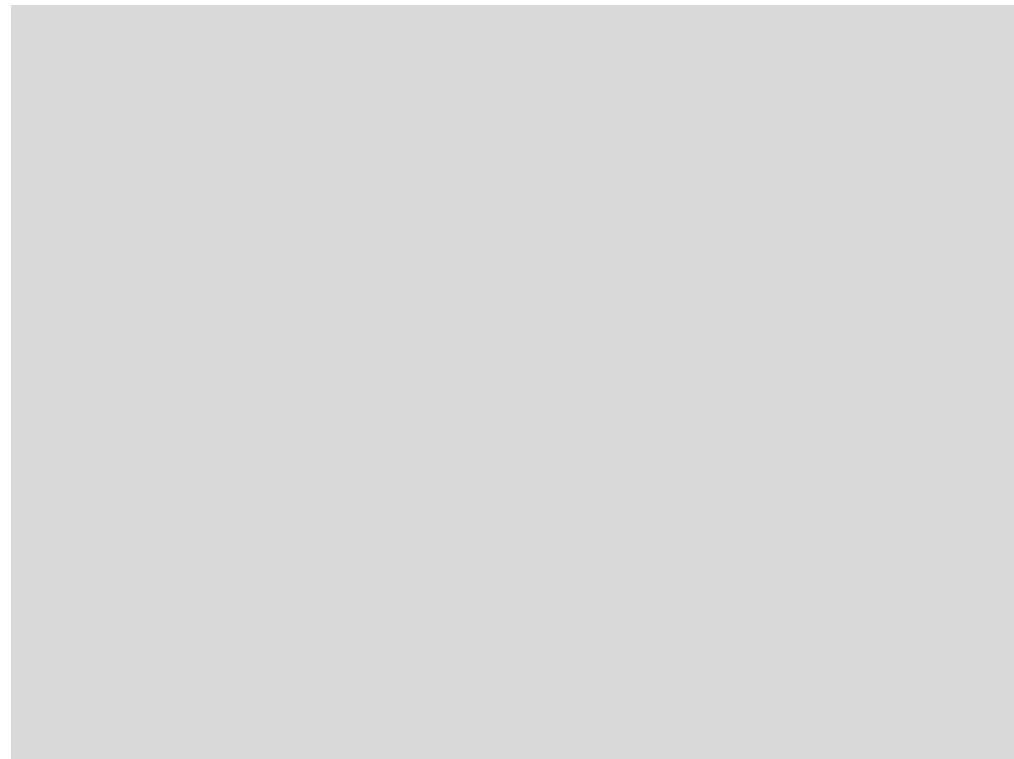


FY Ending February 2019 (FY 2/19) Presentation

April 10, 2019



Tokyo Individualized Educational Institute, Inc.

(TSE 1st Section, Securities Code 4745)

Agenda

- 1) FY 2/19 Results &
FY 2/20 Plan**
- 2) Looking Beyond 2020**



FY 2/19 Results & FY 2/20 Plan

Takeharu Tsutsumi
Executive Officer,
Corporate Strategy & Finance/Accounting Officer
Tokyo Individualized Educational Institute, Inc.

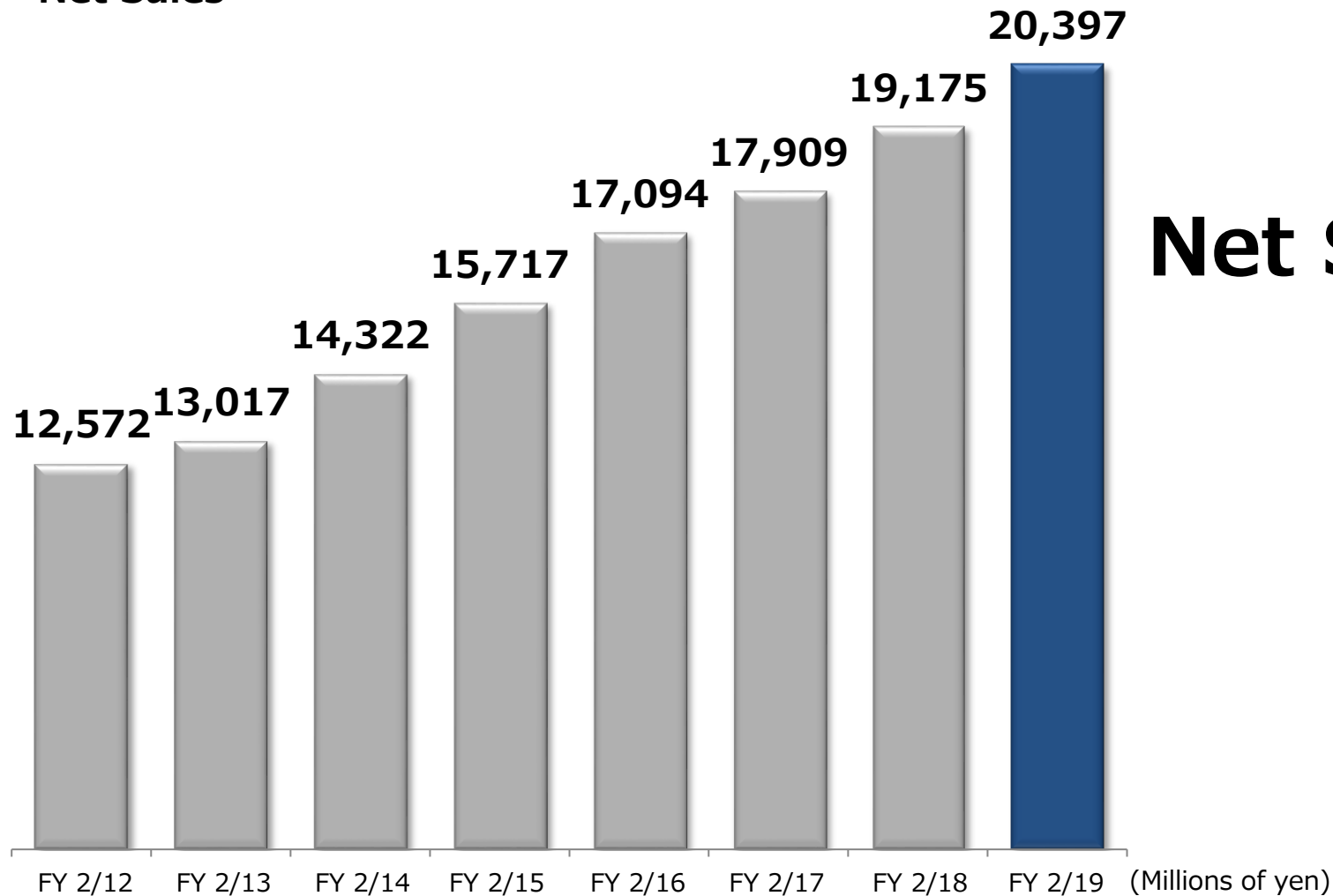
Net Sales Break 20 Billion Yen

(Millions of yen)

	FY 2/19 Full-Year Results	FY 2/19 Full-Year Forecast		
		Full Year	Change	% Change
Net sales	20,397	20,100	297	+1.5%
Operating income	2,790	2,730	60	+2.2%
Operating income margin	13.7%	13.6%	0.1%	-
Ordinary income	2,793	2,732	61	+2.2%
Net income	1,932	1,835	97	+5.3%
Net income margin	9.5%	9.1%	0.3%	-

Achieved 7 Straight Years Growth in Revenue

Net Sales

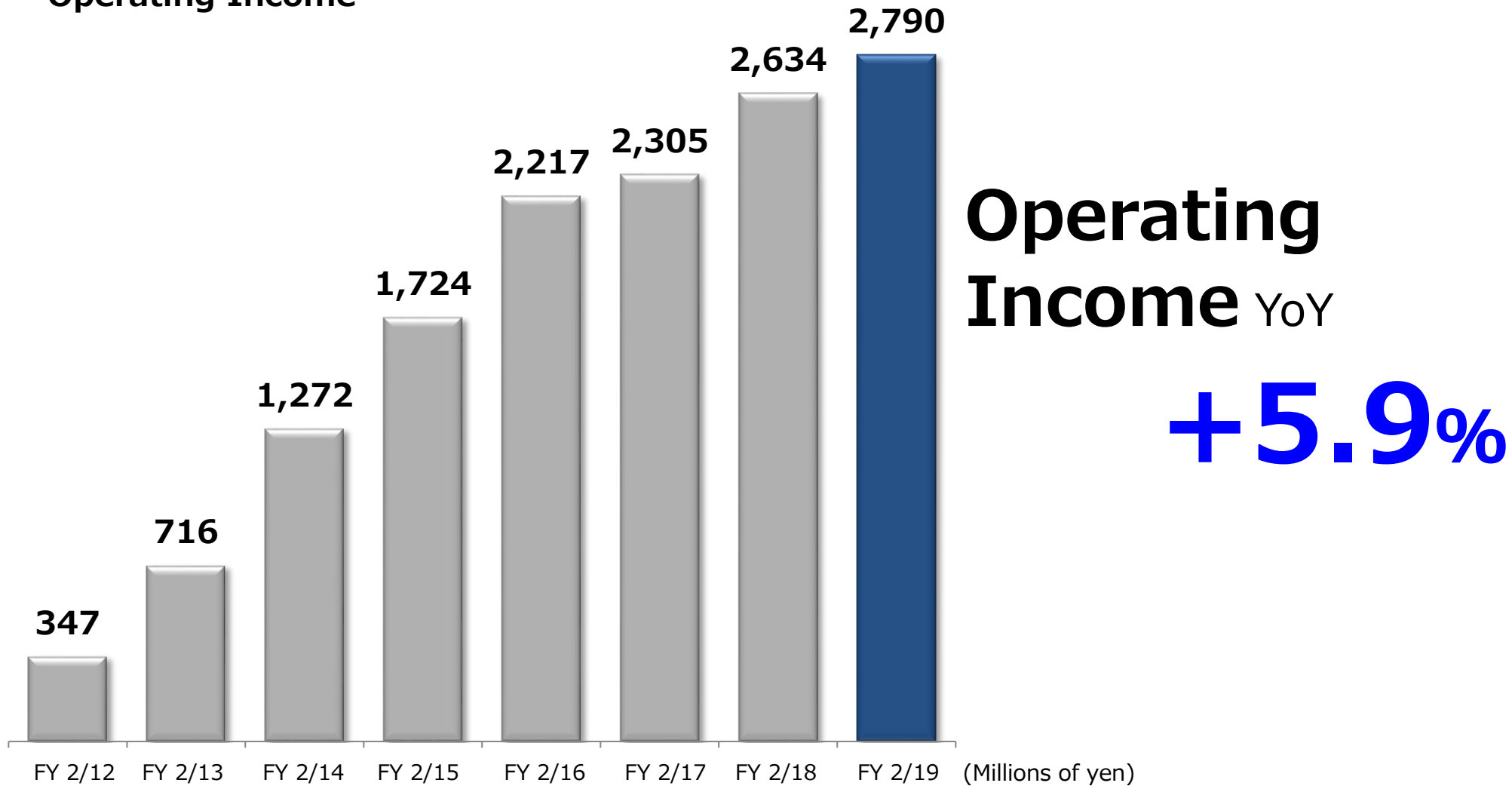


Net Sales YoY

+6.4%

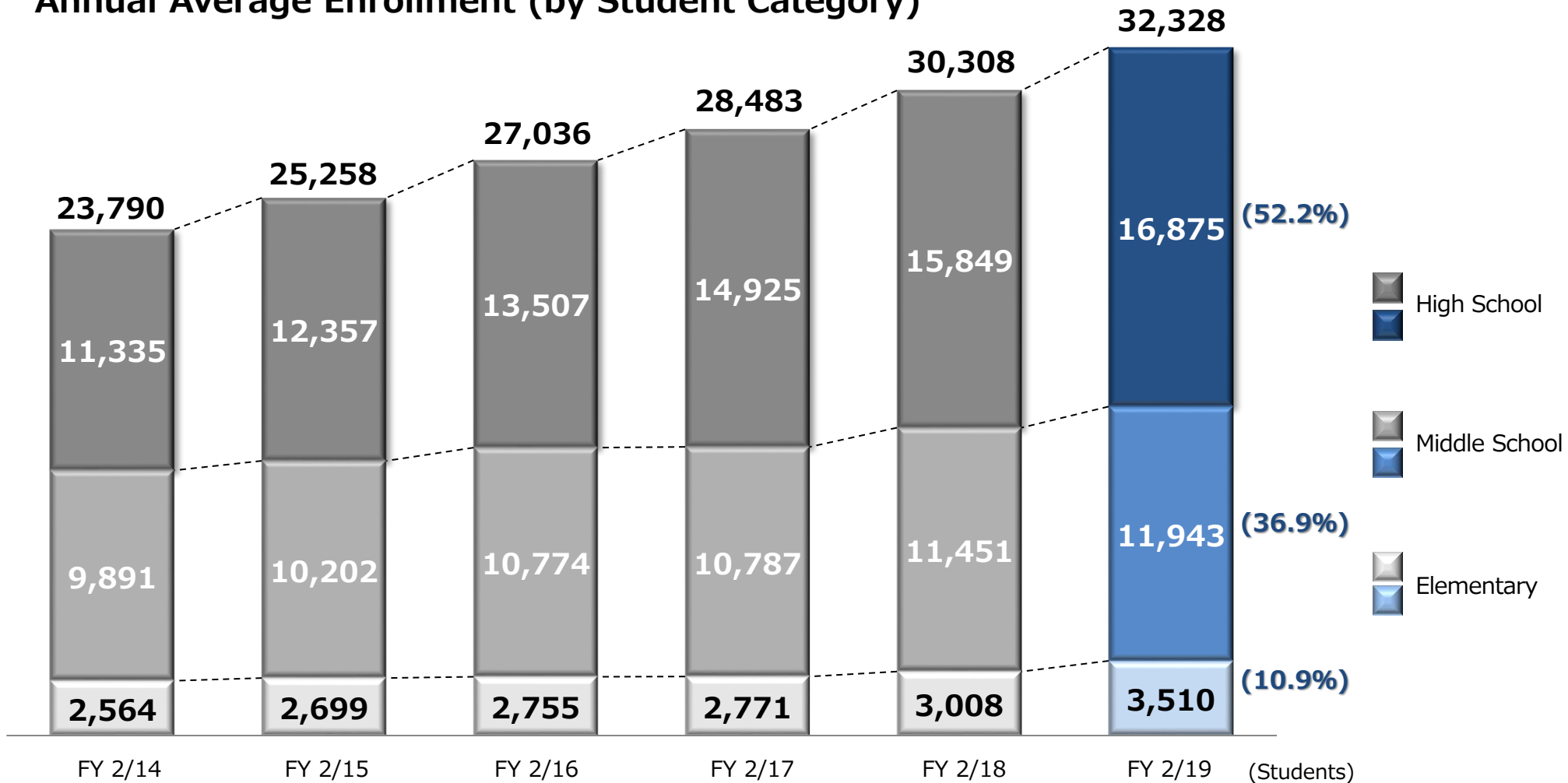
Achieved 7 Straight Years Growth Earnings

Operating Income



Better Balance Across All Segments

Annual Average Enrollment (by Student Category)

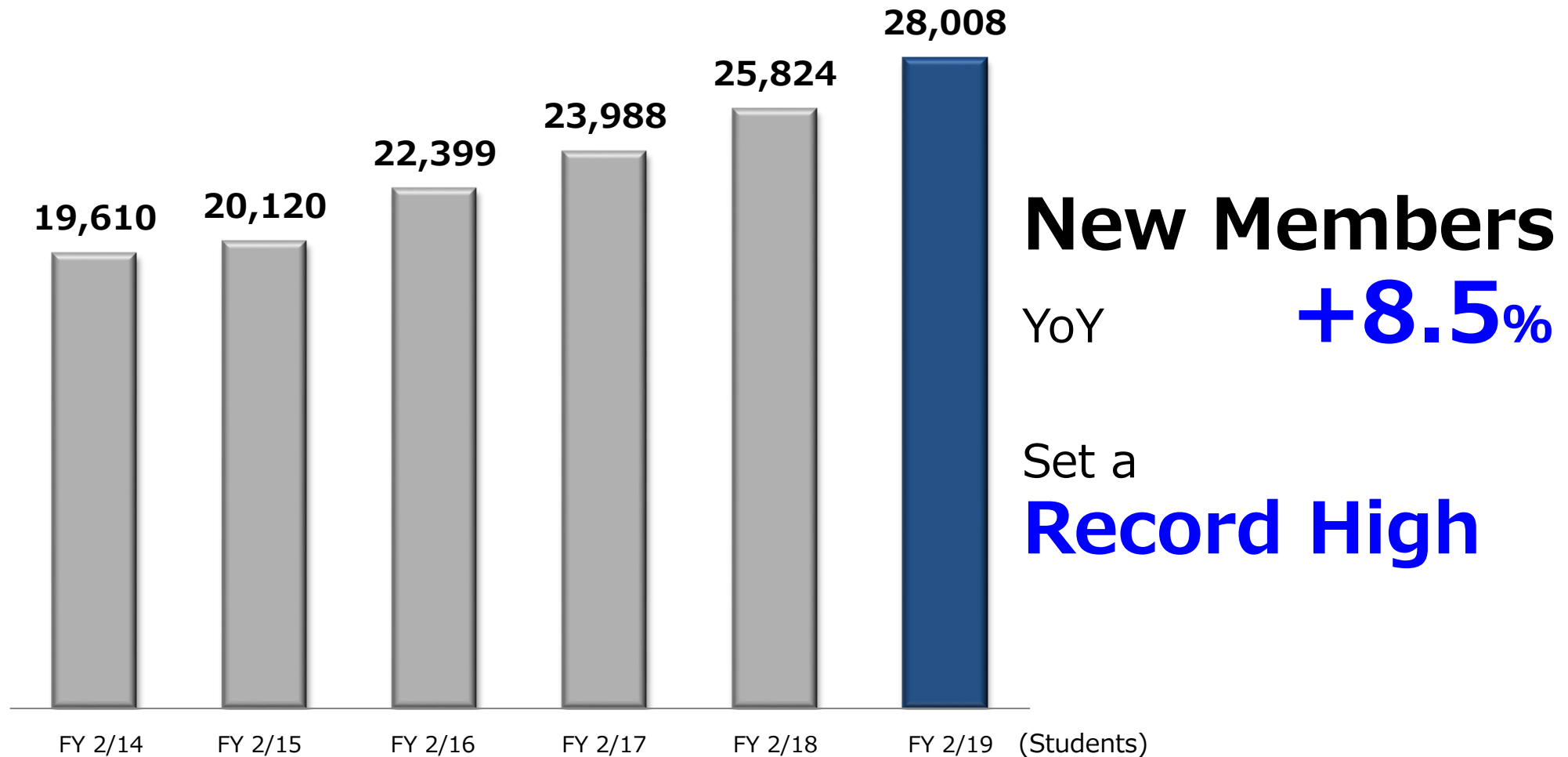


Enrolled students (YoY): high school (+6.5%), middle school (+4.3%), elementary (+16.7%)

* Students enrolled in individualized teaching

Driver of Enrolled Student Growth

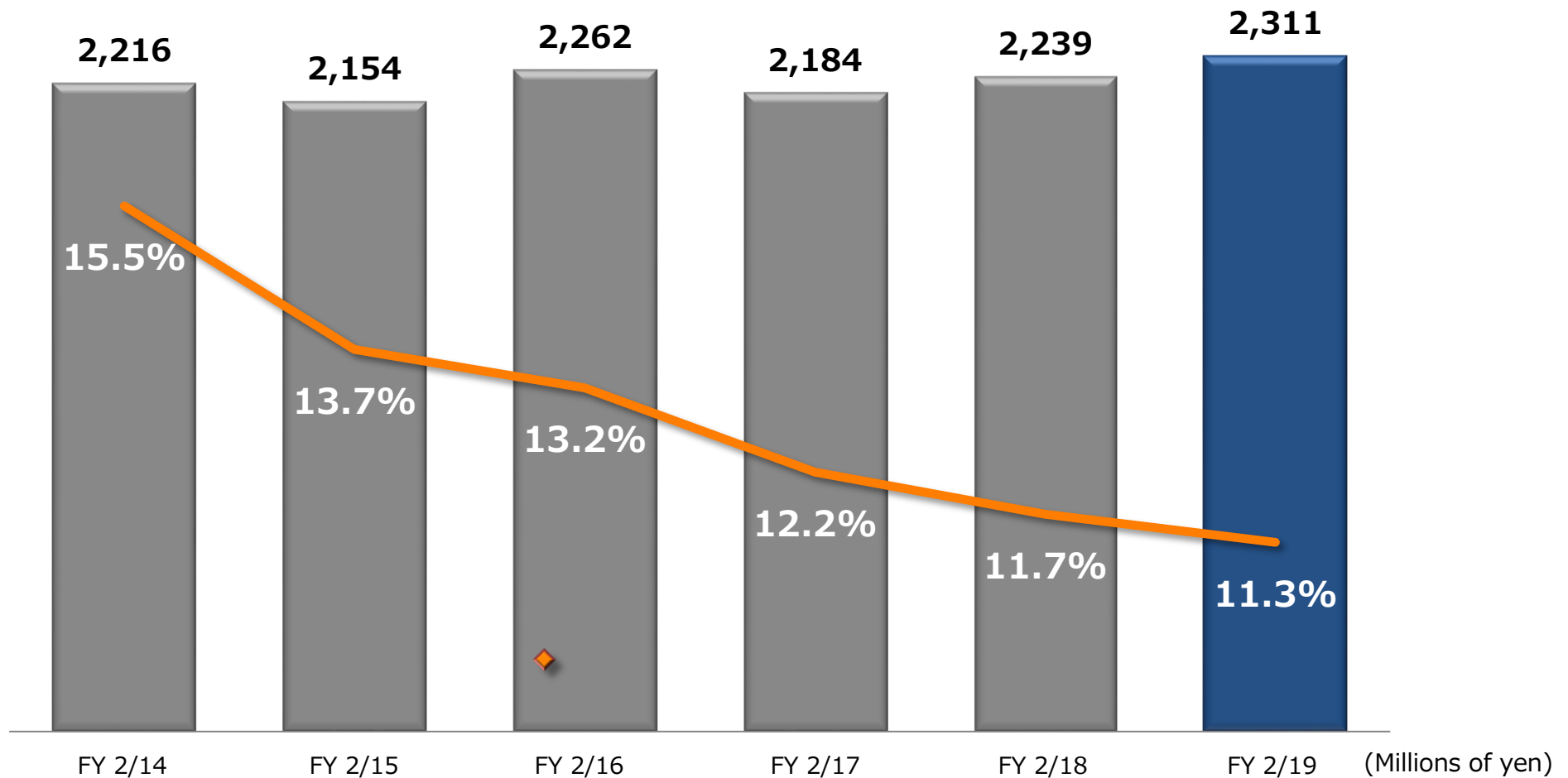
Total New Members



* New members in individualized teaching only

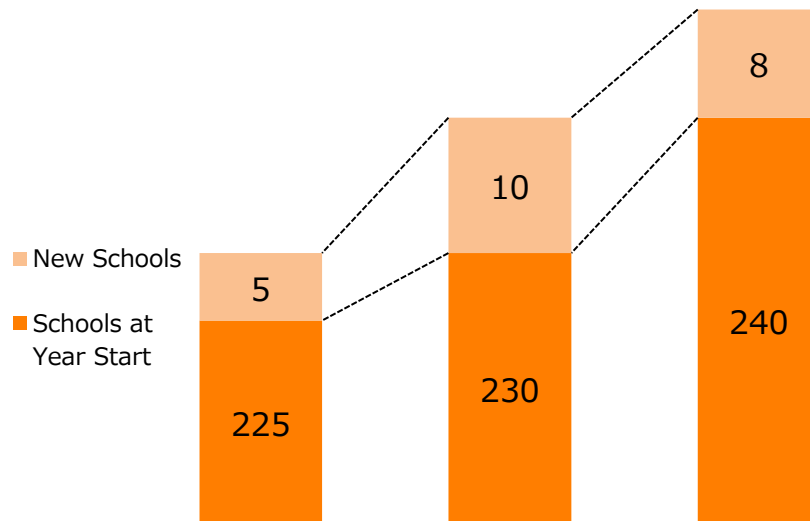
Greater Presence in Areas of Operations from Recognition of Brand Value

Ad Spending & Ratio of Ad Spending to Net Sales



8 Schools Opened on Schedule

New School Openings



	FY 2/17 Results	FY 2/18 Results	FY 2/19 Results
Schools at Year Start	225	230	240
New Schools	5	10	8
Schools at Year End	230	240	248

FY 2/19

Newly Opened Schools

Naka-Meguro School (Tokyo)
March 2018

Shin-Okachimachi School (Tokyo)
March 2018

Nishi-Funabashi School (Chiba Pref.)
March 2018

Suita School (Osaka Pref.)
May 2018

Musashi-Koyama School (Tokyo)
June 2018

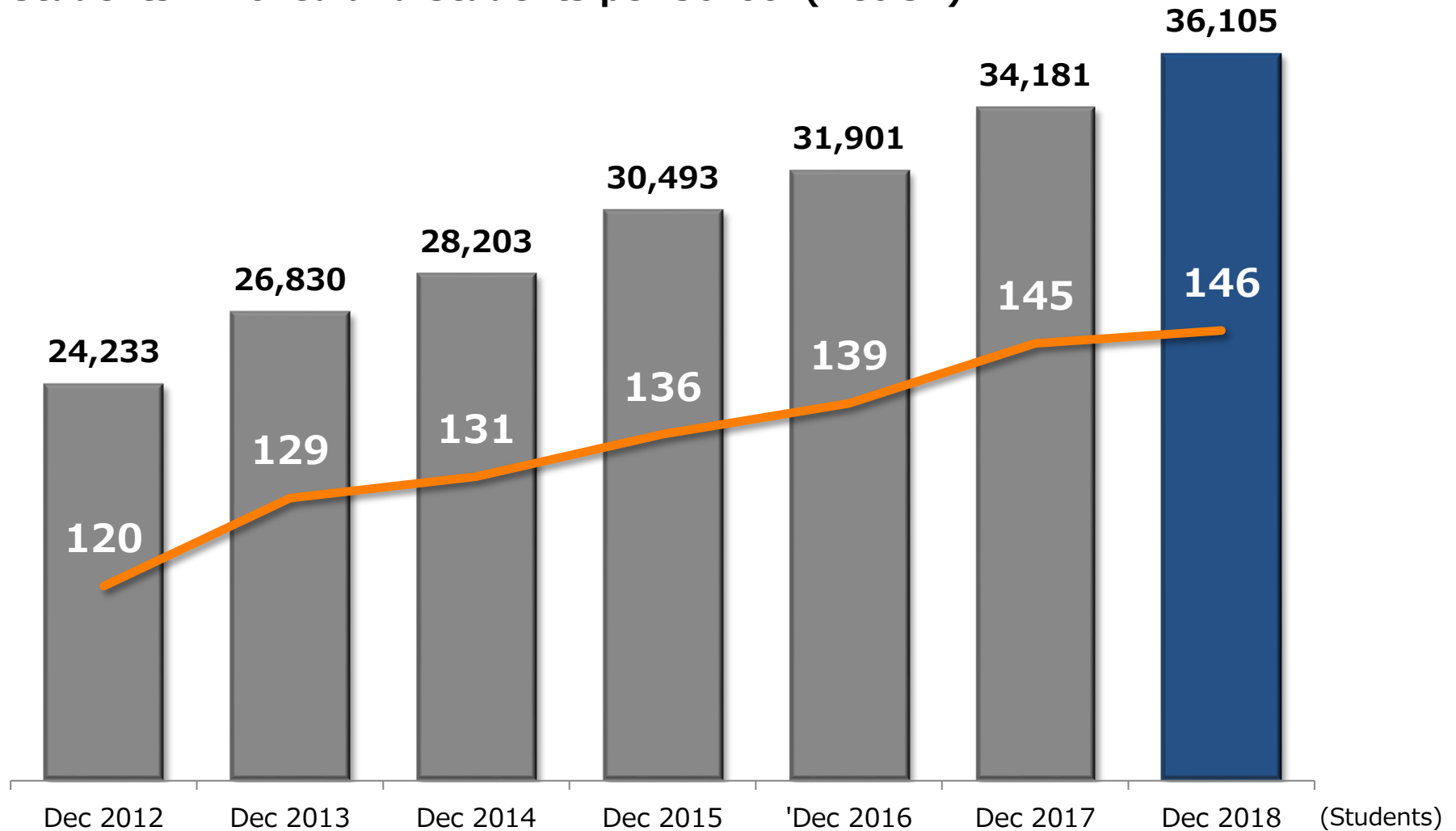
Sasazuka School (Tokyo)
November 2018

Shin-Kawasaki School (Kanagawa Pref.)
December 2018

Kiyosumi-Shirakawa School (Tokyo)
February 2019

Steadily Growing Enrollment at Each School

Students Enrolled and Students per School (Dec 31)



* Students enrolled in individualized teaching only (average enrollment per school as of Dec 31)



TEACHERS' SUMMIT

PDCA in Schools

May

September

January

March

Plan preparation

Summer course

Winter course

Kickoff Meeting

Prepare and announce plans



Midterm Briefing

Share progress of annual plan

Final Briefing Select Regional Representative School



TEACHERS' SUMMIT

Best Practices

- Announcement of Regional Representative Schools
- Department and individual awards, etc.

Independent Study Program for the Skills Society Wants



**TEACHERS'
SUMMIT Academy**

Leadership Program

OUTPUT

Backcasting thinking method

Coaching skills

Grit

Know the self

Sharing learnings

Support Seminars

Job Search

Self-analysis &
ES writing

Groupwork,
discussion

Industry research

Meet former
employees

Hiring Teachers

Understand
teaching issues

One-on-one interview
strategies

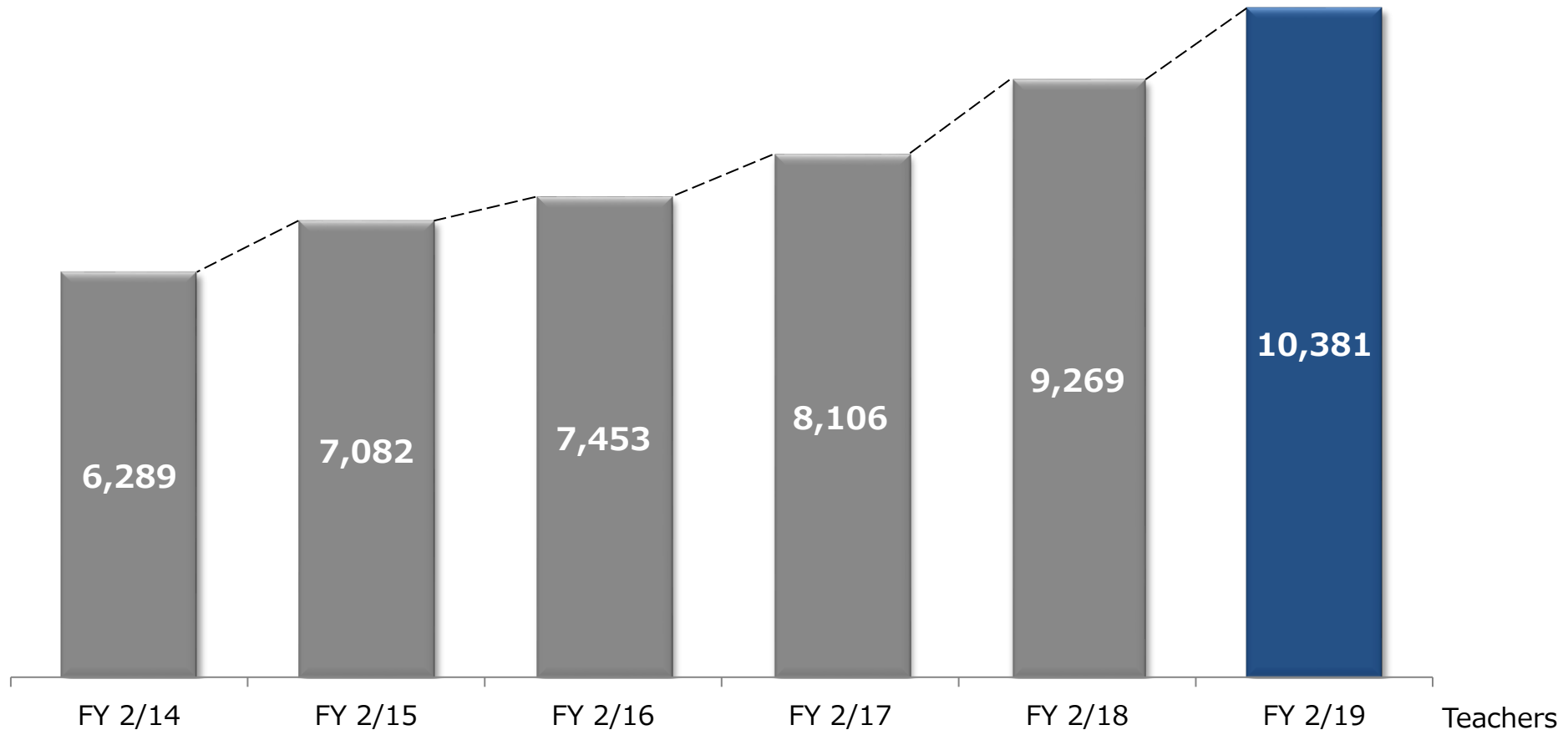
Short essay strategies

Localized strategies
(Mock lessons, group discussion)

Contribution to Steady Provision of Teaching Services

Teachers (Feb 28)

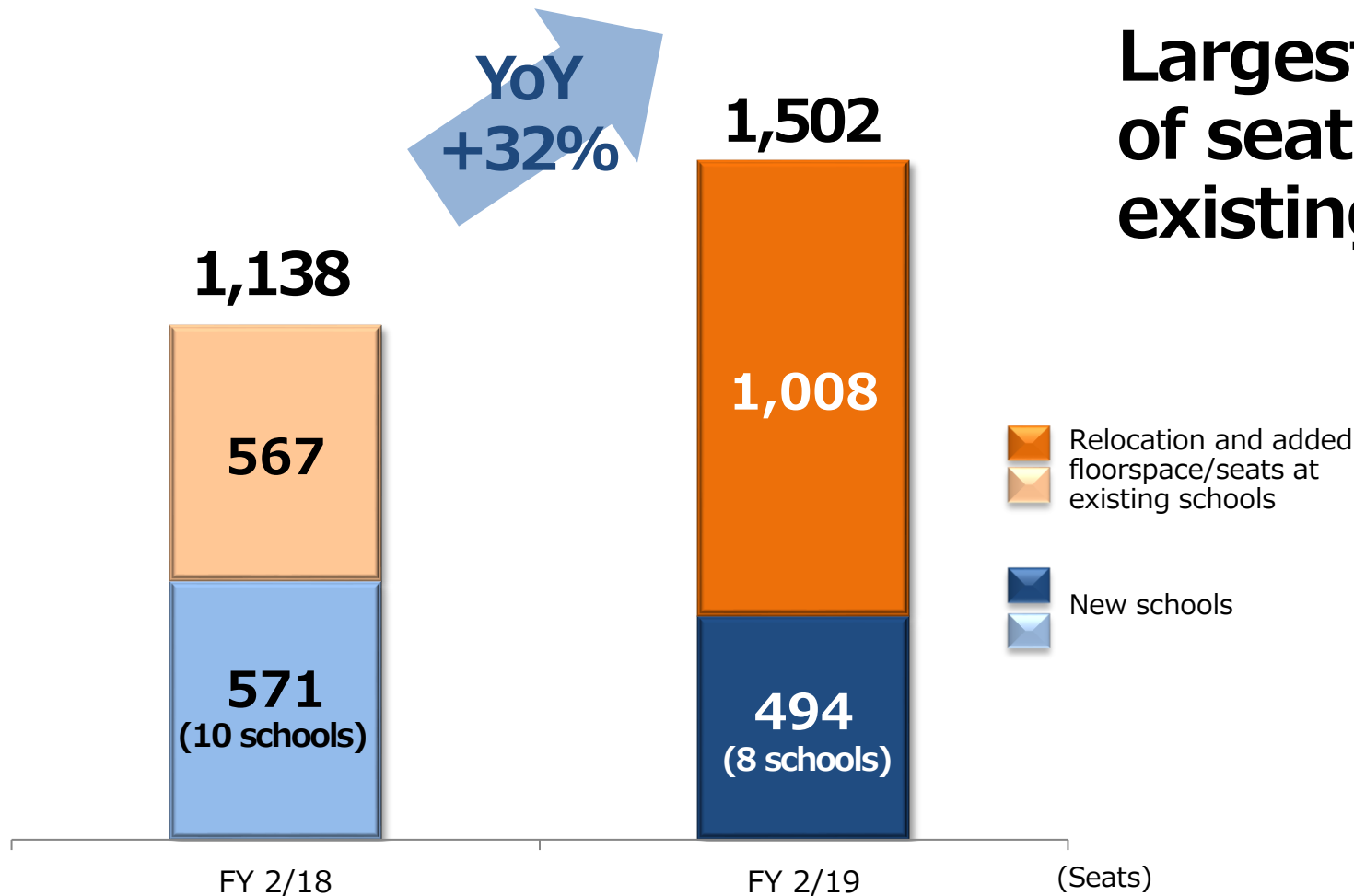
* Including part-time office staff



Accelerated Investment in Environments

YoY Addition of Seats

**Largest addition
of seats to
existing schools**



Record Net Sales & Earnings

(Millions of yen)

	FY 2/18 Full-Year Results	FY 2/19 Full-Year Results	Change	% Change
Net sales	19,175	20,397	1,221	+6.4%
Cost of sales	11,699	12,542	843	+7.2%
Cost of sales ratio	61.0%	61.5%	0.5%	-
Gross profit	7,475	7,854	378	+5.1%
Gross profit margin	39.0%	38.5%	-0.5%	-
SG&A	4,841	5,063	222	+4.6%
SG&A ratio	25.2%	24.8%	-0.4%	-
Operating income	2,634	2,790	155	+5.9%
Operating income margin	13.7%	13.7%	-0.1%	-
Ordinary income	2,636	2,793	156	+5.9%
Net income	1,744	1,932	187	+10.7%
Net income margin	9.1%	9.5%	0.4%	-

Balance Sheet/Cash Flow Statement

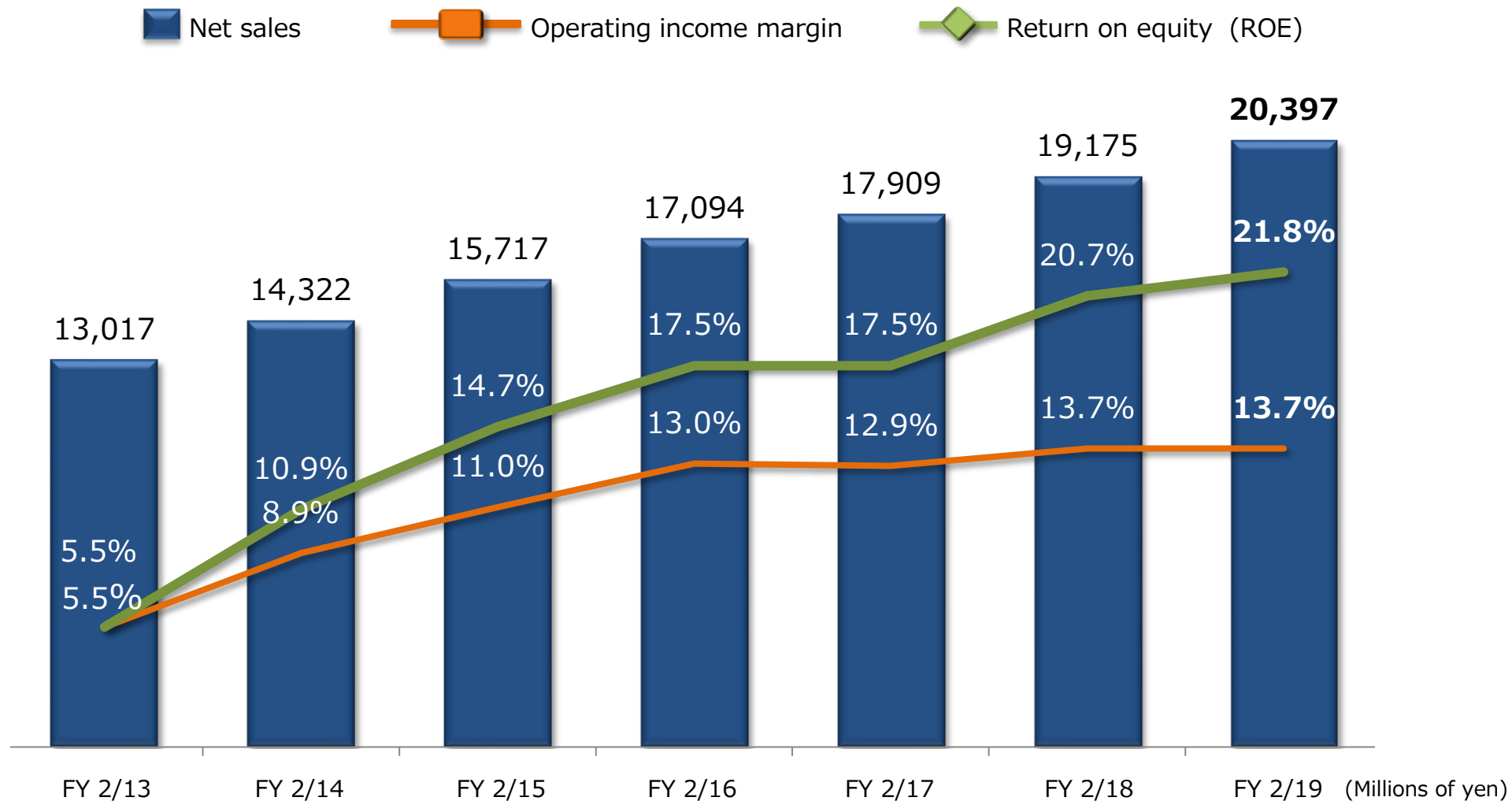
(Millions of yen)

	Feb 28, 2018	Feb 28, 2019
Current assets	8,936	9,568
Fixed assets	2,477	2,546
Total assets	11,414	12,114
Current liabilities	2,822	3,003
Long-term liabilities	5	4
Total liabilities	2,828	3,008
Total net assets	8,585	9,106
Total liabilities and net assets	11,414	12,114

(Millions of yen)

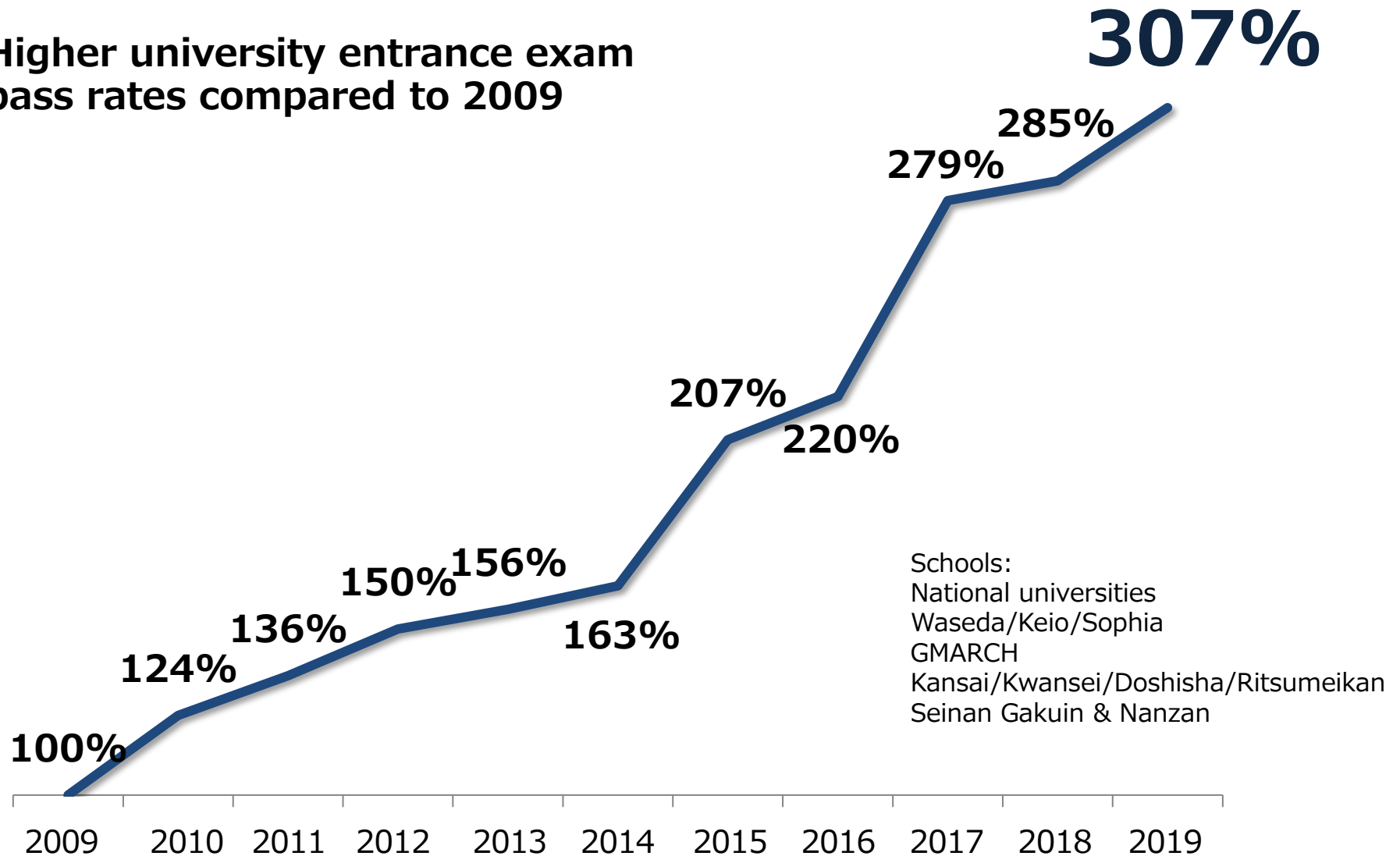
	FY 2/18	FY 2/19
Operating cash flow	2,366	2,438
Investment cash flow	(388)	(379)
Financing cash flow	(1,411)	(1,412)
Increase (decrease) in cash & cash equivalents	566	646
Cash & cash equivalents at beginning of year	7,207	7,773
Cash & cash equivalents at end of period	7,773	8,420

Sustainable Earnings Growth and Rising Corporate Value



Higher Passing Rates for Selective Schools' Entrance Exams

Higher university entrance exam pass rates compared to 2009



Improved & Restructured Individualized Teaching

Implement the medium-term management plan and establish a forward-looking platform

Growth
Strategy

Apply our unique strengths to improve individualized teaching

**Develop
people**

**1 Stronger
staff
development**

**Develop
environment**

**2 Open
dominant
schools**

**Develop
the future**

**3 Reorganize &
strengthen
portfolio**

Restruc-
turing

Strengthen managerial foundation for sustainable growth



Partners & Alumni Organization Network for Connecting Minds

Seek to Fulfill Plan 1 Year Early

Initial Plan

TO GO FOR THE NEXT

ホスピタリティ経営 2020

(Millions of yen)

	FY2/19 Forecast	FY 2/20 Plan	FY 2/21 Plan
Net sales	20,100	20,400	21,200
Operating income	2,730	2,790	2,875
Operating income margin	13.6%	13.7%	13.6%

April 10 Revision

(Millions of yen)

	FY 2/19 Results	FY 2/20 Revised Forecast
Net sales	20,397	21,200
Operating income	2,790	2,875
Operating income margin	13.7%	13.6%

Steady Shareholder Return

Dividend Payout Results & Forecast

	FY 2/16	FY 2/17	FY 2/18	FY 2/19	FY 2/20 Forecast
Full-year dividend	24 yen	26 yen	26 yen	*26 yen	26 yen
Dividend payout ratio	94.2%	98.1%	80.9%	*73.1%	73.0%
Mid-year dividend	12 yen	13 yen	13 yen	13 yen	13 yen
End-of-year dividend	12 yen	13 yen	13 yen	*13 yen	13 yen

* Includes 8-yen dividend (full-year) for company's 30th anniversary

* Decided at 36th Ordinary General Meeting of Shareholders

* Forecast figures announced April 10, 2019

Doing More for the SDGs

<https://www.tkg-jp.com/en/sdgs/>



Promoting Better & Sustained Employee Health





Looking Beyond 2020

Katsuki Saito
President and Representative Director
Tokyo Individualized Educational Institute, Inc.

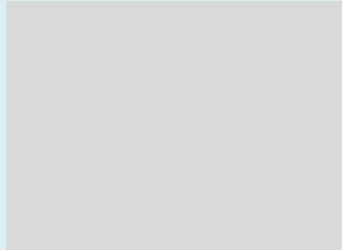
VISION 2030

New Committee

Technology



Online Business



Univ. Student & Adult Education



More Schools



STEAM Education



Corporate Identity

**The confidence that you can do it if you try
The joy of taking on a new challenge
The importance of having dreams**

**With these three educational ideals and
hospitality as the linchpin of our business
activities, we shall contribute to a happy
future for humanity.**

Thank you for your attention.



Forward-Looking Statements

These materials include forward-looking statements concerning future financial performance, including business strategies and forecasts. Such statements are based on the Company's judgment at the time of publication, and include inherent risks and uncertainties. These strategies and forecasts may be amended due to changes in the external environment or other factors.

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東京個別指導学院