

# Profile

Since the foundation of Kyorin Pharmaceutical Co., Ltd., in 1923, its corporate philosophy has been to cherish life and benefit society by contributing to better health. We believe our success to date is attributable to this philosophy, which has constantly guided our business activities, enabling us to increase corporate value and secure our most vital asset—society’s trust.

Pharmaceutical companies are currently facing substantial shifts in their operating environments, triggered by declining birthrates and aging populations, changes to health insurance systems and a worldwide reorganization of the industry. In response, we have adopted a more comprehensive approach to ensure better health whereby focus is on self-medication as well as health improvement products—not just the pharmaceutical treatment of diseases. As a reflection of this approach, we redefined our corporate vision—to remain an integrated, trusted and unique healthcare company centered on global drug discovery operations. In line with this vision, we will seek to evolve the business model for our core drug discovery operations and create new health-related businesses to support such operations. Our drug discovery operations are centered on three therapeutic fields—infectious, immunological/allergic and metabolic diseases. We have already established a strong reputation as a drug discovery company by developing the world’s first new-quinolone antibacterial agent, norfloxacin, which has enabled the treatment of a broader range of infectious diseases. By licensing this drug to Merck & Co., Inc., we made yet another contribution to the treatment of the world’s infectious diseases. In addition to norfloxacin, we licensed gatifloxacin to several companies, including Bristol-Myers Squibb Company and Allergan, Inc. These steps were taken as part of our strategy to build alliances that will fully capitalize on external resources, allowing us to contribute better to the health of people throughout the world and maximize sales of our original products.

Under our company strategy, we will invest management resources in specific therapeutic fields for drug discovery and marketing. In Japan, we will press ahead with our Franchise Customer strategy by focusing on the medical areas closest related to our principal products—respiratory internal medicine, otolaryngology and urology. Our aim is to build a solid relationship of trust with medical staff as well as patients in these fields by providing carefully tailored products and drug-related information.

Remaining true to our corporate philosophy, we will strive to bring about a new era in the pharmaceutical industry as a company that continually contributes to better health through creativity, innovation and originality.

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The legendary ancient Chinese physician Tai Feng was said to have accepted apricot seedlings from poor patients in lieu of fees. As an organization committed to improving health, we chose the company name “Kyorin” meaning “apricot grove” to express the spirit and values of Tai Feng.

### Disclaimer Regarding Forward-Looking Statements

Statements made in this annual report with respect to Kyorin’s forecasts, plans and strategies that are not historical facts, are forward-looking statements about the future performance of the Company and its consolidated subsidiaries and are based on management’s rational assumptions and beliefs in light of information currently available. As a consequence, readers should understand that, for a variety of reasons, actual results could differ materially from projections presented in this report. Key factors that could impact our results include, but are not limited to, economic conditions, social trends, competition from rival companies, laws and regulations, uncertainties in drug development and exchange rate fluctuations.