

Outline of Consolidated Financial Results for the 3rd Quarter Ended December 31, 2015

February 8, 2016
NIPPON SHINYAKU CO., LTD.



Operating Results

(Million yen)

	3QFY2014		3QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Net sales	58,690	100.0%	63,463	100.0%	4,773	8.1%
Operating income	5,997	10.2%	6,907	10.9%	910	15.2%
Ordinary income	6,444	11.0%	7,267	11.5%	822	12.8%
Net income attributable to owners of the parent	4,340	7.4%	5,017	7.9%	676	15.6%



Segmental Review

— Pharmaceuticals —

(Million yen)

	3QFY2014		3QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Ethical drugs	45,083	93.8%	49,305	93.3%	4,222	9.4%
Revenues from the licensing of industrial property rights	2,501	5.2%	2,576	4.9%	74	3.0%
Others	474	1.0%	992	1.8%	517	109.1%
Net sales	48,059	100.0%	52,874	100.0%	4,815	10.0%

Others : API , Contract manufacturing business and Promotion fee

Increase in sales:

- **Zalutia (+2,832million yen ,+245.7%)**
(urinary disorder caused by benign prostatic hyperplasia)
- **Vidaza (+1,451 million yen, +18.5%)**
(myelodysplastic syndromes)
- **Tramal, Onetram (+1,263million yen, +63.8%)**
(cancer pain, chronic pain)
- **Lunabell (+641million yen, +13.3%)**
(Remedy for dysmenorrhea)

etc

Decrease in sales:

- **Eviprostat (-871 million yen, -20.9%)**
(Remedy for benign prostatic hyperplasia)
- **GaslonN (-422 million yen, -15.2%)**
(gastric ulcer, gastritis)

etc



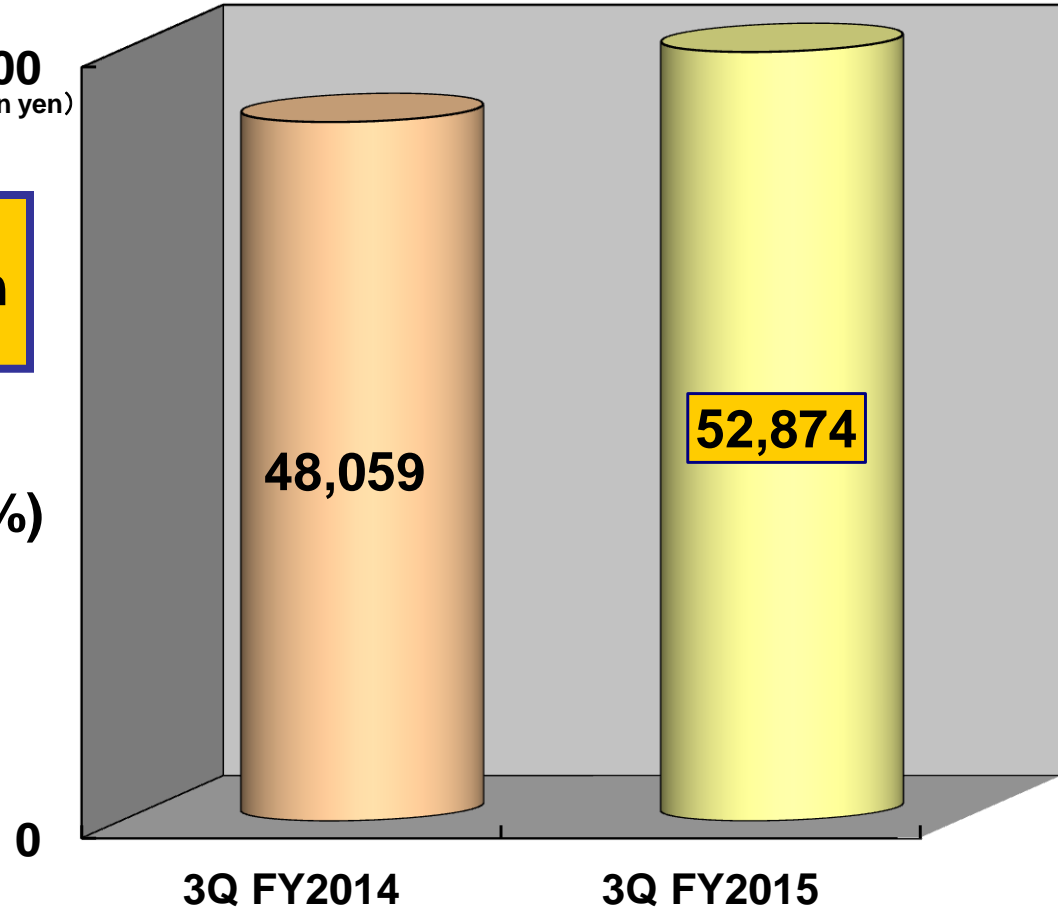
Segmental Review

— Pharmaceuticals —

Net sales 52,874 million yen

Year-on-Year change
+ 4,815 million yen (+10.0%)

53,000
(Million yen)





Segmental Review

— Functional Food —

(Million yen)

	3QFY2014		3QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Health food ingredients	539	5.1%	593	5.6%	54	10.1%
Preservatives	1,464	13.8%	1,464	13.8%	-0	-0.1%
Protein preparations	5,771	54.3%	5,730	54.1%	-41	-0.7%
Nutritional ingredients	1,731	16.3%	1,731	16.3%	-0	-0.0%
Others	1,123	10.5%	1,069	10.2%	-54	-4.8%
Net sales	10,630	100.0%	10,588	100.0%	-42	-0.4%



Segmental Review

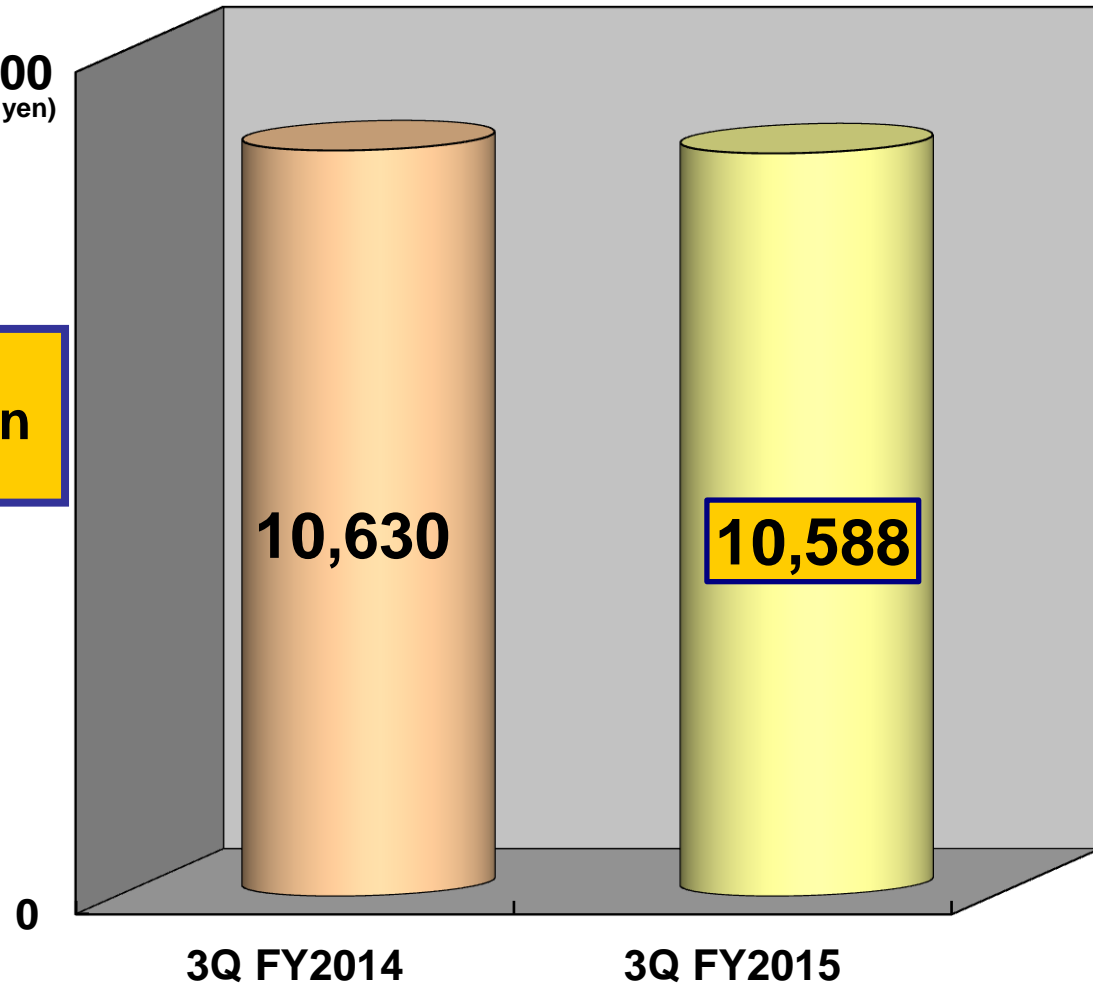
— Functional Food —

12,000
(Million yen)

Net sales 10,588 million yen

Year-on-Year change

-42 million yen (-0.4%)





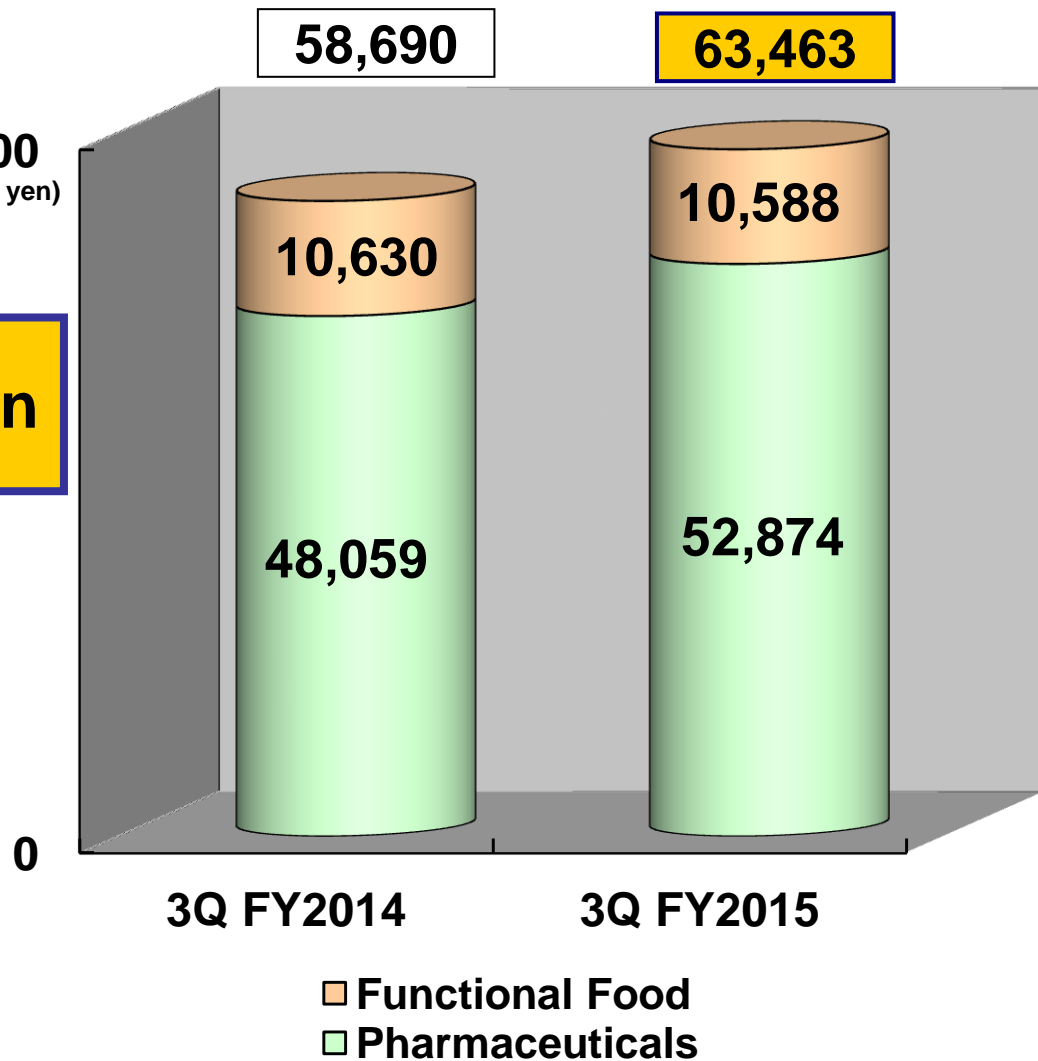
Net Sales

Net sales 63,463 million yen

Year-on-Year change

+4,773 million yen (+8.1%)

65,000
(Million yen)





Consolidated Statements of Income

(Million yen)

	3QFY2014		3QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Revenue						
Net sales	58,690	100.0%	63,463	100.0%	4,773	8.1%
Pharmaceuticals	48,059	81.9%	52,874	83.3%	4,815	10.0%
Functional Food	10,630	18.1%	10,588	16.7%	-42	-0.4%
Operating expenses	52,693	89.8%	56,555	89.1%	3,862	7.3%
Cost of sales	30,020	51.1%	32,986	52.0%	2,966	
SG&A expenses	15,948	27.2%	16,418	25.8%	469	
R&D expenses	6,724	11.5%	7,150	11.3%	425	
Operating income	5,997	10.2%	6,907	10.9%	910	15.2%



Consolidated Statements of Income for the Quarter

(Million yen)

	3QFY2014		3QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Operating income	5,997	10.2%	6,907	10.9%	910	15.2%
Non-operating income	831	1.4%	757	1.2%	-74	-8.9%
Non-operating expenses	383	0.6%	397	0.6%	13	3.6%
Ordinary income	6,444	11.0%	7,267	11.5%	822	12.8%
Income taxes, etc	2,103	3.6%	2,250	3.6%	146	7.0%
Net income attributable to owners of the parent	4,340	7.4%	5,017	7.9%	676	15.6%



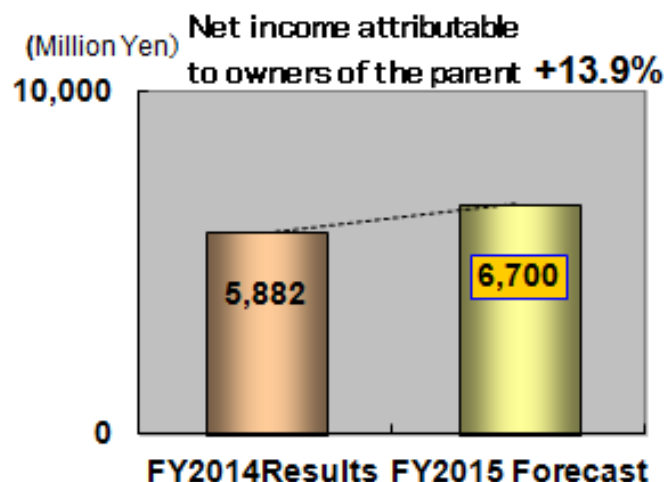
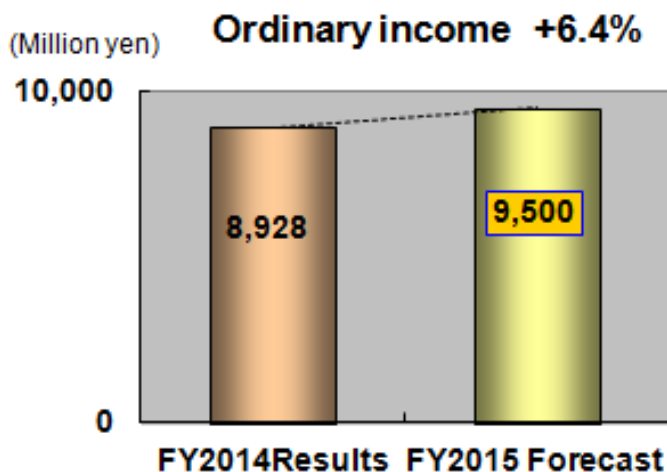
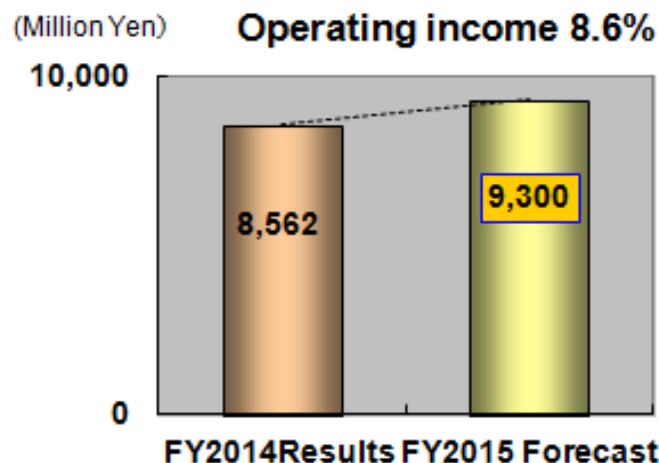
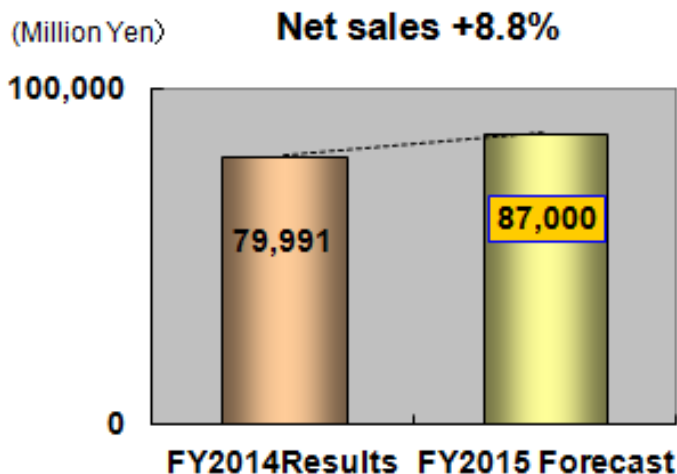
Consolidated Balance Sheet for the Quarter

(Million yen)

	FY2014	FY2015	YoY Change		FY2014	FY2015	YoY Change
	4Q Results	3Q Results	Amt		4Q Results	3Q Results	Amt
Assets	129,757	132,813	3,055	Liabilities	28,550	26,492	-2,057
(Current assets)	80,422	80,127	-295	(Current liabilities)	17,770	15,655	-2,115
(Fixed assets)	49,334	52,686	3,351	(Long-term liabilities)	10,779	10,836	57
				Net assets	101,207	106,321	5,113
Total Assets	129,757	132,813	3,055	Total liabilities and net assets	129,757	132,813	3,055



Business Forecast for the Year Ending March 31, 2016



Status of Development Pipeline



R&D Pipeline(Domestic)

Code No. (Generic name) <Origin>	Application type	Indications	Stage	FY2013	FY2014	FY2015	FY2016
NS-304 (selexipag) <in-house>	NME	pulmonary arterial hypertension	NDA Filing	→			NDA Filing
		chronic thromboembolic pulmonary hypertension	P II	→			
		arteriosclerosis obliterans	P II	→			
GA101 (obinutuzumab) <in-license>	NME	indolent non-Hodgkin's lymphoma aggressive non-Hodgkin's lymphoma	P III	→			
NS-141 <in-house>	NME	pruritus associated with cutaneous disease	P II	→			
NS-065 <in-house>	NME	duchenne muscular dystrophy	P I / II			→	
NS-580 <in-house>	NME	endometriosis	P I		P I	→	



R&D Pipeline (Overseas)

Code No. (Generic name) <Origin>	Application type	Indications	Stage	FY2013	FY2014	FY2015	FY2016
NS-304 (selexipag) <in-house>	NME	pulmonary arterial hypertension	US Approval EU NDA Filing	Actelion P III	NDA Filing		
prulifloxacin <in-house>	NME	bacterial infections	China Preparation For NDA	Lee's Pharma P III			NDA Filing
NS-018 <in-house>	NME	myelofibrosis	US P I / II				



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