

Consolidated Financial Results
for the Fiscal Year Ended June 20, 2020
[Japanese GAAP]



July 27, 2020

Company name: Genky DrugStores Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Code number: 9267

URL: <http://www.genkydrugstores.co.jp>

Representative: Kenichi Fujinaga, President

Contact: Takeshi Tsunemi, Executive Officer, Treasurer and Manager, IR Public Relations Office

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Scheduled date of convention of ordinary general meeting of shareholders: September 4, 2020

Scheduled date of commencing dividend payments: September 7, 2020

Scheduled date of filing annual securities report: September 7, 2020

Availability of supplementary briefing material on annual financial results: Available

Schedule of annual financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended June 20, 2020 (June 21, 2019 to June 20, 2020)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | |
|-------------|-------------|------|------------------|-------|-----------------|-------|---|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Fiscal 2019 | 123,603 | 19.0 | 4,341 | 7.3 | 4,566 | 6.1 | 2,755 | 2.1 |
| Fiscal 2018 | 103,897 | 9.5 | 4,046 | (2.0) | 4,305 | (1.7) | 2,697 | (13.5) |

(Note) Comprehensive income: Fiscal 2019: ¥2,745 million (2.5%)

Fiscal 2018: ¥2,679 million ((15.1)%)

| | Net income per share | Diluted net income per share | Net income to shareholders' equity ratio | Ordinary income to total assets ratio | Operating income to net sales ratio |
|-------------|----------------------|------------------------------|--|---------------------------------------|-------------------------------------|
| | Yen | Yen | % | % | % |
| Fiscal 2019 | 181.52 | — | 10.4 | 6.1 | 3.5 |
| Fiscal 2018 | 174.70 | — | 11.0 | 6.7 | 3.9 |

(Reference): Equity in earnings of affiliates: Fiscal 2019: ¥— million

Fiscal 2018: ¥— million

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---------------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of June 20, 2020 | 83,145 | 27,685 | 33.3 | 1,823.51 |
| As of June 20, 2019 | 67,855 | 25,309 | 37.3 | 1,667.60 |

(Reference) Equity: As of June 20, 2020: ¥27,676 million

As of June 20, 2019: ¥25,309 million

(3) Consolidated Cash Flows

| | Cash flow from operating activities | Cash flow from investing activities | Cash flow from financing activities | Cash and cash equivalents at the end of the fiscal year |
|-------------|-------------------------------------|-------------------------------------|-------------------------------------|---|
| | Million yen | Million yen | Million yen | Million yen |
| Fiscal 2019 | 7,411 | (11,222) | 7,989 | 6,620 |
| Fiscal 2018 | 4,300 | (10,946) | 6,866 | 2,443 |

2. Dividends

| | Annual dividends | | | | | Total annual dividends | Dividend payout ratio (consolidated) | Dividend on equity ratio (consolidated) |
|------------------------|------------------|-----------------|-----------------|----------|-------|------------------------|--------------------------------------|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| Fiscal 2018 | — | 12.50 | — | 12.50 | 25.00 | 383 | 14.3 | 1.6 |
| Fiscal 2019 | — | 12.50 | — | 12.50 | 25.00 | 379 | 13.8 | 1.4 |
| Fiscal 2020 (Forecast) | — | 12.50 | — | 12.50 | 25.00 | | 10.8 | |

3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 20, 2021 (June 21, 2020 to June 20, 2021)

(% indicates changes from the previous fiscal year.)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | | Net income per share |
|------------|-------------|------|------------------|------|-----------------|------|---|-------|----------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| First half | 70,000 | 24.3 | 2,100 | 87.5 | 2,250 | 80.5 | 1,500 | 103.7 | 98.83 |
| Full year | 145,000 | 17.3 | 5,000 | 15.2 | 5,300 | 16.1 | 3,500 | 27.0 | 230.61 |

Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
Newly consolidated: None (Company Name); Removed from consolidation: None (Company Name)
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (3) Total number of issued shares (common stock)
 - 1) Total number of issued shares at the end of the period (including treasury stock):
As of June 20, 2020: 15,477,484 shares
As of June 20, 2019: 15,477,484 shares
 - 2) Total number of treasury stock at the end of the period:
As of June 20, 2020: 300,159 shares
As of June 20, 2019: 300,109 shares
 - 3) Average number of shares during the period:
Year ended June 20, 2020: 15,177,335 shares
Year ended June 20, 2019: 15,441,061 shares

(Reference) Summary of Non-Consolidated Financial Results

Non-Consolidated Financial Results for the Fiscal Year Ended June 20, 2020 (June 21, 2019 to June 20, 2020)

(1) Non-Consolidated Operating Results (% indicates changes from the previous fiscal year.)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|-------------|-------------|-------|------------------|--------|-----------------|--------|-------------|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Fiscal 2019 | 269 | 10.0 | 55 | 541.2 | 75 | 137.0 | 30 | 348.8 |
| Fiscal 2018 | 244 | 100.0 | 8 | (76.8) | 31 | (15.9) | 6 | (99.3) |

| | Net income per share | Diluted net income per share |
|-------------|----------------------|------------------------------|
| | Yen | Yen |
| Fiscal 2019 | 2.02 | 2.02 |
| Fiscal 2018 | 0.44 | — |

(2) Non-Consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---------------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of June 20, 2020 | 23,092 | 21,578 | 93.4 | 1,421.16 |
| As of June 20, 2019 | 23,101 | 21,918 | 94.9 | 1,444.14 |

(Reference) Equity: As of June 20, 2020: ¥21,569 million

As of June 20, 2019: ¥21,918 million

* These financial results are outside the scope of audit by a certified public accountant or an audit corporation.

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information that is available and certain assumptions deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.