



1H Results for FY2023 Supplementary Materials

November 10, 2023
Benesse Holdings, Inc.

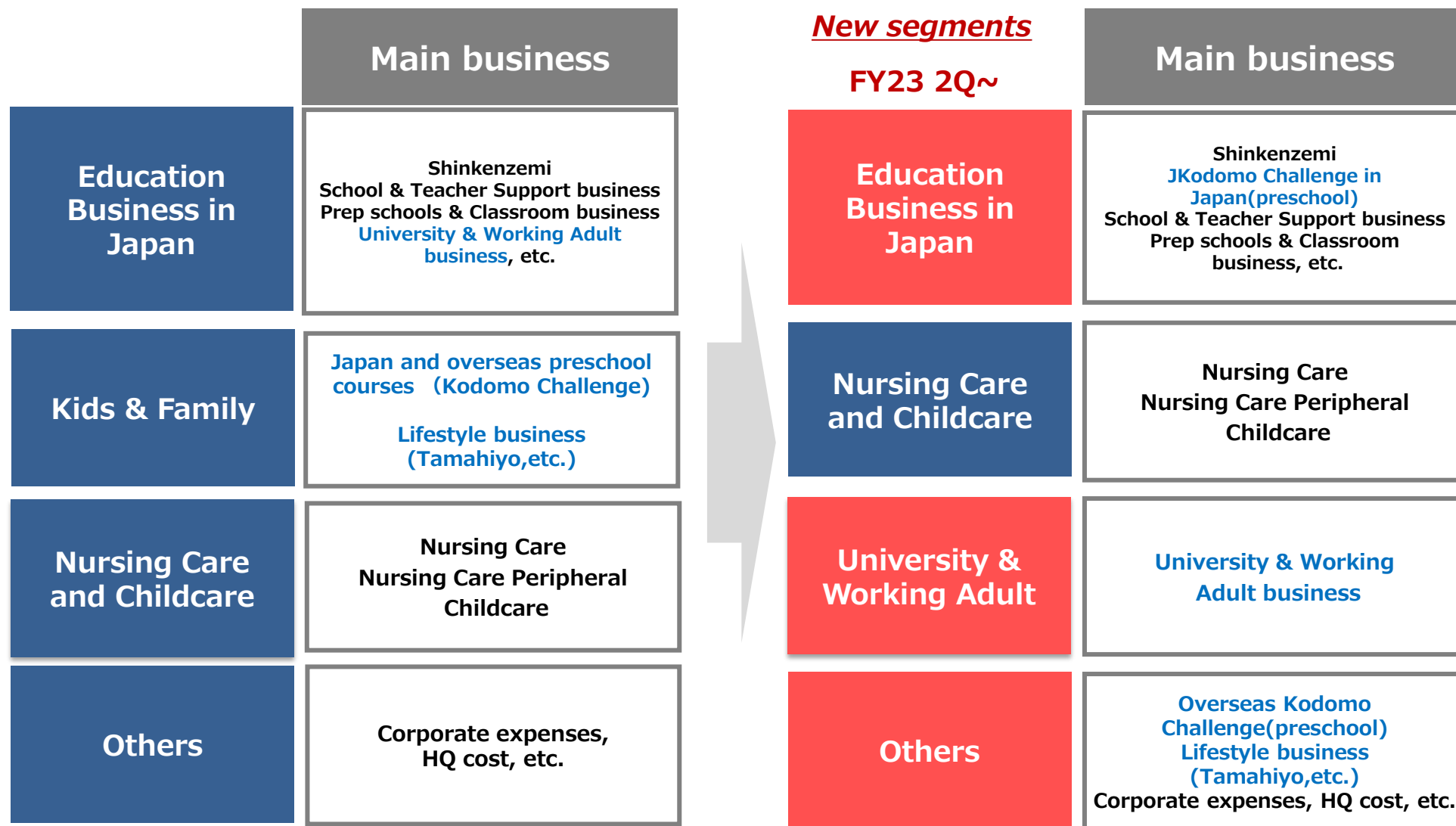
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Forward-Looking Statements



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.

(Reference) Segment change



Results by Segment (YoY)



Six months ended September 30

(Millions of Yen)

	FY2022	FY2023	Change	%
Education Business in Japan	107,154	103,117	(4,036)	(3.8)
Nursing Care and Childcare	65,136	68,789	+3,652	+5.6
University & Working Adult	9,865	10,421	+556	+5.6
Others	19,773	21,178	+1,404	+7.1
Total Net Sales	201,929	203,506	+1,576	+0.8
Education Business in Japan	11,526	9,993	(1,532)	(13.3)
Nursing Care and Childcare	1,392	3,604	+2,211	+158.8
University & Working Adult	682	773	+90	+13.2
Others/Reconciliations	(2,973)	(2,905)	+68	—
Total Operating Income	10,628	11,466	+837	+7.9
Ordinary Income	8,327	8,594	+266	+3.2
Net Income	5,448	5,623	+175	+3.2

Note¹: The Company has revised its classification of reportable segments from the first half of FY2023 ended September 30, 2023. For a numerical comparison between the results for the first half of FY2023 ended September 30, 2023, information for the first half of FY2022 ended September 30, 2022 has been revised based on the new standard after these changes.

Note²: "Others" include business segments that are not included in reportable segments, such as overseas Kodomo Challenge, mail-order, publishing, information systems/ processing services, etc.

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.	(3.4)
		Kodomo Challenge in Japan(Preschool)	Decrease in cumulative enrollment / positive impact of the price revision, etc.	(0.6)
		School & Teacher Support	Positive impact of the price revision for the high school business, increase in orders for the elementary & junior high school businesses, etc.	+0.6
		Prep Schools & Classrooms/Kodomo Challenge peripheral businesses,etc.	Decrease in No. of students in Tokyo Individualized Educational Institute, decrease in cumulative enrollment for Kodomo Challenge English, suspension of new sales for Worldwide Kids, etc. Consolidates Kyoto Rakusai Yobiko, increase in No. of students in Tetsuryokukai, etc.	(0.6)
	Nursing Care and Childcare	Increase in nursing home residents / positive impact of the price revision, etc.	+3.6	
	University & Working Adult	Increase in orders in Udemy business, consolidates Waris Co Ltd./decrease in orders in support for study abroad, etc.	+0.5	
Others	Kodomo Challenge in China: resumption of business activities that were temporarily suspended in the same period of the previous year in China, Naoshima business, etc. Kodomo Challenge in China: decrease in cumulative enrollment, Lifestyle related business (Tamahiyo), etc.	+1.4		

Operating Income	Education Business in Japan	Shinkenzemi/Kodomo Challenge in Japan : lower sales,etc.	(1.3)
		Increase in cost in ICT services for elementary and junior high school businesses, etc.	(0.1)
	Nursing Care and Childcare	Higher sales in nursing care services/increase in labor, personnel and sales promotion expenses due to increase in No. of new homes, etc.	+2.2
	University & Working Adult	Higher sales, etc.	+0.0

FY2023 Full-year Forecast



Forecast announced on May 12, 2023 has not been changed.

(Millions of Yen)

	FY2022	FY2023 (Forecast)	Change	%
Net Sales	411,876	423,000	+11,124	+2.7
Operating Income	20,620	21,500	+880	+4.3
Operating Income ratio (%)	5.0	5.1	+0.1	—
Ordinary Income	15,896	16,000	+104	+0.7
Net Income	11,353	11,500	+147	+1.3
Exchange Rate (CNY/JPY)	19.99	19.80	(0.19)	—

FY2023 Forecast by Segment



(Millions of Yen)

	FY2022	FY2023 (Forecast)	Change	%
Education Business in Japan	214,719	214,700	(19)	(0.0)
Nursing Care and Childcare	132,687	141,500	+8,813	+6.6
University & Working Adult	20,017	21,300	+1,283	+6.4
Others	44,451	45,500	+1,049	+2.4
Total Net Sales	411,876	423,000	+11,124	+2.7
Education Business in Japan	17,451	18,100	+649	+3.7
Nursing Care and Childcare	6,651	9,500	+2,849	+42.8
University & Working Adult	1,014	1,300	+286	+28.2
Others/Reconciliations	(4,497)	(7,400)	(2,903)	—
Total Operating Income	20,620	21,500	+880	+4.3

Note: Due to the change in reportable segments, the results for the fiscal year ended March 31, 2023 and the forecast for the fiscal year ending March 31, 2024 are based on the new classification.

Breakdown of Net Sales

Six months ended September 30

(Millions of Yen)

	FY2022	FY2023	Change	%	Ratio(%)
Senior High School	5,314	4,671	(642)	(12.1)	4.5
Junior High School	13,397	12,245	(1,151)	(8.6)	11.9
Elementary School	31,126	29,485	(1,641)	(5.3)	28.6
Kodomo Challenge in Japan(Preschool)	9,790	9,113	(676)	(6.9)	8.8
School & Teacher Support	22,313	22,955	+641	+2.9	22.3
Prep Schools & Classrooms	21,205	21,373	+168	+0.8	20.7
Others	4,006	3,271	(735)	(18.3)	3.2
Total	107,154	103,117	(4,036)	(3.8)	100.0

Note: "Others" include Kodomo Challenge English, Japan Kodomo Challenge Peripheral, Challenge School (online learning), Shinkenzeni Classroom service, etc.

Six months ended September 30

【Cumulative Enrollment for Shinkenzemi/ Kodomo Challenge(Japan)】

(Thousands)

	FY2022	FY2023	Change	%
Senior High School	564	501	(62)	(11.0)
Junior High School	1,905	1,725	(179)	(9.4)
Elementary School	7,260	6,572	(688)	(9.5)
Kodomo Challenge in Japan (Preschool)	4,140	3,445	(694)	(16.8)
Total	13,870	12,245	(1,624)	(11.7)

【Cumulative Enrollment for Kodomo Challenge (Overseas)】

(Thousands)

	FY2022	FY2023	Change	%
Overseas Kodomo Challenge (Preschool)	6,141	5,256	(885)	(14.4)

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

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

Benesse Corporation China, which is engaged in the correspondence course business in China has its fiscal year end on December 31.

Therefore, the above total enrollment figures for the first half of the consolidated fiscal year represent the total enrollment from January to June.

As of October	(Thousands)			
	2022	2023	Change	%
Senior High School	80	70	(10)	(12.3)
Junior High School	280	260	(20)	(8.9)
Elementary School	1,140	1,030	(110)	(10.0)
Kodomo Challenge (Preschool)	690	580	(110)	(16.8)
Total (Japan)	2,200	1,930	(270)	(12.1)

As of October	(Thousands)			
	2022	2023	Change	%
China	820	710	(110)	(12.8)
Taiwan	100	90	(10)	(11.0)
Total (Overseas)	920	800	(120)	(12.6)

	Sep. 2022	Mar. 2023	Sep. 2023
Aria	27	28	28
Clara	38	38	38
Granny & Granda	159	160	162
Madoka	57	57	57
Bon Sejour	50	52	52
Cocochi	15	15	15
Li-Re	2	2	2
Total	348	352	354
Occupancy Rate of Existing Facilities	90%	90%	91%

CAPEX / Depreciation and Amortization



Six months ended September 30

(Millions of Yen)

	FY2022	FY2023	Change
CAPEX	12,164	9,494	(2,669)
(Breakdown)			
Lease Assets	6,475	3,616	(2,859)
Goodwill	120	353	+232
Others	5,568	5,525	(42)
Depreciation and Amortization	9,237	9,277	+39

• Note¹: "CAPEX" shows the "increase in tangible fixed assets and intangible fixed assets".

• Note²: "Depreciation and amortization" shows the total amount of "depreciation and amortization" and "amortization of goodwill".