

TSE.4540

# Supplementary Materials

The First Quarter of the Term Ending March 31, 2019

August 2, 2018

**TSUMURA & CO.**

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Consolidated Statements of Income

(Million yen)

	FY 3/2018 1Q		FY 3/2019 1Q		Year-on-year		Forecast for 2Q (cumulative total)				Full-year forecast for FY 3/2019			
	Amount	% of sales	Amount	% of sales	Amount	%	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)
Net sales	29,068	100.0%	29,776	100.0%	708	2.4%	58,900	100.0%	617	1.1%	120,500	100.0%	2,620	2.2%
Cost of sales	12,366	42.5%	12,421	41.7%	55	0.4%	23,600	40.1%	-804	-3.3%	49,000	40.7%	-603	-1.2%
Gross profit on sales	16,701	57.5%	17,354	58.3%	653	3.9%	35,300	59.9%	1,421	4.2%	71,500	59.3%	3,224	4.7%
Selling, general and administrative expenses	12,259	42.2%	12,795	43.0%	535	4.4%	26,200	44.5%	1,306	5.3%	54,000	44.8%	2,775	5.4%
Operating profit	4,441	15.3%	4,559	15.3%	117	2.6%	9,100	15.4%	114	1.3%	17,500	14.5%	449	2.6%
Ordinary profit	4,579	15.8%	4,917	16.5%	338	7.4%	9,100	15.4%	-148	-1.6%	18,000	14.9%	85	0.5%
Profit attributable to owners of parent	3,194	11.0%	3,516	11.8%	321	10.1%	6,800	11.5%	185	2.8%	12,800	10.6%	-1,704	-11.8%

Capital investments, R&D expenses, etc.

(Million yen)

	FY 3/2018 1Q		FY 3/2019 1Q		Year-on-year		Forecast for 2Q (cumulative total)				Full-year forecast for FY 3/2019			
	Amount	% of sales	Amount	% of sales	Amount	%	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)
Capital investments	2,487	8.6%	1,785	6.0%	-702	-28.2%	4,800	8.1%	-1,505	-23.9%	13,200	11.0%	1,287	10.8%
R&D expenses	1,467	5.0%	1,520	5.1%	52	3.6%	3,300	5.6%	315	10.6%	6,300	5.2%	251	4.2%
Advertising cost	114	0.4%	149	0.5%	35	30.9%	300	0.5%	49	19.9%	900	0.7%	28	3.3%
Depreciation	1,503	5.2%	1,567	5.3%	64	4.3%	3,200	5.4%	171	5.7%	6,600	5.5%	442	7.2%
Personnel expenses	7,342	25.3%	7,457	25.0%	115	1.6%	15,300	26.0%	460	3.1%	30,900	25.6%	897	3.0%

Growth rates of 129 prescription Kampo products

	FY 3/2014	FY 3/2015	FY 3/2016	FY 3/2017	FY 3/2018	FY 3/2019 1Q
Amount	3.2%	2.4%	2.3%	1.9%	2.4%	2.5%
Number of items with higher yen sales	66	81	68	95	63	77

Product sales

(Million yen)

Rank		No.	Product Name	FY 3/2018 1Q	FY 3/2019 1Q	Year-on-year (Amount)	Year-on-year (%)
1	☆	100	Daikenchuto	2,661	2,704	43	1.6%
2	☆	54	Yokukansan	1,922	1,956	34	1.8%
3	☆	43	Rikkunshito	1,742	1,783	40	2.3%
4	G	41	Hochuekkito	1,739	1,766	27	1.6%
5	G	68	Shakuyakukanzoto	1,292	1,310	18	1.4%
6	G	24	Kamishoyosan	1,148	1,155	6	0.6%
7	G	29	Bakumondoto	1,073	1,091	18	1.7%
8	G	17	Goreisan	907	1,020	112	12.3%
9	☆	107	Goshajinkigan	946	926	-20	-2.2%
10		114	Saireito	890	925	35	4.0%
21	☆	14	Hangeshashinto	344	345	1	0.3%
			Total of "Drug Fostering" Program formulations	7,617	7,715	98	1.3%
			Total of Growing formulations	6,161	6,344	183	3.0%
			Total of 129 prescription Kampo products	27,827	28,526	698	2.5%

☆ : "Drug Fostering" Program formulations

G : Growing formulations

## Consolidated Balance Sheets

(Million yen)

	As of March 31, 2018	As of June 30, 2018	Increase / decrease
Total assets	292,379	279,181	-13,198
Current assets	190,888	186,428	-4,459
Liquid assets	129,926	125,182	-4,743
Inventories	49,994	49,711	-282
Non-current assets	101,491	92,752	-8,738
Property, plant and equipment	71,329	71,326	-3
Total liabilities	95,846	81,521	-14,325
Current liabilities	48,766	34,806	-13,959
Non-current liabilities	47,080	46,714	-365
Total net assets	196,533	197,659	1,126

\*The Company adopted "Partial Amendments to Accounting Standard for Tax Effect Accounting", etc. at the beginning of the first quarter under review.

Accordingly, the figures for the year ended March 31, 2018 were adjusted retrospectively in accordance with this change.

## Consolidated Statements of Cash Flows

(Million yen)

	FY 3/2018 1Q	FY 3/2019 1Q	Year-on-year
Cash flows from operating activities	8,631	5,185	-3,445
Cash flows from investing activities	-1,219	1,103	2,322
Cash flows from financing activities	25,436	-17,351	-42,788
Cash and cash equivalents at the end of the quarter	62,504	66,888	4,383

## Quarterly data

### Consolidated Statements of Income

(Million yen)

	FY 3/2018				FY 3/2019			
	1Q	2Q cumulative	3Q cumulative	4Q cumulative	1Q	2Q cumulative	3Q cumulative	4Q cumulative
Net sales	29,068	58,282	90,911	117,879	29,776	-	-	-
Cost of sales	12,366	24,404	37,755	49,603	12,421	-	-	-
Gross profit on sales	16,701	33,878	53,155	68,275	17,354	-	-	-
Selling, general and administrative expenses	12,259	24,893	38,020	51,224	12,795	-	-	-
Operating profit	4,441	8,985	15,135	17,050	4,559	-	-	-
Ordinary profit	4,579	9,248	15,684	17,914	4,917	-	-	-
Profit attributable to owners of parent	3,194	6,614	12,302	14,504	3,516	-	-	-

## Consolidated Balance Sheets

(Million yen)

	FY 3/2018				FY 3/2019			
	The end of 1Q	The end of 2Q	The end of 3Q	The end of 4Q	The end of 1Q	The end of 2Q	The end of 3Q	The end of 4Q
Total assets	253,892	257,593	287,685	292,379	279,181	-	-	-
Current assets	164,400	165,760	198,145	190,888	186,428	-	-	-
Liquid assets	102,889	104,303	136,476	129,926	125,182	-	-	-
Inventories	50,312	48,887	49,738	49,994	49,711	-	-	-
Non-current assets	89,491	91,833	89,540	101,491	92,752	-	-	-
Property, plant and equipment	65,508	68,141	68,321	71,329	71,326	-	-	-
Total liabilities	95,384	95,143	92,220	95,846	81,521	-	-	-
Current liabilities	49,198	48,200	43,875	48,766	34,806	-	-	-
Non-current liabilities	46,185	46,942	48,344	47,080	46,714	-	-	-
Total net assets	158,508	162,450	195,465	196,533	197,659	-	-	-

\*The Company adopted "Partial Amendments to Accounting Standard for Tax Effect Accounting", etc. at the beginning of the first quarter under review.

Accordingly, the figures for the year ended March 31, 2018 were adjusted retrospectively in accordance with this change.

## Consolidated Statements of Cash Flows

(Million yen)

	FY 3/2018				FY 3/2019			
	1Q	2Q cumulative	3Q cumulative	4Q cumulative	1Q	2Q cumulative	3Q cumulative	4Q cumulative
Cash flows from operating activities	8,631	11,413	14,655	21,066	5,185	-	-	-
Cash flows from investing activities	-1,219	-19,011	-18,433	-23,354	1,103	-	-	-
Cash flows from financing activities	25,436	25,317	50,416	50,305	-17,351	-	-	-
Cash and cash equivalents at the end of the quarter	62,504	47,439	76,573	78,313	66,888	-	-	-

## Product sales

(Million yen)

No. / Product Name	FY 3/2018				FY 3/2019			
	1Q	2Q cumulative	3Q cumulative	4Q cumulative	1Q	2Q cumulative	3Q cumulative	4Q cumulative
100 / Daikenchuto	2,661	5,351	8,225	10,584	2,704	-	-	-
54 / Yokukansan	1,922	3,864	5,903	7,571	1,956	-	-	-
43 / Rikkunshito	1,742	3,577	5,494	7,044	1,783	-	-	-
107 / Goshajinkigan	946	1,889	2,892	3,686	926	-	-	-
14 / Hangeshashinto	344	692	1,055	1,334	345	-	-	-
Total of "Drug Fostering" Program formulations	7,617	15,375	23,570	30,221	7,715	-	-	-
41 / Hochuekkito	1,739	3,699	5,588	7,098	1,766	-	-	-
68 / Shakuyakukanzoto	1,292	2,660	3,988	5,031	1,310	-	-	-
29 / Bakumondoto	1,073	2,002	3,382	4,511	1,091	-	-	-
24 / Kamishoyosan	1,148	2,342	3,577	4,534	1,155	-	-	-
17 / Goreisan	907	1,921	2,913	3,722	1,020	-	-	-
Total of Growing formulations	6,161	12,627	19,449	24,898	6,344	-	-	-
Total of "Drug Fostering" Program formulations and Growing formulations	13,778	28,002	43,020	55,120	14,060	-	-	-
Total of 129 prescription Kampo products	27,827	55,784	86,780	112,274	28,526	-	-	-