



AIN GROUP

FY4/21 2Q
Supplementary Materials

AIN HOLDINGS INC.

December 3, 2020

1. Consolidated Results

■ Year-on-Year

	(¥ million)			
	FY4/20 2Q results	FY4/21 2Q results	YoY change	YoY change(%)
Net sales	145,851	145,352	(499)	(0.3)
Gross profit % of net sales	23,660 16.2	21,435 14.7	(2,225)	(9.4)
SG&A expenses % of net sales	15,305 10.5	17,508 12.0	+2,203	+14.4
Operating income % of net sales	8,354 5.7	3,927 2.7	(4,427)	(53.0)
Ordinary income % of net sales	8,762 6.0	4,517 3.1	(4,245)	(48.4)
Profit attributable to owners of parent % of net sales	4,622 3.2	2,630 1.8	(1,992)	(43.1)
Earnings per share(¥)	130.47	74.24	(56.23)	(43.1)

▶ Figures in the table are rounded down

■ Vs Plan

	(¥ million)			
	FY4/20 2Q plan	FY4/21 2Q results	Vs plan change	Vs plan change(%)
Net sales	146,630	145,352	(1,278)	(0.9)
Gross profit % of net sales	22,080 15.1	21,435 14.7	(645)	(2.9)
SG&A expenses % of net sales	17,800 12.1	17,508 12.0	(292)	(1.6)
Operating income % of net sales	4,280 2.9	3,927 2.7	(353)	(8.2)
Ordinary income % of net sales	4,460 3.0	4,517 3.1	+57	+1.3
Profit attributable to owners of parent % of net sales	2,400 1.6	2,630 1.8	+230	+9.6
Earnings per share(¥)	67.74	74.24	+6.5	+9.6

▶ Figures in the table are rounded down

2. Segment Information (Dispensing Pharmacy Business)

■ Year-on-Year

	(¥ million)			
	FY4/20 2Q results	FY4/21 2Q results	YoY change	YoY change(%)
Net sales	130,499	128,029	(2,470)	(1.9)
Gross profit % of net sales	17,390 13.3	15,008 11.7	(2,382)	(13.7)
SG&A expenses % of net sales	7,487 5.7	7,109 5.6	(378)	(5.0)
Operating income % of net sales	9,902 7.6	7,898 6.2	(2,004)	(20.2)
Segment income % of net sales	10,185 7.8	8,370 6.5	(1,815)	(17.8)

▶ Figures in the table are rounded down

▶ Segment income is adjusted to ordinary income shown on the quarterly consolidated statements of income

■ Vs Plan

	(¥ million)			
	FY4/21 2Q plan	FY4/21 2Q results	Vs plan change	Vs plan change(%)
Net sales	128,420	128,029	(391)	(0.3)
Gross profit % of net sales	15,280 11.9	15,008 11.7	(272)	(1.8)
SG&A expenses % of net sales	7,160 5.6	7,109 5.6	(51)	(0.7)
Operating income % of net sales	8,120 6.3	7,898 6.2	(222)	(2.7)
Segment income % of net sales	8,320 6.5	8,370 6.5	+50	+0.6

▶ Figures in the table are rounded down

▶ Segment income is adjusted to ordinary income shown on the quarterly consolidated statements of income

3. Segment Information (Cosmetic and Drug Store Business)

■ Year-on-Year

	(¥ million)			
	FY4/20 2Q results	FY4/21 2Q results	YoY change	YoY change(%)
Net sales	13,099	9,388	(3,711)	(28.3)
Gross profit % of net sales	5,073 38.7	3,469 37.0	(1,604)	(31.6)
SG&A expenses % of net sales	4,649 35.5	4,596 49.0	(53)	(1.1)
Operating income % of net sales	423 3.2	(1,127) -	(1,550)	-
Segment income % of net sales	442 3.4	(1,014) -	(1,456)	-

▶ Figures in the table are rounded down

▶ Segment loss is adjusted to ordinary income shown on the quarterly consolidated statements of income

■ Vs Plan

	(¥ million)			
	FY4/21 2Q plan	FY4/21 2Q results	Vs plan change	Vs plan change(%)
Net sales	9,500	9,388	(112)	(1.2)
Gross profit % of net sales	3,663 38.6	3,469 37.0	(194)	(5.3)
SG&A expenses % of net sales	4,423 46.6	4,596 49.0	+173	+3.9
Operating income % of net sales	(760) -	(1,127) -	(367)	-
Segment income % of net sales	(759) -	(1,014) -	(255)	-

▶ Figures in the table are rounded down

▶ Segment loss is adjusted to ordinary income shown on the quarterly consolidated statements of income

4. Sales Verification

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

	Net sales	Prescription volume	Average prescription price		Net sales	Prescription volume	Average prescription price
Same store (1,043)	(3.7)	(11.2)	+8.5	Same store (1,043)	(0.2)	(5.7)	+5.9
Store openings in the previous year (17)	+730.6	+617.3	+15.9	Store openings in the previous year (17)	(1.1)	(2.5)	+1.4
Total (1,070)	(2.0)	(11.0)	+10.2	Total (1,070)	(0.2)	(5.9)	+6.1

■ Cosmetic and Drug Store Business (YoY) (%) ■ Cosmetic and Drug Store Business (Vs Plan) (%)

	Net sales	Number of customers	Average spending per customer		Net sales	Number of customers	Average spending per customer
Same store (42)	(31.5)	(27.0)	(6.2)	Same store (42)	+2.5	+9.5	(6.4)
Store openings in the previous year (15)	+230.3	+243.9	(3.9)	Store openings in the previous year (15)	(10.7)	(6.3)	(4.6)
Total (63)	(28.3)	(24.7)	(4.8)	Total (63)	(1.2)	+5.2	(6.1)

5. Consolidated Balance Sheet

■ Assets

(¥ million)

	End-FY4/20 2Q	End-FY4/20	End-FY4/21 2Q	Change
Cash on hand and in banks	44,441	46,321	54,616	+8,295
Notes and accounts receivable	14,932	13,653	11,953	(1,700)
Inventories	14,439	15,322	14,796	(526)
Total current assets	84,230	87,802	94,006	+6,204
Buildings and structures, net	16,558	16,609	16,225	(384)
Land	10,658	10,960	10,409	(551)
Lease assets	415	272	166	(106)
Total property, plant and equipment	30,901	30,874	30,169	(705)
Goodwill	43,119	42,123	40,563	(1,560)
Lease assets	6	5	3	(2)
Total intangible fixed assets	45,761	44,916	43,715	(1,201)
Investments in securities	2,096	2,295	2,335	+40
Deferred tax assets	4,260	4,211	4,315	+104
Deposits and guarantees	15,401	19,144	19,493	+349
Total investments and other assets	26,836	29,841	31,629	+1,788
Total fixed assets	103,499	105,632	105,514	(118)
Total deferred assets	37	15	-	(15)
Total assets	187,767	193,451	199,521	+6,070

▶ Figures in the table are rounded down

▶ Change: End-FY4/21 2Q compared with end-FY4/20

▶ Capital expenditures (Purchases of property, plant and equipment and intangible fixed assets + Deposits and guarantees) totaled ¥3,541 million

■ Liabilities and Net Assets

(¥ million)

	End-FY4/20 2Q	End-FY4/20	End-FY4/21 2Q	Change
Accounts payable	45,639	47,187	45,619	(1,568)
Short-term debt	4,555	3,642	4,694	+1,052
Lease obligations	254	193	137	(56)
Total current liabilities	71,885	74,700	73,275	(1,425)
Long-term debt	4,079	2,432	9,165	+6,733
Lease obligations	269	154	82	(72)
Total long-term liabilities	9,301	7,747	14,526	+6,779
Total liabilities	81,186	82,447	87,802	+5,355
Common stock	21,894	21,894	21,894	-
Capital surplus	20,500	20,500	20,500	-
Retained earnings	64,200	68,758	69,439	+681
Total shareholders' equity	106,594	111,151	111,832	+681
Total net assets	106,580	111,003	111,719	+716
Total liabilities and net assets	187,767	193,451	199,521	+6,070

▶ Figures in the table are rounded down

▶ Change: End-FY4/21 2Q compared with end-FY4/20

6. FY4/21 Plan (Consolidated)

	(¥ million)				
	FY4/20 results	FY4/21 original plan	FY4/21 revised plan	YoY change (%)	Vs original plan change (%)
Net sales	292,615	311,000	300,000	+2.5	(3.5)
Gross profit % of net sales	46,861 16.0	51,070 16.4	45,400 15.1	(3.1)	(11.1)
SG&A expenses % of net sales	30,793 10.5	36,470 11.7	36,200 12.1	+17.6	(0.7)
Operating income % of net sales	16,068 5.5	14,600 4.7	9,200 3.1	(42.7)	(37.0)
Ordinary income % of net sales	16,822 5.7	15,000 4.8	10,000 3.3	(40.6)	(33.3)
Profit attributable to owners of parent % of net sales	9,179 3.1	8,200 2.6	5,000 1.7	(45.5)	(39.0)
Earnings per share(¥)	259.11	231.46	141.13	(45.5)	(39.0)
Annual dividend (¥)	55.00	55.00	55.00	0.0	0.0

▶ Figures in the table are rounded down

7. Transition of Store Openings

■ Number of Store Openings in Dispensing Pharmacy Business

	FY4/13	FY4/14	FY4/15	FY4/16	FY4/17	FY4/18	FY4/19	FY4/20	FY4/21 2Q
Organic	38	36	40	32	27	25	23	14	4
M&A	38	26	119	110	182	11	134	6	6
Total	560	616	754	881	1,066	1,029	1,132	1,088	1,070

■ Number of Store Openings in Cosmetic and Drug Store Business

	FY4/13	FY4/14	FY4/15	FY4/16	FY4/17	FY4/18	FY4/19	FY4/20	FY4/21 2Q
Organic	7	3	3	5	9	4	7	15	5
Total	61	59	56	52	52	48	54	63	63

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