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Press Release

Eiken Chemical Co., Ltd.

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Securities code: 4549 (TSE 1st Section)

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Revision of Numerical Targets for the Medium-Term Management Plan

The Company has decided to make the following revisions to numerical targets for the Medium-Term Management Plan (fiscal year ending March 31, 2020 to fiscal year ending March 31, 2022) that was announced on April 25, 2019. The revisions are based on factors such as recent trends in business results.

1. Reasons for Revision

In the Medium-Term Management Plan announced on April 25, 2019, the Company is implementing various measures in order to develop an internal structure for achieving the global corporation EIKEN, to contribute to the world through healthcare, to achieve stable growth, and to improve steady profitability.

In the current fiscal year (April 1, 2019 to March 31, 2020), which is the first year of the Medium-Term Management Plan, we expect to surpass the forecast at the beginning of the term and have made a revised forecast. This is because net sales to overseas remained favorable mainly for fecal immunochemical test reagent and urinalysis test strips/analyzers, and domestic net sales were also strong.

We expect that business results will continue to improve in the fiscal year ending March 31, 2021. Therefore, we revised numerical targets for the fiscal year ending March 31, 2021. No changes were made to numerical targets for the fiscal year ending March 31, 2022.

2. Numerical Targets for the Medium-Term Management Plan (Consolidated)

(Millions of yen)

	Fiscal year ending March 31, 2020		Fiscal year ending March 31, 2021		Fiscal year ending March 31, 2022
	Previous forecast	Revised forecast	Previous forecast (before revision)	Revised forecast (after revision)	(no change)
Net sales	35,900	36,800	37,000	37,500	38,700
Net sales to overseas	6,920	7,400	7,930	8,200	9,460
Overseas ratio of net sales (%)	19.3	20.1	21.4	21.9	24.4
Operating income	3,600	4,350	3,950	4,500	5,320
Operating income margin (%)	10.0	11.8	10.7	12.0	13.7
ROE (%)	7.4	9.5	8	8.9	10

Note: The forecasts listed above are based on information currently available to the Company and on certain assumptions deemed rational. Accordingly, the Company cannot make promises to achieve such forecasts. Actual results could significantly differ from the above forecasts due to a variety of factors.