

# Medium-to-Long Term Vision New Medium-Term Management Plan

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**1. TIEI's strengths**



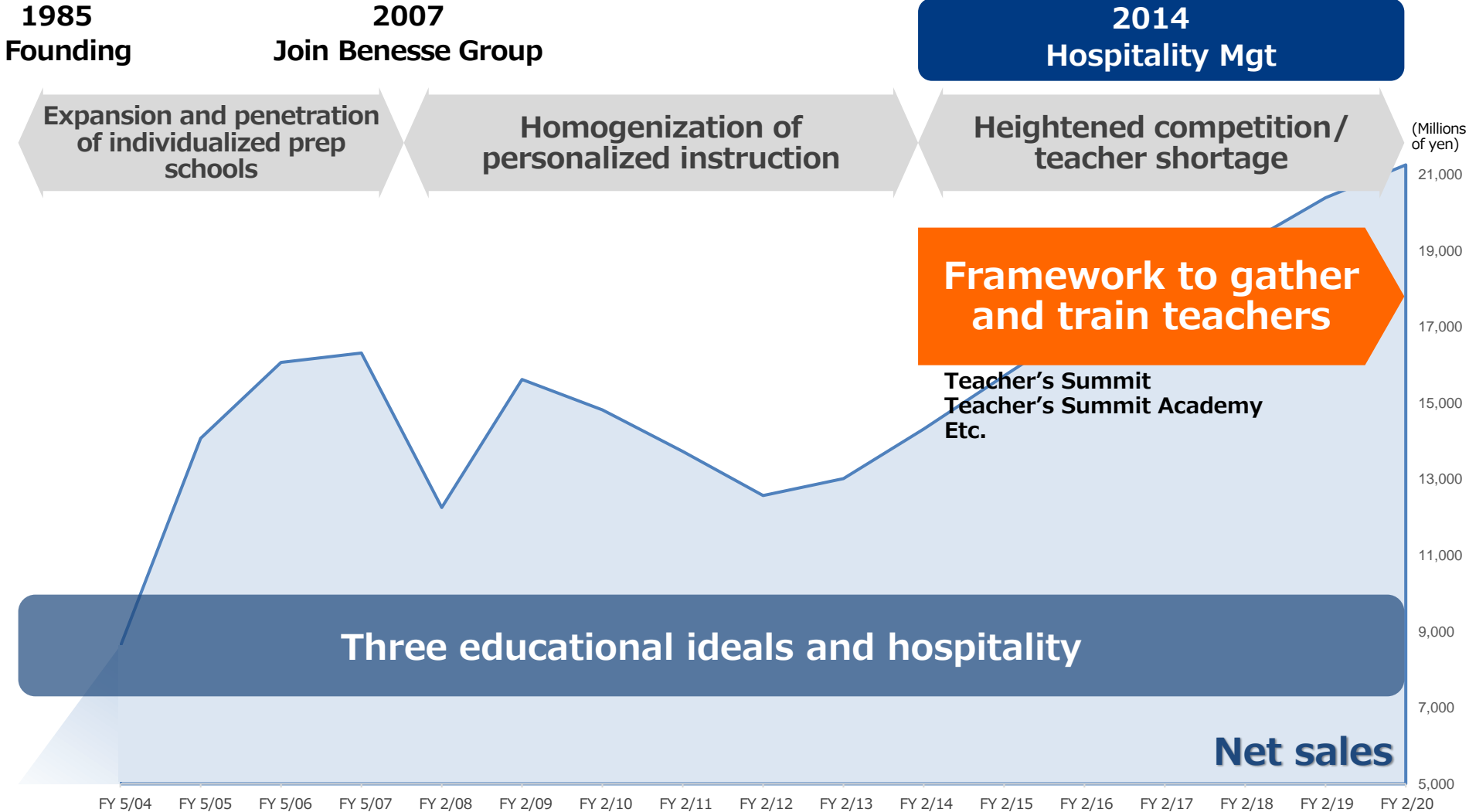
**2. Medium-to-long term vision  
VISION2030**



**3. New medium-term business plan  
Hospitality Management 2023  
(FYE February 2022 to FYE February 2024)**

# 1. TIEI's strengths

## Continuously enhancing our individualized service to meet the changing times

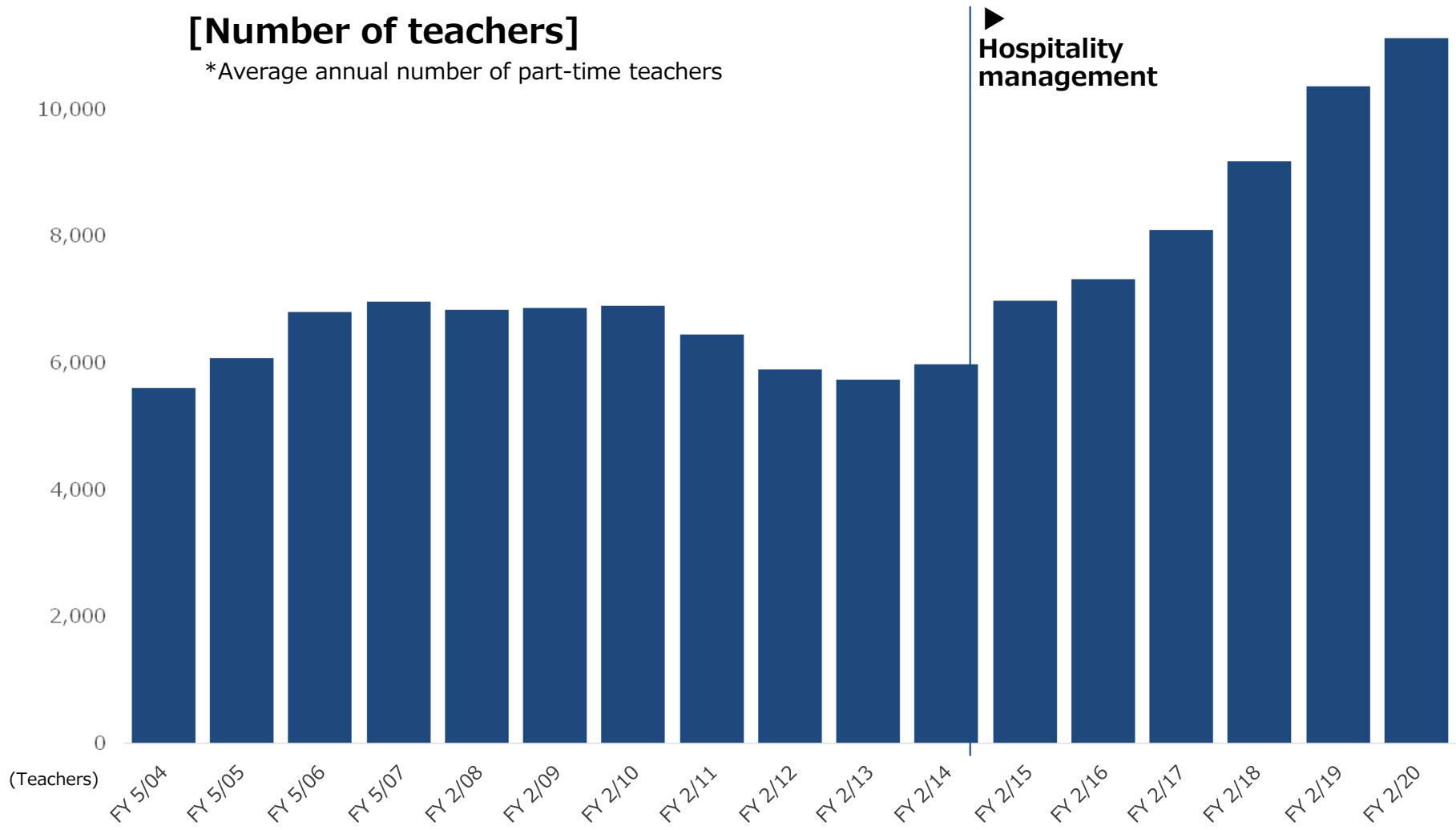


\* 9-month fiscal year

## Sustained growth while maintaining quality and volume of superior teachers

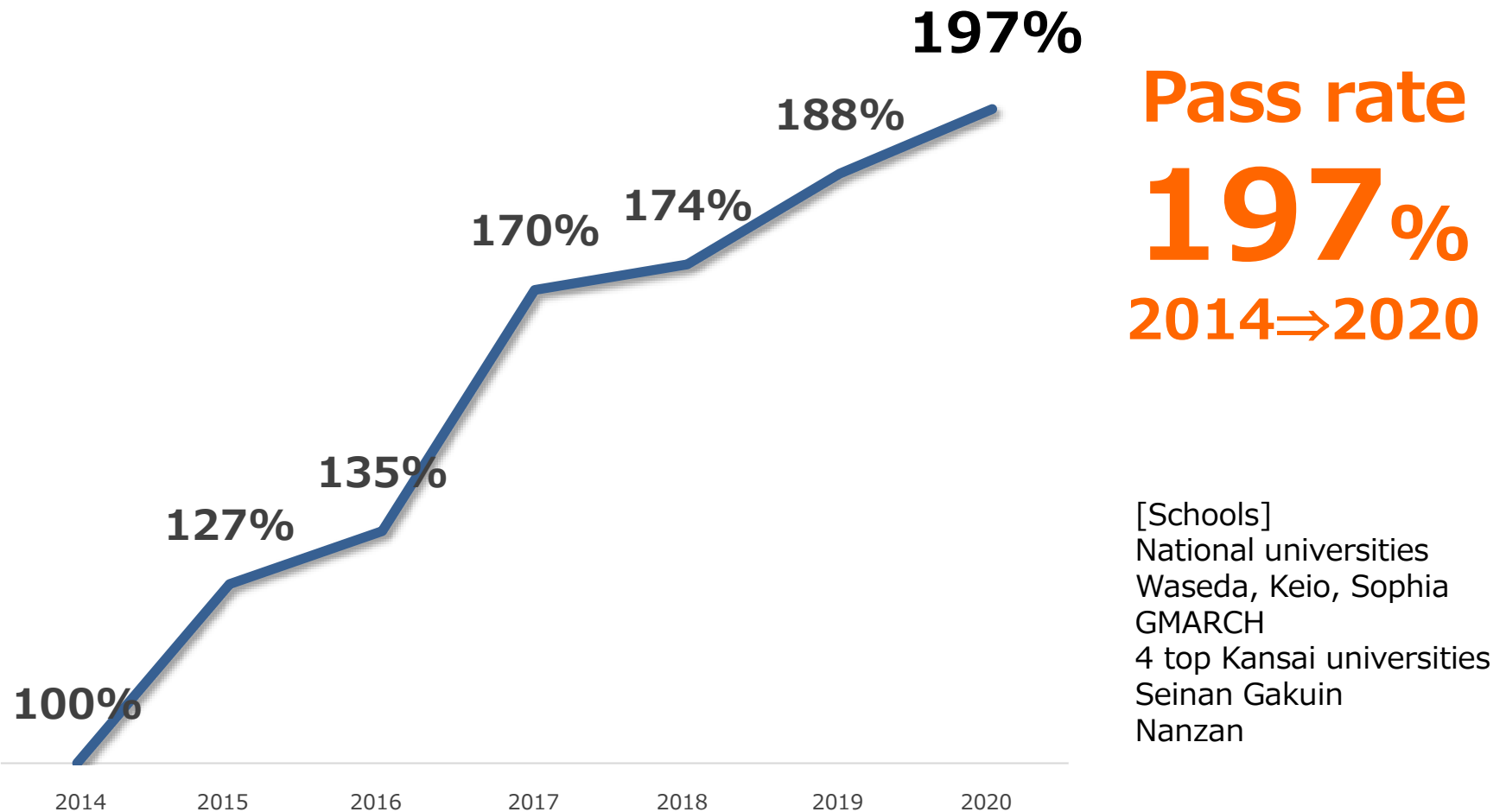
### [Number of teachers]

\*Average annual number of part-time teachers



## Maintaining teacher quality and volume raises educational service

[Acceptance into university vs.2014]



# Overwhelming instructor personnel platform



**System brings university students together and spurs growth through human interaction**

**Optimal matching of teachers and students**

Offers growth opportunities systematically to students and contributes to society's future

Japan Business Federation  
"Keidanren SDGs"

Foreign Ministry  
"JAPAN SDGs  
Action Platform"

KeidanrenSDGs

NEWS Society 5.0 for SDGs データベース

4 質の高い教育をみんなに 講師として働く大学生の成長機会を体系的に提供

(株) 東京個別指導学院

TEACHERS' SUMMIT

『TEACHERS' SUMMIT』と『TEACHERS' SUMMITアカデミー リーダーシッププログラム』を通じて数千人の大学生の成長支援

JAPAN SDGs Action Platform

このプラットフォームは、社会に広がるSDGsに関連した取組を幅広く紹介することを目的に運営しています

SDGsとは? 日本政府の取組 取組事例 ジャパンSDGsアワード

SUSTAINABLE DEVELOPMENT GOALS

Japan. Committed to SDGs

|                      |              |                   |                 |                      |                 |
|----------------------|--------------|-------------------|-----------------|----------------------|-----------------|
| 1 貧困をなくそう            | 2 飢餓をゼロに     | 3 すべての人に健康と福祉を    | 4 質の高い教育をみんなに   | 5 ジェンダー平等を實現しよう      | 6 安全な水とトイレを世界中に |
| 7 エネルギーをみんなにそしてクリーンに | 8 働きがいも経済成長も | 9 産業と技術革新の基盤をつくろう | 10 人や国の不平等をなくそう | 11 住み続けられるまちづくりを     | 12 つくも減らし消費を責任  |
| 13 気候変動に具体的な対策を      | 14 海の豊かさを守ろう | 15 陸の豊かさも守ろう      | 16 平和と公正をすべての人に | 17 パートナリシップで目標を達成しよう |                 |



## 2. Medium-to-long term vision VISION2030

Society has rapidly changed and **diversified**.  
Old assumptions no longer determine the future.



- Technological progress
- Globalization
- Diversified sense of values and lifestyles
- Environmental issues
  
- Falling birthrates
- Shrinking and graying population

**Independence**, learning on one's own with a vision of self and society.

**Communication ability**, in order to work with diversified community.

Crucial factors in selecting new workers

Sustainable development goals

## Communication ability

**82.4%**

No.1 for 16 years

## Independence

**64.3%**

No.2 for 10 years

Source: Japan Business Federation, FY18  
corporate survey on selection  
criteria for new graduates

## SUSTAINABLE DEVELOPMENT GOALS



**Raising a generation for a future  
sustainable society where  
partnerships can be nurtured**

## Coronavirus pandemic is **changing society irreversibly**



- New values and lifestyles from longer times at home
- Lifestyle change from greater hygiene awareness. Avoiding the 3Cs.
- Changes in global industrial structure and rise in remote society

Pandemic has put sudden spotlight on  
**online education** even at public schools

**Use of PCs  
at Japanese schools**

**Among 31 OECD nations**

**No.31**

Source: ICT FAMILIARITY  
QUESTIONNAIRE FOR PISA 2018



**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 corporate activities,  
we shall contribute to  
a happy future for humanity.**



# A Co-created Future

A thick, yellow, hand-drawn style brushstroke underline that starts under the word 'Co-created' and extends past the word 'Future', with a few additional strokes at the end.

## Mutual Education

### Through Hospitality Management

# Doubling KPI in ten years

Teachers  
approx. 10,000



Over  
**20,000**

Enrolled students  
approx. 30,000



Over  
**60,000**

Net sales  
approx. 20 billion yen



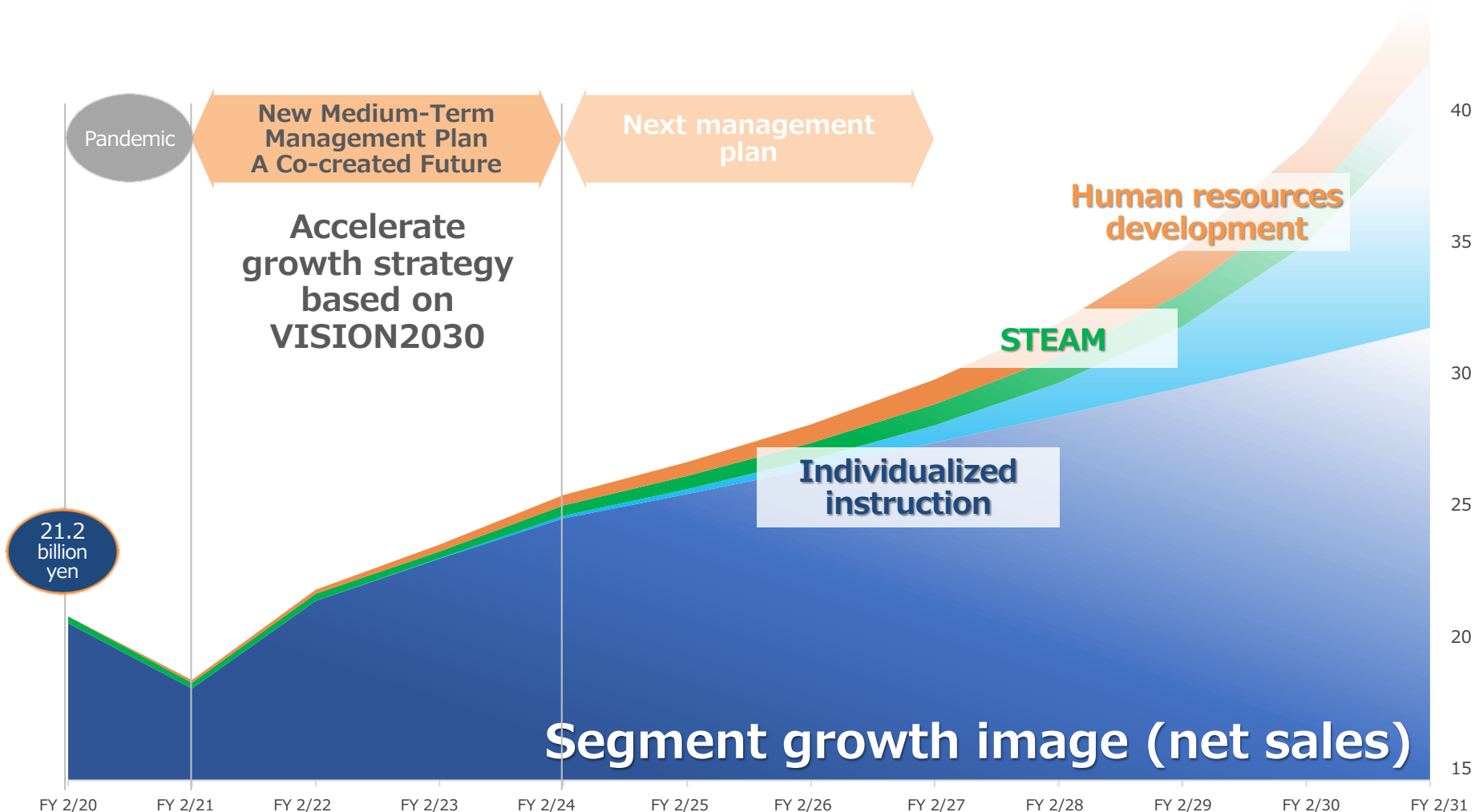
Individualized  
instruction business  
Net sales  
Over  
**40** billion yen



## Double-track business domains, establish shared platforms

VISION2030

(Billions of yen)



# 3. New medium-term management plan Hospitality Management 2023

FYE February 2022 to FYE February 2024

## VISION2030 “A Co-created Future”

New medium-term management plan

# Hospitality Management 2023

- 1 Updating instructor personnel platform
- 2 Updating ICT-based education services

Reform of business infrastructure

A background image showing a group of people in business attire sitting at tables in a meeting room, focused on their work. A semi-transparent blue box is overlaid on the center of the image.

**1**

## **Updating instructor personnel platform**

## 1 Updating instructor personnel platform

# Instructor-led school creation Reinforcement of Teachers' Summit (annual school plan)

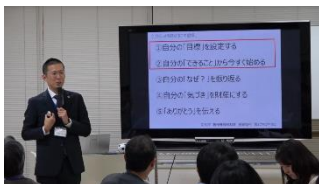


# TEACHERS' SUMMIT



## Support for growth of school managers (employees) leading school activity

### Hospitality management follow-up



- ✓ All school managers have JHMA AHC licenses
- ✓ PDCA contents developed for hospitality management and will be rolled out for school managers

### Development of feedback to improve skills



- ✓ “Feedback skill-up contents” developed with Management Service Center

1

Updating instructor  
personnel platform

## Teachers' Summit Leadership Program Hybrid of physical and online teaching

● FYE February 2021: Online launch  
Teachers' Summit Academy Leadership Program



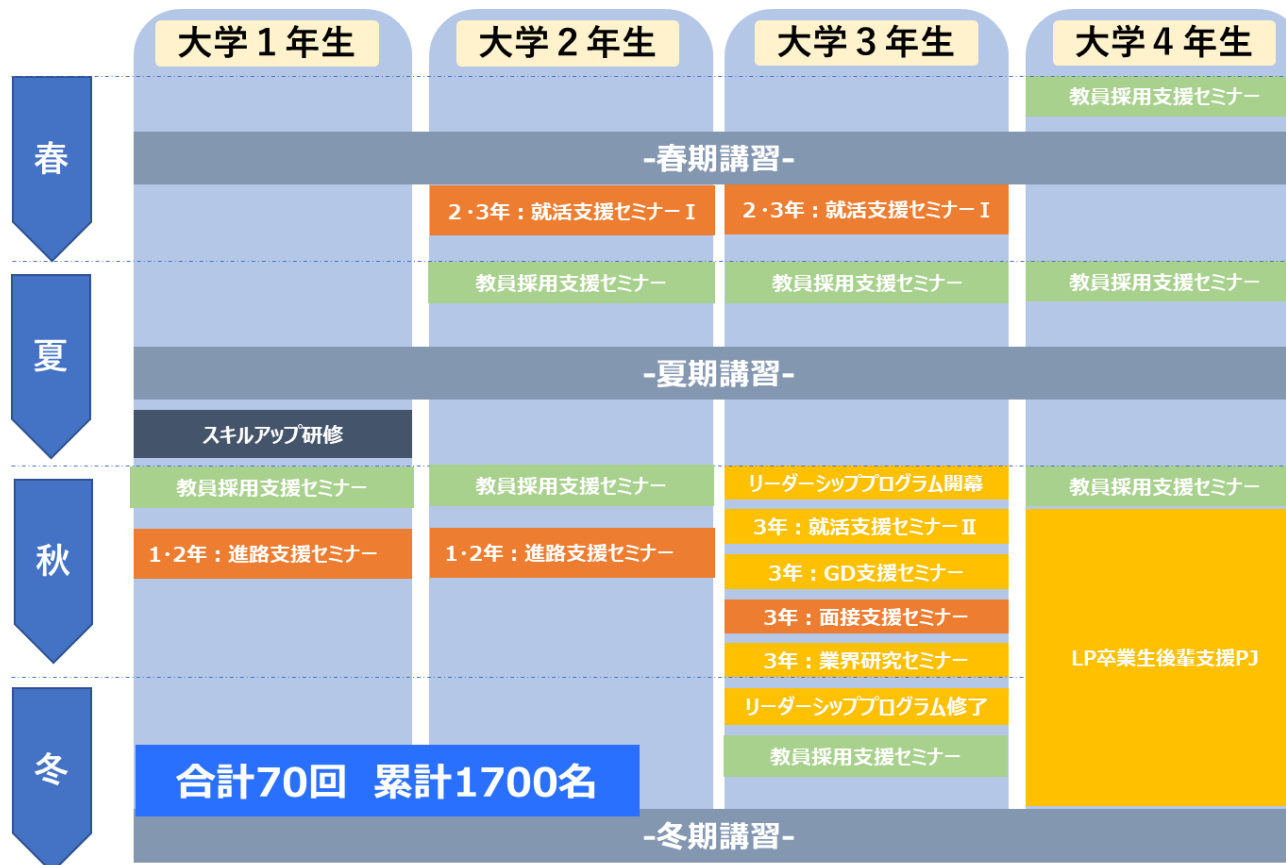


## 1 Updating instructor personnel platform

Job search support seminar /  
Teacher employment support seminar

# Expanding First Career support

Teacher support by school year (FYE Feb 2020)



✓ Development of training that university student teachers can join

✓ Expansion of alumni-led job search support seminars by industry

An aerial photograph of a sprawling, densely populated city, likely Tokyo, with a river winding through it. The sky is a clear, vibrant blue with a few wispy white clouds. A dark blue rectangular box with rounded corners is positioned in the upper-middle part of the image, containing the number '2' and the title 'Updating ICT-based education services' in white text.

2

## Updating ICT-based education services



## 2 Updating ICT-based education services

# Hybrid physical/online classes boost customer value



### Online classes

- ✓ **Mixed physical/online individualized classes for up to two students**
- ✓ **Greater convenience**

Effective use of time /  
no worry over going out to  
night classes

### New schools

Aiming for 8 new schools per year based on dominant strategy

2

Updating ICT-based  
education services

## Using strengths to advance to new branch locations

### All Online individualized instruction (tentative title)



Knowhow in hiring and  
training teachers

Optimal personalized  
teaching methods

To be launched in three years

### Benesse Writing Classes online



Highly effective  
independent curriculum

Launched in September 2020

## Reform of business infrastructure

## Reform of ICT infrastructure based on medium-to-long-term growth

Medium/long-term system concept

- (1) Changing customer reception service to raise customer convenience
- (2) Creating and analyzing a digital database of available data and providing feedback to customers and company

Specific items

### ICT investment: 3 billion yen in 5 years

- ✓ Responding to likely digitization of education
- ✓ Using technology to aid challenges in new fields



## TIEI (consolidated)

| Millions of yen         |        | Year ending<br>Feb 2021<br>(FY20) forecast | Year ending<br>Feb 2022 (FY21)<br>forecast | Year ending<br>Feb 2023 (FY22)<br>target | Year ending<br>Feb 2024 (FY23)<br>target |
|-------------------------|--------|--|--|--|--|
| Net sales               | Actual | 18,700                                     | 22,132                                     | 23,858                                   | 25,719                                   |
|                         | YoY    | -2,561                                     | 3,432                                      | 1,726                                    | 1,861                                    |
|                         | % YoY  | 88.0%                                      | 118.4%                                     | 107.8%                                   | 107.8%                                   |
| Operating income        | Actual | 260  | 2,204                                      | 2,632                                    | 3,105                                    |
|                         | YoY    | -2,629                                     | 1,944                                      | 428                                      | 473                                      |
|                         | % YoY  | 9.0%                                       | 847.7%                                     | 119.4%                                   | 118.0%                                   |
| Operating income margin |        | 1.4%                                       | 10.0%                                      | 11.0%                                    | 12.1%                                    |

### Target assumption: Pandemic impact

- ❑ No lesson suspensions due to temporary school closure or state of emergency order
- ❑ New normal of virus prevention measures alongside economic activity to continue until at least mid 2021

- ◆ We will maintain at least 50% dividend payout ratio.
- ◆ We will strive for stable profit payback with eye on earnings, growth investment and business sustainability.

## Dividend per share / dividend payout ratio

|                              | Year ending<br>Feb 2017 | Year ending<br>Feb 2018 | Year ending<br>Feb 2019 | Year ending<br>Feb 2020 | Year ending<br>Feb 2021<br>(forecast) |
|------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|---------------------------------------|
| <b>Full-year dividend</b>    | 26 yen                  | 26 yen                  | 26 yen                  | 26 yen                  | <b>26 yen</b>                         |
| <b>Dividend payout ratio</b> | 98.1%                   | 80.9%                   | 73.1%                   | 74.4%                   | —                                     |
| Mid-year dividend            | 13 yen                  | 13 yen                  | 13 yen                  | 13 yen                  | <b>*13 yen</b><br>(actual)            |
| End-of-year dividend         | 13 yen                  | 13 yen                  | 13 yen                  | 13 yen                  | <b>*13 yen</b>                        |

\*Announced Oct 9

## Human resources

**Human vitality is the source of business growth and leads directly to an improvement in corporate value. Based on that thinking, we are working to increase the value of working at our company.**

### Offering support and growth opportunities for teachers

- Teacher's Summit
- Teacher's Summit Academy

### Promoting health management

- Certification as Health and Productivity Enterprise 2020

## Governance

**We will strive for swift decisions, sound management, improved transparency, increased value for all stakeholders, and higher corporate value.**

### Strengthening governance

- Directors increased from 5 to 7 persons in May 2020. Independent external officers raised from 4 to 5, bringing their ratio to 42.9%.



# A Co-created Future

A thick, yellow, hand-drawn style brushstroke underline that starts under the 'A' and extends to the right, ending under the 'Future'.

## Mutual Education

### Through Hospitality Management

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