

# **FY2007 FIRST-HALF RESULTS**

(April 1, 2007 - September 30, 2007)

## **Supplementary Information**

November 14th, 2007

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Disclaimer regarding forward-looking statement:

The performance forecast provided in this document is prepared by the management based on currently available information and various hypotheses and ideas including significant risks or uncertainties. Please be aware that the actual performance may turn out to be different from the forecast as a result of various contributing factors.

Factors affecting the performance include, among others, aggravation of the economic situation, fluctuation of the exchange rate, change of regulatory, statutory, and administrative requirements, delayed launch of new products, pressures from the product strategies of competitive companies, and decline of the sales potential of existing products.

## Consolidated Financial Highlights

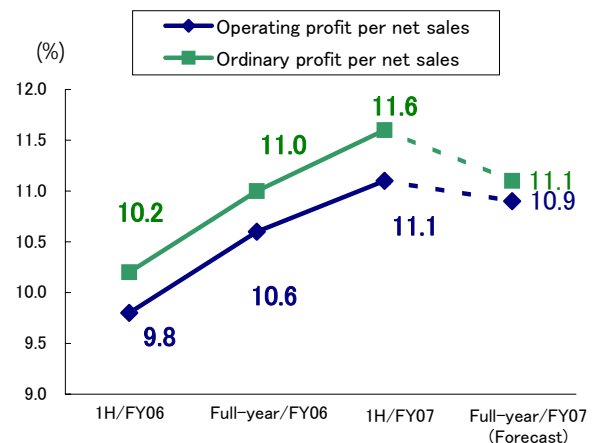
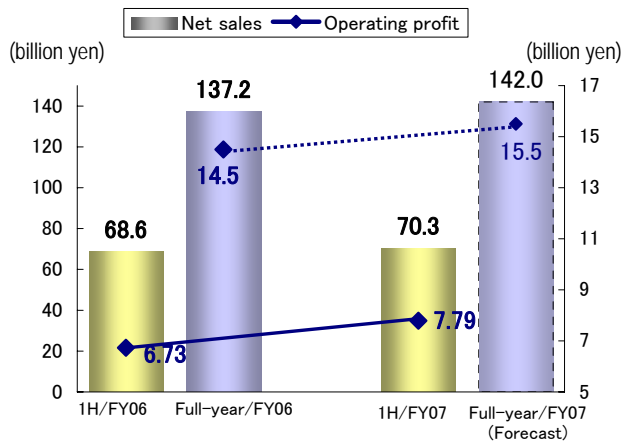
(Millions of yen)

	FY2006		FY2007		
	1st-half	Full-year	1st-half	Variance from 1H/FY2006 (%)	Full-year (Forecast)
<Key Items of Statement of Income>					
Net sales	68,608	137,208	<b>70,323</b>	2.5	142,000
Operating profit	6,730	14,523	<b>7,788</b>	15.7	15,500
Ordinary profit	6,994	15,044	<b>8,143</b>	16.4	15,700
Net income	3,919	8,447	<b>4,149</b>	5.9	8,800
Net income per share (yen)	65.25	140.40	<b>68.81</b>	—	145.87
Net income per share (diluted) (yen)	64.89	140.07	<b>68.70</b>	—	—
<Key Items of Balance Sheet>					
Total assets	123,597	122,034	<b>124,629</b>	—	—
Net assets	79,116	82,762	<b>85,216</b>	—	—
Net assets per share (yen)	1,303.60	1,361.65	<b>1408.40</b>	—	—
<Key Indicators, etc.>					
Dividend payout ratio (%)	24.5	22.8	<b>32.0</b>	—	30.2
Return on equity (%)	5.1	10.7	<b>5.0</b>	—	—
Return on asset (%)	5.7	12.3	<b>6.6</b>	—	—
Equity ratio (%)	63.5	67.3	<b>68.2</b>	—	—
Number of consolidated subsidiaries	19	19	<b>19</b>	—	—

\*Period of each Financial Year is as follows:

FY2006 is for an year from April 1, 2006 to March 31, 2007. 1st-half of FY2006 is for 6 months from April 1, 2006 to September 30 2006.

FY2007 is for an year from April 1, 2007 to March 31, 2008. 1st-half of FY2007 is for 6 months from April 1, 2007 to September 30 2007.



\* Figures for Net sales are rounded to the nearest 100 million yen.

\* Figures for Operating profit are rounded to the nearest 10 million yen.

## Consolidated Balance Sheets <Assets>

(Millions of yen)

	End of 1H/FY2006	component (%)	End of 1H/FY2007	component (%)	End of FY2006	component (%)	Variance from End of FY2006
<b>&lt;ASSETS&gt;</b>							
<b>Current assets</b>	62,397	50.5	63,570	51.0	61,676	50.5	1,893
Cash and cash equivalents	21,265		16,483 ①		21,246		-4,762
Accounts and notes receivables	27,813		27,263		26,444		819
Marketable securities	40		6,000 ①		40		5,959
Inventories	9,166		9,702		9,278		424
Deferred tax assets - current	2,255		2,532		2,409		123
Other current assets	2,039		1,764		2,405		-641
Allowance for doubtful receivables	-182		-176		-147		-28
<b>Fixed assets</b>	61,199	49.5	61,059	49.0	60,357	49.5	701
Tangible assets	33,920	27.4	33,832	27.1	33,700	27.6	131
Buildings and structures	14,221		13,386		13,759		
Machinery and equipment	1,757		1,645		1,619		
Furniture and fixtures	8,563		8,444		8,305		
Land	7,668		7,672		7,668		
Construction in progress	1,709		2,683		2,347		
Intangible assets	14,397	11.7	14,394	11.6	14,026	11.5	367
Software	6,934		5,899		6,665		
Goodwill	3,217		2,732		2,975		
Other intangible assets	4,245		5,761 ②		4,385		
Investment and other assets	12,881	10.4	12,832	10.3	12,630	10.4	201
Investment securities	5,083		4,350		5,081		
Deferred tax assets - non-current	3,390		3,604		3,149		
Other assets	4,575		5,047		4,566		
Allowance for doubtful receivables	-168		-169		-166		
<b>Total assets</b>	123,597	100.0	124,629	100.0	122,034	100.0	2,594

Notes:

① Decrease in "Cash and cash equivalents"(-6,000 million yen) → Increase in "Marketable securities"(+6,000 million yen)  
(Due to the enforcement of the New Financial Instruments and Exchange Law in Japan, negotiable certificates of deposits is presented in "Marketable securities" from FY2007.)

② Increase of expenses for development of ERP system and license: 1,409 million yen

## Consolidated Balance Sheets <Liabilities and Net Assets>

(Millions of yen)

	End of 1H/FY2006	component (%)	End of 1H/FY2007	component (%)	End of FY2006	component (%)	Variance from End of FY2006
<b>&lt;LIABILITIES&gt;</b>							
<b>Current liabilities</b>	30,489	24.7	27,534	22.1	26,799	22.0	734
Accounts and notes payables	8,585		7,667		8,139		-472
Current portion of convertible bond redemption	52		—		—		—
Short-term loans payable	6,142		2,719		3,793		-1,073
Accounts payable - others	—		6,700		6,005		695
Income tax payable	2,669		3,008		2,068		939
Accrued bonus	3,377		3,714		3,221		492
Other current liabilities	9,661		3,722		3,569		153
<b>Long-term liabilities</b>	13,991	11.3	11,878	9.5	12,472	10.2	-594
Long-term loans payable	3,929		2,475		3,447		-971
Liability for employee's retirement benefits	9,178		7,258		7,174		84
Liability for directors' and corporate auditors' severance	84		1		80		-78
Deferred tax liabilities	—		303		—		303
Other long-term liabilities	799		1,838		1,770		68
<b>Total liabilities</b>	44,481	36.0	39,412	31.6	39,271	32.2	140
<b>&lt;NET ASSETS&gt;</b>							
<b>Owners' equity</b>	77,711	62.9	84,574	67.9	81,361	66.7	3,212
Capital stock	7,501	6.1	7,564	6.1	7,547	6.2	16
Capital surplus	23,224	18.8	23,286	18.7	23,269	19.1	16
Retained earnings	47,781	38.6	54,530	43.8	51,346	42.1	3,184
Treasury stock at cost	-795	-0.6	-807	-0.7	-802	-0.7	-5
Valuation and translation adjustments	788	0.6	390	0.3	746	0.6	-355
Unrealized gain on available-for-sale securities	739	0.6	405	0.3	670	0.5	-264
Deferred gains or losses on hedges	2	0.0	—	—	—	—	—
Foreign currency translation adjustments	45	0.0	-14	0.0	76	0.1	-91
Share warrant	13	0.0	74	0.1	39	0.0	34
<b>MINORITY INTEREST</b>	603	0.5	177	0.1	614	0.5	-437
<b>Total net assets</b>	79,116	64.0	85,216	68.4	82,762	67.8	2,454
<b>Total liabilities and total net assets</b>	123,597	100.0	124,629	100.0	122,034	100.0	2,594

\* "Accounts payable" in current liabilities for 1st-half of FY2006 is 5,844 million yen, which is included in "Other current liabilities".

Notes:

① Decrease by repayment of loans

## Consolidated Statement of Income

(Millions of yen)

	1H/FY2006	component (%)	1H/FY2007	component (%)	Variance from 1H/FY2006	Variance (%)
Net sales	68,608	100.0	<b>70,323</b>	100.0	1,714	2.5
Cost of goods sold	43,228	63.0	<b>44,435</b>	63.2	1,206	2.8
Gross profit	25,379	37.0	<b>25,887</b>	36.8	508	2.0
Selling, general and administrative expenses	18,649	27.2	<b>18,099</b>	25.7	-549	-2.9
Operating profit	6,730	9.8	<b>7,788</b>	11.1	1,057	15.7
Non-operating profit	382	0.6	<b>459</b>	0.7	77	20.2
Interest income	31		41			
Dividends	79		44			
Equity in net gains of associated companies	54		136			
Income from contracting business	54		46			
Income from insurance dividends	76		73			
Other non-operating income	86		117			
Non-operating expenses	119	0.2	<b>104</b>	0.2	-14	-12.3
Interest expense	55		42			
Expenses on assets rented to others	29		22			
Other non-operating expenses	35		39			
Ordinary profit	6,994	10.2	<b>8,143</b>	11.6	1,149	16.4
Extraordinary gain	99	0.1	<b>13</b>	0.0	-86	-86.6
Gain on sale of property, plant and equipment	33		12			
Gain on sale of investment securities	46		—			
Reversal of allowance for doubtful receivables	12		—			
Other extraordinary gain	7		1			
Extraordinary loss	369	0.5	<b>881</b>	1.3	512	138.9
Loss on disposals of property, plant and equipment	104		113			
Loss on sales of property, plant and equipment	0		1			
Special severance payments for early retired employees	—		604 ①			
Allowance for loss from partial change of pension plan (adoption of defined-contribution pension)	98		—			
Expenses for relocation of facility	58		—			
Other extraordinary loss	107		162			
Income before income taxes and minority interests	6,724	9.8	<b>7,275</b>	10.3	550	8.2
Income taxes and enterprise taxes	2,814	4.1	3,214	4.6	400	14.2
Income taxes adjustments	-14	0.0	-105	-0.2	-90	614.8
Minority interest	5	0.0	16	0.0	10	182.0
Net income	3,919	5.7	<b>4,149</b>	5.9	230	5.9

Notes:

① Premium severance pay for early retirement at SRL Kansai

## Segment Information-1 (Consolidated)

### <Performance by Business Segment>

(Billions of yen)

	FY2006			FY2007			
	1st-half	2nd-half	Full-year	1st-half	Variance from 1H/FY2006 (%)	2nd-half (Forecast)	Full-year (Forecast)
<b>Net sales</b>	68.6	68.6	137.2	<b>70.3</b>	2.5%	71.7	142.0
In Vitro Diagnostics	14.3	15.8	30.1	<b>14.7</b>	2.8%	17.8	32.5
CL	5.7	5.3	11.0	<b>5.9</b>	3.5%	8.1	14.0
HA/PA	3.9	3.8	7.7	<b>3.7</b>	-5.1%	3.2	6.9
RIA	0.7	0.6	1.3	<b>0.6</b>	-14.3%	0.5	1.1
NAT	0.2	0.2	0.4	<b>0.2</b>	0.0%	0.3	0.5
EL	0.3	1.7	2.0	<b>0.4</b>	33.3%	1.3	1.7
Others	3.5	4.2	7.7	<b>4.0</b>	14.3%	4.3	8.3
Clinical Lab Testing	44.9	43.4	88.3	<b>45.4</b>	1.1%	44.0	89.4
Off-site testing	37.4	35.8	73.2	<b>37.4</b>	0.0%	35.8	73.2
FMS/Branch-Lab	7.5	7.6	15.1	<b>8.0</b>	6.7%	8.2	16.2
Others	9.5	9.4	18.8	<b>10.1</b>	6.3%	10.0	20.1
Clinical Trials	2.1	2.5	4.6	<b>2.5</b>	19.0%	2.9	5.4
Sterilizing	4.4	4.6	9.0	<b>5.0</b>	13.6%	4.9	9.9
Preventive Medicine Related	3.0	2.3	5.3	<b>2.6</b>	-13.3%	2.2	4.8
<b>Operating profit</b>	6.73	7.79	14.52	<b>7.79</b>	15.8%	7.71	15.5
In Vitro Diagnostics	2.97	4.29	7.26	<b>2.97</b>	0.0%	3.93	6.9
Clinical Lab Testing	2.67	2.61	5.27	<b>3.63</b>	36.0%	2.97	6.6
Others	1.07	0.79	1.86	<b>1.24</b>	15.9%	0.86	2.1
Clinical Trials	-0.02	0.22	0.20	<b>0.14</b>	—	0.27	0.4
Sterilizing	0.34	0.35	0.70	<b>0.49</b>	44.1%	0.29	0.8
Preventive Medicine Related	0.75	0.22	0.97	<b>0.61</b>	-18.7%	0.30	0.9
Elimination/corporate	0.02	0.11	0.13	-0.05	—	—	—
<b>Net income</b>	3.92	4.53	8.45	<b>4.15</b>	5.9%	4.65	<b>8.8</b>

\* Figures for net sales are rounded to the nearest 100 million yen.

\* Figures for operating profit and net income are rounded to the nearest 10 million yen.

FY2007 full-year forecast by business segment was partially revised from the original forecast.

(In the original forecast, sales of Clinical Lab Testing was 88.8 billion yen and sales of Other Businesses was 20.7 billion yen.)

## Segment Information-2 (Consolidated)

### <Research & Development Expenses>

(Billions of yen)

	FY2006			FY2007			
	1st-half	2nd-half	Full-year	1st-half	Variance from 1H/FY06(%)	2nd-half (Forecast)	Full-year (Forecast)
<b>R&amp;D Expenses</b>	2.1	1.8	3.9	<b>2.2</b>	4.8%	2.9	5.1
In Vitro Diagnostics	2.0	1.7	3.7	<b>2.1</b>	5.0%	—	—
Clinical Lab Testing	0.1	0.2	0.3	<b>0.1</b>	0.0%	—	—
Others	—	—	—	—	—	—	—
Miraca holdings	—	—	—	—	—	—	—

Notes: Figures are rounded to the nearest 100 million yen.

### <Capital Expenditure>

(Billions of yen)

	FY2006			FY2007			
	1st-half	2nd-half	Full-year	1st-half	Variance from 1H/FY06(%)	2nd-half (Forecast)	Full-year (Forecast)
<b>Capital Expenditure</b>	5.0	4.3	9.3	<b>5.1</b>	2.0%	6.7	11.8
In Vitro Diagnostics	1.3	0.9	2.2	<b>0.9</b>	-30.8%	—	—
Clinical Lab Testing	3.1	2.8	5.9	<b>2.7</b>	-12.9%	—	—
Others	0.1	0.0	0.1	<b>0.1</b>	0.0%	—	—
Miraca holdings	0.5	0.6	1.1	<b>1.5</b>	200.0%	—	—

Notes: Figures are rounded to the nearest 100 million yen.

### <Depreciation and Amortization>

(Billions of yen)

	FY2006			FY2007			
	1st-half	2nd-half	Full-year	1st-half	Variance from 1H/FY06(%)	2nd-half (Forecast)	Full-year (Forecast)
<b>Depreciation &amp; Amortization</b>	4.1	4.5	8.6	<b>4.2</b>	2.4%	4.9	9.1
In Vitro Diagnostics	1.2	1.2	2.4	<b>1.2</b>	0.0%	—	—
Clinical Lab Testing	2.8	3.1	5.9	<b>2.9</b>	3.6%	—	—
Others	0.1	0.2	0.3	<b>0.1</b>	0.0%	—	—
Miraca holdings	0.0	0.0	0.0	<b>0.0</b>	0.0%	—	—

Notes: Figures are rounded to the nearest 100 million yen.

### <Number of Employees>

	End of 1H/FY06 (Sep.2006)	End of FY06 (Mar.2007)	End of 1H/FY07 (Sep.2007)	Variance from End of FY06
<b>Total full-time employees</b>	4,625	4,506	<b>4,401</b>	-105
In Vitro Diagnostics	801	786	<b>814</b>	28
Clinical Lab Testing	2,952	2,869	<b>2,701</b>	-168
Others	861	841	<b>875</b>	34
Clinical Trials	143	138	<b>135</b>	-3
Sterilizing	613	587	<b>637</b>	50
Preventive Medicine Related	105	116	<b>103</b>	-13
Miraca holdings	11	10	<b>11</b>	1

## Share of Stock

### <Stock Information >

	End of 1H/FY06 (Sep.2006)	End of FY06 (Mar.2007)	End of 1H/FY07 (Sep.2007)
Number of shares issued (thousands of share)	60,754	60,839	<b>60,868</b>
Number of shareholders	7,704	8,688	<b>7,824</b>
Share price (yen)	2,930	2,470	<b>2,605</b>
Aggregate market value of listed stock (billions of yen)	1,764	1,489	<b>1,572</b>

Notes: The number of issued shares includes treasury stocks.

Aggregated market value of listed stock is calculated on the basis of the number of shares excluding treasury stocks. (Figures of aggregated market value of listed stock is rounded to the nearest 100 million yen)

### <Treasury Stock>

	End of 1H/FY06 (Sep.2006)	End of FY06 (Mar.2007)	End of 1H/FY07 (Sep.2007)
Number of treasury stocks	536,812	539,289	<b>541,378</b>

### <Shareholder Distribution>

	End of 1H/FY06 (Sep.2006)	End of FY06 (Mar.2007)	End of 1H/FY07 (Sep.2007)
Financial institutions in Japan	44.15%	41.08%	<b>37.39%</b>
Overseas investors	36.05%	38.17%	<b>42.89%</b>
Individuals and others in Japan	16.64%	17.14%	<b>16.49%</b>
Companies in Japan	1.77%	1.91%	<b>1.90%</b>
Securities companies in Japan	0.51%	0.81%	<b>0.44%</b>
Treasury stocks	0.88%	0.89%	<b>0.89%</b>

### <Cash Dividends per Share>

	FY2005	FY2006	FY2007
Interim dividends (yen)	10	16	<b>22</b>
Year-end dividends (yen)	18	16	(Forecast) <b>22</b>
Annual dividends per share (yen)	28	32	(Forecast) <b>44</b>

## [Supplementary data]

### 1. Breakdown of Clients by Hospital sizes for 2007

(As of End of Sep, 2007)

	Total Japan	Fujirebio's clients		SRL's clients	
500 beds or more	360	<b>325</b>	(90.3%)	<b>307</b>	(85.3%)
400-499 beds	237	<b>205</b>	(86.5%)	<b>180</b>	(75.9%)
300-399 beds	531	<b>376</b>	(70.8%)	<b>359</b>	(67.6%)
200-299 beds	750	<b>433</b>	(57.7%)	<b>377</b>	(50.3%)
100-199 beds	2,312	<b>936</b>	(40.5%)	<b>802</b>	(34.7%)
20-99 beds	3,426	<b>873</b>	(25.5%)	<b>744</b>	(21.7%)

Notes: The number of hospitals is according to the annual research by SRL, Inc.

Hospitals with partial order are included in above numbers.

The number of SRL's clients includes the clients of SRL Kansai, Inc.

### 2. Accumulated Number of LUMIPULSE in the Market

	End of 1H/FY06 (Sep.2006)	End of FY06 (Mar.2007)	<b>End of 1H/FY07 (Sep.2007)</b>
LUMIPULSE <i>Forte</i>	1,050	1,050	<b>1,020</b>
LUMIPULSE <i>Presto</i>	35	80	<b>100</b>
LUMIPULSE S	10	20	<b>50</b>

### 3. Contracted Laboratory Management Service within Hospitals

	End of 1H/FY06 (Sep.2006)	End of FY06 (Mar.2007)	<b>End of 1H/FY07 (Sep.2007)</b>
Accumulated number of accounts	164	166	<b>176</b>
	1H/FY06	2H/FY07	<b>1H/FY07</b>
Sales for 6 months (billion yen)	7.5	15.1	<b>8.0</b>

Note: Number of accounts = Facility Management Service (FMS) + Branch-Lab Service by SRL

The above sales include income from leasing equipments, devices, etc.

### 4. The Number of Customers in Sterilizing Business

	End of 1H/FY06 (Sep.2006)	End of FY06 (Mar.2007)	<b>End of 1H/FY07 (Sep.2007)</b>
Accumulated number of accounts	262	269	<b>275</b>