

Consolidated Financial Results for the First Quarter of Fiscal Year 03/2014

Consolidated Subsidiaries: 3

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

Consolidated	First Quarter of Fiscal Y03/2013 Apr. 2012 - Jun. 2012		First Quarter of Fiscal Y03/2014 Apr. 2013 - Jun. 2013			YoY
	Mil. of US\$	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	145.8	100.0%	165.4	16,306	100.0%	13.4%
Cost of Sales	45.4	31.1%	53.9	5,318	32.6%	18.8%
Gross Profit	100.4	68.9%	111.4	10,988	67.4%	11.0%
Selling, General and Administrative Expenses	79.2	54.3%	79.3	7,817	47.9%	0.1%
Operating Income	21.2	14.5%	32.2	3,170	19.4%	51.7%
Net Income	14.6	10.0%	24.6	2,427	14.9%	68.2%

Note: US dollar amounts are translated at the rate of ¥98.6 = US\$1.

Financial Forecasts for Annual 03/2014

Consolidated	Results of Annual 03/2013 Apr. 2012 - Mar. 2013			Forecasts for Annual 03/2014 Apr. 2013 - Mar. 2014			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	633.8	62,491	100.0%	643.0	63,400	100.0%	1.5%
Cost of Sales	214.4	21,143	33.8%	212.0	20,900	33.0%	△ 1.1%
Gross Profit	419.4	41,348	66.2%	431.0	42,500	67.0%	2.8%
Selling, General and Administrative Expenses	340.6	33,586	53.7%	350.9	34,600	54.6%	3.0%
Operating Income	78.7	7,761	12.4%	80.1	7,900	12.5%	1.8%
Net Income	50.9	5,019	8.0%	59.8	5,900	9.3%	17.6%

¥98.6 = US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	03/2010	03/2011	03/2012	03/2013	03/2014 Forecasts
Net Sales	62,178	64,393	64,618	62,491	63,400
Operating Income	6,584	6,463	7,465	7,761	7,900
(% of Net Sales)	(10.6)	(10.0)	(11.6)	(12.4)	(12.5)
Extraordinary Gain or Loss	△ 604	△ 604	△ 251	△ 857	—
Net Income	4,371	4,004	4,769	5,019	5,900
(% of Net Sales)	(7.0)	(6.2)	(7.4)	(8.0)	(9.3)
R&D Expenses	10,786	12,037	10,043	10,312	11,100
(% of Net Sales)	(17.3)	(18.7)	(15.5)	(16.5)	(17.5)
Depreciation and Amortization	3,233	2,809	2,635	2,390	2,300
Capital Investment	2,037	1,322	1,893	1,664	2,390
Export Value	1,746	2,647	2,793	4,018	3,400
Number of Employees	1,920	1,911	1,893	1,894	—

< Years ended / ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

Products	03/2012 Results	03/2013 Results	03/2013 1Q Results	03/2014 1Q Results	03/2014 Forecasts
URIEF	11,156	11,714	2,720	3,315	13,090
GLUFAST	4,299	3,447	931	837	3,490
GLUBES	668	1,694	368	589	2,390
SALAGEN	1,046	1,140	293	314	1,190
EPOETIN ALFA BS INJECTION	2,899	4,426	940	1,371	5,300
BEZATOL	7,091	5,947	1,582	1,502	5,460
UTEMERIN	4,338	4,012	992	1,018	3,870
XANBON	1,467	1,219	310	286	1,100
RIZABEN Eye Drops	2,086	2,329	306	167	1,780
RIZABEN	1,723	1,606	398	355	1,540
DOMENAN	257	226	63	53	200
FRAGMIN	595	466	118	115	400
RYSMON TG	648	553	146	133	510
ZOLADEX 1.8mg Depot	693	687	152	191	660
FULSTAN	622	641	175	163	610

< Years ended / ending March 31 >