

P&L summary

Parent

Units: ¥ millions

Points

	9/00	% sales	9/01	% sales	Yr chg	Amt chg
Sales	25,620	100.0%	28,695	100.0%	12.0%	3,074
COGS	8,233	32.1%	9,163	31.9%	11.3%	929
Gross profit	17,386	67.9%	19,531	68.1%	12.3%	2,145
SG&A (of which R&D)	13,897 (2,795)	54.3% 10.9%	15,743 (2,954)	54.9% (10.3%)	13.3% 5.7%	1,845
Operating profit	3,488	13.6%	3,788	13.2%	8.6%	300
Non-op income	304	1.2%	188	0.6%	38.2%	116
Non-op expense	83	0.3%	102	0.4%	23.6%	19
Recurring profit	3,710	14.5%	3,874	13.5%	4.4%	163
Extraordinary profits	20	0.1%	36	0.1%	80.1%	16
Extraordinary losses	1,721	6.8%	1,976	6.9%	14.8%	254
Pretax profit	2,009	7.8%	1,935	6.7%	3.7%	74
Corporate, inhabitants and enterprise taxes	1,937	7.5%	2,016	7.0%	4.1%	79
Tax adjustments	877	3.4%	949	8.2%		72
Net profit	949	3.7%	867	3.0%	8.6%	81

Sales	00 / 9	01 / 9	(¥ billions)
Pharmaceuticals	24.0	27.1	(+3.0)
o/w Japan	20.4	21.1	
Exports	3.5	5.9	
Sales	00 / 9	01 / 9	(¥ billions)
Mucodyne	7.0	7.6	
Baccidal	2.0	1.7	
Ketas	3.7	3.7	
Aplace	2.3	2.1	
Rocaltrol	1.9	1.9	
Pentasa	1.9	2.2	
Kipres	0	1.7	
Gatifloxacin	2.0	4.8	
Other products	1.6	1.5	(± 0)
o/w Milton	1.4	1.4	

SGA ratio (vs sales 32.1% 31.9%) Virtually unchanged

SGA ratio (vs sales 54.3% 54.9%)
SGA grew by 13.3% compared to sales growth of 12.0%

Cause for increase: Marketing to launch Kipres
Personnel expense (no staff increase, provision for allowance for pension retirement benefits)

Non-operating income (down ¥116 million yoy)
Cause for decrease: Fall in net financial income

Extraordinary losses (increase ¥254 million yoy)

Cause for increase: change in retirement accounting standards last year

¥1,590 million

Valuation losses on securities of ¥305 million

BS summary

Parent

Units: ¥ millions

Points

	9/00	% total	9/01	% total	Amount chg
Current assets	88,286	74.4%	93,135	73.4%	4,849
Cash, deposits	58,144		60,049		
Accounts receivable	380		482		
Notes receivable	16,391		18,331		
Mkt securities	4,002		3,399		
Inventory	6,526		8,163		
Other	2,840		2,708		
Non-current assets	30,388	25.6%	33,694	26.6%	3,305
Tangible assets	13,303		13,850		
Intangible assets	7,528		7,020		
Investments	9,556		12,823		
Current liabilities	12,190	10.3%	14,770	11.6%	2,579
Accounts payable	910		1,036		
Notes payable	3,235		4,696		
Other	8,045		9,037		
Non-current liab.	8,124	6.8%	12,267	9.7%	4,142
Total liabilities	20,315	17.1%	27,038	21.3%	6,722
Capital	3,623	3.1%	3,623	2.9%	
Legal reserve	2,548	2.1%	2,548	1.9%	
Retained earnings	92,047	77.6%	93,861	74.0%	
Net reevaluation of marketable sec's.	138	0.1%	243	0.2%	
Shareholders' eq.	98,359	82.9%	99,791	78.7%	1,432
Liabilities & sh/s eq.	118,674	100.0%	126,829	100.0%	8,154

Cash & deposits (¥1,905 million yoy)
A/R, notes receivable (up ¥2,040 million yoy)

Inventory (up ¥1,637 million yoy)

Intangible assets (down ¥508 million yoy)

Investments (up ¥3,266 million yoy)
Deferred tax assets (up ¥2,144 million yoy)
Mkt securities (up ¥117 million yoy)
Other (¥1,009 million yoy)

Current liabilities (up ¥2,579 million yoy)
A/P, notes payable (up ¥1,587 million yoy)
Other (up ¥797 million yoy)
Increase in other accounts payable

Non-current liabilities (up ¥4,142 million yoy)
Increase in allowance for pension retirement benefits (up ¥4,126 million yoy)

Sales update

(¥ 000 millions)

	9/97	9/98	9/99	9/00	9/01	Yoy % chg	3/02 Forecast
Mucodyne (Mucuregulant)	6 1	5 8	6 6	7 0	7 6	8.6	1 7 4
Baccidal (Antibacterial agent)	3 6	3 2	2 3	2 0	1 7	11.7	3 6
Ketas (For bronchial asthma and cerebrovasculas disorders)	3 8	3 2	3 3	3 7	3 7	0.1	8 2
Aplace (Anti-ulcer agent)	2 8	2 1	2 4	2 3	2 1	6.0	4 2
Rocaltrol (Osteoporosis remedy)	1 6	1 5	1 8	1 9	1 9	1.7	3 8
Pentasa (Ulcerative colitis and Crohn's disease treatment)	8	1 2	1 5	1 9	2 2	12.2	4 5
Milton (Effervescent disinfectant)			1 5	1 4	1 4	1.3	3 0
Kipres (LT receptor antagonist)					1 7		3 2

Exports	2 8	2 4	2 6	3 5	5 9	66.7	1 2 6
(Gatifloxacin)			7	2 0	4 8	138.5	1 0 4
Export ratio (%)	12.0	12.0	11.5	14.0	20.9		17.0%
In-house ratio (%)	85.7	82.2	82.3	81.4	84.0		84.4%

R&D, capex & depreciation

(¥ 000 millions)

	9/97	9/98	9/99	9/00	9/01	Yoy % chg	3/02 Forecast
R&D expense	2,931	2,564	2,616	2,795	2,954	5.7	6,200
Capex (book base)	426	427	343	1,099	950	13.6	2,300
Depreciation expense	1,181	1,296	1,435	1,312	1,518	6.0	3,300

Capital expenditure

3/02 term

New drug production equipment and
other production equipment (each factory)

¥700 million

Equipment for control, sales activities

¥500 million

Staff loading, living quarters
(Noshiro Plant)

¥300 million

Financial summary (parent)

Interim period

Full-term

Units: ¥ millions

	9/97	9/98	9/99	9/00	9/01	3/01	3/02 Forecast
Sales (Exports)	23,455 (2,824)	20,277 (2,431)	23,238 (2,679)	25,620 (3,589)	28,695 (5,984)	54,671 (8,646)	61,200 (12,600)
COGS (Ratio to sales) %	6,047 (25.8)	6,020 (29.7)	7,132 (30.7)	8,234 (32.1)	9,163 (31.9)	17,102 (31.3)	
SGA (Ratio to sales) %	13,849 (59.0)	12,805 (63.1)	13,105 (56.4)	13,897 (54.3)	15,743 (54.9)	28,589 (52.3)	
R&D expense (Ratio to sales) %	2,931 (12.5)	2,564 (12.6)	2,616 (11.3)	2,795 (10.9)	2,954 (10.3)	6,191 (11.3)	6,200 (10.1)
Operating profit (Ratio to sales) %	3,559 (15.2)	1,452 (7.2)	2,999 (12.9)	3,488 (13.6)	3,788 (13.2)	8,980 (16.4)	10,100 (16.5)
Recurring profits (Ratio to sales) %	3,742 (16.0)	1,379 (6.8)	3,118 (13.4)	3,710 (14.5)	3,874 (13.5)	9,524 (17.4)	10,200 (16.7)
Net profit (Ratio to sales) %	1,658 (7.1)	506 (2.5)	1,616 (7.0)	949 (3.7)	867 (3.0)	2,800 (5.1)	3,100 (5.1)
EPS (¥)	28.81	8.80	28.07	16.49	15.07	48.65	*45.61 (53.85)
Capital	3,623	3,623	3,623	3,623	3,623	3,623	*4,317
Assets	110,029	108,985	113,317	118,674	126,829	124,798	
Shareholders' equity	90,306	90,709	95,593	98,359	99,791	99,482	
BPS (¥)	1,568	1,575	1,660	1,708	1,733	1,728	
ROE (%)	1.8	0.6	1.7	1.0	0.9	2.8	
Equity ratio (%)	82.1	83.2	84.4	82.9	78.7	79.7	
Staff	1,930	1,867	1,798	1,679	1,692	1,648	
Capital expenditure	426	427	343	1,099	950	2,465	2,300
Depreciation expense	1,181	1,296	1,435	1,312	1,518	2,730	3,300

* Capital as of 3/02 is the amount after the 1:1.5 share split on 11/20/01. EPS is based on average shares outstanding during period. Figure in () is the unadjusted amount.