

April 1, 2020

Company name: ES-CON JAPAN Ltd.
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 Representative Director
 (TSE 1st Section, code: 8892)
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Notice on Investment in Squeeze, Inc. and Entry into Hotel Management Business

ES-CON JAPAN Ltd. (ES-CON JAPAN) announces that it has invested in Squeeze, Inc. (Minato Ward, Tokyo; representative director & president: Shinichi Tatebayashi; hereinafter “Squeeze”), which manages hotels using a cloud-based hotel management system.



1. Objective of Investment

Squeeze has developed a unique management system that uses frameworks and technology to solve issues facing Japan's private accommodation, hotel and inn industry (high fixed costs, labor shortage, accommodation data usage, etc.) and provides a smart hotel business (management of its own hotel brand) and platform business (provision of a cloud-based hotel management system, solutions and consulting).

ES-CON JAPAN is aggressively diversifying its businesses beyond its core condominium business and entering into retail development, logistics development, hotel development, office development and more, and beginning with this investment in Squeeze, it has decided to invest in ways of newly and effectively connecting the hotel management business with increasing real estate operation income and diversifying the real estate business. Specifically, ES-CON JAPAN and Squeeze will examine the potential for various business partnerships leveraging their respective strengths, beginning with efforts to revive and increase the value of real estate and the real estate value of ES-CON JAPAN's income-generating properties as the rapidly worsening economic environment due to the global coronavirus pandemic necessitates changes in real estate owners and operators.

By providing Squeeze's cloud-based hotel management system to more accommodation facilities to enable effective use of real estate and people's time left available due to the challenge of setting up an accommodation business in the course of normal operation, ES-CON JAPAN aims to make the social contribution of boosting Japan as a tourist destination from within the accommodation industry.

2. Overview of Company Receiving Investment

Trade name	Squeeze, Inc.
Representative	Representative Director & President Shinichi Tatebayashi
Address	3rd floor, Daiichi Aoyama Building, 3-3-7 Kita-Aoyama, Minato Ward, Tokyo
Established	September 2014
Capital	2.217 billion yen (including capital reserves after this transaction)
Sales	514 million yen (fiscal year 2019)

Main business	Smart hotel business (management of own hotel brand using cloud-based hotel management system), platform business (provision of system enabling cloud-based hotel management, solutions and consulting)
URL	https://squeeze-inc.co.jp

3. Overview of Investment

Date of investment	April 1, 2020
Amount of investment	799 million yen
ES-CON JAPAN's ownership ratio in Squeeze, Inc. after investment	19.0%

4. Impact on Performance

The impact of this investment on this fiscal year's performance is negligible.