

CORPORATE PROFILE 2018

Matsumoto KiYoshi Holdings Co.,Ltd.





Management Philosophy of the Group

1st for You.

We will always...
Treat all of our customers with respect,
Provide them with the help and advice
they need to maintain and improve
their health and beauty.
Strive to be the friendliest drugstore.



Matsumoto KiYoshi Holdings

- The logo of Matsumotokiyoshi Holdings shows three fully grown birds in dynamic flight.
- The three birds in our logo represent our three-fold commitment to further growth: listening attentively to our customers, helping them improve their health and beauty, and achieving the further growth of our group.

Our Business Objectives

Customers	We are proud to bring satisfaction to customers by supporting their pursuit of good health and beauty.
Employees	We want our employees to find satisfaction in their work, and to achieve personal growth as contributing members of society.
Client enterprises	We are promoting the development of the company together with client enterprises and all people and organizations we have business relations with.
Local communities	Through our activities as a corporate entity we contribute to the well-being of local communities.
Shareholders	We share profits with shareholders. These are the ways we work for our many stakeholders.

CSR through business activities (Positive CSR)

We regard "Management philosophy" and "Company ethics" as the basis of CSR. The basic policy of CSR is being the "1st for you." for every stakeholder through each employee's acts with awareness of society in everyday duties. Under such a policy, we, as a corporate group playing a role in the healthcare fields, engage in various activities with the themes, "Self medication" and "Community based family pharmacies" as our corporate social responsibility .

Relationships with Our Stakeholders



The 86-year Trajectory of Matsumotokiyoshi Holdings

Matsumotokiyoshi Holdings Co., Ltd. has roots going back to the company Matsumotokiyoshi, which was founded in 1932 in the Kogane district of the city of Matsudo, Chiba Prefecture (not far from Tokyo). The founder's name was Matsumoto Kiyoshi (it is from him we get our corporate name). The store he opened as an independent business was called Matsumoto Pharmacy. His philosophy did not follow the business concepts current at the time—the ideals he embraced for his business were sincerity and empathy, and from these ideals came two slogans: Consideration for Customers, and Good Products at Better Prices. Customer satisfaction was the base he built on, and when he went to the United States and learned about chain store practices, he had the tools he needed to grow his business.

■ Establishment of Ueno Ameyoko Store Revolutionizes the Industry

At the time, people tended not to visit pharmacies unless they had ill health or other such reasons. Learning from American drugstores, the company moved away from the dark and intimidating image of Japanese pharmacies, toward a bright interior and an inviting storefront, transforming the store into a place with new products and a wide range of other items, a place where customers could test cosmetics, and a place where shopping was enjoyable.



The Ueno Ameyoko Store, opened in 1987

■ Arrival of the Era of Suburban Stores

Matsumotokiyoshi continued to change its type of business according to customer needs, while at the same time moving ahead with the operation of large drugstores with parking lots, located along suburban thoroughfares. As young customers of urban-type Matsumotokiyoshi stores moved to the suburbs, the company responded to the needs of customers in each region with large drugstores that handled not only the drugs and cosmetics available at urban-type stores, but also a broad range of products that included items such as household and baby products.



The first suburban-type drugstore: the Kashiwa Kaga Store

1932

■ Establishment of Matsumotokiyoshi

December 26 Kiyoshi Matsumoto founds Matsumoto Pharmacy as a privately-run enterprise at 44 Kogane, Matsudo City.

1954

■ From private enterprise to incorporated body

January Drugstore Matsumotokiyoshi incorporated, with a view to future growth.

1987

■ Pioneer urban drugstore

July Innovative Ueno Ameyoko Store opens. It was a "friendly and accessible drugstore that offered consultations," which "aimed to make customers cheerful and bring them greater health and beauty."

1990

■ Public offering of over-the-counter shares

August The Company receives approval from the Japan Securities Dealers Association to register its shares on the over-the-counter market.

1994

■ Opens first suburban-type drugstore

March First roadside-type drugstore opens in Kaga, Kashiwa City.

■ The Aim of Kiyoshi Matsumoto

At the age of 23, Kiyoshi Matsumoto opened the Matsumoto Pharmacy in the Kogane district of the city of Matsudo (Matsumotokiyoshi Kogane Store). In addition to selecting a strategic location along the Joban railway line, in a town without a pharmacy, Kiyoshi displayed empty boxes to show the appeal of the store's broad product lineup, and even went to other stores to buy a product if he did not have it in stock, to ensure a prompt response to orders. These and other such aspects of the pharmacy garnered it a reputation as a friendly and diligent store.



Founder
Kiyoshi Matsumoto

First Pharmacy

1995

■ Company achieves largest sales in the Japanese drugstore market

March Sales: 101,778 millions of yen / 216 stores

1996

■ TV commercials start

April

1999

■ Company listed on the First Section of the Tokyo Stock Exchange

August

2001

■ Group expansion strategy starts

Company commences business partnership with leading regional companies.

■ Number of drugstores reaches 500

March

■ Accelerating on the path of expansion

In addition to aggressive opening of new stores, Matsumotokiyoshi launched its group expansion strategy through business partnerships/capital alliances with leading regional companies and entering into franchise agreements.



A storefront that still displays the character logo from the time of the company's founding

2002

■ Point card services start

April

Introduction of the point system



2005

■ New type of franchise package starts

August Keikyu Hautsu Store opens

To offer the polites service anywhere

2007

■ First 24-hour drugstore

June

■ Holding company Matsumotokiyoshi Holdings Co., Ltd. established

October



2008

■ Added more stores that accept UnionPay

January



2012

■ Service compatible with LINE starts

July



■ Celebrates 80th year since establishment

December



2014

■ Kiyoo Matsumoto assumed as President

April

■ Official Matsumotokiyoshi application released

August

■ Tax-free sales start

October



2015

■ Expanding into tax-free specialized stores Yurakucho ITOCiA Plaza Store

March



■ Chairman Namio Matsumoto receives the Order of the Rising Sun, Gold Rays with Rosette during the Emperor's Awards Presentation, spring of 2015.

April

Chairman Namio Matsumoto was recognized for his major role in society as Founding Chairman of the Japan Association of Chain Drugstores (JACDS) for promoting understanding about drug stores in Japan, promoting the concept of self-medication where people protect their own health, and moving beyond his position involved in the business development of a single company.



■ Our first store in an outlet mall Mitsui Outlet Park Makuhari Store

July



■ Expanding into next-generation healthcare stores Lifestyle Healthcare Store matsukiyo LAB Shin-Matsudo Eki-mae Store

September



1st for You.

2015

■ Support for cross-border EC Started sales in Alibaba's Tmall Global

September

■ Opens our first store in an airport facility Keikyu Haneda Airport International Terminal Station (franchise chain operated by Keikyu Hautsu Co., Ltd.)

October

■ Opens first store overseas, in Thailand Ladprao Store (Bangkok)

October

■ Original "matsukiyo" brand launched

December



2016

■ Received the 2016 Supply Chain Innovation Award for Excellence

July



2017

■ matsukiyo LAB Shin-Matsudo Eki-mae store designated as a Health-Support Pharmacy

February

■ First branch in a department store Takashimaya Duty Free SHILLA & ANA Shinjuku Store (franchise store)

April

■ New business aimed at working women Opens BeautyU Ginza Chuodori Store

June

■ First branch inside the hotel Narita Tobu Hotel Airport Store

September

■ First for a private brand in Japan Awarded the Platinum Award in the Body Category of the Pentawards for package design

October



2018

■ Established Matsumotokiyoshi (Taiwan) Limited to expand into Taiwan

January

■ Ranked 34th in the Japan's Best Domestic Brands rankings for the third year running

March

Japan's only drugstore to appear in the Japan's Best Domestic Brands rankings, at no. 34, compiled by Interbrand Japan, Inc. Ranked 4th for brand value growth rates over the previous year.

■ Certified as "Eruboshi" (top rank) by the Minister of Health, Labour and Welfare as a company that is active in the promotion of women's participation in the workplace.

March

Best Japan Brands 2018



1932

2020

In the beauty and health business fields, Aiming to become a corporation with 1 trillion Yen in sales

■ Basic Management Policy of the Group

- Our company strives to ensure that everyone connected with our Group can enjoy beauty, health, and abundant lifestyles for as long as they like.
- Our company promotes self-medication to support the coming ageing society, and intends to serve as the local “family pharmacy” to help guard the health of our customers and their loved ones.
- Our company aims to become **a corporate group essential in the fields of health and beauty** through always creating new values and providing sincere services in these fields.
- Our company aims to become **a corporate group trusted and supported by all its stakeholders**, so shall continue to work unceasingly, constantly tackle challenges, and grow to achieve this.

■ Mid to Long-term Management Strategy



Strategic Theme ①

Development of a New Business Line Model to Create Demand

《 Create new customers 》

Key Strategies

- Development of new business, expanding many branches
- Strengthening and expanding our pharmacy business
- Accelerating global responses

Strategic Theme ②

Further Evolution of CRM Based on the Omni-channel

《 Pursuing customer satisfaction 》

Key Strategies

- Upgraded customer relations services
- Optimization of the overall supply chain

Strategic Theme ③

Improve our market share and establish a firm revenue basis

《 Strengthen Group management 》

Key Strategies

- Expanding market share in seven areas
- Both improve profitability and the business growth

■ Priority Plan for FY2018

The priority plans to achieve our management vision and management goals are as follows.

1 Development of new business, expanding many branches

To the three pillars of drugs, cosmetics, and pharmacy on which we were founded, we shall work on constructing a new business model that aims for “high specialization,” “role as a supplier of information,” and “the enjoyment of shopping.”

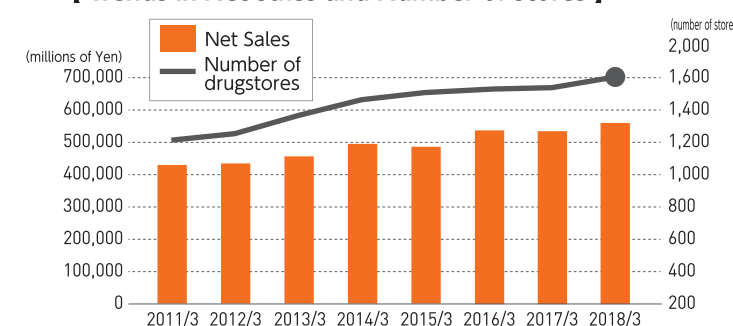
2 Strengthening and expanding our pharmacy business

Along with strengthening and expanding our pharmacy business, we will actively promote becoming a “health support pharmacy” that support maintaining and improving the health of local residents, making us your family pharmacy,” one which everyone in the neighborhood knows.

3 Accelerating global responses

We shall work on creating a system to allow us gain customers globally as we expand our branches overseas mainly to ASEAN regions, and to cater to inbound tourism in Japan based on an analysis of passport data.

[Trends in Net Sales and Number of Stores]



4 Upgraded customer relations services

By using IT, which is becoming ever more advanced, we shall be able to understand our customers' values, reducing the distance between us and our customers. This will allow us to provide products and services that suit each individual customer.

5 Optimization of the overall supply chain

By eliminating *muri* (overburden), *muda* (waste) and *mura* (unevenness) in and optimizing our supply chain, we will reduce distribution costs, and work to create a system that allows for added identification such as the development of our original branded products.

6 Expanding market share in seven areas

We shall divide Japan into the three major metropolitan areas of Tokyo, Nagoya, and Osaka, and other areas, and create a dominant strategy suited for each area, as well as actively work on M&A, franchises, and alliances with local blue-chip companies.

7 Both improve profitability and the business growth

In addition to aiming to balance high profitability with growth as part of our growth strategy, we shall work on promoting the creation of a system that increases employees' sense of fulfillment from working here, and hiring, training, and retaining human resources who can support our growth strategy.

TOPIC Overseas Business Expansion and Outlook

Matsumotokiyo Holdings aims to play an even greater role as a leading company in the drugstore industry. In October 2015, we opened our first overseas branch, in Bangkok, Thailand, and by the end of March 2018, we have expanded the number of overseas branches to 21. The Taiwanese market, like Japan, is one where lower fertility rates combine with an aging population, making it a mature market. However, there is still a strong awareness of health and beauty, and we expect stable demand for related products. In addition, with the recent increase in overseas visitors to Japan, we feel that Taiwan is a marketplace with a high affinity as an opportunity to provide our services to consumers there as well as in Japan, and so, through a joint investment with Tai Lung Industry Co., Ltd., we have established a joint venture company designed to develop and manage our drugstore business there. We shall continue to actively expand our markets not just within Japan, but globally.

Adding branches in Thailand



Expansion of Taiwan business: signing basic agreement





Challenging and growing to satisfy every customer

Matsumotokiyoshi Holdings has set its goals to be the achiever of sustained growth and the improvement of its corporate value, under the banner of our corporate motto, "1st for you." Our corporate group includes 13 consolidated subsidiaries and 2 affiliate company, and its core business areas are mainly retail sales of chain stores, such as drugstores and health insurance prescription pharmacies, as well as wholesale and management support. As of the end of March 2018, our network of 1,604 stores covers 45 prefectures nationwide. Overseas business is smoothly expanding, with cross-border electronic commerce with China, Matsumotokiyoshi stores being opened in Thailand, and expanding our drugstore business in Taiwan. We expect that our business environment will continue to be challenging; nevertheless, we aim to become "the company with a trillion Yen in sales in the health and beauty field" as our management vision describes and implement a priority plan established in line with our mid-term business strategy. We will utilize the database we have on our customers to provide detailed support through a diverse range of store arrangements that suit today's every-changing lifestyles and personal needs. In addition, we will enhance the development and sales of private brand products based on customer-focused marketing and ensure our competitive edge by providing high level of specialization and convenience, with a goal to become a corporate group trusted and supported by all our stakeholders. With this corporate vision in mind, we will continue to work unceasingly by constantly tackling new challenges and endeavor to grow as a corporation.

Namio Matsumoto

Chairman
Matsumotokiyoshi Holdings Co., Ltd.

*Namio
Matsumoto*

We respond to the needs of the time on the basis of our management philosophy

At Matsumotokiyoshi Holdings, all employees make a shared promise called the "Matsumotokiyoshi WAY." The "WAY" contains our philosophy of continuing to be "an upbeat organization with an ever fresh approach." The rapid spread of smartphones has resulted in additional diversity in that customer purchasing habits not only include visits to stores, but also a pronounced increase in the use of EC. This change in purchasing habits does not mean that customer needs themselves have changed; it is a manifestation of an inherent desire to "shop freely" brought about by technological advances. Because of these changes in the times, we at Matsumotokiyoshi are constantly considering business opportunities that incorporate ingenuity. We have already involved ourselves in EC business and have received a certain amount of support. However, what we really need to accomplish is not simply reinforcing our EC projects, but catering to the desire of customers to "shop freely". We believe that the role we should play is to eliminate the concepts of store and EC "channels" and the "time and place" aspects of being at home, being out and about, and being on the move, and instead move ahead with an omni-channel strategy. Ever since our establishment, Matsumotokiyoshi Holdings has continued to carry out business based on our management philosophy of "providing beauty and health" to customers. The times change, but our philosophy remains deep-rooted, so we intend to adopt initiatives to cater to the changes in the times with free and easy ingenuity without modifying this underpinning philosophy.

Kiyoo Matsumoto

President
Matsumotokiyoshi Holdings Co., Ltd.

*Kiyoo
Matsumoto*



Striving to be the "Number 1" for everyone

What we can do for a brighter future

Moving ahead to provide support for the promotion of self-medication and longer healthy life-spans amid anxieties over the collapse of the health care insurance system.

Aiming at “excellent health” for each and every one of our customers

□ The Environment Surrounding the Society

Japan's ageing society has placed the sustainability of the national health insurance system in danger owing to reductions in the working-age population and the additional cost of medical care and other services provided for the increasing number of elderly people. In order to countermand this, the government is promoting self-medication and longer healthy life-spans, and is also advocating that prescription pharmacies establish themselves as “health-support pharmacies” equipped with functions for promoting good health that the public can consider to be easily-accessible “family pharmacists” and “family pharmacies.”

□ Our Thought Process, Health-Support Pharmacies and Tie-ups with Local Medical Care

The Matsumotokiyoshi Group has been forging ahead with establishing tie-ups with local family doctors and other multi-discipline and related organizations since before the launch of health-support pharmacies in order to achieve our aim of becoming approachable family pharmacies (drugstores) that are trusted by all customers and intimately connected to each community as members of the integrated community care system. As part of these initiatives, we have expanded our chain of stores centering mainly on the next-generation “matsukiyo LAB” healthcare stores for the purpose of providing healthcare and self-medication to local communities as health-support pharmacies. One wish that we all have in common is to remain attractive and healthy, and by becoming an intimate part of our customers' lifestyles and enhancing our level of specialty enables us to achieve our aim of becoming an entity that is both trusted and eagerly selected by our customers with regard to the fields of beauty and health.



Opened 15 stores by the end of March 2018

Model Businesses Supporting Family Pharmacies that are Easily-Approachable by the Local Community

Background to the Development of the “Matsumotokiyoshi Community Pharmacy Support Program”

Approximately 58,000 prescription pharmacies are available throughout the country; a number that exceeds even the scale of convenience stores. However, more and more pharmacies are choosing to close down owing to anxieties over their administrative future brought about by the separation of medical and dispensary practice rates leveling off, a reduction in drug profit margins in alignment with revisions to amounts that can be charged for prescriptions, and severe competition between the huge number of pharmacies, as well as the problem of finding successors to take over the business. While equipping pharmacies with self-medication and easily-accessible Family Pharmacy functions, the “Matsumotokiyoshi Community Pharmacy Support Program” was developed to provide pharmacy management methods steeped in the Matsumotokiyoshi style to combat the many issues that privately-owned and small-scale pharmacies face with regard to dead stock issues, improving store operations, administrative management, staff training, the stable supply of commodities, and improving system efficiency, etc., for the purpose of not only solving these problems, but also to promote a business model that will contribute to extending healthy life-spans, which has been targeted under government policy.

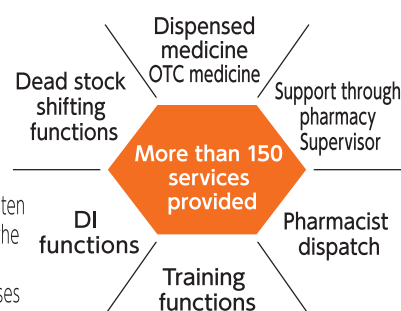
□ Concept Behind the Matsumotokiyoshi Community Pharmacy Support Program

The Matsumotokiyoshi Community Pharmacy Support Program is a full package that makes the best possible use of the knowhow and infrastructures that Matsumotokiyoshi has cultivated over the course of many years struggling in the market of competitive superiority and differentiating strategies, to provide support for prescription pharmacies that contribute to local societies, through the medium of suggestions for attaining specialization, improving work efficiency, gaining administrative knowhow, training pharmacists and management staff, creating next-generation healthcare stores, and solving all other problems that pharmacy owners face.

□ Services Provided

- Improving operations and providing administrative support with pharmacy supervisors
- Educational support with training and study programs for improving the skills of mainly pharmacists
- Distributing information on pharmaceutical science written by experts, and providing consultations with regard to the work involved in prescriptions (DI functions)
- Functions for shifting dead stock in order to reduce losses incurred in disposal
- Stable supply of medicinal drugs, OTC drugs and PB products
- Use of prescriptions systems that improve work efficiency
- Proposals for next-generation pharmacies developed first by Matsumotokiyoshi

The above and other types of functions and services are provided to support the smooth management of prescription pharmacies.



As a partnership with member pharmacies, the “Matsumotokiyoshi Community Pharmacy Support Program” will continue to support management of member pharmacies that contribute to the local community, and adapt to the continually changing pharmacy industry.

Next-Generation Healthcare — matsukiyo LAB —

matsu
kiyo
LAB

matsukiyo LAB stores are healthcare shops providing total support for beauty and health manned by pharmacists, registered dietitians and beauty specialists capable of providing support for the healthy lifestyles of residents in the local community. These professionals will listen to all anxieties regarding health and beauty to provide finely-tuned advice on optimal products, dietary management, and the keys to maintaining beauty.

The Matsumotokiyoshi Group will continue to adopt initiatives for solving a wide range of social issues through our business interests into the future to contribute to the development of a sustainable society.



※matsukiyo LAB original supplements developed under the supervision of our registered dietitians.

Matsumotokiyoshi Holdings harnesses the power created by individuals for tomorrow's growth

What is the
1st for me?

STAFF
MESSAGE
#01

It is

to gain trust

Shunsuke Takagaki

Store Manager/OTC-Medicine Counselor

Gaining trust not just from the customers but from the staff as well is my “1st.” I am always thinking as I work about how to satisfy every customer who enters our store. I intend to continue tackling the challenge of being someone who can lead by example, showing my staff how to do their jobs. As the person in charge of Matsumotokiyoshi's next-generation store, “matsukiyo LAB”. I was posted to the Shin-Matsudo Eki-mae Store, and the pressure and responsibility I felt there were beyond compare. A store is all about teamwork. I was only able to become a store manager here thanks to the bosses who guided me and the staff who worked with me. I will not forget how much I owe them, and want to become someone who can provide management that creates a workplace environment that is worth working in, and is trusted by everyone working or shopping here.



STAFF
MESSAGE
#02

It is

to learn
about customers

Yukino Nakamura

Registered Dietitian/OTC-Medicine Counselor

I think it is important to know our customers well if we want to offer them “health and beauty”. Using my qualifications as a Registered Dietitian and an OTC-Medicine Counselor, I can offer counseling for customers' problems and suggest supplements, medicine, or diet changes that suit them, based on a knowledge of causes and their backgrounds. By knowing my customers well, I can offer them ideal health and beauty. That is what makes my job worth it. And this leads to building trust relationships, turning us into a handy place where people can come to discuss their health without having to go see a doctor. And for the company, too, it helps encourage self-medication, the first step on the way to where Japan should be headed. I hope to continue to help our customers aspire to health without effort.



STAFF
MESSAGE
#03

It is

to cuddle up
to each customer

Manami Ishii

In Charge of Cosmetics/OTC-Medicine Counselor

To be able to support our customers' beauty and health as a current OTC-Medicine Counselor and the person in charge of cosmetics, I provide specialized counseling at our next-generation store, “matsukiyo LAB”. These days, it's common to get information from the internet and choose what you want yourself, but as a beauty specialist, I like to get close to customers who come to our store, offer them counseling, and create a feeling of trust. In addition, by offering them advice appropriate to their worries and skin condition, thanks to my extensive knowledge of cosmetics and the skin checks that matsukiyo LAB stores can offer, I am always pleased when customers tell me how glad they are to have talked with me, or how much better they feel their skin looks. At times, I'm not able to counsel well, and worry, but I want to try to improve my knowledge as I ensure each and every customer can leave more beautiful, and with smiles on their faces.



STAFF
MESSAGE
#04

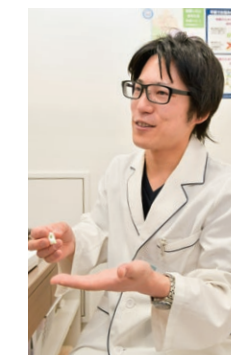
It is

to be your closest
medical professional

Masaki Yamada

Store Manager/Pharmacist

With declining fertility and increased population aging, the functions required of pharmacists are becoming increasingly diverse. Specialist advice from pharmacists helps improve the effectiveness and safety of drug treatments as well as care for or prevention of illness. I constantly put myself in the customer's shoes and consider what I would want if I or any of my family were feeling ill, and interact with customers on a trial basis. I sometimes recommend specimen measurements to check my customer's condition. And, if needed, I liaise with registered dietitians or hospitals and other medical institutions, working to boost both our skills. The thanks I receive when I give someone appropriate advice are irreplaceable. I want to be the sort of pharmacist you come to talk to if you are worried about your health, and so I will keep heading towards that goal.



For Ever-greater Customer Satisfaction

The Matsumotokiyoshi Group is actively planning and developing private brand products.

Matsumotokiyoshi Group's private brand **matsukiyo**

In 2015, "matsukiyo" was created as the new private brand of the Matsumotokiyoshi Group. With the diversification in lifestyles through changes in how modern people work, including more and more women having careers, our brand is aimed at helping our customer's daily lifestyles as well as the lifestyles of Japanese society as a whole to be more beautiful and healthy than ever. This goal is illustrated in the design of the "matsukiyo" logo mark. The logo mark was created with a focus on the 19 degree-angle of our *katakana* logo and the symbol of our high quality and continuous advancement. It also shows the desire of Matsumotokiyoshi to progress strongly ahead, rising up to the right to better serve our customers and emphasizing "Matsukiyo-ness" to the front to support a comfortable lifestyle for our customers through next-generation healthcare services and products.

Overall Future Vision of the matsukiyo Brand (What the brand aims to be)

matsukiyo Making living in Japan more fun.

Brand concept for matsukiyo

matsukiyo matsukiyo is an original brand product that is all about ideas for making daily life more beautiful, healthy, and full of fun.



Brand concept for matsukiyo LAB

matsukiyo LAB matsukiyo LAB is our original health brand product that provides total support for health and beauty by specialists such as pharmacists, registered dietitians, and beauty specialists, who help maintain the healthy lifestyles of our local customers in each region.



Venture Brand with High Quality and High Added Value

This venture brand, one of our private brands, is a high-quality, high-added value brand developed jointly with manufacturers. It adds appealing elements that meet the needs, trends, and features of each target category. We offer enhanced sales support such as creating special spaces in our stores and having a dedicated website. By making the brand stand out in our stores, we can grow it over the long term. At present, we are only rolling out venture brands in the cosmetics category, but we are studying developing them for other categories in the future as well.

ARGELAN

Authentic Organic Hair Care Product

Argelan is developed according to strict organic standards so that it is gentle on your skin.



BLANC WHITE

A new whitening series that can be experienced first-hand

A whitening series based on a new concept of blemishes being caused by differences in brightness levels between blemished areas and non-blemished areas.



Retinotime

A skincare series that defies aging.



LUNG TA

This hair care brand uses revolutionary science to bring you truly beautiful hair.



INSTREAM

A special care brand that offers solutions for skin disorders through scents and beauty ingredients.



Le un Plus

An outstanding cosmetics series that combines the effects of brilliant makeup that last a long time.



Opening a succession of new-style stores

to cater to diversifying customer needs



From tiny corners in central cities or other facilities to big-box stores in the suburbs, our Group's strength is being able to roll out a range of different store formats to suit different locations and environments

We aim to become an advanced marketing company in the health & beauty field by giving us a competitive advantage through the development and sales enhancement of private brands based on customer-focused marketing and providing high degrees of specialization and convenience, along with utilizing our Group's customer data and being able to cater to diversifying needs and lifestyles through a range of store formats.



matsukiyo LAB



matsukiyo LAB
HEALTHCARE
Lounge



Self-check corner



matsukiyo LAB
BEAUTYCARE Studio



matsukiyo LAB
SUPPLEMENT Bar



Sweetie
Nail
(not in all stores)



New-style urban stores

BeautyU
Ginza Chuodori Store



Stores in outlet malls

Mitsui Outlet Park Jazz
Dream Nagashima Store



Overseas tourist-oriented stores

Yurakucho
ITOCIA Plaza Store



First store in a hotel

Narita Tobu Hotel
Airport Store



Latest urban-style stores

Harajuku Station
Omote-sando
guchi Store



The Matsumotokiyoshi Group's family drugstores

Matsumoto KiYoshi Holdings Co., Ltd.

Group Companies

 Matsumotokiyoshi Co., Ltd.	 SIMENO Co., Ltd.	 PAPASU Co., Ltd.
 Matsumotokiyoshi East Co., Ltd.	 Matsumotokiyoshi Kou-Shin-Etsu Co., Ltd.	 Matsumotokiyoshi Chu-Shikoku Co., Ltd.
 Matsumotokiyoshi Kyusyu Co., Ltd.	 Matsumotokiyoshi Pharmacies Co., Ltd.	

Franchise Stores

<input type="checkbox"/> KEIKYU HAUTSU Co., Ltd. (HQ) Yokohama-shi, Kanagawa Pref.	<input type="checkbox"/> JA-Shimane (HQ) Izumo-shi, Shimane Pref.	<input type="checkbox"/> Entetsu Store Co., Ltd. (HQ) Hamamatsu-shi, Shizuoka Pref.
<input type="checkbox"/> SAN-A Co., Ltd. (HQ) Ginowan-shi, Okinawa Pref.	<input type="checkbox"/> Meijido-Yakuhin Co., Ltd. (HQ) Ama-gun, Aichi Pref.	<input type="checkbox"/> Food Mikuni Co., Ltd. (HQ) Sakai-shi, Fukui Pref.
<input type="checkbox"/> Izumi Co., Ltd. (HQ) Hiroshima-shi, Hiroshima Pref.	<input type="checkbox"/> SUPER VALUE CO., Ltd. (HQ) Ageo-shi, Saitama Pref.	<input type="checkbox"/> Inai Co., Ltd. (HQ) Kurayoshi-shi, Tottori Pref.
<input type="checkbox"/> BEST DENKI Co., Ltd. (HQ) Fukuoka-shi, Fukuoka Pref.	<input type="checkbox"/> Yasui Co., Ltd. (HQ) Ichikawa-shi, Chiba Pref.	<input type="checkbox"/> A&S Takashimaya Duty Free Company Limited (HQ) Shibuya-ku, Tokyo
<input type="checkbox"/> Kyoei Co., Ltd. (HQ) Tokushima-shi, Tokushima Pref.	<input type="checkbox"/> OKUWA Co., Ltd. (HQ) Wakayama-shi, Wakayama Pref.	

Wholesale / Other Business Companies

<input type="checkbox"/> Matsumotokiyoshi Wholesale Co., Ltd.	<input type="checkbox"/> MK Planning Co., Ltd.
<input type="checkbox"/> Matsumotokiyoshi Asset Management Co., Ltd.	<input type="checkbox"/> Matsumotokiyoshi Insurance Service Co., Ltd.

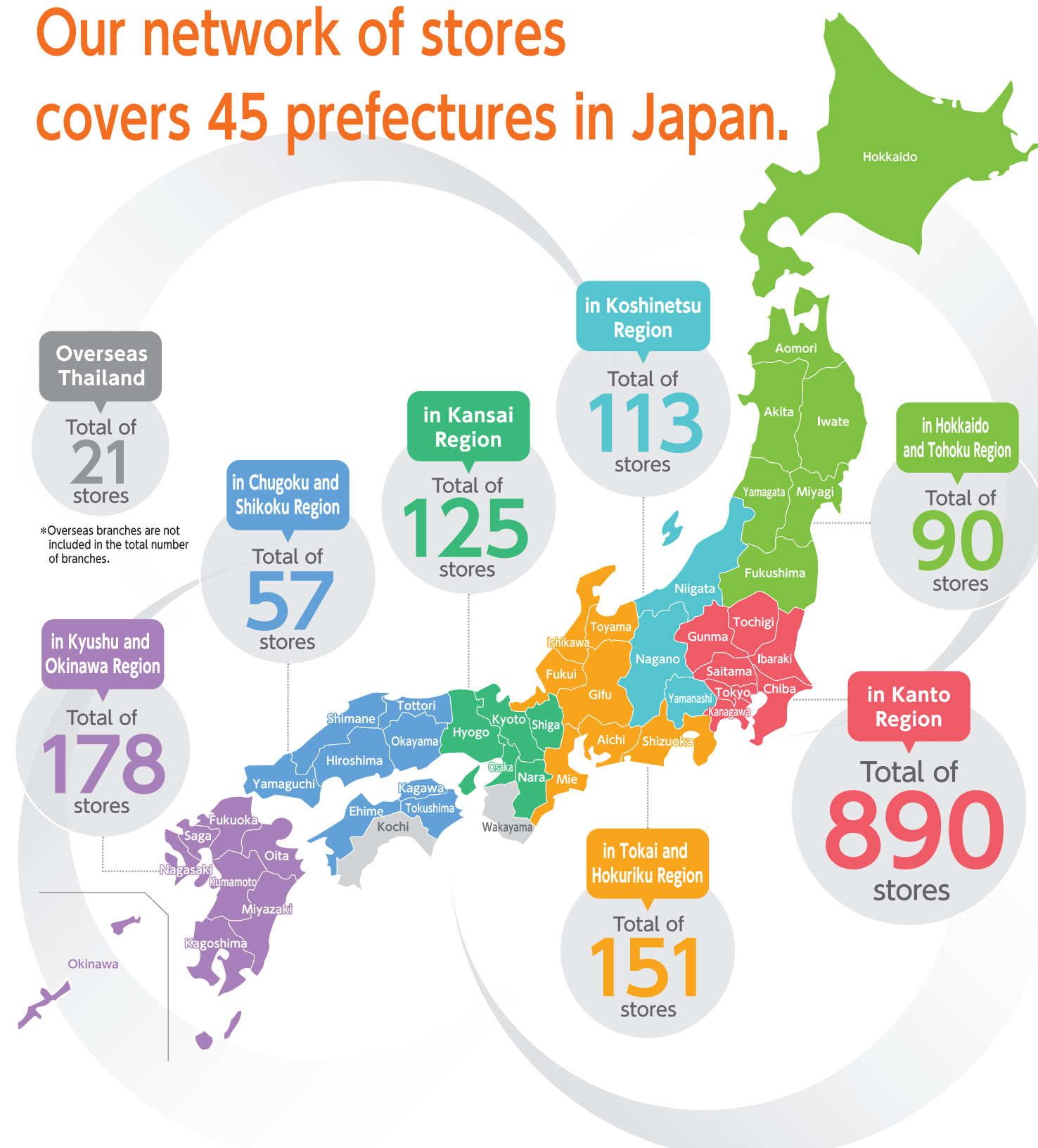
Affiliated Company

<input type="checkbox"/> Central and Matsumotokiyoshi Ltd. (Kingdom of Thailand)	<input type="checkbox"/> Matsumotokiyoshi (Taiwan) Limited
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(as of March 31, 2018)

1st for You.

Our network of stores covers 45 prefectures in Japan.



Matsumoto KiYoshi Holdings Co., Ltd.

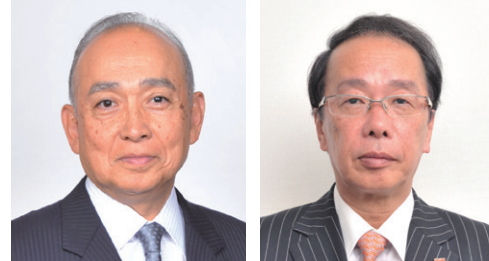
Total Number of Stores **1,604**

(as of March 31, 2018)



【Corporate name】 Matsumotokiyo Co., Ltd.
 【Address】 9-1 Shinmatsudo-Higashi, Matsudo-shi,
 Chiba 270-8501 Japan
 【Phone】 +81-47-344-5111
 【Incorporated】 December, 1932
<http://www.matsukiyo.co.jp/>

Area
Map



Kazuo Narita
Chairman

Takao Ohta
President

As the core company of Matsumotokiyo Holdings, we drive growth through advanced businesses development based on data analysis.

Aiming to be an advanced marketing company in the fields of health & beauty

The company, Matsumotokiyo was founded in 1932 in the Kogane of Matsudo City, Chiba Prefecture as a private-run enterprise, "Matsumoto Pharmacy," and has now celebrated its 86th anniversary of founding. We have expanded our market share by dominating the three major urban areas in the Kanto, Tokai and Kansai regions. At present, we are promoting the expansion of a business format that increases our specialization in health and beauty to cater to market needs, along with our Omni-channel strategy responding to the diversification of consumer behavior. As the core company of Matsumotokiyo Holdings, we take the lead in expanding Group businesses. In addition, by analyzing the data of consumer behavior from awareness to purchase, using our contact with large numbers of customers, we can carry out marketing activities that are advanced for the retail industry, allowing us to strive to become an advanced marketing company in the field of health and beauty.



Ginza 5th Store(Urban-type drugstore)

Tokai and Hokuriku Region



【Corporate name】 SIMENO Co.,Ltd
 【Address】 e-town Kanazawa, 1-48-1 Takayanagi-cho, Kanazawa-shi,
 Ishikawa 920-0005 Japan
 【Phone】 +81-076-253-9595
 【Incorporated】 May, 1962
<http://www.matsukiyo.co.jp/map/simeno>

Area
Map



Hisanori Seki
President

We maintain a spirit of challenge and unity to grow further and keep refining the company culture.

Aiming at the Deeper Penetration of Group Brands in the Hokuriku Area

SIMENO Co., Ltd. has opened primary stores in Ishikawa Prefecture, Toyama Prefecture and Fukui Prefecture, and we are currently forging ahead with creating a foundation that will firmly establish the Group brand in the medical care and lifestyle fields around major railway stations and other locations at a pace that is in alignment with the rapid growth being experienced in the Hokuriku area. In order to take even greater strides forward in the future while taking advantage of the foundation we have built up until now, we will strengthen our training programs under the key-phrase of "reinforcing on-site skills" to accelerate growth and attempt to create environments containing the spirit of challenge possessed by all employees, and we will do everything within our power to expand our group share within the Hokuriku area by improving customer satisfaction and acquiring the title of Royal Customer by providing products of the "highest quality," "attractive levels of value" and "heartfelt customer services."



Business Contents

Drugstores

We are expanding our stores throughout the prefectures of Ishikawa, Toyama, Fukui and Gifu. Through our customer-first ideology, we pursue ever-greater convenience, place the highest priority on acting from the viewpoint of our customers, and aim to become the top store in the region.



Pharmacies

We aim to be a gateway to regionally based medicine and a society based on preventive medicine. We offer medical advice and counseling as prevention of illnesses, as well as nutrition and child care counseling. We also aim to be the number one family pharmacy in the region.



Unique Approaches

Our company provides the Clover Passport to customers 60 years old or above who receive a 5% discount on certain products if they present their passport on Senior Appreciation Days which are the 15th, 16th, and 17th of each month. On those days, we flourish with many senior customers as well as their family members.



Business Contents Matsumotokiyo Store Model We are opening up a range of stores to match sites and customers.



DiverCity Tokyo Plaza Store



Prescription pharmacy Shin-Matsudo Store



Koshigaya Nishikata Store (Suburban-type drugstore)



matsukiyo LAB Shin-Matsudo Eki-mae Store



petit madoca Noda Mizuki Store



matsukiyo LAB
SUPPLEMENT Bar



matsukiyo LAB
BEAUTYCARE Studio



matsukiyo LAB
HEALTHCARE Lounge



Sweetie Nail



Harajuku Station Omote-sando guchi Store

Stores Targeting Inbound Travelers



Yurakuchō ITOCIA Plaza Store



Kyoto Tower Sando Store



Shinsaibashi Chuo Store

Franchise Stores



Keikyu Haneda Airport International Terminal Station Store (KEIKYU HAUTSU Co., Ltd.)



Dg's Asaba Store (Entetsu Store Co., Ltd.)



Maehara Store (SAN-A Co., Ltd.)



Takashimaya Duty Free SHILLA & ANA Shinjuku Store (A&S Takashimaya Duty Free Company Limited)



Matsumotokiyo online store
<http://www.matsukiyo.co.jp/store/online>



Cross-border EC: Tmall Global



【Corporate name】 PAPASU Co., Ltd.
 【Address】 4-8-3 Yokokawa, Sumida-ku,
 Tokyo 130-0003 Japan
 【Phone】 +81-3-5610-8811
 【Incorporated】 November, 1989
<http://www.matsukiyo.co.jp/map/papasu>

Area Map

Koichi Nezu
ChairmanHitoshi Takagi
President

Under the motto “Your town’s life convenience store,” our aim is to become a community-based drugstore that is loved by its customers.

Our goal is to expand our group share throughout Tokyo

Our motto is “to stand in the shoes of our customers when conducting business and to create stores loved by them.” In order to achieve this, we believe that customer satisfaction comes before anything else, and we do everything within our power to not only make sure that all stores are fully stocked with products that cater to customer needs, but also to substantiate our employee training programs. We will never rest our laurels on believing we have satisfied our customers. We will always aim for even higher levels of satisfaction, and work hard to create a company that exudes individuality in which employees are happy to work. We will also contribute to local society in our role of self-medication advisor. We will continue to develop and grow together with our customers in the community as a “convenient store for the town’s lifestyles.”

Business Contents



■ Drugstores

Drugstores are the core business of PAPASU and provide a wide variety of products at reasonable prices based on the various lifestyles of our customers. In this way, we contribute to the betterment of society.



■ Pharmacies

Aiming to become “family pharmacies” for our customers, our businesses contribute to society through our abundant expertise, careful handling of prescriptions, professional advice, and sincere, heartfelt service.

Store Introduction



■ Drug Papasu Senkawa Eki-Mae Store

Aiming at becoming an indispensable store for our customers as a “convenient store for the town’s lifestyles” intimately linked into the 23 wards of Tokyo in alignment with our corporate philosophy of standing in the shoes of our customers to create stores loved by them.



■ Drug Papasu Okudo Store

The first floor contains a drugstore combined with a prescription pharmacy and the second floor contains a combined Medical Mall care facility, both of which provide assistance to the local people in their quest for anxiety-free lifestyles.

Initiatives for Inbound Travelers



■ Drug Papasu Asakusa Kaminarimon Store

Located in a busy tourist area, this store is fully stocked with a wide range of products targeting overseas visitors. It also stocks the products required by people who live in the local community.

Corporate Social Responsibility (CSR)



We support and sponsor the Chiba Prefecture Child Welfare Facility Council Marathon, which is held in winter every year, by giving out heat pads.



【Corporate name】 Matsumotokiyoshi East Co., Ltd.
 【Address】 Sendai MKD Building 3rd floor, 2-2-24 Chuo, Aoba-ku,
 Sendai-shi, Miyagi 980-0021 Japan
 【Phone】 +81-22-268-1780
 【Incorporated】 October, 2006
<http://www.matsukiyo.co.jp/map/mk-east>

Area Map

Masashi Takano
President

Always bearing in mind the smiles of our customers, we do our best to provide people in the community with health and more abundant lifestyles.

Retail outlets rooted in communities in eastern Japan

In October 2015, we merged with DARUMA DRUG STORE CO., LTD. which has been one of the top performers in terms of both business history and scope, opening up drugstores and pharmacies in the Tohoku region, Miyagi Prefecture in particular, ever since it's founding in 1946. Our mission is to expand our Group's share in the East Japan area. Our basic idea is “Thanks—that single word makes us happy,” and to truly place the customer first, we provide customer interaction services based on the stance of each individual customer, as well as consultations that make use of our specializations in health and beauty, to increase customer satisfaction. Being offered that single word, “Thanks,” as often as possible is what gives us, the staff of Matsumotokiyoshi East Co. Ltd., our job satisfaction. This prompts all of us employees to strive every day for an even higher level of professional services, as we assist customers in their pursuit of health and beauty.



Business Contents



■ Drugstores

Our stores sell a wide range of products and offer advice based on the needs of customers. Through our consulting sales service we are improving our standing as trusted stores in our communities.



■ Pharmacies

Deploying pharmacy/drugstores in mainly station buildings, we are aiming to become the best in the community, providing customers with everything from preventive medicine to prescription drugs.

Unique Approaches



■ CSR Activities

In order to solve the worries of our regional customers have regarding health and beauty, and to provide them with information, we hold H&B-related consumer seminars in addition to providing goods.

Store Introduction



■ Pharmacy stores Aomori Station Building Lovina Store

We are opening stores in station buildings and shopping centers throughout the East Japan area. We are serving local customers to maintain their beauty and health, developing our specialty mainly in medicines and cosmetics.



■ Drugstore Iwanuma Tamaura-Nishi Store

We are opening suburban-type drugstores that carry not just H&B products but also daily goods and foods to serve as lifestyle stores in the East Japan area. We have also opened a store in the Special Reconstruction Urban Planning Zone of Tamaura-Nishi in the city of Iwanuma, which was affected in the Great East Japan Earthquake, serving as a lifestyle store for local customers.



■ Stores in Outlet malls Mitsui Outlet Park Sapporo Kitahiroshima Store

As a new business line, we are also opening up stores in outlet malls for the increasing number of overseas visitors and customers who use outlets.

マツモトキヨシ 甲信越販売

【Corporate name】 Matsumotokiyoshi Kou-Shin-Etsu Co., Ltd.
 【Address】 1393-3 Tsurugamidori-cho, Nagano-shi, Nagano 380-0813 Japan
 【Phone】 +81-26-229-8490
 【Incorporated】 March, 1993
<http://www.matsukiyo.co.jp/map/mk-koushinetsu>

Area Map

Keiichi Okano
ChairmanHiroshi Ando
President

We are proud of our community-based support through responding to an aging society and parallel establishment of dispensing corners!

Aiming to expand the group's market share in the Koshinetsu Region

In July 2009, Kenko Kazoku Drug Corporation merged with MAX Co., Ltd. to become Matsumotokiyoshi Kou-Shin-Etsu Co., Ltd. The former had a strong base in Nagano Prefecture, while the latter had most of its stores in Niigata Prefecture. By combining the two we have been able to utilize the strengths each had in their respective areas to offer our customers even better services. In addition, in January 2012, we merged with Nakajima Family Pharmacy Co., Ltd., which has a strong base in northern Nagano Prefecture, and in October 2015, ITAYAMAMEDICO Co., Ltd. from Yamanashi Prefecture to expand the scale of our business as Matsumotokiyoshi Kou-Shin-Etsu Co., Ltd. We cover all lifestyle needs of our customers by enhancing our lineup of food and daily goods, in addition to our core of health and beauty products. We also provide specialist services with a dispensing pharmacy located inside our stores which can fill prescriptions issued by hospitals, giving us a strength in the development of community-based businesses. By relocating the head office from Okayama City to Nagano City in October 2017, we are able to improve access and strengthen our management guidance for the Niigata, Nagano, and Yamanashi Prefectures area.



Business Contents



Drugstores

We are promoting our drugstore business according to our company's keywords, "Everyday and New discovery." We provide a wide range of products at reasonable prices based on the daily needs of our customers. We will continue to bring new discoveries to our customers through our products and services.



Pharmacies

Revisions to the health care insurance system increased demand not only for prescriptions filled outside of hospitals, but also for functions in Health Support Pharmacies for the provision of outside calls, including home visits. We combine our expertise in handling prescription medications with the convenience of a drugstore to contribute to the healthy lives of our customers.

Store Introduction



Drugstore Matsumotokiyoshi Karuizawa Store

We operate a store combining a prescription pharmacy in Karuizawa, a prominent sightseeing spot in Nagano Prefecture. The store carries out its sales activities to provide a sales outlet and to come into contact with not only the local residents but also the visitors who arrive here from all over the country from all age groups for the purpose of sightseeing to ensure that they enjoy their shopping experiences.

Unique Approaches



Responding to an Aging Society and the "Nagano Model"

More than 30% of the population of Nagano Prefecture are elderly people, a higher number than the major urban areas, or even the national average. In this environment, the comprehensive care system that the Group is promoting needs to be rolled out as the "Nagano Model." This model will contribute to the health of all local residents and to local medical care, through health support initiatives in advance of our competitors and support for regular, personal care, home care, and sterile drugs preparations.

マツモトキヨシ 中四国販売

【Corporate name】 Matsumotokiyoshi Chu-Shikoku Co., Ltd.
 【Address】 1-20-32 Fukutomi-Nishi, Minami-ku, Okayama-shi, Okayama 702-8031 Japan
 【Phone】 +81-86-265-4161
 【Incorporated】 October, 2012
<http://www.matsukiyo.co.jp/map/mk-chugoku>

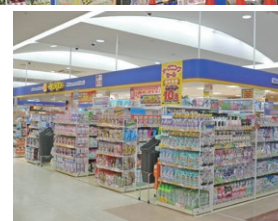
Area Map

Hiroshi Kamimura
President

Earning the trust of customers and patients with professional community-based drugstores.

Expanding group market share in the Chugoku and Shikoku regions

Matsumotokiyoshi Chu-Shikoku Co., Ltd. was established on October 1, 2012, to take over the drugstore business of Matsumotokiyoshi Co., Ltd. in the Chugoku and Shikoku regions, as well as the Harima region in Hyogo Prefecture. In October 2015, with the aim of strengthening our commitment to the region and expanding our share still further, we absorbed and merged with LOVEDRUGS Co., Ltd., which had been our consolidated subsidiary, to extend our area domination. At our drugstores, we aim to be your local "family pharmacy" that provides health to each of our customers, rolling out the urban-style stores that Matsumotokiyoshi does best. We are working to offer stores that local people love through increasing our levels of convenience and specialization, and striving to make our stores into one where we are close to our customers. We strive hard for even higher levels of customer satisfaction and for employee satisfaction as well—we want our workers to be proud they belong to our company, and to find their work meaningful.



Business Contents



Drugstores

We have suburban-type drugstores in commercial and residential areas, as well as urban-type stores around train stations and bus terminals. We value good communication with our customers, and always aim to give them the personalized service they appreciate.



Pharmacies

In Okayama Prefecture and the Harima region of Hyogo Prefecture, we empathize with patients, taking their point of view into account. Through close friendly relations with our customers, we can be sure they will continue to choose us.

Unique Approaches

Senior Card

We have introduced the "Senior Card" a point card for customers aged 60 or older, and is attracting senior citizen customer base with a high level of consumer confidence. In addition to regular points, Senior Card holders receive points at the time they make purchases at the store, as well as additional points on the monthly "Senior Day." Senior Card Service is available at all Matsumotokiyoshi Stores (all locations in Okayama, Hiroshima, Tottori, Tokushima, Ehime Prefectures and some locations in Hyogo) and Love Drugstores.



Store Introductions



Matsumotokiyoshi Nikke Park Town Store

We have opened Matsumotokiyoshi stores and Love Drugstore in station buildings and shopping malls throughout the Chugoku and Shikoku area, and are enhancing our level of specialty focused on pharmaceuticals and cosmetics. Our stores in the suburbs are also fully stocked with not only H&B products, but also daily necessities and food in order to establish their roles as Lifestyle Stores that give a hearty welcome to the people in the community.



Love Drugstore Omoto Store

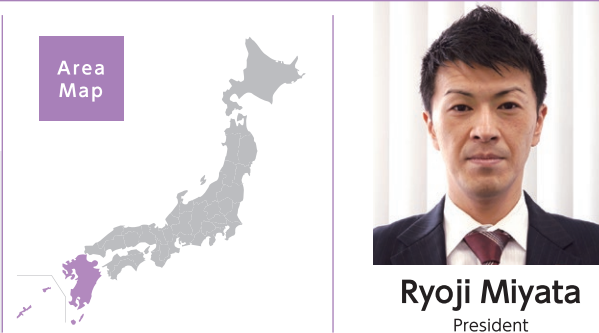


Matsumotokiyoshi Kakogawa Eki-Mae Store (Pharmacy)

We have opened stores with dispensing facilities and as stores nearby to hospitals. We are aiming at becoming the most approachable Family Drugstore within the community with our friendly and detailed counseling in order to attract patients suffering from ailments within the area.

マツモトキヨシ 九州販売

【Corporate name】 Matsumotokiyoshi Kyusyu Co., Ltd.
 【Address】 2-2-1 Sumiyoshi, Hakata-ku, Fukuoka-shi,
 Fukuoka 812-0018 Japan
 【Phone】 +81-92-283-3211
 【Incorporated】 August, 1984
<http://www.matsukiyo.co.jp/map/mk-kyushu>



Ryoji Miyata
President

Aiming to be a company
that contributes to the community
as a specialist in beauty and health.

Aiming to expand the group's market
share in the Kyushu Region

Matsumotokiyoshi Kyusyu Co., Ltd. was newly established on April 1, 2012 through a company name change from MIDORIYAKUHIN Co., Ltd., for the purpose of taking over the handling of drugstore business in the Kyushu Region (wholly owned outlets in the Kyushu Region and Shimomoto City in Yamaguchi Prefecture) of Matsumotokiyoshi Co., Ltd., and consolidating administration in that region and market, thereby increasing the efficiency of management and establishing a solid structure in the Kyushu Region. Japan is facing a low birthrate and an aging population, the markets are shrinking, and the needs of the customer are becoming more diverse. In the Kyushu Region as well, differences are emerging between business/entertainment districts and areas immediately around train stations, and residential areas, suburbs, and other residential areas, in the product lineups and services expected by customers in those areas. Our strength is our ability to provide detailed support for those needs and become the trusted and community-based family drugstore for our customers.

Business Contents



■ Drugstores

Eager to maintain personal contact with our customers, we do our best to sell medical and cosmetic products after consultation. Our goal is to contribute to the beauty and health of everyone in our communities. We place a person in charge at each section, such as the medicine sales section and cosmetic sales section, to give customers every opportunity to discuss their needs and get advice in our face-to-face sales.

Store Introduction



■ Matsumotokiyoshi Canal City Hakata Store

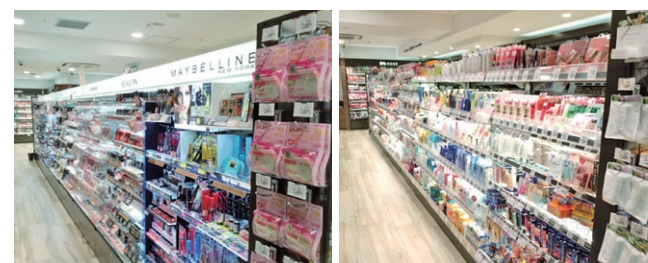
The store is located 10 minutes on foot from Hakata Station, on the Basement Floor in the Business Center Building of Canal City. The Tenjin area, Kyushu's largest business and entertainment district, is also nearby, making the area around the store a gathering place for many people. We have many female customers, and with a full-scale cosmetics corner near the store's entrance, beauty products are big sellers. Because Canal City is a commercial complex, it is visited by many foreign tourists, and the area is bustling each day with customers who have come to Canal City.



■ Pharmacies

As doctors and pharmacies become separate operations, we have begun operating pharmacies in our drugstores. This allows us to become further specialized and contribute to local medical services as a family drugstore.

Unique Approaches



Using the characteristics of the area of Tenjin in Fukuoka, which is popular with young women, we opened our Tenjin Chikagai East 2nd Block Store that specializes in supporting women's health and beauty. About 80% of the products on sale are cosmetics, and we also carry many brands that no other store in Kyushu has. Through a high level of specialization in cosmetics and ensuring detailed customer service, and by leveraging ourselves as a place to find the latest information about beauty, this is an urban-type store that allows for an enhanced shopping experience.

マツモトキヨシ ファーマシーズ

【Corporate name】 Matsumotokiyoshi Pharmacies Co., Ltd.
 【Address】 9-1 Shinmatsudo-Higashi, Matsudo-shi, Chiba 270-8501 Japan
 【Phone】 +81-47-344-5150
 【Incorporated】 April, 2012
<http://www.mk-pharmacies.co.jp/>



Masami Kato
President

We aim to contribute to the local
community through healthcare,
and be “the family pharmacy”
that is the most trusted by patients.

We will play a role in the healthcare field
by operating prescription pharmacies and
entering new business domains

We were established for the purpose of anticipating changes in the social environment, entering a variety of healthcare fields in partnership with healthcare institutions based on a higher level of expertise, and further expanding our pharmaceutical dispensing business. In the context of a rapidly aging society, we believe that the role of Matsumotokiyoshi Pharmacies in the healthcare field will grow in importance in the future.



Business Contents

■ Prescription Pharmacy

We are proactively expanding our prescription pharmacies mainly in the Kanto and Kansai areas (as of March 2018, there are 22 prescription pharmacies in Tokyo, Chiba, Saitama, Osaka, and Hyogo Prefectures).



■ Prescription Laboratory

We are also actively engaged in specialized medicine, home healthcare, and similar fields.



Unique Approaches

■ Fully enhanced training system

Not only do we provide head office study courses, we also offer a wide range of contents, including home-visit medical care training, germfree prescription training, physical assessment training, and store study courses, in order to improve the skills of pharmacists with high levels of specialty. We also provide skill improvement backup in alignment the life plans of supervising pharmacists, pharmacy managers, dispatch pharmacist and PSVs (pharmacy supervisors), etc.

■ We emphasize a good balance
between work and life

We provide a support system for working pharmacists who are mothers, which includes maternity and childcare leave as well as shortened working hours for childcare, consecutive leaves, anniversary leaves, etc., working hard to create a perfect work-life balance.



■ Human Resource Projects

With the expansion of the group's pharmacy business, we have a Special Dispatch Business where employees can experience working at different pharmacies other than Matsumotokiyoshi Pharmacies in line with their career plans, aptitude, commuting situation, etc. in order to acquire a broad range of knowledge and skills.

【 Our mission as a member of the group 】

1. Expand the market share of the group's pharmaceutical dispensing business by opening new prescription pharmacies.
2. Pursue expertise by proactively hiring and training pharmacists.
3. Promote contract management and opening of prescription pharmacies within the group.
4. Provide at-home dispensing and other services in partnership with local healthcare institutions and facilities.
5. In addition, strengthen each type of development related to prescription pharmacies and pharmacists.

Sustainability | ESG Activities

Matsumotokiyoshi Holdings is actively engaged in dealing with issues related to ESG (Environment/Society/Governance).



With the community



Establishment of disaster-time agreements with local governments

The Matsumotokiyoshi Holdings Group is moving ahead with establishing partnerships during disasters in order to provide as many supplies and as much support as possible to victims of disasters in alignment with demands from local authorities.

List of agreements when disasters occur

Matsumotokiyoshi Co., Ltd.	Matsumotokiyoshi East Co., Ltd.
January 2001: Yachiyo City, Chiba	March 2009: Tome City, Miyagi
September 2014: Matsudo City, Chiba	May 2016: Kurihara City, Miyagi
March 2016: Tachikawa City, Tokyo	June 2016: Tagajo City, Miyagi
April 2016: Tomisato City, Chiba	January 2017: Ninohe City, Iwate
October 2016: Kashiwa City, Chiba	Matsumotokiyoshi Kyusyu Co., Ltd.
December 2016: Noda City, Chiba	November 2016: Tomigusuku City, Okinawa
August 2017: Abiko City, Chiba	Matsumotokiyoshi Kou-Shin-Etsu Co., Ltd.
September 2017: Kamagaya City, Chiba	December 2016: Takamori Town, Shimoina-gun, Nagano



AED(Automatic External Defibrillator) was installed in the stores



Inner training for the operation and life saving treatment

Fibrillation treatment (applying electric shock to the heart) used to be handled only by people with medical qualifications, such as physicians and emergency life-saving technicians. However, now it is allowed to be handled by unqualified people using AED. We are installed AED from May 2014. As a company playing a role in community healthcare, we keep contributing to the communities life saving activities.



Participation in the Kodomo 110-ban child protection program

Kodomo 110-ban* is a program established with the cooperation of the police to protect children from becoming victims of crime by providing emergency safe havens where they can go to seek help. Our group's CSR activities include support for this program, and in this way too we contribute to the safety and security of communities, helping them protect children, who are our future. (*Dialing "110" connects the caller to the police.)



Matsumotokiyoshi Kashiwa Sakaine Store made local crime prevention location

On November 13, 2015, a Crime Prevention Box was established in the parking lot of the Matsumotokiyoshi Kashiwa Sakaine Store, which has been selected as a local crime prevention center by Chiba Prefecture. An inauguration ceremony held that day was attended by the Governor of Chiba Prefecture Kensaku Morita and Company President Kiyoo Matsumoto. The Box is staffed by Safety Advisors who are former members of the Chiba Prefectural Police, who work to improve safety and security in the district.



Crime Prevention Box



Chiba Prefecture Governor Morita exchanging a firm handshake with President Matsumoto

The Great East Japan Earthquake Reconstruction Support



1 Matsumotokiyoshi Holdings Scholarship System Adopted by School of Pharmacy of Iwate Medical University for the Fourth Time

Reconstruction of the affected areas is still underway. The economic impact of the disaster on families and individuals means that there are those who find it difficult to continue their studies. This scholarship is to support strongly driven students and thus help develop human resources who can contribute to reconstruction and medical care in disaster-struck areas. In consideration of this, the scholarship has been offered since 2014. This support will be continued in order to encourage students who can play an active role as pharmacists in the future.



Scholarship Award Ceremony (July 22, 2017)



2 Donation of relief funds

The Matsumotokiyoshi Holdings group has donated a total of 120 million yen to the five prefectures most severely affected by the disasters (Iwate, Miyagi, Fukushima, Ibaraki and Chiba Prefectures).



3 Collection of donations

Group stores have encouraged the general public to make cash donations in boxes and donations of their Cash Points. A total of 87,734,270 yen raised this way was donated through the Japan Association of Chain Drug Stores (JACDS) to the Japanese Red Cross Society, to be given to afflicted areas.

"Hang In There Japan" Reconstruction Support Plan

Matsumotokiyoshi implemented a plan to donate 1% of all sales of products listed in the March 27, 2011 advertising circular. We donated 6,779,835 yen to Ashinaga (NPO), to be used for lump-sum payments, scholarship loans, conducting mental healthcare programs, and other activities for children orphaned by the Great East Japan Earthquake.



4 Dispatch of pharmacists

The group represents working pharmacists as member of the Japan Association of Chain Drug Stores (JACDS). In that role, the group dispatched pharmacists to an evacuation site in Fukushima Prefecture in March 2011, and to Miyagi Prefecture in May. As support for the affected areas, the pharmacists provided prescription and over-the-counter drugs, as well as health consultation and mental healthcare.



A temporary pharmacy at an evacuation site in Fukushima Prefecture (Paruse Izaka)



A temporary office for the Ishinomaki Pharmacists Association in Miyagi Prefecture (VITAL-NET Ishinomaki Branch)



5 Donation of relief supplies

In response to requests for aid from the stricken areas, our group has donated supplies valued at a total of 30 million yen, primarily products required for daily life and sanitation.



On April 18, 2011, relief supplies were loaded onto this truck at Matsumotokiyoshi Holdings HQ and delivered directly as a donation to the emergency supply center at Ishinomaki City Hall.



6 Employment support measures

Our group expanded its employment criteria to hire graduates who were not hired at other companies due to the disasters, and to hire other graduates unable to find work elsewhere.



7 Energy conservation

In response to electricity shortages, during our daily operations we are lowering energy consumption as much as our customers find acceptable, and are reducing electricity use at group offices as much as possible without jeopardizing business continuity.

With the customer



Collection of donations for Solaputi Kids' Camp

The Solaputi Kids' Camp in Japan offer outdoor experiences and clinical facilities for approximately 200,000 children fighting incurable diseases in Japan. Our group, a member of the Japan Association of Chain Drug Stores (JACDS), is collecting donations for the camp construction to support the efforts of the association.

Solaputi Kids' Camp
<http://www.solaputi.jp/>



Scholarship System for School of Pharmacy, Nihon University

Matsumotokiyoshi aspires to become the local family pharmacy, an essential part of the community; as part of our overall drive to educate and support people in medical care. We provide support to pharmaceutical colleges, the pharmaceutical departments of universities, and students who wish to study in these fields. The Matsumotokiyoshi (Holdings) Scholarship system was subsequently established for students studying at the School of Pharmacy, Nihon University, which is located close to our headquarters in Matsudo City, Chiba Prefecture, and many of whose graduates, both men and women, now work with us. Our aim is to support students in becoming the regional medical care personnel of the future.



Matsumotokiyoshi(Holdings)Scholarship Award Ceremony, 2017



Contribution Activities for Victims of the Nepal Earthquake

Following the major earthquake that struck Nepal in April 2015, Matsumotokiyoshi Holdings Group held an emergency fundraising drive for those affected by the disaster.



Contribution Activities for Victims of the Taiwan Earthquake

Following the major earthquake that struck Taiwan in February 2018, Matsumotokiyoshi Holdings Group held an emergency fundraising drive for those affected by the disaster.



ECO Together (power and water conservation, garbage reduction) Campaign

Some of the proceeds from certain products (Eco Together products: household products from Kao) were donated to the Chiba Prefecture Environment Foundation. Since the company implemented activities which helped environmental conservation efforts in Chiba Prefecture, we have been awarded with a Certificate of Appreciation for three years running by Kensaku Morita, the Governor of Chiba Prefecture.



Matsumotokiyoshi Holdings President Kiyoo Matsumoto (left) receives a certificate of appreciation from Chiba Prefecture Governor Kensaku Morita (right).



Chiba Prefecture Governor Kensaku Morita gives a certificate of appreciation to Takashi Matsumoto Managing Director.



(Center Left) Chiba Prefecture Governor Kensaku Morita (Center Right) Executive Vice-President Kazuo Narita



Forums in taking responsibility for one's own health

Our group is conducting promotional activities to educate the public in ways to maintain their own health, acting in a responsible advisory capacity to suggest how to improve their health and beauty. The program includes always-popular forums facilitated by reputable experts.



Latest self-medication



Contribution Activities for Victims of the Hiroshima Storms

Collection boxes were provided at stores operated by Matsumotokiyoshi Chu-Shikoku Co., Ltd. and emergency fundraising was conducted as a response to the torrential rain disaster in Hiroshima City, which occurred in August 2014. The deep condolences of our customers and store staff, together with donations provided by Matsumotokiyoshi Holdings and Matsumotokiyoshi Chu-Shikoku headquarters were contributed to Hiroshima City for disaster relief purposes.



Endowed Course Established at Chiba University

From a shared awareness of the importance of being able to deal with the ever-diversifying work of insurance pharmacies due to the rapidly ageing society and the development of the separation of prescribing from dispensing, we have joined with Chiba University to establish the Drug Informatics (Matsumotokiyoshi Holdings) Endowed Course at the university's Graduate School of Pharmaceutical Sciences, with the goals of spreading the proper usage of pharmaceutical products, contributing to local medical treatment, and enhancing medical-related services.



In March 2013, Chiba University President Yasushi Saito (center left) and Matsumotokiyoshi Holdings Chairman Namio Matsumoto (center right) shake hands firmly towards making a contribution to community medicine.



2016 Kumamoto Earthquake Recovery Support

The Matsumotokiyoshi Group is working hard to contribute to providing support for the victims of the 2016 Kumamoto Earthquake that struck on April 14, 2016, and to recovery work in the disaster area.



Scholarship System Adopted by the Sojo University Faculty of Pharmaceutical Sciences

There are families and people who still have trouble keeping up with academic studies and research owing to financial difficulties caused by the disaster. This scholarship system was adopted in the hope that it would help provide financial support to nurture strong-willed students capable of contributing to the disaster recovery work and local medical care.



Commemorative photograph with scholarship students (November 2, 2016)

With the staff

Matsumotokiyoshi Group's True professionalism, bolstered further by thorough training programs

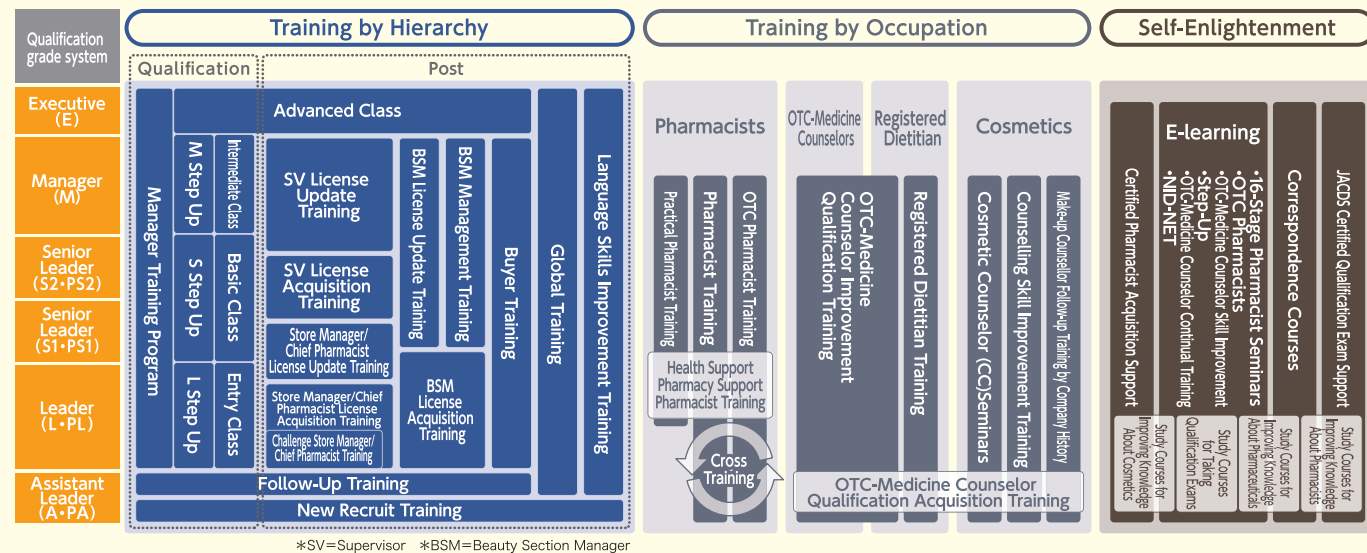


Enhanced specialist education

We provide personalized customer services and conduct training programs for sales staff, to ensure customer loyalty in our local Family Drugstores.



Matsumotokiyoshi Group Training System



Current measures related to positive action

Prepare environments where women find it easy to work, in particular systems to support a balance between work and childbirth, childcare, and nursing care. Establish organizations that allow female employees to be appointed through expanding the fields where they can work at the managerial level.

➔ In future, strengthen further environmental development and support to allow women to play active roles.



Activation in stores and organizations

- Appointment to management levels Challenge Store Manager
- Expanded work fields Appointment to persons in charge of product development

Active appointment of women



- Maternity leave (prenatal, postnatal)
- Childcare leave (up to age 2)
- Extensions to shortened working hours during childcare leave (up to completing elementary school)
- Child nursing leave
- Caring leave
- Shortened working hours during caring
- Caring breaks

Enhancement of support for work and housekeeping balance

Development of an environment in which women can work comfortably

- Introduction of a work-from-home system
- Establishment of a system for training persons in charge of cosmetics
- Reemployment license system
- In-house suggestions system
- Promoting the taking of paid leave Half days, anniversary breaks
- Establishment of a career support office Counseling and support for career development Measures to prevent sexual harassment

These measures and initiatives are highly regarded



The compliance of Matsumotokiyoshi with the standards set out in the Act on Promotion of Women's Participation and Advancement in the Workplace Certified as "Eruboshi" (top rank) by the Minister of Health, Labour and Welfare

Each facility was assessed and our company certified as one where women play active roles

Our activities to promote women in the workplace were recognized by the Chiba Labor Bureau (MHLW), which certified us with the Eruboshi rank as a general company that complies with the standards in the Act on Promotion of Women's Participation and Advancement in the Workplace.

Through promoting measures, our Group will continue to aim to become a corporate group where women can feel valued and play active roles.



Career-based specialist education

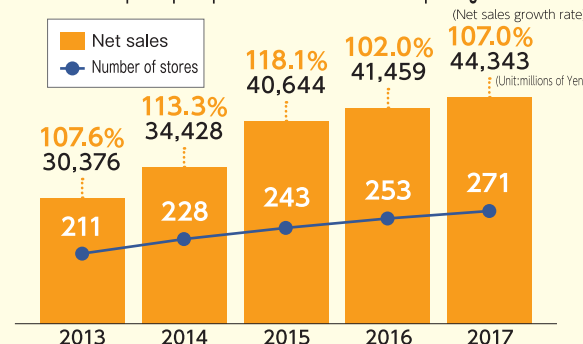


Responding to diverse customer needs

Our group will continue to open new drugstores that put customer needs and convenience first. We are always keen to offer even more comprehensive services in our prescription pharmacies and dispensing business and are increasing the number of pharmacies with extended business hours.



Number of prescription pharmacies and stores with dispensing facilities



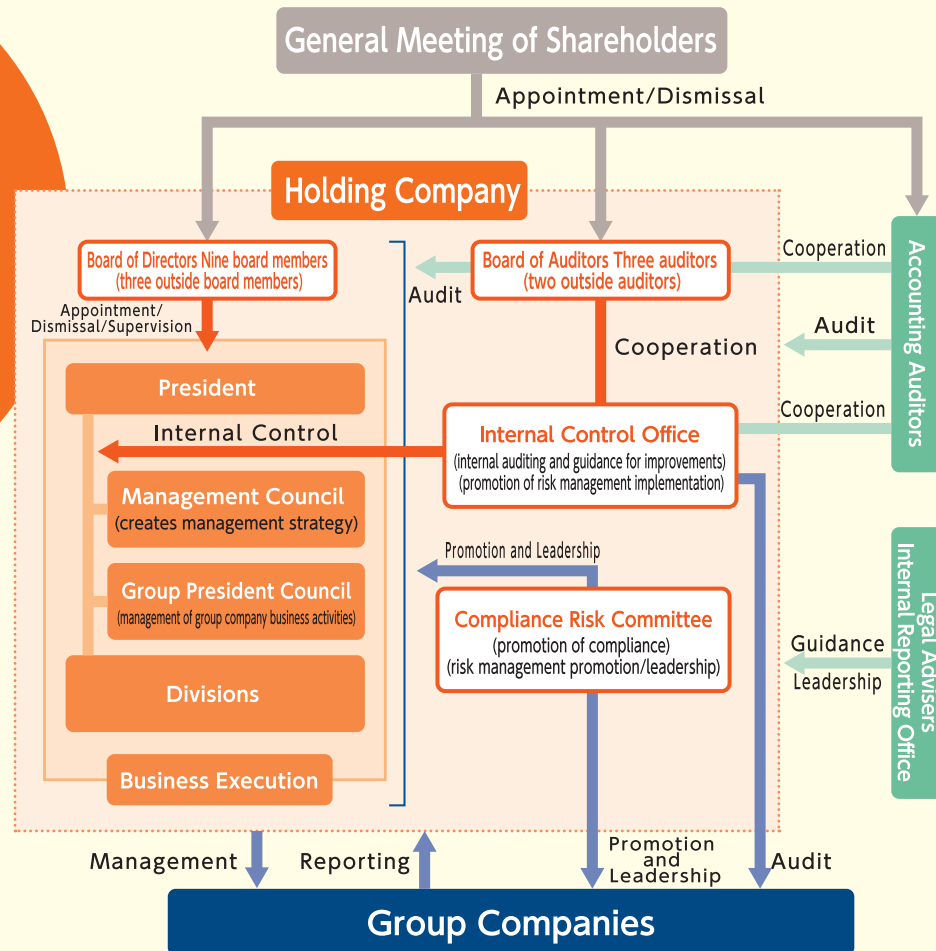
*Net sales figures are the simple aggregate of sales of retail operating companies.
*For MIDORIYAKUJIN, LOVEDRUGS and Nakajima Family Pharmacy, sales figures begin from April 2010. For SIMENO, they begin from January 2014.

Corporate Data (As of July 1, 2018)

Corporate name **Matsumotokiyoshi Holdings Co., Ltd.**
 Address **9-1 Shinmatsudo-Higashi, Matsudo-shi, Chiba 270-8511 Japan**
 Phone **+81-47-344-5110**
 Incorporated **October 1, 2007**
 Common Stock **22.051 billion Yen**
 Book Closing **March 31**
 Lines of Business **Management and supervision of subsidiaries, purchase and sale of products**
 Issued Shares **109,272,214**



Corporate Governance System

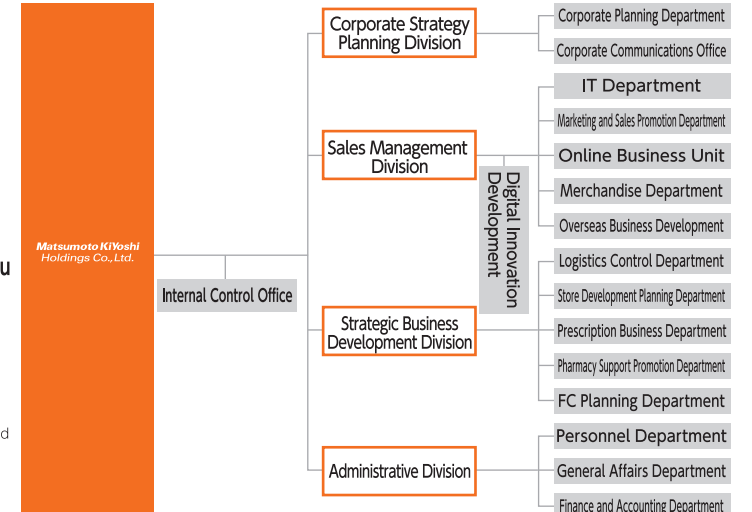


Officers

Chairman	Namio Matsumoto	Standing Corporate Auditor	Yukio Koyama
President	Kiyoo Matsumoto	Auditor/Outside/Independent	Satoru Suzuki
Executive Vice President	Kazuo Narita	Auditor/Outside/Independent	Akemi Sunaga
Managing Director	Takashi Matsumoto	Executive Officer	Takao Ohta
Director	Shingo Obe	Executive Officer	Takao Watanabe
Director	Akio Ishibashi	Executive Officer	Hidesato Hiramatsu
Director/Outside/Independent	Isao Matsushita	Executive Officer	Kazunori Sugito
Director/Outside/Independent	Hiroo Omura	Executive Officer	Hiroaki Kozawa
Director/Outside/Independent	Keiji Kimura		

*Outside: Outside director/outside auditor
 *Independent: Independent director as notified to the Tokyo Stock Exchange

Organizational Chart



Our basic philosophy regarding corporate governance

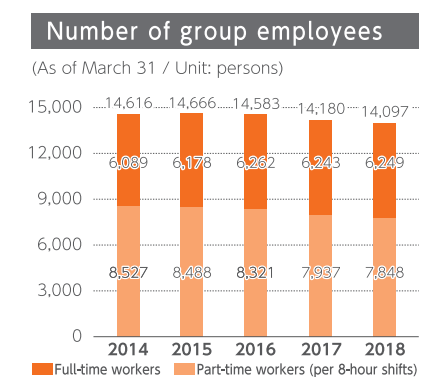
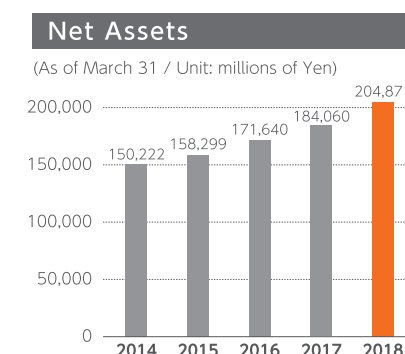
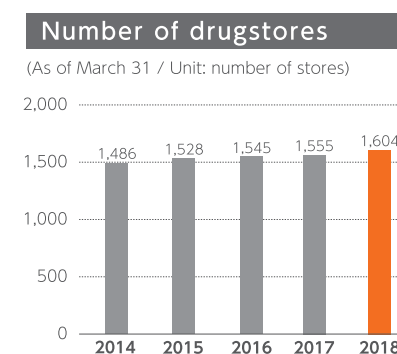
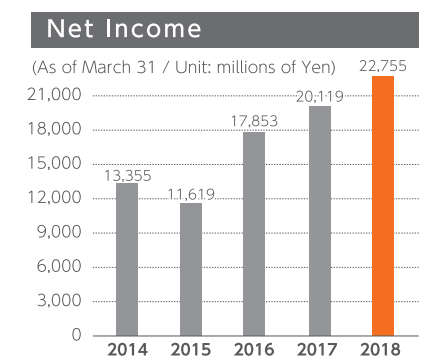
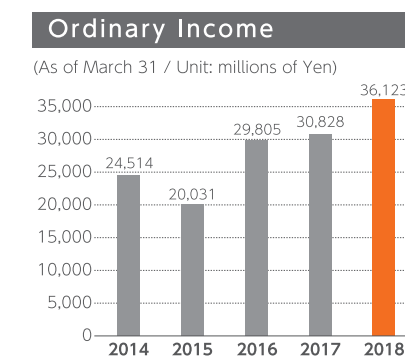
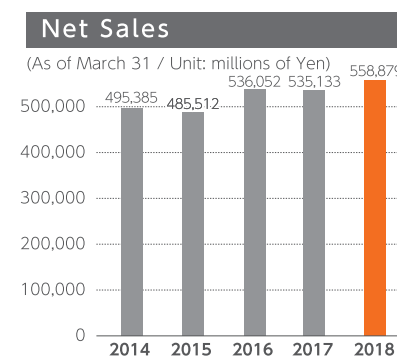
"1st for you" is the management philosophy of the group. Based on this management philosophy, this group will aim to be a "company indispensable to the beauty and health field," and strive for an enriched form of corporate

governance, which serves as the foundation and live up to the expectations of all our stakeholders (customers, employees, client enterprises, local communities, and shareholders) and continue to earn their trust.

Overview of the corporate governance system

As a company with a board of company auditors, we have established a general meeting of shareholders, board of directors, and board of auditors. Among the nine directors on the board, three are outside board members, and among the three auditors, two are outside auditors. These five people serve as independent officers in accordance with Tokyo Stock Exchange regulations. Maintaining a high degree of independence from the company, the independent officers cooperate and bring an outside perspective to the board of directors while increasing supervisory function and diversity. Our board of directors serves a term of one year, which makes the mission and responsibility of each board member clear. Also, by adopting an executive officer system, the execution and supervision of duties in business management are separated, and the functions and responsibilities of board members and executive officers are clarified. In addition, our corporate governance system is a Management Council

established under the board of directors comprised of board members, executive officers, and full-time auditors who work together for efficiency in the execution of duties. The Group President Council was established for the steady and effective implementation of group company management, leadership, and guidance. The Internal Control Supervision Office was established as an internal auditing division. Aiming for full cooperation with auditors, the office supervises internal auditing and the internal control system related to duties of each division and group companies, and creates an effective auditing system by maintaining the suitability and efficiency of business activities. In the areas of compliance and risk management, it is our belief that all activities are thoroughly linked. Therefore, in order to maintain compliance and risk management in the company and our group, the Compliance Risk Committee was established.



Even More Convenient and Great Value Services

Expanding Omni-channel Services to Provide Even Better Shopping Experiences

1 Matsumotokiyoshi Omni-channel Strategies

At Matsumotokiyoshi Holdings, we promote the creation of an "omni-channel" as one of our key strategies.

This omni-channel strategy we are promoting is getting closer to our customers' purchasing behavior. Thanks to the spread of smartphones, our customers' purchasing behavior has changed from seeing flyers or products on display in stores and then come to the stores to make purchases, to utilizing smartphones. These days, methods whereby customers encounter information that spurs purchasing have diversified from existing store displays and paper media to the internet and social media. In addition, it is now possible to see information anytime, anywhere. These changes in consumer behavior mean that demands for convenient shopping, which have always been latent within our customers, are now coming to the surface through IT, and will only continue to accelerate. By blending conventional promotions and our own apps, which spur purchases, with brick-and-mortar stores and EC business, which form sales routes, we can think of the steps in purchasing behavior as "awareness ⇒ interest ⇒ consideration ⇒ purchase." So our aim is to provide the optimal shopping experience for each customer in any scenario.

2 Expanding Omni-channel Services

Official Site Refurbished

We constantly provide new services to allow our customers to freely use both our brick-and-mortar stores and online shopping however best suits their needs. Feel free to try out our website yourself.



Matsumotokiyoshi Online Store top page

My-Page Functions

By logging into their personal page, customers can view their purchase history, points, product reviews, and more. They can also get product put aside or brought in, or collect products bought online at an actual store, making daily shopping even more convenient.



My-Page functions provided for all members



3 Customers can pick up orders at their local Matsumotokiyoshi store

They can specify the store they would like to collect their order at, whether that be near their home or where they are visiting, and their order will be set aside or brought in, waiting for them. Products purchased online can also be picked up at stores.



4 Possible to Check Information on Products Stocked and Word-of-Mouth Reviews

Customers can view product information and posted comments on their personal pages whenever and wherever they like.

5 Possible to Check Store Stocks and Prices Online

Registering the stores frequently patronized on the My-Page enables customers to check stock situations and retail prices in the real-time without actually visiting the store. This has drastically improved the level of convenience provided to customers.

6 Shortened waits for medicine thanks to transmitting prescriptions

Prescriptions received from medical institutions can be sent to a Matsumotokiyoshi prescription pharmacy ahead of time using an app, which allows the pharmacist to start preparing the medicine before the customer arrives, thus saving time spent waiting in the pharmacy.

More Convenient and Pleasant Shopping Experiences



Application

A few convenient functions from the many available are introduced below.

Coupons

Provides bargain coupons that can be used in all stores.

Active Rewards

Presetting targets in alignment with perceived problems enables activity, weight and body fat levels associated with the targets to be recorded. There is also a chance of winning points and other rewards depending on the number of days the activities are continued.

Medicine notebook

The medicine information that used to be managed in notebooks can now be managed with smartphones.



Active Rewards



Medicine notebook



Downloaded about **7.7 million Times!**
(As of the end of March 2018)

For iPhone users



For Android users



SNS

Matsumotokiyoshi has an official account on the popular LINE communication application. Product information and coupons distributed.

Matsumotokiyoshi Official LINE Account
Number of friends

About **19 million!**
(As of the end of March 2018)

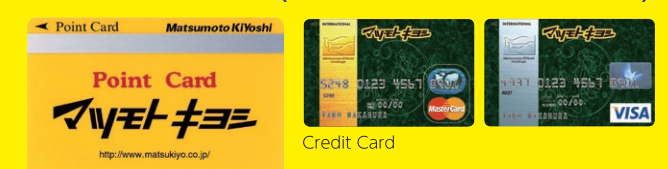


Matsumotokiyoshi LINE Stamps

Point Card

Matsumotokiyoshi Members Card
Number of members

About **26 million!**
(As of the end of March 2018)



Cash Point Card

*No. of contacts with individual customers

FY2018

Company Profile Cover Design Concept

Innovation / Global

These five differently-shaped flowers represent our stakeholders. The spiral patterns are air currents, which represent the rapidly progressing in order to satisfy every one of our customers even more.





Matsumoto KiYoshi
Holdings

Matsumoto KiYoshi Holdings Co., Ltd.

9-1 Shinmatsudo-Higashi, Matsudo-shi, Chiba 270-8511 Japan

Phone: +81-47-344-5110

<http://www.matsumotokiyoshi-hd.co.jp/>



This corporate profile has been printed
using vegetable oil inks to help save the environment.