Financial Results FY2025

(Fiscal year ended March 31, 2025)

May 12, 2025

PALTAC CORPORATION

(TSE Code:8283)

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Financial Highlights FY2025

Net Sales	Change in YoY	VS. Plan
¥1,188.0bn	+¥36.1bn (+3.1%)	-¥1.9bn (-0.2%)

Operating Profit	Change in YoY	VS. Plan
¥28.0bn	+¥0.8bn (+3.1%)	+¥0.0bn (+0.0%)

[YoY] Recorded the highest net sales and operating profit

- Increase in demands for products related to outdoor movement and inbound tourism
- Executing sales growth strategies such as strengthening to handling of new products and expanding business transactions
- Increase in gross profit from sales expansion and decrease in SG&A expenses ratio, due to effect of fixed expenses absorption

[VS. plan] Sales were below the plan, but operating profit exceeded the plan

- Consumers restraint to purchase certain products, such as supplements
- Continuous decline in demand for hygiene-related products, even it has been a year after since COVID-19 was reclassified as a Class 5 infectious disease
- Gross profit margin exceeded our expectations due to the result of the successful measures of profit improvement
- SG&A expenses were higher than expected due to higher personnel and delivery expenses

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vs. Plan FY2025

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Although sales were slightly below the plan, operating profit was in line with the plan due to an improvement in gross profit margin

¥ billion (ratio of net sales: %)	FY2025 Plan	FY2025 Results	Difference	
Net Sales	1,190.0	**1,188.0**	-1.9	-0.2%
Gross Profit	88.7 (7.45)	**88.9** **(7.49)**	+0.2 (+0.04)	+0.3%
SG&A Expenses	60.7 (5.10)	**60.9** **(5.13)**	+0.2 (+0.03)	+0.5%
Operating Profit	28.0 (2.35)	**28.0** **(2.36)**	+0.0 (+0.01)	+0.0%
Ordinary Profit	31.7 (2.66)	**31.6** **(2.67)**	-0.0 (+0.01)	-0.0%
Profit	22.0 (1.85)	**22.8** **(1.92)**	+0.8 (+0.07)	+3.9%

Net Sales

- Consumers restraint to purchase certain products, such as supplements
- A year after the transition of COVID-19 to Classify 5, demand for hygiene-related products continues to decline

Gross Profit

- Measures to improve higher-margin control, such as strengthening sales of high value-added products were successful, exceeding the plan in both amount and margin

SG&A Expenses

- Despite the positive effects of improvement initiatives, both the amount and the ratio exceeded the plan due to the impact of increased personnel and delivery expenses

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Recorded the highest sales, operating profit and ordinary profit

Gross profit margin improved excluding initial costs
(Initial costs of ￥240 million associated with the start of food logistics)
⇒Gross profit (excluding initial costs) YoY +￥2.8 bn, GPM +0.01%

¥ billion (ratio of net sales: %)	FY2024 Results	FY2025 Results	Difference	
Net Sales	1,151.9	**1,188.0**	+36.1	+3.1%
Gross Profit	86.3 (7.50)	**88.9** **(7.49)**	+2.6 (-0.01)	+3.0%
SG&A Expenses	59.1 (5.14)	**60.9** **(5.13)**	+1.7 (-0.01)	+3.0%
Operating Profit	27.1 (2.36)	**28.0** **(2.36)**	+0.8 (0.00)	+3.1%
Ordinary Profit	30.5 (2.65)	**31.6** **(2.67)**	+1.1 (+0.02)	+3.7%
Profit	20.6 (1.79)	**22.8** **(1.92)**	+2.2 (+0.13)	+10.8%

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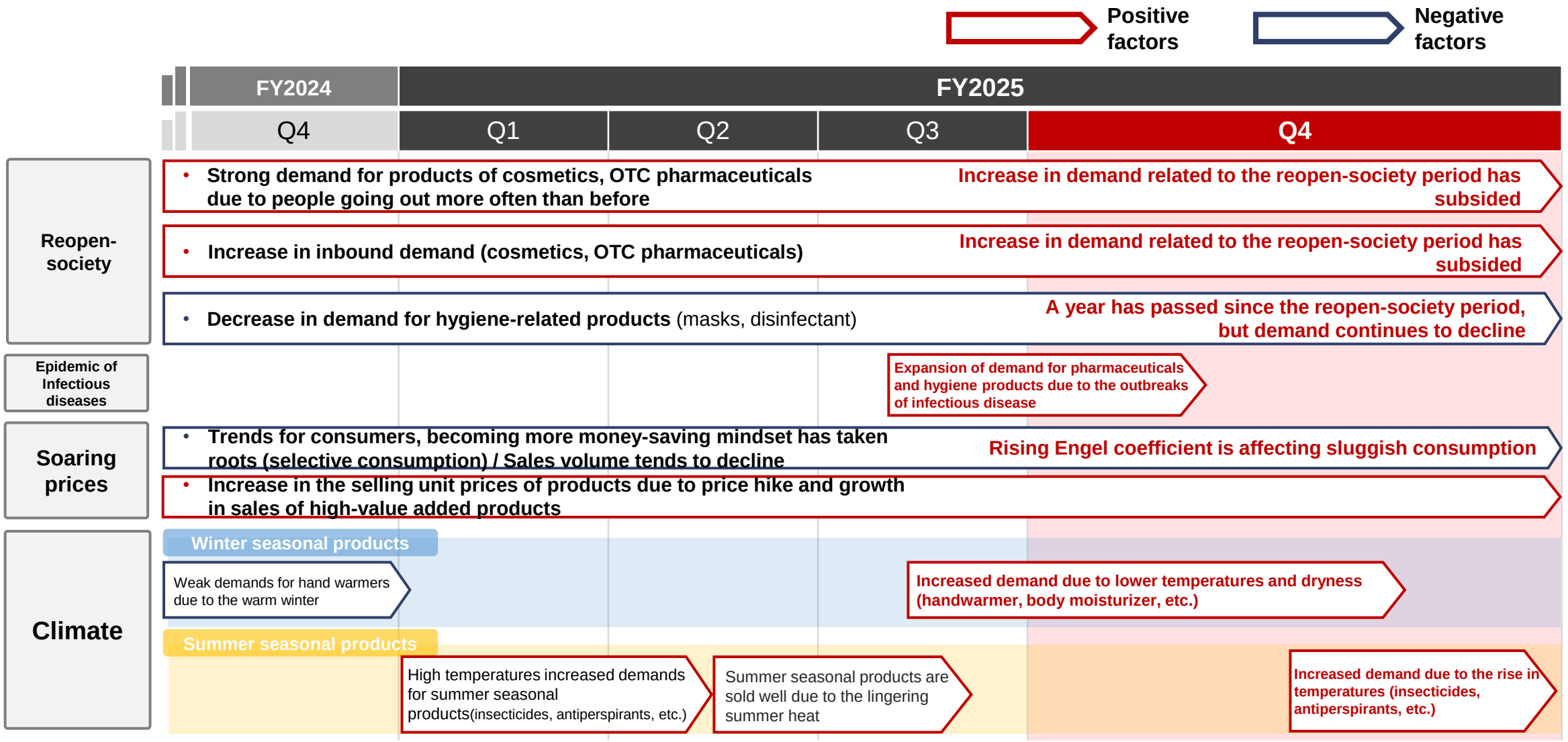
YoY (Jan - Mar) Q4 FY2025

Although the SG&A ratio worsen as the result of higher unit delivery costs, operating profit exceeded the previous year due to both the expansion of sales and the improvement of gross profit margin due to the higher margin control

¥ billion (ratio of net sales: %)	Q1			Q2			Q3			Q4		
	FY2024	FY2025	Difference	FY2024	FY2025	Difference	FY2024	FY2025	Difference	FY2024	FY2025	Difference
Net Sales	293.5	**302.9**	+9.3 [+3.2%]	289.9	**297.5**	+7.6 [+2.6%]	299.6	**310.6**	+11.0 [+3.7%]	268.9	**277.0**	+8.1 [+3.0%]
Gross Profit	21.7 (7.39)	**22.3 (7.38)**	+0.6 (-0.01)	21.6 (7.46)	**21.8 (7.34)**	+0.2 (-0.12)	23.0 (7.69)	**23.8 (7.67)**	+0.7 (-0.02)	19.9 (7.43)	**20.9 (7.57)**	+0.9 (+0.14)
SG&A Expenses	14.7 (5.02)	**14.9 (4.93)**	+0.1 (-0.09)	14.8 (5.12)	**15.2 (5.14)**	+0.4 (+0.02)	14.8 (4.96)	**15.3 (4.95)**	+0.5 (-0.01)	14.7 (5.49)	**15.3 (5.56)**	+0.6 (+0.07)
Operating Profit	6.9 (2.38)	**7.4 (2.45)**	+0.4 (+0.07)	6.7 (2.34)	**6.5 (2.20)**	-0.2 (-0.14)	8.1 (2.74)	**8.4 (2.72)**	+0.2 (-0.02)	5.2 (1.94)	**5.5 (2.01)**	+0.3 (+0.07)
Ordinary Profit	7.8 (2.67)	**8.3 (2.74)**	+0.4 (+0.07)	7.7 (2.68)	**7.8 (2.65)**	+0.1 (-0.03)	9.0 (3.02)	**9.2 (2.97)**	+0.1 (-0.05)	5.8 (2.19)	**6.2 (2.26)**	+0.3 (+0.07)
Profit	5.5 (1.88)	**6.0 (2.01)**	+0.5 (+0.13)	5.3 (1.85)	**5.8 (1.96)**	+0.4 (+0.11)	6.2 (2.09)	**6.3 (2.06)**	+0.1 (-0.03)	3.4 (1.30)	**4.5 (1.65)**	+1.0 (+0.35)

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Market Environment FY2025



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Net Sales YoY FY2025

Accumulated Total

Net sales exceeded the previous year due to successful sales expansion measures, including the expansion of business transactions and sales activities in response to changes in the environment, such as strengthening the handling of new products in response to the increase in going out and inbound demand and the diversification of consumer needs (YoY +￥36.1 billion, +3.1%)

(Main Factors) **Increase:** Growth in demand for products related to consumers to going out / Increase in inbound tourism consumption / Demand increasing for summer seasonal products such as insecticides and seasonal cosmetics / Strengthening procurement of the new products / Increase in the selling unit prices of products due to price hike and growth in sales of high-value added products

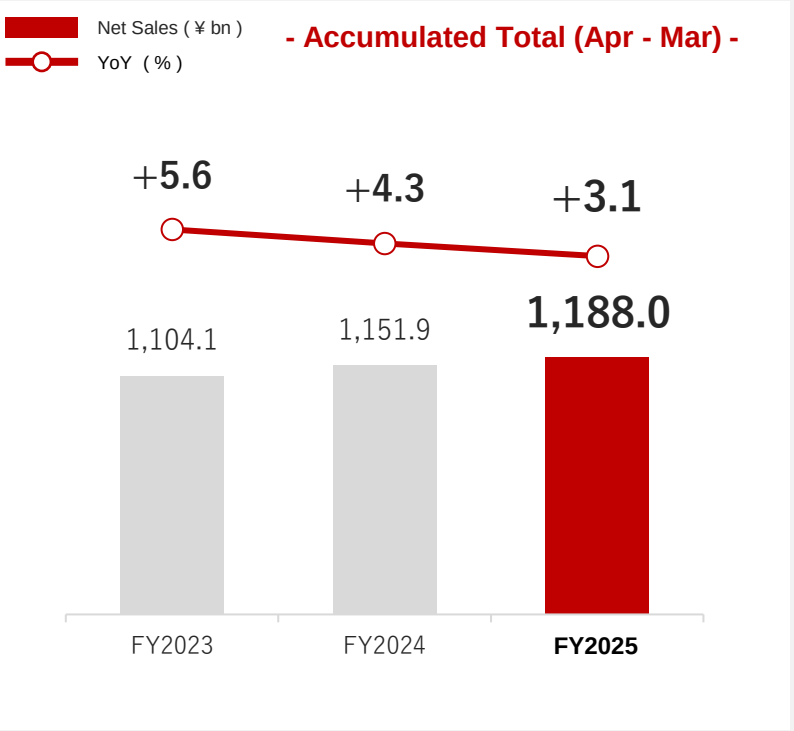
Decrease: Decrease in demand for products related to COVID-19 / Consumer restraint to purchase certain products, such as supplements

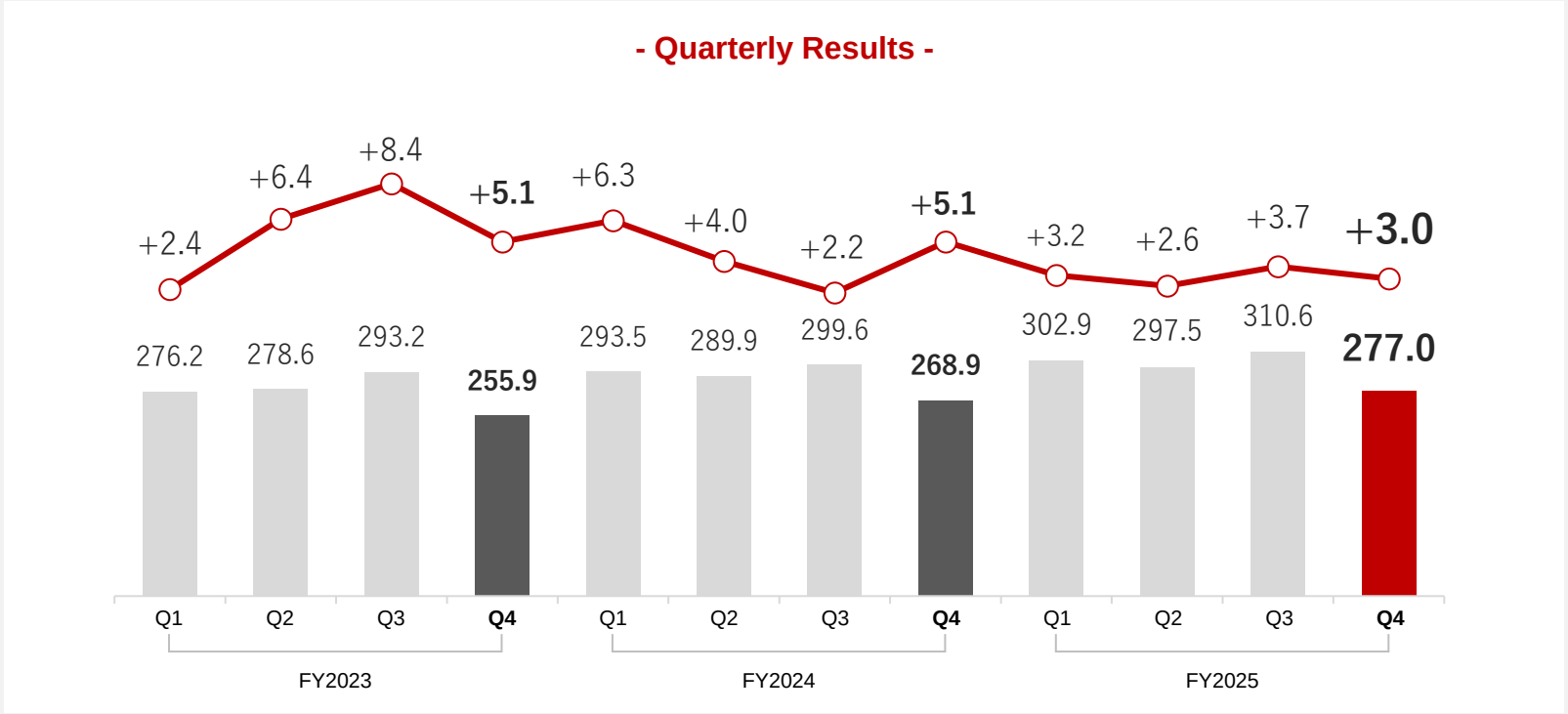
Q4

Continuation of the above trend up to Q4. Sales activities adapted to the changes in demand have worked successfully (YoY +￥8.1 bn +3.0%)

(Main Factors) **Increase:** Increased demand for cold / hygiene related products due to infectious disease outbreak

Decrease: Impact of -1 operating day compared to the previous fiscal year

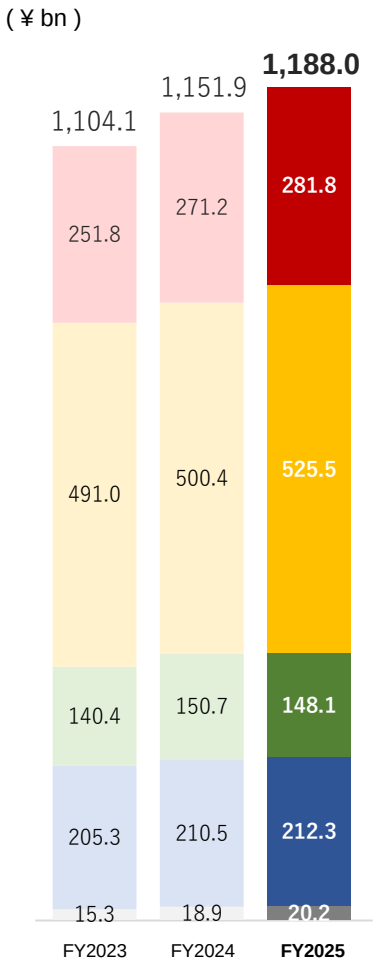




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Sales Composition by Product Category YoY FY2025

- Accumulated Total (Apr - Mar) -



YoY

Cosmetics
+ ¥ 10.6bn / +3.9%
Composition ratio ：23.7%（+0.2%）

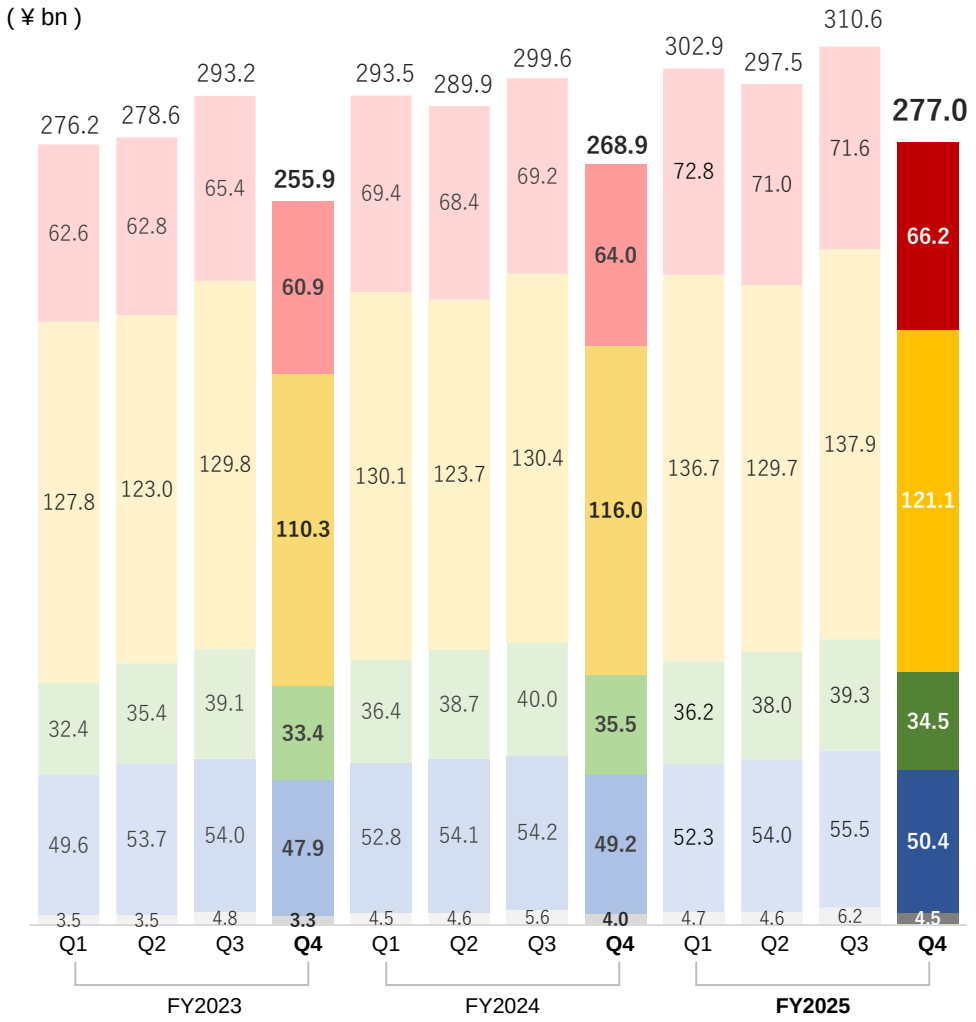
Daily necessities
+ ¥ 25.0bn / +5.0%
Composition ratio ：44.2%（+0.7%）

OTC pharmaceuticals
- ¥ 2.6bn / -1.8%
Composition ratio ：12.5%（-0.6%）

Health and sanitary related products
+ ¥ 1.7bn / +0.8%
Composition ratio ：17.9%（-0.4%）

Others
+ ¥ 1.2bn / +6.9%
Composition ratio ：1.7%（+0.1%）

- Quarterly Results -



YoY Q4 (Jan - Mar)

Cosmetics
+ ¥ 2.2bn / +3.5%
Composition ratio：23.9%（+0.1%）

Daily necessities
+ ¥ 5.0bn / +4.4%
Composition ratio：43.7%（+0.5%）

OTC pharmaceuticals
- ¥ 0.9bn / -2.7%
Composition ratio：12.5%（-0.7%）

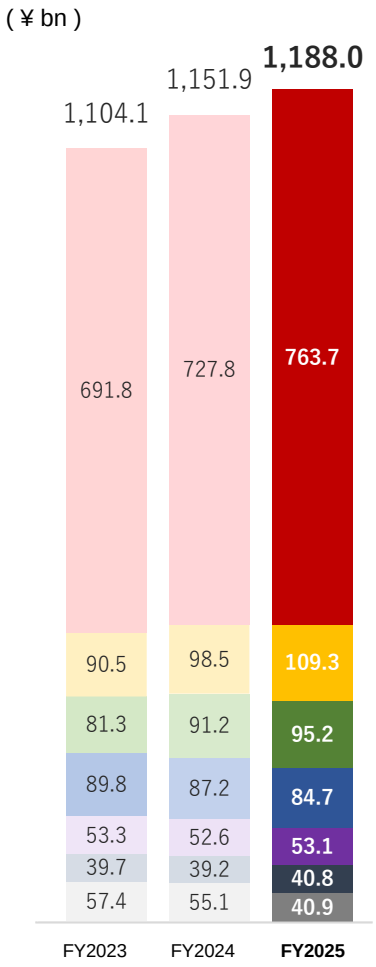
Health and sanitary related products
+ ¥ 1.1bn / +2.4%
Composition ratio：18.2%（-0.1%）

Others
+ ¥ 0.5bn / +14.8%
Composition ratio：1.7%（+0.2%）

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Sales Composition by Customer Category YoY FY2025

- Accumulated Total (Apr - Mar) -



YoY

Drugstores
+ ¥ 35.8bn / +4.9 %
Composition ratio ：64.4%（+1.3%）

Discount Stores
+ ¥ 10.7bn / +10.9%
Composition ratio ：9.2%（+0.6%）

Convenience Stores
+ ¥ 3.9bn / +4.4%
Composition ratio ：8.0%（+0.1%）

Home Center
- ¥ 2.4bn / -2.8%
Composition ratio ：7.1%（-0.5%）

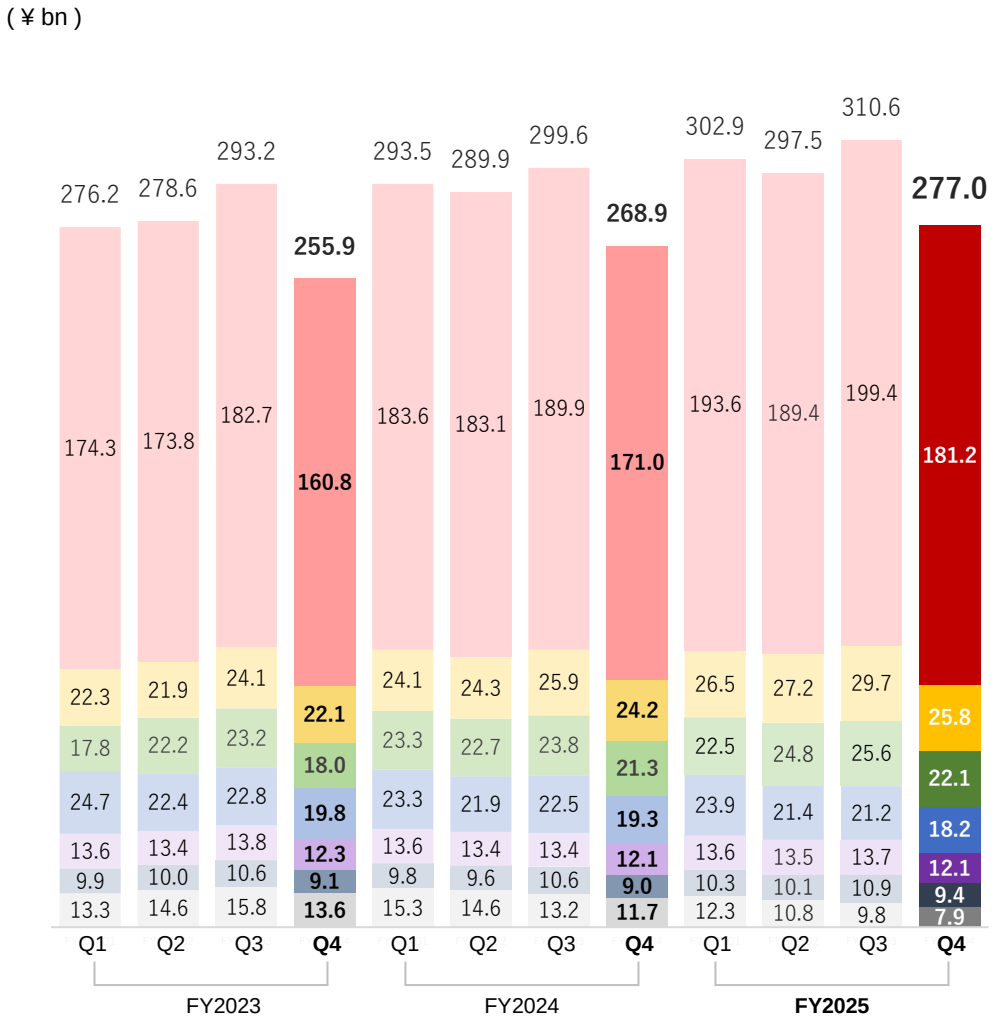
Super Market
+ ¥ 0.5bn / +1.0%
Composition ratio ：4.5%（-0.1%）

GMS*
+ ¥ 1.6bn / +4.1%
Composition ratio ：3.4%（0.0%）

Others
- ¥ 14.1bn / -25.7%
Composition ratio ：3.4%（-1.4%）

* GMS stands for General Merchandising Store

- Quarterly Results -



YoY Q4 (Jan - Mar)

Drugstores
+ ¥ 10.2bn / +6.0%
Composition ratio : 65.4%（+1.8%）

Discount Stores
+ ¥ 1.6bn / +6.8%
Composition ratio : 9.3%（+0.3%）

Convenience Stores
+ ¥ 0.8bn / +3.8%
Composition ratio : 8.0%（+0.1%）

Home Center
- ¥ 1.1bn / -6.0%
Composition ratio : 6.6%（-0.6%）

Super Market
+ ¥ 0.0bn / + 0.2%
Composition ratio : 4.4%（-0.1%）

GMS*
+ ¥ 0.3bn / +4.1%
Composition ratio : 3.4%（0.0%）

Others
-3.7bn / -32.2%
Composition ratio : 2.9%（-1.5%）

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Gross Profit YoY FY2025

Accumulated Total

Gross profit margin improved when excluding the initial costs accompanying the start of food logistics
(Excluding initial costs accompanying the start of food logistics YoY+￥2.8bn GPM+0.01%)
⇒ **Despite the challenging environment for securing profits, both the amount and margin increased by higher-margin control and strengthening of new products and so on**

(Main Factors) **Improving:** Securing amount of gross profits due to sales expansion / Strengthening the sales of high-value added products with high gross profit margin (includes new handling products)
Worsening: Increase in center fees (expanded sales for customers that required to pay center fees and soaring fuel price etc.) / Decline in sales of the hygiene products with relatively high gross profit margin / Initial costs accompanying the start of food logistics / Increase in the cost of contracted logistics due to rising logistics costs (delivery and personal cost etc.)

Q4

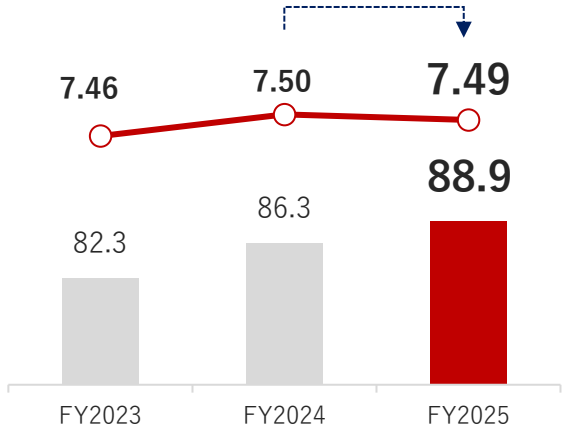
In the environment of continuing increase in center fees, both amount and margin exceeded those of the previous year due to strengthened measures to increase gross profit, such as higher-margin control and an increase in rebates earned, centered on sales expansion.
（YoY+￥0.9bn GPM+0.14%）

Gross Profit (￥bn)
GPM （%）

- Accumulated Total (Apr - Mar) -

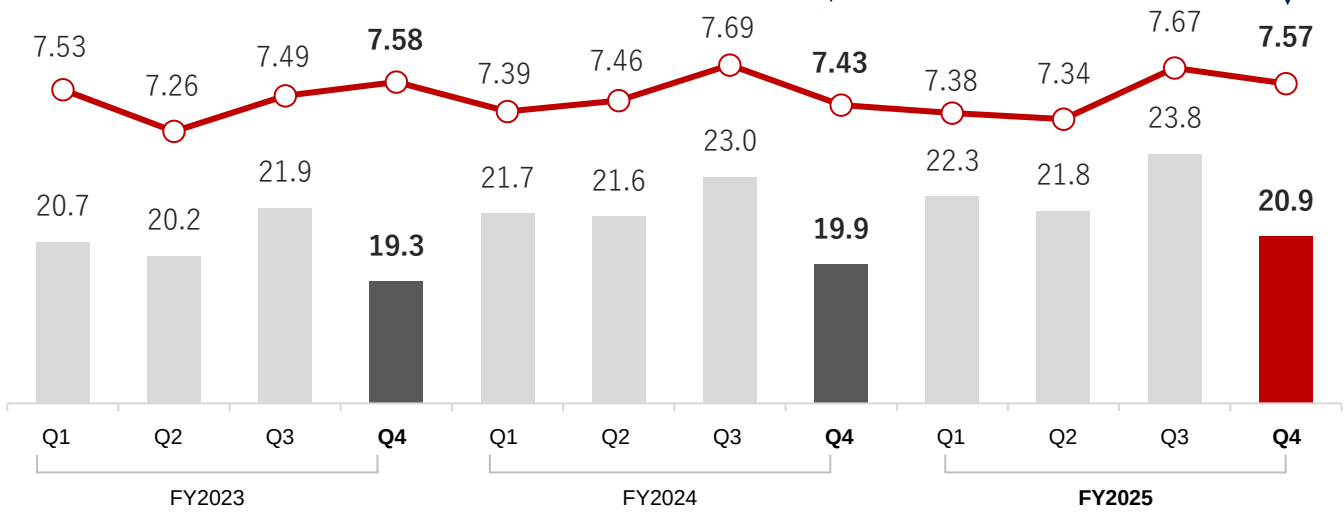
YoY +￥2.6bn (GPM-0.01%)

Excluding initial costs accompanying the start of food logistics YOY+￥2.8bn GPM+0.01%



- Quarterly Results -

YoY +￥0.9bn (GPM+0.14%)



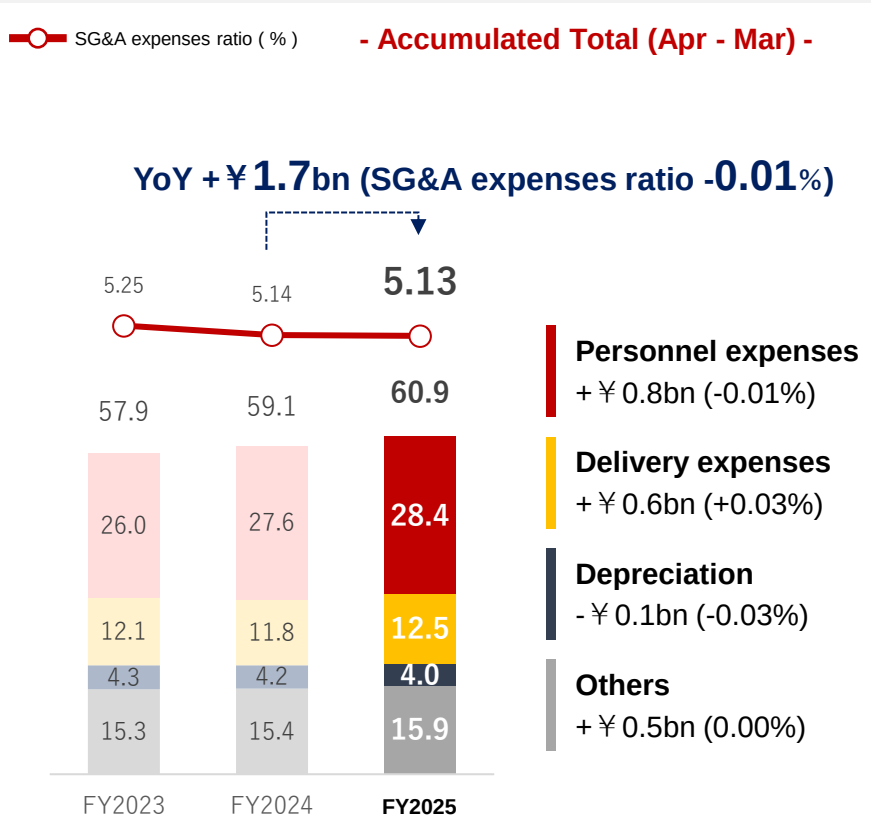
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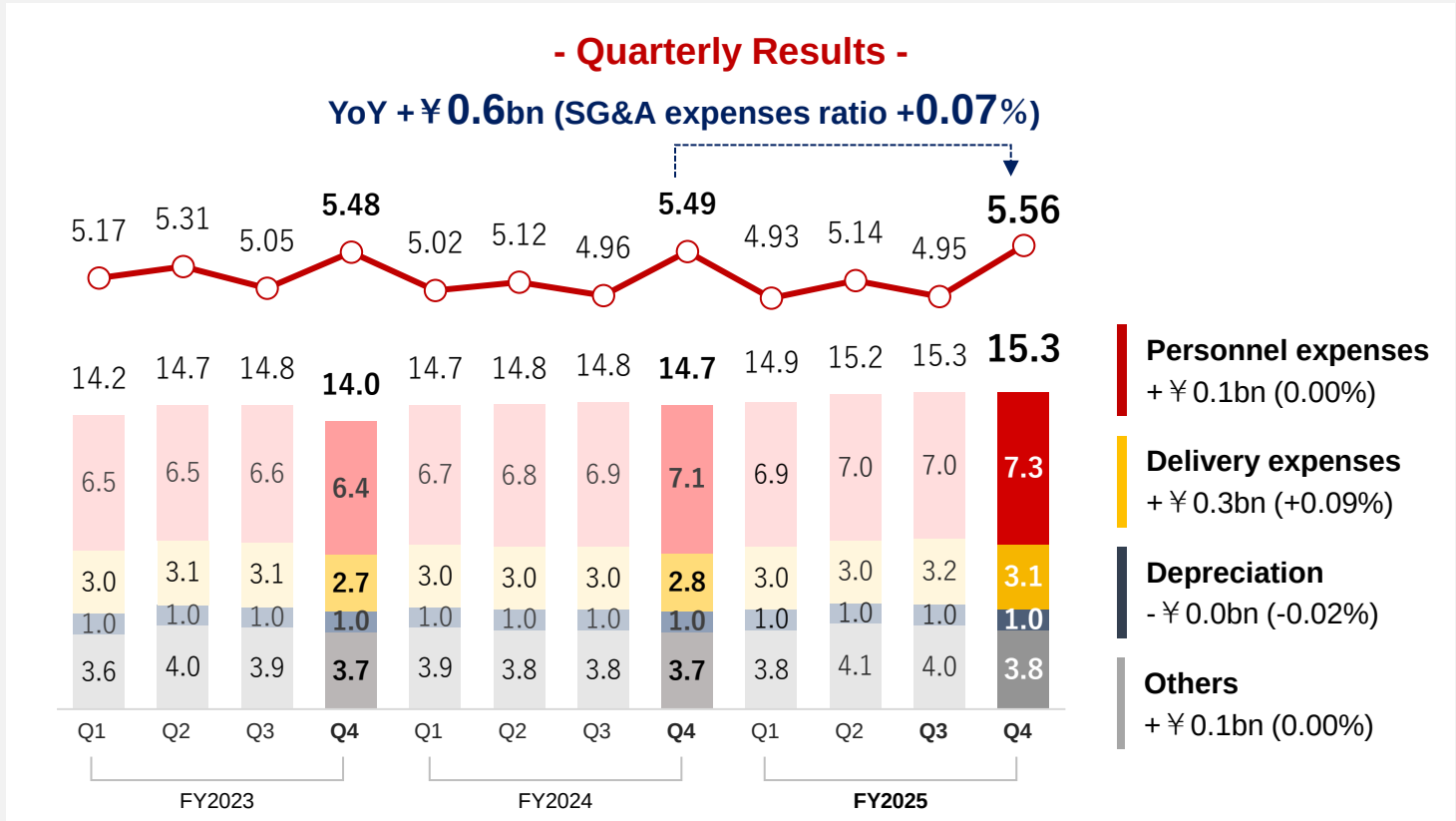
SG&A Expenses YoY FY2025

Accumulated Total **Despite an increase in human capital investment, delivery expenses, and repair expenses, the SG&A expenses sales ratio improved due to initiatives of improvement and fixed-expense absorption effect** (YoY+￥1.7bn SG&A expenses ratio-0.01%)

(Main Factors) **Increase:** Investment in human capital (Securing human capital, wage hikes) / Rising delivery expenses per unit against the context of the 2024 problem in logistics / Increase in repair expenses for distribution center for the long-term use
Improving: Fixed-expenses absorption effect due to the sales expansion

Q4 **Although there were fixed-expense absorption effect due to the expansion of sales, SG&A expenses ratio worsened due to the rise of unit price for delivery expenses** (YoY+￥0.6bn SG&A expenses ratio+0.07%)



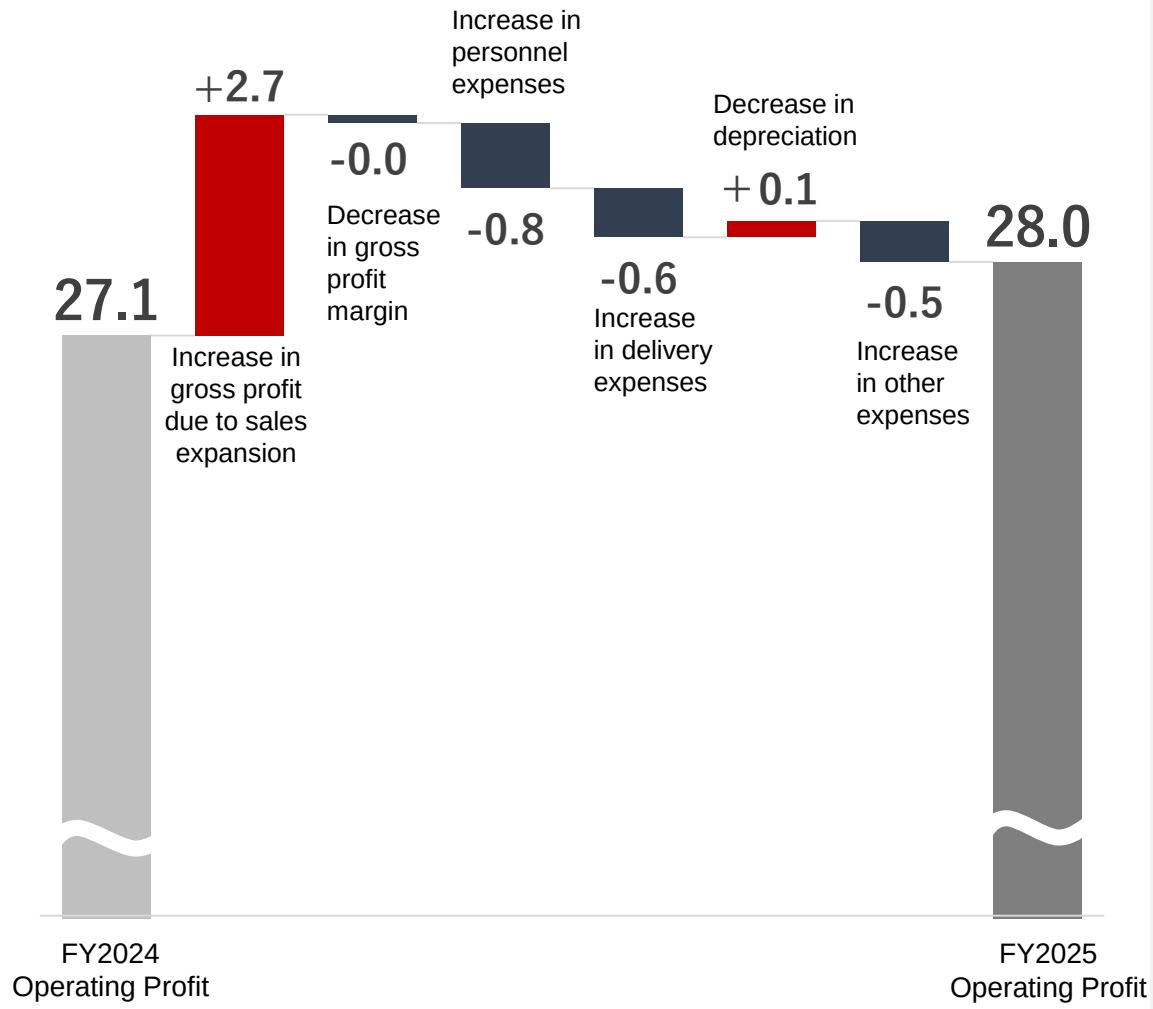


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Operating Profit YoY FY2025

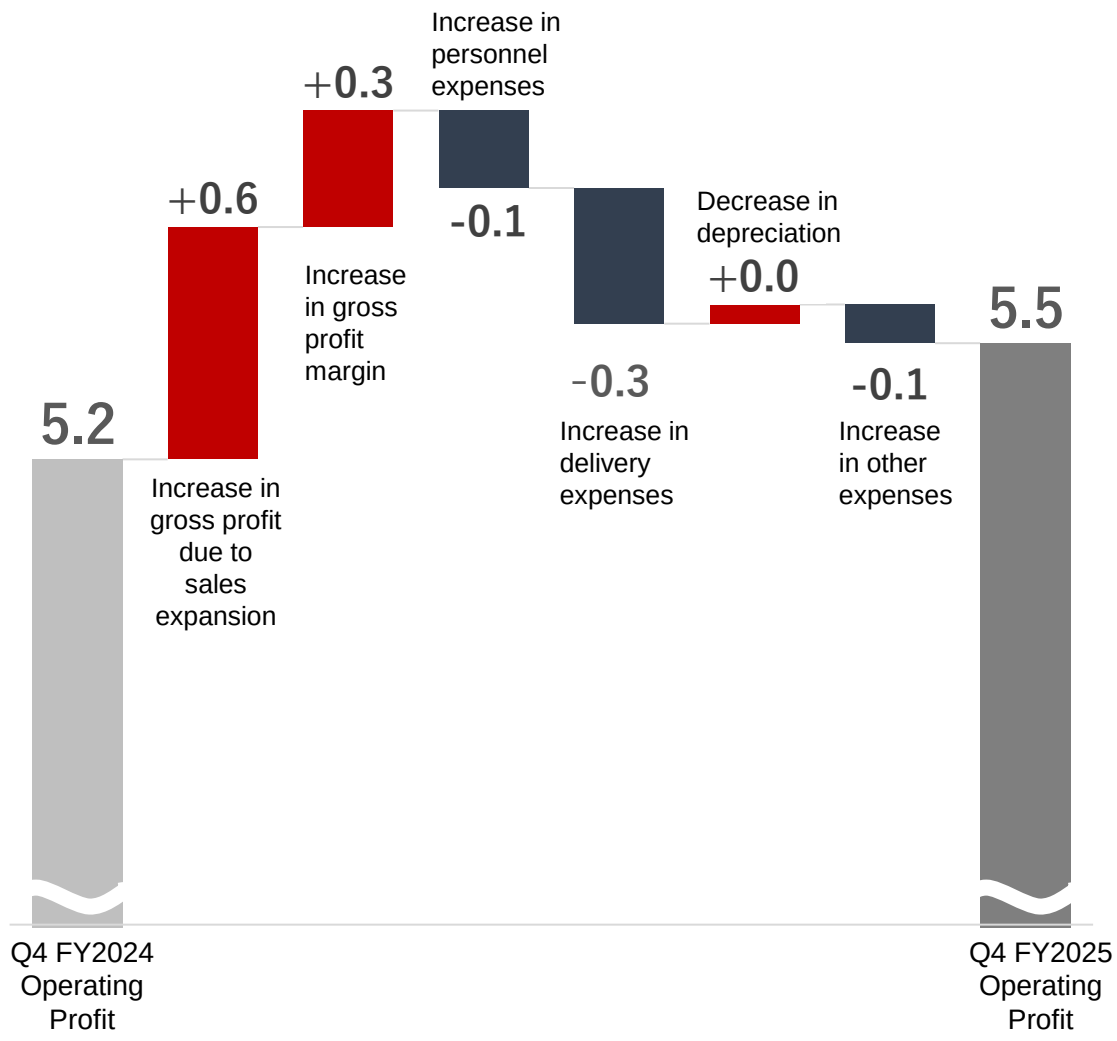
(¥ bn)

- Accumulated Total (Apr - Mar) -



(¥ bn)

- Quarterly Results -

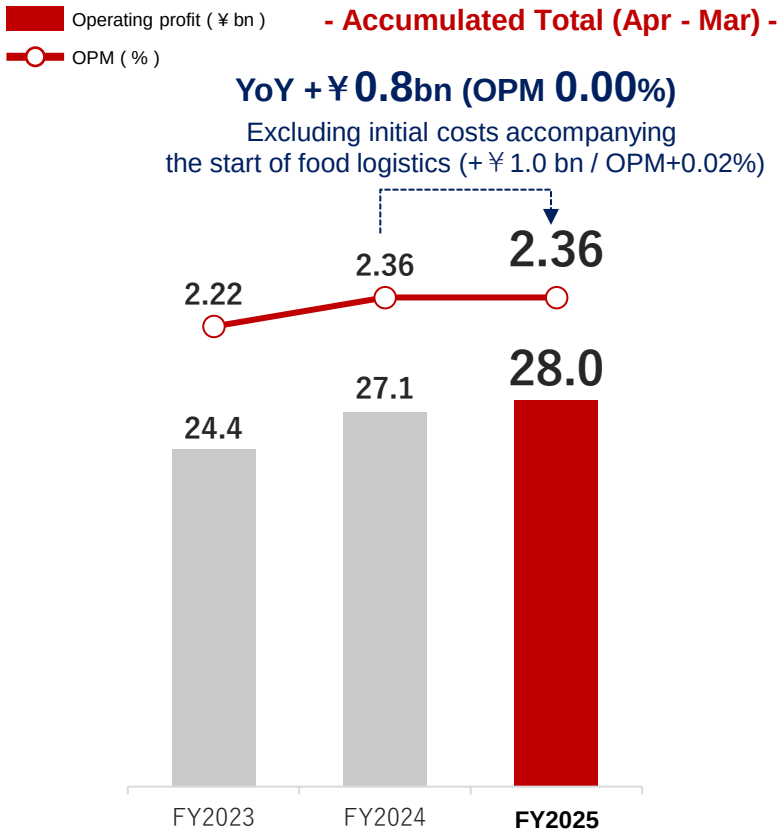


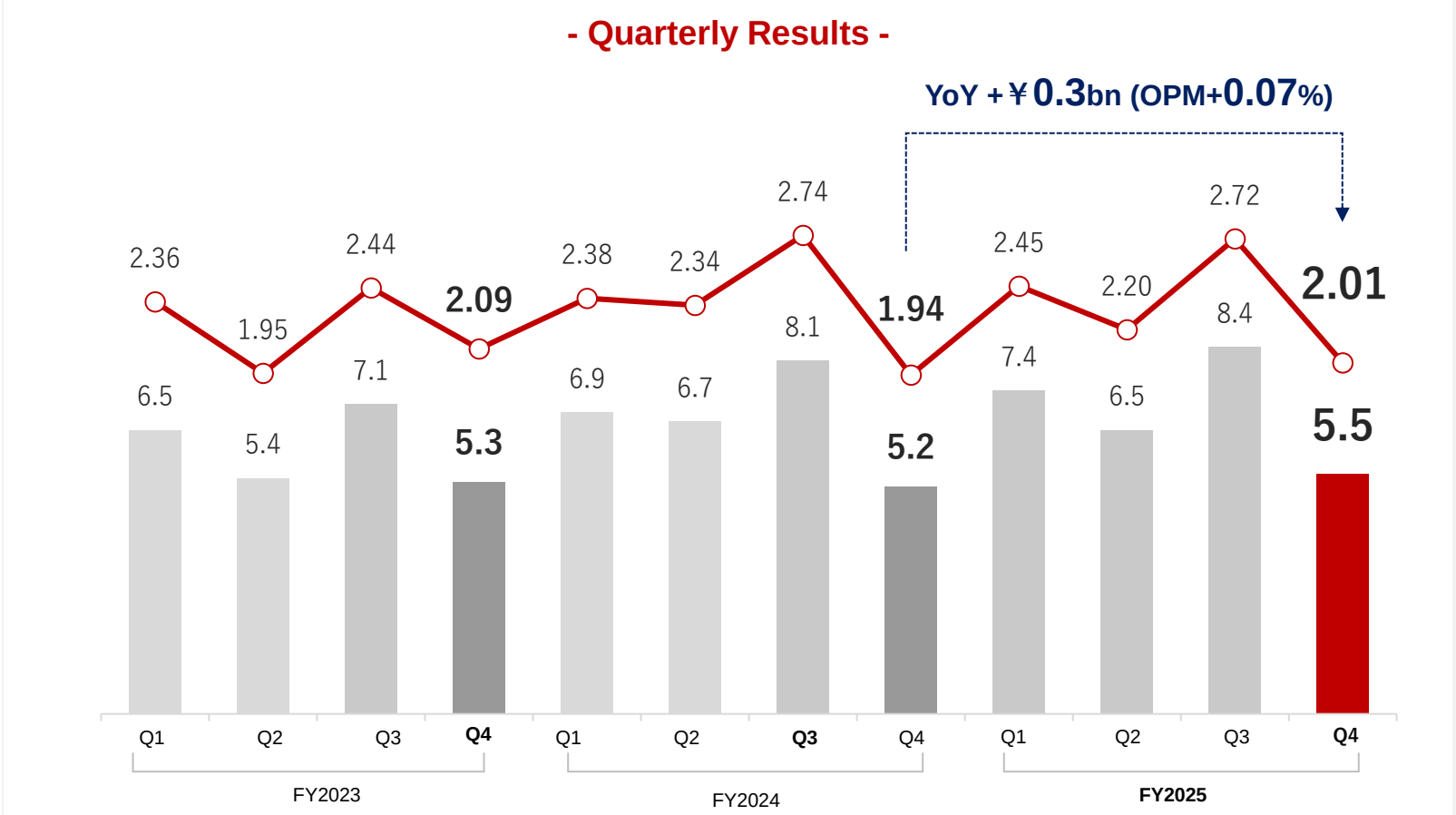
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Operating Profit YoY FY2025

Accumulated Total **Amount of operating profit increased due to sales increase, while margin remained at the same level as the previous year**
(YoY+￥0.8bn OPM 0.00%)

Q4 **Both amount and margin exceeded the previous year due to improvement in gross profit margin**
(YoY+￥0.3bn OPM+0.07%)





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Non-operating Profit and Loss / Extraordinary Profit and Loss YoY FY2025

¥ billion	FY2024	FY2025	YoY
Non-operating Income	3.43	**3.84**	+0.41
Research fee income*	1.87	1.86	-0.00
Dividend income	0.44	0.51	+0.06
Others	1.10	1.46	+0.35
Non-operating Expenses	0.05	**0.16**	+0.10
Interest expenses	0.00	0.00	+0.00
Real estate leasing expenses	0.03	0.11	+0.08
Others	0.02	0.04	+0.02
Extraordinary Income	0.14	**1.02**	+0.88
Gain on sales of investment securities	0.14	1.01	+0.87
Extraordinary Losses	1.28	**0.01**	-1.26
Loss on disaster	0.64	-	-0.64
Impairment losses	0.63	-	-0.63

* Revenue from sales to certain manufacturers based on contracts for sales to retailers, tends to fluctuate depending on the sales volume

Non-operating Profit and Loss

YoY+¥0.30bn

(Main factor)

- Subsidy for land acquisition for constructing of Tochigi distribution center was recorded

Extraordinary Profit and Loss

YoY+¥2.15bn

(Main factors)

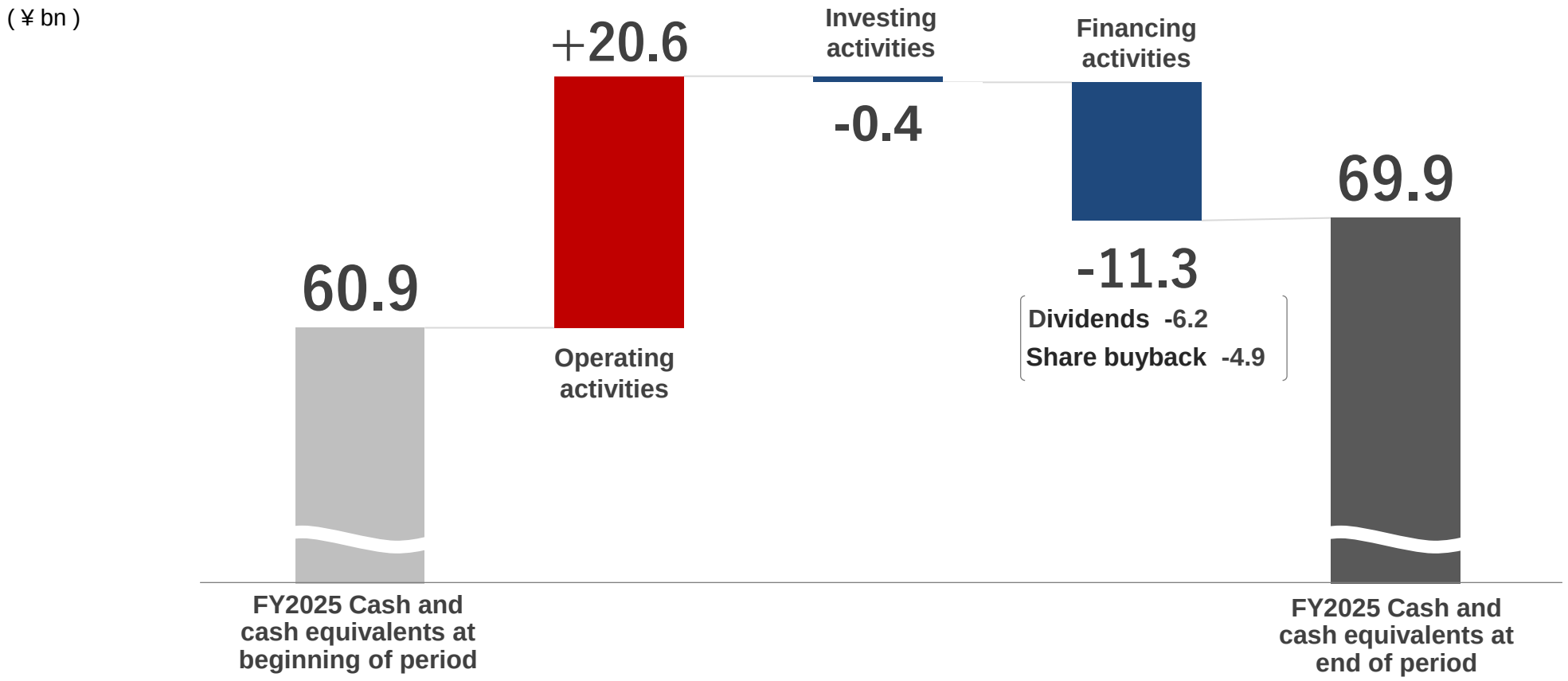
- Recorded gain on sales of investment securities in line with the policy of reducing Cross-Shareholdings
- Recorded expenses related to the Noto-Peninsula earthquake occurred in January 2024 and impairment loss on land owned in Kyushu area as extraordinary losses in the previous fiscal year

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Cash Flow Status FY2025

Operating activities Increased due to the expansion of sales and profits

Financing activities Steadily implemented measures of shareholder return in line with the medium-term management plan



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Forecasts FY2026

- **We expect to continue to face uncertain and challenging business circumstances, including the trend of budget-conscious consumption due to price hikes and sharp rise of logistics costs due to labor shortage**
- **Even in the difficult circumstances, we aim to achieve sure expansion of sales and profits to realize “Constructing the foundation for transformation through structural reform”, the second year of the medium-term management plan “PALTAC VISION 2027”**

¥ billion (ratio of net sales:%)	FY2025 Results	FY2026 Plan	Difference	Difference rate
Net Sales	1,188.0	**1,230.0**	+41.9	+3.5%
Gross Profit	88.9 (7.49)	**92.8** **(7.54)**	+3.8 (+0.05)	+4.3%
SG&A Expenses	60.9 (5.13)	**63.8** **(5.19)**	+2.8 (+0.06)	+4.6%
Operating Profit	28.0 (2.36)	**29.0** **(2.36)**	+0.9 (0.00)	+3.5%
Ordinary Profit	31.6 (2.67)	**32.2** **(2.62)**	+0.5 (-0.05)	+1.6%
Profit	22.8 (1.92)	**22.0** **(1.79)**	-0.8 (-0.13)	-3.8%
Earnings per share (¥)*	366.46	356.70	-9.76	-2.7%

* The plan for the fiscal year ending March 2026 is calculated based on the number of shares outstanding at the end of the previous fiscal year

Net Sales

- Unit price hikes due to inflation
- Strengthening rapid and effective sales promotion proposals that utilize our capabilities
- Strengthening sales of high value-added products

Gross Profit

- Strengthening sales of high value-added products（higher-margin control）
- Increase in center fees to sales ratio (negative impact : impact of soaring prices and rising delivery expenses, etc.)

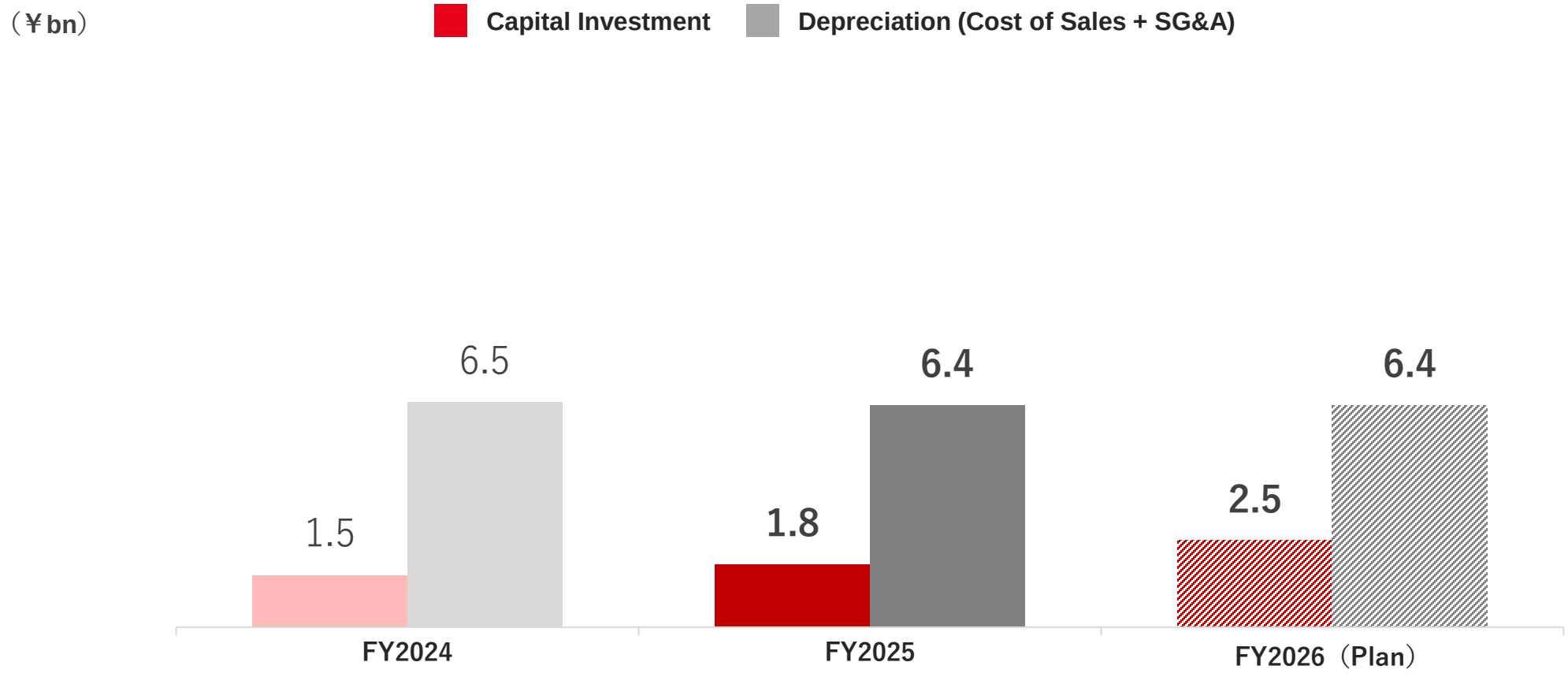
SG&A Expenses

- Investment in human capital (securing human capital / wage hikes etc.)
- Increase in delivery expenses per unit

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Estimated Capital Investment and Depreciation FY2026

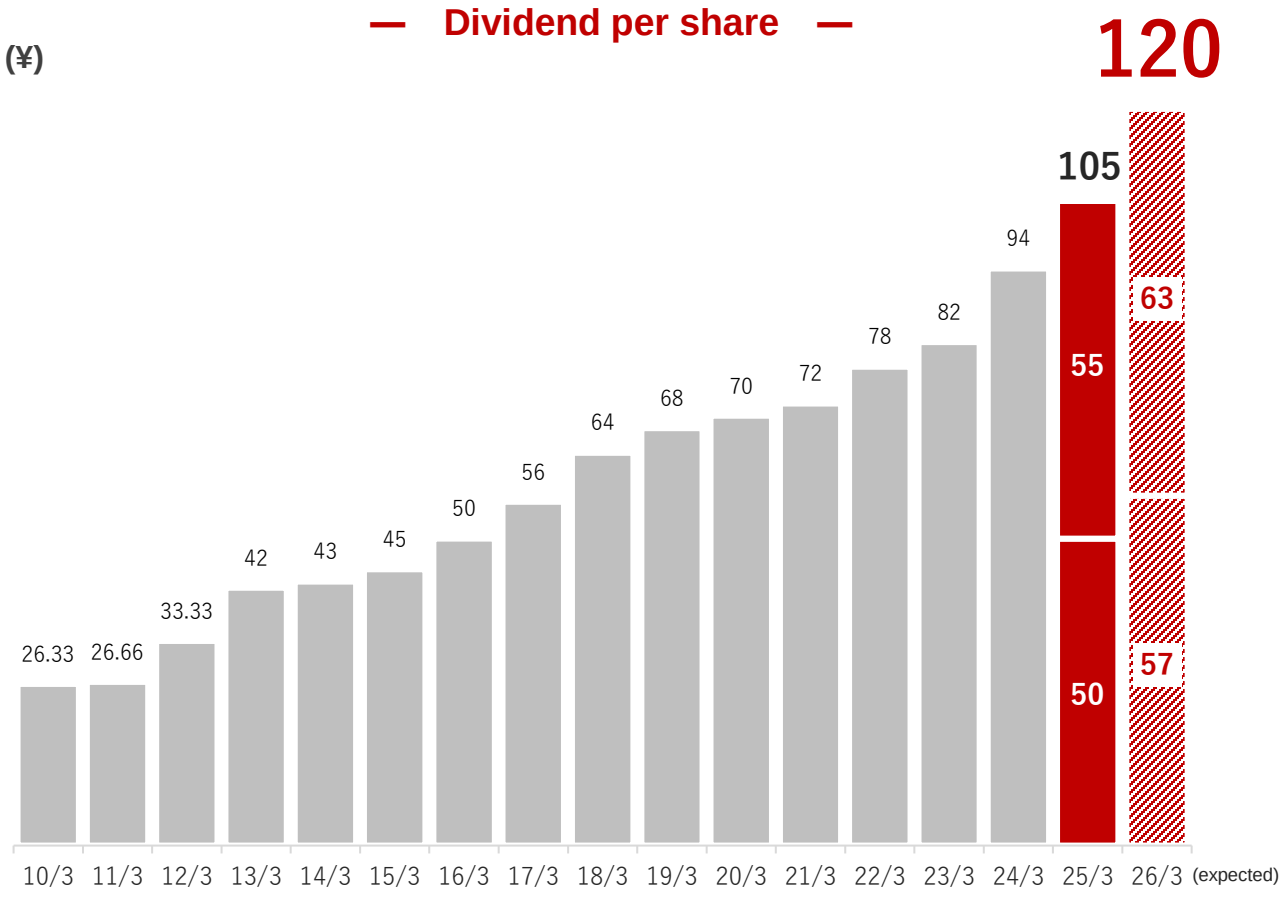
- Capital investment for FY2026 estimated at 2.5 billion yen
- Expected to increase due to the capital investment for externally leased centers



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Forecasts of Dividends FY2026

- **Continue to increase dividends more than profit growth**



*Excluding commemorative dividend for the fiscal year ended March 2010

Increase in dividends for

16th consecutive years

since listing (Including expected)

FY2025	¥ 11 dividends increased
FY2026 (expected)	¥ 15 dividends increased

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Progress of Medium-Term Management Plan “PALTAC VISION 2027”

PALTAC

Long-term Vision

Creating the future of people and society through the power of connections

~PALTAC VISION 2027~

Construction the foundation for transformation to create new value

1.	2.	3.	4.
Improving profitability of existing business	Taking on the challenge to create new value	Improving sustainability	Undertaking management to enhance capital efficiency

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Progress of Medium-Term Management Plan “PALTAC VISION 2027”

Steady progress as planned on both of our financial and non-financial sides

		FY2024 Result	FY2025 Result	FY2026 Plan	FY2027 Goal for final year
Financial indicators	Net Sales	￥1,151.9bn	￥1,188.0bn	￥1,230.0bn	￥1,270.0bn
	Operating profit	￥27.1bn	￥28.0bn	￥29.0bn	￥30.0bn
	ROE	7.68%	8.08%	Maintain the level that exceeds capital costs	Maintain the level that exceeds capital costs
	Dividend payout ratio	28.6%	28.7%	33.6%	Aim to have more than 35%
Non-financial indicators	Reduction of CO2 emissions*1	Reduced 15%	Plan to reduce 17%	Reduction of 23%	Reduction of 28%
	Diversity	Percentage of female employees in management positions 6.7% Percentage of male employees taking childcare leave 30.0%	Percentage of female employees in management positions 6.9% Percentage of male employees taking childcare leave 47.9%	Percentage of female employees in management positions 8.0% Percentage of male employees taking childcare leave 50.0%	Percentage of female employees in management positions 8.4% Percentage of male employees taking childcare leave 60.0%
	Employee engagement score*2	48.1	51.2	53.0	55.0

*1Reduction of CO2 emissions： Reduction rate against Scope 1+2 emissions in FY2021　Target to reduce 50 % by 2030
*2 Employee engagement score： Measured by “Motivation Cloud” service of Link and Motivation Inc.

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Progress of Medium-Term Management Plan “PALTAC VISION 2027”

Improving profitability of existing business

Maintain operating profit margin in the same level as the previous year, under the environment of rising logistics costs, including delivery cost and labor costs (FY2025 vs. plan +0.01%)
⇒With strong upward pressure on costs, we will drive the expansion of products to meet the diversified market needs and improve productivity

Expansion of new products

- **Strengthen procurement to meet diversifying market needs**
  ⇒ Strengthen connections with new domestic and overseas manufacturers
  Overseas (Korea) products, inner beauty products, and so on
- **While strengthening the connections with existing manufacturers and plan to introduce products from a variety of angles with the aim of acquiring new sales opportunities**

【PALTAC Fair: Business meetings at the Distribution Development Corner】





Strengthen product development in response to market needs in collaboration with retailers

Strengthening of delivery improvements

- **Promoting the creation of a foundation for efficient delivery in the face of the 2024 problem in logistics from a numerical perspective**
- **Aim to mitigate rising delivery costs by collaborating with other companies**
  ⇒Accumulate detailed efficiencies of the improvement measures and pursue possibilities for joint delivery

Example of initiative

Jointly received the category award “Logistics DX and Standardization Award” of the “Green Logistics Partnership Excellent Business Award”
（Sagawa Express Co.,Ltd. × YAKUODO Co., Ltd. × PALTAC CORPORATION）

※Detailed information URL：
https://www.paltac.co.jp/en/story/detail/20250123145650.html

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Progress of Medium-Term Management Plan “PALTAC VISION 2027”

Taking on the challenge to create new value

Building a network that beyond the national borders and industry boundaries based on intermediary distributors
Proceeding with the establishment of a foundation for the creation of new value

Developing global network

- Using our bases as the hubs (Japan/ Vietnam / Indonesia), focus on developing a network to connect diverse products and information from domestic and overseas

Example of initiative

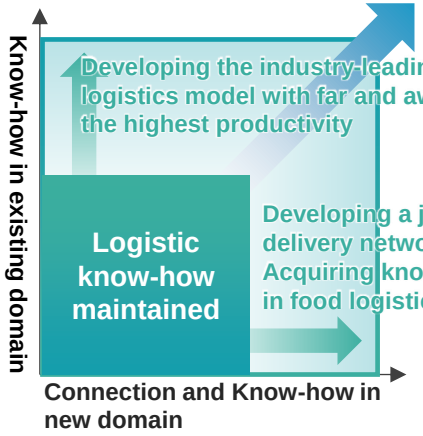


- Export directly Indonesian products to Mongolia
  ⇒To expand the volume of transaction
- Expanding Indonesian and Vietnamese local brands in Japan
  ⇒Achieve by FY2026

Expanding the areas of value creation in logistics

- We will expand to the new area through accumulating new know-how by promoting collaboration with other industries and companies, and by food logistics

Example of initiatives



- Collectively-managed logistics both Non-Food and Food products (Sep,2024)
- Promote collaboration with other industries (Sagawa Express Co.,Ltd. / Mitsubishi Shokuhin Co.,Ltd)

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Progress of Medium-Term Management Plan “PALTAC VISION 2027”

Improving sustainability

Promote initiative to improve sustainability both for our company and the society

Maximization of the value of our human capital

Business reformation

Focus on high-priority work
⇒Reduce simple tasks

Institution reformation

Create a comfortable working environment that follows the social movement and changes
⇒Expand flextime system

D&I

Publish a human rights policy / Promote women’s empowerments

Example of initiative

～Neo Rosy Project ～

Initiatives to promote improvement activities from the female perspective as part of efforts to improve the work environment within the distribution center

Contribution to the environment

- **Initiatives for CO2 reductions**
  -Reduction of delivery distance and number of trucks (Green logistics)
  -Installation of solar power generation (Reduction expected per year for FDC Hiroshima:30%)
  -Start of test operation of EV for company use
  -Reduction of Scope1+2 expected in FY2025 :17%

- **ESG Share Buyback**
  （**Number of stock：1.17million　Total：￥4.99bn**）
  ESG investment by using VWAP as a benchmark and outperformance obtained through our purchases

Appropriate for…

Purchasing non-fossil fuel certificate

Installation of solar power generation systems

etc.

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Progress of Medium-Term Management Plan “PALTAC VISION 2027”

Undertaking management to enhance capital efficiency

Steady implementation of the return measures in line with the medium-term management plan
Further enhance the shareholder returns

Aim for a dividend payout ratio of more than 35% in the final year of the medium-term management plan

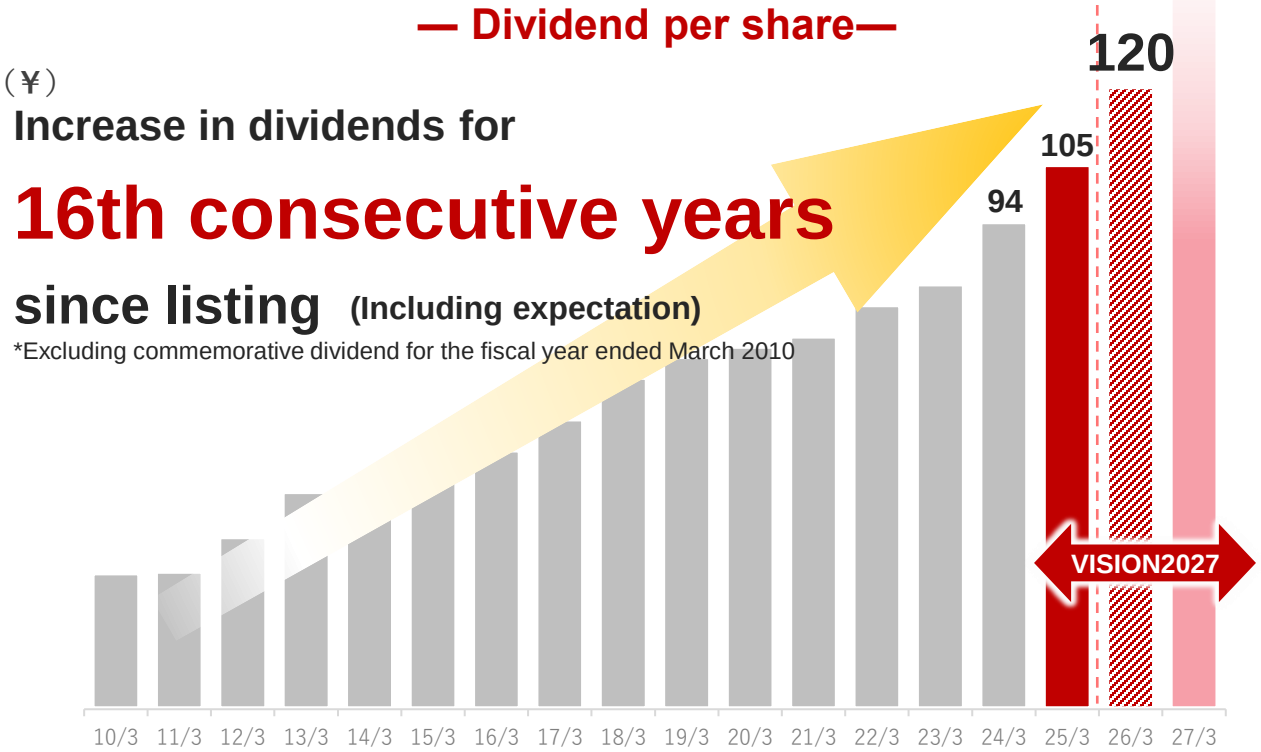
FY2025 Result

¥11 dividends increased
Intermediate：¥5 increase
End：¥6 increase

Acquisition of treasury stock about ¥5.0bn
(Number of stock：1.17 million Total：4.99bn)

Total Return Ratio 50.4%

— Dividend per share—



Increase in dividends for **16th consecutive years** since listing (Including expectation)

*Excluding commemorative dividend for the fiscal year ended March 2010

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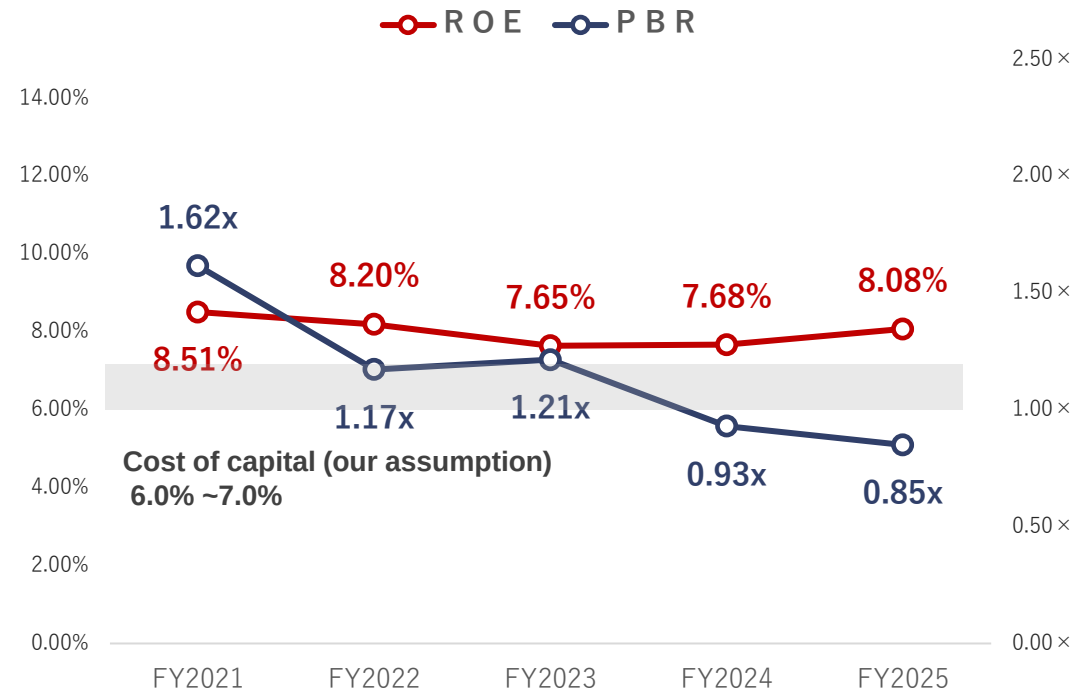
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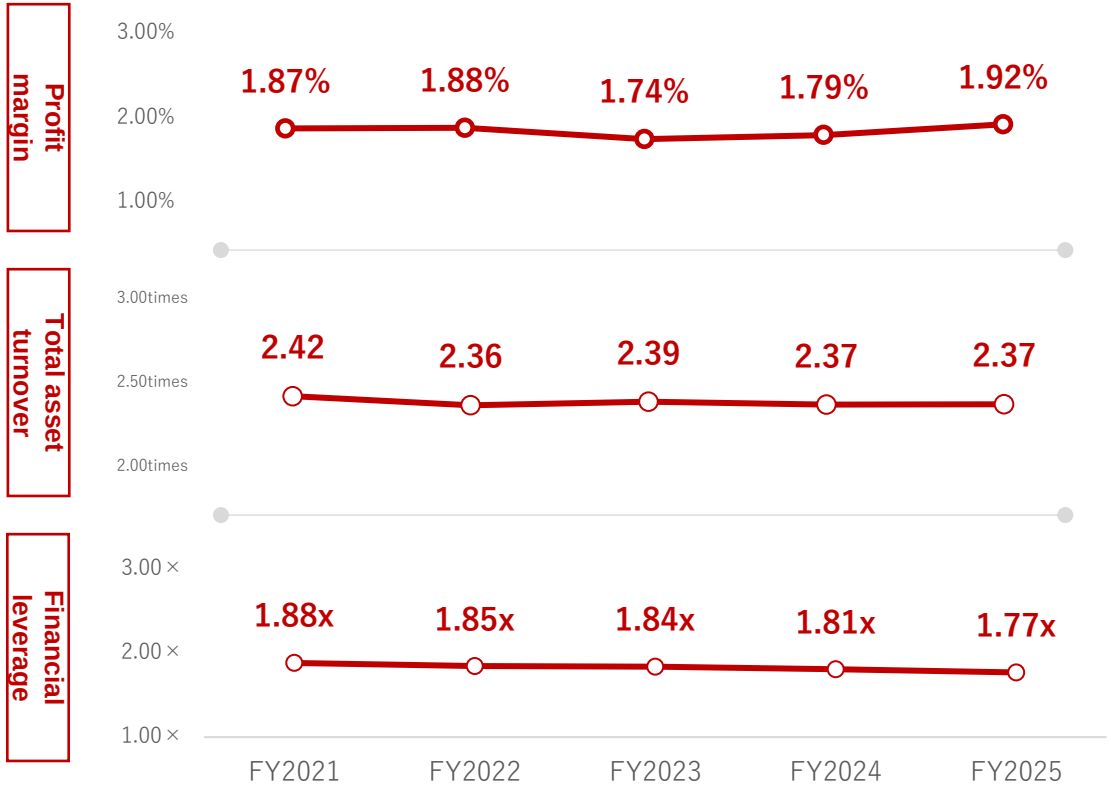
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Appendix Analysis of capital profitability

Maintain ROE above the cost of capital
Further improve to achieve long-term vision target (ROE9~10%)

Capital profitability and valuation from the stock market





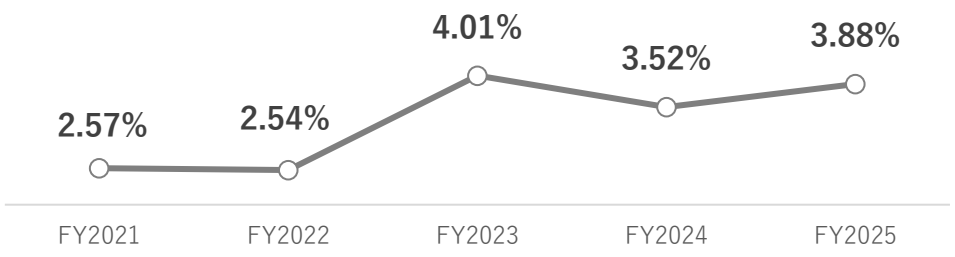
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Appendix Cost of capital

Cost of capital (our assumption)

Calculated by CAPM

Average of 5 years： **3.30%**



Risk free rate		Beta(β)：Sensitivity		Risk Premium
10-year government bond yield	+	Regression coefficients of the Nikkei Stock Average and our stock price trends (3 years)	×	The risk-free rate is subtracted from the average profit yield (inverse of PER) of all issues in the Tokyo Stock Exchange prime market

Market expected level

- PALTAC's PER (as of end of March 2025)

10.9 x ⇒ 9.17% (inverse of PER)

- Russell / Nomura Large (excluding finance) PER of FY2025 (after adjusted to our projected EPS growth)

*Used as a benchmark by analysts covering our company

13.5 x ⇒ 7.41% (inverse of PER)

Based on the above facts, the cost of capital is assumed to be

6.0%~7.0%

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Sales Composition by Product Category (Quarterly) FY2025

PALTAC

¥ billion	FY2025									
	Total	YoY	Q1	YoY	Q2	YoY	Q3	YoY	Q4	YoY
Net Sales	1,188.0	+36.1 [+3.1%]	302.9	+9.3 [+3.2%]	297.5	+7.6 [+2.6%]	310.6	+11.0 [+3.7%]	277.0	+8.1 [+3.0%]
Cosmetics	281.8	+10.6 [+3.9%]	72.8	+3.4 [+4.9%]	71.0	+2.5 [+3.8%]	71.6	+2.3 [+3.4%]	66.2	+2.2 [+3.5%]
Daily necessities	525.5	+25.0 [+5.0%]	136.7	+6.6 [+5.1%]	129.7	+5.9 [+4.8%]	137.9	+7.4 [+5.7%]	121.1	+5.0 [+4.4%]
OTC pharmaceuticals	148.1	-2.6 [-1.8%]	36.2	-0.2 [-0.6%]	38.0	-0.7 [-1.9%]	39.3	-0.6 [-1.7%]	34.5	-0.9 [-2.7%]
Health and sanitary related products	212.3	+1.7 [+0.8%]	52.3	-0.5 [-1.0%]	54.0	-0.1 [-0.4%]	55.5	+1.3 [+2.4%]	50.4	+1.1 [+2.4%]
Others	20.2	+1.2 [+6.9%]	4.7	+0.1 [+2.5%]	4.6	-0.0 [-0.0%]	6.2	+0.5 [+10.5%]	4.5	+0.5 [+14.8%]

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Sales Composition by Customer Category (Quarterly) FY2025

PALTAC

¥ billion	FY2025									
	Total	YoY	Q1	YoY	Q2	YoY	Q3	YoY	Q4	YoY
Net Sales	1,188.0	+36.1 [+3.1%]	302.9	+9.3 [+3.2%]	297.5	+7.6 [+2.6%]	310.6	+11.0 [+3.7%]	277.0	+8.1 [+3.0%]
Drug stores	763.7	+35.8 [+4.9%]	193.6	+9.9 [+5.4%]	189.4	+6.3 [+3.5%]	199.4	+9.4 [+5.0%]	181.2	+10.2 [+6.0%]
Discount stores	109.3	+10.7 [+10.9%]	26.5	+2.3 [+9.9%]	27.2	+2.9 [+12.0%]	29.7	+3.7 [+14.6%]	25.8	+1.6 [+6.8%]
Convenience stores	95.2	+3.9 [+4.4%]	22.5	-0.8 [-3.7%]	24.8	+2.1 [+9.6%]	25.6	+1.8 [+7.8%]	22.1	+0.8 [+3.8%]
Home centers	84.7	-2.4 [-2.8%]	23.9	+0.5 [+2.3%]	21.4	-0.5 [-2.5%]	21.2	-1.2 [-5.6%]	18.2	-1.1 [-6.0%]
Supermarkets	53.1	+0.5 [+1.0%]	13.6	-0.0 [-0.2%]	13.5	+0.1 [+0.9%]	13.7	+0.3 [+2.9%]	12.1	+0.0 [+0.2%]
GMS *	40.8	+1.6 [+4.1%]	10.3	+0.4 [+4.9%]	10.1	+0.4 [+5.0%]	10.9	+0.2 [+2.5%]	9.4	+0.3 [+4.1%]
Others	40.9	-14.1 [-25.7%]	12.3	-3.0 [-19.8%]	10.8	-3.8 [-26.2%]	9.8	-3.4 [-26.2%]	7.9	-3.7 [-32.2%]

* GMS stands for General Merchandising Store

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Forecasts 1st Half / 2nd Half FY2026

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¥ billion (ratio of net sales: %)	FY2026 Plan								
	Total	YoY		1st Half	YoY		2nd Half	YoY	
Net Sales	1,230.0	+41.9	+3.5%	622.0	+21.5	+3.6%	608.0	+20.3	+3.5%
Gross Profit	92.8 (7.54)	+3.8 (+0.05)	+4.3%	46.2 (7.43)	+2.0 (+0.07)	+4.6%	46.6 (7.66)	+1.7 (+0.04)	+4.0%
SG&A Expenses	63.8 (5.19)	+2.8 (+0.06)	+4.6%	31.6 (5.08)	+1.3 (+0.05)	+4.6%	32.2 (5.30)	+1.4 (+0.06)	+4.6%
Operating Profit	29.0 (2.36)	+0.9 (0.00)	+3.5%	14.6 (2.35)	+0.6 (+0.02)	+4.5%	14.4 (2.37)	+0.3 (-0.02)	+2.6%
Ordinary Profit	32.2 (2.62)	+0.5 (-0.05)	+1.6%	16.2 (2.60)	+0.0 (-0.09)	+0.1%	16.0 (2.63)	+0.4 (-0.01)	+3.2%
Profit	22.0 (1.79)	-0.8 (-0.13)	-3.8%	11.1 (1.78)	-0.7 (-0.20)	-6.7%	10.9 (1.79)	-0.0 (-0.08)	-0.6%

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Note Concerning Forward-Looking Statements

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Please also note that even in cases where it might be desirable for the forecast information to be updated or revised due to new information, future events or other items. The Company is not obliged and does not have a policy of updating this document and information to the most recent.

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