



## **Results for FY2021 Supplementary Materials**

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**May 12, 2022  
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.

# 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.

# Results by Segment (YoY)



(Millions of Yen)

	FY2020	FY2021	Change	%
<b>Education Business in Japan</b>	<b>204,402</b>	<b>212,128</b>	<b>+7,725</b>	<b>+3.8</b>
<b>Kids &amp; Family</b>	<b>71,856</b>	<b>71,238</b>	<b>(618)</b>	<b>(0.9)</b>
<b>Nursing Care and Childcare</b>	<b>123,807</b>	<b>127,397</b>	<b>+3,589</b>	<b>+2.9</b>
<b>Berlitz</b>	<b>26,401</b>	<b>20,074</b>	<b>(6,327)</b>	<b>(24.0)</b>
<b>Others</b>	<b>1,062</b>	<b>1,105</b>	<b>+42</b>	<b>+4.0</b>
<b>Total Net Sales</b>	<b>427,531</b>	<b>431,943</b>	<b>+4,412</b>	<b>+1.0</b>
<b>Education Business in Japan</b>	<b>11,918</b>	<b>19,085</b>	<b>+7,167</b>	<b>+60.1</b>
<b>Kids &amp; Family</b>	<b>2,001</b>	<b>1,718</b>	<b>(282)</b>	<b>(14.1)</b>
<b>Nursing Care and Childcare</b>	<b>10,393</b>	<b>8,013</b>	<b>(2,380)</b>	<b>(22.9)</b>
<b>Berlitz</b>	<b>(6,715)</b>	<b>(2,799)</b>	<b>+3,916</b>	<b>—</b>
<b>Others/Reconciliations</b>	<b>(4,509)</b>	<b>(5,851)</b>	<b>(1,342)</b>	<b>—</b>
<b>Total Operating Income</b>	<b>13,089</b>	<b>20,167</b>	<b>+7,077</b>	<b>+54.1</b>
<b>Ordinary Income</b>	<b>9,260</b>	<b>15,404</b>	<b>+6,144</b>	<b>+66.3</b>
<b>Net Income</b>	<b>3,122</b>	<b>1,064</b>	<b>(2,058)</b>	<b>(65.9)</b>

Note: 1.Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) has been applied from FY2021 ended March 31, 2022.

2.The Company has also revised its classification of reportable segments from FY2021 ended March 31, 2022. For a numerical comparison between the results for the fiscal year ended March 31, 2022, information for the fiscal year ended March 31,2021 has been presented based on the new classification after these changes.

# Results : Analysis of Net Sales/Operating Income (YoY)



Figures prior to application of Accounting Standard for Revenue Recognition

(Billions of Yen)

Net Sales	Education Business in Japan	Shinkenzemi	Decrease in cumulative enrollment / positive impact of optional courses and the price revisions, etc. Impact of accounting standard change for revenue recognition.	(1.2) (0.0)	(1.2)	
		School & Teacher Support	Increased in orders for elementary and junior high school business / recovery from the impact of COVID-19, etc. Impact of accounting standard change for revenue recognition.	+1.3 +0.4	+1.3	
		Cram schools / Classrooms, other	Increase in No. of students due to recovery from the impact of COVID-19, etc.	+7.2	+7.2	
	Kids & Family	Kodomo Challenge	Japan : positive impact of the price revisions and recovery of concert business / decrease in cumulative enrollment, etc.	+1.0	+1.0	
			Overseas : decrease in cumulative enrollment in China, etc. Forex rate impact.	(1.4) +2.9	(1.4) +2.9	
		Lifestyle	Impact of accounting standard change for revenue recognition. Tamahiyo business, etc.	(2.2) (0.9)	(0.9)	
	Nursing Care and Childcare	Consolidates Heart Medical Care Co., Ltd.*, etc. Impact of accounting standard change for revenue recognition.		+2.9 +0.6	+2.9	
	Berlitz	No sales contribution from Berlitz in the fourth quarter of FY2021, as a result of the share transfer, etc. Forex rate impact.		(7.0) +0.7	(7.0) +0.7	
	Operating Income	Education Business in Japan		Shinkenzemi : due to lower sales, etc. Impact of accounting standard change for revenue recognition.	(0.5) +0.1	(0.5)
				Due to higher sales in the School & Teacher Support business; Cram schools and Classrooms business / impact of accounting standard change for revenue recognition (+0.6), etc.	+7.5	+6.9
Kids & Family		Kodomo Challenge	Japan : due to higher sales / increase in costs, etc.	(0.4)	(0.4)	
			Overseas : due to lower sales / forex rate impact (+0.1), etc.	(0.0)	(0.0)	
		Lifestyle	Due to lower sales, etc. / decrease in corporate cost, etc.	+0.2	+0.2	
Nursing Care and Childcare		Due to higher labor costs as increase in the No. of nursing homes / increase in marketing costs and utilities expenses, etc. Impact of accounting standard change for revenue recognition.	(2.9) +0.6	(2.9)		
Berlitz		Due to lower costs associated with structural reforms, etc.		+3.9	+3.9	
others/Reconciliations	Corporate cost, etc.		(1.3)	(1.3)		

\*Proto Medical Care Co., Ltd. changed its trade name to Heart Medical Care Co., Ltd. as of December 1, 2021.

# FY2022 Full-year Forecast



(Millions of Yen)

	FY2021	FY2022 (Forecast)	Change	%
<b>Net Sales</b>	<b>431,943</b>	<b>426,000</b>	<b>(5,943)</b>	<b>(1.4)</b>
<b>Operating Income</b>	<b>20,167</b>	<b>25,000</b>	<b>+4,833</b>	<b>+24.0</b>
Operating Income ratio(%)	4.7	5.9	+1.2	—
<b>Ordinary Income</b>	<b>15,404</b>	<b>19,500</b>	<b>+4,096</b>	<b>+26.6</b>
<b>Net Income</b>	<b>1,064</b>	<b>13,500</b>	<b>+12,436</b>	<b>—</b>
Exchange Rate(USD/JPY)	109.84	118.00	+8.16	—

# FY2022 Forecast by Segment



(Millions of Yen)

	FY2021	FY2022 (Forecast)	Change	%
<b>Education Business in Japan</b>	<b>212,128</b>	<b>216,600</b>	<b>+4,472</b>	<b>+2.1</b>
<b>Kids &amp; Family</b>	<b>71,238</b>	<b>73,200</b>	<b>+1,962</b>	<b>+2.8</b>
<b>Nursing Care and Childcare</b>	<b>127,397</b>	<b>134,100</b>	<b>+6,703</b>	<b>+5.3</b>
<b>Berlitz</b>	<b>20,074</b>	<b>0</b>	<b>(20,074)</b>	<b>(100.0)</b>
<b>Others</b>	<b>1,105</b>	<b>2,100</b>	<b>+995</b>	<b>+90.0</b>
<b>Total Net Sales</b>	<b>431,943</b>	<b>426,000</b>	<b>(5,943)</b>	<b>(1.4)</b>
<b>Education Business in Japan</b>	<b>19,085</b>	<b>22,500</b>	<b>+3,415</b>	<b>+17.9</b>
<b>Kids &amp; Family</b>	<b>1,718</b>	<b>3,500</b>	<b>+1,782</b>	<b>+103.7</b>
<b>Nursing Care and Childcare</b>	<b>8,013</b>	<b>7,400</b>	<b>(613)</b>	<b>(7.7)</b>
<b>Berlitz</b>	<b>(2,799)</b>	<b>0</b>	<b>+2,799</b>	<b>—</b>
<b>Others/Reconciliations</b>	<b>(5,851)</b>	<b>(8,400)</b>	<b>(2,549)</b>	<b>—</b>
<b>Total Operating Income</b>	<b>20,167</b>	<b>25,000</b>	<b>+4,833</b>	<b>+24.0</b>

# Forecast : Analysis of Net Sales/Operating Income (YoY)



(Billions of Yen)

Net Sales	<b>Education Business in Japan</b>	Shinkenzemi	Decrease in cumulative enrollment / positive impact of optional courses and the price revisions, etc.	<b>(5.8)</b>
		School & Teacher Support	Recovery in high school business and increase in orders from elementary and junior high schools, etc.	<b>+3.0</b>
		Cram schools / Classrooms, other	Increase in No. of students, etc.	<b>+7.2</b>
	<b>Kids &amp; Family</b>	Kodomo Challenge	Japan : positive impact of the price revisions and increase in concert business / decrease in culmulative enrollment	<b>+0.4</b>
			Overseas : decrease in cumulative enrollment in China, etc. Forex rate impact.	<b>(2.2)</b>
		Lifestyle	Tamahiyo business, etc.	<b>+1.2</b>
	<b>Nursing Care and Childcare</b>		Increase in nursing home residents and increase in HR recruitment business, etc.	<b>+6.7</b>
	<b>Berlitz</b>		No sales contribution from Berlitz as a result of the share transfer	<b>(20.0)</b>
	<b>Other</b>		Higher sales in Naoshima business,etc.	<b>+0.9</b>

Operating Income	<b>Education Business in Japan</b>		Shinkenzemi : due to lower sales / lower costs, etc.	<b>+0.1</b>
			Due to higher sales in the School & Teacher Support business; Cram schools and Classrooms business, etc.	<b>+3.3</b>
	<b>Kids &amp; Family</b>	Kodomo Challenge	Japan : due to higher sales.	<b>+1.8</b>
			Overseas : due to lower sales in China. / forex rate impact (+0.1), etc.	<b>(0.6)</b>
		Lifestyle	Due to higher sales, etc.	<b>+0.5</b>
	<b>Nursing Care and Childcare</b>		Due to higher sales / increase in costs, etc.	<b>(0.6)</b>
	<b>Berlitz</b>		No impact on operateing loss from Berlitz as a result of the share transfer	<b>+2.7</b>
<b>others/Reconciliations</b>		Strategic investment, etc.	<b>(2.5)</b>	

# Breakdown of Net Sales

(Millions of Yen)

	FY2020	FY2021	Change	%	Ratio(%)
Senior High School	12,529	11,182	(1,347)	(10.8)	5.3
Junior High School	28,810	28,011	(799)	(2.8)	13.2
Elementary School	62,346	63,283	+937	+1.5	29.8
School & Teacher Support	55,008	56,725	+1,717	+3.1	26.7
Cram schools / Classrooms, Other	45,707	52,925	+7,217	+15.8	24.9
<b>Total</b>	<b>204,402</b>	<b>212,128</b>	<b>+7,725</b>	<b>+3.8</b>	<b>100.0</b>



	(Millions of Yen)				
	FY2020	FY2021	Change	%	Ratio(%)
<b>Kodomo Challenge in Japan (Preschool)</b>	<b>19,801</b>	<b>20,462</b>	<b>+660</b>	<b>+3.3</b>	<b>28.7</b>
<b>Overseas Kodomo Challenge (Preschool)</b>	<b>26,531</b>	<b>28,346</b>	<b>+1,814</b>	<b>+6.8</b>	<b>39.8</b>
<b>Other*</b>	<b>25,523</b>	<b>22,429</b>	<b>(3,094)</b>	<b>(12.1)</b>	<b>31.5</b>
<b>Total</b>	<b>71,856</b>	<b>71,238</b>	<b>(618)</b>	<b>(0.9)</b>	<b>100.0</b>

\* "Other" includes Kodomo Challenge related businesses such as concert business and Lifestyle-related businesses such as Tamahiyo business, etc.

**[ Cumulative Enrollment for Shinkenzemi ]**

(Thousands)

	FY2020	FY2021	Change	%
Senior High School	1,374	1,187	(187)	(13.6)
Junior High School	4,310	4,023	(286)	(6.7)
Elementary School	15,024	14,901	(122)	(0.8)
<b>Total</b>	<b>20,709</b>	<b>20,112</b>	<b>(596)</b>	<b>(2.9)</b>

**[ Cumulative Enrollment for Kodomo Challenge (Preschool) ]**

(Thousands)

	FY2020	FY2021	Change	%
Kodomo Challenge in Japan (Preschool)	9,870	9,283	(586)	(5.9)
Overseas Kodomo Challenge (Preschool)	14,334	13,948	(385)	(2.7)
<b>Total</b>	<b>24,204</b>	<b>23,232</b>	<b>(972)</b>	<b>(4.0)</b>

•Note<sup>1</sup>: Cumulative enrollment represents the cumulative total No. of people who receive materials monthly (from April to March).

•Note<sup>2</sup>: "Overseas Kodomo Challenge" represents total No. of cumulative enrollment in China, Taiwan and Indonesia .

Cumulative enrollment for China and Indonesia represents the cumulative total No. of people who receive materials monthly (from January to December), due to the differences of those closing dates ended December 31<sup>st</sup>.

As of April	(Thousands)			
	2021	2022	Change	%
Senior High School	140	110	(30)	(21.2)
Junior High School	410	350	(60)	(14.8)
Elementary School	1,360	1,280	(80)	(5.8)
Kodomo Challenge (Preschool)	810	750	(60)	(7.2)
<b>Total (Japan)</b>	<b>2,720</b>	<b>2,490</b>	<b>(230)</b>	<b>(8.3)</b>

As of April	(Thousands)			
	2021	2022	Change	%
<b>China</b>	<b>1,120</b>	<b>950</b>	<b>(170)</b>	<b>(15.2)</b>
<b>Taiwan</b>	<b>90</b>	<b>100</b>	<b>+10</b>	<b>+3.7</b>
<b>Total (Overseas)</b>	<b>1,210</b>	<b>1,050</b>	<b>(160)</b>	<b>(13.8)</b>

	<b>Mar. 2021</b>	<b>Sep. 2021</b>	<b>Mar. 2022</b>
<b>Aria</b>	<b>25</b>	<b>27</b>	<b>27</b>
<b>Clara</b>	<b>39</b>	<b>39</b>	<b>39</b>
<b>Granny &amp; Granda</b>	<b>152</b>	<b>153</b>	<b>154</b>
<b>Madoka</b>	<b>57</b>	<b>57</b>	<b>57</b>
<b>Bon Sejour</b>	<b>49</b>	<b>49</b>	<b>49</b>
<b>Cocochi</b>	<b>15</b>	<b>15</b>	<b>15</b>
<b>Li-Re</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Total</b>	<b>339</b>	<b>342</b>	<b>343</b>
<b>Occupancy Rate of Existing Facilities (%)</b>	<b>93</b>	<b>90</b>	<b>90</b>

# CAPEX / Depreciation and Amortization



(Millions of Yen)

	FY2020	FY2021	Change
<b>CAPEX</b>	<b>29,243</b>	<b>23,562</b>	<b>(5,680)</b>
<b>(Breakdown)</b>			
<b>Lease Assets</b>	<b>11,477</b>	<b>5,841</b>	<b>(5,636)</b>
<b>Goodwill</b>	<b>3,153</b>	<b>3,253</b>	<b>+99</b>
<b>Others</b>	<b>14,612</b>	<b>14,467</b>	<b>(144)</b>
<b>Depreciation and Amortization</b>	<b>18,885</b>	<b>18,850</b>	<b>(35)</b>

• 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".

## 【Dividend per Share/Dividend Payout Ratio】

	FY2019	FY2020	FY2021	FY2022 (Forecast)
<b>Dividend per share(yen)</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>60</b>
<b>Dividend payout ration(%)</b>	<b>76.6</b>	<b>154.3</b>	<b>452.9</b>	<b>42.8</b>