

# Outline of Consolidated Financial Results for the 1st Quarter Ended June 30, 2013

August 7, 2013  
NIPPON SHINYAKU CO., LTD.



# Operating Results

(Million yen)

	1QFY2012		1QFY2013		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Net sales	16,554	100.0%	17,616	100.0%	1,062	6.4%
Operating income	1,718	10.4%	1,401	8.0%	Δ 316	Δ 18.4%
Ordinary income	1,912	11.6%	1,549	8.8%	Δ 362	Δ 19.0%
Net income for the Quarter	1,282	7.7%	1,173	6.7%	Δ 109	Δ 8.5%



# Segmental Review

## — Pharmaceuticals —

(Million yen)

	1QFY2012		1QFY2013		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Ethical drugs	13,446	98.6%	14,087	97.6%	641	4.8%
Revenues from the licensing of industrial property rights	54	0.4%	15	0.1%	Δ 38	Δ71.3%
Prulifloxacin	98	0.7%	265	1.8%	166	170.1%
Contract manufacturing business	37	0.3%	63	0.5%	26	72.0%
Net sales for the Quarter	13,635	100.0%	14,431	100.0%	796	5.8%

**Increase in sales:**

- **Vidaza ( +617 Million yen,+38.8% )**  
( Remedy for myelodysplastic syndromes )
  - **Lunabell ( +192 Million yen,+18.2% )**  
( Remedy for dysmenorrhea )
  - **Adcirca ( +190 Million yen,+45.1% )**  
( Pulmonary arterial hypertension treatment agent )
- etc.

**Decrease in sales:**

- **Erizas ( Δ277 Million yen,Δ76.1% )**  
( Remedy for Allergic Rhinitis )
  - **Hypen ( Δ117 Million yen,Δ13.1% )**  
( Non-steroidal analgesic and anti-inflammatory agent )
  - **Eviprostat ( Δ105 Million yen, Δ8.1% )**  
( Remedy for benign prostatic hyperplasia )
- etc.



# Segmental Review

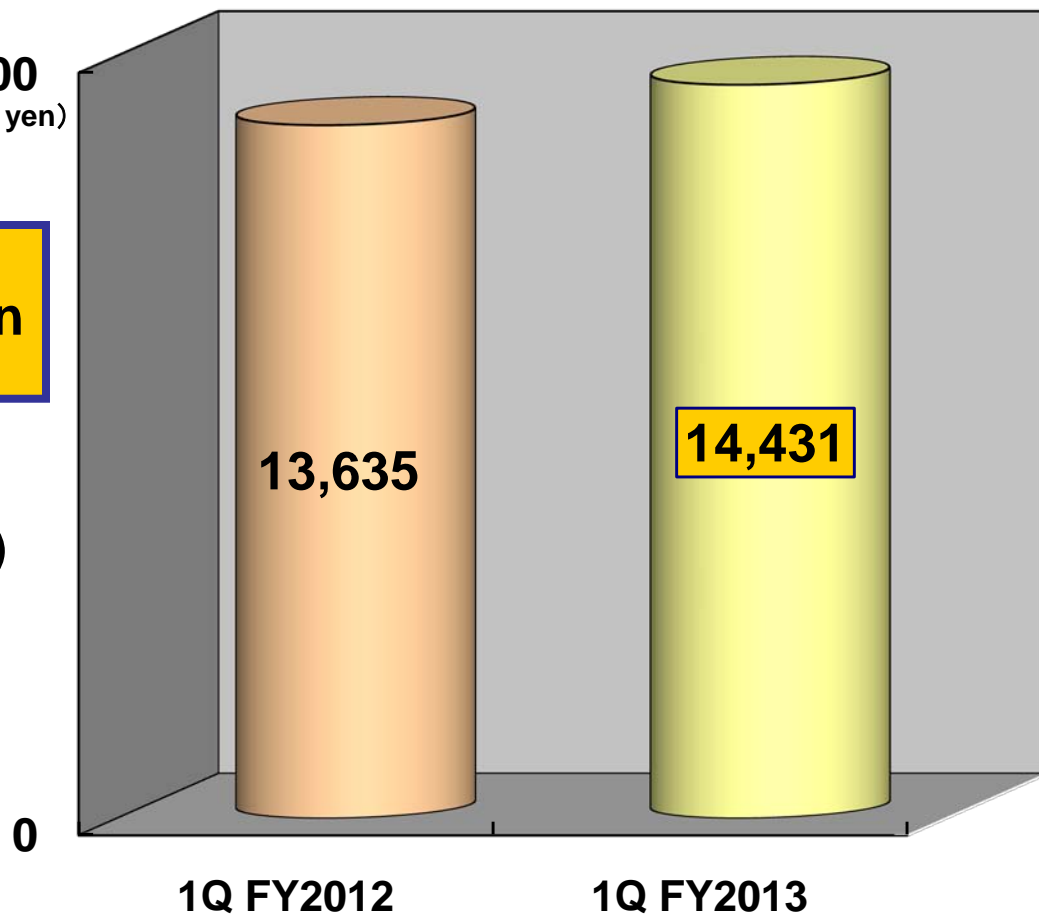
## — Pharmaceuticals —

**Net sales 14,431 million yen**

**Year-on-Year change**

**+ 796 million yen (+5.8%)**

15,000  
(Million yen)





# Segmental Review

## — Functional Food —

(Million yen)

	1QFY2012		1QFY2013		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Health food ingredients	210	7.2%	206	6.5%	Δ3	Δ1.8%
Preservatives	380	13.0%	406	12.8%	26	6.8%
Protein preparations	1,483	50.8%	1,742	54.7%	258	17.4%
Nutritional ingredients	475	16.3%	475	14.9%	0	0.1%
Others	371	12.7%	353	11.1%	Δ15	Δ4.2%
Net sales for the Quarter	2,919	100.0%	3,184	100.0%	265	9.1%



# Segmental Review

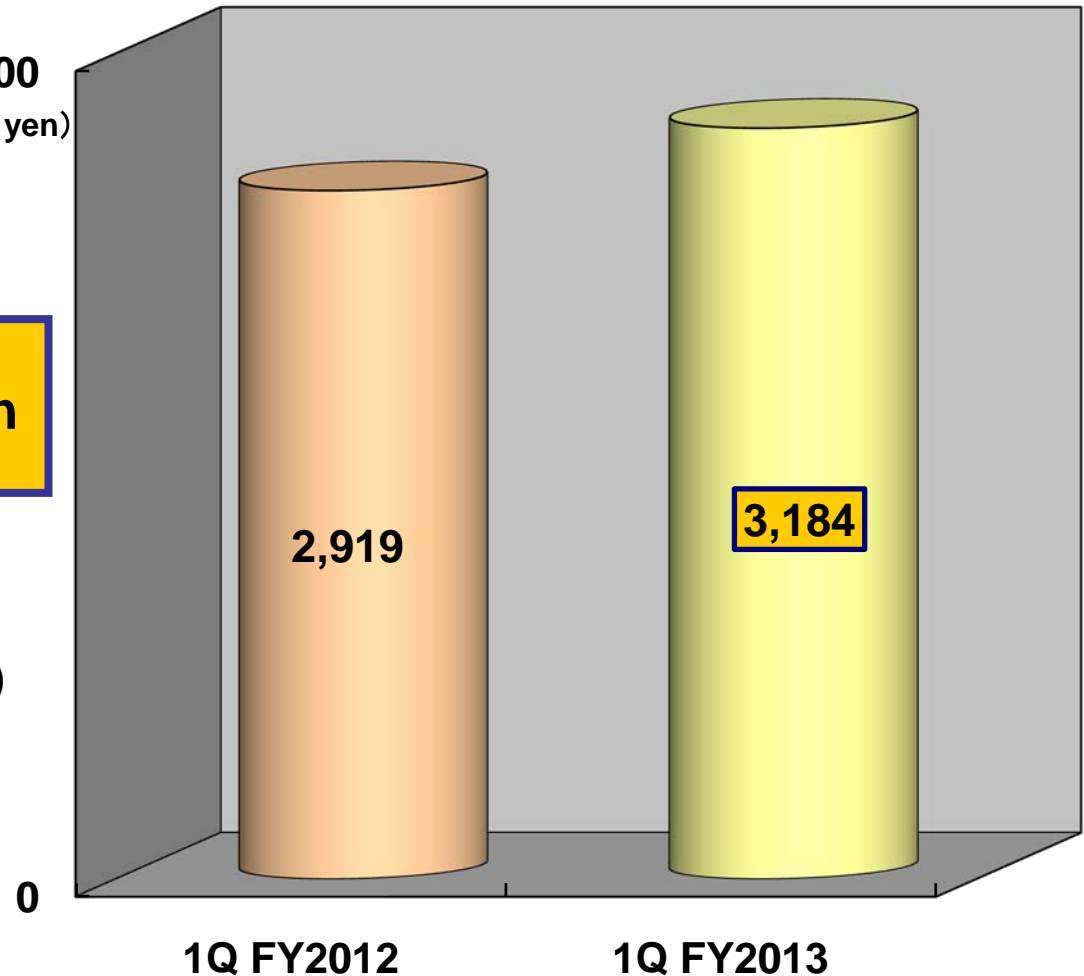
## — Functional Food —

**Net sales 3,184 million yen**

**Year-on-Year change**

**+265 million yen (+9.1%)**

3,500  
(Million yen)



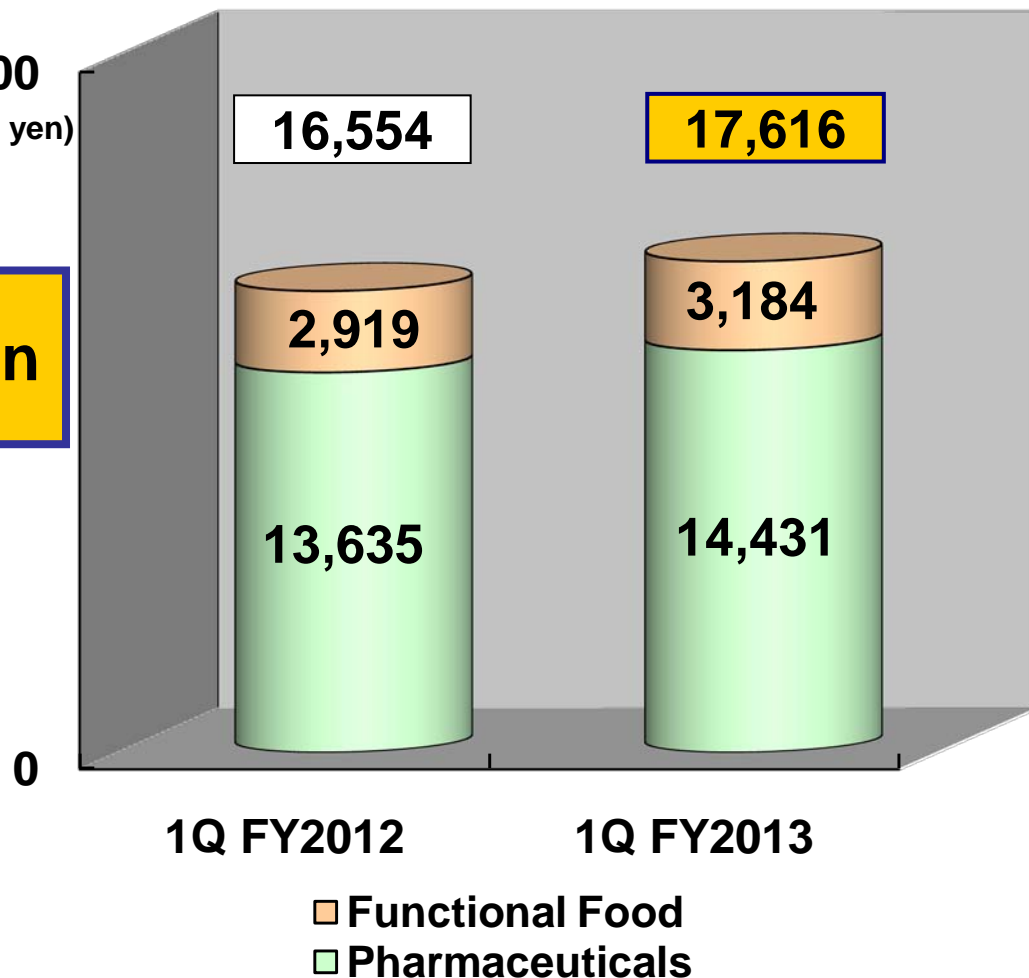


# Net Sales

**Net sales 17,616 million yen**

**Year-on-Year change  
+1,062 million yen ( +6.4% )**

25,000  
(Million yen)





# Consolidated Statements of Income

(Million yen)

	1QFY2012		1QFY2013		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
<b>Revenue</b>						
<b>Net sales</b>	16,554	100.0%	17,616	100.0%	1,062	6.4%
Pharmaceuticals	13,635	82.4%	14,431	81.9%	796	5.8%
Functinal Food	2,919	17.6%	3,184	18.1%	265	9.1%
<b>Operating expenses</b>	14,835	89.6%	16,214	92.0%	1,379	9.3%
Cost of sales	8,111	49.0%	9,113	51.7%	1,001	
SG&A expenses	4,730	28.6%	4,777	27.1%	46	
R&D expenses	1,993	12.0%	2,323	13.2%	330	
<b>Operating income</b>	1,718	10.4%	1,401	8.0%	△ 316	△ 18.4%





# Consolidated Statements of Income

(Million yen)

	1QFY2012		1QFY2013		YoY Change	
	Results	Ratio	Results	Ratio	Amt	%
Operating income	1,718	10.4%	1,401	8.0%	Δ 316	Δ18.4%
Non-operating income	251	1.5%	265	1.5%	13	5.5%
Non-operating expenses	57	0.3%	117	0.7%	59	103.2%
Ordinary income	1,912	11.6%	1,549	8.8%	Δ 362	Δ19.0%
Total income taxes	622	3.9%	370	2.1%	Δ 252	Δ40.5%
Net income for the Quarter	1,282	7.7%	1,173	6.7%	Δ 109	Δ8.5%



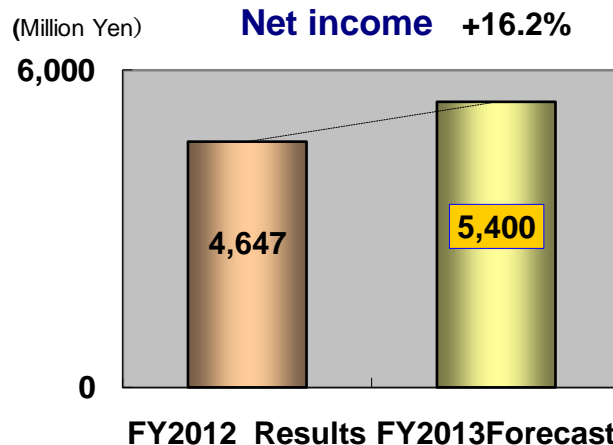
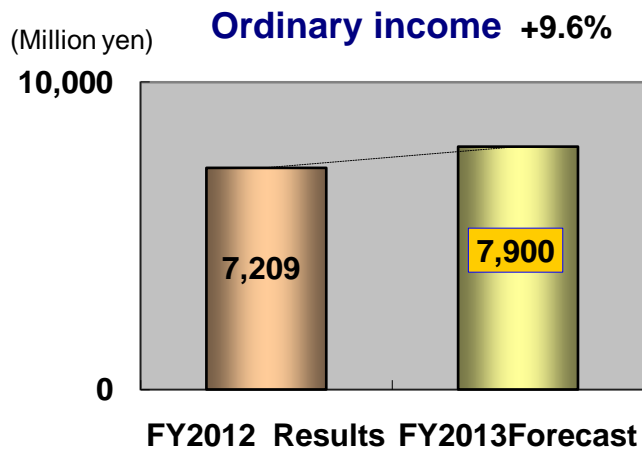
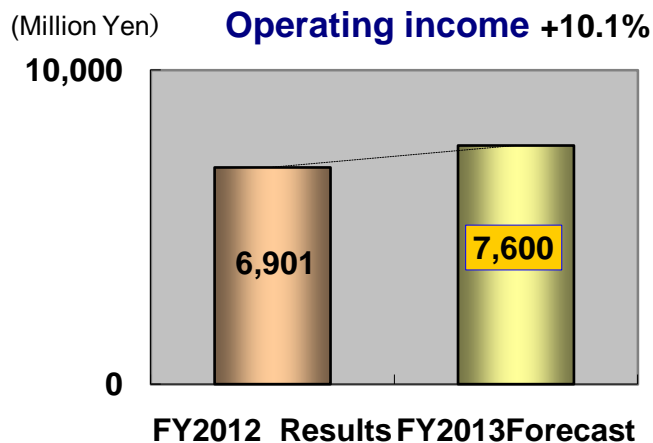
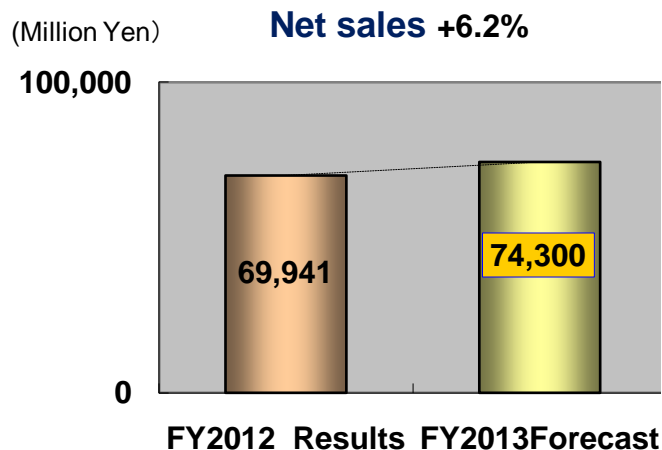
# Consolidated Balance Sheet for the Quarter

(Million yen)

	FY2012	FY2013			FY2012	FY2013	
	4Q	1Q	Amt Chg		4Q	1Q	Amt Chg
<b>Assets</b>	113,730	113,329	Δ 401	<b>Liabilities</b>	24,201	23,316	Δ 884
(Current assets)	70,932	70,560	Δ 372	(Current liabilities)	15,677	14,881	Δ 795
(Fixed assets)	42,798	42,769	Δ 28	(Long-term liabilities)	8,523	8,434	Δ 88
				<b>Net assets</b>	89,529	90,013	483
<b>Total Assets</b>	113,730	113,329	Δ 401	<b>Total liabilities and net assets</b>	113,730	113,329	Δ 401



# Business Forecast for the Year Ending March 31, 2014



# Status of Development Pipeline



# R&D Compounds(Domestic)

Code No. (Generic name) <Origin>	Application type	Indications	Stage	FY2011	FY2012	FY2013	FY2014
LY450190 (tadalafil) <in-licence>	new indication	urinary disorder caused by benign prostatic hyperplasia	Application	Eli Lilly Japan k.k. P III	NDA Filed		
NS-24 (tramadol hydrochloride) <in-licence>	new formulation	cancer pain chronic pain	P III	P I	P III		NDA Filing
ACT-064992 (macitentan) <in-licence>	NME	pulmonary arterial hypertension	P III		P III		NDA Filing
GA101 (obinutuzumab) <in-licence>	NME	indolent non-Hodgkin's lymphoma aggressive non-Hodgkin's lymphoma	P III	P III			
NS-304 (selexipag) <in-house>	NME	pulmonary arterial hypertension	P II	P II			
		chronic thromboembolic pulmonary hypertension	P II	P II			



# R&D Compounds(Domestic)

Code No. (Generic name) <Origin>	Application type	Indications	Stage	FY2011	FY2012	FY2013	FY2014
NS-141 <in-house>	NME	pruritus associated with atopic dermatitis	P II	P II			
NS-986 <in-licence>	NME	nocturia	Preparation for P II			P II Planned	



# R&D Compounds(Overseas)

Code No. (Generic name) <Origin>	Application type	Indications	Stage	FY2011	FY2012	FY2013	FY2014
prulifloxacin <in-house>	NME	bacterial infections	Korea Approval	Yuhan			
			China P III	Lee's Pharma		P III →	NDA Filing
NS-304 (selexipag) <in-house>	NME	pulmonary arterial hypertension	US/ES P II	Actelion P III	→		
NS-187 (bafetinib) <in-house>	NME	B-cell chronic lymphocytic leukemia	US P II	CytRx P II	→		
NS-018 <in-house>	NME	myelofibrosis	US P I / P II		→		



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