

COMPANY RESEARCH AND ANALYSIS REPORT

Tameny Inc.

6181

Tokyo Stock Exchange Growth Market Index

16-Jan.-2023

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FISCO Ltd.

<https://www.fisco.co.jp>

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Summary

Creates high-quality services in five strategic areas, focusing on the Matching Business and Casual Wedding Business

Tameny Inc. <6181> creates and provides high quality services required by its customers in five strategic areas, with a focus on matching and casual wedding services, and develops business for the peripheral areas of tech, lifestyle, and corporates and local governments, based on its corporate philosophy of “For your fine life.”

1. Strengths are its one-stop services and high levels of reliability and brand name recognition in matching and wedding areas

Business segments are the Matching Business (the management of the high-value-added matching support agency, the planning and management of matching parties, online matching services, etc.), the Casual Wedding Business (the production of casual weddings and receptions, photo-only weddings, after-parties, etc.), the Tech Business (the management of the platform for mutual introductions between members of matching businesses' services, etc.), the Lifestyle Business (provision of services to contribute to an improved quality of life relating to insurance, finance and real estate), and the Corporate and Local Governments Business (matching support systems for local governments, corporate event production, etc.). With the matching support agency as the starting point, it is developing a wide range of multi-directional, one-stop high-quality and high added-value services, from the Matching Business through to the Casual Wedding Business and the area of services to support new lifestyles in the Lifestyle Business, and its features and strengths include its high levels of reliability and brand name recognition, ranking top in the industry for the engagement rate.

2. In 1H FY3/23, reduced losses

In 1H FY3/23 consolidated results, net sales declined 3.9% year on year (YoY) to ¥2,692mn, with operating loss of ¥152mn (a loss of ¥215mn in the same period of the previous fiscal year), ordinary loss of ¥177mn (a loss of ¥288mn) and net loss attributable to owners of parent of ¥193mn (a loss of ¥416mn). Due to the ongoing impact of the COVID-19 pandemic and curbs on advertising and other investments in the previous fiscal year, net sales were slightly lower than planned, but due to a decrease in SG&A expenses resulting from management rationalization, operating income and ordinary income both exceeded plan, and losses narrowed compared to the same period of the previous fiscal year. Net income attributable to owners of parent fell below plan due to the recording of extraordinary losses, but the deficit shrank compared to the same period of the previous fiscal year. Looking at EBITDA by quarter, the Company has been improving profitability since 2Q FY3/22.

3. Forecast was revised downward for FY3/23 full year but 2H on track to recovery

In its full-year consolidated results forecast for FY3/23 (revised downward as of November 11, 2022), the Company expects net sales to rise 3.3% YoY to ¥5,756mn, operating loss of ¥195mn (a loss of ¥153mn in FY3/22) and ordinary loss of ¥246mn (a loss of ¥218mn), with net loss attributable to owners of parent of ¥230mn (a loss of ¥320mn). The downward revision was due primarily to a delayed recovery in 1H in the Matching Business and Casual Wedding Business. However, looking at the Company's 1H results and forecast for 2H, it expects revenue to increase in 2H compared to 1H due to various measures, resulting in a smaller deficit. In the Casual Wedding Business, the lag between the time contracts are concluded and events held means that a full-scale recovery will likely come in FY3/24 and beyond. In the Matching Business, however, at FISCO we think a trend toward improved earnings can be expected in 2H, considering that the resumption of investment in advertising in the Partner Agent matching support agency in the Matching Business, has brought an improvement in the ability to attract customers.

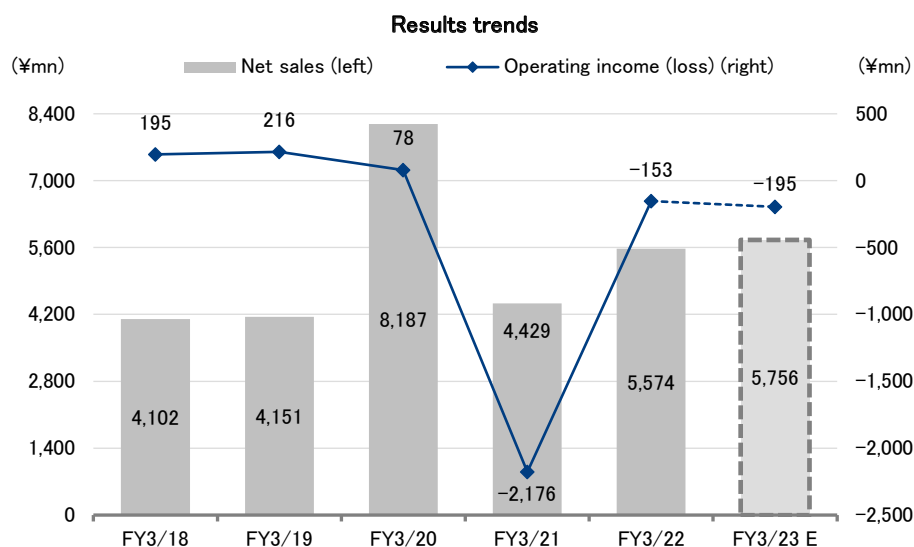
Summary

4. Medium- to long-term growth with rebuilding of the management foundation

Until FY3/22, the Company prioritized management rationalization measures, including curbing advertising investment and reducing fixed costs, as a means of achieving a short-term recovery in performance to eliminate excess debt. Since FY3/23, however, the Company has been advancing the rebuilding of its management foundation for growth from a medium- to long-term perspective. Further, as the key to its medium- to long-term strategy, the Company has defined its Purpose as “We value creativity, kindness and dedication to fulfill people’s heart, and to be a basis of forming a lively society,” and plans to begin work on reformulating its medium-term management plan in 2H FY3/23. Its immediate tasks are a recovery in performance and improving and stabilizing its financial base, but considering its characteristics and strengths, there is significant room for the Company to expand market share, and at FISCO our assessment is that medium- to long-term growth can be expected as the Company rebuilds its management foundation.

Key Points

- Provides one-stop high-quality services, focused on the Matching and Casual Wedding businesses
- Full-year forecast for FY3/23 revised downward, but 2H will see a recovery trend
- Medium- to long-term growth can be expected with rebuilding of management foundation



Source: Prepared by FISCO from the Company’s financial results

Company outline

The corporate philosophy is “For your fine life”

1. Company outline

The Company's corporate philosophy is “For your fine life” and, with a focus on the Matching and Casual Wedding businesses, it develops business for the peripheral areas of tech, lifestyle, and corporate and local governments, and creates and provides high-quality services required by customers in five strategic areas.

At the end of 1H FY3/23, the Tameny Group consisted of the Company and two consolidated subsidiaries. The consolidated subsidiaries are Tameny Art Works Inc., which conducts the Casual Wedding Business, including photo-only weddings, and Tameny Agency Inc., which conducts other businesses, such as an advertising agency. In March 2022, it conducted an absorption merger of the consolidated subsidiary Tameny Party Agent Inc., which had conducted the Casual Wedding Business, including party production.

2. History

The Company was established as the former Partner Agent Inc., a wholly owned subsidiary of Take and Give Needs Co., Ltd. <4331>. In September 2006, it launched the Matching Business (matching support agency). In May 2008, it became independent of Take and Give Needs and then the new Partner Agent Inc. (Dream Door Inc., which was established in June 2004, changed its company name in May 2008 and currently is the surviving company) acquired the business of the former Partner Agent Inc.

In June 2013, the Company launched the OTOCON matching party service and then in June 2017, it launched CONNECT-ship, which is a platform for mutual introductions between members of matching businesses' services; in April 2019, casual wedding company Mation Inc. joined the Group (absorption merger with the Company in October 2020); in March 2020, photo-only wedding company M Creative Works Inc. (which became Tameny Art Works Inc. after changing its trade name) joined the Group; and in April 2020, the wedding after-party venue introduction company pma Inc. (which became Tameny Party Agent Inc. after changing its trade name) joined the Group. In such ways, the Company has expended its business areas.

In October 2020, the Company conducted an absorption merger of Mation and changed the company name to Tameny Inc., while the names of the Group companies were also changed. Then in December 2021, it concluded business and capital alliances with FOUR SIS & CO., IKK Holdings Inc. <2198>, and TMS Holdings, respectively.

In terms of its share listing, the Company was newly listed on the Tokyo Stock Exchange (TSE) Mothers market in October 2015. In April 2022, its listing was changed to the TSE Growth market following the TSE's reorganization of its market categories.

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Company outline

History

Date	Event
June 2004	The new Partner Agent Inc., was established (the company name of the former Dream Door Inc., was changed in May 2008, and it acquired the business and is currently the surviving company)
September 2006	The former Partner Agent Inc., was established (a wholly-owned subsidiary of Take and Give Needs Co., Ltd. <4331>)
December 2006	Opened the Shinjuku store as the first store
August 2007	Acquired information security management standard ISO (JIS Q) 27001 certification
May 2008	The new Partner Agent became independent of Take and Give Needs and acquired the business of the former Partner Agent
June 2008	Acquired the Privacy Mark
September 2010	Established the advertising agency PA Marketing Inc. (currently Tameny Agency Inc.)
September 2010	Established the wedding information service provider Anniversary Wedding Inc. (absorption merger with the Company in April 2013)
May 2011	Opened the first store in the Kansai area (Osaka store)
November 2011	Opened the first store in the Tokai area (Nagoya store)
April 2012	Opened the first store in the Kyushu area (Fukuoka store)
June 2013	Launched the OTOCON matching party service
October 2013	Opened the first store in the Hokkaido area (Sapporo store)
October 2013	Established a call center to increase member numbers and to improve customer satisfaction
October 2015	Newly listed on the TSE Mothers market
June 2017	Started providing CONNECT-ship, a platform for mutual introductions between members of matching businesses' services
September 2017	Acquired the Institute of Matchmaking Service's marriage referral service certification
April 2018	Established joint venture ichie Inc. to manage a matching party information website
July 2018	Established IROGAMI Inc., to provide wedding-peripheral services
April 2019	Casual wedding company Mation Inc. joined the Group
April 2019	en-konkatsu agent inc., became an equity-method affiliate
March 2020	Photo wedding company M Creative Works Inc., joined the Group
April 2020	IROGAMI, ichie, and M Creative Works were integrated and the company name was changed to M Creative Works Inc.
April 2020	pma Inc., which introduces venues for wedding after-parties, joined the Group
July 2020	Opened the first store in the Tohoku area (Sendai store)
October 2020	Conducted an absorption merger of Mation and changed the company name to Tameny Inc.
October 2020	Changed the company name of Sync Partners to Tameny Agency Inc.
October 2020	Changed the company name of M Creative Works to Tameny Art Works Inc.
October 2020	Changed the company name of pma to Tameny Party Agent Inc.
November 2020	Tameny Art Works Inc. concluded a business alliance with ESCRIT INC. <2196>
January 2021	Launched the completely app-based Sma-Kon Enmusubi matching support agency
March 2021	Started providing Partner Agent ONLINE, a new service for DX matching
April 2021	Started providing TV-type Pack, an online event solution
June 2021	Starting providing Hybrid Pack, a combined online and offline in-company event solution service
November 2021	Sold shares of equity-method affiliate en-konkatsu agent inc. (ceased to be an equity-method affiliate)
December 2021	Concluded capital and business alliances with FOUR SIS & CO., IKK Holdings Inc., and TMS Holdings
March 2022	Conducted an absorption merger of consolidated subsidiary Tameny Party Agent
April 2022	Established Matching Alliance Partners, a matching support agency association Changed to the TSE Growth market in conjunction with the reorganization of TSE's markets
July 2022	Launched CONNECT-ship Party matching party service using platform for connecting members of matching businesses' services
August 2022	Suma-Kon ranked number one in the overall rankings of "Inexpensive Weddings" in the 2022 Oricon Customer Satisfaction Survey

Source: Prepared by FISCO from Company materials

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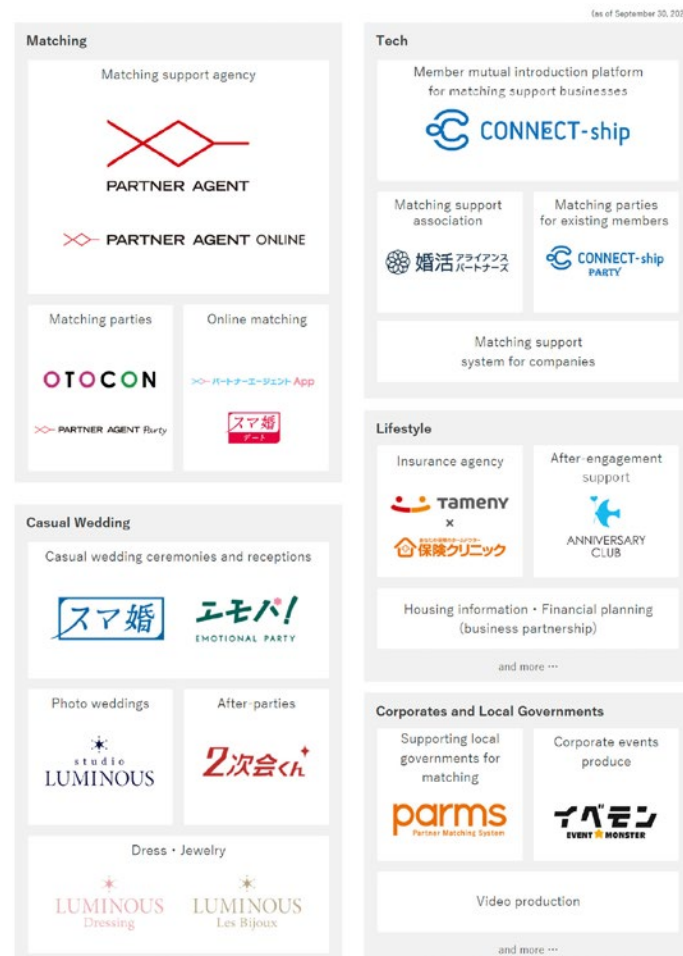
Business description

With the Matching Business and Casual Wedding Business as starting points, also developing services in peripheral areas

1. Summary of services

The Company's main businesses are the Matching Business, which includes the matching support agency, online matching support, matching parties and online matching services, etc., and the Casual Wedding Business, which includes the production of casual weddings and receptions, photo-only weddings and after-parties. Peripheral areas include the Tech Business, which offers a platform for mutual introductions between members of matching businesses' services, and a matching support system for companies; the Lifestyle Business, which includes after-engagement support, insurance agency, housing information and financial planning services; and the Corporate and Local Governments Business, which includes matching support for local governments and corporate event production. The Company develops its business by creating high-quality services and positioning these as five strategic areas.

Business description



Source: The Company's results supplemental materials

We encourage readers to review our complete legal statement on "Disclaimer" page.

Business description

Business segments are the Matching Business (the management of the high-value-added matching support agency, the planning and management of matching parties, online matching services, etc.), the Casual Wedding Business (the production of casual weddings and receptions, photo-only weddings, after-parties, etc.), the Tech Business (the management of the platform for mutual introductions between members of matching businesses' services, etc.), the Lifestyle Business (provision of services to contribute to an improved quality of life relating to insurance, finance and real estate), and the Corporate and Local Governments Business (matching support systems for local governments, corporate event production, etc.) With the matching support agency as the starting point, it is developing a wide range of multi-directional, one-stop high-quality and high added-value services, from the Matching Business through to the Casual Wedding Business and the area of services to support new lifestyles in the Lifestyle Business, and its features and strengths include its high levels of reliability and brand name recognition, ranking top in the industry for the engagement rate.

The breakdown of net sales by segment for 1H FY3/23 (before adjustments) showed the Matching Business at 43.2%, the Casual Wedding Business at 47.2%, the Tech Business at 3.0%, the Lifestyle Business at 1.3% and the Corporate and Local Governments Business at 5.2%. Since April 2019, the Company has leveraged M&A (Mation Inc., a major casual wedding company; M Creative Works Inc., a photo wedding company; pma Inc., which introduces venues for wedding after-parties) to establish the Matching Business and the Casual Wedding Business as its two main pillars. Since FY3/21, the Company was significantly impacted by a voluntary restraint on events due to the COVID-19 pandemic, but as restrictions on movement have loosened, it has seen a gradual recovery in sales.

A strength of the matching support agency is its high-quality services, and it boasts the top rank in the industry for the engagement rate

2. Matching Business

In the Matching Business, the main services are the Partner Agent matching support agency for members; Partner Agent ONLINE, an online matching support agency; the Partner Agent App, a completely app-based matching support agency (the service name changed in February 2022 from what was the online matching support agency Sma-Kon Enmusubi series launched in January 2021); the OTOCON matching party service; and the high-grade Partner Agent Parties (PAP).

The matching support agency Partner Agent offers intermediary services to support matching up to engagement with its highly skilled specialists and proprietary matching system mainly to members who want to find a marriage partner within a year. Members' average period of enrollment is approximately 18 months, and the average total cost per person (including registration fee, initial fee, monthly membership fee, optional fees, and matching fee) is around ¥370,000. A feature of the various types of support provided by the matching concierge services is that it ranks top in the industry for the engagement rate (engagement rate = number of annual membership withdrawals due to becoming engaged / the annual average number of enrolled members multiplied by 100. The rate is about 27.0% and the average engagement rate for Japan in general is about 5.9%, according to a survey conducted in January 2022 by BTC Corporation).

During the COVID-19 pandemic, opportunities to meet in the real world have decreased, and in this situation, in March 2021, for matching using digital technology, the Company launched Partner Agent ONLINE as an online matching support agency to realize a more efficient and reasonable matching service, while maintaining the same service quality as the service that ranks number one for the engagement rate. In July 2021, this service produced its first marriage just five months after it was launched.

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Business description

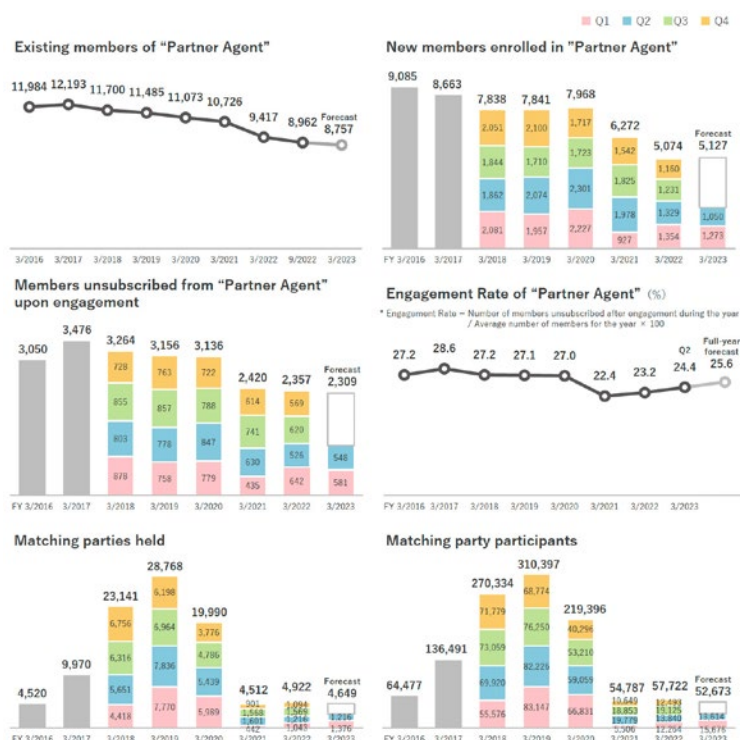
Partner Agent App, the completely app-based matching support agency, was developed against the backdrop of the increased need for online meeting places, based on expertise the Company had cultivated in managing the Sma-Kon Date matching support app. It also provides a light plan that is the least expensive in the industry (a monthly fee of ¥1,000, with standard plans starting from ¥9,800 a month).

The OTOCON matching party service and the high-grade Partner Agent Parties (PAP) which leverage the expertise of the Company's high engagement rate—number one in the industry—serve as entry-level services to the Partner Agent matching support agency, providing matching parties for men and women who genuinely want to marry and who want to feel at ease attending. A total of more than 1.3mn people have participated in the parties since OTOCON was launched in 2013.

The number of OTOCON parties held and the number of participants steadily increased until FY3/19, but in FY3/20, the Company decided to strategically decrease the number of parties held in order to optimize management and to improve service quality. Moreover, from FY3/21, the number of parties held declined significantly due to self-restraint on holding events as a result of COVID-19. Following a revision to the Civil Code dated April 1, 2022, the legal age of adulthood in Japan was reduced to 18, and based on this, the age at which people can attend matching parties was reduced from the previous 22 years to 18 years. In the Partner Agent matching support agency, the ages of enrolling members have also been seen to be trending downward, so it is responding to the earlier start timings of matchings and to the increasing needs of the younger age group.

The conditions of the main KPI in the Matching Business are described below. In FY3/21 and FY3/22, all of them declined due to the impact of COVID-19, but they are expected to gradually recover from FY3/23 onward.

The business KPI in the Matching Business



Source: The Company's results supplemental materials

Business description

As another new option service for members, in June 2020, the Company launched Partner Agent Coordination (PAC) as a styling service for matching that draws out the appeal of members to the greatest possible extent through total coordination. In the six months from the service launched, it achieved the result of an engagement rate of PAC users rising by around 1.4 times, so it was launched nationwide in January 2021. In March 2021, in response to diversifying matching needs, the Company launched Video Profile, an option service to communicate members' profiles by video.

In August 2021, in order to further improve the precision of the AI matching service, the Company introduced "goo AI" provided by NTT Resonant Inc., to upgrade the previous matching system, and it started operating the new AI matching system under the name "sieger."

In September 2021, the matching support agency Partner Agent connected to SCRUM, which is the platform service provided by SCRUM Inc., to link the data of nationwide matching support agencies (approximately 43,000 members). SCRUM was jointly created in February 2021 by TMS Holdings, which manages the Total Marriage Support Association, and Nihon Nakodo Renmei, and it is a service that connects nationwide matching support agencies by linking their data. Through this connection, the total number of people who can be introduced to each other through Partner Agent (the number of active members), when combined with the number of registered members of CONNECT-ship (around 31,000 people), the platform for mutual introductions between members of matching businesses' services described below, was more than 70,000 people, the largest number in the matching support agency industry. It also concluded business and capital alliances with TMS Holdings and IKK Holdings Inc. in December 2021, thereby building a strong cooperative relationship.

In April 2022, the Company established Matching Alliance Partners, a matching support agency association. It enables not only mutual introductions of members of the multiple support agencies that are its alliance partners, including the Company's own Partner Agent matching support agency with approximately 10,000 members, but also enables connections to CONNECT-ship, the platform for mutual introductions between members of matching businesses' services. Acquiring many matching support agencies as alliance partners will lead to an increase in opportunities for matches among their members and a rise in the engagement rate. It will produce many marriages and help to resolve the social problems of the decline in the lifetime unmarried rate and the declining population, thereby contributing to the sound development of the matching industry. In addition, in April 2022, it opened a marriage support center exclusively for those who come of age.

In July 2022, the Company also launched CONNECT-ship Party, matching parties utilizing the CONNECT-ship platform for mutual introductions between members of matching businesses' services. In September 2022, the OTOCON matching party service introduced the industry's first system for no-fee matching party participation based on an agency fee for successful formation of couples.

Ranked number one in the overall rankings of "Inexpensive Weddings" in the 2022 Oricon Customer Satisfaction Survey

3. Casual Wedding Business

The main services in the Casual Wedding Business are Sma-Kon, a production service for casual weddings and receptions; Nijikai-Kun, a wedding after-party production service; and LUMINOUS, a photo-only wedding service.

Business description

In Sma-Kon, which is a production service for casual weddings and receptions, the Company responds to requests for a high-quality wedding ceremony within a certain budget to produce an inexpensive, beautiful, casual wedding that is tailored to requirements. The Company produces wedding receptions at the approximately 250 collaborating venues nationwide, and management on the day is carried out by professional staff at the venue. The Company is able to keep down prices, including by effectively utilizing empty slots within the schedules of the collaborating venues and ordering items in bulk or manufacturing them in-house. Therefore, compared to the cost of a typical wedding reception of around ¥2.92mn (according to the Zexy 2021 marriage trend survey), the average cost of a Sma-Kon reception is only approximately ¥2mn. In August 2022, Sma-Kon won first place in the 2022 Oricon Customer Satisfaction Survey “Cheap Wedding” overall ranking.

Moreover, the Group is advancing the planning, development, and provision of new plans and services in response not only to COVID-19, but also to the changing needs of brides and grooms, from the previous form of a wedding and reception with many guests to a small-scale wedding to convey feelings to the people who are truly important. In November 2021, it began accepting orders for the Sma-Kon Small Wedding Light Plan, which is a plan for a wedding with only a small number of people, and then in February 2022, it began accepting orders for Sma-Kon photos + weddings, a set plan of the Sma-Kon small wedding ceremony and family photos (photos in kimonos taken after the ceremony). Going forward, its policy is to expand its various plans and services to respond to diversifying needs.

Nijikai-Kun is an agency service to produce wedding after-parties. The party is produced by professional planners and the planner introduce venues that meet the customers’ needs from over 480 partner venues nationwide, such as restaurants. On the day itself, professional managers and staff are dispatched to the venue (the food and drink are outsourced to the venue). The average cost is approximately ¥400,000.

The LUMINOUS photo-only wedding service involves holding photo shoots at six locations nationwide to commemorate the marriage. To meet the need of customers wanting photos showing ideal bridal images, the service utilizes sophisticated studio sets and authentic locations, such as highly elegant chapels and homes, to realize the world’s most beautiful bridal images. The average produce and photography cost is approximately ¥290,000. Customers can experience a ceremony just like an actual ceremony, but for less than approximately one tenth of the cost of a typical wedding reception.

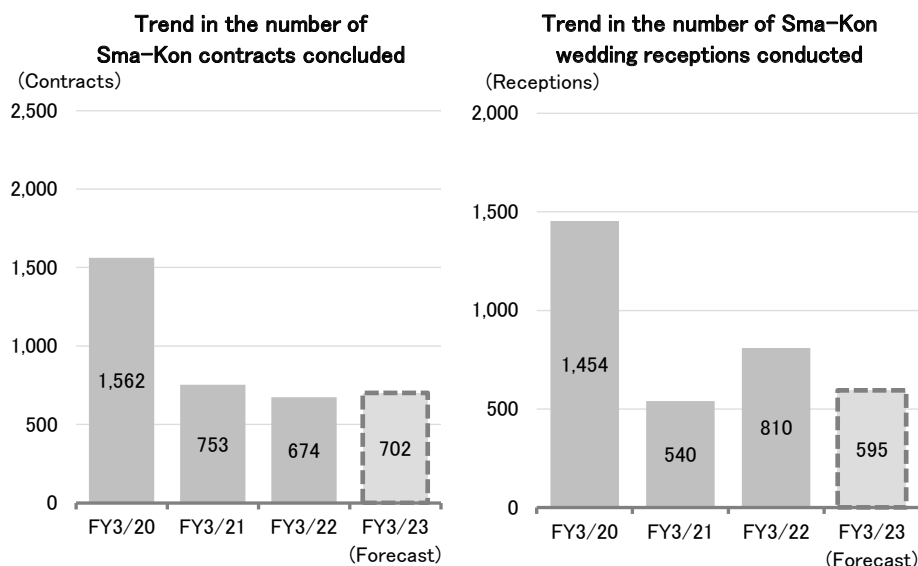
The LUMINOUS photo-only wedding service has seen an increase in the number of contracts and events held as a form of wedding adapted to the COVID-19 era, and the Company is advancing measures to develop this business into a third source of revenue, positioning it as a future growth area. In November 2020, subsidiary Tameny Art Works concluded a business alliance with bridal company ESCRIT INC. <2196>. With the addition of ESCRIT’s high-quality chapels and venues, the Company is now able to develop this business nationwide, as LUMINOUS photo-only wedding venues had previously been limited to metropolitan Tokyo. In June 2021, the Company opened its own studio in Osaka (the first in Kansai) as a sixth base. In addition, it appears that the average sales price is rising through the addition of high-value-added services, including a special plan for photographs in kimono prior to the actual ceremony. In December 2022, the Company began offering “the Anniversary Photo Plan” and “the Once More Photo Plan,” providing a way to continually memorialize in photos the evolution of a family over time. It intends to attract groups of customers who wish to keep a commemorative photo for each stage of their lives and those who would like to enjoy a second photo shoot wearing a dress again.

In December 2021, the Company concluded a capital and business alliance with FOUR SIS & CO., which conducts the planning, manufacturing and sales mainly of wedding dresses (it operates a nationwide network of 62 dress shops, including sales of high-quality wedding dresses from the UK). By strengthening its provision of wedding clothes, which play an important role as a deciding factor in wedding ceremonies, it will further enhance its competitiveness in the wedding market.

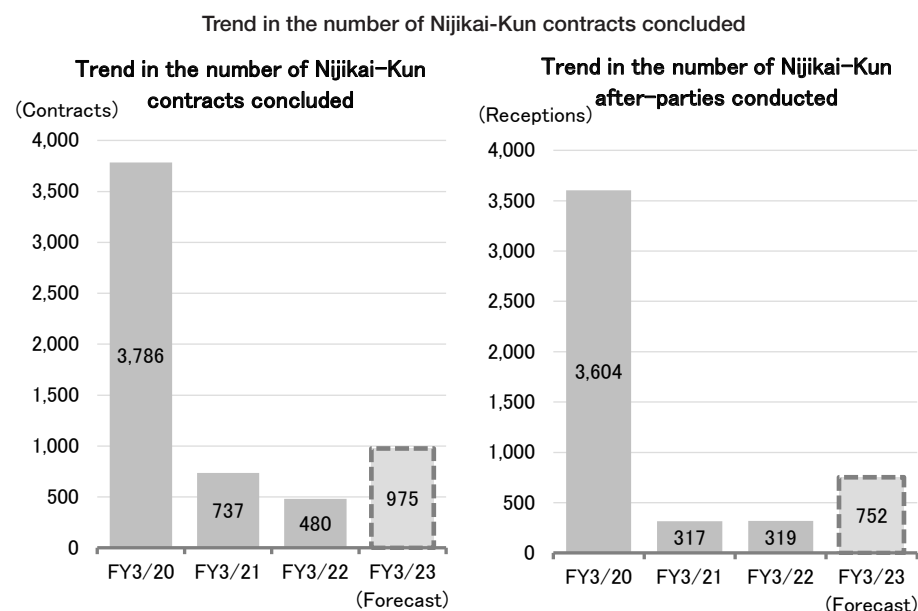
Business description

The conditions of the main KPI in the Casual Wedding Business are as follows. For the Sma-Kon casual weddings and receptions and Nijikai-Kun after-parties, the KPI declined due to the impact of COVID-19, but they are expected to gradually recover from FY3/23 onward.

Business KPI Casual Wedding Business

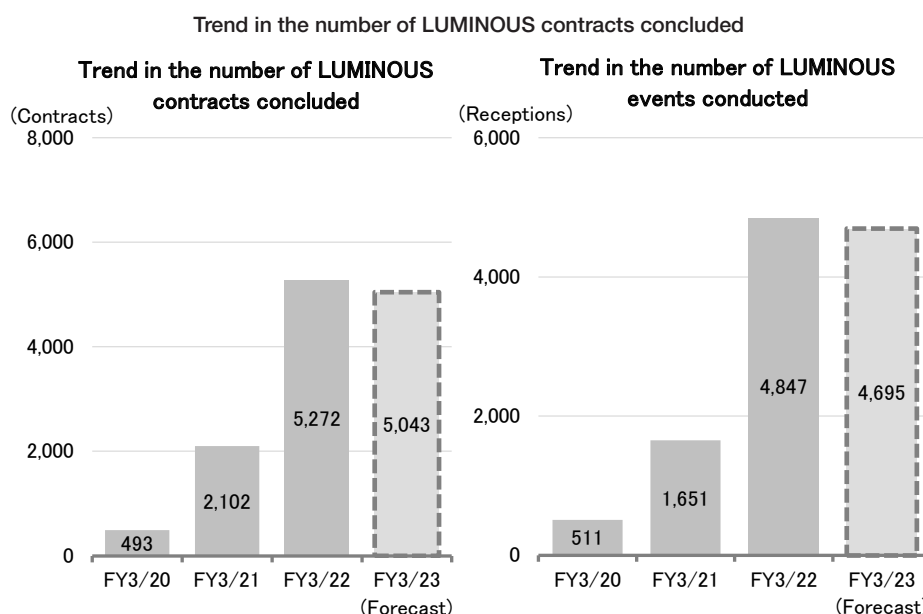


Source: Prepared by FISCO from the Company's results supplemental materials



Source: Prepared by FISCO from the Company's results supplemental materials

Business description



Source: Prepared by FISCO from the Company's results supplemental materials

Tech Business includes mutual introductions between members of matching businesses' services

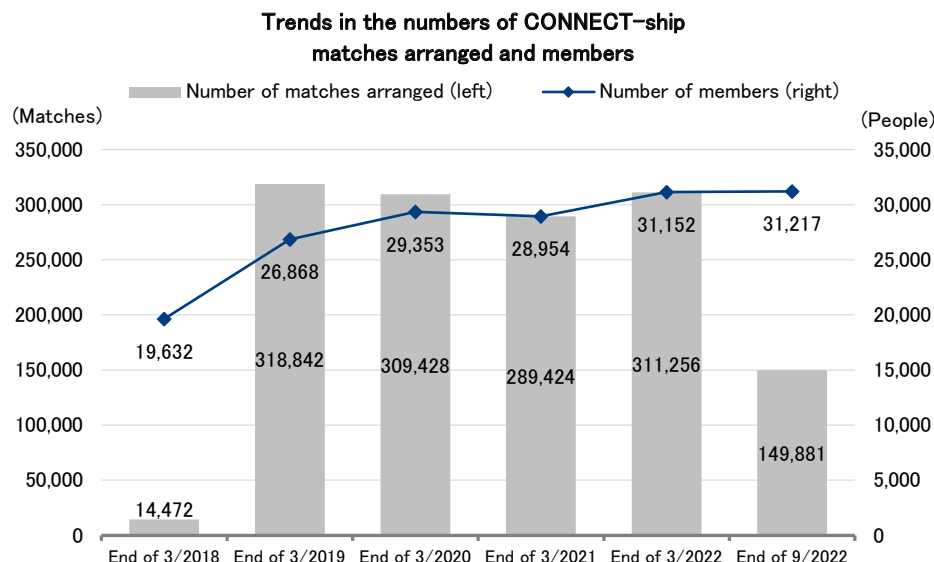
4. Tech Business

In the Tech Business, the main services include the management of the CONNECT-ship platform for mutual introductions between members of matching businesses' services and a matching support system for companies.

CONNECT-ship was launched as an industry-first service in June 2017, with the aim of being an open platform that would create the most matches in Japan; it is Japan's largest platform for mutual introductions between members of matching businesses' services. Its goals are to increase opportunities for members to meet and to maximize engagements through mutual introductions between members of matching businesses' services. As of the end of 2Q FY3/23, the platform was being used by 13 companies, including the Partner Agent matching support agency, and by 31,217 people (the total number of members of the businesses using the platform is more than 95,000 people). In 2Q FY3/23, the total number of matches arranged grew to 149,881. With regards to the monetization of CONNECT-ship, it previously obtained fees for arranging a match, but since FY3/22, it has lowered the fee for matches arranged and instead changed to a new monthly usage fee.

Business description

Trends in the numbers of CONNECT-ship matches arranged and members



Source: Prepared by FISCO from the Company's results supplemental materials

For the matching support system for companies, the Company provides a system that it itself developed to utilize cutting-edge technologies, such as AI matching, for companies wanting to open matching support agencies, and it also provides them with business support.

Lifestyle Business is pursuing synergies

5. Lifestyle Business

The main services provided by the Lifestyle Business include the Anniversary Club after-engagement support service in the new lifestyles support area, an insurance consultation service (the insurance agency Tameny x Hoken Clinic), a housing information service, and financial planning services, and it obtains services usage fees, customer referral fees, and other fees. In October 2020, in order to create new services, the Company concluded a business alliance with Broad-minded Co., Ltd., which provides financial partner services.

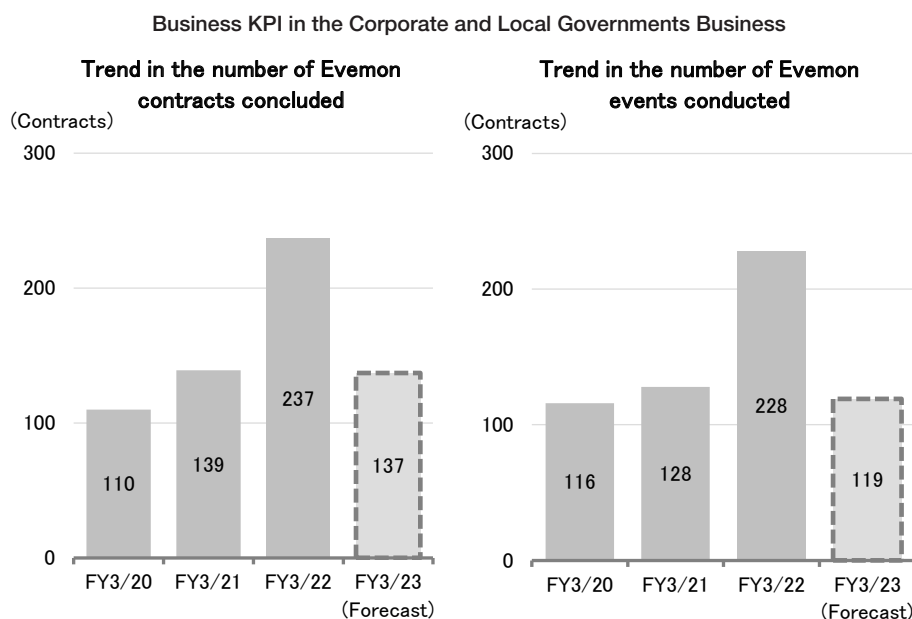
The number of new insurance contracts issued by the insurance agency Tameny x Hoken Clinic increased from 317 in FY3/21 and 396 in FY3/22 to 293 in 1H FY3/23. Going forward, the policy is to pursue synergies by utilizing the contact point of newly engaged and married couples, namely the approximately 7,700 couples matched annually in the Matching Business and the Casual Wedding Business (in FY3/22, approximately 1,700 couples became engaged in the Matching Business and weddings were produced for around 6,000 couples in the Casual Wedding Business).

Corporate and Local Governments Business are also growth fields

6. Corporate and Local Governments Business

In the Corporate and Local Governments Business, the main services are Evemon corporate event production and the parms matching support service for local governments.

In the Evemon corporate event production service, it produces events for companies, such as employee general assemblies, company-joining ceremonies, social gatherings, and year-end parties. Utilizing its expertise in wedding planning, it undertakes all of the tasks required according to each purpose, from strategic planning and booking the venue through to producing and managing a high-quality event that the participants will not be bored by. A full production costs approximately ¥1,000,000 on average. The convenience of being able to outsource every aspect of an event has been highly evaluated by customers, and even during the COVID-19 pandemic, the numbers of contracts concluded and events held have been trending toward an increase. Moreover, demand for online events is increasing during the COVID-19 pandemic, so in April 2021 the Company launched TV-type Pack, which is an online event solution service that uses high-quality video, and began providing Hybrid Pack, a combined online and offline in-company event solution service, in June 2021. As a growth field in the future, its policy is to strengthen the business.



Source: Prepared by FISCO from the Company's results supplemental materials

In the parms matching support service for local governments, the Company customizes the matching support system developed in-house to support the matching conducted by local governments. As of the end of 1H FY3/23, the service has been introduced (including introductions planned for 2H FY3/23) in 10 prefectural governments (in order of contracts concluded, Fukushima Prefecture, Kyoto Prefecture, Saitama Prefecture, Akita Prefecture, Fukui Prefecture, Ibaraki Prefecture, Miyagi Prefecture, Aomori Prefecture, Shiga Prefecture, and Oita Prefecture). Of these, the Company has also been commissioned to manage the matching support centers in Kyoto, Miyagi and Shiga prefectures. In Kyoto Prefecture, in August 2022 it was decided to reintroduce a new version of parms, equipped with an AI function. The prefecture plans to begin using it in 2022.

Business description

In addition, the Company is seeing an increase in requests from local governments to plan and hold events and seminars. Most recently, in June 2022, the Company was commissioned by Wakayama Prefecture to plan and operate matching support projects and by Akita Prefecture for projects to improve matching support skills and to help improve the ability of singles in their search for marriage partners. In September 2022, the Company was also commissioned by the Hyogo Deai Support Center for its public-private partnership matchmaking event project.

Has established high levels of reliability and brand name recognition

7. Features and strengths

With the matching support agency as the starting point, it is developing a wide range of multi-directional, one-stop high quality and high added-value services, from the Matching Business through to the Casual Wedding Business and the area of services to support new lifestyles in the Lifestyle Business, and its features and strengths include its high levels of reliability and brand name recognition.

The Partner Agent matching support agency realizes the highest engagement rate in the industry through matching concierge services provided by highly skilled specialist counsellors and a matching system that the Company itself developed, and it has established a brand as a high added-value matching support service. In the Casual Wedding Business, based on its abundant track record and expertise in producing weddings, it is developing new wedding and after-party total production services tailored to new lifestyle needs during the “with COVID-19” era. Furthermore, it is aiming to maximize marriages through the CONNECT-ship platform for mutual introductions between members of matching businesses’ services, and Matching Alliance Partners, a newly established matching agency alliance.

Particularly in the Matching Business, customers prioritize social reliability and name recognition with regards to safety and soundness. For these aspects, the Company has been a pioneer in its industry, acquiring the information security management standard ISO (JIS Q) 27001 certification, the Privacy Mark, and the Institution for Matchmaking Service’s marriage referral service certification. The Company was listed in 2015. It is establishing a position as a safe and secure matching support company that people in society need. Going forward also, utilizing its strengths of being highly reliable and having high brand name recognition, it intends to build a structure to provide multi-directional services that meet all customer’s needs and to develop its businesses.

Even as the number of marriages decreases, has competitive advantages

8. Risk factors, earnings characteristics, and issues and measures in response to them

The general risk factors in the matching and wedding industries include market trends, legal regulations, information management including of personal information, responding to complaints, and safety and soundness. Earnings characteristics include seasonal-variation factors.

Business description

In terms of market trends, there is an awareness that the number of marriages is falling due to the declining birthrate and the rise in the unmarried rate. Meanwhile, due to the rise in the unmarried rate, the matching service usage rate is trending upward, and spurred by COVID-19, the percentage of people who want to find a partner is also rising. Moreover, in the “with COVID-19” era, it is projected that instead of the conventional, expensive wedding reception with large attendance, an increasing percentage of couples want to have a casual wedding with only a few guests or a photo-only wedding, which are the Company’s strengths. Further, when considering factors such as that it has been a pioneer in the industry for acquiring international standard certification, including the information security management standard ISO (JIS Q) 27001, that it has achieved the top rank in the industry for the engagement rate by providing high quality and high added-value services, and that it is securing high levels of reliability and brand name recognition, the Company seems likely to demonstrate its superiority even within the market competition.

In terms of seasonal factors in earnings, the tendency is for wedding receptions to be held concentrated in the spring (March to May) and the fall (September to November), so the Company’s results in the Casual Wedding Business tend to be affected by this seasonal factor. For that reason, it is strengthening measures to promote receptions during the quiet season. Also, because many weddings involve long periods of time—in general, about eight months from engagement to wedding—this creates a time lag between the engagement and when actual sales are recorded.

As the business environment has deteriorated due to the impact of COVID-19, in FY3/21 and FY3/22, the Company conducted various measures, including integrating and closing bases, optimizing allocations of personnel, and strategically keeping down advertising and sales-promotion costs. The impact of COVID-19 has gradually lessened and results are recovering, so its policy is to resume investment towards growth.

Business trends

In 1H FY3/23, COVID-19 continued to have an impact, but the extent of the loss was reduced

1. Summary of 1H FY3/23 consolidated results

In 1H FY3/23 consolidated results, net sales decreased 3.9% YoY to ¥2,692mn, operating loss was ¥152mn (a loss of ¥215mn in the same period of the previous fiscal year), ordinary loss was ¥177mn (a loss of ¥288mn), and net loss attributable to owners of parent was ¥193mn (a loss of ¥416mn).

Business trends

Summary of 1H FY3/23 consolidated results

	1H FY3/21	1H FY3/22	1H FY3/23
(¥mn)			
Net sales	1,701	2,801	2,692
Operating income (loss)	-1,439	-215	-152
Ordinary income (loss)	-1,376	-288	-177
Net income (loss) attributable to owners of parent	-1,376	-416	-193
Net sales by segment			
Matching Business	1,284	1,336	1,168
Casual Wedding Business	301	1,255	1,276
Tech Business	87	65	81
Lifestyle Business	18	35	36
Corporate and Local Governments Business	9	122	140
Total	1,701	2,814	2,702
Adjusted amount	0	-13	-10
Consolidated net sales	1,701	2,801	2,692
Operating income (loss) by segment			
Matching Business	5	374	295
Casual Wedding Business	-754	-129	-133
Tech Business	37	24	30
Lifestyle Business	-23	4	14
Corporate and Local Governments Business	-41	8	-14
Total	-775	282	191
Adjusted amount	-663	-497	-344
Consolidated operating income (loss)	-1,439	-215	-152

* As the business segments were changed from FY3/22, the business segments for FY3/21 use the new categorization method.

Source: Prepared by FISCO from the Company's financial results and materials

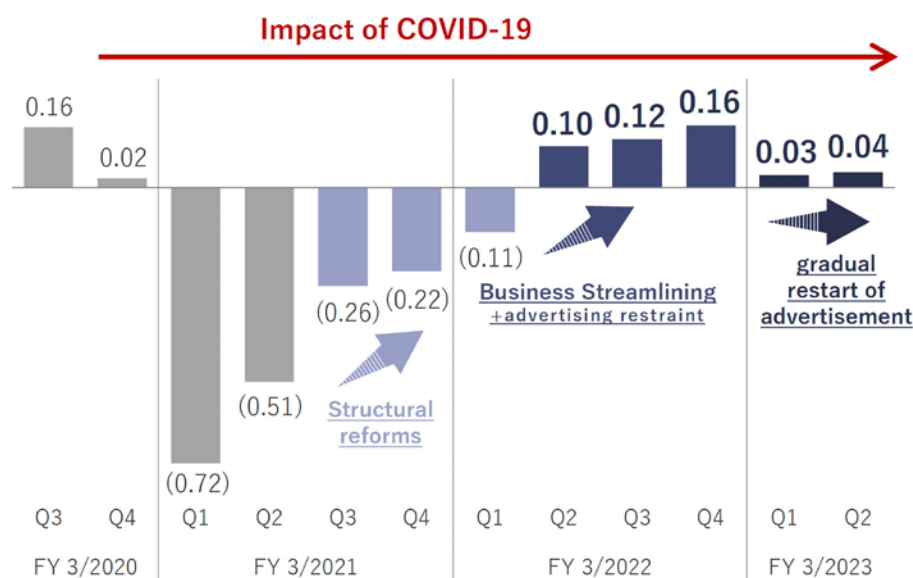
With the ongoing impact of COVID-19 and curbs on advertising investments in the previous period, net sales declined slightly below plan (¥3,000mn). However, operating income and ordinary income exceeded plan (operating loss of ¥180mn and ordinary loss of ¥210mn), resulting in a smaller deficit compared to the same period in the previous fiscal year. This was due to lower SG&A expenses as a result of management rationalization efforts, such as optimization of personnel allocation including external secondments, and reduction of land rent through integration and closing of bases. Net income attributable to owners of parent fell below plan (a loss of ¥160mn) due to extraordinary losses recorded as a result of temporary business closures, but losses shrank compared to the same period in the previous fiscal year. Gross profit decreased 7.8% YoY to ¥1,963mn, while SG&A expenses fell 9.8% to ¥2,115mn (advertising and sales promotion costs increased ¥30mn to ¥450mn, personnel costs declined ¥170mn to ¥770mn, land rent fell ¥30mn to ¥270mn and other costs fell ¥50mn to ¥610mn). Advertising and sales promotion costs were strategically curbed between 2Q and 4Q of FY3/22 in light of the impact of COVID-19, but are being resumed in stages in FY3/23. Looking at EBITDA by quarter, the Company has been improving toward profitability since 2Q FY3/23.

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Business trends

Trends in EBITDA by quarter

(billions of yen)



* EBITDA = Operating income + Depreciation + Amortization of goodwill and intangible assets

Source: Reprinted from the Company's results briefing materials

2. Trends by business

In the Matching Business, net sales decreased 12.6% YoY to ¥1,168mn, while segment income (operating income before adjustments for Company-wide costs, etc.) declined 21.1% to ¥295mn. Given the impact of COVID-19, the Company curbed advertising and sales promotion costs between 2Q and 4Q of the previous fiscal year, and as a result the number of new memberships in the Partner Agent matching support agency declined, and initial revenue (registration fees, initial fees, etc.) from new memberships also fell. The number of new members fell 13.4% YoY to 2,323, while the number of active members at the end of the fiscal year fell 11.7% YoY to 8,962. Advertising investment in the Matching Business resumed in June 2022 with transportation advertising primarily in the Tokyo metropolitan area, and was expanded to the Tokai and Kansai regions in September. The number of matching parties held (the combined total of OTOCON and Partner Agent Parties (PAP)) increased 14.7% to 2,592, while the number of participants was up 12.2% to 29,290. The number of customers sent from matching parties to a matching support agency was also up 48.0% to 259 people.

Net sales in the Casual Wedding Business were up 1.7% YoY to ¥1,276mn, with a loss of ¥133mn (a loss of ¥129mn in the same period of the previous fiscal year) due to the recording of amortization of goodwill of ¥76mn. Efforts to strengthen orders for Nijikai-Kun after-parties brought an increase in the number of events held (up 2.6 times YoY to 319 events), but the number of Sma-Kon series of casual weddings and receptions held decreased (down 33.7% YoY to 295 events). In addition to the impact of restrictions on sales activities in the previous fiscal year due to COVID-19, efforts to put a sales structure in place, including human resources, were also delayed. The number of contracts for the Sma-Kon series of casual weddings and receptions increased only 8.1% YoY to 332, but is showing a gradual recovery trend. In the LUMINOUS photo-only wedding business, the number of photo weddings conducted fell short of plan due to struggles at new stores opened within two years. Overall, while the number of events held decreased (down 3.8% YoY to 2,175), the unit price per event rose due in part to the effect of efforts to enhance quality.

We encourage readers to review our complete legal statement on "Disclaimer" page.

Business trends

In the Tech Business, net sales increased 24.6% YoY to ¥81mn and income was up 22.7% to ¥30mn. The number of users of the CONNECT-ship platform for mutual introductions between members of matching businesses' services increased (up 1.3% to 31,217 members as of the end of the fiscal year). The number of matchmakings arranged fell 5.9% YoY to 149,881. Net sales in the Lifestyle Business rose 2.1% YoY to ¥36mn, with income up 195.3% to ¥14mn. The number of new insurance contracts steadily increased (up 33.8% to 293). In the Corporate and Local Governments Business, net sales rose 14.8% YoY to ¥140mn, with a loss of ¥14mn (income of ¥8mn in the same period of the previous fiscal year). For Evemon corporate event production, the number of events held fell (down 25.0% YoY to 75 events), but the unit price per event rose to increase sales. For local governments, the introduction of the parms system for matching support expanded, but the majority of income involving system development was recorded in 4Q.

The main indicators in each business

	1H FY3/21	1H FY3/22	1H FY3/23
Matching Business			
Number of new members	2,905	2,683	2,323
Number of withdrawals due to becoming engaged	1,065	1,168	1,129
Engagement rate	19.9	22.3	24.4
Number of members at end of period	10,949	10,147	8,962
Number of parties held	2,043	2,259	2,592
Number of party participants	25,285	26,104	29,290
Casual Wedding Business			
Number of contracts concluded			
Sma-Kon series	301	307	332
Nijikai-Kun	414	192	459
LUMINOUS	547	2,797	2,482
Number of events held			
Sma-Kon series	112	445	295
Nijikai-Kun	66	125	319
LUMINOUS	398	2,261	2,175
Other Business			
Number of CONNECT-ship members at end of period	30,093	30,807	31,217
Number of CONNECT-ship matchmakings arranged	132,510	159,250	149,881
Number of companies using CONNECT-ship	11	13	13
Number of new insurance contracts	131	219	293
Number of Evemon contracts concluded	72	162	83
Number of Evemon events held	6	100	75

Source: Prepared by FISCO from the Company's materials

3. Financial position

Looking at the Company's financial position, at the end of 1H FY3/23 total assets were down ¥343mn from the end of FY3/22 to ¥4,988mn. In current assets, cash and deposits decreased by ¥74mn and accounts receivable - trade were down ¥76mn, while in non-current assets software under intangible assets fell ¥82mn and goodwill declined by ¥76mn. Total liabilities decreased by ¥149mn to ¥4,945mn. In current liabilities, accrued consumption taxes decreased ¥70mn, while the current portion of bonds fell by ¥20mn. Total long-term borrowings were down ¥80mn to ¥4,162mn. Total net assets decreased ¥193mn to ¥43mn. Retained earnings increased by ¥194mn, but capital surplus decreased by ¥388mn. As a result, the equity ratio was down 3.6 points to 0.9%.

As of the end of 2Q FY3/23, net assets had declined to ¥43mn, and the Company faces the challenge of regaining a stable financial base. While the Company expects to maintain positive net assets as of the end of FY3/23, it is further considering various measures to ensure it can avoid excess debt while also building a solid financial base.

Business trends

The main management indicators

	(¥mn)				
	FY3/19	FY3/20	FY3/21	FY3/22	1H FY3/23
Net sales	4,151	8,187	4,429	5,574	2,692
Cost of sales	1,778	4,062	875	1,302	729
Gross profit	2,372	4,125	3,553	4,271	1,963
Gross profit margin	57.2%	50.4%	80.2%	76.6%	72.9%
SG&A expenses	2,156	4,046	5,729	4,425	2,115
SG&A expenses ratio	51.9%	49.4%	129.4%	79.4%	78.6%
Operating income (loss)	216	78	-2,176	-153	-152
Operating income margin	5.2%	1.0%	-	-	-
Non-operating income	18	46	161	21	3
Non-operating expenses	26	83	74	87	28
Ordinary income (loss)	208	41	-2,089	-218	-177
Ordinary income margin	5.0%	0.5%	-	-	-
Extraordinary income	1	105	66	334	135
Extraordinary losses	44	103	255	424	152
Net income (loss) before income taxes	165	42	-2,278	-309	-193
Total income taxes	79	40	38	11	-
Net income (loss) attributable to owners of parent	90	2	-2,316	-320	-193
Ratio of net income attributable to owners of parent	2.2%	0.0%	-	-	-
Comprehensive income (loss)	83	3	-2,313	-321	-193
Total assets	3,382	5,478	5,067	5,332	4,988
Current assets	2,059	1,999	1,479	2,065	1,902
Non-current assets	1,322	3,477	3,587	3,266	3,086
Total liabilities	2,404	4,452	5,467	5,095	4,945
Current liabilities	1,132	1,873	2,464	2,045	2,013
Non-current liabilities	1,271	2,579	3,002	3,049	2,932
Total net assets	978	1,025	-399	237	43
Shareholders' equity	981	1,027	-400	237	43
Share capital	255	263	684	44	44
Total number of shares issued at end of period excluding treasury shares	10,153,371	10,487,571	16,213,571	24,981,871	24,981,871
Net income per share (¥)	9	0	-203	-15	-
Net assets per share (¥)	96	98	-25	10	2
Dividend per share (¥)	0	0	0	0	-
Equity ratio	28.9%	18.7%	-7.9%	4.5%	0.9%
Return on Equity (ROE)	9.8%	0.3%	-	-	-
Cash flows from operating activities	374	232	-1,514	-22	76
Cash flows from investing activities	-180	-1,861	-447	-134	-42
Cash flows from financing activities	464	1,462	1,483	841	-110
Balance of cash and cash equivalents at the end of the period	1,207	1,040	562	1,246	1,171

Note: Since 3Q FY3/21, personnel costs for some stores, store rent, and other expenses that were previously recorded in cost of sales have been recorded in SG&A expenses. Figures shown for FY3/20 and earlier are values before this change.

Source: Prepared by FISCO from the Company's financial results

■ Outlook

Full-year forecast for FY3/23 revised downward but 2H on track to recovery

1. Summary of the FY3/23 full-year consolidated results forecasts

In its full-year consolidated results forecast for FY3/23 (revised downward as of November 11, 2022), the Company expects net sales to rise 3.3% YoY to ¥5,756mn, operating loss of ¥195mn (a loss of ¥153mn in FY3/22) and ordinary loss of ¥246mn (a loss of ¥218mn), with net loss attributable to owners of parent of ¥230mn (a loss of ¥320mn).

Summary of the FY3/23 full-year consolidated results forecasts

	FY3/22 results	FY3/23			
		Previous forecast	Current forecast	1H results	2H forecast
Net sales	5,574	6,500	5,756	2,692	3,064
Operating income (loss)	-153	100	-195	-152	-43
Ordinary income (loss)	-218	50	-246	-177	-69
Net income (loss) attributable to owners of parent	-320	50	-230	-193	-37

Note: Revised forecast for FY3/23 current forecast as of November 11, 2022; 2H forecast is full-year forecast less 1H results
Source: Prepared by FISCO from the Company's financial results

While assumptions about the business environment remain unchanged, the previous forecast has been revised downward, primarily due to a delay in recovery in 1H of the Matching Business Partner Agent matching support business, the Sma-Kon series of casual weddings and receptions in the Casual Wedding Business, and the LUMINOUS photo-only weddings. Net sales were revised downward by ¥743mn, operating income by ¥295mn, ordinary income by ¥296mn and net income attributable to owners of parent by ¥280mn.

However, looking at 1H results and the forecast for 2H (full-year forecast less 1H results), the Company expects its losses to narrow in 2H due to the effects of various measures, resulting in an increase of sales compared to 1H. While the Casual Wedding Business will not see full-scale improvement until FY3/24 due to the lag between when contracts are completed and events actually held, given the resumption of advertising investment in the Partner Agent matching support agency in the Matching Business, which has resulted in a recovery trend in attracting customers, FISCO expects an improvement in profitability in 2H.

2. 2H priority measures and full-year plans by business segment

Among its priority measures in 2H, in addition to resuming investment in advertising and reorganizing its sales structure, the Company plans to rebuild its marketing strategy, including strengthening its ability to attract corporate customers toward a recovery in sales, and an effort to strengthen its collaboration with partner companies. Revised plans for net sales and operating income by business segment, along with key performance indicators, are as follows.

Outlook

FY3/23 full-year forecasts by business

	FY3/22 results	FY3/23 forecast
(¥mn)		
Net sales by segment (before adjustment)		
Matching Business	2,583	2,320
Casual Wedding Business	2,412	2,770
Tech Business	138	172
Lifestyle Business	70	74
Corporate and Local Governments Business	389	435
Operating income (loss) by segment (before adjustment)		
Matching Business	835	540
Casual Wedding Business	-212	-220
Tech Business	51	56
Lifestyle Business	18	25
Corporate and Local Governments Business	88	80

Source: Prepared by FISCO from the Company's financial results and materials

Full-year targets in each business by main indicators

	FY3/22	FY3/23 forecast
Matching Business		
Number of new members	5,074	5,127
Number of withdrawals due to becoming engaged	2,357	2,309
Engagement rate	23.2%	25.6%
Number of members at end of period	9,417	8,757
Number of parties held	4,922	4,649
Number of party participants	57,722	52,673
Casual Wedding Business		
Number of contracts concluded		
Sma-Kon series	674	702
Nijikai-Kun	480	975
LUMINOUS	5,272	5,043
Number of events held		
Sma-Kon series	810	595
Nijikai-Kun	319	752
LUMINOUS	4,847	4,695
Other Business		
Number of CONNECT-ship members at end of period	31,152	-
Number of CONNECT-ship matchmakings arranged	311,256	-
Number of companies using CONNECT-ship	12	-
Number of new insurance contracts	396	-
Number of Evemon contracts concluded	237	137
Number of Evemon events held	228	119

Source: Prepared by FISCO from the Company's materials

Outlook

In the Matching Business, the Company plans for lower full-year sales and profits due to a decline in the number of new members in the Partner Agent matching support agency in 1H. That said, the number of new members is expected to recover in 2H due to the effects of strengthening the sales structure and resuming investment in advertising in advance of the coming fiscal year. In the Casual Wedding Business, sales are expected to increase with an increase in the number of weddings after-parties produced under the Nijikai-Kun service, and higher unit prices for LUMINOUS, the photo-only wedding service. However, since the number of contracts for the Suma-Kon series of casual weddings and receptions grew only slightly in 1H, the Company expects a decrease in the number of events for the full fiscal year, and forecasts a loss on par with the previous fiscal year. However, the Company expects to improve contract signings for the Suma-Kon series of casual weddings and receptions by improving its sales structure, including bolstering its human resources. For the LUMINOUS photo-only weddings, it aims to establish a competitive advantage for new stores open within two years, thus increasing the number of contracts concluded and events held in the next fiscal year and beyond. A full recovery in earnings is expected to come in FY3/24. The Company expects to increase earnings by expanding use of the CONNECT-ship platform for mutual introductions between members of matching businesses' services in the Tech Business, and by increasing the number of Evemon events held for companies and expanding the introduction of the parms matching support system for local governments in the Corporate and Local Governments Business.

Growth strategy

Defining a Purpose and beginning work on a reformulation of the medium-term management plan

1. Defining a Purpose and beginning work on a reformulation of the medium-term management plan

As part of its basic strategy for medium-term growth, the Company aims to shift to a flexible business structure capable of responding rapidly to trends and societal changes, and to build a corporate structure that maintain its footing in the face of COVID-19. Until FY3/22, the Company prioritized management rationalization measures, including curbing advertising investment and reducing fixed costs, as a means of achieving a short-term recovery in performance to eliminate excess debt. Since FY3/23, however the Company has advanced efforts to rebuild its management base with an eye to medium- to long-term growth, including by establishing a high earnings structure, enhancing its product competitiveness and strengthening its financial base,

In terms of its management structure, as the Company reached a certain level of recovery in short-term performance, it implemented a change in representative directors as of October 1, 2022. Further, as the key to its medium- to long-term strategy, the Company has defined its Purpose as "We support the realization of a vibrant society by satisfying people's hearts with our creativity, compassion, and hospitality." In 2H FY3/23, it plans to begin work on reformulating its medium-term management plan.

Medium- to long-term growth with rebuilding of the management foundation

2. Medium- to long-term growth with rebuilding of the management foundation

The business environment in the matching and wedding markets has deteriorated significantly due to the continued rise in the rate of people remaining unmarried for life and the decline in the number of marriages, and also because of the impact of COVID-19, which has led to a voluntary restraint on events. The Company's performance also worsened significantly. On the other hand, however, the percentage of those using matching services is on the rise as the percentage of unmarried people increases.

With its matching support agency as a starting point, the Company is developing a wide range of one-stop high-quality, high-value-added services, from the Matching Business through to the Casual Wedding Business and further into the area of the Lifestyle Business, and it has established a high level of reliability and brand name recognition. It is also advancing efforts to shift to a flexible business structure capable of responding rapidly to trends and societal changes. While a recovery in performance and improvements to and stabilization of its financial base will remain issues for the time being, given the Company's characteristics and strengths, FISCO's assessment is that it has significant room to expand its market share, and that growth in the medium to long term can be expected as it rebuilds its management base.

Shareholder return policy

In the shareholder benefits program, gives gifts of coupons and gift points according to the number of shares held

● Shareholder benefits program

As the Company is still at the point of investing for the future, it does not currently pay a dividend. However, it does offer a shareholder benefits program for shareholders holding at least one unit (100 shares) as of September 30 of each year. Depending on the number of shares held, shareholders receive gift coupons that can be used for various services, as well as gift points that can be used in the Tameny Premium Benefits Club, which is exclusively for shareholders. In July 2022, the Company announced enhancements to the gift coupons that can be used for various services, effective from September 30, 2022. There is no change in the gift points for use with the Tameny Premium Benefits Club, which is exclusively for shareholders.

Gift points

Number of shares held	Number of points presented
1,000 -1,999 shares	4,500 points
2,000 -2,999 shares	9,500 points
3,000 -3,999 shares	15,000 points
4,000 shares and more	21,000 points

Initiatives for ESG and SDGs

In order to contribute to realizing a sustainable society through all of its business activities, the Company's initiatives for the Environment, Society, and Governance (ESG) and for Social Development Goals (SDGs) include appointing women to managerial positions as part of human resources development (one outside director); conducting 360 degree evaluations for management positions; introducing a flex-time system; building trust through acquiring various types of certifications, including the ISO (JIS Q) 27001 information security management standard and the Privacy Mark; strengthening the corporate governance structure; in regional revitalization, providing the parms matching support service to local governments and collaborating with local governments (holding matching seminars and events); for health and welfare, supporting employees childcare and nursing care and employing the elderly and people with disabilities; and for the environment and nature, both reducing its environmental burden and maintaining the efficiency of business activities by shifting to paperless operations.

Company's initiatives for ESG and SDGs

ESG Policy

Support from all the various stakeholders is fundamental to our business. We are committed to contributing to the SDGs and realizing a sustainable society through all of our business activities in cooperation with our stakeholders.

Main Activities

Human resource development

We aim to create an organization in which every employee can recognize and respect each other's differences, and we are working to create an environment in which it is worthwhile to work, through extensive training and career development systems.

Related SDG items ▶



- Promotion of female managers (an outside director / a general manager)
- 360-degree evaluation of managers
- Introduction of flextime
- Introduction of remote work
- Training system

Establishing trust

In order to ensure that our services are safe and secure, we have acquired third-party certifications such as ISO and Privacy Mark. In addition, in order to be a company that is trusted by society, we have established a corporate governance system and strive to disclose information in a timely and appropriate manner.

Related SDG items ▶



- Certified to ISO27001, Information Security Management System
- Certified to Privacy Mark
- Certified to a marriage referral service by Institution for matchmaking Service
- Corporate governance system
- Risk management
- Disclosure policy

Regional revitalization

By providing the only total solution to local governments that are actively working to support matching activities to improve the declining birthrate and rising unmarried rate in the region, we are contributing to the fight against the declining birthrate in the region.

Related SDG items ▶



- Provision of "parms," matching support systems for local government
- Collaboration with local government (seminars and events)

Health and welfare

We will pursue the physical and mental health and happiness of our employees, and promote welfare support to increase productivity and creativity, and operate business with vitality.

Related SDG items ▶



- Child and elderly care support
- Employment of the elderly
- Employment of challenged people

Environment and nature

In order to preserve the global environment and contribute to the realization of a sustainable society, we are working to reduce our environmental impact while maintaining the efficiency of our business activities.

Related SDG items ▶



- Promoting paperless work
- Recycling discarded document paper
- Collection of PET bottle caps

Source: The Company's results supplemental materials

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