

FY2/21 1Q (March 2020–May 2020)

Fact Sheet

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

- (1) Performance overview .. P.1
- (2) Cost of sales breakdown .. P.2
- (3) SG&A breakdown .. P.2
- (4) Net sales by student type .. P.3

2. Secular trends in first quarter financial results

- (1) Performance overview .. P.4
- (2) Cost of sales breakdown .. P.5
- (3) SG&A breakdown .. P.5

3. Business overview

- (1) No. of students at the end of month .. P.6
- (2) No. of new students .. P.6
- (3) Withdrawal rate .. P.7
- (4) Breakdown by student type (Avg.) .. P.7
- (5) Net sales by student .. P.7

4. Secular trends in key indicators

- (1) Financial condition, others (First quarter) .. P.8
- (2) Financial condition, others (Full year) .. P.9



* The company shifted to consolidated accounting in FY2/20 Q4.

Comparisons between results prior to the fiscal year ended February 2020 and the fiscal year ending February 2021 are intended as a reference only.

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 2020 (through February) (non-consolidated)				FY 2021 consolidated results											
	1Q (2019/3/1～ 2019/5/31)	First half (2019/3/1～ 2019/8/31)	3Q (2019/3/1～ 2019/11/30)	Full year (2019/3/1～ 2020/2/29)	1Q (2020/3/1～2020/5/31)			First half (2020/3/1～2020/8/31)			3Q (2020/3/1～2020/11/30)			Full year (2020/3/1～2021/2/28)		
					Result	YOY +/-*	YOY %*	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %
Net sales	3,786	9,820	14,593	21,261	2,134	-1,652	56.4%									
Cost of sales	2,912	6,339	9,497	13,104	2,526	-385	86.8%									
Cost of sales ratio	76.9%	64.6%	65.1%	61.6%	118.4%	-	-									
Gross profit	874	3,480	5,096	8,156	-392	-1,266	-									
Gross profit margin	23.1%	35.4%	34.9%	38.4%	-	-	-									
SG&A	1,554	2,894	3,808	5,228	1,369	-185	88.1%									
SG&A ratio	41.1%	29.5%	26.1%	24.6%	64.1%	-	-									
Operating income (loss)	-679	586	1,287	2,928	-1,761	-1,081	-									
Operating income margin	-	6.0%	8.8%	13.8%	-	-	-									
Ordinary income (loss)	-678	588	1,290	2,931	-1,752	-1,073	-									
Ordinary income margin	-	6.0%	8.8%	13.8%	-	-	-									
Net income (loss)	-497	355	822	1,936	-1,390	-893	-									
Net income margin	-	3.6%	5.6%	9.1%	-	-	-									
Net income attributable to parent company	-	-	-	-	-1,389	-	-									
Net income margin	-	-	-	-	-	-	-									

*Comparisons between results of the fiscal year ended February 2020 and the fiscal year ending February 2021 are intended as a reference only.

(2) Cost of sales breakdown

(Millions of yen)	FY 2020 (through February) (non-consolidated)				FY 2021 consolidated results											
	1Q (2019/3/1～ 2019/5/31)	First half (2019/3/1～ 2019/8/31)	3Q (2019/3/1～ 2019/11/30)	Full year (2019/3/1～ 2020/2/29)	1Q (2020/3/1～2020/5/31)			First half (2020/3/1～2020/8/31)			3Q (2020/3/1～2020/11/30)			Full year (2020/3/1～2021/2/28)		
					Result	YOY +/-*	YOY %*	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %
Cost of sales (100%)	2,912	6,339	9,497	13,104	2,526	-385	86.8%									
Personnel expenses	628	1,251	1,865	2,506	640	12	102.0%									
Ratio to cost of sales	21.6%	19.7%	19.6%	19.1%	25.3%	-	-									
Instructors expense	1,233	2,949	4,414	6,346	761	-471	61.8%									
Ratio to cost of sales	42.3%	46.5%	46.5%	48.4%	30.1%	-	-									
Rent	633	1,274	1,925	2,587	673	39	106.2%									
Ratio to cost of sales	21.8%	20.1%	20.3%	19.7%	26.6%	-	-									
Lease	60	119	175	231	60	0	100.2%									
Ratio to cost of sales	2.1%	1.9%	1.8%	1.8%	2.4%	-	-									
Property expense	57	114	176	224	51	-6	88.7%									
Ratio to cost of sales	2.0%	1.8%	1.9%	1.7%	2.0%	-	-									
Depreciation	26	55	88	123	30	4	115.4%									
Ratio to cost of sales	0.9%	0.9%	0.9%	0.9%	1.2%	-	-									
Others	272	573	851	1,084	308	36	113.4%									
Ratio to cost of sales	9.3%	9.0%	9.0%	8.3%	12.2%	-	-									

*Comparisons between results of the fiscal year ended February 2020 and the fiscal year ending February 2021 are intended as a reference only.

(3) SG&A breakdown

(Millions of yen)	FY 2020 (through February) (non-consolidated)				FY 2021 consolidated results											
	1Q (2019/3/1～ 2019/5/31)	First half (2019/3/1～ 2019/8/31)	3Q (2019/3/1～ 2019/11/30)	Full year (2019/3/1～ 2020/2/29)	1Q (2020/3/1～2020/5/31)			First half (2020/3/1～2020/8/31)			3Q (2020/3/1～2020/11/30)			Full year (2020/3/1～2021/2/28)		
					Result	YOY +/-*	YOY %*	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %
SG&A (100%)	1,554	2,894	3,808	5,228	1,369	-185	88.1%									
Personnel expenses (Salaries/Bonuses/Miscellaneous wages and salaries)	296	601	886	1,175	273	-22	92.3%									
Ratio to SG&A	19.1%	20.8%	23.3%	22.5%	20.0%	-	-									
Advertising	749	1,382	1,620	2,234	603	-146	80.5%									
Ratio to SG&A	48.2%	47.8%	42.6%	42.7%	44.1%	-	-									
Recruiting	107	141	173	207	100	-6	93.8%									
Ratio to SG&A	6.9%	4.9%	4.5%	4.0%	7.4%	-	-									
Rent	29	57	87	117	31	1	106.3%									
Ratio to SG&A	1.9%	2.0%	2.3%	2.2%	2.3%	-	-									
Commissions	191	386	570	827	216	24	112.7%									
Ratio to SG&A	12.3%	13.4%	15.0%	15.8%	15.8%	-	-									
Depreciation	24	50	75	104	21	-3	85.2%									
Ratio to SG&A	1.6%	1.7%	2.0%	2.0%	1.6%	-	-									
Others	154	274	394	521	122	-32	79.2%									
Ratio to SG&A	9.9%	9.5%	10.4%	10.0%	8.9%	-	-									

*Comparisons between results of the fiscal year ended February 2020 and the fiscal year ending February 2021 are intended as a reference only.

(4) Net sales by student type

(Millions of yen)	FY 2020 (through February) (non-consolidated)				FY 2021 consolidated results											
	1Q	First half	3Q	Full year	1Q			First half			3Q			Full year		
	(2019/3/1 ~ 2019/5/31)	(2019/3/1 ~ 2019/8/31)	(2019/3/1 ~ 2019/11/30)	(2019/3/1 ~ 2020/2/29)	(2020/3/1 ~2020/5/31)			(2020/3/1 ~2020/8/31)			(2020/3/1 ~2020/11/30)			(2020/3/1 ~2021/2/28)		
					Result	YOY +/-*	YOY %*	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %	Result	YOY +/-	YOY %
Primary school students	398	920	1,371	1,996	238	-159	59.9%									
Middle school students	1,370	3,424	5,082	7,745	777	-593	56.7%									
High school students	1,953	5,342	7,939	11,249	1,064	-888	54.5%									
Total sales for individualized instruction classes	3,722	9,687	14,393	20,991	2,081	-1,641	55.9%									
Science/Writing and other	64	132	199	269	53	-11	82.8%									
Total	3,786	9,820	14,593	21,261	2,134	-1,652	56.4%									

*Comparisons between results of the fiscal year ended February 2020 and the fiscal year ending February 2021 are intended as a reference only.

2. Secular trends in first quarter financial results

(1) Performance overview

(Millions of yen)	1Q (3/1~5/31)					Total (3/1~2/29)				
	FY 2017 (through February) (non-consolidated)	FY 2018 (through February) (non-consolidated)	FY 2019 (through February) (non-consolidated)	FY 2020 (through February) (non-consolidated)	FY 2021 (through February) (consolidated)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2020 (through February)	FY 2021 (through February)
Net sales	3,254	3,428	3,679	3,786	2,134					
Cost of sales	2,504	2,642	2,829	2,912	2,526					
Cost of sales ratio	76.9%	77.1%	76.9%	76.9%	118.4%					
Gross profit	750	785	850	874	-392					
Gross profit margin	23.1%	22.9%	23.1%	23.1%	-					
SG&A	1,705	1,542	1,470	1,554	1,369					
SG&A ratio	52.4%	45.0%	40.0%	41.1%	64.1%					
Operating income (loss)	-954	-757	-620	-679	-1,761					
Operating income margin	-	-	-	-	-					
Ordinary income (loss)	-952	-756	-619	-678	-1,752					
Ordinary income margin	-	-	-	-	-					
Net income (loss)	-670	-543	-430	-497	-1,390					
Net income margin	-	-	-	-	-					
Net income attributable to parent company	-	-	-	-	-1,389					
Net income margin	-	-	-	-	-					

*Comparisons between results prior to the fiscal year ended February 2020 and the fiscal year ending February 2021 are intended as a reference only.

(2) Cost of sales breakdown

(Millions of yen)	1Q (3/1~5/31)					Total (3/1~2/29)				
	FY 2017 (through February) (non-consolidated)	FY 2018 (through February) (non-consolidated)	FY 2019 (through February) (non-consolidated)	FY 2020 (through February) (non-consolidated)	FY 2021 (through February) (consolidated)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2020 (through February)	FY 2021 (through February)
Cost of sales (100%)	2,504	2,642	2,829	2,912	2,526					
Personnel expenses	569	567	592	628	640					
Ratio to cost of sales	22.8%	21.5%	21.0%	21.6%	25.3%					
Instructors expense	983	1,132	1,192	1,233	761					
Ratio to cost of sales	39.3%	42.8%	42.2%	42.3%	30.1%					
Rent	517	549	599	633	673					
Ratio to cost of sales	20.7%	20.8%	21.2%	21.8%	26.6%					
Lease	73	58	59	60	60					
Ratio to cost of sales	2.9%	2.2%	2.1%	2.1%	2.4%					
Property expense	55	53	50	57	51					
Ratio to cost of sales	2.2%	2.0%	1.8%	2.0%	2.0%					
Depreciation	30	27	30	26	30					
Ratio to cost of sales	1.2%	1.0%	1.1%	0.9%	1.2%					
Others	273	254	303	272	308					
Ratio to cost of sales	10.9%	9.6%	10.7%	9.3%	12.2%					

*Comparisons between results prior to the fiscal year ended February 2020 and the fiscal year ending February 2021 are intended as a reference only.

(3) SG&A breakdown

(Millions of yen)	1Q (3/1~5/31)					Total (3/1~2/29)				
	FY 2017 (through February) (non-consolidated)	FY 2018 (through February) (non-consolidated)	FY 2019 (through February) (non-consolidated)	FY 2020 (through February) (non-consolidated)	FY 2021 (through February) (consolidated)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2020 (through February)	FY 2021 (through February)
SG&A (100%)	1,705	1,542	1,470	1,554	1,369					
Personnel expenses (Salaries/Bonuses/Miscellaneous wages and salaries)	282	274	293	296	273					
Ratio to SG&A	16.6%	17.8%	19.9%	19.1%	20.0%					
Advertising	1,031	839	774	749	603					
Ratio to SG&A	60.5%	54.4%	52.7%	48.2%	44.1%					
Recruiting	104	113	99	107	100					
Ratio to SG&A	6.2%	7.4%	6.8%	6.9%	7.4%					
Rent	20	23	23	29	31					
Ratio to SG&A	1.2%	1.5%	1.6%	1.9%	2.3%					
Commissions	127	159	155	191	216					
Ratio to SG&A	7.5%	10.3%	10.6%	12.3%	15.8%					
Depreciation	17	16	22	24	21					
Ratio to SG&A	1.0%	1.1%	1.5%	1.6%	1.6%					
Others	121	116	100	154	122					
Ratio to SG&A	7.1%	7.5%	6.8%	9.9%	8.9%					

*Comparisons between results prior to the fiscal year ended February 2020 and the fiscal year ending February 2021 are intended as a reference only.

3. Business overview

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

(Students)

	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2020 (through February)	FY 2021 (through February)	YOY +/-	YOY %
Mar.	23,323	24,470	26,125	27,654	27,006	-648	97.7%
Apr.	24,867	26,135	28,016	29,460	26,000	-3,460	88.3%
May	25,276	26,538	28,485	29,866	25,719	-4,147	86.1%
Jun.	26,492	28,076	30,194	31,358			
Jul.	30,726	32,674	35,060	36,480			
Aug.	30,958	33,075	35,368	36,512			
Sep.	31,258	33,467	35,623	36,419			
Oct.	31,473	33,768	35,849	36,151			
Nov.	31,532	33,872	35,762	36,044			
Dec.	31,901	34,181	36,105	36,074			
Jan.	30,186	32,115	34,150	34,211			
Feb.	23,807	25,319	27,195	27,673			
Average	28,483	30,308	32,328	33,159			

*Monthly quick estimate

(2) No. of new students

(Students)

	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2020 (through February)	FY 2021 (through February)	YOY +/-	YOY %
Mar.	3,395	3,640	3,951	3,863	2,331	-1,532	60.3%
Apr.	2,554	2,706	2,979	2,887	401	-2,486	13.9%
May	1,108	1,207	1,301	1,310	167	-1,143	12.7%
Jun.	1,919	2,370	2,593	2,445			
Jul.	4,999	5,500	5,883	6,120			
Aug.	1,387	1,417	1,434	1,361			
Sep.	1,388	1,545	1,574	1,384			
Oct.	1,351	1,381	1,645	1,252			
Nov.	1,408	1,548	1,653	1,471			
Dec.	1,927	2,016	2,136	1,908			
Jan.	1,172	1,114	1,235	1,219			
Feb.	1,380	1,380	1,624	1,702			
Average	23,988	25,824	28,008	26,922			

*Monthly quick estimate

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

	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2020 (through February)	FY 2021 (through February)	YOY +/-
Mar.	13.05%	12.50%	12.42%	12.52%	10.83%	-1.68%
Apr.	4.33%	4.25%	4.16%	3.91%	5.21%	1.30%
May	2.81%	3.08%	2.97%	3.07%	1.72%	-1.35%
Jun.	2.78%	3.14%	3.10%	3.19%		
Jul.	2.89%	3.21%	3.37%	3.18%		
Aug.	3.76%	3.11%	3.21%	3.64%		
Sep.	3.51%	3.49%	3.73%	4.05%		
Oct.	3.63%	3.23%	3.98%	4.17%		
Nov.	4.29%	4.28%	4.85%	4.37%		
Dec.	4.94%	5.04%	5.01%	5.21%		
Jan.	9.05%	9.30%	8.84%	8.54%		
Feb.	25.70%	25.46%	25.12%	24.09%		

*Monthly quick estimate

(4) Breakdown by student type (Avg.)

(Students)

	FY 2017 (through February) 16/03-16/05	FY 2018 (through February) 17/03-17/05	FY 2019 (through February) 18/03-18/05	FY 2020 (through February) 19/03-19/05	FY 2021 (through February) 20/03-20/05	YOY +/-
Primary school students	2,587	2,718	3,131	3,475	3,208	-267
	10.6%	10.6%	11.4%	12.0%	12.2%	-
Middle school students	9,284	9,557	10,058	10,529	9,240	-1,289
	37.9%	37.2%	36.5%	36.3%	35.2%	-
High school students	12,617	13,439	14,352	14,989	13,793	-1,196
	51.5%	52.2%	52.1%	51.7%	52.6%	-
Total	24,488	25,714	27,542	28,993	26,241	-2,752
	100.0%	100.0%	100.0%	100.0%	100.0%	-

(5) Net sales by student (Individualized education)

	FY 2017 (through February) 16/03-16/05	FY 2018 (through February) 17/03-17/05	FY 2019 (through February) 18/03-18/05	FY 2020 (through February) 19/03-19/05	FY 2021 (through February) 20/03-20/05	YOY +/-
Net sales (1,000 yen)	3,185,668	3,357,454	3,611,000	3,722,612	2,081,321	-1,641,291
Average no. students (Students)	24,488	25,714	27,542	28,993	26,241	-2,752
Net sales per student (Yen)	130,091	130,569	131,108	128,396	79,315	-49,081

4. Secular trends in key indicators

(1) Financial condition, others (First quarter)

(Millions of yen)	First quarter				
	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2020 (through February)	FY 2021 (through February)*
Total assets	8,496	8,910	9,599	10,334	10,610
Current assets	6,182	6,563	7,107	7,410	6,417
Cash and deposits	4,936	5,157	5,623	6,208	5,784
Accounts receivable	220	375	475	486	147
Fixed assets	2,313	2,347	2,491	2,924	4,192
Current liabilities	1,640	1,898	2,145	2,426	3,094
Long-term liabilities	7	9	4	3	5
Net assets	6,848	7,002	7,449	7,903	7,510
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	101	101	136	136
EPS (Yen)	-12.36	-10.02	-7.92	-9.15	-25.60
BPS (Yen)	126.15	128.98	137.22	145.57	138.33
Dividends per share (Full year) (Yen)	26.00	26.00	26.00	26.00	Undetermined
No. of schools	229 classes	232 classes	244 classes	250 classes	259 classes
No. of students	25,276	26,538	28,485	29,866	25,719
Employees (Regular)	457	481	504	533	554
Hiring and Training Capable Teachers	8,051	9,030	10,441	11,311	10,667

* The financial situation for FY2021 through February (from Total assets to Net assets) is based on the consolidated balance sheet.

Accordingly, these numbers serve as reference for comparing the financial situation prior to FY2020 (through February) and that in FY2021 (through February).

(2) Financial condition, others (Full year)

(Millions of yen)	Full year				
	FY 2016 (through February)	FY 2017 (through February)	FY 2018 (through February)	FY 2019 (through February)	FY 2020 (through February)*1
Net sales	17,094	17,909	19,175	20,397	21,261
Cost of sales	10,364	11,049	11,699	12,542	13,104
Cost of sales ratio	60.6%	61.7%	61.0%	61.5%	61.6%
Gross profit	6,730	6,859	7,475	7,854	8,156
Gross profit margin	39.4%	38.3%	39.0%	38.5%	38.4%
SG&A	4,512	4,553	4,841	5,063	5,228
SG&A ratio	26.4%	25.4%	25.2%	24.8%	24.6%
Operating income (loss)	2,217	2,305	2,634	2,790	2,928
Operating income margin	13.0%	12.9%	13.7%	13.7%	13.8%
Ordinary income (loss)	2,223	2,308	2,636	2,793	2,931
Ordinary income margin	13.0%	12.9%	13.7%	13.7%	13.8%
Net income (loss)	1,383	1,438	1,744	1,932	1,936
Net income margin	8.1%	8.0%	9.1%	9.5%	9.1%
Total assets	10,415	10,525	11,414	12,114	13,190
Current assets	8,168	8,205	8,936	9,463	9,790
Cash and deposits	7,099	6,907	7,473	8,120	8,453
Accounts receivable	335	540	648	654	631
Fixed assets	2,247	2,320	2,477	2,650	3,399
Current liabilities	2,234	2,261	2,822	3,003	3,577
Accounts payable & expenses	1,054	1,075	1,284	1,396	1,565
Long-term liabilities	9	11	5	4	6
Net assets	8,171	8,252	8,585	9,106	9,606
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	101	136	136
ROE Average (%)	17.5%	17.5%	20.7%	21.8%	*2 19.8%
EPS Average (Yen)	25.48	26.50	32.14	35.59	*3 34.94
BPS Average (Yen)	150.51	152.00	158.14	167.73	176.67
Dividends per share (Full year) (Yen)	24.00	26.00	26.00	26.00	(Planned) 26.00
No. of schools	225 classes	230 classes	240 classes	248 classes	256 classes
No. of students	22,918	23,807	25,319	27,195	27,673
Employees (Regular)	439	445	471	494	514
Hiring and Training Capable Teachers	7,453	8,106	9,269	10,381	11,070

*1. The financial situation for FY2020 through February (from Total assets to Net assets) is based on the consolidated balance sheet.

Accordingly, these numbers serve as reference for comparing the financial situation prior to FY2019 (through February) and that in FY2020 (through February).

*2. ROE (FY2022 through February): net income attributable to parent company / year-end shareholders' equity

*3. EPS (FY2020 through February): net income attributable to parent company / issued stock (No.)