



Overview of Financial Results FY2015

(October 1, 2014-September 30, 2015)

CMIC HOLDINGS Co., Ltd.
November 5, 2015

Business Segments & CMIC Group Companies

Business Segment	Products / Services	CMIC Group Companies (as of September 30, 2015)
CRO Business	Services provided to pharmaceutical companies related to support in drug development <ul style="list-style-type: none"> • clinical trials • nonclinical trials • analytical chemistry 	CMIC HOLDINGS Co., Ltd. CMIC Co., Ltd. CMIC PMS Co., Ltd. CMIC BIORESEARCH CENTER Co., Ltd. Institute of Applied Medicine, Inc. JCL Bioassay Corporation CMIC Korea Co., Ltd. CMIC ASIA-PACIFIC, PTE. LTD. CMIC ASIA-PACIFIC(MALAYSIA) SDN.BHD. CMIC (Beijing) Pharmaceutical Services Co., Ltd. CMIC (Beijing) Co., Ltd. CMIC, Inc.
CMO Business	Services provided to pharmaceutical companies related to: <ul style="list-style-type: none"> • manufacturing ethical, investigational and over-the-counter drugs 	CMIC CMO Co., Ltd. CMIC CMO ASHIKAGA Co., Ltd. CMIC CMO Korea Co., Ltd. CMIC CMO USA Corporation CMIC JSR Biologics Co., Ltd. *
CSO Business	Services provided to pharmaceutical companies related to support for drug sales, marketing (e.g., Contract MR, MR Training)and BPO and staffing service businesses specializing in pharmaceuticals and healthcare.	CMIC Ashfield Co., Ltd. CMIC-BS Co., Ltd. MDS-CMG Co., Ltd.*
Healthcare Business	Services for medical institutes, patients and general consumers (e.g., SMO, Healthcare Information services)	CMIC HOLDINGS Co., Ltd. Site Support Institute Co., Ltd. Healthclick Co., Ltd. CMIC VIETNAM COMPANY LIMITED
IPD Business	Utilization of intellectual properties i.e. development and marketing of biomarkers and orphan drugs.	CMIC HOLDINGS Co., Ltd. OrphanPacific, Inc.

(Note) • Companies indicated in blue are overseas companies. • Company with * is an affiliated company.

- CMIC MPSS Co., Ltd. change in business name to CMIC Ashfield Co., Ltd. as of October 1, 2014.

- The Institute of Applied Medicine, Inc. was transferred from the CMO Business to CRO Business in line with the organizational change of October 1, 2014.

- Acquired 100% ownership of JCL Bioassay and CMIC, Inc. (JCL BIOASSAY USA, Inc.) as of March 1, 2015.

Financial Summary

Sales	¥55,904million,	5.8% increase year on year
Operating Profit	¥1,411million,	49.0% decrease year on year
Net Loss	¥542million,	

Project Phoenix ~improvement in business performance~

• CRO Expand our development services in global projects and strengthen our nonclinical services

- December. 2014 Established a new CDISC (Clinical Data Interchange Standards Consortium) Promotion department
- March. 2015 Acquired 100% ownership of JCL Bioassay to strengthen our analytical chemistry services
- May. 2015 Established a dedicated team to promote the consulting service in the field of regenerative medicine

• CMO Promote structural reforms and strengthen capabilities to increase new orders

- October. 2014 Signed LOI with UDG Healthcare plc to expand packaging outsourcing business in Japan and Europe
- March. 2015 Acquired KBI Biopharma Inc. with JSR Corporation and INCJ to promote technology introduction in biopharmaceuticals

• CSO Strengthen contract MR business and expands service model

- October. 2014 Start of CMIC Ashfield (JV with UDG Healthcare plc)

• Healthcare Focus on swift recovery to obtain new orders and cost-cutting

- December. 2014 Re-allowed from clients all new orders

• IPD Accelerate to move into the black

- November. 2014 Co-promotion and with Toray Medical to increase in scale of revenue
- January. 2015 Signed a transfer contract of manufacturing and marketing approval of 3 drugs with Astellas Pharma Inc. (Started selling 「Somazon® 10mg for Injection」 on April 1, 2015,)

• Others

- October. 2014 FY2015 Introduced consolidated taxation system
- November. 2014 Acquire treasury stock
- 2014-2015 Sale of shares of CMIC MPSS, etc.
- 2015 Based on the reduction of corporate tax rates following the Japan tax reform in the 2015 and the deficit of consolidated subsidiaries, the CMIC Group posted a reversal of deferred tax assets of 829 million yen and adjusted total income taxes to 1,797 million yen

Consolidated Statement of Income (Summary)

(Millions of yen)

	FY2015		FY2014		
	Results	%	Results	%	YoY
Sales	55,904	100.0	52,836	100.0	3,068
Operating Income	1,411	2.5	2,766	5.2	(1,354)
Ordinary Income	970	1.7	2,645	5.0	(1,674)
Net Income	(542)	—	1,174	2.2	(1,716)
Earnings per Share (yen)	29.57		65.26		

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Sales & Operating Income by Business Segment

		2015/9	2014/9	YoY Change	
		Amount Millions of yen	Amount Millions of yen	Amount Millions of yen	%
CRO Business	Sales	27,471	25,043	2,428	9.7
	Operating Income	5,092	4,830	261	5.4
CMO Business	Sales	13,810	13,613	197	1.4
	Operating Income	(325)	379	(704)	–
CSO Business	Sales	8,875	7,162	1,712	23.9
	Operating Income	716	645	71	11.0
Healthcare Business	Sales	5,640	7,433	(1,792)	(24.1)
	Operating Income	(1,188)	(521)	(667)	–
IPD Business	Sales	762	498	263	52.9
	Operating Income	(356)	(546)	190	–
Less inter- segment sales	Sales	(656)	(915)	259	–
	Operating Income	(2,526)	(2,020)	(506)	–
Consolidated	Sales	55,904	52,836	3,068	5.8
	Operating Income	1,411	2,766	(1,354)	(49.0)

Orders Received, Backlog

(Millions of yen)

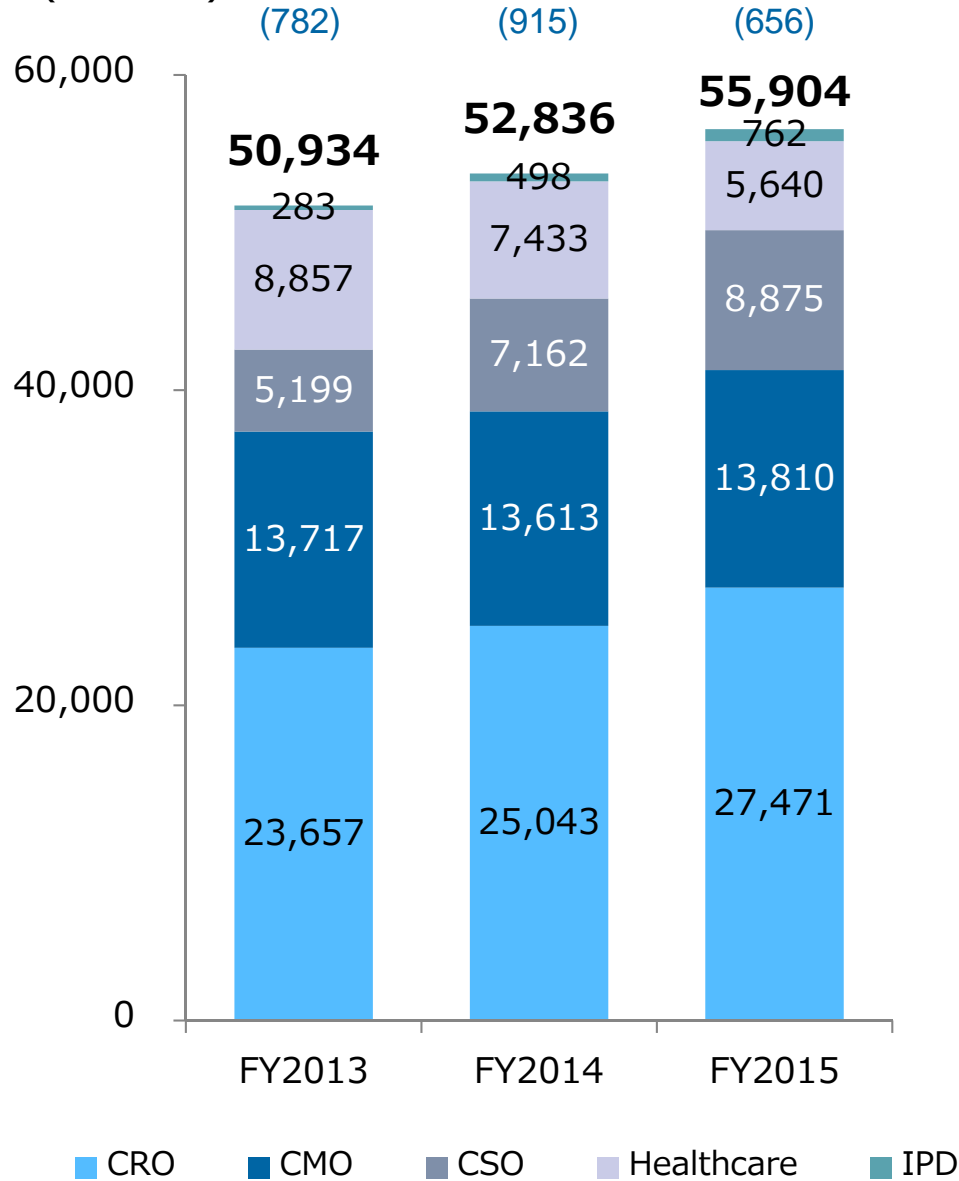
	FY2015				FY2014	
	Orders Received	YoY (%)	Backlog	YoY (%)	Orders Received	Backlog
CRO Business	31,587	15.2	42,430	11.0	27,429	38,221
CMO Business	13,350	(16.3)	3,240	(11.5)	15,940	3,662
CSO Business	10,174	16.6	7,247	31.8	8,725	5,498
Healthcare Business	6,229	85.4	8,908	7.5	3,360	8,284
IPD Business	905	46.5	327	126.0	618	144
Total	62,247	11.0	62,153	11.4	56,074	55,810

- Backlog amount for CMO business includes only confirmed orders. Although annual order plans are shared by our clients, they are not yet confirmed orders, therefore, they are not included in the backlog.
 - The reporting segment change of the Institute of Applied Medicine, Inc. has been reflected in the document.
- 6 • Orders received for the CRO business includes a backlog (1,959mill) of JCL Bioassay Corporation and CMIC, Inc.

Group Total

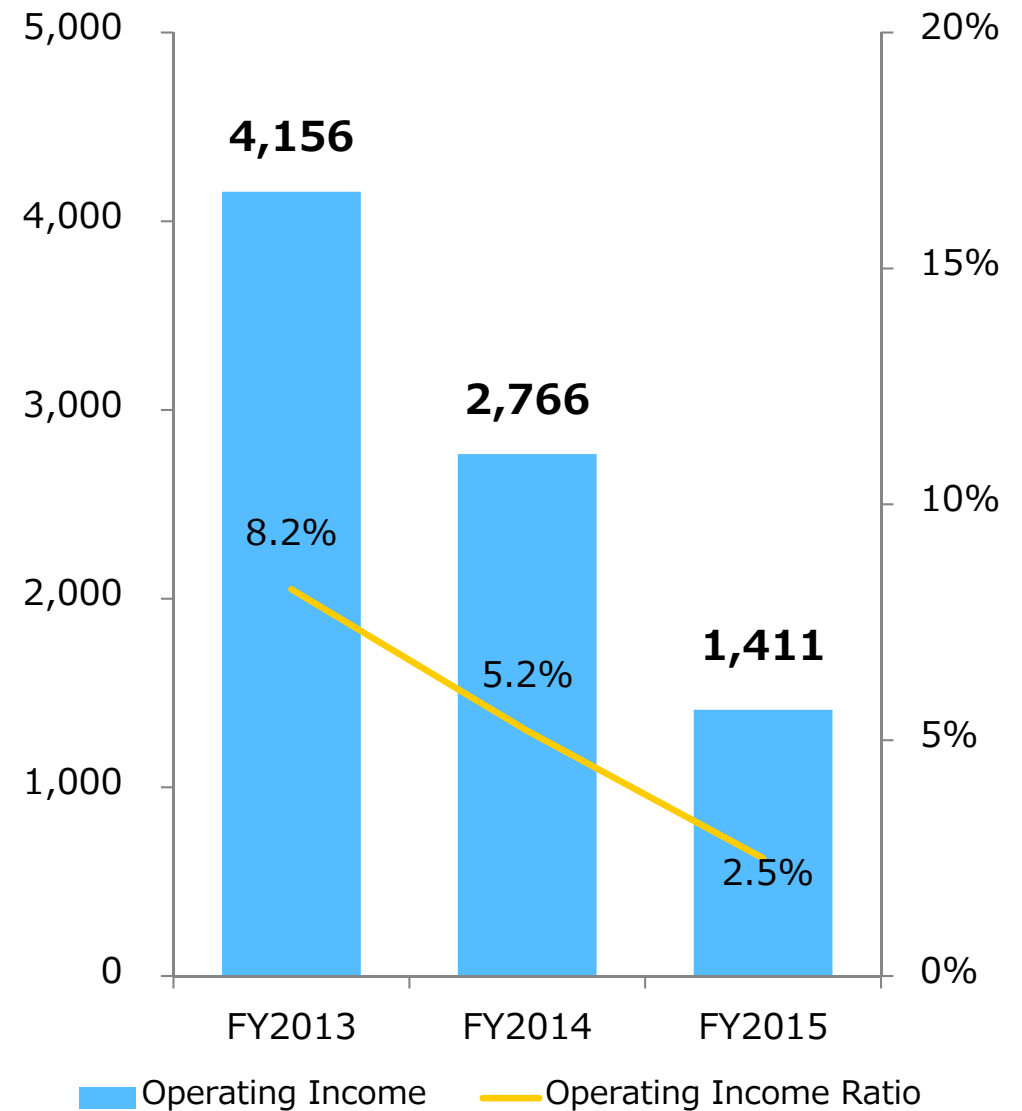
[Sales]

(Mill JPY) *Less Inter-Segment Sales

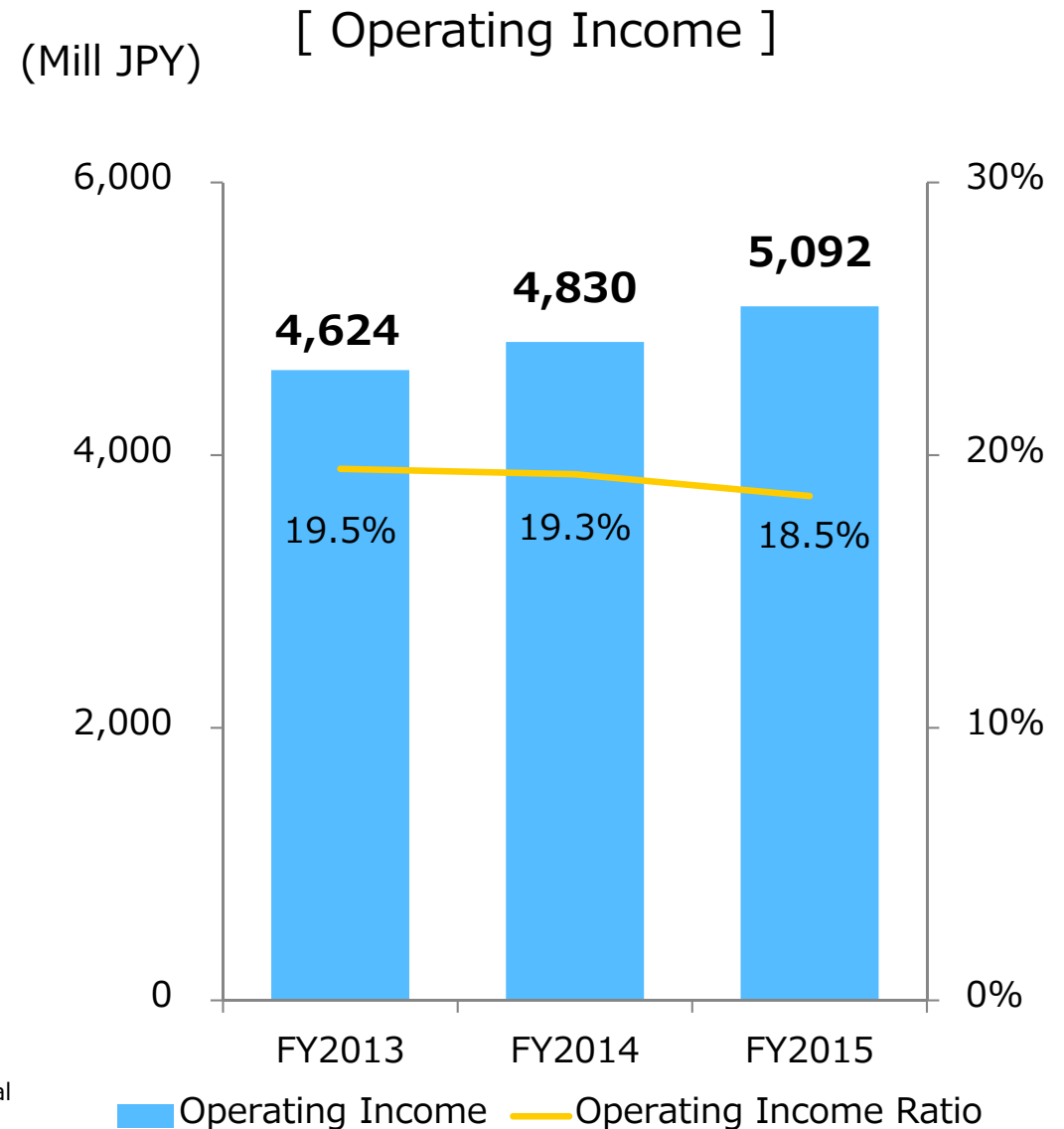
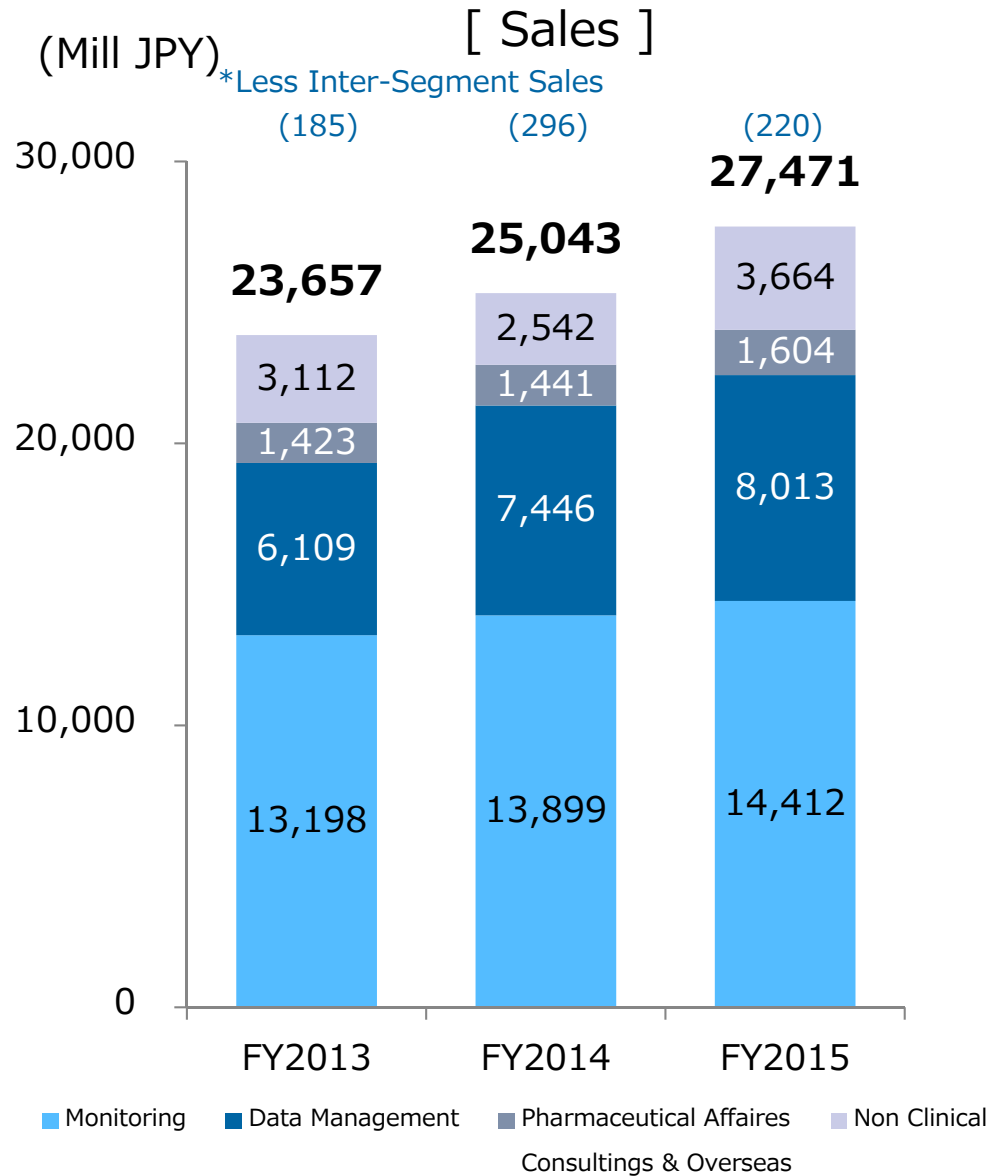


[Operating Income]

(Mill JPY)



CRO (Contract Research Organization)



-Continued to expand our development services in global projects and to strengthen our nonclinical services.
 -Increased new orders and progress on existing projects in monitoring and pharmacovigilance services and the integration of JCL Bioassay leading to a growth in sales on a year-on-year basis. Because of an occurrence of the one off expense for reconstruction of the bio-analysis service in the U.S. and the effect of cost competition in such as non-clinical services, operation income declined on a year-on-year basis.

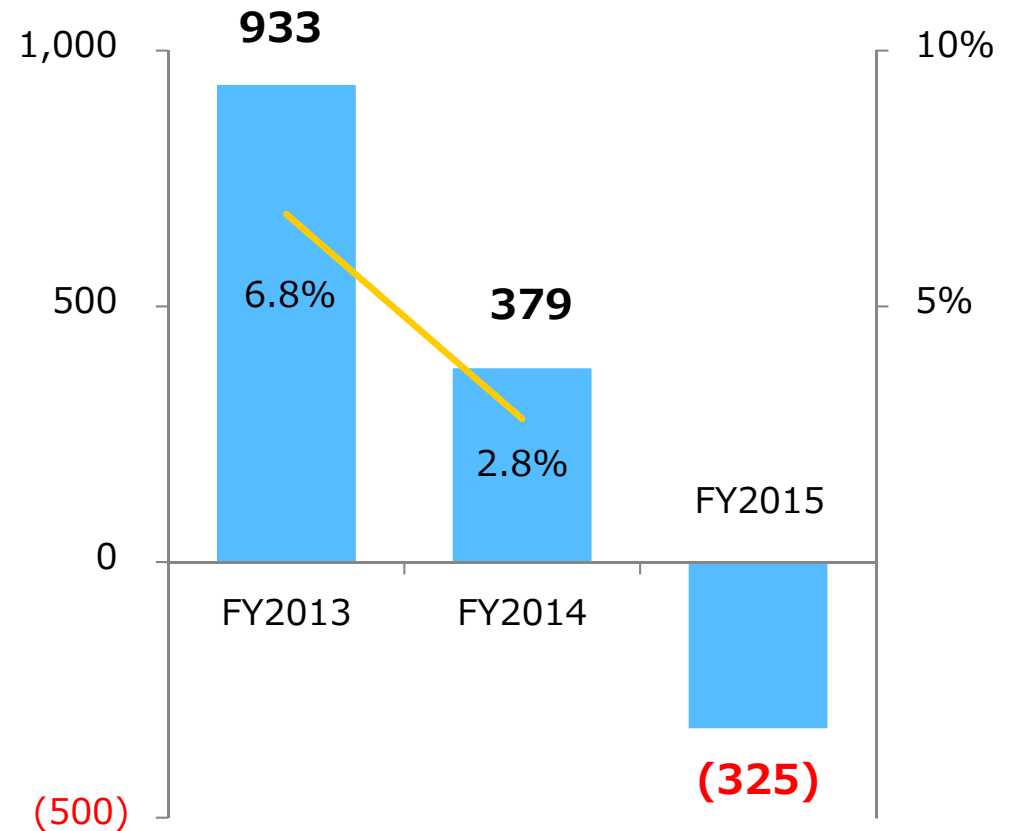
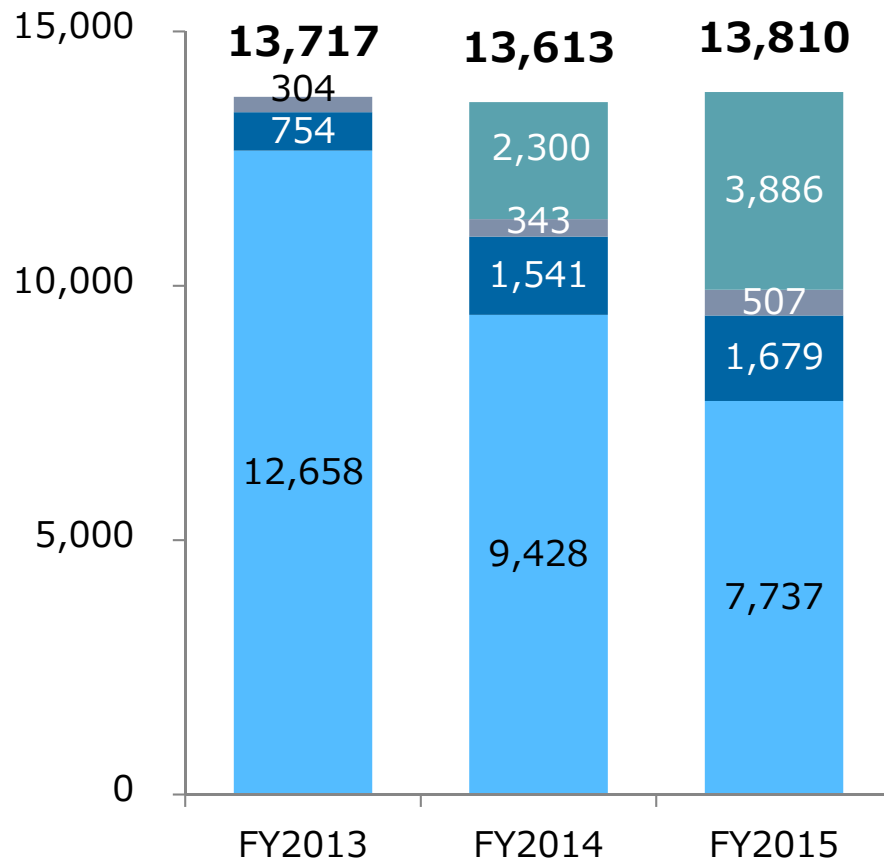
CMO (Contract Manufacturing Organization)

[Sales]

[Operating Income]

(Mill JPY)

(Mill JPY)



■ CMO (Shizuoka/Toyama) ■ CCU (USA)
 ■ CCK (Korea) ■ CMO (Ashikaga)

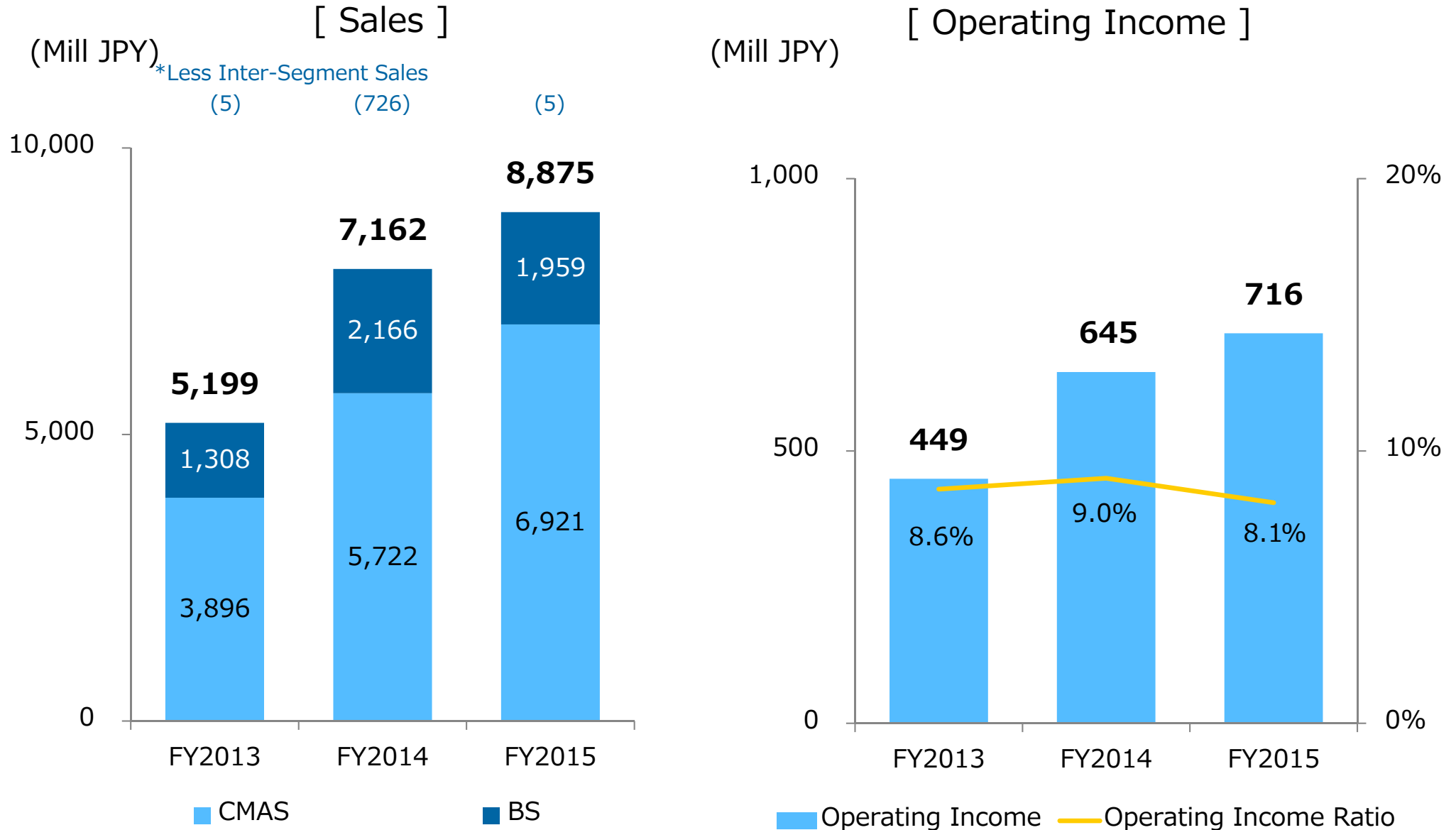
■ Operating Income — Operating Income Ratio

-Promoted structural reforms and strengthened our manufacturing and operational capabilities to increase new orders.

-Sales rose with the integration of CMO Ashikaga on a year-on-year basis.

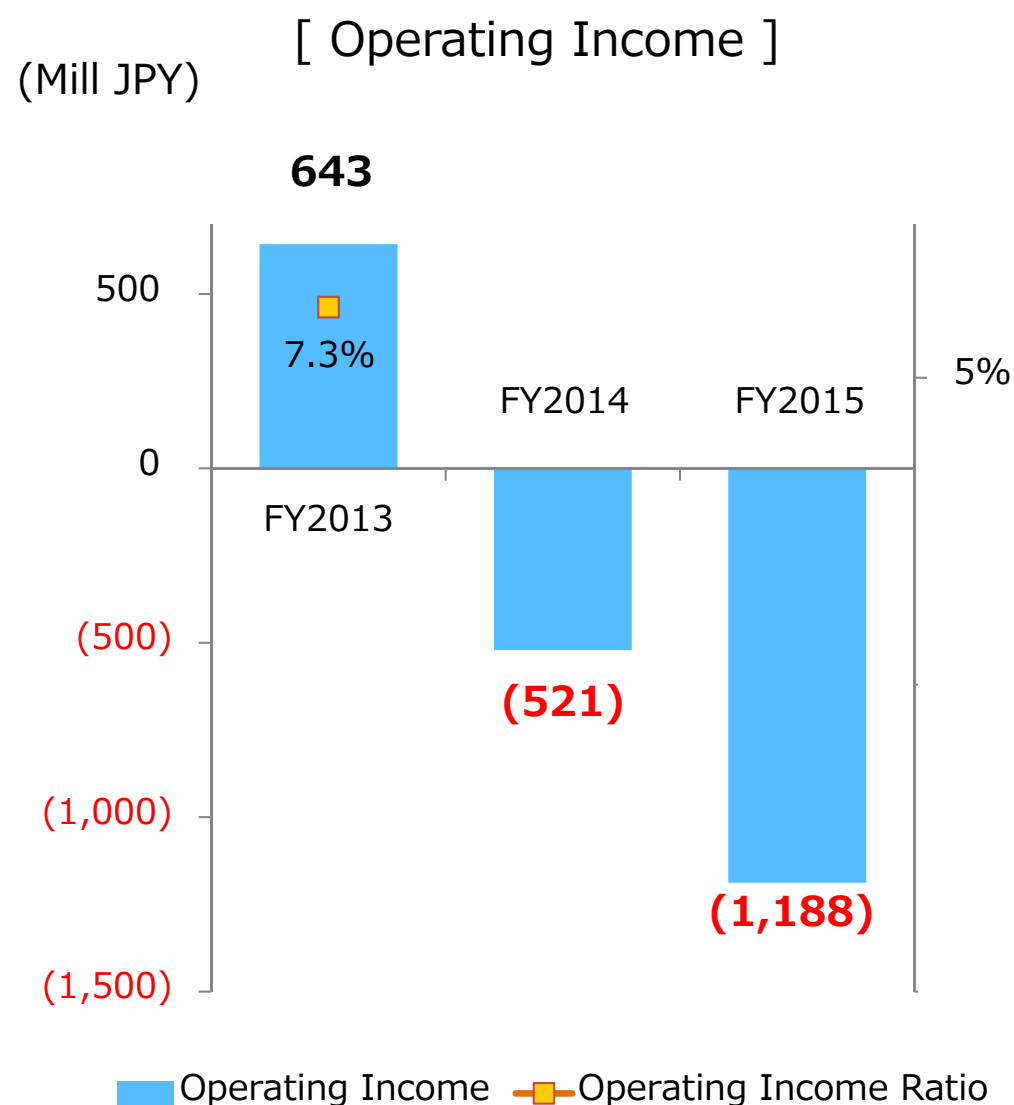
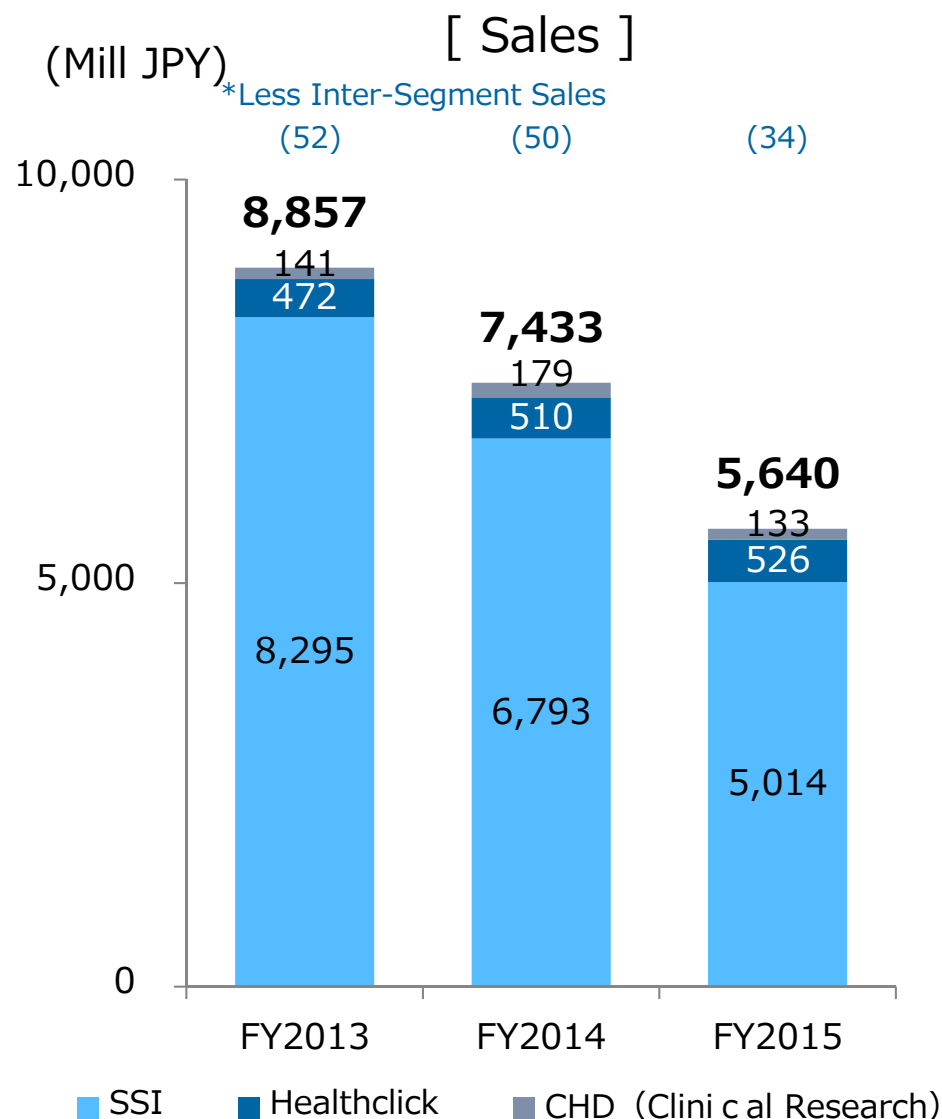
However, an operating loss was recorded due to a decreased in production due to the termination of production in existing orders at the Shizuoka Plant.

CSO Business (Contract Sales Organization)



-CMIC Ashfield (JV with UDG Healthcare plc) started to strengthen the contract MR business and expand its service model.
 -Increase in MR dispatch and BPO services have led to significant an increase in both sales and operating income on a year-on-year basis.

Healthcare

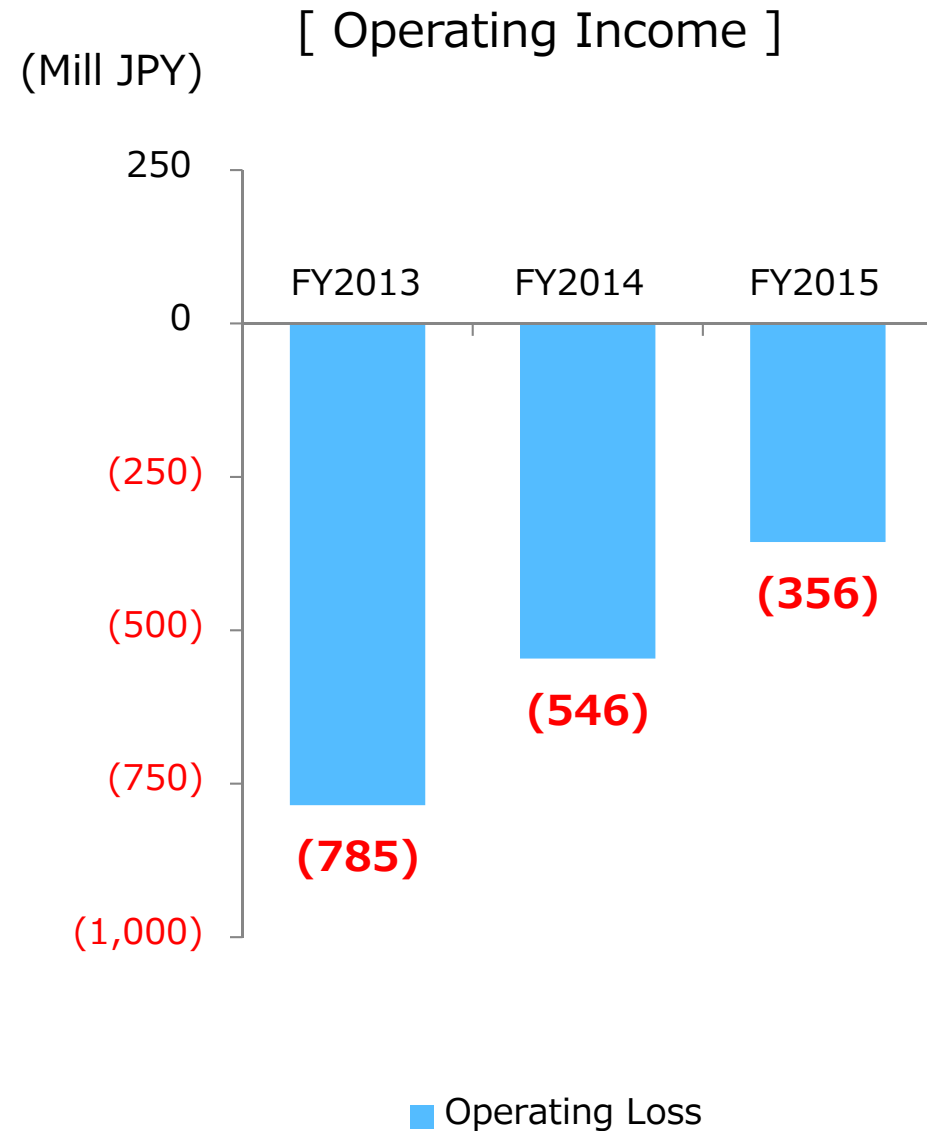
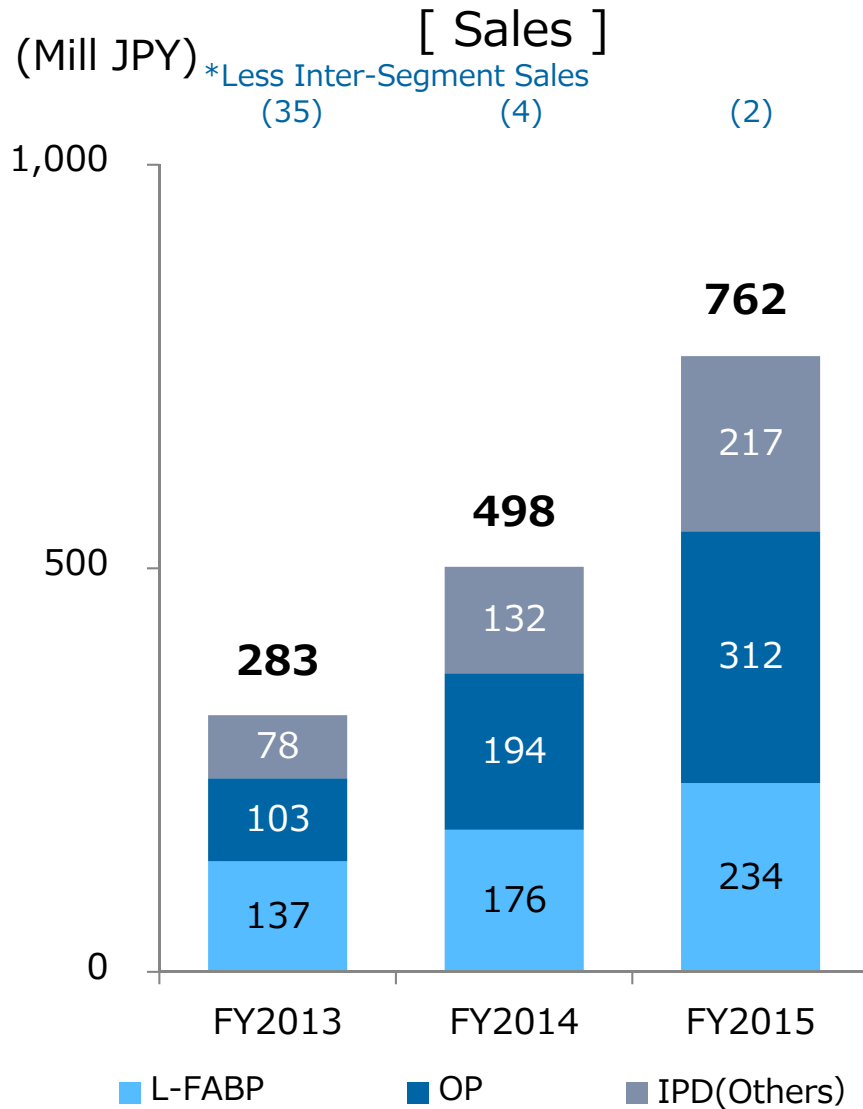


- Continuing to attract new orders and to strengthen networks with medical institutions, and orders received has increased steadily.

-Promoting management efficiency by effective project management, immediate cost reduction, and other system streamlining.

-Due to a decline in new orders in FY2014, sales have declined on a year-on-year basis and an operating loss was recorded due to the low operation rates of employees.

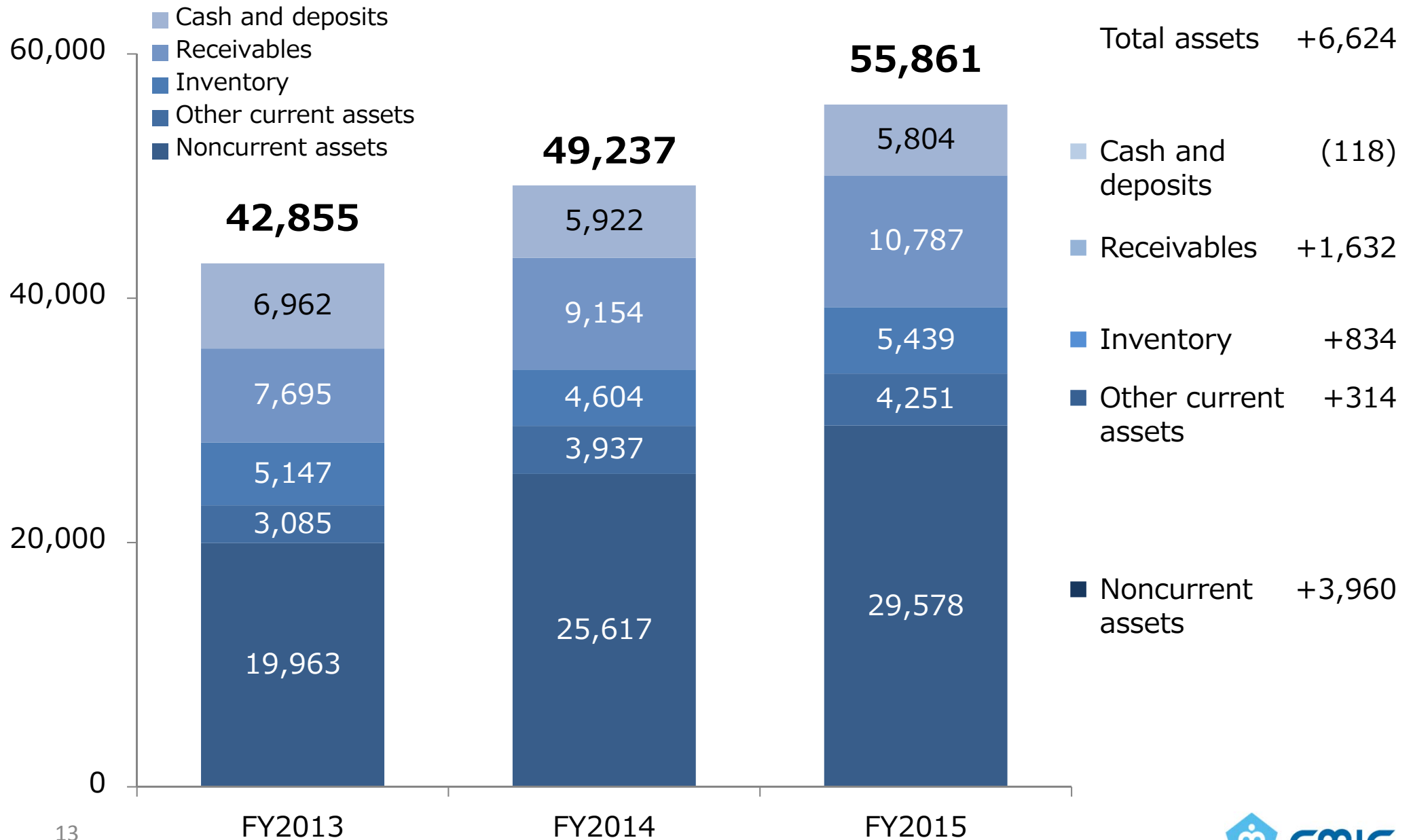
IPD(Intellectual Property Development)



- The in vitro diagnostic business unit is continuing its effort to expand the 'liver fatty acid-binding protein kit'.
- We signed a transfer contract of manufacturing and marketing approval of three drugs with a pharmaceutical company and have started to sell one product.
- We implemented business alliances for joint sales with a pharmaceutical company to increase sales.
- Working to decrease R&D and marketing and selling costs of orphan drug.

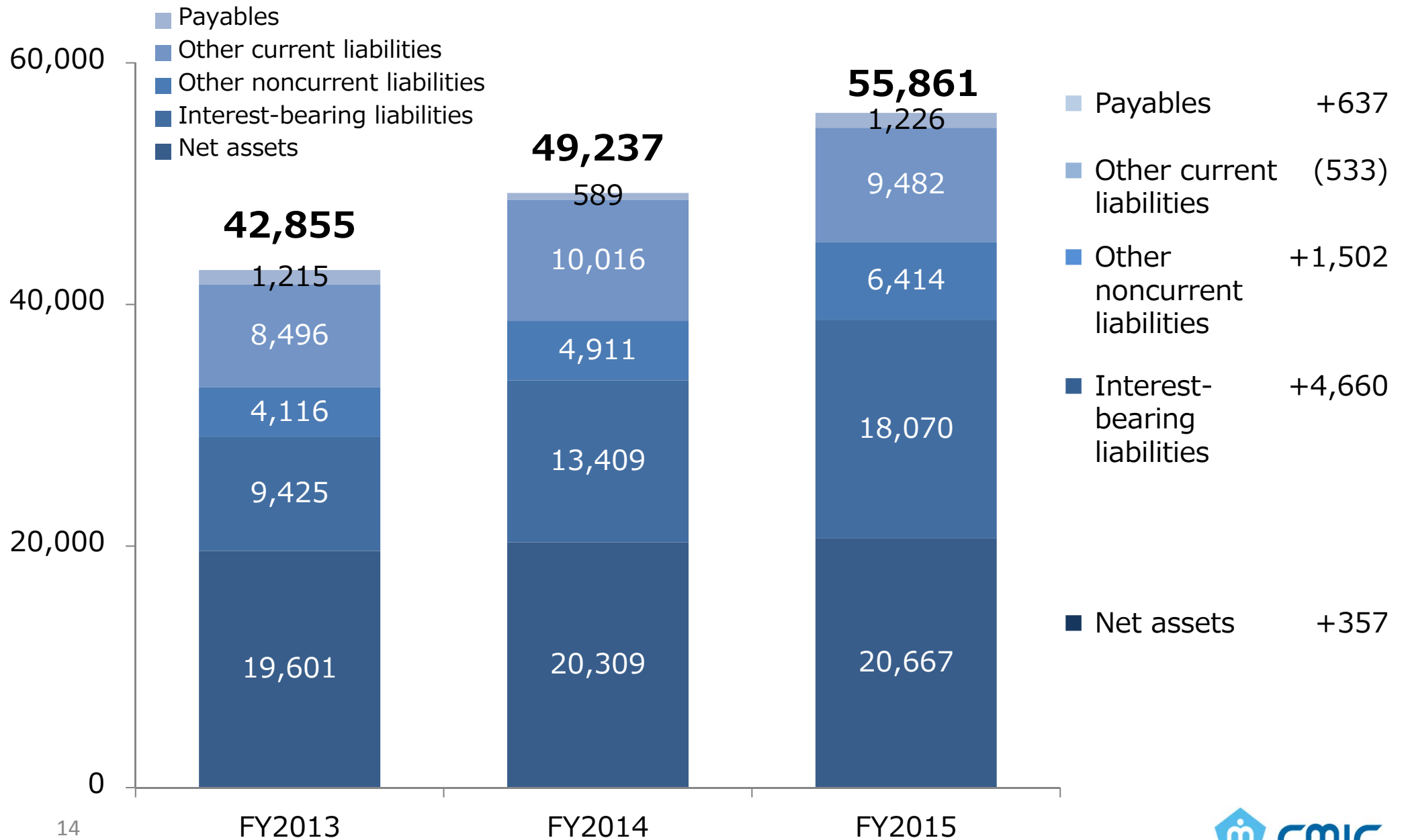
Consolidated Balance Sheet (Assets)

(Mill JPY)



Consolidated Balance Sheet (Liabilities, Net Assets)

(Mill JPY)



Cash Flows

(Millions of yen)

	FY2015	FY2014	Increase (decrease)
Cash flows from operating activities	889	2,677	(1,787)
Cash flows from investing activities	(3,461)	(6,910)	3,449
Net cash provided by financing activities	1,904	3,111	(1,206)
Effect of exchange rate change on cash and cash equivalents	21	64	(43)
Net increase(decrease) in cash and cash equivalents	(646)	(1,058)	411
Cash and cash equivalents at beginning of period	5,751	6,810	(1,058)
Increase in cash and cash equivalents from share exchange	533	—	533
Cash and cash equivalents at end of period	5,638	5,751	(113)

【Breakdown of CF】

(Cash flows from operating activities)

- Income from net income before income taxes and depreciation
- Proceeds from sales of shares of subsidiaries and associates
- Expenses such as increase of receivables and payment of corporate taxes.

(Cash flows from investing activities)

- Purchase of property, plant and equipment.
- Payments for lease deposits
- Purchase of stocks of subsidiaries and affiliates

(Net cash provided by financing activities)

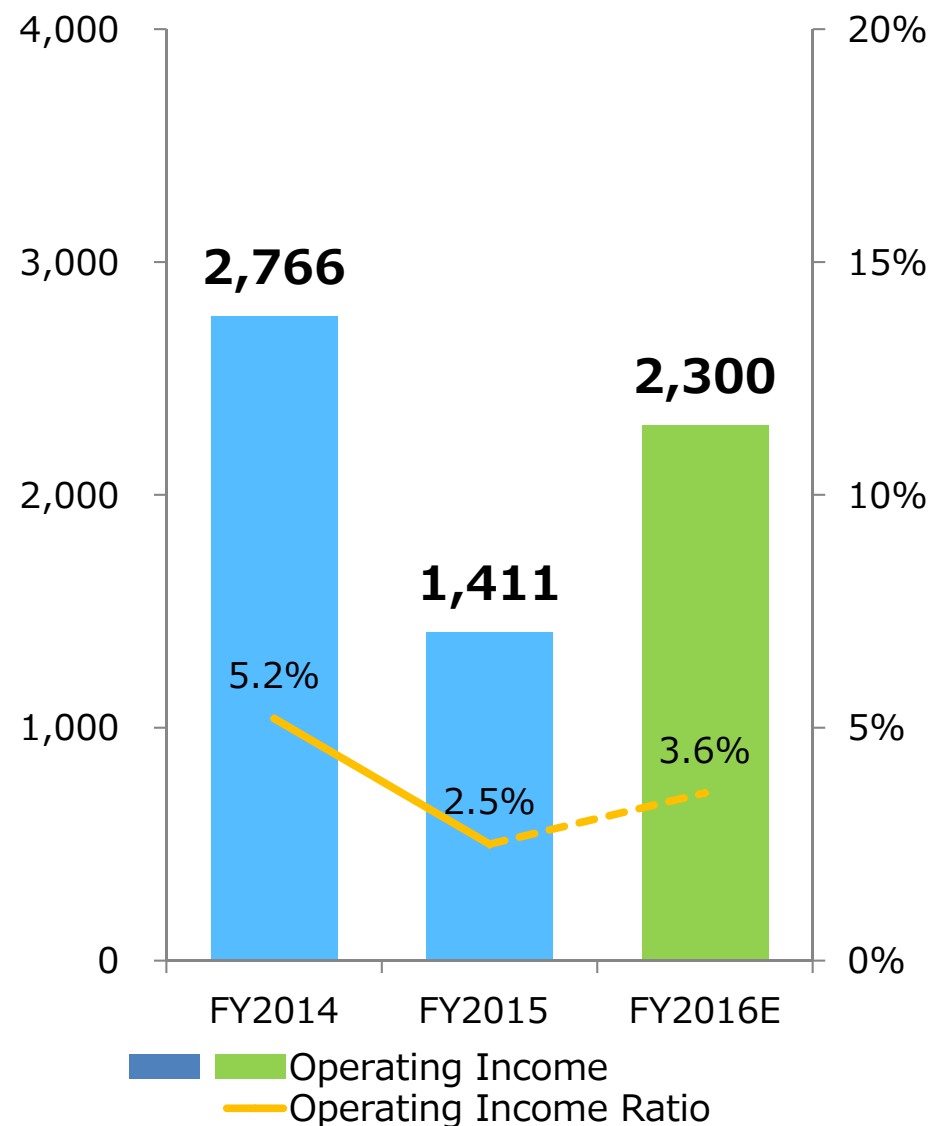
- Income from long-term loans and short-term loans
- Expenses related to repayments from long-term loans.
- Payment for dividends

Forecast for FY2016

Forecast for FY2016

(Millions of yen)

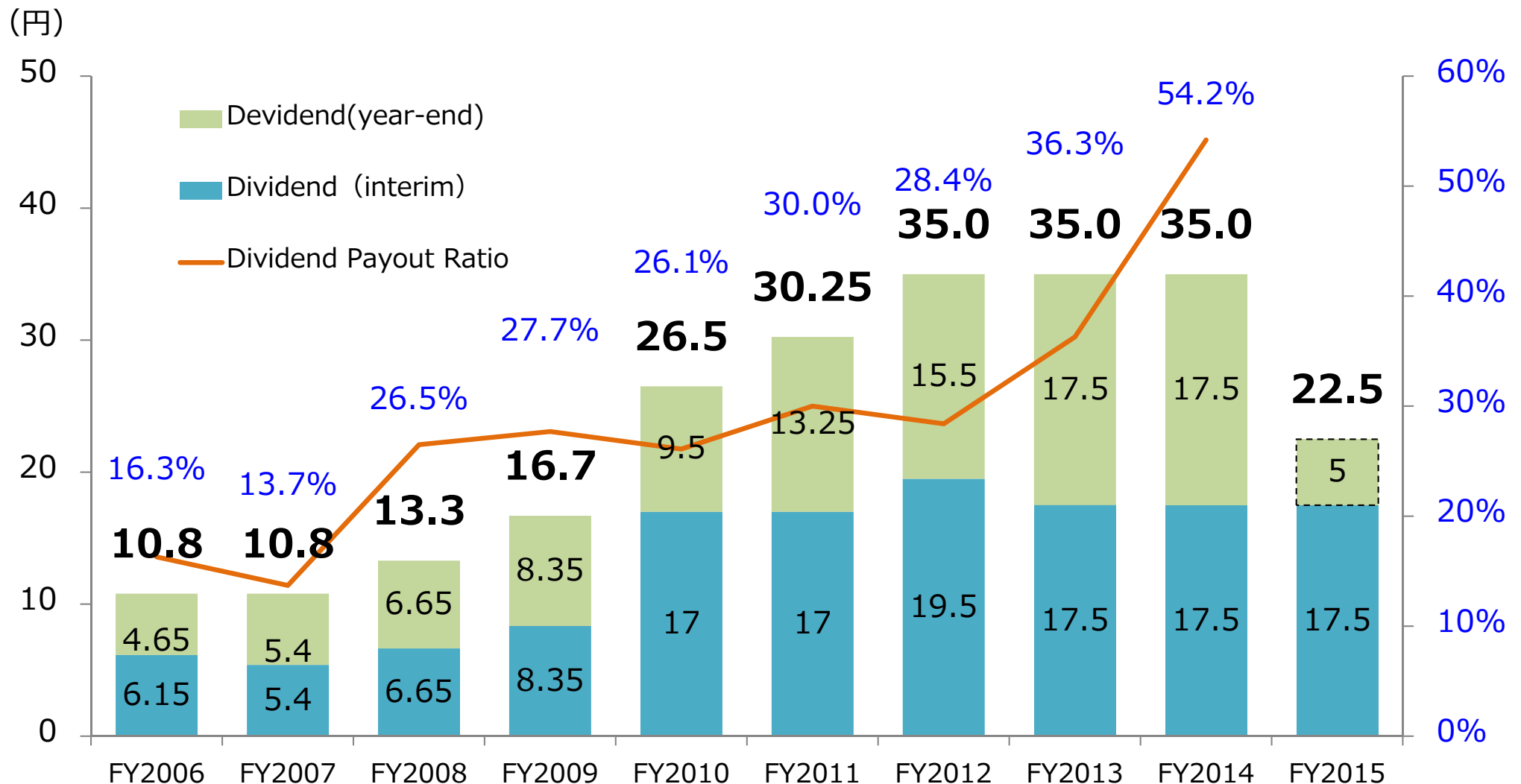
	FY2015 Results (Mill JPY)	FY2016 Forecast (Mill JPY)	YoY (%)
Sales	55,904	63,200	13.1
Operating Income	1,411	2,300	62.9
Ordinary Income	970	2,200	101.9
Net Income	(542)	900	—



Forecast for FY2016 (by Business Segment)

		FY2015 Results (Mill JPY)	FY2016 Forecast (Mill JPY)	YoY (%)
CRO Business	Sales	27,471	30,000	9.2
	Operating Income	5,092	4,900	(3.8)
CMO Business	Sales	13,810	14,900	7.9
	Operating Income	(325)	350	—
CSO Business	Sales	8,875	10,300	16.1
	Operating Income	716	750	4.6
Healthcare Business	Sales	5,640	6,300	11.7
	Operating Income	(1,188)	(200)	—
IPD Business	Sales	762	2,500	228.0
	Operating Income	(356)	(400)	—
Less inter- segment sales	Sales	(656)	(800)	—
	Operating Income	(2,526)	(3,100)	—
Consolidated	Sales	55,904	63,200	13.1
	Operating Income	1,411	2,300	62.9

Forecast for FY2016 (Dividend per Share)



※A 20-for-1 stock split of shares of common stock was executed on April 1, 2011.
 The above graph shows dividend information with retroactive adjustments reflecting the effects of this stock split on prior fiscal years.

Cautionary Statement:

This material includes forward-looking statements based on assumptions and beliefs in light of the information currently available to management and subject to significant risks and uncertainties. Actual financial results may differ materially from the content of this material depending on a number of factors. This material contains information on pharmaceuticals(including compounds under development) , but this information is not intended to make any representations or advertisements regarding the efficacy or effectiveness of their preparations, promote unapproved uses in any fashion nor provide medical advice of any kind.