Fiscal Year Ending March 2020
(148th Business Year)

2Q Quarter Financial Analyst Meeting

November 20, 2019

Proven Products for Better Dentistry
SHOFU INC.

Contents of Today's Presentation

- Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2020
- Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020
- Future Business Environment and Medium- and Long-term Business Strategies

Noriyuki Negoro, President and CEO

Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Future Business Environment and Medium- and Long-term Business Strategies

Summary of 2nd Quarter Business Performance

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Positive factors   Negative factors

P/L

➲ Net Sales totaled 13,421 million yen (an increase of 10.2%)

Domestic net sales totaled 7,609 million yen (an increase of 13.9%)

- Domestic sales in the dental business increased by 15.4% due to last-minute demand before the sales tax hike and growth in equipment, including new products and CAD/CAM-related products. Domestic
- sales in the nail care business increased by 4.5%, driven by existing mainstay brands and the new brand for gel nail products.

Overseas net sales totaled 5,811 million yen (an increase of 5.7%)

- Overseas sales in the dental business increased by 6.6%, thanks to strong sales in all regions, particularly Asia and Oceania, which offset the negative effect of a stronger yen.
- Overseas sales in the nail care business decreased by 5.3% due to a drop in sales in Taiwan, where competitors are taking increasingly aggressive actions, despite strong sales in America.

➲ Operating income totaled 1,415 million yen

- Although the sales cost ratio rose, operating income increased by 80.4% due to the effect of higher sales and selling, general and administrative expenses that were unused.

➲ Ordinary income totaled 1,242 million yen, and net income totaled 788 million yen

- Ordinary income increased by 58.8%, even though the extent of the increase was lower than that of operating income due to the negative impact of exchange rates.

  Net income, after deducting tax expenses, increased by 44.3%.

* "Net income" figures are figures for "Net income attributable to owners of parent" after the application of the Accounting Standard for Business Combinations, etc.

Summary of 2nd Quarter Business Performance

➲ Summary of **2nd Quarter** Consolidated Business Performance for Fiscal Year Ending March 31, 2020

➲ **Sales and profits increased compared to the previous period / Sales and profits and net income increased compared to the forecast.**

Units: millions of yen, %

	Fiscal March 2019 (2Q Results) (% of sales)	Fiscal March 2020 (2Q Forecast) (% of sales)	Fiscal March 2020 (2Q Results) (% of sales)	Change from Previous Period (% change)	Change from Forecast (% change)
Sales	12,179 (100.0)	12,906 (100.0)	13,421 (100.0)	1,242 (10.2)	514 (4.0)
(Domestic sales)	6,679 (54.8)	7,186 (55.7)	7,609 (56.7)	930 (13.9)	422 (5.9)
(Overseas sales)	5,500 (45.2)	5,719 (44.3)	5,811 (43.3)	311 (5.7)	91 (1.6)
Operating income	784 (6.4)	905 (7.0)	1,415 (10.5)	630 (80.4)	510 (56.4)
Ordinary income	782 (6.4)	854 (6.6)	1,242 (9.3)	460 (58.8)	387 (45.4)
Net income	546 (4.5)	569 (4.4)	788 (5.9)	241 (44.3)	218 (38.3)
Net income per share	34.35yen	35.84yen	49.51yen	15.15yen	13.67yen
Return on equity	2.3%	—	3.2%	1.0P	—
Foreign exchange rates					
US dollar	110.07	105.00	109.00	-1.07	4.00
Euro	129.88	125.00	121.43	-8.45	-3.57
Pound sterling	146.49	145.00	136.84	-9.65	-8.16
Renminbi	17.05	16.50	16.21	-0.84	-0.29

* Based on the results of the first half ended on September 30, 2020, diluted net income per share for the fiscal year ending March 2020 was 49.15 yen.

Sales by Product Category (Comparison with Previous Period)

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Unit: millions of yen

Figures in parentheses represent percentage changes; unit: %

	Fiscal March 2019 (2Q Results)	Fiscal March 2020 (2Q Results)	Cange from previous period			
					Domestic	Overseas
Artificial teeth	2,150	2,169	19	(0.9)	6	13
Abrasives	2,072	2,160	87	(4.2)	32	55
Metal products	120	125	5	(4.2)	5	0
Chemical products	2,500	2,743	243	(9.7)	77	165
Cements and others	1,072	1,096	24	(2.3)	0	25
Equipment and others	3,013	3,872	859	(28.5)	784	74
Dental business total	10,929	12,168	1,239	(11.3)	905	334
Nail care business	1,198	1,209	11	(1.0)	34	-22
Other	51	42	-8	(-17.1)	-8	0
Total	12,179	13,421	1,242	(10.2)	930	311

*The effect of foreign currency fluctuations (U.S. dollar (USD), Euro (EUR), British pound (GBP), Chinese yuan (CNY), Indian Rupee (INR), and New Taiwan dollar (NTD)) on overseas net sales was -236 million yen. (Dental business -226 million yen, Nail care business -10 million yen)

Sales by Product Category (Comparison with Forecast)

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Unit: millions of yen

Figures in parentheses represent percentage changes; unit: %

	Fiscal March 2020 (2Q Forecast)	Fiscal March 2020 (2Q Results)	Cange from Forecast			
					Domestic	Overseas
Artificial teeth	2,253	2,169	-83	(-3.7)	-11	-71
Abrasives	2,037	2,160	123	(6.1)	16	107
Metal products	121	125	4	(3.3)	4	0
Chemical products	2,713	2,743	29	(1.1)	-18	48
Cements and others	1,081	1,096	15	(1.4)	-2	17
Equipment and others	3,466	3,872	406	(11.7)	447	-40
Dental business total	11,673	12,168	495	(4.2)	434	60
Nail care business	1,175	1,209	33	(2.9)	2	30
Other	57	42	-14	(-25.6)	-14	0
Total	12,906	13,421	514	(4.0)	422	91

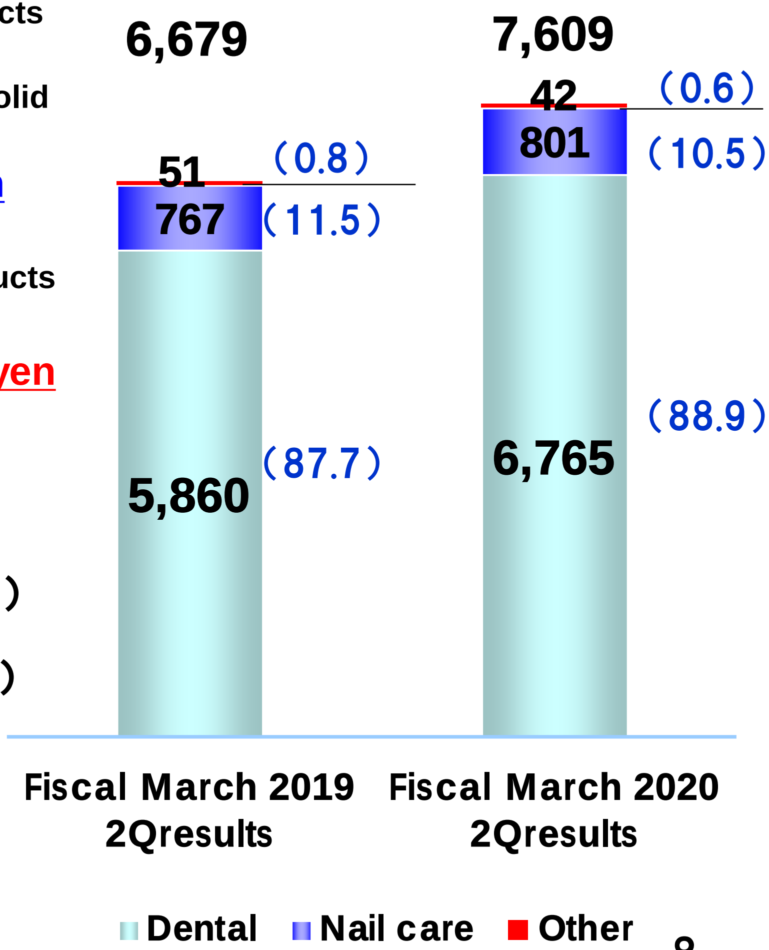
*The effect of foreign currency fluctuations (U.S. dollar (USD), Euro (EUR), British pound (GBP), Chinese yuan (CNY), Indian Rupee (INR), New Taiwan dollar (NTD) and Brazilian Real (BRL)) on overseas net sales was -45 million yen.
(Dental business -36 million yen, Nail care business -8 million yen)

Domestic Sales

Positive factors　Negative factors

Unit: Millions of yen; figures in parentheses represent the percentage of the total

- **Dental business: Year on year increase of 905 million yen (+15.4%)**
  - Sales of digital cameras for dental use, dental multi-purpose ultrasonic therapy machines and CAD/CAM-related new products contributed significantly to sales.
  - In addition to equipment, other materials and products were solid performers overall.
- **Nail care business: Year on year increase of 34 million yen (+4.5%)**
  - Sales were driven by existing and new brands of gel nail products and the brand for general consumers.
- **Other businesses: Year on year decrease of 8 million yen (-17.1%)**
- **Principal new products launched during recent fiscal year (dental business)**
  - Dental dentin adhesive
    SHOFU BeautiBond Universal （Chemical products）
  - Digital oral imaging device
    EyeSpecial C-Ⅳ （Equipment and others）
  - Dental multi-purpose ultrasonic therapy machine
    AIRFLOW PROPHYLAXIS MASTER
    （Equipment and others）
  - Resin material for dental cutting processing
    SHOFU BLOCK HC SUPER HARD
    （Equipment and others）

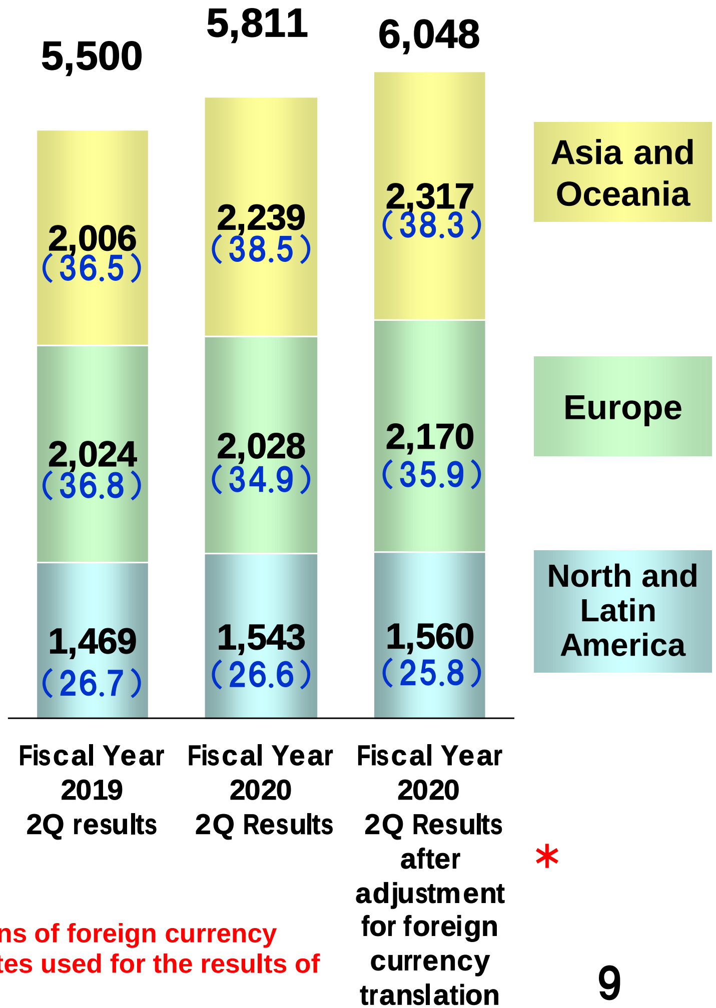


Overseas Sales

Positive factors　Negative factors

- **North America and Latin America: Year-on-year increase of 74 million yen (+5.1%)**
  - (Positive) **Flagship chemical products, abrasives, equipment and nail care business remained strong.**
  - Local currency basis: Year on year increase of 91 million yen (+6.2%)
- **Europe: Year-on-year increase of 3 million yen (+0.2%)**
  - (Positive) **Flagship chemical products, abrasives and equipment remained strong.**
  - Local currency basis: Year on year increase of 145 million yen (+7.2%)
- **Asia and Oceania: Year-on-year increase of 232 million yen (+11.6%)**
  - (Positive) **In China, sales of all product lines were strong, primarily for chemical products.**
  - (Positive / Negative) **In other Asian markets, sales of almost all product lines were strong. Sales fell in the nail care business in Taiwan.**
  - Local currency basis: Year on year increase of 310 million yen (+15.5%)
  - China: Year on year increase of 96 million yen (+8.8%)
  - Elsewhere in Asia: Year on year increase of 136 million yen (+15.0%)
- **(Dental business) Overseas sales ratio of 44.4%**
  - (46.4% for the same quarter of the previous fiscal year; 45.4% after adjustment for fluctuations of foreign currency exchange rates)

Unit: Millions of yen; figures in parentheses represent the percentage of the total



* The results of the quarter under review after adjustment for fluctuations of foreign currency exchange rates have been calculated based on the same exchange rates used for the results of the fiscal year ended March 2019.

Performance by Segment (Sales and Operating Income)

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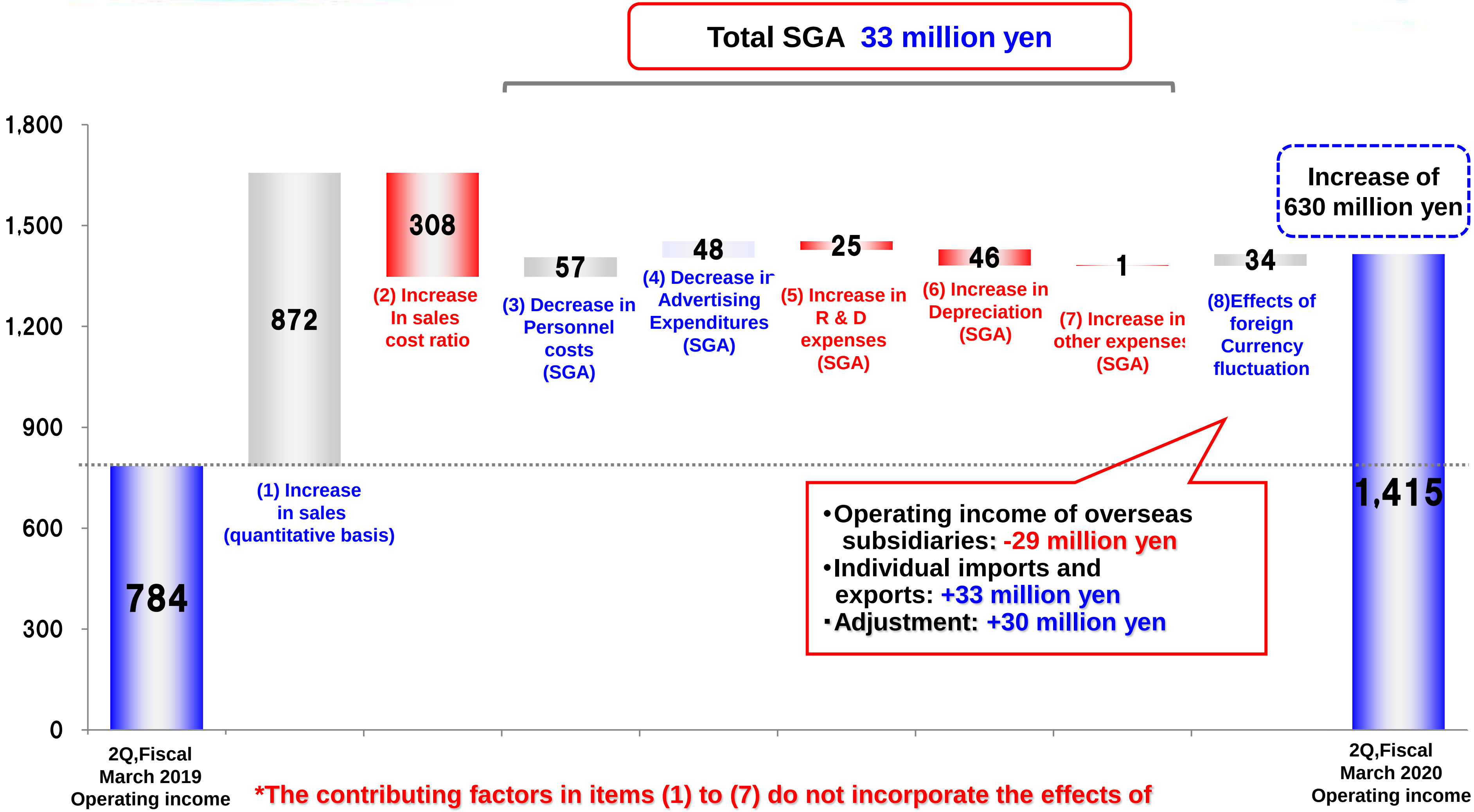
Unit: millions of yen. Figures in parentheses represent percentage of sales and percentage changes (unit: %)

		Fiscal March 2019 (2Q Results) Amount (% of sales)	Fiscal March 2020 (2Q Forecast) Amount (% of sales)	Fiscal March 2020 (2Q Results) Amount (% of sales)	Change from Previous Period	Change from Forecast
Dental	Net Sales	10,929	11,673	12,168	1,239	495
	Operating expenses	10,126	10,777	10,838	712	61
	Operating income	802	895	1,330	527	434
	(operating income margin)	(7.3)	(7.7)	(10.9)		
Nail care	Net Sales	1,198	1,175	1,209	11	33
	Operating expenses	1,228	1,176	1,132	-95	-44
	Operating income	-29	0	77	106	77
	(operating income margin)	(-2.5)	(-0.1)	(6.4)		
Other	Net Sales	55	57	46	-9	-11
	Operating expenses	46	47	40	-6	-6
	Operating income	9	10	5	-3	-4
	(operating income margin)	(16.2)	(17.5)	(12.2)		
Total before consolidation adjustment	Net Sales	12,183	12,906	13,424	1,241	518
	Operating expenses	11,401	12,001	12,011	610	10
	Operating income	781	905	1,412	630	507
	(operating income margin)	(6.4)	(7.0)	(10.5)		
Consolidated	Net Sales	12,179	12,906	13,421	1,242	514
	Operating expenses	11,394	12,001	12,005	611	4
	Operating income	784	905	1,415	630	510
	(operating income margin)	(6.4)	(7.0)	(10.5)		

Contributors to Change in Operating Income

Unit: millions of yen



*The contributing factors in items (1) to (7) do not incorporate the effects of fluctuations of foreign currency exchange rates.

Financial Condition: Major Balance Sheet Accounts

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Unit: millions of yen

	Fiscal March 2019	2Q,Fiscal March 2020	Change	Major contributors to changes, special notes
Cash and deposits	4,890	4,695	-194	Decrease in cash and deposits
Notes and bills receivable, trade accounts receivable	3,354	3,731	377	Increase in accounts receivable-trade
Inventory	6,208	6,603	395	Increase in products and raw materials
Securities, investment securities	6,032	6,064	32	Increase in valuation of invesrment securities
Others	9,676	9,736	59	
Assets	30,161	30,831	669	
Long-term and short-term borrowings	974	1,379	405	Increase in short-term Loans payable
Reserve for retirement benefits and directors' retirement benefits	228	222	-5	
Others	4,575	4,542	-33	
Liabilities	5,778	6,144	366	
Net worth	24,383	24,687	303	Increase in retained earnings and valuation difference on available-for-sale securities, decrease in foreign currency translation adjustment
Total liabilities and net worth	30,161	30,831	669	
Capital adequacy ratio	80.4%	79.6%	-0.8P	
Net worth per share	1,525yen	1,540yen	15yen	

Capital Investments, Depreciation Expenses, R&D Expenses, etc.

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Unit: millions of yen

	Fiscal March 2019 (2Q Results)	Fiscal March 2020 (2Q Forecast)	Fiscal March 2020 (2Q Results)	Change from Previous Period	Change from Forecast
Capital investment	511	854	593	82	-261
Depreciation expenses	425	472	477	52	5
(of which amortization of goodwill)	42	41	39	-3	-2
R&D expenses	739	812	759	20	-53
Foreign exchange rates					
US dollar	110.07	105.00	109.00	-1.07	4.00
Euro	129.88	125.00	121.43	-8.45	-3.57
Pound sterling	146.99	145.00	136.84	-10.15	-8.16
Renminbi	17.05	16.50	16.21	-0.84	-0.29

- The foreign exchange rates given are those in effect at the average of each term; conversions of items in the financial statements of overseas subsidiaries all use average rates.

Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Future Business Environment and Medium- and Long-term Business Strategies

Overview of the Next Fiscal Year

➲ Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020

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Positive factors　Negative factors

P/L

➲ Net sales will total 26,190 million yen (an increase of 5.1%)

Domestic net sales will total 14,408 million yen (an increase of 5.8%)

- In the dental business, we expect sales to increase by 5.3% (+632 million yen) due to the pursuit of sales activities focused on CAD/CAM-related products, for which demand is expected, and mainstay areas, in addition to the development of activities to supply information to dental care workers.

  <New product sales: 3,356 million yen, or 19.4% of non-consolidated net sales>
- In the nail care business, we expect sales to increase by 9.1% (+140 million yen) due to higher sales, primarily for new brands and mainstay gel nail products.

Overseas net sales will total 11,781 million yen (an increase of 4.3%)

- In the dental business, sales are expected to increase by 5.6% (+590 million yen) as we continue to expand the sales network, strengthen affiliations with other companies, and raise the speed of business expansion overseas.
- In the nail care business, sales are expected to decrease by 12.5% (-104 million yen) because, although sales are expected to remain solid in North America, we expect sales to decline in Taiwan, where the competition from other companies is increasingly intense.

➲ Operating income will total 2,056 million yen (an increase of 13.4%). Ordinary income will total 1,941 million yen (an increase of 13.6%). Net income will total 1,377 million yen (an increase of 14.7%).

- Although sales, general and administrative expenses are expected to increase due to proactive investment in sales activities, we expect operating income to increase 13.4% due to the effect of higher sales.
- Ordinary income increased by 13.6% and net income increased by 14.7%.

＊ "Net income" figures are figures for "Net income attributable to owners of parent" after the application of the Accounting Standard for Business Combinations, etc.

Comparison of Major Statistics

➲ Net sales and Net income increased compared to fiscal March 2019

Unit: millions of yen

	Fiscal March 2019 Business Performance (% of sales)		Fiscal March 2020 Forecast (% of sales)		Change From Previous Period (% change)	
Net sales	24,915	(100.0)	26,190	(100.0)	1,274	(5.1)
(Domestic sales)	13,619	(54.7)	14,408	(55.0)	789	(5.8)
(Overseas sales)	11,295	(45.3)	11,781	(45.0)	485	(4.3)
Operating income	1,814	(7.3)	2,056	(7.9)	242	(13.4)
Ordinary income	1,709	(6.9)	1,941	(7.4)	231	(13.6)
Net income	1,201	(4.8)	1,377	(5.3)	176	(14.7)
Net income per share	75.54yen		86.61yen		11.07yen	
Return on shareholders' equity	5.0%		5.6%		0.6P	
Foreign exchange rates						
US dollar	110.69		105.00		-5.69	
Euro	128.43		125.00		-3.43	
Pound sterling	145.68		145.00		-0.68	
Renminbi	16.69		16.50		-0.19	

* "Net income" figures are figures for "Net income attributable to owners of parent" after the application of the Accounting Standard for Business Combinations, etc.

Sales by Product Category

➲ Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Unit: millions of yen
Figures in parentheses represent percentage changes; unit: %

	Fiscal March 2019 (Results)	Fiscal March 2020 (Forecast)	Cange from previous period			
					Domestic	Overseas
Artificial teeth	4,418	4,663	244	(5.5)	45	199
Abrasives	4,145	4,140	-5	(-0.1)	17	-23
Metal products	237	248	11	(4.7)	12	-0
Chemical products	5,210	5,546	335	(6.4)	137	197
Cements and others	2,181	2,211	29	(1.4)	14	14
Equipment and others	6,251	6,859	607	(9.7)	405	202
Dental business total	22,446	23,669	1,222	(5.4)	632	590
Nail care business	2,372	2,408	35	(1.5)	140	-104
Other	96	112	15	(16.5)	15	—
Total	24,915	26,190	1,274	(5.1)	789	485

- Overseas sales decreased by 303 million yen due to the effect of foreign currency fluctuations (US dollar, euro, pound sterling, renminbi, Indian Rupee, New Taiwan dollar and Brazilian Real). (Dental business -299 million yen, Nail care business -4 million yen)

Domestic Net Sales

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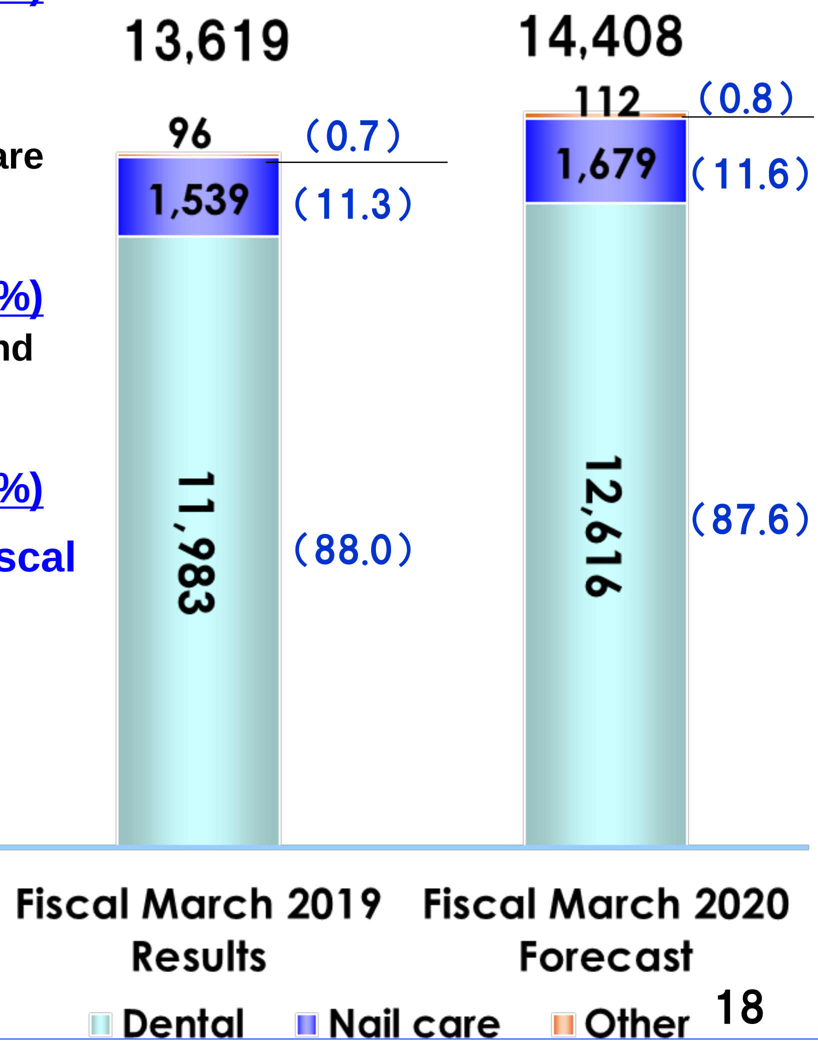
- ✧ **Dental business:**
  Year-on-year increase of 632 million yen (+5.3%)
  - We will carry out sales activities focused on CAD/CAM-related products, where demand is expected, and on mainstay areas, and will also develop information activities aimed at dental care workers.
- ✧ **Nail care business:**
  Year-on-year increase of 140 million yen (+9.1%)
  - we will promote sales increase of new brands and flagship product lines of gel nail products.
- ✧ **Other businesses:**
  Year-on-year increase of 15 million yen (+16.5%)
- ✧ **Principal new products launched during the fiscal year ending March 2020.**
  - Digital oral imaging device
    EyeSpecial C-Ⅳ （Equipment and others）
  - Resin material for dental cutting processing
    SHOFU BLOCK HC SUPER HARD
    （Equipment and others）
  - New polymerization device for a technical work
    （Equipment and others）
  - New multilayer zirconia disc
    （Equipment and others）

Unit: Millions of yen; figures in parentheses represent the percentage of the total



Overseas Net Sales

➲ Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Unit: millions of yen; figures in parentheses represent component ratio (%)

✧ Summary

- Despite the negative effects of foreign currency fluctuations (-303 million yen), net sales overall are expected to increase by 4.3% due to strong performances in all regions.
- Growth rates by region

*Figures in parentheses indicate the growth rate on local currency basis.

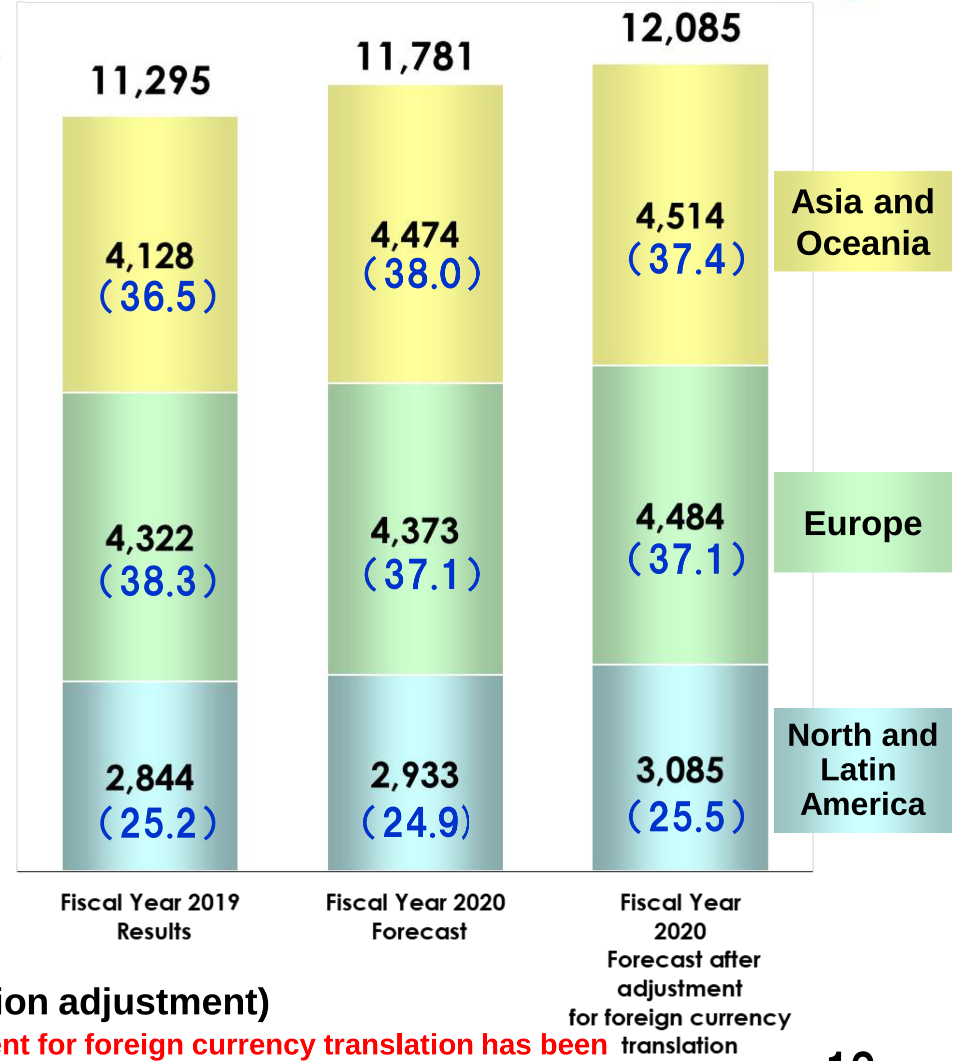
North and Latin America	+3.1%	(+ 8.5%)
Europe	+1.2%	(+ 3.8%)
China	+15.1%	(+16.4%)
Asia (Other)	+0.9%	(+ 1.5%)

✧ Foreign exchange rates

- USD1=JPY105.00
  (JPY110.69 in the previous fiscal year)
  (Effect: -152 million yen)
- EUR1=JPY125.00
  (JPY128.43 in the previous fiscal year)
  (Effect: -111 million yen)
- RMB1=JPY16.50
  (JPY16.69 in the previous fiscal year)
  (Effect: -28 million yen)

✧ (Dental business) Overseas sales ratio

46.7% (46.6% in the previous fiscal year)
(47.4% after foreign currency translation adjustment)



* The fiscal March 2020 forecast after adjustment for foreign currency translation has been calculated based on the same foreign exchange rates used for the fiscal March 2019 results.

Performance by Segment (Net Sales and Operating Income)

➲ Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Unit: millions of yen. Figures in parentheses represent percentage of sales and percentage changes (unit: %)

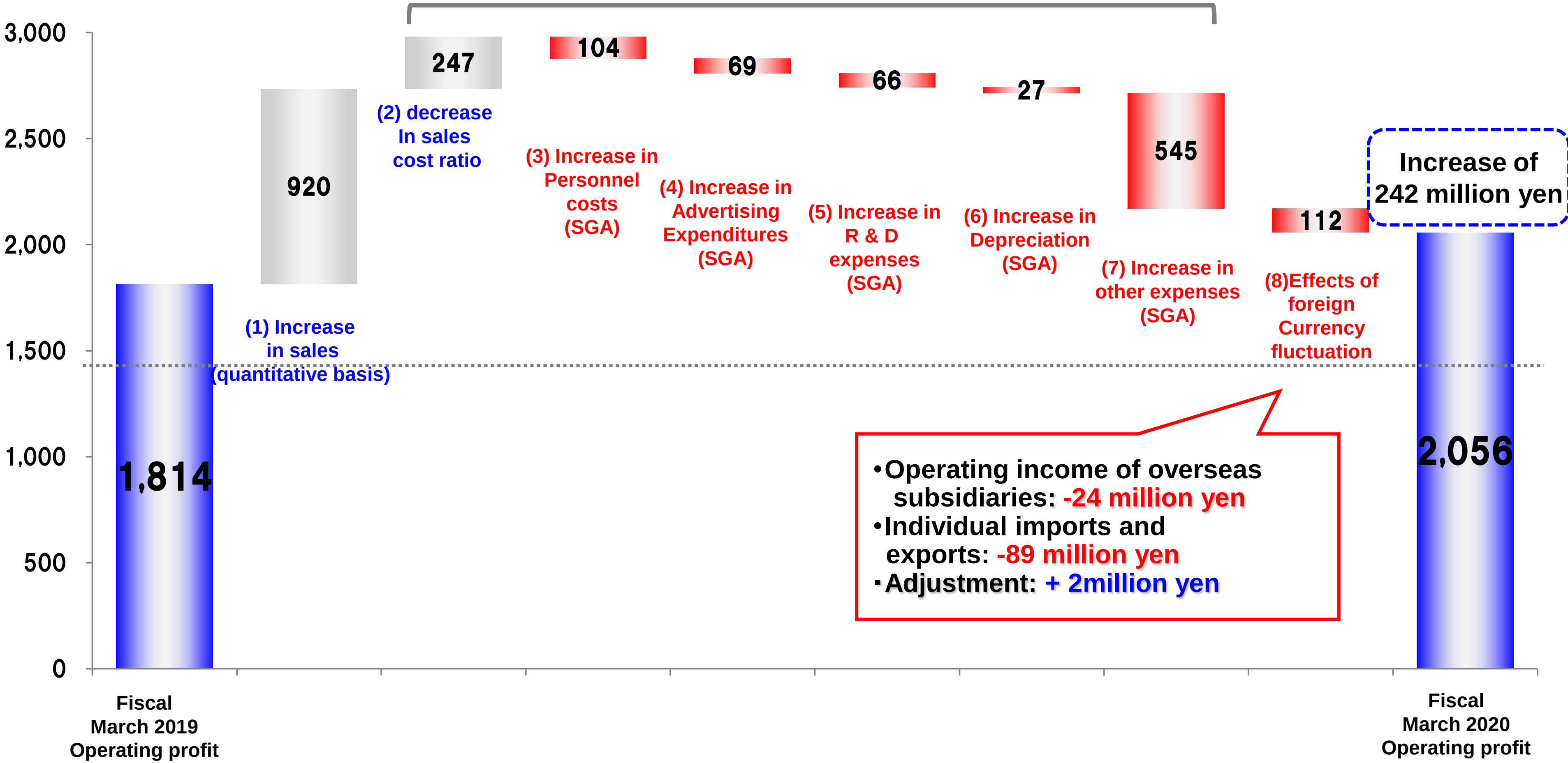
		Fiscal March 2019 (Results) Amount (% of sales)	Fiscal March 2020 (Forecast) Amount (% of sales)	Change from Previous Period
Dental	Net Sales	22,446	23,669	1,222
	Operating expenses	20,648	21,695	1,046
	Operating income	1,797	1,973	176
	(operating income margin)	(8.0)	(8.3)	
Nail care	Net Sales	2,372	2,408	35
	Operating expenses	2,378	2,344	-33
	Operating income	-5	63	69
	(operating income margin)	(-0.2)	(2.6)	
Other	Net Sales	104	112	8
	Operating expenses	87	93	5
	Operating income	16	19	3
	(operating income margin)	(15.6)	(17.1)	
Total before consolidation adjustment	Net Sales	24,923	26,190	1,266
	Operating expenses	23,115	24,133	1,018
	Operating income	1,807	2,056	248
	(operating income margin)	(7.3)	(7.9)	
Consolidated	Net Sales	24,915	26,190	1,274
	Operating expenses	23,101	24,133	1,032
	Operating income	1,814	2,056	242
	(operating income margin)	(7.3)	(7.9)	

Contributors to Change in Operating Income

➲ Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Unit: millions of yen

Total SGA -811 million yen



*** The figures in items (1) to (7) do not incorporate the effects of foreign currency fluctuations.**

Impact of Foreign Exchange Fluctuations

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Forecast for Fiscal March 2020

(Unit: millions of yen)

	Foreign exchange rate		Impact on consolidated business performance		Per yen of yen strength	
	Fiscal March 2019 actual	Fiscal March 2020 estimate	Sales	Operating income	Sales	Operating income
US Dollar	110.69	105.00	-186	-88	-32	-14
Euro	128.43	125.00	-110	-31	-32	-6
GBP	145.68	145.00	-2	0	-3	0
RMB	16.69	16.50	-28	-10	-148	-84

• The foreign exchange rates given are those in effect at the average of each term; conversions of items in the financial statements of overseas subsidiaries all use average rates.

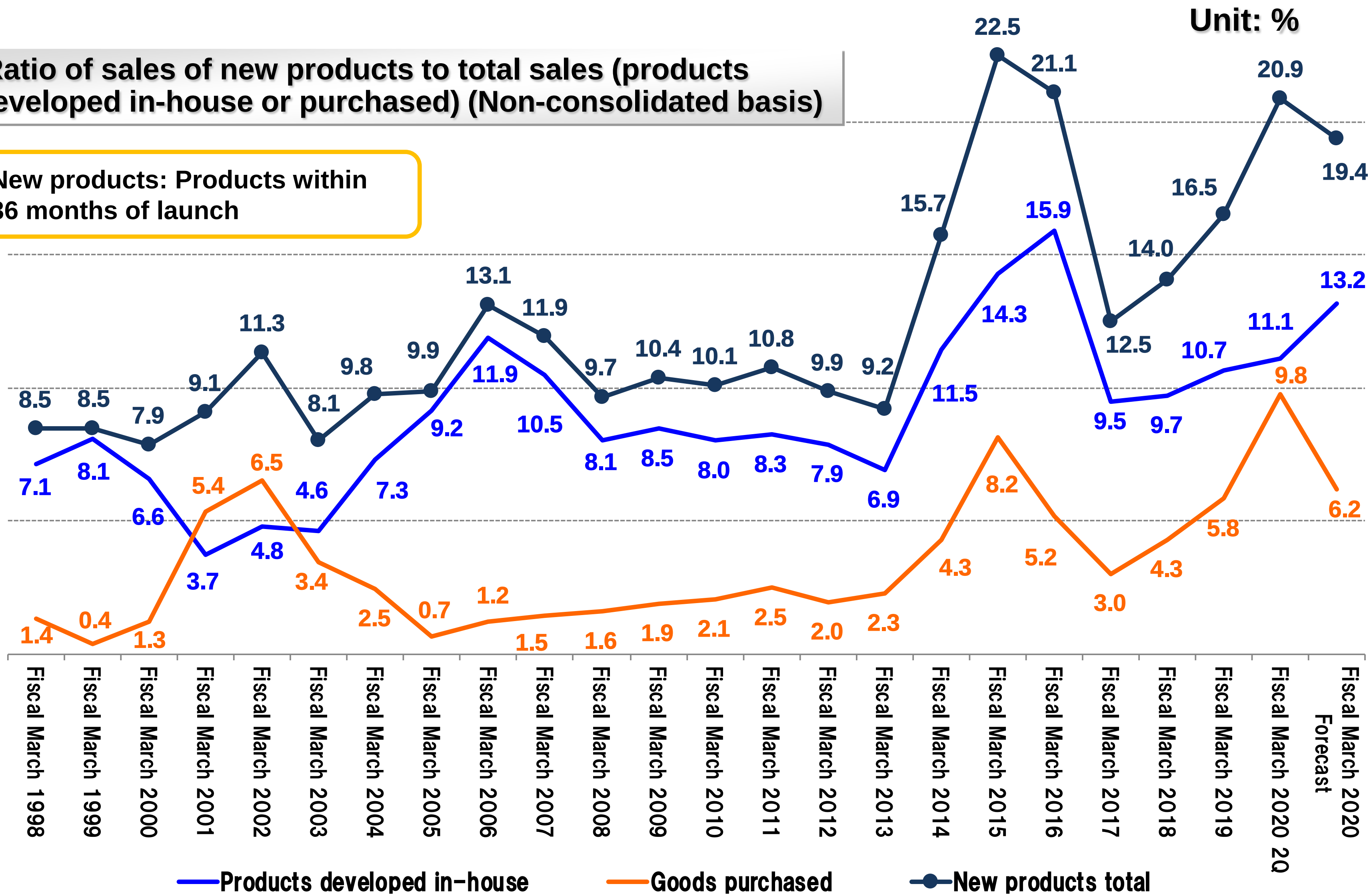
Trends for Sales Ratio of New Products

➲ Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Unit: %

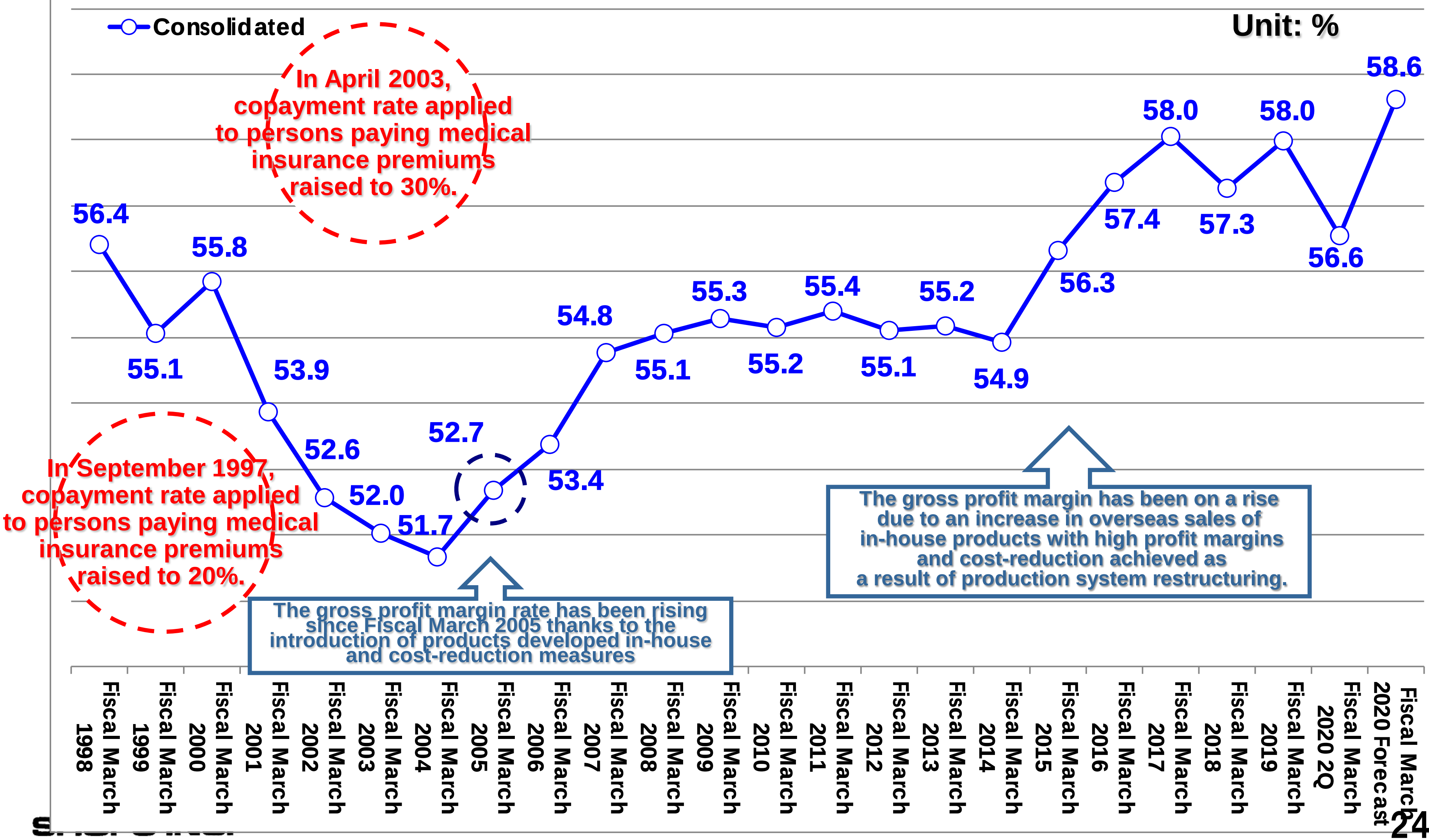
Ratio of sales of new products to total sales (products developed in-house or purchased) (Non-consolidated basis)

New products: Products within 36 months of launch



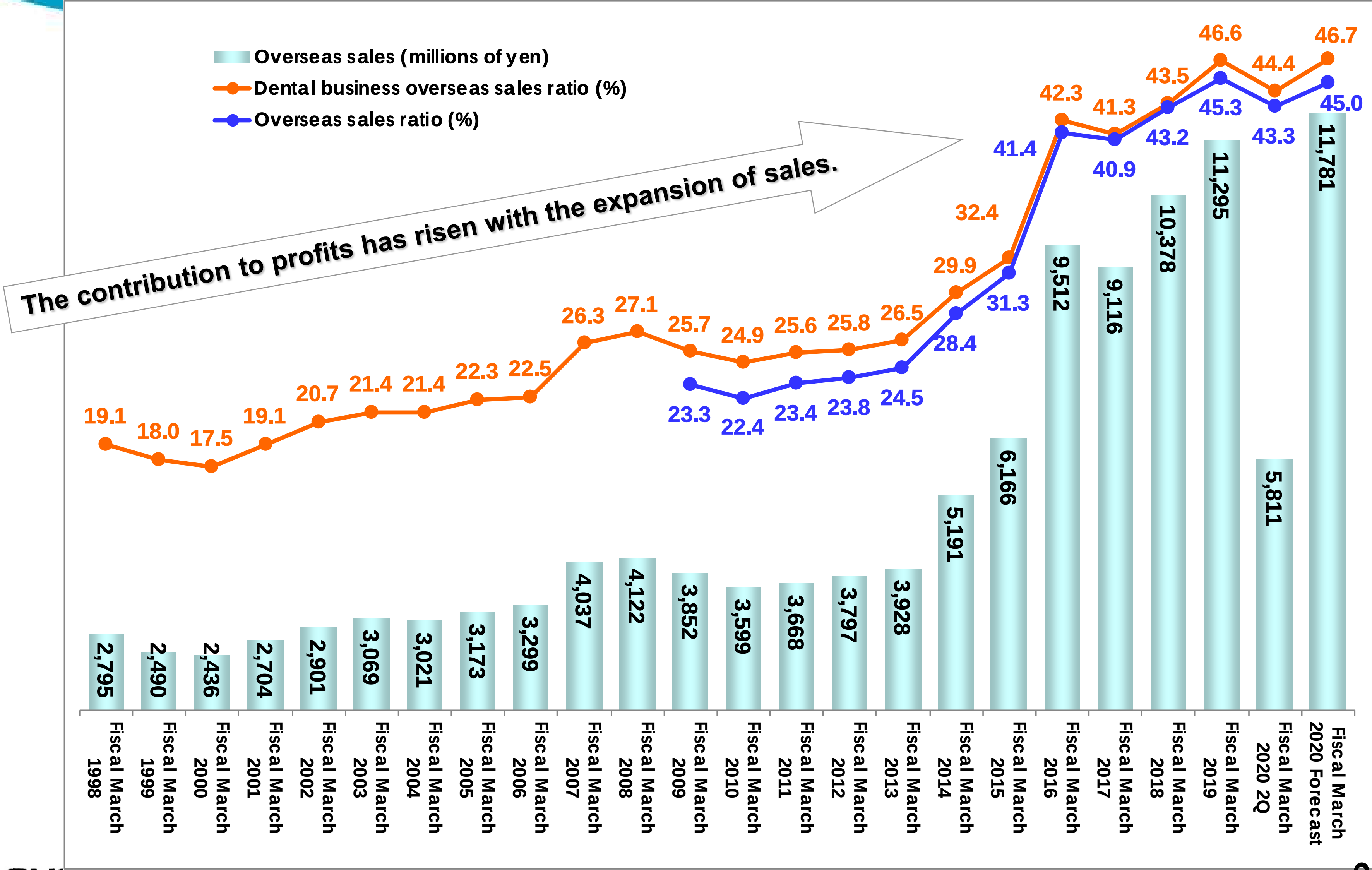
* Major goods purchased: Johnson & Johnson products, EMS ultrasonic scalers and root canal treatment equipment (reamers/files)

Trends for Gross Profit Margin Rates



Trends for Overseas Sales and Overseas Sales Ratios

➲ Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020



Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2020

Future Business Environment and Medium- and Long-term Business Strategies

Business Environment Awareness

Domestic dental market

- Rising demand in aesthetic and preventive fields
- Decrease in population and occurrence of cavities
- Maintenance of a certain market scale
- Significant growth is unlikely

Overseas dental market

- Existence of enormous market centered on developed nations
- Economic growth and rising living standards in regions worldwide, particularly developing nations
- Demand for dental care increasing dramatically

Vision for our company: Medium-to Long-term Basic Policy

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Strive to expand the overseas business by dramatically shifting the allocation of management resources to overseas markets.

Company-wide targets

- **Group net sales: 50 billion yen**
  <Domestic sales: 17 billion yen; overseas sales: 33 billion yen>
- **Group operating income: 7.5 billion yen**
  (Operating profit margin: 15%)

Pursue globalization in every department, function (R&D, production, and sales), personnel, and by extension the company's overall management.

Fiscal 2018 to 2020 Medium-term Management Plan : Company-wide targets

Company-wide targets for fiscal March 2021

- **Group net sales: 29.2 billion yen**
  <Domestic sales:13.5billion yen; overseas sales:12.2 billion yen; Nail care business sales:3.3 billion yen>
  <Overseas sales ratio in the dental business : 50%>
- **Group operating income: 2.34 billion yen**
  (Operating profit margin: 8.0%)
- **ROE 6.0%**

Key issues in order to achieve goals

R&D	✓ Development and introduction of new products that match the local demands	**Promotion of M&As** (business tie-ups, technology partnerships, business acquisitions)
Production	✓ Relocation of production base and expansion of offshore production	
Sales	✓ Improvement of our sales network / Realignment of sales offices ✓ Establishment of domestic and international academic networks	
HR	✓ Development of human resources and securing the skilled employees	

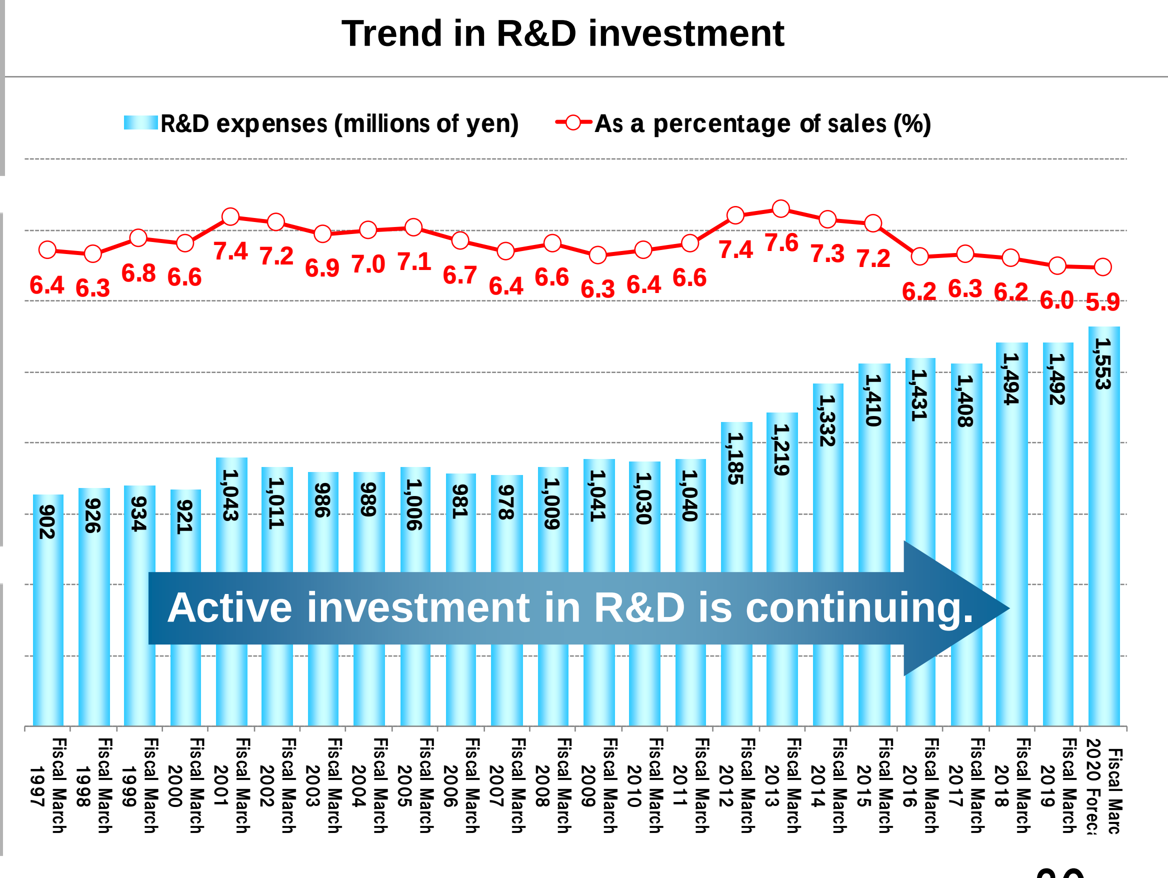
Specific Efforts – Research and Development

Future Business Environment and Medium- and Long-term Business Strategies

SHOFU

✧Development and introduction of new products that match the local demands

- Developing products with a worldwide vision
- Developing new products for regions' middle-class and high-volume segments
- Developing products with the goal of creating markets in new fields



Specific Efforts – Production

✧ Relocation of production base and expansion of offshore production

Further expand the market share of our time-honored specialties such as artificial teeth and abrasives by enhancing price competitiveness and reducing costs.

➲ Effectively utilizing existing domestic factories

Domestic manufacturing Group companies

Shiga Shofu (Shiga)

Shofu products kyoto (Kyoto)

Nail Labo (Saitama)

➲ Expanding overseas production

Overseas manufacturing Group companies

Shanghai Shofu Dental Materials Co., Ltd. (China)

Advanced Healthcare Ltd. (UK)

Merz Dental GmbH.（Germany）

Principal issues and purpose of repositioning of production

1) limited productions capacity of SHOFU Headquarters
2) high production costs in Japan
3) currency fluctuations
4) high shipping costs for hazardous and heavy goods
5) better delivery service to users
6) high tariff

Specific Efforts – Production

✧ Relocation of production base and expansion of offshore production

March, 2013

Split up Promech's dental business to Shoken

Nail Labo absorbed Promech

Aimed for stabilization of management base and business efficiency

March, 2014

Completed CAD/CAM processing center at Shoken

July, 2014

Relocation and expansion of Shoken
Changed the company name to SHOFU PRODUCTS KYOTO INC.

January, 2015

Completed new plant at Shiga SHOFU

April, 2015

Subsidiarization of Merz Dental GmbH, a German artificial teeth Manufacturer

New production base in Europe

September, 2015

Established CAD/CAM processing company in Germany (Digital Dental Services GmbH)

March, 2017

Completed new plant in the SHOFU headquarters

March, 2019

Completed new plant at Merz Dental GmbH. in Germany

FY 2013/3 → FY 2014/3 → FY 2015/3 → FY 2016/3 → FY 2017/3 → FY 2018/3 → FY 2019/3

※We are gradually developing production bases in other important countries and regions.

Specific Efforts – Sales

✧Improvement of our sales network

- Develop a network of overseas distributors.

✧Realignment of sales offices

- Establish new overseas sales bases.

✧Establishment of domestic and international academic networks

- Build an organization that can advertise the company's products and services directly to users.
- Enhance and expand MDR* activities.

*Medical dental representative

[Overseas sales Group companies]

Shofu Dental Corporation (U.S.A.)

Shofu Dental GMBH (Germany)

Shofu Dental Trading (Shanghai) Co., Ltd., (China)

Shofu Dental Asia-Pacific PTE (Singapore)

Merz Dental GmbH.(Germany)

[Other overseas bases]

Sales company： Mexico, Brazil, India

Sales base ： England, Taiwan, Italy

➢Improve our customer service

➢Enhance academic activities

➢Speed up the product registration work

Specific Efforts – Sales

✧Realignment of sales offices

April, 2013
Incorporated Sales Branch in Singapore (SHOFU Dental Asia-Pacific Pte. Led.)

June, 2014
Established Sales Company in Mexico (SHOFU Mexico S de R.L. de C. V.)

April, 2015
Established Sales Company for Dental Implant in Japan
Entry into the Implant business (SHOFU BIOFIX Inc.)

Established Sales Branch in Italy

April, 2015
Subsidiarization of Merz Dental GmbH, a German artificial teeth Manufacturer

May, 2015
Established Sales Branch in Taiwan

January, 2017
Established Sales Company in Brazil (SHOFU Dental Brasil Comercio De Produtos Odontologicos Ltda.)

April, 2017
Established Sales Company in India (SHOFU Dental India Pvt. Ltd.)

FY2013/3 → FY2014/3 → FY 2015/3 → FY 2016/3 → FY 2017/3 → FY 2018/3

＊We are planning to establish sales bases in other important countries / regions.

Specific Efforts – Nail Care Business

■ Basic Policy

- ✧ Work to expand the nail care business by taking advantage of the R&D and production engineering capabilities the company has developed in the dental materials business.
- ✧ Ensuring profitability by improvement of in-house products ratio
- ✧ Expanding sales channels in overseas markets
  - – U.S., Europe, Taiwan, South Korea, China

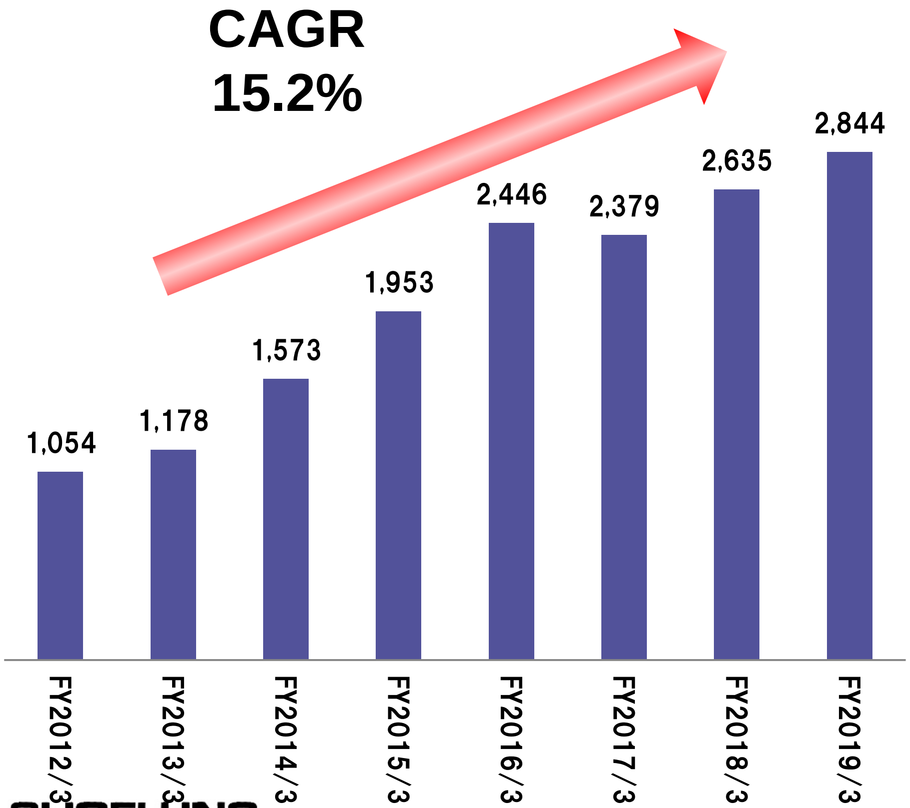
■ Specific Efforts

- ✧ Capturing share in the LED gel market with improved Presto
- ✧ Improving competitiveness and profitability by integrating operations from product planning to sales
- ✧ Released self nail gel nail "by Nail Labo" (August 2014)
- ✧ Established joint venture in Taiwan (December 2014), began operation in January 2015
- ✧ Launched new "ageha Gel" brand of gel nail products for nail salons (June 2017)

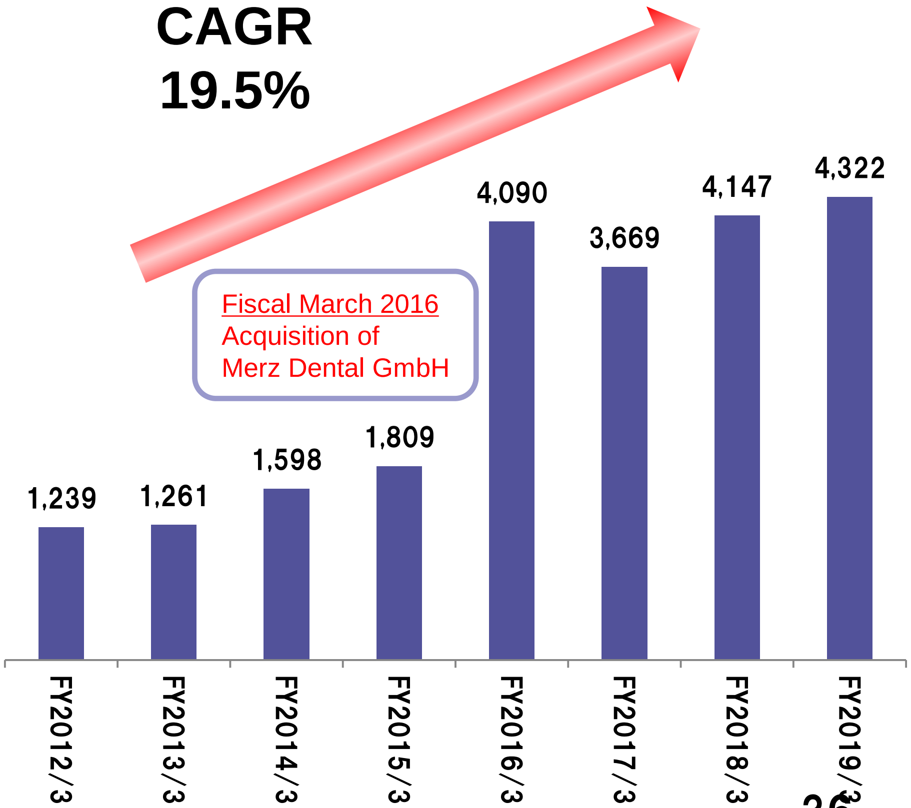
Trends for Sales by Region —North and Latin America, Europe

Unit: millions of yen

North & Latin America Sales



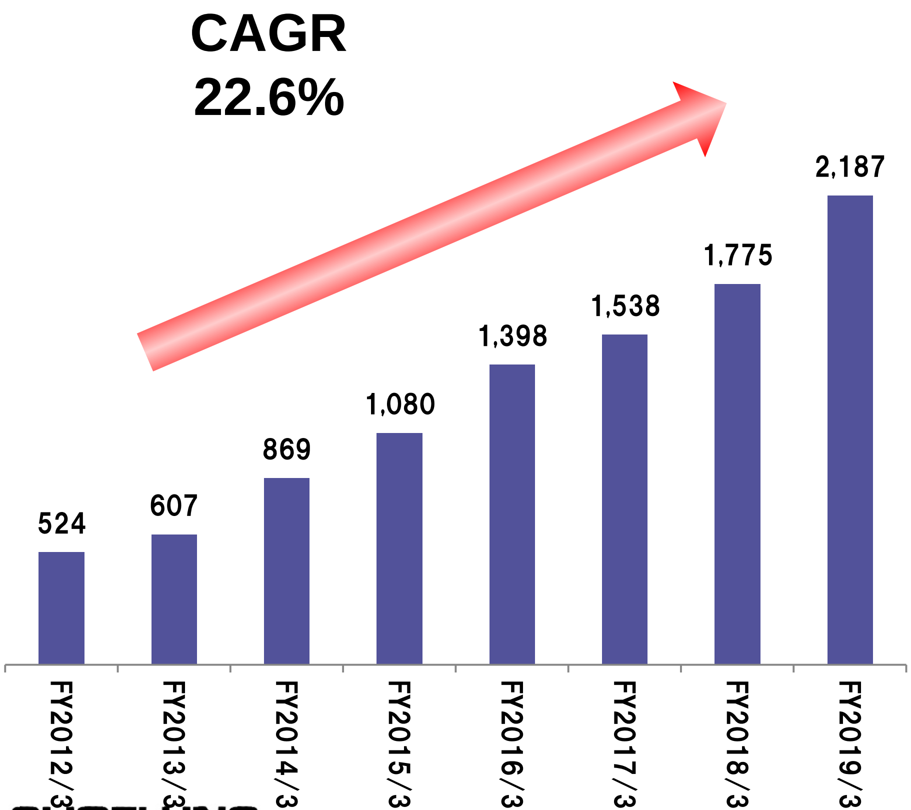
Europe Sales



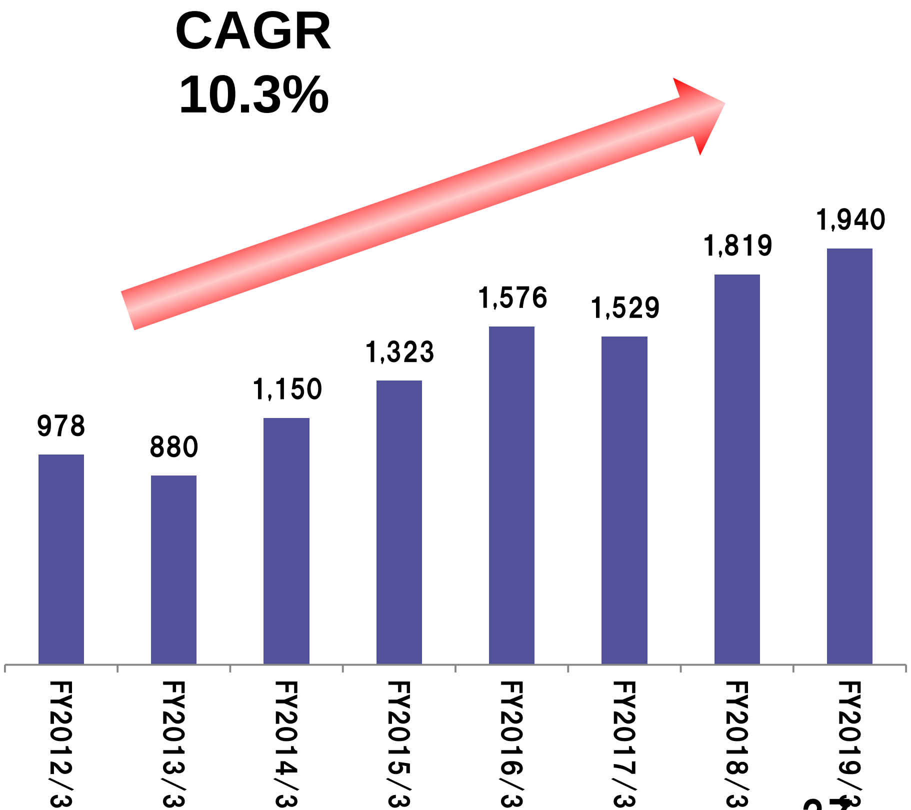
Trends for Sales by Region —China, Elsewhere in Asia

Unit: millions of yen

China Sales



Elsewhere in Asia Sales



Medium-term Management Plan – Principle Targets

SHOFU

★・・・Record Unit: millions of yen

	Fiscal March 2018 (Results)	Mid-term Management Plan			Fiscal March 2019 (Results)	Fiscal March 2020 (Forecast)
		Fiscal March 2019	Fiscal March 2020	Fiscal March 2021		
Net sales	★ 24,031	★ 25,725	★ 27,419	★ 29,264	★ 24,915	★ 26,190
(Change from Previous Period)	(7.7%)	(7.1%)	(6.6%)	(6.7%)	(3.7%)	(5.1%)
(Domestic sales)	★ 13,652	★ 14,453	★ 15,085	★ 15,700	13,619	★ 14,408
(Change from Previous Period)	(3.5%)	(5.9%)	(4.4%)	(4.1%)	(-0.2%)	(5.8%)
(Overseas sales)	★ 10,378	★ 11,271	★ 12,333	★ 13,563	★ 11,295	★ 11,781
(Change from Previous Period)	(13.8%)	(8.6%)	(9.4%)	(10.0%)	(8.8%)	(4.3%)
Operating income	1,497	1,737	★ 2,056	★ 2,341	1,814	★ 2,056
(Percentage of sales)	(6.2%)	(6.8%)	(7.5%)	(8.0%)	(7.3%)	(7.9%)
Ordinary income	1,565	1,630	★ 1,946	★ 2,234	1,709	★ 1,941
(Percentage of sales)	(6.5%)	(6.3%)	(7.1%)	(7.6%)	(6.9%)	(7.4%)
Net income	877	★ 1,109	★ 1,370	★ 1,596	★ 1,201	★ 1,377
(Percentage of sales)	(3.7%)	(4.3%)	(5.0%)	(5.5%)	(4.8%)	(5.3%)
Dental business Overseas sales ratio	★ 43.5%	★ 44.6%	★ 46.0%	★ 47.6%	★ 46.6%	★ 46.7%

* "Net income" figures are figures for "Net income attributable to owners of parent" after the application of the Accounting Standard for Business Combinations, etc.

Medium-term Management Plan by Segment (Sales and Operating income)

SHOFU

Unit: millions of yen

	Fiscal March 2018 (Results)		Mid-Term Management Plan						Fiscal March 2019 (Results)		Fiscal March 2020 (Forecast)	
			Fiscal March 2019		Fiscal March 2020		Fiscal March 2021					
	Amout	%	Amout	%	Amout	%	Amout	%	Amout	%	Amout	%
Dental business	21,447	89.2	22,800	88.6	24,227	88.4	25,787	88.1	22,446	90.1	23,669	90.4
Nail care business	2,486	10.3	2,806	10.9	3,068	11.2	3,343	11.4	2,372	9.5	2,408	9.2
Other businesses	105	0.4	117	0.5	123	0.5	133	0.5	104	0.4	112	0.4
Net sales	24,038	100.0	25,725	100.0	27,419	100.0	29,264	100.0	24,923	100.0	26,190	100.0
Dental business	1,410	6.6	1,575	6.9	1,867	7.7	2,070	8.0	1,797	8.0	1,973	8.3
Nail care business	63	2.5	145	5.2	169	5.5	243	7.3	-5	-0.2	63	2.6
Other businesses	17	16.8	16	13.7	18	15.3	27	20.5	16	15.6	19	17.1
Operating income	1,491	6.2	1,737	6.8	2,056	7.5	2,341	8.0	1,807	7.3	2,056	7.9

- The foreign exchange rates given are those in effect at the average of each term; conversions of items in the financial statements of overseas subsidiaries all use average rates.

Medium-term Management Plan Capital Investments, Depreciation Expenses , R&D Expenses

Unit: millions of yen

	Fiscal March 2018 (Results)	Mid-Term Management Plan			Fiscal March 2019 (Results)	Fiscal March 2020 (Forecast)
		Ficsal March 2019	Ficsal March 2020	Ficsal March 2021		
Capital investment	710	1,080	967	967	1,403	1,598
Depreciation expenses	975	1,003	1,003	1,003	893	1,026
(of which goodwill amortization)	108	108	108	108	84	82
R&D expenses	1,494	1,572	1,596	1,604	1,492	1,553

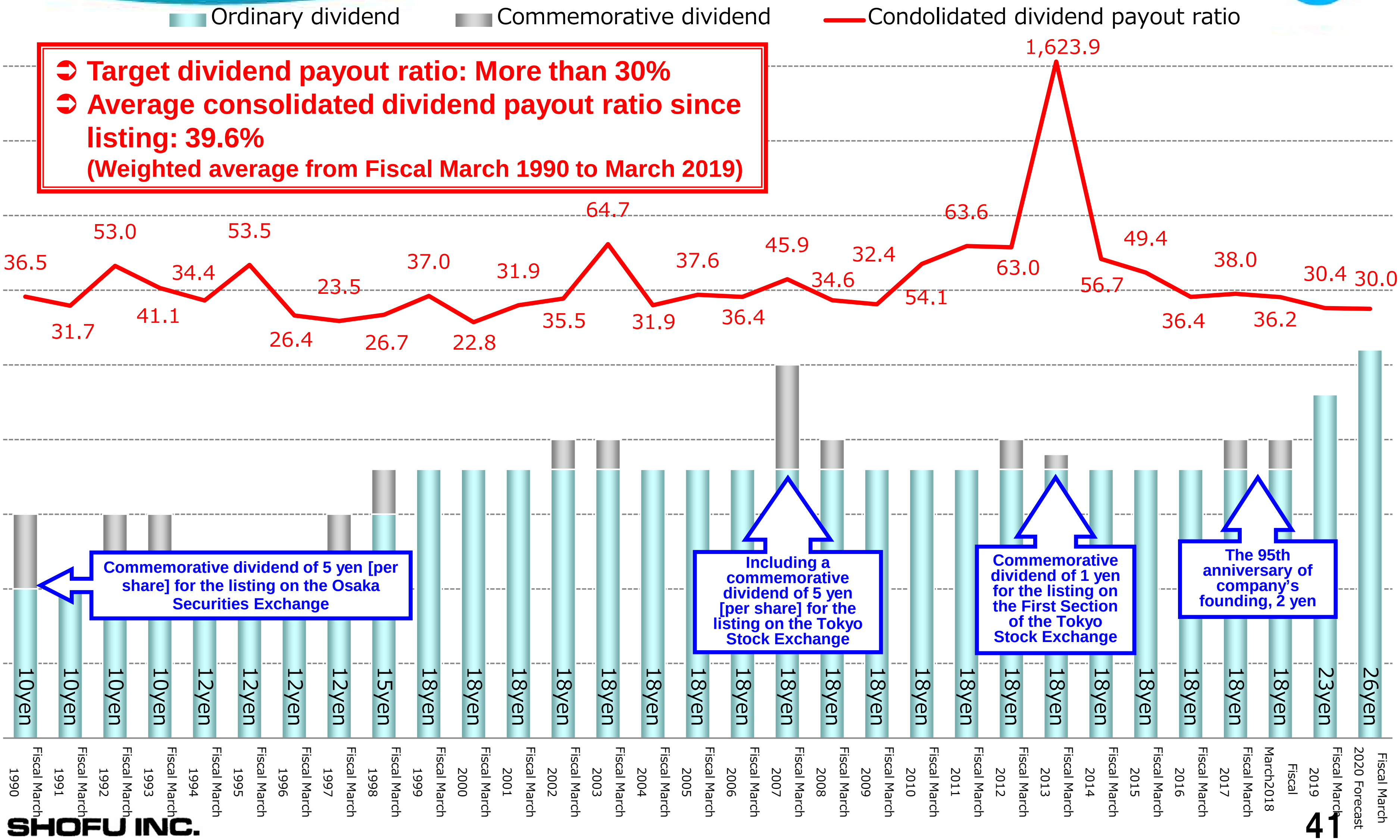
• The foreign exchange rates given are those in effect at the average of each term; conversions of items in the financial statements of overseas subsidiaries all use average rates.

＊Capital investment, depreciation expenses and R&D expenses above are recorded only for those realized at this moment. Profit plan includes certain strategy investment expenses.

Dividend Policy

➲ **Target dividend payout ratio: More than 30%**

➲ **Average consolidated dividend payout ratio since listing: 39.6%**
(Weighted average from Fiscal March 1990 to March 2019)



Forecasts in this document are based on information and data available at the time of release as well as on assumptions concerning uncertain factors that might affect the company's future business performance. Depending on various factors, actual business performance could differ substantially from the forecasts contained in this document.

SHOFU INC.

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E-mail: ir@shofu.co.jp

Contact: Corporate Planning Department

SHOFU

The pages below are provided only for your reference.
The information on these pages will not be covered in the financial analysis meeting.

SHOFU and Its Operations (Summary of the Company Profile and Its Businesses)

Company Profile

Company name	SHOFU Inc.
Representative	Noriyuki Negoro, President and CEO
Address	11 Kamitakamatsu-cho, Fukuine, Higashiyama-ku, Kyoto 605-0983, Japan
Date of establishment	May 15, 1922
Capital	4,474,646,614 yen
Listed exchanges	First Section of Tokyo Stock Exchange
Number of employees	445 (entire group: 1,183, including 563 in overseas subsidiaries)
Business	Manufacture and sale of dental materials and equipment
Main customers	Dental institutions (via sales agencies)
Number of group companies	17 (four in Japan, thirteen overseas) Dental companies: 14 (three in Japan, eleven overseas) Nail care companies: 3 (one in Japan, two overseas)

(As of September 30, 2019)

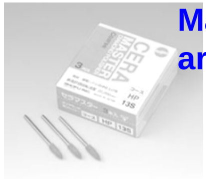
Main Products

The company manufactures and markets a wide range of dental materials and equipment.

Artificial teeth products

Artificial tooth and implant materials

- Porcelain teeth, porcelain powder, resin teeth



Abrasives products

Materials for removing diseased areas and polishing crowns

- Diamond abrasive
- Carborundum abrasive
- Silicon polisher
- Other carving and polishing materials
- Industrial grinding and polishing materials

Metal products

Materials for use as dental crowns and as the base for implants

- Alloys for casting, silver alloys
- Other metals

Chemical products

Materials for use in a variety of applications, including implants, diseased area fillings, gums for artificial teeth, etc.

- Synthetic resins
- Impression materials
- Waxes

Cement products ,other

Materials for use in the adhesion of implants, fillings, etc.

- Dental cements
- Dental stones and investments

Machinery ,equipment & other products

Equipment and appliances for dental treatment and procedures

- Dental equipment
- Products for oral care and infection prevention
- Orthodontic materials
- Health and beauty equipment
- Other equipment and appliances

Please refer to “Product Profiles” attached to this document.

The company’s products are designed for use in dental care and treatment.

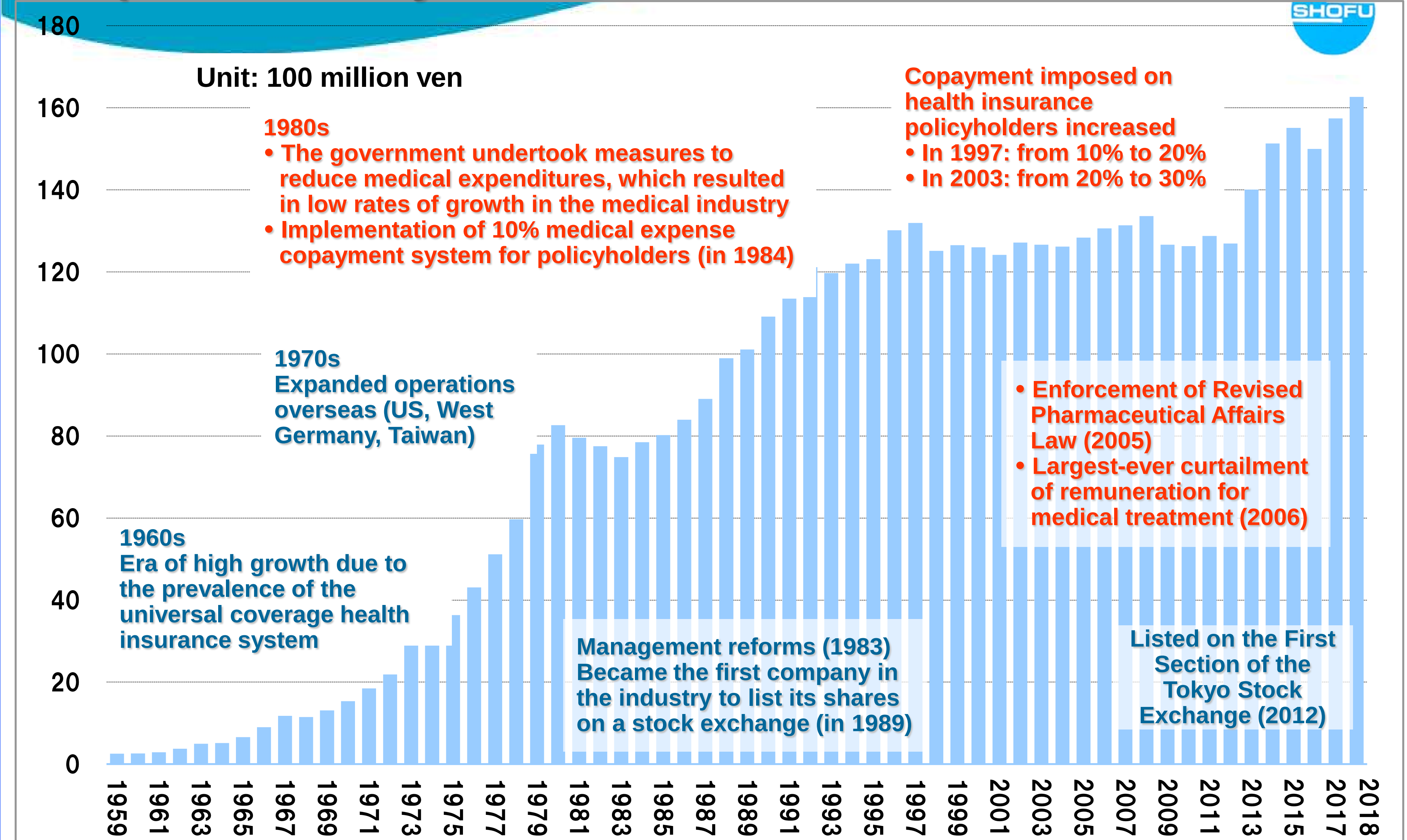
Corporate History (1)

• 1922	Shofu Dental Manufacturing Co., Ltd. founded and commenced the manufacture and sale of Japan's first artificial teeth.
• 1963	Shofu shares listed on the over-the-counter market.
• 1971～1978	Established sales subsidiaries in the U.S. and West Germany. Started overseas production (in Taiwan). Established Shiga Shofu Inc. as a manufacturing facility for resin teeth.
• 1983	Changed the company name to SHOFU Inc. Commenced management reforms.
• 1989	Shofu's shares listed on the Second Section of the Osaka Securities Exchange (in November).
• 1990～1997	Purchased a British research & development and manufacturing company. Founded a sales subsidiary in the U.K. Obtained the UK GMP (Good Manufacturing Practice) Certificate. Obtained a CE marking certificate.
• 1996	Founded Promech Inc. Established Liaison Office in Shanghai, China.
• 1997	Established the industry's largest research facility as a part of a project to commemorate Shofu's 75th anniversary.
• 2002～2003	Celebrated the 80th anniversary of its founding. Established Liaison Office in Beijing, China.
	Obtained ISO 14001 (Environmental Management System) certification (both for the headquarters and all group companies).
	Established Shanghai Shofu Dental Materials Co., Ltd., a production facility in China.
• 2005	Acquired Shoken Inc. as a wholly owned subsidiary through a share exchange.
	Established Shofu Dental Supplies (Shanghai) Co., Ltd., a sales facility in China.
• 2006	Training Center designed to promote customers service completed (in August).

Corporate History (2)

• 2007	Celebrated the 85th anniversary of its founding. Shofu's shares listed on the Second Section of the Tokyo Stock Exchange (in February).
• 2008	Acquired and turned Nail Labo Co., Ltd. into a subsidiary.
	Acquired 1.6 million of the company's own shares in accordance with the purchase of the company's own shares scheme in the J-NET market of the Osaka Securities Exchange.
• 2009	Reached basic agreement concerning business and capital partnership with Mitsui Chemicals, Inc., and Sunmedical Co., Ltd.
	Transferred 1.8 million shares of treasury stock to Mitsui Chemicals, Inc., through a third-party allocation.
• 2010	Shofu Dental Trading (Shanghai) Co., Ltd., is established in China.
• 2012	Celebrated the 90th anniversary of its founding. Listed on the First Section of the Tokyo Stock Exchange.
• 2013	Promech Inc. is split up, with Shoken Inc. taking over its dental businesses and Nail Labo Co,. Ltd., absorbing the company and its remaining operations.
	The Singapore Sales Office is incorporated as the local corporation SHOFU Dental ASIA-Pacific Pte.Ltd.
• 2014	Established joint venture in Taiwan between Nail Labo Co., Ltd. and a local sales distributor.
• 2015	Acquired shares and made Merz Dental GmbH. a subsidiary. Established SHOFU BIOFIX INC.
• 2017	Established a subsidiary in Brazil
	Established a subsidiary in India
• 2019	Completed new plant at Merz Dental GmbH. in Germany

Corporate History - Sales



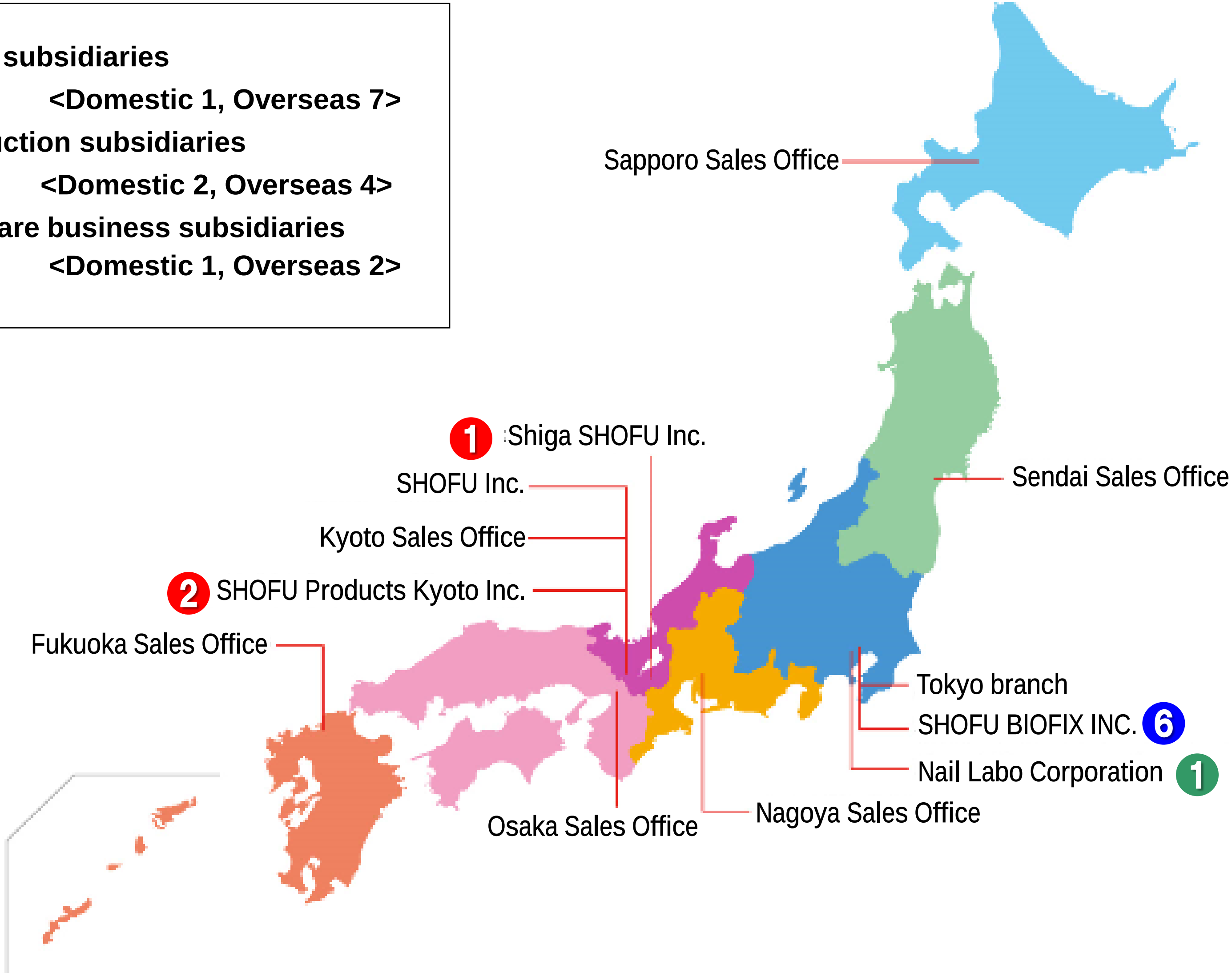
(Note) Figures shown in the graph are non-consolidated sales.

Group Overview [Domestic base]

1 ～ 8 **Sales subsidiaries**
<Domestic 1, Overseas 7>

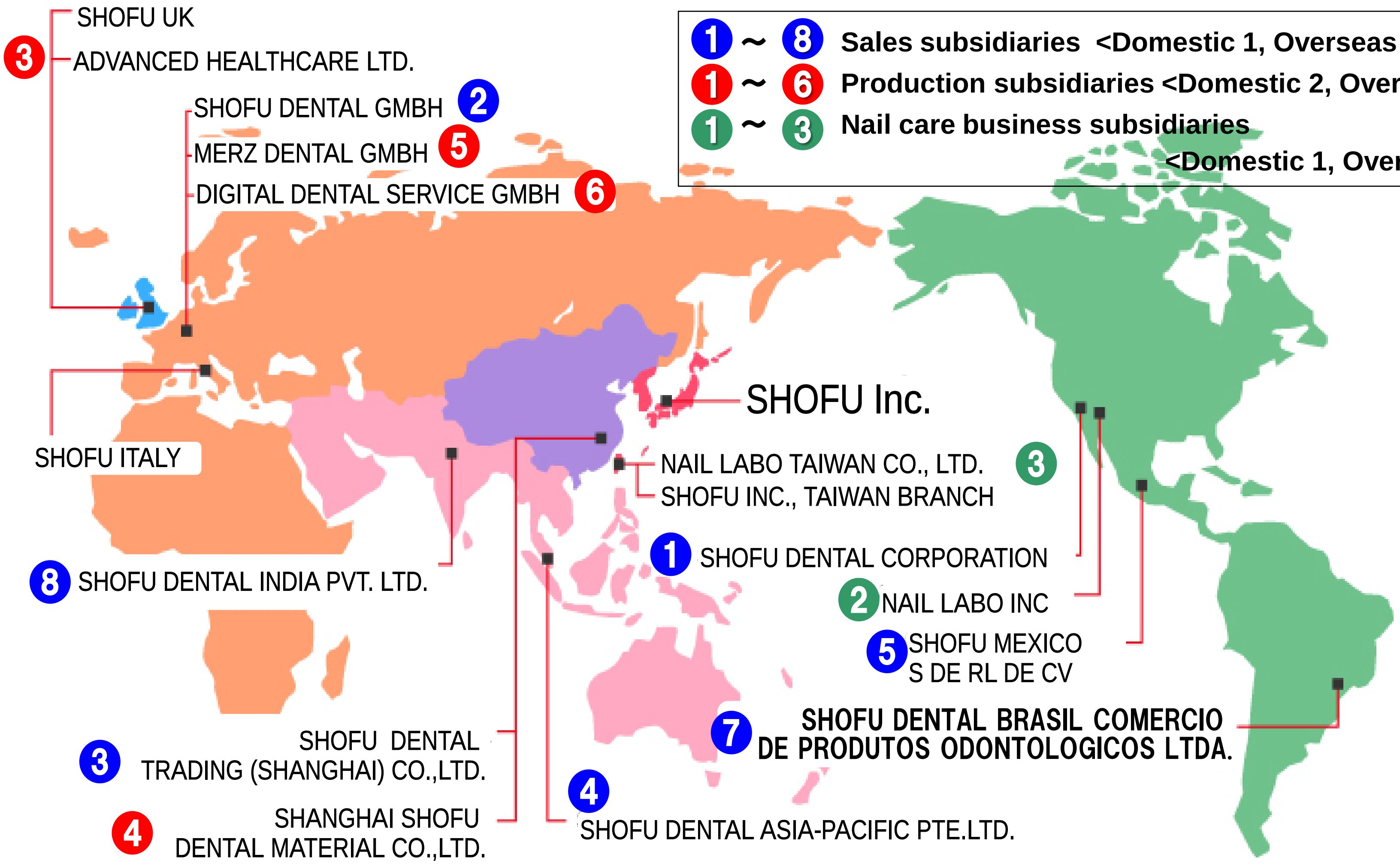
1 ～ 6 **Production subsidiaries**
<Domestic 2, Overseas 4>

1 ～ 3 **Nail care business subsidiaries**
<Domestic 1, Overseas 2>

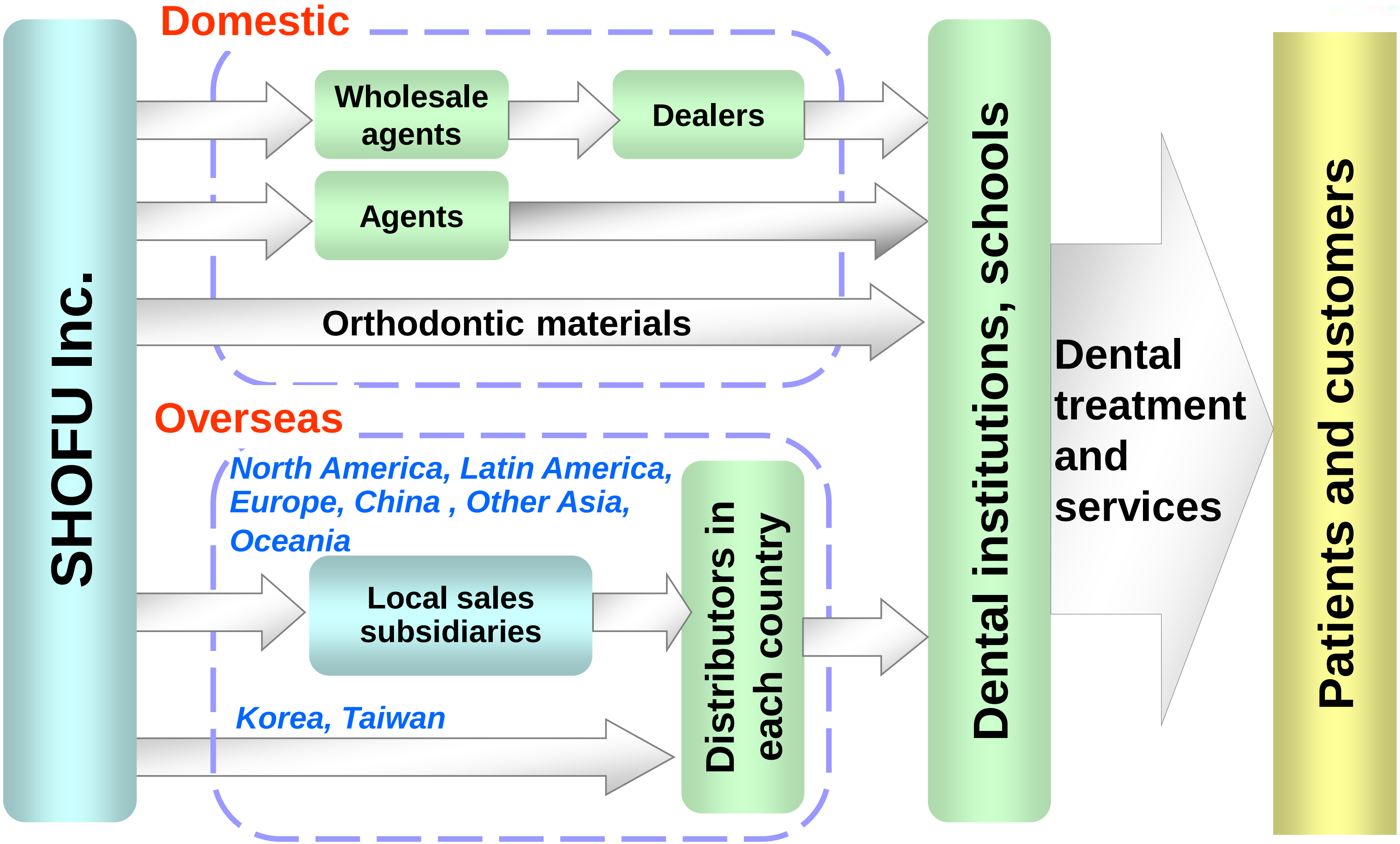


Group Overview［Overseas base］

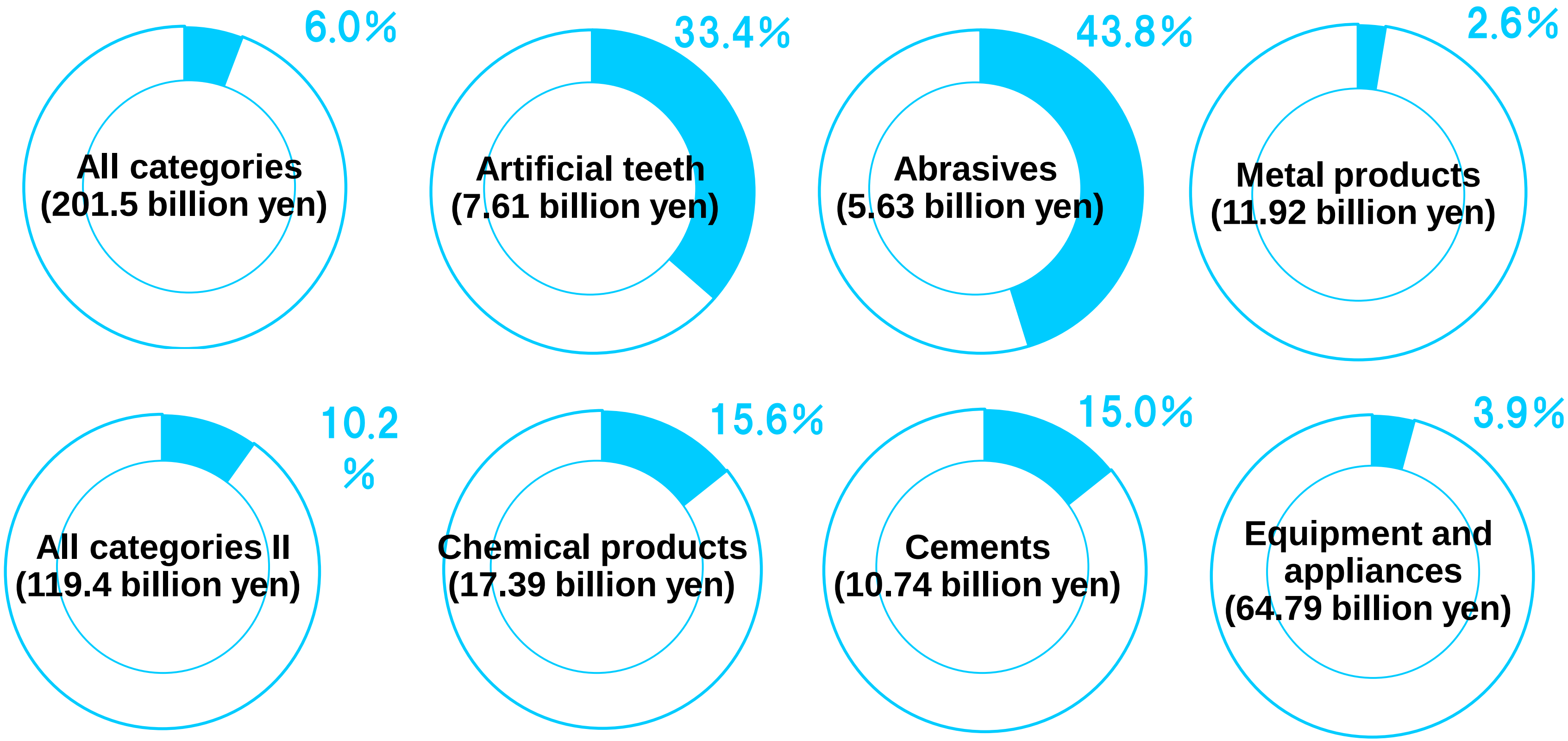
1 ～ 8 **Sales subsidiaries <Domestic 1, Overseas 7>**
1 ～ 6 **Production subsidiaries <Domestic 2, Overseas 4>**
1 ～ 3 **Nail care business subsidiaries <Domestic 1, Overseas 2>**



Sales Channels



Market share by product category

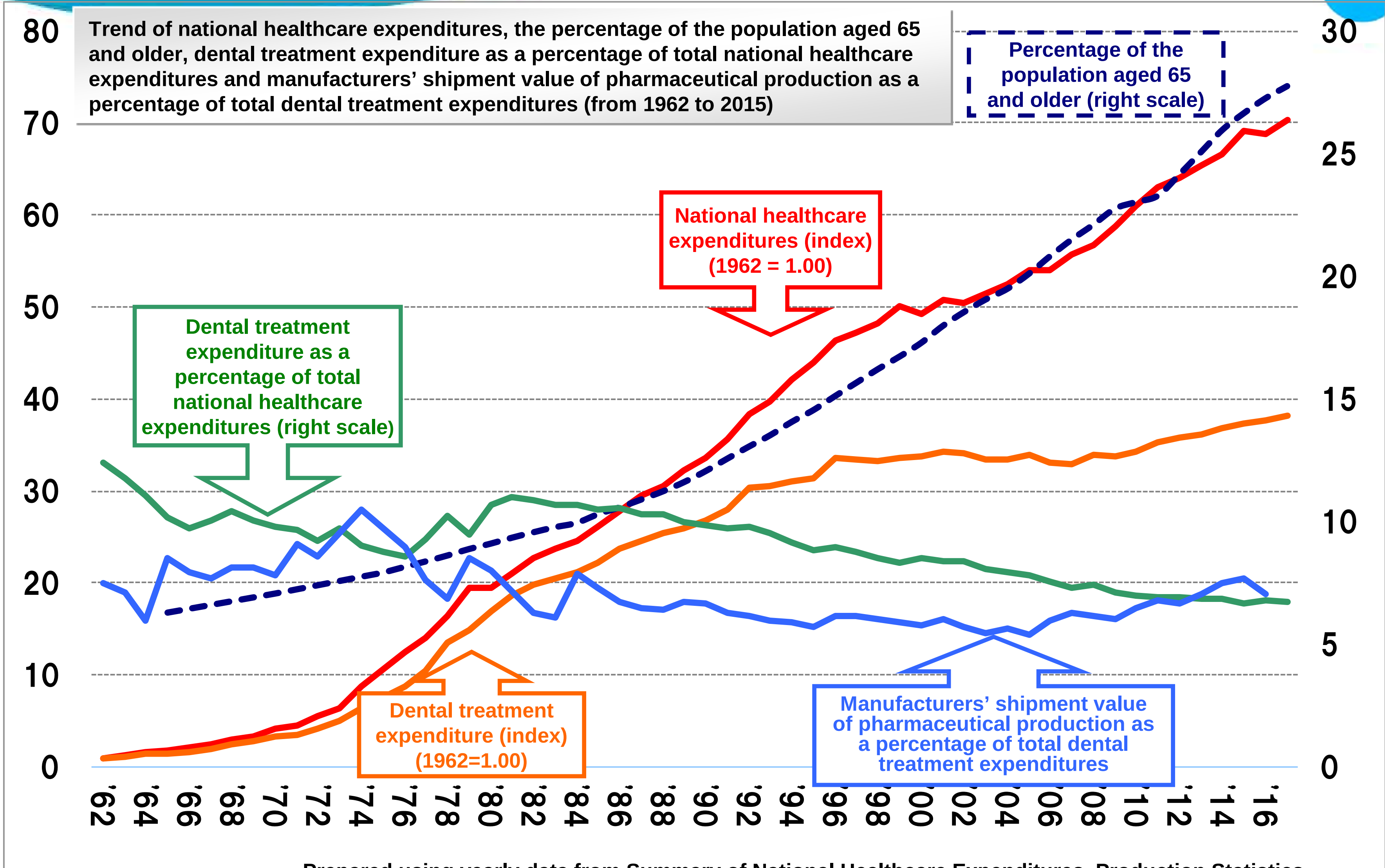


"All categories" includes "gold-silver-palladium alloy" and "machines and equipment for dental clinics." "All categories II" and other categories do not include "gold-silver-palladium alloy" and "machines and equipment for dental clinics."

Source: Production Statistics issued by the Pharmaceutical Industry (Manufacturers' shipment values), Ministry of Health, Labour and Welfare (Domestic data, Calendar Year 2016)
Figures in parentheses represent market size. (Figures rounded down to the nearest ten million yen)

Reference <Dentistry Data>

Long-term Trend of Dentistry-Related Statistics

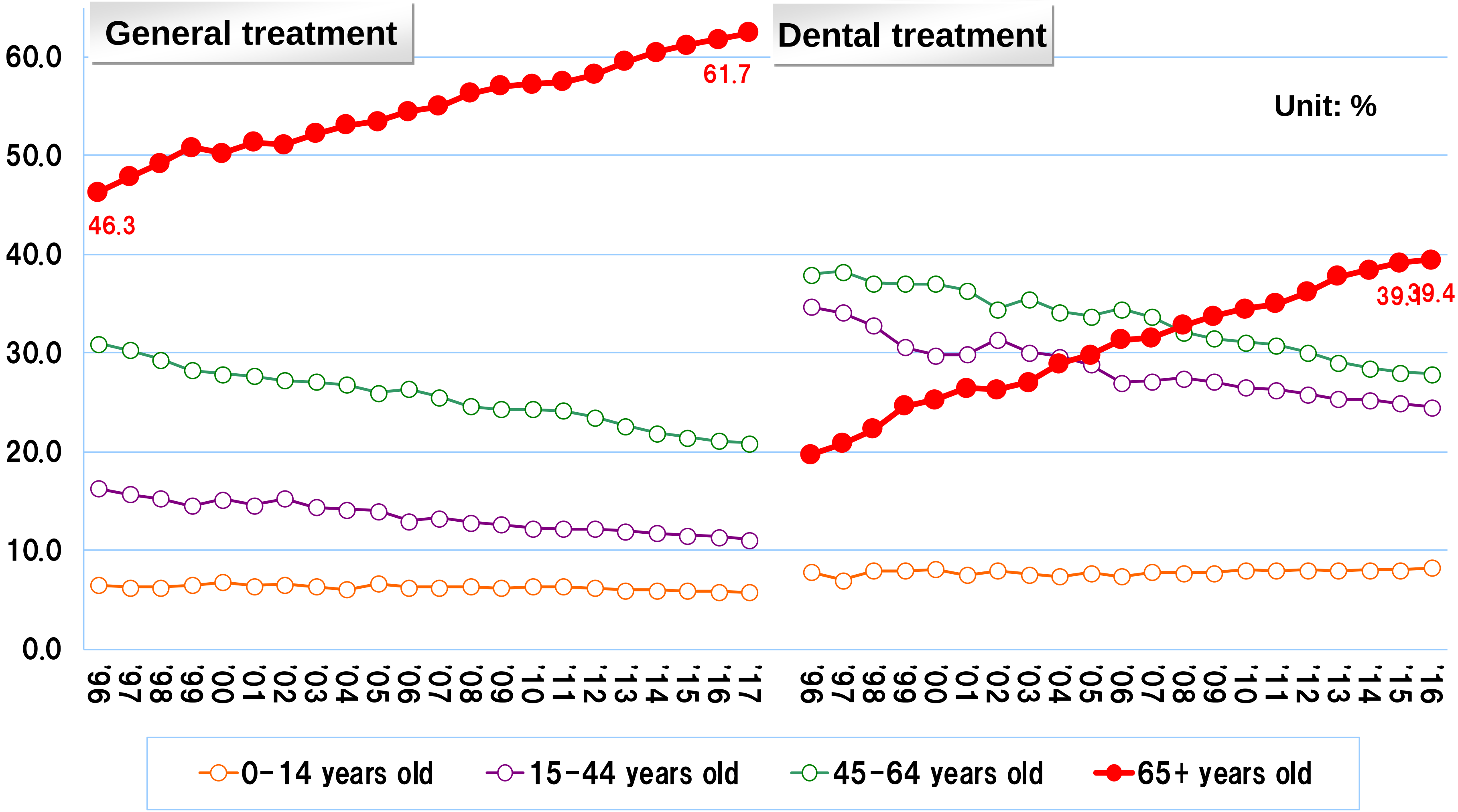


Prepared using yearly data from Summary of National Healthcare Expenditures, Production Statistics issued by the Pharmaceutical Industry (Ministry of Health, Labour and Welfare)

Healthcare Expenditures by Age Group (Component Ratio)

➲ Reference <Dentistry Data>

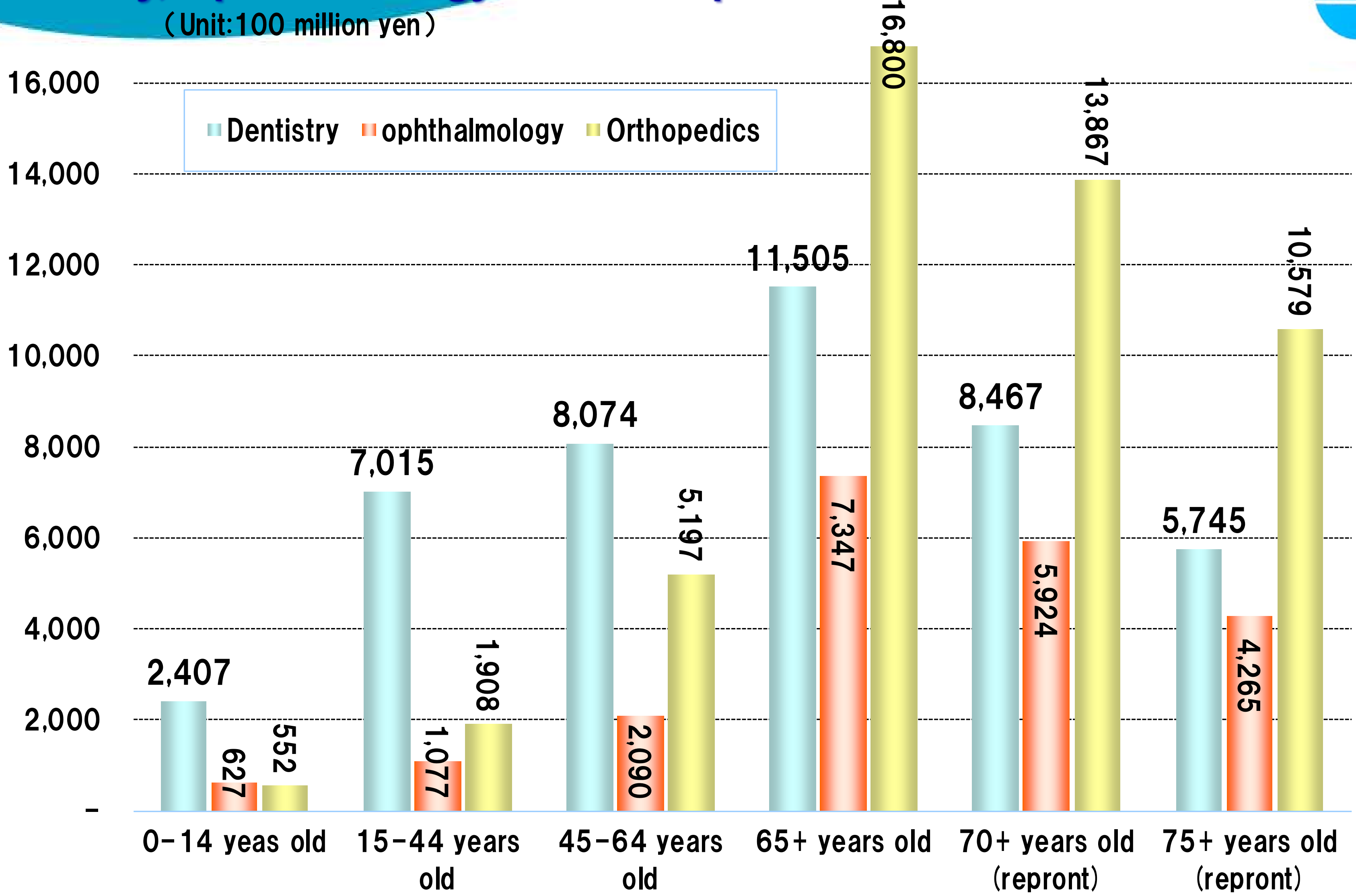
People aged 65 years and older tend to place less importance on dental treatment than general medical treatment.



Prepared using yearly data from Summary of National Healthcare Expenditures (Ministry of Health, Labour and Welfare)

Comparison of Healthcare Expenditures by Age Group - Dentistry, Ophthalmology and Orthopedics

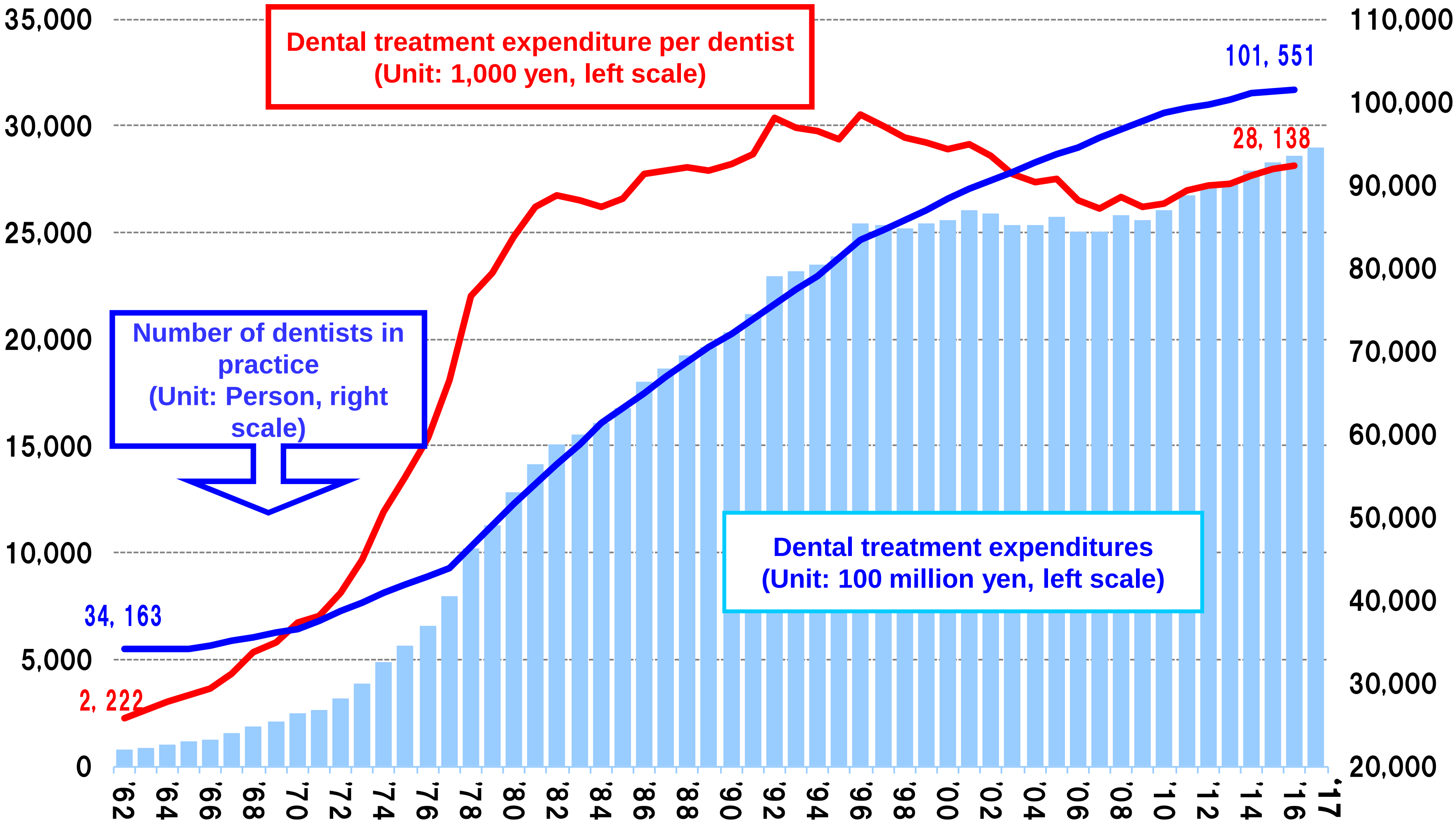
➲ Reference <Dentistry Data>



Prepared using Summary of National Healthcare Expenditures in Fiscal Year 2015 (Ministry of Health, Labour and Welfare)

Trend of the Number of Dentists and Dental Treatment Expenditure

➲ Reference <Dentistry Data>

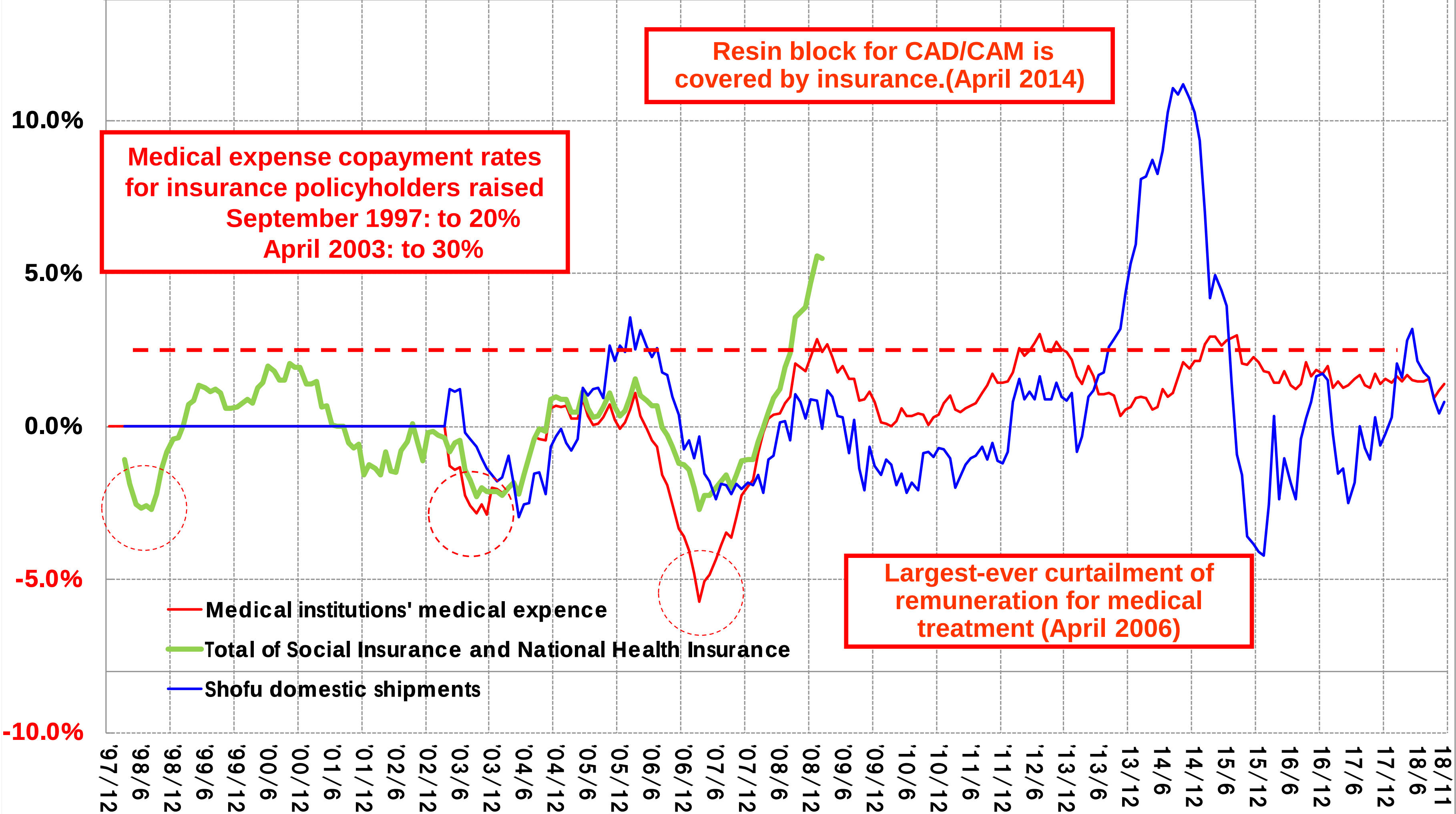


Prepared using yearly data from Summary of National Healthcare Expenditures, Survey on Doctors, Dentists and Pharmacists (Ministry of Health, Labour and Welfare)

➲ Reference <Dentistry Data>

Dental Treatment Expenditures

Year-on-year comparison of amount paid by dental health insurance (deviation from 12-month moving average) from December 1997 to December 2017

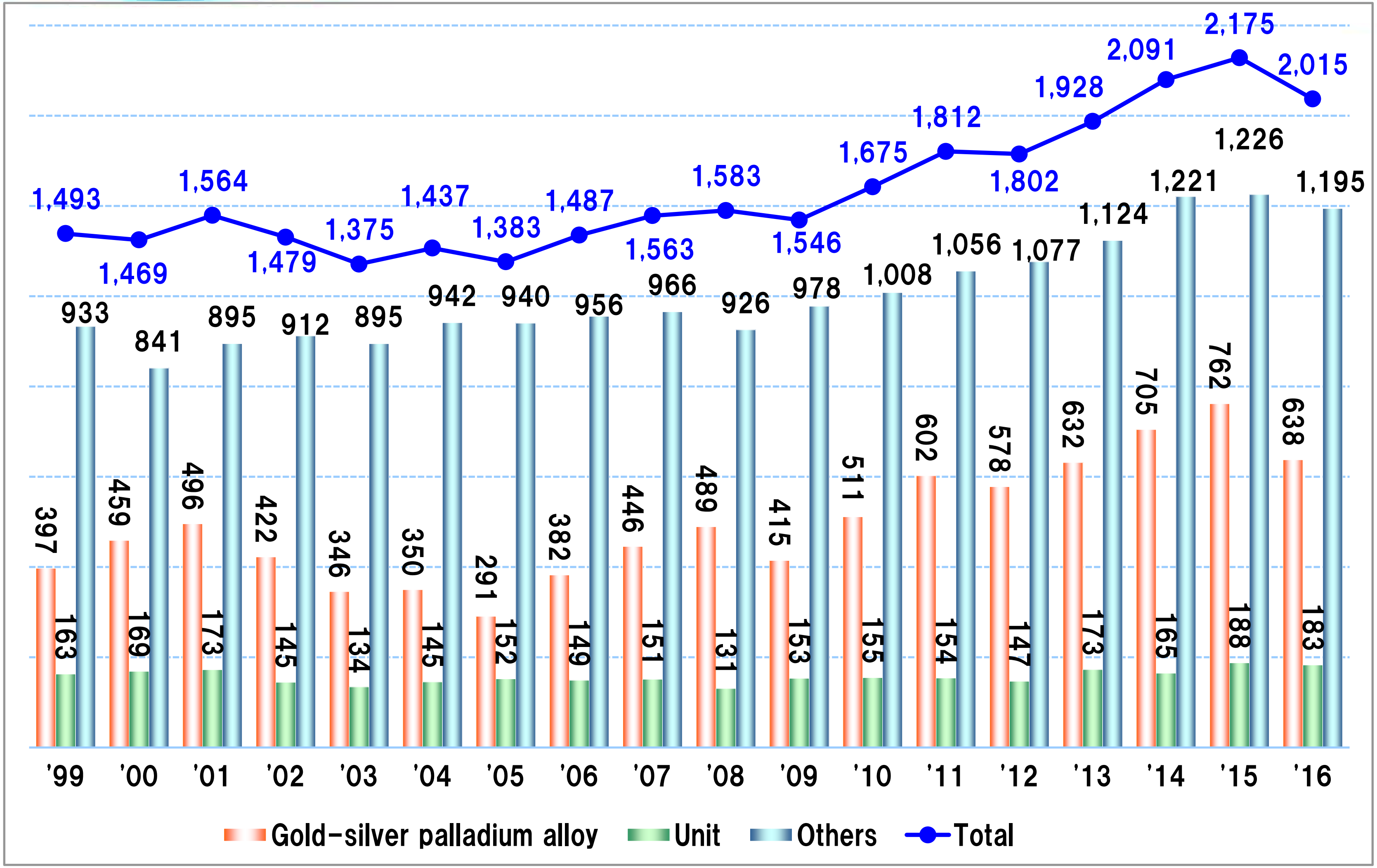


Prepared using data from the Social Insurance Medical Fee Payment Fund and from the "Trend of National Health Insurance Expenditures" issued by the All-Japan Federation of National Health Insurance Organizations

Trend of Shipment Value of Pharmaceutical Industry Production

➲ Reference <Dentistry Data>

Shipment value, Unit: 100 million yen



Prepared using data from Production Statistics issued by the Pharmaceutical Industry (Manufacturers' shipment values), (Year Book for each year), released by the Ministry of Health, Labour and Welfare

Systemic Diseases Caused by Caries and Periodontal Disease

➲ Reference <Dentistry Data>

SHOFU

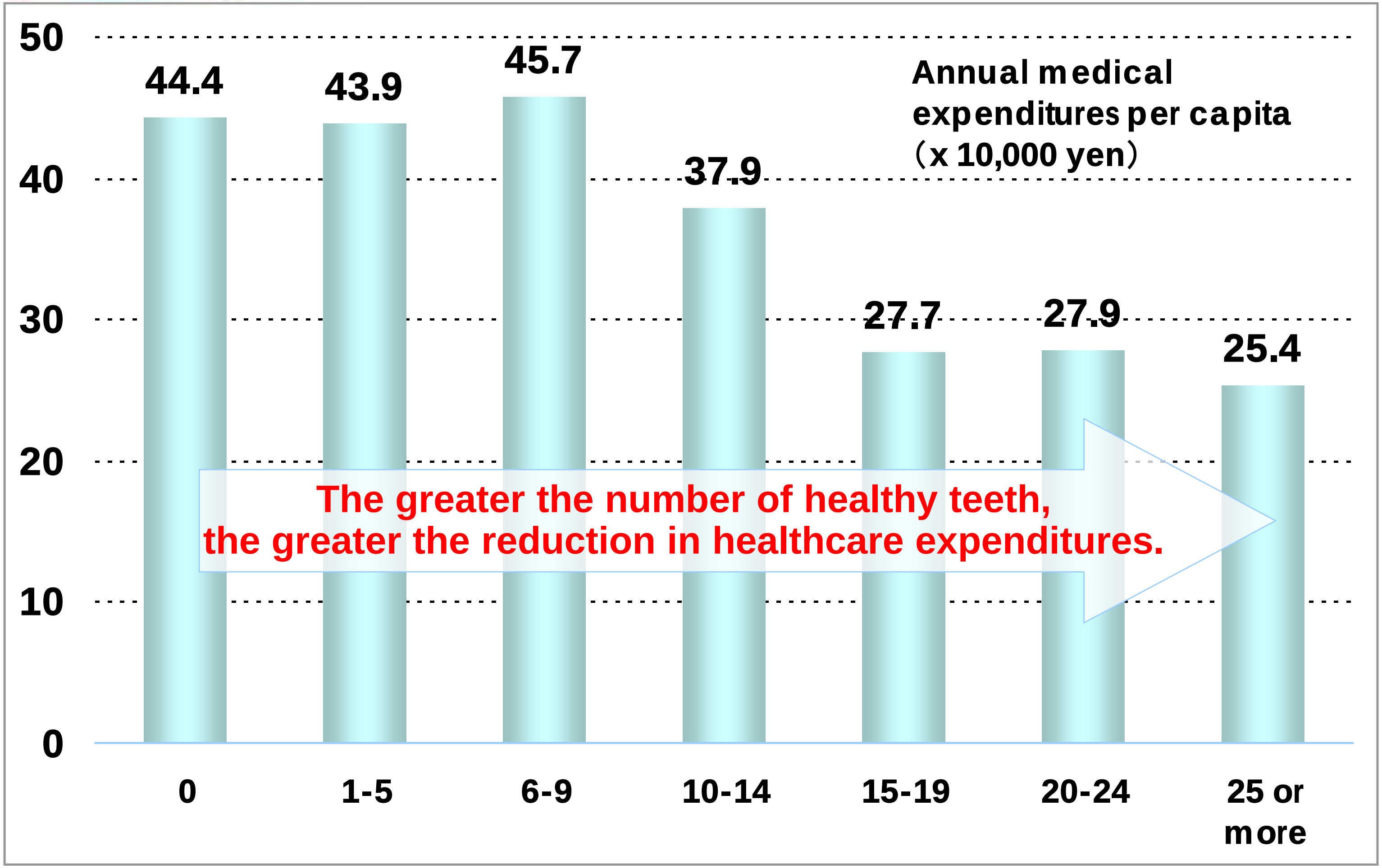
Dental and oral diseases ⟷

Entire body	Septicemia, Headache, Stiff shoulders, Malfunction of internal organs, Nutrition disorder
Pregnancy-related problems	Premature birth, Delivery of low birth weight babies
Diseases of the digestive and respiratory systems	Gastritis, Gastric ulcer, Aspiration pneumonia
Diseases of the circulatory system	Endocarditis, Myocarditis, Arteriosclerosis
Skin diseases	Dermatitis
Diseases related to metabolic disorder	Diabetes

(Reprinted from the “Archive of the 8020 and Enjoy Healthy Life” issued by Social Insurance Research Institute)

Correlation between Number of Healthy Teeth and Healthcare Expenditures

➲ Reference <Dentistry Data>

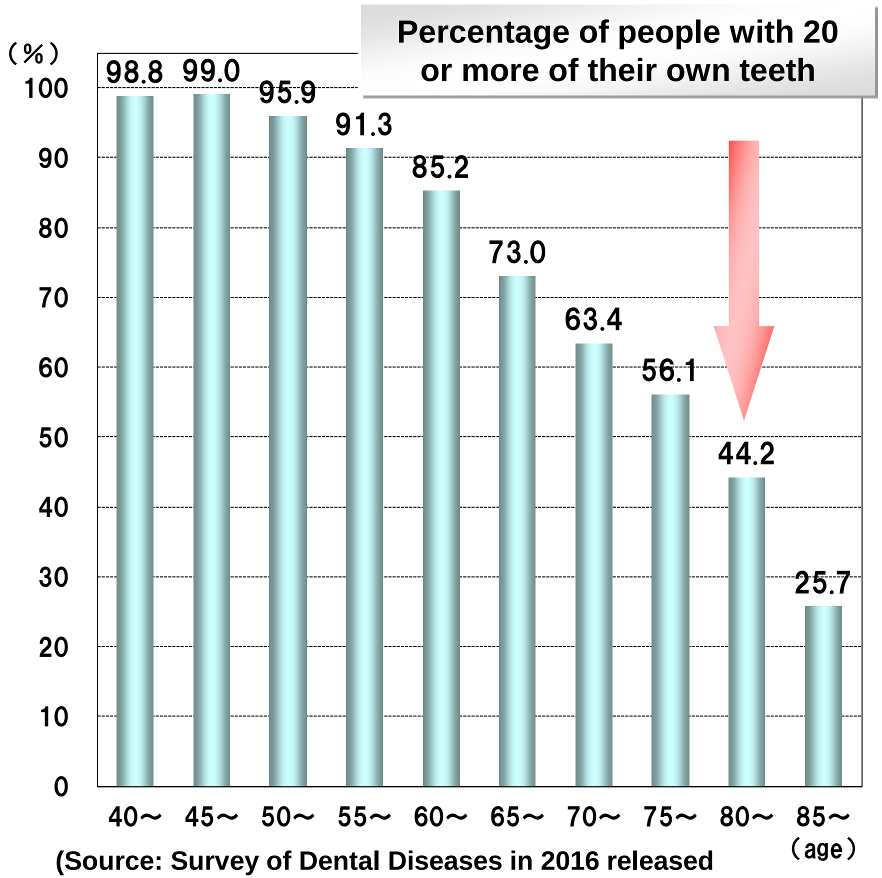


Prepared on the basis of "Correlation between Oral Hygiene Status of Elderly Persons and Healthcare Expenditures," a paper published in 2003 by Kazumune Arikawa, a full-time instructor at the Nihon University School of Dentistry at Matsudo
Subjects surveyed: 954 persons aged 80 living independently (392 men, 562 women)

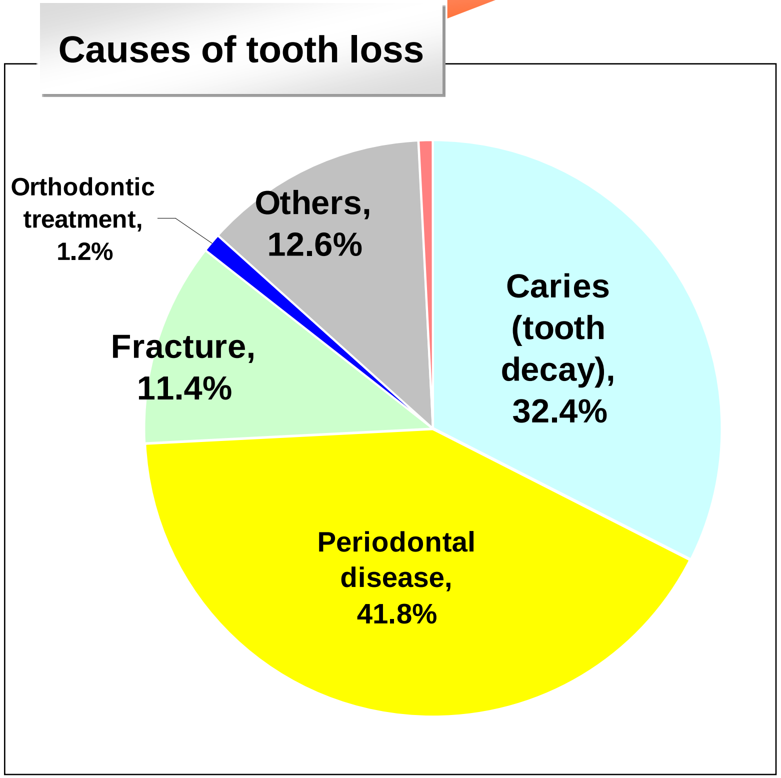
The 8020 Movement and Changes in Dental Diseases

SHOFU

The primary target of “20% of the population achieving 8020” was reached in 2006.



(Source: Survey of Dental Diseases in 2016 released by the Ministry of Health, Labour and Welfare)



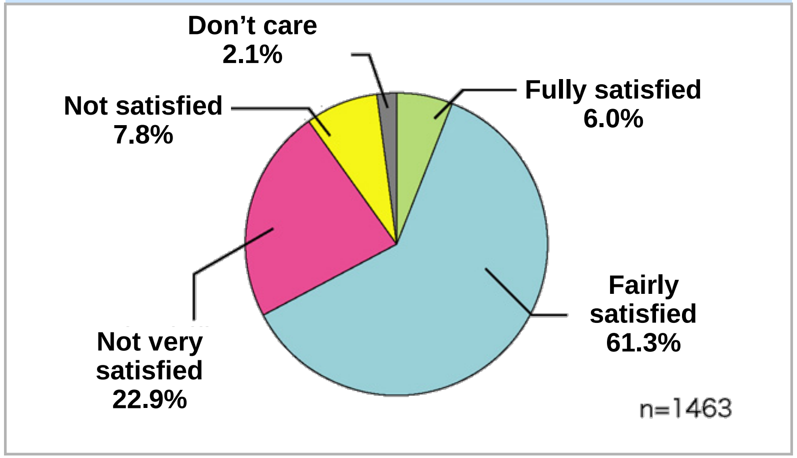
(Survey by the 8020 Promotion Foundation in 2005)

Perception of Dental and Oral Health

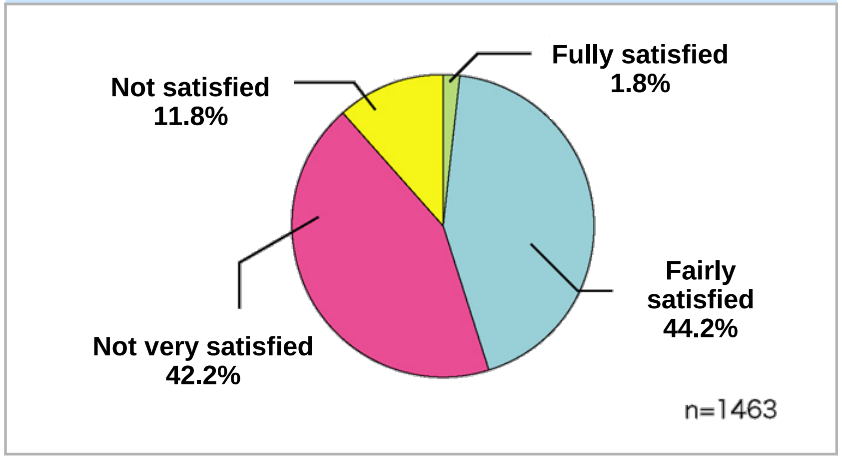
➲ Reference <Dentistry Data>

Source: Fiscal 2007's Dental Equipment Industry Vision (References)

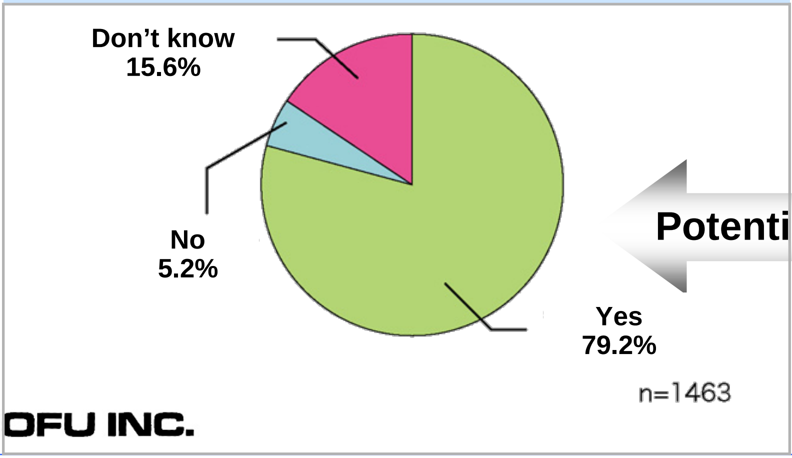
Are you satisfied with your physical health?



Are you satisfied with your oral health?

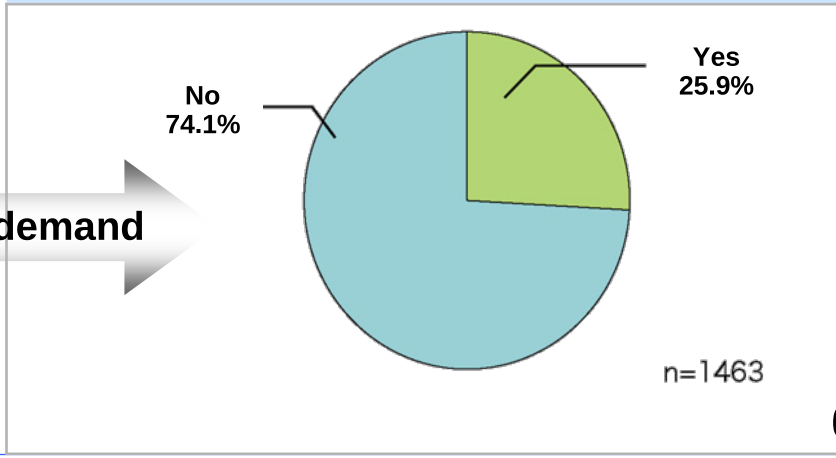


Do you think it necessary to receive regular dental care (checkup and cleaning) at a dental clinic?



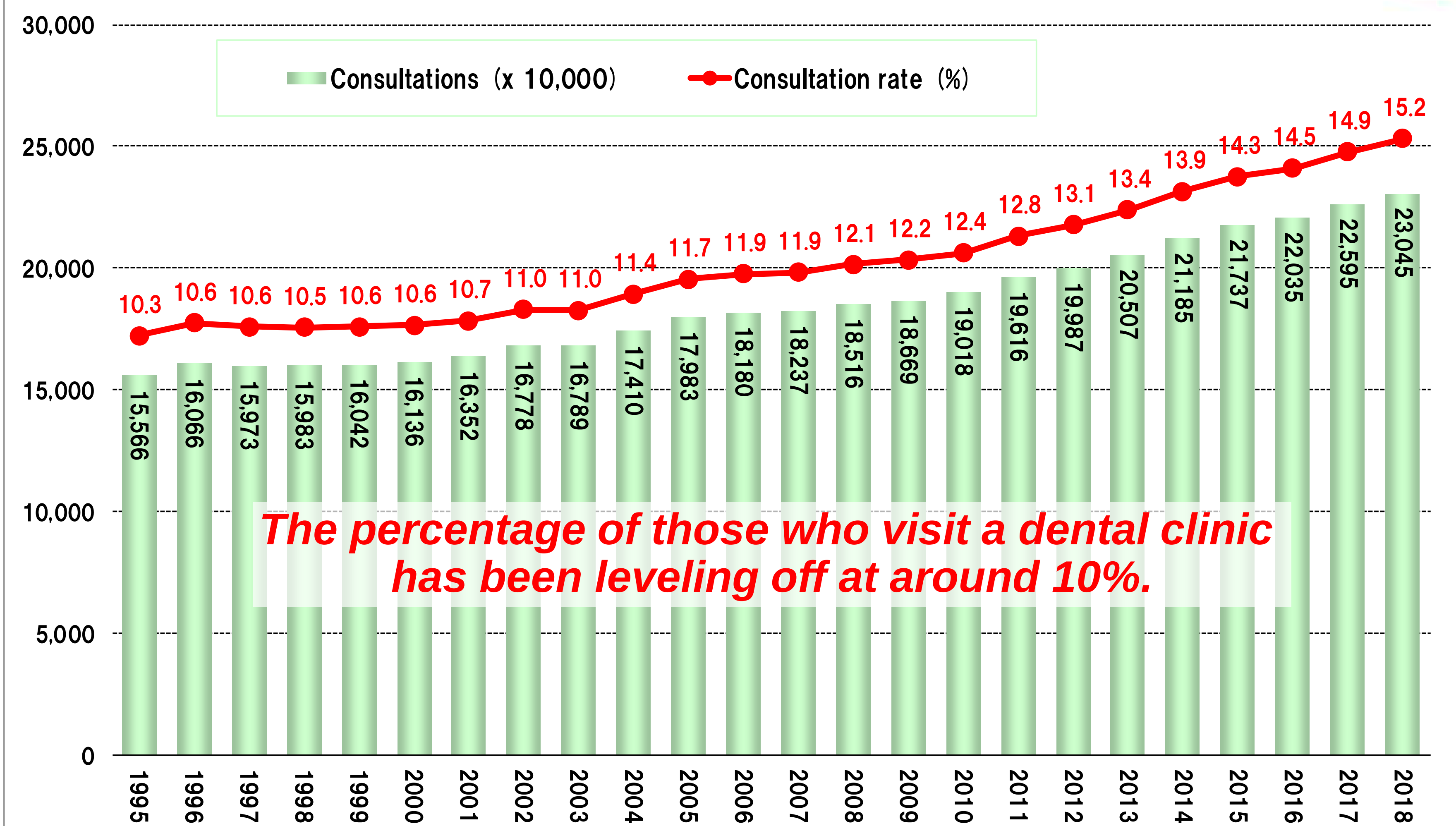
Potential demand

Do you actually receive regular dental care?



Dental Clinic Consultation Rates

➲ Reference <Dentistry Data>



* Consultation rate: ratio of persons receiving monthly dental treatment or examinations (12 times yearly)

Prepared using annual data from "Recent Trends in Healthcare Expenditures (MEDIAS)" issued by the Ministry of Health, Labour and Welfare

Trend in the North American Market

➲ Reference <Dentistry Data>

SHOFU

The public developed the habit of paying regular visits to dental clinics. → Shortage of dentists

Increase in regular visits to dental clinics
→ Solution to the problem of oversupply of dentists

	North America	Japan
Percentage of those who make regular visits to dental clinics	54%	16%
Number of dentists (per 1,000 persons)	0.6 person	0.7 person
Population (per dentist)	1,670 person	1,430 person

WHO says that one dentist per 2,000 persons is the appropriate ratio.

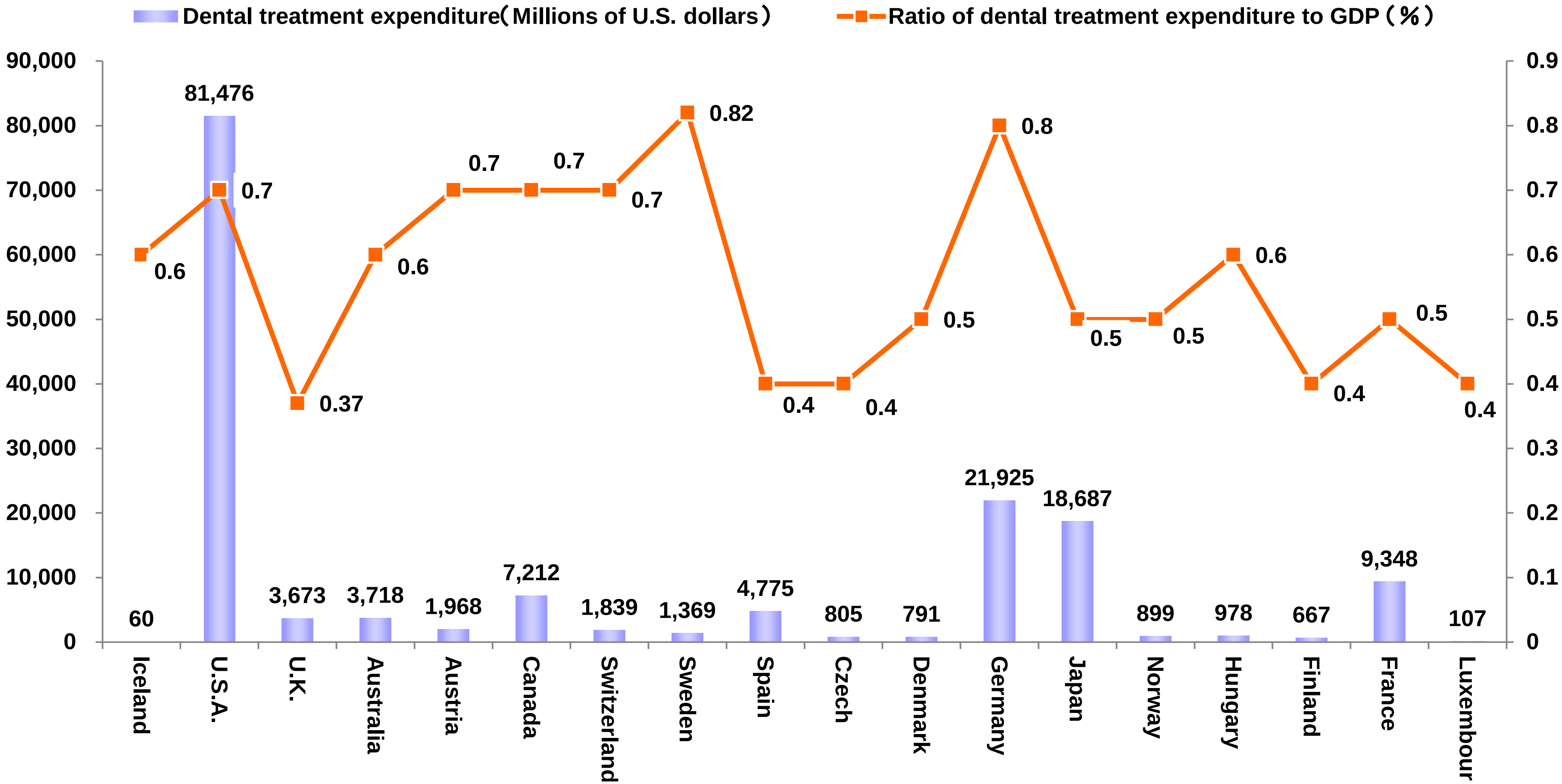
Source:
* Health and Welfare Survey in 1999 conducted by the Ministry of Health, Labour and Welfare and a survey conducted by Colgate-Palmolive Company
* Consulted an article titled "Reasons for the Success of the Canadian Dental Community" (DH Style, September 2007) by Ken Yaegaki DDS Ph.D., Professor and head of the Department of Oral Health, Nippon Dental University School of Life Dentistry)

Relation between Dental Treatment Expenditure and GDP

➲ Reference <Dentistry Data>

SHOFU

Although Japan's dental treatment expenditure is at a high level in international comparison, the ratio of Japan's dental treatment expenditure to GDP is in the middle range in international comparison.



* 1. The above chart was prepared using "*Nihon-to sekai-no shikairyo—kokusaihikaku-karamita nihon-no shikairyo-no sugata* (Dental Treatment in Japan and in the Rest of the World—Dental Treatment in Japan from the Perspective of International Comparison)," by Kento Taira (medical corporation Seiryokai) as reference.

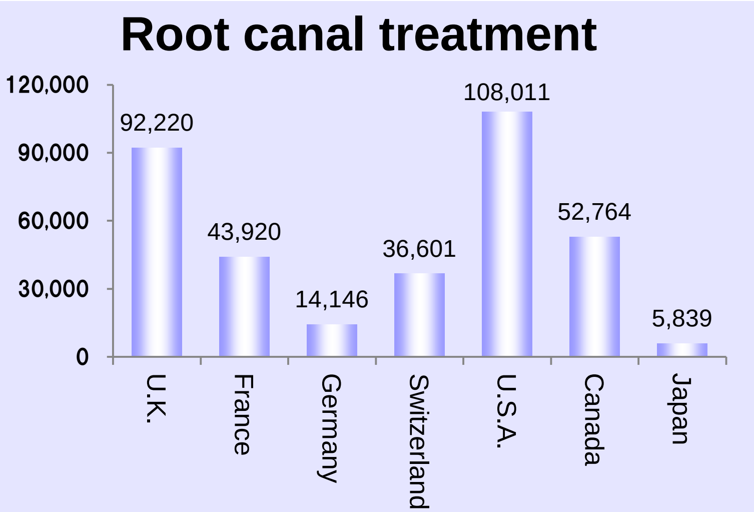
2. The above data for each country is as of 2004 except for Sweden's data, which is as of 1992.

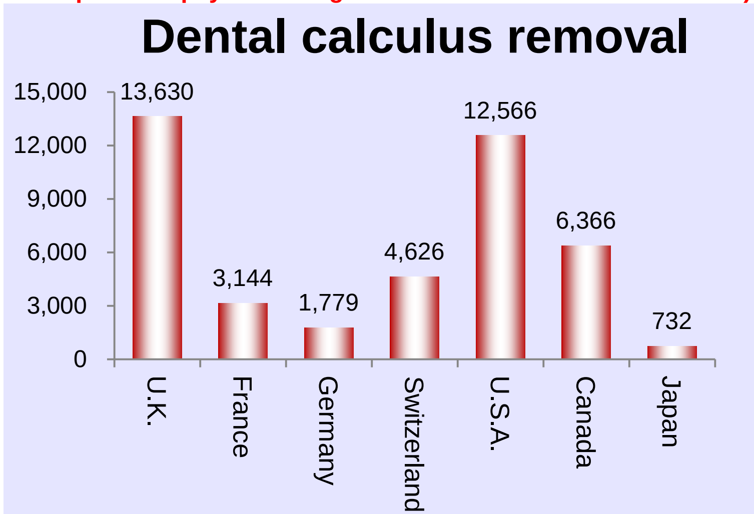
International Comparison of Dental Treatment Expenditure (Unit Price of a Treatment Session)

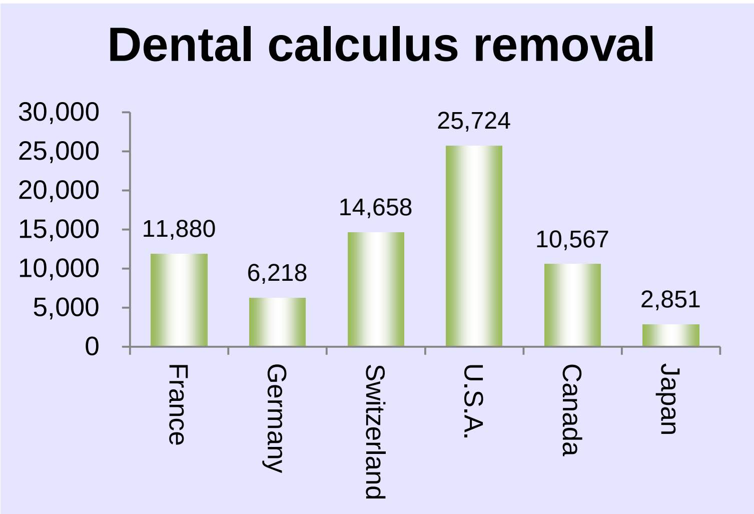
➲ Reference <Dentistry Data>

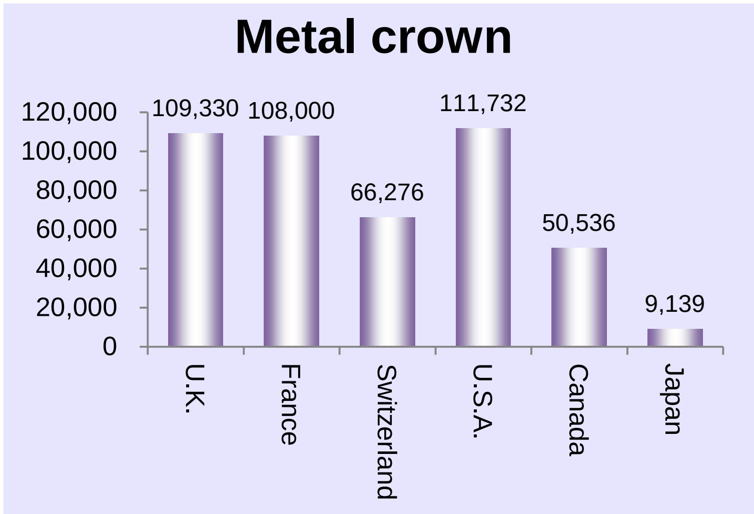
Unit: yen

*Japan：Unit price for a treatment session according to public healthcare insurance (⇒ The patient's payment obligation is 30% of the amounts below.)









*** The above chart was prepared using material from "*Iryo, kaigokyufuhi suikei-ni-tsuite* (On the Estimate of Medical and Nursing Care Benefit Expenses)" by Professor Kawabuchi of the Graduate School of Tokyo Medical and Dental University (submitted to the 6th meeting of the Social Security Council of Japan on July 31, 2008).**

International Comparison in the Ratio of Persons with Dental Caries (at age 12)

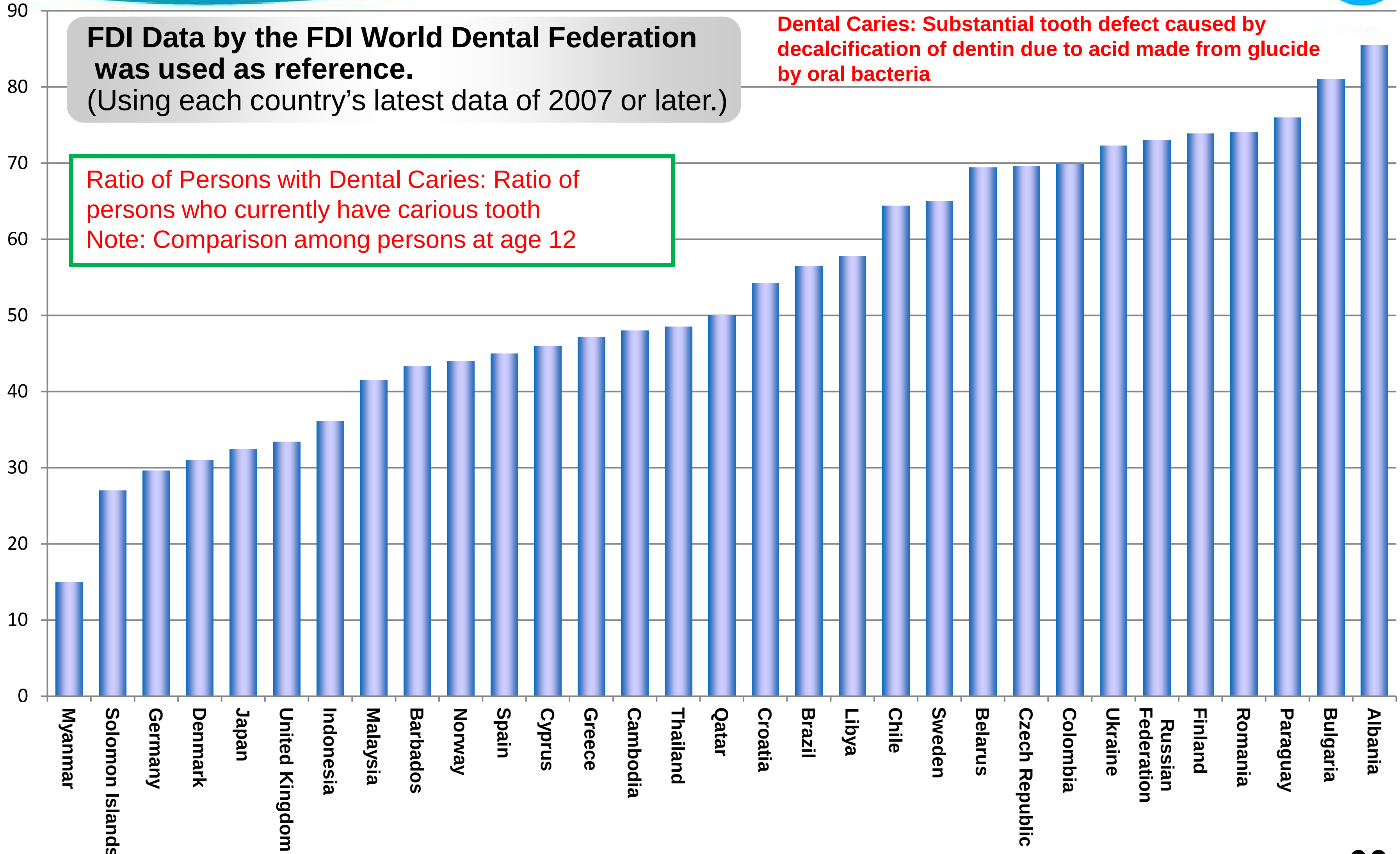
➲ Reference <Dentistry Data>

Unit: %

FDI Data by the FDI World Dental Federation was used as reference.
(Using each country’s latest data of 2007 or later.)

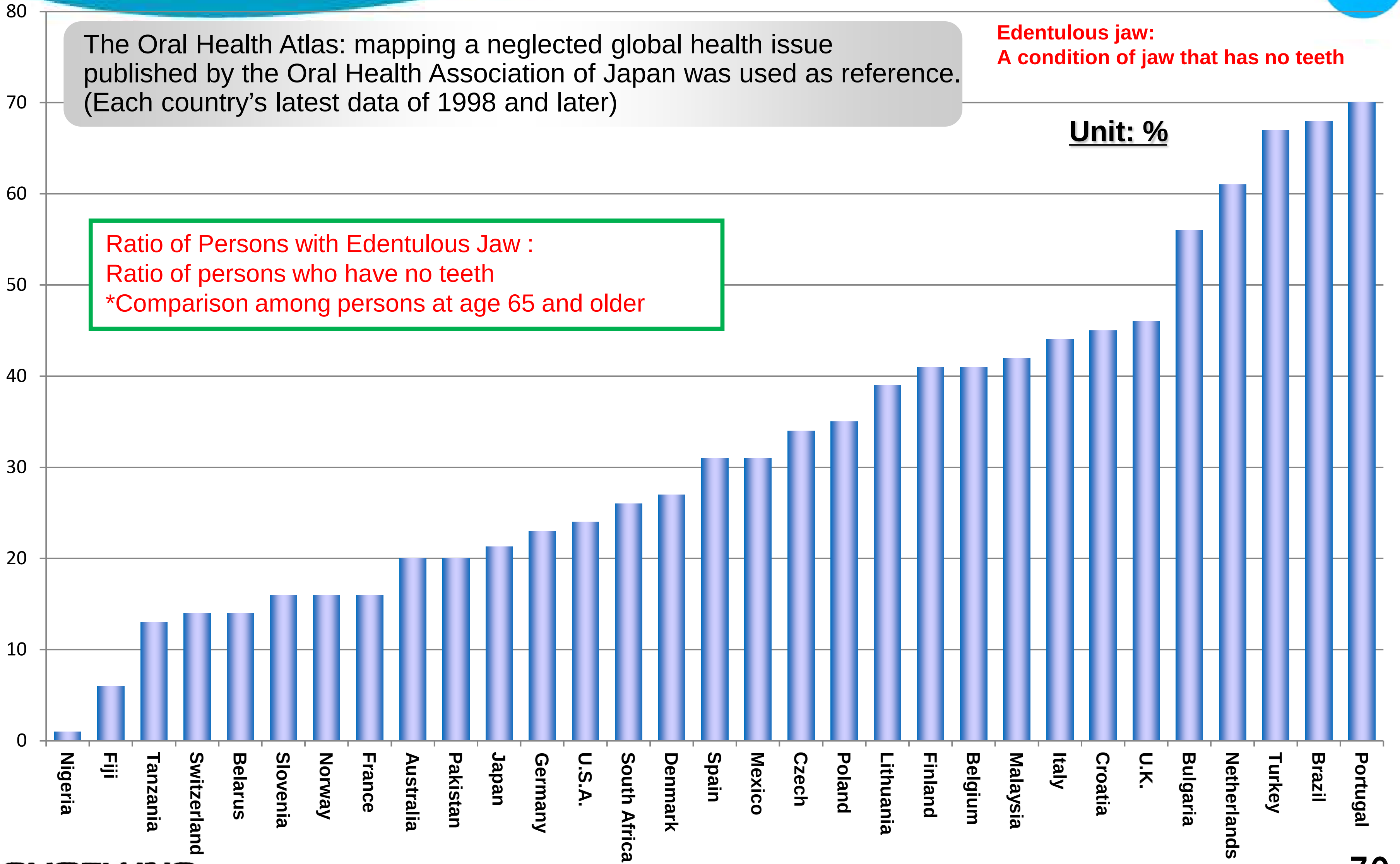
Dental Caries: Substantial tooth defect caused by decalcification of dentin due to acid made from glucide by oral bacteria

Ratio of Persons with Dental Caries: Ratio of persons who currently have carious tooth
Note: Comparison among persons at age 12



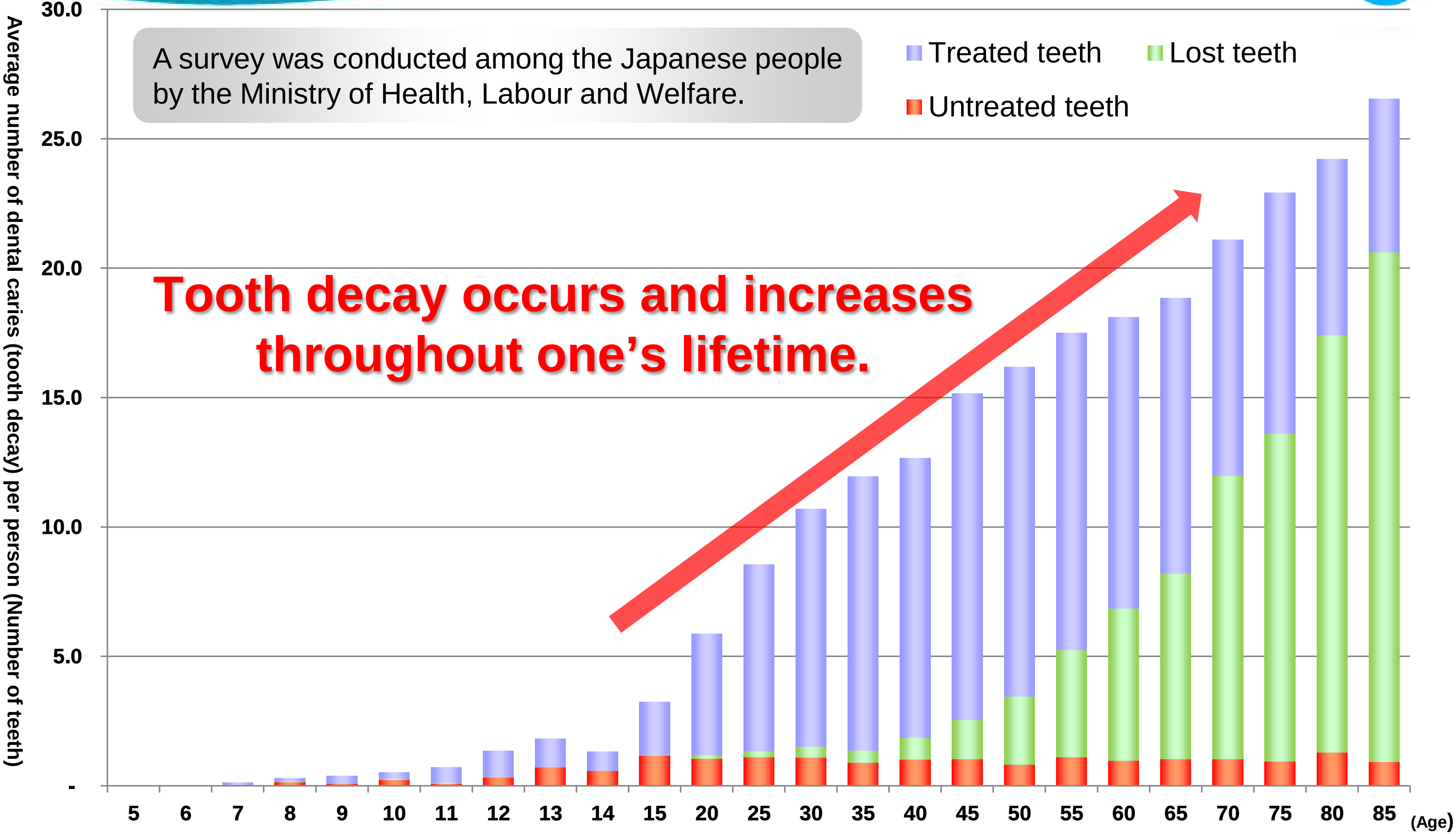
International Comparison in the Ratio of Persons with Edentulous Jaw (at age 65 and older)

➲ Reference <Dentistry Data>



Factual Survey of Dental Diseases

➲ Reference <Dentistry Data>

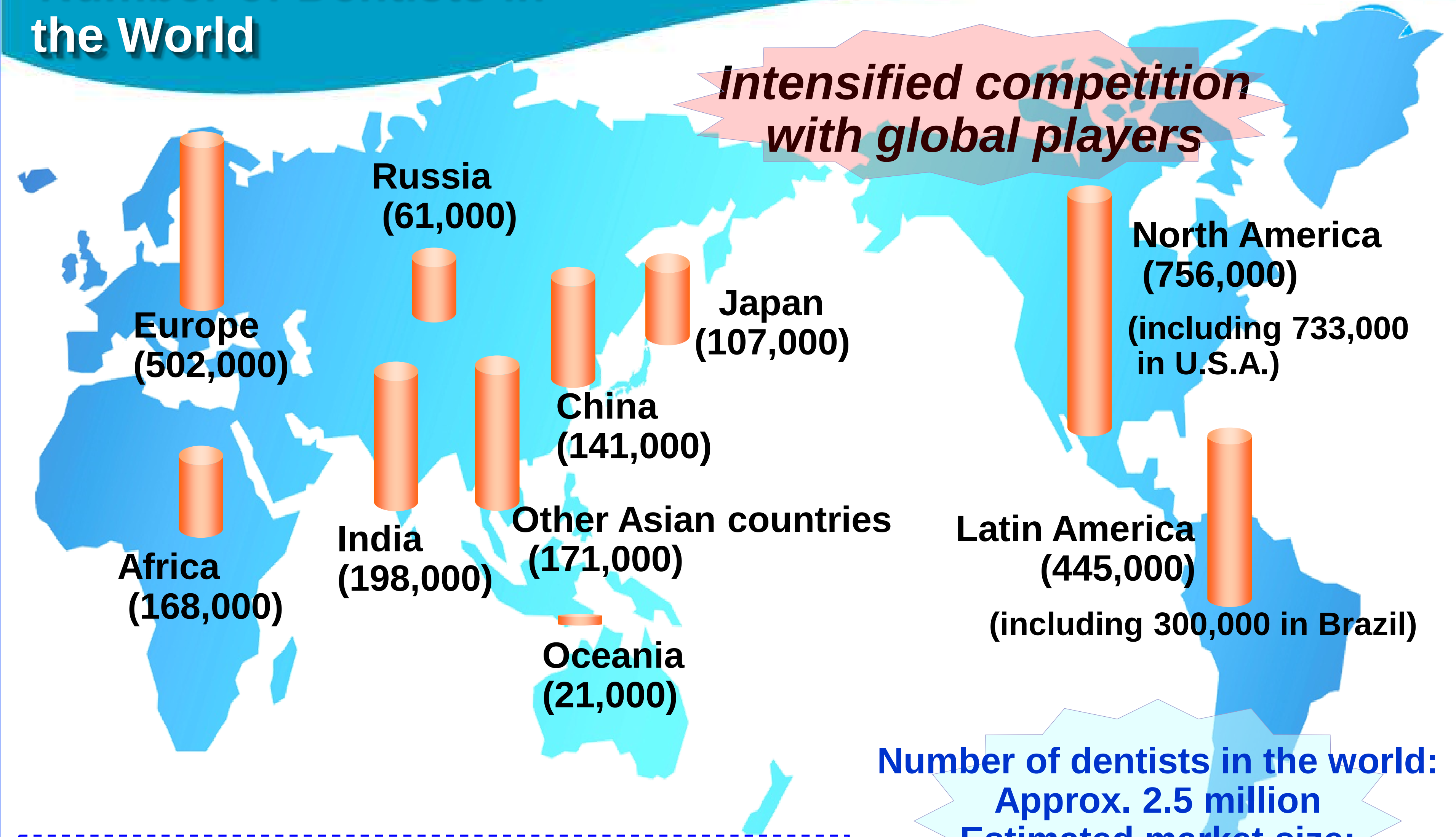


* 1.The official web site of the Hokkaido kodomo-no ha-o mamoru kai (Save the Children's Tooth Hokkaido) was used as reference

* 2. Source: Results of the Survey of Dental Diseases in 2011 released by the Ministry of Health, Labour and Welfare

Number of Dentists in the World

➲ Reference <Dentistry Data>



Number of dentists in the world: Approx. 2.5 million
Estimated market size: Approx. 2.6 trillion yen

◆Source:
Number of dentists & Estimated market size
–"The World Medical Markets Factbook 2017 " (BMIResearch)

Glossary (1)

Term	Meaning
Impression	An imprint of teeth and other intraoral areas, created with impression material. Based on the impression mould, plaster model can be produced, onto which prosthesis is fabricated. → Dental prosthetic (page 74)
Implant (treatment)	A treatment method to replace missing tooth. An artificial root is implanted into the bone, upon which a variety of dental prostheses can be placed. In addition to conventional prosthetic treatment, implant is a new option to restore mastication and esthetics.
Caries	Tooth decay.
Occlusion	The position of the teeth when the jaws are closed.
Composite resin	Synthetic resin to fill cavity and lesion, available in a variety of shades to make the restored area harmonious with surrounding teeth of each patient. It is often used to treat decay. → Resin (page 74)
Filling	To fill resin or cement after removing a decay to restore the affected area.
Aesthetic dentistry	A variety of treatment to enhance patient's esthetic appearance, including orthodontics and whitening.
Scaler	An instrument used to remove plaque and tartar accumulated on the tooth surface.
Dental floss	A thread used to remove plaque from the spaces between teeth.
Handpiece	A handheld device to which small instruments for removing tooth decay, plaque, and tartar are attached. → Plaque (page 74)

Glossary (2)

➲ Reference <Dentistry Data>

Term	Meaning
Nail care	Care for fingernails and the surrounding area, including attachment of artificial nails. Nail care is widely considered an import part of personal grooming in many parts of the world, and it is also growingly popular among young women in Japan, which leads to a rapid growth of the market.
PMTC	PMTC stands for Professional Mechanical Tooth Cleaning. In PMTC, a dentist or hygienist uses machines and instruments to remove plaque, tartar (calcified plaque), and other dental deposits (caused by smoking, etc).
Fluoride	A substance that accelerates re-calcification of the tooth surface and strengthens tooth structure (especially for enamel).
Plaque	Calculus deposits. Bacteria living in plaque create acids and toxins, which cause decay and periodontal disease. Thus, removing plaque helps prevent dental disease and enhance oral health.
Dental prosthetic	An artificial replacement of defective area. It includes fillings and crowns that restore patient’s oral function and esthetic appearance.
Bonding (material)	A material to bond composites to natural tooth (enamel and dentin). → Composite resin (page 73)
Resin	Synthetic high polymer. Resins are popularly used for dental restoratives.