ココカラファイン
ココロ、カラダ、ゲンキ。

Corporate Profile

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

Stock code:3098

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

Inspired by our corporate slogan—"Omotenashi No. 1," while guided by our management philosophy of "pursuing healthy mind and body, and contributing to the community," the cocokara fine Group engages in diverse business.

We are resolved to contribute to customer and patient wellbeing by enhancing the functions of our mainstay drugstore and pharmacy operations that "provide vital support for self-medication." Having expanded our peripheral businesses to include nursing care and home care services and e-commerce, we are promoting linkage of these operations and collaboration between staff engaged in healthcare and nursing care in order to fulfill our social responsibility of establishing a community-based healthcare network offering comprehensive at-home healthcare and nursing care services.

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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More than a Friend, Less than a Doctor: Helping People Stay Healthy in Mind and Body

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 realize our management philosophy of "pursuing healthy mind and body, and contributing 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 shift 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.

Responding to the needs of the era, we would like to deepen partnerships so as to be of ever-greater benefit to our customers, always at hand when needed: more than a friend, less than a doctor. Through linkage of our core business of drugstores and pharmacies with nursing care and home care services and e-commerce, and cooperation with local healthcare institutions, we are creating a healthcare network. This endeavor is central to our goal of becoming an enterprise helping people in the community get "cured," receive the "care" they need and feel "fine."

President **Atsushi Tsukamoto**

Aiming to create a healthcare network providing total

cocokara fine Inc. Holding Company

Drugstore and Pharmacy Operations

Nationwide store network covering all regions from Hokkaido to Okinawa

ココカラファイン ココロ、カラダ、ゲンキ。
セイジョー
ドラッグセガミ
ジップドラッグ
LIFORT
ユアラン薬局
広がれ健康ネットワーク クスリのコダマ
クスリ岩崎チェーン

Four community-based store formats

Nursing Care Services

Helping create a society where people can live in their community throughout their lives

Rich array of services meeting diverse needs

Other operations

E-commerce

E-commerce based on the "omotenashi" concept

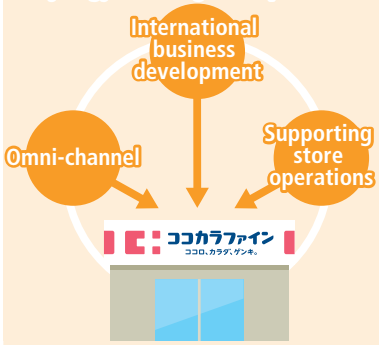
International Business

International business centering on import/export of products from/to East Asia

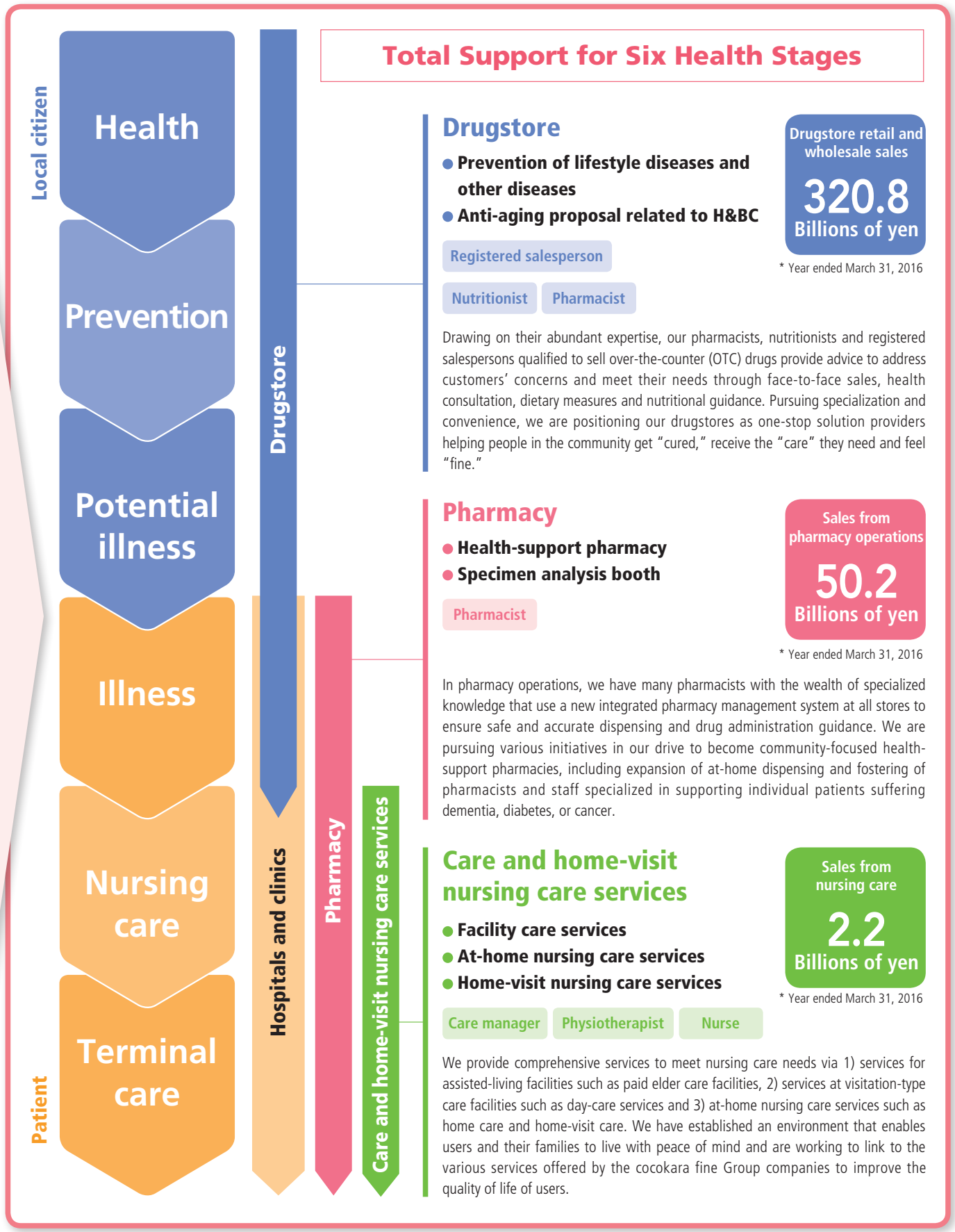
Staffing Business

New work styles enabling diverse people to demonstrate their talents

Synergy with drugstore operations



support to the health of people in the region.

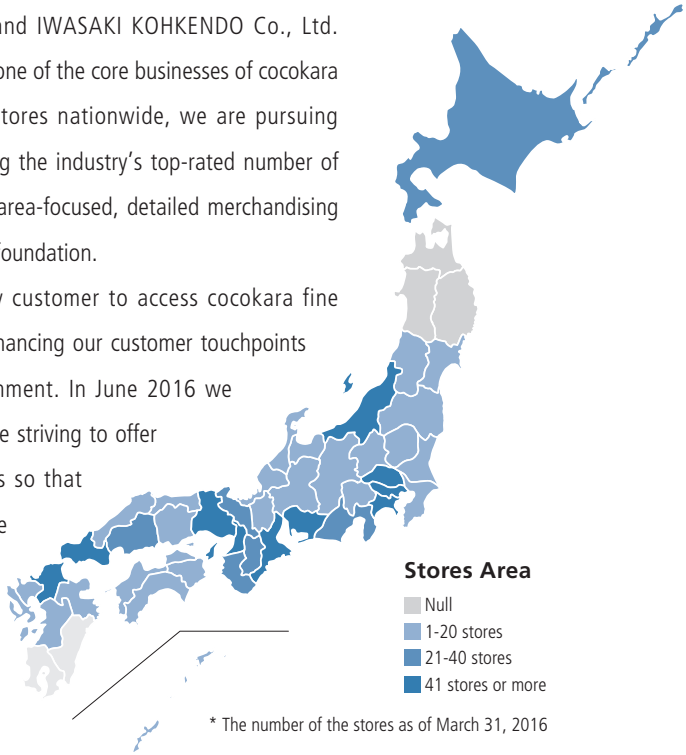


Drugstore Operations

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

cocokarafine Healthcare Inc. and IWASAKI KOHKENDO Co., Ltd. engage in drugstore operations, one of the core businesses of cocokara fine Group. With over 1,300 stores nationwide, we are pursuing economies of scale by optimizing the industry's top-rated number of stores. We are also developing area-focused, detailed merchandising to further reinforce our business foundation.

Moreover, to enable "any customer to access cocokara fine anytime, anywhere," we are enhancing our customer touchpoints by fully utilizing digital environment. In June 2016 we released a dedicated app and are striving to offer customers various new services so that they can use cocokara fine services more conveniently.



* The number of the stores as of March 31, 2016

Anytime, anywhere, anyone—cocokara fine

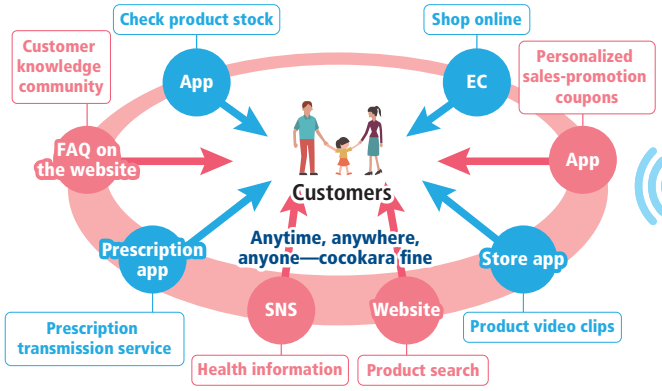
To create an environment enabling any customer to simply access the information they desire anytime, anywhere, we are establishing an integrated "Communication Platform" covering products, customers, stores, etc. We are eager to use this platform to enhance customer convenience and pursue service customization.

Extensive product information from the customer's viewpoint

Offering product information covering attributes such as shape, color, and usage method as well as stock information at each store

Organizing customer touchpoints and developing new ones

Having organized web media such as SNS and the website, we released a new app in June 2016 to enhance customer convenience.



Enhanced customer convenience and service customization → Greater customer satisfaction

Feature 1

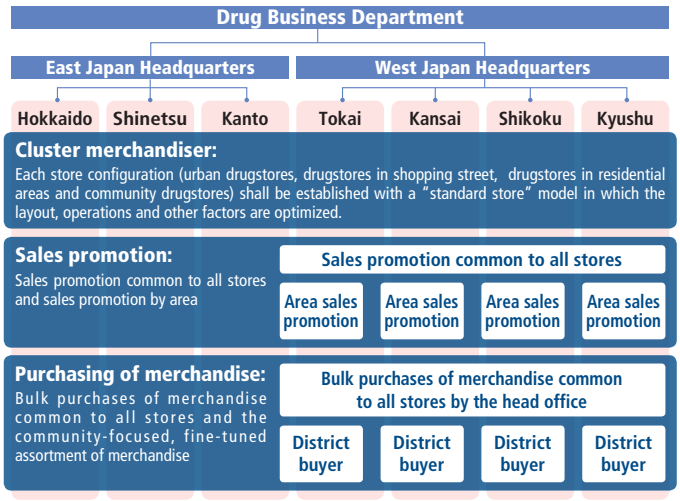
Fostering staff with expertise

The cocokara fine Group is distinguished by its ability to offer high-value-added services centering on face-to-face sales enriched by our staff's expertise. 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

Community-focused operations

Because we want our stores to be loved by each and every customer, we are optimizing store operations from the viewpoints of area, store configuration and merchandise. By classifying drugstores nationwide into four categories, "urban," "on shopping streets," "residential," and "community," we have established standard store formats for each category with optimized merchandising, layout and operations. With sales promotion and the product assortment fine-tuned for each category, our drugstores are doing their utmost to promote community focus.



Feature 3

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 100,000 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. Some of our other products include surfactant-free cosmetics and health foods that support vitality in everyday living. In addition to promoting sales of these products at the Group's drugstores, the products are sold through the store networks of other companies.

Feature 4

Card with prepaid function usable worldwide

We launched our membership card "Cocokara club card" in April 2013. As well as serving as a point card at our stores, it can be used as a prepaid card for payment at VISA-affiliated stores worldwide. Attesting to its convenience and benefits, the Cocokara club card has a large membership and is a major communication channel between the Company and customers. We offer various services to card holders according to their purchase behavior and approach them in multiple ways attuned to their lifestyles, leisure pursuits and preferences, in a concerted effort to expand customer satisfaction and increase the number of "loyal customers" that are cocokara fine fans.

調剤事業

Community-focused health-support pharmacy Fostering pharmacists with specialized expertise

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 "health-support pharmacy" 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, providing pharmacy services to patients who are receiving treatment at home, raising the ratio for use of generic drugs, increasing bases for at-home dispensing and reinforcing our commitment to around the-clock dispensing.

As well as offering conventional dispensing services, our pharmacies are a source of added value for patients that are easy to visit. They sell products conducive to health and wellness, are equipped with specimen analysis booths, and encourage patients to attend their health advisory gatherings regardless of whether they have prescriptions. To contribute to enhancement of the quality of life of people in the communities that our pharmacies serve, we are fostering specialized pharmacists and other staff with the expertise needed to offer personalized support to patients with dementia, diabetes, or cancer. In each area, we are establishing a network encompassing a wide variety of related sectors such as healthcare and nursing care.

Drugstore Industry Ranking*

Pharmacies that Dispense over 1,000 Prescriptions per month

No. 1

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

* Source: Drug Magazine July 2016

Nursing Care Services

サービス付き高齢者向け住宅「あおぞら」(埼玉県狭山市)

Expanding our business to meet the needs of at-home medical care, a major issue of the ageing society

In recent years, the trend has been for hospitalized patients to be discharged and return home upon completion of treatment, even if they are elderly. To help people return home and live at home without anxiety, the Group provides high-quality, team-based healthcare and nursing care through collaboration among its pharmacists, nurses, care managers, physiotherapists, occupational therapists, and certified care workers and also in cooperation with the community. We are offering nursing care services rooted in the community, including operation of home care stations with day-care services for functional training and assisted-living homes, which benefit from extensive collaboration with healthcare services.

E-Commerce

Deployment of digital customer touchpoints linked with actual stores

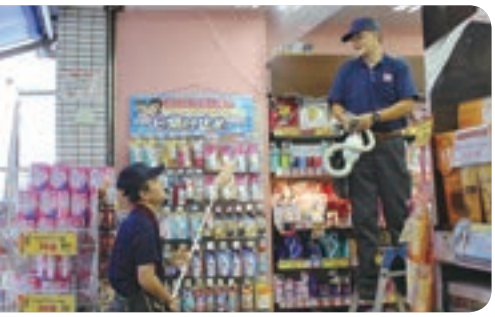
Responding to the shift in the environment for terminals to smartphones and tablets, the Company is working to enhance customers' convenience by offering pharmaceuticals including category-1 OTC (over the counter) drugs as well as a wider variety of health and beauty care (H&BC) items compared to the actual stores. We intend to create 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.

International Business

Promoting wholesale (imports and exports) business in East Asia where major growth is expected

In China and elsewhere in East Asia, market for Japanese products is expanding in line with the upward trend of personal incomes fueled by economic growth. We are vigorously developing business in East Asia where prospects for further growth are promising. Wholly owned local subsidiary SHANGHAI COCOKARA FINE INC. is developing drugstore operations in China, and we are also doing business in Thailand and Taiwan. In collaboration with our local bases, we intend to increase the presence of cocokara fine in Asia.

Staffing Business



Encouraging diverse human resources to flourish in support of sustainable core business growth

In accordance with our policy on diversity, we are enhancing the working environment so employees can bring their capabilities into full play while achieving their work-life balance. By dispatching qualified personnel (pharmacists and registered salespersons) and through work under contract, we support store operations and administrative work. With regards to employment of people with disabilities, we address the needs and expectation of society by establishing a special subsidiary offering a working environment that allays the anxieties of people with disabilities while giving them working opportunities to fulfill their potential.

Initiatives in pursuit of a mind & body

Contribution to Community

Health promotion events organized by cocokara fine

We hold health promotion events around Japan to raise awareness of self-medication and encourage its wider practice in the community. We offer analysis of bone density, blood sugar level, and other data, provide health consultations, and hold beauty seminars. At our "kids pharmacy," youngsters can gain an insight into the work of pharmacists. In addition, various sponsor companies open booths and provide samples at these cocokara fine events.

Social Contribution

Assistance in case of disaster by drawing on our Group strength

With a nationwide store network staffed by over 8,000 qualified personnel with specialist knowledge, the cocokara fine Group provides various supports in the event of a disaster. In the aftermath of the Great East Japan Earthquake, our pharmacists sought to provide appropriate care to affected patients in collaboration with doctors and nurses on site. We delivered relief supplies to the areas affected by the torrential rain in Kanto and Tohoku in 2015, and solicited donations at our stores following the 2016 Kumamoto Earthquake, in the hope of the earliest possible recovery in the disaster-stricken areas.

Educational Support

Developing children's knowledge

As part of our support for children's education, we are an official sponsor of a profession and social experience type facility, "KidZania Koshien." At our pavilion, children can experience what it is like to be a pharmacist. Through our participation in *Oshigoto Nenkan 2016*, issued and distributed to elementary schools in Japan by The Asahi Shimbun Company as part of its career advice and support project *Oshigoto Hakubutsukan*, we have introduced the work of pharmacists. We offer children opportunities to understand the role of drugstores as places where customers/patients can pursue health in mind and body, familiarize them with healthcare, and learn about the importance of self-medication.

Social Contribution

Participating in local events

The cocokara fine Group contributes to the vitality of communities through sponsorship of sporting events held in the communities where our stores are located. During the events, our booth conducts initiatives to promote the health of people in the community, such as by offering advice on health issues and introducing products conducive to health and wellness.

"Marathon" event for parents and children (Niigata Prefecture)

The 17th Tama River Walk (Tokyo)

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

Officers

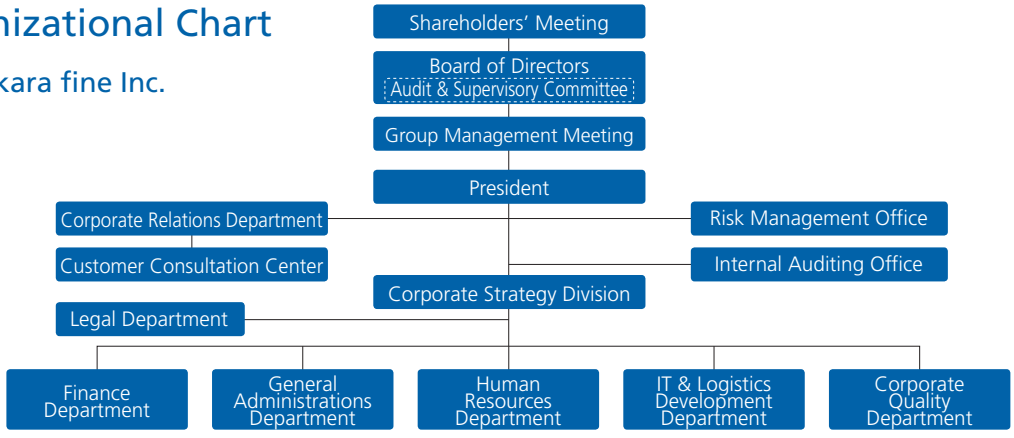
Representative Member of the Board/ President	Atsushi Tsukamoto
Member of the Board/ Executive Vice President	Toru Shibata
Member of the Board	Tsuyoshi Yamamoto
Outside Member of the Board	Makoto Tanima
Outside Member of the Board (Full-time Audit & Supervisory Committee Member)	Akira Sakamoto
Outside Member of the Board (Audit & Supervisory Committee Member)	Akira Torii
Outside Member of the Board (Audit & Supervisory Committee Member)	Manabu Hashimoto

Group Companies

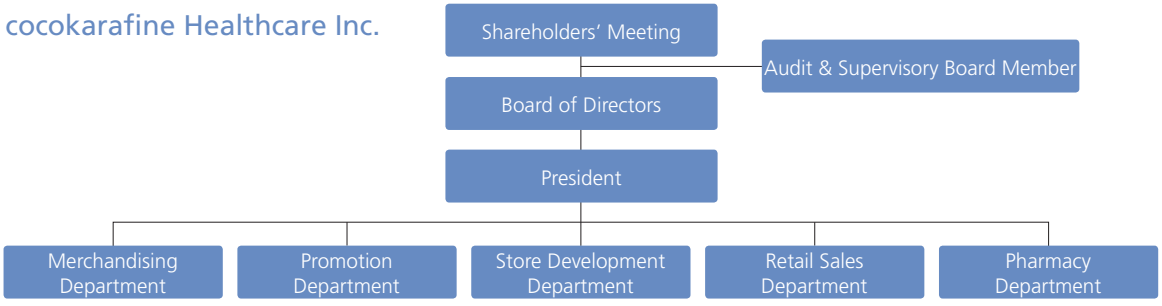
- **cocokarafine Healthcare Inc.**
  Inotech Bldg., 3-17-6 Shin-Yokohama, Kohoku-ku, Yokohama, Kanagawa 222-0033 Japan
- **IWASAKI KOHKENDO Co., Ltd.**
  5636-5, Ichinoide, Shunan, Yamaguchi 745-0882 Japan
- **FINECARE Inc.**
  2F, Daily Care Seijo Minami Urawa Nishiguchi Store, 2-2-1Bunzo, Minami-ku, Saitama,Saitama 336-0025 Japan
- **Aianju Co., Ltd.**
  2112-28, Onogi, Iga-shi, Mie 518-0033 Japan
- **cocokarafine Associe Co., Ltd.**
  2-12-2, Miyoshicho, Fuchu-shi, Tokyo 183-0045 Japan
- **cocokarafine soleil Co., Ltd.**
  2-12-2, Miyoshicho, Fuchu-shi, Tokyo 183-0045 Japan
- **SHANGHAI COCOKARA FINE INC.**
  Room 203, Huizhi Mansion, No.398 Caoxi Road (North), Xuhui District, Shanghai, China

Organizational Chart

cocokara fine Inc.



cocokarafine Healthcare Inc.



(as of April, 2018)

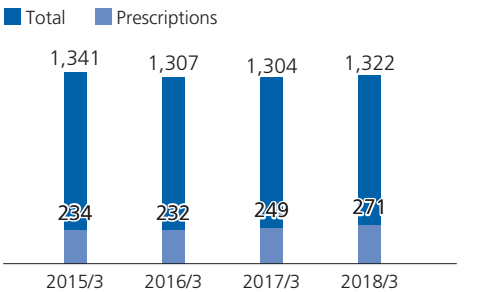
History

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.
October 2010	Merges with Allied Hearts Holdings Co., Ltd. and changes its trade name to cocokara fine Inc. Relocates head office to Yokohama, Kanagawa.
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.
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.
November 2013	Acquires all outstanding shares in IWASAKI KOHKENDO Co., Ltd., and makes it a subsidiary.
July 2014	Forms a business tie-up with Qol Co., Ltd., a major operator of pharmacies.
December 2014	Establishes cocokarafine soleil, Co., Ltd., a subsidiary, to expand employment opportunities for the disabled.
September 2017	Acquires shares in Aianju Co., Ltd., a provider of nursing care equipment sales and rentals, and house renovations business, etc. in Mie and makes it a subsidiary.
October 2017	Acquires 6 pharmacies from Izumiya Co., Ltd., an operator of supermarket stores and GMS.
December 2017	Acquires 2 pharmacies from Tatsuoka Ltd., a provider of dispensing pharmacy business.
December 2017	Forms a capital and business tie-up with Y's, Inc., an operator of cerebral infarction rehabilitation center.
January 2018	Forms a business tie-up with Valor Holdings Co., Ltd., an operator of supermarket stores, drugstores and home improvement retailers.
April 2018	Forms a capital tie-up with Medcare, Inc., a developer and provider of services to prevent progression of lifestyle diseases.

Our Business Footprint

* The number of the stores as of March 31, 2018

Number of stores by category



Overseas

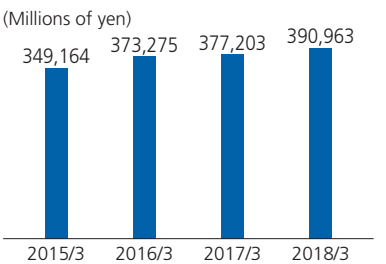
SHANGHAI COCOKARA FINE INC.
Shanghai, China

BJC & CF (Thailand) Co., Ltd.
Bangkok, Thailand

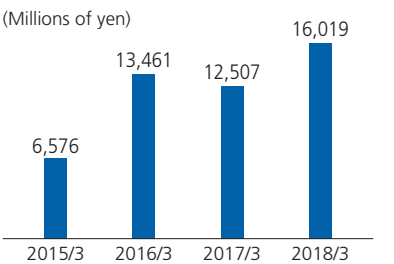
Development of commodity supply operations focusing on other East Asian regions.

Financial Highlights

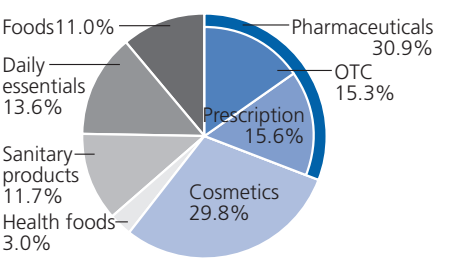
Net Sales



Ordinary income



Net sales by product segment



Note : Year ended March 31, 2018

ココカラファイン
ココロ、カラダ、ゲンキ。

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

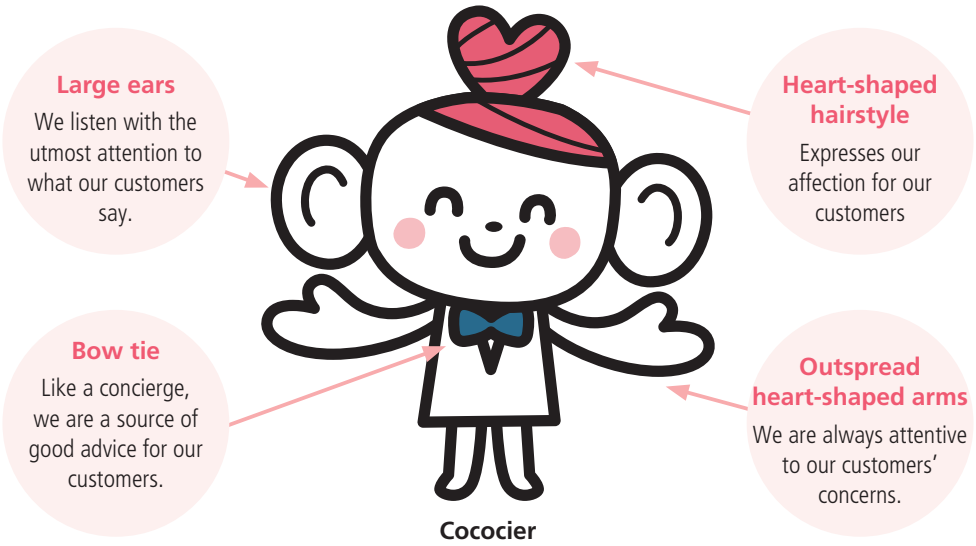
Cocokara fine's corporate logo was designed based on the keywords: "active," "friendly," and "comfortable."

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.

Mascot

Mascot embodying cocokara fine's aspiration to offer *omotenashi* hospitality like a concierge



ココカラファイン

ココロ、カラダ、ゲンキ。