

August 4, 2023
Benesse Holdings, Inc.

FY2023 1Q Results Q&A Summary

We have prepared answers to some of the questions we anticipate from shareholders and investors regarding the announcement of FY2023 1Q results.

Please refer to them in conjunction with the supplementary materials.

Overall results

- 1. Although the full-year operating income is forecasted to be 21.5 billion yen, the 1Q operating income was as low as 800 million yen. Is this 1Q performance in line with your targets?**

Sales and income are generally in line with our targets. Structurally, 1Q profits tend to be low due to increased production costs for educational materials and other factors, while profits accumulate from 2Q onward.

- 2. Have you changed your outlook for the full term (FY2023) ?**

We have not changed our full-term forecast for operating income of 21.5 billion yen at this time.

Education Business in Japan

- 3. What is the status of sales and income in the Education Business in Japan?**

In 1Q, they are generally in line with our targets.

- 4. What is the current status of Shinkenzeni enrollment?**

April enrollment started off down YoY, so 1Q cumulative enrollment also declined by 9.3% YoY, but in general that was according to plan.

Kids & Family

5. What is the status of sales and income in Kids & Family Business?

In 1Q, they are generally in line with our targets.

As for Kodomo Challenge, both in Japan and overseas, 1Q cumulative enrollment declined year-on-year, but in general that was according to our targets.

Nursing Care and Childcare

6. What is the status of sales and income in Nursing Care and Childcare Business?

In 1Q, they are generally in line with our targets.

The occupancy rate is currently improving. There is no change in our plan to recover it to 93.9% by the end of FY2023.