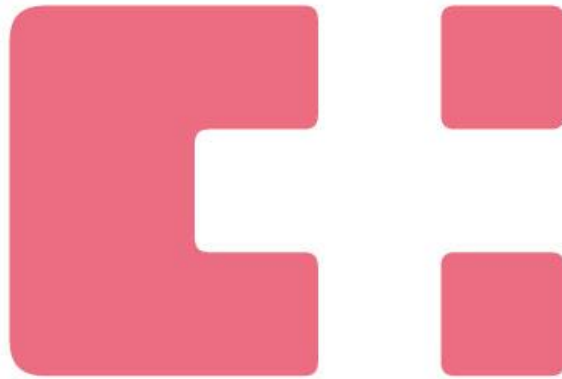


# FY03/18 Financial Results Briefing



**ココカラファイン**

ココロ、カラダ、ゲンキ。

## FY03/18 Business Results

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## FY03/18 Business Results

## New record highs in net sales and profit

### Net sales

◇ **Same-store growth remained positive, despite impact of inclement weather (extensive rain, typhoons)**

**(1Q: +2.8% , 2Q: +1.6% , 3Q: +0.4% , 4Q: +2.0% → FY03/18 Results: +1.7%)**

- Revitalization of existing stores via renovations and other initiatives, positive performance of new beauty, seasonal, and hay fever products

◇ **Growth in the number of stores swung from a net decline to a net increase**

**(Mar.16: 1,317 stores → Mar.17: 1,304 stores → Mar.18: 1,322 stores)**

- Solid sales from urban lifestyle-oriented stores opened in 2H
- Stores handling prescriptions numbered 271 (+22 due to M&A) → prescription sales of JPY54.7bn (+11.7% YoY)

### Gross profit

◇ **The gross margin on product sales improved 0.9pp YoY**

**(FY03/17 Results 26.2% → FY03/17 Plan 27.0% → FY03/18 Results 27.6%)**

- Stronger sales of high value-added products, standardized product lineup/pricing, enhanced promotional efficiency

◇ **Gross profit in dispensing business rose 15.4% YoY, due to our response to medical care fee revisions and a rise in the number of stores handling prescriptions**

- Standard dispensing additions, generic drug dispensing structure additions, expansion of at-home dispensing functions

## SG&A

- ◇ Maintained SG&A-to-sales ratio at initially planned levels by minimizing upfront investments in large stores (FY03/17 Results 23.0%→ FY03/17 Plan 23.2%→ FY03/18 Results 23.3%)
- Generated favorable new-store sales and improved efficiency of store operations by standardizing store infrastructure

## Results

- **Net sales**                      JPY**390,963**<sub>mn</sub>    **(+3.6% YoY, +0.2% vs. initial forecast)**
- **Gross profit**                JPY**104,652**<sub>mn</sub>    **(+7.8% YoY, +2.7% vs. initial forecast)**
- **Operating income**        JPY**13,712**<sub>mn</sub>    **(+35.0% YoY, +20.3% vs. initial forecast)**
- **Ordinary income**        JPY**16,019**<sub>mn</sub>    **(+28.1% YoY, +16.1% vs. initial forecast)**
- **Net income**                JPY**9,067**<sub>mn</sub>    **(+28.9% YoY, +14.8% vs. initial forecast)**

# Vs. Initial Forecast (P/L)

(Million yen)

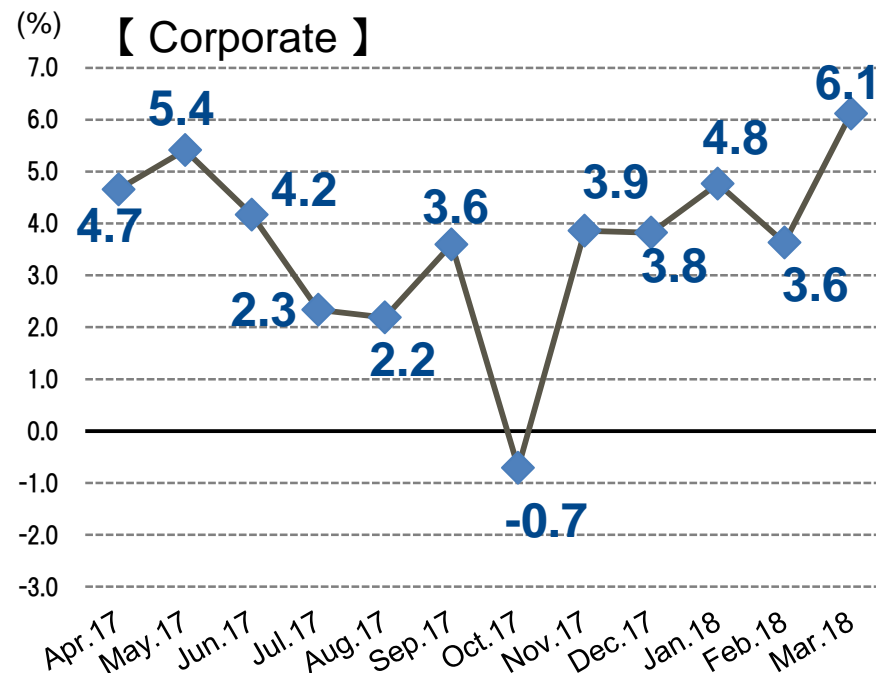
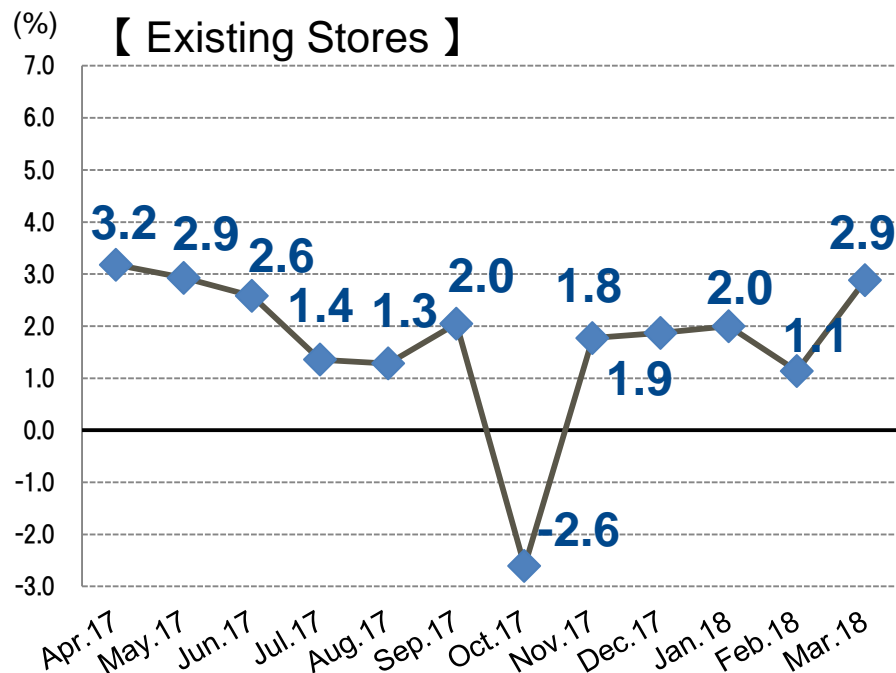
|                   | FY03/18<br>initial forecast | FY03/18<br>Results  | Vs. initial<br>forecast | Vs. initial<br>forecast (%) | Factors   |
|-------------------|-----------------------------|---------------------|-------------------------|-----------------------------|---|
| Net sales         | 390,000<br>(100.0%)         | 390,963<br>(100.0%) | +963                    | 100.2                       | <ul style="list-style-type: none"> <li>◇ Same-store sales growth (Plan+1.8% → Result+1.7%)                             <ul style="list-style-type: none"> <li>・ Drop in customer traffic due to historically harsh weather conditions including prolonged rain</li> <li>・ Favorable sales of new beauty and seasonal products</li> <li>・ Robust sales of hay fever products</li> </ul> </li> <li>◇ New store opening : Plan 33→Result 58<br/>Closing : Plan 18→Result 40                             <ul style="list-style-type: none"> <li>・ Solid sales from newly opened urban lifestyle-oriented stores</li> </ul> </li> <li>◇ Higher sales from long-term care due to conversion of Aianju Co., Ltd., to a subsidiary</li> </ul> |
| Drugstore         | 296,973                     | 295,892             | -1,080                  | 99.6                        |   |
| Dispensing        | 53,797                      | 54,738              | 941                     | 101.8                       |   |
| Wholesale & other | 39,229                      | 40,332              | +1,103                  | 102.8                       |   |
| Gross profit      | 101,873<br>(26.1%)          | 104,652<br>(26.8%)  | +2,779                  | 102.7                       | <ul style="list-style-type: none"> <li>◇ Steady progress with gross profit margin improvement measures for drugstore product sales (Plan 27.0%→Result 27.6%)</li> </ul>   |
| SG&A              | 90,473<br>(23.2%)           | 90,939<br>(23.3%)   | +466                    | 100.5                       | <ul style="list-style-type: none"> <li>◇ Maintained SG&amp;A-to-sales ratio at initially planned levels by minimizing upfront investments in large stores</li> </ul>  |
| Operating income  | 11,400<br>(2.9%)            | 13,712<br>(3.5%)    | +2,312                  | 120.3                       |   |
| Ordinary income   | 13,800<br>(3.5%)            | 16,019<br>(4.1%)    | +2,219                  | 116.1                       |   |
| Net income        | 7,900<br>(2.0%)             | 9,067<br>(2.3%)     | +1,167                  | 114.8                       | <ul style="list-style-type: none"> <li>◇ Extraordinary loss(+1,081)                             <ul style="list-style-type: none"> <li>・ Adjusted estimate of asset retirement obligations at existing stores to actual levels, and wrote off difference as a lump sum (JPY892mn)</li> </ul> </li> </ul>  |

# Consolidated Income Statement (YoY)

(Million yen)

|                   | FY03/17<br>Results  | FY03/18<br>Results  | Change  | YoY<br>(%) | Factors influencing YoY changes  |
|-------------------|---------------------|---------------------|---------|------------|--|
| Net sales         | 377,203<br>(100.0%) | 390,963<br>(100.0%) | +13,760 | 103.6      | <ul style="list-style-type: none"> <li>◇ Same-store sales growth: +1.7%                             <ul style="list-style-type: none"> <li>• Drop in customer traffic due to historically harsh weather conditions including prolonged rain</li> <li>• Revitalization policy centered on existing store renovation</li> <li>• Positive performance from new beauty and seasonal products</li> <li>• Solid sales of hay fever products</li> </ul> </li> <li>◇ New store opening : 58<br/>Closing : 40                             <ul style="list-style-type: none"> <li>• Positive sales from newly opened urban lifestyle-oriented stores</li> <li>• Due to M&amp;A, increase of 22 in number of stores handling prescriptions</li> </ul> </li> <li>◇ Higher sales from long-term care due to conversion of Aianju Co., Ltd. to a subsidiary</li> </ul> |
| Drugstore         | 290,107             | 295,892             | +5,785  | 102.0      |  |
| Dispensing        | 48,994              | 54,738              | +5,744  | 111.7      |  |
| Wholesale & other | 38,098              | 40,332              | +2,234  | 105.9      |  |
| Gross profit      | 97,053<br>(25.7%)   | 104,652<br>(26.8%)  | +7,599  | 107.8      | <ul style="list-style-type: none"> <li>◇ Gross margin on drugstore product sales improved                             <ul style="list-style-type: none"> <li>• from 26.7% to 27.6%</li> </ul> </li> <li>◇ Dispensing net sales weighting rose                             <ul style="list-style-type: none"> <li>• from 14.4% to 15.6%</li> </ul> </li> </ul>  |
| SG&A              | 86,894<br>(23.0%)   | 90,939<br>(23.3%)   | +4,045  | 104.7      | <ul style="list-style-type: none"> <li>◇ Upfront investment in newly opened stores in 2H (29 in 2H FY03/18, vs. 21 in 2H FY03/17)</li> </ul>   |
| Operating income  | 10,159<br>(2.7%)    | 13,712<br>(3.5%)    | +3,553  | 135.0      |  |
| Ordinary income   | 12,507<br>(3.3%)    | 16,019<br>(4.1%)    | +3,512  | 128.1      |  |
| Net income        | 7,037<br>(1.9%)     | 9,067<br>(2.3%)     | +2,030  | 128.9      |  |

# Monthly Sales Growth Rate



Existing Stores (Total) Sales: +1.7%    Number of Customers: - 0.5%    Customer Transactions: + 1.8%

\*Customer count and average spend per customer only include retail results, excluding Pharmacy operations

## Existing Stores

- Favorable sales of new beauty and seasonal products
- Jul.-Aug.: Fall in customer numbers due to inclement weather, including rainy period of record duration
- Oct.: Decrease in customer numbers due to severe typhoons and other inclement weather
- Mar.: Record temperature rises led to strong sales of seasonal summer and hay fever products

## Corporate

- Growth in sales driven by net increase in number of stores due to store openings and M&A activity

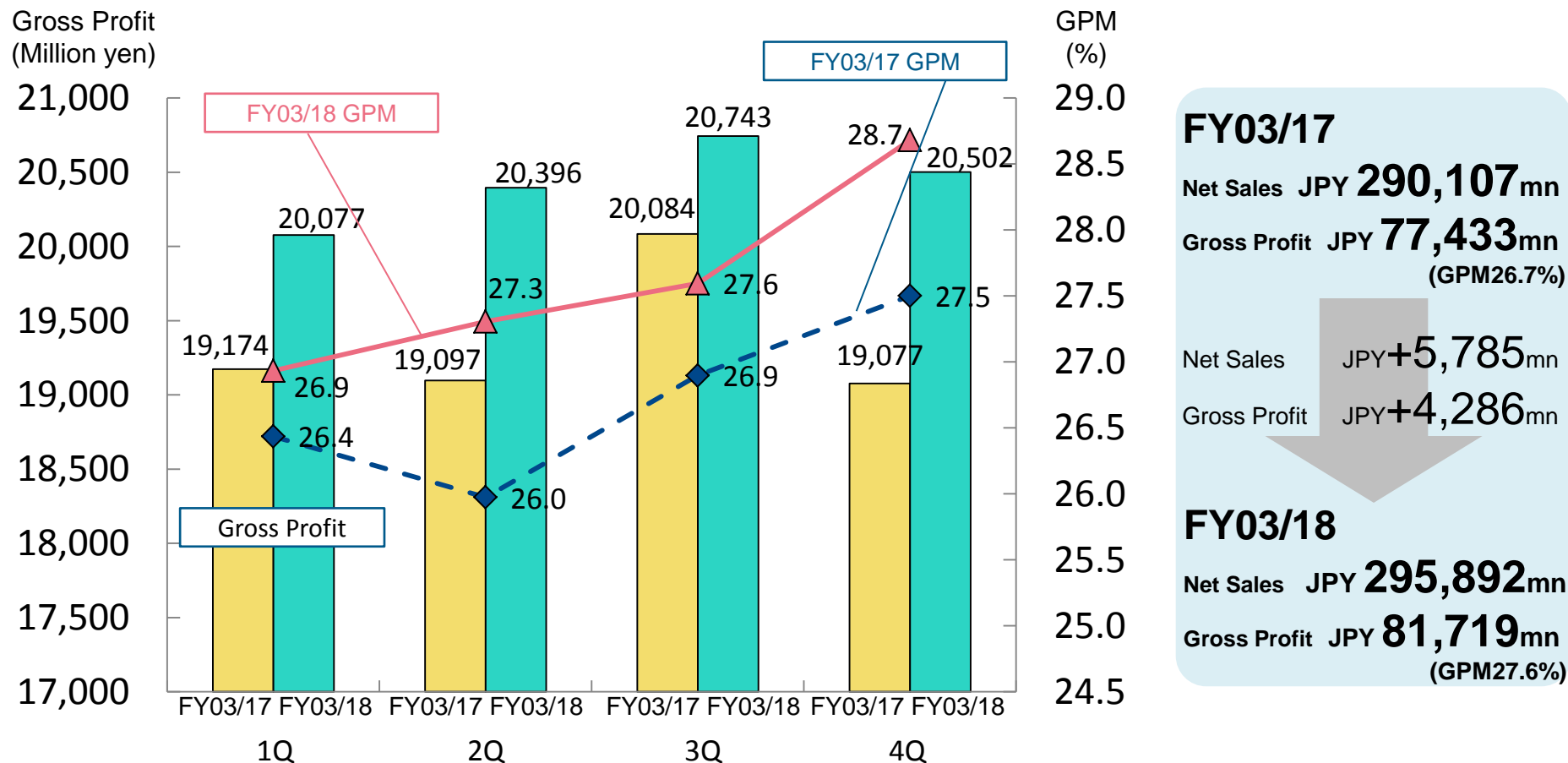


# Breakdown of Sales by Product Category

|                            | FY03/17     |           |         | FY03/18      |           |         |
|----------------------------|-------------|-----------|---------|--------------|-----------|---------|
|                            | Million yen | Share (%) | YoY (%) | Millions yen | Share (%) | YoY (%) |
| Pharmaceuticals            | 103,424     | 30.5      | 97.6    | 108,487      | 30.9      | 104.9   |
| Dispensing                 | 48,994      | 14.4      | 97.5    | 54,738       | 15.6      | 111.7   |
| Beauty Products            | 100,363     | 29.6      | 101.1   | 104,510      | 29.8      | 104.1   |
| Health Foods               | 10,479      | 3.1       | 91.7    | 10,516       | 3.0       | 100.4   |
| Sanitary Goods             | 40,996      | 12.1      | 96.9    | 40,965       | 11.7      | 99.9    |
| Convenience Goods          | 47,068      | 13.9      | 101.6   | 47,782       | 13.6      | 101.5   |
| Foods                      | 36,772      | 10.8      | 107.2   | 38,370       | 11.0      | 104.3   |
| Stores Total               | 339,105     | 100.0     | 99.8    | 350,633      | 100.0     | 103.4   |
| Wholesale                  | 35,689      | -         | 113.7   | 37,849       | -         | 106.1   |
| Subtotal                   | 374,795     | -         | 101.0   | 388,482      | -         | 103.7   |
| Long-term Care             | 2,410       | -         | 107.5   | 2,484        | -         | 103.1   |
| Inter-segment Eliminations | -1          | -         | -       | -2           | -         | -       |
| Total                      | 377,203     | -         | 101.1   | 390,963      | -         | 103.6   |

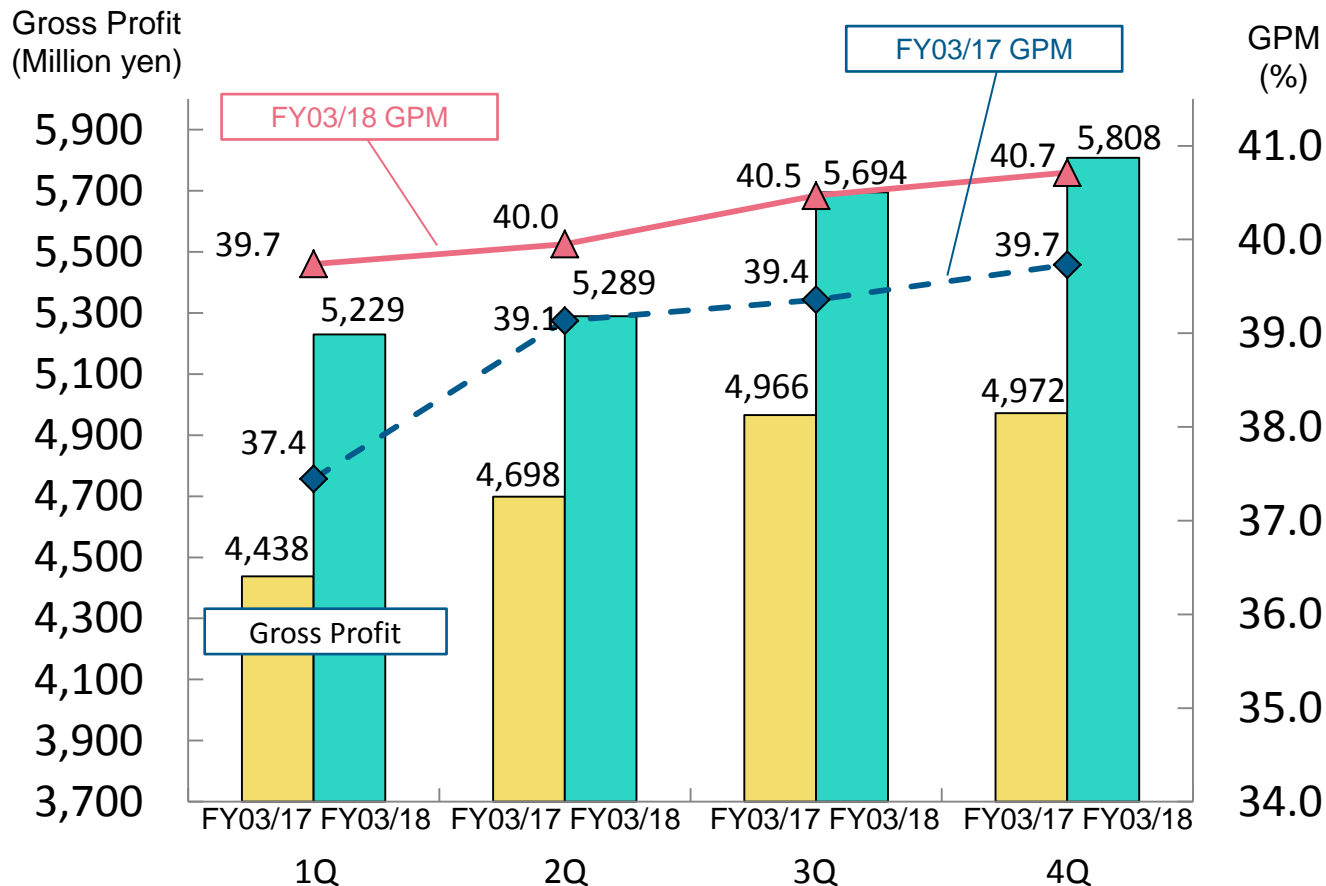
- Dispensing: Increase in number of stores with dispensing capability due to store openings and M&A activity
- Beauty Products: Favorable sales of new beauty and seasonal products
- Wholesale: Increase in number of clients
- Long-term Care: Higher sales due to conversion of Aianju Co., Ltd. to a subsidiary

## Drugstore operations (product sales):Trend in all-store gross profit



Sharp YoY increase in profit on improvement in gross margin driven by stronger sales of high value-added products, standardized product lineup/pricing, and enhanced promotional efficiency

## Dispensing operations: Trend in all-store gross profit



### FY03/17

Net Sales JPY **48,994mn**

Gross Profit JPY **19,076mn**  
(GPM38.9%)

Net Sales JPY **+5,744mn**

Gross Profit JPY **+2,946mn**

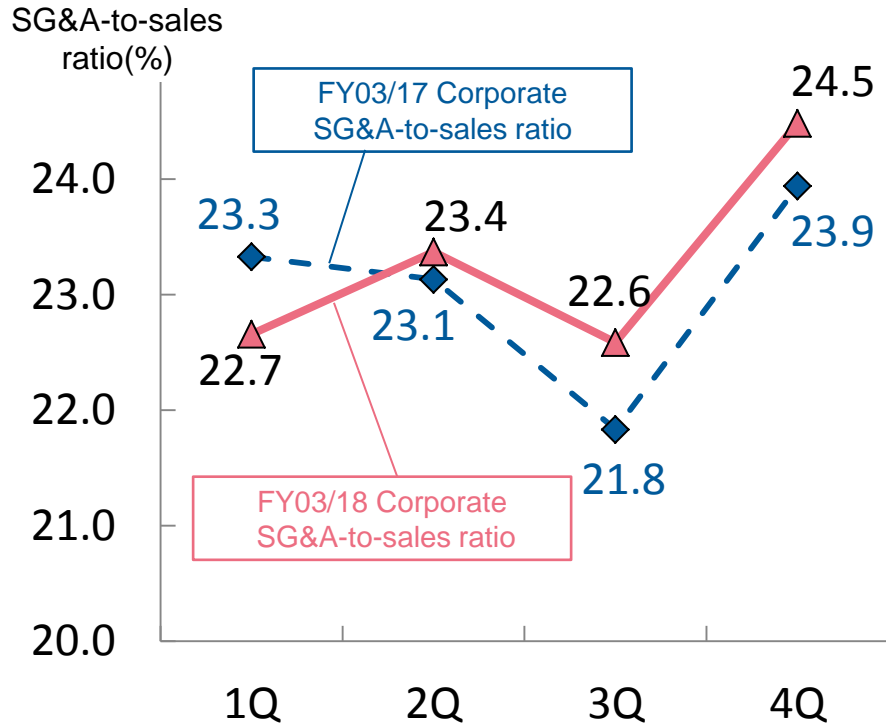
### FY03/18

Net Sales JPY **54,738mn**

Gross Profit JPY **22,022mn**  
(GPM40.2%)

Profit up sharply YoY due to medical care fee revisions and rise in number of stores, resulting from store openings and M&A

[Corporate] Trend in SG&A expenses



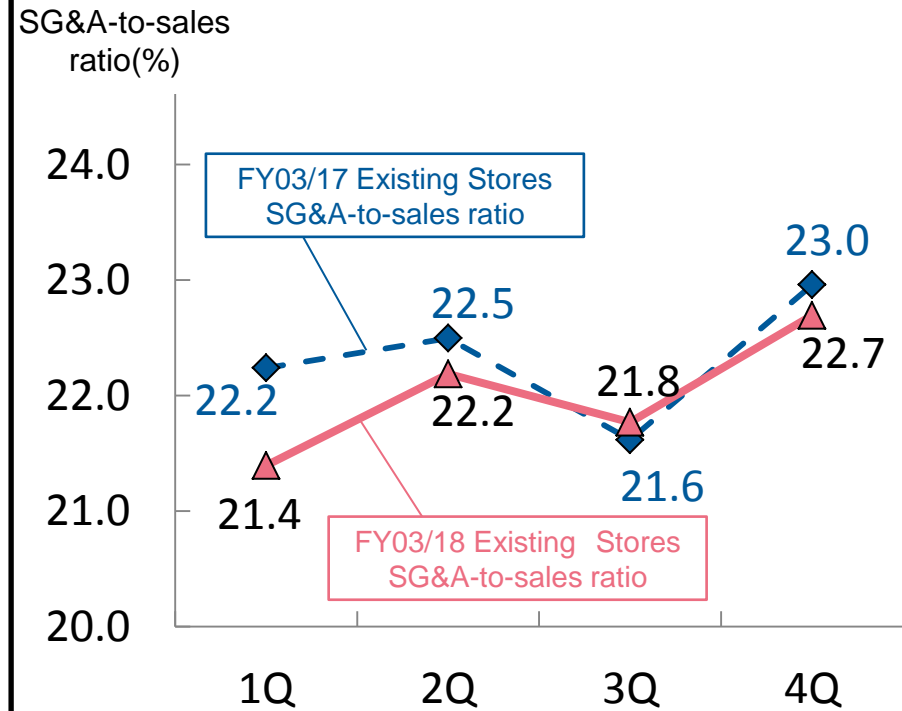
Corporate SG&A-to-sales ratio

FY03/17: 23.0%

FY03/18: 23.3%

⇒YoY +0.3pt

[Existing Stores (Drugstores, Pharmacies)] Trend in SG&A expenses



Existing Stores SG&A-to-sales ratio

FY03/17: 22.3%

FY03/18: 22.0%

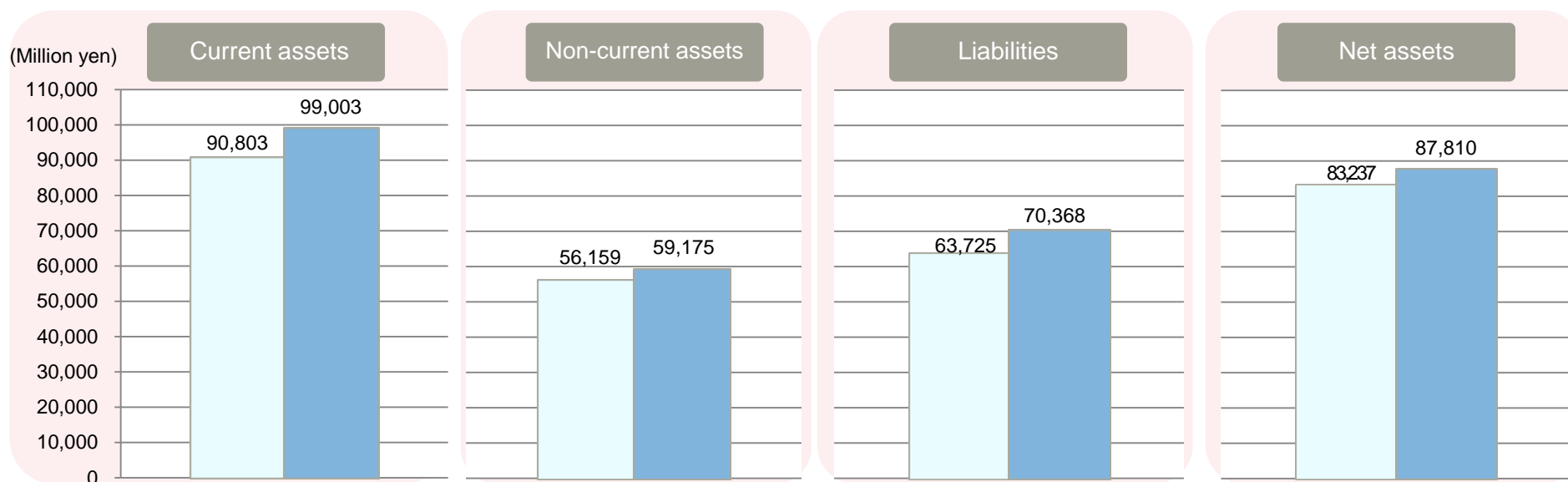
⇒YoY -0.3pt

Improvement

# Consolidated Balance Sheet

End Mar. 2017

End Mar. 2018



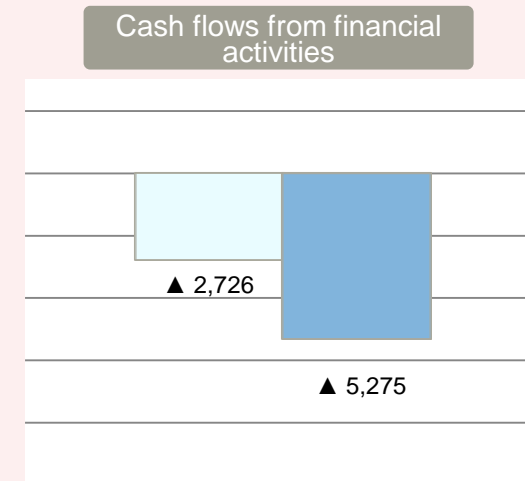
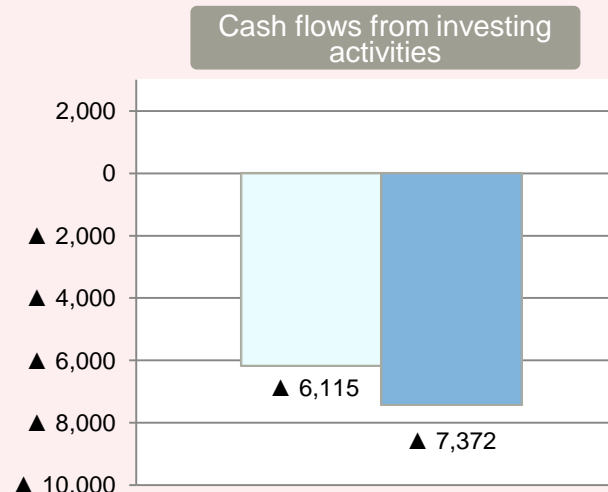
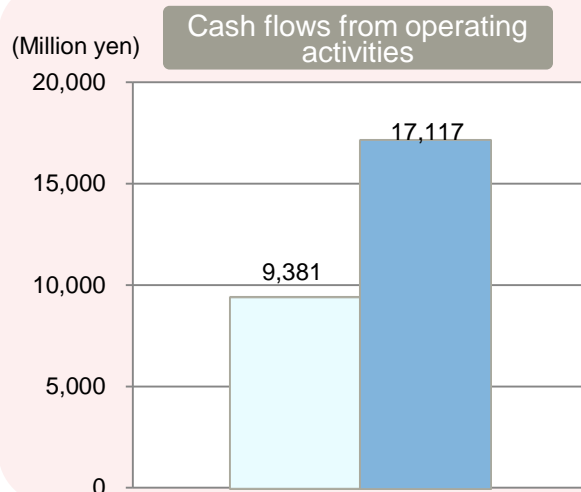
## Comparison with end March 2017

(Million yen)

|                            |               |                               |               |                              |               |                   |               |
|----------------------------|---------------|-------------------------------|---------------|------------------------------|---------------|-------------------|---------------|
| <b>Current assets</b>      | <b>+8,199</b> | <b>Non-current assets</b>     | <b>+3,016</b> | <b>Liabilities</b>           | <b>+6,642</b> | <b>Net assets</b> | <b>+4,572</b> |
| Cash and Equivalents       | +4,566        | Property, plant and equipment | +1,787        | Accounts payable             | +986          | Retained Earnings | +7,354        |
| Accounts receivable--trade | +1,959        | Intangible fixed assets       | +825          | Income tax payable           | +2,375        | Treasury stock    | -2,852        |
| Accounts receivable-other  | +918          | Investments and other assets  | +402          | Other current liabilities    | +1,615        |                   |               |
|                            |               |                               |               | Asset retirement obligations | +865          |                   |               |

# Consolidated Cash Flow Statement

■ FY03/17 ■ FY03/18



## Situation in FY03/18

(Million yen)

### Cash flows from operating activities

|  |        |
|--|--------|
| Income before income taxes and minority interests          | 14,638 |
| Depreciation and amortization                              | 3,680  |
| Impairment loss  | 1,693  |
| Decrease (increase) in notes and accounts receivable-trade | -1,553 |
| Income taxes paid  | -3,874 |

### Cash flows from investing activities

|  |        |
|--|--------|
| Purchase of property, plant and equipment  | -4,638 |
| Purchase of intangible fixed assets  | -675   |
| Payments for lease deposits  | -1,345 |
| Payments for transfer of business  | -485   |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | -516   |

### Cash flows from financial activities

|   |              |
|---|--------------|
| Purchase of treasury stock                                  | -2,716       |
| Cash dividends paid   | -1,701       |
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>4,468</b> |

## FY03/18 Key Measures

- Customer Strategies Leveraging IT
- Productivity Increases through IT
- Other Key Measures

Promote loyalty among customers through adoption and utilization of prepaid card functionality of Cocokara Club Card

Ratio of member sales to total product sales

FY03/16 **77.6%** ▶ FY03/17 **76.4%** ▶

FY03/18 **75.3%**

maintaining high level

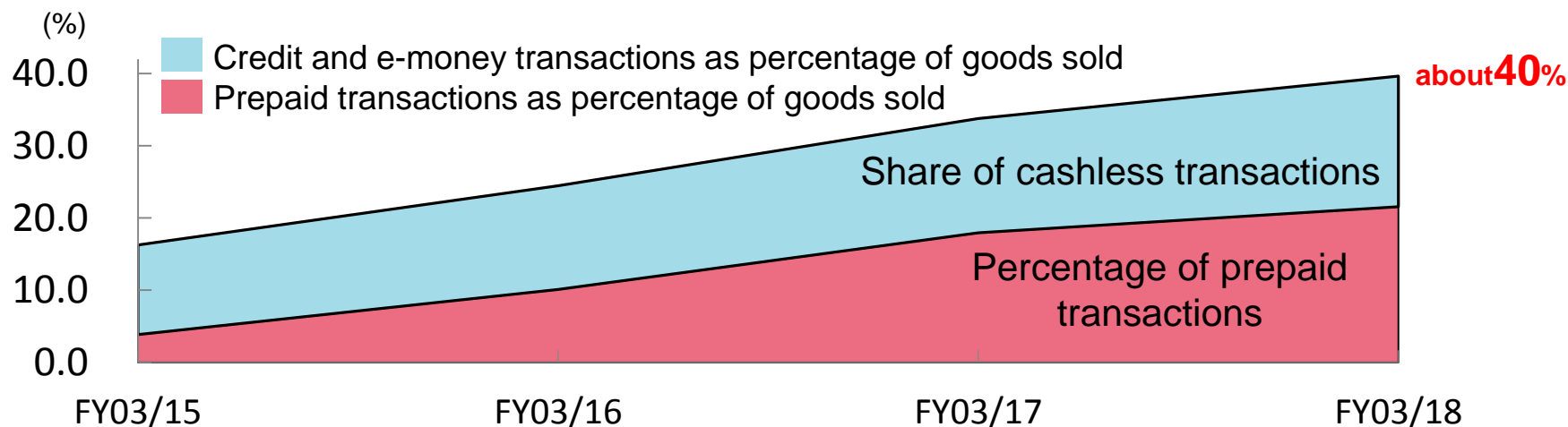
Ratio of prepaid card payments to total product sales

FY03/16 **10.1%** ▶ FY03/17 **17.9%** ▶

FY03/18 **21.6%**

Increased to over 20%

Enhance customer convenience by promoting cashless transactions





## Initiatives to date in establishing one-to-one marketing

Apr.2013  
Integrated sales  
subsidiaries

Apr.2013  
Cocokara  
club card



Added prepaid functions

Attracted new members

Promoted prepaid use

Oct.2017  
Revised design



Active members about 700mn  
Member sales composition 75.3%  
Prepaid payment sales composition 21.6%  
Share of cashless transactions 40%

Mar.2018

Jun.2016

Official Cocokara app



Club card tie-ups

coupons

“My Store” registrations

Sales promotions and product information at registered stores  
• Send campaign information  
• Inventories and pricing on designated products

Cumulative downloads 400,000  
“My Store” registrations 300,000

Oct.2016  
WEB



E-commerce

App tie-up

OKWAVE

Received OKWAVE AWARD 2017

Facebook

twitter

Site sessions 300mn/month

## Initiatives going forward in establishing one-to-one marketing

Apr.2018

Cocokara club card



Strengthen efforts to attract new members

Annual target **130mn**

Run major campaigns, as necessary



Acquired more than 130,000 new members in April

Promote prepaid use

Maintain 7mn active members

Official Cocokara app



Store evaluation questionnaire

(Introduced)

Evaluation function for stores used  
Receiving tens of thousands of questionnaire responses per month

Link with drug handbook

(May.2018)

Add drug handbook functionality, such as sending prescriptions in advance

LINE@ introduction

- (1H) Introduce in areas Chugoku/Shikoku and Kyushu areas
- (2H) Introduce at all stores

End Mar.2019 Target

Cumulative downloads 700,000

"My Store" registrations 500,000

WEB



Receive at stores

Service that enables customers to receive items ordered on e-commerce sites at Cocokara Fine stores

(FY03/19) Test at pilot stores

(FY03/20) Roll out to all stores

Place at stores

Service for placing products at designated stores (order products not at stores)

(FY03/20) Test at pilot stores

FY03/19

Past and future initiatives to increase working efficiency and add value at stores through ICT

## Increased in-store work efficiency

Mar.2016

Introduced Android terminals for operations at all stores

Aoi (app for managing orders and inventory)

- Save approx. 150,000 hours/year across all stores (20 minutes per store per day)
- 10% decrease in inventory shortages



Established wireless LAN environment in all stores

Mar.2017

Function to address counter losses

⇒ See next page

Analyze products to counter losses for each store

Mar.2018

Function to address inventory shortages

⇒ See next page

(Apr.2018)  
Analyze and alert about out-of-stock products

FY03/19

Simplify handling of customer information

⇒ See next page

(Jul.2018)  
Immediately process membership applications digitally

Mar.2019

Enable product ordering

Manage service for receiving products at stores

Merchandising support using AI

Automate shelf space management, etc.

(2H)

Introduce on test basis (15 stores)

## Expand store services

Replace POS registers at all stores and introduce tablet POS registers at all stores that can be used as work PCs.

POS (payment)



⇒ See next page

Customer service app

Electronic customer register

## Increasing working efficiency and adding value at stores through ICT: Case studies

Aug.2017

### Function to address counter losses



Analyze products to counter losses for each store

Apr.2018

### Function to address inventory shortages



Function for listing out-of-stock products, including status by time, and preparing reports

Jul.2018

### Simplify handling of customer information

Transmit customer information electronically when people become Cocokara Club Card members

Increase working efficiency and reduce risk of personal information losses



FY03/20

### Introduce tablet POS registers at all stores



Previous POS registers



Dedicated touch-screen registers

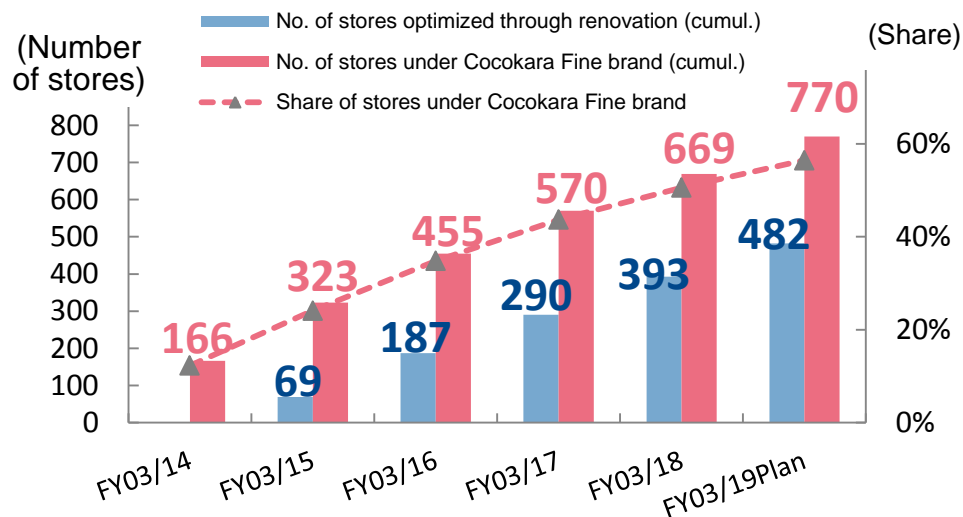
Tablet POS register

### (Benefits of introducing tablet POS registers)

- Registers are portable
- Number of registers can be controlled according to demand
- Can be used to explain information to customers and as a work PC

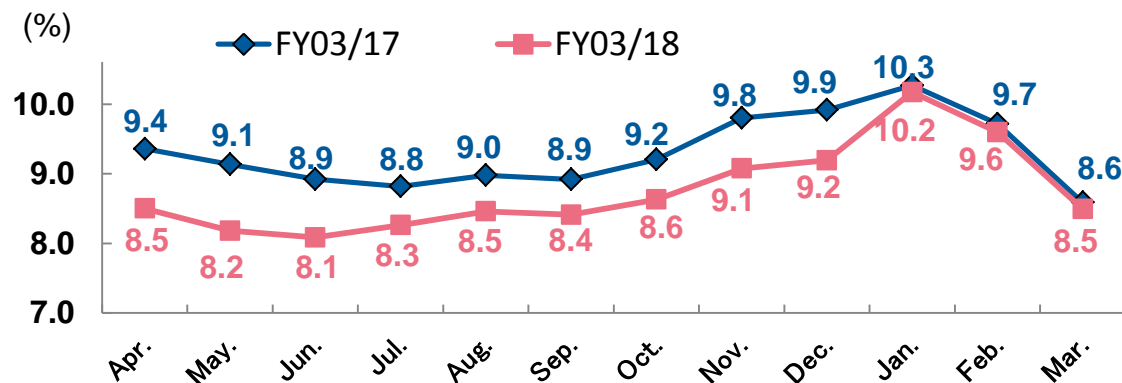
## Revitalization of Existing Stores through Renovations

|   | FY03/17<br>result | FY03/18<br>result | FY03/19<br>Plan |
|---|-------------------|-------------------|-----------------|
| Number of renovated stores (including sign changes and small renovations) | 103stores         | 103stores         | 89stores        |
| (Of which, over JPY5mn)   | 67stores          | 53stores          | 56stores        |



## Product Strategy

Change in the sales ratio of private brand (PB) products



## FY03/19 Forecasts

# Store Openings and Closings (Actual and Planned)

|   |                         | FY03/17 Results |               | FY03/18 Results |               | FY03/19 Plan |               |
|---|-------------------------|-----------------|---------------|-----------------|---------------|--------------|---------------|
|   |                         |                 | Prescriptions |                 | Prescriptions |              | Prescriptions |
| Open<br>※   | Drugstore               | +17             | +2            | +38             | +6            | +49          | +16           |
|   | Standalone dispensaries | +18             | +18           | +20             | +20           | +17          | +17           |
|   |                         | +35             | +20           | +58             | +26           | +66          | +33           |
| Close<br>※  | Drugstore               | -37             | -2            | -38             | -2            | -25          | -             |
|   | Standalone dispensaries | -1              | -1            | -2              | -2            | -            | -             |
|   |                         | -38             | -3            | -40             | -4            | -25          | -             |
| Store format change   | Drugstore               | -1              | -1            | -1              | -1            | -            | -             |
|   | Standalone dispensaries | +1              | +1            | +1              | +1            | -            | -             |
|   |                         | -               | -             | -               | -             | -            | -             |
| End of period   | Drugstore               | 1,157           | 102           | 1,156           | 105           | 1,180        | 121           |
|   | Standalone dispensaries | 147             | 147           | 166             | 166           | 183          | 183           |
|   |                         | 1,304           | 249           | 1,322           | 271           | 1,363        | 304           |
| Number of renovated stores (including sign changes and small renovations) |                         | 103             |               | 103             |               | 89           |               |
| (Of which, over JPY5mn)   |                         | 67              |               | 53              |               | 56           |               |

\* Including M&A

(Million yen)

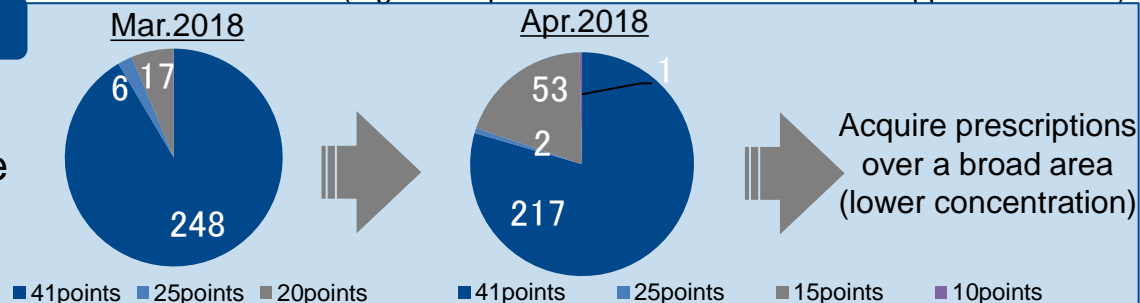
|                          | FY03/17<br>Results | FY03/18<br>Results | FY03/19 Plan  |
|--------------------------|--------------------|--------------------|---------------|
| Capital investment       | <b>6,419</b>       | <b>8,731</b>       | <b>11,000</b> |
| Total cash flow          | <b>11,059</b>      | <b>13,043</b>      | <b>15,016</b> |
| Net income               | <b>7,037</b>       | <b>9,067</b>       | <b>10,600</b> |
| Depreciation             | <b>3,698</b>       | <b>3,680</b>       | <b>4,130</b>  |
| Amortization of goodwill | <b>324</b>         | <b>296</b>         | <b>286</b>    |



(Figures in parentheses are the number of applicable stores)

## Effect 1 Basic dispensing fee

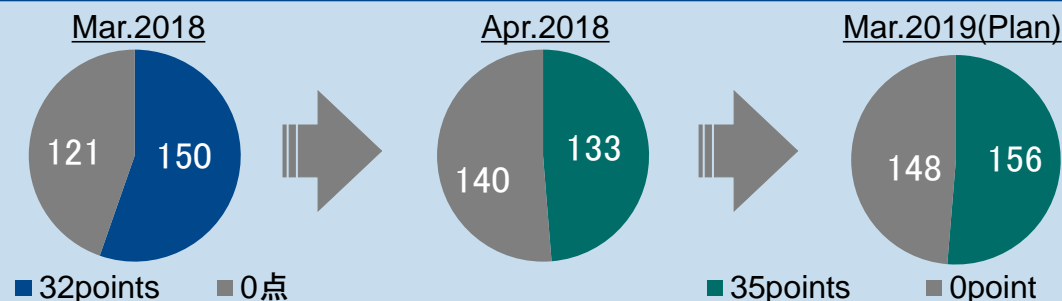
Changes in conditions to cause premiums at some stores to decline



## Effect 2 基準調剤加算→地域支援体制加算

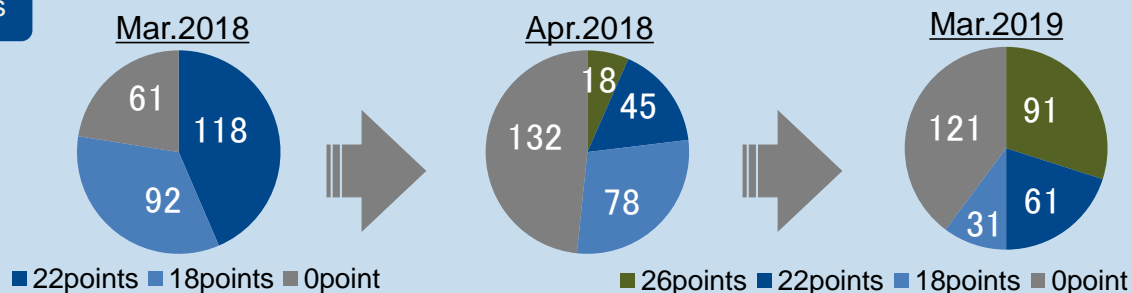
Discontinuation of previous premiums for standard dispensing, introduction of new system of premiums for regional support

Decrease in number of stores that can receive points due to the change in requirements



## Effect 3 Premiums for generics dispensing systems

Decrease in number of stores that can receive points due to the change in requirements



## Effect 4 Consultancy fees managing medication history

Increase in dispensing fees

## Effect 4 Drug price revisions

Decline in drug price margins

Ordinary income  
(million yen)

18,000

16,000

14,000

12,000

10,000

8,000

6,000

4,000

2,000

0

Promote responses to drug price and medical care fee revisions, raise number of new stores, invigorate existing stores, increase service sophistication, bolster productivity

Drug price and medical care fee revisions, significant impact in the beginning

Upturn in ordinary income

3,880

FY03/18 FY03/19

1Q(Apr.~Jun.)

7,469 7,500

FY03/18 FY03/19

2Q(Apr.~Sep.)

12,085

FY03/18 FY03/19

3Q(Apr.~Dec.)

16,000

17,000

FY03/18 FY03/19

Full Year

|                   | 1H (Apr.-Sep.)  |                |                  |                |         | Full-Year       |                |                  |                |         |
|-------------------|-----------------|----------------|------------------|----------------|---------|-----------------|----------------|------------------|----------------|---------|
|                   | FY03/18 Results |                | FY03/19 Forecast |                |         | FY03/17 Results |                | FY03/18 Forecast |                |         |
|                   | Million yen     | % of net sales | Million yen      | % of net sales | YoY (%) | Million yen     | % of net sales | Million yen      | % of net sales | YoY (%) |
| Net sales         | 195,486         | 100.0          | 204,000          | 100.0          | 104.4   | 390,963         | 100.0          | 412,000          | 100.0          | 105.4   |
| Drugstore         | 149,239         | 76.3           | 155,869          | 76.4           | 104.4   | 295,892         | 75.7           | 313,859          | 76.2           | 106.1   |
| Dispensing        | 26,400          | 13.5           | 27,376           | 13.4           | 103.7   | 54,738          | 14.0           | 56,877           | 13.8           | 103.9   |
| Wholesale & other | 19,846          | 10.2           | 20,754           | 10.2           | 104.6   | 40,332          | 10.3           | 41,263           | 10.0           | 102.3   |
| Gross profit      | 51,294          | 26.2           | 54,700           | 26.8           | 106.6   | 104,652         | 26.8           | 112,500          | 27.3           | 107.5   |
| SG&A              | 44,986          | 23.0           | 48,300           | 23.7           | 107.4   | 90,939          | 23.3           | 97,800           | 23.7           | 107.5   |
| Operating income  | 6,307           | 3.2            | 6,400            | 3.1            | 101.5   | 13,712          | 3.5            | 14,700           | 3.6            | 107.2   |
| Ordinary income   | 7,469           | 3.8            | 7,500            | 3.7            | 100.4   | 16,019          | 4.1            | 17,000           | 4.1            | 106.1   |
| Net income        | 4,608           | 2.4            | 4,700            | 2.3            | 102.0   | 9,067           | 2.3            | 10,600           | 2.6            | 116.9   |

## Medium-term plan through FY03/20.

### FY03/18

|   |                                 |
|---|---------------------------------|
| Net sales                               | JPY390.9 <sub>bn</sub>          |
| Ordinary income<br>(Ratio to net sales) | JPY16.0 <sub>bn</sub><br>(4.1%) |
| ROA<br>(Ordinary income)                | 10.5%                           |
| ROE<br>(Net income)                     | 10.6%                           |

### FY03/20

Net sales JPY420<sub>bn</sub>

Ordinary income  
(Ratio to net sales) JPY22<sub>bn</sub>(5.2%)

### Numerical management targets

ROA (Ordinary income) 10% or higher

ROE (Net income) 10% or higher

# Outlook

## Strengthen rollout of drugstores combined with dispensing pharmacies

End Mar. 2018

|                             |            |
|-----------------------------|------------|
| Prescriptions               | 271 stores |
| (Of which, combined stores) | 105 stores |

+33 stores  
+16 stores

End Mar. 2019(Plan)

|                             |            |
|-----------------------------|------------|
| Prescriptions               | 304 stores |
| (Of which, combined stores) | 121 stores |

Increase number of combined stores that offer

cure

care

fine

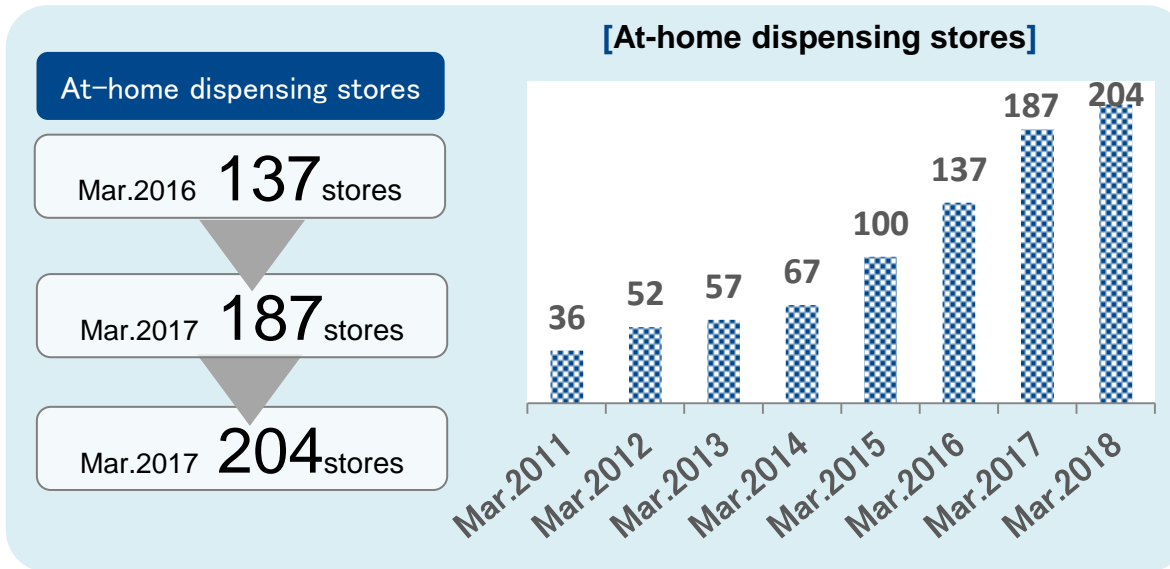
in a single location

|                           | cure | care | fine |
|---------------------------|------|------|------|
| Health support pharmacies |      |      |      |
| Standalone dispensaries   |      |      |      |
| Drug store + Pharmacy     |      |      |      |
| Drug store                |      |      |      |

Reinforce the cure domain

## Create community-based health support pharmacies

- Strengthening at-home dispensing activities



- Training of family pharmacists
- Handling OTC drugs and nursing care products
- Community activities such as health seminars



## Healthcare services

Invest in Healthcare  
New Frontier Fund

New products and services

Regional community,  
customers, patients

## Cocokara Fine

Health support

Pharmacies

Dispensing drugstore

Drug store

Nursing care

Medical care

## Medical care Capital alliance with Medca

Capital alliance with  
Medcare

Uninsured services  
Online services for prevention  
and treatment on  
lifestyle-related diseases

## Dietary care

Business alliance with  
Valor Holdings

Food and convenience

## Exercise and rehabilitation

Business and capital  
alliance with Y's

Uninsured services  
Centers for post-stroke  
rehabilitation



# Cocokara Fine Inc.

<http://corp.cocokarafine.co.jp/english/>

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