

Consolidated Financial Results for the Third Quarter of FY2018

Consolidated Subsidiaries: 3

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

Consolidated	Third Quarter of FY2017 Apr. 2017 - Dec. 2017			Third Quarter of FY2018 Apr. 2018 - Dec. 2018			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	511.6	56,790	100.0%	497.8	55,255	100.0%	△2.7%
Cost of Sales	174.4	19,354	34.1%	181.7	20,167	36.5%	4.2%
Gross Profit	337.3	37,435	65.9%	316.1	35,088	63.5%	△6.3%
Selling, General and Administrative Expenses	261.1	28,981	51.0%	271.3	30,118	54.5%	3.9%
Operating Income	76.2	8,453	14.9%	44.8	4,970	9.0%	△41.2%
Profit Attributable to Owners of Parent	72.5	8,052	14.2%	38.5	4,270	7.7%	△47.0%

Note: US dollar amounts are translated at the rate of ¥111= US\$1.
Amounts are rounded down. As a result, the sum and breakdown of data may not equal the totals.

Financial Forecasts for FY2018

Consolidated	Results of FY2017 Apr. 2017 - Mar. 2018			Forecasts for FY2018 Apr. 2018 - Mar. 2019			YoY
	Mil. of US\$	Mil. of Yen	Ratio	Mil. of US\$	Mil. of Yen	Ratio	
Net Sales	666.8	74,009	100.0%	655.0	72,700	100.0%	△1.8%
Cost of Sales	233.2	25,889	35.0%	241.4	26,800	36.9%	3.5%
Gross Profit	433.5	48,120	65.0%	413.5	45,900	63.1%	△4.6%
Selling, General and Administrative Expenses	344.4	38,232	51.7%	355.9	39,500	54.3%	3.3%
Operating Income	89.1	9,887	13.4%	57.7	6,400	8.8%	△35.3%
Profit Attributable to Owners of Parent	81.5	9,045	12.2%	49.5	5,500	7.6%	△39.2%

¥111= US\$1

Trends in Business Performance

(Millions of Yen except Number of Employees)

Consolidated	FY2014	FY2015	FY2016	FY2017	FY2018 Forecasts
Net Sales	70,110	71,294	71,706	74,009	72,700
Operating Income	8,334	10,274	8,491	9,887	6,400
Extraordinary Gain or Loss	△ 118	△ 216	478	283	△ 50
Profit Attributable to Owners of Parent	7,165	8,165	7,726	9,045	5,500
R&D Expenses	14,488	14,106	13,877	14,179	16,000
(% of Net Sales)	(20.7)	(19.8)	(19.4)	(19.2)	(22.0)
Depreciation and Amortization	2,203	2,343	2,370	2,492	2,600
Capital Investment	1,825	1,942	1,477	1,989	1,200
Export Value	7,256	7,231	6,318	8,343	6,520
Number of Employees	1,883	1,908	1,905	1,903	–

< Years ended / ending March 31 >

Trends in Main Product Sales

(Millions of Yen)

Products	FY2016	FY2017	FY2017 3Q	FY2018 3Q	FY2018 Forecasts
URIEF	16,164	17,235	13,324	14,126	17,700
BEOVA	–	–	–	712	700
GLUBES	4,204	4,477	3,481	3,478	4,600
GLUFAST	3,681	2,762	2,285	1,351	1,650
P-TOL	3,070	4,274	3,361	3,792	5,500
SALAGEN	1,526	1,561	1,242	1,276	1,650
RECTABUL	–	228	183	507	700
EPOETIN ALFA BS Injection	5,792	6,093	4,724	4,762	5,800
BEZATOL	3,016	2,564	2,106	1,373	1,750
UTEMERIN	2,296	1,904	1,581	947	1,180
XANBON	563	483	405	332	330
RIZABEN Eye Drops	1,141	989	582	473	800
RIZABEN	959	812	671	281	340
DOMENAN	122	102	82	70	100
FRAGMIN	201	182	147	118	140
ZOLADEX 1.8mg Depot	577	560	440	369	520
FULSTAN	624	557	462	335	400

< Years ended / ending March 31 >