

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2016 (Based on Japanese GAAP)

October 27, 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 to file Quarterly Securities Report: November 9, 2016
 Scheduled date to commence dividend payments: November 30, 2016
 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. Consolidated financial results for the six months ended September 30, 2016 (from April 1, 2016 to September 30, 2016)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2016	6,239	–	676	–	1,003	–	352	–
Six months ended September 30, 2015	–	–	–	–	–	–	–	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2016	15.75	–
Six months ended September 30, 2015	–	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2016	33,663	30,694	91.2	1,370.57
As of March 31, 2016	–	–	–	–

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, 2016	–	20.00	–	20.00	40.00
Year ending March 31, 2017	–	20.00	–	–	–
Year ending March 31, 2017 (Forecast)	–	–	–	20.00	40.00

3. Forecast of 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 attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	13,000	–	1,755	–	1,800	–	1,150	–	51.35

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2016
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2016	22,547,140 shares	As of March 31, 2016	22,547,140 shares
--------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of September 30, 2016	151,591 shares	As of March 31, 2016	151,524 shares
--------------------------	----------------	----------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2016	22,395,584 shares	Six months ended September 30, 2015	22,395,891 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

As of September 30, 2016

Assets	
Current assets	
Cash and deposits	5,518
Notes and accounts receivable - trade	3,231
Securities	302
Merchandise and finished goods	1,437
Work in process	386
Raw materials and supplies	802
Deferred tax assets	157
Advance payments - trade	35
Deposit paid in subsidiaries and associates	2,642
Other	162
Allowance for doubtful accounts	(42)
Total current assets	14,633
Non-current assets	
Property, plant and equipment	
Buildings and structures, net	1,858
Machinery, equipment and vehicles, net	375
Land	2,770
Leased assets, net	81
Construction in progress	107
Other, net	176
Total property, plant and equipment	5,370
Intangible assets	
Software	26
Leased assets	60
Other	12
Total intangible assets	100
Investments and other assets	
Investment securities	13,024
Deferred tax assets	337
Other	241
Allowance for doubtful accounts	(43)
Total investments and other assets	13,559
Total non-current assets	19,030
Total assets	33,663

(Millions of yen)

As of September 30, 2016

Liabilities	
Current liabilities	
Notes and accounts payable - trade	1,228
Lease obligations	35
Income taxes payable	303
Provision for bonuses	222
Provision for directors' bonuses	20
Provision for rebates	12
Advances received	210
Other	440
Total current liabilities	2,472
Non-current liabilities	
Provision for retirement benefits	1
Lease obligations	118
Other	376
Total non-current liabilities	496
Total liabilities	2,969
Net assets	
Shareholders' equity	
Capital stock	4,449
Capital surplus	5,378
Retained earnings	21,688
Treasury shares	(99)
Total shareholders' equity	31,418
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	(723)
Total accumulated other comprehensive income	(723)
Total net assets	30,694
Total liabilities and net assets	33,663

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	(Millions of yen)
	Six months ended September 30, 2016
Net sales	6,239
Cost of sales	3,177
Gross profit	3,061
Selling, general and administrative expenses	2,385
Operating income	676
Non-operating income	
Interest income	16
Dividend income	78
Foreign exchange gains	1
Gain on sales of investment securities	346
Other	14
Total non-operating income	457
Non-operating expenses	
Interest expenses	0
Loss on sales of investment securities	125
Loss on valuation of derivatives	4
Other	0
Total non-operating expenses	130
Ordinary income	1,003
Extraordinary losses	
Loss on disposal of non-current assets	0
Loss on valuation of investment securities	371
Total extraordinary losses	372
Profit before income taxes	630
Income taxes - current	282
Income taxes - deferred	(4)
Total income taxes	277
Profit	352
Profit attributable to non-controlling interests	-
Profit attributable to owners of parent	352

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2016
Profit	352
Other comprehensive income	
Valuation difference on available-for-sale securities	(94)
Total other comprehensive income	(94)
Comprehensive income	257
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	257
Comprehensive income attributable to non-controlling interests	—

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2016
Cash flows from operating activities	
Profit before income taxes	630
Depreciation	189
Increase (decrease) in provision	17
Interest and dividend income	(94)
Interest expenses	0
Decrease (increase) in notes and accounts receivable - trade	(285)
Decrease (increase) in inventories	(58)
Increase (decrease) in notes and accounts payable - trade	17
Loss (gain) on sales of investment securities	(220)
Loss (gain) on valuation of derivatives	4
Loss (gain) on valuation of investment securities	371
Other, net	17
Subtotal	591
Income taxes paid	(226)
Net cash provided by (used in) operating activities	365
Cash flows from investing activities	
Purchase of property, plant and equipment	(195)
Purchase of intangible assets	(5)
Proceeds from sales and redemption of investment securities	4,103
Purchase of investment securities	(1,332)
Interest and dividend income received	95
Other, net	175
Net cash provided by (used in) investing activities	2,840
Cash flows from financing activities	
Repayments of lease obligations	(16)
Cash dividends paid	(447)
Decrease (increase) in treasury shares	(0)
Net cash provided by (used in) financing activities	(464)
Net increase (decrease) in cash and cash equivalents	2,741
Cash and cash equivalents at beginning of period	2,869
Cash and cash equivalents at end of period	5,610