# Walden Research Japan

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# EM SYSTEMS (4820)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY12/2021		14,436	1,870	2,607	1,829	25.72	11.00	263.12
FY12/2022		16,919	2,395	2,791	1,893	26.75	12.00	274.94
FY12/2023CoE		19,608	2,827	3,333	2,217	31.39	12.00	-
FY12/2022	YoY	17.2%	28.1%	7.0%	3.5%	-	-	-
FY12/2023CoE	YoY	15.9%	18.0%	19.4%	17.1%	-	-	-
Consolidated Quarter		Salaa	Operating	Recurring	Profit Attributable to	EPS	DPS	BPS
(Million Yen)		Sales	Profit	Profit	<b>Owners of Parent</b>	(Yen)	(Yen)	(Yen)
Q1 FY12/2022		3,985	679	824	563	-	-	-
Q1 FY12/2023		4,877	851	961	511	-	-	-
Q1 FY12/2023	YoY	22.4%	25.4%	16.6%	(9.3%)	-	-	-

Source: Company Data, WRJ Calculation

# 1.0 Results Update (17 May 2023)

#### **Favorable Performance**

On 11 May 2023, EM SYSTEMS, the leading provider of IT systems for dispensing pharmacies (counter accounting and receipt billing), released its Q1 FY12/2023 results. It has been revealed that the Company is seeing a favorable performance, rather better than assumed in Company forecasts. On the mainstay Pharmacies side, the Company saw steady increases in system usage fee sales (to be generated in line with the use of systems) in line with the increased number of customers, while initial sales (to be generated in line with delivery and installation of systems as well as provision of initial services, including those of online eligibility verification) have surged. With respect to IT systems for dispensing pharmacies (counter accounting and receipt billing), generating the bulk of system usage fee sales, replacement demand for hardware picked up sharply due to the terminations of extended support for out-of-date versions of Windows OS, while the Company made a rapid progress in delivery and installation of online eligibility verification systems for all those existing customers prior to being made compulsory to do so in principle from April 2023. While such developments appear to be transient phenomena, the Company is looking to emerging sales associated with introduction of electronic prescriptions for the future. More importantly, the Company's midterm management plan places the utmost emphasis on its measures to expand the number of customers, with which it is trying to set up and enforce a solid platform to persistently generate system usage fee sales carrying a high marginal profit ratio.

- New Medium-Term Management Plan (FY12/2022 to FY12/2024) / announded on 9 February 2022
- <u>Results of Operations for December 2023,1st Quarter</u>

IR Representative: Hirokazu Tokuchi, General Manager / IR Section, General Affairs Department (tokuchi@emsystems.co.jp)

# 2.0 Company Profile

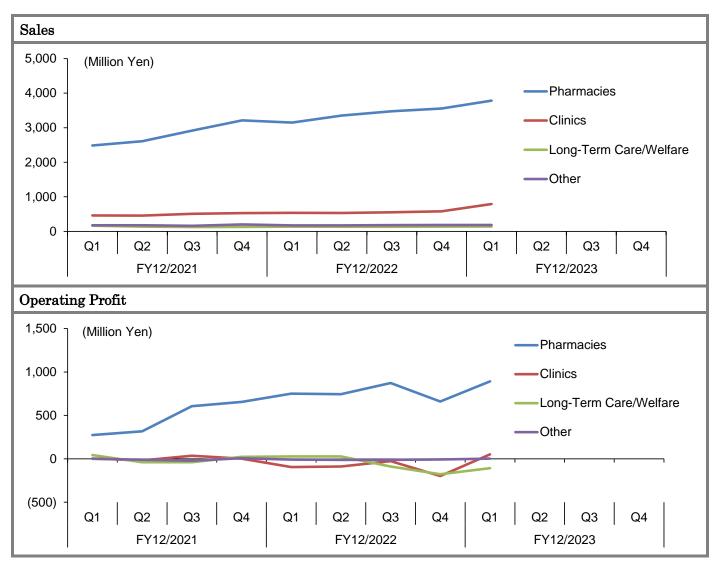
	Supporting Healthcare with the Power of IT	
Company Name	EM SYSTEMS CO., LTD.	]
	IR Information EM SYSTEMS CO. , LTD.	
	Share Price (Japanese)	
Established	23 January 1980	1
Listing	4 April 2022: Tokyo Stock Exchange Prime Market (ticker: 4820)	
	13 November 2012: Tokyo Stock Exchange 1st Section	
	2 May 2003: Tokyo Stock Exchange 2nd Section	
	15 December 2000: JASDAQ	
Capital	¥2,785m (as of the end of March 2023)	1
No. of Shares	74,514,800 shares, including 3,865,949 treasury shares (as of the end of March 2023)	1
Main Features	• The leader of IT systems to support operations for dispensing pharmacies	1
	(market share of 38.3% in Japan)	
	• Expanding into clinics and long-term care/welfare by sector, based on MAPs	
	• MAPs (Medical Advance for People, System), representing the Company's	
	common information system infrastructure	
Segments	I . IT Systems for Pharmacies	
	II . IT Systems for Clinics	0
	III. IT Systems for Long-Term Care/Welfare	2
	IV. Other	
Representative	Representative Director and President: Hiromasa Kunimitsu	1
Shareholders	Kokko Co., Ltd. 36.53%, MEDIPAL HLD 9.99%, The Master Trust Bank of Japan, T.	1
	5.71%, Goldman Sachs International 4.84% (as of the end of December 2022, but for	
	treasury shares)	
Head Office	Yodogawa-ku, Osaka-city, Osaka-prefecture, JAPAN	1
No. of Employees	Consolidated: 592, Parent: 432 (as of the end of December 2022)	1

Source: Company Data

# **3.0 Recent Trading and Prospects**

#### Q1 FY12/2023

For Q1 FY12/2023, sales came in at \$4,877m (up 22.4% YoY), operating profit \$851m (up 25.4%), recurring profit \$961m (up 16.6%) and profit attributable to owners of parent \$511m (down 9.3%), while operating profit margin 17.4% (up 0.4% points). Compared to Q1 to Q2 Company forecasts, the Company saw the progress rate of 52.2% for sales and 82.4% for operating profit, implying a performance rather better than assumed for earnings in particular.



Source: Company Data, WRJ Calculation

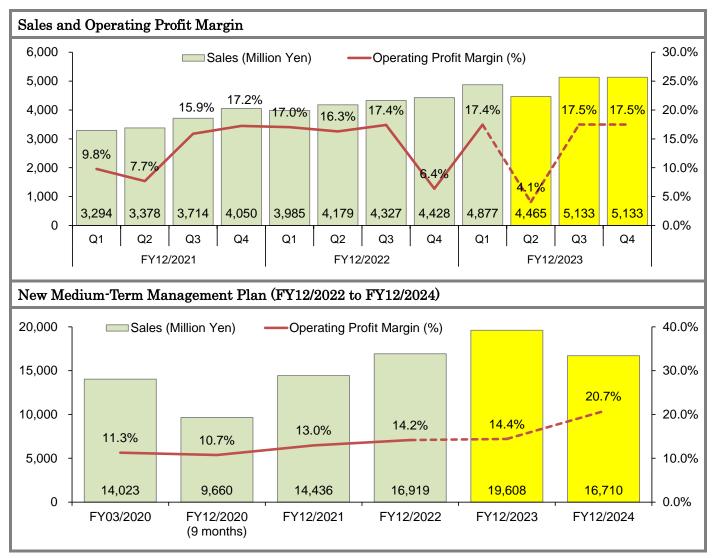
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On the Pharmacies side, sales came in at \$3,783m (up 20.1%), operating profit \$892m (up 18.9%) and operating profit margin 23.6% (down 0.3 % points), having accounted for 77.6% of the Company's sales and 106.6% of operating profit, which implies that the Company's earnings hinge on the Pharmacies side, where it mainly runs operations to develop and sell IT systems for dispensing pharmacies (counter accounting and receipt billing). With respect to the operations here, the Company saw \$2,016m (up 38.3%) for initial sales, \$1,149m (up 7.5%) for system usage fee sales, \$421m (down 1.7%) for consumable goods sales and \$196m(up 1.7%) for maintenance service sales. With aforementioned reasons, the Company saw surging initial sales and thus sales as a whole for the segment at the same time. Meanwhile, the number of customers who have purchased systems from the Company stood at 21,055 as of the end of Q1, equating 38.3% of the market size (target population), i.e., 55,000 in the number. The Company is aiming to increase the number of customers here up to 25,000 towards the end of FY12/2024.

On the Clinics side, the Company saw initial sales almost doubled compared to the same period of the previous year and thus a turn to profitability at the operating level. According to the Company, sales here were also driven by accelerated delivery and installation of online eligibility verification systems. In addition, the Company saw a steady increase in delivery and installation of hardware for its existing systems at the same time. By the way, the Company has continued suffering from operating loss on the Long-Term Care/Welfare side due mainly to a deprecation burden from systems newly introduced.

#### FY12/2023 Company Forecasts

FY12/2023 Company forecasts (announced on 14 February 2023) have remained unchanged, going for prospective sales of \$19,608m (up 15.9% YoY), operating profit of \$2,827m (up 18.0%), recurring profit of \$3,333m (up 19.4%) and profit attributable to owners of parent of \$2,217m (up 17.1%), while operating profit margin of 14.4% (up 0.3% points). At the same time, Company forecasts have remained unchanged also for planned annual dividend, going for \$12.00 per share, implying payout ratio of 38.2%. By the way, the Company has a plan to achieve sales of \$16,710m (down 14.8%), operating profit of \$3,466m (up 22.6%) and operating profit margin of 20.7% (up 6.3% points) for FY12/2024.



Source: Company Data, WRJ Calculation (FY12/2023  $\angle Q2$ : Q1 to Q2 Company forecasts after deducting Q1 results, Q3 and Q4: H2 Company forecasts, pro rata)

# 4.0 Financial Statements

### Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	Net Chg.
Sales	3,985	8,164	12,491	16,919	4,877	-	-	1	+892
Cost of Sales	1,930	4,051	6,230	8,644	2,232	-	-	1	+302
Gross Profit	2,054	4,113	6,260	8,275	2,645	-	-		+591
SG&A Expenses	1,375	2,753	4,147	5,879	1,793	-	-		+418
Operating Profit	679	1,360	2,113	2,396	851	-	-	- 1	+172
Non Operating Balance	145	243	344	395	110	-	-		(35)
Recurring Profit	824	1,603	2,457	2,791	961	-	-		+137
Extraordinary Balance	-	-	-	(2)	(141)	-	-		(141)
Profit before Income Taxes	824	1,603	2,457	2,789	820	-	-	-	(4)
Total Income Taxes	265	522	828	914	310	-	-	-	+45
Profit Attributable to Non-Controlling Interests	(4)	(8)	(14)	(18)	(1)	-	-	· · · ·	+3
Profit Attributable to Owners of Parent	563	1,089	1,644	1,893	511	-		-	(52)
Sales YoY	+21.0%	+22.4%	+20.3%	+17.2%	+22.4%	-	-	· ·	-
Operating Profit YoY	+110.3%	+133.4%	+80.3%	+28.1%	+25.4%	-	-	· · · ·	-
Recurring Profit YoY	+83.5%	+56.7%	+39.5%	+7.0%	+16.6%	-	-		-
Profit Attributable to Owners of Parent YoY	+88.2%	+58.4%	+31.4%	+3.5%	(9.3%)	-	-		-
Gross Profit Margin	51.5%	50.4%	50.1%	48.9%	54.2%	-	-	-	+2.7%
SG&A Ratio	34.5%	33.7%	33.2%	34.7%	36.8%	-	-	· · ·	+2.3%
Operating Profit Margin	17.0%	16.7%	16.9%	14.2%	17.4%	-	-		+0.4%
Recurring Profit Margin	20.7%	19.6%	19.7%	16.5%	19.7%	-	-		(1.0%)
Profit Attributable to Owners of Parent Margin	14.1%	13.3%	13.2%	11.2%	10.5%	-	-		(3.7%)
Total Income Taxes / Profit before Income Taxes	32.2%	32.6%	33.7%	32.8%	37.8%	-	-		+5.6%
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Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Income Statement	Cons.Act Q1					Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
Income Statement (Million Yen)		Cons.Act	Cons.Act	Cons.Act	Cons.Act				
	Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Q2	Q3	Q4	YoY
(Million Yen)	Q1 12/2022	Cons.Act Q2 12/2022	Cons.Act Q3 12/2022	Cons.Act Q4 12/2022	Cons.Act Q1 12/2023	Q2	Q3	Q4	YoY Net Chg.
(Million Yen) Sales	Q1 12/2022 3,985	Cons.Act Q2 12/2022 4,179	Cons.Act Q3 12/2022 4,327	Cons.Act Q4 12/2022 4,428	Cons.Act Q1 12/2023 4,877	Q2	Q3	Q4	YoY Net Chg. +892
(Million Yen) Sales Cost of Sales	Q1 12/2022 <b>3,985</b> 1,930	Cons.Act Q2 12/2022 <b>4,179</b> 2,121	Cons.Act Q3 12/2022 <b>4,327</b> 2,179	Cons.Act Q4 12/2022 <b>4,428</b> 2,414	Cons.Act Q1 12/2023 4,877 2,232	Q2	Q3	Q4	YoY Net Chg. +892 +302
(Million Yen) Sales Cost of Sales Gross Profit	Q1 12/2022 <b>3,985</b> 1,930 2,054	Cons.Act Q2 12/2022 4,179 2,121 2,059	Cons.Act Q3 12/2022 4,327 2,179 2,147	Cons.Act Q4 12/2022 4,428 2,414 2,015	Cons.Act Q1 12/2023 4,877 2,232 2,645	Q2	Q3	Q4	YoY Net Chg. +892 +302 +591
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses	Q1 12/2022 3,985 1,930 2,054 1,375	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793	Q2	Q3	Q4	YoY Net Chg. +892 +302 +591 +418
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit	Q1 12/2022 3,985 1,930 2,054 1,375 679	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681	Cons. Act Q3 12/2022 4,327 2,179 2,147 1,394 753	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851	Q2	Q3	Q4	YoY Net Chg. +892 +302 +591 +418 +172
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance	Q1 12/2022 3,985 1,930 2,054 1,375 679 145	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110	Q2	Q3	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961	Q2	Q3	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2)	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141)	Q2	Q3	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 - 824	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779 - 779	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820	Q2	Q3	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 - 824 265	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779 - 779 257	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854  854 306	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310	Q2	Q3	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 - 824 265 (4)	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779 - 7779 257 (4)	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854  854 306 (6)	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86 (4)	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1)	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +3
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 265 424 265 (4) 563	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779 - 7779 257 (4) 526	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854 - 854 306 (6) 555	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86 (4) 249	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1) 511	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +3
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales YoY	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 265 (4) 563 +21.0%	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 7779 - 7779 257 (4) 526 +23.7%	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854 - 854 306 (6) 555 +16.5%	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86 (4) 249 +9.3%	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1) 511 +22.4%	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +3
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 265 (4) 563 +21.0% +110.3%	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 7779 - 7779 257 (4) 526 +23.7% +161.9%	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854 306 (6) 555 +16.5% +27.6%	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86 (4) 249 +9.3% (59.5%)	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1) 511 +22.4% +25.4%	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +3
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 265 (4) 563 +21.0% +110.3% +83.5%	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 7779 - 7779 257 (4) 526 +23.7% +161.9% +35.7%	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854 306 (6) 555 +16.5% +27.6% +15.6%	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86 (4) 249 +9.3% (59.5%) (60.5%)	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1) 511 +22.4% +25.4% +16.6%	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +3
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 265 (4) 563 +21.0% +110.3% +83.5% +88.2%	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 7779 - 7779 257 (4) 526 +23.7% +161.9% +35.7% +35.6%	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854 306 (6) 555 +16.5% +27.6% +15.6% (1.6%)	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86 (4) 249 +9.3% (59.5%) (60.5%) (56.9%)	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1) 511 +22.4% +25.4% +16.6% (9.3%)	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +3 (52) - - -
(Million Yen)   Sales   Cost of Sales   Gross Profit   SG&A Expenses   Operating Profit   Non Operating Balance   Recurring Profit   Extraordinary Balance   Profit before Income Taxes   Total Income Taxes   Profit Attributable to Non-Controlling Interests   Profit Attributable to Owners of Parent   Sales YoY   Operating Profit YoY   Recurring Profit YoY   Profit Attributable to Owners of Parent YoY   Gross Profit Margin	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 265 (4) 563 +21.0% +110.3% +83.5% +88.2%	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779 - 7779 257 (4) 526 +23.7% +161.9% +35.7% +35.6%	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854 854 306 (6) 555 +16.5% +27.6% +15.6% (1.6%) 49.6%	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86 (4) 249 +9.3% (59.5%) (60.5%) (56.9%)	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1) 511 +22.4% +25.4% +16.6% (9.3%) 54.2%	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +33 (52) - - - - - - - -
(Million Yen)   Sales   Cost of Sales   Gross Profit   SG&A Expenses   Operating Profit   Non Operating Balance   Recurring Profit   Extraordinary Balance   Profit before Income Taxes   Total Income Taxes   Profit Attributable to Non-Controlling Interests   Profit Attributable to Owners of Parent   Sales YoY   Operating Profit YoY   Recurring Profit YoY   Profit Attributable to Owners of Parent YoY   Gross Profit Margin   SG&A Ratio	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 265 (4) 563 +21.0% +110.3% +83.5% +88.2% 51.5% 34.5%	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779 257 (4) 526 +23.7% +161.9% +35.7% +35.6% 49.3% 33.0%	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854 854 306 (6) 555 +16.5% +27.6% +15.6% (1.6%) 49.6% 32.2%	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86 (4) 249 +9.3% (59.5%) (60.5%) (56.9%) (56.9%)	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1) 511 +22.4% +25.4% +16.6% (9.3%) 54.2% 36.8%	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +3 (52) - - - - - - +2.7% +2.3%
(Million Yen)   Sales   Cost of Sales   Gross Profit   SG&A Expenses   Operating Profit   Non Operating Balance   Recurring Profit   Extraordinary Balance   Profit before Income Taxes   Total Income Taxes   Profit Attributable to Non-Controlling Interests   Profit Attributable to Owners of Parent   Sales YoY   Operating Profit YoY   Recurring Profit YoY   Profit Attributable to Owners of Parent YoY   Gross Profit Margin   SG&A Ratio   Operating Profit Margin	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 265 (4) 563 +21.0% +110.3% +83.5% +88.2% 51.5% 34.5% 17.0%	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779 - 779 257 (4) 526 +23.7% +161.9% +35.7% +35.6% 49.3% 33.0% 16.3%	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854 854 306 (6) 555 +16.5% +27.6% +15.6% (1.6%) 49.6% 32.2% 17.4%	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 3322 86 (4) 249 +9.3% (59.5%) (60.5%) (56.9%) (56.9%) 45.5% 39.1% 6.4%	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1) 511 +22.4% +25.4% +16.6% (9.3%) 54.2% 36.8% 17.4%	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +33 (52) - - - - - +2.7% +2.3% +0.4%
(Million Yen)   Sales   Cost of Sales   Gross Profit   SG&A Expenses   Operating Profit   Non Operating Balance   Recurring Profit   Extraordinary Balance   Profit before Income Taxes   Total Income Taxes   Profit Attributable to Non-Controlling Interests   Profit Attributable to Owners of Parent   Sales YoY   Operating Profit YoY   Recurring Profit YoY   Profit Attributable to Owners of Parent YoY   Gross Profit Margin   SG&A Ratio   Operating Profit Margin   Recurring Profit Margin	Q1 12/2022 3,985 1,930 2,054 1,375 679 145 824 265 (4) 563 +21.0% +110.3% +83.5% +88.2% 51.5% 34.5% 17.0% 20.7%	Cons.Act Q2 12/2022 4,179 2,121 2,059 1,378 681 98 779 - 779 257 (4) 526 +23.7% +161.9% +35.7% +35.6% 49.3% 33.0% 16.3% 18.6%	Cons.Act Q3 12/2022 4,327 2,179 2,147 1,394 753 101 854 854 306 (6) 555 +16.5% +27.6% +15.6% (1.6%) 49.6% 32.2% 17.4% 19.7%	Cons.Act Q4 12/2022 4,428 2,414 2,015 1,732 283 51 334 (2) 332 86 (4) 249 +9.3% (59.5%) (60.5%) (60.5%) (56.9%) 45.5% 39.1% 6.4% 7.5%	Cons.Act Q1 12/2023 4,877 2,232 2,645 1,793 851 110 961 (141) 820 310 (1) 511 +22.4% +25.4% +16.6% (9.3%) 54.2% 36.8% 17.4% 19.7%	Q2 12/2023 - - - - - - - - - - - - - - - - - - -	Q3 12/2023 - - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +892 +302 +591 +418 +172 (35) +137 (141) (4) +45 +3 (52) - - - - +2.7% +2.3% +0.4% (1.0%)

Source: Company Data, WRJ Calculation

## Segmented Information (Cumulative / Quarterly)

Segmented Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	Net Chg.
IT Systems for Pharmacies	3,148	6,500	9,975	13,530	3,783	-	-	-	+635
IT Systems for Clinics	538	1,072	1,623	2,202	791	-	-		+253
IT Systems fo Llong-Term Care/Welfare	136	268	401	539	140	-	-		+4
Other	172	347	528	713	187	-	-		+15
(Adjustments)	(9)	(23)	(36)	(65)	(24)	-	-		(15)
Sales	3,985	8,164	12,491	16,919	4,877	-	-		+892
IT Systems for Pharmacies	751	1,496	2,370	3,031	892	-	-	-	+141
IT Systems for Clinics	(95)	(184)	(210)	(409)	51	-	-		+146
IT Systems fo Llong-Term Care/Welfare	27	55	(33)	(211)	(108)	-	-		(135)
Other	(9)	(22)	(35)	(42)	2	-	-		+11
Segment Profit	674	1,345	2,092	2,369	837	-	-	-	+163
(Adjustments)	5	15	21	27	14	-	-	-	+9
Operating Profit	679	1,360	2,113	2,396	851	-	-		+172
IT Systems for Pharmacies	23.9%	23.0%	23.8%	22.4%	23.6%	-	-	-	(0.3%)
IT Systems for Clinics	(17.7%)	(17.2%)	(12.9%)	(18.6%)	6.4%	-	-	-	+24.1%
IT Systems fo Llong-Term Care/Welfare	19.9%	20.5%	(8.2%)	(39.1%)	(77.1%)	-	-	-	(97.0%)
Other	(5.2%)	(6.3%)	(6.6%)	(5.9%)	1.1%	-	-		+6.3%
(Adjustments)	0.1%	0.2%	0.2%	0.2%	0.3%	-	-		+0.2%
Operating Profit Margin	17.0%	16.7%	16.9%	14.2%	17.4%	-	-	-	+0.4%
operating rient margin									
Segmented Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
						Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act				
Segmented Information	Cons.Act Q1 12/2022 3,148	Cons.Act Q2 12/2022 3,352	Cons.Act Q3 12/2022 3,475	Cons.Act Q4 12/2022 3,555	Cons.Act Q1 12/2023 3,783	Q2	Q3	Q4	YoY Net Chg. +635
Segmented Information (Million Yen)	Cons.Act Q1 12/2022 3,148 538	Cons.Act Q2 12/2022 3,352 534	Cons.Act Q3 12/2022 3,475 551	Cons.Act Q4 12/2022 3,555 579	Cons.Act Q1 12/2023 3,783 791	Q2	Q3	Q4	YoY Net Chg.
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems fo Llong-Term Care/Welfare	Cons.Act Q1 12/2022 3,148 538 136	Cons.Act Q2 12/2022 3,352 534 132	Cons.Act Q3 12/2022 3,475 551 133	Cons.Act Q4 12/2022 3,555 579 138	Cons.Act Q1 12/2023 3,783 791 140	Q2	Q3	Q4	YoY Net Chg. +635 +253 +4
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems fo Llong-Term Care/Welfare Other	Cons.Act Q1 12/2022 3,148 538 136 172	Cons.Act Q2 12/2022 3,352 534	Cons.Act Q3 12/2022 3,475 551 133 181	Cons.Act Q4 12/2022 3,555 579 138 185	Cons.Act Q1 12/2023 3,783 791 140 187	Q2	Q3	Q4	YoY Net Chg. +635 +253 +4 +15
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments)	Cons.Act Q1 12/2022 3,148 538 136 172 (9)	Cons. Act Q2 12/2022 3,352 534 132 175 (14)	Cons.Act Q3 12/2022 3,475 551 133 181 (13)	Cons.Act Q4 12/2022 3,555 579 138 185 (29)	Cons.Act Q1 12/2023 3,783 791 140 187 (24)	Q2	Q3	Q4	YoY Net Chg. +635 +253 +4 +15 (15)
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b>	Cons.Act Q2 12/2022 3,352 534 132 175 (14) 4,179	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428	Cons.Act Q1 12/2023 3,783 791 140 187 (24) 4,877	Q2	Q3	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751	Cons.Act Q2 12/2022 3,352 534 132 175 (14) <b>4,179</b> 745	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428 661	Cons.Act Q1 12/2023 3,783 791 140 187 (24) 4,877 892	Q2 12/2023 - - - - -	Q3 12/2023 - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95)	Cons.Act Q2 12/2022 3,352 534 132 175 (14) <b>4,179</b> 745 (89)	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26)	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428 661 (199)	Cons.Act Q1 12/2023 3,783 791 140 187 (24) 4,877 892 51	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27	Cons.Act Q2 12/2022 3,352 534 132 175 (14) <b>4,179</b> 745 (89) 28	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88)	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428 661 (199) (178)	Cons.Act Q1 12/2023 3,783 791 140 187 (24) 4,877 892 51 (108)	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135)
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics IT Systems fo Llong-Term Care/Welfare Other	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27 (9)	Cons.Act Q2 12/2022 3,352 534 132 175 (14) <b>4,179</b> 745 (89) 28 (13)	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88) (13)	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428 661 (199) (178) (7)	Cons.Act Q1 12/2023 3,783 791 140 187 (24) 4,877 892 51 (108) 2	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135) +11
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other Segment Profit	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27 (9) 27 (9) <b>674</b>	Cons.Act Q2 12/2022 3,352 534 132 175 (14) <b>4,179</b> 745 (89) 28 (13) 671	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88) (13) 747	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428 661 (199) (178) (178) (7) 277	Cons.Act Q1 12/2023 3,783 791 140 187 (24) 4,877 892 51 (108) 2 837	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135) +11 +163
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other Segment Profit (Adjustments)	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27 (9) 674 5	Cons.Act Q2 12/2022 3,352 534 132 175 (14) 4,179 745 (89) 28 (13) 671 10	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88) (13) 747 6	Cons.Act Q4 12/2022 3,555 579 138 (29) 4,428 661 (199) (178) (178) (7) 277 6	Cons.Act Q1 12/2023 3,783 791 140 187 (24) 4,877 892 51 (108) 2 837 4,877	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135) +11 +163 +9
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other Segment Profit (Adjustments) Operating Profit	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27 (9) <b>674</b> 5 <b>679</b>	Cons.Act Q2 12/2022 3,352 534 132 175 (14) 4,179 745 (89) 28 (13) 671 10 681	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88) (13) 747 6 753	Cons.Act Q4 12/2022 3,555 579 138 (29) 4,428 661 (199) (178) (7) 277 6 283	Cons.Act Q1 12/2023 3,783 791 140 187 (24) 4,877 892 51 (108) 2 8337 14 851	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135) +111 +163 +9 +172
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Llong-Term Care/Welfare Other Segment Profit (Adjustments) Operating Profit IT Systems for Pharmacies	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27 (9) <b>674</b> 5 <b>679</b> 23.9%	Cons.Act Q2 12/2022 3,352 534 132 175 (14) 4,179 745 (89) 28 (13) 671 10 681 22.2%	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88) (13) 747 6 (33) 747 6 753	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428 661 (199) (178) (178) (7) 2777 6 283 18.6%	Cons.Act Q1 12/2023 3,783 791 140 (24) (24) 4,877 (24) (24) (23) (108) 2 8327 14 851 23.6%	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135) +111 +163 +9 +9 +172 (0.3%)
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Llong-Term Care/Welfare Other Segment Profit (Adjustments) Operating Profit IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27 (9) <b>674</b> 5 <b>679</b> 23.9% (17.7%)	Cons.Act Q2 12/2022 3,352 534 132 175 (14) 4,179 745 (89) 28 (13) 671 10 681 22.2% (16.7%)	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88) (13) 747 6 (88) (13) 747 6 25.2% (4.7%)	Cons.Act Q4 12/2022 3,555 579 138 (29) 4,428 661 (199) (178) (178) (7) 2777 6 283 18.6% (34.4%)	Cons.Act Q1 12/2023 3,783 791 140 (24) (24) 4,877 (24) 4,877 (24) (108) 2 51 (108) 2 8337 14 851 23.6% 6.4%	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135) +111 +163 +9 +172 (0.3%) +24.1%
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Llong-Term Care/Welfare Other Segment Profit (Adjustments) Operating Profit IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27 (9) <b>674</b> 5 <b>679</b> 23.9% (17.7%) 19.9%	Cons.Act Q2 12/2022 3,352 534 132 175 (14) 4,179 745 (89) 28 (13) 671 10 681 22.2% (16.7%) 21.2%	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88) (13) 747 6 (88) (13) 747 6 25.2% (4.7%) (66.2%)	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428 661 (199) (178) (178) (77) 2777 6 283 18.6% (34.4%) (129.0%)	Cons.Act Q1 12/2023 3,783 791 140 (24) (24) 4,877 (24) 892 51 (108) 2 893 (108) 2 8337 14 851 23.6% 6.4% (77.1%)	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135) +111 +163 +9 +172 (0.3%) +24.1% (97.0%)
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Clinics IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other Segment Profit (Adjustments) Operating Profit IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics IT Systems for Clinics IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27 (9) <b>674</b> 5 <b>679</b> 23.9% (17.7%) 19.9% (5.2%)	Cons.Act Q2 12/2022 3,352 534 132 175 (14) 4,179 745 (89) 28 (13) 671 10 681 22.2% (16.7%) 21.2% (7.4%)	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88) (13) 747 6 (88) (13) 747 6 25.2% (4.7%) (66.2%) (7.2%)	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428 661 (199) (178) (77) 2777 6 283 18.6% (34.4%) (129.0%) (3.8%)	Cons.Act Q1 12/2023 3,783 791 140 (24) 4,877 (24) 4,877 (24) 4,877 (24) 4,877 (108) 2 (108) 2 8337 14 851 23.6% 6.4% (77.1%) 1.1%	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135) +111 +163 +9 +172 (0.3%) +24.1% (97.0%) +6.3%
Segmented Information (Million Yen) IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare Other (Adjustments) Sales IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Llong-Term Care/Welfare Other Segment Profit (Adjustments) Operating Profit IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Pharmacies IT Systems for Clinics IT Systems for Llong-Term Care/Welfare	Cons.Act Q1 12/2022 3,148 538 136 172 (9) <b>3,985</b> 751 (95) 27 (9) <b>674</b> 5 <b>679</b> 23.9% (17.7%) 19.9%	Cons.Act Q2 12/2022 3,352 534 132 175 (14) 4,179 745 (89) 28 (13) 671 10 681 22.2% (16.7%) 21.2%	Cons.Act Q3 12/2022 3,475 551 133 181 (13) 4,327 874 (26) (88) (13) 747 6 (88) (13) 747 6 25.2% (4.7%) (66.2%)	Cons.Act Q4 12/2022 3,555 579 138 185 (29) 4,428 661 (199) (178) (178) (77) 2777 6 283 18.6% (34.4%) (129.0%)	Cons.Act Q1 12/2023 3,783 791 140 (24) (24) 4,877 (24) 892 51 (108) 2 893 (108) 2 8337 14 851 23.6% 6.4% (77.1%)	Q2 12/2023 - - - - - - - -	Q3 12/2023 - - - - - - -	Q4	YoY Net Chg. +635 +253 +4 +15 (15) +892 +141 +146 (135) +111 +163 +9 +172 (0.3%) +24.1% (97.0%)

Source: Company Data, WRJ Calculation

## **Cash Flow Statement (Cumulative)**

Cash Flow Statement	Cons.Act								
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	Net Chg.
Operating Cash Flow	-	1,258	-	2,472	-	-	-	-	-
Investing Cash Flow	-	(295)	-	(577)	-	-	-		-
Operating Cash Flow and Investing Cash Flow	-	963	-	1,895	-	-	-	-	-
Financing Cash Flow	-	(876)	-	(1,319)	-	-	-	-	-
Source: Company Date, M/D   Coloulation									

Source: Company Data, WRJ Calculation

#### **Balance Sheet (Quarterly)**

Balance Sheet	Cons.Act								
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	Net Chg.
Cash and Deposit	8,206	8,418	8,353	8,881	8,163	-	-	-	(43)
Accounts Receivables	2,421	2,314	2,501	2,761	3,494	-	-		+1,073
Inventory	725	634	674	1,084	1,744	-	-		+1,019
Other	602	996	988	1,123	549	-	-		(53)
Current Assets	11,954	12,362	12,516	13,849	13,950	-	-	-	+1,996
Tangible Assets	1,425	1,408	1,382	1,371	1,407	-	-		(18)
Intangible Assets	2,475	2,393	2,328	2,323	3,169	-	-		+694
Investments and Other Assets	8,717	8,623	8,816	8,805	8,157	-	-		(560)
Fixed Assets	12,617	12,425	12,527	12,500	12,734	-	-		+117
Total Assets	24,572	24,787	25,044	26,349	26,684	-	-	-	+2,112
Accounts Payables	809	744	900	1,398	1,691	-	-		+882
Short Term Debt	-	-	-	-	182	-	-		+182
Other	3,063	3,044	3,011	3,546	3,336	-	-		+273
Current Liabilities	3,872	3,788	3,911	4,944	5,209	-	-		+1,337
Long Term Debt	-	-	-	-	222	-	-		+222
Other	1,916	1,910	1,929	1,901	1,784	-	-		(132)
Fixed Liabilities	1,916	1,910	1,929	1,901	2,006	-	-	-	+90
Total Liabilities	5,789	5,699	5,840	6,846	7,216	-	-	-	+1,427
Shareholders' Equity	18,642	18,926	19,042	19,329	19,270	-	-	-	+628
Other	140	162	161	174	198	-	-		+58
Net Assets	18,782	19,088	19,203	19,503	19,468	-	-	-	+686
Total Liabilities & Net Assets	24,572	24,787	25,044	26,349	26,684	-	-	-	+2,112
Equity Capital	18,707	18,999	19,120	19,424	19,390	-	-	-	+683
Interest Bearing Debt	-	-	-	-	404	-	-	-	+404
Net Debt	(8,206)	(8,418)	(8,353)	(8,881)	(7,759)	-	-		+447
Equity Ratio	76.1%	76.6%	76.3%	73.7%	72.7%	-	-	-	-
Net Debt Equity Ratio	(43.9%)	(44.3%)	(43.7%)	(45.7%)	(40.0%)	-	-	-	-
ROE (12 months)	11.6%	12.1%	11.9%	9.9%	9.7%	-	-	-	-
ROA (12 months)	12.5%	13.2%	13.6%	10.9%	11.4%	-	-	-	-
Source: Company Data, WRJ Calculation									

Source: Company Data, WRJ Calculation

#### Disclaimer

Information here is a summary of "IR Information" of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. "IR Information" of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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