

# Outline of Consolidated Financial Results for the 1st Quarter Ended June 30, 2015

August 7, 2015  
NIPPON SHINYAKU CO., LTD.



# Operating Results

(Million yen)

	1QFY2014		1QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt chg	%
Net sales	17,939	100.0%	19,260	100.0%	1,321	7.4%
Operating income	814	4.5%	636	3.3%	-177	-21.8%
Ordinary income	1,030	5.7%	888	4.6%	-142	-13.8%
Net income attributable to owners of the parent	692	3.9%	609	3.2%	-82	-12.0%



# Segmental Review

## — Pharmaceuticals —

(Million yen)

	1QFY2014		1QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt chg	%
<b>Ethical drugs</b>	14,324	99.2%	15,350	97.1%	1,025	7.2%
Revenues from the licensing of industrial property rights	7	0.0%	7	0.1%	0	3.6%
Others	111	0.8%	443	2.8%	331	296.4%
<b>Net sales for the Quarter</b>	<b>14,444</b>	<b>100.0%</b>	<b>15,802</b>	<b>100.0%</b>	<b>1,358</b>	<b>9.4%</b>

Others : API and Contract manufacturing business

### Increase in sales:

- **Zalutia ( +668 Million yen , +134.4% )**  
(urinary disorder caused by benign prostatic hyperplasia)
- **Tramal • Onetram**  
( +533 Million yen, +101.5% )  
( cancer pain and chronic pain)
- **Vidaza ( +460 Million yen, +19.1% )**  
( myelodysplastic syndrome )

etc.

### Decrease in sales:

- **Eviprostat ( -348 Million yen, -24.6% )**  
( prostatic hypertrophy)
- **GaslonN ( -148 Million yen, -16.0% )**  
(gastric ulcer, gastritis)

etc.



# Segmental Review

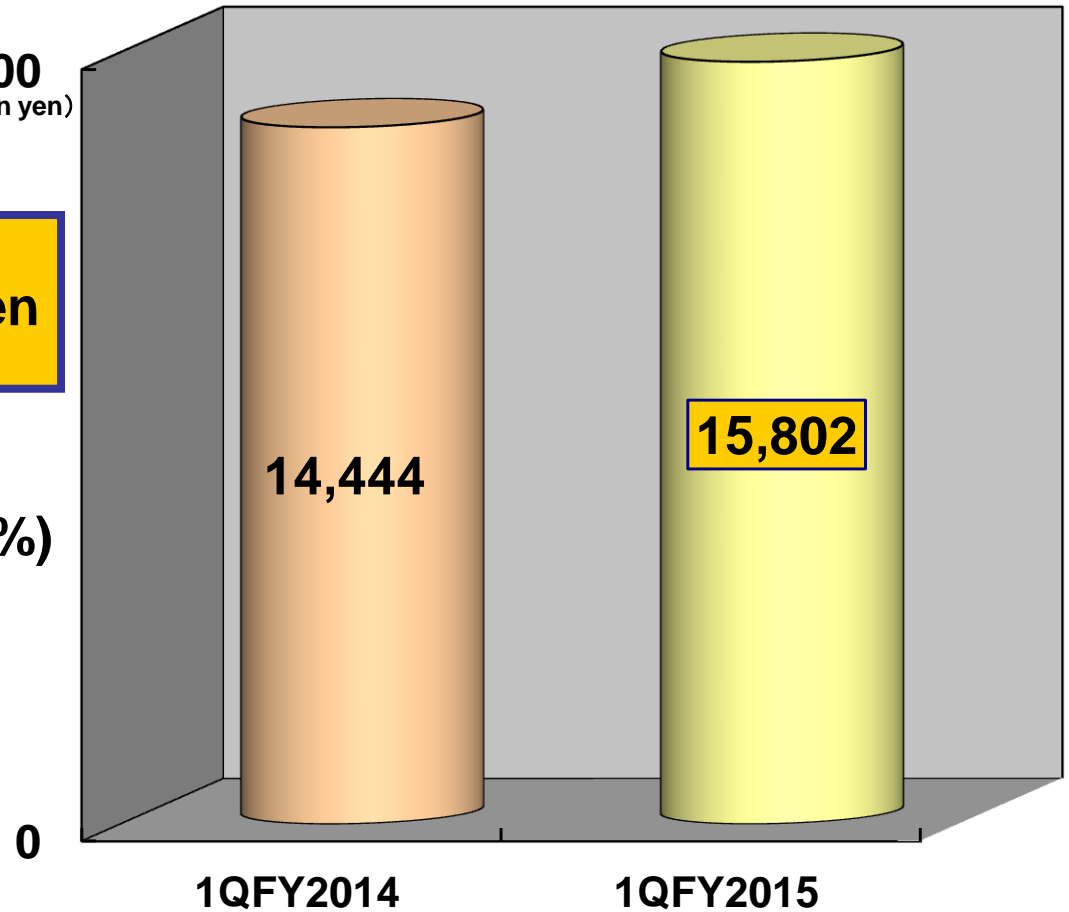
## — Pharmaceuticals —

**Net sales 15,802 million yen**

**Year-on-Year change**

**+ 1,358 million yen (+9.4%)**

16,000  
(Million yen)





# Segmental Review

## — Functional Food —

(Million yen)

	1QFY2014		1QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt chg	%
Health food ingredients	182	5.2%	191	5.5%	8	4.8%
Preservatives	439	12.6%	427	12.4%	-12	-2.8%
Protein preparations	1,873	53.6%	1,866	54.0%	-6	-0.3%
Nutritional ingredients	606	17.4%	630	18.2%	23	3.9%
Others	392	11.2%	341	9.9%	-50	-13.0%
Net sales for the Quarter	3,494	100.0%	3,457	100.0%	-36	-1.1%



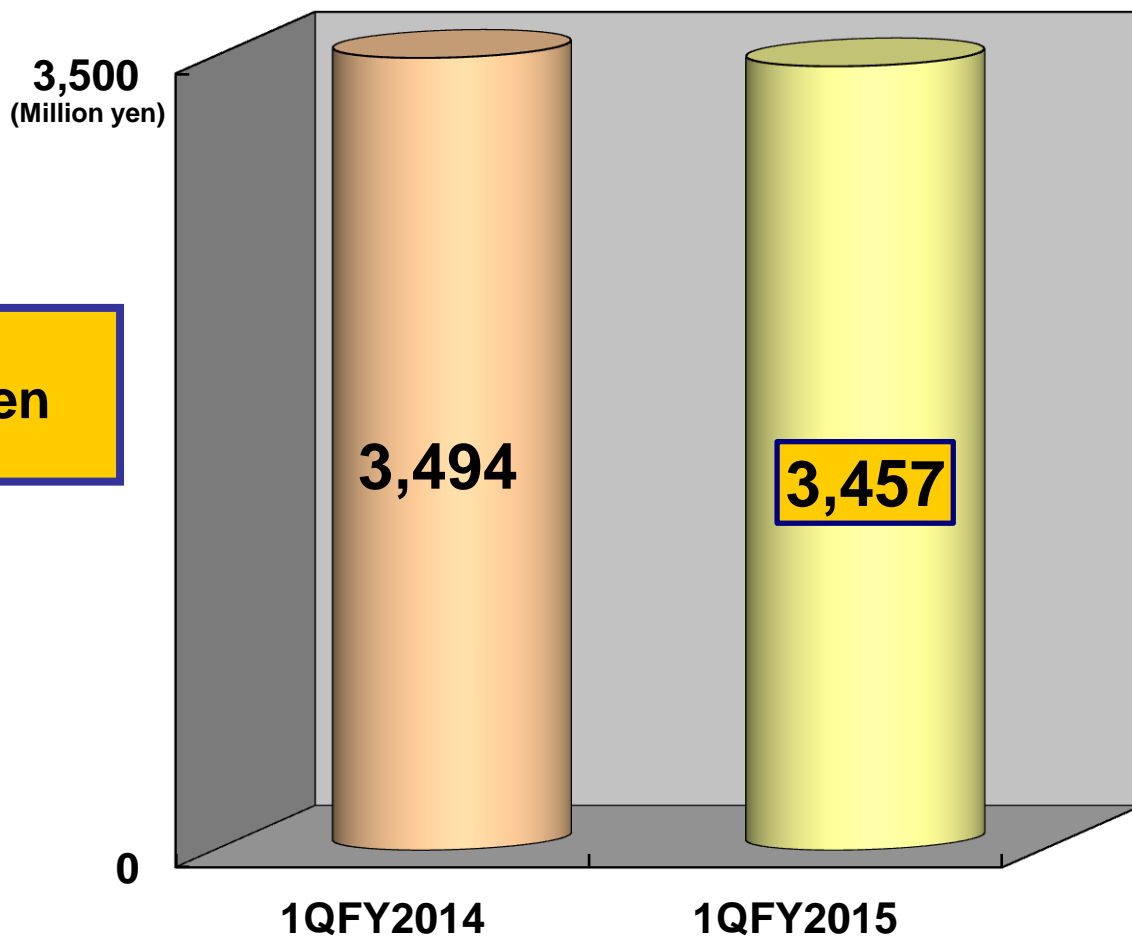
# Segmental Review

## — Functional Food —

**Net sales 3,457 million yen**

**Year-on-Year change**

**-36 million yen (-1.1%)**

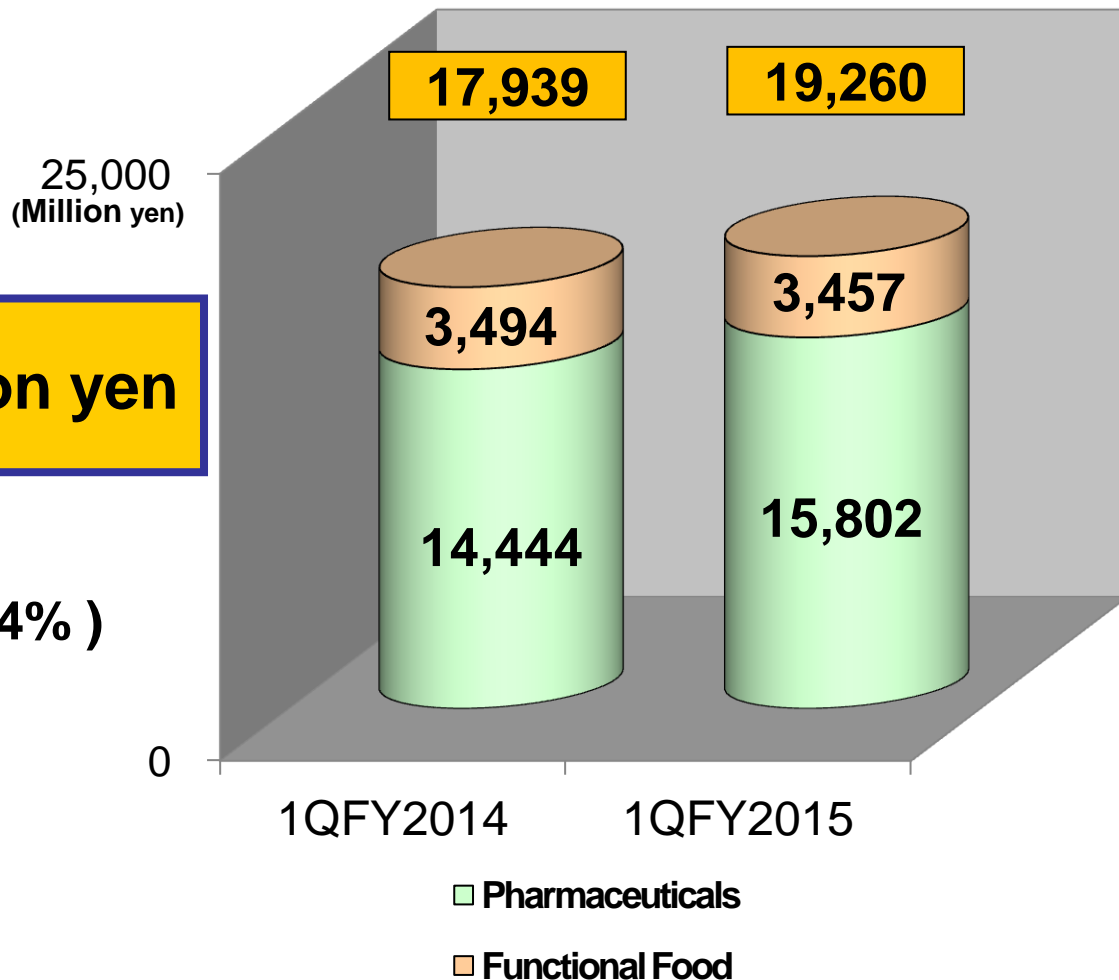




# Net Sales

**Net sales 19,260 million yen**

**Year-on-Year change  
+1,321 million yen ( +7.4% )**





# Consolidated Statements of Income for the Quarter

(Million yen)

	1QFY2014		1QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt chg	%
<b>Revenue</b>						
<b>Net sales</b>	17,939	100.0%	19,260	100.0%	1,321	7.4%
Pharmaceuticals	14,444	80.5%	15,802	82.0%	1,358	9.4%
Functional Food	3,494	19.5%	3,457	18.0%	-36	-1.1%
<b>Operating expenses</b>	17,124	95.5%	18,623	96.7%	1,499	8.8%
Cost of sales	9,513	53.0%	10,422	54.1%	908	
SG&A expenses	5,405	30.2%	5,610	29.1%	205	
R&D expenses	2,206	12.3%	2,591	13.5%	385	
<b>Operating income</b>	814	4.5%	636	3.3%	-177	-21.8%





# Consolidated Statements of Income for the Quarter

(Million yen)

	1QFY2014		1QFY2015		YoY Change	
	Results	Ratio	Results	Ratio	Amt chg	%
Operating income	814	4.5%	636	3.3%	-177	-21.8%
Non-operating income	302	1.7%	354	1.8%	51	17.1%
Non-operating expenses	87	0.5%	103	0.5%	16	18.8%
Ordinary income	1,030	5.7%	888	4.6%	-142	-13.8%
Income taxes	337	1.9%	278	1.4%	-59	-17.6%
Net income attributable to owners of the parent	692	3.9%	609	3.2%	-82	-12.0%



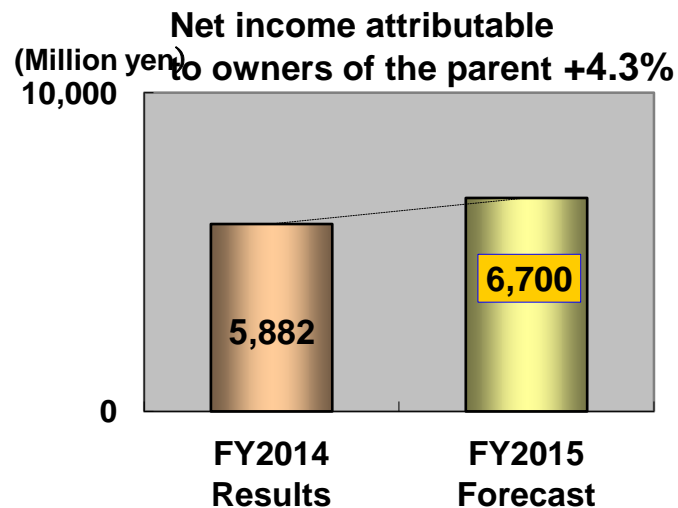
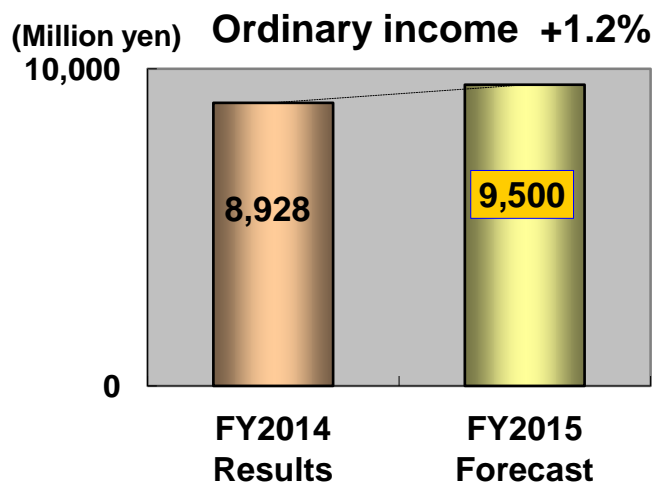
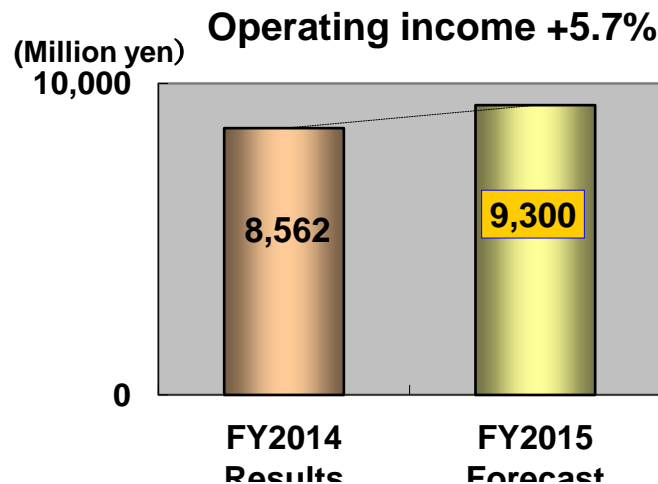
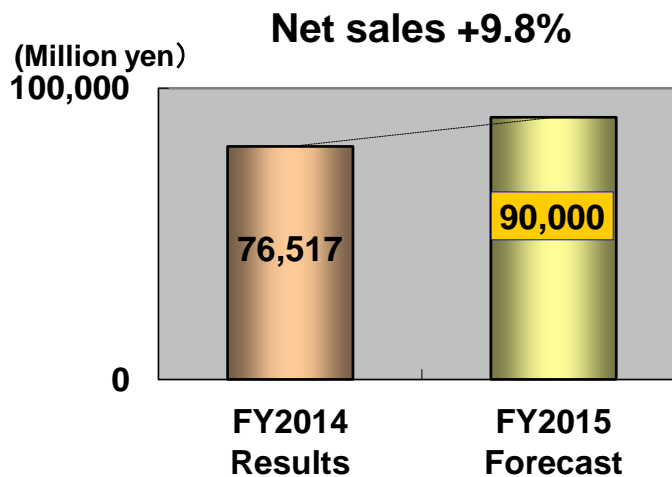
# Consolidated Balance Sheet for the Quarter

(Million yen)

	FY2014	FY2015	YoY Change		FY2014	FY2015	YoY Change
	4Q	1Q	Amt chg		4Q	1Q	Amt chg
<b>Assets</b>	129,757	130,705	947	<b>Liabilities</b>	28,550	28,530	-19
(Current assets)	80,422	80,012	-410	(Current liabilities)	17,770	17,519	-251
(Fixed assets)	49,334	50,693	1,358	(Long-term liabilities)	10,779	11,010	231
				<b>Net assets</b>	101,207	102,175	967
<b>Total Assets</b>	129,757	130,705	947	<b>Total liabilities and net assets</b>	129,757	130,705	947



# 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
GA101 (obinutuzumab) <in-license>	NME	indolent non-Hodgkin's lymphoma aggressive non-Hodgkin's lymphoma	P III				
NS-304 (selexipag) <in-house>	NME	pulmonary arterial hypertension	Preparation For NDA				
		chronic thromboembolic pulmonary hypertension	P II				
		arteriosclerosis obliterans	P II				
NS-141 <in-house>	NME	pruritus associated with cutaneous disease	P II				
NS-986 <in-license>	NME	nocturia	P II				
NS-065/ NCNP-01 <in-house>	NME	duchenne muscular dystrophy	Preparation For P II				
NS-580 <in-house>	NME	endometriosis	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/EU NDA Filing	Actelion P III	NDA Filing		
prulifloxacin <in-house>	NME	bacterial infections	China P III	Lee's Pharma P III		NDA Filing	
NS-018 <in-house>	NME	myelofibrosis	US P I / II				



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