

# Summary of Consolidated Financial Results For the Third Quarter Ended March 2022 [Japan GAAP]

May 11, 2022

Name of Company: MEDIUS HOLDINGS Co., Ltd.  
 Stock Code: 3154 URL: <https://www.medius.co.jp/>  
 Stock Exchange Listing: Tokyo Stock Exchange, Prime Market  
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 Date of filing of quarterly securities report: May 12, 2022 (tentative)  
 Date of commencement of dividend payment: -  
 Supplementary explanatory documents: None  
 Earnings presentation: None

(Yen in millions, rounded down)

## 1. Financial results for the first nine months ended March 2022(July 1, 2021 - March 31, 2022)

### (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	%
Nine months ended Mar. 2022	169,933	7.2	3,320	12.9	3,675	10.5	2,543	16.8
Nine months ended Mar. 2021	158,490	-	2,941	87.0	3,325	69.1	2,178	91.0

(Note) Comprehensive income: 3Q FY6/22: 2,237 million yen [1.3%] 3Q FY6/21: 2,209 million yen [55.9%]

	Earnings per share	Earnings per share fully diluted
	Yen	Yen
Nine months ended Mar. 2022	116.21	116.11
Nine months ended Mar. 2021	99.97	99.34

(Note) Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) has been applied beginning with the first quarter of the current consolidated fiscal year. All figures for the nine months of the fiscal year ended June 2021 are retroactively adjusted to incorporate this standard. As sales for the nine months of the fiscal year ended June 2021 were affected by the above retroactive adjustment, the changes from the same period a year earlier are not presented.

### (2) Financial Position (Consolidated)

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of March 31, 2022	100,545	17,741	17.6
As of June 30, 2021	84,479	15,843	18.8

(Reference) Shareholders' equity: As of Mar. 31, 2022: 17,741 million yen As of Jun. 30, 2021: 15,843 million yen

(Note) Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) has been applied beginning with the first quarter of the current consolidated fiscal year. All figures for fiscal year ended June 2021 are retroactively adjusted to incorporate this standard.

## 2. Dividends

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Total
	Yen	Yen	Yen	Yen	Yen
FY6/21	-	0.00	-	21.00	21.00
FY6/22	-	0.00	-		
FY6/22 (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 2022 (Consolidated, July 1, 2021 - June 30, 2022)

(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	219,500	5.7	1,900	(28.5)	2,360	(25.7)	1,600	(22.6)	73.06

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

Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) has been applied beginning with the first quarter of the current consolidated fiscal year. The year on year changes have been calculated with the figures retroactively adjusted to incorporate this standard.

#### \* Notes

(1) Changes in significant subsidiaries: Yes

(Changes in specific subsidiaries accompanied by changes in the scope of consolidation)

New: - (Name) -

Excluded: 1 (Name) OZ Co., Ltd.

(Note) For more information, please see "2. Quarterly Consolidated Financial Statements and Important Notes (3) Notes to quarterly consolidated financial statements (Changes in the scope of consolidation or the scope of application of the equity method)" on page 8 of Supplementary Information.

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

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

(a) Changes due to revision of accounting standards: Yes

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

(c) Changes in accounting estimates: None

(d) Retrospective restatement: None

(Note) For more information, please see "2. Quarterly Consolidated Financial Statements and Important Notes (3) Notes to quarterly consolidated financial statements (Changes in accounting policy)" on page 8 of Supplementary Information.

(4) Number of shares outstanding (common stock)

(a) Shares outstanding (including treasury shares)

(b) Treasury shares

(c) Average number of shares outstanding

End of 3Q FY6/22:	21,925,104	End of FY6/21:	21,789,724
End of 3Q FY6/22:	958	End of FY6/21:	958
3Q FY6/22:	21,889,065	3Q FY6/21:	21,788,766

\* This report is exempt from the audit procedure by certified public accountants or accounting firms.

\* 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 Quarterly Financial Results (3) An explanation of future, predictive data, such as consolidated earnings forecasts" on page 3 of Supplementary Information.

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## 1. Qualitative Information on Quarterly Financial Results

Forward-looking statements in this document are based on judgments as of the end of the third quarter of the current fiscal year.

MEDIUS HOLDINGS has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) from the beginning of the first quarter of the current fiscal year. Comparisons and analysis with the same period of the previous fiscal year and the prior-year use figures to which this new standard has been applied retroactively.

### (1) An explanation of results of operations

There were some concerns on the Japanese economy for the first nine months of the current year, because of the rapid widespread of the COVID-19 Omicron variant, and the implementation of the COVID-19 state of emergency in many areas in Japan. However, the economy has been on a gradual recovery trend thanks to higher booster vaccination rate, lower risks of the Omicron variant to become severe compared with previous variants, and the peak out of the new infections in early February. Having said that, the outlook is unclear, as the pace of decline in new infections has been slow and there are some areas where infections are still increasing. In addition, impacts of higher commodity prices arising from the higher tension in Ukraine may be a downside risk to the economy.

In Japan's medical sector, impacts from the COVID-19 pandemic are diminishing thanks to the development of anti-infection measures at medical institutions. However, there are continuing negative effects to the business conditions to medical institutions due to reluctance of people to seek medical care, especially in the Tokyo area, lingering postponements of non-emergency surgeries and lower number of hospitalized patients and outpatients compared with pre-COVID-19 levels.

Under such operating circumstances, MEDIUS Group has placed priority on the steady supply of products and solving problems at our customers, while we have urged all employees to take steps to prevent infection of COVID-19 from spreading, in order to maintain the medical system by medical institutions.

During the first nine months, sales of consumables including those for surgeries increased compared to the same period last fiscal year, as a number of operations has declined only modestly thanks to the development of anti-infection measures by medical institutions despite rapid increase in number of new infections since January. In addition, sales of reagents for the COVID-19 tests and products in relation to anti-infection measures including personal protective equipment have continuously increased. Medical supply sales increased thanks to new orders related to anti-infection measures. Furthermore, the business integration with SANO MEDICAL INSTRUMENTS Co., Ltd. implemented in October 2021 contributed to higher sales.

SG&A expenses increased year on year because we booked a part of expenses related to capital expenditures and relocation costs for the new logistics center at KURIBARA MEDICAL Instruments. However, we achieved higher sales and higher profits thanks to strong sales of medical equipment.

In the first nine months of the current fiscal year, sales increased 7.2% from a year earlier to 169,933 million yen, operating profit increased 12.9% to 3,320 million yen, ordinary profit increased 10.5% to 3,675 million yen and profit attributable to owners of parent increased 16.8% to 2,543 million yen.

Business segment performance was as follows.

#### (i) Medical Device

Sales of replacement supplies used in surgery rooms increased as the negative effect of the downturn in the number of surgeries in Japan caused by the pandemic have eased. Continuous strong sales of consumables related to anti-infection measures, as well as SPD (see note below) orders and new customers also contributed to the performance of this product category, resulting in higher sales and gross profit than one year earlier. Sales of medical equipment were higher because sales associated with anti-infection of the COVID-19 increased. As a result, segment sales increased 7.5% from one year earlier to 165,868 million yen, the gross profit increased 10.4% to 19,650 million yen, and the segment profit (operating profit) increased 18.3% to 7,926 million yen.

(Note) SPD (supply, processing and distribution) is an outsourced system for hospitals' medical supplies management and logistics which help reduce inventories of these supplies at hospitals and reduce the need for hospital personnel to handle the procurement and storage of supplies. SPD services are provided by medical device sales companies or companies specializing in these services. At MEDIUS Group, SPD services are provided by consolidated subsidiaries KYOWA MEDICAL CORPORATION, KURIBARA MEDICAL Instruments, MITAS Inc., Akita MEDICAL INSTRUMENTS Co., Ltd., and MEDIUS SOLUTION Co., Ltd. and by NHS Shizuoka Co., Ltd. which is an affiliated company not accounted for by the equity method.

(ii) Welfare Device

Sales and earnings decreased in this segment because the reduced level of sales activities due to the pandemic held down sales in the nursing care equipment rental business and sales of nursing care replacement supplies. Sales decreased 3.1% to 4,064 million yen, the gross profit decreased 0.4% to 1,586 million yen and the segment profit (operating profit) decreased 24.4% to 406 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 Condition

A. Assets

Total assets were 100,545 million yen at the end of the third quarter, 16,065 million yen more than at the end of the previous fiscal year.

Current assets increased 11,863 million yen to 80,057 million yen. This increase was mainly the result of increases of 10,429 million yen in notes and accounts receivable-trade, 1,371 million yen in merchandise and finished goods and 706 million yen in other current assets.

Non-current assets increased 4,201 million yen to 20,487 million yen. The primary change was increase of 4,266 million yen in property, plant and equipment.

B. Liabilities

Total liabilities increased 14,166 million yen to 82,803 million yen at the end of the third quarter.

Current liabilities increased 13,836 million yen to 74,530 million yen. This increase was mainly the result of decrease of 916 million yen in other current liabilities and increases of 7,424 million yen in notes and accounts payable-trade and 6,611 million yen in short-term borrowings.

Non-current liabilities increased 330 million yen to 8,273 million yen primarily because of a 335 million yen increase in long-term borrowings.

C. Net assets

Net assets increased 1,898 million yen to 17,741 million yen at the end of the third quarter because of decrease of 319 million yen in valuation difference on available-for-sale securities and increase of 2,086 million yen in retained earnings.

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

In the first nine months, we achieved higher sales and profit from one year earlier. However we expect profit to decline in the fourth quarter because we anticipate capital expenditure related expenses from construction of the new logistics center at KURIBARA MEDICAL Instruments, one of our key subsidiary, relocation costs from existing logistics center, and higher personnel expenses due to new hiring associated with the business expansion in our subsidiaries. Although declined in the number of surgeries due to the pandemic are recovering, those in the cardiovascular segment in Tokyo metropolitan area and some parts of Japan are slow to recover and its impacts remain uncertain. There is no change in the consolidated earnings forecasts for the fiscal year ending in June 2022 from those we announced on January 31, 2022 and we will disclose immediately when any revision is thought to be necessary.

## 2. Quarterly Consolidated Financial Statements and Important Notes

### (1) Quarterly consolidated balance sheet

	(Thousand yen)	
	Fiscal year ended June 2021 (As of June 30, 2021)	Third quarter ended March 2022 (As of March 31, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	12,623,216	11,969,118
Notes and accounts receivable - trade	43,543,416	53,973,398
Merchandise and finished goods	9,380,448	10,751,979
Raw materials and supplies	10,256	12,864
Other	2,725,349	3,431,680
Allowance for doubtful accounts	(88,712)	(81,418)
Total current assets	68,193,975	80,057,623
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,859,470	1,849,676
Land	2,992,178	2,992,178
Construction in progress	2,024,100	6,243,405
Other, net	371,020	428,065
Total property, plant and equipment	7,246,769	11,513,325
Intangible assets		
Goodwill	1,207,955	1,071,587
Other	1,017,370	1,069,128
Total intangible assets	2,225,326	2,140,715
Investments and other assets		
Other	7,620,584	7,641,264
Allowance for doubtful accounts	(806,740)	(807,474)
Total investments and other assets	6,813,843	6,833,789
Total non-current assets	16,285,939	20,487,830
Total assets	84,479,914	100,545,454

(Thousand yen)

	Fiscal year ended June 2021 (As of June 30, 2021)	Third quarter ended March 2022 (As of March 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	50,665,151	58,089,772
Short-term borrowings	6,192,365	12,804,141
Current portion of bonds payable	-	7,000
Income taxes payable	686,572	876,462
Provision for bonuses	49,148	672,728
Provision for bonuses for directors (and other officers)	-	42,700
Provision for share-based payment	156,512	-
Asset retirement obligations	-	9,912
Other	2,944,255	2,027,735
Total current liabilities	60,694,005	74,530,452
Non-current liabilities		
Bonds payable	-	25,500
Long-term borrowings	5,403,400	5,738,889
Provision for loss on guarantees	109,013	102,393
Provision for share-based payment	-	30,378
Provision for retirement benefits for directors (and other officers)	-	50,009
Retirement benefit liability	1,304,353	1,357,077
Asset retirement obligations	65,569	77,562
Other	1,060,419	891,270
Total non-current liabilities	7,942,755	8,273,079
Total liabilities	68,636,761	82,803,531
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,285,270	1,344,769
Capital surplus	2,611,508	2,671,008
Retained earnings	10,200,316	12,286,668
Treasury shares	(450)	(450)
Total shareholders' equity	14,096,645	16,301,996
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,839,196	1,520,028
Remeasurements of defined benefit plans	(92,688)	(80,101)
Total accumulated other comprehensive income	1,746,508	1,439,926
Total net assets	15,843,153	17,741,922
Total liabilities and net assets	84,479,914	100,545,454

(2) Quarterly consolidated statements of income and comprehensive income  
(Quarterly consolidated statement of income)  
(For the nine months)

(Thousand yen)

	Nine months ended March 2021 (Jul. 1, 2020 – Mar. 31, 2021)	Nine months ended March 2022 (Jul. 1, 2021 – Mar. 31, 2022)
Net sales	158,490,189	169,933,560
Cost of sales	139,097,447	148,696,130
Gross profit	19,392,742	21,237,429
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	(9,432)	(7,390)
Provision for share-based payment	96,856	9,369
Salaries and allowances	6,870,279	7,406,411
Employees' bonuses	1,100,422	1,196,970
Provision for bonuses	618,060	670,571
Provision for bonuses for directors (and other officers)	-	42,700
Retirement benefit expenses	337,729	363,943
Legal welfare expenses	1,326,896	1,429,554
Depreciation	342,546	406,838
Rent expenses	1,353,716	1,452,494
Outsourcing expenses	1,410,069	1,543,525
Other	3,003,746	3,402,134
Total selling, general and administrative expenses	16,450,891	17,917,122
Operating profit	2,941,851	3,320,307
Non-operating income		
Interest income	3,670	3,051
Dividend income	19,306	29,017
Purchase discounts	253,637	243,168
Share of profit of entities accounted for using equity method	34,468	27,198
Reversal of provision for loss on guarantees	9,849	6,619
Other	118,323	104,630
Total non-operating income	439,254	413,686
Non-operating expenses		
Interest expenses	40,268	50,129
Other	15,120	8,366
Total non-operating expenses	55,389	58,495
Ordinary profit	3,325,716	3,675,498
Extraordinary income		
Gain on sale of non-current assets	3,798	4,177
Subsidy income	63,681	-
Total extraordinary income	67,479	4,177
Extraordinary losses		
Loss on retirement of non-current assets	697	3,550
Impairment losses	44,014	39,145
Total extraordinary losses	44,711	42,695
Profit before income taxes	3,348,483	3,636,979
Income taxes - current	1,111,859	1,345,392
Income taxes - deferred	58,361	(252,329)
Total income taxes	1,170,220	1,093,063
Profit	2,178,263	2,543,915
Profit attributable to owners of parent	2,178,263	2,543,915



(Quarterly consolidated statement of comprehensive income)  
(For the nine months)

(Thousand yen)

	Nine months ended March 2021 (Jul. 1, 2020 – Mar. 31, 2021)	Nine months ended March 2022 (Jul. 1, 2021 – Mar. 31, 2022)
Profit	2,178,263	2,543,915
Other comprehensive income		
Valuation difference on available-for-sale securities	19,924	(319,168)
Remeasurements of defined benefit plans, net of tax	11,466	12,586
Total other comprehensive income	31,390	(306,581)
Comprehensive income	2,209,654	2,237,334
Comprehensive income attributable to owners of parent	2,209,654	2,237,334

(3) Notes to quarterly consolidated financial statements

(Notes on going concern assumptions)

None

(Notes on significant change in shareholders' equity)

In accordance with a resolution approved by the Board of Directors on August 19, 2021, MEDIUS HOLDINGS issued new stock on September 10, 2021, as post-delivery stock compensation. In the first nine months of the fiscal year ending in June 2022, the issuance of this stock raised share capital and capital surplus by 59,499 thousand yen each. At the end of the third quarter, share capital was 1,344,769 thousand yen and capital surplus was 2,671,008 thousand yen.

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

(Significant changes in the scope of consolidation)

Beginning with the second quarter of the fiscal year ending in June 2022, consolidated subsidiaries Oz Co., Ltd., eVUS Medical Co., Ltd. and D-SENSE Co., Ltd. were removed from the scope of consolidation because these three companies were dissolved following their absorption-type merger on October 1, 2021, with consolidated subsidiary ACTIVE MEDICAL Co., LTD., which was the surviving company. On October 1, 2021, ACTIVE MEDICAL Co., LTD. was renamed as ALVAUS, Inc.

Beginning with the second quarter of the fiscal year ending in June 2022, SANO MEDICAL INSTRUMENTS Co., Ltd. was added to the scope of consolidation due to the acquisition of all of its stock by MEDIUS HOLDINGS on October 1, 2021.

Consolidated subsidiary Active Medical Split Preparation Co., Ltd. was renamed as Active Medical Co., Ltd. on October 1, 2021.

(Changes in accounting policy)

(Application of accounting standard for revenue recognition)

MEDIUS HOLDINGS has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) from the beginning of the first quarter of the fiscal year ending in June 2022. As a result, amounts expected to be received in exchange for the provision of goods or services are recognized as revenue at the time control of the goods or services promised to a customer is transferred to the customer.

Prior to this new revenue recognition standard, for transactions where a MEDIUS Group company acts as an agent for the provision of goods or services to a customer, the entire payment received from the customer was recognized as revenue. Due to the application of this standard, the amount recognized as revenue is instead the payment received from the customer minus the amount paid to the supplier of the product or service.

In principle, the new revenue recognition standard is applied retroactively and consolidated quarterly and fiscal year financial statements in prior years incorporate this standard.

For the nine months of the fiscal year that ended in June 2021, the retroactive application of the new revenue recognition standard reduced sales and the cost of sales by 29,934,822 thousand yen each. However, these changes had no effect on the gross profit and earnings at all other levels. Furthermore, the new standard had no effect on retained earnings at the beginning of the fiscal year that ended in June 2021.

Due to the new revenue recognition standard, the amount expected to be refunded to customers in the future, which was deducted from notes and accounts receivable-trade in the consolidated balance sheet in the previous fiscal year, is instead classified as a refund liability and included in other current liabilities beginning with the first quarter of the fiscal year ending in June 2022.

(Application of accounting standard for fair value measurement)

MEDIUS HOLDINGS has applied the Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, July 4, 2019) from the beginning of the first quarter of the fiscal year ending in June 2022. In addition, MEDIUS HOLDINGS has applied the new accounting policies stipulated in this fair value measurement standard prospectively, in accordance with the transitional treatment in paragraph 19 of this standard and in paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019). There is no effect on the quarterly consolidated financial statements.

(Segment information)

[Segment information]

I Nine months of the previous fiscal year (July 1, 2020 – March 31, 2021)

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

(Thousand yen)

	Reporting segments			Adjustment (Note 1)	Amount on the consolidated statement of income (Note 2)
	Medical Device	Welfare Device	Total		
Net sales					
Sales to outside customers	154,295,804	4,194,385	158,490,189	-	158,490,189
Intersegment sales or transfers	-	-	-	-	-
Total	154,295,804	4,194,385	158,490,189	-	158,490,189
Segment income	6,701,385	537,524	7,238,909	(4,297,058)	2,941,851

(Notes) 1. The 4,297,058 thousand yen negative adjustment for segment income includes 17,717 thousand yen for intersegment transaction eliminations, 145,949 thousand yen deduction for amortization of goodwill and 4,168,826 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 quarterly consolidated statement of income.

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

(Important impairment loss of non-current assets)

We booked impairment loss of 44,014 thousand yen as we reduced the book value of the asset for rent (land), which we decided to sell, to the recoverable amount in the corporate assets which we do not allocate to each segment.

II Nine months of the current fiscal year (July 1, 2021 – March 31, 2022)

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

(Thousand yen)

	Reporting segments			Adjustment (Note 1)	Amount on the consolidated statements of income (Note 2)
	Medical Device	Welfare Device	Total		
Net sales					
Sales to outside customers	165,868,583	4,064,977	169,933,560	-	169,933,560
Intersegment sales or transfers	-	-	-	-	-
Total	165,868,583	4,064,977	169,933,560	-	169,933,560
Segment income	7,926,484	406,445	8,332,930	(5,012,623)	3,320,307

(Notes) 1. The 5,012,623 thousand yen negative adjustment for segment income includes 14,731 thousand yen for intersegment transaction eliminations, 148,775 thousand yen deduction for amortization of goodwill and 4,878,579 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 quarterly consolidated statement of income.

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

(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 nine months of the current fiscal year is 39,145 thousand yen.

3. Changes in reportable segments

As explained in the Changes in Accounting Policy section, MEDIUS HOLDINGS has applied the Accounting Standard for Revenue Recognition from the beginning of the first quarter of the fiscal year ending in June 2022, resulting in a change in how revenue is recognized. Consequently, the calculation method for reportable segment income or loss has changed in the same manner.

Income or loss figures in segment information for the nine months of the previous fiscal year are based on the new accounting standard for revenue recognition.