



Corporate Profile



Stock code: 3098

Provision of a wide variety of health care services around the mainstay drugstore and pharmacy operations

The cocokara fine Group aims for “Omotenashi (hospitality) No. 1” and has developed business under our management principle of “pursuing a healthy mind and body, and contributing to the community.” In April 2013, we integrated our sales subsidiaries that operate drugstores and pharmacy operations into a single entity, cocokarafine Healthcare Inc. Amid the advancement of dwindling birthrate and aging society, we have created a framework to speed up decision making and enhance management efficiency in order to further bolster “omotenashi” to customers.

We aim to create a healthcare network providing total support to the health of customers and enhance quality of life (QOL) by establishing regional healthcare networks through not only the drugstore and pharmacy operations but also peripheral businesses including nursing care services, product planning and development, e-commerce operations and collaborations of the businesses.

Management Principle

To pursue healthy mind and body, and to contribute to the community

Corporate Slogan

Realizing “Omotenashi No. 1”

Management Policy (Social Responsibility)

- Establish a community-based healthcare network
- Foster competent human resources that can satisfy society's needs

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Drugstore and Pharmacy Operations

cocokarafine Healthcare Inc.

Over 1,300 stores are located throughout the nation from Hokkaido to Okinawa



IWASAKI KOHKENDO Co., Ltd.

Operating 62 drugstores are located in Yamaguchi and Hiroshima



Function companies

cocokarafine Next Co., Ltd.

Product planning and development centering on health & beauty care products



cocokarafine OEC Co., Ltd.

Development of e-commerce business



SHANGHAI COCOKARA FINE INC.

Development of drugstore operations in China



Nursing Care and At-Home Care Services

FINECARE Inc.

Promoting the life support business for local communities



cocokarafine Associe Co., Ltd.

Creating new work styles with diversified human resources who can demonstrate their talents



Aiming to be a familiar healthcare company which provides “healthy mind and body.”



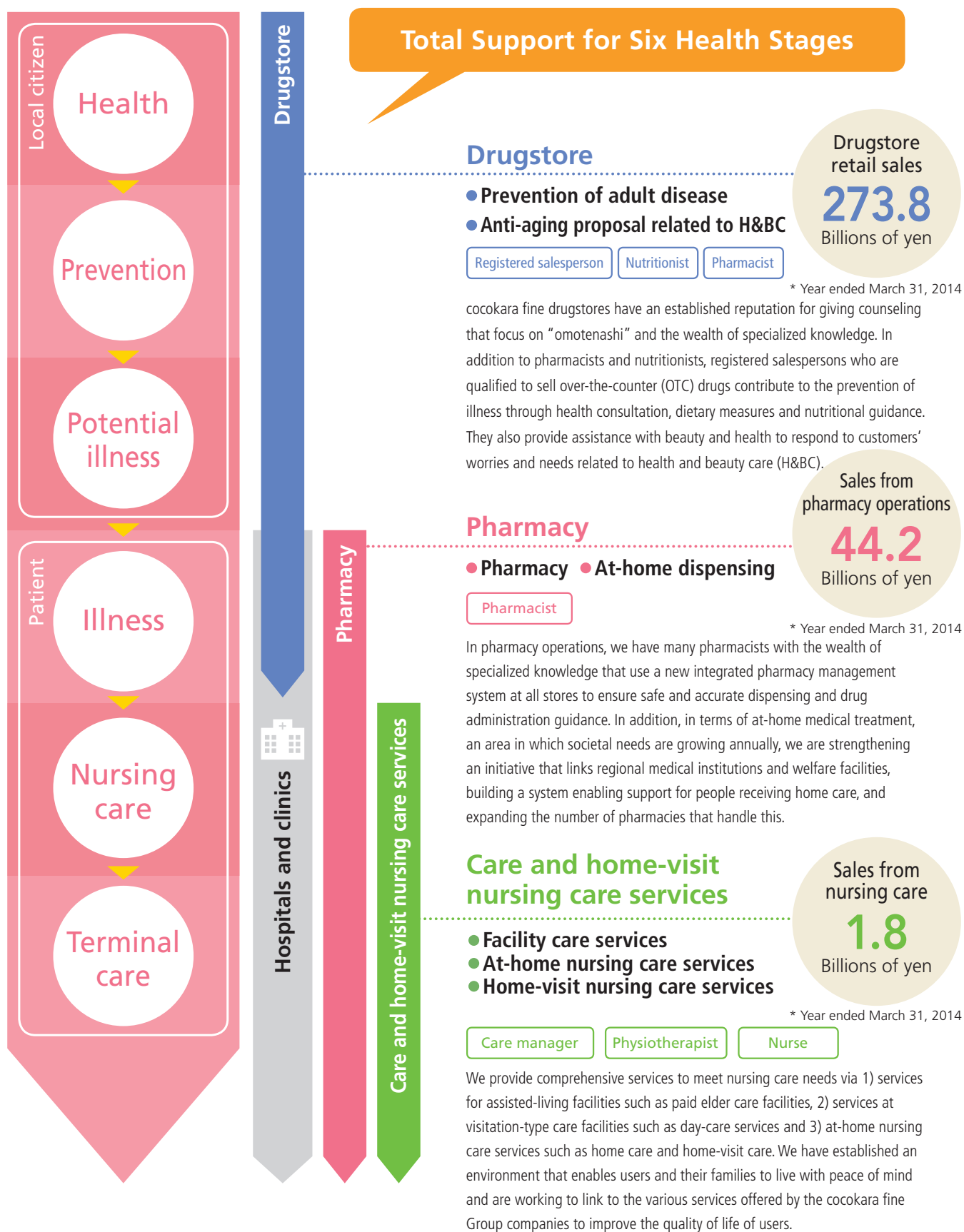
President **Atsushi Tsukamoto**

cocokara fine Inc. is a company which operates more than 1,300 drugstores and pharmacies in Japan. We are not only drugstores which just sell products but also bases which provide healthy mind and body. And our mission is “to pursue healthy mind and body, and to contribute to the community.”

Over the past two decades, Japan has faced its share of major challenges, whether natural or manmade. Today, with the population of 65 and older surpassing 30 million in Japan, we need to break out of our conventional focus way of thinking that places utmost importance on the economy and develop a new vision for society that is considerate of sustainability and also attractive. Japan has also seen major shifts in its healthcare policies and programs. These shifts mark the beginning of the self-medication era where people will focus on preventing illness, undergoing less intensive or invasive treatments, and maintaining their health. Future drugstores will address the function of not only “providing drug as people feel sick,” but also “preventing potential illness or maintaining health,” which will be increasingly important.

With this in mind, in April 2013 we integrated our six sales subsidiaries engaged in drugstore or pharmacy operations into a single entity and named it cocokarafine Healthcare Inc. This new company will pursue even greater “omotenashi,” enhance our presence as a new hub of medicine fulfilling an important role in our customers’ lives, and help us offer “lifestyle solution stores” that makes people’s minds and bodies healthier. And we will continue to aim to create a company that is trusted and supported by local customers, as a “local healthcare infrastructure,” that seamlessly integrates our drugstore, pharmacy, nursing care services and e-commerce operations.

Aiming to create a healthcare network providing total support to the health of people in the region.



Drugstore Operations

Industry-leading business foundation with more than 1,300 stores

cocokarafine Healthcare Inc. engages in drugstore operations, one of the core business of cocokara fine Group. cocokarafine Healthcare was newly established in April 2013 through the integration of our sales companies : Seijo Co., Ltd., Segami Medics Co., Ltd., Zip Drug Co., Ltd., Lifort Co., Ltd., Suzuran Co., Ltd., and Medical Index Co., Ltd. KODAMA Co., Ltd., which is a sales company of cocokara fine, was also merged into cocokarafine Healthcare in October 2013. Although it is a new company all of merged companies were engaged in drugstore operations rooted in the local community, each had a long history and top-rated ability in the drugstore industry. Including the number of stores of IWASAKI KOHKENDO Co., Ltd., which was merged into cocokara fine in November 2013, our Group has more than 1,300 drugstores in Japan. By optimizing the industry's top-rated number of stores, we pursue economies of scale and develop area-focused and detailed merchandising to further reinforce our business foundation.



Eight brands



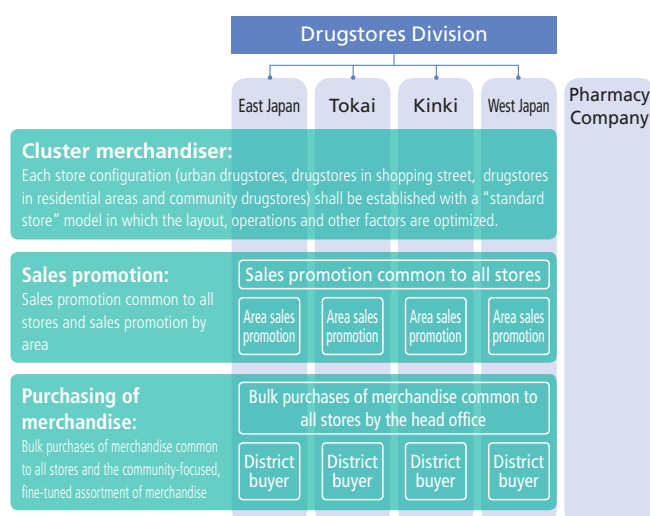
▶ Feature 1

A distinguished feature of our stores is high-value-added services with a focus on customer-centric sales based on the wealth of specialized knowledge and consultation capabilities of our staff. In addition, we reinforce our education system for employees and staff and display a wide assortment of products mainly of health and beauty care products to meet customers' diversifying needs, clearly demarcating ourselves from typical price-oriented drugstores.



▶ Feature 2

Aiming to become stores to be loved by each and every customer, we optimize each store's operations from the viewpoints of area, store configuration and merchandise. We have separated each drugstore into four categories, "urban drugstores," "drugstores on shopping streets," "drugstores in residential areas," and "community drugstores" and promote community focus with initiatives such as fine-tuned sales promotion and an appropriate assortment of products by area.



▶ Feature 3

Our membership point card "Cocokara club card" was born in July 2013 as a common point card available at all the affiliated stores. The club card primarily features point-granting rates that vary between monthly and annual purchase amounts and prepaid function to allow cardholders to use it for purchases at VISA-affiliated stores. We position cardholders who spend more than 50,000 yen a year or more than 5,000 yen a month as "loyal customers," who are fans of cocokara fine. We aim to expand customer satisfaction and the number of our fan "loyal customers" through various ways of approach, such as upgrading of the programs for members at the "cocokara club" member site which is linked with the club card.



International Business

Focus on East Asia and Expanding Drugstore Operations Overseas

The drugstore market has been expanding overseas in recent years given increasing populations and economic growth. To take advantage of this, we have taken the lead in the industry in forays overseas in East Asia, particularly China. We started operation of a wholly owned subsidiary in Shanghai, which marked a first for Japan's drugstore industry. We have obtained import permits and started sales of the VIVCO Series and PB products in China and Thailand.



Pharmacy Operations

Proactively open stores in medical centers and lead the industry in at-home dispensing services

The cocokara fine Group is a pioneer in the drugstore industry as one of the first to implement pharmacy operations in anticipation of the coming era of the full-fledged separation of medical practices and drug dispensation. Based on a long history of providing safe and accurate pharmacy services, the Group boasts the drugstore industry's top-rated position regarding dispensing fees.

We aim to be the pharmacy of choice in this era of self-medication by opening not only stand-alone dispensaries but also combined outlets that include a drugstore and pharmacy under the same roof and new stores in medical centers. We intend to accelerate efforts to provide pharmacy services to patients who are receiving treatment at home and to raise the ratio for use of generic drugs, increase bases for at-home dispensing and reinforce our commitment to around-the-clock dispensing and at-home dispensing service.

Near-future dispensaries will be required to provide patients with added value through sales of goods useful for health promotion and/or by holding health-related seminars. To become the community-focused pharmacy of choice, our store will pursue the improvement of quality of life for local citizens by establishing a broad, cooperative network linked to medical care, nursing care and any relevant industries.



Drugstore Industry Ranking*

Pharmacies that
Dispense over 1,000
Prescriptions
per month

1
No.

Top-rated in the drugstore industry in both
dispensing fees and dispensing sales ratio

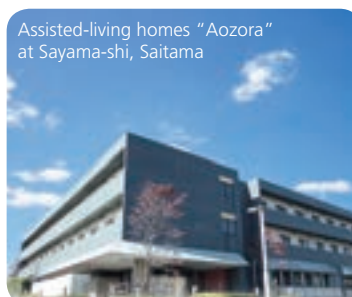
* Source: Drug Magazine July 2014



Nursing Care Services

Expanding Business with an Extensive Service Menu Linked to Our Core Business

In addition to home care services, day services, short stays and the operation of facilities such as group homes and paid elder care facilities, FINECARE Inc. started operating “Sayama Model” homes, which link assisted-living homes to local healthcare networks in March 2013. In light of rising societal needs, we are working to ensure differentiation through collaboration with the core business of drugstore and pharmacy operations and are expanding business domains.



Assisted-living homes “Aozora”
at Sayama-shi, Saitama



E-Commerce

Expanding Customer Contacts through the Omni-Channel together with Drugstore Operations

Responding to the shift in the terminal environment to smart-phones and tablets, the company is working to enhance customers’ convenience by offering pharmaceuticals including category-1 OTC (over the counter) drugs as well as a wider variety of health and beauty care (H&BC) items compared to the actual stores. We intend to promote an omni-channel strategy that exploits synergies with our core business by standardizing the point system as Cocokara club card and implementing mutually complementary sales promotions and information provision with actual stores.



Product Planning and Development

Developing Products that Differentiate Us through Synergies with Drugstore Operations

We are pursuing differentiation from other drugstores by developing private-brand products that deal with customers’ issues and needs, achieved by leveraging the features of the Group, which has strength in counseling capabilities supported by specialist knowledge. cocokarafine Next Co., Ltd., has devised several products that have proven to be hits in the market, including the VIVCO Series cosmetics, which boast annual sales of more than 160,000 units. This product line was developed in conjunction with Kyushu University, which has proprietary technology, in an industry-academia initiative to address the skin problems of customers. In addition to promoting sales of these products at the Group’s drugstores, the products are sold through the store networks of other companies.



Contribution
to Community**Assistance in case of disaster by
drawing on our Group strength**

Given the rising awareness of health and disaster, drugstores increasingly are requested to function as an essential lifeline utility. After the Great East Japan Earthquake, our pharmacists worked to offer optimum care in collaboration with doctors and nurses by taking advantage of their accumulated knowledge although medical staff was insufficient to take care of the many refugees evacuating without their prescribed drugs. The Group has entered into the "Agreement Concerning the Supply of First-Aid Commodities of Life in Case of Disaster" with the city of Atami and local municipalities in Shizuoka Prefecture. The Group has concluded similar agreements with local municipalities in Nagasaki and Wakayama prefectures.

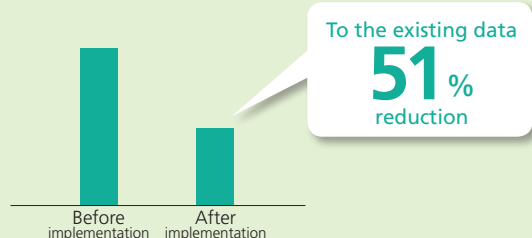


Environment

**Implementing LED lighting at all of our
stores to reduce the environmental load**

We are introducing energy-saving equipment in our stores. Having implemented LED lighting devices for newly opened and renovated stores, we have completed the installation of LED lighting for all stores group-wide.

Through the replacement of all lighting devices with LED ones, electric power consumption for lighting can be reduced by approximately 51%. We will develop environment-friendly stores with less environmental load.

Change in electric power consumption for lighting

CSR

Initiatives in pursuit of a mind & body

Educational
Support**Full support for publishing
Secrets of Drugstores and Dispensing
for elementary school pupils**

The Group fully cooperated in planning and publishing a book titled *Secrets of Drugstores and Dispensing*, an educational book for elementary school pupils that has been donated to 22,300 elementary schools and 3,200 public libraries nationwide. We hope this book will contribute to helping school pupils better understand the roles of experts, such as pharmacists and registered salespersons who provide information about health centering on drugs, and of drugstores, as well as the importance of the "omotenashi" spirit of our staff.

Social
Contribution**Exhibited at KidZania Koshien to help
children think of their future and
society**

As an official sponsor of this profession and social experience type facility, the Group exhibited a drugstore pavilion. Visitors can have the experience of pharmacists working at a pharmacy inside a drugstore and/or as designers who fabricate original merchandise in the field of health maintenance. We expect our pavilion to serve as a place to learn the importance of self-medication with a distinct experience through which one can understand drugstores' role as a medical care base to refresh the mind and body of customers/patients and become increasingly familiar with medical care.

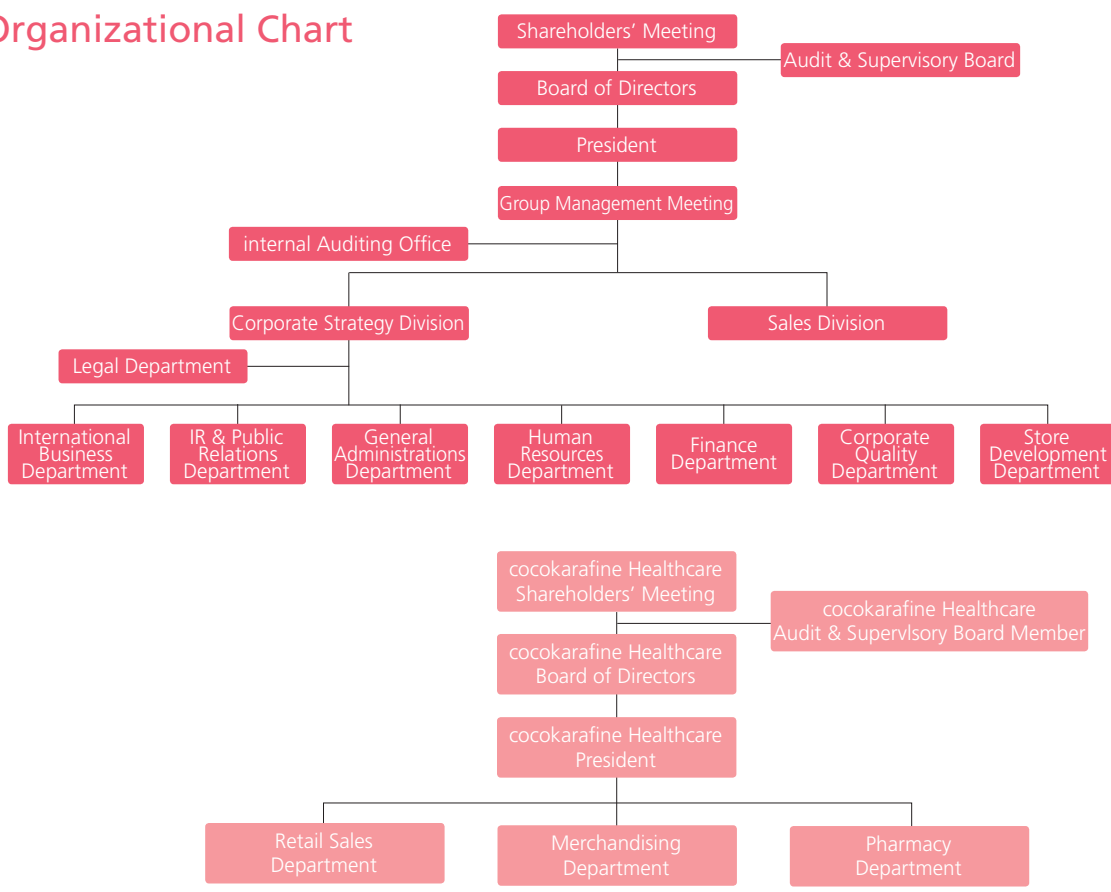


CORPORATE PROFILE

Company Profile

Name	cocokara fine Inc.	
Business Description	Corporate planning, management and other ancillary operations for group companies and subsidiaries engaged in drugstore chain operations.	
Head Office	Inotech Bldg., 3-17-6 Shin-Yokohama, Kohoku-ku, Yokohama, Kanagawa 222-0033 Japan Tel. +81-45-548-5929	
Established	April 1, 2008	
Paid-in Capital	1,000 million yen	
Group Companies	<ul style="list-style-type: none">● cocokarafine Healthcare Inc. Inotech Bldg., 3-17-6 Shin-Yokohama, Kohoku-ku, Yokohama, Kanagawa 222-0033 Japan● FINECARE Inc. 2F, Daily Care Seijo Minami Urawa Nishiguchi Store, 2-2-1 Bunzo, Minami-ku, Saitama, Saitama 336-0025 Japan● cocokarafine OEC Co., Ltd. Inotech Bldg., 3-17-6 Shin-Yokohama, Kohoku-ku, Yokohama, Kanagawa 222-0033 Japan● IWASAKI KOHKENDO Co., Ltd. 5636-5, Ichinoide, Shunan, Yamaguchi 745-0882 Japan● cocokarafine Associe Co., Ltd. 2-1-7, Sanno, Ota-ku, Tokyo 143-0023 Japan● cocokarafine soleil Co., Ltd. 2-1-7, Sanno, Ota-ku, Tokyo 143-0023 Japan● SHANGHAI COCOKARA FINE INC. Room 203, Huizhi Mansion, No.398 Caoxi Road (North), Xuhui District, Shanghai, China● cocokarafine Next Co., Ltd. Inotech Bldg., 3-17-6 Shin-Yokohama, Kohoku-ku, Yokohama, Kanagawa 222-0033 Japan	

Organizational Chart

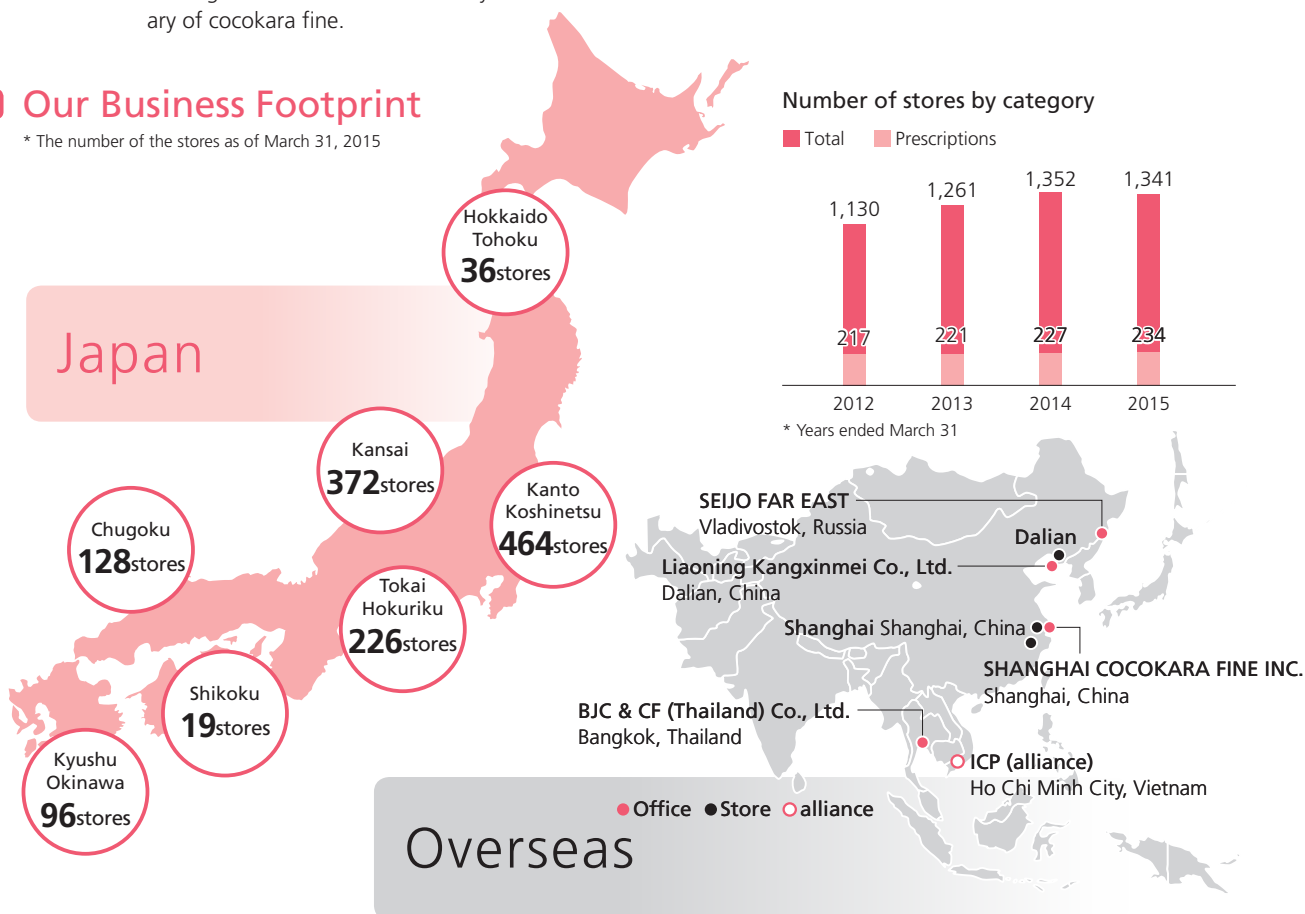


History

April 2008	Segami Medics Co., Ltd. and Seijo Co., Ltd. undergo a management merger and establish cocokara fine Holdings Inc. through the transfer of shares.	November 2012	Acquires all outstanding shares in KODAMA Co., Ltd., an operator of drugstores and pharmacies in the Koshinetsu and Tohoku areas, with a focus on Niigata, and makes it a subsidiary.
October 2010	Merges with Allied Hearts Holdings Co., Ltd. and changes its trade name to cocokara fine Inc. Relocates head office to Yokohama, Kanagawa.	April 2013	Integrates six subsidiaries Seijo Co., Ltd., Segami Medics Co., Ltd., Zip Drug Co., Ltd., Lifort Co., Ltd., Suzuran Co., Ltd., and Medical Index Co., Ltd. to form cocokarafine Healthcare Inc.
October 2011	Acquires shares in Suzuran Co., Ltd., an operator of drugstores and pharmacies in Hokkaido, and makes it a subsidiary.	November 2013	Acquires shares in IWASAKI KOHKENDO Co., Ltd., and makes it a subsidiary.
April 2012	Changes trade name of sub-subsidiary Takara Care Co., Ltd. engaged in nursing care services to FINECARE Inc. and consolidates the group's nursing care services into this entity as a subsidiary of cocokara fine.		

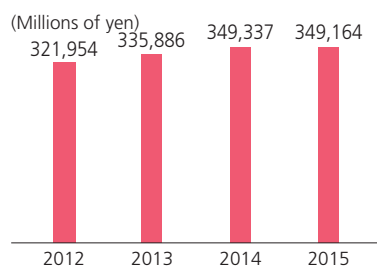
Our Business Footprint

* The number of the stores as of March 31, 2015

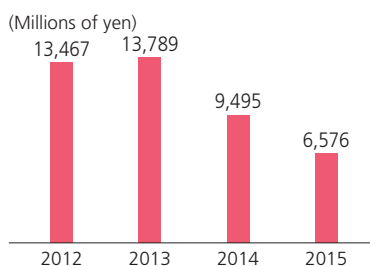


Financial Highlights

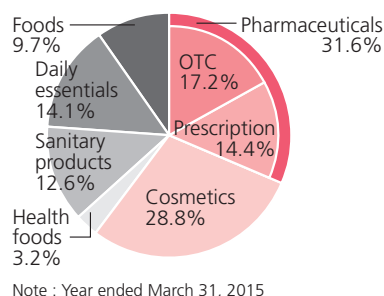
Net Sales



Ordinary income



Net sales by product segment





Brand Origin

The cocokara fine brand was born from the belief that we want to improve the health of our customers' minds and bodies. The word Coco combines the word "co-work," which refers to the relationship we maintain with our many different stakeholders, and the phrase "koko kara hajimaru" in Japanese, which means everything starts from here.

Corporate Logo

Cocokara fine's corporate logo was designed based on the keywords: "active," "friendly," and "comfortable."

The color coral was chosen for our corporate logo because of the comfort and peace of mind it affords. The "C" shape stands for cocokara fine, while the colon at right is used to articulate the fact that we play many roles for our customers.

The white cross formed between the "C" and colon represents our steadfast commitment as a pharmaceuticals dispenser to ensure safety, security and reliability for every customer.

Hello, we are cocokara fine.
We'd like you to get familiar
with our company!



