

Year Ending March 31, 2021
Results of 1st Half
Settlement of Accounts Supplementary Material
(Apr.1 to Sep.30 2020)

November, 2020



Nichi-Iko Pharmaceutical Co., Ltd.

TSE : 4541

(million JPY)

	FY2019 H1	vs Sales (%)	FY2020 H1	vs Sales (%)	YOY
Sales	91,519	-	89,631	-	97.9%
COGS	72,509	79.2%	73,950	82.5%	102.0%
Gross Profit	19,009	20.8%	15,680	17.5%	82.5%
SG&A	12,980	14.2%	13,074	14.6%	100.7%
R&D Expenses	2,100	2.3%	1,879	2.1%	89.5%
Other Operating Income	168	0.2%	23	0.0%	13.7%
Other Operating Expense	318	0.3%	346	0.4%	108.8%
Core Operating Profit	3,917	4.3%	1,360	1.5%	34.7%
Operating Profit	3,777	4.1%	523	0.6%	13.8%
Pretax	4,544	5.0%	369	0.4%	8.1%
Net Income Attributable to Parent	3,006	3.3%	146	0.2%	4.9%
Capital Expenditure	4,507		3,977		88.2%
R&D Investment	7,300		6,718		92.0%
Depreciation	5,498		6,312		114.8%

※ Core Operating Profit means Operating Profit excluding Impairment of intangible assets, temporary impact of M&A and restructuring expense

Reported
P&L

(million JPY)

	Nichi-Iko			Sagent			Consolidated		
	FY2019 H1	FY2020 H1	YOY	FY2019 H1	FY2020 H1	YOY	FY2019 H1	FY2020 H1	YOY
Sales	76,851	72,326	94.1%	14,668	17,304	118.0%	91,519	89,631	97.9%
COGS	61,170	59,802	97.8%	11,339	14,148	124.8%	72,509	73,950	102.0%
<i>vs Sales</i>	<i>79.6%</i>	<i>82.7%</i>		<i>77.3%</i>	<i>81.8%</i>		<i>79.2%</i>	<i>82.5%</i>	
Gross Profit	15,680	12,523	79.9%	3,329	3,156	94.8%	19,009	15,680	82.5%
<i>vs Sales</i>	<i>20.4%</i>	<i>17.3%</i>		<i>22.7%</i>	<i>18.2%</i>		<i>20.8%</i>	<i>17.5%</i>	
SG&A	9,858	9,708	98.5%	3,121	3,366	107.9%	12,980	13,074	100.7%
R&D Expense	1,149	1,001	87.1%	951	877	92.2%	2,100	1,879	89.5%
Other Operating Income	170	144	84.7%	-2	-1	50.0%	168	142	84.5%
Other Operating Expenses	318	345	108.5%	-0	0	402.4%	318	346	108.8%
Operating Profit	4,524	1,612	35.6%	-747	-1,088	145.6%	3,777	523	13.8%
<i>vs Sales</i>	<i>5.9%</i>	<i>2.2%</i>		<i>-5.1%</i>	<i>-6.3%</i>		<i>4.1%</i>	<i>0.6%</i>	

<Exchange Rate>

(JPY Per \$)

FY2019 Q1	FY2019 Q2	FY2020 Q1	FY2020 Q2
109.90	107.35	107.62	106.22

Core based
P&L

(million JPY)

	Nichi-Iko			Sagent			Consolidated		
	FY2019 H1	FY2020 H1	YOY	FY2019 H1	FY2020 H1	YOY	FY2019 H1	FY2020 H1	YOY
Sales	76,851	72,513	94.4%	14,668	17,304	118.0%	91,519	89,818	98.1%
COGS	61,170	59,645	97.5%	11,339	14,148	124.8%	72,509	73,793	101.8%
<i>vs Sales</i>	<i>79.6%</i>	<i>82.3%</i>		<i>77.3%</i>	<i>81.8%</i>		<i>79.2%</i>	<i>82.2%</i>	
Gross Profit	15,680	12,867	82.1%	3,329	3,156	94.8%	19,009	16,024	84.3%
<i>vs Sales</i>	<i>20.4%</i>	<i>17.7%</i>		<i>22.7%</i>	<i>18.2%</i>		<i>20.8%</i>	<i>17.8%</i>	
SG&A	9,858	9,214	93.5%	3,121	3,366	107.9%	12,980	12,580	96.9%
R&D Expense	1,149	1,001	87.1%	951	877	92.2%	2,100	1,879	89.5%
Other Operating Income	170	144	84.7%	-2	-1	50.0%	168	142	84.5%
Other Operating Expenses	179	345	192.7%	0	0	-	179	346	193.3%
Core Operating Profit	4,664	2,449	52.5%	-747	-1,088	145.6%	3,917	1,360	34.7%
<i>vs Sales</i>	<i>6.1%</i>	<i>3.4%</i>		<i>-5.1%</i>	<i>-6.3%</i>		<i>4.3%</i>	<i>1.5%</i>	
Operating Profit	4,524	1,612	35.6%	-747	-1,088	145.6%	3,777	523	13.8%
<i>vs Sales</i>	<i>5.9%</i>	<i>2.2%</i>		<i>-5.1%</i>	<i>-6.3%</i>		<i>4.1%</i>	<i>0.6%</i>	

<Exchange Rate>

(JPY Per \$)

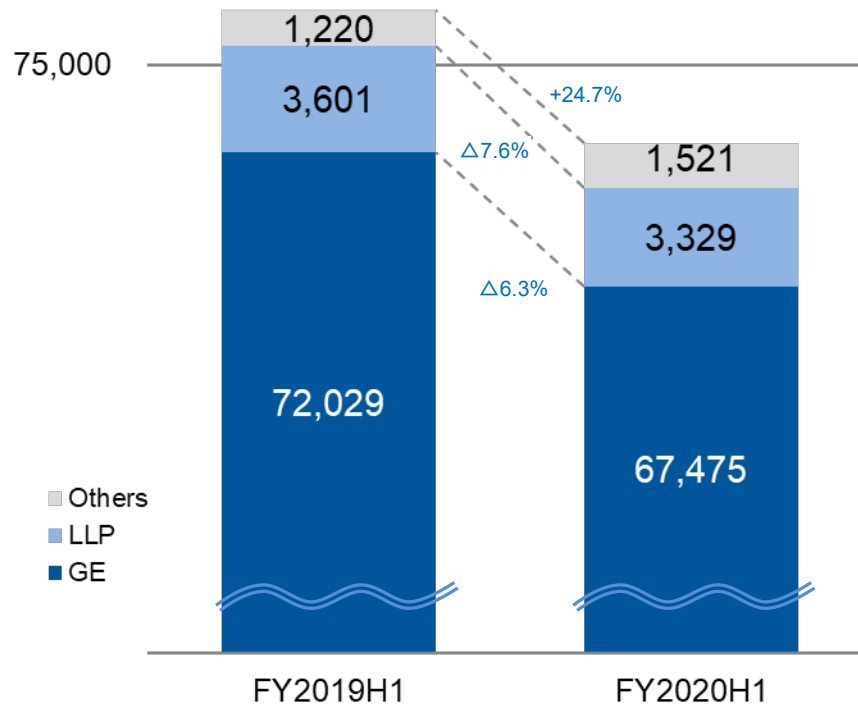
FY2019 Q1	FY2019 Q2	FY2020 Q1	FY2020 Q2
109.90	107.35	107.62	106.22

IFRS: Sales Performance by Category of Products

(million JPY)

	FY2019H1	FY2020H1	YOY	
	Actual	Actual	Variance	%
GE	72,029	67,475	-4,554	93.7%
LLP	3,601	3,329	-271	92.4%
Others	1,220	1,521	300	124.7%
Total	76,851	72,326	-4,525	94.1%

(million JPY)

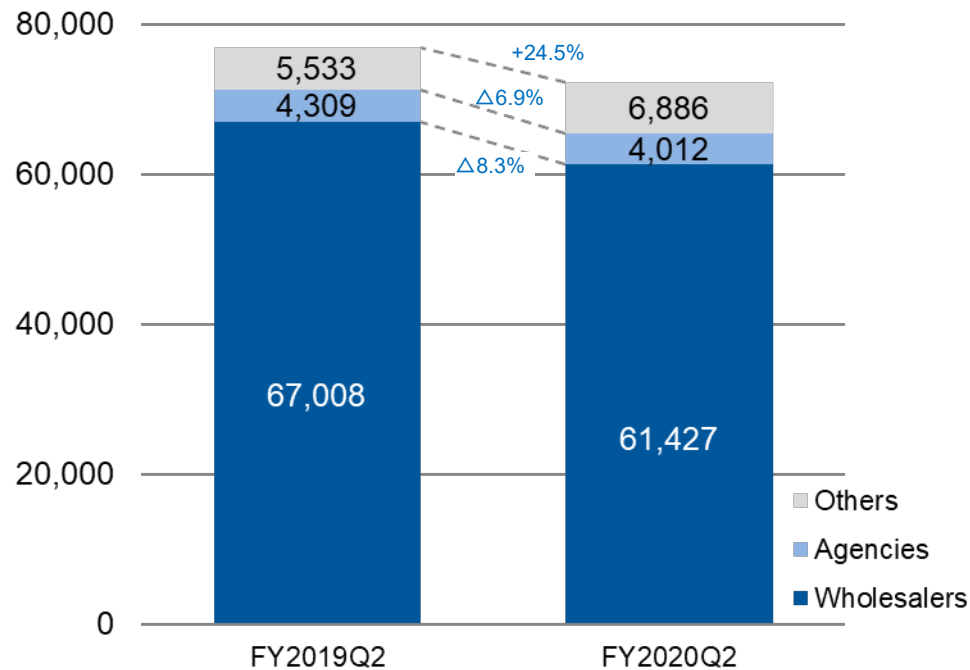


IFRS: Sales Performance by Distribution Channel

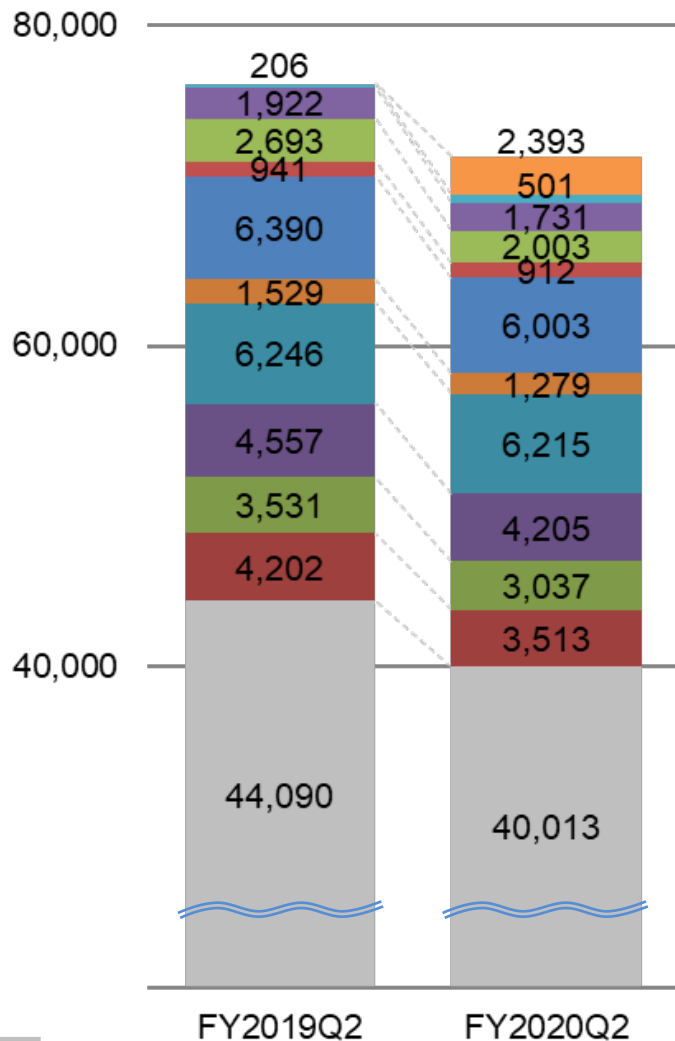
(million JPY)

Distribution Channel	FY2019H1		FY2020H1			
	Actual		Actual		YOY	
	Sales	%	Sales	%	Variance	%
Wholesalers	67,008	87.2%	61,427	84.9%	-5,581	91.7%
Agencies	4,309	5.6%	4,012	5.5%	-297	93.1%
Others	5,533	7.2%	6,886	9.5%	1,353	124.5%
Total	76,851	100.0%	72,326	100.0%	-4,525	94.1%

(million JPY)



IFRS: Sales Performance by NHI Listed Year



(million JPY)

(Listed in)	FY2019 H1	FY2020 H1	Variance	YOY
2020	-	2,393	-	-
2019	206	501	295	243.2%
2018	1,922	1,731	-191	90.1%
2017	2,693	2,003	-690	74.4%
2016	941	912	-29	96.9%
2015	6,390	6,003	-387	93.9%
2014	1,529	1,279	-250	83.6%
2013	6,246	6,215	-31	99.5%
2012	4,557	4,205	-352	92.3%
2011	3,531	3,037	-494	86.0%
2010	4,202	3,513	-689	83.6%
2009 & before	44,090	40,013	-4,077	90.8%
Total	76,312	71,811	-4,501	94.1%

Sales Performance by Medical Institutions

GE	FY2019H1			FY2020H1		
	No. of Clients	YOY Sales	YOY No. of Clients	No. of Clients	YOY Sales	YOY No. of Clients
All	110,348	105.5%	101.1%	118,926	91.0%	107.8%
DPC Hospital	1,750	109.6%	101.8%	1,751	88.4%	100.1%
Pharmacy	57,801	106.1%	101.0%	58,837	92.8%	101.8%

All Products	Total No. of Institutions in Japan	FY2019H1			FY2020H1			YOY	
		Sales Composition	No. of Clients	Sales Composition	No. of Clients	Covered Ratio	Sales	No. of Clients	
All	-	100.0%	126,537	100.0%	130,234	-	90.8%	102.9%	
Hospital	8,275	16.7%	8,203	16.3%	8,209	99.2%	88.5%	100.1%	
DPC Hospital	1,753	11.2%	1,751	10.8%	1,752	99.9%	87.6%	100.1%	
Clinic	102,717	8.6%	60,348	8.0%	63,055	61.4%	85.1%	104.5%	
Pharmacy	59,871	68.5%	57,986	70.0%	58,970	98.5%	92.7%	101.7%	
Others	-	6.2%	-	5.7%	-	-	83.8%	-	

Forward-Looking Statements

The information contained in this document is not intended as solicitation material for buying or selling the company's shares.

Earnings forecasts and other future forecasts contained herein have been made by the company based on information available at the time the material was compiled and encompass potential risks and uncertainties.

Accordingly, actual results may differ from forecasts for a variety of reasons.

The company and any other information sources for this document bear no responsibility for damages or losses resulting from the use of this information.