

Consolidated Financial Results for the Third Quarter of Fiscal Year Ending April 30, 2026

[Under Japanese GAAP]

March 17, 2026

Name of listed company: **AIN HOLDINGS INC.**
Exchange listed on: Prime Market of Tokyo Stock Exchange and Sapporo Securities Exchange
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Start of dividend payment: —

Supplementary documents for quarterly results: Yes (Supplementary materials for the quarterly results are disclosed on the Company's website appropriately as the financial statements.)

Quarterly results briefing: No

(Amounts are rounded down to the nearest million yen.)

1. Consolidated results for the third quarter of fiscal year ending April 30, 2026 (May 1, 2025 to January 31, 2026)

(1) Consolidated operating results

(Percentage figures show year-on-year changes.)

| | Net sales | | EBITDA | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|------------------------------------|-------------|------|-------------|------|------------------|--------|-----------------|-------|---|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended January 31, 2026 | 474,885 | 41.0 | 37,148 | 63.7 | 21,242 | 69.2 | 20,152 | 48.0 | 10,222 | 38.9 |
| Nine months ended January 31, 2025 | 336,834 | 13.7 | 22,697 | 2.3 | 12,554 | (12.2) | 13,619 | (9.5) | 7,357 | (15.7) |

(Note) Comprehensive income: Nine months ended January 31, 2026: ¥10,906 million (43.3 %)
Nine months ended January 31, 2025: ¥7,610 million (-13.8%)

(Note) EBITDA = operating profit + depreciation + amortization of goodwill

| | Profit per share | Diluted profit per share |
|------------------------------------|------------------|--------------------------|
| | Yen | Yen |
| Nine months ended January 31, 2026 | 291.15 | - |
| Nine months ended January 31, 2025 | 210.05 | - |

(2) Consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio |
|------------------------|--------------|-------------|----------------------------|
| | Million yen | Million yen | % |
| As of January 31, 2026 | 524,999 | 151,172 | 28.7 |
| As of April 30, 2025 | 311,921 | 142,632 | 45.7 |

(Reference) Shareholders' equity: As of January 31, 2026: ¥150,799 million As of April 30, 2025: ¥142,520 million

2. Dividends

| | Dividend per share | | | | |
|---------------------------------------|----------------------|-----------------------|----------------------|-------------|-----------|
| | End of first quarter | End of second quarter | End of third quarter | End of year | Full year |
| | Yen | Yen | Yen | Yen | Yen |
| Year ended April 30, 2025 | - | 0.00 | - | 80.00 | 80.00 |
| Year ending April 30, 2026 | - | 0.00 | - | | |
| Year ending April 30, 2026 (forecast) | | | | 80.00 | 80.00 |

(Note) Revision to the most recently announced dividend forecasts: No

3. Consolidated financial forecasts for the fiscal year ending April 30, 2026 (May 1, 2025 to April 30, 2026)

(Percentage figures show year-on-year changes.)

| | Net sales | | EBITDA | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Profit per share |
|-----------|-------------|------|-------------|------|------------------|------|-----------------|------|---|------|------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 646,000 | 41.4 | 50,980 | 64.2 | 28,300 | 67.7 | 26,500 | 46.6 | 13,500 | 45.8 | 384.91 |

(Note) Revision to the most recently announced consolidated financial forecasts: No

*Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly consolidated: 13 (AIN-AG1 Co., Ltd. and other 12)

Excluded: –

(Note) This is a significant change in the scope of consolidation accompanying the acquisition of shares of Sakura Pharmacy Group on August 1, 2025.

(2) Application of specified accounting methods for the preparation of quarterly consolidated financial statements: Yes

(Note) For detail, please refer to “2. Quarterly consolidated financial statements and major notes (3) Notes on quarterly consolidated financial statements” on page 9 of the Attachment.

(3) Changes in accounting principles, changes in accounting estimates, and restatement of revisions

1) Changes in accounting principles as a result of revisions to accounting standards, etc.: No

2) Changes in accounting principles other than 1): No

3) Changes in accounting estimates: No

4) Restatement of revisions: No

(4) Number of outstanding shares (common stock)

| | | | | |
|---|-----------------------------------|-------------------|------------------------------------|-------------------|
| 1) Number of outstanding shares (including treasury stock): | As of January 31, 2026 | 35,428,212 shares | As of April 30, 2025 | 35,428,212 shares |
| 2) Number of shares held in treasury: | As of January 31, 2026 | 291,591 shares | As of April 30, 2025 | 354,987 shares |
| 3) Average number of shares outstanding: | Nine months ended January 31 2026 | 35,109,145 shares | Nine months ended January 31, 2025 | 35,027,371 shares |

(Note) Number of shares held in treasury includes the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) (as of April 30, 2025: 257,400 shares, as of January 31, 2026: 198,200 shares). In addition, the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) are included in treasury shares deducted from the calculation of average number of shares outstanding during the period (nine months ended January 31, 2025: 302,133 shares, nine months ended January 31, 2026: 223,811 shares).

*Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm: No

*Statement regarding the proper use of financial forecasts and other special remarks

(Caution concerning forward-looking statements)

The above forecasts are calculated based on the information available as of the publication date of this material, and actual financial results may vary due to change in future economic conditions and others.

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1. Overview of Operating Results, etc.

(1) Overview of operating results during the first nine months

During the first nine months of the current fiscal year (May 1, 2025 to January 31, 2026), the Japanese economy recovered gradually along with an improvement in the employment and income environment. However, conditions remain uncertain due to the risk of downward pressure on the domestic economy from trends in overseas trade policy, as well as the situation in the Middle East, rising prices, and fluctuations in financial and capital markets.

Against this backdrop, in March 2025, the AIN HOLDINGS Group (the Group) announced its medium-to-long-term vision, “Ambitious Goals 2034: A decade to promote innovation and strive for our challenging goal of a trillion yen in sales.” To ensure medium-to-long-term corporate growth even in a rapidly changing market environment, we have established business-specific visions and aim to achieve net sales of ¥1 trillion, a net profit margin of 4.0%, and an ROE of 15.0% for the fiscal year ending April 2034.

In its sustainability management, in light of the announcement of the medium-to-long-term vision and changes in the external environment, the Group reviewed its materiality issues in December 2025. We re-examined a wide range of relevant international standards and guidelines, requests from ESG evaluation institutions, and social issues unique to Japan and our industry. In addition, regarding the identified issues, we reviewed them from two perspectives: their impact on the Group and the expectations and requests of stakeholders. We carried out this review while taking into consideration the issues’ alignment with our corporate philosophy and medium-to-long-term vision, as well as the opinions of employees, future generations, and experts. As a result, in addition to various revisions to the content of the previous materiality issues, to newly clarify the Group’s stance and initiatives, we positioned “growth and active participation of employees” (which was previously included within the materiality issue of a “sound management base”) as a new, independent materiality issue. Initiatives based on the revised materiality issues will commence from the fiscal year ending April 2027.

Going forward, the AIN Group will continue to work to be a company that “people welcome to their communities” by helping to solve various social issues through its business activities.

Results for nine months ended January 31, 2026 (May 1, 2025 to January 31, 2026) are as follows.

| (Million yen) | Nine months ended January 31, 2025 | Nine months ended January 31, 2026 | Change | Change (%) |
|---|---------------------------------------|---------------------------------------|---------|------------|
| Net sales | 336,834 | 474,885 | 138,051 | 41.0 |
| Operating profit | 12,554 | 21,242 | 8,688 | 69.2 |
| Ordinary profit | 13,619 | 20,152 | 6,533 | 48.0 |
| Profit attributable to owners of parent | 7,357 | 10,222 | 2,864 | 38.9 |

Results by segment are as follows.

| (Million yen) | | Nine months ended January 31, 2025 | Nine months ended January 31, 2026 | Change | Change (%) |
|---------------------------------|--------------------------|---------------------------------------|---------------------------------------|---------|------------|
| Dispensing pharmacy business | Sales | 285,205 | 404,954 | 119,749 | 42.0 |
| | Segment profit | 17,405 | 24,118 | 6,712 | 38.6 |
| Retail business | Sales | 43,294 | 61,565 | 18,271 | 42.2 |
| | Segment profit | 4,010 | 5,757 | 1,747 | 43.6 |
| Other businesses | Sales | 8,371 | 8,617 | 245 | 2.9 |
| | Segment profit (Loss) | (46) | 38 | 85 | - |

(Note) Segment sales include intersegment transactions.

(Dispensing pharmacy business)

In the dispensing pharmacy business, the Group's vision is to "become the primary care pharmacy of choice for local communities, backed by proven expertise." To realize this vision, the Group is working to leverage the primary care capabilities of its pharmacists and dispensing pharmacies to help patients access medical services in their local community with peace of mind. Specifically, the Group is cooperating with medical institutions, using patient medication notebooks to ensure integrated and continuous monitoring of patient medication, and providing services for home-based healthcare.

We commenced sales of emergency contraceptives (the "morning-after pill") at approximately 1,000 dispensing pharmacies nationwide in response to such contraceptives becoming available for sale as OTC drugs from February 2026. Since the earlier that emergency contraceptives are taken, the more effective they are, prompt response is important; however, they are also medications whose misuse needs to be prevented. Pharmacists who have completed the Group's training will encourage correct usage of emergency contraceptives, and we will strive to provide support in collaboration with other healthcare professionals, including guidance on subsequent steps.

The Group is also actively promoting digital transformation to improve convenience for patients. This includes making its prescriptions sending service more accessible for patients by enabling access through the official AIN Pharmacy app, Anytime AIN Pharmacy and the official AIN Pharmacy LINE account. In June 2025, to further improve convenience, the Company added a "Mynportal Information" function to the official Anytime AIN Pharmacy app, which allows users to retrieve their medication information from Mynportal, the government's online portal for administrative procedures. In addition, in November of the same year, the Company added an "Automatic Registration" function that automatically reflects information on medications received from AIN Pharmacy in the "Medication Notebook" within the app.

In addition to above measures, we are working to improve productivity by leveraging AI functions, such as introducing an "AI Medication History" to assist in documenting patient medication histories that chronologically record patient information and guidance for drug usage, and an "AI Diagnostic Report" that analyzes and identifies operational issues at our pharmacies.

During the first nine months of the fiscal year, the average prescription price rose due to an increase in high-cost prescriptions. The number of prescriptions also remained steady, reflecting higher service levels related to improvements in the capabilities of primary care pharmacists and pharmacies and reduced waiting times.

Furthermore, as announced on August 1, 2025, in the "Notice Regarding New Management Structure and Personnel Changes Following the Acquisition of Shares of Sakura Pharmacy Group," (only Japanese version available) Sakura Pharmacy Group, which operates dispensing pharmacies primarily in densely populated areas such as the Tokyo metropolitan area, the Kansai area, and the Tokai region, has joined the Group. Going forward, by integrating our mutual business know-how and contributing to patients and local healthcare, we will increase the Group's corporate value as an infrastructure for community healthcare nationwide.

During the period under review, the Group opened 887 new dispensing pharmacies, including those acquired through M&A deals, closed 20, and sold 17, resulting in a total of 2,140.

(Retail business)

In the retail business, the Group operates the chain of AINZ & TULPE cosmetics stores, which are clearly differentiated from other retailers with their unique product offerings centered on cosmetics and exclusive and advance sales of Asian cosmetics brands. In addition, Francfranc, a chain of interior furnishing shops, carries out all planning, manufacturing and sale of furniture and homeware products on an integrated basis to offer comfortable daily lifestyle proposals with diverse designs and flexible styling.

During the first nine months of the fiscal year, at AINZ & TULPE, although results were affected by large store closures for renovations, the number of customers at stores opened in the previous fiscal year remained firm. In addition, unit prices increased due to continued growth in sales of Asian cosmetics and high-priced cosmetics from the previous fiscal year. At Francfranc, although results were affected by the temporary closure of two flagship stores for renovations, sales remained firm, supported by strong sales of the "Frais Handy Fan" series of portable fans due to this summer's record-breaking heatwave, and by strong sales during the Christmas shopping season. On the other hand, we have identified key management issues for further business expansion, and will strive to enhance corporate value by addressing them as priority measures for sustainable growth. Going forward, we will leverage the strengths of both AINZ & TULPE and Francfranc to generate synergies, as well as reinforce merchandise lineups and create attractive sales displays while closely monitoring buying trends.

During the same period, the Group opened 11 AINZ & TULPE stores and closed one, resulting in a total of 105 stores. In addition, the Group opened five Francfranc stores and closed seven, resulting in a total of 163 stores, with the number of stores in the retail business totaling 268 at the end of the period under review.

(2) Overview of financial position at the end of the third quarter

The balance of total assets at the end of the third quarter increased ¥213,078 million from the end of the previous fiscal year to ¥524,999 million. The main factor was an increase in non-current assets, primarily goodwill, and accounts receivable - trade due to M&A deals, including the consolidation of Sakura Pharmacy Group.

The balance of liabilities increased ¥204,538 million to ¥373,826 million. The main factors were an increase in accounts

payable - trade due to the consolidation of Sakura Pharmacy Group and funds procured from financial institutions for the acquisition of shares. As a result, the balance of short-term and long-term borrowings increased ¥148,606 million to ¥187,227 million.

Total net assets increased ¥8,540 million to ¥151,172 million and the shareholders' equity ratio declined 17.0 percentage points to 28.7%.

(3) Forecast of consolidated financial results and other forward-looking information

The Group has not revised its earnings forecasts for the full fiscal year announced on September 11, 2025.

2. Quarterly consolidated financial statements and major notes**(1) Quarterly consolidated balance sheet**

(Million yen)

| | Fiscal year ended April 30, 2025 (As of April 30, 2025) | Nine months ended January 31, 2026 (As of January 31, 2026) |
|-------------------------------------|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 26,881 | 56,655 |
| Accounts receivable - trade | 22,295 | 53,068 |
| Merchandise | 35,572 | 47,634 |
| Supplies | 499 | 835 |
| Short-term loans receivable | 348 | 62 |
| Accounts receivable - other | 20,611 | 18,891 |
| Other | 6,601 | 10,014 |
| Allowance for doubtful accounts | (0) | (46) |
| Total current assets | 112,808 | 187,114 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 31,648 | 38,428 |
| Land | 10,218 | 14,314 |
| Other, net | 7,845 | 9,348 |
| Total property, plant and equipment | 49,712 | 62,091 |
| Intangible assets | | |
| Goodwill | 84,772 | 198,615 |
| Other | 12,848 | 14,027 |
| Total intangible assets | 97,621 | 212,643 |
| Investments and other assets | | |
| Investment securities | 3,233 | 4,665 |
| Deferred tax assets | 7,679 | 13,087 |
| Leasehold and guarantee deposits | 31,091 | 33,797 |
| Other | 10,023 | 11,668 |
| Allowance for doubtful accounts | (249) | (69) |
| Total investments and other assets | 51,778 | 63,149 |
| Total non-current assets | 199,112 | 337,884 |
| Total assets | 311,921 | 524,999 |

(Million yen)

| | Fiscal year ended April 30, 2025 (As of April 30, 2025) | Nine months ended January 31, 2026 (As of January 31, 2026) |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 80,895 | 123,691 |
| Short-term borrowings | 12,151 | 30,766 |
| Income taxes payable | 4,449 | 5,770 |
| Deposits received | 20,685 | 24,764 |
| Provision for bonuses | 4,167 | 3,158 |
| Provision for bonuses for directors | 23 | 8 |
| Contract liabilities | 534 | 578 |
| Other | 9,136 | 13,662 |
| Total current liabilities | 132,045 | 202,401 |
| Non-current liabilities | | |
| Long-term borrowings | 26,469 | 156,461 |
| Lease liabilities | 105 | 33 |
| Retirement benefit liability | 4,778 | 6,290 |
| Asset retirement obligations | 4,081 | 6,384 |
| Other | 1,808 | 2,256 |
| Total non-current liabilities | 37,243 | 171,425 |
| Total liabilities | 169,288 | 373,826 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 21,894 | 21,894 |
| Capital surplus | 20,128 | 19,985 |
| Retained earnings | 101,692 | 109,087 |
| Treasury shares | (1,997) | (1,646) |
| Total shareholders' equity | 141,717 | 149,322 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 298 | 855 |
| Deferred gains or losses on hedges | 189 | 382 |
| Foreign currency translation adjustment | (3) | (3) |
| Remeasurements of defined benefit plans | 318 | 242 |
| Total accumulated other comprehensive income | 802 | 1,477 |
| Non-controlling interests | 111 | 372 |
| Total net assets | 142,632 | 151,172 |
| Total liabilities and net assets | 311,921 | 524,999 |

(2) Quarterly consolidated statements of income and comprehensive income**Quarterly consolidated statements of income**

(Million yen)

| | Nine months ended January 31, 2025 (May 1, 2024 to January 31, 2025) | Nine months ended January 31, 2026 (May 1, 2025 to January 31, 2026) |
|---|---|---|
| Net sales | 336,834 | 474,885 |
| Cost of sales | 283,565 | 395,653 |
| Gross profit | 53,268 | 79,232 |
| Selling, general and administrative expenses | 40,714 | 57,990 |
| Operating profit | 12,554 | 21,242 |
| Non-operating income | | |
| Interest income | 27 | 93 |
| Dividend income | 36 | 44 |
| Commission income | 5 | 7 |
| Rental income from real estate | 275 | 237 |
| Outsourcing service income | 289 | 416 |
| Subsidy income | 514 | 118 |
| Other | 461 | 938 |
| Total non-operating income | 1,610 | 1,856 |
| Non-operating expenses | | |
| Interest expenses | 177 | 1,425 |
| Loss on sale of receivables | 217 | 420 |
| Rental expenses on real estate | 88 | 505 |
| Other | 61 | 593 |
| Total non-operating expenses | 544 | 2,945 |
| Ordinary profit | 13,619 | 20,152 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 158 | 54 |
| Gain on sale of businesses | 539 | 97 |
| Surrender value of insurance policies | 7 | 3 |
| Gain on bargain purchase | - | 74 |
| Other | 62 | 29 |
| Total extraordinary income | 768 | 258 |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 102 | 393 |
| Impairment losses | 122 | 180 |
| Other | 58 | 81 |
| Total extraordinary losses | 283 | 655 |
| Profit before income taxes | 14,104 | 19,756 |
| Income taxes | 6,764 | 9,525 |
| Profit | 7,339 | 10,231 |
| Profit (loss) attributable to non-controlling interests | (17) | 9 |
| Profit attributable to owners of parent | 7,357 | 10,222 |

Quarterly consolidated statements of comprehensive income

(Million yen)

| | Nine months ended January 31, 2025 (May 1, 2024 to January 31, 2025) | Nine months ended January 31, 2026 (May 1, 2025 to January 31, 2026) |
|---|---|---|
| Profit | 7,339 | 10,231 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 34 | 557 |
| Deferred gains or losses on hedges | 294 | 192 |
| Foreign currency translation adjustment | (3) | (0) |
| Remeasurements of defined benefit plans, net of tax | (54) | (76) |
| Total other comprehensive income (loss) | 270 | 674 |
| Comprehensive income | 7,610 | 10,906 |
| (Comprehensive income attributable to) | | |
| Comprehensive income attributable to owners of parent | 7,627 | 10,896 |
| Comprehensive income (loss) attributable to non-controlling interests | (17) | 9 |

(3) Notes on quarterly consolidated financial statements

(Notes on specified accounting methods for the preparation of quarterly consolidated financial statements)

To calculate tax expenses, the effective tax rate after applying tax effect accounting for the consolidated fiscal year, including the first nine months of the current fiscal year, is reasonably estimated and applied to profit before income taxes for the nine-month period.

(Segment information, etc.)

I Nine months ended January 31, 2025 (May 1, 2024 to January 31, 2025)

1. Net sales and profit (loss) by reportable segment

(Million yen)

| | Reportable segments | | | | Adjustments (Note) 1 | Carried on quarterly consolidated statements of income (Note) 2 |
|----------------------------|------------------------------------|--------------------|---------------------|---------|-------------------------|--|
| | Dispensing pharmacy business | Retail business | Other businesses | Total | | |
| Sales | | | | | | |
| (1) Sales to third parties | 285,205 | 43,294 | 8,334 | 336,834 | - | 336,834 |
| (2) Intersegment sales | - | - | 37 | 37 | (37) | - |
| Total sales | 285,205 | 43,294 | 8,371 | 336,871 | (37) | 336,834 |
| Segment profit (loss) | 17,405 | 4,010 | (46) | 21,369 | (7,749) | 13,619 |

Notes: 1. The adjustment of ¥(7,749) million to segment profit (loss) includes ¥8,492 million in corporate expenses, ¥(702) million in (income) loss that are not allocated to reportable segments, and ¥(40) million in eliminations due to intersegment transactions.

Corporate expenses consist mainly of expenses associated with the administrative divisions and the system logistics division, which are not part of the reportable segments.

2. Segment profit (loss) is adjusted with the ordinary profit of quarterly consolidated statements of income.

2. Impairment losses on fixed assets and goodwill by reportable segment

[Significant impairment losses on fixed assets]

There are no applicable matters to be reported.

[Significant changes in the amount of goodwill]

Following the acquisition of all the shares of Francfranc Corporation, Francfranc and its subsidiaries are included in the scope of consolidation in the retail business segment from the first half of the fiscal year. In the first nine months of the fiscal year, the increase in goodwill related to these companies was ¥41,048 million.

II Nine months ended January 31, 2026 (May 1, 2025 to January 31, 2026)

1. Net sales and profit (loss) by reportable segment

(Million yen)

| | Reportable segments | | | | Adjustments (Note) 1 | Carried on quarterly consolidated statements of income (Note) 2 |
|----------------------------|------------------------------------|--------------------|---------------------|---------|-------------------------|--|
| | Dispensing pharmacy business | Retail business | Other businesses | Total | | |
| Sales | | | | | | |
| (1) Sales to third parties | 404,954 | 61,565 | 8,365 | 474,885 | - | 474,885 |
| (2) Intersegment sales | - | - | 251 | 251 | (251) | - |
| Total sales | 404,954 | 61,565 | 8,617 | 475,137 | (251) | 474,885 |
| Segment profit (loss) | 24,118 | 5,757 | 38 | 29,915 | (9,762) | 20,152 |

Notes: 1. The adjustment of ¥(9,762) million to segment profit (loss) includes ¥9,748 million in corporate expenses, ¥(400) million in (income) loss that are not allocated to reportable segments, and ¥414 million in eliminations due to intersegment transactions.

Corporate expenses consist mainly of expenses associated with the administrative divisions and the system logistics division, which are not part of the reportable segments.

2. Segment profit (loss) is adjusted with the ordinary profit of quarterly consolidated statements of income.

2. Impairment losses on fixed assets and goodwill by reportable segment

[Significant impairment losses on fixed assets]

There are no applicable matters to be reported.

[Significant changes in the amount of goodwill]

Following the acquisition of all the shares of NSSK-WW Co., Ltd. (currently AIN-AG1 Co., Ltd.), said company's subsidiaries, Kraft Inc., Sakura Pharmacy Co., Ltd. and eight other companies, are included in the scope of consolidation in the dispensing pharmacy business segment from the first half of the fiscal year. In the first nine months of the fiscal year, the increase in goodwill related to these companies was ¥121,345 million.

(Notes on significant changes in the amount of shareholders' equity)

There are no applicable matters to be reported.

(Notes on the premise of a going concern)

There are no applicable matters to be reported.

(Notes on quarterly consolidated statement of cash flows)

A quarterly consolidated statement of cash flows has not been prepared for the first nine months of the current fiscal year. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the third quarter of the fiscal year under review are as follows.

| | Nine months ended January 31, 2025 (May 1, 2024 to January 31, 2025) | Nine months ended January 31, 2026 (May 1, 2025 to January 31, 2026) |
|--------------------------|---|---|
| Depreciation | ¥5,965 million | ¥7,978 million |
| Amortization of goodwill | 4,178 | 7,928 |

(Additional information)

(Transactions for delivering the Company's own shares to employees, etc. through trusts)

The Company conducts transactions to deliver its own shares through a trust to an employee stock ownership plan to enhance the welfare of employees and provide incentives to increase the Company's corporate value.

1. Transaction summary

The Company has introduced the "Stock-Based Benefit Trust (Employee Shareholders Association Purchase Type)" (the "Plan") from April 2024.

With the introduction of the Plan, the Company, as the Trustor, entered into a Stock-Based Benefit Trust (Employee Shareholders Association Purchase Type) Agreement (the "Trust Agreement"; the trust established pursuant to the Trust Agreement is referred to as the "Trust") with Mizuho Trust & Banking Co., Ltd. (the "Trustee"). Additionally, the Trustee entered into a re-trust agreement with Custody Bank of Japan, Ltd. regarding the management of securities and other trust assets by Custody Bank of Japan, Ltd. as the sub-trustee.

Custody Bank of Japan, Ltd. will make a single collective acquisition of the Company's shares in advance equivalent to the number of shares anticipated to be purchased by the AIN HOLDINGS Employee Shareholders Association (the "Shareholders Association") over the next five years, transferring them to the Trust Account E, and sell the Company's shares thereafter when purchases of the shares are made by the Shareholders Association. If an amount equivalent to the gains on sales of shares is accumulated in the trust assets of the Trust via the sale of the Company's shares up until the time of the Trust's termination, this cash shall be distributed as residual assets to the members of the Shareholders Association (employees) who satisfy the beneficiary eligibility requirements.

In addition, since the Company provides a guarantee when the Trustee takes out a loan in order for the Trust Account E to acquire the Company's shares, in a case in which the Trustee has an outstanding loan balance equal to the loss on the sale of shares as of the time of Trust's termination due to a drop in the Company's share price or other reasons, the Company will pay off the outstanding loan balance pursuant to the guarantee agreements.

2. Company's shares held in the trust

The Company's shares held in the trust are recorded as treasury shares under net assets at the acquisition cost (excluding the amount of incidental expenses). In the fiscal year ended April 30, 2025, the book value and number of these treasury shares amounted to ¥1,422 million and 257 thousand shares, respectively. And in the first nine months of the fiscal year ending April 30, 2026, the book value and number of these treasury shares amounted to ¥1,094 million and 198 thousand shares, respectively.

3. Book value of loans recorded under the gross amount method

Fiscal year ended April 30, 2025: ¥1,523 million

First nine months of the fiscal year ending April 30, 2026: ¥1,216 million