



Business Results for the First Half of the Fiscal Year Ending September 30, 2013 (1H FY9/13)

May 17, 2013

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President and Chief Executive Officer

Fuji Pharma Co., Ltd.

(4554/TSE1)



Summary of 1H FY9/13 Consolidated Results



- Sales of diagnostic drugs increased by 21.5%, or ¥819 million YoY
- Sales of hormone drugs increased by 16.9%, or ¥540 million YoY
- Performance of OLIC (Thailand) Limited is reflected from January 2013

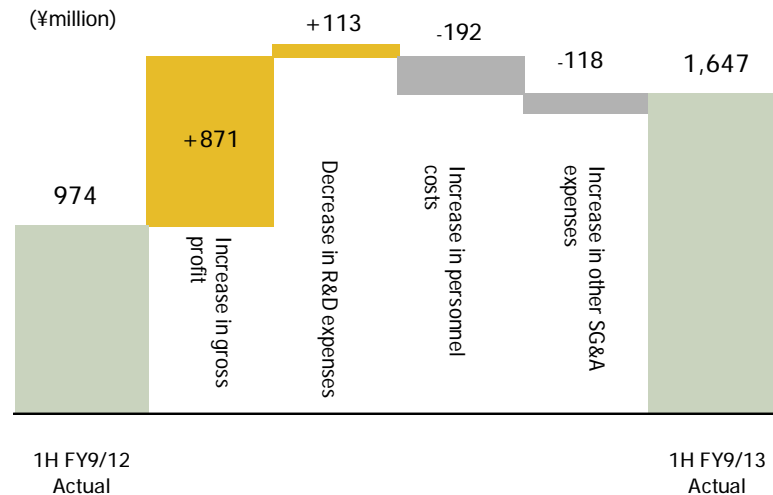
(¥million)	FY9/12	FY9/13	YoY Change		FY9/13	FY9/13	vs Fcst
	(Non-consolidated) Oct. - Mar.	(Non-consolidated) Oct. - Mar.	Amount	Ratio	(Consolidated) Oct. - Mar.	(Consolidated) Oct. - Mar. Fcst*	
Net Sales	9,779	11,560	1,781	18.2%	11,996	12,300	-2.5%
Gross Profit	4,267	5,140	872	20.5%	5,243		
Gross margin	43.6%	44.5%			43.7%		
SG&A	3,293	3,492	199	6.0%	3,634		
SG&A margin	33.7%	30.2%			30.3%		
Operating Income	974	1,647	673	69.1%	1,609	1,530	5.2%
Operating Income Margin	10.0%	14.2%			13.4%	12.4%	
Ordinary Income	977	1,777	800	81.9%	1,734	1,500	15.6%
Ordinary Income Margin	10.0%	15.4%			14.5%	12.2%	
Net Income	313	1,135	822	262.6%	1,088	910	19.6%
Net Income Margin	3.2%	9.8%			9.1%	7.4%	
Capital Expenditure	507	2,119	1,612	317.9%	2,138		
Depreciation	602	533	-69	-11.5%	587		
Leased Equipment	173	211	38	22.0%	211		
R&D Expenses	706	594	-112	-15.9%	594		
R&D Expenses Ratio	7.2%	5.1%			5.0%		

*Revised forecast figures stated in the financial results for the first quarter of FY9/13

Summary of 1H FY9/13 Results

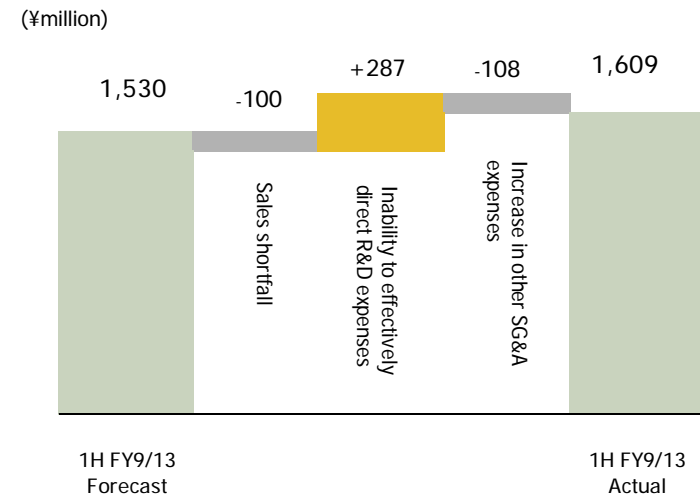
YoY changes in Non-consolidated Operating Income

- Increase in gross profit due to higher net sales and other factors
- Decrease in R&D expenses
- Increase in personnel costs
- Increase in other SG&A expenses



1H FY9/13 Consolidated Operating Income Forecast vs. Actual

- Sales shortfall
- Inability to effectively direct R&D expenses
- Increase in other SG&A expenses

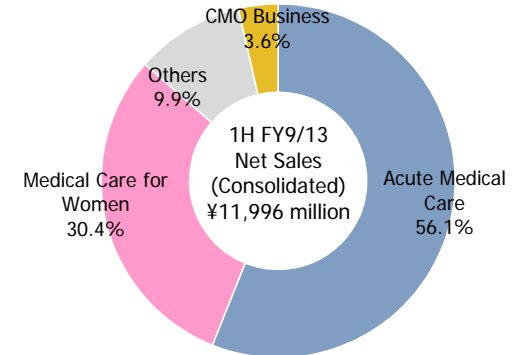


Sales by Medical Field and Route of Administration



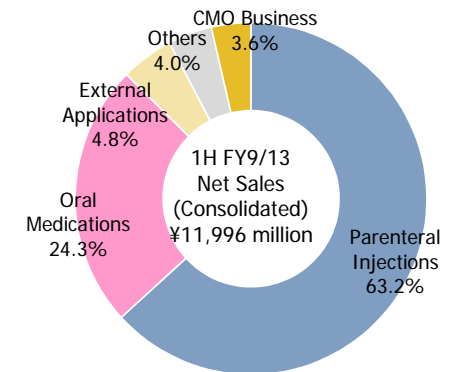
(¥million)	FY9/12	FY9/13	YoY Change	
	Oct. - Mar.	Oct. - Mar.	Amount	Ratio
Acute Medical Care	5,853	6,724	871	14.9%
Medical Care for Women	3,034	3,645	611	20.1%
Others	892	1,190	298	33.4%
Total (Non-consolidated)	9,779	11,560	1,781	18.2%
CMO Business (OLIC)	-	436		
Total (Consolidated)	9,779	11,996		

Sales Breakdown by Medical Field



(¥million)	FY9/12	FY9/13	YoY Change	
	Oct. - Mar.	Oct. - Mar.	Amount	Ratio
Parenteral Injections	6,662	7,583	921	13.8%
Oral Medications	2,103	2,912	809	38.5%
External Applications	506	581	75	14.8%
Others	506	484	-22	-4.3%
Total (Non-consolidated)	9,779	11,560	1,781	18.2%
CMO Business (OLIC)	-	436		
Total (Consolidated)	9,779	11,996		

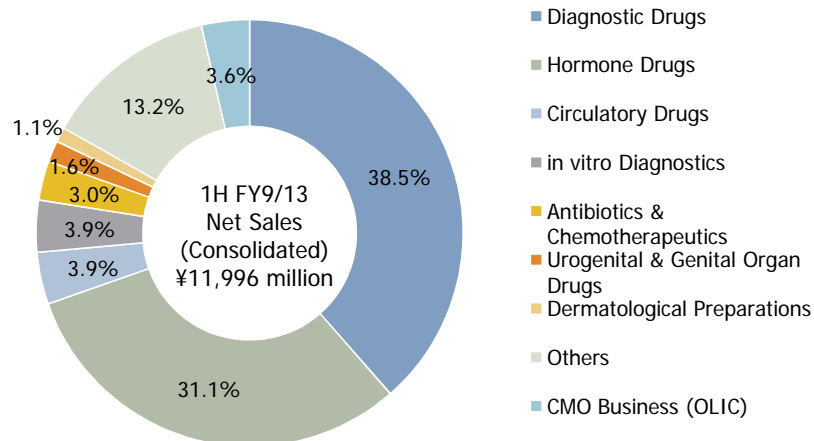
Sales Breakdown by Route of Administration



Sales by Drug Efficacy

(¥million)	FY9/12	FY9/13	YoY Change	
	Oct. - Mar.	Oct. - Mar.	Amount	Ratio
Diagnostic Drugs	3,803	4,622	819	21.5%
Hormone Drugs	3,188	3,728	540	16.9%
Circulatory Drugs	443	472	29	6.5%
in vitro Diagnostics	480	473	-7	-1.5%
Antibiotics & Chemotherapeutics	353	356	3	0.8%
Urogenital & Genital Organ Drugs	185	192	6	3.8%
Dermatological Preparations	132	135	2	2.3%
Others	1,190	1,579	389	32.7%
Total (Non-consolidated)	9,779	11,560	1,781	18.2%
CMO Business (OLIC)	-	436		
Total (Consolidated)	9,779	11,996		

Sales Breakdown by Drug Efficacy



Sales of Major Products



Product Name (¥million)	Categories of Drug Efficacy	FY9/12	FY9/13	YoY Change	
		Oct. - Mar.	Oct. - Mar.	Amount	Ratio
OYPALOMIN® injection	Diagnostic drugs	2,800	3,373	573	20.5%
LUNABELL® tablets	Hormone drugs	998	1,229	231	23.1%
IOPAQUE® injection	Diagnostic drugs	740	977	237	32.0%
HMG intramuscular injection	Hormone drugs	438	397	-41	-9.4%
DEXART® injection	Hormone drugs	308	330	22	7.1%
SOL-MELCORT for injection	Hormone drugs	323	326	3	0.9%
ALYPROST® injection	Circulatory drugs	305	302	-3	-1.0%
FOLYRMON®-P injection	Hormone drugs	226	231	5	2.2%
LIMAPROST ALFADEX tablets	Others	144	204	60	41.7%
Clearview Exact Influenza A&B	In vitro diagnostics	180	187	7	3.9%
HCG for injection	Hormone drugs	112	176	64	57.1%
BUSERECUR®	Hormone drugs	150	174	24	16.0%
GLUCAGON for injection	Diagnostic drugs	179	161	-18	-10.1%
HEPARIN SODIUM injection	Others	120	140	20	16.7%
Favor® tablets	Hormone drugs	46	130	84	182.6%
Total Top 15 Sales (Non-consolidated)		7,077	8,343	1,265	17.9%

Acute Medical Care

Medical Care for Women

Summary of 2Q FY9/13 Balance Sheets



(¥million)	[Reference]	
	FY9/12 (Non-consolidated) End-Mar 2012	FY9/13 (Consolidated) End-Mar 2013
Assets		
Current Assets	21,320	23,558
Noncurrent Assets	8,212	15,274
Property, Plant and Equipment	6,672	10,278
Intangible Assets	869	4,239
Investments and Other Assets	670	755
Total Assets	29,532	38,833
Liabilities		
Current Liabilities	6,929	8,797
Noncurrent Liabilities	1,306	6,597
Total Liabilities	8,236	15,395
Net Assets		
Shareholders' Equity	21,295	22,918
Capital Stock	2,447	2,447
Capital Surplus	3,672	3,672
Retained Earnings	15,176	16,799
Accumulated Other Comprehensive Income		518
Minority Interests		0
Total Net Assets	21,296	23,437
Total Liabilities and Net Assets	29,532	38,833

Notes and accounts receivable-trade: ¥9,910 million
Cash and deposits: ¥4,901 million

Goodwill at OLIC: ¥3,299 million

Long-term loans payable:
¥4,878 million

Summary of 1H FY9/13 Statements of Cash Flows



(¥million)	[Reference]	
	FY9/12 (Non-consolidated)	FY9/13 (Consolidated)
	Oct. - Mar.	Oct. - Mar.
Net Cash Provided by (Used in) Operating Activities	45	913
(Major Breakdown)		
Income Before Income Taxes	608	1,730
Depreciation and Amortization	602	587
Amortization of Goodwill	-	68
Decrease (Increase) in Notes and Accounts Receivable-trade	-222	604
Decrease (Increase) in Inventories	-1,043	-393
Increase (Decrease) in Notes and Accounts Payable-trade	628	-785
Income Taxes Paid	-822	-861
Net Cash Provided by (Used in) Investing Activities	1,132	-5,788
(Major Breakdown)		
Purchase of Property, Plant and Equipment	-497	-2,110
Proceeds from Sales of Property, Plant and Equipment	1,639	-
Purchase of Intangible Assets	-8	-372
Purchase of Investments in Subsidiaries Resulting in Change in Scope of Consolidation	-	-3,386
Net Cash Provided by (Used in) Financing Activities	-581	4,532
(Major Breakdown)		
Net Increase (Decrease) in Short-term Loans Payable	1,000	-1,000
Proceeds from long-term loans payable	-	5,850
Repayment of long-term loans payable	-1,300	-50
Cash dividends paid	-281	-267
Cash and cash equivalents at beginning of period	5,260	5,676
Cash and cash equivalents at end of period	5,856	5,406

Purchase of subsidiary stock for acquisition of OLIC: ¥3,386 million

Decrease in short-term loans payable: ¥1,000 million
Proceeds from long-term loans payable: ¥5,850 million

- Start selling Filgrastim BS Syringe “F” and LUNABELL tablet ULD

(¥million)	FY9/13 (Consolidated)			Progress Ratio
	Oct. - Mar. Actual	Apr. - Sep. Fcst	Full-year Fcst	
Net Sales	11,996	13,979	25,975	46.2%
Operating Income	1,609	1,966	3,575	45.0%
Operating Income Margin	13.4%	14.1%	13.8%	
Ordinary Income	1,734	1,806	3,540	49.0%
Ordinary Income Margin	14.5%	12.9%	13.6%	
Net Income	1,088	1,102	2,190	49.7%
Net Income Margin	9.1%	7.9%	8.4%	
ROE			9.2%	
Net income per share	77.06	78.04	155.10	
Capital Expenditure	2,138	1,714	3,852	55.5%
Depreciation	587	607	1,194	49.2%
Lease Equipment	211	191	402	52.5%
R&D Expenses	594	1,112	1,706	34.8%

Sales Forecast for Major Products



Product Name (¥million)	Categories of Drug Efficacy	FY9/12			FY9/13			YoY Change	
		Oct. - Mar.	Apr. - Sep.	Full Year	Oct. - Mar. Actual	Apr. - Sep. Fcst	Full-year fcst	Amount	Ratio
OYPALOMIN® injection	Diagnostic drugs	2,800	3,433	6,233	3,373	3,471	6,844	611	9.8%
LUNABELL® tablets	Hormone drugs	998	1,513	2,511	1,229	1,560	2,789	278	11.1%
IOPAQUE® injection	Diagnostic drugs	740	907	1,648	977	902	1,879	231	14.0%
HMG intramuscular injection	Hormone drugs	438	483	921	397	460	857	-64	-6.9%
DEXART® injection	Hormone drugs	308	332	641	330	388	718	77	12.0%
SOL-MELCORT for injection	Hormone drugs	323	309	633	326	355	681	48	7.6%
ALYPROST® injection	Circulatory drugs	305	329	634	302	330	632	-2	-0.3%
FOLYRMON®-P injection	Hormone drugs	226	263	490	231	270	501	11	2.2%
LIMAPROST ALFADEX tablets	Others	144	225	370	204	230	434	64	17.3%
Clearview Exact Influenza A&B	In vitro diagnostic	180	51	232	187	50	237	5	2.2%
HCG for injection	Hormone drugs	112	120	232	176	150	326	94	40.5%
BUSERECUR®	Hormone drugs	150	187	337	174	190	364	27	8.0%
GLUCAGON for injection	Diagnostic drugs	179	181	361	161	175	336	-25	-6.9%
HEPARIN SODIUM injection	Others	120	133	253	140	155	295	42	16.6%
Favoir® tablets	Hormone drugs	46	102	149	130	175	305	156	104.7%
Total Top 15 Sales (Non-consolidated)		7,077	8,575	15,653	8,343	8,861	17,198	1,553	9.9%
Pct. of Total Sales (FY9/13: Pct. of Consolidated Net Sales)		72.4%	73.0%	73.7%	69.5%	63.4%	66.2%		

Acute Medical Care

Medical Care for Women

“The growth of the Company that is proportional to the development of its employees.”

- Management that “places priority on people” is the source of Fuji Pharma’s strength. We aim for the next exciting advance together. We work as a unified team, gaining a variety of experiences and seeking new opportunities for growth. Constantly progressing in this manner is the most important goal of management.

“Contributing to healthy living by supplying outstanding pharmaceuticals.”

- We want to do our jobs to create “excitement for everyone,” “excitement for our teams and organization,” and “excitement for customers and medical facilities.” Everyone is committed to providing value that benefits medical care. We will continue to take on difficult challenges together. By doing what no other company can accomplish, we will earn the strong trust of medical facilities in our targeted disease domains. Our objective is to make a constant and significant contribution to the treatment of these diseases.



Enlarge the acute medical care business with emphasis on new injection agents

- Enter more domains by expanding from cancer diagnostics, including the core contrast media field, into the field of cancer treatment
- Continue to introduce “Gx-Plus” products (biotechnology, DDS and D&D)



Become a leading company in the field of medical care for women

- Support all types of hormone therapies for obstetrics and gynecology
- Build a model for capturing synergies between generic and national brand drugs



Build a framework for business operations centered on R&D

- Use R&D to redesign the balance of business lines
- Establish a new R&D center in Toyama



Grow overseas; establish a new competitive edge for generic drugs

- Place priority on overseas business investments to enter new areas
- Establish a manufacturing and sales base in Asia from which to distribute our products globally

The medium-term vision:
Our vision for 2015

Central theme

Expand existing core businesses and capitalize on new opportunities for creating new businesses for the future between now and our 50th anniversary in 2015

Growth of existing core businesses

- Started operations at the new injection agent plant and doubled output capacity in the core contrast media category
- 1H FY9/13 (Oct. 2012-Mar. 2013) deliveries to DPC-based hospitals were 1,331 out of 1,505 hospitals
- Purchased from Shiseido the right to sell l'estrogel, a treatment for menopausal disorders
- Now holding discussions to take over drug brands with long-term listings for medical care for women and for acute medical care
- Start selling drug with ultra-low-dose estrogen progestin (LEP) for treatment of dysmenorrhea in 2013

Opportunities for new businesses

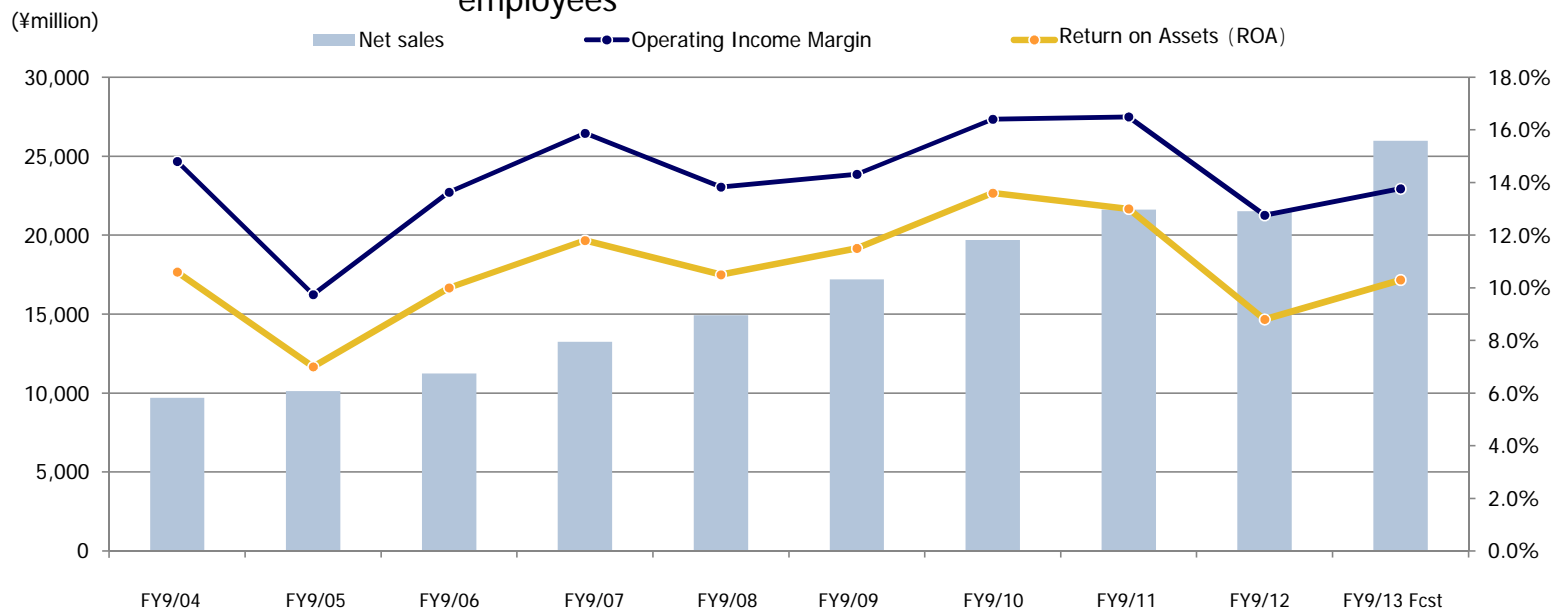
- Biosimilar: Start selling Filgrastim BS Syringe "F" in May 2013
- Constructing a production line for anticancer injection agents; full-scale operations to begin in October 2013
- Acquired OLIC (Thailand) Limited, the largest pharmaceutical contract manufacturer in Thailand
- Constructing a plant in Thailand to make injection agents for sale in Asia; production will start in 2014
- Continuing to study new strategic alliances with pharmaceutical companies in Japan and overseas

Consolidated (¥million)	FY9/12*	FY9/13		FY9/14		FY9/15	
		Forecast	YoY Change (Reference)	Forecast	YoY Change	Forecast	YoY Change
Net Sales	21,520	25,975	20.7%	29,700	14.3%	32,000	7.7%
Operating Income	2,746	3,575	30.2%	4,200	17.5%	5,200	23.8%
Operating Income Margin	12.8%	13.8%		14.1%		16.3%	
Ordinary Income	2,698	3,540	31.2%	4,200	18.6%	5,200	23.8%
Ordinary Income Margin	12.5%	13.6%		14.1%		16.3%	
Net Income	1,370	2,190	59.9%	2,550	16.4%	3,300	29.4%
Net Income Margin	6.4%	8.4%		8.6%		10.3%	
ROA (Ordinary Income on Assets)	8.8%	9.1%		10.4%		12.1%	
ROE	6.3%	9.2%		10.2%		12.1%	
EPS (Yen)	97.09	155.10		180.03		230.03	

*FY9/12: Non-consolidated results

Management philosophies

“Contributing to healthy living by supplying outstanding pharmaceuticals”
 “The growth of the Company that is proportional to the development of its employees”



Dec. 04
Listed on
JASDAQ Stock
Exchange

Apr. 06
Completed new
tablet production
plant (current No. 4
Pharmaceutical
Plant)

Jun. 08
Released new
LUNABELL® Tablet
medicine

Feb. 09
Entered into capital
alliance with TERUMO
CORPORATION

Feb. 10
Concluded contract to
co-develop biosimilar
medicine with MOCHIDA
PHARMACEUTICAL CO.,
LTD.

Jul. 11
Listed on TSE 2nd Section /
Completed new injection
production plant (No. 5
Pharmaceutical Plant)

Jul. 12
Listed on TSE
1st Section

Nov. 12
Received approval for
manufacture and sale of
biosimilar drug Filgrastim
BS Syringe “F”

Apr. 13
Completed R&D
center

Overview of OLIC (Thailand) Limited and Toyama Research and Development Center



Overview of OLIC (Thailand) Limited

Location: Bangpa-In, Ayutthaya, Thailand
Current facility built in 1997
Employees: 884 (as of March 2013)
Facility: Site area: 80,000 sq. meters
Footprint: 40,000 sq. meters
Floor area: 25,000 sq. meters
Product: Producing approximately 600 products for over 35 multinational clients



Overview of Toyama Research and Development Center

Location: 447-1 Mizuhashi-nakamura, Toyama City, Toyama
Completion: April 2013
Scale: Three-story steel frame structure
Construction area: 1,001.96 sq. meters
Floor area: 2,898.46 sq. meters
Features: (1) Dealing with environmental pollution
We have installed equipment for separating out and disposing of waste water containing active substances with high pharmaceutical efficacies, and also installed exhaust gas scrubbing apparatus.
(2) Preventing health hazards
We have installed injection testing equipment to ensure that our workers are able to work in a safe and secure operating environment.

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