

Consolidated Financial Results for the First Quarter of FY2017

Consolidated Subsidiaries: 3

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

Consolidated	First Quarter of FY2016 Apr. 2016 - Jun. 2016			First Quarter of FY2017 Apr. 2017 - Jun. 2017			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	171.0	19,156	100.0%	168.3	18,846	100.0%	△1.6%
Cost of Sales	60.9	6,824	35.6%	55.8	6,249	33.2%	△8.4%
Gross Profit	110.1	12,331	64.4%	112.5	12,597	66.8%	2.2%
Selling, General and Administrative Expenses	80.5	9,011	47.0%	96.3	10,783	57.2%	19.7%
Operating Income	29.6	3,320	17.3%	16.2	1,813	9.6%	△45.4%
Profit Attributable to Owners of Parent	25.3	2,834	14.8%	18.8	2,101	11.2%	△25.9%

Note: US dollar amounts are translated at the rate of ¥112= US\$1.
Amounts are rounded down. As a result, the sum and breakdown of data may not equal the totals.

Financial Forecasts for FY2017

Consolidated	Results of FY2016 Apr. 2016 - Mar. 2017			Forecasts for FY2017 Apr. 2017 - Mar. 2018			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	640.2	71,706	100.0%	653.6	73,200	100.0%	2.1%
Cost of Sales	223.9	25,075	35.0%	232.1	26,000	35.5%	3.7%
Gross Profit	416.4	46,631	65.0%	421.4	47,200	64.5%	1.2%
Selling, General and Administrative Expenses	340.5	38,140	53.2%	341.1	38,200	52.2%	0.2%
Operating Income	75.8	8,491	11.8%	80.4	9,000	12.3%	6.0%
Profit Attributable to Owners of Parent	69.0	7,726	10.8%	69.6	7,800	10.7%	1.0%

¥112= US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	FY2013	FY2014	FY2015	FY2016	FY2017 Forecasts
Net Sales	70,399	70,110	71,294	71,706	73,200
Operating Income	12,301	8,334	10,274	8,491	9,000
(% of Net Sales)	(17.5)	(11.9)	(14.4)	(11.8)	(12.3)
Extraordinary Gain or Loss	△ 140	△ 118	△ 216	478	–
Profit Attributable to Owners of Parent	9,093	7,165	8,165	7,726	7,800
(% of Net Sales)	(12.9)	(10.2)	(11.5)	(10.8)	(10.7)
R&D Expenses	11,298	14,488	14,106	13,877	13,500
(% of Net Sales)	(16.0)	(20.7)	(19.8)	(19.4)	(18.4)
Depreciation and Amortization	2,190	2,203	2,343	2,370	2,450
Capital Investment	2,382	1,825	1,942	1,477	1,550
Export Value	7,756	7,256	7,231	6,318	6,420
Number of Employees	1,883	1,883	1,908	1,905	–

< Years ended / ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

Products	FY2015	FY2016	FY2016 1Q	FY2017 1Q	FY2017 Forecasts
URIEF	15,473	16,164	4,168	4,312	17,000
GLUFAST	3,623	3,681	1,112	821	2,600
GLUBES	3,925	4,204	1,112	1,146	4,800
P-TOL	626	3,070	631	1,102	4,800
SALAGEN	1,456	1,526	411	409	1,700
EPOETIN ALFA BS INJECTION	6,049	5,792	1,514	1,472	6,000
BEZATOL	3,817	3,016	862	717	2,500
UTEMERIN	2,866	2,296	647	526	1,950
XANBON	728	563	166	124	550
RIZABEN Eye Drops	1,339	1,141	227	178	1,000
RIZABEN	1,135	959	265	227	820
DOMENAN	146	122	35	28	110
FRAGMIN	266	201	56	49	170
ZOLADEX 1.8mg Depot	730	577	146	138	580
FULSTAN	628	624	169	158	580

< Years ended / ending March 31 >