
NEWS RELEASE

**Digital Garage Adds AI-Based Invoice Auto-Reading Function to
B2B Payment Service “DGFT Invoice Card Payment”
to Simplify Payment Procedures**

~Reduced the Manual Data Entry Effort to less than One-Tenth~

- Digital Garage, Inc. (DG) added a function in “[DGFT Invoice Card Payment](#)^{*1}”, its B2B payment service, using AI-powered OCR^{*2} to automatically extract text from invoices, reducing manual data entry to less than one-tenth and enabling smoother payment processing.

■ Background to developing this function/outline of the new function

“DGFT Invoice Card Payment” is a service that extends payment due dates by switching invoice payments from bank transfers to credit card payments. The user must manually enter the payee’s name, the bank account where the payment will be transferred, and other data from the invoice, resulting in both the additional effort required and the risk that information may be entered incorrectly.

To solve this problem, DG developed an original model that automatically extracts this text. It is optimized for DGFT Invoice Card Payment through repeated machine learning on sample invoices. This function can automatically extract text from a wide range of invoice formats with a high level of accuracy, totaling 90% or more of the required information that must be entered.

<Examples of text that can be automatically extracted>

- Bank transfer amount
- Payee name
- Financial institution/shop receiving the payment
- Bank account type (regular/commercial)
- Bank account number/name
- Payment due date

■(*1) About “DGFT Invoice Card Payment”

“DGFT Invoice Card Payment,” which DG strives to further expand as part of its payment services for the B2B market, plays an important role in the Group’s strategy, “DG FinTech Shift.”

This B2B service postpones the due date by up to 60 days when payment by bank transfer invoice is switched to payment by JCB/Visa/Mastercard®/Diners Club cards (excluding prepaid cards issued under the JCB brand). It is available even if the payee does not support card payments and helps small- and medium-sized businesses manage their cash flows, including regular and unexpected funding shortages due to various factors.

Going forward, DG will offer high-quality B2B Fintech solutions with strict screening standards to a wider range of industries, aiming to solve social issues through DX and establish a convenient, safe, and secure cashless society.

Please look at the reference below.

NEWS RELEASE**■(*2) About AI-powered OCR**

Deep learning has drastically improved the accuracy of optical character recognition (OCR) in extracting text from images and PDFs and converting it to digital data.

■Company profile

Name: Digital Garage, Inc. (<https://www.garage.co.jp/en/>)

Representative: Kaoru Hayashi, Representative Director, President Executive Officer and Group CEO

Head office address: DG Bldg., 3-5-7 Ebisu Minami, Shibuya-ku, Tokyo

Shibuya PARCO DG Bldg., 15-1 Udagawa-cho, Shibuya-ku, Tokyo

Date founded: August 1995

Representative: Representative Director, President Executive Officer and Group CEO Kaoru Hayashi

Business: Digital Garage's corporate purpose is "Designing 'New Context' for a sustainable society with technology." Digital Garage operates a payment business that provides one of the largest comprehensive payment platforms in Japan. In addition, DG has a marketing business that provides one-stop solutions in the digital and real world, and a startup investment and development business that reaches out to promising startups and technologies in Japan and overseas.

*Related Release:

["Digital Garage Launches "Card Payment Request," Enabling Early Collection of Sales Proceeds for Orico's Business Customers"](#) (November 30, 2023)

["Digital Garage Launches B2B Payment Service with SG SYSTEMS, a subsidiary of SG Holdings Group Centered on SAGAWA EXPRESS"](#)

(November 20, 2023)

["Digital Garage and Resona Group Begin Offering the B2B Payment Service "DGFT Invoice Card Payment" at some Branches of Resona Bank and Others"](#)

(July 11, 2023)

["Digital Garage and Sumitomo Mitsui Trust Club Offer BtoB Payment Service for Diners Club Members"](#) (April 18, 2023)

["Digital Garage and JCB Launches B2B Payment Service"](#) (November 10, 2022)

NEWS RELEASE**<Reference>**

Strategy and Role of “DGFT Invoice Card Payment” for the B2B Payment Market

To drive DX for a wide range of businesses in the context of drastic changes in society and industrial structure, we have a DG group’s strategy, “DG FinTech Shift,” which integrates payments, data, and technology. With this strategy, DG is aiming for higher growth by implementing measures that contribute to expanding our market share, developing new services, improving, and strengthening our profit structure, and building multi-layered revenue streams.

“DGFT Invoice Card Payment” B2B payment service was launched in 2022 as a strategically important initiative to enter the larger B2B payment market, in addition to the B2C payment business where the DG Group has been providing services for the past 25 years.

A survey^{*1} showed that approximately 90% of B2B transactions are paid via bank transfers in Japan, with only 6.2% paid by credit card. Invoicing takes a great deal of time, and bank transfer payments pose challenges for billers, including credit screening, bad debts, and payment delays. There are many issues for payers as well, such as cash management and cash flows. The B2B payment market is estimated to be worth approximately 1,400 trillion yen^{*2}. Fintech services are required in this sector to seamlessly provide cashless payments, DX, and cash management services that help resolve these issues.

The DG Group provides stable system infrastructure for B2B credit card transactions through “DGFT Invoice Card Payment.” DG aims to provide new payment infrastructure services that will help solve a wide range of B2B issues, such as building an original credit model, expanding its factoring and other services, and seamlessly linking SaaS services for business optimization and payment. To this end, DG Group will effectively utilize its technologies and partnerships with banks, credit card companies, trading companies, business application providers, and SaaS companies.

Starting with “DGFT Invoice Card Payment” business, the DG Group strives to support DX in the B2B domain by developing services and businesses in the DX and Fintech sectors that use credit card and transaction data to improve cash management and business efficiency.

*1 Reference: Business-to-Business Settlement White Paper (2022)

*2 Reference: Survey of corporations (2022)