

(Company Code 7702)

JMS CO.,LTD.

Financial Statements

for the 2nd Quarter of Fiscal Year Ending March 31, 2023

(From Apr. 1, 2022 to Sep. 30, 2022)

Summary of consolidated results

November 4, 2022

Summary of Financial Results

Consolidated

Increase in sales
Decrease in profit

Net sales 29,975million yen (+1,699 million yen)
Operating profit (44) million yen ((659) million yen)

Sales : Domestic sales decreased slightly as the impact of the re-expansion of COVID-19 infection delayed the recovery in demand for consumables. Overseas sales increased due to recovery in demand for Blood bags and AV Fistula Needles, the mainstay products, as well as up in yen equivalent value due to yen depreciation.

Profit : Despite the effect of increased sales due to growth in overseas sales, income decreased due to the soaring raw material prices, electricity costs, and ocean freight rates impact, as well as the increase of labor costs at overseas bases and selling expenses associated with the gradual resumption of sales activities.

Sales by Business Segment

Dialysis : Sales of AV Fistula Needles increased, including to North America, and sales of Dialysis therapy chairs and Hemodialysis Kits increased in Europe market.

Transfusion : Sales of Blood bags showed signs of recovery in demand and increased mainly in Asia market.

Sales by Region

Asia: In addition to increased sales of Blood bags, sales of AV fistula needles and Acute Blood Purification business increased in the China market.

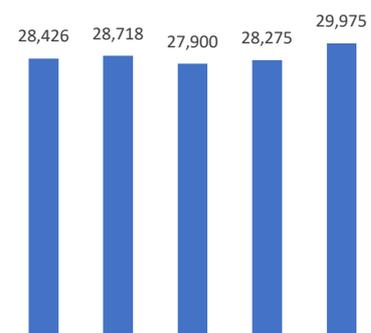
North America: Sales of AV fistula needles to main customers increased, and sales of Apheresis kits also recovered.

Highlights in Business Results

(unit: JPY million)

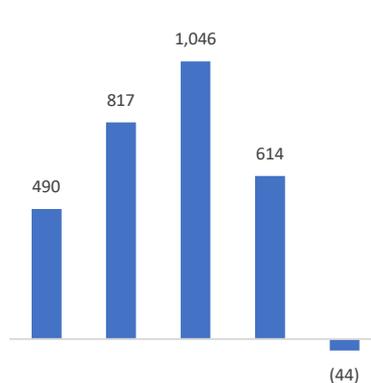
	Apr. - Sep. 2021 Results	Apr. - Sep. 2022		Year – over – Year	
		Previous Forecast	Results	Diff.	%
Net sales	28,275	29,100	29,975	1,699	6.0%
Operating profit	614	400	(44)	(659)	—
Ordinary profit	683	400	56	(627)	(91.8)%
Profit attributable to owners of parent	497	250	(68)	(565)	—

Net sales



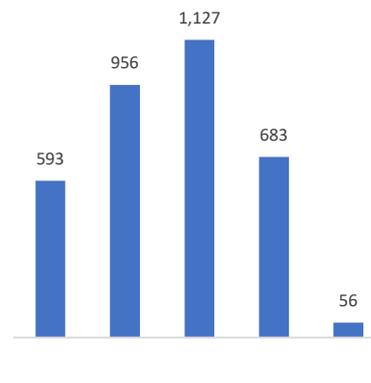
Apr. - Sep. 2018 Apr. - Sep. 2019 Apr. - Sep. 2020 Apr. - Sep. 2021 Apr. - Sep. 2022

Operating profit



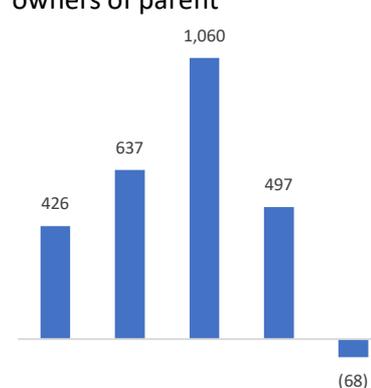
Apr. - Sep. 2018 Apr. - Sep. 2019 Apr. - Sep. 2020 Apr. - Sep. 2021 Apr. - Sep. 2022

Ordinary profit



Apr. - Sep. 2018 Apr. - Sep. 2019 Apr. - Sep. 2020 Apr. - Sep. 2021 Apr. - Sep. 2022

Profit attributable to owners of parent



Apr. - Sep. 2018 Apr. - Sep. 2019 Apr. - Sep. 2020 Apr. - Sep. 2021 Apr. - Sep. 2022

Summary by segment (geographical area)

[Japan] Sales of Closed Drug Mixing/Infusion System were strong. Sales of Acute Blood Purification business increased, including to China market. Profit decreased due to the impact of soaring raw material prices and electricity costs, as well as higher yen equivalent value of foreign currency-denominated purchase transactions due to yen depreciation increased selling expenses associated with the gradual increase in sales activities.

[Singapore] Sales of Blood bags increased and sales of Apheresis kits in North America recovered. Despite the impact of soaring raw material prices, electricity costs, and ocean freight rates, profits increased due to the effect of increased sales and foreign exchange gains.

(unit: JPY million)

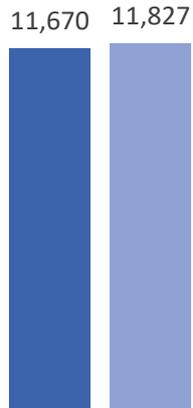
		Apr. - Sep. 2021	Apr. - Sep. 2022	Year-over-Year	
				Diff.	%
Japan	Sales	20,542	21,361	818	4.0%
	Ordinary profit	587	(89)	(676)	—
Singapore※	Sales	8,365	10,515	2,150	25.7%
	Ordinary profit	26	216	189	715.3%
China	Sales	1,640	1,878	237	14.5%
	Ordinary profit	67	56	(11)	(17.0)%
Philippines	Sales	1,580	1,668	88	5.6%
	Ordinary profit	154	45	(109)	(70.8)%
Germany	Sales	1,745	1,870	124	7.1%
	Ordinary profit	61	71	10	16.4%
Others※	Sales	1,947	2,527	579	29.8%
	Ordinary profit	19	(47)	(67)	—

※Singapore : This segment includes Indonesian subsidiary.

※Others : This segment includes business activity of subsidiaries in Japan, United States, South Korea and Thailand.

(unit: JPY million)

Infusion & Nutrition



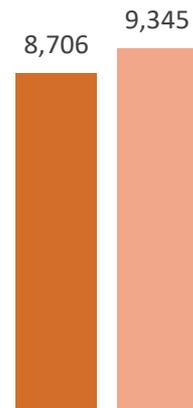
Net sales

■ Apr. - Sep. 2021 ■ Apr. - Sep. 2022

Despite strong sales of Closed Drug Mixing/Infusion System, sales slightly increased due to decrease by Medical Gloves and Nutrition Sets.



Dialysis



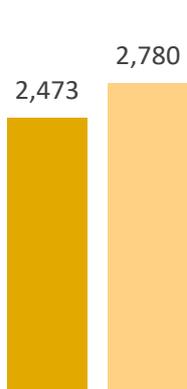
Net sales

■ Apr. - Sep. 2021 ■ Apr. - Sep. 2022

Sales of AV Fistula Needles were strong in North America and other markets, and Dialysis therapy chairs and Hemodialysis Kits increased in Europe market.



Cardiovascular



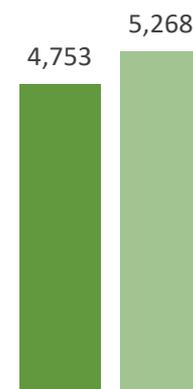
Net sales

■ Apr. - Sep. 2021 ■ Apr. - Sep. 2022

Sales of Cardiopulmonary Blood Tubing Sets increased, in addition to increased sales related to Acute Blood Purification business in domestic and China market.



Transfusion



Net sales

■ Apr. - Sep. 2021 ■ Apr. - Sep. 2022

In overseas markets, sales of Blood bags increased with signs of recovery in demand.



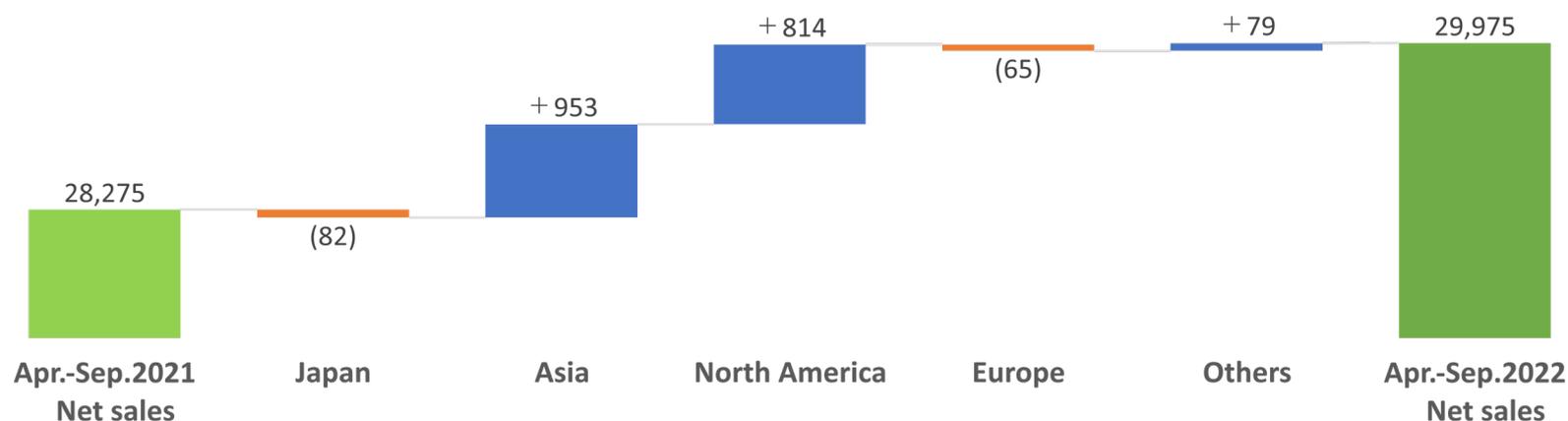
Sales change by Region (Customer's Location)

In Japan, sales decreased slightly due to the impact of the re-expansion of COVID-19 infection, which slowed the recovery in demand for consumables.

In overseas markets, Blood bags and AV Fistula Needles increased in Asia, in North America AV Fistula Needles and Apheresis kits increased.

(unit: JPY million)

	Apr. - Sep. 2021	Apr. - Sep. 2022	Year-over-Year		Sales composition
			Diff.	%	
Japan	18,915	18,832	(82)	(0.4)%	62.8%
Asia	3,576	4,530	953	26.7%	15.1%
North America	2,468	3,282	814	33.0%	11.0%
Europe	2,814	2,748	(65)	(2.3)%	9.2%
Others	501	581	79	15.8%	1.9%



Ordinary profit : Compared with the previous year

[Gross Profit] Decreased due to soaring raw material prices, electricity costs, and ocean freight rates impacts, in addition to increased labor costs at overseas bases.

[SGA] Increased selling expenses associated with gradual resumption of sales activities and increased transportation expenses due to the impact of higher prices.

(unit: JPY million)

*The underlined figures exclude impact of exchange rate.



Exchange Rate (average during period)	(unit: JPY)		
	US Dollar	Euro	Singapore Dollar
Apr. - Sep. 2021	109.80	129.82	81.80
Apr. - Sep. 2022	133.97	134.25	96.55

Forecast for FYE Mar. 2023

Consolidated business forecast for the fiscal year ending March 31, 2023 released on May 12, 2022 has been revised.

(unit: JPY million)

	FYE Mar. 2022 Result	FYE Mar. 2023 Forecast		Year-over-Year %
		Previous Forecast	New Forecast	
Net sales	58,169	60,000	62,000	6.6%
Operating profit	980	1,200	400	(59.2)%
Ordinary profit	1,126	1,200	400	(64.5)%
Profit attributable to owners of parent	826	900	200	(75.8)%

* Exchange rate for the forecast: 1USD=142yen, 1EUR=138yen, 1SGD=101yen.

- Sales : Demand is on a recovery track, and we continue to increase sales by steadily capturing demand. Equipment that implemented production adjustments due to difficulties in procuring semiconductors and other components will recover sales in the second half of the year and beyond.
- Profit : Further promote cost reductions and absorb the impact of soaring raw material prices and electricity costs. Continue to review sales prices, ocean freight rates, and other terms and condition of transactions.

August 2022

The 7th facility of the Izumo Plant was constructed.

A new 2,000 m² facility was built to further improve the efficiency of logistics.



September 2022

**Announcement of Basic Agreement for Business Alliance with
DAIKEN MEDICAL CO., LTD.**

Began to consider offering new solutions in anticancer drug treatment (chemotherapy).



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.