



## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Q1 FY03/24) [Based on Japanese GAAP]

July 31, 2023

Name of listed company: Benefit One Inc.

Listed exchange: Tokyo Stock Exchange

Stock exchange code: 2412

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

Representative: (Title) President & COO

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Quarterly securities report to be submitted on: August 14, 2023

Dividend payment to start on: -

Quarterly results supplementary material: Yes

Quarterly results briefing: No

(Rounded down to the nearest million yen)

### 1. Q1 FY03/24 consolidated operating performance (April 1, 2023 to June 30, 2023)

(1) Consolidated operating results (cumulative) (% shows increase/decrease rate from Q1 of FY03/23)

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Q1 FY03/24	9,571	△9.6	1,936	△33.2	1,961	△33.4	1,310	△34.4
Q1 FY03/23	10,583	24.8	2,899	1.9	2,943	2.3	1,999	△2.6

Note Comprehensive income Q1 FY03/24 1,324 million (△21.3%) Q1 FY03/23 1,682 million (△20.4%)

	Net income per share	Diluted net income per share
	Yen Sen	Yen Sen
Q1 FY03/24	8.28	—
Q1 FY03/23	12.58	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Q1 FY03/24	48,429	20,442	42.2
FY03/23	53,981	24,832	46.0

Ref. Equity capital Q1 FY03/23 9,375 million FY03/22 24,912 million

### 2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Total
	Yen Sen	Yen Sen	Yen Sen	Yen Sen	Yen Sen
FY03/23	—	0.00	—	36.00	36.00
FY03/24	—				
FY03/24 (forecast)		0.00	—	36.00	36.00

Note: Correction from the most recently announced dividend forecast: No

### 3. Consolidated operating performance forecasts for FY03/23 (April 1, 2023 to March 31, 2024)

(% shows QoQ and YoY increase/decrease rate, respectively.)

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen Sen
Q2 (cumulative)	19,520	△3.5	3,160	△34.6	3,280	△33.2	2,170	△42.2	13.70
Full-year	45,450	7.3	10,830	3.3	10,970	3.8	7,300	△4.6	46.09

Note: Correction from the most recently announced performance forecasts: No

\* Notes

(1) Important change to a subsidiary company during the cumulative : No  
quarterly consolidated accounting period

(a change to a specified subsidiary with a change of the scope of consolidation)

(2) Application of the entry under accounting methods specific to the : No  
preparation of quarterly consolidated financial statements

(3) Changes of the accounting policy, changes to accounting estimates, and restatement

1) Changes of the accounting policy resulted from the revision of : No  
accounting standards, etc.

2) Changes of the accounting policy other than 1) : No

3) Changes to accounting estimates : No

4) Restatement : No

(4) Number of issued shares (common shares)

1) Number of issued shares (including  
treasury shares) as of the end of the period

Q1 FY03/24	159,190,900 shares	FY03/23	159,190,900 shares
Q1 FY03/24	797,928 shares	FY03/23	797,928 shares
Q1 FY03/24	158,392,972 shares	Q1 FY03/23	158,880,646 shares

2) Number of treasury shares as of the end  
of the period

3) Average number of shares during the  
period (cumulative quarterly)

Note: The Company has introduced “the Japanese version of the Employee Stock Ownership Plan (J-ESOP)” and “Board Benefit Trust (BBT).” Treasury shares remaining in “the Japanese version of the Employee Stock Ownership Plan (J-ESOP)” and “Board Benefit Trust (BBT)” that are recorded as treasury shares in shareholders’ equity are included in treasury shares deducted in the calculation of the average number of shares during the period for the calculation of quarterly net income per share.

\* The summary of quarterly financial results is not subject to the quarterly review by a certified public accountant or an auditing firm.

\* Explanation on the appropriate use of performance forecasts and other notable matters

- Descriptions about the future, including performance forecasts, in this document are based on information that the Company has at present and certain assumptions judged as reasonable. The Company does not intend to promise to achieve them. Actual performance, etc. could significantly differ depending on various factors. For conditions on which performance forecasts are based and notes for the use of performance forecasts, etc. see “1. Qualitative information regarding the quarterly financial results, (3) Qualitative information regarding consolidated operating performance forecasts” on page 6 of the appendix.
- The Company plans to post its supplementary material on quarterly financial results on the company website(<https://corp.benefit-one.co.jp/ir/library/index.html>).

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## 1. Qualitative information regarding quarterly financial results

### (1) Qualitative information regarding consolidated operating results

During the Q1 FY03/24 accounting period, the Japanese economy continued a gradual recovery as corporate activity and personal consumption recovered and the employment and income environment began to improve.

In the first year of our medium-term management plan announced on May 11, 2023, our Group worked on growth strategies centered on expanding membership and making the payment business profitable.

#### ① Membership expansion

Our Group has been aggressively marketing its employee benefit services as a means of improving recruitment, retention, and the fair and equitable treatment of human resources to a wide range of companies of all sizes since we aim to provide services to as many people as possible regardless of employment type, gender, or other factors.

The number of members grew to 9.52 million as of the end of Q1 FY03/24 due to progress in adopting our services to attract and retain human resources in the retail and transportation industries, among others. During the quarter, we also updated “Benefit Station,” <sup>(Note 1)</sup> sequentially releasing new functions. We continue to focus on the stable operation and functional enhancement of the new system to improve convenience.

#### ② Achievement of profitability of the payment business

Aiming to develop the payment business into a new core earnings pillar over the medium to long term, our Group is developing the Kyutokubarai service, which utilizes a payroll deduction system linked to member data on “Bene ONE PLATFORM.” <sup>(Note 2)</sup> Handling value in Q1 reached ¥6 million.

As our immediate priority, we are working to expand our lineup of compelling content, primarily in the categories of lifestyle infrastructure and flat-rate services. Recently, we have been proposing a combination of the Kyutokubarai service and digital money (gift codes) as a simple way to introduce digital payroll operations, and we are working further on expanding the lineup, which already includes au PAY gift cards, nanaco gift, QUO Card Pay, Kyash, and others.

#### ③ Healthcare services expansion

Our Group provides healthcare services, including medical checkups and health guidance services, that support employees' mental and physical health management via corporate HR departments. In Q1 FY03/24, the implementation of services for orders received generally progressed smoothly, and we are actively engaged in new sales activity to capture further outsourcing demand in the future.

In addition, we plan to develop an influenza vaccination support business and other comprehensive measures against infectious diseases in the workplace, and during Q1 worked to increase the number of affiliated medical institutions in preparation.

The following is an overview of Q1 FY03/24 by main business.

In the Employee Benefit Services business, recurring revenue from membership fees, which accounts for the majority of sales, increased YoY, while sales from other than membership fees declined. The YoY decline in sales was mainly due to a decrease in transactions specific to the former JTB Benefit Services and was largely affected by seasonality, therefore, we expect the impact to lessen in Q2. On an expense front, rebate-related expenditures accompanying service usage among members increased YoY, as did personnel and system-related expenses in preparation for growth in the medium to long term, but these expenses were generally within expectations due in part to a reduction in duplicate costs

following the integration of services from the former JTB Benefit Services.

In the Healthcare business, sales were down ¥971 million YoY, due mainly to reduced transactions related to the COVID-19 vaccination support business, as anticipated. Medical checkups and health guidance services made only a small income contribution during Q1 since seasonality tends to cause earnings to be weighted toward the second half of the fiscal year, but the implementation of services for orders received generally progressed smoothly in Q1, as mentioned previously.

As a result of the above, consolidated sales in Q1 FY03/24 were ¥9,571 million (down 9.6% YoY), consolidated operating income was ¥1,936 million (down 33.2% YoY), consolidated ordinary income was ¥1,961 million (down 33.4% YoY), and net income attributable to owners of parent was ¥1,310 million (down 34.4% YoY).

Consolidated operating income reached 61.3% of the consolidated forecast for 1H FY03/24.

Our Group operates a membership services business, mainly providing outsourced employee benefit services in Japan. As a result of consolidating our business segments, we have omitted disclosure of "Segment information, etc." as our only reportable segment is the Membership Services business.

Note 1: Benefit Station is a comprehensive employee benefit service operated by the Company. It mainly supports increasing employee satisfaction, and promoting health management and skill improvement.

Note 2: Bene ONE PLATFORM is designed to manage and utilize corporate HR and health data, enhance employee performance, and revitalize organizations through centralized management, visualization, and analysis of all employee data. At the same time, its construction enables it to raise the efficiency of HR department management through the utilization of "Bene Account," an ID that is issued exclusively to members and can be used with various HR services.

## (2) Qualitative information regarding consolidated financial position

Status of assets, liabilities, and net assets

(Assets)

Total assets at the end of the Q1 FY03/24 consolidated accounting period were ¥48,429 million, a decrease of ¥5,551 million from the end of the previous consolidated fiscal year.

Current assets were ¥21,617 million, a decrease of ¥5,789 million. This is mainly due to a decrease in cash and deposits (¥2,907 million), a decrease in notes and accounts receivable – trade and contract assets (¥2,692 million), etc.

Non-current assets increased by ¥237 million to ¥26,812 million.

(Liabilities)

Total liabilities at the end of the Q1 FY03/24 consolidated accounting period were ¥27,986 million, a decrease of ¥1,161 million from the end of the previous consolidated fiscal year.

Current liabilities were ¥17,394 million, a decrease of ¥1,197 million. This is mainly due to a decrease in accounts payable – trade (¥1,132 million), a decrease in income taxes payable (¥1,001 million) as a result of income taxes payment, an increase in contract liabilities (¥192 million), an increase in deposits received (¥723 million), etc.

Non-current liabilities increased by ¥35 million to ¥10,591 million.

(Net assets)

Net assets at the end of the Q1 FY03/24 consolidated accounting period were ¥20,442 million, a decrease of ¥4,389 million from the end of the previous consolidated fiscal year. This is mainly due to net income attributable to owners of the parent (¥1,310 million), dividends paid (¥5,714 million), etc. during the Q1 FY03/24 consolidated cumulative accounting period.

As a result, the equity ratio decreased to 42.2% from 46.0% at the end of the previous consolidated fiscal year.

(3) Qualitative information regarding consolidated operating performance forecasts

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.

## 2. Quarterly consolidated financial statements and major notes

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	Consolidated FY03/23 (March 31, 2023)	Consolidated Q1 FY03/24 (June 30, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	10,010	7,102
Notes and accounts receivable – trade and contract assets	7,675	4,982
Inventories	1,520	2,316
Other	8,274	7,281
Allowance for doubtful accounts	△72	△66
Total current assets	27,407	21,617
Non-current assets		
Property, plant and equipment	1,583	1,586
Intangible assets		
Goodwill	5,529	5,456
Software	7,358	7,745
Customer-related assets	7,961	7,865
Other	4	4
Total intangible assets	20,855	21,070
Investments and other assets		
Other	4,142	4,162
Allowance for doubtful accounts	△7	△7
Total investments and other assets	4,135	4,155
Total non-current assets	26,574	26,812
Total assets	53,981	48,429

(Millions of yen)

	Consolidated FY03/23 (March 31, 2023)	Consolidated Q1 FY03/24 (June 30, 2023)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	4,277	3,145
Short-term borrowings	97	81
Current portion of long-term borrowings	1,000	1,000
Income taxes payable	1,700	699
Accounts payable – other	4,423	4,047
Contract liabilities	5,300	5,492
Other	1,792	2,929
Total current liabilities	18,592	17,394
Non-current liabilities		
Long-term borrowings	7,500	7,500
Reserve for employee stock ownership plan	258	268
Provision for share-based remuneration for directors (and other officers)	181	187
Retirement benefit liability	40	39
Other	2,576	2,596
Total non-current liabilities	10,556	10,591
Total liabilities	29,148	27,986
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,527	1,527
Capital surplus	1,451	1,451
Retained earnings	21,722	17,318
Treasury shares	△1,329	△1,329
Total shareholders' equity	23,371	18,968
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,449	1,455
Foreign currency translation adjustment	9	17
Total accumulated other comprehensive income	1,459	1,473
Non-controlling interests	1	1
Total net assets	24,832	20,442
Total liabilities and net assets	53,981	48,429



(2) Quarterly consolidated profit and loss statements and quarterly consolidated comprehensive income statements

Quarterly consolidated profit and loss statements

Consolidated cumulative Q1

(Millions of yen)

	Consolidated cumulative Q1 FY03/23 (April 1, 2022 to June 30, 2022)	Consolidated cumulative Q1 FY03/24 (April 1, 2023 to June 30, 2023)
Sales	10,583	9,571
Cost of sales	4,759	4,812
Gross profit	5,824	4,759
SG&A expenses	2,924	2,822
Operating income	2,899	1,936
Non-operating income		
Interest income	5	5
Share of profit of entities accounted for using equity method	-	0
Foreign exchange gains	44	21
Subsidy income	10	4
Other	9	8
Total non-operating income	69	39
Non-operating expenses		
Interest expenses	14	13
Share of loss of entities accounted for using equity method	3	-
Commission for purchase of treasury shares	6	-
Other	1	0
Total non-operating expenses	25	14
Ordinary income	2,943	1,961
Quarterly net income before income taxes	2,943	1,961
Income taxes – current	901	674
Income taxes – deferred	43	△23
Total income taxes	944	651
Quarterly net income	1,999	1,310
Loss attributable to non-controlling interests (△)	-	△0
Net income attributable to owners of parent	1,999	1,310

Quarterly consolidated comprehensive income statements

Consolidated cumulative Q1

(Millions of yen)

	Consolidated cumulative Q1 FY03/23 (April 1, 2022 to June 30, 2022)	Consolidated cumulative Q1 FY03/24 (April 1, 2023 to June 30, 2023)
Quarterly net income	1,999	1,310
Other comprehensive income		
Valuation of difference on available-for-sale securities	△315	6
Foreign currency translation adjustment	△1	7
Total other comprehensive income	△316	14
Quarterly comprehensive income	1,682	1,324
(Breakdown)		
Quarterly comprehensive income attributable to owners of parent	1,682	1,324
Quarterly comprehensive income attributable to non-controlling interests	-	△0

### (3) Notes on the quarterly consolidated financial statements

(Notes on the going concern assumption)

Not applicable.

(Notes on substantial changes in the amount of shareholders' equity)

Not applicable.

(Application of the entry under accounting methods specific to the preparation of quarterly consolidated financial statements)

Not applicable.

(Changes of the accounting policy)

Not applicable.

(Changes to accounting estimates)

Not applicable.

(Restatement)

Not applicable.

(Important subsequent events)

Not applicable.

<p>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.</p>
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