



♡ IBJ 3rd-Quarter Financial Report for the Fiscal Year Ending December 2020

November 12, 2020 TSE 1st Section: 6071

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1. Financial Results Summary

— 3Q Consolidated Results Highlights —

(Million yen)

	(Ref.) 3Q 2019	Full-year 2020 revised forecast	3Q 2020 actual results	Progress rate vs. revised forecast
Net sales	11,457	13,117	9,523	72.6%
Operating income	1,756	1,452	1,124	77.5%
Ordinary income	1,781	1,385	1,052	76.0%
Profit attributable to owners of parent	1,158	318	346	108.8%

Achieved Net sales 9,523 million yen, operating income 1,124 million yen
 (Progress rate vs. revised forecast 72.6%) (Progress rate vs. revised forecast 77.5%)

— Highlights —

▶ Agency opening support business and affiliate business

As with June, monthly net sales in July and August exceeded 100 million yen

- The number of openings increased steadily by 50 to 60
- The number of affiliates topped 2,500

In the ranking of the number of franchise stores, we are 5th (out of 250 companies) after major convenience stores and White Express

▶ Marriage consulting agency business (directly managed lounges + affiliates)

The number of arranged marriage meetings reached the level of 40,000

In August and September, the number of arranged marriage meetings exceeded 40,000 due to increased demand for marriage hunting and contribution of ZWEI

The number of transitions to serious relationships in 3Q exceeded that in 1Q and 2Q, leading to hope for more marriages in 4Q

▶ Party business

In September, the number of participants recovered to about 80% of that before COVID-19 (vs. February)

The number of participants on Saturdays and Sundays far exceeded expectations. The numbers recovered thanks to thorough measures against COVID-19 infection

- Top 250 in terms of the number of franchise stores

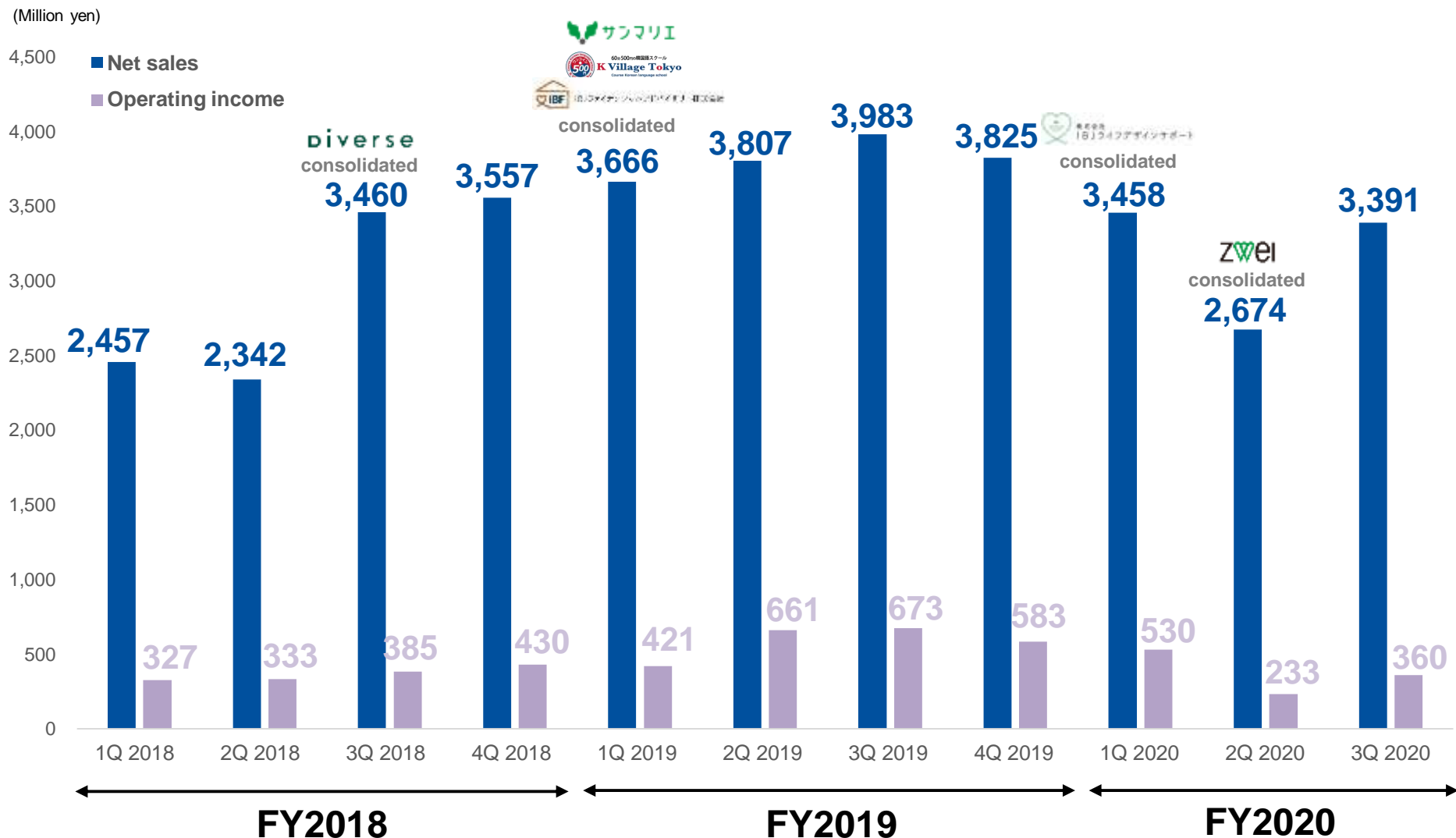
Rank	Brand	Franchise Store Count	Other Info
1	セブン-イレブン (Seven-Eleven)	20545 店	250万円 - 250万円
2	ファミリーマート (FamilyMart)	16234 店	50万円
3	ローソン/ナチュラルローソン/ローソンストア100 (Lawson)	14141 店	100万円
4	ホワイト急便 (White Express)	5000 店	50万円
5	日本結婚相談所連盟 (Japanese Marriage Agency Alliance)	2424 店	150万円 - 300万円

* Cited from the information magazine specialized in startup and new businesses "Business Chance," October 2020

* Use of images permitted

* 2,424 affiliates as of March 31, 2020

— Changes in Net Sales and Operating Income —



Quarterly net sales and operating income are on a V-shaped recovery trend after bottoming out in 2Q

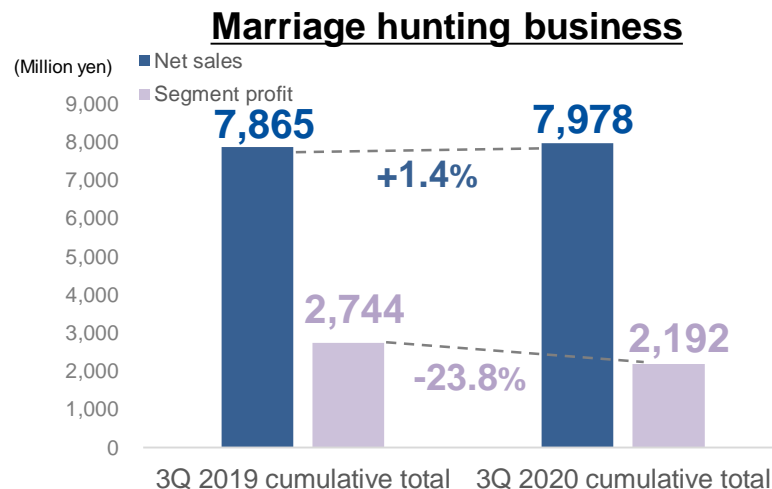
— Segment Summary —

The marriage hunting business posted net sales of **7,978** million yen and segment profit of **2,192** million yen

Net sales are stable due to stock revenues such as monthly membership fees. Growth investment was conducted including ZWEI

Marriage hunting business

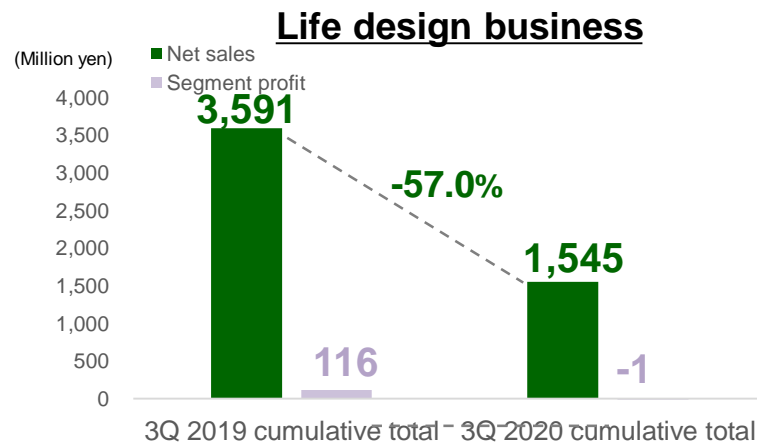
(Million yen)	3Q 2019 cumulative total	3Q 2020 cumulative total	Percentage change
Net sales	7,865	7,978	+1.4%
Segment profit	2,744	2,192	-23.8%
Segment profit rate	34.9%	27.5%	-7.4%



Life design business posted net sales of **1,545** million yen and segment profit of **-1** million yen due to no easing of measures to entry into Japan in travel business

Life design business

(Million yen)	3Q 2019 cumulative total	3Q 2020 cumulative total	Percentage change
Net sales	3,591	1,545	-57.0%
Segment profit	116	-1	—
Segment profit rate	3.2%	—	—



2. Summary by Business Division

— Summary by Business Division —

(Million yen)

		3Q 2019 cumulative total	3Q 2020 cumulative total	Percentage change (%)
Agency opening support business	Net sales	747	805	+7.7%
	Divisional profit	556	561	+1.0%
Affiliate business	Net sales	554	648	+16.9%
	Divisional profit	331	423	+27.7%
Apps business	Net sales	2,273	2,246	-1.2%
	Divisional profit	363	398	+9.7%
Party business	Net sales	1,792	945	-47.3%
	Divisional profit	601	104	-82.6%
Directly managed lounge business	Net sales	2,496	3,332	+33.5%
	Divisional profit	891	703	-21.0%
Life design business	Net sales	3,591	1,545	-57.0%
	Divisional profit	116	-1	—%

— Impact and Recovery from COVID-19 from January to September (1) —

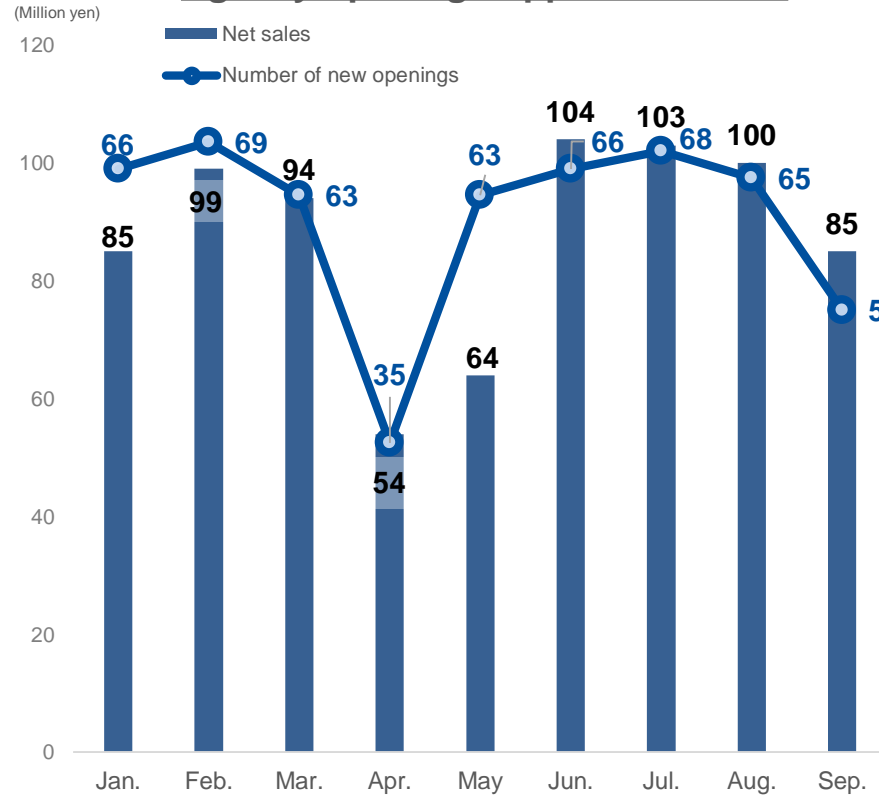
Agency opening support business

As with June, monthly net sales in July and August continuously exceeded 100 million yen
In September, the performance was stable although rapid efforts to turn demand into sales calmed down

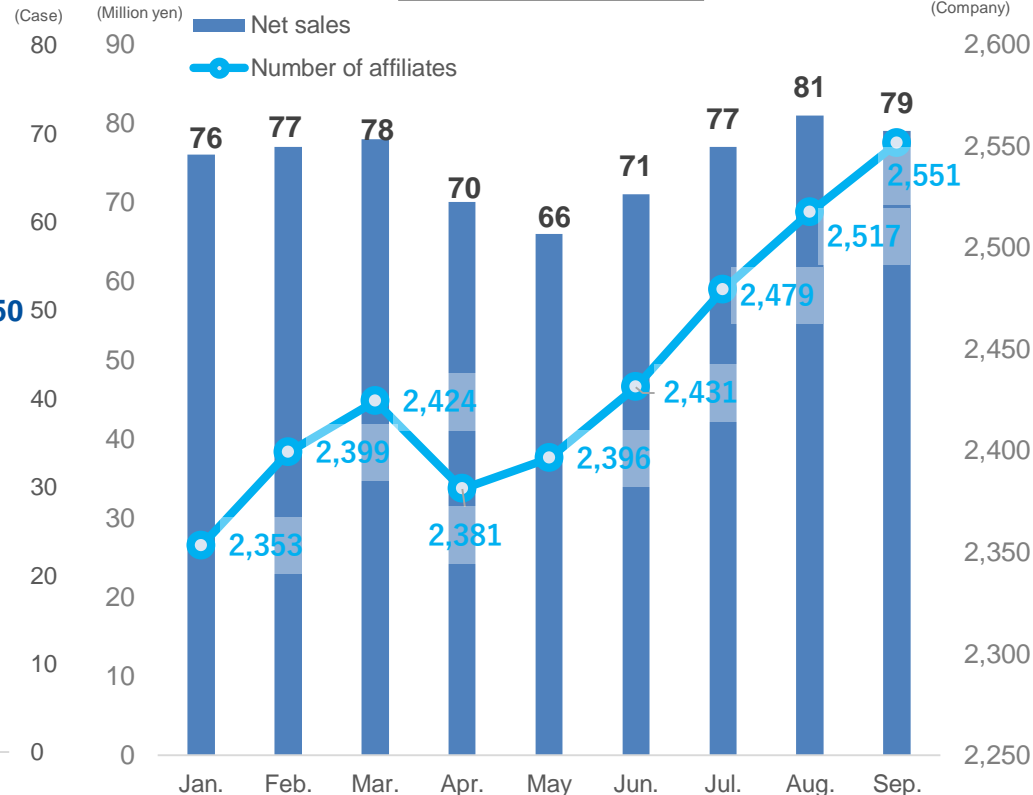
Affiliate business

In September, the number of affiliates increased steadily to 2,551, surpassing 2,500

Agency opening support business



Affiliate business



January to September (2) —

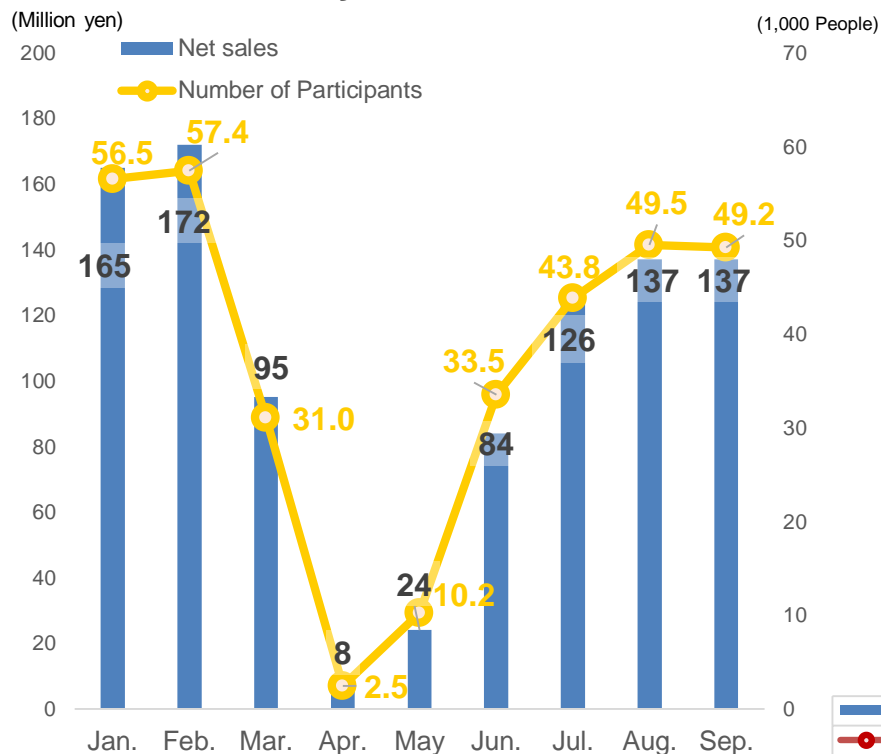
Party business

The performance was on an increasing trend, overcoming difficulty from April to May. The monthly number of participants also increased to about 50,000, approaching the level of January and February.

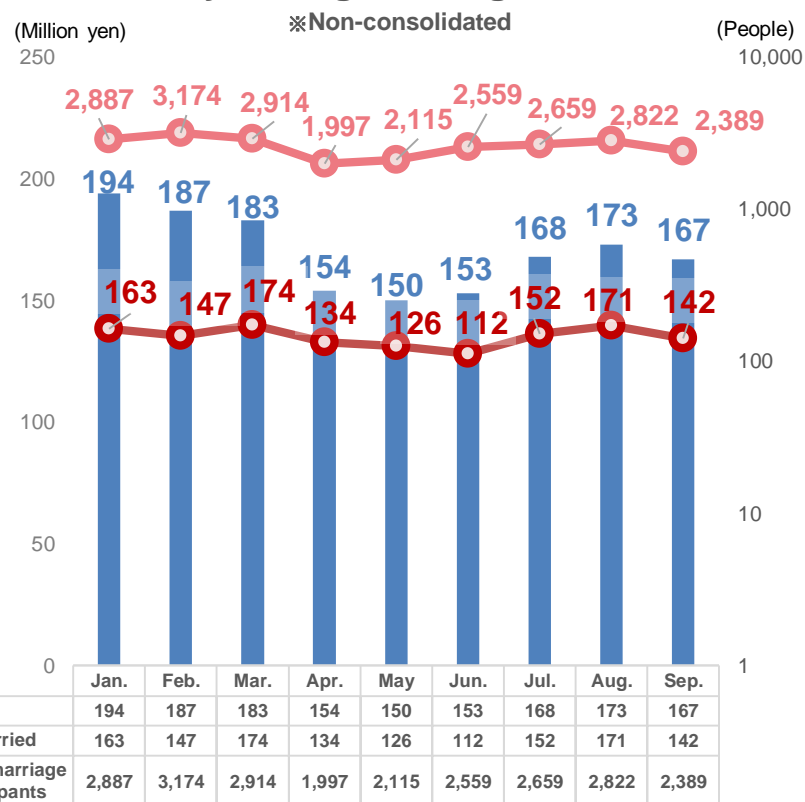
Directly managed lounge business

The performance was good in August, with over 170 couples married and 2,822 arranged marriage meetings. The number of couples married in and after 4Q is expected to increase due to the increase in arranged marriage meetings.


Party business



Directly managed lounge business



— Agency Opening Support Business & Affiliate Business (Business Model) —

日本結婚相談所連盟
by 

Affiliates: about 2,500 companies

Corporate **Joining fee** 300 million yen **Individual** **Joining fee** 1.5 million yen

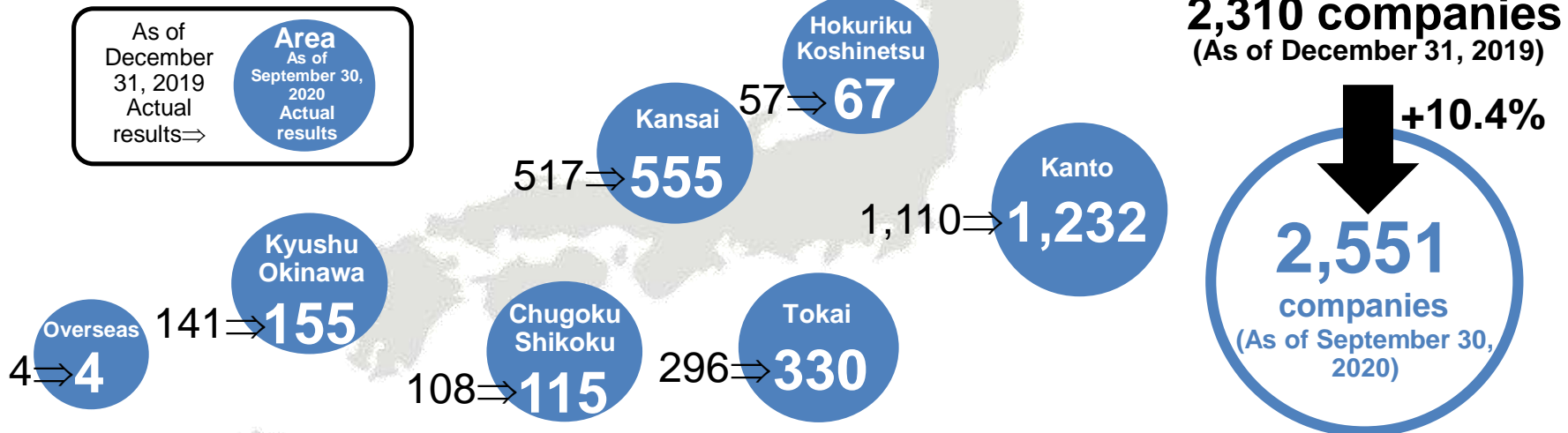
Number of marriage consulting agency members **Approx. 68,000 people**

IBJ arranged marriage meeting system

Basic monthly system usage fee	15,000 yen
Monthly fee per member	500 yen
Registration fee per member	2,000 yen

⇒ **Average of approx. 31,000 yen per company**

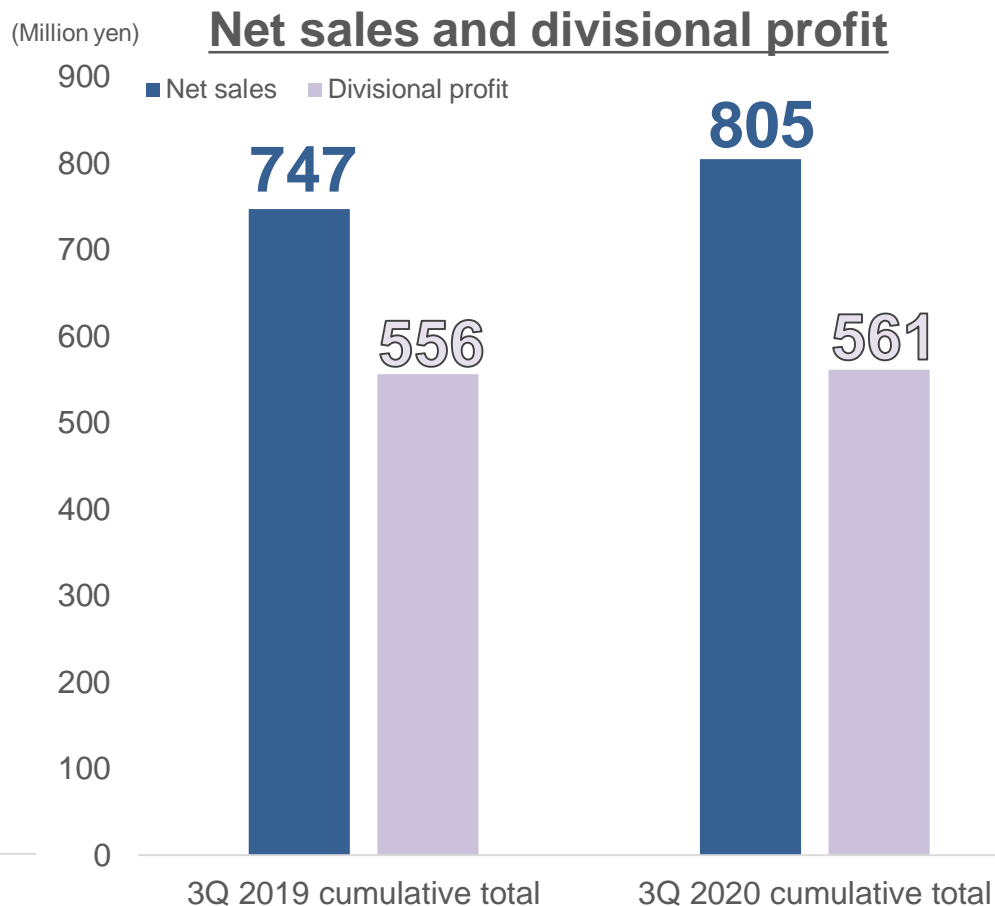
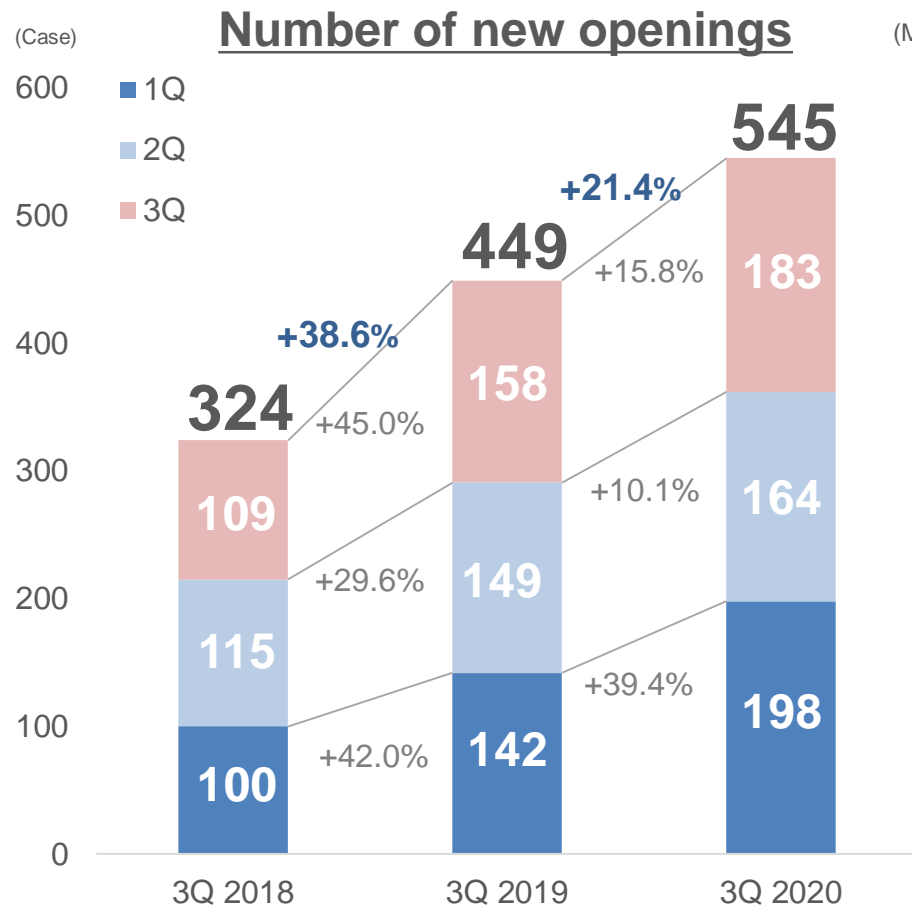
Online interviews and briefings provide a nationwide reach.
The horizon is expanding toward rural areas



— Agency Opening Support Business (KPI & Performance) —

* Figures in parentheses are YoY changes

Number of new openings: 545 (+21.4%); Net sales: 805 million yen (+7.7%);
 Divisional profit: 561 million yen (+1.0%)

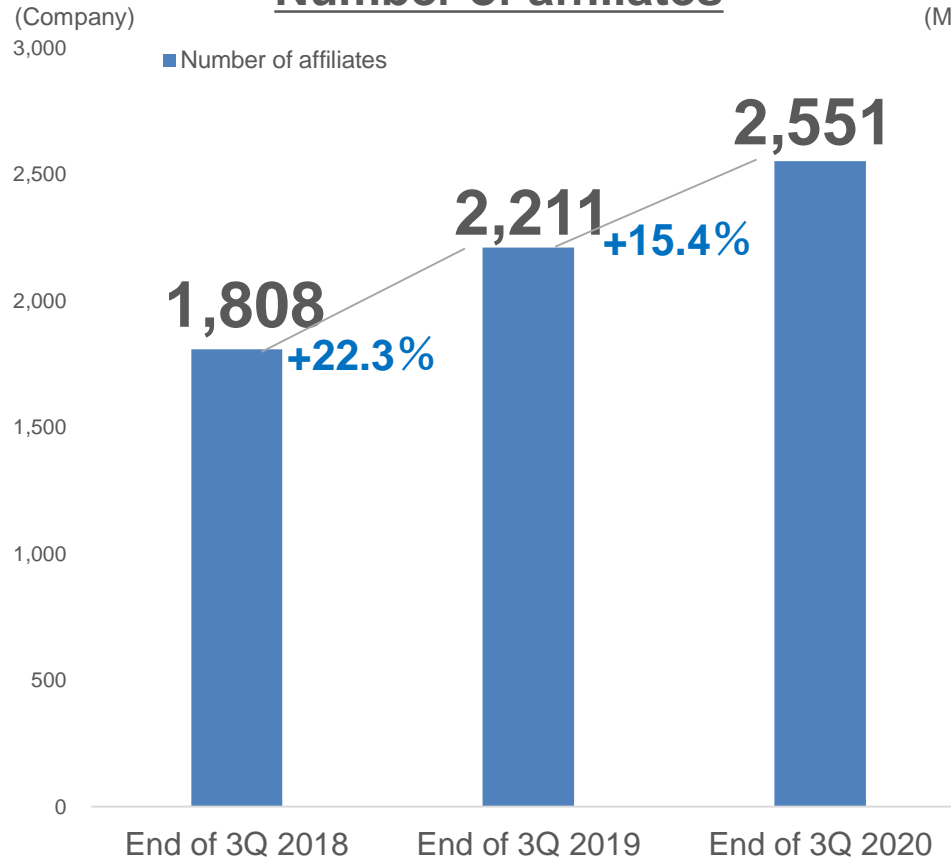


— Affiliate Business (KPI & Performance) —

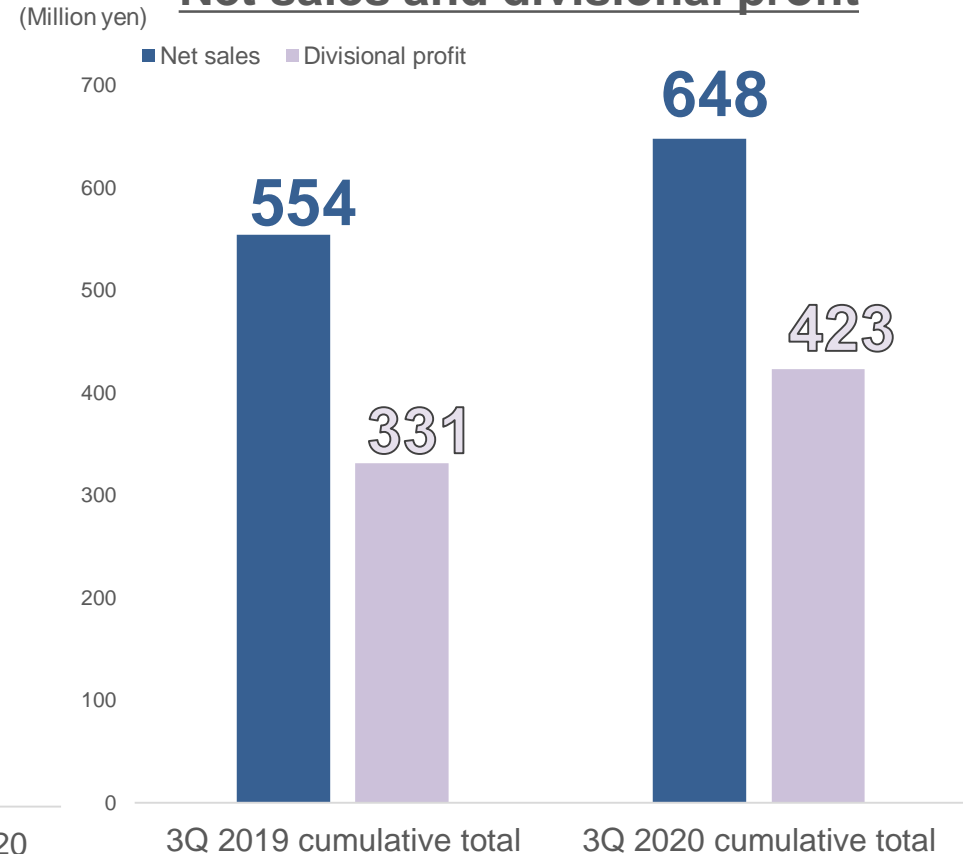
* Figures in parentheses are YoY changes

Number of affiliated consulting agencies: 2,551 (+15.4%); Net sales: 648 million yen (+16.9%);
Divisional profit: 423 million yen (+27.7%)

Number of affiliates



Net sales and divisional profit



— Apps Business (Business Model) —



ブライダルネット
by IBJ

Diverse



+ HOP

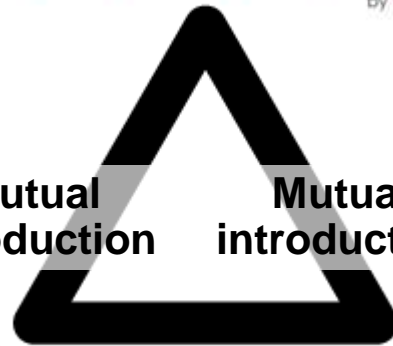
Diverse



ブライダルネット
by IBJ

Customer circulation is achieved between Bridal Net and group companies to prevent withdrawal

Mutual introduction Mutual introduction



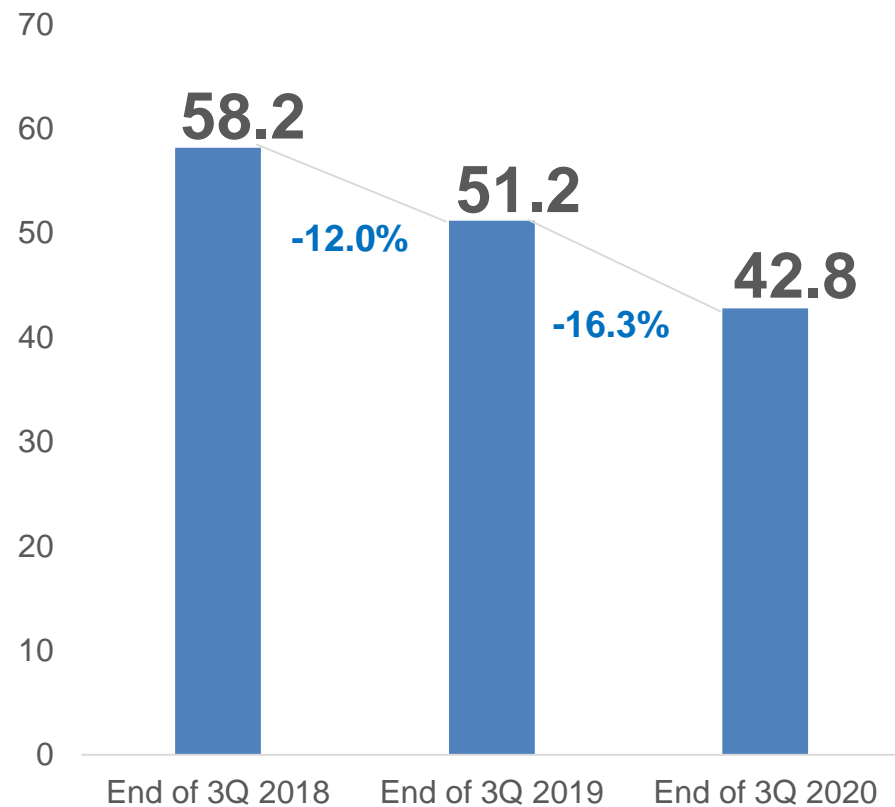
— Apps Business (KPI & Performance) —

* Figures in parentheses are YoY changes

Number of paid members 42,800 (-16.3%); Net sales 2,246 million yen (-1.2%);
Divisional profit 398 million yen (+9.7%)

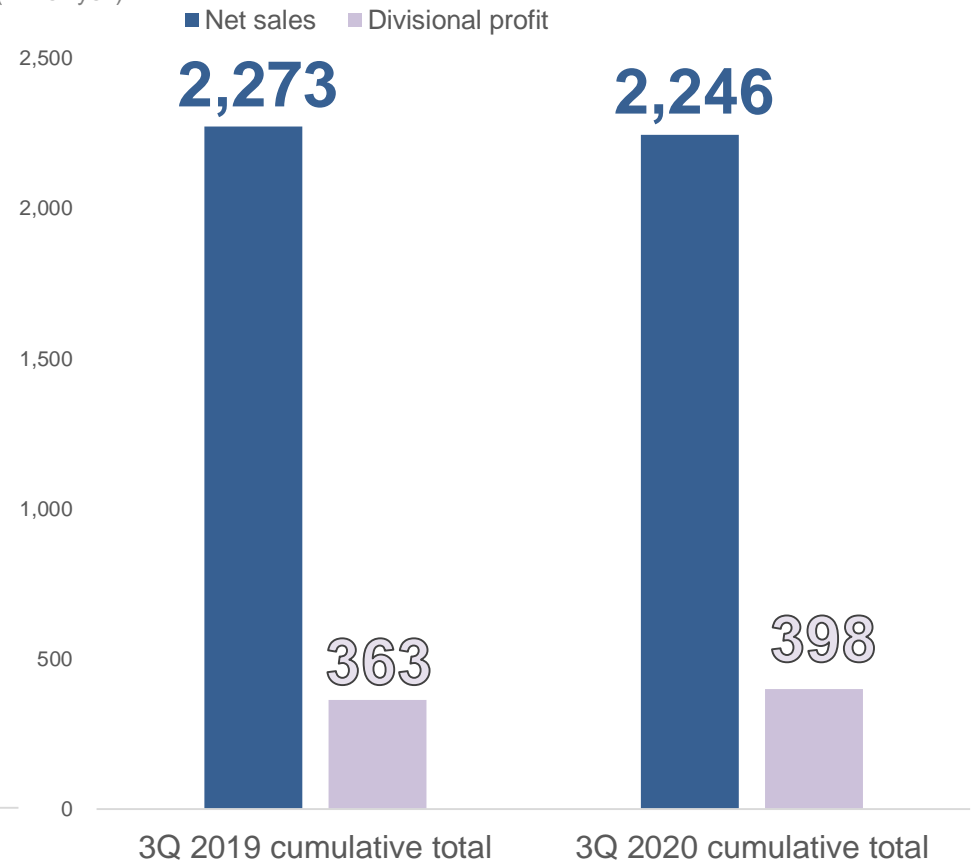
Number of paid members

(1,000 people)



Net sales and divisional profit

(Million yen)



— Party Business (Business Model) —

Company-managed: 21 stores

- * Participation in an online party is possible at a late time of day, after 21:00
- * From April to September, about 8,000 people participated in online parties

IBJ's marriage hunting know-how digitalized

- Talk while reading the other person's profile
- Remaining time is visible to calculate how long to talk
- Opportunity to convey thoughts to a person of interest with the coupling function

⇒ Increase participants and the coupling rate by offering hybrid services

FC: 57 stores

(Marriage-hunting party franchise)

- Registration fees range from 1.2 to 6 million yen (depending on the area)
- Monthly system usage fee 40,000 – 80,000 yen (depending on the area)

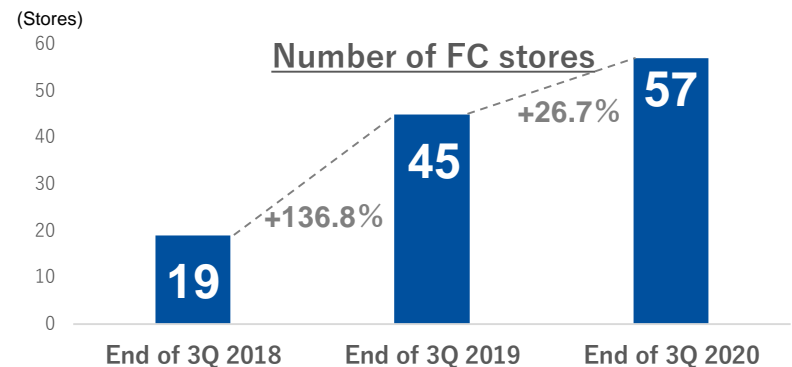
Participation fee (paid each time):
Unit price of approx. 3,100 yen
* As of September 30 (excluding online)

The proprietary online marriage hunting party system launched



Online parties with profiles to expand conversation

▼ The online marriage hunting party system fully launched in November 2020

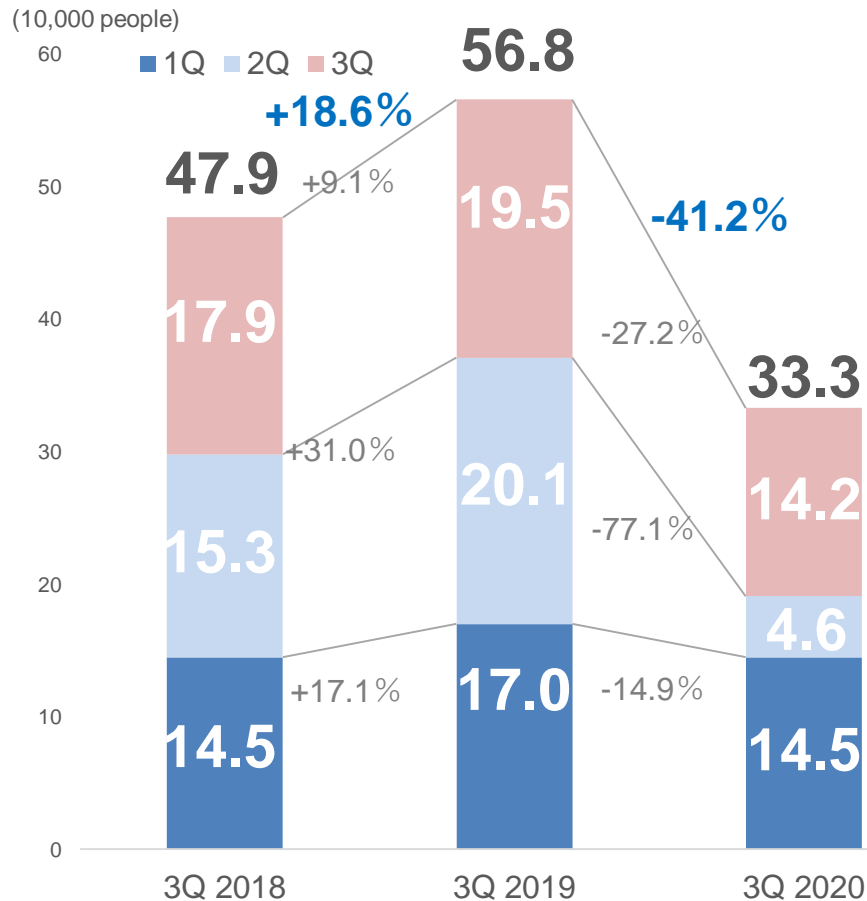


— Party Business (KPI & Performance) —

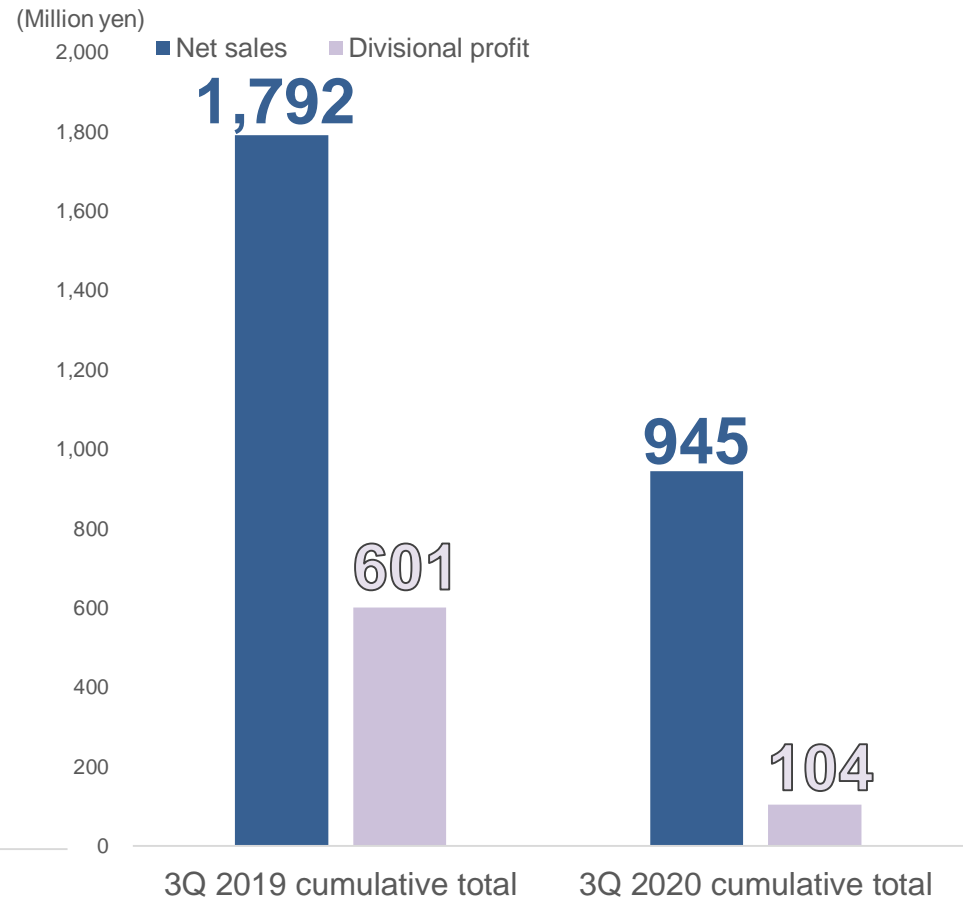
* Figures in parentheses are YoY changes

Number of event participants: 333,000 (-41.2%); Net sales: 945 million yen (-47.3%);
 Divisional profit: 104 million yen (-82.6%)

Number of party participants



Net sales and divisional profit



— Directly Managed Lounge Business (Business Model) —

Company-managed marriage consulting agencies:

婚活ラウンジ
IBJメンバーズ

12 nationwide

Required documents
Proof of identity, certificate of competency to marry, certificate of residence
Proof of income, proof of education, credentials and photographs

Flow to marriage



Price Plans by Course

	To start casually Entry	The most popular course among men Assist	The most popular course among women Assist Plus	Substantial full support Prime
Meeting style	6 types	6 types	7 types	7 types
Request for arranged marriage meetings	Up to 10 people per month	Up to 20 people per month	Up to 20 people per month	Up to 30 people per month
Acceptance of the request for arranged marriage meetings	Unlimited	Unlimited	Unlimited	Unlimited
Matching tool	Minnano Photo Kyokan Match Okiniiri (Favorite)	Minnano Photo Kyokan Match Okiniiri (Favorite)	Minnano Photo Kyokan Match Okiniiri (Favorite)	Minnano Photo Kyokan Match Okiniiri (Favorite)
Introduction (Referral)	--	--	Up to 3 people per month	Up to 3 people per month
Interview	--	Up to 4 times per year	Up to 6 times per year	Up to 12 times per year
Party	Free up to twice	Free up to twice	Free up to 4 times	Free up to 4 times
Registration fee	30,000 yen	30,000 yen	30,000 yen	30,000 yen
Activity support	135,000 yen	190,000 yen	239,000 yen	379,000 yen
Monthly membership fee	15,500 yen	15,500 yen	15,500 yen	30,000 yen

Number of members: 6,041 (as of 3Q 2020)
LTV per member: Approx. 500,000 yen
Members' average activity period: 1.5 years
Marriage rate 50.8%

(major course results from January to December 2019)

* Of those who withdrew within a certain period, the percentage of married couples shall be the "marriage rate."

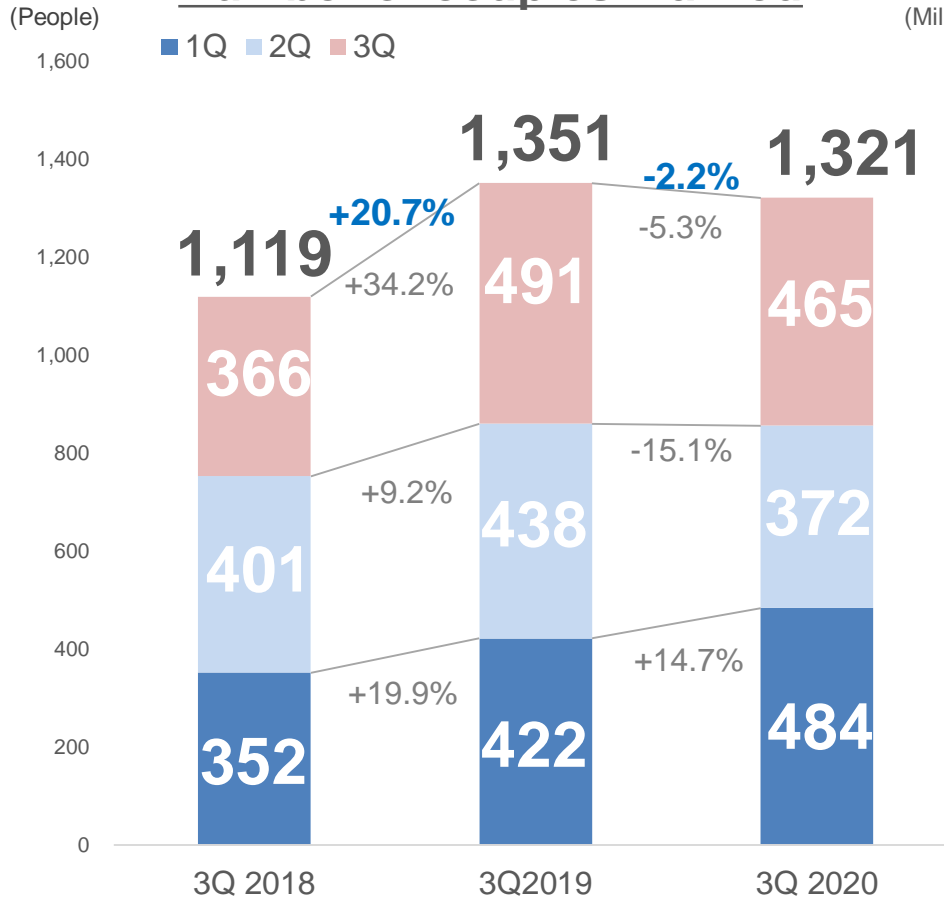
Focus on quality (human assets, members, stores and services) in order to enhance the cohesiveness of the center as a model store for affiliated consulting agencies

— Directly Managed Lounge Business (KPI & Performance) —

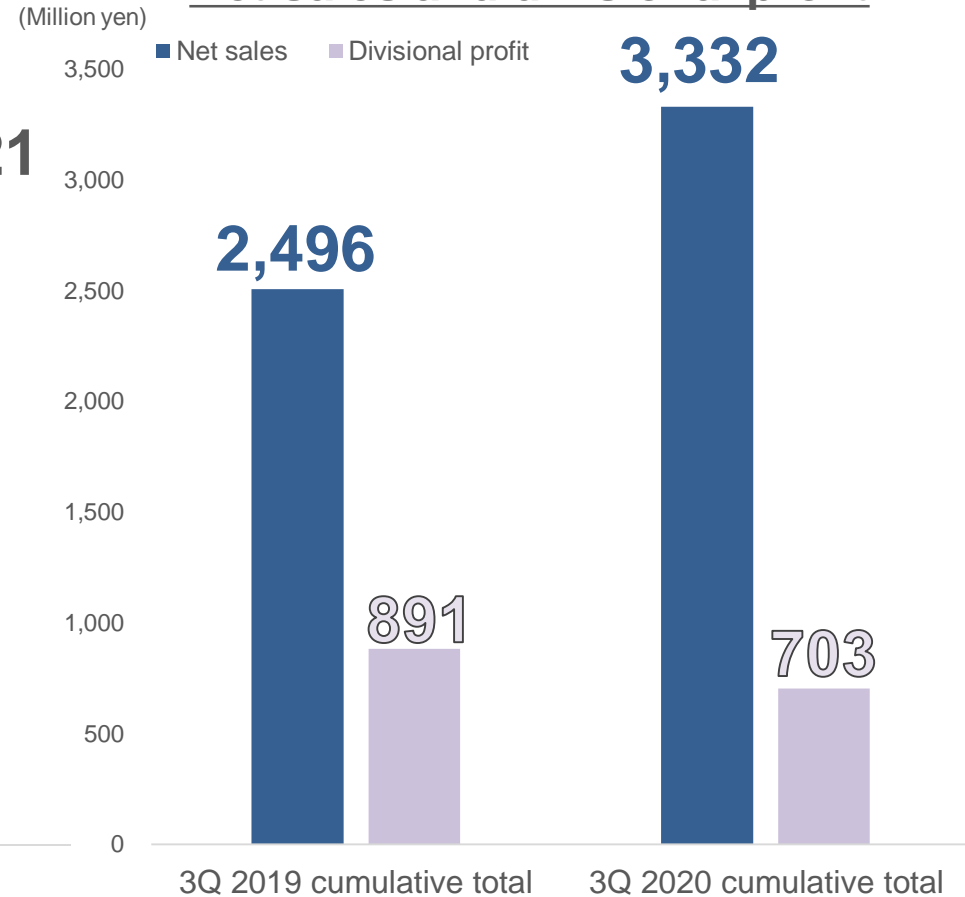
* Figures in parentheses are YoY changes

Number of couples married 1,321 (-2.2%); Net sales 3,332 million yen (+33.5%);
Divisional profit 703 million yen (-21.0%)

Number of couples married



Net sales and divisional profit



— Life Design Business (Business Model) —

Marriage hunting business

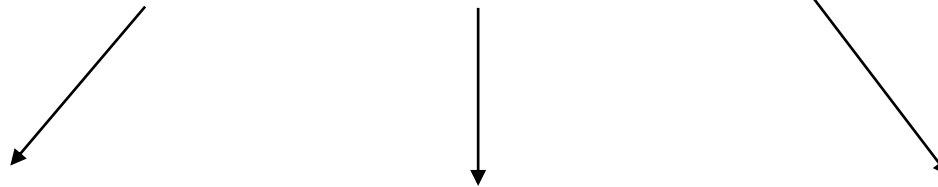
Marriage hunting party

Marriage hunting app

Marriage consulting agency

+

Introduction of customers from ZWEI and Sunmarie activated



Number of Life Design Contracts

1,893 contracts

* 3Q 2020 cumulative total

Ring




Wedding



Honeymoon



Insurance



Housing

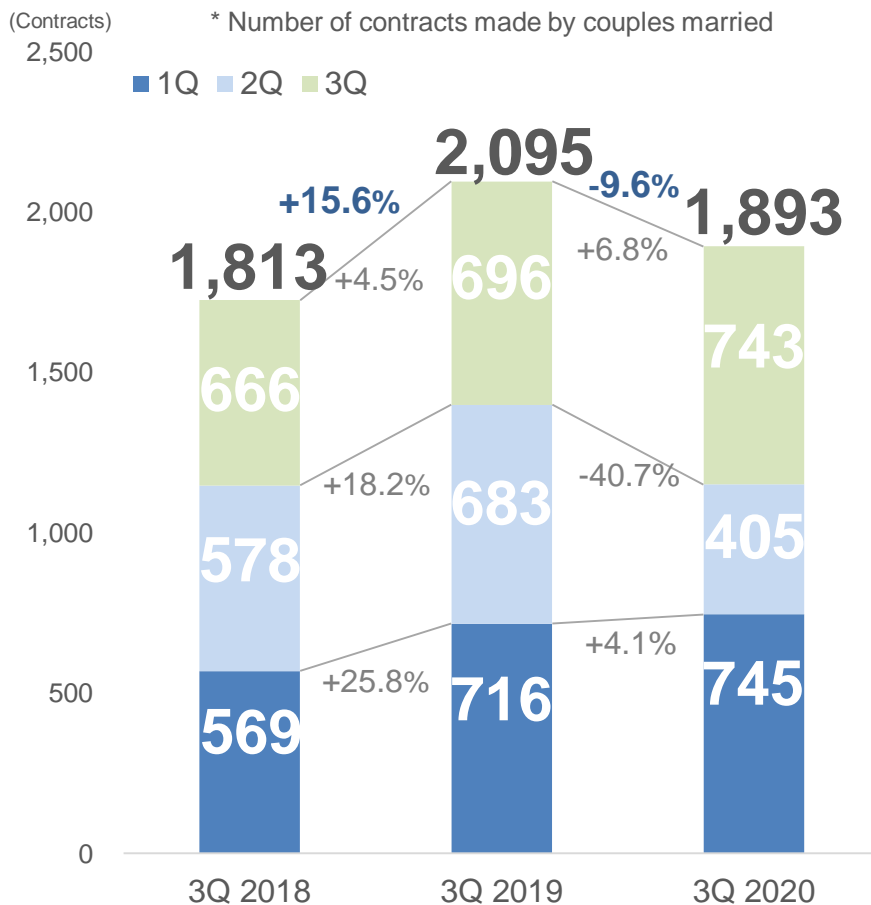


— Life Design Business (KPI & Performance) —

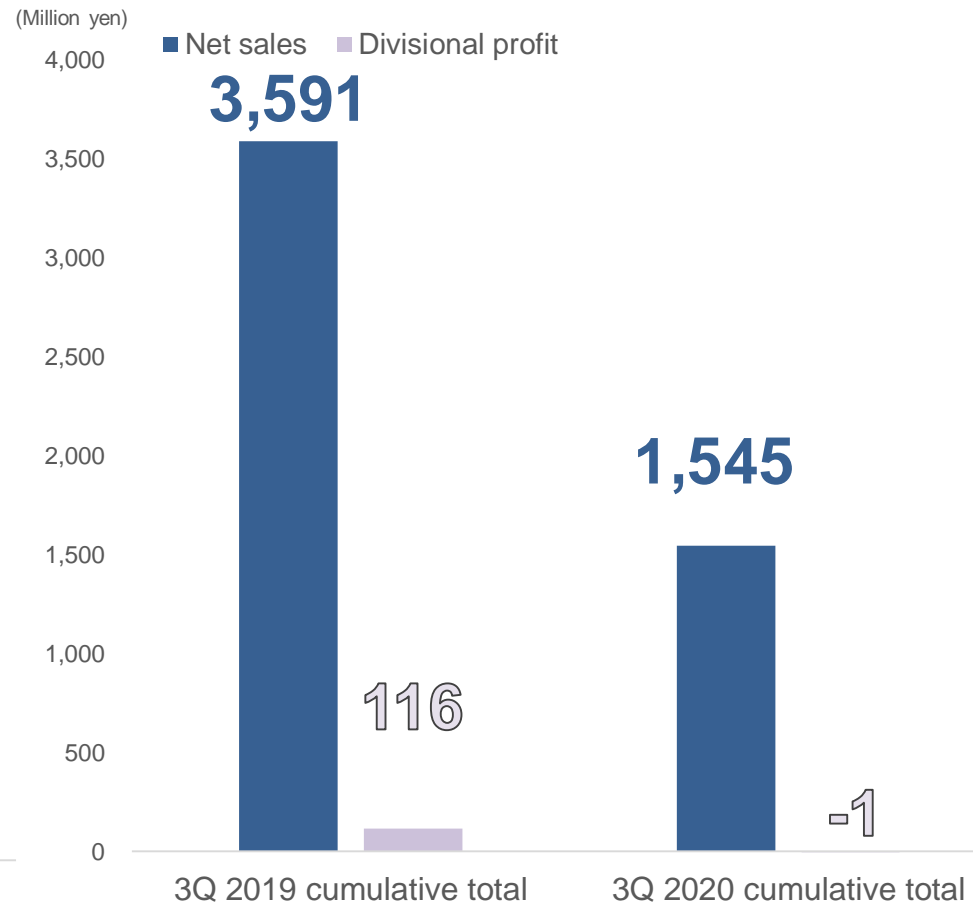
* Figures in parentheses are YoY changes

Number of contracts 1,893 (-9.6%); Net sales 1,545 million yen (-57.0%);
Divisional profit -1 million yen

Number of contracts*



Net Sales & divisional profit



— Group Companies' Results —

3Q 2020 Cumulative Total

Net sales

Business Profit

Diverse

1,974 million yen

268 million yen



60分500円の韓国語スクール
K Village Tokyo
Course Korean language school

497 million yen

26 million yen



サンマリエ

827 million yen

106 million yen

zwei

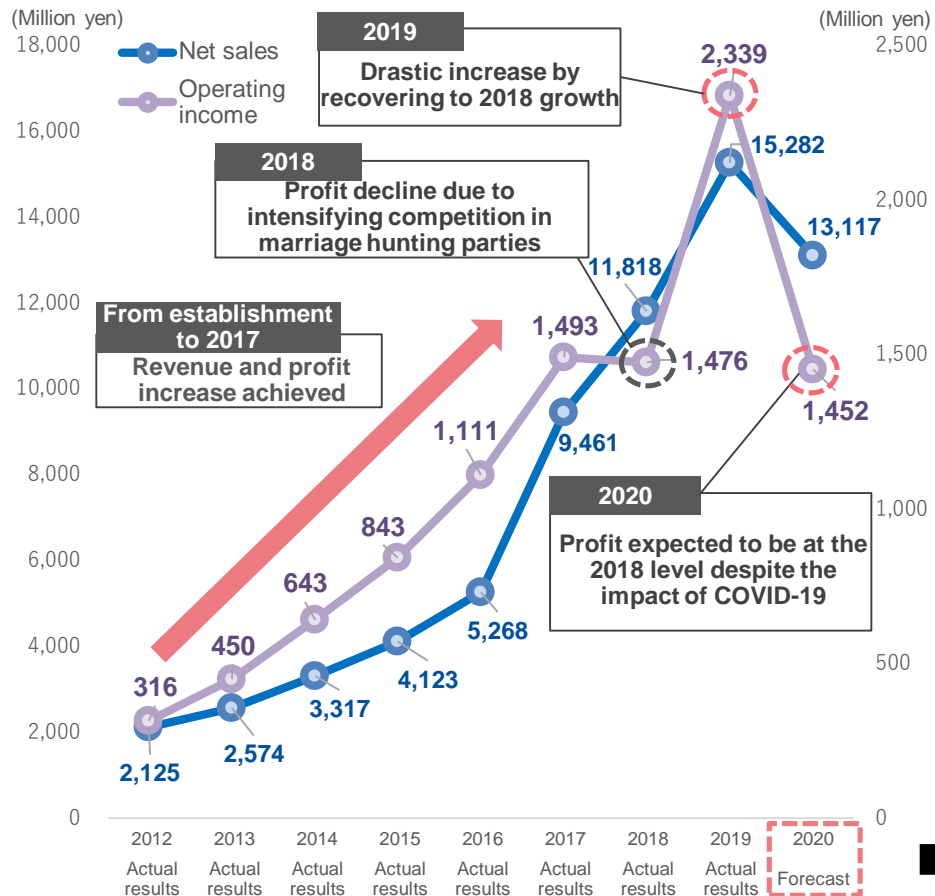
971 million yen

-156 million yen

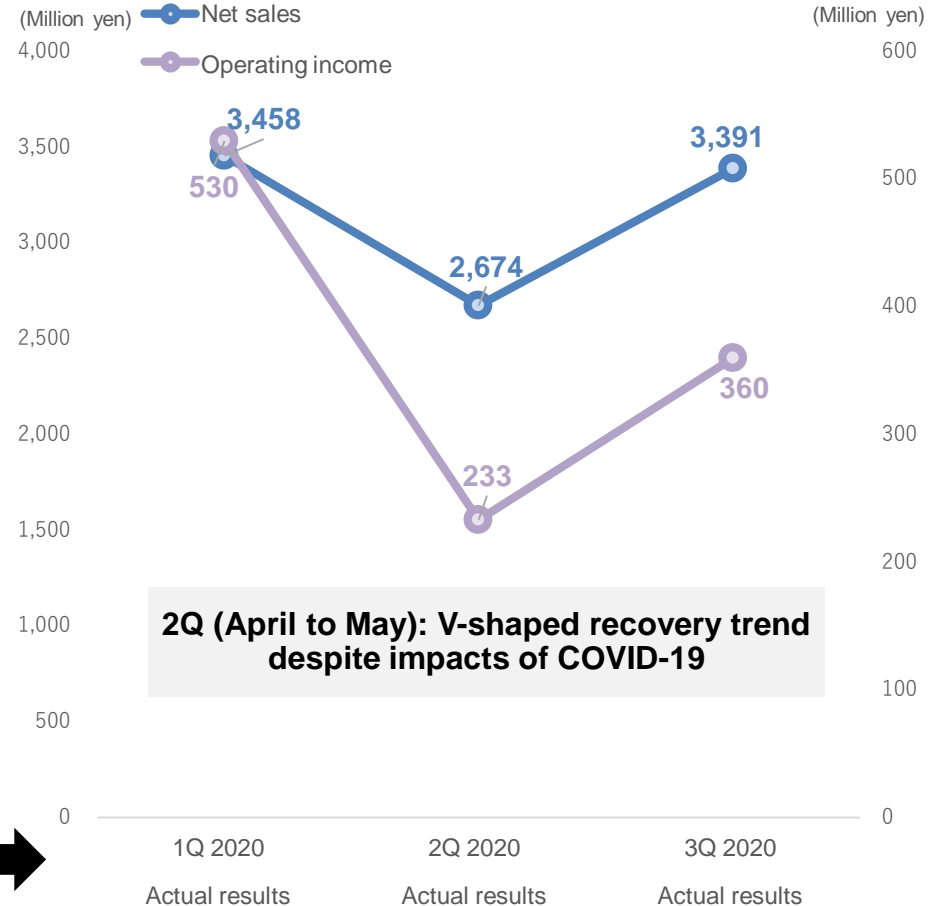
3. Growth Strategy

— IBJ Performance History —

Net sales and operating income



2020 quarterly performance trend



The inauguration of the Suga administration drives reform to address the declining birthrate, and generates opportunities from external factors such as increased subsidies for marriage and new life support services and insurance-covered fertility treatment, which increase expectations for greater demand for marriage hunting

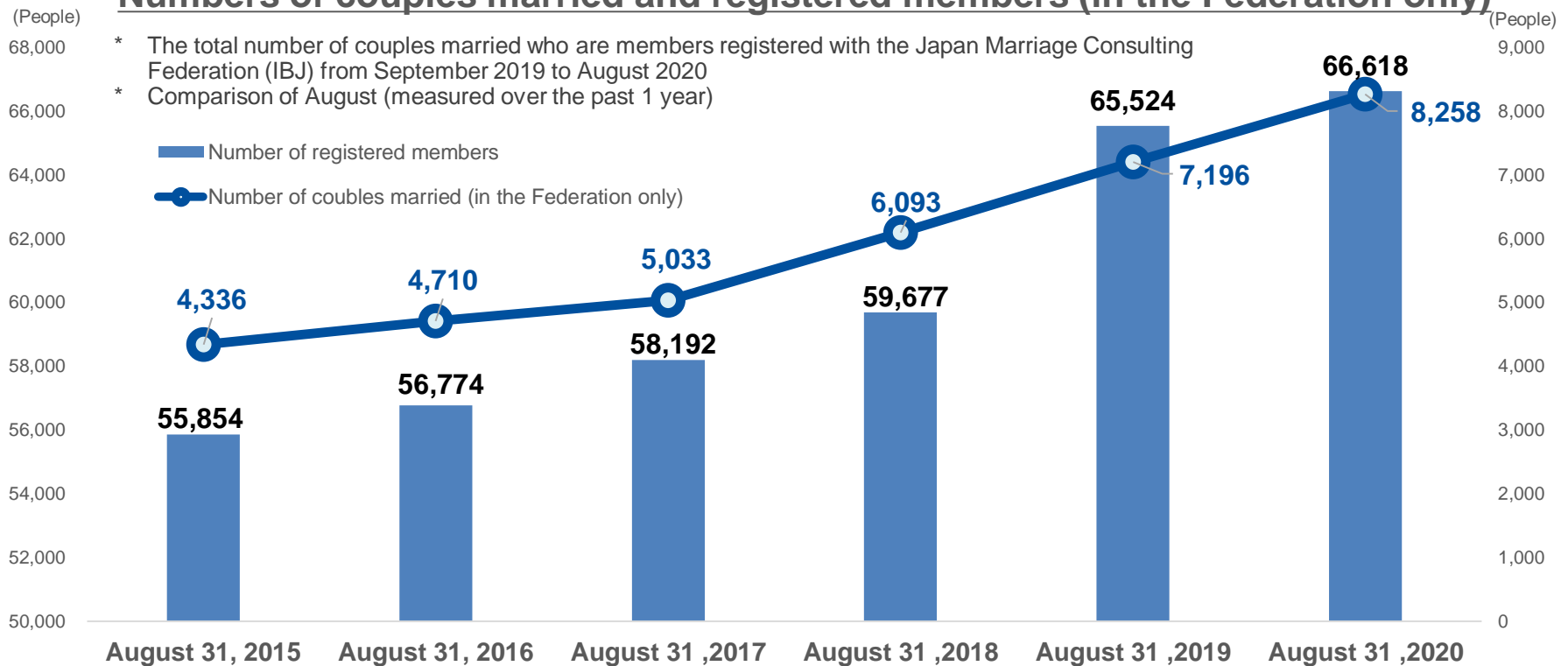
— Certificate of *Largest Numbers of Registered Members and Couples Married —

* Survey of major marriage consulting agencies and federations conducted by Japan Marketing Research Organization in September 2020

The numbers of registered members and couples married at the Japan Marriage Consulting Federation were certified as the largest in the industry.
The upward trend is further accelerated by the group companies' consolidated contribution effect

[Japan Marriage Consulting Federation]

Numbers of couples married and registered members (in the Federation only)



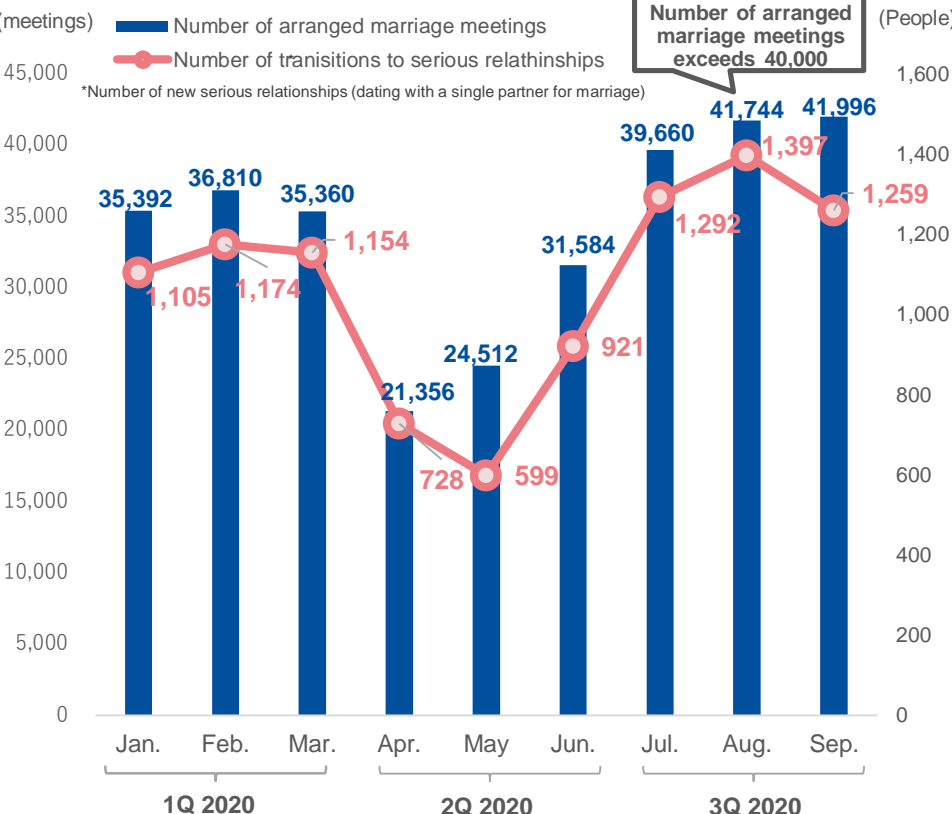
Over 5 years from 2015 to 2020, registered members increased by 19.2% and couples married significantly increased by 90.5%

— Improvement of IBJ's Rock-Solid Method Skills —

The numbers of arranged marriage meetings and serious relationships in 3Q finally exceeded the 1Q level

Representative himself works with staff to improve their skills through one-on-one role-play training

Numbers of arranged marriage meetings and transition to serious relationships at the Japan Marriage Consulting Federation



▼ One-on-one role playing by the Representative

Total number of role plays: about 200 (from June 2020)

- ◇ Direct feedback and evaluation from the Representative on the same day
- ◇ Re-check of mastery at the next role playing
- ◇ Focus on development of trainers (educators)

Marriage results are improving steadily, which will lead to further increase in marriages in and after 4Q

— ZWEI's Store Strategy and Local Marriage Hunting Support —

Fully renew 50 ZWEI stores nationwide

Conclude marriage hunting party contracts and partnership agreements with local governments

Store strategy

Renovate Sapporo and Sendai Stores
Renovation of stores planned one after another



▼ Grand opening of ZWEI Sendai Store on Sep 30, and ZWEI Sapporo Store on Oct 16, and ZWEI Ikebukuro Store, ZWEI Takasaki Store on Oct 31, and ZWEI Nagoya Store on Nov 6, and ZWEI Hiroshima Store on Nov 7

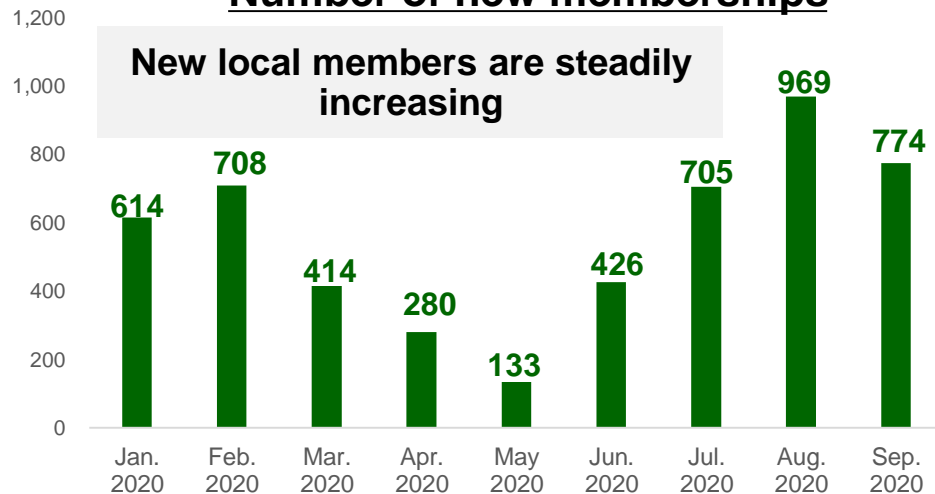
Aim to increase members and couples married by acquiring members and activating activities in Tohoku area

Marriage hunting support for regional revitalization

- ◇ Marriage hunting parties contracted with Ibaraki Prefecture (Hitachiota City) (holding 3 parties)
- ◇ Partnership agreement concluded with Hyogo Prefecture for marriage support

(People)

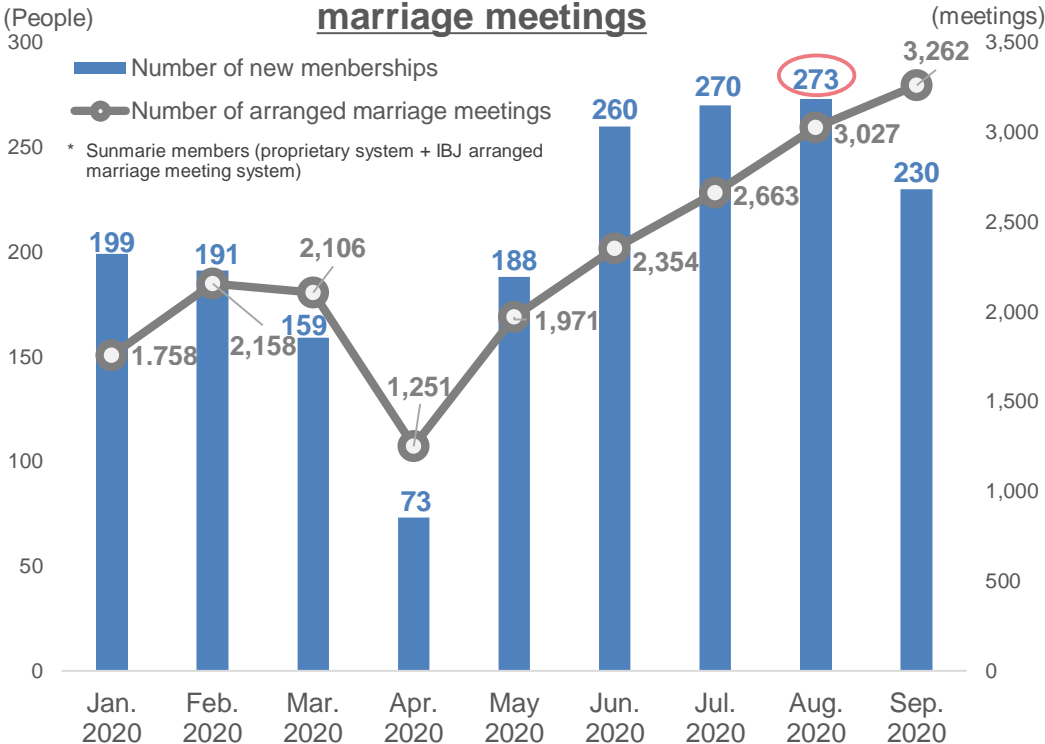
Number of new memberships



— Professional Matchmakers at Sunmarie Achieving Good Results —

Professional matchmakers achieved record number of new memberships in August to build up a track record

Number of new memberships and arranged marriage meetings



Professional matchmakers customer service contest was held with the slogan “Declare All Matchmakers Are Professional”



Communicate the necessity of setting a goal through attitude of helping members
The Matchmaker Council scores 36 items including planning ability

Arranged marriage meetings continue to increase due to the thorough support provided by the fully dedicated professional matchmaker system and hand-made referrals

— Introduction of Life Design Customers Expanded throughout Japan —

New (9) Wedding navi stores started franchise partnership

Service area expanded to 17 stores nationwide



Partnership starts in September

Saitama, Takasaki, Mito
Tsukuba, Shizuoka, Hamamatsu
Rinku, Kobe, Okayama



Expand new bases to rural areas through online and FC
Support local members after marriage who increased as a result of becoming a group company

4. APPENDIX

— Balance Sheet —

(Million yen)

	As of December 31, 2019	As of September 30, 2020	Change
Current Assets	5,762	6,906	+1,143
Cash and Deposits	4,358	5,126	+767
Non-current Assets	5,525	6,957	+1,431
Property, Plant and Equipment/ Intangible Assets	1,608	2,924	+1,316
Investments and Other Assets	3,917	4,033	+115
Total Assets	11,288	13,864	+2,575
Current Liabilities	3,966	6,599	+2,633
Non-current Liabilities	1,958	1,871	-87
Total Liabilities	5,925	8,470	+2,545
Capital Stock/Capital Surplus	1,476	1,476	-
Retained Earnings	4,367	4,320	-46
Treasury Stock	-1,007	-1,007	-
Valuation and Translation Adjustments	99	163	+64
Stock Acquisition Rights	30	0	-29
Total Net Assets	5,363	5,393	+29
Total Liabilities and Net Assets	11,288	13,864	+2,575



(IBJ, Inc.)

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1-23-7 Nishi-Shinjuku, Shinjuku-ku, Tokyo, Japan 160-0023**

These presentation materials are prepared as a reference for investors to give them an understanding of the current status of IBJ, Inc.

The information contained in this presentation is based on a generally accepted understanding of economic and social conditions as of November 2020 as well as certain assumptions considered to be rational. The information contained herein may be altered without notice due to changes in the business environment and other such reasons.

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