

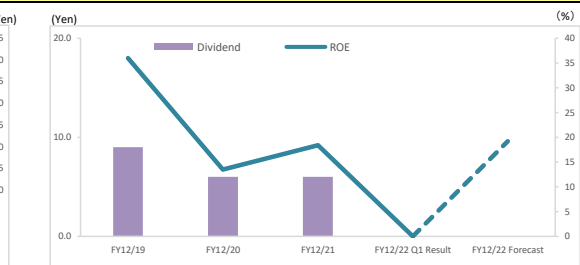
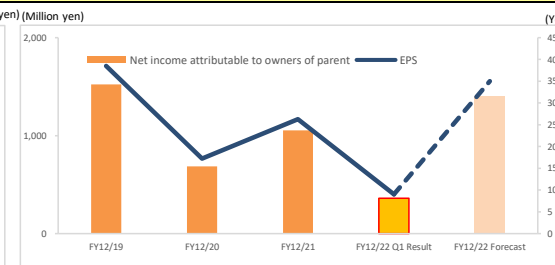
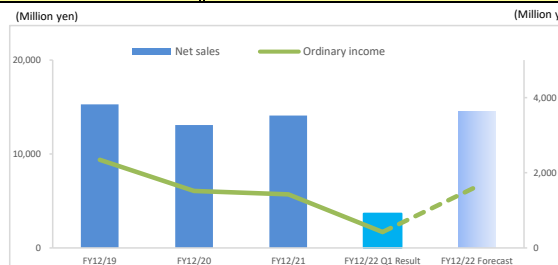
The leading company in the marriage-hunting industry accelerates franchising based on a marriage-hunting platform (DX)

Company Profile		https://www.ibj-gl.com/	
Representative	CEO	Shigeru Ishizaka	
Head Office	12F, Shinjuku First West, 1-23-7 Nishi-Shinjuku, Shinjuku-ku, Tokyo		
Established	Feb, 2006		
Listing	Dec, 2012		
Contents of business	Marriage Consulting Agency Network Business, Directly-Managed Marriage Consulting Agency Business, Marriage-Hunting Party Business, Marriage-Hunting App Business, and Life Design Business (Affiliate Business, Directly-Managed Lounge Business, Matching Business, Life Design Business)		
Shares issued	42,000,000 shares (as of March 31, 2022)		
Major shareholder	Shigeru Ishizaka	11,370,200 shares	28.4%
End-Dec. 2021	Custody Bank of Japan, Ltd. (Trust account)	5,336,200 shares	13.3%
	Tetsuhiro Nakamoto	3,632,800 shares	9.1%
	The Master Trust Bank of Japan, Ltd. (Trust account)	3,519,300 shares	8.8%
	TN network Co., Ltd.	3,240,000 shares	8.1%
	Kenjiro Tsuchiya	2,204,200 shares	5.5%
	Nomura Securities Co., Ltd.	861,475 shares	2.2%

Stock price data		2022/7/8
Closing price		761 yen
PER (Forecast)		21.69x
PBR		4.81x
Market cap		31,962 million yen



	Net sales (Million yen)	Ordinary income (Million yen)	Net income attributable to owners of parent (Million yen)	EPS (Yen)	ROE (%)	Dividend (Yen)	BPS (Yen)
FY12/19	15,282	2,346	1,523	38.5	36.0	9.0	123.3
FY12/20	13,072	1,518	686	17.2	13.5	6.0	131.4
FY12/21	14,081	1,426	1,054	26.3	18.4	6.0	154.1
FY12/22 Q1 Result	3,648	424	361	9.02	-	-	-
FY12/22 Forecast	14,550	1,635	1,405	35	19.2	TBD	183.1



<Company Profile and History>

In February 2006, Shigeru Ishizaka, IBJ's CEO, was concerned about Japan facing the issue of decreasing population caused by low birth rates, and from his experience as a bank clerk, he launched a marriage-hunting business that requires no inventory. In its early years, the company offered a marriage-hunting website making use of the Internet (Matching Business) and marriage-hunting parties (Party Business), but feeling that the support of people is necessary for successfully reaching marriage, they started operating the Japan Marriage Consulting Federation, which brings marriage consulting agencies throughout Japan with one network called "IBJ Arranged-Marriage Meeting System." This is the largest marriage-hunting platform in Japan, with approximately 3,000 affiliates and a database of about 76,000 registered members. With the IBJ's unique business model of "IT System: IBJ Arranged-Marriage Meeting System" and "Successful Marriage Support by People" as their forte, the directly-managed marriage consulting agencies form the core of the affiliates and provide services with a high rate of successful marriage. The IBJ Group brought 10,402 couples to marriage in 2021, which accounts for about 2% of the number of married couples in Japan per year. They view it as their social mission to realize 25,000 couples, which would account for 5% of the number of married couples in Japan per year, and thus curb the issue of declining birth rates and aging population in Japan, during the period of the mid-term management plan (2021-2027). The company was listed on the Standard Market of the Tokyo Stock Exchange (hereinafter the "TSE") just 6 years after its establishment (2012) and got listed on the First Section of the TSE in July 2015, the current Prime Market. In addition to marriage-hunting business such as the Affiliate Business (marriage consulting agency network), the Directly-Managed Marriage Consulting Agency Business (directly-managed marriage consulting agency) and the Matching Business (marriage-hunting apps and marriage-hunting parties), the company engages in the Life Design Business (business of introducing wedding halls to customers, insurance business, real estate business, etc.). Out of net sales of 14 billion yen in 2021, the Affiliate Business accounted for 2.01 billion yen (14.3%), the Directly-Managed Marriage Consulting Agency Business for 6.81 billion yen (48.4%), the Matching Business for 3.9 billion yen (27.8%) and the Life Design Business for 1.34 billion yen (9.5%), but in terms of profit in each segment, out of the total business profit of 3 billion yen, excluding the head office's expenses, the Affiliate Business accounted for 1.25 billion yen, the Directly-Managed Marriage Consulting Agency Business for 1.42 billion yen, the Matching Business for 330 million yen and the Life Design Business for 100 million yen. While the Matching Business was impacted by the novel coronavirus, the Affiliate Business and the Directly-Managed Marriage Consulting Agency Business remained healthy and contributed to the overall performance. The Directly-Managed Marriage Consulting Agency Business was shored up by M&A in addition to organic growth, as the company acquired Happyrise Co. (currently known as Sunmarie) in 2019 and ZWEI (sales of 3.2 billion yen in the previous term) in 2020, expanding the business. While the marriage-hunting industry faces fierce competition caused by the emerging marriage-hunting and dating hunting apps, the "IBJ Arranged-Marriage Meeting System," a marriage consulting agency network which digitally transformed marriage-hunting as a forerunner in the industry in such circumstances, is a competitive advantage of IBJ and their weapon for expanding shares on the market. Furthermore, as of the end of 2021, the IBJ Arranged-Marriage Meeting System has 76,000 registered members, with the number of arranged-marriage meeting per month exceeding 50,000 and over 10,000 couples brought to marriage by the IBJ Group (12.2% in the marriage-hunting industry: based on the number of 85,000 couples who got married through a marriage-hunting service). While income and profit decreased due to the spread of the novel coronavirus in FY12/20, FY12/21 saw a recovery of the performance owing to the contribution to the Directly-Managed Marriage Consulting Agency Business by the full consolidation of ZWEI, and the growth of the Affiliate Business, bringing consolidated net sales to 14 billion yen (up 7.7% year on year). Meanwhile, the company made upfront investments in the reduction of joining fees based on the introduction of a new plan and increased in advertising expenses, etc., bringing operating income to 1.5 billion yen (down 6.4% year on year), and enhanced investment for growth of business foundations for the post-pandemic period. In this term, consolidated net sales of 14.5 billion yen (up 3.3% year on year), an operating income of 1.65 billion yen (up 9.2% year on year), an ordinary income of 1.63 billion yen (up 14.6% year on year) and a net income of 1.4 billion yen (up 33.3% year on year) are projected, working toward the new mid-term management plan (FY 2021 to FY 2027). The first quarter (January-March) also saw favorable performance, with net sales of 3.64 billion yen (achieving 25.1% of the forecast for the term) and an operating income of 420 million yen (achieving 25.6% of the forecast for the term), keeping the performance healthy amid successive announcements of a state of emergency and measures to prevent the spread of infection. While dividends for this term are still to be determined, IBJ is a growing brand which allows for anticipation regarding dividends depending on situation of the performance recovery.

<Business Strategy>

Regarding the macroeconomic environment surrounding IBJ, the numbers of married couples and births in Japan are still declining, with 500,000 marriages (down 20,000 year on year) and 810,000 births (down 30,000 year on year) in Japan in 2021, which can be considered as a critical situation. Amid such situation, the social contribution made by IBJ is extremely significant and population growth in Japan can be expected by increasing couples married through marriage-hunting services. While the portion of marriages through marriage-hunting services in Japan was 1.4% in 2000, this has grown to 16.5% (about 16 times) in 2020, and while the ratio of users of readily available matching apps has been increasing in parallel with digitalization, there is a strong tendency of not being able to meet a suitable partner for marriage and the demand among young people for marriage consulting agencies which enable them to find a partner serious about marriage is on a rise. Against such background of the macroeconomic environment, IBJ provides a marriage-hunting platform, "IBJ Arranged-Marriage Meeting System," to approximately 3,200 affiliates throughout Japan and is progressing with the cultivation of new marriage consulting agencies in Japan at a rapid pace, operated by both sole proprietors and corporations, setting the goal of reaching 10,000 affiliates in the new mid-term management plan (2021-2027). Regarding the measures for expanding affiliates, the company aims to increase the number of affiliates through the affiliation of corporations which launch new businesses for the times of living with the novel coronavirus and corporations in the hotel business, restaurant business and service industry which are changing its form, as well as the acquisition of demand for individual franchises brought about by large corporations lifting the ban on side jobs. IBJ is strategically proceeding with the affiliation of corporations from different fields such as New Otani Hotels, a leading company in the hotel industry, and advancement of the introduction of potential clients for joining the franchise based on the partnership with regional banks, whose mission is the revitalization of the regional economy and the increase of population. Regarding the performance goal for FY12/27 in the new mid-term management plan, IBJ is aiming for net sales of 30 billion yen (CAGR of 11.4%) and an operating income of 5 billion yen (CAGR of 18.5%). Their plan is to call for new affiliates through Internet advertising, seminars, etc. in the Affiliate Business and boost the performance with income from joining fees and recurring revenues from fees for using the system for operation, etc., based on the increase in the number of affiliates. Regarding the Directly-Managed Marriage Consulting Agency Business, the company is seeking the expansion in performance with Sunmarie and ZWEI, which were acquired by the company, utilizing their respective brands and by making use of the synergy through client referral within the group and system linkage, in addition to IBJ Members. IBJ will work toward the expansion of the marriage-hunting business by increasing the number of affiliates nationwide, with 74 directly-managed marriage consulting agencies and 3,039 affiliates as of the end of the previous term (FY12/21). Regarding the profit rate of each segment, the profit rate of the Affiliate Business, where growth is most expected in the future, is the highest at about 55%, while it stands at about 25% in the Directly-Managed Marriage Consulting Agency Business, about 6% in the Matching Business and about 15% in the Life Design Business. This supports the fact that the growing and profit-driving Affiliate Business will bring about the significant growth of 18.5% in the compound annual growth rate (CAGR) of the operating income of the whole group, and allows for the sustainable growth of IBJ.

Strength

1. Marriage-hunting service platform, "IBJ Arranged-Marriage Meeting System"
2. Largest brand power and M&A achievements in the marriage-hunting service industry, based on the collaboration of IT and manpower

Weakness

1. Further rise in recognition at a national level
2. Recruitment and training of human resources for expanding the organization

Opportunity

1. Governmental and administrative support for dealing with low birth rates along with the declining number of marriages and growing demand for serious marriage-hunting services
2. Providing "user-friendly and convenient systems" owing to digitalization, and "assurance and trust" by intermediary agencies

Risk

1. Significant recession of the economy caused by macroeconomic factors
2. Natural disasters and geopolitical conflicts (dispute between China and Taiwan, etc.)

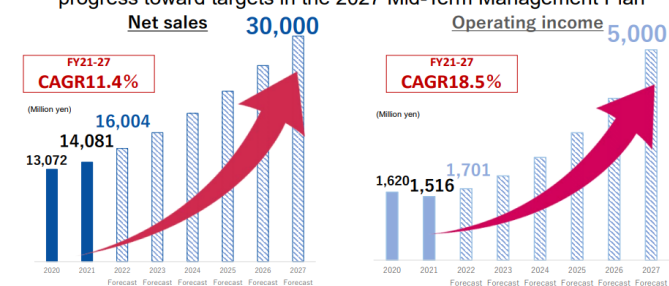
* As of June 10, 2022



Shigeru Ishizaka, CEO

Progress of Consolidated Results toward the Mid-Term Management Plan

The number of married couples, a significant 2021 KPI, is showing steady progress toward targets in the 2027 Mid-Term Management Plan



The Company's IR information

Copyright© 2022 Finantec Co., Ltd. All Right Reserved.

NOTE) This material is provided for informational purposes only and is not intended to solicit investment advice or trading in securities.