

(Note)

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Consolidated Financial Results for the Six Months Ended September 30, 2023 (IFRS)

October 25, 2023

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Stock exchange: Tokyo Stock Exchange
Code number: 9158
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Availability of supplementary materials on quarterly financial results: Available
Schedule of quarterly financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts are rounded to the nearest million yen)

1. Consolidated financial results for the six months ended September 30, 2023

(1) Consolidated operating results (% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before taxes		Net income		Net income attributable to CUC shareholders		Total comprehensive income	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2023	15,346	(17.9)	1,778	(22.8)	1,680	(26.2)	1,029	(31.4)	1,039	(31.2)	990	(36.7)
September 30, 2022	18,694	8.7	2,304	(14.5)	2,275	(14.2)	1,501	(14.2)	1,510	(13.4)	1,564	(14.9)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2023	40.09	40.09
September 30, 2022	72.37	72.37

(Note) On April 13, 2023, CUC conducted a 200-for-1 stock split of its common share. Basic earnings per share and diluted earnings per share were calculated assuming that the stock split was conducted at the beginning of the fiscal year ended March 31, 2023.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to CUC shareholders	Ratio of equity attributable to CUC shareholders
	Million yen	Million yen	Million yen	%
As of September 30, 2023	58,786	26,031	25,774	43.8
As of March 31, 2023	39,750	11,920	11,704	29.4

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Fiscal year ended March 31, 2023	Yen -	Yen 0.00	Yen -	Yen 0.00	Yen 0.00
Fiscal year ending March 31, 2024	-	0.00			
Fiscal year ending March 31, 2024 (Forecast)			-	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated financial results forecast for the fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before taxes		Net income		Net income attributable to CUC shareholders		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	31,864	(9.5)	3,444	(6.5)	3,164	(12.9)	2,023	(15.9)	2,033	(16.1)	75.47

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Changes in significant subsidiaries during the current quarter (Changes in specified subsidiaries that caused a change in the scope of consolidation): None

(2) Changes in accounting policies and accounting estimates

- 1) Changes in accounting policies required by IFRS: None
- 2) Changes in accounting policies other than item 1) above: None
- 3) Changes in accounting estimates: None

(3) Total number of issued shares (common shares)

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

September 30, 2023: 29,990,400 shares

March 31, 2023: 22,630,400 shares

2) Total number of treasury shares at the end of the period:

September 30, 2023: 675,048 shares

March 31, 2023: 675,000 shares

3) Average number of shares during the period:

Six months ended September 30, 2023: 25,910,795 shares

Six months ended September 30, 2022: 20,870,400 shares

(Note) On April 13, 2023, CUC conducted a 200-for-1 stock split of its common share. “Total number of issued shares at the end of the period (including treasury shares)”, “Total number of treasury shares at the end of the period” and “Average number of shares during the period” were calculated assuming that the stock split was conducted at the beginning of the fiscal year ended March 31, 2023.

* Quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

The forward-looking statements in this report including the forecast of financial results are based on the information that is currently available, as well as certain assumptions that are deemed to be reasonable by CUC. Therefore, there might be cases in which actual results differ materially from the forecast due to various factors.

1. Qualitative information on quarterly financial results

(1) Explanation of operating results

The group's mission is "Creating Hope through Healthcare". Under this mission, CUC provides various services, aiming to create an environment where patient-centered healthcare is provided for as many people as possible, to develop a workplace required by local communities in which all healthcare workers are proud and motivated, and to build sound and sustainable society by solving healthcare issues for society.

Until the previous fiscal year, CUC's reportable segments were divided into Management Support segment and In-home Nursing/Hospice segment, and those were reclassified to Management Support segment, Hospice segment and In-home Nursing segment from the current fiscal year.

Management Support segment provides medical institution operations supports such as strategic and business management support, marketing support, HR/recruiting support, IT support, accounting support, general affairs support. In addition to medical institution operations supports, Management Support segment provides medical institution revenue growth assistance such as M&A support, PMI support, hospital bed conversion support, clinic launch support. These services are provided for medical institutions which operate hospitals, in-home care clinics, dialysis clinics, ophthalmology clinics and pediatric clinics, etc.

Hospice segment provides nursing and care services for patients with cancer and intractable diseases who live in hospice facilities, prioritizing the quality of services. The segment has increased the number of patients at existing hospices and launched hospices in the area which is in lack of terminal care.

In-home Nursing segment provides nursing services for patients at their home, prioritizing the quality of services. The segment has increased the number of users for existing in-home nursing stations and launched in-home nursing stations in new areas.

CUC aims to establish a platform that enables "Community-based Integrated Care System" to operate efficiently by collaboration between its client medical institutions, the group's hospices and in-home nursing stations.

Following table presents operating results for the six months ended September 30, 2023 and the previous corresponding period. The amount for the previous corresponding period reflected changes in reportable segments in the first quarter of this fiscal year. Please refer to the "(3) Changes in reportable segment" in the "3. Segment information" for details.

Definition of EBITDA is as follows.

EBITDA = operating profit + depreciation and amortization expenses \pm other income and expenses

Consolidated operating results

(Million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023	Changes	
Revenue	18,694	15,346	(3,348)	(17.9%)
Operating profit	2,304	1,778	(526)	(22.8%)
Profit before taxes	2,275	1,680	(595)	(26.2%)
Net income attributable to CUC shareholders	1,510	1,039	(472)	(31.2%)
EBITDA	2,844	2,591	(253)	(8.9%)

Operating results by segment

(Million yen)

		Six months ended September 30, 2022	Six months ended September 30, 2023	Changes	
Management Support	Revenue	9,270	5,310	(3,960)	(42.7%)
	Segment profit	1,655	2,028	+373	+22.5%
	EBITDA	1,834	2,426	+592	+32.3%
Hospice	Revenue	2,997	4,705	+1,709	+57.0%
	Segment profit (loss)	196	(63)	(260)	-
	EBITDA	325	113	(212)	(65.3%)
In-home Nursing	Revenue	6,437	5,522	(914)	(14.2%)
	Segment profit	832	386	(446)	(53.6%)
	EBITDA	1,057	620	(437)	(41.3%)
Others	Revenue	99	98	(1)	(1.2%)
	Segment profit	7	4	(4)	(48.5%)
	EBITDA	14	8	(6)	(45.5%)
Adjustment	Revenue	(108)	(290)	(181)	-
	Segment profit	(386)	(576)	(189)	-
Total	Revenue	18,694	15,346	(3,348)	(17.9%)
	Segment profit	2,304	1,778	(526)	(22.8%)
	EBITDA	2,844	2,591	(253)	(8.9%)

Revenue from existing services and new services

Covid-19 Vaccination Support Services in Management Support segment and In-home Clinical Trials/In-home Monitoring Services in In-home Nursing segment, both of which have been launched in the fiscal year ended March 31, 2022, are defined as “New Services”. Services except New Services are defined as “Existing Services”. Although this New Services has been shrunk for the six months ended September 30, 2023, revenue by services is shown as follows to compare with the six months ended September 30, 2022.

(Millions yen)

Existing / New	Segment	Six months ended September 30, 2022	Six months ended September 30, 2023	Changes	
Existing Services	Management Support	3,991	5,250	+1,259	+31.5%
	Hospice	2,997	4,705	+1,709	+57.0%
	In-home Nursing	4,611	5,148	+536	+11.6%
	Others	99	98	(1)	(1.2%)
	Adjustment	(108)	(290)	(181)	-
	Total	11,590	14,911	+ 3,321	+ 28.7%

New Services	Management Support	5,279	61	(5,218)	(98.9%)
	Hospice	-	-	-	-
	In-home Nursing	1,825	375	(1,451)	(79.5%)
	Total	7,104	436	(6,669)	(93.9%)
Consolidated		18,694	15,346	(3,348)	(17.9%)

1) Management Support segment

The number of clients' major medical facilities (Note 1) for the six months ended September 30, 2023 was 106 facilities (up 19 facilities year-on-year). In addition, annualized revenue per clients' major medical facility (Note 2) was 99 million yen (up 7 million yen year-on-year). As a result, revenue from Existing Services for the six months ended September 30, 2023 amounted to 5,250 million yen (up 31.5% year-on-year). On the other hand, Covid-19 Vaccination Support Services launched in the fiscal year ended March 31, 2022 and classified in the New Services were significantly shrunk. Therefore, revenue from Management Support segment amounted to 5,310 million yen (down 42.7% year-on-year).

Operating profit and EBITDA from Management Support segment amounted to 2,028 million yen (up 22.5% year-on-year) and 2,426 million yen (up 32.3% year-on-year) respectively. This is primarily due to an increase of profit from Existing Services while profit from Covid-19 Vaccination Support Services decreased.

- (Note) 1. Number of hospitals, long-term care health facilities, in-home care clinics, dialysis clinics, and outpatient clinics that CUC provides management support (Average in the period).
2. Calculated by dividing annualized revenue by the average number of clients' major medical facilities during the same period.

2) Hospice segment

Revenue from Hospice segment for the six months ended September 30, 2023 amounted 4,705 million yen (up 57.0% year-on-year). This is primarily due to an increase of 5 hospices arising from the acquisition of Nature Inc., A&N Inc. and You Inc. completed in January 2023 and an opening of 7 hospices from October 2022 to September 2023.

Operating loss and EBITDA from Hospice segment amounted to 63 million yen (operating profit of 196 million yen for the previous corresponding period) and 113 million yen (down 65.3% year-on-year) respectively. This is primarily due to an increase in headcounts aiming to strengthen headquarters function and the opening cost of 3 new hospice facilities for the six months ended September 30, 2023 while there were no new openings for the previous corresponding period.

3) In-home Nursing segment

Total care hours (Note) for the six months ended September 30, 2023 were 521 thousand hours (up 62 thousand hours year-on-year) due to an increase in the number of users and care hours per user. As a result, revenue from Existing Services for the six months ended September 30, 2023 amounted to 5,148 million yen (up 11.6% year-on-year). On the other hand, the revenue from In-home Clinical Trials and In-home Monitoring Services launched in the fiscal year ended March 31, 2022 and classified in the New Services was significantly shrunk. Therefore, revenue from In-home Nursing segment amounted to 5,522 million yen (down 14.2% year-on-year).

Operating profit and EBITDA from In-home Nursing segment amounted to 386 million yen (down 53.6% year-on-year) and 620 million yen (down 41.3% year-on-year) respectively. This is primarily due to a decrease of profit from In-home Clinical Trials and In-home Monitoring Services while profit from Existing Services increased due to the improvement in efficiencies of nurses and therapists in the segment.

(Note) Total number of hours of services provided by CUC group's nurses and therapists to users. Therapists mean physical therapists, occupational therapists, and speech therapists.

As a result of above, the group recorded revenue of 15,346 million yen (down 17.9% year-on-year), operating profit of 1,778 million yen (down 22.8% year-on-year), EBITDA of 2,591 million yen (down 8.9% year-on-year), profit before taxes of 1,680 million yen (down 26.2% year-on-year) and net income attributable to CUC shareholders of 1,039 million yen (down 31.2% year-on-year).

(2) Explanation of financial position

Total assets as of September 30, 2023 were 58,786 million yen, an increase of 19,036 million yen compared with the balance as of March 31, 2023. Also, current assets as of September 30, 2023 were 28,510 million yen, an increase of 15,778 million yen compared with the balance as of March 31, 2023. This was primarily due to an increase in cash and cash equivalents of 15,884 million yen, which was primarily due to issuing new shares arising from the listing in the Tokyo Stock Exchange Growth Section. Non-current assets as of September 30, 2023 were 30,275 million yen, an increase of 3,258 million yen compared with the balance as of March 31, 2023. This was primarily due to an increase in property, plant and equipment of 2,197 million yen, and an increase in right-of-use assets of 1,257 million yen, primarily arising from an increase in hospices. Total liabilities as of September 30, 2023 were 32,754 million yen, an increase of 4,924 million yen compared with the balance as of March 31, 2023. This was primarily due to an increase in borrowings classified in the non-current liabilities of 17,426 million yen, and a decrease of 14,040 million yen classified in the current liabilities, primary arising from the refinance of borrowings from the parent company.

Total equity as of September 30, 2023 was 26,031 million yen, an increase of 14,111 million yen compared with the balance as of March 31, 2023. This was primarily due to an increase in share capital of 6,606 million yen, and an increase in capital surplus of 6,503 million yen, primarily arising from the listing in the Tokyo Stock Exchange Growth Section. Also, retained earnings increased 1,039 million yen due to the recording of net income attributable to CUC shareholders.

(3) Explanation of consolidated financial results forecast and forward-looking information

The content of the consolidated financial results forecast for the fiscal year ending March 31, 2024 is unchanged from the forecast announced on June 21, 2023.

2. Condensed quarterly consolidated financial statements

(1) Condensed quarterly consolidated statement of financial position

(Million yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and cash equivalents	4,120	20,004
Trade and other receivables	8,240	8,155
Inventories	44	40
Other financial assets	77	67
Other current assets	251	243
Total current assets	12,732	28,510
Non-current assets		
Property, plant and equipment	7,350	9,547
Right-of-use assets	4,712	5,969
Goodwill	4,723	4,844
Intangible assets	2,775	2,699
Investment property	4,366	4,379
Deferred tax assets	218	219
Other financial assets	2,838	2,588
Other non-current assets	35	31
Total non-current assets	27,018	30,275
Total assets	39,750	58,786

(Million yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	2,155	1,839
Borrowings	16,040	2,000
Lease liabilities	889	988
Deposits received	432	565
Income taxes payable	389	631
Contract liabilities	4	5
Other financial liabilities	445	560
Other current liabilities	935	1,016
Total current liabilities	21,290	7,605
Non-current liabilities		
Borrowings	-	17,426
Lease liabilities	4,523	5,627
Retirement benefit liability	188	215
Deferred tax liabilities	1,396	1,319
Other financial liabilities	78	78
Other non-current liabilities	356	484
Total non-current liabilities	6,540	25,149
Total liabilities	27,830	32,754
Equity		
Share capital	1,063	7,669
Capital surplus	1,258	7,761
Retained earnings	7,715	8,753
Treasury shares	-	(0)
Other components of equity	1,669	1,590
Equity attributable to CUC shareholders	11,704	25,774
Non-controlling interests	216	258
Total equity	11,920	26,031
Total liabilities and equity	39,750	58,786

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

Condensed quarterly consolidated statement of income

(Six months ended September 30)

(Million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Revenue	18,694	15,346
Cost of sales	11,578	7,957
Gross profit	7,116	7,389
Selling, general and administrative expenses	4,813	5,600
Other income	36	20
Other expenses	35	31
Operating profit	2,304	1,778
Finance income	18	17
Finance costs	47	115
Profit before taxes	2,275	1,680
Income tax expense	774	651
Net income	1,501	1,029
Net income attributable to		
CUC shareholders	1,510	1,039
Non-controlling interests	(9)	(9)
Net income	1,501	1,029
Earnings per share		
Basic earnings per share (yen)	72.37	40.09
Diluted earnings per share (yen)	72.37	40.09

(Three months ended September 30)

(Million yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Revenue	8,559	7,683
Cost of sales	5,230	3,960
Gross profit	3,328	3,723
Selling, general and administrative expenses	2,441	2,784
Other income	26	9
Other expenses	14	3
Operating profit	900	945
Finance income	11	9
Finance costs	14	67
Profit before taxes	897	887
Income tax expense	302	331
Net income	595	556
Net income attributable to		
CUC shareholders	597	557
Non-controlling interests	(3)	(1)
Net income	595	556
Earnings per share		
Basic earnings per share (yen)	28.62	19.13
Diluted earnings per share (yen)	28.62	19.13

Condensed quarterly consolidated statement of comprehensive income
(Six months ended September 30)

(Million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net income	1,501	1,029
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(219)	(233)
Total of items that will not be reclassified to profit or loss	(219)	(233)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	281	194
Total of items that may be reclassified to profit or loss	281	194
Other comprehensive income, net of tax	62	(39)
Comprehensive income	1,564	990
Comprehensive income attributable to		
CUC shareholders	1,544	948
Non-controlling interests	19	42
Comprehensive income	1,564	990

(Three months ended September 30)

(Million yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Net income	595	556
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(297)	(158)
Total of items that will not be reclassified to profit or loss	(297)	(158)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	64	(15)
Total of items that may be reclassified to profit or loss	64	(15)
Other comprehensive income, net of tax	(232)	(173)
Comprehensive income	362	383
Comprehensive income attributable to		
CUC shareholders	356	382
Non-controlling interests	6	1
Comprehensive income	362	383

(3) Condensed quarterly consolidated statement of changes in equity
(Six months ended September 30, 2022)

(Million yen)

	Equity attributable to CUC shareholders					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Exchange differences on translation of foreign operations	Share acquisition rights
As of April 1, 2022	1,049	1,025	5,290	-	358	-
Net income	-	-	1,510	-	-	-
Other comprehensive income	-	-	-	-	253	-
Comprehensive income	-	-	1,510	-	253	-
Purchase of treasury shares	-	-	-	-	-	-
Issuance of new shares	-	-	-	-	-	2
Share-based payment transactions	-	-	-	-	-	24
Total transactions with shareholders	-	-	-	-	-	27
As of September 30, 2022	1,049	1,025	6,800	-	611	27

	Equity attributable to CUC shareholders				
	Other components of equity		Total	Non-controlling interests	Total equity
	Financial assets measured at fair value through other comprehensive income	Total			
As of April 1, 2022	1,736	2,094	9,457	222	9,679
Net income	-	-	1,510	(9)	1,501
Other comprehensive income	(219)	34	34	28	62
Comprehensive income	(219)	34	1,544	19	1,564
Purchase of treasury shares	-	-	-	-	-
Issuance of new shares	-	2	2	-	2
Share-based payment transactions	-	24	24	-	24
Total transactions with shareholders	-	27	27	-	27
As of September 30, 2022	1,517	2,155	11,028	241	11,269

(Six months ended September 30, 2023)

(Million yen)

	Equity attributable to CUC shareholders					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Exchange differences on translation of foreign operations	Share acquisition rights
As of April 1, 2023	1,063	1,258	7,715	-	479	34
Net income	-	-	1,039	-	-	-
Other comprehensive income	-	-	-	-	143	-
Comprehensive income	-	-	1,039	-	143	-
Purchase of treasury shares	-	-	-	(0)	-	-
Issuance of new shares	6,606	6,503	-	-	-	4
Share-based payment transactions	-	-	-	-	-	7
Total transactions with shareholders	6,606	6,503	-	(0)	-	12
As of September 30, 2023	7,669	7,761	8,753	(0)	622	46

	Equity attributable to CUC shareholders				
	Other components of equity		Total	Non-controlling interests	Total equity
	Financial assets measured at fair value through other comprehensive income	Total			
As of April 1, 2023	1,155	1,669	11,704	216	11,920
Net income	-	-	1,039	(9)	1,029
Other comprehensive income	(233)	(90)	(90)	51	(39)
Comprehensive income	(233)	(90)	948	42	990
Purchase of treasury shares	-	-	(0)	-	(0)
Issuance of new shares	-	4	13,114	-	13,114
Share-based payment transactions	-	7	7	-	7
Total transactions with shareholders	-	12	13,121	-	13,121
As of September 30, 2023	922	1,590	25,774	258	26,031

3. Segment information

(1) Overview of reportable segment

CUC group's reportable segments are components for which separate financial information is available and regularly reviewed by the board of directors so as to make decisions about allocation of resources to the segments and evaluate their performance.

CUC group has three reportable segments of "Management Support", "Hospice" and "In-home Nursing".

Management Support segment provides strategic and administrative supports for medical institutions.

Hospice segment provides nursing and care services for patients who live in hospice facilities.

In-home Nursing segment provides nursing services for patients at their home.

(2) Information about reportable segment

Revenue, profit or loss, and other items by reportable segments are as follows.

Intersegment transaction pricing is determined based on prevailing market prices.

(Six months ended September 30, 2022)

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Management support	Hospice	In-home Nursing	Total				
Revenue								
To outside customers	9,161	2,997	6,437	18,595	99	18,694	-	18,694
Inter-segment revenue	108	-	-	108	-	108	(108)	-
Total	9,270	2,997	6,437	18,703	99	18,803	(108)	18,694
Segment profit (loss) (Note 3)	1,655	196	832	2,683	7	2,690	(386)	2,304
Finance income	-	-	-	-	-	-	-	18
Finance costs	-	-	-	-	-	-	-	47
Profit before taxes	-	-	-	-	-	-	-	2,275
Net income	-	-	-	-	-	-	-	1,501
Others								
Depreciation and amortization	170	128	235	534	7	541	-	541

(Note) 1. "Others" is a business segment which is not attributable to reportable segments and includes dispensing pharmacy services and sales of ophthalmology materials and eyeglass supplies, etc.

2. "Adjustment" of (386) million yen is primarily general and administrative expense that is not attributable to reportable segments.

3. Consolidated segment profit (loss) is correspondent with operating profit in the condensed quarterly consolidated statement of income.

(Six months ended September 30, 2023)

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Management support	Hospice	In-home Nursing	Total				
Revenue								
To outside customers	5,020	4,705	5,522	15,248	98	15,346	-	15,346
Inter-segment revenue	290	-	-	290	-	290	(290)	-
Total	5,310	4,705	5,522	15,538	98	15,636	(290)	15,346
Segment profit (loss) (Note 3)	2,028	(63)	386	2,350	4	2,354	(576)	1,778
Finance income	-	-	-	-	-	-	-	17
Finance costs	-	-	-	-	-	-	-	115
Profit before taxes	-	-	-	-	-	-	-	1,680
Net income	-	-	-	-	-	-	-	1,029
Others								
Depreciation and amortization	381	182	234	797	5	802	-	802

- (Note) 1. “Others” is a business segment which is not attributable to reportable segments and includes dispensing pharmacy services and sales of ophthalmology materials and eyeglass supplies, etc.
2. “Adjustment” of (576) million yen is primarily general and administrative expense that is not attributable to reportable segments.
3. Consolidated segment profit (loss) is correspondent with operating profit in the condensed quarterly consolidated statement of income.

(Three months ended September 30, 2022)

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Management support	Hospice	In-home Nursing	Total				
Revenue								
To outside customers	3,936	1,519	3,056	8,510	48	8,559	-	8,559
Inter-segment revenue	52	-	-	52	-	52	(52)	-
Total	3,988	1,519	3,056	8,563	48	8,611	(52)	8,559
Segment profit (loss) (Note 3)	649	112	332	1,093	4	1,097	(197)	900
Finance income	-	-	-	-	-	-	-	11
Finance costs	-	-	-	-	-	-	-	14
Profit before taxes	-	-	-	-	-	-	-	897
Net income	-	-	-	-	-	-	-	595
Others								
Depreciation and amortization	86	64	117	268	3	271	-	271

(Note) 1. “Others” is a business segment which is not attributable to reportable segments and includes dispensing pharmacy services and sales of ophthalmology materials and eyeglass supplies, etc.

2. “Adjustment” of (197) million yen is primarily general and administrative expense that is not attributable to reportable segments.

3. Consolidated segment profit (loss) is correspondent with operating profit in the condensed quarterly consolidated statement of income.

(Three months ended September 30, 2023)

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Management support	Hospice	In-home Nursing	Total				
Revenue								
To outside customers	2,398	2,486	2,750	7,634	49	7,683	-	7,683
Inter-segment revenue	157	-	-	157	-	157	(157)	-
Total	2,555	2,486	2,750	7,791	49	7,840	(157)	7,683
Segment profit (loss) (Note 3)	954	66	211	1,231	1	1,233	(288)	945
Finance income	-	-	-	-	-	-	-	9
Finance costs	-	-	-	-	-	-	-	67
Profit before taxes	-	-	-	-	-	-	-	887
Net income	-	-	-	-	-	-	-	556
Others								
Depreciation and amortization	197	95	119	410	2	413	-	413

- (Note) 1. “Others” is a business segment which is not attributable to reportable segments and includes dispensing pharmacy services and sales of ophthalmology materials and eyeglass supplies, etc.
2. “Adjustment” of (288) million yen is primarily general and administrative expense that is not attributable to reportable segments.
3. Consolidated segment profit (loss) is correspondent with operating profit in the condensed quarterly consolidated statement of income.

(3) Changes in reportable segment

Until the previous fiscal year, CUC group aggregated In-home Nursing business and Hospice business as In-home Nursing/Hospice segment considering the similarity of services and long-term profitability.

In the first quarter of this fiscal year, CUC has raised capital by listing, and such capital will be used for the construction of hospices. Long-term profitability of Hospice business is expected to become different from In-home Nursing business by accelerating the construction of relatively larger hospices which are expected to generate higher margin than existing small hospices.

Therefore, CUC has changed its reportable segments from “Management Support” and “In-home Nursing/Hospice” to “Management Support”, “Hospice” and “In-home Nursing” from the current fiscal year. The segment information for the six months ended September 30, 2022 and for the three months ended September 30, 2022 reflected changes in reportable segments in this fiscal year.