News Release

September 27, 2018
JCR Pharmaceuticals Co., Ltd.

Translation

Notice Regarding Revision of Consolidated Forecasts for the First Half of the Fiscal Year Ending March 31, 2019

In light of recent business performance trends, JCR Pharmaceuticals Co., Ltd. (TSE: 4552, Chairman and President: Shin Ashida, "JCR") announced today that it has revised its consolidated forecasts for the first half of the fiscal year ending March 31, 2019 (April 1 to September 30, 2018), which were announced on May 11, 2018. Details are as follows.

1. Revision of Consolidated Forecasts for the First Half of the Fiscal Year Ending March 31, 2019 (April 1, 2018 to September 30, 2018)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Net Income per Share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous Forecast (A)	9,400	820	870	650	21.13
Revised Forecast (B)	10,280	1,660	1,700	1,220	39.66
Difference (B-A)	880	840	830	570	
Change (%)	9.4	102.4	95.4	87.7	
Reference: Financial results for the first half of the fiscal year ended March 31, 2018	10,187	2,447	2,469	1,881	59,85

2. Reasons for Revision

During the first half of the fiscal year ending March 31, 2019, sales of mainstay products such as GROWJECT®, a recombinant human growth hormone, are expected to surpass the initial forecast, and revenue from licensing, which was initially expected to be recorded in the second half, is now expected to be recorded in the first half. Based on these factors, net sales are now projected to exceed the initial forecast. Looking at profits, operating income, ordinary income, and profit attributable to owners of parent are all expected to be higher than initially forecast. This is mainly based on the fact that selling, general and administrative expenses, including R&D expenses, are trending lower than initially forecast as a result of efficient management, as well as a positive contribution to profits from revenue from licensing.

If revisions to the consolidated forecasts for the fiscal year ending March 31, 2019 become necessary based on future business performance trends, JCR will promptly disclose those revisions.

Note: The forecasts of financial results shown above are projections determined based on information available to management as of the date of the announcement of this news release. Actual financial results may differ significantly from these forecasts due to various reasons.

[About JCR Pharmaceuticals]

JCR is a specialty pharma engaged in the research, development, manufacture and marketing of biopharmaceuticals and regenerative medicine with a focus on rare diseases. Its philosophy, "Contributing towards people's healthcare through pharmaceutical products" drives JCR to create innovative pharmaceutical products as value-added treatment options for the under-served patient community.

[Cautionary Statement Regarding Forward-Looking Statements]

This document contains forward-looking statements that are subject to known and unknown risks and uncertainties, many of which are outside our control. Forward-looking statements often contain words such as "believe," "estimate," "anticipate," "intend," "plan," "will," "would," "target" and similar references to future periods. All forward-looking statements regarding our plans, outlook, strategy and future business, financial performance and financial condition are based on judgments derived from the information available to us at this time. Factors or events that could cause our actual results to be materially different from those expressed in our forward-looking statements include, but not limited to, a deterioration of economic conditions, a change in the legal or governmental system, a delay in launching a new product, impact on competitors' pricing and product strategies, a decline in marketing capabilities relating to our products, manufacturing difficulties or delays, an infringement of our intellectual property rights , an adverse court decision in a significant lawsuit and regulatory actions.

This document involves information on pharmaceutical products (including those under development). However, it is not intended for advertising or providing medical advice. Furthermore, it is intended to provide information on our company and businesses and not to solicit investment in securities we issue.

Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the factors that could cause actual results to differ materially, even if new information becomes available in the future.

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