



Financial Statements  
for the 2<sup>nd</sup> quarter of fiscal year ending March 31, 2018  
(From Apr. 1, 2017 to Sep. 30, 2017)

## Summary of consolidated results

**JMS Co., Ltd.**

Company Code No. 7702

November 9, 2017

# Highlights in Business Results



(unit: JPY million)

	Apr. - Sep. 2016 Results	Apr. - Sep. 2017		Diff.	Year-over- Year	Diff. from forecast
		Previous Forecast	Results			
Sales	27,526	28,000	27,402	(123)	(0.4%)	(2.1%)
Operating Income	592	500	156	(436)	(73.6%)	(68.6%)
Ordinary Income	699	500	334	(365)	(52.2%)	(33.1%)
Profit attributable to owners of parent	409	300	210	(199)	(48.6%)	(29.8%)
Net Income per share ※	JPY 16.82	JPY 12.31	JPY 8.65	---	---	---

Exchange Rate (average during period)	US Dollar	105.29	110	111.06
		Euro	124.62	120
(unit: JPY)	Singapore Dollar	77.65	79	80.69

**Decreased in sales (2nd straight year) and decreased in profit for the 2nd Quarter of FYE Mar. 2017**

Sales	Japan	-Increased sales of Closed Mixing/Infusion System for Anticancer Drug "NEO SHIELD" -Decreased of Hemodialysis Machines
	Overseas	-Increased sales of AV Fistula Needle -Decreased sales of Dialyzer

Profit	-Decrease in operating Income, due to the influence of decreased sales and increase in selling cost -The addition of equity in earnings of affiliates resulted in an ordinary income
Dividend forecast	-Interim dividend: JPY 4 per share ("Before share consolidation" basis)

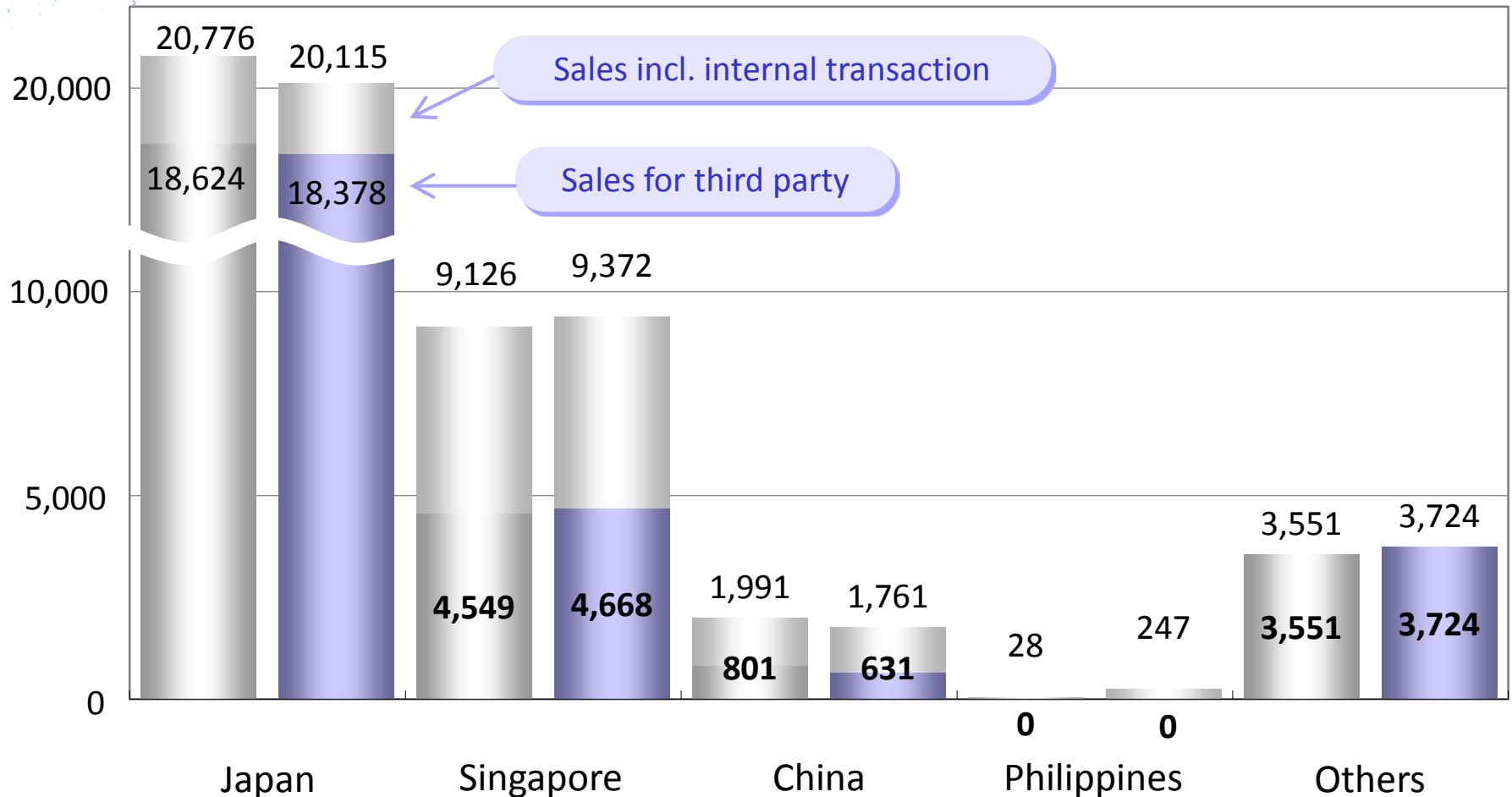
※We have conducted a share consolidation of common stock of JMS Co., Ltd. pursuant to which two (2) shares were consolidated into one (1) share effective as of October 1, 2017. Accordingly, the "Net income per share" has been calculated assuming that such share consolidation has been conducted at the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

# Sales by segment (geographical area)

(unit: JPY million)

Apr. – Sep. 2016

Apr. – Sep. 2017

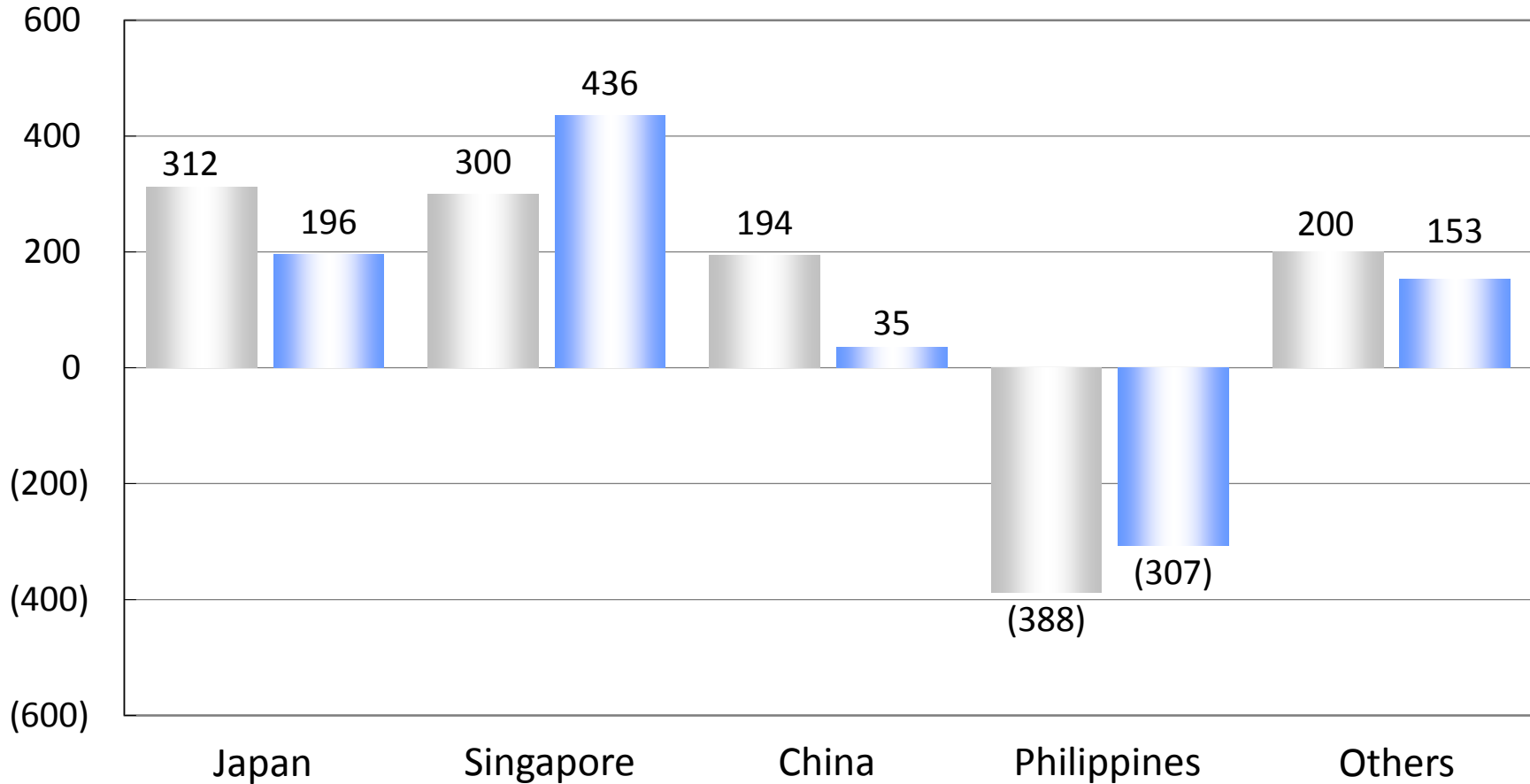


\*The reporting segment based-classifications have changed from the current term. Please refer to P6.

# Profit by segment (geographical area)

(unit: JPY million)

Apr. – Sep. 2016      Apr. – Sep. 2017



\*The reporting segment based-classifications have changed from the current term. Please refer to P6.

# Summary by segment (geographical area)



Japan

Sales	20,115 JPY mil.	(3.2%)
Ordinary Income	196 JPY mil.	(37.1%)

-Increased sales of Closed Mixing/Infusion System for Anticancer Drug “NEO SHIELD” was offset by the sales drop of Hemodialysis Machines, reducing net sales  
 - Despite the dividend income from associated companies, the influence of decrease sales and the increase R&D cost resulted in a profit



Singapore

Sales	9,372 JPY mil.	2.7%
Ordinary Income	436 JPY mil.	45.5%

-Increased sales of AV Fistula Needle for North America market raised net sales  
 -The decreased manufacturing cost and influence of foreign currency exchange resulted in a profit

\*This segment includes Indonesia local subsidiary.



China

Sales	1,761 JPY mil.	(11.6%)
Ordinary Income	35 JPY mil.	(81.5%)

-Decreased sales of Dialyzer for the domestic market reduced net sales  
 -The influence of decreased sales as well as the increase of selling cost resulted in a profit

( %: year-over-year )



**Closed Mixing/Infusion System for Anticancer Drug “NEO SHIELD”**

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

# Summary by segment (geographical area)



## Philippines

Sales	247 JPY mil.	— %
Ordinary loss	(307) JPY mil.	— %

-Increased sales of Infusion Sets for Japan market raised net sales  
 -The influence of increased sales reduced loss



## Others

Sales	3,724 JPY mil.	4.9%
Ordinary Income	153 JPY mil.	(23.2%)

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

( %: year-over-year )



### AV Fistula Needle

AV fistula needle is for pulling blood from a patient during a dialysis therapy.

~Due to the revision in the segment classification from the first quarter, the year-to-year comparison has been restated in accordance with these segment changes.~

As the result of the changes;

- With its increased importance, “the Philippines” was added as a reporting segment which was previously included in “Others”.
- Hitherto known as “Germany” and “United States” includes in “Others”.
- Hitherto known as “Southeast Asia” is restated as “Singapore”.
- The previous term’s segment information is in accordance with the new classifications and titles reflecting on changes.



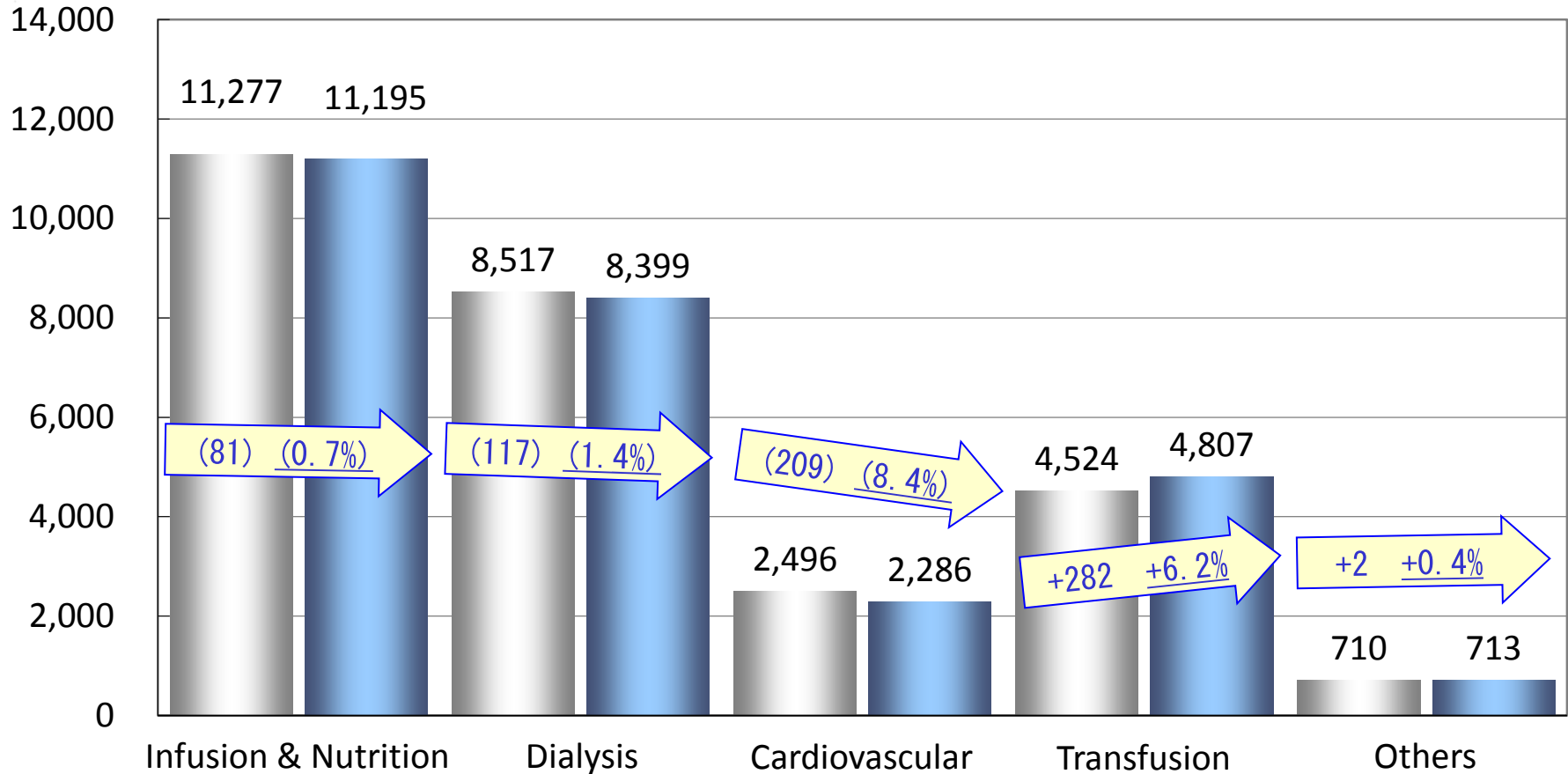
# Sales by Business Segment



(unit: JPY million)

Apr. – Sep. 2016

Apr. – Sep. 2017



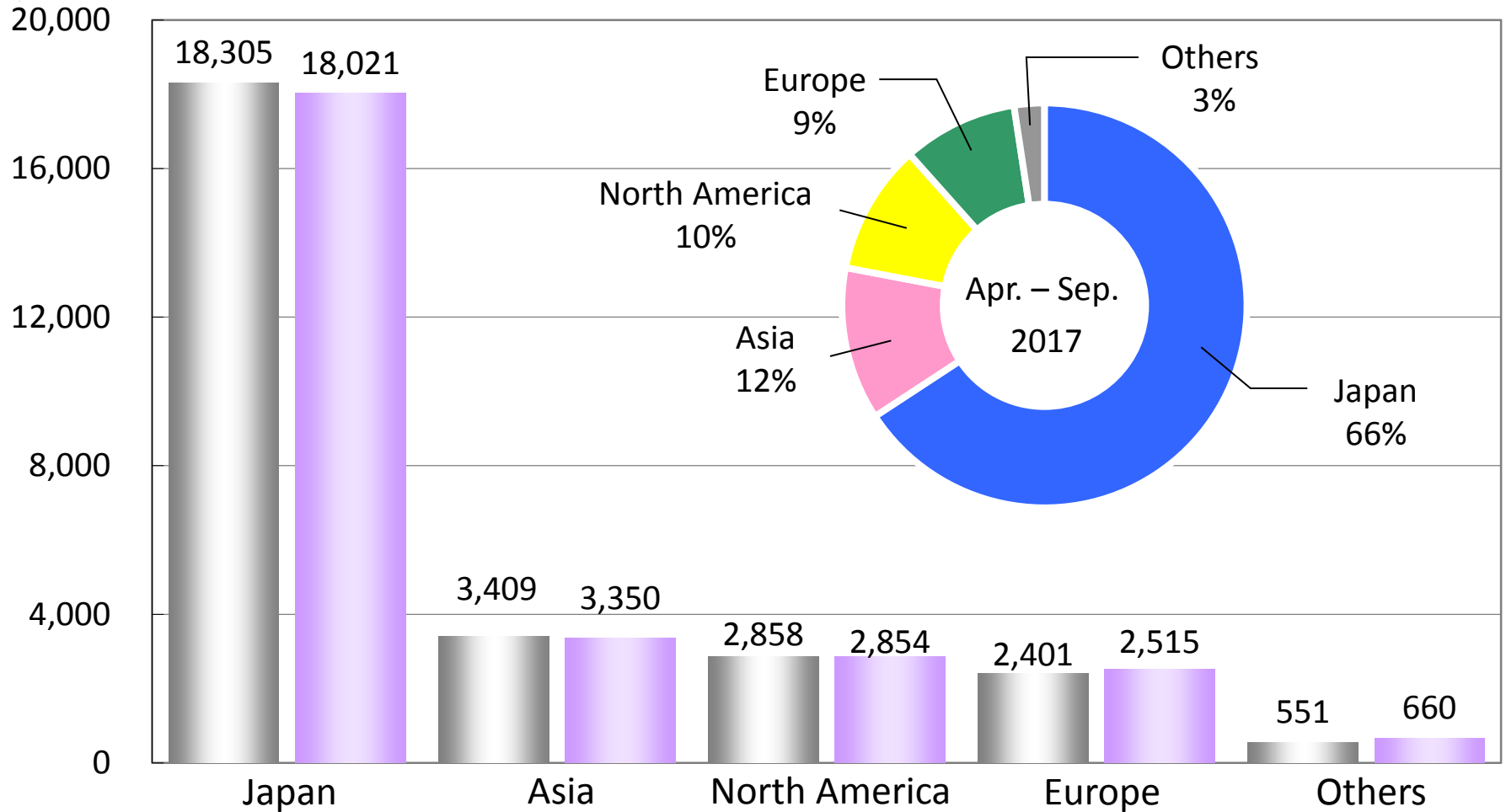
\*Due to organizational reconstructing, the business segment has also changed from the current term.

\*The previous term segment information is in accordance with the new classifications and titles reflecting on changes.

# Sales by Segment (Customer's Location)

(unit: JPY million)

Apr. – Sep. 2016
  Apr. – Sep. 2017

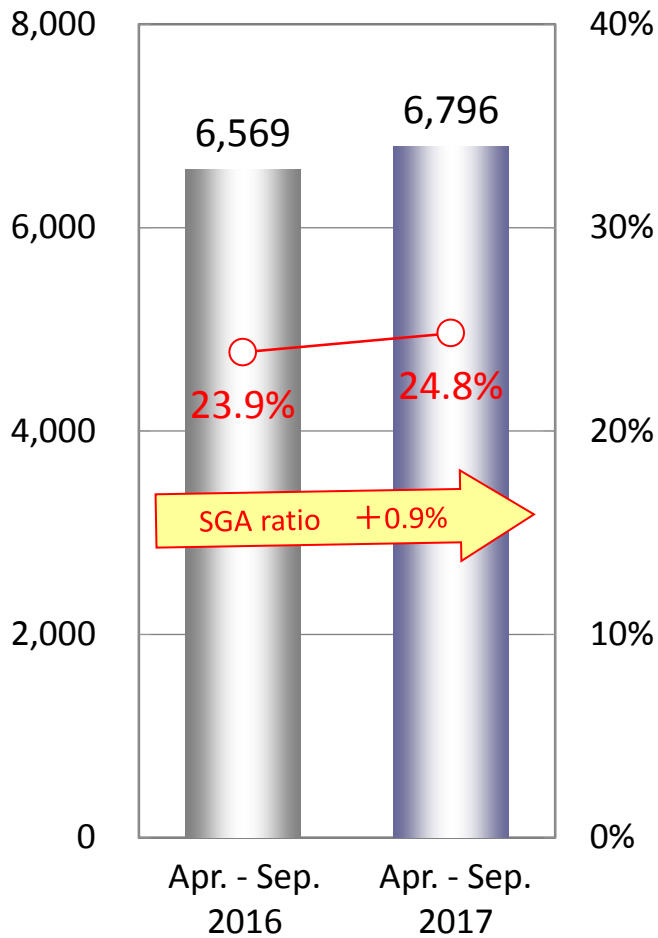




# Selling, General and Admin. Expenses



(unit: JPY million)



(unit: JPY million)

	Apr. - Sep. 2016	Apr. - Sep. 2017	Diff.	Year-over-Year
Labor Cost	2,870	2,896	25	0.9%
Transport	778	798	20	2.6%
R & D	646	697	51	8.0%
Depreciation	195	170	(24)	(12.6%)
Others	2,078	2,232	154	7.4%
<b>Total</b>	<b>6,569</b>	<b>6,796</b>	<b>226</b>	<b>3.5%</b>

# Ordinary Income : Compared with the previous year



(unit: JPY million)



Ordinary Income  
Apr.-Sep. 2016

**699**

Ordinary income  
decreased  
JPY 365 million

(241)

Decrease of  
Gross Profit

(196)

Increase of SGA

39

Increase of  
Non-operating profit

33

Impact of  
Exchange rate

Ordinary Income  
Apr.-Sep. 2017

**334**

The underlined figures exclude impact of exchange rate.

# Forecast for FYE Mar. 2018



(unit: JPY million)

	FYE Mar. 2017 Result	FYE Mar. 2018 Forecast		
		Previous Forecast	New Forecast	Year -over- Year
Sales	55,574	57,000	56,000	0.8%
Operating Income	1,106	1,150	700	(36.7%)
Ordinary Income	1,451	1,200	900	(38.0%)
Profit attributable to owners of parent	1,182	700	600	(49.3%)
Net Income per share(※)	JPY 48.51	JPY 28.73	JPY 24.62	---

Exchange Rate (average during period)	US Dollar	108.38	110	112
	Euro	120.33	120	127
	(unit: JPY) Singapore Dollar	78.26	79	82

Consolidated business forecast for the fiscal year ending March 31, 2018 has been revised, due to the above mentioned business results.

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※Announcement date

-Launching new product, medical mask which collaborates with the professional baseball team  
“Hiroshima Toyo Carp”

Oct 25, 2017

-Announcement of Repurchases in Conjunction with Treatment of Fractional Shares Resulting  
from Share Consolidation

Oct 18, 2017

-Announcement of JMS Group Mid-term Management Plan (April 2017-March 2020)

Sep 1, 2017

-Developing new product "GC-X01“, Hemodialysis Machines.

Jun 7, 2017



Medical mask which collaborate with professional baseball team  
“Hiroshima Toyo Carp”



Hemodialysis Machines  
"GC-X01“



## 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.