



**Benesse**

# **3Q Results for FY2023 Supplementary Materials**

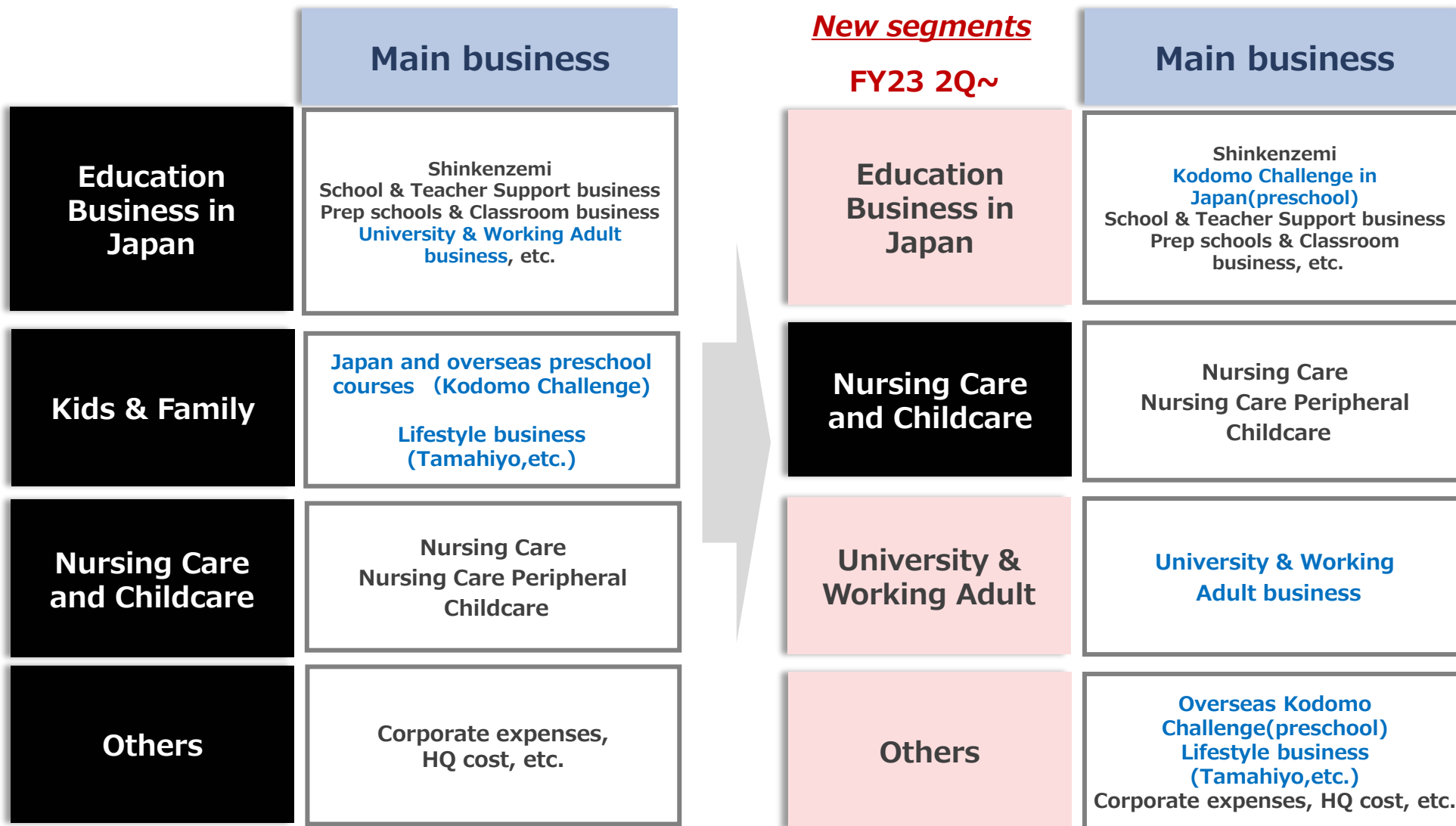
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**February 9, 2024  
Benesse Holdings, Inc.**

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.

# (Reference) Segment change



# Results by Segment (YoY)



Nine months ended December 31

(Millions of Yen)

	FY2022	FY2023	Change	%
<b>Education Business in Japan</b>	<b>161,599</b>	<b>155,765</b>	<b>(5,834)</b>	<b>(3.6)</b>
<b>Nursing Care and Childcare</b>	<b>98,867</b>	<b>103,944</b>	<b>+5,077</b>	<b>+5.1</b>
<b>University &amp; Working Adult</b>	<b>14,615</b>	<b>15,609</b>	<b>+993</b>	<b>+6.8</b>
<b>Others</b>	<b>33,836</b>	<b>31,926</b>	<b>(1,909)</b>	<b>(5.6)</b>
<b>Total Net Sales</b>	<b>308,919</b>	<b>307,246</b>	<b>(1,673)</b>	<b>(0.5)</b>
<b>Education Business in Japan</b>	<b>19,658</b>	<b>17,797</b>	<b>(1,861)</b>	<b>(9.5)</b>
<b>Nursing Care and Childcare</b>	<b>3,730</b>	<b>6,394</b>	<b>+2,663</b>	<b>+71.4</b>
<b>University &amp; Working Adult</b>	<b>688</b>	<b>579</b>	<b>(108)</b>	<b>(15.8)</b>
<b>Others/Reconciliations</b>	<b>(3,094)</b>	<b>(4,318)</b>	<b>(1,224)</b>	<b>–</b>
<b>Total Operating Income</b>	<b>20,983</b>	<b>20,452</b>	<b>(531)</b>	<b>(2.5)</b>
<b>Ordinary Income</b>	<b>17,504</b>	<b>16,402</b>	<b>(1,101)</b>	<b>(6.3)</b>
<b>Net Income</b>	<b>11,998</b>	<b>10,086</b>	<b>(1,911)</b>	<b>(15.9)</b>

Note<sup>1</sup>: 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 3Q of FY2023 ended December 31, 2023, information for the 3Q of FY2022 ended December 31, 2022 has been revised based on the new standard after these changes.

Note<sup>2</sup>: "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.	(5.2)
		Kodomo Challenge in Japan(Preschool)	Decrease in cumulative enrollment / positive impact of the price revision, etc.	(1.3)
		School & Teacher Support	Increase in orders for the elementary & junior high school business, positive impact of the price revision for the high school business, , etc.	+0.6
		Prep Schools & Classrooms/Kodomo Challenge peripheral businesses,etc.	Suspension of new sales for Worldwide Kids, decrease in No. of students in Tokyo Individualized Educational Institute, etc. Consolidates Kyoto Rakusai Yobiko, .etc.	(0.7)
	Nursing Care and Childcare		Positive impact of price revisions, increase in the total No. of residents due to improved occupancy rates in the nursing homes, increase in No. of newly opened nursing homes, etc.	+7.2
	University & Working Adult		Increase in orders in Udemy business, consolidates Waris Co Ltd.,/decrease in orders in support for university, and for study abroad, etc.	+2.1
	Others		Kodomo Challenge in China/Taiwan: decrease in cumulative enrollment, Naoshima business, etc.	(1.7)

Operating Income	Education Business in Japan	Shinkenzemi/Kodomo Challenge: lower sales, etc.	(0.8)
		Increase in cost in ICT services for elementary and junior high school businesses, etc.	(1.2)
	Nursing Care and Childcare	Higher sales in the nursing care services, etc.	+2.8
	University & Working Adult	Higher sales, etc.	+0.3
	Others/Reconciliations	Lower sales, etc.	(1.6)

# FY2023 Full-year Forecast



## Forecast announced on January 29, 2024

Forecast announced on May 12, 2023 has been changed.

(Millions of Yen)

	FY2022	FY2023 (forecast)	Change	%	FY2023 (Forecast as of May)	Change	%
<b>Net Sales</b>	411,876	412,000	+124	+0.0	423,000	(11,000)	(2.6)
<b>Operating Income</b>	20,620	20,000	▲620	▲3.0	21,500	(1,500)	(7.0)
Operating Income ratio (%)	5.0	4.9	▲0.1	—	5.1	(0.2)	—
<b>Ordinary Income</b>	15,896	14,400	▲1,496	▲9.4	16,000	(1,600)	(10.0)
<b>Net Income</b>	11,353	7,500	▲3,853	▲33.9	11,500	(4,000)	(34.8)

# FY2023 Full-year Forecast by Segment



(Millions of Yen)

	FY2021	FY2023 (forecast)	Change	%	FY2023 (Forecast as of May)	Change	%
Education Business in Japan	214,719	208,000	(6,719)	(3.1)	214,700	(6,700)	(3.1)
Nursing Care and Childcare	132,687	140,000	+7,313	+5.5	141,500	(1,500)	(1.1)
University & Working Adult	20,017	22,000	+1,983	+9.9	21,300	+700	+3.3
Others	44,451	42,000	(2,451)	(5.5)	45,500	(3,500)	(7.7)
<b>Total Net Sales</b>	<b>411,876</b>	<b>412,000</b>	<b>+124</b>	<b>+0.0</b>	<b>423,000</b>	<b>(11,000)</b>	<b>(2.6)</b>
Education Business in Japan	17,451	15,400	(2,051)	(11.8)	18,100	(2,700)	(14.9)
Nursing Care and Childcare	6,651	9,500	+2,849	+42.8	9,500	+0	+0.0
University & Working Adult	1,014	1,300	+286	+28.2	1,300	+0	+0.0
Others/Reconciliations	(4,497)	(6,200)	+2,799	-	(7,400)	+1,200	-
<b>Total Operating Income</b>	<b>20,620</b>	<b>20,000</b>	<b>(620)</b>	<b>(3.0)</b>	<b>21,500</b>	<b>(1,500)</b>	<b>(7.0)</b>

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.

# Analysis of Net Sales/Operating Income (Full Year Forecast)



(Billions of Yen)

Net Sales	Education Business in Japan	Shinkenzemi	Decrease in cumulative enrollment / positive impact of the price revision, etc.	(5.2)
		Kodomo Challenge in Japan(Preschool)	Decrease in cumulative enrollment / positive impact of the price revision, etc.	(1.3)
		School & Teacher Support	Increase in orders for the elementary & junior high school business, positive impact of the price revision for the high school business, , etc.	+0.6
		Prep Schools & Classrooms/Kodomo Challenge peripheral businesses,etc.	Suspension of new sales for Worldwide Kids, decrease in No. of students in Tokyo Individualized Educational Institute, etc. Consolidates Kyoto Rakusai Yobiko,.etc.	(0.7)
	Nursing Care and Childcare	Positive impact of price revisions, increase in the total No. of residents due to improved occupancy rates in the nursing homes, increase in No. of newly opened nursing homes, etc.	+7.2	
	University & Working Adult	Increase in orders in UdeMy business, consolidates Waris Co Ltd.,/decrease in orders in support for study abroad, etc.	+2.1	
Others	Kodomo Challenge in China/Taiwan: decrease in cumulative enrollment, Naoshima business, etc.	(1.7)		

Operating Income	Education Business in Japan	Shinkenzemi/Kodomo Challenge: lower sales, etc.	(0.8)
		Increase in cost in ICT services for elementary and junior high school businesses, etc.	(1.2)
	Nursing Care and Childcare	Higher sales in the nursing care services, etc.	+2.8
	University & Working Adult	Higher sales, etc.	+0.3
	Others/Reconciliations	Lower sales, etc.	(1.6)



Nine months ended December 31

(Millions of Yen)

	FY2022	FY2023	Change	%	Ratio(%)
Senior High School	7,459	6,572	(887)	(11.9)	4.2
Junior High School	19,308	17,832	(1,476)	(7.6)	11.4
Elementary School	46,079	43,833	(2,246)	(4.9)	28.1
Kodomo Challenge in Japan(Preschool)	14,835	13,804	(1,030)	(6.9)	8.9
School & Teacher Support	35,692	36,233	+541	+1.5	23.3
Prep Schools & Classrooms	31,626	32,020	+393	+1.2	20.6
Other	1,866	5,469	+3,603	+193.1	3.5
<b>Total</b>	<b>156,648</b>	<b>155,765</b>	<b>(882)</b>	<b>(0.6)</b>	<b>100.0</b>

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

### 【Cumulative Enrollment for Shinkenzemi】

Nine months ended December 31				(Thousands)
	FY2022	FY2023	Change	%
Senior High School	790	700	(90)	(11.4)
Junior High School	2,722	2,470	(252)	(9.3)
Elementary School	10,626	9,598	(1,027)	(9.7)
Kodomo Challenge in Japan (Preschool)	6,262	5,213	(1,048)	(16.7)
<b>Total</b>	<b>20,401</b>	<b>17,983</b>	<b>(2,418)</b>	<b>(11.9)</b>

### 【Cumulative Enrollment for Kodomo Challenge (Preschool)】

				(Thousands)
	FY2022	FY2023	Change	%
Overseas Kodomo Challenge (Preschool)	8,899	7,773	(1,126)	(12.7)

•Note<sup>1</sup>: Cumulative enrollment represents the cumulative total number of people who receive materials monthly (from April to December).

•Note<sup>2</sup>: 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 31<sup>st</sup>.

	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
<b>Total</b>	<b>342</b>	<b>343</b>	<b>350</b>