

# Summary of Consolidated Financial Results for the First Half of Fiscal Year Ending March 2016

November 6, 2015

Name of Listed Company: TOHO HOLDINGS CO., LTD. Listed: Tokyo Stock Exchange  
 Securities Code Number: 8129 URL: <http://www.tohold.co.jp/>  
 Corporate Representative / Title: Norio Hamada/President and Representative Director  
 Contact Representative / Title: Mamoru Ogino/ Executive Managing Director and General Manager of Administration  
 Division and Finance Department  
 TEL: +81-3-3419-7893

Scheduled Submission Date for Quarterly Report: Nov 13, 2015 Planned Date of Dividends Payment: Dec 4, 2015  
 Quarterly Supplemental Explanatory Material Prepared: Applicable  
 Quarterly Results Briefing Held: Applicable (For Institutional Investors and Analysts)

(Amounts are truncated to the nearest million yen.)

## 1. Consolidated Financial Results for the First Half of the Fiscal Year Ending March 2016 (from April 1, 2015 to September 30, 2015)

### (1) Consolidated Results of Operations (Cumulative)

(Percentages indicate the rate of change compared with the preceding fiscal year.)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First Half, FY Ending March 2016	602,184	7.4	6,110	133.0	9,164	64.9	4,276	41.6
First Half, FY Ended March 2015	560,916	-3.2	2,622	-50.5	5,558	-33.7	3,019	-38.6

(Note) Comprehensive income: First Half of FY Ending March 2016: 2,829 million yen (-64.5%); First Half of FY Ended March 2015: 7,964 million yen (154.1%)

	Current Net Income per Share	Current Net Income per Share - Diluted
	Yen	Yen
First Half, FY Ending March 2016	62.06	56.43
First Half, FY Ended March 2015	40.05	40.04

### (2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholder's Equity per share
	Million yen	Million yen	%
First Half, FY Ending March 2016	597,681	156,531	26.2
FY Ended March 2015	599,950	157,371	26.2

(Reference) Shareholder's equity: First Half, FY Ending March 2016: 156,493 million yen ; FY Ended March 2015 : 157,333 million yen

## 2. Historical Payment of Dividends

	Annual Cash Dividend per Share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY Ended March 2015	—	12.00	—	12.00	24.00
FY Ending March 2016	—	13.00			
FY Ending March 2016 (Projected)			—	13.00	26.00

(Note) Revision of the dividend forecasts most recently announced: None

## 3. Projected Consolidated Results of Operations during Fiscal Year Ending March 2016 (from April 1, 2015 to March 31, 2016)

(Percentages indicate the rate of change compared with the preceding fiscal year.)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	1,250,000	7.6	15,900	58.7	21,800	37.1	11,600	-14.3	168.53

(Note) 1. Revision of consolidated projected results of operations most recently announced: Applicable

※ Notes

- (1) Changes in material subsidiaries during the first half of fiscal year ending March 2016: N.A.  
 (Changes in special subsidiaries accompanying a change in the scope of consolidation)  
 Inclusion — (Company name: ) Exclusion —(Company name: )
- (2) Application of accounting process which is peculiar to the compilation of consolidated quarterly financial statements: N.A.
- (3) Changes in accounting policies and changes in accounting estimates, and correction and restatement  
 (i) Changes in accounting policies with revisions in the accounting standards, etc.: Applicable  
 (ii) Changes in accounting policies other than those under the item (i): N.A.  
 (iii) Changes in the accounting estimates: N.A.  
 (iv) Correction and Restatement: N.A.

For details, please refer to (3) Changes in Accounting Policies and Changes in Accounting Estimates, and Correction and Restatement in the section 2. Matters Concerning Summary Information (Notes) on page 4 of the Attached Document.

- (4) Number of shares outstanding (Common stock)  
 (i) Number of shares outstanding at end of fiscal year  
 (Including common stock for treasury)  
 (ii) Number of treasury stocks at end of fiscal year  
 (iii) The average number of shares during the first half

First Half of FY Ending March 2016	78,270,142	FY Ended March 2015	78,270,142
First Half of FY Ending March 2016	9,517,435	FY Ended March 2015	8,236,448
First Half of FY Ending March 2016	68,910,757	First Half of FY Ended March 2015	75,388,770

\* Indicates quarterly review procedure implementation status

This quarterly earnings report is exempt from the quarterly review procedure under the Financial Instruments and Exchange Act. The quarterly financial statements are under the quarterly review procedure process at the time of disclosure of this report.

\* Explanation of Appropriate Use of Performance Projections and Other Items Requiring Special Description

Any forward-looking statements contained in this report, including performance projections, are based on information currently available to the Company as well as certain assumptions that the Company determined to be rational at the time of the release of this report, and it is not intended that the Company undertake to achieve such results. Actual results may differ significantly from the projections above, due to a variety of factors. Please refer to Qualitative Information on Projected Consolidated Results of Operations on page 3 of this report (the Attached Document) for the suppositions on which the performance projections are based and points that have to be borne in mind for the use of such projections.

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## 1. Qualitative Information on Financial Results for the First Half of Fiscal Year Ending March 2016

### (1) Explanation of Management Results

In spite of the adverse effects of ongoing measures to curtail medical expenses as seen in the increasing use of generic drugs, mainly due to a growth of new drugs, the prescription pharmaceuticals market achieved a 6.7% growth during the second quarter under review, compared to the same period of the previous year (estimated by CRECON Research & Consulting Inc.).

Under this circumstance in order to respond to future changes in the market environment, the TOHO HOLDINGS Group has been developing and proposing various customer support systems that are designed to solve the problems and issues facing patients and medical institutions, and has thereby promoted shifting to a business model that focuses on the provision of value-added services, of which the existence value will be demonstrated across a wide range of areas relevant to medical care and health.

As a result, the Company's operating results for the consolidated cumulative second quarter of the fiscal year ending March 2016 recorded 602,184 million yen for net sales (an increase of 7.4% on a year-on-year basis), 6,110 million yen for operating income (an increase of 133.0% on a year-on-year basis), 9,164 million yen for ordinary income (an increase of 64.9% on a year-on-year basis), and 4,276 million yen for profit attributable to owners of parent (an increase of 41.6% on a year-on-year basis).

The outline of operating results by business segment is as follows:

The pharmaceutical wholesaling business has strived to both secure appropriate profits and increase fee-based business, while reducing operating cost. This business segment has also advanced a proposal-based marketing and sales centering on its customer support systems by focusing on a proposal that integrates the series of Dispensing ENI-Pharma, which comprehensively supports dispensing pharmacy operations, and ENIFvoiceSP, a voice-recognition medication history recording support system.

As a result, in the first half of the current fiscal year, the pharmaceutical wholesaling business posted net sales of 577,053 million yen (a year-on-year increase of 7.6%) and segment income (operating income) of 5,271 million yen (a year-on-year increase of 100.4%).

The dispensing pharmacy business has endeavored to expand its operations. At the same time, it has implemented both profitability enhancement measures through its store management in response to the direction of dispensing fees, and effective operations through unified systems.

Consequently, the first half of the current fiscal year, the dispensing pharmacy business posted net sales of 47,630 million yen (a year-on-year increase of 6.2%) and segment income (operating income) of 931 million yen (a year-on-year increase of 1,187.4%).

In the SMO operations, net sales for the first half of the current fiscal year amounted to 264 million yen (a year-on-year increase of 87.6%) and segment income (operating income) was 145 million yen (a year-on-year increase of 282.9%).

In the information equipment sales operations, net sales for the first half of the current fiscal year totaled 622 million yen (a year-on-year increase of 11.2%), with an operating loss of 57 million yen.

(Note) Segment sales include inter-segment transactions.

### (2) Explanation of Financial Position

#### (Assets)

Current assets as of the end of September 2015 increased 0.4% from the end of the previous consolidated fiscal year to 431,661 million yen, due to an increase in notes and accounts receivable-trade of 9,098 million yen, and an increase in merchandise and finished goods of 3,053 million yen, and a decrease in cash and deposits of 10,155 million yen.

Noncurrent assets as of the end of September 2015 decreased 2.3% compared with the end of the preceding consolidated fiscal year to 166,020 million yen, due mainly to a decrease in goodwill of 1,193 million yen, and a decrease in investment securities of 2,830 million yen.

As a result, consolidated net assets decreased 0.4% from a year earlier, to 597,681 million yen.

#### (Liabilities)

Current liabilities increased 0.7% from the end of the previous consolidated fiscal year to 392,908 million yen with an increase in notes and accounts payable-trade of 9,590 million yen, and a decrease in income taxes payable of 3,246 million yen, and a decrease in accrued consumption taxes of 3,340 million yen.

Noncurrent liabilities decreased 7.9% from the end of the previous consolidated fiscal year to 48,242 million yen with a decrease in long-term loans payable of 2,296 million yen.

As a result, total liabilities decreased 0.3% year-on-year to 441,150 million yen.

#### (Net assets)

Total net assets decreased 0.5% from the end of the previous consolidated fiscal year to 156,531 million yen, with an increase in retained earnings of 3,490 million yen, and an increase in treasury stock of 2,828 million yen, and a decrease in valuation difference on available-for-sale securities of 1,447 million yen.

(Analysis of the Cash Flow Position)

Cash and cash equivalents (hereinafter referred to as “cash”) during this consolidated first half decreased 9,914 million yen from the end of the preceding consolidated fiscal year. As a result, the balance at the end of this first half was 30,636 million yen (an increase of 10,979 million yen on a year-on-year basis). The following describes the three categories of consolidated cash positions during this consolidated first half, as well as the factors responsible.

(Cash Flows from Operating Activities)

Cash flow from operating activities was an outflow of 68 million yen (a decrease of 15,252 million yen on a year-on-year basis). Although the inflow was secured by some positive factors such as the income before income taxes of 7,790 million yen, depreciation and amortization of 2,303 million yen, amortization of goodwill of 1,277 million yen, loss on sales and valuation of investment securities of 1,219 million yen, and increase in notes and accounts payable-trade of 9,590 million yen, these were somewhat offset by negative factors including the increase in notes and accounts receivable-trade of 9,097 million yen, increase in inventories of 3,053 million yen, decrease in accrued consumption taxes 3,340 million yen, and income taxes paid of 6,980 million yen.

(Cash Flows from Investing Activities)

Cash flow from investing activities was an outflow of 3,044 million yen (an increase of 1,192 million yen on a year-on-year basis), which is mainly attributable to purchase of property, plant and equipment of 3,052 million yen.

(Cash Flows from Financing Activities)

Cash flow from financing activities was an outflow of 6,801 million yen (a decrease of 515 million yen on a year-on-year basis), which is mainly attributable to a net decrease in long-term loans payable of 2,983 million yen, purchase of treasury stock of 2,828 million yen, repayments of finance lease obligations of 973 million yen, and cash dividends paid of 840 million yen.

(3) Qualitative Information on Projected Consolidated Results of Operations

The Company has revised its consolidated full-year earnings forecast for the fiscal year ending March 2016 (April 1, 2015 - March 31, 2016) announced on May 12, 2015, taking into consideration the recent trends in performances. As for the details, please refer to the Notice regarding the Revision of the Full-year Earnings Forecasts for the Fiscal Year Ending March 2016 announced today (November 6, 2015).

## 2. Matters Concerning Summary Information (Notes)

### (1) Changes in Material Subsidiaries during the First Half of Fiscal Year Ending March 2016

Not Applicable.

### (2) Application of Accounting Process which is Peculiar to the Compilation of Consolidated Quarterly Financial Statements

Not Applicable.

### (3) Changes in Accounting Policies and Changes in Accounting Estimates, and Correction and Restatement (Change in the Accounting Policies)

(Application of the Accounting Standard for Business Combinations and the like)

The Company has applied the “Accounting Standard for Business Combinations” (The Accounting Standards Board of Japan (ASBJ) Statement No.21 issued on September 13, 2013), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22 issued on September 13, 2013), and the “Accounting Standard for Business Divestitures” (ASBJ Statement No.7 issued on September 13, 2013), etc. since the consolidated first quarter. Accordingly, the Company has recorded the amount of difference due to the change in the Company’s interests in subsidiaries accounted for using the equity method, over which the Company has maintained control as “capital surplus” and has also changed the relevant accounting policy to a method by which acquisition-related expenses shall be recognized as expenses in the consolidated fiscal year when the said expenses are incurred. As for business combinations to be implemented after the beginning of the consolidated first quarter, the relevant accounting policy will be changed to a method by which review of each allocated amount of any acquisition cost determined on the basis of the provisional accounting treatment shall be reflected in the quarterly consolidated financial statements for the consolidated quarterly accounting period to which the date of the relevant business combination belongs. In addition, the Company has changed the presentment of quarterly net income, etc. and has also changed the presentation term from “minority interests” to “non-controlling interests.” In order to reflect these changes in the presentment, the Company has restated the quarterly consolidated financial statements for the consolidated cumulative second quarter of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

In the quarterly consolidated statements of cash flows for this first half, “Net Cash from Financing Activities” includes cash flows related to acquisition or sale of subsidiaries shares non-accompanying a change in the scope of consolidation, and “Cash Flows from Operating Activities” includes cash flows related to the expenditure with shares acquisition of subsidiaries accompanying a change in the scope of consolidation or expenses relative to acquisition or sale of subsidiaries shares non-accompanying a change in the scope.

With regard to the application of the Accounting Standard for Business Combinations and the like, the Company has complied with the transitional treatment as stipulated in Paragraph 58-2 (4) of the Accounting Standard for Business Combinations, Paragraph 44-5 (4) of the Accounting Standard for Consolidated Financial Statements, and Paragraph 57-4 (4) of the Accounting Standard for Business Divestitures, and the application shall be effective from the beginning of the consolidated first quarter onward into the future.

For reference, please note that the effect on the quarterly consolidated financial statements for this consolidated cumulative second quarter is minor.

3. Quarterly Consolidated Financial Statements  
(1) Quarterly Consolidated Balance Sheets

(Unit: million yen)

	Previous consolidated fiscal year (As of March 31, 2015)	End of consolidated this first half (As of September 30, 2015)
<b>Assets</b>		
Current assets		
Cash and deposits	44,510	34,354
Notes and accounts receivable-trade	279,119	288,218
Securities	602	603
Merchandise and finished goods	73,229	76,283
Other	32,983	32,599
Allowance for doubtful accounts	-411	-397
<b>Total current assets</b>	<b>430,034</b>	<b>431,661</b>
Noncurrent assets		
Property, plant and equipment	84,516	84,986
Intangible assets		
Goodwill	9,108	7,915
Other	3,053	2,730
<b>Total intangible assets</b>	<b>12,162</b>	<b>10,645</b>
Investments and other assets		
Investment securities	64,354	61,524
Other	10,664	10,628
Allowance for doubtful accounts	-1,783	-1,765
<b>Total investments and other assets</b>	<b>73,236</b>	<b>70,387</b>
<b>Total noncurrent asset</b>	<b>169,915</b>	<b>166,020</b>
<b>Total assets</b>	<b>599,950</b>	<b>597,681</b>

(Unit: million yen)

	Previous consolidated fiscal year (As of March 31, 2015)	End of consolidated this first half (As of September 30, 2015)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	360,689	370,280
Short-term loans payable	6,868	6,842
Income taxes payable	6,454	3,208
Provision for bonuses	3,557	3,661
Provision for directors' bonuses	78	38
Provision for sales returns	337	354
Provision for loss on dissolution of employees' pension fund	170	170
Asset retirement obligations	—	28
Other	12,025	8,324
Total current liabilities	390,179	392,908
Noncurrent liabilities		
Bonds payable	15,071	15,063
Long-term loans payable	8,768	6,471
Net defined benefit liabilities	1,636	1,705
Asset retirement obligations	1,084	1,078
Negative goodwill	102	89
Other	25,735	23,833
Total noncurrent liabilities	52,398	48,242
Total liabilities	442,578	441,150
Net assets		
Shareholders' equity		
Capital stock	10,649	10,649
Capital surplus	47,814	47,814
Retained earnings	95,862	99,352
Treasury stock	-13,024	-15,852
Total shareholders' equity	141,303	141,963
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,306	18,859
Revaluation reserve for land	-4,276	-4,330
Total accumulated other comprehensive income	16,030	14,529
Subscription rights to shares	37	37
Total net assets	157,371	156,531
Total liabilities and net assets	599,950	597,681



(2) Quarterly Consolidated Profit and Loss Statement and Quarterly Consolidated Statements of Comprehensive Income  
 Quarterly Consolidated Profit and Loss Statement  
 [Cumulative period for the consolidated first half]

(Million of yen)

	Cumulative period for previous consolidated second quarter (from April 1, 2014 to September 30, 2014)	Cumulative period for this consolidated second quarter (from April 1, 2015 to September 30, 2015)
Net sales	560,916	602,184
Cost of sales	509,718	548,144
Gross profit	51,197	54,039
Selling, general and administrative expenses		
Directors' compensations, salaries and allowances	21,598	20,884
Provision for bonuses	3,641	3,644
Provision for directors' bonuses	39	38
Retirement benefit expenses	108	129
Welfare expenses	3,968	3,848
Vehicle expenses	792	652
Provision of allowance for doubtful accounts	-60	-24
Depreciation	2,315	2,303
Amortization of goodwill	1,263	1,277
Rent expenses	3,517	3,480
Taxes and dues	598	719
Expense before deduction of temporary consumption tax payment	2,468	2,599
Other	8,322	8,374
Total selling, general and administrative expenses	48,574	47,929
Operating income	2,622	6,110
Non-operating income		
Interest income	22	31
Dividend income	640	662
Commission fee	1,425	1,539
Amortization of negative goodwill	287	13
Equity in earnings of affiliates	0	22
Other	1,088	1,206
Total non-operating income	3,464	3,476
Non-operating expenses		
Interest expenses	179	106
Expenses of real estate rent	295	229
Other	54	86
Total non-operating expenses	528	421
Ordinary income	5,558	9,164

(Million of yen)

	Cumulative period for previous consolidated second quarter (from April 1, 2014 to September 30, 2014)	Cumulative period for this consolidated second quarter (from April 1, 2015 to September 30, 2015)
Extraordinary income		
Gain on sales of noncurrent assets	44	128
Gain on transfer of business	96	—
Other	9	23
Total extraordinary income	150	152
Extraordinary loss		
Loss on disposal of noncurrent assets	84	173
Loss on valuation of investment securities	—	1,219
Impairment loss	157	128
Other	8	4
Total extraordinary loss	250	1,526
Income before income taxes	5,458	7,790
Income taxes-current	2,476	3,153
Income taxes-deferred	-36	360
Total income taxes	2,439	3,513
Current net income	3,019	4,276
Profit attributable to owners of parent	3,019	4,276

Quarterly Consolidated Statements of Comprehensive Income  
[Cumulative period for the consolidated second quarter]

(Million of yen)

	Cumulative period for previous consolidated second quarter (from April 1, 2014 to September 30, 2014)	Cumulative period for this consolidated second quarter (from April 1, 2015 to September 30, 2015)
Current net income	3,019	4,276
Other comprehensive income		
Valuation difference on available-for-sale securities	4,920	-1,437
Share of other comprehensive income of associates accounted for using equity method	24	-9
Total other comprehensive income	4,945	-1,447
Comprehensive income	7,964	2,829
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	7,964	2,829
Comprehensive income attributable to non-controlling interests	—	—

## (3) Quarterly Consolidated Statements of Cash Flows

(Million of yen)

	Cumulative period for previous consolidated second quarter (from April 1, 2014 to September 30, 2014)	Cumulative period for this consolidated second quarter (from April 1, 2015 to September 30, 2015)
Net cash provided by (used in) operating activities		
Income before income taxes	5,458	7,790
Depreciation and amortization	2,315	2,303
Impairment loss	157	128
Amortization of goodwill	1,263	1,277
Amortization of negative goodwill	-287	-13
Increase (decrease) in net defined benefit liability	49	68
Increase (decrease) in provision for sales returns	-2	17
Increase (decrease) in provision for bonuses	96	103
Increase (decrease) in provision for directors' bonuses	-41	-39
Increase (decrease) in allowance for doubtful accounts	-178	-32
Interest and dividend income	-662	-694
Interest expense	179	106
Loss (gain) on sales and retirement of noncurrent assets	40	44
Loss (gain) on sales and valuation of investment securities	—	1,219
Loss (gain) on transfer of business	-96	—
Decrease (increase) in notes and accounts receivable-trade	20,586	-9,097
Decrease (increase) in inventories	14,675	-3,053
Decrease (increase) in other assets	-1,199	686
Increase (decrease) in notes and accounts payable-trade	-25,846	9,590
Increase (decrease) in other liabilities	-511	-382
Increase (decrease) in accrued consumption taxes	2,703	-3,340
Other loss (gain)	-2,013	-2,343
Subtotal	16,687	4,341
Interest and dividends income received	667	692
Interest expenses paid	-260	-173
Income taxes paid	-3,902	-6,980
Other	1,992	2,051
Net cash provided by (used in) operating activities	15,184	-68

(Million of yen)

	Cumulative period for previous consolidated second quarter (from April 1, 2014 to September 30, 2014)	Cumulative period for this consolidated second quarter (from April 1, 2015 to September 30, 2015)
Net cash provided by (used in) investment activities		
Payments into time deposits	-642	-649
Proceeds from withdrawal of time deposits	629	890
Purchase of property, plant and equipment	-1,390	-3,052
Proceeds from sales of property, plant and equipment	120	508
Purchase of intangible assets	-471	-256
Proceeds from sales of intangible assets	3	2
Purchase of investment securities	-476	-72
Proceeds from sales and redemption of investment securities	—	9
Purchase of stocks of subsidiaries and affiliates	-2,311	-236
Payments for asset retirement obligations	-66	-23
Payments of loans receivable	-22	-204
Collection of loans receivable	179	87
Other	211	-47
Net cash provided by (used in) investment activities	-4,236	-3,044
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-1,260	825
Proceeds from long-term loans payable	280	1,170
Repayment of long-term loans payable	-3,559	-4,153
Purchase of treasury stock	-1	-2,828
Repayments of finance lease obligations	-992	-973
Cash dividends paid	-754	-840
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	-0
Net cash provided by (used in) financing activities	-6,286	-6,801
Net increase (decrease) in cash and cash equivalents	4,660	-9,914
Cash and cash equivalents at beginning of year	14,257	40,550
Increase in cash and cash equivalents resulting from merger	42	—
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	697	—
Cash and cash equivalents at the end of first half	19,657	30,636

(4) Notes of Quarterly Consolidated Financial Statements

(Notes Concerning Premise of a Going Business)

Not applicable.

(Notes concerning Material Changes in Shareholders' Equity)

Cumulative period for this consolidated first half (from April 1, 2015 to September 30, 2015)

Not applicable.

(Segmental Information)

I Cumulative period for previous consolidated first half (from April 1, 2014 to September 30, 2014)

1. Information about sales and profit or loss by reportable segment

	Reportable segments					Adjustments (million yen) (Note 1)	Amount on the quarterly consolidated profit and loss statement (million yen) (Note2)
	Pharmaceutical Wholesaling (million yen)	Dispensing Pharmacy (million yen)	SMO (million yen)	Information equipment sales (million yen)	Total (million yen)		
Net Sales							
(1) Net sales to external customers	515,524	44,839	140	410	560,916	—	560,916
(2) Inter-segment internal net sales or transfers	20,680	27	—	148	20,856	-20,856	—
Total	536,204	44,867	140	559	581,772	-20,856	560,916
Segment profit	2,630	72	37	-90	2,650	-28	2,622

(Note) 1. Adjustments represent elimination of internal transactions and unrealized profit.

2. The amounts for income or losses in the reportable segments were subsequently adjusted with the amount of operating income on the quarterly consolidated profit and loss statement.

2. Information about impairment losses on noncurrent assets or goodwill by each business segment

Not applicable.

II Cumulative period for this consolidated first half (from April 1, 2015 to September 30, 2015)

1. Information about sales and profit or loss by reportable segment

	Reportable segments					Adjustments (million yen) (Note 1)	Amount on the quarterly consolidated profit and loss statement (million yen) (Note2)
	Pharmaceutical Wholesaling (million yen)	Dispensing Pharmacy (million yen)	SMO (million yen)	Information equipment sales (million yen)	Total (million yen)		
Net Sales							
(1) Net sales to external customers	553,771	47,617	264	531	602,184	—	602,184
(2) Inter-segment internal net sales or transfers	23,282	13	—	90	23,386	-23,386	—
Total	577,053	47,630	264	622	625,570	-23,386	602,184
Segment profit	5,271	931	145	-57	6,289	-179	6,110

(Note) 1. Adjustments represent elimination of internal transactions and unrealized profit.

2. The amounts for income or losses in the reportable segments were subsequently adjusted with the amount of operating income on the quarterly consolidated profit and loss statement.

2. Information about impairment losses on noncurrent assets or goodwill by each business segment

Not applicable.