

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on Japanese GAAP)

January 30, 2018

Company name: Nissui Pharmaceutical Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4550 URL: <https://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: February 8, 2018
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2017 (from April 1, 2017 to December 31, 2017)

(1) Consolidated operating results (cumulative)

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	%
Nine months ended December 31, 2017	9,143	(3.9)	991	(15.4)	1,074	(28.2)	872	(13.5)
Nine months ended December 31, 2016	9,513	–	1,170	–	1,496	–	1,009	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2017	38.98		–	
Nine months ended December 31, 2016	45.08		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2017	35,307	32,688	92.6	1,459.64
As of March 31, 2017	35,478	32,641	92.0	1,457.52

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2017	–	20.00	–	20.00	40.00
Year ending March 31, 2018	–	20.00	–		
Year ending March 31, 2018 (Forecast)				20.00	40.00

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
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 nine months ended December 31, 2017
 (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: No
- 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 December 31, 2017	22,547,140 shares	As of March 31, 2017	22,547,140 shares
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Number of treasury shares at the end of the period

As of December 31, 2017	151,967 shares	As of March 31, 2017	151,828 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2017	22,395,283 shares	Nine months ended December 31, 2016	22,395,540 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Current assets		
Cash and deposits	11,334	12,189
Notes and accounts receivable - trade	3,230	3,054
Securities	300	–
Merchandise and finished goods	1,640	1,808
Work in process	400	387
Raw materials and supplies	788	880
Deferred tax assets	149	94
Advance payments - trade	35	–
Deposit paid in subsidiaries and associates	9,947	9,961
Other	946	142
Allowance for doubtful accounts	(47)	(46)
Total current assets	28,725	28,471
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,569	1,500
Machinery, equipment and vehicles, net	372	380
Land	1,933	1,752
Leased assets, net	74	59
Construction in progress	72	46
Other, net	155	191
Total property, plant and equipment	4,177	3,931
Intangible assets		
Software	27	40
Leased assets	58	47
Other	12	6
Total intangible assets	98	94
Investments and other assets		
Investment securities	2,282	2,540
Deferred tax assets	7	–
Other	229	306
Allowance for doubtful accounts	(42)	(36)
Total investments and other assets	2,476	2,810
Total non-current assets	6,752	6,836
Total assets	35,478	35,307

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Liabilities		
Current liabilities		
Accounts payable - trade	1,237	1,262
Lease obligations	37	37
Income taxes payable	339	61
Accrued consumption taxes	53	–
Provision for bonuses	226	50
Provision for directors' bonuses	20	8
Provision for rebates	4	14
Other	410	661
Total current liabilities	2,329	2,097
Non-current liabilities		
Net defined benefit liability	2	1
Lease obligations	105	77
Deferred tax liabilities	25	56
Long-term guarantee deposited	373	372
Other	–	11
Total non-current liabilities	507	520
Total liabilities	2,836	2,618
Net assets		
Shareholders' equity		
Capital stock	4,449	4,449
Capital surplus	5,378	5,378
Retained earnings	22,791	22,768
Treasury shares	(99)	(99)
Total shareholders' equity	32,520	32,496
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	121	191
Total accumulated other comprehensive income	121	191
Total net assets	32,641	32,688
Total liabilities and net assets	35,478	35,307

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Net sales	9,513	9,143
Cost of sales	4,815	4,788
Gross profit	4,697	4,355
Selling, general and administrative expenses	3,527	3,364
Operating profit	1,170	991
Non-operating income		
Interest income	24	28
Dividend income	115	22
Gain on sales of investment securities	489	–
Gain on valuation of derivatives	–	5
Foreign exchange gains	0	–
Compensation income	–	10
Other	22	23
Total non-operating income	652	89
Non-operating expenses		
Interest expenses	0	0
Loss on sales of investment securities	323	–
Loss on valuation of derivatives	3	–
Foreign exchange losses	–	5
Other	0	0
Total non-operating expenses	327	6
Ordinary profit	1,496	1,074
Extraordinary income		
Gain on sales of shares of subsidiaries and associates	–	161
Total extraordinary income	–	161
Extraordinary losses		
Loss on sales of non-current assets	0	0
Loss on disposal of non-current assets	0	3
Loss on valuation of investment securities	86	–
Total extraordinary losses	88	3
Profit before income taxes	1,407	1,233
Income taxes - current	312	298
Income taxes - deferred	85	62
Total income taxes	398	360
Profit	1,009	872
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,009	872

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	1,009	872
Other comprehensive income		
Valuation difference on available-for-sale securities	614	70
Total other comprehensive income	614	70
Comprehensive income	1,624	943
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,624	943
Comprehensive income attributable to non-controlling interests	—	—