

# Notice on Acquisition of HRBC Stock

## Engagement in Corporate Human Resource Development

Tokyo Individualized Educational Institute, Inc. (hereinafter, Tokyo Individualized Educational Institute) is pleased to announce that we concluded a stock transfer agreement on December 24, 2019 concerning the acquisition of stock in HRBC Co., Ltd. (hereinafter HRBC). This acquisition is in accordance with plans indicated in our FY2019 Third Quarter Business Results Summary released on January 9, 2020 and was approved on December 24, 2019 via a resolution passed by our Board of Directors. In accordance with this agreement, we completed the acquisition of HRBC stock on January 24, 2020 with details of this acquisition (hereinafter, Acquisition) as indicated below. This Acquisition marks the start of Tokyo Individualized Educational Institute's engagement in corporate training, a new domain for our Company. Through collaborations with HRBC, Tokyo Individualized Educational Institute will offer education services providing a broad range of customers, from children to adults, with the ability to thrive in the future.

### 1. Background

We are faced with an increasing number of opportunities to reevaluate how we work and live.\* This is due to changes in industry structures being driven by the rapid permeation of technology such as AI and IoT, workforces have declined due to population decline, and we are entering the age of 100-year lifespans. Growing in social importance and as a corporate need is human resource development that supports the growth and career formation of company employees. This is particularly the case in a time when employees are expected to update their skills through continued learning as well as acquire new skills if they hope to provide added value as working members of society.

Through our core business of individualized educational services for elementary, middle, and high school students, Tokyo Individualized Educational Institute continuously works to improve our unique methods of human resource development while promoting hospitality-style management focused on growing together with everyone involved in our operations. We have developed frameworks for increasing engagement with instructors and we provide high-quality educational services that foster autonomy and communication skills. Through our unique approaches, we have constantly increased our value.

Beginning from FY2018, we launched a new medium-term management plan: To go for the NEXT – Hospitality Management 2020. One of the growth strategies outlined in this plan is to develop new services. Based on this strategy, we have been evaluating expanding operations to provide corporate training services.

HRBC is a team of corporate training professionals that provides the planning and implementation of training for working professionals based on the philosophy of *encourage the individual to enable the organization*. The company boasts vast experience and knowledge, and a strong client base. HRBC provides training courses to over 13,000 people annually in a live format that is customized to the issues facing each company and promotes close interaction between instructors and students. This alliance was possible because HRBC was seeking to strengthen its business platform in a way that would promote business growth.

## 2. Acquisition objectives and future strategy

Through this Acquisition, Tokyo Individualized Educational Institute will engage in corporate training, a new domain for our company. By maintaining our corporate business of individualized education services while expanding into corporate training, we will promote the diversification of our business platform. The addition of HRBC's high added-value corporate training business to our portfolio of services will enable us to increase the value of our brand as a company for human resource development. And by expanding on alliances, including personnel exchanges, we will help accelerate business growth for HRBC. Moving forward, we will evaluate combining HRBC's corporate training experience and knowledge with the instructor development methods for university students we have cultivated to develop a new human resource development business.

Through co-creation by HRBC and Tokyo Individualized Educational Institute, we will support the growth and career development of working professionals in this age of 100-year lifespans. By offering education services providing a broad range of customers, from children to adults, with the ability to thrive in the future, we will contribute to the realization of our corporate philosophy - A happy future for humanity – as well as to achieving sustainable business growth and increasing our corporate value.

## 3. Overview of HRBC Co., Ltd.

(1) Name	HRBC Co., Ltd.
(2) Address	2-17-12 Ebisu Nishi, Shibuya-ku, Tokyo
(3) Representative name/title	Fumiyasu Sakogawa, Representative Director
(4) Operations	Corporate training planning and implementation, staffing and personnel development consulting
(5) Capital	10 million yen
(6) Established	October 2, 2008
(7) Website	<a href="https://hrbc.jp/en">https://hrbc.jp/en</a>

## 4. Future forecasts

We forecast the impact of this stock acquisition on earnings for the current fiscal year will be minor. Furthermore, we plan to include HRBC earnings in Company earnings beginning from FY2020. We currently are evaluating the impact on earnings for next fiscal year and beyond but we anticipate this will contribute to increased performance.

\*Reference: METI Human Resources Policy Office: *Jinsei hyakunen jidai no syakaijin kisoryoku ni tsuite* (Professional Competency in the Age of 100-Year Lifespans) (Feb. 2018)

[https://www.meti.go.jp/committee/kenkyukai/sansei/jinzairyoku/jinzaizou\\_wg/pdf/007\\_06\\_00.pdf](https://www.meti.go.jp/committee/kenkyukai/sansei/jinzairyoku/jinzaizou_wg/pdf/007_06_00.pdf)

### Inquiries

Tokyo Individualized Educational Institute, Inc. IR Manager Takehiro Fuwa

Tel : +81-3-6911-3140

E-mail : [ir@tkg-jp.com](mailto:ir@tkg-jp.com)