

Financial Result of 2nd Quarter

Fiscal Year Ending Mar. 2019

 **KAWASUMI LABORATORIES, INC.**

November 9th, 2018

FYE Mar. 2019

Financial Result

Consolidated

Unit: Million YEN

	FYE Mar. 2018 Q2	FYE Mar. 2019 Q2	Variance	Ratio
Net sales	12,567	11,627	-940	-7.5%
Gross profit	4,353	3,883	-470	-10.8%
Operating profit	342	62	-280	-81.9%
Ordinary profit	444	186	-258	-58.2%
Profit / Loss attributable to owners of parent	313	-897	-1,210	—

Exchange rate	FYE Mar. 2018 Q2	FYE Mar. 2019 Q2
US\$	111.29	110.71
EUR	125.78	129.79
Baht	3.30	3.40

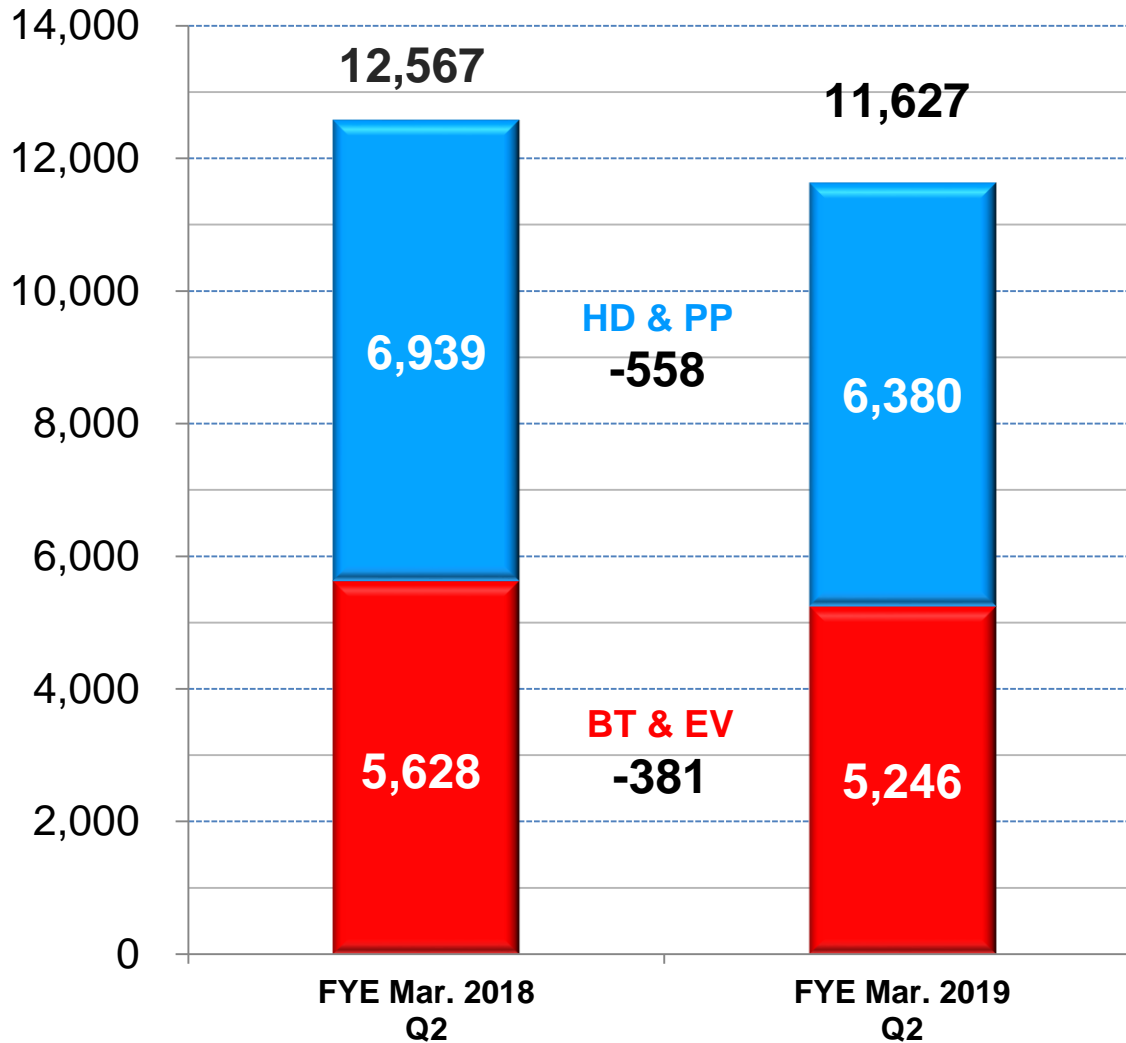
Comparing to the result in the same period of last year,

- Net sales became 940 Million Yen less due to reformation of Hemodialysis and Plasmapheresis business and the sales decrease of Blood Bag for Japan market and Saline Bag.
- Gross profit became 470 Million Yen less due to the net sales decrease and worsened ratio of manufacturing cost influenced primarily by exchange rate. Consequently, despite of SG&A expenses decrease, operating profit became 280 Million Yen less.
- Loss attributable to owners of parent became 897 Million Yen mainly because of restructuring plan.

FYE Mar. 2019

Net Sales (By Segment)

(Million YEN)



【Hemodialysis & Plasmapheresis】

【Increase】

CTA dialyzer

Plasmapheresis Filter

【Decrease】

Dialyzer (Japan)

Saline Bag

Apheresis Machine

【Blood Transfusion & Endovascular】

【Increase】

Stent Graft

【Decrease】

Blood Bag (Japan)

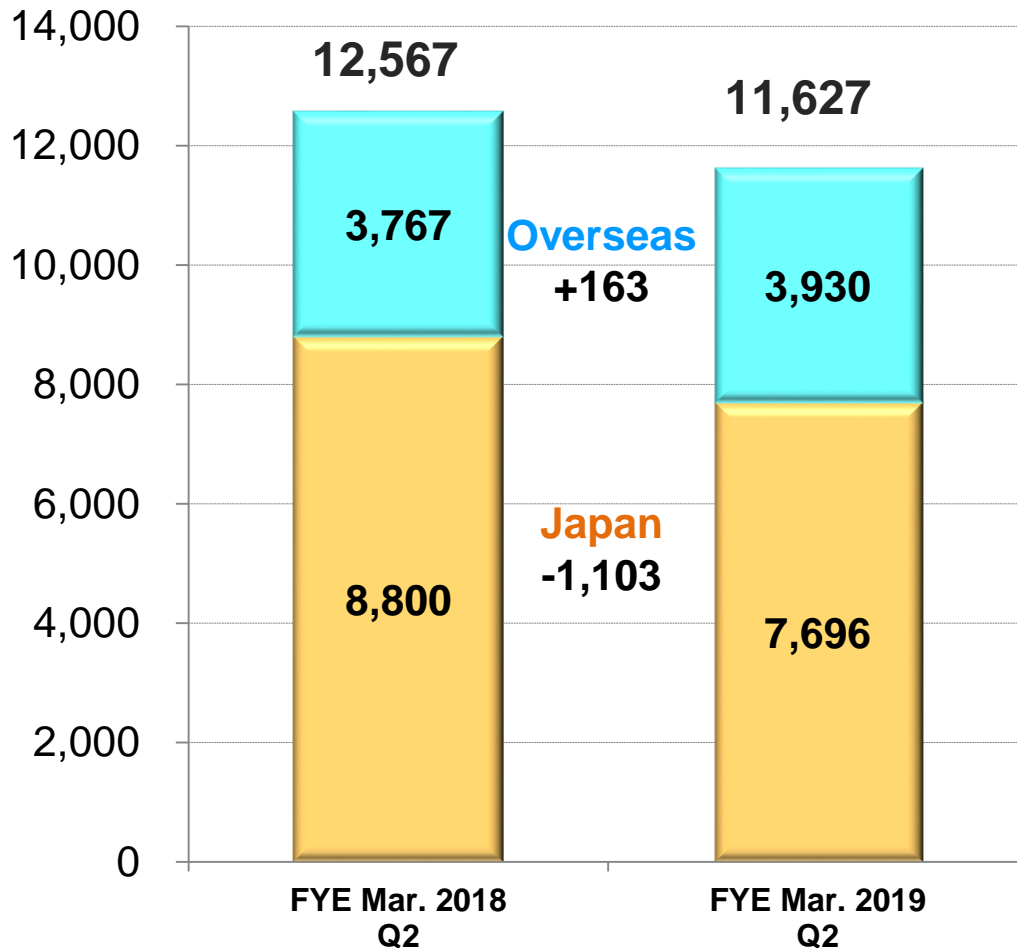
Apheresis Kit (OEM)

IV-set(OEM)

FYE Mar. 2019

Net Sales (By Region)

(Million YEN)



【Overseas】

【Increase】

CTA dialyzer

Plasmapheresis Filter

【Decrease】

A.V. Fistula Needle

IV-set(OEM)

【Japan】

【Increase】

Plasmapheresis Filter

【Decrease】

Dialyzer

Blood Bag

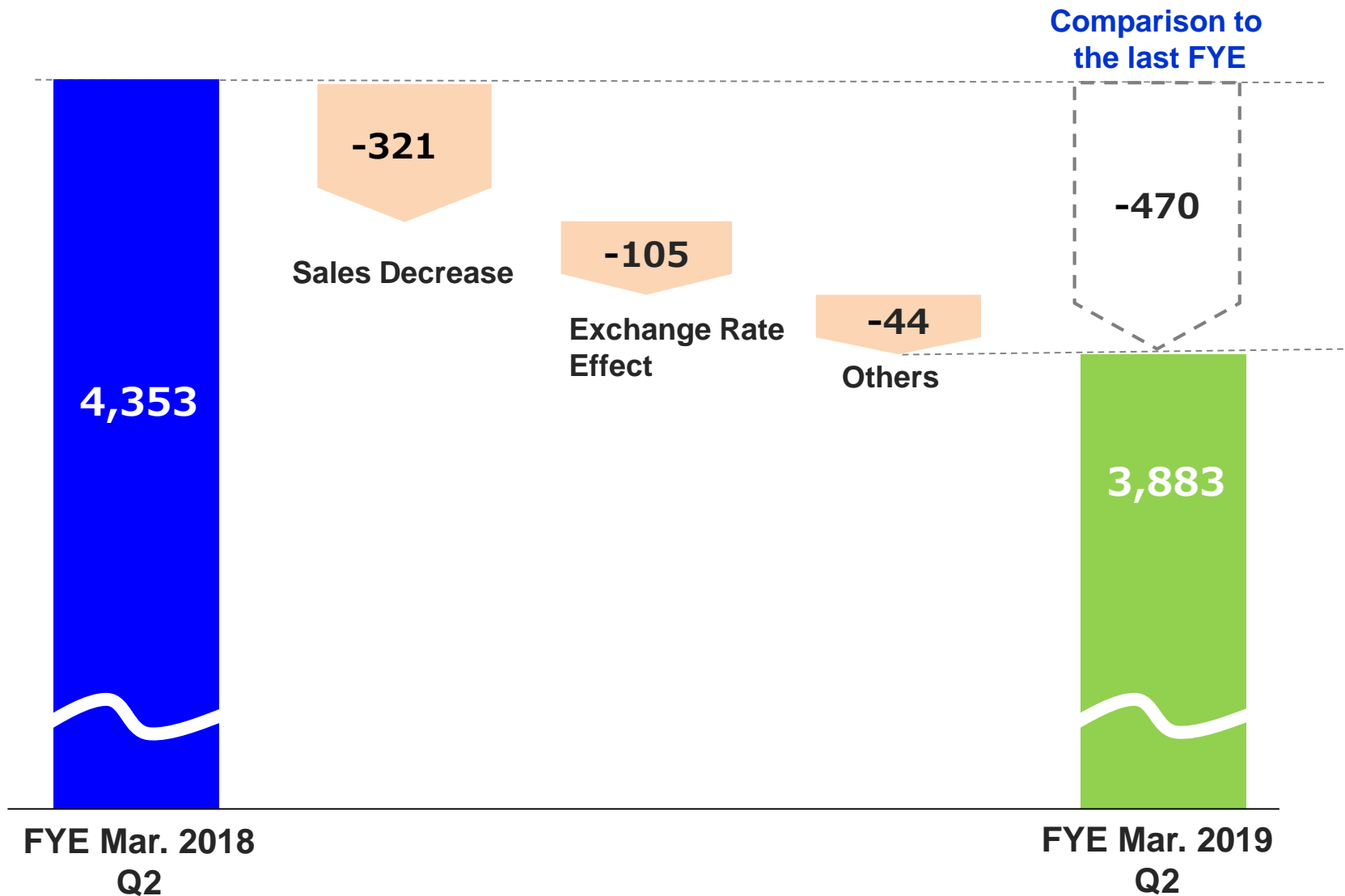
Saline Bag

Apheresis Kit (OEM)

Gross Profit Variance Analysis

<Comparison to the last FYE>

(Unit: Million YEN)



FYE Mar. 2019

SG&A Expenses

Consolidated

Unit: Million YEN

	FYE Mar. 2018 Q2	FYE Mar. 2019 Q2	Variance
Salaries & Wages	1,753	1,694	-59
Logistical Costs	453	424	-29
Others	1,805	1,703	-102
Total	4,011	3,821	-189
R&D Expenses out of Total	489	579	+90

Comparing to the result in the same period of last year,

- Salaries & Wages declined because of improvement of productivity.
- Logistical costs decreased with the net sales decrease and improvement of transport efficiency.
- R&D expenses raised mainly because of experiment and research expenses.
- Other decreasing expenses largely consist of sales promotion cost reduction and improvement of productivity based on restructuring plan.

 **KAWASUMI LABORATORIES, INC.**

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