

To Investors

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Representative : Hirokazu Sugiura, President

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

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**Feb. 2009 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> | <b>104.3</b> | <b>105.9</b> | <b>103.2</b> | <b>109.9</b> |
|                     |                 | Number of Customers | 118.3        | 116.0        | 118.5        | 115.0        | 118.9        | 112.9        | 101.0        | 102.0        | 103.8        | 104.1        | 104.7        | 104.3        | 109.6        |
|                     |                 | Sales per Customers | 98.8         | 98.2         | 98.4         | 99.1         | 97.9         | 100.6        | *102.5       | 102.9        | 104.3        | 100.2        | 101.2        | 99.0         | 100.3        |
|                     | 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> | <b>100.7</b> | <b>101.0</b> | <b>99.1</b>  | <b>102.6</b> |
|                     |                 | Number of Customers | 104.2        | 101.1        | 102.7        | 100.1        | 103.9        | 99.1         | 98.1         | 98.7         | 100.2        | 100.7        | 99.3         | 98.7         | 100.3        |
| Sales per Customers |                 | 102.8               | 102.1        | 102.1        | 102.6        | 101.3        | 103.9        | 102.5        | 102.6        | 104.1        | 100.0        | 101.7        | 100.4        | 102.3        |              |

| 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> | <b>108.9</b> | <b>111.5</b> | <b>107.7</b> | <b>111.0</b> |
|                     |                 | Number of Customers | 113.4        | 109.8        | 112.2        | 109.4        | 111.4        | 107.0        | 105.7        | 106.5        | 109.6        | 110.3        | 110.9        | 109.5        | 109.6        |
|                     |                 | Sales per Customers | 101.4        | 101.4        | 100.7        | 102.1        | 100.8        | 103.3        | 102.5        | 101.7        | 103.7        | 98.7         | 100.6        | 98.4         | 101.2        |
|                     | 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> | <b>101.3</b> | <b>103.0</b> | <b>100.0</b> | <b>104.2</b> |
|                     |                 | Number of Customers | 106.0        | 102.4        | 103.5        | 101.8        | 103.6        | 99.6         | 98.3         | 98.1         | 100.9        | 100.6        | 99.9         | 98.0         | 101.0        |
| Sales per Customers |                 | 103.3               | 102.9        | 102.5        | 103.5        | 102.3        | 104.6        | 103.9        | 103.8        | 105.6        | 100.7        | 103.2        | 102.1        | 103.2        |              |

| 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 February>

Although last year was leap year, and this influence becomes 3.4% with sales, and Japanese consumers were prudent in consumption. The existing store sales of Sugi Pharmacy recorded  $\pm 0.0\%$ , due to the strong existing sales of prescription fillings(+13.2%), and good sale of hay fever related products. For example medicine of sneeze(+99.3%), masks(+46.0%), eye lotions(+26.5%) were good sales.

Japan Co and Iizuka Yakuhin have shown the existing store sales of -5.8% and +11.6%, respectively. As a result, existing store sales of February of the group total showed -0.9%.

#### • New Stores

| Date        | Store Name                             | Location          | Sales Area             |
|-------------|--|-------------------|------------------------|
| November 1  | Sugi Visiting Nurse Station Hayashi-Ji | Abeno Osaka       | — m <sup>2</sup>       |
| February 12 | Sugi Pharmacy Edogawa-Chuo             | Neyagawa Osaka    | 422.40 m <sup>2</sup>  |
| February 19 | Sugi Pharmacy Nishi-Sansou             | Kadoma Osaka      | 433.07 m <sup>2</sup>  |
| February 19 | Sugi Pharmacy Nishinomiya-Nakamaeda    | Nishinomiya Hyogo | 1046.00 m <sup>2</sup> |
| February 26 | Sugi Pharmacy Anjo-Sasame              | Anjo Aichi        | 81.79 m <sup>2</sup>   |

#### • Closed Stores

| Date        | Store Name                  | Location       | Sales Area            |
|-------------|-----------------------------|----------------|-----------------------|
| February 22 | Sugi Pharmacy Kuwana-Ekimae | Kuwana Mie     | 572.95 m <sup>2</sup> |
| February 27 | Iizuka Hiyoshi              | Maebashi Gunma | 457.42 m <sup>2</sup> |

【Number of Stores by City and Region】

|                         | FY ended Feb 2008 |       |                |       | End of February 2009 |                           |       |                |                             |                      |
|-------------------------|-------------------|-------|----------------|-------|----------------------|---------------------------|-------|----------------|-----------------------------|----------------------|
|                         | Sugi Pharmacy     | Japan | Iizuka Yakuhin | Total | Sugi Pharmacy        | Visiting Pharmacy Service | Japan | Iizuka Yakuhin | Sugi Visiting Nurse Station | Total                |
| Tochigi                 | —                 | —     | —              | —     | 2                    | (—)                       | —     | —              | —                           | 2 (+ 2)              |
| Gunma                   | 1                 | 1     | 39             | 41    | 4                    | (—)                       | 1     | 37             | —                           | 42 (+ 3)<br>(- 2)    |
| Saitama                 | 17                | 20    | 47             | 84    | 26                   | (3)                       | 21    | 42             | —                           | 89 (+ 10)<br>(- 5)   |
| Chiba                   | 3                 | —     | 1              | 4     | 3                    | (—)                       | —     | 1              | —                           | 4 (+ 1)<br>(- 1)     |
| Tokyo                   | 2                 | 4     | 1              | 7     | 8                    | (—)                       | 4     | 1              | —                           | 13 (+ 6)             |
| Kanagawa                | 2                 | —     | —              | 2     | 7                    | (—)                       | —     | —              | —                           | 7 (+ 5)              |
| Kanto region Sub Total  | 25                | 25    | 88             | 138   | 50                   | (3)                       | 26    | 81             | —                           | 157 (+ 27)<br>(- 8)  |
| Gifu                    | 34                | —     | —              | 34    | 34                   | (3)                       | —     | —              | —                           | 34                   |
| Shizuoka                | 3                 | —     | —              | 3     | 6                    | (—)                       | —     | —              | —                           | 6 (+ 4)<br>(- 1)     |
| Aichi                   | 213               | —     | —              | 213   | 225                  | (28)                      | —     | —              | —                           | 225 (+ 13)<br>(- 1)  |
| Mie                     | 42                | —     | —              | 42    | 42                   | (3)                       | —     | —              | —                           | 42 (+ 1)<br>(- 1)    |
| Chubu region Sub Total  | 292               | —     | —              | 292   | 307                  | (34)                      | —     | —              | —                           | 307 (+ 18)<br>(- 3)  |
| Shiga                   | 15                | 3     | —              | 18    | 18                   | (2)                       | 3     | —              | —                           | 21 (+ 3)             |
| Kyoto                   | 10                | 14    | —              | 24    | 12                   | (3)                       | 14    | —              | —                           | 26 (+ 3)<br>(- 1)    |
| Osaka                   | 29                | 55    | —              | 84    | 40                   | (17)                      | 55    | —              | 1                           | 96 (+ 12)            |
| Hyogo                   | 19                | 38    | —              | 57    | 23                   | (6)                       | 37    | —              | —                           | 60 (+ 4)<br>(- 1)    |
| Nara                    | 5                 | 6     | —              | 11    | 5                    | (1)                       | 6     | —              | —                           | 11 (+ 1)<br>(- 1)    |
| Kansai region Sub Total | 78                | 116   | —              | 194   | 98                   | (29)                      | 115   | —              | 1                           | 214 (+ 23)<br>(- 3)  |
| Total Stores            | 395               | 141   | 88             | 624   | 455                  | (66)                      | 141   | 81             | 1                           | 678 (+ 68)<br>(- 14) |

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