

The 3rd Quarter of the Fiscal Year Ending March 31, 2022

**Supplementary Material on Quarterly
Financial Results**

February 2, 2022



SHIN NIPPON BIOMEDICAL LABORATORIES, LTD.

(TSE 1st Section: 2395)

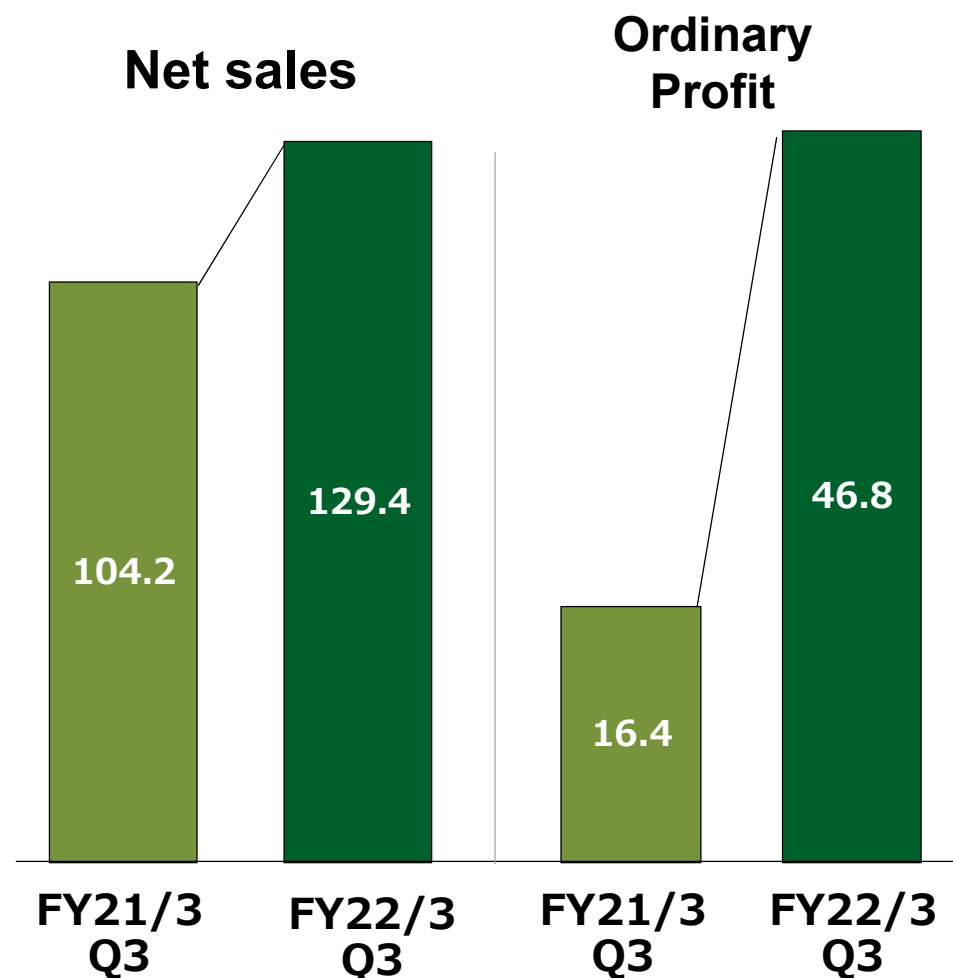
1. Outline of Q3 Consolidated Financial Results

Financial Results Highlights: Q3 FY2022/3

Set **new record highs again** for operating profit, ordinary profit and profit attributable to owners of parent

	FY2022/3	
	Q3 Results	Yoy
Net sales	129.4	+25.2
Operating Profit	33.0	+16.7
Ordinary Profit	46.8	+30.3
Profit Attributable to Owners of Parent	52.4	+37.7

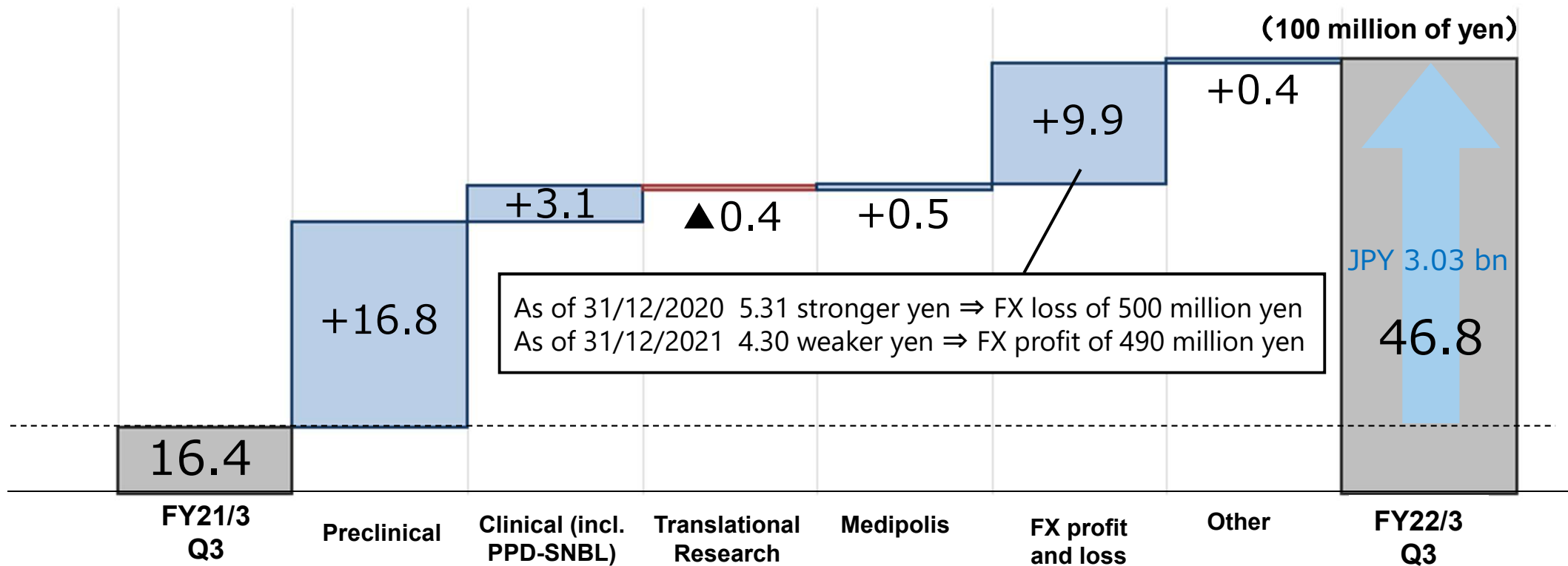
(100 million of yen)



(100 million of yen)

Yoy Comparison of Consolidated Ordinary Profit & Loss: Q3 FY2022/3

	Consolidated Ordinary Profit & Loss						Ordinary profit total
	CRO business		Translational Research business	Medipolis business	Foreign exchange profit and loss	Other	
	Preclinical	Clinical (incl. PPD-SNBL)					
Q3 FY2022/3	39.2	9.3	-4.9	0.1	4.9	-1.8	46.8
Q3 FY2021/3	22.4	6.2	-4.5	-0.4	-5.0	-2.3	16.4
Yoy changes	+16.8	+3.1	-0.4	+0.5	+9.9	+0.4	+30.3



2. Revisions to Full-year Forecasts for FY2022/3

(announced on Feb 2, 2022)

Revisions to Full-year Forecasts for FY2022/3 announced on Feb 2 2022

Again we expect to achieve **new record highs** for operating profit, ordinary profit and profit attributable to owners of parent

	FY2021/3 Results	FY2022/3			
		Previous forecasts (21/10/2021)	New forecasts (2/2/2022)	Changes against original forecasts	Yoy
Net sales	151.1	174.0	179.0	+5.0	+27.8
Operating Profit	25.2	38.0	41.0	+3.0	+15.7
Ordinary Profit	36.4	46.0	56.3	+10.3	+19.8
Profit Attributable to Owners of Parent	36.6	49.0	58.0	+9.0	+21.3

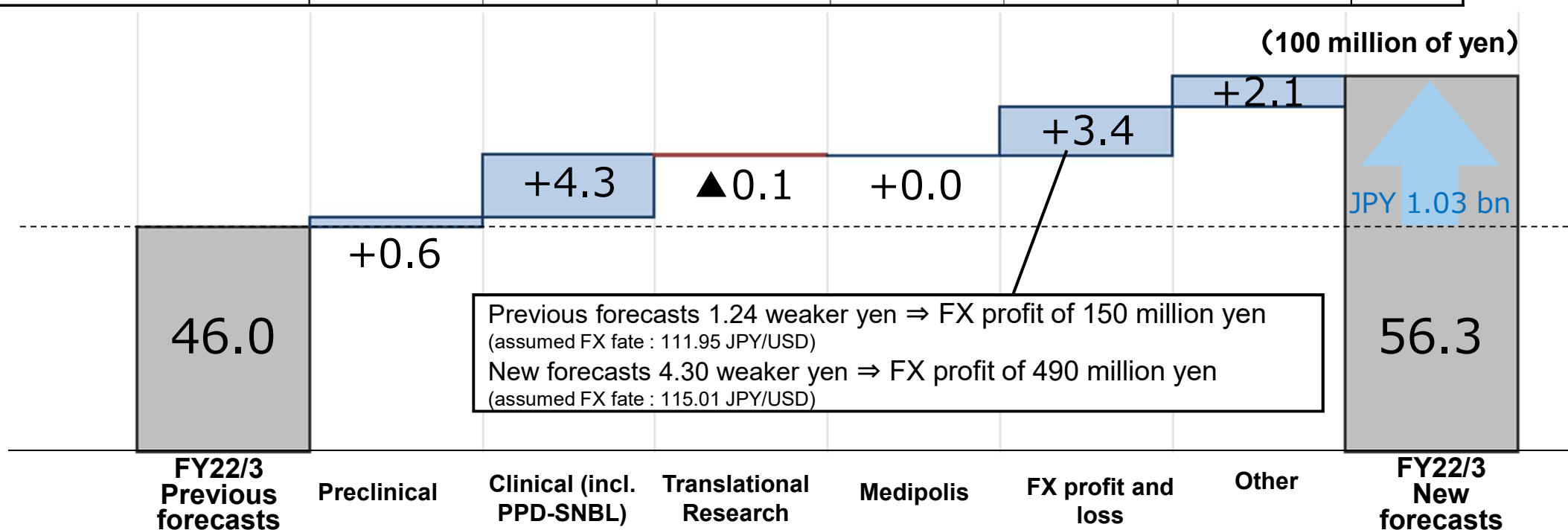
(100 million of yen)

Assumed FX rate: 111.95 JPY/USD

Company posted foreign exchange profit of 490 million yen in loan to subsidiary in Q3. However, assumed exchange rate of 115.01 yen/USD is maintained as that of the end of December 2021.

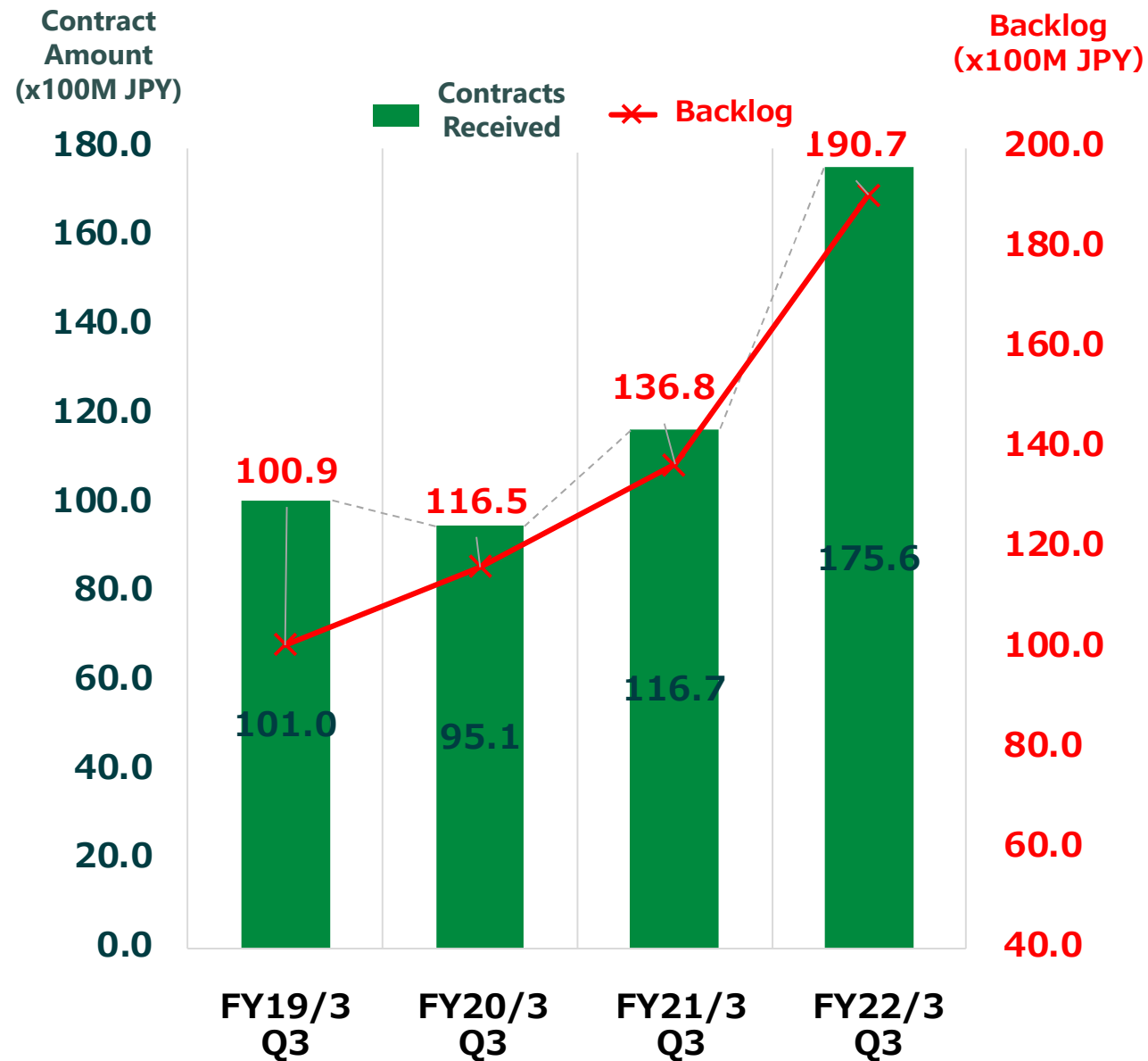
Comparison of Consolidated Ordinary Profit & Loss Forecasts against Previous Plan FY2022/3

	CRO business		Translational Research business	Medipolis business	Foreign exchange profit and loss	Other	Ordinary profit total
	Preclinical	Clinical (incl. PPD-SNBL)					
Ref.) Results FY2021/3	34.3	10.0	-7.0	-0.5	2.3	-2.7	36.4
New forecasts FY2022/3	52.3	11.8	-8.3	0.0	4.9	-4.4	56.3
Original forecasts FY2022/3	51.7	7.5	-8.2	0.0	1.5	-6.5	46.0
Changes against original plan	+0.6	+4.3	-0.1	+0.0	+3.4	+2.1	+10.3



3. References

CRO Business: Contracts in Preclinical Services in Q3 FY2022/3



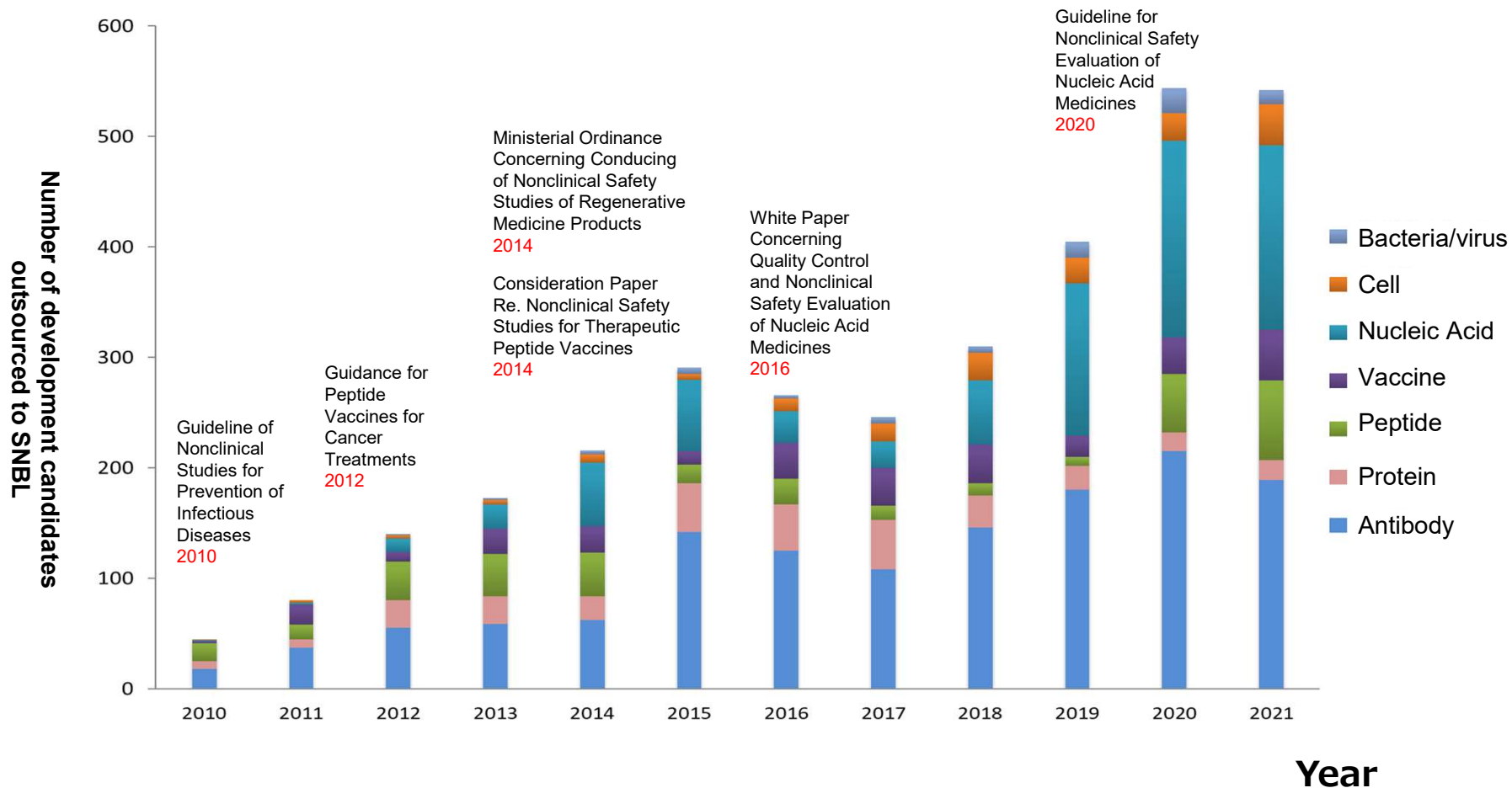
CRO Business: Trend of Biopharmaceutical Contracts in Preclinical Services

■ Number of development candidates for biopharmaceuticals excluding small molecules

Almost an equal number of candidates were recorded in 2021 as the previous year. Vaccines and peptide candidates on the rise.

■ Number of biopharmaceuticals-related studies excluding small molecules

SNBL conducted 719 studies (+42.7% yoy) in 2021, of which 253 were GLP studies (+50.6% yoy). Antibodies and nucleic acid medicines are on the increase.



Cautionary Notes

1. Projected results are based on information available to the Company at the time of writing, as well as certain assumptions judged by the Company to be reasonable. Various risks and uncertain factors could cause actual results to differ materially from these projections. This material does not constitute a solicitation of application to acquire or an offer to sell any security in Japan or elsewhere. This material is presented to inform stakeholders of the views of SNBL's management but should not be relied on solely in making investment and other decisions. You should rely on your own independent examination of us before investing in any securities issued by our company. SNBL shall accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding or changes of target figures or any other use of this material.
2. Information about pharmaceutical products (including products currently in development) included in this material is not intended to constitute an advertisement nor medical advice.
3. The presentation slides are based on "Summary of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2022 (Japanese GAAP)." Figures rounded to the nearest 100 million JPY and percentage to one decimal place.
4. This English presentation was translated from the original Japanese version. In the event of any inconsistency between the statements in the two versions, the statements in the Japanese version shall prevail.

<IR Inquiries>



Shin Nippon Biomedical Laboratories, Ltd.
Corporate Communications Department

Phone : +81 03-5565-6216
E-mail : ir@snbl.co.jp
Website : <https://www.snbl.co.jp>



Financial Data

(In millions of yen)	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3 Forecasts
Revenue	17,244	16,600	15,658	14,561	15,110	17,900
y/y change	16.9%	-3.7%	-5.7%	-7.0%	3.8%	18.5%
Gross profit	4,360	5,204	6,177	7,615	7,554	9,656
Gross profit ratio	25.3%	31.3%	39.5%	52.3%	50.0%	53.9%
Operating profit	-1,792	-697	829	2,228	2,529	4,100
y/y change	—	—	—	168.5%	13.5%	62.1%
Equity method investment gains (losses)	12	637	361	888	846	
Ordinary profit	-2,105	-813	1,613	3,121	3,645	5,630
Profit before income taxes	-764	-1,507	1,650	3,062	4,175	
Income taxes	127	2,013	-308	414	497	
Net Income attributable to owners of parent	-915	-3,555	1,950	2,550	3,661	5,800
EPS (yen)	-22.18	-85.41	46.84	61.25	87.95	139.31
Overseas sales	6,412	4,868	4,015	2,317	2,100	
Overseas sales ratio	37.2%	29.3%	25.6%	15.9%	13.9%	
Shareholders' equity	11,780	7,982	9,958	12,386	15,840	
Net assets	22,473	26,215	28,477	16,381	15,838	
Total assets	56,253	57,493	54,329	39,002	36,972	
Equity ratio	39.9%	45.5%	52.3%	41.8%	42.6%	
Capex	925	1,274	1,612	1,514	1,025	2,035
Depreciation & amortization	1,545	1,472	1,361	1,229	1,187	1,180
R&D expenses	600	518	339	400	392	541
R&D expenses to sales ratio	3.48%	3.12%	2.17%	2.75%	2.59%	3.02%
Year-end number of employees	1,506	1,385	935	985	986	1,025
ROE	-4.7%	-14.6%	7.1%	11.4%	22.9%	
ROA	-4.0%	-1.4%	2.9%	6.7%	9.6%	
Operating income to sales ratio	-10.4%	-4.2%	5.3%	15.3%	16.7%	22.9%
Dividend per share (yen)	—	—	3.0	5.0	20.0	40.0
DPR	—	—	6.4%	8.2%	22.7%	28.7%