

# Summary of Financial Report for the 1<sup>st</sup> Quarter of FY ending March 2018 (Non-Consolidated)

July 28, 2017

Listed Company Name: Japan Tissue Engineering Co., Ltd.  
Stock Code: 7774  
Representative: Aiichiro Hiruma, President  
Contact: Toshikazu Yamaoka, Director

Listed Securities Exchange: JQ  
URL <http://www.jppe.co.jp>

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(Rounding down to the nearest million yen)

## 1. Results for the 1<sup>st</sup> Quarter of FY2017 (April 1, 2017 to June 30, 2017)

### (1) Business Results

(% indicate increase / decrease on previous fiscal year)

	Sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
1 <sup>st</sup> quarter of FY2017	507	40.8	6	-	5	-	3	-
1 <sup>st</sup> quarter of FY2016	360	12.5	-121	-	-122	-	-122	-

	Net income per share	Net income per share, diluted
	yen	yen
1 <sup>st</sup> quarter of FY2017	0.09	-
1 <sup>st</sup> quarter of FY2016	-3.03	-

### (2) Financial Condition

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
1 <sup>st</sup> quarter of FY2017	8,584	8,027	93.5
FY2016	8,546	8,005	93.7

Note: Shareholders' equity 1<sup>st</sup> quarter of FY2017: 8,027 million yen FY2016: 8,005 million yen

## 2. Cash Dividends

	Dividends per share				
	Q1 end	Q2 end	Q3 end	Term end	Annual
	yen	yen	yen	yen	yen
FY2016	-	0.00	-	0.00	0.00
FY2017	-	—	—	—	—
FY2017 (Forecast)	—	0.00	-	0.00	0.00

Note: Revisions to cash dividends this quarter No

## 3. Forecast for FY2017 (April 1, 2017 to March 31, 2018)

(% indicate increase/decrease on previous year)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
FY2017	2,492	16.7	289	-7.2	288	-6.8	266	-3.7	6.56

Note: Revisions to forecast this quarter No

**Japan Tissue Engineering Co., Ltd.**  
**Non-consolidated Financial Statements for 1st Quarter of FY2017**  
(April 1, 2017 - June 30, 2017)

**(1) Non-consolidated Balance Sheets**

(In thousands yen)

	<b>FY2016</b>	<b>FY2017 Q1</b>
	As of March 31, 2017	As of June 30, 2017
<b>Assets</b>		
Current assets		
Cash and cash equivalents	4,089,734	5,940,455
Trade notes and accounts receivable	833,474	526,332
Work in process	8,810	17,590
Raw materials and supplies	96,335	90,570
Other	42,026	63,939
Total current assets	5,070,381	6,638,888
Noncurrent assets		
Property, plant and equipment		
Buildings, net	1,044,722	1,027,189
Land	582,770	582,770
Other, net	97,788	91,620
Total property, plant and equipment	1,725,280	1,701,580
Intangible assets	37,831	34,254
Investments and other assets		
Long-term time deposits	1,700,000	200,000
Other	6,889	6,439
Total Investments and other assets	1,706,889	206,439
Total noncurrent assets	3,470,001	1,942,274
Deferred assets	5,984	3,740
Total assets	8,546,367	8,584,903
<b>Liabilities</b>		
Current liabilities		
Trade notes payable	48,849	69,834
Income taxes and enterprise taxes payable	44,094	12,833
Reserve for bonuses	81,454	43,664
Other	324,030	390,092
Total current liabilities	498,428	516,424
Noncurrent liabilities		
Reserve for directors' retirement benefits	34,900	34,900
Other	7,898	6,546
Total noncurrent liabilities	42,798	41,446
Total liabilities	541,226	557,870
<b>Net assets</b>		
Shareholders' equity		
Capital	4,949,563	4,958,763
Capital surplus	2,779,563	2,788,763
Retained earnings	276,242	279,734
Treasury shares	-228	-228
Total shareholders' equity	8,005,140	8,027,033
Total net assets	8,005,140	8,027,033
Total liabilities and net assets	8,546,367	8,584,903

**(2) Non-consolidated Statements of Income**

(In thousands yen)

	<b>FY2016 Q1</b>	<b>FY2017 Q1</b>
	April 1 - June 30, 2016	April 1 - June 30, 2017
Sales	360,658	507,729
Cost of sales	199,213	225,189
Gross profit	161,445	282,539
Selling, general and administrative expenses	282,857	276,506
Operating income (loss)	-121,412	6,032
Non-operating income		
Interest income	1,212	1,180
Dividends income	0	0
Other	518	592
Total non-operating income	1,731	1,772
Non-operating expenses		
Amortization of stock issuance expenses	2,336	2,243
Other	0	-
Total non-operating expenses	2,336	2,243
Ordinary income (loss)	-122,017	5,561
Net income(loss) before income taxes	-122,017	5,561
Income taxes including inhabitants' and enterprise taxes	950	2,069
Total income taxes	950	2,069
Net income (loss)	-122,967	3,492