

Outline of Consolidated Financial Results for the 3rd Quarter Ended December 31, 2012

NIPPON SHINYAKU CO., LTD.



Operating Results

(Million yen)

	3QFY2011		3QFY2012		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Net sales	50,423	100.0%	51,514	100.0%	1,090	2.2%
Operating income	5,200	10.3%	5,361	10.4%	161	3.1%
Ordinary income	5,336	10.6%	5,698	11.1%	361	6.8%
Net income	3,081	6.1%	3,557	6.9%	476	15.5%



Segmental Review

— Pharmaceuticals —

(Million yen)

	3QFY2011		3QFY2012		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Ethical drugs	40,596	97.9%	41,945	98.3%	1,348	3.3%
Revenues from the licensing of industrial property rights	92	0.2%	94	0.2%	2	2.5%
Prulifloxacin	642	1.6%	507	1.2%	Δ 135	Δ21.1%
Contract manufacturing business	141	0.3%	121	0.3%	Δ 19	Δ13.9%
Net sales	41,473	100.0%	42,668	100.0%	1,195	2.9%

Increase in sales:

- **Vidaza (+2,012million yen, +61.7%)**
(Remedy for myelodysplastic syndromes)
- **Lunabell (+903million yen, +31.8%)**
(Remedy for dysmenorrhea)
- **Adcirca (+610million yen, +74.9%)**
(Pulmonary arterial hypertension treatment agent)

etc.

Decrease in sales:

- **Hypen (Δ805million yen, Δ23.4%)**
(Non-steroidal analgesic and anti-inflammatory agent)
- **Eviprostat (Δ606million yen, Δ13.2%)**
(Remedy for benign prostatic hyperplasia)

etc.



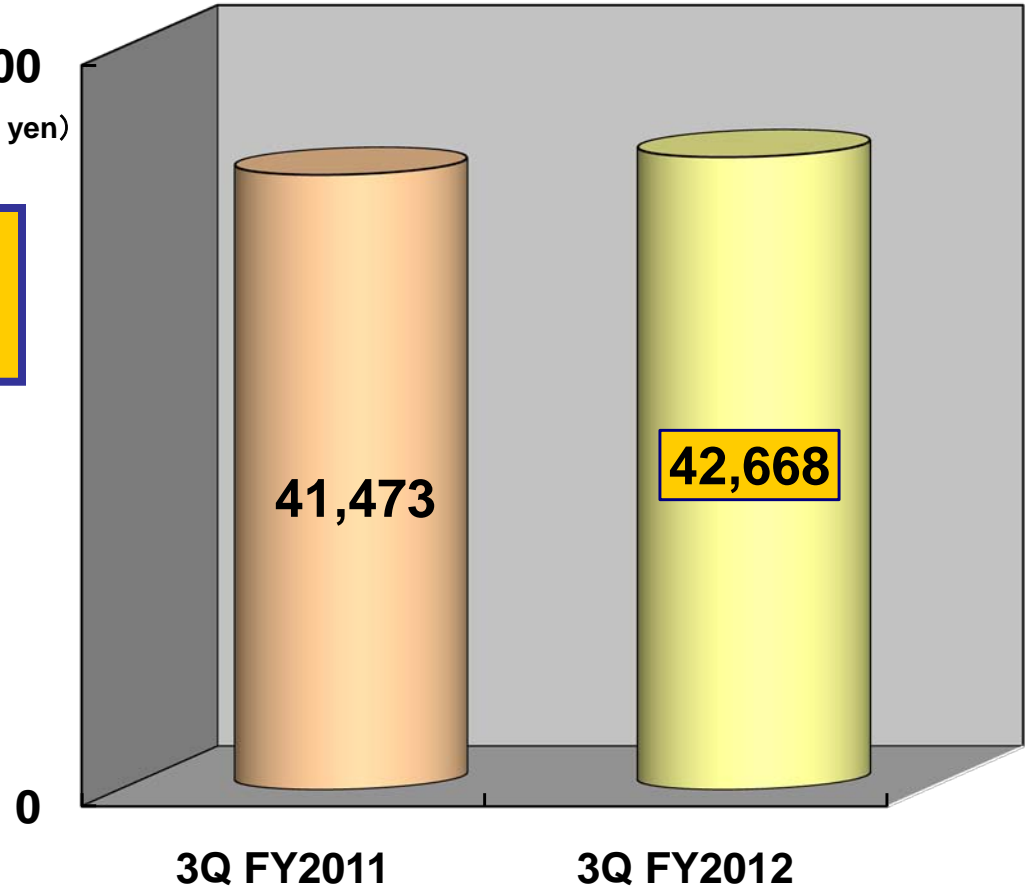
Segmental Review

— Pharmaceuticals —

Net sales 42,668 million yen

**Year-on-Year change
+1,195 million yen (+2.9%)**

50,000
(Million yen)





Segmental Review

— Functional Food —

(Million yen)

	3QFY2011		3QFY2012		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Health food ingredients	660	7.4%	592	6.7%	Δ 67	Δ10.3%
Preservatives	1,216	13.6%	1,305	14.8%	88	7.3%
Protein preparations	4,555	50.9%	4,500	50.9%	Δ 54	Δ1.2%
Nutritional ingredients	1,317	14.7%	1,335	15.1%	17	1.3%
Others	1,202	13.4%	1,113	12.5%	Δ 89	Δ7.4%
Net sales	8,950	100.0%	8,845	100.0%	Δ 105	Δ1.2%



Segmental Review

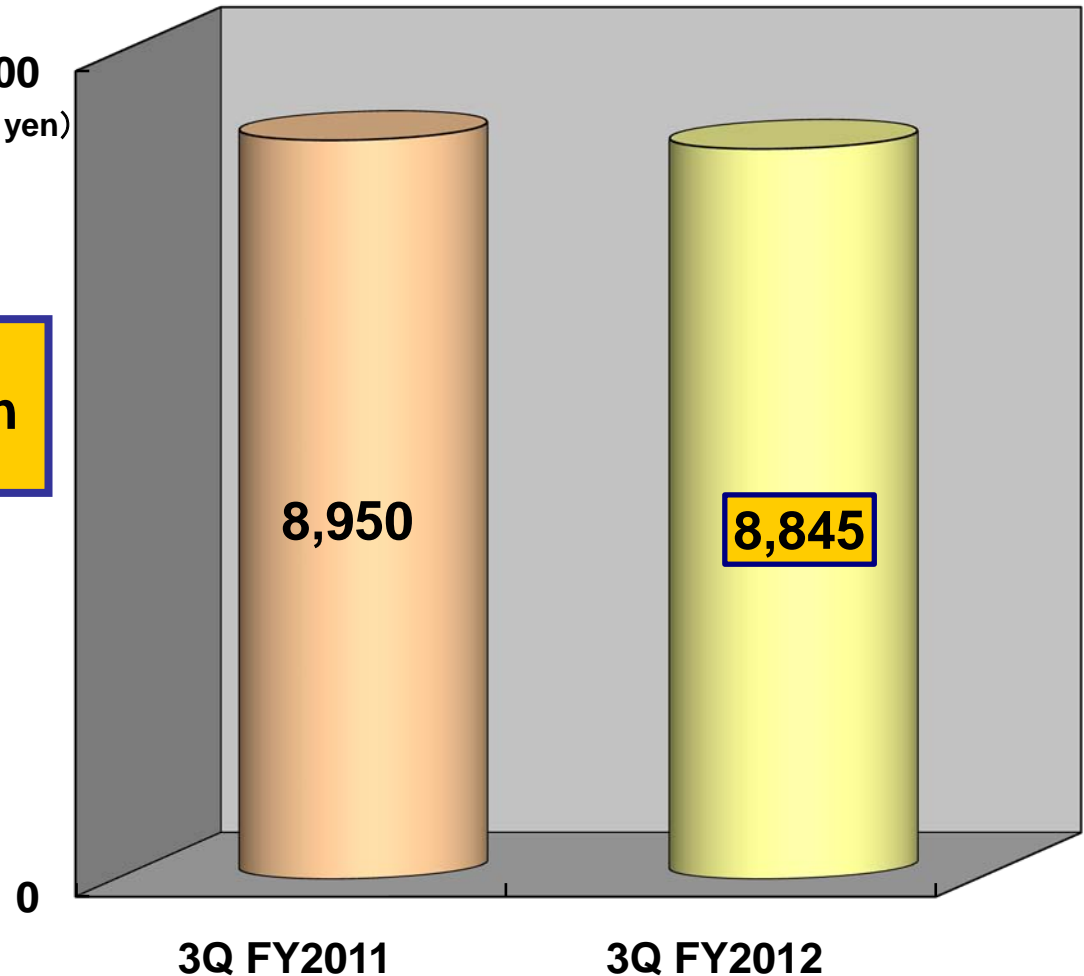
— Functional Food —

Net sales 8,845 million yen

Year-on-Year change

△105 million yen (△1.2%)

10,000
(Million yen)

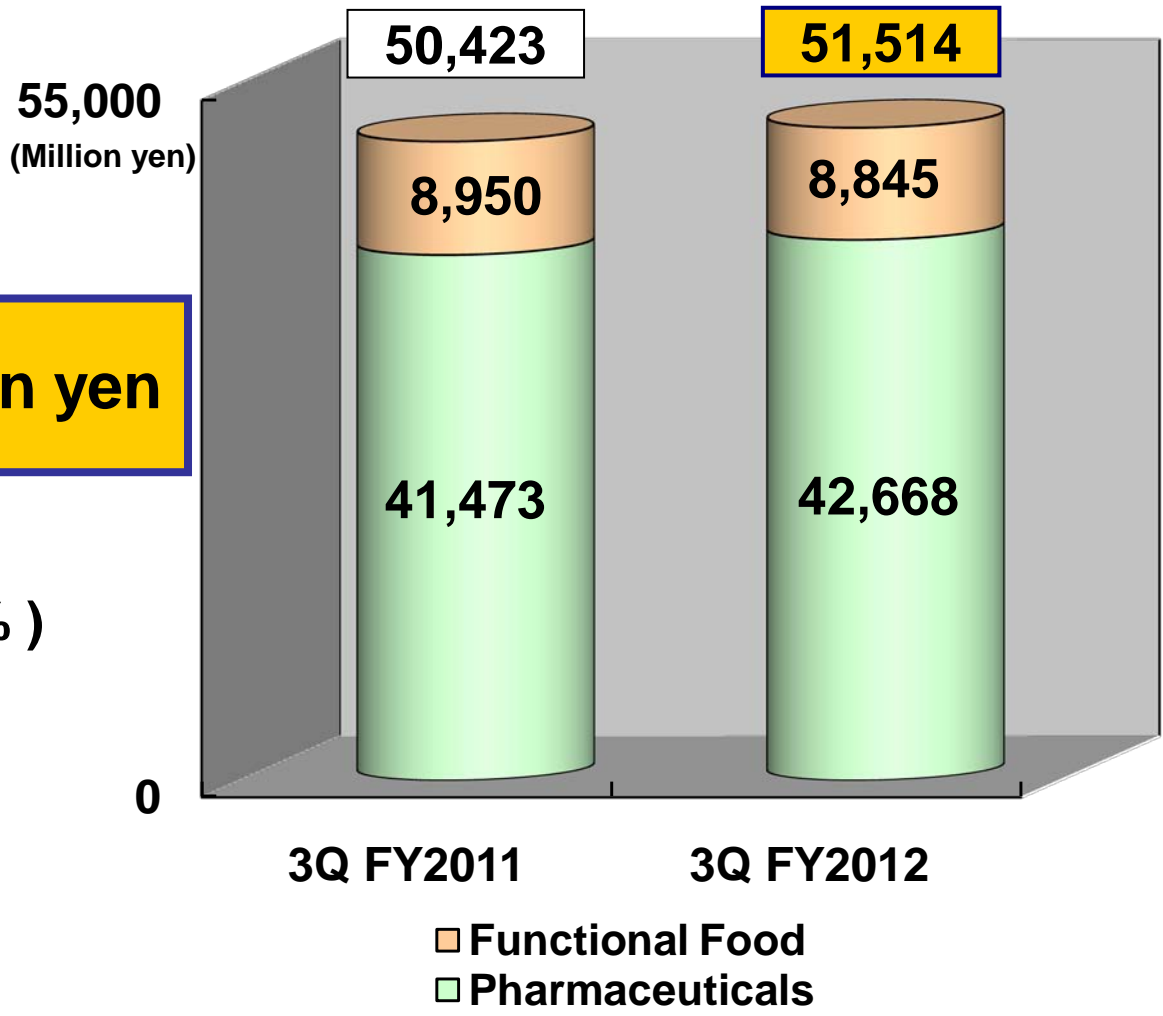




Net Sales

Net sales 51,514 million yen

**Year-on-Year change
+1,090 million yen (+2.2%)**





Consolidated Statements of Income for the Quarter ①

(Million yen)

	3QFY2011		3QFY2012		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Revenue						
Net sales	50,423	100.0%	51,514	100.0%	1,090	2.2%
Pharmaceuticals	41,473	82.2%	42,668	82.8%	1,195	2.9%
Functinal Food	8,950	17.8%	8,845	17.2%	△ 105	△ 1.2%
Operating expenses	45,223	89.7%	46,152	89.6%	928	2.1%
Cost of sales	24,152	47.9%	25,471	49.4%	1,318	
SG&A expenses	14,215	28.2%	14,270	27.8%	54	
R&D expenses	6,855	13.6%	6,411	12.4%	△ 444	
Operating income	5,200	10.3%	5,361	10.4%	161	3.1%



Consolidated Statements of Income for the Quarter ②

(Million yen)

	3QFY2011		3QFY2012		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Operating income	5,200	10.3%	5,361	10.4%	161	3.1%
Non-operating income	624	1.2%	714	1.4%	90	14.4%
Non-operating expenses	488	1.0%	378	0.7%	Δ 110	Δ22.5%
Ordinary income	5,336	10.6%	5,698	11.1%	361	6.8%
Income taxes, etc	2,239	4.5%	2,127	4.2%	Δ 111	Δ5.0%
Net income	3,081	6.1%	3,557	6.9%	476	15.5%



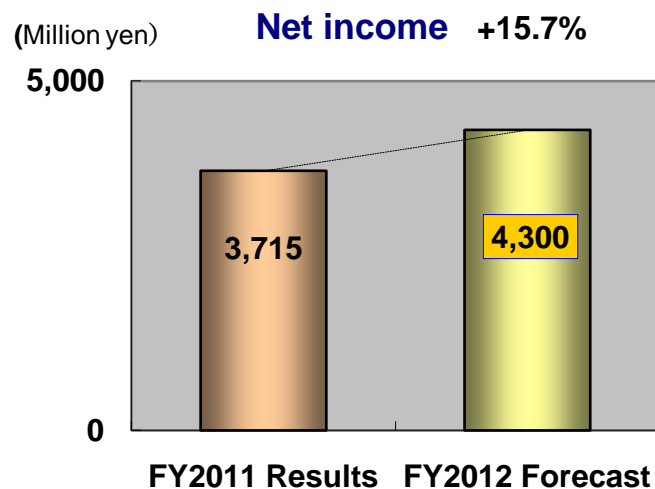
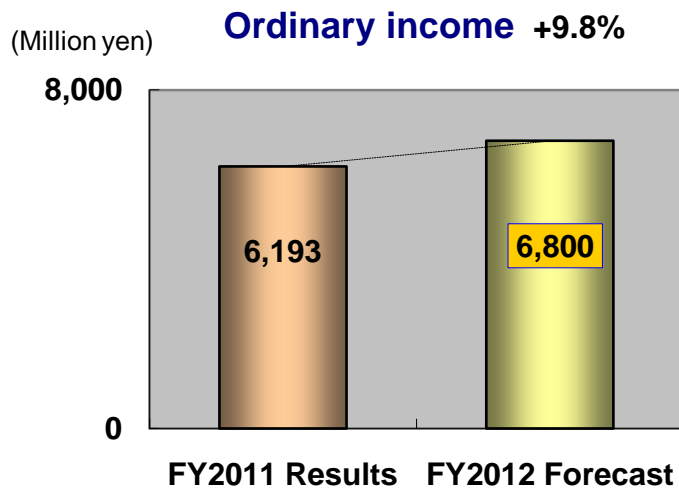
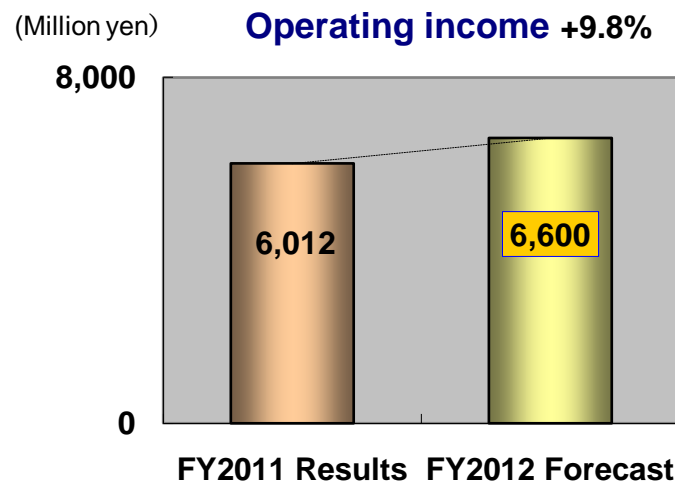
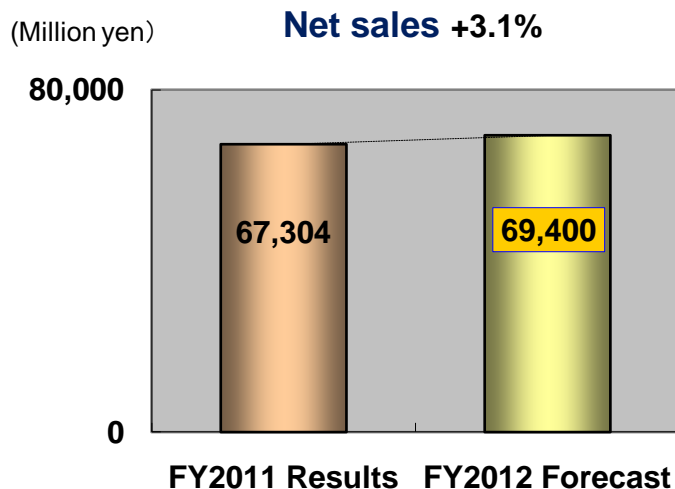
Consolidated Balance Sheet for the Quarter

(Million yen)

	FY2011	FY2012	YoY Change		FY2011	FY2012	YoY Change
	4Q	3Q	Amt		4Q	3Q	Amt
Assets	106,304	107,687	1,383	Liabilities	21,738	21,032	△ 705
(Current assets)	66,333	68,191	1,858	(Current liabilities)	13,961	13,231	△ 729
(Fixed assets)	39,971	39,496	△ 475	(Long-term liabilities)	7,776	7,801	24
				Net assets	84,566	86,655	2,088
Total Assets	106,304	107,687	1,383	Total liabilities and net assets	106,304	107,687	1,383



Business Forecast for the Year Ending March 31, 2013



Status of Development Pipeline



R&D Compounds (Domestic)

Code No. (Generic name) <Origin>	Application type	Indications	Stage	2010	2011	2012	2013
NS-11 (acamprosatecalcium) <in-licence>	NME	support maintenance of abstinence from alcohol in patients with alcohol dependence	Pre-registration	P III	→	NDA Filing	Approval Planned ●
NS-315 (tramadol hydrochloride) <in-licence>	new indication	chronic non-cancer pain	Pre-registration	P III	→	NDA Filing	Approval Planned ●
LY450190 (tadalafil) <in-licence>	new indication	urinary disorder caused by benign prostatic hyperplasia	P III	Eli Lilly Japan k.k. P III	→		
NS-24 (tramadol hydrochloride) <in-licence>	new formulation	cancer pain chronic non-cancer pain	P III	P I	→	P III	→
ACT-064992 (macitentan) <in-licence>	NME	pulmonary arterial hypertension	P III			P III	→
GA101 (obinutuzumab) <in-licence>	NME	indolent non-Hodgkin's lymphoma aggressive non-Hodgkin's lymphoma	P III		P III	→	→



R&D Compounds (Domestic)

Code No. (Generic name) <Origin>	Application type	Indications	Stage	2010	2011	2012	2013
NS-304 (selexipag) <in-house>	NME	pulmonary arterial hypertension	P II	P II			
		chronic thromboembolic pulmonary hypertension	P II	P II			P III Planned
NS-141 <in-house>	NME	pruritus associated with atopic dermatitis	P II	P II			



R&D Compounds(Overseas)

Code No. (Generic name) <Origin>	Application type	Indications	Stage	2010	2011	2012	2013
prulifloxacin <in-house>	NME	bacterial infections	Korea Approval	Yuhan			
			China Preparation for P III	Lee's Pharma		P III Planned	
NS-304 (selexipag) <in-house>	NME	pulmonary arterial hypertension	US/EU P III	Actelion社 P III			
NS-187 (bafetinib) <in-house>	NME	B-cell chronic lymphocytic leukemia	US P II	CytRx社 P II			
		chronic myelogenous leukemia	US/EU Preparation P II				
NS-018 <in-house>	NME	myelofibrosis	US P I / P II				



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