



# **First 2 Quarters of Fiscal 2019**

## **Supplementary Materials**

**HOGY MEDICAL Co., Ltd.**

**October 16, 2019**

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(Notes Concerning Forward-Looking Statements)

Projections throughout these materials are provided as a reference for investors. They are based on estimates and forecasts, and shall not be regarded as pledges or guarantees. They shall be used on the full acknowledgment that actual results may naturally differ from projections.

Fiscal 2019 Statements of Income (First 2 Quarters Results; Consolidated)

First Quarter

¥ millions, rounded down

	June 2019 1st Quarter Results		June 2018 1st Quarter Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	9,038	100.0	9,053	100.0	△ 15	99.8
Cost of Sales	5,243	58.0	5,320	58.8	△ 76	98.6
Gross profit	3,794	42.0	3,733	41.2	60	101.6
SG&A expenses	2,459	27.2	2,485	27.4	△ 25	99.0
Operating income	1,335	14.8	1,248	13.8	86	106.9
Other income	69		47		21	
Other expenses	3		24		△ 21	
Ordinary income	1,401	15.5	1,272	14.1	129	110.2
Extraordinary income	-		-		-	
Extraordinary expenses	0		0		0	
Income before income taxes and minority interests	1,401	15.5	1,272	14.1	129	110.1
Corporation tax, etc.	422		373		49	
(Tax burden)	30.2%		29.3%			
Minority interests	△ 7		0		△ 7	
Profit attributable to owners of parent	986	10.9	898	9.9	87	109.7

EPS (total shares)	¥30.17	¥27.50
EPS (minus treasury shares)	¥32.66	¥28.89
Number of shares outstanding	32,682,310	32,682,310
Weighted-average number of shares outstanding (after deducting treasury shares)	30,191,789	31,106,952

Second Quarter

¥ millions, rounded down

	Sept. 2019 Results		Sept. 2018 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	9,342	100.0	9,184	100.0	157	101.7
Cost of Sales	5,566	59.6	5,413	58.9	153	102.8
Gross profit	3,775	40.4	3,771	41.1	4	100.1
SG&A expenses	2,514	26.9	2,579	28.1	△ 65	97.5
Operating income	1,261	13.5	1,192	13.0	69	105.8
Other income	61		75		△ 13	
Other expenses	0		59		△ 58	
Ordinary income	1,322	14.2	1,208	13.2	114	109.5
Extraordinary income	1,943		3,998		△ 2,054	
Extraordinary expenses	1		1		0	
Income before income taxes and minority interests	3,264	34.9	5,205	56.7	△ 1,940	62.7
Corporation tax, etc.	993		1,569		△ 576	
(Tax burden)	30.4%		30.2%			
Minority interests	0		0		△ 8	
Profit attributable to owners of parent	2,279	24.4	3,635	39.6	△ 1,356	62.7

First Half

¥ millions, rounded down

	Sept. 2019 Interim Results		Sept. 2018 Interim Results		Year-on-Year Comparison		Sept. 2019 Interim Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	18,380	100.0	18,238	100.0	141	100.8	18,700	100.0	△ 319	98.3
Cost of Sales	10,810	58.8	10,733	58.8	76	100.7	10,930	58.4	△ 119	98.9
Gross profit	7,570	41.2	7,505	41.2	64	100.9	7,770	41.6	△ 199	97.4
SG&A expenses	4,973	27.1	5,064	27.8	△ 90	98.2	5,290	28.3	△ 316	94.0
Operating income	2,596	14.1	2,440	13.4	155	106.4	2,480	13.3	116	104.7
Other income	131		123		7		90		41	
Other expenses	3		83		△ 79		-		3	
Ordinary income	2,724	14.8	2,480	13.6	243	109.8	2,570	13.7	154	106.0
Extraordinary income	1,943		3,998		△ 2,054		1,990		△ 46	
Extraordinary expenses	1		1		0		-		1	
Income before income taxes and minority interests	4,665	25.4	6,477	35.5	△ 1,811	72.0	4,560	24.4	105	102.3
Corporation tax, etc.	1,415		1,942		△ 527		1,410		5	
(Tax burden)	30.3%		30.0%				30.9%			
Minority interests	△ 15		0		△ 15		△ 30		14	
Profit attributable to owners of parent	3,265	17.8	4,534	24.9	△ 1,269	72.0	3,180	17.0	85	102.7

EPS (total shares)	¥99.91	¥138.74	¥97.30
EPS (minus treasury shares)	¥108.14	¥147.41	¥105.31
Number of shares outstanding	32,682,310	32,682,310	32,682,310
Weighted-average number of shares outstanding (after deducting treasury shares)	30,196,594	30,760,964	30,196,594

Fiscal 2019 Statements of Income (Full-year plan; Consolidated)

First Half

¥ millions, rounded down

	Sept. 2019 Interim Results		Sept. 2018 Interim Results		Year-on-Year Comparison		Sept. 2019 Interim Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	18,380	100.0	18,238	100.0	141	100.8	18,700	100.0	△ 319	98.3
Cost of Sales	10,810	58.8	10,733	58.8	76	100.7	10,930	58.4	△ 119	98.9
Gross profit	7,570	41.2	7,505	41.2	64	100.9	7,770	41.6	△ 199	97.4
SG&A expenses	4,973	27.1	5,064	27.8	△ 90	98.2	5,290	28.3	△ 316	94.0
Operating income	2,596	14.1	2,440	13.4	155	106.4	2,480	13.3	116	104.7
Other income	131		123		7		90		41	
Other expenses	3		83		△ 79		-		3	
Ordinary income	2,724	14.8	2,480	13.6	243	109.8	2,570	13.7	154	106.0
Extraordinary income	1,943		3,998		△ 2,054		1,990		△ 46	
Extraordinary expenses	1		1		0		-		1	
Income before income taxes and minority interests	4,665	25.4	6,477	35.5	△ 1,811	72.0	4,560	24.4	105	102.3
Corporation tax, etc.	1,415		1,942		△ 527		1,410		5	
(Tax burden)	30.3%		30.0%				30.9%			
Minority interests	△ 15		0		△ 15		△ 30		14	
Profit attributable to owners of parent	3,265	17.8	4,534	24.9	△ 1,269	72.0	3,180	17.0	85	102.7

EPS (total shares)

¥99.91

¥138.74

¥97.30

EPS (minus treasury shares)

¥108.14

¥147.41

¥105.31

Number of shares outstanding

32,682,310

32,682,310

32,682,310

Weighted-average number of shares outstanding (after deducting treasury shares)

30,196,594

30,760,964

30,196,594

Second Half

¥ millions, rounded down

	Fiscal 2019 Plan		Fiscal 2018 Results		Year-on-Year Comparison		Fiscal 2019 First Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	19,539	100.0	18,419	100.0	1,120	106.1	19,220	100.0	319	101.7
Cost of Sales	11,369	58.2	11,097	60.3	271	102.4	11,250	58.5	119	101.1
Gross profit	8,169	41.8	7,321	39.7	848	111.6	7,970	41.5	199	102.5
SG&A expenses	5,526	28.3	5,379	29.2	146	102.7	5,210	27.1	316	106.1
Operating income	2,643	13.5	1,941	10.5	701	136.1	2,760	14.4	△ 116	95.8
Other income	318		89		229		360		△ 41	
Other expenses	6		7		△ 1		10		△ 3	
Ordinary income	2,955	15.1	2,023	11.0	932	146.1	3,110	16.2	△ 154	95.0
Extraordinary income	46		-		46		-		46	
Extraordinary expenses	△ 1		1		△ 3		-		△ 1	
Income before income taxes and minority interests	3,004	15.4	2,021	11.0	982	148.6	3,110	16.2	△ 105	96.6
Corporation tax, etc.	994		513		481		1,000		△ 5	
(Tax burden)	33.1%		25.4%				32.2%			
Minority interests	0		0		△ 34		△ 20		△ 14	
Profit attributable to owners of parent	2,044	10.5	1,508	8.2	536	135.5	2,130	11.1	△ 85	96.0

Full-year

¥ millions, rounded down

	Fiscal 2019 Plan		Fiscal 2018 Results		Year-on-Year Comparison		Fiscal 2019 First Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	37,920	100.0	36,658	100.0	1,261	103.4	37,920	100.0	-	100.0
Cost of Sales	22,180	58.5	21,831	59.6	348	101.6	22,180	58.5	-	100.0
Gross profit	15,740	41.5	14,827	40.4	912	106.2	15,740	41.5	-	100.0
SG&A expenses	10,500	27.7	10,444	28.5	55	100.5	10,500	27.7	-	100.0
Operating income	5,240	13.8	4,382	12.0	857	119.6	5,240	13.8	-	100.0
Other income	450		212		237		450		-	
Other expenses	10		91		△ 81		10		-	
Ordinary income	5,680	15.0	4,503	12.3	1,176	126.1	5,680	15.0	-	100.0
Extraordinary income	1,990		3,998		△ 2,008		1,990		-	
Extraordinary expenses	-		2		△ 2		-		-	
Income before income taxes and minority interests	7,670	20.2	8,499	23.2	△ 829	90.2	7,670	20.2	-	100.0
Corporation tax, etc.	2,410		2,456		△ 46		2,410		-	
(Tax burden)	31.4%		28.9%				31.4%		-	
Minority interests	△ 50		0		△ 50		△ 50		-	
Profit attributable to owners of parent	5,310	14.0	6,043	16.5	△ 733	87.9	5,310	14.0	-	100.0

EPS (total shares)

¥162.47

¥184.90

¥162.47

EPS (minus treasury shares)

¥175.79

¥198.31

¥175.79

Number of shares outstanding

32,682,310

32,682,310

32,682,310

Weighted-average number of shares outstanding (after deducting treasury shares)

30,206,585

30,472,084

30,206,585

**Fiscal 2019 Sales by Product Grouping**  
(First 2 Quarters Results and full-year plan; Consolidated)

**First Half**

¥ millions, rounded down

	Sept. 2019 Interim Results		Sept. 2018 Interim Results		Year-on-Year Comparison		Sept. 2019 Interim Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Sterilization products	1,708	9.3	1,740	9.5	△ 32	98.1	1,702	9.1	5	100.3
Surgical products	16,200	88.1	15,972	87.6	228	101.4	16,480	88.1	△ 279	98.3
Treatment products	92	0.5	95	0.5	△ 3	96.6	94	0.5	△ 2	97.4
Others	379	2.1	430	2.4	△ 50	88.2	423	2.3	△ 43	89.8
<b>Total</b>	<b>18,380</b>	<b>100.0</b>	<b>18,238</b>	<b>100.0</b>	<b>141</b>	<b>100.8</b>	<b>18,700</b>	<b>100.0</b>	<b>△ 319</b>	<b>98.3</b>
<i>Itemized surgical products</i>										
Non-woven products	4,351	23.7	4,467	24.5	△ 115	97.4	4,350	23.3	1	100.0
Other non-woven products	592	3.2	620	3.4	△ 28	95.4	580	3.1	12	102.1
Kit products	11,165	60.7	10,801	59.2	364	103.4	11,400	61.0	△ 234	97.9
New products	90	0.5	82	0.5	8	109.7	150	0.8	△ 59	60.7
<i>Itemized external sales by subsidiary</i>										
Non-woven products	125		138		△ 13		140		△ 14	
Others(PT.HOGY+HOGY Medical Asia Pacific Pte. Ltd.)	41		40		0		40		1	

**Second Half**

¥ millions, rounded down

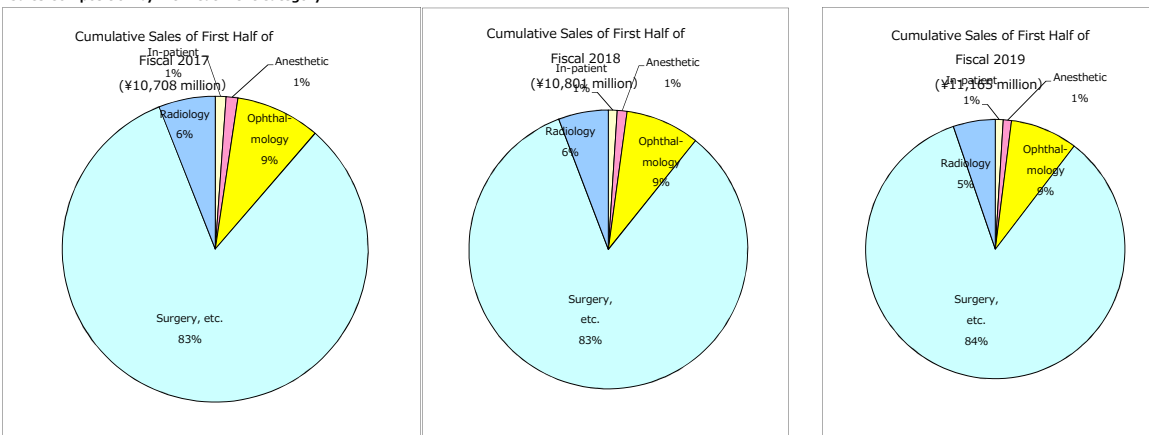
	Fiscal 2019 Plan		Fiscal 2018 Results		Year-on-Year Comparison		Fiscal 2019 First Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Sterilization products	1,673	8.6	1,738	9.4	△ 64	96.3	1,679	8.7	△ 5	99.7
Surgical products	17,229	88.2	16,188	87.9	1,040	106.4	16,950	88.2	279	101.6
Treatment products	92	0.5	88	0.5	3	104.0	89	0.5	2	102.7
Others	544	2.8	403	2.2	140	134.8	500	2.6	43	108.7
<b>Total</b>	<b>19,539</b>	<b>100.0</b>	<b>18,419</b>	<b>100.0</b>	<b>1,120</b>	<b>106.1</b>	<b>19,220</b>	<b>100.0</b>	<b>319</b>	<b>101.7</b>
<i>Itemized surgical products</i>										
Non-woven products	4,308	22.0	4,421	24.0	△ 113	97.4	4,310	22.4	△ 1	100.0
Other non-woven products	607	3.1	638	3.5	△ 30	95.2	620	3.2	△ 12	98.1
Kit products	11,854	60.7	11,027	59.9	826	107.5	11,620	60.5	234	102.0
New products	459	2.3	101	0.5	357	454.2	400	2.1	59	114.8
<i>Itemized external sales by subsidiary</i>										
Non-woven products	184		135		49		170		14	
Others(PT.HOGY+HOGY Medical Asia Pacific Pte. Ltd.)	128		46		82		130		△ 1	

**Full-year**

¥ millions, rounded down

	Fiscal 2019 Plan		Fiscal 2018 Results		Year-on-Year Comparison		Fiscal 2019 First Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Sterilization products	3,381	8.9	3,478	9.5	△ 97	97.2	3,381	8.9	-	100.0
Surgical products	33,430	88.2	32,160	87.7	1,269	103.9	33,430	88.2	-	100.0
Treatment products	184	0.5	183	0.5	0	100.2	184	0.5	-	100.0
Others	924	2.4	834	2.3	89	110.7	924	2.4	-	100.0
<b>Total</b>	<b>37,920</b>	<b>100.0</b>	<b>36,658</b>	<b>100.0</b>	<b>1,261</b>	<b>103.4</b>	<b>37,920</b>	<b>100.0</b>	<b>-</b>	<b>100.0</b>
<i>Itemized surgical products</i>										
Non-woven products	8,660	22.8	8,888	24.2	△ 228	97.4	8,660	22.8	-	100.0
Other non-woven products	1,200	3.2	1,259	3.4	△ 59	95.3	1,200	3.2	-	100.0
Kit products	23,020	60.7	21,829	59.5	1,190	105.5	23,020	60.7	-	100.0
New products	550	1.5	184	0.5	365	298.9	550	1.5	-	100.0
<i>Itemized external sales by subsidiary</i>										
Non-woven products	310		273		36		310		-	
Others(PT.HOGY+HOGY Medical Asia Pacific Pte. Ltd.)	170		86		83		170		-	

**Sales Composition by Kit Treatment Category**



## Fiscal 2019 Itemized SG&A Expenses and Other Income/Expenses

### SG&A Expenses

¥ millions, rounded down

	Sept. 2019 Interim Results	Sept. 2018 Interim Results	Year-on-Year Comparison	Sept. 2019 Interim Plan	Plan Comparison
Packaging and transportation	523	517	6	515	8
Samples	254	452	△ 197	265	△ 10
Advertising	30	35	△ 5	33	△ 3
Personnel	1,927	1,938	△ 11	2,018	△ 91
Travel	325	319	6	319	6
Communication	67	69	△ 1	71	△ 3
Consumables	39	48	△ 8	101	△ 61
Taxes and public charges	161	166	△ 4	166	△ 4
Depreciation	510	470	39	476	33
Testing and research	313	270	43	445	△ 132
Land and housing rent	219	214	4	220	△ 1
Miscellaneous	294	251	42	284	9
Others	305	309	△ 4	372	△ 67
<b>Total</b>	<b>4,973</b>	<b>5,064</b>	<b>△ 90</b>	<b>5,290</b>	<b>△ 316</b>

### Other Income/Expenses

¥ millions, rounded down

	Sept. 2019 Interim Results	Sept. 2018 Interim Results	Year-on-Year Comparison	Sept. 2019 Interim Plan	Plan Comparison
Interest received	30	19	10	30	△ 0
Dividend received	52	61	△ 9	42	10
(Total financial earnings)	83	81	1	72	10
Foreign exchange gain	16	10	5	-	16
Miscellaneous income	31	31	0	17	14
<b>Total Other income</b>	<b>131</b>	<b>123</b>	<b>7</b>	<b>90</b>	<b>41</b>
Miscellaneous losses	3	83	△ 79	-	3
<b>Total non-operating expenses</b>	<b>3</b>	<b>83</b>	<b>△ 79</b>	<b>-</b>	<b>3</b>

## Fiscal 2019 Capital Expenditures and Depreciation (First 2 Quarters Results and full-year plan; Consolidated)

Capital Expenditures			Depreciation				¥ millions, rounded down	
	Capital Expenditures	Year-on-Year Comparison	SG&A Expenses	Year-on-Year Comparison	Manufacturing Costs	Year-on-Year Comparison	Total Depreciation	Year-on-Year Comparison
	First half	2,008	354		898		1,252	
	Second half	1,709	361		944		1,305	
	Fiscal 2009 (full year)	3,717	715	96.1%	1,842	84.0%	2,557	87.1%
	First half	1,998	307		812		1,120	
	Second half	2,313	335		822		1,157	
	Fiscal 2010 (full year)	4,311	642	89.8%	1,634	88.7%	2,277	89.0%
	First half	644	335		1,104		1,439	
	Second half	993	389		1,236		1,625	
	Fiscal 2011 (full year)	1,637	724	112.8%	2,340	143.2%	3,064	134.6%
	First half	899	383		1,007		1,390	
	Second half	1,016	461		1,120		1,581	
	Fiscal 2012 (full year)	1,915	844	116.6%	2,127	90.9%	2,971	97.0%
	First half	705	445		949		1,394	
	Second half	6,469	477		992		1,470	
	Fiscal 2013 (full year)	7,174	922	109.2%	1,942	91.3%	2,865	96.4%
	First half	1,096	455		836		1,291	
	Second half	13,986	496		921		1,417	
	Fiscal 2014 (full year)	15,082	951	103.1%	1,757	90.5%	2,708	94.5%
	First half	5,492	506		943		1,450	
	Second half	3,588	538		1,388		1,926	
	Fiscal 2015 (full year)	9,080	1,044	109.8%	2,331	132.7%	3,376	124.7%
	First half	4,427	502		1,450		1,952	
	Second half	2,222	505		1,951		2,457	
	Fiscal 2016 (full year)	6,649	1,007	96.5%	3,401	145.9%	4,409	130.6%
	First half	1,022	460		2,634		3,094	
	Second half	1,120	454		2,686		3,141	
	Fiscal 2017 (full year)	2,142	914	90.8%	5,320	156.4%	6,235	141.4%
	First half	829	470		2,255		2,725	
	Second half	2,535	528		2,377		2,906	
	Fiscal 2018 (full year)	3,364	998	109.2%	4,632	87.1%	5,631	90.3%
	First half	6,372	510		2,075		2,586	
***	Second half	3,628	460		2,145		2,604	
***	Fiscal 2019 (full year)	10,000	970	97.2%	4,220	91.1%	5,190	92.2%

(Note) 1. \*\*\* are forecast figures

Balance Sheets (Major Changes)/Statements of Cash Flows (Consolidated)

Major Changes on Balance Sheets

¥ millions, rounded down

	Balance at Sept. 30, 2019	Change		Balance at Sept. 30, 2019	Change
<b>Current assets</b>	44,685	577	<b>Current liabilities</b>	10,321	1,133
Cash and bank deposits	24,846	1,509	Notes and accounts payable	4,285	△ 298
Notes and accounts receivable	11,220	△ 784	Accrued expenses	2,654	1,703
Inventories	7,913	△ 376	Income taxes	1,438	44
Others	705	228	Allowance for employees' bonuses	484	△ 2
			Payable notes for equipment	756	△ 596
			Others	700	283
<b>Fixed assets</b>	61,005	1,786	<b>Long-term liabilities</b>	2,480	△ 254
Property, plant and equipment	49,771	3,827	Long-term borrowings	230	△ 55
Buildings and structures	22,290	△ 612	Others	2,250	△ 198
Machinery, equipment and vehicles	9,947	△ 1,220	<b>Total liabilities</b>	12,801	879
Land	9,597	△ 12	<b>Total net assets</b>	92,889	1,484
Construction in progress	6,681	5,759	Common stock	7,123	-
Others	1,254	△ 87	Capital surplus	8,336	-
Intangibles	2,519	△ 81	Retained earnings	81,969	2,199
Investments and others	8,714	△ 1,958	Treasury stock	△ 8,607	55
Investments securities	7,546	△ 1,236	Others	4,067	△ 770
Others	1,168	△ 722			
<b>Total assets</b>	105,691	2,363	<b>Total liabilities and shareholders' equity</b>	105,691	2,363

\* Comparison with end of previous fiscal year:

Equity ratio increased from 88.5% at the end of the previous fiscal year to 87.8%.

Statements of Cash Flows

¥ millions, rounded down

<b>I Operating activities</b>	4,996	Income before income taxes and minority interests	4,665
		Depreciation	2,586
		gain on sales of investment securities	△ 1,942
		Income taxes paid	△ 1,366
<b>II Investing activities</b>	△ 3,035	purchase of tangible fixed assets	△ 5,147
		proceeds from sales of investment securities	2,356
<b>III Financing activities</b>	△ 986	cash dividends paid	△ 984
<b>IV Effect of exchange rate changes</b>	△ 58		
<b>Net changes in cash and cash equivalents</b>	915		



## Fiscal 2019 Statements of Income (First 2 Quarters Results; Non-consolidated)

### First Quarter

¥ millions, rounded down

	June 2019		June 2018		Year-on-Year Comparison	
	1st Quarter Results		1st Quarter Results		Amount	%
	Amount	% of total	Amount	% of total		
Net sales	8,964	100.0	8,962	100.0	2	100.0
Cost of Sales	5,400	60.2	5,459	60.9	△ 59	98.9
<b>Gross profit</b>	<b>3,564</b>	<b>39.8</b>	<b>3,503</b>	<b>39.1</b>	<b>61</b>	<b>101.8</b>
SG&A expenses	2,404	26.8	2,463	27.5	△ 58	97.6
<b>Operating income</b>	<b>1,159</b>	<b>12.9</b>	<b>1,039</b>	<b>11.6</b>	<b>120</b>	<b>111.5</b>
Other income	64		42		21	
Other expenses	9		31		△ 21	
<b>Ordinary income</b>	<b>1,214</b>	<b>13.5</b>	<b>1,051</b>	<b>11.7</b>	<b>163</b>	<b>115.5</b>
Extraordinary income	-		-		-	
Extraordinary expenses	0		0		0	
<b>Income before income taxes</b>	<b>1,214</b>	<b>13.5</b>	<b>1,051</b>	<b>11.7</b>	<b>163</b>	<b>115.5</b>
Corporation tax, etc.	370		320		49	
(Tax burden)	30.5%		30.5%			
<b>Profit attributable to owners of parent</b>	<b>843</b>	<b>9.4</b>	<b>730</b>	<b>8.2</b>	<b>113</b>	<b>115.5</b>

EPS (total shares)	¥25.82	¥22.36
EPS (minus treasury shares)	¥27.95	¥23.49
Number of shares outstanding	32,682,310	32,682,310
Weighted-average number of shares outstanding (after deducting treasury)	30,191,789	31,106,952

### Second Quarter

¥ millions, rounded down

	Sept. 2019		Sept. 2018		Year-on-Year Comparison	
	Results		Results		Amount	%
	Amount	% of total	Amount	% of total		
Net sales	9,258	100.0	9,097	100.0	160	101.8
Cost of Sales	5,661	61.1	5,586	61.4	74	101.3
<b>Gross profit</b>	<b>3,597</b>	<b>38.9</b>	<b>3,510</b>	<b>38.6</b>	<b>86</b>	<b>102.5</b>
SG&A expenses	2,456	26.5	2,557	28.1	△ 100	96.1
<b>Operating income</b>	<b>1,140</b>	<b>12.3</b>	<b>953</b>	<b>10.5</b>	<b>186</b>	<b>119.6</b>
Other income	54		59		△ 4	
Other expenses	6		70		△ 63	
<b>Ordinary income</b>	<b>1,188</b>	<b>12.8</b>	<b>943</b>	<b>10.4</b>	<b>245</b>	<b>126.1</b>
Extraordinary income	1,942		3,998		△ 2,055	
Extraordinary expenses	1		1		0	
<b>Income before income taxes</b>	<b>3,129</b>	<b>33.8</b>	<b>4,939</b>	<b>54.3</b>	<b>△ 1,810</b>	<b>63.3</b>
Corporation tax, etc.	955		1,506		△ 551	
(Tax burden)	30.5%		30.5%			
<b>Profit attributable to owners of parent</b>	<b>2,174</b>	<b>23.5</b>	<b>3,433</b>	<b>37.7</b>	<b>△ 1,259</b>	<b>63.3</b>

### First Half

¥ millions, rounded down

	Sept. 2019		Sept. 2018		Year-on-Year Comparison		Sept. 2019		Plan Comparison	
	Interim Results		Interim Results		Amount	%	Interim Plan		Amount	%
	Amount	% of total	Amount	% of total			Amount	% of total		
Net sales	18,223	100.0	18,060	100.0	162	100.9	18,520	100.0	△ 296	98.4
Cost of Sales	11,061	60.7	11,046	61.2	14	100.1	11,090	59.9	△ 28	99.7
<b>Gross profit</b>	<b>7,161</b>	<b>39.3</b>	<b>7,013</b>	<b>38.8</b>	<b>147</b>	<b>102.1</b>	<b>7,430</b>	<b>40.1</b>	<b>△ 268</b>	<b>96.4</b>
SG&A expenses	4,861	26.7	5,020	27.8	△ 158	96.8	5,110	27.6	△ 248	95.1
<b>Operating income</b>	<b>2,300</b>	<b>12.6</b>	<b>1,993</b>	<b>11.0</b>	<b>306</b>	<b>115.4</b>	<b>2,320</b>	<b>12.5</b>	<b>△ 19</b>	<b>99.1</b>
Other income	119		102		16		70		49	
Other expenses	15		101		△ 85		10		5	
<b>Ordinary income</b>	<b>2,403</b>	<b>13.2</b>	<b>1,994</b>	<b>11.0</b>	<b>408</b>	<b>120.5</b>	<b>2,380</b>	<b>12.9</b>	<b>23</b>	<b>101.0</b>
Extraordinary income	1,942		3,998		△ 2,055		1,990		△ 47	
Extraordinary expenses	1		1		0		-		1	
<b>Income before income taxes</b>	<b>4,343</b>	<b>23.8</b>	<b>5,991</b>	<b>33.2</b>	<b>△ 1,647</b>	<b>72.5</b>	<b>4,370</b>	<b>23.6</b>	<b>△ 26</b>	<b>99.4</b>
Corporation tax, etc.	1,325		1,827		△ 501		1,330		△ 4	
(Tax burden)	30.5%		30.5%				30.4%			
<b>Profit attributable to owners of parent</b>	<b>3,018</b>	<b>16.6</b>	<b>4,163</b>	<b>23.1</b>	<b>△ 1,145</b>	<b>72.5</b>	<b>3,040</b>	<b>16.4</b>	<b>△ 21</b>	<b>99.3</b>

EPS (total shares)	¥92.34	¥127.41	¥93.02
EPS (minus treasury shares)	¥99.95	¥135.36	¥100.67
Number of shares outstanding	32,682,310	32,682,310	32,682,310
Weighted-average number of shares outstanding (after deducting treasury)	30,196,594	30,760,964	30,196,594

## Fiscal 2019 Statements of Income (First 2 Quarters Results; Non-consolidated)

### First Half

¥ millions, rounded down

	Sept. 2019 Interim Results		Sept. 2018 Interim Results		Year-on-Year Comparison		Sept. 2019 Interim Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	18,223	100.0	18,060	100.0	162	100.9	18,520	100.0	△ 296	98.4
Cost of Sales	11,061	60.7	11,046	61.2	14	100.1	11,090	59.9	△ 28	99.7
Gross profit	7,161	39.3	7,013	38.8	147	102.1	7,430	40.1	△ 268	96.4
SG&A expenses	4,861	26.7	5,020	27.8	△ 158	96.8	5,110	27.6	△ 248	95.1
Operating income	2,300	12.6	1,993	11.0	306	115.4	2,320	12.5	△ 19	99.1
Other income	119		102		16		70		49	
Other expenses	15		101		△ 85		10		5	
Ordinary income	2,403	13.2	1,994	11.0	408	120.5	2,380	12.9	23	101.0
Extraordinary income	1,942		3,998		△ 2,055		1,990		1,942	
Extraordinary expenses	1		1		0		-		1	
Income before income taxes	4,343	23.8	5,991	33.2	△ 1,647	72.5	4,370	23.6	△ 26	99.4
Corporation tax, etc.	1,325		1,827		△ 501		1,330		△ 4	
(Tax burden)	30.5%		30.5%				30.4%			
Profit attributable to owners of parent	3,018	16.6	4,163	23.1	△ 1,145	72.5	3,040	16.4	△ 21	99.3
EPS (total shares)	¥92.34		¥127.41				¥93.02			
EPS (minus treasury shares)	¥99.95		¥135.36				¥100.67			
Number of shares outstanding	32,682,310		32,682,310				32,682,310			
Weighted-average number of shares outstanding (after deducting treasury)	30,196,594		30,760,964				30,196,594			

### Second Half

¥ millions, rounded down

	Fiscal 2019 Plan		Fiscal 2018 Results		Year-on-Year Comparison		Fiscal 2019 Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	19,216	100.0	18,237	100.0	979	105.4	18,920	100.0	296	101.6
Cost of Sales	11,378	59.2	11,450	62.8	△ 72	99.4	11,350	60.0	28	100.3
Gross profit	7,838	40.8	6,786	37.2	1,051	115.5	7,570	40.0	268	103.5
SG&A expenses	5,288	27.5	5,336	29.3	△ 48	99.1	5,040	26.6	248	104.9
Operating income	2,549	13.3	1,450	8.0	1,099	175.8	2,530	13.4	19	100.8
Other income	440		252		188		490		△ 49	
Other expenses	14		8		5		20		△ 5	
Ordinary income	2,976	15.5	1,694	9.3	1,282	175.7	3,000	15.9	△ 23	99.2
Extraordinary income	47		-		47		-		47	
Extraordinary expenses	△ 1		1		△ 3		-		△ 1	
Income before income taxes	3,026	15.7	1,692	9.3	1,333	178.8	3,000	15.9	26	100.9
Corporation tax, etc.	924		384		540		920		4	
(Tax burden)	30.5%		22.7%				30.7%			
Profit attributable to owners of parent	2,101	10.9	1,308	7.2	793	160.6	2,080	11.0	21	101.1

### Full-year

¥ millions, rounded down

	Fiscal 2019 Plan		Fiscal 2018 Results		Year-on-Year Comparison		Fiscal 2019 Plan		Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	37,440	100.0	36,298	100.0	1,141	103.1	37,440	100.0	-	100.0
Cost of Sales	22,440	59.9	22,497	62.0	△ 57	99.7	22,440	59.9	-	100.0
Gross profit	15,000	40.1	13,800	38.0	1,199	108.7	15,000	40.1	-	100.0
SG&A expenses	10,150	27.1	10,357	28.5	△ 207	98.0	10,150	27.1	-	100.0
Operating income	4,850	13.0	3,443	9.5	1,406	140.8	4,850	13.0	-	100.0
Other income	560		354		205		560		-	
Other expenses	30		109		△ 79		30		-	
Ordinary income	5,380	14.4	3,688	10.2	1,691	145.8	5,380	14.4	-	100.0
Extraordinary income	1,990		3,998		△ 2,008		1,990		-	
Extraordinary expenses	-		2		△ 2		-		-	
Income before income taxes	7,370	19.7	7,684	21.2	△ 314	95.9	7,370	19.7	-	100.0
Corporation tax, etc.	2,250		2,211		38		2,250		-	
(Tax burden)	0.0%		28.8%				0.0%			
Profit attributable to owners of parent	5,120	13.7	5,472	15.1	△ 352	93.6	5,120	13.7	-	100.0
EPS (total shares)	¥156.66		¥167.45				¥156.66			
EPS (minus treasury shares)	¥169.50		¥179.60				¥169.50			
Number of shares outstanding	32,682,310		32,682,310				32,682,310			
Weighted-average number of shares outstanding (after deducting treasury)	30,206,585		30,472,084				30,206,585			

## First 2 Quarters Results Manufacturing Costs (Non-consolidated)

### Manufacturing Costs

¥ millions, rounded down

	2010.9	2011.9	2012.9	2013.9	2014.9	2015.9	2016.9	2017.9	2018.9	2019.9
<b>Materials</b>	4,508	4,879	5,009	5,323	5,692	5,964	6,382	6,266	6,387	6,391
<b>Personnel</b>	879	892	906	949	949	886	884	877	860	819
<b>Outsourcing</b>	162	173	208	209	210	188	205	199	208	167
<b>Others</b>	1,302	1,712	1,601	1,503	1,402	1,494	2,173	3,392	3,285	3,055
<b>Total</b>	6,853	7,658	7,726	7,985	8,254	8,533	9,645	10,735	10,741	10,434

### Change

(%)

	2010.9	2011.9	2012.9	2013.9	2014.9	2015.9	2016.9	2017.9	2018.9	2019.9
<b>Materials</b>	△ 1.4	8.2	2.7	6.3	6.9	4.8	7.0	△ 1.8	1.9	0.1
<b>Personnel</b>	1.7	1.4	1.6	4.8	△ 0.1	△ 6.6	△ 0.3	△ 0.8	△ 1.9	△ 4.7
<b>Outsourcing</b>	54.5	7.0	19.7	0.8	0.5	△ 10.8	9.4	△ 3.2	5.0	△ 20.1
<b>Others</b>	△ 16.4	31.4	△ 6.5	△ 6.2	△ 6.7	6.6	45.5	56.1	△ 3.2	△ 7.0
<b>Total</b>	△ 3.5	11.7	0.9	3.4	3.4	3.4	13.0	11.3	0.1	△ 2.9

### % of total

(%)

	2010.9	2011.9	2012.9	2013.9	2014.9	2015.9	2016.9	2017.9	2018.9	2019.9
<b>Materials</b>	65.8	63.7	64.8	66.7	69.0	69.9	66.2	58.4	59.5	61.3
<b>Personnel</b>	12.8	11.6	11.7	11.9	11.5	10.4	9.2	8.2	8.0	7.9
<b>Outsourcing</b>	2.4	2.3	2.7	2.6	2.6	2.2	2.1	1.9	1.9	1.6
<b>Others</b>	19.0	22.4	20.7	18.8	17.0	17.5	22.5	31.6	30.6	29.3
<b>Total</b>	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

### Materials and outsourcing

68.2 66.0 67.5 69.3 71.5 72.1 68.3 60.2 61.4 62.9

