

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending February 28, 2022 [Japanese GAAP]

January 13, 2022

Company name: Hisamitsu Pharmaceutical Co., Inc.
 Stock exchange listing: Tokyo, Nagoya, Fukuoka
 Securities code: 4530
 URL: <https://global.hisamitsu/>
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 Scheduled date of filing quarterly securities report: Jan. 14, 2022
 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 Third Quarter of the Fiscal Year Ending February 28, 2022

(March 1, 2021 to November 30, 2021)

(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	%
Nine months ended Nov. 30, 2021	86,663	7.2	6,973	△14.2	8,665	9.3	6,218	8.7
Nine months ended Nov. 30, 2020	80,822	△18.4	8,123	△55.9	7,928	△60.2	5,722	△62.9

(Note) Comprehensive income: Nine months ended Nov. 30, 2021 9,349 millions of yen (36.2%)
 Nine months ended Nov. 30, 2020 6,865 millions of yen (△47.0%)

	Profit per share	Diluted profit per share
	yen	yen
Nine months ended Nov. 30, 2021	76.14	76.09
Nine months ended Nov. 30, 2020	70.04	69.97

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of Nov. 30, 2021	303,995	253,913	82.9
As of Feb. 28, 2021	299,861	253,809	84.1

(Reference) Shareholders' equity: As of Nov. 30, 2021 251,971 millions of yen
 As of Feb. 28, 2021 252,066 millions of yen

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Fiscal year end	Total
	yen	yen	yen	yen	yen
Year ended Feb. 28, 2021	—	41.75	—	41.75	83.50
Year ending Feb. 28, 2022	—	42.00	—	—	—
Year ending Feb. 28, 2022 (Forecast)	—	—	—	42.00	84.00

(Note) Revisions to the most recently announced dividends forecast: No

3. Consolidated Earnings Forecast for the Fiscal Year Ending February 28, 2022 (March 1, 2021 to February 28, 2022)

(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	122,900	7.3	10,700	0.3	12,700	7.4	9,900	7.0	121.22

(Note) Revisions to the most recently announced consolidated forecast: No

*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 : Yes
 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 Nov. 30, 2021 : 85,164,895 shares

As of Feb. 28, 2021 : 85,164,895 shares

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

As of Nov. 30, 2021 : 4,025,727 shares

As of Feb. 28, 2021 : 3,430,483 shares

3) Average number of shares outstanding during the period

Nine months ended Nov. 30, 2021 : 81,670,294 shares

Nine months ended Nov. 30, 2020 : 81,698,419 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 January 13, 2022. 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. 28, 2021)	Current Third Quarter (As of Nov. 30, 2021)
Assets		
Current assets		
Cash and deposits	114,254	119,908
Notes and accounts receivable - trade	39,546	33,083
Securities	21,743	23,107
Merchandise and finished goods	11,359	10,012
Work in process	465	532
Raw materials and supplies	6,744	6,890
Other	4,290	10,859
Allowance for doubtful accounts	△343	△405
Total current assets	198,061	203,988
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,180	13,746
Other, net	23,174	24,733
Total property, plant and equipment	37,354	38,480
Intangible assets		
Sales rights	27	458
Other	1,150	938
Total intangible assets	1,178	1,397
Investments and other assets		
Investment securities	54,602	51,293
Other	8,878	9,049
Allowance for doubtful accounts	△214	△214
Total investments and other assets	63,267	60,128
Total non-current assets	101,800	100,007
Total assets	299,861	303,995

(Millions of yen)

	Prior Fiscal Year End (As of Feb. 28, 2021)	Current Third Quarter (As of Nov. 30, 2021)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,672	7,167
Electronically recorded obligations - operating	7,127	5,582
Short-term loans payable	1,111	1,111
Income taxes payable	608	1,668
Provision for sales returns	103	118
Provision for bonuses	1,350	490
Other	12,082	18,150
Total current liabilities	30,057	34,289
Non-current liabilities		
Long-term loans payable	296	238
Net defined benefit liability	7,928	8,132
Other	7,769	7,422
Total non-current liabilities	15,994	15,793
Total liabilities	46,051	50,082
Net assets		
Shareholders' equity		
Capital stock	8,473	8,473
Capital surplus	2,352	2,356
Retained earnings	233,376	232,753
Treasury shares	△11,495	△13,908
Total shareholders' equity	232,707	229,674
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,165	14,261
Revaluation reserve for land	3,790	3,784
Foreign currency translation adjustment	△1,173	3,861
Remeasurements of defined benefit plans	575	389
Total accumulated other comprehensive income	19,359	22,296
Share acquisition rights	232	244
Non-controlling interests	1,510	1,697
Total net assets	253,809	253,913
Total liabilities and net assets	299,861	303,995

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2020 – Nov. 30, 2020)	Current Fiscal Year (Mar. 1, 2021 – Nov. 30, 2021)
Net sales	80,822	86,663
Cost of sales	30,184	34,884
Gross profit	50,674	51,779
Selling, general and administrative expenses	42,551	44,805
Operating profit	8,123	6,973
Non-operating income		
Interest income	507	110
Dividend income	570	595
Foreign exchange gains	—	891
Other	390	329
Total non-operating income	1,467	1,927
Non-operating expenses		
Interest expenses	5	11
Foreign exchange losses	1,149	—
Share of loss of entities accounted for using equity method	208	74
Cost for idle operation	—	77
Other	299	72
Total non-operating expenses	1,662	235
Ordinary profit	7,928	8,665
Extraordinary income		
Gain on disposal of non-current assets	219	6
Gain on sales of investment securities	136	652
Total extraordinary income	356	659
Extraordinary losses		
Loss on disposal of non-current assets	21	53
Loss on discontinuation of sale	—	279
Total extraordinary losses	21	333
Profit before income taxes	8,263	8,992
Income taxes	2,409	2,564
Profit	5,853	6,427
Profit attributable to non-controlling interests	131	209
Profit attributable to owners of parent	5,722	6,218

Quarterly Consolidated Statements of comprehensive income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2020 – Nov. 30, 2020)	Current Fiscal Year (Mar. 1, 2021 – Nov. 30, 2021)
Profit	5,853	6,427
Other comprehensive income		
Valuation difference on available-for-sale securities	3,556	△1,855
Foreign currency translation adjustment	△2,698	5,013
Remeasurements of defined benefit plans, net of tax	146	△193
Share of other comprehensive income of entities accounted for using equity method	7	△42
Total other comprehensive income	1,011	2,922
Comprehensive income	6,865	9,349
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,767	9,161
Comprehensive income attributable to non-controlling interests	97	187



Our commitments originate from each individual's determination to "start something good for ecology (eco)!"

Hisamitsu Pharmaceutical has designed the "HELLO! eco!" mark as a symbol of its environmental activities,

and products that have met the ecology standards that our company has established will display the "HELLO! eco!" mark sequentially.

Hisamitsu.