

# 3 Q financial results

Net loss of 3Q increased 270 million yen, on a year-on-year basis, in which 170 million yen attributes temporal finance expense and 100 million yen is from increase of R&D cost, part of SGA. New products launched in 3Q-4Q will significantly contribute in 4Q sales.

**【Consolidated result of operation, nine month ended Dec.31, 2014】** Million yen

Item	3Q (9 month Dec 2013)	3Q (9 month Dec 2014)	fluc.	Comment
Sales	270	349	79	Parent +17M (Lumbar type HAL launch) Subsidiary +62M (Start operation)
Costs of sales	105	271	166	Subsidiary +145M (include clinical test cost and government-aid project cost)
Gross income	165	78	-87	
R&D cost	317	503	186	<b>Development of new product and accelerate clinical research</b>
Other SGA	454	763	309	<b>Temporal finance expense +71M</b> Subsidiary +103M (incl. government-aid PJ)
Operating loss	-606	-1,188	-582	
Non-op income	159	616	457	Research grant +254M Government-aid PJ subsidy +190M
Non-op expens	4	138	134	<b>Temporal finance expense+99M</b> Loss on reduc. of fix asset +36M (Subsidy adj.)
Ordinary loss	-451	-710	-259	Pre-tax without extraordinary income/loss
Net loss	-451	-719	-268	

**Positive factor : Sales 30%(+79M), Reserch grant (+254M), Gov-aid subsidy (+190M)**

**Negative factor : Temp finance cost(+170M), R&D (+186M), Subsidiary cost (+248M)**