

P&L summary

< Points >

< Consolidated >

(Units: ¥ millions)

	3 / 0 1		3 / 0 2			
	Cons.	% sales	Cons.	% sales	Yr chg	Amt chg
Sales	55,832	100.0%	62,395	100.0%	11.8%	6,562
COGS	17,974	32.2%	19,336	31.0%	7.6%	1,361
Gross profit	37,858	67.8%	43,059	69.0%	13.7%	5,201
SG&A (of which R&D)	28,808 (6,191)	51.6% (11.1%)	31,101 (6,031)	49.8% (9.7%)	8.0% (2.6%)	2,293 (159)
Operating profit	9,049	16.2%	11,957	19.2%	32.1%	2,908
Non-op income	893	1.6%	724	1.2%	19.0%	169
Non-op expense	157	0.3%	471	0.8%	200.0%	314
Recurring profit	9,786	17.5%	12,210	19.6%	24.8%	2,424
Extraordinary profits	29	0.1%	29	0.0%	2.4%	0
Extraordinary losses	3,435	6.2%	3,775	6.0%	9.9%	339
Pretax profit	6,380	11.4%	8,464	13.6%	32.7%	2,083
Corporate, inhabitants and enterprise taxes	5,173	9.3%	6,397	10.3%	23.6%	1,223
Tax adjustments	1,744	3.1%	2,050	3.3%	17.6%	306
Net profit	2,951	5.3%	4,117	6.6%	39.5%	1,166

Consolidated companies (5) Kyobundo, Bistner, Kyorin USA,
Bistner Fund No.1, Kyorin Europe GmbH

Affiliated companies (2) Nisshin Kyorin Seiyaku, Nihon
Rikagaku Yakuhin

Sales	0 1 / 3	0 2 / 3	(billions)
Pharmaceuticals	5 1 5	5 7 7	(+ 6.3)
o/w Japan	4 2 8	4 5 6	(+ 2.8)
Exports	8 6	1 2 1	(+ 3.5)
By product	0 1 / 3	0 2 / 3	(billions)
Mucodyne	1 6.1	1 7.5	
Baccidal	4.5	3.6	
Ketas	7.5	7.5	
Aplace	4.5	4.3	
Rocaltrol	3.8	3.8	
Pentasa	4.0	4.5	
Kipres	0	3.1	
Gatifloxacin	5.5	9.8	
Other products	3.1	3.3	(+ 0.2)
o/w Milton	2.9	2.9	
Other business	1.3	1.2	(- 0.1)
COGS ratio (vs sales)	3 2.2 %	3 1.0 %	
SGA ratio (vs sales)	5 1.6 %	4 9.8 %	
* sales growth of	1 1.8 %	VS SGA grew by	8.0 %
Cause for rise:	:		
• Marketing cost up			
• Personnel expense (increase 60 million yoy)			
• pension retirement benefits (increase 30 million yoy)			
Non-operating income (down 169 million yoy)			
Cause for decrease: Fall in net financial income			
Non-op expense (increase 314 million yoy)			
Cause for rise:	:		
Decline in finished goods write-off			
(increase about 300 million yoy)			
Extraordinary losses (increase 339 million yoy)			
Cause for increase:	:		
change in retirement accounting standards last year	3,181 million		
Valuation losses on securities of	458 million		

BS summary

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(Units: ¥ millions)

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	3 / 0 1		3 / 0 2		
	Cons.	% total	Cons.	% total	Amt chg
Current assets	9 3 , 4 0 7	74.4%	9 4 , 6 9 7	70.4%	1 , 2 9 0
Cash, deposits	5 8 , 6 2 9		5 3 , 2 3 8		5 , 3 9 1
A/R, notes receivable	2 1 , 0 8 6		2 2 , 4 4 4		1 , 3 5 7
Mk securities	4 , 1 0 1		3 , 8 7 0		2 3 1
Inventory	6 , 9 4 7		1 0 , 5 1 0		3 , 5 6 2
Other	2 , 6 4 1		4 , 6 3 4		1 , 9 9 2
Non-current assets	3 2 , 0 6 9	25.6%	3 9 , 7 7 4	29.6%	7 , 7 0 5
Tangible assets	1 3 , 8 0 6		1 3 , 8 9 4		8 7
Intangible assets	7 , 3 5 6		6 , 5 9 6		7 5 9
Investments	1 0 , 9 0 6		1 9 , 2 8 4		8 , 3 7 7
Current liabilities	1 5 , 5 4 3	12.4%	1 7 , 5 3 0	13.0%	1 , 9 8 7
A/P, notes payable	5 , 5 7 1		7 , 2 0 3		1 , 6 3 1
Other	9 , 9 7 1		1 0 , 3 2 7		3 5 5
Non-current liab.	1 0 , 1 8 2	8.1%	1 4 , 5 8 5	10.8%	4 , 4 0 3
Total liabilities	2 5 , 7 2 5	20.5%	3 2 , 1 1 6	23.9%	6 , 3 9 0
Capital	3 , 6 2 3	2.9%	4 , 3 1 7	3.2%	6 9 3
Legal reserve	1 , 6 4 2	1.3%	9 4 9	0.7%	6 9 3
Retained earnings	9 4 , 4 8 3	75.3%	9 7 , 0 8 9	72.2%	2 , 6 0 5
Shareholders' eq.	9 9 , 7 5 0	79.5%	1 0 2 , 3 5 6	76.1%	2 , 6 0 5
Liabilities & sh/s eq.	1 2 5 , 4 7 6	100.0%	1 3 4 , 4 7 2	100.0%	8 , 9 9 6

Cash & deposits (down ¥5,391 million yoy)
 A/R, notes receivable (up ¥1,357 million yoy)
 Inventory (¥3,562 million yoy)

Investments (up ¥8,377 million yoy)
 trust (up ¥4,764 million yoy)
 Deferred tax assets (up ¥1,128 million yoy)
 Marketable securities (up ¥2,217 million yoy)

Current liabilities (up ¥1,987 million yoy)
 A/P payable (up ¥1,631 million yoy)

Non-current liabilities (up ¥4,403 million yoy)
 Increase in allowance for pension retirement
 benefits (up ¥4,366 million yoy)

Financial summary (Consolidated)

(Units: ¥ millions)

	3 / 9 8	3 / 9 9	3 / 0 0	3 / 0 1	3 / 0 2	3 / 0 3 (Forecast)
Sales (Exports)	4 7 , 1 7 9 (5 , 0 0 9)	4 6 , 9 3 2 (4 , 8 0 4)	5 2 , 7 7 6 (6 , 9 0 0)	5 5 , 8 3 2 (8 , 6 4 6)	6 2 , 3 9 5 (1 2 , 1 2 7)	7 6 , 3 0 0 (1 1 , 1 0 0)
COGS (Ratio to sales) %	1 3 , 0 2 3 (27.6%)	1 3 , 8 1 7 (29.4%)	1 6 , 7 4 2 (31.7%)	1 7 , 9 7 4 (32.2%)	1 9 , 3 3 6 (31.0%)	
SGA (Ratio to sales) %	2 7 , 7 6 4 (58.9%)	2 6 , 7 4 8 (57.0%)	2 7 , 3 8 7 (51.9%)	2 8 , 8 0 8 (51.6%)	3 1 , 1 0 1 (49.8%)	
R&D expense (Ratio to sales) %	5 , 7 0 7 (12.1%)	5 , 5 7 8 (11.9%)	5 , 7 6 4 (10.9%)	6 , 1 9 1 (11.1%)	6 , 0 3 1 (9.7%)	7 , 8 0 0 (10.2%)
Operating profit (Ratio to sales) %	6 , 3 9 2 (13.5%)	6 , 3 6 6 (13.5%)	8 , 6 4 6 (16.4%)	9 , 0 4 9 (16.2%)	1 1 , 9 5 7 (19.2%)	1 7 , 6 0 0 (23.1%)
Recurring profits (Ratio to sales) %	6 , 1 3 7 (13.0%)	6 , 6 8 7 (14.2%)	8 , 7 9 5 (16.7%)	9 , 7 8 6 (17.5%)	1 2 , 2 1 0 (19.6%)	1 7 , 9 0 0 (23.5%)
Net profit (Ratio to sales) %	2 , 3 0 3 (4.9%)	2 , 3 2 5 (5.0%)	4 , 3 1 0 (8.2%)	2 , 9 5 1 (5.3%)	4 , 1 1 7 (6.6%)	7 , 0 0 0 (9.2%)
EPS (¥)	¥ 4 0 . 0 1	¥ 4 0 . 4 1	¥ 7 4 . 8 9	¥ 5 1 . 2 7	¥ 6 0 . 5 5	¥ 8 1 . 0 7
Capital	3 , 6 2 3	3 , 6 2 3	3 , 6 2 3	3 , 6 2 3	4 , 3 1 7	4 , 3 1 7
Assets	1 1 3 , 1 9 0	1 1 2 , 0 0 7	1 1 7 , 6 0 6	1 2 5 , 4 7 6	1 3 4 , 4 7 2	
Shareholders' equity	9 0 , 9 5 1	9 2 , 5 4 7	9 7 , 8 6 8	9 9 , 7 5 0	1 0 2 , 3 5 6	
BPS (¥)	¥ 1 , 5 8 0.21	¥ 1 , 6 0 7.97	¥ 1 , 7 0 0.20	¥ 1 , 7 3 2.98	¥ 1 , 1 8 7.30	
ROE (%)	2 . 6 %	2 . 5 %	4 . 5 %	3 . 0 %	4 . 1 %	
Equity ratio (%)	8 0 . 4 %	8 2 . 6 %	8 3 . 2 %	7 9 . 5 %	7 6 . 1 %	
Staff	1 , 9 2 3	1 , 8 5 7	1 , 7 1 3	1 , 6 9 6	1 , 7 3 1	
Capital expenditure	8 6 5	3 , 3 9 9	1 , 3 0 3	2 , 4 6 5	2 , 5 0 7	5 , 3 0 0
Depreciation expense	2 , 4 3 4	2 , 9 3 2	2 , 9 0 3	2 , 7 3 5	3 , 2 0 7	3 , 5 0 0