

# Consolidated Statements of Shareholders' Equity

Kyorin Pharmaceutical Co., Ltd. and Consolidated Subsidiaries  
Years ended March 31, 2005 and 2004

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2005	2004	2005
<b>Common stock</b> (Note 6):			
Balance at beginning of year (2005—86,346,246 shares; 2004—86,346,246 shares)	¥ 4,317	¥ 4,317	\$ 40,199
Balance at end of year (2005—86,346,246 shares; 2004—86,346,246 shares)	¥ 4,317	¥ 4,317	\$ 40,199
<b>Additional paid-in capital</b> (Note 6):			
Balance at beginning of year	¥ 949	¥ 949	\$ 8,837
Balance at end of year	¥ 949	¥ 949	\$ 8,837
<b>Retained earnings</b> (Notes 6 and 17):			
Balance at beginning of year	¥104,735	¥100,643	\$ 975,277
Net income	2,013	5,692	18,745
Cash dividends paid	(1,412)	(1,549)	(13,148)
Bonuses to directors and corporate auditors	(41)	(49)	(382)
Balance at end of year	¥105,294	¥104,735	\$ 980,482
<b>Unrealized holding gain on securities:</b>			
Balance at beginning of year	¥ 2,478	¥ 69	\$ 23,075
Net changes during the year	(1,765)	2,409	(16,435)
Balance at end of year	¥ 713	¥ 2,478	\$ 6,639
<b>Translation adjustments:</b>			
Balance at beginning of year	¥ (4)	¥ 7	\$ (37)
Adjustments arising from translation of foreign currency financial statements	(2)	(11)	(19)
Balance at end of year	¥ (6)	¥ (4)	\$ (56)
<b>Treasury stock at cost:</b>			
Balance at beginning of year	¥ (20,619)	¥ (668)	\$(192,001)
Purchases of treasury stock	(104)	(19,951)	(968)
Balance at end of year	¥ (20,724)	¥ (20,619)	\$(192,979)

See accompanying notes to consolidated financial statements.