Pharmacy Pulse

Analysis of the key trends in the Irish Community Pharmacy sector, prepared by Fitzgerald Power in partnership with the Irish Pharmacy Union on a quarterly basis.

Q2 2026

Irish Pharmacy Union

Fitzgerald Power
ADDING VALUE. ALWAYS.

Forewords

Welcome to the Q2 edition of Pharmacy Pulse. The second quarter of 2026 reflects a sector that continues to evolve and adapt. Community pharmacies are seeing encouraging growth in prescription volumes and continued demand for clinical services, while important legislative developments such as electronic record keeping and forthcoming pharmacist-led contraception prescribing demonstrate the increasingly central role pharmacies play within Ireland's healthcare system.

While activity levels remain strong, operating a pharmacy continues to present challenges. Rising energy, wage and technology costs continue to place pressure on margins, and business sentiment remains cautious despite improvements in footfall and trading activity. These findings reinforce the importance of strong financial management, operational efficiency and strategic planning.

The pharmacy transaction market also remains active, with demand for quality businesses continuing despite broader economic uncertainty. As owners continue to invest in their businesses and prepare for future opportunities, having access to timely market intelligence has never been more valuable.

We hope this edition of Pharmacy Pulse provides useful insights into the trends shaping the sector and supports informed decision-making for pharmacy owners and managers over the months ahead.

Noel Winters
Corporate Finance Partner
Fitzgerald Power

The latest IPU/Fitzgerald Power Pharmacy Pulse provides a useful overview of how community pharmacy performed during the second quarter of 2026 and some of the main issues affecting pharmacy businesses.

Overall, the findings are positive in terms of activity. Pharmacies remain busy, patient footfall has increased and dispensing continues to perform strongly. This reflects the important role community pharmacies play in providing accessible healthcare in communities throughout the country and the growing demand for the services they provide.

However, the findings also show that increased activity does not necessarily translate into improved business conditions. Business confidence has not materially improved and almost all respondents continue to report rising costs, particularly across energy, wages and IT. Business costs and the level of State fees are now the two main concerns identified by respondents.

This is particularly relevant as the role of community pharmacy continues to expand. Pharmacies are investing in their teams, technology and infrastructure while preparing to deliver additional healthcare services. It is important that this development is supported by a sustainable funding model that allows pharmacies to continue investing in patient care.

Pharmacy Pulse provides the IPU and our members with useful information on these trends and will continue to help inform our work and engagement on behalf of the sector.

Jim Curran
Director of Public Affairs and Communications
Irish Pharmacy Union

Summary Q2 2026

Electronic Record Keeping

New legislation has provided for electronic record keeping for community pharmacies. The changes allow prescriptions transmitted electronically and a range of pharmacy records to be stored digitally, this should ultimately lead to a reduction in administrative burden, improved workflow efficiency and is fully aligned to the wider digitalisation of healthcare services in Ireland.

Pharmacist-Led Contraception Service

The Government published the Health (Provision of Contraception Prescribing Service in Retail Pharmacy Businesses) Bill 2026 in June. The legislation will allow pharmacists to provide repeat prescriptions for certain contraceptive medicines directly to eligible patients, improving access to women's healthcare while further expanding the clinical role of community pharmacists within primary care.

EU E-Commerce Import Charges

From 1st July 2026, the European Union will introduce a new €3 customs charge on low-value imports from outside the EU. The reform aims to address concerns around unfair competition from international e-commerce platforms by removing favourable customs treatment for low-value goods. The change could benefit community pharmacies and other Irish retailers by narrowing the price gap between products sourced from overseas and those sold through local businesses.

Inflation and Cost of Living

Cost-of-living pressures remained a key issue for Irish households during Q2 2026. Consumer prices were 3.4% higher in June 2026 than a year earlier, with housing, electricity, gas, and other utility costs among the largest contributors to inflation. Rising living expenses continued to impact household disposable income and consumer spending, creating a challenging environment for both consumers and businesses.

US Trade Tariffs and Economic Uncertainty

Global economic uncertainty remained elevated during Q2 2026 as businesses and policymakers continued to assess the impact of tariff-related trade tensions and geopolitical instability. With Ireland's economy heavily dependent on international trade and foreign direct investment, concerns persisted regarding the potential impact on exports, business investment and economic growth.

Revenue Pulse

Value of sales

The value of pharmaceutical sales, as measured by the CSO, increased by 5.5% in value in June 2026 against the same period last year.

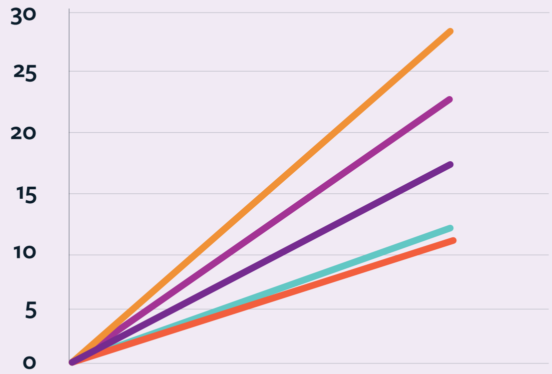
Value of Sales: CSO	5.5% ↑

SOURCE: CSO

Rx Tracker

IQVIA data shows RX classes are up 9.7% in value and 5.4% in volume as against the same period last year.

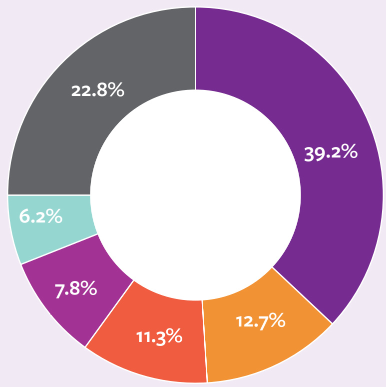
Top RX Classes by Growth



- Dermatology **27.4%**
- Anti Diabetics **22.7%**
- GU **17.3%**
- Oncology & Immunomodulators **11.8%**
- Cardiovascular System **10.8%**

SOURCE: IQVIA

Top RX Classes by Value



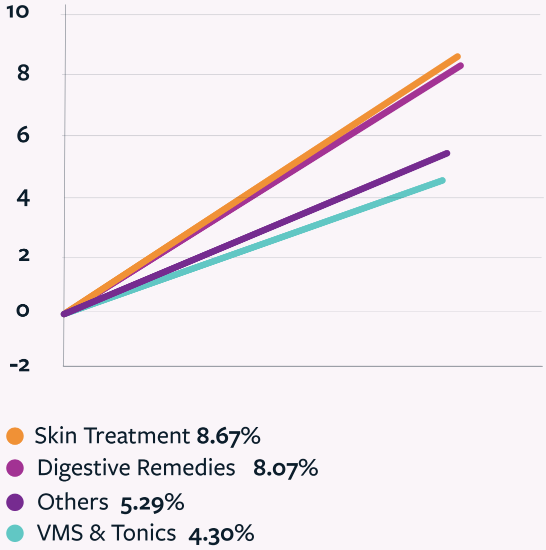
- Oncology & Immunomodulators **39.2%**
- Anti Diabetics **12.7%**
- Central Nervous System **11.3%**
- Anti-Infectives **7.8%**
- Cardiovascular System **6.2%**
- Other **22.8%**

SOURCE: IQVIA

OTC Tracker

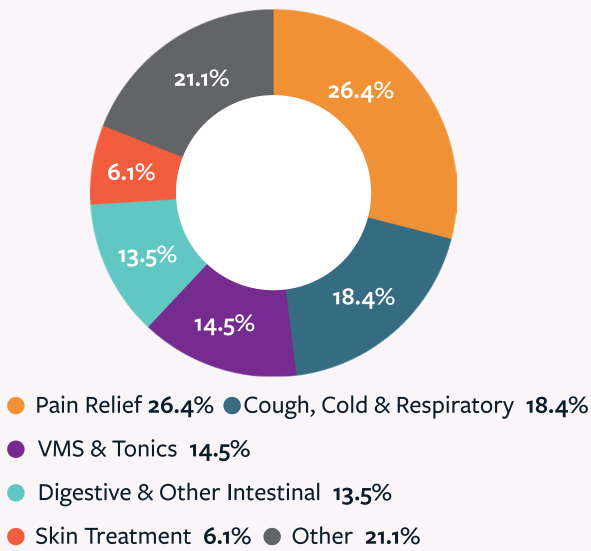
IQVIA data shows OTC classes are up 0.6% in value and up 3.4% in volume, as against the same period last year.

Top OTC Classes by Growth



SOURCE: IQVIA

Top OTC Classes by Value



SOURCE: IQVIA

Cost Pulse

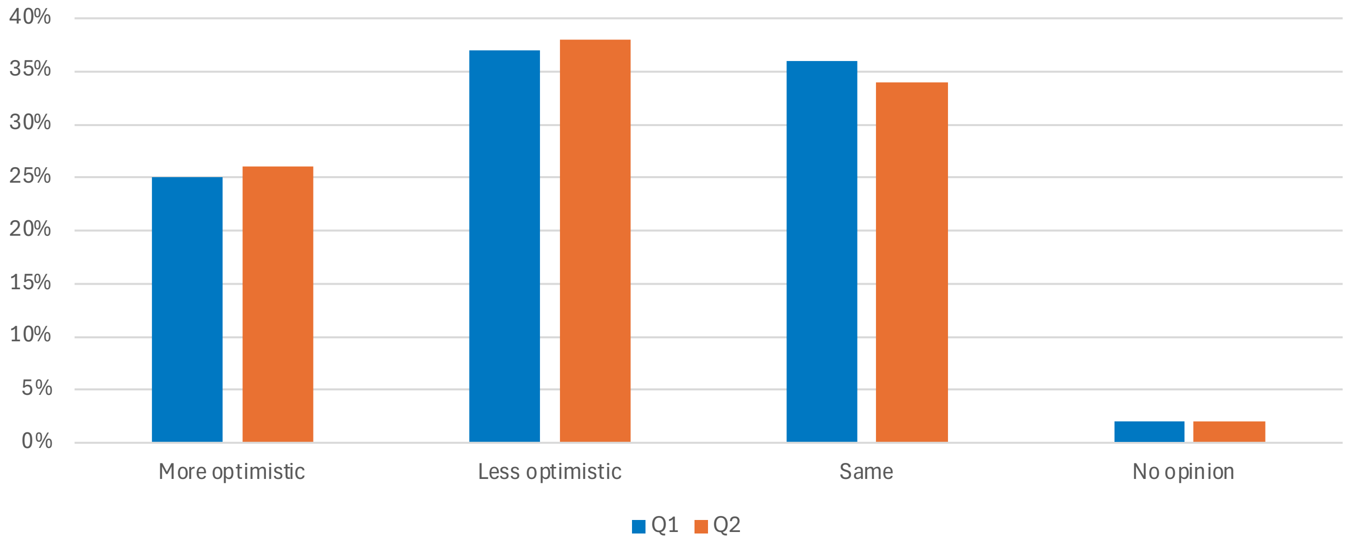
Energy, wages and IT infrastructure remain the areas in Q2 2026 where respondents report the most substantial cost increases. IT expenditure is likely to remain significant as pharmacies adapt to greater digital integration and changes in healthcare infrastructure as outlined in the digital health framework for Ireland.

Wage pressure is particularly important because the community pharmacy sector has a labour-intensive service provision model and the provision of additional clinical services requires appropriately trained pharmacists and pharmacy team members. The below table shows respondents who reported an increase in costs above 5%.

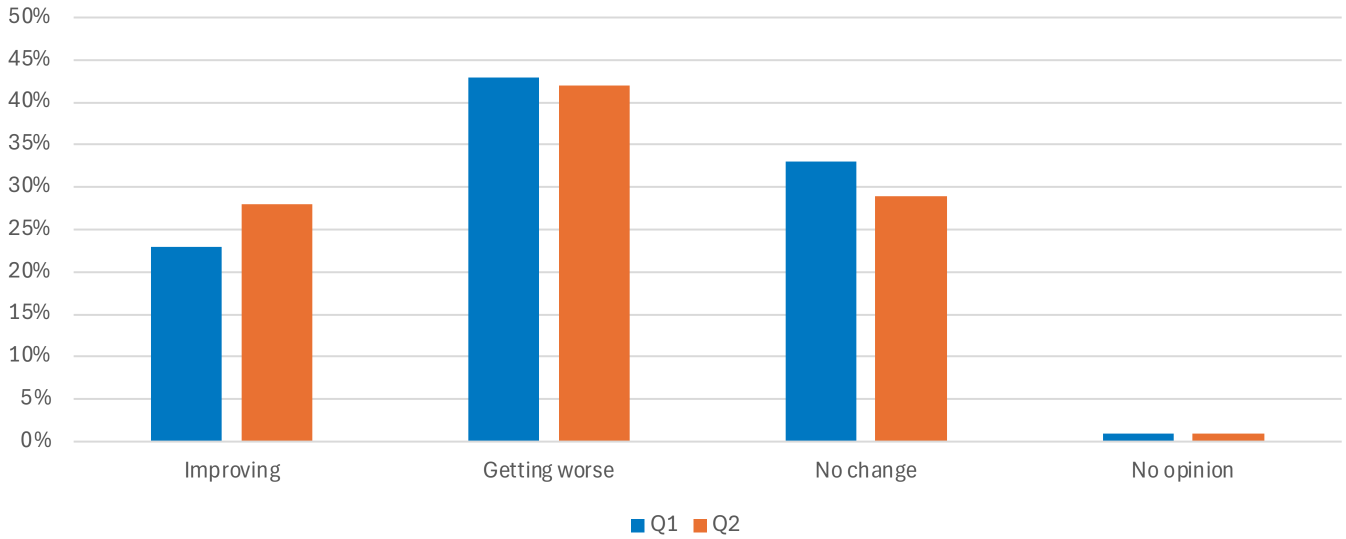
	Q1	Q2
Wages	71%	67%
Energy	76%	79%
IT infrastructure	66%	60%
Insurance	53%	46%
Waste charges	45%	35%
Rents	37%	35%
Security	37%	34%
Commercial rates	26%	22%
Banking	28%	20%

Business Environment Sentiment Pulse

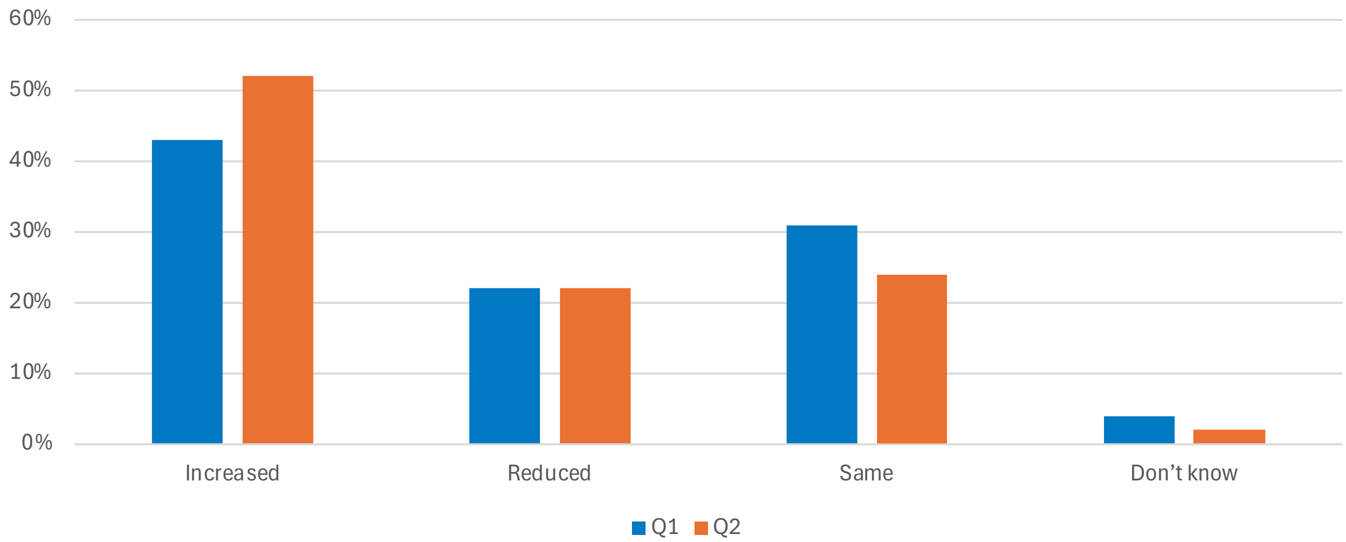
When asked how do pharmacy owners/managers see their business prospects now compared to 12 months ago respondents to the IPU survey indicated they were:



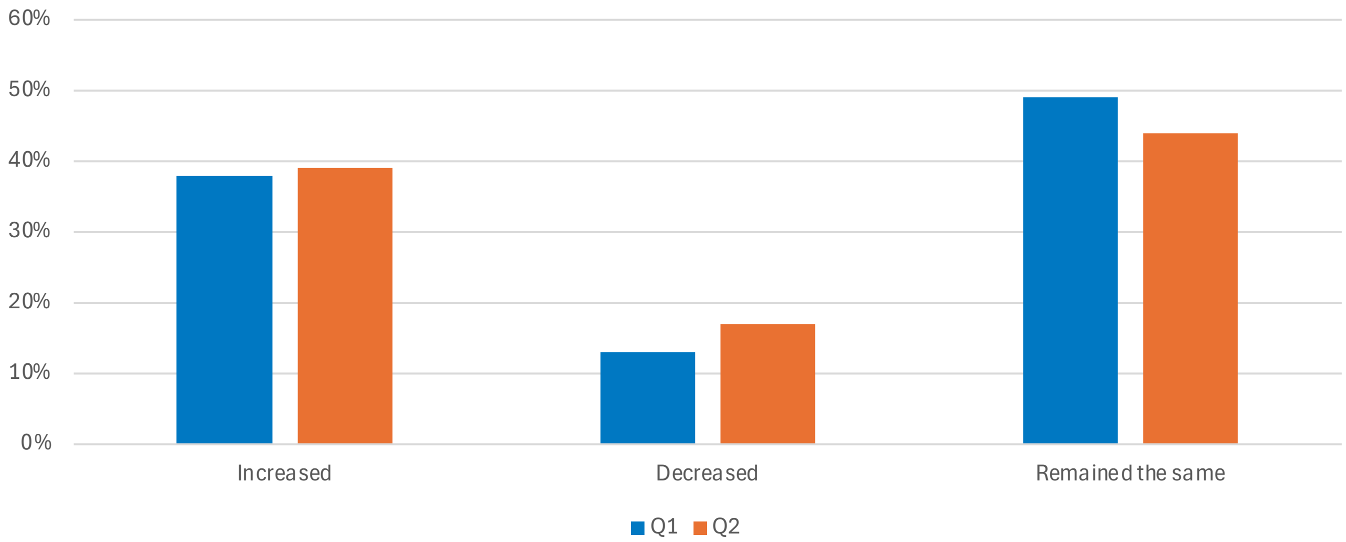
When asked how pharmacy owners/managers view the business environment at present.



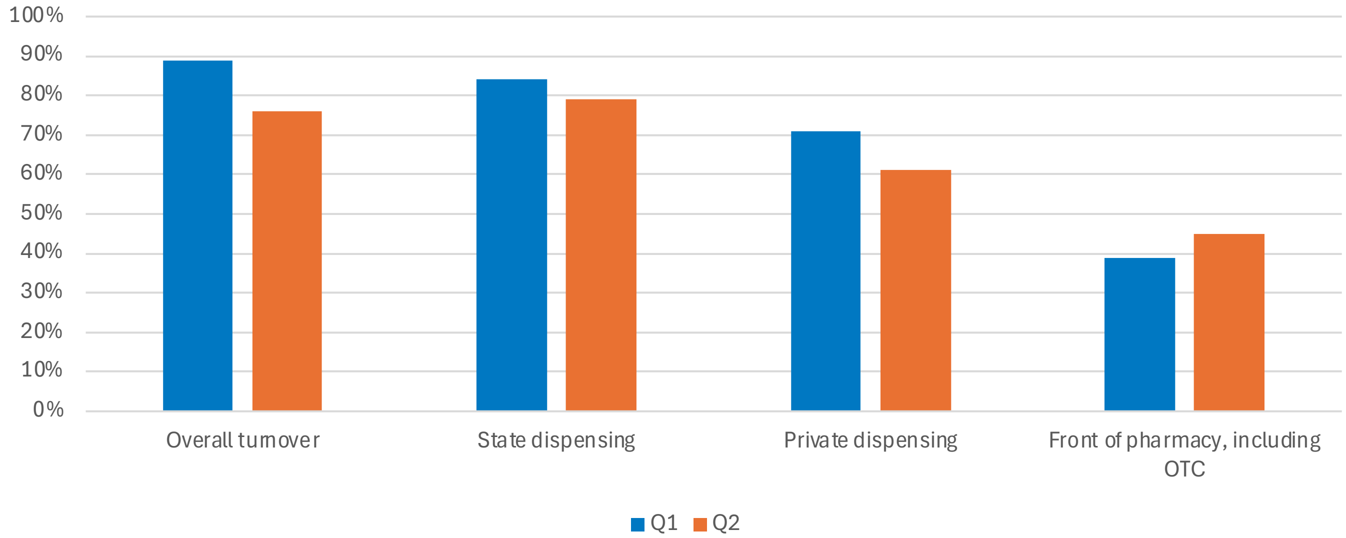
The level of pharmacy footfall in the last 12 months as reported by respondents.



Respondents were asked about the level of employment reported over the last 12 months.



Finally, respondents were asked whether sales/turnover performance improved in the last 12 months.



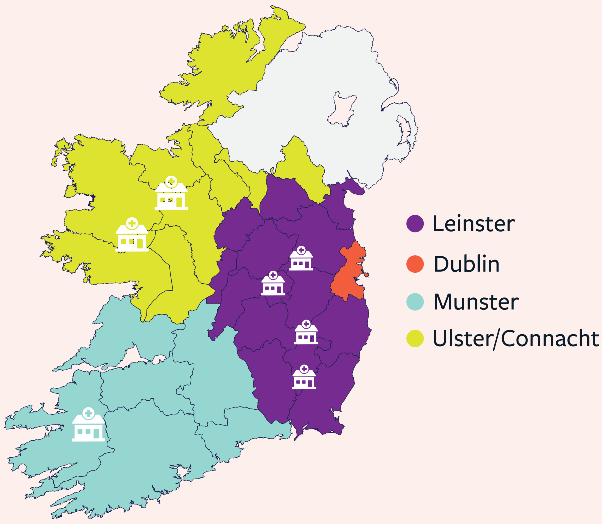
Market Pulse

Fitzgerald Power estimate 7 transactions completed in the 2nd Quarter of 2026. In the first two quarters in 2025 there were 17 transactions as opposed to 15 in 2026.

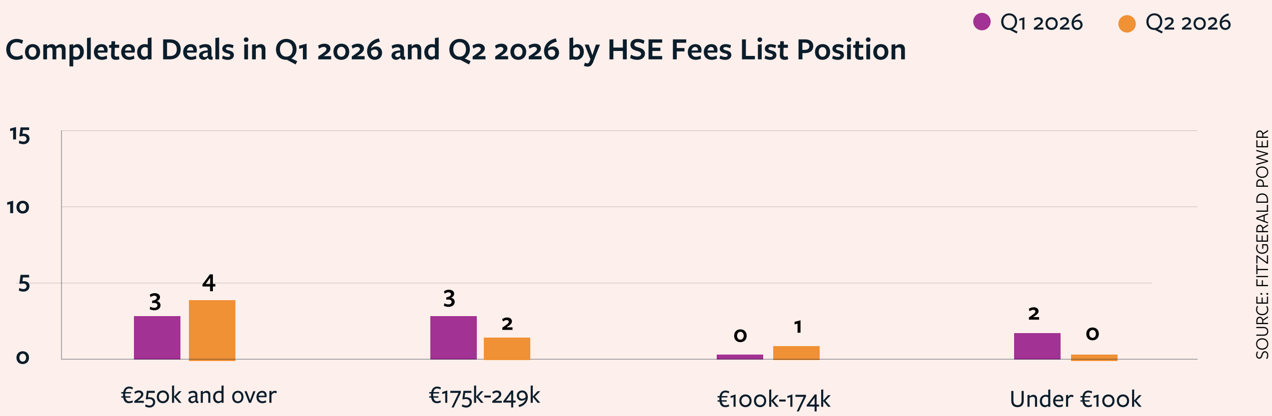
Completed Deals in Q2 by Geographical Location

DUBLIN	0
REST OF LEINSTER	4
MUNSTER	1
ULSTER / CONNACHT	2

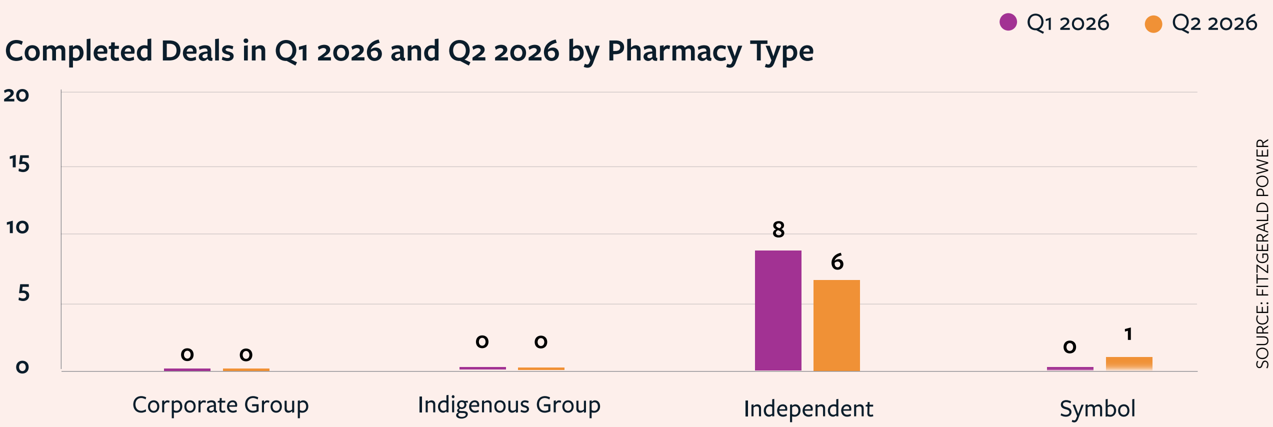
SOURCE: FITZGERALD POWER



Completed Deals in Q1 2026 and Q2 2026 by HSE Fees List Position



Completed Deals in Q1 2026 and Q2 2026 by Pharmacy Type



PSI data suggests there have been 4 net openings in the first 6 months of 2026, leaving the number of community pharmacies in Ireland at 1,920.

New Openings and Closures

New Openings between 1st January 2026 – 30th June 2026	8
Closures between 1st January 2026 – 30th June 2026	4
Net Openings between 1st January 2026 – 30th June 2026	**4**

SOURCE: PSI

PCRS Pulse

The quantum of fees received by the pharmacy sector for all community drug scheme categories increased over 2025, with vaccinations (17%) and DPS/LTI (22%) seeing particularly strong growth. GMS fees have seen growth of 6% over the year. Contraception and High-Tech fees have both seen 8% growth.

The table below shows the level of fees received from the State by the pharmacy sector in relation to community drug schemes in 2024 and 2025.

	2024 €	2025 €
Vaccination	16,221,170	18,911,180
GMS, & Opioid Substitution Treatment Scheme Fees	344,199,455	363,281,005
DPS & LTI	88,554,517	107,685,046
Pharmacy Contraception Fee	10,246,433	11,115,498
High-Tech	50,253,645	54,164,516

A part of this growth in 2025 might be due to changes in the fee structure resulting from the Community Pharmacy Agreement, which came into place in September 2025. Under this agreement, the fees per item reimbursed by the State increased, as shown in the below table.

	Old Fee	New Fee
First 1,667 items	€5.00	€5.60
Each of the next 833 items	€4.50	€4.50
Each other item dispensed in that month	€3.50	€4.10

For comparison, in 2024 aggregate GMS reimbursements increased by 4% and DPS/LTI reimbursements increased by 10%. The fact that 2025 growth is meaningfully above 2024 growth suggests that at least a part of the growth in 2025 is due to changes in the fee structure that was brought into place by the new Community Pharmacy Agreement.

Measuring Productivity, Not Just Turnover

For many pharmacy owners, turnover is the first metric they look at when assessing business performance. While sales growth is undoubtedly positive, it tells only part of the story. In today's environment, where wages, energy, technology and other operating costs continue to rise, increasing turnover does not necessarily translate into improved profitability.

The most successful pharmacies are increasingly focused on productivity rather than simply growth. That means understanding how effectively every euro of revenue is being generated. Measures such as gross margin, payroll as a percentage of turnover, profit per dispensing item, revenue per employee and EBITDA provide a far more meaningful picture of business performance than turnover alone.

As pharmacists take on more clinical services and invest in new technology, productivity becomes even more important. At its core, pharmacy is a service-led model built around the delivery of expert care, so the goal of investment should ultimately be to enable pharmacists and their teams to spend more time where they add the greatest value. Digital systems should not simply be viewed as an additional cost; they should improve workflow, reduce administrative demands and create more capacity for higher-value patient services. Similarly, investment in people should support greater efficiency, stronger customer service and, over the longer term, improved profitability.

This quarter's findings show a sector with healthy levels of activity, but also one operating under sustained cost pressure. That makes regular benchmarking and financial analysis more important than ever. Pharmacy owners who understand the key drivers of productivity will be better placed to make informed investment decisions, protect margins and build resilient businesses.

Ultimately, success in community pharmacy will not be measured by who has the highest turnover, but by who operates the most efficient, profitable and sustainable business, and who adapts to new technologies..

Leigh Quilty
Pharmacy Partner

Take a proactive step to unlock your pharmacy's full potential and maintain a competitive edge in your industry.

Get in touch with Leigh today: lquilty@fitzgeraldpower.ie

Head Office
Greyfriars
Waterford
X91 K2WV

T: (0)51 870152
F: (0)51 871214

Waterford
Saint John's Parish Hall
Catherine Street
Waterford
X91 X827

T: (0)51 870152
F: (0)51 871214

Dublin
50-56
Merrion Road
Dublin
D04 V4K3

T: (0)1 4693739
F: (0)51 871214

Fitzgerald Power ADDING VALUE. ALWAYS.

fitzgeraldpower.ie
info@fitzgeraldpower.ie