

We help to build a better future for people, businesses, and society

We at the Funai Consulting Group will offer solutions for a better future to all the people and businesses we are involved with - and to society as a whole - and will do our best to turn those ideas into reality.

Trusted and respected by society for bringing joy to people and business thorough our work

We are determined to work together as a corporate group to bring joy to the people and businesses we are involved with. By earning the trust and respect of the people and businesses we seek to please, we can also earn the trust and respect of society as a whole.

## FUNAI SOKEN Consulting Group

Funai Soken Holdings Inc.  
Funai Consulting Inc.  
Funai Soken Corporate Relations Inc.  
Funai Consulting Shanghai Inc.  
Funai Soken Logistics Inc.  
HR Force Inc.  
Funai Soken IT Solutions Inc.  
Proseed Corporation  
Shinwa Computer Service Co., Ltd.

Group Philosophy

We help to build a better future for people, businesses, and society.

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Group Vision

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Corporate Overview

Name	Funai Soken Holdings Inc.
Representative Director	Sakae Takashima, President and Group CEO
Directors	Tatsuro Ono, Director and Executive Vice President Takayuki Nakatani, Director and Executive Vice President Takahisa Okumura, Director and Senior Vice President Nobuyuki Isagawa, Independent Director Miki Mitsunari, Independent Director
Auditors	Masahiro Hyakumura, Director and member of the Audit and Supervisory Committee Atsushi Nakao, Independent Director and member of the Audit and Supervisory Committee Akihiro Kobayashi, Independent Director and member of the Audit and Supervisory Committee
Executive Officers	Akira Hamaguchi, Executive Officer Masaru Sumitomo, Executive Officer Tomoaki Mizoue, Executive Officer Eijiro Saito, Executive Officer Motoki Haruta, Executive Officer
Major Roles	To serve as the group holding company, compile group strategies, and handle group management
Address	Osaka Headquarters      4-4-10 Kitahama, Chuo-ku, Osaka 541-0041 Japan TEL: +81-(0)6-6232-2010  Tokyo Headquarters      21st floor, Nihon Seimei Marunouchi Bldg., 1-6-6 Marunouchi, Chiyoda-ku, Tokyo 100-0005 Japan TEL: +81-(0)3-6212-2923
Group Employees	1,209 (as of Dec. 31, 2019)
Share Listing	Tokyo Stock Exchange section 1 (stock code: 9757)

Group Companies

<b>Funai Consulting Inc.</b> President and CEO: Daisuke Shingai Management consulting Incorporated: Nov. 28, 2013 (founded Mar. 6, 1970) Capital: 3,000 million yen Osaka HQ: 4-4-10 Kitahama, Chuo-ku, Osaka Tokyo HQ: 21st floor, Nihon Seimei Marunouchi Bldg., 1-6-6 Marunouchi, Chiyoda-ku, Tokyo <b>Yodoyabashi Seminar Place</b> 7th floor, Sumitomo Bldg. No. 2, 4-7-28 Kitahama, Chuo-ku, Osaka <b>Gotanda Office</b> 6-12-1 Nishigotanda, Shinagawa-ku, Tokyo <b>Shiba Seminar Place</b> Shiba City Bldg., 3-4-11 Shiba, Minato-ku, Tokyo	<b>Funai Soken Corporate Relations Inc.</b> President: Hitoshi Nagira Intragroup synergies, business process outsourcing Incorporated: Nov. 28, 2013 Capital: 50 million yen Address: 6th floor, Shinfushimimachi Bldg., 4-4-10 Fushimi-machi, Chuo-ku, Osaka <b>Shiba Office</b> 6th floor, Shiba City Bldg., 3-4-11 Shiba, Minato-ku, Tokyo <b>Yodoyabashi Office</b> 4-4-10 Kitahama, Chuo-ku, Osaka <b>Marunouchi Office</b> 21st floor, Nihon Seimei Marunouchi Bldg., 1-6-6 Marunouchi, Chiyoda-ku, Tokyo
<b>Funai Consulting Shanghai Inc.</b> President: Satoshi Oka Representative Director: Lang Luyuan China-based consulting Incorporated: Jan. 13, 2012 Capital invested: 50 million yen Address: Suite 18H, Zhaofeng Trade Building, 369 Jiangsu Road, Changning District, Shanghai, China	<b>Funai Soken Logistics Inc.</b> President: Shigehiro Kan Logistics Incorporated: May. 10, 2000 Capital: 98 million yen Osaka HQ: 4-4-10 Kitahama, Chuo-ku, Osaka Tokyo HQ: 22nd floor, Nihon Seimei Marunouchi Bldg., 1-6-6 Marunouchi, Chiyoda-ku, Tokyo
<b>HR Force Inc.</b> President: Shoji Takayama Direct recruiting Incorporated: Feb. 1, 2018 Capital: 64 million yen Address: 21st floor, Nihon Seimei Marunouchi Bldg., 1-6-6 Marunouchi, Chiyoda-ku, Tokyo <b>Hamamatsucho Office</b> 9th floor, PMO Hamamatsu-cho, 2-5-5 Hamamatsu-cho, Minato-ku, Tokyo	<b>Funai Soken IT Solutions Inc.</b> President: Naoki Nishiyama IT consulting Incorporated: Feb. 1, 2000 Capital: 60 million yen Address: 22nd floor, Nihon Seimei Marunouchi Bldg., 1-6-6 Marunouchi, Chiyoda-ku, Tokyo
<b>Proseed Corporation</b> President: Naoki Nemoto Contact center consulting Incorporated: Jun. 24, 1991 Capital: 100 million yen Address: 22nd floor, Nihon Seimei Marunouchi Bldg., 1-6-6 Marunouchi, Chiyoda-ku, Tokyo Taiwan Branch: Suite 1, 7th floor, No.128 Section 3, Minsheng East Road, Songshan District, Taipei	<b>Shinwa Computer Service Co., Ltd.</b> President: Akihide Goto Systems development Incorporated: Jun. 12, 1980 Capital: 13 million yen Address: 3rd floor, Nippo Hacchobori Bldg., 2-19-8 Hacchobori, Chuo-ku, Tokyo



# Our Business at a Glance

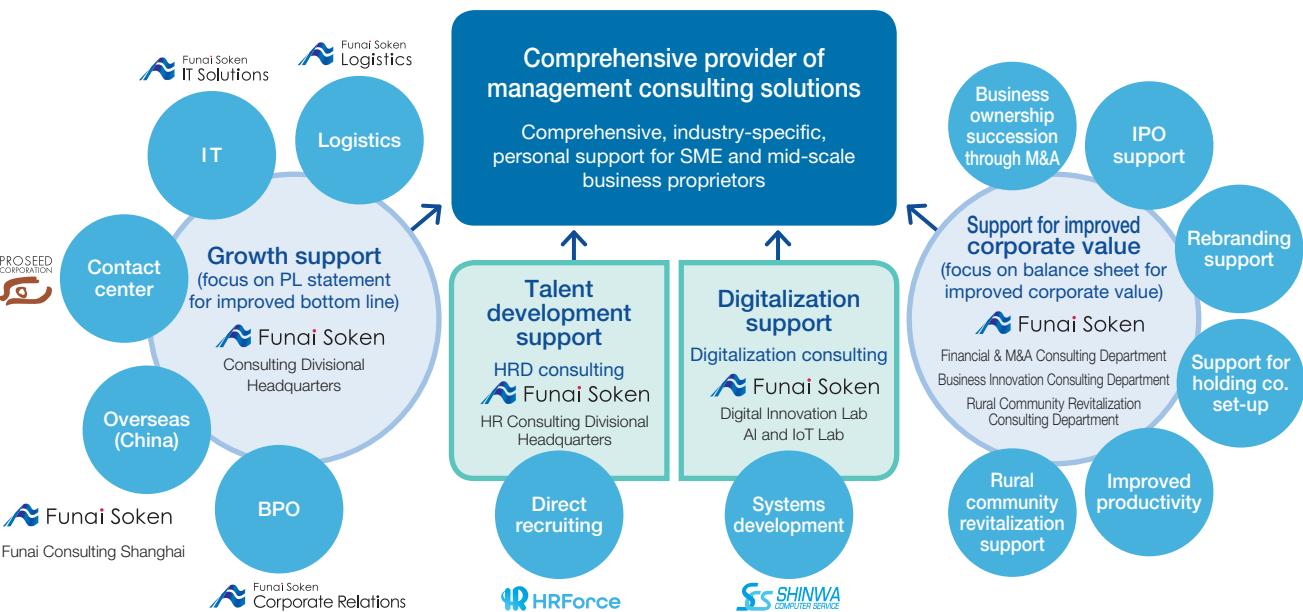
The Funai Soken Consulting Group provides optimized solutions for all business issues.

We leverage our unique marketing skills and years of expertise to provide industry-specific and category-specific business solutions.

## A trusted provider of comprehensive management consulting solutions

Here at the Funai Soken Consulting Group, we are working to cement our place as a comprehensive provider of management consulting solutions specially designed for SMEs and mid-scale businesses. Our growth is underpinned by long-standing strength in industry-specific consulting services, and we endeavor to expand our suite consulting solutions—particularly for the housing and real estate sector and the healthcare, nursing care, and welfare sector—as well as the range of management workshops we offer business owners.

Our focus for now is on enhancing the many varieties of support we offer, including growth support, talent development support to help clients attract talented workers in an age of labor shortages, support for improved corporate value, and digitalization support aimed at maximizing business performance. To that end, we are working to establish a framework that ensures swift delivery of precise solutions to whatever concerns an SME or mid-scale business proprietor may bring to us.



### Consulting

**Funai Soken** **Funai Consulting Inc.** ..... P04  
Specialist consulting capabilities for a range of industries and solution categories, with a focus on SMEs in Japan.

**Funai Soken Corporate Relations** **Funai Soken Corporate Relations Inc.** ..... P11  
Leveraging the group's wealth of sales support and back office infrastructure expertise.

**Funai Soken** **Funai Consulting Shanghai Inc.** ..... P13  
Adapting the Funai Soken Group's expertise to provide consulting services in the growing Chinese market.

### Logistics

**Funai Soken Logistics** **Funai Soken Logistics Inc.** ..... P14  
A full line-up of logistics services from consulting to logistics trading and transportation.

### Direct Recruiting

**HRForce** **HR Force Inc.** ..... P15  
Harnessing technology to help clients alleviate workforce shortages.

### Other Businesses

**Funai Soken IT Solutions** **Funai Soken IT Solutions Inc.** ..... P16  
Harnessing information technology to bolster sales capabilities and offer optimized solutions.

**PROSEED CORPORATION** **Proseed Corporation** ..... P17  
Consulting, training, and diagnostic services aimed at improving contact center functions.

**SHINWA COMPUTER SERVICE** **Shinwa Computer Service Co., Ltd.** ..... P18  
Comprehensive support services, including systems design and analysis, program creation and systems operation and management.

# Funai Consulting Inc.

## Creating the great companies of tomorrow

When a company is set on the path of true greatness, improved business performance follows

### What We Do

- Monthly support consulting  
Growth support focusing on specific industries and solution categories
- Project-based consulting
- Management workshops and seminars



## Overview and Strengths

At Funai Consulting, we offer specialist consulting services for a range of industries and solution categories, with a focus on SMEs in Japan. We are particularly adept at working in close quarters with clients and devising detailed plans to help them grow, develop their workforce, improve corporate value, and negotiate the digital transformation process. In recent years, our existing strengths in the housing and real estate, healthcare, nursing care, and welfare, and certified professional services industries have been joined by new services to meet demand for consulting in sectors such as HR services, environment,

and energy. We aim to be the nation's top consulting services provider in each of these sectors. Our steadfast support for clients comes in three major packages.  
(1) **Monthly support** contracts featuring regular visits to clients by consultants  
(2) **Management workshops** for proprietors and executives to hone their efforts toward improved performance  
(3) **Fixed-term projects**, where expert consulting teams provide comprehensive solutions from research and analysis to strategy planning and execution

## Ongoing Initiatives

- Shift to digital interfacing with existing clients

Monthly Support Platform	Remote communication with members	Industry-specific, category-specific solutions
<ul style="list-style-type: none"><li>• Data-driven consulting using AI and business intelligence</li><li>• Remote consulting services</li></ul>	<ul style="list-style-type: none"><li>• Constantly in touch via business chat apps</li><li>• Higher quality information via streaming video</li><li>• Exclusive e-learning content for members</li></ul>	<ul style="list-style-type: none"><li>• Supporting adoption of tech solutions, IoT, AI</li><li>• Databases</li><li>• CRM, robotic process automation, work-relevant apps</li></ul>

Factors Signaling Potential for Growth	Strategies
Comprehensive management consulting services for SMEs	<ul style="list-style-type: none"><li>• Deep-mining existing businesses (no. 1 market share in housing, real estate, healthcare, nursing care, certified professional services)</li><li>• New segments and solution categories (construction, HR services, energy, manufacturing, inbound tourism, etc.)</li><li>• Enhance services re. M&amp;A, business ownership succession</li></ul>
Digitalization consulting services for SMEs	<ul style="list-style-type: none"><li>• Support for digital shift aimed at raising SME productivity</li><li>• Industry-specific digital solutions designed to achieve clear outcomes</li><li>• Enhanced digitalization consulting via our new Digital Innovation Lab</li></ul>
Comprehensive management consulting services for mid-scale companies	<ul style="list-style-type: none"><li>• Deep-mining existing business, support for developing new core activities (support for IPOs, rebranding, restructuring to a holding company set-up)</li><li>• Expand solution-category-specific workshops to meet mid-scale company needs</li><li>• Team-based consulting framework for mid-scale clients via our Account Partner Offices</li></ul>

# Management Workshops

[ Industry peers learning and growing together ]

Management workshops are a pillar of our business model, and are ideal opportunities for clients to exchange information on their industry and solutions. At present, we host 178 different workshops for 7,379 members (as of 2019). Workshops also provide a venue for proprietors to share successful experiences with others from the same industry, thus facilitating better business performance, while making new connections—or worthy rivals. In 2020, we launched the Customer Success Office, which aims to boost new memberships and retention of existing members. By enhancing quality, we intend to make our workshops an even surer path to success for member companies.



## Practical Workshops to Help Clients Achieve Success

Management Workshops	Business Model Workshops	Management Forums
Industry-specific help for proprietors and CEOs to improve performance in their companies' core business activities.	Business development and growth assistance (e.g., On-the Mark Solutions) for proprietors and management involved in their companies' business models.	Workshops for proprietors, management, and CxOs focusing on core business resources and issues.

## Areas Covered by Our Management Workshops

Housing, real estate, renovation	Mobility	Manufacturing, energy	Digital innovation
Healthcare and medicine	Specialist services	Amusement	Improved profitability
Nursing care, welfare	Human resources	Education, childcare, schools	Finance
Certified professional services	Dining, foodstuffs	Talent development	

## Three Opportunities Provided by Management Workshops

To offer proprietors the information they need to boost performance, workshops are replete with diverse content and serve as a source of the latest industry and solution-specific information.



Each Management Workshop is a unique growth opportunity.

Benefits of Management Workshop Membership	
Regular workshops	Workshops are where members gather to learn, and are an ideal way for members to identify and implement day-to-day improvements. There are offline and online seminars to meet a variety of needs, special lectures by our consultants and model companies, and study sessions where members share their experiences.
On-site study clinics at model companies	Visiting model companies allows members to learn hands-on at model companies rather than through abstract lectures, and members appreciate these valuable opportunities to glean information in context. They are a powerful step in the professional development of proprietors and management employees.
General meetings	End-of-year gatherings for each workshop's participants to reflect on the year's progress, and receive advice from consultants on how to achieve further momentum in the following year. General meetings feature a full itinerary of lectures, awards ceremonies, and informal get-togethers.
Workshop database	A searchable repository of content from regular workshops, the database provides members with instant access to the insights and case studies that arise in workshops and helps members maximize their use of the huge volume of information at their disposal.
Shacho Online	A digital platform for members to access top tips for improved business performance, Shacho Online contains all the latest case studies and information from inside and outside their industries.

# Monthly Support

Regular meetings where our consulting teams offer clients assistance on how to improve their company management.

Monthly support consulting contracts are designed to help proprietors achieve their visions and missions. Support sessions cover everything from strategizing to actual operations, so that clients can put into practice the insights they gleaned from management workshops and other sources. By organizing our consulting teams to specialize in specific solution categories and company sizes, we can offer SME and mid-scale clients precisely what they need to improve, from good old-fashioned advice to new solutions like digital tools for remote interfacing, and identifying core areas such as workforce development and finance. In this way, clients can strive not only for short-term performance upturns, but for more permanent improvements as well.



## Examples of Monthly Support

Improved business performance	Workforce development	Finance	Digitalization	Second core business development
Following analysis of the client's market, competition, and own situation, consultants identify potential improvements and help clients take action.	Consultants assist clients in hiring staff to help their company grow, and retaining staff through better remuneration and assessment systems.	Specialist finance consultants help clients implement measures needed for stable growth and improved corporate value.	Consultants help clients navigate the new and sometimes daunting field of digital marketing, ICT, and digital shift, all with a solid focus on productivity and outcomes.	Expert consultants help clients develop and build up second core businesses to drive extra growth in the new decade.

## Management Workshop and Monthly Support Synergy

Clients apply insights gained in monthly support sessions, run the PDCA cycle, and share at management workshops, where they get new insights to apply, and the complementary process starts again.



### Management Workshops: Insights and Challenges

Here, SME and mid-scale business proprietors get valuable management information and network with proprietors in the same industry or facing the same struggles. Workshops are an ideal way to identify the challenges they need to overcome.

### Monthly Support: Applying Lessons

Here, we help individual clients apply the lessons they learned at management workshops. Consultants specializing in relevant fields provide regular support to ensure clients can run the PDCA cycle properly.

# Projects

Practicable, scenario-based strategies and tactics tailored to specific industries and solution categories.

Because we have a broad stable of consultants expert in specific industries and solution categories, we can compile project teams perfectly equipped to provide precisely the solutions that each client needs. Thus, project-based consulting goes beyond mere strategizing to include practical, actionable solutions. We have the comprehensive expertise

needed to offer advice on weighty management issues, and can help bridge the gap between the C-suite and employees. Each issue is subjected to thorough analysis to elicit the scenarios most likely to ensure the client achieved their desired outcomes.

## Examples of Projects

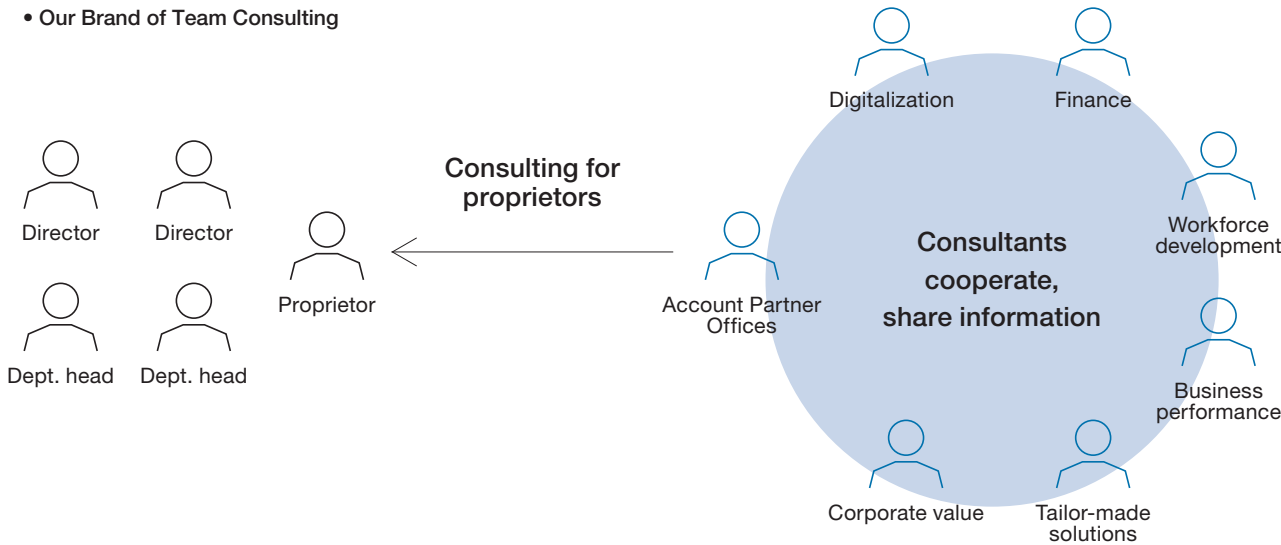
<b>Strategizing</b> Following finely detailed analysis, consultants compile strategies to address each client's needs.	<b>M&amp;A &amp; business ownership succession</b> Consultants leverage our network and create schemes for each client's business succession requirements.	<b>IPO support</b> Learning from a wealth of industry-specific case studies to help clients launch successful IPOs.
<b>Rebranding</b> Helping clients adapt their existing brands to modern needs and customers in order to promote sustained growth.	<b>Holding company restructure</b> Preparing clients to restructure into a holding company set-up by systematizing their history and philosophy.	<b>Second core business development</b> Specially selected project teams help clients develop new businesses in areas with a high probability of success.

## Ongoing Efforts to Strengthen Team-Based Consulting

Our monthly support services are provided by consultants selected to suit each client's growth phase, who not only structure solutions but help clients apply them. Under this comprehensive, start-to-finish approach, multiple consultants cooperate to offer solutions that contribute to growth in the shortest possible time, and ensures we can adapt when

clients progress to a new growth phase. Through our Account Partner Offices, established in 2020, we seek to strengthen the individualized consulting provided to management workshop members and other client companies, as well as team-based consulting services.

### Our Brand of Team Consulting





# Management Seminars

[ Practical instruction and case studies addressing the issues facing SMEs and mid-scale businesses. ]

We hold a huge range of seminars for proprietors and executives aimed at providing direct solutions to the challenges facing SMEs and mid-scale businesses. These seminars are chock-full of effective information, including practical management knowhow illustrated with recent case histories and presented by consultants specializing in the relevant industries and subjects. With 884 (in 2019) seminars held each year, there is so much information for participants to choose from, making these a vital source of hints and tips for achieving growth.

## Practical solutions for improving performance only at Funai Consulting!

Seminars are focused on specific needs

- HR, personnel, training
  - Digital shift
  - Finance, IPO
  - Housing, real estate
- Healthcare, nursing care
  - Certified professional services
  - Retail, dining
- B2B
  - Local government, education
  - Financing, insurance
  - And many more

Downloadable reports

Do not download these reports if you work in the consulting or research industry. (Japanese only)

## Management Challenges Addressed in Our Seminars

Consultants leverage their front-line knowledge and insights from specific industries to address the specific issues facing

regional businesses and SMEs and suggest multifaceted solutions.

Issues	Relevant sectors & suggested seminars
Labor shortages	<ul style="list-style-type: none"><li>• Rural community revitalization: High-income confectionery start-up</li><li>• Certified professional services: Immigration law revisions &amp; immigration business start-up</li><li>• Workforce development: Hiring foreign workers in the private lodging industry... and more!</li></ul>
Vacant housing	<ul style="list-style-type: none"><li>• Housing &amp; real estate: Vacant housing revitalization business start-up</li><li>• Community care: Business start-up: Converting vacant housing for elderly residents... and more!</li></ul>
Better working practices	<ul style="list-style-type: none"><li>• AI &amp; IoT: Automation and robots for component processing businesses</li><li>• Digital innovation: Improving productivity in the funeral industry</li><li>• Business innovation: Improved productivity &amp; work practices forum... and more!</li></ul>
Inbound tourism	<ul style="list-style-type: none"><li>• Life event: Local production &amp; consumption business model for hoteliers</li><li>• Housing &amp; real estate: Inbound tourism: House-as-lodging business start-up</li><li>• Rural community revitalization: Tourist attraction strategies for local governments... and more!</li></ul>

## Funai Consulting 50th Anniversary Seminars

Funai Consulting celebrated its 50th birthday in 2020. Our growth has been possible only through the steadfast support of many business owners. To show our gratitude, and to express our eagerness to embark on the next half century with them, we held a series of seminars throughout Japan on topics of high interest to proprietors.

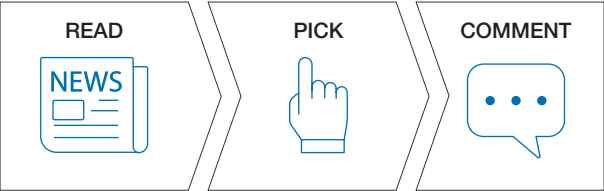
Seminars on hot topics such as staff hiring, personnel management, digital marketing, digitalization support, improving productivity, and capturing inbound tourist demand.

# Content-Based Services

[ Shacho Online ]

Shacho Online is a platform that allows member companies to find and coordinate the information they need to improve business performance. It contains articles written by our consultants, as well as useful articles and essays from around the internet, and members can share their thoughts and comments on topics that interest them. This is also an effective way for us to gauge the subjects that proprietors are interested in, and thus ensures we can fine-tune our services as appropriate.

\*Shacho Online is operated by Funai Consulting based on the NewsPicks news aggregator.



## Benefits for Shacho Online Users

Shacho Online offers informative articles for proprietors by our consultants, and a range of other content.

- Reports on model companies
- Case studies
- Op-eds by our consultants
- Digest reviews of Funai Consulting seminars
- Digest reviews of Funai Consulting workshops
- Funai Consulting's in-house initiatives... and more!

## Insights from Our Consultants

Shacho Online is full of insights from our consultants that give proprietors a multifaceted understanding of news and issues and provide an advantage when it comes to business administration. What's more, it's interactive, meaning subscribers can share their thoughts and reactions.

## Examples of Original Articles



Philosophy in Management: How the CEO's Thoughts Can Make a Company Stronger



Every Growing Company has a Marketing Funnel Website



How to Succeed at Subscription-Based Services



Hiring: Why Your Wanted Ads Attract No Responses



Finance: Categorizing Strategies to Free Up More Cash

See here for more details about Shacho Online

# Funai Soken Corporate Relations Inc.

Business process outsourcing to help our clients forge higher-value connections with customers.

What We Do







- General sales support for the Funai Soken Consulting Group
- Client acquisition support via online ads and call marketing
- Talent acquisition support via calling services
- Community operations (e.g., operational support for seminars and workshops)
- Helping women forge meaningful careers (back-office RPA, training)



### Overview and Strengths

Funai Soken Corporate Relations was originally a shared services company providing sideline support for group companies' sales

efforts. These days, however, the company's services are available to—and popular with—clients outside the group.

Our Role	Strategies
 <b>Customer Success Clerks</b> Customer loyalty is founded on community, and our role is to nurture that community to maximize the value of customer ties.	 <b>Operational support for seminars</b> <b>Community nurturing support</b>
 <b>Inside Sales Agents</b> Connection with clients is the root of all business, and we leverage digital marketing and personal contact methods to generate opportunities for companies to interface with clients.	 <b>Online advertising, website administration support</b> <b>Client and talent acquisition support</b> <b>Call center function, industry-specific agency</b>
 <b>Back Office Motivators</b> The productivity and motivation of supporting department has a significant impact on a company's foundation and earning capacity, and we serve to keep back office staff motivated.	 <b>Robotic process automation support</b> <b>Meaningful careers for women, management training for women</b>

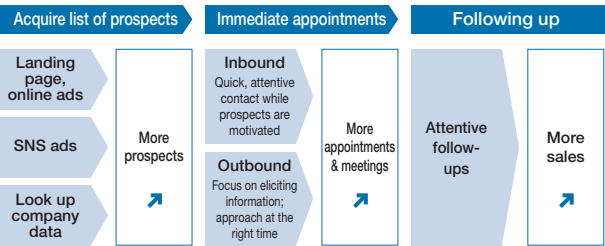
### Ongoing Initiatives

We are fully committed to helping clients achieve their objectives. To this end, we offer BPO solutions for cost optimization and improved productivity in acquiring new clients, as well as strengthening relations with existing clients. We are continually refining our unique combination

of digital technologies and friendly, attentive service, and our experience in paving the way for women to meaningful careers will surely continue to be a point of difference in the group's training and consulting solutions.

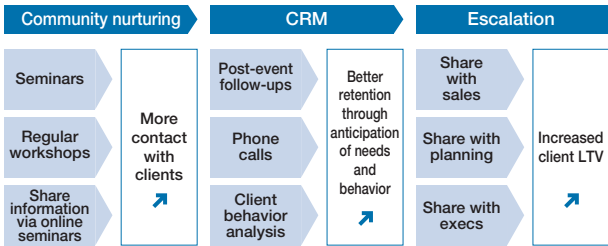
### Optimizing Cost Per Acquisition

- Using BPO to link initial reaction to sales



### Maximizing Lifetime Value

- Nurturing the community increases LTV



Factors Signaling Potential for Growth	Strategies
Declining, aging population; labor shortages	▶ Expand BPO to help clients maintain and increase productivity
Social trend towards more women in the workforce	▶ Help SMEs provide meaningful opportunities for women

## Free-of-charge management consultation



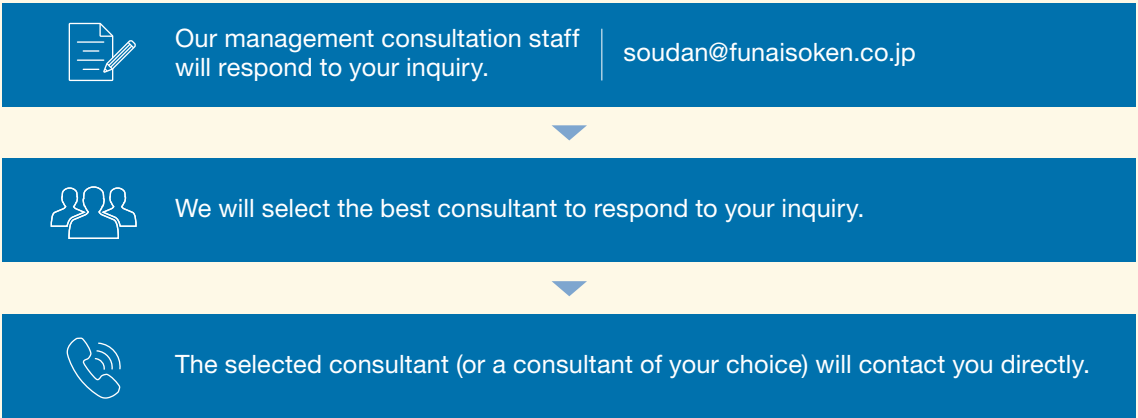
The Funai Soken Consulting Group has a huge range of tools to help you solve your management problems.

Does this sound like you? Inquire now – we can help!

- ☐ You want to improve performance or enter a new field of business
- ☐ You want to discuss market surveys, territory-specific research, or competitor analysis
- ☐ You want to know about good management seminars or workshops
- ☐ You need help recruiting, training, and assessing staff
- ☐ You want to build or improve logistics operations
- ☐ You need help with system development or operations, or want to incorporate IT into your management strategy
- ☐ You want to boost customer satisfaction and customer service quality or cut costs at your contact center
- ☐ You want to expand in China or elsewhere overseas, or expand your sales channels

### Typical consultation process

After an initial interview, either over the phone or in person to verify the nature of the consultation and requested actions, we will present our proposal for a solution to your company's difficulties. The initial management consultation is free of charge.





# Funai Consulting Shanghai Inc.

## Shaping the future from Shanghai

The Funai Soken Consulting Group's expertise is relevant to businesses outside Japan, too, and we now offer consulting services to Chinese clients, primarily through management workshops, beginning with the dining market.

### What We Do

- Management consulting for the Chinese dining industry
- Management workshops for the dining industry
- Cross-border consulting:  
Support for Japanese dining companies setting up in China  
M&A, partnership support for Japanese dining companies in China



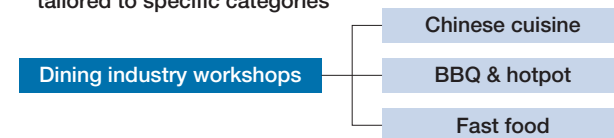
## Overview and Strengths

Our services for the Chinese dining industry are tailored for specific categories: Chinese and general cuisine, BBQ and hotpot, and fast food. We seek to help clients stay competitive amid diversifying customer needs in a fast-maturing market by offering up-to-the-minute information and providing specialized forums where members can share insights and learn from each other. Although management workshops are our main platform, Funai Consulting Shanghai has successfully adopted other aspects of the Funai consulting methodology, including monthly support for individual clients. Our ability to improve QSC, analyze review site ratings, and assist with the opening of new restaurants are making monthly support increasingly popular.

### Areas of Particular Strength

- Specialized support aimed at boosting growth Opening new restaurants and turning around unprofitable restaurants
- Category-specific management workshops and QSC improvement

- Funai Consulting Shanghai's management workshops are tailored to specific categories



## Ongoing Initiatives

Factors Signaling Potential for Growth	Strategies
Increased dining market scale, diversifying diets in China	▶ Sub-division of dining industry management workshops, specialization in specific categories
Diversifying dining-out needs, increased dining-out in cities and among youth	▶ Analysis of review site ratings and strategy planning, development of restaurant formats to cater to diversifying consumer needs (e.g., millennials)
Aging population, fewer children, more elderly needing nursing care	▶ Begin test consulting for new segments, e.g., healthcare and nursing care

## Specialization in a fast-maturing market: Establishing the Funai brand in China

- Stages in the Product Life Cycle

	China's current stage			
	Launch	Growth Mainly 2nd-tier, 3rd-tier cities	Maturity Mainly 1st-tier, new 1st-tier cities	Decline At Funai, "stability"
Sales	Low	Rapid growth	Slow growth	Decline
Profits	Negative	Peak	About to decline	Decline
Cash flow	Negative	About to increase	Increase	About to decline
Competitors	Virtually none	Increase	Many	Decrease
Marketing objective	Market expansion	Market penetration	Maintain share	Ensure productivity
Marketing focus	Product awareness	Brand	Brand loyalty	Select products & customers
Target consumers	Reformers	General public	General public	Conservative customers

In China, life cycle differs from province to province.

# Funai Soken Logistics Inc.

## A full suite of logistics services

A comprehensive line-up of logistics services from consulting to logistics trading and transportation.

### What We Do

- Logistics consulting
- 3PL management services
- Joint purchasing to cut costs



## Overview and Strengths

We have the broad capabilities to offer one-stop logistics solutions that combine the benefits of specialized consulting, communities, networks, and databases.

### (1) Consulting

We offer effective consulting for both companies that send cargo and those that transport it. More than simply planning and strategizing, we offer outsourcing and other support to make sure clients can carry out back-end processes properly.

### (2) Community

From management workshops for logistics company executives to a community for shippers' CLOs, we offer a variety of forums for people involved in the logistics industry to acquire and share knowledge.

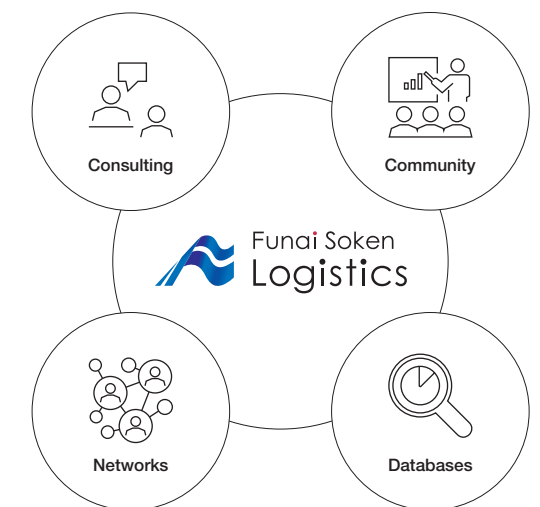
### (3) Networks

With some 300 logistics-industry partners nationwide and a material procurement network, we are ideally positioned to offer clients all kinds of solutions, from manual tasks like material handling to high-tech applications like IT, AI, and robotics.

### (4) Databases

Market prices, expertise and case studies, trends, and much more: Any useful information we compile into a database for our consulting work and to offer clients. Our e-zine, Logiiiil, is aimed at boosting the whole logistics industry and providing unique insights, know-how, and trend information for the benefit of those inside and outside the industry.

- Consulting for logistics companies
- Consulting for shippers
- Solution-based consulting
- Management workshop for logistics companies
- Chief logistics officers' community
- Partner meetings



- Logistics networks
- Purchasing
- IT, AI, logistics, material handling
- Logiiiil (e-zine)
- Current market for logistics costs
- Expertise and case studies
- Logistics trend information

## Ongoing Initiatives

Factors Signaling Potential for Growth	Strategies
Lack of stability in transportation due to shortage of drivers in Japan	▶ Total HR consulting aimed at gaining an advantage in hiring, training, and assessments for drivers
Shorter working hours due to stricter compliance	▶ Support for optimal placement of distribution hubs and adoption of labor-saving AI
Fluctuating oil prices, instability in world affairs	▶ Building and strengthening joint purchasing, joint distribution networks



# HR Force Inc.

The latest ad technologies power our AI ad platform to help growing companies alleviate labor shortages by finding the right staff.

## What We Do

- Direct recruiting
- Hiring-oriented marketing
- AI-powered “help wanted” ad platform



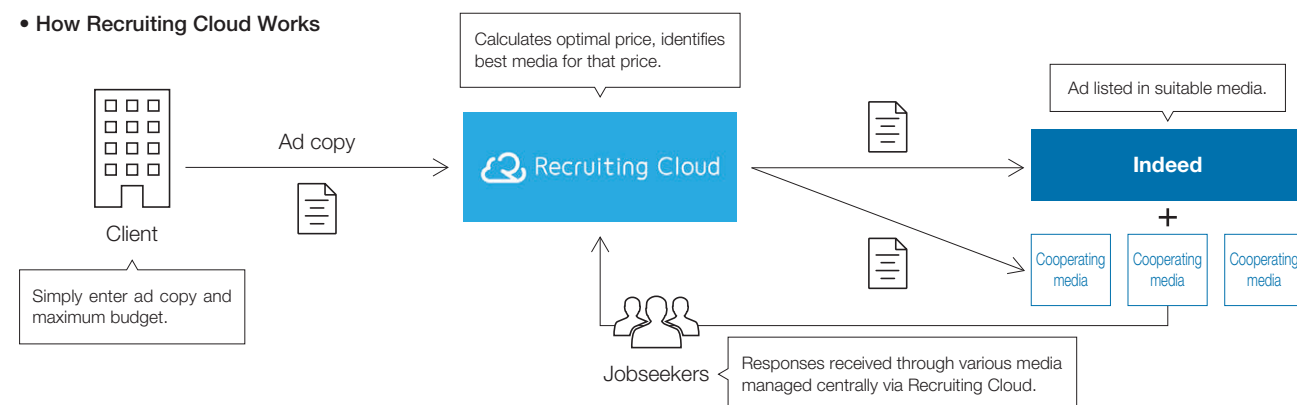
## Overview and Strengths

Since 2018, we have operated Recruiting Cloud, Japan’s first data- and AI-powered ad platform dedicated to “help wanted” ads. To date, some 4,000 companies have adopted Recruiting Cloud, and contract renewal rates are high. Today, we are adding new media for clients’ ads to seek even higher recruiting success rates.

### How Does Recruiting Cloud Benefit Users?

- Big data analysis of job-search keywords enables **AI-informed writing of effective job ad copy**
- Listing in optimal, cost-effective media **reduces cost per response**
- AI allows for 24-hour 365-day operation and integrated administration of respondents, **streamlining hiring work**

### • How Recruiting Cloud Works



## Ongoing Initiatives

Japan’s first AI-powered “help wanted” ad platform, Recruiting Cloud harnesses the full power of big data in the recruiting space. Being AI-powered, it serves as a 24-hour, 365-day automatic ad optimizing service for

companies of all sizes. We will continue to use our state-of-the-art hiring-oriented marketing solutions to give clients an advantage in an increasingly competitive labor market.

Factors Signaling Potential for Growth	Strategies
Increased corporate productivity, changing working practices, digitalization needs	▶ <b>Adopt SaaS business model, boost client success</b>
Increased consulting demand due to declining and aging population, labor shortages	▶ <b>Help clients gain a competitive advantage in the hiring market and build a workforce suited to modern conditions</b>
More direct sales by Indeed agents, other new recruiting companies appearing	▶ <b>Differentiate from competitors through product updates</b>

# Funai Soken IT Solutions Inc.

A reliable IT partner to help clients improve business performance

We harness information technology to bolster sales capabilities and offer optimized solutions.

## What We Do

- IT strategy and planning
- Work process improvement consulting
- Training and education in IT solutions



## Overview and Strengths

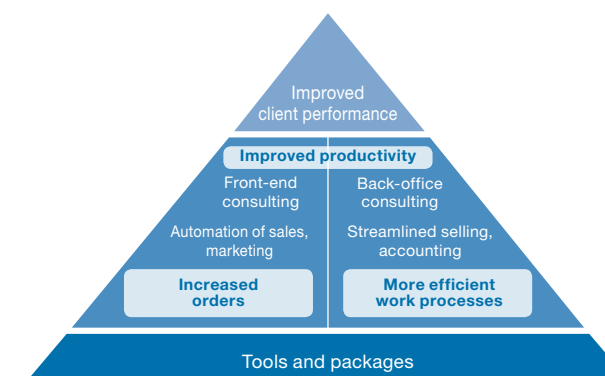
### IT Strategy and Planning

Our raison d’être is to utilize information technology to contribute to each client’s bottom line. Following thorough needs analysis, we leverage the power of IT to identify solutions to elicit specific outcomes throughout the prospect acquisition, conversion, deal negotiation, and order process, and help create the necessary systems.

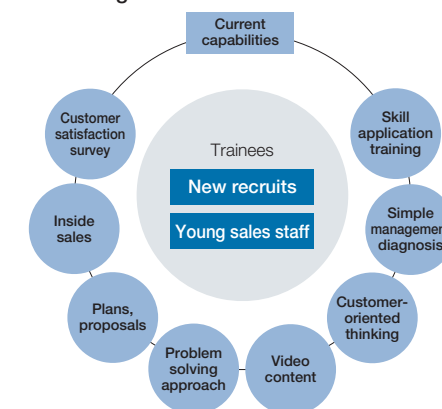
### Training and Education in IT Solutions

We are constantly refining and enhancing our training and education services for Japanese SME and mid-scale IT companies in solution-based sales, which are designed to enable clients’ sales staff to earn more orders quickly.

### • Our Consulting Framework



### • How Our Training Works



## Ongoing Initiatives

### “2025 Digital Cliff” is a Growth Opportunity

A government report warned that Japan was headed for a “digital cliff” if the country didn’t upgrade its outdated IT systems by 2025. To help the country avoid this fate, we help mid-scale IT businesses by training system integrators

in the skills needed to contribute to sales and profits. The key is to train those charged with updating Japan’s systems (i.e., system integrators) and to devise viable strategies quickly, and we offer cohesive solutions to help clients achieve both.

Factors Signaling Potential for Growth	Strategies
Japan’s 2025 digital cliff: Risks posed by outdated systems	▶ <b>Training of system integrators, help for devising strategies quickly</b> Digitalization help for SME and mid-scale clients, support for updating companies’ core systems

# Proseed Corporation

## Leading you into the age of customer engagement

Effective engagement is the key to business success. Learn how to offer the best customer service in your industry.

### What We Do

- Consulting, training, and diagnostic services aimed at improving contact center functions
- Helping clients get COPC® certification



## Overview and Strengths

We help clients strengthen management through consulting, training, and diagnostic services aimed at improving contact center functions. As Japan's only COPC® rated company\*, we have consulted for more than 400 organizations, training 10,000 employees in this global standard and raising performance over 20 years. COPC is truly global in scale, and gives our expert consultants access to experience and methods from a database of case studies built from 2,000 locations in 70 countries. This quick access to data from around the world means we can apply the lessons, methods, and benchmarks to create optimal solutions for our clients to help them offer the best service in their industry.

We are continually fine-tuning our services to address current needs from a solid management standpoint, including staff retention and adoption of digital channels such as chat bots.

### • Consulting for Better Contact Centers

Diagnosis of underlying issues, and tailor-made training and consulting to help find solutions.



### The COPC® Family of Standards

Created in 1996, the original COPC® standard is an internationally recognized performance management system for contact centers. It is based on the US Government's Malcolm Baldrige National Quality Award criteria and framework. The COPC® database contains more than 2,000 case histories of monitoring and assessing call centers in 70 countries. The implementation of COPC® Standards has been reported to enhance customer satisfaction, strengthen corporate organization, contribute to sales, and reduce costs. COPC® Standards are managed by the COPC Standards Committee, a group of leaders from countries around the world who are familiar with the standards.

## Ongoing Initiatives

Factors Signaling Potential for Growth	Strategies
Demand for contact center improvements in areas where COPC® is not implemented	▶ Offer consulting services in Taiwan, Vietnam, South Korea, and other countries
Diversifying customer contact methods (e.g., phone, online, chat apps)	▶ Improve customer experience and reduce costs through full customer journey analysis and training
Labor shortage, high turnover in contact centers	▶ Specialized contact center employee satisfaction diagnoses, analysis, and help for clients to make improvements

# Shinwa Computer Service Co., Ltd.

## Experience and expertise: Helping you invest in dynamic ICT

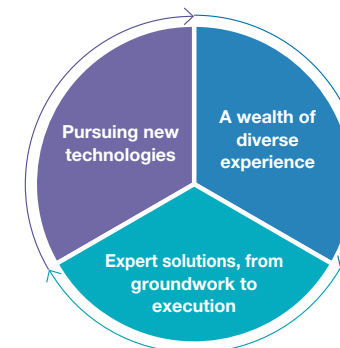
### What We Do

- Systems development, construction, operation, maintenance
- Online service planning, development, operation
- Compiling input data
- Outsourcing services for peripheral tasks



## Overview and Strengths

- Technical capabilities honed through winning and maintaining business with direct clients



Since 1980, Shinwa Computer Service's comprehensive data processing capabilities have been sought by a broad range of clients. From public utility billing systems to

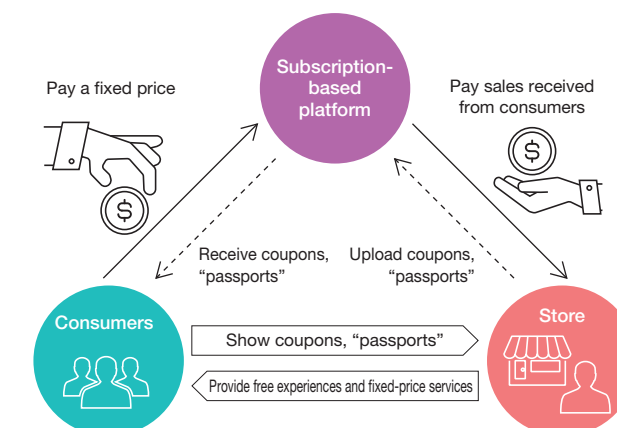
## Ongoing Initiatives

In April 2020, we launched Subly, a low-risk, low-cost, high-speed, easy-operation way for clients to adopt a subscription-based platform—no up-front investment and no monthly fees! In keeping with market trends away from ownership toward subscription, Subly frees clients from the burden of buying and maintaining huge systems; now they can choose and use only what they need to accomplish their goals.

Factors Signaling Potential for Growth	Strategies
Increased investment demand in Japan for dynamic ICT	▶ Support for building, adopting cloud-based systems (including AWS compatibility); expand orders for smartphone content development
Increased demand for subscription-based services	▶ Launch Subly, our subscription-based platform
Expanding synergies within the Funai Soken Consulting Group	▶ Harness these to enhance digital solutions for SMEs, mid-scale businesses

AI-based speaker applications, we have built up a solid track record in many fields through hard work and diligence. Today, as we work on new trends in ICT, such as cloud-based computing, big data, AI, and IoT, that wealth of experience ensures we are always able to provide practical solutions to specific needs. We are not a subordinate supplier to major corporations, instead working directly with end users. Being closer to the horse's mouth ensures accurate understanding of objectives and underlying issues, and enables us to develop, run, and maintain the perfect systems to meet those needs. And with development partners located nationwide, we can provide that quality on a broad scale while offering flexible working styles, for instance by collaborating on projects remotely and working with those living in outlying areas.

### • How Subly Works (e.g., in a store)





# The Funai Soken Consulting Group: 50 Years Young Company Timeline and Financial Performance

## Inauguration

## 1970s

### March 6, 1970

Yukio Funai starts the Japan Marketing Center (now renamed Funai Soken Holdings).

### September 1970

Members-only Cosmos Club established.

### 1972

Henshin Shoho (Commerce in Change) becomes a bestseller.



### Offices

1970  
Osaka Headquarters Established in Yariya-machi.

1971  
Tokyo Office opened in Roppongi.

## The consulting industry's first public listing

## 1980s

### 1981

Preparing for stock listing.

### March 1985

Name changed to Funai Consulting Inc.

### September 1988

Became a Specially Designated Stock on the 2nd Section of the Osaka Stock Exchange—the first consulting firm to be publicly traded.



## Focus on the service industry

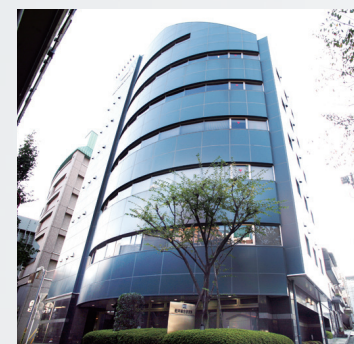
## 1990s

### March 1990

Increased focus on the service industry. Tadashi Moto'ori is named the company's 2nd president, coinciding with a shift from predominantly the distribution industry to the service industry.

### June 1993

Stock reclassified on OSE 2nd section.



## Expanded operations

## 2000s

### February 2000

Funai Information Systems established (renamed Funai Soken IT Solutions in July 2014).

### March 2000

3rd President Masahiko Koyama launches the "change of gears" to achieve financial and workforce growth.

### December 2004

Stock listed on the Tokyo Stock Exchange 2nd section.

### December 2005

Stock reclassified on the TSE and OSE 1st section.



## Organizational restructuring results in a group structure

## 2010s

### March 2010

Self-control, autonomy, and teamwork. Sakae Takashima is named the company's 4th president, implementing group policy of self-control, autonomy, and teamwork. Corporate mission updated to include "helping clients achieve 'great company' status as well as growth." Inaugural annual Great Company Awards held.

### January 2012

Funai Consulting Shanghai established.



### January 2014

Funai Soken Logistics becomes a wholly owned subsidiary.

### July 2014

Transition to holding company structure. Funai Consulting renamed Funai Soken Holdings; consulting arm spun off as the new Funai Consulting; sales support arm spun off as Funai Soken Corporate Relations.

### February 2015

Proseed becomes a wholly owned subsidiary.

### February 2018

HR Force established.

### June 2018

Shinwa Computer Service becomes a wholly owned subsidiary.

### March 6, 2020

We celebrate 50 years of business.



ともに、次の50年へ

2010  
Relocated to Kitahama.  
Yodoyabashi Seminar  
Place opened.

2005  
Tokyo Headquarters relocated to  
Nihon Seimei Marunouchi Bldg.

1996  
Relocated to Toyosaki.

1993  
Tokyo Headquarters  
relocated to Nishigotanda  
(now Gotanda Office)

1981  
Relocated to Taiyujicho.

1983  
Tokyo Headquarters  
relocated to Shiba (now Shiba Office)

# Contributing to society by rewarding outstanding businesses



## Improving ourselves, our companies, and our communities

Funai Soken Holdings contributes a portion of its profits to the Funai Foundation, for use in presenting the annual Great Company Awards. These awards are given to companies that have combined social responsibility and education with profitability, and they are intended to promote the significance

of the corporation in society. The Great Company Awards have been held annually since 2010, and we remain eager to use them as a means of enriching society by bringing broad attention to worthy companies and proprietors.

### What Is a Great Company?

A “great company” is founded on a philosophy of high value to the community, perfects its own unique business model and, through these, achieves sustainable growth. It is an organization whose unique culture earn it recognition from employees and customers alike as a great company.

### What Makes a Great Company Great?

- 1. Sustained growth.
- 2. Ardent, fiercely loyal fans.
- 3. High employee satisfaction; employees and their families are proud to be a part of it.
- 4. Pride in its unique company character.
- 5. Generous contribution to the community, which sees the company as indispensable.

Regardless of current shortcomings, a great company is forward-looking and wants to be Number One in Japan and in the world.

### Recipients of the 2019 Great Company Awards

Some 25 companies from a variety of industries were nominated from around 9,000 potential candidates. From these, the following seven companies were recognized for their achievements. Moving forward, we will continue to seek

out and reward Japan’s great companies as a means of adding momentum to the creation of a more rewarding, more sustainable world.

	Company	Industry; region
Great Company Award	IBJ Inc.	Matchmaking services, lifestyle design; Tokyo
10th Anniversary Funai Foundation Special Award	Be Forward Co., Ltd.	Used car sales; Tokyo
Customer Appreciation Award	Hiroshimashi Credit Cooperative	Credit union; Hiroshima
Employee Pride Award	Yamagishi Logistics Co., Ltd.	Freight transportation; Shizuoka
Unique Business Model Award	Ebiya	Dining, souvenir sales; Mie
Philanthropy Award	Maruc Inc.	Employment support for people with disabilities (class-A facility), after-school daycare service; Ehime
Better Performance Award	Architex Co., Ltd.	Remodeling, renovation, home building, real estate; Aichi



The Funai Foundation was created to carry on the lifework of the late management consultant, Yukio Funai, to provide support for the sound development of both corporations and individuals who can be expected to make notable contributions to the community, and to undertake activities that will make a positive contribution to the advancement of society.