

COMPANY RESEARCH AND ANALYSIS REPORT

Tameny Inc.

6181

TSE Mothers market

9-Jul.-2021

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

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Summary

Creates and provides high-quality services, focusing on the Matching Business and Casual Wedding Business

Tameny Inc. <6181> (hereafter, also “the Company”; on October 1, 2020, changed its company name from Partner Agent Inc.) continuously creates and provides high quality services required by its customers in a wide range of areas, including tech, lifestyle, and corporate services, based on its corporate philosophy of “Creating better lives.”

1. While focusing on the Matching Business and Casual Wedding Business, has also expanded its Tech Business, etc.

The Company is focusing on the Matching Business (the planning and management of matching support agency and matching parties), and the Casual Wedding Business (the production of casual wedding receptions and after-parties and management of photo weddings) For the peripheral areas, it is expanding businesses in the Tech Business (managing a platform for mutual introductions between members of matching support services, developing and managing online matching services, providing a corporate matching support system), the Lifestyle Business (an insurance agency, a housing information service, etc.), and the Corporate Enterprise Business (matching support for local governments, corporate event production) With the matching support agency as the starting point, it is developing a wide range of multi-directional, consistently 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, and its features and strengths include its high levels of reliability and brand name recognition.

2. In FY3/21, sales decreased due to the impact of the coronavirus

In the FY3/21 consolidated results, net sales decreased 45.9% year-on-year (YoY) to ¥4,429mn, operating loss was ¥2,176mn (income of ¥78mn in the previous period), ordinary loss was ¥2,089mn (income of ¥41mn), and net loss attributable to owners of parent was ¥2,316mn (income of ¥2mn). Sales declined due to the novel coronavirus pandemic (hereafter, COVID-19). In particular, the Casual Wedding Business was impacted by the postponements and cancellations of events. But on looking by fiscal quarter, sales bottomed-out in the 1Q and then started to recover, so the extent of the operating loss contracted, including from the effects of integrating and closing bases. The Company issued share acquisition rights through third-party allotment and conducted a third-party allocation of shares to raise funds and eliminate excess debt. Additionally, by converting the business structure and integrating and closing bases, and implementing other measures to reduce fixed costs, it plans to realize a results recovery in the Casual Wedding Business at an early stage and to eliminate the excess debt during FY3/22. Although eliminating the excess debt is a pressing problem, at the present time there would seem to be no major concerns about fundraising.

3. Forecasts for FY3/22 are for sales to increase significantly and profitability to be achieved

For the FY3/22 consolidated results, the Company is forecasting net sales of ¥8,000mn, operating income of ¥350mn, ordinary income of ¥260mn, and net income attributable to owners of parent of ¥240mn. Toward the 2H, the impact of COVID-19 will gradually lessen, and the forecasts are for sales to increase significantly and profitability to be achieved. The various measures toward improving profitability will contribute, including the new services in response to new lifestyles during the “with COVID-19” era, and the integration, closing, and reduction of scale of bases. The forecasts for the 1H are for net sales of ¥3,000mn, an operating loss of ¥60mn, an ordinary loss of ¥110mn, and a net loss attributable to owners of parent of ¥80mn. But for the 2H, the forecasts are for net sales of ¥5,000mn, operating income of ¥410mn, ordinary income of ¥370mn, and net income attributable to owners of parent of ¥320mn, so the outlook is for results to be concentrated in the 2H.

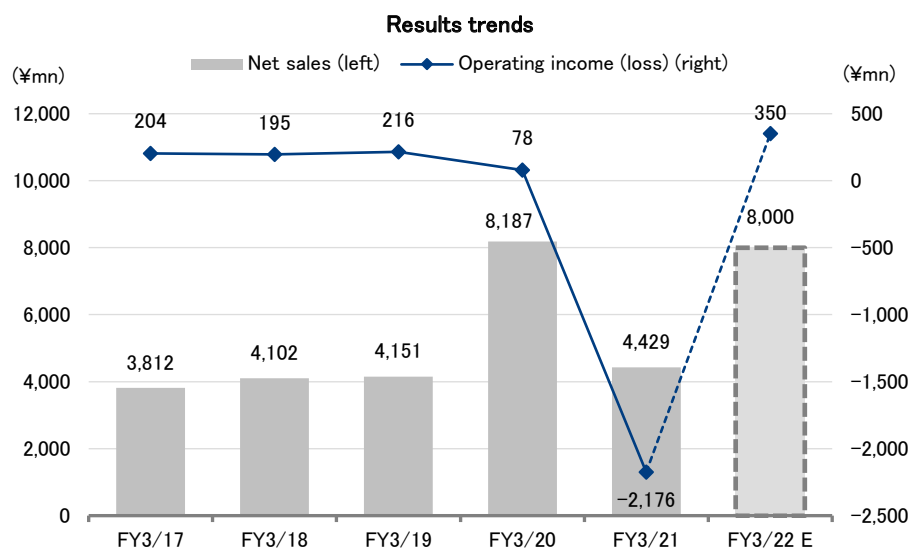
Summary

4. Currently conditions are severe due to COVID-19, but earnings are expected to increase in the medium- to long-term

The Company has positioned FY3/22 to FY3/24, which are the three years of the three-year medium-term business plan, as the period to realize a short-term results recovery and to build the foundation for growth in the medium- to long-term. For the plan's numerical targets, it has lowered the targets for FY3/22, the plan's first fiscal year, but it has left the targets for FY3/23 and FY3/24 unchanged. The numerical targets for FY3/24, the final fiscal year, are net sales of ¥14.7bn, operating income of ¥2.7bn, and an operating income margin of at least 18.6%. At the present time, it seems that the business environment is severe due to the impact of COVID-19, but the Company is steadily implementing measures toward growth in the medium- to long-term. Its strengths and competitive advantages include its high levels of reliability and brand name recognition, and there remains plenty of room for it to increase its market share. We can expect earnings to grow in the medium- to long-term by stabilizing the financial foundation at an early stage.

Key Points

- While focusing on the Matching Business and Casual Wedding Business, has also expanded its Tech Business, etc.
- The FY3/22 forecasts are for sales to increase significantly and profitability to be achieved, including from the easing of COVID-19 and new services
- There remains plenty of room to increase market share and earnings are expected to grow in the medium- to long-term



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

■ Company outline

The corporate philosophy is “Creating better lives”

1. Company outline

The Company’s corporate philosophy is “Creating better lives” and, with a focus on the Matching and Casual Wedding businesses, it creates and provides high quality services required by customers in a wide range of areas, including tech, lifestyle, and corporate services.

2. History

The Company was established as the former Partner Agent Inc., a wholly-owned subsidiary of Take and Give Needs Co., Ltd. <4331>. Mr. Shigeru Sato, the current President and Representative Director, was appointed director and in September 2006, it launched the Matching Business. 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 October 2015, it was newly listed on the Tokyo Stock Exchange (TSE) Mothers market. 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 wedding company M Creative Works Inc. (currently Tameny Art Works Inc.) joined the Group; and in April 2020, the wedding after-party venue introduction company pma Inc. (currently Tameny Party Agent Inc.) joined the Group. In such ways, the Company has been expanding 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. As of March 31, 2021, the Group consisted of the Company and three consolidated subsidiaries (Tameny Art Works, a photo wedding company; Tameny Party Agent, which mainly introduces venues and produces wedding ceremonies for a small number of guests, and Tameny Agency Inc., an advertising agency), and one equity-method affiliate (en-konkatsu agent inc., which provides completely online matching support services).

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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
December 2007	Became the first in the industry to acquire the quality assurance international standard ISO 9001:2000/JIS Q 9001:2000 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)
December 2010	Became the first in the industry to acquire the complaints-response management system international standard ISO10002 certification
January 2011	Changed the company name of PA Marketing to Sync Partners Inc.
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.

Source: Prepared by FISCO from Company materials

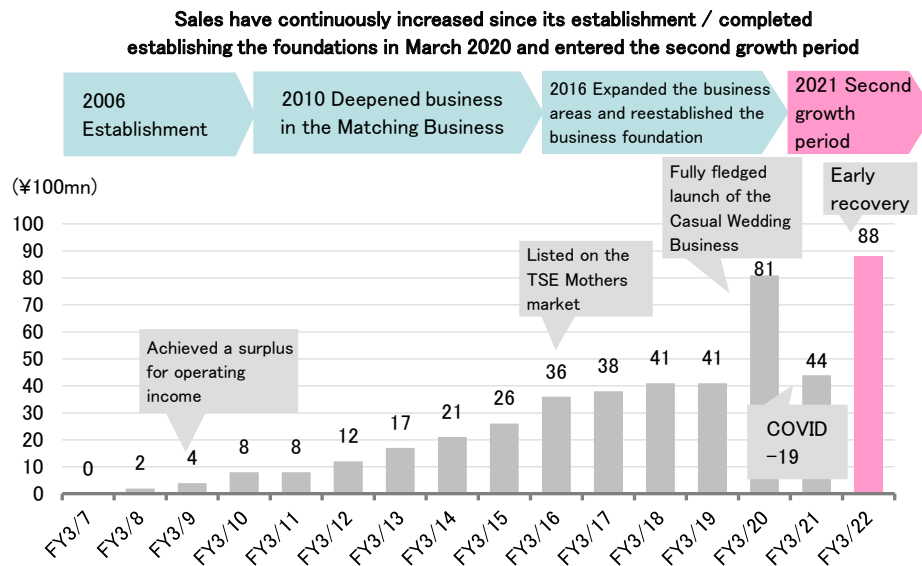
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Business description

While focusing on the Matching Business and Casual Wedding Business, is also developing businesses in peripheral areas

1. Summary of services

The Company utilizes M&A to expand its business areas, and currently it is focusing on the Matching Business (the planning and management of matching support agency and matching parties, etc.), and the Casual Wedding Business (the production of casual wedding receptions and after-parties, management of photo weddings, after-engagement services) But for peripheral areas also, it is expanding businesses for the Tech Business (managing a platform for mutual introductions between members of matching support services, developing and managing online matching services, providing a corporate matching support system), the Lifestyle Business (an insurance agency, a housing information service, etc.), and the Corporate Enterprise Business (matching support for local governments, corporate event production) The contents of the businesses and services in each area are as follows.

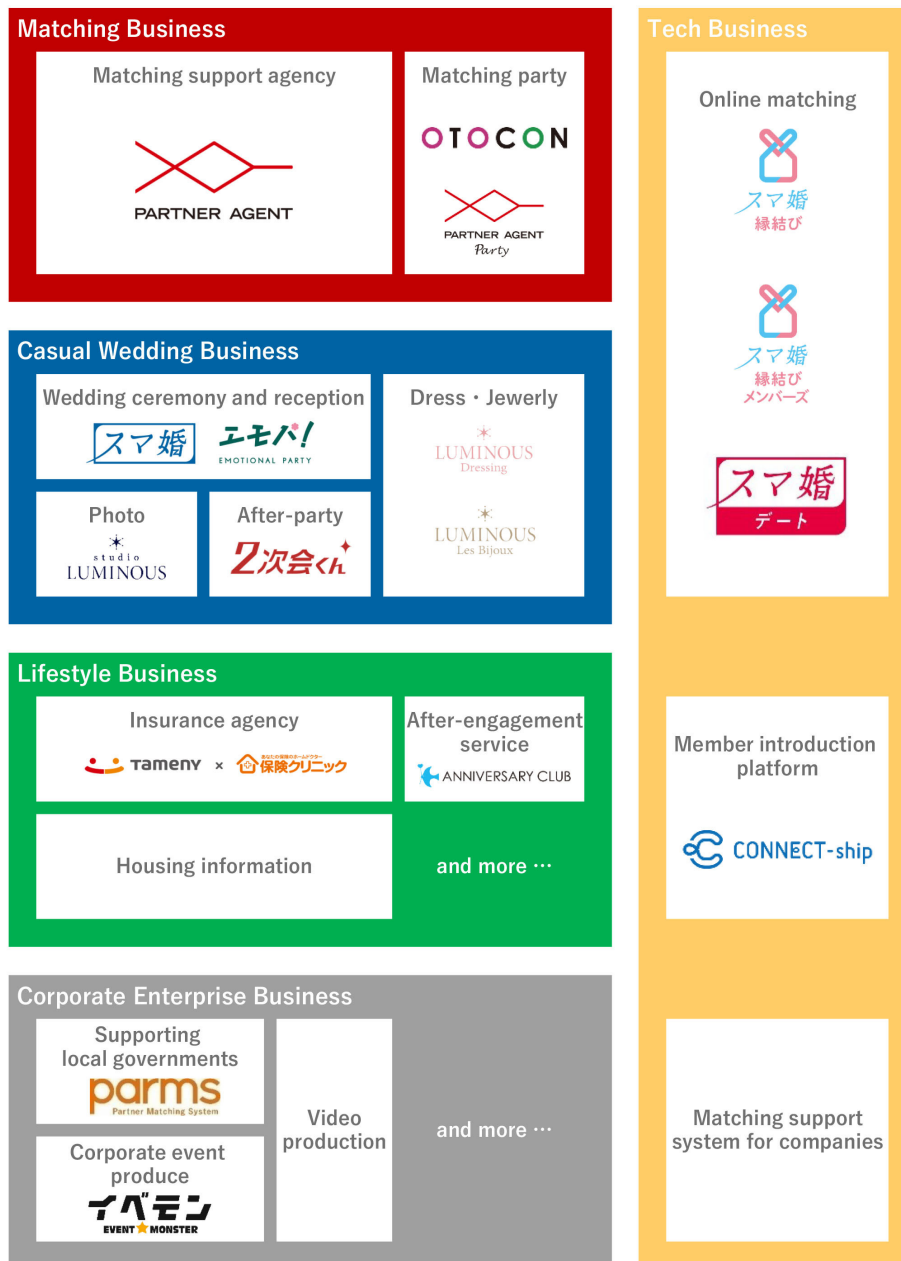


Source: Prepared by FISCO from the Company's medium-term management plan materials

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Business description

Reforms of the business area



Source: Reprinted from the Company's FACT BOOK

For the reporting segments, the Company has reported on the Matching Business (the planning and management of matching support agency and matching parties, development and the management of online matching services, management of the platform for mutual introductions between members of matching services, etc.) the Casual Wedding Business (production of casual wedding receptions, photo weddings, and wedding after-parties; sales of bridal jewelry and insurance, a service to provide housing information, etc.), and the Other Business (matching support for local governments, event production for corporations, video production, sales of bridal jewelry and insurance, new businesses, etc.)

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Business description

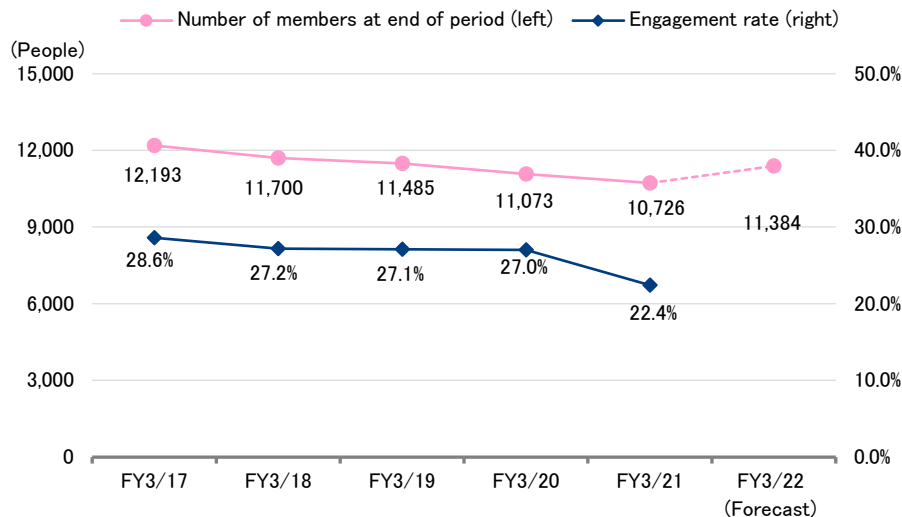
In the percentages of total net sales by business segment in FY3/21 (before adjustments), the Matching Business Provided 63.2%, the Casual Wedding Business 30.6%, and the Other Business 6.2%. The percentage provided by the Casual Wedding Business rose in FY3/20 because in April 2019, casual wedding major company Mation joined the Group (absorption merger with the Company in October 2020). But in FY3/21, the Casual Wedding Business was particularly severely impacted by COVID-19, so its percentage declined.

2. Matching Business

The main services in the Matching Business are the operations of Partner Agent, a members-only matching support agency, and the operations of OTOCON matching party service, which is a preliminary service. Also, in November 2020, the Company launched Partner Agency Party (PAP), which are higher grade matching parties. Then in March 2021 for matching using digital technology, it launched Partner Agency Online, 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 first for the engagement rate.

The matching support agency Partner Agent offers matching concierge services with its highly skilled specialists and proprietary matching system to members who want to find a marriage partner within a year. Members' average period of enrollment is approximately 18 months, and the average cost per person (registration fee, monthly membership fee, optional fees, matching fee, etc.) is around ¥370,000. A feature of the matching support through the matching concierge services is that it ranks first 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. According to a survey in April 2020 by BTC Corporation). The engagement rate temporarily declined in FY3/21 due to the impact of COVID-19, but if excluding this special factor, it basically trends in the 27% to 28% range.

Trends in the number of members and engagement rate in Partner Agent

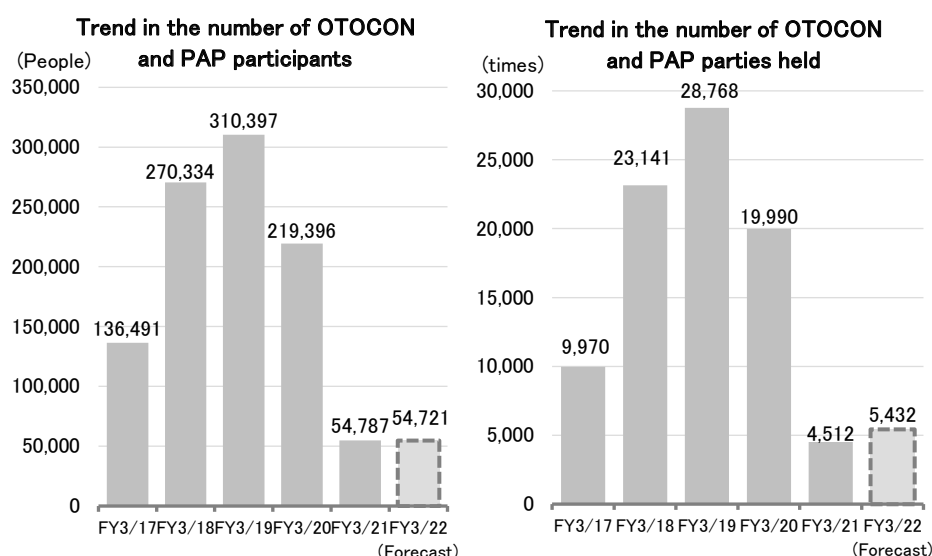


Source: Prepared by FISCO from the FACT BOOK

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Business description

The OTOCON matching party service was launched in June 2013 to provide matching parties with the most inexpensive price in the industry at a uniform price for those who genuinely want to marry and who can attend with peace of mind. It is positioned as a preliminary service of the Partner Agent matching support agency, and the parties are held mainly at its own venues throughout the country. The number of participants and the number of parties held steadily increased up to FY3/19. But from FY3/20, the Company strategically decreased the number of parties held in order to optimize management and improve the service quality. Moreover, the number of parties held decreased significantly in FY3/21 due to the cancellation of and self-restraint on holding events due to COVID-19. Going forward, in addition to offering the most inexpensive matching parties in the industry at a uniform price, the Company intends to accelerate the development of the Partner Agent Party, which are higher grade matching parties.



Note: The results are for OTOCON only up to FY3/21 and the total of OTOCON and PAP (forecast) for FY3/22
Source: Prepared by FISCO from the FACT BOOK

As a new option service for members, in June 2020 the Company launched Partner Agent Coordination as a styling service for matching that draws out the appeal of members to the greatest possible extent through total coordination. Since the service was launched in June, it has achieved the result of the engagement rate of PAC users rising by 1.4 times, so it was launched nationwide in January 2021. From June 2020 to March 2021, it achieved sales of approximately 900 contracts (average sales price, ¥65,000). Also, in March 2021, in response to diversifying matching needs, the Company launched Video Profile, an option service to communicate members' profiles by video.

3. Casual Wedding Business

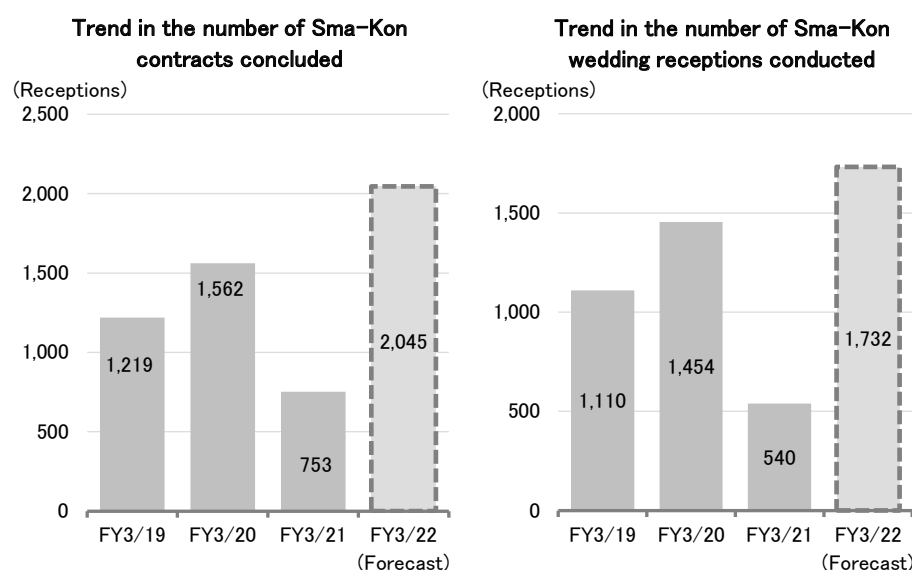
The main services in the Casual Wedding Business are Sma-Kon, a casual wedding reception production service; Nijikai-Kun, a wedding after-party production service; and LUMINOUS, a photo wedding service.

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Business description

In Sma-Kon, which is a casual wedding reception production service, 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 ¥3.6mn (according to the Zexy 2020 marriage trend survey), the average cost of a Sma-Kon reception is only approximately ¥2mn. In July 2020, the Company upgraded, renewed, and rebranded this service, but in FY3/21, the number of contracts concluded and wedding receptions conducted was affected by postponements and cancellations due to the coronavirus.

In the Sma-Kon casual wedding reception service, in May 2021 the Company started to provide a new plan for weddings with only a small number of people (wedding with only a small number of people and gifts, a wedding with a small number of people and celebration hour, and a garden wedding). This is in response to the changing needs of the bride and groom, from the previous form of a “wedding + reception with many guests,” to a “small scale wedding to convey feelings to the people who are truly important.” The Company’s policy going forward is to expand services in order to respond to diversifying needs with various plans.

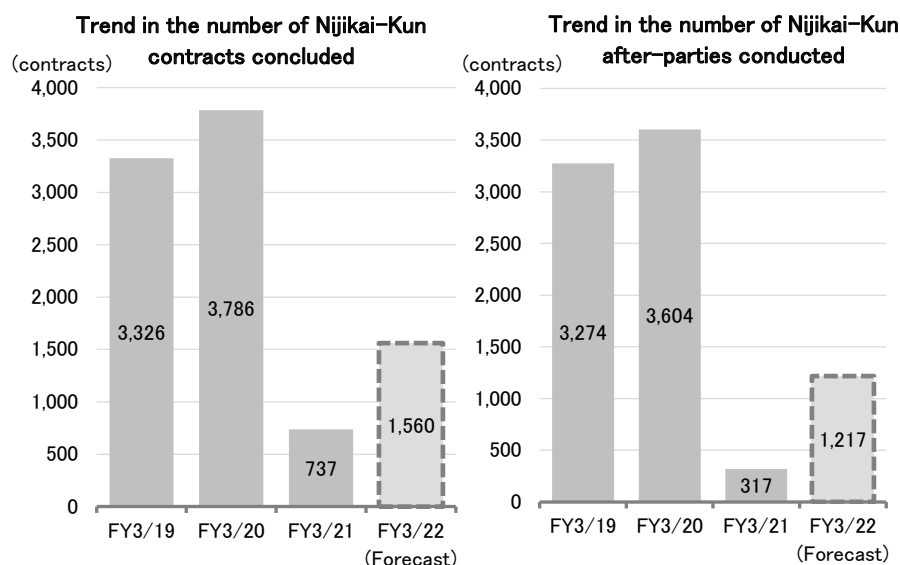


Source: Prepared by FISCO from the FACT BOOK

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 around ¥400,000. In FY3/21, the number of contracts concluded and after-parties concluded were affected by postponements and cancellations due to the coronavirus.

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Business description



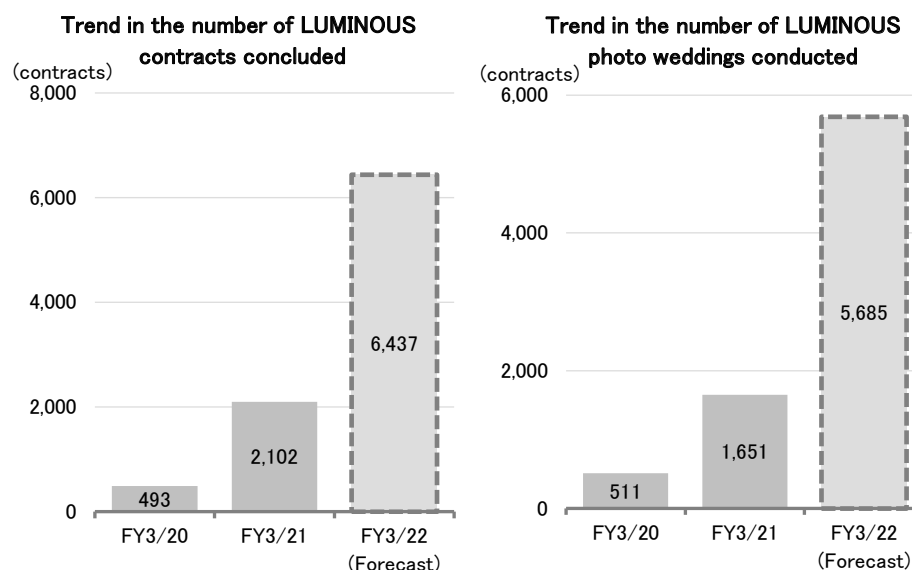
Source: Prepared by FISCO from the FACT BOOK

The LUMINOUS photo wedding service involves holding photo shoots at elegant homes and other locations 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 cost is approximately ¥210,000, which means that customers can have an experience just like an actual ceremony, but for less than approximately one tenth of the cost of a typical wedding reception.

As a form of wedding that is adapted to the “with COVID-19” era to avoid the “three Cs” during the COVID-19 pandemic, the number of contracts concluded and weddings conducted greatly increased in FY3/21. The Company has positioned this business as a growth field for the future, and its policy is to progress initiatives to develop it to be the third pillar of earnings. In November 2020, Group company 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 will be able to instantly develop this business nationwide as LUMINOUS photo wedding venues had previously been limited only to metropolitan Tokyo.

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Business description



Source: Prepared by FISCO from the FACT BOOK

4. Tech Business

The main services in the Tech Business include the management of CONNECT-ship, which is a platform for mutual introductions between members of matching services; the planning, development and management of releases of Sma-Kon Enmusubi, an online matching support agency and matching app; a corporate matching support system; and video production services. CONNECT-ship is the industry's first platform for mutual introductions between members of matching services. Introductions can be made across registered businesses and the aim is to maximize customer results (getting married) by creating opportunities for them to meet. It was launched in June 2017. In December 2020, Marriage Office Digi2, which is certified by the Atago Shrine in Fukuoka, was newly added to the user businesses, and at the end of FY3/21, there were 12 user businesses, approximately 55,000 members in total, and around 28,000 members who can receive introductions. In response to the "with-COVID-19" era, the Company has launched an automated online matchmaking system that it developed itself.

CONNECT-ship previously obtained fees for arranged matchmakings, but from FY3/22, it changed to charging a basic fee while lowering the matchmaking fees.

For the development and management of the online matching support agency and matching app, based on the experience the Company has cultivated in managing the 'looking-for-love' Sma-Kon Date app and against the backdrop of increased needs for online meeting places, in January 2021 it launched Sma-Kon Enmusubi, a new completely app-based matching support agency that provides enhanced matching support agency services and utilizes the industry's leading matching pool. It also provides Sma-Kon Enmusubi Members, which is a group-type matching support agency for men and women aged 20 years to 39 years who are considering using a matching service for the first time. Going forward, its policy is to strengthen business development for the Sma-Kon Enmusubi series.

For the corporate matching support system, the Company utilizes its cutting-edge technologies, such as AI matching, to provide a system that it itself developed to companies wanting to open matching support agencies, and it also provides them with business support. Following the transfer of the management-support business for the completely online matching support service to the equity-method affiliate en-konkatsu agent inc. on November 1, 2020.

5. Lifestyle Business

The main services in the Lifestyle Business include an insurance consultation service (Hoken Clinic powered by Tameny) and a housing information service. In the Matching and the Casual Wedding Business, the Company is pursuing synergies by utilizing the contact points with the approximately 8,000 newly wed couples annually.

Moreover, the Company is investigating new services. In October 2020, it concluded a business alliance with Broad-minded Co., Ltd., which provides financial partner services based on life planning.

6. Corporate Enterprise Business

The main services in the Corporate Enterprise Business are the parms service, a matching support for local governments, and the Evemon corporate event production service. In the parms matching support service for local governments, the Company customizes the matching support system that it itself developed to support the matching conducted by local governments. In February 2021, it was decided that the service would be provided to Ibaraki Prefecture. As of March 31, 2021, it had concluded contracts and introduced the service for six local governments (in order of the contracts concluded, Fukushima Prefecture, Kyoto Prefecture, Saitama Prefecture, Akita Prefecture, Fukui Prefecture, and Ibaraki Prefecture). Also, in February 2021, it was commissioned to manage the matching event Nobeoka♡ Love Story 2021 by Nobeoka City, Miyazaki Prefecture, and then in March 2021, it was commissioned to manage Kobe Love Story, an event held by a private sector matching business in Hyogo Prefecture. 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 the even 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 ¥750,000 on average. In FY3/21, the numbers of contracts concluded and events held slumped due to COVID-19, but the convenience of being able to outsource every aspect of an event has been highly evaluated by customers. Moreover, demand for online events is increasing during the COVID-19 pandemic, so in April 2021 the Company launched TV-type Pack for Evemon, which is an online event solution service that uses high-quality video. As a growth field in the future, its policy is to strengthen the corporate offline and online events production business.

In the Casual Wedding Business, Emotional Party! which is an online distribution service launched in November 2020, began collaborating with DK Dining, the restaurant business managed by DAICHIKOSHO CO., LTD. <7458> in February 2021. It launched network-style corporate event services for hybrid-style events that are held at separated venues with ceremonies broadcast online from the main venue. Based on this collaboration, it will also consider creating new services alongside the revitalization of the restaurant industry.

7. Features and strengths

With the matching support agency as the starting point, it is developing a wide range of multi-directional, consistently 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, and its features and strengths include its high levels of reliability and brand name recognition.

Business description

The Partner Agent matching support agency realize 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 coronavirus era. In the Tech Business, it is aiming to maximize marriages through the CONNECT-ship platform for mutual introductions between members of matching businesses' services.

Particularly in the Matching Business, customers prioritize social reliability and name awareness 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 Institute of 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 the world need. Going forward also, utilizing its strengths of being highly reliable and having high brand name awareness, it intends to build a structure to provide multi-directional services that meet all customer's needs and to develop its businesses.

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.

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 the coronavirus, the percentage of people who want to find a partner is also rising. Moreover, in the coronavirus era, it is projected that instead of the conventional, very expensive wedding reception, an increasing percentage of couples want to have a casual wedding with only a few guests or have photo weddings instead, 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 strong credibility and brand 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. As a countermeasure, it is strengthening measures to promote receptions during the quiet season.

As the business environment has deteriorated due to the impact of COVID-19, the Company is integrating, closing, and reducing the scale of bases toward reducing fixed costs. In FY3/21, it closed or integrated 11 bases in total, of 2 Partner Agent matching support agency bases in the Matching Business, 2 venues for holding OTOCON matching parties, and 7 venues for holding wedding receptions and after-parties in the Casual Wedding Business. Moreover, it also plans to integrate, close, or reduce the scale of 13 bases in FY3/22. Conversely, it is increasing bases for the photo wedding service, for which needs are high, opening 4 new bases in FY3/21.

Business trends

In FY3/21, sales declined due to the impact of the coronavirus

1. Summary of the FY3/21 consolidated results

In the FY3/21 consolidated results, net sales decreased 45.9% YoY to ¥4,429mn, operating loss was ¥2,176mn (compared to income of ¥78mn in the previous period), ordinary loss was ¥2,089mn (income of ¥41mn), and net loss attributable to owners of parent was ¥2,316mn (net income of ¥2mn). Sales declined due to COVID-19.

In particular, the Casual Wedding Business was impacted by the postponements and cancellations of events. In non-operating income, subsidy income of ¥127mn was recorded. Also, in the extraordinary loss, as one part of its measures to improve business efficiency, the Company recorded an impairment loss of ¥68mn relating to the 13 bases that were closed, integrated, or reduced in scale, an impairment loss of ¥48mn relating to the cancellation of the development of the in-company business-critical system, and ¥138mn as the provision for loss on guarantees relating to a stock-allocation trust (employee-holding, share-disposal type) prior to the contract expiration in June 2021.

Looking by fiscal quarter, results bottomed-out in the 1Q, with net sales of ¥701mn and an operating loss of ¥824mn. Results then recovered, with net sales of ¥999mn and an operating loss of ¥614mn in the 2Q, net sales of ¥1,399mn and an operating loss of ¥382mn in the 3Q, and net sales of ¥1,328mn and operating loss of ¥354mn in the 4Q. Sales are recovering as the impact of COVID-19 is gradually easing, and also including from the effects of moving the matching support agency services online and the growth of the photo wedding service. In costs, the effects of measures including integrating and closing bases and improving the efficiency of advertising costs and sales-promotions costs are contributing, and the extent of the operating loss is contracting.

Summary of the FY3/21 consolidated results

	(¥mn)					
	FY3/20	FY3/21	FY3/21 1Q	FY3/21 2Q	FY3/21 3Q	FY3/21 4Q
Net sales	8,187	4,429	701	999	1,399	1,328
Operating income (loss)	78	-2,176	-824	-614	-382	-354
Ordinary income (loss)	41	-2,089	-821	-554	-367	-346
Net income (loss) attributable to owners of parent	2	-2,316	-821	-554	-277	-662
Net sales by segment (before adjustments)						
Matching Business	3,563	2,809	614	759	748	687
Casual Wedding Business	4,332	1,357	62	221	576	497
Other Business	312	277	19	28	79	150
Adjusted amount	-20	-15	5	-8	-4	-8
Operating income (loss) by segment (before adjustments)						
Matching Business	817	257	-26	71	106	105
Casual Wedding Business	338	-1080	-541	-225	-164	-148
Other Business	64	-20	-29	-28	0	37
Adjusted amount	-1,142	-1332	-226	-432	-325	-349

Note: Since the method of allocation for the SG&A expenses segment was changed beginning in FY3/21 3Q, figures are shown retroactively adjusted using this method.

Source: Prepared by FISCO from Company materials

2. Trends by business

The Matching Business recorded an operating loss in the 1Q, but recovered to achieve operating income from the 2Q and achieved operating income for the full fiscal year. For the Partner Agent matching support agency, growth of new members was sluggish following the declaration of a state of emergency, and at the end of the period, the number of enrolled members had declined 3.1% compared to the end of the previous period. But the recovery trend is strengthening, including from the contributions of the improved marketing functions, advertising utilizing a female idol pop group, and the opening of the Sendai store, and the result was basically solid for the full fiscal year. The engagement rate fell to as low as 16.2% in the 1Q, but subsequently recovered to the 20% range. Due to measures to improve service quality, members withdrawing from services are decreasing, but the impact of the self-restraint on holding events because of COVID-19 has been severe for OTOCON, the conventional-type matching party, while priority has also shifted to Partner Agency Party (PAP), the higher-grade matching parties. So as a result of these factors, the number of events held and the number of participants both decreased significantly.

As part of its measures to improve business efficiency, the Company has decided to close, integrate, or reduce the scale of 9 Partner Agent matching support agency bases and 8 OTOCON matching party bases. Of these, it closed and integrated the 4 bases; 2 Partner Agent matching support agency bases and 2 OTOCON matching party bases.

In the Casual Wedding Business, the Sma-Kon casual wedding receptions and the Nijikai-Kun after-parties were greatly impacted by COVID-19, and the number of events held decreased significantly. Conversely, the number of photo weddings conducted for the LUMINOUS grew significantly, by 3.2 times YoY to 1,651. In order to avoid the three Cs during the COVID-19 pandemic, people want to hold a wedding ceremony that is adapted to the coronavirus era, and both the number of contracts concluded and photo weddings conducted have been increasing rapidly, particularly since the 2Q. The enhancement of the lineup and the expansion of the service-provision areas also contributed.

As part of its measures to improve business efficiency, the Company closed and integrated 7 bases for the Sma-Kon casual wedding reception service and the Nijikai-Kun after-party service (includes integrations into the Matching Business) and optimized deployments of personnel (redeployments to the Matching Business and to the photo wedding service field). Conversely, for the LUMINOUS photo wedding service, which is a growth field, it newly opened 4 studios nationwide. It has also launched LUMINOUS La Maison, a location photo service in collaboration with leading venues and guest houses nationwide, including with bridal business company ESCRIT.

In the Tech Business, the number of business using CONNECT-ship, which is a platform for mutual introductions of members of matching support services, grew to 12 companies and an automated, online matching system was also launched. The number of matchmakings arranged declined 6.5% on a full fiscal year basis due to COVID-19, but it is recovering, rising 4.5% compared to the same quarter in the previous fiscal year in the 3Q and 3.3% in the 4Q. For the planning, development, and management of the online matching support agency and matching apps, in addition to the 'looking-for-love' Sma-Kon Date app and Sma-Kon Enmusubi Members, a group-type matching support agency, in January 2021 the Company launched Sma-Kon Enmusubi, a new completely app-based matching support agency that provides enhanced matching support agency services and utilizes the industry's leading matching pool.

In the Lifestyle Business, insurance sales were strong, including from the effects of expanding the service-provision areas. For finance- and real estate-related, the Company is building a new structure to acquire customers with leading companies handling a diverse range of financial products. In October 2020, it began a business alliance with Broad-minded and started providing a financial planning service.

Business trends

In the Corporate Enterprise Business, provision of parms, a matching support service for local governments, was decided for Fukui Prefecture and Ibaraki Prefecture, and as of the end of FY3/21, the Company had concluded contracts and introduced the service for six local governments. Also, multiple local governments, including Nobeoka City, Hyogo Prefecture, have outsourced matching events and seminars to the Company. The Company has also started developing online events for Evemon, a corporate events production service, and since the 3Q, the number of events held has been greatly increasing. Moreover, in April 2021, the Company started providing TV-type Pack, which is an online events solution service using high-quality video.

The main indicators in each area

	FY3/20	FY3/21	FY3/21 1Q	FY3/21 2Q	FY3/21 3Q	FY3/21 4Q
Matching Business						
Number of new members	7,968	6,272	927	1,978	1,825	1,542
Engagement rate	27.0%	22.4%	16.2%	23.5%	27.1%	22.6%
Number of members at end of period	11,073	10,726	10,606	10,949	10,890	10,726
Number of parties held	19,990	4,512	442	1,601	1,568	901
Number of party participants	219,396	54,787	5,506	19,779	18,853	10,649
Casual Wedding Business						
Number of Sma-Kon wedding receptions conducted	1,454	540	21	91	260	168
Number of Nijikai-Kun parties conducted	3,604	317	1	65	207	44
Number of LUMINOUS photo weddings conducted	511	1,651	64	334	526	727
Other Business						
Number of CONNECT-ship matchmakings arranged	309,428	289,424	54,928	77,582	79,780	77,134
Number of Evemon events held	116	128	2	4	35	87

Note: The number of LUMINOUS events held is not included in the FY3/20 consolidated results

Source: Prepared by FISCO from Company materials

3. Financial position

Looking at the financial position, at the end of FY3/21 total assets had decreased ¥410mn from the end of the previous fiscal period to ¥5,067mn, mainly due to the decline in cash and deposits. Total liabilities had increased ¥1,014mn to ¥5,467mn, primarily because long-term borrowings increased. Total net assets decreased ¥1,425mn to -¥399mn, mainly due to the decrease in retained earnings. The equity ratio fell 26.6 percentage points (pp) to -7.9%.

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Business trends

The main management indicators

(¥mn)				
Item	FY3/18	FY3/19	FY3/20	FY3/21
Net sales	4,102	4,151	8,187	4,429
Cost of sales	1,745	1,778	4,062	875
Gross profit	2,357	2,372	4,125	3,553
Gross profit margin	57.5%	57.2%	50.4%	80.2%
SG&A expenses	2,162	2,156	5,418	5,729
SG&A expenses ratio	52.7%	51.9%	66.2%	129.4%
Operating income (loss)	195	216	78	-2,176
Operating income margin	4.8%	5.2%	1.0%	-
Non-operating income	140	18	46	161
Non-operating expenses	9	26	83	74
Ordinary income (loss)	325	208	41	-2,089
Ordinary income margin	7.9%	5.0%	0.5%	-
Extraordinary income	-	1	105	66
Extraordinary loss	136	44	103	255
Net income (loss) before income taxes	189	165	42	-2,278
Total income taxes, etc.	72	79	40	38
Net income (loss) attributable to owners of parent	117	90	2	-2,316
Ratio of net income attributable to owners of parent	2.9%	2.2%	0.0%	-
Comprehensive income (loss)	117	83	3	-2,313
Total assets	2,794	3,382	5,478	5,067
Current assets	1,552	2,059	1,999	1,479
Non-current assets	1,241	1,322	3,477	3,587
Total liabilities	1,942	2,404	4,452	5,467
Current liabilities	1,076	1,132	1,873	2,464
Non-current liabilities	866	1,271	2,579	3,002
Total net assets	852	978	1,025	-399
Shareholders' equity	850	981	1,027	-400
Share capital	249	255	263	684
Total number of shares issued at end of period excluding treasury shares (shares)	9,915,971	10,153,371	10,487,571	16,213,571
Net income per share (¥)	12.15	8.99	0.25	-202.70
Net assets per share (¥)	85.81	96.39	97.81	-24.65
Dividend per share (¥)	0.00	0.00	0.00	0.00
Equity ratio	30.3%	28.9%	18.7%	-7.9%
Return on Equity (ROE)	15.5%	9.8%	0.3%	-
Cash flows from operating activities	202	374	231	-1,514
Cash flows from investing activities	-524	-180	-1,861	-447
Cash flows from financing activities	374	464	1,462	-1,483
Balance of cash and cash equivalents at the end of the period	549	1,207	1,039	562

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

4. Measures toward eliminating the excess debt

Due to the impact of COVID-19, sales decreased greatly, mainly in the Casual Wedding Business from the 4Q of FY3/20 through to the 1Q and 2Q of FY3/21, and a significant net loss was recorded in FY3/21. Therefore, at the end of FY3/21, the excess debt was -¥399mn.

To eliminate this excess debt, in November 2020 the Company conducted the 8th and 9th issues of share acquisition rights through a third-party allocation (funds raised, ¥670mn), and then in March 2021, it raised funds by a capital increase through a third-party allocation (funds raised, ¥160mn). Moreover, in May 2021, it conducted the 10th issue of share acquisition rights through a third-party allocation (with an exercise price revision clause; plans to raise funds of ¥650mn by October 2021).

Also, by converting the business structure and integrating and closing bases, and implementing other measures to reduce fixed costs, it plans to realize a results recovery in the Casual Wedding Business at an early stage and to eliminate the excess debt during FY3/22. Although eliminating the excess debt is a pressing problem, at the present time there would seem to be no major concerns about fundraising.

■ Outlook

Forecasts for FY3/22 are for sales to increase significantly and profitability to be achieved

1. Summary of the FY3/22 consolidated results forecasts

For the FY3/22 consolidated results, the Company is forecasting net sales of ¥8,000mn (¥4,429mn in FY3/21), operating income of ¥350mn (a loss of ¥2,176mn), ordinary income of ¥260mn (a loss of ¥2,089mn), and net income attributable to owners of parent of ¥240mn (a loss of ¥2,316mn). Toward the 2H, the impact of COVID-19 will gradually lessen, and the forecasts are for sales to increase significantly and profitability to be achieved. The various measures toward improving profitability will contribute, including the new services in response to new lifestyles during the “with COVID-19” era, and the integration, closing, and reduction of scale of bases.

The forecasts for the 1H are for net sales of ¥3,000mn, an operating loss of ¥60mn, an ordinary loss of ¥110mn, and a net loss attributable to owners of parent of ¥80mn. But for the 2H, the forecasts are for net sales of ¥5,000mn, operating income of ¥410mn, ordinary income of ¥370mn, and net income attributable to owners of parent of ¥320mn, so the outlook is for results to be concentrated in the 2H.

FY3/22 full year consolidated results forecasts

	FY3/21 Results	FY3/22 (¥mn)		
		Forecast	1H forecast	2H forecast
Net sales	4,429	8,000	3,000	5,000
Operating income (loss)	-2,176	350	-60	410
Ordinary income (loss)	-2,089	260	-110	370
Net income (loss) attributable to owners of parent	-2,316	240	-80	320

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

2. Priority initiatives

As initiatives to increase sales, the Company is providing new services in various areas in response to new lifestyles during the “with-COVID-19” era and creating business opportunities. Also, as priority initiatives to improve profitability, it is progressing establishing Group CRM, reducing fixed costs, and strengthening the financial foundation. To reduce fixed costs, continuing on from the previous period it will integrate, close, and reduce the scale of bases. Therefore, it has already decided to integrate, close and reduce the scale of 13 bases in total, of 7 Partner Agent matching support agency bases and 6 OTOCON matching party bases.

In the Matching Business, results are recovering for the mainstay Partner Agent matching support agency and it has achieved operating income since the 2Q of the previous period. The Company strategically reduced the number of OTOCON matching parties, and it will expand new services in this period, including of Partner Agent Online, the online matching support agency; Partner Agency Party (PAP), the higher grade, high-priced matching parties; and Partner Agent Coordination (PAC), which is a styling service for matching.

The Company is aiming to recover results in the Casual Wedding Business to the same level as before COVID-19, including by converting the business structure. The LUMINOUS photo wedding service is forecast to grow significantly, such as from the expansion of the lineup and of the service-provision areas. Also, mainstream general weddings, which conventionally have consisted of “a ceremony + reception” attended by many people with expensive food and beverages (FB), have been severely impacted by COVID-19. So going forward, the Company is establishing and strategically shifting to a product portfolio in which the mainstream is an inexpensive non-FB wedding attended by few people that is not easily affected by COVID-19 and the economic environment.

In the Tech Business, results for CONNECT-ship, the platform for mutual introductions of members of matching support services, are forecast to trend strongly, including from the contribution of online matching. CONNECT-ship previously obtained fees for arranged matchmakings, but from FY3/22, it changed to charging a basic fee while lowering the matchmaking fees. This temporarily caused the number of members to decline on the end of the previous period, but it is expected to lead to an increase in earnings in the future. For online matching, the Company's policy is to create a series of products and establish a business foundation for Sma-Kon Enmusubi, a completely app-based matching support agency.

In the Lifestyle Business, the Company will utilize its alliances with leading partners and strengthen the Group CRM strategy. In the Corporate Enterprise Business, it has positioned corporate event production as a growth field, and its policy is to strengthen the corporate offline and online events production business. This includes that in April 2021, it launched the Evemon TV-type Pack, which is an online events solutions service that uses high-quality video.

■ Medium- to long-term growth strategy

Three years that will realize a short-term recovery in results and build the foundations for medium- to long-term growth

1. The three-year medium-term business plan

The Company formulates a three-year medium-term business plan, and it positions the period from FY3/22 to FY3/24 as the three years to realize a short-term results recovery and to build the foundations for growth in the medium- to long-term. For the plan's numerical targets, it has lowered the targets for FY3/22, the plan's first fiscal year, but it has left the targets for FY3/23 and FY3/24 unchanged. The targets for FY3/24, the final fiscal year, are net sales of ¥14.7bn, operating income of ¥2.7bn, and an operating income margin of at least 18.6%. It aims to increase sales while improving the profit margin by integrating and closing bases and redeploying personnel for immediate profit recovery. Furthermore, to build the foundations for growth in the medium to long-term, it will improve profitability by utilizing its customer base of approximately 8,000 couples per year (2,500 couples who become engaged so withdraw from the matching support agency's services, and around 5,500 couples from weddings conducted in the Casual Wedding Business) and enhance its high added-value services. Financially, the Company's policy is to realize the early elimination of excess debt and the early repayment of borrowings, and for returns to shareholders, it plans to pay a dividend within three years.

Three-year medium-term management plan

	(unit: ¥100mn)	
	FY3/23 plan	FY3/24 plan
Net sales	122.0	147.0
Operating income	15.0	27.0
Operating income margin	13.0%	18.6%
Net sales by business (before adjustments)		
Matching Business	46.0	55.0
Casual Wedding Business (a) Sma-Kon Series, etc.	37.0	40.0
Casual Wedding Business (b) LUMINOUS photo wedding service, etc.	27.0	35.0
Tech Business	5.3	7.6
Lifestyle Business	0.8	0.9
Corporate Enterprise Business	5.0	7.6
Operating income by business (before adjustments)		
Matching Business	16.0	22.0
Casual Wedding Business (a) Sma-Kon Series, etc.	6.0	7.0
Casual Wedding Business (b) LUMINOUS photo wedding service, etc.	7.0	10.0
Tech Business	2.5	3.8
Lifestyle Business	0.3	0.4
Corporate Enterprise Business	2.1	3.0

Source: Prepared by FISCO from the Company's medium-term management plan materials

2. Even as the number of marriages decreases, there remains plenty of room to grow its market share

According to various surveys (sources: The Ministry of Internal Affairs and Communications, the Bridal Research Institute's Survey of Actual Marriage conditions 2019, LINKBAL Inc., etc.; some estimates), the unmarried rate is rising (for men, rising from 13% in 2000 to 27% in 2020, and for women, rising from 6% in 2000 to 18% in 2020) and the number of marriages is decreasing (decreasing from 630,000 couples in 2015 to 590,000 couples in 2019). Moreover, the business environment has further deteriorated due to COVID-19. However, in this business environment, the rate of engaged couples who had used a matching service rose from 8% in 2015 to as high as 13% in 2019. 79% respondents answered, "I agree" to the statement "Since the coronavirus, I want to find a partner." For weddings also, the percentages of casual weddings with only a small number of guests and wedding photos are forecast to increase.

The Company produces marriages and wedding ceremonies for around 8,000 couples a year, with the exception of the COVID-19 pandemic. Even so, its market share is still no more than approximately 1.4% of the approximately 590,000 engaged couples a year. With the matching support agency as the starting point, it is developing a wide range of multi-directional, consistently high quality and high added-value services, from the Matching Business through to the Casual Wedding Business and the area of supporting new lifestyles, and its strengths include its high levels of reliability and brand name recognition. On considering these strengths, there would seem to be still plenty of room for it to grow its market share. In the medium- to long-term, it is aiming for marriage and wedding ceremony production for more than 30,000 couples annually.

Creating high added-value and developing the third pillar of earnings

3. Business strategies by business

The business strategies in each segment are as follows.

(1) Matching Business

In the Matching Business, the Company is increasing sales by acquiring new customers, and at the same time it is expanding new services, including Partner Agent Online, the online matching support agency in response to COVID-19; Partner Agency Party (PAP), the higher grade, high-priced matching parties, and Partner Agent Coordination (PAC), which is a styling service for matching. It is also promoting the creation of high added value by improving cost efficiency. As the three-year milestones, in FY3/22, it will strengthen profitability by integrating and closing stores and creating high value-added businesses; in FY3/23, it will acquire new customers, including through strategic store openings leveraging online opportunities; and in FY3/24, it will realize a business profit margin of 40% by growing sales and creating high added-value. In FY3/24, it is targeting more than 1,000 new members per month and more than 15,000 members at the end of the period.

(2) Casual Wedding Business (a) Sma-Kon Series, etc.

In the Casual Wedding Business, the Company is aiming to re-strengthen products and recover sales. The Company aims to achieve profitability in the previous mainstay service Sma-Kon by conducting cost structure reforms in the short term, as the impact of COVID-19 is unavoidable. Also, in response to the new lifestyles during the “with-COVID-19” era, it is establishing and strategically shifting to a product portfolio in which the mainstream is an inexpensive non-FB wedding attended by few people that is not easily affected by COVID-19 and the economic environment. In terms of the three-year milestones, in FY3/22, the Company will achieve profitability by progressing costs-structural reforms (it has already integrated or closed 6 stores and will reduce cost prices by reviewing venue purchases, keep down advertising costs, etc.); in FY3/23, it will reinforce products, including establishing a new inexpensive wedding format with a small number of guests and supplementing venues for inexpensive events with a small number of guests (at restaurants, etc.); and in FY3/24, it intends to recover sales to the same level as before the coronavirus. In FY3/24, it is aiming to produce more than 10,000 weddings and to be the No.1 for casual weddings.

(3) Casual Wedding Business (b) LUMINOUS photo wedding service, etc.

The LUMINOUS photo wedding service is growing significantly against the backdrop of COVID-19. It is a growth field as it responds to the new lifestyle during the “with-COVID-19” era, and the Company will further strengthen its business development through measures including utilizing alliances to expand the service-provision areas and locations, and developing high value-added services. It intends for it to become the third pillar of earnings through increasing sales. In the medium- to long-term, it has in its sights overseas business development as well, and it intends to prepare the foundation for business development in Asia with Okinawa as the starting point. In terms of the three-year milestones, in FY3/22, it is aiming to conduct 5,000 photo weddings annually by expanding the service-provision areas; in FY3/23, to hold 10,000 photo weddings annually including by capturing inbound demand through starting to approach overseas visitors to Japan; and in FY3/24, to hold more than 14,000 photo weddings annually, targeting 20% of the Group's total net sales and a business profit margin of more than 30%.

(4) Tech Business

In the Tech Business, the Company is promoting various businesses, focusing on CONNECT-ship platform for mutual introductions between members of matching businesses' services and Sma-Kon Enmusubi, the online matching support agency. As the three-year milestones, in FY3/22, it will strengthen the monetization of the CONNECT-ship platform for mutual introductions between members of matching businesses' services; in FY3/23, it will generate earnings from the matching app that it plans to release during FY3/21; and in FY3/24, it will strengthen external sales for various types of systems.

(5) Lifestyle Business

In the Lifestyle Business, the Company is preparing Group Customer Relationship Management (CRM) and expanding the products handled. As it is prioritizing a results recovery, in the short term it will keep down investment in the Lifestyle Business, but in the medium- to long-term, rather than conducting business that only generates commissions from introducing customers, it will build a foundation for growth with manufacturer functions. As the three-year milestones, in FY3/22, it will prepare Group CRM; in FY3/23, it will enhance the lineup of products handled; and in FY3/24, it will strengthen sales growth to both inside and outside of the Group.

(6) Corporate Enterprise Business

In the Corporate Enterprise Business, the Company will grow earnings on the twin axes of the Evemon corporate event production service and the parms matching support service for local governments. As demand for online events is increasing during the COVID-19 pandemic, in April 2021 the Company started providing Evemon TV-type Pack as an online events solutions service, and as a growth field for the future, its policy is to strengthen the corporate offline and online events production business. As the three-year milestones, in FY3/22 and FY3/23, it will launch Evemon in Osaka and Nagoya and introduce parms into 3 prefectures a year, and in FY3/24, it is targeting a parms coverage rate of 30% (introducing it into 15 prefectures) and creating a business from new corporate services.

4. Financial strategy

The Company's financial strategy is to raise funds through issuing share acquisition rights through a third-party allocation and a capital increase through a third-party allocation in order to eliminate the excess debt, which was -¥399mn at the end of FY3/21. Alongside this fund raising, it intends to have eliminated the excess debt by the end of FY3/22 through the recoveries of sales and profits. Then by stabilizing the financial foundation at an early stage, including by repaying borrowing, it is aiming to achieve both sustainable business growth and returns to shareholders. For returns to shareholders, its policy is to pay a dividend within three years.

5. Earnings are expected to grow in the medium- to long-term

Due to the impact of the coronavirus, the business environment is expected to be severe for the time being, but the Company is steadily progressing initiatives toward growth in the medium- to long-term growth. It has been a pioneer in the industry for acquiring international standard certifications for information management and quality control, while it is providing high quality and high added-value services and establishing high levels of reliability and brand name awareness. Based on the Company's strengths and competitive advantages, there remains plenty of room for it to grow its market share. We can expect earnings to grow in the medium- to long-term through the stabilization the financial foundation at an early stage.

Shareholder return policy

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






The Company does not pay a dividend at the current time, as it is at the stage of conducting investment for the future. However, it implements a shareholder benefits program, giving gift coupons and gift points according to the number of shares held to shareholders registered at the end of September in each year.

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Shareholder return policy

Returns to shareholders (1) (gift coupons for services)

The coupons for shareholders who own 100 shares or more at the end of September

 <p>結婚相談所の常識を変えていく パートナーエージェント</p> <p>Free registration ticket for the marriage support agency ¥30,000 (excluding tax) × 1</p>	 <p>2次会くん スマ婚</p> <p>¥50,000 (excluding tax) discount ticket for "Sma-Kon" & "Nijikai-Kun" × 4</p>
 <p>大丈夫。 みんな一人です。 カップル界 業界 No.1 OTOCON</p> <p>Free tickets for the matching party × 2</p>	 <p>美しいArtを贈ろう。 LUMINOUS Les Bijoux</p> <p>15% discount ticket for LUMINOUS Les Bijoux (bridal jewelry shop) × 1</p>
	 <p>LUMINOUS</p> <p>10% discount ticket for LUMINOUS (wedding photo) × 1</p>

Source: Reprinted from the Company's results briefing materials

Returns to shareholders (2) (points coupons)

The points (available for Premium Yutai Club) for shareholders who own 100 shares or more at the end of September

Number of shares held	Number of points
1,000-1,999 shares	9,000pt
2,000-2,999 shares	19,000pt
3,000-3,999 shares	30,000pt
4,000 shares-	42,000pt

The points can be exchanged
to foods, appliances, etc.
(1pt ≒ ¥1)



Source: Reprinted from the Company's results briefing materials

Initiatives for SDGs

In order to contribute to realizing a sustainable society through all of its business activities, the Company's initiatives for Social Development Goals (SDGs) include promoting women to managerial positions, building trust through acquiring various types of certifications including the ISO (JIS Q) 27001 information security management standard, providing the matching support service parms to local governments, and collaborating with local governments

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