
MEDICAL SYSTEM NETWORK Co., Ltd.

Second Quarter of Fiscal Year Ending March 2021

First Section of Tokyo Stock Exchange; Securities Code: 4350

Data Book

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- ※ Caution is given to the accuracy of information,
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- ※ Furthermore, this report is not prepared for the purposes of investment solicitation.
Readers are responsible for their own judgement in any decision regarding investments.

1. Consolidated Statement of Income and Comprehensive Income

(1) Consolidated Statement of Income

(million yen)

	FY3/2019 2nd Quarter 4/2018~9/2018	FY3/2020 2nd Quarter 4/2019~9/2019		FY3/2021 2nd Quarter 4/2020~9/2020	
				Change	Change
Net sales	47,560	52,216	4,656	51,045	(1,171)
(YoY)	2.2%	9.8%	–	(2.2%)	–
Community Pharmacy Network Segment	44,718	49,290	4,572	48,540	(749)
Leasing and Facility related Segment	1,508	1,829	321	1,438	(390)
Meal Catering Segment	1,586	1,434	(152)	1,248	(185)
Home Visit Nursing Segment	68	79	11	110	30
Cost of sales	29,672	32,397	2,724	30,542	(1,854)
(% of Net sales)	62.4%	62.0%	–	59.8%	–
Gross profit	17,887	19,819	1,932	20,502	682
(YoY)	(1.2%)	10.8%	–	3.4%	–
(% of Net sales)	37.6%	38.0%	–	40.2%	–
SG&A expenses	17,410	19,022	1,612	19,147	124
(% of Net sales)	36.6%	36.4%	–	37.5%	–
Labor costs	10,363	11,086	722	11,156	70
Depreciation	497	538	41	534	(3)
Amortization of goodwill	564	604	39	572	(32)
Operating profit	476	796	319	1,355	558
(YoY)	(62.5%)	67.1%	–	70.1%	–
(% of Net sales)	1.0%	1.5%	–	2.7%	–
Community Pharmacy Network Segment	1,227	1,736	509	2,369	633
Leasing and Facility related Segment	10	68	58	16	(52)
Meal Catering Segment	18	(34)	(53)	(13)	21
Home Visit Nursing Segment	(57)	(39)	18	(13)	25
Non-operating profit	119	156	37	207	51
Interest income and Dividend income	5	5	(0)	5	(0)
Other	113	151	37	202	51
Non-operating expenses	157	168	11	165	(2)
Interest expenses	117	124	7	111	(13)
Other	39	43	3	54	10
Ordinary profit	438	784	346	1,397	612
(YoY)	(65.5%)	78.9%	–	78.1%	–
(% of Net sales)	0.9%	1.5%	–	2.7%	–
Extraordinary income	11	33	21	6	(27)
Extraordinary losses	38	27	(10)	183	155
Profit before income taxes	411	790	378	1,219	429
Income taxes	294	571	276	640	69
Profit attributable to non-controlling interests	(2)	–	2	–	–
Profit attributable to owners of parent	119	218	98	578	360
(YoY)	(67.0%)	82.2%	–	165.1%	–
(% of Net sales)	0.3%	0.4%	–	1.1%	–

(2) Consolidated Statement of Comprehensive Income

(million yen)

	FY3/2019 2nd Quarter 4/2018~9/2018	FY3/2020 2nd Quarter 4/2019~9/2019	FY3/2021 2nd Quarter 4/2020~9/2020	
			Change	Change
Profit	117	218	101	578
Other comprehensive income	46	(85)	(131)	(5)
Valuation difference on available-for-sale securities	36	(89)	(125)	(9)
Deferred gains or losses on hedges	3	(0)	(4)	(2)
Remeasurements of defined benefit plans, net of tax	6	3	(2)	5
Comprehensive income	163	132	(30)	573
(YoY)	(64.5%)	(18.7%)	-	332.7%
Comprehensive income attributable to owners of parent	165	132	(33)	573
Comprehensive income attributable to non-controlling interests	(2)	-	2	-

2. Consolidated Balance Sheet

(million yen)

	FY3/2020 2nd Quarter End of 9/2019	FY3/2020		FY3/2021	
		End of 3/2020		2nd Quarter End of 9/2020	
			Change		Change
Total current assets	19,207	20,578	1,371	18,232	(2,346)
Cash and deposits	10,182	11,722	1,539	8,936	(2,786)
Accounts receivable - trade	2,309	2,313	4	2,534	221
Inventories	4,712	4,534	(178)	4,872	338
Other	2,003	2,008	5	1,888	(120)
Total fixed assets	47,334	45,885	(1,448)	45,037	(848)
Total tangible fixed assets	25,780	25,126	(654)	24,602	(523)
Buildings and structures	14,122	13,885	(237)	13,449	(435)
Land	9,166	9,154	(12)	9,109	(45)
Leased assets	1,324	885	(438)	748	(136)
Construction in progress	31	19	(12)	137	118
Other	1,134	1,181	47	1,157	(24)
Total intangible fixed assets	15,688	14,615	(1,072)	14,060	(555)
Goodwill	15,231	14,179	(1,051)	13,607	(572)
Other	457	435	(21)	453	17
Investment and other assets	5,865	6,143	278	6,374	230
Investment securities	579	483	(95)	440	(43)
Guarantee deposits	1,901	2,277	375	2,547	269
Deferred tax assets	2,349	2,562	213	2,551	(11)
Other	1,034	820	(214)	835	15
Total assets	66,541	66,464	(77)	63,269	(3,195)
Total current liabilities	23,014	23,296	281	21,933	(1,362)
Accounts payable - trade	10,951	10,021	(929)	9,004	(1,016)
Short-term loans payable	3,403	3,916	512	3,916	-
Current portion of long-term loans payable	4,056	4,634	577	4,472	(162)
Lease obligations	416	355	(61)	296	(58)
Income taxes payable	496	454	(42)	610	155
Other	3,691	3,915	223	3,633	(281)
Total fixed liabilities	32,783	33,749	965	31,518	(2,231)
Long-term loans payable	26,784	27,601	817	25,420	(2,181)
Lease obligations	1,200	1,052	(148)	916	(135)
Provision for retirement benefits for directors (and other officers)	751	770	19	779	8
Retirement benefit liability	2,671	2,938	267	3,115	177
Other	1,377	1,387	9	1,286	(101)
Total liabilities	55,798	57,045	1,246	53,451	(3,594)
Shareholders' equity	10,786	9,519	(1,266)	9,924	404
Capital stock	2,128	2,128	-	2,128	-
Capital surplus	1,183	1,183	(0)	1,182	(1)
Retained earnings	7,681	6,414	(1,267)	6,838	424
Treasury stock	(207)	(206)	0	(225)	(18)
Accumulated other comprehensive income	(43)	(100)	(57)	(106)	(5)
Total net assets	10,743	9,418	(1,324)	9,817	398

3. Consolidated Statement of Cash Flows

(million yen)

	FY3/2019 2nd Quarter 4/2018~9/2018	FY3/2020 2nd Quarter 4/2019~9/2019	FY3/2021 2nd Quarter 4/2020~9/2020
Cash flows from operating activities	(48)	2,608	803
Profit before income taxes	411	790	1,219
Depreciation	736	874	859
Impairment loss	17	6	143
Amortization of goodwill	564	604	572
Increase (decrease) in provision	123	303	321
Loss(gain)on disposal of assets and valuation of securities	(6)	(30)	20
Interest and dividend income, Interest expenses	112	120	106
Decrease (increase) in notes and accounts receivable - trade	284	110	(221)
Decrease (increase) in inventories	(494)	(350)	(346)
Increase (decrease) in notes and accounts payable - trade	(414)	752	(1,016)
Other	237	144	(180)
Subtotal	1,573	3,326	1,479
Interest and dividend income received, interest expenses paid	(113)	(99)	(105)
Income taxes paid	(1,509)	(618)	(570)
Cash flows from investing activities	(1,474)	(858)	(862)
Payments into time deposits	(5)	(85)	(1)
Proceeds from withdrawal of time deposits	69	142	12
Purchase of tangible fixed assets	(413)	(756)	(529)
Proceeds from sales of tangible fixed assets	114	0	56
Purchase of intangible fixed assets	(49)	(25)	(73)
Purchase of investment securities	(50)	-	-
Proceeds from sales of investment securities	1	102	-
Payments for acquisition of businesses	(968)	(240)	-
Proceeds from sale of businesses	-	55	13
Payments of loans receivable	(4)	(5)	(8)
Collection of loans receivable	1	4	2
Payments for guarantee deposits	(134)	(58)	(315)
Proceeds from collection of guarantee deposits	10	21	31
Other	(46)	(14)	(50)
Cash flows from financing activities	(274)	(3,213)	(2,716)
Net increase (decrease) in short-term loans payable	666	(1,018)	-
Proceeds from long-term loans payable	1,300	500	-
Repayments of long-term loans payable	(1,835)	(2,271)	(2,343)
Repayments of lease obligations	(313)	(249)	(190)
Cash dividends paid	(151)	(152)	(152)
Purchase of treasury shares	(0)	-	(30)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	60	-	-
Purchase of treasury share acquisition rights	-	(21)	-
Net increase (decrease) in cash and cash equivalents	(1,797)	(1,464)	(2,775)
Cash and cash equivalents at beginning of period	10,136	11,520	11,681
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	125	-	-
Cash and cash equivalents at end of period	8,464	10,056	8,905



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