

June 10, 2014

Notice of Expansion in 'Shinkenzeni Individualized Support Classroom' Service

The 'Shinkenzeni Individualized Support Classroom' service that we developed in cooperation with the Benesse Group (Headquarters: Okayama-shi, Okayama, hereafter 'Benesse') and introduced into all 211 of our company's classrooms (number of classrooms as of April 1, 2014) have proved very popular with our students that have been using them and the number of such students has been steadily rising to a total of 943 in the April-July quarter.

In response to the results of the tests conducted in the previous fiscal year, we expect an even larger number of our students to make use of our company's individualized support service in the forthcoming summer term.

Given this situation, and so as to be able to provide this service to even more of our students, **we plan to change the applications system for this service, which is currently limited to being offered three times a year (in the April-July term, the September-December term, and the January-March term), to a continuous applications system (applications can be made every month) from August 2014.**

The expansion in the provision of this service will make it possible to deliver support to a larger number of our Shinkenzeni member customers as well as facilitating the continued provision of the lessons service that we have been supplying to date.

We intend to continue to strengthen our business links and coordination with Benesse in the future through expansion in this and other services.

[Reference]

1. The 'Shinkenzemi Individualized Support Classroom'

The 'Shinkenzemi Individualized Support Classroom' was developed in cooperation with Benesse and is a service that supports learning through tutorial counselling, guidance counselling, and other services at the company's classrooms ('Tokyo Individualized Educational Institute' and 'Kansai Individualized Educational Institute') to students enrolled in Benesse's 'Shinkenzemi' correspondence courses.

The objective for the students enrolled in the 'Shinkenzemi' correspondence courses is to support them in acquiring the ability to 'set their own goals and develop their own plans and have the strength to continue to study to achieve them (self-study, self-learning power)'. The target age range for Shinkenzemi members extends from the 5th year of elementary school to the 3rd year of high school and over the course of a 3 or 4-month period, the head of the classroom (one of our company's educational guidance professionals with detailed knowledge about the schools in the area) will have a face-to-face meeting with each student to impart advice about how to make the most of the Shinkenzemi programme. Moreover, students can use our company's self-study facilities twice weekly during the term, and they can also receive individualized guidance tuition from a teacher twice during the term.

The key special feature of this service is that each child, having received study advice from the class head, designs his or her own 1-month study plan using the 'schedule table' that comes with 'Shinkenzemi' and can customize it to suit his or her own lifestyle and study strengths. Moreover, at the end of the month, the child will review his or her progress with the class head, and will establish a plan for his or her self so that the child can acquire 'self-study, self-learning power' as they continue to make progress with their learning in accordance with their plan.

2. Outline of 'Shinkenzemi Individualized Support Classroom'

*Sections due for revision are shown in red

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| Start date | April 1, 2014 (Tuesday) – |
| Student age range | 'Shinkenzemi' students from 5 th year of elementary school to 3 rd year of high school |
| Regions | Tokyo, Kanagawa, Saitama, Chiba, Aichi, Kyoto, Osaka, Hyogo, and Fukuoka: total of 211 classrooms (as of April 2014) |
| Usage periods | [Currently] April-July, September-December, January-March termly cycle [Due for revision from August 2014] Continuous applications system (applications can be made every month) for 4-monthly units starting from the commencement of study (continuous study on existing basis possible) |
| Fees | [Currently] One payment for 4 months 15,120 yen (incl. tax) Consumption tax rate 8% One payment for 3 months 11,340 yen (incl. tax) Consumption tax rate 8% * For Winter term (January-March) (3,500 yen per month) [Due for revision from August 2014] One payment for 4 months 15,120 yen (incl. tax) Consumption tax rate 8% (3,500 yen per month (tax not included)) |
| Content of service | • Creation of 'Shinkenzemi Learning Plan' and learning counselling (monthly with class head) • Use of self-study facilities (up to maximum of twice weekly) |

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| | <ul style="list-style-type: none">• Explanation of how to use self-study facility given in classroom• Individualized guidance tuition (twice each term)• Course and study consultation with parents (once during the second half of each term) |
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