

Consolidated Financial Results for the Third Quarter of FY2017

Consolidated Subsidiaries: 3

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

Consolidated	Third Quarter of FY2016 Apr. 2016 - Dec. 2016			Third Quarter of FY2017 Apr. 2017 - Dec. 2017			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	483.3	54,609	100.0%	502.6	56,790	100.0%	4.0%
Cost of Sales	165.4	18,688	34.2%	171.3	19,354	34.1%	3.6%
Gross Profit	317.9	35,921	65.8%	331.3	37,435	65.9%	4.2%
Selling, General and Administrative Expenses	249.4	28,182	51.6%	256.5	28,981	51.0%	2.8%
Operating Income	68.5	7,738	14.2%	74.8	8,453	14.9%	9.2%
Profit Attributable to Owners of Parent	62.3	7,043	12.9%	71.3	8,052	14.2%	14.3%

Note: US dollar amounts are translated at the rate of ¥113= 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	634.6	71,706	100.0%	663.7	75,000	100.0%	4.6%
Cost of Sales	221.9	25,075	35.0%	236.3	26,700	35.6%	6.5%
Gross Profit	412.7	46,631	65.0%	427.4	48,300	64.4%	3.6%
Selling, General and Administrative Expenses	337.5	38,140	53.2%	343.4	38,800	51.7%	1.7%
Operating Income	75.1	8,491	11.8%	84.1	9,500	12.7%	11.9%
Profit Attributable to Owners of Parent	68.4	7,726	10.8%	76.1	8,600	11.5%	11.3%

¥113= 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	75,000
Operating Income	12,301	8,334	10,274	8,491	9,500
(% of Net Sales)	(17.5)	(11.9)	(14.4)	(11.8)	(12.7)
Extraordinary Gain or Loss	△ 140	△ 118	△ 216	478	300
Profit Attributable to Owners of Parent	9,093	7,165	8,165	7,726	8,600
(% of Net Sales)	(12.9)	(10.2)	(11.5)	(10.8)	(11.5)
R&D Expenses	11,298	14,488	14,106	13,877	14,700
(% of Net Sales)	(16.0)	(20.7)	(19.8)	(19.4)	(19.6)
Depreciation and Amortization	2,190	2,203	2,343	2,370	2,530
Capital Investment	2,382	1,825	1,942	1,477	1,850
Export Value	7,756	7,256	7,231	6,318	8,110
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 3Q	FY2017 3Q	FY2017 Forecasts
URIEF	15,473	16,164	12,466	13,324	17,000
GLUBES	3,925	4,204	3,243	3,481	4,500
GLUFAST	3,623	3,681	2,975	2,285	2,800
P-TOL	626	3,070	2,281	3,361	4,800
SALAGEN	1,456	1,526	1,191	1,242	1,650
RECTABUL	–	–	–	183	–
EPOETIN ALFA BS INJECTION	6,049	5,792	4,571	4,724	6,000
BEZATOL	3,817	3,016	2,400	2,106	2,550
UTEMERIN	2,866	2,296	1,854	1,581	1,950
XANBON	728	563	469	405	500
RIZABEN Eye Drops	1,339	1,141	682	582	1,000
RIZABEN	1,135	959	746	671	820
DOMENAN	146	122	96	82	110
FRAGMIN	266	201	164	147	170
ZOLADEX 1.8mg Depot	730	577	453	440	580
FULSTAN	628	624	492	462	580

< Years ended / ending March 31 >