

FOR IMMEDIATE RELEASE

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Company Name: **Leopalace21 Corporation**
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Notice Concerning Introducing eKYC to Simplify Identity Verification Procedure

Leopalace21 Corporation (Headquarters: Nakano-ku, Tokyo; President and CEO: Bunya Miyao; the “Company”) announces that the Company introduced eKYC, a leading-edge technology for online identity verification employed when opening an account at a financial institution, being the first case in the rental housing management industry. It is intended to simplify identity verification procedure for concluding the parking lot contracts and consequently contribute to enhance convenience mainly for corporate customers and to improve productivity during the busy season. It is in line with the Company’s strategy of promoting DX solutions, namely promoting Real Estate Tech business, real estate business integrated with IT. It also helps to avoid the spread of COVID-19 by promoting the contract conclusion procedures without face-to-face meetings.



■ Background of eKYC introduction

In addition to approximately 570,000 rooms for lease nationwide, the Company has about 330,000 parking lots on or near the premises of the apartment buildings. It is a part of the Company’s business strategies to increase the corporate customer satisfaction as more than half of the total room leasing contracts are concluded with the corporate customers including schools and hospitals.

While the corporate customers use the Company’s apartment rooms as dormitories or company housing, the need of car parking lot varies with the individual tenants and the corporate customers have their in-house rules to handle the eligibility for car parking lot. As a result, individual tenants conclude car parking lot contracts in their names rather than under the corporate contracts. As the submission of identity verification document and an interview for identity verification are required for an individual to conclude a parking lot contract, it has been a time-consuming and burdensome exercise for both customers and the Company employees especially in the busy season to make appointments and to trouble

the customers for an interview at a Company's leasing office.

■ Solutions

We began accepting uploaded identity verification documents and on-line interviews in concluding the parking lot contracts in January 2021. In March 2021, we introduced ProTech ID Checker, an on-line identity verification tool developed and provided by Showcase Inc. (Headquarters: Minato-ku, Tokyo; Representative Director: Toyoshi Nagata; "Showcase").

ProTech ID Checker enables customers by use of smartphones and other devices to prove that the identification document is in the hands of customers by simply taking pictures of identification document such as driver's license and personal appearance in accordance with the instructions on the screen. ProTech ID Checker makes it possible to calculate the similarity rate by automatically comparing the image of identification document and the image of the person's facial appearance.



The tool is a cutting-edge technology that is also used in the identity verification process required for opening an account at a financial institution. Based on the high similarity rate for an applicant tenant, the Company can make a judgement without an interview, therefore save customer's visit to the Leopalace21's leasing office and subsequently increase the Company employee's productivity in the busy season. In addition it helps to avoid the spread of COVID-19 by promoting the contactless contract conclusion procedures. The procedure ensures that automation is restricted to identification by calculating the similarity rate, and the person completes the identity verification to maintain the same level of security as in the past.

■ Future Outlook

As this is the first use of eKYC in the rental housing management business, the Company is currently operating this system only for parking lot contracts. The Company will conduct identity verification with a view to applying it to verification procedure in the room

leasing contracts. In the Japanese real estate market, conventional business practices remain deeply rooted in the industry as a whole, and DX promotion is still at a developing stage compared to the practices in the other industries or by the world's peers.

In June 2019, we became the first company in the industry to introduce nationwide web applications for concluding tenancy contracts. As a leading company in the industry, we will continue to promote Real Estate Tech, which integrates the real estate business and IT, and contribute to the creation of a more comfortable and affluent society.

■ Outline of ProTech ID Checker on-line identity verification tool

eKYC, electronic Know Your Customer, is a tool which is in compliance with the Criminal Proceeds Transfer Prevention Act which requires stringent identity verification. Users take photographs of their facial appearance, an identification document, and some random images with smartphones or other devices, and an authenticator makes a final confirmation by visual examination through the administrator's screen. The identity verification can be completed instantaneously without sending a transfer-prohibited postal item to the applicant.
<https://ekyc.showcase-tv.com/> (Japanese only)



■ Corporate Profile

Leopalace21 Corporation

Established	August 17, 1973
Stock Listings	First Section of the Tokyo Stock Exchange, Security Code: 8848
Headquarters address	2-54-11 Hon-cho, Nakano-ku, Tokyo 164-8622
Representative	Bunya Miyao, President & CEO
Company website	http://eg.leopalace21.com/
Leasing Business website	https://en.leopalace21.com/

Showcase Inc.

Established	February 1, 1996
Stock Listings	First Section of the Tokyo Stock Exchange, Security Code: 3909
Headquarters address	14th Floor, Roppongi First Building, 1-9-9, Roppongi, Minato-ku, Tokyo, 106-0032
Representative	Toyoshi Nagata, CEO
Company website	https://www.showcase-tv.com/en/

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