

NEVER SAY NEVER

**ROHTO**



# FACT BOOK 2018

For the year ended March 31, 2018

**ROHTO Pharmaceutical Co.,Ltd.**

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## Corporate Data

(as of March 31, 2018)

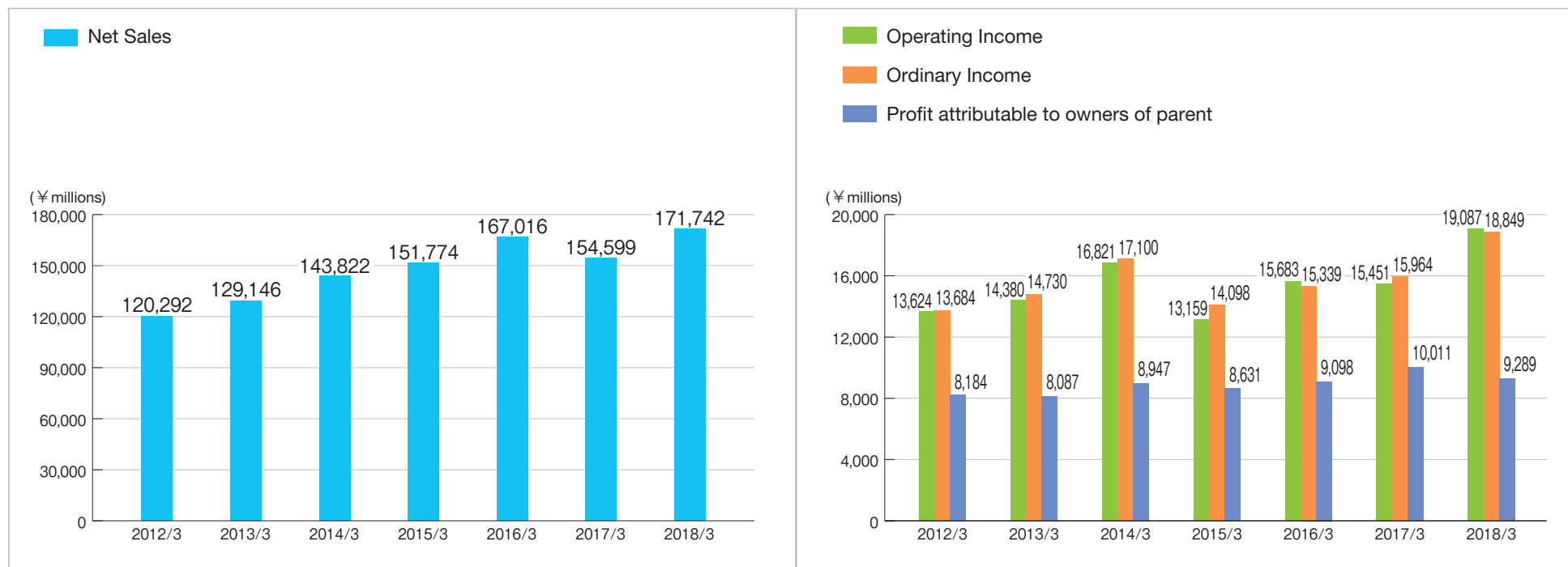
NAME	ROHTO Pharmaceutical Co., Ltd.
Originated	February 22, 1899
Established	September 15, 1949
Paid-in-capital	6,415 million yen
Number of Employees	1,400 (Non-Consolidated), 6,448 (Consolidated)
Business line	Manufacturer and marketer of pharmaceutical products, cosmetics and functional foods
Headquarter	1-8-1 Tatsumi-nishi, Ikuno-ku, Osaka 544-8666, Japan

## Segments

Eye care products	Eye drops, eyewash preparations, contact lens products, etc.
Skincare products	Dermal medicines, lip balm, sunscreens, functional cosmetics, etc.
Internal Medicines	Gastrointestinal medicines, Chinese herbal medicine, Functional display food, etc.
Others	In-vitro test kits, hay fever products, etc.

## Results of Operations (Consolidated)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
Net Sales ( ¥ millions)	120,292	129,146	143,822	151,774	167,016	154,599	171,742
Change (%)	4.2	7.4	11.4	5.5	10.0	△ 7.4	11.1
Gross Profit ( ¥ millions)	70,495	75,873	86,157	90,599	99,226	91,344	101,049
Share of Net Sales (%)	58.6	58.8	59.9	59.7	59.4	59.1	58.8
Selling, General and Administrative Expenses ( ¥ millions)	56,871	61,493	69,336	77,440	83,543	75,893	81,962
Share of Net Sales (%)	47.3	47.6	48.2	51.0	50.0	49.1	47.7
Operating Income ( ¥ millions)	13,624	14,380	16,821	13,159	15,683	15,451	19,087
Share of Net Sales (%)	11.3	11.1	11.7	8.7	9.4	10.0	11.1
Ordinary Income ( ¥ millions)	13,684	14,730	17,100	14,098	15,339	15,964	18,849
Share of Net Sales (%)	11.4	11.4	11.9	9.3	9.2	10.3	11.0
Profit attributable to owners of parent ( ¥ millions)	8,184	8,087	8,947	8,631	9,098	10,011	9,289
Share of Net Sales (%)	6.8	6.3	6.2	5.7	5.4	6.5	5.4



## Mainly Financial Indicators (Consolidated)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
<b>Profitability indicators</b>							
ROA: Return on Assets (%)	10.4	10.3	10.9	8.3	8.6	8.8	9.9
ROE: Return on Equity (%)	10.2	9.2	9.4	8.4	8.3	8.8	7.6
<b>Efficiency indicators</b>							
Total Asset Turnover (Times)	0.92	0.90	0.92	0.89	0.94	0.86	0.90
Trade Receivable Turnover (Times)	3.90	4.05	4.44	4.22	3.80	3.24	3.54
Inventory Turnover (Times)	7.01	6.89	7.04	6.91	7.32	6.63	6.89
<b>Stability indicators</b>							
Current Ratio (%)	158.6	156.3	146.5	162.6	171.4	189.0	186.2
Owners' Equity Ratio (%)	60.9	61.7	60.2	61.7	61.4	64.7	63.3
Interest Coverage Ratio (Times)	74.1	118.7	126.7	78.0	80.6	138.8	165.2
Debt-to-Equity Ratio (Times)	0.13	0.10	0.13	0.11	0.07	0.07	0.07

(Notes)

Return on Assets=Ordinary Income/Total Assets (Yearly Average)×100 (%)

Return on Equity=(Net Income/Average Total Owners' Equity)×100 (%)

Total Asset Turnover=Net Sales/Average Total Assets (Times)

Trade Receivable Turnover=Net Sales/Average Trade Receivable (Times)

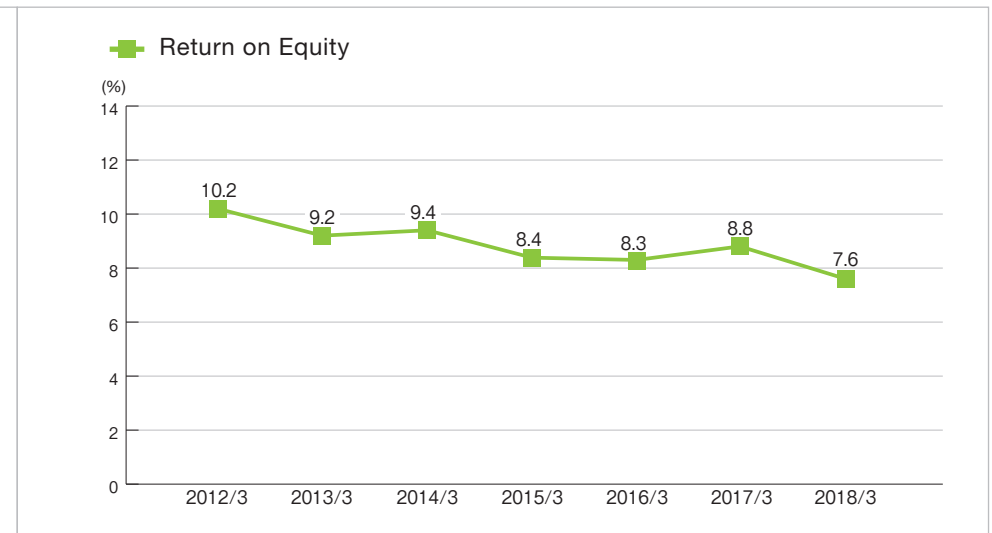
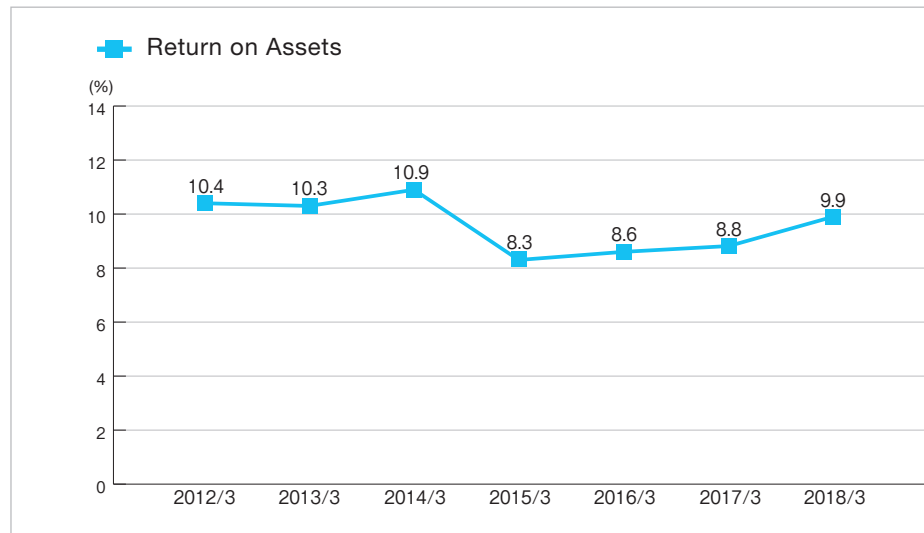
Inventory Turnover=Net Sales/Average Inventories (Times)

Current Ratio=(Current Assets/Current Liabilities)×100 (%)

Owners' Equity Ratio=(Owners' Equity/Total Assets)×100 (%)

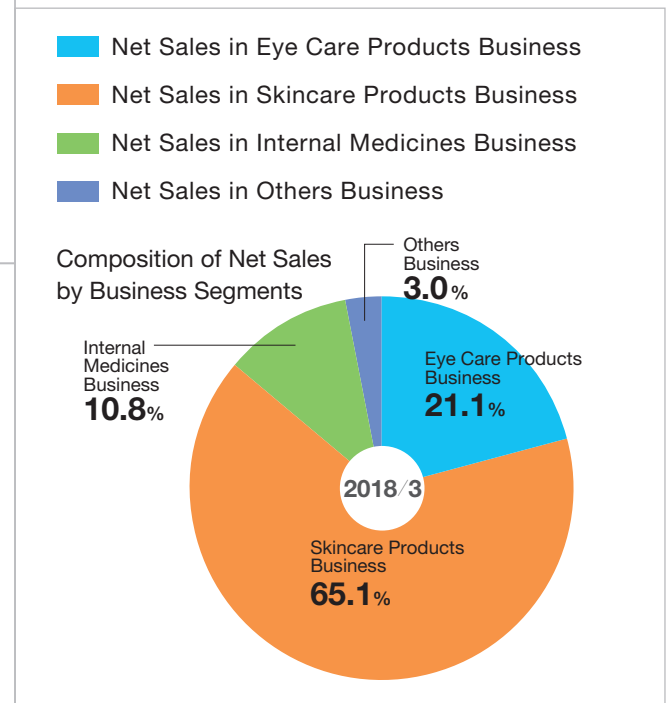
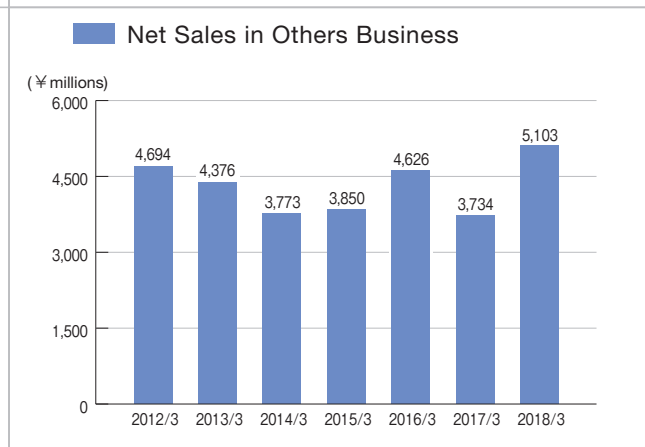
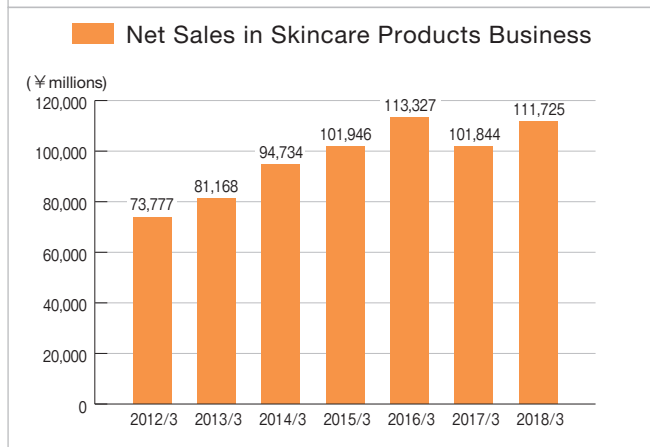
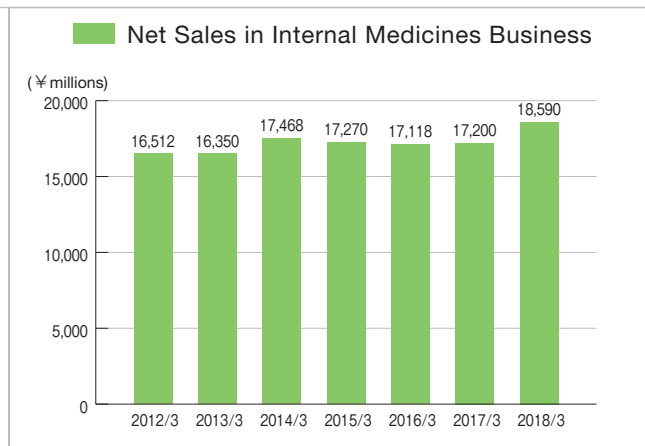
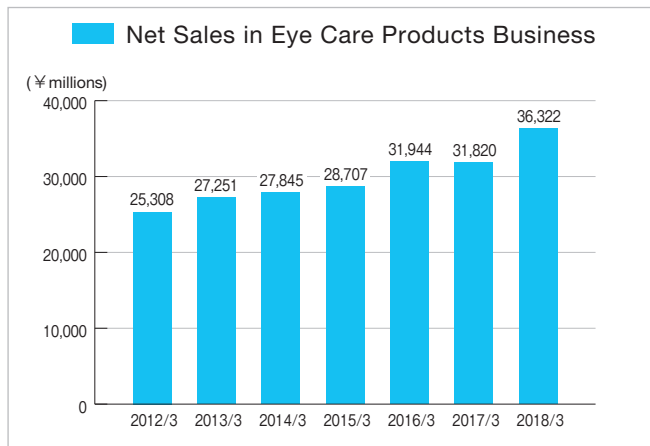
Interest Coverage Ratio=Operating Cash Flow (before interests and taxes paid)/Interest Expenses (Times)

Debt-to-Equity Ratio=(Short-Term Debt+Long-Term Debt)/Net Assets (Shareholders' Equity, until 2005/3)



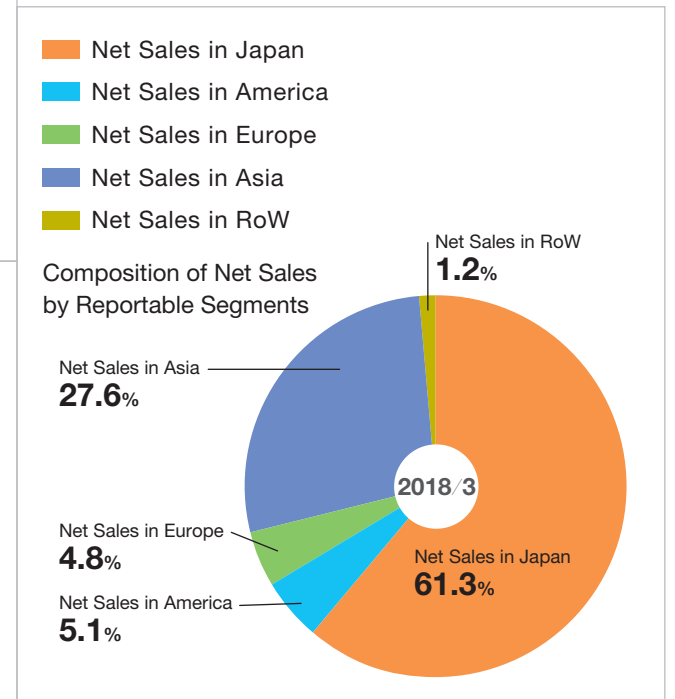
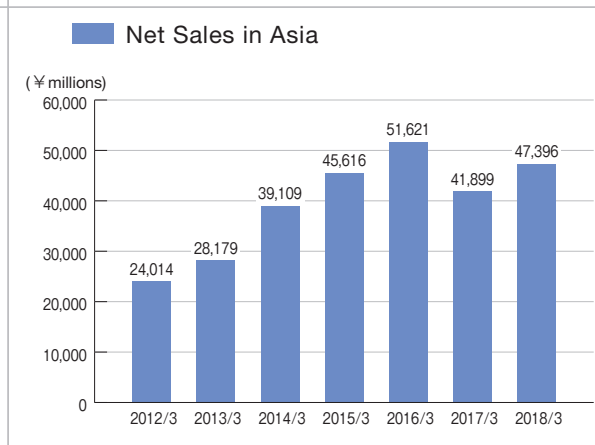
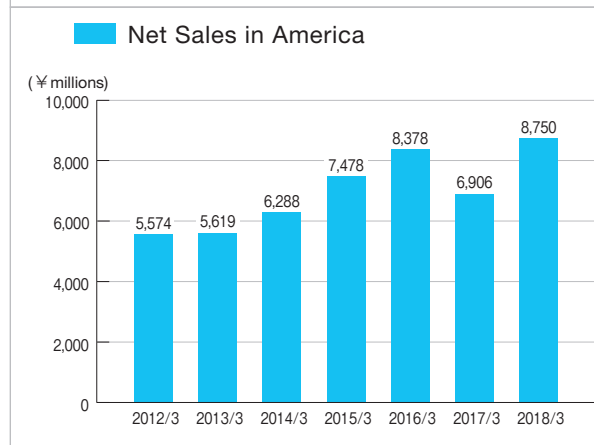
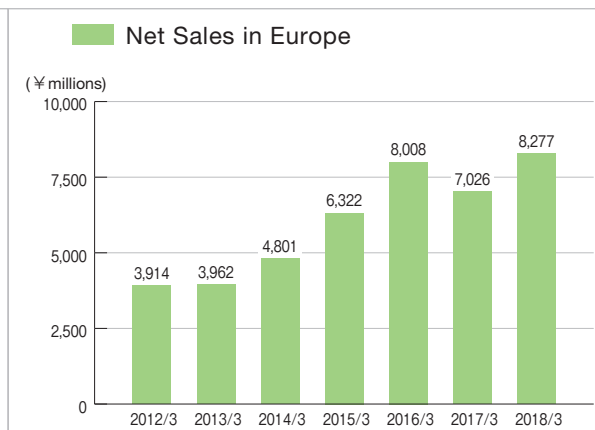
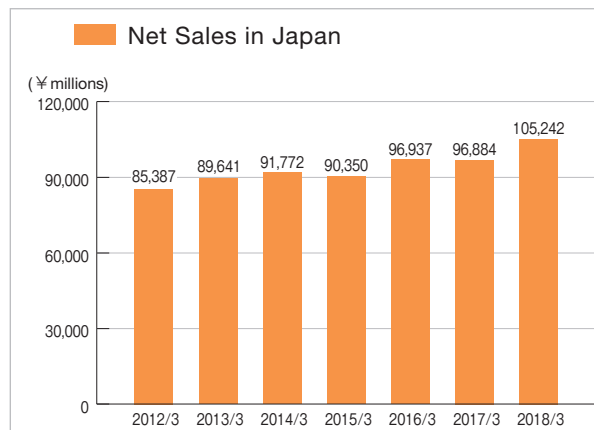
## Net Sales by Business Segments (Consolidated)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
Net Sales in Eye Care Products Business ( ¥ millions)	25,308	27,251	27,845	28,707	31,944	31,820	36,322
Net Sales in Skincare Products Business ( ¥ millions)	73,777	81,168	94,734	101,946	113,327	101,844	111,725
Net Sales in Internal Medicines Business ( ¥ millions)	16,512	16,350	17,468	17,270	17,118	17,200	18,590
Net Sales in Others Business ( ¥ millions)	4,694	4,376	3,773	3,850	4,626	3,734	5,103
<b>Total ( ¥ millions)</b>	<b>120,292</b>	<b>129,146</b>	<b>143,822</b>	<b>151,774</b>	<b>167,016</b>	<b>154,599</b>	<b>171,742</b>



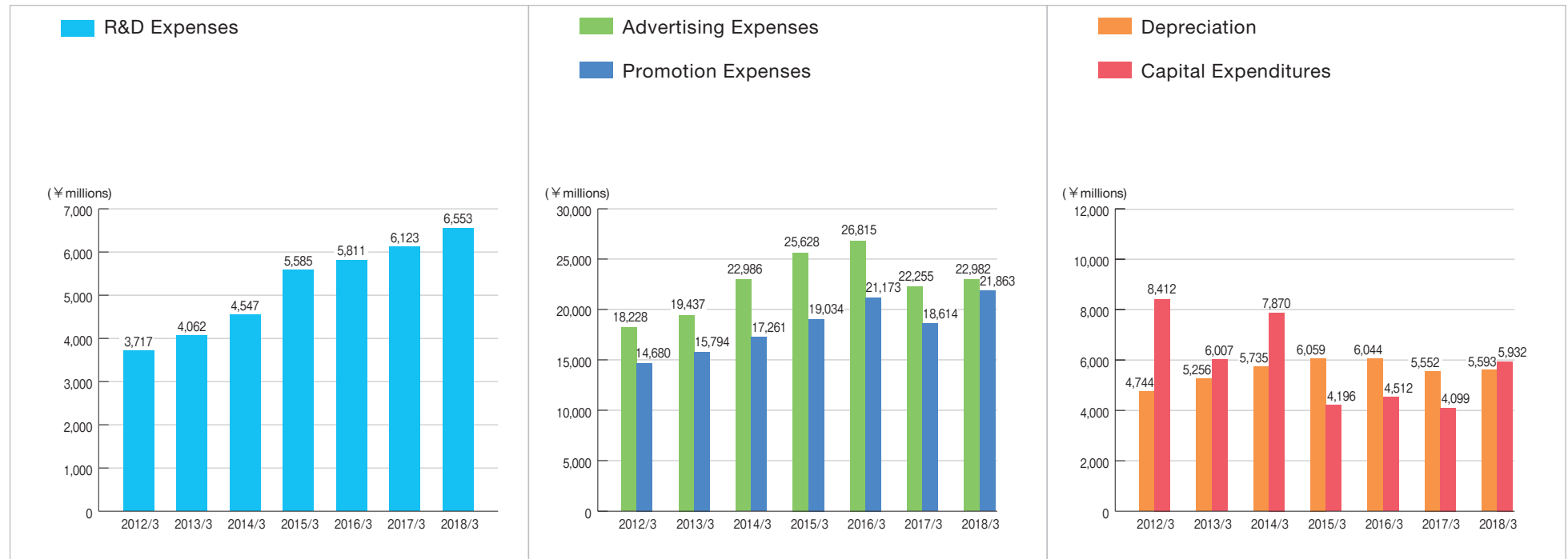
## Net Sales by Reportable Segments (Consolidated)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
Net Sales in Japan ( ¥ millions)	85,387	89,641	91,772	90,350	96,937	96,884	105,242
Net Sales in America ( ¥ millions)	5,574	5,619	6,288	7,478	8,378	6,906	8,750
Net Sales in Europe ( ¥ millions)	3,914	3,962	4,801	6,322	8,008	7,026	8,277
Net Sales in Asia ( ¥ millions)	24,014	28,179	39,109	45,616	51,621	41,899	47,396
Net Sales in RoW ( ¥ millions)	1,402	1,742	1,850	2,008	2,071	1,882	2,076
<b>Total ( ¥ millions)</b>	<b>120,292</b>	<b>129,146</b>	<b>143,822</b>	<b>151,774</b>	<b>167,016</b>	<b>154,599</b>	<b>171,742</b>



## Expenses (Consolidated)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
R&D Expenses ( ¥ millions)	3,717	4,062	4,547	5,585	5,811	6,123	6,553
Advertising Expenses ( ¥ millions)	18,228	19,437	22,986	25,628	26,815	22,255	22,982
Promotion Expenses ( ¥ millions)	14,680	15,794	17,261	19,034	21,173	18,614	21,863
Employees (People)	5,347	5,518	5,845	6,426	6,642	6,635	6,448
Depreciation ( ¥ millions)	4,744	5,256	5,735	6,059	6,044	5,552	5,593
Interest and Dividend Income ( ¥ millions)	474	484	566	604	657	718	678
Interest Expenses ( ¥ millions)	223	180	165	231	166	135	143
Capital Expenditures ( ¥ millions)	8,412	6,007	7,870	4,196	4,512	4,099	5,932

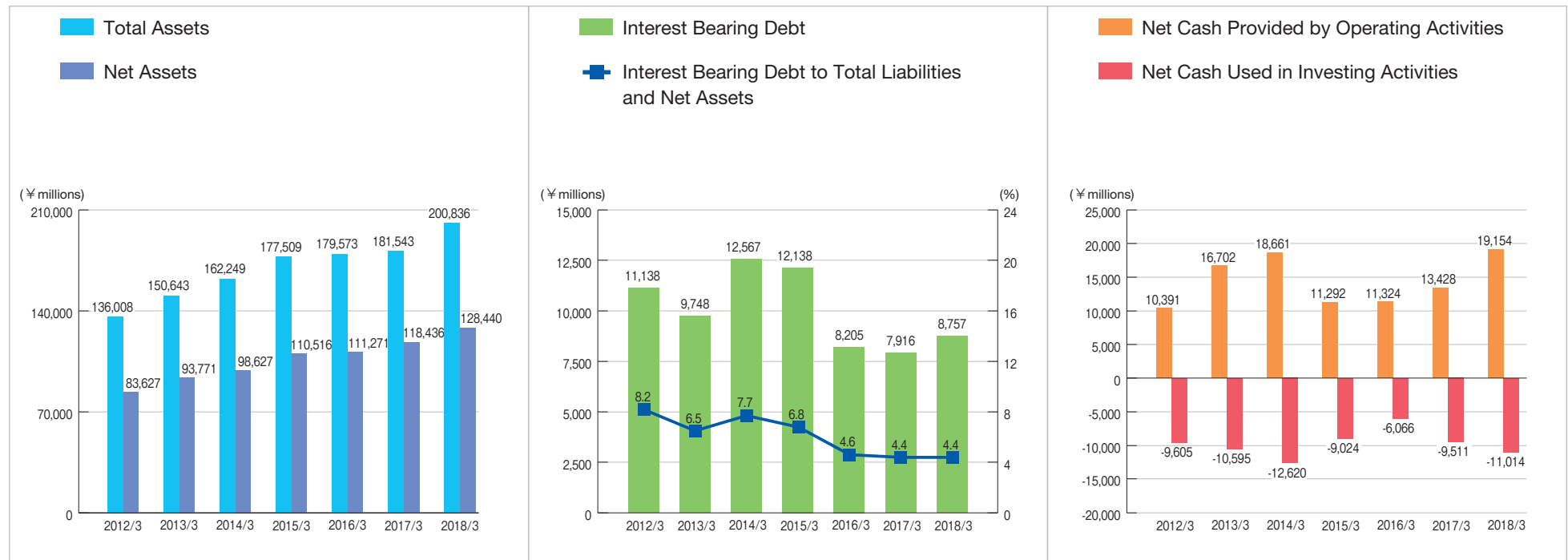


## Financial Position (Consolidated)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
Total Assets ( ¥ millions)	136,008	150,643	162,249	177,509	179,573	181,543	200,836
Net Assets ( ¥ millions)	83,627	93,771	98,627	110,516	111,271	118,436	128,440
Interest Bearing Debt ( ¥ millions)	11,138	9,748	12,567	12,138	8,205	7,916	8,757
Interest Bearing Debt to Total Liabilities and Net Assets (%)	8.2	6.5	7.7	6.8	4.6	4.4	4.4
Net Cash Provided by Operating Activities ( ¥ millions)	10,391	16,702	18,661	11,292	11,324	13,428	19,154
Net Cash Used in Investing Activities ( ¥ millions)	△ 9,605	△ 10,595	△ 12,620	△ 9,024	△ 6,066	△ 9,511	△ 11,014
Net Cash Used in Financing Activities ( ¥ millions)	800	△ 3,408	△ 5,211	△ 3,375	△ 5,898	△ 2,335	△ 1,823
Cash and Cash Equivalents at End of Year ( ¥ millions)	15,381	19,867	23,026	25,093	22,495	23,466	30,063

(Notes)

Interest Bearing Debt to Total Liabilities and Net Assets=(Short-Term Debt+Long-Term Debt)/Total Assets×100 (%)





## Per Share Information(Consolidated·Non-consolidated)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
Net Income per Share ( ¥ )	69.60	68.78	77.15	76.05	80.04	87.95	81.55
Price-Earnings Ratio (Times)	14.8	18.7	23.6	22.5	25.6	23.7	36.5
Net Assets per Share ( ¥ )	703.93	789.83	861.49	964.18	969.22	1,030.96	1,115.94
Price-Book Value Ratio (Times)	1.5	1.6	2.1	1.8	2.1	2.0	2.7
Dividends per Share ( ¥ )	16.0	17.0	18.0	19.0	20.0	21.0	22.0
Dividend Payout Ratio (%)	23.0	24.7	23.3	25.0	25.0	23.9	27.0
Number of Shares Issued and Outstanding (Thousands)	117,919	117,924	117,929	117,929	117,929	117,936	117,936
Stock Price at Year-End ( ¥ )	1,033	1,288	1,822	1,708	2,050	2,086	2,975

(Notes)

Net Income per Share=Net Income/Average Total Number of Shares Issued and Outstanding ( ¥ )

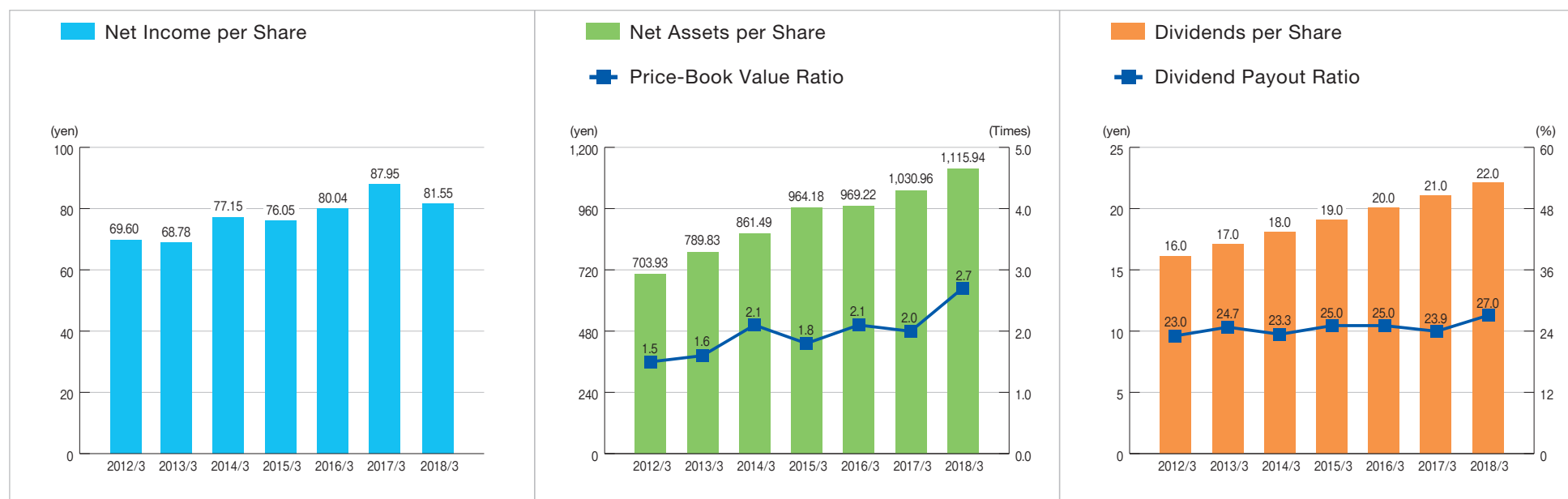
Price-Earnings Ratio=Stock Price at Year-End/Net Income per Share (Times)

Net Assets per Share=Net Assets/Total Number of Shares Issued and Outstanding ( ¥ )

Price-Book Value Ratio=Stock Price at Year-End/Net Assets per Share (Times)

Dividends per Share=Total Cash Dividends/Average Total Number of Shares Issued and Outstanding ( ¥ )

Dividend Payout Ratio=(Total Cash Dividends per Share/Net Income per Share)×100 (%)



## Consolidated Balance Sheets (Summary)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
							(millions of yen)
<b>ASSETS</b>							
<b>Current assets</b>	71,280	77,467	82,981	93,692	101,752	100,948	114,428
Cash and cash equivalents	15,381	19,868	23,028	25,733	23,073	23,924	30,532
Notes and accounts receivable-trade	31,898	31,896	28,361	32,424	37,327	36,061	37,042
Electronically recorded monetary claims-operating	—	—	4,566	6,513	11,654	10,524	13,305
Merchandise and finished goods	10,913	11,397	12,578	12,918	13,241	13,946	14,918
Work in process	1,161	1,480	1,636	2,360	2,260	2,391	2,620
Raw materials and supplies	5,931	6,579	7,167	7,290	7,534	7,272	8,690
Deferred tax assets	3,539	4,069	3,603	3,455	3,796	4,053	4,378
Other	2,549	2,231	2,156	3,135	3,020	3,263	3,322
Allowance for doubtful accounts	△ 94	△ 56	△ 117	△ 139	△ 157	△ 489	△ 383
<b>Fixed Assets</b>	64,727	73,175	79,268	83,816	77,821	80,594	86,407
<b>Property, plant and equipment</b>	42,628	44,758	48,563	50,370	48,040	45,834	47,193
Buildings and structures	19,022	19,965	20,730	22,347	21,322	20,206	20,547
Machinery, equipment and vehicles	9,342	10,389	10,752	11,302	10,239	9,387	9,382
Equipment	1,187	1,587	2,351	2,390	2,144	1,863	1,951
Land	10,217	10,613	12,340	13,026	12,956	12,901	12,981
Construction in progress	2,782	2,097	2,250	1,153	1,224	1,325	2,170
Other	75	103	136	151	153	150	160
<b>Intangible fixed assets</b>	2,273	2,008	2,828	4,376	3,502	2,663	4,108
Goodwill	958	766	575	1,326	1,130	735	1,503
Right of trademark	60	61	—	—	—	—	—
Other	1,254	1,180	2,253	3,050	2,372	1,927	2,604
<b>Investments and other assets</b>	19,826	26,408	27,876	29,070	26,277	32,096	35,106
Investment securities	14,945	18,537	22,724	24,325	21,405	27,502	32,328
Deferred tax assets	2,452	2,697	2,059	1,944	1,815	1,617	577
Other	2,556	5,844	4,000	4,173	4,742	5,261	1,964
Allowance for doubtful accounts	△ 128	△ 670	△ 908	△ 1,374	△ 1,686	△ 2,284	△ 2,562
<b>Total assets</b>	136,008	150,643	162,249	177,509	179,573	181,543	200,836

## Consolidated Balance Sheets (Summary)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
							(millions of yen)
<b>LIABILITIES</b>							
<b>Current Liabilities</b>	44,935	49,554	56,643	57,607	59,357	53,422	61,464
Notes and accounts payable-trade	10,525	10,151	11,753	10,201	12,355	12,151	15,073
Short-term loans payable	5,103	5,611	8,216	8,349	4,452	3,353	4,151
Accrued expenses	16,029	19,133	22,699	26,452	27,280	23,734	24,599
Accrued income taxes	2,755	2,914	2,709	882	3,645	2,551	3,827
Accrued consumption tax	294	527	203	1,229	351	460	630
Deposits received	2,798	2,648	—	—	—	—	—
Reserve for bonuses	1,861	1,979	1,990	1,854	2,064	2,092	2,285
Reserve for directors' bonuses	30	30	30	20	30	30	30
Reserve for returned goods unsold	700	1,180	920	700	1,239	750	696
Reserve for rebates of sales	2,651	2,760	2,250	2,190	2,290	2,380	2,742
Other	2,185	2,617	5,869	5,726	5,647	5,918	7,426
<b>Non-current Liabilities</b>	7,445	7,316	6,979	9,385	8,944	9,684	10,931
Convertible bond / Long-term loans payable	3,335	1,578	1,666	1,074	994	1,765	1,702
Deferred tax liabilities	1,917	3,264	2,138	3,260	2,300	2,492	3,525
Net defined benefit liability	1,843	2,013	2,702	4,657	5,381	4,410	3,968
Reserve for directors' retirement benefits	69	80	62	—	—	—	—
Provision for loss on guarantees	—	—	—	—	—	789	1,491
Other	279	379	409	392	268	227	243
<b>Total Liabilities</b>	52,380	56,871	63,622	66,993	68,301	63,107	72,395
<b>NET ASSETS</b>							
<b>Owners' Equity</b>	85,475	91,341	92,869	99,013	105,618	113,517	119,915
<b>Capital stock</b>	6,405	6,408	6,411	6,411	6,411	6,415	6,415
<b>Capital surplus</b>	5,524	5,527	5,738	5,738	5,738	5,737	5,737
<b>Retained earnings</b>	73,814	79,677	86,505	92,315	98,675	106,302	112,696
<b>Treasury stock</b>	△ 270	△ 273	△ 5,785	△ 5,451	△ 5,207	△ 4,938	△ 4,935
<b>Accumulated other comprehensive income</b>	△ 2,701	1,535	4,809	10,507	4,621	3,924	7,209
<b>Valuation difference on available-for-sale securities</b>	3,013	4,471	5,033	6,646	5,438	5,862	8,220
<b>Foreign currency translation adjustment</b>	△ 5,133	△ 2,239	1,047	5,479	1,296	△ 439	463
<b>Pension liability adjustment of foreign subsidiaries</b>	△ 581	△ 695	—	—	—	—	—
<b>Remeasurements of defined benefit plans</b>	—	—	△ 1,270	△ 1,618	△ 2,113	△ 1,498	△ 1,474
<b>Subscription rights to shares</b>	579	573	568	568	568	560	560
<b>Non-controlling interests</b>	273	320	379	425	462	434	755
<b>Total Net Assets</b>	83,627	93,771	98,627	110,516	111,271	118,436	128,440
<b>Total Liabilities and Net Assets</b>	136,008	150,643	162,249	177,509	179,573	181,543	200,836

## Consolidated Statements of Income (Summary)

	(millions of yen)						
	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
Net sales	120,292	129,146	143,822	151,774	167,016	154,599	171,742
Cost of sales	49,796	53,272	57,664	61,395	67,250	63,254	70,746
Selling, general and administrative expenses	56,871	61,493	69,336	77,440	83,543	75,893	81,962
Operating income	13,624	14,380	16,821	13,159	15,683	15,451	19,087
Non-operating income	638	814	946	1,499	918	1,135	998
Non-operating expenses	578	464	667	559	1,262	623	1,236
Ordinary income	13,684	14,730	17,100	14,098	15,339	15,964	18,849
Extraordinary income	484	319	1,482	454	71	1,329	—
Extraordinary loss	80	1,420	3,983	802	1,107	2,541	2,028
Income before income taxes	14,088	13,630	14,599	13,751	14,303	14,752	16,820
Income taxes	5,944	5,528	5,651	5,123	5,217	4,738	7,483
Profit attributable to owners of parent	8,184	8,087	8,947	8,631	9,098	10,011	9,289

## Consolidated Statements of Comprehensive Income (Summary)

	(millions of yen)						
	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3
Profit	8,144	8,101	8,948	8,627	9,085	10,013	9,336
Other comprehensive income							
Valuation difference on available-for-sale securities	△ 167	1,453	562	1,607	△ 1,214	429	2,309
Foreign currency translation adjustment	△ 209	2,975	3,345	4,476	△ 4,343	△ 1,680	397
Changes in pension liability adjustment of foreign subsidiaries	△ 272	△ 113	177	—	—	—	—
Remeasurements of defined benefit plans, net of tax	—	—	—	△ 347	△ 494	614	24
Share of other comprehensive income of associates accounted for using equity method	2	3	△ 0	6	138	△ 71	99
Total other comprehensive income	△ 646	4,318	4,084	5,742	△ 5,913	△ 708	2,830
Comprehensive income	7,497	12,420	13,032	14,370	3,171	9,305	12,167
Comprehensive income attributable to							
Comprehensive income attributable to owners of the parent	7,566	12,374	12,973	14,329	3,212	9,333	12,133
Comprehensive income attributable to non-controlling interests	△ 68	45	59	40	△ 40	△ 28	34

## Consolidated Statements of Cash Flows (Summary)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	(millions of yen)
							2018/3
<b>I Net cash provided by operating activities</b>							
Income before income taxes	14,088	13,630	14,599	13,751	14,303	14,752	16,820
Depreciation and amortization	4,890	5,256	5,735	6,059	6,044	5,552	5,593
Impairment loss	—	—	1,615	—	462	540	—
Amortization of goodwill	246	192	191	282	404	371	321
Increase (decrease) in allowance for doubtful accounts	△ 20	△ 27	20	17	17	362	△ 151
Increase (decrease) in reserve for bonuses	△ 21	115	4	△ 141	211	29	194
Increase (decrease) in reserve for directors' bonuses	5	—	—	—	—	—	—
Increase (decrease) in net defined benefit liability	436	30	△ 121	425	847	△ 695	△ 456
Increase (decrease) in reserve for returned goods unsold	△ 131	480	△ 260	△ 220	539	△ 489	△ 53
Increase (decrease) in reserve for rebates of sales	214	109	△ 510	△ 60	100	90	362
Interest and dividends income	△ 474	△ 484	△ 567	△ 605	△ 658	△ 718	△ 678
Interest expenses	223	180	165	231	166	135	143
Equity in (earnings) losses of affiliates	56	15	△ 167	△ 157	442	195	782
Decrease (increase) in notes and accounts receivable-trade	△ 1,968	1,432	△ 365	△ 3,634	△ 13,189	1,274	△ 2,818
Decrease (increase) in inventories	△ 1,799	△ 656	△ 1,090	354	△ 1,390	△ 827	△ 2,186
Increase (decrease) in notes and accounts payable-trade	1,378	△ 884	1,087	△ 2,436	3,284	165	3,094
Other	△ 627	2,358	3,862	2,561	1,762	△ 1,785	2,798
Subtotal	16,494	21,748	24,201	16,428	13,348	18,953	23,769
Interest and dividends income received	438	447	532	553	680	722	682
Interest expenses paid	△ 228	△ 187	△ 195	△ 217	△ 174	△ 141	△ 147
Income tax paid	△ 6,314	△ 5,306	△ 5,877	△ 5,471	△ 2,957	△ 6,140	△ 5,169
Income taxes refund	—	—	—	—	427	35	19
Net cash provided by operating activities	10,391	16,702	18,661	11,292	11,324	13,428	19,154
<b>II Net cash used in investment activities</b>							
Payments into time deposits	—	—	—	△ 566	△ 1,056	△ 835	△ 552
Purchase of property, plant and equipment	△ 8,276	△ 5,130	△ 6,278	△ 3,964	△ 4,563	△ 3,777	△ 5,000
Purchase of intangible fixed assets	△ 406	△ 273	△ 431	△ 183	△ 168	△ 203	△ 452
Purchase of investment securities	△ 1,049	△ 2,449	△ 5,205	△ 940	△ 2,382	△ 7,092	△ 5,246
Proceeds from sales of investment securities	833	—	2,152	1,040	2,158	1,922	7
Net decrease (increase) in short-term loans receivable	△ 390	△ 259	200	△ 2	△ 198	91	35
Other	△ 316	2,481	△ 3,056	△ 4,407	143	382	194
Net cash used in investment activities	△ 9,605	△ 10,595	△ 12,620	△ 9,024	△ 6,066	△ 9,511	△ 11,014
<b>III Net cash used in financing activities</b>							
Increase (decrease) in short-term loans payable	376	804	3,283	△ 433	△ 3,370	△ 750	479
Proceeds from long-term loans payable	3,354	—	993	102	661	1,123	591
Repayment of long-term loans payable	△ 1,122	△ 2,292	△ 2,031	△ 1,280	△ 1,190	△ 678	△ 333
Cash dividends paid	△ 1,881	△ 1,881	△ 2,116	△ 2,050	△ 2,278	△ 2,278	△ 2,506
Other	74	△ 38	△ 5,340	286	278	248	△ 54
Net cash used in financing activities	800	△ 3,408	△ 5,211	△ 3,375	△ 5,898	△ 2,335	△ 1,823
<b>IV Effect of exchange rate change on cash and cash equivalents</b>	△ 210	1,742	1,849	2,775	△ 1,998	△ 633	△ 191
<b>V Increase (decrease) in cash and cash equivalents</b>	1,375	4,441	2,678	1,667	△ 2,638	947	6,125
<b>VI Cash and cash equivalents at beginning of year</b>	14,005	15,381	19,867	23,026	25,093	22,495	23,466
<b>VII Increase in cash and cash equivalents from newly consolidated subsidiary</b>	—	45	480	398	40	22	471
<b>VIII Cash and cash equivalents at end of year</b>	15,381	19,867	23,026	25,093	22,495	23,466	30,063

## Non-Consolidated Financial Statements (Summary)

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	(millions of yen) 2018/3
<b>Non-Consolidated Balance Sheets</b>							
<b>ASSETS</b>							
Current Assets	40,675	40,268	35,942	38,109	43,468	42,984	49,550
Fixed Assets	66,857	74,962	79,742	79,311	79,079	84,831	91,225
<b>Total Assets</b>	<b>107,533</b>	<b>115,230</b>	<b>115,684</b>	<b>117,420</b>	<b>122,547</b>	<b>127,815</b>	<b>140,776</b>
<b>LIABILITIES</b>							
Current Liabilities	26,234	27,675	30,742	26,861	29,064	27,357	31,122
Non-current Liabilities	1,479	2,310	2,203	3,617	2,643	3,755	5,510
<b>Total Liabilities</b>	<b>27,714</b>	<b>29,986</b>	<b>32,946</b>	<b>30,478</b>	<b>31,707</b>	<b>31,112</b>	<b>36,633</b>
<b>NET ASSETS</b>							
Owners' Equity	76,216	80,321	77,138	79,766	84,851	90,292	95,424
Capital stock	6,405	6,408	6,411	6,411	6,411	6,415	6,415
Capital surplus	5,524	5,527	5,738	5,738	5,738	5,742	5,742
Retained earnings	64,556	68,657	70,773	73,067	77,908	83,073	88,201
Treasury stock	△ 270	△ 273	△ 5,785	△ 5,451	△ 5,207	△ 4,938	△ 4,935
Valuation and translation adjustments	3,022	4,349	5,031	6,606	5,420	5,849	8,158
Subscription rights to shares	579	573	568	568	568	560	560
<b>Total Net Assets</b>	<b>79,818</b>	<b>85,244</b>	<b>82,738</b>	<b>86,941</b>	<b>90,840</b>	<b>96,702</b>	<b>104,143</b>
<b>Total Liabilities and Net Assets</b>	<b>107,533</b>	<b>115,230</b>	<b>115,684</b>	<b>117,420</b>	<b>122,547</b>	<b>127,815</b>	<b>140,776</b>
<b>Non-Consolidated Statements of Income</b>							
Net sales	77,509	82,754	84,434	82,218	89,264	89,561	96,880
Eye care products	22,116	23,583	23,254	22,618	24,486	25,233	27,262
Skincare products	44,359	47,161	49,562	49,083	53,347	53,792	58,001
Internal Medicines	8,029	8,470	8,992	7,844	8,361	8,451	8,464
Others	3,003	3,538	2,624	2,672	3,069	2,084	3,152
Cost of sales	30,023	31,608	31,940	31,827	34,718	35,066	37,547
Selling, general and administrative expenses	36,520	39,532	41,102	42,462	43,800	43,800	46,469
<b>Operating income</b>	<b>10,965</b>	<b>11,613</b>	<b>11,651</b>	<b>8,148</b>	<b>10,695</b>	<b>10,695</b>	<b>12,864</b>
Net non-operating income (expense)	564	518	626	984	2,009	2,121	1,979
<b>Ordinary income</b>	<b>11,530</b>	<b>12,132</b>	<b>12,277</b>	<b>9,132</b>	<b>12,705</b>	<b>12,817</b>	<b>14,843</b>
Net extraordinary income (loss)	△ 1,303	1,857	△ 4,499	△ 1,012	△ 2,000	△ 2,222	△ 3,942
<b>Income before income taxes</b>	<b>10,226</b>	<b>10,275</b>	<b>7,778</b>	<b>8,120</b>	<b>10,705</b>	<b>10,594</b>	<b>10,901</b>
Income taxes	4,634	4,292	3,545	3,112	3,586	3,152	3,267
<b>Net income</b>	<b>5,591</b>	<b>5,983</b>	<b>4,232</b>	<b>5,007</b>	<b>7,118</b>	<b>7,442</b>	<b>7,634</b>

## Stock Information

(as of March 31, 2018)

### Shares

Number of shares authorized (share)	399,396,000
Number of shares issued (share) (Excluding Treasury Stock)	113,917,433
Number of shareholders	13,217

### Major Shareholders

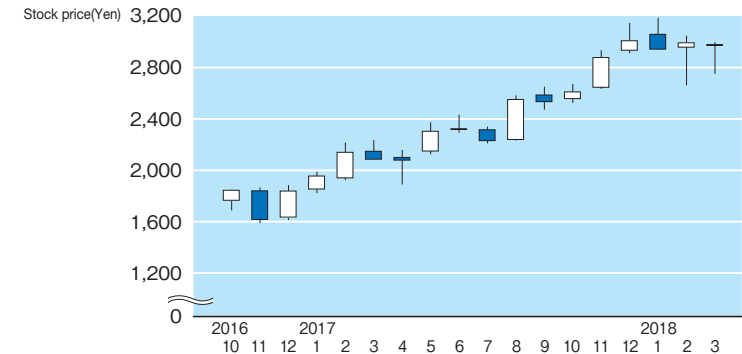
Shareholder	Shareholdings(thousand shares) / Voting stake(%)	
The Master Trust Bank of Japan, Ltd. (Trust account)	7,658	6.72
Japan Trustee Services Bank, Ltd. (Trust account)	7,303	6.41
STATE STREET BANK AND TRUST COMPANY 505223	6,574	5.77
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,800	3.33
Kiyoko Yamada	2,968	2.60
STATE STREET BANK AND TRUST COMPANY	2,912	2.55
Yamashou Kousan Co., Ltd.	2,608	2.28
Nippon Life Insurance Company	2,119	1.86
Japan Trustee Services Bank, Ltd. (Trust account 5)	2,098	1.84
Yamada Kousan, Ltd.	2,074	1.82

Note1) The Holding Ratio has been calculated by deducting the treasury stock (4,018,851 stocks).

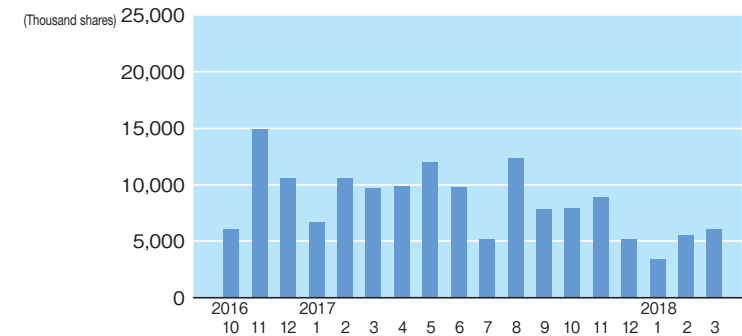
Note2) The Bank of Tokyo-Mitsubishi UFJ, Ltd. has changed its name to MUFG Bank, Ltd., as of April 1, 2018.

### Stock Price Trend and Trading Volume

#### Stock Price Trend

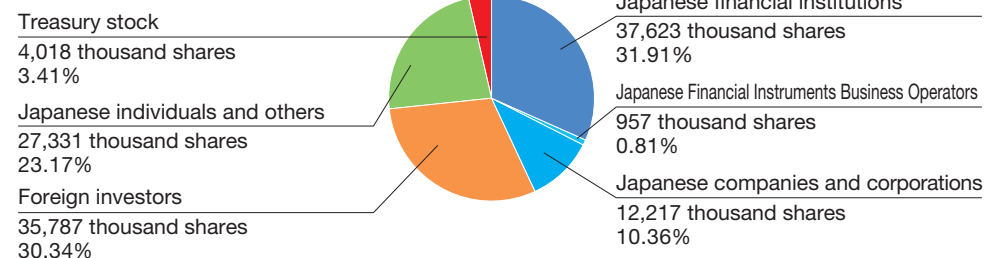


#### Trading Volume

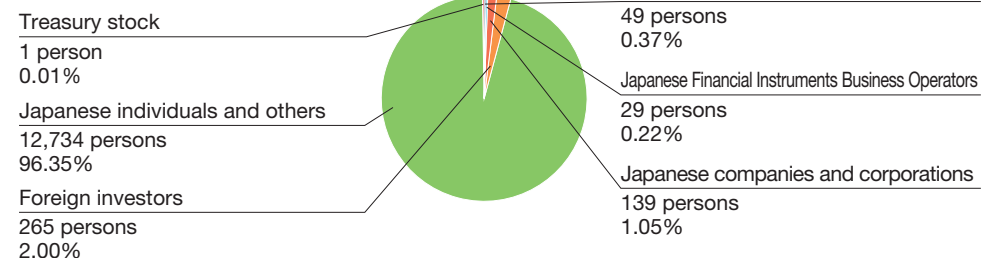


### Composition of Shareholders by Category

#### Distribution of Shares by Number of Shares Held



#### Distribution of Shares by Shareholder Type



*NEVER SAY NEVER*



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