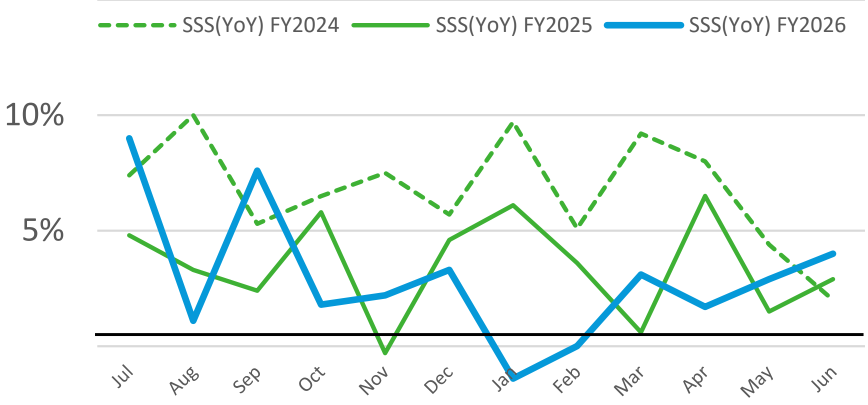
FY2026 4Q
Financial Results

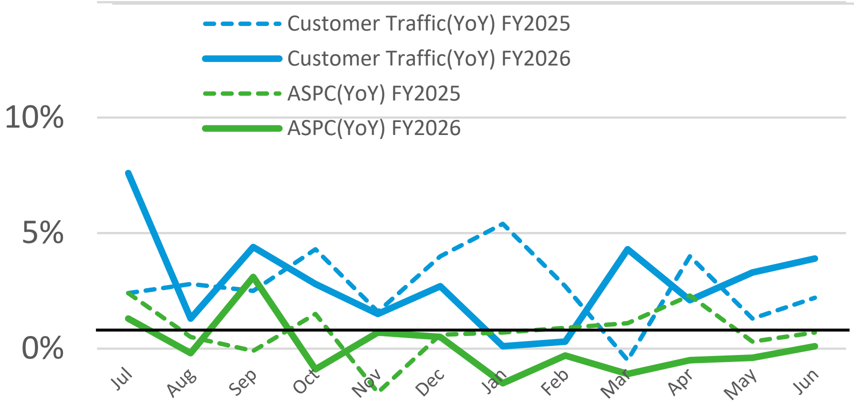
Genky DrugStores Co., Ltd.
(Code number: 9267, TSE Prime)

2026.07

Monthly Net sales YoY Change (existing stores)

(4Q Sales Summary)
The rebound effect from last year's soaring rice prices (55–60% year-on-year for same-store sales) continued to weigh down same-store sales this quarter. This trend is expected to continue through September this year, as July–September face a tough comparison against last year's government reserve rice sales (+650 million yen each month).
Pharmaceuticals: In 3Q, sales were on a recovery track due to the early and heavy dispersal of pollen, but in 4Q they turned soft due to the rebound effect from last year's pollen peak (April) and cold-related demand.
Food: While the rebound effect from rice prices continued, produce prices normalized and recovered from May to June. Fresh food such as meat and delicatessen items benefited from price appeal, capturing demand from supermarkets and convenience stores. Due to sustained price hikes, customers' cost-conscious spending continued, and the decline in the number of items purchased per customer continued unchanged from 3Q.Amid this, the price advantage maintained through EDLP continued to prove successful, and same-store customer numbers grew +3.1% year-on-year.





	1Q	2Q	3Q	4Q	FY
All stores	+12.0%	+9.2%	+7.8%	+10.4%	+9.8%
existing stores	+5.8%	+2.5%	+0.5%	+2.9%	+2.9%
Traffic	+4.3%	+2.3%	+1.5%	+3.1%	+2.9%
ASPC	+1.4%	+0.1%	(1.0%)	(0.3%)	+0.1%
Unit Price	+6.7%	+5.2%	+3.0%	+1.2%	+4.0%
Basket Quantity	(5.0%)	(4.8%)	(3.9%)	(1.4%)	(3.8%)

*Weekend point-promotion campaigns are conducted, and their impact on increases/decreases is ±0.7%/Q per day.

FY2026, 4Q Accounting period (YoY change)

Net Sales	Sales were 0.2% below the plan, falling short by 140 million yen. Due to a delay in timing, the number of new store openings was 26, 4 stores fewer than the revised mid-point plan.
Gross profit	The gross profit margin ended up being 0.1 percentage points lower than plan. As in 3Q, to increase sales, we controlled the gross profit margin while balancing it with SG&A, and maintained our price advantage. External factors included a slight decrease in the proportion of pharmaceutical products due to sluggish sales of cold medicines in the former half, which had a slight negative impact on the gross profit margin.
SG&A	SG&A totaled 50 million yen lower than planned. Personnel costs were 90 million yen lower than planned, achieved through the stable operation of self-checkout and the Management Partner system (transferring some employee duties to part-time staff), which allowed further cost reduction beyond plan. Dormitory costs were also 20 million yen lower than plan due to optimized staff allocation by prefecture. Utilities increased sharply, coming in 80 million yen higher than plan due to rising electricity rates. The one-time difference in asset retirement obligation settlement added 30 million yen. Other minor variances totaled 50 million yen.
Based on the above, operating profit ended up being 63 million yen below plan. (Excluding the electricity price hikes and the one-time asset retirement obligation settlement cost, results would have exceeded plan.)	

(Millions of Yen)

	FY2025 4Q Accounting period		FY2026 4Q Accounting period		YoY change million Yen YoY	FY2026 4Q Forecasts Accounting period		plan vs. actual million Yen YoY
	million Yen	margin(ratio)	million Yen	margin(ratio)		million Yen	margin(ratio)	
Net sales	53,403	–	58,928	–	+5,525 +10.3%	59,072	–	(143) (0.2%)
Gross profit	11,115	20.8%	12,110	20.6%	+995 +9.0%	12,224	20.7%	(113) (0.9%)
SG&A	8,296	15.5%	9,147	15.5%	+851 +10.3%	9,198	15.6%	(50) (0.5%)
Operating profit	2,818	5.3%	2,962	5.0%	+143 +5.1%	3,026	5.1%	(63) (2.1%)
Ordinary profit	2,853	5.3%	2,988	5.1%	+135 +4.8%	3,027	5.1%	(38) (1.3%)
Net income	2,193	4.1%	2,253	3.8%	+60 +2.7%	2,230	3.8%	+23 +1.1%
Store opening	29		26			30		(4)
Store closing	2		2			2		±0
Renovation (Large store →Regular store)	1		3			3		±0

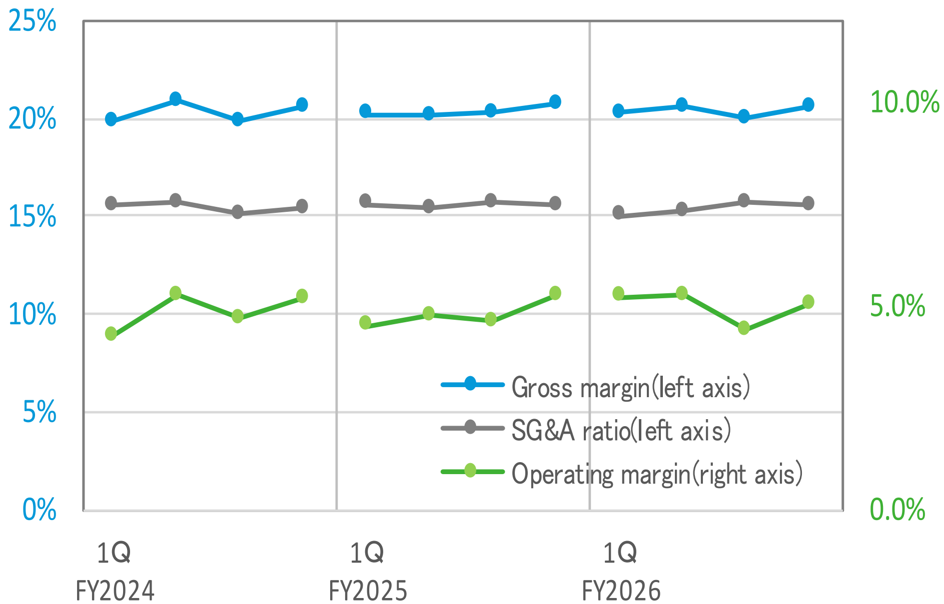
FY2026 (YoY change)

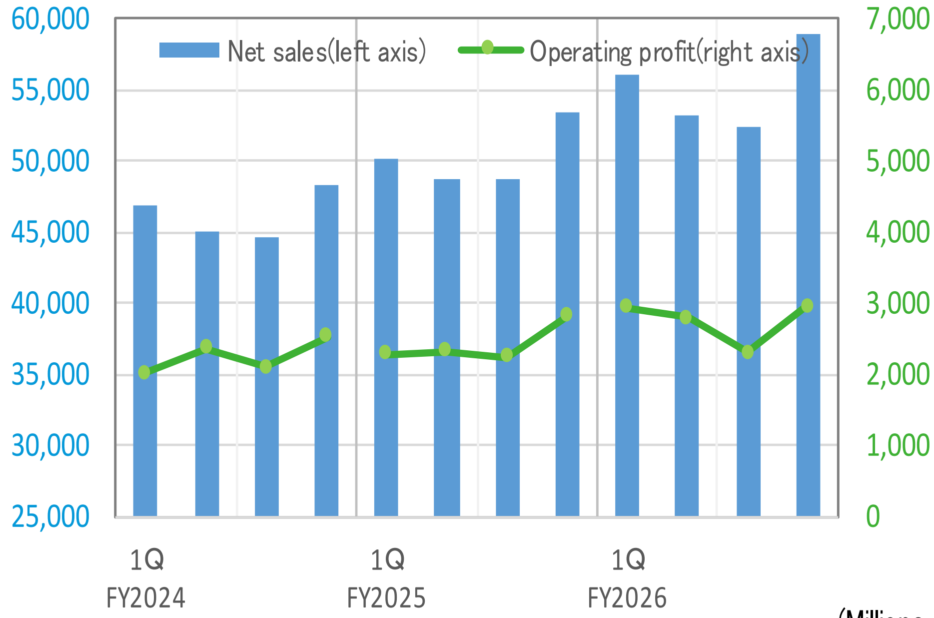
Net Sales	Sales came in 0.3% below the mid-point plan, falling short by 560 million yen. Due to a delay in timing, the number of new store openings was 57, 4 stores fewer than the revised mid-point plan (net increase of 54 stores).
Gross profit	The gross profit margin ended up being 0.07 percentage points lower than plan. To increase sales, we controlled the gross profit margin while balancing it with SG&A, and maintained our price advantage.
SG&A	SG&A totaled 210 million yen lower than the mid-point plan. Excluding the sharp rise in electricity costs, we were able to maintain appropriate cost control this year as well.
Based on the above, operating profit ended up being 65 million yen below the mid-point plan. (Excluding the electricity price hikes and the one-time asset retirement obligation settlement cost, results would have exceeded plan.)	

(Millions of Yen)

	FY2025		FY2026		YoY change million Yen YoY	FY2026 Forecasts		plan vs. actual million Yen YoY
	million Yen	margin(ratio)	million Yen	margin(ratio)		million Yen	margin(ratio)	
Net sales	200,786	–	220,638	–	+19,852 +9.9%	221,200	–	(561) (0.3%)
Gross profit	40,889	20.4%	44,923	20.4%	+4,033 +9.9%	45,200	20.4%	(276) (0.6%)
SG&A	31,231	15.6%	33,938	15.4%	+2,707 +8.7%	34,150	15.4%	(211) (0.6%)
Operating profit	9,658	4.8%	10,985	5.0%	+1,326 +13.7%	11,050	5.0%	(64) (0.6%)
Ordinary profit	9,899	4.9%	11,157	5.1%	+1,258 +12.7%	11,200	5.1%	(42) (0.4%)
Net income	7,066	3.5%	7,875	3.6%	+808 +11.4%	7,850	3.5%	+25 +0.3%
Store opening	54		57			61		(4)
Store closing	7		3			3 (Large Store)		±0
Renovation(Large store →Regular store)	1		8			8		±0

Financial Results (Quarterly trends)





(Millions of Yen)

	FY2024					FY2025					FY2026				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
Net sales	46,871	45,095	44,619	48,272	184,860	50,050	48,708	48,624	53,403	200,786	56,042	53,218	52,449	58,928	220,638
YoY of sales	+10.0%	+9.3%	+10.6%	+7.6%	+9.3%	+6.8%	+8.0%	+9.0%	+10.6%	+8.6%	+12.0%	+9.3%	+7.9%	+10.3%	+9.9%
Gross margin	19.9%	20.9%	19.8%	20.7%	20.4%	20.2%	20.1%	20.3%	20.8%	20.4%	20.2%	20.5%	20.1%	20.6%	20.4%
SG&A ratio	15.6%	15.7%	15.1%	15.5%	15.5%	15.6%	15.4%	15.7%	15.5%	15.6%	15.0%	15.3%	15.7%	15.5%	15.4%
Operating profit	2,015	2,371	2,107	2,520	9,015	2,272	2,323	2,243	2,818	9,658	2,916	2,801	2,304	2,962	10,985
Operating margin	4.3%	5.3%	4.7%	5.2%	4.9%	4.5%	4.8%	4.6%	5.3%	4.8%	5.2%	5.3%	4.4%	5.0%	5.0%

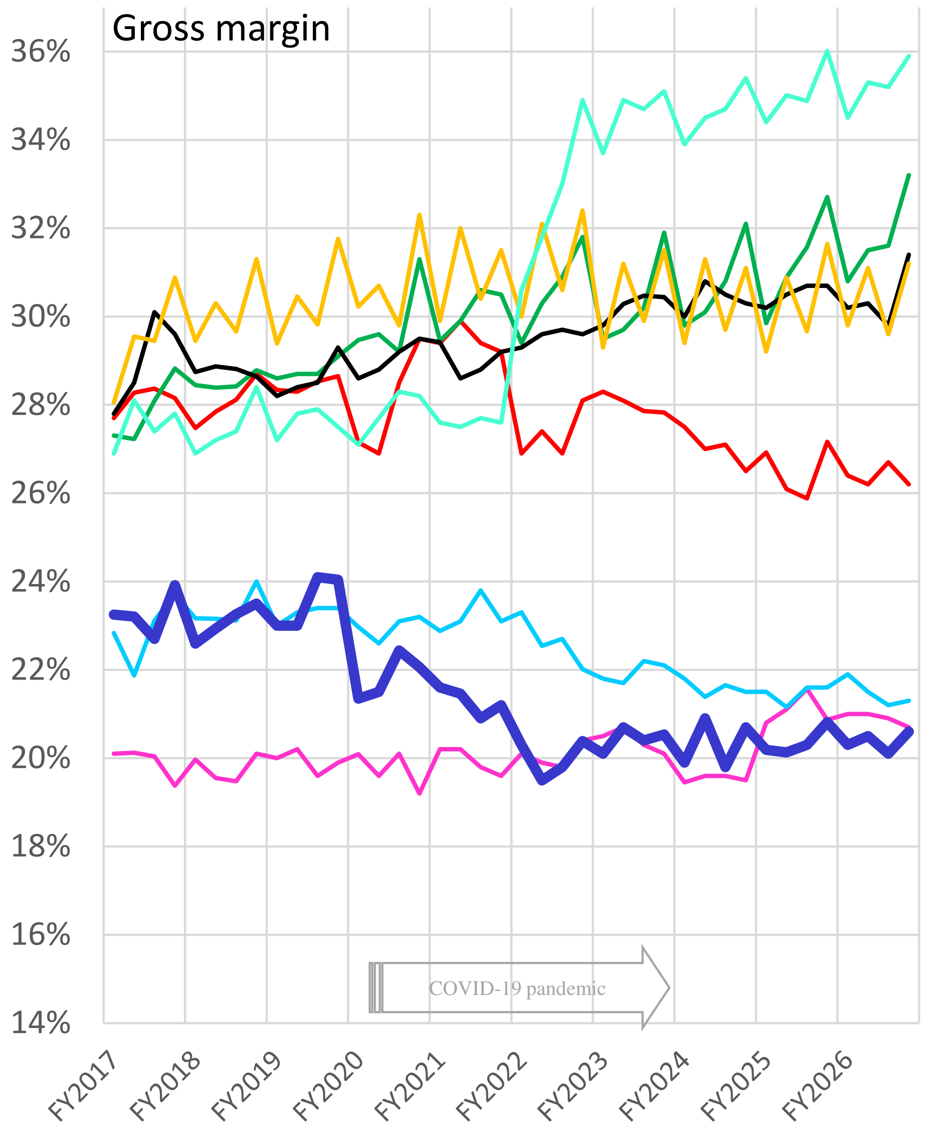
KPI (Quarterly and Full-year trends)

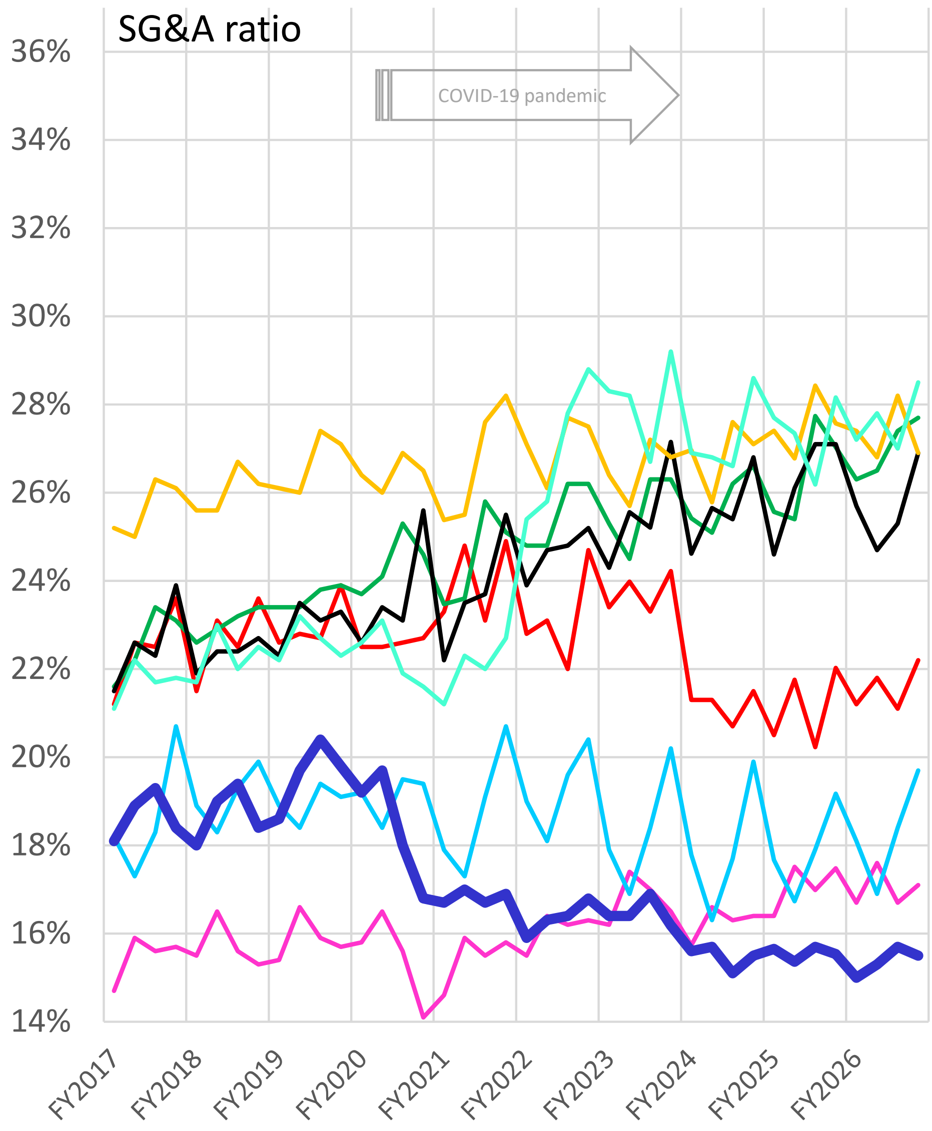
While maintaining "SG&A per TSUBO*" at 200,000 yen, the EDLP strategy will increase "Sales per TSUBO" ("Gross profit per TSUBO" will also increase), thereby improving "Operating profit per TSUBO".

**TSUBO is a unit of area, about 3.3㎡*

Items	Unit	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026				
							1Q	2Q	3Q	4Q	FY
Sales per *TSUBO	K yen/ TSUBO・year	1,169	1,135	1,180	1,275	1,315	1,395	1,321	1,329	1,431	1,354
Gross profit per TSUBO	K yen/ TSUBO・year	249	227	241	259	268	283	271	267	294	276
SG&A per TSUBO	K yen/ TSUBO・year	197	186	197	197	205	210	202	209	222	208
Operating profit per TSUBO	K yen/ TSUBO・year	52	42	44	62	63	73	70	58	72	67
Foot area/employee	TSUBO/head	30.5	31.4	33.6	34.2	36.6	37.5	39.8	40.5	36.4	38.9
Total asset turnover	time	1.6	1.6	1.7	1.7	1.7	1.7	1.6	1.6	1.7	1.6
ROA(Ordinary profit / Total asset)	%	7.6	6.5	7.0	8.4	8.2	8.9	8.8	7.1	8.7	8.2
ROE	%	16.2	12.9	12.4	14.5	14.2	15.0	14.3	11.4	15.8	13.8
Equity Ratio	%	35.4	37.3	38.4	40.9	41.8	40.7	42.8	41.4	42.0	42.0
Operation profit / Gross profit	%	20.8	18.3	19.4	24.0	23.6	25.7	25.6	21.9	24.5	24.5

Gross margin and SG&A Ratio of Drugstore companies (Quarterly trends)





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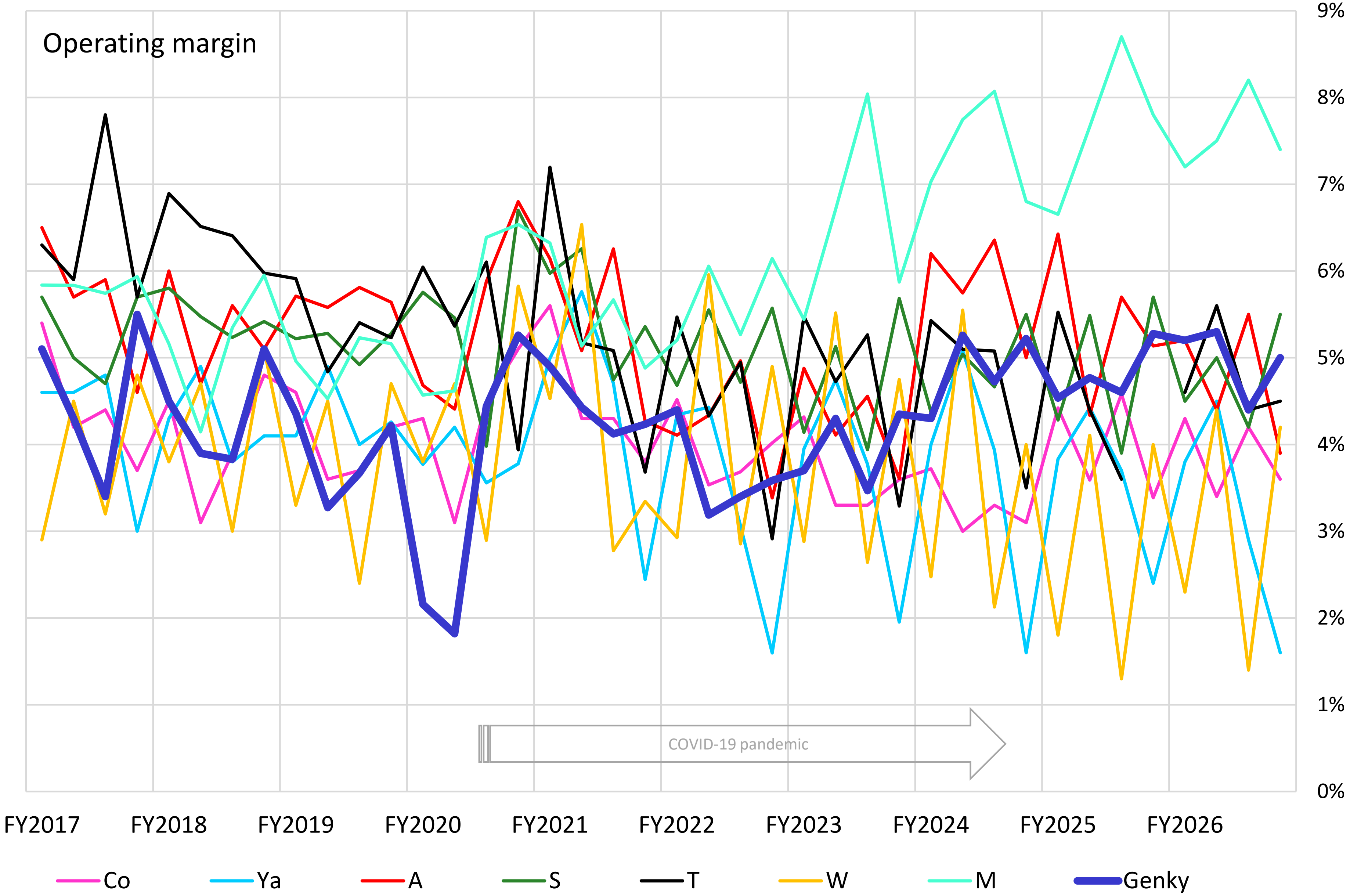
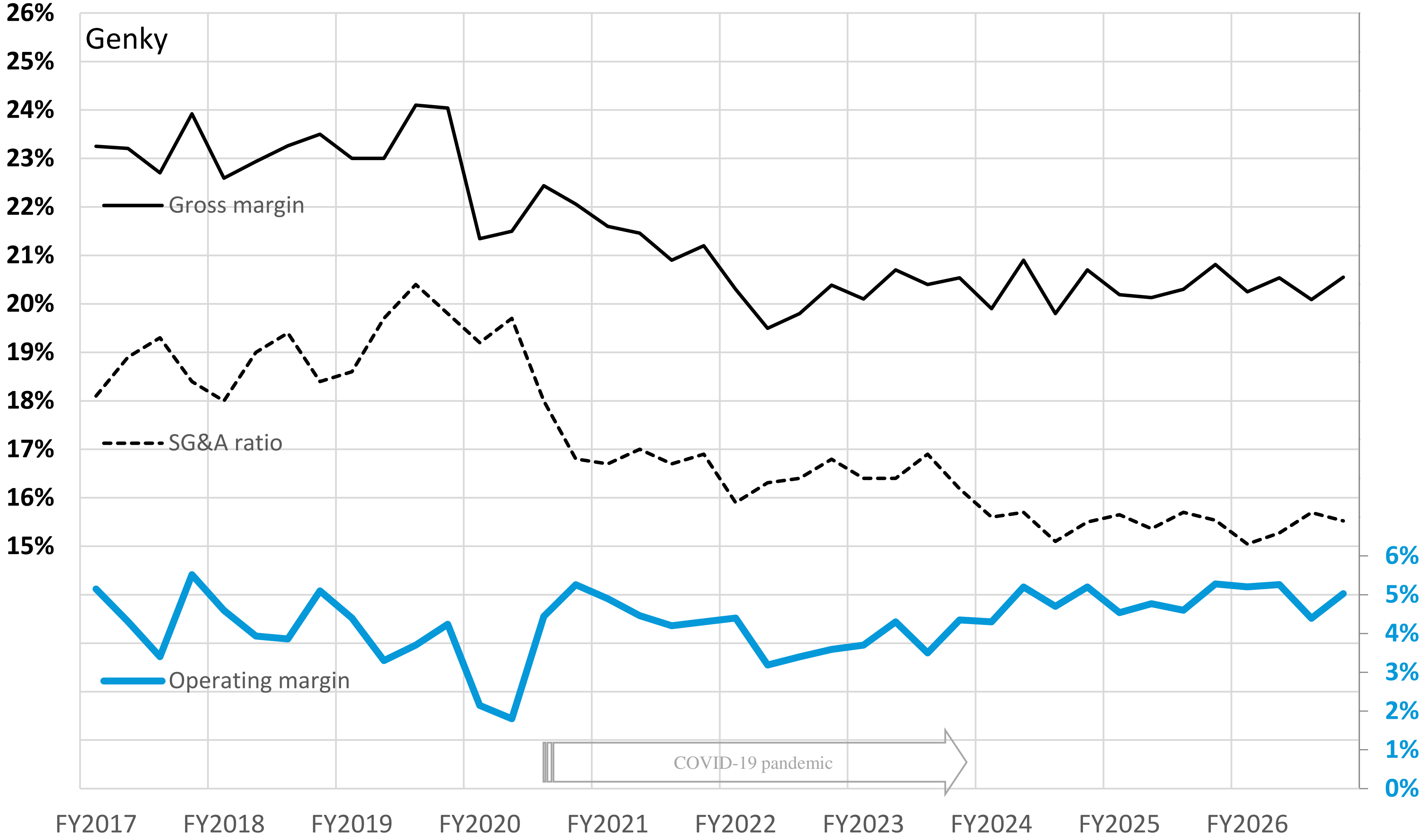
Operating margin of Drugstore companies (Quarterly trends)



Gross margin · SG&A ratio · Operating margin (Quarterly trends)



FY2027 Forecasts

	FY2026 Results		FY2027 forecasts		YoY change	
	million yen	margin	million yen	margin		changes in margin (ratio)
Net sales	220,638	-	244,000	-	+23,361 +10.6%	※SSS +3.5%
Gross profit	44,923	20.4%	49,900	20.5%	+4,976 +11.1%	+0.1pt
SG&A	33,938	15.4%	37,900	15.5%	+3,962 +11.7%	+0.2pt
Operating profit	10,985	5.0%	12,000	4.9%	+1,015 +9.2%	(0.1pt)
Ordinary profit	11,157	5.1%	12,100	5.0%	+942 +8.4%	(0.1pt)
Net income	7,875	3.6%	8,200 *	3.4%	+325 +4.1%	(0.2pt)
EPS	258.5 Yen		268.8 Yen		+10.3 Yen	-
Store opening	57		75			
Store closing	3 (Large store)		5 (Large store)			
Renovation(Large→Regular)	8		9			

* Regarding the forecast for net income attributable to owners of the parent, the growth rate is smaller than that of other profit items, as it factors in the abolition of the wage increase tax credit and the additional impact of the special corporate tax for defense.

Financial Results and Forecasts

(Millions of Yen)

	FY2022		FY2023		FY2024		FY2025		FY2026		FY2027 (Forecasts)	
Store opening	43		30		31		54		57		75	
Store closing	0		7		7		7		3		5	
Renovation (Large→Regular)	21		3		3		1		8		9	
Logistics Center	-		1		-		-		1		- One more building planned for FY2029	
Net sales	154,640	8.6%	169,059	+9.3%	184,860	+9.3%	200,786	+8.6%	220,638	+9.9%	244,000	+10.6%
Gross profit	30,954	+2.2%	34,553	+11.6%	37,620	+8.9%	40,889	+8.7%	44,923	+9.9%	49,900	+11.1%
(margin)	20.0%		20.4%		20.4%		20.4%		20.4%		100.0%	
SG&A	25,279	+5.4%	27,844	+10.1%	28,605	+2.7%	31,231	+9.2%	33,938	+8.7%	37,900	+11.7%
(ratio)	16.3%		16.5%		15.5%		15.6%		15.4%		76.0%	
Operating profit	5,675	(9.8%)	6,709	+18.2%	9,015	+34.4%	9,658	+7.1%	10,985	+13.7%	12,000	+9.2%
(margin)	3.7%		4.0%		4.9%		4.8%		5.0%		24.0%	
Net income	4,420	(8.5%)	4,764	+7.8%	6,324	+32.7%	7,066	+11.7%	7,875	+11.4%	8,200	+4.1%
(margin)	2.9%		2.8%		3.4%		3.5%		3.6%		16.4%	
CAPEX	10,588		9,736		10,631		15,618		20,278		22,000	
*EPS (yen)	146		157		208		233		259		269	
ROE (%)	12.9		12.4		14.5		14.2		13.8		14.0	

* We conducted a 2-for-1 stock split of its common stock on June 21, 2024. Figures prior to FY2024 have been calculated based on the assumption that the stock split was carried out.

-Note-
The forecast figures in this presentation are based on information currently available to the Company and assumptions based on uncertain factors that may affect future performance.
In addition, the explanations given in this presentation contain forward looking statements, judgments, plans or strategies.
These forward-looking statements and remarks are subject to uncertainties, and actual results may differ from these statements and remarks because of a variety of factors.

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