

Company Information (as of March 31, 2025)

Company Profile

Trade name NIHON CHOUZAI Co., Ltd.	Consolidated net sales 360.5 billion yen (FY2024)
Established March 1980	Employees Regular employees: 4,798; part-time employees and others: 673 <small>* Figures for part-time employees and others represent the average annual number of employees based on conversion to an 8-hour workday</small>
Headquarters 108-0014 9F Tamachi Tower, 5-33-11, Shiba, Minato-ku, Tokyo +81-(0)3-6810-0800 (general)	Main financing banks Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Resona Bank, Ltd.
Capital 3,953.02 million yen	Main business area Management of a dispensing pharmacy chain

Affiliated companies

Nihon Generic Co., Ltd. Manufacture and sale of pharmaceuticals 8F Tamachi Tower, 5-33-11, Shiba, Minato-ku, Tokyo https://www.nihon-generic.co.jp/en/	Medical Resources Co., Ltd. Staffing and placement of healthcare professionals 8F Tamachi Tower, 5-33-11, Shiba, Minato-ku, Tokyo https://www.medical-res.co.jp/
Choseido Pharmaceutical Co., Ltd. Manufacture and sale of pharmaceuticals 92 Kou, Kokufu-cho, Tokushima City, Tokushima https://www.choseido.com/	Japan Medical Research Institute Co., Ltd. Research investigation, provision of information and advertising media, and consulting services related to the healthcare industry in general 9F Tamachi Tower, 5-33-11, Shiba, Minato-ku, Tokyo https://www.jpmedri.co.jp/

Cover Story

Guided by its mission of giving people the closest possible support, the Nihon Chouzai Group places high value on points of contact with patients and customers.

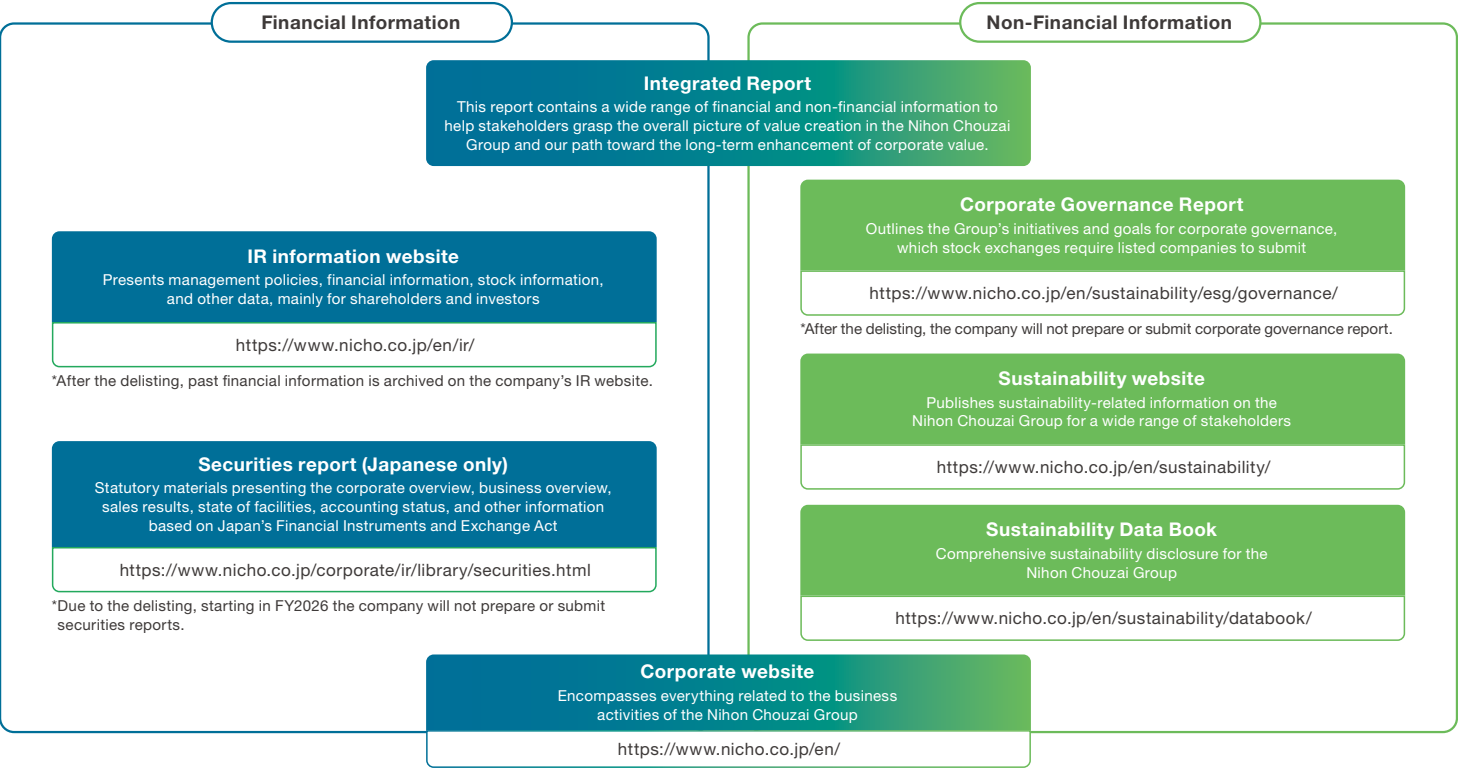
Centered on our nationwide network of pharmacies, we provide comprehensive support for the health of all the people in the communities we serve through our Pharmaceutical Manufacturing and Sales Business, Medical Professional Staffing and Placement Business, and Information Provision and Consulting Business.

To achieve the goal of Long-Term Vision 2035 of becoming the most trusted partner in healthcare, it is vital to build trust through a variety of points of contact.

Building on trust built up over the years, we will accelerate our growth and embrace new challenges to realize our vision for the kind of Group we want to become.



Nihon Chouzai Group Disclosure



11-Year Summary of Financial and Non-Financial Data (As of March 31, 2025)

Consolidated Financial Data	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Fiscal year in which revisions to dispensing fees and NHI drug prices were made	Dispensing Fees NHI Drug Prices		Dispensing Fees NHI Drug Prices		Dispensing Fees NHI Drug Prices	Dispensing Fees NHI Drug Prices ^{*11}	Dispensing Fees NHI Drug Prices	NHI Drug Prices	Dispensing Fees NHI Drug Prices	NHI Drug Prices	Dispensing Fees NHI Drug Prices
Business results (fiscal year)											
Net sales	181,844	219,239	223,468	241,274	245,687	268,520	278,951	299,392	313,318	340,310	360,512
Gross profit	31,929	39,068	39,258	43,837	41,975	46,372	49,374	52,422	53,643	57,236	57,365
Selling, general and administrative expenses	25,281	28,578	30,738	33,250	35,242	38,779	41,267	45,833	46,057	48,093	51,125
Operating profit	6,647	10,489	8,519	10,587	6,733	7,593	8,106	6,589	7,586	9,142	6,239
EBITDA ^{*1}	10,923	15,615	14,237	17,127	14,525	15,491	16,286	14,974	16,337	18,251	15,856
Ordinary profit	6,003	9,878	7,976	10,138	6,077	7,405	8,409	6,767	7,682	9,439	6,915
Profit attributable to owners of parent	2,778	6,329	4,638	6,104	3,790	6,697	3,538	3,705	4,458	2,553	1,391
Cash flows (fiscal year)											
Cash flows from operating activities	5,831	19,327	△940	23,141	13,572	13,192	11,213	19,411	7,532	20,421	8,824
Cash flows from investing activities	△8,437	△7,823	△28,444	△13,843	△1,770	△2,731	△7,767	△9,313	△10,018	△13,726	△9,921
Cash flows from financing activities	1,422	7,031	18,205	△2,034	△10,516	△7,955	△2,806	△17,448	713	△4,430	2,526
Financial position (at year-end)											
Total assets ^{*2}	130,141	157,609	178,347	186,573	178,677	185,551	186,262	178,753	185,297	195,087	197,105
Net assets	17,635	32,473	36,447	41,506	41,073	47,072	49,868	52,876	56,483	58,351	59,097
Cash and cash equivalents	13,844	32,380	21,200	28,464	29,749	32,254	32,893	25,543	23,770	26,034	27,463
Merchandise and finished goods	15,911	15,328	21,455	20,873	22,272	22,988	23,139	23,024	28,416	28,992	29,507
Interest-bearing debt ^{*3}	68,327	66,794	86,524	87,611	81,302	74,381	73,219	56,597	58,128	54,925	58,270
Per share information											
Net assets per share (yen) ^{*4}	628.80	1,015.11	1,139.35	1,297.50	1,369.52	1,569.77	1,663.01	1,763.34	1,888.17	1,950.44	1,978.13
Net income per share (yen) ^{*4}	97.24	216.42	145.02	190.84	121.74	223.33	118.01	123.56	148.92	85.35	46.54
Financial and non-financial data											
Sales growth rate (%)	10.0	20.6	1.9	8.0	1.8	9.3	3.9	7.3	4.7	8.6	5.9
SG&A expense ratio (%)	13.9	13.0	13.8	13.8	14.3	14.4	14.8	15.3	14.7	14.1	14.2
Operating margin (%)	3.7	4.8	3.8	4.4	2.7	2.8	2.9	2.2	2.4	2.7	1.7
ROA (%) ^{*5}	2.2	4.4	2.8	3.3	2.1	3.6	1.9	2.0	2.4	1.3	0.7
ROE (%) ^{*6}	16.6	25.3	13.5	15.7	9.2	15.2	7.3	7.2	8.2	4.4	2.4
Equity ratio (%) ^{*7}	13.6	20.6	20.4	22.2	23.0	25.4	26.8	29.6	30.5	29.9	30.0
Interest coverage ratio (times) ^{*8}	7.1	24.4	—	37.1	25.8	34.9	35.1	64.8	28.2	68.7	20.2
Debt-to-equity ratio (times) ^{*9}	3.8	2.1	2.4	2.1	2.0	1.6	1.5	1.1	1.0	0.9	1.0
Capital expenditure	12,279	8,073	23,344	15,316	5,254	12,025	9,492	8,362	10,321	12,188	10,330
Depreciation	3,631	4,461	4,741	5,214	6,304	6,316	6,416	6,569	6,740	7,170	7,659
R&D expenses	1,767	1,913	2,388	2,784	2,764	2,991	2,776	3,411	3,065	2,765	3,133
Number of employees ^{*10}	3,283	3,435	3,781	4,075	4,383	4,904	5,221	5,552	5,689	5,864	6,063

* Figures have been rounded down. Percentages have been rounded to the nearest first decimal place.

Notes:

*1. EBITDA = Operating profit + depreciation + amortization of goodwill

*2. Figures before FY2017 are not retroactively adjusted in accordance with a change in accounting standards.

*3. Interest-bearing debt = loans + lease obligations + installment accounts payable + bonds

*4. Nihon Chouzai conducted 2-for-1 stock splits on October 1, 2015 and April 1, 2020. Net assets per share and net income per share have been calculated as if these stock splits had taken place at the beginning of FY2013.

*5. ROA = profit attributable to owners of parent ÷ average of total assets at the beginning and end of the fiscal year

*6. ROE = profit attributable to owners of parent ÷ average equity at the beginning and end of the fiscal year

*7. Equity ratio = shareholders' equity ÷ total assets

*8. Interest coverage ratio = operating cash flows ÷ interest payment. This figure is not presented when operating cash flows are negative.

*9. Debt-to-equity ratio = interest-bearing debt ÷ net assets

*10. Number of employees indicates regular employees. It does not include non-regular employees such as associate, contract, fixed-term, or part-time employees.

*11. NHI drug prices were revised in October 2019 in line with changes in the consumption tax rate. Dispensing fees were also partially revised in conjunction with the drug price adjustment.

Outside Evaluations

Sustainability

Signing the United Nations Global Compact

In August 2023, Nihon Chouzai signed the United Nations Global Compact, an international initiative to support greater corporate social responsibility. Participation in the Global Compact demonstrates a company's stance on Ten Principles related to four areas—human rights, labor, environment, and anti-corruption. While making all Group executives and employees aware of the purpose of this compact, we will identify areas for improvement and work to sustainably enhance corporate value by measuring our business activities against the yardstick of the values of the Ten Principles.



Support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations

We endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board (FSB) in June 2022 and have been making steady headway in our disclosure based on the recommendations.



Selected for inclusion in FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index

The Group has been continuously selected since 2023 as a constituent of both the FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index, which target Japanese companies taking outstanding action in terms of ESG practices.



Received B Score in CDP Climate Change Report 2024

We received a B score in the Climate Change Report 2024 published by CDP, an international NPO, following a B score in 2023 as well. The current B score is at the management level in CDP's classification, and indicates that the company understands its own environmental risks and impacts and takes actions on climate issues.



Human Capital Management

Certified as 2025 Health & Productivity Management Outstanding Organizations in the large enterprise category

Nihon Chouzai, Nihon Generic, and Medical Resources have all been selected as 2025 Certified Health & Productivity Management Outstanding Organizations in the large enterprise category, under a certification program established by the Ministry of Economy, Trade and Industry. Additionally, Japan Medical Research Institute has been selected as a 2025 Certified Health & Productivity Management Outstanding Organization in the small and medium-sized enterprise category (Next Bright 1000). These programs recognize companies that take employee health management seriously from a management perspective and strategically pursue health and productivity management initiatives.



Received DBJ Employee Health Management Rating

This rating is connected to a program administered by the Development Bank of Japan to extend loans based on sustainability assessment and certification. The program uses a proprietary screening system to select companies that demonstrate outstanding care for the health of executives and employees. Nihon Chouzai received the DBJ Employee Health Management Rating in 2023.



Kurumin

Nihon Chouzai and Nihon Generic have received Kurumin certification from the Ministry of Health, Labour and Welfare, recognizing them as companies that provide outstanding support for parenting.



Eruboshi certification

Nihon Chouzai has been recognized as an outstanding company for its efforts to empower women's participation in the workforce, receiving the highest level of Eruboshi certification, which is based on the Act on Promotion of Women's Participation and Advancement in the Workplace.



Tomonin

Nihon Chouzai in 2021 also acquired Tomonin certification, a symbol mark certifying that we provide a workplace environment where employees can balance work and long-term care. We continue taking steps to ensure that employees do not have to quit their jobs to care for family members.



Who we are

CEO Message

The Future We Want to Create

Shoring up the Sustainable Management Foundation

Business Strategy

Sustainability

Corporate Governance

Data