

Consolidated Financial Results for the Second Quarter of FY2017

Consolidated Subsidiaries: 3

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

Consolidated	Second Quarter of FY2016 Apr. 2016 - Sep. 2016		Second Quarter of FY2017 Apr. 2017 - Sep. 2017			YoY
	Mil. of US\$	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	318.0	100.0%	324.6	36,587	100.0%	2.1%
Cost of Sales	111.7	35.1%	109.4	12,327	33.7%	△2.1%
Gross Profit	206.3	64.9%	215.3	24,259	66.3%	4.4%
Selling, General and Administrative Expenses	166.6	52.4%	178.7	20,141	55.1%	7.3%
Operating Income	39.7	12.5%	36.5	4,118	11.3%	△7.9%
Profit Attributable to Owners of Parent	34.5	10.9%	38.0	4,280	11.7%	10.0%

Note: US dollar amounts are translated at the rate of ¥112.7= US\$1.
Amounts are rounded down. As a result, the sum and breakdown of data may not equal the totals.

Financial Forecasts for FY2017

Consolidated	Results of FY2016 Apr. 2016 - Mar. 2017			Forecasts for FY2017 Apr. 2017 - Mar. 2018			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	636.3	71,706	100.0%	665.5	75,000	100.0%	4.6%
Cost of Sales	222.5	25,075	35.0%	236.9	26,700	35.6%	6.5%
Gross Profit	413.8	46,631	65.0%	428.6	48,300	64.4%	3.6%
Selling, General and Administrative Expenses	338.4	38,140	53.2%	344.3	38,800	51.7%	1.7%
Operating Income	75.3	8,491	11.8%	84.3	9,500	12.7%	11.9%
Profit Attributable to Owners of Parent	68.6	7,726	10.8%	76.3	8,600	11.5%	11.3%

¥112.7= US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	FY2013	FY2014	FY2015	FY2016	FY2017 Forecasts
Net Sales	70,399	70,110	71,294	71,706	75,000
Operating Income	12,301	8,334	10,274	8,491	9,500
(% of Net Sales)	(17.5)	(11.9)	(14.4)	(11.8)	(12.7)
Extraordinary Gain or Loss	△ 140	△ 118	△ 216	478	300
Profit Attributable to Owners of Parent	9,093	7,165	8,165	7,726	8,600
(% of Net Sales)	(12.9)	(10.2)	(11.5)	(10.8)	(11.5)
R&D Expenses	11,298	14,488	14,106	13,877	14,700
(% of Net Sales)	(16.0)	(20.7)	(19.8)	(19.4)	(19.6)
Depreciation and Amortization	2,190	2,203	2,343	2,370	2,530
Capital Investment	2,382	1,825	1,942	1,477	1,850
Export Value	7,756	7,256	7,231	6,318	8,110
Number of Employees	1,883	1,883	1,908	1,905	–

< Years ended / ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

Products	FY2015	FY2016	FY2016 2Q	FY2017 2Q	FY2017 Forecasts
URIEF	15,473	16,164	7,846	8,388	17,000
GLUFAST	3,623	3,681	1,930	1,512	2,800
GLUBES	3,925	4,204	2,084	2,225	4,500
P-TOL	626	3,070	1,304	2,160	4,800
SALAGEN	1,456	1,526	755	788	1,650
EPOETIN ALFA BS Injection	6,049	5,792	2,885	3,024	6,000
BEZATOL	3,817	3,016	1,570	1,363	2,550
UTEMERIN	2,866	2,296	1,220	1,025	1,950
XANBON	728	563	297	259	500
RIZABEN Eye Drops	1,339	1,141	430	363	1,000
RIZABEN	1,135	959	487	436	820
DOMENAN	146	122	61	52	110
FRAGMIN	266	201	106	96	170
ZOLADEX 1.8mg Depot	730	577	291	277	580
FULSTAN	628	624	318	300	580
Nutritional food products	3,734	3,840	1,905	1,883	3,950

< Years ended / ending March 31 >