using the app.

Thoroughly streamline all operations of rental property management, from move-in through move-out to an advertisement for tenants, using the app



Real property management

Shows the occupancy statuses and logs of real property



Request for an advertisement for tenants

Checking the status and conditions of the advertisement is possible



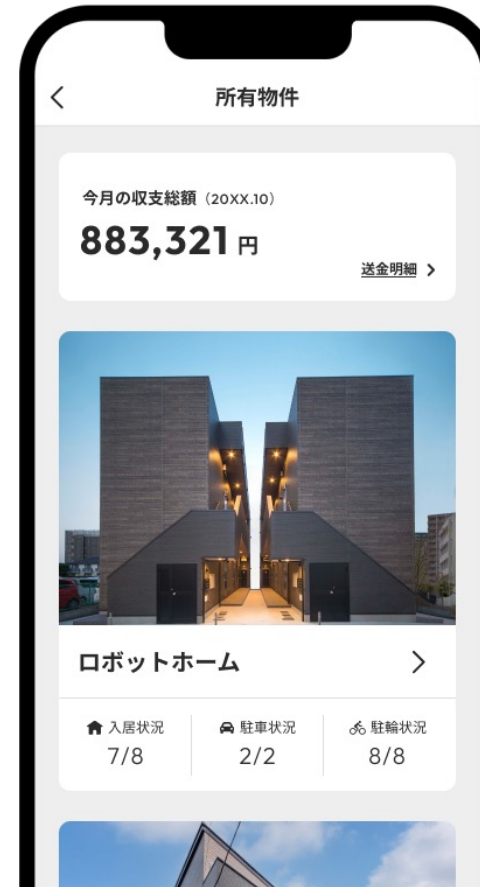
Credit management

Shows monthly rental payment and expenses



Chat

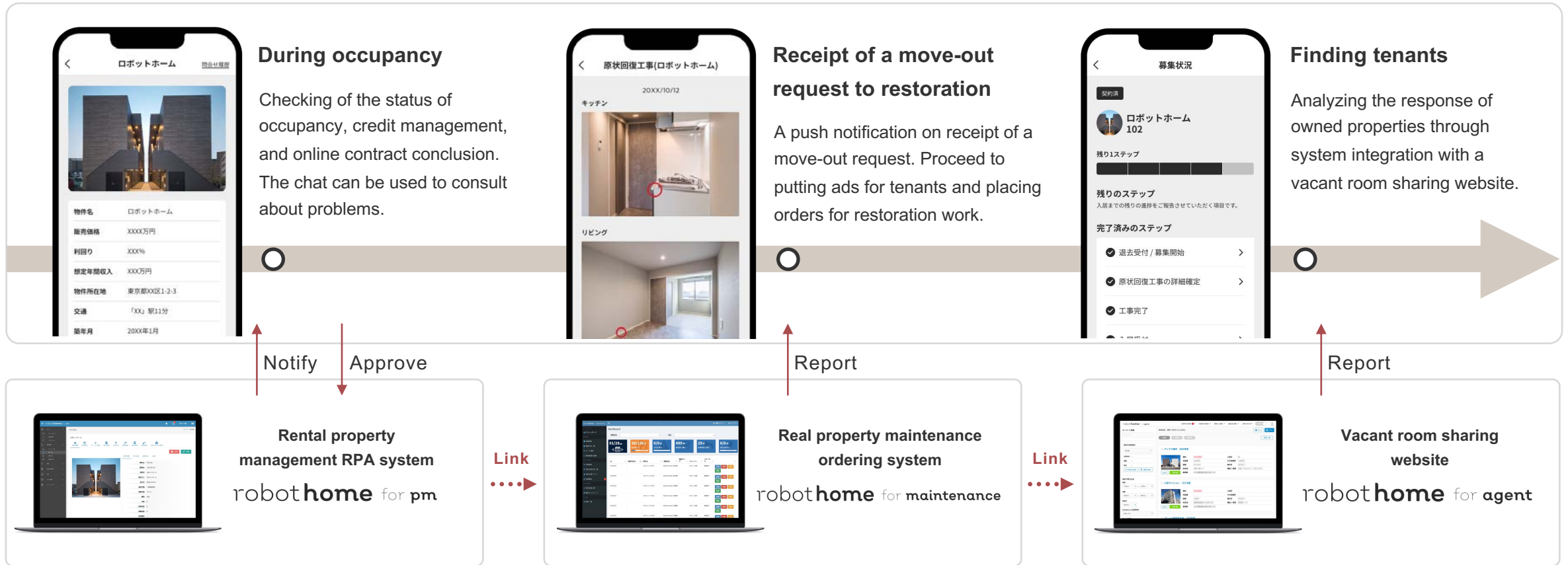
The chat can be used to consult about daily problems





Owners can manage rental housing operations with the app

Significantly reduce time from move-out to finding a tenant. Prevent opportunity loss due to vacancy, and maximize the return on investment.



*Image UIs are contained.

Support for sale and reinvestment

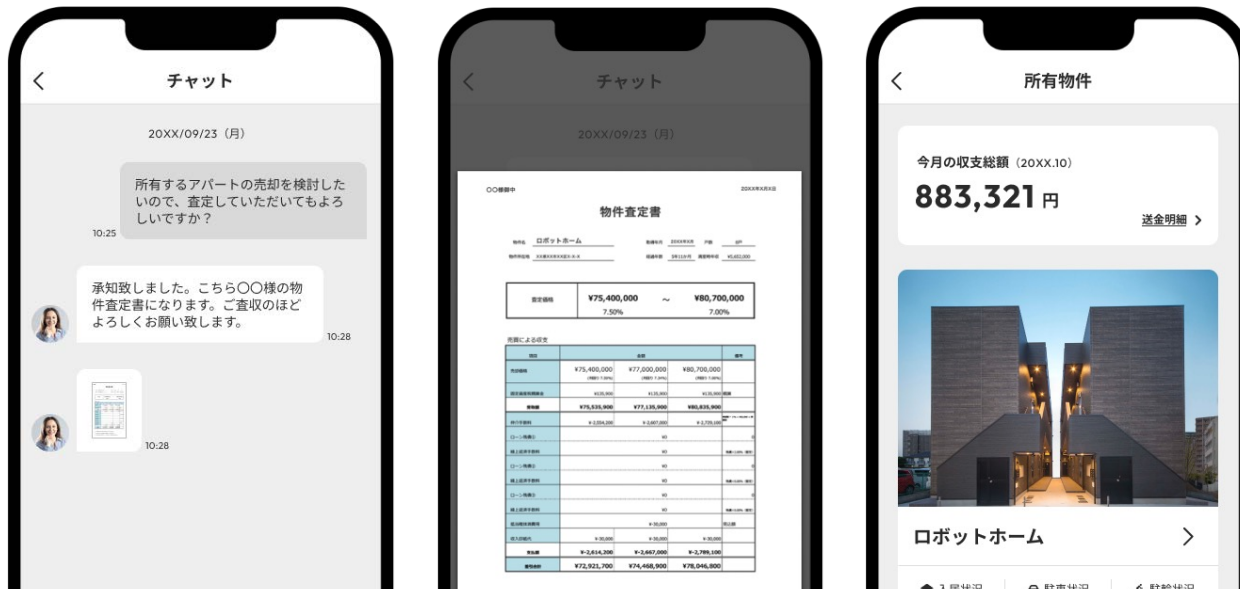


Support owners' asset building, and promote distribution within the platform

Consultation using the chat

Prompt appraisal

Sale / Reinvestment



➔ Further expansion of flow and recurring revenue resources

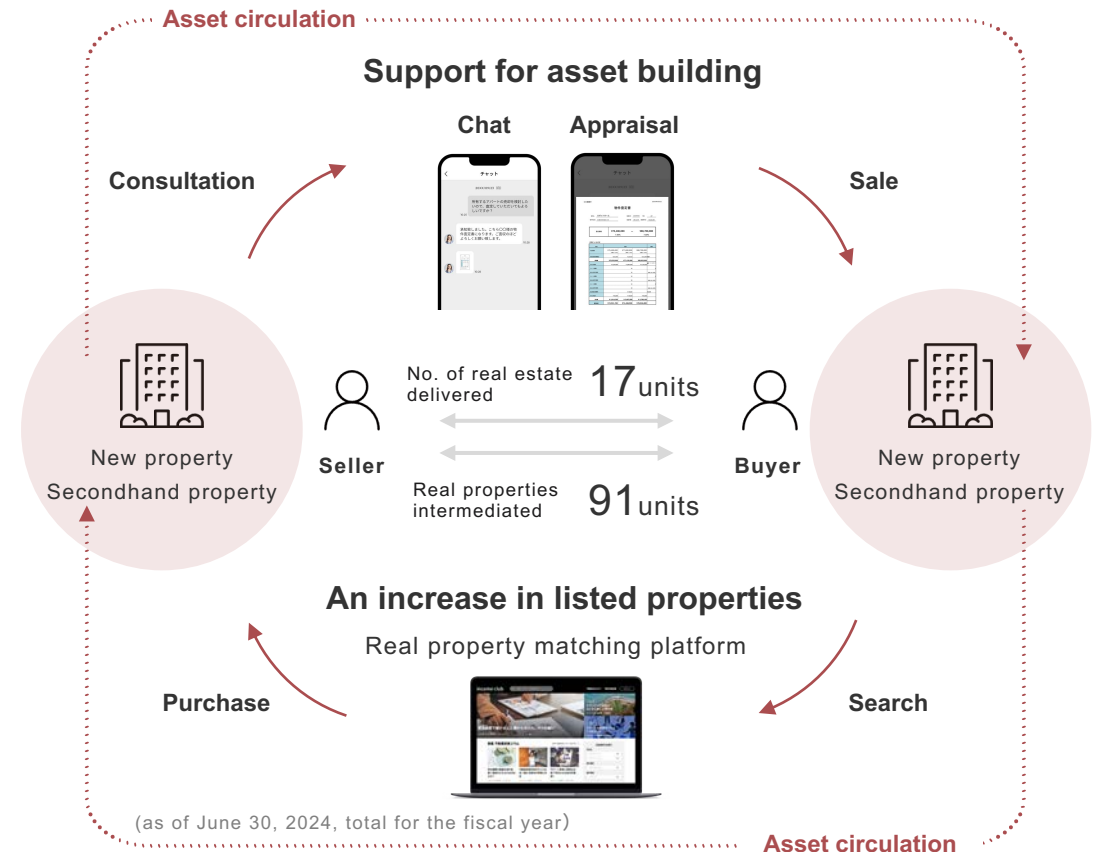
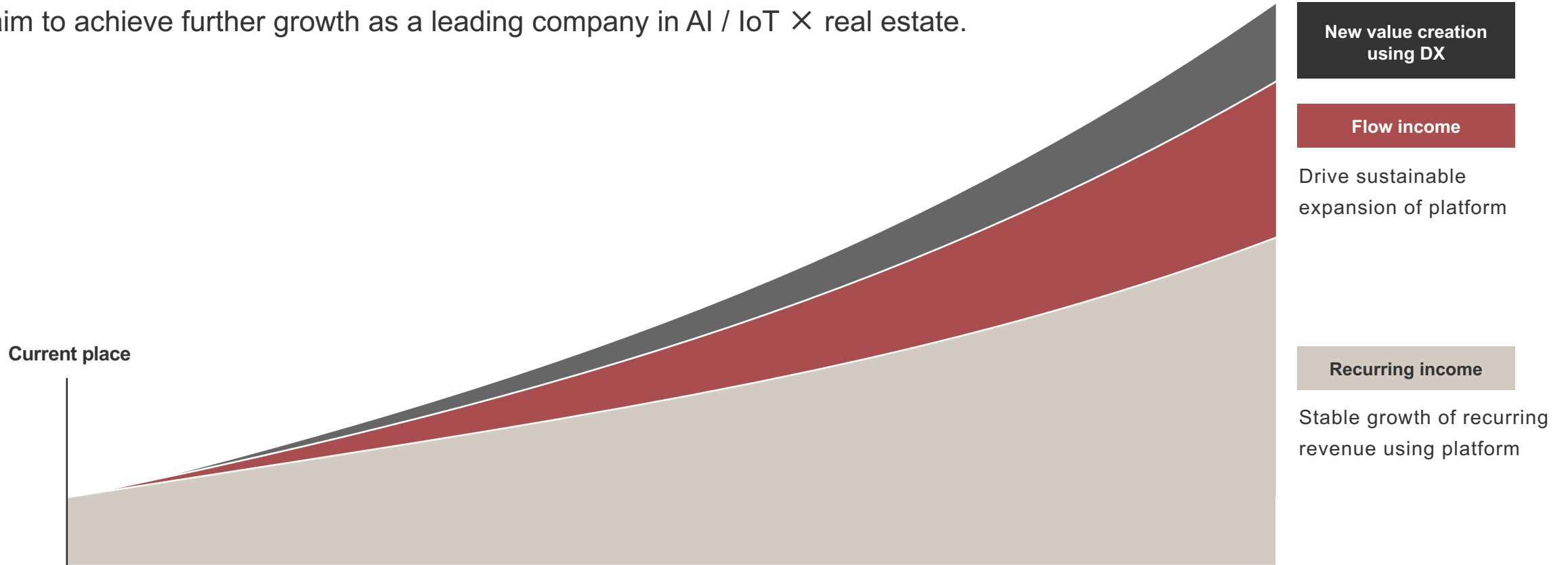


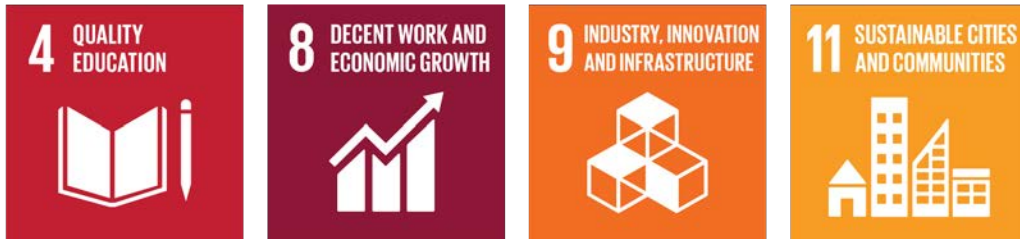
Image of medium- to long-term growth based on a recurring-type revenue structure achieved by technology

We strive to create new value by leveraging our rental property management platform, and aim to achieve further growth as a leading company in AI / IoT × real estate.

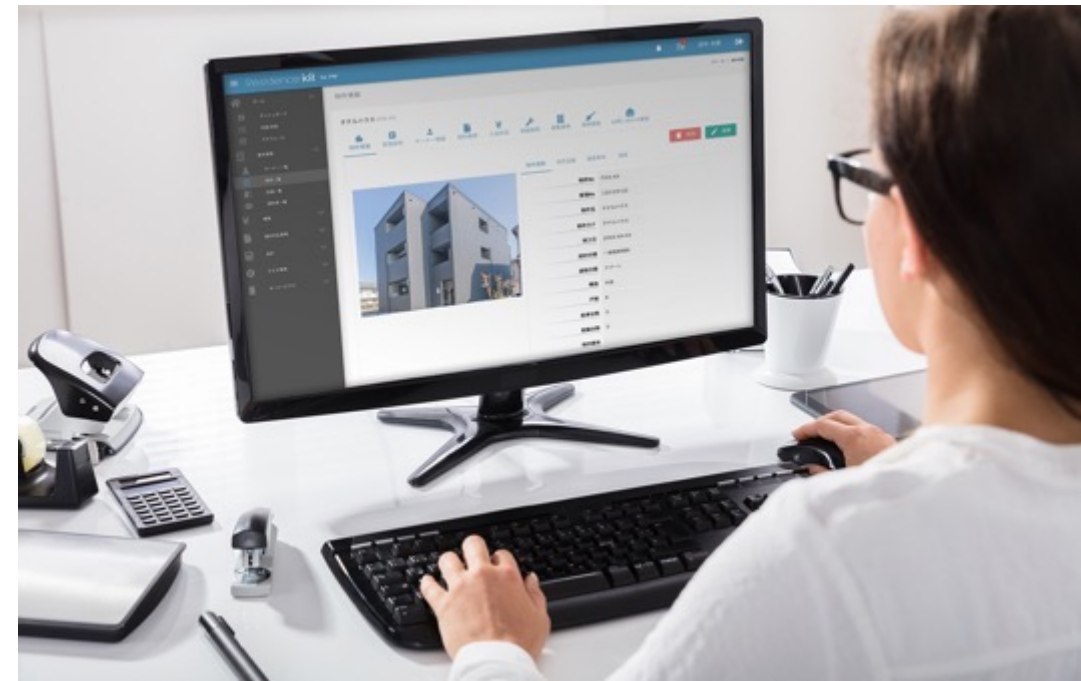


Our SDGs initiatives

Contribute to building comfortable cities through rental housing management services that take advantage of RPA and human resources



Contribute to building comfortable cities by streamlining operations with RPA and providing high-quality services. Take a tenant-first approach to enhance readiness for responding to requests by further expanding the rental housing management domain and developing a total support structure for rental management.



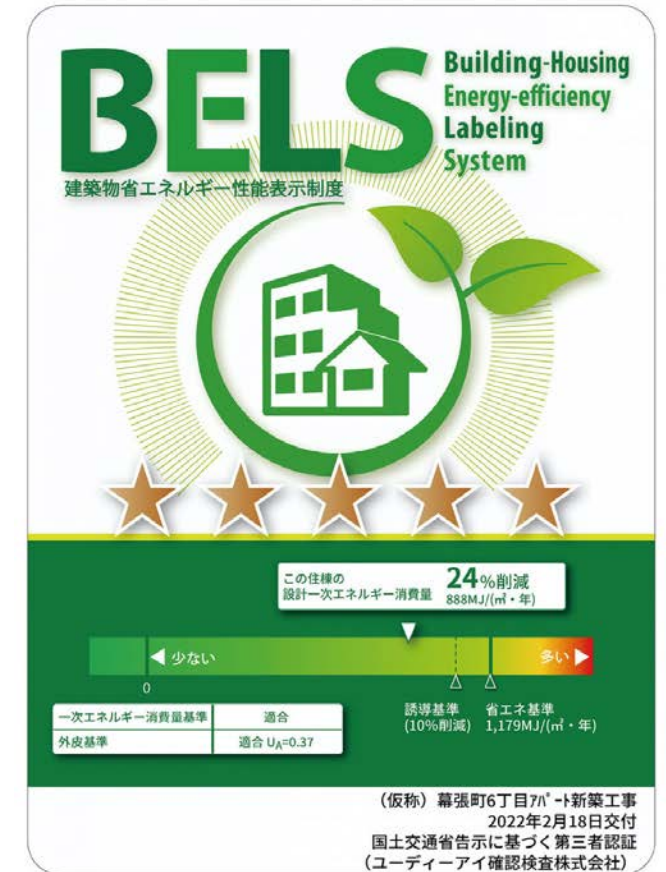
Our SDGs initiatives

Development of environment-friendly properties with the highest rank for energy-efficiency performance



“CRASTINE +e,” an investment apartment with superior energy-efficiency performance developed by the Company, received the highest five-star rating in the Building-Housing Energy-efficiency Labeling System (BELS) under which a third-party organization evaluates the energy-efficiency performance of buildings in accordance with evaluation standards provided by the MLIT.

BELS is a public certification system that evaluates buildings' energy-efficiency performance on a five-scale rating that real estate agents and certain other parties are required to make efforts to label under the Act on the Improvement of Energy Consumption Performance of Buildings (Building Energy Efficiency Act) enforced in April 2016.



Our SDGs initiatives

Promote diversity management that values diversity and creativity



Maintains sound diversity management: 43.3% female employees ratio, 100% parental leave taken by female employees, and 76.9% paid leave taken (as of December 31, 2023). We have employees with other jobs and those who are from other countries. We value diversity and creativity of our employees and promote the creation of workplaces where employees can work at ease while respecting their individual life plans.



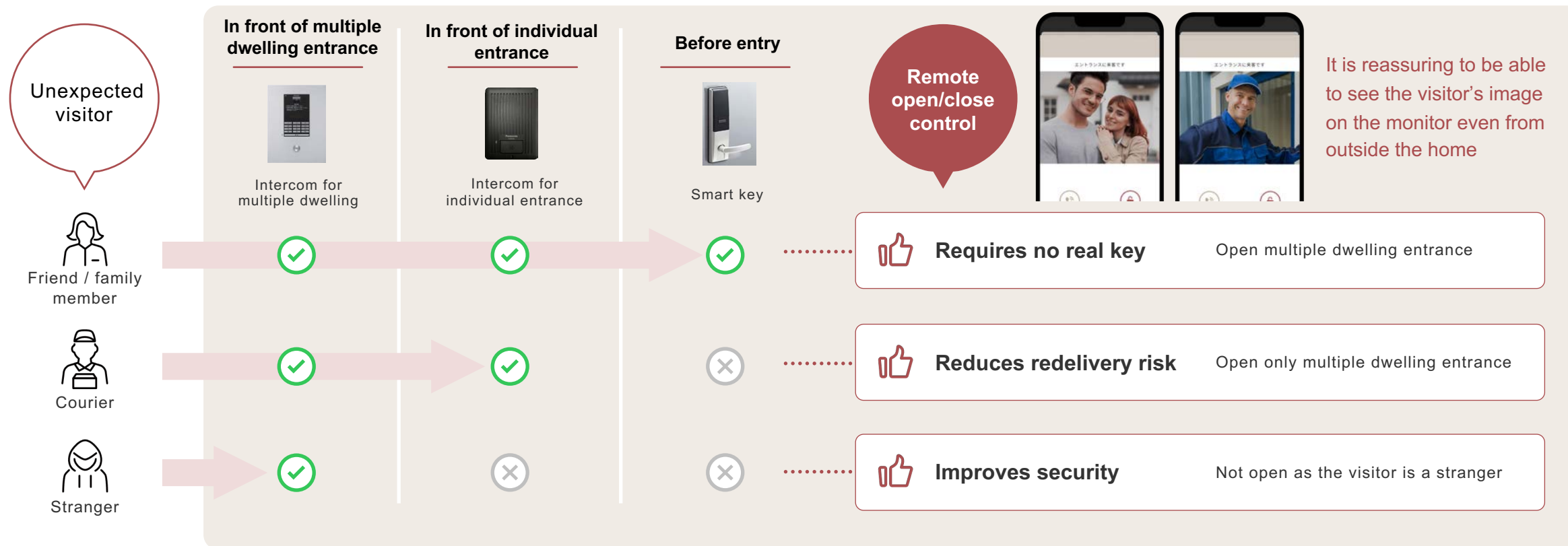
3. Appendix

3.

Providing next-generation DX rental housing

CASE 01 | HOME ENTRANCE

Allows users to confirm a visitor and unlock the door with the smartphone even from outside the home



Providing next-generation DX rental housing

CASE 02 | OPEN / CLOSE SENSOR

Install security measures at windows, a major route of intrusion → Instant notification to the app improves security

Enables an instant response, including notifying the police

Someone is entering the house from the window



Open or close the window

Sensor detects opening or closing of the window



Send notification to the app



Supplemental information

The most common burglars' entry points at apartment houses (third and lower floors) in FY2022 were “front entrances at 47.3%, followed by windows at 40.7%.”

* Source: Data published by the Metropolitan Police Department

Providing next-generation DX rental housing

CASE 03 | OUTDOOR CAMERA

Outdoor security camera effective for crime prevention

- **Deterrent effect on criminal acts**

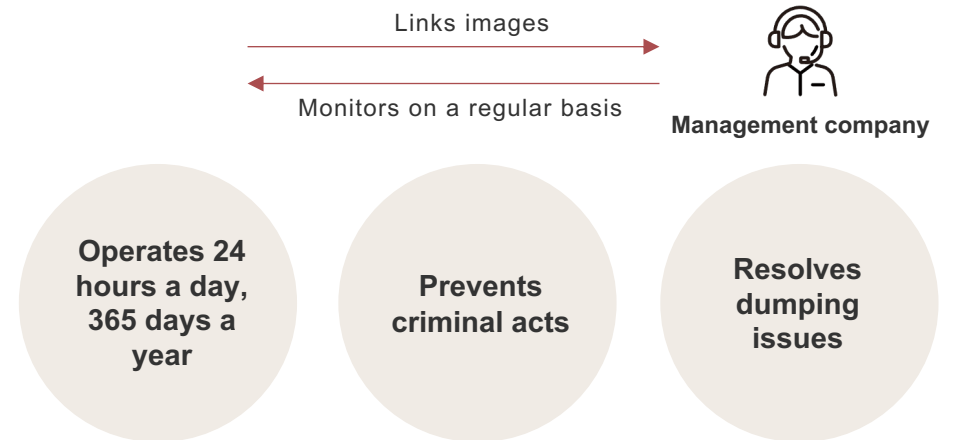
The installation of a security camera scares away potential intruders, which is expected to prevent criminal acts from occurring.

- **Identifying suspicious persons and recording evidence videos**

If a suspicious person or intruder is detected within the premises, recorded images and videos can be submitted to the police as evidence.

- **Monitoring the garbage collection site, which is likely to lead to a complaint**

Action can be taken before issues, such as violation of garbage collection rules and dumping of garbage by non-residents, develop into a claim.



* Whether a security camera is installed or not varies depending on the development timing.

Providing next-generation DX rental housing

CASE 04 | UNIVERSAL REMOTE

Allows users to operate various appliances with a single app



Operation of lights

Not only operations in the room, turning on lights on the way home will prevent the identification of the room, serving as a deterrent to intrusion.



Operation of TV

Users can operate TV while watching the smartphone. In addition to switching channels and adjusting the volume, checking channel guides is also possible.

Enables operations with the app

Integrates nature sensor remotes in the house into one



Operation of a robot cleaner

Enables operation of a robot cleaner equipped with a nature sensor remote, without starting multiple apps.



Operation of an air conditioner

The app enables users to check room temperature and humidity and make the room comfortable before arriving at home.

Providing next-generation DX rental housing

CASE 05 | CHAT

Making inquiries to the management company becomes stress-free



- **Even busy people can make inquiries using the chat**

Even those who work in the daytime and cannot make a phone call can use the chat to make inquiries to the management company.

- **Image sharing that better reports the situation**

It also allows image transmission and is more convenient than the phone when reporting the situation.

- **Paperless communication**

The management company can also send messages to residents using the chat instead of conventional printed matter.



Providing next-generation DX rental housing

CASE 06 | BENEFITS TO RESIDENTS

Benefits make daily life more comfortable

As lifestyle contents for residents, we provide services with privileges that make daily life more comfortable.

Lifestyle contents helpful for daily life



Medical consultation with a doctor

A medical consultation service that residents can receive easily using the chat any time.



Delivery type storage service

Residents just pack stuff they want to deposit in a box and send it! An easy storage service starting at 110 yen per month.



Car sharing

Residents can easily and economically use a car at the place and time they want. A sign-up campaign is underway!



Providing next-generation DX rental housing

Toward DX rental housing that is not only convenient but also chosen

In addition to providing new life experiences through DX rental housing, Robot Home has many facilities conducive to finding tenants. We will strive to develop real properties, which allow owners to conduct real property management without anxiety, by offering services that meet universal demand like security and fit a new lifestyle using technology.



Rankings of popular facilities for real properties designed for single persons

Ranking (ranking in the previous survey)	Facility	Robot Home property specifications
1(1)	Free internet connection	<input type="radio"/>
2(2)	Entrance that locks automatically	<input type="radio"/>
3(3)	High-speed internet	<input type="radio"/>
4(4)	Delivery box	<input type="radio"/>
5(5)	Bathroom ventilating and drying device	<input type="radio"/>
6(6)	Independent washstand	<input type="radio"/>
7(7)	Kitchen system	<input type="radio"/>
8(7)	Security camera	<input type="radio"/>
9(7)	Garbage site available for 24 hours	<input type="radio"/>
10(12)	Walk-in closet	<input type="radio"/>

* Source: *Zenkoku Chintai Jutaku Shinbun* (Nationwide Rental Housing Newspaper) (Oct. 2023)
 * Some properties do not have all of the above facilities.

Providing next-generation DX rental housing

Pursuant to Article 31 of the Act on Facilitation of Information Processing, Robot Home, Inc. has been selected by the Minister of Economy, Trade and Industry as a **DX-certified operator under the DX Certification Initiative**

• **DX Certification Initiative** (From the information released by IPA: Information-technology Promotion Agency, Japan)

The DX Certification Initiative is based on the Act on the Partial Revision of the Act on Facilitation of Information Processing that came into effect on May 15, 2020. The initiative certifies operators that undertake excellent DX initiatives, based on the application by the operator, in light of guidelines established by the Japanese government (*1).

(*1) The guidelines present a vision for the strategic use of systems in company management. These guidelines were established based on the Act on Facilitation of Information Processing. For details, visit the website of IPA: Information-technology Promotion Agency, Japan.

<https://www.ipa.go.jp/ikc/info/dxcp.html> (in Japanese)



robot home

List of DX-certified operators (in Japanese)

<https://www.ipa.go.jp/ikc/info/dxcp-list-202103.html>

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.

Robot Home 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.