

# **FY2015 FIRST-HALF RESULTS**

(April 1, 2015 - September 30, 2015)

## **Supplementary Information**

November 4th, 2015

<Contact>

**Miraca Holdings Inc.**  
IR Public Relations Group

URL: <http://www.miraca-holdings.co.jp/>

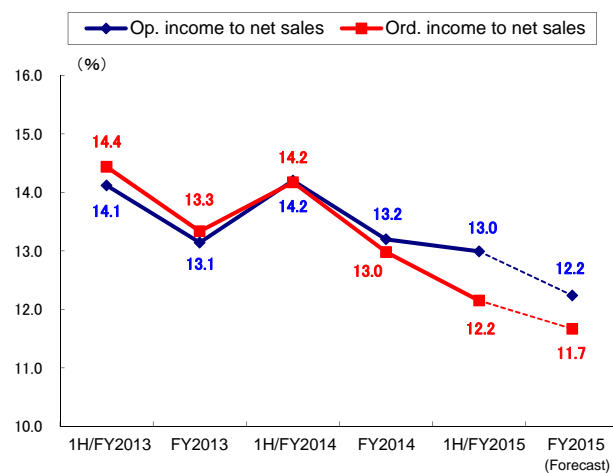
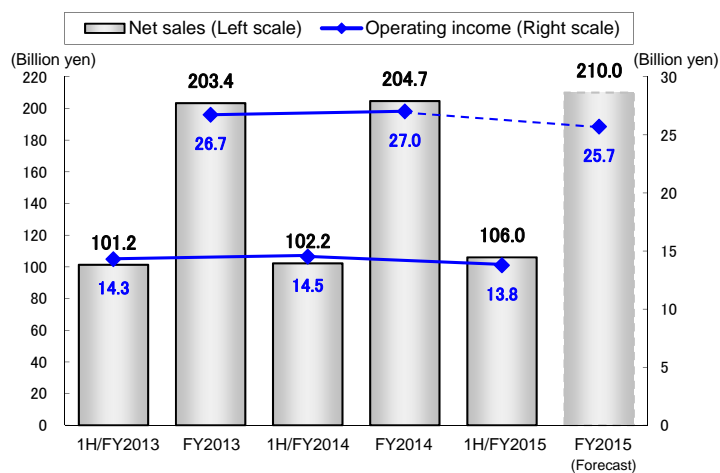
Disclaimer regarding forward-looking statement:

The performance forecast provided in this document is prepared by the management based on currently available information and various hypotheses and ideas including significant risks or uncertainties. Please be aware that the actual performance may turn out to be different from the forecast as a result of various contributing factors.

Factors affecting the performance include, among others, aggravation of the economic situation, fluctuation of the exchange rate, change of regulatory, statutory, and administrative requirements, delayed launch of new products, pressures from the product strategies of competitive companies, and decline of the sales potential of existing

## Consolidated Financial Highlights

	FY2013		FY2014		FY2015		Full-year Forecast (Revised)
	1H	Full-year	1H	Full-year	1H	Y/Y Variance (%)	
<b>&lt;Key Items of Statement of Income&gt;</b>							
Net sales (millions of yen)	101,247	203,371	102,218	204,667	<b>105,983</b>	3.7%	210,000
Operating income (millions of yen)	14,294	26,727	14,515	27,012	<b>13,769</b>	-5.1%	25,700
Ordinary income (millions of yen)	14,617	27,118	14,485	26,566	<b>12,877</b>	-11.1%	24,500
Profit attributable to owners of parent (millions of yen)	8,671	15,322	8,162	16,002	<b>6,525</b>	-20.1%	14,900
Basic earnings per share (yen)	148.10	261.48	139.00	274.82	<b>114.59</b>	-	261.59
Diluted earnings per share (yen)	147.68	260.80	138.74	274.32	<b>114.38</b>	-	—
<b>&lt;Key Items of Balance Sheet&gt;</b>							
Total assets (millions of yen)	228,120	242,159	249,526	262,203	<b>264,705</b>	-	—
Net assets (millions of yen)	148,100	157,348	168,777	171,851	<b>176,382</b>	-	—
Net assets per share (yen)	2,522.94	2,677.30	2,868.68	3,016.78	<b>3,092.33</b>	-	—
<b>&lt;Key Indicators, etc.&gt;</b>							
Dividend payout ratio (%)	29.0	32.9	33.1	33.5	<b>48.0</b>	-	42.1
Return on equity (%)	6.1	10.4	5.2	9.7	<b>3.8</b>	-	—
Return on asset (%)	6.5	11.7	6.1	10.5	<b>4.9</b>	-	—
Equity ratio (%)	64.8	64.9	67.5	65.5	<b>66.6</b>	-	—
Number of consolidated subsidiaries	38	38	38	36	<b>36</b>	-	—



\* Figures in the above graph are rounded to the nearest 100 million

### Notes:

\* Each fiscal period is as follows:

FY2013 is a one-year period ended on Mar. 31, 2014. 1H/FY2013 is a 6-month period ended on Sep. 30, 2013. 2H/FY2013 is a 6-month period ended on Mar. 31, 2014.  
 FY2014 is a one-year period ending on Mar. 31, 2015. 1H/FY2014 is a 6-month period ended on Sep. 30, 2014. 2H/FY2014 is a 6-month period ended on Mar. 31, 2015.  
 FY2015 is a one-year period ending on Mar. 31, 2016. 1H/FY2015 is a 6-month period ended on Sep. 30, 2015.

## Consolidated Balance Sheet

### <ASSETS>

(Millions of yen)

	FY2014 (As of Mar.31, 2015)	1H/FY2015 (As of Sep. 30, 2015)
<b>&lt;Assets&gt;</b>		
<b>Current assets</b>		
Cash and deposits	27,300	27,388
Notes and accounts receivable - trade	38,734	37,469
Securities	-	4,000
Merchandise and finished goods	4,790	5,185
Work in process	5,026	5,237
Raw materials and supplies	5,096	5,122
Other	11,540	8,647
Allowance for doubtful accounts	-2,413	-2,305
<b>Total current assets</b>	<b>90,075</b>	<b>90,746</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	17,803	17,252
Tools, furniture and fixtures, net	5,179	5,030
Land	8,920	8,917
Other, net	10,635	10,664
Total property, plant and equipment	42,537	41,863
<b>Intangible assets</b>		
Goodwill	59,428	57,252
Customer-related intangible assets	31,467	30,346
Software	2,416	2,109
Other	10,676	13,311
Total intangible assets	103,989	103,020
<b>Investments and other assets</b>		
Investment securities	17,869	17,093
Other	7,748	11,998
Allowance for doubtful accounts	-17	-16
Total investments and other assets	25,600	29,074
<b>Total non-current assets</b>	<b>172,127</b>	<b>173,959</b>
<b>Total assets</b>	<b>262,203</b>	<b>264,705</b>

Notes: Figures are rounded down to the nearest million yen.

Key point for 1H/FY2015

- ① The right to indemnification against loss and income taxes on the legal action against an overseas subsidiary, Miraca Life Sciences, Inc. (MLS) was posted.

## Consolidated Balance Sheet

### <LIABILITIES AND NET ASSETS>

(Millions of yen)

	FY2014 (As of Mar.31, 2015)	1H/FY2015 (As of Sep. 30, 2015)
<b>&lt;Liabilities&gt;</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	10,374	9,022
Electronically recorded obligations - operating	1,437	1,504
Current portion of long-term loans payable	6,000	6,000
Accounts payable - other	5,868	5,455
Income taxes payable	4,075	2,306
Provision for bonuses	4,638	4,422
Other	10,484	10,124
Total current liabilities	42,879	38,834
<b>Non-current liabilities</b>		
Bonds payable	10,000	10,000
Long-term loans payable	12,150	9,300 ①
Net defined benefit liability	4,345	4,209
Asset retirement obligations	887	648
Provision for loss on litigation	-	2,573 ②
Other	20,088	22,757 ③
Total non-current liabilities	47,471	49,489
<b>Total liabilities</b>	<b>90,351</b>	<b>88,323</b>
<b>&lt;Net assets&gt;</b>		
<b>Shareholders' equity</b>		
Capital stock	8,666	8,828
Capital surplus	24,388	24,550
Retained earnings	105,224	109,133
Treasury shares	-1,209	-1,215
Total shareholders' equity	137,071	141,297
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	606	625
Foreign currency translation adjustment	34,198	34,481
Remeasurements of defined benefit plans	-251	-227
Total accumulated other comprehensive income	34,553	34,878
<b>Subscription rights to shares</b>	227	205
<b>Total net assets</b>	<b>171,851</b>	<b>176,382</b>
<b>Total liabilities and net assets</b>	<b>262,203</b>	<b>264,705</b>

Notes: Figures are rounded down to the nearest million yen.

#### Key points for 1H/FY2015

- ① Decreased by repayment of loans
- ② Provision for loss on the legal action against MLS was posted.
- ③ Provision for possible income taxes on the legal action against MLS was posted.

## Consolidated Statement of Income

(Millions of yen)

	1H/FY2014 (Apr.1-Sep.30, 2014)	1H/FY2015 (Apr.1-Sep.30, 2015)	Y/Y Variance	
Net sales	102,218	<b>105,983</b>	3,764	3.7%
Cost of sales	61,491	<b>64,354</b>	2,863	4.7%
Gross profit	40,727	<b>41,628</b>	900	2.2%
Selling, general and administrative expenses	26,212	<b>27,859</b>	1,646	6.3%
Operating income	14,515	<b>13,769</b>	-746	-5.1%
Non-operating income	578	<b>310</b>	-267	-46.3%
Interest income	9	11		
Dividend income	33	30		
Dividend income of insurance	141	126		
Foreign exchange gains	266	-		
Other	127	141		
Non-operating expenses	607	<b>1,202</b>	594	97.9%
Interest expenses	281	316		
Share of loss of entities accounted for using equity method	28	802		
Advisory fee	237	-		
Other	59	83		
Ordinary income	14,485	<b>12,877</b>	-1,608	-11.1%
Extraordinary income	11	<b>2,125</b>	2,114	18,379.3%
Gain on sales of non-current assets	1	2		
Gain on reversal of subscription rights to shares	9	9		
Compensation income	-	2,114		
Extraordinary losses	991	<b>278</b>	-712	-71.9%
Loss on retirement of non-current assets	43	24		
Impairment loss	2	238		
Other	944	14		
Income before income taxes and minority interests	13,506	<b>14,724</b>	1,218	9.0%
Income taxes - current	5,895	8,421		
Income taxes - deferred	-551	-222		
Total income taxes	5,344	8,199	2,855	53.4%
Profit	8,162	6,525	-1,636	-20.1%
Profit attributable to owners of parent	8,162	<b>6,525</b>	-1,636	-20.1%

Notes: Figures are rounded down to the nearest million yen.

### Key point for 1H/FY2015

- ① Compensation on possible income taxes on the legal action against MLS, which is to be compensated based on the purchase agreement, was posted.

## Segment Information (Consolidated)

### <Performance by Business Segment>

(Millions of yen)

	FY2013			FY2014			FY2015		
	1H	2H	Full-year	1H	2H	Full-year	1H	Y/Y Variance (%)	Full-year Forecast (Revised)
<b>Net sales</b>	101,247	102,124	203,371	102,218	102,449	204,667	<b>105,983</b>	3.7%	210,000
In Vitro Diagnostics	21,182	22,285	43,467	20,899	22,556	43,455	<b>22,727</b>	8.7%	46,300
Clinical Lab Testing	66,022	65,868	131,890	67,081	65,771	132,853	<b>69,028</b>	2.9%	135,600
Healthcare Related	14,042	13,971	28,013	14,237	14,120	28,358	<b>14,226</b>	-0.1%	28,100
Sterilizing	7,900	7,898	15,798	8,453	8,523	16,976	<b>8,740</b>	3.4%	—
Clinical Trials	2,769	2,729	5,498	2,634	2,591	5,225	<b>2,427</b>	-7.9%	—
Preventive Medicine Related	3,371	3,345	6,716	3,150	3,005	6,156	<b>3,058</b>	-2.9%	—
<b>Operating income</b>	14,294	12,433	26,727	14,515	12,497	27,012	<b>13,769</b>	-5.1%	25,700
In Vitro Diagnostics	4,454	4,652	9,106	5,064	5,358	10,423	<b>5,821</b>	14.9%	10,900
Clinical Lab Testing	8,028	6,436	14,464	7,754	5,734	13,488	<b>6,382</b>	-17.7%	12,000
Healthcare Related	1,821	1,463	3,284	1,645	1,284	2,930	<b>1,475</b>	-10.3%	2,800
Sterilizing	847	629	1,476	910	752	1,662	<b>1,005</b>	10.5%	—
Clinical Trials	517	521	1,038	382	266	649	<b>140</b>	-63.3%	—
Preventive Medicine Related	456	313	769	353	265	619	<b>329</b>	-6.7%	—
Elimination/corporate	-9	-119	-128	50	120	170	<b>88</b>	-	—

Notes: Figures are rounded down to the nearest million yen.

### <Net Sales by Geographical Segment>

(Millions of yen)

	FY2013		FY2014		FY2015
	1H	Full-year	1H	Full-year	1H
Japan	81,418	160,661	78,871	156,043	<b>78,825</b>
USA	13,572	29,849	16,634	34,515	<b>19,774</b>
Europe	4,425	9,253	4,706	9,875	<b>5,331</b>
Others	1,831	3,606	2,006	4,233	<b>2,051</b>
<b>Total</b>	<b>101,247</b>	<b>203,371</b>	<b>102,218</b>	<b>204,667</b>	<b>105,983</b>

Notes: Figures are rounded down to the nearest million yen.

### <Tangible Fixed Assets by Geographical Segment>

(Millions of yen)

	FY2013		FY2014		FY2015
	1H	Full-year	1H	Full-year	1H
Japan	30,009	29,854	31,027	30,371	<b>30,026</b>
USA	6,293	8,986	9,480	10,284	<b>9,962</b>
Europe	1,542	1,731	1,656	1,554	<b>1,576</b>
Others	396	294	324	327	<b>298</b>
<b>Total</b>	<b>38,242</b>	<b>40,867</b>	<b>42,489</b>	<b>42,537</b>	<b>41,863</b>

Notes: Figures are rounded down to the nearest million yen.

### <Currency Exchange Rates during the Period>

	FY2013		FY2014		FY2015
	1H	Full-year	1H	Full-year	1H
JPY/USD	98.87	100.24	103.03	109.90	<b>121.81</b>
JPY/EURO	130.02	134.38	138.90	138.78	<b>135.08</b>

## Segment Information (Consolidated)

### (1) In Vitro Diagnostics Business

#### <Net Sales by Product Category>

(Billions of yen)

	FY2013			FY2014			FY2015
	1H	2H	Full-year	1H	2H	Full-year	1H
In Vitro Diagnostics	21.2	22.3	43.5	20.9	22.6	43.5	<b>22.7</b>
Products	15.7	16.6	32.3	15.1	15.9	31.0	<b>15.3</b>
Automated immunoassay (LUMIPULSE)	9.5	9.6	19.1	9.2	9.3	18.5	<b>9.3</b>
Non-automated immunoassay (HA·PA, EIA, etc.)	3.7	3.7	7.4	3.5	3.5	7.0	<b>3.6</b>
Rapid assay kits (EL, POCT)	0.7	1.1	1.8	0.6	1.0	1.6	<b>0.6</b>
Other products	1.9	2.1	4.0	1.9	2.0	3.9	<b>1.8</b>
OEM, raw materials, partly-finished products, license, and etc.	5.5	5.7	11.2	5.8	6.7	12.5	<b>7.4</b>

Notes: Figures above are rounded to the nearest 100 million yen.

#### <Net Sales by Product Type>

(Billions of yen)

	FY2013			FY2014			FY2015
	1H	2H	Full-year	1H	2H	Full-year	1H
In Vitro Diagnostics	21.2	22.3	43.5	20.9	22.6	43.5	<b>22.7</b>
Reagent	17.5	18.3	35.8	17.4	18.6	36.0	<b>18.8</b>
Testing Instrument	1.3	1.4	2.6	1.1	1.0	2.1	<b>1.0</b>
Others	2.4	2.6	5.1	2.4	2.9	5.3	<b>3.0</b>

Notes: Figures above are rounded to the nearest 100 million yen.

#### <Net Sales by Sale Destination>

(Billions of yen)

	FY2013			FY2014			FY2015
	1H	2H	Full-year	1H	2H	Full-year	1H
In Vitro Diagnostics	21.2	22.3	43.5	20.9	22.6	43.5	<b>22.7</b>
Overseas	9.4	10.1	19.6	10.2	11.3	21.5	<b>12.0</b>
Americas	3.8	4.3	8.1	4.3	4.9	9.2	<b>5.4</b>
Europe	4.3	4.6	8.9	4.6	4.8	9.3	<b>5.2</b>
Asia/Pacific	1.3	1.2	2.5	1.4	1.6	2.9	<b>1.4</b>
Japan	11.7	12.2	23.9	10.7	11.3	21.9	<b>10.8</b>

Notes: Figures above are rounded to the nearest 100 million yen.



## Segment Information (Consolidated)

### (2) Clinical Lab Testing Business

#### <Net Sales by Business Category>

(Billions of yen)

	FY2013			FY2014			FY2015
	1H	2H	Full-year	1H	2H	Full-year	1H
Clinical Lab Testing	66.0	65.9	131.9	67.1	65.8	132.9	<b>69.0</b>
Japan	55.2	52.6	107.8	53.4	51.2	104.5	<b>53.2</b>
Off-site Testing	45.8	43.4	89.2	44.1	42.1	86.2	<b>43.6</b>
FMS/Branch Lab	9.4	9.2	18.6	9.2	9.1	18.3	<b>9.6</b>
Overseas (USA)	10.8	13.3	24.1	13.7	14.6	28.3	<b>15.9</b>

Notes: Figures above are rounded to the nearest 100 million yen.

#### <Gross Sales Composition by Testing Field (based on medical service fee system by government)>

	FY2013			FY2014			FY2015
	1H	2H	Full-year	1H	2H	Full-year	1H
Clinical Lab Testing (Japan)	100%	100%	100%	100%	100%	100%	<b>100%</b>
Laboratory tests							
Tests not covered by medical service fee system	11.0%	11.0%	11.0%	10.9%	11.4%	11.1%	<b>11.4%</b>
General (urine, feces, etc.)	2.8%	2.8%	2.8%	2.9%	2.8%	2.9%	<b>3.2%</b>
Hematology	11.7%	11.8%	11.8%	12.2%	12.3%	12.2%	<b>12.7%</b>
Biochemistry I	15.4%	14.9%	15.2%	15.0%	14.7%	14.9%	<b>14.9%</b>
Biochemistry II	17.8%	17.9%	17.8%	17.6%	17.6%	17.6%	<b>17.0%</b>
Immunology	23.6%	23.0%	23.3%	23.8%	23.5%	23.7%	<b>23.6%</b>
Microbiology	6.8%	6.9%	6.9%	6.9%	7.3%	7.1%	<b>7.2%</b>
Pathology	4.2%	4.3%	4.2%	4.3%	4.6%	4.4%	<b>4.6%</b>
Other tests	2.4%	2.7%	2.5%	2.8%	2.6%	2.7%	<b>2.7%</b>
Total	95.7%	95.3%	95.5%	96.4%	96.9%	96.6%	<b>97.4%</b>
Others	4.3%	4.7%	4.5%	3.6%	3.1%	3.4%	<b>2.6%</b>

#### <Gross Sales Composition by Geographical Region in Japan>

	FY2013			FY2014			FY2015
	1H	2H	Full-year	1H	2H	Full-year	1H
Clinical Lab Testing (Japan)	100%	100%	100%	100%	100%	100%	<b>100%</b>
Northern /eastern Japan							
Hokkaido Region	4.2%	4.3%	4.2%	4.3%	4.2%	4.3%	<b>4.0%</b>
Tohoku Region	5.0%	4.9%	4.9%	4.9%	4.9%	5.0%	<b>4.9%</b>
Kanto Region (incl. Tokyo and metropolitan area)	37.4%	37.4%	37.4%	38.0%	37.3%	38.2%	<b>38.5%</b>
Hokuriku Region	2.1%	2.0%	2.0%	1.9%	1.9%	1.9%	<b>1.9%</b>
Chubu Region	8.1%	8.0%	8.1%	8.1%	7.9%	8.1%	<b>8.2%</b>
Kinki Region (incl. Osaka)	19.3%	19.4%	19.4%	19.5%	19.0%	19.5%	<b>19.4%</b>
Southern /western Japan							
Chugoku and Shikoku Region	6.9%	6.9%	6.9%	6.9%	6.8%	7.0%	<b>6.9%</b>
Kyusyu Region	13.5%	13.4%	13.4%	13.5%	13.0%	13.4%	<b>14.2%</b>
Others (incl. clinical trial and outsourcing)	3.5%	3.7%	3.6%	2.9%	2.2%	2.6%	<b>2.0%</b>

## Capital Expenditure (Consolidated)

### <Research & Development Expenses>

(Millions of yen)

	FY2013			FY2014			FY2015		
	1H	2H	Full-year	1H	2H	Full-year	1H	Y/Y Variance (%)	Full-year Forecast (Revised)
<b>R&amp;D Expenses</b>	2,620	2,792	5,412	2,559	2,824	5,384	<b>2,823</b>	10.3%	6,000
In Vitro Diagnostics	2,387	2,567	4,955	2,321	2,593	4,914	<b>2,581</b>	11.2%	-
Clinical Lab Testing	232	224	457	238	231	469	<b>242</b>	1.6%	-
Healthcare Related	-	-	-	-	-	-	-	-	-
Miraca holdings	-	-	-	-	-	-	-	-	-

Notes: Figures are rounded down to the nearest million yen.

### <Capital Expenditure>

(Millions of yen)

	FY2013			FY2014			FY2015		
	1H	2H	Full-year	1H	2H	Full-year	1H	Y/Y Variance (%)	Full-year Forecast (Revised)
<b>Capital Expenditure</b>	5,418	6,241	11,660	8,121	6,794	14,916	<b>6,267</b>	-22.8%	11,200
In Vitro Diagnostics	964	1,436	2,400	1,125	1,672	2,798	<b>1,233</b>	9.6%	-
Clinical Lab Testing	3,837	3,626	7,463	6,014	4,487	10,502	<b>4,358</b>	-27.5%	-
Healthcare Related	559	841	1,401	950	607	1,557	<b>672</b>	-29.2%	-
Miraca holdings	56	337	394	31	26	57	<b>3</b>	<b>-90.4%</b>	-

Notes: Figures are rounded down to the nearest million yen.

### <Depreciation and Amortization>

(Millions of yen)

	FY2013			FY2014			FY2015		
	1H	2H	Full-year	1H	2H	Full-year	1H	Y/Y Variance (%)	Full-year Forecast (Revised)
<b>Depreciation &amp; Amortization</b>	5,014	5,884	10,899	5,308	5,895	11,203	<b>5,263</b>	-0.8%	12,000
In Vitro Diagnostics	1,130	1,266	2,397	1,163	1,374	2,538	<b>1,228</b>	5.6%	-
Clinical Lab Testing	3,331	3,885	7,216	3,505	3,737	7,243	<b>3,390</b>	-3.3%	-
Healthcare Related	508	669	1,178	557	702	1,259	<b>577</b>	3.6%	-
Miraca holdings	43	63	107	81	80	161	<b>67</b>	<b>-17.3%</b>	-

Notes: Figures are rounded down to the nearest million yen.

## Employees (Consolidated)

### <Number of Full-time Employees at the End of Term>

(Person)

	End of Sep.2013	End of Mar.2014	End of Sep.2014	End of Mar.2015	End of Sep.2015	Variance
<b>Total</b>	6,162	6,244	6,181	6,140	<b>6,280</b>	<b>140</b>
In Vitro Diagnostics	1,194	1,168	1,114	1,108	<b>1,120</b>	<b>12</b>
Clinical Lab Testing	3,626	3,749	3,717	3,696	<b>3,761</b>	<b>65</b>
Healthcare Related	1,289	1,270	1,289	1,275	<b>1,341</b>	<b>66</b>
Sterilizing	929	917	961	942	<b>1,005</b>	<b>63</b>
Clinical Trials	178	174	181	188	<b>186</b>	<b>-2</b>
Preventive Medicine Related	182	179	147	145	<b>150</b>	<b>5</b>
Miraca holdings	53	57	61	61	<b>58</b>	<b>-3</b>

## Share of Stock

### <Stock Information >

	End of Sep.2013	End of Mar.2014	End of Sep.2014	End of Mar.2015	End of Sep.2015
Number of shares issued (thousands of share)	58,842	58,925	59,002	57,137	<b>57,221</b>
Number of shareholders	5,872	5,520	5,675	5,327	<b>5,398</b>
Share price (yen)	4,380	4,520	4,535	5,530	<b>5,060</b>
Aggregate market value of listed stock (billions of yen)	256.7	265.2	266.5	314.6	<b>288.3</b>

Notes: The number of issued shares includes treasury stocks.

Aggregated market value of listed stock is calculated on the basis of the number of shares excluding treasury stocks.

(Figures of aggregated market value of listed stock is rounded to the nearest 100 million yen)

### <Treasury Stock>

	End of Sep.2013	End of Mar.2014	End of Sep.2014	End of Mar.2015	End of Sep.2015
Number of treasury stocks	242,672	244,770	246,357	248,069	<b>249,149</b>

### <Shareholder Distribution>

	End of Sep.2013	End of Mar.2014	End of Sep.2014	End of Mar.2015	End of Sep.2015
Financial institutions in Japan	32.52%	31.31%	32.07%	32.06%	<b>33.34%</b>
Overseas investors	54.77%	57.43%	56.38%	56.59%	<b>55.48%</b>
Individuals and others in Japan	10.21%	9.05%	9.13%	8.72%	<b>8.57%</b>
Companies in Japan	1.06%	0.95%	0.95%	0.95%	<b>0.94%</b>
Securities companies in Japan	1.03%	0.84%	1.05%	1.25%	<b>1.24%</b>
Treasury stocks	0.41%	0.42%	0.42%	0.43%	<b>0.43%</b>

### <Cash Dividends per Share>

(yen/share)

	FY2013	FY2014	FY2015
Interim dividends	43	46	<b>55</b>
Year-end dividends	43	46	(Forecast) <b>55</b>
Annual dividends per share	86	92	(Forecast) <b>110</b>