

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 Year Ended March 31, 2017
(Based on Japanese GAAP)**

May 9, 2017

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 23, 2017
 Scheduled date to file Securities Report: June 23, 2017
 Scheduled date to commence dividend payments: June 5, 2017
 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. Consolidated financial results for the year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2017	12,825	-	1,697	-	1,839	-	1,902	-
Year ended March 31, 2016	-	-	-	-	-	-	-	-

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2017	84.97	-	6.0	5.3	13.2
Year ended March 31, 2016	-	-	-	-	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2017	35,478	32,641	92.0	1,457.52
As of March 31, 2016	-	-	-	-

(3) 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, 2017	1,095	11,694	(928)	14,731
Year ended March 31, 2016	-	-	-	-

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (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, 2016	-	20.00	-	20.00	40.00	895	-	-
Year ended March 31, 2017	-	20.00	-	20.00	40.00	895	47.1	2.8
Year ending March 31, 2018 (Forecast)	-	20.00	-	20.00	40.00	-	80.0	-

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2017	6,500	4.2	600	(11.2)	600	(40.2)	420	19.0	18.75
Full year	13,500	5.3	1,600	(5.8)	1,600	(13.0)	1,120	(41.1)	50.01

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2017

(changes in specified subsidiaries resulting in the change in scope of consolidation): 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: Yes

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 March 31, 2017	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 March 31, 2017	151,828 shares	As of March 31, 2016	151,524 shares
----------------------	----------------	----------------------	----------------

Average number of shares during the period

Year ended March 31, 2017	22,395,495 shares	Year ended March 31, 2016	22,395,833 shares
---------------------------	-------------------	---------------------------	-------------------

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

As of March 31, 2017

Assets	
Current assets	
Cash and deposits	11,334
Notes and accounts receivable - trade	3,230
Securities	300
Merchandise and finished goods	1,640
Work in process	400
Raw materials and supplies	788
Deferred tax assets	149
Advance payments - trade	35
Deposit paid in subsidiaries and associates	9,947
Other	946
Allowance for doubtful accounts	(47)
Total current assets	<u>28,725</u>
Non-current assets	
Property, plant and equipment	
Buildings and structures, net	1,569
Machinery, equipment and vehicles, net	372
Land	1,933
Leased assets, net	74
Construction in progress	72
Other, net	155
Total property, plant and equipment	<u>4,177</u>
Intangible assets	
Software	27
Leased assets	58
Other	12
Total intangible assets	<u>98</u>
Investments and other assets	
Investment securities	2,282
Deferred tax assets	7
Other	229
Allowance for doubtful accounts	(42)
Total investments and other assets	<u>2,476</u>
Total non-current assets	<u>6,752</u>
Total assets	<u>35,478</u>

(Millions of yen)

As of March 31, 2017

Liabilities	
Current liabilities	
Accounts payable - trade	1,237
Lease obligations	37
Income taxes payable	339
Accrued consumption taxes	53
Provision for bonuses	226
Provision for directors' bonuses	20
Provision for rebates	4
Other	410
Total current liabilities	2,329
Non-current liabilities	
Net defined benefit liability	2
Lease obligations	105
Deferred tax liabilities	25
Long-term guarantee deposited	373
Total non-current liabilities	507
Total liabilities	2,836
Net assets	
Shareholders' equity	
Capital stock	4,449
Capital surplus	5,378
Retained earnings	22,791
Treasury shares	(99)
Total shareholders' equity	32,520
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	121
Total accumulated other comprehensive income	121
Total net assets	32,641
Total liabilities and net assets	35,478

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2017
Net sales	12,825
Cost of sales	6,441
Gross profit	6,383
Selling, general and administrative expenses	4,685
Operating profit	1,697
Non-operating income	
Interest income	12
Interest on securities	20
Dividend income	133
Gain on sales of investment securities	832
Foreign exchange gains	0
Miscellaneous income	24
Total non-operating income	1,024
Non-operating expenses	
Interest expenses	0
Loss on sales of investment securities	880
Loss on valuation of derivatives	2
Miscellaneous loss	0
Total non-operating expenses	882
Ordinary profit	1,839
Extraordinary income	
Gain on sales of non-current assets	800
Total extraordinary income	800
Extraordinary losses	
Loss on sales of non-current assets	0
Loss on disposal of non-current assets	0
Loss on valuation of investment securities	54
Total extraordinary losses	55
Profit before income taxes	2,583
Income taxes - current	696
Income taxes - deferred	(15)
Total income taxes	681
Profit	1,902
Profit attributable to non-controlling interests	-
Profit attributable to owners of parent	1,902

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2017
Profit	1,902
Other comprehensive income	
Valuation difference on available-for-sale securities	750
Total other comprehensive income	750
Comprehensive income	2,652
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	2,652
Comprehensive income attributable to non-controlling interests	-

Consolidated statements of changes in equity

Fiscal year ended March 31, 2017

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,449	5,378	21,783	(98)	31,513
Changes of items during period					
Dividends of surplus			(895)		(895)
Profit attributable to owners of parent			1,902		1,902
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	1,007	(0)	1,006
Balance at end of current period	4,449	5,378	22,791	(99)	32,520

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of current period	(628)	(628)	30,884
Changes of items during period			
Dividends of surplus			(895)
Profit attributable to owners of parent			1,902
Purchase of treasury shares			(0)
Net changes of items other than shareholders' equity	750	750	750
Total changes of items during period	750	750	1,756
Balance at end of current period	121	121	32,641

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2017
Cash flows from operating activities	
Profit before income taxes	2,583
Depreciation	405
Increase (decrease) in provision	17
Interest and dividend income	(167)
Interest expenses	0
Decrease (increase) in notes and accounts receivable - trade	(282)
Decrease (increase) in inventories	(261)
Increase (decrease) in notes and accounts payable - trade	27
Loss (gain) on sales of investment securities	47
Loss (gain) on valuation of derivatives	2
Loss (gain) on valuation of investment securities	54
Loss (gain) on sales of non-current assets	(799)
Other, net	91
Subtotal	1,719
Income taxes paid	(623)
Net cash provided by (used in) operating activities	1,095
Cash flows from investing activities	
Decrease increase deposit paid in subsidiaries and affiliates	(4,000)
Purchase of property, plant and equipment	(455)
Purchase of intangible assets	(13)
Proceeds from sales and redemption of investment securities	15,327
Purchase of investment securities	(1,332)
Interest and dividend income received	166
Proceeds from sales of property, plant and equipment	2,036
Decrease (increase) in other investments	(34)
Net cash provided by (used in) investing activities	11,694
Cash flows from financing activities	
Interest expenses paid	(0)
Repayments of lease obligations	(35)
Cash dividends paid	(892)
Decrease (increase) in treasury shares	(0)
Net cash provided by (used in) financing activities	(928)
Net increase (decrease) in cash and cash equivalents	11,861
Cash and cash equivalents at beginning of period	2,869
Cash and cash equivalents at end of period	14,731