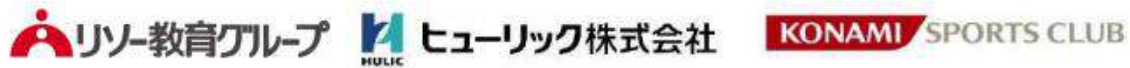


## **Announcement Regarding the Formation of an Alliance with Hulic and Konami Sports Club**

A New Development in our Enclosure Strategy to Corner the Preparatory Education Industry

Riso Kyoiku Co., Ltd. (Headquartered in Toshima, Tokyo, President and CEO: Hirano Shigenori), Hulic Co. Ltd., (Headquartered in Chuo, Tokyo, President and Representative Director: Yoshidome Manabu) and Konami Sports Club Co. Ltd., (Headquartered in Shinagawa, Tokyo, President and Representative Director: Arisaka Junichi) are pleased to make a joint announcement regarding a new venture into the education industry. In combining our respective strengths, we are committed to prolonged development and expansion as an official business alliance.



Operating under the company motto of “devoting everything to give children a bright future”, Riso Kyoiku Group manages the completely 1-on-1 private tuition school “TOMAS” concurrently with “Shingakai”, a childcare and education institution aiding children hoping to pass entrance exams for Japan’s leading kindergartens and elementary schools, “Meimonkai”, a service dispatching professional private home tutors among a host of other highly diversified educational institutions, enjoying its current status as one of Japan’s foremost educational services providers. Following the rapid growth in the childcare industry starting in 2011, Shingakai, considered pioneers in the kindergarten and elementary school entrance exam preparation industry, recognized the growing needs of dual-income households with regards to better long-time childcare coupled with guidance to pass rigorous entrance exams, leading to the creation of “Shinga’s Club”, currently in operation in Tokyo and its surrounding prefectures.

Hulic Co. Ltd. believes in helping create a society imbued with trust and harmony through providing key services and products to their customers, focusing on the real estate and leasing market of the 23 special wards of Tokyo and boasting over 260 properties (primarily offices and other commercial facilities).

As part of Konami Holdings, Konami Sports Club, XAX and other associated ventures operate under the company ethos of constantly striving to be a venture that creates and offers services that enable their patrons to make the most of their valuable time, running 383 facilities across Japan (as of March 31st 2020), as well as operating the elite sports school “Undō Juku” catering primarily to youth members.

## **Regarding our Alliance**

Through this alliance, we will be able to efficiently leverage the three companies' respective real estate development and management, education and school management, and sports instruction acumen. In doing so, Riso Kyoiku aims to add extra value to its brand as part of its enclosure strategy to enlarge our presence in the Japanese education and private tuition industry.

## **Specific Goals of the Alliance**

① Development of real estate to enable the development of relevant services and enterprises pertaining to one stop service primarily aimed at children (including the conversion of pre-existing buildings)

In order to eliminate any inconvenience or concern that may befall the parent or guardian of a child partaking in the transfer between various facilities of the three allied companies and with the aim of providing the best possible education to each and every child, we are investigating the development of facilities and enterprises that would enable the provision of a potential one stop service;

② Utilizing each companies' vacant facilities to provide extra services for children

We will proactively make use of each company's as of yet unutilized areas and properties in order to further promote the use of services provided by all of the companies in the alliance and increase the participation rate of existing customers between companies.

③ Development of a mutual service for existing members of all companies;

④ Joint research into new ventures concerning children's services;

⑤ Sharing of relevant industry knowledge and know-how.

※ The above information is valid as of September 29<sup>th</sup> 2020 and may be subject to change in the future.

【Illustration of Proposed “One Stop Service” Building】

