

Translation

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**Summary of Non-Consolidated Financial Results
for the Year Ended March 31, 2016
(Based on Japanese GAAP)**

May 9, 2016

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 of ordinary general meeting of shareholders: June 24, 2016
 Scheduled date to file Securities Report: June 24, 2016
 Scheduled date to commence dividend payments: June 6, 2016
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

(1) Non-consolidated operating results

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	%
Year ended March 31, 2016	12,015	1.3	1,993	4.2	2,998	(21.7)	2,041	(17.4)
Year ended March 31, 2015	11,863	(9.7)	1,912	(32.8)	3,831	5.1	2,470	7.2

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2016	91.14	–	6.6	8.7	16.6
Year ended March 31, 2015	110.33	–	8.2	11.4	16.1

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2016	33,820	30,884	91.3	1,379.05
As of March 31, 2015	34,752	30,990	89.2	1,383.74

(3) Non-consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2016	1,349	(2,511)	(783)	2,869
Year ended March 31, 2015	1,130	1,330	(852)	4,814

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Non-consolidated)	Ratio of dividends to net assets (Non-consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2015	–	19.00	–	21.00	40.00	895	36.3	3.0
Year ended March 31, 2016	–	20.00	–	20.00	40.00	895	43.9	2.9
Year ending March 31, 2017 (Forecast)	–	20.00	–	20.00	40.00		58.2	

3. Forecast of non-consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

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
Six months ending September 30, 2016	6,400	7.9	800	(20.0)	1,000	(52.9)	700	(51.2)	31.26
Full year	13,000	8.2	1,800	(9.7)	2,200	(26.6)	1,540	(24.6)	68.76

4. Notes

(1) 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

(2) Number of issued shares (common shares)

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

As of March 31, 2016	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 March 31, 2016	151,524 shares	As of March 31, 2015	151,115 shares
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Average number of shares during the period

Year ended March 31, 2016	22,395,833 shares	Year ended March 31, 2015	22,396,344 shares
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Non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
Assets		
Current assets		
Cash and deposits	3,045	2,784
Notes receivable - trade	50	29
Accounts receivable - trade	2,997	2,913
Securities	300	–
Merchandise and finished goods	1,588	1,444
Work in process	378	385
Raw materials and supplies	704	738
Prepaid expenses	44	52
Deferred tax assets	199	152
Deposit paid in subsidiaries and associates	4,819	2,635
Lease investment assets	42	34
Other	31	39
Allowance for doubtful accounts	(34)	(39)
Total current assets	14,169	11,170
Non-current assets		
Property, plant and equipment		
Buildings, net	1,911	1,867
Structures, net	31	26
Machinery and equipment, net	284	414
Vehicles, net	3	2
Tools, furniture and fixtures, net	65	156
Land	2,770	2,770
Leased assets, net	–	89
Construction in progress	131	13
Total property, plant and equipment	5,198	5,341
Intangible assets		
Software	17	24
Leased assets	–	55
Other	12	12
Total intangible assets	30	92
Investments and other assets		
Investment securities	15,156	16,728
Long-term loans receivable from employees	0	0
Long-term prepaid expenses	2	0
Deferred tax assets	–	295
Lease and guarantee deposits	110	103
Lease investment assets	77	80
Other	57	54
Allowance for doubtful accounts	(50)	(47)
Total investments and other assets	15,353	17,215
Total non-current assets	20,582	22,649
Total assets	34,752	33,820

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
Liabilities		
Current liabilities		
Accounts payable - trade	1,258	1,210
Lease obligations	–	33
Accounts payable - other	744	374
Accrued expenses	295	284
Income taxes payable	492	235
Accrued consumption taxes	122	29
Deposits received	28	29
Provision for bonuses	201	211
Provision for directors' bonuses	19	19
Provision for rebates	9	5
Total current liabilities	3,173	2,433
Non-current liabilities		
Provision for retirement benefits	2	1
Long-term guarantee deposited	387	376
Deferred tax liabilities	199	–
Lease obligations	–	123
Total non-current liabilities	589	501
Total liabilities	3,762	2,935
Net assets		
Shareholders' equity		
Capital stock	4,449	4,449
Capital surplus		
Legal capital surplus	5,376	5,376
Other capital surplus	2	2
Total capital surpluses	5,378	5,378
Retained earnings		
Legal retained earnings	304	304
Other retained earnings		
General reserve	11,830	11,830
Retained earnings brought forward	8,527	9,649
Total retained earnings	20,661	21,783
Treasury shares	(98)	(98)
Total shareholders' equity	30,391	31,513
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	599	(628)
Total valuation and translation adjustments	599	(628)
Total net assets	30,990	30,884
Total liabilities and net assets	34,752	33,820

Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
Net sales	11,863	12,015
Cost of sales	5,928	5,847
Gross profit	5,934	6,168
Selling, general and administrative expenses	4,021	4,174
Operating income	1,912	1,993
Non-operating income		
Interest income	25	15
Interest on securities	48	27
Dividend income	182	165
Gain on sales of investment securities	1,627	1,170
Gain on valuation of derivatives	7	8
Gain on investments in partnership	8	–
Miscellaneous income	22	25
Total non-operating income	1,921	1,413
Non-operating expenses		
Interest expenses	0	0
Loss on sales of investment securities	–	405
Foreign exchange losses	2	2
Miscellaneous loss	0	0
Total non-operating expenses	3	408
Ordinary income	3,831	2,998
Extraordinary income		
Gain on sales of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on sales of non-current assets	–	0
Loss on disposal of non-current assets	52	11
Loss on valuation of investment securities	58	70
Total extraordinary losses	110	82
Profit before income taxes	3,720	2,916
Income taxes - current	1,229	818
Income taxes - deferred	20	56
Total income taxes	1,249	875
Profit	2,470	2,041

Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2015

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Balance at beginning of current period	4,449	5,376	2	5,378	304	11,830	6,907	19,041
Changes of items during period								
Dividends of surplus							(851)	(851)
Profit							2,470	2,470
Purchase of treasury shares								
Disposal of treasury shares			0	0				
Net changes of items other than shareholders' equity								
Total changes of items during period	–	–	0	0	–	–	1,619	1,619
Balance at end of current period	4,449	5,376	2	5,378	304	11,830	8,527	20,661

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of current period	(97)	28,771	441	441	29,213
Changes of items during period					
Dividends of surplus		(851)			(851)
Profit		2,470			2,470
Purchase of treasury shares	(0)	(0)			(0)
Disposal of treasury shares	0	0			0
Net changes of items other than shareholders' equity			157	157	157
Total changes of items during period	(0)	1,619	157	157	1,777
Balance at end of current period	(98)	30,391	599	599	30,990

	Shareholders' equity							
	Capital stock	Capital surplus			Legal retained earnings	Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Balance at beginning of current period	4,449	5,376	2	5,378	304	11,830	8,527	20,661
Changes of items during period								
Dividends of surplus							(918)	(918)
Profit							2,041	2,041
Purchase of treasury shares								
Disposal of treasury shares								
Net changes of items other than shareholders' equity								
Total changes of items during period	-	-	-	-	-	-	1,122	1,122
Balance at end of current period	4,449	5,376	2	5,378	304	11,830	9,649	21,783

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of current period	(98)	30,391	599	599	30,990
Changes of items during period					
Dividends of surplus		(918)			(918)
Profit		2,041			2,041
Purchase of treasury shares	(0)	(0)			(0)
Disposal of treasury shares	-	-			-
Net changes of items other than shareholders' equity			(1,227)	(1,227)	(1,227)
Total changes of items during period	(0)	1,122	(1,227)	(1,227)	(105)
Balance at end of current period	(98)	31,513	(628)	(628)	30,884

Non-consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
Cash flows from operating activities		
Profit before income taxes	3,720	2,916
Depreciation	323	340
Increase (decrease) in provision	27	6
Interest and dividend income	(256)	(208)
Interest expenses	0	0
Decrease (increase) in notes and accounts receivable - trade	151	108
Decrease (increase) in inventories	95	104
Increase (decrease) in notes and accounts payable - trade	158	(48)
Loss (gain) on sales of investment securities	(1,627)	(764)
Loss (gain) on valuation of derivatives	(7)	(8)
Loss (gain) on valuation of investment securities	58	70
Loss (gain) on sales of non-current assets	(0)	0
Other, net	49	(86)
Subtotal	2,692	2,430
Income taxes paid	(1,562)	(1,081)
Net cash provided by (used in) operating activities	1,130	1,349
Cash flows from investing activities		
Decrease increase deposit paid in subsidiaries and affiliates	2,100	500
Proceeds from sales and redemption of securities	300	300
Purchase of property, plant and equipment	(187)	(439)
Purchase of intangible assets	(10)	(77)
Proceeds from sales and redemption of investment securities	13,495	12,962
Purchase of investment securities	(14,628)	(15,976)
Interest and dividend income received	260	212
Proceeds from sales of non-current assets	0	0
Decrease (increase) in other investments	(0)	7
Net cash provided by (used in) investing activities	1,330	(2,511)
Cash flows from financing activities		
Interest expenses paid	-	(0)
Proceeds from sales and leasebacks	-	142
Repayments of lease obligations	(1)	(8)
Cash dividends paid	(850)	(916)
Decrease (increase) in treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(852)	(783)
Net increase (decrease) in cash and cash equivalents	1,607	(1,945)
Cash and cash equivalents at beginning of period	3,207	4,814
Cash and cash equivalents at end of period	4,814	2,869