

Eleven-Year Financial Data

Nippon Shinyaku Co., Ltd. and Consolidated Subsidiaries

JGAAP

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
For the year								
Net sales	79,991	84,209	98,781	101,448	114,716	116,637	121,885	137,547
Pharmaceuticals	66,340	70,489	85,315	87,416	100,223	101,643	106,478	120,650
Functional Food	13,651	13,720	13,466	14,031	14,492	14,994	15,406	16,897
Cost of sales	41,226	44,016	44,835	46,929	50,952	53,155	49,954	50,657
Gross profit	38,764	40,192	53,946	54,519	63,764	63,481	71,931	86,890
Total selling, general and administrative expenses	30,202	31,643	38,666	37,439	43,119	41,813	45,796	58,591
Selling, general and administrative expenses	21,233	21,904	23,762	24,217	26,418	27,819	29,692	32,204
R&D expenses	8,968	9,739	14,903	13,221	16,701	13,994	16,104	26,386
Operating income	8,562	8,549	15,280	17,079	20,644	21,668	26,134	28,299
Net income attributable to owners of the parent	5,882	6,340	11,749	12,953	16,302	16,866	20,702	23,044
Depreciation and amortization	2,665	2,452	2,648	2,773	3,418	3,468	3,550	2,933
Capital investment	1,239	3,554	3,949	2,811	1,242	2,500	2,583	4,264
Cash flows from operating activities	6,113	8,915	18,916	6,719	15,310	12,737	21,388	16,018
Cash flows from investing activities	(3,718)	(3,978)	(5,750)	(11,342)	511	(2,339)	(1,564)	(6,359)
Cash flows from financing activities	(1,773)	(1,907)	(2,193)	(3,787)	(3,708)	(5,660)	(6,199)	(6,801)

End of the year

Total assets	129,757	135,370	150,905	155,887	168,763	175,017	197,028	210,052
Interest-bearing debt	—	—	—	—	—	—	—	—
Net assets	101,207	102,762	114,316	125,689	135,190	145,760	162,543	176,767

Financial information per share (yen)

Earnings per share (EPS)	87.26	94.1	174.42	192.31	242.04	250.42	307.37	342.14
Net assets	1,498.88	1,522.33	1,693.81	1,862.54	2,003.39	2,160.11	2,409.01	2,620.02
Dividend per share	25	28	48	52	70	86	99	110

Major financial indicators regarding profitability and valuation

Operating income to net sales (%)	10.7	10.2	15.5	16.8	18.0	18.6	21.4	20.6
R&D expenses to net sales (%)	11.2	11.6	15.1	13.0	14.6	12.0	13.2	19.2
Equity ratio (%)	77.8	75.8	75.6	80.5	80.0	83.1	82.4	84.0
Return on assets (ROA) (%)	7.0	6.5	10.8	11.2	12.7	12.6	14.0	13.9
Return on equity (ROE) (%)	6.1	6.2	10.8	10.8	12.5	12.0	13.5	13.6
Price book value ratio (PBR) (times)	2.9	2.9	3.3	3.8	4.0	3.9	3.4	3.2
Price earnings ratio (PER) (times)	50.1	46.8	32.5	37.0	33.3	33.9	26.8	24.4
Payout ratio (%)	28.7	29.8	27.5	27.0	28.9	34.3	32.2	32.2
Number of outstanding shares (shares)	70,251,484	70,251,484	70,251,484	70,251,484	70,251,484	70,251,484	70,251,484	70,251,484
Market capitalization (millions of yen)	307,350	309,107	398,326	500,191	566,227	595,733	578,170	585,195

* IFRS adopted from the fiscal year ended March 31, 2022.

IFRS

(millions of yen)

	FY2021	FY2022	FY2023	FY2024
For the year				
Revenue	137,484	144,175	148,255	160,232
Pharmaceuticals	120,650	121,988	125,105	138,654
Functional Food	16,834	22,187	23,150	21,577
Cost of sales	50,191	55,980	50,234	51,116
Gross profit	87,293	88,195	98,021	109,115
Selling, general and administrative expenses	32,173	34,812	34,959	38,011
R&D expenses	22,863	24,135	31,676	34,341
Operating profit	32,948	30,049	33,295	35,450
Profit attributable to owners of parent	24,986	22,812	25,851	32,558
Depreciation and amortization	4,588	5,041	5,023	6,015
Capital expenditures (Including investment in intangible assets)	10,744	13,034	16,430	31,027
Cash flows from operating activities	21,316	26,170	16,289	36,126
Cash flows from investing activities	(10,037)	(17,631)	(9,921)	(28,877)
Cash flows from financing activities	(8,407)	(9,605)	(9,719)	(9,902)

End of the year

Total assets	219,943	237,451	263,404	283,637
Interest-bearing debt (Including lease liabilities)	2,713	2,665	2,872	2,804
Total equity	180,886	195,933	220,534	247,340

Financial information per share (yen)

Basic earnings per share (EPS)	370.97	338.7	383.82	483.40
Equity attributable to owners of parent per share	2,681.18	2,904.49	3,269.72	3,666.27
Dividends	110	114	124	124

Major financial indicators regarding profitability and valuation

Operating profit to revenue (%)	24.0	20.8	22.5	22.1
R&D expenses to revenue (%)	16.6	16.7	21.4	21.4
Ratio of equity attributable to owners of parent to total assets (%)	82.1	82.4	83.6	87.1
Profit before tax to total assets (ROA) (%)	15.7	13.3	13.4	13.2
Return on equity attributable to owners of parent (ROE) (%)	14.5	12.1	12.4	13.9
Price book value ratio (PBR) (times)	3.1	2.0	1.4	1.0
Price earnings ratio (PER) (times)	22.5	17.2	11.6	7.9
Payout ratio (%)	29.7	33.7	32.3	25.6
Number of outstanding shares (shares)	70,251,484	70,251,484	70,251,484	70,251,484
Market capitalization (millions of yen)	585,195	409,566	314,024	267,096

Non-Financial Data

Environment

*Since environmental data values are rounded to the nearest decimal point, the sum of individual figures may not match the total.

Material Flow Data

Inputs	Classification	FY2022	FY2023	FY2024	
		Materials	Raw materials (t)	288	318
	Packaging materials (t)	245	475	571	
Energy	Electricity (MWh)	15,881	17,884	19,215	
	Heavy oil (kL)	0	0	0	
	Kerosene (kL)	0	0	0	
	City gas (1,000 m ³)	1,562	1,471	1,693	
	LPG (1,000 m ³)	6	0	0	
	Gasoline (kL)	398	404	342	
	Diesel (kL)	3	2	3	
Water intake*1	Tap water (1,000 m ³)	54	58	66*2	
	Well water (1,000 m ³)	101	95	82*2	
Outputs	Products	Shipped products (t)	479	574	785
		Transported products (10,000 t-km)	13	12	9
Gas & Water emissions	CO ₂ emissions (t-CO ₂)	9,182	7,283	8,228	
	Wastewater *1 (1,000 m ³)	164	153	147*2	
Waste substances*1	Amount generated (t)	388	390	480	
	Final amount of landfilled waste (t)	2.3	2.0	1.7	
Container and package recycling	Waste containers and packages (Amount contracted out as post-consumer recovered waste) (t)	172	206	197	
Class I Designated Chemical Substances handled*3	Dichloromethane (kg)	1,349	968	939	
	n-Hexane (kg)	2,575	2,286	3,154	

*1 Main business locations: Head office area, Odawara Central Factory, Discovery Research Laboratories in Tsukuba
 *2 The calculation method has been revised.
 *3 Lists Class I Designated Chemical Substances based on the Pollutant Release and Transfer Register (PRTR) system under the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management thereof with a handling amount of 1,000 kg or more.

Putting Environmental Management System Certification into Action

Office name	Acquired certifications	Date of certification acquisition	Last 3rd-party review
Odawara Central Factory	ISO14001	August 2004	February 2025 (Review for renewal)
Head Office area business office	KES Step2	June 2012	June 2025 (Review for renewal)

Environmental Accounting (parent company)

Environmental conservation costs*1 (excluding our sales offices)	Costs	FY2023		FY2024	
		Investments	Expenses	Investments	Expenses
Costs within our business areas (Thousands of yen)	Pollution prevention costs*2 (Thousands of yen)	100,100	65,395	132,870	62,742
	Global environmental conservation costs*3 (Thousands of yen)	220,350	177,187	61,881	169,696
	Resource recycling costs*4 (Thousands of yen)	1,329	58,110	1,125	69,053
	Upstream & downstream costs*5 (Thousands of yen)	0	7,147	0	7,108
	Management activity costs*6 (Thousands of yen)	56,781	77,056	0	81,538
	R&D costs (Thousands of yen)	0	0	0	0
	Social activity costs*7 (Thousands of yen)	0	11,029	0	2,877
	Environmental remediation costs (Thousands of yen)	0	82	0	0
	Total (Thousands of yen)	378,560	396,006	195,877	393,014

Environmental conservation benefits	Benefit verification	FY2023	FY2024	Change	% Change
		CO ₂ emissions (t-CO ₂)	7,283	8,228	945
	• Electricity usage (MWh)	17,884	19,215	1,331	107.4%
	• Heavy oil & kerosene usage (kL)	0	0	0	—
	• City gas & LPG usage (1,000 m ³)	1,471	1,693	222	115.1%
	• Gasoline & diesel usage (kL)	406	342	-64	84.2%
	Water consumption (main business locations) (1,000 m ³)	145	148	3	102.1%
	Waste substances generated (main business locations) (t)	390	480	90	123.1%
	Final amount of landfilled waste (main business locations) (t)	2.0	1.7	-0.3	85.0%

*1 Costs aimed at reducing the environmental impact caused by business activities. We compiled them based on "Environmental Accounting Guidelines 2005" published by the Ministry of the Environment.
 *2 Costs related to environmental damage prevention due to pollution such as water pollution, soil pollution, air pollution, etc.
 *3 Costs related to global warming prevention, energy-saving activities, etc.
 *4 Costs related to proper disposal of waste, recycling, etc.
 *5 Consignment fee for recycling of containers and packaging (costs for collection and recycling of packaging containers for pharmaceuticals, etc. in Nippon Shinyaku), etc.
 *6 Costs related to maintenance and operation of EMS (Environmental Management System) and environmental education of employees.
 *7 Costs related to offering classes to elementary schools in Kyoto city, greening in the workplace, local cleanup activities, etc.

Environment

The environmental performance indicators with checkmarks have received third party guarantees.

	FY2020	FY2021	FY2022	FY2023	FY2024
Nippon Shinyaku Group CO₂ emissions (t-CO₂) (Received third-party verification)					
Scope 1: Direct greenhouse gas (GHG) emissions from owned or controlled sources	4,964	4,738	4,911	4,366	4,683
Scope 2: Indirect emissions that occur through the use of purchased electricity, steam, and heat	6,765	5,852	5,204	4,057	4,650
Scope 3: 1: Purchased goods and services	183,640	189,415	208,157	218,100	232,917
Supply chain emissions by scope (t-CO₂) (unconsolidated)					
Scope 1: Direct greenhouse gas (GHG) emissions from owned or controlled sources	4,396	4,449	4,471	3,948	4,262
Scope 2: Indirect emissions that occur through the use of purchased electricity, steam, and heat	6,101	5,236	4,711	3,335	3,966
Scope 3: 1. Purchased goods and services	163,905	171,906	188,834	212,430	228,141
Scope 3: 2. Capital goods	13,385	14,639	20,043	46,557	87,847
Scope 3: 3. Fuel- and energy-related activities not included in Scope 1 or Scope 2	1,924	1,938	1,942	1,685	1,798
Scope 3: 4. Transportation and delivery (upstream)	678	721	658	271	171
Scope 3: 5. Waste generated in operations	223	225	208	207	340
Scope 3: 6. Business travel	233	235	233	243	245
Scope 3: 7. Employee commuting	231	270	287	446	449
Scope 3: 9. Transportation and delivery (downstream)	1,813	1,977	2,345	1,435	—*1
Scope 3: 12. End-of-life treatment of sold products	99	139	140	390	178
Scope 3: 13. Leased assets (downstream)	628	628	628	625	315
Total energy consumption (MWh)					
Nippon Shinyaku Co., Ltd.	63,066	63,451	65,200	69,647	41,233*2
Sioe Pharmaceutical Co., Ltd. and Tajima Shokuhin Kogyo Co., Ltd.	6,516	5,975	5,618	5,583	3,612*2
Electricity (MWh)					
Nippon Shinyaku Co., Ltd.	15,212	15,350	15,881	17,884	19,215
Sioe Pharmaceutical Co., Ltd. and Tajima Shokuhin Kogyo Co., Ltd.	1,835	1,704	1,650	1,663	1,633
City gas, LP gas (1,000 m³)					
Nippon Shinyaku Co., Ltd.	1,541	1,523	1,562	1,471	1,694
Sioe Pharmaceutical Co., Ltd. and Tajima Shokuhin Kogyo Co., Ltd.	113	100	81	75	79
Water (tap water + well water) (1,000 m³)					
Nippon Shinyaku Co., Ltd.*3	161	165	155	153	148*3
Sioe Pharmaceutical Co., Ltd. and Tajima Shokuhin Kogyo Co., Ltd.	30	29	24	25	28

*1 The calculation of emissions in FY2024 is incomplete because a portion of the data of the relevant pharmaceutical wholesalers is undisclosed at calculation time.
 *2 The calculation method has been partially revised.
 *3 Main business locations: Head office area, Odawara Central Factory, Discovery Research Laboratories in Tsukuba

Social

	FY2020	FY2021	FY2022	FY2023	FY2024
Employee Numbers and the Promotion of Women in the Workplace (persons)					
Number of employees (parent company)	1,806	1,827	1,857	1,865	1,876
Number of female employees	529	552	565	582	598
Ratio of female employees (%)	29.3	30.2	30.4	31.2	31.9
Number of executives	555	571	596	614	624
Number of female executives	84	92	100	110	112
Ratio of female executives (%)	15.1	16.1	16.8	17.9	17.9
Number of managers	331	343	301	314	313
Number of female managers	34	38	40	42	45
Ratio of female managers (%)	10.3	11.1	13.3	13.4	14.4
Number of recruits	76	57	62	75	89
Number of female recruits	33	28	20	34	30
Ratio of female recruits (%)	43.4	49.1	32.3	45.3	33.7
Average number of years of service	17.3	17.4	17.5	17.4	17.2
Average number of years of service of female employees (years)	16.7	16.5	16.6	16.4	16.5
Average number of years of service of male employees (years)	17.6	17.8	17.8	17.9	17.5
Number of employees taking parental leave for childcare (male)	14	30	61	51	48
Rate of uptake of parental leave for childcare (male %)	20.3	50	69.3	70.8	76.2
Number of employees taking parental leave for childcare (female)	19	19	25	29	17
Rate of uptake of parental leave for childcare (female %)	100	100	100	100	94.4
Paid annual leave acquisition rate (%)	63.5	63.5	69.6	71.8	75.3
Total annual working hours (hours)	1821.96	1819.89	1841.69	1854.32	1860.25
Employee turnover (%)	1.97	1.66	1.92	2.0	2.3
Employee turnover rate after three years for new graduates joining the Company on Apr. 1 (as of Apr. 1 three years later) (%)	6.3	1.5	6.0	3.5	8.1
Average annual salary (thousands of yen)	7,958	8,061	8,151	7,835	9,192*1
Wage differential between men and women	—	—	79.1	78.8	81.0
Human Resources Development					
Hours of basic training attended per employee (hours)		7.2	10	9.1	15.3
Hours of voluntary training attended per employee (hours)		10.7	10.3	20.1	18.8
Human resources development investment amount per employee (Thousands of yen)		79	83	85	93

*1 Average for regular employees

Governance

	FY2020	FY2021	FY2022	FY2023	FY2024
Number of directors (persons)	12	12	12	12	12
Number of outside directors	4	4	4	4	4
Number of female directors	1	3	3	4	3
Ratio of female directors (%)	8	25	25	33	25
Number of audit & supervisory board members (persons)	4	4	4	4	4
Number of outside audit & supervisory board members	2	2	2	2	2
Ratio of outside audit & supervisory board members (%)	50	50	50	50	50

Stakeholder engagement

Communication with stakeholders

Nippon Shinyaku's business is supported by a variety of stakeholders. The Company believes it is important to listen to and engage in dialogue with a diverse range of stakeholders, including shareholders, employees, society (local communities, business partners, etc.), customers (patients, consumers, medical professionals), and the environment.

By reflecting the requests and opinions obtained through regular dialogue in our corporate activities, Nippon Shinyaku will grow as a company and provide new value to society. In doing so, we will contribute to the realization of a sustainable society and build relationships of trust with our stakeholders.

Material issues and related SDGs

Strengthening governance



Strengthening relationship with all stakeholders

	Stakeholder relations	Stakeholders' expectations	Dialogue and means, frequency
Shareholders	Nippon Shinyaku will strive to pay a return to shareholders by securing appropriate profit through management that is conscious of cost of capital. We are intent on meeting the expectations of shareholders and investors by promoting constructive communication through fair management that emphasizes timely and honest disclosure of corporate information and proactive dialogue.	<ul style="list-style-type: none"> Shareholder return measures (sustainable growth in dividends) Fair stock price Timely, appropriate disclosure, including information on non-financial activities, and opportunities for dialogue Sustainable enhancement of corporate value ESG initiatives 	<ul style="list-style-type: none"> Number of dialogues with institutional investors and analysts: approx. 170 Participation in events sponsored by securities corporations: 11 Financial results briefings (May, November) Financial results conference calls (August, February) General Meeting of Shareholders (June) The 7th Five-Year Medium-Term Management Plan briefing (May) R&D briefing (February) Sell-side analyst small meeting (February) Overseas IR events (September) Participation in individual investor fair (August)
Employees	We believe that in order to achieve our business philosophy, each employee must grow and work together by making the most of their individual qualities and strengths. To this end, we have established the "NS Mind" as the attitude and mindset that all employees should aspire to, and we have put in place a career development support framework that emphasizes autonomy.	<ul style="list-style-type: none"> Rewarding company that makes flexible work styles possible Creating a comfortable workplace environment Fair and impartial employee evaluation system Active participation of diverse human resources Provide opportunities for self-growth 	<ul style="list-style-type: none"> Training for employees, setting up opportunities for dialogue with directors Conducting stress checks Engagement score of 68% (response rate of 95%) Internal Compliance Reporting System (whistleblower hotlines)
Society	As a corporate citizen, Nippon Shinyaku will maintain communication and deepen exchanges with society while actively undertaking initiatives to solve social issues. We will maintain sound and appropriate relationships with business partners and aim to achieve growth with them.	<ul style="list-style-type: none"> Coexistence with local communities Contributions to local community development Lessen environmental impact Environmental conservation and highly-safe business activities 	<ul style="list-style-type: none"> On-site classes on food education: 7 schools Yamashina Botanical Research Institute: 177 tours, 2,230 visitors Nippon Shinyaku Sparkling Future Mobile Library: participated in 33 events; lent out 5,724 picture books Conducted surveys of suppliers (CSR, stable supply, sustainability procurement policy) Distributed 15,000 copies of the Nippon Shinyaku Children's Literary Award winning picture book
Customers	In the Pharmaceuticals Business, Nippon Shinyaku places the highest priority on patients who suffer from illnesses and makes efforts to provide information to ensure that patients are properly medicated by medical professionals. In the Functional Food Business, the Company seeks to leverage its advanced technical expertise as a maker of pharmaceuticals to supply high-value-added products that meet customer needs.	<ul style="list-style-type: none"> Stable provision of products and services that boast high quality and safety Initiatives related to unmet medical needs (development of new pharmaceuticals) Timely provision of pharmaceutical information Provision of information on disease 	<ul style="list-style-type: none"> Number of inquiries about pharmaceuticals Total 11,273 (9,454 from medical professionals, 675 from wholesalers, 1,064 from general consumers, 80 from others) Disease awareness via the Company's website Online seminars available to the public (muscular dystrophy, hematological cancers) Patient exchange events Booths at marathons in Japan, etc.
Environment	In addition to conducting environment friendly business activities, Nippon Shinyaku works to protect, maintain, and improve the environment and aims to achieve growth in harmony with the environment.	<ul style="list-style-type: none"> Environmental preservation Sustainable business activities Lessen environmental impact Biodiversity protection and conservation 	<ul style="list-style-type: none"> Events designed to educate about botany at the Yamashina Botanical Research Institute Preservation activities for plants related to Kyoto's culture

Corporate Data/Investor Information (As of March 31, 2025)

Corporate Data

Corporate Name	Nippon Shinyaku Co., Ltd.
Founded	November 20, 1911
Date of Incorporation	October 1, 1919
Head Office	14, Nishinosho-Monguchi-cho, Kisshoin, Minami-ku, Kyoto 601-8550, Japan Tel: +81-75-321-1111 Fax: +81-75-321-0678 https://www.nippon-shinyaku.co.jp/english/
Paid-in Capital	¥5,174 million (Tokyo Stock Exchange Prime Market since April 4, 2022)

Representative Directors	Shigenobu Maekawa, Chairman Toru Nakai, President
Accounting Auditor	Deloitte Touche Tohmatsu LLC Shijokarasuma FT Square 20, Naginataboko-cho, Karasuma-higashiiru, Shijo-dori Shimogyo-ku, Kyoto 600-8008, Japan
Issued and Outstanding Number of Shares	70,251,484
Number of Shareholders	14,149
Share Registrar	Mitsubishi UFJ Trust and Banking Corporation 6-3, Fushimimachi 3-chome, Chuo-ku, Osaka 541-0044, Japan

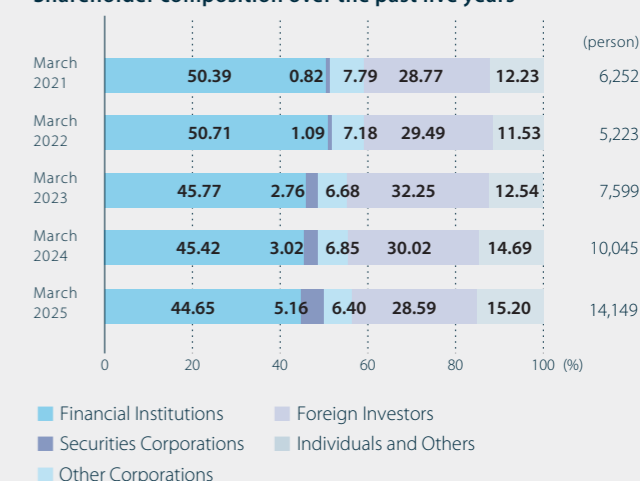
Investor Information

Major shareholders

Shareholders	Number of shares held (Thousand shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	8,936	13.26
Meiji Yasuda Life Insurance Company	6,486	9.63
Custody Bank of Japan (Trust account)	5,141	7.63
The Bank of Kyoto, Ltd.	3,090	4.59
MUFG Bank, Ltd.	2,706	4.02
JPMorgan Securities Japan Co., Ltd.	2,273	3.37
Nippon Life Insurance Company	1,341	1.99
STATE STREET BANK AND TRUST COMPANY 505103	992	1.47
Tokio Marine & Nichido Fire Insurance Co., Ltd.	881	1.31
STATE STREET BANK AND TRUST COMPANY 505001	860	1.28

*1 The percentage of shares owned is calculated as the total number of shares issued and outstanding minus the number of treasury shares (2,872,839 shares).
*2 The percentage of shares owned is rounded to the second decimal place.

Shareholder composition over the past five years



Recognition by External Parties

Inclusion in ESG indices

- FTSE Blossom Japan Index
- FTSE Blossom Japan Sector Relative Index
- FTSE4Good
- S&P/JPX Carbon Efficient Index
- MSCI Japan Empowering Women Index (WIN)
- MorningStarGenDiJ

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External evaluation of sustainability

- CDP
- Sompo Sustainability Index
- JPX Nikkei Index 400
- Nikkei Smart Work Management Survey
- Nikkei SDGs Management Survey