

Quarterly consolidated statements of income

■ Core basis

(JPY millions)

	FY2022 (Year ended March 31, 2023)					FY2023 (Year ending March 31, 2024)					FY2023 Full Forecast
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	
Revenue	65,533	63,382	70,871	79,251	279,037	72,389	73,417				302,000
YoY	0.8%	-0.6%	5.7%	12.5%	4.8%	10.5%	15.8%				8.2%
Cost of sales	-28,406	-27,496	-29,548	-27,501	-112,950	-29,968	-29,376				-121,000
YoY	5.5%	6.0%	-1.0%	2.0%	3.0%	5.5%	6.8%				7.1%
(Percent of revenue)	43.3%	43.4%	41.7%	34.7%	40.5%	41.4%	40.0%				40.1%
Gross profit	37,127	35,886	41,323	51,751	166,087	42,422	44,041				181,000
YoY	-2.5%	-5.1%	11.1%	19.0%	6.1%	14.3%	22.7%				9.0%
(Percent of revenue)	56.7%	56.6%	58.3%	65.3%	59.5%	58.6%	60.0%				59.9%
Operating profit	10,600	5,850	10,703	17,088	44,242	15,542	15,990				58,000
YoY	-9.5%	-53.5%	4.4%	44.9%	-4.5%	46.6%	173.3%				31.1%
(Percent of revenue)	16.2%	9.2%	15.1%	21.6%	15.9%	21.5%	21.8%				19.2%
Net profit for the period	7,744	4,721	8,689	12,081	33,235	12,792	13,068				43,500
YoY	-14.2%	-50.5%	18.9%	29.5%	-5.6%	65.2%	176.8%				30.9%
(Percent of revenue)	11.8%	7.4%	12.3%	15.2%	11.9%	17.7%	17.8%				14.4%

■ IFRS

(JPY millions)

	FY2022					FY2023					FY2023 Full Forecast
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	
Revenue	65,533	63,382	70,871	79,251	279,037	72,389	73,417				302,000
YoY	0.8%	-0.6%	5.7%	12.5%	4.8%	10.5%	15.8%				8.2%
Cost of sales	-28,406	-27,496	-29,548	-27,501	-112,950	-30,024	-29,431				-121,100
YoY	5.5%	6.0%	-1.0%	2.0%	3.0%	5.7%	7.0%				7.2%
(Percent of revenue)	43.3%	43.4%	41.7%	34.7%	40.5%	41.5%	40.1%				40.1%
Gross profit	37,127	35,886	41,323	51,751	166,087	42,365	43,986				180,900
YoY	-2.5%	-5.1%	11.1%	19.0%	6.1%	14.1%	22.6%				8.9%
(Percent of revenue)	56.7%	56.6%	58.3%	65.3%	59.5%	58.5%	59.9%				59.9%
SG&A expenses	-19,427	-22,868	-23,206	-30,756	-96,257	-21,066	-22,108				-94,900
YoY	-5.0%	19.1%	12.3%	27.2%	13.9%	8.4%	-3.3%				1.4%
(Percent of revenue)	29.6%	36.1%	32.7%	38.8%	34.5%	29.1%	30.1%				31.4%
R&D expenses	-7,099	-7,168	-7,415	-6,616	-28,297	-6,301	-6,159				-29,100
YoY	16.0%	15.3%	14.7%	-12.7%	7.3%	-11.2%	-14.1%				2.8%
(Percent of revenue)	10.8%	11.3%	10.5%	8.3%	10.1%	8.7%	8.4%				9.6%
Amortization on intangible assets associated with products	-2,554	-2,611	-2,059	-2,293	-9,518	-2,329	-2,370				-9,400
YoY	5.5%	10.4%	-16.5%	-7.5%	-2.2%	-8.8%	-9.2%				-1.2%
(Percent of revenue)	3.9%	4.1%	2.9%	2.9%	3.4%	3.2%	3.2%				3.1%
Other income	332	-72	262	3,001	3,524	303	908				1,500
Other expenses	-45	-30,521	-32	-8,030	-38,629	-222	-1,907				-8,000
Operating profit (loss)	8,333	-27,354	8,874	7,057	-3,090	12,750	12,350				41,000
YoY	-9.0%	—	17.1%	-25.8%	—	53.0%	—				—
(Percent of revenue)	12.7%	—	12.5%	8.9%	—	17.6%	16.8%				13.6%
Finance income	1,385	-140	-250	158	1,153	1,050	152				1,500
Finance expenses	-123	-140	-447	-790	-1,499	-168	-486				-1,200
Share of loss of investments accounted for using equity method	-521	-543	-667	-631	-2,362	-764	-809				3,000
Profit (loss) before tax	9,074	-28,176	7,509	5,794	-5,799	12,868	11,207				38,300
YoY	-1.1%	—	3.2%	-41.7%	—	41.8%	—				—
(Percent of revenue)	13.8%	—	10.6%	7.3%	—	17.8%	15.3%				12.7%
Income tax expenses	-2,379	-538	-1,578	-4,689	-9,184	-2,456	-2,344				-8,800
Net profit (loss) for the period	6,695	-28,714	5,931	1,105	-14,983	10,412	8,862				29,500
YoY	-8.6%	—	17.6%	-86.0%	—	55.5%	—				—
(Percent of revenue)	10.2%	—	8.4%	1.4%	—	14.4%	12.1%				9.8%
Profit (loss) attributable to Owners of the company	6,663	-28,704	5,977	1,117	-14,948	10,414	8,866				29,510
Non-controlling interests	32	-10	-46	-12	-35	-2	-4				-10

Quarterly revenue details

■Revenue by business segment

(JPY millions)

	FY2022					FY2023					FY2023
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Prescription pharmaceuticals	61,105	58,228	66,271	74,630	260,235	67,183	68,209				280,805
YoY	0.2%	-1.9%	5.9%	12.0%	4.3%	9.9%	17.1%				7.9%
OTC pharmaceuticals	2,379	3,260	2,520	2,469	10,628	2,886	3,028				11,266
YoY	-2.7%	23.4%	-5.1%	21.1%	8.7%	21.3%	-7.1%				6.0%
Medical devices	1,624	1,388	1,566	1,679	6,257	1,884	1,689				7,848
Others	425	506	514	473	1,919	435	491				2,081
Total	65,533	63,382	70,871	79,251	279,037	72,389	73,417				302,000
YoY	0.8%	-0.6%	5.7%	12.5%	4.8%	10.5%	15.8%				8.2%

[Japan]

(JPY millions)

	FY2022					FY2023					FY2023
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Prescription pharmaceuticals	38,839	32,909	39,465	51,556	162,770	37,126	36,177				163,808
YoY	-0.3%	-10.4%	-1.6%	17.4%	1.9%	-4.4%	9.9%				0.6%
OTC pharmaceuticals	2,141	2,928	2,258	2,269	9,595	2,628	2,737				10,147
YoY	-7.1%	17.8%	-9.3%	19.1%	4.5%	22.7%	-6.5%				5.8%
Medical devices	890	734	828	813	3,264	870	813				3,587
Others	408	433	462	440	1,744	393	456				1,958
Total	42,279	37,004	43,013	55,078	177,373	41,016	40,182				179,500
YoY	-0.1%	-8.5%	-1.8%	17.0%	2.2%	-3.0%	8.6%				1.2%

■Revenue by region (Overseas)

(JPY millions)

	FY2022					FY2023					FY2023
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
China	3,630	6,321	6,374	5,221	21,546	6,583	8,542				29,000
YoY	-43.8%	-16.3%	0.7%	-23.8%	-20.8%	81.3%	35.1%				34.6%
Asia ^{*1}	5,680	5,906	6,226	6,306	24,118	6,106	7,817				27,500
YoY	23.5%	32.5%	34.1%	3.1%	21.7%	7.5%	32.4%				14.0%
EMEA ^{*2}	13,062	13,043	14,466	11,942	52,513	17,802	15,703				63,500
YoY	22.0%	23.8%	25.0%	18.4%	22.4%	36.3%	20.4%				20.9%
Americas	882	1,108	793	705	3,488	883	1,173				2,500
YoY	-2.1%	44.6%	10.4%	113.8%	28.5%	0.1%	5.8%				-28.3%
Total	23,255	26,378	27,858	24,174	101,665	31,373	33,234				122,500
YoY	2.6%	13.1%	19.8%	3.4%	9.8%	34.9%	26.0%				20.5%
Overseas sales ratio	35.5%	41.6%	39.3%	30.5%	36.4%	43.3%	45.3%				40.6%

■Contribution profit by region^{*3}

(JPY millions)

	FY2022					FY2023					FY2023
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Japan	17,032	12,323	15,531	25,441	70,327	15,190	13,720				68,700
YoY	12.4%	-16.6%	-3.5%	26.3%	6.3%	-10.8%	11.3%				-2.3%
(Percent of revenue)	40.3%	33.3%	36.1%	46.2%	39.6%	37.0%	34.1%				38.3%
China	1,026	1,741	2,400	1,493	6,660	2,309	3,732				10,200
YoY	-65.2%	-47.9%	-2.0%	-47.3%	-42.4%	125.0%	114.4%				53.2%
(Percent of revenue)	28.3%	27.5%	37.7%	28.6%	30.9%	35.1%	43.7%				35.2%
Asia ^{*1}	2,508	2,518	2,676	2,649	10,352	2,676	3,751				11,500
YoY	35.5%	50.1%	53.1%	-11.0%	25.4%	6.7%	49.0%				11.1%
(Percent of revenue)	44.2%	42.6%	43.0%	42.0%	42.9%	43.8%	48.0%				41.8%
EMEA ^{*2}	4,564	5,093	5,238	3,154	18,049	7,490	7,036				24,500
YoY	23.1%	28.8%	24.7%	26.9%	25.8%	64.1%	38.1%				35.7%
(Percent of revenue)	34.9%	39.0%	36.2%	26.4%	34.4%	42.1%	44.8%				38.6%
Americas	-1,183	-1,157	-1,102	-1,048	-4,490	-365	-159				-500
YoY	—	—	—	—	—	—	—				—
(Percent of revenue)	—	—	—	—	—	—	—				—

*1 Excluding China

*2 Europe, the Middle East and Africa

*3 Deducting cost of sales and expenses related to revenue generation from revenue of each region. Due to reorganization in Asia and EMEA in Q2 FY2023, contribution profits in Asia and EMEA in FY2023 are revised retroactively (Annual impact: Asia JPY 0.7 billion, EMEA JPY 2.3 billion). This change is included in FY2023 revised forecast on November 7.

Quarterly revenue details

■Revenue of major products

(JPY millions)

Brand name		Region	FY2022					FY2023					FY2023
			Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Glaucoma and ocular hypertension													
Cosopt	Total		6,030	5,466	6,596	5,610	23,702	6,294	6,346				24,902
	Japan		1,434	1,035	1,241	966	4,675	1,121	947				3,949
	Asia		1,460	1,470	1,522	1,658	6,110	1,643	1,692				6,481
	EMEA		3,137	2,961	3,833	2,986	12,917	3,530	3,706				14,472
Tapros	Total		4,895	4,521	5,103	4,225	18,744	4,884	4,725				18,421
	Japan		2,275	1,724	2,076	1,686	7,761	1,973	1,425				6,334
	China		126	316	342	261	1,045	320	516				1,561
	Asia		516	608	540	614	2,277	532	575				2,425
Tapcom	EMEA		1,978	1,872	2,145	1,665	7,660	2,058	2,210				8,100
	Total		2,129	1,963	2,244	1,866	8,202	2,360	2,378				9,202
	Japan		760	596	714	579	2,649	689	565				2,177
	Asia		240	284	253	274	1,051	296	308				1,352
Trusopt	EMEA		1,129	1,083	1,278	1,013	4,502	1,374	1,504				5,672
	Total		1,251	1,179	1,255	1,197	4,882	1,272	1,216				4,930
	Japan		294	222	262	202	980	245	209				885
	Asia		98	112	109	134	454	105	117				426
Eybelis	EMEA		859	845	884	861	3,448	922	891				3,619
	Total		1,123	922	1,126	985	4,156	1,208	1,141				4,820
	Japan		1,076	856	1,061	912	3,905	1,117	1,029				4,372
	Asia		47	65	65	74	251	91	112				448
Dry eye													
Diquas (Including Diquas LX)	Total		5,069	4,273	6,360	5,286	20,988	7,101	6,925				27,369
	Japan		3,876	2,892	5,302	4,188	16,259	5,465	4,872				20,882
	China		666	963	579	563	2,772	1,098	1,255				3,886
	Asia		527	417	478	535	1,957	539	799				2,601
Hyalein	Total		3,303	3,613	4,717	3,148	14,781	3,938	4,389				16,910
	Japan		1,636	1,298	1,551	1,233	5,718	1,414	1,210				5,008
	China		875	1,716	2,366	1,477	6,433	1,951	2,151				8,793
	Asia		793	599	800	438	2,630	574	1,028				3,110
Ikervis	Total		1,817	1,869	1,783	1,370	6,839	4,486	2,566				12,338
	Asia		357	450	380	363	1,549	377	473				2,194
	EMEA		1,460	1,419	1,404	1,007	5,290	4,109	2,094				10,144
	Total		1,099	1,214	975	722	4,010	1,215	1,005				4,862
Cationorm	Asia		121	139	80	101	441	92	108				553
	EMEA		707	726	709	485	2,626	803	730				2,931
	Americas		271	349	186	136	943	320	168				1,322
	Total		1,099	1,214	975	722	4,010	1,215	1,005				4,862
Allergy													
Alesion (Including Alesion LX)	Total		4,846	3,118	4,190	21,395	33,550	2,816	3,798				30,350
	Japan		4,798	3,080	4,162	21,360	33,400	2,766	3,750				30,173
	Asia		48	38	28	34	149	51	48				177
Verkazia	Total		213	323	234	144	914	416	449				1,477
	EMEA		157	263	180	148	748	301	321				1,234
	Americas		56	61	54	-4	166	115	128				244
Intravitreal VEGF inhibitor													
EYLEA ^{*1}	Total		18,230	17,618	18,874	16,535	71,257	18,455	18,349				73,812
	Japan		18,230	17,618	18,874	16,535	71,257	18,455	18,349				73,812
Bacterial conjunctivitis													
Cravit	Total		1,926	3,153	3,135	3,167	11,381	2,935	4,157				14,073
	Japan		378	317	327	264	1,285	325	287				1,221
	China		727	1,859	1,702	2,020	6,309	1,625	2,631				8,279
	Asia		476	569	736	598	2,380	598	855				3,148
Cravit	EMEA		345	407	369	286	1,408	387	384				1,425
	Total		1,926	3,153	3,135	3,167	11,381	2,935	4,157				14,073
	Japan		378	317	327	264	1,285	325	287				1,221
	China		727	1,859	1,702	2,020	6,309	1,625	2,631				8,279
Cravit	Asia		476	569	736	598	2,380	598	855				3,148
	EMEA		345	407	369	286	1,408	387	384				1,425
	Total		1,926	3,153	3,135	3,167	11,381	2,935	4,157				14,073
	Japan		378	317	327	264	1,285	325	287				1,221
Cravit	China		727	1,859	1,702	2,020	6,309	1,625	2,631				8,279
	Asia		476	569	736	598	2,380	598	855				3,148
	EMEA		345	407	369	286	1,408	387	384				1,425
	Total		1,926	3,153	3,135	3,167	11,381	2,935	4,157				14,073
Medical devices													
Lentis Comfort	Total		331	308	361	332	1,331	330	324				1,430
	Japan		331	308	361	332	1,331	330	324				1,430
PRESERFLO MicroShunt	Total		627	496	610	698	2,429	892	854				3,934
	Japan		—	4	20	70	94	110	145				504
	EMEA		627	492	588	619	2,326	772	692				3,359
	Total		2,379	3,260	2,520	2,469	10,628	2,886	3,028				11,266
OTC pharmaceuticals	Japan		2,141	2,928	2,258	2,269	9,595	2,628	2,737				10,147
	China		31	83	81	66	262	64	73				303
	Asia		207	249	181	134	771	194	218				817
	Total		2,379	3,260	2,520	2,469	10,628	2,886	3,028				11,266

*1 Co-promoted product of Bayer Yakuhin, Ltd. (MAH)