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## Peach to Invest in FREEPLUS Inc.

**Osaka 09 February, 2018** - Peach Aviation Limited (“Peach”; Representative Director and CEO: Shinichi Inoue) on February 9 has injected funds into FREEPLUS Inc. (“FREEPLUS”; President and CEO: Kentaro Suda).

Peach has received third-party shares issued by FREEPLUS for approximately 600 million yen.

FREEPLUS, in which Peach has invested on this occasion, conducts business, chiefly in the area of land operations for foreign visitors to Japan, and aggressively initiates new services on the Internet. Peach’s mission is to contribute to the 40 million foreign tourists / 60 million foreign tourists (targeted by) the Japanese government and as one of its tools to realize that mission, it is planning to open COTABI, a platform for a new C-2-C type of travel booking website this spring. FREEPLUS will take on a partner role for system development and operation for COTABI. Furthermore, for business initiatives other than COTABI as well, the characteristics of each will be leveraged as they collaborate in a broad range of areas in aiming to create new value.

Since 2017, Peach’s theme has been “to move on from competition over prices to the creation of value”, and COTABI is one of its initiatives to give shape to its creation of value. Methods of transportation, lodging facilities, activities, and sightseeing areas visited by individuals may be registered on COTABI and shared among users. Development is underway so users who visit the website will be able to search and view travel based on their own values and partialities and make reservations. People will be able to search through such travel plans shared on COTABI according to categories such as age, interests, and lifestyles and it will become possible for users to choose travel based on their sense of value and proceed to make bookings.

Peach President and CEO offered the following comment regarding the company’s investment on this occasion:

“Based on its concept to serve as a “flying train”, Peach has made many challenges for innovative initiatives that go beyond the framework of airlines. I expect that COTABI, a C-2-C type of travel platform, which will be its next challenge, will bring on a new type of innovation to conventional styles of travel. In collaboration with FREEPLUS, a company that also originates in Osaka, we will invigorate travel in Japan with innovation coming out of Kansai.”

FREEPLUS President and CEO Kentaro Suda provided the following comment:

“In its aim to establish a country founded on tourism in Japan, FREEPLUS engages in travel operations for visitors to Japan and vertical integration within sightseeing during Japan visits and makes challenges in various initiatives. I feel that through the injection of capital by Peach on this occasion we will be able to realize business that would not have been possible for FREEPLUS to accomplish alone. We will produce synergistic effects together with Peach in a continuous manner and contribute in the promotion of Japan’s country founded on tourism.”

Look forward to Peach and FREEPLUS (as they) invigorate Japan by creating a new style of travel through the C-2-C service COTABI.

### <Company overview>

Peach Aviation Limited

Head office: Senshu-kuko-naka, Tajiri-cho, Sennan-gun, Osaka

Capital: 7,515,050,000yen

Composition of shareholders: ANAHD: 67%, First Eastern Aviation Holdings: 17.9%, Innovation Network Corporation of Japan (INCJ): 15.1%

Description of business: Air transport services (domestic and international)

Number of employees: 962 (as of January 2018)

FREEPLUS Inc.

Head office: Tower A 29F, Grand Front Osaka, 4-20 Ofukacho, Kita-ku, Osaka

Capital: 715,023,092 yen (after issuing of third-party and including capital reserve)

Description of business: Inbound tourism to Japan, hotel management, Tourism Nation Promotion Business etc.

Number of employees: 139 (as of February 2018)

#### About Peach ([www.flypeach.com](http://www.flypeach.com))

Peach began its operation in March 2012 with Kansai Airport as its hub. In July 2014 it opened Naha Airport and Sendai Airport in September 2017 as secondary hubs to follow Kansai Airport. It currently flies 20 aircraft on 14 domestic and 14 international routes, operating a maximum of more than approximately 100 flights daily and serving more than 13,000 passengers. It is also scheduled to open an Osaka (Kansai) – Niigata route on March 1, 2018 and an Osaka (Kansai) – Kushiro route on August 1 as well as set up a hub at Shin-Chitose Airport during fiscal 2018.

#### About FREEPLUS ([www.freeplus.co.jp](http://www.freeplus.co.jp))

Seven years since entering the inbound travel business in 2010, FREEPLUS has been receiving more than 310,000 inbound travelers from 787 companies in 31 countries. It posted sales of 3.7 billion yen in its latest company results. It has contacted 3,200 travel companies overseas to date and leverages its network to bring in visitors and offer PR support to local companies and municipalities in a bid to promote Japan's Tourism Nation.

In April 2017 it opened FP HOTELS Namba-Minami in Shin-Imamiya, a downtown area of Osaka. The Shin-Imamiya area is regaining attention in particular as a good location for overseas travelers. In October 2018 it is planning to open its second hotel, FP HOTELS Grand Namba-Minami, and a third hotel, FP HOTELS Fukuoka Hakata Canal City-Mae (tentative) in February 2019. As recent, it has begun business collaborations with a company that produces VR and a company that coordinates international charter flights and is expanding its area of business beyond the scope of conventional land operator businesses. With vertical integration as its strategy for inbound tourism it will continue to plan greater growth stories in the time to come.