



Introducing Copel Early Childhood Education Program

MASTER FRANCHISES NOW AVAILABLE!



Children have infinite potential!

COPEL



Company Information

- Company Name: Copel Co., Ltd
- Tokyo Headquarters: 3-16-14 Aoyama Minato-Ku, Plazada Aoyama #201, Tokyo, Japan
- President and CEO: Nobuyuki Otsubo
- Capital: 50,000,000 JPY (As of December 2010)
- Website: <https://copel.co.jp/> <https://copelplus.copel.co.jp/>
- Our Business:
 - ① 「COPEL」 Operating learning centers for preschoolers
 - ② 「COPEL-PLUS」 Operating rehabilitation learning centers for preschoolers with developmental disorders
 - ③ Sale of learning materials

COPEL



- Japan: 73 centers
- China: 1 center (Shanghai)



Japan: 10 centers

Rehabilitation learning centers for preschoolers
with developmental disorders



❖ Copel Slogan

Make the world a better place through education

❖ Copel Initiative

To help people grow and raise consciousness

❖ Our Goals

- To move towards a society that embraces activating the entire brain.
- To realize a more peaceful world that is full of joy and love.

❖ Copel Work Ethic

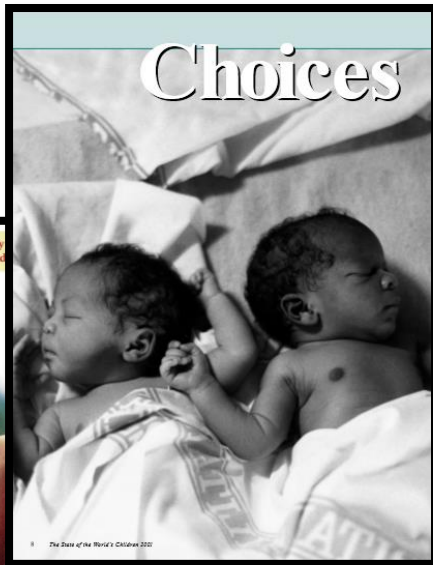
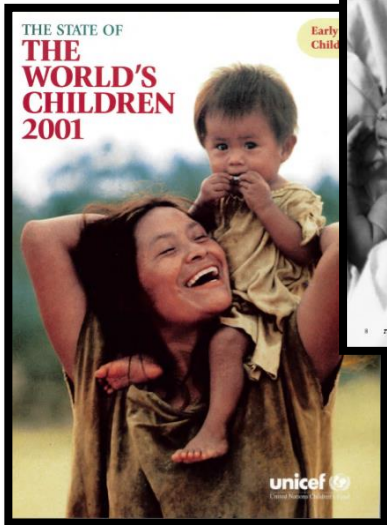
I want to make people around me happy.

Doing things out of joy leads to fulfilling work.



Unicef said

Necessity of the early childhood education



to be made

Most brain development happens before a child reaches three years old. Long before many adults even realize what is happening, the brain cells of a new infant proliferate, synapses crackle and the patterns of a lifetime are established. In a short 36 months, children develop their abilities to think and speak, learn and reason and lay the foundation for their values and social behaviour as adults.

Because these early years are a time of such great change in a young life and of such long-lasting influence, ensuring the rights of the child must begin at the very start of life. Choices made and actions taken on behalf of children during this critical period affect not only how a child develops but also how a country progresses.

No reasonable plan for human development can wait idly for the 18 years of childhood to pass before taking measures to protect the rights of the child. Nor can it waste the most opportune period for intervening in a child's life, the years from birth to age three.

The time of early childhood should merit the highest-priority attention when responsible governments are making decisions about laws, policies, programmes and money. Yet, tragically both for children and for

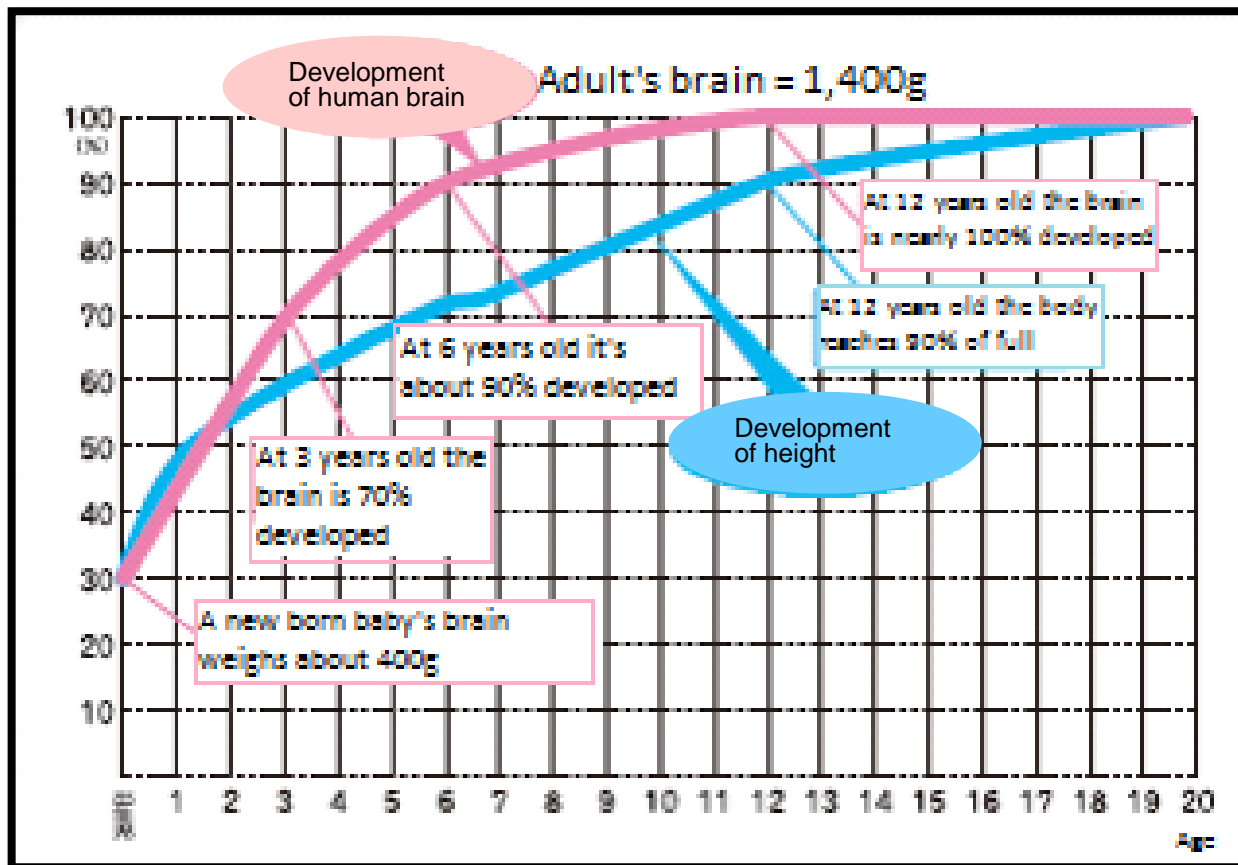
In a short 36 months, children develop their abilities to think and speak, learn and reason and lay the foundation for their values and social behaviour as adults.

Photo: Newborns being born during the floods in Mozambique in early 2000.



Brain Development

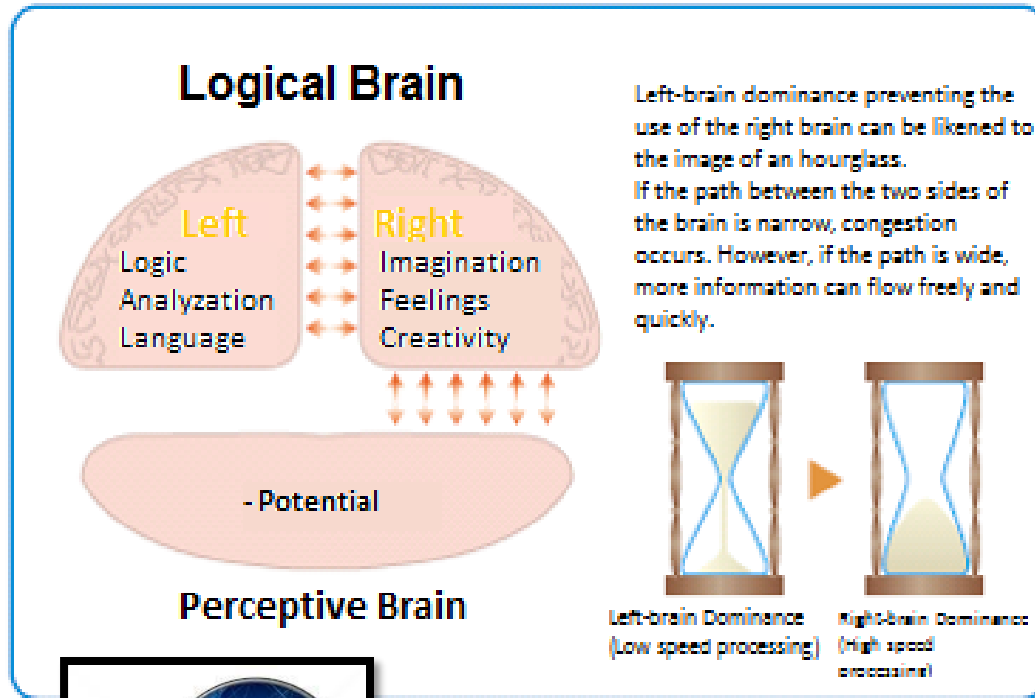
It's said that the brain is 100% developed by the age of 12, and its capabilities are determined by the age of 6.





What is happening inside the human brain?

Children will reach their full potential if the connection between the right and left-brain are triggered and strengthened.



Characteristics of a Genius' Mind

A strong connection between the right and left brain

It's said that Einstein's brain showed a higher connection, 1.5 times stronger than the average person.



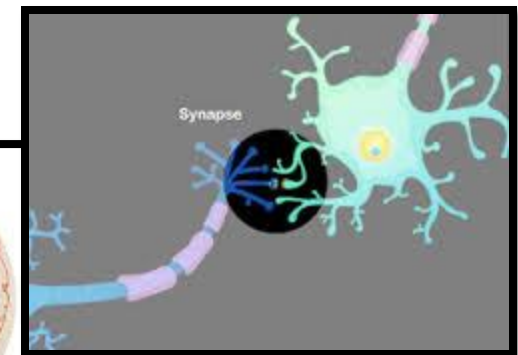
At Copel, we want every child to reach their full potential and succeed. Our programs focus on activating the entire brain.



When are connections made?

Connections are made in the brain when a child is **fully engaged in an activity**. It is said that the attention span of a child depends on their age. Most times it lasts the number of minutes of **their age plus 1 more minute**.

For example, a 3 year old would have an attention span of about 4 minutes. It seems as though children during early childhood are easily distracted. However they actually pay attention to many things. The young mind is constantly tuning into things and then saying, "I understand this, what is next?" They are highly attentive, almost to an excessive level.





Key Factor for success of Early Childhood Education Program

To make connections, we have researched and brushed up

High Quality and Volume of Learning Resources

Supervision and Training of Instructors



for 25 years. These two are our 「Differentiating services」

Early childhood education focuses long term on children between 0 through 12 years of age. Offering high quality services will lead to customer retention and letting the business grow steadily over a period of time. Satisfied customers can be expected to spread our services through word of mouth.

However, early childhood education is more complicated compared to secondary and higher education. The programs need to be fun and captivating, so that children can enjoy learning.

To realize a unique early childhood education program of high quality, it is vital for instructors to receive thorough training and supervision, so they are able to offer high levels of instruction and services.



Points that Differentiate Copel

Copel provides learning resources and curriculum for 6 years' worth of lessons (42 lessons per year for 6 years) for students **between 0 to 6 years of age**. Materials assisting lessons are used for short periods to keep the children engaged with the lesson. A one-hour lesson utilizes more than a dozen different materials. The amount of learning resources we provide is incomparable with other early childhood education programs.

■ We Never Stop Developing!

Learning resources are developed over a 3-month cycle. Researchers test and improve developing materials with students to see what captivates and motivates them the most. A total of 360,000 researchers and staff have been involved in our research and development of learning resources.

■ High Standard of Quality

Copel provides high quality learning resources, programs and manuals (includes 500 videos of lessons) and a structured system for instructor training to ensure that all learning centers provide the same high level of instruction and customer service.



Learning materials

We have over 2,000 kinds of learning materials. Resources cover six years' worth of lessons or 42 weekly lessons per year. Also, we have videos and activity instructions used to enhance classroom materials.

The learning materials used once will be **never used**.

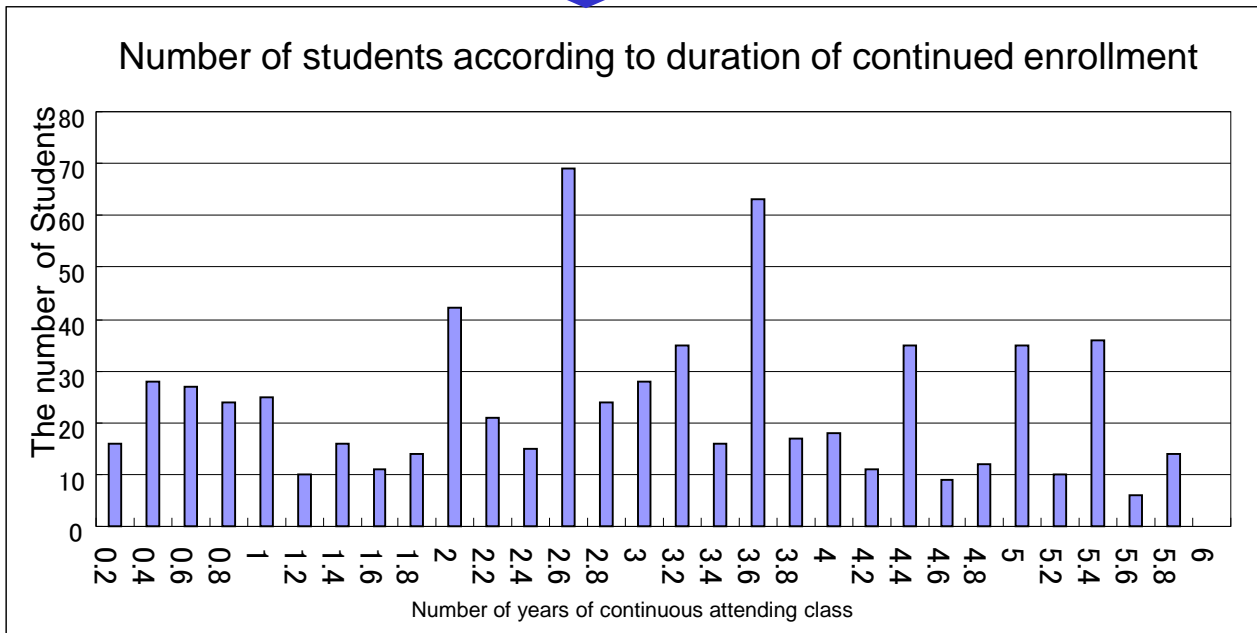


(Picture above shows materials used in one-week lesson)

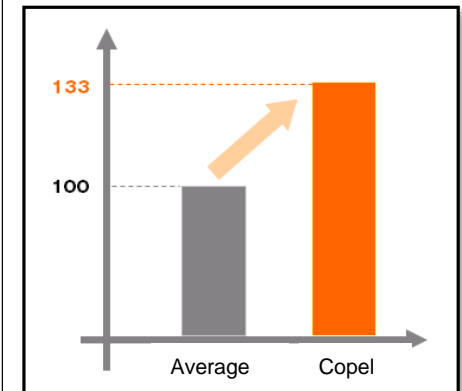


The result of our continuous improvement activity

Students between 0 to 6 years of age at directly managed learning centers maintain enrollment for about 3.5 years on average. For every student you can see a return of about \$3,500.



The average of other learning center



IQ levels are just one way of measuring a child's development. But the average IQ test score for students attending Copel for more than two years is 133.



Master Franchiser's rights



1. The rights to use learning materials we developed
2. The rights to use the training teachers system
3. The rights to develop franchisee in your country



The Copel Master Franchise System

■ The functionality of the Copel headquarter:

We will lecture the following items.

The localizing feature for teaching materials, manuals, and instructional videos to local languages

The training features for the instructors

The supporting feature for school management

The supporting feature for launching a class room

The marketing support feature

■ The functionality of the Copel Master Franchiser in each countries

The translating feature for teaching materials, manuals, and instructional videos to local languages

The feature for developing local franchisee

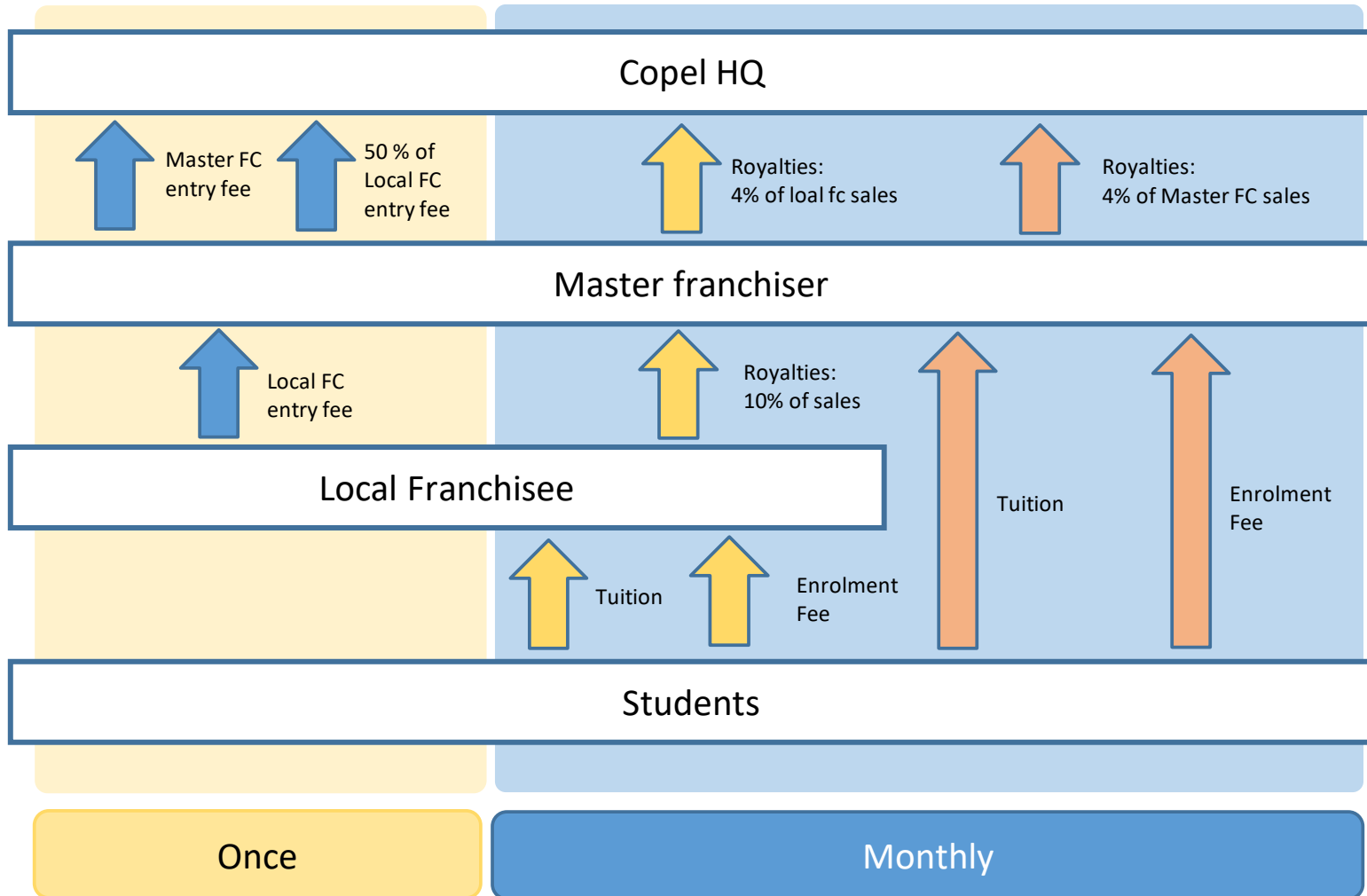
The training feature for the local franchisee-instructors

The supporting feature for finding locations, launching a class room

The supporting feature for supervising



The Copel Master Franchise System (cash flow)





The Copel Master Franchise System (Sales and profit)

Monthly Sale & Profit	(Direct operated learning center)						US dollar
The number of students	50	150	300	500	750	1,000	
Sales	10,000	30,000	60,000	100,000	150,000	200,000	
①Enrolment fee \$ 200							
②Lesson fee \$ 200—material fee \$ 12	9,400	28,200	56,400	94,000	141,000	188,000	
③Material fee \$ 12	600	1,800	3,600	6,000	9,000	12,000	
Direct cost of sales	826	2,178	4,206	6,910	10,290	13,670	
Royalty(①× 4%+②× 4%)	376	1,128	2,256	3,760	5,640	7,520	
Transportation cost \$ 150	150	150	150	150	150	150	
Direct cost of material (\$ 6/material)	300	900	1,800	3,000	4,500	6,000	
Net sales profit	9,174	27,822	55,794	93,090	139,710	186,330	
Selling and general administrative cost	12,950	19,650	29,900	57,900	74,000	90,100	
Labor cost	6,000	10,500	18,000	30,000	45,000	60,000	
Sales promotion cost	1,500	3,000	5,000	5,000	5,000	5,000	
Rent	5,000	5,000	5,000	20,000	20,000	20,000	
Communication cost	150	250	300	400	500	600	
Office supply cost	50	150	300	500	750	1,000	
Consumable supply cost	50	150	300	500	750	1,000	
Utility cost	200	600	1,000	1,500	2,000	2,500	
Profit	-3,776	8,172	25,894	35,190	65,710	96,230	

※The clumn of Enrolment fee is blanc because the number of new students would change seasonally.

※Tuition, salary and lent fee is changed in each countries.



Sample summary of Royalty

Summary of Royalties (MASTER FRANCHISEE)

Annual royalties total

	1years	2years	3years	4years	5years	6years	7years	8years	9years	10years
The number of classrooms	1	5	10	15	20	25	30	35	40	45
The number of students	100	120	140	160	180	200	220	400	600	800
The number of students total	100	600	1,400	2,400	3,600	5,000	6,600	14,000	24,000	36,000
The admission fee	15,000	60,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Annual revenue total	\$29,400	\$146,400	\$276,600	\$420,600	\$593,400	\$795,000	\$1,025,400	\$2,091,000	\$3,531,000	\$5,259,000

	1years	2years	3years	4years	5years	6years	7years	8years	9years	10years
The number of classrooms	1	4	8	12	16	20	24	28	32	36
The number of students	50	60	70	80	90	100	110	200	300	400
The number of students total	50	240	560	960	1,440	2,000	2,640	5,600	9,600	14,400
The admission fee	15,000	45,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Annual revenue total	\$22,200	\$79,560	\$140,640	\$198,240	\$267,360	\$348,000	\$440,160	\$866,400	\$1,442,400	\$2,133,600

	1years	2years	3years	4years	5years	6years	7years	8years	9years	10years
The number of classrooms	1	2	4	6	8	10	12	14	16	18
The number of students	25	30	35	40	45	50	55	100	150	200
The number of students total	13	60	140	240	360	500	660	1,400	2,400	3,600
The admission fee	15,000	22,500	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Annual revenue total	\$16,800	\$31,140	\$50,160	\$64,560	\$81,840	\$102,000	\$125,040	\$231,600	\$375,600	\$548,400

Revenue total

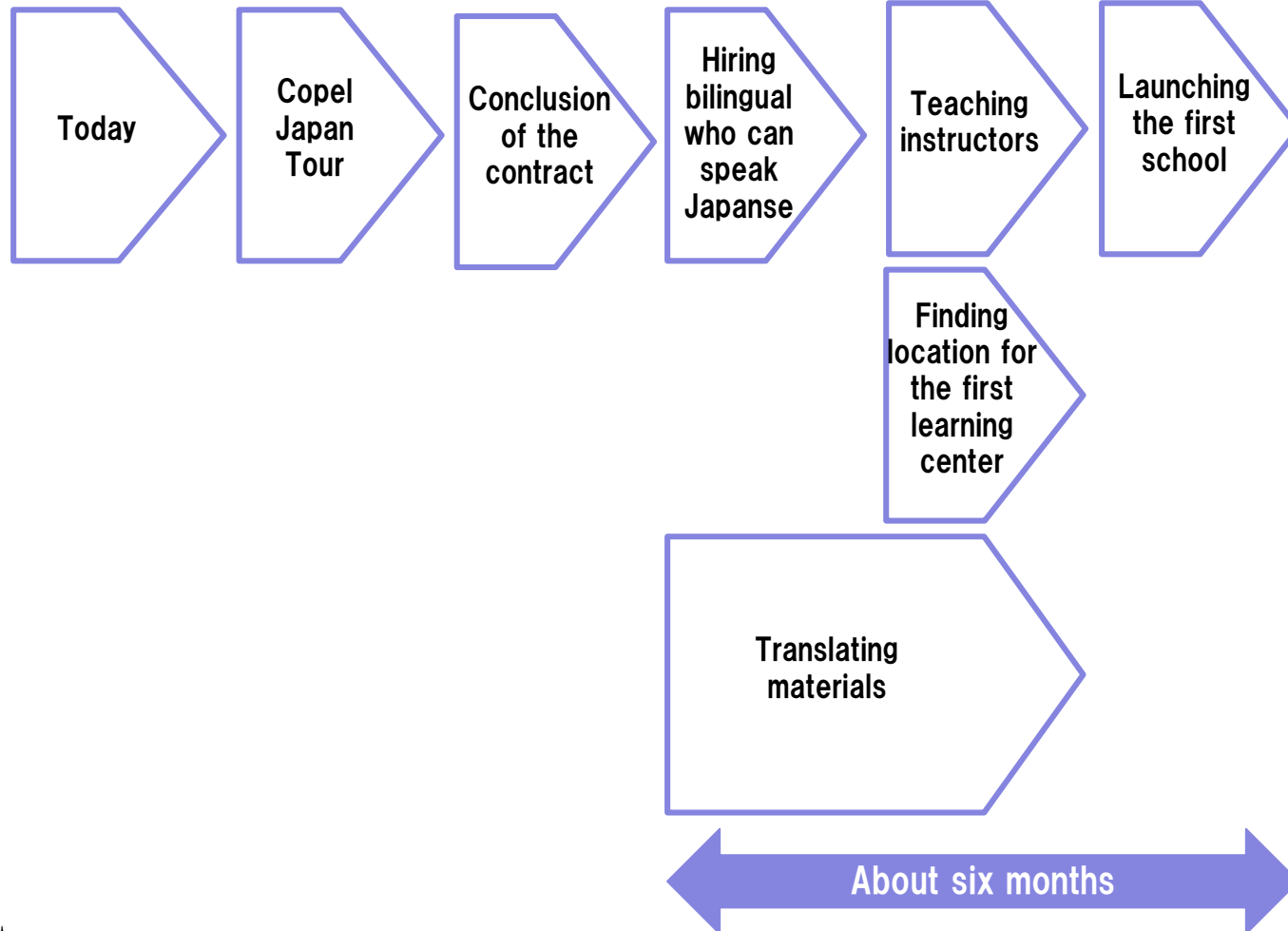
	10 years total	20-year cumulative total from 11 years	20 years total
Best	\$14,167,800	\$63,108,000	\$77,275,800
50%	\$5,938,560	\$25,603,200	\$31,541,760
25%	\$1,627,140	\$6,580,800	\$8,207,940

※Royalty 10%, Monthly tuition fee \$200



The Copel Master Franchise System

Steps to launch the first learning center in your country



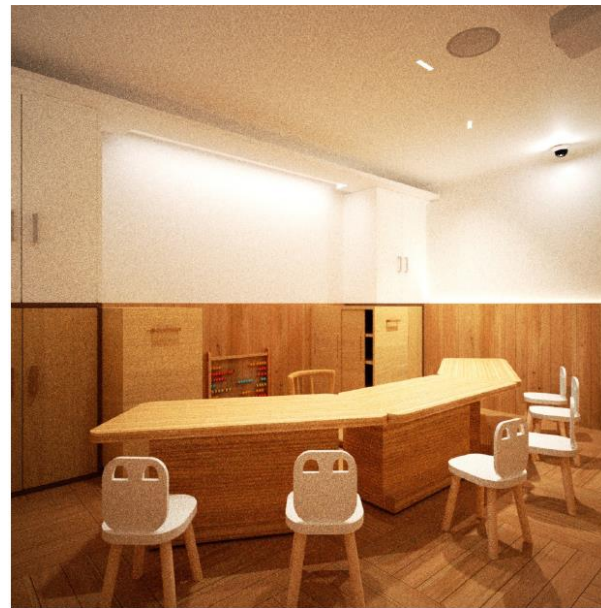
Reference : Learning Center in Shopping Mall



Reference : Inside Learning Center



Reference : Shanghai Learning Center



Reference : Shanghai Learning Center

