



May 1, 2020

To the press and whom it may concern,

Company name: CMIC Holdings Co., Ltd.  
Representative: Kazuo Nakamura, Representative Director and CEO  
(TSE 1st Section Code No. 2309)

**Difference from the results of the same period of the previous fiscal year in the consolidated results for the second quarter,  
Notice of Revision of Full-Year Earnings Forecast and Dividend Forecast**

Tokyo, May 1, 2020 - CMIC HOLDINGS Co., Ltd. (the “Company”) today announced the differences in the results of the second quarter consolidated results from the same period of the previous year and the revisions to the forecasts of the full-year consolidated results for the fiscal year ended September 2020 announced on November 7, 2019 as follows.

Notes

1. Difference from the results of the same period of the previous fiscal year in the consolidated results for the second quarter of the fiscal year ending September 2020  
(October 1, 2019 to March 31, 2020)

	Net sales	Operating income		Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Results for the same period of the previous year (A)	36,633	2,879	2,661	1,536	82.72
Actual (B)	38,958	1,970	2,368	1,479	81.86
Increase (B-A)	2,324	△908	△302	△56	-
Rate of change (%)	6.3	△31.6	△11.0	△3.7	-

(Reasons for the difference)

Net sales increased year on year mainly due to growth in CDMO and CSO businesses despite of decline on CRO. Operating income fell below the results for the corresponding period of the previous fiscal year due to delays in obtaining orders and the cancellation or postponement of projects, resulting in a decline in the occupancy rate in the clinical operations of the CRO business, due to factors such as the decrease in the size and difficulty of pharmaceutical development projects. On the other hand, net income attributable to owners of the parent was on a par with the same period of the previous fiscal year due to the recording of equity in earnings of affiliates in non-operating income and the impact of a decline in the tax burden ratio.

## 2. Revision of FY2020 Full-year Forecast (October 1, 2019 to September 30, 2020)

	Net sales	Operating income	Ordinary income	To the parent company's shareholders Belong to Net income	Per share Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Original forecast (Announced November 7, 2019) (A)	81,500	4,900	4,600	2,300	127.26
New revised Forecast (B)	undetermined	undetermined	undetermined	undetermined	undetermined
Increase (B-A)	-	-	-	-	-
Rate of change (%)	-	-	-	-	-
(Reference) Results for the previous fiscal year (FY2019)	74,373	4,405	3,841	1,822	98.93

### (Reasons for amendment)

CMIC Group supports pharmaceutical companies and medical institutions through drug development, manufacturing, sales and marketing. The cooperation of medical institutions is essential for conducting clinical trials to confirm the efficacy and safety of drug candidate substances and for the collection of safety information in the post-marketing period.

Due to the global pandemic of COVID-19, while there is an urgent need to develop drugs to treat COVID-19, many pharmaceutical R&D projects have been postponed and cancelled with no prospect of restart timing at present, in order to prevent the healthcare system from being overwhelmed.

CMIC Group business performance is significantly affected by when COVID-19 pandemic will end, because our group has been significantly restricted in its business activities, including its self-limited visits to medical institutions.

Since it is quite difficult to predict the impact of COVID-19 on CMIC Group future business performance, our future outlook is undetermined. We will closely monitor the development of COVID-19, and the future outlook will be announced immediately after reasonable calculation becomes possible.

## 3. Revision of year-end dividend forecast for FY2020

	Annual dividends		
	End of second quarter	Term end	Total
	Yen	Yen	Yen
Original forecast (out November 7, 2019)	5.00	33.00	38.00
Revised forecast		undetermined	undetermined
Results for the current fiscal year	5.00		
Results for the previous fiscal year (Fiscal year ended September 2019)	5.00	27.00	32.00

### (Reasons for amendment)

We regard the return of profits to shareholders as one of our most important management policies. Our basic policy is to pay dividends in accordance with our business performance, while securing internal reserves to improve profitability and strengthen our business foundation. At the same time, we will maintain a consolidated dividend payout ratio of 30% and pay continuous and stable dividends. For the time being, the minimum annual dividend is set at ¥10.00 for stable dividends.

As for the fiscal year-end dividend forecast for the fiscal year ending September 2020, since we have



decided that the consolidated earnings forecast is "undetermined." , we will withdraw the dividend forecast announced on November 7, 2019 and make it "undetermined."