

## 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		23,739	3,797	4,501	1,978	27.99	29.00	-
FY12/2023	YoY	20.3%	(2.7%)	2.8%	3.6%	-	-	-
FY12/2024CoE	YoY	16.6%	63.0%	56.9%	0.8%	-	-	-
Consolidated Q1 to Q3 (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q3 FY12/2023		15,198	1,804	2,199	1,357	-	-	-
Q1 to Q3 FY12/2024		17,755	3,201	3,715	1,510	-	-	-
Q1 to Q3 FY12/2024	YoY	16.8%	77.5%	68.9%	11.3%	-	-	-

Source: Company Data, WRJ Calculation

### 1.0 Results Update (21 November 2024)

#### Acceleration and Reversal

On 14 November 2024, EM SYSTEMS, which develops and sells IT systems of mission-critical tasks for pharmacies as the leader in Japan, released its Q1 to Q3 (January to September) FY12/2024 results and new midterm management plan (FY12/2025 to FY12/2027) at the same time. It has been revealed that recent trading is running ahead of assumptions made earlier, driven by rush demand associated with so-called welfare administration, having resulted in upward revision for full-year Company forecasts. In line with government policy, the Company is in charge of providing own customers using its IT systems for pharmacies with electronic prescription systems to be installed, while the demand is now picking up sharply. With the revision of medical service fees in June 2024, there was an add-on newly set up to promote medical DX, which was followed by a notification for the administration to suspend subsidies related to adoption of the said systems as of the end of CY2024, resulting in the above-mentioned rush demand, according to the Company. Meanwhile, the Company expects this to increase the installation rate of the said systems amongst own customers to 70% to 75% as of the end of December 2024, while the Company will post sales for the remaining 25% to 30% from the beginning of FY12/2025. Under assumptions of the new midterm management plan, the Company's sales are to inevitably suffer from a reversal of the above-mentioned acceleration from FY12/2024 to FY12/2025, even as a whole, consequently. More importantly, however, excluding the impact of all those developments related to the welfare administration, the Company is on track for sustained growth from a long-term perspective.

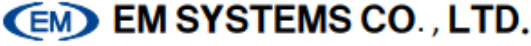
For reference: [Mid-term Management Plan FY2025-FY2027 \(November 2024\)](#)

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 September 2024)
<b>No. of Shares</b>	74,514,800 shares, including 5,065,894 treasury shares (as of the end of Sep. 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)

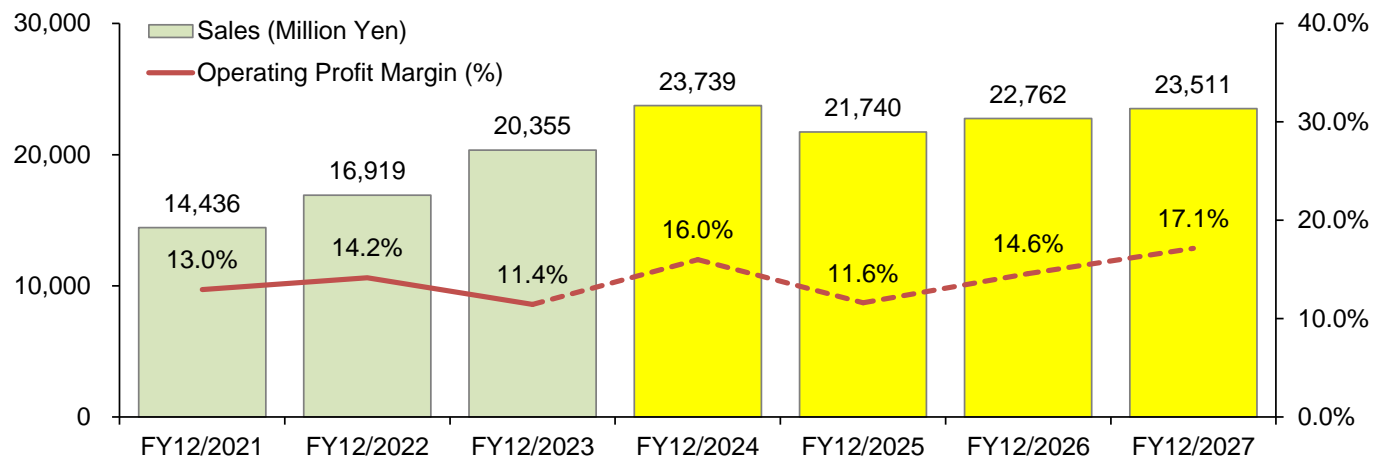
Source: Company Data

## 3.0 Recent Trading and Prospects

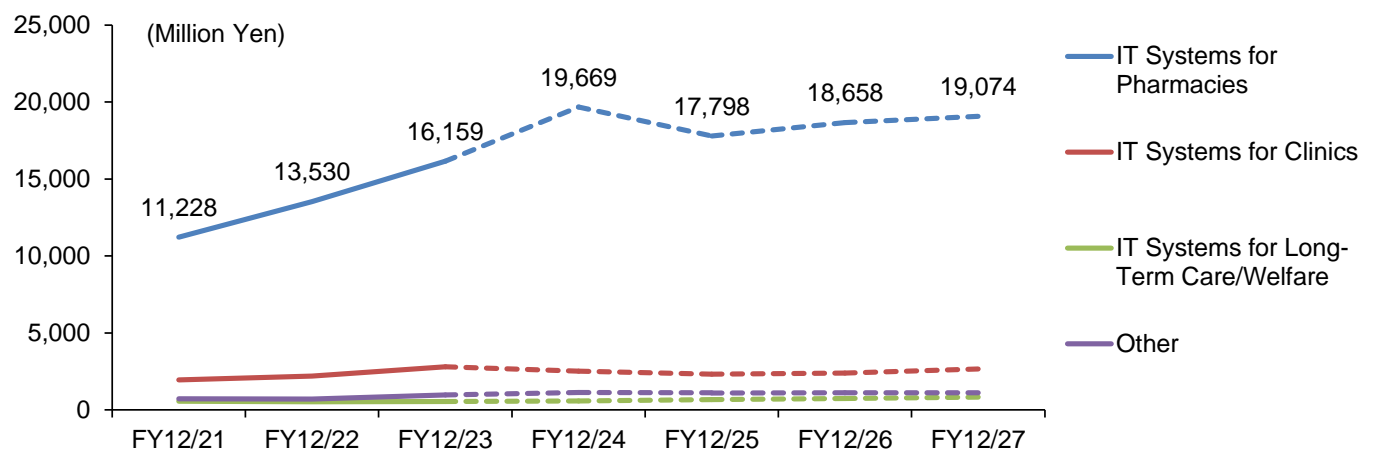
### New Midterm Management Plan

The new midterm management plan (FY12/2025 to FY12/2027) calls for prospective sales of ¥23,511m, operating profit of ¥4,031m and operating profit margin of 17.1% for FY12/2027, the final year of the plan. With respect to ROE, the Company assumes 10.2% for FY12/2024 versus 17.0% for FY12/2027, the final year of the plan.

#### New Midterm Management Plan: Sales and Operating Profit Margin



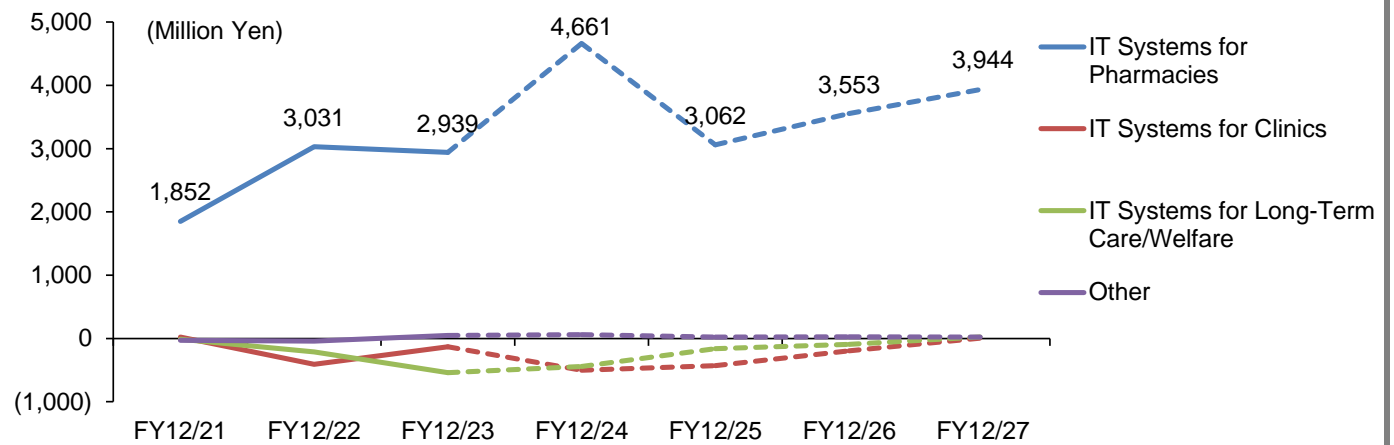
#### New Midterm Management Plan: Sales



Source: Company Data, WRJ Calculation

Setting the FY12/2021, when the impact of the welfare administration had not become significant, as the point of origin, the Company calls for CAGR of 8.5% in sales and 13.7% in operating profit toward FY12/2027, the final year of the plan. Meanwhile, setting assumptions for FY12/2024 as the point of origin, the Company is looking to a major contribution from the Clinics side and the Long-Term Care/Welfare side, in both of which all assets have been just impaired, for the increase in operating profit toward FY12/2027, the final year of the plan. The Company intends to achieve this through the implementation of various drastic measures. Meanwhile, on the mainstay Pharmacies side, where “expanding wallet share” is a key strategy, the Company looks to be calling for a steady increase in sales and earnings to persist, when excluding the impact of the welfare administration. For information, “expanding wallet share,” refers to the Company’s strategy to increase average revenue per user (ARPU).

## New Midterm Management Plan: Segment Profit



Source: Company Data, WRJ Calculation

For Q1 to Q3 (January to September) FY12/2024, sales came in at ¥17,755m (up 16.8% YoY), operating profit ¥3,201m (up 77.5%), recurring profit ¥3,715m (up 68.9%) and profit attributable to owners of parent ¥1,510m (up 11.3%), while operating profit margin 18.0% (up 6.2% points). At the same time, the Company has posted impairment loss of collective ¥1,344m related to the Clinics side and the Long-Term Care/Welfare side.

Full-year Company forecasts have been revised upward on 14 November 2024, going for prospective sales of ¥23,739m (up 16.6% YoY), operating profit of ¥3,797m (up 63.0%) and recurring profit of ¥4,501m (up 56.9% YoY) for FY12/2024. However, due to the above-mentioned impairment loss, profit attributable to owners of parent has been revised downward slightly and is now expected to be ¥1,978m (up 0.8%). Meanwhile, Company forecasts are going for operating profit margin of 16.0% (up 4.5% points).

For FY12/2024, Company forecasts have been revised upward also for planned annual dividend, currently going for ¥29.00 per share, implying payout ratio of 101.3%. The Company has paid ¥9.00 per share as of the end of Q2 and was going for ¥7.00 as of the end of the year, while currently going for ¥20.00 for the latter, which is almost a tripling.

This reflects the measures to improve capital efficiency, which are advocated in the financial strategy of the new midterm management plan. In other words, the Company will continue to pay dividend equivalent to a payout ratio of 100% for FY12/2025 and thereafter. The Company has become quite aggressive in its efforts to improve capital efficiency and, while working to improve profitability as above-mentioned, it will also promote the optimization of its balance sheet through the implementation of various measures, including the change in its dividend policy.

## 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
FY12/2024CoE	14-Nov-24	Q3 Results	23,739	3,797	4,501	1,978
		Amount of Gap	1,725	1,224	1,302	(181)
		Rate of Gap	7.8%	47.6%	40.7%	(8.4%)
FY12/2024CoE	14-Feb-24	Q4 Results	22,014	2,573	3,199	2,160
FY12/2024CoE	14-Nov-24	Q3 Results	23,739	3,797	4,501	1,978
		Amount of Gap	1,725	1,224	1,302	(181)
		Rate of Gap	7.8%	47.6%	40.7%	(8.4%)
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-Nov-24	Q3 Results	12,750	2,576	2,961	993
		Amount of Gap	1,725	1,224	1,302	(182)
		Rate of Gap	15.6%	90.5%	78.5%	(15.5%)
Q3 to Q4 FY12/2024CoE	14-Feb-24	Q4 Results	11,319	1,688	2,023	1,383
Q3 to Q4 FY12/2024CoE	14-Nov-24	Q3 Results	12,750	2,576	2,961	993
		Amount of Gap	1,431	888	938	(390)
		Rate of Gap	12.6%	52.6%	46.4%	(28.2%)

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>17,755</b>	-	-	<b>+2,557</b>
Cost of Sales	2,232	4,960	7,766	10,433	2,649	5,427	8,282	-	-	+516
Gross Profit	2,645	4,858	7,432	9,921	2,922	5,561	9,473	-	-	+2,041
SG&A Expenses	1,793	3,713	5,628	7,591	2,201	4,340	6,272	-	-	+644
<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>3,201</b>	-	-	<b>+1,397</b>
Non Operating Balance	110	250	395	539	153	319	514	-	-	+119
<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>3,715</b>	-	-	<b>+1,516</b>
Extraordinary Balance	(141)	(150)	(118)	(119)	(25)	(48)	(1,392)	-	-	(1,274)
Profit before Income Taxes	820	1,244	2,081	2,750	848	1,492	2,323	-	-	+242
Total Income Taxes	310	459	725	766	263	489	793	-	-	+68
Profit Attributable to Non-Controlling Interests	(1)	(4)	(2)	21	12	17	18	-	-	+20
<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>1,510</b>	-	-	<b>+153</b>
Sales YoY	+22.4%	+20.3%	+21.7%	+20.3%	+14.2%	+11.9%	+16.8%	-	-	-
Operating Profit YoY	+25.4%	(15.9%)	(14.6%)	(2.7%)	(15.4%)	+6.7%	+77.5%	-	-	-
Recurring Profit YoY	+16.6%	(13.0%)	(10.5%)	+2.8%	(9.2%)	+10.5%	+68.9%	-	-	-
Profit Attributable to Owners of Parent YoY	(9.3%)	(27.6%)	(17.4%)	+3.6%	+11.7%	+24.9%	+11.3%	-	-	-
Gross Profit Margin	54.2%	49.5%	48.9%	48.7%	52.5%	50.6%	53.4%	-	-	+4.5%
SG&A Ratio	36.8%	37.8%	37.0%	37.3%	39.5%	39.5%	35.3%	-	-	(1.7%)
Operating Profit Margin	17.4%	11.7%	11.9%	11.4%	12.9%	11.1%	18.0%	-	-	+6.2%
Recurring Profit Margin	19.7%	14.2%	14.5%	14.1%	15.7%	14.0%	20.9%	-	-	+6.5%
Profit Attributable to Owners of Parent Margin	10.5%	8.0%	8.9%	9.6%	10.2%	9.0%	8.5%	-	-	(0.4%)
Total Income Taxes / Profit before Income Taxes	37.8%	36.9%	34.8%	27.9%	31.0%	32.8%	34.1%	-	-	(0.7%)
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>6,766</b>	-	-	<b>+1,386</b>
Cost of Sales	2,232	2,728	2,806	2,667	2,649	2,778	2,855	-	-	+49
Gross Profit	2,645	2,213	2,574	2,489	2,922	2,639	3,912	-	-	+1,338
SG&A Expenses	1,793	1,920	1,915	1,963	2,201	2,139	1,932	-	-	+17
<b>Operating Profit</b>	<b>851</b>	<b>293</b>	<b>660</b>	<b>526</b>	<b>720</b>	<b>501</b>	<b>1,980</b>	-	-	<b>+1,320</b>
Non Operating Balance	110	140	145	144	153	166	195	-	-	+50
<b>Recurring Profit</b>	<b>961</b>	<b>433</b>	<b>805</b>	<b>670</b>	<b>873</b>	<b>667</b>	<b>2,175</b>	-	-	<b>+1,370</b>
Extraordinary Balance	(141)	(9)	32	(1)	(25)	(23)	(1,344)	-	-	(1,376)
Profit before Income Taxes	820	424	837	669	848	644	831	-	-	(6)
Total Income Taxes	310	149	266	41	263	226	304	-	-	+38
Profit Attributable to Non-Controlling Interests	(1)	(3)	2	23	12	5	1	-	-	(1)
<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>525</b>	-	-	<b>(43)</b>
Sales YoY	+22.4%	+18.2%	+24.3%	+16.5%	+14.2%	+9.7%	+25.8%	-	-	-
Operating Profit YoY	+25.4%	(57.0%)	(12.4%)	+86.5%	(15.4%)	+71.0%	+200.0%	-	-	-
Recurring Profit YoY	+16.6%	(44.4%)	(5.7%)	+100.6%	(9.2%)	+54.0%	+170.2%	-	-	-
Profit Attributable to Owners of Parent YoY	(9.3%)	(47.1%)	+2.3%	+143.0%	+11.7%	+48.9%	(7.6%)	-	-	-
Gross Profit Margin	54.2%	44.8%	47.8%	48.3%	52.5%	48.7%	57.8%	-	-	+10.0%
SG&A Ratio	36.8%	38.9%	35.6%	38.1%	39.5%	39.5%	28.6%	-	-	(7.0%)
Operating Profit Margin	17.4%	5.9%	12.3%	10.2%	12.9%	9.2%	29.3%	-	-	+17.0%
Recurring Profit Margin	19.7%	8.8%	15.0%	13.0%	15.7%	12.3%	32.1%	-	-	+17.2%
Profit Attributable to Owners of Parent Margin	10.5%	5.6%	10.6%	11.7%	10.2%	7.6%	7.8%	-	-	(2.8%)
Total Income Taxes / Profit before Income Taxes	37.8%	35.1%	31.8%	6.1%	31.0%	35.1%	36.6%	-	-	+4.8%

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	14,733	-	-	+2,780
IT Systems for Clinics	791	1,529	2,249	2,802	596	1,198	1,840	-	-	(409)
IT Systems for Long-Term Care/Welfare	140	278	416	550	139	283	447	-	-	+31
Other	187	386	671	973	299	572	849	-	-	+178
(Adjustments)	(24)	(58)	(92)	(131)	(32)	(79)	(115)	-	-	(23)
<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>17,755</b>	-	-	<b>+2,557</b>
IT Systems for Pharmacies	892	1,405	2,169	2,939	863	1,684	3,801	-	-	+1,632
IT Systems for Clinics	51	(7)	(20)	(130)	(86)	(306)	(340)	-	-	(320)
IT Systems for Long-Term Care/Welfare	(108)	(285)	(404)	(540)	(104)	(229)	(320)	-	-	+84
Other	2	5	25	48	36	40	47	-	-	+22
<b>Segment Profit</b>	<b>837</b>	<b>1,117</b>	<b>1,769</b>	<b>2,316</b>	<b>709</b>	<b>1,188</b>	<b>3,188</b>	-	-	<b>+1,419</b>
(Adjustments)	14	27	34	13	11	32	13	-	-	(21)
<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>3,201</b>	-	-	<b>+1,397</b>
IT Systems for Pharmacies	23.6%	18.3%	18.1%	18.2%	18.9%	18.7%	25.8%	-	-	+7.7%
IT Systems for Clinics	6.4%	(0.5%)	(0.9%)	(4.6%)	(14.4%)	(25.5%)	(18.5%)	-	-	(17.6%)
IT Systems for Long-Term Care/Welfare	(77.1%)	(102.5%)	(97.1%)	(98.2%)	(74.8%)	(80.9%)	(71.6%)	-	-	+25.5%
Other	1.1%	1.3%	3.7%	4.9%	12.0%	7.0%	5.5%	-	-	+1.8%
(Adjustments)	0.3%	0.3%	0.2%	0.1%	0.2%	0.3%	0.1%	-	-	(0.2%)
<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>18.0%</b>	-	-	<b>+6.2%</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	5,720	-	-	+1,448
IT Systems for Clinics	791	738	720	553	596	602	642	-	-	(78)
IT Systems for Long-Term Care/Welfare	140	138	138	134	139	144	164	-	-	+26
Other	187	199	285	302	299	273	277	-	-	(8)
(Adjustments)	(24)	(34)	(34)	(39)	(32)	(47)	(36)	-	-	(2)
<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>6,766</b>	-	-	<b>+1,386</b>
IT Systems for Pharmacies	892	513	764	770	863	821	2,117	-	-	+1,353
IT Systems for Clinics	51	(58)	(13)	(110)	(86)	(220)	(34)	-	-	(21)
IT Systems for Long-Term Care/Welfare	(108)	(177)	(119)	(136)	(104)	(125)	(91)	-	-	+28
Other	2	3	20	23	36	4	7	-	-	(13)
<b>Segment Profit</b>	<b>837</b>	<b>280</b>	<b>652</b>	<b>547</b>	<b>709</b>	<b>479</b>	<b>2,000</b>	-	-	<b>+1,348</b>
(Adjustments)	14	13	7	(21)	11	21	(19)	-	-	(26)
<b>Operating Profit</b>	<b>851</b>	<b>293</b>	<b>660</b>	<b>526</b>	<b>720</b>	<b>501</b>	<b>1,980</b>	-	-	<b>+1,320</b>
IT Systems for Pharmacies	23.6%	13.2%	17.9%	18.3%	18.9%	18.5%	37.0%	-	-	+19.1%
IT Systems for Clinics	6.4%	(7.9%)	(1.8%)	(19.9%)	(14.4%)	(36.5%)	(5.3%)	-	-	(3.5%)
IT Systems for Long-Term Care/Welfare	(77.1%)	(128.3%)	(86.2%)	(101.5%)	(74.8%)	(86.8%)	(55.5%)	-	-	+30.7%
Other	1.1%	1.5%	7.0%	7.6%	12.0%	1.5%	2.5%	-	-	(4.5%)
(Adjustments)	0.3%	0.3%	0.1%	(0.4%)	0.2%	0.4%	(0.3%)	-	-	(0.4%)
<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>29.3%</b>	-	-	<b>+17.0%</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	-	-	-	-
Investing Cash Flow	-	(2,168)	-	(2,038)	-	15	-	-	-	-
<b>Operating Cash Flow and Investing Cash Flow</b>	-	<b>(1,797)</b>	-	<b>(454)</b>	-	<b>1,900</b>	-	-	-	-
Financing Cash Flow	-	(661)	-	993	-	(1,922)	-	-	-	-

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	10,291	-		+1,113
Accounts Receivables	3,494	3,250	3,211	3,082	3,421	3,403	3,779	-		+568
Inventory	1,744	1,555	1,247	1,136	1,349	1,123	920	-		(327)
Other	549	1,051	1,081	1,141	1,162	1,198	1,085	-		+4
<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>16,075</b>	-		<b>+1,358</b>
Tangible Assets	1,407	1,404	1,372	1,330	1,385	1,436	1,099	-		(273)
Intangible Assets	3,169	5,185	5,421	5,186	5,031	4,782	3,691	-		(1,730)
Investments and Other Assets	8,157	8,278	8,134	8,070	7,931	7,848	8,123	-		(11)
<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>12,914</b>	-		<b>(2,014)</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>28,990</b>	-		<b>(656)</b>
Accounts Payables	1,691	1,238	1,222	1,121	1,526	1,074	1,155	-		(67)
Short-Term Debt	182	157	987	966	1,020	857	837	-		(150)
Other	3,336	3,800	3,822	3,531	3,945	4,316	4,810	-		+988
<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>6,802</b>	-		<b>+771</b>
Long-Term Debt	222	186	1,759	1,527	1,229	986	777	-		(982)
Other	1,784	1,935	1,921	1,675	1,642	1,644	1,610	-		(311)
<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>2,387</b>	-		<b>(1,293)</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>9,189</b>	-		<b>(522)</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>19,595</b>	-		<b>(72)</b>
Other	198	258	267	294	295	321	205	-		(62)
<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>19,800</b>	-		<b>(134)</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>28,990</b>	-		<b>(656)</b>
Equity Capital	19,390	19,777	19,857	20,464	20,327	20,324	19,719	-		(138)
Interest-Bearing Debt	404	343	2,746	2,493	2,249	1,843	1,614	-		(1,132)
Net Debt	(7,759)	(6,102)	(6,432)	(6,948)	(7,275)	(7,647)	(8,677)	-		(2,245)
Equity Ratio	72.7%	72.8%	67.0%	69.6%	68.2%	69.4%	68.0%	-		-
Net Debt-to-Equity Ratio	(40.0%)	(30.9%)	(32.4%)	(34.0%)	(35.8%)	(37.6%)	(44.0%)	-		-
ROE (12 months)	9.7%	8.2%	8.2%	9.8%	10.2%	10.8%	10.7%	-		-
ROA (12 months)	11.4%	9.9%	9.3%	10.3%	9.8%	10.7%	15.0%	-		-

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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