Financial Statements
for the 3rd quarter of fiscal year ending March 31, 2020
(From Apr. 1, 2019 to Dec. 31, 2019)

Summary of consolidated results

JMS Co., Ltd.
Company Code No. 7702

February 6, 2020
Highlights in Business Results

<table>
<thead>
<tr>
<th></th>
<th>Apr. - Dec. 2018 Results</th>
<th>Apr. - Dec. 2019 Results</th>
<th>Diff.</th>
<th>Year-over-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>44,251</td>
<td>43,552</td>
<td>(698)</td>
<td>(1.6%)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>1,374</td>
<td>1,497</td>
<td>122</td>
<td>8.9%</td>
</tr>
<tr>
<td>Ordinary profit</td>
<td>1,419</td>
<td>1,720</td>
<td>301</td>
<td>21.3%</td>
</tr>
<tr>
<td>Profit attributable to owners of parent</td>
<td>980</td>
<td>1,176</td>
<td>196</td>
<td>20.0%</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>JPY 40.22</td>
<td>JPY 48.26</td>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>

Exchange Rate (average during period)

<table>
<thead>
<tr>
<th></th>
<th>US Dollar</th>
<th>Euro</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>111.14</td>
<td>130.97</td>
</tr>
<tr>
<td>(unit: JPY)</td>
<td>81.80</td>
<td>79.48</td>
</tr>
</tbody>
</table>

--- Decreased in sales and increased in profit (2nd straight year).---

**Sales**

- Increased sales of Blood bags and Closed Drug Mixing/Infusion System “NEO SHIELD”
- Decreased sales of Dysphagia related products and Hemodialysis Machines

**Overseas**

- Increased sales of Blood bags and Apheresis kits

**Profit**

- The decrease of labor cost and R&D cost resulted in an operating profit growth
- The addition of share of profit of entities accounted for using equity method resulted in the above ordinary profit
Summary by segment (geographical area)

**Japan**
- **Sales**: Increased sales of Blood bags and Closed Drug Mixing/Infusion System “NEO SHIELD” which were offset by the decreased sales of Dysphagia related products and Hemodialysis Machines reduced net sales.

- **Ordinary profit**: Despite the influence of decreased sales, the decrease of R&D cost and the increase of dividend income from affiliated companies resulted in a profit growth.

**Singapore**
- **Sales**: Increased sales of Apheresis kits for the North America market and Blood bags for the Africa market raised net sales.

- **Ordinary profit**: The decrease of labor cost and the influence of increased sales resulted in a profit growth.

*This segment includes Indonesia local subsidiary.

**China**
- **Sales**: Increased sales of AV Fistula Needles which was offset by the decreased sales of Infusion Sets for the Japan market due to production transfer to the plant in Philippines reduced net sales.

- **Ordinary profit**: Despite the influence of decreased sales, the decrease of labor cost and other expenses resulted in a profit growth.

[unit: JPY million]
Summary by segment (geographical area)

### Philippines
- **Sales incl. internal transaction**: 1,257 → 1,957
- **Sales for third party**: 1,257 → 1,957
- **Profit**: (354) → (26)

**April - December 2018**
- **Sales Increase of 55.7%**
- **Profit Increased by 327 million yen**

**April - December 2019**
- **Sales Increase of 0.8%**
- **Profit Decrease of 26.1%**

**[Sales]**
Increased sales of Infusion Sets for the Japan market raised net sales.

**[Ordinary profit]**
The influence of increased sales resulted in a reduced loss.

### Germany
- **Sales incl. internal transaction**: 2,297 → 2,316
- **Sales for third party**: 2,296 → 2,315
- **Profit**: 238 → 176

**April - December 2018**
- **Sales Increase of 0.8%**
- **Profit Decrease of 26.1%**

**April - December 2019**

**[Sales]**
Increased sales of Blood bags raised net sales.

**[Ordinary profit]**
Increased cost of purchase by influence of foreign currency exchange resulted in a reduced profit.

### Others *
- **Sales for third party**: 3,637 → 3,816
- **Profit**: 116 → 87

**April - December 2018**
- **Sales Increase of 4.9%**
- **Profit Decrease of 25.2%**

**April - December 2019**

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

The segment classification has changed from the end of the previous term as below:
- With its increased importance, “Germany” was added as a reporting segment which was previously included in “Others”.
- The segment information for the previous period is indicated in accordance with the new classifications.
Sales by Business Segment

- **Infusion & Nutrition**: Sales increased by 5.4% from Apr. – Dec. 2018 to Apr. – Dec. 2019, from 18,013 to 17,034 million JPY.
- **Dialysis**: Sales decreased by 2.7% from Apr. – Dec. 2018 to Apr. – Dec. 2019, from 14,073 to 13,698 million JPY.
- **Cardiovascular**: Sales remained unchanged at 3,274 million JPY.
- **Transfusion**: Sales increased by 9.5% from Apr. – Dec. 2018 to Apr. – Dec. 2019, from 7,785 to 8,523 million JPY.
- **Others**: Sales decreased by 7.5% from Apr. – Dec. 2018 to Apr. – Dec. 2019, from 1,104 to 1,021 million JPY.

**Sales Segmentation**

- **Dialysis**: 31.5% of total sales in Apr. – Dec. 2019.
- **Cardiovascular**: 7.5% of total sales in Apr. – Dec. 2019.
- **Transfusion**: 19.6% of total sales in Apr. – Dec. 2019.
- **Others**: 2.3% of total sales in Apr. – Dec. 2019.
Sales increase or decrease (Customer's Location)


<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>44,251</td>
<td>43,552</td>
<td>743</td>
</tr>
<tr>
<td>Asia</td>
<td>(611)</td>
<td>582</td>
<td>259</td>
</tr>
<tr>
<td>North America</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>13.2%</td>
<td>8.5%</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>2.3%</td>
<td>11.8%</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>64.2%</td>
<td>64.2%</td>
<td></td>
</tr>
</tbody>
</table>

Decreased JPY 698 million
Selling, General and Admin. Expenses

<table>
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<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Labor Cost</td>
<td>4,372</td>
<td>4,378</td>
<td>5</td>
<td>0.1%</td>
</tr>
<tr>
<td>Transport</td>
<td>1,244</td>
<td>1,288</td>
<td>44</td>
<td>3.5%</td>
</tr>
<tr>
<td>R &amp; D</td>
<td>1,147</td>
<td>1,072</td>
<td>(75)</td>
<td>(6.5%)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>248</td>
<td>264</td>
<td>16</td>
<td>6.6%</td>
</tr>
<tr>
<td>Others</td>
<td>3,148</td>
<td>3,073</td>
<td>(75)</td>
<td>(2.4%)</td>
</tr>
<tr>
<td>Total</td>
<td>10,161</td>
<td>10,077</td>
<td>(84)</td>
<td>(0.8%)</td>
</tr>
</tbody>
</table>

[R & D] Clinical trial expense for the development of a new product decreased.
Ordinary profit: Compared with the previous year

(unit: JPY million)

Apr. - Dec. 2018: 1,419

Apr. - Dec. 2019: 1,720

The underlined figures exclude impact of exchange rate.

Increase of Gross Profit: 195
Increase of SGA: 120
Increase of Non-operating profit: (3)
Impact of Exchange rate: (11)

Increased JPY 301 million

Minus factor
Plus factor
## Forecast for FYE Mar. 2020

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

### Exchange Rate

<table>
<thead>
<tr>
<th>Exchange Rate (average during period)</th>
<th>US Dollar</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>110.91</td>
<td>110</td>
</tr>
<tr>
<td>Euro</td>
<td>130.42</td>
<td>125</td>
</tr>
<tr>
<td>Singapore Dollar</td>
<td>81.69</td>
<td>82.5</td>
</tr>
</tbody>
</table>
- Participate in an investment fund specialized in medical device ventures.
  Nor. 2019

- Introduction of the solar power system at Izumo Plant.
  Oct. 2019

- "Kids Visiting Day", children observed the workplace of father and mother.
  Aug. 2019
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.