



AIN GROUP

FY4/19
Supplementary Materials

AIN HOLDINGS INC.

June 4, 2019

1. Consolidated Results

■ Year-on-Year

	(¥ million)			
	FY4/18 results	FY4/19 results	YoY change	YoY change(%)
Net sales	268,385	275,596	+7,211	+2.7
Gross profit % of net sales	47,993 17.9	45,363 16.5	(2,630)	(5.5)
SG&A expenses % of net sales	28,370 10.6	29,295 10.6	+925	+3.3
Operating income % of net sales	19,622 7.3	16,067 5.8	(3,555)	(18.1)
Ordinary income % of net sales	20,129 7.5	16,637 6.0	(3,492)	(17.3)
Profit attributable to owners of parent % of net sales	10,567 3.9	9,029 3.3	(1,538)	(14.6)
Earnings per share(¥)	310.08	254.87	(55.21)	(17.8)

▶ Figures in the table are rounded down

■ Vs Plan

	(¥ million)			
	FY4/19 plan	FY4/19 results	Vs plan change	Vs plan change(%)
Net sales	272,870	275,596	+2,726	+1.0
Gross profit % of net sales	48,040 17.6	45,363 16.5	(2,677)	(5.6)
SG&A expenses % of net sales	30,540 11.2	29,295 10.6	(1,245)	(4.1)
Operating income % of net sales	17,500 6.4	16,067 5.8	(1,433)	(8.2)
Ordinary income % of net sales	18,000 6.6	16,637 6.0	(1,363)	(7.6)
Profit attributable to owners of parent % of net sales	9,260 3.4	9,029 3.3	(231)	(2.5)
Earnings per share(¥)	261.38	254.87	(6.51)	(2.5)

▶ Figures in the table are rounded down

2. Segment Information (Dispensing Pharmacy Business)

■ Year-on-Year

(¥ million)

	FY4/18 results	FY4/19 results	YoY change	YoY change(%)
Net sales	238,645	245,003	+6,358	+2.7
Gross profit % of net sales	36,030 15.1	32,741 13.4	(3,289)	(9.1)
SG&A expenses % of net sales	14,034 5.9	14,882 6.1	+848	+6.0
Operating income % of net sales	21,995 9.2	17,859 7.3	(4,136)	(18.8)
Segment income % of net sales	22,668 9.5	18,331 7.5	(4,337)	(19.1)

▶ Figures in the table are rounded down

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

■ Vs Plan

(¥ million)

	FY4/19 plan	FY4/19 results	Vs plan change	Vs plan change(%)
Net sales	239,800	245,003	+5,203	+2.2
Gross profit % of net sales	34,500 14.4	32,741 13.4	(1,759)	(5.1)
SG&A expenses % of net sales	15,200 6.3	14,882 6.1	(318)	(2.1)
Operating income % of net sales	19,300 8.0	17,859 7.3	(1,441)	(7.5)
Segment income % of net sales	20,000 8.3	18,331 7.5	(1,669)	(8.3)

▶ Figures in the table are rounded down

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

3. Segment Information (Cosmetic and Drug Store Business)

■ Year-on-Year

(¥ million)

	FY4/18 results	FY4/19 results	YoY change	YoY change(%)
Net sales	24,117	25,210	+1,093	+4.5
Gross profit	8,925	9,535	+610	+6.8
% of net sales	37.0	37.8		
SG&A expenses	8,317	8,632	+315	+3.8
% of net sales	34.5	34.2		
Operating income	608	903	+295	+48.5
% of net sales	2.5	3.6		
Segment income	657	972	+315	+47.9
% of net sales	2.7	3.9		

▶ Figures in the table are rounded down

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

■ Vs Plan

(¥ million)

	FY4/19 plan	FY4/19 results	Vs plan change	Vs plan change(%)
Net sales	27,000	25,210	(1,790)	(6.6)
Gross profit	10,060	9,535	(525)	(5.2)
% of net sales	37.3	37.8		
SG&A expenses	9,060	8,632	(428)	(4.7)
% of net sales	33.6	34.2		
Operating income	1,000	903	(97)	(9.7)
% of net sales	3.7	3.6		
Segment income	1,020	972	(48)	(4.7)
% of net sales	3.8	3.9		

▶ Figures in the table are rounded down

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

4. Sales Verification

■ Dispensing Pharmacy Business (YoY) (%) ■ Dispensing Pharmacy Business (Vs Plan) (%)

	Net sales	Prescription volume	Average prescription price		Net sales	Prescription volume	Average prescription price
Same store (941)	(3.0)	+0.4	(3.3)	Same store (941)	+2.6	+0.4	+2.1
Store openings in the previous year (34)	+151.3	+165.0	(4.3)	Store openings in the previous year (34)	+1.4	+1.7	(0.2)
Total (1,132)	+2.8	+6.3	(3.3)	Total (1,132)	+2.2	+0.4	+1.8

■ Cosmetic and Drug Store Business (YoY) (%) ■ Cosmetic and Drug Store Business (Vs Plan) (%)

	Net sales	Number of customers	Average spending per customer		Net sales	Number of customers	Average spending per customer
Same store (43)	+2.6	+1.6	+1.0	Same store (43)	(4.3)	(5.4)	+1.2
Store openings in the previous year (4)	+144.7	+155.7	(4.3)	Store openings in the previous year (4)	(5.2)	+8.1	(12.3)
Total (54)	+4.5	+3.0	+1.5	Total (54)	(6.6)	(7.9)	+1.4

5. Consolidated Balance Sheet

■ Assets				(¥ million)
	End-FY4/17	End-FY4/18	End-FY4/19	Change
Cash on hand and in banks	29,775	63,779	48,091	(15,688)
Notes and accounts receivable	9,990	10,466	12,771	+2,305
Inventories	11,668	9,580	12,898	+3,318
Total current assets	65,420	94,557	85,446	(9,111)
Buildings and structures, net	15,365	14,934	16,352	+1,418
Land	9,958	10,041	10,394	+353
Lease assets	1,166	824	571	(253)
Total property, plant and equipment	28,464	27,853	30,186	+2,333
Goodwill	40,939	38,011	45,249	+7,238
Lease assets	8	11	7	(4)
Total intangible fixed assets	43,109	40,132	47,577	+7,445
Investments in securities	2,435	2,375	1,795	(580)
Deferred tax assets	2,167	3,772	4,284	+512
Deposits and guarantees	10,443	11,339	15,133	+3,794
Total investments and other assets	19,329	20,732	25,751	+5,019
Total fixed assets	90,902	88,718	103,515	+14,797
Total deferred assets	-	103	59	(44)
Total assets	156,323	183,380	189,021	+5,641

▶ Figures in the table are rounded down

▶ Change: End-FY4/19 compared with end-FY4/18

▶ Capital expenditures (Purchases of property, plant and equipment and intangible fixed assets + Deposits and guarantees) totaled ¥9,919 million

▶ "Partial Amendments to Accounting Standard for Tax Effect Accounting" have been applied for the fiscal year ended April 30, 2018 and thereafter.

■ Liabilities and Net Assets				(¥ million)
	End-FY4/17	End-FY4/18	End-FY4/19	Change
Accounts payable	39,325	38,728	44,794	+6,066
Short-term debt	7,596	6,717	5,571	(1,146)
Lease obligations	594	443	318	(125)
Total current liabilities	72,955	69,950	73,744	+3,794
Long-term debt	18,254	11,511	5,985	(5,526)
Lease obligations	958	632	401	(231)
Total long-term liabilities	23,188	16,696	11,355	(5,341)
Total liabilities	96,144	86,646	85,099	(1,547)
Common stock	8,682	21,894	21,894	-
Capital surplus	6,367	20,500	20,500	-
Retained earnings	45,286	54,268	61,526	+7,258
Total shareholders' equity	59,918	96,662	103,920	+7,258
Total net assets	60,178	96,733	103,922	+7,189
Total liabilities and net assets	156,323	183,380	189,021	+5,641

▶ Figures in the table are rounded down

▶ Change: End-FY4/19 compared with end-FY4/18

▶ "Partial Amendments to Accounting Standard for Tax Effect Accounting" have been applied for the fiscal year ended April 30, 2018 and thereafter.

6. FY4/20 Plan (Consolidated)

	(¥ million)				
	FY4/18 results	FY4/19 results	FY4/20 plan	YoY change	YoY change (%)
Net sales	268,385	275,596	300,330	+24,734	+9.0
Gross profit % of net sales	47,993 17.9	45,363 16.5	50,540 16.8	+5,177	+11.4
SG&A expenses % of net sales	28,370 10.6	29,295 10.6	31,840 10.6	+2,545	+8.7
Operating income % of net sales	19,622 7.3	16,067 5.8	18,700 6.2	+2,633	+16.4
Ordinary income % of net sales	20,129 7.5	16,637 6.0	19,200 6.4	+2,563	+15.4
Profit attributable to owners of parent % of net sales	10,567 3.9	9,029 3.3	10,130 3.4	+1,101	+12.2
Earnings per share(¥)	310.08	254.87	285.94	+31.07	+12.2
Annual dividend (¥)	50.00	55.00	55.00	–	0.0

▶ Figures in the table are rounded down

▶ Change: FY4/20 plan compared with FY4/19 results

7. Transition of Store Openings

■ Number of Store Openings in Dispensing Pharmacy Business

	FY4/11	FY4/12	FY4/13	FY4/14	FY4/15	FY4/16	FY4/17	FY4/18	FY4/19
Organic	18	27	38	36	40	32	27	25	23
M&A	35	28	38	26	119	110	182	11	134
Total	448	494	560	616	754	881	1,066	1,029	1,132

■ Number of Store Openings in Cosmetic and Drug Store Business

	FY4/11	FY4/12	FY4/13	FY4/14	FY4/15	FY4/16	FY4/17	FY4/18	FY4/19
Organic	6	7	7	3	3	5	9	4	7
Total	53	56	61	59	56	52	52	48	54

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