

# Hisamitsu Pharmaceutical Co., Inc.

## FY02/2017 Results

### and Outlook for the FY02/2018

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including changes in material circumstances.

Hisamitsu Pharmaceutical Co., Inc.

Apr. 7<sup>th</sup>, 2017

## Agenda

### FY02/2017 Results

- 1. Looking back on the FY02/2017**
- 2. Consolidated PL**
- 3. Breakdown of Extraordinary balance**
- 4. Non Consolidated PL**
- 5. Noven PL**
- 6. Sales results by product**
- 7. Trends of Second-generation non-steroidal anti-inflammatory patch in Japan**
- 8. R&D Pipeline**

### Outlook for the FY02/2018

- 9. Forecast of Consolidated PL**
- 10. Forecast of Non Consolidated PL**
- 11. Forecast of Sales by product**
- 12. Forecast of dividends**

### Additional data

# 1. Looking back on the FY02/2017

<b>Domestic/ Ethical products</b>	<ul style="list-style-type: none"> <li>• Termination of joint marketing of NEOXY<sup>®</sup> Tape 73.5mg , a transdermal overactive bladder treatment medication</li> <li>• HP-3150 (an analgesic transdermal drug containing NSAIDs) Completion of Phase II Clinical Study in Japan for Lower Back Pain</li> <li>• HP-3150 (an analgesic transdermal drug containing NSAIDs) Completion of Phase II / III Clinical Study in Japan for Cancer Pain</li> <li>• HP-3060 (a transdermal system for treatment of allergic rhinitis) Application for manufacturing and marketing approval</li> <li>• Launch of “ Mohrus<sup>®</sup> Pap XR 240mg ” a topical analgesic and anti-inflammatory product</li> </ul>
<b>Domestic - US/ OTC products</b>	<ul style="list-style-type: none"> <li>• Launch of “ Feitas<sup>®</sup> Z α DICSAS<sup>®</sup> ”, “ Feitas<sup>®</sup> Z α DICSAS<sup>®</sup> (large size) ”</li> <li>• Launch of “ NobiNobi<sup>®</sup> Salonship<sup>®</sup> F ”</li> <li>• “ Allegra<sup>®</sup> FX ” (allergic rhinitis therapeutic drug) classification changed to category 2 drugs</li> <li>• Launch of “ Salompas<sup>®</sup> LIDOCAINE 4% Pain Relieving Gel-Patch ”</li> </ul>
<b>US/ Noven</b>	<ul style="list-style-type: none"> <li>• Assignment of rights of approval for manufacturing and marketing for “Brisdelle<sup>®</sup>” and “Pexeva<sup>®</sup>”</li> <li>• HP-3070 (a transdermal drug for the treatment of Schizophrenia) Commencement of Phase III Clinical Study in the US</li> </ul>
<b>Others</b>	<ul style="list-style-type: none"> <li>• 2016 the award for Minister of Education, Culture, Sports, Science and Technology commendation “Technology prize” (Development section)</li> <li>• Disposal of Treasury Share by Third-Party allocation</li> <li>• The acquisition company's own shares (2,000,000 stocks)</li> <li>• “Hisamitsu Springs” The Empress cup all-Japan volleyball championship 5 straight victories</li> </ul>
 <b>Bringing Patch Culture to the World</b> <span style="float: right;">3</span>	

## 2. Consolidated PL (1) - Comparison with the previous period performance -

Unit: ¥ million

	Actual performance for FY02/16 (Q1-Q4)	Actual performance for FY02/17 (Q1-Q4)	Change	Percentage Change	Earnings forecast for FY02/17 (Q1-Q4) *
<b>Net sales</b>	<b>161,852</b>	<b>145,925</b>	<b>-15,926</b>	<b>-9.8%</b>	<b>155,000</b>
CoGS	58,319	53,155	-5,164	-8.9%	55,300
as a % of sales	36.0%	36.4%	-	-	35.7%
SG&A costs	75,802	66,464	-9,338	-12.3%	71,700
Sales promotion costs	17,648	13,740	-3,908	-22.1%	15,200
Advertising costs	10,005	9,661	-344	-3.4%	9,800
R&D spending	14,965	14,378	-587	-3.9%	16,100
Others	33,181	28,684	-4,497	-13.6%	30,600
<b>Operating profits</b>	<b>27,730</b>	<b>26,306</b>	<b>-1,424</b>	<b>-5.1%</b>	<b>28,000</b>
<b>Recurring profits</b>	<b>28,008</b>	<b>28,179</b>	<b>+170</b>	<b>+0.6%</b>	<b>29,000</b>
<b>Net profits</b>	<b>17,784</b>	<b>20,395</b>	<b>+2,611</b>	<b>+14.7%</b>	<b>19,400</b>

\* As of Apr 8, 2016

## 2. Consolidated PL (2) - Summary of Profit and Loss -

Unit:¥ million

	Actual performance for FY02/16 (Q1-Q4)	Actual performance for FY02/17 (Q1-Q4)	Change	Main factor
<b>Net sales</b>	<b>161,852</b>	<b>145,925</b>	<b>-15,926</b>	
Hisamitsu (Non consolidated)	119,305	112,671	-6,634	▪ Decrease in sales of Rx Business. ▪ Increase in sales of OTC/Intl Business.
Noven	30,489	22,265	-8,224	▪ Decrease in sales of major products. ▪ Influence of the currency exchange.
Others *	12,058	10,989	-1,069	
CoGS	58,319	53,155	-5,164	▪ Decrease in Net sales. ▪ Increase in CoGS ratio of National Health, Insurance price reduction.
as a % of sales	36.0%	36.4%	-	
SG&A costs	75,802	66,464	-9,338	▪ Decrease in Sales promotion costs of Hisamitsu. ▪ Decrease in SG&A costs of Noven.
<b>Operating profits</b>	<b>27,730</b>	<b>26,306</b>	<b>-1,424</b>	
Nonoperating balance	278	1,873	+1,594	▪ Decrease in foreign exchange losses.
<b>Recurring profits</b>	<b>28,008</b>	<b>28,179</b>	<b>+170</b>	
Extraordinary balance	-87	1,805	+1,891	※ See next page
<b>Net profits</b>	<b>17,784</b>	<b>20,395</b>	<b>+2,611</b>	

\* "Others" includes consolidated adjustment.

## 3. Breakdown of Extraordinary balance

Unit:¥ million

	Actual performance for FY02/17 (Q1-Q4)	Main factor
<b>Recurring profits</b>	<b>28,179</b>	
Extraordinary Profits	4,231	▪ Termination of joint marketing contract of "NEOXY <sup>®</sup> Tape" ▪ Assignment of rights for "Brisdelle <sup>®</sup> " and "Pexeva <sup>®</sup> "
Extraordinary losses	2,426	▪ Impairment Loss of Noven
<b>Pretax profits</b>	<b>29,984</b>	

## 4. Non Consolidated PL - Comparison with the previous period performance -

Unit:¥ million

	Actual performance for FY02/16 (Q1-Q4)	Actual performance for FY02/17 (Q1-Q4)	Change	Percentage Change	Earnings forecast for FY02/17 (Q1-Q4) *
<b>Net sales</b>	<b>119,305</b>	<b>112,671</b>	<b>-6,633</b>	<b>-5.6%</b>	<b>119,500</b>
Rx Business	86,778	75,854	-10,923	-12.6%	84,500
OTC Business	22,906	25,867	+2,960	+12.9%	24,000
Intl Business	9,619	10,949	+1,329	+13.8%	11,000
CoGS	40,902	40,560	-342	-0.8%	42,000
as a % of sales	34.3%	36.0%	-	-	35.1%
SG&A costs	52,716	50,567	-2,148	-4.1%	53,000
Sales promotion costs	11,615	10,707	-908	-7.8%	12,200
Advertising costs	7,578	7,426	-152	-2.0%	7,600
R&D spending	11,316	11,371	+55	+0.5%	10,800
Others	22,205	21,062	-1,142	-5.1%	22,400
<b>Operating profits</b>	<b>25,686</b>	<b>21,543</b>	<b>-4,142</b>	<b>-16.1%</b>	<b>24,500</b>
Non-operating balance	608	1,163	+554	+91.1%	1,000
<b>Recurring profits</b>	<b>26,295</b>	<b>22,706</b>	<b>-3,588</b>	<b>-13.6%</b>	<b>25,500</b>
Extraordinary balance	-283	1,269	+1,552	-	1,300
<b>Net profits</b>	<b>16,928</b>	<b>16,741</b>	<b>-187</b>	<b>-1.1%</b>	<b>18,000</b>

\* As of Apr 8, 2016



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## 5. Noven PL - Comparison with the previous period performance -

Unit:¥ million

	Actual performance for FY02/16 (Q1-Q4)	Actual performance for FY02/17 (Q1-Q4)	Change	Percentage Change	Earnings forecast for FY02/17 (Q1-Q4) *1
<b>Net sales *2</b>	<b>30,489</b>	<b>22,265</b>	<b>-8,224</b>	<b>-27.0%</b>	<b>23,400</b>
Noven Women's Health	23,390	17,973	-5,416	-23.2%	20,600
Noven Others	7,098	4,291	-2,807	-39.5%	2,800
CoGS	13,206	9,787	-3,419	-25.9%	9,400
as a % of sales	43.3%	44.0%	-	-	40.2%
SG&A costs	15,994	9,048	-6,946	-43.4%	11,600
Sales promotion costs	3,371	1,102	-2,269	-67.3%	1,300
Advertising costs	646	14	-632	-97.8%	0
R&D spending	3,646	2,999	-646	-17.7%	5,200
Others	8,330	4,932	-3,398	-40.8%	5,100
<b>Operating profits</b>	<b>1,288</b>	<b>3,430</b>	<b>+2,141</b>	<b>+166.2%</b>	<b>2,400</b>
Nonoperating balance	-131	-7,577	-7,446	-	100
<b>Pretax profits</b>	<b>1,157</b>	<b>-4,147</b>	<b>-5,304</b>	<b>-</b>	<b>2,500</b>
<b>Net profits</b>	<b>853</b>	<b>-5,838</b>	<b>-6,691</b>	<b>-</b>	<b>1,300</b>

Exchange rate (¥/USD)	¥121.03	¥109.27
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¥115.00
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\*1 As of Apr 8, 2016

\*2 Results before consolidated adjustment.



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## 6. Sales results by product (1) - Rx Business -

Unit:¥ million

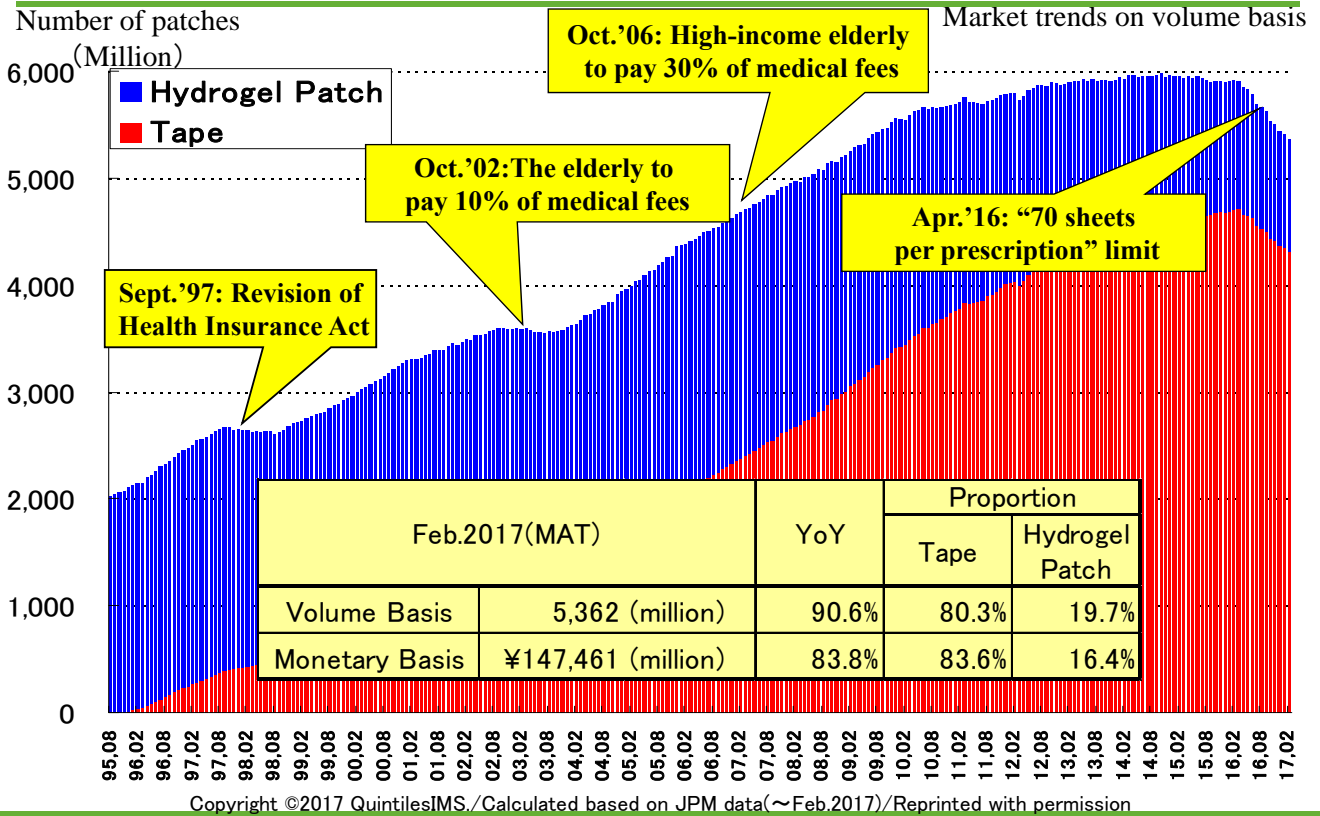
	Actual performance for FY02/17 (Q1-Q4)			Change			Percentage Change		
	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas
<b>Rx Business</b>	<b>98,844</b>	<b>75,854</b>	<b>22,989</b>	<b>-19,296</b>	<b>-10,923</b>	<b>-8,372</b>	<b>-16.3%</b>	<b>-12.6%</b>	<b>-26.7%</b>
<b>New products</b>	<b>8,972</b>	<b>8,972</b>	<b>-</b>	<b>-396</b>	<b>-396</b>	<b>-</b>	<b>-4.2%</b>	<b>-4.2%</b>	<b>-</b>
Fentos <sup>®</sup> Tape	5,315	5,315	-	-662	-662	-	-11.1%	-11.1%	-
Norspan <sup>®</sup> Tape	2,217	2,217	-	-12	-12	-	-0.5%	-0.5%	-
Neoxy <sup>®</sup> Tape	1,234	1,234	-	+267	+267	-	+27.7%	+27.7%	-
Abstral <sup>®</sup>	204	204	-	+10	+10	-	+5.4%	+5.4%	-
<b>Mohrus<sup>®</sup> products+Others</b>	<b>67,934</b>	<b>66,882</b>	<b>1,051</b>	<b>-10,641</b>	<b>-10,527</b>	<b>-114</b>	<b>-13.5%</b>	<b>-13.6%</b>	<b>-9.8%</b>
Mohrus <sup>®</sup> Tape	52,731	52,605	126	-11,777	-11,793	+16	-18.3%	-18.3%	+14.6%
Mohrus <sup>®</sup> Pap	7,683	7,683	-	+1,664	+1,664	-	+27.6%	+27.6%	-
(Mohrus <sup>®</sup> Pap XR)	4,004	4,004	-	+3,331	+3,331	-	+495.1%	+495.1%	-
Others	7,519	6,593	925	-528	-397	-130	-6.6%	-5.7%	-12.4%
<b>Noven Women's Health</b>	<b>17,973</b>	<b>-</b>	<b>17,973</b>	<b>-5,416</b>	<b>-</b>	<b>-5,416</b>	<b>-23.2%</b>	<b>-</b>	<b>-23.2%</b>
Minivelle <sup>®</sup>	9,485	-	9,485	-1,573	-	-1,573	-14.2%	-	-14.2%
Vivelle-Dot <sup>®</sup> products	3,700	-	3,700	-1,311	-	-1,311	-26.2%	-	-26.2%
CombiPatch <sup>®</sup> products	3,821	-	3,821	-1,373	-	-1,373	-26.4%	-	-26.4%
Brisdelle <sup>®</sup>	966	-	966	-1,158	-	-1,158	-54.5%	-	-54.5%
<b>Noven Others</b>	<b>3,964</b>	<b>-</b>	<b>3,964</b>	<b>-2,840</b>	<b>-</b>	<b>-2,840</b>	<b>-41.7%</b>	<b>-</b>	<b>-41.7%</b>
Daytrana <sup>®</sup>	3,672	-	3,672	-2,477	-	-2,477	-40.3%	-	-40.3%
Others of Noven products	291	-	291	-363	-	-363	-55.5%	-	-55.5%

## 6. Sales results by product (2) - OTC Business -

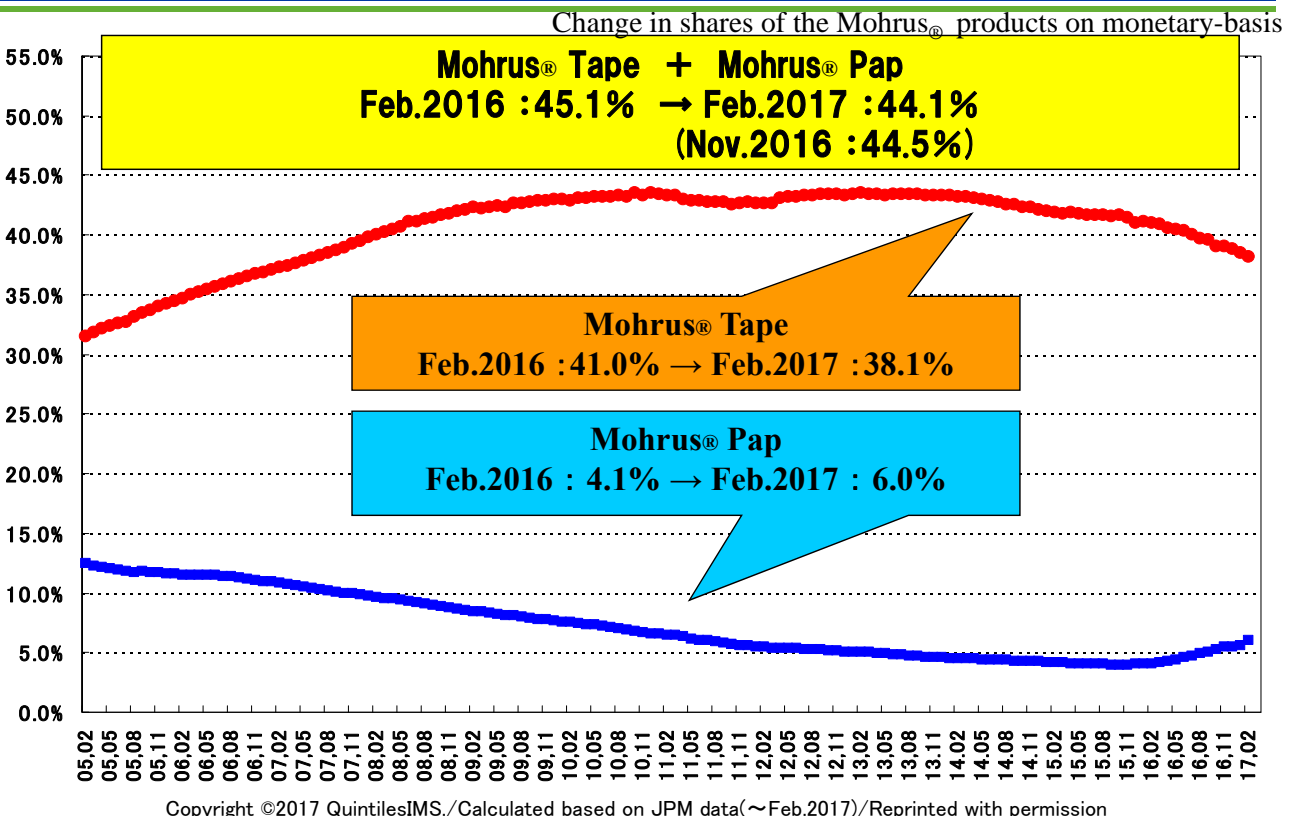
Unit:¥ million

	Actual performance for FY02/17 (Q1-Q4)			Change			Percentage Change		
	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas
<b>OTC Business</b>	<b>43,845</b>	<b>25,867</b>	<b>17,978</b>	<b>+3,405</b>	<b>+2,960</b>	<b>+444</b>	<b>+8.4%</b>	<b>+12.9%</b>	<b>+2.5%</b>
Salonpas <sup>®</sup> products	23,326	9,671	13,655	+919	+1,081	-162	+4.1%	+12.6%	-1.2%
Salonsip <sup>®</sup> products	5,346	3,193	2,152	+396	+80	+316	+8.0%	+2.6%	+17.2%
Air <sup>®</sup> Salonpas <sup>®</sup> products	2,068	1,252	816	+50	+4	+46	+2.5%	+0.3%	+6.0%
Feitas <sup>®</sup> products	4,594	4,594	-	+111	+111	-	+2.5%	+2.5%	-
Butenalock <sup>®</sup> products	1,733	1,733	-	+71	+71	-	+4.3%	+4.3%	-
Allegra <sup>®</sup> FX	3,607	3,607	-	+1,600	+1,600	-	+79.7%	+79.7%	-
Others	3,168	1,814	1,353	+255	+11	+244	+8.8%	+0.6%	+22.0%

# 7. Trends of second-generation non-steroidal anti-inflammatory patch in Japan (1)



# 7. Trends of second-generation non-steroidal anti-inflammatory patch in Japan (2)



## 8. R&D Pipeline

	Stage	Theme	Target	Dosage Form	Characteristics	Next Step
1	Filed (ANDA)	HP-1010	USA	Adhesive skin patch	Relief of pain associated with post-herpetic neuralgia	No disclosure
2	Filed (ANDA)	HP-1030	USA	Adhesive skin patch	Alzheimer's disease	No disclosure
3	Filed	HP-3060	JPN	Adhesive skin patch	Allergic rhinitis	To be approved in FY17
4	Phase3	HP-3000	JPN	Adhesive skin patch	Parkinson's disease	To be filed in FY18
5	Phase3	HP-3070	USA	Adhesive skin patch	Schizophrenia	To be filed in FY18
6	Phase3 being prepared	HP-3150	JPN	Adhesive skin patch	Cancer pain	Phase3 in FY17
7	Phase3 being prepared	ATS	USA	Adhesive skin patch	Attention Deficit Hyperactivity Disorder (ADHD)	Phase3 in FY18
8	Phase3 being prepared	HP-3150	JPN	Adhesive skin patch	Lowback pain	Phase3 in FY19
9	Phase3 being prepared	HP-3000	JPN	Adhesive skin patch	Idiopathic restless legs syndrome	Under consideration

※Yellow-highlighted parts are changes from the previous announcement made on Jan. 13<sup>th</sup>, 2017

## Outlook for the FY02/2018



## 9. Forecast of Consolidated PL

Unit:¥ million

	Actual performance for FY02/17 (Q1-Q4)	Full-year earnings forecast for FY02/18 (Q1-Q4)	Change	Percentage Change
<b>Net sales</b>	<b>145,925</b>	<b>147,000</b>	<b>+1,075</b>	<b>+0.7%</b>
CoGS	53,155	55,700	+2,545	+4.8%
as a % of sales	36.4%	37.9%	-	-
SG&A costs	66,464	67,200	+736	+1.1%
Sales promotion costs	13,740	13,000	-740	-5.4%
Advertising costs	9,661	10,900	+1,239	+12.8%
R&D spending	14,378	15,100	+722	+5.0%
Others	28,684	28,200	-484	-1.7%
<b>Operating profits</b>	<b>26,306</b>	<b>24,100</b>	<b>-2,206</b>	<b>-8.4%</b>
<b>Recurring profits</b>	<b>28,179</b>	<b>25,600</b>	<b>-2,579</b>	<b>-9.2%</b>
<b>Net profits</b>	<b>20,395</b>	<b>18,500</b>	<b>-1,895</b>	<b>-9.3%</b>

## 10. Forecast of Non-consolidated PL

Unit:¥ million

	Actual performance for FY02/17 (Q1-Q4)	Full-year earnings forecast for FY02/18 (Q1-Q4)	Change	Percentage Change
<b>Net sales</b>	<b>112,671</b>	<b>115,500</b>	<b>+2,829</b>	<b>+2.5%</b>
Rx Business	75,854	76,000	+146	+0.2%
OTC Business	25,867	26,700	+833	+3.2%
Intl Business	10,949	12,800	+1,851	+16.9%
CoGS	40,560	41,900	+1,340	+3.3%
as a % of sales	36.0%	36.3%	-	-
SG&A costs	50,567	52,600	+2,033	+4.0%
Sales promotion costs	10,707	11,200	+493	+4.6%
Advertising costs	7,426	7,800	+374	+5.0%
R&D spending	11,371	11,800	+429	+3.8%
Others	21,062	21,800	+738	+3.5%
<b>Operating profits</b>	<b>21,543</b>	<b>21,000</b>	<b>-543</b>	<b>-2.5%</b>
<b>Recurring profits</b>	<b>22,706</b>	<b>22,000</b>	<b>-706</b>	<b>-3.1%</b>
<b>Net profits</b>	<b>16,741</b>	<b>16,000</b>	<b>-741</b>	<b>-4.4%</b>



## 11. Forecast of Sales by product (1) - Rx Business -

Unit:¥ million

	Earnings forecast for FY02/18 (Q1-Q4)			Change			Percentage Change		
	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas
<b>Rx Business</b>	<b>93,200</b>	<b>76,000</b>	<b>17,200</b>	<b>-5,644</b>	<b>+146</b>	<b>-5,789</b>	<b>-5.7%</b>	<b>+0.2%</b>	<b>-25.2%</b>
<b>New products</b>	<b>8,700</b>	<b>8,700</b>	<b>-</b>	<b>-272</b>	<b>-272</b>	<b>-</b>	<b>-3.0%</b>	<b>-3.0%</b>	<b>-</b>
Fentos <sup>®</sup> Tape	4,900	4,900	-	-415	-415	-	-7.8%	-7.8%	-
Norspan <sup>®</sup> Tape	2,400	2,400	-	+183	+183	-	+8.3%	+8.3%	-
Neoxy <sup>®</sup> Tape	1,200	1,200	-	-34	-34	-	-2.8%	-2.8%	-
Abstral <sup>®</sup>	200	200	-	-4	-4	-	-2.0%	-2.0%	-
<b>Mohrus<sup>®</sup> products+Others</b>	<b>68,600</b>	<b>67,300</b>	<b>1,300</b>	<b>+666</b>	<b>+418</b>	<b>+249</b>	<b>+1.0%</b>	<b>+0.6%</b>	<b>+23.7%</b>
Mohrus <sup>®</sup> Tape	49,900	49,700	200	-2,831	-2,905	+74	-5.4%	-5.5%	+58.7%
Mohrus <sup>®</sup> Pap	9,900	9,900	-	+2,217	+2,217	-	+28.9%	+28.9%	-
(Mohrus <sup>®</sup> Pap XR)	6,900	6,900	-	+2,896	+2,896	-	+72.3%	+72.3%	-
Others	8,800	7,700	1,100	+1,281	+1,107	+175	+17.0%	+16.8%	+18.9%
<b>Noven Women's Health</b>	<b>13,400</b>	<b>-</b>	<b>13,400</b>	<b>-4,573</b>	<b>-</b>	<b>-4,573</b>	<b>-25.4%</b>	<b>-</b>	<b>-25.4%</b>
Minivelle <sup>®</sup>	8,100	-	8,100	-1,385	-	-1,385	-14.6%	-	-14.6%
Vivelle-Dot <sup>®</sup> products	2,900	-	2,900	-800	-	-800	-21.6%	-	-21.6%
CombiPatch <sup>®</sup> products	2,400	-	2,400	-1,421	-	-1,421	-37.2%	-	-37.2%
<b>Noven Others</b>	<b>2,500</b>	<b>-</b>	<b>2,500</b>	<b>-1,464</b>	<b>-</b>	<b>-1,464</b>	<b>-36.9%</b>	<b>-</b>	<b>-36.9%</b>
Daytrana <sup>®</sup>	2,500	-	2,500	-1,172	-	-1,172	-31.9%	-	-31.9%

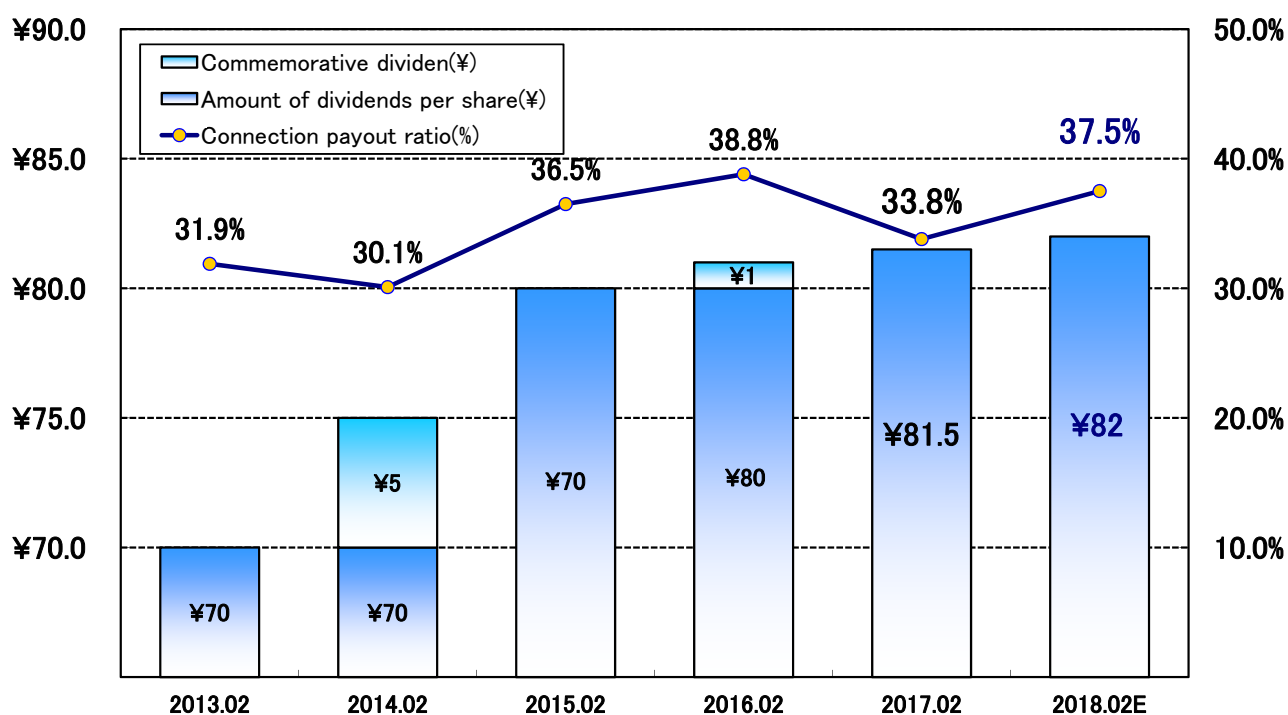
## 11. Forecast of Sales by product (2) - OTC Business -

Unit:¥ million

	Earnings forecast for FY02/18 (Q1-Q4)			Change			Percentage Change		
	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas
<b>OTC Business</b>	<b>51,000</b>	<b>26,700</b>	<b>24,300</b>	<b>+7,155</b>	<b>+833</b>	<b>+6,322</b>	<b>+16.3%</b>	<b>+3.2%</b>	<b>+35.2%</b>
Salonpas <sup>®</sup> products	27,300	9,900	17,400	+3,974	+229	+3,745	+17.0%	+2.4%	+27.4%
Salonsip <sup>®</sup> products	7,300	3,400	3,900	+1,954	+207	+1,748	+36.6%	+6.5%	+81.2%
Air <sup>®</sup> Salonpas <sup>®</sup> products	2,200	1,300	900	+132	+48	+84	+6.4%	+3.8%	+10.3%
Feitas <sup>®</sup> products	4,700	4,700	-	+106	+106	-	+2.3%	+2.3%	-
Butenalock <sup>®</sup> products	1,700	1,700	-	-33	-33	-	-1.9%	-1.9%	-
Allegra <sup>®</sup> FX	3,400	3,400	-	-207	-207	-	-5.7%	-5.7%	-
Others	4,400	2,300	2,100	+1,232	+486	+747	+38.9%	+26.8%	+55.2%

## 12. Forecast of dividends

➤ For the term ending February 2017, the consolidated dividend payout ratio is predicted to be 33.8% and the payout is expected to be ¥81.5. (\* Midterm dividend ¥40.5 predicted.)



# Improving Quality of Life Around the World

FY02/2017 Results

And Outlook for the FY02/2018

Apr. 7th, 2017

Hisamitsu Pharmaceutical Co., Inc.

## Additional data

### Noven PL - Performance comparison with the previous period -

Unit:\$ thousand

	Actual performance for FY02/16 (Q1-Q4)	Actual performance for FY02/17 (Q1-Q4)	Change	Percentage Change
<b>Net sales *</b>	<b>251,917</b>	<b>203,766</b>	<b>-48,151</b>	<b>-19.1%</b>
Noven Women's Health	193,264	164,489	-28,774	-14.9%
Noven Others	58,653	39,276	-19,376	-33.0%
CoGS	109,117	89,568	-19,549	-17.9%
as a % of sales	43.3%	44.0%	-	-
SG&A costs	132,155	82,808	-49,346	-37.3%
Sales promotion costs	27,858	10,090	-17,767	-63.8%
Advertising costs	5,341	129	-5,212	-97.6%
R&D spending	30,125	27,449	-2,675	-8.9%
Others	68,829	45,138	-23,691	-34.4%
<b>Operating profits</b>	<b>10,644</b>	<b>31,390</b>	<b>+20,745</b>	<b>+194.9%</b>
Nonoperating balance	-1,084	-69,350	-68,265	-
<b>Pretax profits</b>	<b>9,560</b>	<b>-37,959</b>	<b>-47,519</b>	<b>-</b>
<b>Net profits</b>	<b>7,049</b>	<b>-53,434</b>	<b>-60,483</b>	<b>-</b>

\* Results before consolidated adjustment.

# Forecast of Noven PL

Unit:¥ million

	Actual performance for FY02/17 (Q1-Q4)	Full-year earnings forecast for FY02/18 (Q1-Q4)	Change	Percentage Change
<b>Net sales</b>	<b>22,265</b>	<b>16,100</b>	<b>-6,165</b>	<b>-27.7%</b>
Noven Women's Health	17,973	13,400	-4,573	-25.4%
Noven Others	4,291	2,700	-1,591	-37.1%
CoGS	9,787	8,700	-1,087	-11.1%
as a % of sales	44.0%	54.0%	-	-
SG&A costs	9,048	7,000	-2,048	-22.6%
Sales promotion costs	1,102	300	-802	-72.8%
Advertising costs	14	0	-14	-
R&D spending	2,999	3,200	+201	+6.7%
Others	4,932	3,500	-1,432	-29.0%
<b>Operating profits</b>	<b>3,430</b>	<b>400</b>	<b>-3,030</b>	<b>-88.3%</b>
Nonoperating balance	-7,577	700	+8,277	-
<b>Recurring profits</b>	<b>-4,147</b>	<b>1,100</b>	<b>+5,247</b>	<b>-</b>
<b>Net profits</b>	<b>-5,838</b>	<b>700</b>	<b>+6,538</b>	<b>-</b>
Exchange rate (¥/USD)	109.27円	110.00円		