

# Q3 FY 02/18

## results supplementary material

These materials contain our earnings outlook. While our earnings outlook and views are based on internal and other reliable data, they do not constitute a guarantee of our future earnings. Therefore, sales and profits may differ from the figures outlined in this material.

The figures in these materials are rounded to the nearest million yen.

Jan. 12th, 2018

Hisamitsu Pharmaceutical Co., Inc.  
(Security code number: 4530)

## Consolidated Financial Statement

<Balance sheet> (Unit: ¥mn)	2014.05	2014.08	2014.11	2015.02	2015.05	2015.08	2015.11	2016.02	2015.05	2015.08	2015.11	2016.02	2017.05	2017.08	2017.11	As a % of total
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
<b>Current assets</b>	<b>141,500</b>	<b>153,646</b>	<b>161,675</b>	<b>165,315</b>	<b>163,978</b>	<b>173,516</b>	<b>171,268</b>	<b>171,760</b>	<b>168,699</b>	<b>171,805</b>	<b>167,285</b>	<b>172,097</b>	<b>174,302</b>	<b>183,030</b>	<b>187,948</b>	<b>62.9%</b>
Cash and deposits	63,541	71,030	66,942	71,298	72,045	79,941	73,824	81,584	79,658	87,090	76,558	80,280	84,939	87,563	90,453	
Notes and accounts receivable	41,788	45,517	44,345	46,587	43,152	41,598	39,386	37,638	36,804	33,755	33,618	36,087	32,621	34,707	34,250	
Marketable securities	15,281	15,061	22,692	25,192	25,124	25,887	30,423	30,895	27,841	25,451	28,169	32,767	31,774	35,374	35,512	
Inventory	14,763	14,334	14,970	15,450	16,314	16,666	16,382	15,917	16,852	16,129	16,654	17,688	17,379	16,523	17,400	
Deferred tax assets	2,760	2,698	2,712	3,480	3,179	2,889	2,949	4,293	3,778	3,454	3,400	2,960	2,858	2,926	3,021	
Other current assets	3,648	5,329	10,379	3,641	4,457	6,817	8,579	1,714	4,053	6,205	9,176	2,628	4,996	6,201	7,557	
Bad debt provision	-292	-331	-373	-335	-295	-284	-279	-283	-290	-282	-293	-315	-267	-266	-248	
<b>Fixed assets</b>	<b>110,082</b>	<b>113,294</b>	<b>111,032</b>	<b>120,125</b>	<b>121,118</b>	<b>120,780</b>	<b>121,384</b>	<b>113,194</b>	<b>114,135</b>	<b>104,350</b>	<b>104,984</b>	<b>106,722</b>	<b>105,969</b>	<b>106,357</b>	<b>110,810</b>	<b>37.1%</b>
Tangible fixed assets	43,576	43,326	44,049	45,003	44,195	44,593	44,129	43,851	43,464	42,376	42,063	43,031	41,989	41,755	41,510	
Buildings and structures	17,332	17,387	17,294	18,105	17,883	17,621	17,533	18,122	17,561	17,132	16,813	16,979	16,527	16,455	16,195	
Machinery and transport equipment	6,635	6,661	6,534	7,375	6,908	7,142	7,312	7,213	7,022	6,706	6,641	8,178	7,651	7,201	6,854	
Tools, instruments, etc.	2,242	2,223	2,245	2,220	2,131	2,246	2,159	2,080	1,983	2,021	1,995	1,972	1,893	1,983	1,922	
Land	12,652	12,636	12,722	12,843	12,819	12,850	12,797	13,015	12,928	12,875	12,856	13,138	13,091	13,085	13,096	
Construction in progress	4,609	4,320	5,171	4,374	4,380	4,670	4,273	3,361	3,919	3,596	3,719	2,718	2,720	2,933	3,352	
Lease assets	107	98	86	83	71	62	54	58	49	43	37	42	105	96	88	
Intangible fixed assets	16,104	15,207	16,129	16,303	15,434	14,675	13,554	12,522	11,028	9,610	8,461	5,973	5,399	4,987	4,523	
Investments, etc.	50,401	54,760	50,854	58,818	61,487	61,512	63,700	56,820	59,643	52,363	54,459	57,718	58,579	59,614	64,775	
Investment securities	41,576	45,207	41,970	48,779	51,719	51,055	53,179	48,234	51,628	44,481	48,091	49,989	50,793	51,623	56,895	
Long-term loans	64	61	60	58	57	52	51	47	46	45	42	40	37	36	35	
Deferred tax assets	1,420	1,555	1,696	1,705	1,664	1,742	1,857	2,056	1,790	1,690	2,115	512	628	675	649	
Other	7,555	8,150	7,341	8,491	8,262	8,878	8,830	6,697	6,394	6,363	6,327	7,392	7,336	7,495	7,412	
Bad debt provision	-218	-216	-216	-216	-216	-216	-216	-216	-216	-216	-216	-216	-216	-216	-216	
<b>Total assets</b>	<b>251,583</b>	<b>266,940</b>	<b>272,708</b>	<b>285,440</b>	<b>285,096</b>	<b>294,297</b>	<b>292,653</b>	<b>284,954</b>	<b>282,835</b>	<b>276,155</b>	<b>272,269</b>	<b>278,820</b>	<b>280,271</b>	<b>289,387</b>	<b>298,758</b>	
<b>Current liabilities</b>	<b>41,854</b>	<b>49,637</b>	<b>47,295</b>	<b>44,299</b>	<b>41,652</b>	<b>44,196</b>	<b>43,939</b>	<b>40,997</b>	<b>37,930</b>	<b>37,929</b>	<b>37,385</b>	<b>32,425</b>	<b>33,933</b>	<b>36,417</b>	<b>37,403</b>	<b>12.5%</b>
Notes and accounts payable	9,024	11,971	10,274	9,928	9,300	8,357	8,220	7,669	8,254	8,145	8,119	8,005	8,873	8,721	8,373	
Electronically recorded obligations-operating	7,503	8,028	7,781	7,923	8,211	8,219	6,330	6,347	6,562	6,367	5,852	6,375	6,692	5,936	6,131	
Short-term borrowing	1,693	1,715	1,694	1,685	1,784	1,666	1,671	1,683	1,667	1,665	1,663	1,561	1,536	1,621	1,486	
Accrued expenses	5,964	7,159	5,736	7,785	5,460	6,935	5,207	7,012	5,367	5,765	5,064	6,264	4,534	5,566	4,481	
Unpaid expenses	2,140	617	2,157	720	2,315	738	2,361	990	2,562	757	2,479	986	2,493	659	2,456	
Unpaid tax, etc.	2,746	5,582	2,429	3,978	2,361	4,926	3,414	6,208	1,981	3,641	1,356	2,559	1,641	3,390	2,273	
Bonus reserves	691	1,629	1,235	2,249	673	1,593	1,121	1,940	593	1,515	857	1,708	583	1,435	780	
Reserve for returned goods unsold	170	178	181	175	155	158	151	126	138	141	139	134	116	125	114	
Other current liabilities	11,912	12,748	15,800	9,852	11,390	13,600	15,461	9,017	10,802	9,929	11,852	4,829	7,461	8,960	11,305	
<b>Fixed liabilities</b>	<b>13,711</b>	<b>14,717</b>	<b>15,924</b>	<b>19,086</b>	<b>19,012</b>	<b>19,191</b>	<b>19,764</b>	<b>17,862</b>	<b>18,255</b>	<b>16,210</b>	<b>16,795</b>	<b>17,189</b>	<b>17,743</b>	<b>18,080</b>	<b>19,715</b>	<b>6.6%</b>
Long-term borrowing	815	773	756	727	710	687	668	647	631	612	595	576	559	540	524	
Provision for pension and remuneration obligations	6,522	6,628	6,734	7,211	5,877	5,924	5,972	6,817	6,955	7,025	7,078	7,028	7,061	7,131	7,221	
Deferred tax liabilities	3,788	4,648	5,494	7,250	7,339	7,294	8,056	5,730	6,478	4,485	5,621	5,525	6,126	6,383	7,783	
Other fixed liabilities	2,582	2,664	2,936	3,897	5,084	5,285	5,067	4,666	4,190	4,086	3,500	4,058	3,995	4,025	4,186	
<b>Total liabilities</b>	<b>55,565</b>	<b>64,355</b>	<b>63,220</b>	<b>63,386</b>	<b>60,664</b>	<b>63,388</b>	<b>63,703</b>	<b>58,859</b>	<b>56,186</b>	<b>54,140</b>	<b>54,180</b>	<b>49,614</b>	<b>51,676</b>	<b>54,498</b>	<b>57,119</b>	<b>19.1%</b>
<b>Owners' Equity</b>	<b>183,436</b>	<b>189,009</b>	<b>190,698</b>	<b>195,006</b>	<b>194,919</b>	<b>200,759</b>	<b>199,098</b>	<b>201,561</b>	<b>202,617</b>	<b>207,399</b>	<b>201,831</b>	<b>203,897</b>	<b>204,139</b>	<b>209,850</b>	<b>212,872</b>	<b>71.3%</b>
Common stock	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	
Capital surplus	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	5,914	5,914	5,914	5,914	5,914	5,914	
Retained earnings	188,417	193,992	195,681	199,990	199,904	205,745	208,259	210,725	211,782	216,564	222,148	224,214	224,457	230,169	233,192	
Treasury stock	-21,852	-21,853	-21,853	-21,854	-21,855	-21,856	-26,031	-26,033	-26,034	-23,553	-34,704	-34,705	-34,706	-34,707	-34,707	
<b>Net unrealized gain and translation adjustments</b>	<b>11,656</b>	<b>12,624</b>	<b>17,812</b>	<b>26,016</b>	<b>28,498</b>	<b>29,087</b>	<b>28,813</b>	<b>23,430</b>	<b>22,850</b>	<b>13,442</b>	<b>15,026</b>	<b>24,007</b>	<b>23,068</b>	<b>23,605</b>	<b>27,265</b>	<b>9.1%</b>
Other marketable securities revaluation account	6,685	8,402	9,990	13,087	16,003	15,552	17,027	13,367	16,170	11,145	13,542	14,531	15,651	16,285	19,462	
Land revaluation account	3,459	3,459	3,459	3,459	3,637	3,637	3,637	3,637	3,723	3,697	3,697	3,685	3,685	3,685	3,685	
Forex adjustment account	1,511	762	4,362	9,243	8,598	9,640	7,899	8,360	4,842	373	-550	6,904	4,790	4,628	5,046	
Remeasurements of defined benefit plans	0	0	0	225	258	255	248	-1,934	-1,885	-1,774	-1,662	-1,115	-1,059	-994	-929	
	0	0	0	0	0	33	67	101	135	158	180	203	225	250	274	
Minority interest	924	951	977	1,031	1,014	1,029	969	1,000	1,045	1,015	1,049	1,097	1,161	1,183	1,225	<b>0.4%</b>
<b>Total Net assets</b>	<b>196,017</b>	<b>202,585</b>	<b>209,487</b>	<b>222,054</b>	<b>224,431</b>	<b>230,909</b>	<b>228,949</b>	<b>226,095</b>	<b>226,649</b>	<b>222,015</b>	<b>218,089</b>	<b>229,205</b>	<b>228,595</b>	<b>234,889</b>	<b>241,638</b>	<b>80.9%</b>
<b>Liabilities and Net assets</b>	<b>251,583</b>	<b>266,940</b>	<b>272,708</b>	<b>285,440</b>	<b>285,096</b>	<b>294,297</b>	<b>292,653</b>	<b>284,954</b>	<b>282,835</b>	<b>276,155</b>	<b>272,269</b>	<b>278,820</b>	<b>280,271</b>	<b>289,387</b>	<b>298,758</b>	

**Consolidated Financial Statement**

<Profit and Loss statement> (Unit: ¥mn)	2014.05 Q1	2014.08 Q1-Q2	2014.11 Q1-Q3	2015.02 Q1-Q4	2015.05 Q1	2015.08 Q1-Q2	2015.11 Q1-Q3	2016.02 Q1-Q4	2016.05 Q1	2016.08 Q1-Q2	2016.11 Q1-Q3	2017.02 Q1-Q4	2017.05 Q1	2017.08 Q1-Q2	2017.11 Q1-Q3	YoY
<b>Sales</b>	37,756	77,052	114,940	156,743	39,680	82,428	122,283	161,852	38,153	74,447	109,729	145,925	36,081	73,463	109,553	99.8%
CoGS	13,931	27,901	40,954	57,063	14,512	29,268	42,431	58,319	13,539	26,193	38,778	53,155	14,004	27,584	40,267	
(as a % of sales)	36.9%	36.2%	35.6%	36.4%	36.6%	35.5%	34.7%	36.0%	35.5%	35.2%	35.3%	36.0%	38.8%	37.5%	36.8%	
<b>Gross profits</b>	<b>23,825</b>	<b>49,150</b>	<b>73,986</b>	<b>99,680</b>	<b>25,168</b>	<b>53,159</b>	<b>79,851</b>	<b>103,532</b>	<b>24,614</b>	<b>48,254</b>	<b>70,951</b>	<b>92,770</b>	<b>22,077</b>	<b>45,878</b>	<b>69,285</b>	<b>97.7%</b>
(as a % of sales)	63.1%	63.8%	64.4%	63.6%	63.4%	64.5%	65.3%	64.0%	64.5%	64.8%	64.7%	63.6%	61.2%	62.5%	63.2%	
<b>SG&amp;A costs</b>	<b>19,234</b>	<b>38,795</b>	<b>58,348</b>	<b>79,153</b>	<b>19,430</b>	<b>38,650</b>	<b>56,527</b>	<b>75,802</b>	<b>18,870</b>	<b>35,378</b>	<b>48,955</b>	<b>66,464</b>	<b>16,987</b>	<b>33,249</b>	<b>48,598</b>	
(as a % of sales)	50.9%	50.3%	50.8%	50.5%	49.0%	46.9%	46.2%	46.8%	49.5%	47.5%	44.6%	45.5%	47.1%	45.3%	44.4%	
Sales promotion costs	4,790	9,248	13,361	18,411	4,047	8,412	12,582	17,648	3,393	6,865	9,643	13,740	3,068	6,335	9,364	
Advertising costs	2,493	5,800	9,288	13,134	3,581	6,216	8,289	10,005	3,236	5,351	7,224	9,661	2,861	5,774	8,162	
R&D spending	3,466	6,732	10,602	13,718	3,421	6,908	10,915	14,965	4,093	7,791	10,224	14,378	4,436	7,935	11,561	
Other SG&A expenses	8,485	17,015	25,097	33,889	8,379	17,112	24,738	33,181	8,148	15,370	21,863	28,684	6,619	13,204	19,510	
<b>Operating profits</b>	<b>4,590</b>	<b>10,355</b>	<b>15,637</b>	<b>20,527</b>	<b>5,737</b>	<b>14,509</b>	<b>23,324</b>	<b>27,730</b>	<b>5,744</b>	<b>12,875</b>	<b>21,995</b>	<b>26,306</b>	<b>5,090</b>	<b>12,629</b>	<b>20,687</b>	<b>94.1%</b>
(as a % of sales)	12.2%	13.4%	13.6%	13.1%	14.5%	17.6%	19.1%	17.1%	15.1%	17.3%	20.0%	18.0%	14.1%	17.2%	18.9%	
<b>Nonoperating income</b>	<b>2,110</b>	<b>5,269</b>	<b>7,067</b>	<b>8,062</b>	<b>258</b>	<b>592</b>	<b>800</b>	<b>1,214</b>	<b>214</b>	<b>682</b>	<b>1,146</b>	<b>2,034</b>	<b>294</b>	<b>849</b>	<b>1,718</b>	
Interest received	15	38	55	104	25	64	100	184	42	101	169	292	76	180	302	
Dividends received	29	289	407	519	41	329	415	615	67	377	467	675	68	403	501	
Royalty income	11	23	37	47	10	21	33	43	7	16	27	37	8	17	585	
Foreign exchange gains	0	27	477	597	93	0	0	0	0	0	0	0	0	0	0	
Equity-method investment profits	1,959	4,675	5,705	6,201	0	0	0	0	0	0	55	471	0	0	0	
Other	93	214	383	591	87	177	251	370	97	187	425	557	140	248	328	
<b>Nonoperating expenses</b>	<b>45</b>	<b>52</b>	<b>66</b>	<b>100</b>	<b>333</b>	<b>478</b>	<b>657</b>	<b>936</b>	<b>396</b>	<b>1,002</b>	<b>256</b>	<b>160</b>	<b>443</b>	<b>609</b>	<b>361</b>	
Interest paid	11	18	26	34	7	16	25	32	8	18	29	39	6	15	25	
Foreign exchange losses	26	0	0	0	0	184	450	832	201	783	188	8	35	174	21	
Other	7	33	39	65	325	277	181	71	187	200	39	112	401	419	315	
<b>Recurring profits</b>	<b>6,656</b>	<b>15,572</b>	<b>22,637</b>	<b>28,489</b>	<b>5,663</b>	<b>14,622</b>	<b>23,467</b>	<b>28,008</b>	<b>5,561</b>	<b>12,554</b>	<b>22,885</b>	<b>28,179</b>	<b>4,941</b>	<b>12,869</b>	<b>22,043</b>	<b>96.3%</b>
(as a % of sales)	17.6%	20.2%	19.7%	18.2%	14.3%	17.7%	19.2%	17.3%	14.6%	16.9%	20.9%	19.3%	13.7%	17.5%	20.1%	
<b>Extraordinary profits</b>	<b>4</b>	<b>20</b>	<b>851</b>	<b>1,012</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>1,303</b>	<b>1,303</b>	<b>4,198</b>	<b>4,231</b>	<b>487</b>	<b>487</b>	<b>487</b>	
Gain on sales of investment securities	0	0	0	22	0	0	0	0	0	0	0	0	487	487	487	
Other	4	20	851	989	0	1	1	2	1,303	1,303	4,197	4,230	0	0	0	
<b>Extraordinary losses</b>	<b>10</b>	<b>10</b>	<b>16</b>	<b>84</b>	<b>24</b>	<b>24</b>	<b>29</b>	<b>89</b>	<b>6</b>	<b>46</b>	<b>52</b>	<b>2,426</b>	<b>0</b>	<b>2</b>	<b>6</b>	
Losses on fixed asset disposal	10	10	16	24	24	24	29	89	6	46	52	71	0	2	6	
Impairment loss	0	0	0	0	0	0	0	0	0	0	0	2,354	0	0	0	
Valuation losses on investment securities	0	0	0	60	0	0	0	0	0	0	0	0	0	0	0	
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Pretax profits</b>	<b>6,649</b>	<b>15,582</b>	<b>23,472</b>	<b>29,416</b>	<b>5,639</b>	<b>14,599</b>	<b>23,439</b>	<b>27,922</b>	<b>6,859</b>	<b>13,812</b>	<b>27,031</b>	<b>29,984</b>	<b>5,428</b>	<b>13,354</b>	<b>22,524</b>	<b>83.3%</b>
Tax, etc.	2,650	6,007	8,995	10,631	2,103	5,223	8,121	10,138	2,330	4,526	8,691	9,589	1,753	3,968	6,684	
<b>Net profits</b>	<b>3,998</b>	<b>9,574</b>	<b>14,476</b>	<b>18,784</b>	<b>3,535</b>	<b>9,376</b>	<b>15,318</b>	<b>17,784</b>	<b>4,529</b>	<b>9,286</b>	<b>18,340</b>	<b>20,395</b>	<b>3,674</b>	<b>9,386</b>	<b>15,840</b>	<b>86.4%</b>
(as a % of sales)	10.6%	12.4%	12.6%	12.0%	8.9%	11.4%	12.5%	11.0%	11.9%	12.5%	16.7%	14.0%	10.2%	12.8%	14.5%	
Capex		2,730		5,761		1,992		4,053		1,964		3,772		1,218		
(as a % of sales)		3.5%		3.7%		2.4%		2.5%		2.6%		2.6%		1.7%		
Depreciation		2,550		5,600		3,064		6,460		2,736		5,491		2,464		
(as a % of sales)		3.3%		3.8%		3.7%		4.0%		3.7%		3.8%		3.4%		
Goodwill amortization		998		2,031		1,074		2,153		1,034		2,015		552		
Number of employees		2,965		2,942		2,960		2,900		2,798		2,751		2,800		

<Profit and Loss statement> (Unit: ¥mn)	2014.05 Q1	2014.08 Q2	2014.11 Q3	2015.02 Q4	2015.05 Q1	2015.08 Q2	2015.11 Q3	2016.02 Q4	2016.05 Q1	2016.08 Q2	2016.11 Q3	2017.02 Q4	2017.05 Q1	2017.08 Q2	2017.11 Q3	YoY
<b>Sales</b>	37,756	39,296	37,888	41,803	39,680	42,747	39,854	39,569	38,153	36,293	35,282	36,195	36,081	37,381	36,089	102.3%
CoGS	13,931	13,970	13,053	16,109	14,512	14,755	13,163	15,887	13,539	12,654	12,584	14,376	14,004	13,580	12,682	
(as a % of sales)	36.9%	35.6%	34.5%	38.5%	36.6%	34.5%	33.0%	40.2%	35.5%	34.9%	35.7%	39.7%	38.8%	36.3%	35.1%	
<b>Gross profits</b>	<b>23,825</b>	<b>25,325</b>	<b>24,836</b>	<b>25,694</b>	<b>25,168</b>	<b>27,991</b>	<b>26,691</b>	<b>23,681</b>	<b>24,614</b>	<b>23,639</b>	<b>22,697</b>	<b>21,818</b>	<b>22,077</b>	<b>23,801</b>	<b>23,406</b>	<b>103.1%</b>
(as a % of sales)	63.1%	64.4%	65.6%	61.5%	63.4%	65.5%	67.0%	59.8%	64.5%	65.1%	64.3%	60.3%	61.2%	63.7%	64.9%	
<b>SG&amp;A costs</b>	<b>19,234</b>	<b>19,561</b>	<b>19,553</b>	<b>20,805</b>	<b>19,430</b>	<b>19,220</b>	<b>17,876</b>	<b>19,275</b>	<b>18,870</b>	<b>16,508</b>	<b>13,576</b>	<b>17,508</b>	<b>16,987</b>	<b>16,261</b>	<b>15,348</b>	
(as a % of sales)	50.9%	49.8%	51.6%	49.8%	49.0%	45.0%	44.9%	48.7%	49.5%	45.5%	38.5%	48.4%	47.1%	43.5%	42.5%	
Sales promotion costs	4,790	4,458	4,113	5,050	4,047	4,364	4,170	5,065	3,393	3,472	2,778	4,096	3,068	3,266	3,029	
Advertising costs	2,493	3,307	3,488	3,846	3,581	2,634	2,073	1,716	3,236	2,114	1,873	2,437	2,861	2,912	2,387	
R&D spending	3,466	3,266	3,870	3,116	3,421	3,487	4,006	4,050	4,093	3,698	2,432	4,153	4,436	3,498	3,626	
Other SG&A expenses	8,485	8,530	8,082	8,792	8,379	8,733	7,626	8,442	8,148	7,221	6,493	6,820	6,619	6,584	6,305	
<b>Operating profits</b>	<b>4,590</b>	<b>5,765</b>	<b>5,282</b>	<b>4,890</b>	<b>5,737</b>	<b>8,771</b>	<b>8,815</b>	<b>4,406</b>	<b>5,744</b>	<b>7,131</b>	<b>9,120</b>	<b>4,310</b>	<b>5,090</b>	<b>7,539</b>	<b>8,057</b>	<b>88.3%</b>
(as a % of sales)	12.2%	14.7%	13.9%	11.7%	14.5%	20.5%	22.1%	11.1%	15.1%	19.6%	25.8%	11.9%	14.1%	20.2%	22.3%	
<b>Nonoperating income</b>	<b>2,110</b>	<b>3,159</b>	<b>1,798</b>	<b>995</b>	<b>258</b>	<b>333</b>	<b>208</b>	<b>414</b>	<b>214</b>	<b>467</b>	<b>464</b>	<b>888</b>	<b>294</b>	<b>555</b>	<b>1,140</b>	
Interest received	15	23	17	49	25	38	36	84	42	58	68	122	76	104	121	
Dividends received	29	260	118	112	41	288	85	200	67	310	89	207	68	335	98	
Royalty income	11	12	14	10	10	10	12	9	7	8	11	9	8	8	568	
Foreign exchange gains	0	27	450	120	93	-93	0	0	0	0	0	0	0	0	153	
Equity-method investment profits	1,959	2,716	1,030	496	0	0	0	0	0	0	55	416	0	0	118	
Other	93	121	169	208	87	89	73	119	97	89	238	131	140	107	80	
<b>Nonoperating expenses</b>	<b>45</b>	<b>7</b>	<b>14</b>	<b>34</b>	<b>333</b>	<b>145&lt;/</b>										

**Consolidated Financial Statement**

<b>&lt;Balance sheet&gt;</b>	2014.05	2014.08	2014.11	2015.02	2015.05	2015.08	2015.11	2016.02	2016.05	2016.08	2016.11	2017.02	2017.05	2017.08	2017.11	As a % of total
(Unit: ¥mn)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
<b>Current assets</b>	<b>103,899</b>	<b>113,419</b>	<b>114,147</b>	<b>113,498</b>	<b>113,315</b>	<b>121,262</b>	<b>119,690</b>	<b>119,837</b>	<b>120,036</b>	<b>125,587</b>	<b>118,361</b>	<b>117,581</b>	<b>117,127</b>	<b>125,978</b>	<b>128,987</b>	<b>48.7%</b>
Cash & deposits	51,586	55,884	55,565	60,828	59,894	66,371	64,048	72,687	71,024	75,669	64,868	68,962	71,365	76,452	78,034	
Notes and accounts receivable	37,928	41,289	39,702	39,354	37,179	36,313	34,882	31,970	30,997	30,345	31,186	32,545	28,338	31,782	30,322	
Marketable securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Inventory	10,574	10,298	10,682	10,934	11,829	11,810	11,868	11,640	12,774	12,123	12,733	12,762	12,754	11,234	12,157	
Deferred tax assets	1,763	1,763	1,763	1,538	1,538	1,538	1,538	2,475	2,475	2,475	2,475	1,943	1,943	1,943	1,943	
Other current assets	2,254	4,407	6,648	1,060	3,080	5,430	7,546	1,247	2,943	5,147	7,277	1,554	2,890	4,749	6,707	
Bad debt provision	-210	-227	-219	-217	-207	-201	-194	-183	-178	-174	-179	-187	-165	-184	-178	
<b>Fixed assets</b>	<b>121,354</b>	<b>125,215</b>	<b>126,423</b>	<b>133,747</b>	<b>136,549</b>	<b>135,270</b>	<b>137,380</b>	<b>131,296</b>	<b>134,495</b>	<b>127,144</b>	<b>129,978</b>	<b>130,771</b>	<b>131,220</b>	<b>131,555</b>	<b>136,049</b>	<b>51.3%</b>
Tangible fixed assets	29,479	29,478	29,442	29,584	29,276	29,174	29,390	29,020	29,120	29,090	29,065	29,048	28,544	28,304	28,019	
Buildings and structures	10,383	10,561	10,339	10,807	10,742	10,503	10,626	10,430	10,195	10,185	9,990	9,806	9,615	9,443	9,269	
Machinery and transport equipment	3,921	4,030	3,719	4,382	4,046	3,737	4,170	3,969	3,708	3,755	3,752	5,045	4,731	4,417	4,162	
Tools, instruments, etc.	1,641	1,631	1,678	1,631	1,592	1,694	1,651	1,585	1,531	1,603	1,587	1,560	1,512	1,585	1,544	
Land	10,949	10,949	10,949	10,949	10,949	10,949	10,949	11,155	11,155	11,210	11,210	11,312	11,312	11,312	11,312	
Construction in progress	2,568	2,292	2,743	1,796	1,930	2,278	1,983	1,871	2,523	2,331	2,521	1,320	1,370	1,544	1,729	
Lease assets	16	14	16	17	14	12	9	7	5	4	3	2	1	0	0	
Intangible fixed assets	5,583	5,312	5,041	4,770	4,499	4,227	3,956	3,685	3,414	3,143	2,895	2,622	2,350	2,158	1,883	
Investments, etc.	86,291	90,424	91,939	99,393	102,773	101,868	104,032	98,590	101,960	94,910	98,016	99,100	100,325	101,093	106,146	
Investment securities	30,932	34,456	36,573	43,737	46,974	46,361	48,563	43,367	46,925	39,910	43,125	44,435	45,815	46,656	51,654	
Advances to and shares in related companies	48,148	48,148	48,148	48,148	48,148	47,903	47,903	47,903	47,903	47,903	47,903	47,903	47,903	47,903	48,003	
Long-term loans	1,162	1,663	2,014	2,225	2,315	2,066	1,952	1,602	1,485	1,376	1,364	1,190	1,064	961	945	
Deferred tax assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other investments, etc.	6,474	6,572	5,618	5,700	5,754	5,951	6,029	6,131	6,058	6,127	6,034	5,983	5,954	5,975	5,939	
Bad debt provision	-426	-418	-418	-419	-418	-416	-417	-414	-412	-407	-411	-412	-413	-402	-396	
<b>Total assets</b>	<b>225,254</b>	<b>238,635</b>	<b>240,571</b>	<b>247,245</b>	<b>249,865</b>	<b>256,532</b>	<b>257,070</b>	<b>251,134</b>	<b>254,532</b>	<b>252,732</b>	<b>248,340</b>	<b>248,353</b>	<b>248,347</b>	<b>257,533</b>	<b>265,037</b>	
<b>Current liabilities</b>	<b>25,788</b>	<b>31,547</b>	<b>29,395</b>	<b>26,974</b>	<b>25,845</b>	<b>27,658</b>	<b>28,337</b>	<b>24,890</b>	<b>23,837</b>	<b>24,967</b>	<b>25,841</b>	<b>21,914</b>	<b>20,842</b>	<b>23,825</b>	<b>25,640</b>	<b>9.7%</b>
Notes and accounts payable	3,475	3,635	3,901	5,307	3,790	3,128	3,238	3,940	3,264	2,658	4,144	4,271	2,544	2,926	3,773	
Electronically recorded obligations-operating	7,503	8,028	7,781	7,925	8,214	6,220	6,331	6,352	6,562	6,376	5,858	6,377	6,560	5,936	6,135	
short-term debt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Accrued expenses	6,783	8,008	6,044	8,105	6,359	7,464	5,460	6,950	6,399	6,133	5,152	6,889	5,776	6,197	4,910	
Unpaid expenses	1,765	254	1,787	239	1,820	268	1,864	268	1,916	254	1,922	272	1,934	232	1,899	
Unpaid tax, etc.	2,442	5,219	2,028	3,196	2,191	4,577	3,120	5,726	2,061	3,708	1,284	2,181	1,029	2,913	1,749	
Bonus reserves	251	999	223	955	234	1,040	241	985	253	1,058	262	1,000	267	1,063	270	
Reserve for returned goods unsold	170	178	181	175	155	158	151	126	138	141	139	134	116	125	114	
Other current liabilities	3,392	5,217	7,443	1,070	3,079	4,798	7,929	539	3,242	4,634	7,077	787	2,611	4,429	6,787	
<b>Fixed liabilities</b>	<b>9,606</b>	<b>10,506</b>	<b>11,398</b>	<b>13,164</b>	<b>13,335</b>	<b>13,237</b>	<b>13,996</b>	<b>12,821</b>	<b>13,620</b>	<b>11,686</b>	<b>12,659</b>	<b>13,063</b>	<b>13,700</b>	<b>14,053</b>	<b>15,555</b>	<b>5.9%</b>
Long-term borrowing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Provision for pension and remuneration obligations	6,273	6,373	6,471	6,615	5,302	5,367	5,438	5,540	5,682	5,824	5,938	6,002	6,089	6,212	6,356	
Deferred tax liabilities related to revaluation	1,894	1,894	1,894	1,894	1,716	1,716	1,716	1,716	1,630	1,619	1,619	1,614	1,614	1,614	1,614	
Other fixed liabilities	1,439	2,238	3,032	4,654	6,316	6,153	6,841	5,564	6,307	4,241	5,101	5,447	5,996	6,226	7,585	
<b>Total liabilities</b>	<b>35,395</b>	<b>42,053</b>	<b>40,793</b>	<b>40,138</b>	<b>39,181</b>	<b>40,895</b>	<b>42,334</b>	<b>37,712</b>	<b>37,458</b>	<b>36,653</b>	<b>38,501</b>	<b>34,978</b>	<b>34,542</b>	<b>37,878</b>	<b>41,196</b>	<b>15.5%</b>
<b>Owners' Equity</b>	<b>179,909</b>	<b>184,917</b>	<b>186,552</b>	<b>190,771</b>	<b>191,263</b>	<b>196,640</b>	<b>194,196</b>	<b>196,517</b>	<b>197,239</b>	<b>201,204</b>	<b>192,592</b>	<b>195,199</b>	<b>194,467</b>	<b>199,689</b>	<b>200,713</b>	<b>75.7%</b>
Common stock	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	8,473	
Capital surplus	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	5,759	5,759	5,759	5,759	5,759	5,759	
Capital reserves	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	
Other capital surplus	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	3,641	3,641	3,641	3,641	3,641	3,641	
Retained earnings	185,016	190,024	191,660	195,879	196,372	201,750	203,480	205,803	206,525	210,491	213,031	215,638	214,906	220,129	221,153	
Voluntary reserve	173,000	173,000	173,000	173,000	185,000	185,000	185,000	185,000	195,000	195,000	195,000	195,000	205,000	205,000	205,000	
Unappropriated profit for the year (net profit)	4,336	9,345	14,194	18,413	4,069	9,447	14,605	16,928	4,195	8,134	14,145	16,741	2,699	7,921	12,37	

**Consolidated Financial Statement**

<Profit and Loss statement> (Unit: ¥mn)	2014.05	2014.08	2014.11	2015.02	2015.05	2015.08	2015.11	2016.02	2016.05	2016.08	2016.11	2017.02	2017.05	2017.08	2017.11	YoY
	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	
<b>Sales</b>	29,968	61,113	90,012	119,971	28,867	60,957	90,287	119,305	28,436	56,076	83,187	112,671	25,997	55,871	83,540	<b>100.4%</b>
Rx Business	22,615	46,192	68,547	90,379	20,753	44,428	66,578	86,778	19,130	38,469	57,055	75,854	16,863	36,804	55,581	
OTC Business	6,005	11,534	16,172	21,379	6,289	12,107	17,235	22,906	7,549	13,314	19,608	25,867	7,477	13,899	19,875	
Int'l Business	1,347	3,386	5,292	8,212	1,824	4,321	6,473	9,619	1,755	4,292	6,523	10,949	1,656	5,167	8,083	
CoGS	9,955	20,013	29,256	40,756	9,627	20,088	29,342	40,902	9,943	19,332	28,653	40,560	9,478	19,855	29,040	
(as a % of sales)	33.2%	32.7%	32.5%	34.0%	33.3%	33.0%	32.5%	34.3%	35.0%	34.5%	34.4%	36.0%	36.5%	35.5%	34.8%	
<b>Gross profits</b>	20,012	41,100	60,756	79,215	19,240	40,769	60,945	78,403	18,492	36,743	54,534	72,111	16,519	36,016	54,499	<b>99.9%</b>
(as a % of sales)	66.8%	67.3%	67.5%	66.0%	66.7%	67.0%	67.5%	65.7%	65.0%	65.5%	65.6%	64.0%	63.5%	64.5%	65.2%	
SG&A costs	13,425	27,215	40,010	52,903	13,544	27,035	39,757	52,716	13,893	26,458	36,647	50,567	13,671	26,435	38,561	
(as a % of sales)	44.8%	44.5%	44.4%	44.1%	46.9%	44.4%	44.0%	44.2%	48.9%	47.2%	44.1%	44.9%	52.6%	47.3%	46.2%	
Sales promotion costs	2,867	5,654	8,170	11,447	2,578	5,546	8,233	11,615	2,411	5,187	7,462	10,707	2,467	5,111	7,691	
Advertising costs	2,248	5,044	6,860	8,612	2,736	4,836	6,552	7,578	2,856	4,612	6,004	7,426	2,178	4,399	6,138	
R&D spending	2,716	5,021	8,092	10,113	2,555	5,086	8,101	11,316	3,169	5,855	7,317	11,371	3,768	6,553	9,355	
Other SG&A expenses	5,594	11,496	16,888	22,728	5,674	11,565	16,870	22,205	5,456	10,803	15,862	21,062	5,257	10,370	15,375	
<b>Operating profits</b>	6,587	13,885	20,745	26,311	5,695	13,734	21,187	25,686	4,598	10,284	17,887	21,543	2,847	9,580	15,937	<b>89.1%</b>
(as a % of sales)	22.0%	22.7%	23.0%	21.9%	19.7%	22.6%	23.5%	21.5%	16.2%	18.3%	21.5%	19.1%	11.0%	17.1%	19.1%	
Nonoperating income	194	678	1,364	1,570	419	698	888	1,167	203	575	929	1,233	332	757	951	
Interest received	5	16	23	37	7	21	28	41	4	12	15	24	3	9	12	
Dividends received	69	446	563	676	106	501	587	788	101	418	508	783	208	579	677	
Royalty income	58	69	125	154	71	81	144	153	42	51	96	105	47	55	105	
Foreign exchange gains	0	41	440	439	193	0	0	0	0	0	25	0	0	0	2	
Other	60	103	210	263	40	93	128	183	54	93	283	320	73	113	153	
Nonoperating expenses	37	30	37	45	6	107	41	558	146	590	16	69	11	124	25	
Interest paid	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Foreign exchange losses	23	0	0	0	0	89	16	526	140	579	0	47	7	106	0	
Other	12	30	37	45	6	17	24	31	5	11	16	22	4	17	25	
<b>Recurring profits</b>	6,744	14,533	22,072	27,836	6,108	14,324	22,034	26,295	4,656	10,268	18,800	22,706	3,168	10,213	16,863	<b>89.7%</b>
(as a % of sales)	22.5%	23.8%	24.5%	23.2%	21.2%	23.5%	24.4%	22.0%	16.4%	18.3%	22.6%	20.2%	12.2%	18.3%	20.2%	
Extraordinary profits	0	0	0	22	0	0	0	1	1,303	1,303	1,303	1,317	487	487	487	
Gain on sales of investment securities	0	0	0	22	0	0	0	0	0	0	0	0	487	487	487	
Other	0	0	0	0	0	0	0	1	1,303	1,303	1,303	1,316	0	0	0	
Extraordinary losses	1	7	9	76	14	259	259	284	0	32	33	47	0	1	2	
Losses on fixed asset disposal	1	7	9	15	14	14	14	39	0	32	33	47	0	1	2	
Valuation losses on investment securities	0	0	0	60	0	244	244	244	0	0	0	0	0	0	0	
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Pretax profits</b>	6,743	14,526	22,063	27,782	6,093	14,065	21,775	26,011	5,959	11,540	20,070	23,976	3,655	10,699	17,348	<b>86.4%</b>
Tax, etc.	2,407	5,181	7,869	9,369	2,024	4,617	7,169	9,083	1,764	3,405	5,925	7,234	955	2,778	4,970	
<b>Net profits</b>	4,336	9,345	14,194	18,413	4,069	9,447	14,605	16,928	4,195	8,134	14,145	16,741	2,699	7,921	12,377	<b>87.5%</b>
(as a % of sales)	14.5%	15.3%	15.8%	15.3%	14.1%	15.5%	16.2%	14.2%	14.8%	14.5%	17.0%	14.9%	10.4%	14.2%	14.8%	
Capex		1,927		3,887		1,055		2,563		1,428		2,926			690	
(as a % of sales)		3.2%		3.2%		1.7%		2.1%		2.5%		2.6%			1.2%	
Depreciation		1,460		3,116		1,442		3,054		1,286		2,761			1,330	
(as a % of sales)		2.4%		2.6%		2.4%		2.6%		2.3%		2.5%			2.4%	
Goodwill amortization		542		1,084		542		1,084		542		1,085			552	
Number of employees		1,583		1,548		1,613		1,580		1,621		1,581			1,623	

<Profit and Loss statement> (Unit: ¥mn)	2014.05	2014.08	2014.11	2015.02	2015.05	2015.08	2015.11	2016.02	2016.05	2016.08	2016.11	2017.02	2017.05	2017.08	2017.11	YoY
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
<b>Sales</b>	29,968	31,145	28,899	29,959	28,867	31,989	29,430	29,017	28,436	27,639	27,111	29,483	25,997	29,873	27,668	<b>102.1%</b>
Rx Business	22,615	23,577	22,355	21,832	20,753	23,675	22,150	20,200	19,130	19,338	18,586	18,799	16,863	19,940	18,777	
OTC Business	6,005	5,529	4,638	5,207	6,289	5,817	5,128	5,671	7,549	5,764	6,294	6,259	7,477	6,421	5,975	
Int'l Business	1,347	2,039	1,906	2,920	1,824	2,497	2,151	3,146	1,755	2,537	2,231	4,425	1,656	3,511	2,915	
CoGS	9,955	10,058	9,243	11,500	9,627	10,460	9,254	11,559	9,943	9,388	9,320	11,906	9,478	10,377	9,185	
(as a % of sales)	33.2%	32.3%	32.0%	38.4%	33.3%	32.7%	31.4%	39.8%	35.0%	34.0%	34.4%	40.4%	36.5%	34.7%	33.2%	
<b>Gross profits</b>	20,012	21,088	19,656	18,459	19,240	21,528	20,175	17,458	18,492	18,250	17,791	17,577	16,519	19,496	18,482	<b>103.9%</b>
(as a % of sales)	66.8%	67.7%	68.0%	61.6%	66.7%	67.3%	68.6%	60.2%	65.0%	66.0%	65.6%	59.6%	63.5%	65.3%	66.8%	
SG&A costs	13,425	13,790	12,795	12,893	13,544	13,490	12,722	12,958	13,893	12,565	10,188	13,920	13,671	12,763	12,126	
(as a % of sales)	44.8%	44.3%	44.3%	43.0%	46.9%	42.2%	43.2%	44.7%	48.9%	45.5%	37.6%	47.2%	52.6%	42.7%	43.8%	
Sales promotion costs	2,867	2,787	2,516	3,277	2,578	2,968	2,686	3,382	2,411	2,776	2,275	3,244	2,467	2,644	2,579	
Advertising costs	2,248	2,796	1,816	1,752	2,736	2,999	1,716	1,026	2,856	1,756	1,391	1,421	2,178	2,220	1,739	
R&D spending	2,716	2,305	3,071	2,021	2,555	2,531	3,014	3,215	3,169	2,685	1,462	4,054	3,768	2,785	2,801	
Other SG&A expenses	5,594	5,902	5,392	5,840	5,674	5,891	5,304	5,335	5,456	5,346	5,059	5,200	5,257	5,113	5,004	
<b>Operating profits</b>	6,587	7,298	6,860	5,566	5,695	8,038	7,453	4,499	4,598	5,685	7,602	3,656	2,847	6,732	6,356	<b>83.6%</b>
(as a % of sales)	22.0%	23.4%	23.7%	18.6%	19.7%	25.1%	25.3%	15.5%	16.2%	20.6%	28.0%	12.4%	11.0%	22.5%	23.0%	
Nonoperating income	194	484	686	206	419	278	190	278	203	371	354	303	332	425	194	
Interest received	5	11	7	14	7	13	7	12	4	7	3	8	3	6	2	
Dividends received	69	377	117	113	106	395	85	200	101	316	89	274	208	371	98	
Royalty income	58	11	56	29	71	10	62	9	42	8	44	9	47	8	50	
Foreign exchange gains	0	41	399	-1	193	-193	0	0	0	0	25	-25	0	0	2	
Other	60	43	107	53	40	52	34	55	54	38	189	37	73	39	40	
Nonoperating expenses	37	-7	7	8	6	100	-66	517	146	444	-573	53	11	112	-98	
Interest paid	0	0	0	0	0											

Sales Results of Major Products

(Unit: ¥mn)	2014.05 Q1	2014.08 Q1-Q2	2014.11 Q1-Q3	2015.02 Q1-Q4	2015.05 Q1	2015.08 Q1-Q2	2015.11 Q1-Q3	2016.02 Q1-Q4	2016.05 Q1	2016.08 Q1-Q2	2016.11 Q1-Q3	2017.02 Q1-Q4	2017.05 Q1	2017.08 Q1-Q2	2017.11 Q1-Q3	YoY
Fentos® Tape	746	1,973	3,338	4,577	1,462	2,778	4,602	5,978	919	2,302	3,816	5,315	1,014	2,351	3,706	97.1%
Norspan® Tape	498	1,039	1,530	2,087	523	1,145	1,679	2,229	572	1,153	1,671	2,217	500	1,059	1,560	93.4%
Neoxy® Tape	157	367	673	913	224	471	715	966	269	752	961	1,234	227	427	617	64.2%
Abstral®	36	79	118	165	45	98	146	194	46	94	150	204	55	115	164	109.3%
Mohrus® Tape products	17,794	35,665	52,599	69,292	15,549	33,563	49,896	64,508	13,944	27,388	40,244	52,731	11,536	24,947	37,583	93.4%
Mohrus® Pap products	1,596	3,274	4,786	6,141	1,307	2,885	4,248	6,019	1,760	3,628	5,454	7,683	1,800	4,205	6,388	117.1%
(Mohrus® Pap XR products)	-	-	-	-	-	-	-	672	726	1,629	2,558	4,004	1,113	2,710	4,196	164.0%
Minivelle®	1,578	3,436	5,643	9,083	2,433	5,220	7,956	11,059	2,694	5,300	7,374	9,485	2,648	3,855	5,837	79.2%
Vivelle-Dot® products	806	1,795	3,106	4,942	1,597	2,792	4,090	5,012	847	2,063	2,921	3,700	1,253	2,284	3,491	119.5%
CombiPatch® products	221	365	954	2,009	1,218	2,482	3,869	5,194	1,326	2,233	3,431	3,821	1,132	2,156	2,998	87.4%
Brisdelle®	105	297	595	1,074	437	1,063	1,655	2,124	486	841	978	966	-10	-10	-10	-
Daytrana®	1,725	3,478	4,950	6,509	1,955	3,694	4,916	6,149	1,015	1,825	2,941	3,672	784	1,747	2,447	83.2%
Salonpas® products	4,485	9,881	14,605	20,176	5,244	11,138	16,680	22,897	5,793	11,755	17,385	24,239	7,218	14,172	21,447	123.4%
Salonsip® products	991	2,372	3,520	4,523	1,041	2,405	3,531	4,459	1,102	2,123	3,556	4,433	975	2,606	3,502	98.5%
Air® Salonpas® products	514	1,235	1,703	2,097	501	1,241	1,672	2,017	539	1,181	1,684	2,068	388	1,032	1,380	81.9%
Feitas® products	848	2,247	3,283	4,104	1,066	2,297	3,506	4,482	1,399	2,414	3,614	4,594	1,252	2,625	4,055	112.2%
Butenolock® products	1,249	1,503	1,568	1,766	1,013	1,290	1,421	1,662	1,001	1,317	1,493	1,733	817	1,199	1,366	91.5%
Allegra® FX	723	774	988	2,409	657	696	866	2,007	1,038	1,097	1,682	3,607	941	1,005	1,292	76.8%

(Unit: ¥mn)	2014.05 Q1	2014.08 Q2	2014.11 Q3	2015.02 Q4	2015.05 Q1	2015.08 Q2	2015.11 Q3	2016.02 Q4	2016.05 Q1	2016.08 Q2	2016.11 Q3	2017.02 Q4	2017.05 Q1	2017.08 Q2	2017.11 Q3	YoY
Fentos® Tape	746	1,227	1,365	1,239	1,462	1,316	1,824	1,375	919	1,382	1,514	1,499	1,014	1,336	1,355	89.5%
Norspan® Tape	498	541	491	557	523	622	534	549	572	580	518	545	500	559	500	96.5%
Neoxy® Tape	157	210	306	240	224	246	244	251	269	482	209	273	227	200	189	90.4%
Abstral®	36	43	38	47	45	53	47	47	46	47	56	54	55	59	49	87.5%
Mohrus® Tape products	17,794	17,871	16,934	16,693	15,549	18,013	16,332	14,612	13,944	13,444	12,855	12,487	11,536	13,411	12,635	98.3%
Mohrus® Pap products	1,596	1,678	1,512	1,355	1,307	1,577	1,363	1,771	1,760	1,868	1,825	2,228	1,800	2,404	2,183	119.6%
	-	-	-	-	-	-	-	672	726	902	928	1,446	1,113	1,597	1,485	160.0%
Minivelle®	1,578	1,858	2,207	3,440	2,433	2,787	2,735	3,103	2,694	2,606	2,074	2,111	2,648	1,206	1,982	95.6%
Vivelle-Dot® products	806	989	1,311	1,836	1,597	1,194	1,298	921	847	1,215	858	778	1,253	1,030	1,207	140.7%
CombiPatch® products	221	144	589	1,055	1,218	1,263	1,387	1,325	1,326	906	1,198	390	1,132	1,024	841	70.2%
Brisdelle®	105	192	298	479	437	625	592	468	486	354	137	-12	-10	0	0	0.0%
Daytrana®	1,725	1,753	1,472	1,559	1,955	1,739	1,221	1,233	1,015	810	1,115	731	784	963	699	62.7%
Salonpas® products	4,485	5,390	4,724	5,570	5,244	5,894	5,541	6,216	5,793	5,962	5,629	6,854	7,218	6,953	7,275	129.2%
Salonsip® products	991	1,380	1,148	1,002	1,041	1,363	1,126	927	1,102	1,021	1,432	876	975	1,630	896	62.6%
Air® Salonpas® products	514	721	468	394	501	739	431	345	539	641	503	383	388	644	348	69.2%
Feitas® products	848	1,399	1,036	821	1,066	1,230	1,208	976	1,399	1,015	1,199	979	1,252	1,372	1,429	119.2%
Butenolock® products	1,249	254	65	197	1,013	277	130	241	1,001	316	175	239	817	382	166	94.9%
Allegra® FX	723	51	214	1,421	657	38	170	1,140	1,038	58	584	1,925	941	64	287	49.1%

## Earnings Forecasts

	Feb 2017A				Cons- parent ratio	Feb 2018E				
	Q1-Q4	YoY	Q1-Q2			Q1-Q4	YoY	Q1-Q2	Cons- parent ratio	
<b>&lt;Consolidated&gt;</b>										
<b>Sales</b>	<b>145,925</b>	<b>90.2%</b>	<b>74,447</b>		<b>1.30</b>	<b>147,000</b>	<b>100.7%</b>	<b>75,800</b>		<b>1.27</b>
CoGS	53,155	91.1%	26,193			55,700	104.8%	28,300		
(CoGS ratio %)	36.4%		35.2%			37.9%		37.3%		
Gross profits	92,770	89.6%	48,254			91,300	98.4%	47,500		
(as a % of sales)	63.6%		64.8%			62.1%		62.7%		
SG&A costs	66,464	87.7%	35,378			67,200	101.1%	34,000		
(Sales promotion costs)	13,740	77.9%	6,865			13,000	94.6%	7,200		
(Advertising costs)	9,661	96.6%	5,351			10,900	112.8%	5,900		
(R&D spending)	14,378	96.1%	7,791			15,100	105.0%	7,100		
(Other SG&A expenses)	28,684	86.4%	15,370			28,200	98.3%	13,800		
<b>Operating profits</b>	<b>26,306</b>	<b>94.9%</b>	<b>12,875</b>		<b>1.22</b>	<b>24,100</b>	<b>91.6%</b>	<b>13,500</b>		<b>1.15</b>
(as a % of sales)	18.0%		17.3%			16.4%		17.8%		
Nonoperating balance	1,873	672.9%	-320			1,500	80.1%	600		
<b>Recurring profits</b>	<b>28,179</b>	<b>100.6%</b>	<b>12,554</b>		<b>1.24</b>	<b>25,600</b>	<b>90.8%</b>	<b>14,100</b>		<b>1.16</b>
(as a % of sales)	19.3%		16.9%			17.4%		18.6%		
Extraordinary balance	1,805	-	1,257			900	49.9%	900		
Pretax profits	29,984	107.4%	13,812			26,500	88.4%	15,000		
Provision for tax	9,589	94.6%	4,526			8,000	83.4%	4,600		
(effective tax rate)	32.0%		32.8%			30.2%		30.7%		
<b>Net profits</b>	<b>20,395</b>	<b>114.7%</b>	<b>9,286</b>		<b>1.22</b>	<b>18,500</b>	<b>90.7%</b>	<b>10,400</b>		<b>1.16</b>
(as a % of sales)	14.0%		12.5%			12.6%		13.7%		
Capex	3,772	93.1%	1,964			5,000	132.6%	3,000		
Depreciation	5,491	85.0%	2,736			5,300	96.5%	2,700		
Goodwill amortization	2,015	93.6%	1,034			1,100	54.6%	550		
<b>&lt;Non-Consolidated&gt;</b>										
<b>Sales</b>	<b>112,071</b>	<b>94.4%</b>	<b>50,076</b>			<b>115,500</b>	<b>102.5%</b>	<b>57,800</b>		
Rx Business	75,854	87.4%	38,469			76,000	100.2%	38,200		
OTC Business	25,867	112.9%	13,314			26,700	103.2%	14,500		
Intl Business	10,949	113.8%	4,292			12,800	116.9%	5,100		
CoGS	40,560	99.2%	19,332			41,900	103.3%	20,400		
(CoGS ratio %)	36.0%		34.5%			36.3%		35.3%		
Gross profits	72,111	92.0%	36,743			73,600	102.1%	37,400		
(as a % of sales)	64.0%		65.5%			63.7%		64.7%		
SG&A costs	50,567	95.9%	26,458			52,600	104.0%	27,000		
(Sales promotion costs)	10,707	92.2%	5,187			11,200	104.6%	5,900		
(Advertising costs)	7,426	98.0%	4,612			7,800	105.0%	4,600		
(R&D spending)	11,371	100.5%	5,855			11,800	103.8%	5,600		
(Other SG&A expenses)	21,062	94.9%	10,803			21,800	103.5%	10,900		
<b>Operating profits</b>	<b>21,543</b>	<b>83.9%</b>	<b>10,284</b>			<b>21,000</b>	<b>97.5%</b>	<b>10,400</b>		
(as a % of sales)	19.1%		18.3%			18.2%		18.0%		
Nonoperating balance	1,161	190.8%	-15			1,000	86.1%	600		
<b>Recurring profits</b>	<b>22,706</b>	<b>86.4%</b>	<b>10,268</b>			<b>22,000</b>	<b>96.9%</b>	<b>11,000</b>		
(as a % of sales)	20.2%		18.3%			19.0%		19.0%		
Extraordinary balance	1,271	-	1,271			900	70.8%	900		
Pretax profits	23,976	92.2%	11,540			22,900	95.5%	11,900		
Provision for tax	7,234	79.6%	3,405			6,900	95.4%	3,600		
(effective tax rate)	30.2%		29.5%			30.1%		30.3%		
<b>Net profits</b>	<b>16,741</b>	<b>98.9%</b>	<b>8,134</b>			<b>16,000</b>	<b>95.6%</b>	<b>8,300</b>		
(as a % of sales)	14.9%		14.5%			13.9%		14.4%		
Capex	2,926	114.1%	1,428			3,300	112.8%	1,900		
Depreciation	2,761	90.4%	1,286			2,900	105.0%	1,400		
Goodwill amortization	1,085	100.0%	542			1,100	101.4%	550		
<b>&lt;Noven&gt;</b>										
<b>Sales</b>	<b>22,265</b>	<b>73.0%</b>	<b>12,608</b>			<b>16,100</b>	<b>72.3%</b>	<b>11,000</b>		
CoGS	9,787	74.1%	5,255			8,700	88.9%	5,600		
(CoGS ratio %)	44.0%		41.7%			54.0%		50.9%		
SG&A costs	9,048	56.6%	5,970			7,000	77.4%	3,700		
(Sales promotion costs)	1,102	32.7%	806			300	27.2%	200		
(Advertising costs)	14	2.2%	12			0	-	0		
(R&D spending)	2,999	82.3%	1,934			3,200	106.7%	1,500		
(Other SG&A expenses)	4,932	59.2%	3,216			3,500	71.0%	2,000		
<b>Operating profits</b>	<b>3,430</b>	<b>266.2%</b>	<b>1,382</b>			<b>400</b>	<b>11.7%</b>	<b>1,700</b>		
(as a % of sales)	15.4%		11.0%			2.5%		15.5%		
Nonoperating balance	-7,577	-	25			700	-	100		
<b>Pretax profits</b>	<b>-4,147</b>	<b>-</b>	<b>1,407</b>			<b>1,100</b>	<b>-</b>	<b>1,800</b>		
<b>Net profits</b>	<b>-5,838</b>	<b>-</b>	<b>985</b>			<b>700</b>	<b>-</b>	<b>1,200</b>		
Exchange rate(¥/USD)	109.27円		111.46円			110.00円		110.00円		
<b>&lt;By product&gt;</b>										
Fentos® Tape	5,315	88.9%	2,302			4,900	92.2%	2,300		
Norspan® Tape	2,217	99.5%	1,153			2,400	108.3%	1,200		
Neoxy® Tape	1,234	127.7%	752			1,200	97.2%	600		
Abstral®	204	105.2%	94			200	98.0%	100		
Mohrus® Tape products	52,731	81.7%	27,388			49,900	94.6%	25,700		
Mohrus® Pap products	7,683	127.6%	3,628			9,900	128.9%	4,500		
(Mohrus® Pap XR products)	4,004	595.1%	1,629			6,900	172.3%	3,000		
Minivelle®	9,485	85.8%	5,300			8,100	85.4%	5,300		
Vivelle-Dot® products	3,700	73.8%	2,063			2,900	78.4%	2,200		
CombiPatch® products	3,821	73.6%	2,233			2,400	62.8%	1,700		
Brisdelle®	966	45.5%	841			-	-	-		
Daytrana®	3,672	59.7%	1,825			2,500	68.1%	1,600		
Salonpas® products	24,239	108.2%	11,755			29,600	122.1%	13,800		
Salonpib® products	4,433	89.6%	2,123			5,000	112.8%	2,500		
Air® Salonpas® products	2,068	102.5%	1,181			2,200	106.4%	1,200		
Feitas® products	4,594	102.5%	2,414			4,700	102.3%	2,500		
Butenalock® products	1,733	104.3%	1,317			1,700	98.1%	1,300		
Allegra® FX	3,607	179.7%	1,097			3,400	94.3%	1,500		