

*[Provisional Translation Only]*

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November 1, 2019

**Ichigo Inc.** (Tokyo Stock Exchange First Section, 2337)

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## **System Integration of Ichigo's PROPERA AI-Based Hotel Revenue Management System and Temairazu's Hotel Booking System**

Ichigo and Temairazu, Inc. have agreed to integrate Ichigo's PROPERA AI-based hotel revenue management system and Temairazu's TEMAIRAZU hotel booking system. Under the agreement, Temairazu will provide PROPERA's hotel room pricing and vacancy information to consumers via online distribution channels.

### **1. PROPERA Overview**

Ichigo developed PROPERA, an AI (artificial intelligence)-based hotel revenue management system that calculates the optimal pricing for hotel rooms in order to maximize hotel operator revenues. PROPERA identifies optimal pricing based on an analysis of past data by the AI algorithm, which can track multiple variables and flexibly respond to changes in the market.

At its own hotels, Ichigo has developed revenue management know-how that has increased annual revenues by 10% to 40%. This accumulated expertise forms the basis of PROPERA, which has been deployed on a trial basis at hotels owned by Ichigo and Ichigo Hotel (3463). Ichigo is now ready to roll out the system to third-party hotel operators.

Please see PROPERA's website for more detailed information about this AI-based hotel revenue management system: [propera.me](http://propera.me) (Japanese only)

### **2. TEMAIRAZU Overview**

TEMAIRAZU is a channel management system that integrates and coordinates information across multiple online distribution channels, including online travel agents (OTAs). It does this to optimize the speed and accuracy of information that consumers get about hotel room pricing and availability.

### **3. System Integration Rationale**

The agreement between Ichigo and Temairazu will give OTAs real-time access to PROPERA's hotel room pricing and vacancy information via TEMAIRAZU. The more accurate and timely information will support hotel operators in maximizing earnings and operational efficiency.

#### 4. Temairazu Company Overview

Name	Temairazu, Inc. (TSE Mothers)
Main Business	Hotel reservation channel management service, data collection and comparison service
Address	1-21-3 Ebisu, Shibuya-ku, Tokyo
Representative	Tetsuo Watanabe, Representative Director

#### 5. Earnings Outlook

There is minimal impact on Ichigo's FY20/2 earnings. Going forward, Ichigo expects the system integration to drive third-party hotel operators' revenue growth by improving their operational efficiency while generating a new earnings stream for Ichigo that will contribute to Ichigo's growth as a sustainable infrastructure company.