

Translation

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## Summary of Non-Consolidated Financial Results for the Six Months Ended September 30, 2015 (Based on Japanese GAAP)

October 29, 2015

Company name: Nissui Pharmaceutical Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4550 URL <http://www.nissui-pharm.co.jp>  
 Representative: President Tokuya Ono  
 Inquiries: Board Member, Executive Officer Seiichi Yatsu TEL 03-5846-5611  
 Scheduled date to file Quarterly Securities Report: November 6, 2015  
 Scheduled date to commence dividend payments: November 30, 2015  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors, analysts and the press)

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the six months ended September 30, 2015 (from April 1, 2015 to September 30, 2015)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2015	5,933	2.8	1,000	11.6	2,121	9.6	1,433	10.3
Six months ended September 30, 2014	5,769	(11.3)	896	(33.9)	1,936	12.6	1,299	21.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2015	63.99		-	
Six months ended September 30, 2014	58.01		-	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2015	33,086	30,296	91.6	1,352.78
As of March 31, 2015	34,752	30,990	89.2	1,383.74

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2015	-	19.00	-	21.00	40.00
Year ending March 31, 2016	-	20.00	-	-	-
Year ending March 31, 2016 (Forecast)	-	-	-	20.00	40.00

3. Forecast of non-consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	12,300	3.7	2,000	4.6	3,900	1.8	2,500	1.2	111.63

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2015	22,547,140 shares	As of March 31, 2015	22,547,140 shares
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Number of treasury shares at the end of the period

As of September 30, 2015	151,316 shares	As of March 31, 2015	151,115 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2015	22,395,891 shares	Six months ended September 30, 2014	22,396,450 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	3,045	1,824
Notes and accounts receivable - trade	3,048	2,961
Securities	300	–
Merchandise and finished goods	1,588	1,414
Work in process	378	346
Raw materials and supplies	704	748
Deferred tax assets	199	198
Deposit paid in subsidiaries and associates	4,819	2,628
Other	117	118
Allowance for doubtful accounts	(34)	(33)
Total current assets	14,169	10,206
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,943	1,930
Machinery, equipment and vehicles, net	287	292
Land	2,770	2,770
Construction in progress	131	117
Other, net	65	75
Total property, plant and equipment	5,198	5,186
Intangible assets		
Software	17	11
Other	12	12
Total intangible assets	30	24
Investments and other assets		
Investment securities	15,156	16,954
Deferred tax assets	–	517
Other	247	246
Allowance for doubtful accounts	(50)	(48)
Total investments and other assets	15,353	17,668
Total non-current assets	20,582	22,879
Total assets	34,752	33,086

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,258	1,046
Income taxes payable	492	535
Provision for bonuses	201	189
Provision for directors' bonuses	19	18
Provision for rebates	9	16
Other	1,189	604
Total current liabilities	3,173	2,410
Non-current liabilities		
Provision for retirement benefits	2	2
Other	586	376
Total non-current liabilities	589	378
Total liabilities	3,762	2,789
<b>Net assets</b>		
Shareholders' equity		
Capital stock	4,449	4,449
Capital surplus	5,378	5,378
Retained earnings	20,661	21,623
Treasury shares	(98)	(98)
Total shareholders' equity	30,391	31,353
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	599	(1,056)
Total valuation and translation adjustments	599	(1,056)
Total net assets	30,990	30,296
Total liabilities and net assets	34,752	33,086

**Non-consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net sales	5,769	5,933
Cost of sales	2,880	2,857
Gross profit	2,889	3,076
Selling, general and administrative expenses	1,992	2,076
Operating income	896	1,000
Non-operating income		
Interest income	37	25
Dividend income	111	103
Gain on sales of investment securities	874	963
Gain on valuation of derivatives	–	12
Other	17	15
Total non-operating income	1,041	1,122
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	0	0
Loss on valuation of derivatives	1	–
Other	0	0
Total non-operating expenses	1	0
Ordinary income	1,936	2,121
Extraordinary income		
Gain on sales of non-current assets	–	0
Total extraordinary income	–	0
Extraordinary losses		
Loss on disposal of non-current assets	8	8
Loss on valuation of investment securities	25	78
Total extraordinary losses	33	87
Income before income taxes	1,902	2,034
Income taxes - current	583	596
Income taxes - deferred	19	5
Total income taxes	603	601
Profit	1,299	1,433

## Non-consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Cash flows from operating activities		
Income before income taxes	1,902	2,034
Depreciation	156	142
Increase (decrease) in provision	22	(9)
Interest and dividend income	(149)	(129)
Interest expenses	0	0
Decrease (increase) in notes and accounts receivable - trade	307	89
Decrease (increase) in inventories	117	162
Increase (decrease) in notes and accounts payable - trade	(13)	(212)
Loss (gain) on sales of investment securities	(874)	(963)
Loss (gain) on valuation of derivatives	1	(12)
Loss (gain) on valuation of investment securities	25	78
Other, net	(76)	(108)
Subtotal	1,419	1,069
Income taxes paid	(853)	(565)
Net cash provided by (used in) operating activities	566	504
Cash flows from investing activities		
Decrease/increase/Deposit/Paid in Subsidiaries/And/Affiliates	400	500
Proceeds from sales and redemption of securities	–	300
Purchase of property, plant and equipment	(112)	(119)
Proceeds from sales and redemption of investment securities	3,732	9,318
Purchase of investment securities	(5,121)	(13,081)
Interest and dividend income received	146	133
Proceeds from sales of non-current assets	–	0
Decrease (increase) in other investments	1	1
Net cash provided by (used in) investing activities	(952)	(2,946)
Cash flows from financing activities		
Repayments of lease obligations	(1)	–
Interest expenses paid	–	(0)
Cash dividends paid	(423)	(469)
Decrease (increase) in treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(425)	(469)
Net increase (decrease) in cash and cash equivalents	(811)	(2,912)
Cash and cash equivalents at beginning of period	3,207	4,814
Cash and cash equivalents at end of period	2,395	1,902