

Consolidated Financial Results for the Fiscal Year Ended March 31, 2015
[Japanese GAAP]

Company name: ROHTO Pharmaceutical Co., Ltd. Stock Exchange listing: TSE, First Section
 Stock code: 4527 URL: <http://www.rohto.co.jp/>
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 Scheduled date of Annual General Meeting of Shareholders: June 23, 2015
 Scheduled date of filing of Annual Securities Report: June 24, 2015
 Scheduled date of dividend payment: June 9, 2015
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

Note: The original disclosure in Japanese was released on May 14, 2015 at 15:00 (GMT +9).

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(1) Consolidated results of operations (Percentages for net sales and incomes represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended Mar. 31, 2015	151,774	5.5	13,159	(21.8)	14,098	(17.6)	8,631	(3.5)
Fiscal year ended Mar. 31, 2014	143,822	11.4	16,821	17.0	17,100	16.1	8,947	10.6

Note: Comprehensive income (Millions of yen): Fiscal year ended Mar. 31, 2015: 14,370 (up 10.3%)
 Fiscal year ended Mar. 31, 2014: 13,032 (up 4.9%)

	Net income per share	Diluted net income per share	ROE	Ordinary income on total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2015	76.05	75.73	8.3	8.3	8.7
Fiscal year ended Mar. 31, 2014	77.15	76.82	9.4	10.9	11.7

Reference: Equity in earnings of affiliates (Millions of yen): Fiscal year ended Mar. 31, 2015: 157
 Fiscal year ended Mar. 31, 2014: 167

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2015	177,509	110,516	61.7	964.18
As of Mar. 31, 2014	162,249	98,627	60.2	861.49

Reference: Shareholders' equity (Millions of yen): As of Mar. 31, 2015: 109,521 As of Mar. 31, 2014: 97,679

(3) Consolidated cash flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended Mar. 31, 2015	11,292	(9,024)	(3,375)	25,093
Fiscal year ended Mar. 31, 2014	18,661	(12,620)	(5,211)	23,026

2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Dividends on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended Mar. 31, 2014	-	9.00	-	9.00	18.00	2,083	23.3	2.2
Fiscal year ended Mar. 31, 2015	-	9.00	-	10.00	19.00	2,164	25.0	2.1
Fiscal year ending Mar. 31, 2016 (forecast)	-	10.00	-	10.00	20.00		25.8	

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	75,000	11.5	5,500	5.8	5,800	3.0	3,800	6.2	33.45
Full year	164,000	8.1	13,700	4.1	14,100	0.0	8,800	2.0	77.47

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation): Yes

Newly added: 1 (Rohto-Mentholatum (Bangladesh) Limited)

Excluded: 1 (Episteme Trading (Shanghai) Co., LTD.)

Note: Please refer to page 18 of the attachments “4. Consolidated Financial Statements, (5) Notes to Consolidated Financial Statements” for further information.

(2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

Note: Please refer to page 18 of the attachments “4. Consolidated Financial Statements, (5) Notes to Consolidated Financial Statements” for further information.

(3) Number of outstanding shares (common stock shares)

1) Number of shares outstanding at the end of the period (including treasury stock):

As of Mar. 31, 2015: 117,929,250 shares As of Mar. 31, 2014: 117,929,250 shares

2) Number of shares of treasury stock at end of the period:

As of Mar. 31, 2015: 4,338,688 shares As of Mar. 31, 2014: 4,545,198 shares

3) Average number of shares outstanding during the period:

Fiscal year ended Mar. 31, 2015: 113,489,001 shares Fiscal year ended Mar. 31, 2014: 115,971,620 shares

Note: Numbers of shares of treasury stock as of March 31, 2015 and March 31, 2014 include Company stock held by the ESOP trust (320,200 shares and 527,000 shares respectively at the end of the each period).

Reference: Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(1) Non-consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended Mar. 31, 2015	82,218	(2.6)	8,148	(30.1)	9,132	(25.6)	5,007	18.3
Fiscal year ended Mar. 31, 2014	84,434	2.0	11,651	0.3	12,277	1.2	4,232	(29.3)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Mar. 31, 2015	44.13	43.94
Fiscal year ended Mar. 31, 2014	36.50	36.34

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2015	117,420	86,941	73.6	760.39
As of Mar. 31, 2014	115,684	82,738	71.0	724.70

Reference: Shareholders' equity (Millions of yen): As of Mar. 31, 2015: 86,373 As of Mar. 31, 2014: 82,169

Note 1: Indication of audit procedure implementation status

This summary report is not subject to the audit procedures based on the Financial Instruments and Exchange Law. At the time when this report was released, the audit procedures for financial statements have not been completed.

Note 2: Cautionary statement with respect to forward-looking statements and other special items

Forecasts regarding future performance in these materials are based on assumptions judged to be valid and information available to the Company at the time the materials were created. Actual results of operations may differ significantly from the forecasts depending on various factors. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 2 of the attachments “1. Analysis of Results of Operations and Financial Position, (1) Analysis of Results of Operations.”

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1. Analysis of Results of Operations and Financial Position

(1) Analysis of Results of Operations

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Fiscal year ended Mar. 31, 2015	151,774	13,159	14,098	8,631
Fiscal year ended Mar. 31, 2014	143,822	16,821	17,100	8,947
Year-on-year change (%)	5.5	(21.8)	(17.6)	(3.5)

In the fiscal year under review, the Japanese economy experienced a gradual, broad-based recovery resulting from such factors as an improvement in share prices and the employment environment as the economic and financial policies of the government and Bank of Japan took effect. Nevertheless, consumer spending continued to weaken in reaction to the last-minute demand prior to the consumption tax hike, and the outlook for the Japanese economy remains uncertain.

Overseas, the U.S. economy continued to recover as corporate earnings rebounded and consumer spending rose, but concerns about the downward swing in the new economies, especially China, and the Eurozone have yet to be dispelled.

While The Rohto Group has moved into new fields with customer-oriented product development and marketing activities, the Group has developed high value-added products and endeavored to reinvigorate markets, in its existing categories.

In total, net sales increased 5.5% year-on-year, to 151,774 million yen, the 22nd successive year of higher sales. In Japan, sales were negatively affected by the prolonged drop in demand after the rush to make purchases prior to the April 2014 consumption tax hike and by unfavourable weather after summer. But overseas sales benefited from the weaker yen and higher sales mostly in Asia.

Profits were down from one year earlier because, as sales declined in Japan, there were sales promotion and advertisement expenses associated with launch of new products while responding to the decline in demand after the consumption tax hike. There were also expenses for R&D activities needed to enter new fields of business. As a result, operating income fell by 21.8% year-on-year to 13,159 million yen, ordinary income fell by 17.6% to 14,098 million yen, and net income fell by 3.5% to 8,631 million yen.

The sales summary by reportable segment is as follows.

(Millions of yen)

		Net sales (Sales to customers)			
		Fiscal year ended Mar. 31, 2014	Fiscal year ended Mar. 31, 2015	Year-on-year change (Amount)	Year-on-year change (%)
Reportable segment	Japan	91,772	90,350	(1,422)	(1.5)
	America	6,288	7,478	1,189	18.9
	Europe	4,801	6,322	1,520	31.7
	Asia	39,109	45,616	6,506	16.6
	Subtotal	141,971	149,766	7,795	5.5
Others		1,850	2,008	157	8.5
Total		143,822	151,774	7,952	5.5

Japan

Sales to customers decreased 1.5% year-on-year, to 90,350 million yen.

Sunscreen and other seasonal products performed poorly due to unfavorable weather and a prolonged slump in demand in reaction to the consumption tax hike. The existing line-up of skincare products also struggled due to stronger competition. Moreover, the last-minute demand in the previous year's fourth quarter prior to the consumption tax hike of April 2014 led sales to fall in reaction during the current fiscal year. Meanwhile, sales of hay fever related products rose as pollen counts returned to normal following the low count of the previous year. The

core “*Hada-Labo*” series sold steadily despite a slight decline in the market for basic skincare products while the “*DeOu*” line of deodorant brand for men also performed well. Other products that performed well included “*ROHTO V Active*,” a product for eye fatigue caused by age or dryness and for blurry vision accompanying mucus discharge; “*SUGAO*,” a new soufflé foundation to bring out natural facial beauty; “*CareCera*,” a next-generation body wash that reaches the skin’s barrier function to retain moisture; and “*Deoball*,” a roll-on ball deodorant.

Segment profits on an operating income basis decreased 35.5% year-on-year, to 7,243 million yen. There was a decline in demand after the consumption tax hike and an increase in the cost of sales ratio. In addition, there were sales promotion and advertising expenses associated with launch of new products, as well as expenses for R&D activities needed to enter new fields of business.

America

Sales to customers increased 18.9 % year-on-year, to 7,478 million yen.

The U.S. economy continued to recover stemming from firm consumer spending. For the core “*Softlips*” brand, there were strong sales of the new “*Softlips CUBE*”, a product packaged in a cube-shaped container. Sales of eye drops also contributed to higher sales because of favorable sales of new products.

Segment losses amounted to 264 million yen following a segment profit of 56 million yen in the previous fiscal year. Factors in the loss included higher cost of sales ratio despite sales growth due to a change in product composition, a rise in advertising expenses incurred with establishing a new brand, and costs related to the acquisition of Dax Cosmetics in the fiscal year under review.

Europe

Sales to customers increased 31.7% year-on-year, to 6,322 million yen.

Strong consumer spending has led to a recovery in the European economies, but the impact of the situation in Ukraine and the uptick of the Euro has sapped some of that strength. Under these conditions, sales skincare products such as the “*Deep Heat*” series of anti-inflammatory analgesic products performed well in the U.K., and the Polish company Dax Cosmetics, acquired in the fiscal year under review, also contributed to higher sales.

Segment profits on an operating income basis decreased 26.6% year-on-year to 362 million yen despite growth in sales. This was due to factors including an increase in expenses for advertising and sales promotion activities and the effect of goodwill amortization for Dax Cosmetics.

Asia

Sales to customers increased 16.6% year-on-year, to 45,616 million yen.

Sales rose sharply for “*Hada-Labo*,” which is being aggressively marketed (especially in China), and for lip cream and sunscreen products. Other skincare products also performed well.

Segment profits on an operating income basis increased 16.2% year-on-year, to 5,323 million yen due to contributions from higher sales and an improvement in cost of sales ratio, while advertising and sales promotion expenses increased.

Others

In “Others”, excluded from reportable segments, sales to customers increased 8.5% year-on-year, to 2,008 million yen.

Segment profits on an operating income basis increased 11.5% year-on-year, to 160 million yen.

(Note) The above amounts do not include consumption tax.

Reference: Sales by product and service segment

Sales by product and service segment are as follows.

(Millions of yen)

	Net sales			
	Fiscal year ended Mar. 31, 2014	Fiscal year ended Mar. 31, 2015	Year-on-year change (Amount)	Year-on-year change (%)
Eye care	27,845	28,707	861	3.1
Skincare	94,734	101,946	7,211	7.6
Internal medicines and food	17,468	17,270	(197)	(1.1)
Others	3,773	3,850	77	2.0
Total	143,822	151,774	7,952	5.5

Outlook for the fiscal year ending March 31, 2016

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
Fiscal year ending Mar. 31, 2016 (forecast)	164,000	13,700	14,100	8,800
Fiscal year ended Mar. 31, 2015 (results)	151,774	13,159	14,098	8,631
Year-on-year change (%)	8.1	4.1	0.0	2.0

The Rohto Group expects Japan's economic recovery to continue since the effect of the reaction to the consumption tax hike comes full circle, the price of crude oil falls, and the Bank of Japan's financial easing measures play a positive role. Meanwhile, consumers retain a cautious mindset with a strong tendency to economize.

Overseas, slowing growth in China, concerns over a downswing in the Eurozone, and other factors mean that the outlook remains very uncertain and the harsh business environment is set to continue.

Under such conditions, the Rohto Group will adapt to the changes in the business environment, aiming to expand business further and improve earnings by creating new products and brands that respond appropriately to changing customer needs. The Group is also taking on the challenge of various innovations including alliances with a wide range of companies.

In Japan, we anticipate that competition will continue to be intensified, and are focusing on promoting the beauty category that include the "Hada-labo" series, the new "SUGAO" brand of soufflé foundation, a next-generation body wash "CareCera," as well as the core category of eye care products. Overseas, we anticipate rising sales from growth in Asia, led by China and supported by Taiwan, Vietnam, Indonesia, and other ASEAN nations. We also keep investing in the new fields and R&D activities as pipeline.

In the next fiscal year ending March 31, 2016, we anticipate that net sales to rise 8.1% year-on-year, to 164 billion yen, operating income 4.1% to 13.7 billion yen, ordinary income remains unchanged to 14.1 billion yen, and profit attributable to owners of parent 2.0% to 8.8 billion yen.

Furthermore, we expect net sales to increase for the 23rd consecutive fiscal year.

These forecasts are based on an exchange rate of 120 yen to the US dollar.

(2) Analysis of Financial Position**Balance sheet and cash flow position****Balance sheet position**

Total assets at the end of the current fiscal year increased 15,259 million yen from the end of the previous fiscal year to 177,509 million yen. This was mainly due to increases of 4,063 million yen in notes and accounts receivable-trade, 2,705 million yen in cash and deposits, 1,947 million yen in electronically recorded monetary claims-operating, 1,806 million yen in property, plant and equipment, 1,600 million yen in investment securities and 1,548 million yen in intangible fixed assets.

Total liabilities increased 3,370 million yen from the end of the previous fiscal year to 66,993 million yen. This was mainly due to increases of 3,752 million yen in accrued expenses and 1,955 million yen in net defined benefit liability, while there were decreases of 1,826 million yen in accrued income taxes and 1,552 million yen in notes and accounts payable-trade.

Net assets increased 11,888 million yen from the end of the previous fiscal year to 110,516 million yen. This was mainly due to increases of 5,810 million yen in retained earnings and 4,432 million yen in translation adjustments, and 1,613 million yen in valuation difference on available-for-sale securities.

Consolidated cash flow position

(Millions of yen)

Item	Fiscal year ended Mar. 31, 2014	Fiscal year ended Mar. 31, 2015	Year-on-year change (Amount)
Cash and cash equivalents at the beginning of the period	19,867	23,026	3,159
Cash flows from operating activities	18,661	11,292	(7,368)
Cash flows from investing activities	(12,620)	(9,024)	3,595
Cash flows from financing activities	(5,211)	(3,375)	1,836
Effect of exchange rate changes on cash and cash equivalents	1,849	2,775	925
Increase (decrease) in cash and cash equivalents	2,678	1,667	(1,011)
Increase in cash and cash equivalents from newly consolidated subsidiary	480	398	(81)
Cash and cash equivalents at the end of the period	23,026	25,093	2,066

During the current fiscal year, there was a net increase of 2,066 million yen in cash and cash equivalents to 25,093 million yen.

Operating activities

Net cash provided by operating activities decreased 7,368 million yen year-on-year to 11,292 million yen. There were income before income taxes and minority interests of 13,751 million yen, and inflow factors of depreciation of 6,513 million yen, while there were outflow factors of an increase of 3,634 million yen in notes and accounts receivable-trade, a decrease of 2,436 million yen in notes and accounts payable-trade, and income tax paid of 5,471 million yen.

Investing activities

Net cash used in investing activities decreased 3,595 million yen year-on-year to 9,024 million yen. This was mainly due to proceeds from sales of investment securities of 1,040 million yen, while there were the purchase of property, plant and equipment of 3,964 million yen and the purchase of shares of subsidiaries resulting in change in scope of consolidation of 3,836 million yen.

Financing activities

Net cash used in financing activities decreased 1,836 million yen year-on-year to 3,375 million yen. This was mainly due to cash dividends paid of 2,050 million yen and the repayment of long-term loans payable of 1,280 million yen.

Reference: Trends in cash flow indicators

	77th Fiscal year ended Mar. 31, 2013	78th Fiscal year ended Mar. 31, 2014	79th Fiscal year ended Mar. 31, 2015
Shareholders' equity ratio	61.7%	60.2%	61.7%
Shareholders' equity ratio based on market price	100.5%	127.3%	109.3%
Interest-bearing debt to cash flow ratio	0.4	0.5	0.7
Interest coverage ratio	118.7	126.7	78.0

* Shareholders' equity ratio = Shareholders' equity / Total assets

Shareholders' equity ratio based on market price = Market capitalization / Total assets

Interest-bearing debt to cash flow ratio = Interest-bearing debt / Operating cash flows (before interests and income taxes paid)

Interest coverage ratio = Operating cash flows (before interests and income taxes paid) / Interest payments

1. All indices are calculated based on consolidated figures.

2. Market capitalization: Closing stock price on the balance sheet date x number of shares outstanding (net of treasury stock shares) on the balance sheet date

3. Operating cash flows (before interests and income taxes paid) are calculated using the figures for cash flows from operating activities (before interests and income taxes paid) in the consolidated statements of cash flows. Interest-bearing debt includes all liabilities on the consolidated balance sheets that incur interest. Interest payments are calculated using the figures for interest expenses paid in the consolidated statements of cash flows.

(3) Basic Policy of Profit Distribution and Dividends for the Current and Next Fiscal Years

Constantly and consistently returning to shareholders the profits earned through business activities is one of our highest priorities. The fundamental policy is to pay a dividend based on results of operations. Retained earnings will be used effectively for the development of new products, the investments in manufacturing equipment, the entering into new businesses and others to respond to changes in the operating environment. We believe that these investments will contribute to future earnings, thereby enabling the Company to pay a large and stable dividend to shareholders.

We plan to distribute a year-end dividend of 10 yen per share for the fiscal year ended on March 31, 2015. Added to the interim dividend of 9 yen, which has been already distributed, this will bring the annual dividend to 19 yen per share.

For the fiscal year ending on March 31, 2016, with our gratitude to all the shareholders who support us on a regular basis, we plan to pay interim and year-end dividends of 10 yen per share each bringing the annual total to 20 yen per share.

2. Management Policies

(1) Basic Management Policy

The Rohto Group aims to help individuals age gracefully in accordance with its corporate slogan that pledges to bring “Happy Surprises.” Since the establishment of Rohto, we have focused on creating a broad range of healthcare products, including eye drops, gastrointestinal medicines, and dermal medication, and developing new markets with the spirit of persistence and taking on new challenges. Even in times of upheaval we will remain committed to the spirit of this slogan as we aim to become a constant source of surprise and happiness for customers and society at large.

At the same time, the Rohto Group is dedicated to earning the trust and meeting the expectations of shareholders, customers, business partners, employees, society and all other stakeholders while operating in a manner that promotes mutual prosperity with others.

(2) Target Performance Indicators

Our primary goals are maximizing shareholder value and enhancing the satisfaction of all stakeholders. In the healthcare market, our objective is to establish brands that are either number one or among the leaders in their respective categories. In addition, management places priority on earnings indicators, particularly the operating margin, return on equity and ordinary income on total assets.

(3) Medium- and Long-term Business Strategy and Challenges

In Japan, signs of a recovery from the prolonged economic slump are slowly starting to emerge. But the economic outlook in Japan and overseas is still uncertain. The importance of the health and beauty market, which is the core business domain of the Rohto Group, is increasing as people become more interested in healthy lifestyles. On the other hand, competition for market share is becoming more heated as population ages and consumer spending weakens.

Under these conditions, the Rohto Group is aiming to extend “healthy life years” by helping to build health in mind and body, and is working to develop high-value-added products and cultivate new brands to satisfy new demands transcending the traditional health and beauty field framework. Superior product development and technology skills will be vital to accomplishing this goal. We will focus on technological innovation and building a stronger foundation for operations. In addition, we will perform joint research with start-up companies and research scientists in Japan and other countries and use other initiatives to build an organic research infrastructure.

We are accelerating global operations development to deliver our products all over the world. We will exploit the advantages developed from an early stage in the Asian region, especially China and Vietnam, to achieve further growth. Moreover, we will aggressively explore opportunities in next emerging countries with growth prospects. We will also develop our operational group synergy in America and Europe.

To enlarge the scope of our activities in the health and beauty field, we are starting activities involving food, which is the basis for good health, and new health care businesses, such as regenerative medicine.

We are also fulfilling our social responsibilities, in addition to the development of business activities. In 2011, we established a new division, the Post-Disaster Reconstruction Support Office (currently included in the public relations and CSV promotion department) to provide help over the mid- to long-term. In order to carry out the “next-generation support” activities that comprise our CSV (Creating Shared Value) theme, we are supporting orphaned children in the earthquake in the aspect of their lives and academic achievements over the long-term period.

3. Basic Approach to the Selection of Accounting Standards

The Rohto Group will continue to prepare consolidated financial statements using the generally accepted accounting principles in Japan for the time being to permit comparisons with prior years and with the financial data of other companies.

We will take suitable actions with regard to the application of International Financial Reporting Standards by taking into account associated factors in Japan and other countries.

4. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(Millions of yen)

	FY3/14 (As of Mar. 31, 2014)	FY3/15 (As of Mar. 31, 2015)
Assets		
Current assets		
Cash and deposits	23,028	25,733
Notes and accounts receivable-trade	28,361	32,424
Electronically recorded monetary claims-operating	4,566	6,513
Merchandise and finished goods	12,578	12,918
Work in process	1,636	2,360
Raw materials and supplies	7,167	7,290
Deferred tax assets	3,603	3,455
Other	2,156	3,135
Allowance for doubtful accounts	(117)	(139)
Total current assets	82,981	93,692
Fixed assets		
Property, plant and equipment		
Buildings and structures	40,953	44,277
Accumulated depreciation	(20,222)	(21,930)
Buildings and structures, net	20,730	22,347
Machinery, equipment and vehicles	42,745	45,297
Accumulated depreciation	(31,992)	(33,994)
Machinery, equipment and vehicles, net	10,752	11,302
Equipment	11,192	12,085
Accumulated depreciation	(8,841)	(9,695)
Equipment, net	2,351	2,390
Land	12,340	13,026
Construction in progress	2,250	1,153
Other	186	208
Accumulated depreciation	(49)	(57)
Other, net	136	151
Total property, plant and equipment	48,563	50,370
Intangible fixed assets		
Goodwill	575	1,326
Other	2,253	3,050
Total intangible fixed assets	2,828	4,376
Investments and other assets		
Investment securities	22,724	24,325
Long-term loans receivable	2,075	1,869
Deferred tax assets	2,059	1,944
Other	1,925	2,304
Allowance for doubtful accounts	(908)	(1,374)
Total investments and other assets	27,876	29,070
Total fixed assets	79,268	83,816
Total assets	162,249	177,509

(Millions of yen)

	FY3/14 (As of Mar. 31, 2014)	FY3/15 (As of Mar. 31, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	11,753	10,201
Short-term loans payable	8,216	8,349
Accrued expenses	22,699	26,452
Accrued income taxes	2,709	882
Accrued consumption tax	203	1,229
Deferred tax liabilities	220	483
Reserve for bonuses	1,990	1,854
Reserve for directors' bonuses	30	20
Reserve for returned goods unsold	920	700
Reserve for rebates of sales	2,250	2,190
Provision for loss on liquidation of subsidiaries and associates	130	-
Other	5,519	5,243
Total current liabilities	56,643	57,607
Non-current liabilities		
Long-term loans payable	1,666	1,074
Deferred tax liabilities	2,138	3,260
Net defined benefit liability	2,702	4,657
Reserve for directors' retirement benefits	62	-
Other	409	392
Total non-current liabilities	6,979	9,385
Total liabilities	63,622	66,993
Net assets		
Shareholders' equity		
Capital stock	6,411	6,411
Capital surplus	5,738	5,738
Retained earnings	86,505	92,315
Treasury stock	(5,785)	(5,451)
Total shareholders' equity	92,869	99,013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,033	6,646
Translation adjustments	1,047	5,479
Remeasurements of defined benefit plans	(1,270)	(1,618)
Total accumulated other comprehensive income	4,809	10,507
Stock acquisition rights	568	568
Minority interests	379	425
Total net assets	98,627	110,516
Total liabilities and net assets	162,249	177,509

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**Consolidated Statements of Income**

(Millions of yen)

	FY3/14 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/15 (Apr. 1, 2014 – Mar. 31, 2015)
Net sales	143,822	151,774
Cost of sales	57,924	61,395
Gross profit	85,897	90,379
Provision of reserve for returned goods unsold	260	220
Gross profit -net	86,157	90,599
Selling, general and administrative expenses		
Promotion expenses	17,261	19,034
Advertising expenses	22,986	25,628
Salaries and bonuses	8,943	9,941
Provision of reserve for bonuses	937	822
Provision of reserve for directors' bonuses	30	20
Retirement benefit expenses	508	593
Provision of reserve for directors' retirement benefits	5	-
Depreciation and amortization	881	1,022
Amortization of goodwill	191	282
R&D expenses	4,547	5,585
Provision of allowance for doubtful accounts	41	43
Other	13,000	14,464
Total selling, general and administrative expenses	69,336	77,440
Operating income	16,821	13,159
Non-operating income		
Interest income	230	249
Dividend income	336	355
Equity in earnings of affiliates	167	157
Insurance income	-	167
Other	211	568
Total non-operating income	946	1,499
Non-operating expenses		
Interest expenses	165	231
Foreign exchange losses	162	-
Loss on retirement of fixed assets	130	60
Loss on product recalls	-	77
Other	208	190
Total non-operating expenses	667	559
Ordinary income	17,100	14,098

(Millions of yen)

	FY3/14 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/15 (Apr. 1, 2014 – Mar. 31, 2015)
Extraordinary income		
Gain on step acquisitions	90	-
Gain on sales of investment securities	1,391	454
Total extraordinary income	1,482	454
Extraordinary losses		
Impairment loss	1,615	-
Loss on valuation of investment securities	47	252
Loss on valuation of stocks of subsidiaries and affiliates	771	-
Provision for loss on liquidation of subsidiaries and affiliates	130	-
Provision of allowance for doubtful accounts	250	549
Retirement benefit expenses	168	-
Loss on debt equity swap	999	-
Total extraordinary losses	3,983	802
Income before income taxes and minority interests	14,599	13,751
Current income taxes	5,783	3,338
Deferred income taxes	(131)	1,785
Total income taxes	5,651	5,123
Income before minority interests	8,948	8,627
Minority interests in income (loss)	1	(3)
Net income	8,947	8,631

Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY3/14 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/15 (Apr. 1, 2014 – Mar. 31, 2015)
Income before minority interests	8,948	8,627
Other comprehensive income		
Valuation difference on available-for-sale securities	562	1,607
Translation adjustments	3,345	4,476
Adjustments to foreign subsidiaries' pension liabilities	177	-
Remeasurements of defined benefit plans, net of tax	-	(347)
Share of other comprehensive income of associates accounted for using equity method	(0)	6
Total other comprehensive income	4,084	5,742
Comprehensive income	13,032	14,370
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,973	14,329
Comprehensive income attributable to minority interests	59	40

(3) Consolidated Statements of Change in Shareholders' Equity

FY3/14 (Apr. 1, 2013 – Mar. 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	6,408	5,527	79,677	(273)	91,341
Cumulative effects of changes in accounting policies					-
Restated balance	6,408	5,527	79,677	(273)	91,341
Changes of items during period					
Issuance of new shares	2	2			5
Dividends of surplus			(2,116)		(2,116)
Net income			8,947		8,947
Purchase of treasury stock				(6,185)	(6,185)
Disposal of treasury stock		208		673	881
Change in scope of consolidation			(3)		(3)
Net changes of items other than shareholders' equity					
Total changes of items during period	2	210	6,827	(5,512)	1,528
Balance at end of current period	6,411	5,738	86,505	(5,785)	92,869

	Accumulated other comprehensive income				
	Valuation difference on available-for-sale securities	Translation adjustments	Adjustments to foreign subsidiaries' pension liabilities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance at beginning of current period	4,471	(2,239)	(695)	-	1,535
Cumulative effects of changes in accounting policies					
Restated balance	4,471	(2,239)	(695)	-	1,535
Changes of items during period					
Issuance of new shares					
Dividends of surplus					
Net income					
Purchase of treasury stock					
Disposal of treasury stock					
Change in scope of consolidation					
Net changes of items other than shareholders' equity	562	3,287	695	(1,270)	3,273
Total changes of items during period	562	3,287	695	(1,270)	3,273
Balance at end of current period	5,033	1,047	-	(1,270)	4,809

	Stock acquisition rights	Minority interests	Total net assets
Balance at beginning of current period	573	320	93,771
Cumulative effects of changes in accounting policies			-
Restated balance	573	320	93,771
Changes of items during period			
Issuance of new shares			5
Dividends of surplus			(2,116)
Net income			8,947
Purchase of treasury stock			(6,185)
Disposal of treasury stock			881
Change in scope of consolidation			(3)
Net changes of items other than shareholders' equity	(5)	58	3,327
Total changes of items during period	(5)	58	4,855
Balance at end of current period	568	379	98,627

FY3/15 (Apr. 1, 2014 – Mar. 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	6,411	5,738	86,505	(5,785)	92,869
Cumulative effects of changes in accounting policies			(663)		(663)
Restated balance	6,411	5,738	85,841	(5,785)	92,206
Changes of items during period					
Issuance of new shares					-
Dividends of surplus			(2,050)		(2,050)
Net income			8,631		8,631
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		0		334	334
Change in scope of consolidation			(107)		(107)
Net changes of items other than shareholders' equity					
Total changes of items during period	-	0	6,473	333	6,807
Balance at end of current period	6,411	5,738	92,315	(5,451)	99,013

	Accumulated other comprehensive income				
	Valuation difference on available-for-sale securities	Translation adjustments	Adjustments to foreign subsidiaries' pension liabilities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance at beginning of current period	5,033	1,047	-	(1,270)	4,809
Cumulative effects of changes in accounting policies					
Restated balance	5,033	1,047	-	(1,270)	4,809
Changes of items during period					
Issuance of new shares					
Dividends of surplus					
Net income					
Purchase of treasury stock					
Disposal of treasury stock					
Change in scope of consolidation					
Net changes of items other than shareholders' equity	1,613	4,432		(347)	5,698
Total changes of items during period	1,613	4,432	-	(347)	5,698
Balance at end of current period	6,646	5,479	-	(1,618)	10,507

	Stock acquisition rights	Minority interests	Total net assets
Balance at beginning of current period	568	379	98,627
Cumulative effects of changes in accounting policies			(663)
Restated balance	568	379	97,964
Changes of items during period			
Issuance of new shares			-
Dividends of surplus			(2,050)
Net income			8,631
Purchase of treasury stock			(0)
Disposal of treasury stock			334
Change in scope of consolidation			(107)
Net changes of items other than shareholders' equity	-	45	5,744
Total changes of items during period	-	45	12,552
Balance at end of current period	568	425	110,516

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY3/14 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/15 (Apr. 1, 2014 – Mar. 31, 2015)
Cash flows from operating activities		
Income before income taxes and minority interests	14,599	13,751
Depreciation and amortization	5,735	6,513
Impairment loss	1,615	-
Amortization of goodwill	191	282
Increase (decrease) in allowance for doubtful accounts	20	235
Increase (decrease) in reserve for bonuses	4	(141)
Increase (decrease) in reserve for retirement benefits	-	(10)
Increase (decrease) in net defined benefit liability	(121)	303
Increase (decrease) in reserve for returned goods unsold	(260)	(220)
Increase (decrease) in reserve for rebates of sales	(510)	(60)
Provision for loss on liquidation of subsidiaries and affiliates	130	-
Provision of allowance for doubtful account	250	549
Loss (gain) on sales of investment securities	(1,391)	(454)
Loss (gain) on valuation of investment securities	47	252
Loss on valuation of stocks of subsidiaries and affiliates	771	-
Loss on debt equity swap	999	-
Loss (gain) on step acquisitions	(90)	-
Interest and dividend income	(567)	(605)
Interest expenses	165	231
Equity in (earnings) losses of affiliates	(167)	(157)
Decrease (increase) in notes and accounts receivable-trade	(365)	(3,634)
Decrease (increase) in inventories	(1,090)	354
Increase (decrease) in notes and accounts payable-trade	1,087	(2,436)
Other	3,146	1,673
Subtotal	24,201	16,428
Interest and dividends income received	532	553
Interest expenses paid	(195)	(217)
Income tax paid	(5,877)	(5,471)
Net cash provided by operating activities	18,661	11,292
Cash flows from investing activities		
Payments into time deposits	-	(566)
Purchase of property, plant and equipment	(6,278)	(3,964)
Purchase of intangible fixed assets	(431)	(183)
Purchase of investment securities	(5,205)	(943)
Proceeds from sales of investment securities	2,152	1,040
Net decrease (increase) in short-term loans receivable	200	(2)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	(760)	(3,836)
Payments of long-term loans receivable	(2,291)	(308)
Other	(5)	(258)
Net cash used in investing activities	(12,620)	(9,024)

	(Millions of yen)	
	FY3/14	FY3/15
	(Apr. 1, 2013 – Mar. 31, 2014)	(Apr. 1, 2014 – Mar. 31, 2015)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	3,283	(433)
Proceeds from long-term loans payable	993	102
Repayment of long-term loans payable	(2,031)	(1,280)
Purchase of treasury shares of subsidiaries	(5,319)	(0)
Proceeds from sales of treasury shares	-	334
Cash dividends paid	(2,116)	(2,050)
Other	(21)	(47)
Net cash used in financing activities	(5,211)	(3,375)
Effect of exchange rate changes on cash and cash equivalents	1,849	2,775
Increase (decrease) in cash and cash equivalents	2,678	1,667
Cash and cash equivalents at the beginning of period	19,867	23,026
Increase in cash and cash equivalents from newly consolidated subsidiary	480	398
Cash and cash equivalents at the end of period	23,026	25,093

(5) Notes to Consolidated Financial Statements**Going Concern Assumption**

No reportable information.

Significant Accounting Policies in the Preparation of Consolidated Financial Statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 34

Name of major consolidated subsidiaries:

Rohto USA, Inc., The Mentholatum Company Inc., The Mentholatum Company Ltd (UK), Mentholatum (Asia Pacific) Ltd., Mentholatum (China) Pharmaceutical Co., Ltd., Mentholatum Taiwan Ltd., PT Rohto Laboratories Indonesia, Rohto-Mentholatum (Vietnam) Co., Ltd., Qualitech Pharma Co., Ltd., Tianjin ROHTO Herbal Medicine Co., Ltd., Rohto Pharma (India) Pvt. Ltd., Rohto-Mentholatum (Bangladesh) Co., Ltd.

Effective from the current fiscal year, Hokushinfoods Co.,LTD., Rohto-Mentholatum (Bangladesh) Co., Ltd. and two other companies, which were non-consolidated subsidiaries in the previous fiscal year, were included in the consolidation because of their increased materiality of impact on the consolidated financial statements. Dax Cosmetics Sp. z o.o. was included in the consolidation because this company became a consolidated subsidiary due to the purchase of shares by the Company. Episteme Trading (Shanghai) Co., LTD. was liquidated and excluded from the consolidation in the current fiscal year.

(2) Major non-consolidated subsidiaries

PT Rohto Laboratories Indonesia, Rohto Pia Co., Ltd.

Reason for exclusion

These subsidiaries are not included in the scope of consolidation since each of them is a small-scale business whose total assets, net sales, net income/loss (equity in earnings) and retained earnings (equity in earnings) have no significant effect on the overall results of consolidated financial statements.

2. Application of the equity method

(1) Number of non-consolidated subsidiaries accounted for under the equity method: 1

Major company: PT Rohto Laboratories Indonesia

(2) Number of equity-method affiliates: 2

Major company: Ands Corporation

(3) The non-consolidated subsidiaries (Rohto Pia Co., Ltd., etc.) and affiliates (Nagai (Vietnam) Co., Ltd., etc.) are not accounted for under the equity method since they have a very minor effect on net income/loss (equity in earnings) and retained earnings (equity in earnings), and are relatively insignificant in the context of the consolidated financial statements.

Change in Accounting Policies

The Company has applied the “Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012)” and the “Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, March 26, 2015)” from the current fiscal year, for provisions set forth in the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits. Accordingly, the Company reviewed the methods for calculating retirement benefit obligations and service costs, and revised the method of attributing estimated retirement benefit obligations to periods from the straight-line basis to the benefit formula basis, and revised the method of determining the discount rate, for the period of bonds used for the basis of determining the discount rate, from the method using the approximate number of years of expected average length of remaining service period of employees to the method using a single weighted average discount rate reflecting the estimated period and amount of benefit payment.

For the application of these accounting standards, etc. in accordance with the transitional accounting treatments set forth in Paragraph 37 of the Accounting Standard for Retirement Benefits, the adjustments associated with the change in calculation methods of retirement benefit obligations and service costs are recorded in retained earnings at the beginning of the current fiscal year.

The result was an increase of 1,030 million yen in net defined benefit liability, and a decrease of 663 million yen in retained earnings at the beginning of the current fiscal year. The effect of this change on operating income, ordinary income and income before income taxes and minority interests in the current fiscal year is insignificant.

Additional Information

Accounting method for ESOP trust

The Company has started to transfer treasury stock to the employee stock ownership plan (ESOP) by using a trust in the current fiscal year. The purpose is to improve benefits for employees.

1. Summary

To further improve benefits for employees, who play a critical role in our growth, the Board of Directors approved a resolution on February 7, 2014 to establish a ESOP trust to serve as an employee incentive plan. The goals of this plan are to make employees more aware of results of operations and shareholder value as well as to achieve medium- to long-term growth in corporate value.

A trust has been established that will provide benefits to employees belonging to the ROHTO employee stock ownership plan who fulfill certain requirements. This trust will make a single purchase of the Company stock that is equal to the number of shares that this ESOP is expected to purchase between March 2014 and March 2017. After purchasing this stock, the trust sell part of the stock to the ESOP on the same day of each month.

2. Stock remaining in the trust

For the accounting treatment of the ESOP trust, the Company quickly began applying the “Practical Solution for Transactions for Transfers of Company Stock to Employees, Etc. Using a Trust (Practical Issues Task Force No. 30, December 25, 2013)”. As a result, the Company and the ESOP trust are treated for accounting purposes as a single unit by using the gross price method. Based on this method, the book value (excluding incidental expenses) of the Company stock held by the ESOP trust is included as “treasury stock” in net assets in the consolidated balance sheets. As of March 31, 2015, the ESOP trust held 320,200 shares of the Company stock with a book value of 517 million yen.

3. Book value of loans recorded due to use of the gross price method

577 million yen in the fiscal year that ended on March 31, 2015

Revised amount of deferred tax assets and deferred tax liabilities following the change in the corporate tax rate, etc.

Following the promulgation on March 31, 2015 of the “Act for Partial Revision of the Income Tax Act, etc.” (Act No.9 of 2015) and “Act for Partial Revision of the Local Tax Act, etc.” (Act No.2 of 2015), the statutory effective tax rate for the calculation of deferred tax assets and deferred tax liabilities (only for items covered on or after April 1, 2015) were lowered from 35.6% in the previous fiscal year to 33.0% for collection or payment to be scheduled between April 1, 2015 and March 31, 2016, and to 32.2% on and after April 1, 2016.

The effect of this change was to increase deferred tax assets (after deducting deferred tax liabilities) by 175 million yen, deferred income taxes by 117 million yen, valuation difference on available-for-sale securities by 332 million yen and decrease remeasurements of defined benefit plans by 40 million yen, all of these items were booked in the current fiscal year.

Segment and Other Information

Segment Information

1. Overview of reportable segments

Segments used for financial reporting are the Company's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Company undertakes manufacture and sales activities mainly in the health and beauty care categories. Within Japan, these operations are mainly handled by the Company. Overseas, operations are mainly handled by The Mentholatum Company, Inc. in America, The Mentholatum Company Ltd. (UK). in Europe, and The Mentholatum (Asia Pacific) Ltd. and Mentholatum (China) Pharmaceutical Co., Ltd. in Asia, together with overseas affiliates. These affiliates each operate as autonomous business units, formulating comprehensive strategies in each region and developing business activities for the products and services they undertake.

Accordingly, the Company comprises the four geographical reportable segments of Japan, America, Europe, and Asia based on our manufacturing and sales structure. In each segment, we manufacture and sell eye care (including eye drops and eyewash preparations), skincare (including dermal medicines, lip balm, sunscreens, and functional cosmetics, etc.), internal medicines and food (including gastrointestinal medicines, traditional Chinese herbal medicines and supplements), and other products and services, such as in-vitro test kits.

2. Calculation methods for net sales, profits/losses, assets, liabilities, and other items for each reportable segment

The accounting treatment methods for reportable segments are generally the same as those listed in "Significant Accounting Policies in the Preparation of Consolidated Financial Statements" presented in the Group's annual securities report (*Yuka Shoken Hokokusho.*)

Profits for reportable segments are generally operating income figures. Inter-segment sales and transfers are determined based on market prices.

3. Information related to net sales, profit/loss, assets, liabilities, and other items for each reportable segment

FY3/14 (Apr. 1, 2013 – Mar. 31, 2014)

(Millions of yen)

	Reportable segment					Others (Note 2)	Total	Adjustment (Note 3)	Amounts shown on consolidated financial statements (Note 4)
	Japan	America	Europe	Asia	Subtotal				
Net sales									
(1) Sales to customers	91,772	6,288	4,801	39,109	141,971	1,850	143,822	-	143,822
(2) Inter-segment sales and transfers	1,569	1,266	3	2,744	5,583	20	5,603	(5,603)	-
Total	93,341	7,555	4,804	41,853	147,555	1,870	149,425	(5,603)	143,822
Segment profit	11,235	56	494	4,581	16,367	144	16,512	309	16,821
Segment assets	122,853	21,971	4,169	49,532	198,526	1,144	199,671	(37,421)	162,249
Segment liabilities	41,693	3,532	1,347	20,096	66,668	360	67,029	(3,407)	63,622
Other items									
Depreciation	4,007	157	129	819	5,113	18	5,132	-	5,132
Amortization of goodwill	191	-	-	-	191	-	191	-	191
Increase in property, plant and equipment and intangible fixed assets	5,230	412	58	2,144	7,845	25	7,870	-	7,870

- Notes: 1. “America” includes the business activities of overseas entities in the U.S. and Canada; “Europe” those in the U.K. and South Africa; and “Asia” those in China, Taiwan, Vietnam, and others.
2. “Others” is businesses that is excluded from reportable segments, and includes the business activities of an entity in Australia.
3. (1) “Adjustment” (309 million yen) to segment profit indicates elimination for intersegment transactions.
(2) “Adjustment” to segment assets (-37,421 million yen) and liabilities (-3,407 million yen) indicate an elimination for intersegment transactions.
4. Segment profit is adjusted to be consistent with operating income shown on the consolidated statements of income.

FY3/15 (Apr. 1, 2014 – Mar. 31, 2015)

(Millions of yen)

	Reportable segment					Others (Note 2)	Total	Adjustment (Note 3)	Amounts shown on consolidated financial statements (Note 4)
	Japan	America	Europe	Asia	Subtotal				
Net sales									
(1) Sales to customers	90,350	7,478	6,322	45,616	149,766	2,008	151,774	-	151,774
(2) Inter-segment sales and transfers	1,849	1,348	3	2,551	5,752	23	5,776	(5,776)	-
Total	92,200	8,826	6,326	48,167	155,519	2,031	157,550	(5,776)	151,774
Segment profit (loss)	7,243	(264)	362	5,323	12,665	160	12,826	332	13,159
Segment assets	124,100	27,696	8,707	63,464	223,969	1,283	225,253	(47,743)	177,509
Segment liabilities	38,938	7,540	1,834	24,541	72,853	407	73,260	(6,267)	66,993
Other items									
Depreciation	4,400	642	313	987	6,344	21	6,366	-	6,366
Amortization of goodwill	243	-	39	-	282	-	282	-	282
Increase in property, plant and equipment and intangible fixed assets	2,968	179	132	894	4,174	21	4,196	-	4,196

- Notes: 1. “America” includes the business activities of overseas entities in the U.S. and Canada; “Europe” those in the U.K., Poland and South Africa; and “Asia” those in China, Taiwan, Vietnam, and others.
2. “Others” is businesses that is excluded from reportable segments, and includes the business activities of an entity in Australia.
3. (1) “Adjustment” (332 million yen) to segment profit (loss) indicates elimination for intersegment transactions.
(2) “Adjustments” to segment assets (-47,743 million yen) and liabilities (-6,267 million yen) indicate an elimination for intersegment transactions.
4. Segment profit (loss) is adjusted to be consistent with operating income shown on the consolidated statements of income.

Related information

FY3/14 (Apr. 1, 2013 – Mar. 31, 2014)

1. Products and services information

(Millions of yen)

	Eye care products	Skincare products	Internal medicines and food	Others	Total
Sales to customers	27,845	94,734	17,468	3,773	143,822

FY3/15 (Apr. 1, 2014 – Mar. 31, 2015)

1. Products and services information

(Millions of yen)

	Eye care products	Skincare products	Internal medicines and food	Others	Total
Sales to customers	28,707	101,946	17,270	3,850	151,774

Per-share Information

(Yen)

	FY3/14 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/15 (Apr. 1, 2014 – Mar. 31, 2015)
Net assets per share	861.49	946.18
Net income per share	77.15	76.05
Diluted net income per share	76.82	75.73

Notes: 1. Basis for calculation of net income per share and diluted net income per share are as follows. (Millions of yen)

Item	FY3/14 (Apr. 1, 2013 – Mar. 31, 2014)	FY3/15 (Apr. 1, 2014 – Mar. 31, 2015)
Net income per share		
Net income	8,947	8,631
Amount not available to common stock shareholders	-	-
Net income applicable to common stock	8,947	8,631
Average number of common stock shares outstanding during the period (thousand shares)	115,971	113,489
Diluted net income per share		
Adjusted to net income	-	-
Increase in the number of common stock shares (thousand shares)	490	489
[of which stock acquisition rights (thousand shares)]	[490]	[489]
Summary of dilutive shares not included in the calculation of “diluted net income per share” since there was no dilutive effect.		-

2. Basis for calculation of net assets per share is as follows. (Millions of yen)

Item	FY3/14 (As of Mar. 31, 2014)	FY3/15 (As of Mar. 31, 2015)
Total net assets on the balance sheets	98,627	110,516
Deduction on total net assets	948	994
[of which stock acquisition rights]	[568]	[568]
[of which minority interests]	[379]	[425]
Net assets applicable to common stock	97,679	109,521
Number of common stock shares used in calculation of net assets per share (thousand shares)	113,384	113,590

3. Company stock held by the ESOP trust that is included in treasury stock in shareholders' equity is treated as treasury stock and is thus excluded from the average number of shares used to calculate net income per share and diluted net income per share. In addition, for the calculation of net assets per share, this ESOP trust stock is included in treasury stock, which is deducted from the number of shares outstanding at the end of the fiscal year.

For the calculation of net income per share and diluted net income per share, the average number of shares of treasury stock that was excluded were 40,538 for FY3/14 and 421,946 for FY3/15. For the calculation of net assets per share, the number of shares of treasury stock that was excluded were 527,000 for FY3/14 and 320,200 for FY3/15.

Material Subsequent Events

No reportable information.

* This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.