

FY2015 FINANCIAL RESULTS

(April 1, 2015 - March 31, 2016)

Supplementary Information

April 28, 2016

<Contact>

Miraca Holdings Inc.

IR Public Relations Group

Email: ir@miraca-holdings.co.jp

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

	FY2011	FY2012	FY2013	FY2014	FY2015	Y/Y Variance (%)	FY2016 (Forecast)
<Key Items of Statement of Income>							
Net sales (millions of yen)	175,388	192,211	203,371	204,667	211,743	3.5%	208,000
Operating income (millions of yen)	23,216	25,598	26,727	27,012	26,050	-3.6%	26,300
Ordinary income (millions of yen)	22,669	25,739	27,118	26,566	23,782	-10.5%	24,850
Profit (loss) attributable to owners of parent (millions of yen)	12,311	14,871	15,322	16,002	-5,081	—	13,500
Basic earnings (loss) per share (yen)	211.33	254.92	261.48	274.82	-89.21	—	236.86
Diluted earnings per share (yen)	210.99	254.39	260.80	274.32	—	—	-
<Key Items of Balance Sheet>							
Total assets (millions of yen)	207,868	220,912	242,159	262,203	237,296	—	—
Net assets (millions of yen)	114,523	137,335	157,348	171,851	155,700	—	—
Net assets per share (yen)	1,958.36	2,344.33	2,677.30	3,016.78	2,727.81	—	—
<Key Indicators, etc.>							
Dividend payout ratio (%)	33.1	31.4	32.9	33.5	—	—	48.1
Return on equity (%)	11.4	11.8	10.4	9.7	-3.1	—	—
Return on asset (%)	12.7	12.0	11.7	10.5	9.5	—	—
Equity ratio (%)	54.9	62.0	64.9	65.5	65.5	—	—
Number of consolidated subsidiaries	37	38	38	36	36	—	—

Notes:

* Each fiscal period is as follows;

FY2011 is a one-year period ended on March 31, 2012.

FY2013 is a one-year period ended on March 31, 2014.

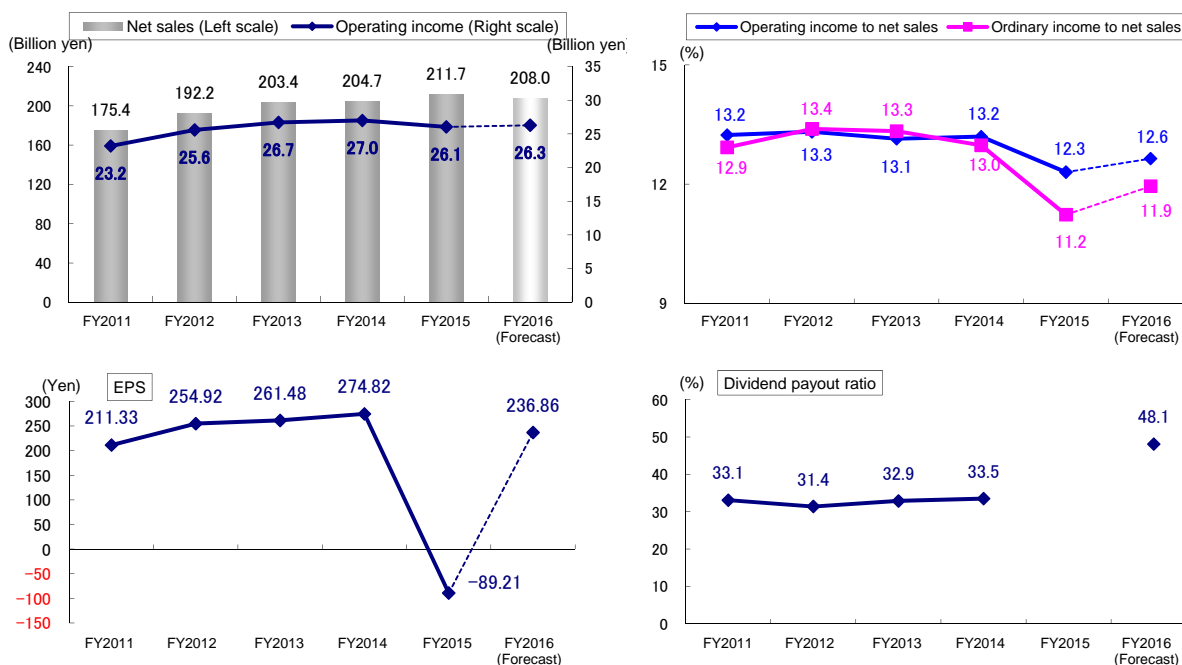
FY2015 is a one-year period ended on March 31, 2016.

FY2012 is a one-year period ended on March 31, 2013.

FY2014 is a one-year period ended on March 31, 2015.

FY2016 is a one-year period ending on March 31, 2017.

* Figures are rounded to the appropriate unit in principle unless stated.



Consolidated Balance Sheet

<ASSETS>

(Millions of yen)

	FY2014 (Mar.31, 2015)	FY2015 (Mar.31, 2016)
<Assets>		
Current assets		
Cash and deposits	27,300	31,756
Notes and accounts receivable-trade	38,734	36,954
Lease investment assets	622	499
Merchandise and finished goods	4,790	4,629
Work in process	5,026	5,159
Raw materials and supplies	5,096	5,048
Deferred tax assets	3,050	2,148
Other	7,868	9,225
Allowance for doubtful accounts	-2,413	-1,394
Total current assets	90,075	94,027
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,803	16,351
Machinery, equipment and vehicles, net	2,668	3,213
Tools, furniture and fixtures, net	5,179	4,653
Land	8,920	9,106
Leased assets, net	4,653	3,918
Construction in progress	3,313	3,034
Total property, plant and equipment	42,537	40,277
Intangible assets		
Goodwill	59,428	31,738
Customer-related intangible assets	31,467	27,483
Software	2,416	8,760
Leased assets	197	155
Other	10,478	7,270
Total intangible assets	103,989	75,409
Investments and other assets		
Investment securities	17,869	15,242
Deferred tax assets	3,321	5,512
Other	4,426	6,846
Allowance for doubtful accounts	-17	-20
Total investments and other assets	25,600	27,581
Total non-current assets	172,127	143,269
Total assets	262,203	237,296

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

Key point of 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
- ② Decreased by impairment loss of goodwill related to Miraca Life Sciences, Inc.

Consolidated Balance Sheet

<LIABILITIES AND NET ASSETS>

(Millions of yen)

	FY2014 (Mar.31, 2015)	FY2015 (Mar.31, 2016)
<Liabilities>		
Current liabilities		
Notes and accounts payable-trade	10,374	9,740
Electronically recorded obligations-operating	1,437	1,421
Current portion of bonds	-	10,000 ①
Current portion of long-term loans payable	6,000	5,999
Lease obligations	749	730
Accounts payable-other	5,868	5,829
Income taxes payable	4,075	1,039
Deferred tax liabilities	47	37
Provision for bonuses	4,638	4,928
Provision for loss on litigation	-	2,420 ②
Other	9,687	7,754
Total current liabilities	42,879	49,903
Non-current liabilities		
Bonds payable	10,000	- ①
Long-term loans payable	12,150	6,299 ③
Lease obligations	4,135	3,514
Deferred tax liabilities	10,729	8,889
Net defined benefit liability	4,345	4,262
Asset retirement obligations	887	621
Other	5,223	8,105 ④
Total non-current liabilities	47,471	31,692
Total liabilities	90,351	81,596
<Net assets>		
Shareholders' equity		
Capital stock	8,666	8,877
Capital surplus	24,388	24,599
Retained earnings	105,224	94,392
Treasury shares	-1,209	-1,221
Total shareholders' equity	137,071	126,646
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	606	397
Foreign currency translation adjustment	34,198	28,921 ⑤
Remeasurements of defined benefit plans	-251	-490
Total accumulated other comprehensive income	34,553	28,828
Subscription rights to shares	227	225
Total net assets	171,851	155,700
Total liabilities and net assets	262,203	237,296

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

Key point of FY2015

- ① Account title transfer of corporate bond as the redemption is scheduled within a year
- ② Provision for loss on the legal action against MLS was posted
- ③ Decreased by repayment of loans
- ④ Provision for possible income taxes on the legal action against MLS was posted
- ⑤ Decreased by the influence of exchange rate fluctuations

Consolidated Statement of Income

(Millions of yen)

	FY2014 (Apr. 1, 2014 - Mar. 31, 2015)	FY2015 (Apr. 1, 2015 - Mar. 31, 2016)	Y/Y	Variance
Net sales	204,667	211,743	7,075	3.5%
Cost of sales	124,272	130,333	6,061	4.9%
Gross profit	80,395	81,409	1,014	1.3%
Selling, general and administrative expenses	53,382	55,359	1,977	3.7%
Operating income	27,012	26,050	-962	-3.6%
Non-operating income	1,349	529	-819	-60.8%
Interest income	21	30		
Dividend income	47	40		
Dividend income of insurance	148	131		
Rent income	50	44		
Fiduciary obligation fee	69	102		
Foreign exchange gains	777	-		
Other	234	179		
Non-operating expenses	1,796	2,797	1,001	55.7%
Interest expenses	589	607		
Rent expenses	52	44		
Share of loss of entities accounted for using equity method	286	1,444		
Advisory fee	770	-		
Foreign exchange losses	-	628		
Other	96	73		
Ordinary income	26,566	23,782	-2,783	-10.5%
Extraordinary income	1,642	3,392	1,750	106.5%
Gain on sales of non-current assets	1,477	3		
Gain on reversal of subscription rights to shares	9	9		
Compensation income	-	3,168		
Other	155	211		
Extraordinary losses	3,877	23,576	19,699	508.0%
Loss on retirement of non-current assets	116	81		
Business structure improvement expenses	932	429		
Impairment loss	2,596	22,952		
Other	231	112		
Profit before income taxes	24,331	3,598	-20,732	-85.2%
Income taxes-current	10,603	11,307		
Income taxes-deferred	-2,273	-2,627		
Total income taxes	8,329	8,680	350	4.2%
Profit (loss)	16,002	-5,081	-21,083	-131.8%
Profit (loss) attributable to owners of parent	16,002	-5,081	-21,083	-131.8%

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

Key point of 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.
- ② Impairment loss of goodwill related to Miraca Life Sciences, Inc., etc.

Segment Information (Consolidated)

<Performance by Business Segment>

(Millions of yen)

	FY2013	FY2014	FY2015	Y/Y Variance (%)	FY2016 (Forecast)
Net sales	203,371	204,667	211,743	3.5%	208,000
In Vitro Diagnostics	43,467	43,455	45,790	5.4%	44,800
Clinical Lab Testing	131,890	132,853	137,130	3.2%	134,750
Healthcare Related	28,013	28,358	28,823	1.6%	28,450
Sterilizing	15,798	16,976	17,366	2.3%	18,000
Clinical Trials	5,498	5,225	4,986	-4.6%	4,930
Preventive Medicine Related	6,716	6,156	6,471	5.1%	5,520
Operating income	26,727	27,012	26,050	-3.6%	26,300
In Vitro Diagnostics	9,106	10,423	10,989	5.4%	11,400
Clinical Lab Testing	14,464	13,488	11,943	-11.5%	11,850
Healthcare Related	3,284	2,930	2,781	-5.1%	2,850
Sterilizing	1,476	1,662	1,779	7.0%	1,820
Clinical Trials	1,038	649	413	-36.3%	510
Preventive Medicine Related	769	619	588	-4.9%	520
Elimination/corporate	-128	170	336	96.6%	200

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

<Net Sales and Tangible Fixed Assets by Geographical Segment>

(Millions of yen)

	FY2013		FY2014		FY2015	
	Net sales	Property, plant and equipment	Net sales	Property, plant and equipment	Net sales	Property, plant and equipment
Japan	160,661	29,854	156,043	30,371	158,211	29,234
USA	29,849	8,986	34,515	10,284	38,224	9,289
Europe	9,253	1,731	9,875	1,554	11,004	1,471
Others	3,606	294	4,233	327	4,303	282
Total	203,371	40,867	204,667	42,537	211,743	40,277

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

<Currency Exchange Rates during the Period>

	FY2013	FY2014	FY2015
JPY/USD	100.24	109.90	120.15
JPY/EURO	134.38	138.78	132.58

Segment Information (Consolidated)

(1) In Vitro Diagnostics Business

<Net Sales by Product Category>

(Billions of yen)

	FY2013	FY2014	FY2015
In Vitro Diagnostics	43.5	43.5	45.8
Products	32.3	31.0	30.8
Automated immunoassay (Lumipulse)	19.1	18.5	18.9
Non-automated immunoassay (HA·PA, EIA, etc.)	7.4	7.0	7.0
Rapid assay kits (EL, POCT)	1.8	1.6	1.6
Other products	4.0	3.9	3.3
OEM, raw materials, partly-finished products, license, and etc.	11.2	12.5	15.0

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

<Net Sales by Product Type>

(Billions of yen)

	FY2013	FY2014	FY2015
In Vitro Diagnostics	43.5	43.5	45.8
Reagent	35.8	36.0	38.1
Testing instrument (platform)	2.6	2.1	2.0
Others	5.1	5.3	5.7

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

<Net Sales by Sale Destination>

(Billions of yen)

	FY2013	FY2014	FY2015
In Vitro Diagnostics	43.5	43.5	45.8
Overseas	19.6	21.5	23.6
Americas	8.1	9.2	10.9
Europe	8.9	9.3	9.8
Asia/Pacific	2.5	2.9	2.9
Japan	23.9	21.9	22.2

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
Clinical Lab Testing	131.9	132.9	137.1
Japan	107.8	104.5	105.7
Off-site Testing	89.2	86.2	86.6
FMS/Branch Lab	18.6	18.3	19.1
Overseas (USA)	24.1	28.3	31.4

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

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

	FY2013	FY2014	FY2015
Clinical Lab Testing (Japan)	100%	100%	100%
Laboratory tests			
system	11.0%	11.1%	11.3%
General (urine, feces, etc.)	2.8%	2.9%	3.1%
Hematology	11.8%	12.2%	12.8%
Biochemistry I	15.2%	14.9%	14.6%
Biochemistry II	17.8%	17.6%	16.8%
Immunology	23.3%	23.7%	23.4%
Microbiology	6.9%	7.1%	7.4%
Pathology	4.2%	4.4%	4.8%
Other tests	2.5%	2.7%	2.7%
Total	95.5%	96.6%	96.9%
Others	4.5%	3.4%	3.1%

<Gross Sales by Geographical Region in Japan>

	FY2013	FY2014	FY2015
Clinical Lab Testing (Japan)	100%	100%	100%
Northern /eastern Japan			
Hokkaido Region	4.2%	4.3%	4.0%
Tohoku Region	4.9%	5.0%	4.9%
Kanto Region (incl. Tokyo and metropolitan area)	37.4%	38.2%	39.0%
Hokuriku Region	2.0%	1.9%	1.9%
Chubu Region	8.1%	8.1%	7.9%
Southern /western Japan			
Kinki Region (incl. Osaka)	19.4%	19.5%	19.5%
Chugoku and Shikoku Region	6.9%	7.0%	6.9%
Kjusyu Region	13.4%	13.4%	14.1%
Others (incl. clinical trial and outsourcing)	3.6%	2.6%	1.8%

Capital Expenditure (Consolidated)

<Research & Development Expenses>

(Millions of yen)

	FY2013	FY2014	FY2015	FY2016 (Forecast)
R&D Expenses	5,412	5,384	5,702	5,500
In Vitro Diagnostics	4,955	4,914	5,254	-
Clinical Lab Testing	457	469	447	-
Healthcare Related	-	-	-	-
Miraca Holdings	-	-	-	-

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

<Capital Expenditure>

(Millions of yen)

	FY2013	FY2014	FY2015	FY2016 (Forecast)
Capital Expenditure	11,660	14,916	12,117	8,700
In Vitro Diagnostics	2,400	2,798	2,314	-
Clinical Lab Testing	7,463	10,502	8,563	-
Healthcare Related	1,401	1,557	1,210	-
Miraca Holdings	394	57	29	-

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

<Depreciation and Amortization>

(Millions of yen)

	FY2013	FY2014	FY2015	FY2016 (Forecast)
Depreciation & Amortization	10,899	11,203	11,287	13,400
In Vitro Diagnostics	2,397	2,538	2,587	-
Clinical Lab Testing	7,216	7,243	7,243	-
Healthcare Related	1,178	1,259	1,318	-
Miraca Holdings	107	161	137	-

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

Employees (Consolidated)

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

	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016
Total	6,244	6,140	6,129
In Vitro Diagnostics	1,168	1,108	1,076
Clinical Lab Testing	3,749	3,696	3,710
Healthcare Related	1,270	1,275	1,286
Clinical Trials	174	188	158
Sterilizing	917	942	985
Preventive Medicine Related	179	145	143
Miraca Holdings	57	61	57

Share of Stock

<Share Information >

	End of Mar. 2013	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016
Number of shares issued (thousands of share)	58,695	58,925	57,137	57,246
Number of shareholders	5,825	5,520	5,327	5,299
Share price (yen)	4,585	4,520	5,530	4,625
Aggregate market value of listed stock (billions of yen)	268.0	265.2	314.6	263.6

Notes: The number of issued shares includes treasury shares.

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

<Treasury Share>

(Share)

	End of Mar. 2013	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016
Number of treasury shares	241,011	244,770	248,069	250,435

<Shareholder Distribution>

	End of Mar. 2013	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016
Financial institutions in Japan	33.18%	31.31%	32.06%	34.82%
Overseas investors	54.00%	57.43%	56.59%	53.92%
Individuals and others in Japan	10.49%	9.05%	8.72%	8.44%
Companies in Japan	1.09%	0.95%	0.95%	0.94%
Securities companies in Japan	0.83%	0.84%	1.25%	1.44%
Treasury shares	0.41%	0.42%	0.43%	0.44%

<Cash Dividends per Share>

(Yen)

	FY2012	FY2013	FY2014	FY2015	FY2016 (Forecast)
Interim dividends	37	43	46	55	57
Year-end dividends	43	43	46	55	57
Annual dividends per share	80	86	92	110	114