

Consolidated Financial Results for the First Quarter of FY2014

Consolidated Subsidiaries: 3

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

Consolidated	First Quarter of FY2013 Apr. 2013 - Jun. 2013		First Quarter of FY2014 Apr. 2014 - Jun. 2014			YoY
	Mil. of US\$	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	161.5	100.0%	156.9	15,842	100.0%	Δ 2.9%
Cost of Sales	52.7	32.6%	51.1	5,161	32.6%	Δ 3.0%
Gross Profit	108.8	67.4%	105.8	10,681	67.4%	Δ 2.8%
Selling, General and Administrative Expenses	77.4	47.9%	80.1	8,094	51.1%	3.5%
Operating Income	31.4	19.4%	25.6	2,587	16.3%	Δ 18.4%
Net Income	24.0	14.9%	22.5	2,270	14.3%	Δ 6.5%

Note: US dollar amounts are translated at the rate of ¥101 = US\$1.

Financial Forecasts for FY2014

Consolidated	Results of FY2013 Apr. 2013 - Mar. 2014			Forecasts for FY2014 Apr. 2014 - Mar. 2015			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	697.0	70,399	100.0%	665.3	67,200	100.0%	Δ4.5%
Cost of Sales	229.5	23,181	32.9%	233.7	23,600	35.1%	1.8%
Gross Profit	467.5	47,219	67.1%	431.7	43,600	64.9%	Δ7.7%
Selling, General and Administrative Expenses	345.7	34,917	49.6%	354.5	35,800	53.3%	2.5%
Operating Income	121.8	12,301	17.5%	77.2	7,800	11.6%	Δ36.6%
Net Income	90.0	9,093	12.9%	60.4	6,100	9.1%	Δ32.9%

¥101 = US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	FY2010	FY2011	FY2012	FY2013	FY2014 Forecasts
Net Sales	64,394	64,619	62,491	70,399	67,200
Operating Income	6,464	7,466	7,761	12,301	7,800
(% of Net Sales)	(10.0)	(11.6)	(12.4)	(17.5)	(11.6)
Extraordinary Gain or Loss	△ 604	△ 252	△ 857	△ 140	—
Net Income	4,004	4,770	5,020	9,093	6,100
(% of Net Sales)	(6.2)	(7.4)	(8.0)	(12.9)	(9.1)
R&D Expenses	12,037	10,043	10,312	11,299	12,400
(% of Net Sales)	(18.7)	(15.5)	(16.5)	(16.0)	(18.5)
Depreciation and Amortization	2,810	2,635	2,390	2,190	2,330
Capital Investment	1,322	1,893	1,664	2,382	2,310
Export Value	2,648	2,794	4,018	7,757	6,660
Number of Employees	1,911	1,893	1,894	1,883	—

< Years ended / ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

Products	FY2012	FY2013	FY2013 1Q	FY2014 1Q	FY2014 Forecasts
URIEF	11,714	13,332	3,316	3,457	13,770
GLUFAST	3,447	3,410	837	792	3,630
GLUBES	1,695	2,551	590	788	3,020
SALAGEN	1,140	1,267	315	283	1,300
EPOETIN ALFA BS INJECTION	4,427	5,596	1,372	1,459	5,330
BEZATOL	5,947	5,543	1,502	1,191	4,600
UTEMERIN	4,012	3,910	1,018	871	3,390
XANBON	1,219	1,074	286	222	910
RIZABEN Eye Drops	2,329	1,526	168	265	1,450
RIZABEN	1,607	1,444	355	322	1,350
DOMENAN	226	197	54	44	170
FRAGMIN	467	419	115	89	370
RYSMON TG	553	493	134	109	430
ZOLADEX 1.8mg Depot	687	796	191	152	740
FULSTAN	642	660	163	144	600

< Years ended / ending March 31 >