



Financial Statements
for the Fiscal Year Ended March 31, 2018
(From Apr. 1, 2017 to Mar. 31, 2018)

Summary of consolidated results

JMS Co., Ltd.

Company Code No. 7702

May 11, 2018

Highlights in Business Results



(unit: JPY million)

	Apr. - Mar. 2017 Results	Apr. - Mar. 2018 Results	Diff.	Year-over-Year
Sales	55,574	56,520	945	1.7%
Operating Profit	1,106	573	(532)	(48.1%)
Ordinary Profit	1,451	820	(631)	(43.5%)
Profit attributable to owners of parent	1,182	631	(551)	(46.6%)
Net Income per share ※	JPY 48.51	JPY 25.91	---	---

Exchange Rate (average during period)	US Dollar	108.38	110.85
	Euro	120.33	126.67
	(unit: JPY) Singapore Dollar	78.26	81.74

Increased in sales, but decreased in profit for the FYE Mar. 2018

Sales	Japan	-Increased sales of Closed Mixing/Infusion System for Anticancer Drug "NEO SHIELD" -Decreased sales of Cardiovascular	Profit	-Decrease in operating Profit, due to the increase in labor cost, selling cost and R&D cost -The addition of share of profit of entities accounted for using equity method was offset by the increased foreign exchange losses resulted in an ordinary profit
	Overseas	-Increased sales of Apheresis kits -Increased sales of Single Patient Dialysis Machines	Dividend forecast	-Interim dividend: JPY 4 per share (Before share consolidation) -Year-end cash dividend: JPY 8 per share (After share consolidation) The year-end cash dividend per share and total annual dividend amount per share for the fiscal year ended March 31, 2018, without taking into consideration the share consolidation, are 4 yen and 8 yen, respectively.

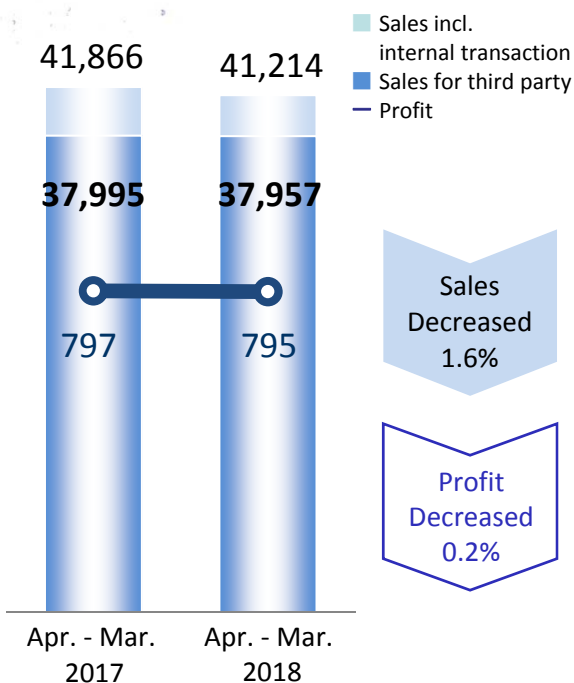
※We have conducted a share consolidation of common stock of JMS Co., Ltd. pursuant to which two (2) shares were consolidated into one (1) share effective as of October 1, 2017. Accordingly, the "Net income per share" has been calculated assuming that such share consolidation has been conducted at the beginning of the previous fiscal year.

Summary by segment (geographical area)



(unit: JPY million)

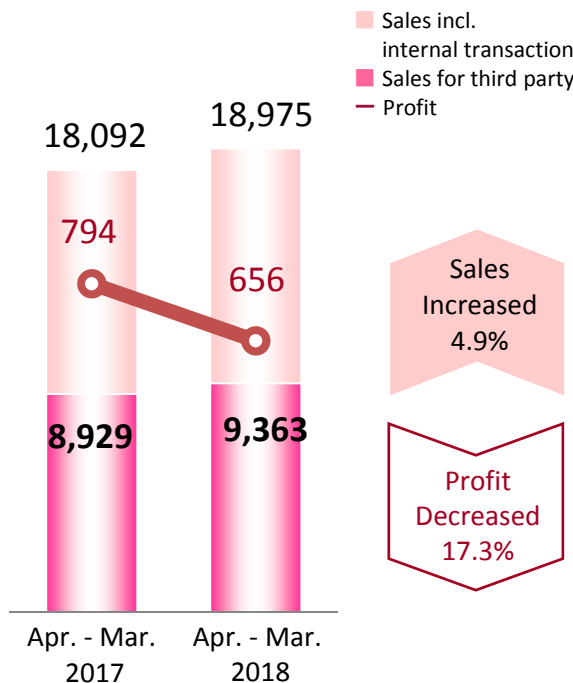
Japan



[Sales] Increased sales of Closed Mixing/Infusion System for Anticancer Drug “NEO SHIELD” and Single Patient Dialysis Machines were offset by the sales drop of intersegment transactions, reducing net sales.

[Ordinary Income] The influence of decrease sales and the increase R&D cost resulted in a profit.

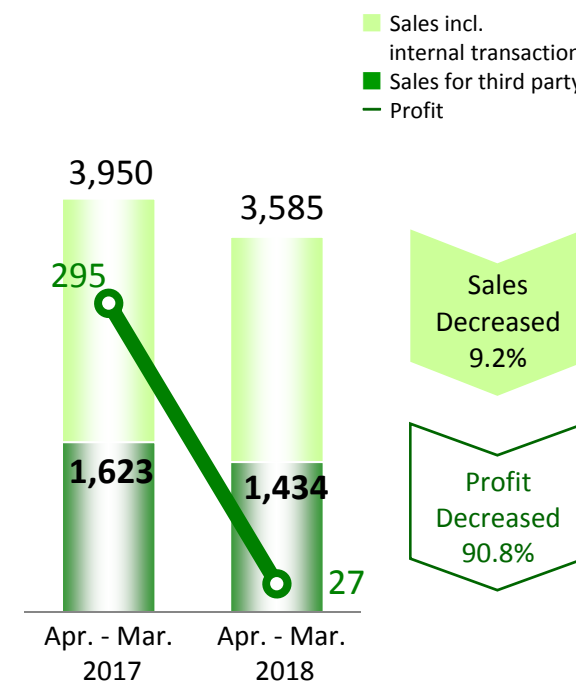
Singapore



[Sales] Increased sales of Apheresis kits for North America market raised net sales.

[Ordinary Income] The influence of increased labor cost and influence of foreign currency exchange resulted in a profit.

China



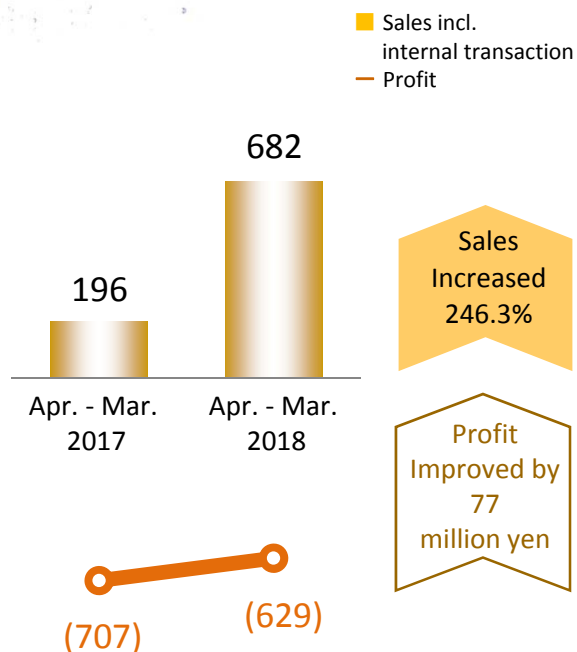
[Sales] Decreased sales of Dialyzer for the domestic market reduced net sales.

[Ordinary Income] The influence of decreased sales and the increase of selling cost resulted in a profit.

Summary by segment (geographical area)

(unit: JPY million)

Philippines



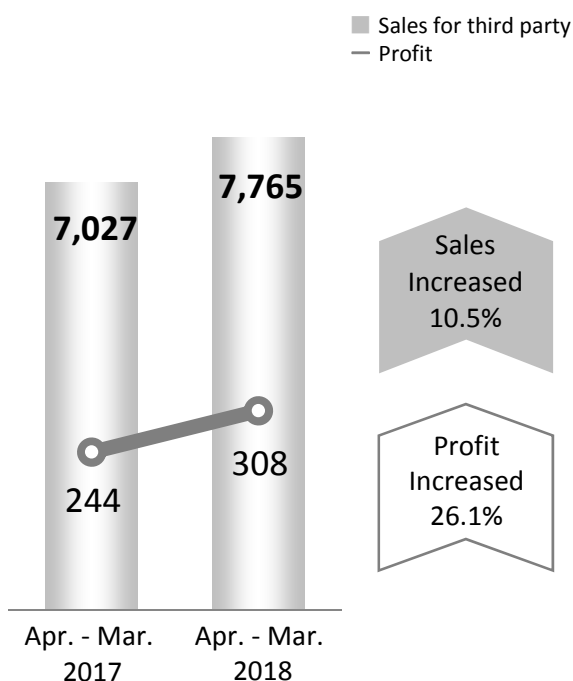
[Sales]

Increased sales of Infusion Sets for Japan market raised net sales.

[Ordinary Income]

The influence of increased sales reduced loss.

Others



*This segment includes business activity of domestic subsidiaries, Germany, United States and South Korea.

The segment classification has changed starting this fiscal year as below:

- With its increased importance, "Philippines" was added as a reporting segment which was previously included in "Others".
- "Germany" and "United States" in the past is included in "Others".
- "Southeast Asia" in the past is restated as "Singapore".
- The previous term's segment information is indicated in accordance with the new classifications.

~Product introduction~



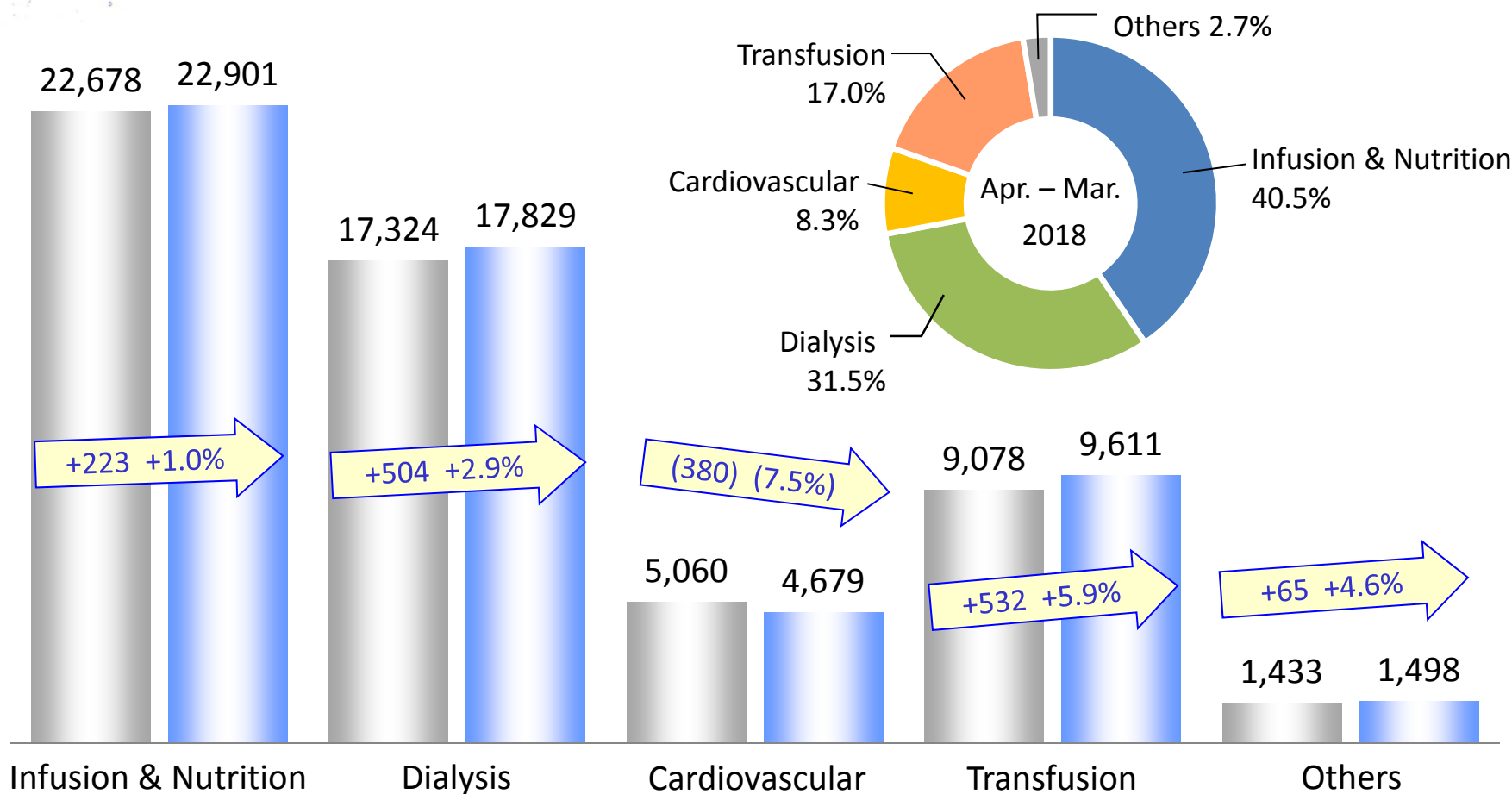
Closed Mixing/Infusion System for Anticancer Drug "NEO SHIELD"

"NEO SHIELD" supports safe and easy handling of anticancer drugs on the medical frontline.

Sales by Business Segment

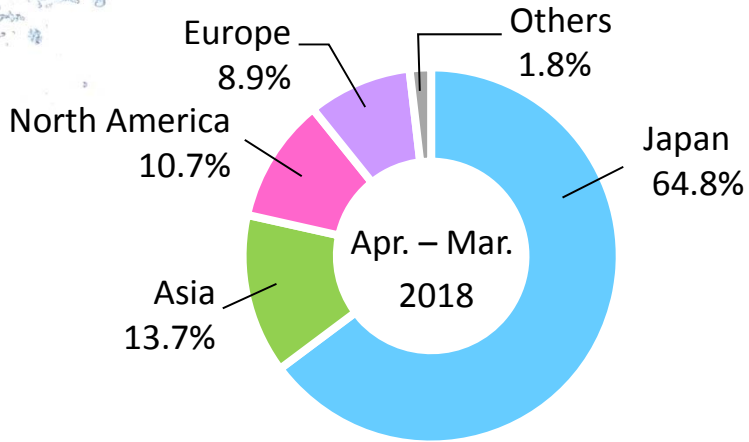
(unit: JPY million)

Apr. – Mar. 2017 Apr. – Mar. 2018

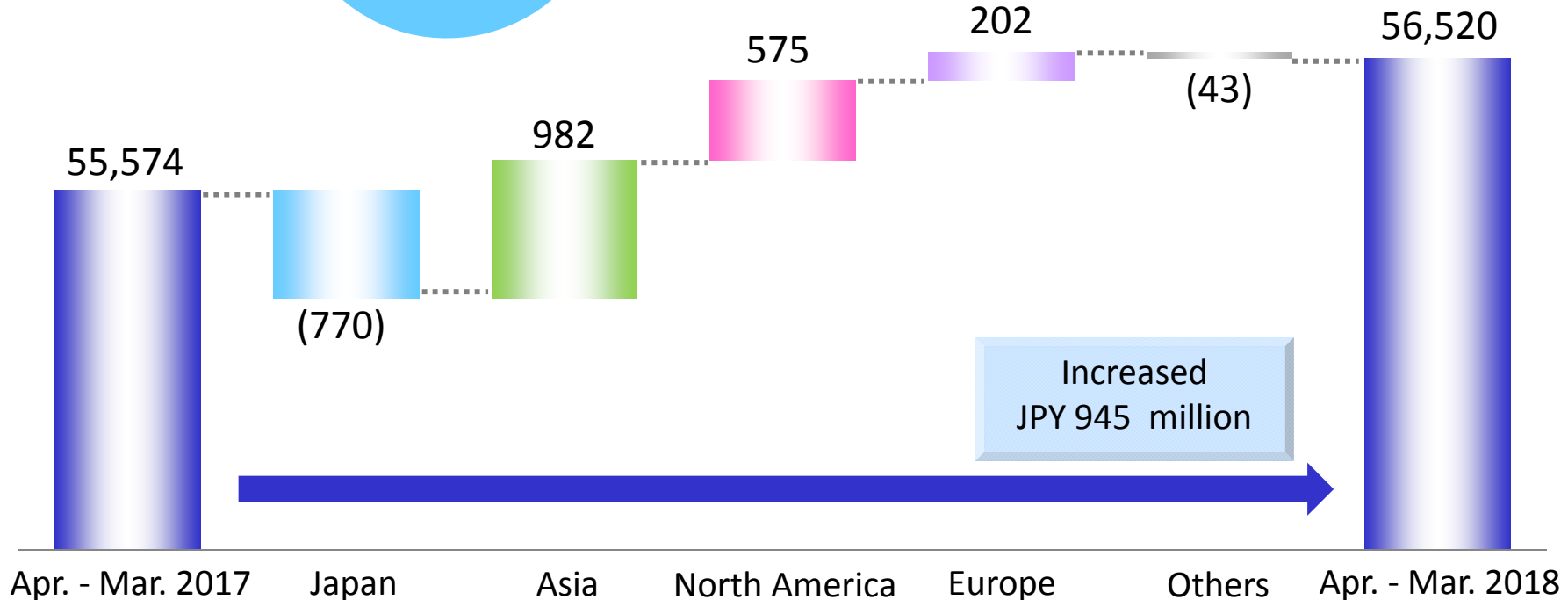


*Due to organizational reconstructing, the business segment has also changed from this term.
 *The previous term's segment information is indicated in accordance with the new classifications.

Sales increase or decrease (Customer's Location)



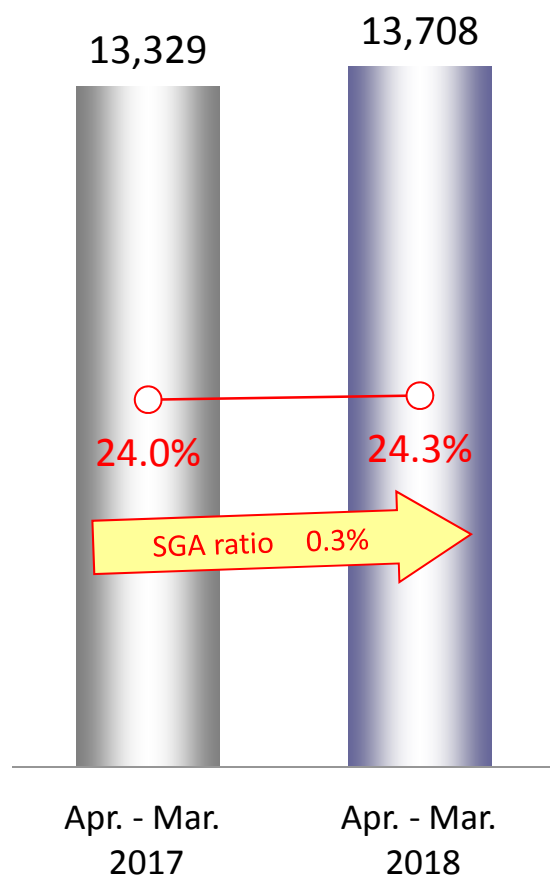
(unit: JPY million)



Selling, General and Admin. Expenses



(unit: JPY million)



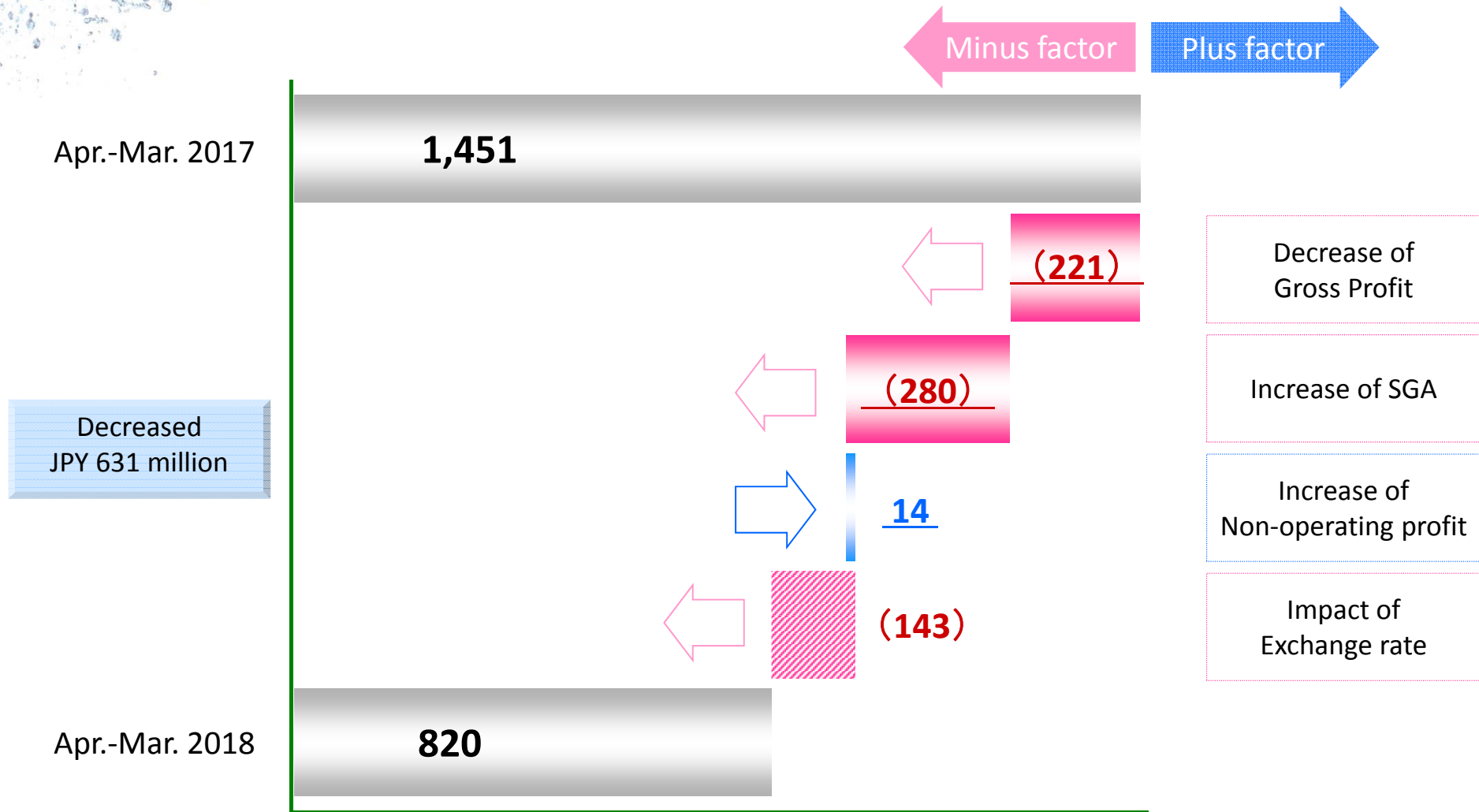
(unit: JPY million)

	Apr. - Mar. 2017	Apr. - Mar. 2018	Diff.	Year-over-Year
Labor Cost	5,732	5,767	34	0.6%
Transport	1,576	1,614	38	2.4%
R & D	1,462	1,553	90	6.2%
Depreciation	381	346	(34)	(9.1%)
Others	4,176	4,426	250	6.0%
Total	13,329	13,708	379	2.8%

Ordinary Profit : Compared with the previous year



(unit: JPY million)



The underlined figures exclude impact of exchange rate.

Forecast for FYE Mar. 2019



(unit: JPY million)

	FYE Mar. 2018 Result	FYE Mar. 2019 Forecast	Year-over-Year
Sales	56,520	58,000	2.6%
Operating Profit	573	1,000	74.3%
Ordinary Profit	820	1,200	46.3%
Profit attributable to owners of parent	631	800	26.7%
Net Income per share(※)	JPY 25.91	JPY 32.83	---

Exchange Rate (average during period)	US Dollar	110.85	105
	Euro	126.67	130
	(unit: JPY) Singapore Dollar	81.74	82

《GAIN 2020》

Globalization, Acceleration and Innovation for the New generation

[Basic Policy]	Promotion of customer-centric business; Group-wide enhancement of productivity
[Numerical targets]	Sales: JPY 62 billion Operating profit margin: JPY 2.5 billion



Initiatives

1. Organizational reform (Shift to BU structure)


: Rapid expansion of customer-centric optimal business strategies

2. Creation of next-generation business: Active challenges to the creation of business that forges our future

3. Acceleration of global expansion : Use of alliances and direct marketing

4. Promotion of optimum production : Establishment of a competitive global product supply system

5. Strengthen of *kotozukuri* : Creation of new customer value with *monozukuri* + *kotozukuri*



« GAIN 2020 » Initiatives



- Customer-centric strategy development
 - “NEO SHIELD”, Closed Mixing/Infusion System for Anticancer Drug
 - Expanding standards in order to reduce risks to medical professionals which being exposed to chemotherapy drugs
 - “GC-X01”, Hemodialysis Machines
 - Improve the patients' QOL, supporting a variety of hemodiafiltration
- Creation of next-generation business
 - Clinical trial start of Anti-adhesive absorbent barrier
 - Develop the technology of biodegradable materials for orthopedic surgery
- Acceleration of global expansion
 - Establishment of Joint Venture Company in Thailand (April)
 - Creating the business foundation for expanding our core business in the growing ASEAN market
- Promotion of optimal production
 - Expand operations at Philippines Plant ··· Steadily proceeding of production volume and items increase
- Strengthening kotozukuri (value creation)
 - Participate in the BIODESIGN * ··· Seeking a new solution to the issue of medical fields in collaboration with them

*The program develops solutions to various problems, using the needs in the clinical site as the starting point while verifying the perspective of commercialization from the initial stages of development, and is characterized by approaches that make innovation a reality.

The program is cooperated by Hiroshima University and Hiroshima Prefecture.

Topics



※Announcement date

-Launching new product “TWIN SHIELD” , Catheter connection system

Apr 18, 2018

-Launching new product “ECmoVA” , Centrifugal Blood Pump System

Mar 29, 2018

-Announcement of judgment of the patent-infringement lawsuit for Enteral nutrition systems products

Mar 6, 2018

-Notice Regarding Establishment of Joint Venture Company

Feb 8, 2018



「ECmoVA」



「TWIN SHIELD」



The Bridge to Good Health Care

The assessment figures described on this report are based on available information at this moment, including uncertain data. Actual results may be different from the figures.