

Year Ended March 31, 2016  
Results of 1st Quarter  
Settlement of Accounts Supplementary Material  
(Apr.1 to Jun.30 2015)

**Pyramid**

**Challenge Globally with Power of Creation**

August, 2015

Nichi-Iko Pharmaceutical Co., Ltd.

(Code No. 4541 1<sup>st</sup> section of TSE)





- We, Nichi-Iko, make great efforts by ourselves to be sustainable for providing value-added, high quality generic products which meet various requirements from patients, pharmacists, doctors, wholesalers and pharmaceutical companies in the global market as one of the most respected, well established generic companies in the world.

**Pyramid**

Furthering Our Mission Statement

**Vision** → **Global Top 10 Generic Maker**





# Consolidated Fiscal Year YOY

Year ended March 31, 2015 and 2016

(¥ million)

	2015 1Q	VS Sales (%)	2016 1Q	VS Sales (%)	YOY
Sales	30,400	-	35,049	-	115.3%
COGS	19,199	63.2%	21,929	62.6%	114.2%
Gross Profit	11,207	36.9%	13,137	37.5%	117.2%
SG&A Expenses	8,614	28.3%	9,967	28.4%	115.7%
Labor Expenses	1,426	4.7%	1,680	4.8%	117.8%
R&D Expenses	1,124	3.7%	1,128	3.2%	100.3%
Sales Promotion Cost	3,633	12.0%	4,411	12.6%	121.4%
Others	2,431	8.0%	2,746	7.8%	113.0%
Operating Profit	2,593	8.5%	3,169	9.0%	122.2%
Ordinary Profit	2,549	8.4%	3,234	9.2%	126.9%
Quarterly Net Profit Attributable to Parent	1,913	6.3%	2,295	6.5%	120.0%
Capital Expenses	1,991		2,827		142.0%
Depreciation	1,186		1,200		101.2%

Year ended March 31, 2016

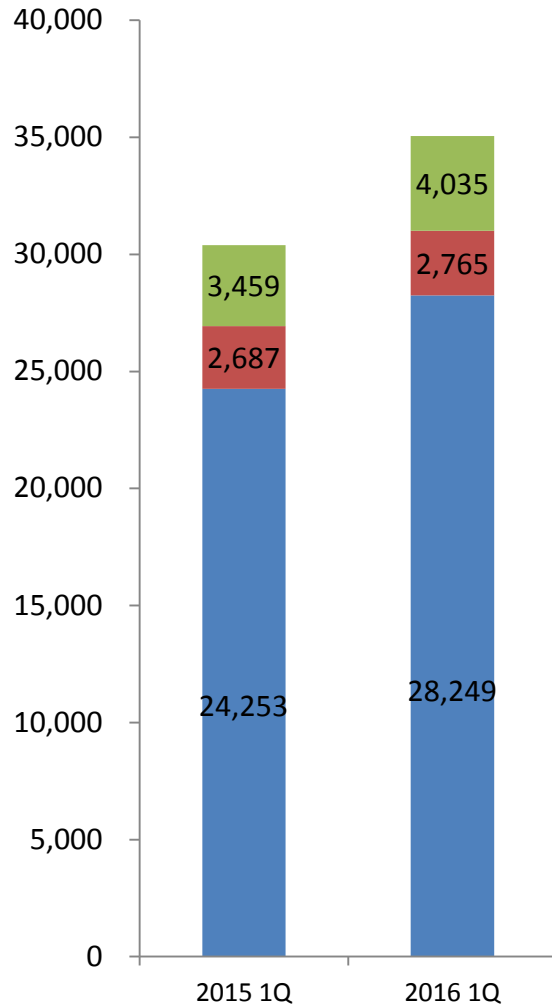
(¥ million)

	Forecasts for 2016	VS Sales (%)	2016 1Q	VS Sales (%)	VS Forecats
Sales	137,200	-	35,049	-	25.5%
COGS	84,100	61.3%	21,929	62.6%	26.1%
Gross Profit	53,100	38.7%	13,137	37.5%	24.7%
SG&A Expenses	40,600	29.6%	9,967	28.4%	24.5%
Operating Profit	12,500	9.1%	3,169	9.0%	25.4%
Ordinary Profit	12,100	8.8%	3,234	9.2%	26.7%
Quarterly Net Profit Attributable to Parent	8,000	5.8%	2,295	6.5%	28.7%
Capital Expenses	11,200		2,827		25.2%
R&D Expenses	5,900		1,128		19.1%
Depreciation	5,400		1,200		22.2%



# Sales Performance by Distribution Channel

(¥ million)



Years ended March 31, 2015 and 2016

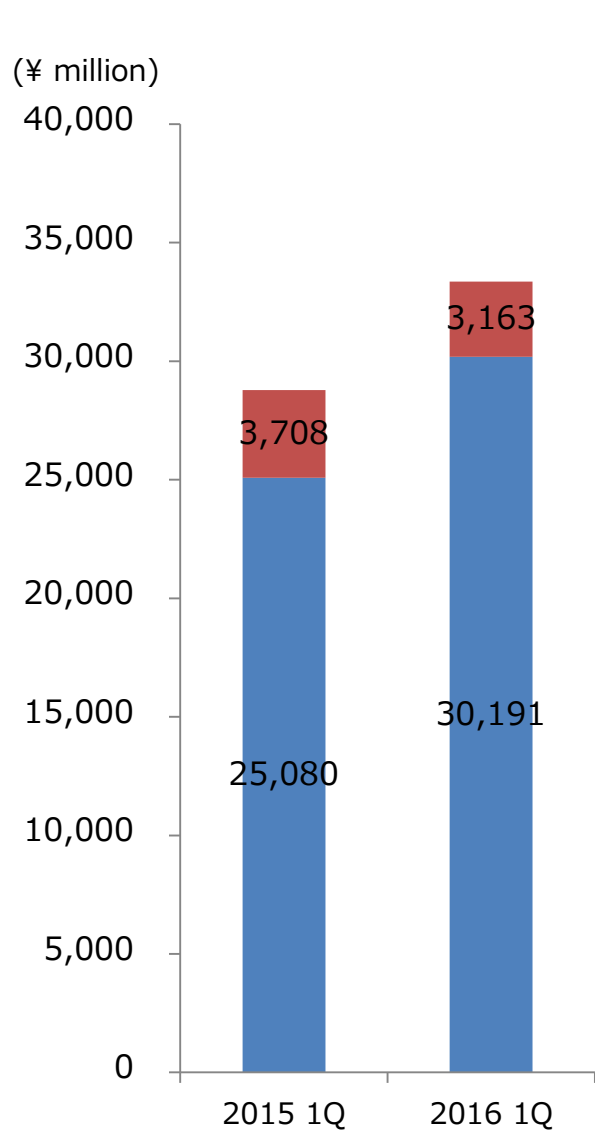
(¥ million)

Distribution Channel	2015 1Q	2016 1Q	Variance	YOY
Wholesalers	24,253	28,249	3,995	116.5%
Agencies	2,687	2,765	77	102.9%
Others	3,459	4,035	576	116.7%
<b>Total</b>	<b>30,400</b>	<b>35,049</b>	<b>4,649</b>	<b>115.3%</b>

- Others
- Agencies
- Wholesalers



# Sales Performance by Category of Products



Year ended March 31, 2015 and 2016

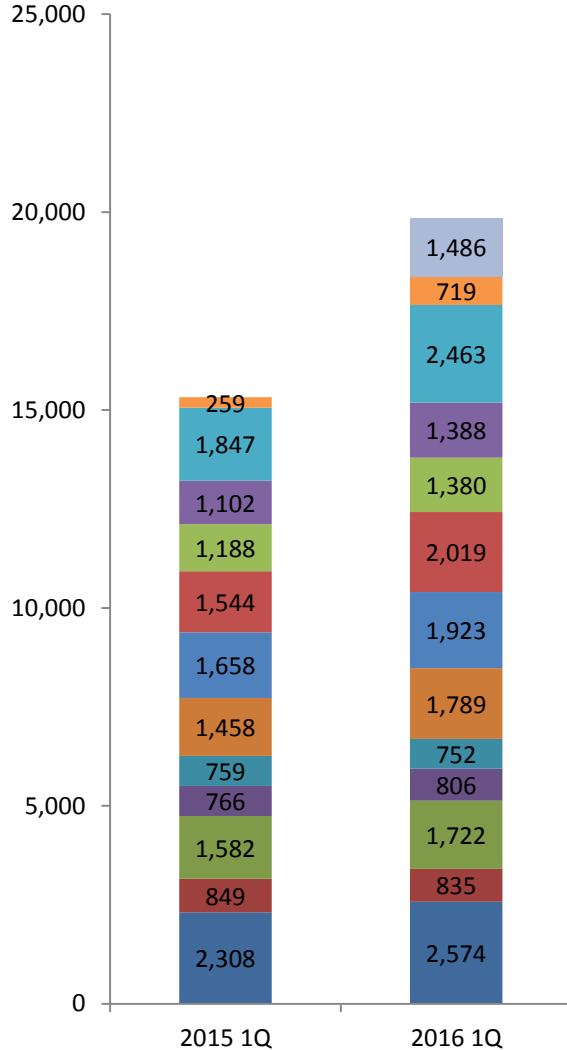
(¥ million)

Category of Product	2015 1Q	2016 1Q	Variance	YOY
G E	25,080	30,191	5,111	120.4%
LLP	3,708	3,163	-545	85.3%

LLP : Long-Listed Pharmaceuticals

# Sales Performance of Generic Products by NHI Listed Year

( ¥ million )



Listed Year	2015 1Q	2016 1Q	Variance	YOY
Listed in 2015	-	1,486	-	-
Listed in 2014	259	719	460	277.6%
Listed in 2013	1,847	2,463	616	133.4%
Listed in 2012	1,102	1,388	286	126.0%
Listed in 2011	1,188	1,380	192	116.2%
Listed in 2010	1,544	2,019	475	130.8%
Listed in 2009	1,658	1,923	265	116.0%
Listed in 2008	1,458	1,789	331	122.7%
Listed in 2007	759	752	-7	99.1%
Listed in 2006	766	806	40	105.2%
Listed in 2005	1,582	1,722	140	108.8%
Listed in 2004	849	835	-14	98.4%
Listed in 2003	2,308	2,574	266	111.5%

Institution (All Product Category)	Total No. of Institutions in Japan	2015 1Q		2016 1Q			YOY	
		Sales Composition	No. of Clients	Sales Composition	No. of Clients	Covered Ratio	Sales	No. of Clients
ALL	-	100.0%	135,108	100.0%	136,148	-	116.8%	100.8%
Hospitals	8,556	18.3%	8,398	18.0%	8,406	98.2%	115.2%	100.1%
DPC Hospitals	1,581	10.7%	1,559	11.0%	1,560	98.7%	119.8%	100.1%
Pre-DPC Hospitals	147	0.2%	143	0.2%	144	98.0%	107.0%	100.7%
Clinics	104,689	12.8%	65,820	12.2%	65,657	62.7%	111.5%	99.8%
Pharmacies	57,753	61.6%	54,719	62.1%	55,913	96.8%	117.8%	102.2%
Others	-	7.4%	6171	7.7%	6172	-	121.6%	100.0%

Institution (GE)	2015 1Q			2016 1Q		
	No. of Clients	YOY Sales	YOY No. of Clients	No. of Clients	YOY Sales	YOY No. of Clients
ALL	114,204	121.1%	102.0%	116,061	121.7%	101.6%
DPC Hospitals	1,556	114.3%	100.9%	1,556	129.8%	100.0%
Pharmacies	53,952	131.1%	103.4%	55,353	121.9%	102.6%



## Forward-Looking Statements



The information contained in this document is not intended as solicitation material for buying or selling the company's shares.

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Accordingly, actual results may differ from forecasts for a variety of reasons.

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