

## Summary of Consolidated Financial Results for the Year Ended March 31, 2020 (Based on Japanese GAAP)

May 12, 2020

Company name: ASKA Pharmaceutical Co., Ltd  
 Stock exchange listing: Tokyo  
 Stock code: 4514 URL <http://www.aska-pharma.co.jp/english/>  
 Representative : President and Representative Director Takashi Yamaguchi  
 Inquiries : General Manager Corporate Planning Department Tomohito Nagao TEL +81-3-5484-8366  
 Scheduled date of ordinary general meeting of shareholders : June 25, 2020  
 Scheduled date to file Securities Report : June 25, 2020  
 Scheduled date to commence dividend payments : June 26, 2020  
 Preparation of supplementary material on financial results : Yes  
 Holding of financial results meeting : Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Consolidated operating results Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2020	52,542	12.5	1,507	(15.5)	1,715	(13.4)	649	(62.8)
Year ended March 31, 2019	46,706	(4.6)	1,782	(36.9)	1,980	(35.6)	1,744	(27.0)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2020	22.96	—	1.5	2.1	2.9
Year ended March 31, 2019	61.81	—	4.1	2.7	3.8

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of March 31, 2020	80,239	41,573	51.8	1,467.58
As of March 31, 2019	82,194	43,456	52.9	1,538.75

### (3) Consolidated cash

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Year ended March 31, 2020	(492)	(2,927)	(392)	7,294
Year ended March 31, 2019	2,504	(14,780)	13,036	11,107

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio(Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	total			
Year ended March 31, 2019	Yen —	Yen 7.00	Yen —	Yen 7.00	Yen 14.00	Millions of yen 395	% 22.7	% 0.9
Year ended March 31, 2020		7.00	—	10.00	17.00	481	74.0	1.1
Year ended March 31, 2021 (Forecast)		7.00	—	7.00	14.00		26.4	

### 3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	53,000	0.9	2,000	32.7	1,900	10.8	1,500	131.1	52.95

# 1. Consolidated Financial Statement

## (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	10,982	7,294
Notes and accounts receivable	11,022	13,792
Merchandise and finished goods	8,661	9,087
Work in process	728	353
Raw materials and supplies	4,616	4,602
Other	1,819	2,196
Allowance for doubtful accounts	△0	△0
Total current assets	37,829	37,326
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,258	17,123
Accumulated depreciation	△11,155	△11,478
Buildings and structures, net	5,103	5,644
Machinery, equipment and vehicles	17,628	19,090
Accumulated depreciation	△15,227	△16,093
Machinery, equipment and vehicles, net	2,401	2,996
Land	4,327	4,327
Construction in progress	1,295	106
Other	4,785	4,685
Accumulated depreciation	△4,339	△4,221
Other, net	445	463
Total property, plant and equipment	13,573	13,539
Intangible assets		
Distributorship	5,734	4,216
Intangible assets in progress	8,446	8,446
Other	1,150	920
Total intangible assets	15,332	13,584
Investments and other assets		
Investments securities	11,052	9,794
Deferred tax assets	2,578	3,670
Other	1,845	2,342
Allowance for doubtful accounts	△17	△17
Total investments and other assets	15,458	15,789
Total non-current assets	44,365	42,913
<b>Total assets</b>	<b>82,194</b>	<b>80,239</b>

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable -trade	4,094	3,239
Electronically recorded monetary claims	3,013	2,801
Short(Long)-term loans payable	450	450
Current portion of long-term loans payable	3,048	2,298
Accounts payable – other	5,125	4,979
Provision for bonuses	884	984
Allowance for bonuses for directors and company auditors	11	13
Provision for sales returns	11	—
Provision for sales rebates	298	—
Provision for sales promotion expenses	8	—
Other	1,055	2,360
Total current liabilities	18,002	17,127
Non-current liabilities		
Long-term loans payable	12,970	13,671
Provision for environmental measures	820	820
Retirement benefit liabilities	6,618	6,655
Other	327	390
Total non-current liabilities	20,735	21,537
Total liabilities	38,738	38,665
Net assets		
Shareholders' equity		
Share capital	1,197	1,197
Capital surplus	913	928
Retained earnings	40,630	39,560
Treasury shares	△2,281	△2,191
Total shareholders' equity	40,460	39,495
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,130	2,293
Remeasurements of defined benefit plans	△140	△205
Foreign currency translation adjustment	5	△9
Total accumulated other comprehensive income	2,995	2,078
Total net assets	43,456	41,573
Total liabilities and net assets	82,194	80,239

(2) Consolidated statements of income and consolidated statements of comprehensive income  
(Consolidated statements of income)

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Net sales	46,706	52,542
Cost of sales	27,814	28,525
Gross profit	18,891	24,016
Provision for sales returns	1	—
Gross profit-net	18,890	24,016
Selling, general and administrative expenses	17,107	22,509
Operating profit	1,782	1,507
Non-operating income		
Interest income	0	0
Dividend income	220	228
Expenses of real estate rent	132	132
Guarantee commission received	52	—
Other	75	63
Total non-operating income	481	424
Non-operating expenses		
Interest expenses	41	64
Real estate rent	114	111
Arrangement Fee	90	—
Other	36	40
Total non-operating expenses	283	216
Ordinary profit	1,980	1,715
Extraordinary income		
Gain on sale of investment securities	106	—
Capital gains on insurance agency business	—	49
Total extraordinary income	106	49
Extraordinary losses		
Loss on impairment	—	349
Loss on devaluation of investment securities	—	110
Research center transfer expenses	—	403
Amortization of license agreement	203	—
Total extraordinary losses	203	862
Profit (loss) before income taxes	1,883	901
Income taxes - current	377	359
Income taxes - deferred	△238	△107
Total income taxes	138	252
Net income	1,744	649
Profit (loss) attributable to owners of parent	1,744	649

## (Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Net income	1,744	649
Other comprehensive income		
Valuation difference on available-for-sale securities	△526	△837
Remeasurements of defined benefit plans, net of tax	9	△65
Share of other comprehensive income of associates accounted for using equity method	5	△14
Total other comprehensive income	△511	△917
Comprehensive income	1,232	△267
Details		
Comprehensive income attributable to owners of the parent	1,232	△267

## (3) Consolidated Statements of Cash Flows for the Quarter

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	1,883	901
Depreciation	2,491	3,669
Impairment loss	—	349
Depreciation and amortization on other	127	92
Increase (decrease) in provision for directors' retirement benefits	△265	—
Increase(decrease) of provision for sales rebates	△5	—
Increase (decrease) in net defined benefit liability	41	△27
Increase (decrease) in allowance for doubtful accounts	△5	△0
Interest and dividend income	△220	△228
Interest expenses	41	64
Loss (gain) on disposal of property, plant and equipment	11	3
Loss (gain) on sales of investment securities	△106	—
Loss (gain) on valuation of investment securities	—	110
Amortization of license agreement	203	—
Decrease (increase) in notes and accounts receivable – trade	△622	△8,472
Decrease (increase) in inventories	△2,137	2,215
Increase (decrease) in notes and accounts payable – trade	1,887	△1,057
Increase (decrease) in accrued consumption taxes	△440	2,273
Decrease (increase) in other assets	△366	△955
Increase (decrease) in other liabilities	△261	672
Other, net	△102	103
Subtotal	2,153	△284
Interest and dividends received	220	228
Interest paid	△39	△67
Income taxes paid	△254	△370
Income taxes refund	423	—
Cash flows from operating activities	2,504	△492
<b>Cash flows from investing activities</b>		
Proceeds from redemption of securities	1,000	—
Purchase of property, plant and equipment	△2,350	△2,058
Purchase of intangible assets	△13,373	△206
Purchase of investment securities	△599	△65
Proceeds from sales of investment	648	—
Other, net	△104	△597
Cash flows from investing activities	△14,780	△2,927
<b>Cash flow from financing activities</b>		
Proceeds from long-term loans payable	15,144	3,000
Repayments of long-term loans payable	△1,625	△3,048
Net decrease (increase) in treasury shares	2	54
Dividends paid	△395	△398
Other, net	△90	—
Cash flow from financing activities	13,036	△392
Effect of exchange rate change on cash and cash equivalents	△0	△0
Net increase (decrease) in cash and cash equivalents	760	△3,812
Cash and cash equivalents at beginning of period	10,346	11,107
Cash and cash equivalents at end of period	11,107	7,294

## 2. Supplemental material

### (1) Sales of main products

(Billions of Yen)

Therapeutic Category	Products	FY2019 Actual	FY2020 Actual	YoY Change (%)	FY2021 Forecasts
Antihypertensive agent	CANDESARTAN*	11.92	13.22	10.9	11.49
Thyroid hormone	THYRADIN	5.66	6.89	21.9	7.17
LH-RH derivative	LEUPRORELIN	4.17	4.79	15.1	3.64
Poorly absorbable rifamycin antimicrobial agent	RIFXIMA	2.48	3.78	52.5	4.83
GnRH antagonist	RELUMINA	0.36	2.62	620.4	5.92
Dysmenorrhea agent	FREWELL	0.67	2.25	236.5	2.47
Antihypertensive agent	AMLODIPINE	1.39	1.44	3.4	1.18
Antithyroid agent	MERCAZOLE	1.16	1.38	19.1	1.38
Hyperlipidemic agent	LIPDIL	1.80	1.37	△ 24.0	1.19
Prostate cancer therapeutic agent	BICALUTAMIDE	1.22	1.26	3	1.06

\*Including compounding agents

(2) Product Pipeline

Pipeline (as of May 12, 2020)

Stage	Development code	Generic name	Indication	Origin
Filed	CDB-2914	Ulipristal	Uterine Fibroids	Laboratoire HRA Pharma,SA (France)
Phase III	TAK-385	Relugolix	Endometriosis	Takeda Pharmaceutical Co., Ltd.
Phase II · III	L-105	Rifaximin	Hepatic encephalopathy (Children)	Alfasigma S.p.A (Italy)
Phase II	AKP-009	To be decided	Benign prostatic hyperplasia	In-house
Phase I	AKP-501	Foliotropin gamma	Infertility	Co-development: JCR Pharmaceuticals Co., Ltd.
Phase I	L-105	Rifaximin	Crohn's disease	Alfasigma S.p.A (Italy)