

Second Quarter Financial Results Briefing for the Fiscal Year Ended March 31, 2024

December 1, 2023



FRANCE BED HOLDINGS CO., LTD.

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

Securities Code: 7840

- ◆ **Second Quarter 2024 Business Performance Report**
- ◆ **FY2024 Business Performance Outlook**
- ◆ **Major Future Initiatives**
- ◆ **Reference Materials**

Second Quarter 2024 Business Performance Report

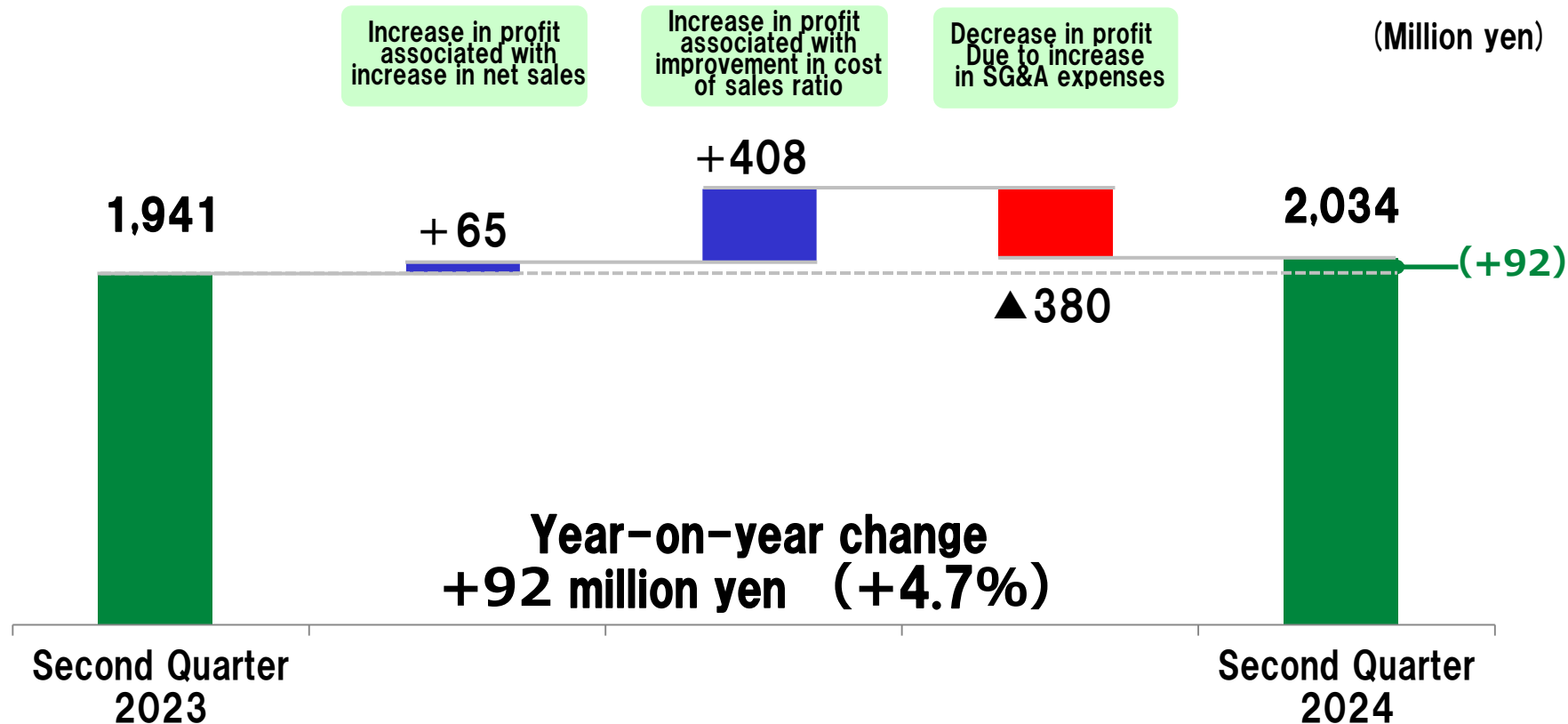
1. Consolidated Business Performance (the Six Months Ended September 30, 2023)

● Increased sales and profit

(Million yen)	Second Quarter 2023	Second Quarter 2024	Year-on-year	
			Change (amount)	Change (%)
Net sales	28,244	28,366	+121	+0.4%
Operating profit	1,941	2,034	+92	+4.7%
profit margin	6.9%	7.2%	—	+0.3P
Ordinary profit	1,958	2,071	+112	+5.7%
profit margin	6.9%	7.3%	—	+0.4P
Profit*	1,239	1,249	+9	+0.7%
profit margin	4.4%	4.4%	—	+0.0P
Profit per share (yen)	34.21	34.67	—	—

※ Profit attributable to owners of parent

1. Consolidated Business Performance (Operating profit increase/decrease factors)



2. Profit and loss plan by segment
(the Six Months Ended September 30, 2023)

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

(Million yen)		Second Quarter 2023	Second Quarter 2024	Year-on-year	
				Change (amount)	Change (%)
Medical Services Business	Net sales	18,325	18,511	+185	+1.0%
	Ordinary profit	1,488	1,553	+65	+4.4%
	profit margin	8.1%	8.3%	—	+0.2P
Home Furnishings and Health Business	Net sales	9,705	9,620	▲84	▲0.8%
	Ordinary profit	504	529	+24	+4.8%
	profit margin	5.2%	5.4%	—	+0.2P
Total	Net sales	28,244	28,366	+121	+0.4%
	Ordinary profit	1,958	2,071	+112	+5.7%

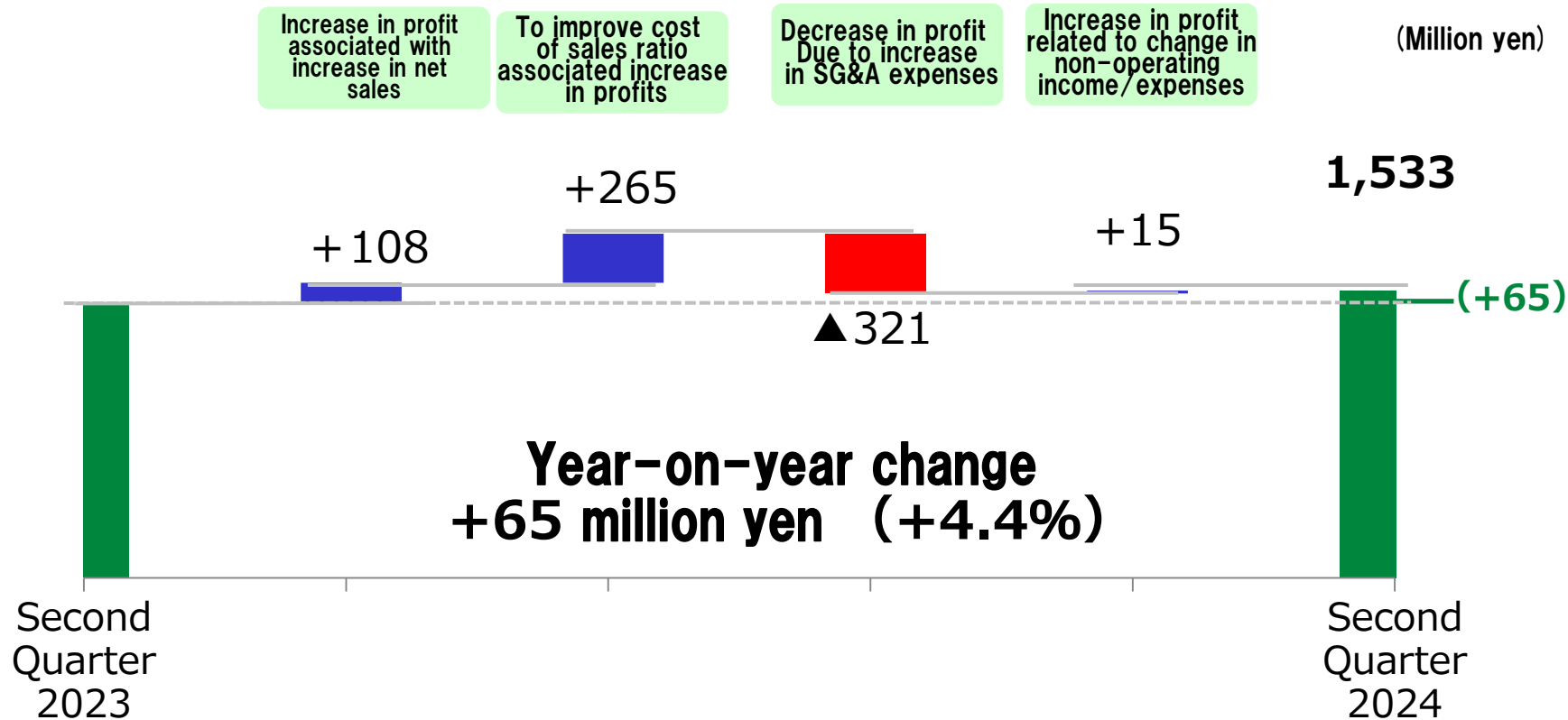
Note: Excluding "Other," which is not a reportable segment.

3. Summary of the Medical Services Business (the Six Months Ended September 30, 2023)

(Million yen)	Second Quarter 2023		Second Quarter 2024		Year-on-year	
	Results	Composition ratio	Results	Composition ratio	Change (amount)	Change (%)
Consolidated net sales	18,325	100.0 %	18,511	100.0%	+185	+1.0%
Nursing care-related rental sales	11,037	60.2%	11,331	61.2%	+293	+2.6%
transactions for hospital facilities	1,999	10.9%	1,738	9.4%	▲260	▲13.0%
Linen supply transactions	1,440	7.9%	1,560	8.4%	+120	+8.3%
Other※	3,848	21.0%	3,880	21.0%	+32	+0.8%
Consolidated ordinary profit	1,488	8.1%	1,553	8.3%	+65	+4.4%

※Wholesale, direct sales, home improvement transactions, nursing home transactions, etc.

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



● **The main reason for the increase in ordinary income is the reduction in the cost of sales ratio**

Main factors behind increase in sales: Welfare equipment rental business operators and linen supply business remained strong, etc.

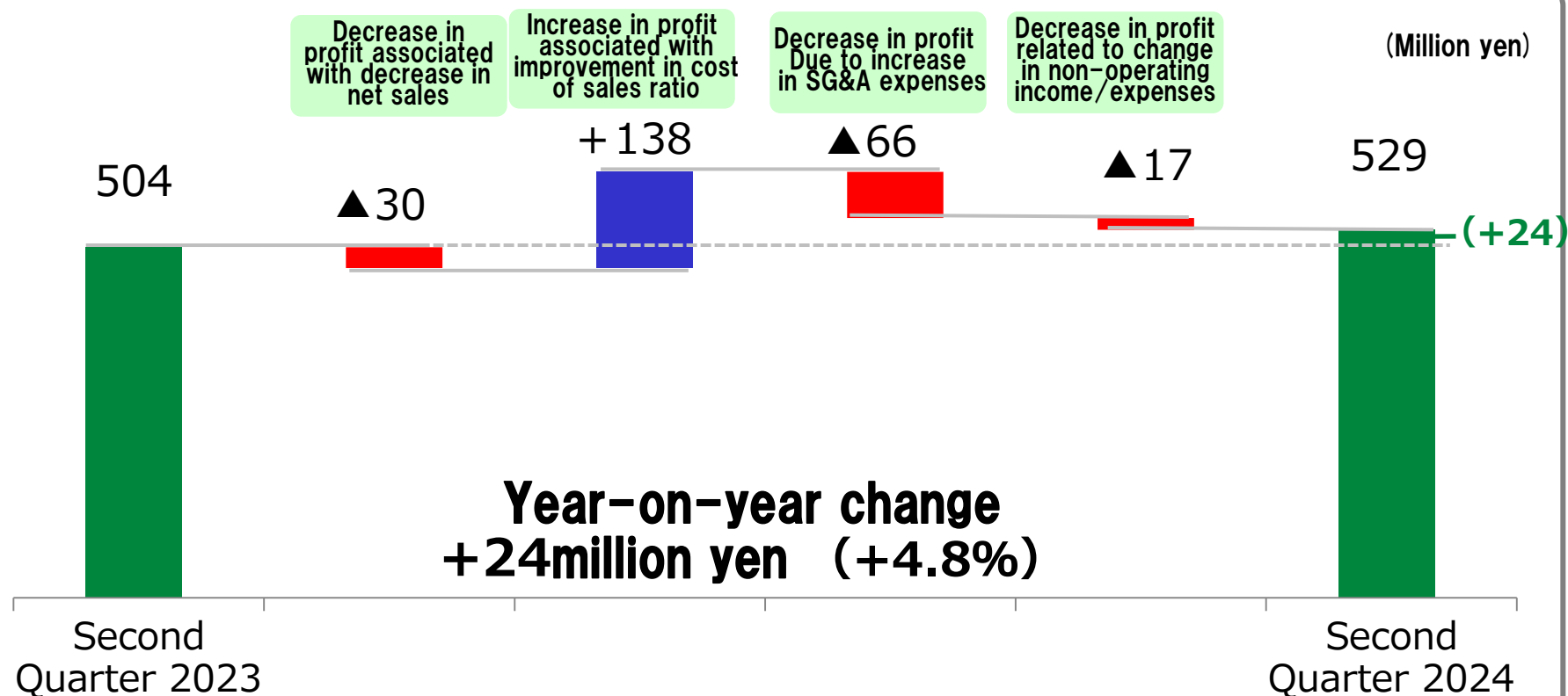
Main factors behind increase in cost of sales ratio: Improvement of rental asset utilization rate, suppression of investment into new rentals, etc.

Main factors behind increase in selling, general and administrative expenses: Increase in personnel expenses due to base-salary increase, increase in maintenance outsourcing expenses, etc.

5. Summary of the Home Furnishings and Health Business
(the Six Months Ended September 30, 2023)

(Million yen)	Second Quarter 2023		Second Quarter 2024		Year-on-year	
	Results	Compositi on ratio	Results	Compositio n ratio	Change (amount)	Change (%)
Consolidated net sales	9,705	100.0 %	9,620	100.0%	▲84	▲0.8%
Home Furnishings Business (Excludes hotel transactions)	9,061	93.4%	8,826	91.7%	▲235	▲2.6%
Sales to hotels	643	6.6%	794	8.3%	+151	+23.5%
Consolidated ordinary profit	504	5.2%	529	5.4%	+24	+4.8%

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



● The main reason for the increase in ordinary profit is the increase in profit associated with improvement in cost of sales ratio

Main factors behind increase in cost of sales ratio: This was primarily due to an improved gross profit margin as a result of adjusting sales prices in October 2022 to reflect the rise in unit selling prices, and soaring material procurement prices.

Main factors behind increase in selling, general and administrative expenses: Increase in personnel expenses due to base-salary increase, increase in advertising expenses, etc.

7. Second Quarter 2024 Consolidated Balance Sheet

(Million yen)

	End of FY2023 (As of March 31, 2023)	Second Quarter 2024 (As of September 30, 2023)	Compared to the end of FY2023
Current assets	32,966	32,248	▲717
(Trade receivables)	10,508	9,550	▲958
Non-current assets	31,680	30,898	▲781
(rental assets)	6,109	5,685	▲424
Total assets	64,679	63,175	▲1,503
Total liabilities	26,555	24,693	▲1,861
(Interest-bearing debt)	14,337	13,727	▲610
Total net assets	38,124	38,482	358
Total liabilities and net assets	64,679	63,175	▲1,503
Shareholders' equity ratio	58.9%	60.9%	+1.9pt

8. Consolidated Cash Flows

(Million yen)

	Second Quarter 2023	Second Quarter 2024	Year-on-year
Cash and cash equivalents at beginning of period	10,778	10,355	▲422
Cash flows from operating activities	4,300	3,671	▲629
(depreciation)	2,828	2,698	▲129
(Income taxes paid)	▲374	▲931	▲556
Cash flows from investing activities	▲5,247	▲3,311	1,935
(Acquisition of fixed assets)	▲2,647	▲2,315	331
Cash flows from financing activities	▲2,882	▲1,419	1,462
Net increase (decrease) in cash and cash equivalents	▲3,814	▲1,055	2,758
Cash and cash equivalents at end of period	6,963	9,299	2,336

FY2024

Business Performance Outlook

1. Consolidated Income Plan (Progress Achieved)

■FY2024 Progress toward achieving the consolidated business performance forecast

(Million yen)	FY2023 Results	FY2024 Plan*	Year-on-year change (%)	Second Quarter 2024 Results	Progress relative to plan (%)
Net sales	58,578	60,500	+3.2%	28,366	46.9%
Operating profit	4,481	4,850	+8.2%	2,034	41.9%
Profit margin	7.6%	8.0%	+0.4P	7.2%	—
Ordinary profit	4,485	4,850	+8.1%	2,071	42.7%
Profit margin	7.6%	8.0%	+0.4P	7.3%	—
Profit	2,702	3,050	+12.8%	1,249	41.0%
Profit margin	4.6%	5.0%	+0.4P	4.4%	—
Profit per share (Yen)	74.80	84.67	—	34.67	—

※ The business performance forecast has not been revised since its initial release on May 15, 2023.

2. Profit and loss plan by segment (Progress Achieved)

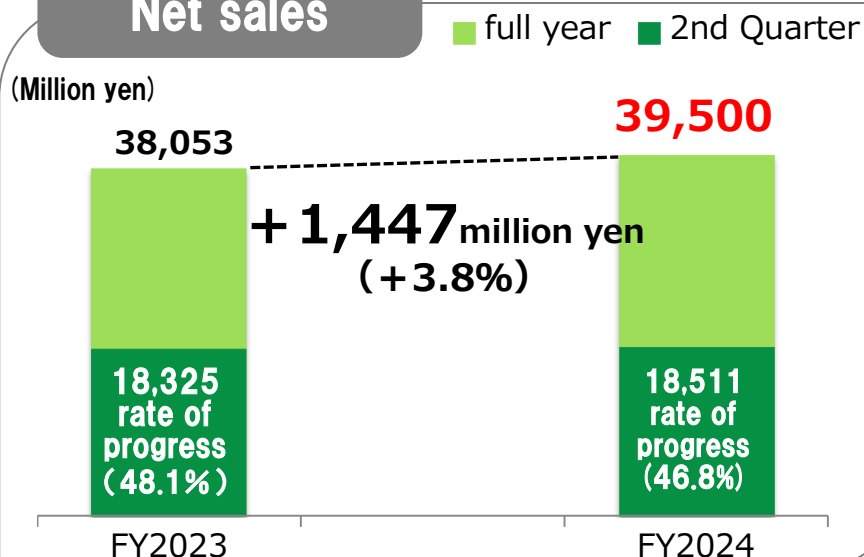
■FY2024 Progress toward achieving earnings forecast by segment

(Million yen)		FY2023 Results	FY2024 Plan	Year-on- year change (%)	Second Quarter 2024 Results	Progress relative to plan
Medical Services Business	Net sales	38,053	39,500	+3.8%	18,511	46.8%
	Ordinary profit	3,363	3,600	+7.0%	1,553	43.1%
	Profit margin	8.8%	9.1%	+0.3P	8.3%	—
Home Furnishings and Health Business	Net sales	19,949	20,500	+2.7%	9,620	46.9%
	Ordinary profit	1,141	1,250	+9.5%	529	42.3%
	Profit margin	5.7%	6.0%	+0.3P	5.4%	—
Total	Net sales	58,578	60,500	+3.2%	28,366	46.9%
	Ordinary profit	4,485	4,850	+8.1%	2,071	42.7%
	Profit margin	7.6%	8.0%	+0.4P	7.3%	—

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

3. 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)

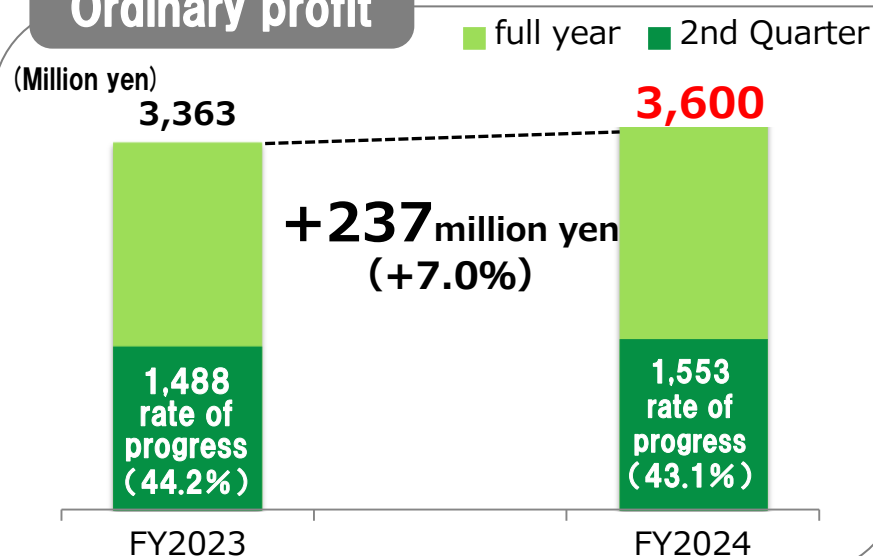
Ordinary profit: 3,600million yen

(+237 million yen, +7.0% YoY)

Major initiatives

- ① **Onboarding of sales representatives who are new graduates, and assigning to sales locations**
 - To be assigned to sales locations in January 2024 following nine months of training (21 sales representatives). 100 sales representatives to be assigned over 3 years under the current medium-term management plan. Aside from that, 29 mid-career sales representatives to be hired.
- ② **Sales of new nursing-care bed “RaKuDa,” etc.**
 - Market entry of products that can be transported and easy to maintain alone.
- ③ **Acquisition of orders for hospital facilities**
 - Acquisition of a care robot grant project and entry of a new hospital bed.

Ordinary profit



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

Net sales

■ full year ■ 2nd Quarter

(Million yen)

19,949

20,500

+ 551 million yen
(+ 2.7%)

9,705
rate of
progress
(48.6%)

9,620
rate of
progress
(46.9%)

FY2023

FY2024

【FY2024 Full-year plan】

Net sales: 20,500million yen

(+551million yen, +2.7%YoY)

Ordinary profit: 1,250million yen

(+109million yen, +9.5%YoY)

Major initiatives

① Development of FB 75th anniversary model

- Scheduled to launch from January 2024.

② Expansion of development of the Group's exhibition venues, etc.

- Major plan by March 2024
{Chitose (renewal), Toyota, Kagoshima, etc.}

③ Focus on the hotel market

- Strengthening of sales for the hotel market, which is in recovery
- Strengthening of rentals for hotels and inns, etc.



Ordinary profit

■ full year ■ 2nd Quarter

(Million yen)

1,141

1,250

+ 109 million yen
(+9.5%)

504
rate of
progress
(44.2%)

529
rate of
progress
(42.3%)

FY2023

FY2024

5. Capital Investments

(Million yen)

	FY2023 Full-year Results	Second Quarter 2024	FY2024 Full-year Results
Capital investment amount	4,912	2,325	5,000
(Rental assets)	3,759	1,618	3,325
(Service centers)	119	295	905
Depreciation	5,562	2,698	5,350

- ✓ Improvement of rental utilization rate through the “effective use of rental assets” and suppression of amount invested into new rentals
- ✓ New establishment of “Chitose Service Center” in Chitose City, Hokkaido in December 2023

6. shareholder return

Basic policy for this medium-term management period

1. Aim to provide stable dividends targeting a consolidated payout ratio of approximately 50%.
Taking into account the necessary amount of investment, etc. required for corporate growth over the medium to long term, we aim to improve the dividend level using comprehensive judgment.
2. Implement ongoing purchase of treasury shares

*** For FY2024, plan to pay annual dividends of 38 yen. We expect to increase dividends for the fourth year in a row.**

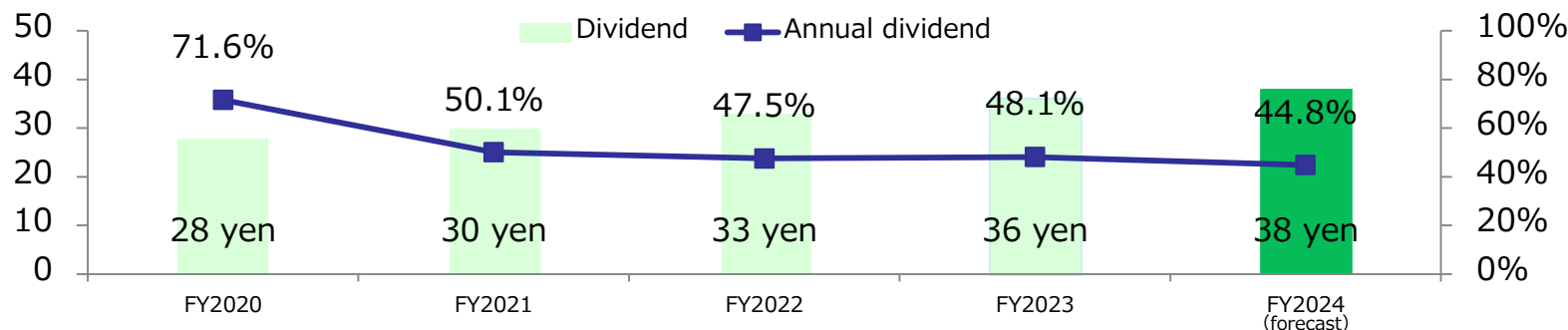
	FY2020	FY2021	FY2022	FY2023	FY2024 (forecast)
Annual dividend	28yen	30yen	33yen	36yen	38yen
Dividend payout ratio	71.6%	50.1%	47.5%	48.1%	44.8%
Number of treasury shares repurchased*1	500,000 shares	1,290,000 shares	1,080,000 shares	420,000 shares	(3,000,000 shares) *2
Amount of treasury shares repurchased	492million yen	1,118million yen	986million yen	380million yen	—

*1: Number of treasury shares are rounded down to the nearest thousand.

*2: Cancelled 3,000,000 treasury shares in May 2023.

Annual dividend(yen)

Dividend payout ratio



7. Changes in Consolidated Business Performance

■ Changes in consolidated business performance for most recent five years

(Million yen)		FY2020	FY2021	FY2022	FY2023	FY2024 (Full-year Plan)
Interim	Net sales	26,329	24,398	25,978	28,244	28,366
	Ordinary profit	1,083	1,480	1,901	1,958	2,071
	Profit margin	4.1%	6.0%	7.3%	6.9%	7.3%
Full-year	Net sales	52,430	52,430	54,398	58,578	60,500
	Ordinary profit	2,436	3,451	3,959	4,485	4,850
	Profit margin	4.6%	6.5%	7.2%	7.6%	8.0%

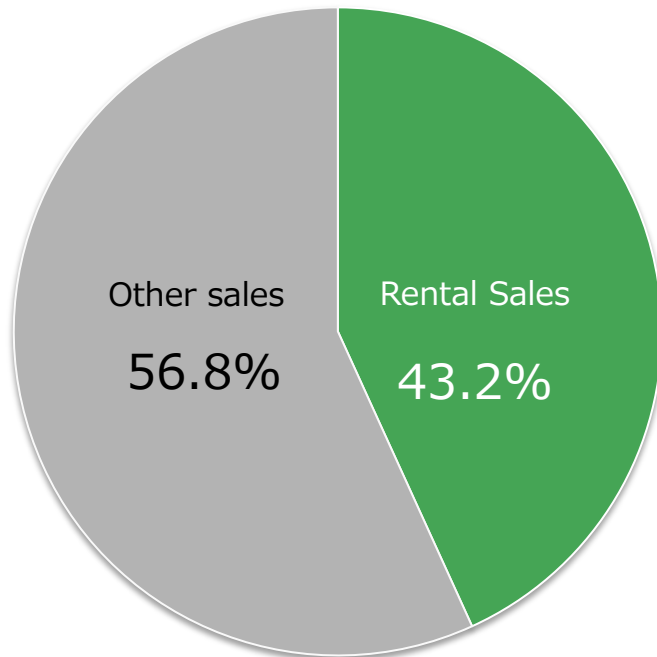
Major Future Initiatives

1. Medical Services Business
2. Home Furnishings and Health Business
3. Overseas Business
4. Topics

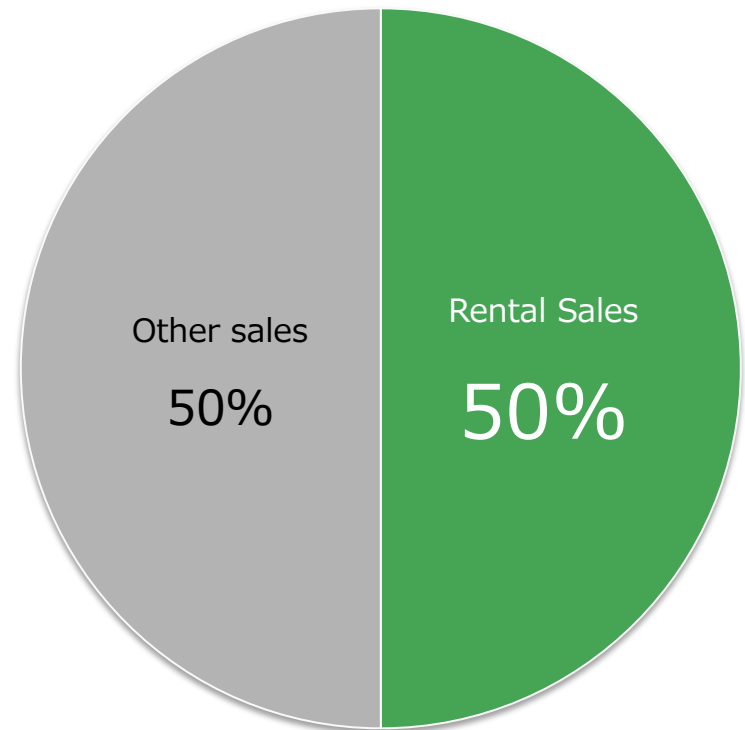
Improvement of rental sales ratio

Promoting various “rental services” in all businesses

March 31, 2023



mid-term target



1. Medical Services Business

Strengthening wholesale transactions

Expansion of B to B sales, and continual entry of products that can be transported and assembled alone

New nursing-care bed “RaKuDa”



Comfortable for sleep!
Simple operation!
Easy to care for!



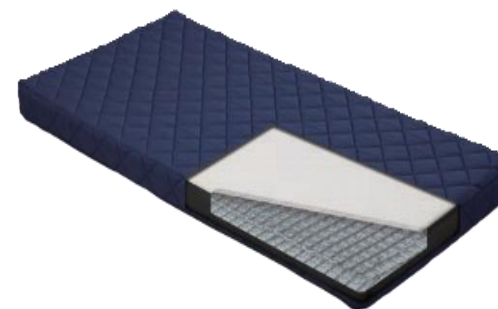
Legless lift-up chair



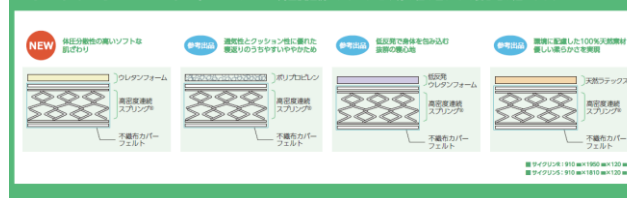
Decomposition state



New spring mattress “Cyclin Mattress”



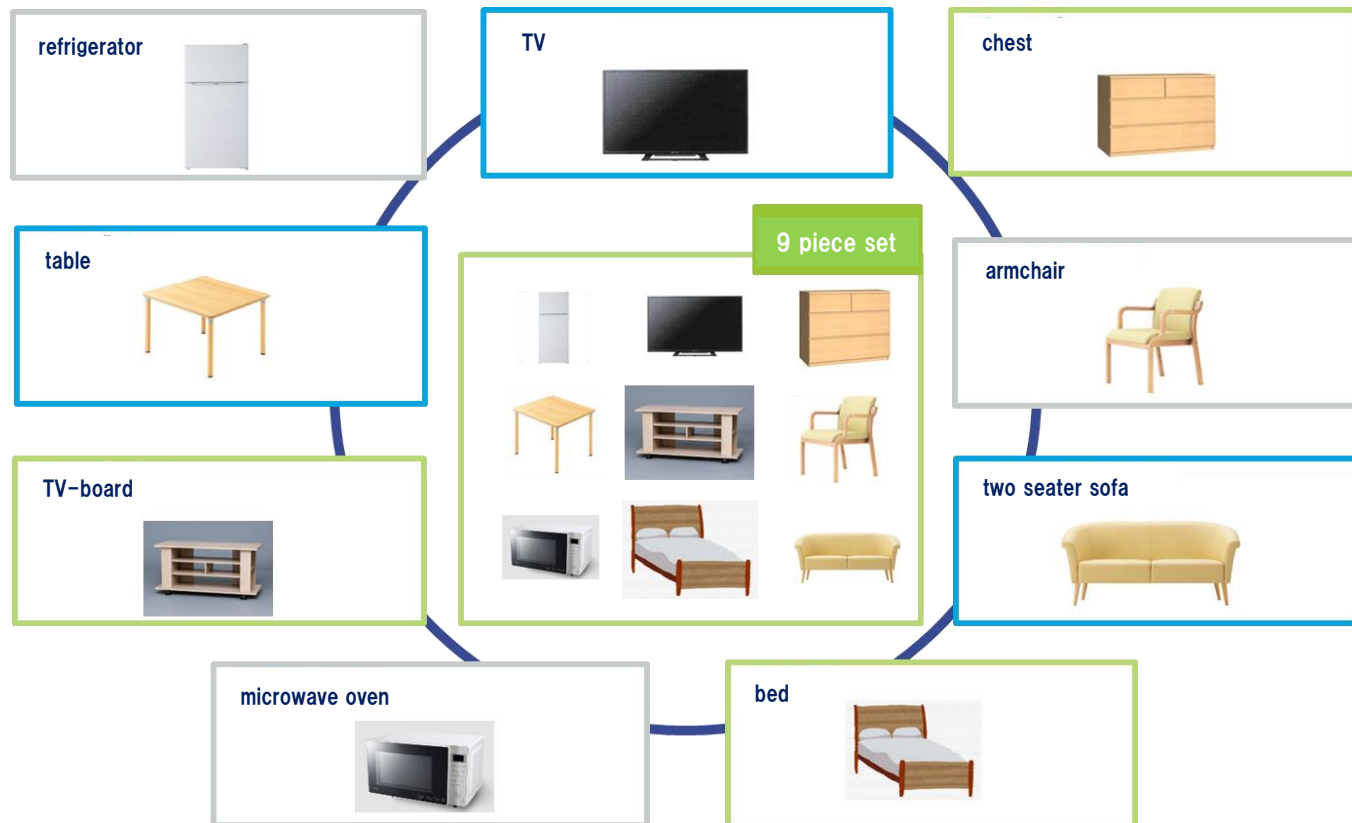
サイクリンマットレス 高密度連続スプリングと中材の組み合わせで寝心地がよくなります。



1. Medical Services Business

“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. Medical Services Business

Measures to acquire rental customers

Expand rental customer acquisition through use of e-commerce sites

介護用品・福祉用具のレンタルならフランスベッドの介護レンタル.comで

会員登録 | お問い合わせ | 会社概要 | お客様の声

介護用品のレンタル専門店

フランスベッド 介護レンタル.com

通常3営業日～最短翌日お届け
(※地域や商品在庫状況によって異なります。)

ログイン

カート

042-349-5440

受付時間：平日9:15～17:30 (12:00～13:00を除く)
※土日祝日・年末年始を除く
※受付時間外は、翌営業日のご対応になります

お問い合わせ

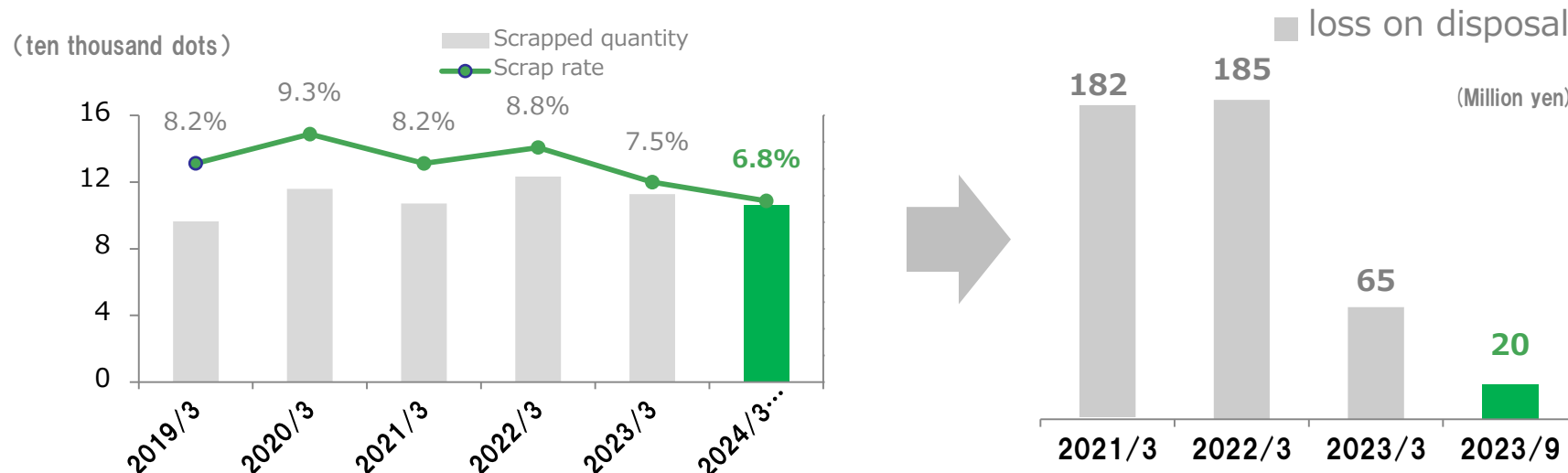
選ばれている商品から探す

 <p>シングルサイズ (幅97×長195cm)仕様</p> <p>電動リクライニングベッド レオックス R 97幅シングル サイズ (36879170)</p> <p>¥4,700～</p> <p>詳細をみる</p>	 <p>お部屋のインテリアに合う 家具調の介護ベッド</p> <p>3モーター (固定脚)</p> <p>家具調リクライニングベッド グランマックス GX-P302F 97cmシングル 3モーター 固定脚</p> <p>¥15,000～</p> <p>詳細をみる</p>	 <p>離床支援マルチポジションベッド (GR-MP L/R付)固定脚</p> <p>寝る、座る、立ち上がるをサポートする介護ベッド マルチポジションベッド [固定脚]</p> <p>¥16,500～</p> <p>詳細をみる</p>	 <p>マルチフィットベッド 固定脚</p> <p>自分の体形にベッドがフィット！マルチフィットベッド MFB-930SW F01 L60 固定脚 タイプ</p> <p>¥13,000～</p> <p>詳細をみる</p>	 <p>床や畳に直接置いて使えます。 シングルサイズ (幅97×長さ195cm)</p> <p>起き上がり補助装置ルーパームーブ R P-01 N S</p> <p>¥5,220～</p> <p>詳細をみる</p>
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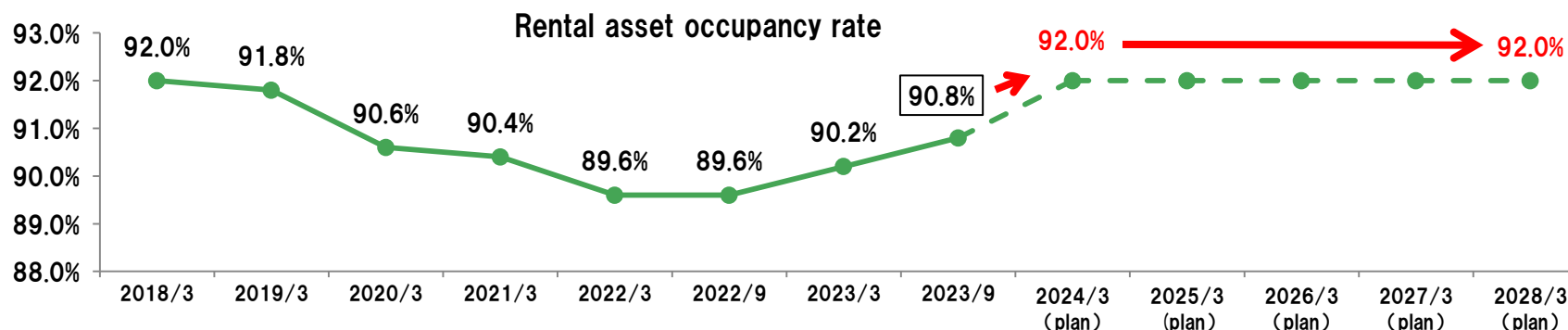
1. Medical Services Business

Improvement of Rental Profit Margin

Initiatives to reduce the number of discarded rental items



Initiatives to achieve higher rental asset utilization rate



1. Medical Services Business

おかげさまで
40th
フランスベッドのレンタル



Deployment of Products That Meet Prevailing Needs

Proposals for new beds matched with ethical lifestyles

Eco comfort motorized beds



- ✓ Contributing to solving environmental issues
- ✓ Promoting ethical consumption
- ✓ Realization of comfort

Increase sales by opening new stores at the Group's exhibition venues

< The Group's showrooms New store opening plan (including renewals) >

34 venues nationwide (September 2023 results) + **2 locations**
(FY2024)

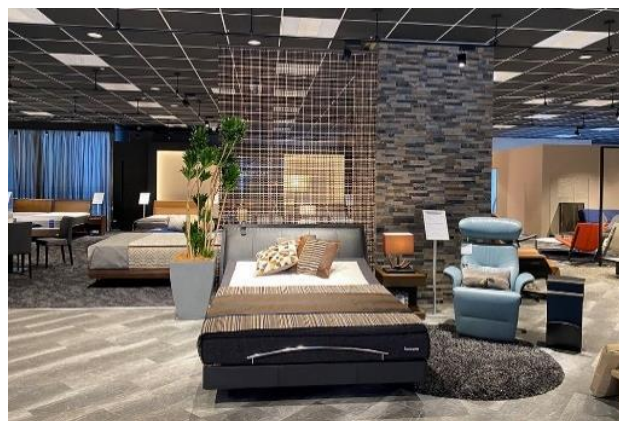
(**Plans to open stores this fiscal year**)

January 2024 Renewal FRANCEBED Chitose Showroom

February 2024 New open FRANCEBED Kagoshima Showroom

March 2024 New open FRANCEBED Toyoda Showroom

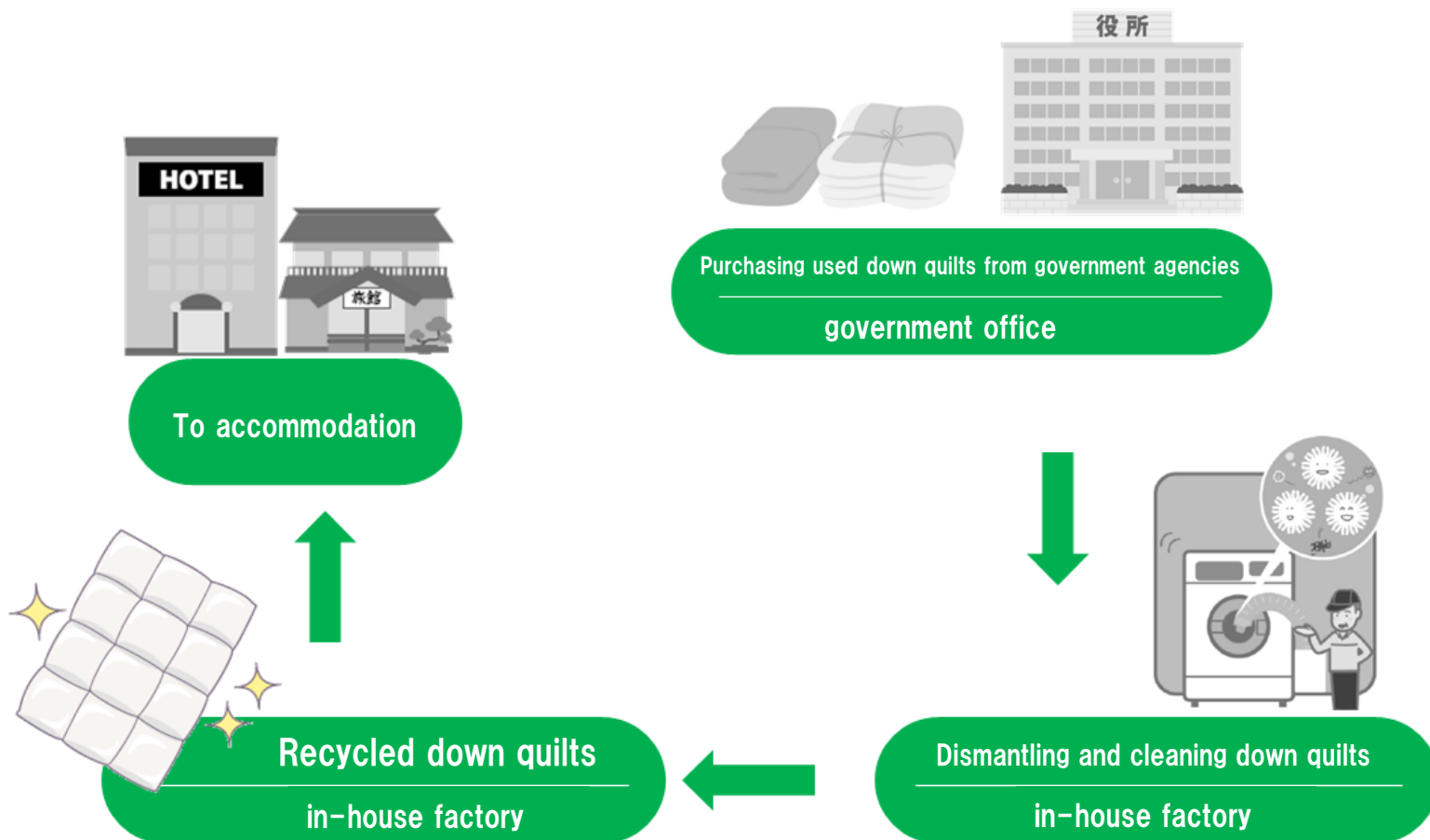
(**Potential Store Locations**) Chiba、Oomiya、Ooita、Morioka



2. Home Furnishings and Health Business

Begin purchase of used down quilts and sales as recycled down quilts

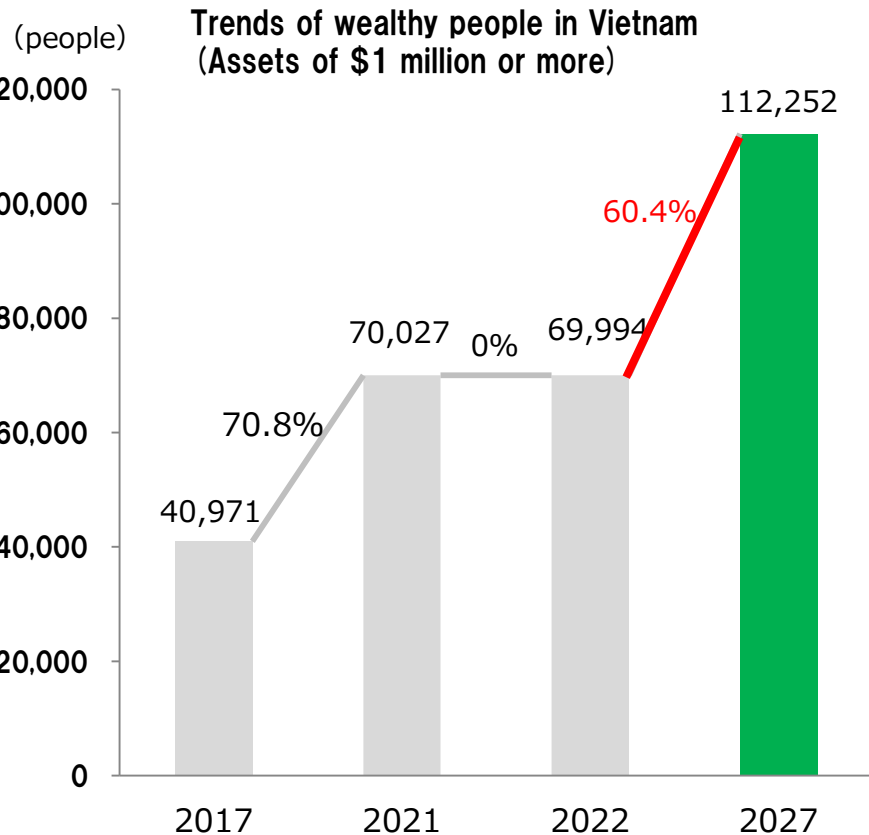
Collect used down quilts from government offices and sell them to accommodation facilities, etc.



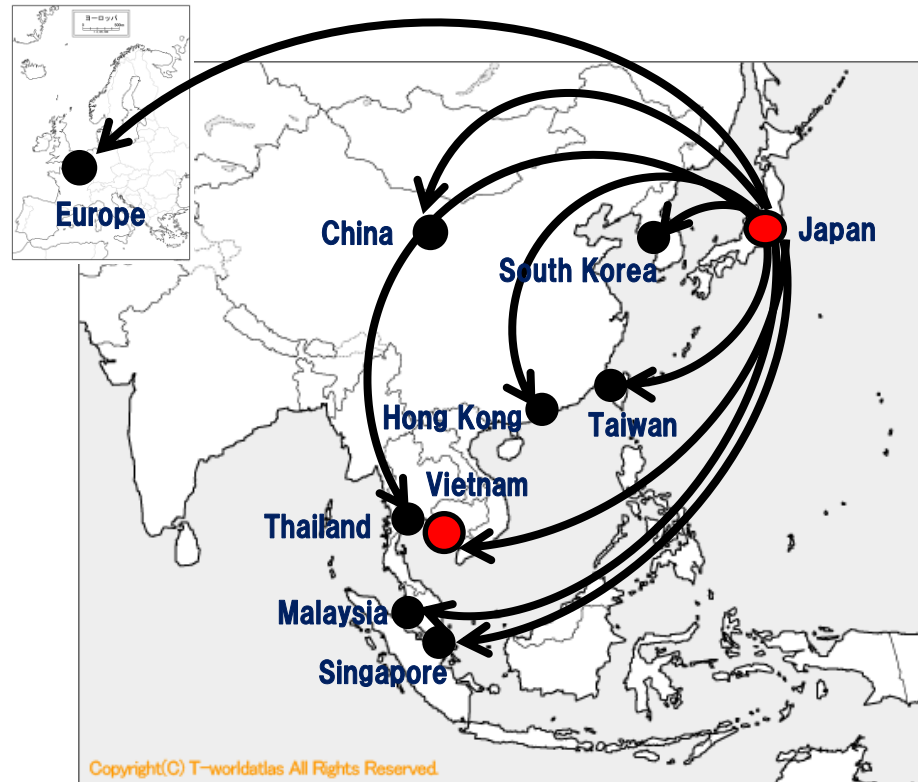
3. overseas deployment

Initiatives in overseas business as a future growth driver

Using our home furnishing products developed in Japan, we will expand to the rapidly growing Vietnam market



Source: TheWealthReport



4. Topics

Topics Relevant to Promotion of ESG Management

(new)

ESG investment index “FTSE Blossom Japan”
Selected as a constituent stock for the first time
(310 Japanese stocks as of June 2023)



**FTSE Blossom
Japan**

(continuation)

Continued selection as a constituent of the ESG
investment index “FTSE Blossom Japan Sector
Relative Index” (605 Japanese stocks as of
June 2023)



**FTSE Blossom
Japan Sector
Relative Index**

Reference Materials



FRANCEBED HOLDINGS

Company 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
Listing	Tokyo Stock Exchange Prime Market
Representative	Shigeru Ikeda, Representative Director, Chairman and President
Number of employees	1,820 (Consolidated) *As of September 30, 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.

Breakdown by segment (As of March 31, 2023)

Sales to hotels



Wholesale sales to retailers



Home Improvement Services



Retail and wholesale of welfare equipment



linen supply

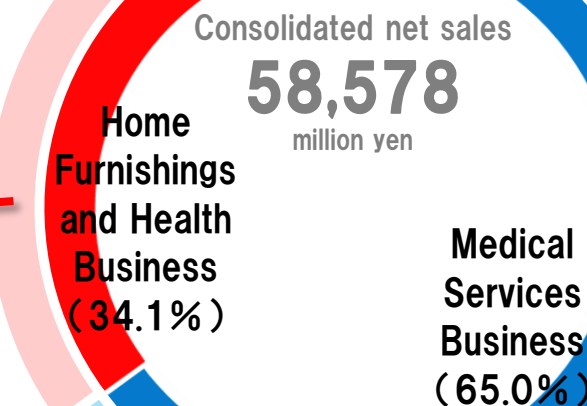


MS rental sales

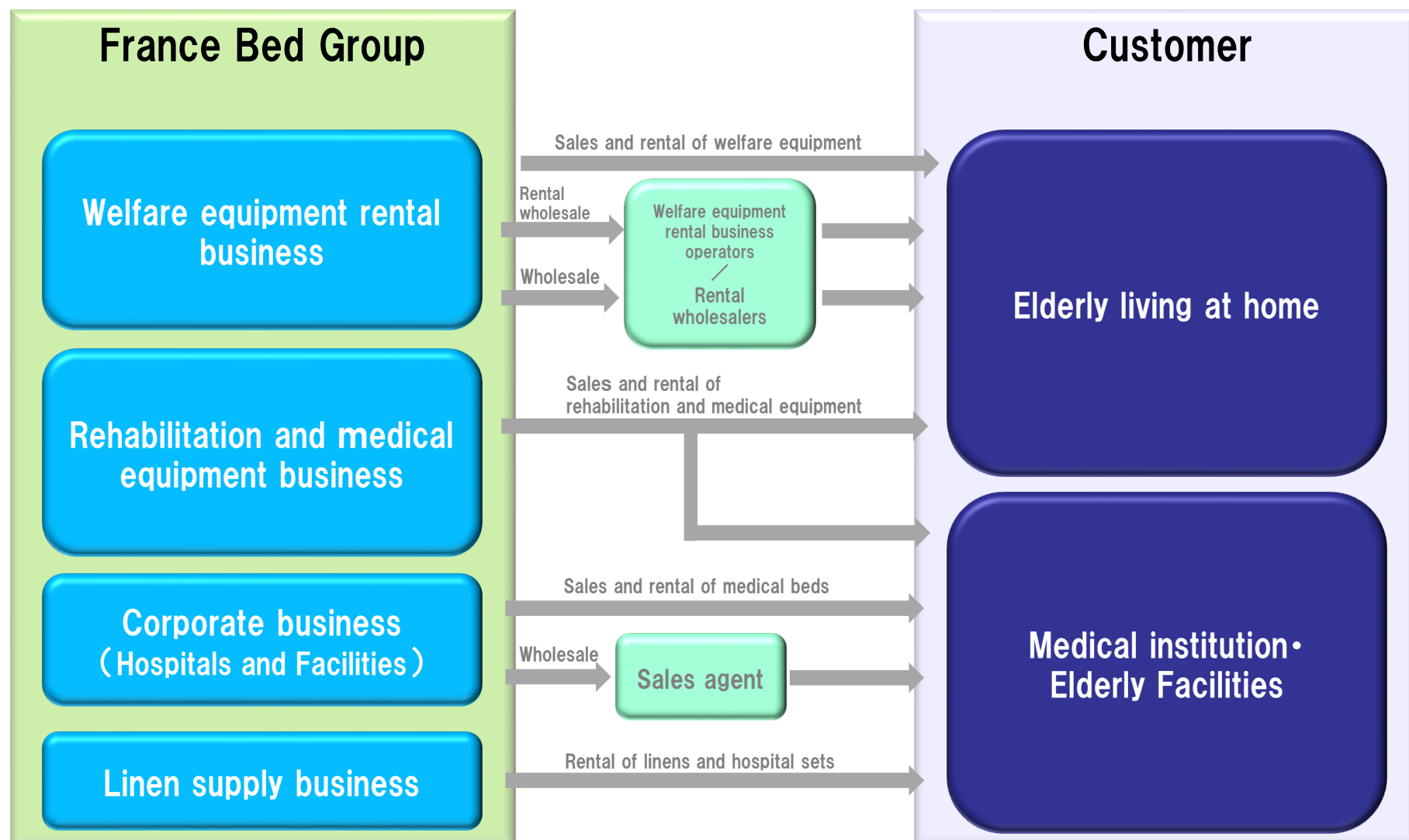
Nursing care rental・Rental wholesale

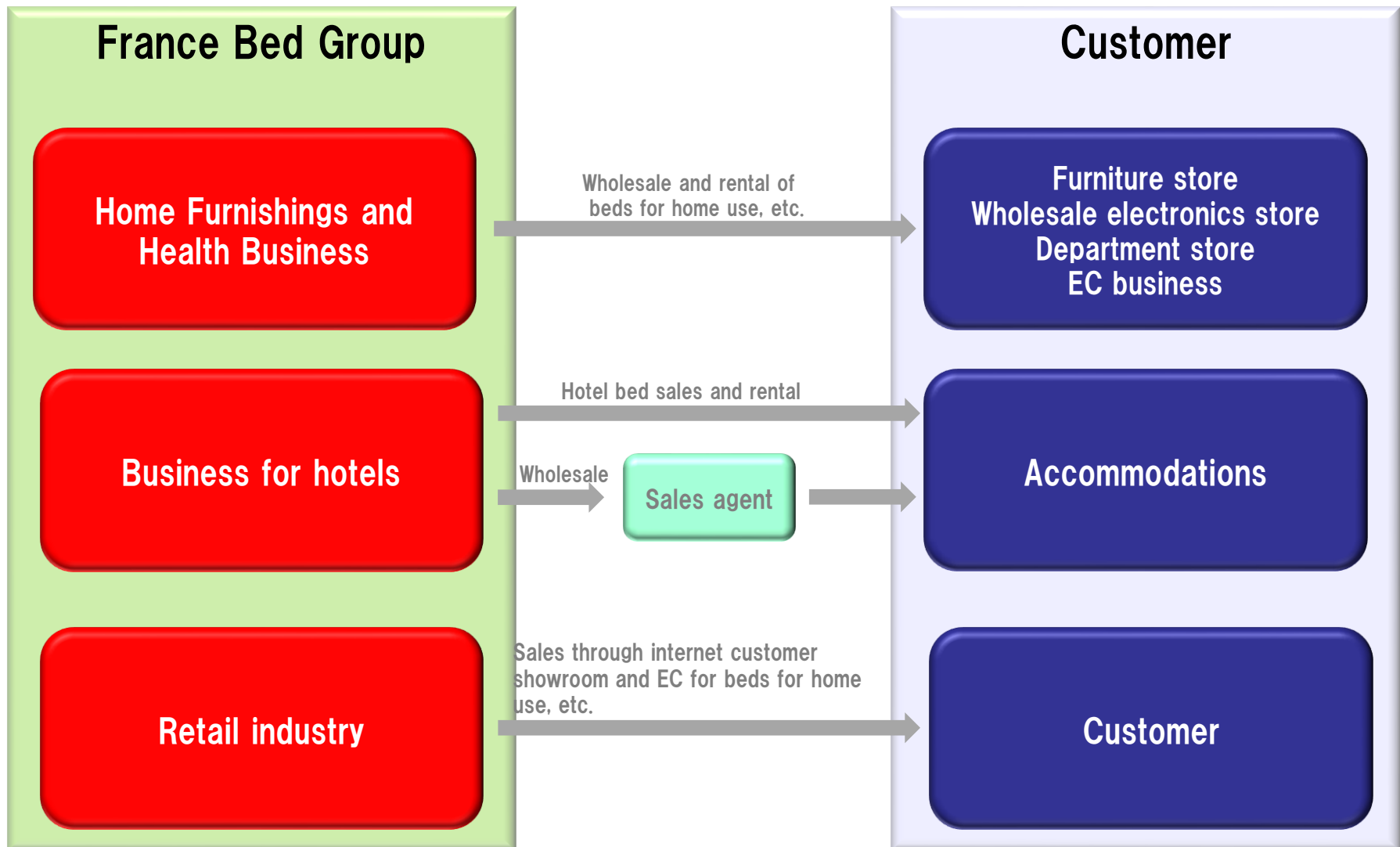


Sales to hospital facilities



others





<The Company's business domains>

Welfare equipment and nursing care products manufacturers

- FRANCE BED CO., LTD., other companies

(Sale)

(Sale)

Welfare equipment rental business operators

(Rental assets are held by the company)

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

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

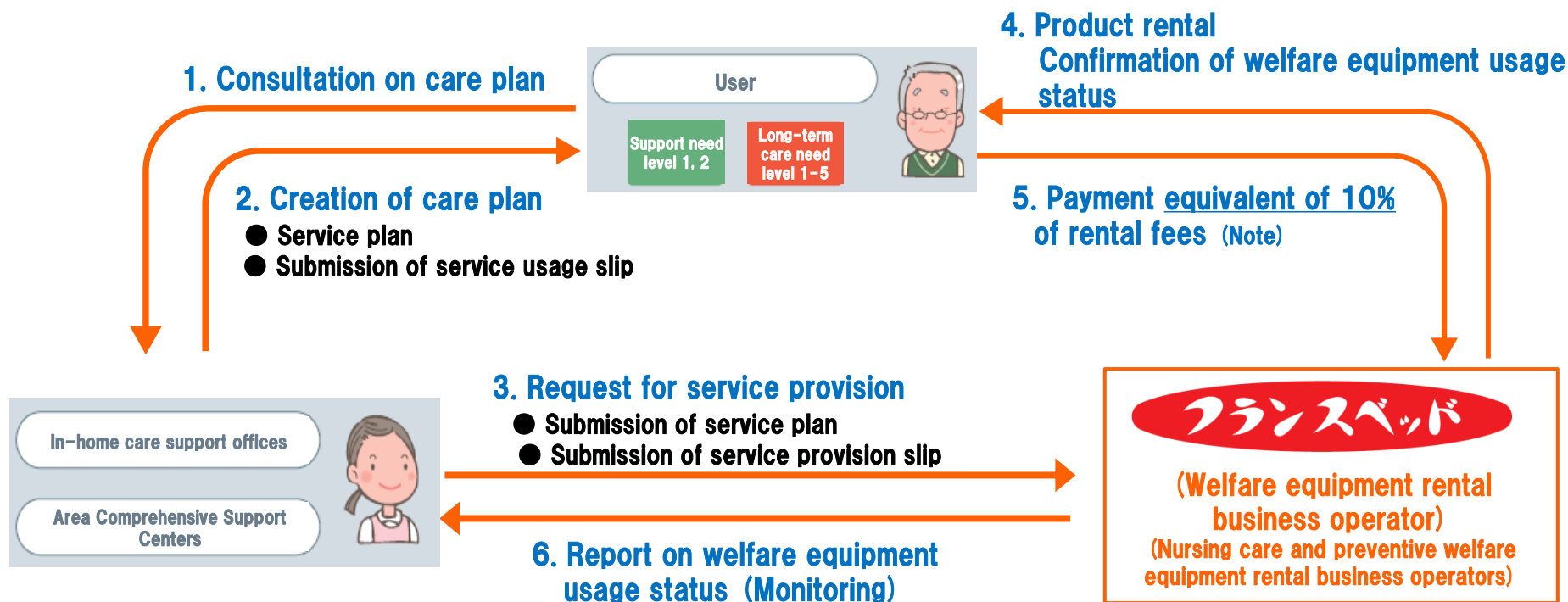
(Care plan consultation/creation)

(Welfare equipment rental service)

Users (long-term care insurance users)

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



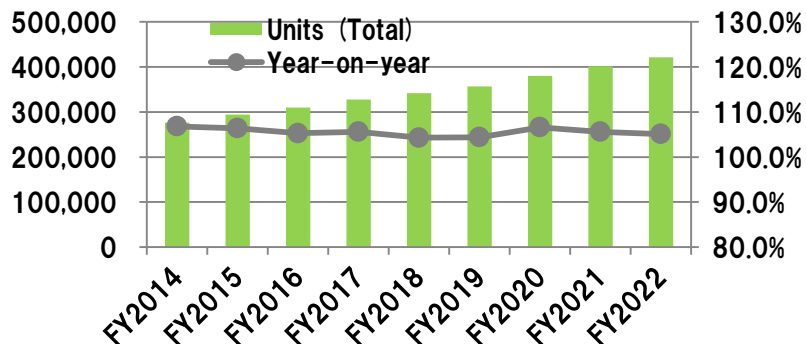
Note: Under the revision of the Long-Term Care Insurance Act (Act No. 123 of 1997) in April 2018, the self-pay ratio is **20%** or **30%** from August 1, 2018 for persons with income above certain levels. Contact local municipal authorities for details.

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

Benefit expenditures
(Unit: 100,000)

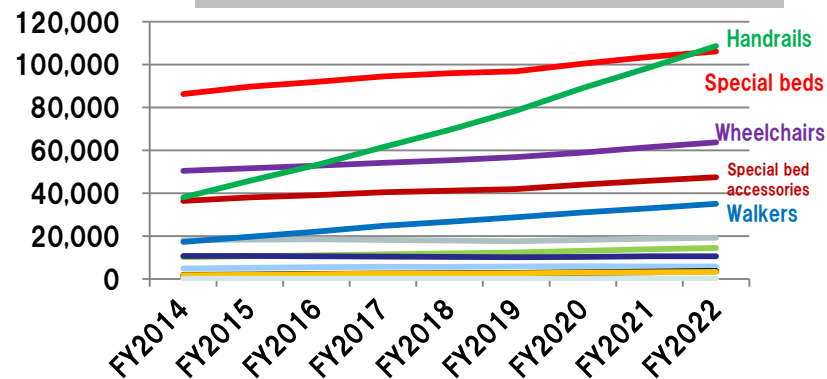
Benefit expenditures/year-on-year change

Year-on-year



Benefit expenditures
(Unit: 100,000)

Change in benefit expenditures by item



(Unit: 100,000 ≡ 1 million yen)

[Changes in expenditures for welfare equipment rental items]

	FY2013			FY2014			FY2015			FY2016			FY2017			FY2018			FY2019			FY2020			FY2021			FY2022		
	Units	YoY		Units	YoY		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%		421,527	105.1%	
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%		63,770	103.8%	
Wheelchairs 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%		5,779	99.2%	
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%		106,065	102.4%	
Special beds 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%		47,442	103.5%	
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%		19,225	102.4%	
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%		3,506	110.9%	
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%		108,681	110.1%	
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%		14,505	105.0%	
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%		34,989	105.9%	
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%		3,736	110.8%	
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%		3,183	102.9%	
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%		10,592	100.4%	
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%		53	81.8%	

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

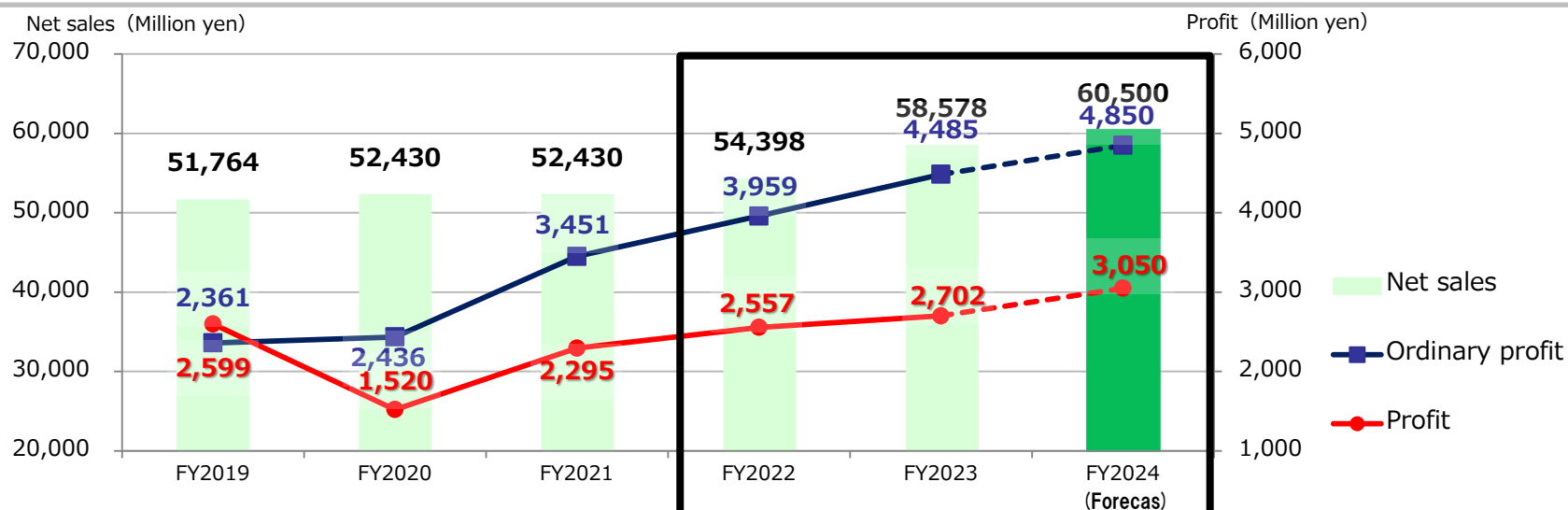
* Figures for each fiscal year are totaled from the amount screened in May of the year under review to the amount screened in April of the following year.

Medium-term management plan progress status
(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)	Previous medium-term management plan			Current medium-term management plan			
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	
						(Forecas)	(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.



Medium-term management plan progress status (Performance trends by segment)

■ Medical Services Business

(Million yen)	Previous medium-term management plan			Current medium-term management plan			
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	
						(Forecas)	(Reference: Targets at the time of formulation)
Net sales	29,744	31,235	32,839	34,484	38,053	39,500	(37,700)
Segment 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

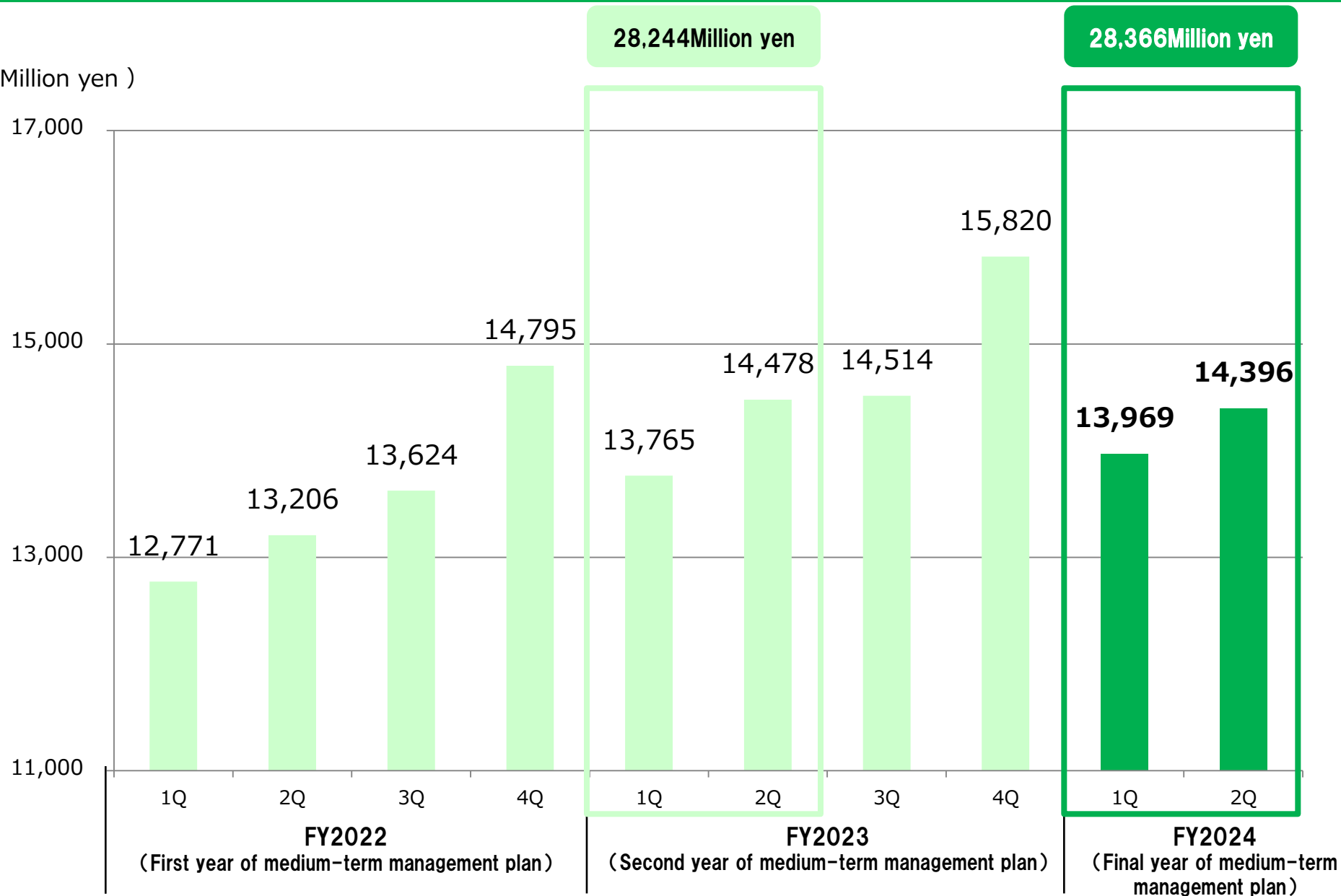
(Million yen)	Previous medium-term management plan			Current medium-term management plan			
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	
						(Forecas)	(Reference: Targets at the time of formulation)
Net sales	21,043	20,842	19,186	19,419	19,949	20,500	(21,300)
Segment profit	▲66	128	511	1,117	1,141	1,250	(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

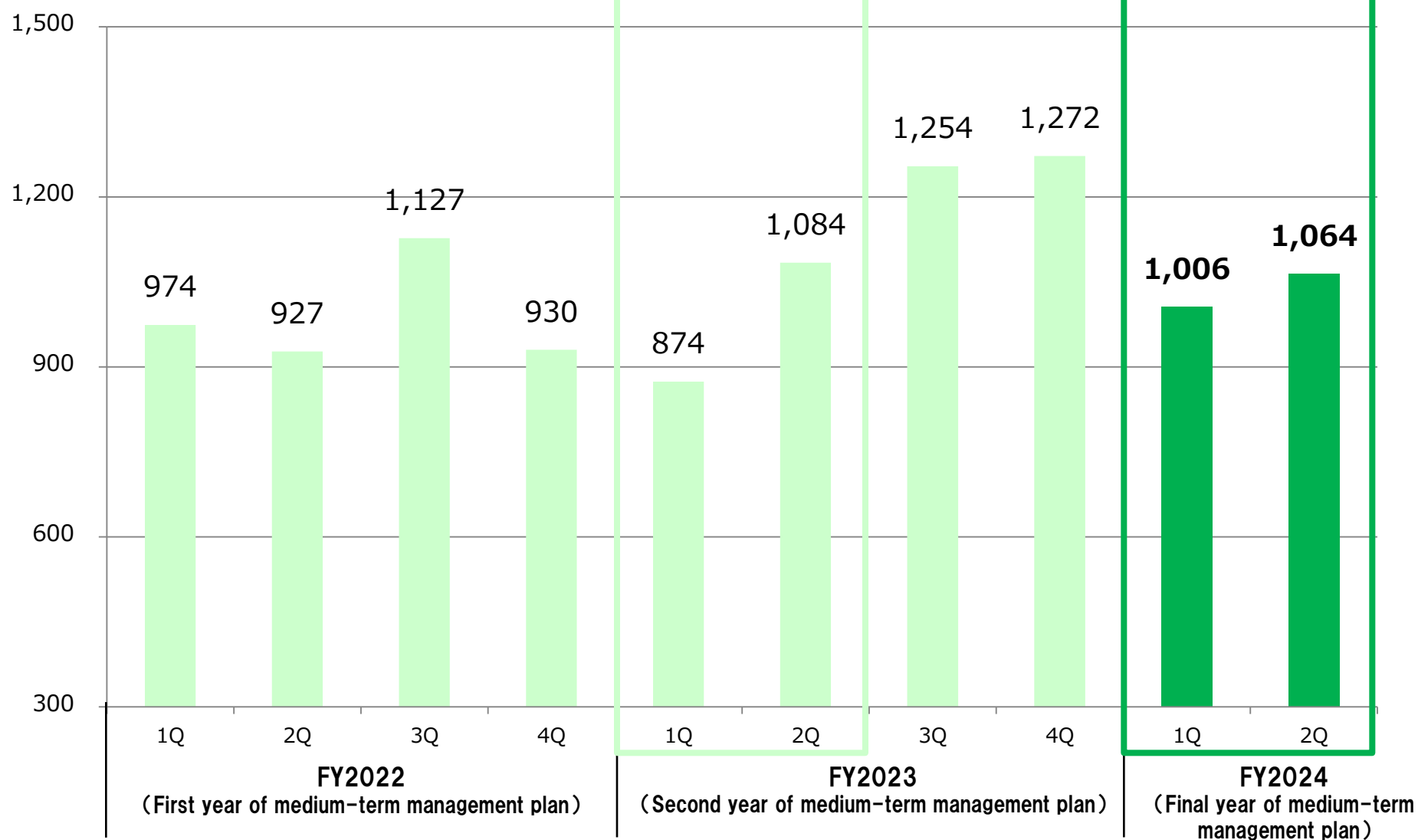
Consolidated Business Performance (Quarterly consolidated sales trends)

(Million yen)



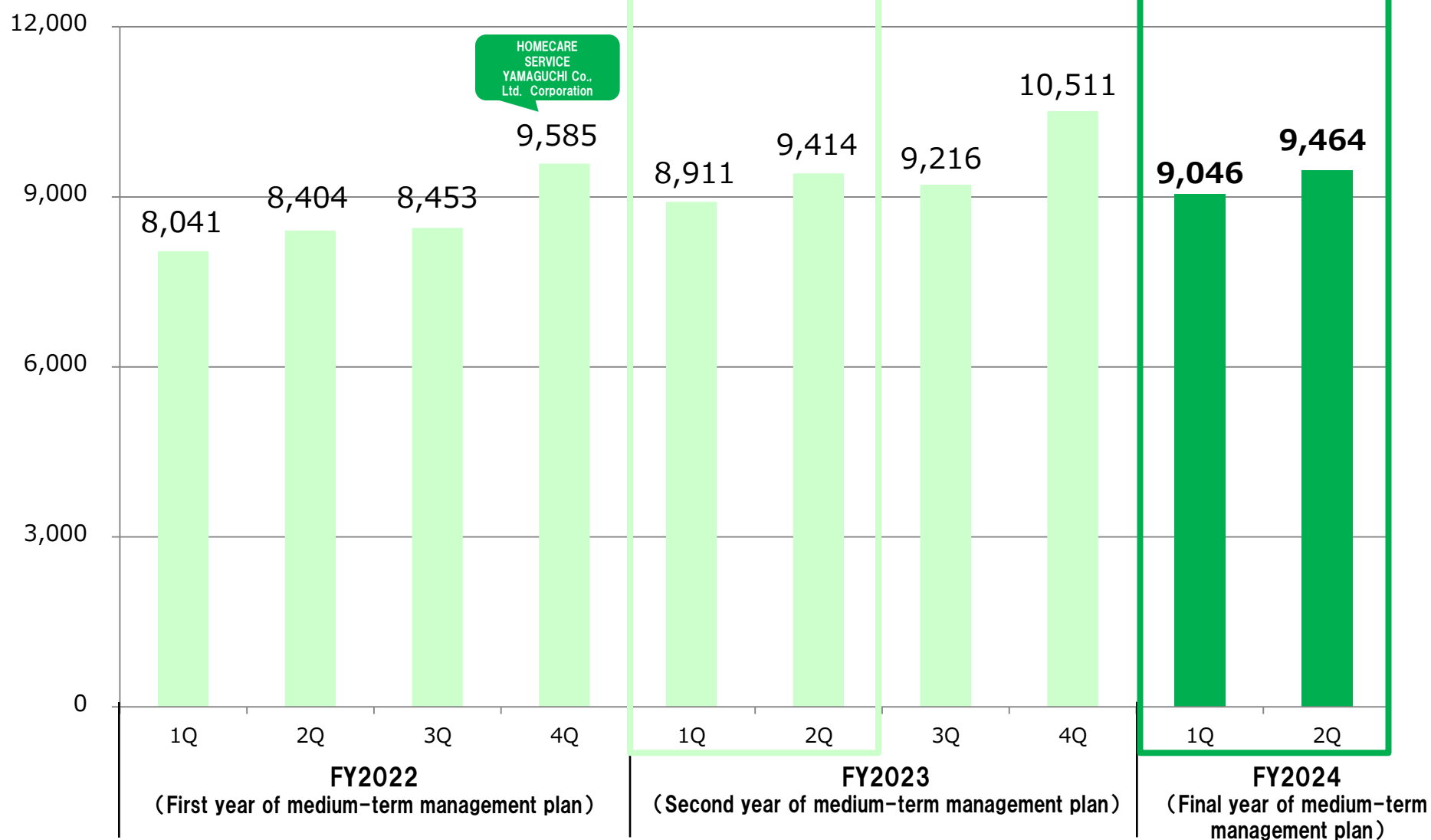
Consolidated Business Performance (Quarterly consolidated ordinary income trends)

(Million yen)



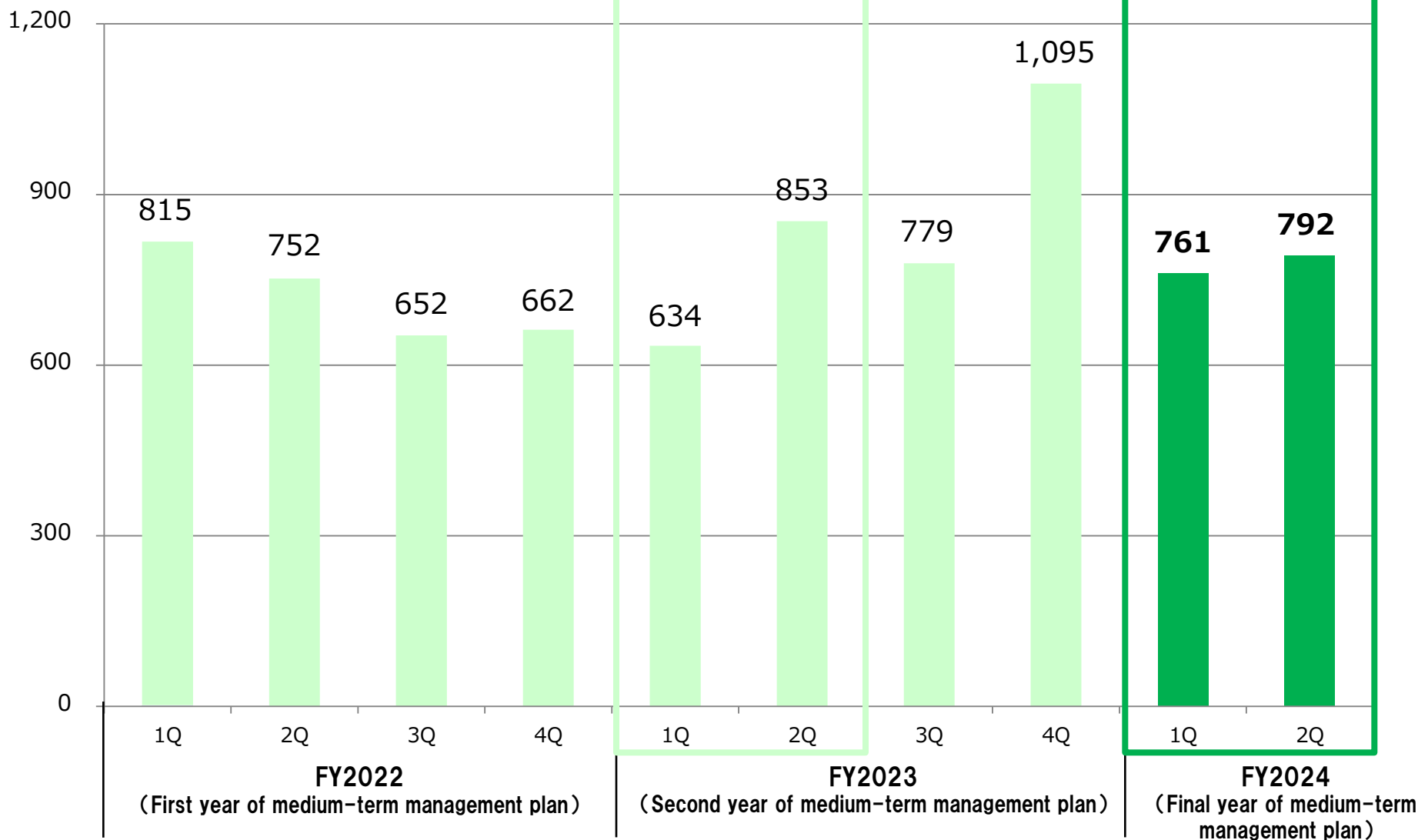
Summary of the Medical Services Business (Quarterly sales trends)

(Million yen)



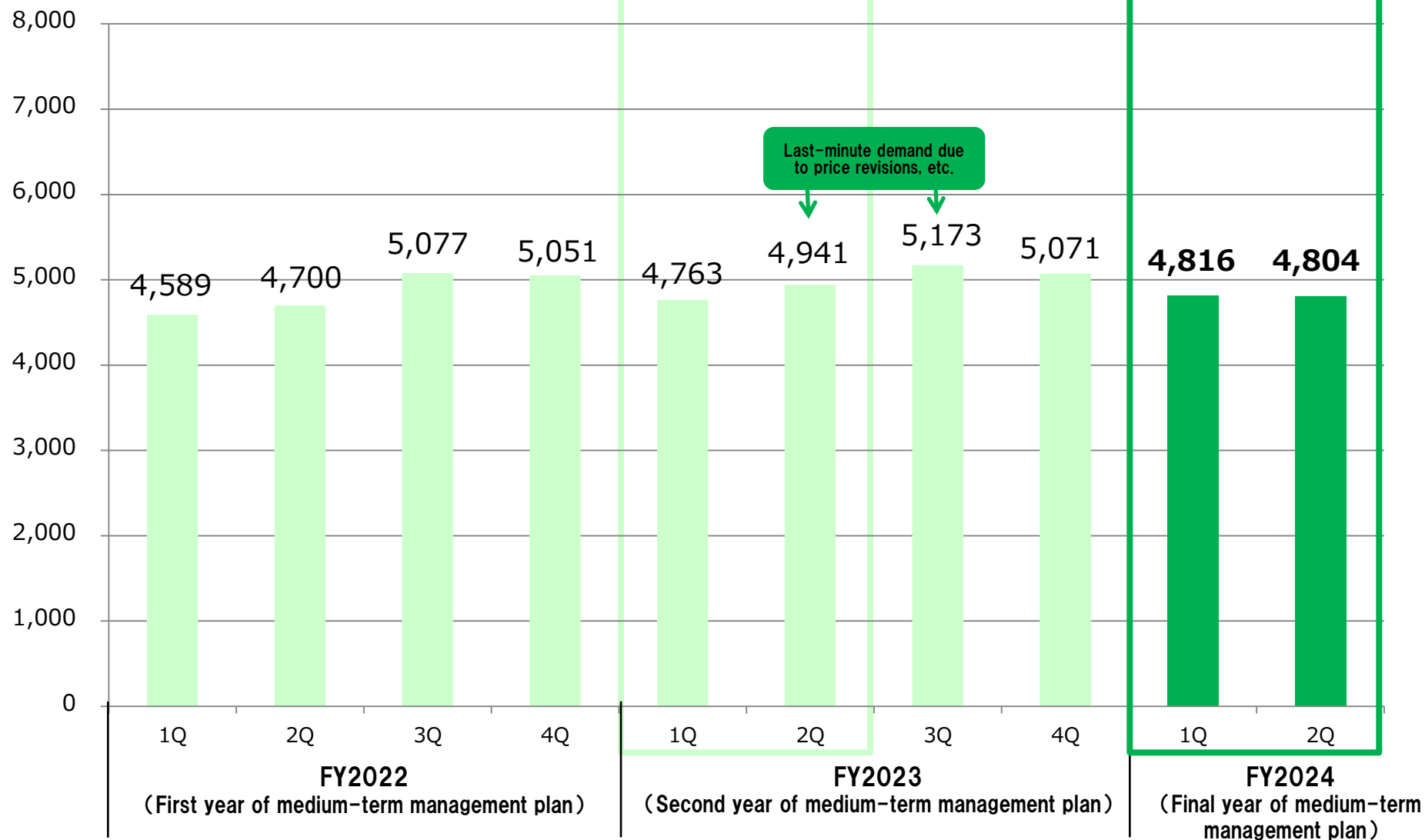
Summary of the Medical Services Business (Quarterly ordinary profit and loss trends)

(Million yen)



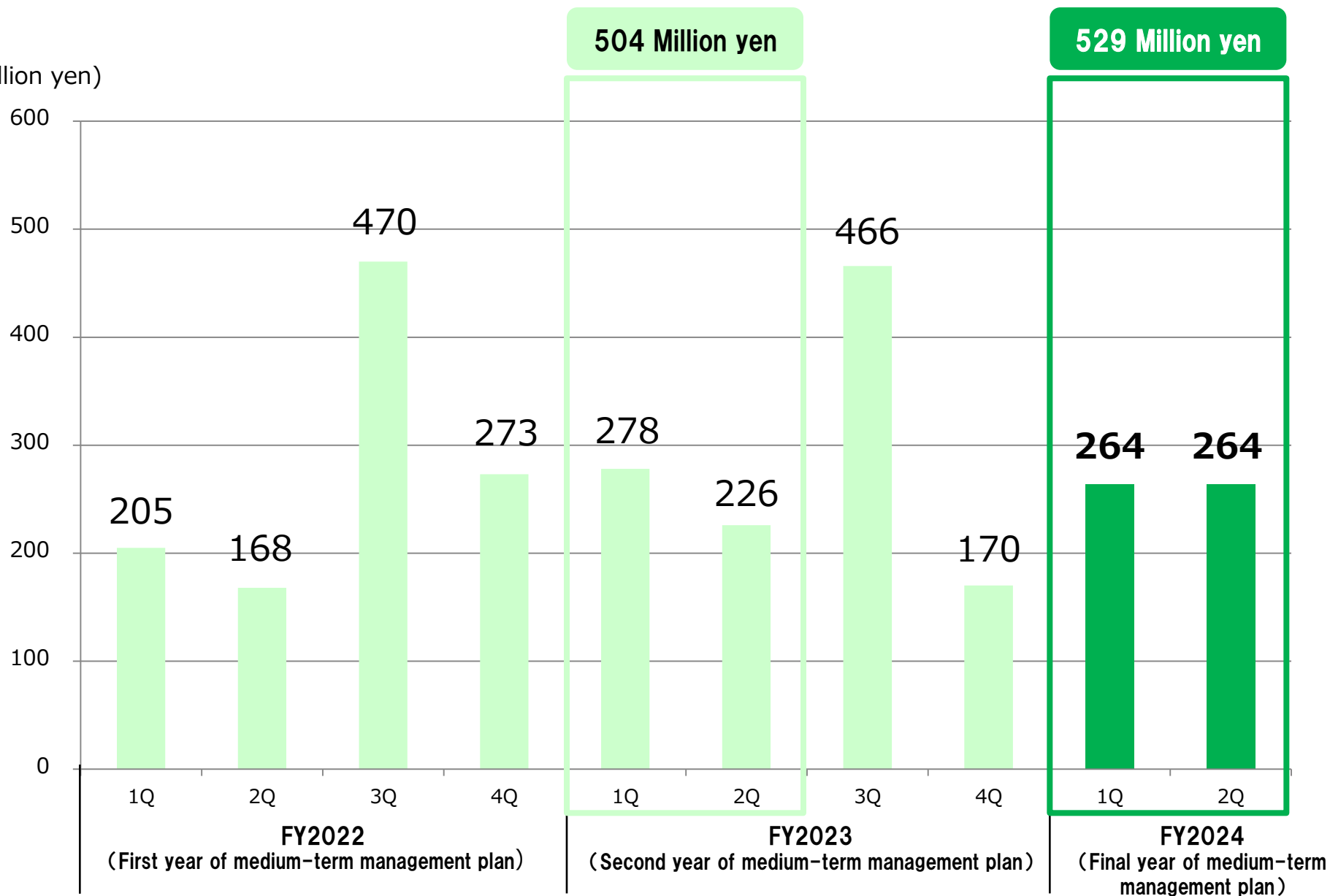
Summary of the Home Furnishings and Health Business (Quarterly sales trends)

(Million yen)

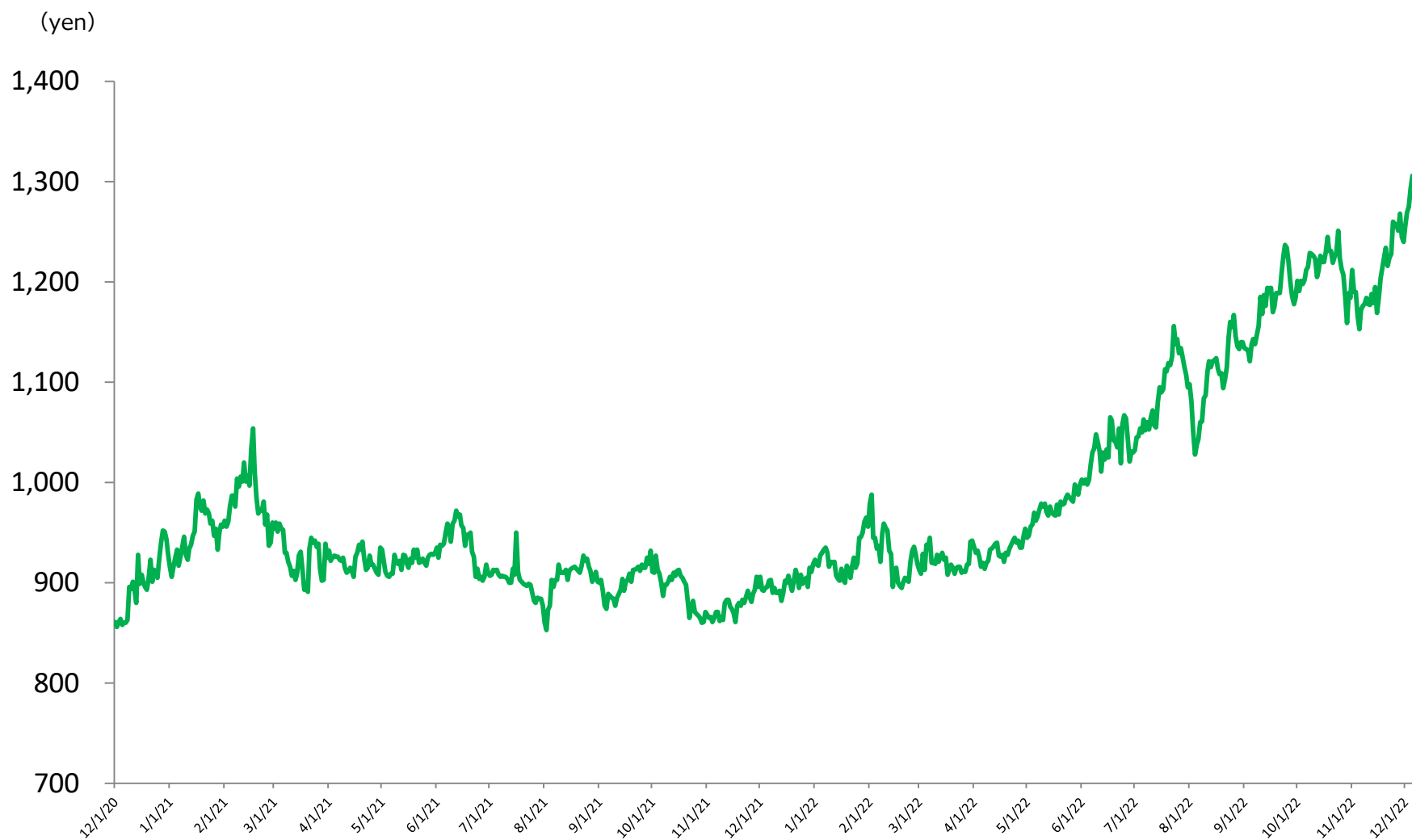


Summary of the Home Furnishings and Health Business (Quarterly ordinary profit and loss trends)

(Million yen)



Our stock price trends



(Inquiries)

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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