

TSE.4540

Supplementary Materials

The Second Quarter of the Term Ending March 31, 2019

November 6, 2018

TSUMURA & CO.

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Consolidated Statements of Income

(Million yen)

	FY 3/2018 2Q cumulative		FY 3/2019 2Q cumulative		Year-on-year		2Q cumulative plan		Vs.planned		Full-year forecast for FY 3/2019			
	Amount	% of sales	Amount	% of sales	Amount	%	Amount	% of sales	Amount	%	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)
Net sales	58,282	100.0%	58,268	100.0%	(14)	(0.0)%	58,900	100.0%	(631)	(1.1)%	120,500	100.0%	2,620	2.2%
Cost of sales	24,404	41.9%	23,536	40.4%	(868)	(3.6)%	23,600	40.1%	(63)	(0.3)%	49,000	40.7%	(603)	(1.2)%
Gross profit on sales	33,878	58.1%	34,732	59.6%	854	2.5%	35,300	59.9%	(567)	(1.6)%	71,500	59.3%	3,224	4.7%
Selling, general and administrative expenses	24,893	42.7%	25,782	44.2%	889	3.6%	26,200	44.5%	(417)	(1.6)%	54,000	44.8%	2,775	5.4%
Operating profit	8,985	15.4%	8,950	15.4%	(35)	(0.4)%	9,100	15.4%	(149)	(1.6)%	17,500	14.5%	449	2.6%
Ordinary profit	9,248	15.9%	9,566	16.4%	317	3.4%	9,100	15.4%	466	5.1%	18,000	14.9%	85	0.5%
Profit attributable to owners of parent	6,614	11.3%	7,082	12.2%	468	7.1%	6,800	11.5%	282	4.2%	12,800	10.6%	(1,704)	(11.8)%

Capital investments, R&D expenses, etc.

(Million yen)

	FY 3/2018 2Q cumulative		FY 3/2019 2Q cumulative		Year-on-year		2Q cumulative plan		Vs.planned		Full-year forecast for FY 3/2019			
	Amount	% of sales	Amount	% of sales	Amount	%	Amount	% of sales	Amount	%	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)
Capital investments	6,305	10.8%	3,138	5.4%	(3,167)	(50.2)%	4,800	8.1%	(1,661)	(34.6)%	13,200	11.0%	1,287	10.8%
R&D expenses	2,984	5.1%	2,998	5.1%	13	0.4%	3,300	5.6%	(301)	(9.1)%	6,300	5.2%	251	4.2%
Advertising cost	250	0.4%	313	0.5%	63	25.2%	300	0.5%	13	4.5%	900	0.7%	28	3.3%
Depreciation	3,028	5.2%	3,146	5.4%	118	3.9%	3,200	5.4%	(53)	(1.7)%	6,600	5.5%	442	7.2%
Personnel expenses	14,839	25.5%	15,116	25.9%	276	1.9%	15,300	26.0%	(183)	(1.2)%	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	FY 3/2019 2Q cumulative
Amount	3.2%	2.4%	2.3%	1.9%	2.4%	2.5%	0.0%
Number of items with higher yen sales	66	81	68	95	63	77	51

Product sales

(Million yen)

Rank		No.	Product Name	FY 3/2018 2Q cumulative	FY 3/2019 2Q cumulative	Year-on-year (Amount)	Year-on-year (%)
1	☆	100	Daikenchuto	5,351	5,226	(125)	(2.3)%
2	☆	54	Yokukansan	3,864	3,848	(16)	(0.4)%
3	G	41	Hochuekkito	3,699	3,680	(18)	(0.5)%
4	☆	43	Rikkunshito	3,577	3,559	(18)	(0.5)%
5	G	68	Shakuyakukanzoto	2,660	2,629	(30)	(1.2)%
6	G	24	Kamishoyosan	2,342	2,263	(79)	(3.4)%
7	G	17	Goreisan	1,921	2,112	190	9.9%
8	G	29	Bakumondoto	2,002	2,004	1	0.1%
9	☆	107	Goshajinkigan	1,889	1,806	(82)	(4.4)%
10		114	Saireito	1,812	1,793	(18)	(1.0)%
22	☆	14	Hangeshashinto	692	670	(22)	(3.2)%
			Total of "Drug Fostering" Program formulations	15,375	15,110	(265)	(1.7)%
			Total of Growing formulations	12,627	12,691	63	0.5%
			Total of 129 prescription Kampo products	55,784	55,799	14	0.0%

☆ : "Drug Fostering" Program formulations

G : Growing formulations

Consolidated Balance Sheets

(Million yen)

	As of March 31, 2018	As of September 30, 2018	Increase / decrease
Total assets	292,379	278,880	(13,499)
Current assets	190,888	184,517	(6,371)
Liquid assets	129,926	117,357	(12,568)
Inventories	49,994	50,713	718
Non-current assets	101,491	94,363	(7,128)
Property, plant and equipment	71,329	71,015	(313)
Total liabilities	95,846	77,596	(18,250)
Current liabilities	48,766	29,922	(18,843)
Non-current liabilities	47,080	47,673	592
Total net assets	196,533	201,283	4,750

*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 2Q cumulative	FY 3/2019 2Q cumulative	Year-on-year
Cash flows from operating activities	11,413	4,479	(6,934)
Cash flows from investing activities	(19,011)	(4,534)	14,476
Cash flows from financing activities	25,317	(17,523)	(42,841)
Cash and cash equivalents at the end of the quarter	47,439	60,014	12,574

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	58,268	-	-
Cost of sales	12,366	24,404	37,755	49,603	12,421	23,536	-	-
Gross profit on sales	16,701	33,878	53,155	68,275	17,354	34,732	-	-
Selling, general and administrative expenses	12,259	24,893	38,020	51,224	12,795	25,782	-	-
Operating profit	4,441	8,985	15,135	17,050	4,559	8,950	-	-
Ordinary profit	4,579	9,248	15,684	17,914	4,917	9,566	-	-
Profit attributable to owners of parent	3,194	6,614	12,302	14,504	3,516	7,082	-	-

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	278,880	-	-
Current assets	164,400	165,760	198,145	190,888	186,428	184,517	-	-
Liquid assets	102,889	104,303	136,476	129,926	125,182	117,357	-	-
Inventories	50,312	48,887	49,738	49,994	49,711	50,713	-	-
Non-current assets	89,491	91,833	89,540	101,491	92,752	94,363	-	-
Property, plant and equipment	65,508	68,141	68,321	71,329	71,326	71,015	-	-
Total liabilities	95,384	95,143	92,220	95,846	81,521	77,596	-	-
Current liabilities	49,198	48,200	43,875	48,766	34,806	29,922	-	-
Non-current liabilities	46,185	46,942	48,344	47,080	46,714	47,673	-	-
Total net assets	158,508	162,450	195,465	196,533	197,659	201,283	-	-

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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	4,479	-	-
Cash flows from investing activities	(1,219)	(19,011)	(18,433)	(23,354)	1,103	(4,534)	-	-
Cash flows from financing activities	25,436	25,317	50,416	50,305	(17,351)	(17,523)	-	-
Cash and cash equivalents at the end of the quarter	62,504	47,439	76,573	78,313	66,888	60,014	-	-

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	5,226	-	-
54 / Yokukansan	1,922	3,864	5,903	7,571	1,956	3,848	-	-
43 / Rikkunshito	1,742	3,577	5,494	7,044	1,783	3,559	-	-
107 / Goshajinkigan	946	1,889	2,892	3,686	926	1,806	-	-
14 / Hangeshashinto	344	692	1,055	1,334	345	670	-	-
Total of "Drug Fostering" Program formulations	7,617	15,375	23,570	30,221	7,715	15,110	-	-
41 / Hochuekkito	1,739	3,699	5,588	7,098	1,766	3,680	-	-
68 / Shakuyakukanzoto	1,292	2,660	3,988	5,031	1,310	2,629	-	-
29 / Bakumondoto	1,073	2,002	3,382	4,511	1,091	2,004	-	-
24 / Kamishoyosan	1,148	2,342	3,577	4,534	1,155	2,263	-	-
17 / Goreisan	907	1,921	2,913	3,722	1,020	2,112	-	-
Total of Growing formulations	6,161	12,627	19,449	24,898	6,344	12,691	-	-
Total of "Drug Fostering" Program formulations and Growing formulations	13,778	28,002	43,020	55,120	14,060	27,801	-	-
Total of 129 prescription Kampo products	27,827	55,784	86,780	112,274	28,526	55,799	-	-