

FY2/19 3Q (March 2018–November 2018) Fact Book

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東京個別指導学院

Cautionary Statement:

Data in this document are based on information available as of the date of issue.
Data for number of students at the end of the month, number of new students and
number of withdrawals are monthly quick estimates and therefore subject to change

1. Trends in the current fiscal year and previous fiscal year

(1) Performance overview

(Millions of yen)	FY 2018 (through February)				FY 2019 (through February)											
	1Q (2017/3/1~ 2017/5/31)	First half (2017/3/1~ 2017/8/31)	3Q (2017/3/1~ 2017/11/30)	Full year (2017/3/1~ 2018/2/28)	1Q (2018/3/1~2018/5/31)			First half (2018/3/1~2018/8/31)			3Q (2018/3/1~2018/11/30)			Full year (2018/3/1~2019/2/28)		
					Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %
Net sales	3,428	8,918	13,251	19,175	3,679	251	107.3%	9,470	551	106.2%	14,083	832	106.3%			
Cost of sales	2,642	5,702	8,499	11,699	2,829	186	107.1%	6,113	410	107.2%	9,136	636	107.5%			
Cost of sales ratio	77.1%	63.9%	64.1%	61.0%	76.9%	-	-	64.6%	-	-	64.9%	-	-			
Gross profit	785	3,216	4,751	7,475	850	64	108.3%	3,357	140	104.4%	4,947	195	104.1%			
Gross profit margin	22.9%	36.1%	35.9%	39.0%	23.1%	-	-	35.4%	-	-	35.1%	-	-			
SG&A	1,542	2,754	3,560	4,841	1,470	-71	95.3%	2,778	23	100.9%	3,671	110	103.1%			
SG&A ratio	45.0%	30.9%	26.9%	25.2%	40.0%	-	-	29.3%	-	-	26.1%	-	-			
Operating income (loss)	-757	461	1,190	2,634	-620	136	-	578	116	125.3%	1,275	84	107.1%			
Operating income margin	-	5.2%	9.0%	13.7%	-	-	-	6.1%	-	-	9.1%	-	-			
Ordinary income (loss)	-756	462	1,192	2,636	-619	137	-	580	117	125.4%	1,278	85	107.2%			
Ordinary income margin	-	5.2%	9.0%	13.7%	-	-	-	6.1%	-	-	9.1%	-	-			
Net income (loss)	-543	274	763	1,744	-430	113	-	421	147	153.7%	852	89	111.7%			
Net income margin	-	3.1%	5.8%	9.1%	-	-	-	4.5%	-	-	6.1%	-	-			

(2) Cost of sales breakdown

(Millions of yen)	FY 2018 (through February)				FY 2019 (through February)											
	1Q (2017/3/1~ 2017/5/31)	First half (2017/3/1~ 2017/8/31)	3Q (2017/3/1~ 2017/11/30)	Full year (2017/3/1~ 2018/2/28)	1Q (2018/3/1~2018/5/31)			First half (2018/3/1~2018/8/31)			3Q (2018/3/1~2018/11/30)			Full year (2018/3/1~2019/2/28)		
					Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %
Cost of sales (100%)	2,642	5,702	8,499	11,699	2,829	186	107.1%	6,113	410	107.2%	9,136	636	107.5%			
Personnel expenses	567	1,141	1,677	2,245	592	25	104.4%	1,213	72	106.3%	1,800	123	107.4%			
Ratio to cost of sales	21.5%	20.0%	19.7%	19.2%	21.0%	-	-	19.9%	-	-	19.7%	-	-			
Instructors expense	1,132	2,638	3,929	5,571	1,192	60	105.3%	2,813	175	106.7%	4,204	274	107.0%			
Ratio to cost of sales	42.8%	46.3%	46.2%	47.6%	42.2%	-	-	46.0%	-	-	46.0%	-	-			
Rent	549	1,108	1,674	2,258	599	49	109.1%	1,204	95	108.6%	1,814	139	108.3%			
Ratio to cost of sales	20.8%	19.4%	19.7%	19.3%	21.2%	-	-	19.7%	-	-	19.9%	-	-			
Lease	58	117	172	226	59	1	102.1%	120	3	103.3%	178	6	103.7%			
Ratio to cost of sales	2.2%	2.1%	2.0%	1.9%	2.1%	-	-	2.0%	-	-	2.0%	-	-			
Property expense	53	108	159	210	50	-2	96.0%	108	0	100.0%	165	6	103.9%			
Ratio to cost of sales	2.0%	1.9%	1.9%	1.8%	1.8%	-	-	1.8%	-	-	1.8%	-	-			
Depreciation	27	58	89	133	30	3	111.1%	60	2	103.7%	91	1	102.2%			
Ratio to cost of sales	1.0%	1.0%	1.1%	1.1%	1.1%	-	-	1.0%	-	-	1.0%	-	-			
Others	254	530	797	1,053	303	49	119.3%	591	61	111.6%	881	83	110.5%			
Ratio to cost of sales	9.6%	9.3%	9.4%	9.0%	10.7%	-	-	9.7%	-	-	9.6%	-	-			

(3) SG&A breakdown

(Millions of yen)	FY 2018 (through February)				FY 2019 (through February)											
	1Q (2017/3/1~ 2017/5/31)	First half (2017/3/1~ 2017/8/31)	3Q (2017/3/1~ 2017/11/30)	Full year (2017/3/1~ 2018/2/28)	1Q (2018/3/1~2018/5/31)			First half (2018/3/1~2018/8/31)			3Q (2018/3/1~2018/11/30)			Full year (2018/3/1~2019/2/28)		
					Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %
SG&A (100%)	1,542	2,754	3,560	4,841	1,470	-71	95.3%	2,778	23	100.9%	3,671	110	103.1%			
Personnel expenses (Salaries/Bonuses/Miscellaneous wages and salaries)	274	585	871	1,156	293	19	107.0%	606	21	103.7%	903	32	103.8%			
Ratio to SG&A	17.8%	21.2%	24.5%	23.9%	19.9%	-	-	21.8%	-	-	24.6%	-	-			
Advertising	839	1,411	1,631	2,239	774	-64	92.3%	1,410	0	99.9%	1,654	23	101.4%			
Ratio to SG&A	54.4%	51.2%	45.8%	46.3%	52.7%	-	-	50.8%	-	-	45.1%	-	-			
Recruiting	113	149	173	209	99	-13	88.1%	131	-18	87.6%	157	-15	90.9%			
Ratio to SG&A	7.4%	5.4%	4.9%	4.3%	6.8%	-	-	4.7%	-	-	4.3%	-	-			
Rent	23	46	69	93	23	0	99.6%	47	0	100.5%	71	1	101.9%			
Ratio to SG&A	1.5%	1.7%	2.0%	1.9%	1.6%	-	-	1.7%	-	-	1.9%	-	-			
Commissions	159	304	434	600	155	-3	97.8%	342	38	112.8%	517	82	119.0%			
Ratio to SG&A	10.3%	11.0%	12.2%	12.4%	10.6%	-	-	12.3%	-	-	14.1%	-	-			
Depreciation	16	46	62	86	22	6	138.2%	46	0	100.2%	70	7	111.6%			
Ratio to SG&A	1.1%	1.7%	1.8%	1.8%	1.5%	-	-	1.7%	-	-	1.9%	-	-			
Others	116	210	316	456	100	-15	86.5%	193	-17	91.8%	296	-20	93.6%			
Ratio to SG&A	7.5%	7.6%	8.9%	9.4%	6.8%	-	-	7.0%	-	-	8.1%	-	-			

(4) Net sales by student type

(Millions of yen)	FY 2018 (through February)				FY 2019 (through February)											
	1Q (2017/3/1~ 2017/5/31)	First half (2017/3/1~ 2017/8/31)	3Q (2017/3/1~ 2017/11/30)	Full year (2017/3/1~ 2018/2/28)	1Q (2018/3/1~2018/5/31)			First half (2018/3/1~2018/8/31)			3Q (2018/3/1~2018/11/30)			Full year (2018/3/1~2019/2/28)		
					Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %
Primary school students	315	721	1,066	1,532	363	48	115.2%	830	109	115.1%	1,235	169	115.9%			
Middle school students	1,252	3,122	4,626	6,969	1,335	83	106.7%	3,277	154	105.0%	4,846	219	104.8%			
High school students	1,789	4,925	7,334	10,375	1,911	121	106.8%	5,216	290	105.9%	7,787	452	106.2%			
Total sales for individualized instruction classes	3,357	8,769	13,027	18,876	3,611	253	107.6%	9,324	554	106.3%	13,869	842	106.5%			
Science/Writing and other	70	149	224	298	68	-2	97.1%	145	-3	97.9%	214	-9	95.6%			
Total	3,428	8,918	13,251	19,175	3,679	251	107.3%	9,470	551	106.2%	14,083	832	106.3%			

2. Secular trends in third quarter financial results

(1) Performance overview

(Millions of yen)	3Q (9/1~11/30)					Total (3/1~11/30)				
	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)
Net sales	3,540	3,871	4,044	4,332	4,613	10,894	11,777	12,339	13,251	14,083
Cost of sales	2,352	2,521	2,702	2,797	3,022	6,969	7,550	8,096	8,499	9,136
Cost of sales ratio	66.5%	65.1%	66.8%	64.6%	65.5%	64.0%	64.1%	65.6%	64.1%	64.9%
Gross profit	1,187	1,350	1,341	1,535	1,590	3,924	4,227	4,242	4,751	4,947
Gross profit margin	33.5%	34.9%	33.2%	35.4%	34.5%	36.0%	35.9%	34.4%	35.9%	35.1%
SG&A	753	825	677	806	893	3,409	3,541	3,527	3,560	3,671
SG&A ratio	21.3%	21.3%	16.8%	18.6%	19.4%	31.3%	30.1%	28.6%	26.9%	26.1%
Operating income (loss)	434	525	664	728	697	515	685	714	1,190	1,275
Operating income margin	12.3%	13.6%	16.4%	16.8%	15.1%	4.7%	5.8%	5.8%	9.0%	9.1%
Ordinary income (loss)	435	526	664	729	698	520	689	717	1,192	1,278
Ordinary income margin	12.3%	13.6%	16.4%	16.8%	15.1%	4.8%	5.9%	5.8%	9.0%	9.1%
Net income (loss)	261	332	422	488	430	299	413	400	763	852
Net income margin	7.4%	8.6%	10.4%	11.3%	9.3%	2.7%	3.5%	3.2%	5.8%	6.1%

(2) Cost of sales breakdown

(Millions of yen)	3Q (9/1~11/30)					Total (3/1~11/30)				
	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)
Cost of sales (100%)	2,352	2,521	2,702	2,797	3,022	6,969	7,550	8,096	8,499	9,136
Personnel expenses	518	499	534	535	587	1,462	1,588	1,667	1,677	1,800
Ratio to cost of sales	22.0%	19.8%	19.8%	19.2%	19.4%	21.0%	21.0%	20.6%	19.7%	19.7%
Instructors expense	957	1,079	1,188	1,291	1,390	2,898	3,202	3,552	3,929	4,204
Ratio to cost of sales	40.7%	42.8%	44.0%	46.2%	46.0%	41.6%	42.4%	43.9%	46.2%	46.0%
Rent	454	504	540	565	609	1,340	1,467	1,584	1,674	1,814
Ratio to cost of sales	19.3%	20.0%	20.0%	20.2%	20.2%	19.2%	19.4%	19.6%	19.7%	19.9%
Lease	62	72	61	55	57	184	207	198	172	178
Ratio to cost of sales	2.7%	2.9%	2.3%	2.0%	1.9%	2.6%	2.7%	2.5%	2.0%	2.0%
Property expense	57	59	66	50	56	186	180	183	159	165
Ratio to cost of sales	2.4%	2.4%	2.5%	1.8%	1.9%	2.7%	2.4%	2.3%	1.9%	1.8%
Depreciation	32	38	40	31	30	91	103	104	89	91
Ratio to cost of sales	1.4%	1.5%	1.5%	1.1%	1.0%	1.3%	1.4%	1.3%	1.1%	1.0%
Others	268	270	271	267	289	806	801	805	797	881
Ratio to cost of sales	11.4%	10.7%	10.0%	9.6%	9.6%	11.6%	10.6%	9.9%	9.4%	9.6%

(3) SG&A breakdown

(Millions of yen)	3Q (9/1~11/30)					Total (3/1~11/30)				
	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)
SG&A (100%)	753	825	677	806	893	3,409	3,541	3,527	3,560	3,671
Personnel expenses (Salaries/Bonuses/Miscellaneous wages and salaries)	243	275	267	285	297	767	793	826	871	903
Ratio to SG&A	32.3%	33.4%	39.4%	35.5%	33.3%	22.5%	22.4%	23.4%	24.5%	24.6%
Advertising	213	275	159	220	244	1,675	1,862	1,737	1,631	1,654
Ratio to SG&A	28.3%	33.3%	23.5%	27.3%	27.3%	49.1%	52.6%	49.3%	45.8%	45.1%
Recruiting	44	40	23	23	26	152	152	163	173	157
Ratio to SG&A	5.8%	4.9%	3.5%	2.9%	2.9%	4.5%	4.3%	4.6%	4.9%	4.3%
Rent	19	20	19	22	24	57	58	60	69	71
Ratio to SG&A	2.5%	2.5%	2.9%	2.8%	2.7%	1.7%	1.7%	1.7%	2.0%	1.9%
Commissions	131	110	115	130	174	390	362	387	434	517
Ratio to SG&A	17.5%	13.4%	17.0%	16.2%	19.5%	11.5%	10.2%	11.0%	12.2%	14.1%
Depreciation	13	9	15	16	23	44	26	51	62	70
Ratio to SG&A	1.8%	1.1%	2.2%	2.1%	2.7%	1.3%	0.7%	1.5%	1.8%	1.9%
Others	88	96	76	106	103	321	285	301	316	296
Ratio to SG&A	11.7%	11.7%	11.4%	13.2%	11.6%	9.4%	8.1%	8.5%	8.9%	8.1%

3. Business overview

(1) No. of students at the end of month (Students)

	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	YOY +/-	YOY %
Mar.	20,696	21,749	23,323	24,470	26,125	1,655	106.8%
Apr.	22,190	23,357	24,867	26,135	28,016	1,881	107.2%
May	22,638	23,813	25,276	26,538	28,485	1,947	107.3%
Jun.	23,571	25,144	26,492	28,076	30,194	2,118	107.5%
Jul.	27,075	28,956	30,726	32,674	35,060	2,386	107.3%
Aug.	27,359	29,404	30,958	33,075	35,368	2,293	106.9%
Sep.	27,695	29,806	31,258	33,467	35,623	2,156	106.4%
Oct.	27,999	30,137	31,473	33,768	35,849	2,081	106.2%
Nov.	27,885	30,165	31,532	33,872	35,762	1,890	105.6%
Dec.	28,203	30,493	31,901	34,181			
Jan.	26,315	28,500	30,186	32,115			
Feb.	21,473	22,918	23,807	25,319			
Average	25,258	27,036	28,483	30,308			

* Monthly quick estimate

(2) No. of new students (Students)

	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	YOY +/-	YOY %
Mar.	2,803	3,112	3,395	3,640	3,951	311	108.5%
Apr.	2,238	2,419	2,554	2,706	2,979	273	110.1%
May	1,028	950	1,108	1,207	1,301	94	107.8%
Jun.	1,653	2,017	1,919	2,370	2,593	223	109.4%
Jul.	4,172	4,673	4,999	5,500	5,883	383	107.0%
Aug.	1,093	1,269	1,387	1,417	1,434	17	101.2%
Sep.	1,115	1,364	1,388	1,545	1,574	29	101.9%
Oct.	1,142	1,340	1,351	1,381	1,645	264	119.1%
Nov.	1,128	1,263	1,408	1,548	1,653	105	106.8%
Dec.	1,602	1,764	1,927	2,016			
Jan.	1,011	977	1,172	1,114			
Feb.	1,135	1,251	1,380	1,380			
Average	20,120	22,399	23,988	25,824			

* Monthly quick estimate

(3) Withdrawal rate (Including graduated students who proceed to higher education)

	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	YOY +/-
Mar.	14.00%	13.21%	13.05%	12.50%	12.42%	-0.08%
Apr.	3.59%	3.73%	4.33%	4.25%	4.16%	-0.09%
May	2.61%	2.11%	2.81%	3.08%	2.97%	-0.11%
Jun.	3.18%	2.88%	2.78%	3.14%	3.10%	-0.03%
Jul.	2.83%	3.42%	2.89%	3.21%	3.37%	0.16%
Aug.	2.99%	2.84%	3.76%	3.11%	3.21%	0.10%
Sep.	2.85%	3.27%	3.51%	3.49%	3.73%	0.24%
Oct.	3.03%	3.39%	3.63%	3.23%	3.98%	0.76%
Nov.	4.44%	4.10%	4.29%	4.28%	4.85%	0.58%
Dec.	4.60%	4.76%	4.94%	5.04%		
Jan.	10.28%	9.74%	9.05%	9.30%		
Feb.	22.71%	23.98%	25.70%	25.46%		

* Monthly quick estimate

(4) Breakdown by student type (Avg.) (Students)

	FY 2015 (through February) 14/03-14/11	FY 2016 (through February) 15/03-15/11	FY 2017 (through February) 16/03-16/11	FY 2018 (through February) 17/03-17/11	FY 2019 (through February) 18/03-18/11	YOY +/-
Primary school students	2,622 10.4%	2,680 9.9%	2,684 9.4%	2,905 9.6%	3,396 10.5%	491 -
Middle school students	9,837 39.0%	10,364 38.5%	10,389 36.5%	10,992 36.4%	11,461 35.5%	469 -
High school students	12,775 50.6%	13,902 51.6%	15,360 54.1%	16,334 54.0%	17,419 54.0%	1,085 -
Total	25,234 100.0%	26,947 100.0%	28,433 100.0%	30,231 100.0%	32,276 100.0%	2,045 -

(5) Net sales by student (Individualized education)

	FY 2015 (through February) 14/03-14/11	FY 2016 (through February) 15/03-15/11	FY 2017 (through February) 16/03-16/11	FY 2018 (through February) 17/03-17/11	FY 2019 (through February) 18/03-18/11	YOY +/-
Net sales (1,000 yen)	10,746,466	11,589,097	12,117,351	13,027,257	13,869,302	842,044
Average no. students (Students)	25,234	26,947	28,433	30,231	32,276	2,045
Net sales per student (Yen)	425,872	430,070	426,172	430,923	429,709	-1,214

4. Secular trends in key indicators

(1) Financial condition, others (3Q)

(Million of yen)	3Q				
	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)
Total assets	8,548	8,854	8,920	9,757	10,457
Current assets	6,586	6,630	6,562	7,371	7,973
Cash and deposits	5,916	5,709	5,366	6,225	6,816
Accounts receivable	231	233	338	379	364
Fixed assets	1,962	2,224	2,358	2,385	2,483
Current liabilities	1,649	1,644	1,701	2,146	2,428
Long-term liabilities	19	8	5	7	2
Net assets	6,879	7,201	7,214	7,603	8,026
Paid-in cap.	642	642	642	642	642
Issued stock (No.)	54,291,435	54,291,435	54,291,435	54,291,435	54,291,435
(Treasury shares in above)	51	51	51	101	111
EPS average (Yen)	5.51	7.62	7.38	14.06	15.70
BPS average (Yen)	126.72	132.64	132.89	140.06	147.84
Dividends per share (Full year) (Yen)	8.00	24.00	26.00	26.00	26.00
No. of schools	215	225	230	235	246
No. of students	27,885	30,165	31,532	33,872	35,762
Employees (Regular)	415	431	448	467	493
Hiring and Training Capable Instructors	7,037	7,363	8,041	9,170	10,314

(2) Financial condition, others (Full year)

(Millions of yen)	Full year				
	FY 2014 (through February)	FY 2015 (through February)	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)
Net sales	14,322	15,717	17,094	17,909	19,175
Cost of sales	8,629	9,593	10,364	11,049	11,699
Cost of sales ratio	60.3%	61.0%	60.6%	61.7%	61.0%
Gross profit	5,693	6,124	6,730	6,859	7,475
Gross profit margin	39.7%	39.0%	39.4%	38.3%	39.0%
SG&A	4,420	4,400	4,512	4,553	4,841
SG&A ratio	30.9%	28.0%	26.4%	25.4%	25.2%
Operating income	1,272	1,724	2,217	2,305	2,634
Operating income margin	8.9%	11.0%	13.0%	12.9%	13.7%
Ordinary income	1,277	1,729	2,223	2,308	2,636
Ordinary income margin	8.9%	11.0%	13.0%	12.9%	13.7%
Net income	737	1,075	1,383	1,438	1,744
Net income margin	5.2%	6.8%	8.1%	8.0%	9.1%
Total assets	8,886	9,898	10,415	10,525	11,414
Current assets	7,180	7,829	8,168	8,205	8,936
Cash and deposits	6,490	7,136	7,099	6,907	7,473
Accounts receivable	286	319	335	540	648
Fixed assets	1,706	2,068	2,247	2,320	2,477
Current liabilities	1,895	2,223	2,234	2,261	2,822
Accounts payable & expenses	914	1,145	1,054	1,075	1,284
Long-term liabilities	30	18	9	11	5
Net assets	6,960	7,656	8,171	8,252	8,585
Paid-in cap.	642	642	642	642	642
Issued stock (No.)	54,291,435	54,291,435	54,291,435	54,291,435	54,291,435
(Treasury shares in above)	51	51	51	51	101
ROE average (%)	10.9%	14.7%	17.5%	17.5%	20.7%
EPS average (Yen)	13.59	19.82	25.48	26.50	32.14
BPS average (Yen)	128.21	141.02	150.51	152.00	158.14
Dividends per share (Full year) (Yen)	6.00	8.00	24.00	26.00	26.00
No. of schools	208	218	225	230	240
No. of students	20,807	21,473	22,918	23,807	25,319
Employees (Regular)	387	418	439	445	471
Hiring and Training Capable Instructors	6,289	7,082	7,453	8,106	9,269