

1Q FY2010 Results Supplementary Materials

July 30, 2010
Benesse Holdings, Inc.



Net Sales by Segment

Three Months Ended June 30

(Millions of Yen)

	FY2009 1Q	FY2010 1Q	Change	(%)
Domestic Education	59,467	60,906	1,438	2.4
Overseas Education	1,718	2,245	527	30.7
Lifestyle	7,383	6,969	(414)	(5.6)
Senior/Nursing Care	10,307	13,402	3,094	30.0
Language/Global Leadership Training	13,027	12,738	(288)	(2.2)
Others	7,172	5,562	(1,610)	(22.4)
Total	99,077	101,824	2,747	2.8

Segment names have been changed from the 1Q FY2010 due to the application of the "Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" and the "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information."

In order to enable year-on-year comparison with the 1Q FY2010, the figures for the 1Q FY2009 provided here have been modified to fit the new segments, and have not been subject to an accounting audit.



Analysis of Sales (1QFY09 vs 1QFY10)

Segment	Main Reasons for Change	
Domestic Education	(+)	<ul style="list-style-type: none"> Higher enrollment in <i>Shinkenzeni</i> Increase sales in School & Teacher Support business Tetsuryokukai business sales included in net sales (not included in 1Q FY2009)
	(-)	<ul style="list-style-type: none"> Decrease in students of Tokyo Individualized Institute
Overseas Education	(+)	<ul style="list-style-type: none"> Higher enrollment in China, South Korea and Taiwan
Lifestyle	(+)	<ul style="list-style-type: none"> Higher sales of mail order business
	(-)	<ul style="list-style-type: none"> Discontinuation of <i>Happy Collection</i> business
Senior/Nursing Care	(+)	<ul style="list-style-type: none"> Addition of Bon Sejour (March 2010). Increase in nursing home residents
Language/Global Leadership Training	(+)	<ul style="list-style-type: none"> Higher Sales in ELS business
	(-)	<ul style="list-style-type: none"> Lower lesson volume at Berlitz
Others	(-)	<ul style="list-style-type: none"> Sale of AVIVA

Operating Income by Segment

Three Months Ended June 30

(Millions of Yen)

	FY2009 1Q	FY2010 1Q	Change	(%)
Domestic Education	11,275	11,071	(204)	(1.8)
Overseas Education	(360)	(369)	(9)	-
Lifestyle	(84)	(120)	(36)	-
Senior/Nursing Care	19	506	487	2,490.9
Language/Global Leadership Training	(424)	(266)	158	-
Others/Corporate (Eliminations)	(65)	(66)	(0)	-
Total	10,361	10,754	393	3.8

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In order to enable year-on-year comparison with the 1Q FY2010, the figures for the 1Q FY2009 provided here have been modified to fit the new segments, and have not been subject to an accounting audit.

Analysis of Operating Income (1QFY09 vs 1QFY10)

Segment	Main Reasons for Change	
Domestic Education	(+) (-)	· Higher sales · Increase in <i>Shinkenzeni</i> sales expenses, higher costs due to product enhancement
Overseas Education	(+) (-)	· Higher sales · Higher sales expenses and negative impact of FX in South Korea
Lifestyle	(+) (-)	· Lower expenses due to termination of <i>Happy Collection</i> business · Higher marketing expenses in mail order business
Senior/Nursing Care	(+)	· Higher sales of Benesse Style Care · Addition of Bon Sejour
Language/Global Leadership Training	(+)	· Higher sales of ELS business · Cost reductions

Cumulative Enrollment in *Shinkenzeni* (Domestic)

Three Months Ended June 30

(Thousands)

	FY2009 1Q	FY2010 1Q	(%)
Senior High School	983	1,007	2.5
Junior High School	2,223	2,182	(1.9)
Elementary School	4,970	5,137	3.4
Preschool (<i>Kodomo Challenge</i>)	3,284	3,566	8.6
Total	11,462	11,894	3.8

Note: From 1Q FY2010, cumulative enrollment in *Kodomo Challenge* includes cumulative enrollment in *Kodomo Challenge baby*.

In 1Q FY2009, the 287,000 cumulative enrollments in *Kodomo Challenge baby* were not included in the cumulative enrollments in *Kodomo Challenge*.

No. of Berlitz Lessons

Three Months Ended March 31

(Thousands)

	FY2009 1Q	FY2010 1Q	(%)
North America	206	180	(12.6)
Asia	434	373	(14.1)
Latin America	288	258	(10.3)
Europe	705	658	(6.6)
Total	1,633	1,469	(10.0)

Note: No. of lessons indicates lessons at directly-operated centers.



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No. of Nursing Homes

	Mar. 31, 2010	June 30, 2010	Change
<i>Aria</i>	12	13	1
<i>Clara</i>	40	40	0
<i>Granny & Granda</i>	67	67	0
<i>Madoka</i>	31	37	6
Benesse Style Care (Total)	150	157	7
<i>Bon Sejour</i>	22	22	0
Total	172	179	7

Because Bon Sejour's fiscal year-end is in February, the number of Bon Sejour homes are as of Feb. 28, 2010 and May 31, 2010, respectively.

In June 2010 Bon Sejour took over 7 homes from Bon Sejour Varie.

These are not included in the June 30, 2010 figures above.



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