



Fiscal Year Ending March 2021 (149th Business Year)

2Q Quarter Financial Analyst Meeting

November 25, 2020



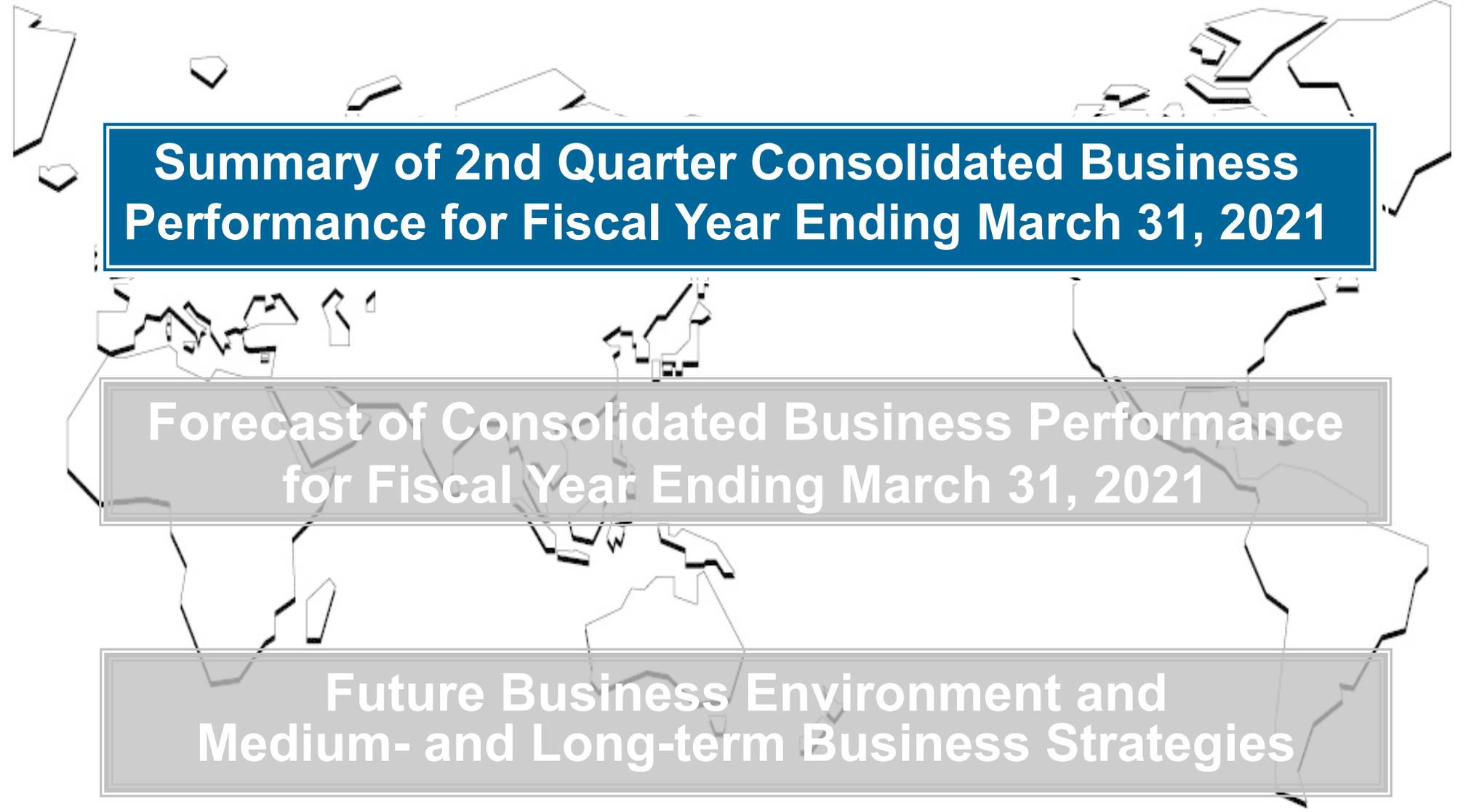
Tokyo Stock Exchange
(1st Section)

Code Number: **7979**

Contents of Today's Presentation

- ➔ **Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2021**
- ➔ **Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021**
- ➔ **Future Business Environment and Medium- and Long-term Business Strategies**

Noriyuki Negoro, President and CEO

A stylized, light gray outline map of Japan serves as the background for the text boxes.

Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2021

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021

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

Summary of 2nd Quarter Business Performance

Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2021



■ Positive factors ■ Negative factors

P/L

⇒ Net Sales totaled 11,217 million yen (a decrease of 16.4%)

Domestic net sales totaled 6,710 million yen (a decrease of 11.8%)

■ In the dental business, although new products launched in the previous fiscal period made a contribution, opportunities to visit dentists decreased and sales activities were restricted due to the impact of the coronavirus. As a result, sales **fell 12.0%**.

■ In the nail care business, gel nail products that can be used at home were strong performers, but in addition to the temporary closure of nail salons, major expositions were cancelled due to the impact of the coronavirus outbreak. This and other factors led to lower sales of products for professional nail artists. As a result, sales in this business **declined 10.4%**.

Overseas net sales totaled 4,507 million yen (a decrease of 22.4%)

■ Overseas sales in the dental business **fell 24.3%** because the coronavirus outbreak had a greater impact overseas and mandatory coronavirus measures were imposed in many countries, putting significant restrictions on sales activities.

■ Overseas sales in the nail business **rose 2.5%**, thanks to strong Internet sales achieved through proactive promotional activities using social networking sites (SNS) in the US, in addition to key gel nail products in Taiwan that drove sales.

Summary of 2nd Quarter Business Performance

Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2021



■ Positive factors ■ Negative factors

P/L

⇒ Operating income totaled 905 million yen

■ Due to the impact of the coronavirus outbreak, business activities declined, resulting in a decrease in selling, general and administrative expenses, but as a result of an increase in the cost of sales ratio attributable to lower sales and a drop in the utilization rate, operating income **fell 36.0%**.

⇒ Ordinary income totaled 891 million yen,
⇒ and net income totaled 568 million yen

■ Although the scale of the decrease in ordinary income was narrowed due to the subsidy income received from the government as part of its coronavirus response and posted as non-operating income, as well as a decrease in foreign exchange losses, ordinary income **fell 28.2%**.

Net income after deducting tax expenses was **down 27.8%**.

* "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, 2021



⇒ Net sales and profits decreased compared to the previous period / Net sales and profits increased compared to the forecast.

Units: millions of yen, %

	Fiscal March 2020 (2Q Results) (% of sales)	Fiscal March 2021 (2Q Forecast) (% of sales)	Fiscal March 2021 (2Q Results) (% of sales)	Change from Previous Period (% change)	Change from Forecast (% change)
Net sales	13,421 (100.0)	10,473 (100.0)	11,217 (100.0)	-2,203 (-16.4)	744 (7.1)
(Domestic sales)	7,609 (56.7)	6,408 (61.2)	6,710 (59.8)	-899 (-11.8)	301 (4.7)
(Overseas sales)	5,811 (43.3)	4,064 (38.8)	4,507 (40.2)	-1,304 (-22.4)	442 (10.9)
Operating income	1,415 (10.5)	315 (3.0)	905 (8.1)	-510 (-36.0)	590 (187.2)
Ordinary income	1,242 (9.3)	245 (2.3)	891 (7.9)	-350 (-28.2)	645 (262.5)
Net income	788 (5.9)	51 (0.5)	568 (5.1)	-219 (-27.8)	517 (1000.4)
Net income per share	49.51yen	3.05yen	33.44yen	-16.07yen	30.39yen
Return on equity	3.2%	—	2.2%	-1.0P	—
Foreign exchange rates					
US dollar	109.00	107.74	106.68	-2.32	-1.06
Euro	121.43	119.86	121.36	-0.07	1.50
Pound sterling	136.84	132.70	135.04	-1.80	2.34
Renminbi	16.21	15.37	15.37	-0.84	0.00

* Based on the results of the first half ended on September 30, 2020, diluted net income per share for the fiscal year ending March 2021 was 33.33 yen.

Sales by Product Category (Comparison with Previous Period)

Summary of 2nd Quarter Consolidated Business
Performance for Fiscal Year Ending March 31, 2021



Unit: millions of yen

Figures in parentheses represent percentage changes; unit: %

	Fiscal March 2020 (2Q Results)	Fiscal March 2021 (2Q Results)	Cange from previous period		
				Domestic	Overseas
Artificial teeth	2,169	1,751	-418 (-19.3)	-71	-347
Abrasives	2,160	1,654	-506 (-23.4)	-67	-438
Metal products	125	108	-17 (-13.8)	-16	-0
Chemical products	2,743	2,110	-632 (-23.1)	-135	-496
Cements and others	1,096	886	-209 (-19.1)	-69	-140
Equipment and others	3,872	3,530	-342 (-8.8)	-450	108
Dental business total	12,168	10,042	-2,126 (-17.5)	-811	-1,314
Nail care business	1,209	1,136	-73 (-6.1)	-83	10
Other	42	38	-4 (-9.8)	-4	0
Total	13,421	11,217	-2,203 (-16.4)	-899	-1,304

*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 -71 million yen.

(Dental business -76 million yen, Nail care business +4 million yen)

Sales by Segment (Comparison with Forecast)

Summary of 2nd Quarter Consolidated Business
Performance for Fiscal Year Ending March 31, 2021



Unit: millions of yen

Figures in parentheses represent percentage changes; unit: %

	Fiscal March 2021 (2Q Forecast)	Fiscal March 2021 (2Q Results)	Cange from Forecast		
				Domestic	Overseas
Dental business total	9,382	10,042	660 (7.0)	251	408
Nail care business	1,049	1,136	87 (8.3)	53	33
Other	41	38	-3 (-7.9)	-3	0
Total	10,473	11,217	744 (7.1)	301	442

*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 +11 million yen.
(Dental business +13 million yen, Nail care business -2 million yen)



Domestic Sales

■ Positive factors ■ Negative factors

- Dental business: Year on year decrease of 811 million yen (-12.0%)**

- Sales of digital cameras for dental use and CAD/CAM-related new products contributed to sales.

- In addition to equipment, other materials and products performed poorly overall.

- Nail care business: Year on year decrease of 83 million yen (-10.4%)**

- Gel nail products for general consumers that can be used at home captured demand from consumers stuck at home, resulting in strong sales.

- Products for professional nail artists saw low sales due to the temporary closure of nail salons and the suspension of key expos.

- Other businesses: Year on year decrease of 4 million yen (-9.8%)**

- Principal new products launched during recent fiscal year (dental business)**

- Digital oral imaging device

Eyespecial C-IV (Equipment and others)

- Resin material for dental cutting processing

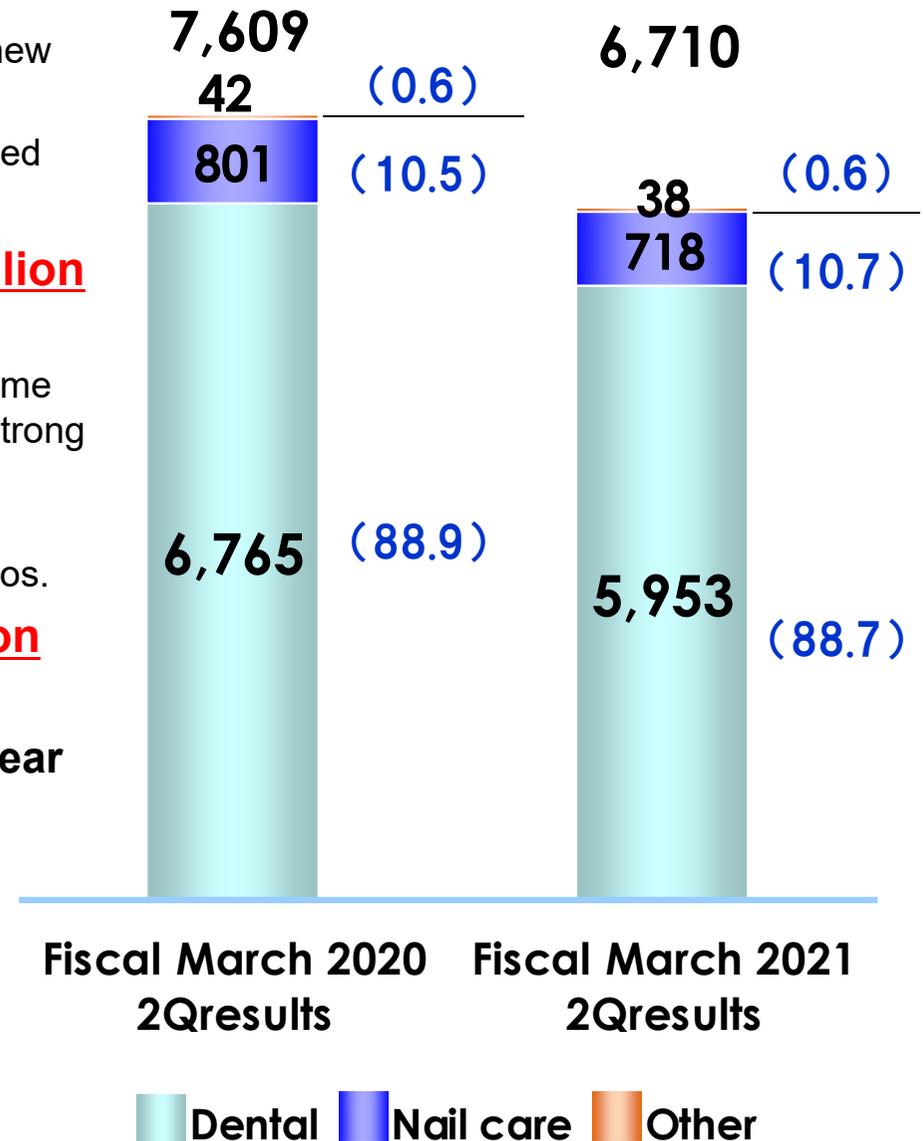
SHOFU BLOCK HC SUPER HARD

(Equipment and others)

- Ceramics for dental cutting processing

SHOFU DISK ZR LUCENT SUPRA (Equipment and others)

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



Overseas Sales



Positive factors Negative factors

■ **North America and Latin America: Year-on-year decrease of 529 million yen (-34.3%)**

■ Sales were low for all product lines, with the exception of nail products, due to the impact of the coronavirus.

Local currency basis: Year on year decrease of 507 million yen (-32.9%)

■ **Europe: Year-on-year decrease of 244 million yen (-12.1%)**

■ Sales of materials were low across the board, with the exception of equipment, which includes disposable masks and gloves.

Local currency basis: Year on year decrease of 242 million yen (-11.9%)

■ **Asia and Oceania: Year-on-year decrease of 530 million yen (-23.7%)**

■ Sales of materials were low in China, with the exception of equipment.

■ Sales were low for almost all product lines in other Asian countries.

■ Sales in the nail business were strong in Taiwan.

Local currency basis: Year on year decrease of 482 million yen (-21.6%)

China: **Year on year decrease of 301 million yen (-25.3%)**

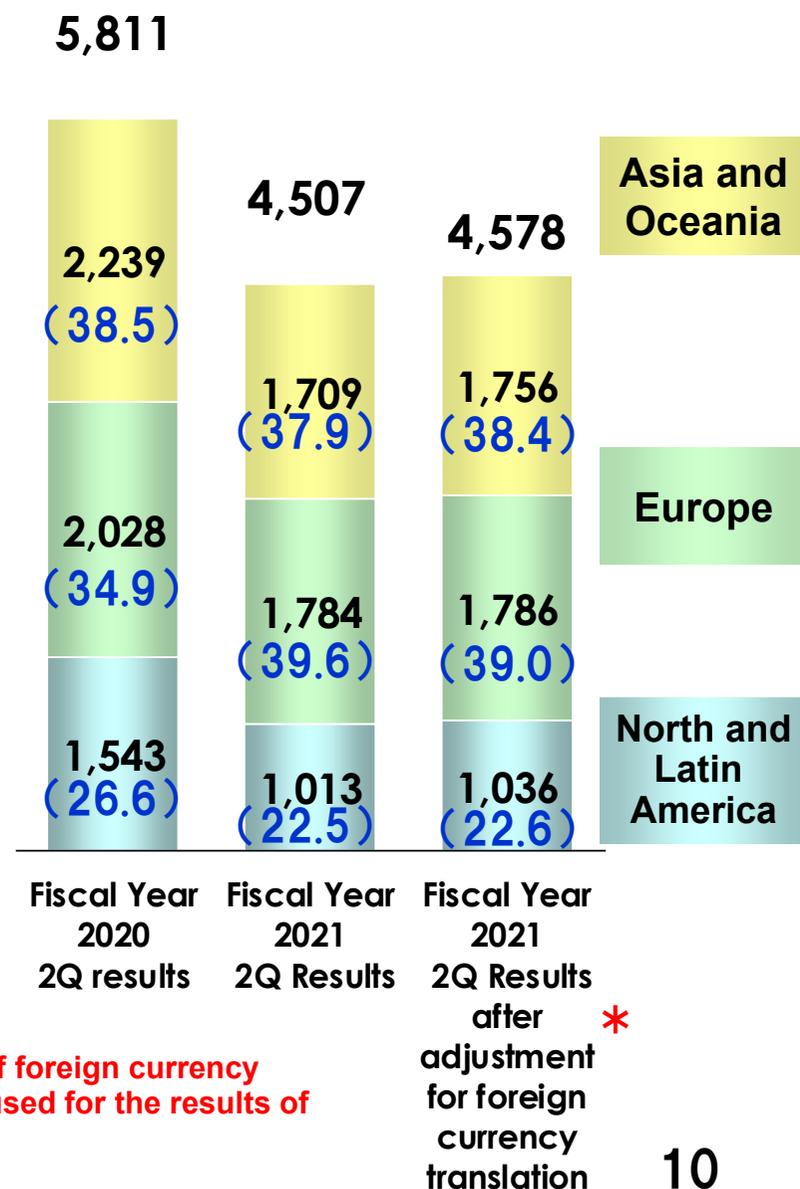
Elsewhere in Asia: **Year on year decrease of 228 million yen (-21.8%)**

■ **(Dental business) Overseas sales ratio of 40.7%**

(44.4% for the same quarter of the previous fiscal year; 41.2% after adjustment for fluctuations of foreign currency exchange rates)

* 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 2020.

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



Performance by Segment (Sales and Operating Income)

Summary of 2nd Quarter Consolidated Business
Performance for Fiscal Year Ending March 31, 2021



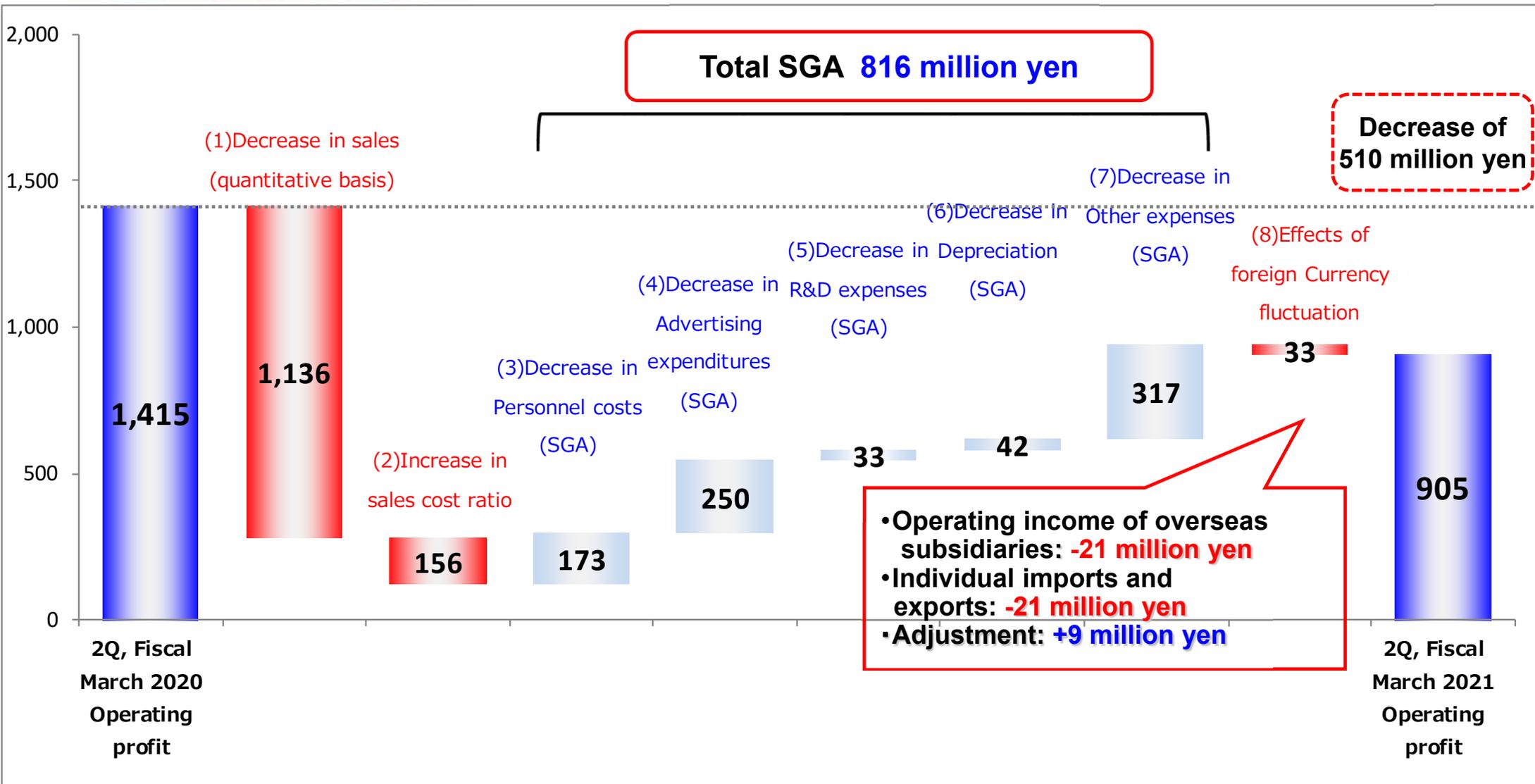
Unit: millions of yen. Figures in parentheses represent
percentage of sales and percentage changes (unit: %)

		Fiscal March 2020 (2Q Results) Amount (% of sales)	Fiscal March 2021 (2Q Forecast) Amount (% of sales)	Fiscal March 2021 (2Q Results) Amount (% of sales)	Change from Previous Period	Change from Forecast
Dental	Net Sales	12,168	9,382	10,042	-2,126	660
	Operating expenses	10,838	—	9,249	-1,589	—
	Operating income (operating income margin)	1,330 (10.9)	—	793 (7.9)	-536	—
Nail care	Net Sales	1,209	1,049	1,136	-73	87
	Operating expenses	1,132	—	1,028	-104	—
	Operating income (operating income margin)	77 (6.4)	—	108 (9.5)	30	—
Other	Net Sales	46	41	40	-5	-1
	Operating expenses	40	—	39	-1	—
	Operating income (operating income margin)	5 (12.2)	—	1 (3.8)	-4	—
Total before consolidation adjustment	Net Sales	13,424	10,473	11,219	-2,204	746
	Operating expenses	12,011	—	10,316	-1,694	—
	Operating income (operating income margin)	1,412 (10.5)	—	902 (8.0)	-509	—
Consolidated	Net Sales	13,421	10,473	11,217	-2,203	744
	Operating expenses	12,005	10,157	10,311	-1,693	153
	Operating income (operating income margin)	1,415 (10.5)	315 (3.0)	905 (8.1)	-510	590

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

Summary of 2nd Quarter Consolidated Business
Performance for Fiscal Year Ending March 31, 2021



Unit: millions of yen

	Fiscal March 2020	2Q,Fiscal March 2021	Change	Major contributors to changes, special notes
Cash and deposits	4,862	5,435	573	
Notes and bills receivable, trade accounts receivable	3,187	3,071	-115	Decrease in accounts receivable-trade
Inventory	6,731	7,196	464	Increase in merchandises and finished goods, work in process
Securities, investment securities	5,653	9,319	3,665	Increase in investment securities due to the acquisition of Sun Medical shares
Others	9,399	9,529	130	Increase in property, plant and equipment, intangible assets
Assets	29,834	34,553	4,718	
Long-term and short-term borrowings	1,236	2,003	767	Increase in long-term Loans payable
Reserve for retirement benefits and directors' retirement benefits	243	246	3	
Others	4,417	4,485	67	
Liabilities	5,897	6,735	837	
Net worth	23,936	27,817	3,880	Increase in capital stock acpital surplus associated with issuance of new shares by means of third-party allotment
Total liabilities and net worth	29,834	34,553	4,718	
Capital adequacy ratio	79.7%	80.0%	0.3P	
Net worth per share	1,492yen	1,557yen	65yen	

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

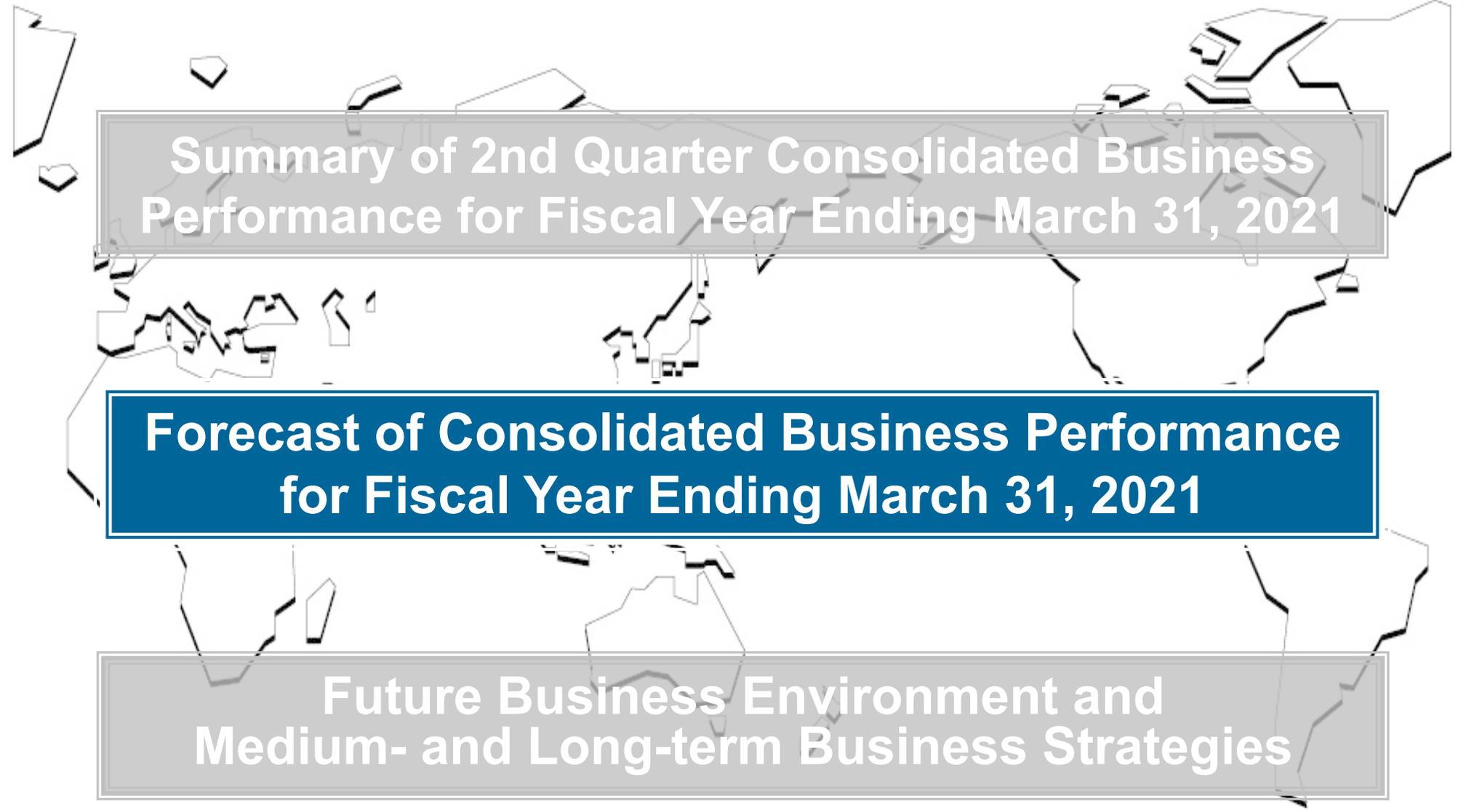
Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2021



Unit: millions of yen

	Fiscal March 2020 (2Q Results)	Fiscal March 2021 (2Q Forecast)	Fiscal March 2021 (2Q Results)	Change from Previous Period	Change from Forecast
Capital investment	593	685	506	-87	-179
Depreciation expenses (of which amortization of goodwill)	477 39	442 0	429 0	-47 -39	-13 0
R&D expenses	759	802	722	-37	-80
Foreign exchange rates					
US dollar	109.00	107.74	106.68	-2.32	-1.06
Euro	121.43	119.86	121.36	-0.07	1.50
Pound sterling	136.84	132.70	135.04	-1.80	2.34
Renminbi	16.21	15.37	15.37	-0.84	0.00

• 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.

A background graphic featuring a stylized world map with several line graphs overlaid on it, representing business performance trends. The lines are black and white, and the map is a light gray outline.

Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2021

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021

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

Overview of forecast for the Current Fiscal Year

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021



■ Positive factors ■ Negative factors

P/L

⇒ Net sales will total 23,287 million yen (a decrease of 10.8%)

Domestic net sales will total 13,594 million yen (a decrease of 6.9%)

- In the dental business, we are pursuing targeted sales activities focused on CAD/CAM products, which are expected to attract stronger demand, and key areas, and also putting efforts into activities providing information to dental and medical professionals. Despite these efforts, we expect sales to **fall 7.0% (down 903 million yen)**.
- In the nail business, we expect sales to **fall 7.3% (down 112 million yen)**, despite ongoing efforts put into gel nail products that could be used at home and Internet-based sales.

Overseas net sales will total 9,692 million yen (a decrease of 15.7%)

- The dental business is gradually recovering, and we do not expect the impact of the coronavirus to worsen beyond current levels, but some impact will still linger in this fiscal year, and as a result we forecast a **16.3% drop (1,740 million yen decline)** in overseas net sales.

⇒ Operating income will total 1,733 million yen (a decrease of 21.6%).

Ordinary income will total 1,589 million yen (a decrease of 20.1%).

Net income will total 1,072 million yen (a decrease of 52.1%).

- Although selling, general and administrative expenses are expected to decline as a result of restrictions on business activity imposed due to the coronavirus, lower sales are still having an impact. As such, we expect operating income to **fall 21.6%** and ordinary income to **drop 20.1%**.
- The impairment loss posted in the previous fiscal year was not a factor this fiscal year, so we expect net income to **increase 52.1%**.

Comparison of Major Statistics

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021



⇒ Net sales decreased and net profit increased compared to fiscal March 2020

Unit: millions of yen

	Fiscal March 2020 Results (% of sales)	Fiscal March 2021 Forecast			Year-on-year Change (% change)
		2Q Results (% of sales)	3Q-4Q Forecast (% of sales)	Yearly Forecast (% of sales)	
Net sales	26,108 (100.0)	11,217 (100.0)	12,069 (100.0)	23,287 (100.0)	-2,821 (-10.8)
(Domestic sales)	14,608 (56.0)	6,710 (59.8)	6,884 (57.0)	13,594 (58.4)	-1,014 (-6.9)
(Overseas sales)	11,499 (44.0)	4,507 (40.2)	5,185 (43.0)	9,692 (41.6)	-1,807 (-15.7)
Operating profit	2,210 (8.5)	905 (8.1)	827 (6.9)	1,733 (7.4)	-477 (-21.6)
Ordinary profit	1,988 (7.6)	891 (7.9)	697 (5.8)	1,589 (6.8)	-399 (-20.1)
Net profit	704 (2.7)	568 (5.1)	503 (4.2)	1,072 (4.6)	367 (52.1)
Net profit per share	44.24yen	33.44yen	31.51yen	61.68yen	17.44yen
Return on equity	2.9%	2.2%	—	—	—

* “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 Segment

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021



Unit: millions of yen

Figures in parentheses represent percentage changes; unit: %

	Fiscal March 2020 Results	Fiscal March 2021 Forecast			Year-on-Year Change
		2Q Results	3Q-4Q Forecast	Yearly-Forecast	
Dental business total	23,665	10,042	10,979	21,021	-2,644 (-11.2)
Nail care business	2,355	1,136	1,039	2,175	-179 (-7.6)
Other	87	38	50	89	2 (2.8)
Total	26,108	11,217	12,069	23,287	-2,821 (-10.8)

- Overseas sales decreased by 98 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 -102 million yen, Nail care business +3 million yen)

Domestic Net Sales



◇ Dental business:

Year-on-year decrease of 903 million yen (-7.0%)

- We will carry out sales activities focused on CAD/CAM-related products and will also develop information activities aimed at dental professionals.

◇ Nail care business:

Year-on-year decrease of 112 million yen (-7.3%)

- Sales will be generated by gel nail products that can be used at home and by Internet-based sales.

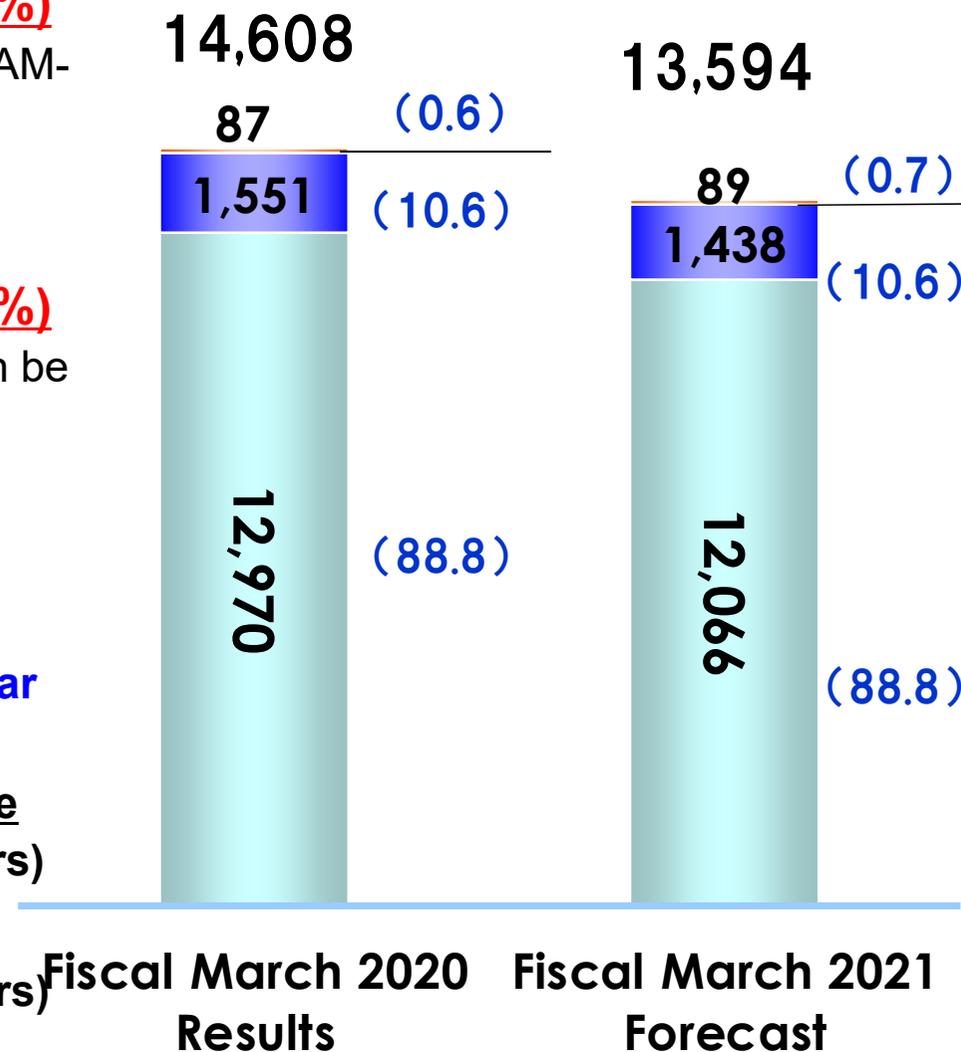
◇ Other businesses:

Year-on-year increase of 2 million yen (2.8%)

◇ Principal new products launched during the fiscal year ending March 2021.

- Dental multi-purpose ultrasonic therapy machine
MERSSAGE E-PICK 2 in 1 (Equipment and others)
- Electric Toothbrushes
Oral-B (Equipment and others)

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



Overseas Net Sales



Summary

- While we expect a gradual recovery, assuming that the impact of the coronavirus outbreak will not worsen more than current levels, but the impact will linger this fiscal period, and as a result we forecast a **15.7% decline** in overseas net sales overall.

Growth rates by region

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

North and Latin America	-28.9%	(-27.0%)
Europe	-11.8%	(-12.7%)
China	-4.0%	(-1.2%)
Asia (Other)	-18.8%	(-18.2%)

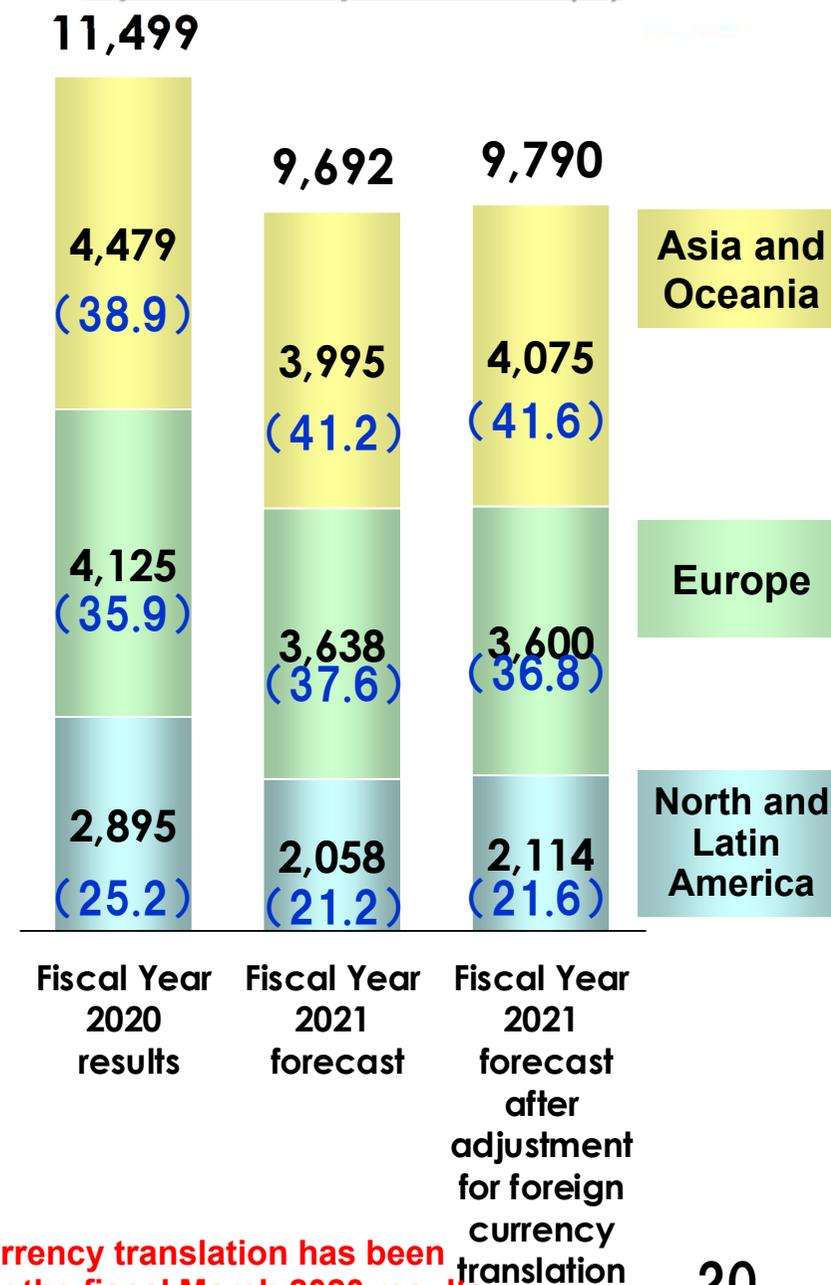
Foreign exchange rates

- USD1=JPY106.27
(JPY109.10 in the previous fiscal year)
(Effect: **-61 million yen**)
- EUR1=JPY122.66
(JPY121.14 in the previous fiscal year)
(Effect: **+43 million yen**)
- RMB1=JPY15.39
(JPY15.85 in the previous fiscal year)
(Effect: **-68 million yen**)

(Dental business) Overseas sales ratio

42.6% (45.2% in the previous fiscal year)
(42.9% after foreign currency translation adjustment)

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



* The fiscal March 2021 forecast after adjustment for foreign currency translation has been calculated based on the same foreign exchange rates used for the fiscal March 2020 results.

Impact of spread of coronavirus



Assumptions behind forecasts for fiscal year ending March 31, 2021

(Sales by quarter for Japan and overseas regions compared to same period in previous year and compared to forecasts before revisions [%])

	1Q Result	2Q result	1Q-2Q Result	3Q-4Q Forecast
Domestic	-9.6%	-13.7%	-11.8%	-1.6%
(Forecasts before revisions)		(-21.0%)	(-15.8%)	(-1.6%)
Overseas	-42.0%	-2.0%	-22.4%	-8.8%
(Forecasts before revisions)		(-17.6%)	(-30.1%)	(-3.6%)
North and Latin Ameica	-65.4%	2.0%	-34.3%	-22.7%
(Forecasts before revisions)		(-22.3%)	(-45.5%)	(-9.7%)
Europe	-28.5%	5.9%	-12.1%	-11.6%
(Forecasts before revisions)		(-15.2%)	(-21.1%)	(-4.7%)
China	-57.4%	8.5%	-25.3%	16.5%
(Forecasts before revisions)		(8.3%)	(-25.4%)	(14.3%)
Asia and Oceania (Other)	-10.9%	-30.6%	-21.8%	-15.7%
(Forecasts before revisions)		(-41.5%)	(-27.9%)	(-15.3%)
Total sales	-24.5%	-8.9%	-16.4%	-4.9%
(Forecasts before revisions)		(-19.6%)	(-22.0%)	(-2.5%)

Performance by Segment (Net Sales and Operating Income)

Forecast of Consolidated Business Performance for
Fiscal Year Ending March 31, 2021



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

		Fiscal March 2020 (Results) Amount (% of sales)	Fiscal March 2021 (Forecast) Amount (% of sales)	Change from Previous Period
Dental	Net Sales	23,665	21,021	-2,644
	Operating expenses	21,581	—	—
	Operating income (operating income margin)	2,083 (8.8)	—	—
Nail care	Net Sales	2,355	2,175	-179
	Operating expenses	2,248	—	—
	Operating income (operating income margin)	107 (4.5)	—	—
Other	Net Sales	93	89	-3
	Operating expenses	79	—	—
	Operating income (operating income margin)	13 (14.7)	—	—
Total before consolidation adjustment	Net Sales	26,114	23,287	-2,827
	Operating expenses	23,909	—	—
	Operating income (operating income margin)	2,204 (8.4)	—	—
Consolidated	Net Sales	26,108	23,287	-2,821
	Operating expenses	23,897	21,553	-2,343
	Operating income (operating income margin)	2,210 (8.5)	1,733 (7.4)	-477

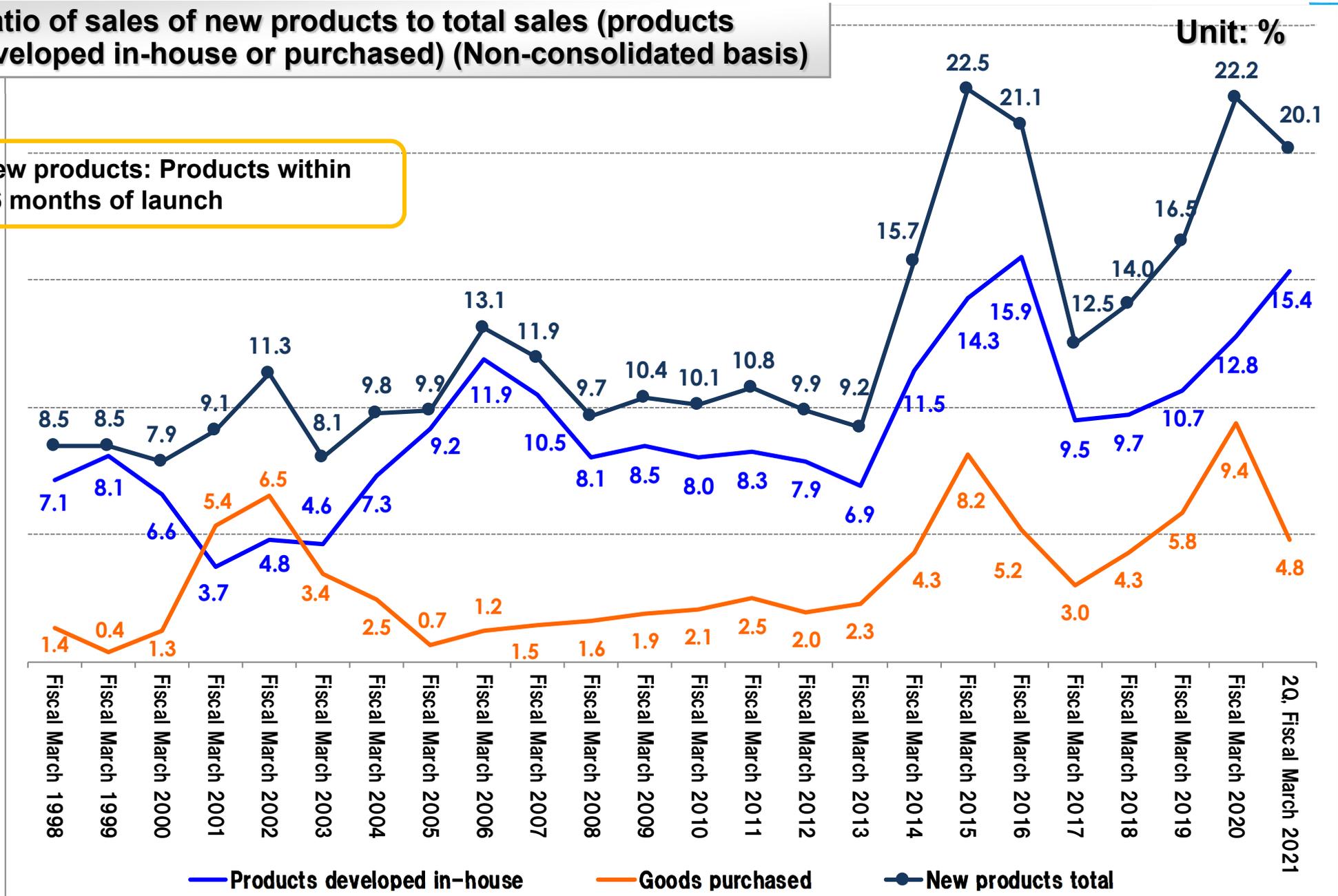
Trends for Sales Ratio of New Products

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021



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

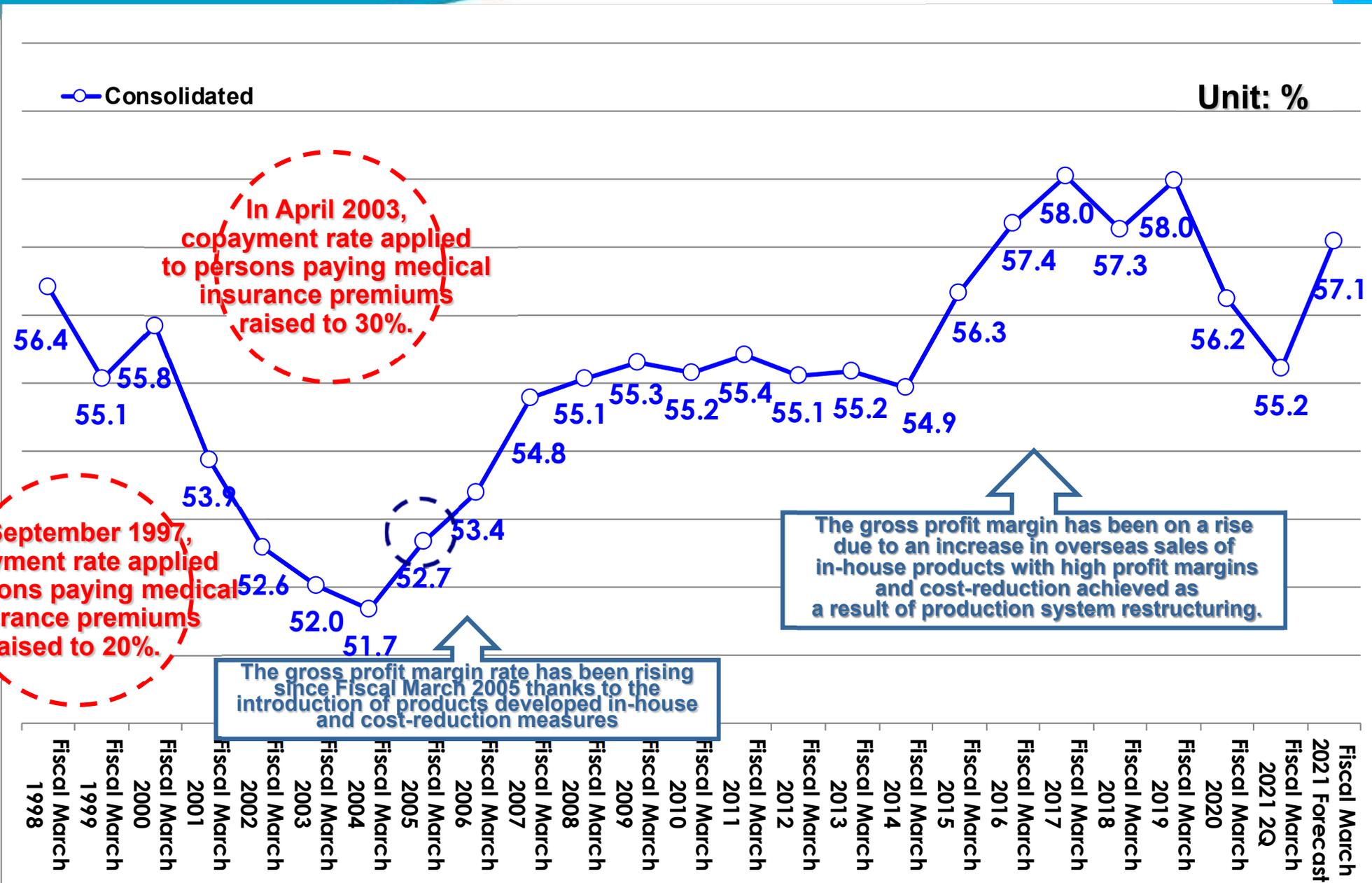
New products: Products within 36 months of launch



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

Trends for Gross Profit Margin Rates

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021



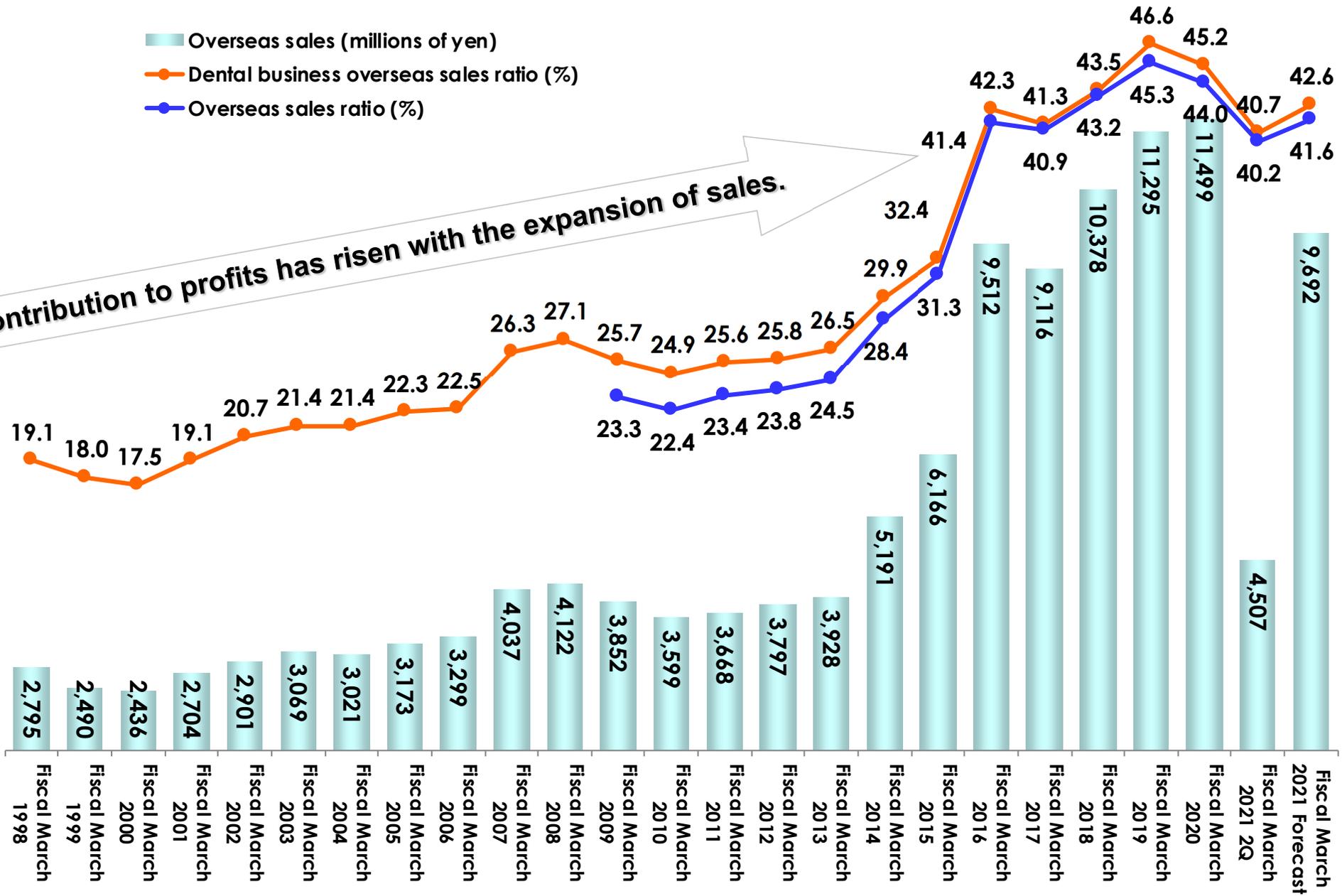
Trends for Overseas Sales and Overseas Sales Ratios

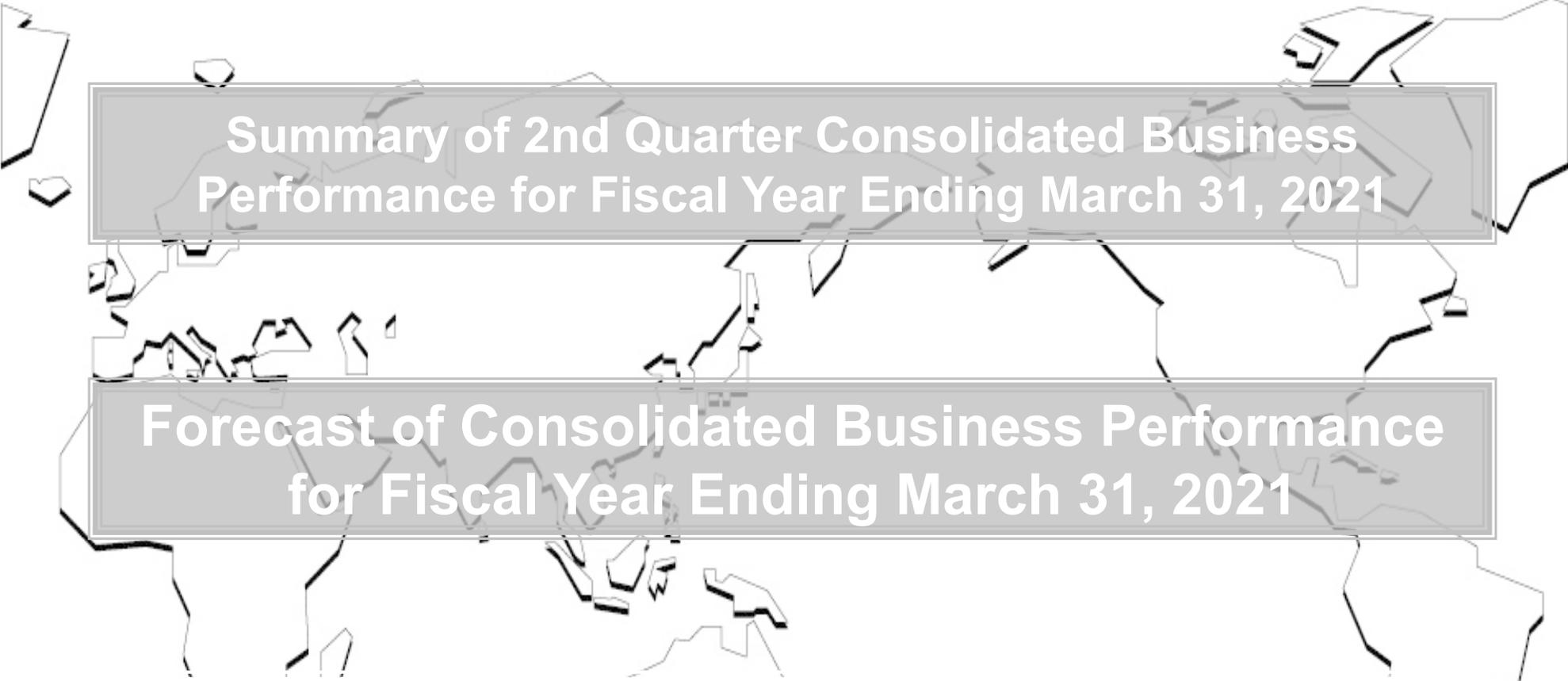
Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021



- Overseas sales (millions of yen)
- Dental business overseas sales ratio (%)
- Overseas sales ratio (%)

The contribution to profits has risen with the expansion of sales.



A faint, stylized outline map of Japan is visible in the background, with some areas highlighted in black.

Summary of 2nd Quarter Consolidated Business Performance for Fiscal Year Ending March 31, 2021

Forecast of Consolidated Business Performance for Fiscal Year Ending March 31, 2021

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

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



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



- **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.



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



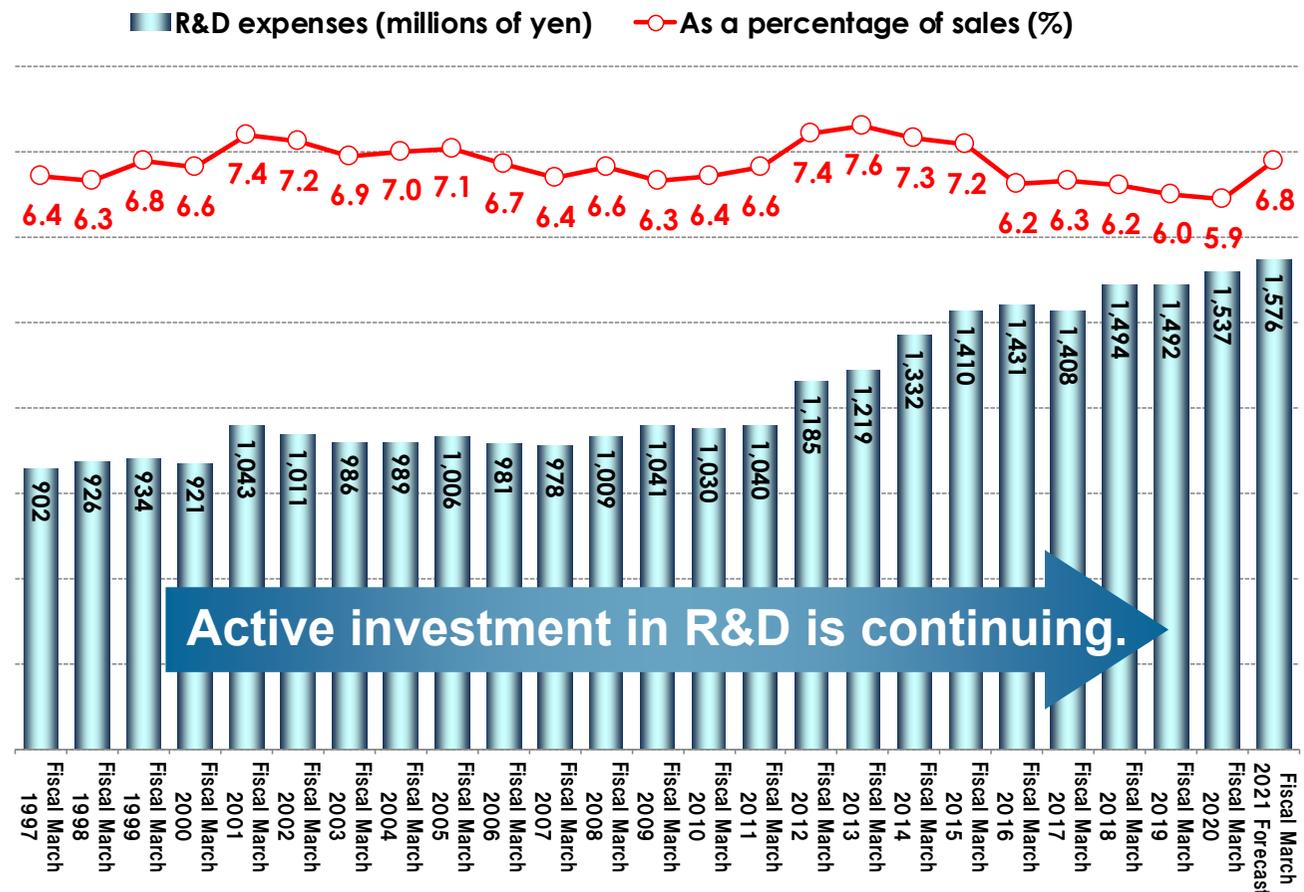
Development and introduction of new products that match the local demands

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

Trend in R&D investment





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)

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

➡ Expanding overseas production

Overseas manufacturing Group companies



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



Advanced Healthcare Ltd. (UK)



Merz Dental GmbH (Germany)

Specific Efforts – Production



✧ Relocation of production base and expansion of offshore production

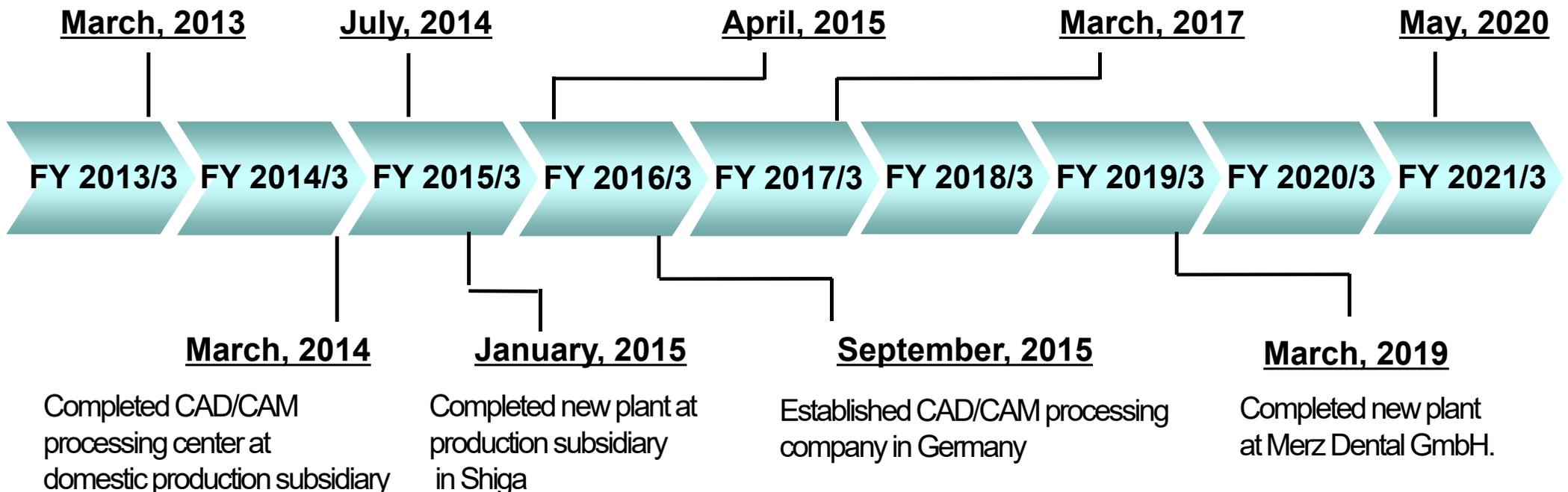
Reorganization of manufacturing functions of dental business and nail care business
Consolidation of manufacturing and sales functions in nail subsidiary

Relocation and expansion of domestic production subsidiary

Subsidiarization of Merz Dental GmbH, a German artificial teeth Manufacturer.
New production base in Europe.

Completed new plant in the SHOFU headquarters

Established production subsidiary in Vietnam (SHOFU Products Vietnam)



Specific Efforts – Sales



✧ Improvement of our sales network

- Develop a network of overseas distributors.

✧ Realignment of sales offices

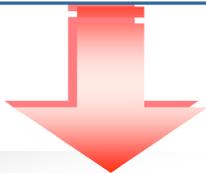
- Establish new overseas sales bases.

✧ 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



➤ **Improve our customer service**

➤ **Enhance academic activities**

➤ **Speed up the product registration work**

[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]

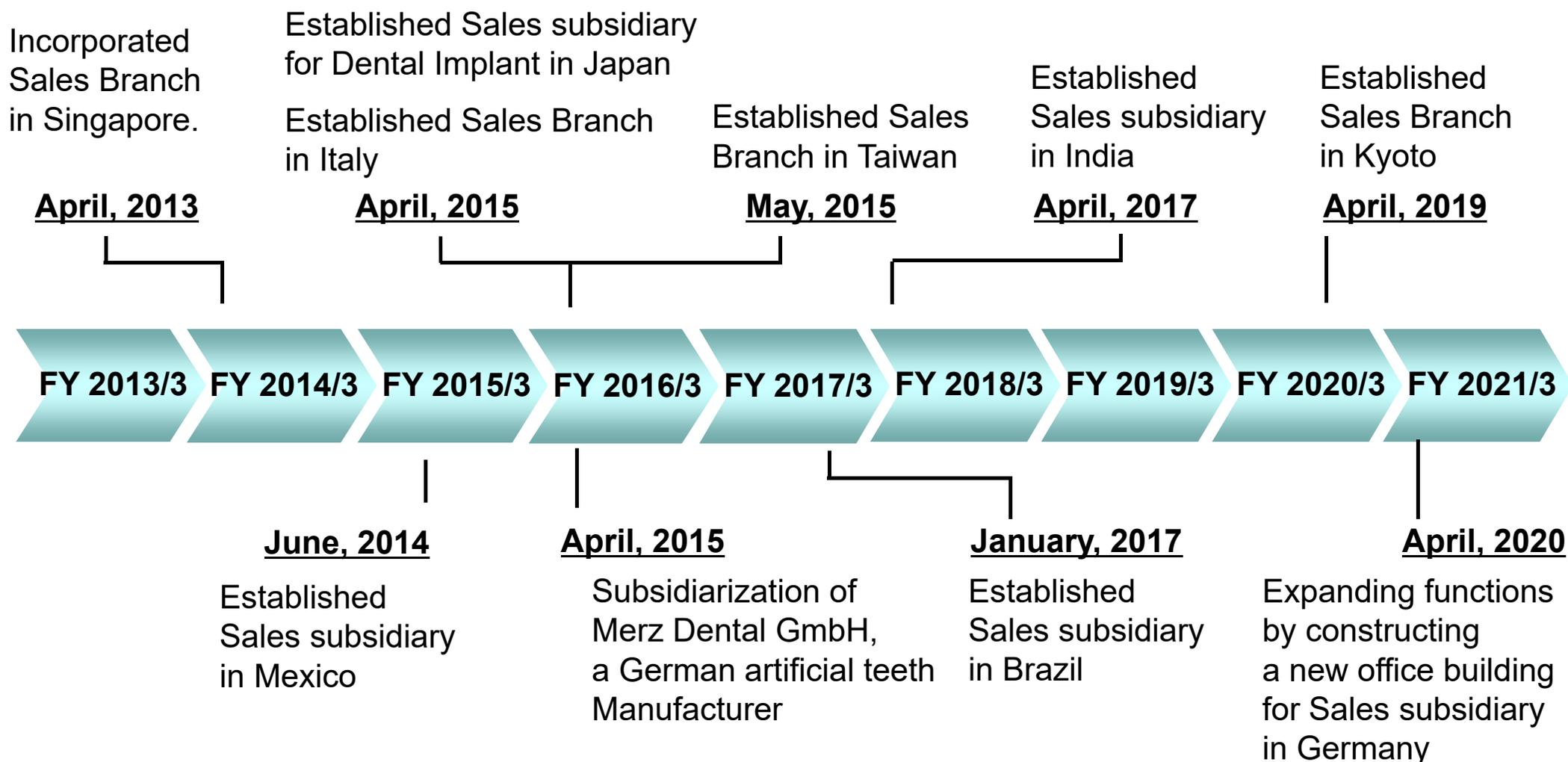
Sales company: Mexico, Brazil, India
Sales base : England, Taiwan, Italy



Specific Efforts – Sales



✧ Realignment of sales offices



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)



Enhancement of Business and Capital Tie-up with Mitsui Chemicals and Sun Medical



Mitsui Chemicals



- Capital tie-up
 - Shofu issued 1,780,000 new shares in a third-party allocation
MCI received these charges (total value of 2,988 million yen)
 - MCI's shareholdings increased from 11.17% to 20.01%
(Shofu became an equity-method affiliate)
 - Shofu acquired 20% of MCI's 70% shareholding in Sun Medical
 - MCI's shareholding: 70.0% ⇒ 50.0%
 - Shofu's shareholding: 0.0% ⇒ 20.0% (Sun Medical became Shofu's equity-method affiliate)
- Business tie-up
 - New product development
 - Expansion of product lineup
 - Use of sales networks in Japan and overseas
 - Augmentation and sharing of manufacturing functions
- Exchange of personnel
 - MCI sent one part-time director to Shofu's board
 - Shofu sent one part-time director to Sun Medical's board

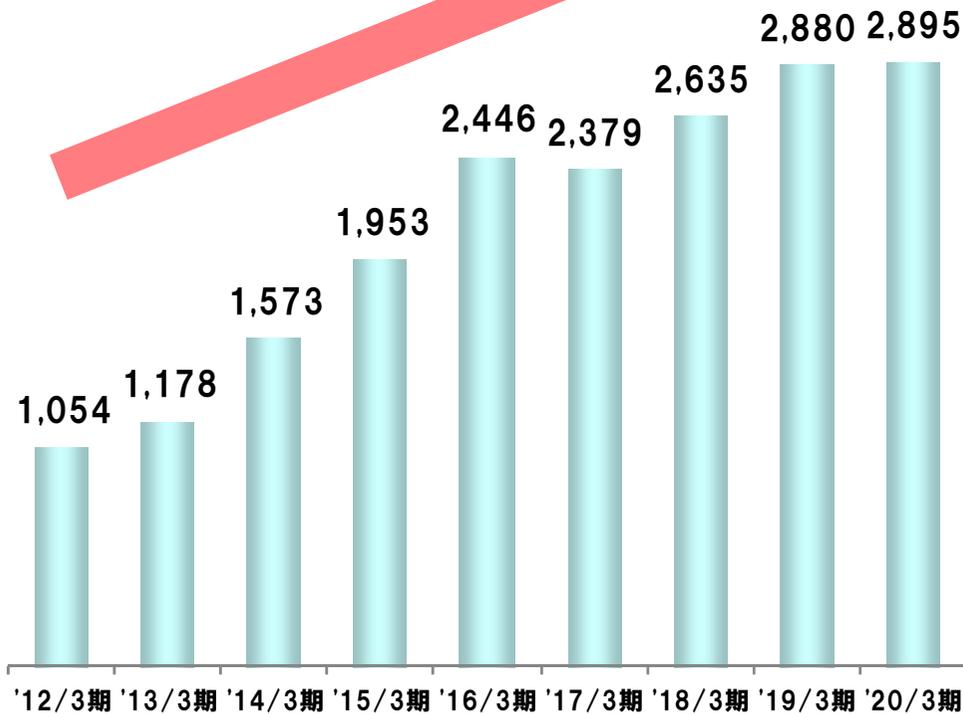
Trends for Sales by Region — North and Latin America, Europe



Unit: millions of yen

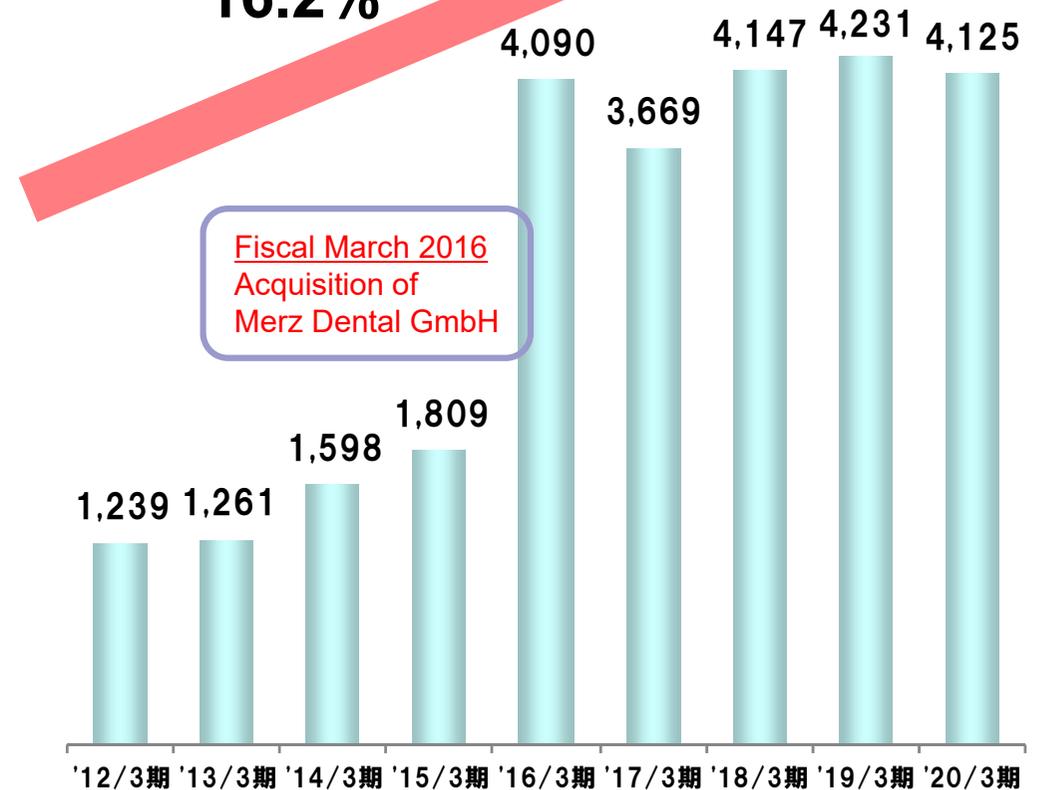
North & Latin America Sales

**CAGR
13.5%**



Europe Sales

**CAGR
16.2%**



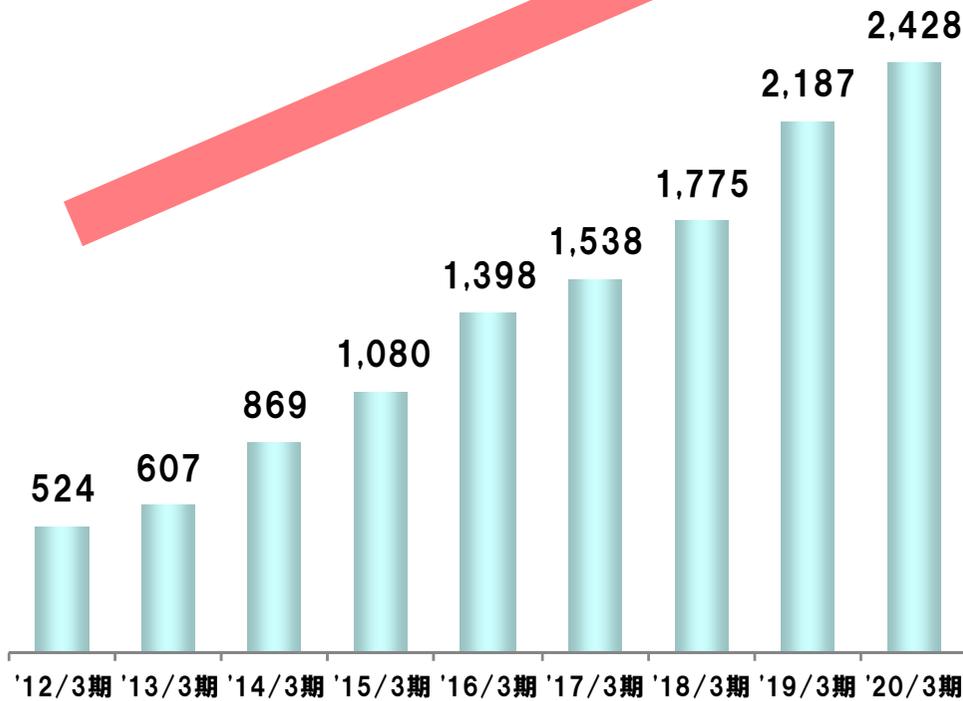
Trends for Sales by Region — China, Elsewhere in Asia



Unit: millions of yen

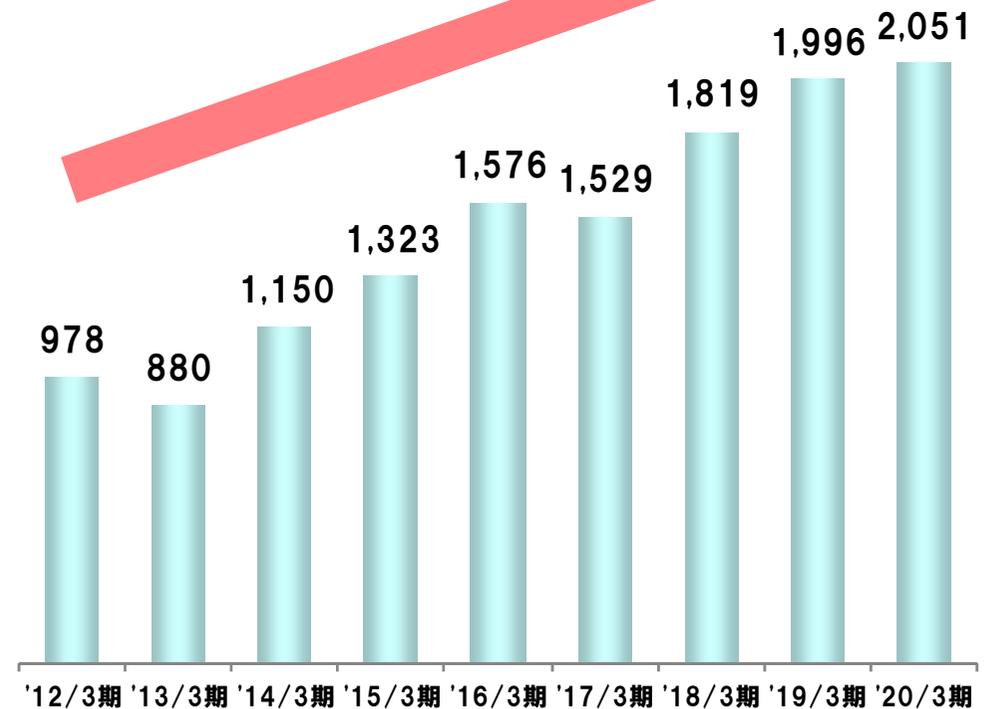
China Sales

CAGR
21.1%



Elsewhere in Asia Sales

CAGR
9.7%



Medium-term Management Plan – Principle Targets

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



★...Record Unit: millions of yen

	Mid-term Management Plan			Fiscal March 2019 (Results)	Fiscal March 2020 (Results)	Fiscal March 2021 (Forecast)
	Fiscal March 2019	Fiscal March 2020	Fiscal March 2021			
Net sales	★ 25,725	★ 27,419	★ 29,264	★ 24,915	★ 26,108	23,287
(Change from Previous Period)	(7.1%)	(6.6%)	(6.7%)	(3.7%)	(4.8%)	(-10.8%)
(Domestic sales)	★ 14,453	★ 15,085	★ 15,700	13,619	★ 14,608	13,594
(Change from Previous Period)	(5.9%)	(4.4%)	(4.1%)	(-0.2%)	(7.3%)	(-6.9%)
(Overseas sales)	★ 11,271	★ 12,333	★ 13,563	★ 11,295	★ 11,499	9,692
(Change from Previous Period)	(8.6%)	(9.4%)	(10.0%)	(8.8%)	(1.8%)	(-15.7%)
Operating income	1,737	★ 2,056	★ 2,341	1,814	★ 2,210	1,733
(Percentage of sales)	(6.8%)	(7.5%)	(8.0%)	(7.3%)	(8.5%)	(7.4%)
Ordinary income	1,630	★ 1,946	★ 2,234	1,709	★ 1,988	1,589
(Percentage of sales)	(6.3%)	(7.1%)	(7.6%)	(6.9%)	(7.6%)	(6.8%)
Net income	★ 1,109	★ 1,370	★ 1,596	★ 1,201	704	1,072
(Percentage of sales)	(4.3%)	(5.0%)	(5.5%)	(4.8%)	(2.7%)	(4.6%)
Dental business Overseas sales ratio	★ 44.6%	★ 46.0%	★ 47.6%	★ 46.6%	45.2%	42.6%

* “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)

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



Unit: millions of yen

	Mid-Term Management Plan						Fiscal March 2019 (Results)		Fiscal March 2020 (Results)		Fiscal March 2021 (Forecast)	
	Fiscal March 2019		Fiscal March 2020		Fiscal March 2021		Amount	%	Amount	%	Amount	%
	Amount	%	Amount	%	Amount	%						
Dental business	22,800	88.6	24,227	88.4	25,787	88.1	22,446	90.1	23,665	90.6	21,021	90.3
Nail care business	2,806	10.9	3,068	11.2	3,343	11.4	2,372	9.5	2,355	9.0	2,175	9.3
Other businesses	117	0.5	123	0.5	133	0.5	104	0.4	93	0.4	89	0.4
Net sales	25,725	100.0	27,419	100.0	29,264	100.0	24,923	100.0	26,114	100.0	23,287	100.0
Dental business	1,575	6.9	1,867	7.7	2,070	8.0	1,797	8.0	2,083	8.8	-	-
Nail care business	145	5.2	169	5.5	243	7.3	-5	-0.2	107	4.5	-	-
Other businesses	16	13.7	18	15.3	27	20.5	16	15.6	13	14.7	-	-
Operating income	1,737	6.8	2,056	7.5	2,341	8.0	1,807	7.3	2,204	8.4	1,733	7.4

- 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

	Mid-Term Management Plan			Fiscal March 2019 (Results)	Fiscal March 2020 (Results)	Fiscal March 2021 (Forecast)
	Fiscal March 2019	Fiscal March 2020	Fiscal March 2021			
Capital investment	1,080	967	967	1,403	1,601	1,668
Depreciation expenses (of which goodwill amortization)	1,003 108	1,003 108	1,003 108	893 84	979 79	926 0
R&D expenses	1,572	1,596	1,604	1,492	1,537	1,576

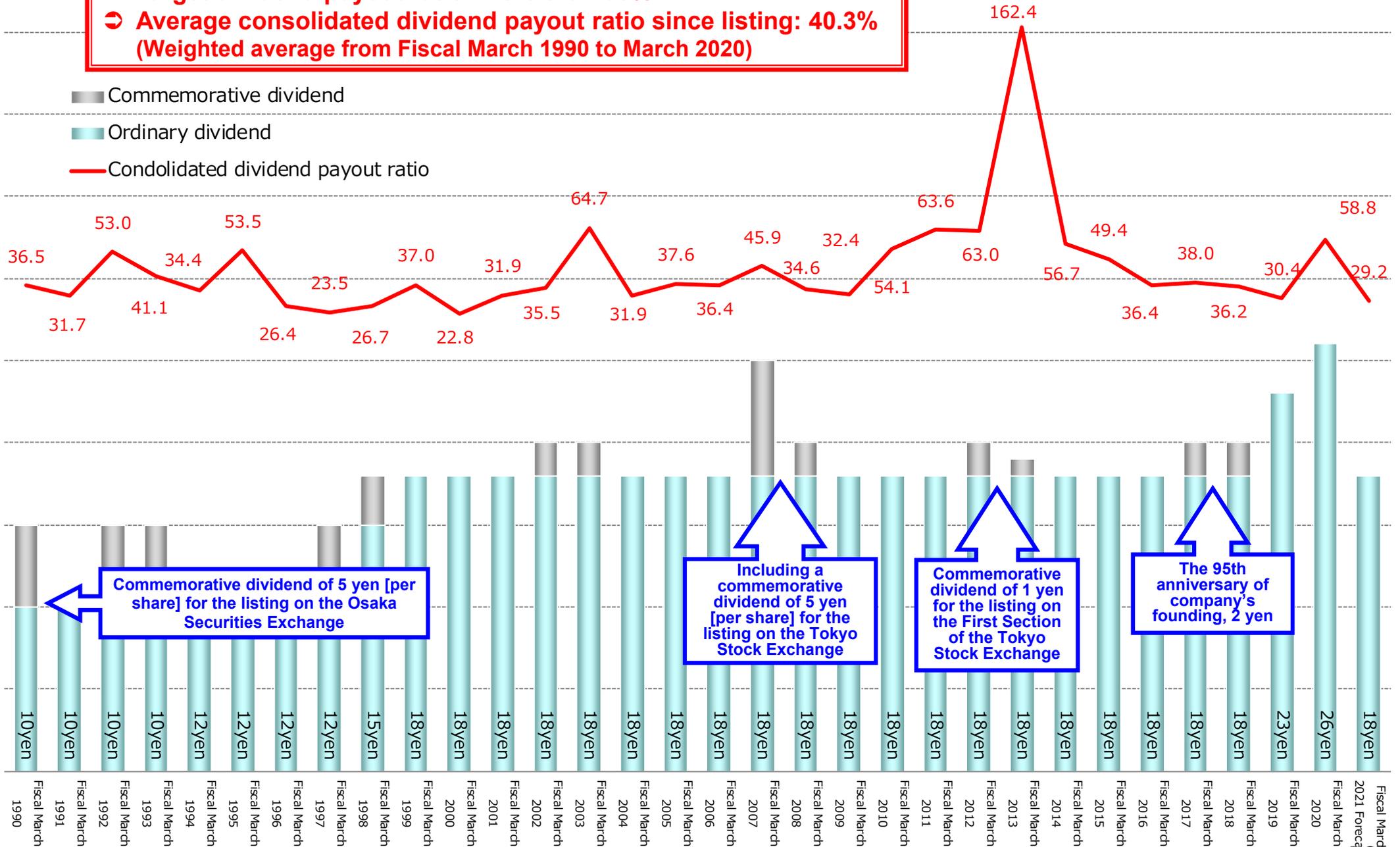
• The foreign exchange rates given are those in effect at the average of each term; conversions of items in the financial statements of overseas subsidiaries all use average rates.

*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: 40.3% (Weighted average from Fiscal March 1990 to March 2020)

Commemorative dividend
 Ordinary dividend
 Consolidated dividend payout ratio



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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URL: <http://www.shofu.co.jp>

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Contact: Corporate Planning Department



**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 name	SHOFU Inc.	(As of September 30, 2020)
■ Representative	Noriyuki Negoro, President and CEO	
■ Address	11 Kamitakamatsu-cho, Fukuine, Higashiyama-ku, Kyoto 605-0983, Japan	
■ Date of establishment	May 15, 1922	
■ Capital	5,968,956,614 yen	
■ Listed exchanges	First Section of Tokyo Stock Exchange	
■ Number of employees	467 (entire group: 1197, including 557 in overseas subsidiaries)	
■ Business	Manufacture and sale of dental materials and equipment	
■ Main customers	Dental institutions (via sales agencies)	
■ Number of group companies	Subsidiaries 18 (four in Japan, fourteen overseas) Affiliates 1 (one in Japan) Dental companies: 16 (four in Japan, twelve overseas) Nail care companies: 3 (one in Japan, two overseas)	



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



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

Please refer to "Product Profiles" attached to this document.

Corporate History (1)

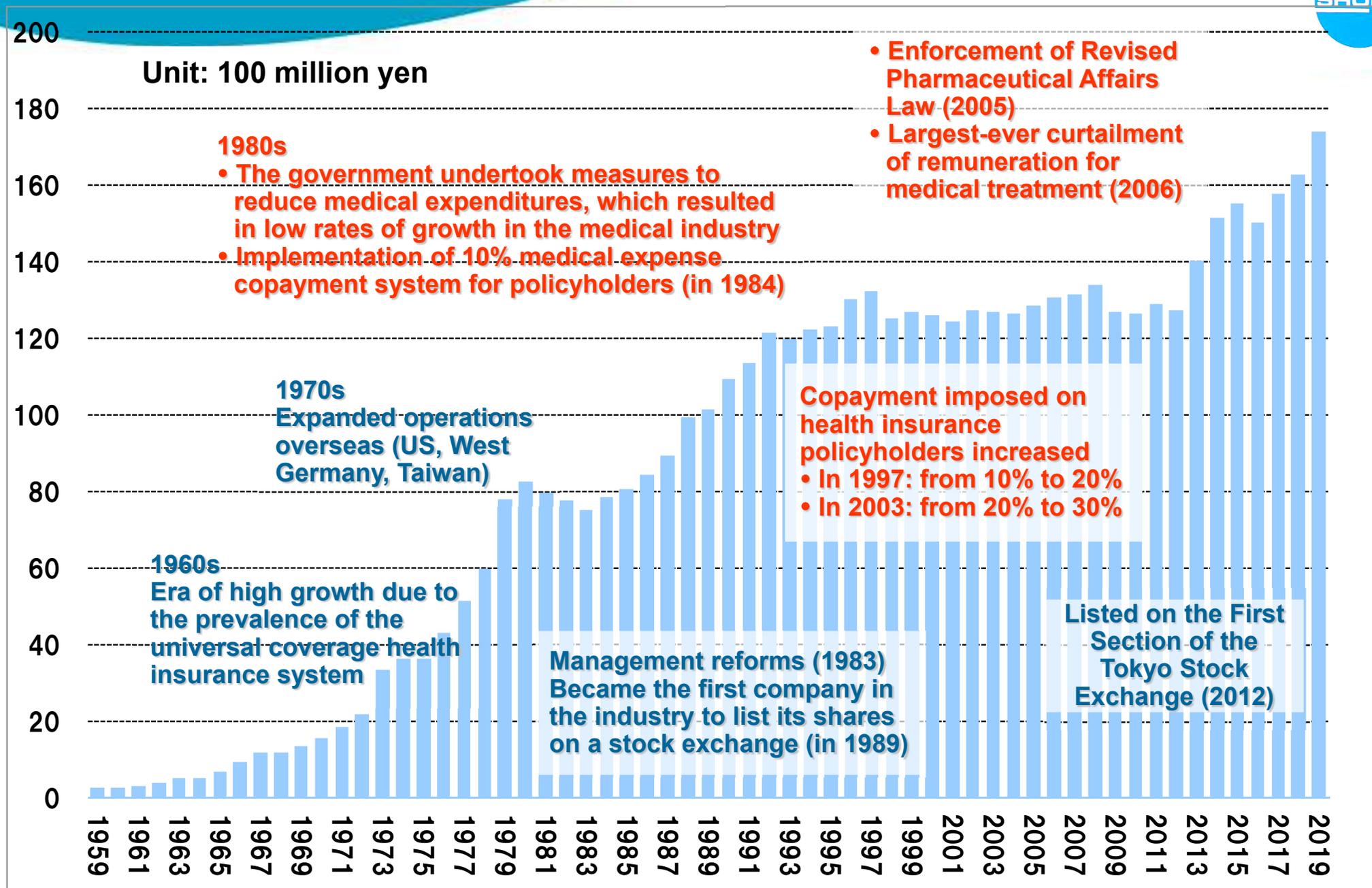


• 1922	Shofu Dental Manufacturing Co., Ltd. founded and commenced the manufacture and sale of Japan's first artificial teeth.
• 1963	Shofu shares listed on the over-the-counter market.
• 1971~ 1978	Established sales subsidiaries in the U.S. and West Germany. Started overseas production (in Taiwan). Established 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).
• 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.
	Established a subsidiary in Mexico
• 2017	Established a subsidiary in Brazil
	Established a subsidiary in India
• 2019	New plant for Merz Dental GmbH. completed
• 2020	Established a subsidiary in Vietnam
	Enhancement of business and capital tie-up with Mitsui Chemicals, Inc.,(MCI) and Sun Medical Co., Ltd.(SMC)
	Shofu issued 1,780,000 new shares in a third-party allocation and MCI received these charges. Shofu acquired 20% of MCI's 70% shareholding in SMC. (Shofu became MCI's equity-method affiliate. / SNC became Shofu's equity-method affiliate.)

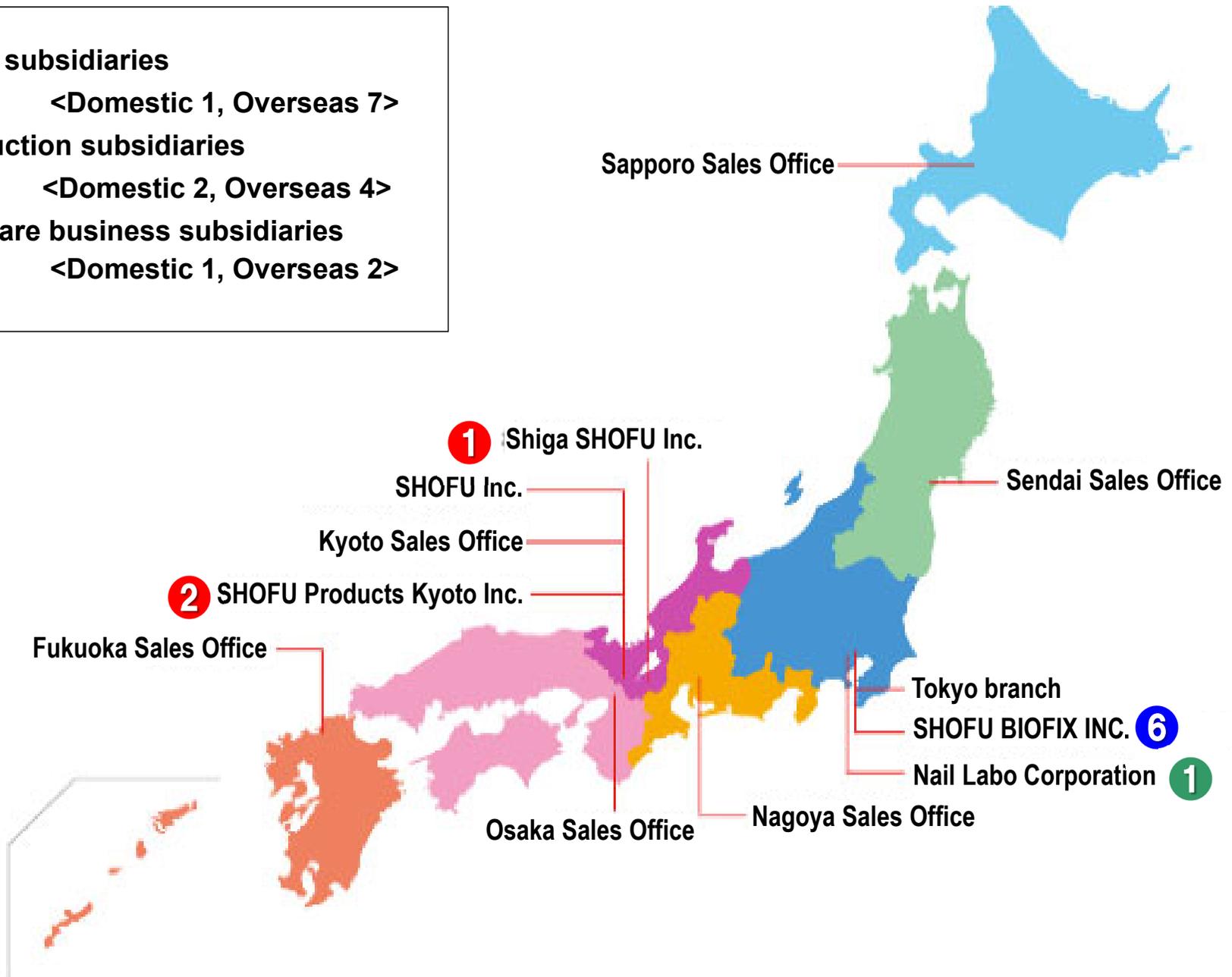
Corporate History - Sales



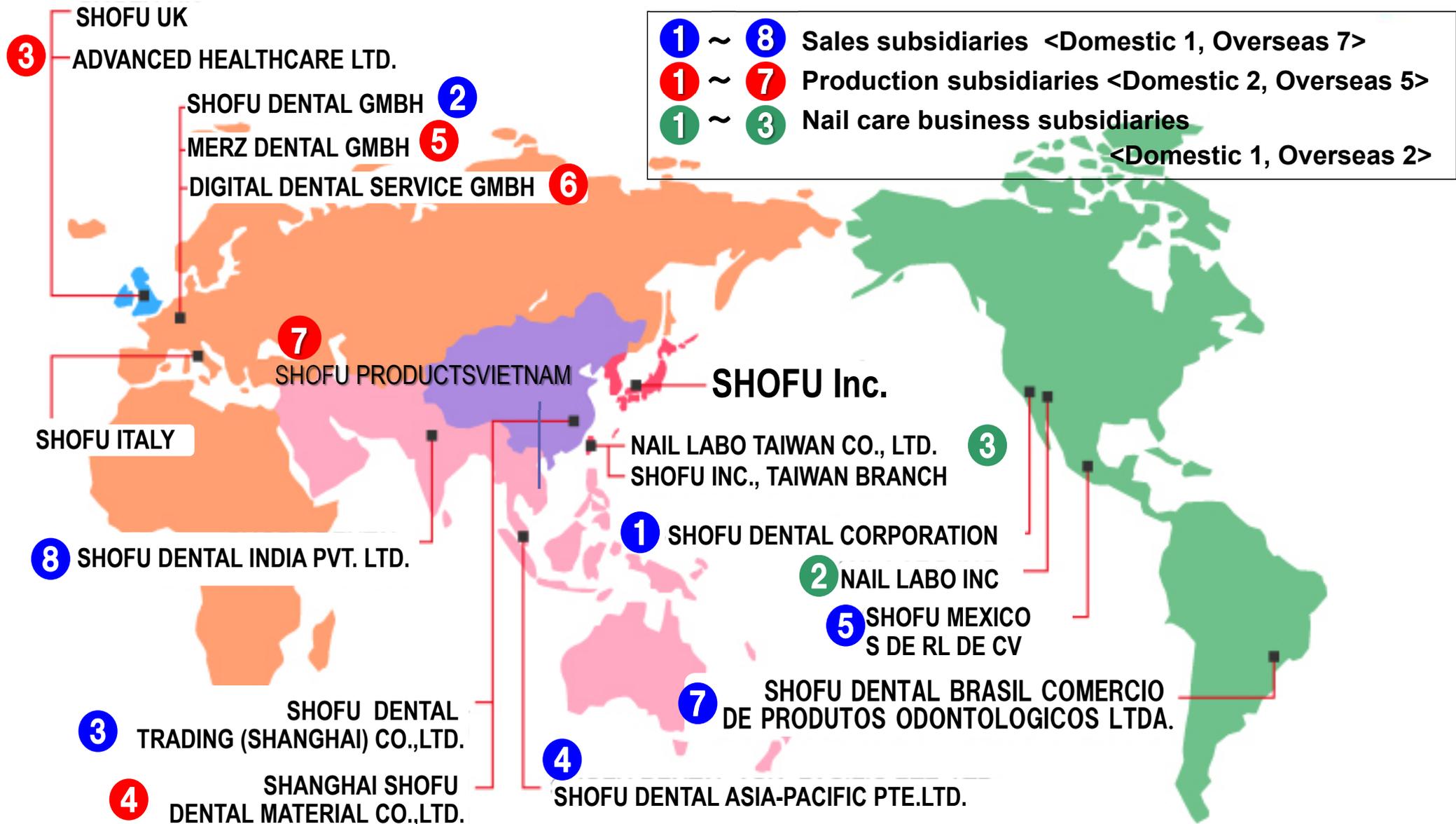
Group Overview [Domestic base]

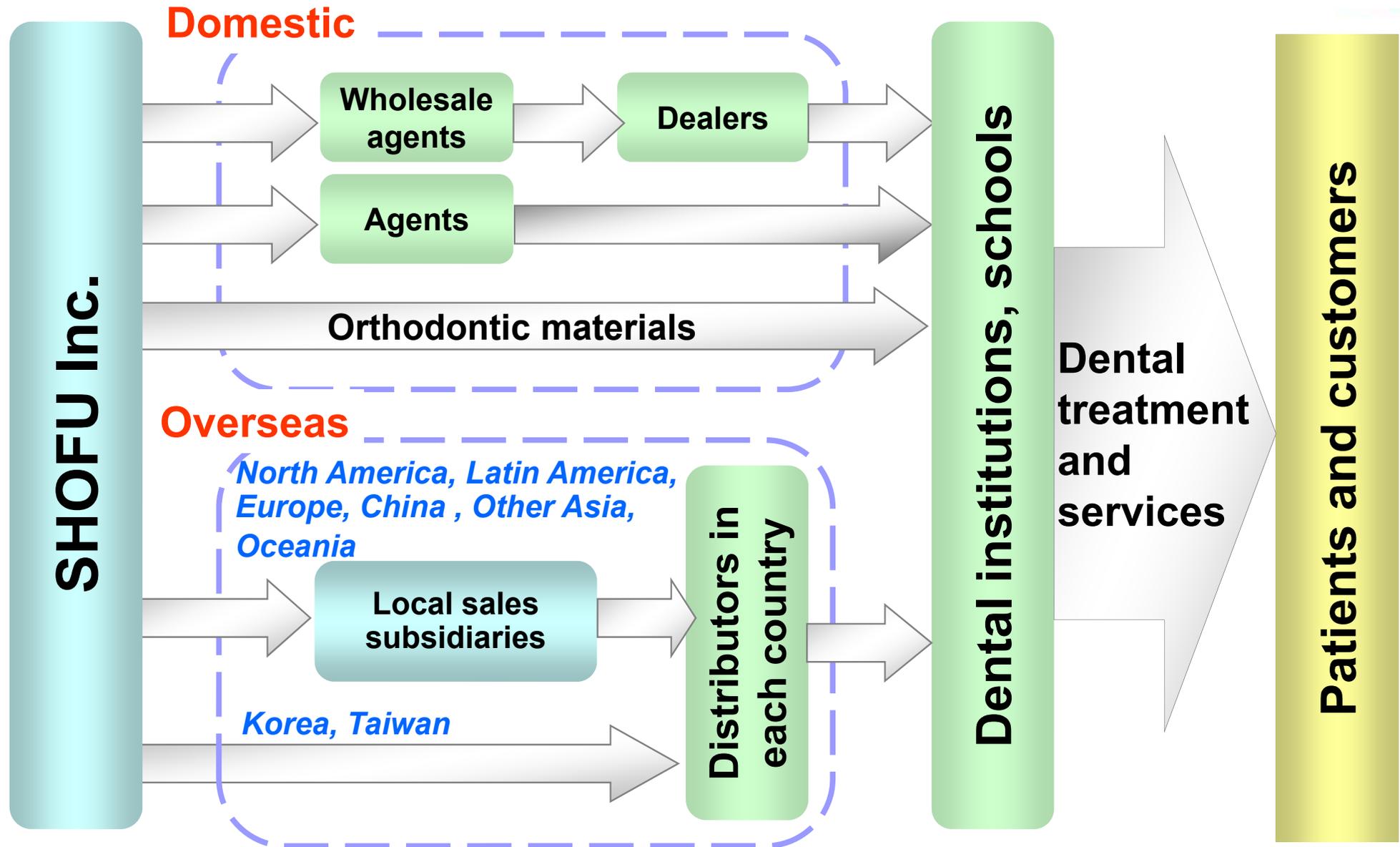


- 1 ~ 8** Sales subsidiaries
<Domestic 1, Overseas 7>
- 1 ~ 6** Production subsidiaries
<Domestic 2, Overseas 4>
- 1 ~ 3** Nail care business subsidiaries
<Domestic 1, Overseas 2>



Group Overview [Overseas base]



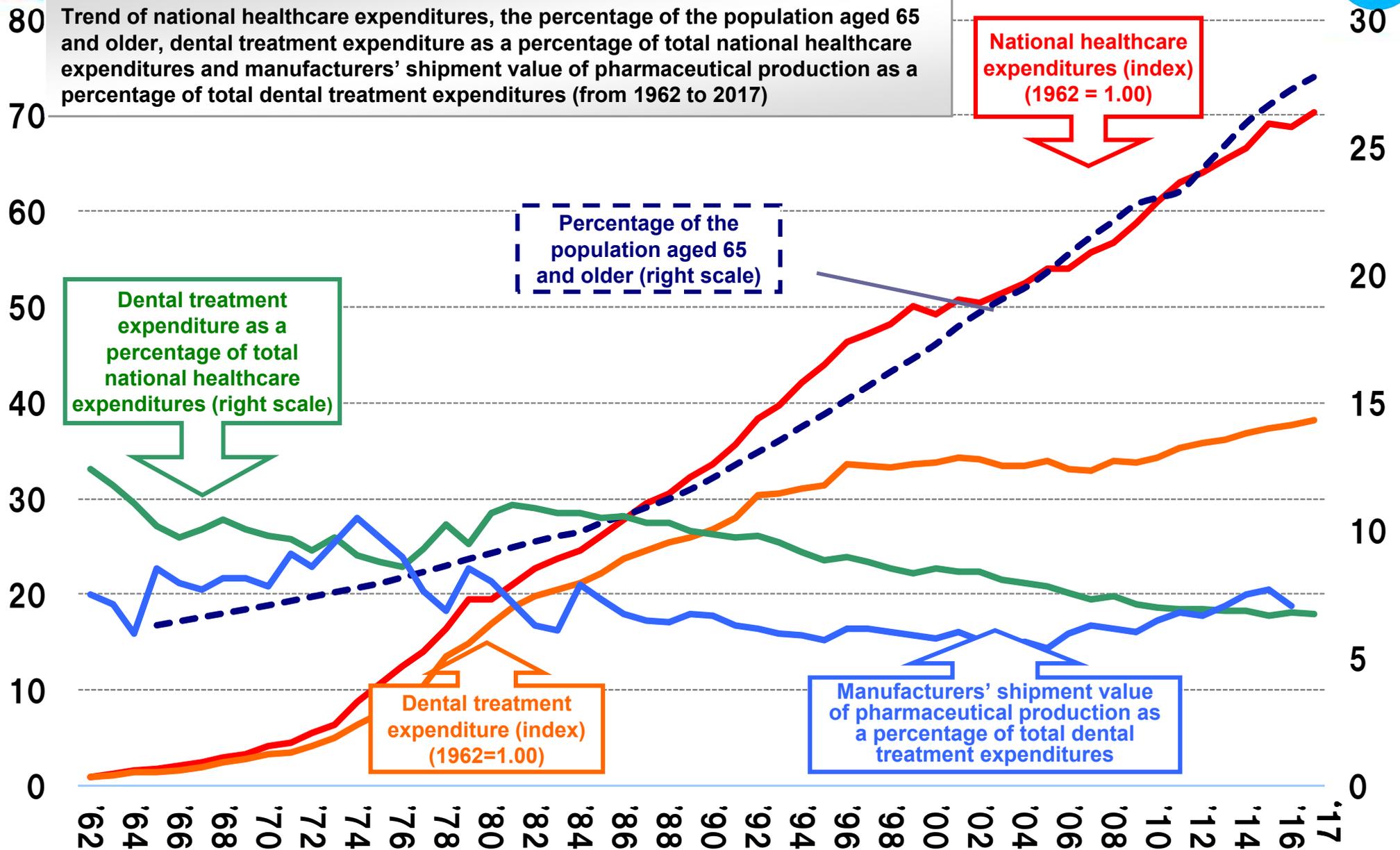




Reference <Dentistry Data>

Healthcare Expenditures by Age Group (Component Ratio)

Reference <Dentistry Data>

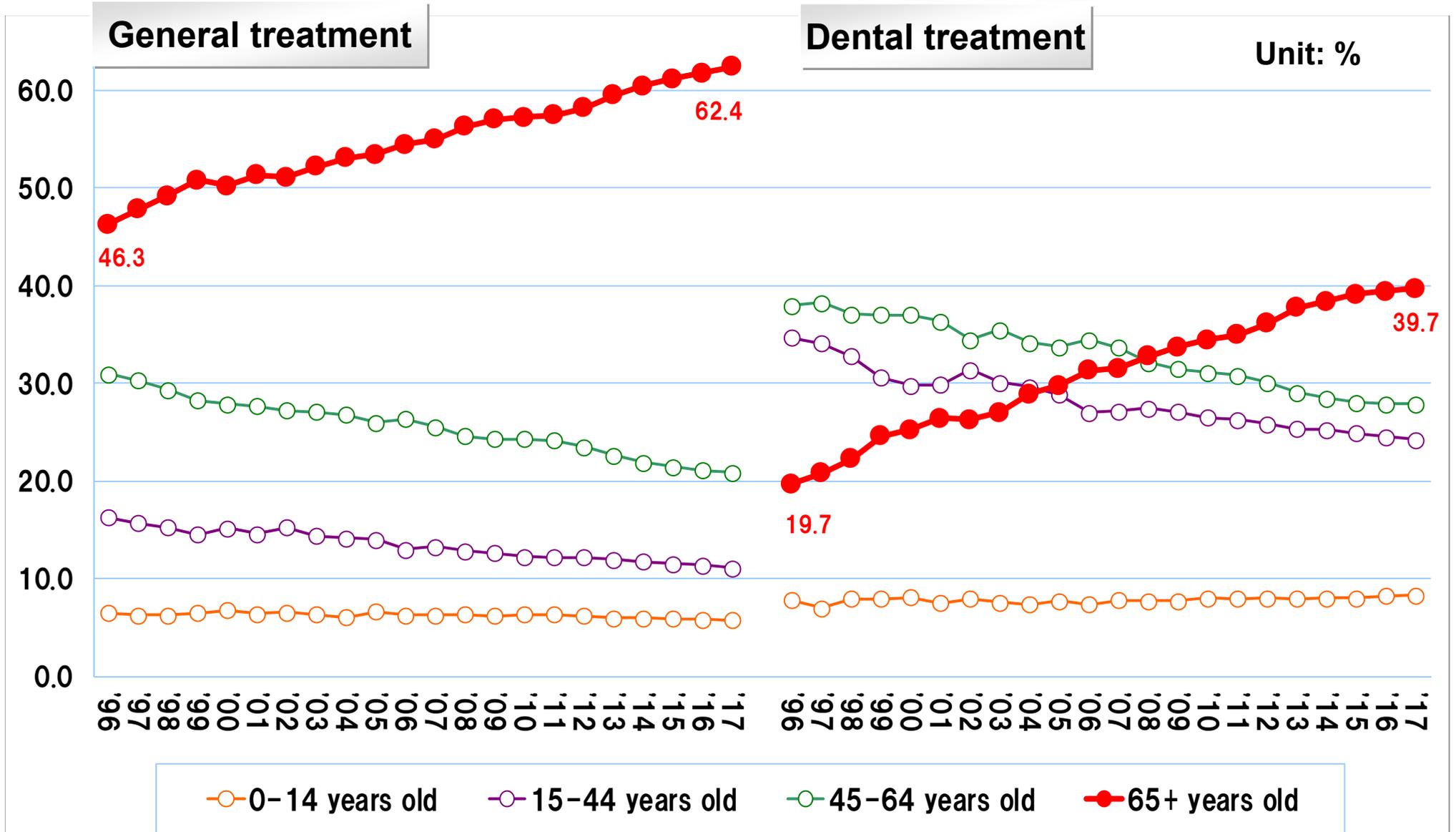


Healthcare Expenditures by Age Group (Component Ratio)

↪ Reference <Dentistry Data>



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



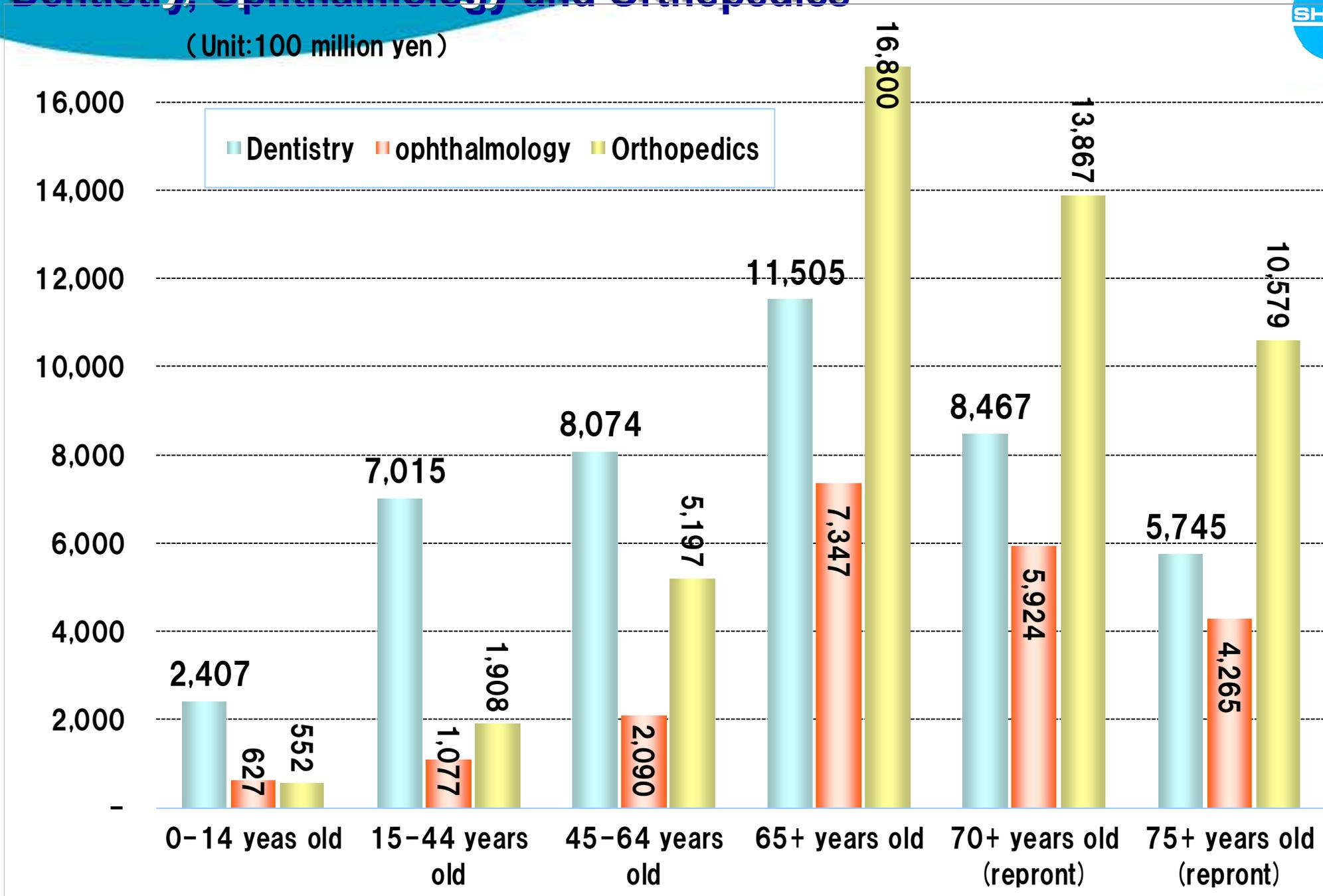
Prepared using yearly data from Summary of National Healthcare Expenditures (Ministry of Health, Labour and Welfare)

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

⇒ Reference <Dentistry Data>

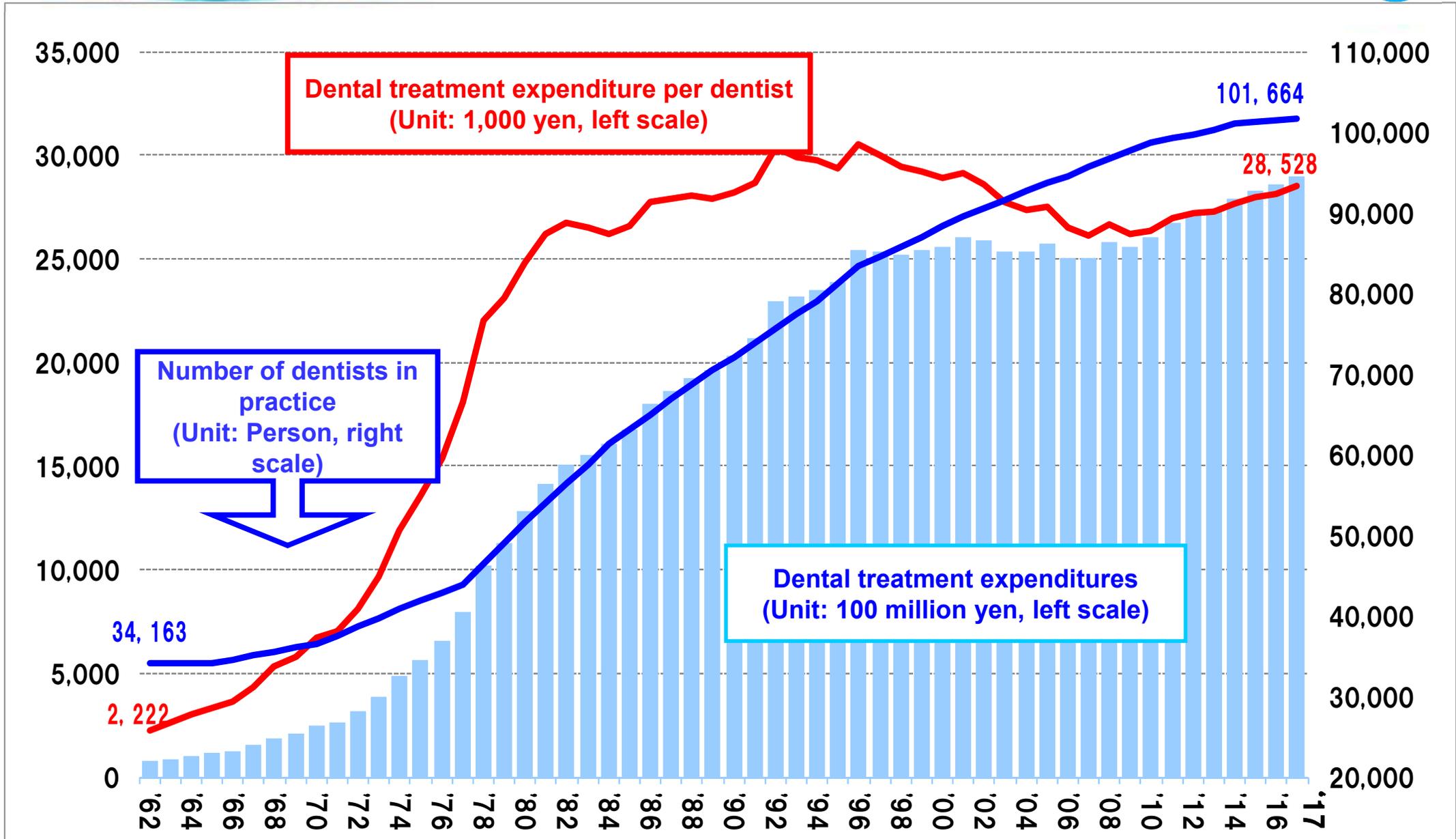


(Unit: 100 million yen)



Trend of the Number of Dentists and Dental Treatment Expenditure

⇒ Reference <Dentistry Data>

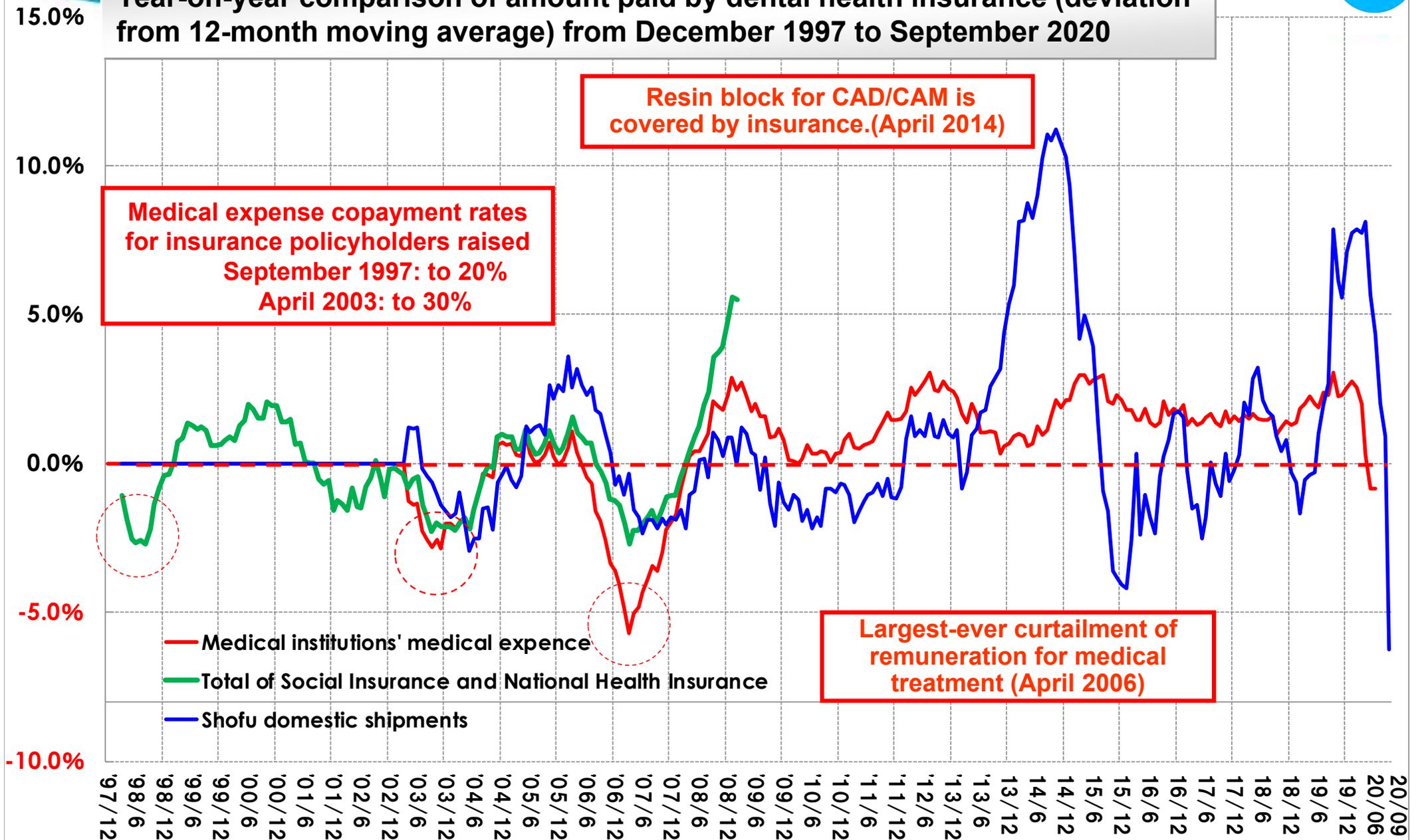


Prepared using yearly data from Summary of National Healthcare Expenditures, Survey on Doctors, Dentists and Pharmacists (Ministry of Health, Labour and Welfare)

Dental Treatment Expenditures



Year-on-year comparison of amount paid by dental health insurance (deviation from 12-month moving average) from December 1997 to September 2020

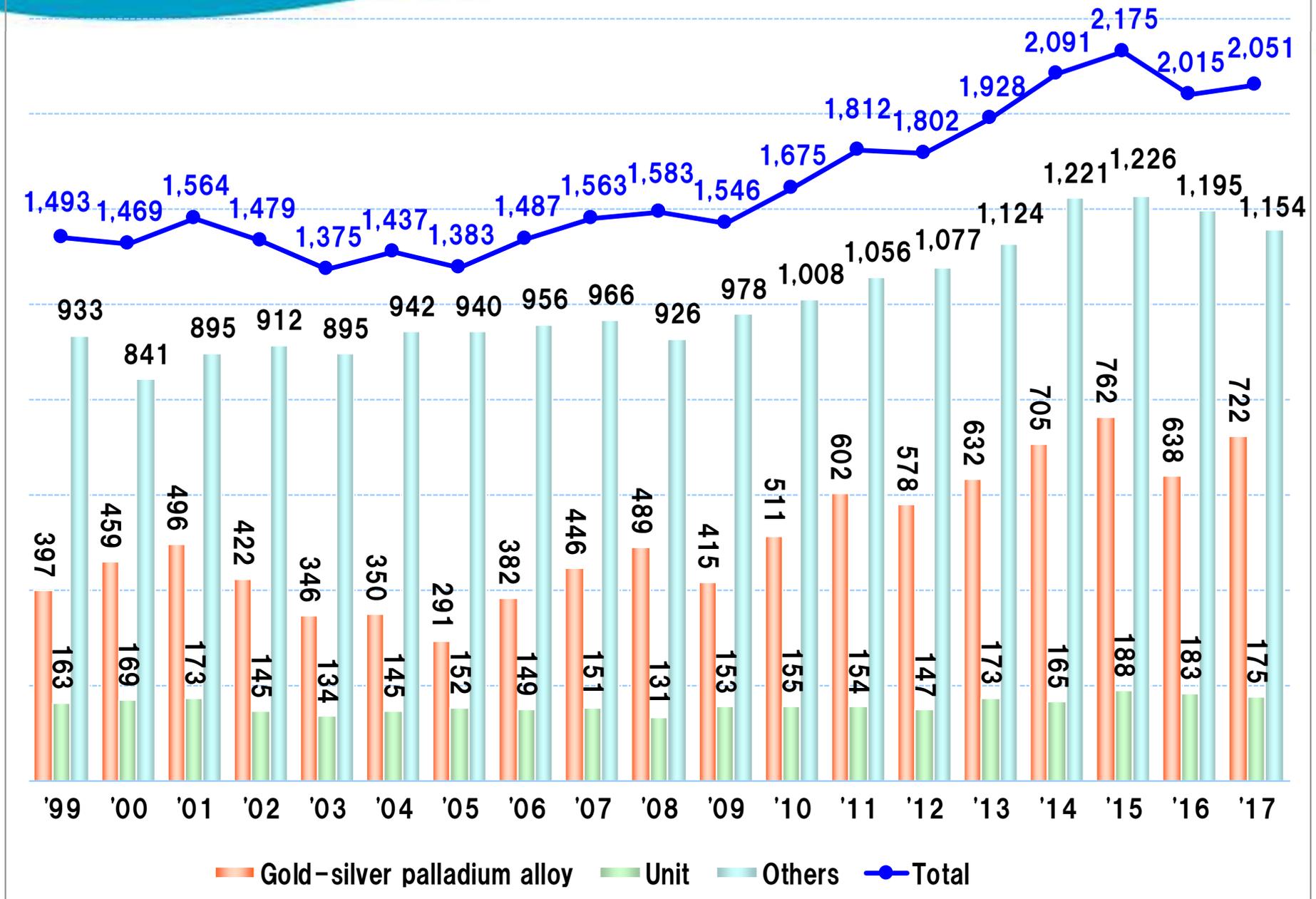


Trend of Shipment Value of Pharmaceutical Industry Production

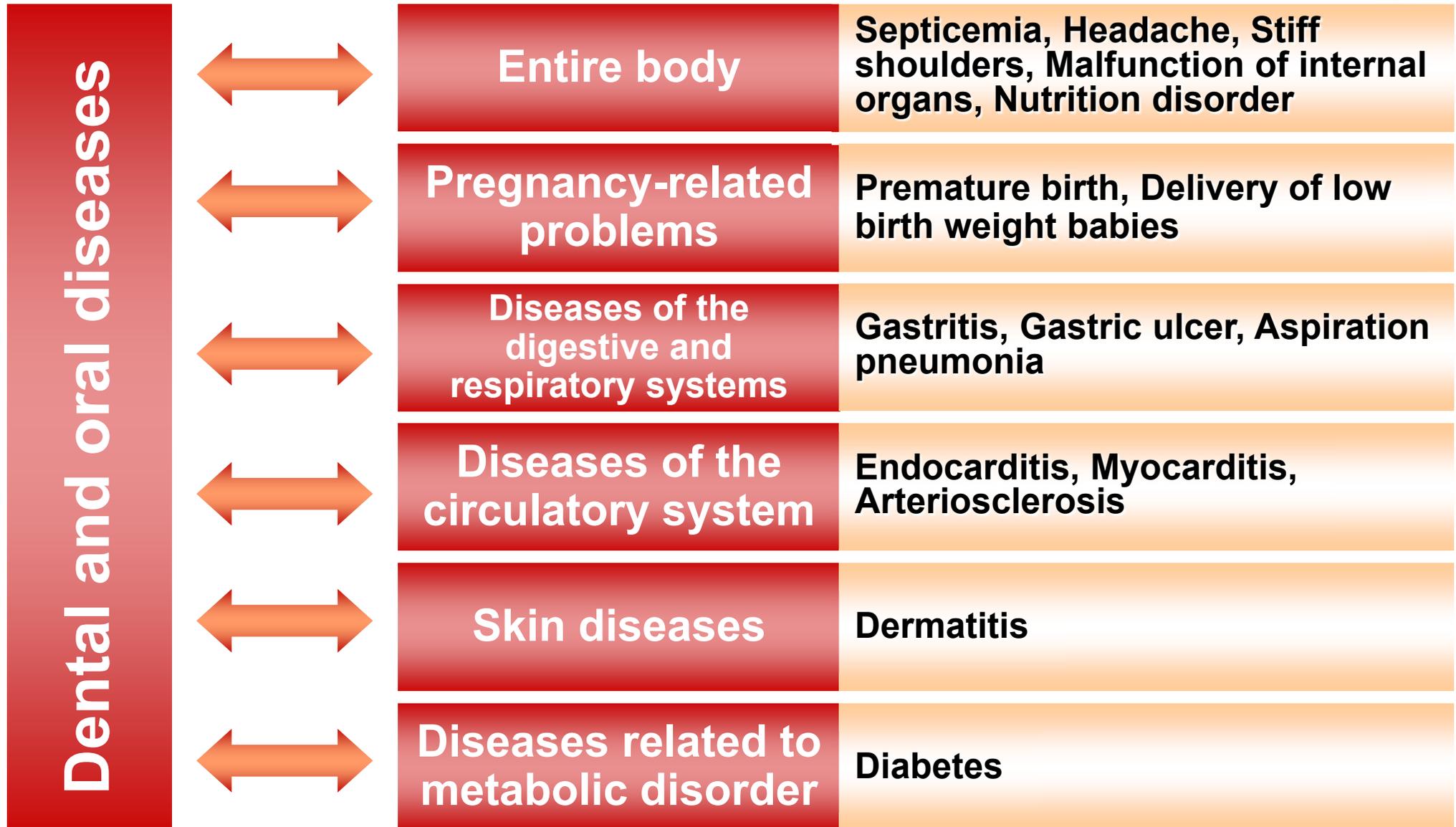
Reference <Dentistry Data>



Shipment value, Unit: 100 million yen

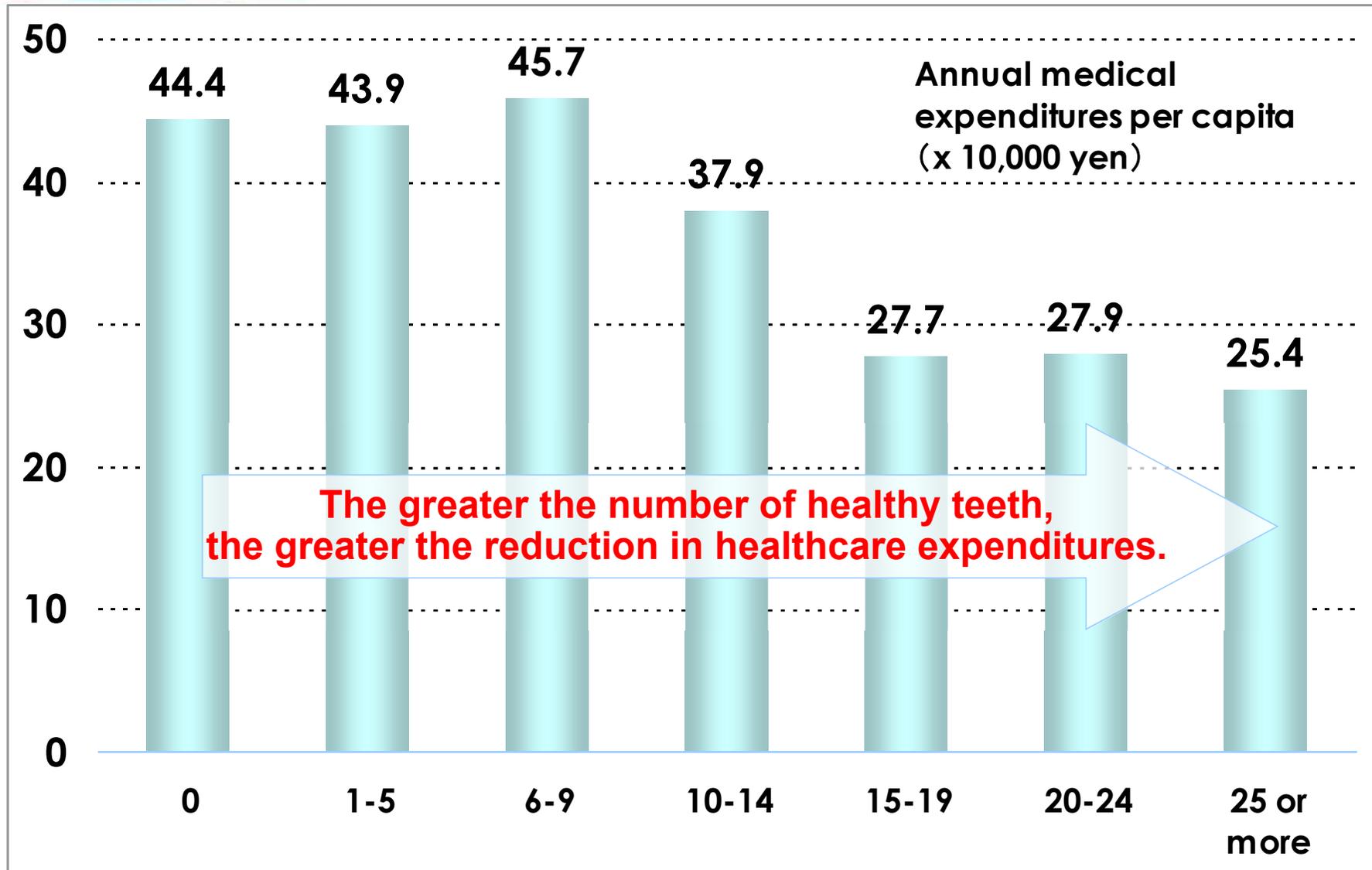


Systemic Diseases Caused by Caries and Periodontal Disease



(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



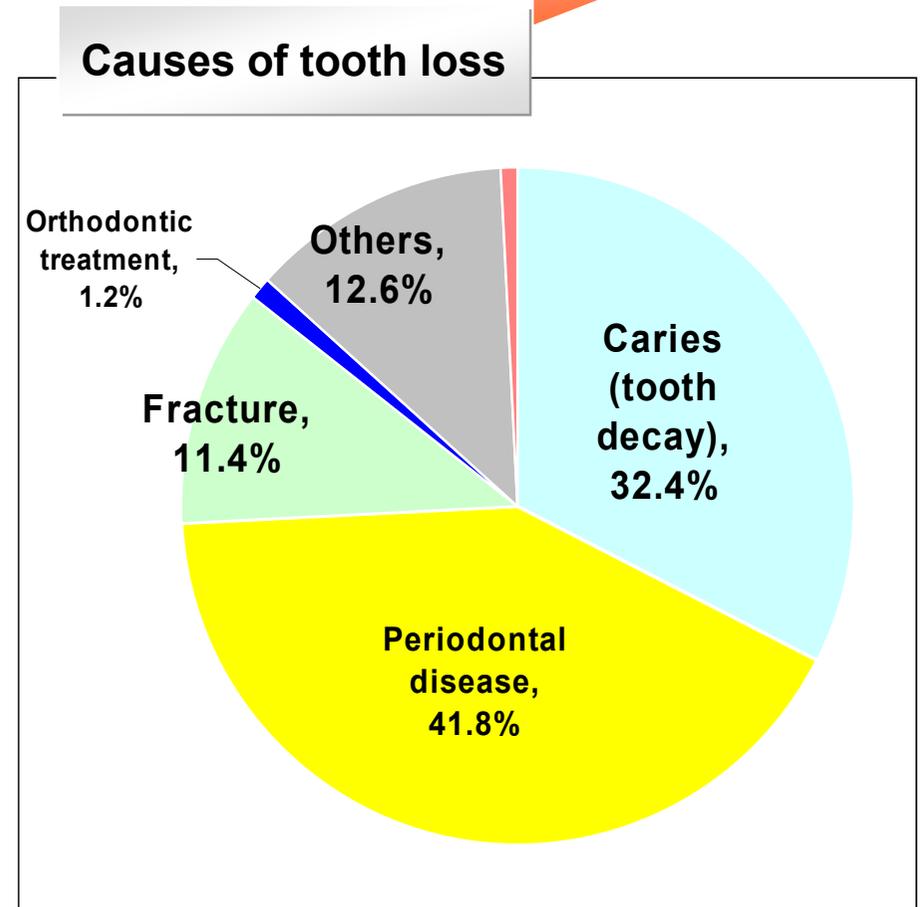
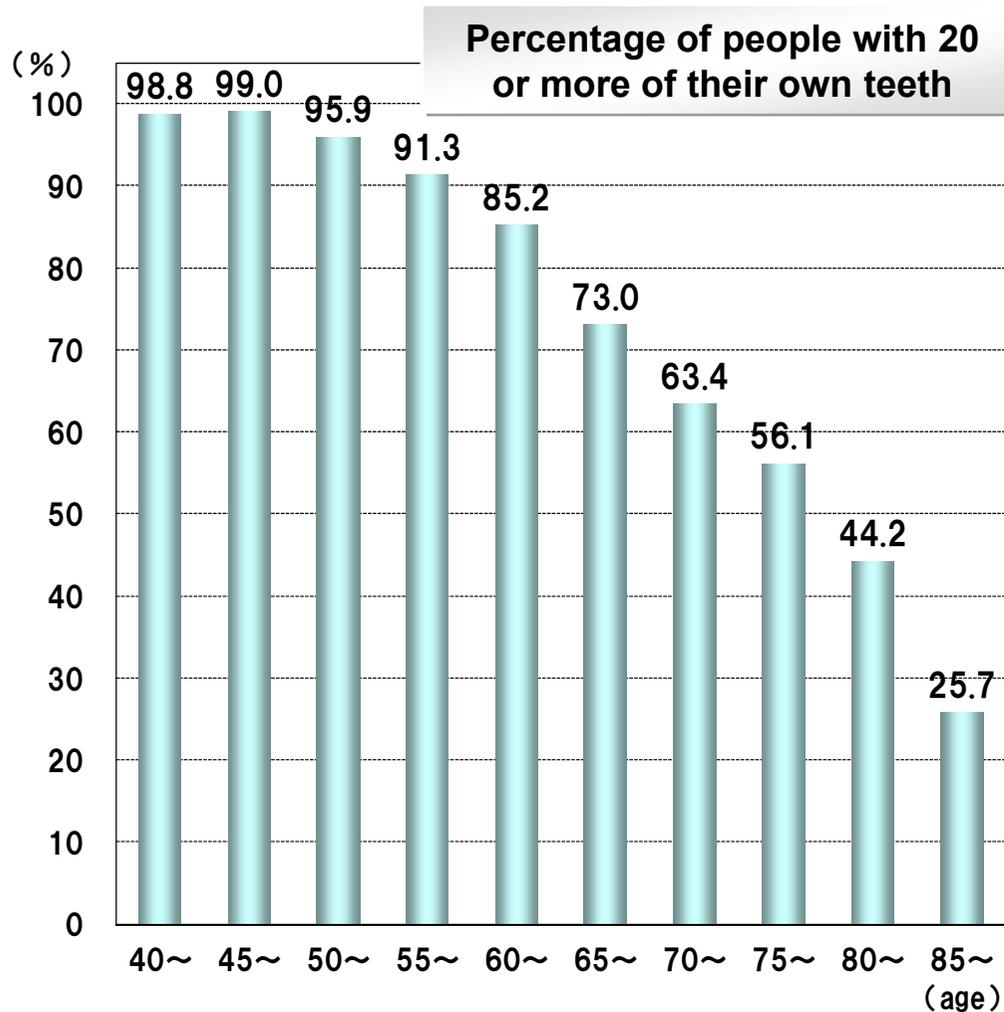
Prepared on the basis of "Correlation between Oral Hygiene Status of Elderly Persons and Healthcare Expenditures," a paper published in 2003 by Kazumune Arikawa, a full-time instructor at the Nihon University School of Dentistry at Matsudo

Subjects surveyed: 954 persons aged 80 living independently (392 men, 562 women)

The 8020 Movement and Changes in Dental Diseases



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



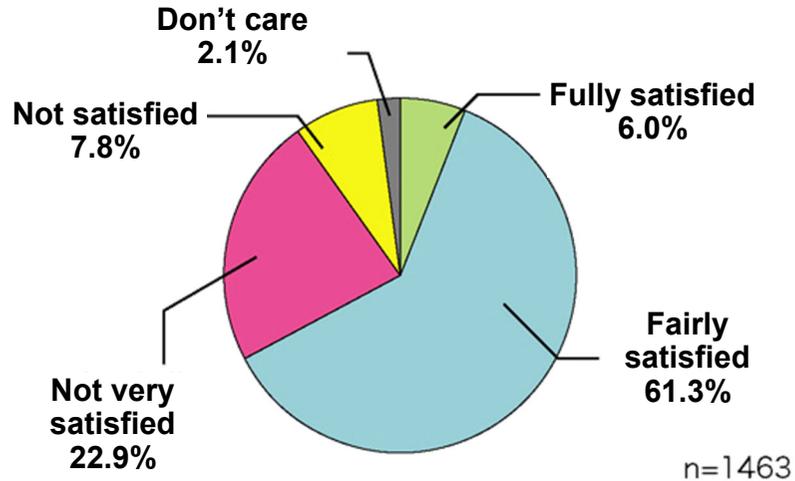
(Survey by the 8020 Promotion Foundation in 2005)

Perception of Dental and Oral Health

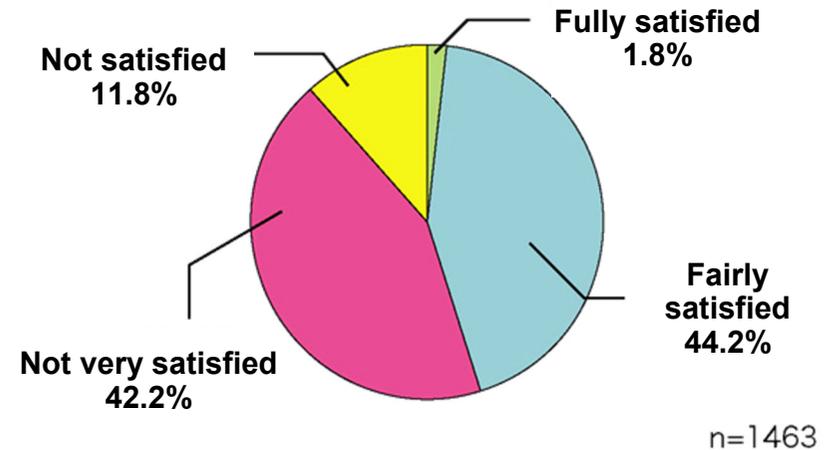


Source: Fiscal 2007's Dental Equipment Industry Vision (References)

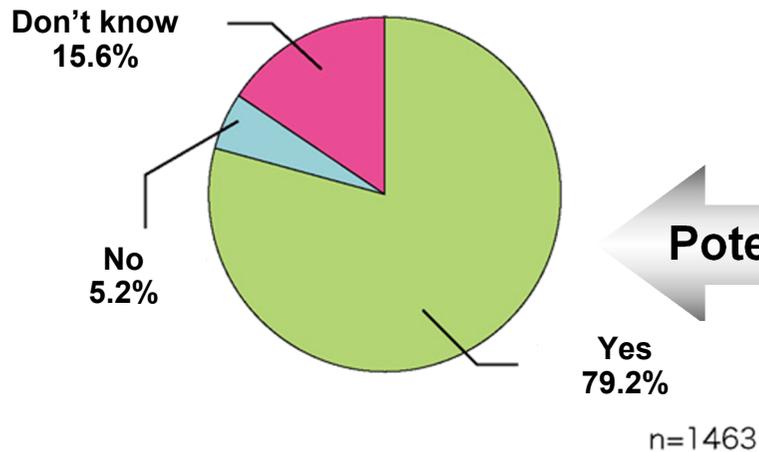
Are you satisfied with your physical health?



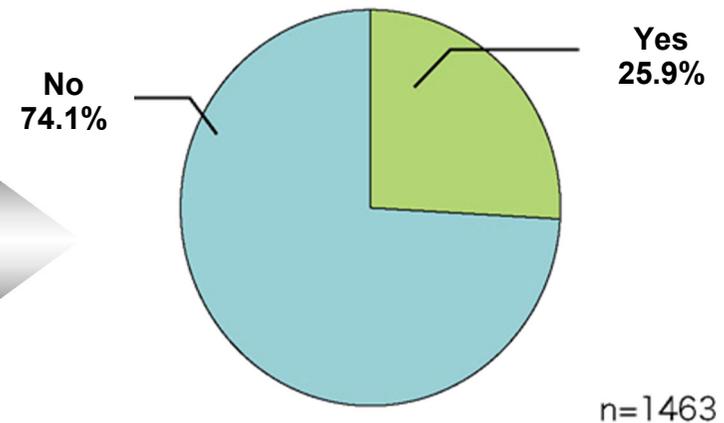
Are you satisfied with your oral health?



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

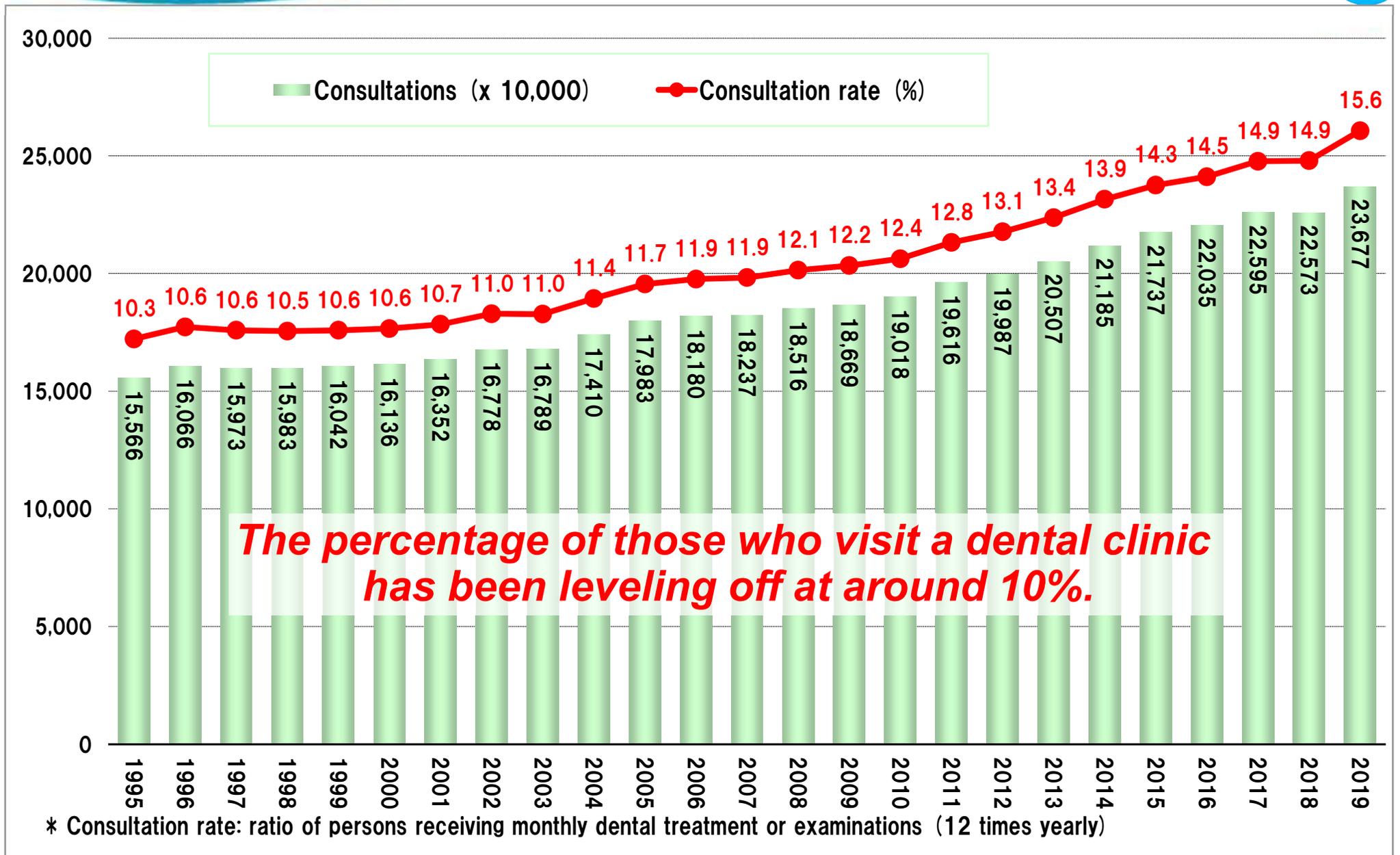


Do you actually receive regular dental care?



Potential demand

Dental Clinic Consultation Rates



The percentage of those who visit a dental clinic has been leveling off at around 10%.

Trend in the North American Market



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.

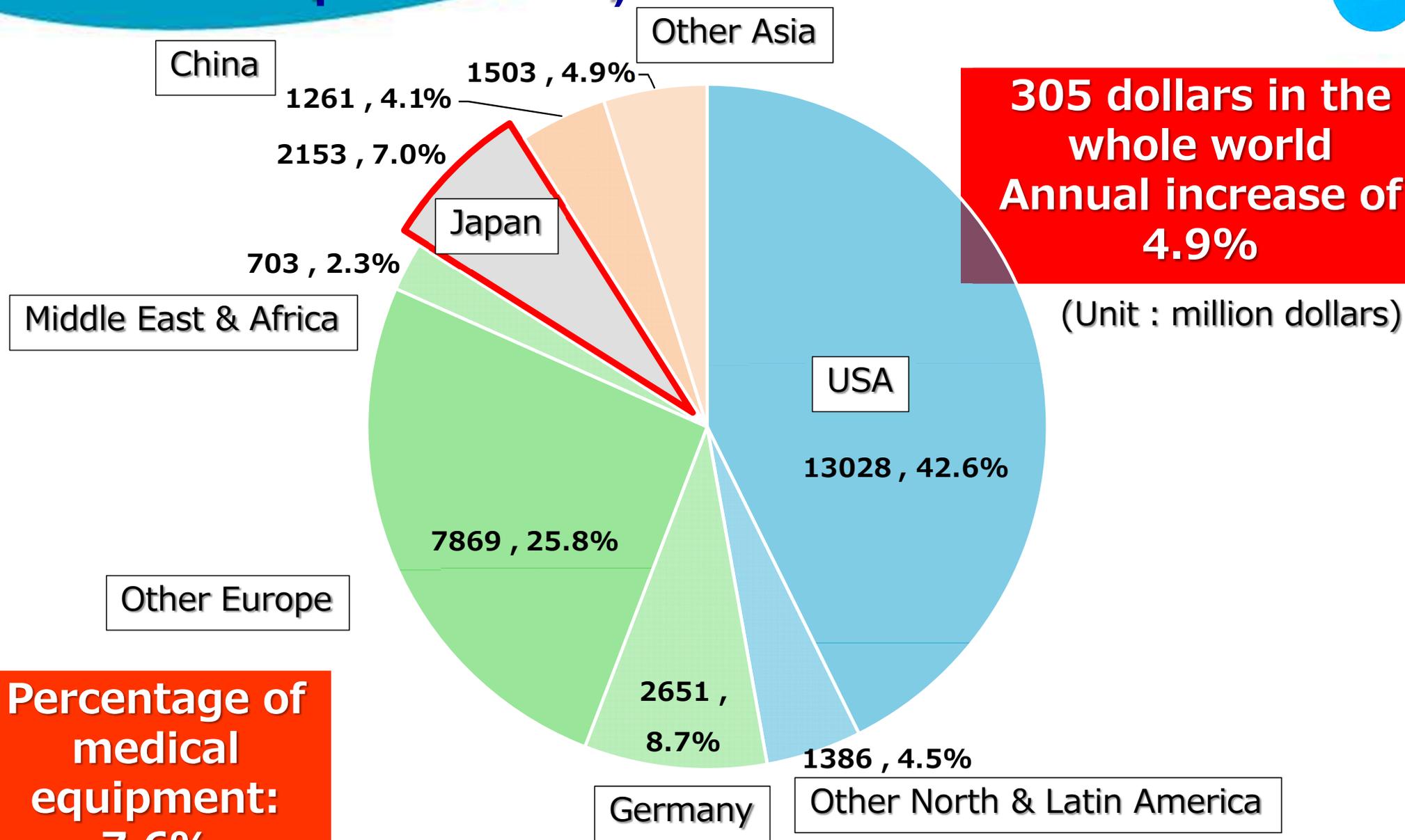
Source:

* 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

Global dental equipment market size (amount • component ratio)

Reference <Dentistry Data>



**305 dollars in the whole world
Annual increase of 4.9%**

(Unit : million dollars)

Percentage of medical equipment: 7.6%

◆ Source : BMI Research

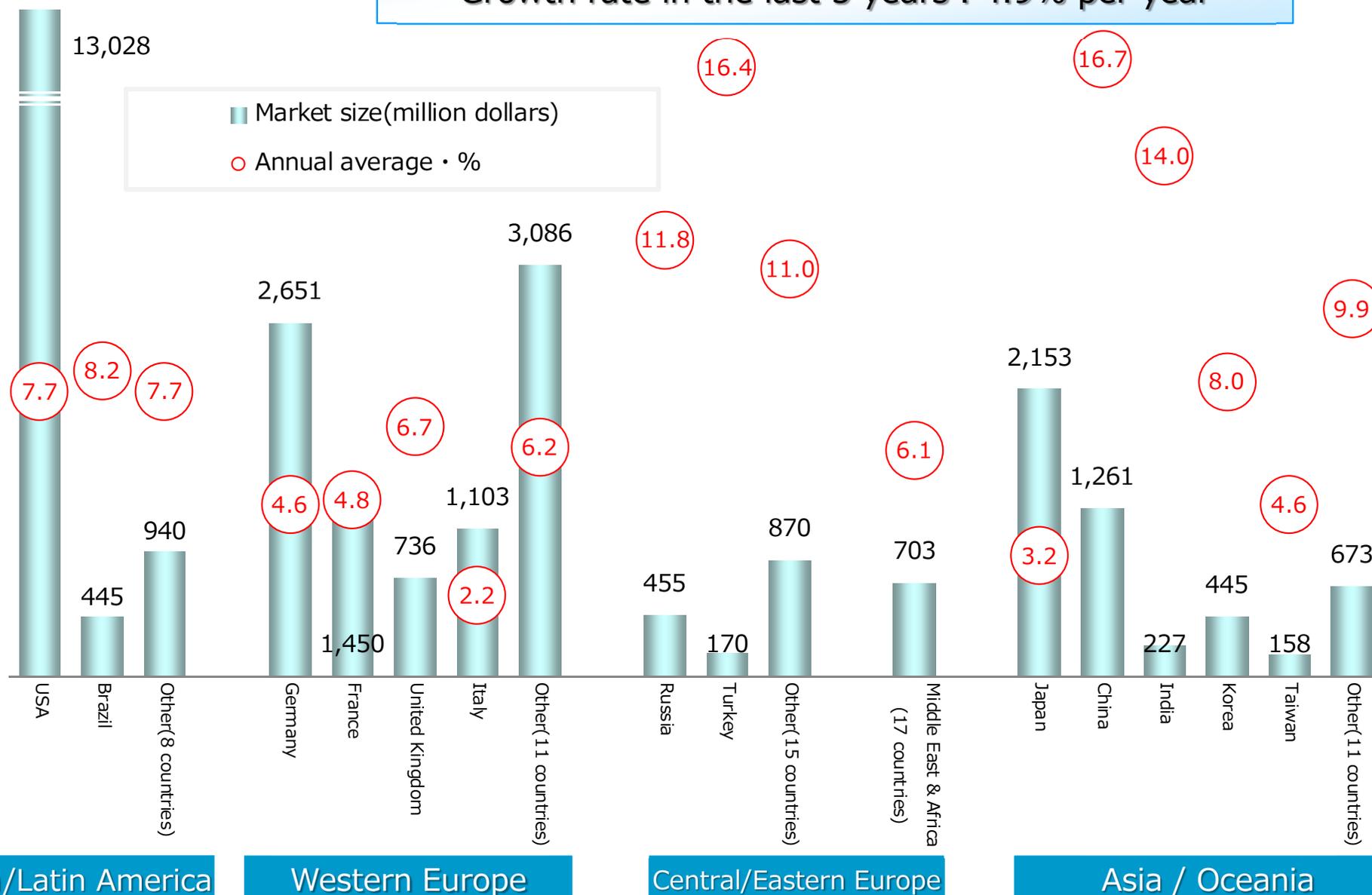
[The World Medical Markets Fact Book 2019]

Global dental market— Market size and growth potential

Reference <Dentistry Data>



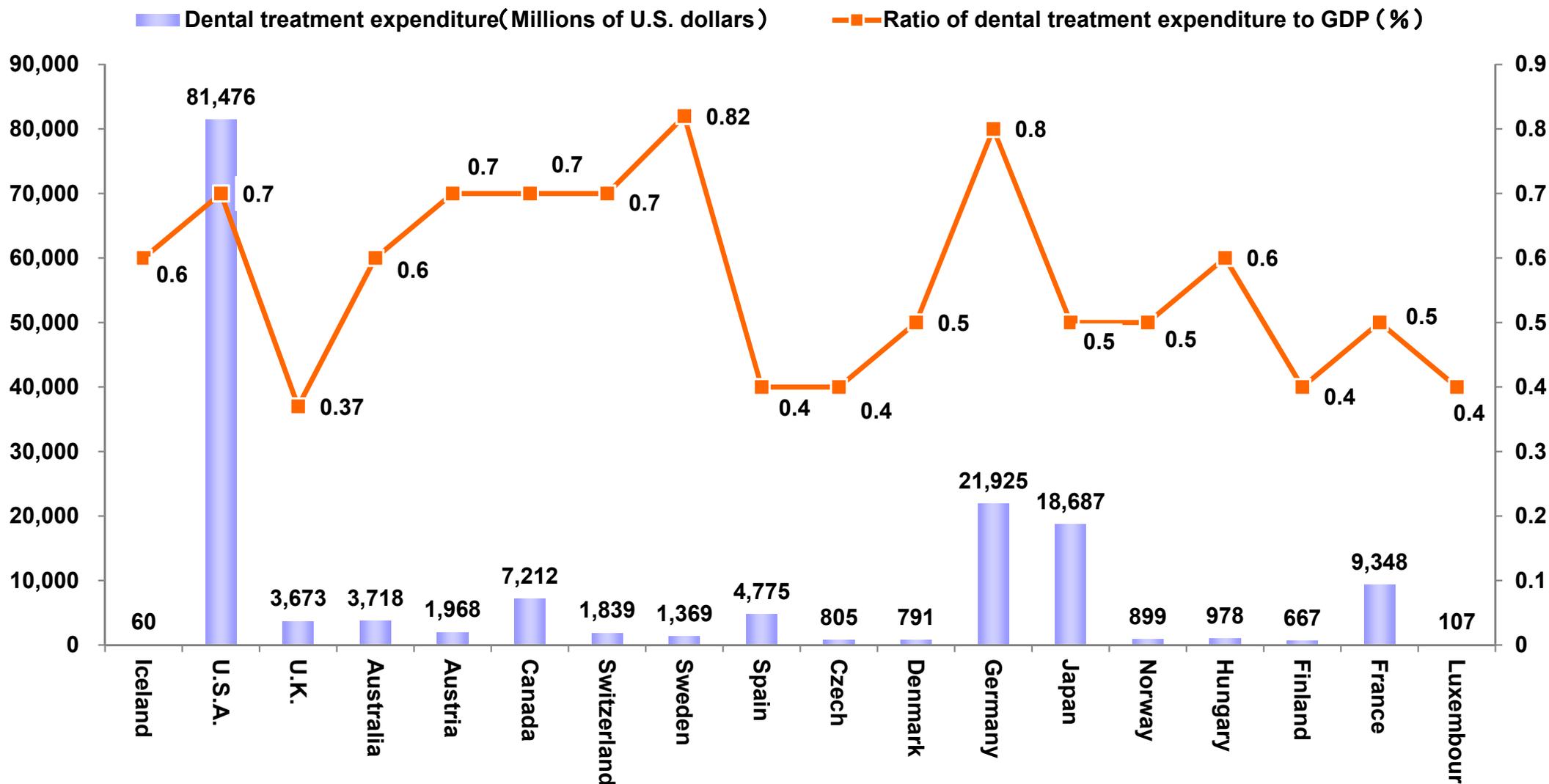
Global Dental Equipment Market :30.5 billion dollars
Growth rate in the last 5 years : 4.9% per year



Relation between Dental Treatment Expenditure and GDP



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.

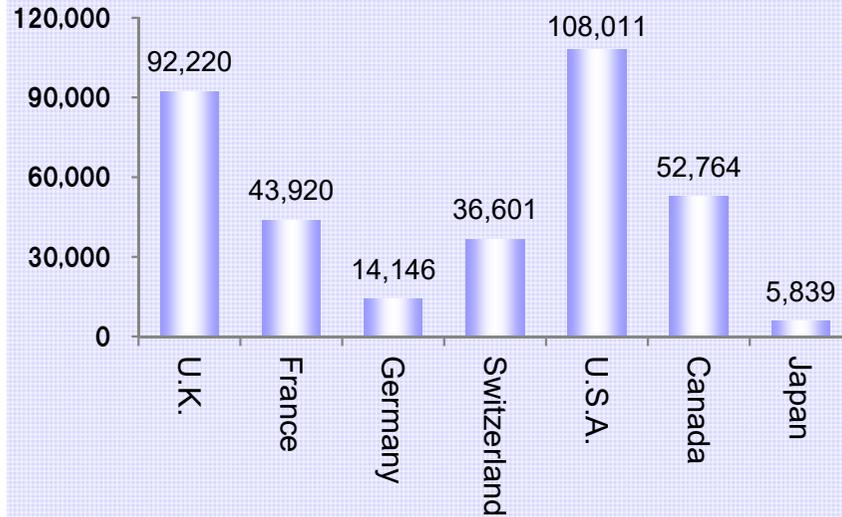
International Comparison of Dental Treatment Expenditure (Unit Price of a Treatment Session)

Reference <Dentistry Data>

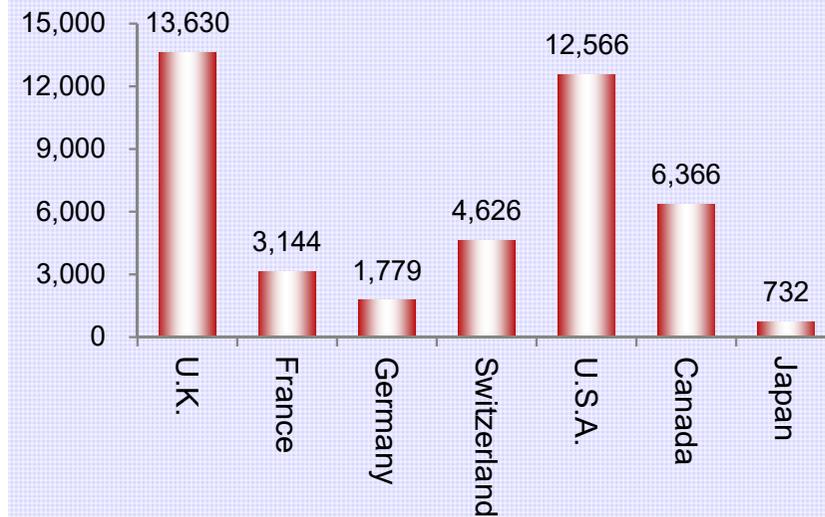
Unit: yen 

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

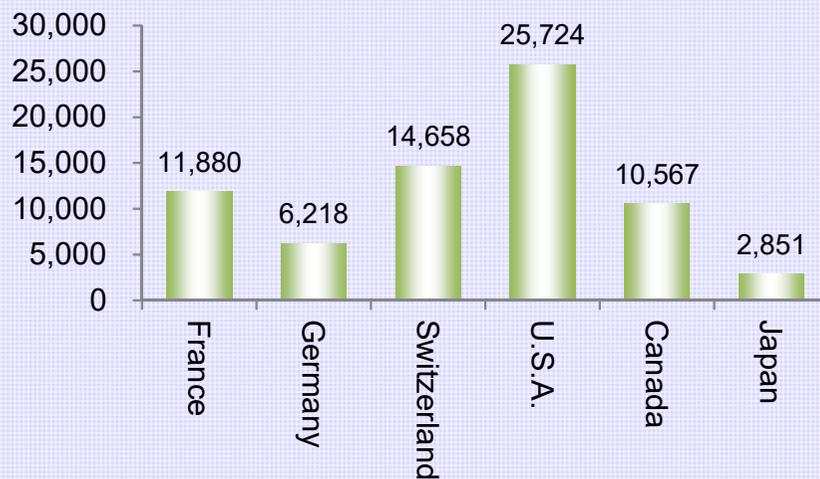
Root canal treatment



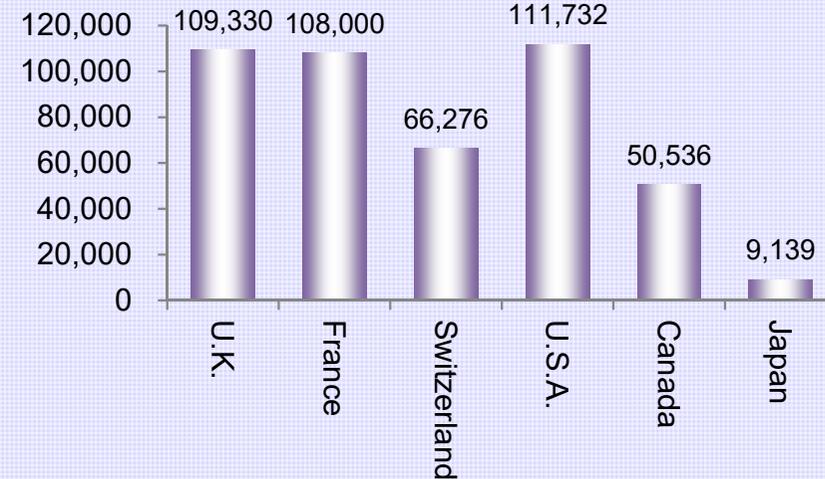
Dental calculus removal



Dental calculus removal



Metal crown



* 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>

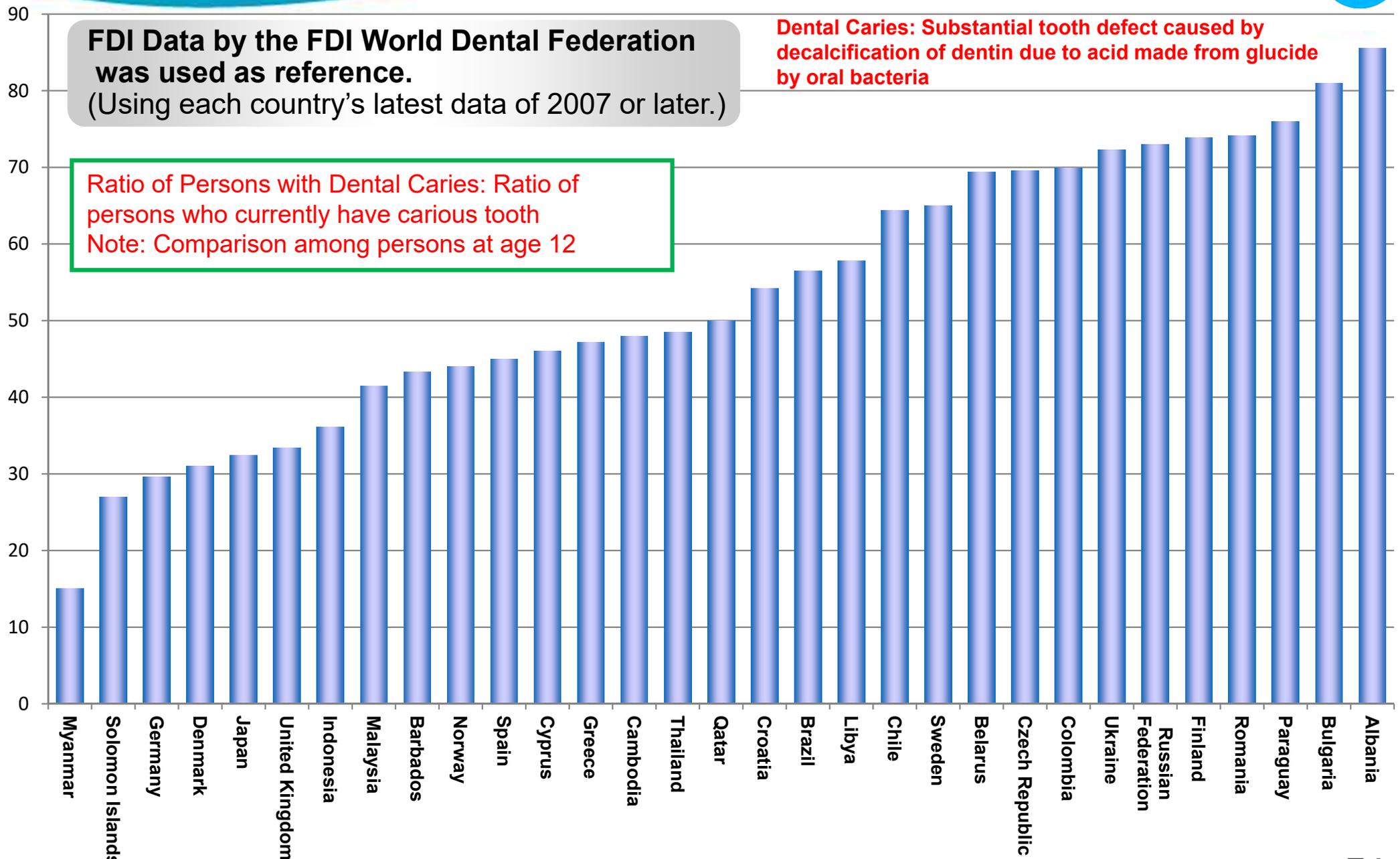
Unit: %



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>

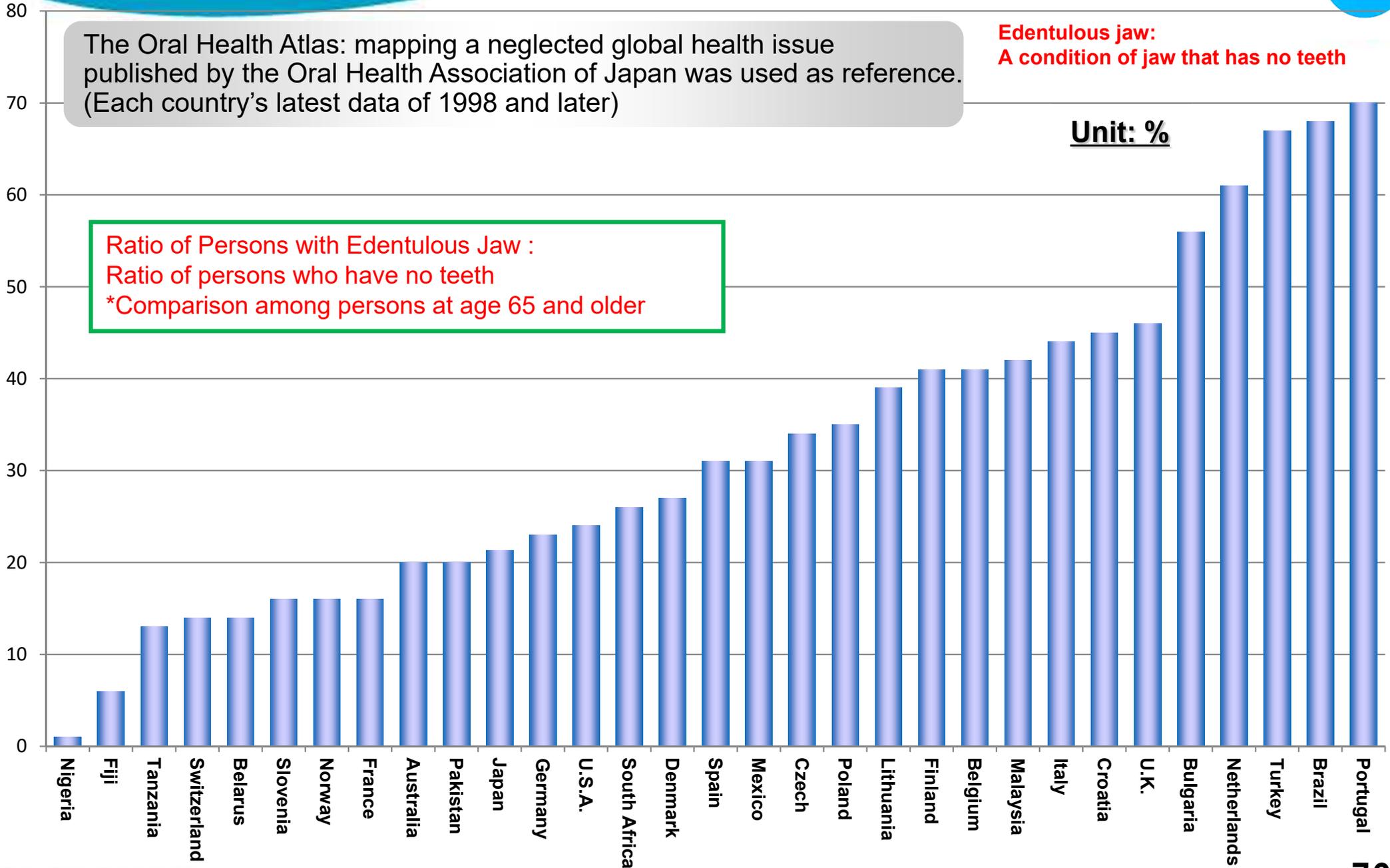


The Oral Health Atlas: mapping a neglected global health issue published by the Oral Health Association of Japan was used as reference. (Each country's latest data of 1998 and later)

Edentulous jaw:
A condition of jaw that has no teeth

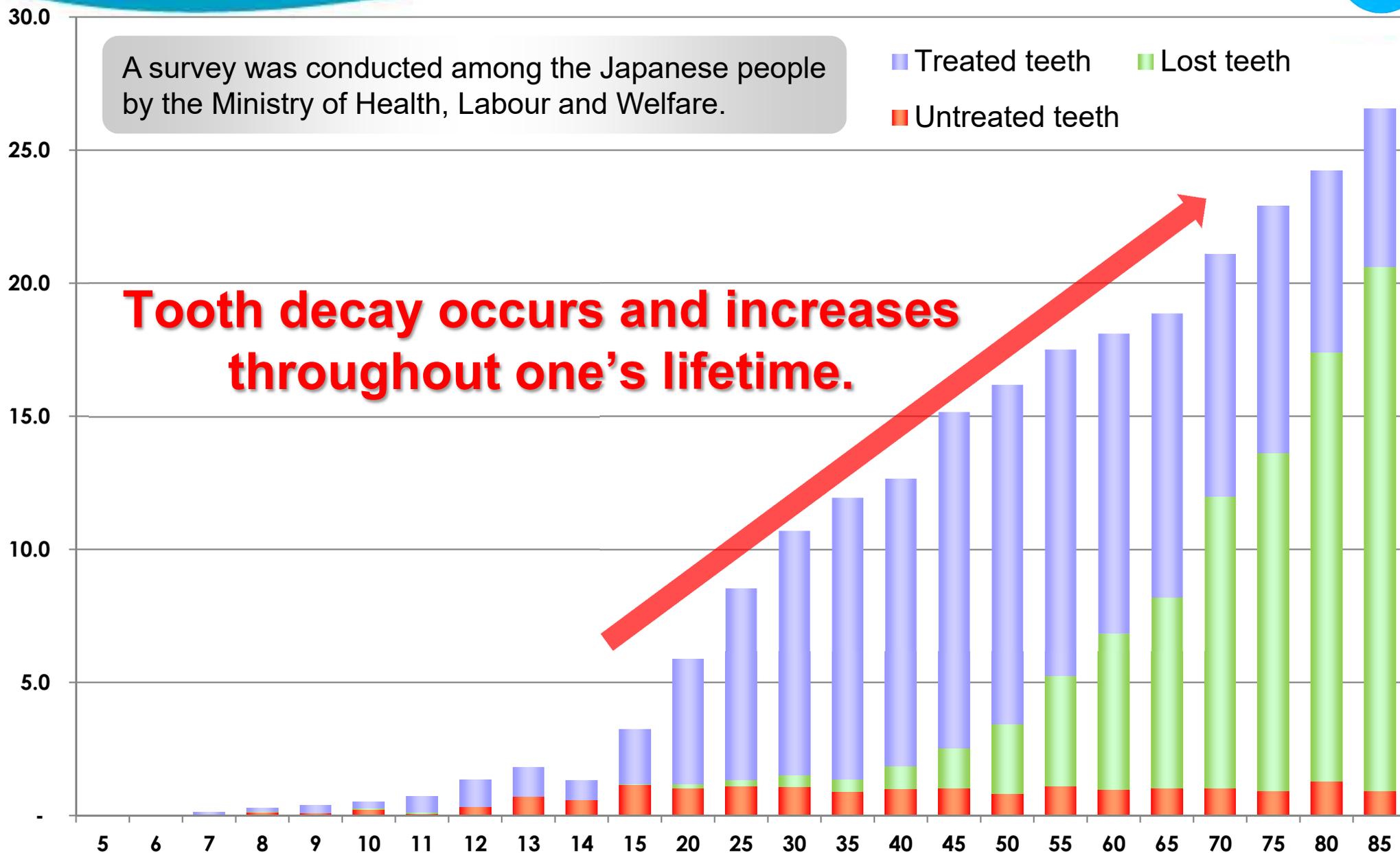
Unit: %

Ratio of Persons with Edentulous Jaw :
Ratio of persons who have no teeth
*Comparison among persons at age 65 and older



Factual Survey of Dental Diseases

Reference <Dentistry Data>

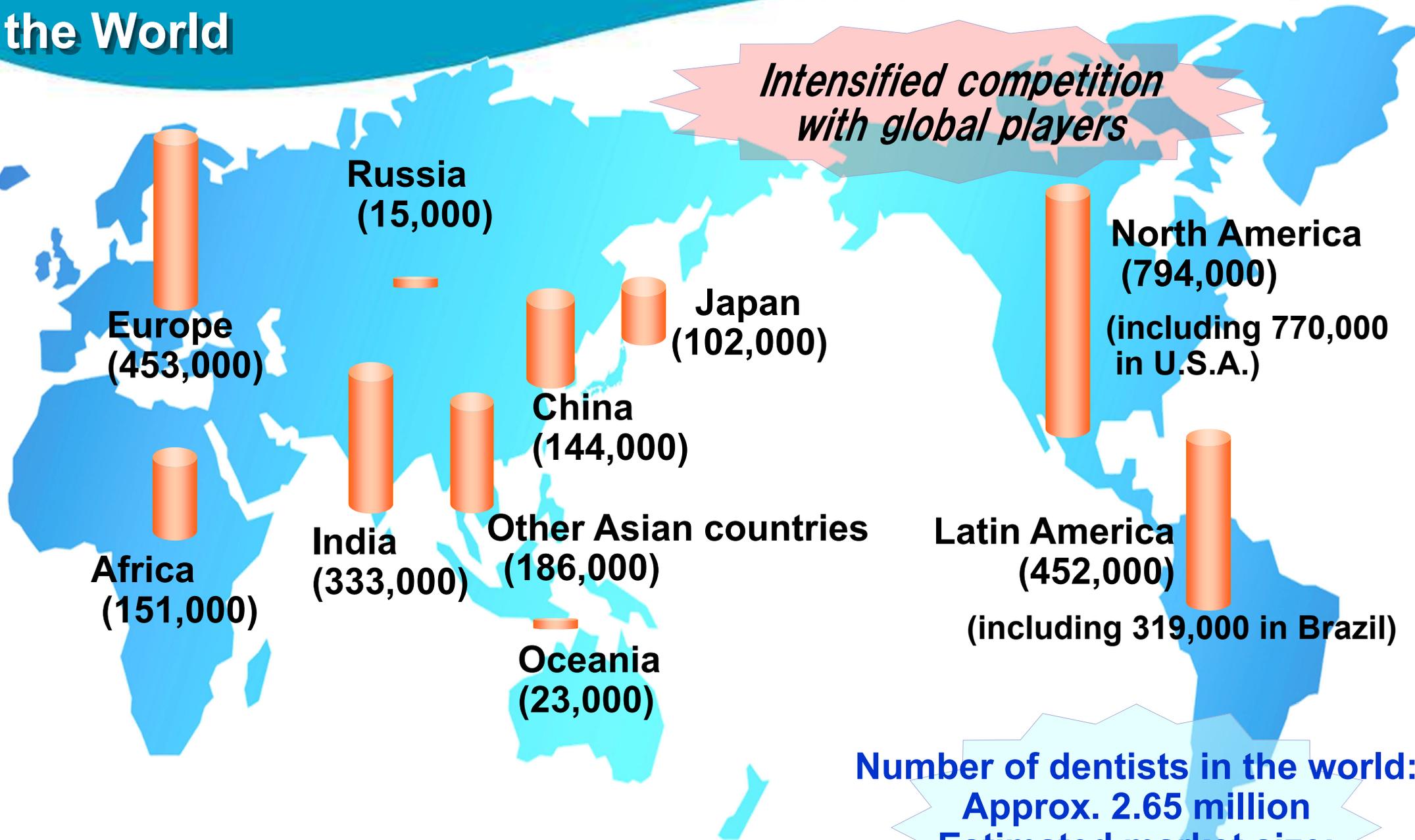


* 1. The official web site of the Hokkaido kodomo-no ha-o mamoru kai (Save the Children's Tooth Hokkaido) was used as reference

* 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. 2.65 million
Estimated market size:
Approx. 3.0 trillion yen**

◆ Source:
Number of dentists & Estimated market size
-“The World Medical Markets Factbook 2019 ” (BMIResearch)



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 76)
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 76)
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 76)



Term	Meaning
Nail care	Care for fingernails and the surrounding area, including attachment of artificial nails. Nail care is widely considered an important 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.
PMTTC	PMTTC stands for Professional Mechanical Tooth Cleaning. In PMTTC, 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 75)
Resin	Synthetic high polymer. Resins are popularly used for dental restoratives.