



AIN GROUP

FY4/20 3Q  
Supplementary Materials

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**AIN HOLDINGS INC.**

March 4, 2020

## 1. Consolidated Results

### ■ Year-on-Year

	(¥ million)			
	FY4/19 3Q results	FY4/20 3Q results	YoY change	YoY change(%)
Net sales	202,522	220,085	+17,563	+8.7
Gross profit	33,753	35,801	+2,048	+6.1
<b>% of net sales</b>	<b>16.7</b>	<b>16.3</b>		
SG&A expenses	21,844	23,353	+1,509	+6.9
<b>% of net sales</b>	<b>10.8</b>	<b>10.6</b>		
Operating income	11,909	12,447	+538	+4.5
<b>% of net sales</b>	<b>5.9</b>	<b>5.7</b>		
Ordinary income	12,425	13,008	+583	+4.7
<b>% of net sales</b>	<b>6.1</b>	<b>5.9</b>		
Profit attributable to owners of parent	6,781	7,110	+329	+4.9
<b>% of net sales</b>	<b>3.3</b>	<b>3.2</b>		
Earnings per share(¥)	191.41	200.71	+9.3	+4.9

▶ Figures in the table are rounded down

### ■ Vs Plan

	(¥ million)			
	FY4/20 3Q plan	FY4/20 3Q results	Vs plan change	Vs plan change(%)
Net sales	221,320	220,085	(1,235)	(0.6)
Gross profit	37,180	35,801	(1,379)	(3.7)
<b>% of net sales</b>	<b>16.8</b>	<b>16.3</b>		
SG&A expenses	23,710	23,353	(357)	(1.5)
<b>% of net sales</b>	<b>10.7</b>	<b>10.6</b>		
Operating income	13,470	12,447	(1,023)	(7.6)
<b>% of net sales</b>	<b>6.1</b>	<b>5.7</b>		
Ordinary income	13,860	13,008	(852)	(6.1)
<b>% of net sales</b>	<b>6.3</b>	<b>5.9</b>		
Profit attributable to owners of parent	7,330	7,110	(220)	(3.0)
<b>% of net sales</b>	<b>3.3</b>	<b>3.2</b>		
Earnings per share(¥)	206.90	200.71	(6.19)	(3.0)

▶ Figures in the table are rounded down

## 2. Segment Information (Dispensing Pharmacy Business)

### ■ Year-on-Year

(¥ million)

	FY4/19 3Q results	FY4/20 3Q results	YoY change	YoY change(%)
Net sales	179,397	196,753	+17,356	+9.7
Gross profit	24,216	26,248	+2,032	+8.4
<b>% of net sales</b>	<b>13.5</b>	<b>13.3</b>		
SG&A expenses	11,112	11,115	+3	+0.0
<b>% of net sales</b>	<b>6.2</b>	<b>5.6</b>		
Operating income	13,104	15,133	+2,029	+15.5
<b>% of net sales</b>	<b>7.3</b>	<b>7.7</b>		
Segment income	13,488	15,569	+2,081	+15.4
<b>% of net sales</b>	<b>7.5</b>	<b>7.9</b>		

▶ 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)

	FY4/20 3Q plan	FY4/20 3Q results	Vs plan change	Vs plan change(%)
Net sales	196,460	196,753	+293	+0.1
Gross profit	27,170	26,248	(922)	(3.4)
<b>% of net sales</b>	<b>13.8</b>	<b>13.3</b>		
SG&A expenses	11,190	11,115	(75)	(0.7)
<b>% of net sales</b>	<b>5.7</b>	<b>5.6</b>		
Operating income	15,980	15,133	(847)	(5.3)
<b>% of net sales</b>	<b>8.1</b>	<b>7.7</b>		
Segment income	16,320	15,569	(751)	(4.6)
<b>% of net sales</b>	<b>8.3</b>	<b>7.9</b>		

▶ 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)

	FY4/19 3Q results	FY4/20 3Q results	YoY change	YoY change(%)
Net sales	18,927	20,071	+1,144	+6.0
Gross profit	7,085	7,828	+743	+10.5
<b>% of net sales</b>	<b>37.4</b>	<b>39.0</b>		
SG&A expenses	6,403	7,296	+893	+13.9
<b>% of net sales</b>	<b>33.8</b>	<b>36.4</b>		
Operating income	682	531	(151)	(22.1)
<b>% of net sales</b>	<b>3.6</b>	<b>2.6</b>		
Segment income	741	575	(166)	(22.4)
<b>% of net sales</b>	<b>3.9</b>	<b>2.9</b>		

▶ 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)

	FY4/20 3Q plan	FY4/20 3Q results	Vs plan change	Vs plan change(%)
Net sales	21,100	20,071	(1,029)	(4.9)
Gross profit	8,060	7,828	(232)	(2.9)
<b>% of net sales</b>	<b>38.2</b>	<b>39.0</b>		
SG&A expenses	7,180	7,296	+116	+1.6
<b>% of net sales</b>	<b>34.0</b>	<b>36.4</b>		
Operating income	880	531	(349)	(39.7)
<b>% of net sales</b>	<b>4.2</b>	<b>2.6</b>		
Segment income	897	575	(322)	(35.9)
<b>% of net sales</b>	<b>4.3</b>	<b>2.9</b>		

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

	Net sales	Prescription volume	Average prescription price		Net sales	Prescription volume	Average prescription price
Same store (939)	+1.5	(1.7)	+3.3	Same store (939)	+1.3	(0.8)	+2.1
Store openings in the previous year (150)	+266.0	+231.0	+11.4	Store openings in the previous year (150)	+4.2	+2.0	+2.1
Total (1,101)	+9.4	+5.5	+3.9	Total (1,101)	(0.1)	(2.5)	+2.4

### ■ 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)	(1.1)	+1.3	(2.4)	Same store (43)	(5.1)	+0.7	(5.8)
Store openings in the previous year (7)	+234.6	+270.5	(9.7)	Store openings in the previous year (7)	+0.9	+29.3	(21.9)
Total (62)	+6.4	+9.4	(2.7)	Total (62)	(4.5)	+2.4	(6.8)

## 5. Consolidated Balance Sheet

■ Assets				(¥ million)
	End-FY4/19 3Q	End-FY4/19	End-FY4/20 3Q	Change
Cash on hand and in banks	53,494	48,091	46,276	(1,815)
Notes and accounts receivable	11,172	12,771	13,713	+942
Inventories	12,725	12,898	14,637	+1,739
<b>Total current assets</b>	<b>88,391</b>	<b>85,446</b>	<b>84,746</b>	<b>(700)</b>
Buildings and structures, net	15,978	16,352	16,705	+353
Land	10,368	10,394	11,039	+645
Lease assets	695	571	339	(232)
<b>Total property, plant and equipment</b>	<b>29,660</b>	<b>30,186</b>	<b>31,028</b>	<b>+842</b>
Goodwill	40,138	45,249	42,075	(3,174)
Lease assets	10	7	6	(1)
<b>Total intangible fixed assets</b>	<b>42,352</b>	<b>47,577</b>	<b>44,767</b>	<b>(2,810)</b>
Investments in securities	2,267	1,795	2,466	+671
Deferred tax assets	3,989	4,284	4,272	(12)
Deposits and guarantees	12,832	15,133	15,713	+580
<b>Total investments and other assets</b>	<b>22,553</b>	<b>25,751</b>	<b>27,494</b>	<b>+1,743</b>
<b>Total fixed assets</b>	<b>94,567</b>	<b>103,515</b>	<b>103,290</b>	<b>(225)</b>
<b>Total deferred assets</b>	<b>70</b>	<b>59</b>	<b>26</b>	<b>(33)</b>
<b>Total assets</b>	<b>183,029</b>	<b>189,021</b>	<b>188,063</b>	<b>(958)</b>

▶ Figures in the table are rounded down

▶ Change: End-FY4/20 3Q compared with end-FY4/19

▶ Capital expenditures (Purchases of property, plant and equipment and intangible fixed assets + Deposits and guarantees) totaled ¥5,749 million

■ Liabilities and Net Assets				(¥ million)
	End-FY4/19 3Q	End-FY4/19	End-FY4/20 3Q	Change
Accounts payable	43,016	44,794	46,784	+1,990
Short-term debt	6,935	5,571	4,196	(1,375)
Lease obligations	346	318	221	(97)
<b>Total current liabilities</b>	<b>69,235</b>	<b>73,744</b>	<b>70,726</b>	<b>(3,018)</b>
Long-term debt	7,020	5,985	3,009	(2,976)
Lease obligations	495	401	218	(183)
<b>Total long-term liabilities</b>	<b>12,118</b>	<b>11,355</b>	<b>8,262</b>	<b>(3,093)</b>
<b>Total liabilities</b>	<b>81,354</b>	<b>85,099</b>	<b>78,989</b>	<b>(6,110)</b>
Common stock	21,894	21,894	21,894	-
Capital surplus	20,500	20,500	20,500	-
Retained earnings	59,278	61,526	66,689	+5,163
<b>Total shareholders' equity</b>	<b>101,672</b>	<b>103,920</b>	<b>109,082</b>	<b>+5,162</b>
<b>Total net assets</b>	<b>101,674</b>	<b>103,922</b>	<b>109,074</b>	<b>+5,152</b>
<b>Total liabilities and net assets</b>	<b>183,029</b>	<b>189,021</b>	<b>188,063</b>	<b>(958)</b>

▶ Figures in the table are rounded down

▶ Change: End-FY4/20 3Q compared with end-FY4/19

## 6. FY4/20 Plan (Consolidated)

(¥ million)

	FY4/19 results	FY4/20 original plan	FY4/20 revised plan	Vs original plan change (%)	YoY change (%)
Net sales	275,596	300,330	293,230	(2.4)	+6.4
Gross profit <b>% of net sales</b>	45,363 <b>16.5</b>	50,540 <b>16.8</b>	47,680 <b>16.3</b>	(5.7)	+5.1
SG&A expenses <b>% of net sales</b>	29,295 <b>10.6</b>	31,840 <b>10.6</b>	31,180 <b>10.6</b>	(2.1)	+6.4
Operating income <b>% of net sales</b>	16,067 <b>5.8</b>	18,700 <b>6.2</b>	16,500 <b>5.6</b>	(11.8)	+2.7
Ordinary income <b>% of net sales</b>	16,637 <b>6.0</b>	19,200 <b>6.4</b>	17,200 <b>5.9</b>	(10.4)	+3.4
Profit attributable to owners of parent <b>% of net sales</b>	9,029 <b>3.3</b>	10,130 <b>3.4</b>	9,250 <b>3.2</b>	(8.7)	+2.4
Earnings per share(¥)	254.87	285.94	261.10	(8.7)	+2.4
Annual dividend (¥)	55.00	55.00	55.00	0.0	0.0

► Figures in the table are rounded down

## 7. Transition of Store Openings

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### ■ Number of Store Openings in Dispensing Pharmacy Business

	FY4/12	FY4/13	FY4/14	FY4/15	FY4/16	FY4/17	FY4/18	FY4/19	FY4/20 3Q
Organic	27	38	36	40	32	27	25	23	9
M&A	28	38	26	119	110	182	11	134	5
Total	494	560	616	754	881	1,066	1,029	1,132	1,101

### ■ Number of Store Openings in Cosmetic and Drug Store Business

	FY4/12	FY4/13	FY4/14	FY4/15	FY4/16	FY4/17	FY4/18	FY4/19	FY4/20 3Q
Organic	7	7	3	3	5	9	4	7	12
Total	56	61	59	56	52	52	48	54	62

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