

Update Notes

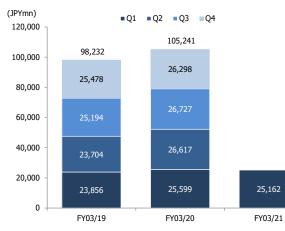
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# On August 7, 2020, Medical System Network Co., Ltd. announced earnings results for Q1 FY03/21

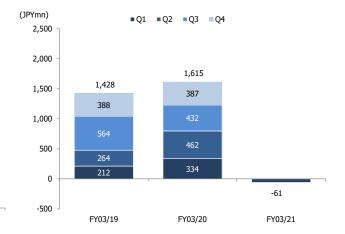
On <b>August 7, 2020</b> , M				Ltu. am	lounceu e	0				
Cumulative		FY03/				FY03/			FY03/21	FY03/21
(JPYmn)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	% of Est. FY Est.
Sales	23,856	47,560	72,754	98,232	25,599	52,216	78,943	105,241	25,162	103,500~105,500
YoY	2.2%	2.2%	3.2%	4.5%	7.3%	9.8%	8.5%	7.1%	-1.7%	
Gross profit	9,079	17,887	27,527	37,271	9,839	19,819	30,225	40,214	9,704	
YoY	0.1%	-1.2%	0.0%	1.8%	8.4%	10.8%	9.8%	7.9%	-1.4%	
GPM	38.1%	37.6%	37.8%	37.9%	38.4%	38.0%	38.3%	38.2%	38.6%	
SG&A expenses	8,867	17,410	26,487	35,842	9,504	19,022	28,997	38,599	9,765	
YoY	4.6%	3.4%	5.0%	7.2%	7.2%	9.3%	9.5%	7.7%	2.7%	
SG&A ratio	37.2%	36.6%	36.4%	36.5%	37.1%	36.4%	36.7%	36.7%	38.8%	
Operating profit	212	476	1,040	1,428	334	796	1,228	1,615	-61	1,150~2,150
YoY	-64.2%	-62.5%	-54.5%	-54.9%	57.5%	67.2%	18.1%	13.1%	-	
OPM	0.9%	1.0%	1.4%	1.5%	1.3%	1.5%	1.6%	1.5%	-	
Recurring profit	192	438	1,010	1,501	323	784	1,208	1,560	-62	1,100~2,100
YoY	-67.5%	-65.6%	-56.7%	-53.8%	68.2%	79.0%	19.6%	3.9%	-	
RPM	0.8%	0.9%	1.4%	1.5%	1.3%	1.5%	1.5%	1.5%	-	
Net income	101	119	372	462	97	218	326	-895	-201	
YoY	-65.1%	-67.2%	-60.6%	-54.8%	-4.0%	83.2%	-12.4%	-	-	
Net margin	0.4%	0.3%	0.5%	0.5%	0.4%	0.4%	0.4%	-	-	
Quarterly	FY03/19				FY03/			FY03/21		
(JPYmn)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Sales	23,856	23,704	25,194	25,478	25,599	26,617	26,727	26,298	25,162	
YoY	2.2%	2.3%	4.9%	8.7%	7.3%	12.3%	6.1%	3.2%	-1.7%	
Gross profit	9,079	8,808	9,640	9,744	9,839	9,980	10,406	9,989	9,704	
YoY	0.1%	-2.6%	2.5%	7.2%	8.4%	13.3%	7.9%	2.5%	-1.4%	
GPM	38.1%	37.2%	38.3%	38.2%	38.4%	37.5%	38.9%	38.0%	38.6%	
SG&A expenses	8,867	8,543	9,077	9,355	9,504	9,518	9,975	9,602	9,765	
YoY	4.6%	2.2%	8.2%	13.8%	7.2%	11.4%	9.9%	2.6%	2.7%	
SG&A ratio	37.2%	36.0%	36.0%	36.7%	37.1%	35.8%	37.3%	36.5%	38.8%	
Operating profit	212	264	564	388	334	462	432	387	-61	
YoY	-64.2%	-61.1%	-44.5%	-55.7%	57.5%	75.0%	-23.4%	-0.3%	-	
OPM	0.9%	1.1%	2.2%	1.5%	1.3%	1.7%	1.6%	1.5%	-	
Recurring profit	192	246	572	491	323	461	424	352	-62	
YoY	-67.5%	-63.9%	-46.1%	-46.4%	68.2%	87.4%	-25.9%	-28.3%	-	
RPM	0.8%	1.0%	2.3%	1.9%	1.3%	1.7%	1.6%	1.3%	-	
Net income	101	18	253	90	97	121	108	-1,221	-201	
YoY	-65.1%	-75.7%	-56.5%	15.4%	-4.0%	572.2%	-57.3%	-	-	
Net margin	0.4%	0.1%	1.0%	0.4%	0.4%	0.5%	0.4%	-	-	

Source: Shared Research based on company data Note: Figures may differ from company materials due to differences in rounding methods.

#### **Quarterly sales**



#### **Quarterly operating profit**



Source: Shared Research based on company data





Update Notes

## Quarterly results

By segment (cumulative)		FY03/	/19				FY03	/19			FY03	/ 20		FY03/21
(JPYmn)	Q1	Q2	Q3	Q4		Q1 retro	Q2 retro	Q3 retro	Q4 retro	Q1	Q2	Q3	Q4	Q1
Sales	23,856	47,560	72,754	98,232	Sales	23,856	47,560	72,754	52,216	25,599	52,216	78,943	105,241	25,162
YoY	2.2%	2.2%	3.2%	4.5%	YoY	2.2%	2.2%	3.2%	9.8%	7.3%	9.8%	8.5%	7.1%	-1.7%
Pharmaceuticals Network	955	1,818	2,897	3,951	Community Pharmacy Network	22,564	44,717	68,408	49,290	24,224	49,290	74,636	99,617	23,922
YoY % of total	9.1% 3.9%	5.2% 3.7%	8.3% 4.0%	8.6% 4.0%	YoY % of total	94.1%	- 94.7%	- 94.4%	10.2% 93.6%	7.4% 94.1%	10.2% 93.6%	9.1% 93.8%	7.9% 94.0%	-1.2% 94.5%
Dispensing Pharmacy	22,222	3.7% 44,035	4.0%	4.0% 90,706	% or total	94.1%	94.7%	94.4%	93.0%	94.1%	93.6%	93.8%	94.0%	94.5%
YoY	3.2%	2.7%	3.2%	4.1%										
% of total	90.3%	89.8%	91.8%	91.7%										
Leasing and Facility-related	600	1,508	2,382	3,320	Leasing and Facility-related	600	1,508	2,382	1,829	760	1,829	2,659	3,425	723
YoY	15.2%	38.9%	52.6%	63.5%	YoY	15.2%	38.9%	52.6%	21.3%	26.7%	21.3%	11.6%	3.2%	-4.9%
% of total	2.4%	3.1%	3.3%	3.4%	% of total	2.5%	3.1%	3.3%	3.5%	3.0%	3.5%	3.3%	3.2%	2.9%
Food Service	788	1,586	2,382	3,161	Food Service	788	1,586	2,382	1,434	730	1,434	2,128	2,797	612
YoY % of total	-31.8% 3.2%	-31.0% 3.2%	-27.4% 3.3%	-23.0% 3.2%	YoY % of total	-31.8%	-31.0% 3.2%	-27.4% 3.3%	-9.6% 2.7%	-7.4% 2.8%	-9.6% 2.7%	-10.7% 2.7%	-11.5% 2.6%	-16.2% 2.4%
Other	33	91	166	261	Other	33	91	166	79	38	79	122	165	51
YoY	0.0%	71.7%	133.8%	183.7%	YoY	0.0%	71.7%	133.8%	-13.2%	15.2%	-13.2%	-26.5%	-36.8%	34.2%
% of total	0.1%	0.2%	0.2%	0.3%	% of total	0.1%	0.2%	0.2%	0.2%	0.1%	0.2%	0.2%	0.2%	0.2%
Segment sales adjustments	-743	-1,479	-523	-674	Segment sales adjustments	-130	320	320	-417	-154	-417	-603	-764	-154
Operating profit	212	476	1,040	1,428	Operating profit	212	476	1,040	796	334	796	1,228	1,615	-61
YoY	-64.2%	-62.5%	-54.5%	-54.9%	YoY	-64.2%	-62.5%	-54.5%	67.2%	57.5%	67.2%	18.1%	13.1%	-
Pharmaceuticals Network	554	1,060	1,697	2,331	Community Pharmacy Network	642	1,227	2,332	1,736	825	1,736	2,764	3,743	434
YoY OPM	17.6% 58.0%	13.5% 58.3%	17.5% 58.6%	19.6% 59.0%	YoY OPM	2.8%	- 2.7%	- 3.4%	41.5% 3.5%	28.5% 3.4%	41.5% 3.5%	18.5% 3.7%	13.0% 3.8%	-47.4% 1.8%
Dispensing Pharmacy	130	202	712	1,068	OFM	2.070	2.7 70	5.470	5.5%	5.470	5.570	5.770	5.070	1.0 /0
YoY	-78.0%	-83.4%	-67.8%	-65.1%										
OPM	0.6%	0.5%	1.1%	1.2%										
Leasing and Facility-related	-32	10	-51	-84	Leasing and Facility-related	-32	10	-51	68	-8	68	67	45	6
YoY	-	-	-	-	YoY	-	-	-	580.0%	-	580.0%	-	-	-
OPM	-	0.7%	-	-	OPM	-	0.7%	-	-	-	-	-		-
Food Service	-80.0%	18 -47.1%	28 -42.9%	34 -24.4%	Food Service	-80.0%	18	28 -42.9%	-34	-12	-34	-38	-43	-19
YoY OPM	-80.0%	-47.1%	1.2%	-24.4%	YoY OPM	0.1%	-47.1% 1.1%	1.2%	-		-		-	
Other	-36	-57	-82	-101	Other	-29	-57	-82	-39	-21	-39	-56	-71	-11
YoY	-	-	-	-	YoY	-	-	-	-	-	-	-	-	-
OPM	-		-	_	OPM				_	_				
			-	-	OFIN	-	-	-	-	-	-	-		
Segment profit adjustments	-405	-721	-1,186	-1,733	Segment profit adjustments	-369	-721	-721	-934	-447	-934	-1,508	-2,057	-472
Segment profit adjustments By segment (quarterly)	1	FY03,	/19			1	-721 FY03,	-721 / 19			-934 FY03	/ 20		FY03/21
Segment profit adjustments By segment (quarterly) (JPYmn)	Q1	FY 03, Q2	/19 Q3	Q4	Segment profit adjustments	Q1 retro	-721 FY03, Q2 retro	-721 / 19 Q3 retro	Q4 retro	Q1	-934 FY03 Q2	/ 20 Q3	Q4	FY03/21 Q1
Segment profit adjustments By segment (quarterly) (JPYmn) Sales	Q1 23,856	FY03, Q2 <b>23,704</b>	/19 Q3 25,194	Q4 25,478	Segment profit adjustments	Q1 retro 23,856	-721 FY03, Q2 retro <b>23,704</b>	-721 /19 Q3 retro <b>25,194</b>	Q4 retro 26,617	Q1 25,599	-934 FY03 Q2 <b>26,617</b>	20 Q3 26,727	Q4 26,298	FY03/21 Q1 <b>25,162</b>
Segment profit adjustments By segment (quarterly) (JPYmn)	Q1	FY 03, Q2	/19 Q3	Q4	Segment profit adjustments	Q1 retro	-721 FY03, Q2 retro	-721 / 19 Q3 retro	Q4 retro	Q1	-934 FY03 Q2	/ 20 Q3	Q4	FY03/21 Q1
Segment profit adjustments By segment (quarterly) (JPYmn) Sales YoY	Q1 23,856 2.2%	FY03, Q2 <b>23,704</b> 2.3%	/19 Q3 <b>25,194</b> 4.9%	Q4 <b>25,478</b> 8.7%	Segment profit adjustments Sales YoY	Q1 retro 23,856 2.2%	-721 FY03, Q2 retro 23,704 2.3%	-721 /19 Q3 retro 25,194 4.9%	Q4 retro 26,617 12.3%	Q1 25,599 7.3%	-934 FY03 Q2 <b>26,617</b> 12.3%	20 Q3 26,727 6.1%	Q4 <b>26,298</b> 3.2%	FY03/21 Q1 25,162 -1.7%
Segment profit adjustments By segment (quarterly) (JPYmn) Sales YoY Pharmaceuticals Network	<b>Q1</b> <b>23,856</b> 2.2% 955	FY03, Q2 23,704 2.3% 863	/19 Q3 25,194 4.9% 1,079	<b>Q4</b> <b>25,478</b> 8.7% 1,054	Segment profit adjustments Sales YoY Community Pharmacy Network	Q1 retro 23,856 2.2%	-721 FY03, Q2 retro 23,704 2.3%	-721 /19 Q3 retro 25,194 4.9%	Q4 retro 26,617 12.3% 25,066	<b>Q1</b> <b>25,599</b> 7.3% 24,224	-934 FY03 Q2 26,617 12.3% 25,066	20 Q3 26,727 6.1% 25,346	Q4 26,298 3.2% 24,981	FY03/21 Q1 25,162 -1.7% 23,922
Segment profit adjustments By segment (quarterly) (JPYmn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related	Q1 23,856 2.2% 955 9.1% 4.4% 600	FY03, Q2 23,704 2.3% 863 1.2% 3.5% 908	(19 Q3 25,194 4.9% 1,079 13.9% 4.5% 874	Q4 25,478 8.7% 1,054 9.3% 4.1% 938	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related	Q1 retro 23,856 2.2% 22,564 -	-721 FY03, Q2 retro 23,704 2.3% 22,153	-721 (19 <b>Q3 retro</b> <b>25,194</b> 4.9% 23,691	Q4 retro 26,617 12.3% 25,066 13.1% 93.3% 1,069	<b>Q1</b> <b>25,599</b> 7.3% 24,224 7.4% 96.6% 760	-934 <b>PY03</b> <b>Q2</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069	25,346 7.0% 94.2% 830	Q4 26,298 3.2% 24,981 4.6% 94.4% 766	FY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY	<b>Q1</b> <b>23,856</b> 2.2% 955 9.1% 4.4% 600 15.2%	FY03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7%	719 23 25,194 4.9% 1,079 13.9% 4.5% 874 84.0%	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6%	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 -	-721 FY03, Q2 retro 23,704 2.3% 22,153 - 95.3% 908 -	-721 (19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 -	Q4 retro 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7%	<b>Q1</b> <b>25,599</b> 7.3% 24,224 7.4% 96.6% 760 26.7%	-934 PY03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7%	25,346 7.0% 94.2% 830 -5.0%	Q4 26,298 3.2% 24,981 4.6% 94.4% 766 -18.3%	FY03/21         Q1           25,162         -1.7%           23,922         -1.2%           -1.2%         94.5%           723         -4.5%
Segment profit adjustments By segment (quarterly) (JPYmn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total	<b>Q1</b> <b>23,856</b> 2.2% 955 9.1% 4.4% 600 15.2% 2.8%	FY03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7%	719 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6%	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7%	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5%	-721 FY03, Q2 retro 23,704 2.3% 22,153 - 95.3% 908 - 3.9%	-721 (19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 874 - 3.5%	Q4 retro 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0%	<b>Q1</b> <b>25,599</b> 7.3% 24,224 7.4% 96.6% 760 26.7% 3.0%	-934 PY03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0%	26,727 6.1% 25,346 7.0% 94.2% 830 -5.0% 3.1%	Q4 26,298 3.2% 24,981 4.6% 94.4% 766 -18.3% 2.9%	FY03/21         Q1           25,162         -1.7%           23,922         -1.2%           -1.2%         94.5%           723         -4.9%           -4.9%         2.9%
Segment profit adjustments By segment (quarterly) (JPYmm) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total Food Service	<b>Q1</b> <b>23,856</b> 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788	<b>FY03,</b> <b>Q2</b> <b>23,704</b> 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798	719 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6% 796	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 -	-721 FY03, Q2 retro 23,704 2.3% 22,153 - 95.3% 908 -	-721 (19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 -	Q4 retro 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704	<b>Q1</b> <b>25,599</b> 7.3% 24,224 7.4% 96.6% 760 26.7% 3.0% 730	-934 FY03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704	26,727 6.1% 25,346 7.0% 94.2% 830 -5.0% 3.1% 694	Q4 26,298 3.2% 24,981 4.6% 94.4% 766 -18.3% 2.9% 669	<b>PY03/21</b> <b>25,162</b> -1.7% 23,922 -1.2% 94.5% 723 -4.9% 2.9% 612
Segment profit adjustments By segment (quarterly) (JPYmn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total	<b>Q1</b> <b>23,856</b> 2.2% 955 9.1% 4.4% 600 15.2% 2.8%	FY03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7%	719 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6%	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7%	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5%	-721 FY03, Q2 retro 23,704 2.3% 22,153 - 95.3% 908 - 3.9%	-721 (19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 874 - 3.5%	Q4 retro 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0%	<b>Q1</b> <b>25,599</b> 7.3% 24,224 7.4% 96.6% 760 26.7% 3.0%	-934 PY03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0%	26,727 6.1% 25,346 7.0% 94.2% 830 -5.0% 3.1%	Q4 26,298 3.2% 24,981 4.6% 94.4% 766 -18.3% 2.9%	FY03/21         Q1           25,162         -1.7%           23,922         -1.2%           -1.2%         94.5%           723         -4.9%           -4.9%         2.9%
Segment profit adjustments By segment (quarterly) (JPYmn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8%	FY03) Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1%	719 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6% 796 -18.9%	<b>Q4</b> <b>25,478</b> 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5%	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5% 788 -	-721 FY03, Q2 retro 23,704 22,153 - 955.3% 908 - 3.9% 798 -	-721 /19 <b>Q3 retro</b> <b>25,194</b> 4.9% 23,691 - 94.0% 874 - 3.5% 796 -	<b>Q4 retro</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8%	<b>Q1</b> <b>25,599</b> 7.3% 24,224 7.4% 96.6% 760 26.7% 3.0% 730 -7.4%	-934 PY03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8%	20 26,727 6.1% 25,346 7.0% 94.2% 830 -5.0% 3.1% 694 -12.8%	Q4 26,298 3.2% 24,981 4.6% 94.4% 766 -18.3% 2.9% 669 -14.1%	Pr03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 2.9% 612 -16.2%
Segment profit adjustments By segment (quarterly) (JPYmm) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.3% 3.3% 0.0%	PY03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0%	/19 23 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6% 796 -18.9% 3.3% 75 316.7%	<b>Q4</b> <b>25,478</b> 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5% 3.0% 95 352.4%	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY YoY	Q1 retro 23,856 2.2% 22,564 94,1% 600 - 2.5% 788 - 3.3% 33	-721 FY03, Q2 retro 23,704 2.3% 22,153 -	-721 /19 <b>Q3 retro</b> <b>25,194</b> 4.9% 23,691 94.0% 874 3.5% 796 3.2% 75	<b>Q4 retro</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3%	Q1 25,599 7.3% 24,224 7.4% 96.6% 96.6% 760 26.7% 3.0% 730 -7.4% 2.9% 3.8 15.2%	-934 PY03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3%	26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 2,6% 43 -42,7%	Q4 26,298 3.2% 24,981 4.6% 94.4% 766 -18.3% 669 -14.1% 2.5% 43 -54.7%	PY03/21 21 25,162 -1.7% 23,922 -1.2% 94.5% 94.5% 723 -4.9% 612 -16.2% 51 34.2%
Segment profit adjustments Ey segment (quarterly) (JPYmn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.7% 3.3 0.0% 0.2%	PY03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0% 0.2%	/19 23 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6% 796 -18.9% 3.3% 75 316.7% 0.3%	<b>Q4</b> <b>25,478</b> 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5% 3.0% 95 352.4% 0.4%	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total	Q1 retro 23,856 2.2% 22,5% 94,1% 600 - 2.5% 788 - 3.3% 333 - 0.1%	-721 FY03, Q2 retro 23,704 2.3% 22,153 95.3% 988 - 3.9% 798 - 3.4% 5.4% - 0.2%	-721 /19 <b>Q3 retro</b> <b>25,194</b> 4.9% 23,691 - 94.0% 874 - 3.5% 796 - 3.2%	<b>Q4 retro</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 41 -29.3% 0.2%	Q1 25,599 7.3% 24,224 7.4% 96.6% 760 26.7% 3.0% 730 -7.4% 2.9% 388 15.2% 0.2%	-934 PY03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2%	25,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 2,6% 43 -42,7% 0,2%	Q4 26,298 3.2% 24,981 4.6% 94.4% 766 -18.3% 669 -14.1% 2.5% 43 -54.7% 0.2%	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 612 -16.2% 2.4% 51 34.2% 0.2%
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Segment sales adjustments	Q1 23,856 2.2% 9515 9515 4.4% 6000 15.2% 2.8% 788 -31.8% 3.7% 3.37% 0.0% 0.2% 0.2% 2.320	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0% 0.2% -736	/19 23 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6% 756 -18.9% 3.3% 75 316.7% 0.3% 956	<b>Q4</b> <b>25,478</b> 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5% 3.0% 95 352.4% 0.4% -151	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5% 788 - 3.3% 33 - 0.1% -130	-721 Pr03, Q2 retro 22,753 - 95.3% 908 - 3.9% - 3.9% - 3.4% 58 - 0.2% 450	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 75 0.3% -	<b>Q4 retro</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% 0.2%	Q1 25,599 7,3% 24,224 96,6% 96,6% 760 26,7% 3,0% 730 -7,4% 2.9% 3,8 15,2% 0,2% 0,2% 520	-934 P(03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263	26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 2,6% 43 -42,7% 0,2% -186	Q4 26,298 3.2% 24,981 4.6% 94.4% 766 -18.3% 669 -14.1% 2.5% 43 -54.7% 0.2% -161	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 6212 -16.2% 2.4% 51 34.2% 0.2% 0.2% -154
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Segment sales adjustments Operating profit	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 33 0.0% 0.2% 2.320 2.320 2.320 2.320 2.320 2.320	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 908 60.7% 3.3% 3.3% 58 190.0% 0.2% 0.2% 0.2% 7.736 264	/19 23,194 4,9% 1,079 13,9% 4,5% 874 84.0% 3.6% 796 -18.9% 3.3% 75 316.7% 0.3% 956 564	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5% 3.0% 95 352.4% 0.4% 0.4% -151 <b>388</b>	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments Operating profit	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5% 788 - 3.3% 33 - 0.1% -130 212	-721 Pr03, Q2 retro 23,704 2.3% 22,153	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 756 - 3.2% 0.3% 0.3% - 564	<b>Q4 retro</b> <b>26,617</b> 12,3% 25,066 13,1% 93,3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 411 -29,3% 0.2% 0.2% 0.2% 0.2% 3.0% 2.6% 462	Q1 25,599 7.3% 24,224 7.4% 96.6% 760 26.7% 3.0% 730 -7.4% 2.9% 38 15.2% 0.2% 520 <b>334</b>	-934 P(03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% 41 -263 462	26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 2,6% 43 -42,7% 43 -42,7% 0,2% -186 <b>432</b>	Q4 26,298 3.22% 24,981 4.6% 94,4% 7666 -18.3% 2.9% 669 -14.1% 2.5% 43 -54.7% 0.2% 1-161 <b>387</b>	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 612 -16.2% 2.4% 51 34.2% 0.2%
Segment profit adjustments By segment (quarterly) (JPYnm) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments Operating profit YoY	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 333 0.0% 0.2% 2.320 2.320 2.320 2.12 2.64.2%	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 798 -30.1% 3.3% 58 190.0% 0.2% -22% -264 -61.1%	(19) (23) (25,194) (4.9%) (1,079) (13.9%) (4.5%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.5%)	Q4 25,478 8.7% 1,054 9,3% 99.6% 3.7% 779 -5.5% 3.0% 95 352.4% 0.4% -151 <b>3888</b> -55.7%	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments Operating profit YoY	Q1 retro 23,856 2.2% 22,564 - 94,1% 600 - 2.5% 788 - 3.3% - 0.1% - 130 212 - 64.2%	-721 Pr03, Q2 retro 23,704 2.3% 22,153 - 95.3% 95.3% - 3.9% 798 - 3.9% 798 - 3.9% 798 - 0.2% 450 450 264 - -	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 796 - 3.5% 796 - 3.5% 796 - 3.2% 75 - 3.2% - 564 - - -	<b>Q4 retro</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.8% 0.4% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2	<b>Q1</b> <b>25,599</b> 7.3% 24,224 7.4% 96.6% 760 26.7% 3.0% 730 -7.4% 2.9% 3.8 15.2% 0.2% 5.20 <b>334</b> <b>57.5%</b>	-934 <b>P(03</b> <b>Q2</b> <b>26,6617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 <b>462</b> <b>75.0%</b>	26,727 26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 43 -42,7% 0,2% -386 432 -42,7% 0,2% -386 432 -42,7% 0,2% -386 -3	Q4 26,298 3.2% 24,981 4.6% 94,4% 766 -18.3% 2.9% 669 -14.1% 2.5% 43 -54.7% 0.2% -161 <b>387</b> -0.3%	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 2.9% 612 -16.2% 2.4% 51 34.2% 0.2% -154 -154
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY %of total Leasing and Facility-related YoY %of total Food Service YoY %of total Other YoY %of total Segment sales adjustments Operating profit	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 33 0.0% 0.2% 2.320 2.320 2.320 2.320 2.320 2.320	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 908 60.7% 3.3% 3.3% 58 190.0% 0.2% 0.2% 0.2% 7.736 264	/19 23,194 4,9% 1,079 13,9% 4,5% 874 84.0% 3.6% 796 -18.9% 3.3% 75 316.7% 0.3% 956 564	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5% 3.0% 95 352.4% 0.4% 0.4% -151 <b>388</b>	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments Operating profit	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5% 788 - 3.3% 33 - 0.1% -130 212	-721 Pr03, Q2 retro 23,704 2.3% 22,153	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 756 - 3.2% 0.3% 0.3% - 564	<b>Q4 retro</b> <b>26,617</b> 12,3% 25,066 13,1% 93,3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 411 -29,3% 0.2% 0.2% 0.2% 0.2% 3.0% 2.6% 462	Q1 25,599 7.3% 24,224 7.4% 96.6% 760 26.7% 3.0% 730 -7.4% 2.9% 38 15.2% 0.2% 520 <b>334</b>	-934 P(03 Q2 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% 41 -263 462	26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 2,6% 43 -42,7% 43 -42,7% 0,2% -186 <b>432</b>	Q4 26,298 3.22% 24,981 4.6% 94,4% 7666 -18.3% 2.9% 669 -14.1% 2.5% 43 -54.7% 0.2% 1-161 <b>387</b>	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 6212 -16.2% 2.4% 51 34.2% 0.2% 0.2% -154
Segment profit adjustments  By segment (quarterly) (JPYmn)  Sales  YoY  Pharmaceuticals Network  YoY  % of total  Leasing and Facility-related  YoY % of total  Leasing and Facility-related  YoY % of total  Coperating profit YoY Pharmaceuticals Network	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 7.88 -31.8% 3.7% 3.3 3.0.0% 0.2% 2.320 2.320 2.122 6.4.2% 5.54	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 798 -30.1% 3.3% 798 -30.1% 3.3% 798 -30.1% 0.2% 0.2% -736 264 -61.1% 506	(19) Q3 25,194 4,9% 1,079 13,9% 4,5% 84,0% 3,6% 796 -18,9% 3,3% 755 316,7% 0,3% 956 956 4 -44,5% 637	Q4 25,478 8.7% 1,054 9.3% 4.1% 99.6% 3.7% 779 -5.5% 3.7% 779 -5.5% 3.0% 955 352.4% 0.4% -151 352.4% 634	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Segment sales adjustments Operating profit YoY Community Pharmacy Network	Q1 retro 23,856 2.2% 22,564 - 94,1% 600 - 2.5% 788 - 3.3% - 0.1% - 130 212 - 64.2%	-721 Pr03, Q2 retro 23,704 2.3% 22,153 - 95.3% 95.3% - 3.9% 798 - 3.9% 798 - 3.9% 798 - 0.2% 450 450 264 - -	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 796 - 3.5% 796 - 3.5% 796 - 3.2% 75 - 3.2% - 564 - - -	<b>Q4 retro</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 704 -11.8% 2.6% 0.2% 0.2% 0.2% 0.2% 911	<b>Q1</b> <b>25,599</b> 7,3% 24,224 7,4% 96,6% 760 26,7% 3,0% 730 -7,4% 2,9% 2,3% 338 15,2% 0,2% 520 <b>334</b> 57,5% 825	-934 P(03) 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 4.0% 704 -11.8% 2.6% 4.0% 4.1 -29.3% 0.2% -263 462 75.0% 911	20 26,727 6,129 25,346 7,0% 94,2% 830 -5,0% 94,2% 830 -2,0% 94,2% 830 -2,0% 94,2% 832 -2,0% 94,2%	Q4 26,298 3.2% 24,981 4.6% 94,4% 766 -18.3% 2.9% 669 -14.1% 2.5% 43 -54.7% 0.2% -161 <b>387</b> -0.3%	PY03/21 Q1 25,662 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 612 -16.2% 612 -16.2% 0.2% 0.2% -154 -154 -154 -434
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY %o fotal Leasing and Facility-related YoY %o fotal Leasing and Facility-related YoY %o fotal Cother YoY %o fotal Other YoY %o fotal Segment sales adjustments Operating profit YoY Pharmaceuticals Network YoY	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.7% 3.3 3 0.0% 0.2% 2.320 2.320 2.320 2.12 -64.2% 5.54	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0% 0.2% -736 264 -61.1% 506 506	(19)         Q3           25,194         4.9%           4.9%         1,079           13.9%         4.5%           874         84.0%           3.6%         796           -18.9%         3.3%           3.3%         3.3%           956         564           -44.5%         637           24.9%         24.9%	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5% 3.0% 95 352.4% 0.4% 0.4% -1511 <b>388</b> -55.7% 634	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments Operating profit YoY Community Pharmacy Network YoY	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5% 788 - 3.3% - 3.3% - 130 - 130 212 -64.2% 642	-721 Pr03, Q2 retro 2.3% 2.3% 22,153 - 95.3% 908 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 0.2% 450 264 -61.1% - 58	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 756 - 0.3% 75 - 0.3% 564 -44.5% 1,105	<b>Q4 retro</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -17.7% 2.6% 4.1 -29.3% 0.2% 0.2% 0.2% 0.2% 4.0% 2.6% 11.8% 2.6% 2.6% 2.6% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5	Q1           25,599           7.3%           24,224           7.4%           96.6%           760           26.7%           3.0%           730           -7.4%           2.9%           38           15.2%           0.2%           520           334           57.5%           28.5%	-934 PY03 Q2 25,667 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 462 75.0% 911 80.0%	26,727 26,727 6,1% 25,346 7,0% 94,2% 84,2% 3,1% 694 -5,0% 3,1% 694 -12,8% 2,6% 43 -42,7% 0,2% -186 432 -23,4% 1,028 61,4%	Q4 26,298 3.2% 24,981 4.6% 94,4% 766 -18.3% 2.9% 669 -14.1% 2.5% 43 -54.7% 0.2% -161 <b>387</b> -0.3%	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 2.9% 612 -16.2% 2.4% 51 34.2% 0.2% 0.2% 0.2% -154 -154 -47.4%
Segment profit adjustments Ey segment (quarterly) (JPYmn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total Leasing and Facility-related YoY % of total Coter YoY % of total Other Segment sales adjustments Operating profit YoY Pharmaceuticals Network YoY OPM Dispensing Pharmacy YoY YoY YoY	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.7% 3.3% 0.0% 0.2% 0.2% 2.320 2.422 -64.2% 554 17.6% 58.0% 130 -78.0%	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 798 -30.1% 3.7% 798 -30.1% 3.3% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.3% 0.2%	(19) (23) (25,194) (4,9%) (1,079) (13,9%) (4,5%) (3,6%) (756) (-18,9%) (3,3%) (756) (-18,9%) (3,3%) (756)	24 25,478 8,7% 1,054 9,3% 4,1% 93,6% 3,7% 779 -5,5% 3,57% 0,4% 0,4% 0,4% 0,4% 6,55,7% 634 25,5% 634 25,5% 634	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments Operating profit YoY Community Pharmacy Network YoY	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5% 788 - 3.3% - 3.3% - 130 - 130 212 -64.2% 642	-721 Pr03, Q2 retro 2.3% 2.3% 22,153 - 95.3% 908 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 0.2% 450 264 -61.1% - 58	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 756 - 0.3% 75 - 0.3% 564 -44.5% 1,105	<b>Q4 retro</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -17.7% 2.6% 4.1 -29.3% 0.2% 0.2% 0.2% 0.2% 4.0% 2.6% 11.8% 2.6% 2.6% 2.6% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5	Q1           25,599           7.3%           24,224           7.4%           96.6%           760           26.7%           3.0%           730           -7.4%           2.9%           38           15.2%           0.2%           520           334           57.5%           825           28.5%	-934 PY03 Q2 25,667 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 462 75.0% 911 80.0%	26,727 26,727 6,1% 25,346 7,0% 94,2% 84,2% 3,1% 694 -5,0% 3,1% 694 -12,8% 2,6% 43 -42,7% 0,2% -186 432 -23,4% 1,028 61,4%	Q4 26,298 3.2% 24,981 4.6% 94,4% 766 -18.3% 2.9% 669 -14.1% 2.5% 43 -54.7% 0.2% -161 <b>387</b> -0.3%	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 2.9% 612 -16.2% 2.4% 51 34.2% 0.2% 0.2% 0.2% -154 -154 -47.4%
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY % of total Leasing and Facility-related YoY % of total Leasing and Facility-related YoY % of total Cother YoY % of total Other YoY % of total Segment sales adjustments Operating profit YoY Pharmaceuticals Network YoY OPM Dispensing Pharmacy YoY OPM	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.7% 3.3 3.0.0% 0.2% 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.2% 2.320 3.33 3.3 0.0% 0.2% 5.5 4.32% 5.5 4.32% 5.5 4.32% 5.5 4.32% 5.5 5.5 5.5 5.5 5.5 5.5 5.5 5.5 5.5 5.	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0% 0.2% -736 264 -61.1% 506 506 53.8% 72 -88.6% 72	19 23 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6% 796 -18.9% 3.3% 3.3% 3.3% 3.3% 556 564 -44.5% 637 24.9% 50.0% 510 -48.5% 2.2%	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5% 3.0% 95 352.4% 0.4% -151 <b>388</b> -55.7% 60.2% 356 -58.1%	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments Operating profit YoY YoY QOPM	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - - 2.5% 788 - 3.3% - 3.3% - 3.3% - 130 212 -64.2% 642 - 2.8%	-721 Pr03, Q2 retro 2.3% 2.3% 22,153 - 95.3% 908 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 0.2% 450 264 -61.1% 585 - - - - - - - - - - - - -	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 756 - 3.2% 75 - 0.3% 75 - 0.3% 75 - 0.3% - 564 -44.5% 1,105 - 4.7%	<b>Q4 retro 26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 <b>462</b> 75.0% 911 80.0% 3.6%	<b>Q1</b> <b>25,599</b> 7.3% 24,224 7.4% 96.6% 780 26.7% 3.0% 730 -7.4% 2.9% 3.8 15.2% 0.2% 520 <b>334</b> 57.5% 825 28.5% 3.4%	-934 <b>PY03</b> <b>Q2</b> <b>26,661</b> 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 <b>462</b> 75.0% 911 80.0% 3.6%	26,727 26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 2,6% 43 -12,8% 0,2% -186 432 -23,4% 1,028 61,4% 4,1% -	Q4 26,298 3,22% 24,981 4,6% 94,4% 7666 -18.3% 2,9% 669 -14.1% 2,5% 43 -54.7% 0,22% -161 <b>387</b> -0.3% 979	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 2.9% 612 -16.2% 0.2% 0.2% 0.2% 0.2% 0.2% 1.54 -154 -47.4% 1.8%
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY %o fotal Leasing and Facility-related YoY %o fotal Food Service YoY %o fotal Other YoY %o fotal Segment sales adjustments Operating profit YoY Pharmaceuticals Network YoY OPM Dispensing Pharmacy YoY OPM Leasing and Facility-related	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.7% 3.3% 0.0% 0.2% 0.2% 2.320 2.422 -64.2% 554 17.6% 58.0% 130 -78.0%	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 798 -30.1% 3.7% 798 -30.1% 3.3% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.3% 0.2%	19 23 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6% 796 -18.9% 3.3% 75 316.7% 0.3% 956 564 -44.5% 637 24.9% 59.0% 510 -48.5% 510 -48.5% 510 -48.5% 510 -48.5% 510 -48.5% 510 -48.5% 510 -48.5% 510 -48.5% 510 -48.5% 510 -48.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -58.5% 510 -59.5% 510 -50.5% -	24 25,478 8,7% 1,054 9,3% 4,1% 93,6% 3,7% 779 -5,5% 3,57% 0,4% 0,4% 0,4% 0,4% 6,55,7% 634 25,5% 634 25,5% 634	Segment profit adjustments         Sales         YoY         Community Pharmacy Network         YoY         % of total         Leasing and Facility-related         YoY         % of total         Food Service         YoY         % of total         Other         YoY         % of total         Segment sales adjustments         Operating profit         YoY         OPM         Leasing and Facility-related	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5% 788 - 3.3% - 3.3% - 130 - 130 212 -64.2% 642	-721 Pr03, Q2 retro 2.3% 2.3% 22,153 - 95.3% 908 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 0.2% 450 264 -61.1% 58	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 756 - 0.3% 75 - 0.3% 564 -44.5% 1,105	<b>Q4 retro</b> <b>26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -17.7% 2.6% 4.1 -29.3% 0.2% 0.2% 0.2% 0.2% 4.0% 2.6% 11.8% 2.6% 2.6% 2.6% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5% 2.5	Q1           25,599           7.3%           24,224           7.4%           96.6%           760           26.7%           3.0%           730           -7.4%           2.9%           38           15.2%           0.2%           520           334           57.5%           825           28.5%	-934 PY03 Q2 25,667 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 462 75.0% 911 80.0%	26,727 26,727 6,1% 25,346 7,0% 94,2% 84,2% 3,1% 694 -5,0% 3,1% 694 -12,8% 2,6% 43 -42,7% 0,2% -186 432 -23,4% 1,028 61,4%	Q4 26,298 3.2% 24,981 4.6% 94,4% 766 -18.3% 2.9% 669 -14.1% 2.5% 43 -54.7% 0.2% -161 <b>387</b> -0.3%	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 2.9% 612 -16.2% 2.4% 51 34.2% 0.2% 0.2% 0.2% -154 -154 -47.4%
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY %o fotal Leasing and Facility-related YoY %o fotal Food Service YoY %o fotal Other YoY %o fotal Segment sales adjustments Operating profit YoY Pharmaceuticals Network YoY OPM Dispensing Pharmacy YoY OPM Leasing and Facility-related YoY	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.7% 3.3 3.0.0% 0.2% 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.2% 2.320 3.33 3.3 0.0% 0.2% 5.5 4.32% 5.5 4.32% 5.5 4.32% 5.5 4.32% 5.5 5.5 5.5 5.5 5.5 5.5 5.5 5.5 5.5 5.	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0% 0.2% 0.2% 0.2% 58 58 190.0% 0.2% 58.6% 0.3% 264 -61.1% 58.6% 0.3% 22 -88.6% 0.3%	19 23 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6% 796 -18.9% 3.3% 3.3% 3.3% 3.3% 556 564 -44.5% 637 24.9% 50.0% 510 -48.5% 2.2%	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5% 3.0% 95 352.4% 0.4% -151 <b>388</b> -55.7% 60.2% 356 -58.1%	Segment profit adjustments         Sales         YoY         Community Pharmacy Network         YoY         % of total         Leasing and Facility-related         YoY         % of total         Food Service         YoY         % of total         Other         YoY         Operating profit         YoY         OPM         Leasing and Facility-related         YoY	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - - 2.5% 788 - 3.3% - 3.3% - 3.3% - 130 212 -64.2% 642 - 2.8%	-721 Pr03, Q2 retro 2.3% 2.3% 22,153 - 95.3% 908 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 0.2% 450 264 -61.1% 585 - - - - - - - - - - - - -	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 756 - 3.2% 75 - 0.3% 75 - 0.3% 75 - 0.3% - 564 -44.5% 1,105 - 4.7%	<b>Q4 retro 26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 <b>462</b> 75.0% 911 80.0% 3.6% 76 -76 -76	<b>Q1</b> <b>25,599</b> 7.3% 24,224 7.4% 96.6% 780 26.7% 3.0% 730 -7.4% 2.9% 3.8 15.2% 0.2% 520 <b>334</b> 57.5% 825 28.5% 3.4%	-934 <b>P(03</b> <b>22</b> <b>26,6617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 411 -29.3% 0.2% -263 <b>462</b> 75.0% 911 80.0% 3.6%	26,727 26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 2,6% 43 -12,8% 0,2% -186 432 -23,4% 1,028 61,4% 4,1% -	Q4 26,298 3,22% 24,981 4,6% 94,4% 7666 -18.3% 2,9% 669 -14.1% 2,5% 43 -54.7% 0,22% -161 <b>387</b> -0.3% 979	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 2.9% 612 -16.2% 0.2% 0.2% 0.2% 0.2% 0.2% 1.54 -154 -47.4% 1.8%
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY %o fotal Leasing and Facility-related YoY %o fotal Food Service YoY %o fotal Other YoY %o fotal Segment sales adjustments Operating profit YoY Pharmaceuticals Network YoY OPM Dispensing Pharmacy YoY OPM Leasing and Facility-related	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.7% 3.3 3.0.0% 0.2% 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.320 2.2% 2.320 3.33 3.3 0.0% 0.2% 5.5 4.32% 5.5 4.32% 5.5 4.32% 5.5 4.32% 5.5 5.5 5.5 5.5 5.5 5.5 5.5 5.5 5.5 5.	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0% 0.2% -736 264 -61.1% 506 506 53.8% 72 -88.6% 72	19 23 25,194 4.9% 1,079 13.9% 4.5% 84.0% 3.6% 796 -18.9% 3.3% 75 316.7% 0.3% 956 564 -44.5% 637 24.9% 550,0% 510 -48.5% 2.2% -10 -10 -10 -10 -10 -10 -10 -10	Q4 25,478 8.7% 1,054 9.3% 4.1% 938 99.6% 3.7% 779 -5.5% 3.0% 95 352.4% 0.4% -151 <b>388</b> -55.7% 60.2% 356 -58.1%	Segment profit adjustments         Sales         YoY         Community Pharmacy Network         YoY         % of total         Leasing and Facility-related         YoY         % of total         Food Service         YoY         % of total         Other         YoY         % of total         Segment sales adjustments         Operating profit         YoY         OPM         Leasing and Facility-related	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - - 2.5% 788 - 3.3% - 3.3% - 3.3% - 130 212 -64.2% 642 - 2.8%	-721 Pr03, Q2 retro 23,704 2.3% 22,153	-721 /19 Q3 retro 25,194 4.9% 23,691 - 3.5% 796 - 3.2% 756 - 3.2% 0.3% 0.3% 0.3% 0.3% 0.3% 0.3% 0.3% - 4.7%	<b>Q4 retro 26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 <b>462</b> 75.0% 911 80.0% 3.6%	Q1 25,599 7.3% 24,224 7.4% 96,6% 760 26,7% 3.0% 730 -7.4% 2.9% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.334 5.2% 0.2% 0.34% 5.20 3.34% 5.20 3.34% 5.20 3.34% 5.20 3.34% 5.20 3.34% 5.20 3.34% 5.20% 3.34% 5.20% 3.34% 5.20% 3.34% 5.20% 3.34% 5.20% 3.34% 5.20%	-934 <b>PY03</b> <b>Q2</b> <b>26,661</b> 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 <b>462</b> 75.0% 911 80.0% 3.6%	26,727 26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 2,6% 43 -12,8% 0,2% -186 432 -23,4% 1,028 61,4% 4,1% -	Q4 26,298 3,22% 24,981 4,6% 94,4% 7666 -18.3% 2,9% 669 -14.1% 2,5% 43 -54.7% 0,22% -161 <b>387</b> -0.3% 979	PY03/21 Q1 25,162 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 2.9% 612 -16.2% 0.2% 0.2% 0.2% 0.2% 0.2% 1.54 -154 -47.4% 1.8%
Segment profit adjustments  Segment (quarterly) (JPYmn)  Sales  YoY  Pharmaceuticals Network YoY %of total Leasing and Facility-related YoY %of total Cother YoY %of total Other YoY %of t	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 333 0.0% 0.2% 2.320 2.320 2.320 2.12 -64.2% 554 17.6% 554 17.6% 554 130 -78.0% 0.0% -32 -32	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 798 -30.1% 3.7% 798 -30.1% 3.7% 798 -30.1% 3.7% 798 -30.1% 58 190.0% 0.2% -2.3% 58 190.0% 0.2% -3.5% 9.3% 58 190.0% 0.2% -3.5% 0.2% 0.2% -3.5% 0.2% 0.3% 0.2% 0.3% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.2% 0.3% 0.2% 0.2% 0.3% 0.2% 0.3% 0.2% 0.3% 0.2% 0.3% 0.2% 0.3% 0.3% 0.3% 0.2% 0.3% 0.2% 0.3% 0.2% 0.3% 0.2% 0.3% 0.3% 0.3% 0.2% 0.3% 0.3% 0.2% 0.3% 0.3% 0.3% 0.3% 0.2% 0.3% 0.3% 0.3% 0.2% 0.3% 0.3% 0.3% 0.3% 0.2% 0.3% 0.3% 0.3% 0.2% 0.3%	(19 23, 194 4, 9% 4, 9% 4, 5% 4, 5% 874 84, 0% 3, 6% 796 -18, 9% 3, 6% 796 -18, 9% 3, 6% 795 316, 7% 0, 3% 956 44, 5% 5564 -44, 5% 5510 -48, 5% 510 -48, 5% 510 -61 -61 -61 -61 -61 -61 -61 -61	Q4 25,478 8,7% 1,054 9,3% 4,1% 93,6% 3,7% 779 -5,5% 352,4% 0,4% -151 388 -55,7% 634 25,5% 64 25,5% 64,5% 6	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Other YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments Operating profit YoY Community Pharmacy Network YoY OPM Leasing and Facility-related YoY OPM	Q1 retro 23,856 2.2% 22,564 - 94,1% 600 - 2.5% 788 - 3.3% - 3.3% - 0.1% - 130 212 -64.2% 642 - 2.8%	-721 Pr03, Q2 retro 2.3% 2.3% 22,153 - 95.3% 908 - 3.9% 798 - 3.9% 798 - 0.2% 450 2.6% - 61.1% - 585 - 2.6%	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 796 - 3.2% 75 - 0.3% - - 0.3% - - 0.3% - - - - - - - - - - - - -	Q4 retro 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 462 75.0% 911 80.0% 3.6% 76 -76 -7.1%	Q1 25,599 24,224 7,4% 96,6% 760 26,7% 3,0% 730 -7,4% 2,9% 3,38 15,2% 0,2% 520 334 57,5% 825 28,5% 3,4%	-934 PY03 Q2 26,667 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 462 75.0% 911 80.0% 3.6% 76 - 7.1%	23 26,727 6,277 5,546 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 43 -42,7% 0,2% -186 432 -23,4% 1,028 61,4% 4,1% -	Q4 26,298 3.298 24,981 4.6% 94,4% 766 -18.3% 2.9% 669 -14.1% 2.9% 43 -54.7% 0.2% -161 <b>387</b> -0.3% 979 -	PY03/21 Q1 25,662 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 612 -16.2% 2.4% 51 34.2% 0.2% -154 -154 -434 -47.4% 1.8%
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY %o fotal Leasing and Facility-related YoY %o fotal Cother YoY %o fotal Other YoY %o fotal Other YoY %o fotal Segment sales adjustments Operating profit YoY Pharmaceuticals Network YoY OPM Dispensing Pharmacy YoY OPM Leasing and Facility-related YoY OPM Food Service	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.7% 2.8% 3.37% 2.320 3.320 2.320 3	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0% 0.2% -736 264 -61.1% 506 506 506 50,3% 42 -88.6% 0.3% 42 	(19) (23) (25,194) (4.9%) (1,079) (13,9%) (4.5%) (874) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.3%) (3.5%)	24,948 25,948 8,7% 1,054 9,3% 4,1% 938 99.6% 3,7% 779 -5.5% 3.0% 95 352.4% 0.4% -151 <b>388</b> -55.7% 60.2% 356 -58.1% -15% -33 -5.5% 6	Segment profit adjustments Sales YoY Community Pharmacy Network YoY % of total Leasing and Facility-related YoY % of total Food Service YoY % of total Other YoY % of total Other YoY % of total Other YoY % of total Segment sales adjustments Operating profit YoY YoY Community Pharmacy Network YoY OPM Leasing and Facility-related YoY OPM Food Service	Q1 retro 23,856 2.2% 22,564 - 94,1% 600 - 2.5% 788 - 3.3% - 3.3% - 0.1% - 130 212 -64.2% 642 - 2.8%	-721 Pr03, Q2 retro 2.3% 2.3% 22,153 - 95.3% 908 - 3.9% 798 - 3.9% 798 - 0.2% 450 2.6% - 61.1% - 585 - 2.6%	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 796 - 3.2% 75 - 0.3% - - 0.3% - - 0.3% - - - - - - - - - - - - -	Q4 retro 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 462 75.0% 911 80.0% 3.6% 76 -76 -7.1%	Q1           25,599           7.3%           24,224           7.4%           96.6%           760           26.7%           3.0%           730           -7.4%           2.9%           38           15.2%           0.2%           520           334           57.5%           28.5%           3.4%	-934 PY03 Q2 26,667 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 462 75.0% 911 80.0% 3.6% 76 - 7.1%	23 26,727 6,277 5,546 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 43 -42,7% 0,2% -186 432 -23,4% 1,028 61,4% 4,1% -	Q4 26,298 3.298 24,981 4.6% 94,4% 766 -18.3% 2.9% 669 -14.1% 2.9% 43 -54.7% 0.2% -161 <b>387</b> -0.3% 979 -	PY03/21 Q1 25,662 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 612 -16.2% 2.4% 51 34.2% 0.2% -154 -154 -434 -47.4% 1.8%
Segment profit adjustments  Segment (quarterly) (JPYmn)  Sales  YoY  Pharmaceuticals Network YoY %of total Leasing and Facility-related YoY %of total Cother YoY %of total Other YoY Pharmaceuticals Network YoY Pharmaceuticals Network YoY Pharmaceuticals Network YoY Pharmaceuticals Network YoY OPM Dispensing Pharmacy YoY OPM Leasing and Facility-related YoY OPM Food Service YoY OPM Food Service YoY OPM Food Service YoY OPM Cother	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 7.88 -31.8% 3.7% 3.3 3.0,0% 0.2% 2.320 212 -64.2% 554 17.6% 58.0% 130 -78.0% 0.6% -32 - - 8.0%	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0% 0.2% 0.2% 0.2% 0.2% 58.6% 72 58.6% 72 -88.6% 0.3% 42  -86.6% 17 	19 23 25,194 4.9% 1,079 13.9% 4.5% 874 84.0% 3.6% 796 -18.9% 3.3% 75 316.7% 0.3% 956 564 -44.5% 637 24.9% 59.0% 510 -48.5% 2.2% 61 - 10 - - 10 - - - - - - - - - - - - -	24,478 25,478 8,77% 1,054 9,3% 4,1% 938 99.6% 3,7% 779 -5.5% 3.0% 95 352.4% 0.4% -1511 388 -55.7% 634 25.5% 60.2% 356 -58.1% -33 -5 6 -250.0%	Segment profit adjustments           Sales           YoY           Community Pharmacy Network           YoY           Community Pharmacy Network           YoY           % of total           Leasing and Facility-related           YoY           % of total           Food Service           YoY           % of total           Other           YoY           Segment sales adjustments           Operating profit           YoY           Community Pharmacy Network           YoY           OPM           Leasing and Facility-related           YoY           OPM           Food Service           YoY           OPM           Other           YoY	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5% 788 - 3.3% - 3.3% - 3.3% - 3.3% - 3.3% - 2.8% - 3.2 - 2.8% - 32 - - 2.8%	-721 Pr03, Q2 retro 2.3% 2.3% 22,153 - 3.9% 798 - 2.5% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 70.2% 708 - 2.6% - 708 - 70 - 708 -	-721 /19 Q3 retro 25,194 4.9% 23,691 - 3.5% 796 - 3.2% 75 - 3.2% 75 - 0.3% - 564 -44.5% 1,105 - 4.7% - - - - - - - - - - - - -	Q4 retro 26,617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 462 75.0% 911 80.0% 3.6% 76 -76 -7.1%	21 25,599 7.3% 24,224 7.4% 96,6% 7500 26,7% 3.0% 730 -7.4% 2.9% 3.8 15,2% 0.2% 5,2% 3.8 5,5% 825 28,5% 3.4% -8 -8 -8 -12 -12	-934 PY03 Q2 26,667 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -263 462 75.0% 911 80.0% 3.6% 76 - 7.1%	26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 43 -42,7% 0,2% 43 -42,7% 0,2% 43 -42,7% 0,2% 43 -12,8% 43 -12,8% 43 -12,8% -13,6% -14,0% -1	Q4 26,298 3.298 24,981 4.6% 94,4% 766 -18.3% 2.9% 669 -14.1% 2.9% 43 -54.7% 0.2% -161 <b>387</b> -0.3% 979 -	PY03/21 Q1 25,662 -1.7% 23,922 -1.2% 94.5% 723 -4.9% 612 -16.2% 2.4% 51 34.2% 0.2% -154 -154 -434 -47.4% 1.8%
Segment profit adjustments By segment (quarterly) (JPYnn) Sales YoY Pharmaceuticals Network YoY %o fotal Leasing and Facility-related YoY %o fotal Cother YoY %o fotal Other YoY %o fotal Segment sales adjustments Operating profit YoY Pharmaceuticals Network YoY OPM Dispensing Pharmacy YoY OPM Leasing and Facility-related YoY OPM Food Service YoY OPM Food Service YoY OPM Food Service YoY OPM Cother YoY Other YoY Other YoY	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.7% 2.8% 2.320 212 2.320 212 2.320 2.320 2.320 2.320 2.320 2.320 2.320 -64.2% 5.54 17.6% 5.8.0% 0.6% -32 -1 1 -80.0% 0.1% -36	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 3.7% 798 -30.1% 3.3% 58 190.0% 0.2% -736 264 -61.1% 506 9.3% 58.6% 72 -88.6% 0.3% 42 - - - 88.6% 17 -41.4% 2.1%	(19) (23) (25,194) (4.9%) (1,079) (13,9%) (4.5%) (874) (33,6%) (75) (33,6%) (33,6%) (33,6%) (33,6%) (33,6%) (53,0%) (51,0%	24 25,478 8,7% 1,054 9,3% 4,1% 938 99,6% 3,7% 779 -5.5% 3,30% 95 352,4% 0,4% 0,4% 0,4% 6,5% 6,34 25.5% 6,34 25.5% 6,34 25.5% 336 -58,1% 1,5% -33 -33 -33 -33 -33 -33 -33 -33 -33 -3	Segment profit adjustments           Sales           YoY           Community Pharmacy Network           YoY           % of total           Leasing and Facility-related           YoY           % of total           Easing and Facility-related           YoY           % of total           Food Service           YoY           % of total           Other           YoY           % of total           Community Pharmacy Network           YoY           OPM           Leasing and Facility-related           YoY           OPM           OPM           Other           YoY	Q1 retro 23,856 2.2% 22,564 - 94.1% 600 - 2.5% 788 - 3.3% - 3.3% - 1.3% - 4.2% 642 - 2.8% - 2.8% - 32 - 2.8% - 1 - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.9% - 2.2% - 2.2% - 2.2% - 2.2% - 2.2% - 2.2% - 2.5% - 2.2% - 2.5% - - - 2.5% - - - - - - - - - - - - - - - - - - -	-721 Pr03, Q2 retro 2.3% 2.2,153 - 95.3% 908 - 3.9% 798 - 3.9% 798 - 3.9% 798 - 0.2% 450 264 -61.1% 585 - 2.6% 450 264 - 61.1% - 585 - 2.6% 450 - 2.6% - - - - - - - - - - - - -	-721 /19 Q3 retro 25,194 4.9% 23,691 - 94.0% 874 - 3.5% 75 - 3.2% 75 - 3.2% 75 - 3.2% 75 - 3.2% 75 - - 3.2% 75 - - - - - - - - - - - - -	<b>Q4 retro 26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -2633 462 75.0% 911 80.0% 3.6% 76 - 7.1% -22 - 7.1% -22	Q1           25,599           7.3%           24,224           7.4%           96.6%           760           26.7%           3.0%           730           -7.4%           2.9%           38           15.2%           0.2%           520           334           57.5%           28.5%           3.4%           -8           -12           -21	-934 PY03 Q2 26,6617 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 4.0% 704 4.0% 704 4.0% 704 4.0% 704 4.0% 726 4.0% 911 80.0% 3.6% 911 80.0% 3.6% 76 - 7.1% -22 - - - - - - - - - - - - -	20 26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12,8% 2,6% 43 -12,8% 2,6% 43 -12,8% 0,2% -186 432 -23,4% 1,028 61,4% 4,1% -1 -1 -1 -1 -1 -1 -1 -1 -1 -1	Q4 26,298 3.2% 24,981 4.6% 94,4% 766 -18.3% 669 -14.1% 2.5% 43 -54.7% 0.2% -161 <b>387</b> -0.3% 979 -722 -5 -5 -5	PY03/21 Q1 25,162 -1.7% 94.5% 723 -4.9% 2.9% 612 -16.2% 2.4% 51 34.2% 0.2% -16.2% 1.8% -61 8% 9% 19% 19%
Segment profit adjustments  Segment (quarterly) (JPYmn)  Sales  YoY  Pharmaceuticals Network YoY %of total Leasing and Facility-related YoY %of total Cother YoY %of total Other YoY Pharmaceuticals Network YoY Pharmaceuticals Network YoY Pharmaceuticals Network YoY Pharmaceuticals Network YoY OPM Dispensing Pharmacy YoY OPM Leasing and Facility-related YoY OPM Food Service YoY OPM Food Service YoY OPM Food Service YoY OPM Cother	Q1 23,856 2.2% 955 9.1% 4.4% 600 15.2% 2.8% 788 -31.8% 3.3% 0.0% 0.2% 2.320 212 -64.2% 554 17.6% 554 17.6% 58.0% 130 -78.0% 0.6% -32 2 -32 -32 -32 -32 -32 -32 -32 -32 -	Pr03, Q2 23,704 2.3% 863 1.2% 3.5% 908 60.7% 798 -30.1% 3.3% 58 190.0% 0.2% 0.2% 0.2% 0.2% 58.6% 0.3% 58.6% 0.3% 42 -33% 58.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 0.3% 72 -88.6% 72 -88.6% 72 -88.6% 0.3% 72 -86.6% 74 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 75 -73.6% 72 -73.6% 72 -73.6% 72 -73.6% 72 -73.6% 72 -73.6% 72 -73.6% 72 -73.6% 72 -73.6% 72 -73.6% 72 -72 -72 -72 -72 -72 -72 -72 -72 -72	19 23, 23, 23, 23, 23, 23, 23, 23, 23, 23,	24 25,478 8,7% 1,054 9,3% 4,1% 938 99,6% 3,7% 779 -5.5% 3,30% 95 352,4% 0,4% 0,4% 0,4% 6,5% 6,34 25.5% 6,34 25.5% 6,34 25.5% 336 -58,1% 1,5% -33 -33 -33 -33 -33 -33 -33 -33 -33 -3	Segment profit adjustments           Sales           YoY           Community Pharmacy Network           YoY           Community Pharmacy Network           YoY           % of total           Leasing and Facility-related           YoY           % of total           Food Service           YoY           % of total           Other           YoY           Segment sales adjustments           Operating profit           YoY           Community Pharmacy Network           YoY           OPM           Leasing and Facility-related           YoY           OPM           Food Service           YoY           OPM           Other           YoY	Q1 retro 23,856 2.2% 22,564 - 94,1% 600 - 2.5% 788 - 3.3% 33 - 3.3% - 3.3% - 3.3% - 0.1% - 2.8%	-721 Pr03, Q2 retro 23,704 2.3% 22,153	-721 /19 Q3 retro 25,194 4.9% 23,691 - 3.5% 796 - 3.2% 756 - 3.2% 756 - 3.2% 756 - - - - - - - - - - - - -	<b>Q4 retro 26,617</b> 12.3% 25,066 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 41 -29.3% 0.2% -2633 462 75.0% 911 80.0% 3.6% 76 - 7.1% -22 - 7.1% -22	Q1 25,599 7.3% 24,224 7.4% 96,6% 760 26,7% 3.0% 730 -7.4% 2.9% 3.3% 520 <b>334</b> 57.5% 825 28.5% 3.4% 	-934 <b>P(03</b> <b>22</b> <b>25,066</b> 13.1% 93.3% 1,069 17.7% 4.0% 704 -11.8% 2.6% 411 -29.3% 0.2% -263 <b>462</b> 75.0% 911 80.0% 3.6% 76 - 7.1% -22 - 7.1% -22	26,727 6,1% 25,346 7,0% 94,2% 830 -5,0% 3,1% 694 -12.8% 43 -42.7% 0,2% -1366 432 -23.4% 1,028 61.4% 4,1% -1 -1 - - - - - - - - - - - - -	Q4 26,298 3.2% 24,981 4.6% 94,4% 766 -18.3% 669 -14.1% 2.5% 43 -54.7% 0.2% -161 <b>387</b> -0.3% 979 -722 -5 -5 -5	PY03/21 Q1 25,162 -1.7% 94.5% 723 -4.9% 2.9% 612 -16.2% 51 34.2% 0.2% -15.4% 51 34.2% 0.2% 1.8% -18% -61  434 -47.4% 1.8%

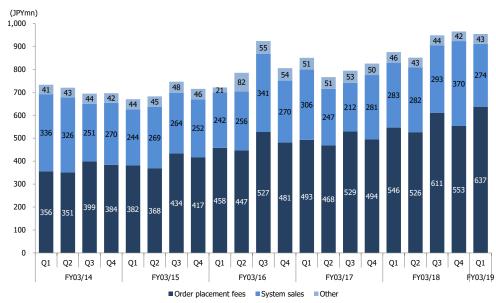
Source: Shared Research based on company data Note: Figures may differ from company materials due to differences in rounding methods.

-Shared Research-



Update Notes

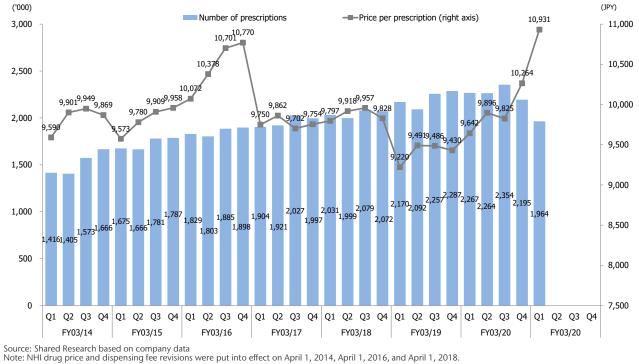
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#### (Reference) Former Pharmaceuticals Network segment sales

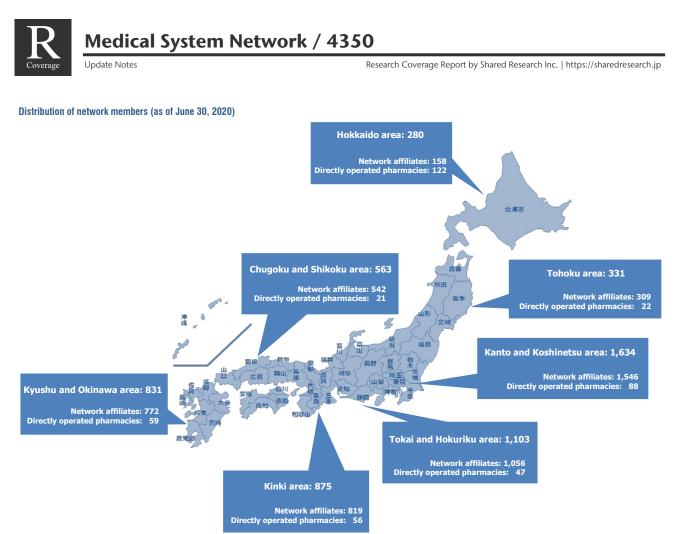
Source: Shared Research based on company data Notes: Undisclosed from Q2 FY03/19

The former Pharmaceuticals Network segment was integrated into the new Community Pharmacy Network segment from FY03/20



Quarterly trends in prescription volume and price per prescription (drug price + technical fees; Dispensing Pharmacy business; all stores)





Source: Shared Research based on company data

#### Number of dispensing pharmacies by region

Region	Directly operated pharmacies	Affiliates	Total network members
Hokkaido	122	158	280
Tohoku	22	309	331
Kanto and Koshinetsu	88	1,546	1,634
Tokai and Hokuriku	47	1056	1103
Kinki	56	819	875
Chugoku and Shikoku	21	542	563
Kyushu and Okinawa	59	772	831
Total	415	5,202	5,617

Source: Shared Research based on company data (June 30, 2020)



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# Q1 FY03/21 earnings results (out August 7, 2020)

## **Overview**

# Q1 FY03/21 (April-June 2020) earnings results

- ▷ Sales: JPY25.2bn (-1.7% YoY)
- Operating loss: JPY61mn (profit of JPY334mn in Q1 FY03/20)
- Recurring loss: JPY62mn (profit of JPY323mn in Q1 FY03/20)
- Net loss\*: JPY201mn (profit of JPY97mn in Q1 FY03/20)

\*Net income/loss attributable to owners of the parent

Company response and business conditions: Performance was strong at the core Community Pharmacy Network segment. The Pharmaceuticals Network business recorded a steady increase in new network members, while the Dispensing Pharmacy business saw a rise in the average value of prescriptions filled in tandem with growth in long-term prescriptions filled, but the number of prescriptions filled stagnated owing to fewer medical examinations as a result of COVID-19.

## Segment performance

# **Community Pharmacy Network**

This is a new segment that integrates the former Pharmaceuticals Network business, the Dispensing Pharmacy business, and the manufacture and market pharmaceuticals business (mainly Feldsenf Pharma) previously included in Other.

Q1 FY03/21 (April–June 2020) segment earnings results

- Segment sales: JPY23.9bn (-1.2% YoY; includes internal sales or transfers between segments; same hereafter)
- Segment profit: JPY434mn (-47.4% YoY)
- Pharmaceuticals Network division: The number of new network members continued to increase, driven by the need for improved distribution efficiency. As at end-June 2020, the number of network members was 5,617 (up 372 from end-FY03/20). This consisted of 415 directly operated pharmacies and 5,202 affiliates.
- Dispensing Pharmacy division: The average value of prescriptions filled rose in tandem with growth in long-term prescriptions and an increase in high-value prescriptions filled, but the number of prescriptions filled fell sharply due to fewer medical examinations as a result of COVID-19. As at end-June 2020, there were 415 dispensing pharmacies, one care plan center, and eight cosmetic/drug stores.
- Manufacture and market pharmaceuticals division: This business aims to provide a stable supply of good-quality, low-priced generic drugs. The company sold 29 ingredients and 60 products as of end-June 2020.

# Leasing and Facility-related

Q1 FY03/21 (April-June 2020) segment earnings results

- Segment sales: JPY723mn (-5.0% YoY)
- Segment profit: JPY6mn (loss of JPY8mn in Q1 03/20)
- The reason for lower sales and profit improvement: Although leasing revenue and rise in occupancy at the company's serviced elderly housing facilities were generally brisk, the postponement of some construction projects associated with COVID-19 contributed to the sales decline. The number of occupied units as of end-June 2020 was 67 out of 82 units total (occupancy rate: 81.7%) at Wisteria Senri-Chuo, and 73 out of 116 units total (occupancy rate: 62.9%) at Wisteria Minami Ichijo. The company is carrying out sales activities that take into account measures to prevent the spread of COVID-19 toward achieving its target occupancy rates of 90%.





Update Notes

# **Food Service**

Q1 FY03/21 (April–June 2020) segment earnings results

- Segment sales: JPY612mn (-16.2% YoY)
- Segment loss: JPY19mn (loss of 12mn in Q1 FY03/20)
- Loss expands: Withdrawal from certain unprofitable facilities and a decrease in the number of meals supplied due to COVID-19 hurt profits.

# Other

The main business is home-visit nursing care. Q1 FY03/21 (April–June 2020) segment earnings results

- Segment sales: JPY51mn (+34.2% YoY)
- Segment loss: JPY11mn (loss of JPY21mn in Q1 FY03/20)

This note is the most recent addition to the full report.





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