

Financial Results for Semi-Annual 2008

Consolidated Subsidiaries: 3

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

Consolidated	Semi-Annual 2007 Apr. 2006 - Sept. 2006		Semi-Annual 2008 Apr. 2007 - Sept. 2007			YoY
	Mil. of US\$	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	283.5	100.0%	268.0	30,817	100.0%	-5.5%
Cost of Sales	123.7	43.6%	99.5	11,439	37.1%	-19.6%
Gross Profit	159.8	56.4%	168.5	19,377	62.9%	5.4%
Selling, General and Administrative Expenses	143.3	50.6%	148.5	17,080	55.4%	3.6%
Operating Income	16.5	5.8%	20.0	2,297	7.5%	21.4%
Net Income	9.9	3.5%	12.1	1,392	4.5%	22.4%

< Fiscal years ending March 31, 2007 and 2008 >

Note: US dollar amounts are translated at the rate of ¥115 = US\$1.

Financial Forecasts for Annual 2008

Consolidated	Results of Annual 2007 Apr. 2006 - Mar. 2007			Revised Forecasts for Annual 2008 Apr. 2007 - Mar. 2008			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	558.4	64,215	100.0%	540.9	62,200	100.0%	-3.1%
Cost of Sales	243.6	28,018	43.6%	200.7	23,080	37.1%	-17.6%
Gross Profit	314.7	36,196	56.4%	340.2	39,120	62.9%	8.1%
Selling, General and Administrative Expenses	291.7	33,551	52.3%	302.8	34,820	56.0%	3.8%
Operating Income	23.0	2,645	4.1%	37.4	4,300	6.9%	62.6%
Net Income	13.7	1,570	2.4%	22.3	2,570	4.1%	63.7%

< Fiscal years ending March 31, 2007 and 2008 >

¥ 115 = US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	2005	2006	2007	2008 Forecasts
Net Sales	60,933	64,007	64,215	62,200
Operating Income	5,516	1,877	2,645	4,300
(% of Net Sales)	9.1	2.9	4.1	6.9
Extraordinary Gain or Loss	2,166	886	652	140
Net Income	4,734	2,045	1,570	2,570
(% of Net Sales)	7.8	3.2	2.4	4.1
R&D Expenses	9,893	10,574	10,472	11,600
(% of Net Sales)	16.2	16.5	16.3	18.6
Depreciation and Amortization	3,011	3,138	3,228	3,880
Capital Investment	1,660	2,284	3,954	2,410
Export Value	1,552	647	1,464	1,140
Number of Employees	1,686	1,759	1,777	-

< Fiscal years ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

	2005	2006	2007	2008 1st half	2008 Forecasts
URIEF	-	-	1,417	1,736	4,200
GLUFAST	* 1,543	* 2,548	2,618	1,624	4,050
SALAGEN	-	58	132	83	330
BEZATOL	10,481	10,627	9,789	4,843	9,600
CABASER	10,010	10,336	9,912	3,532	6,590
UTEMERIN	6,368	6,208	5,665	2,834	5,380
XANBON	5,554	4,869	3,988	2,017	3,780
RIZABEN Eye Drops	4,585	3,361	3,383	1,085	2,900
RIZABEN	2,856	2,455	2,229	1,061	2,120
FRAGMIN	2,921	2,583	1,773	735	1,410
DOMENAN	780	682	555	240	470
Nutritional food products	1,685	2,860	3,032	1,602	3,230

< Fiscal years ending March 31 >

* Sales for Glufast® in fiscal year ending March 31, 2005 and 2006 include the receipts from the sale of products to co-marketing companies in addition to Kissei's own sales.