

Consolidated Financial Results for the Second Quarter of FY2016

Consolidated Subsidiaries: 3

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

Consolidated	Second Quarter of FY2015 Apr. 2015 - Sep. 2015		Second Quarter of FY2016 Apr. 2016 - Sep. 2016			YoY
	Mil. of US\$	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	332.6	100.0%	354.8	35,835	100.0%	6.7%
Cost of Sales	106.6	32.0%	124.6	12,589	35.1%	16.9%
Gross Profit	226.0	68.0%	230.2	23,246	64.9%	1.8%
Selling, General and Administrative Expenses	176.1	52.9%	185.9	18,772	52.4%	5.6%
Operating Income	49.9	15.0%	44.3	4,474	12.5%	△11.3%
Profit Attributable to Owners of Parent	39.1	11.7%	38.5	3,891	10.9%	△1.4%

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

Financial Forecasts for FY2016

Consolidated	Results of FY2015 Apr. 2015 - Mar. 2016			Forecasts for FY2016 Apr. 2016 - Mar. 2017			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	705.9	71,294	100.0%	709.9	71,700	100.0%	0.6%
Cost of Sales	233.5	23,580	33.1%	248.5	25,100	35.0%	6.5%
Gross Profit	472.4	47,714	66.9%	461.4	46,600	65.0%	△2.3%
Selling, General and Administrative Expenses	370.7	37,440	52.5%	370.3	37,400	52.2%	△0.1%
Operating Income	101.7	10,275	14.4%	91.1	9,200	12.8%	△10.5%
Profit Attributable to Owners of Parent	80.8	8,165	11.5%	76.2	7,700	10.7%	△5.7%

¥101= US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	FY2012	FY2013	FY2014	FY2015	FY2016 Forecasts
Net Sales	62,491	70,399	70,111	71,294	71,700
Operating Income	7,761	12,301	8,334	10,275	9,200
(% of Net Sales)	(12.4)	(17.5)	(11.9)	(14.4)	(12.8)
Extraordinary Gain or Loss	△ 857	△ 140	△ 119	△ 217	350
Profit Attributable to Owners of Parent	5,020	9,093	7,165	8,165	7,700
(% of Net Sales)	(8.0)	(12.9)	(10.2)	(11.5)	(10.7)
R&D Expenses	10,312	11,299	14,488	14,106	13,000
(% of Net Sales)	(16.5)	(16.0)	(20.7)	(19.8)	(18.1)
Depreciation and Amortization	2,390	2,190	2,204	2,344	2,410
Capital Investment	1,664	2,382	1,826	1,943	1,500
Export Value	4,018	7,757	7,257	7,232	6,320
Number of Employees	1,894	1,883	1,883	1,908	—

< Years ended / ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

Products	FY2014	FY2015	FY2015 2Q	FY2016 2Q	FY2016 Forecasts
URIEF	14,088	15,474	7,548	7,847	16,000
GLUFAST	3,405	3,624	1,824	1,930	3,300
GLUBES	3,310	3,925	1,938	2,084	4,500
P-TOL	–	627	–	1,305	3,500
SALAGEN	1,270	1,456	737	756	1,620
EPOETIN ALFA BS Injection	5,715	6,050	3,080	2,885	5,700
BEZATOL	4,375	3,818	2,000	1,571	3,000
UTEMERIN	3,291	2,867	1,526	1,221	2,200
XANBON	816	728	384	298	570
RIZABEN Eye Drops	1,547	1,340	484	431	1,100
RIZABEN	1,262	1,135	566	487	1,000
DOMENAN	159	147	71	61	130
FRAGMIN	328	267	143	106	210
ZOLADEX 1.8mg Depot	692	730	372	291	580
FULSTAN	619	628	322	319	630
Nutritional food products	3,666	3,735	1,880	1,905	3,840

< Years ended / ending March 31 >