

# FY2/12

## results supplementary material

These materials contain our earnings outlook. While our earnings outlook and views are based on internal and other reliable data, they do not constitute a guarantee of our future earnings. Therefore, sales and profits may differ from the figures outlined in this material.

The figures in these materials are rounded to the nearest million yen.

Apr. 10th, 2012

Hisamitsu Pharmaceutical Co., Inc.  
(Security code number: 4530)

<b>&lt;Balance sheet&gt;</b> (Unit: ¥mn)	2008.2 Q4	2009.2 Q4	2010.2 Q4	2010.5 Q1	2010.8 Q2	2010.11 Q3	2011.2 Q4	2011.5 Q1	2011.8 Q2	2011.11 Q3	2012.2 Q4	As a % of total
<b>Current assets</b>	<b>80,488</b>	<b>95,009</b>	<b>86,100</b>	<b>85,444</b>	<b>92,781</b>	<b>91,077</b>	<b>92,896</b>	<b>85,967</b>	<b>88,915</b>	<b>90,979</b>	<b>87,455</b>	<b>45.4%</b>
Cash & deposits	36,129	39,354	26,935	28,191	29,717	27,574	33,186	25,158	22,293	23,545	27,789	
Notes and accounts receivable	31,307	39,415	42,324	36,692	42,083	36,917	36,860	37,098	38,419	38,665	33,635	
Marketable securities	2,332	4,169	0	2,791	2,870	5,839	5,380	3,626	6,475	4,730	7,083	
Inventory	8,635	9,180	12,271	12,603	11,518	12,322	11,303	12,506	12,443	13,324	12,551	
Deferred tax assets	1,345	2,133	2,258	2,113	1,977	2,071	3,620	3,869	3,668	3,516	2,896	
Other current assets	909	975	2,577	3,292	4,891	6,596	2,786	3,926	5,846	7,445	3,702	
Bad debt provision	-171	-217	-267	-240	-277	-244	-241	-218	-230	-247	-202	
<b>Fixed assets</b>	<b>69,262</b>	<b>72,632</b>	<b>107,450</b>	<b>105,851</b>	<b>104,342</b>	<b>101,939</b>	<b>101,890</b>	<b>105,908</b>	<b>105,432</b>	<b>103,007</b>	<b>105,382</b>	<b>54.6%</b>
Tangible fixed assets	40,299	40,325	46,218	45,802	45,336	44,542	44,260	44,365	43,993	43,147	43,357	
Buildings and structures	16,668	15,971	20,082	19,752	19,475	19,043	18,825	19,128	18,715	18,627	19,385	
Machinery and transport equipment	7,023	6,589	9,692	9,259	8,552	7,863	7,452	7,327	7,394	7,016	6,972	
Tools, instruments, etc.	2,052	2,287	2,347	2,235	2,135	2,294	2,223	2,590	2,539	2,386	2,470	
Land	11,374	11,389	12,438	12,430	12,377	12,325	12,422	12,444	12,421	12,353	12,364	
Construction in progress	3,181	4,088	1,479	1,629	2,309	2,554	2,882	2,420	2,496	2,352	1,772	
Lease assets			177	494	485	461	454	452	427	411	390	
Intangible fixed assets	5,464	4,840	15,756	15,523	14,434	13,486	12,943	18,017	18,059	16,982	16,548	
Investments, etc.	23,497	27,466	45,475	44,524	44,571	43,910	44,686	43,526	43,380	42,877	45,477	
Investment securities	14,872	13,465	31,979	31,100	30,877	30,501	31,799	29,564	29,611	29,208	34,549	
Long-term loans	312	361	210	211	131	130	128	126	121	118	123	
Deferred tax assets	2,154	4,588	3,829	3,904	4,246	4,259	3,833	4,056	3,979	4,053	1,402	
Other	6,316	9,206	9,596	9,448	9,448	9,150	9,056	9,909	9,892	9,724	9,630	
Bad debt provision	-159	-154	-140	-140	-132	-132	-131	-131	-226	-226	-228	
<b>Total assets</b>	<b>149,750</b>	<b>167,642</b>	<b>193,551</b>	<b>191,295</b>	<b>197,124</b>	<b>193,017</b>	<b>194,787</b>	<b>191,876</b>	<b>194,347</b>	<b>193,987</b>	<b>192,838</b>	
<b>Current liabilities</b>	<b>27,606</b>	<b>34,646</b>	<b>42,825</b>	<b>36,915</b>	<b>42,310</b>	<b>38,827</b>	<b>39,275</b>	<b>39,060</b>	<b>41,156</b>	<b>38,746</b>	<b>31,134</b>	<b>16.1%</b>
Notes and accounts payable	9,933	13,062	14,669	12,511	13,343	12,342	11,279	12,774	14,342	13,313	11,932	
Short-term borrowing	1,038	1,047	10,484	8,478	6,354	6,224	6,055	9,618	6,774	6,992	4,445	
Accrued expenses	7,699	9,936	5,317	5,308	7,173	5,349	7,192	4,961	5,686	5,557	6,177	
Unpaid tax, etc.	6,980	8,838	4,694	4,037	8,221	5,514	10,239	2,486	5,139	2,106	3,839	
Reserve for returned goods unsold	157	213	237	183	196	183	176	204	228	235	198	
Bonus reserves	808	844	880	493	1,357	740	1,499	502	1,493	836	1,550	
Other current liabilities	988	704	6,541	5,901	5,662	8,472	2,833	8,512	7,492	9,704	2,989	
<b>Fixed liabilities</b>	<b>8,215</b>	<b>8,890</b>	<b>19,749</b>	<b>20,056</b>	<b>17,115</b>	<b>16,948</b>	<b>14,288</b>	<b>15,410</b>	<b>12,419</b>	<b>12,409</b>	<b>12,441</b>	<b>6.5%</b>
Long-term borrowing	842	881	8,142	8,097	5,541	5,539	3,089	3,961	1,348	1,282	1,224	
Deferred tax liabilities	2,164	2,164	3,027	5,129	4,746	4,551	4,133	4,097	3,686	3,685	3,389	
Pension provisions	4,071	4,554	4,707	4,785	4,822	4,883	4,910	4,920	4,932	4,972	4,927	
Reserve for directors' retirement benefits	1,102	1,172	1,174	1,181	1,187	1,194	1,200	1,155	1,180	1,205	1,230	
Other fixed liabilities	35	117	2,697	863	816	779	954	1,275	1,272	1,262	1,669	
<b>Total liabilities</b>	<b>35,819</b>	<b>43,536</b>	<b>62,574</b>	<b>56,971</b>	<b>59,425</b>	<b>55,776</b>	<b>53,564</b>	<b>54,470</b>	<b>53,576</b>	<b>51,156</b>	<b>43,575</b>	<b>22.6%</b>
<b>Owners' Equity</b>	<b>110,376</b>	<b>123,948</b>	<b>130,647</b>	<b>133,783</b>	<b>139,699</b>	<b>141,331</b>	<b>145,616</b>	<b>142,023</b>	<b>146,352</b>	<b>150,933</b>	<b>154,702</b>	<b>80.2%</b>
<b>Common stock</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	
Capital surplus	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	
Retained earnings	106,010	119,650	132,298	135,435	141,352	142,985	147,272	146,996	151,326	155,907	159,677	
Treasury stock	-12,504	-12,571	-18,521	-18,522	-18,522	-18,523	-18,525	-21,842	-21,843	-21,843	-21,844	
<b>Net unrealized gain and translation adjustment</b>	<b>2,803</b>	<b>-561</b>	<b>-560</b>	<b>-419</b>	<b>-2,964</b>	<b>-5,069</b>	<b>-5,324</b>	<b>-5,672</b>	<b>-6,642</b>	<b>-9,141</b>	<b>-6,476</b>	<b>-3.4%</b>
Other marketable securities revaluation account	326	-2,154	-780	-849	-1,349	-1,344	-564	-1,618	-1,532	-1,887	47	
Land revaluation account	3,188	3,188	3,188	3,189	3,189	3,189	3,189	3,189	3,189	3,189	3,459	
Forex adjustment account	-712	-1,596	-2,968	-2,759	-4,804	-6,914	-7,949	-7,244	-8,299	-10,443	-9,983	
<b>Minority interest</b>	<b>750</b>	<b>719</b>	<b>889</b>	<b>960</b>	<b>963</b>	<b>978</b>	<b>930</b>	<b>1,054</b>	<b>1,061</b>	<b>1,039</b>	<b>1,036</b>	<b>0.5%</b>
<b>Total Net assets</b>	<b>113,929</b>	<b>124,105</b>	<b>130,976</b>	<b>134,323</b>	<b>137,698</b>	<b>137,241</b>	<b>141,222</b>	<b>137,405</b>	<b>140,771</b>	<b>142,831</b>	<b>149,263</b>	<b>77.4%</b>
<b>Liabilities and Net assets</b>	<b>149,750</b>	<b>167,642</b>	<b>193,551</b>	<b>191,295</b>	<b>197,124</b>	<b>193,017</b>	<b>194,787</b>	<b>191,876</b>	<b>194,347</b>	<b>193,987</b>	<b>192,838</b>	

## Consolidated financial statement

Apr 10th, 2012

<b>&lt;Income statement&gt;</b>	2008.2	2009.2	2010.2	2010.5	2010.8	2010.11	2011.2	2011.5	2011.8	2011.11	2012.2	YoY
(Unit: ¥mn)	Q4	Q4	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>Sales</b>	<b>119,061</b>	<b>124,655</b>	<b>129,834</b>	<b>32,869</b>	<b>71,079</b>	<b>102,584</b>	<b>137,184</b>	<b>33,039</b>	<b>69,169</b>	<b>103,773</b>	<b>137,794</b>	<b>+4.4%</b>
CoGS	36,101	39,884	42,659	11,440	24,412	35,170	47,697	10,938	23,047	34,588	46,785	Δ1.9%
(as a % of sales)	30.3%	32.0%	32.9%	34.8%	34.3%	34.3%	34.8%	33.1%	33.3%	33.3%	34.0%	
<b>Gross profits</b>	<b>82,960</b>	<b>84,771</b>	<b>87,174</b>	<b>21,428</b>	<b>46,666</b>	<b>67,414</b>	<b>89,486</b>	<b>22,101</b>	<b>46,112</b>	<b>69,184</b>	<b>91,008</b>	<b>+1.7%</b>
(as a % of sales)	69.7%	68.0%	67.1%	65.2%	65.7%	65.7%	65.2%	66.9%	66.7%	66.7%	66.0%	
<b>SG&amp;A expenses</b>	<b>53,888</b>	<b>52,239</b>	<b>58,589</b>	<b>14,746</b>	<b>30,897</b>	<b>45,073</b>	<b>61,292</b>	<b>15,301</b>	<b>32,897</b>	<b>48,356</b>	<b>65,070</b>	<b>+6.2%</b>
(as a % of sales)	45.3%	41.9%	45.1%	44.9%	43.5%	43.9%	44.7%	46.3%	47.6%	46.6%	47.2%	
Advertising costs	9,595	9,306	9,039	2,542	5,228	7,073	8,581	2,105	5,035	7,277	9,565	+11.5%
Sales promotion costs	11,838	11,029	12,431	2,841	6,209	8,367	11,702	2,826	6,396	9,131	12,601	+7.7%
R&D spending	11,234	9,615	10,447	2,725	5,851	9,482	13,809	3,534	7,487	10,800	14,758	+6.9%
Other SG&A expenses	21,221	22,289	26,672	6,638	13,609	20,151	27,200	6,836	13,979	21,148	28,146	+3.5%
<b>Operating profits</b>	<b>29,071</b>	<b>32,532</b>	<b>28,585</b>	<b>6,682</b>	<b>15,768</b>	<b>22,340</b>	<b>28,193</b>	<b>6,800</b>	<b>13,214</b>	<b>20,827</b>	<b>25,937</b>	<b>Δ8.0%</b>
(as a % of sales)	24.4%	26.1%	22.0%	20.3%	22.2%	21.8%	20.6%	20.6%	19.1%	20.1%	18.8%	Δ8.7%
<b>Nonoperating income</b>	<b>1,422</b>	<b>1,319</b>	<b>2,918</b>	<b>840</b>	<b>2,315</b>	<b>3,915</b>	<b>5,448</b>	<b>1,074</b>	<b>2,959</b>	<b>4,860</b>	<b>7,875</b>	
Interest received	152	237	96	11	28	43	59	14	32	49	71	
Dividends received	170	241	291	22	198	312	356	27	212	339	392	
Equity-method investment profits	264	42	1,901	669	1,846	3,206	4,539	915	2,427	4,085	6,881	
Amortisation of consolidated adjustment account	24	-	-	-	-	-	-	-	-	-	-	
Other	809	799	627	135	240	352	494	117	285	385	529	
<b>Nonoperating expenses</b>	<b>288</b>	<b>1,375</b>	<b>272</b>	<b>58</b>	<b>207</b>	<b>226</b>	<b>406</b>	<b>42</b>	<b>265</b>	<b>315</b>	<b>319</b>	
Interest paid	21	19	108	36	67	92	125	24	52	72	92	
Other	266	1,356	163	22	140	134	280	17	212	242	227	
Extraordinary balance												
<b>Recurring profits</b>	<b>30,204</b>	<b>32,476</b>	<b>31,231</b>	<b>7,464</b>	<b>17,876</b>	<b>26,029</b>	<b>33,236</b>	<b>7,833</b>	<b>15,908</b>	<b>25,372</b>	<b>33,494</b>	<b>+8%</b>
(as a % of sales)	25.4%	26.1%	24.1%	22.7%	25.1%	25.4%	24.2%	23.7%	23.0%	24.4%	24.3%	
<b>Extraordinary profits</b>	<b>707</b>	<b>1,854</b>	<b>1,357</b>	<b>3,066</b>	<b>3,047</b>	<b>3,072</b>	<b>3,099</b>	<b>4,615</b>	<b>4,615</b>	<b>7,999</b>	<b>8,260</b>	
Public subsidies	-	92	310	18	18	18	19	4,611	4,611	4,611	4,611	
Reversal of allowance for doubtful receivables	5	4	24	30	4	29	34	3	3	3	20	
Other	701	1,757	1,022	3,018	3,024	3,024	3,046	-	-	3,384	3,628	
<b>Extraordinary losses</b>	<b>705</b>	<b>2,122</b>	<b>740</b>	<b>31</b>	<b>36</b>	<b>77</b>	<b>231</b>	<b>7,259</b>	<b>7,919</b>	<b>8,223</b>	<b>9,375</b>	
Losses on fixed asset disposal	121	515	73	21	26	53	83	7	107	110	189	
Losses on fixed asset reduction	-	92	294	9	9	9	9	4,611	4,611	4,611	4,611	
Impairment loss	-	-	191	-	-	-	-	-	-	-	-	
Valuation losses on investment securities	22	1,509	181	-	-	14	138	-	487	758	1,940	
Valuation losses on memberships	5	-	-	-	-	-	-	-	-	-	-	
Loss due to disaster	-	-	-	-	-	-	-	2,639	2,712	2,742	2,584	
Other	556	4	-	-	-	-	-	-	-	-	49	
<b>Net profit before tax, etc.</b>	<b>30,206</b>	<b>32,208</b>	<b>31,848</b>	<b>10,499</b>	<b>20,887</b>	<b>29,023</b>	<b>36,104</b>	<b>5,189</b>	<b>12,604</b>	<b>25,149</b>	<b>32,379</b>	<b>Δ10.3%</b>
Tax, etc.	11,543	13,087	13,423	4,413	8,884	12,353	15,148	2,430	5,516	10,480	13,940	
<b>Net profits</b>	<b>18,663</b>	<b>19,120</b>	<b>18,423</b>	<b>6,085</b>	<b>12,002</b>	<b>16,669</b>	<b>20,956</b>	<b>2,758</b>	<b>7,087</b>	<b>14,669</b>	<b>18,439</b>	<b>Δ12.0%</b>
(as a % of sales)	15.7%	15.3%	14.2%	18.5%	16.9%	16.2%	15.3%	8.3%	10.2%	14.1%	13.4%	
Capex	7,545	7,415	6,467		2,053		4,595		3,168		5,744	
(as a % of sales)	6.3%	5.9%	5.0%		2.9%		3.3%		4.6%		4.2%	
Depreciation	3,434	4,765	5,245		3,094		6,374		2,569		5,882	
(as a % of sales)	2.9%	3.8%	4.0%		4.4%		4.6%		3.7%		4.3%	
Goodwill amortization	2,057	2,114	2,379		406		779		453		1,332	
(as a % of sales)	1.7%	1.7%	1.8%		0.6%		0.6%		0.7%		1.0%	
Number of employees	1,752	1,890	2,600		2,656		2,635		2,751		2,718	

Non-consolidated financial statement

Apr 10th, 2012

<b>&lt;Balance sheet&gt;</b>	2008.2	2009.2	2010.2	2010.5	2010.8	2010.11	2011.2	2011.5	2011.8	2011.11	2012.2	As a %
(Unit: ¥mn)	Q4	Q4	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	of total
<b>Current assets</b>	<b>76,527</b>	<b>91,286</b>	<b>69,339</b>	<b>68,201</b>	<b>73,512</b>	<b>73,570</b>	<b>74,394</b>	<b>64,272</b>	<b>67,263</b>	<b>70,487</b>	<b>66,865</b>	<b>36.2%</b>
Cash & deposits	33,842	36,921	17,466	20,615	20,821	19,172	24,847	14,772	14,101	15,703	20,031	
Notes receivable	152	329	422	147	315	194	365	191	273	275	621	
Accounts receivable	30,561	38,708	39,486	34,247	38,945	35,507	34,101	34,272	36,305	36,161	31,349	
Marketable securities	2,280	4,126	0	0	0	3,000	2,500	500	500	0	2,000	
Inventory	7,762	8,367	9,860	10,265	9,051	9,912	8,902	9,839	9,527	10,177	9,617	
Deferred tax assets	1,319	2,150	1,260	1,260	1,260	1,260	2,946	2,946	2,946	2,946	2,370	
Other current assets	772	891	1,057	1,851	3,328	4,714	923	1,942	3,812	5,426	1,054	
Bad debt provision	-163	-208	-213	-185	-210	-191	-191	-191	-202	-202	-178	
<b>Fixed assets</b>	<b>64,781</b>	<b>68,760</b>	<b>111,200</b>	<b>110,759</b>	<b>111,758</b>	<b>111,747</b>	<b>112,993</b>	<b>116,735</b>	<b>116,782</b>	<b>116,233</b>	<b>117,653</b>	<b>63.8%</b>
Tangible fixed assets	34,939	35,142	35,140	34,447	34,149	33,668	33,077	31,911	31,157	30,671	30,794	
Buildings	12,620	12,070	13,523	13,186	12,895	12,729	12,450	11,935	11,553	11,274	12,062	
Machinery and equipment	8,278	8,033	9,554	8,963	8,331	7,972	7,464	7,400	6,934	6,397	6,405	
Land	10,902	10,948	10,996	10,949	10,949	10,949	10,949	10,949	10,949	10,949	10,949	
Construction in progress	3,137	4,088	1,026	1,281	1,911	1,958	2,158	1,574	1,671	2,005	1,336	
Lease assets			69	66	62	58	55	51	47	44	40	
Intangible fixed assets	5,439	4,831	2,837	2,845	2,736	2,748	2,824	7,798	8,486	8,220	7,953	
Investments, etc.	24,402	28,787	73,223	73,466	74,872	75,330	77,090	77,025	77,137	77,342	78,905	
Investment securities	13,326	12,255	14,658	14,610	15,026	15,498	17,350	16,018	15,914	16,175	19,085	
Advances to and shares in related companies	2,995	2,973	45,568	45,838	46,671	46,711	47,141	47,141	47,141	47,141	48,477	
Long-term loans	995	582	473	473	368	362	347	337	784	780	942	
Deferred tax assets	2,451	4,809	3,835	3,881	4,220	4,216	3,853	4,251	4,198	4,302	1,569	
Other investments, etc.	5,563	8,954	9,164	9,072	8,977	8,881	8,746	9,624	9,529	9,371	9,256	
Provision for losses on investments	-183	-263	-109	-37	-35	-65	-	-	-	-	-	
Bad debt provision	-745	-525	-368	-373	-357	-275	-349	-348	-430	-429	-425	
<b>Total assets</b>	<b>141,308</b>	<b>160,046</b>	<b>180,540</b>	<b>178,961</b>	<b>185,270</b>	<b>185,317</b>	<b>187,388</b>	<b>181,007</b>	<b>184,044</b>	<b>186,721</b>	<b>184,518</b>	
<b>Current liabilities</b>	<b>24,445</b>	<b>31,346</b>	<b>34,444</b>	<b>29,793</b>	<b>33,416</b>	<b>31,688</b>	<b>31,229</b>	<b>29,512</b>	<b>30,685</b>	<b>29,354</b>	<b>22,866</b>	<b>12.4%</b>
Notes payable and Accounts payable short-term debt	7,895	11,006	11,071	8,523	8,875	8,985	8,190	8,555	9,377	9,251	8,485	
Accrued and unpaid expenses	8,013	10,215	8,144	7,910	7,390	7,239	7,387	7,397	6,733	7,715	6,836	
Unpaid tax, etc.	6,831	8,693	4,542	3,851	7,757	5,122	9,383	1,888	4,706	1,784	3,642	
Bonus reserves	783	811	847	210	921	227	880	222	942	232	892	
Reserve for returned goods unsold	157	213	237	183	196	183	176	204	228	235	198	
Provision for losses on debt guarantees	196	210	-	-	-	-	-	-	-	-	-	
Other current liabilities	567	194	99	1,813	3,274	4,829	110	3,143	3,596	5,035	258	
<b>Fixed liabilities</b>	<b>7,176</b>	<b>7,738</b>	<b>15,458</b>	<b>15,511</b>	<b>13,031</b>	<b>13,199</b>	<b>10,675</b>	<b>10,632</b>	<b>8,106</b>	<b>8,173</b>	<b>7,881</b>	<b>4.3%</b>
Long-term borrowing	-	-	7,500	7,500	5,000	5,100	2,550	2,550	-	-	-	
Provision for pension and remuneration obligations	4,995	5,551	5,717	5,778	5,816	5,887	5,918	5,878	5,905	5,975	5,958	
Deferred tax liabilities related to revaluation	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	1,894	
Other fixed liabilities	17	22	76	68	50	46	43	39	36	32	29	
<b>Total liabilities</b>	<b>31,622</b>	<b>39,084</b>	<b>49,902</b>	<b>45,305</b>	<b>46,448</b>	<b>44,888</b>	<b>41,905</b>	<b>40,145</b>	<b>38,791</b>	<b>37,527</b>	<b>30,748</b>	<b>16.7%</b>
<b>Owners' Equity</b>	<b>106,214</b>	<b>119,942</b>	<b>128,259</b>	<b>131,345</b>	<b>137,011</b>	<b>138,612</b>	<b>142,889</b>	<b>139,321</b>	<b>143,619</b>	<b>147,908</b>	<b>150,299</b>	<b>81.5%</b>
<b>Common stock</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	
Capital surplus	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	
Capital reserves	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	
Other capital surplus	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	
Retained earnings	101,979	115,774	130,040	133,126	138,792	140,395	144,673	144,421	148,720	153,009	155,400	
Voluntary reserve	82,000	94,000	104,000	120,000	120,000	120,000	120,000	135,000	135,000	135,000	135,000	
Unappropriated profit for the year (net profit)	19,979	21,774	26,040	13,126	18,792	20,395	24,673	9,421	13,720	18,009	20,400	
Treasury stock	-12,480	-12,547	-18,496	-18,496	-18,497	-18,498	-18,499	-21,816	-21,817	-21,817	-21,817	
Net unrealized gain and translation adjustments	3,472	1,019	2,377	2,310	1,810	1,816	2,593	1,541	1,633	1,286	3,471	<b>1.9%</b>
Marketable securities revaluation account	283	-2,169	-810	-878	-1,378	-1,372	-595	-1,647	-1,555	-1,903	11	
Revaluation account	3,188	3,188	3,188	3,189	3,189	3,189	3,189	3,189	3,189	3,189	3,459	
<b>Total Net assets</b>	<b>109,686</b>	<b>120,962</b>	<b>130,637</b>	<b>133,656</b>	<b>138,822</b>	<b>140,429</b>	<b>145,482</b>	<b>140,862</b>	<b>145,253</b>	<b>149,194</b>	<b>153,770</b>	<b>83.3%</b>
<b>Liabilities and Net assets</b>	<b>141,308</b>	<b>160,046</b>	<b>180,540</b>	<b>178,961</b>	<b>185,270</b>	<b>185,317</b>	<b>187,388</b>	<b>181,007</b>	<b>184,044</b>	<b>186,721</b>	<b>184,518</b>	

Non-consolidated financial statement

Apr 10th, 2012

<u>&lt;Income statement&gt;</u> (Unit: ¥mn)	2008.2 Q4	2009.2 Q4	2010.2 Q4	2010.5 Q1	2010.8 Q2	2010.11 Q3	2011.2 Q4	2011.5 Q1	2011.8 Q2	2011.11 Q3	2012.2 Q4	YoY
<b>Sales</b>	<b>112,635</b>	<b>118,142</b>	<b>120,813</b>	<b>28,667</b>	<b>62,619</b>	<b>90,814</b>	<b>120,537</b>	<b>28,303</b>	<b>60,034</b>	<b>90,221</b>	<b>119,326</b>	<b>Δ1.0%</b>
Prescription drugs	87,417	92,775	95,740	23,926	50,021	73,449	96,544	23,088	47,686	72,832	95,036	Δ1.6%
OTC products	21,946	21,668	20,625	4,052	10,528	14,215	19,020	4,408	10,083	13,745	18,424	Δ3.1%
International business	3,270	3,698	4,447	687	2,070	3,149	4,973	806	2,264	3,642	5,865	+17.9%
CoGS	33,128	36,906	37,540	9,080	20,022	28,943	38,766	8,544	18,285	27,426	37,009	Δ4.5%
(as a % of sales)	29.4%	31.2%	31.1%	31.7%	32.0%	31.9%	32.2%	30.2%	30.5%	30.4%	31.0%	-3.7%
<b>Gross profits</b>	<b>79,507</b>	<b>81,236</b>	<b>83,273</b>	<b>19,586</b>	<b>42,597</b>	<b>61,871</b>	<b>50,982</b>	<b>19,758</b>	<b>41,749</b>	<b>62,794</b>	<b>82,316</b>	<b>+61.5%</b>
(as a % of sales)	70.6%	68.8%	68.9%	68.3%	68.0%	68.1%	67.8%	69.8%	69.5%	69.6%	69.0%	
<b>SG&amp;A expenses</b>	<b>51,240</b>	<b>49,342</b>	<b>51,790</b>	<b>12,593</b>	<b>26,271</b>	<b>37,940</b>	<b>50,982</b>	<b>12,573</b>	<b>26,997</b>	<b>39,335</b>	<b>52,335</b>	<b>+2.7%</b>
(as a % of sales)	45.5%	41.8%	42.9%	43.9%	42.0%	41.8%	42.3%	44.4%	45.0%	43.6%	43.9%	
Sales costs	23,425	22,344	23,477	5,997	12,456	16,747	21,665	5,332	12,208	17,630	23,046	+6.4%
Advertising costs	9,131	8,613	8,481	2,500	4,959	6,577	7,876	2,064	4,923	7,105	8,728	+10.8%
(as a % of sales)	8.1%	7.3%	7.0%	8.7%	7.9%	7.2%	6.5%	7.3%	8.2%	7.9%	7.3%	
R&D spending	11,253	9,609	8,637	2,145	4,829	7,903	11,517	2,805	5,857	8,065	10,628	Δ7.7%
(as a % of sales)	10.0%	8.1%	7.1%	7.5%	7.7%	8.7%	9.6%	9.9%	9.8%	8.9%	8.9%	
Administration costs	16,562	17,389	19,676	4,451	8,986	13,290	17,800	4,436	8,932	13,640	18,661	+4.8%
<b>Operating profits</b>	<b>28,265</b>	<b>31,893</b>	<b>31,482</b>	<b>6,992</b>	<b>16,325</b>	<b>23,930</b>	<b>30,788</b>	<b>7,185</b>	<b>14,751</b>	<b>23,458</b>	<b>29,980</b>	<b>Δ2.6%</b>
(as a % of sales)	25.1%	27.0%	26.1%	24.4%	24.4%	26.4%	25.5%	25.4%	24.6%	26.0%	25.1%	
Nonoperating balance	644	284	674	135	372	522	646	119	277	456	647	
Nonoperating income	942	1,438	880	179	515	724	861	156	516	719	854	
Nonoperating expenses	298	1,154	205	44	143	154	215	37	238	262	206	
<b>Recurring profits</b>	<b>28,909</b>	<b>32,177</b>	<b>32,156</b>	<b>7,127</b>	<b>16,697</b>	<b>24,500</b>	<b>31,435</b>	<b>7,304</b>	<b>15,029</b>	<b>23,915</b>	<b>30,628</b>	<b>Δ2.6%</b>
(as a % of sales)	25.7%	27.2%	26.6%	24.9%	26.7%	27.0%	26.1%	25.8%	25.0%	26.5%	25.7%	
Extraordinary balance	87	-112	1,132	3,109	3,102	3,150	3,047	-2,637	-3,282	-198	-940	
Extraordinary profits	852	1,977	1,728	3,111	3,106	3,175	3,202	5	13	3,399	3,662	
Extraordinary losses	765	2,089	595	2	4	25	154	2,643	3,296	3,597	4,602	
<b>Pretax profits</b>	<b>28,997</b>	<b>32,065</b>	<b>33,289</b>	<b>10,237</b>	<b>19,799</b>	<b>27,650</b>	<b>34,483</b>	<b>4,666</b>	<b>11,746</b>	<b>23,717</b>	<b>29,688</b>	<b>Δ13.9%</b>
Tax, etc.	11,231	14,337	12,306	4,201	8,098	11,312	15,488	1,883	4,665	9,347	11,189	
Tax adjustment	278	-1,524	942	-	-	-	-1,620	-	-	-	-1,737	
Effective tax rate	39.7%	40.0%	39.8%	41.1%	40.9%	40.9%	40.2%	40.4%	39.7%	39.4%	43.5%	
<b>Net profits</b>	<b>17,487</b>	<b>19,251</b>	<b>20,041</b>	<b>6,034</b>	<b>11,701</b>	<b>16,338</b>	<b>20,615</b>	<b>2,783</b>	<b>7,081</b>	<b>14,370</b>	<b>16,761</b>	<b>Δ18.7%</b>
(as a % of sales)	15.5%	16.3%	16.6%	21.0%	18.7%	18.0%	17.1%	9.8%	11.8%	15.9%	14.0%	
Capex	7,117	6,739	5,816		1,314		2,850		648		2,431	
(as a % of sales)	6.3%	5.7%	4.8%		2.1%		2.4%		1.1%		2.0%	
Depreciation	2,999	4,336	4,442		2,218		4,600		1,629		3,945	
(as a % of sales)	2.7%	3.7%	3.7%		3.5%		3.8%		2.7%		3.3%	
Goodwill amortization	2,057	2,102	2,102		0		0		88		621	
(as a % of sales)	1.8%	1.8%	1.7%		0.0%		0.0%		0.1%		0.5%	
Number of employees	1,216	1,285	1,389		1,462		1,435		1,481		1,428	
<b>Major products</b>												
<b>Mohrus tape</b>	<b>65,280</b>	<b>71,897</b>	<b>75,765</b>	<b>19,030</b>	<b>39,488</b>	<b>58,119</b>	<b>76,565</b>	<b>18,437</b>	<b>37,668</b>	<b>57,705</b>	<b>75,369</b>	<b>Δ1.6%</b>
<b>Mohrus</b>	<b>12,976</b>	<b>11,996</b>	<b>11,125</b>	<b>2,604</b>	<b>5,415</b>	<b>7,725</b>	<b>9,859</b>	<b>1,969</b>	<b>4,340</b>	<b>6,543</b>	<b>8,240</b>	<b>Δ18.4%</b>
Naboal	2,073	2,004	2,151	556	1,171	1,654	2,189	477	1,034	1,545	2,046	Δ6.5%
Fentos tape					401	777	1,283	624	1,368	2,280	3,272	+155.0%
Norspan tape									44	152	320	-
Estrana tape	496	751	981	260	546	811	1,071	272	562	867	1,133	+5.8%
<b>Salonpas</b>	<b>6,901</b>	<b>6,732</b>	<b>6,776</b>	<b>988</b>	<b>3,066</b>	<b>4,579</b>	<b>6,439</b>	<b>1,045</b>	<b>3,118</b>	<b>4,634</b>	<b>6,658</b>	<b>+3.4%</b>
Feitas	4,042	4,375	4,002	781	2,039	2,907	3,664	935	2,073	2,754	3,548	Δ3.2%
Salonsip	4,188	3,927	3,711	667	1,918	2,590	3,459	683	1,816	2,692	3,688	+6.6%
Butenalock	2,557	2,534	2,165	655	1,139	1,144	2,085	778	1,053	1,029	1,779	Δ14.7%
Air-Salonpas	1,762	2,026	1,662	423	1,231	1,548	1,778	410	1,218	1,539	1,804	+1.5%
Vivelle-Dot			1,199	1,129	2,175	3,126	4,080	852	1,891	2,857	3,780	Δ7.4%
Noven Therapeutics			732	653	1,227	1,805	2,402	575	976	1,563	1,926	Δ19.8%
Daytrana			431	237	503	439	1,839	1,425	2,486	3,337	4,625	+151.5%

(¥mn)	Feb 2012A	Feb 2013E	YoY	Cons- parent ratio
<b>&lt;Consolidated&gt;</b>	<b>full year</b>	<b>full year</b>		
<b>Sales</b>	<b>137,794</b>	<b>142,500</b>	<b>+3.4%</b>	<b>1.16</b>
CoGS	46,785	51,000		
(CoGS ratio %)	34.0%	35.8%		
<b>Gross profits</b>	<b>91,008</b>	<b>91,500</b>	<b>+0.5%</b>	
(as a % of sales)	66.0%	64.2%		
SG&A costs	65,070	68,200	+4.8%	
of which, advertising costs	9,565	10,300	+7.7%	
of which, R&D spending	14,758	13,700	<b>Δ7.2%</b>	
<b>Operating profits</b>	<b>25,937</b>	<b>23,300</b>	<b>Δ10.2%</b>	<b>0.83</b>
(as a % of sales)	18.8%	16.4%		
Nonoperating balance	7,556	6,900		
<b>Recurring profits</b>	<b>33,494</b>	<b>30,200</b>	<b>Δ9.8%</b>	<b>1.04</b>
(as a % of sales)	24.3%	21.2%		
Extraordinary balance	<b>-1,114</b>	100		
Pretax profits	32,379	30,300	<b>Δ6.4%</b>	
Provision for tax	13,940	12,200		
(effective tax rate)	43.1%	40.3%		
<b>Net profits</b>	<b>18,439</b>	<b>18,100</b>	<b>Δ1.8%</b>	<b>1.01</b>
(as a % of sales)	13.4%	12.7%		
Capex	5,744	7,400		
Depreciation	5,881	6,550		
Amortization of stocks of subsidiaries and affiliates	1,053	1,650		
goodwill amortization	1,332	1,800		

**By product****<Rx. Products>**

Mohrus tape	75,369	75,400	+0.0%
Mohrus	8,240	8,000	<b>-2.9%</b>
Nabopal tape/gel/Pap/Cap	2,046	1,850	<b>-9.6%</b>
Fentos tape	3,272	3,800	+16.1%
Norspan tape	320	1,300	-
Estrana	1,133	1,150	+1.5%
Inside Pap	5,809	5,800	<b>-0.2%</b>

**<OTC products>**

Salonpas	6,658	6,700	+0.6%
Feitas	3,548	3,600	+1.5%
Salonsip	3,688	4,000	+8.5%
Butenalock	1,779	2,600	+46.1%
Air-Salonpas	1,804	2,000	+10.9%

**<Noven products>**

Vivelle-Dot	3,780	4,250	+12.4%
Noven Therapeutics	1,926	1,650	<b>-14.3%</b>
Daytrana	4,625	1,600	<b>-65.4%</b>

	Feb 2012A	Feb 2013E	YoY
<b>&lt;Non-Consolidated&gt;</b>	<b>full year</b>	<b>full year</b>	
<b>Sales</b>	<b>119,326</b>	<b>122,600</b>	<b>+2.7%</b>
Prescription drugs	95,036	95,500	+0.5%
OTC products	18,424	20,200	+9.6%
International business	5,865	6,900	+17.6%
CoGS	37,009	40,700	+10.0%
(CoGS ratio %)	31.0%	33.2%	
Gross profits	82,316	81,900	<b>Δ.5%</b>
(as a % of sales)	69.0%	66.8%	
SG&A costs	52,335	53,700	+2.6%
Sales costs	23,046	23,800	+3.3%
(advertising costs)	8,728	9,300	+6.6%
R&D spending	10,628	10,000	<b>Δ5.9%</b>
Other	18,661	19,900	+6.6%
<b>Operating profits</b>	<b>29,980</b>	<b>28,200</b>	<b>Δ5.9%</b>
(as a % of sales)	25.1%	23.0%	
Nonoperating balance	647	900	
<b>Recurring profits</b>	<b>30,628</b>	<b>29,100</b>	<b>Δ5.0%</b>
(as a % of sales)	25.7%	23.7%	
Extraordinary balance	<b>-940</b>	<b>-100</b>	
Pretax profits	29,688	29,000	<b>Δ2.3%</b>
Provision for tax	12,926	11,100	
(effective tax rate)	43.5%	38.3%	
<b>Net profits</b>	<b>16,761</b>	<b>17,900</b>	<b>+6.8%</b>
(as a % of sales)	14.0%	14.6%	

Capex	2,431	5,600
Depreciation	3,945	4,200
goodwill amortization	621	1,000