

Consolidated Financial Results for the Third Quarter of FY2014

Consolidated Subsidiaries: 3

Kissei Shoji Co., Ltd. / Kissei Comtec Co., Ltd. / Hashiba Technos Co., Ltd.

Consolidated	Third Quarter of FY2013 Apr. 2013 - Dec. 2013		Third Quarter of FY2014 Apr. 2014 - Dec. 2014			YoY
	Mil. of US\$	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	442.4	100.0%	436.3	52,620	100.0%	Δ 1.4%
Cost of Sales	137.2	31.0%	146.8	17,707	33.7%	7.0%
Gross Profit	305.2	69.0%	289.5	34,913	66.3%	Δ 5.1%
Selling, General and Administrative Expenses	208.5	47.1%	216.8	26,146	49.7%	4.0%
Operating Income	96.7	21.9%	72.7	8,767	16.7%	Δ 24.8%
Net Income	72.3	16.3%	61.8	7,451	14.2%	Δ 14.5%

Note: US dollar amounts are translated at the rate of ¥120.6= US\$1.

Financial Forecasts for FY2014

Consolidated	Results of FY2013 Apr. 2013 - Mar. 2014			Forecasts for FY2014 Apr. 2014 - Mar. 2015			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	583.7	70,399	100.0%	569.7	68,700	100.0%	Δ2.4%
Cost of Sales	192.2	23,181	32.9%	198.2	23,900	34.8%	3.1%
Gross Profit	391.5	47,219	67.1%	371.5	44,800	65.2%	Δ5.1%
Selling, General and Administrative Expenses	289.5	34,917	49.6%	293.5	35,400	51.5%	1.4%
Operating Income	102.0	12,301	17.5%	77.9	9,400	13.7%	Δ23.6%
Net Income	75.4	9,093	12.9%	64.2	7,740	11.3%	Δ14.9%

¥120.6= US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	FY2010	FY2011	FY2012	FY2013	FY2014 Forecasts
Net Sales	64,394	64,619	62,491	70,399	68,700
Operating Income	6,464	7,466	7,761	12,301	9,400
(% of Net Sales)	(10.0)	(11.6)	(12.4)	(17.5)	(13.7)
Extraordinary Gain or Loss	△ 604	△ 252	△ 857	△ 140	10
Net Income	4,004	4,770	5,020	9,093	7,740
(% of Net Sales)	(6.2)	(7.4)	(8.0)	(12.9)	(11.3)
R&D Expenses	12,037	10,043	10,312	11,299	12,100
(% of Net Sales)	(18.7)	(15.5)	(16.5)	(16.0)	(17.6)
Depreciation and Amortization	2,810	2,635	2,390	2,190	2,230
Capital Investment	1,322	1,893	1,664	2,382	2,290
Export Value	2,648	2,794	4,018	7,757	6,660
Number of Employees	1,911	1,893	1,894	1,883	—

< Years ended / ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

Products	FY2012	FY2013	FY2013 3Q	FY2014 3Q	FY2014 Forecasts
URIEF	11,714	13,332	10,405	10,769	13,930
GLUFAST	3,447	3,410	2,573	2,599	3,420
GLUBES	1,695	2,551	1,940	2,503	3,280
SALAGEN	1,140	1,267	970	960	1,240
EPOETIN ALFA BS INJECTION	4,427	5,596	4,442	4,487	5,790
BEZATOL	5,947	5,543	4,448	3,451	4,380
UTEMERIN	4,012	3,910	3,213	2,667	3,370
XANBON	1,219	1,074	900	676	860
RIZABEN Eye Drops	2,329	1,526	847	858	1,400
RIZABEN	1,607	1,444	1,127	966	1,280
DOMENAN	226	197	158	123	160
FRAGMIN	467	419	348	266	330
RYSMON TG	553	493	397	324	420
ZOLADEX 1.8mg Depot	687	796	612	534	700
FULSTAN	642	660	497	484	620

< Years ended / ending March 31 >