

July 31, 2023

## Operating Performance at Benefit One for the First Three Months of the Fiscal Year Ending March 31, 2024 (Q1 FY03/24)

### Summary of Consolidated Operating Results for Q1 FY03/24

Operating income reached 61.3% of the 1H FY03/24 consolidated forecast.

Income declined YoY due to reduced transactions with municipal governments related to the COVID-19 vaccination support business.

- While membership fee revenue, which accounts for the majority of Employee Benefit Services sales, increased YoY, transactions specific to the former JTB Benefit Service declined. Rebate-related expenditures accompanying service usage among members increased, and growth investments in personnel and systems were within expectations.
- Performance in the Healthcare business was in line with the plan, including reduced transactions related to the vaccination support business.
- We made no changes to the operating performance forecast we announced on May 11, 2023.

### 1. Consolidated operating performance (April 1, 2023–June 30, 2023)

(Millions of yen)	FY03/23		FY03/24		YoY change		Vs. forecast	
	Amount	% of sales	Amount	% of sales	Change	%	1H forecast	Q1 progress
Sales	10,583	–	9,571	–	▲1,012	▲9.6%	19,520	49.0%
Cost of sales	4,759	45.0%	4,812	50.3%	+53	+1.1%	–	–
Gross profit	5,824	55.0%	4,759	49.7%	▲1,065	▲18.3%	–	–
SG&A expenses	2,924	27.6%	2,822	29.5%	▲102	▲3.5%	–	–
Operating income	2,899	27.4%	1,936	20.2%	▲963	▲33.2%	3,160	61.3%
Ordinary income	2,943	27.8%	1,961	20.5%	▲982	▲33.4%	3,280	59.8%
Net income attributable to owners of parent	1,999	18.9%	1,310	13.7%	▲689	▲34.5%	2,170	60.4%

**2. Performance of Major Businesses** (April 1, 2023–June 30, 2023)

(Millions of yen)	Sales	YoY		Operating income	YoY		Factors affecting profit
		Change	%		Change	%	
Employee Benefit Services	6,044	▲55	▲0.9%	2,210	▲105	▲4.5%	YoY increase in membership fee revenue Decrease in transactions specific to the former JTB Benefit Service Increased rebate-related expenditures accompanying service usage among members
Individual Benefit Services+CRM	566	▲39	▲6.4%				
Healthcare (Health Checkup / Health Guidance, etc.)	987	▲32	▲3.2%	18	▲45	▲71.5%	Differences in the timing of implementation within the fiscal year
Healthcare (Vaccination Support, etc.)	278	▲939	▲77.1%	193	▲894	▲82.3%	Reduced transactions with municipal governments
Incentive	949	▲43	▲4.4%	228	+14	+6.5%	Budget contraction at major clients partially offset by other clients
Purchase and Settlement Service	169	+23	+15.6%	50	+30	+154.6%	Recovery in use for business trip reimbursement
Payment	6	+3	+128.4%	▲18	▲2	—	—
Overseas	463	+112	+31.7%	▲113	▲29	—	Sales expansion in Singapore; advance spending on system expansion
Other (company-wide shared expenses, etc.)	109	▲40	—	▲632	+68	—	Absence of head office relocation expenses that occurred in FY03/23; increase in personnel expenses, etc.
Total	9,571	▲1,012	▲9.6%	1,936	▲963	▲33.2%	

### 3. Performance of Major Businesses, by Quarter

(Millions of yen)	FY03/22				FY03/23				FY03/24
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Employee Benefit Services	4,372	4,344	4,359	6,721	6,100	6,094	6,184	6,827	6,044
Individual Benefit Services	498	484	462	447	449	461	416	432	416
CRM	109	110	108	161	156	143	144	211	150
Healthcare (Health Checkup / Health Guidance, etc.)	1,165	1,085	1,177	1,424	1,018	938	1,120	1,393	987
Healthcare (Vaccination support, etc.)	646	2,648	720	745	1,218	769	1,173	562	278
Incentive	981	921	683	888	992	563	652	890	949
Purchase and Settlement Service	165	161	150	164	146	156	173	202	169
Payment	3	2	3	10	3	2	4	12	6
Overseas	348	293	438	394	352	381	644	521	463
Other	196	217	219	339	149	143	278	303	109
<b>Sales</b>	<b>8,483</b>	<b>10,265</b>	<b>8,319</b>	<b>11,293</b>	<b>10,583</b>	<b>9,650</b>	<b>10,788</b>	<b>11,353</b>	<b>9,571</b>
<b>Gross profit</b>	<b>4,600</b>	<b>5,790</b>	<b>4,421</b>	<b>5,916</b>	<b>5,824</b>	<b>4,919</b>	<b>5,850</b>	<b>5,876</b>	<b>4,759</b>
<i>Gross profit margin (%)</i>	<i>54.2%</i>	<i>56.4%</i>	<i>53.1%</i>	<i>52.4%</i>	<i>55.0%</i>	<i>51.0%</i>	<i>54.2%</i>	<i>51.8%</i>	<i>49.7%</i>
<b>SG&amp;A expenses</b>	<b>1,754</b>	<b>1,746</b>	<b>1,773</b>	<b>2,684</b>	<b>2,924</b>	<b>2,990</b>	<b>2,872</b>	<b>3,227</b>	<b>2,822</b>
Employee Benefit Services + Individual Benefit Services + CRM	2,285	2,451	2,153	2,595	2,315	1,869	2,625	2,394	2,210
Healthcare (Health Checkup / Health Guidance, etc.)	221	235	236	351	63	▲12	27	260	18
Healthcare (Vaccination support, etc.)	571	1,647	660	636	1,087	596	829	380	193
Incentive	269	216	127	169	214	73	106	151	228
Purchase and Settlement Service	17	15	28	36	20	42	56	76	50
Payment	▲23	▲17	▲14	▲8	▲16	▲15	▲16	▲9	▲18
Overseas	▲41	▲33	▲31	▲65	▲84	▲91	▲80	▲88	▲113
Other (company-wide shared expenses, etc.)	▲453	▲470	▲512	▲483	▲700	▲533	▲540	▲516	▲632
<b>Operating income</b>	<b>2,846</b>	<b>4,044</b>	<b>2,647</b>	<b>3,231</b>	<b>2,899</b>	<b>1,929</b>	<b>3,007</b>	<b>2,648</b>	<b>1,936</b>
<i>Operating income margin (%)</i>	<i>33.6%</i>	<i>39.4%</i>	<i>31.8%</i>	<i>28.6%</i>	<i>27.4%</i>	<i>20.0%</i>	<i>27.9%</i>	<i>23.3%</i>	<i>20.2%</i>
<b>Ordinary income</b>	<b>2,877</b>	<b>4,010</b>	<b>2,664</b>	<b>3,274</b>	<b>2,943</b>	<b>1,963</b>	<b>2,974</b>	<b>2,683</b>	<b>1,961</b>
<i>Ordinary income margin (%)</i>	<i>33.9%</i>	<i>39.1%</i>	<i>32.0%</i>	<i>29.0%</i>	<i>27.8%</i>	<i>20.3%</i>	<i>27.6%</i>	<i>23.6%</i>	<i>20.5%</i>
<b>Net income attributable to owners of parent</b>	<b>2,051</b>	<b>2,774</b>	<b>1,837</b>	<b>2,286</b>	<b>1,999</b>	<b>1,751</b>	<b>2,082</b>	<b>1,822</b>	<b>1,310</b>
<i>Net income margin (%)</i>	<i>24.2%</i>	<i>27.0%</i>	<i>22.1%</i>	<i>20.2%</i>	<i>18.9%</i>	<i>18.1%</i>	<i>19.3%</i>	<i>16.0%</i>	<i>13.7%</i>

#### 4. Quarterly member count by business

Ten thousand members	FY03/22				FY03/23				FY03/24
	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.
Employee Benefit Services	634	635	893	893	908	906	930	932	952
Individual Benefit Services	106	101	105	96	84	83	81	80	77
CRM	127	127	139	141	137	139	142	148	127
<b>Total members</b>	<b>867</b>	<b>863</b>	<b>1,137</b>	<b>1,130</b>	<b>1,129</b>	<b>1,128</b>	<b>1,153</b>	<b>1,160</b>	<b>1,156</b>

#### 5. Various service numbers in the Healthcare business

(10,000 cases)	FY03/22				FY03/23				FY03/24
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Health checkup: number of consultations *Note 1	16	25	14	9	17	25	15	10	16
Specific health guidance: number of initial consultations *Note 2	3	3	3	4	2	2	3	4	2
Vaccinations *Note 3	34	72	25	26	19	22	45	9	7

Note 1: "Health checkup: number of checkups" refers to the number of health checkups for which Benefit One made appointments on behalf of service members.

Note 2: "Specific health guidance: number of initial consultations" refers to the number of initial consultations members eligible for this service had with specialist staff.

Note 3: "Vaccinations" refers to the number of vaccinations that were arranged by the Company and administered by municipal governments or at workplaces.

#### 6. Qualitative information regarding consolidated operating performance forecast

(April 1, 2023–March 31, 2024)

As there have been no changes in our perception of the business environment and growth opportunities faced by our Group since the beginning of the fiscal year, and our performance versus the consolidated operating income forecast has been progressing well, we have made no changes to the operating performance forecasts for 1H and full-year FY03/24 that we announced on May 11, 2023.

These materials are intended to provide information pertaining to financial results. They are not intended to solicit investments in securities issued by the Company. These materials were prepared on the basis of data as of June 30, 2023. Accordingly, opinions or forecasts contained in these materials are based on the judgment of the Company as of the date the materials were prepared. The Company makes no guarantees or pledges as to the accuracy or completeness of this information. Furthermore, this information may be changed without notice.