



Benesse

3Q Results for FY2022 Supplementary Materials

**February 8, 2023
Benesse Holdings, Inc.**

Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

This presentation contains forward-looking statements concerning the future plans, strategies, beliefs and performance of Benesse Holdings, Inc. and its subsidiaries. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on information currently available to the Company and are subject to a number of risks, uncertainties and assumptions. As such, actual results may differ materially from those projected.

Results by Segment (YoY)



Nine months ended December 31

(Millions of Yen)

	FY2021	FY2022	Change	%
Education Business in Japan	158,638	156,648	(1,989)	(1.3)
Kids & Family	53,304	51,637	(1,667)	(3.1)
Nursing Care and Childcare	95,602	98,867	+3,264	+3.4
Berlitz	20,074	–	(20,074)	–
Others	859	1,766	+907	+105.6
Total Net Sales	328,478	308,919	(19,559)	(6.0)
Education Business in Japan	19,352	18,862	(489)	(2.5)
Kids & Family	4,042	2,309	(1,733)	(42.9)
Nursing Care and Childcare	6,531	3,730	(2,801)	(42.9)
Berlitz	(2,792)	–	+2,792	–
Others/Reconciliations	(3,890)	(3,918)	(28)	–
Total Operating Income	23,243	20,983	(2,260)	(9.7)
Ordinary Income	19,577	17,504	(2,073)	(10.6)
Net Income	9,301	11,998	+2,696	+29.0

Note: Berlitz Corporation was excluded from the reporting segments from the first quarter of the current fiscal year as a result of the share transfer of the company on February 14, 2022.

Results : Analysis of Net Sales/Operating Income (YoY)



(Billions of Yen)

Net Sales	Education Business in Japan	Shinkenzemi	Decrease in cumulative enrollment / positive impact of the price revision, etc.	(6.2)
		School & Teacher Support	Decrease in number of students taking Shinken Simulated Exams.	(0.2)
			Increase in orders for elementary and junior high school business, etc.	
		Prep Schools & Classrooms	Decrease in number of students in Tokyo Individualized Educational Institute. Increase in number of students in Tetsuryokukai, etc.	(0.1)
	University & Working Adult, Other	Increase in orders in support for study abroad, Udemu business, and developmental education, etc.	+4.6	
	Kids & Family	Kodomo Challenge	Japan : decrease in cumulative enrollment / positive impact of the price revision and recovery of concert business, etc.	(0.2)
			Overseas : decrease in cumulative enrollment due to COVID-19 lockdown in China, etc.	(4.2)
			Forex rate impact	+3.4
	Lifestyle	Tamahiyo business, etc.	(0.6)	
	Nursing Care and Childcare		Increase in new nursing homes, etc.	+3.2
Berlitz		No sales contribution from Berlitz as a result of the share transfer	(20.0)	
Others		Naoshima business, etc.	+0.9	

Operating Income	Education Business in Japan		Shinkenzemi : lower sales.	(1.0)
			Decrease in marketing costs and elimination of impact of the product revision cost recorded in the previous year.	
			Higher sales in University & Working Adult, etc.	+0.6
			Lower sales in School & Teacher Support / Increase in cost in Prep Schools & Classrooms, etc.	
	Kids & Family	Kodomo Challenge	Japan : decrease in costs / lower sales, etc.	+0.2
			Overseas : lower sales, etc.	(1.7)
		Lifestyle	Lower sales, etc.	(0.2)
	Nursing Care and Childcare		Increase in utilities expenses and marketing costs to strengthen sales promotion, etc.	(2.8)
Berlitz		Elimination of operating loss as a result of the share transfer	+2.7	
Others/Reconciliations		DX Investment / higher sales in Naoshima, etc.	(0.0)	

FY2022 Full-year Forecast



Forecast announced on November 9, 2022 has not been changed.

(Millions of Yen)

	FY2021	FY2022 (forecast)	Change	%
Net Sales	431,943	417,000	(14,943)	(3.5)
Operating Income	20,167	21,500	+1,333	+6.6
Operating Income ratio (%)	4.7	5.2	+0.5	—
Ordinary Income	15,404	16,500	+1,096	+7.1
Net Income	1,064	11,500	+10,436	+980.6

Breakdown of Net Sales

Nine months ended December 31

(Millions of Yen)

	FY2021	FY2022	Change	%	Ratio(%)
Senior High School	8,769	7,459	(1,310)	(14.9)	4.8
Junior High School	21,991	19,308	(2,683)	(12.2)	12.3
Elementary School	48,381	46,079	(2,302)	(4.8)	29.4
School & Teacher Support	35,895	35,692	(203)	(0.6)	22.8
Prep Schools & Classrooms	31,730	31,626	(104)	(0.3)	20.2
University & Working Adult	10,261	14,615	+4,353	+42.4	9.3
Other	1,606	1,866	+259	+16.2	1.2
Total	158,638	156,648	(1,989)	(1.3)	100.0

Note: We revised the method of aggregation for School & Teacher Support and Other, which are included in Education Business in Japan and mentioned figures for Prep Schools & Classrooms and University & Working Adult separately from the first quarter of the current fiscal year. Along with these changes, figures for corresponding period of the previous fiscal year are based on new criteria.

Nine months ended December 31

(Millions of Yen)

	FY2021	FY2022	Change	%	Ratio(%)
Kodomo Challenge in Japan (Preschool)	15,340	14,835	(505)	(3.3)	28.7
Overseas Kodomo Challenge (Preschool)	21,370	20,764	(606)	(2.8)	40.2
Other [*]	16,592	16,037	(555)	(3.3)	31.1
Total	53,304	51,637	(1,667)	(3.1)	100.0

* "Other" includes Kodomo Challenge peripheral businesses such as concert business and Lifestyle-related businesses such as Tamahiyo business, etc.

【Cumulative Enrollment for Shinkenzemi】

Nine months ended December 31

(Thousands)

	FY2021	FY2022	Change	%
Senior High School	945	790	(154)	(16.3)
Junior High School	3,177	2,722	(455)	(14.3)
Elementary School	11,383	10,626	(757)	(6.7)
Total	15,506	14,139	(1,366)	(8.8)

【Cumulative Enrollment for Kodomo Challenge (Preschool)】

(Thousands)

	FY2021	FY2022	Change	%
Kodomo Challenge in Japan (Preschool)	6,948	6,262	(685)	(9.9)
Overseas Kodomo Challenge (Preschool)	10,669	8,899	(1,769)	(16.6)
Total	17,617	15,162	(2,454)	(13.9)

•Note¹: Cumulative enrollment represents the cumulative total number of people who receive materials monthly (from April to December).

•Note²: Overseas Kodomo Challenge represents total number of cumulative enrollment in China and Taiwan.

Cumulative enrollment for China represents the cumulative total number of people who receive materials monthly (from January to September), due to the differences of those closing dates ended December 31st.

	Dec. 2021	Mar. 2022	Dec. 2022
Aria	27	27	28
Clara	39	39	38
Granny & Granda	153	154	159
Madoka	57	57	57
Bon Sejour	49	49	51
Cocochi	15	15	15
Li-Re	2	2	2
Total	342	343	350