



Welcia Holdings Co., Ltd.

Financial Results Briefing for the First Quarter of Fiscal Year Ending February 2026

July 8, 2025

Aiming to be the community's No.1 Health Station.

Our Vision for 2030

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1. Outline of Financial Results for FY2026 Q1

- Effective March 15, 2024, made Xchange Inc., a subsidiary through the acquisition of shares.
- Effective June 3, 2024, made Towoshiya Pharmacy Co., Ltd. a subsidiary through the acquisition of shares. Subsequently, on September 1, 2024, Welcia Yakkyoku, our consolidated subsidiary and the surviving company, absorbed Towoshiya Pharmacy.
- Effective September 2, 2024, made Welpark Co., Ltd. a subsidiary through the acquisition of shares.
- Effective October 1, 2024, made WELCIA PARTNERS Co.,inc.* a subsidiary through the acquisition of shares.

*Effective October 1, 2024, the company changed its name from TEPCO Partners, Co.,inc.

- Revenue increased due to M&A, growth in dispensing sales, and the expansion of product assortment, particularly seasonal items.
- Although SG&A expenses increased due to system investments aimed at improving productivity, profit grew as a result of effective cost control and an improved gross profit margin.

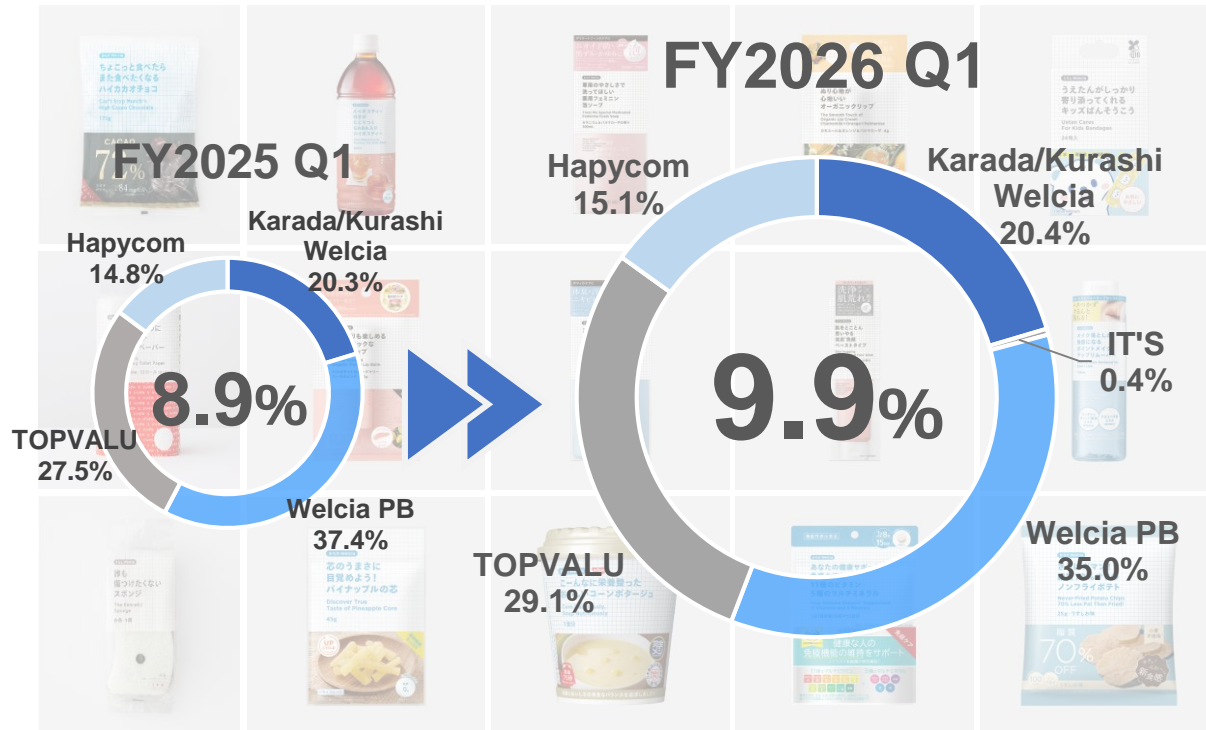
(Unit: million yen/%)

	Actual results	Projections	Difference	Achievement rate	Y/Y
Net sales	334,428	333,338	1,090	+0.3	+9.7
(Dispensing pharmacy sales)	76,520	75,592	928	+1.2	+13.2
Operating income	7,813	6,280	1,533	+24.4	+42.1
Ordinary income	9,213	7,393	1,820	+24.6	+41.0
Net income attributable to owners of parent	6,101	3,596	2,505	+69.7	+116.0

Initiatives for private brand

- PB sales continued to grow, reaching **+21%** YoY. The sales composition ratio of private brand products expanded to **9.9%**.

Composition ratio of sales of PB products



For more details on Karada Welcia and Kurashi Welcia, please visit the brand page. ▶



Karada Welcia/Kurashi Welcia



- **Four items** were awarded **BEST BUY** in the drugstore private brand feature of the consumer review magazine *LDK*. The recognition was based not on price, but on product quality.

Focus on Quality

Focus on Price

Karada Welcia/Kurashi Welcia “+22%”

TOPVALU “+28%” / Welcia PB “+13%”

※ Quoted figures are year-on-year.

- Sales are growing as the expansion of PB product assortment successfully meets customer needs.

Initiatives in the dispensing business “Aiming to be the Community’s No.1 health station”

- To improve the efficiency of administrative tasks in dispensing operations, we have begun introducing a web-based medical questionnaire.
- In April 2025, we obtained certification for our third pharmacy as a Collaborative Pharmacy with Specialized Medical Institutions.

Introduction of Web-Based Medical Questionnaires

Merits of Adoption

- Reduces time for questionnaire guidance, collection, and data entry.
- Avoids input errors.
- Patients can easily enter information via smartphone by scanning a QR code.



Until Now



Task reduction



Post-introduction



Strengthening Collaboration with Community Healthcare

Collaborative Pharmacy
with Specialized Medical
Institutions

3 stores

Community Cooperative
Pharmacy

121 stores

* As of the end of May 2025



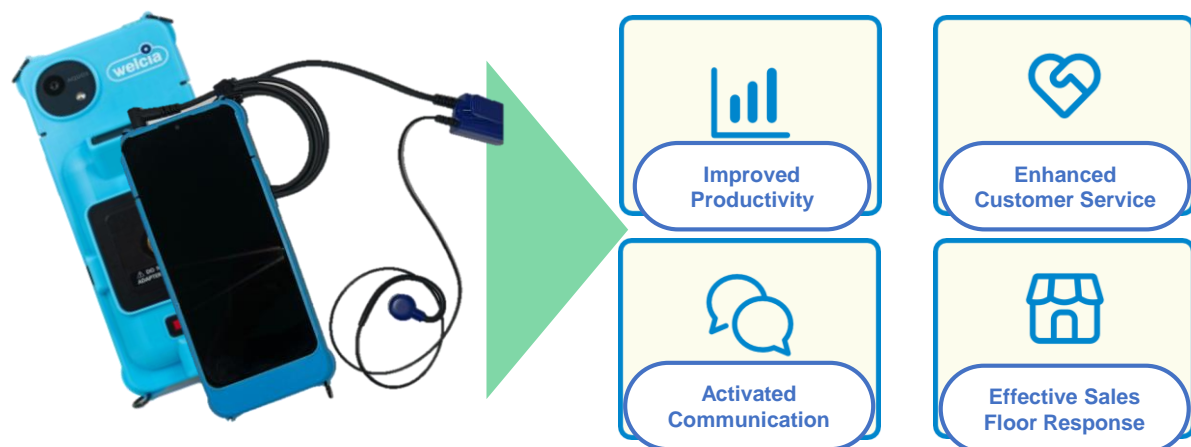
- For patients requiring specialized pharmaceutical care, such as those with cancer, highly skilled pharmacists are participating in community healthcare through close collaboration with medical institutions.
- Specialist Pharmacist in Outpatient Cancer Treatment* : **7** pharmacists

*A qualification certified by JASPO, required for pharmacists working at Collaborative Pharmacies with Specialized Medical Institutions.

Initiatives under the Strategic Policy 'Welcia 2.0'

- To enhance store productivity, compact tablets (smartphones) have been introduced across all locations.
- The Welcia app was updated to strengthen digital customer interaction. Usability improvements, including better coupon access and payment methods, have promoted increased usage.

Productivity and Service Improvement



- Labor hour savings achieved by enhancing staff instructions, information sharing, inventory visibility, and minimizing unnecessary movement.
- During the second half, we plan to integrate the functions of various handheld devices used in business operations, such as order processing.

Enhancing Digital Customer Engagement

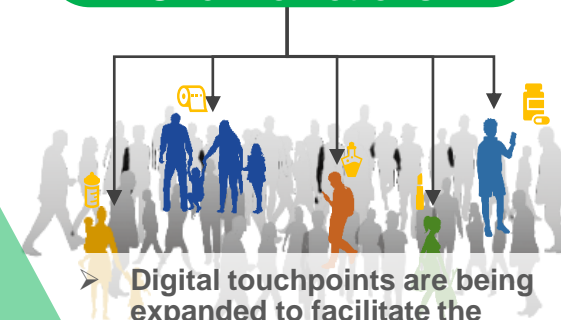
Improved App Usability



Increased User Engagement

- Expansion of Promotional Initiatives via the App
- Enhanced Customer Guidance through Stores and Social Media

Expansion of One-to-One Promotions



Digital touchpoints are being expanded to facilitate the growth of personalized promotions in the second half.



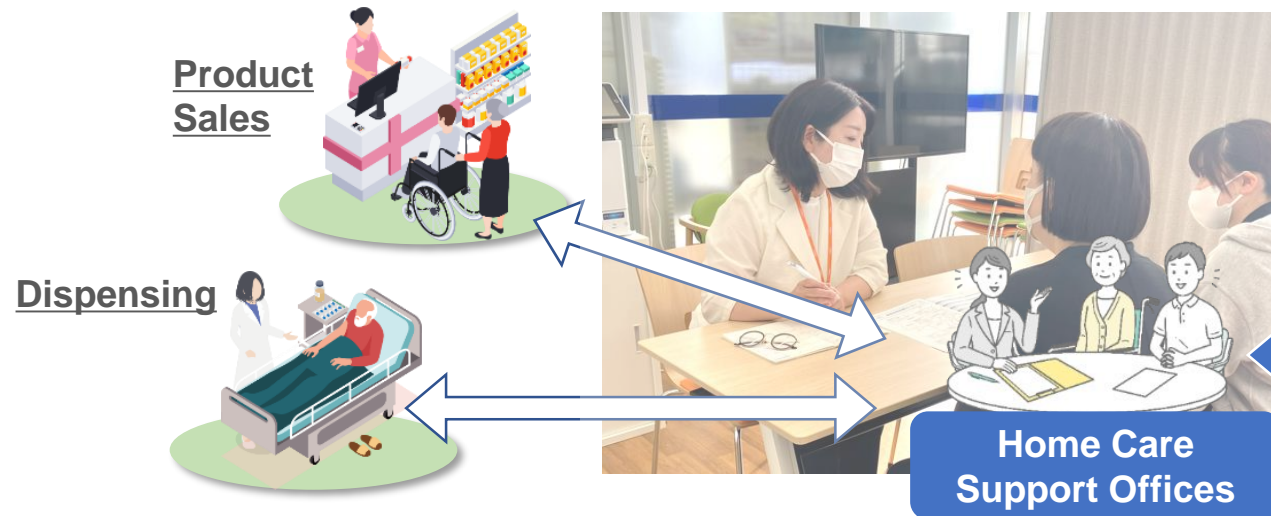
- Strengthening engagement with analog members through receipt coupons.



'Aiming to be the Community's No.1 health station' (Promotion of Long-Term Care Services)

- On July 1, 2025, a Home Care Support Office was opened at Welcia Yakkyoku Hitachi Motomiya Store.
- This fiscal year, we plan to open Home Care Support Offices at three locations. By strengthening collaboration between our stores and the Long-Term care business, we aim to provide a range of care services that closely support the daily lives of local customers.

Collaboration with Drugstores



- We are strengthening initiatives that leverage customer touchpoints at community-based stores, where care managers provide support ranging from nursing care consultations to the creation of care plans.

Specialized Long-Term Care Company



- Collaboration with WELCIA KAIGO SERVICE and WELCIA PARTNERS.

Results for FY2026 Q1 achievement rates • YoY change

- Vs. Plan : Sales met the target, driven by strong existing store performance, especially in dispensing. Operating profit exceeded the plan by **+24.4%**, supported by stable gross margin and effective SG&A expense control.
- YoY Comparison : Sales increased due to M&A and strong existing store performance. Despite higher SG&A (e.g., personnel costs), cost control and improved gross margin led to significant profit growth.

(Unit: million yen/%)

	Actual results for the same period of the previous year		Projections		Actual results			
		Composition ratio		Composition ratio		Composition ratio	Y/Y	Achievement rate
Net sales	304,734	100.0	333,338	100.0	334,428	100.0	+9.7	+0.3
Gross operating profit	89,009	29.2	99,192	29.8	99,536	29.8	+11.8	+0.3
SG&A expenses	83,511	27.4	92,912	27.9	91,723	27.5	+9.8	-1.3
Operating income	5,497	1.8	6,280	1.9	7,813	2.3	+42.1	+24.4
Ordinary income	6,534	2.1	7,393	2.2	9,213	2.8	+41.0	+24.6
Net income attributable to owners of parent	2,824	0.9	3,596	1.1	6,101	1.8	+116.0	+69.7
EBITDA	11,354	3.7	12,913	3.9	14,382	4.3	+26.7	+11.4

*EBITDA = operating income + depreciation + goodwill amortization

Breakdown of financial results by company for FY2026 Q1

- **Welcia Yakkyoku:** Margin improved; SG&A controlled → higher sales & profit.
- **Kokumin:** Strong margin gains offset SG&A increase → higher sales & profit.
- **Welpark:** Sales strong; profit improving. Focus on dispensing expansion.
- **Pupule Himawari:** OP up ¥250M YoY. Strengthening efforts toward profitability.

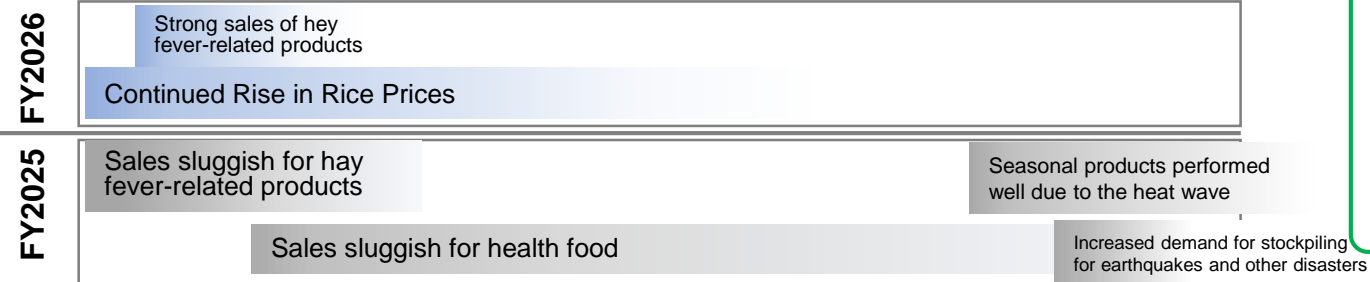
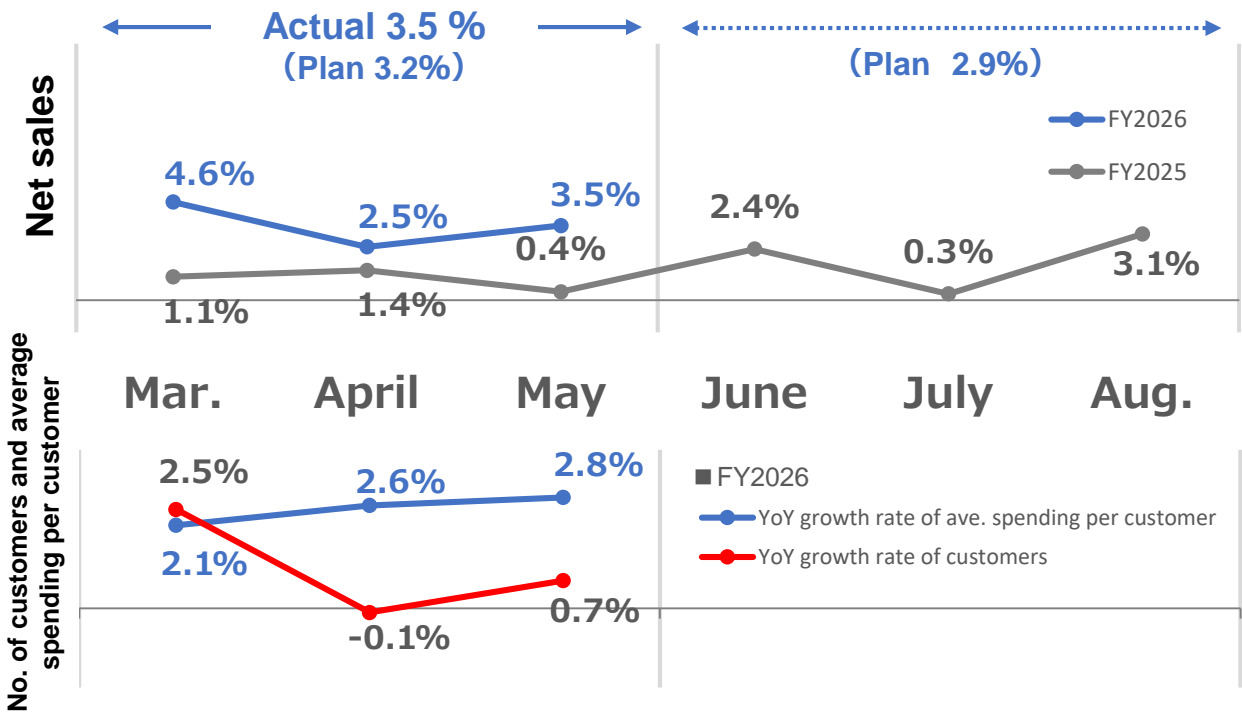
(Unit: million yen/%)

Upper row: Amount Lower row: Composition ratio	Welcia HD (consolidated)		Welcia Yakkyoku		Kokumin		Welpark	Pupule Himawari		Marudai Sakurai Pharmacy		Shimizu Yakuhin	
		Y/Y		Y/Y		Y/Y			Y/Y		Y/Y		Y/Y
Net sales	334,428	+9.7	269,573	+5.5	12,447	+3.2	12,587	11,269	+2.1	8,150	+2.3	7,592	+7.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Gross operating profit	99,536	+11.8	80,992	+7.7	4,077	+8.7	3,519	2,942	+6.4	2,157	+3.8	2,227	+9.1
	29.8	29.2	30.0	29.4	32.8	31.1	28.0	26.1	25.1	26.5	26.1	29.3	28.8
SG&A expenses	91,723	+9.8	72,563	+5.3	3,848	+4.5	3,535	3,077	-2.5	1,998	+4.9	1,954	+5.4
	27.5	27.4	26.9	26.9	31.0	30.5	28.1	27.3	28.6	24.6	23.9	25.7	26.2
Operating income	7,813	+42.1	8,429	+34.4	229	+233.3	-15	-134	—	158	-8.5	272	+46.0
	2.3	1.8	3.1	2.5	1.8	0.6	—	—	—	1.9	2.2	3.6	2.6
Ordinary income	9,213	+41.0	9,810	+34.2	294	+142.1	1	-63	—	189	+1.6	293	+42.9
	2.8	2.1	3.6	2.9	2.4	1.0	0.0	—	—	2.3	2.3	3.9	2.9
Net income attributable to owners of parent	6,101	+116.0	6,643	+93.1	356	+123.3	-49	47	—	130	+19.2	198	+49.3
	1.8	0.9	2.5	1.3	2.9	1.3	—	0.4	—	1.6	1.4	2.6	1.9

Existing stores' monthly sales growth rate (in Japan)

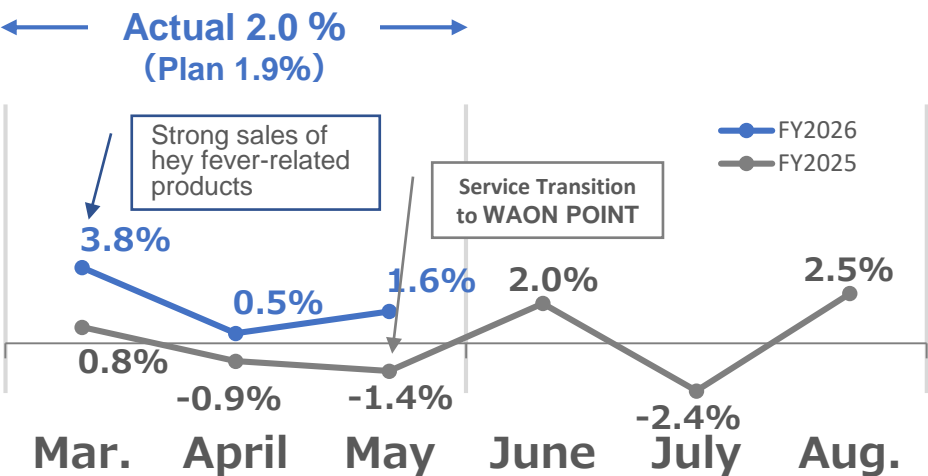


Existing Store Performance

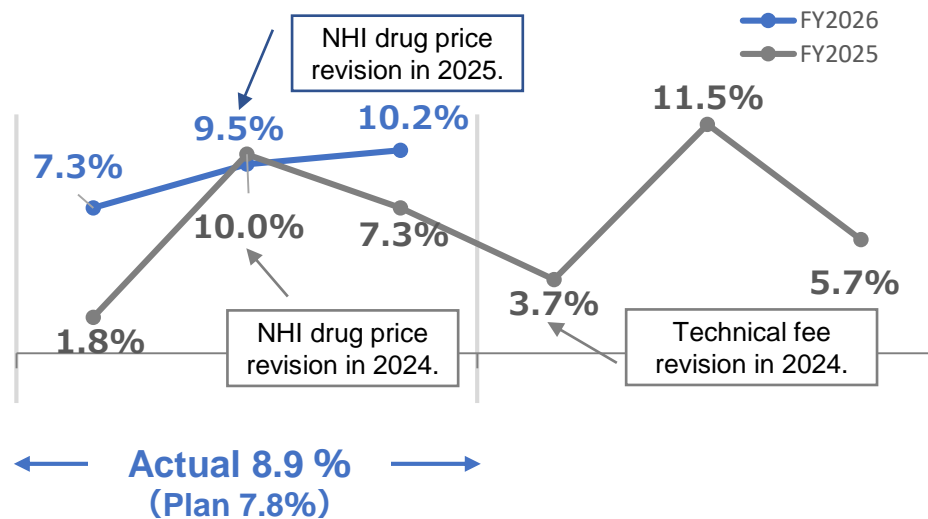


Existing Store Performance – Product Sales & Dispensing –

Product Sales



Dispensing



Sales and gross profit margin by category

- **Product Sales** : Increased due to higher unit prices of food items and the continued success of flyer promotions aimed at boosting customer traffic. Gross margin improved across categories, supported by stronger seasonal demand, expanded product assortment, and enhanced sales initiatives.
- **Dispensing Sales** : Increased with more prescriptions. Despite April's NHI drug price revision, gross margin improved through enhanced Technical Fees initiatives.

(Unit: million yen/%)

			Sales			Sales Composition Ratio			Gross Profit Margin		
			Results	YoY Results	Y/Y	Results	YoY Results	Y/Y Change	Results	YoY Results	Y/Y Change
		OTC products	58,895	55,592	+5.9	17.6	18.2	-0.6	40.5	40.0	+0.5
		Cosmetics	52,401	48,171	+8.8	15.7	15.8	-0.1	32.8	32.3	+0.5
		Household goods	44,116	40,970	+7.7	13.2	13.4	-0.2	27.3	26.8	+0.5
		Food products	79,811	70,007	+14.0	23.9	23.0	+0.9	18.4	18.5	-0.1
		Others	22,455	22,137	+1.4	6.7	7.3	-0.6	16.9	14.3	+2.6
	Total sales of products		257,680	236,879	+8.8	77.1	77.7	-0.6	27.8	27.4	+0.4
	Dispensing		76,520	67,615	+13.2	22.9	22.2	+0.7	36.2	35.3	+0.9
Subtotal			334,200	304,495	+9.8	100.0	99.9	+0.1	29.7	29.2	+0.5
Commission incom			228	238	-4.5	0.0	0.1	-0.1	100.0	100.0	0.0
Total			334,428	304,734	+9.7	100.0	100.0	0.0	29.8	29.2	+0.6

SG&A expenses

- **Personnel Expenses:** Despite the impact of last year's wage increases, strengthened labor-hour control efforts led to a 0.4pt decrease in the SG&A ratio YoY.
- **Advertising Expenses:** Decreased due to the rebound from increased costs in May of the previous fiscal year related to the transition to the WAON POINT service.
- **Others:** Increased due to system investments for productivity improvement and store renovation initiatives under the "Welcia 2.0" strategy.

(Unit: million yen/%)

	SG&A expenses			SG&A Ratio		
	Results	YoY Results	Y/Y	Results	YoY Results	Y/Y
Labor costs	46,671	43,757	+6.7	14.0	14.4	-0.4
Advertising expenses	1,309	1,764	-25.8	0.4	0.6	-0.2
Rent	15,584	14,398	+8.2	4.7	4.7	0.0
Others	28,157	23,590	+19.4	8.4	7.7	+0.7
Total	91,723	83,511	+9.8	27.5	27.4	+0.1

Results in the dispensing sector

- Sales continued to grow by double digits due to an increase in the number of prescriptions owing to the promotion of stores with dispensing pharmacy.
- Despite April's NHI drug price revision, gross margin improved through enhanced Technical Fees initiatives.
- No. of stores with dispensing pharmacy : Actual 2,272 (1H plan 2,296)
- Ratio of stores with dispensing pharmacy : Actual 77.2% (1H plan 77.8%)

	FY2023 Q1		FY2024 Q1		FY2025 Q1		FY2026 Q1	
		Y/Y Y/Y change		Y/Y Y/Y change		Y/Y Y/Y change		Y/Y Y/Y change
Dispensing pharmacy sales (million yen)	53,857	+9.7%	63,313	+17.6%	67,615	+6.8%	76,520	+13.2%
No. of prescriptions (in the thousands)	5,156	+10.2%	6,121	+18.7%	6,565	+7.2%	7,297	+11.2%
Prescription unit price (yen)	10,445	-0.5%	10,342	-1.0%	10,299	-0.4%	10,485	+1.8%
Gross profit margin (%)	35.7	-0.7	35.8	+0.1	35.3	-0.5	36.2	+0.9
No. of stores with dispensing pharmacy (stores)	1,859	+175	2,039	+180	2,167	+128	2,272	+105
Ratio of stores with dispensing pharmacy (%)	76.0	-0.3	74.7	-1.3	78.2	+3.5	77.2	-1.0
Major revisions of medical service fees, etc.	✓ Revision of basic dispensing fees for more than 300 chain stores		✓ End of transitional measures to provide additional fees by the community support system		✓ April: NHI drug price revision ✓ June: Technical fee revision		✓ April: NHI drug price revision	

*The ratio of stores with dispensing pharmacy is calculated excluding the number of cosmetics stores.

*The Group adopted the Accounting Standard for Revenue Recognition from the beginning of fiscal year ended February 2023.

Results in the dispensing sector by company

- Driven by initiatives such as promoting the promotion of stores with dispensing pharmacy, all companies experienced an increase in the number of prescriptions, leading to double-digit growth in group dispensing revenue.

	Welcia HD (consolidated)		Welcia Yakkyoku		Kokumin		Welpark	Pupule Himawari		Marudai Sakurai Pharmacy		Shimizu Yakuhin	
	FY2026 Q1	Y/Y Y/Y change	FY2026 Q1	Y/Y Y/Y change	FY2026 Q1	Y/Y Y/Y change	FY2026 Q1	FY2026 Q1	Y/Y Y/Y change	FY2026 Q1	Y/Y Y/Y change	FY2026 Q1	Y/Y Y/Y change
Dispensing pharmacy sales (million yen)	76,520	+13.2%	66,910	+11.8%	3,831	-0.5%	1,192	884	+24.5%	877	+16.5%	1,460	+12.7%
No. of prescriptions (in the thousands)	7,297	+11.2%	6,496	+9.0%	224	+1.4%	137	83	+29.1%	91	+10.8%	139	+12.6%
Prescription unit price (yen)	10,485	+1.8%	10,299	+2.6%	17,034	-1.8%	8,703	10,662	-3.6%	9,539	+5.2%	10,460	0.0%
No. of stores with dispensing pharmacy (stores)	2,272	+105	1,965	+44	78	+12	31	39	+8	49	+3	51	+2
Ratio of stores with dispensing pharmacy (%)	77.2	-0.9	87.9	+0.6	49.1	+7.0	22.0	31.5	+8.3	48.0	+2.9	69.9	+0.8

*The ratio of stores with dispensing pharmacy is calculated excluding the number of cosmetics stores.

Number of employees

- 667 new graduates (301 pharmacists and 366 career-track/dispensing clerks) employed in April 2025. *Drugstore business only

	FY2025				FY2026	
	End of 1Q	End of 2Q	End of 3Q	End of the fiscal year	End of 1Q	End of 2Q
No. of employees (persons)	16,068	16,196	16,626	16,611	17,045	
No. of temporary employees (based on 8h/employee)	26,700	27,555	27,775	27,465	26,148	

*The numbers of temporary employees (based on 8h/employee) are the average for each quarter from 1Q to 3Q, or for the end of the fiscal year.

No. of pharmacists (enrollment)	8,484	8,586	8,568	8,550	8,712	
No. of pharmacists per store (Person)	3.06	3.06	2.90	2.90	2.96	
No. of registered sales clerks (enrollment)	19,239	19,315	19,896	20,735	20,725	
No. of registered sales clerks per store (persons)	6.94	6.88	6.74	7.02	7.04	

*The numbers of pharmacists and registered sales clerks, registered sales clerks per store are calculated by excluding cosmetics stores.

Store openings and closures

(Unit: stores)

			End of Feb. 2025	Openings		Closures		End of May 2025
				Projections	Actual results	Projections	Actual results	
By company		Welcia Yakkyoku	2,243	13	13	10	10	2,246
		Kokumin	159	2	1	1	1	159
		Welpark	143	1	1	2	3	141
		Pupule Himawari	134	1	2	1	12	124
		Marudai Sakurai Pharmacy	102	1	1	—	1	102
		Shimizu Yakuhin	73	—	—	—	—	73
		Marue Drug	56	1	—	—	—	56
		Other companies	91	1	1	—	—	92
		In Japan	3,001	20	19	14	27	2,993
		Overseas	12	—	—	—	—	12
Consolidated			3,013	20	19	14	27	3,005

By area		Hokkaido	7	—	—	—	—	7
		Tohoku	201	3	3	2	3	201
		Kanto	1,373	8	7	4	5	1,375
		Chubu	590	3	3	1	1	592
		Kinki	531	3	3	6	6	528
		Chugoku and Shikoku	245	2	2	1	12	235
		Kyushu and Okinawa	54	1	1	—	—	55
		In Japan	3,001	20	19	14	27	2,993

	FY2025 Q1 results	FY2026 Q1 Projections	FY2026 Q1 results
Renovation (full renovation)	14	83	57

2. Earnings Forecasts for FY2026

- **We plan to merge with TSURUHA HOLDINGS INC. and due to the scheduled delisting on November 27, 2025, the earnings forecasts are up to the first half of the fiscal year ending February 2026.**
- **M&A during the period were as follows.**
 - Made Xchange Inc., a subsidiary through the acquisition of shares, effective March 15, 2024.
 - Made Towoshiya Pharmacy Co., Ltd. a subsidiary through the acquisition of shares, effective June 3, 2024. Welcia Yakkyoku, our consolidated subsidiary and the surviving company, absorbed Towoshiya Pharmacy on September 1, 2024.
 - Made Welpark Co., Ltd. a subsidiary through the acquisition of shares, effective September 2, 2024.
 - Made WELCIA PARTNERS Co.,inc.* a subsidiary through the acquisition of shares, effective October 1, 2024.
*Effective October 1, 2024, the company changed its name from TEPCO Partners, Co.,inc.

Indicator assumptions and priority measures for the 1H FY2026 forecasts

1. Projections

Net sales	685.1 billion yen	Y/Y	+8.6%
Operating income	20.5 billion yen	Y/Y	+8.6%
Ordinary income	22.7 billion yen	Y/Y	+8.6%
Net income attributable to owners of parent	12.5 billion yen	Y/Y	+6.7%

2. Indicator assumptions

Existing-stores' sales growth rate	+3.0%				
(Products)	+1.9%				
(Dispensing)	+7.0%				
Openings	29 stores	In Japan	29	Overseas	—
Closures	26 stores	In Japan	26	Overseas	—
No. of stores as of end of the fiscal year	3,016 stores	In Japan	3,004	Overseas	12
Dispensing pharmacy sales	150.2 billion yen	Y/Y	+9.8%		
No. of stores with dispensing pharmacy	2,296 stores	Ratio of stores with dispensing pharmacy	77.8%		

3. Priority measures

Opening new pharmacies	53 stores		
Renovation (full & medium-scale renovations)	179 stores	Actual results for the same period of the previous year	39 stores

Initiatives based on the new management policy **Welcia 2.0**

Transition from scale to profit

- **strengthening existing stores** : 118 stores with full renovations, 61 stores with medium-scale renovations
 ↳ Focused renovations in the Kanto region, which is the revenue base.
- Strengthening the structure and cooperation for **improving the profitability of group companies**.
- Streamlining unprofitable stores and reviewing late-night and 24-hour operations.

DX investments for improving store productivity.

- **Introduction of small tablets in all stores**. (Improving operational efficiency through instructions via intercom and chat.)
- Improving logistics and store operations efficiency through automatic ordering and category-specific order day control.
- **introduction of electronic shelf labeling** (Reducing the work of replacing price cards, etc.)

Welcia's private brand

- **Sales composition ratio target for PB products**・・・ 11.0%
 ↳ Expansion of Welcia's unique private brand assortment.

Marketing (Strengthening and expanding the customer base)

- Promoting One-to-One marketing through the utilization of ID data.
- Revamping the Welcia app and expanding retail media sales. (Store signage, app, social media, etc.)

Earnings forecasts

(Unit: million yen/%)

	1 H				
	Projections	Composition ratio	Actual results for the same period of the previous year	Y/Y	Difference
Net sales	685,100	100.0	630,585	+8.6	54,514
(Dispensing pharmacy sales)	150,200	21.9	136,818	+9.8	13,381
Gross operating profit	208,400	30.4	189,645	+9.9	18,754
SG&A expenses	187,900	27.4	170,763	+10.0	17,136
Operating income	20,500	3.0	18,882	+8.6	1,617
Ordinary income	22,700	3.3	20,902	+8.6	1,797
Net income attributable to owners of parent	12,500	1.8	11,716	+6.7	783
Existing-store sales growth rate	3.0				

Planned store openings and closures

(Unit: stores)

			End of Feb. 2025	Openings	Closures	End of Aug. 2025
By company		Welcia Yakkyoku	2,243	20	16	2,247
		Kokumin	159	2	4	157
		Pupule Himawari	134	1	1	134
		Welpark	143	3	2	144
		Marudai Sakurai Pharmacy	102	1	1	102
		Shimizu Yakuhin	73	—	—	73
		Marue Drug	56	1	2	55
		Other companies	91	1	—	92
		In Japan	3,001	29	26	3,004
		Overseas	12	—	—	12
Consolidated			3,013	29	26	3,016
By area		Hokkaido	7	—	1	6
		Tohoku	201	3	3	201
		Kanto	1,373	15	9	1,379
		Chubu	590	4	4	590
		Kinki	531	4	7	528
		Chugoku・Shikoku	245	2	2	245
		Kyushu and Okinawa	54	1	—	55
In Japan			3,001	29	26	3,004
Stores with dispensing pharmacy			2,282	53	39	2,296
Ratio of stores with dispensing pharmacy			77.3%			77.8%

*The ratio of stores with dispensing pharmacy is calculated excluding the number of cosmetics stores.

3. Appendix

Composition ratio of sales by category (by Company)

(Unit: million yen/%)

Upper row: Amount Lower row: Composition ratio			Welcia HD (consolidated)		Welcia Yakkyoku		Kokumin		Welpark	Pupule Himawari		Marudai Sakurai Pharmacy		Shimizu Yakuhin	
				Y/Y		Y/Y		Y/Y			Y/Y		Y/Y		Y/Y
	OTC products	58,895	+5.9	46,378	+1.2	3,172	+4.8	2,601	2,032	+4.7	1,493	-2.4	1,463	+0.3	
		17.6	18.2	17.2	17.9	25.5	25.1	20.7	18.0	17.6	18.3	19.2	19.3	20.6	
	Cosmetics	52,401	+8.8	38,985	+4.3	3,335	+2.9	2,171	2,052	+7.0	1,215	+1.5	1,226	+3.1	
		15.7	15.8	14.5	14.6	26.8	26.9	17.2	18.2	17.4	14.9	15.0	16.2	16.8	
	Household goods	44,116	+7.7	35,659	+2.2	924	+9.4	2,325	1,656	+0.3	1,334	+0.4	1,104	+0.7	
		13.2	13.4	13.2	13.7	7.4	7.0	18.5	14.7	15.0	16.4	16.7	14.5	15.5	
	Food products	79,811	+14.0	66,307	+10.4	870	+26.0	2,644	3,541	+1.0	2,540	+9.9	1,911	+17.8	
		23.9	23.0	24.6	23.5	7.0	5.7	21.0	31.4	31.8	31.2	29.0	25.2	22.9	
	Others	22,455	+1.4	15,178	-12.1	308	-22.2	1,645	1,078	-16.2	680	-19.6	421	-0.4	
		6.7	7.3	5.6	6.8	2.5	3.3	13.1	9.6	11.5	8.3	10.6	5.5	5.9	
	Total sales of products	257,680	+8.8	202,509	+3.6	8,611	+5.0	11,387	10,361	+0.6	7,263	+0.7	6,127	+5.8	
		77.1	77.7	75.1	76.5	69.2	68.0	90.5	91.9	93.3	89.1	90.5	80.7	81.7	
	Dispensing	76,520	+13.2	66,910	+11.8	3,831	-0.5	1,192	884	+24.5	877	+16.5	1,460	+12.7	
		22.9	22.2	24.8	23.4	30.8	31.9	9.5	7.9	6.4	10.8	9.4	19.2	18.3	
Subtotal	334,200	+9.8	269,419	+5.5	12,442	+3.3	12,580	11,246	+2.1	8,141	+2.2	7,587	+7.0		
	100.0	99.9	99.9	99.9	100.0	99.9	100.0	99.8	99.7	99.9	99.9	99.9	100.0		
Commission income	228	-4.5	154	-11.2	4	-43.4	7	23	-5.6	9	+345.5	4	-12.6		
	0.0	0.1	0.1	0.1	0.0	0.1	0.0	0.2	0.3	0.1	0.1	0.1	0.0		
Total	334,428	+9.7	269,573	+5.5	12,447	+3.2	12,587	11,269	+2.1	8,150	+2.3	7,592	+7.0		
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		

Gross profit margin by category (by Company)

(Unit: %)

		Welcia HD (consolidated)		Welcia Yakkyoku		Kokumin		Welpark	Pupule Himawari		Marudai Sakurai Pharmacy		Shimizu Yakuhin	
			Y/Y change		Y/Y change		Y/Y change			Y/Y change		Y/Y change		Y/Y change
	OTC products	40.5	+0.5	40.6	+0.6	42.7	+2.5	38.0	39.2	-2.0	40.4	+0.4	40.8	+1.1
	Cosmetics	32.8	+0.5	32.8	+0.4	32.8	+1.5	31.9	30.8	+1.6	31.6	+0.5	33.6	+0.7
	Household goods	27.3	+0.5	27.7	+0.7	31.5	+2.6	23.2	25.3	+0.8	25.4	+1.1	27.4	+1.0
	Food products	18.4	-0.1	18.6	-0.2	24.7	+0.4	16.9	16.9	+1.1	16.0	-0.8	18.0	-0.2
	Others	16.9	+2.6	15.3	+1.9	25.3	-2.0	23.5	16.3	+2.0	14.5	+1.1	14.0	+1.3
	Total sales of products	27.8	+0.4	27.8	+0.4	35.2	+1.6	26.8	25.3	+1.0	25.2	+0.1	28.0	+0.2
	Dispensing	36.2	+0.9	36.8	+0.8	27.1	+1.3	38.4	33.9	+0.4	36.1	+0.7	34.8	+1.9
Subtotal		29.7	+0.5	30.0	+0.6	32.7	+1.6	27.9	26.0	+1.1	26.4	+0.3	29.3	+0.6
Commission income		100.0	—	100.0	—	100.0	—	100.0	100.0	—	100.0	—	100.0	—
Total		29.8	+0.6	30.0	+0.6	32.8	+1.7	28.0	26.1	+1.0	26.5	+0.4	29.3	+0.5

SG&A expenses (by Company)

(Unit: million yen/%)

Upper row: Amount Lower row: Composition ratio	Welcia HD (consolidated)		Welcia Yakkyoku		Kokumin		Welpark	Pupule Himawari		Marudai Sakurai Pharmacy		Shimizu Yakuhin	
		Y/Y		Y/Y		Y/Y			Y/Y		Y/Y		Y/Y
Labor costs	46,671	+6.7	37,676	+3.1	1,712	+1.9	1,586	1,472	-2.2	1,085	+1.0	1,103	+6.1
	14.0	14.4	14.0	14.3	13.8	13.9	12.6	13.1	13.6	13.3	13.5	14.5	14.7
Advertising expenses	1,309	-25.8	935	-29.2	50	-21.0	41	55	-59.5	60	+6.6	19	-33.7
	0.4	0.6	0.3	0.5	0.4	0.5	0.3	0.5	1.2	0.7	0.7	0.3	0.4
Rent	15,584	+8.2	11,933	+2.3	1,189	+4.5	802	568	+1.0	217	-2.0	328	+2.3
	4.7	4.7	4.4	4.6	9.6	9.4	6.4	5.0	5.1	2.7	2.8	4.3	4.5
Others	28,157	+19.4	22,018	+13.6	897	+11.9	1,104	981	+3.3	635	+15.2	502	+8.7
	8.4	7.7	8.2	7.5	7.2	6.7	8.8	8.7	8.7	7.9	6.9	6.6	6.6
Total	91,723	+9.8	72,563	+5.3	3,848	+4.5	3,535	3,077	-2.5	1,998	+4.9	1,954	+5.4
	27.5	27.4	26.9	26.9	31.0	30.5	28.1	27.3	28.6	24.6	23.9	25.7	26.2

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