



Financial Statements  
for the Fiscal Year Ended March 31, 2019  
(From Apr. 1, 2018 to Mar. 31, 2019)

## Summary of consolidated results

# JMS Co., Ltd.

Company Code No. 7702

May 10, 2019

# Highlights in Business Results



(unit: JPY million)

	Apr. - Mar. 2018 Results	Apr. - Mar. 2019 Results	Diff.	Year-over-Year
Net sales	56,520	58,059	1,538	2.7%
Operating profit	573	1,462	888	154.9%
Ordinary profit	820	1,520	699	85.3%
Profit attributable to owners of parent	631	1,160	528	83.8%
Basic earnings per share ※	JPY 25.91	JPY 47.59	---	---

Exchange Rate (average during period)	US Dollar	110.85	110.91
	Euro	126.67	130.42
	(unit: JPY) Singapore Dollar	81.74	81.69

**Increased in sales (2nd straight year) and increased in profit.**

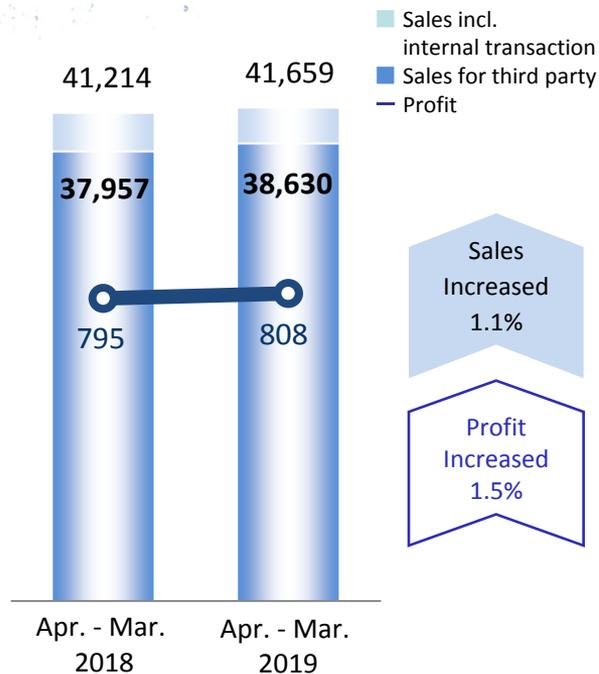
Sales	Japan	-Increased sales of New Hemodialysis Machine “GC-X01” and Dysphagia related products	Profit	-Increase in operating Profit, the influence of sales increase as well as the decreased selling cost and the influence of foreign currency exchange -The addition of share of profit of entities accounted for using equity method and the loss on abandonment of inventories resulted in an ordinary profit increase
	Overseas	-Increased sales of Apheresis kits -Increased sales of Hemodialysis Machine		Dividend forecast

※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



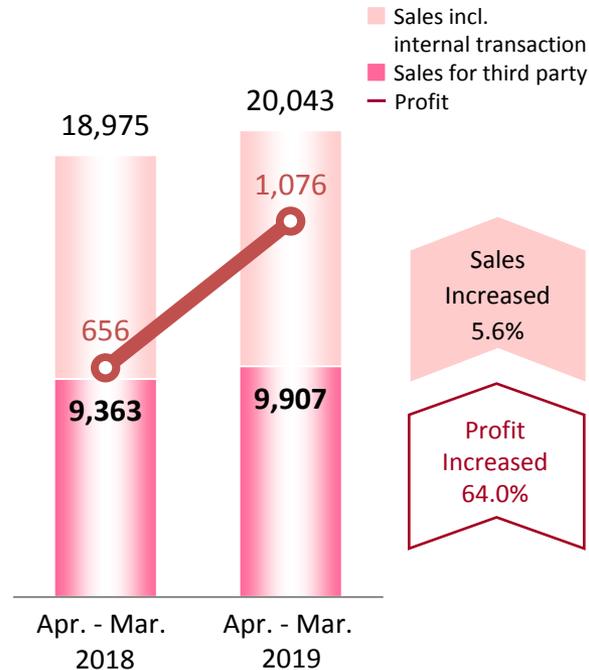
### [Sales]

Increased sales of New Hemodialysis Machine "GC-X01" and Dysphagia related products raised net sales.

### [Ordinary Income]

Despite the influence of loss on abandonment of inventories, the decrease in selling costs resulted in profit increase.

## Singapore



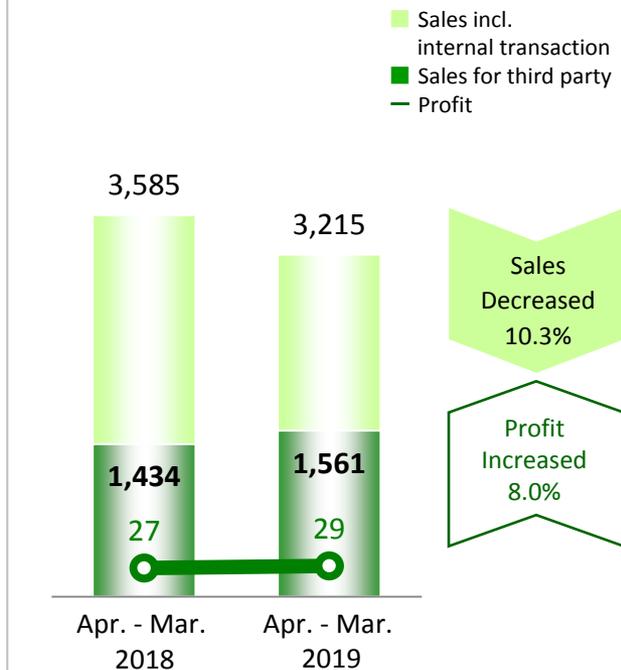
### [Sales]

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

### [Ordinary Income]

The influence of sales increase as well as the influence of foreign currency exchange resulted in profit increase.

## China



### [Sales]

Decreased sales of Infusion Sets for Japan market due to production transfer to the plant in Philippines reduced net sales.

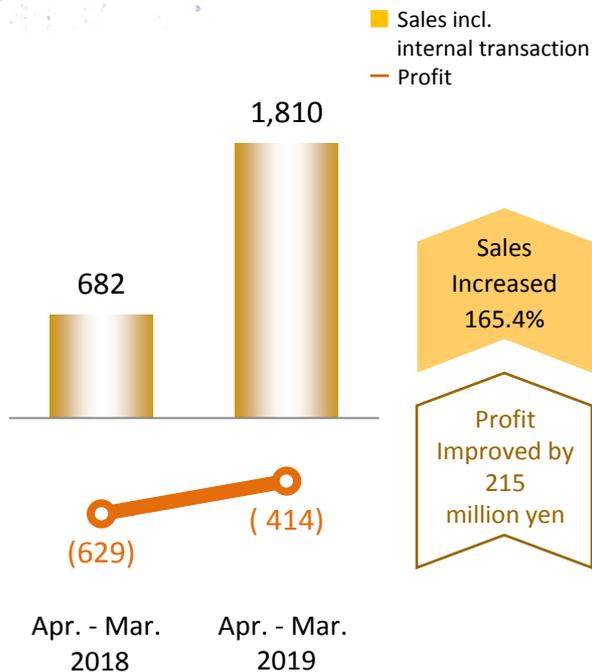
### [Ordinary Income]

The influence of sales decrease and the decrease of labor cost and other expenses resulted in profit increase.

# Summary by segment (geographical area)

(unit: JPY million)

## Philippines



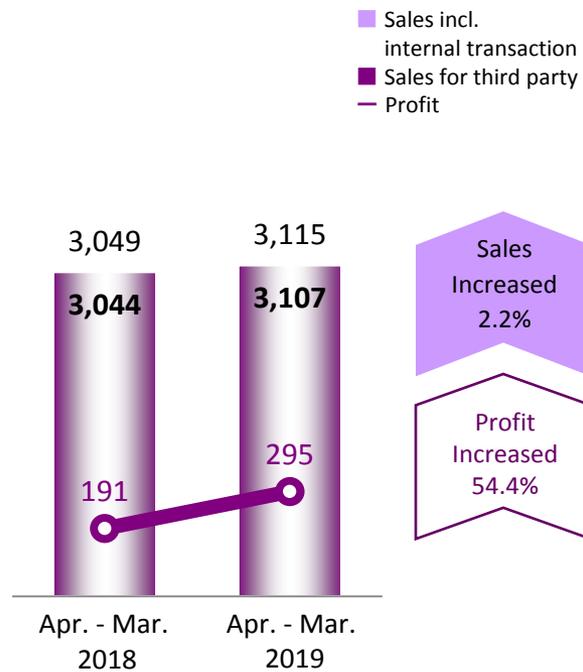
### [Sales]

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

### [Ordinary Income]

The influence of increased sales reduced loss.

## Germany



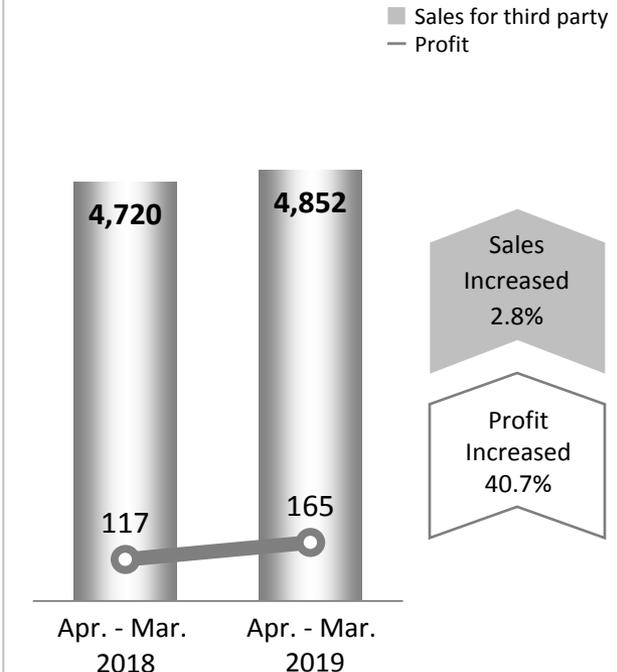
### [Sales]

Increased sales of hemodialysis kits raised net sales.

### [Ordinary Income]

The influence of increase sales of higher-margin products resulted in profit increase.

## Others



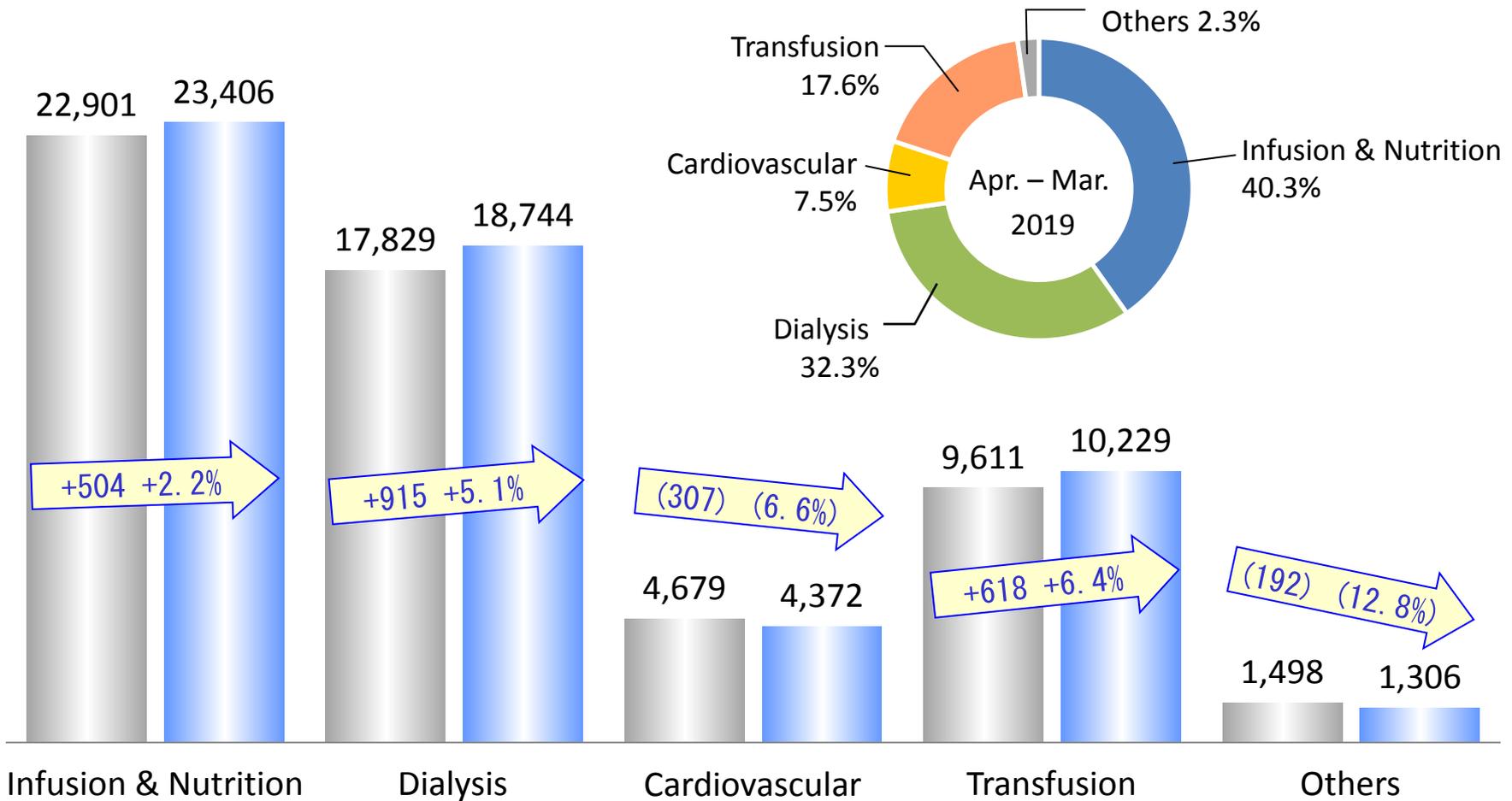
\*This segment includes business activity of domestic subsidiaries, United States, South Korea and Thailand.

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

- With its increased importance, "Germany" was added as a reporting segment which was previously included in "Others".
- The previous term's segment information is indicated in accordance with the new classifications.

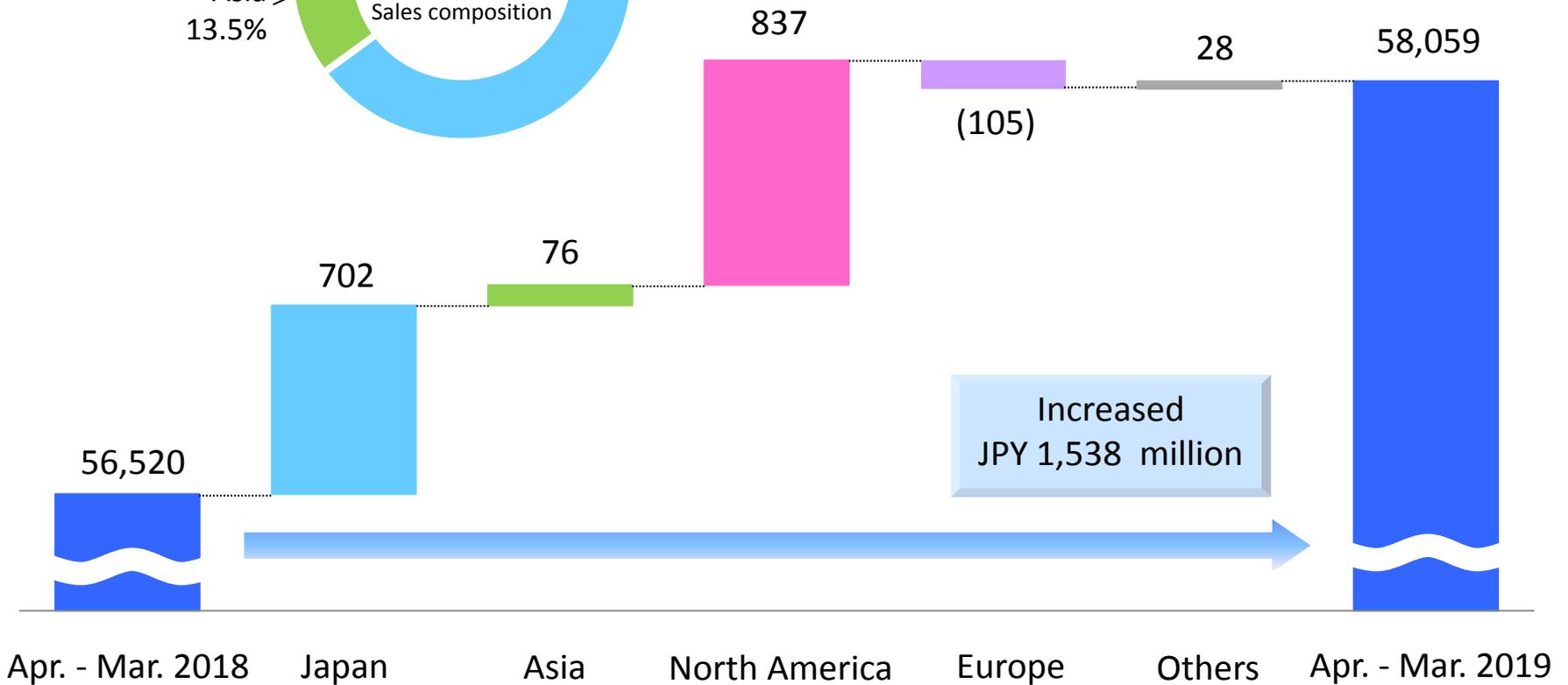
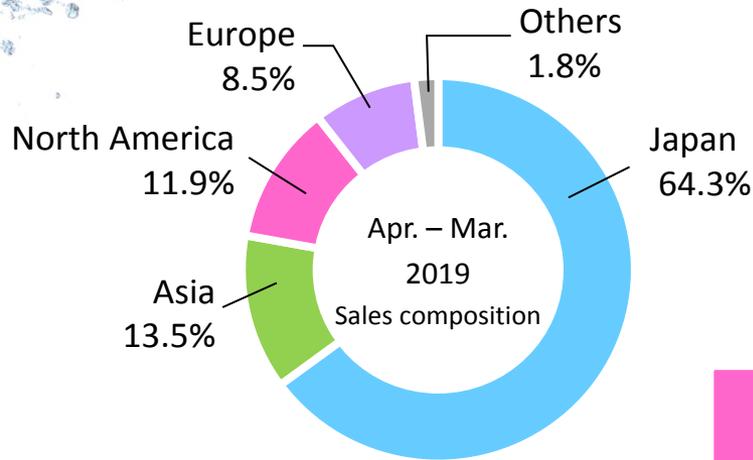
# Sales by Business Segment

Apr. – Mar. 2018
  Apr. – Mar. 2019
 (unit: JPY million)



# Sales change by Region (Customer's Location)

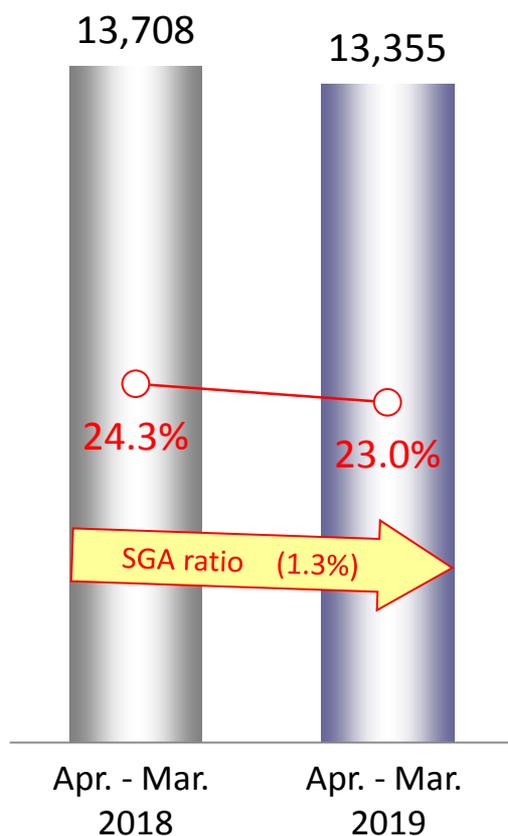
(unit: JPY million)



# Selling, General and Admin. Expenses



(unit: JPY million)



(unit: JPY million)

	Apr. - Mar. 2018	Apr. - Mar. 2019	Diff.	Year-over-Year
Labor Cost	5,767	5,806	39	0.7%
Transport	1,614	1,652	37	2.3%
R & D	1,553	1,515	(37)	(2.4%)
Depreciation	346	335	(11)	(3.2%)
Others	4,426	4,045	(381)	(8.6%)
<b>Total</b>	<b>13,708</b>	<b>13,355</b>	<b>(353)</b>	<b>(2.6%)</b>

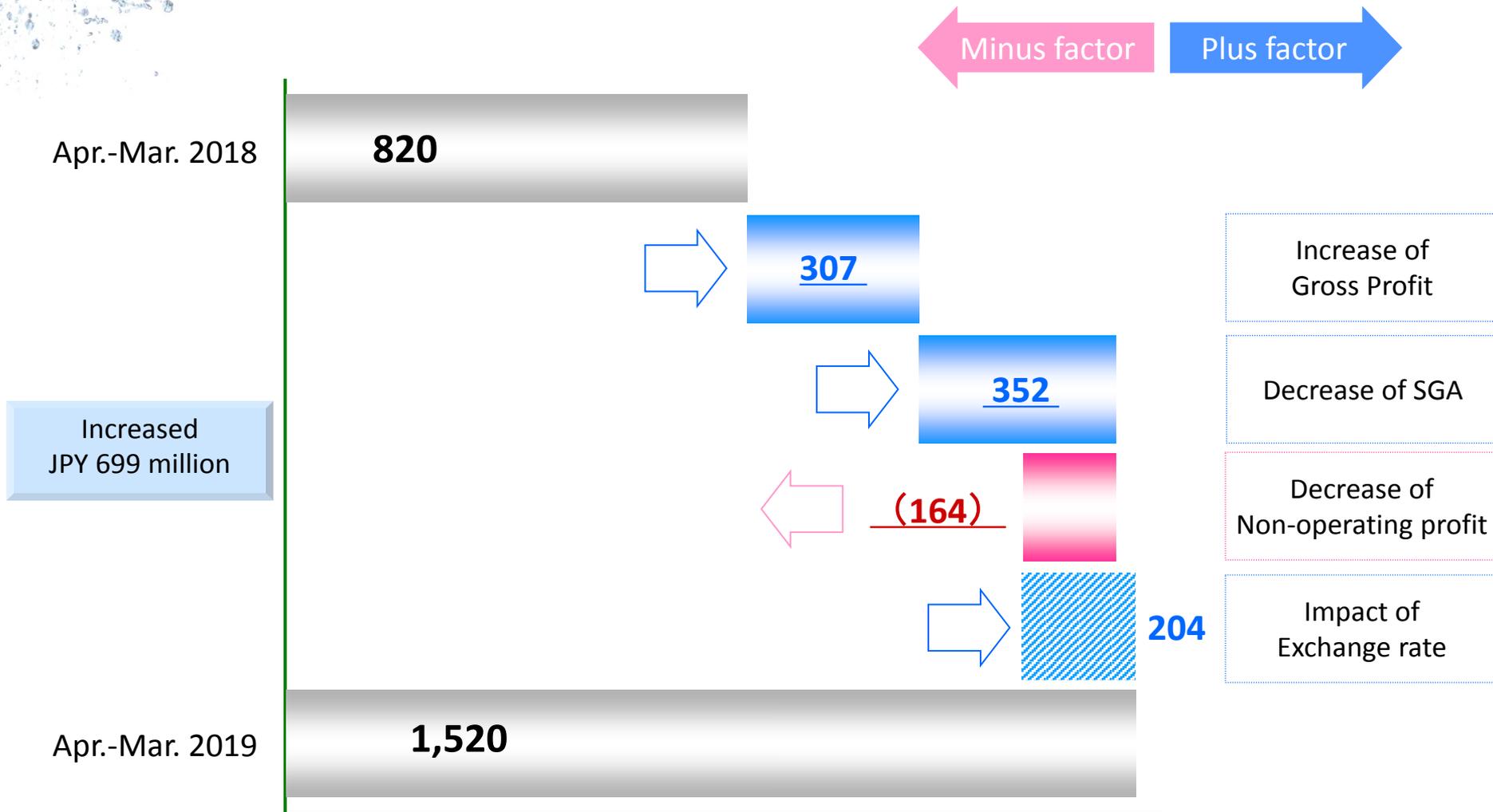
[Others]

Due to the decreased selling cost.

# Ordinary Profit : Compared with the previous year



(unit: JPY million)



The underlined figures exclude impact of exchange rate.

# Forecast for FYE Mar. 2020



(unit: JPY million)

	FYE Mar. 2019 Result	FYE Mar. 2020 Forecast	Year-over-Year
Net sales	58,059	60,000	3.3%
Operating profit	1,462	1,800	23.1%
Ordinary profit	1,520	2,000	31.6%
Profit attributable to owners of parent	1,160	1,400	20.7%
Basic earnings per share	JPY 47.59	JPY 57.43	---

Exchange Rate (average during period)	US Dollar	110.91	110
	Euro	130.42	125
	(unit: JPY) Singapore Dollar	81.69	82.5

※Announcement date

-Settlement of the patent-infringement lawsuit for Enteral nutrition systems Products.  
Mar. 5, 2019

-Recognized as “Certified Health & Productivity Management Outstanding Organization (White 500)”  
Feb. 26, 2019

-Announcement of finished the production of Ono Plant  
Sep. 26, 2018



2019  
健康経営優良法人  
Health and productivity  
ホワイト500

## 《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 : 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 and progress



- Customer-centric strategy development
  - Expanding product line of “NEO SHIELD”, Closed Mixing/Infusion System for Anticancer Drug
    - Promoting a measure to reduce risks to medical professionals which being exposed to chemotherapy drugs, and suppress the disposal loss of drug
  - Developing a new product “TWIN SHIELD”, Catheter connection system
    - Realizing of safer and more secure connection by simple operation, and contributing to prevention of medical accidents
  
- Creation of next-generation business
  - Anti-adhesive barrier (orthopedics)
    - Clinical trial is ongoing as planned, expected to be completed by the end of this period
  - Stem cell storage bag (regeneration medicine)
    - Provided to a regenerative medicine institute for clinical research
  
- Acceleration of global expansion
  - Business start of Joint Venture Company in Thailand
    - Launched domestic sales in Thailand, in view of development to the ASEAN market
  - China CDDS business
    - Promoting the Japanese Hemodialysis system (CDDS) in Chinese market with a local partner
  
- Promotion of optimal production
  - Philippines Plant
    - Expand operations (at Philippines Plant) and will turn the operating profit into the black
  - Reorganization of the domestic production bases
    - Enhancement production facility of Izumo Plant and finish of the production at Ono Plant

# « GAIN 2020 » Initiatives and progress



- Strengthening kotozukuri (value creation)

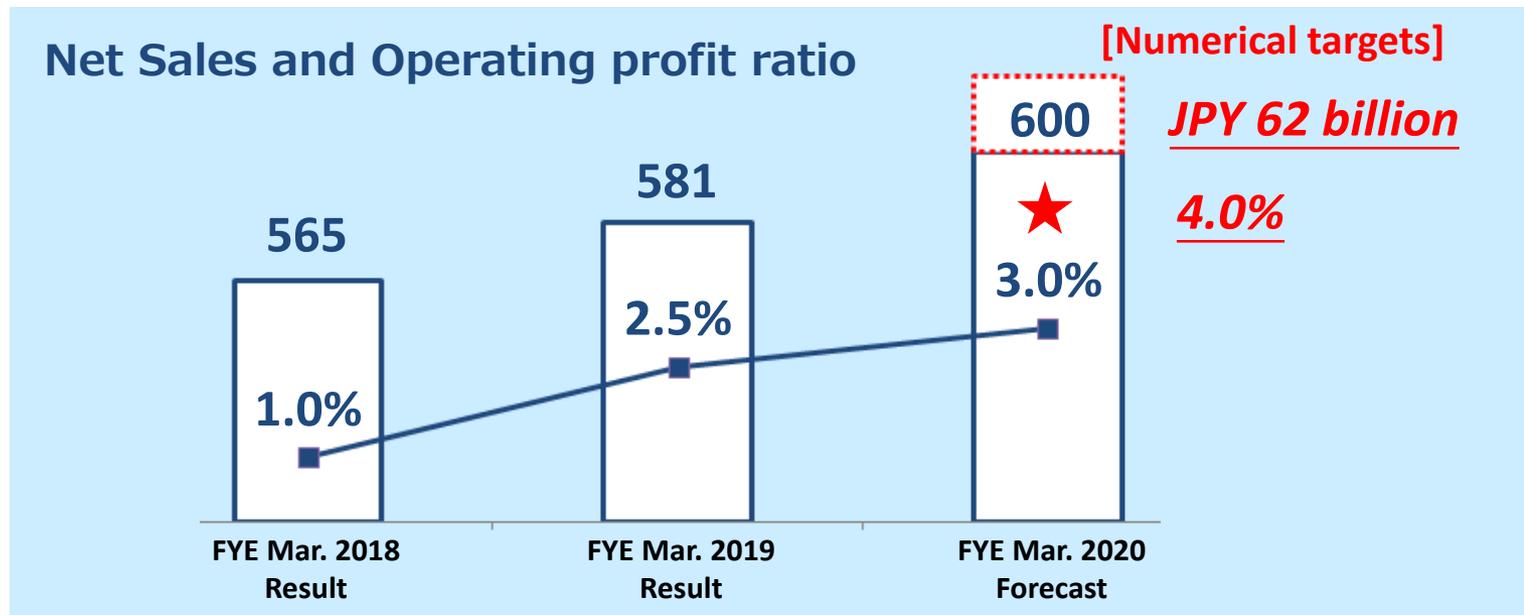
Participation in the BIODESIGN program \*

···Seeking a new solution to the issue of medical fields in collaboration with the program participants

Promotion of the collaboration with medical and engineering

···Joint development of Arrhythmia analysis system using software

\*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.





## 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.