Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Summary of Financial Statements for the Six Months Ended September 30, 2023 [IFRS] (Consolidated)

November 2, 2023

Company name: JMDC Inc.
Listing: Tokyo Stock Exchange
Stock code: 4483
URL: https://www.jmdc.co.jp/en/
Representative: Ryo Noguchi, President and CEO
Inquiries: Tomohiro Mochizuki, Senior Executive Officer and CFO
TEL: +81-3-5733-5010
Scheduled date to file quarterly securities report: November 13, 2023
Scheduled date to commence dividend payments: –
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results presentation meeting: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the first six months of the fiscal year ending March 31, 2024 (from April 1, 2023 to September 30, 2023)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2023	13,746	14.0	3,602	63.2	3,615	61.8	2,663	85.4
September 30, 2022	12,060	26.3	2,207	27.4	2,234	30.3	1,436	26.4

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Six months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2023	2,662	84.4	2,667	84.9	42.20	40.53
September 30, 2022	1,444	27.0	1,442	26.9	25.29	23.86

Reference: EBITDA Six months ended September 30, 2023 ¥3,303 million [11.7%]
Six months ended September 30, 2022 ¥2,956 million [19.6%]

Note: EBITDA: Operating profit + Depreciation and amortization ± Other income and/or expenses

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2023	100,000	68,712	68,635	68.6
March 31, 2023	98,567	64,524	64,539	65.5

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	0.00	–	12.00	12.00
Fiscal year ending March 31, 2024	–	0.00			
Fiscal year ending March 31, 2024 (Forecast)			–	–	–

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2024	33,000	18.7	8,800	48.5	8,750	48.9	6,500	52.1	6,500	52.3	103.32

Note: Revisions to the earnings forecasts most recently announced: None

Reference: EBITDA Fiscal year ending March 31, 2024 ¥9,750 million [26.3%]

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at end of the period (including treasury shares)

As of September 30, 2023	65,301,608 shares
As of March 31, 2023	62,910,608 shares

(ii) Number of treasury shares at end of the period

As of September 30, 2023	614 shares
As of March 31, 2023	574 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

For the six months ended September 30, 2023	63,094,445 shares
For the six months ended September 30, 2022	57,114,128 shares

*** Quarterly financial results reports are exempt from quarterly reviews conducted by certified public accountants or an audit corporation.**

*** Proper use of earnings forecasts, and other special items**

Notes on forward-looking statements

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual business and other results may differ substantially due to various factors. For details regarding matters related to earnings forecasts, please refer to page 5 of the attached materials.

How to obtain supplementary documents on financial results

Supplementary documents on financial results are released via TDnet on the same day.

Attached Material Index

1. Qualitative information regarding financial results for the six months ended September 30, 2023 2
(1) Explanation of operating results 2
(2) Explanation of financial position 4
(3) Explanation of consolidated earnings forecasts and other forward-looking statements 5
2. Condensed quarterly consolidated financial statements and significant notes thereto 6
(1) Condensed quarterly consolidated statement of financial position 6
(2) Condensed quarterly consolidated statement of profit or loss and condensed quarterly consolidated statement of comprehensive income 7
(3) Condensed quarterly consolidated statement of changes in equity 9
(4) Condensed quarterly consolidated statement of cash flows 11
(5) Notes to condensed quarterly consolidated financial statements 12
Notes on going concern assumption 12
Segment information 12
Significant subsequent events 13

1. Qualitative information regarding financial results for the six months ended September 30, 2023

(1) Explanation of operating results

JMDC Inc. (the "Company") is promoting the health of citizens, and delivering increased value of medical service providers and helping optimize their operations through gathering diverse data on the Japanese healthcare industry and thus benefiting society, with the aim of realizing a sustainable healthcare system by leveraging data and ICT.

In the Healthcare-Big Data segment, to promote the health services of health insurance associations, we provide analysis services for data held by payers as well as personal health record (PHR) services developed by the Company. We also provide services such as medical data analysis and medical factoring to medical institutions as well as medicine databases. Furthermore, we have created a database of anonymously processed information in the course of pursuing this business and are promoting scientific and industrial applications of this data.

In the Tele-medicine segment, we provide a matching service that connects medical institutions lacking a sufficient number of radiologists with contracted radiologists using a remote image interpretation system, as well as an ASP service that connects medical institutions with radiologists via the cloud to enable remote diagnostic imaging.

In the Dispensing Pharmacy Support segment, we develop and sell systems such as receipt computers and electronic medication history systems to health insurance pharmacies.

Operating results for the six months ended September 30, 2023 are as follows.

(Operating results)

(Millions of yen)

Category	10th fiscal year Six months ended September 30, 2022		11th fiscal year Six months ended September 30, 2023		YoY change	
Revenue	12,060		13,746		1,686	14.0%
Operating profit	2,207		3,602		1,394	63.2%
EBITDA [margin]	2,956	[24.5%]	3,303	[24.0%]	347	11.7%

(Segment results)

(Millions of yen)

Category		10th fiscal year Six months ended September 30, 2022		11th fiscal year Six months ended September 30, 2023		YoY change	
Healthcare-Big Data	Segment revenue	7,903		9,834		1,931	24.4%
	Segment profit [ratio]	2,028	[25.7%]	2,492	[25.3%]	464	22.9%
Tele-medicine	Segment revenue	2,439		2,740		300	12.3%
	Segment profit [ratio]	924	[37.9%]	1,014	[37.0%]	90	9.8%
Dispensing Pharmacy Support	Segment revenue	1,843		1,261		(582)	(31.6)%
	Segment profit [ratio]	192	[10.5%]	133	[10.6%]	(58)	(30.6)%
Adjustment	Segment revenue	(126)		(89)		36	–
	Segment profit	(189)		(338)		(148)	–
Total	Revenue	12,060		13,746		1,686	14.0%
	EBITDA [margin]	2,956	[24.5%]	3,303	[24.0%]	347	11.7%

(Note) EBITDA is an objective indicator for judging the achievement of the JMDC Group's (the "Group's") management policies and strategies or management objectives. The Group uses EBITDA to measure the performance of each segment and believes that it is a useful and necessary measure to assess the Group's performance more effectively. The formulas for calculating EBITDA and EBITDA margin are as follows.

- EBITDA: Operating profit + Depreciation and amortization ± Other income and/or expenses
- EBITDA margin: EBITDA / Revenue x 100

During the six months ended September 30, 2023, as a result of the tender offer by OMRON Corporation for the Company's ordinary shares, OMRON Corporation became a parent company of the Company effective October 16, 2023.

The Company's shares continue to be listed on the Prime Market of the Tokyo Stock Exchange, Inc.

Results by each segment are as follows.

Healthcare-Big Data

The Group possesses the largest scale of healthcare big data in Japan that is available for public through data anonymization of receipts (admitted patients, day patients, prescriptions), medical examinations and member records received from health insurance associations. During the six months ended September 30, 2023, the number of contracted health insurance associations and the annual transaction value per customer at pharmaceutical and insurance companies which the Company uses and utilizes, each continued to increase on a year-on-year basis, and the business is continuing to expand.

Moreover, the Pep Up health information platform developed by the Company is used to generate individualized advice and display risk of diseases for every individual user based on the above healthcare-big data. The number of IDs issued for Pep Up continued to expand during the fiscal year ending March 31, 2024.

In addition to the above-mentioned business expansion, the Company gathered 148 companies and organizations that will work to implemented health management that exceeds industry organizations, and commenced full-scale operations for the “Health & Productivity Management Alliance” in June 2023, expanding to 244 companies and organizations as of September 30, 2023. This alliance aims to have 300 companies participating within fiscal 2023, and plans to jointly create solutions in order to shape and strive for results in health management and realize implementation for the industry by carrying out initiatives, such as setting evaluation indicators for health management, creating health management assessments based on data analysis, building an information platform for various solutions, and holding study sessions and seminars.

As a result, segment revenue for the six months ended September 30, 2023 was ¥9,834 million and segment profit (segment EBITDA) was ¥2,492 million.

Tele-medicine

The Group has the biggest platform for radiologists in Japan. In the six months ended September 30, 2023, revenue increased on a year-on-year basis as a result of the continued increase in the number of medical institutions utilizing remote image interpretation services.

We continue to take measures to expand our business, including adding functions to “AI-RAD,” an artificial intelligence engine platform that assists in diagnostic imaging, and preparations for full-scale business development overseas, including in China.

As a result, segment revenue for the six months ended September 30, 2023 was ¥2,740 million and segment profit (segment EBITDA) was ¥1,014 million.

Dispensing Pharmacy Support

During the six months ended September 30, 2023, we worked to cultivate new customers while securing replacement demand from existing customers. In the environment surrounding dispensing pharmacies, the intensity of competition has increased as digitalization has advanced.

Amid the above-mentioned situation, the Company transferred all shares of Unike Software Research Co., Ltd., a component of the Company’s Dispensing Pharmacy Support segment, and its management purpose company to the Company’s business partner EM Systems Co., Ltd. in June 2023. Due to this transfer, the Company will provide even higher quality services by further acceleration initiatives taken thus far by both companies, and make a splash in the pharmacy market, which will increase the Company’s market share.

As a result, segment revenue for the six months ended September 30, 2023 was ¥1,261 million and segment profit (segment EBITDA) was ¥133 million.

As a result of the above, for the six months ended September 30, 2023, revenue increased to ¥13,746 million, operating profit to ¥3,602 million, and EBITDA to ¥3,303 million. Adjustments to reconcile EBITDA to operating profit are as follows.

(Reconciliation of EBITDA to operating profit)

(Millions of yen)

	10th fiscal year Six months ended September 30, 2022	11th fiscal year Six months ended September 30, 2023
EBITDA	2,956	3,303
Depreciation and amortization	(936)	(1,074)
Other income	203	1,479
Other expenses	(14)	(106)
Operating profit	2,207	3,602

(2) Explanation of financial position

(i) Assets, liabilities and equity

Assets

Assets at the end of the second quarter under review were ¥100,000 million, an increase of ¥1,433 million compared with the end of the fiscal year ended March 31, 2023. Major changes included an increase of ¥2,277 million in goodwill as a result of the acquisition of new consolidated subsidiaries, etc., and a decrease of ¥1,260 million in cash and cash equivalents.

Liabilities

Liabilities at the end of the second quarter under review were ¥31,288 million, a decrease of ¥2,754 million compared with the end of the fiscal year ended March 31, 2023. This was mainly due to a decrease of ¥3,890 million in borrowings in non-current liabilities, despite an increase of ¥2,037 million in borrowings in current liabilities.

Equity

Equity at the end of the second quarter under review was ¥68,712 million, an increase of ¥4,187 million compared with the end of the fiscal year ended March 31, 2023. This was mainly due to an increase of ¥1,099 million in both share capital and capital surplus, as a result of the exercise of share acquisition rights, as well as the recording of ¥2,663 million in profit, despite the recording of ¥754 million in dividends.

(ii) Cash flows

Cash and cash equivalents (“cash”) at the end of the second quarter under review was ¥21,521 million, a decrease of ¥1,261 million compared with the end of the fiscal year ended March 31, 2023.

The respective cash flow positions for the six months ended September 30, 2023, and the factors thereof are as follows.

Cash flows from operating activities

During the six months ended September 30, 2023, profit before tax was ¥3,615 million, an increase of ¥1,381 million on a year-on-year basis. While depreciation and amortization of ¥1,074 million was recorded, other income of ¥1,479 million, income taxes paid of ¥911 million, and other items were recorded, resulting in net cash provided by operating activities of ¥2,025 million. Although other income had been included in other up to the end of the fiscal year ended March 31, 2023, after a review due to the increased materiality, they are presented separately from the first quarter under review. The condensed quarterly consolidated financial statements for the six months ended September 30, 2022 have been reclassified to reflect this change in presentation.

Cash flows from investing activities

Net cash used in investing activities was ¥3,628 million. This was primarily due to purchase of shares of subsidiaries resulting in change in scope of consolidation of ¥2,538 million and purchase of intangible assets of ¥571 million.

Cash flows from financing activities

Net cash provided by financing activities was ¥341 million. This was primarily due to the recording of ¥1,701 million in proceeds from short-term borrowings and ¥2,192 million in proceeds from exercise of share acquisition rights, despite recording of ¥754 million in dividends paid and ¥2,121 million in repayments of long-term borrowings.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

The consolidated earnings forecasts are unchanged from the forecasts announced on August 9, 2023.

2. Condensed quarterly consolidated financial statements and significant notes thereto

(1) Condensed quarterly consolidated statement of financial position

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and cash equivalents	22,782	21,521
Trade and other receivables	11,241	11,054
Other financial assets	3,340	3,249
Inventories	275	194
Other current assets	601	621
Total current assets	38,240	36,641
Non-current assets		
Property, plant and equipment	10,772	11,230
Goodwill	39,824	42,101
Intangible assets	5,922	5,396
Other financial assets	1,597	2,424
Deferred tax assets	2,057	1,901
Other non-current assets	152	305
Total non-current assets	60,326	63,359
Total assets	98,567	100,000
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	994	3,031
Trade and other payables	5,790	5,506
Lease liabilities	846	855
Income taxes payable	1,201	1,018
Contract liabilities	2,066	2,152
Other current liabilities	1,317	1,183
Total current liabilities	12,216	13,748
Non-current liabilities		
Borrowings	11,935	8,045
Lease liabilities	6,623	6,817
Retirement benefit liability	322	150
Provisions	692	429
Deferred tax liabilities	730	716
Contract liabilities	1,520	1,379
Total non-current liabilities	21,825	17,539
Total liabilities	34,042	31,288
Equity		
Share capital	23,994	25,094
Capital surplus	27,211	28,298
Treasury shares	(2)	(2)
Other components of equity	28	25
Retained earnings	13,308	15,221
Total equity attributable to owners of parent	64,539	68,635
Non-controlling interests	(14)	76
Total equity	64,524	68,712
Total liabilities and equity	98,567	100,000

(2) Condensed quarterly consolidated statement of profit or loss and condensed quarterly consolidated statement of comprehensive income

Condensed quarterly consolidated statement of profit or loss

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Revenue	12,060	13,746
Cost of sales	5,342	6,171
Gross profit	6,717	7,575
Selling, general and administrative expenses	4,697	5,346
Other income	203	1,479
Other expenses	14	106
Operating profit	2,207	3,602
Finance income	68	29
Finance costs	42	17
Profit before tax	2,234	3,615
Income tax expense	797	951
Profit	1,436	2,663
Profit attributable to		
Owners of parent	1,444	2,662
Non-controlling interests	(7)	0
Profit	1,436	2,663
Earnings per share		
Basic earnings per share (Yen)	25.29	42.20
Diluted earnings per share (Yen)	23.86	40.53

Condensed quarterly consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	1,436	2,663
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	6	5
Total of items that will not be reclassified to profit or loss	6	5
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(1)	(1)
Total of items that may be reclassified to profit or loss	(1)	(1)
Other comprehensive income, net of tax	5	3
Comprehensive income	1,442	2,667
Comprehensive income attributable to		
Owners of parent	1,449	2,666
Non-controlling interests	(7)	0
Comprehensive income	1,442	2,667

(3) Condensed quarterly consolidated statement of changes in equity

Six months ended September 30, 2022 (from April 1 to September 30, 2022)

(Millions of yen)

	Equity attributable to owners of parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income	Share acquisition rights
Balance as of April 1, 2022	9,091	12,483	(2)	(4)	–	21
Profit	–	–	–	–	–	–
Other comprehensive income	–	–	–	(1)	6	–
Total comprehensive income	–	–	–	(1)	6	–
Issuance of share acquisition rights	–	–	–	–	–	13
Exercise of share acquisition rights	140	140	–	–	–	(1)
Forfeiture of share acquisition rights	–	0	–	–	–	(0)
Issuance of new shares	14,732	14,558	–	–	–	–
Purchase of treasury shares	–	–	(0)	–	–	–
Dividends	–	–	–	–	–	–
Increase (decrease) by business combination	–	–	–	–	–	–
Transfer to retained earnings	–	–	–	–	(6)	–
Total transactions with owners	14,872	14,698	(0)	–	(6)	11
Balance as of September 30, 2022	23,964	27,182	(2)	(5)	–	33

	Equity attributable to owners of parent			Non-controlling interests	Total
	Other components of equity	Retained earnings	Total		
	Total				
Balance as of April 1, 2022	17	9,580	31,170	(5)	31,165
Profit	–	1,444	1,444	(7)	1,436
Other comprehensive income	5	–	5	–	5
Total comprehensive income	5	1,444	1,449	(7)	1,442
Issuance of share acquisition rights	13	–	13	–	13
Exercise of share acquisition rights	(1)	–	279	–	279
Forfeiture of share acquisition rights	(0)	–	–	–	–
Issuance of new shares	–	–	29,290	–	29,290
Purchase of treasury shares	–	–	(0)	–	(0)
Dividends	–	(565)	(565)	–	(565)
Increase (decrease) by business combination	–	–	–	(15)	(15)
Transfer to retained earnings	(6)	6	–	–	–
Total transactions with owners	4	(558)	29,018	(15)	29,002
Balance as of September 30, 2022	27	10,466	61,638	(28)	61,610

Six months ended September 30, 2023 (from April 1 to September 30, 2023)

(Millions of yen)

	Equity attributable to owners of parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income	Share acquisition rights
Balance as of April 1, 2023	23,994	27,211	(2)	(4)	–	32
Profit	–	–	–	–	–	–
Other comprehensive income	–	–	–	(1)	5	–
Total comprehensive income	–	–	–	(1)	5	–
Issuance of share acquisition rights	–	–	–	–	–	6
Exercise of share acquisition rights	1,099	1,099	–	–	–	(7)
Forfeiture of share acquisition rights	–	0	–	–	–	(0)
Purchase of treasury shares	–	–	(0)	–	–	–
Dividends	–	–	–	–	–	–
Increase (decrease) by business combination	–	(13)	–	–	–	–
Transfer to retained earnings	–	–	–	–	(5)	–
Total transactions with owners	1,099	1,086	(0)	–	(5)	(1)
Balance as of September 30, 2023	25,094	28,298	(2)	(5)	–	31

	Equity attributable to owners of parent			Non-controlling interests	Total
	Other components of equity	Retained earnings	Total		
	Total				
Balance as of April 1, 2023	28	13,308	64,539	(14)	64,524
Profit	–	2,662	2,662	0	2,663
Other comprehensive income	3	–	3	–	3
Total comprehensive income	3	2,662	2,666	0	2,667
Issuance of share acquisition rights	6	–	6	–	6
Exercise of share acquisition rights	(7)	–	2,192	–	2,192
Forfeiture of share acquisition rights	(0)	–	–	–	–
Purchase of treasury shares	–	–	(0)	–	(0)
Dividends	–	(754)	(754)	–	(754)
Increase (decrease) by business combination	–	–	(13)	90	77
Transfer to retained earnings	(5)	5	–	–	–
Total transactions with owners	(6)	(749)	1,430	90	1,520
Balance as of September 30, 2023	25	15,221	68,635	76	68,712

(4) Condensed quarterly consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before tax	2,234	3,615
Depreciation and amortization	936	1,074
Other income	(203)	(1,479)
Decrease (increase) in trade and other receivables	616	168
Decrease (increase) in inventories	(24)	1
Increase (decrease) in trade and other payables	(1,244)	(57)
Other	435	(370)
Subtotal	2,751	2,951
Interest and dividends received	0	0
Interest paid	(39)	(15)
Income taxes paid	(1,029)	(911)
Net cash provided by (used in) operating activities	1,682	2,025
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,147)	(390)
Purchase of intangible assets	(546)	(571)
Payments for loans receivable	(760)	–
Collection of loans receivable	110	0
Purchase of investments	(106)	(122)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	25	–
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(19,202)	(2,538)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	–	273
Other	132	(279)
Net cash provided by (used in) investing activities	(21,494)	(3,628)
Cash flows from financing activities		
Proceeds from short-term borrowings	19,330	1,701
Repayments of short-term borrowings	(158)	(264)
Proceeds from long-term borrowings	950	28
Repayments of long-term borrowings	(570)	(2,121)
Repayments of lease liabilities	(406)	(445)
Proceeds from issuance of shares	29,212	–
Proceeds from exercise of share acquisition rights	279	2,192
Dividends paid	(564)	(754)
Other	12	5
Net cash provided by (used in) financing activities	48,086	341
Net increase (decrease) in cash and cash equivalents	28,273	(1,261)
Cash and cash equivalents at beginning of period	13,192	22,782
Effect of exchange rate changes on cash and cash equivalents	0	0
Cash and cash equivalents at end of period	41,467	21,521

(5) Notes to condensed quarterly consolidated financial statements

Notes on going concern assumption

Not applicable.

Segment information

(1) Overview of reportable segments

The Group's reportable segments are components of the Group for which discrete financial information is available, and whose operating results are regularly reviewed by the Board of Directors to make decisions about managerial resources to be allocated to the segments and assess their performances. The Group considers similarities in the nature of the services it provides and has three reportable segments: "Healthcare-Big Data," "Tele-medicine," and "Dispensing Pharmacy Support."

The main businesses and main services included in each reportable segment are as follows.

Reportable segments	Main businesses	Main services
Healthcare-Big Data	Business for industry Business for payers and individuals Business for medical service providers	Development and provision of medical databases (receipts, pharmaceuticals, etc.) and analysis of medical big data
Tele-medicine	Tele-medicine business	Remote image interpretation matching service and ASP service for remote image interpretation system
Dispensing Pharmacy Support	Dispensing pharmacy support business	Development and sales of business systems for dispensing pharmacies

(2) Information about reportable segments

Revenue and operating results by reportable segments of the Group are as follows.

Intersegment revenues are based on negotiated transaction prices, taking into account market prices and production costs. Segment profits are EBITDA (Operating profit + Depreciation and amortization ± Other income/expenses).

Six months ended September 30, 2022 (from April 1 to September 30, 2022)

(Millions of yen)

	Reportable segments				Adjustments (Note)	Consolidated
	Healthcare-Big Data	Tele-medicine	Dispensing Pharmacy Support	Total		
Revenue						
Revenue from external customers	7,860	2,439	1,759	12,060	–	12,060
Intersegment revenue	42	–	84	126	(126)	–
Total	7,903	2,439	1,843	12,186	(126)	12,060
Segment profit EBITDA	2,028	924	192	3,145	(189)	2,956

Note: Adjustments include elimination of intersegment transactions and corporate expenses.

Six months ended September 30, 2023 (from April 1 to September 30, 2023)

(Millions of yen)

	Reportable segments				Adjustments (Note)	Consolidated
	Healthcare-Big Data	Tele-medicine	Dispensing Pharmacy Support	Total		
Revenue						
Revenue from external customers	9,795	2,740	1,211	13,746	–	13,746
Intersegment revenue	38	–	50	89	(89)	–
Total	9,834	2,740	1,261	13,836	(89)	13,746
Segment profit EBITDA	2,492	1,014	133	3,641	(338)	3,303

Note: Adjustments include elimination of intersegment transactions and corporate expenses.

A reconciliation of EBITDA to profit before tax is as follows.

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
EBITDA	2,956	3,303
Depreciation and amortization	(936)	(1,074)
Other income	203	1,479
Other expenses	(14)	(106)
Operating profit	2,207	3,602
Finance income	68	29
Finance costs	(42)	(17)
Profit before tax	2,234	3,615

Significant subsequent events

(Tender Offer by OMRON Corporation for Shares of the Company)

Regarding the tender offer (the "Tender Offer") by OMRON Corporation (the "Tender Offeror") for the Company's ordinary shares (the "Company's Shares"), a Board of Directors meeting held on September 8, 2023 resolved to express its opinion in favor of the Tender Offer, and to leave the decision regarding whether to tender their shares in the Tender Offer to the judgement of the Company's shareholders.

Although the above resolution of the Company's Board of Directors is intended to make the Company a consolidated subsidiary of the Tender Offeror through the Tender Offer, the Tender Offeror does not intend for the Company's Shares to be delisted, and the Company's Shares will remain listed on the Prime Market of the Tokyo Stock Exchange, Inc. even after the completion of the Tender Offer.

The Tender Offer, which had been conducted since September 11, 2023, was completed as of October 10, 2023, and the Company received a report from the Tender Offeror that 29,051,039 of the Company's Shares were tendered, exceeding the minimum number of shares required to conclude the transaction (12,036,700 shares), and that the Tender Offer came into effect.

As a result, settlement of the Tender Offer was made as of October 16, 2023 (the commencement date of the settlement of the Tender Offer), and the Tender Offeror became a parent company of the Company since the ratio of voting rights held by the Tender Offeror to the voting rights of all shareholders of the Company exceeded 50%.