

Business Results for the Fiscal Year Ended September 30, 2013

November 22, 2013

Hirofumi Imai,
President and Chief Executive Officer

Fuji Pharma Co., Ltd.
(4554/TSE1)



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Summary of FY9/13 Financial Results



- Sales of diagnostic drugs increased by 8.8%, or ¥739 million YoY
- Sales of hormone drugs increased by 13.1%, or ¥945 million YoY
- Performance of OLIC (Thailand) Limited is reflected from January 2013

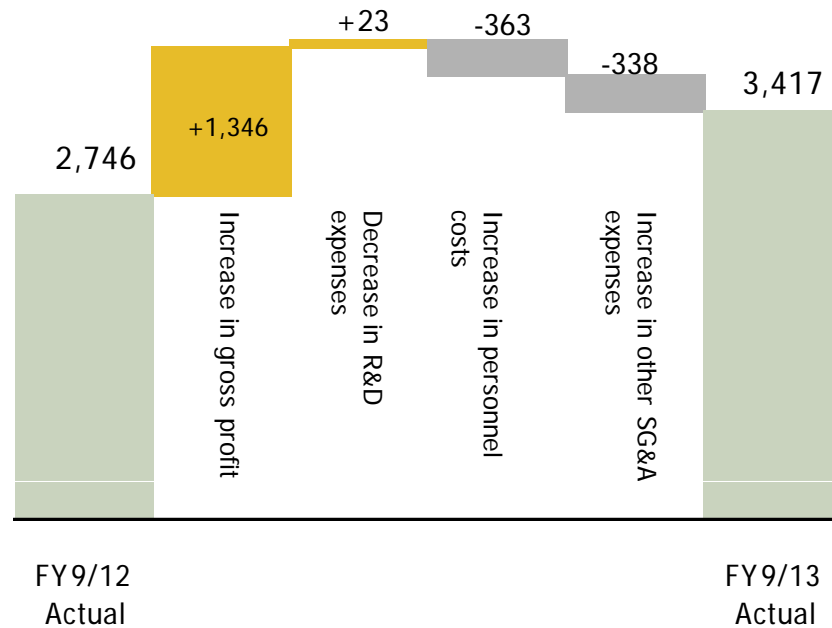
(¥million)	FY9/12 (Non-consolidated)			FY9/13 (Consolidated)			[Reference]	
	1H	2H	Full Year	1H	2H	Full Year	FY9/13 Fcst	vs Fcst Change in Amount
Net Sales	9,779	11,741	21,520	11,996	13,178	25,174	25,975	-801
Gross Profit	4,267	5,049	9,318	5,243	5,698	10,941	-	-
Gross Margin	43.6%	43.0%	43.3%	43.7%	43.2%	43.5%	-	-
SG&A Expenses	3,293	3,278	6,571	3,634	4,045	7,679	-	-
SG&A Margin	33.7%	27.9%	30.5%	30.3%	30.7%	30.5%	-	-
Operating Income	974	1,772	2,746	1,609	1,652	3,261	3,575	-314
Operating Income Margin	10.0%	15.1%	12.8%	13.4%	12.5%	13.0%	13.8%	
Ordinary Income	977	1,721	2,698	1,734	1,642	3,376	3,540	-164
Ordinary Income Margin	10.0%	14.7%	12.5%	14.5%	12.5%	13.4%	13.6%	
Net Income	313	1,057	1,370	1,088	980	2,068	2,190	-122
Net Income Margin	3.2%	9.0%	6.4%	9.1%	7.4%	8.2%	8.4%	
ROE			6.3%			8.6%	9.2%	
EPS (Yen)			97.09			146.48	155.10	-9
Capital Expenditure	507	1,185	1,693	2,138	1,029	3,167		
Depreciation	602	608	1,211	587	619	1,206		
Leased Equipment	173	256	430	211	189	400		
R&D Expenses	706	597	1,303	594	686	1,280		
R&D Expenses Ratio	7.2%	5.1%	6.1%	5.0%	5.2%	5.1%		

Summary of FY9/13 Financial Results



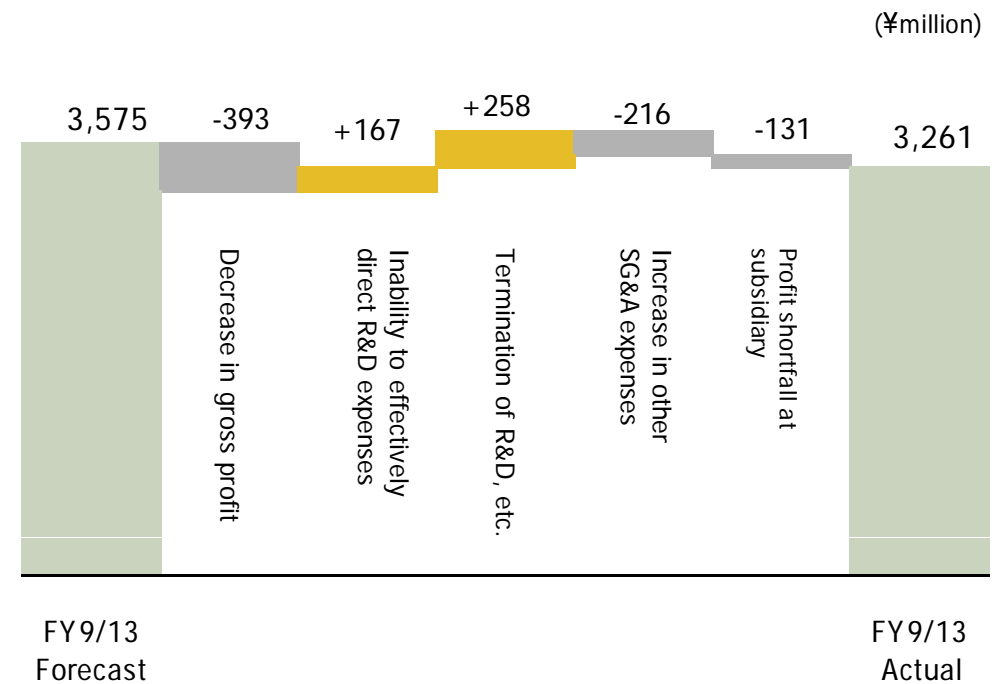
YoY Changes in Non-consolidated Operating Income

- 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



Consolidated Operating Income FY9/13 Forecast vs. Actual

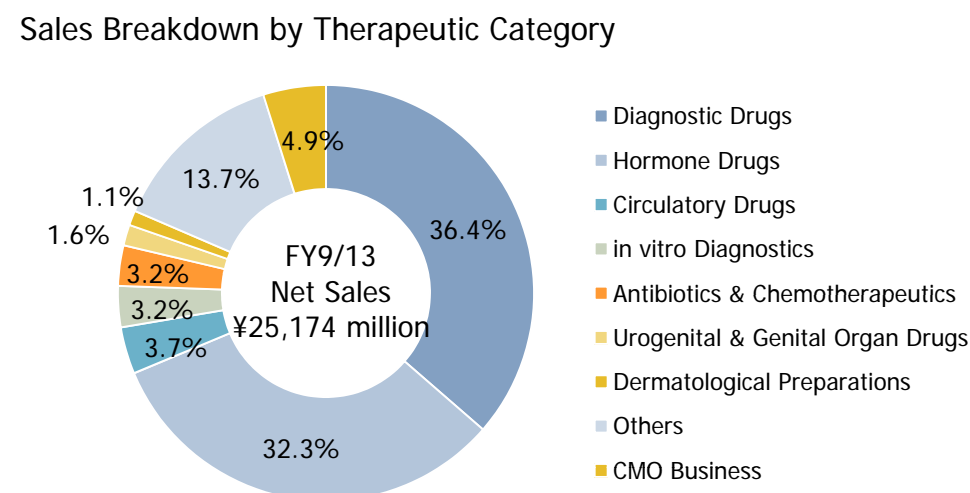
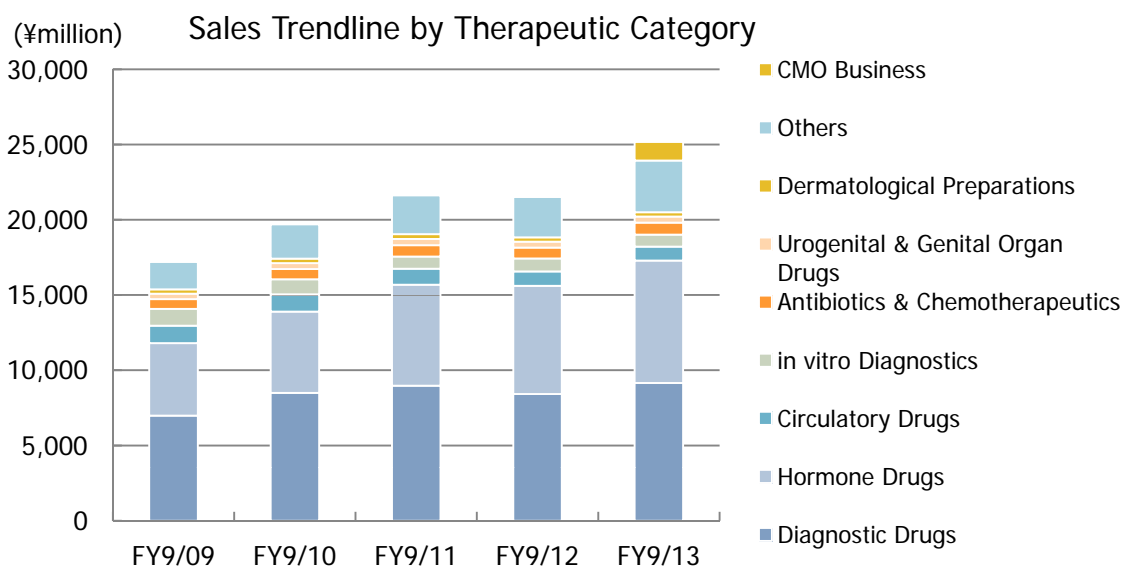
- Decrease in gross profit due to sales shortfall and other factors
- Inability to effectively direct R&D expenses or termination of R&D, etc.
- Increase in other SG&A expenses
- Profit shortfall at subsidiary



Sales by Therapeutic Category



(¥million)	FY9/09	FY9/10	FY9/11	FY9/12			FY9/13			YoY Change	
				1H	2H	Full Year	1H	2H	Full Year	Amount	Ratio
Diagnostic Drugs	6,983	8,494	8,978	3,803	4,616	8,419	4,622	4,535	9,158	739	8.8%
Hormone Drugs	4,815	5,403	6,704	3,188	4,001	7,189	3,728	4,406	8,134	945	13.1%
Circulatory Drugs	1,161	1,155	1,067	443	518	962	472	447	920	-42	-4.3%
in vitro Diagnostics	1,124	999	810	480	375	856	473	329	802	-54	-6.2%
Antibiotics & Chemotherapeutics	646	680	752	353	372	726	356	437	793	67	9.3%
Urogenital & Genital Organ Drugs	364	389	418	185	210	396	192	213	406	10	2.5%
Dermatological Preparations	288	297	314	132	153	285	135	154	289	4	1.4%
Others	1,814	2,277	2,577	1,190	1,493	2,684	1,579	1,862	3,441	757	28.2%
Total	17,198	19,698	21,623	9,779	11,740	21,520	11,560	12,387	23,948	2,428	11.3%
CMO Business							436	790	1,226		
Total	17,198	19,698	21,623	9,779	11,740	21,520	11,996	13,178	25,174	3,654	17.0%



Sales of Major Products



Product Name (¥million)	Therapeutic Category	FY9/09	FY9/10	FY9/11	FY9/12			FY9/13			YoY Change	
					1H	2H	Full Year	1H	2H	Full Year	Amount	Ratio
OYPALOMIN® injection	Diagnostic drugs	5,351	6,552	6,876	2,800	3,433	6,233	3,373	3,354	6,727	494	7.9%
LUNABELL® tablets (LD/ULD)	Hormone drugs	962	1,345	2,271	998	1,513	2,511	1,229	1,737	2,967	456	18.2%
IOPAQUE® injection	Diagnostic drugs	1,124	1,388	1,557	740	907	1,648	977	899	1,876	228	13.8%
HMG intramuscular injection	Hormone drugs	919	921	935	438	483	921	397	457	854	-67	-7.3%
DEXART® injection	Hormone drugs	433	537	604	308	332	641	330	352	682	41	6.5%
SOL-MELCORT for injection	Hormone drugs	463	557	614	323	309	633	326	323	649	16	2.6%
ALYPROST® injection	Circulatory drugs	857	839	755	305	329	634	302	284	586	-48	-7.5%
FOLYRMON®-P injection	Hormone drugs	420	433	478	226	263	490	231	259	491	1	0.2%
LIMAPROST ALFADEX tablets	Others	130	229	284	144	225	370	204	269	474	104	28.1%
BUSERECUR®	Hormone drugs	276	295	321	150	187	337	174	214	389	52	15.3%
GLUCAGON for injection	Diagnostic drugs	434	457	421	179	181	361	161	187	348	-13	-3.6%
FLUMAZENIL injection	Others	255	303	372	114	220	335	121	208	329	-6	-1.8%
FAVOIR® tablets	Hormone drugs				46	102	149	130	170	301	152	102.0%
HEPARIN SODIUM injection	Others	222	234	245	120	133	253	140	146	287	34	13.4%
HCG for injection	Hormone drugs				112	120	232	176	96	272	40	17.2%
Total Top 15 Sales (Non-consolidated)		11,846	14,090	16,172	7,012	8,744	15,756	8,277	8,962	17,240	1,484	9.4%
Pct. of Total Sales (Non-consolidated)		68.9%	71.5%	74.8%	71.7%	74.5%	73.2%	71.6%	72.4%	72.0%		

Acute Medical Care

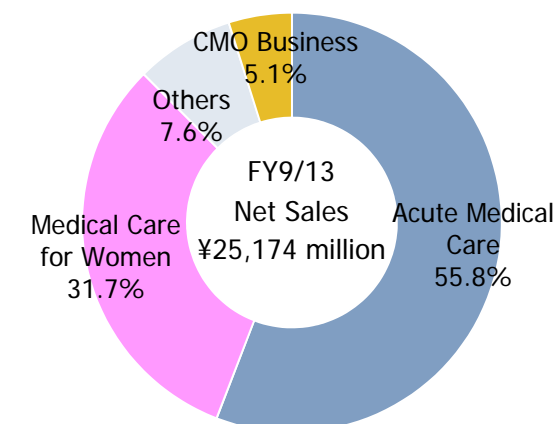
Medical Care for Women

Sales by Medical Field and Route of Administration



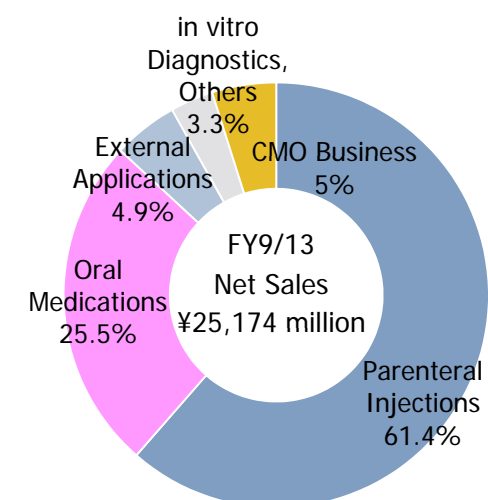
Breakdown by Medical Field (¥million)	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13	YoY Change	
						Amount	Ratio
Acute Medical Care	10,826	12,772	13,453	12,796	14,059	1,263	9.9%
Medical Care for Women	4,733	5,240	6,480	6,776	7,969	1,193	17.6%
Others	1,639	1,686	1,690	1,948	1,919	-29	-1.5%
Total (Non-consolidated)	17,198	19,698	21,623	21,520	23,948	2,428	11.3%
CMO Business (OLIC)					1,226		
Total (Consolidated)	17,198	19,698	21,623	21,623	25,174	3,551	16.4%

Sales Breakdown by Medical Field

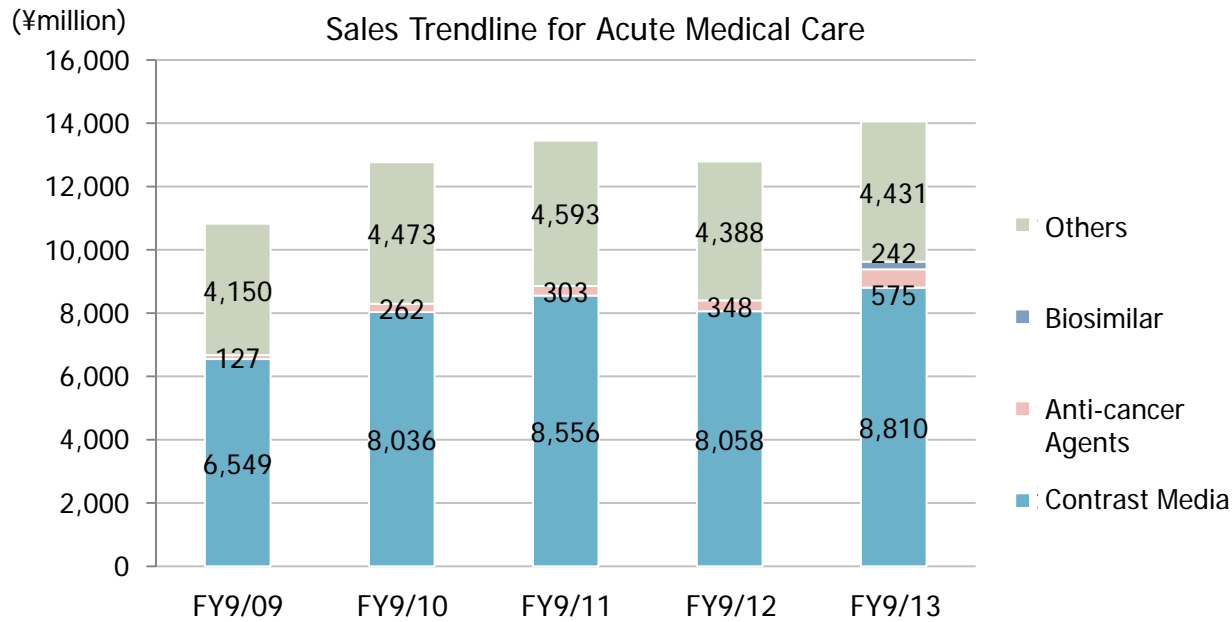


Breakdown by Route of Administration (¥million)	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13	YoY Change	
						Amount	Ratio
Parenteral Injections	12,481	14,329	15,090	14,442	15,463	1,021	7.1%
Oral Medications	2,520	3,219	4,547	5,053	6,416	1,363	27.0%
External Applications	1,038	1,150	1,139	1,123	1,243	120	10.7%
in vitro Diagnostics, Others	1,159	1,045	847	902	825	-77	-8.5%
Total (Non-consolidated)	17,198	19,698	21,623	21,520	23,948	2,428	11.3%
CMO Business (OLIC)					1,226		
Total (Consolidated)	17,198	19,698	21,623	21,520	25,174	3,654	17.0%

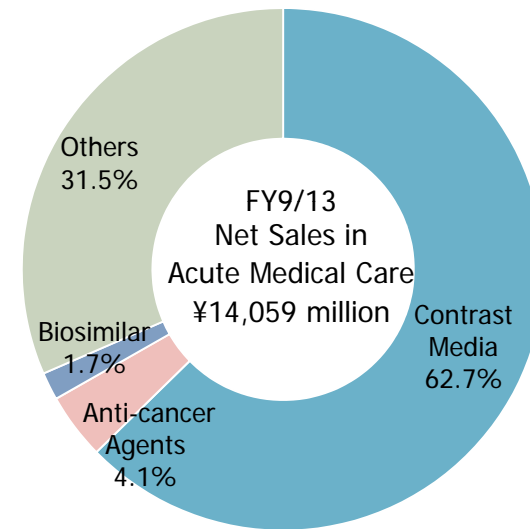
Sales Breakdown by Route of Administration



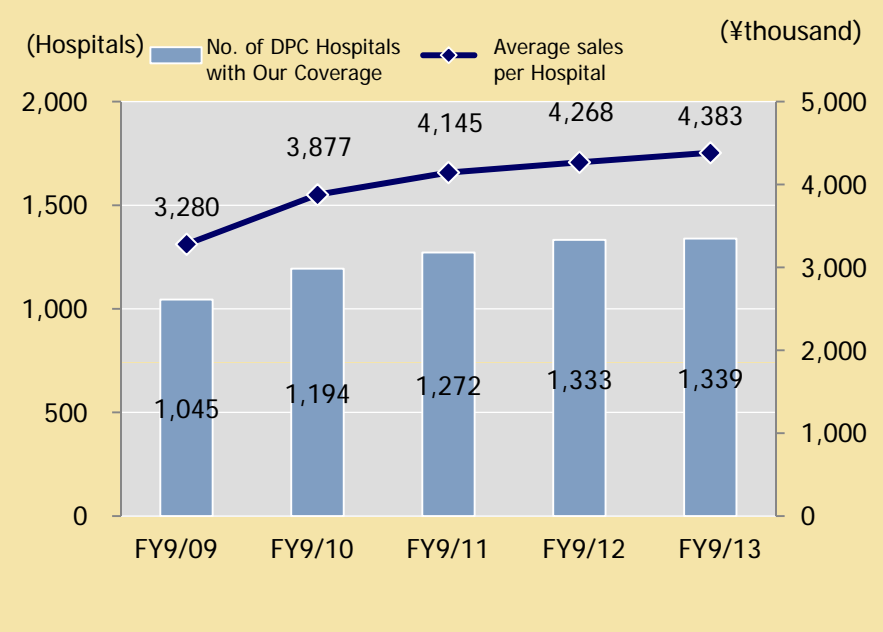
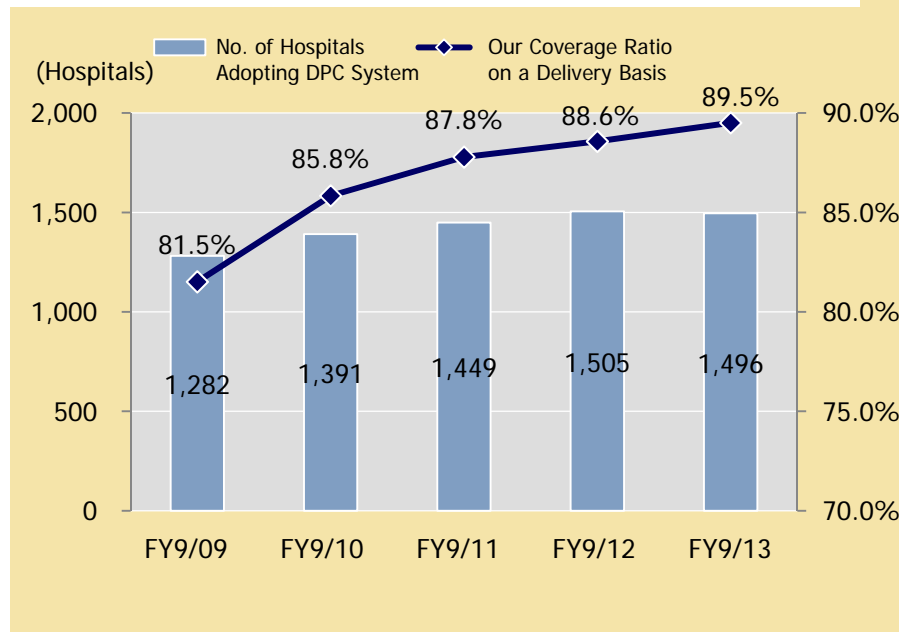
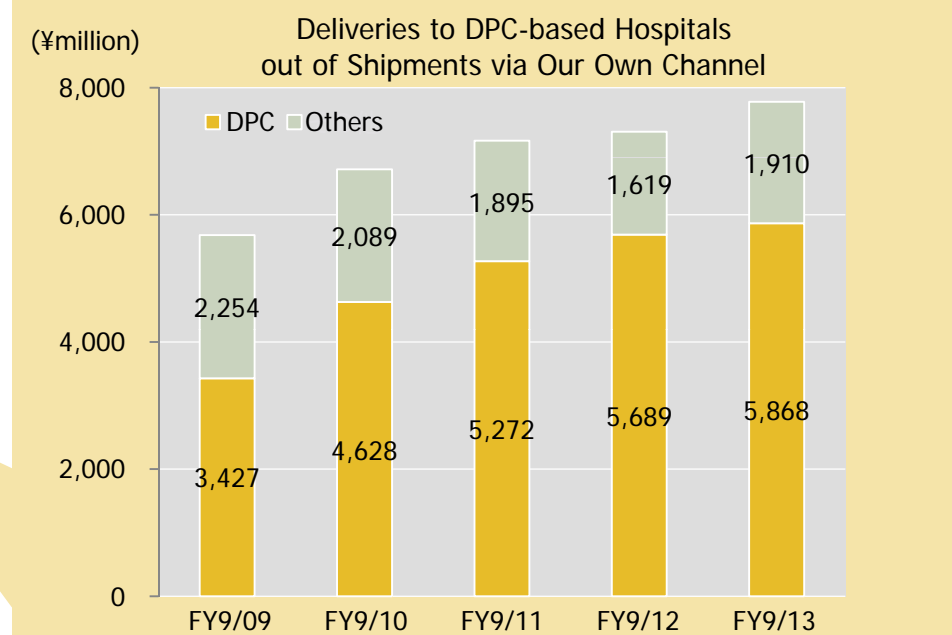
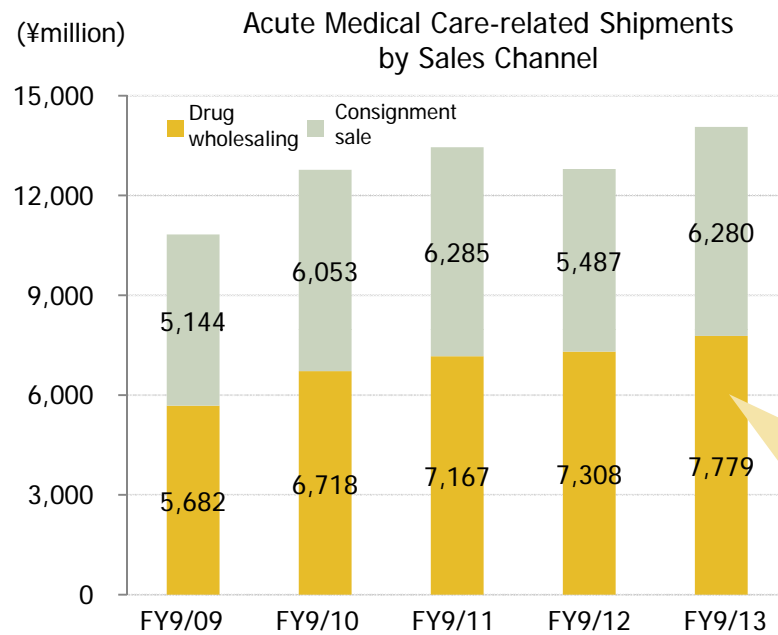
Acute Medical Care: Sales Trendline



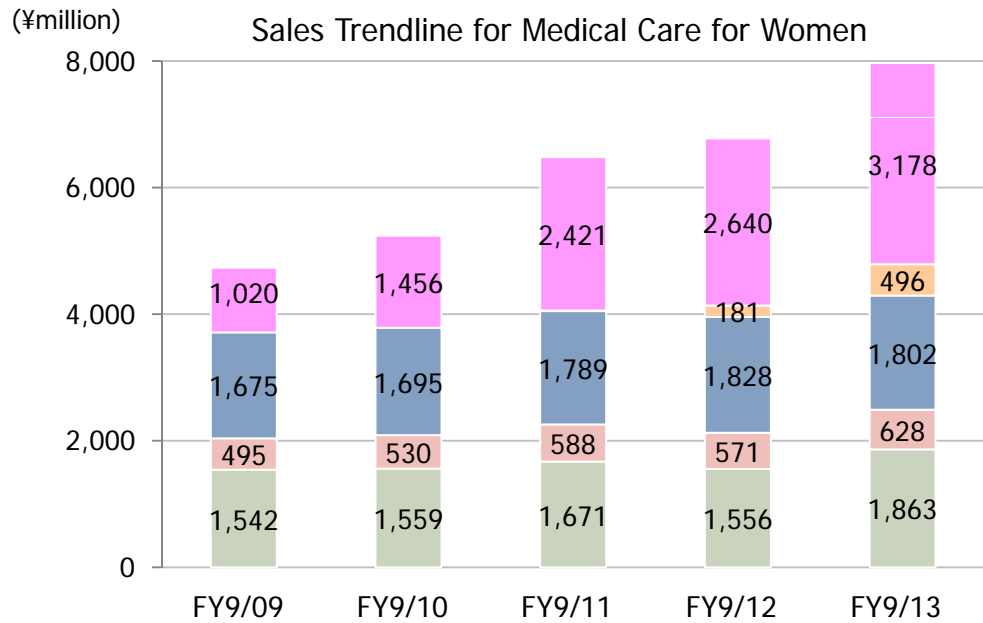
Sales Breakdown by Acute Medical Care



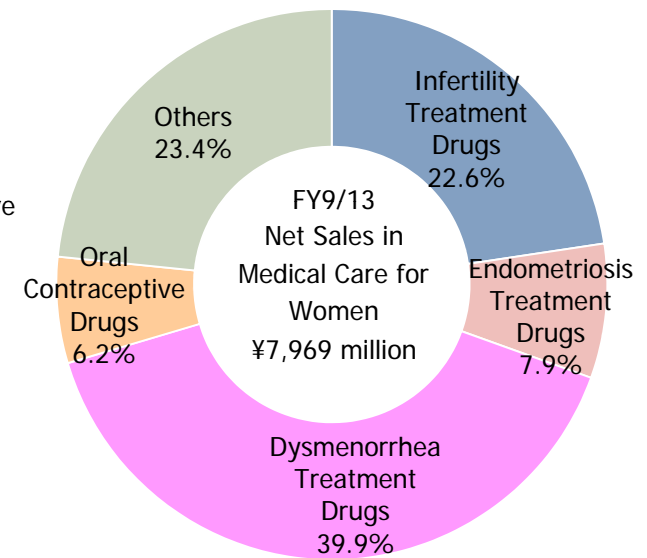
Acute Medical Care: Sales Trendline for DPC-based Hospitals



Medical Care for Women: Sales Trendline



Sales Breakdown by Medical Care for Women



http://www.seiritsu-navi.com

不妊治療情報誌 FUJI Infertility News Menopause News

不妊治療情報誌 [FUJI Infertility News] から最新のトピックスをお届けします。

Summary of FY9/13 Balance Sheets



(¥million)	[Reference]	
	FY9/12 (Non-consolidated)	FY9/13 (Consolidated)
	Term End	Term End
Assets		
Current Assets	22,828	23,772
Noncurrent Assets	8,642	15,366
Property, Plant and Equipment	7,242	10,506
Intangible Assets	718	4,105
Investments and Other Assets	682	753
Total Assets	31,471	39,138
Liabilities		
Current Liabilities	8,034	8,917
Noncurrent Liabilities	1,338	6,153
Total Liabilities	9,373	15,071
Net Assets		
Shareholders' Equity	22,098	23,644
Capital Stock	2,447	2,447
Capital Surplus	3,672	3,672
Retained Earnings	15,979	17,525
Treasury Stock	-0	-0
Accumulated Other Comprehensive Income	-0	421
Total Net Assets	22,098	24,066
Total Liabilities and Net Assets	31,471	39,138

- Notes and accounts receivable-trade: ¥9,697 million
- Cash and deposits: ¥6,015 million

- Buildings and structures: ¥8,858 million
- Machinery, equipment and vehicles: ¥9,949 million

- Notes and accounts payable-trade: ¥3,604 million

- Interest-bearing debt: ¥6,272 million
(Short-term loans payable: ¥933 million)
(Long-term loans payable: ¥5,339 million)

Summary of FY9/13 Statements of Cash Flows



(¥million)	[Reference]	
	FY9/12 (Non-consolidated)	FY9/13 (Consolidated)
	Full Year	Full Year
Net Cash Provided by (Used in) Operating Activities	1,171	3,630
(Major Breakdown)		
Income Before Income Taxes	2,325	3,332
Depreciation and Amortization	1,211	1,206
Amortization of Goodwill		207
Decrease (Increase) in Notes and Accounts Receivable-Trade	-1,353	809
Decrease (Increase) in Inventories	-1,355	546
Increase (Decrease) in Notes and Accounts Payable-Trade	572	-1,320
Income Taxes Paid	-989	-1,366
Net Cash Provided by (Used in) Investing Activities	80	-6,601
(Major Breakdown)		
Purchase of Property, Plant and Equipment	-1,629	-2,779
Proceeds from Sales of Property, Plant and Equipment	1,725	
Purchase of Intangible Assets		-547
Purchase of Investments in Subsidiaries Resulting in Change in Scope of Consolidation		-3,386
Net Cash Provided by (Used in) Financing Activities	-835	3,743
(Major Breakdown)		
Net Increase (Decrease) in Short-term Loans Payable	1,000	-1,073
Proceeds from Long-term Loans Payable		5,850
Repayment of Long-term Loans Payable	-1,300	-510
Cash Dividends Paid	-535	-522
Cash and Cash Equivalents at Beginning of Period	5,260	5,676
Cash and Cash Equivalents at End of Period	5,676	6,521
Free Cash Flows	1,251	-2,971

- Phase II construction works on the No. 5 pharmaceutical plant

- R&D center

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

FY9/14 Forecast

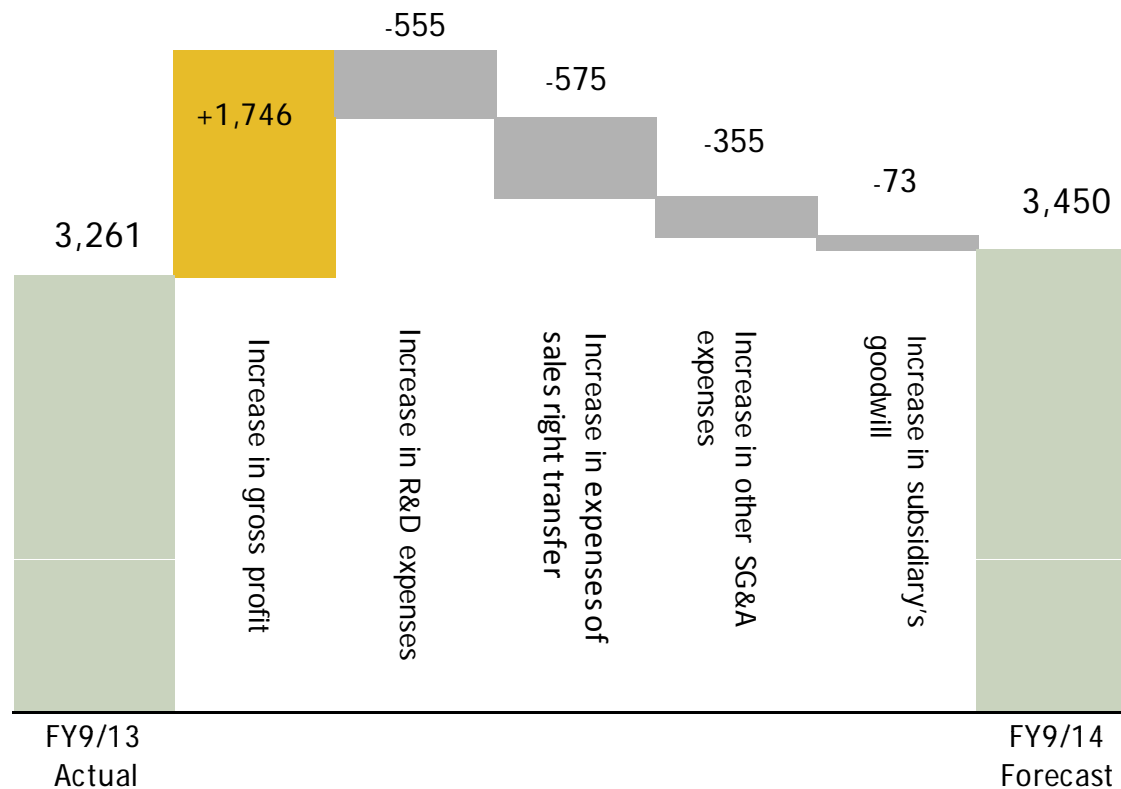


- Increase net sales in our core medical fields by ¥3.6 billion
(Acute Medical Care: ¥2.2 billion, Medical Care for Women: ¥1.4 billion)
- Establish the Diagnostic Imaging Drug Group and start selling "OPTIRAY® injection" in December 2013
- Start selling four drugs in December 2013, which will be transferred the marketing approval and sales rights from Shionogi & Co., Ltd.
- Profits to be unchanged due to the impact of the April 2014 NHI drug price revisions, higher expenses of sales right transfer, and rising R&D expenses

(¥million)	FY9/13			FY9/14			YoY Change	
	1H	2H	Full Year	1H	2H	Full Year	Amount	Ratio
Net Sales	11,996	13,178	25,174	13,985	15,480	29,465	4,291	17.0%
Operating Income	1,609	1,652	3,261	1,410	2,040	3,450	189	5.8%
Operating Income Margin	13.4%	12.5%	13.0%	10.1%	13.2%	11.7%	-	-
Ordinary Income	1,734	1,642	3,376	1,370	2,015	3,385	9	0.3%
Ordinary Income Margin	14.5%	12.5%	13.4%	9.8%	13.0%	11.5%	-	-
Net Income	1,088	980	2,068	825	1,245	2,070	2	0.1%
Net Income Margin	9.1%	7.4%	8.2%	5.9%	8.0%	7.0%	-	-
Capital Expenditure	2,138	1,029	3,167	453	644	1,098	-2,069	-65.3%
Depreciation	587	619	1,206	656	782	1,439	233	19.3%
Lease Equipment	211	189	400	186	346	532	132	33.0%
R&D Expenses	594	686	1,280	997	837	1,835	555	43.4%
R&D Expenses Ratio	5.0%	5.2%	5.1%	7.1%	5.4%	6.2%	-	-

YoY Changes in FY9/14 Consolidated Operating Income Forecast

- Increase in gross profit due to higher net sales and other factors
- Increase in R&D expenses
- Increase in expenses of sales right transfer
- Increase in other SG&A expenses
- Increase in subsidiary's goodwill



Sales Forecast by Therapeutic Category and Medical Field



(¥million)	FY9/13	FY9/14 Forecast	YoY Change	
			Amount	Ratio
Diagnostic Drugs	9,158	11,029	1,871	20.4%
Hormone Drugs	8,134	9,469	1,335	16.4%
Circulatory Drugs	920	1,037	117	12.7%
in vitro Diagnostics	802	786	-16	-2.0%
Antibiotics & Chemotherapeutics	793	858	65	8.2%
Urogenital & Genital Organ Drugs	406	412	6	1.5%
Detmetological Preparations	289	257	-32	-11.1%
Others	3,441	3,773	332	9.6%
CMO Business (OLIC)	1,226	1,845	619	50.5%
Total	25,174	29,465	4,291	17.0%

(¥million)	FY9/13	FY9/14 Forecast	YoY Change	
			Amount	Ratio
Acute Medical Care	14,059	16,306	2,247	16.0%
Medical Care for Women	7,969	9,358	1,389	17.4%
Others	1,919	1,959	40	2.1%
CMO Business (OLIC)	1,226	1,845	619	50.5%
Total	25,174	29,465	4,291	17.0%

Sales Forecast for Major Products



Product Name (¥million)	Therapeutic Category	FY9/13	FY9/14 Forecast	YoY Change	
				Amount	Ratio
OYPALOMIN® injection	Diagnostic drugs	6,727	6,706	-21	-0.3%
LUNABELL® tablets (LD/ULD)	Hormone drugs	2,967	3,640	673	22.7%
IOPAQUE® injection	Diagnostic drugs	1,876	1,909	33	1.8%
HMG intramuscular injection	Hormone drugs	854	817	-37	-4.3%
DEXART® injection	Hormone drugs	682	691	9	1.3%
SOL-MELCORT for injection	Hormone drugs	649	664	15	2.3%
ALYPROST® injection	Circulatory drugs	586	565	-21	-3.6%
FOLYRMON®-P injection	Hormone drugs	491	514	23	4.7%
LIMAPROST ALFADEX tablets	Others	474	506	32	6.8%
BUSERECUR®	Hormone drugs	389	402	13	3.3%
GLUCAGON for injection	Diagnostic drugs	348	315	-33	-9.5%
FLUMAZENIL injection	Others	329	343	14	4.3%
FAVOIR® tablets	Hormone drugs	301	396	95	31.6%
HEPARIN SODIUM injection	Others	287	291	4	1.4%
HCG for injection	Hormone drugs	272	184	-88	-32.4%
Total Top 15 Sales		17,240	17,954	714	4.1%
New Product		1,014	1,771	757	74.7%
Transferred Products			2,452	2,452	
Other Products		5,693	5,446	-247	-4.3%
CMO Business (OLIC)		1,226	1,845	619	50.5%
Total		25,174	29,465	4,291	17.0%
Acute Medical Care		Medical Care for Women			

● 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



(1) Focus resources on parenteral injections to upgrade operations in the **Acute Medical Care** sector

- ❑ Establish multi-parenteral injection production line, including production of new anticancer drugs and other multi-parenteral injections
- ❑ Upgrade marketing capabilities for Filgrastim BS Syringe
- ❑ Transfer of license to sell in Japan OPTIRAY[®] injection, the non-ionic contrast media



(2) Become a leader in the field of **Medical Care for Women**

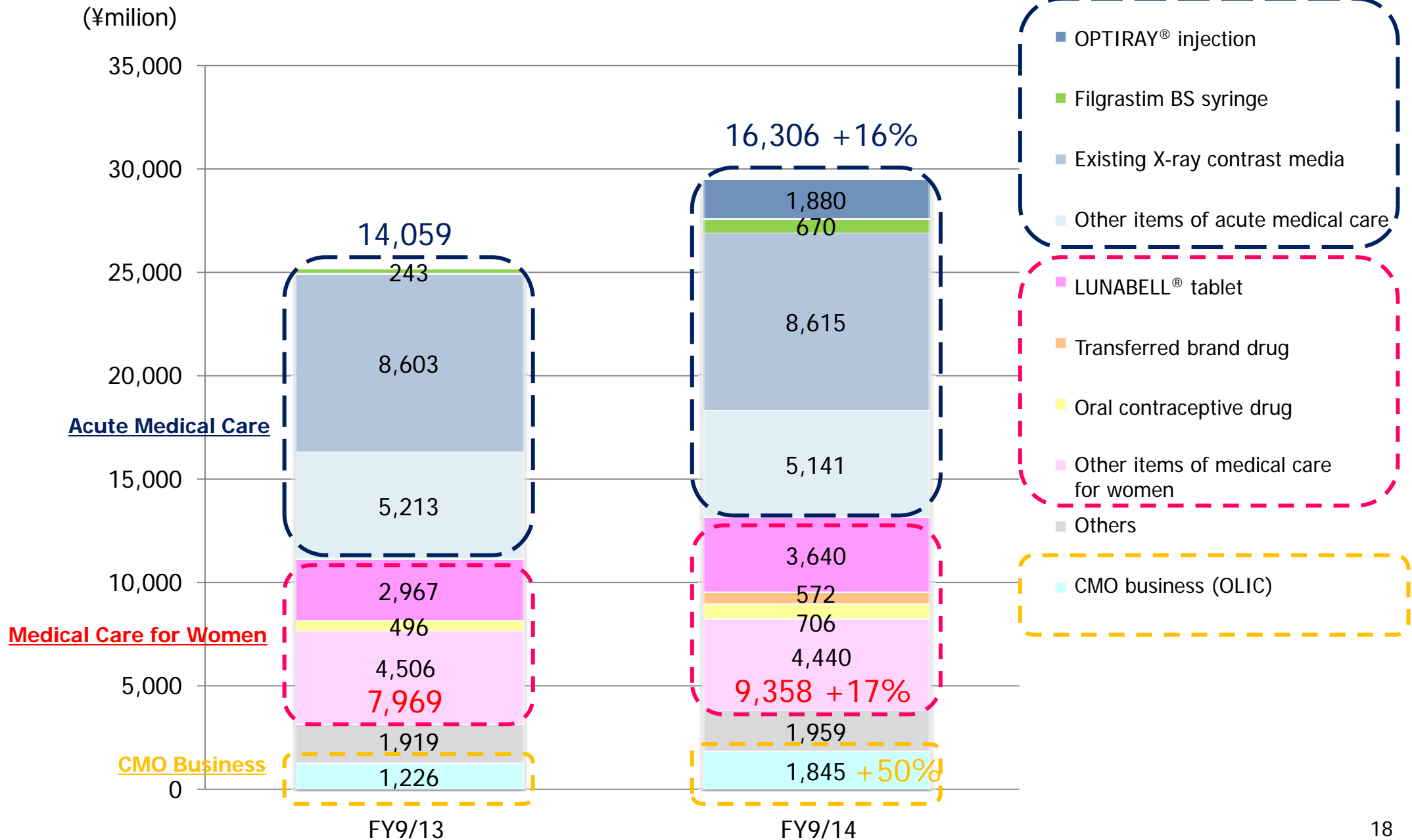
- ❑ Start clinical trials for new drugs for assisted reproductive technologies and biosimilar drugs
- ❑ Start selling LUNABELL[®] tablets ULD for the treatment of dysmenorrhea
- ❑ Transfer of marketing approval and sales rights for four brand drugs in the field of obstetrics and gynecology



(3) Become the largest contract pharmaceutical manufacturer in **Southeast Asia**

- ❑ Build a new parenteral injection plant and a new warehouse at OLIC (Thailand) Limited
- ❑ Prepare for the production and sale outside Japan of parenteral injections, including in the core contrast media category

FY9/14 Highlights of Medium-term Business Plan



Acute Medical Care:
Release of Biosimilar Drugs and Sales Right Transfer of Contrast Media



Released biosimilar drug
Filgrastim BS Syringe 「F」
in May 2013



Transfer of sales rights of the non-
ionic contrast media
OPTIRAY® injection from
Mallinckrodt Japan Co. Ltd.
This product will be started selling
in December 2013

Medical Care for Women:

Start Selling New Drugs; Transfer of Marketing Approval and Sales Rights



Released LUNABELL[®] Tablet ULD,
ultra-low-dose estrogen progestin (LEP)
for treatment of dysmenorrhea
in September 2013



Transfer of marketing approval and sales rights for four drugs (for obstetrics and gynecology)
from Shionogi & Co., Ltd. These drugs will be started selling in December 2013

Transfer of marketing approval: LUTORAL[®] tablets 2mg, FLAGYL[®] vaginal tablets 250mg
Transfer of sales rights: CLOMID[®] tablets 50mg, NORLUTEN[®] tablets 5mg



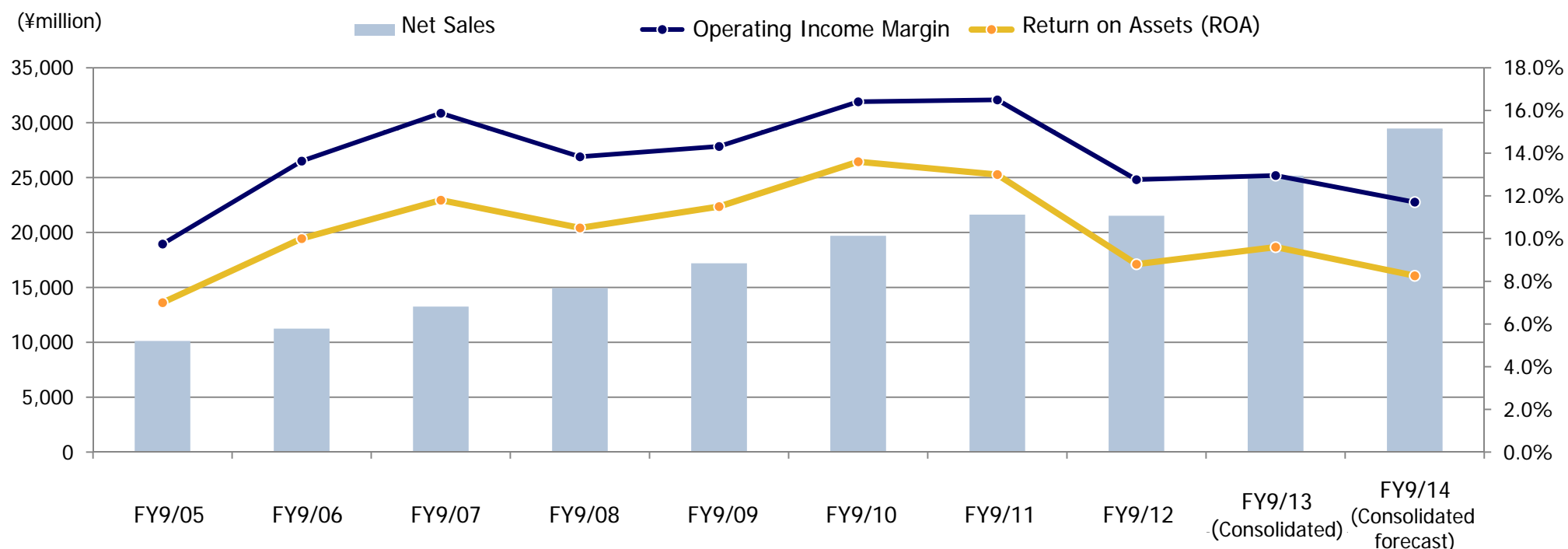
Business Outline / Business Performance Trendlines



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® tablets
- Feb. 09 Entered into capital alliance with TERUMO CORPORATION
- Feb. 10 Concluded contract to co-develop biosimilar drug 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
- Oct. 12 Made OLIC (Thailand) Limited a subsidiary
- Apr. 13 Completed R&D center
- May 13 Released biosimilar drug Filgrastim BS Syringe 「F」
- Sep. 13 Released LUNABELL® tablets ULD

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



OLIC (Thailand) Limited

Location: Bangpa-In, Ayutthaya, Thailand

Current facility built in 1997

Employees: 884 (as of March 31, 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

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.

The financial forecasts and other projections provided in this presentation are based on information available at the time of its compilation and it therefore contains an element of uncertainty and potential risks.

Actual results may differ significantly from these forecasts for a number of reasons.

It should also be noted that the views and/or facts presented here may be altered or deleted without prior notification.

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