

**Financial Result
of 2nd Quarter
Fiscal Year Ending Mar 2017**



November 11th 2016

2nd Quarter Business Result

Consolidated

Unit: Billion YEN

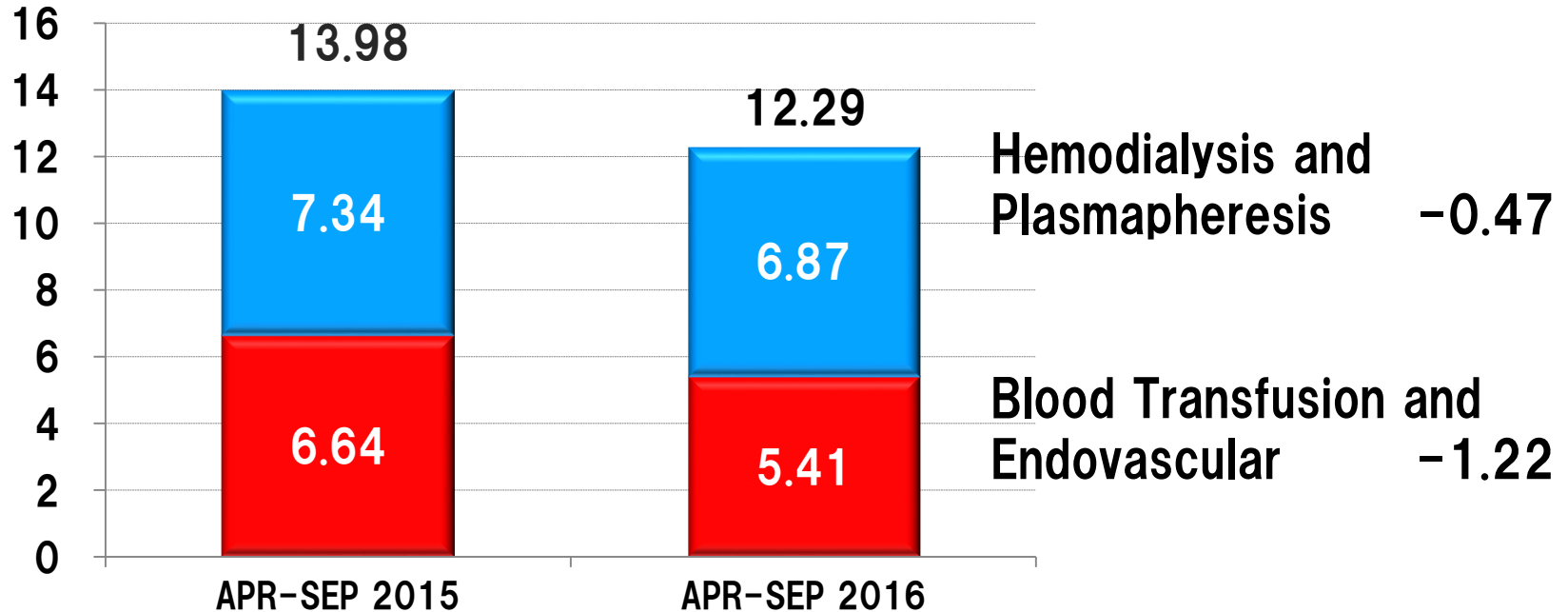
	Q2 APR-SEP 2015	Q2 APR-SEP 2016	Increase / Decrease	Ratio
Net Sales	13.98	12.29	-1.70	-12.1%
Gross profit	4.89	4.46	-0.43	-8.8%
Operating income	0.98	0.57	-0.41	-42.0%
Ordinary income	1.07	0.47	-0.60	-56.4%
Net income	0.79	0.64	-0.15	-19.2%

Exchange rate	Q2 APR-SEP 2015	Q2 APR-SEP 2016
US\$	121.73	105.39
EUR	135.35	117.89
Baht	3.52	3.01

- Net Sales decreased 1.70 Billion Yen by exchange rate effect, sales decline at OEM customers and Blood bags sales for Japan market though Blood Tubing Lines for Japan market increased.
- Gross profit decreased due to sales decrease while Thai Baht exchange rate and cost reduction activities helped reducing the manufacturing cost.

Net Sales (By Segment)

(Billion YEN)



【Blood Transfusion and Endovascular】

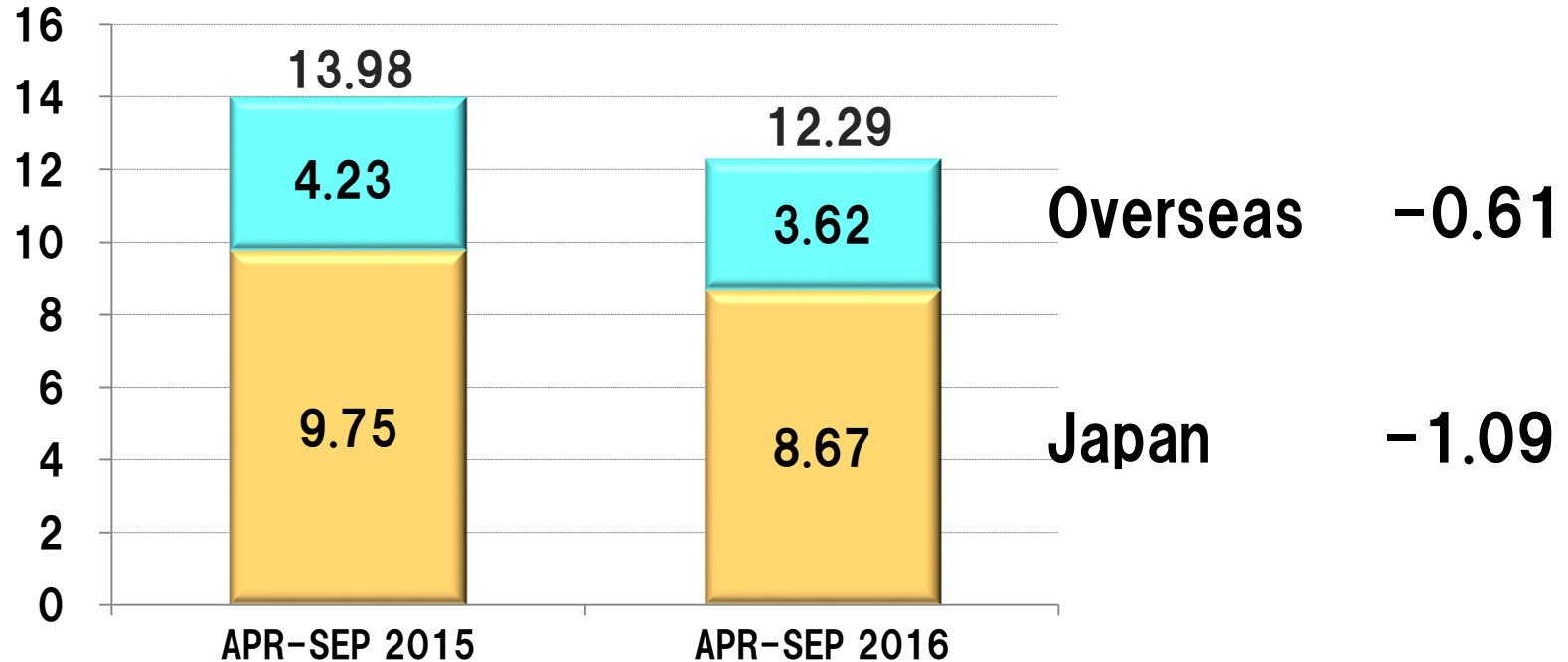
- Increase
ME machines, Stent Graft
- Decrease
Blood Bags (Japan)
IV-set (overseas OEM)
Apheresis kits

【Hemodialysis and Plasmapheresis】

- Increase
Blood Tubing Lines (Japan)
Blood Tubing Lines for
artificial cardiopulmonary system
- Decrease
Blood Tubing Lines (overseas)
Dialyzer

Net Sales (By Region)

(Billion YEN)



【Japan】

- Increase
Blood Tubing Lines, Stent Graft,
Blood Tubing Lines for
artificial cardiopulmonary system
- Decrease
Blood Bags, Apheresis kits
Dialyzer

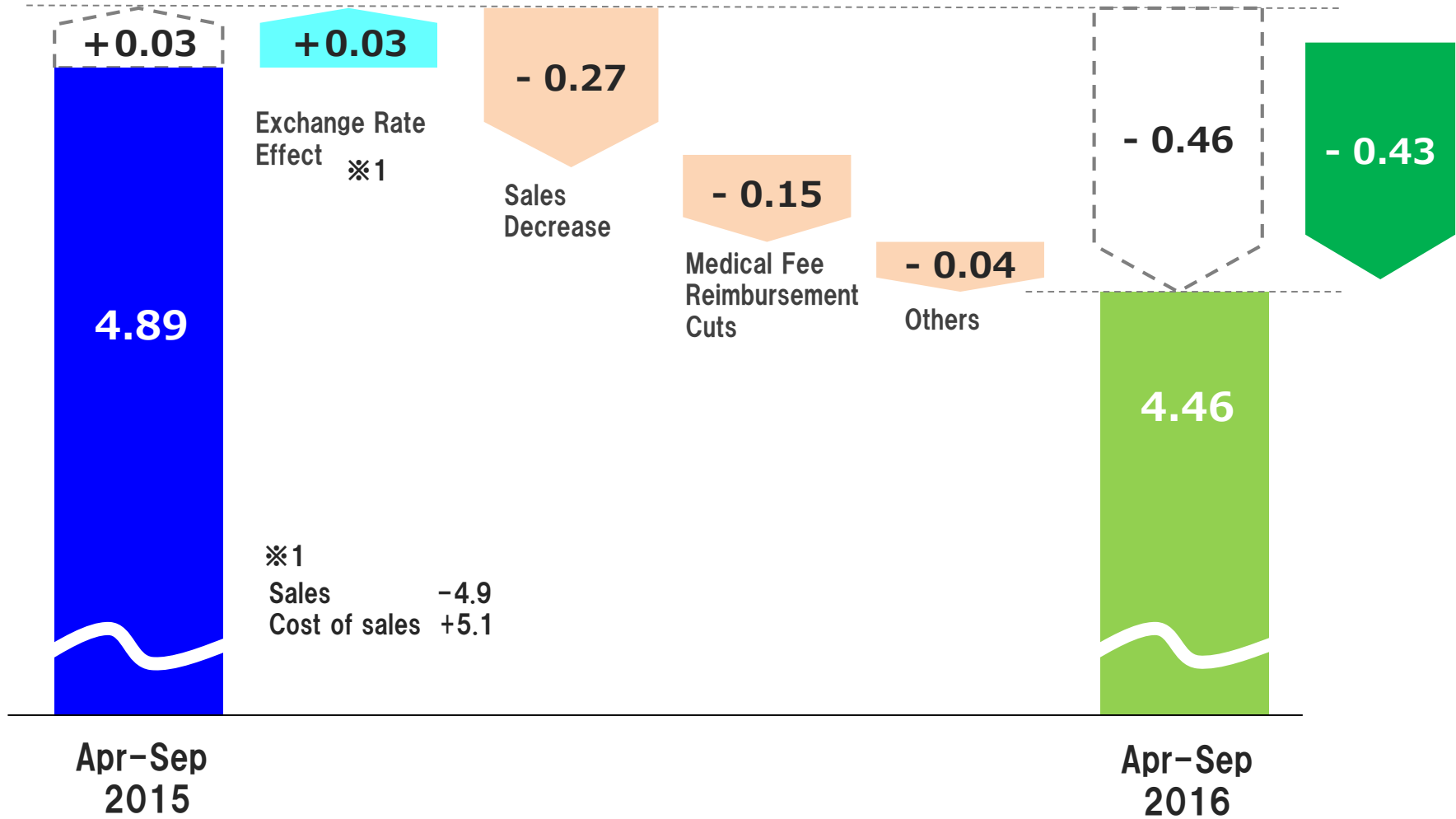
【Overseas】

- Increase
ME machines
- Decrease
Blood Tubing Lines, Dialyzer
IV-set (OEM)

FYE Mar 2017

Gross Profit Variance Analysis

(Billion YEN)



SG&A Expenses

Consolidated

Unit: Billion YEN

	Q2 APR-SEP 2015	Q2 APR-SEP 2016	Increase / Decrease
Salaries & Wages	1.62	1.62	+0.0
Logistical costs	0.48	0.46	-0.02
R&D Expenses	0.32	0.42	+0.1
Others	1.49	1.39	-0.1
Total	3.91	3.89	-0.02

- R&D expenses increased due to the number of personnel increased to strengthen R&D.
- Others decreased since there was no occurrence of the cost for relocation of production which we had in the previous year at the subsidiary in Thailand, and by efficiency improvement of sales activities.

(For reference only)

Forecast of consolidated financial result for the year ending March 31, 2017

Unit: Billion YEN

	FYE Mar 31, 2016	FYE Mar 31, 2017	Increase / Decrease	Ratio
Net Sales	28.14	25.70	-2.44	-8.7%
Gross profit	10.43	-	-	-
Operating income	2.13	1.15	-0.98	-46.0%
Ordinary income	2.18	1.15	-1.03	-47.2%
Net income	1.17	1.20	+0.03	+2.8%



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