

To Investors

Company name : **Sugi Holdings Co., Ltd.**

Representative : Hirokazu Sugiura, President

(Stock code : 7649, TSE 1, NSE 1)

Contact: Makoto Kasai, General Manager of Group Finance Division

Contact e-mail : ir-info@drug-sugi.co.jp

Contact phone : +81 566 73 6308

**November. 2008 Monthly Business News Flash**

Group	FY 2/2009		Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Total	
	All Stores	Sales	<b>116.9</b>	<b>113.9</b>	<b>116.6</b>	<b>114.0</b>	<b>116.4</b>	<b>113.6</b>	<b>103.5</b>	<b>104.9</b>	<b>108.2</b>					
		Number of Customers	118.3	116.0	118.5	115.0	118.9	112.9	101.0	102.0	103.8					
		Sales per Customers	98.8	98.2	98.4	99.1	97.9	100.6	*102.5	102.9	104.3					
	Existing Stores	Sales	<b>107.0</b>	<b>103.3</b>	<b>104.8</b>	<b>102.7</b>	<b>105.2</b>	<b>102.9</b>	<b>100.5</b>	<b>101.3</b>	<b>104.4</b>					
		Number of Customers	104.2	101.1	102.7	100.1	103.9	99.1	98.1	98.7	100.2					
Sales per Customers		102.8	102.1	102.1	102.6	101.3	103.9	102.5	102.6	104.1						

Sugi Pharmacy	FY 2/2009		Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Total	
	All Stores	Sales	<b>115.0</b>	<b>111.4</b>	<b>113.0</b>	<b>111.7</b>	<b>112.3</b>	<b>110.5</b>	<b>108.4</b>	<b>108.4</b>	<b>113.6</b>					
		Number of Customers	113.4	109.8	112.2	109.4	111.4	107.0	105.7	106.5	109.6					
		Sales per Customers	101.4	101.4	100.7	102.1	100.8	103.3	102.5	101.7	103.7					
	Existing Stores	Sales	<b>109.5</b>	<b>105.4</b>	<b>106.2</b>	<b>105.4</b>	<b>105.9</b>	<b>104.2</b>	<b>102.1</b>	<b>101.8</b>	<b>106.5</b>					
		Number of Customers	106.0	102.4	103.5	101.8	103.6	99.6	98.3	98.1	100.9					
Sales per Customers		103.3	102.9	102.5	103.5	102.3	104.6	103.9	103.8	105.6						

Group	FY 2/2008		Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Total
	All Stores	Sales	<b>112.1</b>	<b>110.1</b>	<b>111.1</b>	<b>109.1</b>	<b>107.5</b>	<b>109.2</b>	<b>120.2</b>	<b>117.6</b>	<b>119.8</b>	<b>117.0</b>	<b>119.3</b>	<b>119.0</b>	<b>114.3</b>
		Number of Customers	112.6	109.0	109.2	107.8	105.7	107.6	122.4	120.0	121.3	121.0	121.3	120.3	114.7
		Sales per Customers	99.6	101.0	101.7	101.3	101.7	101.5	98.2	98.0	98.8	96.7	98.3	99.0	99.6
	Existing Stores	Sales	<b>105.9</b>	<b>104.3</b>	<b>105.3</b>	<b>103.9</b>	<b>102.3</b>	<b>104.4</b>	<b>108.5</b>	<b>107.2</b>	<b>108.2</b>	<b>105.3</b>	<b>107.3</b>	<b>107.1</b>	<b>105.8</b>
		Number of Customers	105.1	102.3	102.6	101.3	99.5	101.6	106.0	104.4	104.9	104.1	105.1	104.7	103.4
Sales per Customers		100.8	102.0	102.6	102.6	102.8	102.8	102.4	102.7	103.2	101.1	102.1	102.3	102.3	

Sugi Pharmacy	FY 2/2008		Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Total
	All Stores	Sales	<b>118.3</b>	<b>117.0</b>	<b>118.4</b>	<b>115.1</b>	<b>112.9</b>	<b>114.7</b>	<b>115.0</b>	<b>115.2</b>	<b>117.8</b>	<b>115.1</b>	<b>117.4</b>	<b>114.5</b>	<b>115.9</b>
		Number of Customers	120.9	116.8	117.2	114.7	112.0	114.0	114.6	113.8	115.5	115.6	116.9	113.7	115.4
		Sales per Customers	97.8	100.1	101.0	100.4	100.8	100.6	100.4	101.3	102.0	99.5	100.5	100.8	100.4
	Existing Stores	Sales	<b>108.0</b>	<b>107.1</b>	<b>108.2</b>	<b>106.0</b>	<b>104.1</b>	<b>106.5</b>	<b>109.8</b>	<b>110.5</b>	<b>111.5</b>	<b>108.6</b>	<b>110.6</b>	<b>107.9</b>	<b>108.2</b>
		Number of Customers	107.4	104.4	104.8	102.6	100.7	103.1	107.1	107.0	107.2	106.8	108.1	105.1	105.3
Sales per Customers		100.6	102.7	103.2	103.3	103.3	103.2	102.5	103.3	104.1	101.6	102.3	102.6	102.7	

Notes:

- The above figures are based on the Sugi Pharmacy Group's sales reports. Actually realized results may differ from sales report figures.
- "Existing stores" refers to those stores for which 13 months or more have passed since they were first opened.
- Figures from monthly sales reports for Iizuka Yakuhin Co., Ltd. which became a subsidiary on September 3, 2007, are included in group totals for all stores from September 2007. Figures for Iizuka Yakuhin is, therefore, be included in group totals for existing stores from October 2008.
- The sales of Hayashiji visiting nurse station, which is opened in 1<sup>st</sup> of November 2008, are not included.

### <Guidance on November >

Sugi Holdings is surrounded by severe business environment, such as business downturn, harsh employment situation, and drop in consumer confidence, in especially Aichi prefecture (The headquarter of Toyota is located in Aichi).

In this severe business environment, Sugi Holdings enhanced prescription fillings and counseling of OTC drugs. Additionally, Sugi Holdings increased flyers and promotion using point cards. As a result, existing store sales of November showed +6.5%, -0.8%, +1.0% and +4.4% for Sugi Pharmacy, Japan Co and Iizuka Yakuhin, and group total, respectively.

#### • New Stores

Date	Store Name	Location	Sales Area
November 20	Sugi Pharmacy Minami-aoyama	Minato-ku Tokyo	251.99 m <sup>2</sup>
November 20	Sugi Pharmacy Higashi-kagaya	Suminoe-ku Osaka	468.60 m <sup>2</sup>
November 20	Sugi Pharmacy Showacho	Abeno-ku Osaka	534.37 m <sup>2</sup>
November 20	Sugi Pharmacy Hisai-shinmachi	Tsu Mie	930.70 m <sup>2</sup>
November 27	Sugi Pharmacy Takasaki-iizuka	Takasaki Gunma	536.84 m <sup>2</sup>
November 27	Sugi Pharmacy Utsunomiya-minamiichinosawa	Utsunomiya Tochigi	833.65 m <sup>2</sup>

#### • Closed Stores

Date	Store Name	Location	Sales Area
*October 12	Drug Sugi Komabayashi	Fujimino Saitama	473.20 m <sup>2</sup>
*October 12	Drug Sugi Kumagaya-hirose	Kumagaya Saitama	686.10 m <sup>2</sup>
November 2	Drug Sugi Ageo-oishi	Ageo Saitama	781.37 m <sup>2</sup>
November 2	Drug Sugi Omiya-shimamachi	Minuma-ku Saitama	495.00 m <sup>2</sup>
November 2	Sugi Pharmacy Kakegawa Plaza	Kakegawa Shizuoka	670.13 m <sup>2</sup>
November 19	Drug Sugi Kashiwaza	Ageo Saitama	474.87 m <sup>2</sup>
November 19	Drug Sugi Ryumai	Ota Gunma	558.00 m <sup>2</sup>
November 24	Japan Kashiba	Kashiba Nara	566.00 m <sup>2</sup>

\* The stores which were closed in October are included in the list, because the stores were not unintentionally released in 11<sup>th</sup> of November.

#### • Increased Floor Space

Sugi Pharmacy Nagakute-kita	Nagakute Aichi
July 28, 2005	Open (Sales Area 627.15 m <sup>2</sup> )
November 4, 2008	Renewal Open (Sales Area 801.21 m <sup>2</sup> , +174.06 m <sup>2</sup> )

【Number of Stores by City and Region】

		FY ended Feb 2008				End of November 2008			
		Sugi Pharmacy	Japan	Iizuka Yakuhin	Total	Sugi Pharmacy	Japan	Iizuka Yakuhin	Total
	Tochigi	—	—	—	—	2	—	—	2 ( + 2 )
	Gunma	1	1	39	41	4	1	38	43 ( + 3 ) ( - 1 )
	Saitama	17	20	47	84	24	20	42	86 ( + 7 ) ( - 5 )
	Chiba	3	—	1	4	3	—	1	4 ( + 1 ) ( - 1 )
	Tokyo	2	4	1	7	6	4	1	11 ( + 4 )
	Kanagawa	2	—	—	2	5	—	—	5 ( + 3 )
Kanto region Sub Total		25	25	88	138	44	25	82	151 ( + 2 0 ) ( - 7 )
	Gifu	34	—	—	34	34	—	—	34
	Shizuoka	3	—	—	3	5	—	—	5 ( + 3 ) ( - 1 )
	Aichi	213	—	—	213	220	—	—	220 ( + 7 )
	Mie	42	—	—	42	43	—	—	43 ( + 1 )
Chubu region Sub Total		292	—	—	292	302	—	—	302 ( + 1 1 ) ( - 1 )
	Shiga	15	3	—	18	18	3	—	21 ( + 3 )
	Kyoto	10	14	—	24	11	14	—	25 ( + 2 ) ( - 1 )
	Osaka	29	55	—	84	34	55	—	89 ( + 5 )
	Hyogo	19	38	—	57	22	37	—	59 ( + 3 ) ( - 1 )
	Nara	5	6	—	11	5	6	—	10 ( - 1 )
Kansai region Sub Total		78	116	—	194	90	114	—	204 ( + 1 3 ) ( - 3 )
Total Stores		395	141	88	624	436	139	82	657 ( + 4 4 ) ( - 1 1 )

( ) shows number of stores opened / closed in period on Feb 2009.