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April 4, 2025

Company Name: TSURUHA HOLDING INC.
Name of Representative: Tsuruha Jun, President and Representative Director
(Securities code: 3391, Tokyo Stock Exchange (Prime Market))
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(Corrections / Corrections of Numerical Data) Notice Regarding Partial Correction to “Consolidated Financial Results for the Three Months Ended August 15, 2024 (Under Japanese GAAP)”

TSURUHA HOLDINGS INC. (the “Company”) hereby announces that it made a partial correction to the “Consolidated Financial Results for the Three Months Ended August 15, 2024 (Under Japanese GAAP)” disclosed on September 30, 2024.

As numerical data have also been corrected, the corrected numerical data are also provided.

1. Details and reasons for corrections

For details, please refer to “Notice of Filing of Amendment Report for Annual Securities Report for Past Fiscal Years and Amendment of Annual Earnings Results for Past Fiscal Years” disclosed today (March 28, 2025).

2. Corrections

The corrected portions are underlined. As the corrections are extensive, only the corrected full text is provided.

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(Corrected version)



Consolidated Financial Results for the Three Months Ended August 15, 2024 (Under Japanese GAAP)

September 30, 2024

Company name: TSURUHA HOLDINGS INC.
 Listing: Tokyo Stock Exchange (Prime Market)
 Securities code: 3391
 URL: <https://www.tsuruha-hd.com>
 Representative: Tsuruha Jun, President and Representative Director
 Inquiries: Miyake Ryutaro, Executive Officer and General Manager of Accounting and Finance Division
 Telephone: +81-11-783-2755
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and financial analysts)

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

1. Consolidated financial results for the three months ended August 15, 2024 (May 16, 2024–August 15, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended August 15, 2024	<u>273,213</u>	5.2	<u>15,291</u>	8.4	<u>15,279</u>	7.6	<u>9,207</u>	11.3
August 15, 2023	259,827	6.8	14,103	5.9	14,200	6.3	8,269	10.2

(Note) Comprehensive income: Three months ended August 15, 2024: ¥9,858 million [(18.6)%]
 Three months ended August 15, 2023: ¥12,108 million (5.8 %)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended August 15, 2024	<u>189.31</u>	<u>188.75</u>
August 15, 2023	170.16	169.48

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 15, 2024	<u>556,361</u>	<u>308,270</u>	<u>50.7</u>	<u>5,802.39</u>
May 15, 2024	<u>549,551</u>	<u>305,297</u>	<u>50.9</u>	<u>5,748.63</u>

(Reference) Equity (Shareholders' equity + Accumulated other comprehensive income):

As of August 15, 2024: ¥282,238 million
 As of May 15, 2024: ¥279,564 million

2. 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 May 15, 2024	—	133.50	—	133.50	267.00
Fiscal year ending February 28, 2025	—				
Fiscal year ending February 28, 2025 (Forecast)		155.00	—	112.00	267.00

(Note) Revisions to the most recently announced dividend forecast during the period: Yes

3. Consolidated financial results forecast for the fiscal year ending February 28, 2025 (May 16, 2024–February 28, 2025)

(Percentages represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First six months	539,900	4.7	27,700	2.0	27,600	0.3	17,500	8.9	359.85
Full year	850,800	—	38,700	—	38,400	—	22,200	—	456.40

(Note) Revisions to the most recently announced earnings forecast during the period: Yes

The Company has changed its fiscal year-end (business year-end) from May 15 to the end of February, starting with the fiscal year ending February 28, 2025. Following this change, the fiscal year ending February 28, 2025 will be a transitional period for the change in the fiscal year-end, and will be a 9.5-month period. Accordingly, year-on-year changes are not presented in the full-year consolidated financial forecasts.

Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of the specific accounting methods for preparing the quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and restatement
 - (i) Changes in accounting policies due to revision of accounting standard and other regulations: None
 - (ii) Changes in accounting policies other than (i): None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

- (4) Number of shares issued (common shares)

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

As of August 15, 2024	49,528,668 shares
As of May 15, 2024	49,518,268 shares

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

As of August 15, 2024	886,895 shares
As of May 15, 2024	886,797 shares

- (iii) Average number of shares outstanding during the period

Three months ended August 15, 2024	48,637,009 shares
Three months ended August 15, 2023	48,601,747 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Note on use of financial forecasts and other special items

- (1) This document contains projections of performance based on information currently available. Actual results may differ from the above figures due to changes in business conditions. Please refer to page 3 of the supplementary materials for further details about the above financial forecasts.

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1. Qualitative Information on Quarterly Financial Results

(1) Consolidated Financial Results

During the first three months of the current fiscal year (May 16, 2024 to August 15, 2024), the economy continued on a path of gradual recovery, supported by a rebound in capital investment and production activities, as well as improved corporate earnings. While concerns remained over downside risks in overseas economies and stock market volatility, signs of correction in the yen's excessive depreciation and a modest recovery in real wages have raised expectations for an improvement in stagnant consumer sentiment.

In the drugstore sector, the competition to open new drugstores continues to be intense, amid indications that the increase in sales due to the effects of the recovery in human flow and demand for inbound tourism, rising prices, and other factors have run their course.

Under these circumstances, the Group has made progress in the following areas to achieve our Medium-Term Management Plan. In our store strategy, we have improved the accuracy of openings and promoted store openings through scrap-and-build initiatives and the use of company-owned buildings. In our dispensing strategy, we have strengthened the functionality of our pharmacies. In our private brand (PB) strategy, we worked on product development with a focus on food products and improvement of store loyalty. In our DX strategy, we worked to expand our app membership and leveraged MA tools to drive customer visits while enhancing management visibility through BI tools. In the performance management aspect, we focused on improving profitability and reducing selling, general and administrative expenses.

In terms of store development, we have worked to establish even more dominant positions in existing areas and renovated or eliminated unprofitable stores to boost competitiveness. Since the start of the fiscal year under review, we have carried out 20 new store openings and closed 30 stores. This resulted in a total of 2,643 directly managed stores as of August 15, 2024.

TSURUHA Group: Store Openings and Closures

(Number of stores)

	Beginning number of stores (May 16, 2024)	Openings	Acquired, etc.	Closures	Net change	Ending number of stores (Aug. 15, 2024)	Of which dispensing pharmacies
Hokkaido	432	2	–	4	(2)	430	141
Tohoku	604	4	–	6	(2)	602	161
Kanto, Koshinetsu	533	3	–	7	(4)	529	221
Chubu, Kansai	269	3	–	6	(3)	266	162
Chugoku	366	2	–	–	2	368	139
Shikoku	225	1	–	2	(1)	224	69
Kyushu, Okinawa	224	5	–	5	–	224	47
Total for Japan	2,653	20	–	30	(10)	2,643	940

(The figures above excludes 19 overseas stores and seven franchise stores.)

As a result of the above, for the three-month period under review, TSURUHA Holdings reported net sales of ¥273,213 million (up 5.2% year on year), operating income of ¥15,291 million (up 8.4%), ordinary income of ¥15,279 million (up 7.6%), and net income attributable to owners of the parent of ¥9,207 million (up 11.3%).

(2) Consolidated Financial Position

As of the end of the first quarter, assets totaled ¥556,361 million, an increase of ¥6,809 million compared with the previous fiscal year-end. Current assets totaled ¥278,559 million, an increase of ¥5,076 million compared with the previous fiscal year-end. This was mainly due to increases of ¥6,882 million in cash and deposits and ¥2,904 in accounts receivable – trade, which were partly offset by a decrease of ¥3,615 million in merchandise. Non-current assets totaled ¥277,802 million, an increase of ¥1,733 million compared with the previous fiscal year-end. This was mainly due to an increase of ¥3,085 million in property, plant and equipment, mainly for new store openings, which was partly offset by a decrease of ¥886 million in

intangible assets.

Liabilities totaled ¥248,091 million, an increase of ¥3,837 million compared with the previous fiscal year-end. Main contributors include increases of ¥5,093 million in accounts payable – trade and ¥5,000 million in short-term loans payable, which were partly offset by decreases of ¥1,500 million in current portion of long-term loans payable, ¥3,058 million in income taxes payable, and ¥3,166 million in provision for bonuses. Net assets totaled ¥308,270 million, an increase of ¥2,972 million compared with the previous fiscal year-end.

As a result, the equity ratio was 50.7%, down 0.2 points from the previous fiscal year-end.

(3) Consolidated Financial Forecasts and Other Forward-Looking Statements

As our fiscal year-end has changed since the fiscal year ending February 28, 2025, we have revised our full-year consolidated financial forecasts and dividend forecast. For details, please refer to “Notice of Revision of Full-Year Consolidated Financial Forecasts and Dividend Forecast due to Change in Fiscal Year-End (Business Year-End)” announced on September 20, 2024.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of May 15, 2024	As of August 15, 2024
Assets		
Current assets		
Cash and deposits	58,688	65,570
Accounts receivable – trade	47,504	50,409
Merchandise	147,076	143,460
Raw materials and supplies	97	92
Other	<u>20,116</u>	<u>19,026</u>
Total current assets	<u>273,482</u>	<u>278,559</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	<u>83,437</u>	<u>85,276</u>
Tools, furniture and fixtures, net	<u>16,583</u>	<u>16,846</u>
Land	<u>15,797</u>	<u>16,310</u>
Leased assets, net	13,466	13,499
Construction in progress	2,335	2,773
Other, net	0	0
Total property, plant and equipment	<u>131,621</u>	<u>134,706</u>
Intangible assets		
Goodwill	<u>21,944</u>	<u>21,317</u>
Software	2,828	5,426
Other	<u>4,564</u>	<u>1,706</u>
Total intangible assets	<u>29,337</u>	<u>28,450</u>
Investments and other assets		
Investment securities	34,181	34,177
Deferred tax assets	<u>6,458</u>	<u>5,758</u>
Guarantee deposits	<u>70,215</u>	<u>70,297</u>
Other	4,304	4,461
Allowance for doubtful accounts	(49)	(49)
Total investments and other assets	<u>115,110</u>	<u>114,645</u>
Total non-current assets	<u>276,069</u>	<u>277,802</u>
Total assets	<u>549,551</u>	<u>556,361</u>

(Millions of yen)

	As of May 15, 2024	As of August 15, 2024
Liabilities		
Current liabilities		
Accounts payable – trade	114,143	119,236
Short-term loans payable	-	5,000
Current portion of long-term loans payable	7,200	5,700
Accounts payable – other	19,415	19,567
Lease obligations	1,437	1,377
Income taxes payable	8,794	<u>5,736</u>
Contract liability	16,608	17,569
Provision for bonuses	6,766	3,600
Provision for directors' bonuses	665	149
Provision for point card certificates	285	287
<u>Provision for loss on subleasing business</u>	<u>166</u>	<u>114</u>
Other	<u>5,876</u>	<u>8,105</u>
Total current liabilities	<u>181,362</u>	<u>186,444</u>
Non-current liabilities		
Long-term loans payable	25,075	24,775
Lease obligations	16,327	16,466
Deferred tax liabilities	<u>6,235</u>	<u>5,496</u>
Net defined benefit liability	3,014	2,548
Asset retirement obligations	<u>7,270</u>	<u>7,336</u>
<u>Provision for loss on subleasing business</u>	<u>942</u>	<u>1,039</u>
Other	4,025	3,985
Total non-current liabilities	<u>62,891</u>	<u>61,647</u>
Total liabilities	<u>244,254</u>	<u>248,091</u>
Net assets		
Shareholders' equity		
Capital stock	11,535	11,549
Capital surplus	21,449	21,463
Retained earnings	<u>229,535</u>	<u>232,250</u>
Treasury shares	(5,314)	(5,315)
Total shareholders' equity	<u>257,205</u>	<u>259,948</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,150	22,156
Remeasurements of defined benefit plans	207	133
Total accumulated other comprehensive income	<u>22,358</u>	<u>22,290</u>
Share acquisition rights	2,017	2,056
Non-controlling interests	<u>23,715</u>	<u>23,975</u>
Total net assets	<u>305,297</u>	<u>308,270</u>
Total liabilities and net assets	<u>549,551</u>	<u>556,361</u>

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(For the Three-month Period)

(Millions of yen)

	Three months ended August 15, 2023	Three months ended August 15, 2024
Net sales	259,827	<u>273,213</u>
Cost of sales	181,758	<u>190,864</u>
Gross profit	78,068	<u>82,348</u>
Selling, general and administrative expenses	63,964	<u>67,057</u>
Operating income	14,103	<u>15,291</u>
Non-operating income		
Interest income	29	30
Dividend income	78	87
Gain on donation of equipment	92	133
Rent income	60	65
Other	264	130
Total non-operating income	524	448
Non-operating expenses		
Interest expenses	375	410
Other	52	49
Total non-operating expenses	427	460
Ordinary income	14,200	<u>15,279</u>
Extraordinary income		
Gain on termination of retirement benefit plan	—	27
Total extraordinary income	—	27
Extraordinary losses		
Loss on retirement of non-current assets	50	13
Loss on sales of non-current assets	—	3
Impairment loss	148	<u>135</u>
Loss on disaster	64	—
Total extraordinary losses	263	<u>152</u>
Income before income taxes	13,937	<u>15,155</u>
Income taxes	4,882	<u>5,222</u>
Net income	9,055	<u>9,932</u>
Net income attributable to non-controlling interests	785	<u>725</u>
Net income attributable to owners of the parent	8,269	<u>9,207</u>

(Quarterly Consolidated Statements of Comprehensive Income)
(For the Three-month Period)

(Millions of yen)

	Three months ended August 15, 2023	Three months ended August 15, 2024
Net income	9,055	<u>9,932</u>
Other comprehensive income		
Valuation difference on available-for-sale securities	3,060	(1)
Remeasurements of defined benefit plans	(6)	(73)
Total other comprehensive income	<u>3,053</u>	<u>(74)</u>
Comprehensive income	<u>12,108</u>	<u>9,858</u>
(Comprehensive income attributable to)		
Owners of the parent	11,301	<u>9,139</u>
Non-controlling interests	807	<u>718</u>

(3) Notes to Quarterly Consolidated Financial Statements

(Basis of Presenting the Quarterly Consolidated Financial Statements)

The quarterly consolidated financial statements are prepared in accordance with Article 4(1) of Standard for Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. (applying the omissions prescribed in Article 4(2) of the Standard) and accounting principles generally accepted in Japan.

(Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements)

Calculation of Tax Expenses

Regarding tax expenses, the Group has reasonably estimated the effective tax rate on income before income taxes for the consolidated fiscal year (including the first quarter under review) after the application of tax-effect accounting, which is calculated by multiplying income before income taxes by the said estimated effective tax rate.

However, in cases where calculating tax expenses using the said estimated effective tax rate would result in a significant lack of rationality, the Group uses the statutory effective tax rate.

“Income taxes – deferred” are included under income taxes.

(Segment Information, etc.)

Segment information

Information has been omitted because the Group has only a single business segment, the product sales business, which focuses on pharmaceuticals and cosmetics.

(Significant Changes in Shareholders' Equity)

Not applicable.

(Going Concern Assumption)

Not applicable.

(Notes to Quarterly Consolidated Statement of Cash Flows)

The Company has not prepared a quarterly consolidated statement of cash flows for the first quarter of the current fiscal year. Depreciation and amortization (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first quarter of the fiscal year under review are as follows.

	(Millions of yen)	
	Three months ended August 15, 2023	Three months ended August 15, 2024
Depreciation	3,023	<u>3,629</u>
Amortization of goodwill	1,074	<u>709</u>