



# **Financial Results Briefing for the Second Quarter of Fiscal Year Ending May 2025**

KUSURI NO AOKI HOLDINGS CO., LTD.

(TSE Prime Section Code 3549)

January 8, 2025

Hironori Aoki

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**Summary of Financial Results for the First Half of the Fiscal Year Ending May 2025 and Earnings Forecast for the Fiscal Year Ending May 2025**

2

**Progress Status of the Third Medium-term Management Plan (for five years)**

# 1

**Summary of Financial Results for the First Half of the Fiscal Year Ending May 2025 and Earnings Forecast for the Fiscal Year Ending May 2025**

## 1

**Summary of Financial Results for the First Half of the Fiscal Year Ending May 2025**

## 2

**Earnings Forecast for the Fiscal Year Ending May 2025**

# Store Opening/Closing Results



	No. of stores at end of FY May 2024	Store opening and closing results First half of FY May 2025									No. of stores at end of 1H FY May 2025
		Hokushinetsu	Tohoku	Kanto	Tokai	Kansai	Shikoku	Opening total	M&A (SM)	Closing	
[1] Drugstores	936	5	1	3	2	1	3	15	-	-	951
[2] Attached dispensing pharmacies	594	13	6	9	7	5	0	40	-	-	634
[3] Dispensing pharmacies	6	-	-	-	-	-	-	-	-	-	6
[4] Other (SM)	11	-	-	-	-	-	-	-	9	2	18
Total number of stores ([1]+[3]+[4])	953	5	1	3	2	1	3	15	9	2	975

\* Ratio of stores with dispensaries is calculated based on the number of drugstores (excluding SM and dispensing pharmacies).

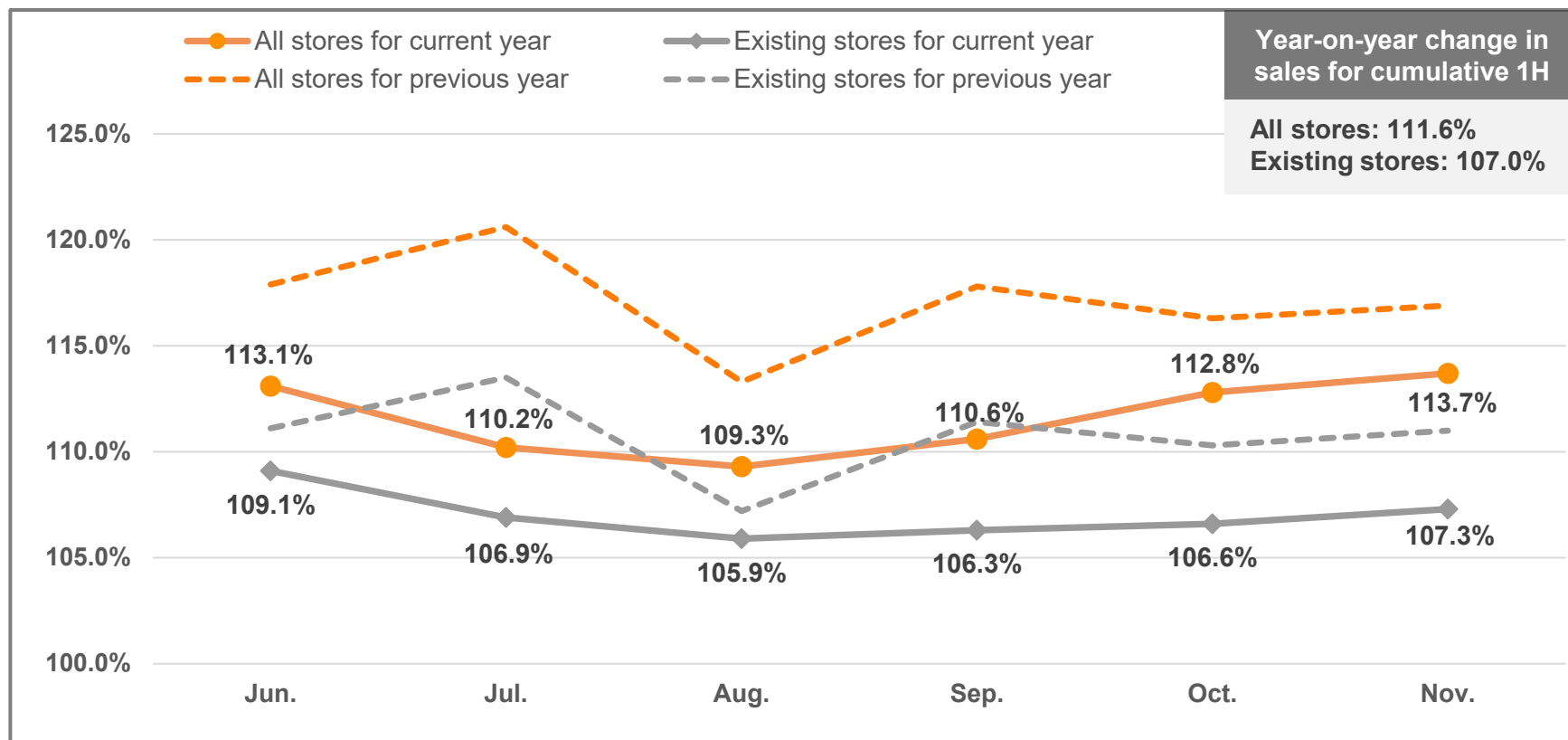
**Ratio of stores with dispensaries**

**66.7%**

## Point

- Number of stores opened in the first half of FY ending May 2025: 15
- Number of dispensing pharmacies newly opened in the first half of FY ending May 2025: 40 pharmacies. The ratio of stores with dispensaries is 66.7%. (The ratio of stores with dispensaries at the end of FY ending May 2024 is 63.5%.)
- 9 supermarket stores acquired by M&A: 4 stores of Guts (Chiba), and 5 stores of Mūmie (Kagawa).
- Closing of 2 stores is not owing to non-profitability, but for the purpose of changeover from supermarkets to drugstores.

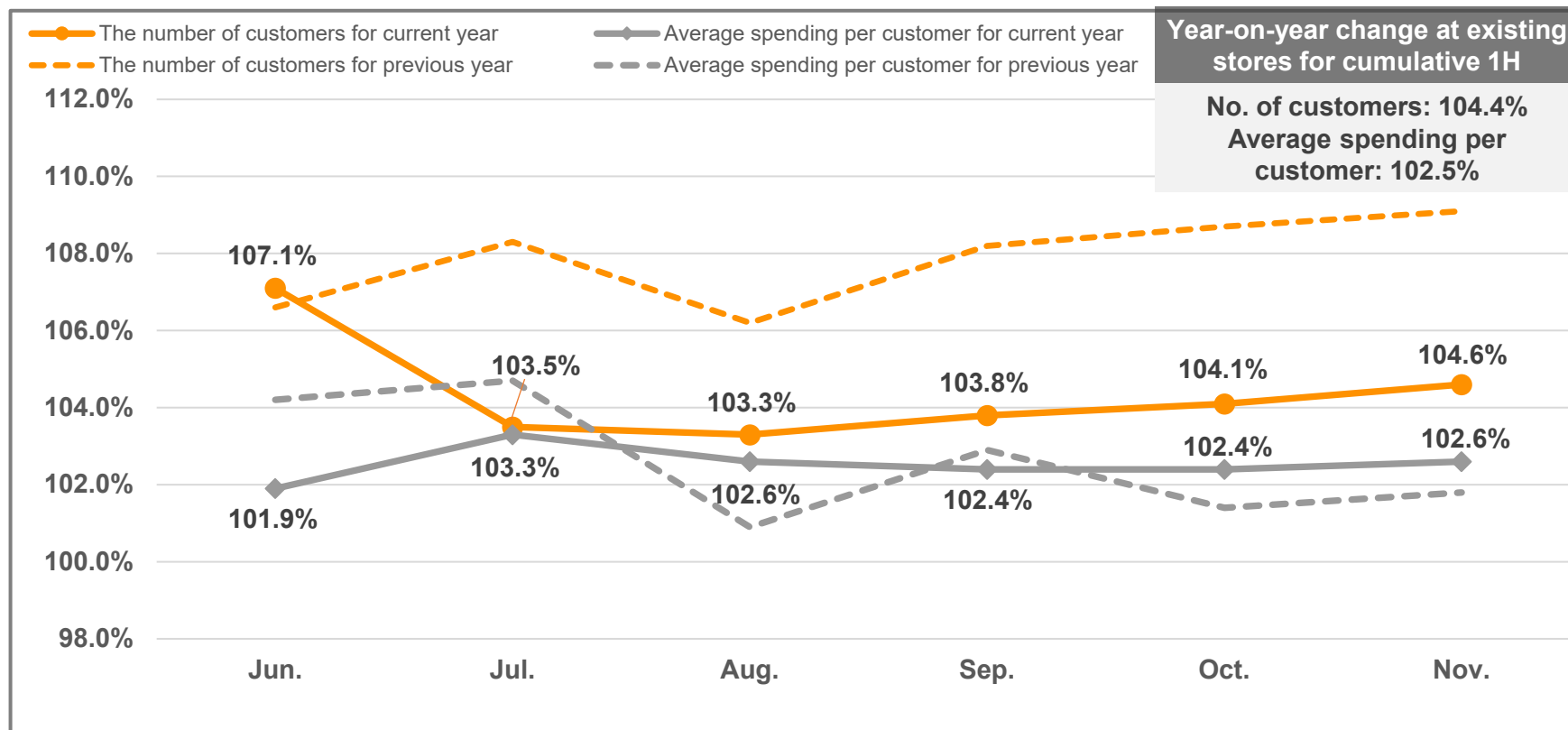
# Year-on-Year Change in Sales by the Month



## Point

- Existing stores showed strong performance following the remodeling for introducing fresh food as well as EDLP measures.
- Seasonal goods did well due to the hot summer and lingering heat.

# Year-on-Year Change in the Number of Customers and Average Spending per Customer by the Month at Existing Stores



## Point

- The number of customers increased substantially following the remodeling for introducing fresh food as well as EDLP measures at existing stores.

# Consolidated Profit and Loss Statement (Year-on-Year Change)



	FY May 2024		FY May 2025		
	1H results		1H results		
	Million yen	Sales ratio	Million yen	Sales ratio	YoY change
Sales	215,622	100.0%	242,826	100.0%	112.6%
Gross profit	58,836	27.3%	64,356	26.5%	109.4%
SGA expenses	52,016	24.1%	51,704	21.3%	99.4%
Operating income	6,820	3.2%	12,651	5.2%	185.5%
Ordinary income	6,983	3.2%	12,911	5.3%	184.9%
Net income	3,422	1.6%	8,622	3.6%	252.0%

## Point

Sales: 112.6% year-on-year

Gross profit margin: -0.8pt year-on-year

SGA ratio: -2.8pt year-on-year (Labor cost includes stock-based compensation expense: 6,015 million yen in FY ended May 2024 and 392 million yen in FY ending May 2025.)

Operating income margin: +2.0pt year-on-year

# Consolidated Profit and Loss Statement (Year-on-Year Change)



\*Excluding stock-based compensation expense

	FY May 2024		FY May 2025		
	Reference: 1H results (excluding stock-based compensation expense)		Reference: 1H results (excluding stock-based compensation expense)		
	Million yen	Sales ratio	Million yen	Sales ratio	YoY change
Sales	215,622	100.0%	242,826	100.0%	112.6%
Gross profit	58,836	27.3%	64,356	26.5%	109.4%
SGA expenses	46,000	21.3%	51,311	21.1%	111.5%
Operating income	12,836	6.0%	13,044	5.4%	101.6%
Ordinary income	12,999	6.0%	13,304	5.5%	102.3%
Net income	9,438	4.4%	9,015	3.7%	95.5%

## Point

Sales: 112.6% year-on-year

Gross profit margin: -0.8pt year-on-year

SGA ratio: -0.2pt year-on-year (excluding stock-based compensation expense)

Operating income margin: +0.6pt year-on-year (excluding stock-based compensation expense)



# Consolidated Profit and Loss Statement (versus Plan)



	FY May 2025		FY May 2025		
	1H plan		1H results		
	Million yen	Sales ratio	Million yen	Sales ratio	vs. Plan
Sales	240,000	100.0%	242,826	100.0%	101.2%
Gross profit	63,971	26.7%	64,356	26.5%	100.6%
SGA expenses	51,864	21.6%	51,704	21.3%	99.7%
Operating income	12,107	5.0%	12,651	5.2%	104.5%
Ordinary income	12,307	5.1%	12,911	5.3%	104.9%
Net income	9,037	3.8%	8,622	3.6%	95.4%

## Point

Sales: 101.2% vs Plan

Gross profit margin: -0.2pt vs Plan

SGA ratio: -0.3pt vs Plan

Operating income margin: +0.2pt vs Plan

# Consolidated Profit and Loss Statement (versus Plan)

\*Excluding stock-based compensation expense



	FY May 2025		FY May 2025		
	Reference: 1H plan (excluding stock-based compensation expense)		Reference: 1H results (excluding stock-based compensation expense)		
	Million yen	Sales ratio	Million yen	Sales ratio	vs. Plan
Sales	240,000	100.0%	242,826	100.0%	101.2%
Gross profit	63,971	26.7%	64,356	26.5%	100.6%
SGA expenses	51,471	21.4%	51,311	21.1%	99.7%
Operating income	12,500	5.2%	13,044	5.4%	104.4%
Ordinary income	12,700	5.3%	13,304	5.5%	104.8%
Net income	9,430	3.9%	9,015	3.7%	95.6%

## Point

Sales: 101.2% vs Plan

Gross profit margin: -0.2pt vs Plan

SGA ratio: -0.3pt vs Plan (excluding stock-based compensation expense)

Operating income margin: +0.2pt vs Plan (excluding stock-based compensation expense)

	FY May 2024				FY May 2025				
	1H results				1H results				
	Million yen	Composition ratio	Number of stores	Ratio of stores with dispensaries	Million yen	Composition ratio	YoY change	Number of stores	Ratio of stores with dispensaries
Hokushinetsu	99,255	46.0%	364	70.0%	105,342	43.4%	106.1%	378	71.4%
Tohoku	14,544	6.8%	64	56.3%	16,940	7.0%	116.5%	67	74.6%
Kanto	50,647	23.5%	257	57.6%	57,265	23.6%	113.1%	269	63.4%
Tokai	35,436	16.4%	161	54.0%	39,942	16.4%	112.7%	167	58.4%
Kansai	15,737	7.3%	72	63.9%	19,229	7.9%	122.2%	79	68.4%
Shikoku	-	-	-	-	4,105	1.7%	-	15	0.0%
Total	215,622	100.0%	918	62.2%	242,826	100.0%	112.6%	975	66.7%

\* Ratio of stores with dispensaries is calculated based on the number of drugstores (excluding SM and dispensing pharmacies).

#### Point

- Sales composition ratio of new areas (except for Hokushinetsu) increased to 56.6%, up 2.6%, from 54.0% in the previous year.
- Sales remained strong in all areas.



	FY May 2024		FY May 2025			
	1H results		1H results			
	Million yen	Composition ratio	Million yen	Composition ratio	Difference in composition ratio	YoY change
Health	20,730	9.6%	21,225	8.7%	-0.9%	102.4%
Beauty	28,415	13.2%	30,563	12.6%	-0.6%	107.6%
Daily commodities	41,042	19.0%	44,593	18.4%	-0.6%	108.7%
Food	102,952	47.8%	121,382	50.0%	2.2%	117.9%
Dispensing	22,480	10.4%	25,061	10.3%	-0.1%	111.5%
Total	215,622	100.0%	242,826	100.0%	-	112.6%

## Point

- Growth rate of health category sales was sluggish due to spread of cold medicines, reduced demand for masks, etc.
- Sales of season-specific products were favorable due to the hot summer and lingering heat.
- The food sales composition ratio increased thanks to the strengthened fresh food sales.

## Results of SGA Expenses (Year-on-Year Change)



	FY May 2024		FY May 2025		
	1H results		1H results		
	Million yen	Sales ratio	Million yen	Sales ratio	YoY change
Labor cost	25,654	11.9%	22,675	9.3%	88.4%
Sales promotion cost	1,347	0.6%	1,353	0.6%	100.4%
Real estate cost	14,397	6.7%	15,769	6.5%	109.5%
Other expenses	10,616	4.9%	11,906	4.9%	112.2%
SGA expenses	52,016	24.1%	51,704	21.3%	99.4%

### Point

Labor cost ratio: -2.6pt year-on-year  
 Sales promotion cost ratio:  $\pm 0.0$ pt year-on-year  
 Real estate cost ratio: -0.2pt year-on-year  
 Other expenses ratio:  $\pm 0.0$ pt year-on-year

## Results of SGA Expenses (Year-on-Year Change)

\*Excluding stock-based compensation expense



	FY May 2024		FY May 2025		
	Reference: 1H results (excluding stock-based compensation expense)		Reference: 1H results (excluding stock-based compensation expense)		
	Million yen	Sales ratio	Million yen	Sales ratio	YoY change
Labor cost	19,639	9.1%	22,282	9.2%	113.5%
Sales promotion cost	1,347	0.6%	1,353	0.6%	100.4%
Real estate cost	14,397	6.7%	15,769	6.5%	109.5%
Other expenses	10,616	4.9%	11,906	4.9%	112.1%
SGA expenses	46,000	21.3%	51,311	21.1%	111.5%

### Point

Labor cost ratio: +0.1pt year-on-year (excluding stock-based compensation expense)

Sales promotion cost ratio: ±0.0pt year-on-year

Real estate cost ratio: -0.2pt year-on-year

Other expenses ratio: ±0.0pt year-on-year

## Results of SGA Expenses (versus Plan)



	FY May 2025		FY May 2025		
	1H plan		1H results		
	Million yen	Sales ratio	Million yen	Sales ratio	vs. Plan
Labor cost	23,007	9.6%	22,675	9.3%	98.6%
Sales promotion cost	1,497	0.6%	1,353	0.6%	90.4%
Real estate cost	16,022	6.7%	15,769	6.5%	98.4%
Other expenses	11,336	4.7%	11,906	4.9%	105.0%
SGA expenses	51,864	21.6%	51,704	21.3%	99.7%

### Point

Labor cost ratio: -0.3pt vs Plan  
 Sales promotion cost ratio:  $\pm 0.0$ pt vs Plan  
 Real estate cost ratio: -0.2pt vs Plan  
 Other expenses ratio: +0.2pt vs Plan

## Results of SGA Expenses (versus Plan)

\*Excluding stock-based compensation expense



	FY May 2025		FY May 2025		
	Reference: 1H plan (excluding stock-based compensation expense)		Reference: 1H results (excluding stock-based compensation expense)		
	Million yen	Sales ratio	Million yen	Sales ratio	vs. Plan
Labor cost	22,615	9.4%	22,283	9.2%	98.5%
Sales promotion cost	1,497	0.6%	1,353	0.6%	90.4%
Real estate cost	16,022	6.7%	15,769	6.5%	98.4%
Other expenses	11,336	4.7%	11,906	4.9%	105.0%
SGA expenses	51,471	21.4%	51,312	21.1%	99.7%

### Point

Labor cost ratio: -0.2pt vs Plan (excluding stock-based compensation expense)

Sales promotion cost ratio:  $\pm 0.0$ pt vs Plan

Real estate cost ratio: -0.2pt vs Plan

Other expenses ratio: +0.2pt vs Plan



# Consolidated Balance Sheet



			As of May 20, 2024		As of November 20, 2024			
			Million yen	Composition ratio	Million yen	Composition ratio	Change from May 20, 2024	Increase/Decrease
Assets		Cash and deposits	49,125	16.2%	77,038	22.1%	156.8%	27,913
		Inventory assets	47,792	15.7%	52,201	15.0%	109.2%	4,409
		<b>Current assets</b>	<b>125,787</b>	<b>41.5%</b>	<b>162,717</b>	<b>46.8%</b>	<b>129.4%</b>	<b>36,930</b>
		Tangible fixed assets	148,054	48.8%	153,886	44.2%	103.9%	5,832
		Intangible fixed assets	7,842	2.6%	9,451	2.7%	120.5%	1,609
		<b>Non-current assets</b>	<b>177,665</b>	<b>58.5%</b>	<b>185,237</b>	<b>53.2%</b>	<b>104.3%</b>	<b>7,572</b>
		<b>Assets</b>	<b>303,453</b>	<b>100.0%</b>	<b>347,955</b>	<b>100.0%</b>	<b>114.7%</b>	<b>44,502</b>
Liabilities and net assets		Notes and accounts payable	54,242	17.9%	59,849	17.2%	110.3%	5,607
		Current portion of long-term loans payable	12,264	4.0%	14,609	4.2%	119.1%	2,345
		Current portion of lease obligations	2,372	0.8%	2,391	0.7%	100.8%	19
		<b>Current liabilities</b>	<b>98,050</b>	<b>32.3%</b>	<b>99,995</b>	<b>28.7%</b>	<b>102.0%</b>	<b>1,945</b>
		Long-term loans payable	70,795	23.3%	83,424	24.0%	117.8%	12,629
		Lease obligations	6,398	2.1%	6,229	1.8%	97.4%	-169
		<b>Non-current liabilities</b>	<b>87,982</b>	<b>29.0%</b>	<b>99,564</b>	<b>28.6%</b>	<b>113.2%</b>	<b>11,582</b>
		<b>Net assets</b>	<b>117,420</b>	<b>38.7%</b>	<b>148,395</b>	<b>42.6%</b>	<b>126.4%</b>	<b>30,975</b>
		<b>Liabilities and net assets</b>	<b>303,453</b>	<b>100.0%</b>	<b>347,955</b>	<b>100.0%</b>	<b>114.7%</b>	<b>44,502</b>

(Million yen)

	FY May 2024/1H	FY May 2025/1H	Increase/ Decrease
Cash flows from operating activities	14,812	11,210	-3,602
Cash flows from investing activities	-11,567	-10,889	678
Cash flows from financing activities	-4,227	27,743	31,970
Cash and cash equivalents at the end of the period	41,888	77,038	35,150
Free cash flow	3,245	321	-2,924



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## **Summary of Financial Results for the First Half of the Fiscal Year Ending May 2025 and Earnings Forecast for the Fiscal Year Ending May 2025**

### | 1

**Summary of Financial Results for the First Half of the Fiscal Year Ending May 2025**

### | 2

**Earnings Forecast for the Fiscal Year Ending May 2025**

# Store Opening/Closing Plan



	No. of stores at end of FY May 2024	Store opening and closing plan FY May 2025									No. of stores at end of FY May 2025
		Hokushinetsu	Tohoku	Kanto	Tokai	Kansai	Shikoku	Opening total	M&A (SM)	Closing	
[1] Drugstores	936	19	6	11	21	6	7	70	-	-	1,006
[2] Attached dispensing pharmacies	594	17	8	21	16	6	2	70	-	-	664
[3] Dispensing pharmacies	6	-	-	-	-	-	-	-	-	-	6
[4] Other (SM)	11	-	-	-	-	-	-	-	11	16	6
Total number of stores ([1]+[3]+[4])	953	19	6	11	21	6	7	70	11	16	1,018

\* Ratio of stores with dispensaries is calculated based on the number of drugstores (excluding SM and dispensing pharmacies).

**Ratio of stores with  
dispensaries at FY end**

**66.0%**

## Point

- 70 stores are planned to be opened.
- 70 dispensing pharmacies are to be opened. (The ratio of stores with dispensaries at the FY end is expected to reach 66.0%.)
- Regarding 11 supermarket stores acquired by M&A, Kimuraya (Chiba) was absorbed and merged on August 21, and Mūmie (Kagawa) was transferred on September 30. 4 stores of Kimuraya and 7 stores of Mūmie have been acquired.
- Three cases of M&A announced on December 5 (for Happy Terada, Super Yoshimura and Hustle, and Fushimiya Group) are not included.



	FY May 2024			FY May 2025			
	Full-year results (Million yen)			Full-year plan (Million yen)			
	Acquisition	Lease assets	Total	Acquisition	Lease assets	Total	YoY change
Store investment (New opening)	11,189	1,154	12,343	18,972	2,295	21,267	172.3%
Store investment (Renovation)	1,961	-	1,961	1,526	-	1,526	77.8%
System investment	423	-	423	207	-	207	48.9%
Other	7,515	437	7,952	6,081	-	6,081	76.5%
Total	21,088	1,591	22,679	26,786	2,295	29,081	128.2%

Depreciation	11,947	12,398
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\* Lease refers to the amount of lease asset worth 3 million yen or more.

\* Depreciation indicates the amount actually depreciated including those reclassified to non-operating expenses (rent cost).

\* Depreciation represents the amount excluding the portion associated with asset retirement obligations.



	FY May 2024		FY May 2025		
	Full-year results		Full-year plan		
	Million yen	Sales ratio	Million yen	Sales ratio	YoY change
Sales	436,875	100.0%	485,000	100.0%	111.0%
Gross profit	118,090	27.0%	128,786	26.6%	109.1%
SGA expenses	99,521	22.8%	103,679	21.4%	104.2%
Operating income	18,569	4.3%	25,107	5.2%	135.2%
Ordinary income	20,101	4.6%	25,607	5.3%	127.4%
Net income	12,307	2.8%	18,107	3.7%	147.1%

## Point

Sales: 111.0% year-on-year  
 Gross profit margin: -0.4pt year-on-year  
 SGA ratio: -1.4pt year-on-year  
 Operating income margin: +0.9pt year-on-year

# Full-Year Earnings Forecast (Excluding Stock-based Compensation Expense)



	FY May 2024		FY May 2025		
	Full-year results (excluding stock-based compensation expense)		Full-year plan (excluding stock-based compensation expense)		
	Million yen	Sales ratio	Million yen	Sales ratio	YoY change
Sales	436,875	100.0%	485,000	100.0%	111.0%
Gross profit	118,090	27.0%	128,786	26.6%	109.1%
SGA expenses	92,711	21.2%	103,286	21.3%	111.4%
Operating income	25,379	5.8%	25,500	5.3%	100.5%
Ordinary income	26,911	6.2%	26,000	5.4%	96.6%
Net income	19,117	4.4%	18,500	3.8%	96.8%

## Point

Sales: 111.0% year-on-year  
 Gross profit margin: -0.4pt year-on-year  
 SGA ratio: +0.1pt year-on-year  
 Operating income margin: -0.5pt year-on-year

	FY May 2024				FY May 2025				
	Full-year results				Full-year plan				
	Million yen	Composition ratio	Number of stores	Ratio of stores with dispensaries	Million yen	Composition ratio	YoY change	Number of stores	Ratio of stores with dispensaries
Hokushinetsu	199,343	45.6%	373	68.9%	210,650	43.4%	105.7%	392	69.9%
Tohoku	30,032	6.9%	66	66.7%	34,724	7.2%	115.6%	72	72.2%
Kanto	102,809	23.5%	262	60.7%	115,837	23.9%	112.7%	275	65.9%
Tokai	72,022	16.5%	165	54.9%	80,871	16.7%	112.3%	185	57.3%
Kansai	32,670	7.5%	78	62.8%	36,906	7.6%	113.0%	84	65.5%
Shikoku	-	-	9	-	6,007	1.2%	-	10	28.6%
Total	436,875	100.0%	953	63.5%	485,000	100.0%	111.0%	1018	66.0%

\* Ratio of stores with dispensaries is calculated based on the number of drugstores (excluding SM and dispensing pharmacies).

\* Regarding the Shikoku area in FY ended May 2024, Mamai Co., Ltd., from which we acquired their shares on March 1, was consolidated into our business as a subsidiary at the end of February, by the settlement of accounts ending May.  
Therefore, the number of stores is counted, but their sales have not been recorded.

#### Point

- Sales composition ratio of new areas, including Shikoku, is expected to increase by 2.2%, from 54.4% in FY ended May 2024 to 56.6% in FY ending May 2025.





	FY May 2024		FY May 2025			
	Full-year results		Full-year plan			
	Million yen	Composition ratio	Million yen	Composition ratio	Difference in composition ratio	YoY change
Health	42,140	9.6%	44,353	9.1%	-0.5%	105.3%
Beauty	56,187	12.9%	59,340	12.2%	-0.6%	105.6%
Daily commodities	80,977	18.5%	86,266	17.8%	-0.7%	106.5%
Food	211,401	48.4%	243,187	50.1%	1.8%	115.0%
Dispensing	46,168	10.6%	51,855	10.7%	0.1%	112.3%
Total	436,875	100.0%	485,000	100.0%	-	111.0%

#### Point

- Growth of food sales composition ratio is expected due to intensification of fresh food sales.

	FY May 2024		FY May 2025		
	Full-year results		Full-year plan		
	Million yen	Sales ratio	Million yen	Sales ratio	YoY change
Labor cost	46,328	10.6%	46,250	9.5%	99.8%
Sales promotion cost	2,788	0.6%	3,128	0.6%	112.2%
Real estate cost	29,533	6.8%	32,452	6.7%	109.9%
Other expenses	20,870	4.8%	21,850	4.5%	104.7%
SGA expenses	99,521	22.8%	103,679	21.4%	104.2%

## Point

- Labor cost includes stock-based compensation expense: 6,810 million yen in FY ended May 2024 and 392 million yen in FY ending May 2025.
- Reduction in “Other expenses” is expected due to our electricity cost saving efforts such as the use of energy-saving fixtures and the effect of solar power generation.

## SGA Plan (Excluding Stock-based Compensation Expense)



	FY May 2024		FY May 2025		
	Full-year results (excluding stock-based compensation expense)		Full-year plan (excluding stock-based compensation expense)		
	Million yen	Sales ratio	Million yen	Sales ratio	YoY change
Labor cost	39,518	9.0%	45,857	9.5%	116.0%
Sales promotion cost	2,788	0.6%	3,128	0.6%	112.2%
Real estate cost	29,533	6.8%	32,452	6.7%	109.9%
Other expenses	20,870	4.8%	21,850	4.5%	104.7%
SGA expenses	92,711	21.2%	103,286	21.3%	111.4%

### Point

- The labor cost ratio is expected to increase, while the SGA ratio is projected to remain stable.
- Reduction in “Other expenses” is expected due to our electricity cost saving efforts such as the use of energy-saving fixtures and the effect of solar power generation.

# 2

## **Progress Status of the Third Medium-term Management Plan (for five years)**

### **| 1**

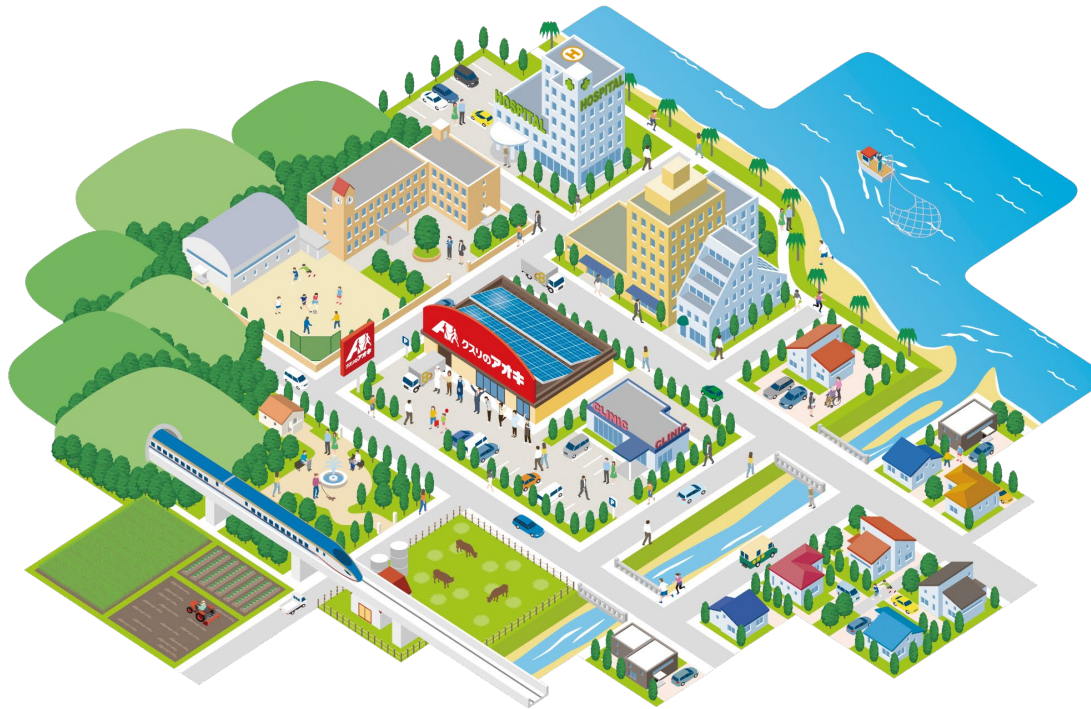
#### **Overview**

### **| 2**

#### **Results of Efforts Made for Three and a Half Years and Outlook for the Final Fiscal Year**

# Make Life More Convenient, Smile All the Times

Aiming to become a drugstore that supports “convenient life”  
and “health that makes you smile” in your town

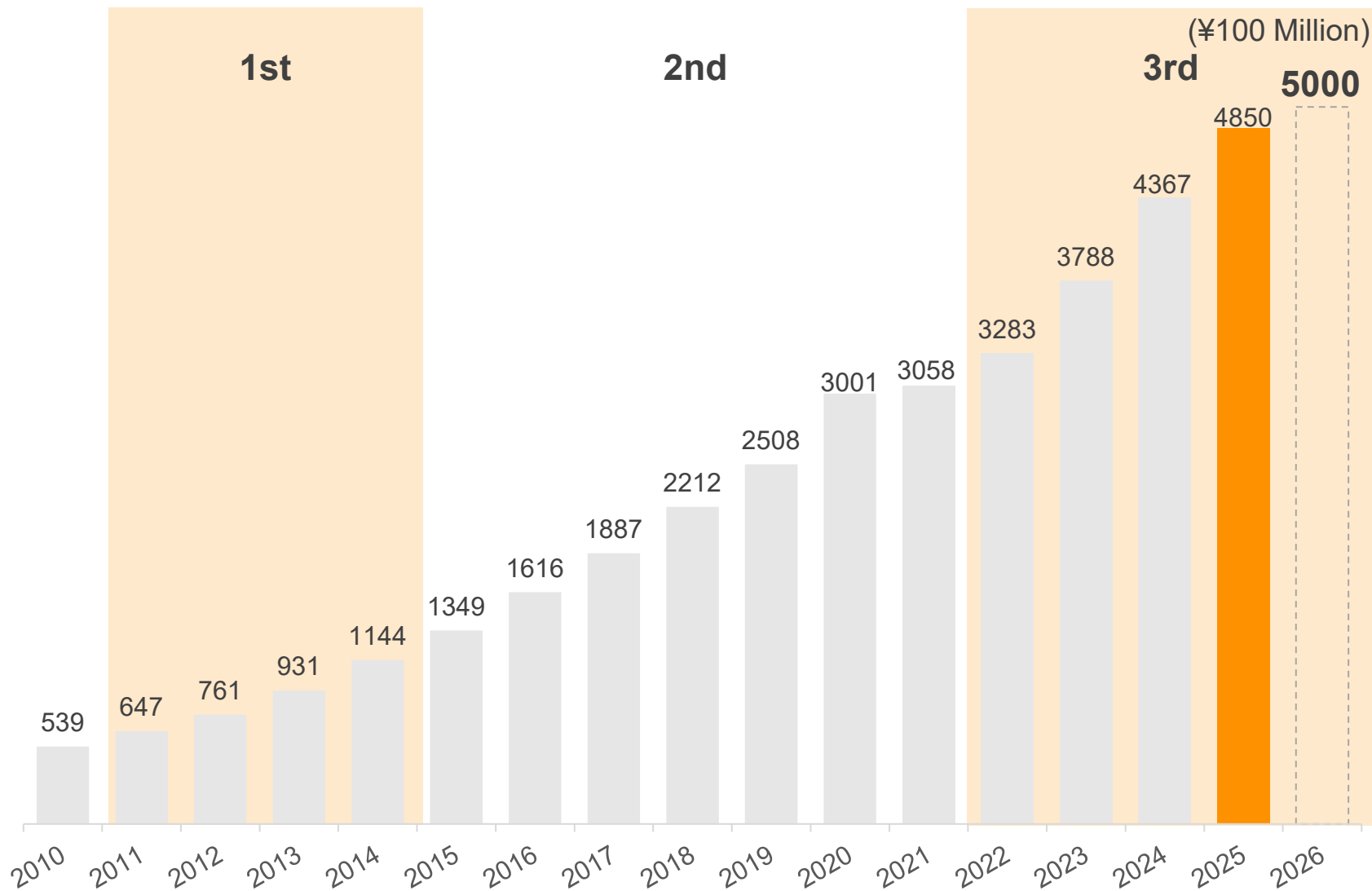




- 1 Transformation to Food & Drug
- 2 Ratio of stores with dispensaries 70%
- 3 Shift toward the dominant strategy



# Sales for FY May 2026 **¥500** billion



\* Effective from the beginning of the fiscal year ended May 2022, the Company adopted the "Accounting Standard for Revenue Recognition".

# 2

## **Progress Status of the Third Medium-term Management Plan (for five years)**

### | 1

#### **Overview**

### | 2

#### **Results of Efforts Made for Three and a Half Years and Outlook for the Final Fiscal Year**



- Starting from October 2020, the 400-tsubo format has been added as a next-generation format.

### 450-tsubo-format concessionary

(From 2014)

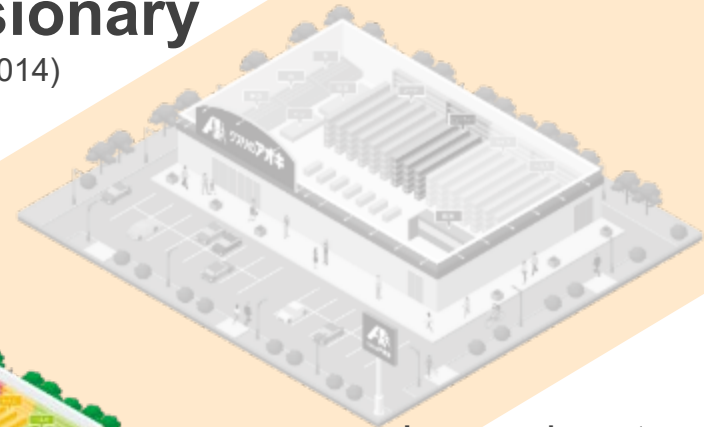
**NEW**

**400 tsubo**

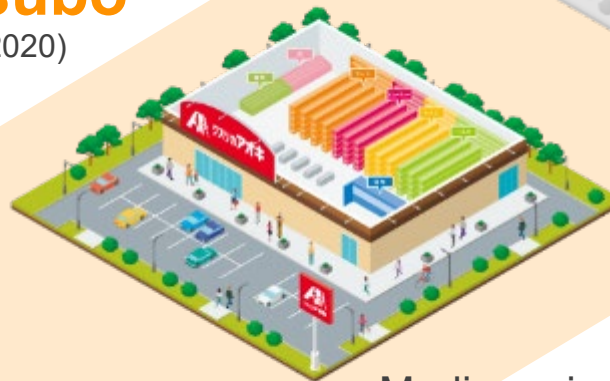
(From 2020)

**300 tsubo**

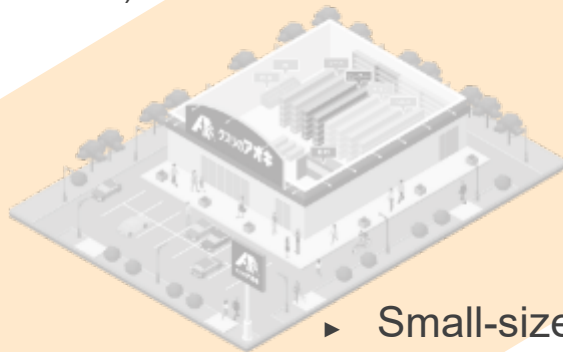
(From 2010)



- ▶ Large-size store
- ▶ Store opening rate: 10%
- ▶ Suburb, countryside



- ▶ Medium-size store
- ▶ Store opening rate: 50% (ideal)
- ▶ Suburb, countryside



- ▶ Small-size store
- ▶ Store opening rate: 40%
- ▶ Suburb, residential district

## Strong Point of 400-tsubo format



- Offering fresh food has enabled our customers to enjoy one-stop shopping.
- Covering the drugstore market as well as the dispensing and supermarket markets (markets exceeding 30 trillion yen)
- Standardized format that allows for multiple store expansion





## Fresh Food Roll-out in Existing Stores



- Fresh food know-how acquired through the development of the 400-tsubo format has been applied to the 300-tsubo format
- Renovation of 500 stores with a 300-tsubo format was completed over the two-year period from FY2023 to FY2024
- Plan to renovate **200 stores** in FY May 2025 (300 tsubo: 50 stores, 400 tsubo: 150 stores)  
This completes the renovation of the 300-tsubo- and 400-tsubo-format stores, reaching a total of **700 renovated stores** over the past three years!

### 400 tsubo



Produce

Meat



### 300 tsubo



FY May 2025 renovated stores

# 200 stores



- Introduce delicatessen sections into 300-tsubo and 400-tsubo operations in FY May 2025
- All stores (except for small-format stores) will have delicatessen sections.

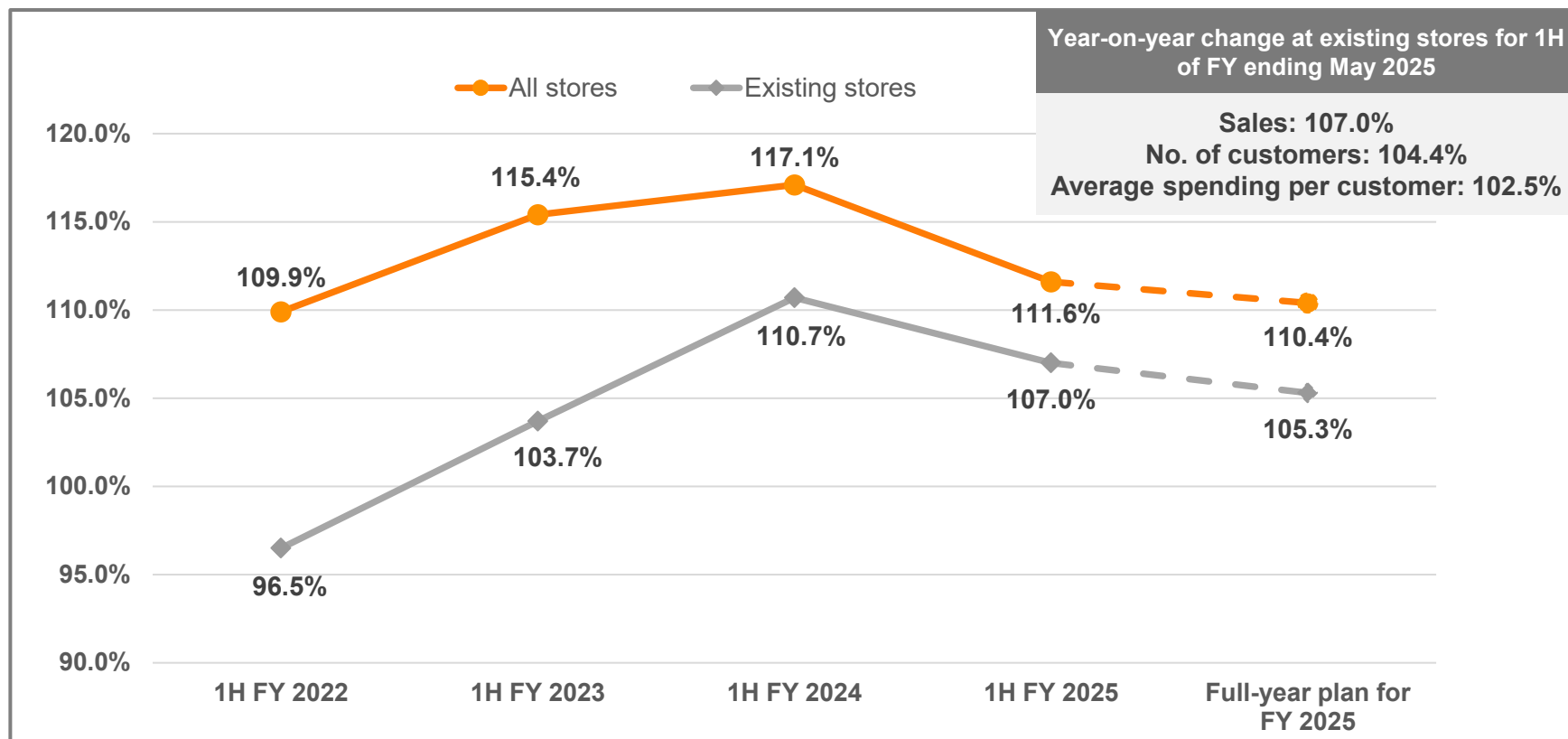


At the end of FY May 2025

**Ratio of stores with delicatessen sections to total number of stores: 100%**

\*Excluding small-format stores

# Annual Trend for Year-on-Year Change in Sales (Results in Previous Four Years and Outlook for the Current Fiscal Year)



## Point

The number of customers of existing stores and their sales have been increased as the results of adoption and remodeling of fresh food sections and shift to EDLP measures.

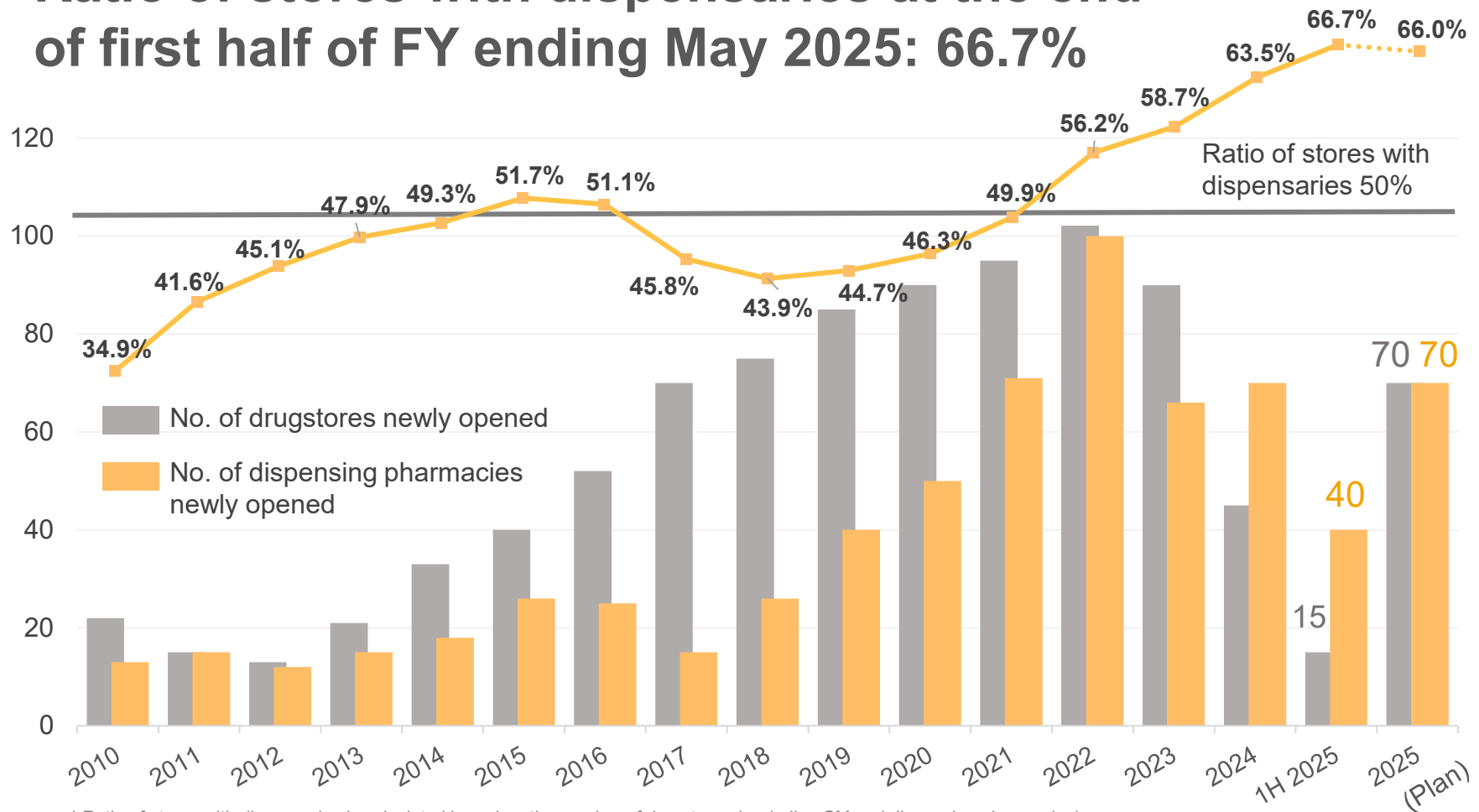
Recovery of sales and profitability (recovery of competitiveness) will be achieved even in the narrow trade areas.





- Aim to achieve the ratio of stores with dispensaries of 70% by FY ending May 2026.
- Ratio of stores with dispensaries at the end of FY ending May 2025: 66.0%,  
Planning to open 70 pharmacies in the full year

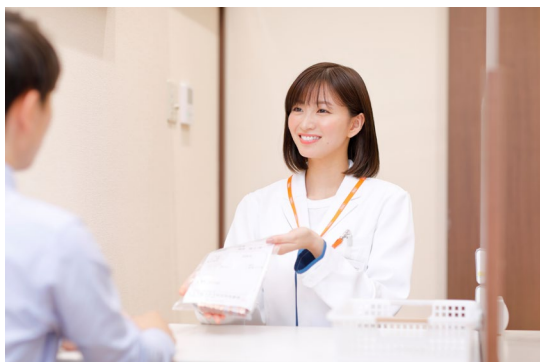
## Ratio of stores with dispensaries at the end of first half of FY ending May 2025: 66.7%



\* Ratio of stores with dispensaries is calculated based on the number of drugstores (excluding SM and dispensing pharmacies).

- The plan to employ 709 new graduates for FY ended May 2024 was not achieved.
- The plan of employment for FY ending May 2025 is 950 persons, the maximum number in the past.

### Pharmacist recruitment



**Approx.  
130 persons**

### Career positions recruitment



**Approx.  
820 persons**

### Mynavi Popular Company Ranking Hokuriku area



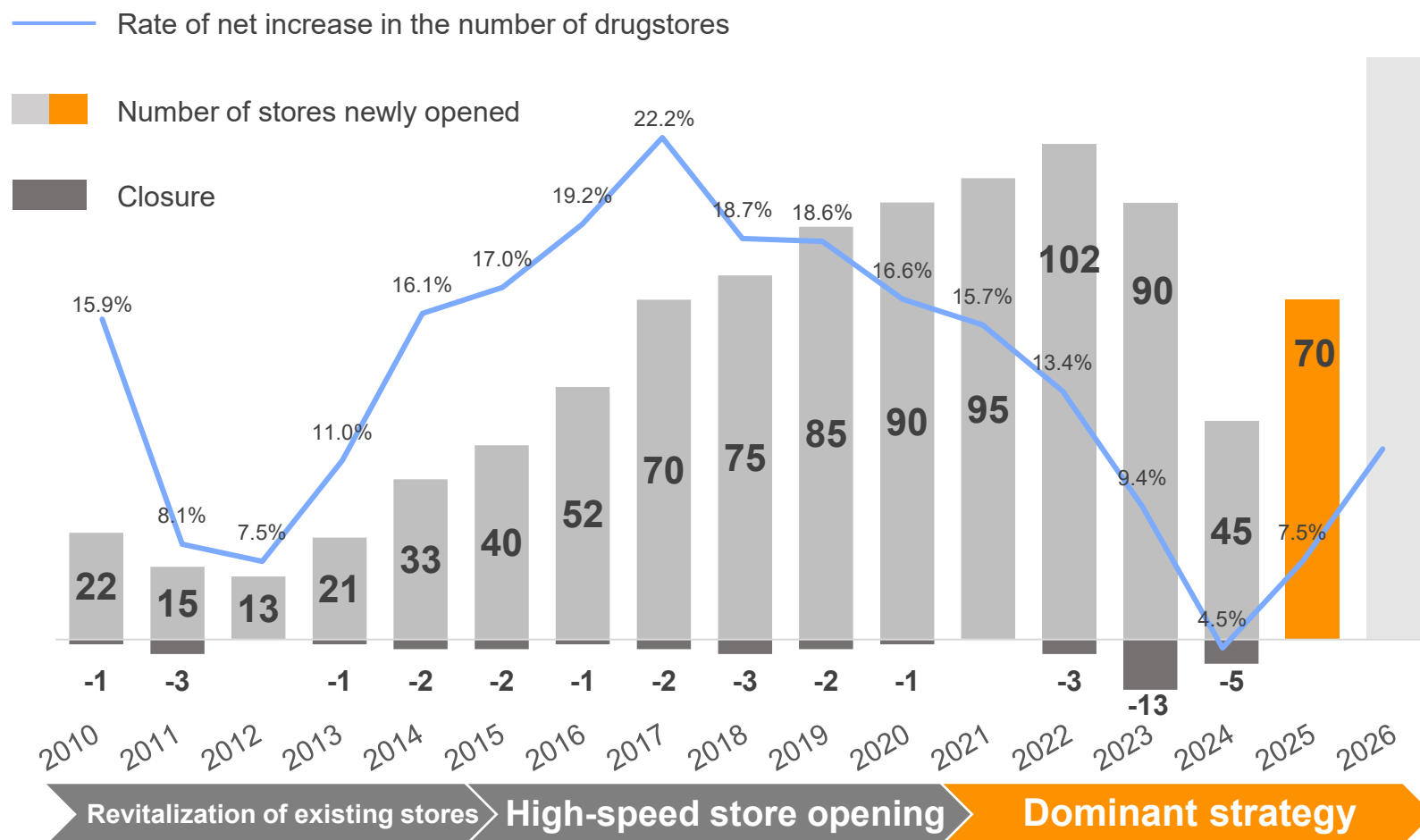
**Ranked first place  
for four  
consecutive years.**

(From 2022 to 2025 graduates)

# Trends in Number of Newly Opened Drugstores and Store Opening/Closing Rate



- Number of stores newly opened in FY ended May 2024: 45 (including business form changeover from the stores acquired by M&A)
- Number of stores newly opened in FY ending May 2025: 70 (including business form changeover from the stores acquired by M&A)





## Recent M&A Status [1] (First Entry into Shikoku Area)



- The absorption and merger of Mamai Co., Ltd. (on September 1, 2024) enables our first entry into the Shikoku area.
- Business acquisition of Mūmie Co., Ltd. on September 30, 2024
- Absorption and merger of Kimuraya Co., Ltd. (Super Guts) on August 21, 2024

### Mamai

Company name	: Mamai Co., Ltd.
Head office location	: Shikokuchuo, Ehime
Sales	: 8,654 million yen
Ordinary income	: -69 million yen
Number of stores	: 15



### Mūmie

Company name	: Mūmie Co., Ltd.
Head office location	: Takamatsu, Kagawa
Sales	: 6,030 million yen
Ordinary income	: 69 million yen
Number of stores	: 7



### Super Guts

Company name	: Kimuraya Co., Ltd.
Head office location	: Ichihara, Chiba
Sales	: 6,271 million yen
Ordinary income	: 63 million yen
Number of stores	: 4



## Recent M&A Status [2] (Domination in Kansai Area)



- Consolidation of Happy Terada, Co. Ltd. as a subsidiary on December 20, 2024
- Absorption and merger of Super Yoshimura and Hustle, aiming for first entry into Wakayama Prefecture. (Scheduled for February 2025)

### Happy Terada

Company name : Happy Terada, Co., Ltd.

Head office location : Otsu, Shiga

Sales : 8,408 million yen

Ordinary income : 46 million yen

Number of stores : 9



### Super Yoshimura and Hustle

Company name : Super Yoshimura, Co., Ltd. and Hustle, Co. Ltd.

Head office location : Nara, Nara Prefecture

Sales : 5,239 million yen

Ordinary income : -3 million yen

Number of stores : 6





- Business acquisition of Fushimiya Group was announced on December 5, 2024. (Scheduled for February 2025)
- First entry into Akita Prefecture will be achieved by business transfer of Fushimiya Group.

### Fushimiya Group

#### Honma Bussan Co., Ltd.

Company name	: Honma Bussan Co., Ltd.
Head office location	: Akumi-gun, Yamagata
Sales	: 18,776 million yen
Ordinary income	: 44 million yen
Number of stores	: 36



#### Topmart Co. Ltd.

Company name	: Topmart Co. Ltd.
Head office location	: Chiba, Chiba Prefecture
Sales	: 5,999 million yen
Ordinary income	: -183 million yen
Number of stores	: 10

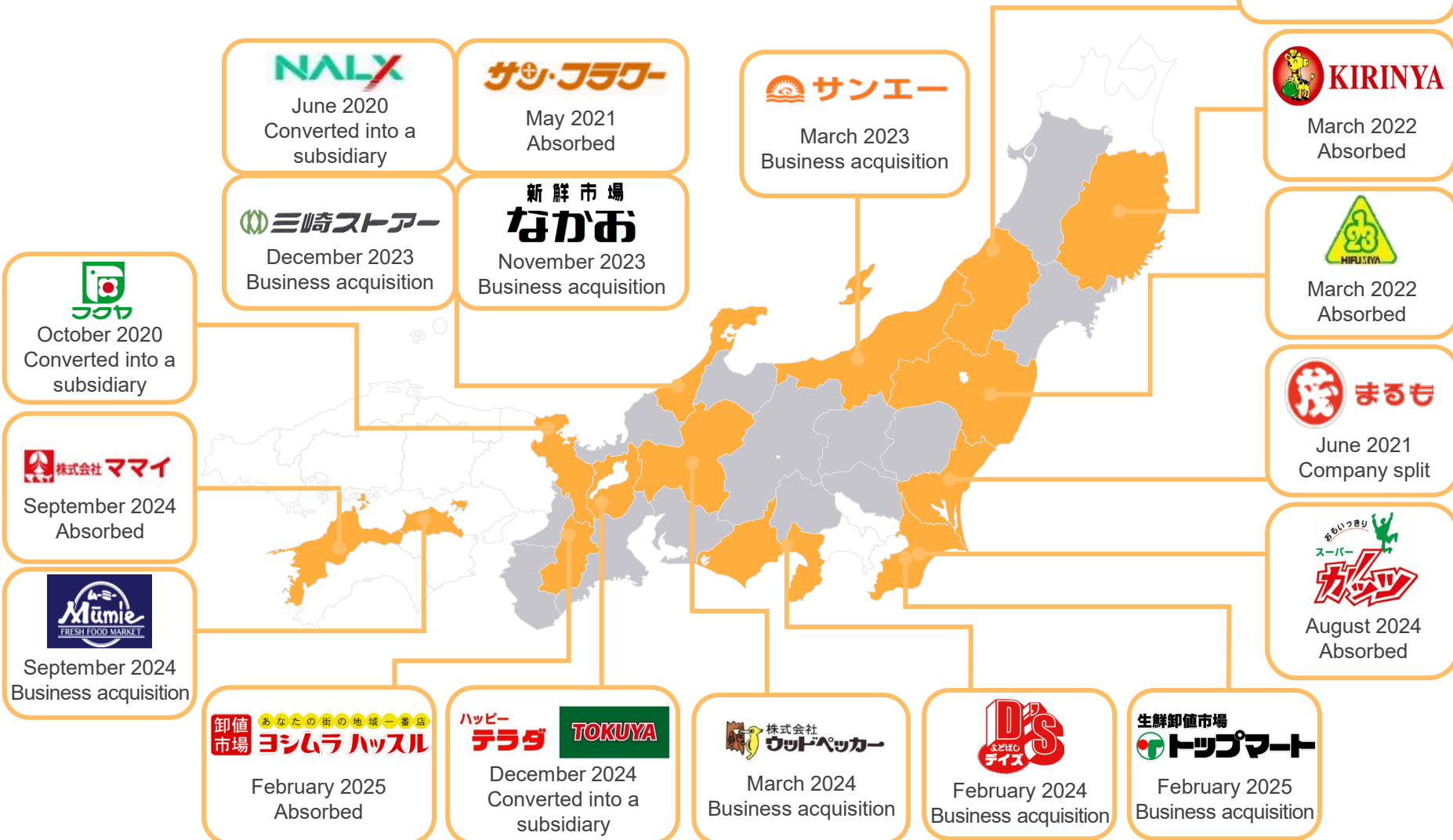




# M&A Execution



- Since fiscal May 2021, M&A transactions with local supermarkets have been executed.
- The purpose is to strengthen fresh food merchandizing in each area and to secure well-located properties.
- Total sales of 18 companies: 88.0 billion yen, total number of stores: 129

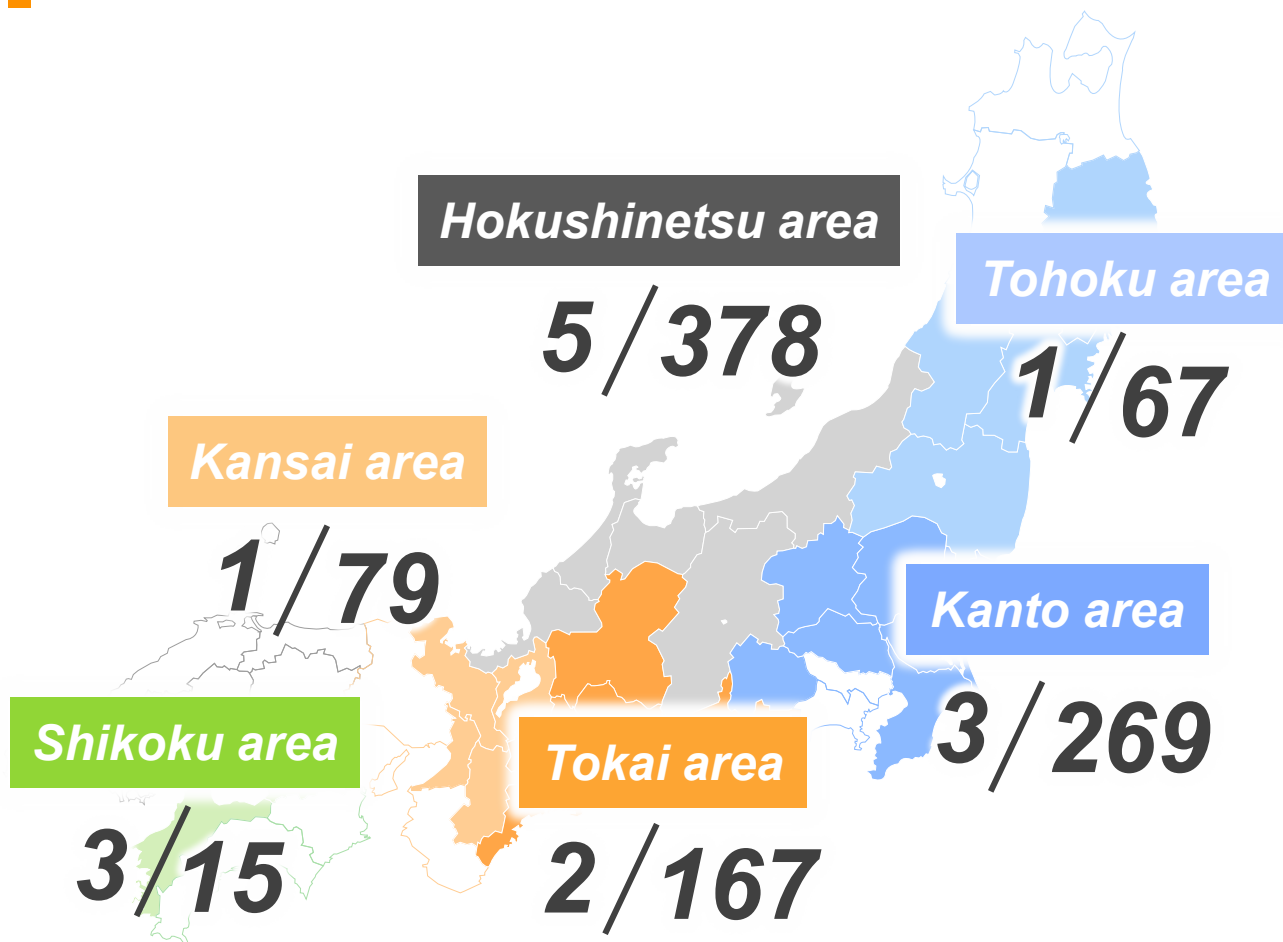


## Store Opening Results for the First Half of FY May 2025



- Number of stores newly opened in the first half of FY ending May 2025: 15 drugstores and 40 pharmacies

1H of FY May 2025: No. of drugstores newly opened/No. of stores at FY end by area



**All areas**

Newly Opened  
(DG) 1H End  
**15 / 975**

Including 18 supermarket stores and  
6 specialty dispensing pharmacies

**Dispensing**

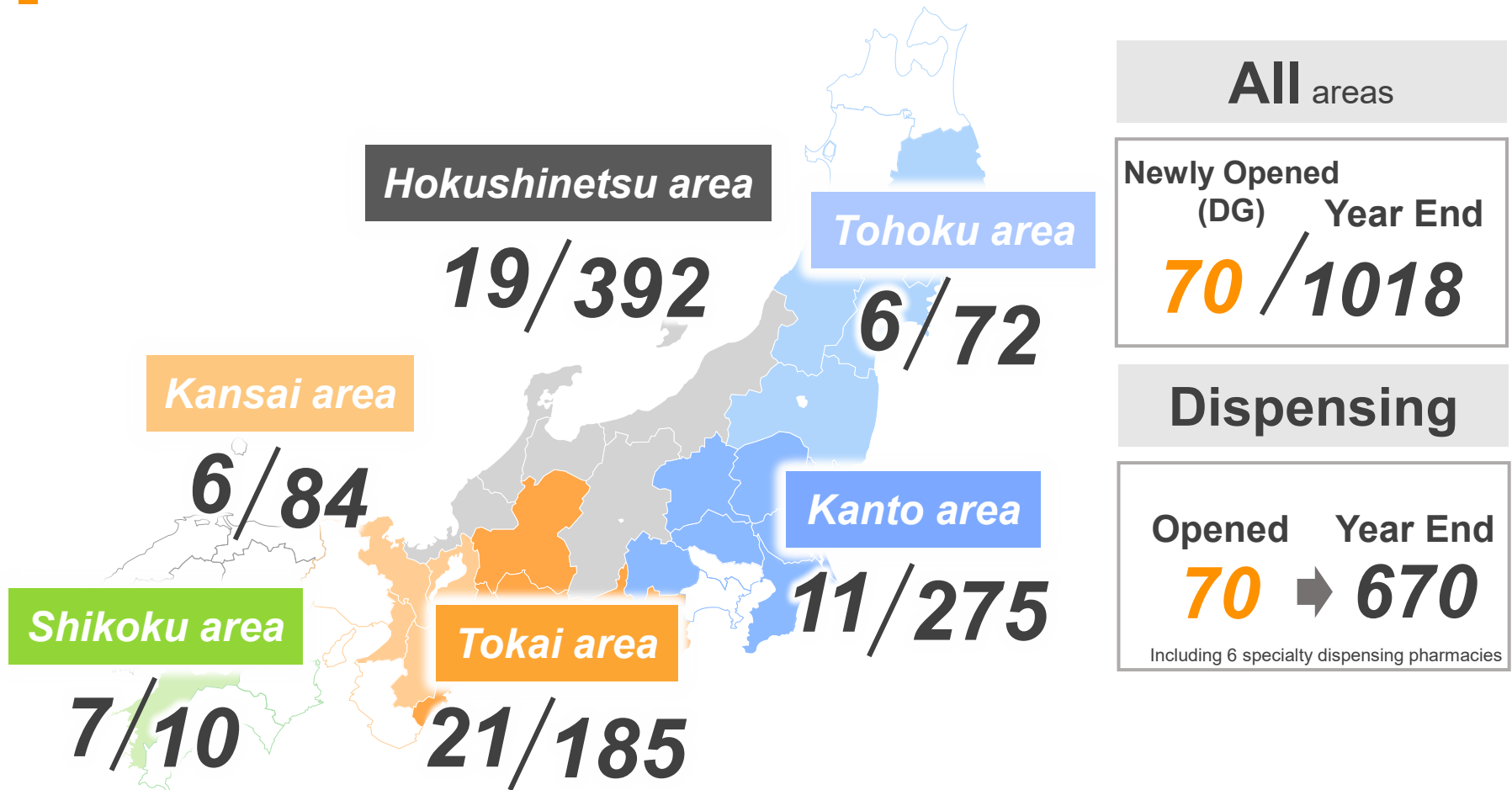
Opened 1H End  
**40 → 640**

Including 6 specialty dispensing pharmacies

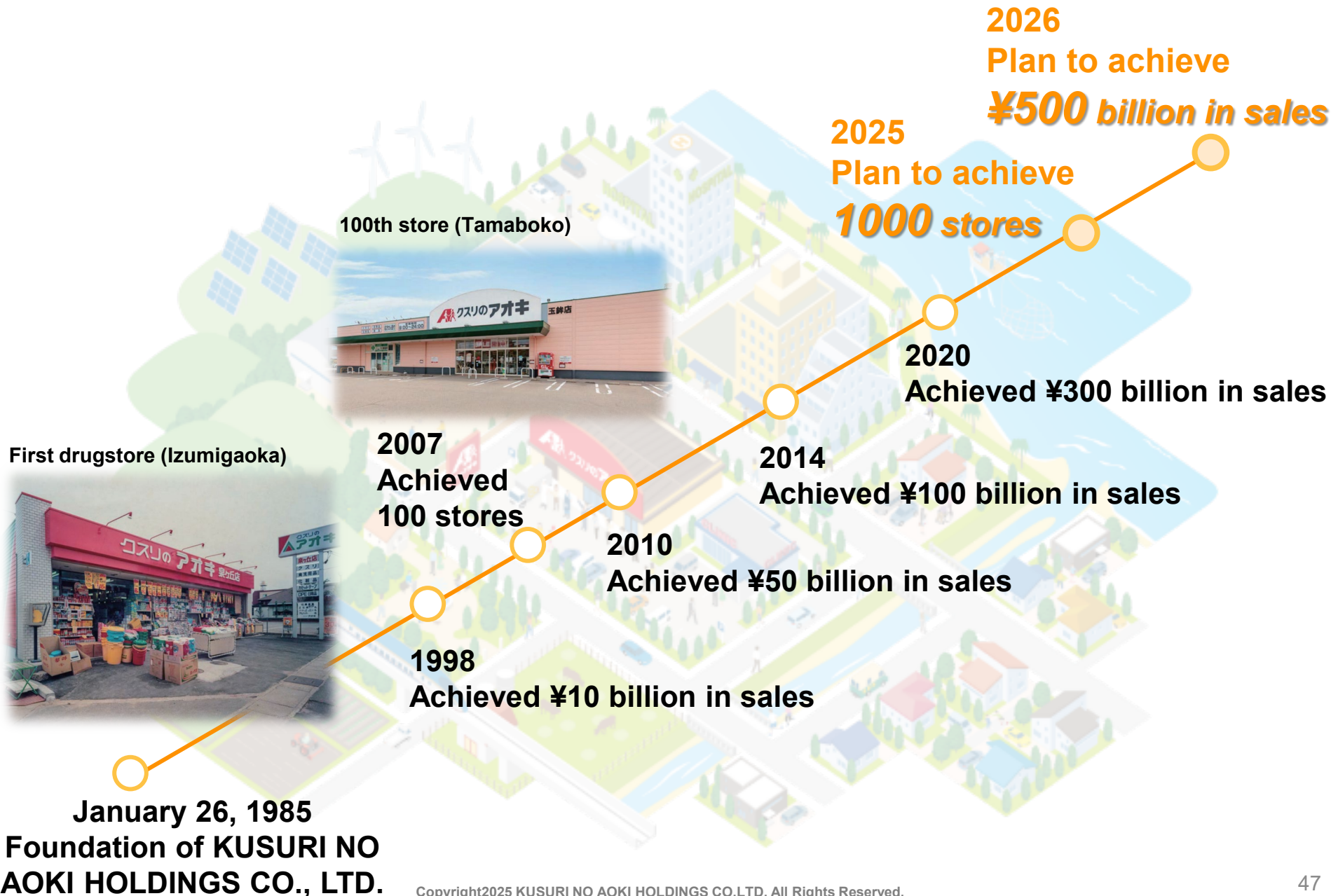


- In FY ending May 2025, 70 drugstores and 70 pharmacies are planned to be newly opened.

FY May 2025: No. of drugstores newly opened/No. of stores at FY end by area



During the period of January 26, 2025 to May 20, 2026, the 40th year anniversary after foundation of the company, the opening of 1000 stores and sales of 500 billion yen will be achieved.



# 株式会社クスリのアオキホールディングス

**Make Life More Convenient, Smile All the Times**



The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable and are not intended as a guarantee that the Company will achieve these goals.

Actual results may differ materially due to a variety of factors.