

## 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)
FY12/2022		16,919	2,395	2,791	1,893	26.75	12.00	274.94
FY12/2023		20,355	2,330	2,869	1,962	27.76	14.00	289.47
FY12/2024CoE		22,014	2,573	3,199	2,160	30.56	16.00	-
FY12/2023		YoY	20.3%	(2.7%)	2.8%	3.6%	-	-
FY12/2024CoE		YoY	8.1%	10.4%	11.5%	10.1%	-	-
Consolidated Half Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q2 FY12/2023		9,818	1,144	1,394	789	-	-	-
Q3 to Q4 FY12/2023		10,537	1,186	1,475	1,173	-	-	-
Q1 to Q2 FY12/2024		10,989	1,221	1,540	985	-	-	-
Q3 to Q4 FY12/2024CoE		11,025	1,352	1,659	1,175	-	-	-
Q1 to Q2 FY12/2024		YoY	11.9%	6.7%	10.5%	24.9%	-	-
Q3 to Q4 FY12/2024CoE		YoY	4.6%	14.0%	12.5%	0.2%	-	-

Source: Company Data, WRJ Calculation

### 1.0 Results Update (22 August 2024)

#### Significant Increase in EBITDA

On 9 August 2024, EM SYSTEMS, which develops and sells IT systems of mission-critical tasks for pharmacies as the leader in Japan, released its Q1 to Q2 FY12/2024 results. It has been revealed that EBITDA is increasing significantly. Sales came in at ¥10,989m (up 11.9% YoY) and operating profit ¥1,221m (up 6.7%), while EBITDA ¥2,231m (up 38.3%). At the operating level, the Company has reflected defrayments of depreciation charge, software write-off and amortization of goodwill associated with the implementation of M&A deals as well as one-time expenses incurred by system failures during the relevant period, while EBITDA to imply an underlying trend of earnings, having not reflected any of all those defrayments, has risen sharply. Sales have renewed record high, including recurring income, as a result of increase in the number of customers, driven by a couple of acquisitions for sector peer companies on the mainstay Pharmacies side. Meanwhile, given actual results better than initially expected, the Company is now going for interim dividend of ¥9.00 per share versus planned interim dividend of ¥7.00 as of initial Company forecasts.

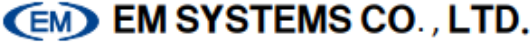
For reference: [Results of Operations for December 2024, 2nd Quarter](#)

IR Representative: Daigo Kobayashi, Senior Executive Officer / Head of Administrative Strategy

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## 2.0 Company Profile

### Digital Support Skills for Practical Settings of Medical Treatment and Nursing in Japan

<b>Company Name</b>	EM SYSTEMS CO., LTD. <a href="#">Company HP</a> <a href="#">Financial Results</a> <a href="#">Share Price (Japanese)</a> 
<b>Established</b>	23 January 1980
<b>Listing</b>	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
<b>Capital</b>	¥2,785m (as of the end of June 2024)
<b>No. of Shares</b>	74,514,800 shares, including 4,414,494 treasury shares (as of the end of June 2024)
<b>Main Features</b>	<ul style="list-style-type: none"> <li>● The leader of IT systems of mission-critical tasks for pharmacies in Japan (market share: 43.9%)</li> <li>● Horizontally expanding into clinics and long-term care/welfare, based on MAPs</li> <li>● MAPs (Medical Advance for People, System), representing the Company's common information system infrastructure</li> </ul>
<b>Segments</b>	I . IT Systems for Pharmacies II . IT Systems for Clinics III. IT Systems for Long-Term Care/Welfare IV. Other
<b>Representative</b>	Representative Director and President: Hiromasa Kunimitsu
<b>Shareholders</b>	Kokko Co., Ltd. 37.10%, MEDIPAL HLD 10.08%, The Master Trust Bank of Japan, T. 6.12%, Goldman Sachs International 5.43%, Goldman Sachs & Company Regular Account 4.96% (as of the end of June 2024, but for treasury shares)
<b>Head Office</b>	Yodogawa-ku, Osaka-city, Osaka-prefecture, JAPAN
<b>No. of Employees</b>	Consolidated: 811, Parent: 457 (as of the end of December 2023)

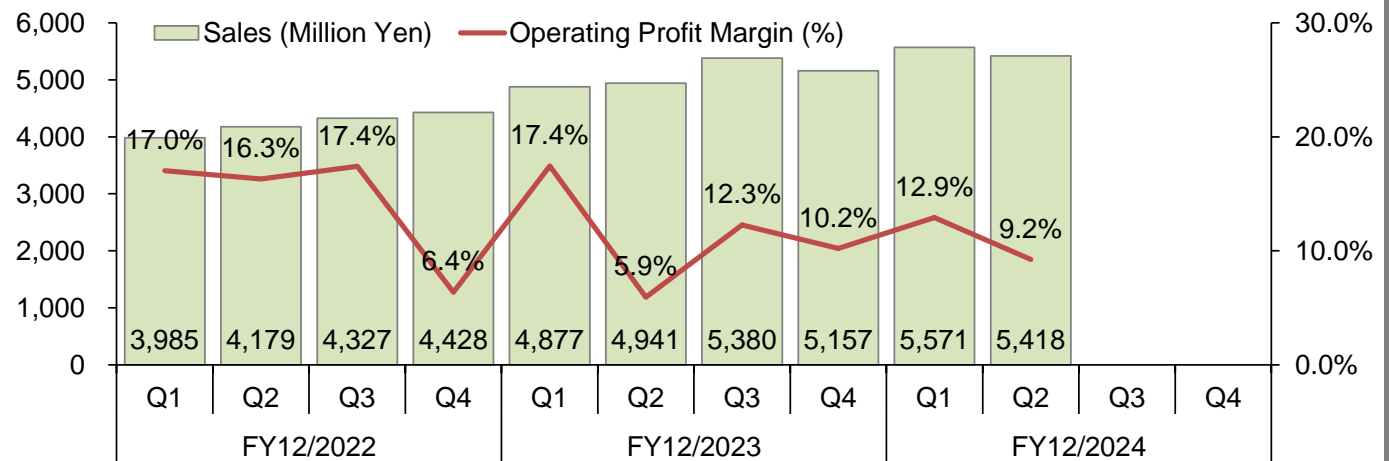
Source: Company Data

## 3.0 Recent Trading and Prospects

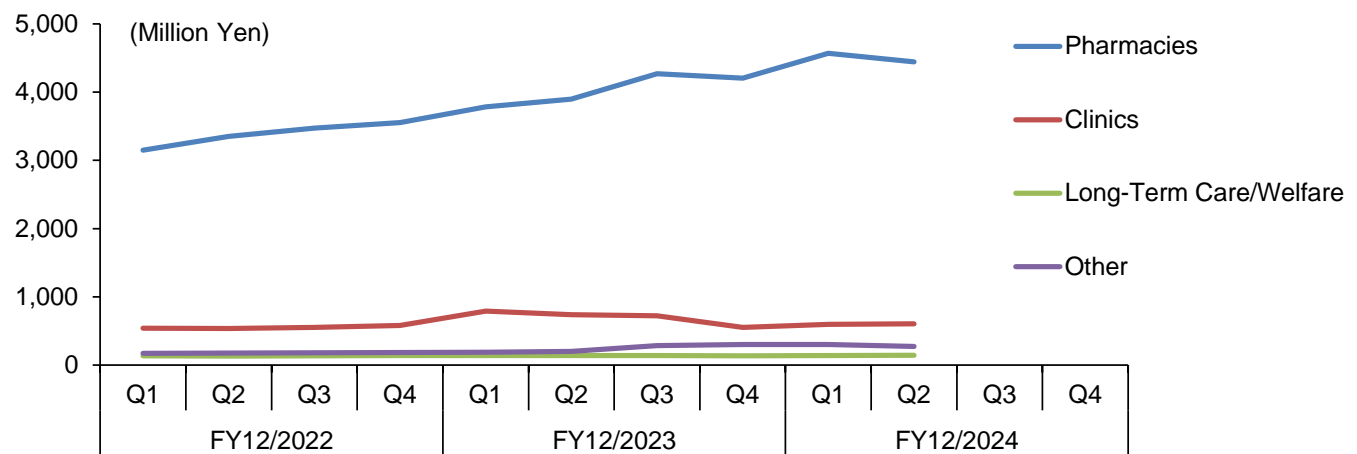
### Q1 to Q2 FY12/2024

For Q1 to Q2 FY12/2024, sales came in at ¥10,989m (up 11.9% YoY), operating profit ¥1,221m (up 6.7%), recurring profit ¥1,540m (up 10.5%) and profit attributable to owners of parent ¥985m (up 24.9%), while operating profit margin 11.1% (down 0.5% points). According to our estimates, the Company saw ROE of 10.8% over the past 12 months.

#### Sales and Operating Profit Margin

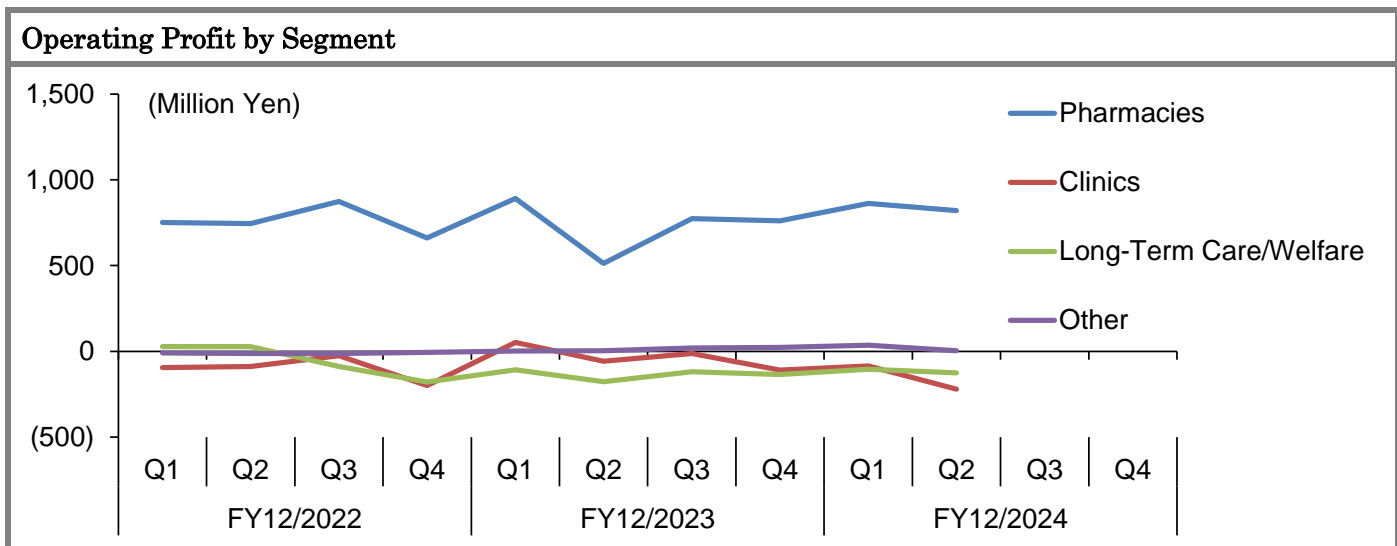


#### Sales by Segment



Source: Company Data, WRJ Calculation

By segment, sales on the Pharmacies side came in at ¥9,013m (up 17.3%), operating profit ¥1,684m (up 19.8%) and operating profit margin 18.7% (up 0.4% points), having accounted for 82.0% of the Company's sales and 141.8% for operating profit. Meanwhile, the Company has continued posting operating loss on the Clinics side and the Long-Term Care/Welfare side, where it horizontally applies its expertise earned on the Pharmacies side. In particular, on the Clinics side, sales came in at ¥1,198m (down 21.6%), operating profit minus ¥306m (versus minus ¥7m during the same period of the previous year) and operating profit margin minus 25.5% (down 25.1% points), having consequently resulted in a decline of earnings rather larger than an increase on the Pharmacies side. According to the Company, the impact of intensive demand for online eligibility verification system has run its course, while having suffered from post-response costs for system failures at the same time.



Source: Company Data, WRJ Calculation

### FY12/2024 Company Forecasts

FY12/2024 initial Company forecasts, announced on 14 February 2024, have remained unchanged, going for prospective sales of ¥22,014m (up 8.1% YoY), operating profit of ¥2,573m (up 10.4%), recurring profit of ¥3,199m (up 11.5%) and profit attributable to owners of parent of ¥2,160m (up 10.1%), while operating profit margin of 11.7% (up 0.2% points). As above-mentioned, meanwhile, the Company has upgraded interim dividend, realizing an increase in annual dividend for 13 consecutive years for FY12/2024, excluding FY12/2020 when it changed its accounting period. Initial Company forecasts were going for planned annual dividend of ¥14.00 per share, unchanged from ¥14.00 for the actual results of FY12/2023, while currently going for planned annual dividend of ¥16.00 per share for FY12/2024, implying payout ratio of 52.4%.

According to the Company, the Q1 to Q2 results were better than expected due mainly to a frontloaded posting of sales associated with some part of projects to respond to government policy. Specifically, sales of system to respond to electric prescriptions to existing customers (pharmacies) for Q1 to Q2 have run ahead of assumptions, as found in information disclosed in the document to announce upward revision for Q1 to Q2, released on 11 July 2024. The government is currently promoting adoptions of such system or mechanism to realize a computerization of prescriptions versus being currently managed via paper medium. Meanwhile, given a trend of leveling for sales for this system on a full-year basis, full-year Company forecasts have remained unchanged, according to the Company. As well, when the above-mentioned upward revision was made, the Company had not yet recognized the costs incurred in response to the aforementioned system failures on the Clinics side, having led to a shortfall of the Q1 to Q2 results against Company forecasts after the upward revision.

## FY12/2024 Company Forecasts and Actual Results

Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY12/2024CoE	14-Feb-24	Q4 Results	22,014	2,573	3,199	2,160
FY12/2024CoE	14-May-24	Q1 Results	22,014	2,573	3,199	2,160
FY12/2024CoE	11-Jul-24	Revision	22,014	2,573	3,199	2,160
FY12/2024CoE	09-Aug-24	Q2 Results	22,014	2,573	3,199	2,160
		Amount of Gap	0	0	0	0
		Rate of Gap	0.0%	0.0%	0.0%	0.0%
FY12/2024CoE	14-Feb-24	Q4 Results	22,014	2,573	3,199	2,160
FY12/2024CoE	14-May-24	Q1 Results	22,014	2,573	3,199	2,160
		Amount of Gap	0	0	0	0
		Rate of Gap	0.0%	0.0%	0.0%	0.0%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY12/2024CoE	14-Feb-24	Q4 Results	10,695	885	1,176	777
Q1 to Q2 FY12/2024CoE	14-May-24	Q1 Results	10,695	885	1,176	777
Q1 to Q2 FY12/2024CoE	11-Jul-24	Revision	11,044	1,350	1,676	1,053
		Amount of Gap	348	464	500	276
		Rate of Gap	3.3%	52.4%	42.5%	35.5%
Q1 to Q2 FY12/2024Act	09-Aug-24	Q2 Results	10,989	1,221	1,540	985
		Amount of Gap	(55)	(129)	(136)	(68)
		Rate of Gap	(0.5%)	(9.6%)	(8.1%)	(6.5%)
Q1 to Q2 FY12/2024CoE	14-Feb-24	Q4 Results	10,695	885	1,176	777
Q1 to Q2 FY12/2024Act	09-Aug-24	Q2 Results	10,989	1,221	1,540	985
		Amount of Gap	294	336	364	208
		Rate of Gap	2.7%	38.0%	31.0%	26.8%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY12/2024CoE	14-Feb-24	Q4 Results	11,319	1,688	2,023	1,383
Q3 to Q4 FY12/2024CoE	14-May-24	Q1 Results	11,319	1,688	2,023	1,383
Q3 to Q4 FY12/2024CoE	11-Jul-24	Revision	10,970	1,223	1,523	1,107
		Amount of Gap	(349)	(465)	(500)	(276)
		Rate of Gap	(3.1%)	(27.5%)	(24.7%)	(20.0%)
Q3 to Q4 FY12/2024CoE	09-Aug-24	Q2 Results	11,025	1,352	1,659	1,175
		Amount of Gap	55	129	136	68
		Rate of Gap	0.5%	10.5%	8.9%	6.1%
Q3 to Q4 FY12/2024CoE	14-Feb-24	Q4 Results	11,319	1,688	2,023	1,383
Q3 to Q4 FY12/2024CoE	09-Aug-24	Q2 Results	11,025	1,352	1,659	1,175
		Amount of Gap	(294)	(336)	(364)	(208)
		Rate of Gap	(2.6%)	(19.9%)	(18.0%)	(15.0%)

Source: Company Data, WRJ Calculation

## 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	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	12/2023	12/2023	12/2023	12/2023	12/2024	12/2024	12/2024	12/2024		
<b>Sales</b>	<b>4,877</b>	<b>9,818</b>	<b>15,198</b>	<b>20,355</b>	<b>5,571</b>	<b>10,989</b>	-	-	-	<b>+1,171</b>
Cost of Sales	2,232	4,960	7,766	10,433	2,649	5,427	-	-	-	+467
Gross Profit	2,645	4,858	7,432	9,921	2,922	5,561	-	-	-	+703
SG&A Expenses	1,793	3,713	5,628	7,591	2,201	4,340	-	-	-	+627
<b>Operating Profit</b>	<b>851</b>	<b>1,144</b>	<b>1,804</b>	<b>2,330</b>	<b>720</b>	<b>1,221</b>	-	-	-	<b>+77</b>
Non Operating Balance	110	250	395	539	153	319	-	-	-	+69
<b>Recurring Profit</b>	<b>961</b>	<b>1,394</b>	<b>2,199</b>	<b>2,869</b>	<b>873</b>	<b>1,540</b>	-	-	-	<b>+146</b>
Extraordinary Balance	(141)	(150)	(118)	(119)	(25)	(48)	-	-	-	+102
Profit before Income Taxes	820	1,244	2,081	2,750	848	1,492	-	-	-	+248
Total Income Taxes	310	459	725	766	263	489	-	-	-	+30
Profit Attributable to Non-Controlling Interests	(1)	(4)	(2)	21	12	17	-	-	-	+21
<b>Profit Attributable to Owners of Parent</b>	<b>511</b>	<b>789</b>	<b>1,357</b>	<b>1,962</b>	<b>571</b>	<b>985</b>	-	-	-	<b>+196</b>
Sales YoY	+22.4%	+20.3%	+21.7%	+20.3%	+14.2%	+11.9%	-	-	-	-
Operating Profit YoY	+25.4%	(15.9%)	(14.6%)	(2.7%)	(15.4%)	+6.7%	-	-	-	-
Recurring Profit YoY	+16.6%	(13.0%)	(10.5%)	+2.8%	(9.2%)	+10.5%	-	-	-	-
Profit Attributable to Owners of Parent YoY	(9.3%)	(27.6%)	(17.4%)	+3.6%	+11.7%	+24.9%	-	-	-	-
Gross Profit Margin	54.2%	49.5%	48.9%	48.7%	52.5%	50.6%	-	-	-	+1.1%
SG&A Ratio	36.8%	37.8%	37.0%	37.3%	39.5%	39.5%	-	-	-	+1.7%
Operating Profit Margin	17.4%	11.7%	11.9%	11.4%	12.9%	11.1%	-	-	-	(0.5%)
Recurring Profit Margin	19.7%	14.2%	14.5%	14.1%	15.7%	14.0%	-	-	-	(0.2%)
Profit Attributable to Owners of Parent Margin	10.5%	8.0%	8.9%	9.6%	10.2%	9.0%	-	-	-	+0.9%
Total Income Taxes / Profit before Income Taxes	37.8%	36.9%	34.8%	27.9%	31.0%	32.8%	-	-	-	(4.1%)
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	12/2023	12/2023	12/2023	12/2023	12/2024	12/2024	12/2024	12/2024		
<b>Sales</b>	<b>4,877</b>	<b>4,941</b>	<b>5,380</b>	<b>5,157</b>	<b>5,571</b>	<b>5,418</b>	-	-	-	<b>+477</b>
Cost of Sales	2,232	2,728	2,806	2,667	2,649	2,778	-	-	-	+50
Gross Profit	2,645	2,213	2,574	2,489	2,922	2,639	-	-	-	+426
SG&A Expenses	1,793	1,920	1,915	1,963	2,201	2,139	-	-	-	+219
<b>Operating Profit</b>	<b>851</b>	<b>293</b>	<b>660</b>	<b>526</b>	<b>720</b>	<b>501</b>	-	-	-	<b>+208</b>
Non Operating Balance	110	140	145	144	153	166	-	-	-	+26
<b>Recurring Profit</b>	<b>961</b>	<b>433</b>	<b>805</b>	<b>670</b>	<b>873</b>	<b>667</b>	-	-	-	<b>+234</b>
Extraordinary Balance	(141)	(9)	32	(1)	(25)	(23)	-	-	-	(14)
Profit before Income Taxes	820	424	837	669	848	644	-	-	-	+220
Total Income Taxes	310	149	266	41	263	226	-	-	-	+77
Profit Attributable to Non-Controlling Interests	(1)	(3)	2	23	12	5	-	-	-	+8
<b>Profit Attributable to Owners of Parent</b>	<b>511</b>	<b>278</b>	<b>568</b>	<b>605</b>	<b>571</b>	<b>414</b>	-	-	-	<b>+136</b>
Sales YoY	+22.4%	+18.2%	+24.3%	+16.5%	+14.2%	+9.7%	-	-	-	-
Operating Profit YoY	+25.4%	(57.0%)	(12.4%)	+86.5%	(15.4%)	+71.0%	-	-	-	-
Recurring Profit YoY	+16.6%	(44.4%)	(5.7%)	+100.6%	(9.2%)	+54.0%	-	-	-	-
Profit Attributable to Owners of Parent YoY	(9.3%)	(47.1%)	+2.3%	+143.0%	+11.7%	+48.9%	-	-	-	-
Gross Profit Margin	54.2%	44.8%	47.8%	48.3%	52.5%	48.7%	-	-	-	+3.9%
SG&A Ratio	36.8%	38.9%	35.6%	38.1%	39.5%	39.5%	-	-	-	+0.6%
Operating Profit Margin	17.4%	5.9%	12.3%	10.2%	12.9%	9.2%	-	-	-	+3.3%
Recurring Profit Margin	19.7%	8.8%	15.0%	13.0%	15.7%	12.3%	-	-	-	+3.5%
Profit Attributable to Owners of Parent Margin	10.5%	5.6%	10.6%	11.7%	10.2%	7.6%	-	-	-	+2.0%
Total Income Taxes / Profit before Income Taxes	37.8%	35.1%	31.8%	6.1%	31.0%	35.1%	-	-	-	(0.0%)

Source: Company Data, WRJ Calculation

## Segmented Information (Cumulative/Quarterly)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 12/2023	Q1 to Q2 12/2023	Q1 to Q3 12/2023	Q1 to Q4 12/2023	Q1 12/2024	Q1 to Q2 12/2024	Q1 to Q3 12/2024	Q1 to Q4 12/2024		
IT Systems for Pharmacies	3,783	7,681	11,953	16,159	4,569	9,013	-	-	-	+1,332
IT Systems for Clinics	791	1,529	2,249	2,802	596	1,198	-	-	-	(331)
IT Systems fo Long-Term Care/Welfare	140	278	416	550	139	283	-	-	-	+5
Other	187	386	671	973	299	572	-	-	-	+186
(Adjustments)	(24)	(58)	(91)	(131)	(32)	(79)	-	-	-	(21)
<b>Sales</b>	<b>4,877</b>	<b>9,818</b>	<b>15,198</b>	<b>20,355</b>	<b>5,571</b>	<b>10,989</b>	-	-	-	<b>+1,171</b>
IT Systems for Pharmacies	892	1,405	2,178	2,939	863	1,684	-	-	-	+279
IT Systems for Clinics	51	(7)	(20)	(130)	(86)	(306)	-	-	-	(299)
IT Systems fo Long-Term Care/Welfare	(108)	(285)	(404)	(540)	(104)	(229)	-	-	-	+56
Other	2	5	25	48	36	40	-	-	-	+35
<b>Segment Profit</b>	<b>837</b>	<b>1,117</b>	<b>1,779</b>	<b>2,316</b>	<b>709</b>	<b>1,188</b>	-	-	-	<b>+71</b>
(Adjustments)	14	27	25	13	11	32	-	-	-	+5
<b>Operating Profit</b>	<b>851</b>	<b>1,144</b>	<b>1,804</b>	<b>2,330</b>	<b>720</b>	<b>1,221</b>	-	-	-	<b>+77</b>
IT Systems for Pharmacies	23.6%	18.3%	18.2%	18.2%	18.9%	18.7%	-	-	-	+0.4%
IT Systems for Clinics	6.4%	(0.5%)	(0.9%)	(4.6%)	(14.4%)	(25.5%)	-	-	-	(25.1%)
IT Systems fo Long-Term Care/Welfare	(77.1%)	(102.5%)	(97.1%)	(98.2%)	(74.8%)	(80.9%)	-	-	-	+21.6%
Other	1.1%	1.3%	3.7%	4.9%	12.0%	7.0%	-	-	-	+5.7%
(Adjustments)	0.3%	0.3%	0.2%	0.1%	0.2%	0.3%	-	-	-	+0.0%
<b>Operating Profit Margin</b>	<b>17.4%</b>	<b>11.7%</b>	<b>11.9%</b>	<b>11.4%</b>	<b>12.9%</b>	<b>11.1%</b>	-	-	-	<b>(0.5%)</b>

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 12/2023	Q2 12/2023	Q3 12/2023	Q4 12/2023	Q1 12/2024	Q2 12/2024	Q3 12/2024	Q4 12/2024		
IT Systems for Pharmacies	3,783	3,898	4,272	4,206	4,569	4,444	-	-	-	+546
IT Systems for Clinics	791	738	720	553	596	602	-	-	-	(136)
IT Systems fo Long-Term Care/Welfare	140	138	138	134	139	144	-	-	-	+6
Other	187	199	285	302	299	273	-	-	-	+74
(Adjustments)	(24)	(34)	(33)	(40)	(32)	(47)	-	-	-	(13)
<b>Sales</b>	<b>4,877</b>	<b>4,941</b>	<b>5,380</b>	<b>5,157</b>	<b>5,571</b>	<b>5,418</b>	-	-	-	<b>+477</b>
IT Systems for Pharmacies	892	513	773	761	863	821	-	-	-	+308
IT Systems for Clinics	51	(58)	(13)	(110)	(86)	(220)	-	-	-	(162)
IT Systems fo Long-Term Care/Welfare	(108)	(177)	(119)	(136)	(104)	(125)	-	-	-	+52
Other	2	3	20	23	36	4	-	-	-	+1
<b>Segment Profit</b>	<b>837</b>	<b>280</b>	<b>662</b>	<b>537</b>	<b>709</b>	<b>479</b>	-	-	-	<b>+199</b>
(Adjustments)	14	13	(2)	(12)	11	21	-	-	-	+8
<b>Operating Profit</b>	<b>851</b>	<b>293</b>	<b>660</b>	<b>526</b>	<b>720</b>	<b>501</b>	-	-	-	<b>+208</b>
IT Systems for Pharmacies	23.6%	13.2%	18.1%	18.1%	18.9%	18.5%	-	-	-	+5.3%
IT Systems for Clinics	6.4%	(7.9%)	(1.8%)	(19.9%)	(14.4%)	(36.5%)	-	-	-	(28.7%)
IT Systems fo Long-Term Care/Welfare	(77.1%)	(128.3%)	(86.2%)	(101.5%)	(74.8%)	(86.8%)	-	-	-	+41.5%
Other	1.1%	1.5%	7.0%	7.6%	12.0%	1.5%	-	-	-	(0.0%)
(Adjustments)	0.3%	0.3%	(0.0%)	(0.2%)	0.2%	0.4%	-	-	-	+0.1%
<b>Operating Profit Margin</b>	<b>17.4%</b>	<b>5.9%</b>	<b>12.3%</b>	<b>10.2%</b>	<b>12.9%</b>	<b>9.2%</b>	-	-	-	<b>+3.3%</b>

Source: Company Data, WRJ Calculation

## Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 12/2023	Q1 to Q2 12/2023	Q1 to Q3 12/2023	Q1 to Q4 12/2023	Q1 12/2024	Q1 to Q2 12/2024	Q1 to Q3 12/2024	Q1 to Q4 12/2024		
Operating Cash Flow	-	371	-	1,584	-	1,885	-	-	-	+1,514
Investing Cash Flow	-	(2,168)	-	(2,038)	-	15	-	-	-	+2,183
<b>Operating Cash Flow and Investing Cash Flow</b>	-	<b>(1,797)</b>	-	<b>(454)</b>	-	<b>1,900</b>	-	-	-	<b>+3,697</b>
Financing Cash Flow	-	(661)	-	993	-	(1,922)	-	-	-	(1,261)

Source: Company Data, WRJ Calculation

## Balance Sheet (Quarterly)

Balance Sheet	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	12/2023	12/2023	12/2023	12/2023	12/2024	12/2024	12/2024	12/2024		
Cash and Deposit	8,163	6,445	9,178	9,441	9,524	9,490	-	-		+3,045
Accounts Receivables	3,494	3,250	3,211	3,082	3,421	3,403	-	-		+153
Inventory	1,744	1,555	1,247	1,136	1,349	1,123	-	-		(432)
Other	549	1,051	1,081	1,141	1,162	1,198	-	-		+147
<b>Current Assets</b>	<b>13,950</b>	<b>12,301</b>	<b>14,717</b>	<b>14,800</b>	<b>15,456</b>	<b>15,214</b>	-	-		<b>+2,913</b>
Tangible Assets	1,407	1,404	1,372	1,330	1,385	1,436	-	-		+32
Intangible Assets	3,169	5,185	5,421	5,186	5,031	4,782	-	-		(403)
Investments and Other Assets	8,157	8,278	8,134	8,070	7,931	7,848	-	-		(430)
<b>Fixed Assets</b>	<b>12,734</b>	<b>14,869</b>	<b>14,928</b>	<b>14,587</b>	<b>14,348</b>	<b>14,067</b>	-	-		<b>(802)</b>
<b>Total Assets</b>	<b>26,684</b>	<b>27,170</b>	<b>29,646</b>	<b>29,387</b>	<b>29,804</b>	<b>29,282</b>	-	-		<b>+2,112</b>
Accounts Payables	1,691	1,238	1,222	1,121	1,526	1,074	-	-		(164)
Short-Term Debt	182	157	987	966	1,020	857	-	-		+700
Other	3,336	3,800	3,822	3,531	3,945	4,316	-	-		+516
<b>Current Liabilities</b>	<b>5,209</b>	<b>5,195</b>	<b>6,031</b>	<b>5,618</b>	<b>6,491</b>	<b>6,247</b>	-	-		<b>+1,052</b>
Long-Term Debt	222	186	1,759	1,527	1,229	986	-	-		+800
Other	1,784	1,935	1,921	1,675	1,642	1,644	-	-		(291)
<b>Fixed Liabilities</b>	<b>2,006</b>	<b>2,121</b>	<b>3,680</b>	<b>3,202</b>	<b>2,871</b>	<b>2,630</b>	-	-		<b>+509</b>
<b>Total Liabilities</b>	<b>7,216</b>	<b>7,317</b>	<b>9,711</b>	<b>8,821</b>	<b>9,363</b>	<b>8,878</b>	-	-		<b>+1,561</b>
<b>Shareholders' Equity</b>	<b>19,270</b>	<b>19,594</b>	<b>19,667</b>	<b>20,272</b>	<b>20,146</b>	<b>20,083</b>	-	-		<b>+489</b>
Other	198	258	267	294	295	321	-	-		+63
<b>Net Assets</b>	<b>19,468</b>	<b>19,852</b>	<b>19,934</b>	<b>20,566</b>	<b>20,441</b>	<b>20,404</b>	-	-		<b>+552</b>
<b>Total Liabilities and Net Assets</b>	<b>26,684</b>	<b>27,170</b>	<b>29,646</b>	<b>29,387</b>	<b>29,804</b>	<b>29,282</b>	-	-		<b>+2,112</b>
Equity Capital	19,390	19,777	19,857	20,464	20,327	20,324	-	-		+547
Interest-Bearing Debt	404	343	2,746	2,493	2,249	1,843	-	-		+1,500
Net Debt	(7,759)	(6,102)	(6,432)	(6,948)	(7,275)	(7,647)	-	-		(1,545)
Equity Ratio	72.7%	72.8%	67.0%	69.6%	68.2%	69.4%	-	-		-
Net Debt-to-Equity Ratio	(40.0%)	(30.9%)	(32.4%)	(34.0%)	(35.8%)	(37.6%)	-	-		-
ROE (12 months)	9.7%	8.2%	8.2%	9.8%	10.2%	10.8%	-	-		-
ROA (12 months)	11.4%	9.9%	9.3%	10.3%	9.8%	10.7%	-	-		-

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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