



Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2023 [Japanese GAAP]

Company name: Medical Data Vision Co., Ltd.
Securities code: 3902 URL <https://www.mdv.co.jp/>
Representative: (Title) President
Inquiries: (Title) Executive Officer and General Manager of
Corporate Planning Division

November 13, 2023
Listing: Tokyo Stock Exchange

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Scheduled date to file quarterly report: November 13, 2023

Scheduled date to commence dividend payments: -

Preparation of supplementary material on quarterly financial results : Yes

Holding of quarterly financial results briefing : Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the third quarter of the fiscal year ending December 31, 2023 (from January 1, 2023 to September 30, 2023)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Third quarter of FY ending December 31, 2023	4,487	3.7	1,111	-4.6	1,063	-8.0	659	-15.0
Third quarter of FY ended December 31, 2022	4,327	-	1,165	-	1,156	-	775	-

(Note) Comprehensive income Third quarter of fiscal year ending December 31, 2023 644 million yen [-16.6%]
Third quarter of fiscal year ended December 31, 2022 772 million yen [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Third quarter of FY ending December 31, 2023	17.27	17.26
Third quarter of FY ended December 31, 2022	20.28	20.28

(Note) 1. The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) and related implementation guidance have been applied from the beginning of the fiscal year ended December 2022. Consolidated earnings for the third quarter of the fiscal year ended December 2022, therefore, are the amount after applying such accounting standard and related implementation guidance, presenting no change from the previous corresponding period.

2. As of the end of the previous consolidated fiscal year, the provisional accounting treatment for business combinations was finalized, and the finalized provisional accounting treatment were reflected in the third quarter of the fiscal year ended December 2022.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023 (3Q FY2023)	5,571	4,024	70.5
As of December 31, 2022 (FY2022)	4,897	3,606	71.8

(Reference) Equity As of September 30, 2023 3,928 million yen
As of December 31, 2022 3,515 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY ended December 31, 2022	-	0.00	-	6.00	6.00
FY ending December 31, 2023	-	0.00	-		
FY ending December 31, 2023 (forecast)				6.50	6.50

(Note) Revision of the latest released dividend forecast : None

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2023 (from January 1, 2023 to December 31, 2023)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	7,200	17.9	1,800	2.4	1,800	2.8	1,200	37.9	31.42

(Notes) Revision of the latest released earnings forecasts : None

* Notes

(1) Changes in significant subsidiaries during the three months ended September 30, 2023 (changes in specified subsidiaries resulting in changes in scope of consolidation) : None

Newly included: - companies (Company name) , Excluded: - companies (Company name)

(2) Application of special accounting treatment to the preparation of quarterly consolidated financial statements : None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes

(ii) Changes in accounting policies other than (i) above : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(Notes) For more details, please refer to “(3) Notes to quarterly consolidated financial statements (Change in accounting policies) in 2. Quarterly consolidated financial statements and Key notes” on page 4 of the attached materials.

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)	As of September 30, 2023	40,027,526 shares	As of December 31, 2022	40,027,526 shares
(ii) Number of treasury shares at the end of the period	As of September 30, 2023	1,830,678 shares	As of December 31, 2022	1,830,678 shares
(iii) Average number of shares outstanding during the period (cumulative quarterly period)	Third quarter of FY ending December 31, 2023	38,196,848 shares	Third quarter fiscal year ended December 31, 2022	38,246,880 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in this material are based on information currently available to the Group and on certain assumptions deemed to be reasonable.

2. Quarterly consolidated financial statements and key notes

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	Previous fiscal year (December 31, 2022)	Current third quarter (September 30, 2023)
Assets		
Current assets		
Cash and deposits	2,264,855	2,862,439
Accounts receivable – trade and contract assets	983,665	774,098
Raw materials	13,745	5,894
Other	265,272	349,419
Allowance for doubtful accounts	-2,999	-5,734
Total current assets	3,524,539	3,986,117
Non-current assets		
Property, plant and equipment	137,755	129,477
Intangible assets		
Software	2,060	1,103
Goodwill	257,205	217,311
Other	192	192
Total intangible assets	259,459	218,608
Investments and other assets		
Investment securities	409,922	645,465
Other	590,943	616,728
Allowance for doubtful accounts	-25,243	-24,730
Total investments and other assets	975,622	1,237,463
Total non-current assets	1,372,837	1,585,548
Total assets	4,897,377	5,571,666
Liabilities		
Current liabilities		
Accounts payable - trade	93,155	104,942
Income taxes payable	95,786	208,567
Contract liabilities	755,426	847,509
Provision for bonuses	4,894	12,671
Other	257,529	288,680
Total current liabilities	1,206,791	1,462,370
Non-current liabilities		
Asset retirement obligations	71,554	71,776
Other	12,744	12,744
Total non-current liabilities	84,298	84,520
Total liabilities	1,291,090	1,546,890
Net assets		
Shareholders' equity		
Share capital	992,661	992,661
Capital surplus	1,838,890	1,838,890
Retained earnings	3,045,575	3,475,894
Treasury shares	-2,341,975	-2,341,975
Total shareholders' equity	3,535,151	3,965,471
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-19,503	-37,063
Total accumulated other comprehensive income	-19,503	-37,063
Share acquisition rights	–	3,536
Non-controlling interests	90,639	92,832
Total net assets	3,606,287	4,024,775
Total liabilities and net assets	4,897,377	5,571,666

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

(Quarterly consolidated statement of income)

(Nine-month period)

(Thousands of yen)

	Previous third quarter (From January 1, 2022 to September 30, 2022)	Current third quarter (From January 1, 2023 to September 30, 2023)
Net sales	4,327,598	4,487,447
Cost of sales	777,699	985,819
Gross income	3,549,899	3,501,627
Selling, general and administrative expenses	2,384,841	2,390,354
Operating income	1,165,058	1,111,272
Non-operating income		
Interest income	27	23
Dividend income	513	513
Reversal of allowance for doubtful accounts	0	563
Other	185	760
Total non-operating income	726	1,860
Non-operating expenses		
Share of loss of entities accounted for using equity method	—	49,415
Commission expenses	9,343	—
Other	—	26
Total non-operating expenses	9,343	49,441
Ordinary income	1,156,441	1,063,691
Extraordinary income		
Gain on reversal of share acquisition rights	—	27
Total extraordinary income	—	27
Extraordinary losses		
Loss on retirement of non-current assets	115	1,061
Loss on valuation of investment securities	—	15,874
Total extraordinary losses	115	16,935
Net income before income taxes	1,156,326	1,046,783
Income taxes – current	199,467	372,330
Income taxes – deferred	188,568	12,758
Total income taxes	388,036	385,089
Net income	768,289	661,694
Net income(loss) attributable to non-controlling interests	-7,471	2,193
Net income attributable to owners of parent	775,761	659,500

(Quarterly consolidated statement of comprehensive income)
 (Nine-month period)

(Thousands of yen)

	Previous third quarter (From January 1, 2022 to September 30, 2022)	Current third quarter (From January 1, 2023 to September 30, 2023)
Net income	768,289	661,694
Other comprehensive income		
Valuation difference on available-for-sale securities	4,171	-17,560
Total other comprehensive income	4,171	-17,560
Comprehensive income	772,461	644,133
Comprehensive income attributable to:		
Owners of parent	779,932	641,940
Non-controlling interests	-7,471	2,193

(3) Notes to quarterly consolidated financial statements

(Notes to assumptions for on-going concerns)

Not applicable

(Notes to substantial changes in the amount of shareholders' equity)

Not applicable

(Changes in accounting policies)

(Application of Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Company has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021; hereinafter referred to as the "Guidance on Accounting Standard for Fair Value Measurement") will be applied from the beginning of the first quarter of the current fiscal year, and the new accounting policy stipulated by the Implementation Guidance on Accounting Standard for Fair Value Measurement will be applied in the future in accordance with the transitional treatment stipulated in Article 27-2 of the Guidance on Accounting Standard for Fair Value Measurement. This has no effect on the quarterly consolidated financial statements.