



Consolidated Financial Results for the First Quarter of the Fiscal Year Ending February 28, 2023
[Japanese GAAP]

July 7, 2022

Company name: Hisamitsu Pharmaceutical Co., Inc.
 Stock exchange listing: Tokyo, Nagoya, Fukuoka
 Securities code: 4530
 URL: <https://global.hisamitsu/>
 Representative: NAKATOMI Kazuhide, President & CEO
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 Scheduled date of filing quarterly securities report: July 8, 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, etc)

(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, 2023

(March 1, 2022 to May 31, 2022)

(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, 2022	26,393	△4.9	519	△75.5	2,298	△19.5	1,631	△30.9
Three months ended May 31, 2021	27,761	11.6	2,120	96.6	2,855	582.9	2,362	1,979.9

(Note) Comprehensive income: Three months ended May 31, 2022 6,012 millions of yen (△1.0%)
 Three months ended May 31, 2021 6,070 millions of yen (160.1%)

	Profit per share	Diluted profit per share
	yen	yen
Three months ended May 31, 2022	20.46	20.45
Three months ended May 31, 2021	28.91	28.89

(Note) Beginning with the first quarter of the fiscal year ending on February 28, 2023, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). All figures for the first quarter incorporate this accounting standard.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of May 31, 2022	307,764	251,713	81.1
As of Feb. 28, 2022	302,858	254,885	83.5

(Reference) Shareholders' equity: As of May 31, 2022 249,602 millions of yen
 As of Feb. 28, 2022 252,914 millions of yen

(Note) Beginning with the first quarter of the fiscal year ending on February 28, 2023, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). All figures for the first quarter incorporate this accounting standard.

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Fiscal year end	Total
	yen	yen	yen	yen	yen
Year ended Feb. 28, 2022	—	42.00	—	42.00	84.00
Year ending Feb. 28, 2023	—				
Year ending Feb. 28, 2023 (Forecast)		42.25	—	42.25	84.50

(Note) 1. Revisions to the most recently announced dividends forecast: No

2. Breakdown of annual dividend forecast for the fiscal year 2023

Ordinary dividend	84.00 yen
Commemorative dividend	0.50 yen (A commemorative dividend for the 175th anniversary)

3. Consolidated Earnings Forecast for the Fiscal Year Ending February 28, 2023 (March 1, 2022 to February 28, 2023)

(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	123,000	2.3	11,100	18.9	12,700	0.5	9,700	0.4	121.65

(Note) 1. Revisions to the most recently announced consolidated forecast: No

2. Beginning with the first quarter of the fiscal year ending on February 28, 2023, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). The above consolidated earnings forecast is prepared based on such accounting standards.

*Notes

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

(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 May 31, 2022 : 85,164,895 shares

As of Feb. 28, 2022 : 85,164,895 shares

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

As of May 31, 2022 : 5,427,361 shares

As of Feb. 28, 2022 : 5,427,284 shares

3) Average number of shares outstanding during the period

Three months ended May 31, 2022 : 79,737,560 shares

Three months ended May 31, 2021 : 81,734,388 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 7, 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, 2022)	Current First Quarter (As of May 31, 2022)
Assets		
Current assets		
Cash and deposits	129,290	128,294
Notes and accounts receivable - trade	38,505	—
Notes and accounts receivable - trade, and contract assets	—	33,019
Securities	13,141	13,812
Merchandise and finished goods	8,919	10,449
Work in process	438	627
Raw materials and supplies	7,055	7,189
Other	3,219	4,779
Allowance for doubtful accounts	△393	△312
Total current assets	200,176	197,860
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,905	13,918
Other, net	25,163	27,265
Total property, plant and equipment	39,069	41,184
Intangible assets		
Sales rights	442	430
Other	883	829
Total intangible assets	1,326	1,260
Investments and other assets		
Investment securities	52,519	57,099
Other	9,980	10,574
Allowance for doubtful accounts	△214	△214
Total investments and other assets	62,286	67,459
Total non-current assets	102,681	109,903
Total assets	302,858	307,764

(Millions of yen)

	Prior Fiscal Year End (As of Feb. 28, 2022)	Current First Quarter (As of May 31, 2022)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,533	8,456
Electronically recorded obligations - operating	5,692	6,458
Short-term loans payable	1,071	1,071
Income taxes payable	2,938	1,149
Provision for sales returns	135	—
Provision for bonuses	1,363	354
Other	13,424	25,321
Total current liabilities	32,160	42,811
Non-current liabilities		
Long-term loans payable	219	202
Net defined benefit liability	8,216	8,338
Other	7,376	4,698
Total non-current liabilities	15,812	13,239
Total liabilities	47,972	56,051
Net assets		
Shareholders' equity		
Capital stock	8,473	8,473
Capital surplus	2,356	2,356
Retained earnings	236,192	228,607
Treasury shares	△19,527	△19,526
Total shareholders' equity	227,495	219,910
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15,070	14,746
Revaluation reserve for land	3,641	3,616
Foreign currency translation adjustment	5,633	10,318
Remeasurements of defined benefit plans	1,073	1,009
Total accumulated other comprehensive income	25,419	29,691
Share acquisition rights	254	263
Non-controlling interests	1,717	1,847
Total net assets	254,885	251,713
Total liabilities and net assets	302,858	307,764

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2021 – May 31, 2021)	Current Fiscal Year (Mar. 1, 2022 – May 31, 2022)
Net sales	27,761	26,393
Cost of sales	11,162	11,647
Gross profit	16,599	14,745
Selling, general and administrative expenses	14,479	14,225
Operating profit	2,120	519
Non-operating income		
Interest income	33	52
Dividend income	96	83
Foreign exchange gains	584	1,657
Other	209	136
Total non-operating income	924	1,929
Non-operating expenses		
Interest expenses	1	0
Share of loss of entities accounted for using equity method	159	108
Other	28	41
Total non-operating expenses	189	150
Ordinary profit	2,855	2,298
Extraordinary income		
Gain on disposal of non-current assets	6	141
Gain on sales of investment securities	652	—
Total extraordinary income	659	141
Extraordinary losses		
Loss on disposal of non-current assets	29	41
Total extraordinary losses	29	41
Profit before income taxes	3,485	2,398
Income taxes	1,050	657
Profit	2,434	1,740
Profit attributable to non-controlling interests	72	109
Profit attributable to owners of parent	2,362	1,631

Quarterly Consolidated Statements of comprehensive income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2021 – May 31, 2021)	Current Fiscal Year (Mar. 1, 2022 – May 31, 2022)
Profit	2,434	1,740
Other comprehensive income		
Valuation difference on available-for-sale securities	△444	△281
Foreign currency translation adjustment	4,133	4,660
Remeasurements of defined benefit plans, net of tax	△64	△80
Share of other comprehensive income of entities accounted for using equity method	11	△26
Total other comprehensive income	3,636	4,272
Comprehensive income	6,070	6,012
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,005	5,928
Comprehensive income attributable to non-controlling interests	65	84



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.