



AIN GROUP

FY4/18
Supplementary Materials

AIN HOLDINGS INC.

June 5, 2018

1. Consolidated Results

■ Year-on-Year

	(¥ million)			
	FY4/17 results	FY4/18 results	YoY change	YoY change(%)
Net sales	248,110	268,385	+20,275	+8.2
Gross profit % of net sales	42,092 17.0	47,993 17.9	+5,901	+14.0
SG&A expenses % of net sales	27,529 11.1	28,370 10.6	+841	+3.1
Operating income % of net sales	14,563 5.9	19,622 7.3	+5,059	+34.7
Ordinary income % of net sales	15,080 6.1	20,129 7.5	+5,049	+33.5
Profit attributable to owners of parent % of net sales	7,949 3.2	10,567 3.9	+2,618	+32.9
Earnings per share(¥)	250.71	310.08	+59.37	+23.7

▶ Figures in the table are rounded down

■ Vs Plan

	(¥ million)			
	FY4/18 plan	FY4/18 results	Vs plan change	Vs plan change(%)
Net sales	267,500	268,385	+885	+0.3
Gross profit % of net sales	47,400 17.7	47,993 17.9	+593	+1.3
SG&A expenses % of net sales	29,400 11.0	28,370 10.6	(1,030)	(3.5)
Operating income % of net sales	18,000 6.7	19,622 7.3	+1,622	+9.0
Ordinary income % of net sales	18,500 6.9	20,129 7.5	+1,629	+8.8
Profit attributable to owners of parent % of net sales	9,200 3.4	10,567 3.9	+1,367	+14.9
Earnings per share(¥)	269.96	310.08	+40.12	+14.9

▶ Figures in the table are rounded down

2. Segment Information (Dispensing Pharmacy Business)

■ Year-on-Year

(¥ million)

	FY4/17 results	FY4/18 results	YoY change	YoY change(%)
Net sales	221,801	238,645	+16,844	+7.6
Gross profit % of net sales	32,090 14.5	36,030 15.1	+3,940	+12.3
SG&A expenses % of net sales	13,432 6.1	14,034 5.9	+60	+4.5
Operating income % of net sales	18,658 8.4	21,995 9.2	+3,337	+17.9
Segment income % of net sales	19,110 8.6	22,668 9.5	+3,558	+18.6

▶ Figures in the table are rounded down

▶ Segment income is adjusted to ordinary income shown on the quarterly consolidated statements of income

■ Vs Plan

(¥ million)

	FY4/18 plan	FY4/18 results	Vs plan change	Vs plan change(%)
Net sales	237,900	238,645	+745	+0.3
Gross profit % of net sales	35,260 14.8	36,030 15.1	+770	+2.2
SG&A expenses % of net sales	14,860 6.2	14,034 5.9	(826)	(5.6)
Operating income % of net sales	20,400 8.6	21,995 9.2	+1,595	+7.8
Segment income % of net sales	21,000 8.8	22,668 9.5	+1,668	+7.9

▶ Figures in the table are rounded down

▶ Segment income is adjusted to ordinary income shown on the quarterly consolidated statements of income

3. Segment Information (Cosmetic and Drug Store Business)

■ Year-on-Year

(¥ million)

	FY4/17 results	FY4/18 results	YoY change	YoY change(%)
Net sales	21,383	24,117	+2,734	+12.8
Gross profit % of net sales	7,623 35.6	8,925 37.0	+1,302	+17.1
SG&A expenses % of net sales	8,583 40.1	8,317 34.5	(266)	(3.1)
Operating income % of net sales	(959) -	608 2.5	+1,567	-
Segment income % of net sales	(866) -	657 2.7	+1,523	-

▶ Figures in the table are rounded down

▶ Segment income is adjusted to ordinary income shown on the quarterly consolidated statements of income

■ Vs Plan

(¥ million)

	FY4/18 plan	FY4/18 results	Vs plan change	Vs plan change(%)
Net sales	23,600	24,117	+517	+2.2
Gross profit % of net sales	8,680 36.8	8,925 37.0	+245	+2.8
SG&A expenses % of net sales	8,430 35.7	8,317 34.5	(113)	(1.3)
Operating income % of net sales	250 1.1	608 2.5	+358	+143.2
Segment income % of net sales	280 1.2	657 2.7	+377	+134.6

▶ Figures in the table are rounded down

▶ Segment income is adjusted to ordinary income shown on the quarterly consolidated statements of income

4. Sales Verification

■ Dispensing Pharmacy (YoY)

(%)

	Net sales	Prescription volume	Average prescription price
Same store (814)	+1.5	+0.2	+1.4
Store openings in the previous year (176)	+100.8	+94.5	+3.9
Total (1,029)	+7.9	+7.6	+0.2

■ Dispensing Pharmacy (Vs Plan)

(%)

	Net sales	Prescription volume	Average prescription price
Same store (814)	+0.4	(0.0)	+0.4
Store openings in the previous year (176)	+4.4	+0.6	+3.8
Total (1,029)	+0.4	(1.1)	+1.6

■ Cosmetic and Drug Store (YoY)

(%)

	Net sales	Number of customers	Average spending per customer
Same store (35)	+8.7	+3.2	+5.3
Store openings in the previous year (9)	+288.6	+221.9	+20.7
Total (48)	+12.8	+4.9	+7.5

■ Cosmetic and Drug Store (Vs Plan)

(%)

	Net sales	Number of customers	Average spending per customer
Same store (35)	+2.2	+1.5	+0.7
Store openings in the previous year (9)	+10.0	+3.5	+6.3
Total (48)	+2.2	+0.8	+1.4

5. Consolidated Balance Sheet

■ Assets

(¥ million)

	End-FY4/16	End-FY4/17	End-FY4/18	Change
Cash on hand and in banks	22,647	29,775	63,779	+34,004
Notes and accounts receivable	12,385	9,990	10,466	+476
Inventories	10,984	11,668	9,580	(2,088)
Total current assets	56,593	65,420	96,169	+30,749
Buildings and structures, net	14,694	15,365	14,934	(431)
Land	9,537	9,958	10,041	+83
Lease assets	1,352	1,166	824	(342)
Total property, plant and equipment	28,153	28,464	27,853	(611)
Goodwill	33,337	40,939	38,011	(2,928)
Lease assets	13	8	11	+3
Total intangible fixed assets	35,586	43,109	40,132	(2,977)
Investments in securities	2,677	2,435	2,375	(60)
Deferred tax assets	2,038	2,167	2,216	+49
Deposits and guarantees	10,013	10,443	11,339	+896
Total investments and other assets	19,555	19,329	19,176	(153)
Total deferred assets	-	-	103	103
Total fixed assets	83,294	90,902	87,162	(3,740)
Total assets	139,888	156,323	183,435	+27,112

▶ Figures in the table are rounded down ▶ Change(¥):End-FY4/18 compared with end-FY4/17

▶ Capital expenditures(Purchases of property, plant and equipment and intangible fixed assets + Deposits and guarantees) totaled ¥5,311million

■ Liabilities and Net Assets

(¥ million)

	End-FY4/16	End-FY4/17	End-FY4/18	Change
Accounts payable	39,987	39,325	38,728	(597)
Short-term debt	5,690	7,596	6,717	(879)
Lease obligations	668	594	443	(151)
Total current liabilities	66,744	72,955	70,235	(2,720)
Long-term debt	14,854	18,254	11,511	(6,743)
Lease obligations	1,198	958	632	(326)
Total long-term liabilities	19,818	23,188	16,467	(6,721)
Total liabilities	86,563	96,144	86,702	(9,442)
Common stock	8,682	8,682	21,894	+13,212
Capital surplus	6,367	6,367	20,500	+14,133
Retained earnings	38,605	45,286	54,268	+8,982
Total shareholders' equity	53,237	59,918	96,662	+36,744
Total net assets	53,324	60,178	96,733	+36,555
Total liabilities and net assets	139,888	156,323	183,435	+27,112

▶ Figures in the table are rounded down ▶ Change(¥):End-FY4/18 compared with end-FY4/17

6. FY4/19 Plan (Consolidated)

(¥ million)

	FY4/17 results	FY4/18 results	FY4/19 plan	YoY change	YoY change (%)
Net sales	248,110	268,385	272,870	+4,485	+1.7
Gross profit % of net sales	42,092 17.0	47,993 17.9	48,040 17.6	+47	+0.1
SG&A expenses % of net sales	27,529 11.1	28,370 10.6	30,540 11.2	+2,170	+7.6
Operating income % of net sales	14,563 5.9	19,622 7.3	17,500 6.4	(2,122)	(10.8)
Ordinary income % of net sales	15,080 6.1	20,129 7.5	18,000 6.6	(2,219)	(10.6)
Profit attributable to owners of parent % of net sales	7,949 3.2	10,567 3.9	9,260 3.4	(1,307)	(12.4)
Earnings per share(¥)	250.71	310.08	261.38	(48.70)	(15.7)
Annual dividend (¥)	50.00	50.00	55.00	+5.00	+10.0

▶ Figures in the table are rounded down

▶ Change(¥):FY4/19 plan compared with FY4/18 results

7. Transition of Store Openings

■ Number of Store Openings in Dispensing Pharmacy Business

	FY4/10	FY4/11	FY4/12	FY4/13	FY4/14	FY4/15	FY4/16	FY4/17	FY4/18
Organic	21	18	27	38	36	40	32	27	25
M&A	3	35	28	38	26	119	110	182	11
Total	397	448	494	560	616	754	881	1,066	1,029

▶ Total number of stores includes temporarily closed stores from FY4/11.

■ Number of Store Openings in Cosmetic and Drug Store Business

	FY4/10	FY4/11	FY4/12	FY4/13	FY4/14	FY4/15	FY4/16	FY4/17	FY4/18
Organic	5	6	7	7	3	3	5	9	4
Total	49	53	56	61	59	56	52	52	48

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