

Statement of Income

Torii Pharmaceutical Co., Ltd.
December 31, 2016

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2016
NET SALES	¥ 60,206	¥ 62,378	\$ 516,842
COST OF SALES (Notes 7, 12 and 14)	30,287	30,814	260,003
Gross profit	29,919	31,564	256,839
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Notes 7, 11 and 12)	26,099	26,645	224,052
Operating income	3,819	4,919	32,786
OTHER INCOME (EXPENSES):			
Interest and dividend income	61	102	530
Gain on sales of land	86	320	739
Loss on disposal of property, plant and equipment (Note 1)	(29)	(54)	(253)
Impairment loss (Note 5)		(142)	
Other—net	118	113	1,017
Other income (expenses) —net	236	339	2,033
INCOME BEFORE INCOME TAXES	4,056	5,258	34,820
INCOME TAXES (Note 10):			
Current	1,338	2,029	11,494
Deferred	(122)	(298)	(1,052)
Total income taxes	1,216	1,730	10,441
NET INCOME	¥ 2,839	¥ 3,527	\$ 24,379
PER SHARE OF COMMON STOCK (Note 2.r):			
Net income	¥ 100.4	¥ 124.7	\$ 0.86
Cash dividends applicable to the period	48.0	48.0	0.41

See notes to financial statements.