

Dispensing Pharmacy Business

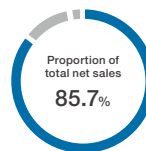
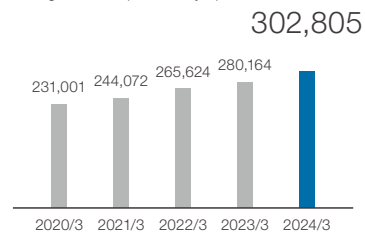
Nihon Chouzai Co., Ltd., other dispensing subsidiaries

Since Nihon Chouzai was founded in 1980, to fulfill the functions and roles expected of pharmacies that support healthcare in Japan, we have consistently pursued the separation of drug prescribing and dispensing services and expanded our nationwide network of pharmacies.

The intentional inclusion of “Nihon” (Japan) in our company name at the time of our establishment embodies our commitment to providing quality healthcare throughout Japan, guided by our founding philosophy of “achieving the true separation of drug prescribing and dispensing services.”

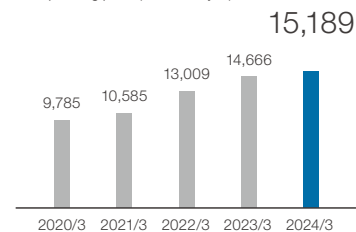
Net sales

■ Segment sales (millions of yen)



Operating profit

■ Operating profit (millions of yen)



Message from the Business Manager



Toshiyuki Koyanagi
Director and Senior
Executive Officer

Q Looking Back on FY2023

The volume of prescriptions filled rose sharply in the past fiscal year, reflecting in part the spread of various infections after the COVID-19 pandemic subsided. Growth in prescription volume was particularly evident among our hybrid pharmacies located in urban areas. These pharmacies contributed greatly to business performance. At the same time, we reinforced our framework for addressing needs in the area of at-home healthcare, centered on our 27 At-Home Medical Care Support Centers located across the country. As a result, we were able to achieve solid results in terms of both prescription volume and sales.

Our approach to date of opening hospital-front pharmacies, mainly to serve large hospitals, has given us a major advantage: These pharmacies have spearheaded growth in the volume of specialty drugs we handle, which made a significant contribution to sales growth for the year. So, the year saw balanced performance, with a rebound in prescription volume, expansion of at-home healthcare services, and growth in the volume of specialty drugs handled.

Q Initiatives for FY2024, Mid-Term Issues and Initiatives with a View to the Long-Term Vision

The Japanese government simultaneously revised dispensing fees and long-term care fees in June 2024. The revised fee structures include wage hikes for healthcare professionals, set new evaluation criteria for initiatives to promote the digital transformation of healthcare, and expand evaluation criteria in the area of at-home healthcare. At the same time, measures such as optimizing the community support system premium and the reduction of technical and dispensing fees for on-site pharmacies are having an adverse impact on Group performance.

In this context, we are working to strengthen the functions of family pharmacists, an area we have focused on for some time. We also to expand our framework for meeting demand by establishing new At-Home Medical Care Support Centers, which are chiefly responsible for dispensing drugs at facilities, and At-Home Specialized Care Centers that focus on specifically on providing at-home care to patients requiring specialized care, such as pediatric and palliative care. On the digital transformation front, we are aggressively working to raise awareness of the expanded use of health insurance cards linked to a national identification system, promoting online insurance eligibility verification, and developing a framework for filling electronic prescriptions. At the same time, we are actively exploring collaborations with platform providers to expand the use of NiCOMS, our online pharmacy service, aiming to hone our ability to fill prescriptions online.

Amid the change brought about by the advent of numerous initiatives drawing on new technologies, our mission continues to be to give patients the closest possible support, with a commitment to working from a patient-centered perspective. We will also continue to work to cultivate personnel characterized by smiles and exceptional hospitality.

Three strengths

Capacity to respond to diversifying medical needs

Nihon Chouzai leads the industry in responding to diversifying medical needs, continuing to grow as a comprehensive healthcare brand as we support regional healthcare collaboration and at-home healthcare, offer online pharmacy services, and expand our health support functions.

We are also flexibly navigating changes in Japan's healthcare context, including revisions in drug dispensing fees and drug prices and ongoing reforms to various systems.

Moreover, since our founding, we have successfully taken the lead over other companies in promoting the digital transformation of healthcare. This has included the in-house development of a dispensing system, the electronic medicine notebook *Okusuri Techo Plus*, and NiCOMS, our online pharmacy service.

Providing Quality Healthcare

With around 60% of Nihon Chouzai pharmacies located in front of university hospitals and major regional hospitals that provide advanced healthcare, our focus is on training pharmacists who can offer a high degree of expertise and extensive experience.

We are also stepping up efforts to handle specialty drugs, for which demand is expected to grow in the future. Anticancer drugs, drugs to treat rare diseases, and other specialty drugs are difficult to handle and require a high level of expertise.

Pharmacy Services That Patients Choose

Guided by the notion that the education of pharmacists and other employees is the top priority for offering better pharmacy services, since our founding we have consistently focused on educating pharmacy staff and improving customer satisfaction.

In 2015, we also launched a project to make Nihon Chouzai “the pharmacy of choice” for patients, which has yielded various measures and training programs to foster vibrant pharmacies that can gain the trust of patients.

Growth strategy

Addressing
Increasingly Diverse
and Sophisticated
Healthcare Needs

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Education of High-
Caliber Pharmacists

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Efforts to Achieve
Digital Transformation
of Healthcare

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Addressing Increasingly Diverse and Sophisticated Healthcare Needs

Reinforcing at-home healthcare

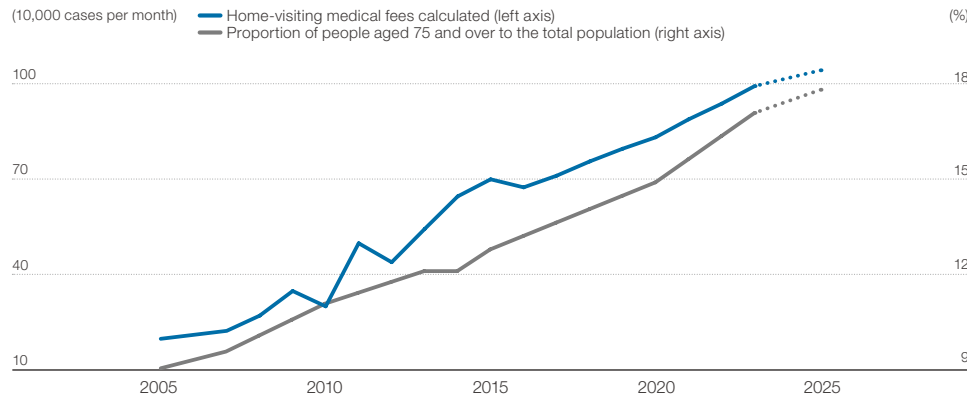
Supporting at-home healthcare

The advent of a super-aging society has triggered a shift away from inpatient treatment at medical institutions to ongoing at-home healthcare. As family pharmacies, the role of pharmacies in community-based healthcare teams is becoming more and more critical. Nihon Chouzai began augmenting its ability to respond to care needs at home and at long-term care facilities in 2009. We support patients in collaboration with facility staff, doctors, nurses, and care managers. We also started providing at-home care in 2010, offering a wide array of at-home healthcare services to meet needs in local communities, ranging from patients who are highly dependent on healthcare, such as patients undergoing cancer treatment and palliative care, to children with intractable diseases.

In terms of facilities at our pharmacies, we have remained ahead of the industry in equipping pharmacies with sterile dispensing rooms, which will be increasingly necessary for at-home healthcare going forward, allowing the preparation of injections, intravenous feeding solutions, and other sterile dispensing work.

In FY2011, Nihon Chouzai set up a department dedicated to at-home healthcare, and is actively promoting home-visiting drug management and guidance for patients being treated at home. All Nihon Chouzai pharmacies have now put in place a framework in which pharmacists can provide home-visiting drug management and guidance services.

Growth of the At-Home Healthcare Market in Japan



At-Home Medical Care Support Centers

Facility and At-Home Care Centers

Working out of our 27 At-Home Medical Care Support Centers across the country, pharmacists with a high level of expertise specializing in at-home healthcare offer a wide range of services tailored to the needs of local communities, focusing particularly on elderly patients and patients who are highly dependent on healthcare, including those undergoing cancer treatment or palliative care, and children with intractable diseases. We make use of *Anshin Fukuyaku-kun*, an original medication support system developed in-house, to help boost adherence by preventing medication errors and managing medication information. Moreover, we actively support the health of patients in the region in collaboration with other healthcare professionals, including by having a pharmacist accompany patients to their medical examinations. Meanwhile, we are taking steps to ensure high-quality, safe healthcare services: Nihon Chouzai pharmacies are working to obtain ISO 9001, the international standard for quality management systems, for the provision of dispensing and medication distribution services by At-Home Medical Care Support Centers and drug sales operations.



At-Home Medical Care Support Centers 27

At-Home Specialized Care Centers 20

*As of July 31, 2024

At-Home Specialized Care Centers

We have established 20 At-Home Specialized Care Centers nationwide. Pharmacists who are drug experts visit patients at home and use their skills to offer detailed drug management and guidance, such as explaining medications and managing unused drugs, primarily for patients who are highly dependent on healthcare and being cared for at home. Our pharmacists are also part of care teams that bring together staff from local at-home care clinics, home-visit nursing stations, care managers, and hospital community liaison office staff. Our goal is for our pharmacies to serve as at-home healthcare hubs for the community as a whole, working closely with these care teams to provide the best possible at-home healthcare and long-term care environment for patients being cared for at home.

When engaging in at-home care, Nihon Chouzai pharmacists perform their daily work using Nihon Chouzai's proprietary tablet-based at-home healthcare communication system. In addition to providing accurate and timely medication guidance during home visits, these pharmacists promptly report back to and consult with collaborating medical institutions and care teams.

In terms of facilities, we are actively equipping pharmacies with the sterile dispensing rooms that will be increasingly necessary for at-home healthcare going forward, to allow the preparation of injections, intravenous feeding solutions, and other sterile dispensing work.

Addressing Increasingly Diverse and Sophisticated Healthcare Needs

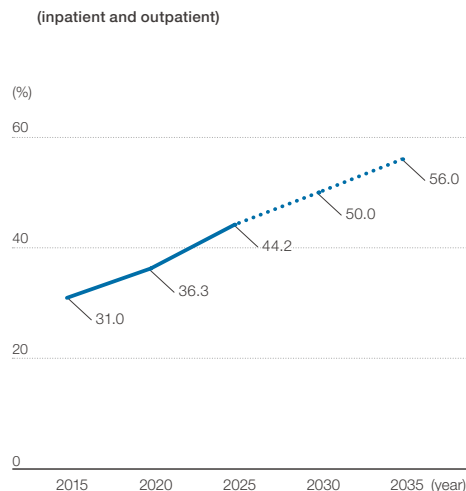
Initiatives Involving Specialty Drugs

Nihon Chouzai defines specialty drugs as high-priced drugs, including drugs used to treat cancer and rare diseases. Specialty drugs have grown to account for more than 39% of overall sales in Japan's prescription drug market, and the size of this market is expected to continue growing.

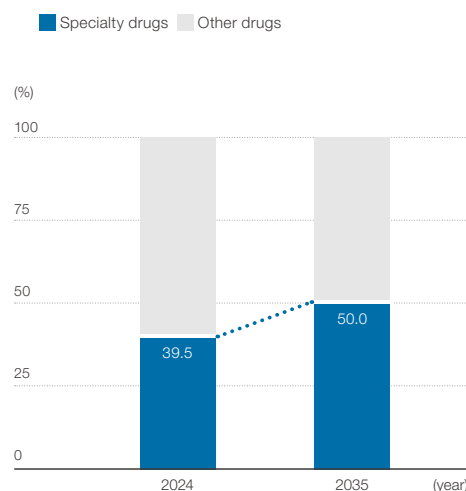
Over 60% of Nihon Chouzai Group pharmacies nationwide are located near large hospitals. Many of our highly specialized pharmacists, including those specializing in outpatient oncology, are on staff at these locations. They are distinguished by the large volume of anticancer drugs and other specialty drugs they handle. Such drugs account for a much higher proportion of drug sales at hospital-front pharmacies than the industry average.

To meet growing demand for specialty drugs, we are actively collaborating with specialized medical institutions that provide advanced healthcare and working to significantly boost sales of specialty drugs at our pharmacies.

Proportion of specialty drug sales in Japan's prescription drug market (inpatient and outpatient)



Proportion of specialty drug sales in Nihon Chouzai Group dispensing fees

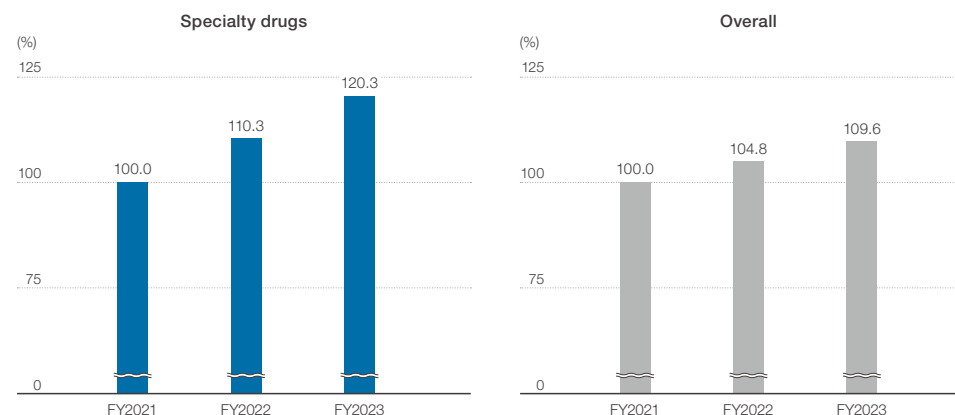


Ranking of Nihon Chouzai Group specialty drugs by value

Ranking	Drug name	Efficacy, use in treatment	Drug price* (yen)
1	Tagrisso Tablets 80mg	Cancer	18,540.2
2	Zytiga Tablets 500mg	Cancer	7,287.3
3	Alecensa Capsule 150mg	Cancer	6,737.1
4	Ofev Capsule 150mg	Cancer	5,966.4
5	Lynparza Tablets 150mg	Cancer	4,788
6	Humira 80mg Injection Pen 0.8mL	Rheumatoid arthritis, etc.	95,070
7	Dupixent 300mg Injection Pen	Atopic dermatitis, etc.	61,714
8	Ibrance Tablets 125mg	Cancer	20,538.9
9	Sprycel Tablets 50mg	Leukemia	5,857.7
10	Revolade Tablets 25mg	Thrombocytopenic purpura, etc.	4,356.5

*As of April 2024

Comparison of percentage change in drug sales (specialty vs. overall)



Addressing Increasingly Diverse and Sophisticated Healthcare Needs

Online Initiatives

With the partial deregulation of the online healthcare system in Japan in April 2022, an increasing number of people are turning to online healthcare. Offering NiCOMS, an online pharmacy service we developed in-house, the Nihon Chouzai Group is leading the industry in taking steps to expand the online market. Through tie-ups with various companies, we also provide comprehensive online healthcare, ranging from online medical consultations and medication guidance to drug deliveries. In FY2023, we expanded our network of partner companies and added new functions, and can now offer patients the choice of picking up drugs at the pharmacy or having them delivered to their homes. We will continue working to expand options and improve convenience for patients.

In-House Developed *Okusuri Techo Plus* Electronic Medication Notebook Over 2.0 million subscribers (As of July 31, 2024)

The electronic medication notebook *Okusuri Techo Plus* links with Nihon Chouzai's core dispensing system to enable centralized management of medication history. The app is also equipped with various functions that enhance convenience for patients, including a function for sending prescriptions and a calendar function. It also has a personal health record function that offers greater convenience by linking*1 to data from body composition monitors, blood sugar monitors, and other healthcare devices. In this way, it helps patients manage their daily habits and supports better health.

In addition, by using the app's "connect" function, patients can communicate with the pharmacy. With the addition of a chatbot function for medication consultation, if patients have questions about drugs, such as how to take drugs properly, how to administer a drug to a child, when to take medication, or their physical condition after taking a medication, they can easily consult with the pharmacy.

We were also the first*2 company to link our electronic medication notebook with Japan's My Number (individual ID) portal, now making it possible to centrally view and manage data on drugs dispensed at multiple medical institutions and pharmacies on the portal.

Moreover, even in an environment where internet connection is unavailable, such as during a natural disaster, users can view the drug information registered in *Okusuri Techo**3.

*1 Available for compatible healthcare devices and near field communication (NFC)-compatible Android devices

*2 Based on Nihon Chouzai research

*3 When the app is launched in an online environment, the user can view the past six months of drug information stored on the device, and patient information, history of side effects and allergies, physical constitution, medical history, regular pharmacy, and family pharmacist information recorded in the "subscriber information" section.



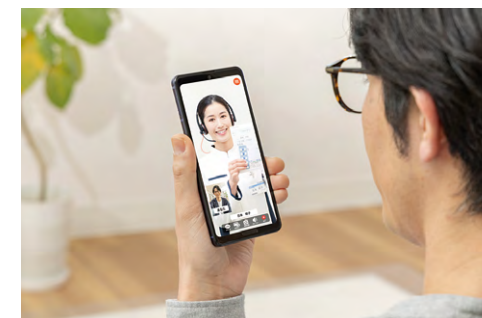
Users can start a chat by tapping on the "question about medication" link.

They can choose from different options and easily consult with the pharmacy.

Nihon Chouzai Online Pharmacy Service NiCOMS Supported by all Nihon Chouzai Group pharmacies

The revision of the Pharmaceuticals and Medical Devices Act made remote medication guidance available nationwide in September 2020. In response, Nihon Chouzai developed NiCOMS, an online pharmacy service that allows patients to receive medication guidance at home or elsewhere.

Deregulation of remote medication guidance went into effect in April 2022 and is expected to be given broader scope going forward, such as permission to provide medication guidance remotely for first-time patients.



TOPIC NiCOMS App Version Launched

We launched the app version of this service in May 2024. Previously, NiCOMS was only accessible via web browser. The launch of the app version has enhanced the convenience of our online pharmacy services for customers. We also added new features to the NiCOMS app.



- 1 A feature that allows users to check reservation availability at pharmacies registered in the "my preferred online pharmacy" section on the home screen
- 2 A pop-up notification feature
- 3 A feature that allows the video call screen to be displayed in a smaller size on the payment screen

Addressing Increasingly Diverse and Sophisticated Healthcare Needs

Pharmacy Openings and Strategies to Meet a Wide Range of Needs

To provide high-quality healthcare services nationwide, Nihon Chouzai is pursuing a balanced pharmacy network strategy. Based on the family pharmacist and pharmacy functions stipulated by the Ministry of Health, Labor and Welfare, we distinguish our pharmacies between those that offer advanced drug management requiring highly specialized knowledge and those that offer health support functions that contribute to better pre-symptomatic illness and disease prevention in the community. We have pharmacies in all 47 prefectures in Japan.

We are creating pharmacies that are efficient, taking into account the different roles and functions various pharmacies will have when they open.

In charge of healthcare in local communities, located in areas of growing needs due to population growth

Hybrid pharmacies

Pharmacies that combine the elements of neighborhood pharmacies, which are in locations with convenient access, such as downtown areas or near train stations, with medical center-type pharmacies, which serve clusters of medical institutions. Hybrid pharmacies fill prescriptions from medical facilities across a relatively wide area, but also serve as a familiar healthcare hub for neighborhood residents and people commuting to work or school.



Responding to the shift from outpatient to at-home healthcare due to population aging

Pharmacies supporting at-home healthcare

In nearly all of our pharmacies, Nihon Chouzai has built a framework that allows pharmacists to provide at-home drug management and guidance services. Some of our pharmacies are also equipped with sterile dispensing rooms and clean benches for drugs that require such equipment, including intravenous solutions and injections.



Addressing advanced healthcare needs

Hospital-front pharmacies

Located in front of university hospitals and major regional hospitals that provide advanced healthcare, these pharmacies offer advanced healthcare in a wide range of clinical specialties. Large hospitals often prescribe drugs that require advanced pharmaceutical management, which calls for highly specialized knowledge and skills and the highest level of healthcare services.



Pharmacies with various functions

The Vision of Pharmacies for Patients announced by the Ministry of Health, Labor and Welfare (MHLW) set forth concrete functions required of pharmacists and pharmacies going forward. In August 2021, MHLW began certifying pharmacies as regional cooperation pharmacies and specialized medical institution cooperation pharmacies. Under this system, Nihon Chouzai is developing a network of pharmacies offering an array of other functions as well. These include health support pharmacies, which offer consultation on a wide range of health-related issues; certified Nutrition Care Stations, where local residents can easily receive nutritional care support and guidance; and pharmacies equipped with a Health Check-Up Station, a distinctive initiative of Nihon Chouzai to help local residents stay healthy and to deal with pre-symptomatic illness and disease prevention.

Specialized medical institution cooperation pharmacies

61 pharmacies / 205 pharmacies nationwide

Pharmacies, authorized by prefectural governors, that cooperate closely with other healthcare facilities to serve patients who require specialized drug management. These pharmacies also engage in special kinds of dispensing that call for more advanced drug management and greater specialization. Currently, pharmacies with a high degree of expertise in oncology treatment can receive this accreditation.

Regional cooperation pharmacies

508 pharmacies / 4,297 pharmacies nationwide

Pharmacies, authorized by prefectural governors, that collaborate as needed with regional medical institutions and other pharmacies, serving as bridges between hospitals (medical care) and long-term care facilities or residences (long-term care).

Health Support Pharmacies

214 pharmacies

Pharmacies meeting health support standards established by the Ministry of Health, Labour and Welfare that have functions to actively support local residents and patients so that they can lead healthy and abundant lives.

Certified Nutrition Care Stations

20 pharmacies

Facilities certified by the Japan Dietetic Association as a community hub where local residents can easily receive nutritional care support and guidance. Through services such as nutrition consultations, health events, and nutrition classes, registered dietitians support residents in leading healthy and fulfilling lives.

*Number of Nihon Chouzai pharmacies is as of November 1, 2024.
Number of pharmacies nationwide is as of the end of September 2024.

Cultivating High-Caliber Pharmacists

Highly specialized pharmacists

Pharmacist education at Nihon Chouzai is based on a curriculum that is the top of its class in the industry.

Taking for granted the need to acquire adequate knowledge and skills related to pharmaceuticals, we see the basic approach to patients as a healthcare provider, the ability to communicate with patients, and the ability to manage pharmacy operations as equally essential skills. Under our robust training system, we are working to cultivate pharmacists of a high caliber.

Pharmacists

3,843

Pharmacists with in-house
disease-specific certification

Oncology: 47, etc.

(As of May 1, 2024)

Total 116

Pharmacists with outside certification
Board-Certified Pharmacist of
Ambulatory Cancer Chemotherapy
(BPACC)

85*

(As of October 1, 2024)

Percentage of
pharmacies with family
pharmacists

89%

*Around 25% of all BPACC certified pharmacists working in pharmacies are from the Nihon Chouzai Group. This is the highest percentage in the pharmacy sector.

Hospital Field Education

With the aim of fortifying collaboration between hospitals and pharmacies and improving the professional skills of pharmacists, we have introduced a program of practical training at university hospitals nationwide.

Pharmacists can gain a broad perspective and specialized knowledge by working in various healthcare settings, such as in dispensing, injection, and formulation rooms, doing work involving mixed injections, and engaging in drug information, ward duty, and pharmaceutical affairs operations. Field education at university hospitals helps pharmacists hone their personal skills and gives them experience that they can also apply to pharmacy work.

Support Framework with Outside Certification Team

We have established an in-house team to take the lead in supporting the greater acquisition of the pharmacist and specialty pharmacist certification of various academic societies. Amid growing expectations for pharmacists to have a high degree of expertise, including the ability to collaborate with specialized medical institutions, Nihon Chouzai is focusing on enhancing expertise in oncology care. As part of this emphasis, we have formed a team to encourage the acquisition of certification in outpatient oncology, palliative drug therapy, and regional drug care with a specialization in cancer.

Expertise Specializing in At-Home Healthcare

Specialized at-home
healthcare managers
(Pharmacists)

12

Head office at-home healthcare
specialist managing supervisors
(Pharmacists)

3

Specialized at-home healthcare managers are pharmacists with extensive experience in at-home care. In addition to promoting and coordinating such care in various local communities, they are responsible for staff training, so that Nihon Chouzai pharmacies can become the choice of multiple stakeholders, including staff from local at-home care clinics, home-visit nursing stations, care managers, and hospital community liaison office staff. Our pharmacies specializing in at-home care also strive to maintain and foster appropriate operations in conformity with ISO 9001 quality management system standards, ensuring the systematic ability to meet a wide range of needs.

Improving Hospitality at Pharmacies

Because we have numerous opportunities to interact with patients on a day-to-day basis, hospitality is a central focus at Nihon Chouzai. By ensuring that our pharmacists know how to closely engage with patients, we strive daily to alleviate patient anxiety and enable customers to visit our pharmacies without worry.

Patient Interaction Training

In this training, internal staff who are dedicated to customer satisfaction hold lectures and provide customer service training, teaching participants how to think from a patient-centered perspective and acquire the communication skills expected of healthcare professionals. In addition to pharmacists, medical office workers and registered dietitians also take part in training to learn effective approaches to engaging closely with patients.

Drawing on social style theory, the training teaches participants how to interact with individual patients appropriately, based on their particular communication style, thus striving to be even more hospitable.

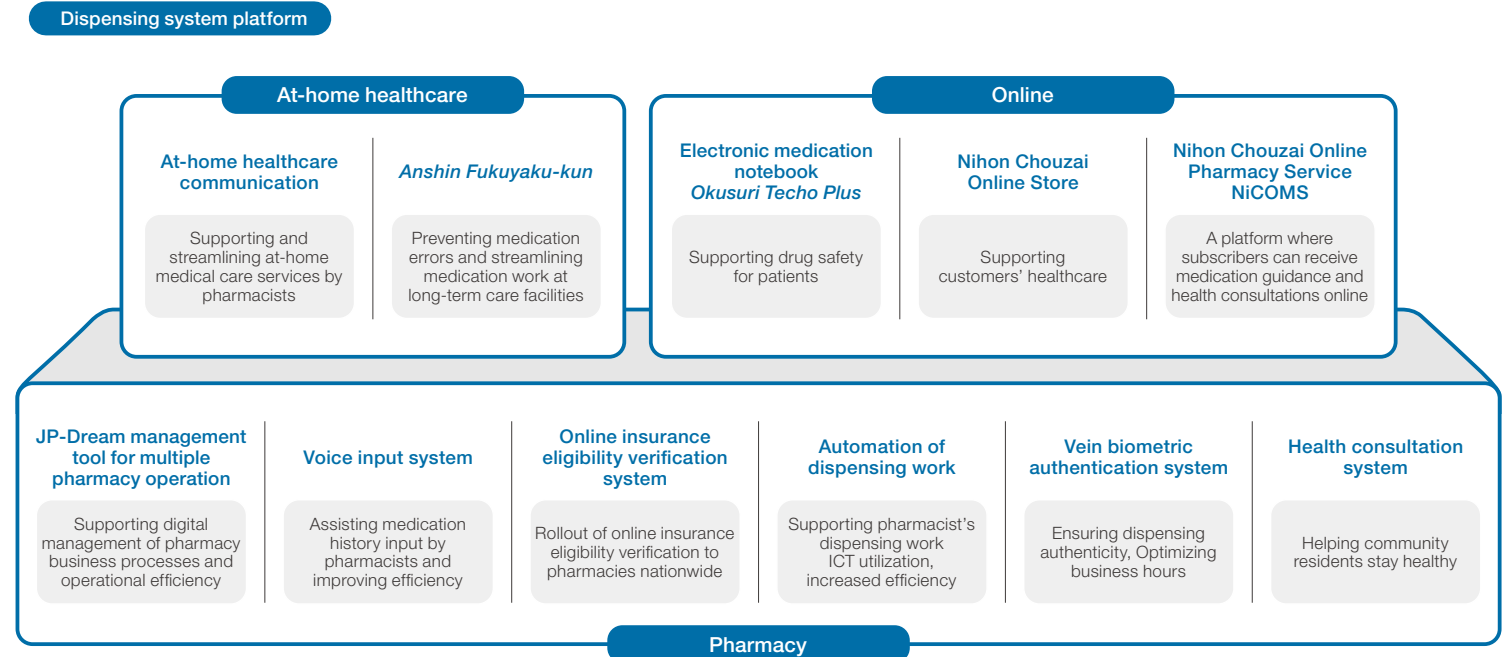


Efforts to Achieve the Digital Transformation of Healthcare

ICT Investment under the Digital Transformation Strategy

Nihon Chouzai develops and operates various ICT tools for healthcare in-house, centered on the dispensing systems used in pharmacy operations.

In the 1990s, we were first in the industry to develop an electronic dispensing system. Yearly upgrades to the system have enabled us to respond quickly to dispensing fee revision and the shift toward remote healthcare. The system also serves as a platform that can flexibly link with other systems. Moreover, in 2021, we started an overhaul of the dispensing system to support the expanded roles expected of pharmacies down the road. In addition to revamping the user interface, we are targeting a system design that will enable a more flexible response to upcoming digital transformation and deregulation in healthcare fields. We are positioning this overhaul as a growth investment with a view to future business development and expansion of the business scale.



Automation of dispensing work

While promoting efficiency through automation, we are creating more time for pharmacists to devote to patient-centered work and improving the quality of healthcare services.

Purpose	Name of tool	Drug Stations	ROBO-PICK II	DimeRoll	miniAQUA-zero	Pharmacies with dispensing robots 110 *As of May 2024	Reduction in work hours 233,000 hours
	Application	Fully automated blister pack feeding device	Automated drug picking device	Powder medication dispensing robot	Liquid medication dispensing machine		
	Functions/Features	Up to 3,000 items	Up to 1,300 items	Automatic weighing, cleaning	Automatic dispensing, cleaning		

FINDAT business

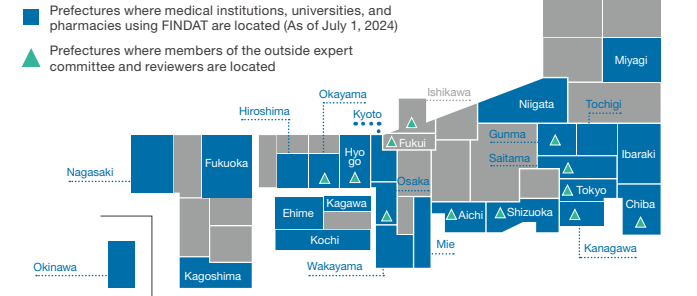
Business Overview

Accelerating Digital Transformation of Healthcare with the Web-Based FINDAT Platform

FINDAT is a drug information web platform for medical professionals. FINDAT gathers drug information from an extensive range of data sources in Japan and overseas, such as original articles, drug databases, and regulatory guidelines, processes these data to enhance use at clinical sites, and provides them online. FINDAT can respond to a wide range of social needs, and it is gaining a solid reputation, making inroads among a growing number of pharmacies that carry out advanced healthcare and at-home care as well as pharmacology educational institutions. In addition, the Japanese government's 4th Healthcare Cost Optimization Plan (2024-2029) clearly calls for the use of formularies to promote the use of generic drugs. We anticipate reductions in drug costs by means of prescription analysis using the formularies of prefectures and insurers.



FINDAT Spreads Nationwide Since 2020 Service Launch



Demand from Society

Hospital administrators

Cost reductions, medical safety, strengthening regional collaboration, working style reform for doctors, and other management issues

Healthcare professionals

Improving efficiency in collecting and evaluating vast amounts of drug information, standardizing work for the shift to task sharing

Pharmacies

Comprehensive, accurate drug information for advanced healthcare, refill prescriptions and advanced pharmacy management

Educational institutions

Cultivating the next generation of medical professionals

Prefectures, insurers

Visualization of generic drug use and reduction of drug costs through formulary-based prescription analysis

Value Provided by FINDAT

● Managing drugs that have been adopted and creating formularies

Formularies are recommended lists of homologous drugs prepared and offered by FINDAT. They can be created efficiently by processing data according to the situation of each medical institution or region.

● Comparing efficacy, safety, and cost-effectiveness of homologous drugs

Comparisons of similar drugs with similar efficacy provided by FINDAT are created using data on the efficacy, safety, and cost-effectiveness of the drugs gathered from a wide range of sources including package inserts, interview forms, original articles, secondary information databases, and various regulatory guidelines. FINDAT compiles these data into a table or other formats to compare and evaluate individual drugs.

● More efficient data gathering when adopting new drugs

We gather and evaluate information on newly approved drugs that place a burden on medical institutions, and compile the information into materials that are easy to use in clinical settings.

● Optimization of drug purchasing costs

Utilizing the abovementioned materials on drug evaluation in terms of efficacy, safety, and cost-effectiveness provided by FINDAT, customers can narrow down the range of drugs to use and decide whether to adopt a new drug. In this way, FINDAT contributes to the optimization of drug purchasing costs.

● Objective data reviewed and peer-reviewed by outside experts

Standardized formularies are published after being reviewed and approved by the Formulary Expert Review Committee. New drug evaluations and additional indications are published after being peer-reviewed by outside pharmacists who are active in clinical practice. This ensures the fairness and appropriateness of information.

● Promoting proper medication use and enhancing medical safety

By providing information on proper medication use as well as the latest drug safety information, FINDAT promotes the proper use of drugs, contributing to enhanced medical safety.

Strategies

1 Improving user satisfaction

- To improve user satisfaction, we will create content tailored to customer needs, provide individualized approaches, and hold user seminars.

2 Developing new channels

- We aim to capture new customers by co-hosting academic workshops and through academic exhibitions, web seminars, and our corporate website.

3 Developing new markets

- **Pharmacies, at-home medical treatment**
We will roll out FINDAT to all Nihon Chouzai pharmacies and then target other pharmacies by leveraging its use in our pharmacies and in at-home medical treatment.
- **Prefectures, insurers**
Working with Japan Medical Research Institute, we will help promote the use of generic drugs by prefectures and insurers by visualizing such use and reducing drug costs through formulary-based prescription analysis.

Case Study Interview

Cancer Institute Hospital of JFCR

Boosting Efficiency by Tapping into the Distinctive Drug Information Services of a Specialized Hospital, Carefully Selecting Drugs of Choice

The Cancer Institute Hospital of the Japanese Foundation for Cancer Research decided to introduce FINDAT to be able to create formularies while carrying out highly busy daily hospital operations. Patients often visit this hospital from far away. FINDAT is proving to be a reliable source of information for the hospital's distinctive drug information services as well as for preparing materials for its pharmaceutical council. We spoke with Dr. Masakazu Yamaguchi, director of the hospital's Pharmacy Department, and Dr. Yasuhiro Nakano about how the hospital, which specializes in oncology, is making use of FINDAT.



Dr. Masakazu Yamaguchi
Director of Pharmacy Department

Dr. Yasuhiro Nakano
Pharmacy Department

Introducing FINDAT has made it possible to move forward with creating formularies

Q Please tell us how you came to introduce FINDAT at the hospital and what your impressions were at the time.

Dr. Yamaguchi I'd heard reports from other hospitals that had adopted FINDAT, so in July 2021 I received an explanation about the platform together with a staff member from the Drug Information Office.

After a trial use, we officially rolled out the platform in May 2022.

Dr. Nakano One of my annual goals every year was to create a formulary. But all of our staff members have multiple responsibilities and are very busy, so in practice it was difficult for me to create a formulary on my own. But after hearing the explanation about FINDAT, I thought, "If standard formularies have been developed to this extent, maybe we can finally create our own in-house formularies."

Q What was the reaction from other departments when you decided to introduce FINDAT?

Dr. Yamaguchi Our hospital has a committee in which the various departments give explanations and make budget requests for equipment maintenance and new system purchases for the coming fiscal year, and I included the FINDAT platform on the list for the Pharmacy Department. When I did, the doctors on the committee said, "As a hospital, don't we actually need this kind of system?" The response to FINDAT was much more positive than I'd expected, so the rollout went ahead smoothly.

Q Who uses FINDAT at your hospital and how do they use it?

Dr. Nakano Both pharmacists like me who work in the Pharmacy Department in charge of drug information services and pharmacists who work in the wards use FINDAT on a daily basis. As a hospital that specializes in oncology, our patients don't just come from the greater Tokyo metropolitan area—many travel from quite far away, and they bring a wide array of medications with them. If we simply purchased ad hoc all the drugs patients bring with them, we would quickly build up a huge volume of obsolete stock. So, we often suggest alternative drugs. That's where FINDAT comes in handy.

Q What areas do you frequently propose alternative drugs for, and in what ways do you use the platform?

Dr. Nakano Most often, we use the platform when we want to switch out drugs prescribed for patients' existing illnesses to the drugs we use at the hospital. Patients have often taken certain medications over a long period of time, and many want to continue taking the medications even after being admitted to our hospital.

But in many cases, the drugs patients bring with them are not what we use here. So, our pharmacists have to explain to doctors and their patients that the alternative drugs can be used without any problems. The information we get from FINDAT serves to back up such explanations, helping pharmacists make their case. The platform contains a compilation of evidence that has been carefully screened, and I feel this helps pharmacists have confidence and be more persuasive when giving explanations.

Creating in-house formularies by therapeutic class to support standardized treatments

Q What kind of progress are you making regarding the creation of formularies, which was an initial challenge?

Dr. Nakano Using FINDAT, we have created formularies for insulin preparations and HMG-CoA reductase inhibitors*, and have publicized these throughout the hospital by posting them in the electronic medical records.

Dr. Yamaguchi We're a hospital that specializes in oncology treatment. So, we are taking advantage of the formularies to standardize treatment in other areas. If this results in a reduction in the amount of discarded drugs, I believe this will also satisfy the original purpose of the formularies.

Hope for FINDAT to play a greater role as a trusted third party

Q Are there any situations in which FINDAT can be useful in the oncology field?

Dr. Nakano New research results are constantly emerging in oncology and information is updated rapidly. So, it might be difficult for FINDAT to handle information beyond what is publicly available.

However, I think most FINDAT users access the platform because they want to know the clinical status of drugs.

For example, with FINDAT, we were able to confirm how much data was available about the usefulness of a newly developed anticancer drug and, conversely, what kind of data was not available. In terms of a drug's efficacy, being able to confirm when there is no data available is also very important in providing evidence-based treatment.

Q Finally, please tell us what you expect from FINDAT going forward.

Dr. Nakano I think if pharmacists can hone their ability to check drugs by using objective, neutral opinions and knowledge provided by a third-party organization like FINDAT, independent of regulatory authorities, this could help raise the quality of drugs in general.

*HMG-CoA reductase inhibitors: Drugs that suppress cholesterol synthesis in the liver, primarily lowering the amount of LDL cholesterol in the blood and preventing arteriosclerosis.

Full text of the interview (Japanese only)

<https://info.findat.jp/case/>