

25th July 2017

Dear Valued Clients,

Capital Alliance with H.I.S. Co., Ltd.

Please be informed that SYS Inc. has made a capital tie-up with [H.I.S. Co., Ltd. \(H.I.S.\)](#), a leading Japanese travel agency, in order to accelerate our business development in guest room direct sales of our client hotels in Japan.

We have been providing “OPTIMA”, an ASP Internet booking engine to enable our clients to manage direct Internet reservation made by their guests, and “Direct Reservation System” (DRS), which connects the viewers at the meta search sites directly to the hotels’ own websites for reservation and thereby increases the traffic resulting in direct sales.

Backed by the surge in inbound passengers in recent days, the global online travel agencies are intensely expanding their businesses in Japan. Although we have responded to the market movement utilizing AI and smart phone UI/UX timely in our products, in order to further strengthen direct sales support for our client hotels, we were considering strategic business expansion.

Meanwhile, H.I.S. expanded its business areas outside its core travel agency services. They have succeeded in the turnaround of a large-scaled theme park Huis Ten Bosch in Nagasaki. They are now drawing a future strategy to expand their business domains from a travel agency to tourism related operation by entering hotel, transportation, power generation and robot businesses.

With the increase in hotel room sales channels, direct sales are actively sought for domestic and overseas travelers. Which is why, in parallel with its full-scale deployment of the hotel business, H.I.S. was considering the launch of direct sales support.

SYS, considering a strategic expansion of direct sales support, and the future vision of H.I.S. aiming for repositioning from traditional travel agency business matched perfectly, and resulted in a capital alliance with H.I.S. as a strategic partner.

As the first step, H.I.S. is shifting its domestic OTA (Online Travel Agency) business into our direct sales support business, DRS.

Please note that SYS will maintain business independence from H.I.S. and strengthen governance for its own future.

We thank you very much for using our service OPTIMA and DRS supporting direct sales of guest rooms.

With the knowledge of H.I.S. domestic and overseas tourism projects, we are committed to making further contributions to the direct sales promotion of our clients under representative director Masashi Sugita and the current team.

We sincerely appreciate your continued support and cooperation.

Yours faithfully,

代表取締役社長 杉田真志

Masashi Sugita  
CEO, SYS Inc.