

(Securities Code: 4714 TSE 1)

 Devoting everything to giving children a bright future
RISO Kyoiku Co., Ltd.

 **Riso Kyoiku Co., Ltd.**

FY2020-21 Q2

Financial Results Guide

Devoting everything to giving children a bright future

RISO Kyoiku Group



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1 | FY2020-21 Q2 Financial Results Full Year Forecast ▪ Dividend Forecast

(1)FY2020-21 Q2 Financial Results

(Mlns of Yen)

	Net Sales		Operating Profit		Ordinary Income		Net Income	
		Prev. Quarter		Prev. Quarter		Prev. Quarter		Prev. Quarter
FY2019-20 Q2 Financial Results	12,987	+1,179	1,166	+193	1,165	+186	727	+147
Revised Forecast Due to COVID-19 Based on Results published July 9th	11,395	Difference from Reality -286						
FY2020-21 Q2 Financial Results	11,109	-1,878	-460	-1,626	-416	-1,581	-468	-1,195

- **TOMAS: April 8th – 22nd All Schools Closed**
- **Meimonkai: April 8th - 22nd All Schools Closed (Classrooms Only)**
- **Shingakai: April 8th - May 7th All Schools Closed**
- **School TOMAS: Closed with National Schools Closure from March**
- **Plus One Kyoiku: Large Drop in Revenue Owing to Cancellation of Tours**
- **Increase in Labour Costs Due to Living Stipend Paid to All Instructors**

Projected Net Profits Similar to Last Financial Year Due to a Resurgence in Profits from June

(For Reference)	Net Sales for April/May compared to Previous Year
TOMAS	-25.7%
Meimonkai	-15.2%
Shingakai	-44.6%
School TOMAS	-31.7%
Plus One Kyoiku	-93.3%

(2) FY2020-21 Q2 Full Year Forecast

(Mlns of Yen)

	Net Sales		Operating Profit		Ordinary Income		Net Income	
		Prev. Quarter		Prev. Quarter		Prev. Quarter		Prev. Quarter
FY2019-20 Financial Results	26,704	109.0%	2,716	107.4%	2,749	108.2%	1,953	123.9%
Forecasted FY2020-21 Financial Results	26,000	-704	1,510	-1,206	1,500	-1,249	1,000	-953

- **Steady Return of Students** (As of August 2020, Most Departments Have Higher Student numbers than the Same Period FY2019-20)

TOMAS > 100.8% YoY

Meimonkai > 94.8% YoY

Shingakai > 106.5% YoY

- Increase of Lessons in Order to Make Up for Time Lost Due to COVID-19
- Continuation of Completely 1-on-1 Tuition Through Unparalleled Safety Measures

(3) Dividend Forecast

(Regarding Payment of Dividends Exceeding the Allocated Limit)

It Became Evident that the Dividend Amount Paid for the Past 4 Quarters Exceeded the Allocated Limit

An External and Internal Investigative Committee Has Been Set Up

→Preventative Measures Have Been Taken to Ensure This Never Happens Again

**FY2020-21
Dividend**

**Q4 Lump Sum Payment
Dividend 6 - 9 JPY**

2 | COVID-19 Prevention Measures

Creating a Safe Zone ~Specialising in In-Person Instruction~

Taking Measures Unseen Amongst Our Competitors Ensuring the Safety of All

1. Hand Sanitising and Temperature Checking
2. Surgical Masks for Instructors and Students
3. Face Shields for Instructors
4. Booths Separated by 190cm Walls
5. Plastic Curtains Separating Students and Teachers in Every Booth in Every School
6. Sanitising Booths After Every Lesson

▼ Instructors' Face Shields and Disinfectant



▼ Contactless Thermometer



Results of Our Unprecedented Measures



September Students
Numbers up 4% MoM

Only In-Person Admissions Test Focused Tuition
School Ensuring Peace of Mind
Positive Response from Students and Instructors
Increase in Both Students and Instructors



SHINGAKAI

September Students
Numbers up 1.4% MoM

Increase in Students at Admissions Test Age
Lessons Provided on Sundays



Aiding in In-School Online Implementation
Rush of Inquiries as School Reopen



Anti-Infection Safety Measures for Students and Teachers



Increase in Students Ahead of November Admissions Tests



Aiding in In-School Online Implementation



Reaction to Anti-Infection Measures

Media Attention!

Our Response Received Media Attention Not Only From the Asahi Shimbun and Yomiuri Shimbun Newspapers, But Was Also Featured on NHK and TBS



Our Unprecedented Anti-Infection Measures Were Picked up by the Mass Media and Received Widespread Acclaim

- After Receiving an Inquiry from the Ministry of Economy, Trade and Industry, We Were Advised to Further Spread Word of Our Anti-Infection Measures
- Admiration from JR East Japan Advertisements Featuring our Brand Were Displayed in 22 Stations Focusing on the Yamanote Line for Free For 2 Months Result→Increase in Customer Inquiries



▲ JR Mejiro Station



▲ JR Yoyogi Station

3 | Future Outlook and the Three Company Alliance

 Riso Kyoiku Co., Ltd.

 HULIC Co., Ltd

 KONAMI SPORTS CLUB

Three Company Alliance

 HULIC Co., Ltd

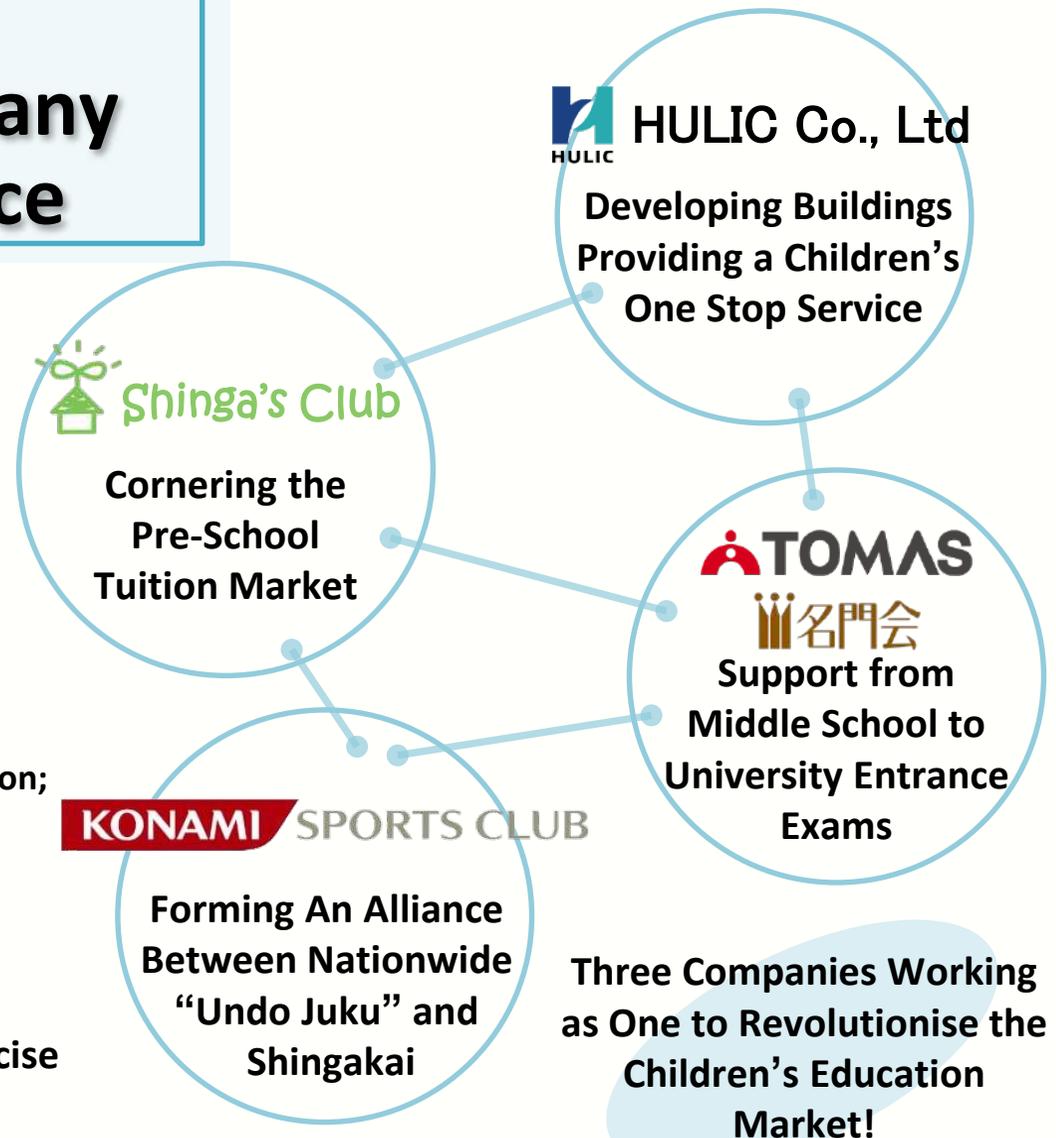
New Focus on the Education Market;
Market Development in the Pre-School Tuition
Market;
Full-Scale Reshuffle

 Riso Kyoiku Co., Ltd.

Pre-School Tuition at Shingakai from 1 Year Old
to TOMAS's University Admission Exam Preparation;
Developing A Strategy Focused on All Ages of
Education

 KONAMI SPORTS CLUB

Approximately 400 Children's Physical Exercise
Facilities "Undo Juku" Across Japan;
Over 80,000 Members



In Partnership with **KONAMI** SPORTS CLUB

Shinga's Academy Sports (Working Title)

Grades Are Important, But I Hope They'll Grow Up Strong and Healthy!



Shinga's Club and

KONAMI SPORTS CLUB Team Up To Offer Sports and Exercise Classes!

The Solution They've Both Been Looking For!

They Love Sports But Study Is Important Too!

KONAMI SPORTS CLUB



Alongside Shinga's Club Teaching Lessons in the Same Building!



Sample Image



Announced September 29th 2020

Capital Alliance with  HULIC Co., Ltd

Acquisition of 5.01% of Our Stock and Becoming a Major Shareholder



Combining Pre-School Tuition Know-how

Business Development in the Pre-School Tuition Industry and Establishment as its No.1 Brand



Preferential Introduction of Prime Station-Front Real Estate (Expediating TOMAS's New School Expansion Efforts)

Real Estate Activities (New School Openings)

Mutual Investigation into New Ventures in the Education Industry



Hulic Mejiro Building



SHINGAKAI HQ &



SUNDAL TOMAS HQ

Are Already Located and In Use Here

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This document is for informational purposes regarding an overview of our company and business results and is not intended to be used as solicitation for investment of marketable securities. In addition, the information provided here is based on data available as of the end of August 2020 (in parts on the most readily available data).

The opinions and estimates expressed in this document are based on the judgment of the Company at time of creation and we cannot guarantee or promise their accuracy or integrity.

The details herein are subject to future change without notification.

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