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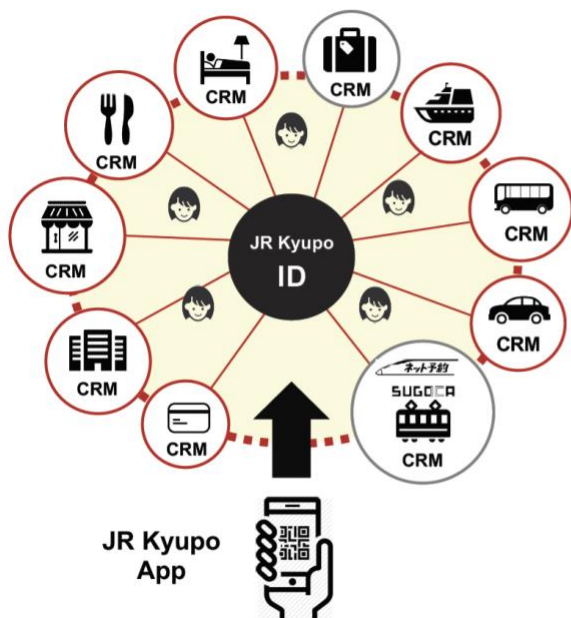
Kyushu Railway Company and Digital Garage Group to Build a CRM & Payment Platform for JR Kyushu Group and Jointly Develop the JR Kyupo App

Kyushu Railway Company (TSE first section: 9142; HQ: Fukuoka; President and CEO: Toshihiko Aoyagi; JR Kyushu) and the DG Group, centered on Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG), are building a customer relationship management (CRM) & payment platform for the JR Kyushu Group and jointly developing a smartphone application based on JR Kyupo points.

In July 2017, JR Kyushu integrated its three point services (Online Train Reservation, JQ CARD, and SUGOCA) into the JR Kyupo point system. It also launched the Omatome Toroku service for combining points earned through each service. In March 2018, DG began providing*1 JR Kyupo Point Mall, a member-preferential shopping site, utilizing its mall business expertise for the JR Kyupo service. With the launch of JR Kyupo Point Mall, JR Kyushu is working to create more opportunities for JR Kyushu online members to earn JR Kyupo points, enliven communication with members, and implement digital marketing.

Now, JR Kyushu and the DG Group are jointly developing the JR Kyupo App, a CRM & payment platform for the JR Kyushu Group. Based on JR Kyupo points, this smartphone app is aimed at boosting engagement between customers and the JR Kyushu Group. DG’s marketing functions will be integrated with the cashless payment functionality of VeriTrans Inc. (a member of the DG Group) to the app enabling QR Code & barcode point bestowal and return, coupon provision, and QR Code & barcode payment so customers can enjoy JR Kyupo points in a smart way when shopping or dining. Development is currently underway with the goal of releasing the service in 2019.

[Main functions of the JR Kyupo App]



- QR Code membership ID**
Touch the QR Code ID to earn and use JR Kyupo
- QR Code coupons**
Receive QR coupons that meet your needs and use at physical stores
- QR Code payment**
Pay by the QR Code linked with credit card, also earn and use JR Kyupo
- Ranked services for members**
Receive coupons based on number of JR Kyupo points and Omatome Toroku
- Personalized messages**
Personalized message and coupons sent to customers



March 19, 2019
Kyushu Railway Company
Digital Garage, Inc.

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By developing this application, JR Kyushu and the DG Group are striving to maximize the circulation amount throughout the Kyushu region and improve customer convenience. Together, the companies are making efforts to optimize the JR Kyushu Group's data marketing and promote cashless payment.

*1: Related release: Digital Garage Launches "JR KYUPO Point Mall", a Member-Preferential Shopping Site of JR Kyushu (March 27, 2018)
<https://www.garage.co.jp/en/pr/2018/03/20180327.html>

* "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.

[About Kyushu Railway Company] <https://www.jrkyushu.co.jp/english/>

In addition to its railway business, Kyushu Railway Company is involved in comprehensive urban development in a diverse range of businesses such as station buildings, retail, food service, and agriculture. Founded on safety and services, it strives to be a corporate group that creates energy in Kyushu, Japan, and Asia. The company went public in 2016, 30th year from its establishment, and is aiming to achieve further growth.

[About Digital Garage] <https://www.garage.co.jp/en/>

Digital Garage focuses on three businesses: online payment, web marketing, and startup investment and development. As a company that creates new "context" for the age of the Internet, it connects various businesses and produces innovative services.

[About VeriTrans] <https://www.veritrans.co.jp/>

A payment provider that carries out online payment initiatives for the Digital Garage Group. In recent years, VeriTrans provides face-to-face payment business, including the barcode and POS payments. As a leader in the payment services industry, which has now grown into a basic social infrastructure, VeriTrans work with DG Group member ECONTEXT to offer advice to government institutions and the credit card industry, along with swift delivery of services that meet the political and market trend. Such efforts enable expansion of convenient solutions, along with structuring safe and secure environment, as required by businesses and consumers. We will contribute to the realization of a cashless society as a driving force.

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