

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

Consolidated Subsidiaries: 3

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

Consolidated	Third Quarter of Fiscal Y03/2013 Apr. 2012 - Dec. 2012		Third Quarter of Fiscal Y03/2014 Apr. 2013 - Dec. 2013			YoY
	Mil. of US\$	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	442.9	100.0%	508.1	53,353	100.0%	14.7%
Cost of Sales	142.2	32.1%	157.6	16,547	31.0%	10.8%
Gross Profit	300.8	67.9%	350.5	36,806	69.0%	16.5%
Selling, General and Administrative Expenses	232.8	52.6%	239.5	25,144	47.1%	2.8%
Operating Income	67.9	15.3%	111.1	11,663	21.9%	63.5%
Net Income	41.6	9.4%	83.0	8,715	16.3%	99.5%

Note: US dollar amounts are translated at the rate of ¥105 = 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	595.2	62,491	100.0%	653.3	68,600	100.0%	9.8%
Cost of Sales	201.4	21,143	33.8%	214.3	22,500	32.8%	6.4%
Gross Profit	393.8	41,348	66.2%	439.0	46,100	67.2%	11.5%
Selling, General and Administrative Expenses	319.9	33,587	53.7%	330.5	34,700	50.6%	3.3%
Operating Income	73.9	7,761	12.4%	108.6	11,400	16.6%	46.9%
Net Income	47.8	5,020	8.0%	81.4	8,550	12.5%	70.3%

¥105 = 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	62,179	64,394	64,619	62,491	68,600
Operating Income	6,585	6,464	7,466	7,761	11,400
(% of Net Sales)	(10.6)	(10.0)	(11.6)	(12.4)	(16.6)
Extraordinary Gain or Loss	△ 605	△ 604	△ 252	△ 857	△ 100
Net Income	4,371	4,004	4,770	5,020	8,550
(% of Net Sales)	(7.0)	(6.2)	(7.4)	(8.0)	(12.5)
R&D Expenses	10,786	12,037	10,043	10,312	11,500
(% of Net Sales)	(17.3)	(18.7)	(15.5)	(16.5)	(16.8)
Depreciation and Amortization	3,234	2,810	2,635	2,390	2,220
Capital Investment	2,037	1,322	1,893	1,664	2,580
Export Value	1,746	2,648	2,794	4,018	6,990
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 3Q Results	03/2014 3Q Results	03/2014 Forecasts
URIEF	11,157	11,714	8,940	10,405	13,270
GLUFAS	4,300	3,447	2,747	2,573	3,450
GLUBES	668	1,695	1,266	1,940	2,490
SALAGEN	1,046	1,140	894	970	1,200
EPOETIN ALFA BS INJECTION	2,899	4,427	3,394	4,442	5,590
BEZATOL	7,092	5,947	4,694	4,448	5,480
UTEMERIN	4,339	4,012	3,175	3,213	3,920
XANBON	1,468	1,219	984	900	1,090
RIZABEN Eye Drops	2,086	2,329	1,078	847	1,460
RIZABEN	1,724	1,607	1,213	1,127	1,430
DOMENAN	258	226	178	158	190
FRAGMIN	596	467	376	348	430
RYSMON TG	649	553	440	397	490
ZOLADEX 1.8mg Depot	694	687	532	612	720
FULSTAN	623	642	510	497	620

< Years ended / ending March 31 >