



# Financial Results Briefing Material for FY2024

November 8, 2024

Securities Code : 9438

This report contains forward-looking statements on business performance based on the judgments, assumptions, and beliefs of management using the information available at the time. Actual results may differ materially due to changes in domestic or overseas economic conditions or changes in internal or external business environments or aspects of uncertainty contained in the forecasts, latent risks or various other factors. In addition, risk and uncertainty factors include unpredictable elements that could arise from future events.

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Please visit our website for appendix material.

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Consolidated B/S

Consolidated P/L

Consolidated SG&A

Business of segment

The list of main healthcare services

Overview of healthcare services

Cloud drug record service

Maternal health record book app + Childcare DX services

School DX business

# Financial Results Overview for FY2024

## Financial highlight

### 1 FY2024 Results

**YoY: Increase in sales, substantial increase in profits**

	Actual	YoY
Net sales :	<b>¥27,669 million</b>	+870 million
Operating income :	<b>¥2,394 million</b>	+2,095 million
Profit attributable to owners of parent :	<b>¥2,363 million</b>	+1,610 million

### 2 Approach and performance for Q4

- Healthcare business : Cloud drug record service is performing well (Record number of pharmacies that introduced the service)
- School DX business : Revenue growth driven by increased number of schools introduced in April 2024, positive profit trend

### 3 Revision of Full-year earning forecast upward

		YoY
Net sales :	<b>¥28,500 million</b>	+830 million
Operating income :	<b>¥2,800 ~ ¥3,200 million</b>	+400 million

# Consolidated P/L

**Net sales: Increased**

**Operating income, ordinary income, profit : Substantial increased**

( Unit : Mil yen )	FY2023	FY2024	YoY		
			Amount	Percentage	
Net sales	26,798	<b>27,669</b>	+870	+3.2%	The same period of previous year: 739million Yen: Posting of spot sales of the video-streaming service
Cost of sales	8,425	<b>7,264</b>	(1,161)	(13.8)%	<ul style="list-style-type: none"> <li>• Loss-making projects in the DX support business for companies have wound down</li> <li>• The same period of previous year: 649million Yen :Posting of spot cost of sales of the video-streaming service</li> </ul>
ratio	31.4%	<b>26.3%</b>			
Gross profit	18,373	<b>20,404</b>	+2,031	+11.1%	Decrease in personnel and development costs
ratio	68.6%	<b>73.7%</b>			
SG&A	18,074	<b>18,010</b>	(64)	(0.4)%	Increase in equity method investment income (+432 million yen)
ratio	67.4%	<b>65.1%</b>			
Operating income	298	<b>2,394</b>	+2,095	+702.3%	
ratio	1.1%	<b>8.7%</b>			
Ordinary income	458	<b>2,827</b>	+2,368	+516.7%	
ratio	1.7%	<b>10.2%</b>			
Profit attributable to owners of parent	753	<b>2,363</b>	+1,610	+213.8%	
ratio	2.8%	<b>8.5%</b>			

# Consolidated SG&A

**Advertising expenses: Increased**

**Personnel expenses: Exclusion of subsidiary from consolidation**

**Development costs: Improved development costs for the school DX business**

( Unit : Mil yen )	FY2023	FY2024	YoY		
			Amount	Percentage	
SG&A	18,074	<b>18,010</b>	(64)	(0.4)%	
Advertising expenses	2,136	<b>2,800</b>	+664	+31.1%	Increase in sales promotion costs for AdGuard
Personnel expenses	7,714	<b>7,276</b>	(437)	(5.7)%	Exclusion of subsidiaries from consolidation
Commission fee	2,954	<b>2,871</b>	(83)	(2.8)%	
Subcontract expenses	1,965	<b>1,738</b>	(227)	(11.6)%	Improve development costs (School DX business)
Depreciation	1,265	<b>1,359</b>	+94	+7.4%	
Other	2,038	<b>1,964</b>	(74)	(3.6)%	

# Achievement Ratio for Earnings Forecast

( Unit : Mil yen )

	FY2024 Latest forecast	FY2024 Actual	Difference	Achievement rate
Net sales	27,500	<b>27,669</b>	+169	100.6%
Operating income	2,200	<b>2,394</b>	+194	108.8%
Ordinary income	2,750	<b>2,827</b>	+77	102.8%
Profit attributable to owners of parent	2,400	<b>2,363</b>	(36)	98.5%

# Performance by segment

## Content Business

- Content service
  - Entertainment & Life
  - Security-related
- Original comics service



## Healthcare Business

- Healthcare service for women
- Childcare DX service
- Cloud drug record service
- Online consultation service, etc.

LunaLuna 母子手帳アプリ



CARADA 電子薬歴 Solamichi

## School DX Business

- School DX service

BLEND



## Other Business

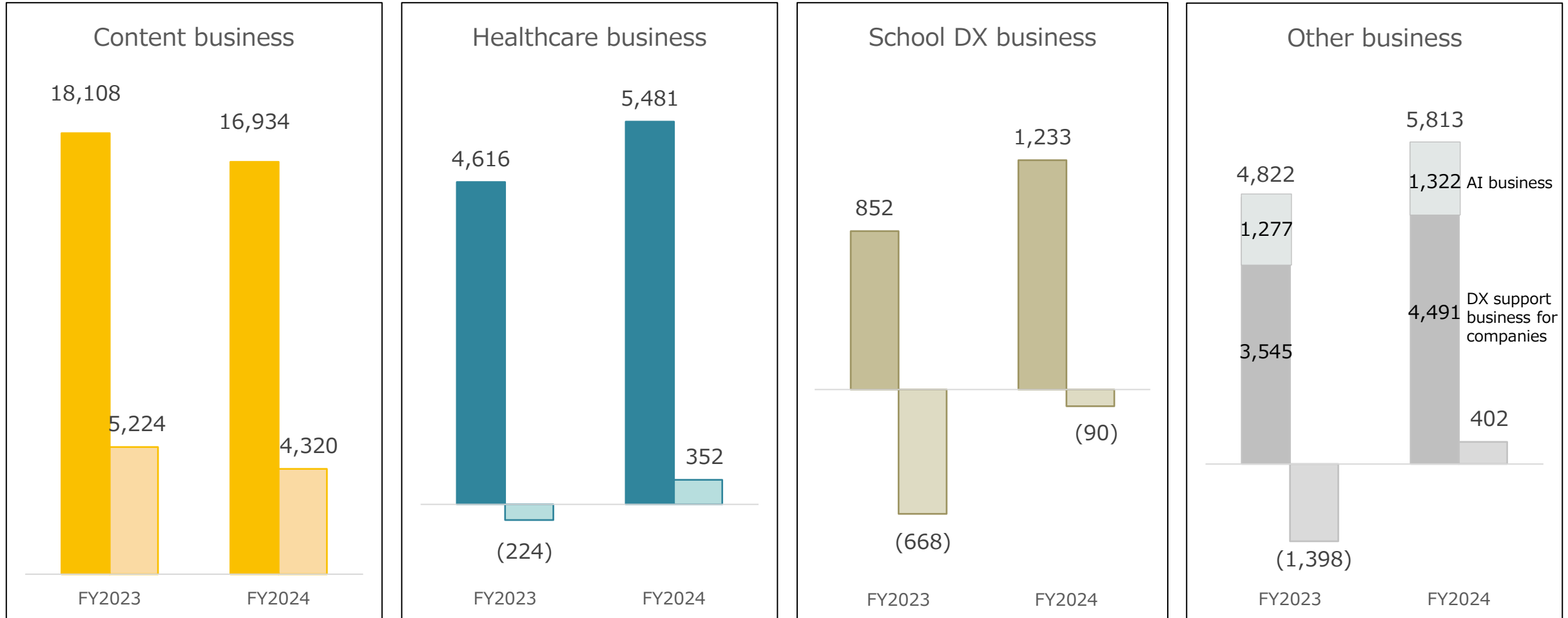
- AI business
- DX support business for companies
- Solution service for corporate



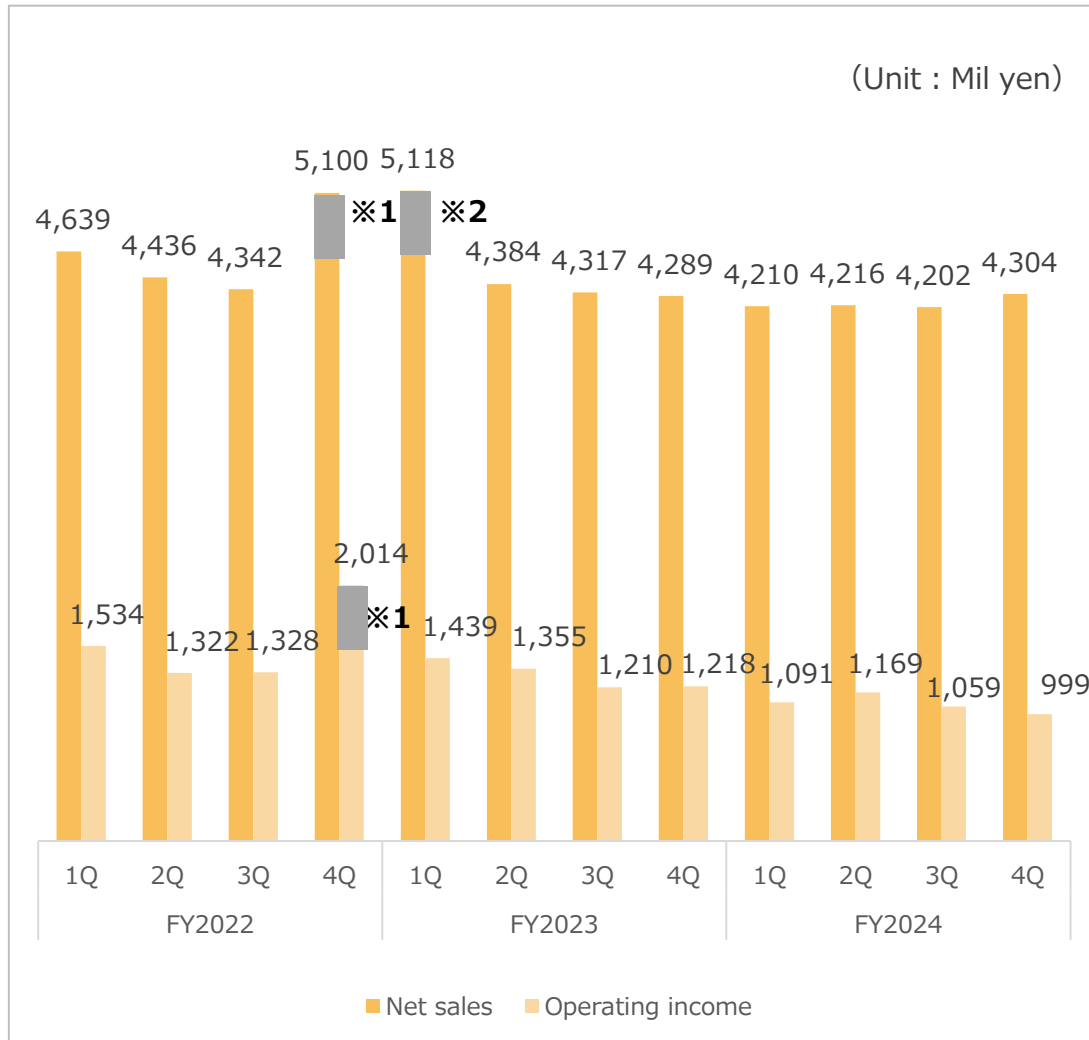


# Performance by segment (YoY)

(Left axis : Net sales, Right axis : Operating income, Unit : Mil yen)



# Content business : Net sales and operating income



QoQ

## Net sales: Flat

The number of paying subscribers remained almost unchanged.

QoQ

## Operating income: Flat

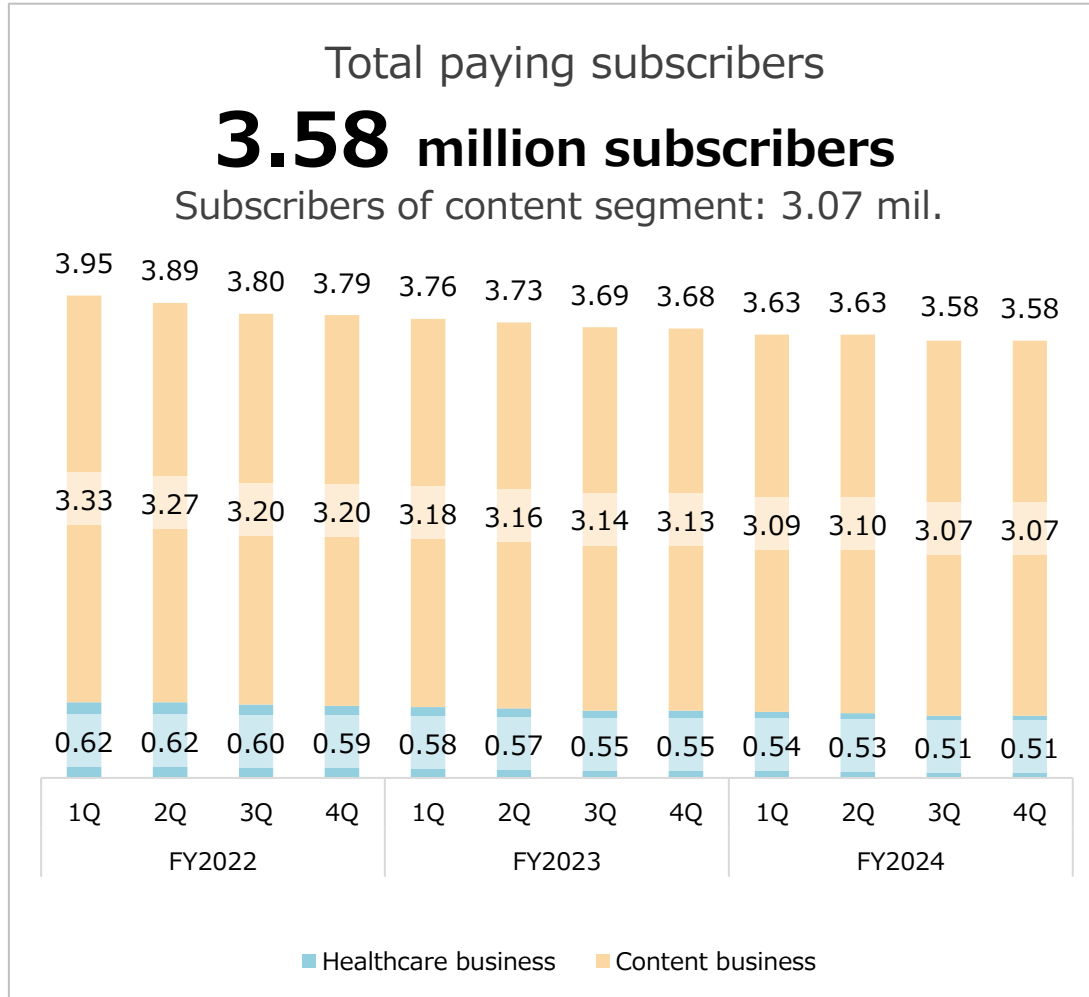
Increased in advertising expenses

Special factors

\*1 : Net sales & Operating income 717 million yen:  
Change in treatment of consumption tax in monthly content services that award points.

\*2 : Net sales 739 million yen:  
Posting of spot sales of the video-streaming service.

Content business : The number of paying subscribers

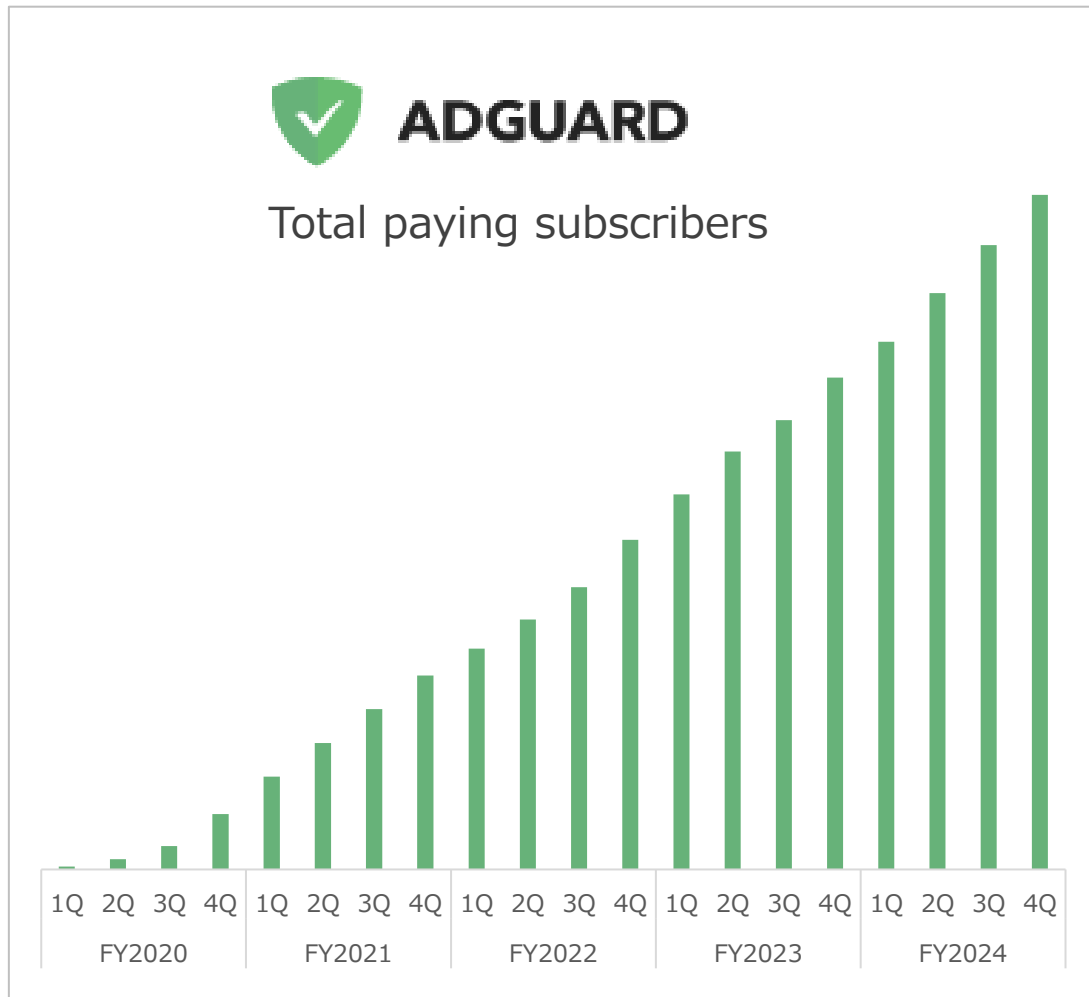


Total paying subscribers

**Flat**

**Brisk Security-related app**




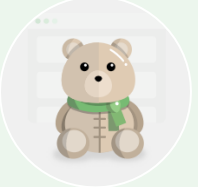
# Content business: Security-related app



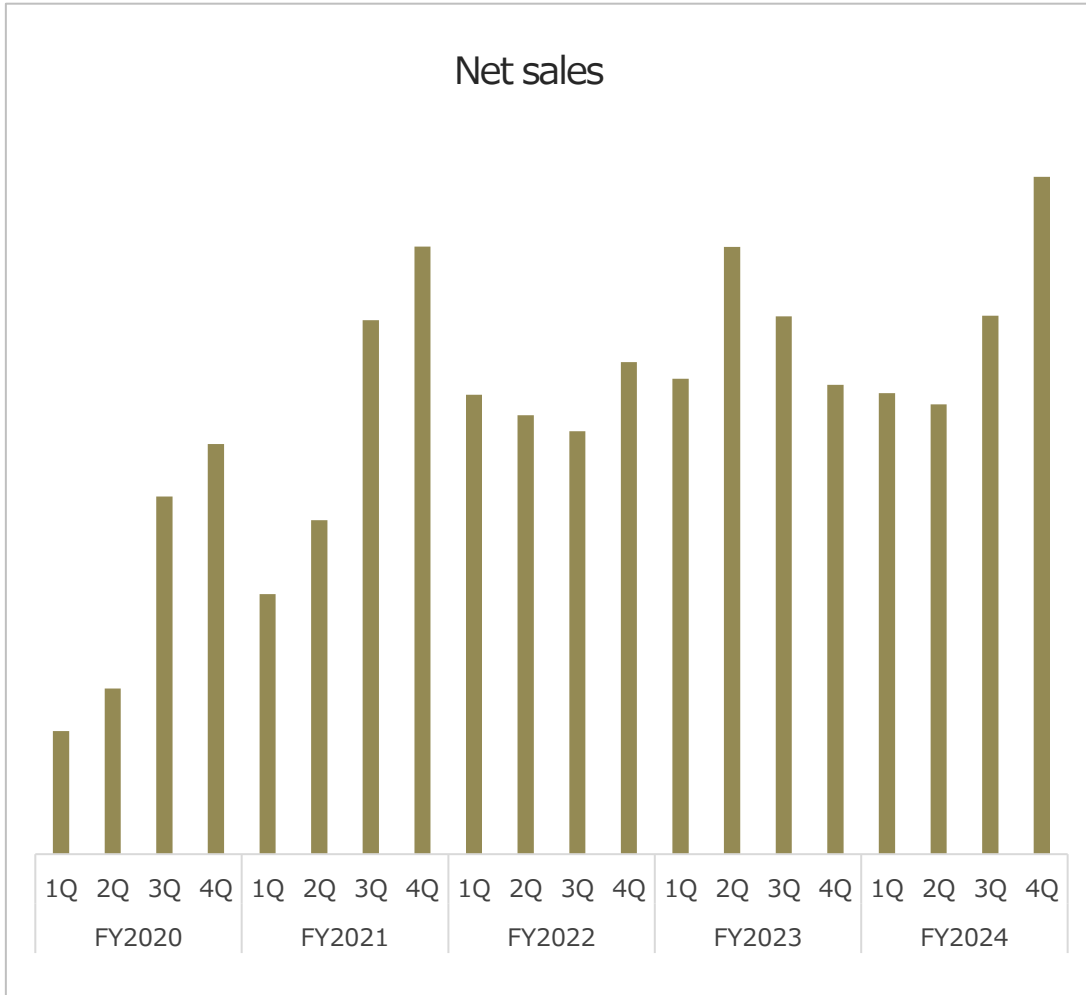
## The security-related app continues to perform well

Total paying subscribers  
**920** thousand subscribers

Four functions

-  Ad blocking
-  Trace blocking
-  Threat blocking
-  Parent function (Child protection function)

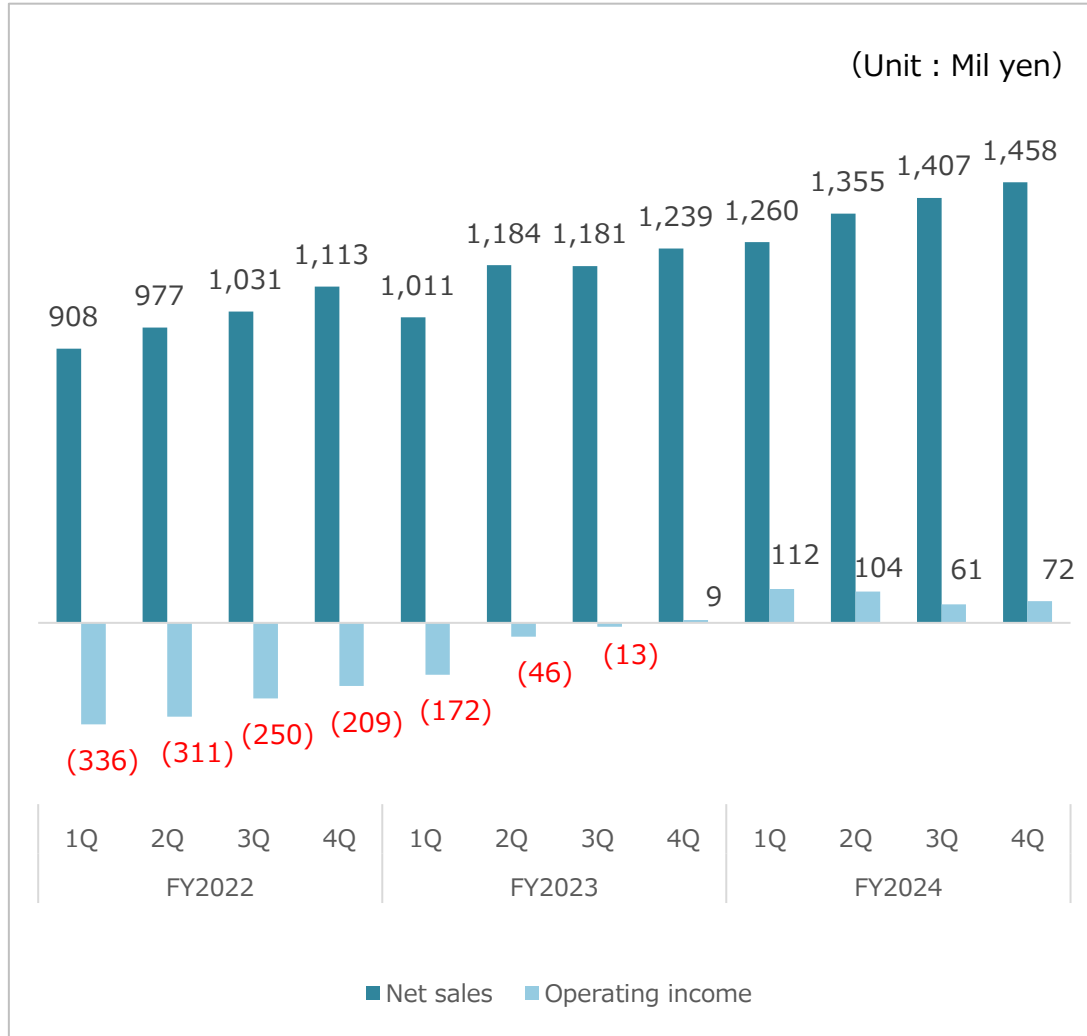
# Content business: Original comics content business



## Original comics content business Record high for the quarter due to OLD HITS

- Keep in comic titles introduced
- Reactionary decline after TV dramatization

# Healthcare business: Net sales and operating income



QoQ

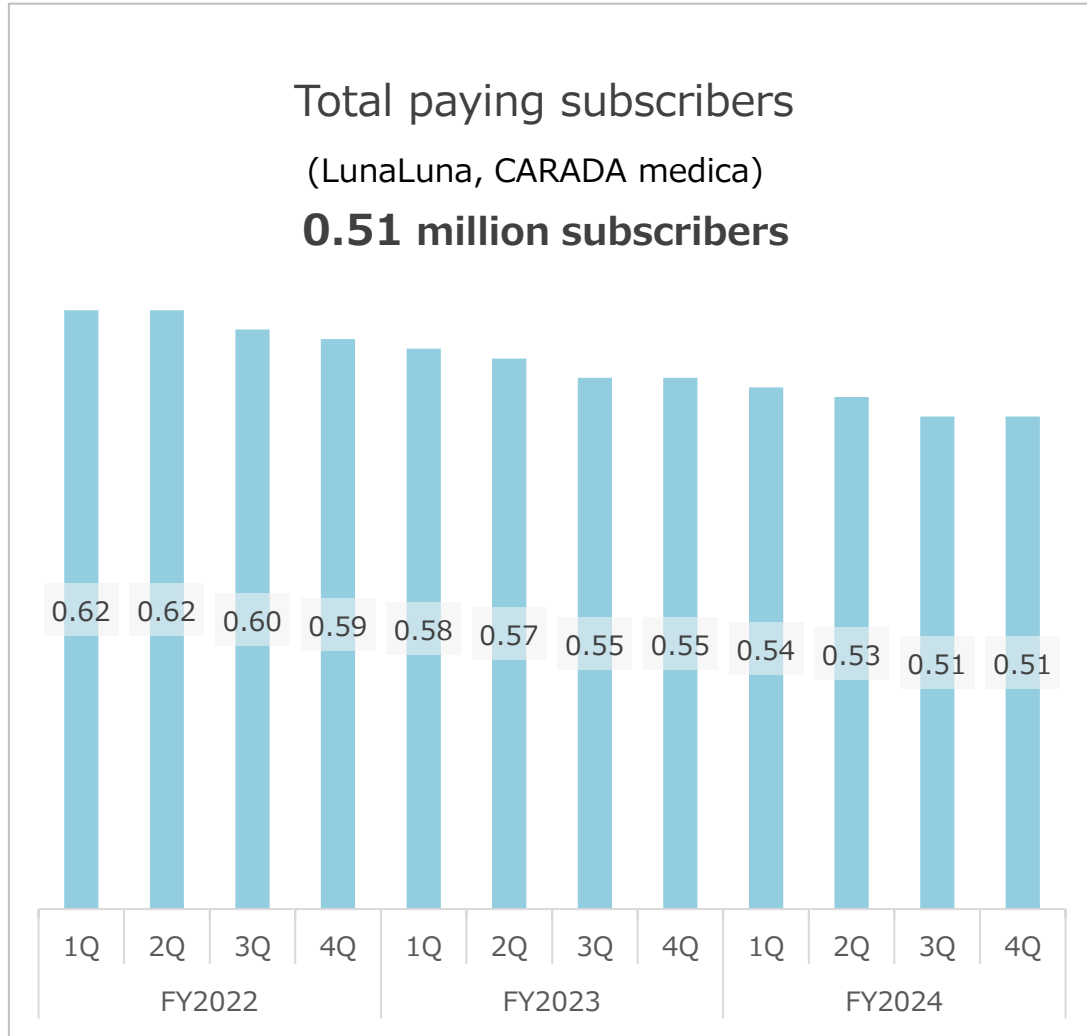
## Net sales: growth

QoQ

## Operating income: On a positive trend

- Brisk Cloud drug record service

# Healthcare business: Monthly content service

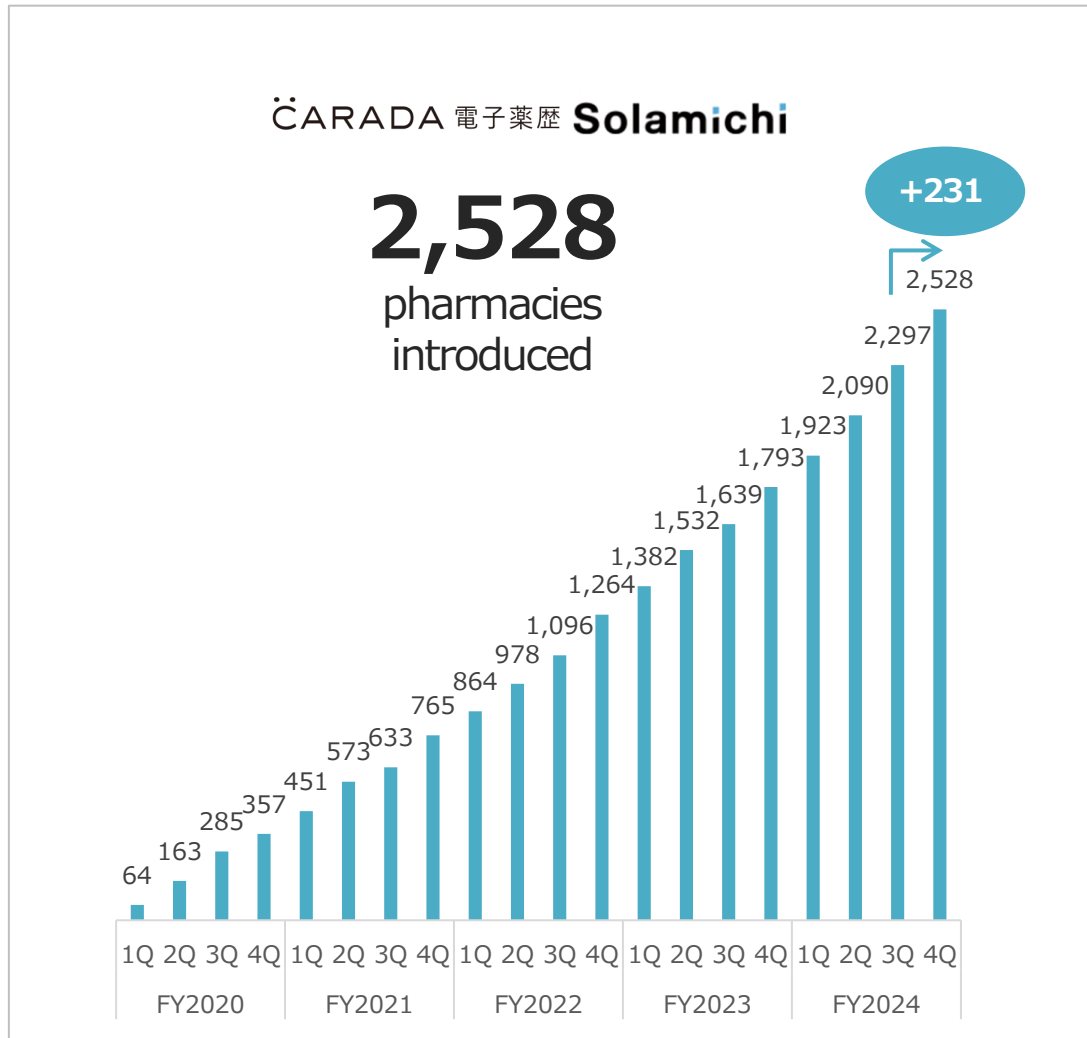


## Monthly subscription content service

Total paying subscribers

**QoQ: Levelled off**

# Healthcare business: Cloud drug record service



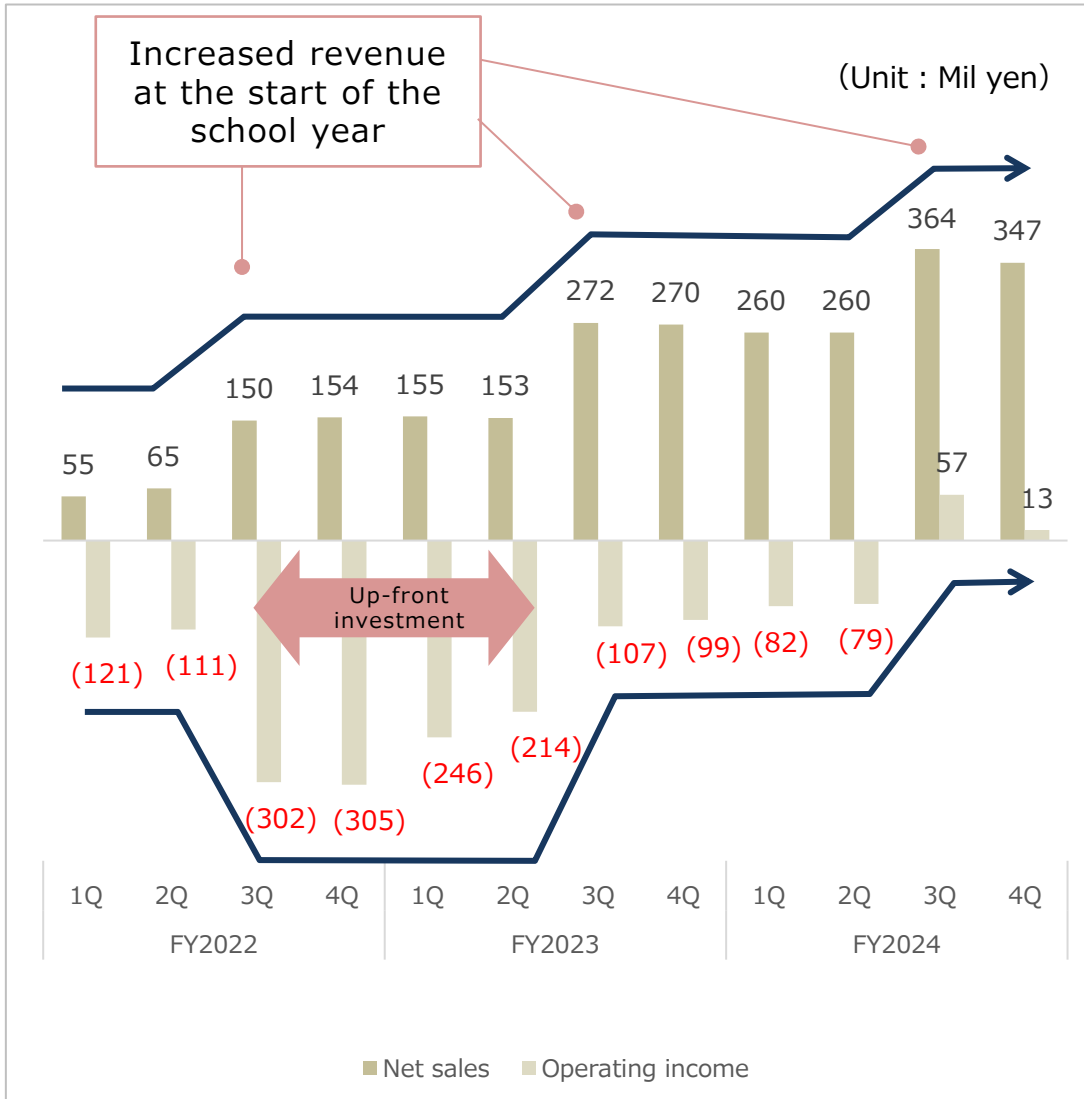
## Cloud drug record service

Total introduced pharmacies

**Record high,  
continuing from Q3**



# School DX business: Net sales and operating income



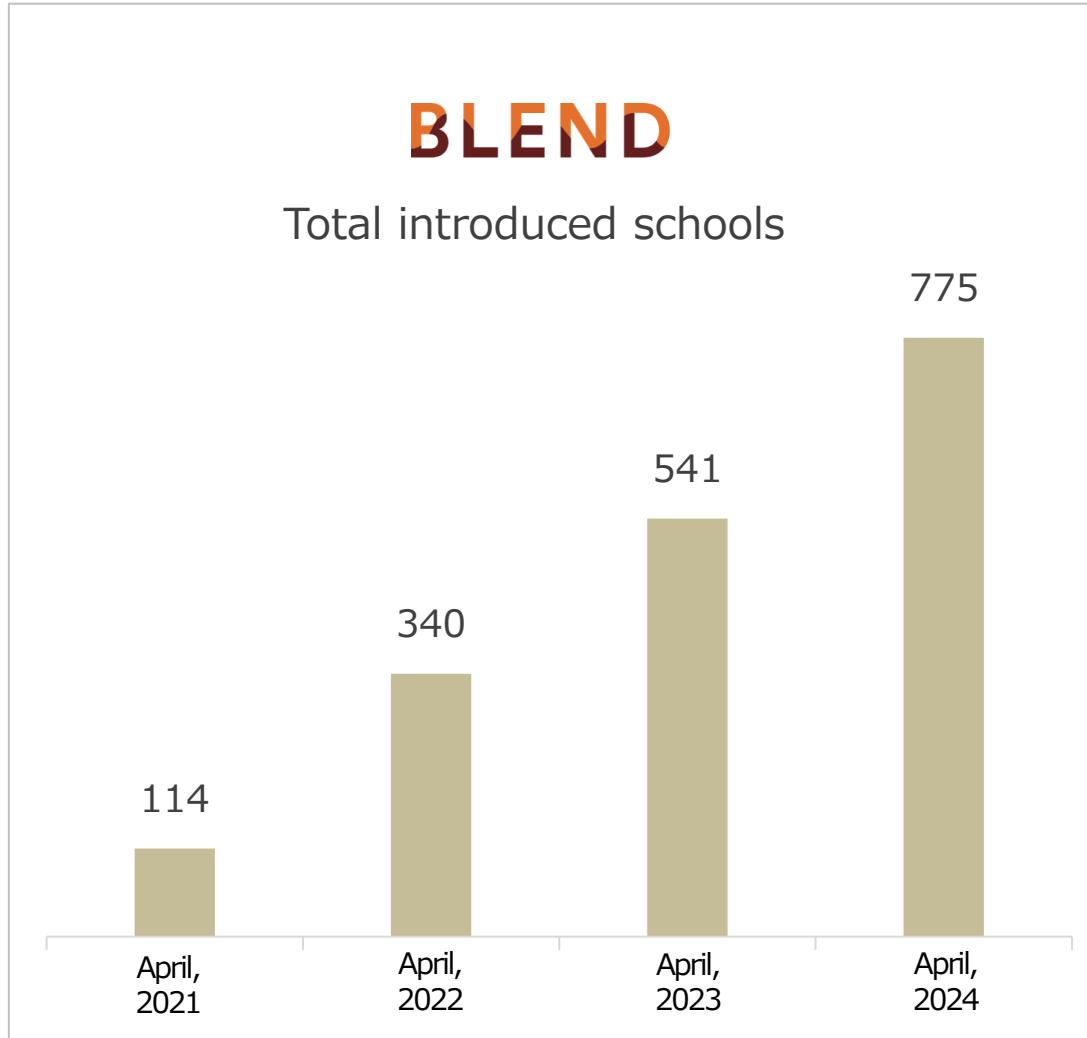
QoQ

**Net sales: Levelled off**

QoQ

**Operating income: On a positive trend**

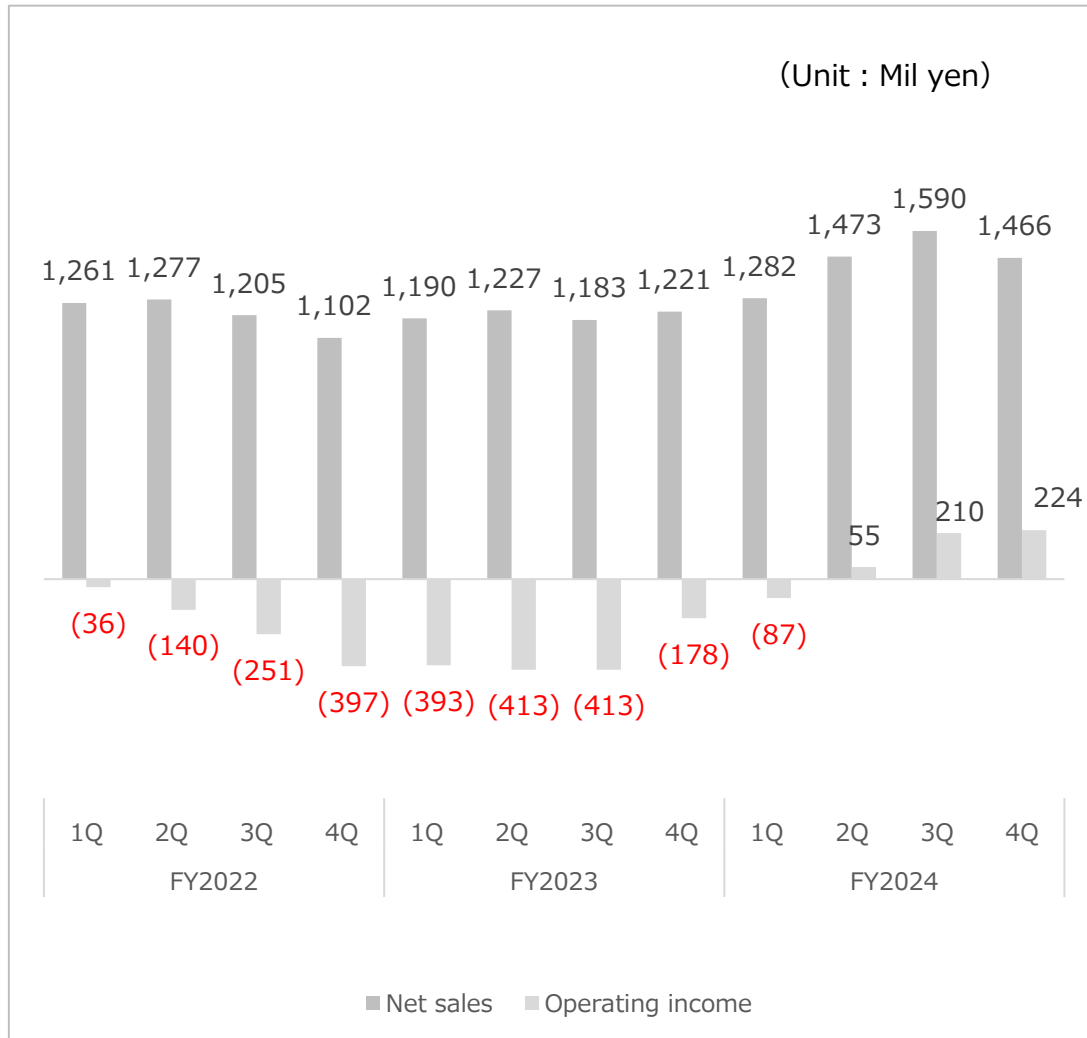
# School DX business: Cloud-based school affairs support system



**The number of schools introducing our services is progressing well**

**Private high school share 35%**

Other business (Includes DX support business for companies, AI):  
 Net sales and operating income



**Sales declined slightly QoQ  
 Increased slightly YoY**

Driven by increased orders in the corporate DX support business

QoQ

**Operating income:  
 On a positive trend**

Strong orders in the corporate DX support business

# Approach in FY2025

## Basic policies and priority issues for FY2025

### Healthcare business

### Further sales and profit growth

- For Pharmacies:  
Further expansion of the Cloud drug record service
- For Municipalities:  
Promotion of the platform strategy of the childcare DX

### School DX business

### Further sales and profit growth

- For private schools :  
Further expansion of the number of introduced schools
- For Public Schools :  
Expansion of business areas

### Content business

### Securing profit

- Original comics content business growth
- Security-related app growth

# Healthcare business: Approach in FY2025

Connecting pharmacies and patients

## Cloud drug record service

CARADA 電子薬歴 Solamichi



B2B service for pharmacy

Connecting parenting households and municipalities & hospital

Maternal and child health handbook app



Childcare DX services



B2BtoC service for municipalities

# Healthcare business: Cloud drug record service Strong introduction to mid-size dispensing pharmacies

Collaboration with a major prescription pharmaceutical wholesaler  MEDIPAL HOLDINGS CORPORATION

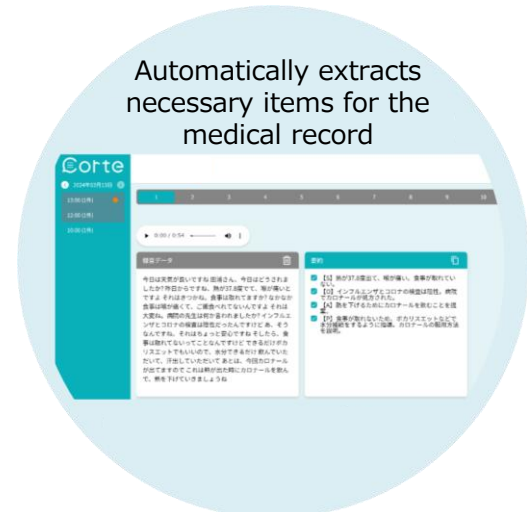
## New functional services the automatic summary function has been well received

CARADA 電子薬歴 Solamichi

### Medication guidance navigation



### AI automatic summarization feature



To further improve pharmacists' work efficiency



\* "corte" was jointly developed by our subsidiary Solamichi System Inc. and by corte Inc.  
\* "Corte" is a registered trademark of Corte Inc.

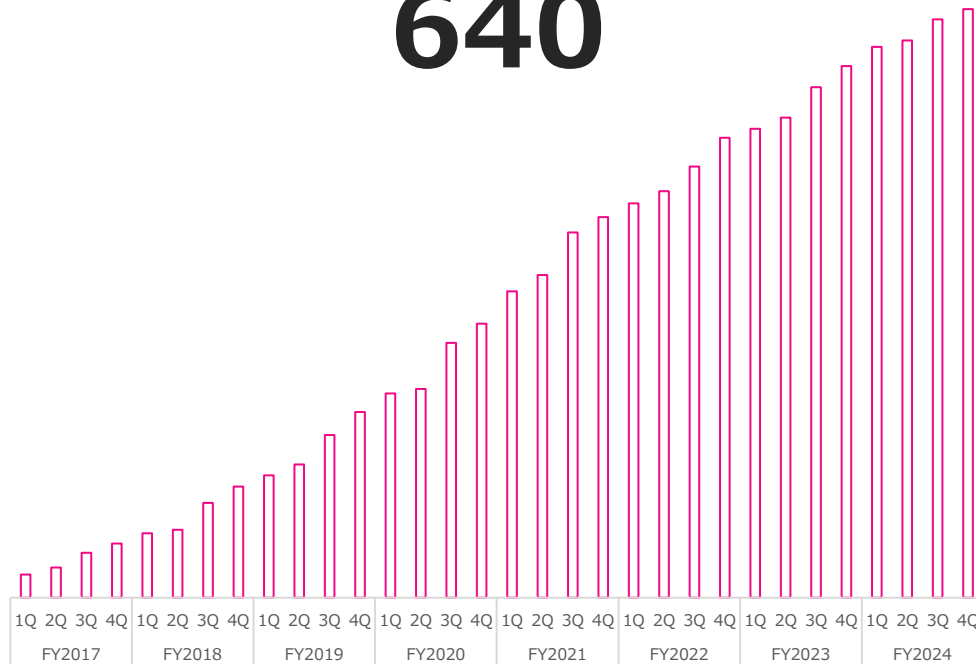


Healthcare business:  
Maternal and child health handbook app + Childcare DX services

## Introduction smoothly: the childcare DX services at municipalities using “Boshimo”

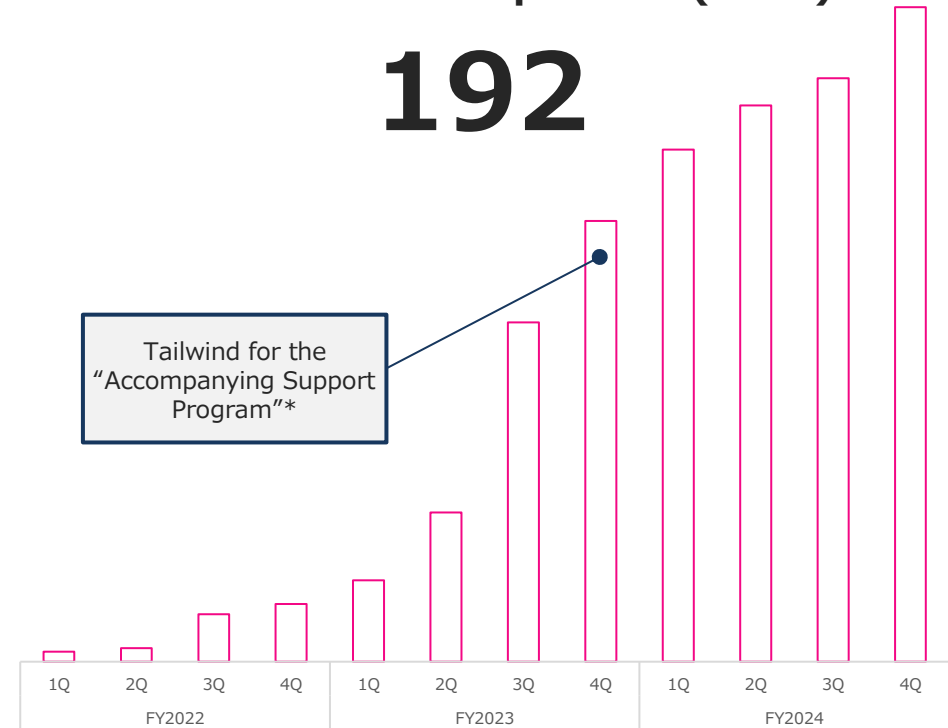
Maternal and child health handbook app

640



Childcare DX services  
Number of municipalities (total)

192



\* Transferred to “Children and Families Agency” from April 1, 2023 .





# Healthcare business: Maternal and child health handbook app + Childcare DX services

## Promote introduction in municipalities not yet using the maternal and child health handbook app

~Seamless support for pregnancy, childbirth and childcare~

**母子手帳アプリ 母子モ**

**Pregnancy·Birth**  
Pregnancy health records, pregnancy weight graph

**Parenting**  
Vaccination management, Infant health, Height and weight, Growth records

**Notice**  
お知らせ, 地域ニュース

**facility search**  
おぐら小児科

**Local childcare events**  
子育て支援施設

**Questionnaire**  
アンケート

**Schedule management**  
カレンダー

Healthcare business:  
Maternal and child health handbook app + Childcare DX services

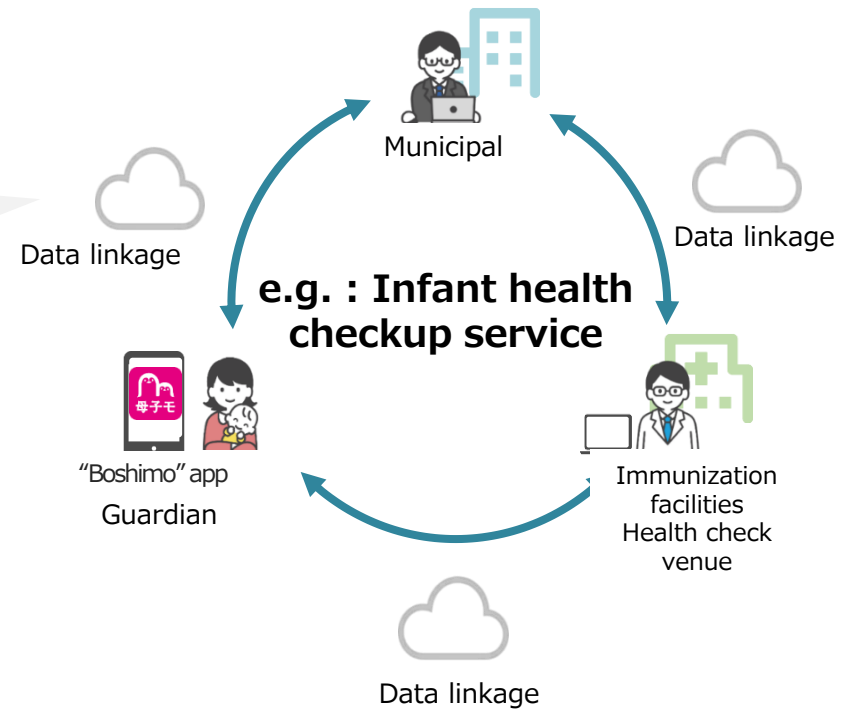
## Promote introduction of childcare DX services in municipalities using the maternal and child health handbook app



- Questionnaire and reservation form functionality
- Childhood immunizations (Digital preliminary examination slip , etc.)
- Infant health checkup
- Visits to all households with infants
- Pregnancy checkups and pregnancy notification

**High utilization rate**

Some municipalities have **over 90%** of applications, such as pregnancy notifications and infant health checkup questionnaires, submitted through the app.



# Healthcare business: Topic

## LunaLuna

### Women (Girls) Support

#### LunaLuna “Junior mode”

- Support for elementary and junior high school students around menarche
- Parent-child data sharing functionality also added



### Family Support

#### Luna Luna “Family course” offered to municipalities

- Provided free of charge in cooperation with municipalities
- Support for fertility in the home



## LunaLuna

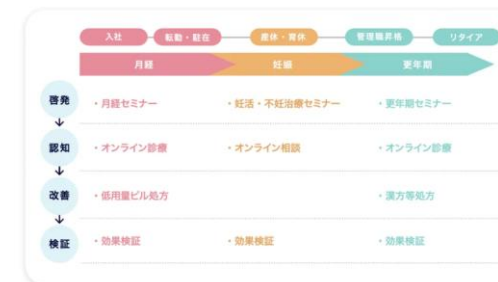
オフィス

### Corporate Employee Support (Female + Male)

Expanded

“LunaLuna office” functionality  
(Femtech service for corporate clients)

- Introduced “Menopause program\*2” in addition to the conventional “Menstrual Program \*1”
- A pilot program for the “Male menopause program” is also underway.



\*1: Employee benefit program: "Support program for gynecological consultations and Low-Dose pill use utilizing online medical consultation"  
 \*2: Online menopause outpatient program

Connecting students and teachers

# Full-cloud school affairs support system

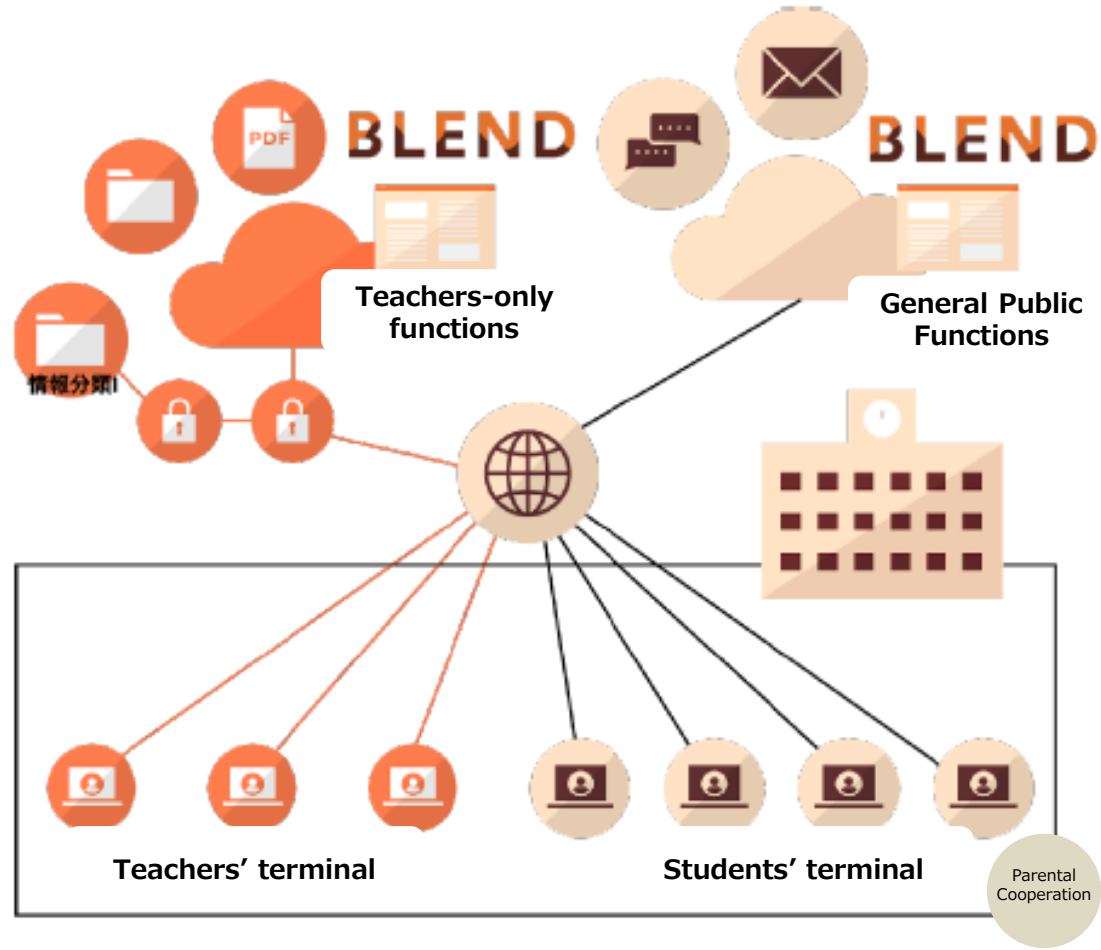
# BLEND



# School DX business : Full-cloud school affairs support system

A world with **BLEND**

## Eliminating all negatives



### Functions

- Fully cloud-based centralized management of data
- Data linkage without returning to the staff room
- Data linkage with parents and guardians

### Effects

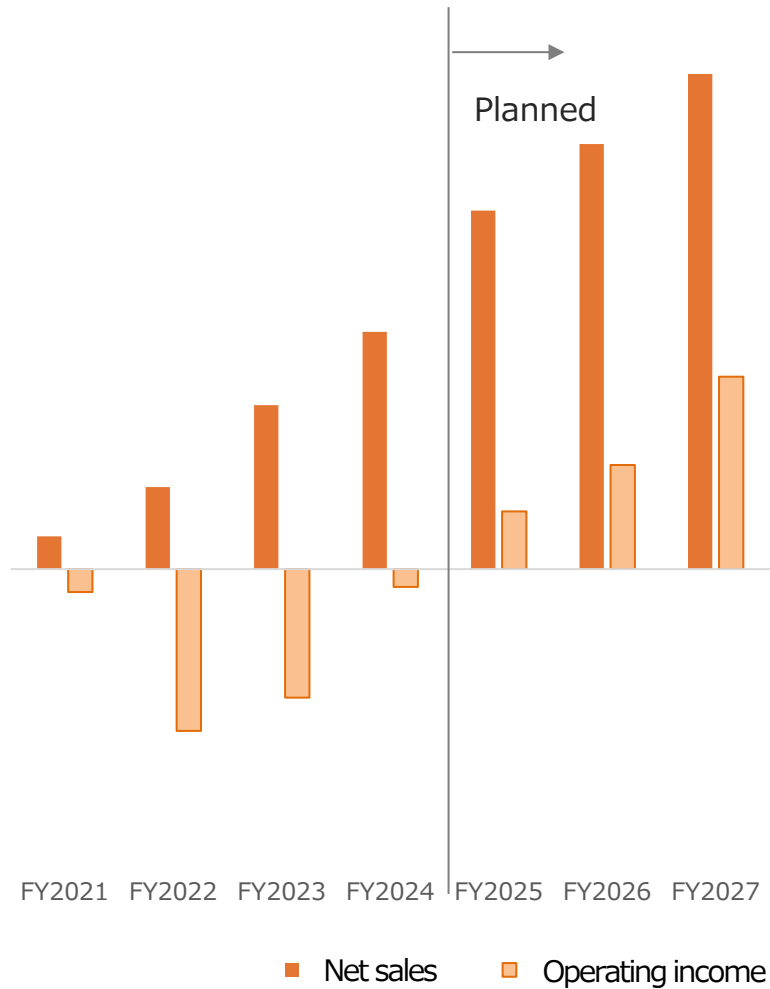
- Reducing workload for school affairs
- Reducing system management costs

### Values

**Create an environment that enables concentration on essential education through the provision of school DX services**

# School DX business : Full-cloud school affairs support system

## Image of medium-term profit



## Continuing increase in the number of schools introducing our service

Growth opportunities

- Accumulation of projects expected to be new introducing in April 2025
- Government driving DX for school affair unit by prefectural area



Public High School:  
Contracted with  
Yamanashi Prefectural Government

Differentiation

Cloud-based batch services

# Earning forecast for FY2025

## Earnings forecast for FY2025

**Net sales : increase,**  
**Operating income and Ordinary income : increase**

YoY

Net sales :	<b>¥28,500</b> million	<b>+3.0 %</b>
Operating income :	<b>¥2,800~¥3,200</b> million	<b>+16.9~+33.7 %</b>
Ordinary income :	<b>¥2,900~¥3,300</b> million	<b>+2.6~+16.7 %</b>
<b>Profit attributable to owners of parent :</b>	<b>¥1,460~¥1,740</b> million	<b>(38.2)~(26.4) %</b>

The consolidated earnings forecast for the fiscal year ending September 2025 incorporates a reduction in the amortization burden of goodwill and customer-related assets.

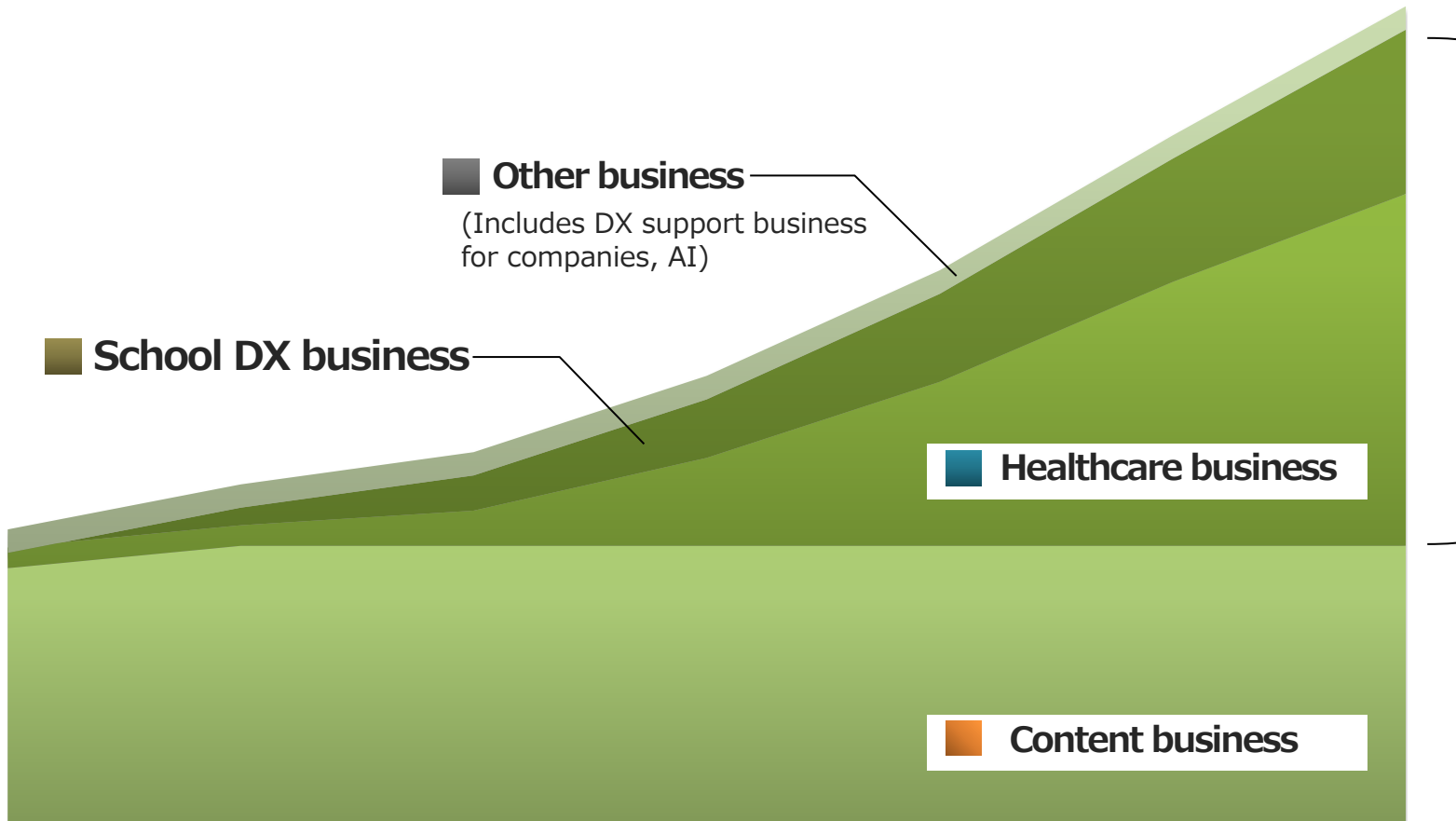


# Earnings forecast for FY2025

(Unit : Mil yen)	FY2024 (Actual)			FY2025 (Forecast)			YoY	
	Full year	H1	H2	Full year	H1	H2	Amount (full year)	Ratio (full year)
Net sales	27,669	13,517	14,151	28,500	14,000	14,500	+830	+3.0%
Cost of sales	7,264	3,612	3,651	7,000	3,500	3,500	(264)	(3.6)%
Gross profit	20,405	9,905	10,499	21,500	10,500	11,000	+1,095	+5.4%
SG&A	18,011	8,852	9,157	18,500	9,150	9,350	+489	+2.7%
Operating income	2,394	1,052	1,341	3,000	1,350	1,650	+605	+25.3%
(Ratio)	9.0%	7.8%	9.5%	10.5%	9.6%	11.4%		
Ordinary income	2,721	1,518	1,309	3,100	1,400	1,700	+272	+9.6%
(Ratio)	10.0%	11.2%	9.3%	10.9%	10.0%	11.7%		
Profit attributable to owners of parent	2,256	1,558	805	1,600	730	870	(763)	(32.3)%
(Ratio)	8.0%	11.5%	5.7%	5.6%	5.2%	6.0%		

# Image of medium to long-term profit

# Image of medium to long-term profit



**In the midium to long-term, Healthcare business and School DX businesses will drive the profit growth**

FY2024

# Capital policy

## Capital Policy

We aim for continuous growth in sales and profit, and for harmonizing them with returns to shareholders.

### I. Dividend

	Interim dividend		Year-end dividend		Annual dividend
FY2024	¥8	1 yen higher than expected	¥9 (Scheduled)	1 yen higher than previous year	¥17 (Scheduled)
FY2025 (Forecast)	¥9		¥9	1 yen higher than previous year	¥18

※ A Dividend at the end of FY2024 are to be referred to the 29th general shareholders' meeting on December 21, 2024.

### II. Cancellation of treasury shares: 1.2 million shares on December 2.

(Percentage of total issued shares before cancellation: 1.95%)



〈Contact us〉

Investor Relations Office

e-mail: [ir@mti.co.jp](mailto:ir@mti.co.jp)

<https://ir.mti.co.jp/eng/>