

# ***Business Results for The First Quarter of FY2008***

**(Three-months period ended June 30, 2008)**

**Miraca** Holdings Inc.

*1*

## **Consolidated Financial Results for 1Q/FY08**

(billion yen)

	1Q/FY07 Results	1Q/FY08 Results	Variation	
<b>Net sales</b>	35.62	<b>37.49</b>	1.87	5.2%
In vitro diagnostics	7.30	<b>8.54</b>	1.24	17.0%
Clinical lab testing	23.14	<b>23.27</b>	0.13	0.6%
Others	5.17	<b>5.68</b>	0.51	9.9%
<b>Operating profit</b>	(*) 4.34 12.2%	(*) <b>3.16</b> 8.4%	<b>-1.18</b>	<b>-27.2%</b>
In vitro diagnostics	1.34 18.3%	<b>0.93</b> 10.9%	<b>-0.41</b>	<b>-30.6%</b>
Clinical lab testing	2.35 10.2%	<b>1.47</b> 6.3%	<b>-0.88</b>	<b>-37.4%</b>
Others	0.69 13.3%	<b>0.72</b> 12.7%	0.03	4.3%
<b>Ordinary profit</b>	(**) 4.46 12.5%	<b>3.43</b> 9.1%	<b>-1.03</b>	<b>-23.1%</b>
<b>Net income</b>	2.03 5.7%	<b>1.66</b> 4.4%	<b>-0.37</b>	<b>-18.2%</b>

(\*) Operating profit of 4.34 billion yen for 1Q/FY07 yen includes elimination/corporate of -39 million yen.  
 Operating profit of 3.16 billion yen for 1Q/FY08 yen includes elimination/corporate of 41 million yen.

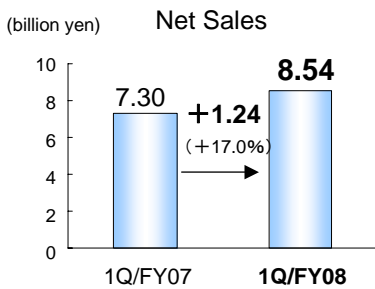
(\*\*) Extraordinary loss for 1Q/FY07 includes restructuring expenses (premium severance pay for early retirement, etc.) at SRL Kansai, Inc., of approx. 0.6 billion yen.

※ Figures are rounded to the nearest 10 million yen.

**2**

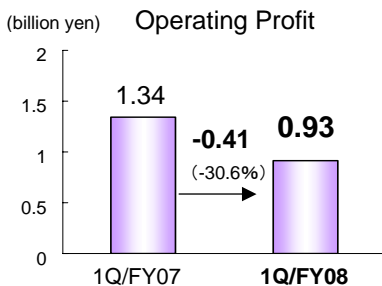
## 1Q/FY08 Results by Business Segment (year-over-year comparison)

### In vitro Diagnostics: Sales jumped, but OP decreased



◆ **Net sales: +1.24 bn yen**

- Sales of CL4800 instruments (+1.8 bn yen)  
Installation of CL4800 for JRC was completed in 1Q as planned.
- Weak sales of CL reagents (mainly LUMIPULSE reagents) impacted by increased distributors' inventory at the end of Mar.08 (-0.6 bn yen)  
⇒ Their inventory levels are estimated to go back to normal in 2Q.

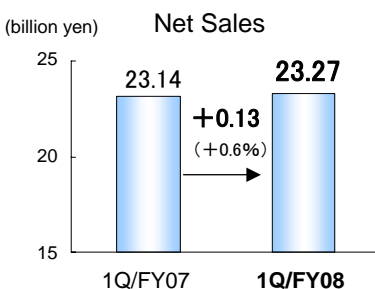


◆ **Operation profit: -0.41 bn yen**

- Decrease in sales volume of CL reagents (-0.4 bn yen)

## 1Q/FY08 Results by Business Segment (year-over-year comparison)

### Clinical Lab Testing: Sales increased, but OP dropped

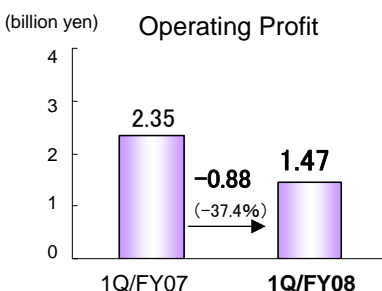


◆ **Net sales: +0.13 bn yen**

- Off-site testing: -0.06 bn yen  
 • Measles epidemic level was lower than 1Q/FY07.  
 (Unexpectedly high epidemic in 1Q/FY07)  
 ⇒ Volume of measles tests (incl. related tests) decreased.

• FMS/Branch-lab(\*): +0.19 bn yen

- Steady sales growth



◆ **Operation profit: -0.88 bn yen**

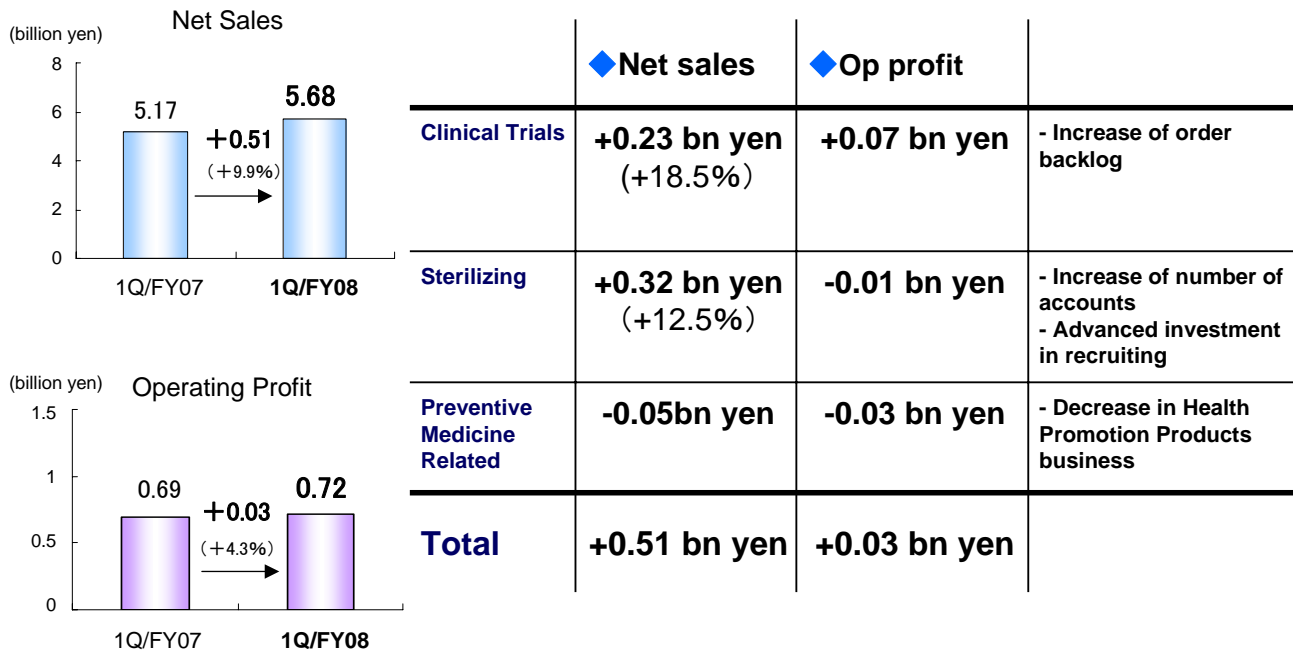
Profit decline by:

- increase of personnel expenses (-0.4 bn yen)
- increase of depreciation (-0.3 bn yen)
- Change of mix of testing items, including decrease of measles tests (-0.2 bn yen)

(\*) Facility Management Service(FMS)/ Branch-lab: contracted in-hospital laboratory management services

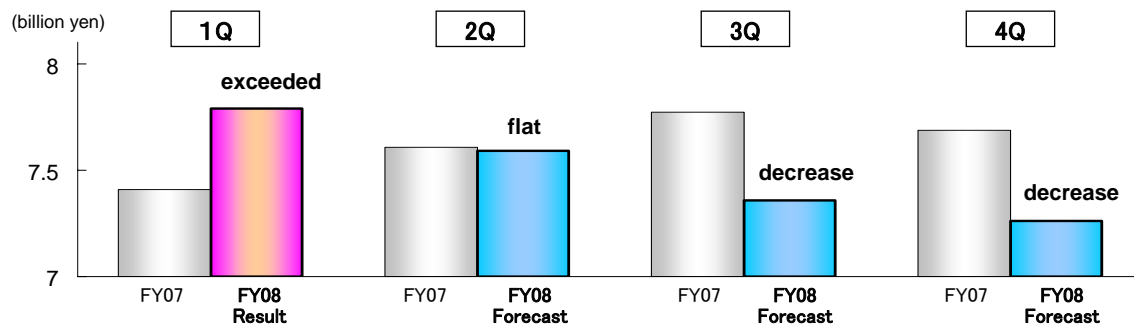
## 1Q/FY08 Results by Business Segment (year-over-year comparison)

### Others: Stable Growth of Clinical Trials and Sterilizing



## Key points in FY2008 Forecast

### Clinical Lab Testing: Reduction plan in personnel expenses



#### <Personnel expenses>

**1Q Result:** Increased by 0.4 bn yen (Increasing trend continued from 4Q/FY07 due to the delay in efficiency improvement measures)

**2-4Q Forecast:** Start to decrease from 2Q by effects from the measures (Operation of ERP system/ New specimen-entry lines)

⇒ Profitability improvement toward the end of FY08

### In vitro Diagnostics: CL reagents sales plan

Sales of CL reagents are estimated to recover in 2Q and start to expand from 3Q.

(billion yen)

	1Q Results	1st-half Original forecast (May, 19)	1st-half Revised forecast (Aug.11)	Full-year forecast
<b>Net sales</b>	37.49	72.9	72.9	147.0
In vitro diagnostics	8.54		16.6	34.6
Clinical lab testing	23.27		45.5	90.4
Others	5.68		10.8	22.0
<b>Operating profit</b>	3.16 <small>8.4%</small>	7.85 <small>22.2%</small>	7.30 <small>10.0%</small>	16.50 <small>11.2%</small>
In vitro diagnostics	0.93 <small>10.9%</small>		2.80 <small>16.9%</small>	7.40 <small>21.4%</small>
Clinical lab testing	1.47 <small>6.3%</small>		3.25 <small>7.1%</small>	6.90 <small>7.6%</small>
Others	0.72 <small>12.7%</small>		1.25 <small>11.6%</small>	2.20 <small>10.0%</small>
<b>Ordinary profit</b>	3.43 <small>9.1%</small>	8.05 <small>22.7%</small>	7.50 <small>10.3%</small>	16.80 <small>11.4%</small>
<b>Net income</b>	1.66 <small>4.4%</small>	4.35 <small>12.3%</small>	4.10 <small>5.6%</small>	9.30 <small>6.3%</small>

**Earning forecast for 1<sup>st</sup>-half was revised downward.**

Profitability improvement planned in 2Q was not enough to offset all of profit shortfall in 1Q.

**Full-year forecast remains the same.**

Effects from the efficiency improvement measures are estimated to raise profitability in 2<sup>nd</sup>-half.

7

**Further contact:**

**Miraca** Holdings Inc.

Phone: +81-3-5909-3337

**Akira Uchida** ar-uchida@miraca-holdings.co.jp  
Manager, IR Public Relations Group

**Kazumi Yokokawa** km-yokokawa@miraca-holdings.co.jp  
IR Public Relations Group

**Harumi Tanaka** hm-tanaka@miraca-holdings.co.jp  
IR Public Relations Group

**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.

8