

Financial Results Briefing for the Fiscal Year Ended March 31, 2023

June 1, 2023



FRANCE BED HOLDINGS CO., LTD.

<https://www.francebed-hd.co.jp/>

Securities Code: 7840

- ◆ **Topics**
- ◆ **FY2023 Business Performance Report**
- ◆ **FY2024 Business Performance Outlook**
(Medium-Term Management Plan Progress)
- ◆ **Major Future Initiatives**

Topics

- May 16 - August 31, 2022
 【 Repurchase of treasury stock completed 】
 ⇒ Number of shares acquired 420,000 shares （ Total amount 380 million yen ）
- April 28, 2023
 【 Notice Concerning Establishment of the Sustainability Committee 】
 ⇒The Company established the Sustainability Committee on May 1, 2023 with the aim of further strengthening ESG management, which it has worked on thus far, and establishing an even more cross-sectional and flexible sustainability promotion structure.
- May 15, 2023
 【 Notice Concerning Cancellation of Treasury Shares 】
 ⇒The Company cancelled 3,000,000 treasury shares on May 31, 2023.
 (The Company's total number of issued shares after the cancellation is 38,397,500 shares)
- May 15, 2023
 【 Notice Concerning the Election of a New External Director (Audit and Supervisory Committee Member) 】
 ⇒The Company add one External Director (female) with the aim of further strengthening the auditing and supervisory functions of the Audit and Supervisory Committee, and further enhancing the Company's corporate governance structure.
 (Scheduled date for assumption of office: June 23, 2023)

In addition to the above, various IR information can be found on our website.
<https://francebed-hd.co.jp/>

FY2023 Business Performance Report

1. FY2023 Consolidated Business Performance

● Increased sales and profit, and achieved plan for all items

(Million yen)	FY2022	FY2023			
		Plan (Note)	Results	Plan achievement rate	Year-on-year change (%)
Net sales	54,398	57,500	58,578	101.8%	+ 7.6%
Cost of sales	25,398	—	27,384	—	—
Cost of sales ratio	46.6%	—	46.7%	—	+ 0.1P
Gross profit	28,999	—	31,194	—	+ 7.5%
Selling, general and administrative expenses	25,081	—	26,713	—	+ 6.5%
Operating profit	3,918	4,200	4,481	106.6%	+ 14.3%
Operating profit margin	7.2%	7.3%	7.6%	+ 0.3P	+ 0.4P
Ordinary profit	3,959	4,180	4,485	107.2%	+ 13.2%
Ordinary profit margin	7.2%	7.2%	7.6%	+ 0.3P	+ 0.3P
Profit attributable to owners of parent	2,557	2,650	2,702	101.9%	+ 5.6%
Profit per share (Yen)	69.35	72.71	74.80	—	—

Note: Figures of business performance outlook announced on May 13, 2022

■ ROE for FY2023: 7.1% (FY2022: 6.8%)

2. FY2023 Results by Segment

● Increased sales and profit in the Medical Services Business and the Home Furnishings and Health Business

(Million yen)		FY2022	FY2023			
			Plan	Results	Plan achievement rate	Year-on-year change (%)
Medical Services Business	Net sales	34,484	37,500	38,053	101.4%	+10.3%
	Segment profit	2,882	3,030	3,363	111.0%	+16.6%
	Profit margin	8.3%	8.0%	8.8%	+0.7P	+0.4P
Home Furnishings and Health Business	Net sales	19,419	19,800	19,949	100.7%	+2.7%
	Segment profit	1,117	1,180	1,141	96.7%	+2.1%
	Profit margin	5.7%	5.9%	5.7%	▲0.2P	▲0.0P
Other	Net sales	494	0	575	—	+16.4%
	Segment profit	3	0	2	—	▲25.7%
Adjustments	Net sales	—	—	—	—	—
	Segment profit	▲45	—	▲23	—	—
Total	Net sales	54,398	57,500	58,578	101.8%	+7.6%
	Segment profit	3,959	4,180	4,485	107.2%	+13.2%

3. FY2023 Summary of the Medical Services Business

(Million yen)	FY2022		FY2023		Year-on-year	
	Results	Composition ratio	Results	Composition ratio	Change (amount)	Change (%)
Consolidated net sales	34,484	—	38,053	—	+3,568	+10.3%
FRANCE BED CO., LTD.	32,505	93.3%	34,528	89.7%	+2,023	+6.2%
Nursing care-related rental sales	19,246	55.2%	20,081	52.2%	+835	+4.3%
Property transactions for hospital facilities	4,174	11.9%	5,050	13.1%	+876	+21.0%
Other	9,085	26.0%	9,399	24.4%	+314	+3.4%
TSUBASA CO., LTD.	795	2.2%	796	2.0%	+0	+0.0%
KASHIDASU Co., Ltd.	978	2.8%	950	2.4%	▲28	▲2.9%
HEMOCARE SERVICE YAMAGUCHI Co., Ltd.	535	1.5%	2,183	5.6%	+1,648	+307.8%
Simple total	34,815	100.0%	38,459	100.0%	+3,643	+10.4%
Consolidated ordinary profit	2,882	8.3%	3,363	8.8%	+480	+16.6%

※Light blue shaded area indicates figures before consolidation. Due to the timing of acquisitions through M&A, FY2022 results for HEMOCARE SERVICE YAMAGUCHI Co., Ltd. are for three months.

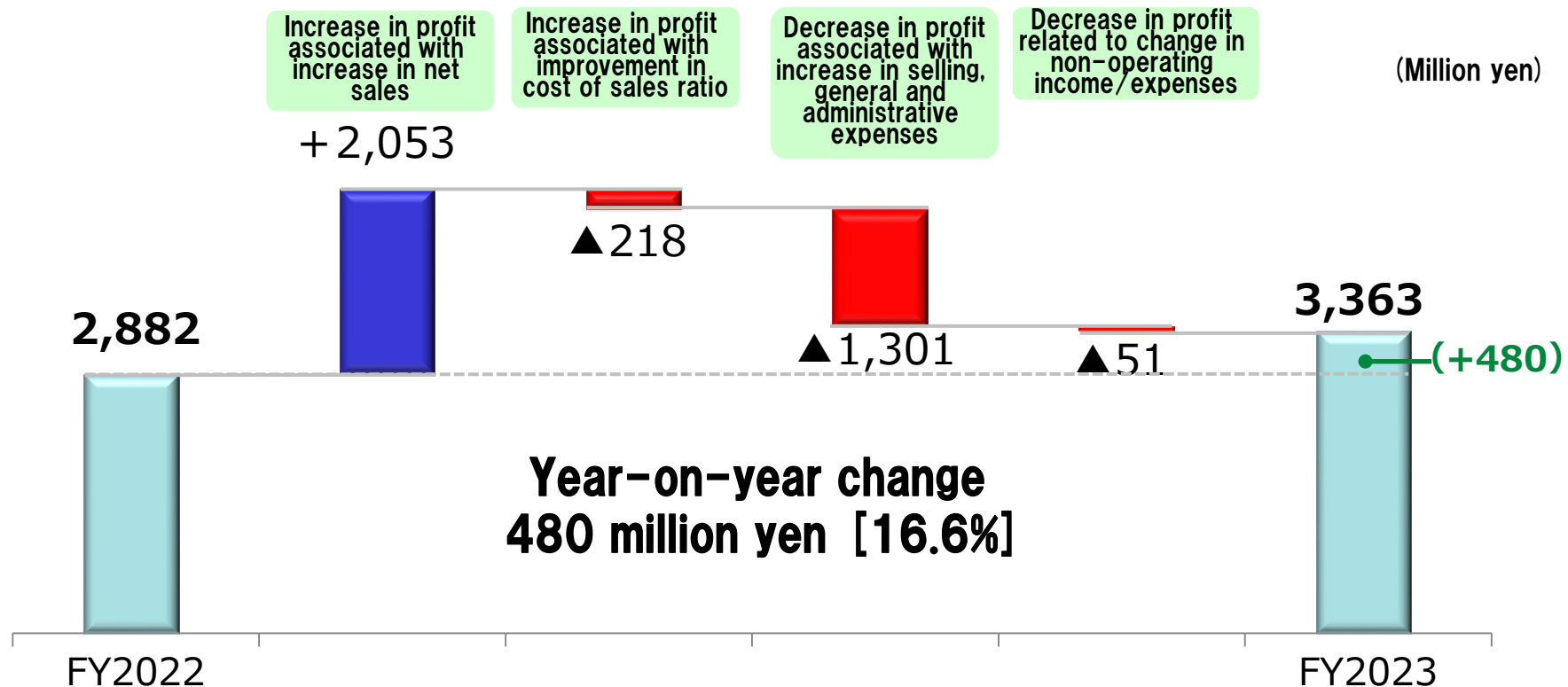
[Factors behind increase in net sales]

- Core nursing care-related rental sales remained strong. Sales by the division handling property transactions for hospital facilities have increased. The increase is furthermore a result of having made HEMOCARE SERVICE YAMAGUCHI Co., Ltd a consolidated subsidiary (recorded full-year portion in the fiscal year under review), acquired by means of M&A in December 2021.

[Factors behind increase in ordinary profit]

- This was due to gross profit exceeding selling, general and administrative expenses as a result of increased revenue despite selling, general and administrative expenses increasing due to the increase of personnel expenses and expenses for amortization of goodwill.

4. Factors behind Changes in Ordinary Profit in the Medical Services Business



● The main reason for the increase in ordinary income was an increase in profit due to higher sales

Main factors behind increase in sales: Steady expansion of the welfare equipment rental business, conversion of one company acquired through M&A into a consolidated subsidiary, etc.

Main factors behind increase in selling, general and administrative expenses: Increase in investment costs allocated to personnel and establishment of new maintenance centers, increase in amortization of goodwill arising from M&A, etc.

5. FY2023 Summary of the Home Furnishings and Health Business

(Million yen)	FY2022		FY2023		Year-on-year	
	Results	Composition ratio	Results	Composition ratio	Change (amount)	Change (%)
Consolidated net sales	19,419	100%	19,949	100%	+530	+2.7%
Consolidated ordinary profit	1,117	5.7%	1,141	5.7%	+23	+2.1%
Sales to hotels*	1,405	—	1,461	—	+56	+4.0%

* Light blue shaded area indicates figures for business company FRANCE BED CO., LTD. (non-consolidated).

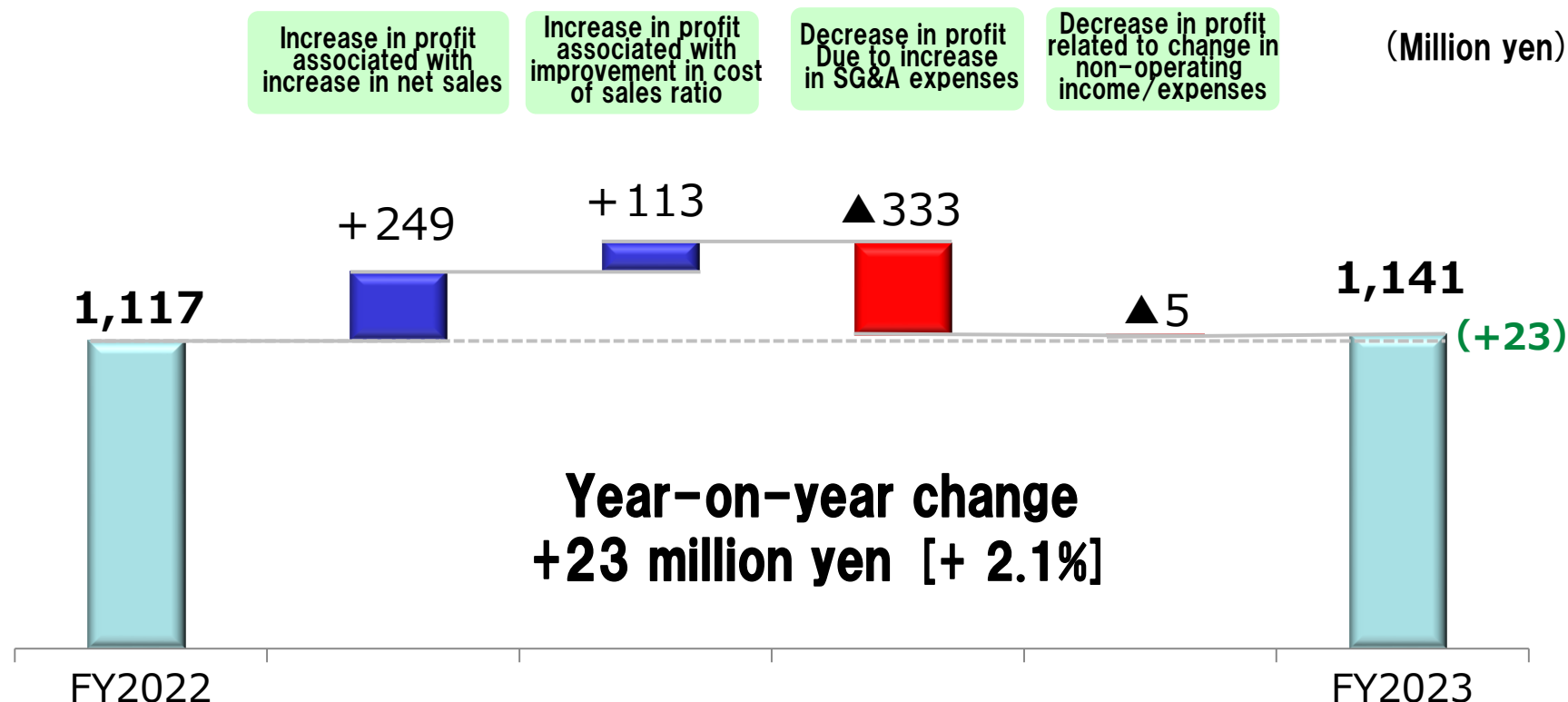
【 Factors behind increase in net sales 】

- Strong sales through use of our showrooms in offering high-value-added products that include Eco Mark-certified mattresses equipped with antibacterial function as a standard feature, Environmentally friendly mattresses (MORELIY), a series of motorized beds, and bed-type massage machines.

【 Factors behind increase in ordinary profit 】

- Prices adjusted to reflect rising manufacturing and procurement costs.
- Decrease in distribution cost ratio due to focus placed on sales of high-value-added products.

6. Factors behind Changes in Ordinary Profit in the Home Furnishing and Health Business



● **The main reason for the increase in ordinary profit is a gain in profits attributable to higher net sales**

Main factors behind increase in sales: Robust sales of high unit-price, high-value-added products such as mattresses, motorized beds, and health appliances

Main factors behind improvement in the cost of sales ratio: Transfer of increased portion of costs to products for sale due to price revisions

Main factors behind increase in selling, general and administrative expenses: Increase in advertising expenses and showroom renovation costs, etc.

7. FY2023 Consolidated Balance Sheet

(Million yen)		End of FY2022 (As of March 31, 2022)	End of FY2023 (As of March 31, 2023)	Compared to the end of FY2022
	Current assets	31,159	32,966	+1,806
	Non-current assets	33,128	31,680	▲1,448
	Total assets	64,298	64,679	+381
	Current liabilities	19,174	16,721	▲2,452
	Non-current liabilities	7,583	9,833	+2,250
	Total liabilities	26,757	26,555	▲202
	Shareholders' equity	35,677	36,766	+1,088
	Accumulated other comprehensive income	1,862	1,358	▲504
	Total net assets	37,540	38,124	+584
Total liabilities and net assets		64,298	64,679	+381
interest-bearing debt		15,396	14,337	▲1,058
Shareholders' equity ratio		58.3%	58.9%	+0.6P

Status of consolidated balance sheet

① Assets +381million yen : Cash and short-term securities 1,577 million yen, rental asset ▲691 million yen

(Result of initiatives for the effective use of rental assets, suppression of amount invested into new rentals)

② Liabilities ▲202 million yen : interest-bearing debt ▲1,058 million yen

③ Net assets +584 million yen : Net income+2,702 million yen, Dividends from surplus ▲1,232 million yen, purchase of treasury shares ▲381 million yen

8. FY2023 Status of Cash Flows

(Million yen)	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at beginning of period	Net increase (decrease) in cash and cash equivalents	Cash and cash equivalents at end of period
FY2022	6,011	▲7,778	316	12,202	▲1,423	10,778
FY2023	8,928	▲6,691	▲2,659	10,778	▲422	10,355
Year-on-year	+2,916	+1,086	▲2,975	—	—	▲422

Status of consolidated cash flows

The balance of cash and cash equivalents decreased by 422 million yen from the end of the previous fiscal year to 10,355 million yen

①Cash flows from operating activities (Cash inflow of 8,928 million yen)

(Cash inflow) Profit before income taxes 4,366 million yen, depreciation 5,562 million yen, etc.

(Cash outflow) Income taxes paid 1,042 million yen, etc.

②Cash flows from investing activities (Cash outflow of 6,691 million yen)

(Cash inflow) Redemption of securities _3,700 million yen

(Cash outflow) Acquisition of securities _5,700 million yen , acquisition of tangible and intangible fixed assets_4,799 million yen

③ Cash flows from financing activities (Cash outflow of 2,659 million yen)

(Cash inflow) Long-term borrowings 2,000 million yen, proceeds from sale and leaseback transactions 2,980million yen, etc.

(Cash outflow) Payback of short-term borrowings 1,425 million yen, repayments of finance lease liabilities 3,703 million yen, dividends paid 1,230 million yen, etc.

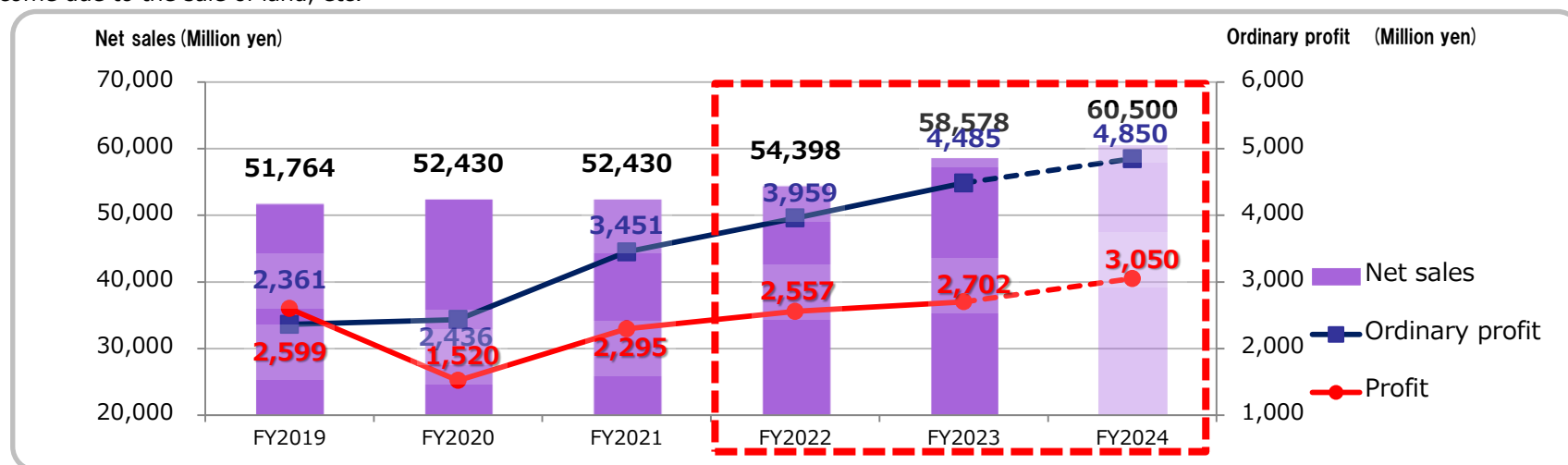
FY2024 Business Performance Outlook

1. Changes in Consolidated Business Performance

■ Changes in consolidated business performance during the period of the previous medium-term management plan and the period of the current medium-term management plan

(Million yen)	Period of the previous medium-term management plan			Period of the current medium-term management plan			
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	
						(Plan)	(Reference: Targets at the time of formulation)
Net sales	51,764	52,430	52,430	54,398	58,578	60,500	(59,000)
Ordinary profit	2,361	2,436	3,451	3,959	4,485	4,850	(4,800)
Profit margin	4.5%	4.6%	6.5%	7.2%	7.6%	8.0%	(8.1%)
Profit	2,599*	1,520	2,295	2,557	2,702	3,050	(3,200)
ROE	6.5%*	4.0%	6.1%	6.8%	7.1%	-	(8.0%)

* In FY2019, the Company recorded a partial redemption of funds due to the sale of shares deposited in the retirement benefit trust, and extraordinary income due to the sale of land, etc.



2. Performance by Segment

■ Medical Services Business

(Million Yen)	Period of the previous medium-term management plan			Period of the current medium-term management plan			
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	
						(Plan)	(Reference: Targets at the time of formulation)
Net sales	29,744	31,235	32,839	34,484	38,053	39,500	(37,700)
Ordinary profit	2,457	2,326	2,956	2,882	3,363	3,600	(3,800)
Profit margin	8.2%	7.4%	9.0%	8.3%	8.8%	9.1%	(10.0%)

* From FY2022, segment profit has been changed from operating profit to ordinary profit. Operating profit is shown for FY2019 to FY2020 and ordinary profit is shown for FY2021 onward in the table above and graph below.

Theme in the previous medium-term management plan: Further strengthening of the silver business (concentrating management resources on our core competency)

Theme in the current medium-term management plan: Business expansion by concentrating management resources on the welfare equipment rental business

■ Home Furnishings and Health Business

(Million Yen)	Period of the previous medium-term management plan			Period of the current medium-term management plan			
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	
						(Plan)	(Reference: Targets at the time of formulation)
Net sales	21,043	20,842	19,186	19,419	19,949	20,500	(21,300)
Ordinary Profit	▲66	128	511	1,117	1,141	1,250	(1,000)
Profit margin	—	0.6%	2.6%	5.7%	5.7%	6.0%	(4.6%)

Theme in the previous medium-term management plan: Improving the profitability of the Home Furnishings and Health Business (transition from “volume to quality”)

Theme in the current medium-term management plan: Increasing profit margins by developing products that match the needs of the times

3. FY2024 Consolidated Business Performance Forecast

■ Consolidated income plan

(Million yen)	FY2023 Results	FY2024 Plan	Year-on-year change (amount)	Year-on-year change (%)
Net sales	58,578	60,500	+1,921	+3.2%
Operating profit	4,481	4,850	+368	+8.2%
Profit margin	7.6%	8.0%	—	+0.4P
Ordinary profit	4,485	4,850	+364	+8.1%
Profit margin	7.6%	8.0%	—	+0.4P
Profit	2,702	3,050	+347	+12.8%
Profit margin	4.6%	5.0%	—	+0.4P
Profit per share (Yen)	74.80	84.67	—	—

4. FY2024 Business Performance Forecast by Segment

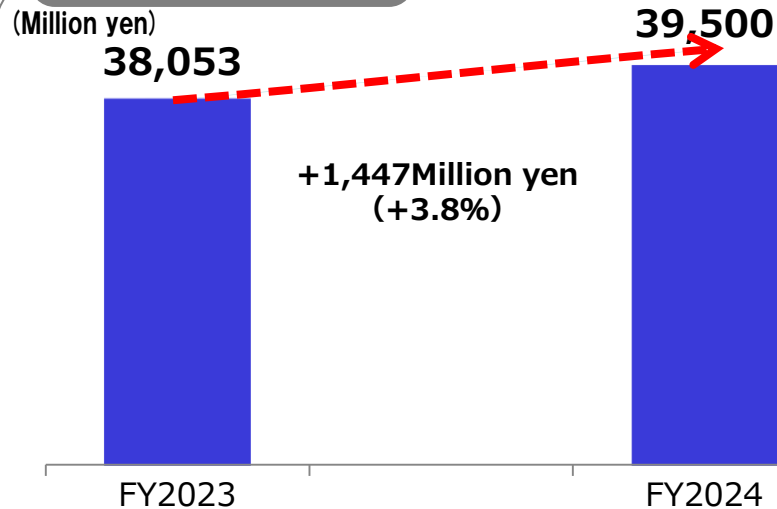
■ Income plan by segment

(Million yen)		FY2023 Results	FY2024 Plan	Year-on-year change (amount)	Year-on-year change (%)
Medical Services Business	Net sales	38,053	39,500	+1,447	+3.8%
	Ordinary profit	3,363	3,600	+237	+7.0%
	Profit margin	8.8%	9.1%	—	—
Home Furnishings and Health Business	Net sales	19,949	20,500	+551	+2.7%
	Ordinary profit	1,141	1,250	+109	+9.5%
	Profit margin	5.7%	6.0%	—	—
Total	Net sales	58,578	60,500	+1,921	+3.2%
	Ordinary profit	4,485	4,850	+364	+8.1%
	Profit margin	7.6%	8.0%	—	—

Note: Excludes "Other," which is not a reporting segment.

5. Outlook and Main Initiatives in the Medical Services Business

Net sales



【FY2024 Full-year plan】

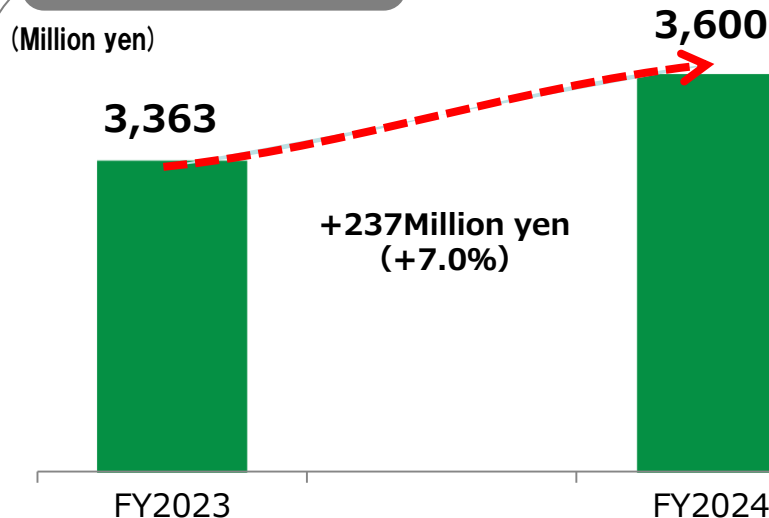
Net sales : 39,500million yen

(+1,447 million yen, +3.8% YoY)

Ordinary profit : 3,600million yen

(+237 million yen, +7.0% YoY)

Ordinary profit



Major initiatives

① Effective use of rental assets (ongoing since 2023)

- Reduction of discarded items
- Improvement of rental asset utilization rate
- Review procured products (purchase and R/R)

② Onboarding of sales representatives

- New employees
- Sales representatives in second or third year
- Continue training for each rank, such as General Manager of Sales Office

③ B to B sale of new products

- Began sales of “RaKuDa” special beds for rental wholesale companies
- New market entry for “hospital beds” and “sleep analysis sensors” for hospitals and facilities for the elderly

6. Outlook and Main Initiatives in the Home Furnishings and Health Business

Net sales

(Million yen)

19,949

20,500

+551 Million yen
(+2.7%)

FY2023

FY2024

Ordinary profit

(Million yen)

1,141

1,250

+109 Million yen
(+9.5%)

FY2023

FY2024

【 FY2024 Full-year plan 】

Net sales: 20,500million yen
(+551 million yen, +2.7% YoY)

Ordinary profit: 1,250million yen
(+109 million yen, +9.5% YoY)

Major initiatives

- ① **New openings to increase the number of the Group's exhibition venues**
 - Plan to open stores at five venues by March 2024 (Morioka, Saitama, Chiba, Oita, Nagasaki)
 - Plan to collaborate on "FRANCE BED Galleries," which are equivalent to the Group's exhibition venues, with six companies by March 2024
- ② **Strengthening of sales division for hotels**
 - Development of products with an awareness of SDGs and secure profits
- ③ **Development of the rental business**
 - Start B to B rentals of motorized beds, health appliances, etc.

7. Capital Investments

(Million yen)		FY2021 Full-year Results	FY2022 Full-year Results	FY2023 Full-year Plan
Capital investment amount	Rental assets	4,554	3,759	4,300
	Equipment for manufacturing and distribution	318	293	400
	Service centers	1,386	119	880
	Acquisition of software	180	426	180
	Other	223	313	60
	Total	6,663	4,912	5,820
Depreciation		5,468	5,562	5,550

< Main capital investment results and plans >

FY2023 Results

Acquisition of rental assets: 3,759 million yen (Medical Services Business)

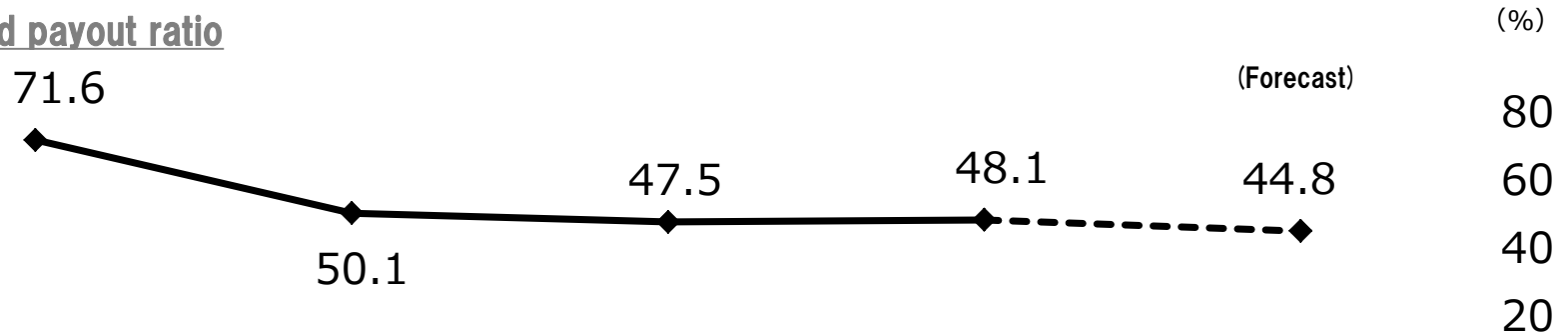
FY2024 Full-year plan

Acquisition of rental assets: 4,300 million yen (Medical Services Business)

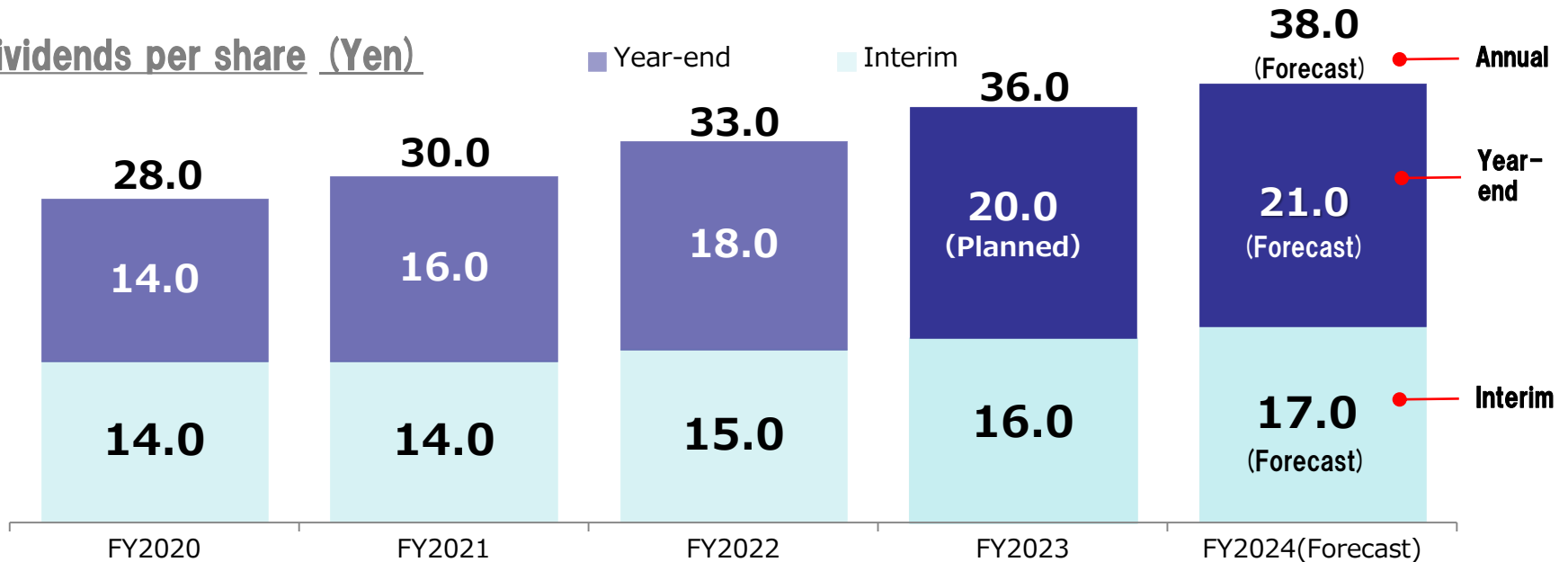
8. Dividends

■ Changes in dividends per share and payout ratio

Consolidated payout ratio



Dividends per share (Yen)



FY2023 (Planned): Annual dividend 36 yen (Payout ratio 48.1%)

FY2024 (Forecast): Annual dividend 38 yen (Payout ratio 44.8%)

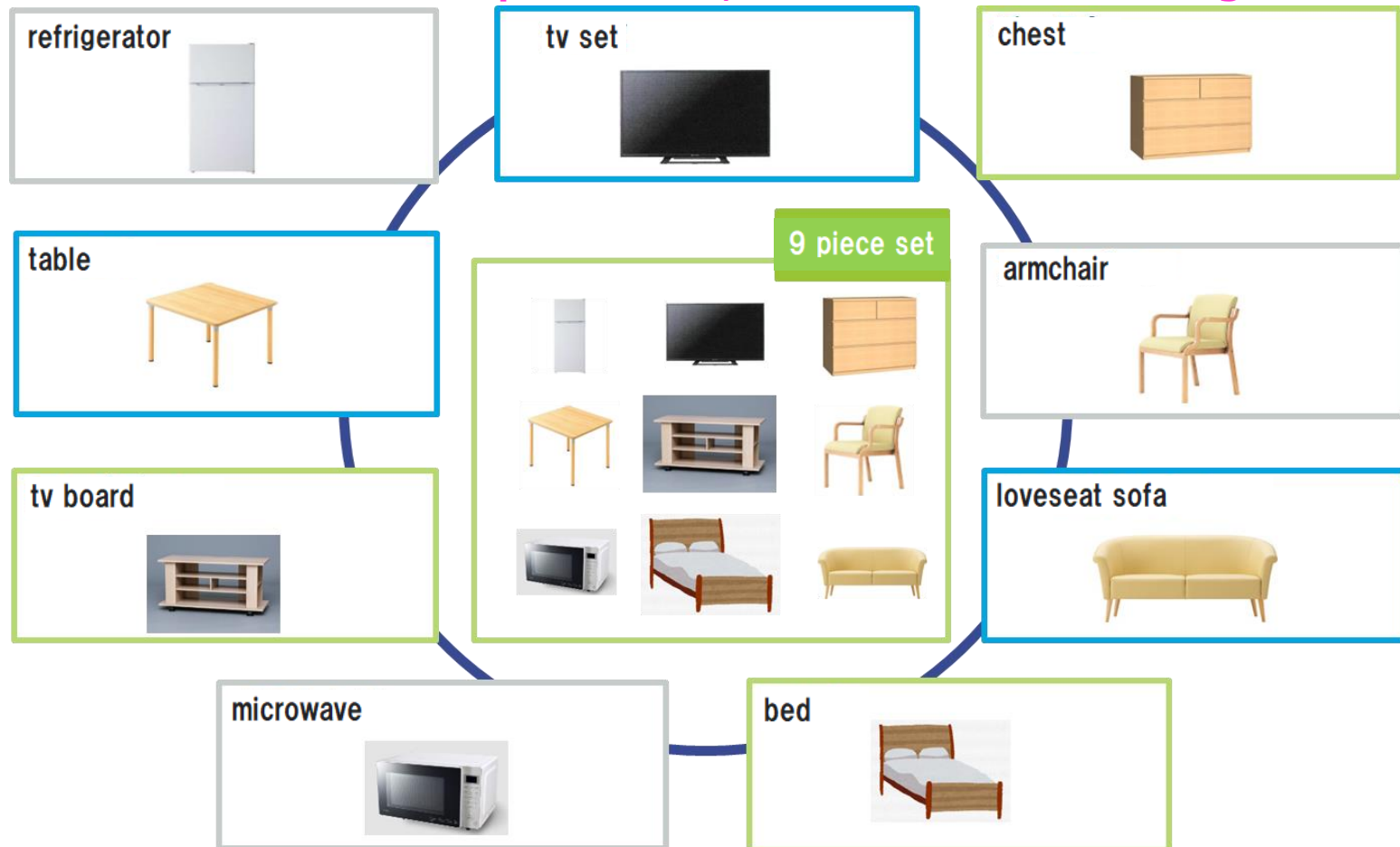
Major Future Initiatives

1. Development of rentals for all businesses
2. Development of new products
3. Development of new services
4. Development of dedicated tools to increase profit margins
5. Overseas expansion

1. Development of rentals for all businesses_Furniture and Appliance Rental

Begin "Furniture and Appliance Rental" Service for Homes for the Elderly with Paid Nursing Care Services

Make possible refinancing in accordance with tenants' situations and the reduction of disposal costs, such as when relocating



1. Development of rentals for all businesses_Rentals for Hotels and Inns

Begin “Corporate Rental” Service for Hotels and Inns

Enhancement of the added value of guest rooms by utilizing the rental service

Mattress containing reclining feature “Looper Move”



Bed-type massage machine “RAMIDUS”



Motorized bed “GRANMAX”



1. Development of rentals for all businesses_Corporate & Long-Term Rentals

Strengthening of "Corporate Rental" Services for Hospitals and Intensive Care Homes for the Elderly

Multi-position bed



Bedside information tablet

Bedside information tablet



Powered turning bed



2. Development of new products_Medical Services Business

New Market Entry for New Nursing-care Bed “RaKuDa” for Regional and Local Welfare Equipment Rental Business Operator Customers

Expansion of B to B sales!

New entry of home nursing-care bed that can be assembled alone

Scheduled to launch in August 2023



Comfortable for sleep!

Simple operation!

Easy to care for!



RaKuDa

【 Product Features 】

- Constructed in a manner that makes it possible to assemble intuitively
- Reduction of weight of parts (under 12 kg)
- Tools not required to assemble
- Can be washed with water (electric equipment must be detached)
- Length able to be changed (standard/short)
- Standalone parts

2. Development of new products_Medical Services Business (Corporate division)

New Market Entry for “Hospital Beds” and “Sleep Analysis Sensors” for Hospitals and Facilities for the Elderly

New entry for beds that satisfy the specifications required by flagship hospitals, etc.

Scheduled to launch in August 2023



【Newly added functions】

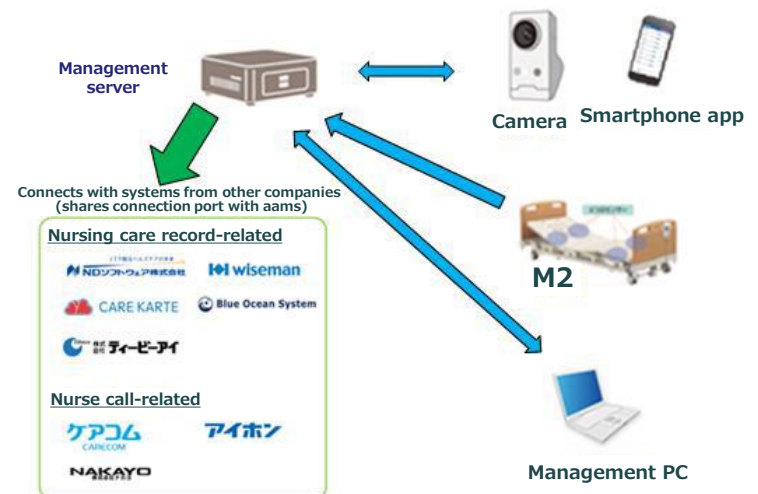
- Minimum bed height of 225 mm
- Vertical height adjustment function (high-low stroke of 450 mm)
- Horizontal rocking function (reduce pressure on abdomen)
- New liquid crystal switch close at hand (designed to be easy to hold even by people with small hands)
- Comes with two side rails



New entry of sensor that makes it possible to connect with cameras, nursing care software, etc.

Sleep analysis sensor [M-Sleep Bio]

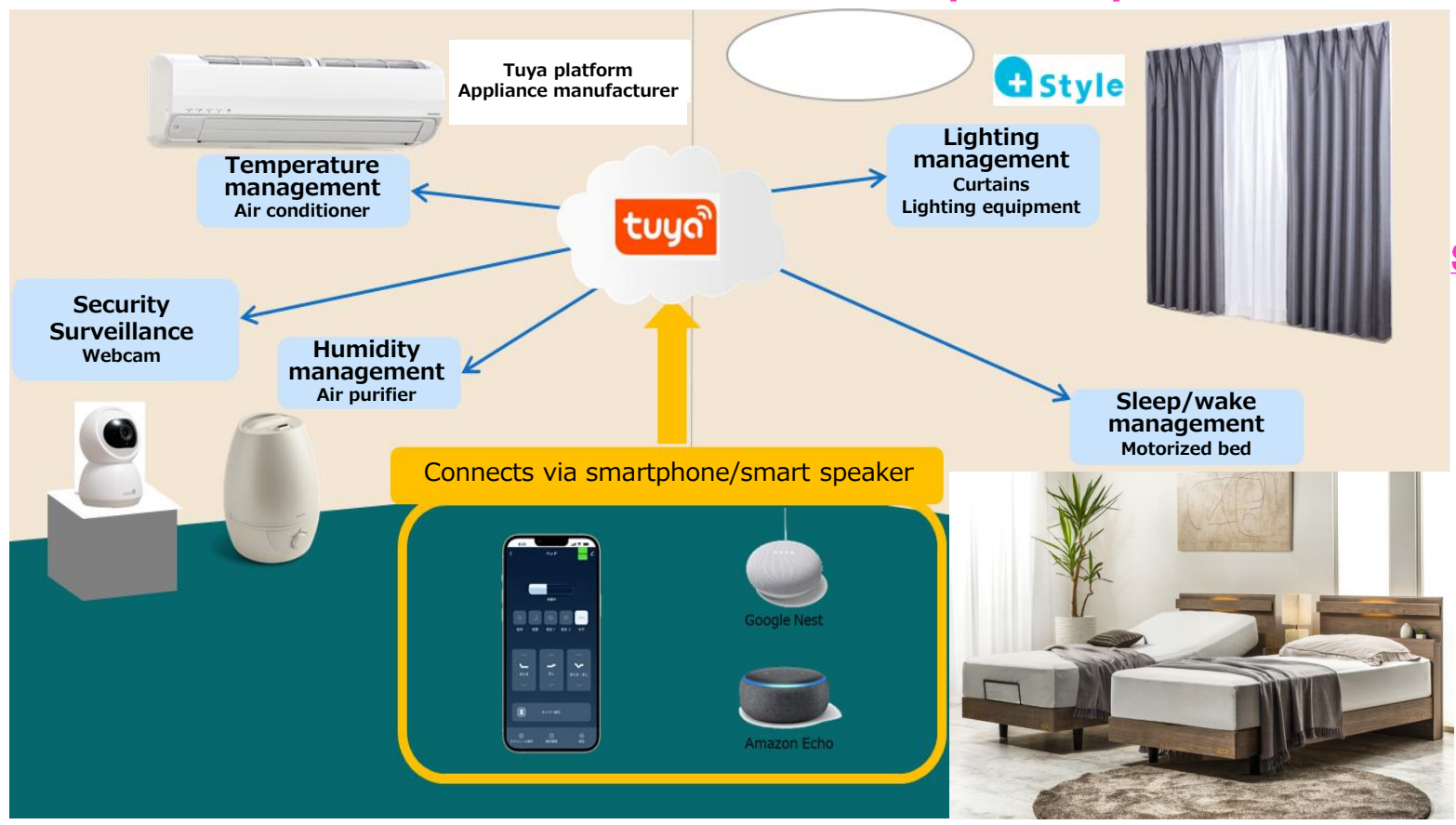
Scheduled to launch in August 2023



2. Development of new products_Medical Services Business

New Market Entry for IoT Compatible Electric Reclining Bed for Single, Young Customers and New Families

Invokes new demand for motorized beds for young households due to IoT compatibility



Scheduled to launch in
July 2023



3. Development of new services _ Home Furnishings and Health Business

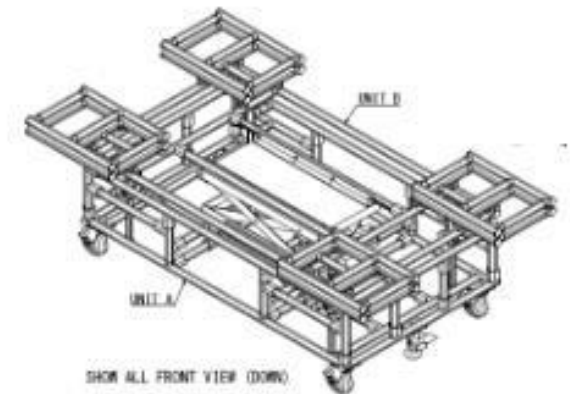
Start of Regional Service to Purchase Down Quilts

We will purchase down quilts with compensation regardless of manufacturer!
They will be restored and sold to inns, etc.



4. Enhance profit margins for existing businesses_Medical Services Business

Development of Dedicated Tools to Enhance Maintenance Efficiency for Welfare Equipment

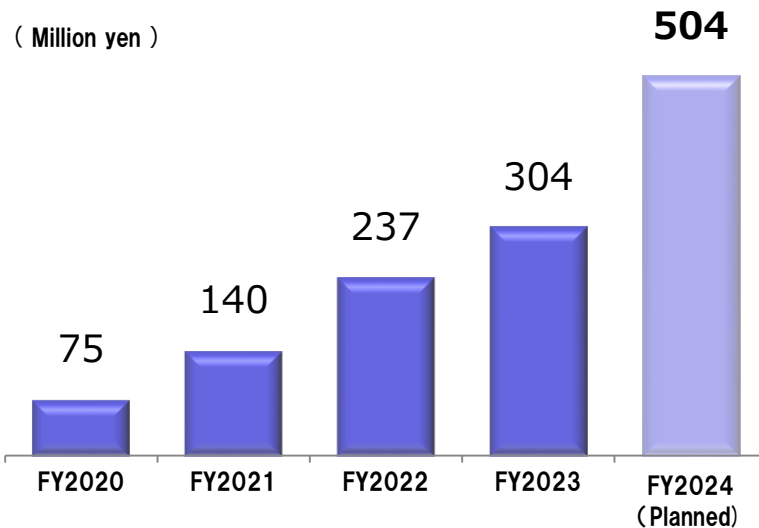


5. Overseas expansion

Initiatives for Overseas Businesses as a Future Growth Driver

Market development in Hong Kong and Singapore, where the aging of the population is advancing, starting with rentals, which have been cultivated in Japan's nursing care market

Overseas division sales



- ✓ Important markets:
East Asia and Southeast Asia,
where the aging of the population is
advancing and purchasing power is increasing
- ✓ Important products:
Hospital and nursing-care beds,
household mattresses, health appliances



Reference Materials

Summary of the Company (Pure Holding Company)

Summary of FRANCE BED HOLDINGS CO., LTD.

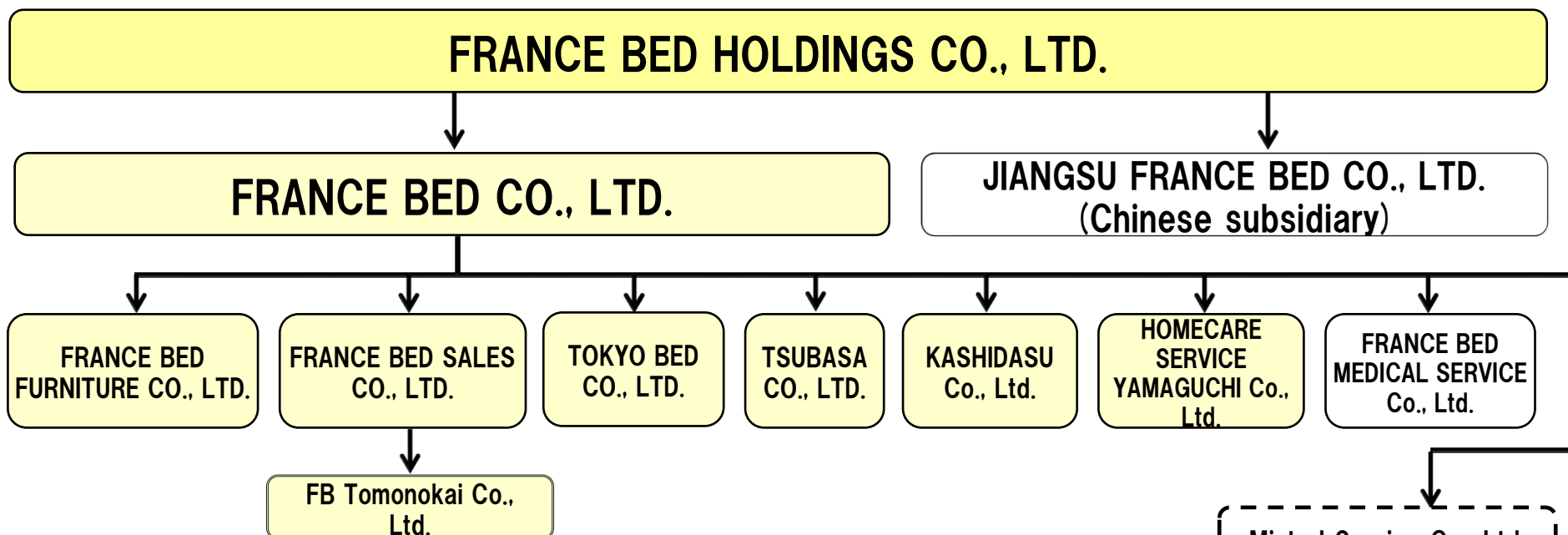
Trade Name	FRANCE BED HOLDINGS CO., LTD.
Location	5th Floor, Shinjuku Square Tower, 6-22-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Established	March 30, 2004
Capital	3.0 billion yen
Representative	Shigeru Ikeda, Representative Director, Chairman and President
Number of employees	58 (Non-consolidated) , 1,785 (Consolidated) *As of March 31, 2023
Business Operations	Business management of subsidiaries primarily engaged in business related to the development, production, sales, rental, leasing, etc. of household beds, medical/nursing care beds, welfare equipment, other furniture, bedding, etc.
Securities Code	7840
Listing	Tokyo Stock Exchange Prime Market
Number of shares issued	41,397,500 shares *As of March 31, 2023
Number of shares per share unit	100 shares
Fiscal year-end	March 31



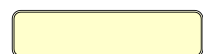
FRANCEBED HOLDINGS

Logo

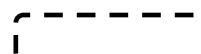
Status of Group Companies (As of March 31, 2023)



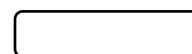
Note: Numbers in parentheses indicate the Company's portion of ownership. The number is 100% if not indicated.



Consolidated
subsidiary



Affiliate accounted for using
equity method



Unconsolidated subsidiary

Business segments	Business activities	Major companies
Medical Services	Manufacture, procurement, rental, retail sale and wholesale of medical and nursing care beds and welfare equipment, and linen supply for hospitals, hotels, and other facilities	FRANCE BED CO., LTD., TSUBASA CO., LTD., KASHIDASU Co.,Ltd., HOMECARE SERVICE YAMAGUCHI Co., Ltd., JIANGSU FRANCE BED CO., LTD., FRANCE BED MEDICAL SERVICE Co., Ltd. and Mistral Service Co., Ltd.
Home Furnishings and Health	Manufacture, procurement, wholesale and door-to-door sale of beds, furniture, bedding, health appliances, and other products, and advertising and setting up of exhibition venues	FRANCE BED CO., LTD., FRANCE BED SALES CO., LTD., FB Tomonokai Co., Ltd., TOKYO BED CO., LTD., FRANCE BED FURNITURE CO., LTD. and JIANGSU FRANCE BED CO., LTD.
Other	Real estate leasing and other businesses	FRANCE BED CO., LTD. and FRANCE BED SALES CO., LTD.

<The Company's business domains>

Welfare equipment and nursing care products manufacturers

- **FRANCE BED CO., LTD., other companies**

↓ (Sale)

Welfare equipment rental business operators (Rental assets are held by the company)

- **FRANCE BED CO., LTD.**
- **TSUBASA CO., LTD.**
- **KASHIDASU Co., Ltd.**
- **HEMOCARE SERVICE YAMAGUCHI Co., Ltd.**
- **Business partners**

↓ (Sale)

Rental wholesalers

- **FRANCE BED CO., LTD.**
- **Business partners**

↓ (Rental)

Welfare equipment rental business operators (Rental assets are not held by the company)

- **Business partners**

Care managers
(Care plan consultation/creation)

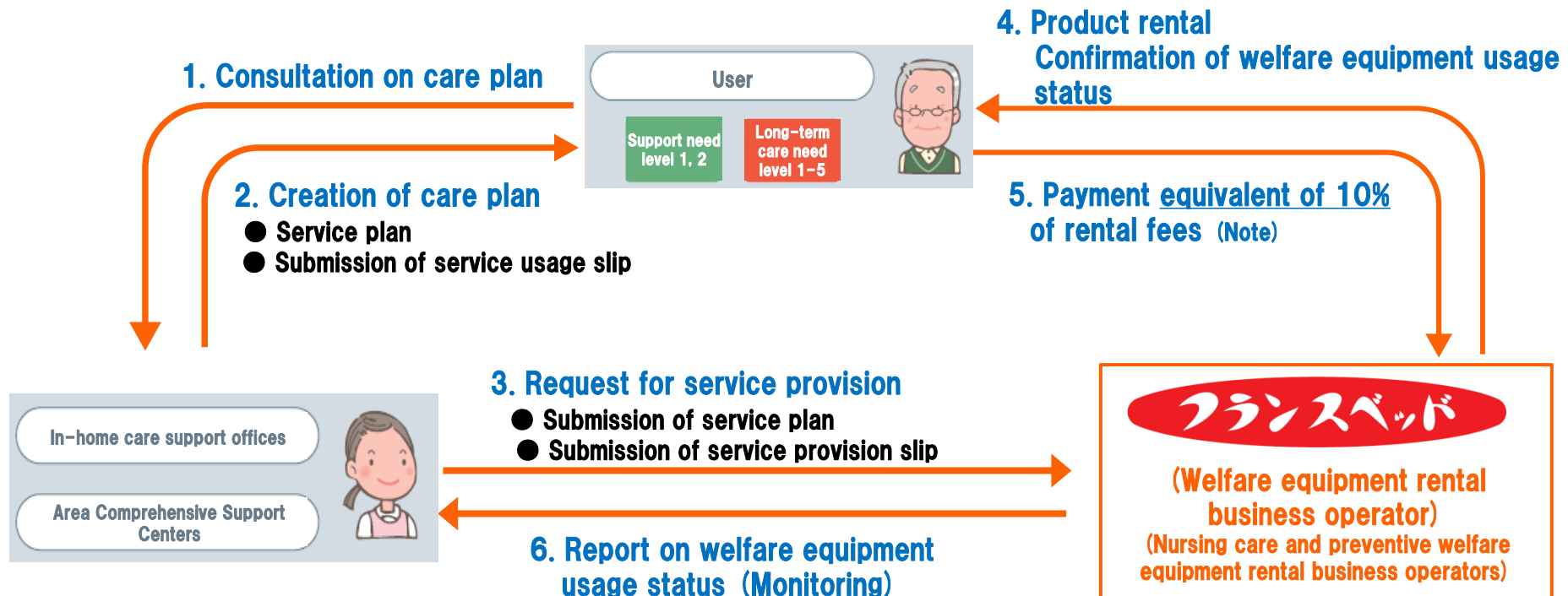
(Welfare equipment rental service)

Users (long-term care insurance users)

Welfare Equipment Rental Service

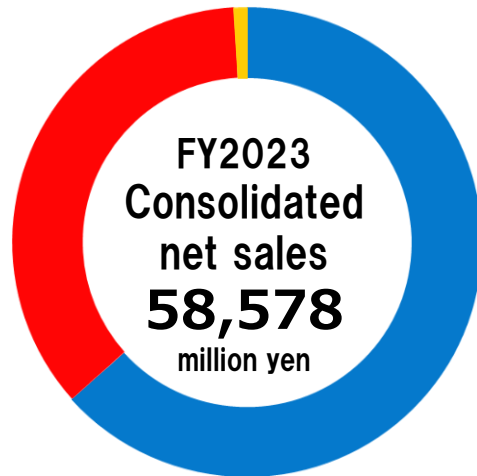
This is a rental service of welfare equipment that aids in daily life and nursing care. The service can be used with self-pay **equivalent of 10%** (Note) of welfare equipment rental costs.

● Flow of the welfare equipment rental service



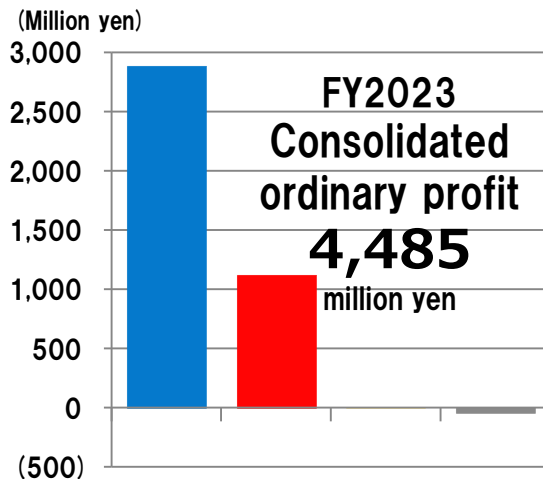
Note: Under the revision of the Long-Term Care Insurance Act (Act No. 123 of 1997) in April 2018, the self-pay ratio is **20%** or **30%** from August 1, 2018 for persons with income above certain levels. Contact local municipal authorities for details.

FY2023 Summary of Financial Results by Segment



Net sales and composition ratio by segment

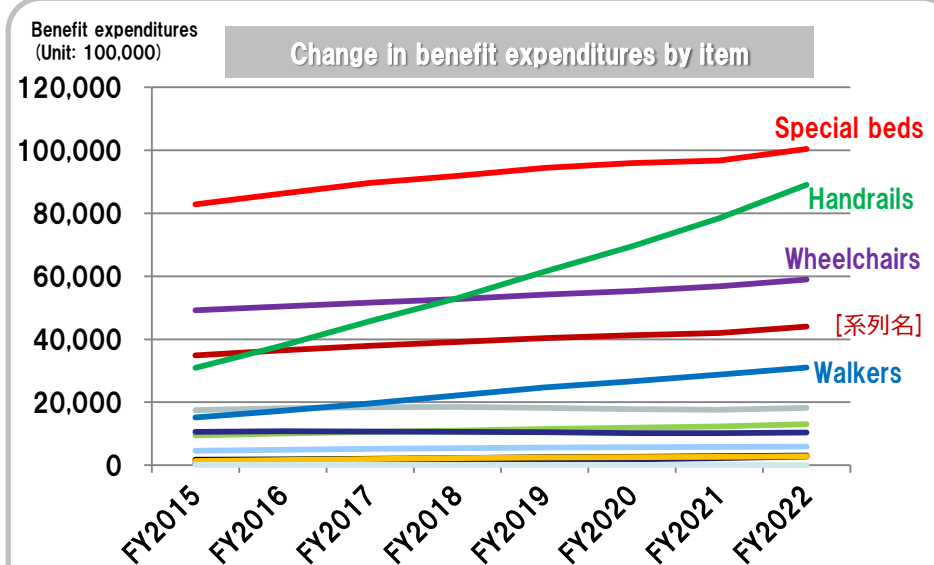
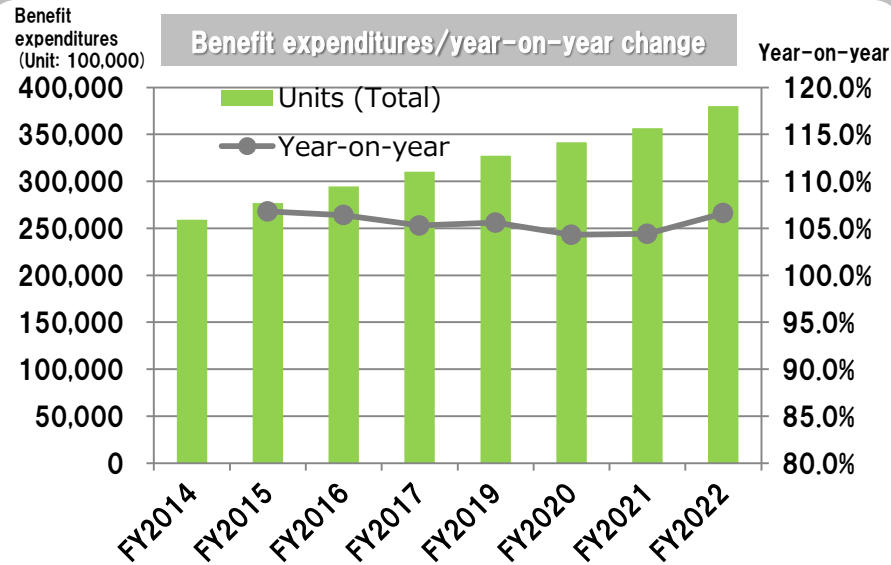
■ Medical Services Business	38,053 million yen (composition ratio 64.9 %)
■ Home Furnishings and Health Business	19,949 million yen (composition ratio 34.0 %)
■ Other	575 million yen (composition ratio 0.9%)



Profit and composition ratio by segment

■ Medical Services Business	3,363 million yen (composition ratio 74.9 %)
■ Home Furnishings and Health Business	1,141 million yen (composition ratio 25.4 %)
■ Other	2 million yen (composition ratio 0.0 %)
■ Adjustments	- 23 million yen (composition ratio -%)

Changes in Long-Term Care Benefit Expenditures, etc. for Welfare Equipment Rental Service



(Unit: 100,000 \approx 1 million yen)

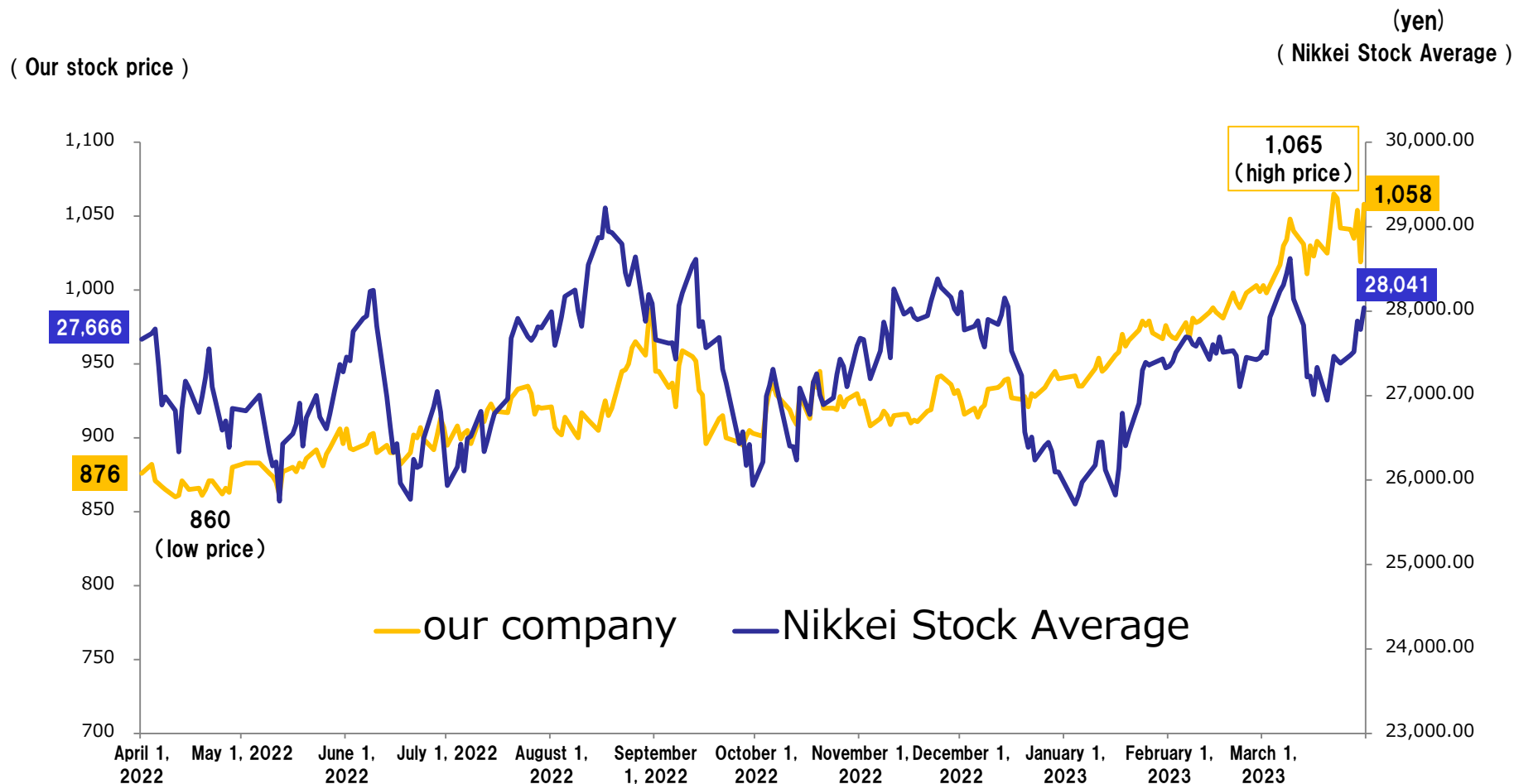
[Changes in expenditures for welfare equipment rental items]

	FY2014	FY2015		FY2016		FY2017		FY2018		FY2019		FY2020		FY2021		FY2022	
	Units	Units	YoY	Units	YoY	Units	YoY	Units	YoY	Units	YoY	Units	YoY	Units	YoY	Units	YoY
Total	259,144	276,818	106.8%	294,428	106.4%	310,110	105.3%	327,368	105.6%	341,526	104.3%	356,626	104.4%	380,016	106.6%	401,176	105.6%
Wheelchairs	49,217	50,475	102.6%	51,619	102.3%	52,751	102.2%	54,200	102.7%	55,324	102.1%	56,834	102.7%	59,001	103.8%	61,421	104.1%
Wheelchair accessories	4,631	4,934	106.5%	5,218	105.8%	5,435	104.2%	5,607	103.2%	5,684	101.4%	5,785	101.8%	5,878	101.6%	5,828	99.1%
Special beds	82,865	86,302	104.1%	89,607	103.8%	91,927	102.6%	94,407	102.7%	95,895	101.6%	96,766	100.9%	100,448	103.8%	103,544	103.1%
Special bed accessories	34,853	36,457	104.6%	37,970	104.1%	39,134	103.1%	40,386	103.2%	41,236	102.1%	41,981	101.8%	44,058	104.9%	45,835	104.0%
Bedsore prevention equipment	17,481	18,076	103.4%	18,383	101.7%	18,512	100.7%	18,201	98.3%	17,825	97.9%	17,603	98.8%	18,237	103.6%	18,767	102.9%
Turning equipment	712	713	100.2%	723	101.4%	807	111.6%	1,355	167.9%	1,878	138.5%	2,295	122.2%	2,785	121.3%	3,161	113.5%
Handrails	30,930	37,989	122.8%	45,733	120.4%	53,118	116.1%	61,494	115.8%	69,502	113.0%	78,455	112.9%	89,041	113.5%	98,696	110.8%
Slopes	9,430	10,099	107.1%	10,593	104.9%	11,023	104.1%	11,498	104.3%	11,916	103.6%	12,357	103.7%	13,058	105.7%	13,810	105.8%
Walkers	15,183	17,296	113.9%	19,670	113.7%	22,136	112.5%	24,683	111.5%	26,696	108.2%	28,779	107.8%	31,066	107.9%	33,029	106.3%
Canes	1,726	1,903	110.3%	2,112	111.0%	2,315	109.6%	2,543	109.8%	2,701	106.2%	2,870	106.3%	3,114	108.5%	3,373	108.3%
Wandering motion detector for elderly dementia patients	1,385	1,693	122.2%	1,961	115.8%	2,221	113.3%	2,436	109.7%	2,555	104.9%	2,671	104.5%	2,909	108.9%	3,094	106.3%
Transfer lifts	10,629	10,753	101.2%	10,707	99.6%	10,610	99.1%	10,445	98.4%	10,218	97.8%	10,148	99.3%	10,345	101.9%	10,552	102.0%
Automatic excretion processor	103	127	123.4%	131	103.2%	120	92.1%	112	93.2%	96	85.9%	82	85.5%	77	93.6%	65	84.8%

* Ministry of Health, Labour and Welfare, "Monthly Report on Statistics of Long-term Care Benefit Expenditures"

* Figures for each fiscal year are totaled from the amount screened in May of the year under review to the amount screened in April of the following year.

Our stock price (Comparison with Nikkei Stock Average _ As of March 31, 2023)



(yen)

Company Name	April 1, 2022 stock price	March 31, 2023 stock price	high price	date	low price	date
our company	876	1,058	1,065	March 22, 2023	860	April 11, 2022
Nikkei Stock Average	27,666	28,041	29,223	August 17, 2022	25,717	January 4, 2023

※Stock price based on closing price

(Inquiries)

Administrative Planning Department Email: ir@francebed-hd.co.jp

Notes on the Future Outlook

This presentation contains forward-looking statements, including forecasts, beliefs, expectations, intentions, and strategies of the Company. These are grounded in judgments and assumptions based on information currently available to the Company. Actual outcomes may differ materially from predictions due to various factors including uncertainties inherent in the judgments and assumptions, and the potential for fluctuations caused by future business operations and changes in internal and external circumstances. The Company bears no obligation to revise any content concerning future forecasts.

Causes of the above uncertainties and fluctuations include, but are not limited to, the following.

- Fluctuations in economic conditions and in demand and market conditions in major markets
- Political situations and trade and other regulations in major markets
- Exchange rate fluctuations
- Business developments involving competitors' products/services, pricing policies, alliances, M&A, etc.
- Strategic changes by alliance partners concerning partnerships with the Company
- The Company's ability to carry out cost reductions and capital investments as planned
- The Company's ability to develop new products and introduce them to markets