

Financial Results

Full Year Results FY Ended February 29, 2012

Supplementary Information

Securities ID Code: 7649, Part 1 of TSE and NSE

April 18, 2012

Sugi Holdings Co., Ltd.

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PROFILE

Company name	Sugi Holdings Co., Ltd.
Head office	1-8-4, Mikawaanjo-cho, Anjo-City, Aichi Pref.
Establishment	Sugi Pharmacy was established in December 1976 to sell prescription drugs and OTC drugs.
Founded	March 1982
Paid-in capital	JPY15,434,588,000
Fiscal year-end	End of February
Number of shares outstanding	63,330,838 shares
Number of stores	821 (as of February 29, 2012)
Number of employees	3,709 (full-time) (as of February 29, 2012)
Net sales	JPY327,267m (FY ended Feb. 29, 2012 - consolidated)
Operating Profit	JPY17,215 m (FY ended Feb. 29, 2012 - consolidated)
Description of business	Management of subsidiaries engaging in businesses including pharmacy business, drug store business, and in-home nursing care business

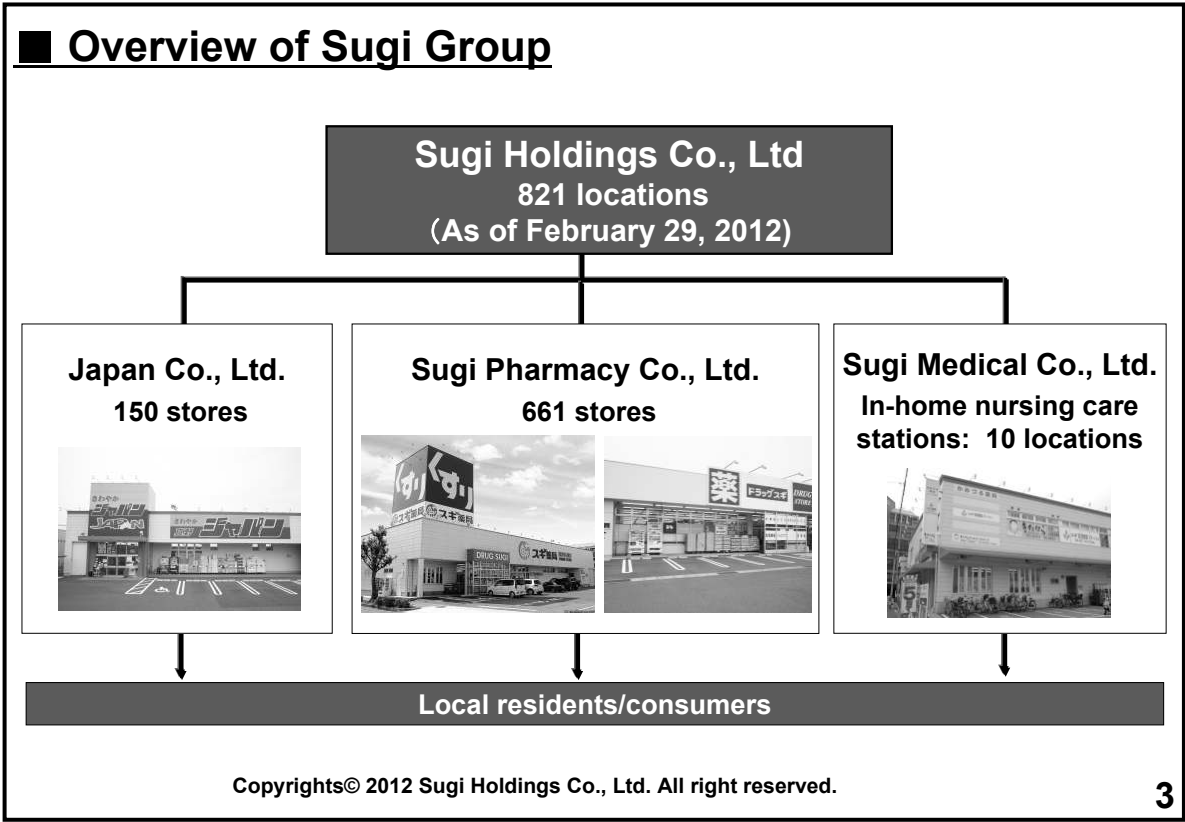
Number of Stores and Sales Status

Fiscal Year	No. of Stores	Consolidated net sales (100 million yen)
'90	0	0
'95	0	0
'00	100	200
'01	120	250
'02	150	300
'03	200	400
'04	250	500
'05	300	600
'06	400	800
'07	500	1000
'08	600	1200
'09	700	1500
'10	750	1800
'11	821	2000

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Note: On February 1, 2011, Iizuka Yakuhin merged with Sugi Pharmacy. The figures for Sugi Pharmacy presented in the financial report for the year ended February 28, 2011 include only non-consolidated figures for Sugi Pharmacy and do not include non-consolidated figures for Sugi Holdings Co., Ltd. and Sugi Medical Co., Ltd. For your reference, past results for Sugi Pharmacy calculated by simply adding the non-consolidated results for Sugi Pharmacy and Iizuka Yakuhin are also presented.



New Store Openings

Full Year Results FY Ended February 29, 2012

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Note: On February 1, 2011, Iizuka Yakuhin merged with Sugi Pharmacy. The figures for Sugi Pharmacy presented in the financial report for the year ended February 28, 2011 include only non-consolidated figures for Sugi Pharmacy and do not include non-consolidated figures for Sugi Holdings Co., Ltd. and Sugi Medical Co., Ltd. For your reference, past results for Sugi Pharmacy calculated by simply adding the non-consolidated results for Sugi Pharmacy and Iizuka Yakuhin are also presented.

■ Store Openings and Closings in FY 2012/2

* Please note that "FY2011/2" and "FY 2012/2" in this presentation refers to the fiscal year ended in February 2011, and the fiscal year ending February 2012, respectively. The same notation is used in other pages.

■ FY2012/2: 67 new stores opened, 20 stores closed

Nos. of stores by region	FY2011/2 Full Year	FY2012/2 1H		FY 2012/2 2H		FY 2012/2 Full Year			
	As of the Term-End	Store Openings	Store Closings	Store Openings	Store Closings	Store Openings	Store Closings	As of the Term-End	As of the Term-End
Kanto Region	188	12	11	7	1	19	12	+7	195
Chubu Region	335	10	3	11	3	21	6	+15	350
Kansai Region	251	14	1	13	1	27	2	+25	276
Total	774	36	15	31	5	67	20	+47	821

Nos. of stores by company	FY2011/2 Full Year	FY2012/2 1H		FY 2012/2 2H		FY 2012/2 Full Year			
	As of the Term-End	Store Openings	Store Closings	Store Openings	Store Closings	Store Openings	Store Closings	As of the Term-End	As of the Term-End
Sugi Pharmacy	622	30	15	28	4	58	19	+39	661
Japan	144	5	0	2	1	7	1	+6	150
Visit Nursing Care ST	8	1	0	1	0	2	0	+2	10
Total	774	36	15	31	5	67	20	+47	821

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Financial Highlights

Full Year Results FY Ended February 29, 2012

- Consolidated -

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Financial Highlight for Year Ended Feb.29, 2012 - Consolidated -

■FY 2012/2 :Largest ever net sales (JPY 327 billion) and operating profit (JPY 17 billion) achieved

	FY 2011/2 Full Year		FY 2012/2 Full Year				
	Results (in million yen)	%	Results (in million yen)	%	Y o Y	vs. Budget (in %, in million yen)	
Net Sales	304,730	100.0	327,267	100.0	107.4	103.9	+12,267
Gross Profit	80,618	26.5	87,771	26.8	108.9	105.0	+4,171
SG&A Expenses	67,841	22.3	70,556	21.6	104.0	99.9	-43
Operating Income	12,777	4.2	17,215	5.3	134.7	132.4	+4,215
Non-operating Income	3,493	1.1	3,304	1.0	94.6	97.2	-95
Non-Operating Expenses	1,258	0.4	1,358	0.4	108.0	97.0	-41
Ordinary Income	15,012	4.9	19,160	5.9	127.6	127.7	+4,160
Extraordinary Income	-	-	2,463	0.8	-	-	+2,463
Extraordinary Losses	1,159	0.4	2,227	0.7	192.1	106.1	+127
Net Income before Income Taxes	13,853	4.5	19,396	5.9	140.0	150.4	+6,496
Income Taxes	4,853	1.6	7,970	2.4	164.2	162.7	+3,070
Net Income	8,999	3.0	11,426	3.5	127.0	142.8	+3,426

Note) Above Vs. Budgets (in %, in million yen) are the comparisons with a original budget, and no comparisons with the performance forecast corrected at the second quarter results.

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FY 2012/2 SG&A Expenses Status – Consolidated -

■FY 2012/2 : Total SG&A cost was controlled in +4.0%(YOY), although net sales indicated +7.4%

	FY 2011/2 Full Year		FY 2012/2 Full Year		
	Results (in million yen)	%	Results (in million yen)	%	Y o Y Change
Advertising Expenses	4,117	1.4	4,353	1.3	105.8
Premium Expenses	2,266	0.7	2,268	0.7	100.1
Total Selling Expenses	6,383	2.1	6,622	2.0	103.7
Personnel Expenses	32,160	10.6	33,793	10.3	105.1
Rent Expenses	13,571	4.5	13,953	4.3	102.8
Depreciation Expenses	3,878	1.3	3,817	1.2	98.4
Utilities Expenses	3,135	1.0	3,233	1.0	103.1
Supplies Expenses	1,823	0.6	2,181	0.7	119.6
Tax and Public Charges	1,528	0.5	1,064	0.3	69.7
Commission Paid	2,039	0.7	2,153	0.7	105.6
Others	3,320	1.1	3,736	1.1	99.8
Total Administrative Expenses	29,297	9.6	30,140	9.2	102.9
Total SG&A Expenses	67,841	22.3	70,556	21.6	104.0

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Financial Highlights

Full Year Results FY Ended February 29, 2012

- Subsidiaries -

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Financial Highlight for FY 2012/2 – Sugi Pharmacy Co., Ltd. –

■FY 2012/2 : The prescription business showed very strong sales, operating profit increased +33.3% (YOY)

	FY 2011/2 Full Year		FY 2012/2 Full Year				
	Results (in million yen)	%	Results (in million yen)	%	Y o Y	vs. Budget (in %)	vs. Budget (in million yen)
Net Sales	230,193	100.0	253,721	100.0	110.2	104.6	+11,081
Gross Profit	65,084	28.3	72,434	28.5	111.3	105.8	+3,974
SG&A	55,375	24.1	59,496	23.4	107.4	104.7	+2,675
Operating Profit	9,709	4.2	12,937	5.1	133.3	111.2	+1,298

Full Year Overview

- ◆Net Sales: Existing store sales growth Budget :+0.7% ⇒ Result +4.4%
(Customer count +3.3%, Purchase per customer +1.1%)
- ◆Gross margin ratio: Budget 28.2% ⇒Result 28.5%
- ◆SG&A: Budget overrun 104.7% (Selling expenses 99.9%, Personnel 105.6%, Admin. expenses 105.0%)

Note) Figures for Sugi Pharmacy for previous years above are different from those presented in previous reports. Figures for Sugi Pharmacy presented in the financial report include only non-consolidated figures of Sugi Pharmacy and Iizuka Yakuhin, for your reference, past fiscal year results for Sugi Pharmacy also added simply non-consolidated results of Sugi Pharmacy and Iizuka Yakuhin.

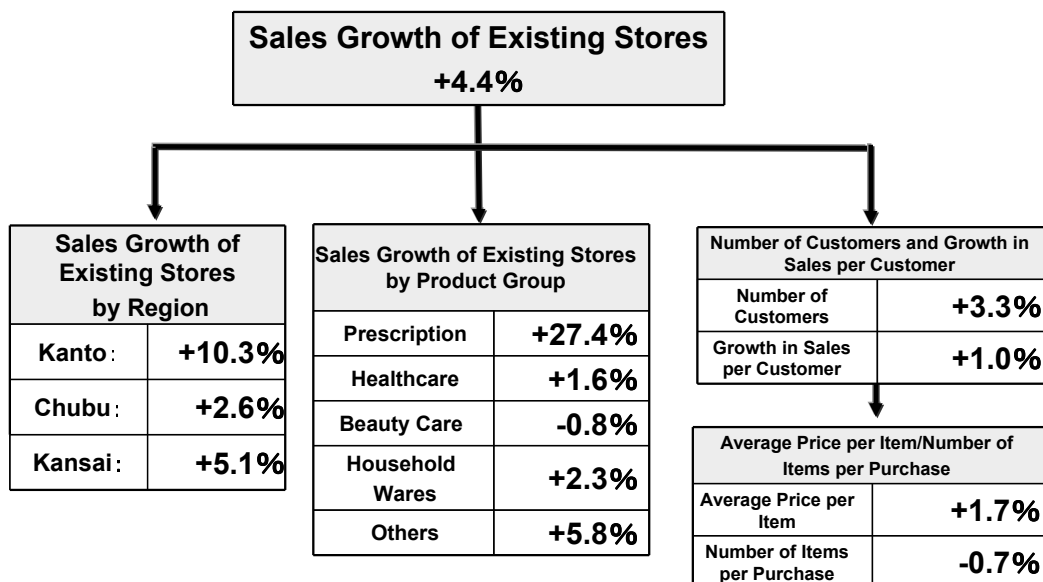
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■ Sales Trend at Existing Stores- Sugi Pharmacy Co., Ltd. -

■FY 2012/2 :Existing store sales growth ratio indicated +4.4% for the reason of continuous and strong sales growth of prescription



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■ Sales Trend by Product Group - Sugi Pharmacy Co., Ltd. -

■FY 2012/2 :The composition ratio of prescription sales increased to 12.8%

(%)	Composition Ratio			Sales % Y o Y	Sales % vs. Budget	Gross Margin Rate			Gross Margin % vs. Budget
	FY 2011/2 Full Year	FY 2012/2 Full Year				FY 2011/2 Full Year	FY 2012/2 Full Year		
	Results	Budget	Results			Results	Budget	Results	
Prescription	10.2	10.4	12.8	138.3	128.8	33.1	31.5	33.8	+2.3
Healthcare	26.0	26.1	24.9	105.5	99.9	36.8	38.2	38.1	-0.1
Beauty Care	28.3	28.3	26.8	104.4	99.1	28.1	28.1	28.0	-0.1
Subtotal	64.5	64.7	64.5	110.2	104.2	32.4	32.7	33.1	+0.4
Household Wares	23.3	23.4	22.8	107.8	101.8	22.1	21.1	22.0	+0.9
Others	12.2	11.9	12.7	115.1	111.9	18.3	17.6	17.2	-0.4
Total	100.0	100.0	100.0	110.2	104.6	28.3	28.2	28.5	+0.3

Note) Figures for Sugi Pharmacy for previous years above are different from those presented in previous reports. Figures for Sugi Pharmacy presented in the financial report include only non-consolidated figures of Sugi Pharmacy and Iizuka Yakuhin, for your reference, past fiscal year results for Sugi Pharmacy also added simply non-consolidated results of Sugi Pharmacy and Iizuka Yakuhin.

Above Vs. Budgets (in %) are the comparisons with a original budget, and no comparisons with the performance forecast corrected at the second quarter results

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■ Trend of SG&A Expenses - Sugi Pharmacy Co., Ltd. -

■FY 2012/2 :Total SG&A was controlled +4.7%(YOY), although net sales attained +10.2%(YOY)

	FY 2011/2 Full Year		FY 2012/2 Full Year					
	Results (in million yen)	Ratio to Sales (%)	Results (in million yen)	Ratio to Sales (%)	Change from Last Year	Y o Y	vs. Budget (in %)	vs. Budget (in million yen)
Advertising Expenses	3,557	1.5	3,676	1.4	103.4	+120	105.0	+176
Premium Expenses	2,266	1.0	2,268	0.9	100.1	+1	92.6	-180
Total Selling Expenses	5,823	2.5	5,944	2.3	102.1	+121	99.9	-4
Personnel Expenses	23,180	10.1	25,395	10.0	109.6	+2,215	105.6	+1,338
Rent Expenses	12,802	5.6	13,682	5.4	106.9	+879	97.7	-320
Depreciation Expenses	1,173	0.5	1,054	0.4	89.9	-118	88.2	-141
Utilities Expenses	2,366	1.0	2,482	1.0	104.9	+116	102.7	+66
Supplies Expenses	1,381	0.6	1,553	0.6	112.5	+172	109.4	+133
Tax and Public Charges	962	0.4	530	0.2	55.1	-431	115.2	+69
Commission Paid	5,353	2.3	6,137	2.4	114.7	+785	126.7	+1291
Others	2,336	1.0	2,715	1.1	116.2	+379	109.8	+241
Total Administrative Expenses	26,372	11.5	28,156	11.1	106.8	+1,784	105.0	+1,341
Total SG&A Expenses	55,375	24.1	59,496	23.4	107.4	+4,121	104.7	+2,675

Note) Above Vs. Budgets (in %, in million yen) are the comparisons with a original budget, and no comparisons with the performance forecast corrected at the second quarter results.

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■ Financial Highlight for FY 2012/2 - Japan Co., Ltd. -

■FY 2012/2 :Operating profit was increased (+19.0% YOY) , for improvement of gross margin (+0.3% YOY), and reducing of SG&A (-0.1% vs. budget)

	FY 2011/2 Full Year		FY 2012/2 Full Year				
	Results (in million yen)	%	Results (in million yen)	%	Y o Y	vs. Budget (in %)	vs. Budget (in million yen)
Net Sales	70,392	100.0	72,932	100.0	103.6	99.9	-67
Gross Margin	14,463	20.5	15,187	20.8	105.0	103.1	+457
SG &A	11,955	17.0	12,202	16.7	102.1	99.0	-127
Operating Profit	2,507	3.6	2,984	4.1	119.0	124.4	+584

Full Year Overview

- ◆Net Sales: Existing store sales growth Budget : -0.4% ⇒ Result +1.8%
(Customer count +1.2%, Purchase per customer +0.6%)
- ◆Gross margin ratio: Budget 20.2% ⇒Result 20.8%
- ◆SG&A: Budget attainment 99.0%

Note) Above Vs. Budgets (in %, in million yen) are the comparisons with a original budget, and no comparisons with the performance forecast corrected at the second quarter results.

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Forecast for the Year Ending Feb.28, 2013

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■ P/L Forecast for the Year Ending Feb. 28, 2013 - Consolidated -

■ FY 2013/2 : Net sales JPY340 billion, Operating profit JPY18 billion

(in million yen)	1st Half Year			2ed Half Year			Full Year		
	2012/2 Results	2013/2 Forecast	Y o Y %	2012/2 Results	2013/2 Forecast	Y o Y %	2012/2 Results	2013/2 Forecast	Y o Y %
Net Sales	164,141	170,000	103.6	163,126	170,000	104.2	327,267	340,000	103.9
Gross Margin	44,347	45,600	102.8	43,423	45,600	105.0	87,771	91,200	103.9
SG&A	34,161	35,900	105.1	36,394	37,300	102.5	70,556	73,200	103.7
Operating Profit	10,186	9,700	95.2	7,028	8,300	118.1	17,215	18,000	104.6
Recurring Profit	10,736	10,670	99.4	8,423	9,330	110.8	19,160	20,000	104.4
Net Income	7,404	6,010	81.5	4,021	5,490	136.5	11,426	11,500	100.6

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Note: On February 1, 2011, Iizuka Yakuhin merged with Sugi Pharmacy. The figures for Sugi Pharmacy presented in the financial report for the year ended February 28, 2011 include only non-consolidated figures for Sugi Pharmacy and do not include non-consolidated figures for Sugi Holdings Co., Ltd. and Sugi Medical Co., Ltd. For your reference, past results for Sugi Pharmacy calculated by simply adding the non-consolidated results for Sugi Pharmacy and Iizuka Yakuhin are also presented.

Forecasts for FY 2013/2 Net Sales to Operating Income - Consolidated -

■FY 2013/2 : Net sales JPY340 billion, Operating profit JPY18 billion

(in million yen.)	Net Sales			Gross Profit (Ratio %)			SG&A (Ratio %)			Operating Profit (Ratio %)		
	FY2012/2 Results	FY2013/2 Forecasts	Y o Y %	FY2012/2 Results	FY2013/2 Forecasts	Y o Y %	FY2012/2 Results	FY2013/2 Forecasts	Y o Y %	FY2012/2 Results	FY2013/2 Forecasts	Y o Y %
Sugi Pharmacy	253,721	264,400	104.2	72,434	75,600	104.4	59,496	62,200	104.5	12,937	13,400	103.6
Japan	72,932	75,000	102.8	15,187	15,500	102.1	12,202	12,250	100.4	2,984	3,250	108.9
Others	614	600	97.7	150	100	67.1	-1,143	-1,250	109.4	1,293	1,350	104.4
Consolidated	327,267	340,000	103.9	87,771	91,200	103.9	70,556	73,200	103.7	17,215	18,000	104.6

(Notes) Two years has passed since Sugi Holdings was established in Sept 2008. In Feb 2011, Iizuka Yakuhin merged into Sugi Pharmacy. Considering these circumstances, starting from the year ending Feb. 29, 2012, we will put more focus on disclosure of consolidated results, while disclosing figures of core businesses (Sugi Pharmacy and Japan) as supplemental information.

Accordingly, the full year forecasts for Sugi Pharmacy in this table is non-consolidated forecasts only for Sugi Pharmacy, unlike the conventional forecasts that were summation of figures for Sugi Holdings, Sugi Pharmacy and Sugi Medical.

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Preconditions of Forecasts for FY 2013/2

<Existing Stores Sales Growth>

(%)	Q1	Q2	Q3	Q4	1H	H2	Full Year
Sugi Pharmacy	-0.4	+1.8	+2.8	+2.6	+0.7	+2.7	+1.7
Japan	-2.3	+1.4	+0.1	-0.7	-0.4	-0.3	-0.3
Group Total	-0.8	+1.7	+2.2	+1.9	+0.5	+2.0	+1.3

<Store Opening & Closing>

(Store)	Openings	Closings	Total
Sugi Pharmacy	72	10	+62
Japan	5	0	+5
Visit Nursing Care ST	3	0	+3
Group Total	80	10	+70

<Investment>

(in million yen)	Amount
New stores	7,000
Existing store refurbishment	2,000
Investment in systems and others	1,000
Group Total	10,000

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Medical Business

Full Year Results FY Ended February 29, 2012

- Sugi Pharmacy Group

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■ OTC Sales Trends – Sugi Pharmacy

■ After Revision in Japan's Pharmaceutical Affairs Act (June 2009)

< Growth Rate of All Stores Sales >

(%)	FY 2010/2			FY 2011/2				FY 2012/2			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Category 1	+18.8	+25.4	+14.5	+26.4	+16.5	+20.9	+19.7	+2.1	+15.8	+1.4	+5.6
Category Specified 2	+9.7	+1.9	-1.5	-1.4	+6.4	+11.7	+14.8	+31.5	+5.1	+5.0	+11.8
Category 2	+6.9	+4.4	-8.0	-9.7	-1.1	+9.0	+12.0	+31.0	-1.5	+3.1	+4.8
Category 3	+9.1	+2.5	-6.9	-13.3	-14.8	+0.5	+14.6	+19.2	-0.3	+2.0	+3.0
OTC Total	+8.7	+4.3	-4.7	-6.5	-2.1	+8.2	+13.4	+26.3	+1.4	+5.0	+6.4

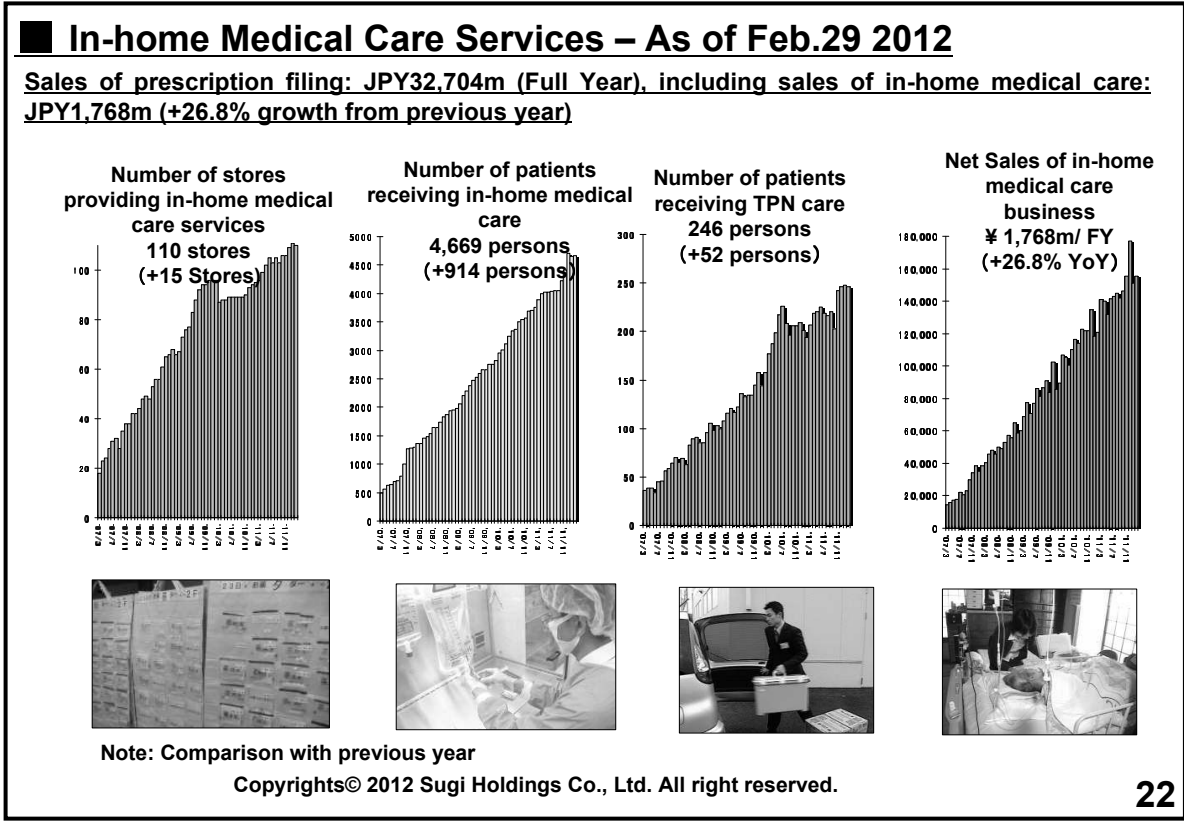
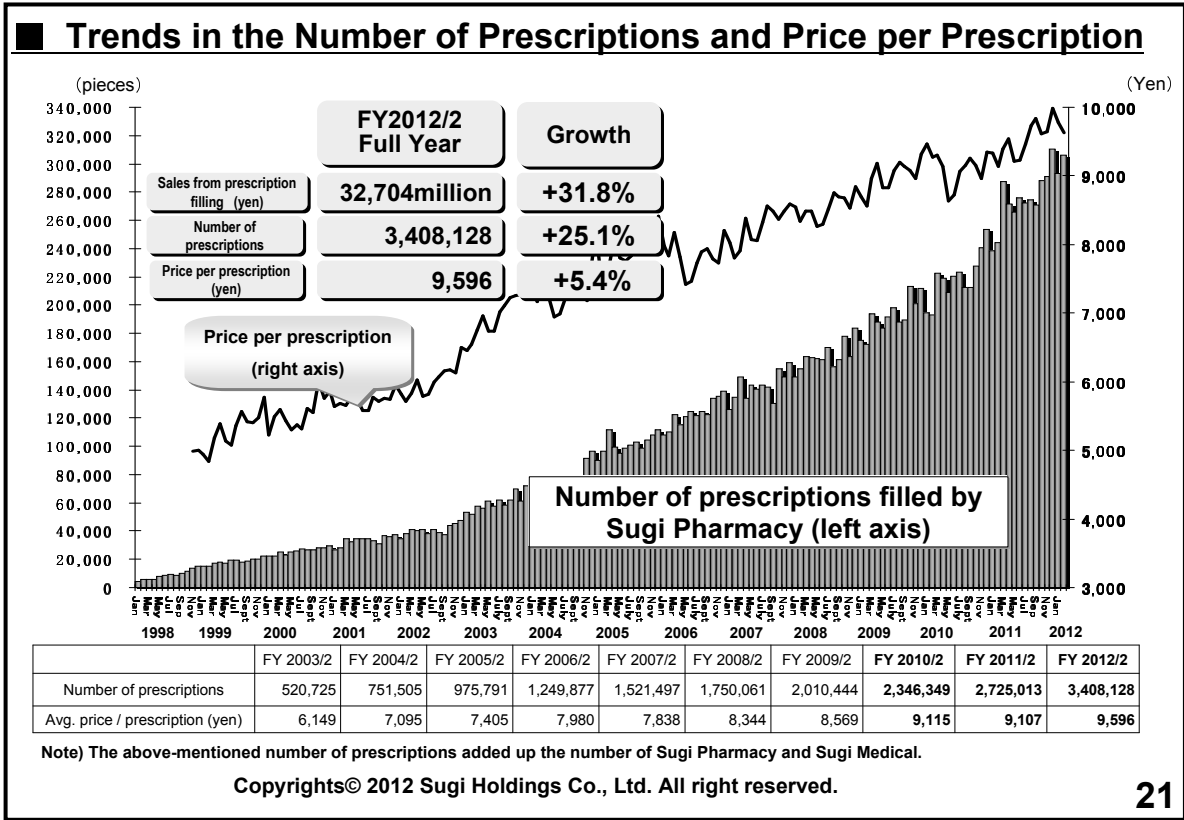
< OTC Sales by Category (All Stores) >

(%)	FY 2010/2			FY 2011/2				FY 2012/2			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Category 1	5.5	6.0	6.6	7.3	6.5	6.7	7.0	5.9	6.2	6.1	5.6
Category Specified 2	23.0	26.6	27.8	27.2	25.0	27.5	28.2	28.3	25.7	28.1	30.3
Category 2	44.4	40.5	41.3	42.1	44.9	40.8	40.8	43.7	43.7	41.1	40.3
Category 3	27.1	26.9	24.3	23.4	23.6	25.0	24.5	22.1	24.4	24.7	23.8

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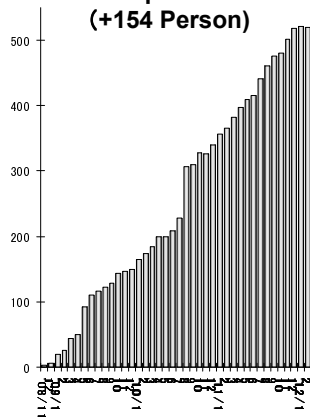
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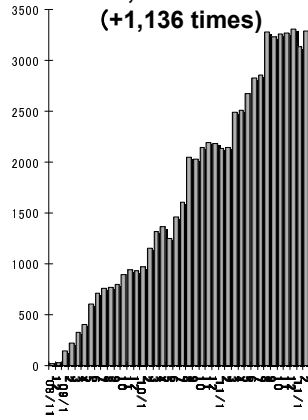
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■ Visit Nursing Care Services : 10 locations (As of Feb. 2012)

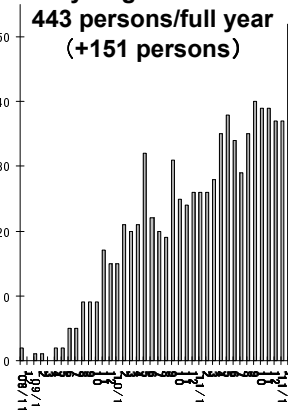
Patients
520 persons
(+154 Person)



Visits per month
3,284 times
(+1,136 times)



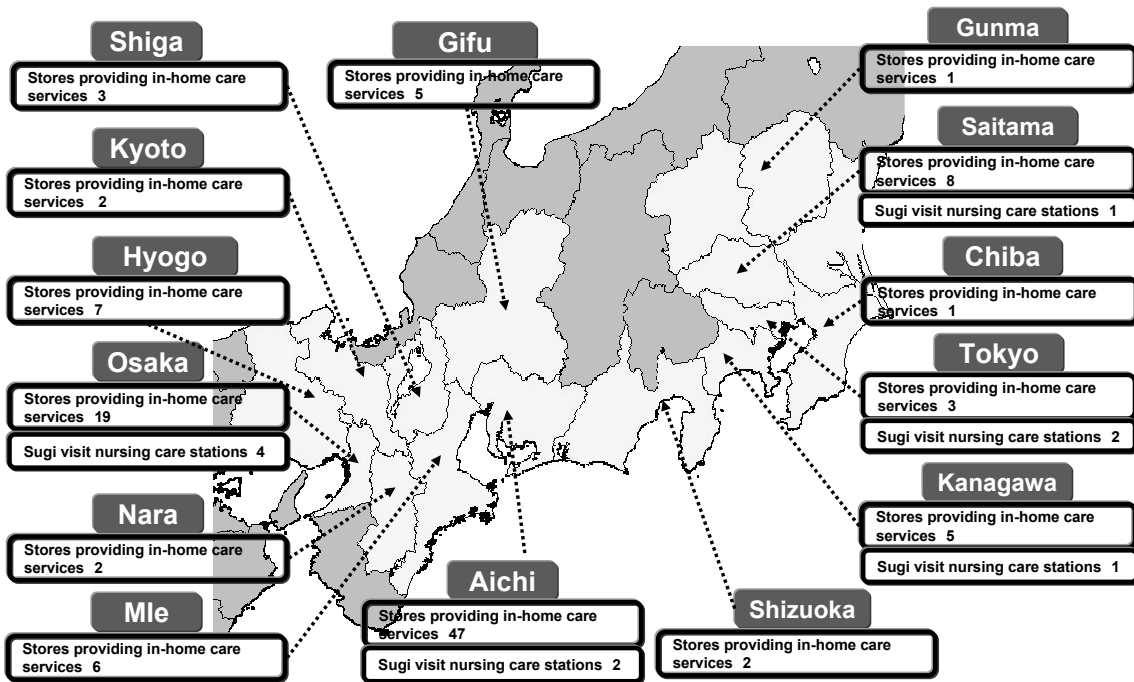
Number of deathwatch patients by Sugi's nurses
443 persons/full year
(+151 persons)



Note: Comparison with 3rd quarter of previous year

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■ Facilities providing Comprehensive Medical Services to Local Communities



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- Sugi Pharmacy Group -

The forward-looking statements regarding business and other forecasts are Sugi Holdings management's decisions based on information currently available at the time the report was created, and contain risks and uncertainties.

We recommend that readers do not make their decisions solely relying on these forecasts, and readers are reminded that actual results may differ materially from these forecasts due to various circumstances beyond management's control.

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