

# Fiscal Year Ended March 31, 2021 Performance & Medium-term Growth Strategy

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Benefit One Inc.  
Tokyo Stock Exchange 1<sup>st</sup> Section (2412)



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<https://corp.benefit-one.co.jp/>

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# **1. Financial Highlights and Performance Forecast**

## **2. Medium-term Business Plan and Growth Strategy for the Future**

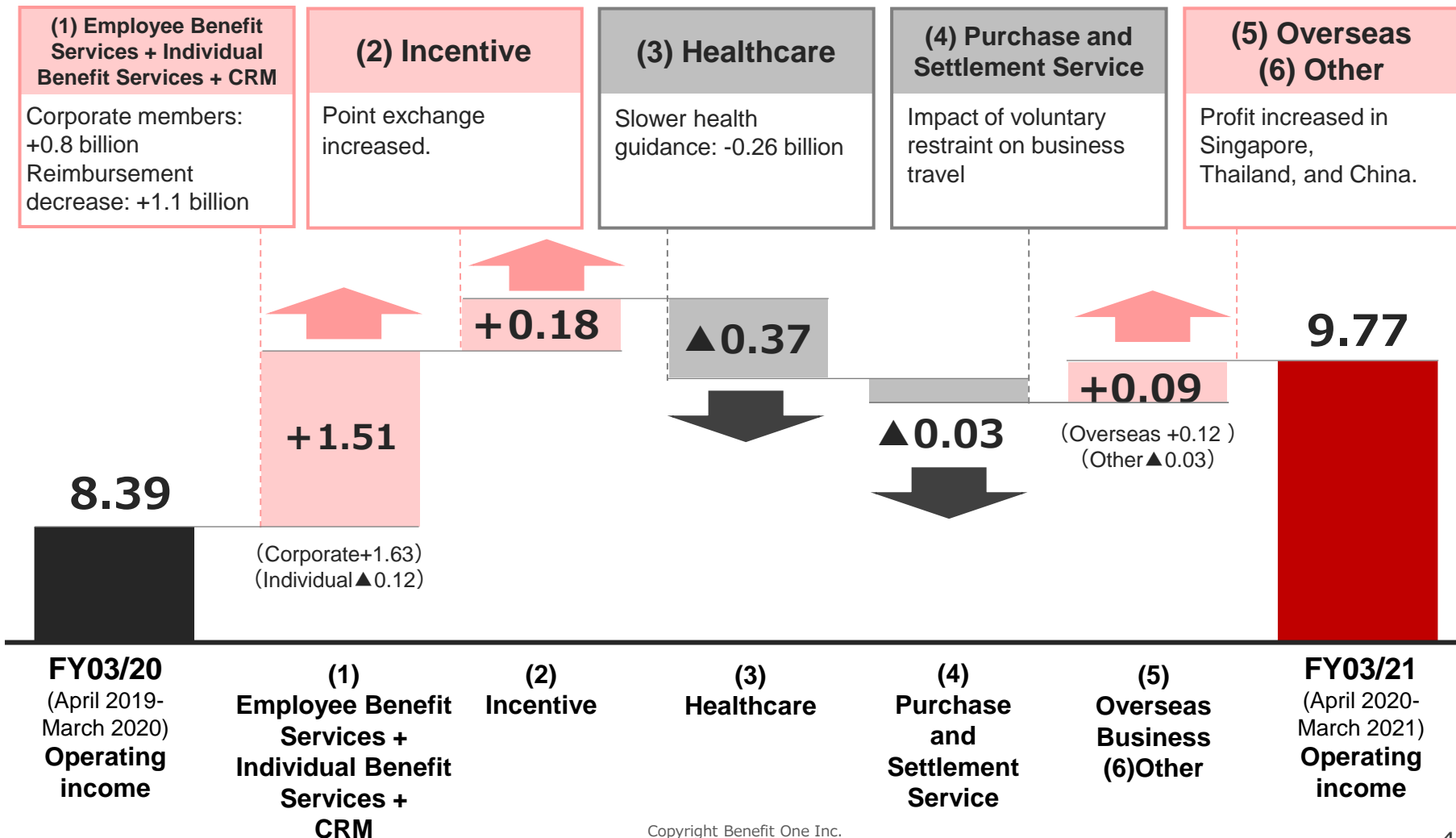
### **3. DATA BOOK**

We have achieved an income increase for 10 consecutive years.  
The impact of COVID-19 on Healthcare was offset by increased income from Employee Benefit Services.

(Billions of yen)	FY03/21	FY03/21	
		YoY change	Vs. forecast
Sales	<b>37.84</b>	<b>+0.56</b> (+1.5%)	<b>▲2.30</b> (▲5.7%)
Operating income	<b>9.77</b>	<b>+1.37</b> (+16.4%)	<b>+0.72</b> (+8.0%)
Ordinary income	<b>9.85</b>	<b>+1.39</b> (+16.5%)	<b>+0.75</b> (+8.3%)
Net income attributable to owners of parent	<b>6.76</b>	<b>+1.12</b> (+19.9%)	<b>+0.56</b> (+9.1%)

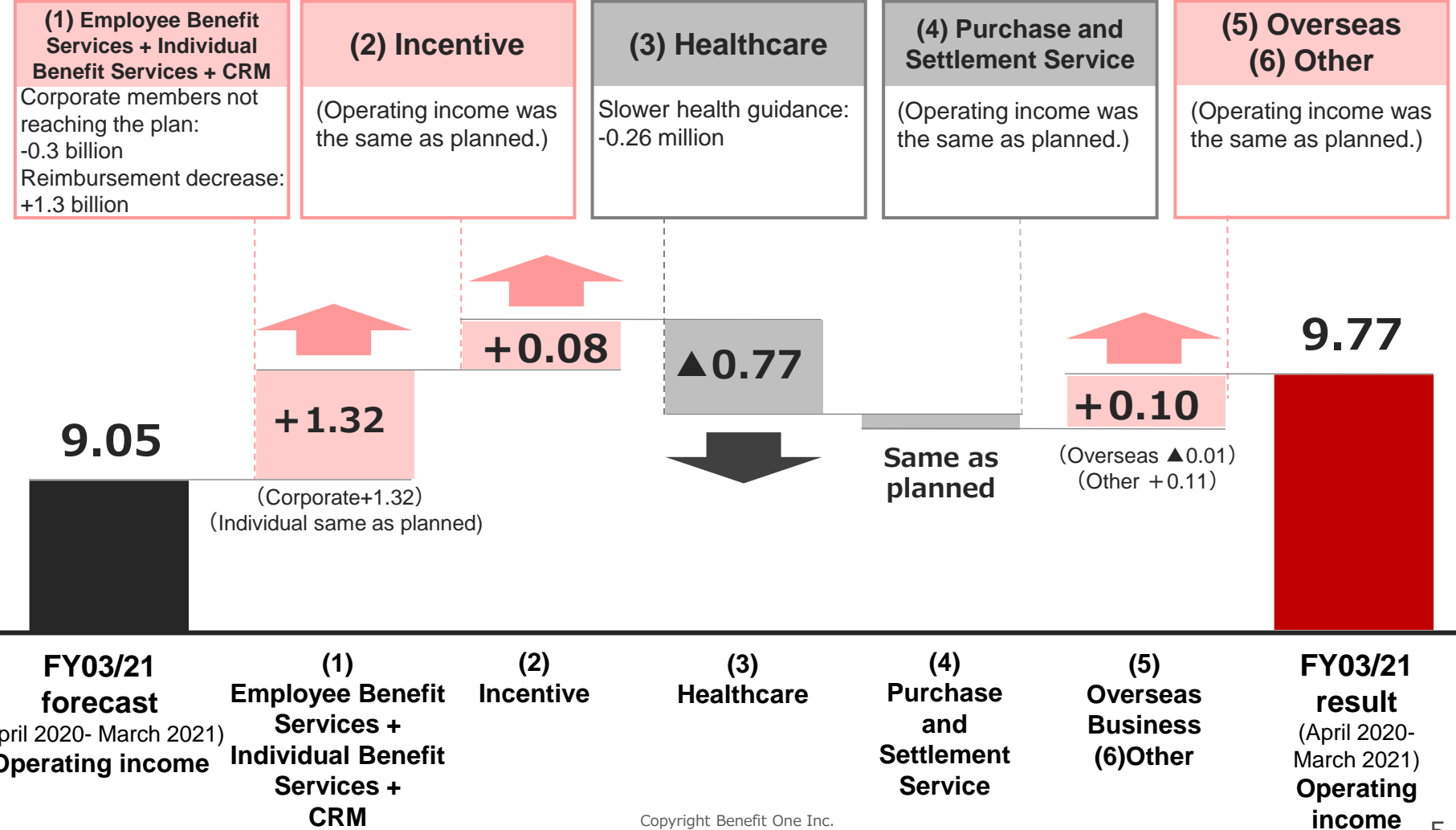
Full year  
YoY

**1.37 billion yen increase** from the previous term  
in operating income



Full year  
vs. forecast

**0.72 billion yen increase from the forecast**  
in operating income



# Assumptions for Performance Forecasts for the Fiscal Year Ending March 31, 2022

Use of the Employee Benefit Services menu is expected to recover towards the second half. In other businesses, we expect no significant impact of COVID-19.

Business	Assumptions of COVID-19 impact
<b>(1) Employee Benefit Services/ Individual Benefit Services/CRM</b>	Use of service associated with going out will recover towards the second half. In comparison with FY03/2021, use is expected to increase by 80% in the first half and by 30% in the second half. (Reference: In comparison with FY03/2020, use is expected to decrease by 40% in the first half and by 20% in the second half.)
<b>(2) Incentive</b>	No impact
<b>(3) Healthcare</b>	No impact
<b>(4) Purchase/ Settlement Agency Business</b>	Use of service in business travel will recover towards the second half. In comparison with FY03/2021, use is expected to double in the first half and increase 2.5-fold in the second half. (Reference: In comparison with FY03/2020, use is expected to decrease by 60% in the first half and by 30% in the second half.)
<b>(5) Payment</b>	No impact
<b>(6) Overseas</b>	Restrictions on sales activities are expected to continue in Indonesia and some other countries.

# FY03/22 Performance Forecast

We plan to increase sales by 30% and income by 20% in real terms.  
We aim to increase income for 11 consecutive years through Healthcare-centered growth.

(Billions of yen)	FY03/21	FY03/22	YoY change	
			Change	%
Sales	<b>37.84</b>	<b>37.31</b> * (49.20)	<b>▲0.53</b> * (+11.35)	<b>▲1.4%</b> * (+30.0%)
Operating income	<b>9.77</b>	<b>11.75</b>	<b>+ 1.97</b>	<b>+ 20.2%</b>
Ordinary income	<b>9.85</b>	<b>11.83</b>	<b>+ 1.97</b>	<b>+ 20.0%</b>
Net income attributable to owners of parent	<b>6.76</b>	<b>8.12</b>	<b>+ 1.35</b>	<b>+ 20.0%</b>

\* We have applied "Accounting Standard for Revenue Recognition," etc. from the fiscal year ending March 31, 2022. Sales in the above performance forecast are the amounts after applying the standard, etc. Sales for the fiscal year ending March 31, 2022, YoY increase/decrease, and the rate of increase/decrease without applying the standard, etc. are indicated in parentheses. Regarding operating income, ordinary income, and profit attributable to owners of the parent, no change is expected after applying the standard, etc.



# Performance Forecast by Business (Sales)

(Real) We plan to increase transactions in each main business.

(Change of indication) Sales will decrease by 11.8 billion yen while profit will not be affected by the change in the accounting standard.

Unit: billion yen	FY ended March 31, 2021	FY ending March 31, 2022						Impact of standard change
	Old revenue recognition standard	Old revenue recognition standard	YoY		New revenue recognition standard	YoY		
			Amount	Increase / decrease (%)		Amount	Increase / decrease (%)	
(1) Employee Benefit Services + Individual Benefit Services + CRM	20.45	21.28	+0.82	+4.0%	20.94	+0.48	+2.4%	* ▲0.33
(2) Incentive	3.95	4.40	+0.44	+11.2%	4.40	+0.44	+11.2%	—
(3) Healthcare	10.36	20.09	+9.72	+93.8%	8.56	▲1.80	▲17.4%	* ▲11.53
(4) Purchase/Settlement Agency Business	0.69	0.82	+0.13	+19.0%	0.82	+0.13	+19.0%	—
(5) Payment	0.01	0.03	+0.01	+71.0%	0.03	+0.01	+71.0%	—
(6) Overseas	1.42	1.88	+0.46	+32.4%	1.86	+0.44	+31.0%	* ▲0.02
(7) Other	0.92	0.68	▲0.23	—	0.68	▲0.23	—	—
<b>Total</b>	<b>37.84</b>	<b>49.20</b>	<b>+11.35</b>	<b>+30.0%</b>	<b>37.31</b>	<b>▲0.53</b>	<b>▲1.4%</b>	<b>* ▲11.89</b>

\* We have applied "Accounting Standard for Revenue Recognition," etc. from the fiscal year ending March 31, 2022, and changed the sales recording method. The businesses affected by the change of the standard, etc. are Healthcare, Employee Benefit Services, and Overseas businesses. No change is expected in other businesses. Only sales are expected to be affected by the change of the standard, etc. No change is expected in operating income, ordinary income, and profit attributable to owners of the parent.

# Performance Forecast by Business (Operating income/loss)

(Real) In Healthcare, operating income will increase by 4.5 times.

In Employee Benefit Services, reimbursement payments will increase.

(Change of indication) The cost allocation standard has been changed with the change of the sales structure.

Unit: billion yen	FY ended March 31, 2021	FY ending March 31, 2022						
	Old cost allocation standard	Old cost allocation standard	YoY		New cost allocation standard	YoY		Impact of allocation change
			Amount	Increase / decrease (%)		Amount	Increase / decrease (%)	
(1) Employee Benefit Services + Individual Benefit Services + CRM	8.38	7.94	▲0.44	▲5.2%	9.30	+0.91	+10.9%	* +1.35
(2) Incentive	0.97	1.05	+0.07	+7.7%	1.01	+0.03	+3.6%	* ▲0.04
(3) Healthcare	0.75	3.44	+2.69	+356.7%	3.37	+2.61	+346.6%	* ▲0.07
(4) Purchase/Settlement Agency Business	0.07	0.16	+0.09	+132.1%	0.15	+0.08	+116.9%	* ▲0.01
(5) Payment	0.01	▲0.10	▲0.11	—	▲0.10	▲0.11	—	—
(6) Overseas	▲0.10	▲0.08	+0.02	—	▲0.08	+0.02	—	—
(7) Other (companywide common expenses, etc.)	▲0.30	▲0.66	▲0.35	—	▲1.90	▲1.58	—	* ▲1.23
<b>Total</b>	<b>9.77</b>	<b>11.75</b>	<b>+1.97</b>	<b>+20.2%</b>	<b>11.75</b>	<b>+1.97</b>	<b>+20.2%</b>	<b>±0</b>

\* We have changed the cost allocation method relating to companywide common expenses from the fiscal year ending March 31, 2022. Expenses that were previously included in "(1) Employee Benefit Services + Individual Benefit Services/CRM" have been included in "(7) Other." Companywide common expenses was about 1.7 billion yen in the previous year (the fiscal year ended March 31, 2021). We have also changed the cost allocation method relating to common system infrastructure from the fiscal year ending March 31, 2022. Expenses that were previously included in "(7) Other (of which system-related expenses)" have been allocated to each business.

Corporate members as of April 2021: 6.33 million (an increase of 480,000 persons from the pervious year)  
We plan to further accelerate growth by differentiating our products and capturing new markets.

**FY03/21**

-1.2% YoY、 -4.0% vs. forecast

**Sales** **20.45** billion yen

+22.0% YoY、 +18.7% vs. forecast

**Operating income** **8.38** billion yen

## ■ Employee Benefit Services

- The business decelerated among SMEs while it was strong among leading and middle-ranking companies.
- Although we improved the menu that can be used at home, reimbursement payments decreased both YoY and vs. the plan as a result of sluggish use of the menu associated with going out.

## ■ Individual Benefit Services + CRM

- The number of existing members continued to decrease, and new customer-capturing was slow.
- Sales decreased both YoY and vs. the plan.

**FY03/22**

+2.4% YoY

**Sales** **20.94** billion yen

+10.9% YoY

**Operating income** **9.30** billion yen

## ■ Employee Benefit Services

- We support the HR department of customer companies with their DX promotion, utilizing the Benefit One Platform as the core. We aim to establish the platform as the industry standard for HRDX.
- We accelerate mutual up-selling with other products, taking the opportunity of the integration of sales organizations and systems.
- We aim to efficiently expand sales by utilizing digital marketing and external resources.

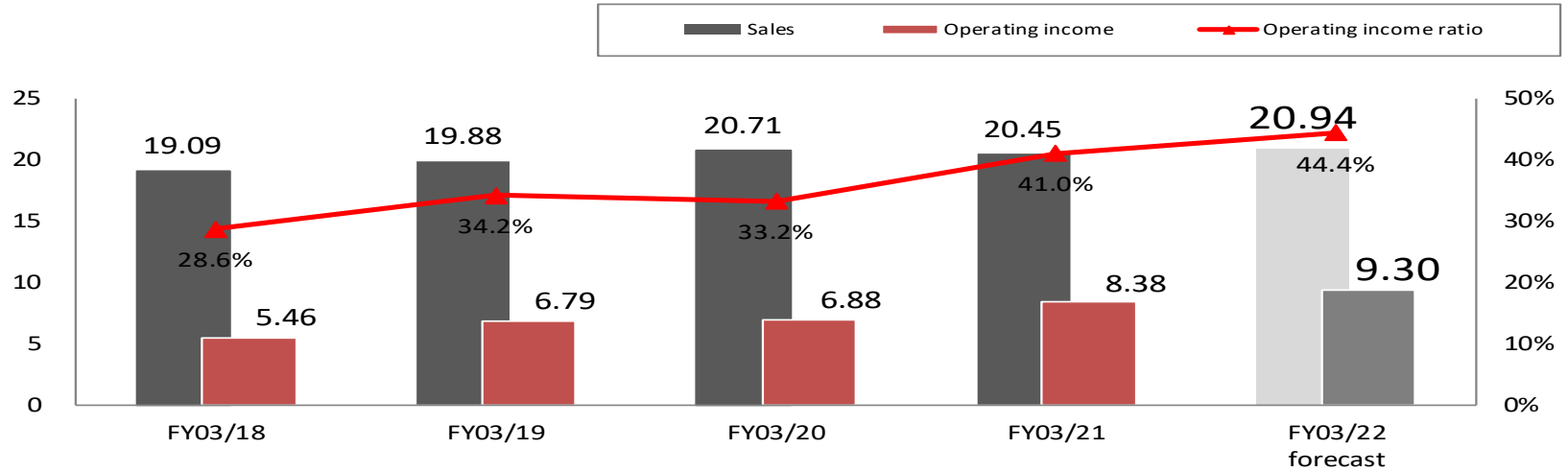
## ■ Individual Benefit Services + CRM

- We develop set products that meet the needs of customers of collaboration partners.

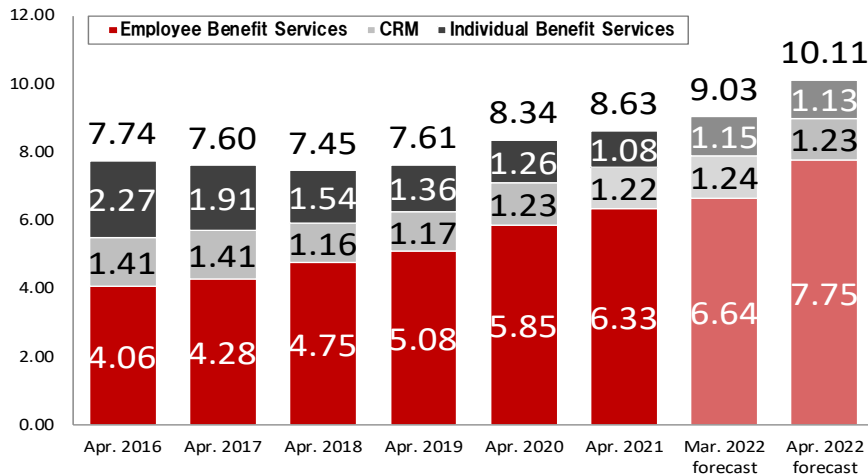
# (1) Employee Benefit Services + Individual Benefit Services + CRM (Reference)

\* We have applied "Accounting Standard for Revenue Recognition," etc. from the fiscal year ending March 31, 2022, and changed the "cost allocation standard." (See pp. 8 and 9.)

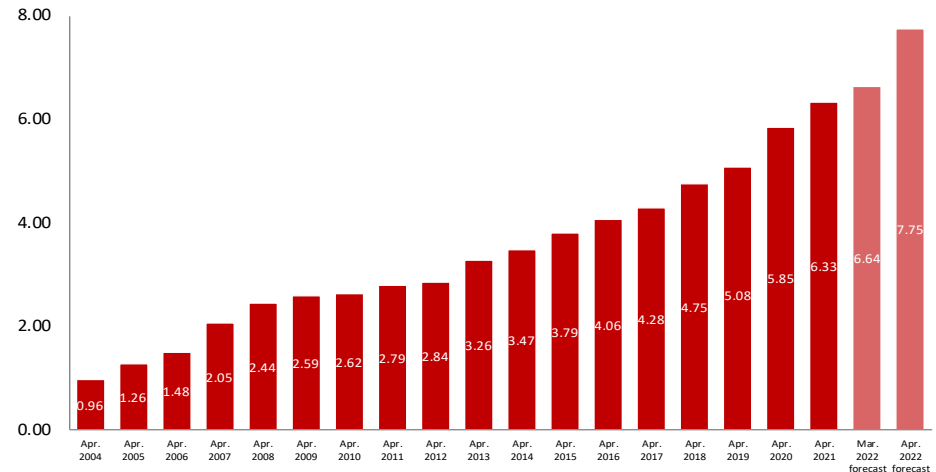
## Changes in performance (Billions of yen)



## Changes in the total number of members (million persons)



## Changes in the number of Employee Benefit Services members (million persons)



## (2) Incentive Business

The expanded customer base and new budget capturing in the previous year (47 companies/0.67 billion yen) contribute to this year's results.

This year, we aim to capture new budget of 1.4 billion yen.

**FY03/21**

+7.5% YoY, -4.7% vs. forecast

**S a l e s** **3.95** billion yen

**Operating income** **0.97** billion yen

+23.6% YoY, +8.9% vs. forecast

- Point granting to customers smoothly increased.
- The need for alternatives to travel and annual events increased in the COVID-19 pandemic, and new customer development made progress.
- The decentralization of customers progressed in new point granting/exchange as the customer base expanded.

**FY03/22**

+11.2% YoY

**S a l e s** **4.40** billion yen

**Operating income** **1.01** billion yen

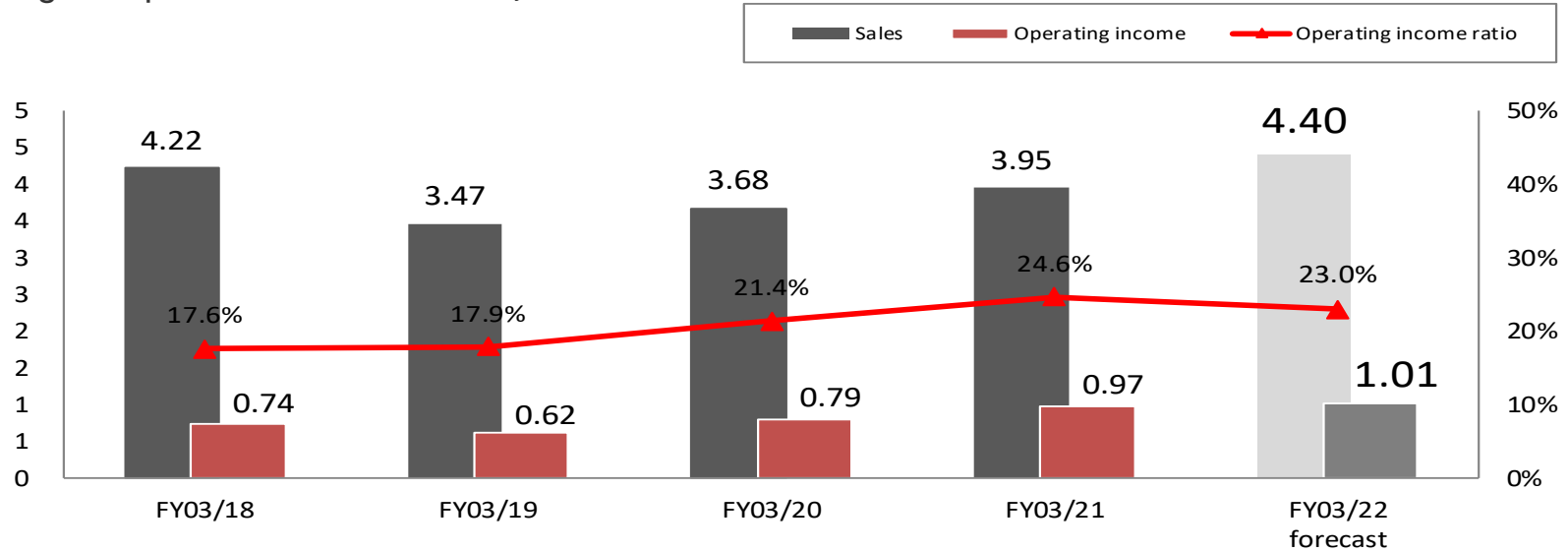
+3.6% YoY

- Income increases by 7.7% in real terms, excluding cost increase due to the change of the cost allocation method (40 million yen).
- As an effect of the integration of organizations and systems, we promote selling Incentive with Employee Benefit Services as a set and up-selling for HR, as well as deep-digging sales by dedicated personnel for agencies and sales promotion.
- We aim to capture new budget of 1.4 billion yen (an increase of 0.7 billion yen YoY) as the source of growth for the next and subsequent years.

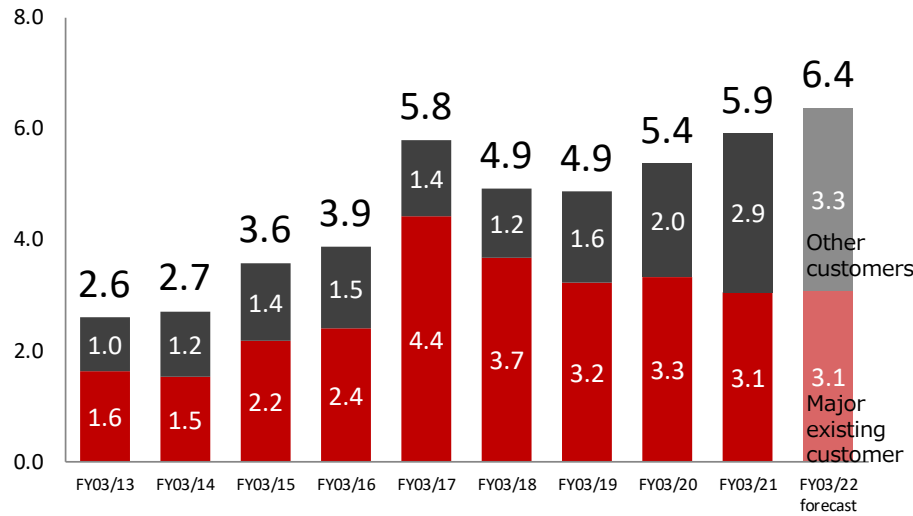
# (2) Incentive Business (Reference)

■ Changes in performance (Billions of yen)

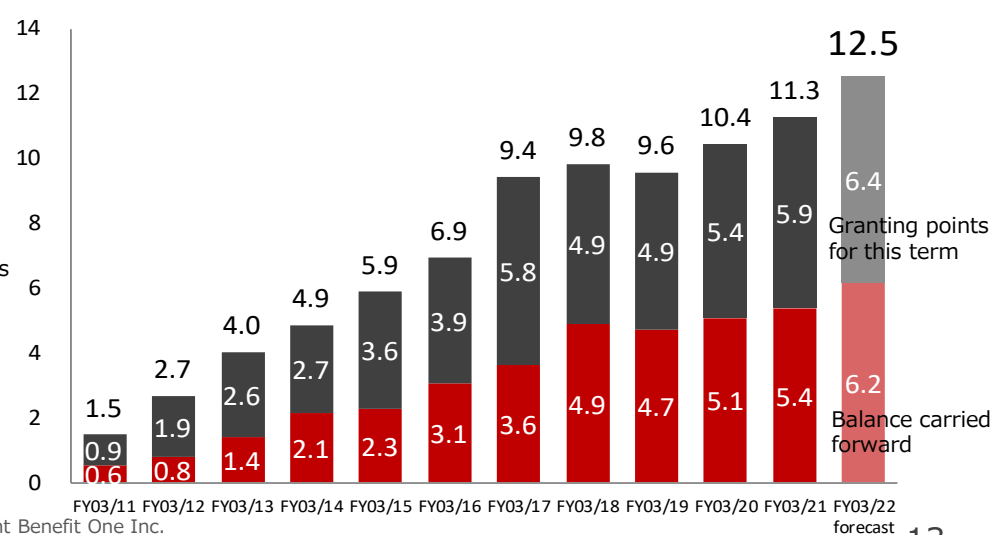
\* We have changed the cost allocation method. (See pp. 9.)



■ Grant points (Billions of yen)



■ Changes in cumulative grant points (Billions of yen)



# (3) Healthcare Business

Sales will double and income will increase by 4.5 times in real terms.

The increase results from the monetization of new health support services, in addition to the acceleration of market outsourcing along with sales/income that originated in the previous year but are to be recorded in this year.

**FY03/21**

-2.2% YoY、 -15.3% vs. forecast

Sales **10.36** billion yen

-33.2% YoY、 -50.5% vs. forecast

Operating income **0.75** billion yen

- We made efforts to improve operations, including the recommendation of health check-up, early product delivery, and improvement of the ICT interview system for health guidance.
- Sales and operating income decreased both YoY and vs. the plan due to slower health check-up and health guidance.
- A part of the revenue from service provision that was delayed due to COVID-19 was carried forward to the next fiscal year.

**FY03/22**

-17.4% YoY

Sales **8.56** billion yen

+346.6% YoY

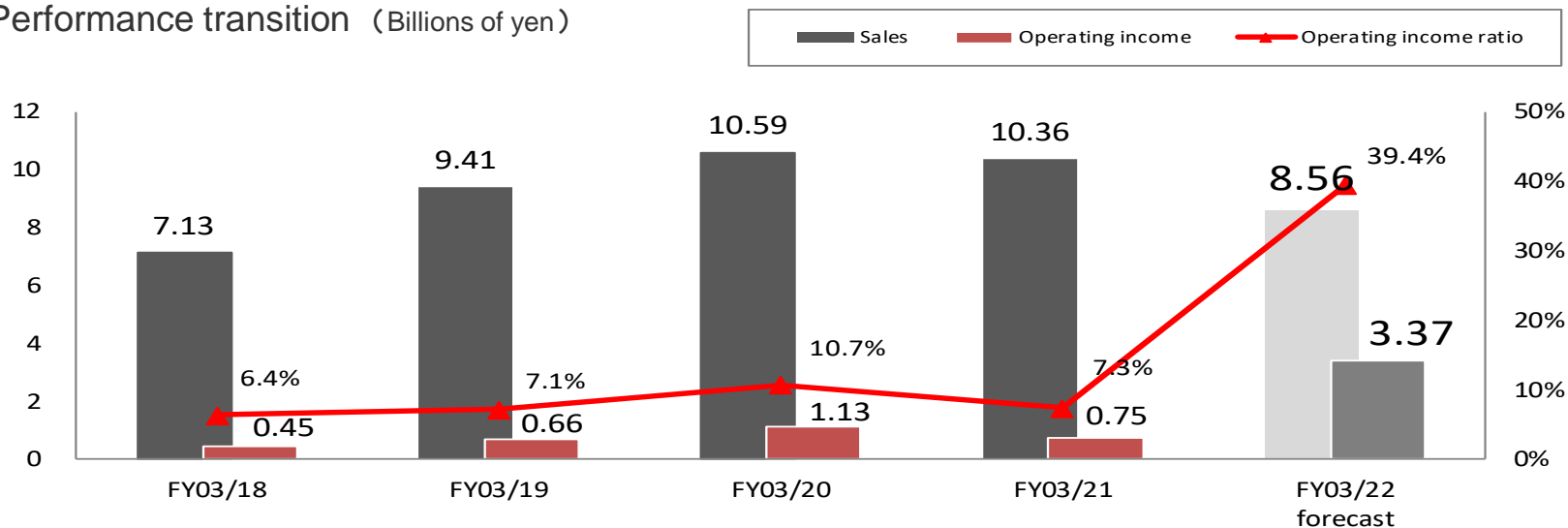
Operating income **3.37** billion yen

- Interest in support for employees' health management and health improvement increases in an accelerating manner, further spurring the business.
- We capture new demand by offering new health support services in the COVID-19 pandemic.
- We prioritize the segments with high sales efficiency and high profit contribution and aim to expand our share by promoting mutual up-selling with Employee Benefit Services.
- We improve the profit rate by promoting the digitization of operations.

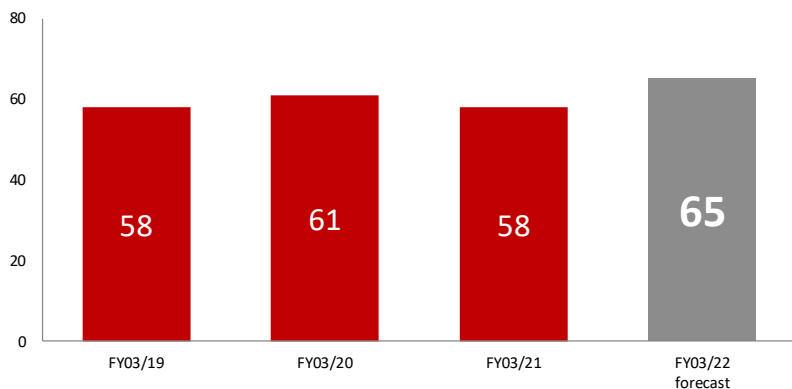
# (3) Healthcare Business (Reference)

\* We have applied "Accounting Standard for Revenue Recognition," etc. from the fiscal year ending March 31, 2022, and changed the "cost allocation standard." (See pp. 8 and 9.)

## ■ Performance transition (Billions of yen)

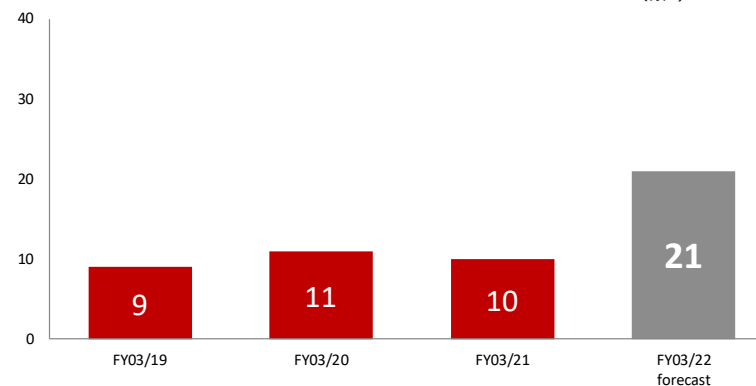


## ■ Health check-ups: Number of health check-ups (Unit: 10 thousand) (※1)



Note 1: The number of health check-ups refers to the number of check-ups booked/arranged by Benefit One. Health check-ups reported by health check-up institutions after the aggregation date are not included. The number of health check-ups in the previous years may change due to additional reports from health check-up institutions. (Aggregation date: March 31, 2021)

## ■ Specified health guidance: Number of initial interviews (Unit: 10 thousand) (※2)



Note 2: In Specified Health Guidance, professional staff provide support, based on the results of specified health check-up, to people who have a high risk of lifestyle-related diseases and who are highly expected to be able to prevent such diseases by improving their lifestyle habits so that they will review/change their lifestyle habits. Initial interviews refer to the first interview between a professional staff member and a person who will receive health guidance support.



# (4) Purchase and Settlement Service

The BPO market for small-amount adjustment is expected to expand.

We plan to offset the impact of voluntary restraint on business travel and entertainment/social activities by increasing the number of companies that introduce the service.

**FY03/21**

-7.5% YoY, -14.5% vs. forecast

**Sales** **0.69** billion yen

-33.5% YoY, -9.1% vs. forecast

**Operating income** **0.07** billion yen

- Sales decreased both YoY and vs. the plan due to prolonged voluntary restraint on business travel in the COVID-19 pandemic.
- The use of entertainment/social activities did not reach the plan, either, due to continued voluntary restraint.
- The impact on performance was limited as we made efforts to reduce expense payment.

**FY03/22**

+19.0% YoY

**Sales** **0.82** billion yen

+116.9% YoY

**Operating income** **0.15** billion yen

- Although we handle fewer business travel and entertainment/social activities per company due to the new behavior pattern resulting from COVID-19, there is much room for expanding the BPO market.
- We strengthen up-selling from Employee Benefit Services and efficiently increased sales through organizational collaboration.
- We expand the scope of our small-amount adjustment service, such as golf and souvenirs, in addition to business travel and entertainment/social activities, to increase the added value of our products.

# (5) Payment Business

We will release the salary deduction payment service in June 2021, aiming at the use of 0.4 billion yen in the first year.

FY03/21

Sales **0.01** billion yen

Operating income **0.01** billion yen

- We gained only the settlement fee from the Cafeteria Plan that had been monetized from FY03/2020 before releasing the salary deduction service.
- We focused on system development, supplier development, and customer development to prepare for service release.
- Our service will be used by about 60,000 employees of the companies that have already unofficially decided to introduce our service.
- We promoted supplier development with a focus on the fields with much household spending and on the subscription menu.

FY03/22

Sales **0.03** billion yen

Operating income **-0.1** billion yen

+0.01billion yen  
YoY

-0.11billion yen  
YoY

- The monetization of the payment service and the maximization of the total distribution amount are important pillars of our medium-term growth strategy.
- After releasing the service, we will propose the introduction of the service with a focus on customers who have already introduced our Employee Benefit Services.
- We expect a total annual use of 0.4 billion yen (fee income: six million yen).
- We aim to capture one million new users, who will serve as the source of growth from the next year, during this fiscal year.

# (5) Overseas Business

Operating income increased mainly in Singapore, Thailand, and China.

**FY03/21**

+0.56billion yen YoY,  
+0.17billion yen vs. forecast

Sales **1.42** billion yen

+0.12billion yen YoY,  
-0.01billion yen vs. forecast

Operating income **-0.1** billion yen

- In Indonesia, voluntary restraint on going out has been having an effect longer than assumed.
- Transactions increased, and sales and income increased in Singapore, Thailand, etc.
- In the overall overseas business, the new customer-capturing plan was not achieved. Up-front investment was continued, but the deficit shrank by 0.12 billion yen.

**FY03/22**

+0.44billion yen YoY

Sales **1.86** billion yen

+0.02billion yen YoY

Operating income **-0.08** billion yen

- In Indonesia, where sales activities are performed mainly by visiting customers, voluntary restraint on business activities continue. In other countries, the business is basically expected to recover.
- Operating income increases in the overall overseas business thanks to increased transactions in Singapore, China, etc.

# **1. Financial Highlights and Performance Forecast**

## **2. Medium-term Business Plan and Growth Strategy for the Future**

### **3. DATA BOOK**

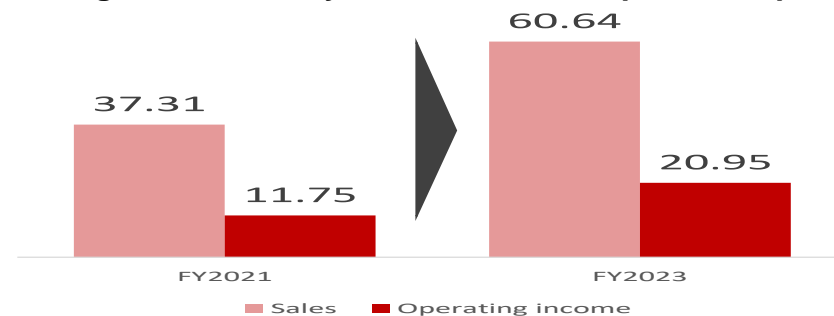
We aim to be the No. 1 company in HRDX data utilization infrastructure with our “Benefit One Platform,” and plan to achieve sales of 60.6 billion yen and operating income of 20.9 billion yen in three years.

## Three-year income and expenditure plan

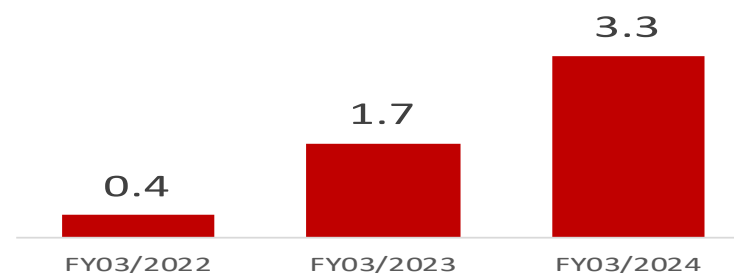
We aim to increase income by 11.1 billion yen (Twice the previous period) in three years.

(Billions of yen)		FY03/2022	FY03/2024
		plan	plan
Sales	Employee Benefit Services	18.27	28.52
	Healthcare	8.56	12.92
	Payment	0.03	1.61
	Other	10.44	17.59
<b>Sales</b>		<b>37.31</b>	<b>60.64</b>
Operating income	Employee Benefit Services	8.70	15.19
	Healthcare	3.37	5.38
	Payment	▲ 0.10	1.14
	Other	1.61	3.75
	companywide common expenses	▲ 1.84	▲ 4.50
<b>Operating income</b>		<b>11.75</b>	<b>20.95</b>
Operating income ratio		31.5%	34.5%

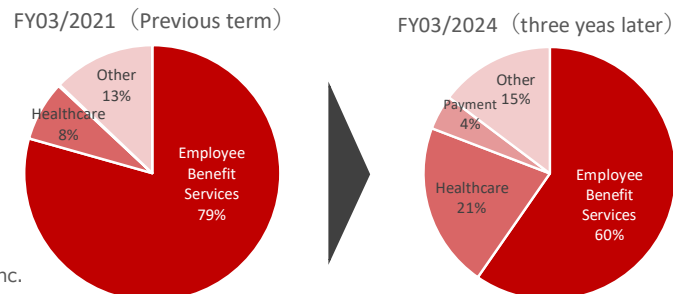
## Change in the three-year income and expenditure plan



## Change in the marketing investment plan



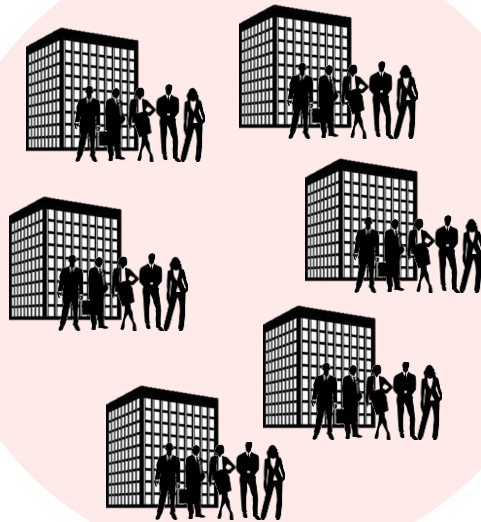
## Change in the profit structure



\* Companywide common expenses include the marketing investment plan.

We will realize service matching that is optimal for individuals at the lowest price.

Aggregate consumers on a company-by-company basis.



Aggregate services across Japan.



We aim to monetize the payment service on our platform.

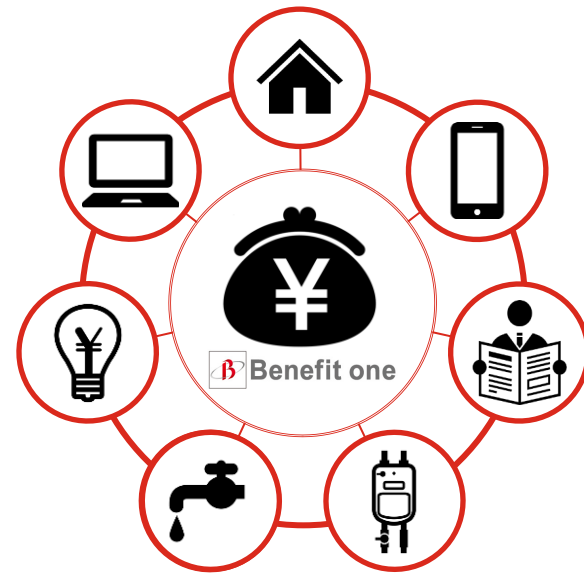
We will focus on two themes to build service distribution business.

## Accelerating member increase



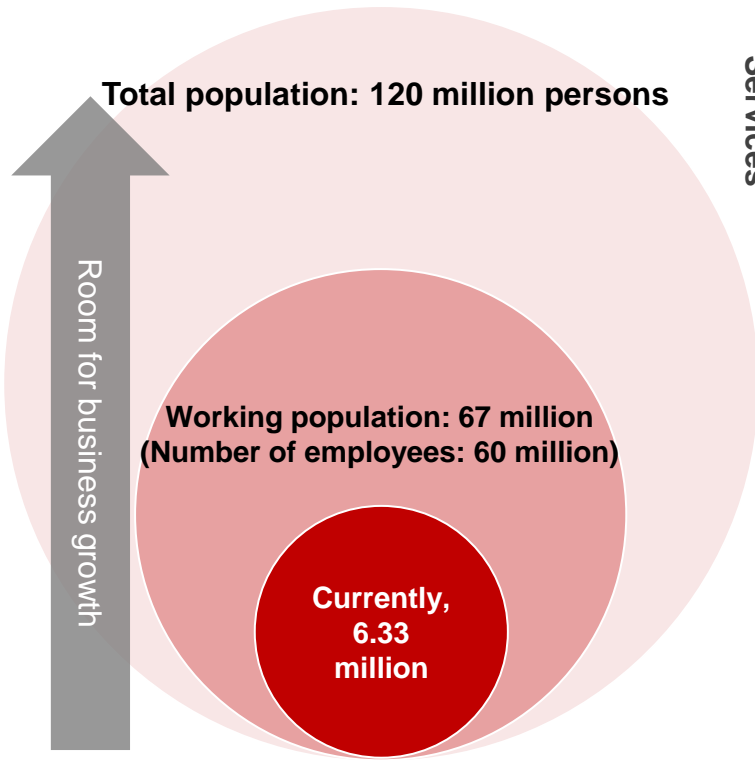
Establish an HRDX infrastructure as the industry standard.

## Multiplexing the profit structure



Monetize the payment scheme.

There is a huge market with a high growth potential in front of us.



	Reachable market size	Expected profit
Employee Benefit Services	<b>400 billion yen</b> Target: 67 million working population	210 billion yen <small>* The amount may change as a result of reducing the membership fee.</small>
Healthcare	<b>900 billion yen</b> Health check-up/health point: 67 million working population Health guidance target: 11 million persons	310 billion yen
Incentive	<b>1,200 billion yen</b> Target: 67 million working population	300 billion yen
Payment	(Total distribution amount basis) <b>35,600 billion yen</b> Target: 120 million total population	460 billion yen

\* Prepared based on the Population Estimates and Labor Force Survey (both from the Statistics Bureau, Ministry of Internal Affairs and Communications).

\* Calculated by Benefit One Inc.



Issues of HR department have become obvious as a result of the COVID-19 pandemic.



## Work Style Reform

Response to equal pay for equal work  
Response to new normal



## Health Management

Improvement of productivity by  
providing health support to employees



## Digitalization

Improvement of productivity by  
utilizing data

➔ All companies need to respond to HRDX.

**Infrastructure is required to efficiently  
manage and utilize employee data.**

**1**

## **Platform strategy for HR and health data**

~ Departure from Employee Benefit Services to become a leading HRDX company ~

**2**

## **Marketing strategy for free service menu**

~ Free provision of talent management and stress check ~

**3**

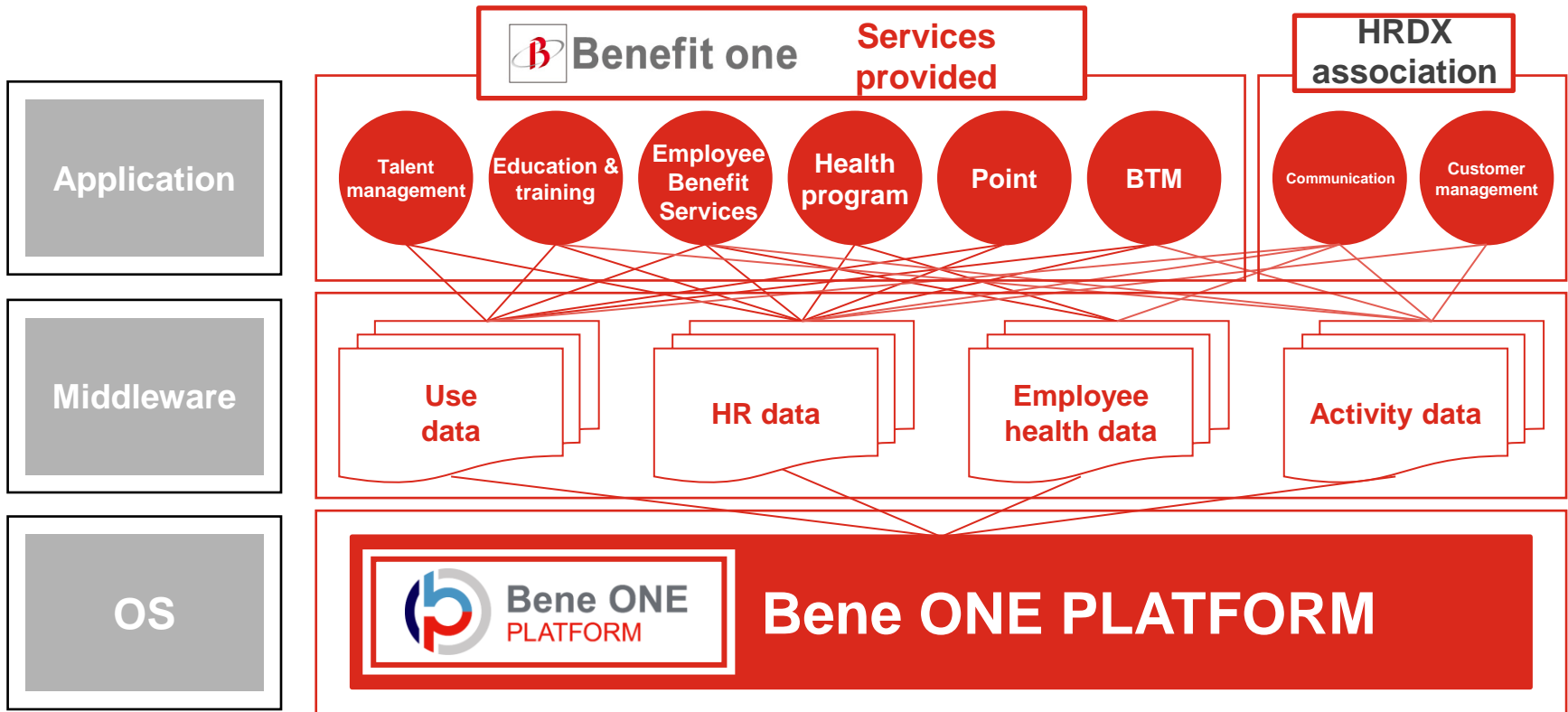
## **Organizational restructuring**

~ The integration of products, systems, and organizations, and the utilization of external workforce ~

**4**

## **Active marketing investment**

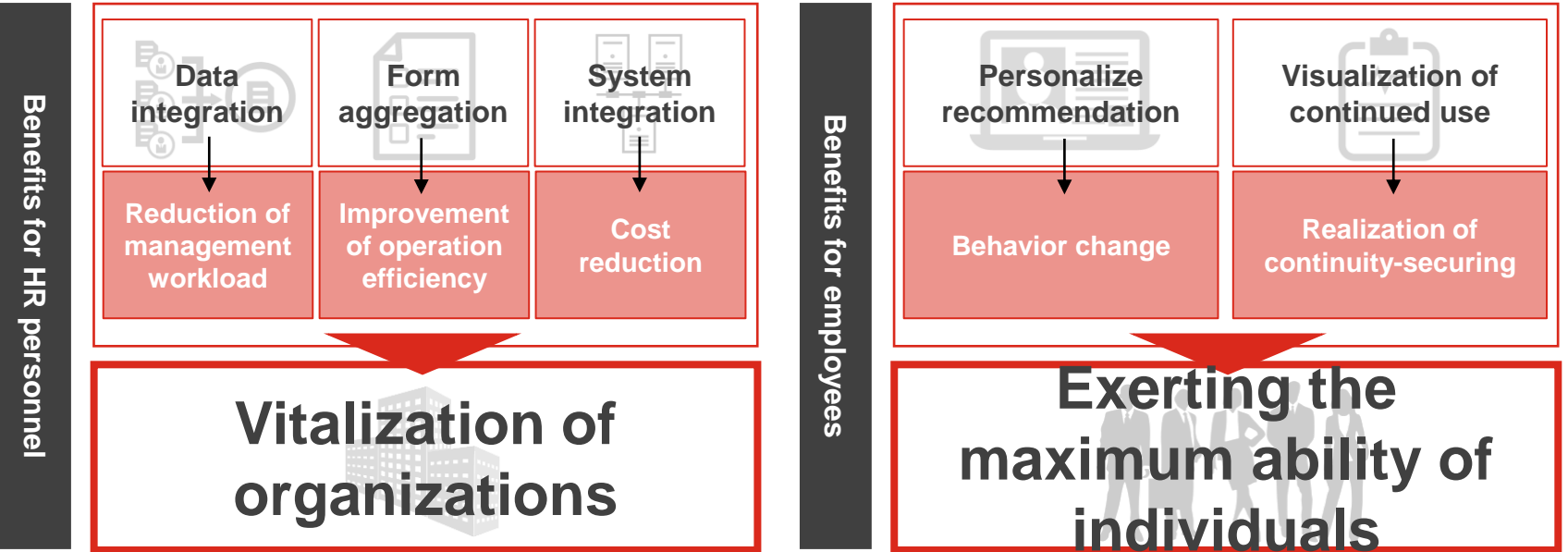
Reorganize conventional services to allow data utilization across services.



Efficiently manage and utilize employees' HR and health data.

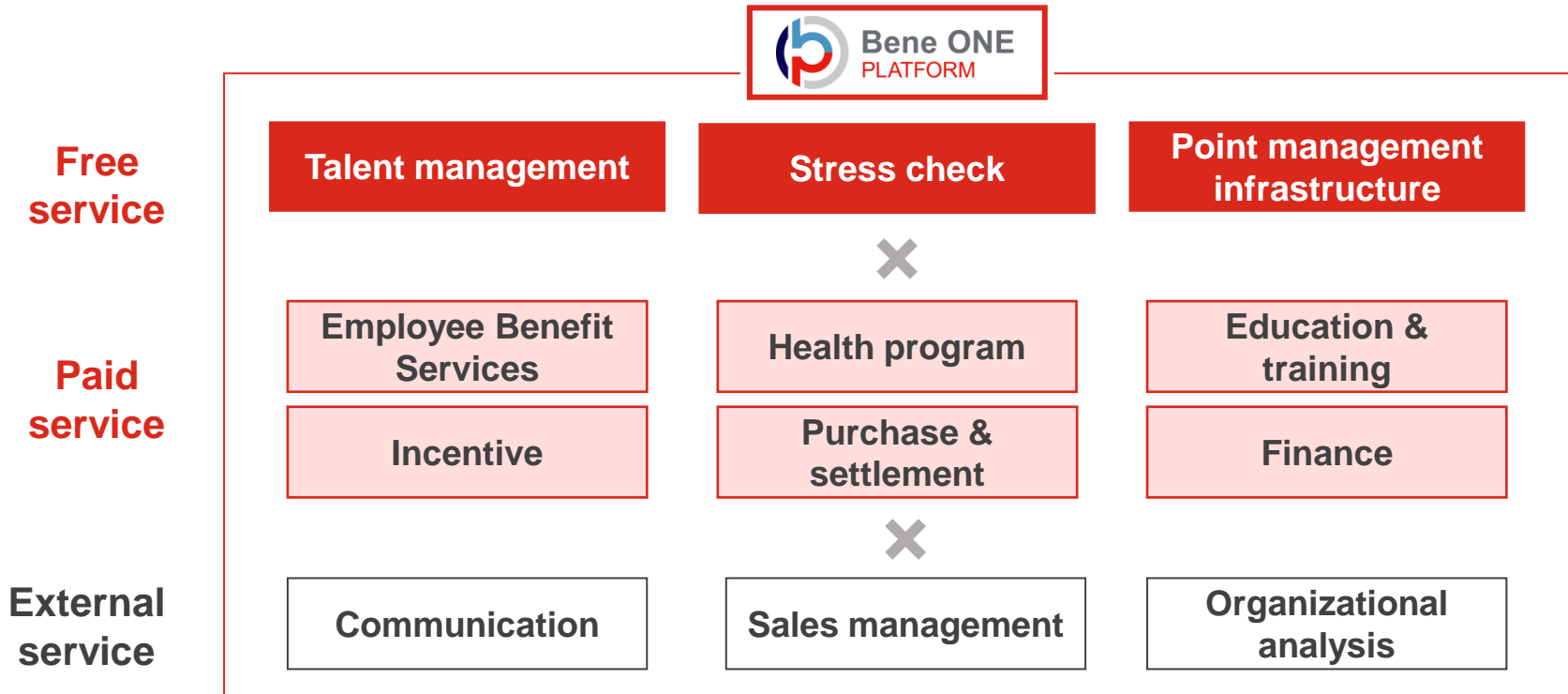
We will resolve HR issues and create employee benefits by utilizing the platform.

## Utilization of the Benefit One Platform



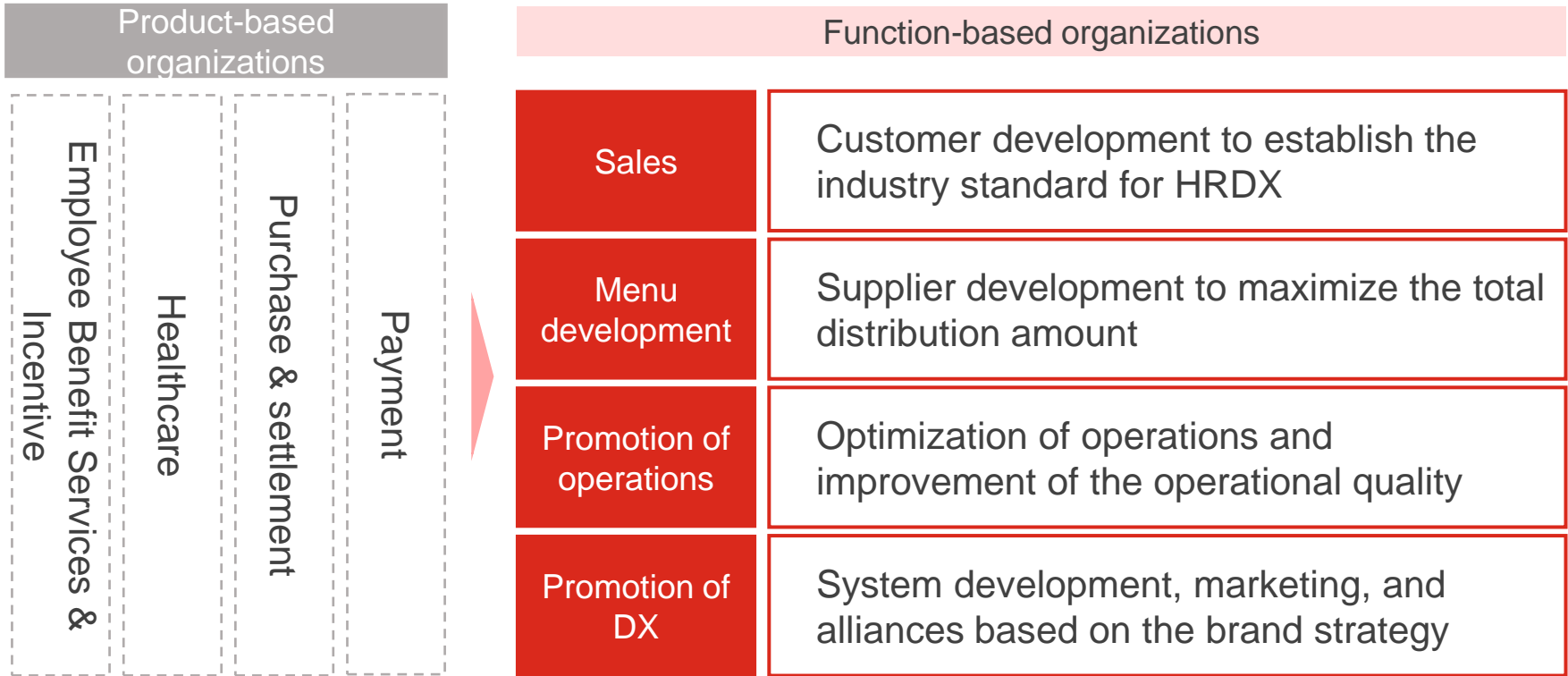
# Support Companies' HRDX promotion.

**We will provide talent management functions, a way in HRDX, free of charge.**



**Provide overwhelmingly good value by offering a free service menu.**

## From product-based organizations to function-based organizations



**Strongly promote the platform strategy by integrating the functions of products, systems, and organizations.**

We will handle operations that have increased as a result of business expansion by utilizing external workers and automating operations.

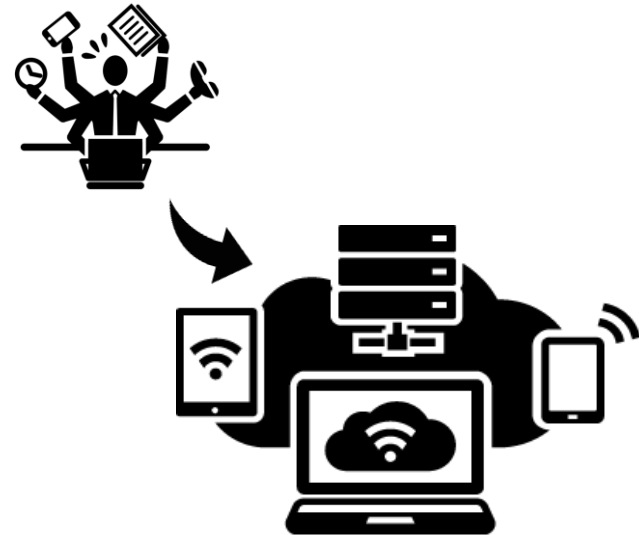
## Outsourcing



In FY03/2024, we plan to utilize 400 external workers for customer development and 6,690 external workers for supplier development.

**Development of customers and suppliers by actively utilizing Neo Workers**

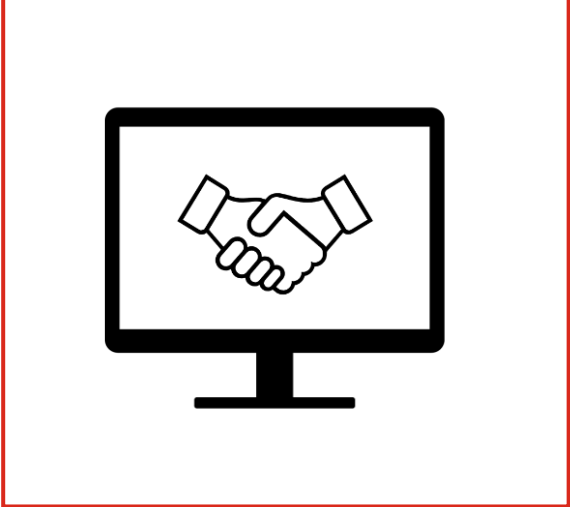
## Automation



**Reduction of the workload within the company by automating office operations**

**We plan to make a large-scale marketing investment to capture customers and expand service use.**

## Capturing employee members



## Capturing family members



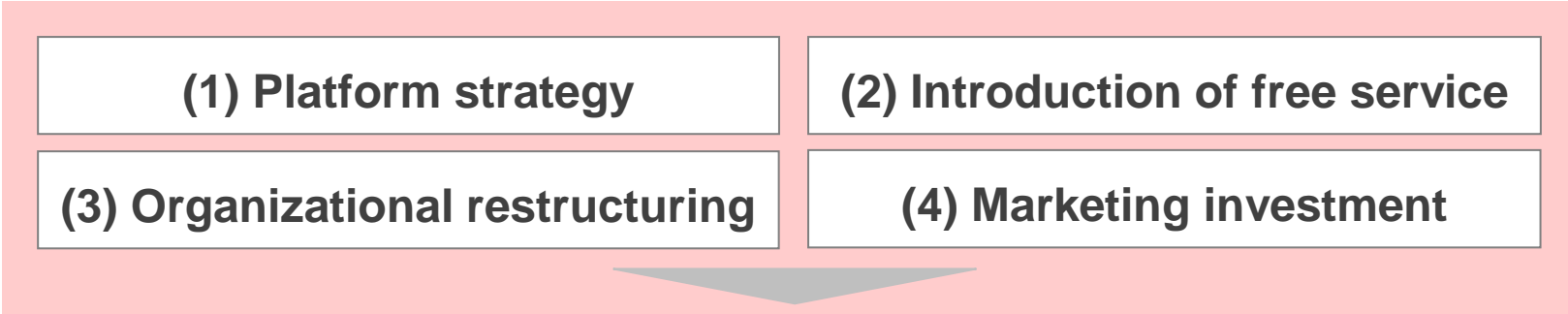
## Measures to increase service use



**We are considering an investment of 5.4 billion yen in three years.**



**We will establish an infrastructure in three years so that it becomes an industry standard for HRDX and leads to payment.**



**Number of employee members: 16 million**

+



**Active users: 20 million**



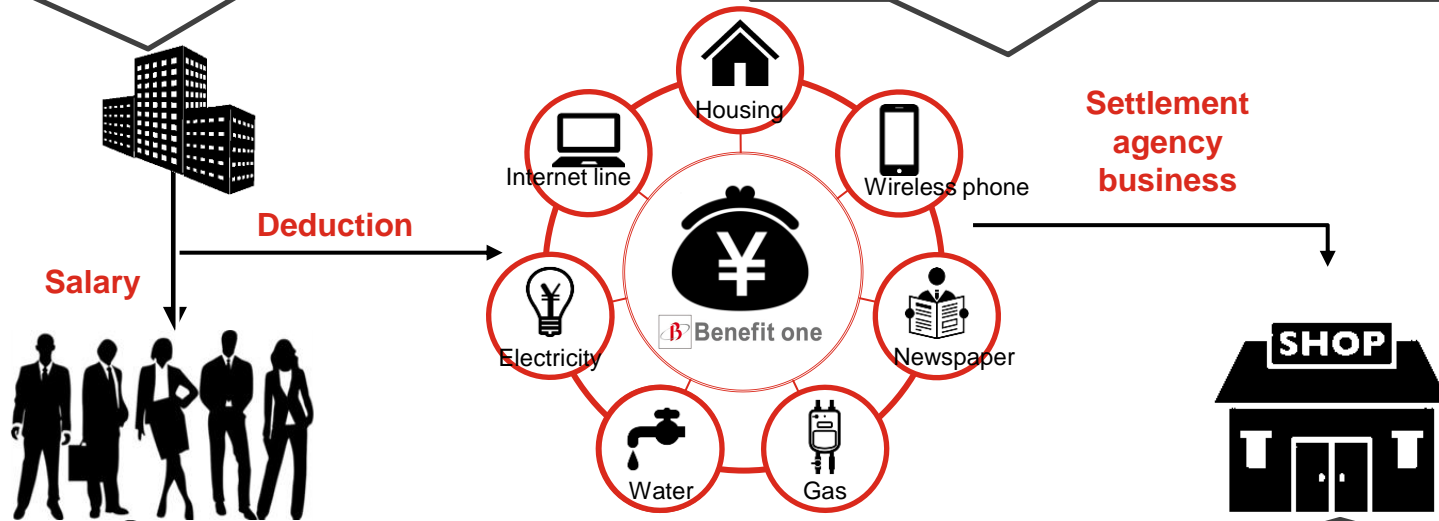
Offer services centered on fixed living cost at the lowest price with the condition of salary deduction.

**Benefits for companies**

- Can **improve employee satisfaction** by improving Employee Benefit Services.
- The fairness of Employee Benefit Services is secured.

**Benefits for Benefit One Inc.**

- Can increase customers by **strengthening services**.
- Can get **a new monetization point** through the settlement agency business.



**Benefits for employees**

- Can reduce monthly costs through **services at employee prices**.
- **Tax saving effect** through salary deduction

\* Welfare Program company housing

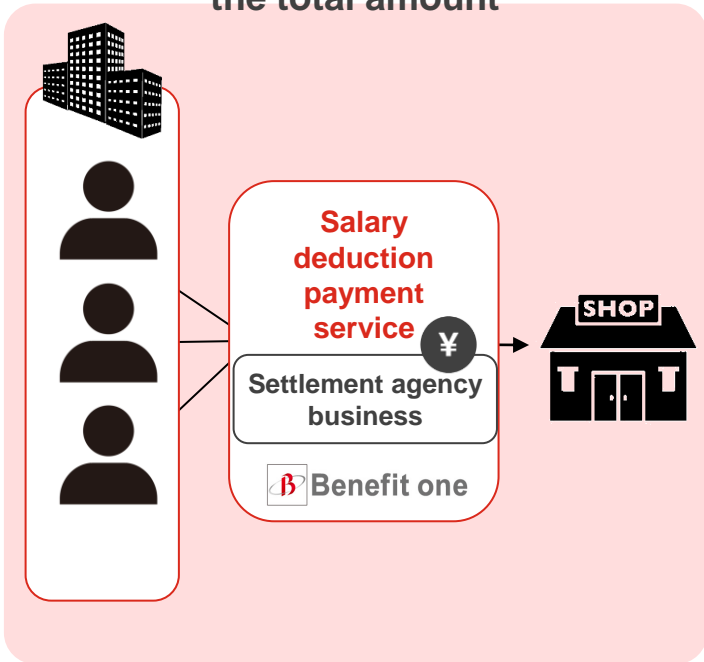
**Benefits for suppliers**

- Can win **large-amount contracts while reducing SG & A**.
- Can **reduce** settlement (payment collection) **cost**.

**We will realize low-cost, low-risk service distribution through salary deduction payment.**

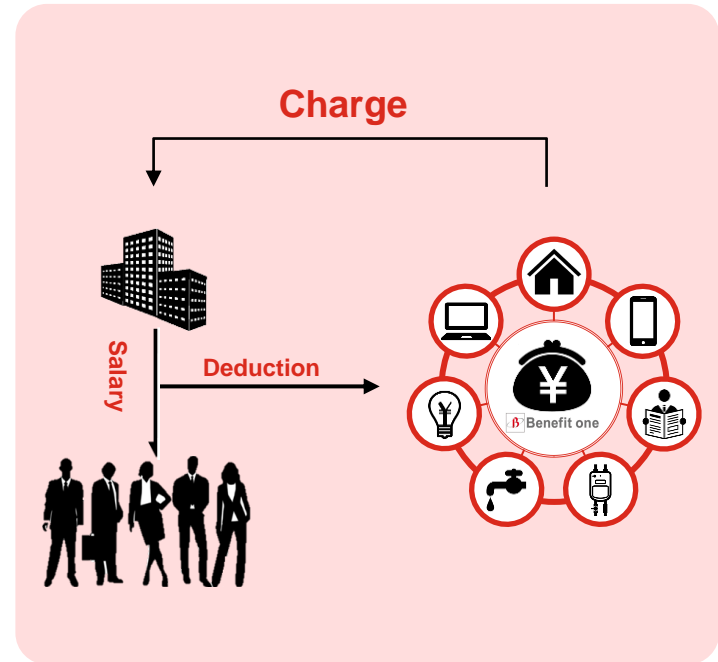
## Payment by totaling the amount company by company

Minimization of the fee by paying the total amount

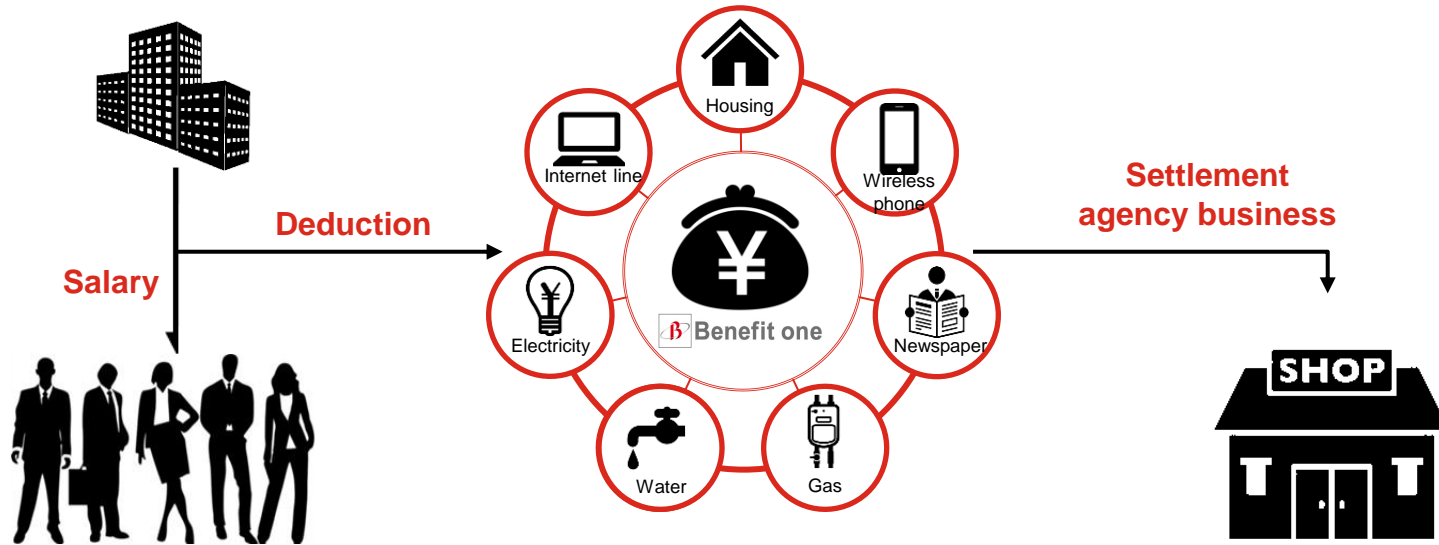


## Charging the company the deduction amount

Minimization of bad debt risk



We will release the service in June 2021 and aim to establish a settlement scheme in three years.



Customer development

## 2 million persons

Expanding sales to new and existing customers as a standard function

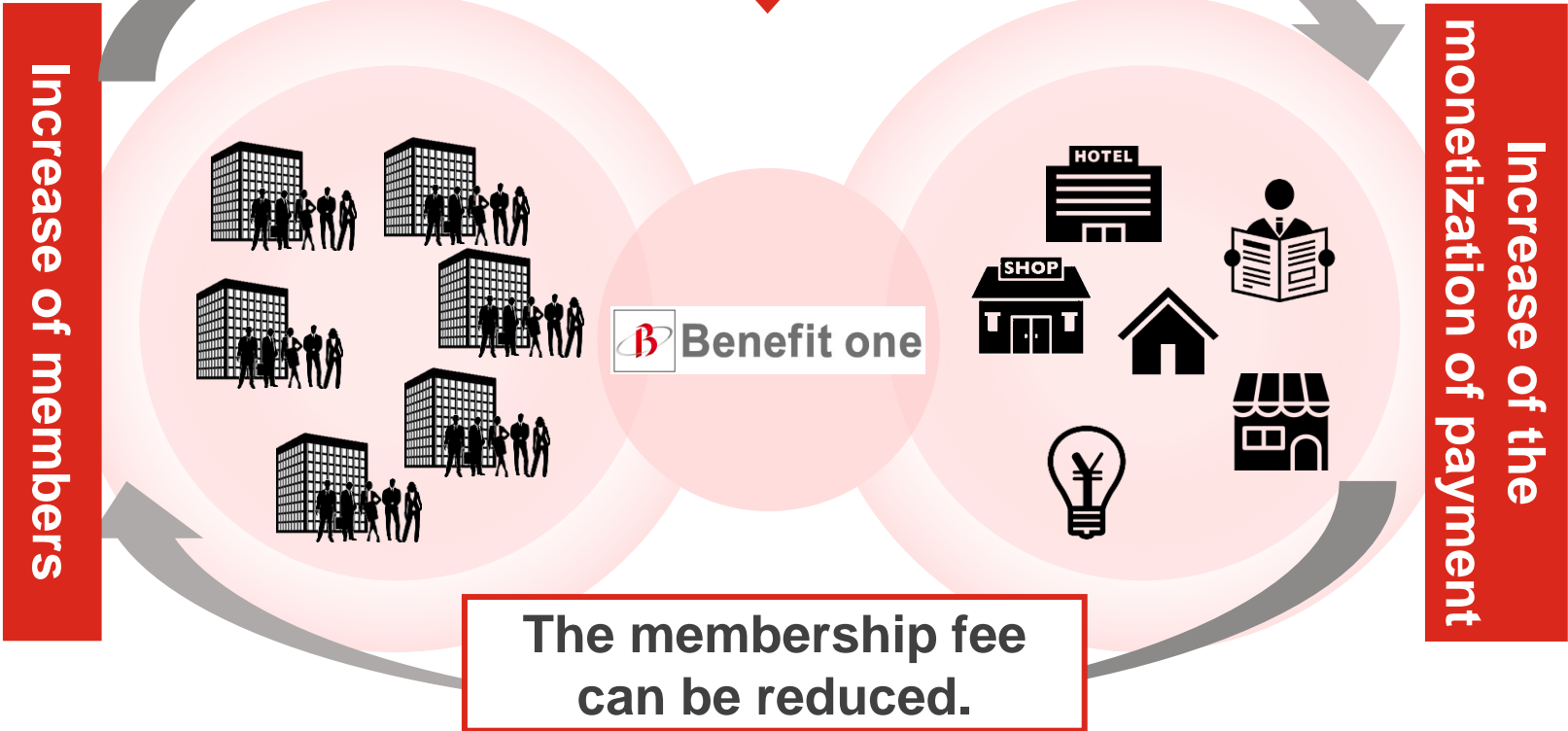
# Annual use amount: 100 billion yen

## 800 services

Development with a focus on infrastructure and flat-rate services

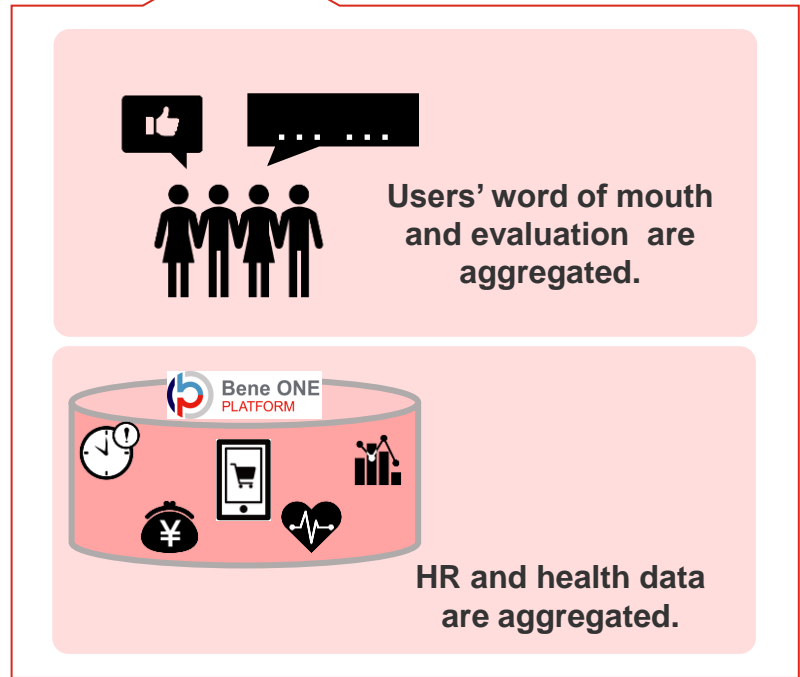
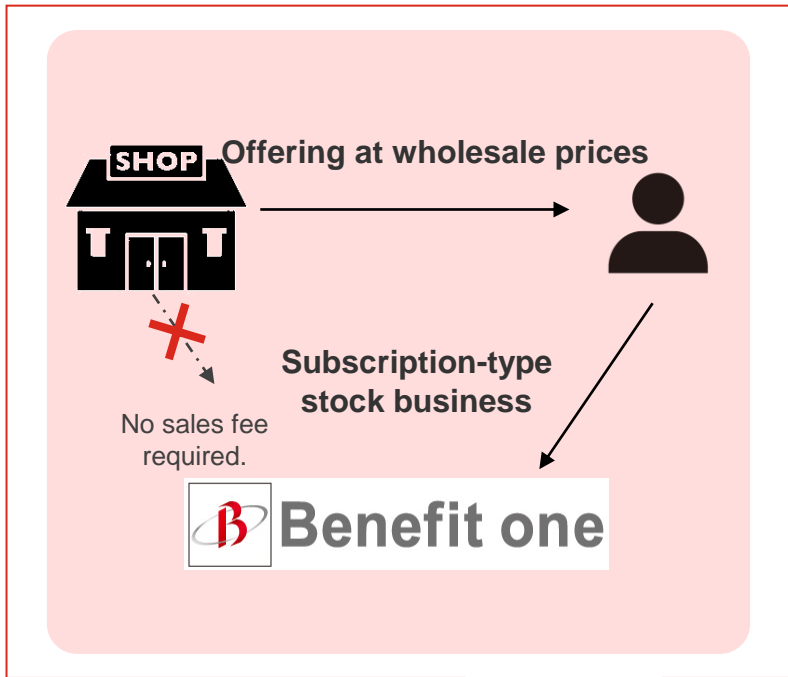
Supplier development

**We will accelerate the capturing of members by reducing the membership fee, using the settlement fee as a source of funds.**



To become Japan's only platformer utilizing the strengths of B-to-E

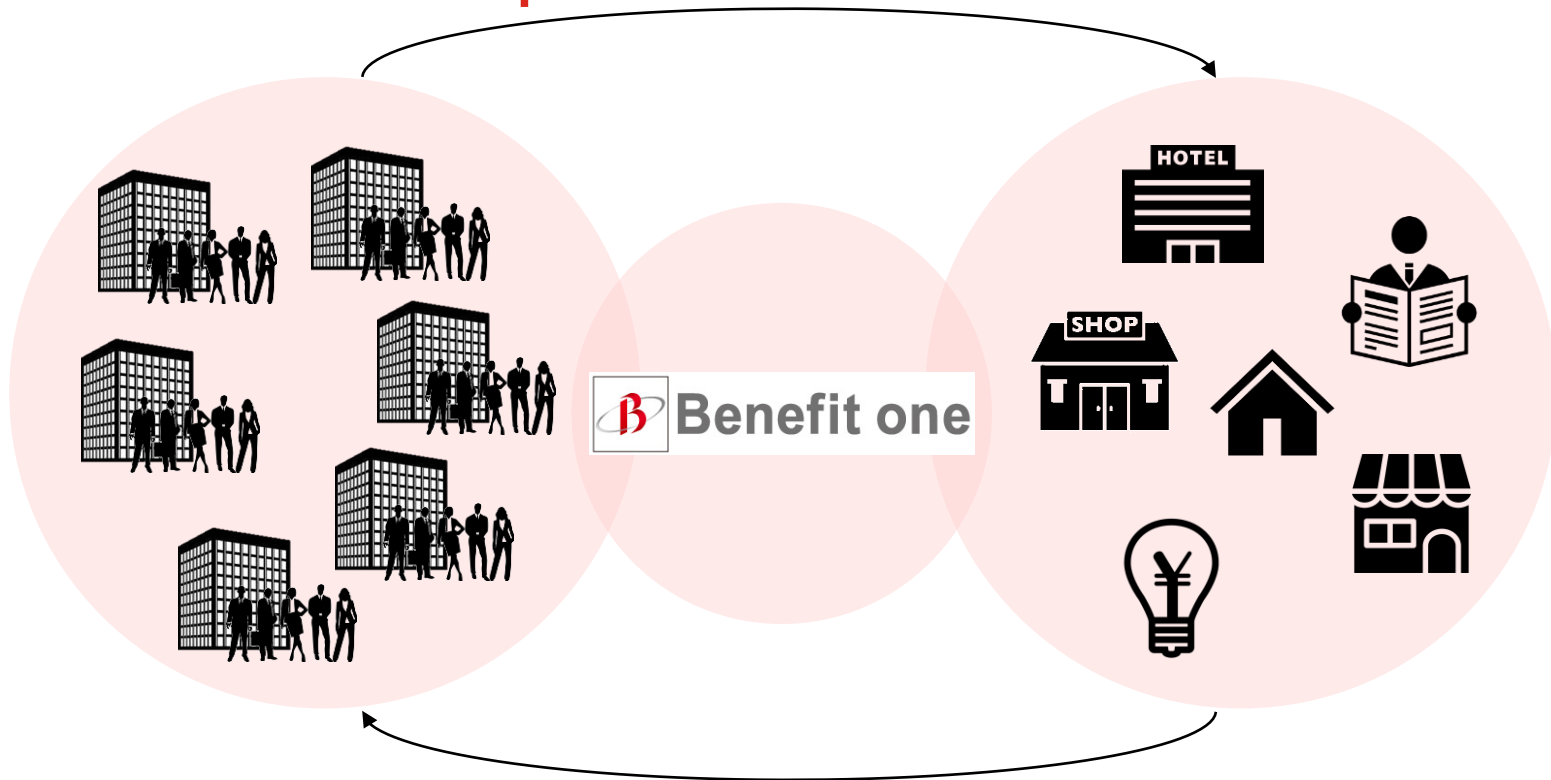
**Comparison and consideration** by appropriately evaluating services  
Promotion of service use by making **recommendations that are optimal for individuals**



Service provision **at the lowest price on the market**

To become Japan's only platformer utilizing the strengths of B-to-E

**Comparison and consideration** by appropriately evaluating services  
Promotion of service use by making **recommendations that are optimal for individuals**



Service provision **at the lowest price on the market**

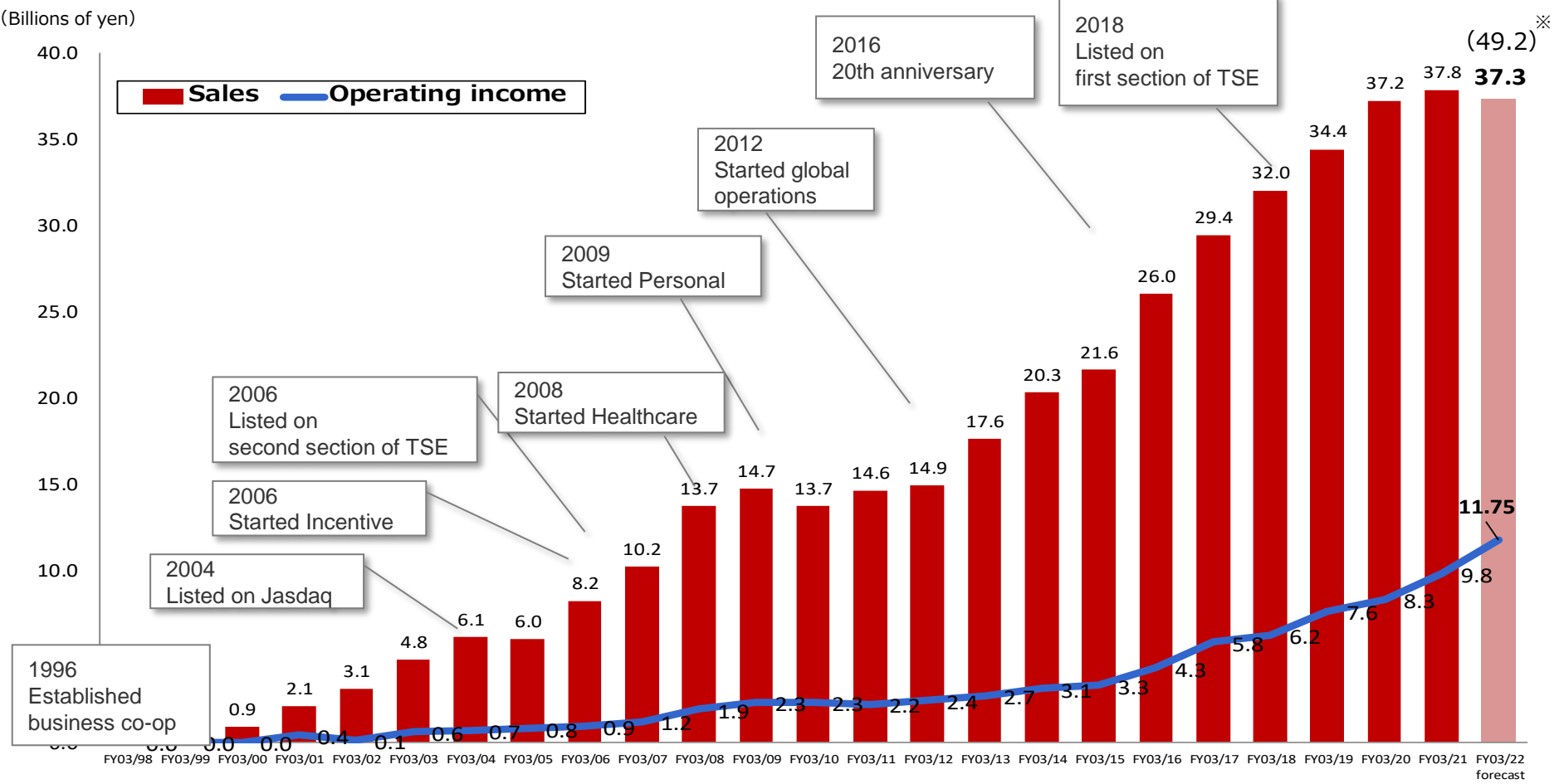
# **1. Financial Highlights and Performance Forecast**

## **2. Medium-term Business Plan and Growth Strategy for the Future**

### **3. DATA BOOK**



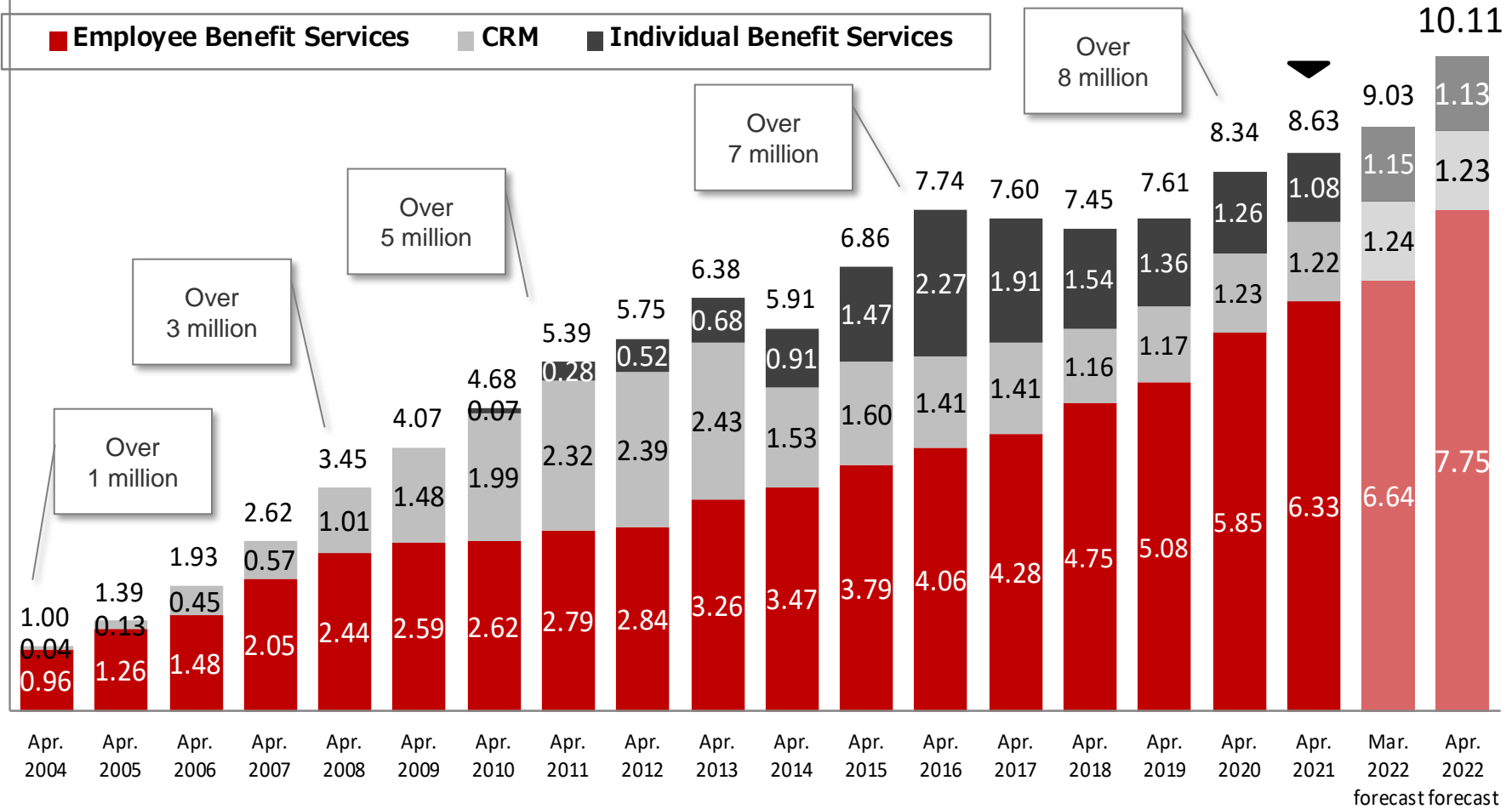
**We aim to achieve an operating income of 11.75 billion yen, marking an income increase for 11 consecutive years.**



\* We have applied "Accounting Standard for Revenue Recognition," etc. from the fiscal year ending March 31, 2022. Sales in the above performance forecast are the amounts after applying the standard, etc. Sales for the fiscal year ending March 31, 2022, without applying the standard, etc. are indicated in parentheses. Regarding operating income, no change is expected after applying the standard, etc.

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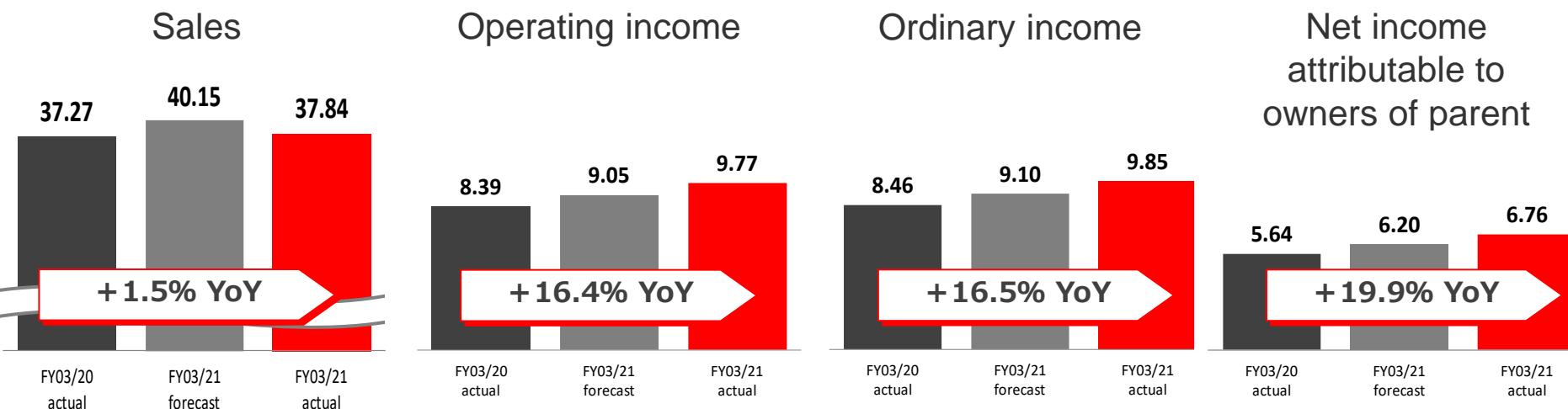
**We aim to achieve a total of over 10 million members in April 2022.**



\* Numbers of CRM and Individual Benefit Services members as of Apr. 2021 are not fixed and thus projected figure.

**We have achieved an income increase for 10 consecutive years.  
The impact of COVID-19 on Healthcare was offset by increased income  
from Employee Benefit Services.**

(Billions of yen)



(Millions of yen)	FY03/20 actual	(%)	FY03/21 forecast	(%)	FY03/21 actual	(%)	YoY change	(%)	vs. forecast	(%)
<b>Sales</b>	<b>37,271</b>	(100.0)	<b>40,150</b>	(100.0)	<b>37,841</b>	(100.0)	<b>+569</b>	<b>+1.5%</b>	<b>▲2,308</b>	<b>▲5.7%</b>
<b>Operating income</b>	<b>8,394</b>	(22.5)	<b>9,050</b>	(22.5)	<b>9,774</b>	(25.8)	<b>+1,379</b>	<b>+16.4%</b>	<b>+724</b>	<b>+8.0%</b>
<b>Ordinary income</b>	<b>8,462</b>	(22.7)	<b>9,100</b>	(22.7)	<b>9,858</b>	(26.1)	<b>+1,396</b>	<b>+16.5%</b>	<b>+758</b>	<b>+8.3%</b>
<b>Net income attributable to owners of parent</b>	<b>5,641</b>	(15.1)	<b>6,200</b>	(15.4)	<b>6,766</b>	(17.9)	<b>+1,125</b>	<b>+19.9%</b>	<b>+566</b>	<b>+9.1%</b>

# Financial Results for FY03/2021 Cost of Sales

**Cost of sales ratio: 56.6% (-3.7 points YoY)**

**Members' service use decreased in the menu associated with going out, etc.  
→ Reimbursement payments decreased.**

(Millions of yen)	FY03/20	FY03/21	FY03/21	YoY		vs.	
	actual	forecast	actual	change	(%)	forecast	(%)
Cost of sales	22,469	24,150	21,418	▲1,051	▲4.7%	▲2,731	▲11.3%
Cost of goods purchased	10,029	10,425	8,918	▲1,110	▲11.1%	▲1,507	▲14.5%
Supplemental payment etc. (Employee Benefit Services+Individual Benefit Services+CRM)	4,918	5,138	3,343	▲1,576	▲32.0%	▲1,795	▲34.9%
Guidebook (Employee Benefit Services+Individual Benefit Services+CRM)	321	157	150	▲171	▲53.3%	▲7	▲4.5%
Incentive	2,646	3,007	2,725	+78	+3.0%	▲283	▲9.4%
Others	2,143	2,123	2,701	+558	+26.0%	+578	+27.2%
Manufacturing cost	12,441	13,725	12,500	+59	+0.5%	▲1,225	▲8.9%
Labor cost	2,938	3,413	3,121	+183	+6.2%	▲291	▲8.5%
Manufacturing expense	9,503	10,312	9,379	▲124	▲1.3%	▲933	▲9.0%
Healthcare	7,394	8,096	7,404	+10	+0.1%	▲692	▲8.6%
Cost of sales ratio	60.3%	60.1%	56.6%	▲3.7pt	—	▲3.5pt	—

**SG & A rate: 17.6% (+0.4 points YoY)**  
**SG & A increased as a result of IT investment and recruitment for increasing medium-term profits.**

(Millions of yen)	FY03/20	FY03/21	FY03/21	YoY		vs.	
	actual	forecast	actual	change	(%)	forecast	(%)
SG&A	6,407	6,950	6,648	+241	+3.8%	▲301	▲4.3%
Labor cost	3,066	3,275	3,285	+218	+7.1%	+10	+0.3%
General expenses	3,341	3,675	3,363	+22	+0.7%	▲312	▲8.5%
SG&A ratio	17.2%	17.3%	17.6%	+0.4pt	—	+0.3pt	—

**Sales did not reach the plan due to the impact of COVID-19 on Healthcare, etc.  
 Cost was less than the projected cost since reimbursement payments decreased with the lower use of the menu associated with going out.**

(Millions of yen)	FY03/21 forecast	(%)	FY03/21 actual	(%)	vs. forecast	(%)
Sales	40,150	(100.0)	37,841	(100.0)	▲2,308	▲5.7%
Cost of sales	24,150	(60.1)	21,418	(56.6)	▲2,731	▲11.3%
Gross profit	16,000	(39.9)	16,422	(43.4)	+422	+2.6%
SG&A expenses	6,950	(17.3)	6,648	(17.6)	▲301	▲4.3%
Operating income	9,050	(22.5)	9,774	(25.8)	+724	+8.0%
Ordinary income	9,100	(22.7)	9,858	(26.1)	+758	+8.3%
Net income attributable to owners of parent	6,200	(15.4)	6,766	(17.9)	+566	+9.1%

### Sales

- Employee Benefit Services + Individual Benefit Services + CRM Membership fee income decreased since the number of members did not reach the plan.
- Healthcare  
Slower health check-up, health guidance, etc.

### Cost of sales

- Reimbursement payments decreased with the lower use of the menu associated with going out.

### SG & A

- Travel expense, entertainment expenses, etc. were below projections.
- Sales promotion expenses, etc. were not fully spent.

**We are developing systems to promote HRDX.  
We plan to renew core systems in the fiscal year ending March 31, 2022.**

## ■ Investment plan in software and tangible fixed assets

(Millions of yen)	FY03/20 actual	FY03/21 actual	FY03/22 forecast	03/20→03/21 change	(%)	03/21→03/22 change	(%)
<b>Benefit One</b>	<b>720</b>	<b>1,170</b>	<b>2,255</b>	<b>+450</b>	<b>+62.4%</b>	<b>+1,085</b>	<b>+92.8%</b>
Intangible fixed assets (Software/Intangible leased assets)	607	1,120	2,255	+513	+84.6%	+1,135	+101.4%
Tangible fixed assets (including tangible leased assets)	114	49	0	▲65	▲56.9%	▲49	▲100.0%
<b>Consolidated overseas affiliates and others</b>	<b>86</b>	<b>75</b>	<b>166</b>	<b>▲11</b>	<b>▲12.4%</b>	<b>+91</b>	<b>+121.5%</b>
Intangible fixed assets (Software/Intangible leased assets)	75	68	166	▲7	▲9.7%	+98	+144.3%
Tangible fixed assets (including tangible leased assets)	10	7	0	▲3	▲32.5%	▲7	▲100.0%
<b>Total</b>	<b>812</b>	<b>1,246</b>	<b>2,421</b>	<b>+434</b>	<b>+53.4%</b>	<b>+1,175</b>	<b>+94.3%</b>
Intangible fixed assets (Software/Intangible leased assets)	688	1,188	2,421	+500	+72.7%	+1,233	+103.8%
Tangible fixed assets (including tangible leased assets)	124	57	0	▲67	▲54.1%	▲57	▲100.0%

\* Including the amount commensurate with long-term prepaid expenses

\* Total is after intragroup fixed asset transaction deduction

## ■ Financial condition

		Mar. 2020	Mar. 2021	change
<b>Total assets</b>	million yen	<b>29,926</b>	<b>36,171</b>	<b>+6,245</b>
Current assets	million yen	23,469	28,696	+5,226
Fixed assets	million yen	6,456	7,475	+1,018
<b>Total liabilities</b>	million yen	<b>13,358</b>	<b>16,306</b>	<b>+2,947</b>
Current liabilities	million yen	12,304	15,184	+2,879
Fixed liabilities	million yen	1,054	1,121	+67
<b>Net assets</b>	million yen	<b>16,567</b>	<b>19,865</b>	<b>+3,298</b>
<b>Equity ratio</b>	%	<b>55.4%</b>	<b>54.9%</b>	<b>▲0.5pt</b>

- Cash and deposits: +4,602
- Accounts receivable: +649

- Accounts payable: +1,018
- Income tax payable: +486
- Advances received: +888

- Profit attributable to owners of the parent: +6,766
- Dividends paid: -3,987

## ■ Management indicator

		FY03/2020	FY03/2021	change
Operating income margin	%	22.5%	25.8%	+3.3pt
Ordinary income margin	%	22.7%	26.1%	+3.4pt
Net income margin	%	15.1%	17.9%	+2.8pt
Net earnings per share	yen	35.24	42.52	+7.28



(million yen)	FY03/2020	FY03/2021	change
CF from operating activities	5,476	9,862	+4,386
CF from investing activities	▲748	▲1,175	▲427
CF from financing activities	▲9,077	▲4,110	+4,967
Cash and cash equivalents, end of year	12,962	17,554	+4,591

### **Fund increase**

- Net income before income taxes: 9,852
- Depreciation: 778
- Increase in trade payables: 1,013
- Increase in advances received: 873

### **Fund decrease**

- Increase in trade receivables: 637
- Decrease in accounts payable: 594
- Income taxes paid: 2,647

### **Fund decrease**

- Purchase of property/plants/equipment and intangible assets: 1,119

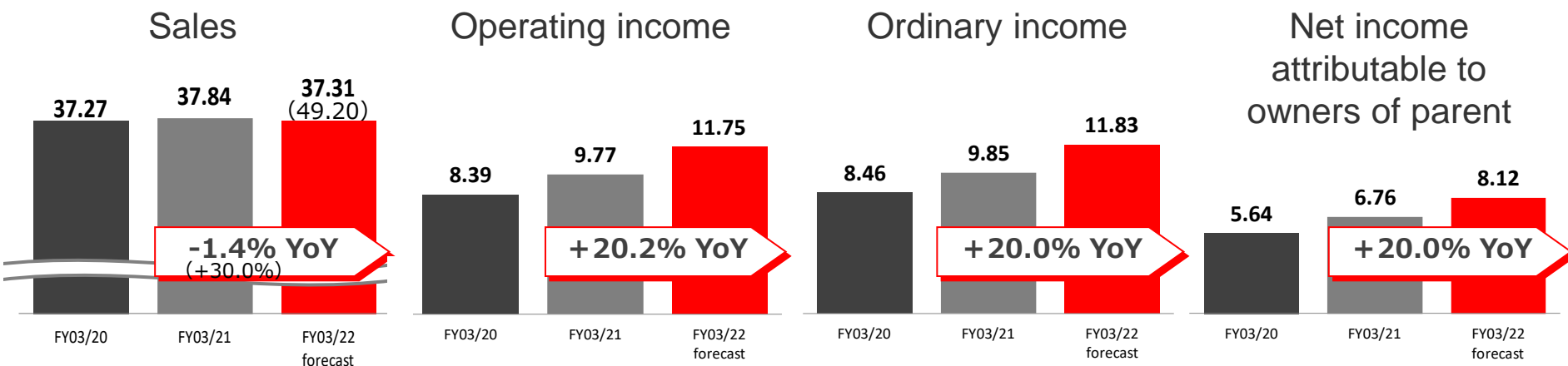
### **Fund decrease**

- Dividends paid: 3,986

# Consolidated Forecasts for FY03/2022

**We plan to increase sales by 30% and income by 20% in real terms.  
We aim to increase income for 11 consecutive years with Healthcare-centered growth.**

(Billions of yen)



(Millions of yen)	FY03/20	(%)	FY03/21	(%)	FY03/22 forecast	(%)	03/20→ 03/21 change	(%)	03/21→ 03/22 change	(%)
Sales	37,271	(100.0)	37,841	(100.0)	37,310 (49,200)	(100.0)	+569	+1.5%	▲531 (+11,358)	▲1.4% (+30.0%)
Operating income	8,394	(22.5)	9,774	(25.8)	11,750	(31.5)	+1,379	+16.4%	+1,975	+20.2%
Ordinary income	8,462	(22.7)	9,858	(26.1)	11,830	(31.7)	+1,396	+16.5%	+1,971	+20.0%
Net income attributable to owners of parent	5,641	(15.1)	6,766	(17.9)	8,120	(21.8)	+1,125	+19.9%	+1,353	+20.0%

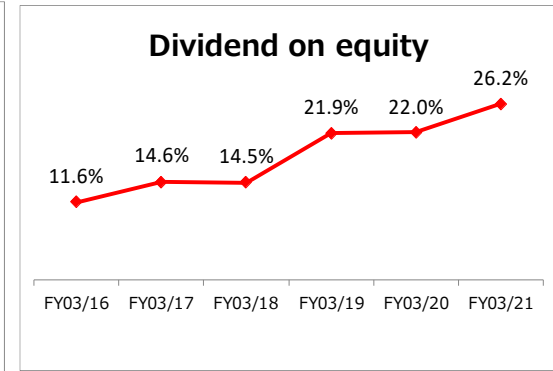
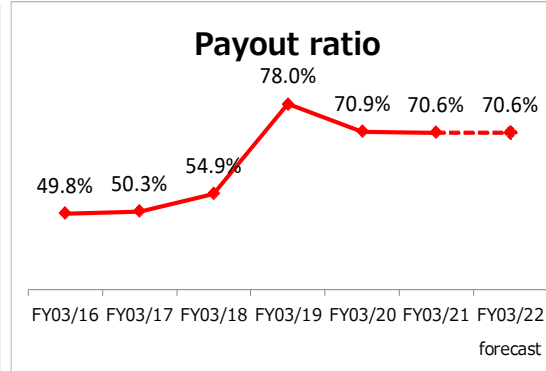
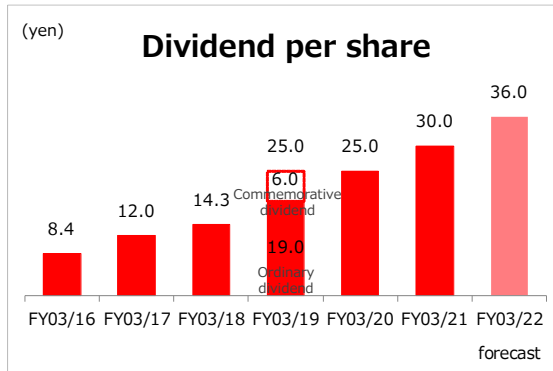
\* We have applied "Accounting Standard for Revenue Recognition," etc. from the fiscal year ending March 31, 2022. Sales in the above performance forecast are the amounts after applying the standard, etc. Sales for the fiscal year ending March 31, 2022, YoY increase/decrease, and the rate of increase/decrease without applying the standard, etc. are indicated in parentheses. Regarding operating income, ordinary income, and profit attributable to owners of the parent, no change is expected after applying the standard, etc.  
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# Transitions of Performance and Financial Condition Benefit one

Profit and Loss Statement		FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	
		Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	1H Forecast	Full-term Forecast
Sales	(Million yen)	29,478	32,089	34,461	37,271	37,841	17,670 (25,140)	37,310 (49,200)
YoY	(%)	+13.1%	+8.9%	+7.4%	+8.2%	+1.5%	+2.8%	▲1.4%
Gross profit	(Million yen)	12,027	12,583	13,767	14,802	16,422	9,170 (+46.2%)	19,340 (+30.0%)
YoY	(%)	+17.4%	+4.6%	+9.4%	+7.5%	+10.9%	+17.8%	+17.8%
Gross profit margin	(%)	40.8%	39.2%	40.0%	39.7%	43.4%	51.9%	51.8%
Operating income	(Million yen)	5,852	6,212	7,641	8,394	9,774	5,280	11,750
YoY	(%)	+34.4%	+6.2%	+23.0%	+9.9%	+16.4%	+18.5%	+20.2%
Operating income margin	(%)	19.9%	19.4%	22.2%	22.5%	25.8%	29.9%	31.5%
Ordinary income	(Million yen)	5,727	6,263	7,707	8,462	9,858	5,330	11,830
YoY	(%)	+32.8%	+9.4%	+23.1%	+9.8%	+16.5%	+18.8%	+20.0%
Ordinary income margin	(%)	19.4%	19.5%	22.4%	22.7%	26.1%	30.2%	31.7%
Net income attributable to owners of parent	(Million yen)	3,855	4,190	5,176	5,641	6,766	3,630	8,120
YoY	(%)	+40.9%	+8.7%	+23.5%	+9.0%	+19.9%	+18.2%	+20.0%
Net income margin	(%)	13.1%	13.1%	15.0%	15.1%	17.9%	20.5%	21.8%
<b>Balance Sheet</b>								
Total assets	(Million yen)	26,779	30,235	34,774	29,926	36,171	-	-
Current assets	(Million yen)	20,267	23,565	28,036	23,469	28,696	-	-
Net assets	(Million yen)	14,712	17,107	19,882	16,567	19,865	-	-
<b>Cashflow Statement</b>								
CF from operating activities	(Million yen)	5,765	6,289	5,628	5,476	9,862	-	-
CF from investing activities	(Million yen)	▲ 906	▲ 1,079	▲ 844	▲ 748	▲ 1,175	-	-
CF from financing activities	(Million yen)	▲ 1,214	▲ 2,189	▲ 2,387	▲ 9,077	▲ 4,110	-	-
Ending balance of cash and equivalents	(Million yen)	11,896	14,924	17,328	12,962	17,554	-	-

\* We have applied "Accounting Standard for Revenue Recognition," etc. from the fiscal year ending March 31, 2022. Sales in the above performance forecast are the amounts after applying the standard, etc. Sales for the fiscal year ending March 31, 2022 and the rate of increase/decrease without applying the standard, etc. are indicated in parentheses. Regarding operating income, ordinary income, and profit attributable to owners of the parent, no change is expected after applying the standard, etc.

We aim at a 10% or more annual dividend on equity ratio and 70% or more dividend payout ratio



Management Index		FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22
		Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
Equity ratio	(%)	54.8%	56.5%	57.1%	55.4%	54.9%	Dividend per share: 36.0 Yen (Forecast)
Ordinary income on total assets (ROA)	(%)	23.5%	22.0%	23.7%	26.2%	29.8%	
Return on equity capital (ROE)	(%)	29.1%	26.4%	28.0%	31.0%	37.1%	
Earning per share (EPS)	(yen)	23.88	25.95	32.05	35.24	42.52	
Book-value per share (BPS)	(yen)	90.91	105.69	123.03	104.10	124.84	
Dividend per share (DPS)	(yen)	12.00	14.25	25.00	25.00	30.00	
Payout ratio	(%)	50.3%	54.9%	78.0%	70.9%	70.6%	
Dividend on equity ratio (DOE)	(%)	14.6%	14.5%	21.9%	22.0%	26.2%	

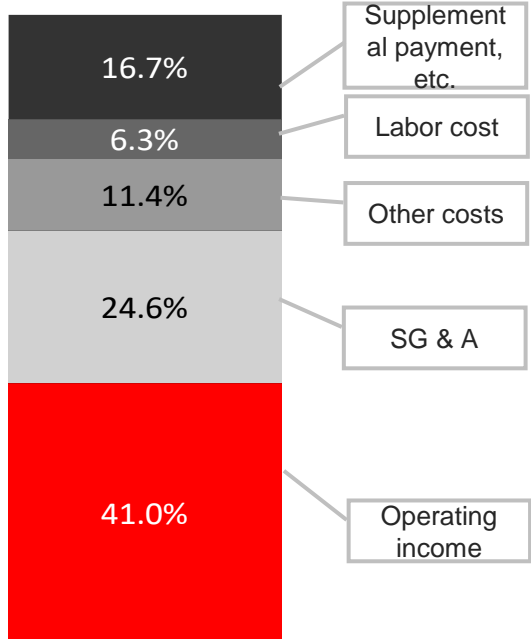
\* One common share was split into two shares, effective on October 1, 2017.

\* One common share was split into two shares, effective on March 1, 2019.

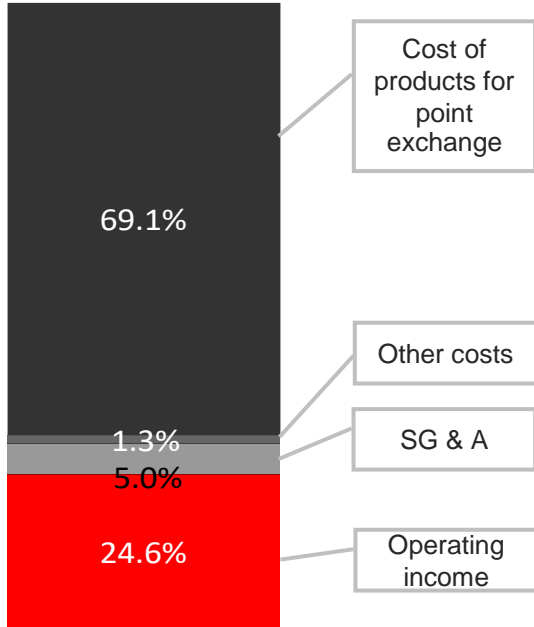
\* The above amounts are retroactively adjusted in consideration of those stock splits.

No.	Business	Description of business
1	Employee Benefit Services	Provision of a variety of services including accommodation and life services as the Welfare Program for company employees (“Benefit Station”). We receive membership fees from member companies based on the number of their employees, and provide a discount service menu.
2	Individual Benefit Services	Provision of “Benefit Station” to the customers of our collaboration partners. Company-specific arrangement is also available. We offer new profit-making opportunities to our partners by combining the partners’ own products and our services. We receive membership fees from the partners’ customers (individuals), and share revenues with the partners.
3	CRM	Support for increasing clients’ customer satisfaction and loyalty
4	Incentive	As support for enterprises’ loyalty and motivation enhancement measures, we issue and manage reward points and provide items in exchange for points. We record point prices as sales and record item expenses as cost of sales when members buy items using their points.
5	Healthcare	Provision of one-stop health support designed to prevent body and mind diseases, such as health check-up service, specified health guidance, health point, and stress check, by collecting fees from health insurance associations and business owners. We support appropriate medical expenses and productivity enhancement by promoting the health of insured persons and employees.
6	Purchase and Settlement Service	Outsourcing of administrative operations, such as payment for communication lines and business trips (ex-Cost Reduction Business) Business travel support designed for cost reduction, operating efficiency improvement, and compliance reinforcement (ex-BTM Business)
7	Payment business	Monetization of the settlement fee through the salary deduction payment service, etc.
8	Overseas	Primarily Incentive Business

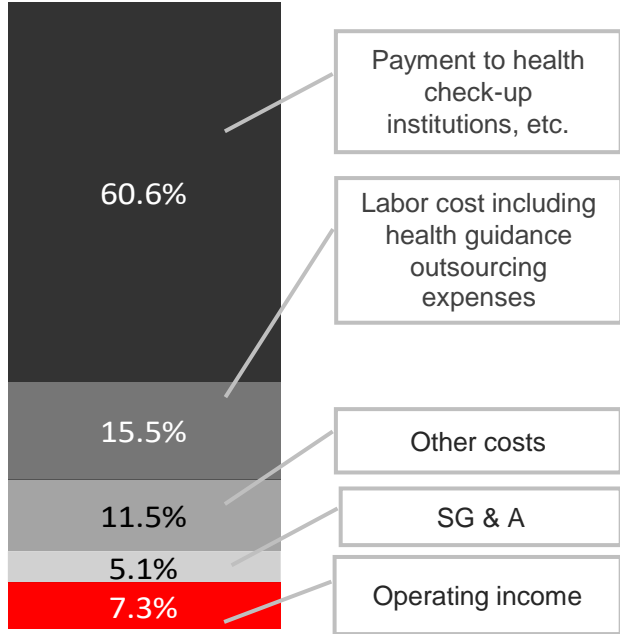
## Employee Benefit Services + Individual Benefit Services + CRM



## Incentive



## Healthcare



FY03/21	(million yen)	ratio(%)
Sales	20,459	100.0%
Cost of sales	7,039	34.4%
Gross profit	13,420	65.6%
SG&A expenses	5,031	24.6%
Operating income	8,389	41.0%

FY03/21	(million yen)	ratio(%)
Sales	3,957	100.0%
Cost of sales	2,784	70.4%
Gross profit	1,173	29.6%
SG&A expenses	198	5.0%
Operating income	975	24.6%

FY03/21	(million yen)	ratio(%)
Sales	10,367	100.0%
Cost of sales	9,086	87.6%
Gross profit	1,281	12.4%
SG&A expenses	526	5.1%
Operating income	755	7.3%

# Sales Transition by Business

		FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	
		Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	1H forecast	Full-term forecast
<b>Sales</b>	(million yen)	<b>29,478</b>	<b>32,089</b>	<b>34,461</b>	<b>37,271</b>	<b>37,841</b>	<b>17,670</b> (25,140)	<b>37,310</b> (49,200)
	YoY	(%)	+13.1%	+8.9%	+7.4%	+8.2%	+2.8% (+46.2%)	▲1.4% (+30.0%)
Employee Benefit Services	(million yen)	14,306	14,927	16,473	17,711	17,932	8,741 (8,964)	18,275 (18,610)
	YoY	(%)	+2.8%	+4.3%	+10.4%	+7.5%	▲1.6% (+0.9%)	+1.9% (+3.8%)
Individual Benefit Services	(million yen)	4,166	3,606	2,926	2,514	2,056	1,001	2,132
	YoY	(%)	+17.9%	▲13.4%	▲18.8%	▲14.1%	▲18.2%	+3.7%
CRM	(million yen)	578	559	489	489	471	246	539
	YoY	(%)	+9.8%	▲3.3%	▲12.6%	+0.2%	▲3.7%	+14.3%
Incentive	(million yen)	3,736	4,228	3,478	3,681	3,957	2,075	4,401
	YoY	(%)	+53.0%	+13.2%	▲17.7%	+5.8%	+7.5%	▲1.9% +11.2%
Healthcare	(million yen)	4,979	7,139	9,411	10,598	10,367	4,248 (11,487)	8,560 (20,096)
	YoY	(%)	+17.0%	+43.4%	+31.8%	+12.6%	▲2.2% (+207.2%)	▲17.4% (+93.8%)
Purchase and Settlement Service	(million yen)	636	622	700	751	695	351	827
	YoY	(%)	+2.0%	▲2.2%	+12.6%	+7.3%	▲7.5%	+19.0%
Payment	(million yen)	-	-	-	14	18	5	30
	YoY	(%)	-	-	-	+30.5%	+45.7%	+71.0%
Overseas	(million yen)	284	200	344	856	1,424	772 (779)	1,866
	YoY	(%)	+82.7%	▲29.7%	+72.5%	+148.6%	+66.4% (+38.9%)	+31.0% (+32.4%)
Other	(million yen)	792	810	640	657	921	231	680
	YoY	(%)	-	-	-	-	-	-

\* We have applied "Accounting Standard for Revenue Recognition," etc. from the fiscal year ending March 31, 2022, and changed the sales recording method. The businesses affected by the change of the standard, etc. are Healthcare, Employee Benefit Services, and Overseas businesses. No change is expected in other businesses. Only sales are expected to be affected by the change of the standard, etc. No change is expected in operating income, ordinary income, and profit attributable to owners of the parent. Sales for the fiscal year ending March 31, 2022 and the rate of increase/decrease without applying the standard, etc. are indicated in parentheses.

# Operating Income Transition by Business

		FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	
		Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	1H forecast	Full-term forecast
<b>Operating income</b>	(million yen)	<b>5,852</b>	<b>6,212</b>	<b>7,641</b>	<b>8,394</b>	<b>9,774</b>	<b>5,280</b>	<b>11,750</b>
YoY	(%)	+34.4%	+6.2%	+23.0%	+9.9%	+16.4%	+18.5%	+20.2%
Employee Benefit Services +Individual Benefit Services+CRM	(million yen)	5,290	5,468	6,790	6,879	8,389	4,110	9,302
YoY	(%)	+23.6%	+3.4%	+24.2%	+1.3%	+22.0%	+0.9%	+10.9%
Incentive	(million yen)	555	745	621	789	975	501	1,010
YoY	(%)	+67.2%	+34.1%	▲16.6%	+27.1%	+23.6%	▲4.4%	+3.6%
Healthcare	(million yen)	292	454	666	1,131	755	1,842	3,373
YoY	(%)	-	+55.1%	+46.8%	+69.8%	▲33.2%	+2236.0%	+346.6%
Purchase and Settlement Service	(million yen)	66	36	39	110	73	19	158
YoY	(%)	▲40.6%	▲46.2%	+10.1%	+179.4%	▲33.5%	▲2.5%	+116.9%
Payment	(million yen)	-	-	-	2	17	▲60	▲99
YoY	(%)	-	-	-	-	+864.7%	-	-
Overseas	(million yen)	▲225	▲319	▲298	▲233	▲104	▲72	▲80
YoY	(%)	-	-	-	-	-	-	-
Other	(million yen)	▲128	▲171	▲177	▲284	▲331	▲1,060	▲1,914
YoY	(%)	-	-	-	-	-	-	-

\* We have changed the cost allocation method relating to companywide common expenses from the fiscal year ending March 31, 2022. Expenses that were previously included in "(1) Employee Benefit Services + Individual Benefit Services/CRM" have been included in "(7) Other." We have also changed the cost allocation method relating to common system infrastructure from the fiscal year ending March 31, 2022. Expenses that were previously included in "(7) Other (of which system-related expenses)" have been allocated to each business.



# “Building the service distribution business”

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