

# Second Quarter of FY2023 (March 2024) Earnings Results



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# Results for the 2nd Quarter of FY2023



(¥bn)

	FY2023 Q2	FY2022 Q2	YOY Change	
Net sales	163.1	144.5	+18.6	+12.9%
Gross profit on sales	95.2	86.3	+8.9	+10.3%
Selling, general and administrative expenses	78.8	74.1	+4.7	+6.4%
Operating profit	16.4	12.2	+4.2	+34.0%
(Before the amortization of goodwill and trademarks)	24.3	18.7	+5.6	+30.1%
Profit attributable to owners of parents	7.5	10.9	-3.4	-31.5%

( Fractions of 0.1 billion are rounded off. )

# Sales of Leading Brands (Self-Medication Operation Group in Japan)



(¥bn)

	FY2023 Q2	FY2022 Q2	YOY Change	
Self-Medication Operation Group in Japan	68.3	62.8	+5.5	+8.8%
Main breakdown				
<i>Lipovitan series</i>	28.9	28.0	+1.0	+3.5%
<i>Pabron series</i>	13.0	9.3	+3.7	+39.7%
<i>RiUP series</i>	5.4	5.6	-0.1	-2.3%
<i>Biofermin series</i>	7.3	5.5	+1.8	+33.0%
<i>VICKS series</i>	1.9	1.9	+0.0	+0.2%

Note : Figures for each brand are before the application of the revenue recognition standard. ( Fractions of 0.1 billion are rounded off. )



**The Q2 sales of International business refer to sales from January to June.**

(¥bn)

	FY2023 Q2	FY2022 Q2	YOY Change	
International Business	71.3	61.6	+9.7	+15.8%
Main breakdown				
Asia	34.0	30.6	+3.3	+10.9%
Europe and America	37.2	30.8	+6.5	+21.1%

Note : The impact of application of the accounting standard for revenue recognition is slight. ( Fractions of 0.1 billion are rounded off. )

# Sales of Leading Products (Rx Pharmaceutical Operation Group)



(¥bn)

	FY2023 Q2	FY2022 Q2	YOY Change	
Prescription Pharmaceutical Operations	22.2	18.7	+3.5	+18.6%
Main breakdown				
<i>Lusefi</i>	6.7	6.6	+0.1	+1.6%
<i>Bonviva</i>	5.5	3.8	+1.7	+46.0%
<i>LOQOA</i>	1.9	2.2	-0.3	-13.2%
<i>Biofermin</i>	2.4	2.3	+0.1	+5.6%

Note : Figures for each product are before the application of the revenue recognition standard. ( Fractions of 0.1 billion are rounded off. )

# Factors Affecting : Selling, general and administrative expenses



(¥bn)

	FY2023 Q2	FY2022 Q2	YOY Change	
Selling, general and administrative expenses	78.8	74.1	+4.7	+6.4%
Main breakdown				
R&D expenses	9.8	9.6	+0.2	+1.8%
Advertising expenses	13.2	12.9	+0.3	+2.3%
Sales promotion expenses	9.0	7.0	+2.0	+28.7%

( Fractions of 0.1 billion are rounded off. )

# FY2023 Full-year Forecasts



◆ Revisions to the forecast of consolidated operating results most recently announced: Yes

(¥bn)

	Full-year E (new)	YOY Change		Full-year E (previous)	Vs. Previous E*
Net sales	319.0	+17.6	+5.8%	314.5	+4.5
Gross profit on sales	183.7	+5.8	+3.3%	183.2	+0.5
Selling, general and administrative expenses	163.2	+8.4	+5.4%	164.7	-1.5
Operating profit	20.5	-2.5	-10.9%	18.5	+2.0
(Before the amortization of goodwill and trademarks)	36.7	+0.3	+0.9%	33.8	+2.9
Profit attributable to owners of parents	10.5	-8.5	-44.7%	13.0	-2.5
EPS(Yen)	128.09	-	-	158.58	-

E:Estimates

\*Comparison with forecast of May 11 ,2023. ( Fractions of 0.1 billion are rounded off. )

# FY2023 Forecasts : Sales of Leading Brands (Self-Medication Operation Group in Japan)



◆ Revisions to the forecast of consolidated operating results most recently announced: Yes

(¥bn)

	Full-year E (new)	YOY Change		Full-year E (previous)	Vs. Previous E*
Self-Medication Operation Group in Japan	134.9	+0.4	+0.3%	137.1	-2.2
Main breakdown					
<i>Lipovitan series</i>	54.0	+3.7	+7.4%	54.0	-
<i>Pabron series</i>	24.0	-4.2	-14.8%	24.0	-
<i>RiUP series</i>	13.0	+1.1	+9.2%	13.9	-0.9
<i>Biofermin series</i>	12.3	-0.7	-5.1%	12.3	-
<i>VICKS series</i>	3.1	-0.9	-23.2%	3.1	-

E:Estimates

\*Comparison with forecast of May 11, 2023. ( Fractions of 0.1 billion are rounded off. )

Note : The Forecasts for each brand are before the application of the revenue recognition standards.



# FY2023 Forecasts : International Business



◆ Revisions to the forecast of consolidated operating results most recently announced: Yes

(¥bn)

	Full-year E (new)	YOY Change		Full-year E (previous)	Vs. Previous E*
International Business	140.0	+13.3	+10.5%	135.0	+5.0
Main breakdown					
Asia	69.1	+4.8	+7.5%	69.0	+0.1
Europe and America	70.5	+8.4	+13.5%	65.6	+4.9

E:Estimates

\*Comparison with forecast of May 11 ,2023. ( Fractions of 0.1 billion are rounded off. )

Note : The impact of application of the accounting standard for revenue recognition is slight.

# FY2023 Forecasts : Sales of Leading Products

## (RX Pharmaceutical Operation Group)



◆ Revisions to the forecast of consolidated operating results most recently announced: Yes

(¥bn)

	Full-year E (new)	YOY Change		Full-year E (previous)	Vs. Previous E*
Prescription Pharmaceutical Operations	42.0	+4.3	+11.5%	40.3	+1.7
Main breakdown					
<i>Lusefi</i>	13.3	+0.2	+1.5%	13.9	-0.6
<i>Bonviva</i>	10.0	+2.3	+29.7%	9.5	+0.5
<i>LOQOA</i>	3.6	-0.5	-11.3%	3.8	-0.2
<i>Biofermin</i>	4.8	+0.1	+2.5%	4.7	+0.1

E:Estimates

\*Comparison with forecast of May 11 ,2023. ( Fractions of 0.1 billion are rounded off. )

Note : The Forecasts for each product are before the application of the revenue recognition standards.

# FY2023 Full-year Forecasts

## Selling, general and administrative expenses



◆ Revisions to the forecast of consolidated operating results most recently announced: Yes

	Full-year E (new)	YOY Change		Full-year E (previous)	Vs. Previous E*
Selling, general and administrative expenses	163.2	+8.4	+5.4%	164.7	-1.5
Main breakdown					
R&D expenses	21.3	+0.6	+2.8%	23.4	-2.1
Advertising expenses	27.2	+0.4	+1.7%	27.1	+0.1
Sales promotion expenses	19.6	+2.6	+15.5%	19.5	+0.1

E:Estimates

\*Comparison with forecast of May 11 ,2023. ( Fractions of 0.1 billion are rounded off. )

# Prescription Pharmaceuticals : New Drug Pipeline (1)



## ◆ Drugs under development by Taisho Pharmaceutical Co., Ltd.: From Phase 2

(As of November 10, 2023)

	<u>Description</u> Planned application	Development with	In Japan / Overseas
Approved (Additional dosage form)			
Nanozora* (Injection)	<u>Auto Injection (Additional dosage form)</u> <u>Generic name : Ozoralizumab (recombinant)</u> Rheumatoid arthritis, which is inadequately managed by the current available treatments	In-house	In Japan
Phase 3			
TS-071 (Oral)	<u>Generic name : Luseogliflozin Hydrate</u> Type2 diabetes (Pediatric)	In-house	In Japan
TS-142 (Oral)	Insomnia	In-house	In Japan
Phase 2			
TS-161 (Oral)	Depression	In-house	Overseas
TS-172 (Oral)	Hyperphosphatemia	In-house	In Japan

\*TS-152

# Prescription Pharmaceuticals : New Drug Pipeline (2)



## ◆ Drugs under development by Taisho Pharmaceutical Co., Ltd.: From Phase 1

(As of November 10, 2023)

	<u>Description</u> Planned application	Development with	In Japan / Overseas
Phase 1			
TS-134 (Oral)	Schizophrenia	In-house	Overseas
TS-142 (Oral)	Insomnia	In-house	Overseas



- Annual Dividend for FY2023 (forecast)  
¥100 per share (Payout ratio: 49.7%\*)
  - interim dividend: ¥50 per share (Dec. 2023)
  - year-end dividend (Scheduled): ¥50 per share
- No Changes in Our Policies on Dividends and Share Buybacks
  - Taisho aims to pay a consistently stable dividend, targeting a dividend payout ratio of 30%. (excluding extraordinary gains and losses)
  - Barring special circumstances, Taisho plans to maintain an annual dividend of ¥100 per share.

\*The dividend payout ratio is calculated from consolidated profit attributable to owners of parent excluding extraordinary income and loss.

# About the early retirement incentive plan



## ● Purpose

- One of the measures promoting construction of an organization with high productivity for future continued growth
- Using this opportunity to help employees change their course based on their life plan

## ● Summary

- Eligibility criteria : Regular employees who have worked for the Company for at least three years and are 30 years old or older as of April 1, 2023 as a rule  
Note: There are other requirements separately provided.
- Number of participants : Not defined
- Conditions : An additional amount aside from the retirement allowance will be provided.  
Re-employment support will be given to participants.
- Application period : From May 9, 2023 to August 10, 2023
- Retirement schedule : To retire sequentially during the period from June 30, 2023 to September 30, 2023

## ● Solicitation results

Number of applicants: 645

## ● Impact on business performance

Additional retirement allowance and outplacement expenses of approximately ¥6 billion will be recorded as an extraordinary losses in the fiscal year ending March 31, 2024.



TAISHO PHARMACEUTICAL HOLDINGS CO., LTD.