

Q2 FY 02/19

results supplementary material

These materials contain our earnings outlook. While our earnings outlook and views are based on internal and other reliable data, they do not constitute a guarantee of our future earnings. Therefore, sales and profits may differ from the figures outlined in this material.

The figures in these materials are rounded to the nearest million yen.

Oct. 10th, 2018

Hisamitsu Pharmaceutical Co., Inc.
(Security code number: 4530)

Consolidated Financial Statement

| <Balance sheet> | 2015.05 | 2015.08 | 2015.11 | 2016.02 | 2016.05 | 2016.08 | 2016.11 | 2017.02 | 2017.05 | 2017.08 | 2017.11 | 2018.02 | 2018.05 | 2018.08 | As a % |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|
| (Unit: ¥mn) | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | of total |
| Current assets | 163,978 | 173,516 | 171,268 | 171,760 | 168,699 | 171,805 | 167,285 | 172,097 | 174,302 | 183,030 | 187,948 | 190,065 | 184,021 | 195,434 | 64.1% |
| Cash & deposits | 72,045 | 79,941 | 73,824 | 81,584 | 79,658 | 87,090 | 76,558 | 80,280 | 84,939 | 87,563 | 90,453 | 117,189 | 110,016 | 116,896 | |
| Notes and accounts receivable | 43,152 | 41,598 | 39,386 | 37,638 | 36,804 | 33,755 | 33,618 | 36,087 | 32,621 | 34,707 | 34,250 | 35,185 | 35,122 | 35,940 | |
| Marketable securities | 25,124 | 25,887 | 30,423 | 30,895 | 27,841 | 25,451 | 28,169 | 32,767 | 31,774 | 35,374 | 35,512 | 14,759 | 13,981 | 15,828 | |
| Inventory | 16,314 | 16,666 | 16,382 | 15,917 | 16,852 | 16,129 | 16,654 | 17,688 | 17,379 | 16,523 | 17,400 | 16,972 | 17,323 | 16,924 | |
| Deferred tax assets | 3,179 | 2,889 | 2,949 | 4,293 | 3,778 | 3,454 | 3,400 | 2,960 | 2,858 | 2,926 | 3,021 | 3,840 | 4,003 | 3,881 | |
| Other current assets | 4,457 | 6,817 | 8,579 | 1,714 | 4,053 | 6,205 | 9,176 | 2,628 | 4,996 | 6,201 | 7,557 | 2,359 | 3,824 | 6,220 | |
| Bad debt provision | -295 | -284 | -279 | -283 | -290 | -282 | -293 | -315 | -267 | -266 | -248 | -239 | -249 | -258 | |
| Fixed assets | 121,118 | 120,780 | 121,384 | 113,194 | 114,135 | 104,350 | 104,984 | 106,722 | 105,969 | 106,357 | 110,810 | 109,847 | 109,505 | 109,424 | 35.9% |
| Tangible fixed assets | 44,195 | 44,593 | 44,129 | 43,851 | 43,464 | 42,376 | 42,063 | 43,031 | 41,989 | 41,755 | 41,510 | 40,064 | 39,134 | 39,666 | |
| Buildings and structures | 17,883 | 17,621 | 17,533 | 18,122 | 17,561 | 17,132 | 16,813 | 16,979 | 16,527 | 16,455 | 16,195 | 15,955 | 15,422 | 15,194 | |
| Machinery and transport equipment | 6,908 | 7,142 | 7,312 | 7,213 | 7,022 | 6,706 | 6,641 | 8,178 | 7,651 | 7,201 | 6,854 | 6,869 | 7,141 | 7,046 | |
| Tools, instruments, etc. | 2,131 | 2,246 | 2,159 | 2,080 | 1,983 | 2,021 | 1,995 | 1,972 | 1,893 | 1,983 | 1,922 | 1,909 | 1,844 | 1,795 | |
| Land | 12,819 | 12,850 | 12,797 | 13,015 | 12,928 | 12,875 | 12,856 | 13,138 | 13,091 | 13,085 | 13,096 | 12,628 | 12,497 | 12,535 | |
| Construction in progress | 4,380 | 4,670 | 4,273 | 3,361 | 3,919 | 3,596 | 3,719 | 2,718 | 2,720 | 2,933 | 3,352 | 2,619 | 2,155 | 3,027 | |
| Lease assets | 71 | 62 | 54 | 58 | 49 | 43 | 37 | 42 | 105 | 96 | 88 | 81 | 73 | 66 | |
| Intangible fixed assets | 15,434 | 14,675 | 13,554 | 12,522 | 11,028 | 9,610 | 8,461 | 5,973 | 5,399 | 4,987 | 4,523 | 4,100 | 3,526 | 3,213 | |
| Investments, etc. | 61,487 | 61,512 | 63,700 | 56,820 | 59,643 | 52,363 | 54,459 | 57,718 | 58,579 | 59,614 | 64,775 | 65,683 | 66,844 | 66,544 | |
| Investment securities | 51,719 | 51,055 | 53,179 | 48,234 | 51,628 | 44,481 | 48,091 | 49,989 | 50,793 | 51,623 | 56,895 | 57,169 | 58,086 | 57,619 | |
| Long-term loans | 57 | 52 | 51 | 47 | 46 | 45 | 42 | 40 | 37 | 36 | 35 | 34 | 30 | 29 | |
| Deferred tax assets | 1,664 | 1,742 | 1,857 | 2,056 | 1,790 | 1,690 | 215 | 512 | 628 | 675 | 649 | 353 | 344 | 396 | |
| Other | 8,262 | 8,878 | 8,830 | 6,697 | 6,394 | 6,363 | 6,327 | 7,392 | 7,336 | 7,495 | 7,412 | 8,342 | 8,600 | 8,715 | |
| Bad debt provision | -216 | -216 | -216 | -216 | -216 | -216 | -216 | -216 | -216 | -216 | -216 | -216 | -216 | -216 | |
| Total assets | 285,096 | 294,297 | 292,653 | 284,954 | 282,835 | 276,155 | 272,269 | 278,820 | 280,271 | 289,387 | 298,758 | 299,913 | 293,527 | 304,858 | |
| Current liabilities | 41,652 | 44,196 | 43,939 | 40,997 | 37,930 | 37,929 | 37,385 | 32,425 | 33,933 | 36,417 | 37,403 | 34,938 | 31,058 | 34,773 | 11.4% |
| Notes and accounts payable | 9,300 | 8,357 | 8,220 | 7,669 | 8,254 | 8,145 | 8,119 | 8,005 | 8,873 | 8,721 | 8,373 | 7,709 | 7,715 | 7,990 | |
| Electronically recorded obligations-operating | 8,211 | 6,219 | 6,330 | 6,347 | 6,562 | 6,367 | 5,852 | 6,375 | 6,692 | 5,936 | 6,131 | 6,202 | 5,875 | 6,292 | |
| Short-term borrowing | 1,784 | 1,666 | 1,671 | 1,683 | 1,667 | 1,665 | 1,663 | 1,561 | 1,536 | 1,621 | 1,486 | 1,461 | 1,436 | 1,411 | |
| Accrued expenses | 5,460 | 6,935 | 5,207 | 7,012 | 5,367 | 5,765 | 5,064 | 6,264 | 4,534 | 5,566 | 4,481 | 7,278 | 4,514 | 5,321 | |
| Unpaid expenses | 2,315 | 738 | 2,361 | 990 | 2,562 | 757 | 2,479 | 986 | 2,493 | 659 | 2,456 | 956 | 2,419 | 790 | |
| Unpaid tax, etc. | 2,361 | 4,926 | 3,414 | 6,208 | 1,981 | 3,641 | 1,356 | 2,559 | 1,641 | 3,390 | 2,273 | 4,891 | 1,326 | 2,569 | |
| Bonus reserves | 673 | 1,593 | 1,121 | 1,940 | 593 | 1,515 | 857 | 1,708 | 583 | 1,435 | 780 | 1,674 | 490 | 1,415 | |
| Reserve for returned goods unsold | 155 | 158 | 151 | 126 | 138 | 141 | 139 | 134 | 116 | 125 | 114 | 106 | 86 | 95 | |
| Other current liabilities | 11,390 | 13,600 | 15,461 | 9,017 | 10,802 | 9,929 | 11,852 | 4,829 | 7,461 | 8,960 | 11,305 | 4,657 | 7,193 | 8,886 | |
| Fixed liabilities | 19,012 | 19,191 | 19,764 | 17,862 | 18,255 | 16,210 | 16,795 | 17,189 | 17,743 | 18,080 | 19,715 | 19,747 | 19,890 | 19,991 | 6.6% |
| Long-term borrowing | 710 | 687 | 668 | 647 | 631 | 612 | 595 | 576 | 559 | 540 | 524 | 504 | 488 | 469 | |
| Provision for pension and remuneration obligations | 5,877 | 5,924 | 5,972 | 6,817 | 6,955 | 7,025 | 7,078 | 7,028 | 7,061 | 7,131 | 7,221 | 7,297 | 7,352 | 7,434 | |
| Deferred tax liabilities | 7,339 | 7,294 | 8,056 | 5,730 | 6,478 | 4,485 | 5,621 | 5,525 | 6,126 | 6,383 | 7,783 | 7,824 | 8,273 | 8,279 | |
| Other fixed liabilities | 5,084 | 5,285 | 5,067 | 4,666 | 4,190 | 4,086 | 3,500 | 4,058 | 3,995 | 4,025 | 4,186 | 4,120 | 3,777 | 3,809 | |
| Total liabilities | 60,664 | 63,388 | 63,703 | 58,859 | 56,186 | 54,140 | 54,180 | 49,614 | 51,676 | 54,498 | 57,119 | 54,686 | 50,949 | 54,765 | 18.0% |
| Owners' Equity | 194,919 | 200,759 | 199,098 | 201,561 | 202,617 | 207,399 | 201,831 | 203,897 | 204,139 | 209,850 | 212,872 | 216,021 | 216,029 | 221,732 | 72.7% |
| Common stock | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | |
| Capital surplus | 8,396 | 8,396 | 8,396 | 8,396 | 8,396 | 5,914 | 5,914 | 5,914 | 5,914 | 5,914 | 5,914 | 5,914 | 5,914 | 5,914 | |
| Retained earnings | 199,904 | 205,745 | 208,259 | 210,725 | 211,782 | 216,564 | 222,148 | 224,214 | 224,457 | 230,169 | 233,192 | 236,342 | 236,351 | 242,056 | |
| Treasury stock | -21,855 | -21,856 | -26,031 | -26,033 | -26,034 | -23,553 | -34,704 | -34,705 | -34,706 | -34,707 | -34,707 | -34,709 | -34,709 | -34,712 | |
| Net unrealized gain and translation adjustments | 28,498 | 29,087 | 28,813 | 23,430 | 22,850 | 13,442 | 15,026 | 24,007 | 23,068 | 23,605 | 27,265 | 27,679 | 24,971 | 26,742 | 8.8% |
| Other marketable securities revaluation account | 16,003 | 15,552 | 17,027 | 13,367 | 16,170 | 11,145 | 13,542 | 14,531 | 15,651 | 16,285 | 19,462 | 19,101 | 19,891 | 19,648 | |
| Land revaluation account | 3,637 | 3,637 | 3,637 | 3,637 | 3,723 | 3,697 | 3,697 | 3,685 | 3,685 | 3,685 | 3,685 | 3,814 | 3,827 | 3,827 | |
| Forex adjustment account | 8,598 | 9,640 | 7,899 | 8,360 | 4,842 | 373 | -550 | 6,904 | 4,790 | 4,628 | 5,046 | 5,088 | 1,510 | 3,468 | |
| Remeasurements of defined benefit plans | 258 | 255 | 248 | -1,934 | -1,885 | -1,774 | -1,662 | -1,115 | -1,059 | -994 | -929 | -325 | -257 | -201 | |
| | 0 | 33 | 67 | 101 | 135 | 158 | 180 | 203 | 225 | 250 | 274 | 299 | 323 | 346 | |
| Minority interest | 1,014 | 1,029 | 969 | 1,000 | 1,045 | 1,015 | 1,049 | 1,097 | 1,161 | 1,183 | 1,225 | 1,227 | 1,252 | 1,271 | 0.4% |
| Total Net assets | 224,431 | 230,909 | 228,949 | 226,095 | 226,649 | 222,015 | 218,089 | 229,205 | 228,595 | 234,889 | 241,638 | 245,227 | 242,577 | 250,093 | 82.0% |
| Liabilities and Net assets | 285,096 | 294,297 | 292,653 | 284,954 | 282,835 | 276,155 | 272,269 | 278,820 | 280,271 | 289,387 | 298,758 | 299,913 | 293,527 | 304,858 | |

Consolidated Financial Statement

| <Profit and Loss statement> (Unit: ¥mn) | 2015.05 | 2015.08 | 2015.11 | 2016.02 | 2016.05 | 2016.08 | 2016.11 | 2017.02 | 2017.05 | 2017.08 | 2017.11 | 2018.02 | 2018.05 | 2018.08 | YoY |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------|
| | Q1 | Q1-Q2 | Q1-Q3 | Q1-Q4 | Q1 | Q1-Q2 | Q1-Q3 | Q1-Q4 | Q1 | Q1-Q2 | Q1-Q3 | Q1-Q4 | Q1 | Q1-Q2 | |
| Sales | 39,680 | 82,428 | 122,283 | 161,852 | 38,153 | 74,447 | 109,729 | 145,925 | 36,081 | 73,463 | 109,553 | 147,870 | 33,499 | 69,384 | 94.4% |
| CoGS | 14,512 | 29,268 | 42,431 | 58,319 | 13,539 | 26,193 | 38,778 | 53,155 | 14,004 | 27,584 | 40,267 | 55,688 | 13,600 | 26,130 | |
| (as a % of sales) | 36.6% | 35.5% | 34.7% | 36.0% | 35.5% | 35.2% | 35.3% | 36.4% | 38.8% | 37.5% | 36.8% | 37.7% | 40.6% | 37.7% | |
| Gross profits | 25,168 | 53,159 | 79,851 | 103,532 | 24,614 | 48,254 | 70,951 | 92,770 | 22,077 | 45,878 | 69,285 | 92,182 | 19,898 | 43,253 | 94.3% |
| (as a % of sales) | 63.4% | 64.5% | 65.3% | 64.0% | 64.5% | 64.8% | 64.7% | 63.6% | 61.2% | 62.5% | 63.2% | 62.3% | 59.4% | 62.3% | |
| SG&A costs | 19,430 | 38,650 | 56,527 | 75,802 | 18,870 | 35,378 | 48,955 | 66,464 | 16,987 | 33,249 | 48,598 | 65,836 | 15,543 | 32,024 | |
| (as a % of sales) | 49.0% | 46.9% | 46.2% | 46.8% | 49.5% | 47.5% | 44.6% | 45.5% | 47.1% | 45.3% | 44.4% | 44.5% | 46.4% | 46.2% | |
| Sales promotion costs | 4,047 | 8,412 | 12,582 | 17,648 | 3,393 | 6,865 | 9,643 | 13,740 | 3,068 | 6,335 | 9,364 | 13,227 | 3,019 | 6,439 | |
| Advertising costs | 3,581 | 6,216 | 8,289 | 10,005 | 3,236 | 5,351 | 7,224 | 9,661 | 2,861 | 5,774 | 8,162 | 10,987 | 2,857 | 6,229 | |
| R&D spending | 3,421 | 6,908 | 10,915 | 14,965 | 4,093 | 7,791 | 10,224 | 14,378 | 4,436 | 7,935 | 11,561 | 15,076 | 3,012 | 6,329 | |
| Other SG&A expenses | 8,379 | 17,112 | 24,738 | 33,181 | 8,148 | 15,370 | 21,863 | 28,684 | 6,619 | 13,204 | 19,510 | 26,545 | 6,653 | 13,027 | |
| Operating profits | 5,737 | 14,509 | 23,324 | 27,730 | 5,744 | 12,875 | 21,995 | 26,306 | 5,090 | 12,629 | 20,687 | 26,345 | 4,354 | 11,229 | 88.9% |
| (as a % of sales) | 14.5% | 17.6% | 19.1% | 17.1% | 15.1% | 17.3% | 20.0% | 18.0% | 14.1% | 17.2% | 18.9% | 17.8% | 13.0% | 16.2% | |
| Nonoperating income | 258 | 592 | 800 | 1,214 | 214 | 682 | 1,146 | 2,034 | 294 | 849 | 1,718 | 2,398 | 293 | 923 | |
| Interest received | 25 | 64 | 100 | 184 | 42 | 101 | 169 | 292 | 76 | 180 | 302 | 493 | 115 | 278 | |
| Dividends received | 41 | 329 | 415 | 615 | 67 | 377 | 467 | 675 | 68 | 403 | 501 | 724 | 70 | 422 | |
| Royalty income | 10 | 21 | 33 | 43 | 7 | 16 | 27 | 37 | 8 | 17 | 585 | 595 | 8 | 16 | |
| Foreign exchange gains | 93 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Equity-method investment profits | 0 | 0 | 0 | 0 | 0 | 0 | 55 | 471 | 0 | 0 | 0 | 129 | 0 | 19 | |
| Other | 87 | 177 | 251 | 370 | 97 | 187 | 425 | 557 | 140 | 248 | 328 | 456 | 99 | 186 | |
| Nonoperating expenses | 333 | 478 | 657 | 936 | 396 | 1,002 | 256 | 160 | 443 | 609 | 361 | 498 | 198 | 139 | |
| Interest paid | 7 | 16 | 25 | 32 | 8 | 18 | 29 | 39 | 6 | 15 | 25 | 32 | 2 | 5 | |
| Foreign exchange losses | 0 | 184 | 450 | 832 | 201 | 783 | 188 | 8 | 35 | 174 | 21 | 426 | 149 | 121 | |
| Other | 325 | 277 | 181 | 71 | 187 | 200 | 39 | 112 | 401 | 419 | 315 | 39 | 47 | 12 | |
| Recurring profits | 5,663 | 14,622 | 23,467 | 28,008 | 5,561 | 12,554 | 22,885 | 28,179 | 4,941 | 12,869 | 22,043 | 28,245 | 4,449 | 12,012 | 93.3% |
| (as a % of sales) | 14.3% | 17.7% | 19.2% | 17.3% | 14.6% | 16.9% | 20.9% | 19.3% | 13.7% | 17.5% | 20.1% | 19.1% | 13.3% | 17.3% | |
| Extraordinary profits | 0 | 1 | 1 | 2 | 1,303 | 1,303 | 4,198 | 4,231 | 487 | 487 | 487 | 487 | 0 | 218 | |
| Gain on sales of investment securities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 487 | 487 | 487 | 487 | 0 | 218 | |
| Other | 0 | 1 | 1 | 2 | 1,303 | 1,303 | 4,197 | 4,230 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Extraordinary losses | 24 | 24 | 29 | 89 | 6 | 46 | 52 | 2,426 | 0 | 2 | 6 | 1,038 | 0 | 10 | |
| Losses on fixed asset disposal | 24 | 24 | 29 | 89 | 6 | 46 | 52 | 71 | 0 | 2 | 6 | 15 | 0 | 10 | |
| Impairment loss | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,354 | 0 | 0 | 0 | 1,023 | 0 | 0 | |
| Valuation losses on investment securities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Pretax profits | 5,639 | 14,599 | 23,439 | 27,922 | 6,859 | 13,812 | 27,031 | 29,984 | 5,428 | 13,354 | 22,524 | 27,694 | 4,449 | 12,221 | 91.5% |
| Tax, etc. | 2,103 | 5,223 | 8,121 | 10,138 | 2,330 | 4,526 | 8,691 | 9,589 | 1,753 | 3,968 | 6,684 | 8,574 | 996 | 3,063 | |
| Net profits | 3,535 | 9,376 | 15,318 | 17,784 | 4,529 | 9,286 | 18,340 | 20,395 | 3,674 | 9,386 | 15,840 | 19,119 | 3,452 | 9,158 | 97.6% |
| (as a % of sales) | 8.9% | 11.4% | 12.5% | 11.0% | 11.9% | 12.5% | 16.7% | 14.0% | 10.2% | 12.8% | 14.5% | 12.9% | 10.3% | 13.2% | |
| Capex | | 1,992 | | 4,053 | | 1,964 | | 3,772 | | 1,218 | | 2,759 | | 1,829 | |
| (as a % of sales) | | 2.4% | | 2.5% | | 2.6% | | 2.6% | | 1.7% | | 1.9% | | 2.6% | |
| Depreciation | | 3,064 | | 6,460 | | 2,736 | | 5,491 | | 2,464 | | 4,901 | | 2,075 | |
| (as a % of sales) | | 3.7% | | 4.0% | | 3.7% | | 3.8% | | 3.4% | | 3.3% | | 3.0% | |
| Goodwill amortization | | 1,074 | | 2,153 | | 1,034 | | 2,015 | | 552 | | 1,104 | | 542 | |
| Number of employees | | 2,960 | | 2,900 | | 2,798 | | 2,751 | | 2,800 | | 2,823 | | 2,892 | |

| <Profit and Loss statement> (Unit: ¥mn) | 2015.05 | 2015.08 | 2015.11 | 2016.02 | 2016.05 | 2016.08 | 2016.11 | 2017.02 | 2017.05 | 2017.08 | 2017.11 | 2018.02 | 2018.05 | 2018.08 | YoY |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | |
| Sales | 39,680 | 42,747 | 39,854 | 39,569 | 38,153 | 36,293 | 35,282 | 36,195 | 36,081 | 37,381 | 36,089 | 38,317 | 33,499 | 35,884 | 96.0% |
| CoGS | 14,512 | 14,755 | 13,163 | 15,887 | 13,539 | 12,654 | 12,584 | 14,376 | 14,004 | 13,580 | 12,682 | 15,420 | 13,600 | 12,529 | |
| (as a % of sales) | 36.6% | 34.5% | 33.0% | 40.2% | 35.5% | 34.9% | 35.7% | 39.7% | 38.8% | 36.3% | 35.1% | 40.2% | 40.6% | 34.9% | |
| Gross profits | 25,168 | 27,991 | 26,691 | 23,681 | 24,614 | 23,639 | 22,697 | 21,818 | 22,077 | 23,801 | 23,406 | 22,896 | 19,898 | 23,355 | 98.1% |
| (as a % of sales) | 63.4% | 65.5% | 67.0% | 59.8% | 64.5% | 65.1% | 64.3% | 60.3% | 61.2% | 63.7% | 64.9% | 59.8% | 59.4% | 65.1% | |
| SG&A costs | 19,430 | 19,220 | 17,876 | 19,275 | 18,870 | 16,508 | 13,576 | 17,508 | 16,987 | 16,261 | 15,348 | 17,238 | 15,543 | 16,480 | |
| (as a % of sales) | 49.0% | 45.0% | 44.9% | 48.7% | 49.5% | 45.5% | 38.5% | 48.4% | 47.1% | 43.5% | 42.5% | 45.0% | 46.4% | 45.9% | |
| Sales promotion costs | 4,047 | 4,364 | 4,170 | 5,065 | 3,393 | 3,472 | 2,778 | 4,096 | 3,068 | 3,266 | 3,029 | 3,863 | 3,019 | 3,419 | |
| Advertising costs | 3,581 | 2,634 | 2,073 | 1,716 | 3,236 | 2,114 | 1,873 | 2,437 | 2,861 | 2,912 | 2,387 | 2,825 | 2,857 | 3,371 | |
| R&D spending | 3,421 | 3,487 | 4,006 | 4,050 | 4,093 | 3,698 | 2,432 | 4,153 | 4,436 | 3,498 | 3,626 | 3,514 | 3,012 | 3,316 | |
| Other SG&A expenses | 8,379 | 8,733 | 7,626 | 8,442 | 8,148 | 7,221 | 6,493 | 6,820 | 6,619 | 6,584 | 6,305 | 7,035 | 6,653 | 6,373 | |
| Operating profits | 5,737 | 8,771 | 8,815 | 4,406 | 5,744 | 7,131 | 9,120 | 4,310 | 5,090 | 7,539 | 8,057 | 5,658 | 4,354 | 6,874 | 91.2% |
| (as a % of sales) | 14.5% | 20.5% | 22.1% | 11.1% | 15.1% | 19.6% | 25.8% | 11.9% | 14.1% | 20.2% | 22.3% | 14.8% | 13.0% | 19.2% | |
| Nonoperating income | 258 | 333 | 208 | 414 | 214 | 467 | 464 | 888 | 294 | 555 | 1,140 | 961 | 293 | 673 | |
| Interest received | 25 | 38 | 36 | 84 | 42 | 58 | 68 | 122 | 76 | 104 | 121 | 191 | 115 | 163 | |
| Dividends received | 41 | 288 | 85 | 200 | 67 | 310 | 89 | 207 | 68 | 335 | 98 | 222 | 70 | 351 | |
| Royalty income | 10 | 10 | 12 | 9 | 7 | 8 | 11 | 9 | 8 | 8 | 568 | 9 | 8 | 8 | |
| Foreign exchange gains | 93 | -93 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 153 | 0 | 0 | 27 | |
| Equity-method investment profits | 0 | 0 | 0 | 0 | 0 | 0 | 55 | 416 | 0 | 0 | 118 | 410 | 0 | 36 | |
| Other | 87 | 89 | 73 | 119 | 97 | 89 | 238 | 131 | 140 | 107 | 80 | 127 | 99 | 86 | |
| Nonoperating expenses | 333 | 145 | 178 | 278 | 396 | 606 | -746 | -95 | 443 | 166 | 24 | 416 | 198 | -14 | |
| Interest paid | 7 | 8 | 9 | 7 | 8 | 10 | 10 | 10 | 6 | 9 | 9 | 7 | 2 | 3 | |
| Foreign exchange losses | 0 | 184 | 266 | 381 | 201 | 582 | -595 | -179 | 35 | 139 | 0 | 405 | 149 | 0 | |
| Other | 325 | -47 | -96 | -110 | 187 | 13 | -161 | 73 | 401 | 18 | 14 | 4 | 47 | -17 | |
| Recurring profits | 5,663 | 8,959 | 8,844 | 4,541 | 5,561 | 6,992 | 10,330 | 5,294 | 4,941 | 7,928 | 9,173 | 6,202 | 4,449 | 7,562 | 95.4% |
| (as a % of sales) | 14.3% | 21.0% | 22.2% | 11.5% | 14.6% | 19.3% | 29.3% | 14.6% | 13.7% | 21.2% | 25.4% | 16.2% | 13.3% | 21.1% | |
| Extraordinary profits | 0 | 1 | 0 | 1 | 1,303 | 0 | 2,894 | 32 | 487 | 0 | 0 | 0 | 0 | 218 | |
| Gain on sales of investment securities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 487 | 0 | 0 | 0 | 0 | 218 | |
| Other | 0 | 1 | 0 | 1 | 1,303 | 0 | 2,894 | 32 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Extraordinary losses | 24 | 0 | 4 | 59 | 6 | 40 | 6 | 2,374 | 0 | 1 | 3 | 1,032 | 0 | 9 | |
| Losses on fixed asset disposal | 24 | 0 | 4 | 59 | 6 | 40 | 6 | 19 | 0 | 1 | 3 | 9 | | | |

Non-consolidated Financial Statement

| <Balance sheet> (Unit: ¥mm) | 2015.05 | 2015.08 | 2015.11 | 2016.02 | 2016.05 | 2016.08 | 2016.11 | 2017.02 | 2017.05 | 2017.08 | 2017.11 | 2018.02 | 2018.05 | 2018.08 | As a % of total |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | |
| Current assets | 113,315 | 121,262 | 119,690 | 119,837 | 120,036 | 125,587 | 118,361 | 117,581 | 117,127 | 125,978 | 128,987 | 131,098 | 126,991 | 133,794 | 49.8% |
| Cash & deposits | 59,894 | 66,371 | 64,048 | 72,687 | 71,024 | 75,669 | 64,868 | 68,962 | 71,365 | 76,452 | 78,034 | 84,192 | 77,690 | 82,819 | |
| Notes and accounts receivable | 37,179 | 36,313 | 34,882 | 31,970 | 30,997 | 30,345 | 31,186 | 32,545 | 28,338 | 31,782 | 30,322 | 30,242 | 31,297 | 30,851 | |
| Marketable securities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Inventory | 11,829 | 11,810 | 11,868 | 11,640 | 12,774 | 12,123 | 12,733 | 12,762 | 12,754 | 11,234 | 12,157 | 12,377 | 12,331 | 12,328 | |
| Deferred tax assets | 1,538 | 1,538 | 1,538 | 2,475 | 2,475 | 2,475 | 2,475 | 1,943 | 1,943 | 1,943 | 1,943 | 3,140 | 3,140 | 3,140 | |
| Other current assets | 3,080 | 5,430 | 7,546 | 1,247 | 2,943 | 5,147 | 7,277 | 1,554 | 2,890 | 4,749 | 6,707 | 1,324 | 2,717 | 4,838 | |
| Bad debt provision | -207 | -201 | -194 | -183 | -178 | -174 | -179 | -187 | -165 | -184 | -178 | -178 | -185 | -183 | |
| Fixed assets | 136,549 | 135,270 | 137,380 | 131,296 | 134,495 | 127,144 | 129,978 | 130,771 | 131,220 | 131,555 | 136,049 | 133,831 | 135,684 | 135,075 | 50.2% |
| Tangible fixed assets | 29,276 | 29,174 | 29,390 | 29,020 | 29,120 | 29,090 | 29,065 | 29,048 | 28,544 | 28,304 | 28,019 | 26,630 | 26,271 | 26,167 | |
| Buildings and structures | 10,742 | 10,503 | 10,626 | 10,430 | 10,195 | 10,185 | 9,990 | 9,806 | 9,615 | 9,443 | 9,269 | 9,055 | 8,847 | 8,641 | |
| Machinery and transport equipment | 4,046 | 3,737 | 4,170 | 3,969 | 3,708 | 3,755 | 3,752 | 5,045 | 4,731 | 4,417 | 4,162 | 4,238 | 4,740 | 4,570 | |
| Tools, instruments, etc. | 1,592 | 1,694 | 1,651 | 1,585 | 1,531 | 1,603 | 1,587 | 1,560 | 1,512 | 1,585 | 1,544 | 1,552 | 1,526 | 1,491 | |
| Land | 10,949 | 10,949 | 10,949 | 11,155 | 11,155 | 11,210 | 11,210 | 11,312 | 11,312 | 11,312 | 11,312 | 10,845 | 10,792 | 10,792 | |
| Construction in progress | 1,930 | 2,278 | 1,983 | 1,871 | 2,523 | 2,331 | 2,521 | 1,320 | 1,370 | 1,544 | 1,729 | 938 | 364 | 671 | |
| Lease assets | 14 | 12 | 9 | 7 | 5 | 4 | 3 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | |
| Intangible fixed assets | 4,499 | 4,227 | 3,956 | 3,685 | 3,414 | 3,143 | 2,895 | 2,622 | 2,350 | 2,158 | 1,883 | 1,607 | 1,336 | 1,065 | |
| Investments, etc. | 102,773 | 101,868 | 104,032 | 98,590 | 101,960 | 94,910 | 98,016 | 99,100 | 100,325 | 101,093 | 106,146 | 105,593 | 108,076 | 107,842 | |
| Investment securities | 46,974 | 46,361 | 48,563 | 43,367 | 46,925 | 39,910 | 43,125 | 44,435 | 45,815 | 46,656 | 51,654 | 51,179 | 52,442 | 52,090 | |
| Advances to and shares in related companies | 48,148 | 47,903 | 47,903 | 47,903 | 47,903 | 47,903 | 47,903 | 47,903 | 47,903 | 47,903 | 48,003 | 48,003 | 48,913 | 48,913 | |
| Long-term loans | 2,315 | 2,066 | 1,952 | 1,602 | 1,485 | 1,376 | 1,364 | 1,190 | 1,064 | 961 | 945 | 842 | 1,023 | 1,020 | |
| Deferred tax assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Other investments, etc. | 5,754 | 5,951 | 6,029 | 6,131 | 6,058 | 6,127 | 6,034 | 5,983 | 5,954 | 5,975 | 5,939 | 5,962 | 6,090 | 6,198 | |
| Bad debt provision | -418 | -416 | -417 | -414 | -412 | -407 | -411 | -412 | -413 | -402 | -396 | -393 | -393 | -380 | |
| Total assets | 249,865 | 256,532 | 257,070 | 251,134 | 254,532 | 252,732 | 248,340 | 248,353 | 248,347 | 257,533 | 265,037 | 264,930 | 262,675 | 268,869 | |
| Current liabilities | 25,845 | 27,658 | 28,337 | 24,890 | 23,837 | 24,967 | 25,841 | 21,914 | 20,842 | 23,825 | 25,640 | 23,812 | 20,386 | 22,858 | 8.5% |
| Notes and accounts payable | 3,790 | 3,128 | 3,238 | 3,940 | 3,264 | 2,658 | 4,144 | 4,271 | 2,544 | 2,926 | 3,773 | 3,884 | 3,176 | 3,204 | |
| Electronically recorded obligations-operating | 8,214 | 6,220 | 6,331 | 6,352 | 6,562 | 6,376 | 5,858 | 6,377 | 6,560 | 5,936 | 6,135 | 6,214 | 5,878 | 6,292 | |
| short-term debt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Accrued expenses | 6,359 | 7,464 | 5,460 | 6,950 | 6,399 | 6,133 | 5,152 | 6,899 | 5,776 | 6,197 | 4,910 | 7,541 | 5,499 | 5,538 | |
| Unpaid expenses | 1,820 | 268 | 1,864 | 268 | 1,916 | 254 | 1,922 | 272 | 1,934 | 232 | 1,899 | 228 | 1,936 | 209 | |
| Unpaid tax, etc. | 2,191 | 4,577 | 3,120 | 5,726 | 2,061 | 3,708 | 1,284 | 2,181 | 1,029 | 2,913 | 1,749 | 4,461 | 1,011 | 2,257 | |
| Bonus reserves | 234 | 1,040 | 241 | 985 | 253 | 1,058 | 262 | 1,000 | 267 | 1,063 | 270 | 1,029 | 285 | 1,067 | |
| Reserve for returned goods unsold | 155 | 158 | 151 | 126 | 138 | 141 | 139 | 134 | 116 | 125 | 114 | 106 | 86 | 95 | |
| Other current liabilities | 3,079 | 4,798 | 7,929 | 539 | 3,242 | 4,634 | 7,077 | 787 | 2,611 | 4,429 | 6,787 | 346 | 2,511 | 4,193 | |
| Fixed liabilities | 13,335 | 13,237 | 13,996 | 12,821 | 13,620 | 11,686 | 12,659 | 13,063 | 13,700 | 14,053 | 15,555 | 15,430 | 15,987 | 16,060 | 6.0% |
| Long-term borrowing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Provision for pension and remuneration obligations | 5,302 | 5,367 | 5,438 | 5,540 | 5,682 | 5,824 | 5,938 | 6,002 | 6,089 | 6,212 | 6,356 | 6,477 | 6,591 | 6,719 | |
| Deferred tax liabilities related to revaluation | 1,716 | 1,716 | 1,716 | 1,716 | 1,630 | 1,619 | 1,619 | 1,614 | 1,614 | 1,614 | 1,614 | 1,670 | 1,676 | 1,676 | |
| Other fixed liabilities | 6,316 | 6,153 | 6,841 | 5,564 | 6,307 | 4,241 | 5,101 | 5,447 | 5,996 | 6,226 | 7,585 | 7,282 | 7,720 | 7,664 | |
| Total liabilities | 39,181 | 40,895 | 42,334 | 37,712 | 37,458 | 36,653 | 38,501 | 34,978 | 34,542 | 37,878 | 41,196 | 39,243 | 36,374 | 38,919 | 14.5% |
| Owners' Equity | 191,263 | 196,640 | 194,196 | 196,517 | 197,239 | 201,204 | 192,592 | 195,199 | 194,467 | 199,689 | 200,713 | 202,827 | 202,585 | 206,419 | 76.8% |
| Common stock | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | 8,473 | |
| Capital surplus | 8,241 | 8,241 | 8,241 | 8,241 | 8,241 | 5,759 | 5,759 | 5,759 | 5,759 | 5,759 | 5,759 | 5,759 | 5,759 | 5,759 | |
| Capital reserves | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | 2,118 | |
| Other capital surplus | 6,123 | 6,123 | 6,123 | 6,123 | 6,123 | 3,641 | 3,641 | 3,641 | 3,641 | 3,641 | 3,641 | 3,641 | 3,641 | 3,641 | |
| Retained earnings | 196,372 | 201,750 | 203,480 | 205,803 | 206,525 | 210,491 | 213,031 | 215,638 | 214,906 | 220,129 | 221,153 | 223,268 | 223,027 | 226,863 | |
| Voluntary reserve | 185,000 | 185,000 | 185,000 | 185,000 | 195,000 | 195,000 | 195,000 | 195,000 | 205,000 | 205,000 | 205,000 | 205,000 | 212,000 | 212,000 | |
| Unappropriated profit for the year (net profit) | 11,372 | 16,750 | 18,480 | 20,803 | 11,525 | 15,491 | 18,031 | 20,638 | 9,906 | 15,129 | 16,153 | 18,268 | 11,027 | 11,027 | |
| Treasury stock | -21,824 | -21,825 | -26,000 | -26,001 | -26,002 | -23,520 | -34,672 | -34,672 | -34,673 | -34,673 | -34,673 | -34,674 | -34,675 | -34,677 | |
| Net unrealized gain and translation adjustments | 19,420 | 18,963 | 20,472 | 16,802 | 19,698 | 14,715 | 17,066 | 17,971 | 19,111 | 19,715 | 22,852 | 22,560 | 23,391 | 23,184 | 8.6% |
| Marketable securities revaluation account | 15,783 | 15,325 | 16,834 | 13,165 | 15,975 | 11,018 | 13,368 | 14,285 | 15,425 | 16,029 | 19,166 | 18,746 | 19,564 | 19,356 | |
| Revaluation account | 3,637 | 3,637 | 3,637 | 3,637 | 3,723 | 3,697 | 3,697 | 3,685 | 3,685 | 3,685 | 3,685 | 3,814 | 3,827 | 3,827 | |
| | 0 | 33 | 67 | 101 | 135 | 158 | 180 | 203 | 225 | 250 | 274 | 299 | 323 | 346 | |
| Total Net assets | 210,683 | 215,637 | 214,736 | 213,422 | 217,073 | 216,078 | 209,839 | 213,374 | 213,804 | 219,655 | 223,840 | 225,687 | 226,301 | 229,950 | 85.5% |
| Liabilities and Net assets | 249,865 | 256,532 | 257,070 | 251,134 | 254,532 | 252,732 | 248,340 | 248,353 | 248,347 | 257,533 | 265,037 | 264,930 | 262,675 | 268,869 | |

Non-consolidated Financial Statement

| <Profit and Loss statement> | | 2015.05 | 2015.08 | 2015.11 | 2016.02 | 2016.05 | 2016.08 | 2016.11 | 2017.02 | 2017.05 | 2017.08 | 2017.11 | 2018.02 | 2018.05 | 2018.08 | YoY |
|---|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------|
| (Unit: ¥mm) | | Q1 | Q1-Q2 | Q1-Q3 | Q1-Q4 | Q1 | Q1-Q2 | Q1-Q3 | Q1-Q4 | Q1 | Q1-Q2 | Q1-Q3 | Q1-Q4 | Q1 | Q1-Q2 | |
| Sales | | 28,867 | 60,857 | 90,287 | 119,305 | 28,436 | 56,076 | 83,187 | 112,671 | 25,997 | 55,871 | 83,540 | 112,391 | 26,538 | 52,473 | 93.9% |
| Rx Business | | 20,753 | 44,428 | 66,578 | 86,778 | 19,130 | 38,469 | 57,055 | 75,854 | 16,863 | 36,804 | 55,581 | 73,509 | 15,718 | 32,562 | |
| OTC Business | | 6,289 | 12,107 | 17,235 | 22,906 | 7,549 | 13,314 | 19,608 | 25,867 | 7,477 | 13,899 | 19,875 | 26,865 | 8,077 | 14,619 | |
| Intl Business | | 1,824 | 4,321 | 6,473 | 9,619 | 1,755 | 4,292 | 6,523 | 10,949 | 1,656 | 5,167 | 8,083 | 12,015 | 2,743 | 5,291 | |
| CoGS | | 9,627 | 20,088 | 29,342 | 40,902 | 9,943 | 19,332 | 28,653 | 40,560 | 9,478 | 19,855 | 29,040 | 40,238 | 10,304 | 19,177 | |
| (as a % of sales) | | 33.3% | 33.0% | 32.5% | 34.3% | 35.0% | 34.5% | 34.4% | 36.0% | 36.5% | 35.5% | 34.8% | 35.8% | 38.8% | 36.5% | |
| Gross profits | | 19,240 | 40,769 | 60,945 | 78,403 | 18,492 | 36,743 | 54,534 | 72,111 | 16,519 | 36,016 | 54,499 | 72,152 | 16,234 | 33,296 | 92.4% |
| (as a % of sales) | | 66.7% | 67.0% | 67.5% | 65.7% | 65.0% | 65.5% | 65.6% | 64.0% | 63.5% | 64.5% | 65.2% | 64.2% | 61.2% | 63.5% | |
| SG&A costs | | 13,544 | 27,035 | 39,757 | 52,716 | 13,893 | 26,458 | 36,647 | 50,567 | 13,671 | 26,435 | 38,561 | 51,636 | 12,371 | 25,149 | |
| (as a % of sales) | | 46.9% | 44.4% | 44.0% | 44.2% | 48.9% | 47.2% | 44.1% | 44.9% | 52.6% | 47.3% | 46.2% | 45.9% | 46.6% | 47.9% | |
| Sales promotion costs | | 2,578 | 5,546 | 8,233 | 11,615 | 2,411 | 5,187 | 7,462 | 10,707 | 2,467 | 5,111 | 7,691 | 10,532 | 2,529 | 5,090 | |
| Advertising costs | | 2,736 | 4,836 | 6,552 | 7,578 | 2,856 | 4,612 | 6,004 | 7,426 | 2,178 | 4,399 | 6,138 | 7,729 | 2,223 | 4,775 | |
| R&D spending | | 2,555 | 5,086 | 8,101 | 11,316 | 3,169 | 5,855 | 7,317 | 11,371 | 3,768 | 6,553 | 9,355 | 12,213 | 2,423 | 5,140 | |
| Other SG&A expenses | | 5,674 | 11,565 | 16,870 | 22,205 | 5,456 | 10,803 | 15,862 | 21,062 | 5,257 | 10,370 | 15,375 | 21,161 | 5,193 | 10,143 | |
| Operating profits | | 5,695 | 13,734 | 21,187 | 25,686 | 4,598 | 10,284 | 17,887 | 21,543 | 2,847 | 9,580 | 15,937 | 20,516 | 3,863 | 8,146 | 85.0% |
| (as a % of sales) | | 19.7% | 22.6% | 23.5% | 21.5% | 16.2% | 18.3% | 21.5% | 19.1% | 11.0% | 17.1% | 19.1% | 18.3% | 14.6% | 15.5% | |
| Nonoperating income | | 419 | 698 | 888 | 1,167 | 203 | 575 | 929 | 1,233 | 332 | 757 | 951 | 1,235 | 384 | 879 | |
| Interest received | | 7 | 21 | 28 | 41 | 4 | 12 | 15 | 24 | 3 | 9 | 12 | 18 | 2 | 10 | |
| Dividends received | | 106 | 501 | 587 | 788 | 101 | 418 | 508 | 783 | 208 | 579 | 677 | 899 | 274 | 679 | |
| Royalty income | | 71 | 81 | 144 | 153 | 42 | 51 | 96 | 105 | 47 | 55 | 105 | 113 | 54 | 62 | |
| Foreign exchange gains | | 193 | 0 | 0 | 0 | 0 | 0 | 25 | 0 | 0 | 0 | 2 | 0 | 0 | 23 | |
| Other | | 40 | 93 | 128 | 183 | 54 | 93 | 283 | 320 | 73 | 113 | 153 | 203 | 53 | 103 | |
| Nonoperating expenses | | 6 | 107 | 41 | 558 | 146 | 590 | 16 | 69 | 11 | 124 | 25 | 382 | 32 | 0 | |
| Interest paid | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Foreign exchange losses | | 0 | 89 | 16 | 526 | 140 | 579 | 0 | 47 | 7 | 106 | 0 | 353 | 32 | 0 | |
| Other | | 6 | 17 | 24 | 31 | 5 | 11 | 16 | 22 | 4 | 17 | 25 | 29 | 0 | 0 | |
| Recurring profits | | 6,108 | 14,324 | 22,034 | 26,295 | 4,656 | 10,268 | 18,800 | 22,706 | 3,168 | 10,213 | 16,863 | 21,369 | 4,215 | 9,026 | 88.4% |
| (as a % of sales) | | 21.2% | 23.5% | 24.4% | 22.0% | 16.4% | 18.3% | 22.6% | 20.2% | 12.2% | 18.3% | 20.2% | 19.0% | 15.9% | 17.2% | |
| Extraordinary profits | | 0 | 0 | 0 | 1 | 1,303 | 1,303 | 1,303 | 1,317 | 487 | 487 | 487 | 487 | 0 | 218 | |
| Gain on sales of investment securities | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 487 | 487 | 487 | 487 | 0 | 218 | |
| Other | | 0 | 0 | 0 | 1 | 1,303 | 1,303 | 1,303 | 1,316 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Extraordinary losses | | 14 | 259 | 259 | 284 | 0 | 32 | 33 | 47 | 0 | 1 | 2 | 1,034 | 0 | 3 | |
| Losses on fixed asset disposal | | 14 | 14 | 14 | 39 | 0 | 32 | 33 | 47 | 0 | 1 | 2 | 11 | 0 | 3 | |
| Valuation losses on investment securities | | 0 | 244 | 244 | 244 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Other | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,023 | 0 | 0 | |
| Pretax profits | | 6,093 | 14,065 | 21,775 | 26,011 | 5,959 | 11,540 | 20,070 | 23,976 | 3,655 | 10,699 | 17,348 | 20,822 | 4,214 | 9,241 | 86.4% |
| Tax, etc. | | 2,024 | 4,617 | 7,169 | 9,083 | 1,764 | 3,405 | 5,925 | 7,234 | 955 | 2,778 | 4,970 | 6,200 | 1,011 | 2,203 | |
| Net profits | | 4,069 | 9,447 | 14,605 | 16,928 | 4,195 | 8,134 | 14,145 | 16,741 | 2,699 | 7,921 | 12,377 | 14,621 | 3,203 | 7,038 | 88.9% |
| (as a % of sales) | | 14.1% | 15.5% | 16.2% | 14.2% | 14.8% | 14.5% | 17.0% | 14.9% | 10.4% | 14.2% | 14.8% | 13.0% | 12.1% | 13.4% | |
| Capex | | | 1,055 | | 2,563 | | 1,428 | | 2,926 | | 690 | | 1,620 | | 842 | |
| (as a % of sales) | | | 1.7% | | 2.1% | | 2.5% | | 2.6% | | 1.2% | | 1.4% | | 1.6% | |
| Depreciation | | | 1,442 | | 3,054 | | 1,286 | | 2,761 | | 1,330 | | 2,754 | | 1,224 | |
| (as a % of sales) | | | 2.4% | | 2.6% | | 2.3% | | 2.5% | | 2.4% | | 2.5% | | 2.3% | |
| Goodwill amortization | | | 542 | | 1,084 | | 542 | | 1,085 | | 552 | | 1,104 | | 542 | |
| Number of employees | | | 1,613 | | 1,580 | | 1,621 | | 1,581 | | 1,623 | | 1,595 | | 1,640 | |

| <Profit and Loss statement> | | 2015.05 | 2015.08 | 2015.11 | 2016.02 | 2016.05 | 2016.08 | 2016.11 | 2017.02 | 2017.05 | 2017.08 | 2017.11 | 2018.02 | 2018.05 | 2018.08 | YoY |
|-----------------------------|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------|
| (Unit: ¥mm) | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | |
| Sales | | 28,867 | 31,989 | 29,430 | 29,017 | 28,436 | 27,639 | 27,111 | 29,483 | 25,997 | 29,873 | 27,668 | 28,851 | 26,538 | 25,934 | 86.8% |
| Rx Business | | 20,753 | 23,675 | 22,150 | 20,200 | 19,130 | 19,338 | 18,586 | 18,799 | 16,863 | 19,940 | 18,777 | 17,928 | 15,718 | 16,844 | |
| OTC Business | | 6,289 | 5,817 | 5,128 | 5,671 | 7,549 | 5,764 | 6,294 | 6,259 | 7,477 | 6,421 | 5,975 | 6,989 | 8,077 | 6,542 | |
| Intl Business | | 1,824 | 2,497 | 2,151 | 3,146 | 1,755 | 2,537 | 2,231 | 4,425 | 1,656 | 3,511 | 2,915 | 3,932 | 2,743 | 2,548 | |
| CoGS | | 9,627 | 10,460 | 9,254 | 11,559 | 9,943 | 9,388 | 9,320 | 11,906 | 9,478 | 10,377 | 9,185 | 11,197 | 10,304 | 8,872 | |
| (as a % of sales) | | 33.3% | 32.7% | 31.4% | 39.8% | 35.0% | 34.0% | 34.4% | 40.4% | 36.5% | 34.7% | 33.2% | 38.8% | 38.8% | 34.2% | |
| Gross profits | | 19,240 | 21,528 | 20,175 | 17,458 | 18,492 | 18,250 | 17,791 | 17,577 | 16,519 | 19,496 | 18,482 | 17,653 | 16,234 | 17,061 | 87.5% |
| (as a % of sales) | | 66.7% | 67.3% | 68.6% | 60.2% | 65.0% | 66.0% | 65.6% | 59.6% | 63.5% | 65.3% | 66.8% | 61.2% | 61.2% | 65.8% | |
| SG&A costs | | 13,544 | 13,490 | 12,722 | 12,958 | 13,893 | 12,565 | 10,188 | 13,920 | 13,671 | 12,763 | 12,126 | 13,074 | 12,371 | 12,778 | |
| (as a % of sales) | | 46.9% | 42.2% | 43.2% | 44.7% | 48.9% | 45.5% | 37.6% | 47.2% | 52.6% | 42.7% | 43.8% | 45.3% | 46.6% | 49.3% | |
| Sales promotion costs | | 2,578 | 2,968 | 2,686 | 3,382 | 2,411 | 2,776 | 2,275 | 3,244 | 2,467 | 2,644 | 2,579 | 2,840 | 2,529 | 2,560 | |
| Advertising costs | | 2,736 | 2,099 | 1,716 | 1,026 | 2,856 | 1,756 | 1,391 | 1,421 | 2,178 | 2,220 | 1,739 | 1,590 | 2,223 | 2,551 | |
| R&D spending | | 2,555 | 2,531 | 3,014 | 3,215 | 3,169 | 2,685 | 1,462 | 4,054 | 3,768 | 2,785 | 2,801 | 2,857 | 2,423 | 2,716 | |
| Other SG&A expenses | | 5,674 | 5,891 | 5,304 | 5,335 | 5,456 | 5,346 | 5,059 | 5,200 | 5,257 | 5,113 | 5,004 | 5,786 | 5,193 | 4,949 | |
| Operating profits | | 5,695 | 8,038 | 7,453 | 4,499 | 4,598 | 5,685 | 7,602 | 3,656 | 2,847 | 6,732 | 6,356 | 4,579 | 3,863 | 4,283 | 63.6% |
| (as a % of sales) | | 19.7% | 25.1% | 25.3% | 15.5% | 16.2% | 20.6% | 28.0% | 12.4% | 11.0% | 22.5% | 23.0% | 15.9% | 14.6% | 16.5% | |
| Nonoperating income | | 419 | 278 | 190 | 278 | 203 | 371 | 354 | 303 | 332 | 425 | 194 | 284 | 384 | 495 | |
| Interest received | | 7 | 13 | 7 | 12 | 4 | 7 | 3 | 8 | 3 | 6 | 2 | 6 | 2 | 8 | |
| Dividends received | | 106 | 395 | 85 | 200 | 101 | 316 | 89 | 274 | 208 | 371 | 98 | 222 | 274 | 404 | |
| Royalty income | | 71 | 10 | 62 | 9 | 42 | 8 | 44 | 9 | 47 | 8 | 50 | 8 | 54 | 8 | |
| Foreign exchange gains | | 193 | -193 | 0 | 0 | 0 | 0 | 25 | -25 | 0 | 0 | 2 | -2 | 0 | 23 | |
| Other | | 40 | 52 | 34 | 55 | 54 | 38 | 189 | 37 | 73 | 39 | 40 | 49 | 53 | 50 | |
| Nonoperating expenses | | 6 | 100 | -66 | 517 | 146 | 444 | -573 | 53 | 11 | 112 | -98 | 356 | 32 | -32 | |
| Interest paid | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Foreign exchange losses | | 0 | 89 | -73 | 510 | 140 | 439 | -579 | 47 | 7 | 99 | -106 | 353 | 32 | -32 | |
| Other | | 6 | 10 | 7 | 7 | 5 | 5 | 5 | 5 | 4 | 13 | 7 | 3 | 0 | 0 | |
| Recurring profits | | 6,108 | | | | | | | | | | | | | | |

Sales Results of Major Products

| (Unit: ¥mn) | 2015.05 Q1 | 2015.08 Q1-Q2 | 2015.11 Q1-Q3 | 2016.02 Q1-Q4 | 2016.05 Q1 | 2016.08 Q1-Q2 | 2016.11 Q1-Q3 | 2017.02 Q1-Q4 | 2017.05 Q1 | 2017.08 Q1-Q2 | 2017.11 Q1-Q3 | 2018.02 Q1-Q4 | 2018.05 Q1 | 2018.08 Q1-Q2 | YoY |
|--------------------------|---------------|------------------|------------------|------------------|---------------|------------------|------------------|------------------|---------------|------------------|------------------|------------------|---------------|------------------|--------|
| Fentos® Tape | 1,462 | 2,778 | 4,602 | 5,978 | 919 | 2,302 | 3,816 | 5,315 | 1,014 | 2,351 | 3,706 | 4,917 | 1,333 | 2,652 | 112.8% |
| Norspan® Tape | 523 | 1,145 | 1,679 | 2,229 | 572 | 1,153 | 1,671 | 2,217 | 500 | 1,059 | 1,560 | 2,079 | 488 | 999 | 94.3% |
| Neoxy® Tape | 224 | 471 | 715 | 966 | 269 | 752 | 961 | 1,234 | 227 | 427 | 617 | 834 | 181 | 345 | 80.8% |
| Abstral® | 45 | 98 | 146 | 194 | 46 | 94 | 150 | 204 | 55 | 115 | 164 | 217 | 50 | 104 | 90.4% |
| Allesaga® Tape | - | - | - | - | - | - | - | - | - | - | - | - | 99 | 102 | - |
| Mohrus® Tape products | 15,549 | 33,563 | 49,896 | 64,508 | 13,944 | 27,388 | 40,244 | 52,731 | 11,536 | 24,947 | 37,583 | 49,736 | 9,973 | 20,805 | 83.4% |
| Mohrus® Pap products | 1,307 | 2,885 | 4,248 | 6,019 | 1,760 | 3,628 | 5,454 | 7,683 | 1,800 | 4,205 | 6,388 | 8,399 | 1,745 | 3,727 | 88.6% |
| (Mohrus® Pap XR products | - | - | - | 672 | 726 | 1,629 | 2,558 | 4,004 | 1,113 | 2,710 | 4,196 | 5,592 | 1,243 | 2,662 | 98.2% |
| Minivelle® | 2,433 | 5,220 | 7,956 | 11,059 | 2,694 | 5,300 | 7,374 | 9,485 | 2,648 | 3,855 | 5,837 | 7,628 | 1,433 | 3,441 | 89.3% |
| Vivelle-Dot® products | 1,597 | 2,792 | 4,090 | 5,012 | 847 | 2,063 | 2,921 | 3,700 | 1,253 | 2,284 | 3,491 | 4,839 | 883 | 2,343 | 102.6% |
| CombiPatch® products | 1,218 | 2,482 | 3,869 | 5,194 | 1,326 | 2,233 | 3,431 | 3,821 | 1,132 | 2,156 | 2,998 | 4,176 | 1,082 | 2,172 | 100.7% |
| Brisdelle® | 437 | 1,063 | 1,655 | 2,124 | 486 | 841 | 978 | 966 | -10 | -10 | -10 | -116 | 0 | 0 | - |
| Daytrana® | 1,955 | 3,694 | 4,916 | 6,149 | 1,015 | 1,825 | 2,941 | 3,672 | 784 | 1,747 | 2,447 | 3,170 | 615 | 1,108 | 63.4% |
| Salonpas® products | 5,244 | 11,138 | 16,680 | 22,897 | 5,793 | 11,755 | 17,385 | 24,239 | 7,218 | 14,172 | 21,447 | 29,391 | 7,024 | 15,606 | 110.1% |
| Salonsip® products | 1,041 | 2,405 | 3,531 | 4,459 | 1,102 | 2,123 | 3,556 | 4,433 | 975 | 2,606 | 3,502 | 4,674 | 822 | 1,814 | 69.6% |
| Air® Salonpas® products | 501 | 1,241 | 1,672 | 2,017 | 539 | 1,181 | 1,684 | 2,068 | 388 | 1,032 | 1,380 | 1,716 | 421 | 1,017 | 98.5% |
| Feitas® products | 1,066 | 2,297 | 3,506 | 4,482 | 1,399 | 2,414 | 3,614 | 4,594 | 1,252 | 2,625 | 4,055 | 5,178 | 1,427 | 2,925 | 111.4% |
| Butenolock® products | 1,013 | 1,290 | 1,421 | 1,662 | 1,001 | 1,317 | 1,493 | 1,733 | 817 | 1,199 | 1,366 | 1,568 | 948 | 1,228 | 102.4% |
| Allegra® FX | 657 | 696 | 866 | 2,007 | 1,038 | 1,097 | 1,682 | 3,607 | 941 | 1,005 | 1,292 | 3,365 | 1,393 | 1,420 | 141.3% |

| (Unit: ¥mn) | 2015.05 Q1 | 2015.08 Q2 | 2015.11 Q3 | 2016.02 Q4 | 2016.05 Q1 | 2016.08 Q2 | 2016.11 Q3 | 2017.02 Q4 | 2017.05 Q1 | 2017.08 Q2 | 2017.11 Q3 | 2018.02 Q4 | 2018.05 Q1 | 2018.08 Q2 | YoY |
|--------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|
| Fentos® Tape | 1,462 | 1,316 | 1,824 | 1,375 | 919 | 1,382 | 1,514 | 1,499 | 1,014 | 1,336 | 1,355 | 1,210 | 1,333 | 1,318 | 98.7% |
| Norspan® Tape | 523 | 622 | 534 | 549 | 572 | 580 | 518 | 545 | 500 | 559 | 500 | 519 | 488 | 510 | 91.2% |
| Neoxy® Tape | 224 | 246 | 244 | 251 | 269 | 482 | 209 | 273 | 227 | 200 | 189 | 217 | 181 | 163 | 81.5% |
| Abstral® | 45 | 53 | 47 | 47 | 46 | 47 | 56 | 54 | 55 | 59 | 49 | 53 | 50 | 53 | 89.8% |
| Allesaga® Tape | - | - | - | - | - | - | - | - | - | - | - | - | 99 | 2 | - |
| Mohrus® Tape products | 15,549 | 18,013 | 16,332 | 14,612 | 13,944 | 13,444 | 12,855 | 12,487 | 11,536 | 13,411 | 12,635 | 12,152 | 9,973 | 10,832 | 80.8% |
| Mohrus® Pap products | 1,307 | 1,577 | 1,363 | 1,771 | 1,760 | 1,868 | 1,825 | 2,228 | 1,800 | 2,404 | 2,183 | 2,011 | 1,745 | 1,982 | 82.4% |
| (Mohrus® Pap XR products | - | - | - | 672 | 726 | 902 | 928 | 1,446 | 1,113 | 1,597 | 1,485 | 1,395 | 1,243 | 1,419 | 88.9% |
| Minivelle® | 2,433 | 2,787 | 2,735 | 3,103 | 2,694 | 2,606 | 2,074 | 2,111 | 2,648 | 1,206 | 1,982 | 1,790 | 1,433 | 2,007 | 166.4% |
| Vivelle-Dot® products | 1,597 | 1,194 | 1,298 | 921 | 847 | 1,215 | 858 | 778 | 1,253 | 1,030 | 1,207 | 1,347 | 883 | 1,459 | 141.7% |
| CombiPatch® products | 1,218 | 1,263 | 1,387 | 1,325 | 1,326 | 906 | 1,198 | 390 | 1,132 | 1,024 | 841 | 1,177 | 1,082 | 1,090 | 106.4% |
| Brisdelle® | 437 | 625 | 592 | 468 | 486 | 354 | 137 | -12 | -10 | 0 | 0 | -105 | 0 | 0 | - |
| Daytrana® | 1,955 | 1,739 | 1,221 | 1,233 | 1,015 | 810 | 1,115 | 731 | 784 | 963 | 699 | 723 | 615 | 493 | 51.2% |
| Salonpas® products | 5,244 | 5,894 | 5,541 | 6,216 | 5,793 | 5,962 | 5,629 | 6,854 | 7,218 | 6,953 | 7,275 | 7,944 | 7,024 | 8,582 | 123.4% |
| Salonsip® products | 1,041 | 1,363 | 1,126 | 927 | 1,102 | 1,021 | 1,432 | 876 | 975 | 1,630 | 896 | 1,172 | 822 | 992 | 60.9% |
| Air® Salonpas® products | 501 | 739 | 431 | 345 | 539 | 641 | 503 | 383 | 388 | 644 | 348 | 335 | 421 | 595 | 92.4% |
| Feitas® products | 1,066 | 1,230 | 1,208 | 976 | 1,399 | 1,015 | 1,199 | 979 | 1,252 | 1,372 | 1,429 | 1,122 | 1,427 | 1,498 | 109.2% |
| Butenolock® products | 1,013 | 277 | 130 | 241 | 1,001 | 316 | 175 | 239 | 817 | 382 | 166 | 201 | 948 | 279 | 73.0% |
| Allegra® FX | 657 | 38 | 170 | 1,140 | 1,038 | 58 | 584 | 1,925 | 941 | 64 | 287 | 2,072 | 1,393 | 27 | 42.2% |

Earnings Forecasts

| <Consolidated> | Feb 2018A | | Cons- parent ratio | Feb 2019E | | Cons- parent ratio |
|---------------------------------|----------------|---------------|--------------------------|----------------|---------------|--------------------------|
| | Q1-Q4 | YoY | | Q1-Q4 | YoY | |
| Sales | 147,870 | 101.3% | 1.32 | 148,500 | 100.4% | 1.32 |
| CoGS | 55,688 | 104.8% | | 56,000 | 100.6% | |
| (CoGS ratio %) | 37.7% | | | 37.7% | | |
| Gross profits | 92,182 | 99.4% | | 92,500 | 100.3% | |
| (as a % of sales) | 62.3% | | | 62.3% | | |
| SG&A costs | 65,836 | 99.1% | | 68,500 | 104.0% | |
| (Sales promotion costs) | 13,227 | 96.3% | | 15,000 | 113.4% | |
| (Advertising costs) | 10,987 | 113.7% | | 13,700 | 124.7% | |
| (R&D spending) | 15,076 | 104.9% | | 14,600 | 96.8% | |
| (Other SG&A expenses) | 26,545 | 92.5% | | 25,200 | 94.9% | |
| Operating profits | 26,345 | 100.2% | 1.28 | 24,000 | 91.1% | 1.29 |
| (as a % of sales) | 17.8% | | | 16.2% | | |
| Nonoperating balance | 1,900 | 100.0% | | 2,300 | 121.1% | |
| Recurring profits | 28,245 | 100.2% | 1.32 | 26,300 | 93.1% | 1.33 |
| (as a % of sales) | 19.1% | | | 17.7% | | |
| Extraordinary balance | -551 | - | | 0 | 0.0% | |
| Pretax profits | 27,694 | 92.4% | | 26,300 | 95.0% | |
| Provision for tax | 8,574 | 89.4% | | 7,100 | 82.8% | |
| (effective tax rate) | 31.0% | 96.8% | | 27.0% | | |
| Net profits | 19,119 | 93.7% | 1.31 | 19,200 | 100.4% | 1.39 |
| (as a % of sales) | 12.9% | | | 12.9% | | |
| Capex | 2,759 | 73.1% | | 6,600 | 239.2% | |
| Depreciation | 4,901 | 89.3% | | 4,500 | 91.8% | |
| Goodwill amortization | 1,104 | 54.8% | | 1,000 | 90.6% | |
| <Non-Consolidated> | | | | | | |
| Sales | 112,391 | 99.8% | | 112,600 | 100.2% | |
| Rx Business | 73,509 | 96.9% | | 70,900 | 96.5% | |
| OTC Business | 26,865 | 103.9% | | 28,200 | 105.0% | |
| Intl Business | 12,015 | 109.7% | | 13,500 | 112.4% | |
| CoGS | 40,238 | 99.2% | | 40,900 | 101.6% | |
| (CoGS ratio %) | 35.8% | | | 36.3% | | |
| Gross profits | 72,152 | 100.1% | | 71,700 | 99.4% | |
| (as a % of sales) | 64.2% | | | 63.7% | | |
| SG&A costs | 51,636 | 102.1% | | 53,100 | 102.8% | |
| (Sales promotion costs) | 10,532 | 98.4% | | 11,400 | 108.2% | |
| (Advertising costs) | 7,729 | 104.1% | | 9,900 | 128.1% | |
| (R&D spending) | 12,213 | 107.4% | | 11,200 | 91.7% | |
| (Other SG&A expenses) | 21,161 | 100.5% | | 20,600 | 97.3% | |
| Operating profits | 20,516 | 95.2% | | 18,600 | 90.7% | |
| (as a % of sales) | 18.3% | | | 16.5% | | |
| Nonoperating balance | 852 | 45.5% | | 1,200 | 140.8% | |
| Recurring profits | 21,369 | 94.1% | | 19,800 | 92.7% | |
| (as a % of sales) | 19.0% | | | 17.6% | | |
| Extraordinary balance | -547 | - | | 0 | 0.0% | |
| Pretax profits | 20,822 | 86.8% | | 19,800 | 95.1% | |
| Provision for tax | 6,200 | 85.7% | | 6,000 | 96.8% | |
| (effective tax rate) | 29.8% | | | 30.3% | | |
| Net profits | 14,621 | 87.3% | | 13,800 | 94.4% | |
| (as a % of sales) | 13.0% | | | 12.3% | | |
| Capex | 1,620 | 55.4% | | 4,100 | 253.1% | |
| Depreciation | 2,754 | 99.7% | | 2,700 | 98.0% | |
| Goodwill amortization | 1,104 | 101.8% | | 1,100 | 99.6% | |
| <Noven> | | | | | | |
| Sales | 20,257 | 91.0% | | 16,900 | 83.4% | |
| CoGS | 10,699 | 109.3% | | 9,600 | 89.7% | |
| (CoGS ratio %) | 52.8% | | | 56.8% | | |
| SG&A costs | 6,450 | 71.3% | | 7,700 | 119.4% | |
| (Sales promotion costs) | 305 | 27.7% | | 1,000 | 327.9% | |
| (Advertising costs) | 24 | 171.4% | | 100 | 416.7% | |
| (R&D spending) | 2,860 | 95.4% | | 3,300 | 115.4% | |
| (Other SG&A expenses) | 3,260 | 66.1% | | 3,300 | 101.2% | |
| Operating profits | 3,106 | 90.6% | | -400 | - | |
| (as a % of sales) | 15.3% | | | - | | |
| Nonoperating balance | 852 | - | | 1,100 | 129.1% | |
| Pretax profits | 3,958 | - | | 700 | 17.7% | |
| Net profits | 2,498 | - | | 700 | 28.0% | |
| Exchange rate(¥/USD) | 112.04円 | | | 110.00円 | | |
| <By product> | | | | | | |
| Fentos® Tape | 4,917 | 92.5% | | 5,000 | 101.7% | |
| Norspan® Tape | 2,079 | 93.8% | | 2,300 | 110.6% | |
| Neoxy® Tape | 834 | 67.6% | | 900 | 107.9% | |
| Abstral® | 217 | 106.4% | | 200 | 92.2% | |
| Mohrus® Tape products | 49,736 | 94.3% | | 46,000 | 92.5% | |
| Mohrus® Pap products | 8,399 | 109.3% | | 8,800 | 104.8% | |
| Mohrus® Pap products | 5,592 | 139.6% | | 6,600 | 118.0% | |
| Minivelle® | 7,628 | 80.4% | | 7,500 | 98.3% | |
| Vivelle-Dot® products | 4,839 | 130.8% | | 3,400 | 70.3% | |
| CombiPatch® products | 4,176 | 109.3% | | 3,700 | 88.6% | |
| Brisdelle® | -116 | - | | - | - | |
| Davtrana® | 3,170 | 86.3% | | 2,000 | 63.1% | |
| Salonpas® products | 29,391 | 121.3% | | 34,000 | 115.7% | |
| Salonpib® products | 4,674 | 105.4% | | 5,000 | 107.0% | |
| Air® Salonpas® products | 1,716 | 83.0% | | 1,900 | 110.7% | |
| Feitas® products | 5,178 | 112.7% | | 5,500 | 106.2% | |
| Butenalock® products | 1,568 | 90.5% | | 1,800 | 114.8% | |
| Allegra® FX | 3,365 | 93.3% | | 3,500 | 104.0% | |