

Supplementary Materials

The First Quarter of the Term Ending March 31, 2020

August 2, 2019

TSUMURA & CO.

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Consolidated Statements of Income

(Million yen)

	FY 3/2019 1Q		FY 3/2020 1Q		Year-on-year		Forecast for 2Q (cumulative total)				Full-year forecast for FY 3/2020			
	Amount	% of sales	Amount	% of sales	Amount	%	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)
Net sales	29,776	100.0%	30,699	100.0%	923	3.1%	61,500	100.0%	3,231	5.5%	125,000	100.0%	4,093	3.4%
Cost of sales	12,421	41.7%	12,424	40.5%	2	0.0%	25,700	41.8%	2,163	9.2%	52,200	41.8%	2,748	5.6%
Gross profit on sales	17,354	58.3%	18,275	59.5%	920	5.3%	35,800	58.2%	1,067	3.1%	72,800	58.2%	1,344	1.9%
Selling, general and administrative expenses	12,795	43.0%	13,044	42.5%	249	1.9%	27,700	45.0%	1,917	7.4%	55,800	44.6%	2,864	5.4%
Operating profit	4,559	15.3%	5,230	17.0%	671	14.7%	8,100	13.2%	(850)	(9.5)%	17,000	13.6%	(1,520)	(8.2)%
Ordinary profit	4,917	16.5%	5,401	17.6%	483	9.8%	8,700	14.1%	(866)	(9.1)%	18,000	14.4%	(1,702)	(8.6)%
Profit attributable to owners of parent	3,516	11.8%	3,903	12.7%	386	11.0%	6,000	9.8%	(1,082)	(15.3)%	12,300	9.8%	(2,293)	(15.7)%

Capital investments, R&D expenses, etc.

(Million yen)

	FY 3/2019 1Q		FY 3/2020 1Q		Year-on-year		Forecast for 2Q (cumulative total)				Full-year forecast for FY 3/2020			
	Amount	% of sales	Amount	% of sales	Amount	%	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)	Amount	% of sales	Year-on-year (Amount)	Year-on-year (%)
Capital investments	1,785	6.0%	1,438	4.7%	(346)	(19.4)%	4,900	8.0%	1,761	36.0%	10,100	8.1%	1,014	11.2%
R&D expenses	1,520	5.1%	1,665	5.4%	145	9.6%	3,600	5.9%	601	16.7%	7,000	5.6%	1,073	18.1%
Advertising cost	149	0.5%	81	0.3%	(67)	(45.2)%	300	0.5%	(13)	(4.5)%	800	0.6%	(48)	(5.7)%
Depreciation	1,567	5.3%	1,643	5.4%	75	4.8%	3,300	5.4%	153	4.6%	6,500	5.2%	137	2.2%
Personnel expenses	7,457	25.0%	7,729	25.2%	271	3.6%	15,800	25.7%	683	4.3%	31,700	25.4%	1,242	4.1%

Growth rates of 129 prescription Kampo products

	FY 3/2015	FY 3/2016	FY 3/2017	FY 3/2018	FY 3/2019	FY 3/2020 1Q
Amount	2.4%	2.3%	1.9%	2.4%	2.7%	3.3%
Number of items with higher yen sales	81	68	95	63	83	80

Product sales

(Million yen)

Rank		No.	Product Name	FY 3/2019 1Q	FY 3/2020 1Q	Year-on- year	Year-on- year
1	☆	100	Daikenchuto	2,704	2,662	(41)	(1.5)%
2	☆	54	Yokukansan	1,956	1,995	39	2.0%
3	☆	43	Rikkunshito	1,783	1,872	89	5.0%
4	G	41	Hochuekkito	1,766	1,761	(5)	(0.3)%
5	G	68	Shakuyakukanzoto	1,310	1,340	29	2.3%
6	G	29	Bakumondoto	1,091	1,188	97	8.9%
7	G	24	Kamishoyosan	1,155	1,165	10	0.9%
8	G	17	Goreisan	1,020	1,118	98	9.7%
9	☆	107	Goshajinkigan	926	936	10	1.1%
10		114	Saireito	925	916	(9)	(1.0)%
22	☆	14	Hangeshashinto	345	364	18	5.4%
		Total of "Drug Fostering" Program formulations		7,715	7,831	116	1.5%
		Total of Growing formulations		6,344	6,574	230	3.6%
		Total of 129 prescription Kampo products		28,526	29,480	954	3.3%

☆ : "Drug Fostering" Program formulations

G : Growing formulations

Consolidated Balance Sheets

(Million yen)

	As of March 31, 2019	As of June 30, 2020	Increase / decrease
Total assets	287,322	288,459	1,136
Current assets	190,027	191,644	1,617
Liquid assets	116,764	116,079	(685)
Inventories	51,808	55,111	3,302
Non-current assets	97,295	96,814	(480)
Property, plant and equipment	73,703	73,811	108
Total liabilities	81,181	81,972	791
Current liabilities	33,320	35,702	2,382
Non-current liabilities	47,861	46,269	(1,591)
Total net assets	206,141	206,486	345

Consolidated Statements of Cash Flows

(Million yen)

	FY 3/2019 1Q	FY 3/2020 1Q	Year-on-year
Cash flows from operating activities	5,185	4,895	(290)
Cash flows from investing activities	1,103	6,918	5,815
Cash flows from financing activities	(17,351)	(2,356)	14,995
Cash and cash equivalents at the end of the quarter	66,888	66,142	(745)

Quarterly data

Consolidated Statements of Income

(Million yen)

	FY 3/2019				FY 3/2020			
	1Q	2Q cumulative	3Q cumulative	4Q cumulative	1Q	2Q cumulative	3Q cumulative	4Q cumulative
Net sales	29,776	58,268	92,010	120,906	30,699			
Cost of sales	12,421	23,536	37,403	49,451	12,424			
Gross profit on sales	17,354	34,732	54,606	71,455	18,275			
Selling, general and administrative expenses	12,795	25,782	39,326	52,935	13,044			
Operating profit	4,559	8,950	15,280	18,520	5,230			
Ordinary profit	4,917	9,566	16,094	19,702	5,401			
Profit attributable to owners of parent	3,516	7,082	11,731	14,593	3,903			

Consolidated Balance Sheets

(Million yen)

	FY 3/2019				FY 3/2020			
	The end of 1Q	The end of 2Q	The end of 3Q	The end of 4Q	The end of 1Q	The end of 2Q	The end of 3Q	The end of 4Q
Total assets	279,181	278,880	279,501	287,322	288,459			
Current assets	186,428	184,517	185,881	190,027	191,644			
Liquid assets	125,182	117,357	116,968	116,764	116,079			
Inventories	49,711	50,713	50,335	51,808	55,111			
Non-current assets	92,752	94,363	93,620	97,295	96,814			
Property, plant and equipment	71,326	71,015	71,543	73,703	73,811			
Total liabilities	81,521	77,596	76,195	81,181	81,972			
Current liabilities	34,806	29,922	28,142	33,320	35,702			
Non-current liabilities	46,714	47,673	48,053	47,861	46,269			
Total net assets	197,659	201,283	203,306	206,141	206,486			

Consolidated Statements of Cash Flows

(Million yen)

	FY 3/2019				FY 3/2020			
	1Q	2Q cumulative	3Q cumulative	4Q cumulative	1Q	2Q cumulative	3Q cumulative	4Q cumulative
Cash flows from operating activities	5,185	4,479	2,271	5,450	4,895			
Cash flows from investing activities	1,103	(4,534)	(15,683)	(7,697)	6,918			
Cash flows from financing activities	(17,351)	(17,523)	(18,508)	(18,528)	(2,356)			
Cash and cash equivalents at the end of the quarter	66,888	60,014	45,579	56,243	66,142			

Product sales

(Million yen)

No. / Product Name	FY 3/2019				FY 3/2020			
	1Q	2Q cumulative	3Q cumulative	4Q cumulative	1Q	2Q cumulative	3Q cumulative	4Q cumulative
100 / Daikenchuto	2,704	5,226	8,053	10,430	2,662			
54 / Yokukansan	1,956	3,848	5,916	7,664	1,995			
43 / Rikkunshito	1,783	3,559	5,564	7,256	1,872			
107 / Goshajinkigan	926	1,806	2,794	3,625	936			
14 / Hangeshashinto	345	670	1,030	1,350	364			
Total of "Drug Fostering" Program formulations	7,715	15,110	23,360	30,327	7,831			
41 / Hochuekkito	1,766	3,680	5,597	7,158	1,761			
68 / Shakuyakukanzoto	1,310	2,629	3,970	5,097	1,340			
29 / Bakumondoto	1,091	2,004	3,530	4,734	1,188			
24 / Kamishoyosan	1,155	2,263	3,533	4,539	1,165			
17 / Goreisan	1,020	2,112	3,199	4,124	1,118			
Total of Growing formulations	6,344	12,691	19,830	25,653	6,574			
Total of "Drug Fostering" Program formulations and Growing formulations	14,060	27,801	43,190	55,980	14,406			
Total of 129 prescription Kampo products	28,526	55,799	87,834	115,255	29,480			