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November 8, 2024

## Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: TOHO HOLDINGS CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 8129  
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 Scheduled date to file quarterly securities report: November 14, 2024  
 Scheduled date to commence dividend payments: December 2, 2024  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes (for Institutional Investors and Analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2024	754,974	2.7	7,380	13.7	8,596	8.2	5,383	-38.7
September 30, 2023	734,846	7.8	6,492	11.3	7,945	7.5	8,782	144.1

Note: Comprehensive income For the six months ended September 30, 2024: ¥8,035 million [-13.1%]  
 For the six months ended September 30, 2023: ¥9,246 million [63.5%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	85.71	75.64
September 30, 2023	134.19	121.19

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	770,711	262,644	34.0
March 31, 2024	773,427	249,437	32.2

Reference: Equity As of September 30, 2024: ¥ 262,406 million  
 As of March 31, 2024: ¥249,188 million

### 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended					
March 31, 2024	—	18.00	—	22.00	40.00
Fiscal year ending					
March 31, 2025	—	25.00			
Fiscal year ending					
March 31, 2025 (Forecast)			—	40.00	65.00

Note: Revision to the forecast of cash dividends most recently announced: Applicable

Breakdown of cash dividends for the FY ended March 2024: Commemorative dividend: 4.00yen; Ordinary dividend: 36.00yen

### 3. Consolidated financial forecast for fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,492,000	1.0	18,200	-5.9	20,100	-7.7	12,500	-39.5	198.86

Note: Revision of consolidated financial forecast most recently announced: None

#### \* Notes

- (1) Significant changes in the scope of consolidation during the period: None  
 Newly included: —  
 Excluded: —
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
  - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None
- (4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	76,431,342 shares
As of March 31, 2024	76,431,342 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	11,011,791 shares
As of March 31, 2024	13,650,854 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	62,815,614 shares
Six months ended September 30, 2023	65,448,433 shares

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

#### \* Proper use of earnings forecasts, and other special matters

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 Explanation of Projections of Consolidated Operating Results for Fiscal Year ending March 31, 2025 on page 4 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 Six Months Ended September 30, 2024

### (1) Explanation of Management Results

In the prescription pharmaceuticals market during the first half of the fiscal year under review, NHI drug price revisions were implemented in April 2024, lowering NHI drug prices by 4.67% on a drug cost basis. In addition, sales of COVID-19-related products decreased due to the end of government subsidies for COVID-19 treatment. However, thanks to growth in cancer therapeutic drugs and other new drugs, specialty products, vaccines, and other products, the market showed positive growth.

The Group developed the Medium-term Management Plan 2023-2025 “Create the Next Generation,” for a period of three years from 2023. It set out four basic policies: (1) Business transformation, (2) Investment for growth and improvement of profitability, (3) Sustainability management, and (4) Improvement of capital efficiency and enhancement of shareholder returns. Based on these policies, we implemented specific measures to maintain sustainable growth and enhance corporate value through such means as active business alliances and digital transformation (DX).

With regard to business transformation, in order to shift to a team system centered on secondary medical care areas, which we aim to start in April 2026, we continued to promote joint measures by pharmaceutical MSs (marketing specialists) and reagent MSs, and implemented organizational and personnel changes in the sales and logistics divisions in July. With a view to implementing the “Community healthcare design” and “Evolution of customer support business,” we entered into a business alliance with PHARUMO, Inc., which is engaged in ICT business for pharmacies. We will link PHARUMO’s Every Series, a total solution for the inventory operation DX for dispensing pharmacies, with TOHO HOLDINGS’ inventory management system and other customer support systems to strengthen and expand the services of both companies, and develop new products that contribute to the community healthcare DX. In addition, we have formed a strategic business alliance with Blue innovation Co., Ltd., which develops and provides DX solutions that utilize drones and robots, for the innovation of pharmaceutical logistics, and began studying the establishment of a stable delivery system for pharmaceuticals and medical devices to areas hit by a large-scale disaster, remote areas, and inaccessible areas.

As initiatives regarding investment for growth and improvement of profitability, we have formed a capital and business alliance with WACON Co., Ltd., which is engaged in manufacturing and sales of logistics equipment, including constant-temperature containers of pharmaceuticals, in anticipation of growth in specialty products, which are likely to become the mainstay of the pharmaceutical market in the future. In order to deliver specialty products that require strict temperature and quality control, we will promote joint development of new constant-temperature transportation products and development of new applications for WACON’s existing transportation products, thereby establishing a temperature control logistics system that maintains quality even in recent abnormal weather such as rising temperatures.

In the area of sustainability management, we established the Procurement Management Office in July to address issues in the Group’s procurement activities, and 12 Group companies participated in the Declaration of Partnership Building to promote coexistence and co-prosperity with our suppliers in the entire supply chain. In August, we established the Governance Enhancement Special Committee as an advisory body to the Board of Directors to further strengthen the Group’s governance, including compliance and risk management. The Committee consists of three members independent from the Company in order to examine internal control organizations and provide advice and recommendations on governance from an objective and professional standpoint. The Group will strive to further improve governance based on the advice and recommendations provided by the Committee.

With regard to improvement of capital efficiency and enhancement of shareholder returns, in line with a basic policy that calls for a stable increase in dividends with a view to achieving a DOE (dividend on equity) of 2%, the annual dividend for this fiscal year was set at 50 yen, an increase of 10 yen from the previous fiscal year (25 yen each for the interim and the end of the fiscal year). In addition, the Board of Directors today resolved to increase the year-end dividend by 15 yen from the initial forecast of 25 yen per share to 40 yen, and increase the annual dividend by 25 yen from the previous fiscal year to 65 yen. In addition, the Company announced that it will repurchase 15 billion yen of treasury stock in August, and we plan to cancel all shares acquired.

Furthermore, the Management Strategy Committee, which was established in April this year for the purpose of accelerating the implementation of the initiatives of the Medium-term Management Plan and enhancing their effectiveness, clearly defined the ideal state for the “next generation,” built the optimal business portfolio to achieve it, and, based on that, decided on a policy for holding assets, such as cross-shareholdings, together with a medium-term capital allocation policy, after verifying profit growth strategies. For details, please refer to “Notice of Action Plan Developed Based on Verification Results of Management Strategy Committee” disclosed today.

The Company’s consolidated operating results for the six months ended September 30, 2024 recorded 754,974 million yen for net sales (an increase of 2.7% on a year-on-year basis), 7,380 million yen for operating profit (an increase of 13.7% on a year-on-year basis), 8,596 million yen for ordinary profit (an increase of 8.2% on a year-on-year basis), and 5,383 million yen for profit attributable to owners of parent (a decrease of 38.7% on a year-on-year basis).

The outline of business segment operating results are as follows.

In the pharmaceutical wholesaling business, while sales of COVID-19-related products decreased compared to

the same period of the previous year, sales of specialty pharmaceuticals and other limited-handling products for selected wholesalers continued to grow steadily. In price negotiations with medical institutions, in order to comply with the Guidelines for the Improvement of Commercial Transaction Practices of Ethical Drugs for Manufacturers, Wholesalers, and Medical Institutions/Pharmacies that were revised in March 2024, we continued our efforts to negotiate unit prices for individual products to better reflect their individual value and distribution costs. We also worked to negotiate separately for drugs that are particularly needed for medical purposes. As for customer support systems, as main activities, we strengthened the proposal of simplified Mizar, promoted the switch from ENIF to FutureENIF and proposed Byoin-Navi's website-creating service. As a result, the pharmaceutical wholesaling business posted net sales of 728,733 million yen (an increase of 2.7% on a year-on-year basis) and segment profit (operating profit) of 8,005 million yen (an increase of 17.5% on a year-on-year basis) for the six months ended September 30, 2024 under review.

In the dispensing pharmacy business, in order to implement the transformation of the dispensing pharmacy business, which is a key measure of the Medium-term Management Plan, we pressed ahead with the reorganization of operating companies. Consequently, the number of dispensing pharmacy companies decreased from 27 at the end of March 2024 to 17 by July 1 this year. Moreover, in order to promote pharmacy DX, we worked to promote the use of the My Number health insurance card, online medication instructions, etc. We also worked to improve technology fees for responding to the revision of dispensing fees implemented on June 1. However, due to the occurrence of temporary expenses associated with the integration of subsidiaries, net sales were 47,111 million yen (an increase of 1.1% on a year-on-year basis) and segment loss (operating loss) was 18 million yen.

In the pharmaceutical manufacturing and sales business, the Group has been engaged in the stable supply of high-quality and high value-added pharmaceuticals by strictly monitoring the quality of products based on its own verification system and establishing a planned production system. As a result, the pharmaceutical manufacturing and sales business posted net sales of 5,592 million yen (an increase of 8.3% on a year-on-year basis.) and segment profit (operating profit) of 442 million yen (an increase of 1.4% on a year-on-year basis.).

In the other peripheral businesses, net sales amounted to 3,209 million yen (an increase of 7.8% on a year-on-year basis.) and segment profit (operating profit) was 203 million yen (an increase of 45.1% on a year-on-year basis.).

(Note) Segment sales include inter-segment transactions.

## (2) Explanation of Financial Position

### (Assets)

Current assets decreased 1.6% from the end of the previous consolidated fiscal year to 588,234 million yen with an increase in merchandise and finished goods of 8,358 million yen, and a decrease in cash and deposits of 24,743 million yen in other.

Non-current assets increased 4.0% from the end of the previous consolidated fiscal year to 182,476 million yen with an increase in investment securities of 5,305 million yen included in other under investments and other assets. As a result, consolidated net assets decreased 0.4% from the end of the previous consolidated fiscal year, to 770,711 million yen.

### (Liabilities)

Current liabilities decreased 1.8% from the end of the previous consolidated fiscal year to 462,815 million yen with a decrease in income taxes payable of 3,299 million yen, and a decrease in accrued consumption taxes of 3,019 million yen included in other.

Non-current liabilities decreased 14.1% from the end of the previous consolidated fiscal year to 45,251 million yen with a decrease in bonds payable of 8,944 million yen in other.

As a result, total liabilities decreased 3.0% from the end of the previous consolidated fiscal year, to 508,066 million yen.

### (Net assets)

Total net assets increased 5.3% from the end of the previous consolidated fiscal year to 262,644 million yen with an increase in retained earnings of 4,317 million yen, an increase in valuation difference on available-for-sale securities of 2,644 million yen, and a decrease in treasury shares of 4,884 million yen in other.

## (Analysis of the Cash Flow Position)

Cash and cash equivalents (hereinafter referred to as “cash”) during this consolidated first half decreased 24,747 million yen from the end of the previous consolidated fiscal year. As a result, the balance at the end of this first half was 103,925 million yen (a decrease of 29,590 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 10,744 million yen (a decrease of 64,677 million yen on a year-on-year basis). Although inflow was secured by some positive factors such as income before income taxes of 8,541 million yen, depreciation of 2,817 million yen, these were somewhat offset by negative factors including an increase in notes and accounts receivable-trade of 2,853 million yen, increase in inventories of 8,167 million yen, decrease in accrued consumption taxes of 3,019 million yen, and income taxes paid of 6,739 million yen in other.

### (Cash Flows from Investing Activities)

Cash flow from investing activities was an outflow of 4,590 million yen (a decrease of 8,105 million yen from the previous fiscal year), which is mainly attributable to purchase of property, plant and equipment of 2,241 million yen, purchase of investment securities of 1,155 million yen, and purchase of shares of subsidiaries and associates of 934 million yen in other.

### (Cash Flows from Financing Activities)

Cash flow from financing activities was an outflow of 10,187 million yen (a decrease of 4,411 million yen on a year-on-year basis), which is mainly attributable to net decrease in short-term borrowings of 881 million yen, increase in deposits for purchase of treasury shares of 4,795 million yen, purchase of treasury shares of 2,707 million yen, and dividends paid of 1,381 million yen in other.

## (3) Explanation of Projections of Consolidated Operating Results for Fiscal Year ending March 31, 2025

There are no changes in the projected consolidated results of the full-term of the fiscal year ending March 31, 2025 published on May 10, 2024.

2. Semi-annual Consolidated Financial Statements and Major Notes  
(1) Semi-annual Consolidated Balance Sheet

(Unit: million yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	132,970	108,227
Notes and accounts receivable-trade	338,726	339,793
Merchandise and finished goods	87,107	95,465
Raw materials and supplies	180	206
Other	39,263	44,905
Allowance for doubtful accounts	-359	-364
<b>Total current assets</b>	<b>597,888</b>	<b>588,234</b>
Non-current assets		
Property, plant and equipment	87,478	88,337
Intangible assets		
Goodwill	297	250
Other	5,339	5,492
<b>Total intangible assets</b>	<b>5,636</b>	<b>5,743</b>
Investments and other assets		
Other	83,793	89,816
Allowance for doubtful accounts	-1,369	-1,419
<b>Total investments and other assets</b>	<b>82,423</b>	<b>88,396</b>
<b>Total non-current assets</b>	<b>175,538</b>	<b>182,476</b>
<b>Total assets</b>	<b>773,427</b>	<b>770,711</b>

(Unit: million yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	438,072	438,913
Short-term borrowings	552	525
Income taxes payable	7,429	4,130
Provision for bonuses	3,681	3,604
Provision for bonuses for directors	43	22
Other	21,527	15,618
Total current liabilities	471,305	462,815
Non-current liabilities		
Bonds payable	22,092	13,148
Long-term borrowings	6,074	5,875
Provision for loss on guarantees	148	189
Retirement benefit liability	2,539	2,621
Asset retirement obligations	2,846	2,870
Provision for loss on Antimonopoly Act	4,849	4,849
Other	14,134	15,697
Total non-current liabilities	52,684	45,251
Total liabilities	523,990	508,066
Net assets		
Shareholders' equity		
Share capital	10,649	10,649
Capital surplus	45,212	46,583
Retained earnings	209,746	214,064
Treasury shares	-30,907	-26,023
Total shareholders' equity	234,701	245,274
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18,770	21,414
Revaluation reserve for land	-4,283	-4,283
Total accumulated other comprehensive income	14,486	17,131
Share acquisition rights	144	127
Non-controlling interests	104	111
Total net assets	249,437	262,644
Total liabilities and net assets	773,427	770,711



(2) Semi-annual Consolidated Statement of Income and Semi-annual Consolidated Statement of Comprehensive Income  
Semi-annual Consolidated Statement of Income

(Unit: million yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	734,846	754,974
Cost of sales	678,210	696,589
Gross profit	56,635	58,384
Selling, general and administrative expenses		
Remuneration, salaries and allowances for directors	20,131	20,445
Provision for bonuses	3,296	3,630
Provision for bonuses for directors	21	22
Retirement benefit expenses	146	169
Welfare expenses	3,845	3,947
Vehicle expenses	523	514
Provision of allowance for doubtful accounts	14	55
Depreciation	2,934	2,632
Amortization of goodwill	134	93
Rent expenses	4,238	3,953
Taxes and dues	1,093	1,007
Non-deductible temporary paid consumption tax expense	3,326	3,374
Other	10,434	11,157
Total selling, general and administrative expenses	50,142	51,004
Operating profit	6,492	7,380
Non-operating income		
Interest income	27	59
Dividend income	677	621
Share of profit of entities accounted for using equity method	335	92
Rental income from real estate	418	406
Other	302	251
Total non-operating income	1,761	1,431
Non-operating expenses		
Interest expenses	31	22
Bond issuance costs	83	-
Real estate lease expenses	88	89
Other	105	103
Total non-operating expenses	308	215
Ordinary profit	7,945	8,596

(Unit: million yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Extraordinary income		
Gain on sales of non-current assets	18	2
Gain on extinguishment of tie-in shares	—	22
Other	5,134	0
Total extraordinary income	5,152	26
Extraordinary losses		
Loss on disposal of non-current assets	48	54
Impairment losses	—	18
Other	20	8
Total extraordinary losses	68	81
Profit before income taxes	13,029	8,541
Income taxes-current	5,280	3,629
Income taxes-deferred	-1,039	-477
Total income taxes	4,241	3,151
Net profit	8,788	5,390
Profit attributable to non-controlling interests	6	6
Profit attributable to owners of parent	8,782	5,383

## Semi-annual Consolidated Statement of Comprehensive Income

(Unit: million yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net profit	8,788	5,390
Other comprehensive income		
Valuation difference on available-for-sale securities	439	2,655
Share of other comprehensive income of entities accounted for using equity method	17	-11
Total other comprehensive income	457	2,644
Comprehensive income	9,246	8,035
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	9,240	8,028
Comprehensive income attributable to non-controlling interests	6	6

## (3) Semi-annual Consolidated Statement of Cash Flows

(Unit: million yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	13,029	8,541
Depreciation	3,098	2,817
Impairment losses	—	18
Amortization of goodwill	134	93
Increase (decrease) in retirement benefit liability	12	36
Increase (decrease) in provision for bonuses	138	-86
Increase (decrease) in provision for bonuses for directors (and other officers)	-20	-20
Increase (decrease) in allowance for doubtful accounts	14	49
Increase (decrease) in provision for loss on guarantees	—	41
Interest and dividend income	-704	-681
Interest expense	31	22
Loss (gain) on sale and retirement of non-current assets	29	52
Loss (gain) on sales and valuation of investment securities	-5,127	2
Decrease (increase) in trade receivables	-36,996	-2,853
Decrease (increase) in inventories	3,237	-8,167
Decrease (increase) in other assets	-1,073	-1,016
Increase (decrease) in trade payables	79,022	435
Increase (decrease) in other liabilities	1,901	-935
Increase (decrease) in accrued consumption taxes	1,552	-3,019
Other loss (gain)	-728	-363
Subtotal	57,553	-5,033
Interest and dividends received	700	641
Interest paid	-31	-23
Income taxes paid	-4,765	-6,739
Other	477	410
Net cash provided by (used in) operating activities	53,933	-10,744

(Unit: million yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from investing activities		
Payments into time deposits	-697	-676
Proceeds from withdrawal of time deposits	721	672
Purchase of property, plant and equipment	-966	-2,241
Proceeds from sales of property, plant and equipment	91	34
Purchase of intangible assets	-792	-819
Purchase of investment securities	-1,955	-1,155
Proceeds from sales and redemption of investment securities	6,977	1
Purchase of shares of subsidiaries and associates	-40	-934
Payments for acquisition of businesses	—	-33
Payments for asset retirement obligations	-8	-2
Loan advances	-7	-9
Proceeds from collection of loans receivable	195	250
Other	-2	323
Cash flows from investing activities	3,515	-4,590
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	721	-881
Repayments of long-term borrowings	-1,335	-214
Proceeds from issuance of bonds	22,110	—
Redemption of bonds	-20,000	—
Purchase of treasury shares	-6,001	-2,707
Decrease (increase) in segregated deposits for purchase of treasury shares	—	-4,795
Repayments of finance lease liabilities	-198	-207
Dividends paid	-1,071	-1,381
Cash flows from financing activities	-5,775	-10,187
Net increase (decrease) in cash and cash equivalents	51,672	-25,522
Cash and cash equivalents at beginning of period	81,839	128,673
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	3	774
Cash and cash equivalents at the end of period	133,516	103,925

(4) Notes Concerning Semi-annual Consolidated Financial Statements

(Notes Concerning Premise of a Going Business)

Not applicable.

(Notes Concerning Material Changes in Shareholders' Equity)

Not applicable.

(Notes Concerning Changes in Accounting Policies)

(Application of the Accounting Standard for Current Income Taxes, etc.)

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter, "Revised Accounting Standard 2022"), etc. have been applied from the beginning of the first half of the fiscal year ending March 31, 2025. Revisions concerning the categories in which current income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, "Revised Guidance 2022"). The change in accounting policies had no impact on the consolidated financial statements for the first half under review.

With regard to revisions related to changes in the accounting treatment for consolidated financial statements when gains/losses on sale of shares, etc. in subsidiaries resulting from transactions between consolidated subsidiaries are deferred for tax purposes, the Company has applied the Revised Guidance 2022 from the beginning of the first half under review. The change in accounting policies was applied retrospectively to the consolidated financial statements for the first half of the previous fiscal year and the entire previous fiscal year. The change in the accounting policies had no impact on the consolidated financial statements for the first half of the previous fiscal year or the entire previous fiscal year.

## (Segmental Information)

## I Six months ended September 30, 2023

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

	Reportable segments					Adjustments (million yen) (Note 1)	Amount on semi-annual consolidated statement of income (million yen) (Note2)
	Pharmaceutical Wholesaling (million yen)	Dispensing Pharmacy (million yen)	Pharmaceutical Manufacturing and Sales (million yen)	Other Peripheral Businesses (million yen)	Total (million yen)		
Net Sales							
(1) Sales to external customers	684,777	46,590	1,178	2,300	734,846	—	734,846
(2) Inter-segment sales	24,636	7	3,985	678	29,308	-29,308	—
Total	709,414	46,598	5,164	2,978	764,154	-29,308	734,846
Segment profit	6,811	895	436	139	8,283	-1,791	6,492

- (Note) 1. The amount of the adjustments for segment profits shows the elimination of internal transactions and unrealized profit and corporate expenses not attributable to any reportable segment.  
2. The amounts for profit in the reportable segments were subsequently adjusted with the amount of operating profit on the semi-annual consolidated statement of income.

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

Not applicable.

## II Six months ended September 30, 2024

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

	Reportable segments					Adjustments (million yen) (Note 1)	Amount on semi-annual consolidated statement of income (million yen) (Note2)
	Pharmaceutical Wholesaling (million yen)	Dispensing Pharmacy (million yen)	Pharmaceutical Manufacturing and Sales (million yen)	Other Peripheral Businesses (million yen)	Total (million yen)		
Net Sales							
(1) Sales to external customers	704,284	47,092	1,382	2,214	754,974	—	754,974
(2) Inter-segment sales	24,448	19	4,209	994	29,672	-29,672	—
Total	728,733	47,111	5,592	3,209	784,646	-29,672	754,974
Segment profit	8,005	-18	442	203	8,633	-1,252	7,380

- (Note) 1. The amount of the adjustments for segment profits or losses shows the elimination of internal transactions and unrealized profit and corporate expenses not attributable to any reportable segment.  
2. The amounts for profit or losses in the reportable segments were subsequently adjusted with the amount of operating profit on the semi-annual consolidated statement of income.

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

Not applicable.