

Consolidated Financial Results for the Third Quarter of FY2016

Consolidated Subsidiaries: 3

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

Consolidated	Third Quarter of FY2015 Apr. 2015 - Dec. 2015		Third Quarter of FY2016 Apr. 2016 - Dec. 2016			YoY
	Mil. of US\$	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	461.4	100.0%	468.8	54,610	100.0%	1.6%
Cost of Sales	145.8	31.6%	160.4	18,688	34.2%	10.0%
Gross Profit	315.6	68.4%	308.3	35,921	65.8%	△2.3%
Selling, General and Administrative Expenses	219.0	47.5%	241.9	28,183	51.6%	10.4%
Operating Income	96.5	20.9%	66.4	7,738	14.2%	△31.2%
Profit Attributable to Owners of Parent	75.6	16.4%	60.5	7,044	12.9%	△20.0%

Note: US dollar amounts are translated at the rate of ¥116.5= US\$1.

Financial Forecasts for FY2016

Consolidated	Results of FY2015 Apr. 2015 - Mar. 2016			Forecasts for FY2016 Apr. 2016 - Mar. 2017			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	612.0	71,294	100.0%	615.5	71,700	100.0%	0.6%
Cost of Sales	202.4	23,580	33.1%	215.5	25,100	35.0%	6.5%
Gross Profit	409.6	47,714	66.9%	400.0	46,600	65.0%	△2.3%
Selling, General and Administrative Expenses	321.4	37,440	52.5%	321.0	37,400	52.2%	△0.1%
Operating Income	88.2	10,275	14.4%	79.0	9,200	12.8%	△10.5%
Profit Attributable to Owners of Parent	70.1	8,165	11.5%	66.1	7,700	10.7%	△5.7%

¥116.5= US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	FY2012	FY2013	FY2014	FY2015	FY2016 Forecasts
Net Sales	62,491	70,399	70,111	71,294	71,700
Operating Income	7,761	12,301	8,334	10,275	9,200
(% of Net Sales)	(12.4)	(17.5)	(11.9)	(14.4)	(12.8)
Extraordinary Gain or Loss	△ 857	△ 140	△ 119	△ 217	350
Profit Attributable to Owners of Parent	5,020	9,093	7,165	8,165	7,700
(% of Net Sales)	(8.0)	(12.9)	(10.2)	(11.5)	(10.7)
R&D Expenses	10,312	11,299	14,488	14,106	13,000
(% of Net Sales)	(16.5)	(16.0)	(20.7)	(19.8)	(18.1)
Depreciation and Amortization	2,390	2,190	2,204	2,344	2,410
Capital Investment	1,664	2,382	1,826	1,943	1,500
Export Value	4,018	7,757	7,257	7,232	6,320
Number of Employees	1,894	1,883	1,883	1,908	—

< Years ended / ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

Products	FY2014	FY2015	FY2015 3Q	FY2016 3Q	FY2016 Forecasts
URIEF	14,088	15,474	11,830	12,466	16,000
GLUFAST	3,405	3,624	2,831	2,975	3,300
GLUBES	3,310	3,925	3,045	3,243	4,500
P-TOL	–	627	309	2,281	3,500
SALAGEN	1,270	1,456	1,155	1,191	1,620
EPOETIN ALFA BS Injection	5,715	6,050	4,777	4,571	5,700
BEZATOL	4,375	3,818	3,068	2,400	3,000
UTEMERIN	3,291	2,867	2,321	1,854	2,200
XANBON	816	728	596	470	570
RIZABEN Eye Drops	1,547	1,340	791	683	1,100
RIZABEN	1,262	1,135	883	747	1,000
DOMENAN	159	147	114	96	130
FRAGMIN	328	267	218	165	210
ZOLADEX 1.8mg Depot	692	730	580	454	580
FULSTAN	619	628	496	493	630

< Years ended / ending March 31 >