



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

October 12, 2022

Company name: Hisamitsu Pharmaceutical Co., Inc.  
 Stock exchange listing: Tokyo, Nagoya, Fukuoka  
 Securities code: 4530  
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 Scheduled date of filing quarterly securities report: Oct. 13, 2022  
 Scheduled date of dividend payment: Nov. 9, 2022  
 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 Second Quarter of the Fiscal Year Ending February 28, 2023

(March 1, 2022 to August 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	%
Six months ended Aug. 31, 2022	59,619	1.8	4,913	△13.9	8,870	29.7	6,504	30.0
Six months ended Aug. 31, 2021	58,551	10.6	5,706	3.5	6,836	23.9	5,002	35.4

(Note) Comprehensive income: Six months ended Aug. 31, 2022 20,546 millions of yen (102.3%)  
 Six months ended Aug. 31, 2021 10,156 millions of yen (80.6%)

	Profit per share	Diluted profit per share
	yen	yen
Six months ended Aug. 31, 2022	81.58	81.51
Six months ended Aug. 31, 2021	61.20	61.16

(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 second quarter incorporate this accounting standard.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of Aug. 31, 2022	327,897	266,277	80.5
As of Feb. 28, 2022	302,858	254,885	83.5

(Reference) Shareholders' equity: As of Aug. 31, 2022 264,080 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 second 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	—	42.25			
Year ending Feb. 28, 2023 (Forecast)			—	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	121.64

(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 Aug. 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 Aug. 31, 2022 : 5,420,243 shares

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

3) Average number of shares outstanding during the period

Six months ended Aug. 31, 2022 : 79,741,127 shares

Six months ended Aug. 31, 2021 : 81,736,248 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 October 12, 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 Second Quarter (As of Aug. 31, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	129,290	136,460
Notes and accounts receivable - trade	38,505	—
Notes and accounts receivable - trade, and contract assets	—	37,800
Securities	13,141	14,857
Merchandise and finished goods	8,919	11,395
Work in process	438	622
Raw materials and supplies	7,055	7,529
Other	3,219	6,832
Allowance for doubtful accounts	△393	△356
Total current assets	200,176	215,141
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,905	14,185
Other, net	25,163	28,077
Total property, plant and equipment	39,069	42,263
Intangible assets		
Sales rights	442	418
Other	883	799
Total intangible assets	1,326	1,218
Investments and other assets		
Investment securities	52,519	58,905
Other	9,980	10,583
Allowance for doubtful accounts	△214	△214
Total investments and other assets	62,286	69,274
Total non-current assets	102,681	112,756
Total assets	302,858	327,897

(Millions of yen)

	Prior Fiscal Year End (As of Feb. 28, 2022)	Current Second Quarter (As of Aug. 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	7,533	9,454
Electronically recorded obligations - operating	5,692	7,086
Short-term loans payable	1,071	1,071
Income taxes payable	2,938	2,699
Provision for sales returns	135	—
Provision for bonuses	1,363	1,251
Other	13,424	26,714
Total current liabilities	32,160	48,278
Non-current liabilities		
Long-term loans payable	219	183
Net defined benefit liability	8,216	8,434
Other	7,376	4,723
Total non-current liabilities	15,812	13,341
Total liabilities	47,972	61,620
<b>Net assets</b>		
Shareholders' equity		
Capital stock	8,473	8,473
Capital surplus	2,356	2,361
Retained earnings	236,192	233,465
Treasury shares	△19,527	△19,501
Total shareholders' equity	227,495	224,798
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15,070	16,044
Revaluation reserve for land	3,641	3,616
Foreign currency translation adjustment	5,633	18,692
Remeasurements of defined benefit plans	1,073	928
Total accumulated other comprehensive income	25,419	39,281
Share acquisition rights	254	241
Non-controlling interests	1,717	1,955
Total net assets	254,885	266,277
Total liabilities and net assets	302,858	327,897

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

### Quarterly Consolidated Statements of Income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2021 – Aug. 31, 2021)	Current Fiscal Year (Mar. 1, 2022 – Aug. 31, 2022)
Net sales	58,551	59,619
Cost of sales	23,120	25,156
Gross profit	35,430	34,462
Selling, general and administrative expenses	29,723	29,549
Operating profit	5,706	4,913
Non-operating income		
Interest income	79	202
Dividend income	479	501
Foreign exchange gains	526	3,146
Other	270	224
Total non-operating income	1,356	4,074
Non-operating expenses		
Interest expenses	6	4
Share of loss of entities accounted for using equity method	151	69
Other	67	43
Total non-operating expenses	226	118
Ordinary profit	6,836	8,870
Extraordinary income		
Gain on disposal of non-current assets	6	142
Gain on sales of investment securities	652	—
Total extraordinary income	659	142
Extraordinary losses		
Loss on disposal of non-current assets	48	77
Loss on discontinuation of sale	279	—
Total extraordinary losses	328	77
Profit before income taxes	7,168	8,935
Income taxes	2,022	2,215
Profit	5,145	6,720
Profit attributable to non-controlling interests	143	215
Profit attributable to owners of parent	5,002	6,504

Quarterly Consolidated Statements of comprehensive income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2021 – Aug. 31, 2021)	Current Fiscal Year (Mar. 1, 2022 – Aug. 31, 2022)
Profit	5,145	6,720
Other comprehensive income		
Valuation difference on available-for-sale securities	945	1,015
Foreign currency translation adjustment	4,273	12,996
Remeasurements of defined benefit plans, net of tax	△129	△160
Share of other comprehensive income of entities accounted for using equity method	△79	△26
Total other comprehensive income	5,011	13,826
Comprehensive income	10,156	20,546
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,018	20,392
Comprehensive income attributable to non-controlling interests	138	153

## (3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2021 – Aug. 31, 2021)	Current Fiscal Year (Mar. 1, 2022 – Aug. 31, 2022)
<b>Cash flows from operating activities</b>		
Profit before income taxes	7,168	8,935
Depreciation	1,974	2,160
Increase (decrease) in retirement benefit liability	130	187
Increase (decrease) in allowance for doubtful accounts	31	△68
Interest and dividend income	△558	△704
Interest expenses	6	4
Share of loss (profit) of entities accounted for using equity method	151	69
Loss (gain) on sales of investment securities	△652	—
Loss on discontinuation of sale	279	—
Decrease (increase) in trade receivables	6,159	3,598
Decrease (increase) in inventories	1,299	△1,704
Increase (decrease) in trade payables	△1,499	1,857
Other, net	△1,274	△4,157
Subtotal	13,215	10,179
Interest and dividends received	925	870
Interest paid	△6	△4
Income taxes refund (paid)	531	△2,881
Payments of retirement benefits for directors (and other officers)	△3	△0
Net cash provided by (used in) investing activities	14,663	8,162
<b>Cash flows from investing activities</b>		
Decrease (increase) in time deposits	△4,802	△12,169
Decrease (increase) in short-term investment securities	△503	1,740
Purchase of property, plant and equipment	△2,216	△2,341
Purchase of intangible assets	△479	△27
Purchase of investment securities	△119	△5,507
Proceeds from sales of investment securities	928	30
Other, net	26	346
Net cash provided by (used in) investing activities	△7,164	△17,928
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	△41	△35
Purchase of treasury shares	△0	△0
Dividends paid	△3,413	△3,357
Dividends paid to non-controlling interests	△43	△61
Other, net	△72	△185
Net cash provided by (used in) financing activities	△3,572	△3,641
Effect of exchange rate change on cash and cash equivalents	2,116	5,932
Net increase (decrease) in cash and cash equivalents	6,041	△7,475
Cash and cash equivalents at beginning of period	91,354	86,247
Cash and cash equivalents at end of period	97,395	78,771



**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.**