

Consolidated Financial Results for the Second Quarter of FY2019

Consolidated Subsidiaries: 3

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

Consolidated	Second Quarter of FY2018 Apr. 2018 - Sep. 2018			Second Quarter of FY2019 Apr. 2019 - Sep. 2019			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	330.2	35,665	100.0%	292.1	31,548	100.0%	-11.5%
Cost of Sales	125.1	13,507	37.9%	119.0	12,850	40.7%	-4.9%
Gross Profit	205.2	22,157	62.1%	173.1	18,698	59.3%	-15.6%
Selling, General and Administrative Expenses	165.8	17,905	50.2%	151.5	16,364	51.9%	-8.6%
Operating Income	39.4	4,252	11.9%	21.6	2,334	7.4%	-45.1%
Profit Attributable to Owners of Parent	30.9	3,337	9.4%	19.9	2,150	6.8%	-35.6%

Note: US dollar amounts are translated at the rate of ¥108= US\$1.
Amounts are rounded down. As a result, the sum and breakdown of data may not equal the totals.

Financial Forecasts for FY2019

Consolidated	Results of FY2018 Apr. 2018 - Mar. 2019			Forecasts for FY2019 Apr. 2019 - Mar. 2020			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	669.4	72,297	100.0%	574.1	62,000	100.0%	-14.2%
Cost of Sales	247.5	26,731	37.0%	254.6	27,500	44.4%	2.9%
Gross Profit	421.9	45,566	63.0%	319.4	34,500	55.6%	-24.3%
Selling, General and Administrative Expenses	364.5	39,363	54.4%	305.6	33,000	53.2%	-16.2%
Operating Income	57.4	6,202	8.6%	13.9	1,500	2.4%	-75.8%
Profit Attributable to Owners of Parent	50.8	5,481	7.6%	26.9	2,900	4.7%	-47.1%

¥108= US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	FY2015	FY2016	FY2017	FY2018	FY2019 Forecasts
Net Sales	71,294	71,706	74,009	72,297	62,000
Operating Income	10,274	8,491	9,887	6,202	1,500
Extraordinary Gain or Loss	-216	478	283	-48	1,600
Profit Attributable to Owners of Parent	8,165	7,726	9,045	5,481	2,900
R&D Expenses	14,106	13,877	14,179	15,711	10,600
(% of Net Sales)	(19.8)	(19.4)	(19.2)	(21.7)	(17.1)
Depreciation and Amortization	2,343	2,370	2,492	2,607	2,600
Capital Investment	1,942	1,477	1,989	1,177	900
Export Value	7,231	6,318	8,343	6,153	5,300
Number of Employees	1,908	1,905	1,903	1,907	—

< Years ended / ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

Products	FY2017	FY2018	FY2018 2Q	FY2019 2Q	FY2019 Forecasts
URIEF	17,235	17,810	8,787	3,540	6,200
BEOVA	—	706	—	485	2,100
P-TOL	4,274	4,801	2,310	2,925	6,300
EPOETIN ALFA BS INJECTION	6,093	6,015	3,000	3,073	5,000
DARBEPOETIN ALFA BS INJECTION	—	—	—	—	500
GLUBES	4,477	4,428	2,213	2,350	4,800
GLUFAST	2,762	1,678	893	752	1,300
SALAGEN	1,561	1,617	814	828	1,600
RECTABUL	228	663	288	381	1,000
BEZATOL	2,564	1,709	898	748	1,420
Nutritional food products	3,796	3,789	1,866	1,964	4,000

< Years ended / ending March 31 >