新日本製薬

Beyond innovation, for a beautiful smile!

Supplementary Briefing Material on Financial Results for the First Quarter of the Fiscal Year Ending September 2023

February 7, 2023

Shinnihonseiyaku Co., Ltd.
Securities Code: 4931
Tokyo Stock Exchange Prime Market

© Shinnihonseiyaku Co., Ltd.

Summary of Financial Results for the First Quarter of the Fiscal Year Ending September 2023

Net sales

Net sales 9,255 million yen (down 0.2% year-on-year)

- In cosmetics, **although PERFECT ONE was weak, spending per customer rose. PERFECT ONE FOCUS significantly grew.**
- Healthcare posted a year-on-year net sales increase with **sales of *W no Kenko Aojiru* expanding.**
- Wholesale increased net sales year-on-year due to **the expansion of drugstores handling FOCUS**.
- Overseas **started as assumed** by focusing on preparing for implementing a new strategy in China.

Expenses/ Profit

Operating profit 839 million yen (up 1.6% year-on-year)

***Highest profit for any first quarter since listing on a stock exchange.**

- **Conducted aggressive marketing investments** centered on **nurturing brands.**
- On the other hand, **profit** surpassed the plan and **ended in increase** as a result of pushing forward with the reform of the company-wide cost structure including **fulfillment (FF) costs and call center costs.**

1Q Business Highlights

- For PERFECT ONE, with a focus on the 3-step strategy, we advanced **measures for increasing spending per customer and enhancing LTV**.
- In FOCUS, carrying out social media measures continuously, we are developing Balm into a **strategic long-term hit product**.
- Fun and Health sped up its growth as **progress was made in creating a subscriber base.**
- Overseas, **a cross-border EC flagship store was opened** toward a re-start in developing China's market.

*Comparison is made with the results a year earlier that were revised after the finalization of provisional accounting treatment concerning the business combination with Flatcraft, Inc.

INDEX

1. Summary of First Quarter Financial Results

2. First Quarter Business Highlights

3. Plan for the Fiscal Year Ending September 2023

4. Initiatives for Sustainability

APPENDIX

1. Summary of First Quarter Financial Results

Summary of First Quarter Financial Results

Cosmetics made a weak start primarily because **sales declined in PERFECT ONE overseas and seasonal merchandise** despite **the expansion of FOCUS**.

Healthcare **continued to see double-digit growth** from the previous period due to a contribution made by **the growth of *W no Kenko Aojiru***.

All levels of profits **exceeded their plan and ended in an increase. The operating profit margin rose by 0.2 pt.**

(Unit: Million yen)

Items		First three months of FY ended Sept. 2022	First three months of FY ending Sept. 2023	Year-on-year comparison	
				Changes	Changes (%)
Net sales		9,273	9,255	-18	-0.2%
	Cosmetics	8,445	8,344	-100	-1.2%
	Healthcare	827	910	+82	+10.0%
Operating profit		826	839	+13	+1.6%
	Operating profit margin	8.9%	9.1%	+0.2pt	—
Ordinary profit		832	840	+8	+1.0%
Profit (attributable to owners of parent)		548	561	+12	+2.4%

Summary of First Quarter Financial Results - Supplemental Data

In mail order, a sales increase was driven by **sales of FOCUS in EC malls** and the **significant growth of Fun and Health**.

Overseas **saw expected progress** although the sales decreased as a result of **focusing on preparations for implementing a new strategy in China.**

In marketing investment, investments were made aggressively for the purpose of **achieving brand growth and the creation of a customer base.**

(Unit: Million yen)

Items	First three months of FY ended Sept. 2022	First three months of FY ending Sept. 2023	Year-on-year comparison	
			Changes	Changes (%)
<Sales by channel>				
Mail order	8,447	8,506	+59	+0.7%
Direct store/Wholesale	585	617	+31	+5.3%
Overseas	240	131	-108	-45.3%
<Overseas and domestic EC sales>				
Overseas and domestic EC sales	1,244	1,403	+158	+12.7%
<Marketing investment>				
Advertising expenses	2,617	2,679	+62	+2.4%
Sales promotion expenses	1,224	1,249	+25	+2.1%
<Operating expenses>				
FF cost*	1,081	1,058	-23	-2.2%
Call center costs	639	622	-16	-2.6%

*FF cost = Order fulfillment cost

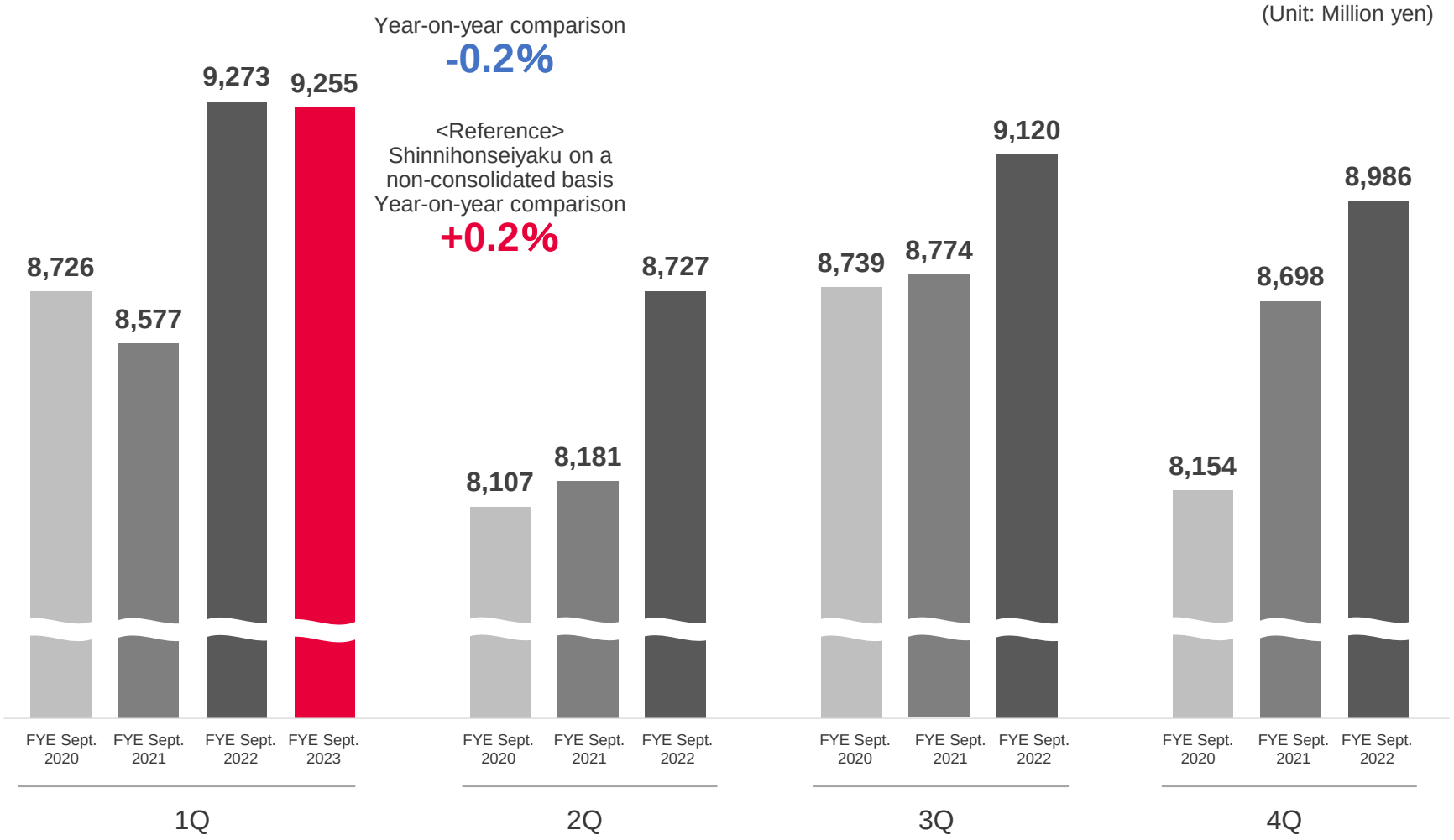
[Reference] Trends in Quarterly Net Sales

Results of the fiscal year ended September 2021 are based on the new revenue recognition standards.

With nurturing brands FOCUS and Fun and Health expanding,
Shinnihonseiyaku increased net sales by 0.2% on a non-consolidated basis.

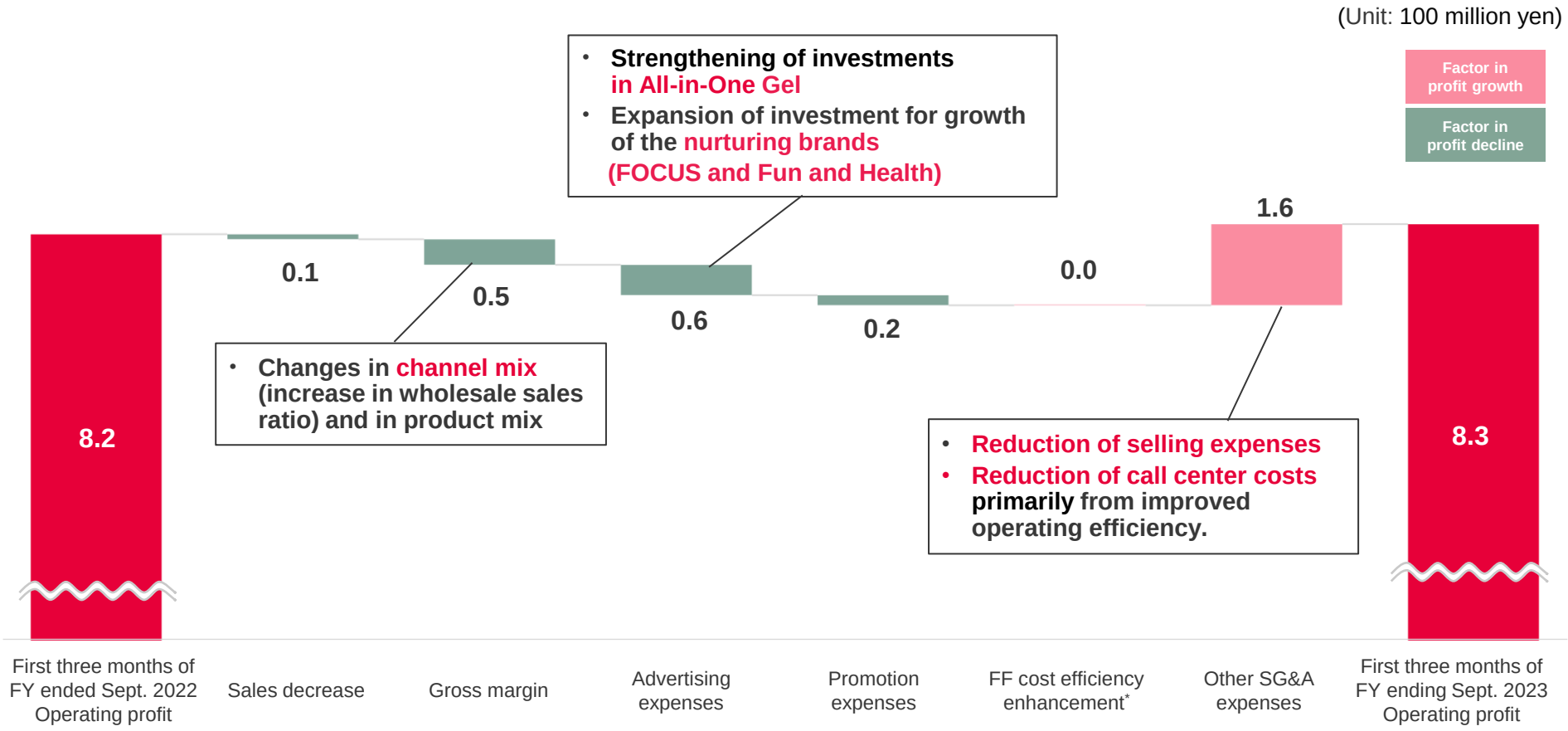
Net sales fell 0.2% on a consolidated basis as Flatcraft struggled to grow.

(Unit: Million yen)



Summary of First Quarter Financial Results - Operating Profit Change Factor Analysis

A reduction in selling expenses and improvement in call center costs **contributed to the profit increase although advertising expenses and promotion costs were increased by aggressive marketing investment** for the purpose of **achieving brand growth and the creation of a subscriber base**.



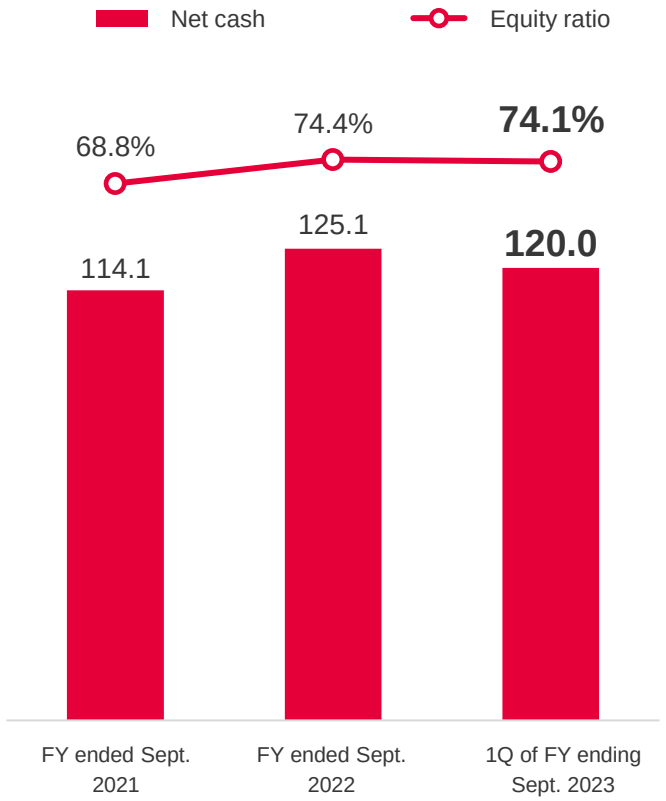
* Of FF cost, the efficiency improvement effect in shipping and delivery costs and agency fees (payment commissions)

Status of Balance Sheet

(Unit: Million yen)

Items		End of FY ended Sept. 2021	End of FY ended Sept. 2022	1Q-end of FY ending Sept. 2023	Changes from previous fiscal year-end
Current assets		18,528	19,265	19,316	+51
	Cash and deposits	13,652	14,351	13,749	-602
	Accounts receivable-trade	3,196	2,862	3,050	+188
	Inventories	1,404	1,735	2,176	+440
Non-current assets		4,711	4,592	4,487	-104
Total assets		23,240	23,857	23,804	-53
Liabilities		7,059	5,938	6,024	+86
	Trade payables	527	553	781	+228
	Interest-bearing debt	2,238	1,839	1,744	-95
Net assets		16,180	17,918	17,779	-139
	Treasury shares	-852	-735	-676	+59
Total liabilities and net assets		23,240	23,857	23,804	-53

(Unit: 100 million yen)



2. First Quarter Business Highlights

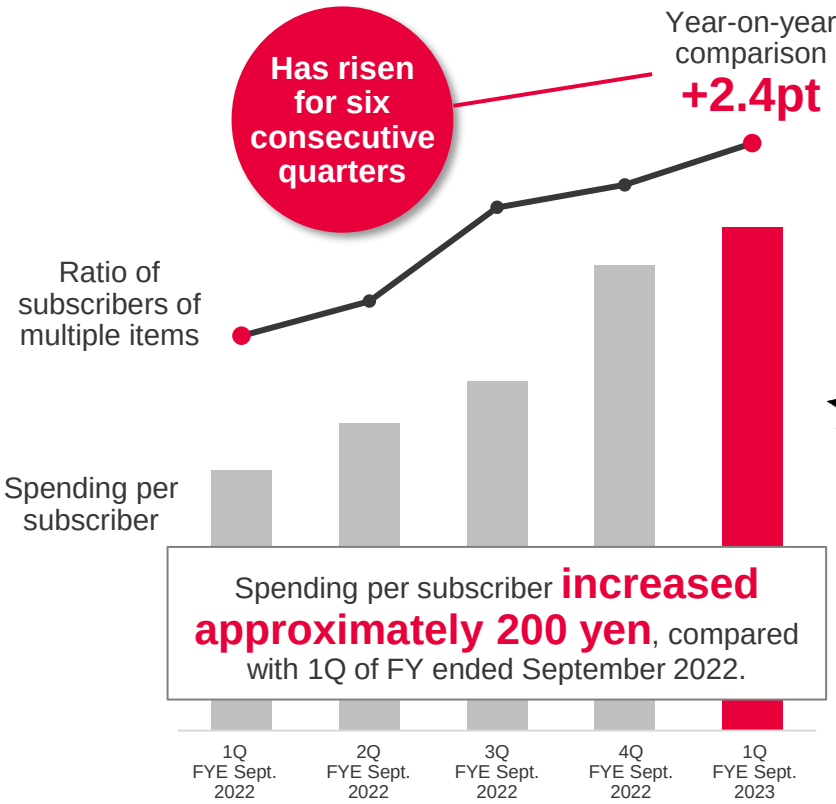
PERFECT ONE
Implemented Investment that Focused on “LTV”. Ratio of Regular Purchases of Multiple Items*1 and Spending per Subscriber*2 Increased due to 3-Step Proposal

Advertising investment strategy focusing on the “number of items” proved successful in the previous fiscal year.
Pursue ROI with the advertising investment strategy focusing on “LTV” in the fiscal year under review.

The ratio of subscribers of multiple items*1 and spending per subscriber*2 rose,
pivoting on **the 3-step proposal of “Remove, Moisturize and Attract.”**

Going forward, **we will double down on creating a subscriber base** and **aim to raise LTV** by up-selling and cross-selling.

Trends in the ratio of subscribers of multiple items*1 and spending per subscriber*2







Concepts of TV commercials







Glow & Cover Cushion Foundation was **rated A by “LDK Ageless,”**
a beauty guidebook for people turning 60

*1: Mail order excluding EC. Number of subscribers of multiple items divided by number of subscribers *2: Mail order excluding EC

Direct Store/Wholesale
Stepped up Measures as Customer Traffic Recovered

Concepts of storefront displays



Stores sales of PERFECT ONE made **a similar start to the previous year.**

Aim to increase sales per store handling our merchandise by **strengthening the 3-STEP proposal,** linked to mail order

Overseas
For China, Focused on Preparations for Implementing New Strategy

China

Tmall Global Flagship Store Opened (Jan. 12)





Cultivate sales channels in the run-up to International Women's Day and 618 sales

Strive to raise brand recognition by utilizing key opinion leaders (KOL) and social media.

Taiwan

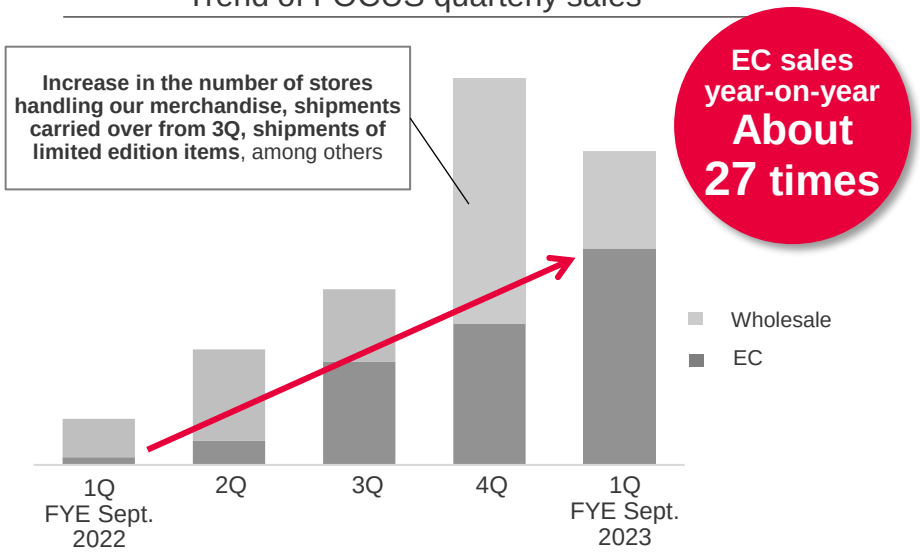
Watsons Started delivering goods to about 550 stores (From December 2022)



Started expansion to major drugstore **"Watsons"**

PERFECT ONE FOCUS
Enhanced Product Awareness through Attracting Attention at Sales in Major EC Malls and Continuing Social Media Measures

Trend of FOCUS quarterly sales



EC

Became a buzzword at sales in major EC malls

Limited edition items destined for EC sales sold out a month after the full-scale start of sales





Buzz × Continued social media measures = Strategic long-term hit products

Create strategic long-term hit products by **promoting topical products through continued social media measures** including the enlistment of big-name influencers.

Wholesale

Record-high results in pop-up events

Osaka event achieved sales about three times those of the previous one*



At the pop-up event

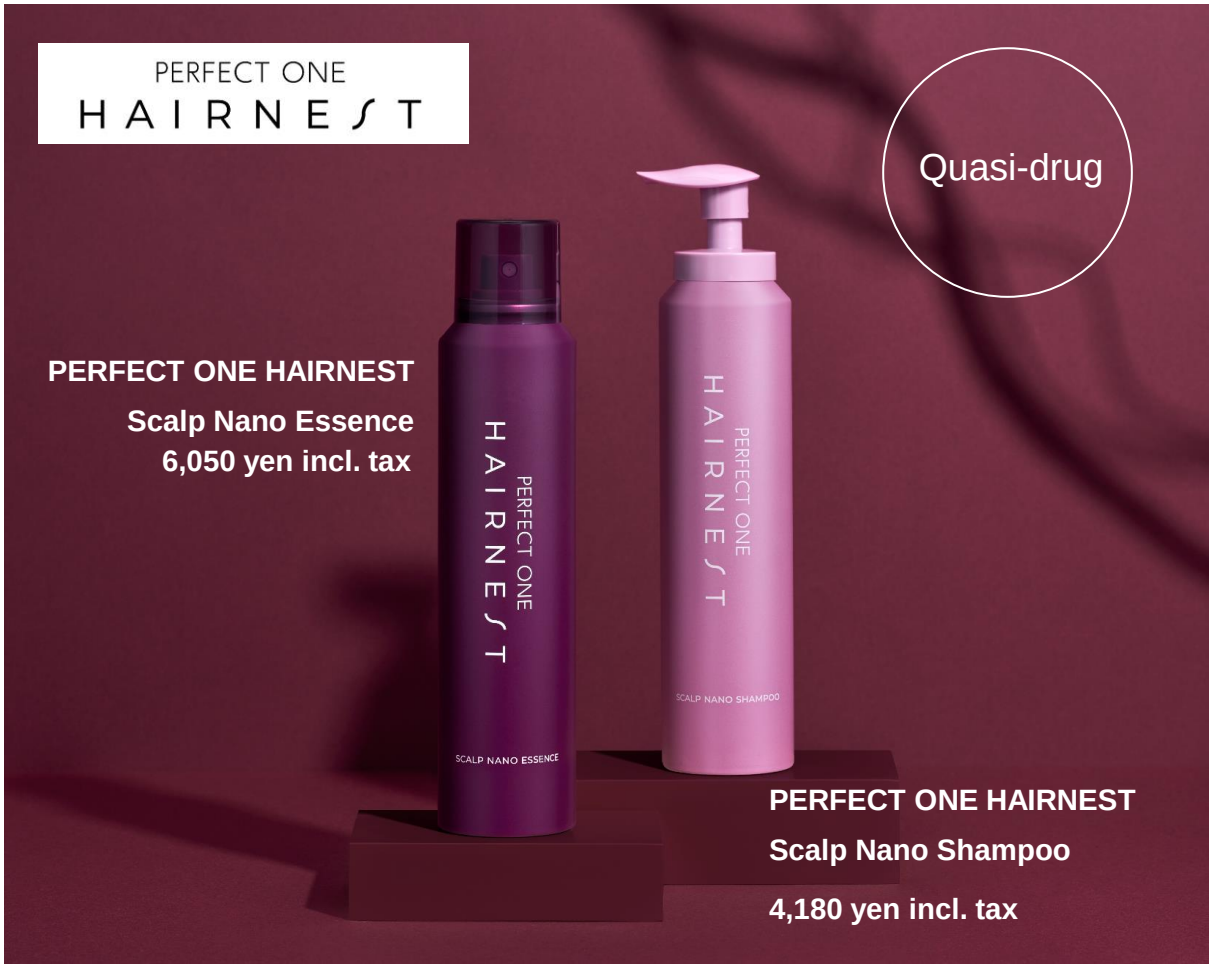
- **Planned to launch new merchandise in April 2023**
- **Aim to reach 15,000 stores handling our merchandise by the end of March**

*Compared with the event held in July 2022

PERFECT ONE HAIRNEST
New Haircare Brand Launched in January

Entered the women's scalp care market growing at a CAGR of 18.2%*.

Intend to make a vertical launch after deploying pilot marketing in mail order and EC channels



Mixing merchandise with the original ingredient "Capsule Shikon," for which the Company has patent rights

- We have established a cultivation method for Lithospermum, an endangered species, and patented it in 2016.
- Formulated with "Capsule Shikon," a patented, encapsulated Shikon extract extracted from the endangered Lithospermum.

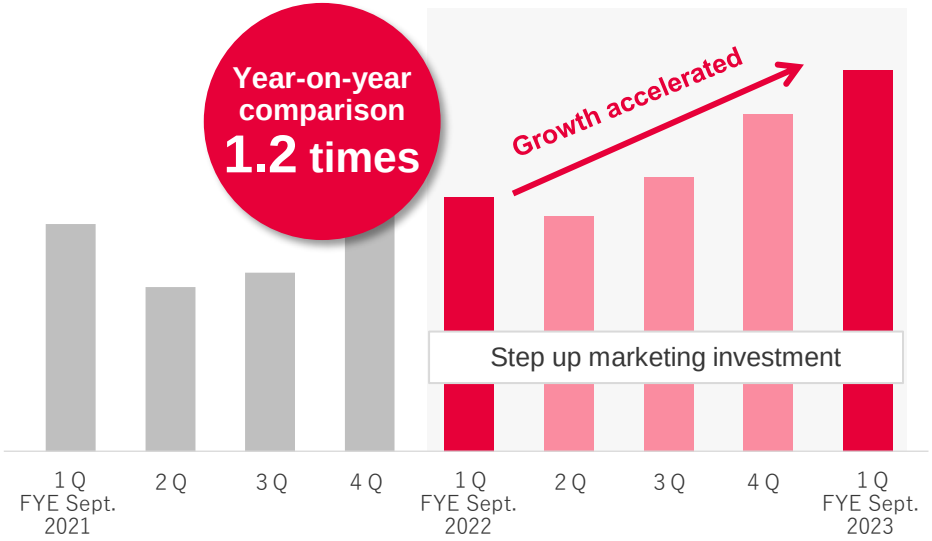


Shikon (Lithospermum root)

*Source: Fuji Keizai Cosmetics Marketing Handbook 2022 No. 2. CAGR of women's scalp care market from 2017 to 2022 (Projected)

Fun and Health
Growth Accelerated by Investment Reinforcement

Trend in Quarterly Net Sales of Fun and Health



Continue making investment while closely monitoring investment efficiency

Aim to build a growth foundation by advancing the creation of a subscriber base





Wellness Food
Doubled down on EC and Wholesale by Firming up the System





EC

Strong sales trend in external EC malls

EC sales **increased 1.3 times year-on-year**

Making efforts by strengthening a **digital marketing system**

Wholesale

Expansion of sales channels

Advancing the expansion of new sales channels in Japan and overseas.

(CVS*, overseas expansion, development of merchandise for professional use, and others)

*Convenience stores

3. Plan for the Fiscal Year Ending September 2023

Plan for the Fiscal Year Ending September 2023

In cosmetics, the plan is that the **3-step proposal of PERFECT ONE will raise spending per subscriber, and FOCUS will drive sales.**

In healthcare, **we aim for a significant increase in net sales on the strength of *W no Kenko Aojiru***, which keeps performing strongly, **and with the launch of new products.**

In profit, **we intend to achieve the full-year plan** by pushing ahead with the **cost structural reform** while **carrying out aggressive investment.**

(Unit: Million yen)

Items	FY ended Sept. 2022 Results	FY ending Sept. 2023			Year-on-year change in the full-year plan	Year-on-year change in the full-year plan (%)
		Results in the first three months	First-half plan	Full-year plan		
Net sales	36,107	9,255	18,600	38,000	+1,892	+5.2%
Cosmetics	32,666	8,344	16,741	34,127	+1,460	+4.5%
Healthcare	3,441	910	1,858	3,872	+431	+12.5%
Operating profit	3,522	839	1,409	3,560	+37	+1.1%
Operating profit margin	9.8%	9.1%	7.6%	9.4%	-0.4pt	—
Ordinary profit	3,487	840	1,390	3,471	-16	-0.5%
Profit (attributable to owners of parent)	2,357	561	949	2,380	+23	+1.0%

Premises of Plan for the Fiscal Year Ending September 2023

In mail order, we intend to achieve the plan by **raising spending per subscriber via the 3-step proposal of PERFECT ONE** and **expanding EC sales** of **FOCUS**.

In wholesale, we promote growth primarily through **raising sales of PERFECT ONE per store** and **increasing stores handling FOCUS.**

Overseas, we intend to achieve the full-year plan via **re-growth in China from the second quarter onward.**

For costs, we further **enhance cost efficiency** via the structural reform while **carrying out aggressive marketing investment.**

(Unit: Million yen)

Items	FY ended Sept. 2022 Results	FY ending Sept. 2023			Year-on-year change in the full-year plan	Year-on-year change in the full-year plan (%)
		Results in the first three months	First-half plan	Full-year plan		
<Sales by channel>						
Mail order	32,728	8,506	16,662	33,885	+1,156	+3.5%
Direct store/Wholesale	2,802	617	1,647	3,215	+412	+14.7%
Overseas	576	131	290	899	+322	+56.0%
<Overseas and domestic EC sales>						
Overseas and domestic EC sales	4,760	1,403	2,745	6,024	+1,263	+26.5%
<Marketing investment>						
Advertising expenses	9,729	2,679	5,451	10,250	+520	+5.4%
Sales promotion expenses	4,617	1,249	2,628	5,048	+431	+9.3%
<Operating expenses>						
FF cost	4,217	1,058	2,072	4,192	-24	-0.6%
Call center costs	2,533	622	1,324	2,654	+120	+4.8%

4. Initiatives for Sustainability

“PURPOSE” Formulated

To mark the 30th anniversary of its founding, Shinnihonseiyaku formulated the “PURPOSE,” which is not only **its ultimate goal** but also indicates **its raison d’être in society**.

美と健康の「新しい」で、
笑顔あふれる毎日をつくる。

Beyond innovation, for a beautiful smile!

**Shinnihonseiyaku, praying for people’s emotionally enriched life,
has delivered *newness* in beauty and health by thinking outside the box.**

**We are committed to continue delivering *newness* in beauty and health
by treasuring the voice of each customer to ensure that as many people as
possible across the world smile and live every day full of happiness and excitement.**

Sustainability Report 2022 Issued

■ **We released "Sustainability Report 2022," a summary of our ESG initiatives.**

Sustainability Report 2022
https://corporate.shinnihonseiyaku.co.jp/files/uploads/sustainability_report_2022.pdf



- ✓ **Set forth specific goals for six materialities (key issues)** identified in FY2021.
- ✓ Performed qualitative assessment of the impact of climate change on our operations via scenario analysis in accordance with the TCFD recommendations.



	マテリアリティ	項目	目標	関連する SDGs
環境	環境問題への対応	適性な在庫回転率の維持	25	
		エコフレンドリーな緩衝材の使用率	2030 年度までに 100%	
		化粧箱・配送箱での認証紙使用率	2030 年度までに 100%	
		資源使用量の把握 具体的な形減目標設定のため、実態を把握する	2023 年度までに完了	
社会	顧客満足向上のための商品・サービス提供	顧客満足向上のための独自評価項目の整理と目標の設定	2023 年度までに完了	
	責任あるサプライチェーンマネジメント	サステナビリティを考慮した調達方針の策定	2023 年度までに完了	
		調達方針に基づいたサプライヤーへの啓発活動の実施	2024 年度	
	女性活躍の推進	女性管理職*比率 *課長以上	2030 年度までに 30% 以上	
		育児・介護と仕事の両立ができる制度構築 現行制度の見直しと新たな制度の構築	2024 年度までに完了	
		社内の乳がん検診受診率	100%	
		福岡県の乳がん検診受診率の向上	2026 年度までに 55% 以上* *厚生労働省「国民生活基礎調査」2026 公表見込みを参照予定	
ガバナンス	コンプライアンス・リスクマネジメントの取り組み強化	重大なコンプライアンス違反件数	0 件	
		コンプライアンス・リスクマネジメントに関する研修受講率	100%	
	個人情報の保護	情報セキュリティに関する重大事故件数	0 件	
		重大な個人情報漏洩件数	0 件	
		情報セキュリティや個人情報保護に関する研修受講率	100%	

*連続年度の設定がないものは数値の維持

List of materialities and goals



①リスク

分類		リスク要因		リスク詳細（想定される財務影響）	当社への影響度 2℃以下シナリオ 2030年	2050年	4℃シナリオ 2030年	2050年
移行リスク	政策及び法制	GHG 排出量の規制強化	サプライチェーンの脱炭素化の加速	・炭素税による原材料コストの増加；炭素税（地球温暖化対策税等）が課されることによってサプライヤーにおける原材料コストと製造コストが増加し、当社の調達コストが増加する。	中	大	小	小
			炭素税の導入	・炭素税による輸送コストの増加；炭素税（地球温暖化対策税等）が課されることによる燃料費増加に伴う輸送費・宅配配送費の増加により当社の物流コストが増加する。	小	中	小	小
		既存製品／サービスに対する義務化／規制化	取水制限による化粧品製造への影響	・生産制限による売上の減少；気候変動に起因する水域への影響の緩和に向けて取水排水制限が導入された場合、商品の生産制限によって売上が減少する。	大	大	中	中
	市場	消費者行動の変化	低炭素・環境に対応していない製品・サービスの淘汰	・低炭素対応が遅れた製品やサービスの売上の減少；エシカル消費志向が増えた場合、環境への配慮が足りない商品の売上が減少する。（特にエコフレンドリーな包装紙・容器を使用した商品ニーズの高まりへ対応するための調達・製造コストの増加、対応しなかった場合の売上減少）	大	大	小	中
	評判	ステークホルダーの懸念増大	企業イメージの悪化、株価下落、投資対象からの除外	・気候変動対応・水リスク対応不備に伴うレピュテーションリスク及び投資関連リスク；気候変動リスク及び水リスクに十分な対応ができなかった場合に、当社に対する外部評価が低下し、その結果としての株価の低下や当社に対する批判、投資の引き上げなど生じる。	小	中	小	小
物理リスク	急性	大雨・洪水などの異常気象の増加	サプライチェーンの製造機能停止や可断	・サプライチェーンの分断による売上の減少；OEM先の調達先が被害を受けた場合、原材料不足に伴う製造停止による売上・配送ルート可断による顧客への配達が不可となった場合の売上が減少する。 ・製造能力の低下による売上の減少；OEM先が被害を受けた場合の製造停止に伴う商品供給不足による売上が減少する。	小	中	中	大
	慢性	平均気温上昇、長期的な熱波	自然由来原料の収穫・捕獲	・平均気温の上昇による原材料コストの増加；平均気温が上昇することによって原材料の収穫量・捕獲量が低下し、それに伴い原材料費が高騰し、商品原価に転嫁された場合、コストが増加する。	小	中	中	大
			品質維持	・平均気温の上昇による管理コスト・開発コストの増加；平均気温が上昇した場合、商品の保管設備や品質管理の見直し、改良に対するコストが増加する。	小	中	中	大

②機会

分類	機会要因	機会詳細（想定される財務影響）	当社への影響度 2℃以下シナリオ 2030年	2050年	4℃シナリオ 2030年	2050年
資源の効率	効率的な生産・流通プロセス	・製造コスト・管理コストの低減；物流プロセスの省エネ化・効率化やDX化、ダイレクトマーケティング手法の活用によって、製造コストや管理コストが低減する。	小	中	小	小
製品及びサービス	低炭素商品／サービスの開発、拡大	・低炭素型商品・サービスによる売上の増加；パーフェクトワンプランドにおける低炭素商品化や、認証パーム油や認証紙の活用、自社製品の環境フットプリント算定及び削減によって、製品価値及び企業価値の向上につながり、売上が増加する。	中	大	小	中
	消費者の好みの変化	・気候変動適応商品のニーズの増加に伴う収益の増加（例：冷却成分入りの化粧品や日焼け止め・UV効果のあるベースメイク商品・感染症対応商品・熱中症対策商品など）	中	中	大	大
評判	ステークホルダーの評価変化	・気候変動への対応が外部評価機関から高く評価された場合、株価向上と資本コストの低下	小	中	小	小

Identified risks, opportunities and impact assessments

APPENDIX

Medium-Term Management Targets

Medium-Term Management Plan "VISION2025"
Fiscal year ending September 2025

Consolidated net sales 50 billion yen (FY ending September 2025)

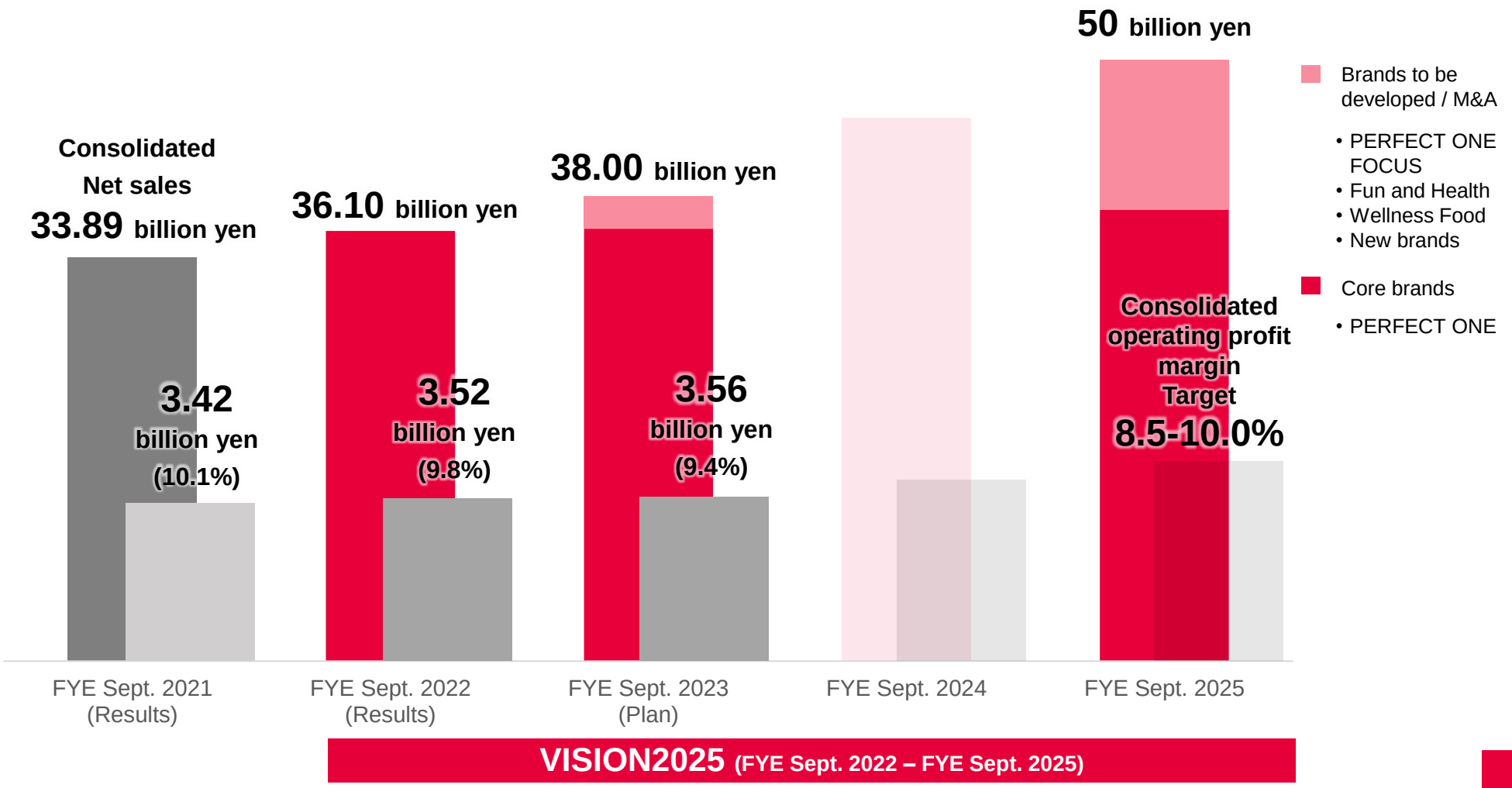
<Key management indicators>

		(Results) [FY ended Sept. 2021]		First year (Results) [FY ended Sept. 2022]		Final year (Plan) [FY ending Sept. 2025]
1	Healthcare net sales	2.3 billion yen	▷	3.4 billion yen	▷	10 billion yen level
2	Overseas net sales	0.9 billion yen	▷	0.5 billion yen	▷	5 billion yen level
3	Overseas and domestic EC net sales*1	4.1 billion yen	▷	4.7 billion yen	▷	10 billion yen level
4	Net sales of brands to be developed*2	2.4 billion yen	▷	4.4 billion yen	▷	12 billion yen level

*1: Domestic EC net sales and overseas EC net sales *2: Net sales excluding PERFECT ONE

Conceptual Graph of Medium- to Long-term Growth in VISION2025

We intend to **balance the expansion of the topline and the growth of profit** **by carrying out aggressive growth investment in nurturing brands** toward consolidated net sales of 50 billion yen.

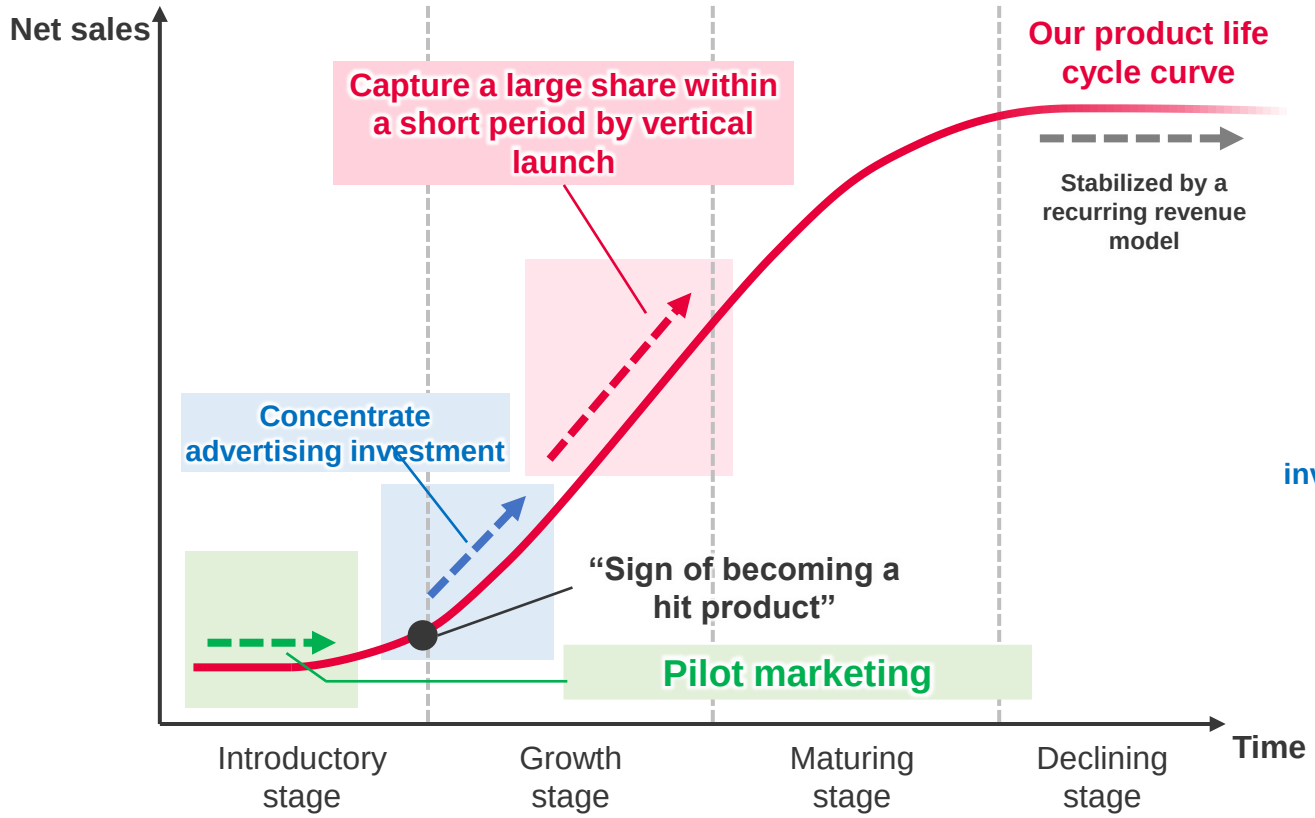


Our Strength: “Selling Power” of Mail Order Channels

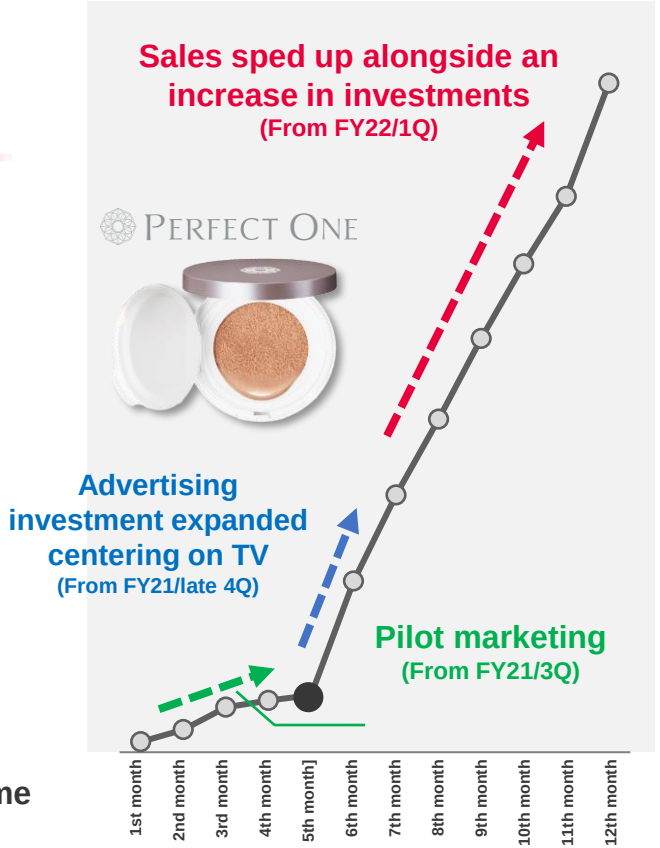
Develop new products swiftly, and during the introductory stage**, run the PDCA cycle of** pilot marketing **at high speed.**

Grab a dominant market share in one breath within a short period before competition intensifies **by ramping up advertising investment once a sign of becoming a hit product appears.**

Product life cycle management of our mail order channels



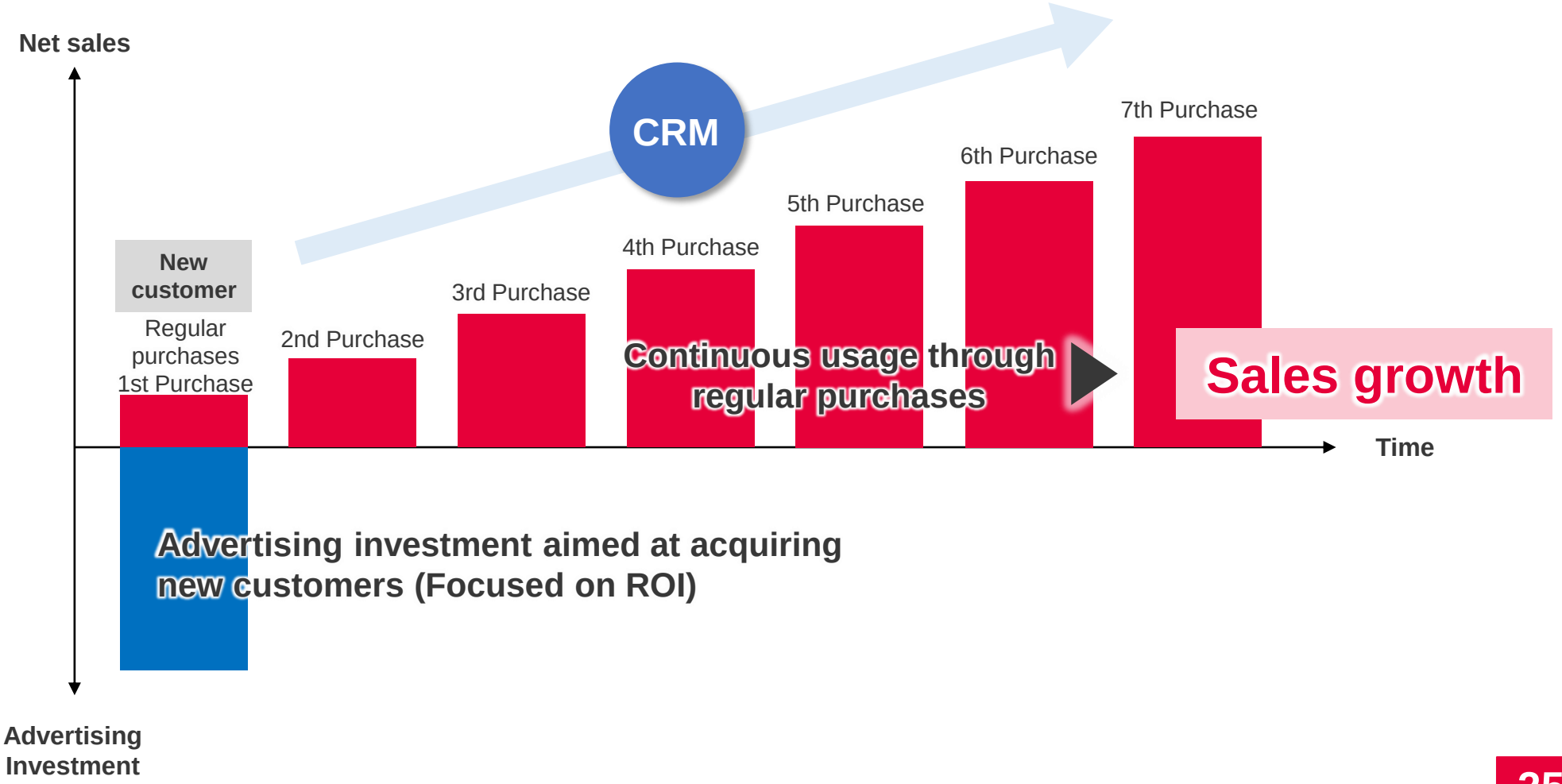
[Reference]: Trend in cumulative sales of Cushion Foundation



Our Strength: Recurring Revenue Model

Recurring Revenue Model through periodic purchase of products

Build a foundation for sales growth based on the acquisition of new customers through **prioritizing advertising investment**.



Our Strength: Marketing Utilizing Customer Database

Utilize the database of approximately 5.95 million customers accumulated through continued acquisition of new customers.

Implement strategies to **maximize the asset value of the customer database**, with a focus on the middle- and senior-age generations.

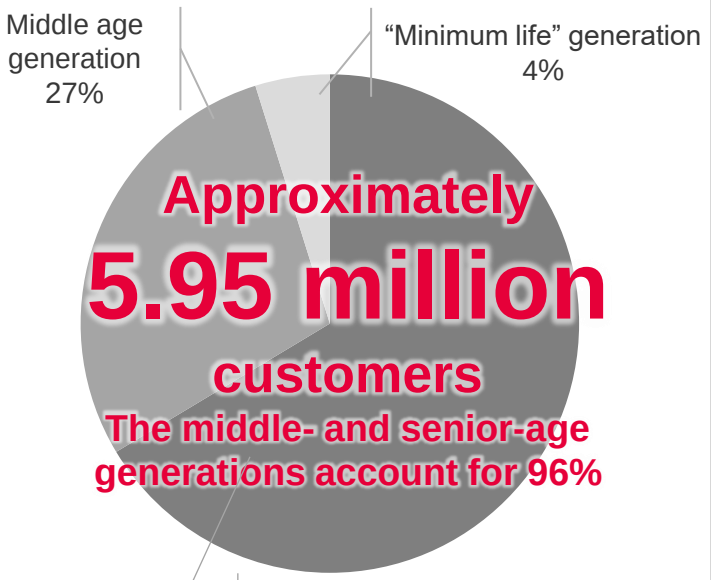
Customer Base Development

Continued acquisition of new customers

- Advertising Investment
- New Product Development

Customer Database

(as of the end of FYE Sept. 2022)



Marketing

Health & Beauty
Propose comprehensive care

Promote **up-selling** to high-performance products
Promote **cross-selling** of seasonally limited products, etc.

Increase purchase frequency through call center suggestions

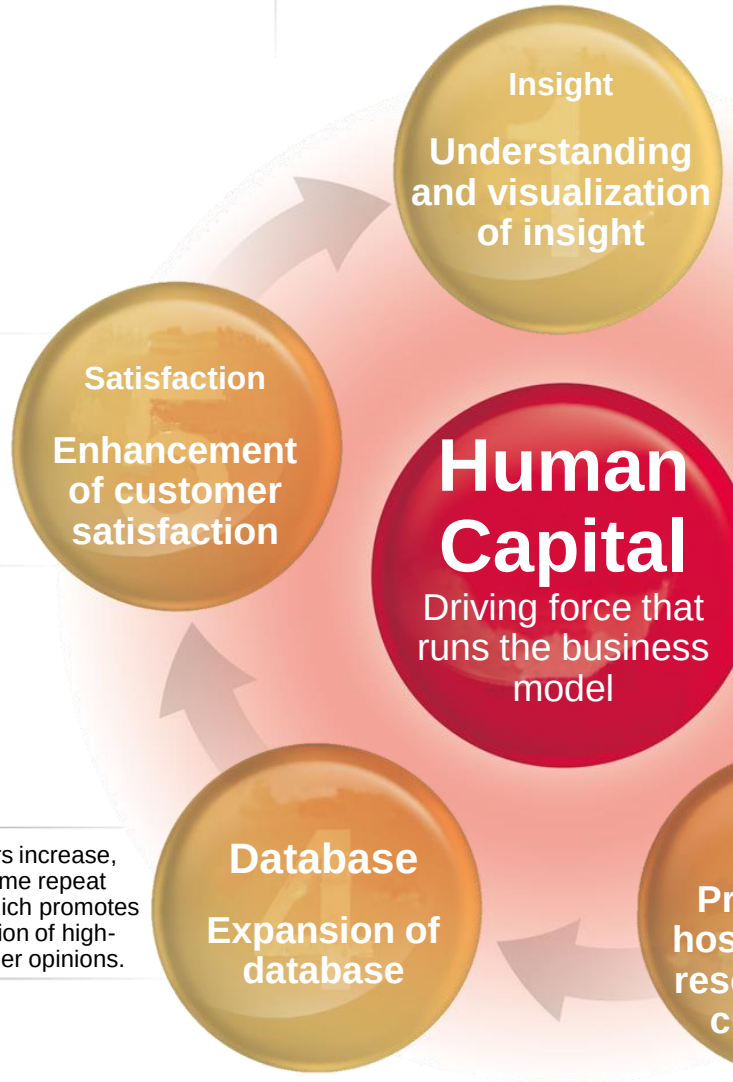
Activation of database by promoting repurchases by dormant customers

Create synergies with new businesses

Senior generation = aged 60s and over; Middle age generation = aged 40s and 50s; "Minimum life" generation = aged 30s and under

Our Business Model

See through the needs and wants of consumers and, in order to give shape to them, invest in call centers, R&D, data analysis and creative domains.



Customer satisfaction and engagement is enhanced through innovative merchandise, heartwarming hospitality and the improvement activity that reflects customer voices in merchandise and services.

Develop and offer innovative merchandise that satisfies the needs and wants of consumers.

New customers increase, and they become repeat customers, which promotes the accumulation of high-quality customer opinions.

Deliver touching hospitality to customers along with innovative merchandise.

Company Overview

Company name	Shinnihonseiyaku Co., Ltd.
Representative	Takahiro Goto, President & Representative Director of the Board and Chief Executive Officer
Established	March 1992
Head office	1-4-7 Otemon, Chuo-ku, Fukuoka City, Fukuoka Prefecture
Share capital	4,158 million yen [as of December 31, 2022]
Executives	Takahiro Goto, President & Representative Director of the Board and Chief Executive Officer Mitsuyoshi Fukuhara, Senior Executive Director of the Board and Chief Operating Officer Seiichiro Hatori, Director of the Board Masayuki Kakio, Outside Director Haruki Murakami, Outside Director Kazuyo Yunoki, Outside Director Keiichi Zenmyo, Outside Audit & Supervisory Board Member (full-time) Takashi Tanabe, Outside Audit & Supervisory Board Member Yuji Nakanishi, Outside Audit & Supervisory Board Member
Business profile	Planning, mail order, store sales and wholesale of cosmetics, health foods, and pharmaceuticals.
Bases	Fukuoka (head office), Tokyo Office, Direct stores, Yoshizuka Office and Logistics Center
Group companies	Flatcraft, Inc.
Net sales	36.10 billion yen [FY ended September 2022]
Total assets	23.80 billion yen [as of December 31, 2022]

PURPOSE

Beyond innovation, for a beautiful smile!

MISSION

Achieving the Greatest Possible Satisfaction and Trust from Our Customers
Making Our Employees Happy and Giving Them Dreams for the Future
As a Company That Contributes to Society,
We Aim to Expand Our Efforts Far and Wide without Limitation

VALUE

Creating inspiration

CREDO

We
Treasure giving greetings, smiling and altruism.
Hold on to the attitude of carefully listening, empathizing and being appreciative.
Act with a challenge-, change- and growth-oriented mindset.

History

Date	Overview
March 1992	Founded Shinnihonliving Co., Ltd. (currently Shinnihonseiyaku Co., Ltd.) as a company that planned and sold daily essentials in Higashi-Ori, Onojo City, Fukuoka Prefecture (share capital of 10 million yen).
July 1994	Started sales of health foods by mail order.
June 1996	Relocated the head office to Otogana-Higashi, Onojo City, Fukuoka Prefecture.
December 2000	Commenced sales of basic cosmetics by mail order.
April 2002	Renamed Shinnihonliving Co., Ltd. to Shinnihonseiyaku Co., Ltd.
March 2003	Opened a logistics center in Yoshizuka, Hakata-ku, Fukuoka City, Fukuoka Prefecture.
April	Relocated the head office to Yoshizuka, Hakata-ku, Fukuoka City, Fukuoka Prefecture.
May 2005	Started sales of cosmetics brand “RAffINE series.”
May 2006	Relocated the head office to Akasaka, Chuo-ku, Fukuoka City, Fukuoka Prefecture.
May	Launched RAffINE Perfect One.
October	Established Iwakuni-Hongo Research Institute as the base for cultivation and research of medical plants.*1
November	Started sales of pharmaceuticals by mail order.
March 2010	Opened its first direct store in Fukuoka PARCO shopping mall.
July	Opened a Tokyo sales office in Uchisaiwaicho, Chiyoda-ku, Tokyo (currently Tokyo Office).
April 2012	Started wholesale of “RAffINE series.”
October 2013	Relocated the head office to Otemon, Chuo-ku, Fukuoka City, Fukuoka Prefecture.
April 2014	Changed the cosmetics brand name to “PERFECT ONE.”
December 2016	Started sales overseas by mail order (Taiwanese market).
February 2017	Was awarded the Steering Committee Award in the 7th “Company I Want to Cherish Most in Japan” Grand Prize.
March	PERFECT ONE All-in-One Gel series achieved the number one*2 sales in the Japanese all-in-one skincare market.
September 2018	Started cross-border EC in the Chinese market./ Was awarded the top prize and the rookie of the year at the beauty awards hosted by Taiwan’s popular infotainment TV show “Queen.”
June 2019	Listed on Tokyo Stock Exchange Mothers.
January 2020	Relocated Tokyo Office to Marunouchi Building in Chiyoda-ku, Tokyo.
December 2020	Changed listing market to the First Section of the Tokyo Stock Exchange.
June 2021	Acquired shares of Flatcraft, Inc. and made it a consolidated subsidiary.
April 2022	Moved from the First Section of the Tokyo Stock Exchange to Prime Market.

*1: The institute was integrated into Yoshizuka Office (R&D Center) in June 2020.
*2: Fuji Keizai “Cosmetics Marketing Handbook 2017” (actual manufacturer and brand market shares in the moisture section and the all-in-one section in 2016)

Financial Highlights

Financial closing month & year		September 2019 (non-consolidated)	September 2020 (non-consolidated)	September 2021 (consolidated)*	September 2022 (consolidated)	**1Q of FY ending September 2023 (consolidated)**
Net sales	Million yen	33,570	33,728	33,899	36,107	**9,255**
Ordinary profit	Million yen	2,822	3,283	3,415	3,487	**840**
Profit	Million yen	1,824	2,122	2,323	2,357	**561**
Share capital	Million yen	3,826	3,826	4,158	4,158	**4,158**
Total number of shares issued	Shares	21,611,300	21,611,300	21,855,200	21,855,200	**21,855,200**
Net assets	Million yen	12,758	14,267	16,180	17,918	**17,779**
Total assets	Million yen	18,575	19,956	23,240	23,857	**23,804**
Equity ratio	%	68.7	71.2	68.8	74.4	**74.1**
Return on equity	%	21.6	15.7	14.5	14.0	**—**
Dividend payout ratio	%	15.4	30.5	30.2	30.0	**—**
Cash flows from operating activities	Million yen	1,992	2,920	2,071	2,287	**—**
Cash flows from investing activities	Million yen	-943	-367	-1,359	-496	**—**
Cash flows from financing activities	Million yen	6,567	-851	672	-1,093	**—**
Cash and cash equivalents at the end of the period	Million yen	10,576	12,271	13,652	14,351	**13,749**
Number of employees (excluding temporary employees and including seconded employees)	People	354	330	309	302	**—**
Net assets per share	Yen	590.37	662.97	747.34	826.51	**—**
Basic earnings per share	Yen	113.99	98.50	107.72	109.91	**—**
Dividend per share	Yen	17.50	30.00	32.50	33.00	**—**

Ordinary profit for FYE Sept. 2021 and before is retroactively adjusted for changes in accounting policies
*Results used are ones after revision as a result of finalizing provisional accounting treatment related to the business combination with Flatcraft, Inc.

Disclaimer concerning the proper use of forecasts of business results

The content presented in this material is based on multiple assumptions and is not intended to promise or guarantee the realization of future planned numbers or measures.

Contact for inquiries regarding this document

Management Promotion Office, Shinnihonseiyaku Co., Ltd.

TEL: 092-303-8318　FAX: 092-720-5819

For inquiries, please use the inquiry form on the Shinnihonseiyaku website.

We will reply to you as soon as we can.

https://corporate.shinnihonseiyaku.co.jp/contact/



新日本製薬

Beyond innovation, for a beautiful smile!