
MEDICAL SYSTEM NETWORK Co., Ltd.

First Quarter of Fiscal Year Ending March 2024
Prime Market of Tokyo Stock Exchange; Securities Code: 4350

Data Book

(August 8, 2023)



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- ※ The contents of this report pertaining future earnings described are based on information the company has held, and on certain assumptions supervising rational judgement, and are not what the company promises to achieve. There are numerous factors that may cause actual earnings to differ.
- ※ Caution is given to the accuracy of information, and we do not take responsibility for loss etc., as a result of misinformed information.
- ※ 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)

	FY3/2022 1st Quarter 4/2021~6/2021	FY3/2023 1st Quarter 4/2022~6/2022		FY3/2024 1st Quarter 4/2023~6/2023	
				Change	Change
Net sales	25,914	26,299	384	27,656	1,357
(YoY)	3.0%	1.5%	—	5.2%	—
Community Pharmacy Network Segment	24,657	25,045	387	26,356	1,311
Leasing and Facility related Segment	739	794	55	800	5
Meal Catering Segment	586	573	(12)	590	17
Home Visit Nursing Segment	74	77	2	78	1
Adjustments	(143)	(190)	(47)	(168)	22
Cost of sales	15,175	15,236	60	16,223	987
(% of Net sales)	58.6%	57.9%	—	58.7%	—
Gross profit	10,738	11,062	323	11,433	370
(YoY)	10.7%	3.0%	—	3.3%	—
(% of Net sales)	41.4%	42.1%	—	41.3%	—
SG&A expenses	10,071	10,713	642	10,981	267
(% of Net sales)	38.9%	40.7%	—	39.7%	—
Labor costs	5,829	6,158	329	6,316	157
Depreciation	255	286	31	336	49
Amortization of goodwill	282	282	0	278	(4)
EBITDA	1,359	1,061	(298)	1,202	140
Operating profit	667	348	(318)	451	102
(YoY)	—	(47.7%)	—	29.4%	—
(% of Net sales)	2.6%	1.3%	—	1.6%	—
Community Pharmacy Network Segment	1,202	1,014	(187)	1,077	63
Leasing and Facility related Segment	(2)	(43)	(41)	22	66
Meal Catering Segment	(1)	(11)	(10)	(14)	(2)
Home Visit Nursing Segment	(7)	(2)	5	(8)	(6)
Adjustments	(523)	(608)	(84)	(626)	(17)
Non-operating profit	338	136	(202)	74	(61)
Interest income and Dividend income	4	2	(1)	2	(0)
Other	※ 333	133	(200)	72	(61)
Non-operating expenses	69	93	23	115	22
Interest expenses	48	70	21	93	23
Other	21	23	1	21	(1)
Ordinary profit	935	392	(543)	410	18
(YoY)	—	(58.1%)	—	4.6%	—
(% of Net sales)	3.6%	1.5%	—	1.5%	—
Extraordinary income	0	—	(0)	—	—
Extraordinary losses	11	6	(4)	2	(4)
Profit before income taxes	925	385	(540)	407	22
Income taxes	344	287	(56)	256	(31)
Profit attributable to non-controlling interests	(2)	6	9	2	(3)
Profit attributable to owners of parent	583	91	(492)	148	57
(YoY)	—	(84.4%)	—	62.8%	—
(% of Net sales)	2.3%	0.3%	—	0.5%	—

※ Includes subsidy income related with COVID-19 of 263 million yen

(2) Consolidated Statement of Comprehensive Income

(million yen)

	FY3/2022 1st Quarter 4/2021~6/2021	FY3/2023 1st Quarter 4/2022~6/2022	FY3/2024 1st Quarter 4/2023~6/2023	
			Change	Change
Profit	581	97	(483)	151 53
Other comprehensive income	98	5	(93)	11 5
Valuation difference on available-for-sale securities	95	(0)	(95)	6 6
Deferred gains or losses on hedges	(0)	1	1	(1) (2)
Remeasurements of defined benefit plans, net of tax	3	4	0	6 1
Comprehensive income	679	103	(576)	162 59
(YoY)	-	(84.8%)	-	57.5% -
Comprehensive income attributable to owners of parent	682	96	(585)	159 62
Comprehensive income attributable to non-controlling interests	(2)	6	9	2 (3)

2. Consolidated Balance Sheet

(million yen)

	FY3/2023 1st Quarter End of 6/2022	FY3/2023		FY3/2024	
		End of 3/2023	Change	End of 6/2023	Change
Total current assets	19,392	20,265	873	21,445	1,180
Cash and deposits	7,677	8,141	464	9,751	1,610
Accounts receivable - trade	2,396	3,437	1,040	2,717	(719)
Inventories	5,501	5,255	(246)	5,966	711
Other	3,816	3,431	(384)	3,009	(422)
Total non-current assets	45,572	45,958	385	46,486	528
Property, plant and equipment	26,444	27,060	615	28,011	951
Buildings and structures, net	13,386	13,164	(222)	13,187	23
Land	8,847	8,916	68	8,986	70
Leased assets	2,476	3,323	846	4,208	884
Construction in progress	115	165	49	144	(20)
Other	1,618	1,491	(126)	1,484	(7)
Intangible assets	12,490	11,807	(683)	11,547	(260)
Goodwill	11,971	11,183	(788)	10,905	(278)
Other	518	623	104	641	18
Investment and other assets	6,637	7,090	453	6,928	(162)
Investment securities	155	159	4	167	7
Guarantee deposits	3,046	3,222	175	3,208	(14)
Deferred tax assets	2,678	2,926	247	2,766	(159)
Other	757	783	25	786	3
Total assets	64,964	66,223	1,258	67,932	1,708
Total current liabilities	21,146	21,349	202	23,348	1,998
Accounts payable - trade	10,349	9,937	(412)	11,721	1,784
Short-term borrowings	1,664	1,016	(648)	1,664	648
Current portion of long-term borrowings	4,724	5,152	428	5,039	(113)
Lease obligations	188	209	20	392	183
Income taxes payable	75	600	525	68	(532)
Other	4,144	4,432	288	4,462	29
Total non-current liabilities	30,642	30,385	(256)	30,117	(268)
Long-term borrowings	21,714	20,226	(1,487)	19,003	(1,222)
Lease obligations	3,020	3,913	893	4,785	872
Provision for retirement benefits for directors (and other officers)	610	637	26	647	9
Retirement benefit liability	3,840	4,157	316	4,232	75
Other	1,456	1,451	(5)	1,447	(4)
Total liabilities	51,788	51,735	(53)	53,465	1,729
Shareholders' equity	13,254	14,590	1,336	14,555	(34)
Share capital	2,128	2,128	—	2,128	—
Capital surplus	1,182	1,182	—	1,182	—
Retained earnings	10,270	11,606	1,336	11,571	(34)
Treasury shares	(326)	(326)	—	(326)	—
Accumulated other comprehensive income	(103)	(139)	(36)	(128)	11
Non-controlling interests	24	37	12	40	2
Total net assets	13,175	14,488	1,312	14,467	(21)

3. Community Pharmacy Network Segment

(1) Community Pharmacy Business

① No. of pharmacies

	FY3/2022				FY3/2023				FY3/2024			
	4/2021~3/2022				4/2022~3/2023				1st Quarter 4/2023~6/2023			
	Openings	M & A	Closings Transfers	No. of outlets	Openings	M & A	Closings Transfers	No. of outlets	Openings	M & A	Closings Transfers	No. of outlets
No. of pharmacies	12	3	6	425	8	2	7	428	2	—	—	430
Hokkaido area	4	1	1	124	2	—	4	122	—	—	—	122
Tohoku area	1	—	—	24	—	—	—	24	—	—	—	24
Kanto/Koshinetsu area	3	2	1	96	3	2	—	101	1	—	—	102
Tokai/Hokuriku area	1	—	2	44	—	—	—	44	—	—	—	44
Kinki area	—	—	2	53	3	—	3	53	—	—	—	53
Chugoku/Shikoku area	—	—	—	21	—	—	—	21	—	—	—	21
Kyushu area	3	—	—	63	—	—	—	63	1	—	—	64
Care plan centers	—	—	—	1	—	—	—	1	—	—	—	1
Drug/cosmetic stores	—	—	—	9	—	—	—	9	—	—	—	9

② Dispensing fee breakdown (No. of prescriptions / Unit price)

	FY3/2022	FY3/2023		FY3/2024			
	1st Quarter 4/2021~6/2021	1st Quarter 4/2022~6/2022		1st Quarter 4/2023~6/2023			
		Change	Change(%)	Change	Change(%)		
No. of prescriptions(a)(1,000)	2,185	2,230	45	2.1%	2,379	148	6.7%
Unit price(b) (yen)	10,177	10,041	(135)	(1.3%)	9,871	(171)	(1.7%)
Drug charge per prescription	7,742	7,620	(122)	(1.6%)	7,526	(94)	(1.2%)
Technical fee per prescription	2,435	2,421	(13)	(0.5%)	2,345	(76)	(3.2%)
Dispensing fee(a)×(b)(million yen)	22,238	22,399	160	0.7%	23,484	1,085	4.8%

③ Dispensing fee breakdown by new openings and M&A period

(million yen)

	FY3/2023		FY3/2024		Change
	1st Quarter 4/2022~6/2022		1st Quarter 4/2023~6/2023		
		% of Net sales		% of Net sales	
Dispensing fee	22,399	100.0%	23,484	100.0%	1,085
Existing pharmacies (Openings~2022.3)	22,097	98.6%	22,818	97.1%	720
New openings (4/2022~3/2023)	182	0.8%	507	2.1%	325
M&A (4/2022~3/2023)	—	—	139	0.5%	139
New openings (4/2023~3/2024)	—	—	18	0.0%	18
M&A (4/2023~3/2024)	—	—	—	—	—
Closings / Transfers	119	0.5%	—	—	(117)

④ Monthly dispensing fee (YoY)

(%)

All pharmacies (YoY)	4/2023	5/2023	6/2023
Dispensing fee	0.7	8.3	5.8
No. of prescriptions	1.2	9.6	9.2
Unit price	(0.5)	(1.2)	(3.2)

Existing pharmacies (YoY)	4/2023	5/2023	6/2023
Dispensing fee	(0.8)	6.9	3.9
No. of prescriptions	0.0	8.5	7.5
Unit price	(0.8)	(1.4)	(3.3)

※ Definition of existing pharmacies in the chart above : Pharmacies that have been continuously open since April 1, 2022

(2) Pharmaceutical Network Business

① No. of Network affiliates

Attribute Area	FY3/2023 (End of 3/2023)			FY3/2024 (End of 6/2023)		
	MSNW community pharmacies	General network affiliates	Total	MSNW community pharmacies	General network affiliates	Total
Hokkaido	122	219	341	122	220	342
Tohoku	24	619	643	24	627	651
Kanto/Koshinetsu	101	2,641	2,742	102	2,723	2,825
Tokai/Hokuriku	44	1,444	1,488	44	1,522	1,566
Kinki	53	1,412	1,465	53	1,447	1,500
Chugoku/Shikoku	21	902	923	21	909	930
Kyushu/Okinawa	63	1,247	1,310	64	1,294	1,358
Total	428	8,484	8,912	430	8,742	9,172

② Ordering volume of pharmaceuticals

(million yen)

	FY3/2022 1st Quarter 4/2021~6/2021	FY3/2023 1st Quarter 4/2022~6/2022		FY3/2024 1st Quarter 4/2023~6/2023			
		123,604	Change	Change(%)	149,414	Change	Change(%)
			16,505	15.4%		25,810	20.9%
Ordering volume of pharmaceuticals	107,098	123,604	16,505	15.4%	149,414	25,810	20.9%

4. Consolidated Earnings Forecast

(million yen)

	FY3/2023 4/2022~3/2023		FY3/2024 4/2023~3/2024		
	Results	% of Net sales	Forecast	% of Net sales	(YoY)
Net sales	109,551	100.0%	112,500	100.0%	2.7%
Community Pharmacy Network Segment	104,399	95.3%	106,824	95.0%	2.3%
Leasing and Facility related Segment	3,494	3.2%	3,772	3.4%	7.9%
Meal Catering Segment	2,289	2.1%	2,406	2.1%	5.1%
Home Visit Nursing Segment	304	0.3%	339	0.3%	11.5%
Adjustments	(937)	-	(842)	-	-
Gross profit	45,921	41.9%	46,910	41.7%	2.2%
SG&A expenses	42,758	39.0%	44,310	39.4%	3.6%
Labor costs	24,539	22.4%	25,388	22.6%	3.5%
Depreciation	1,250	1.1%	1,319	1.2%	5.5%
Amortization of goodwill	1,132	1.0%	1,150	1.0%	1.6%
EBITDA	6,122	5.6%	5,600	5.0%	(8.5%)
Operating profit	3,163	2.9%	2,600	2.3%	(17.8%)
Community Pharmacy Network Segment	5,887	※ 5.6%	4,977	※ 4.7%	(15.5%)
Leasing and Facility related Segment	(92)	-	221	※ 5.9%	-
Meal Catering Segment	(65)	-	13	※ 0.6%	-
Home Visit Nursing Segment	(22)	-	(14)	-	-
Adjustments	(2,542)	-	(2,597)	-	-
Ordinary profit	3,355	3.1%	2,550	2.3%	(24.0%)
Profit attributable to owners of parent	1,610	1.5%	1,000	0.9%	(37.9%)

※ % of Segment Net sales



【 Contact us 】

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