

Consolidated Financial Results for the Fiscal Year Ending March 31, 2018

1. Outline of Consolidated Financial Results	P.1
2. Highlights of Business Performance	P.2
3. Consolidated Financial Results	P.3
4. Main Product Sales Update	P.4
5. R&D Expenses, Capex & Depreciation	P.5
6. Main R&D Activities	P.6~7
【reference】	
7. Segment information	P.9
8. P&L Summary	P.10~11
9. BS Summary	P.12
10. Financial summary	P.13
11. Consolidated Financial Results and full year forecast	P.14
12. KYORIN Pharmaceutical result	P.15~18

May 10, 2018

KYORIN Holdings, Inc.

These forecast performance figures are based on information currently available to the Company and may include uncertain factors or risk that affect our future performance. Accordingly, actual business results may materially differ from the forecasted figures due to various factors in the future.



Outline of Consolidated Financial Results for Fiscal 2017

(¥ million)	FY2014	FY2015	FY2016	FY2017	change	FY2018 (forecast)	Change
Net sales	113,121	119,483	115,373	110,640	-4.1%	114,400	+3.4%
Operating income	14,737	19,636	10,413	8,822	-15.3%	8,600	-2.5%
Ordinary income	15,490	19,995	10,874	9,345	-14.1%	9,200	-1.6%
Net income	12,064	13,639	7,305	6,574	-10.0%	6,600	+0.4%
Net income per share (yen)	161.63	184.28	99.45	89.28	-10.2%	89.49	+0.2%
Total assets	183,383	197,825	192,668	198,350	+2.9%	-	-
Total equity	148,600	157,049	157,837	163,297	+3.5%	-	-

Consolidated Business Results for Fiscal 2017

[Net Sales] Regarding the new drug (in Japan), revenues from our main products Flutiform/Desalex increased, but overall net sales declined due to the decreased sales of Kipres, mainly because of the lapse of the patent for the drug. Regarding the new drug (overseas), a lump-sum payment for the progress of the development of the license-out product is booked, and regarding the generic medicine, net sales increased because of the continued growth of the net sales of the authorized generic of Montelukast (Kipres), but overall net sales were 110,640 million yen (down 4.1% from the previous period).

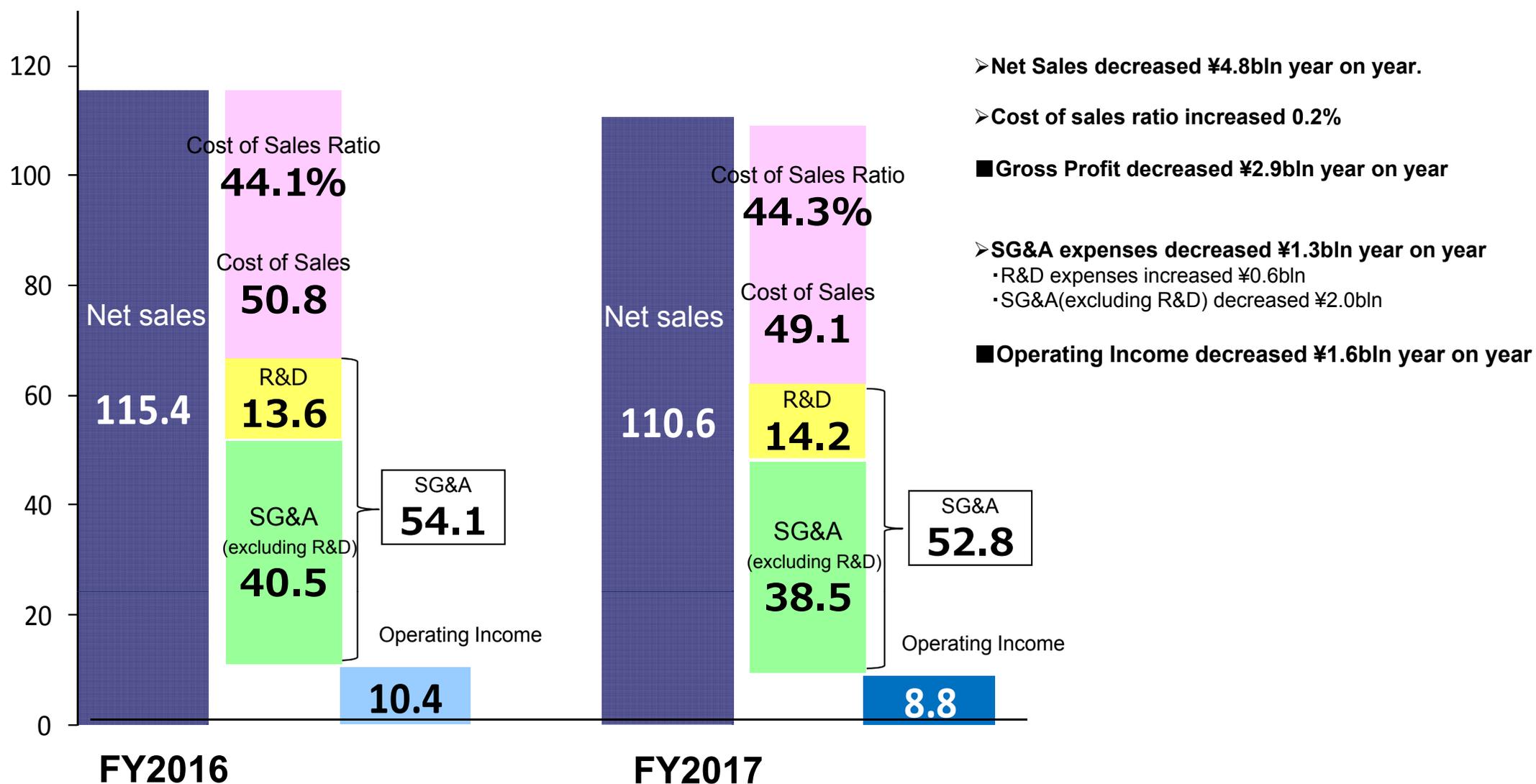
[Profit] Regarding the new drug (overseas), despite temporary income due to the progress of the development of the license-out product, gross operating income declined by 2,949 million yen from the previous year, due in part to the decreased sales of the new drug (in Japan). On the other hand, selling expenses and general administration expenses were reduced by 1,359 million yen from the previous term by absorbing the increased R&D cost as a result of efforts regarding cost reduction, but operating income declined by 8,822 million yen (down 15.3% from the previous year). Profit attributable to owners of parent is 6,574 million yen (down 10.0% from the previous period).

Consolidated Business Results Forecast for Fiscal 2018

[Net sales and income] Regarding net sales, despite the impact of the National Health Insurance (NHI) price revision implemented in April 2018 and decreased sales of the new drug (overseas), overall net sales are expected to increase due to the growth of the main products and the growth of the new drug (in Japan) due to the start of sales of the newly-licensed product. In terms of profit, gross operating income is expected to decline, due in part to the impact of the NHI price revision and the decrease in the temporary revenue of the license-out product, but R&D costs and selling expenses and general administration expenses are expected to decline, and overall net sales and profits are expected to decline slightly. For the fiscal year ending March 2019, net sales are forecast to be 114.4 billion yen (up 3.4% from the previous year), operating income 8.6 billion yen (down 2.5% from the previous year), and profit attributable to owners of parent 6.6 billion yen (up 0.4% from the previous year).

Highlights of Business Performance

(Units: ¥ billion)



Main Product Sales Update

(Units: ¥ billion)		FY2013	FY2014	FY2015	FY2016	FY2017		FY2018 (forecast)
						actual	Change(%)	
Sales of new ethical drugs (Japan)	Flutiform (Anti-asthmatic)	0.6	3.6	7.2	10.1	11.9	+18.1	12.3
	Uritos (Kyorin) (Overactive bladder)	8.1	7.3	7.5	7.5	7.2	-3.7	6.8
	Desalex (allergic rhinitis)	—	—	—	1.0	4.9	+404.8	8.1
	Kipres for adult (LT receptor antagonist)	25.6	26.7	28.6	17.7	8.3	-53.5	6.0
	for children	14.6	14.5	15.4	14.9	10.5	-29.5	7.2
	Pentasa (Ulcerative colitis and Crohn's disease treatment)	18.6	17.2	16.1	15.5	15.3	-1.4	14.5
	Mucodyne (Mucoregulant)	18.4	14.0	13.0	9.9	8.7	-12.1	7.2
	Nasonex (Spray type allergic rhinitis remedy)	—	—	—	—	—	—	10.1

Generic drugs	MONTELUKAST Tablets "KM"※	—	—	—	8.2	11.7	+42.4	9.8
------------------	--------------------------------------	---	---	---	-----	-------------	--------------	------------

※ Authorized generic drug (AG) of Montelukast (KIPRES)

Over-the- counter drugs	Milton (Disinfectant)	2.1	2.0	2.1	2.2	2.2	+2.5	2.3
-------------------------------	---------------------------------	-----	-----	-----	-----	------------	-------------	------------

R&D Expenses, Capex & Depreciation

(Units: ¥ million)

	FY2013	FY2014	FY2015	FY2016	FY2017		FY2018 (forecast)
					actual	Change	
R&D expenses	11,359	13,514	13,019	13,569	14,243	+5.0%	11,600
Capital expenditure	6,500	2,655	7,218	3,051	2,885	-5.4%	2,800
Depreciation expense	3,153	3,053	3,730	3,619	3,628	+0.2%	2,900

*The forecast for the fiscal year ending March 2019 is based on the assumption that the method of depreciation is (planned to be) changed from the declining-balance method to the straight-line method.

<Capital expenditure (Actual/Forecast)>

(Units: ¥ billion)

	FY2016	FY2017	FY2018 (forecast)
Plant facilities	1.6	1.1	2.1
Equipment for control, sales activities	0.1	0.2	0.1
Equipment for research	1.3	1.5	0.6

Main R&D Activities -1 (May 10 , 2018 Release)

Ph III ~ Application submitted

Stage		Compound/ Code	Therapy area /Action	Origin	Features	Comments
Japan	Overseas					
Application (9/2017)	Ph III : UROVANT	KRP-114V	Overactive bladder	Merck & Co.,	-Expectation of high compliance in taking medicine with less side effects than the conventional drugs for overactive bladder -- Less drug interaction as β 3 receptor agonist - β 3 agonist including this agonist may constitute the first-line drug for treatment of overactive bladder	<ul style="list-style-type: none"> •License agreement with Merck & Co., Inc.,(7/2014) •Co-Development and Co-Marketing Agreement with Kissei Pharmaceutical Co., Ltd. affiliate (3/2016) •License agreement with Merck & Co., Inc., for Asia (4/2017)
Application (4/2017)		KRP-AM1977X (Oral agent)	New quinolone synthetic antibacterial agent	In-house	-Superior ability to combat drug-resistant gram-positive bacteria (incl. MRSA) -has a powerful antimicrobial activity against anaerobic bacteria	
Ph III (3/2016)		KRP-AM1977Y (Injection)	New quinolone synthetic antibacterial agent	In-house	- Expectation of high clinical effects with excellent tissue penetration -High degree of safety expected since safety hurdles cleared prior to clinical trials	
Ph III (3/2017)		KRP-116D	Interstitial cystitis	—	Evaluation committee on unapproved or off-labeled drugs with high medical needs “Dimethyl sulfoxide(DMSO)”	
Ph III (6/2017)		KRP-108P	Anti-asthmatic	(U.K.) Vectura	Expand the indication of Flutiform to pediatric patients	

Main R&D Activities -2 (May 10 , 2018 Release)

POC Project (Ph I ~ Ph II)

※Changes from the previous announcement (Feb 5 2018)

Stage		Compound/ Code	Therapy area /Action	Origin	Features	Comments
Japan	Overseas					
※Ph II		KRP-N118 (SK-1404)	Nocturia Due to Nocturnal Polyuria	SANWA KAGAKU KENKYUSHO CO., LTD.	A vasopressin V2 receptor agonist that promotes the reabsorption of water by the collecting duct of the kidney to reduce the amount of urine (antidiuretic action). With its high efficacy and safety, the drug is expected to be a therapeutic agent for nocturia due to nocturnal polyuria.	•License agreement with SANWA KAGAKU KENKYUSHO CO., LTD. (3/2018)
Ph I , II (7/2015)		Ad-SGE-REIC	malignant pleural mesothelioma	Okayama University	A gene-therapy product using a novel tumor suppressor gene of reduced expression in immortalized cells/ Dickkopf-3 (REIC/Dkk-3), which was discovered by researchers from Okayama University, as a therapeutic gene. It is expected to have direct effect on primary tumor lesions and indirect effect on metastatic tumor lesions as a gene-therapy product that simultaneously induces tumor cell-selective apoptosis and the activation of antitumor immunity respectively.	Adopted to Next generation Technology Transfer Program (NexTEP) (6/2014) [US] Momotaro-Gene prostate cancer(Ph I / II) [JP] Okayama University liver cancer(Ph I / I b)

Licensing development

Stage/ Overseas	Compound/ Code	Licensee / Collaborative research	Therapy area/Action	Origin	Features	Comments
Ph I	FPR-2 agonist program	BMS	Non- disclosure	In-house	FPR-2 agonists that mainly inhibit the migration of neutrophils and exhibit anti-inflammatory action.	License agreement with BMS (12/2015)

Reference

Sales, Profit or Loss of each report segment

(Units: ¥ billion)

	Sales	change	Profit	Change
Net Sales (total)	110.6	-4.8	8.8	-1.6
Ethical drugs business	104.7	-4.9	8.3	-1.8
◆Sales of new ethical drugs	77.0	-7.5		
○Japan	73.7	-10.1		
○Overseas	3.3	+2.5		
◆Generic drugs	27.7	+2.7		
Healthcare business	5.9	+0.1	0.2	+0.2
Amount of adjustment	-	-	0.4	+0.1

P&L Summary: Consolidated Results – (1)

(Units: ¥ million)

< Breakdown: change >

	FY2016		FY2017			
	実績	売上比	実績	売上比	増減率	前年差額
Sales	115,373	100.0%	110,640	100.0%	-4.1%	-4,733
■ Ethical Drugs business	109,566	95.0%	104,703	94.6%	-4.4%	-4,863
◆ Sales of new Ethical Drugs	84,542	73.3%	77,041	69.6%	-8.9%	-7,501
○ Japan	83,777	72.6%	73,702	66.6%	-12.0%	-10,075
○ Overseas	764	0.7%	3,339	3.0%	+337.0%	+2,575
◆ Generic Drugs	25,024	21.7%	27,662	25.0%	+10.5%	+2,638
■ Healthcare Business	5,807	5.0%	5,937	5.4%	+2.2%	+130

- Sales **¥110,640mil** (-4,733)
- Ethical drug sales in Japan **¥73,702mil** (-10,075)

(¥:billion)	FY16	⇒	FY17	
・ Flutiform	10.1	⇒	11.9	(+1.8)
・ Uritos	7.5	⇒	7.2	(-0.3)
・ Desalex	1.0	⇒	4.9	(+3.9)
・ Kipres	32.7	⇒	18.8	(-13.9)
・ Pentasa	15.5	⇒	15.3	(-0.2)
・ Mucodyne	9.9	⇒	8.7	(-1.2)

- Ethical drug sales overseas **¥3,339mil** (+2,575)

- ・ received lump sum payment of out-licensed product
- ・ Gatifloxacin ¥0.4bln ⇒ ¥0.6bln (+0.2)

- Generic Drugs **¥27,662mil** (+2,638)

- ・ Sales of the MONTELUKAST™ AG for KIPRES increased
- ・ Sales for other companies decreased.

- Healthcare Business

¥5,937mil (+130)

<Subsidiaries and Equity-method Affiliates>

Consolidated subsidiaries (8) :

KYORIN Pharmaceutical Co., Ltd.
Kyorin USA, Inc.
Kyorin Europe GmbH
ActivX Biosciences, Inc.
KYORIN Rimedio Co., Ltd.
KYORIN Medical Supply Co., Ltd.
KYORIN Pharmaceutical Group Facilities Co., Ltd.
KYORIN Pharmaceutical Facilities Co., Ltd.

Equity-Method Affiliates : Nippon Rika Co., Ltd.

P&L Summary: Consolidated Results – (2)

(Units: ¥ million)

< Breakdown >

	FY2015		FY2016			
	Actual	% Sales	Actual	% Sales	% Change	Change
Sales	115,373	100.0%	110,640	100.0%	−4.1%	−4,733
Cost of Sales	50,847	44.1%	49,064	44.3%	−3.5%	−1,783
Gross Profit	64,526	55.9%	61,576	55.7%	−4.6%	−2,950
SG&A (Incl. R&D expenses)	54,113 (13,569)	46.9% 11.8%	52,753 (14,243)	47.7% 12.9%	−2.5% +5.0%	−1,360 +674
Operating Income	10,413	9.0%	8,822	8.0%	−15.3%	−1,591
Non-Operating Income	510	0.4%	640	0.6%	+25.5%	+130
Non-Operating Expenses	49	0.0%	118	0.1%	+140.8%	+69
Ordinary Income	10,874	9.4%	9,345	8.4%	−14.1%	−1,529
Extraordinary Profits	48	0.0%	627	0.6%	+1206.3%	+579
Extraordinary Losses	1,205	1.0%	910	0.8%	−24.5%	−295
Income before income taxes	9,716	8.4%	9,061	8.2%	−6.7%	−655
Corporate, inhabitants and enterprise taxes	1,597	1.4%	2,759	2.5%	+72.8%	+1,162
Tax adjustments	814	0.7%	−272	−0.2%	−	−1,086
Net Income	7,305	6.3%	6,574	5.9%	−10.0%	−731

◆ **Cost of Sales Ratio : +0.2 percentage points**

(44.1 %→44.3%)

- * Decrease of sales of new ethical drugs(Japan)
- * Increase in loss on retirement of inventories, etc.
- * Increased costs due to the impact of currency fluctuations

◆ **R&D Ratio : +1.1 percentage points**

(11.8%→12.9%)

- * ¥13.6bln→¥14.2bln(increase ¥0.6bln)
- * Book a lump-sum payment for the contract for the introduction of KRP-N118 (SK-1404)

◆ **SG&A (exclude R&D) Expenses : −0.3 percentage points**

(35.1%→34.8%)

- * ¥40.5bln→¥38.5bln (−¥2.0bln)
- Decrease of sales and general costs

■ **Operating Income** ¥8,822mil (−1,591)

- * Operating Income margin decreased 1.0percentage points to 8.0%

■ **Net Income** ¥6,574mil (−731)

■ **Dividend per share** ¥58.00

- * Consolidated Dividend ratio 65.9%

BS Summary: Consolidated Results

(Units: ¥ million)	FY2016	
	Actual	%total
Current Assets	126,267	65.5%
Cash, deposits	43,619	—
Notes and accounts receivable	46,192	
Mk securities	5,007	
Inventory	24,379	
Other	7,068	
Fixed Assets	66,400	34.5%
Tangible assets	22,432	—
Intangible assets	1,204	
Investments	42,763	
Total Assets	192,668	100.0%

FY2017		
Actual	% total	change
122,098	61.6%	- 4,169
44,117	—	—
47,862		
599		
23,308		
6,210		
76,251	38.4%	+ 9,851
21,901	—	—
1,750		
52,600		
198,350	100.0%	+ 5,682

Current Liabilities	25,033	13.0%
Notes payable	11,157	—
Other	13,875	
Non-Current Liabilities	9,797	5.1%
Total Liabilities	34,831	18.1%
Owner's Equity	152,585	79.2%
Other Comprehensive Income	5,251	2.7%
Unrealized holding gain (loss) on securities	7,645	—
Foreign currency translation adjustments	115	
Remeasurements of defined benefit plans	- 2,510	
Total Equity	157,837	81.9%
Total Liabilities and Equity	192,668	100.0%

25,134	12.7%	+ 101
10,266	—	—
14,868		
9,918	5.0%	+ 121
35,053	17.7%	+ 222
155,489	78.4%	+ 2,904
7,808	3.9%	+ 2,557
10,101	—	—
83		
- 2,377		
163,297	82.3%	+ 5,460
198,350	100.0%	+ 5,682

< Breakdown >

- Current Asset : - ¥4,169mil
 - Cash, deposits (+ ¥498mil)
 - Notes and accounts receivable (+ ¥1,670mil)
 - Mk securities (- ¥4,408mil)
 - Inventory (- ¥1,071mil)

- Fixed Assets: + ¥9,851mil
 - Tangible Assets (- ¥531mil)
 - Intangible Assets (+ ¥546mil)
 - Investments (+ ¥9,837mil)

- Current Liabi : + ¥101mil
 - Notes Payable (- ¥891mil)
 - Other (- ¥993mil)

- Non-Current Liabilities : + ¥121mil

Financial summary (Consolidated)

(¥ million)	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018 (forecast)
Sales (Exports)	111,400 (1,849)	113,121 (1,032)	119,483 (5,586)	115,373 (764)	110,640 (3,339)	114,400 (1,000)
Cost of Sales (cost of Sales Ratio) (%)	43,047 (38.6%)	46,598 (41.2%)	47,360 (39.6%)	50,847 (44.1%)	49,064 (44.3%)	—
SG&A Ratio to Sales (%)	50,744 (45.6%)	51,785 (45.8%)	52,486 (43.9%)	54,113 (46.9%)	52,753 (47.7%)	—
R&D Expenses Ratio to Sales (%)	11,359 (10.2%)	13,514 (11.9%)	13,019 (10.9%)	13,569 (11.8%)	14,243 (12.9%)	11,600 (10.1%)
Operating Income Ratio to Sales (%)	17,607 (15.8%)	14,737 (13.0%)	19,636 (16.4%)	10,413 (9.0%)	8,822 (8.0%)	8,600 (7.5%)
Ordinary Income Ratio to Sales (%)	18,281 (16.4%)	15,490 (13.7%)	19,995 (16.7%)	10,874 (9.4%)	9,345 (8.4%)	9,200 (8.0%)
Net Income Ratio to Sales (%)	12,025 (10.8%)	12,064 (10.7%)	13,639 (11.4%)	7,305 (6.3%)	6,574 (5.9%)	6,600 (5.8%)
EPS (¥)	160.95	161.63	184.28	99.45	89.28	89.49
Capital	700	700	700	700	700	—
Assets	169,378	183,383	197,825	192,668	198,350	—
shareholder's equity	135,273	140,518	149,808	152,585	155,489	—
Total Equity	137,821	148,600	157,049	157,837	163,297	—
BPS (¥)	1,844.61	2,009.45	2,131.67	2,146.83	2,214.13	—
ROE (%)	9.0%	8.4%	8.9%	4.6%	4.1%	—
Equity Ratio (%)	81.4%	81.0%	79.4%	81.9%	82.3%	—
Employees	2,452	2,445	2,420	2,382	2,348	—
Capital Expenditure	6,500	2,655	7,218	3,051	2,885	2,800
Depreciation Expense	3,153	3,053	3,730	3,619	3,628	2,900

Consolidated Financial Results and full year forecast

(Units: ¥ million)

	FY2017	FY2018 (forecast)	Year on year	
			change	change (%)
Sales	110,640	114,400	+3,760	+3.4
■ Ethical Drugs business	104,703	108,400	+3,697	+3.5
◆ Sales of new Ethical Drugs	77,041	80,900	+3,859	+5.0
○ Japan	73,702	79,900	+6,198	+8.4
○ Overseas	3,339	1,000	-2,339	-70.1
◆ Sales of Generic drugs	27,662	27,400	-262	-0.9
■ Healthcare Business	5,937	6,000	+63	+1.1
Operating Income	8,822	8,600	-222	-2.5
Ordinary Income	9,345	9,200	-145	-1.6
Net Income	6,574	6,600	+26	+0.4

P&L summary : KYORIN pharmaceutical (Non-consolidated)-(1)

<Breakdown >

(Units: ¥ million)

change

	FY2016		FY2017			
	Actual	% Sales	Actual	% Sales	% Change	Change
Sales	100,022	100.0%	97,459	100.0%	-2.6%	-2,563
■ Ethical Drugs business	96,109	96.1%	92,341	94.7%	-3.9%	-3,768
◆ Sales of new Ethical Drugs	81,854	81.8%	74,637	76.6%	-8.8%	-7,217
○ Japan	81,326	81.3%	71,522	73.4%	-12.1%	-9,804
○ Overseas	528	0.5%	3,115	3.2%	+490.0%	+2,587
◆ Generic Drugs	14,254	14.3%	17,703	18.2%	+24.2%	+3,449
■ Healthcare Business	3,912	3.9%	5,117	5.3%	+30.8%	+1,205

- **Sales** **¥97,459mil** (-2,563)
- **Ethical drug sales in Japan** **¥71,522mil** (-9,804)
 - (¥:billion)

	FY16		FY17	
• Flutiform	10.1	⇒	11.9	(+1.8)
• Uritos	7.5	⇒	7.2	(-0.3)
• Desalex	1.0	⇒	4.9	(+3.9)
• Kipres	32.7	⇒	18.8	(-13.9)
• Pentasa	15.5	⇒	15.3	(-0.2)
• Mucodyne	9.9	⇒	8.7	(-1.2)
 - **Ethical drug sales oversea** **¥3,115mil** (+2,587)
 - received lump sum payment of out-licensed product
 - Gatifloxacin ¥0.4bln ⇒ ¥0.6bln (+0.2)
 - **Generic Drugs** **¥17,703mil** (+3,449)
 - Sales of the MONTELUKAST"AG" for KIPRES increased
 - Sales for other companies decreased.
 - **Healthcare Business** **¥5,117mil** (+1,205)
 - Milton ¥2.2bln ⇒ ¥2.2bln (+0)
 - Rubysta ¥1.0bln ⇒ ¥1.1 bln (+0.1)
 - Increased sales of hand antiseptic product

P&L summary : KYORIN pharmaceutical (Non-consolidated)-(2)

(Units: ¥ million)

< Breakdown >

	FY2016		FY2017			
	Actual	% Sales	Actual	% Sales	% Change	Change
Sales	100,022	100.0%	97,459	100.0%	-2.6%	-2,563
Cost of Sales	43,503	43.5%	42,885	44.0%	-1.4%	-618
Gross Profit	56,518	56.5%	54,573	56.0%	-3.4%	-1,945
SG&A (R&D Expenses)	49,714 (12,785)	49.7% (12.8%)	48,645 (13,158)	49.9% (13.5%)	-2.2% +2.9%	-1,069 +373
Operating Income	6,803	6.8%	5,928	6.1%	-12.9%	-875
Non-Operating Income	618	0.6%	772	0.8%	+24.9%	+154
Non-operating Expenses	25	0.0%	92	0.1%	+268.0%	+67
Ordinary Income	7,396	7.4%	6,608	6.8%	-10.7%	-788
Extraordinary Profits	44	0.0%	50	0.1%	+13.6%	+6
Extraordinary Losses	1,181	1.2%	457	0.5%	-61.3%	-724
Income before Income taxes	6,259	6.3%	6,201	6.4%	-0.9%	-58
Corporate, inhabitants and enterprise taxes	735	0.7%	2,156	2.2%	+193.3%	+1,421
Tax adjustments	1,069	1.1%	-592	-0.6%	-	-1,661
Net Income	4,454	4.5%	4,637	4.8%	+4.1%	+183

- ◆ Cost of Sales Ratio : +0.5percentage points
(43.5%→44.0%)
 - * ・Decrease of sales of new ethical drugs(Japan)
 - ・Increase in loss on retirement of inventories, etc.
 - ・Increased costs due to the impact of currency fluctuations
- ◆ R&D Ratio : +0.7 percentage points
(12.8%→13.5%)
 - * ¥12.8bln→¥13.2bln (+¥0.4bln)
 - ・Book a lump-sum payment for the contract for the introduction of KRP-N118 (SK-1404)
- ◆ SG&A (exclude R&D) Expenses :
- 0.5 percentage Points (36.9%→36.4%)
- Operating Income ¥5,928mil (-875)
 - * Operating Income margin decreased 0.7percentage points to 6.1%
- Net Income ¥4,637mil (+183)

BS Summary: KYORIN Pharmaceutical (Non-consolidated)

(Units: ¥ million)

	FY2016	
	Actual	% total
Current Assets	89,628	60.0%
Cash, deposits	18,943	
Accounts receivable	41,269	
Mk securities	5,007	—
Inventory	19,271	
Other	5,136	
Fixed Assets	59,754	40.0%
Tangible assets	13,690	
Intangible assets	631	—
Investments	45,432	
Total Assets	149,382	100.0%

Current Liabilities	17,876	12.0%
Notes Payable	8,546	
Other	9,329	—
Non-Current Liabilities	6,195	4.1%
Total Liabilities	24,071	16.1%
Owner's Equity	117,744	78.8%
Valuation and translation adjustments	7,566	5.1%
Total Equity	125,310	83.9%
Total Liabilities and Equity	149,382	100.0%

FY2016		
Actual	% total	change
84,436	55.1%	- 5,192
18,527		
43,151		
599	—	—
17,736		
4,422		
68,818	44.9%	+ 9,064
12,649		
1,324	—	—
54,844		
153,254	100.0%	+ 3,872

19,397	12.7%	+ 1,521
7,863		
11,533	—	—
5,242	3.4%	- 953
24,639	16.1%	+ 568
118,595	77.4%	+ 851
10,019	6.5%	+ 2,453
128,614	83.9%	+ 3,304
153,254	100.0%	+ 3,872

< Breakdown >

- **Current Assets : - ¥ 5,192mil**
 - Cash, deposits (- ¥ 416mil)
 - Accounts receivable (+ ¥ 1,882mil)
 - Mk securities (- ¥ 4,408mil)
 - Inventory (- ¥ 1,535mil)
- **Fixed Assets + ¥ 9,064mil**
 - Tangible Assets (- ¥ 1,041mil)
 - Intangible Assets (+ ¥ 693mil)
 - Investments (+ ¥ 9,412mil)
- **Current Liabilities : + ¥ 1,521mil**
 - Notes Payable (- ¥ 683mil)
- **Non-Current Liabilities : - ¥ 953mil**

Financial Summary: KYORIN Pharmaceutical (Non-consolidated)

(¥ million)	FY2013	FY2014	FY2015	FY2016	FY2017	FY2017 (forecast)
Sales (Exports)	97,662 (1,650)	98,452 (840)	106,390 (5,343)	100,022 (528)	97,459 (3,115)	100,900 (700)
Cost of Sales (cost of sales ratio) %	35,119 (36.0%)	38,951 (39.6%)	40,798 (38.3%)	43,503 (43.5%)	42,885 (44.0%)	—
SG&A Ratio to Sales (%)	47,175 (48.3%)	47,349 (48.1%)	48,129 (45.2%)	49,714 (49.7%)	48,645 (49.9%)	—
R&D Expenses Ratio to Sales (%)	11,064 (11.3%)	12,843 (13.0%)	12,421 (11.7%)	12,785 (12.8%)	13,158 (13.5%)	9,900 (9.8%)
Operating Income Ratio to Sales (%)	15,368 (15.7%)	12,151 (12.3%)	17,461 (16.4%)	6,803 (6.8%)	5,928 (6.1%)	5,800 (5.7%)
Ordinary Income Ratio to Sales (%)	16,230 (16.6%)	13,115 (13.3%)	17,985 (16.9%)	7,396 (7.4%)	6,608 (6.8%)	6,300 (6.2%)
Net Income Ratio to Sales (%)	10,823 (11.1%)	10,412 (10.6%)	12,113 (11.4%)	4,454 (4.5%)	4,637 (4.8%)	4,600 (4.6%)
EPS (¥)	145.74	140.20	163.11	59.98	62.45	—
Capital	4,317	4,317	4,317	4,317	4,317	—
Assets	130,997	142,967	155,637	149,382	153,254	—
shareholder's equity	106,211	110,534	117,300	117,744	118,595	—
Total Equity	109,606	118,246	127,610	125,310	128,614	—
BPS (¥)	1,475.82	1,592.16	1,718.23	1,687.28	1,731.76	—
ROE (%)	10.2%	9.1%	9.9%	3.5%	3.7%	—
Equity Ratio (%)	83.7%	82.7%	82.0%	83.9%	83.9%	—
Employees	1,780	1,771	1,731	1,687	1,673	—
Capital Expenditure	4,763	1,125	5,059	905	815	600
Depreciation Expense	1,743	1,667	2,241	2,143	1,926	1,100