April 9, 2010
FOR IMMEDIATE RELEASE

Company name	Sugi Holdings Co., Ltd.
Representative	Yukimasa Yoneda President
Stock code	7649; 1st section, Tokyo Stock Exchange and Nagoya Stock Exchange
Inquiries	Makoto Kasai General Manager, Business Strategies Unit Deputy General Manager, Investor Relations Unit
Telephone	+81 566-73-6308

Sugi Holdings to Book Impairment Charges, Revises Earnings Forecast

Sugi Holdings Co., Ltd., expects to incur impairment charges, detailed below, for the fiscal year ended February 28, 2010. Further, in light of recent trends in operating performance, Sugi Holdings has revised the earnings forecast it issued on October 6, 2009. Details follow.

1. Impairment charges

Pursuant to the *Accounting Standard for Impairment of Fixed Assets* (Financial Services Agency of Japan), Sugi Holdings will book impairment charges on goodwill arising from its entry into the Clinical Trials business and on fixed assets. On a consolidated basis, Sugi Holdings expects these impairment charges to total 1,229 million yen for the full fiscal year ended February 28, 2010. They will be reported in extraordinary losses.

2. Breakdown of impairment charges

Goodwill impairment: 739 million yen
Fixed-asset impairment 489 million yen

3. Revision of consolidated earnings forecast for the fiscal year ended February 28, 2010 (March 1, 2009 – February 28, 2010)

(millions of yen)

		Net sales	Operating profit	Recurring profit	Net income
Previous forecast (A)		295,100	10,800	12,900	6,300
Revised forecast (B)		293,510	10,140	12,270	5,180
Increase (decrease) (B – A)		(1,590)	(660)	(630)	(1,120)
Percent increase (decrease)		(0.5)%	(6.1)%	(4.9)%	(17.8)
For reference:	Year-ago results	272,197	11,845	13,601	5,374
	Percent change vs. previous fiscal year	+7.8%	(14.4)%	(9.8)%	(3.6)%

Reason for revision (full year)

The prospect of additional consolidated impairment charges, detailed above, for the full fiscal year ended February 28, 2010, has arisen since Sugi Holdings issued its previous earnings forecast on October 6, 2009.

Further, annual sales growth through the end of February 2010 was slightly below Sugi Holdings' initial expectations: all Sugi Group stores: +7.8%; comparable Sugi Group stores: +0.4%; all Sugi Pharmacy stores: +10.0%; comparable Sugi Pharmacy stores: +1.0%.

In light of these factors, Sugi Holdings revised its full-year earnings forecast as detailed above.