

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending February 28, 2021  
[Japanese GAAP]

July 9, 2020

Company name: Hisamitsu Pharmaceutical Co., Inc.  
 Stock exchange listing: Tokyo, Nagoya, Fukuoka  
 Securities code: 4530  
 URL: <https://www.hisamitsu.co.jp/>  
 Representative: NAKATOMI Kazuhide, President & CEO  
 Contact: TAKAO Shinichiro, Managing Director & Executive Officer, Head of Investor Relations Department  
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 Scheduled date of filing quarterly securities report: July 10, 2020  
 Scheduled date of dividend payment: —  
 Preparation of supplementary materials for quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest millions of yen)

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending February 28, 2021  
(March 1, 2020 to May 31, 2020)

(1) Consolidated Operating Results

(Percentages represent 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	%
Three months ended May 31, 2020	24,882	△14.9	1,078	△61.2	418	△85.4	113	△94.1
Three months ended May 31, 2019	29,233	△12.8	2,778	△36.3	2,863	△35.6	1,913	△44.6

(Note) Comprehensive income: Three months ended May 31, 2020 2,333 millions of yen ( —%)  
 Three months ended May 31, 2019 △1,933 millions of yen ( —%)

	Profit per share	Diluted profit per share
	yen	yen
Three months ended May 31, 2020	1.39	1.39
Three months ended May 31, 2019	23.15	23.13

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of May 31, 2020	297,085	249,709	83.4
As of February 29, 2020	307,401	250,746	80.9

(Reference) Shareholders' equity: As of May 31, 2020 247,859 millions of yen  
 As of February 29, 2020 248,784 millions of yen

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Fiscal year end	Total
	yen	yen	yen	yen	yen
Year ended February 29, 2020	—	41.50	—	41.50	83.00
Year ending February 28, 2021	—	—	—	—	—
Year ending February 28, 2021 (Forecast)	—	41.75	—	41.75	83.50

(Note) Revisions to the most recently announced dividends forecast: Yes

3. Consolidated Earnings Forecast for the Fiscal Year Ending February 28, 2021 (March 1, 2020 to February 28, 2021)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	127,000	△9.9	12,900	△43.2	14,800	△42.3	10,600	△43.3	129.80

(Note) Revisions to the most recently announced consolidated forecast: Yes

\*Notes

(1) Changes in significant subsidiaries during the period : None  
(Changes in specified subsidiaries resulting in changes in scope of consolidation)

(2) Application of special accounting methods for preparation of quarterly consolidated financial statements : Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement  
 1) Changes in accounting policies due to revision of accounting standards : None  
 2) Changes in accounting policies other than 1) above : None  
 3) Changes in accounting estimates : None  
 4) Restatement : None

(4) The number of shares outstanding (common stock)

1) Total number of shares outstanding at the end of the period (including treasury stock)

As of May 31, 2020 : 85,164,895 shares

As of February 29, 2020 : 85,164,895 shares

2) Total number of treasury stock at the end of the period

As of May 31, 2020 : 3,491,500 shares

As of February 29, 2020 : 3,501,350 shares

3) Average number of shares outstanding during the period

Three months ended May 31, 2020 : 81,666,808 shares

Three months ended May 31, 2019 : 82,664,055 shares

\*Quarterly financial results reports are not subjected to quarterly review.

\*Explanation for appropriate use of financial forecasts and other special notes

Among this document, the forecasts based on the plan may change due to uncertain factors. Therefore, the actual operating results may differ from the company's view.

Financial settlement briefings for institutional investors and analysts will be held on July 9, 2020. Presentation materials of financial results will be posted promptly on the company's website after the financial settlement briefings.

## Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance sheets

(Millions of yen)

	Prior Fiscal Year End (As of Feb. 29, 2020)	Current First Quarter (As of May. 31, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	107,051	101,158
Notes and accounts receivable - trade	49,232	37,898
Securities	34,878	33,995
Merchandise and finished goods	8,816	10,910
Work in process	505	542
Raw materials and supplies	6,137	6,751
Other	2,952	4,797
Allowance for doubtful accounts	△325	△273
<b>Total current assets</b>	<b>209,251</b>	<b>195,780</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,939	14,829
Other, net	23,657	23,143
<b>Total property, plant and equipment</b>	<b>38,596</b>	<b>37,973</b>
Intangible assets		
Sales rights	48	43
Other	1,421	1,527
<b>Total intangible assets</b>	<b>1,469</b>	<b>1,570</b>
Investments and other assets		
Investment securities	48,379	52,526
Other	9,918	9,449
Allowance for doubtful accounts	△214	△214
<b>Total investments and other assets</b>	<b>58,083</b>	<b>61,761</b>
<b>Total non-current assets</b>	<b>98,150</b>	<b>101,305</b>
<b>Total assets</b>	<b>307,401</b>	<b>297,085</b>

(Millions of yen)

	Prior Fiscal Year End (As of Feb. 29, 2020)	Current First Quarter (As of May. 31, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	10,488	8,813
Electronically recorded obligations - operating	8,536	7,992
Short-term loans payable	1,209	1,211
Income taxes payable	5,745	513
Provision for sales returns	127	93
Provision for bonuses	1,558	383
Other	13,390	12,038
Total current liabilities	41,055	31,046
Non-current liabilities		
Long-term loans payable	368	349
Net defined benefit liability	7,600	7,650
Other	7,630	8,328
Total non-current liabilities	15,598	16,329
Total liabilities	56,654	47,376
<b>Net assets</b>		
Shareholders' equity		
Capital stock	8,473	8,473
Capital surplus	2,272	2,284
Retained earnings	230,929	227,653
Treasury shares	△11,730	△11,699
Total shareholders' equity	229,945	226,711
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,047	15,362
Revaluation reserve for land	3,790	3,790
Foreign currency translation adjustment	2,700	1,652
Remeasurements of defined benefit plans	299	341
Total accumulated other comprehensive income	18,838	21,147
Share acquisition rights	491	472
Non-controlling interests	1,470	1,378
Total net assets	250,746	249,709
Total liabilities and net assets	307,401	297,085

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2019 – May. 31, 2019)	Current Fiscal Year (Mar. 1, 2020 – May. 31 2020)
Net sales	29,233	24,882
Cost of sales	10,901	9,672
Gross profit	18,331	15,210
Selling, general and administrative expenses	15,552	14,132
Operating profit	2,778	1,078
Non-operating income		
Interest income	256	235
Dividend income	67	69
Other	129	75
Total non-operating income	453	379
Non-operating expenses		
Interest expenses	3	2
Foreign exchange losses	178	737
Share of loss of entities accounted for using equity method	165	272
Other	22	27
Total non-operating expenses	368	1,040
Ordinary profit	2,863	418
Extraordinary income		
Gain on sales of investment securities	—	1
Total extraordinary income	—	1
Extraordinary losses		
Loss on disposal of non-current assets	1	0
Total extraordinary losses	1	0
Profit before income taxes	2,862	418
Income taxes	887	334
Profit	1,974	84
Profit (loss) attributable to non-controlling interests	61	△29
Profit attributable to owners of parent	1,913	113

Quarterly Consolidated Statements of comprehensive income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2019 – May. 31, 2019)	Current Fiscal Year (Mar. 1, 2020 – May. 31 2020)
Profit	1,974	84
Other comprehensive income		
Valuation difference on available-for-sale securities	△3,993	3,379
Foreign currency translation adjustment	60	△1,107
Remeasurements of defined benefit plans, net of tax	32	48
Share of other comprehensive income of entities accounted for using equity method	△7	△71
Total other comprehensive income	△3,908	2,249
Comprehensive income	△1,933	2,333
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△2,005	2,422
Comprehensive income attributable to non-controlling interests	71	△88