

## Seikagaku Announces Difference between Consolidated Financial Forecasts and Actual Results

Seikagaku Corporation (Tokyo, Japan; “Seikagaku”) announced that difference have arisen between the full-year consolidated financial forecasts that were announced on November 8, 2019, and actual results for fiscal 2019.

### 1. Difference between financial forecasts and actual results for fiscal 2019 (April 1, 2019, to March 31, 2020).

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previous forecast (A)	28,600	1,350	3,750	(11,000)	(194.99)
Actual result (B)	28,642	1,960	3,981	(10,839)	(192.15)
Increase or decrease (B-A)	42	610	231	160	—
Change (%)	0.1	45.2	6.2	—	—
Reference: Results for Fiscal 2018	28,384	977	2,859	2,244	39.76

### 2. Reasons for the variance

For net sales, domestic pharmaceutical sales decreased, but results were in line with forecasts due to strong overseas pharmaceutical sales. For profits, in addition to a delay in R&D expenses, as a result of cost reductions initiated as measures in the mid-term management plan, selling, general and administrative expenses also declined, which enabled results to exceed forecast.

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