Summary of Consolidated Financial Results
For the First Half Ended December 31, 2024 [Japan GAAP]

February 7, 2025

Name of Company: MEDIUS HOLDINGS Co., Ltd.
Stock Code: 3154 URL: https://www.medius.co.jp/
Stock Exchange Listing: Tokyo Stock Exchange, Prime Market
Representative Title: President and Representative Director Name: Yasuhiko Ikeya
Contact Person Title: Director and General Manager of Corporate Division Name: Hiroyuki Akutagawa
Phone: +81-(0)3-6811-2958
Date of filing of semi-annual securities report: February 12, 2025
Date of commencement of dividend payment: -
Supplementary explanatory documents: Available
Earnings presentation: Yes (for institutional investors and analysts)

(Yen in millions, rounded down)

1. Financial results for the first half ended December 2024 (July 1, 2024 - December 31, 2024)

(1) Results of Operations (Consolidated)

(Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First half ended Dec. 2024	142,704	12.6	751	10.3	983	9.3	406	(19.5)
First half ended Dec. 2023	126,713	7.1	680	(38.0)	899	(33.0)	505	(41.2)

(Note) Comprehensive income: 1H FY6/25: 678 million yen [32.0%] 1H FY6/24: 514 million yen [(21.1)%]

	Earnings per share	Earnings per share fully diluted
	Yen	Yen
First half ended Dec. 2024	18.32	18.32
First half ended Dec. 2023	23.03	22.93

(2) Financial Position (Consolidated)

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2024	119,804	19,984	16.7
As of June 30, 2024	114,826	19,737	17.2

(Reference) Shareholders' equity: As of Dec. 31, 2024: 19,984 million yen
As of Jun. 30, 2024: 19,737 million yen

2. Dividends

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Total
	Yen	Yen	Yen	Yen	Yen
FY6/24	–	0.00	–	21.00	21.00
FY6/25	–	0.00			
FY6/25 (estimated)			–	19.00	19.00

(Note) Change in the estimation of dividend from the latest announcement: None

3. Forecast for the fiscal year ending June 2025 (Consolidated, July 1, 2024 - June 30, 2025)

(Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	280,000	7.8	1,400	5.5	2,000	14.3	1,280	13.8	57.61

(Note) Change in the forecast from the latest announcement: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Tsumug Medical co.)

Excluded: 0 companies (-)

(Note) For more information, please see “2. Semi-annual Consolidated Financial Statements and Important Notes (4) Notes to semi-annual consolidated financial statements (Changes in the scope of consolidation or the scope of application of the equity method)” on page 12 of Supplementary Information.

(2) Use of accounting methods specifically for the preparation of the semi-annual consolidated financial statements: None

(3) Changes in accounting principles and estimates, and retrospective restatement

(a) Changes in accounting principles due to revision of accounting standards: None

(b) Changes in accounting principles other than in (a): None

(c) Changes in accounting estimates: None

(d) Retrospective restatement: None

(4) Number of shares outstanding (common stock)

(a) Shares outstanding (including treasury shares)	End of 1H FY6/25:	22,238,217	End of FY6/24:	22,147,494
(b) Treasury shares	End of 1H FY6/25:	958	End of FY6/24:	958
(c) Average number of shares outstanding	1H FY6/25:	22,192,390	1H FY6/24:	21,924,146

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Cautionary statement regarding forecasts of operating results and special notes

Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons. For more information about the forecasts, please see “1. Qualitative Information on Semi-annual Financial Results (3) An explanation of future predictive data, such as consolidated earnings forecasts” on page 4 of Supplementary Information.

Index for Supplementary Information

1. Qualitative Information on Semi-annual Financial Results

(1) An explanation of operating results

In the environment surrounding the MEDIUS Group during the first half of the current fiscal year, the medical fee revision that came into effect in June 2024 has raised medical fees paid to doctors and hospitals but lowered drug prices and material prices. Meanwhile, costs have continued to rise due to high energy prices and the effects of exchange rate fluctuations. Consequently, the outlook remains uncertain. In addition, the medical fee revision has called on medical institutions to raise salaries for medical care professionals, address the “Work Style Reform for Doctors,” and promote medical digital transformation (DX), among other matters. A priority is thus placed on building an effective and efficient medical care delivery system.
In this business environment, the MEDIUS Group is conducting business activities based on the policy of ensuring a stable supply of products while resolving customer issues in order to build a sustainable medical system.
During the first half of the current fiscal year, sales of replacement supplies used in surgery rooms and other products were strong following an increase in the number of surgical operations. In addition, net sales and gross profit increased compared to the first half of the previous fiscal year as the financial results of Makoto Medical Systems Inc., which became a subsidiary in March 2024, were recognized in the consolidated financial results of the Company, and Althent Inc. expanded its sales. Selling, general and administrative expenses increased due to personnel hiring and the incurrence of additional logistics costs in line with business expansion at major subsidiaries. In addition, selling, general and administrative expenses increased compared to the first half of the previous fiscal year due to increases in system-related costs including the incurrence of license costs associated with large-scale replacement of personal computers for business use and the incurrence of running costs of the warehouse management system that has been in operation since the fourth quarter of the previous fiscal year, and the addition of the consolidated subsidiaries. However, operating profit and ordinary profit increased in association with the effect of net sales increase. Meanwhile, profit attributable to owners of parent decreased due to an impact of income taxes - deferred.
As a result, in the first half of the current fiscal year, net sales increased 12.6% from a year earlier to 142,704 million yen, operating profit increased 10.3% to 751 million yen, ordinary profit increased 9.3% to 983 million yen and profit attributable to owners of parent decreased 19.5% to 406 million yen.

Business segment performance was as follows.

(i) Medical Device

With regard to medical equipment, although there were sales of medical equipment at Makoto Medical Systems Inc., which became a subsidiary in March 2024, and sales of large-sized equipment such as robots to support surgical operations, net sales decreased because there were large-scale new construction projects in the first half of the previous fiscal year. However, with regard to replacement supplies, net sales, gross profit, and segment income increased compared to the first half of the previous fiscal year, as sales expanded in line with an increase in the number of surgical operations and progress in the acquisition of new customers, mainly in the orthopedic and cardiovascular fields.
As a result, net sales increased 12.8% from a year earlier to 139,709 million yen, gross profit increased 12.1% to 15,732 million yen, and segment income (operating profit) increased 8.8% to 5,040 million yen.

(ii) Welfare Device

Net sales, gross profit, and segment income increased compared to the first half of the previous fiscal year due to strong sales of medical equipment and stoma products.

As a result, net sales increased 3.7% from a year earlier to 2,994 million yen, gross profit increased 3.8% to 1,155 million yen, and segment income (operating profit) increased 24.9% to 250 million yen.

(Note) The business segments of the MEDIUS Group consist of the following activities.

Medical Device

(Medical Device Sales Business)

Sale of medical devices (including equipment and replacement supplies) that are purchased from manufacturers, sales agents, trading companies and other companies in Japan to hospitals and other medical institutions in Japan. This is the core business of the MEDIUS Group.

(Medical Device Repair and Maintenance Business)

Repair and after-sales services for medical devices sold by the MEDIUS Group to hospitals and other medical institutions and maintenance services for all medical devices of a hospital or other medical institution based on a maintenance contract.

Welfare Device

Sale of nursing care and welfare products (including equipment and replacement supplies) that are purchased from manufacturers, sales agents, trading companies and other companies in Japan and other countries to hospitals and other medical institutions, nursing care facilities, medical device sales companies, as well as individuals in Japan. This business also rents nursing care and welfare products to individuals.

(2) An explanation of financial position

A. Assets, liabilities and net assets

(Assets)

Total assets were 119,804 million yen at the end of the first half of the current fiscal year, 4,977 million yen more than at the end of the previous fiscal year.

Current assets increased 3,944 million yen to 95,197 million yen. This increase was mainly the result of increases of 355 million yen in cash and deposits, 5,663 million yen in notes and accounts receivable - trade and 900 million yen in merchandise and finished goods, respectively, despite a decrease of 2,929 million yen in accounts receivable - other.

Non-current assets increased 1,033 million yen to 24,607 million yen. This increase was mainly the result of increases of 995 million yen in property, plant and equipment and 227 million yen in investments and other assets, respectively, despite a decrease of 190 million yen in intangible assets.

(Liabilities)

Total liabilities were 99,820 million yen at the end of the first half of the current fiscal year, 4,730 million yen more than at the end of the previous fiscal year.

Current liabilities increased 3,993 million yen to 88,320 million yen. This increase was mainly the result of increases of 3,532 million yen in notes and accounts payable - trade and 629 million yen in short-term borrowings, respectively.

Non-current liabilities increased 736 million yen to 11,499 million yen. This increase was mainly the result of increases of 436 million yen in long-term borrowings and 295 million yen in other non-current liabilities, respectively.

(Net assets)

Net assets were 19,984 million yen at the end of the first half of the current fiscal year, 247 million yen more than at the end of the previous fiscal year. This increase was mainly the result of increases of 36 million yen in share capital, 36 million yen in capital surplus, and 270 million yen in valuation difference on available-for-sale securities, respectively, despite a decrease of 97 million yen in retained earnings.

B. Cash flows

Cash and cash equivalents totaled 13,984 million yen at the end of the first half of the current fiscal year, 439 million yen more than at the end of the previous fiscal year. The following is a summary of cash flows during the first half of the current fiscal year.

(Operating activities)

Net cash provided by operating activities was 1,482 million yen compared with a negative cash flow of 1,502 million yen a year earlier.

Major sources of cash included profit before income taxes of 983 million yen, increase in trade payables of 3,456 million yen and subsidies received of 3,307 million yen, which outweighed uses of cash that included increase in trade receivables of 5,596 million yen and increase in inventories of 855 million yen.

(Investing activities)

Net cash used in investing activities was 1,366 million yen compared with 1,450 million yen a year earlier.

Major sources of cash included proceeds from refund of leasehold and guarantee deposits of 57 million yen, which were outweighed by uses of cash that included purchase of property, plant and equipment of 932 million yen, purchase of intangible assets of 76 million yen and purchase of long-term prepaid expenses of 332 million yen.

(Financing activities)

Net cash provided by financing activities was 586 million yen compared with 6,670 million yen a year earlier.

Major sources of cash included net increase in short-term borrowings of 1,071 million yen and proceeds from long-term borrowings of 1,000 million yen, which outweighed uses of cash that included repayments of long-term borrowings of 1,064 million yen and dividends paid of 464 million yen.

(3) An explanation of future predictive data, such as consolidated earnings forecasts

There is no change to the consolidated earnings forecast for the fiscal year ending June 30, 2025, which was announced on August 8, 2024.

2. Semi-annual Consolidated Financial Statements and Important Notes

(1) Semi-annual consolidated balance sheet

(Thousand yen)

	Fiscal year ended June 2024 (As of June 30, 2024)	First half ended Dec. 2024 (As of Dec. 31, 2024)
Assets		
Current assets		
Cash and deposits	13,641,810	13,997,468
Notes and accounts receivable - trade	58,045,152	63,709,067
Merchandise and finished goods	12,741,893	13,642,234
Raw materials and supplies	13,611	11,006
Accounts receivable - other	6,420,564	3,491,004
Other	515,514	482,929
Allowance for doubtful accounts	(125,838)	(136,252)
Total current assets	91,252,708	95,197,457
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,312,354	6,708,708
Machinery, equipment and vehicles, net	703,166	643,699
Land	3,879,859	4,008,570
Other, net	1,182,323	1,712,155
Total property, plant and equipment	12,077,703	13,073,133
Intangible assets		
Goodwill	1,500,001	1,357,385
Other	1,290,283	1,242,856
Total intangible assets	2,790,284	2,600,242
Investments and other assets		
Other	8,730,647	8,963,799
Allowance for doubtful accounts	(24,550)	(29,898)
Total investments and other assets	8,706,096	8,933,900
Total non-current assets	23,574,085	24,607,275
Total assets	114,826,794	119,804,733

(Thousand yen)

	Fiscal year ended June 2024 (As of June 30, 2024)	First half ended Dec. 2024 (As of Dec. 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	60,207,850	63,739,932
Short-term borrowings	19,962,664	20,592,085
Current portion of bonds payable	7,000	7,000
Income taxes payable	545,604	458,920
Provision for bonuses	59,794	61,701
Provision for bonuses for directors (and other officers)	117,617	59,381
Provision for share-based payments	86,995	-
Other	3,339,105	3,401,596
Total current liabilities	84,326,632	88,320,615
Non-current liabilities		
Bonds payable	8,000	4,500
Long-term borrowings	4,196,120	4,632,709
Provision for retirement benefits for directors (and other officers)	159,000	157,000
Provision for share-based payments	-	11,009
Provision for loss on guarantees	113,596	113,325
Retirement benefit liability	1,422,014	1,509,624
Asset retirement obligations	161,320	162,134
Long-term unearned revenue	3,292,241	3,203,136
Other	1,410,442	1,706,076
Total non-current liabilities	10,762,736	11,499,516
Total liabilities	95,089,368	99,820,131
Net assets		
Shareholders’ equity		
Share capital	1,344,769	1,380,877
Capital surplus	2,843,805	2,879,912
Retained earnings	13,334,463	13,237,369
Treasury shares	(450)	(450)
Total shareholders’ equity	17,522,588	17,497,710
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,136,083	2,406,895
Remeasurements of defined benefit plans	78,753	79,996
Total accumulated other comprehensive income	2,214,837	2,486,891
Total net assets	19,737,425	19,984,601
Total liabilities and net assets	114,826,794	119,804,733

(2) Semi-annual consolidated statements of income and comprehensive income

(Semi-annual consolidated statement of income)

(Thousand yen)

	First half ended Dec. 2023 (Jul. 1, 2023 — Dec. 31, 2023)	First half ended Dec. 2024 (Jul. 1, 2024 — Dec. 31, 2024)
Net sales	126,713,055	142,704,820
Cost of sales	111,574,272	125,826,257
Gross profit	15,138,782	16,878,562
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	(641)	9,003
Provision for share-based payments	9,643	1,510
Salaries and allowances	5,927,365	6,604,342
Employees' bonuses	1,358,342	1,459,622
Provision for bonuses	43,763	61,701
Provision for bonuses for directors (and other officers)	33,985	59,441
Retirement benefit expenses	280,720	301,430
Legal welfare expenses	1,144,292	1,263,780
Depreciation	505,480	540,592
Rent expenses	1,122,051	1,203,433
Outsourcing expenses	1,205,395	1,282,816
Other	2,827,613	3,339,868
Total selling, general and administrative expenses	14,458,010	16,127,543
Operating profit	680,772	751,019
Non-operating income		
Interest income	486	803
Dividend income	18,637	20,717
Purchase discounts	157,780	164,439
Reversal of provision for loss on guarantees	-	270
Subsidy income	-	89,105
Other	116,113	44,426
Total non-operating income	293,017	319,762
Non-operating expenses		
Interest expenses	45,979	74,902
Share of loss of entities accounted for using equity method	12,083	-
Provision for loss on guarantees	3,228	-
Other	12,741	12,684
Total non-operating expenses	74,032	87,586
Ordinary profit	899,757	983,194
Extraordinary income		
Gain on sale of non-current assets	3,491	2,009
Total extraordinary income	3,491	2,009
Extraordinary losses		
Loss on sale of non-current assets	463	131
Loss on retirement of non-current assets	2,658	1,860
Impairment losses	5,610	-
Total extraordinary losses	8,732	1,992

(Thousand yen)

	First half ended Dec. 2023 (Jul. 1, 2023 — Dec. 31, 2023)	First half ended Dec. 2024 (Jul. 1, 2024 — Dec. 31, 2024)
Profit before income taxes	894,516	983,212
Income taxes - current	443,496	446,893
Income taxes - deferred	(53,995)	129,567
Total income taxes	389,501	576,460
Profit	505,014	406,751
Profit attributable to owners of parent	505,014	406,751

(Semi-annual consolidated statement of comprehensive income)

(Thousand yen)

	First half ended Dec. 2023 (Jul. 1, 2023 — Dec. 31, 2023)	First half ended Dec. 2024 (Jul. 1, 2024 — Dec. 31, 2024)
Profit	505,014	406,751
Other comprehensive income		
Valuation difference on available-for-sale securities	4,157	270,811
Remeasurements of defined benefit plans, net of tax	5,150	1,243
Total other comprehensive income	9,308	272,054
Comprehensive income	514,322	678,805
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	514,322	678,805

(3) Semi-annual consolidated statement of cash flows

(Thousand yen)

	First half ended Dec. 2023 (Jul. 1, 2023 — Dec. 31, 2023)	First half ended Dec. 2024 (Jul. 1, 2024 — Dec. 31, 2024)
Cash flows from operating activities		
Profit before income taxes	894,516	983,212
Depreciation	708,345	855,956
Amortization of goodwill	125,286	169,689
Impairment losses	5,610	-
Increase (decrease) in retirement benefit liability	50,859	62,839
Increase (decrease) in allowance for doubtful accounts	(866)	8,697
Increase (decrease) in provision for bonuses	615	1,907
Increase (decrease) in provision for bonuses for directors (and other officers)	(98,004)	(58,236)
Increase (decrease) in provision for share-based compensation	6,736	(78,085)
Interest and dividend income	(19,123)	(21,521)
Interest expenses	45,979	74,902
Share issuance costs	-	359
Loss (gain) on sale of non-current assets	(3,027)	(1,878)
Loss on retirement of non-current assets	2,658	1,860
Share of loss (profit) of entities accounted for using equity method	12,083	-
Decrease (increase) in trade receivables	(9,860,697)	(5,596,529)
Decrease (increase) in inventories	(1,060,922)	(855,708)
Decrease (increase) in investments in leases	25,401	17,304
Decrease (increase) in other current assets	(541,820)	(510,383)
Increase (decrease) in trade payables	8,573,303	3,456,470
Increase (decrease) in provision for loss on guarantees	3,228	(270)
Subsidy income	-	(89,105)
Increase (decrease) in accrued consumption taxes	(728,898)	149,506
Increase (decrease) in other current liabilities	(8,262)	(46,906)
Other, net	28,195	50,673
Subtotal	(1,838,803)	(1,425,244)
Interest and dividends received	18,968	23,564
Interest paid	(46,882)	(74,897)
Income taxes paid	(435,578)	(536,911)
Income taxes refund	799,488	190,699
Payments of retirement benefits for directors (and other officers)	-	(2,000)
Subsidies received	-	3,307,093
Net cash provided by (used in) operating activities	(1,502,807)	1,482,304

(Thousand yen)

	First half ended Dec. 2023 (Jul. 1, 2023 — Dec. 31, 2023)	First half ended Dec. 2024 (Jul. 1, 2024 — Dec. 31, 2024)
Cash flows from investing activities		
Payments into time deposits	(18,714)	(17,214)
Proceeds from withdrawal of time deposits	37,097	43,210
Purchase of property, plant and equipment	(548,077)	(932,817)
Proceeds from sale of property, plant and equipment	3,503	778
Payments for retirement of property, plant and equipment	(4,173)	(254)
Purchase of intangible assets	(121,292)	(76,578)
Purchase of investment securities	(3,906)	(21,416)
Payments for acquisition of businesses	(550,000)	-
Proceeds from collection of loans receivable	14,695	3,366
Purchase of long-term prepaid expenses	(254,432)	(332,682)
Payments of leasehold and guarantee deposits	(79,272)	(62,765)
Proceeds from refund of leasehold and guarantee deposits	35,617	57,519
Purchase of insurance funds	(12,337)	(14,833)
Proceeds from cancellation of insurance funds	55,452	1,230
Other, net	(4,952)	(14,463)
Net cash provided by (used in) investing activities	(1,450,793)	(1,366,922)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	7,550,000	1,071,000
Proceeds from long-term borrowings	240,200	1,000,000
Repayments of long-term borrowings	(598,191)	(1,064,150)
Proceeds from issuance of shares	-	71,855
Repayments of lease liabilities	(41,107)	(28,015)
Dividends paid	(480,444)	(464,191)
Net cash provided by (used in) financing activities	6,670,457	586,498
Net increase (decrease) in cash and cash equivalents	3,716,856	701,880
Cash and cash equivalents at beginning of period	10,291,467	13,544,776
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	42,959
Decrease in cash and cash equivalents resulting from change of fiscal term of subsidiaries	-	(304,947)
Cash and cash equivalents at end of period	14,008,323	13,984,668

(4) Notes to semi-annual consolidated financial statements

(Notes on going concern assumptions)

None

(Notes on significant change in shareholders' equity)

None

(Changes in the scope of consolidation or the scope of application of the equity method)

(Significant changes in the scope of consolidation and the scope of application of the equity method)

Effective the first quarter of the current fiscal year, Tsumug Medical co., which was a non-consolidated subsidiary that was accounted for using the equity method until the previous fiscal year, has been included in the scope of consolidation due to an increase in its significance.

(Changes in matters related to the fiscal year of a consolidated subsidiary)

Previously, the fiscal year end of Makoto Medical Systems Inc. (hereinafter referred to as "Makoto Medical Systems"), a consolidated subsidiary, was April 30. To prepare consolidated financial statements of the Company, financial statements of Makoto Medical Systems as of April 30 were used, and necessary adjustments were made for significant transactions that occurred between April 30 and June 30, the Company's fiscal year end. However, Makoto Medical Systems changed its fiscal year end to June 30. Accordingly, for the first half ended December 31, 2024, the financial results of Makoto Medical Systems for the six months from July 1, 2024 to December 31, 2024 have been consolidated. Retained earnings have been adjusted for its profits and losses for the two months from May 1, 2024 to June 30, 2024.

(Notes on segment information, etc.)

[Segment information]

I First half of the previous fiscal year (Jul. 1, 2023 — Dec. 31, 2023)

1. Information about sales and income (loss) by reporting segment

(Thousand yen)

	Reporting segments			Adjustment (Note 1)	Amount on the semi-annual consolidated statement of income (Note 2)
	Medical Device	Welfare Device	Total		
Net sales Sales to outside customers	123,824,905	2,888,150	126,713,055	-	126,713,055
Intersegment sales or transfers	6,924	—	6,924	(6,924)	—
Total	123,831,829	2,888,150	126,719,979	(6,924)	126,713,055
Segment income	4,631,679	200,521	4,832,200	(4,151,427)	680,772

(Notes) 1. The 4,151,427 thousand yen negative adjustment for segment income includes 19,318 thousand yen for intersegment transaction eliminations, 125,286 thousand yen deduction for amortization of goodwill and 4,045,459 thousand yen deduction for corporate expenses that cannot be assigned to specific segments. Corporate expenses are primarily operating expenses of parent company and general and administrative expenses that do not belong to specific segments.

2. The segment income matches operating profit in the consolidated statement of income.

2. Information about impairment loss of non-current assets or goodwill by reporting segment

(Important impairment loss of non-current assets)

We are booking impairment loss on non-current assets in the Medical Device segment. The amount for the first half of the current fiscal year is 5,610 thousand yen.

II First half of the current fiscal year (Jul. 1, 2024 — Dec. 31, 2024)

1. Information about sales and income (loss) by reporting segment

(Thousand yen)

	Reporting segments			Adjustment (Note 1)	Amount on the semi-annual consolidated statement of income (Note 2)
	Medical Device	Welfare Device	Total		
Net sales					
Sales to outside customers	139,709,915	2,994,904	142,704,820	-	142,704,820
Intersegment sales or transfers	9,040	-	9,040	(9,040)	-
Total	139,718,956	2,994,904	142,713,861	(9,040)	142,704,820
Segment income	5,040,007	250,414	5,290,422	(4,539,403)	751,019

(Notes)
1. The 4,539,403 thousand yen negative adjustment for segment income includes 20,663 thousand yen for intersegment transaction eliminations, 169,689 thousand yen deduction for amortization of goodwill and 4,390,377 thousand yen deduction for corporate expenses that cannot be assigned to specific segments. Corporate expenses are primarily operating expenses of parent company and general and administrative expenses that do not belong to specific segments.
2. The segment income matches operating profit in the consolidated statement of income.