

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending February 29, 2024 [Japanese GAAP]

July 13, 2023

Company name:	Hisamitsu Pharmaceutical Co., Inc.				
Stock exchange listing:	Tokyo, Nagoya, Fukuoka				
Securities code:	4530				
URL:	https://global.hisamitsu/				
Representative:	NAKATOMI Kazuhide, President & CEO				
Contact	ISOBE Yuichi, Excective Officer, Department General Manager of Corporate Strategy Planning and				
Contact	Business Development				
TEL:	+81-3-5293-1704				
Scheduled date of filing quar	terly securities report:	July 14, 2023			
Scheduled date of dividend	payment:	-			
Preparation of supplementar	y 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 29, 2024 (March 1, 2023 to May 31, 2023)

(1) Consolidated Operating Results (Percentages represent year-on-year changes)								ar 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, 2023	32,096	21.6	4,361	739.1	5,713	148.6	4,049	148.2
Three months ended May 31, 2022	26,393	(4.9)	519	(75.5)	2,298	(19.5)	1,631	(30.9)

(Note) Comprehensive income:

Three months ended May 31, 2023 Three months ended May 31, 2022 6,501 millions of yen [8.1%]

6,012 millions of yen [(1.0%)]

	Profit per share	Diluted profit per share
	yen	yen
Three months ended May 31, 2023	52.09	52.05
Three months ended May 31, 2022	20.46	20.45

(2) Consolidated Financial Position

		Total assets	Net assets	Shareholders' equity ratio		
		Millions of yen	Millions of yen	%		
As of May 31, 2023		320,184	261,629	80.9		
As of Feb. 28, 2023		313,917	258,408	81.6		
(Reference) Shareholders' equity: As of May 31, 2023 259,139 millions of yen						

(Reference) Shareholders' equity:

259,139 millions of yen 256,105 millions of yen

As of Feb. 28, 2023

2. Dividends

	Annual dividends							
	First quarter	First quarter Second quarter Third quarter Fouth quarter Total						
	yen	yen	yen	yen	yen			
Year ended Feb. 28, 2023	—	42.25	—	42.25	84.50			
Year ending Feb. 29, 2024	—							
Year ending Feb. 29, 2024 (Forecast)		42.50	_	42.50	85.00			

No

(Note) Revisions to the most recently announced dividends forecast:

3. Consolidated Earnings Forecast for the Fiscal Year Ending February 29, 2024 (March 1, 2023 to February 29, 2024)

	(Percentages represent year-on-year changes)									
		Net sale	s	Operating	Operating profit Ordinary profit Profit attributable to owners of parent		Ordinary profit			Profit per share
		Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
L	Full year	132,300	3.1	11,800	1.7	14,600	(9.0)	10,600	(9.7)	136.34

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

*Notes

(Chages in specified subsidiaries resulting in changes in scope of consolidation)

(2) Apprication 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	: None
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, 2023	85,164,895 shares			
As of Feb. 28, 2023	85,164,895 shares			

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

As of May 31, 2023	7,420,650 shares
As of Feb. 28, 2023	7,420,560 shares

3) Average number of shares outstanding during the period						
Three months ended May 31, 2023 77,744,275 shares						
Three months ended May 31, 2022	79,737,560 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 changes 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 13, 2023. Presentation materials of financial results will be posted promptly on the company's website after the financial settlement briefings.

: None

⁽¹⁾ Changes in significant subsidiaries during the period

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance sheets

		(Millions of yen
	Prior Fiscal Year End (As of Feb. 28, 2023)	Current First Quarter (As of May 31, 2023)
Assets		
Current assets		
Cash and deposits	122,154	122,303
Notes and accounts receivable - trade, and contract assets	40,014	38,793
Securities	14,714	14,217
Merchandise and finished goods	10,330	11,116
Work in process	562	733
Raw materials and supplies	8,030	8,199
Other	3,629	6,262
Allowance for doubtful accounts	(261)	(251
Total current assets	199,174	201,375
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,980	13,977
Other, net	29,229	31,218
Total property, plant and equipment	43,209	45,196
Intangible assets		
Sales rights	394	382
Other	551	494
Total intangible assets	946	877
Investments and other assets		
Investment securities	60,845	62,513
Other	9,948	10,428
Allowance for doubtful accounts	(207)	(207
Total investments and other assets	70,586	72,734
Total non-current assets	114,742	118,809
Total assets	313,917	320,184

(Millions of yen)

	Prior Fiscal Year End (As of Feb. 28, 2023)	Current First Quarter (As of May 31, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,351	7,368
Electronically recorded obligations - operating	6,567	6,619
Short-term loans payable	1,071	1,071
Income taxes payable	2,338	1,943
Provision for bonuses	1,340	369
Other	22,908	27,623
Total current liabilities	42,578	44,996
Non-current liabilities		
Long-term loans payable	147	131
Net defined benefit liability	8,408	8,450
Other	4,375	4,977
Total non-current liabilities	12,931	13,559
Total liabilities	55,509	58,555
Net assets		
Shareholders' equity		
Capital stock	8,473	8,473
Capital surplus	2,361	2,361
Retained earnings	235,569	236,333
Treasury shares	(27,196)	(27,196)
Total shareholders' equity	219,208	219,971
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	17,042	18,437
Revaluation reserve for land	3,403	3,403
Foreign currency translation adjustment	15,819	16,763
Remeasurements of defined benefit plans	631	562
Total accumulated other comprehensive income	36,896	39,167
Share acquisition rights	260	270
Non-controlling interests	2,042	2,220
Total net assets	258,408	261,629
Total liabilities and net assets	313,917	320,184

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Net sales 26,393 32,09 Cost of sales 11,647 13,37 Gross profit 14,745 18,71 Selling, general and administrative expenses 14,225 14,35 Operating profit 519 4,36 Non-operating income 52 47 Interest income 52 47 Dividend income 83 99 Foreign exchange gains 1,657 61 Other 136 23 Total non-operating income 1,929 1,41 Non-operating expenses 0 0 Interest expenses 0 0 0 Other 1108 44 1 Other 1108 44 1 1 Total non-operating expenses 0 <th></th> <th></th> <th>(Millions of yen)</th>			(Millions of yen)
Cost of sales 11,647 13,37 Gross profit 14,745 18,71 Selling, general and administrative expenses 14,225 14,35 Operating profit 519 4,36 Non-operating income 52 477 Dividend income 52 477 Dividend income 83 99 Foreign exchange gains 1,657 61 Other 136 23 Total non-operating income 1,929 1,41 Non-operating expenses 0 41 Interest expenses 0 41 Other 41 41 Total non-operating expenses 150 66 Ordinary profit 2,298 5,711 Extraordinary income 141 - Gain on disposal of non-current assets 141 - Total extraordinary losses 41 - Loss on disposal of non-current assets 41 - Total extraordinary losses 41 - Loss on disposal of non			Current Fiscal Year (Mar. 1, 2023 – May 31 2023)
Gross profit 14,745 18,711 Selling, general and administrative expenses 14,225 14,355 Operating profit 519 4,36 Non-operating income 52 477 Interest income 52 477 Dividend income 83 99 Foreign exchange gains 1,657 61 Other 136 23 Total non-operating income 1,929 1,411 Non-operating expenses 0 41 Interest expenses 0 441 11 Non-operating expenses 150 66 66 Other 411 14	Net sales	26,393	32,096
Selling, general and administrative expenses 14,225 14,35 Operating profit 519 4,36 Non-operating income 52 47 Interest income 52 47 Dividend income 83 99 Foreign exchange gains 1,657 61 Other 136 23 Total non-operating income 1,929 1,411 Non-operating expenses 0 44 Interest expenses 0 44 Other 411 41 Total non-operating expenses 150 66 Ordinary profit 2,298 5,711 Extraordinary income 141 - Gain on disposal of non-current assets 141 - Total extraordinary losses 41 - Loss on disposal of non-current assets 41 - Total extraordinary losses 41 - Loss on disposal of non-current assets 41 - Total extraordinary losses 41 -	Cost of sales	11,647	13,378
Operating profit 519 4,36 Non-operating income 52 47 Interest income 52 47 Dividend income 83 90 Foreign exchange gains 1,657 61 Other 136 23 Total non-operating income 1,929 1,41 Non-operating expenses 0 41 Interest expenses 0 44 Other 2,298 5,71 Share of loss of entities accounted for using equity method 108 44 Other 2,298 5,71 Extraordinary income 141 - Gain on disposal of non-current assets 141 - Total extraordinary income 141 - Extraordinary losses 41 - Loss on disposal of non-current assets 41 - Total extraordinary losses 41 - Loss on disposal of non-current assets 41 - Total extraordinary losses 657 1,53 Prof	Gross profit	14,745	18,718
Non-operating income 52 47 Interest income 52 47 Dividend income 83 99 Foreign exchange gains 1,657 61 Other 136 23 Total non-operating income 1,929 1,41 Non-operating expenses 0 0 Interest expenses 0 0 Share of loss of entities accounted for using equity method 108 44 Other 41 11 Total non-operating expenses 150 6 Ordinary profit 2,298 5,71 Extraordinary income 141 - Gain on disposal of non-current assets 141 - Total extraordinary income 41 - Loss on disposal of non-current assets 41 - Total extraordinary losses 41 - Loss on disposal of non-current assets 41 - Total extraordinary losses 41 - Profit before income taxes 2,398 5,71 <t< td=""><td>Selling, general and administrative expenses</td><td>14,225</td><td>14,356</td></t<>	Selling, general and administrative expenses	14,225	14,356
Interest income 52 47 Dividend income 83 99 Foreign exchange gains 1,657 64 Other 136 23 Total non-operating income 1,929 1,41 Non-operating expenses 0 0 Interest expenses 0 0 0 Share of loss of entities accounted for using equity method 108 44 Other 411 11 Total non-operating expenses 150 66 Ordinary profit 2,298 5,711 Extraordinary income 141 - Gain on disposal of non-current assets 141 - Total extraordinary income 141 - Loss on disposal of non-current assets 41 - Total extraordinary losses 41 - Loss on disposal of non-current assets 41 - Profit before income taxes 2,398 5,711 Income taxes 657 1,53 Profit 1,740 4,17	Operating profit	519	4,361
Dividend income 83 99 Foreign exchange gains 1,657 611 Other 136 23 Total non-operating income 1,929 1,411 Non-operating expenses 0 0 Interest expenses 0 0 Share of loss of entities accounted for using equity method 108 44 Other 411 11 Total non-operating expenses 150 66 Ordinary profit 2,298 5,711 Extraordinary income 141 - Gain on disposal of non-current assets 141 - Total extraordinary income 411 - Loss on disposal of non-current assets 411 - Total extraordinary losses 411 - Loss on disposal of non-current assets 411 - Total extraordinary losses 411 - Loss on disposal of non-current assets 411 - Total extraordinary losses 411 - Profit before income taxes 657	Non-operating income		
Foreign exchange gains 1,657 641 Other 136 233 Total non-operating income 1,929 1,411 Non-operating expenses 0 41 Interest expenses 0 44 Other 411 11 Total non-operating expenses 0 44 Other 411 11 Total non-operating expenses 150 6 Ordinary profit 2,298 5,711 Extraordinary income 141 - Gain on disposal of non-current assets 141 - Loss on disposal of non-current assets 411 - Total extraordinary losses 411 - Loss on disposal of non-current assets 411 - Total extraordinary losses 411 - Profit before income taxes 2,398 5,711 Income taxes 657 1,53 Profit 1,740 4,177 Profit attributable to non-controlling interests 109 12	Interest income	52	470
Other 136 23 Total non-operating income 1,929 1,411 Non-operating expenses 0 41 Interest expenses 0 41 Other 41 11 Total non-operating expenses 108 44 Other 41 11 Total non-operating expenses 150 6 Ordinary profit 2,298 5,711 Extraordinary income 141 - Gain on disposal of non-current assets 141 - Loss on disposal of non-current assets 411 - Total extraordinary losses 411 - Loss on disposal of non-current assets 411 - Total extraordinary losses 411 - Loss on disposal of non-current assets 411 - Total extraordinary losses 411 - Profit before income taxes 2,398 5,711 Income taxes 657 1,53 Profit 1,740 4,177 Profit attr	Dividend income	83	90
Total non-operating income1,9291,41Non-operating expenses010Interest expenses010Share of loss of entities accounted for using equity method10844Other4111Total non-operating expenses15066Ordinary profit2,2985,71Extraordinary income141-Gain on disposal of non-current assets141-Total extraordinary income141-Extraordinary losses41-Income taxes6571,53Profit before income taxes6571,53Profit attributable to non-controlling interests10912	Foreign exchange gains	1,657	618
Non-operating expensesInterest expenses0Share of loss of entities accounted for using equity method108Other41Total non-operating expenses150Ordinary profit2,298Extraordinary income141Gain on disposal of non-current assets141Total extraordinary income141Extraordinary losses41Loss on disposal of non-current assets41Total extraordinary losses41Profit before income taxes657Income taxes657Profit1,740Profit attributable to non-controlling interests10912	Other	136	232
Interest expenses0Share of loss of entities accounted for using equity method10844Other4111Total non-operating expenses15066Ordinary profit2,2985,713Extraordinary income141-Gain on disposal of non-current assets141-Total extraordinary income141-Extraordinary income141-Total extraordinary income141-Profit before income taxes41-Profit before income taxes2,3985,713Income taxes6571,533Profit attributable to non-controlling interests10912	Total non-operating income	1,929	1,413
Share of loss of entities accounted for using equity method10844Other4111Total non-operating expenses1506Ordinary profit2,2985,71Extraordinary income141-Gain on disposal of non-current assets141-Total extraordinary income141-Extraordinary losses41-Loss on disposal of non-current assets41-Total extraordinary losses41-Profit before income taxes2,3985,71Income taxes6571,53Profit1,7404,17Profit attributable to non-controlling interests10912	Non-operating expenses		
Other4111Total non-operating expenses1506Ordinary profit2,2985,713Extraordinary income141-Gain on disposal of non-current assets141-Total extraordinary income141-Extraordinary losses41-Loss on disposal of non-current assets41-Total extraordinary losses41-Loss on disposal of non-current assets41-Total extraordinary losses41-Profit before income taxes2,3985,712Income taxes6571,533Profit1,7404,172Profit attributable to non-controlling interests10912	Interest expenses	0	0
Total non-operating expenses1506Ordinary profit2,2985,712Extraordinary incomeGain on disposal of non-current assets141-Total extraordinary income141-Extraordinary lossesLoss on disposal of non-current assets41-Total extraordinary losses41-Profit before income taxes2,3985,712Income taxes6571,533Profit1,7404,172Profit attributable to non-controlling interests109122	Share of loss of entities accounted for using equity method	108	42
Ordinary profit2,2985,713Extraordinary incomeGain on disposal of non-current assets141Total extraordinary income141Extraordinary lossesLoss on disposal of non-current assets41Total extraordinary lossesLoss on disposal of non-current assets41Profit before income taxes2,39897.111,740Profit1,74097.1210910912	Other	41	17
Extraordinary incomeGain on disposal of non-current assets141Total extraordinary income141Extraordinary losses141Loss on disposal of non-current assets41Total extraordinary losses41Profit before income taxes2,398Income taxes657Profit1,740Profit attributable to non-controlling interests109	Total non-operating expenses	150	61
Gain on disposal of non-current assets141Total extraordinary income141Extraordinary lossesLoss on disposal of non-current assets41Total extraordinary lossesProfit before income taxes2,398Profit before income taxes657Profit1,740Profit attributable to non-controlling interests109	Ordinary profit	2,298	5,713
Total extraordinary income141Extraordinary lossesLoss on disposal of non-current assetsLoss on disposal of non-current assetsTotal extraordinary lossesProfit before income taxesProfit before income taxes6571,740Profit attributable to non-controlling interests109124	Extraordinary income		
Extraordinary lossesLoss on disposal of non-current assets41Total extraordinary losses41Profit before income taxes2,398Income taxes657Profit1,740Profit attributable to non-controlling interests109	Gain on disposal of non-current assets	141	_
Loss on disposal of non-current assets41Total extraordinary losses41Profit before income taxes2,398Income taxes657Profit1,740Profit attributable to non-controlling interests109	Total extraordinary income	141	_
Total extraordinary losses41Profit before income taxes2,398Income taxes657Profit1,740Profit attributable to non-controlling interests109	Extraordinary losses		
Profit before income taxes 2,398 5,712 Income taxes 657 1,532 Profit 1,740 4,172 Profit attributable to non-controlling interests 109 122	Loss on disposal of non-current assets	41	0
Income taxes6571,53Profit1,7404,17Profit attributable to non-controlling interests10912	Total extraordinary losses	41	0
Profit1,7404,17Profit attributable to non-controlling interests10912	Profit before income taxes	2,398	5,712
Profit attributable to non-controlling interests 109 12	Income taxes	657	1,533
5	Profit	1,740	4,179
Profit attributable to owners of parent 1,631 4,04	Profit attributable to non-controlling interests	109	129
	Profit attributable to owners of parent	1,631	4,049

Quarterly Consolidated Statements of comprehensive income

		(Millions of yen)
	Prior Fiscal Year (Mar. 1, 2022 – May 31 2022)	Current Fiscal Year (Mar. 1, 2023 – May 31 2023)
Profit	1,740	4,179
Other comprehensive income		
Valuation difference on available-for-sale securities	(281)	1,391
Foreign currency translation adjustment	4,660	995
Remeasurements of defined benefit plans, net of tax	(80)	(46)
Share of other comprehensive income of entities accounted for using equity method	(26)	(17)
Total other comprehensive income	4,272	2,322
Comprehensive income	6,012	6,501
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,928	6,320
Comprehensive income attributable to non-controlling interests	84	181



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.

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