



# Transfer of shares of Berlitz Corporation

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**February 14, 2022**  
**Benesse Holdings, Inc.**

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**On 14 February, a resolution was passed to transfer all shares of consolidated subsidiary Berlitz Corporation, and an announcement was made to that effect**

- **Resolution** : Debt Waiver of around ¥17.8 billion for consolidated subsidiary Berlitz Corporation  
Transfer all shares of consolidated subsidiary Berlitz Corporation
- **Date of transfer** : 14 February, 2022
- **Transfer to** : ILSC SPC

## **Who is ILSC SPC ?**

A special purpose company owned by ILSC Holdings LP in Canada. Its affiliate ILSC Education Group is in the language education business including overseas study support.

ILSC Education Group operates eight language schools in Canada, Australia, and India. It provides language education services to 12,000 people per annum, for a total of 300,000 students.

- The impact on FY21 net profit is - ¥ 6.3 billion
- Improvement in earnings from FY22 due to tax reduction, significant improvement in ROE

## FY21

- **Impact on net sales : around -¥8 billion**  
(As a result of the share transfer, Berlitz Corporation will be excluded from consolidated results from 4Q)
- **Impact on operating income : minimal**
- **Impact on net profit : around -¥6.3 billion**  
**\*Breakdown**
  - (+) Reduction in corporate taxes etc. of around ¥3.5billion
  - (-) Extraordinary loss of around ¥9.8 billion on sales of shares of affiliated companies

## FY22~

- **The share transfer is expected to reduce taxes by around ¥3 billion for FY22, and by a total of more than ¥18 billion from FY21 to FY25**
- **ROE is expected to improve significantly from FY22**

# Highlights of FY2021 Full-year Forecast

- Due to the transfer of shares of consolidated subsidiary Berlitz Corporation, the full-year forecast for FY2021 released on May 11, 2021 has been revised as shown below.
- No change in the forecast of ¥25 per share year-end dividend (¥50 for full year)

(Unit : Millions of yen)

	FY20	FY21 (Forecast)	Change	Change (%)	FY21 (as of May 2021)	Change	Change (%)
Net sales	427,531	433,000	5,469	1.3	441,000	(8,000)	(1.8)
Operating income	13,089	17,500	4,411	33.7	17,500	—	—
Operating Income ratio (%)	3.1	4.0	0.9	—	4.0	—	—
Ordinary income	9,260	12,000	2,740	29.6	12,000	—	—
Net income attributable to owners of the parent	3,122	0	(3,122)	—	5,000	(5,000)	—
Exchange Rate (USD/JPY)	106.67	109.50	2.83	—	108.00	1.50	—

# Forward-Looking Statements



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.