



Business Results for the Fiscal Year Ended September 30, 2014

November 21, 2014

Hirofumi Imai,
President and Chief Executive Officer

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



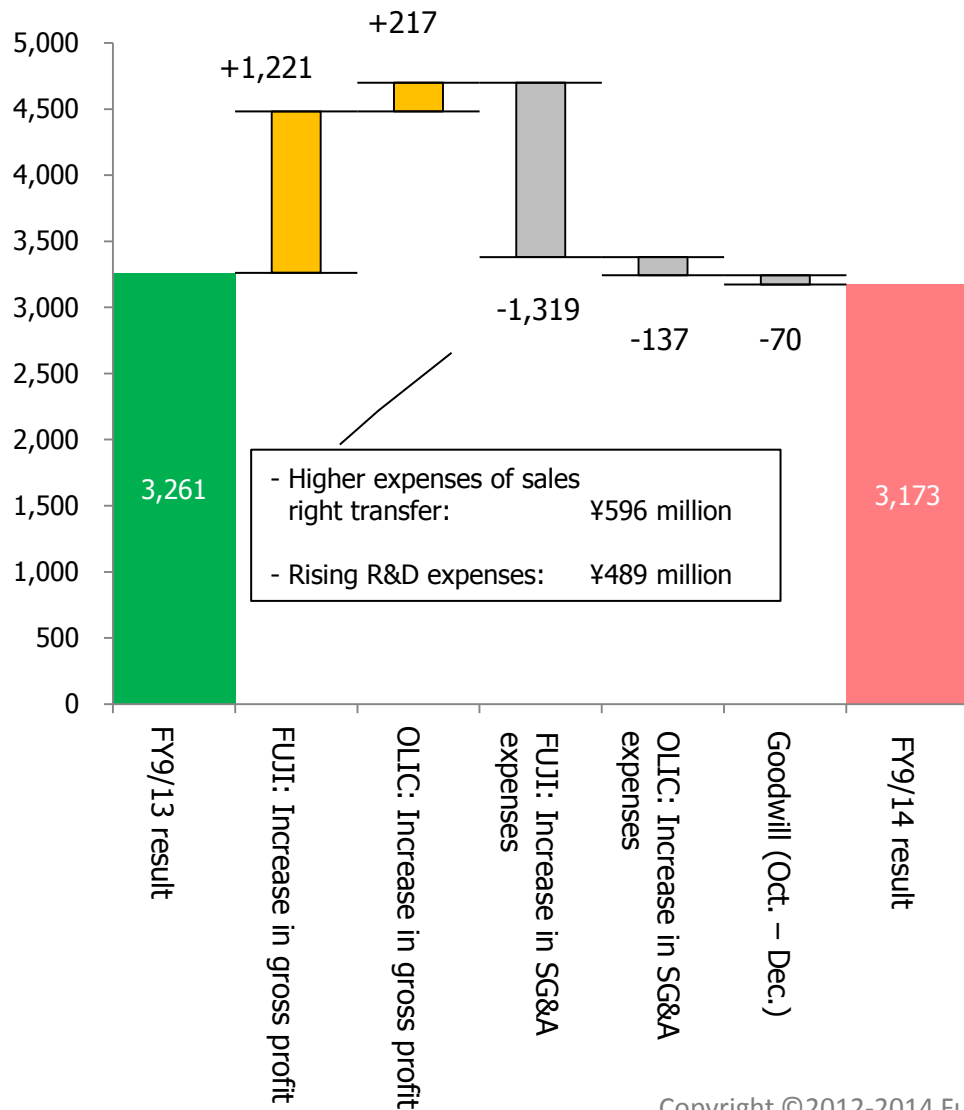
Summary of FY9/14 Financial Results	3-4
Sales by Therapeutic Category	5
Sales of Major Products	6
Sales by Medical Field and Drug Category	7
Medical Care for Women: Sales Trendline	8
Acute Medical Care: Sales Trendline	9
Acute Medical Care: Sales Trendline for DPC-based Hospitals	10
Summary of FY9/14 Balance Sheet	11
Summary of FY9/14 Statement of Cash Flows	12
FY9/15 Forecast	13-14
Sales Forecast by Therapeutic Category and Medical Field	15
Sales Forecast for Major Products	16
Medium-term Business Plan	17
Accomplishments and Issues up to FY9/14	18
Structural Changes in the Business Climate	19
Medium-term Growth Strategy	20-22
Overseas Business	23
Numerical Targets	24
Investments for Growth and Initiatives for Shareholder Returns	25
Business Outline / Business Performance Trendlines	26

Summary of FY9/14 Financial Results

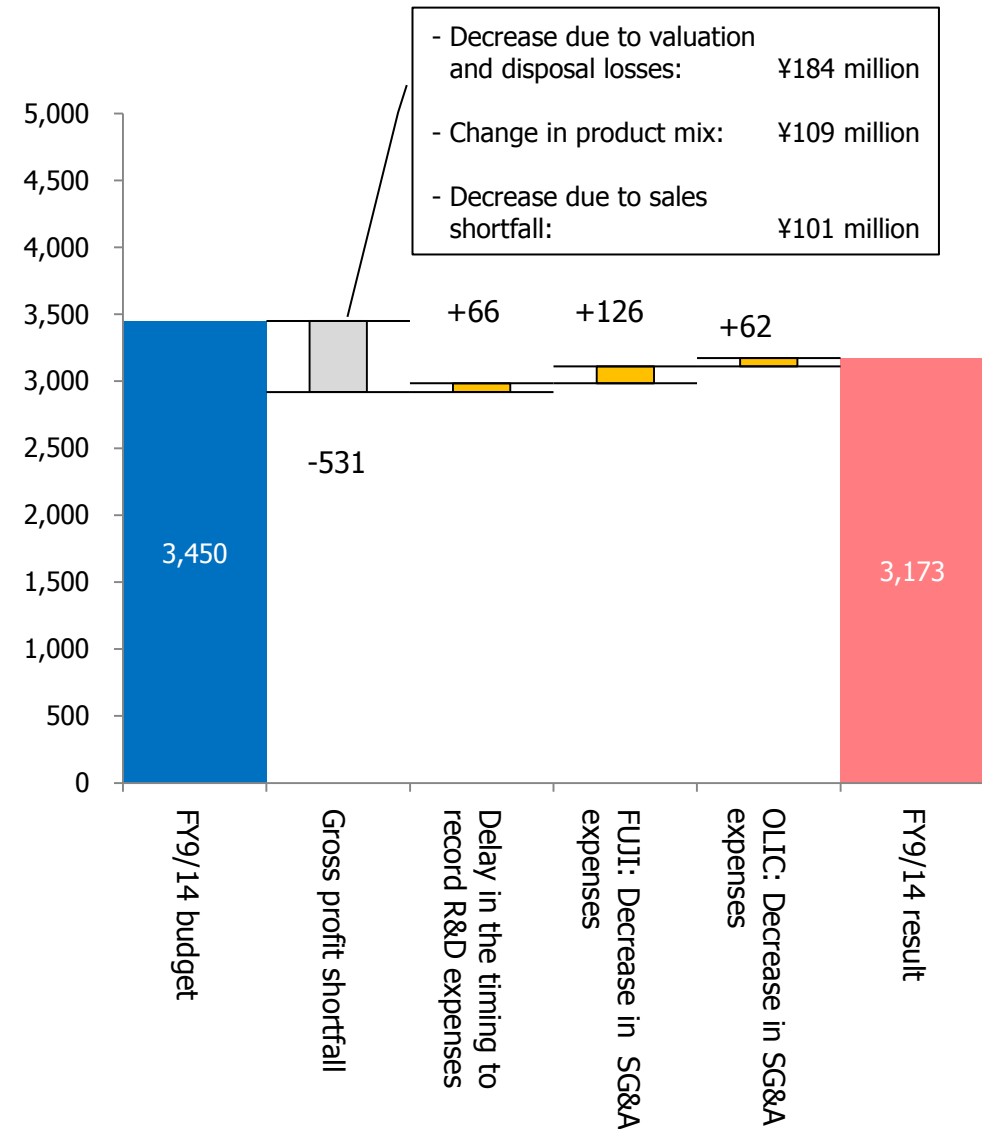
- Net sales increased by 16.1%, or ¥4,040 million YoY due to the contribution from branded drugs and biosimilars
- The gross margin decreased 1.1 point because of higher depreciation and valuation and disposal losses
- SG&A expenses increased by 19.9%, or ¥1,527 million YoY due to rising R&D expenses and higher expenses of sales right transfer

(\$million)	FY9/13			FY9/14			YoY Change		FY9/14 Fcst	vs Fcst Change in Amount
	1H	2H	Full Year	1H	2H	Full Year	Amount	%		
Net Sales	11,996	13,178	25,174	14,178	15,037	29,215	4,040	16.1%	29,465	-250
Gross Profit	5,243	5,698	10,941	6,051	6,328	12,379	1,438	13.1%	-	-
Gross Margin	43.7%	43.2%	43.5%	42.7%	42.1%	42.4%			-	-
SG&A Expenses	3,634	4,045	7,679	4,490	4,716	9,206	1,527	19.9%	-	-
SG&A Margin	30.3%	30.7%	30.5%	31.7%	31.4%	31.5%			-	-
Operating Income	1,609	1,652	3,261	1,561	1,612	3,173	-88	-2.7%	3,450	-277
Operating Income Margin	13.4%	12.5%	13.0%	11.0%	10.7%	10.9%			11.7%	
Ordinary Income	1,734	1,642	3,376	1,625	1,573	3,198	-178	-5.3%	3,385	-187
Ordinary Income Margin	14.5%	12.5%	13.4%	11.5%	10.5%	10.9%			11.5%	
Net Income	1,088	980	2,068	1,002	1,076	2,078	10	0.5%	2,070	8
Net Income Margin	9.1%	7.4%	8.2%	7.1%	7.2%	7.1%			7.0%	
ROE			8.6%			7.3%				
EPS (Yen)			146.48			140.53	-5.95	-4.1%		
Capital Expenditure	2,138	1,029	3,167	288	785	1,073	-2,094	-66.1%		
Depreciation	587	619	1,206	633	743	1,376	170	14.1%		
Leased Equipment	211	189	400	174	238	412	12	3.0%		
R&D Expenses	594	686	1,280	760	1,009	1,769	489	38.2%		
R&D Expenses Ratio	5.0%	5.2%	5.1%	5.4%	6.7%	6.1%				

YoY Changes in Operating Income

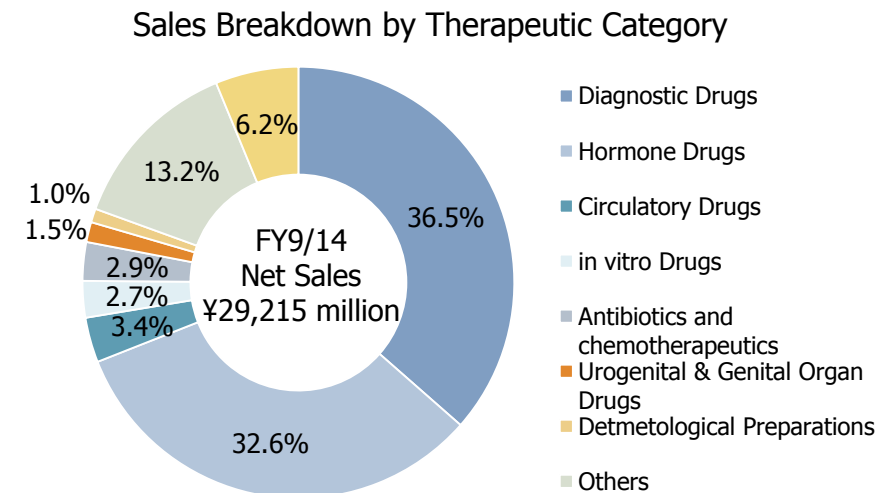
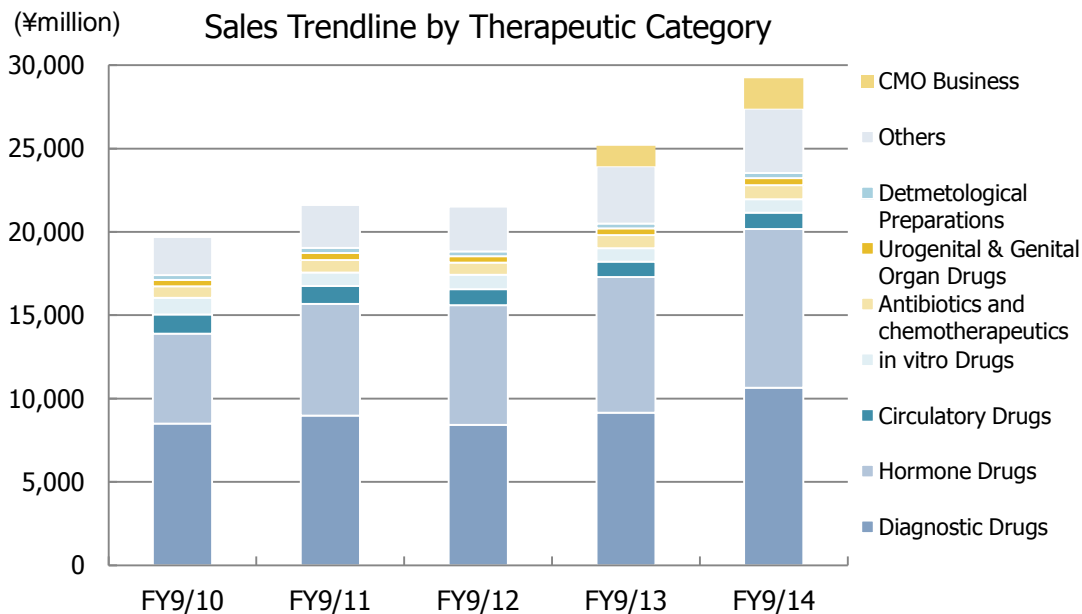


Operating Income Forecast vs. Actual



Sales by Therapeutic Category

(¥million)	FY9/10	FY9/11	FY9/12	FY9/13			FY9/14			YoY Change	
				1H	2H	Full Year	1H	2H	Full Year	Amount	Ratio
Diagnostic Drugs	8,494	8,978	8,419	4,622	4,535	9,158	5,097	5,558	10,656	1,498	16.4%
Hormone Drugs	5,403	6,704	7,189	3,728	4,406	8,134	4,706	4,804	9,511	1,377	16.9%
Circulatory Drugs	1,155	1,067	962	472	447	920	516	470	985	65	7.1%
in vitro Diagnostics	999	810	856	473	329	802	497	302	799	-3	-0.4%
Antibiotics & Chemotherapeutics	680	752	726	356	437	793	434	412	845	52	6.6%
Urogenital & Genital Organ Drugs	389	418	396	192	213	406	211	226	437	31	7.6%
Dermatological Preparations	297	314	285	135	154	289	139	162	301	12	4.2%
Others	2,277	2,577	2,684	1,579	1,862	3,441	1,843	2,017	3,860	419	12.2%
Total	19,698	21,623	21,520	11,560	12,387	23,948	13,447	13,950	27,397	3,449	14.4%
CMO Business (OLIC)				436	790	1,226	731	1,087	1,818	592	48.3%
Total	19,698	21,623	21,520	11,996	13,178	25,174	14,178	15,037	29,215	4,041	16.1%



Sales of Major Products

Product Name (¥million)	Therapeutic Category	FY9/10	FY9/11	FY9/12	FY9/13			FY9/14			YoY Change	
					1H	2H	Full Year	1H	2H	Full Year	Amount	Ratio
OYPALOMIN® injection	Diagnostic drugs	6,552	6,876	6,233	3,373	3,354	6,727	3,178	3,287	6,465	-262	-3.9%
LUNABELL® tablets (LD/ULD)	Hormone drugs	1,345	2,271	2,511	1,229	1,737	2,967	1,688	1,802	3,491	524	17.7%
OPTIRAY® injection	Diagnostic drugs							760	1,101	1,861	1,861	
IOPAQUE® injection	Diagnostic drugs	1,388	1,557	1,648	977	899	1,876	885	869	1,754	-122	-6.5%
HMG intramuscular injection	Hormone drugs	921	935	921	397	457	854	482	418	901	47	5.5%
DEXART® injection	Hormone drugs	537	604	641	330	352	682	337	342	680	-2	-0.3%
ALYPROST® injection	Circulatory drugs	839	755	634	302	284	586	319	290	609	23	3.9%
SOL-MELCORT for injection	Hormone drugs	557	614	633	326	323	649	322	284	607	-42	-6.5%
LIMAPROST ALFADEX tablets	Others	229	284	370	204	269	474	297	289	587	113	23.8%
Filgrastim BS injection Syringe	Others					243	243	216	323	539	296	121.8%
FOLYRMON®-P injection	Hormone drugs	433	478	490	231	259	491	262	265	528	37	7.5%
BUSERECUR®	Hormone drugs	295	321	337	174	214	389	188	235	423	34	8.7%
FAVOIR® tablets	Hormone drugs			149	130	170	301	225	168	394	93	30.9%
FLUMAZENIL injection	Others	303	372	335	121	208	329	184	182	366	37	11.2%
CLOMID® tablets	Hormone drugs							117	215	333	333	
Total Top 15 Sales (Non-consolidated)		13,399	15,067	14,903	7,799	8,775	16,567	9,466	10,078	19,545	2,978	18.0%
Pct. of Total Sales (Non-consolidated)		68.0%	69.7%	69.3%	67.5%	70.8%	69.2%	70.4%	72.2%	71.3%		

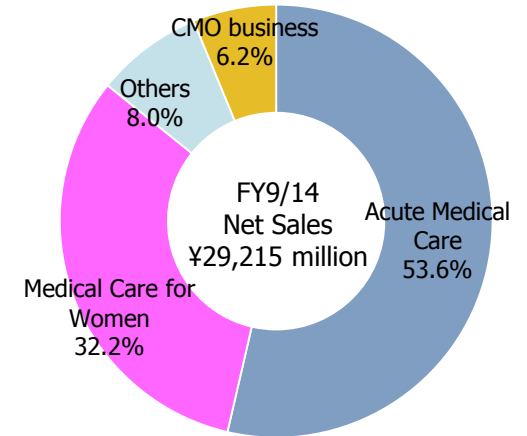
Acute Medical Care

Medical Care for Women

Sales by Medical Field and Drug Category

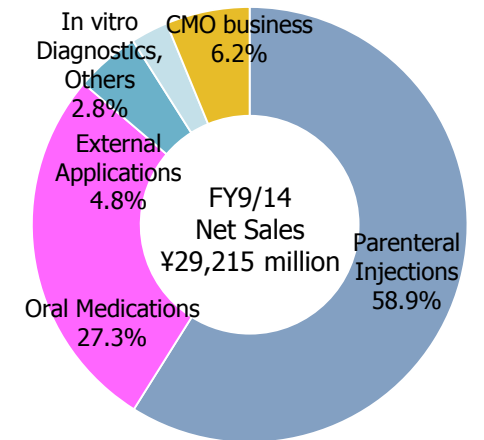
Breakdown by Medical Field (¥million)	FY9/10	FY9/11	FY9/12	FY9/13	FY9/14	YoY Change	
						Amount	Ratio
Acute Medical Care	12,772	13,453	12,796	14,059	15,663	1,604	11.4%
Medical Care for Women	5,240	6,480	6,776	7,969	9,400	1,431	18.0%
Others	1,686	1,690	1,948	1,919	2,333	414	21.6%
Total (Non-consolidated)	19,698	21,623	21,520	23,948	27,397	3,449	14.4%
CMO Business (OLIC)				1,226	1,818	592	48.3%
Total (Consolidated)	19,698	21,623	21,623	25,174	29,215	4,041	16.1%

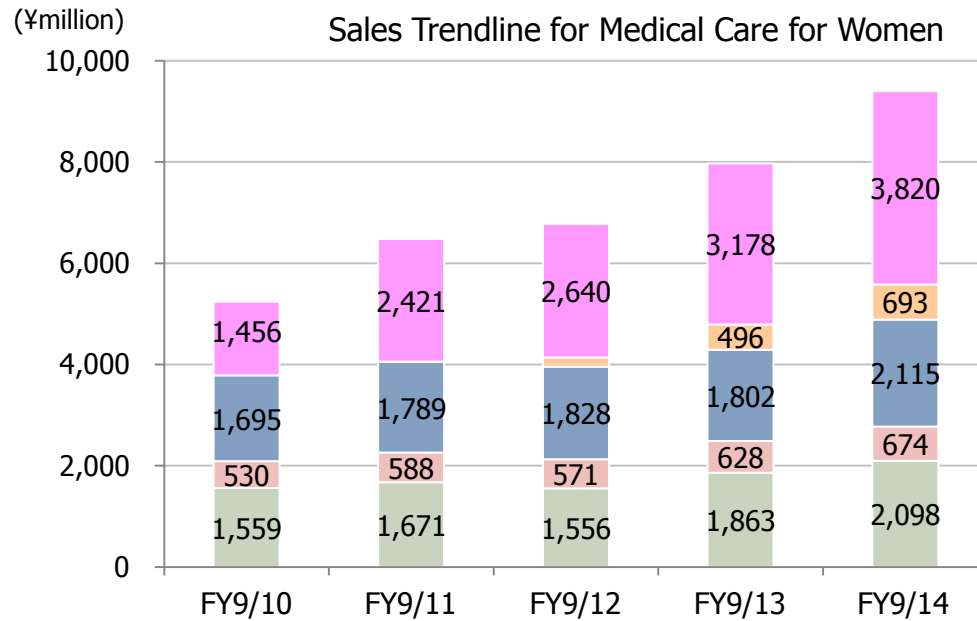
Sales Breakdown by Medical Field



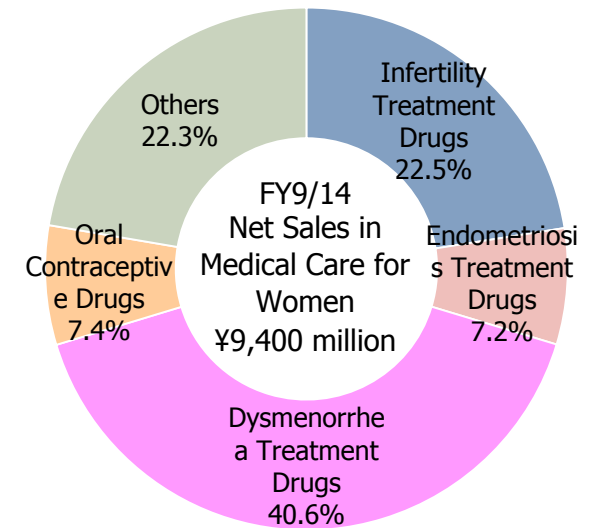
Breakdown by Drug Category (¥million)	FY9/10	FY9/11	FY9/12	FY9/13	FY9/14	YoY Change	
						Amount	Ratio
Parenteral Injections	14,329	15,090	14,442	15,463	17,212	1,749	11.3%
Oral Medications	3,219	4,547	5,053	6,416	7,974	1,558	24.3%
External Applications	1,150	1,139	1,123	1,243	1,399	156	12.6%
in vitro Diagnostics, Others	1,045	847	902	825	811	-14	-1.7%
Total (Non-consolidated)	19,698	21,623	21,520	23,948	27,397	3,449	14.4%
CMO Business (OLIC)				1,226	1,818	592	48.3%
Total (Consolidated)	19,698	21,623	21,520	25,174	29,215	4,041	16.1%

Sales Breakdown by Drug Category



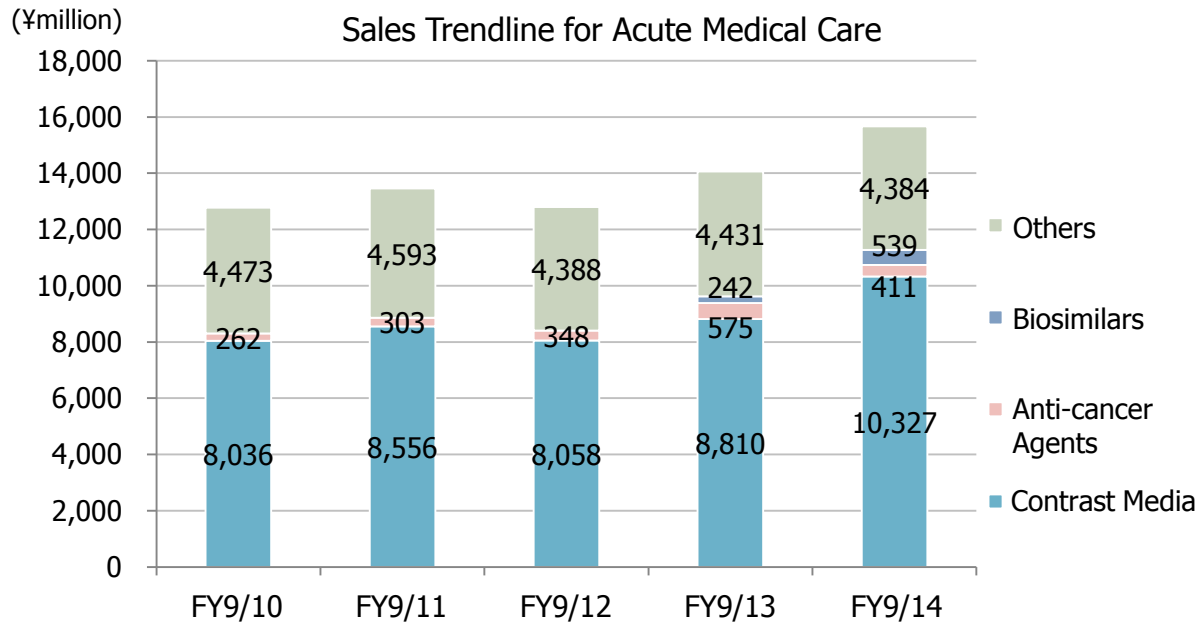


Sales Breakdown by Medical Care for Women

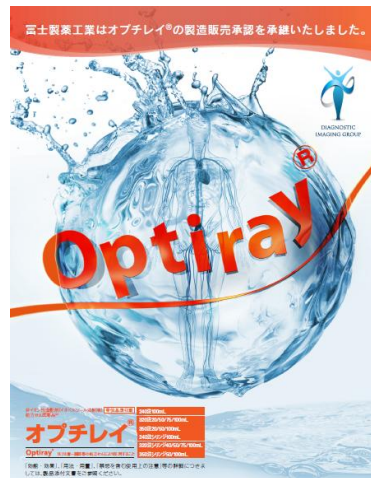
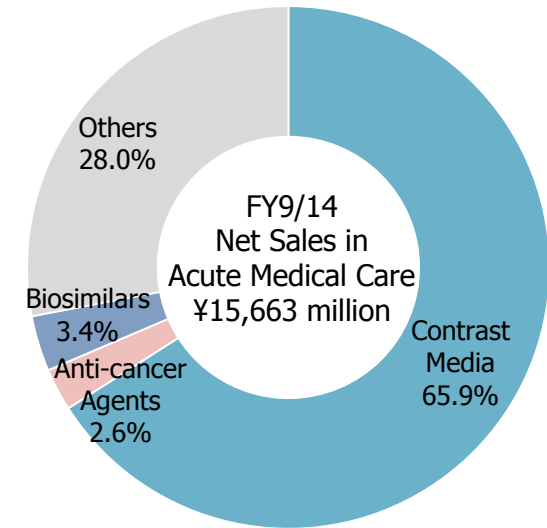


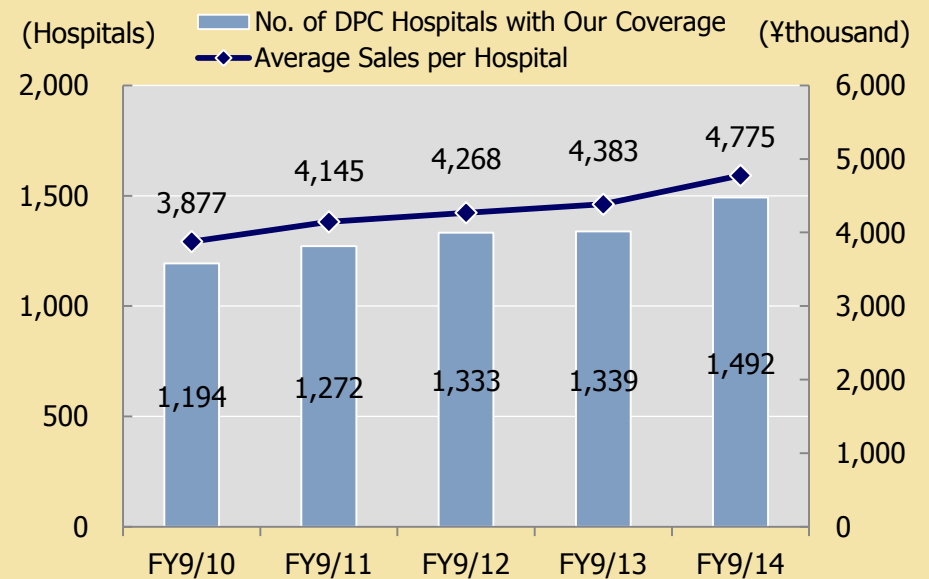
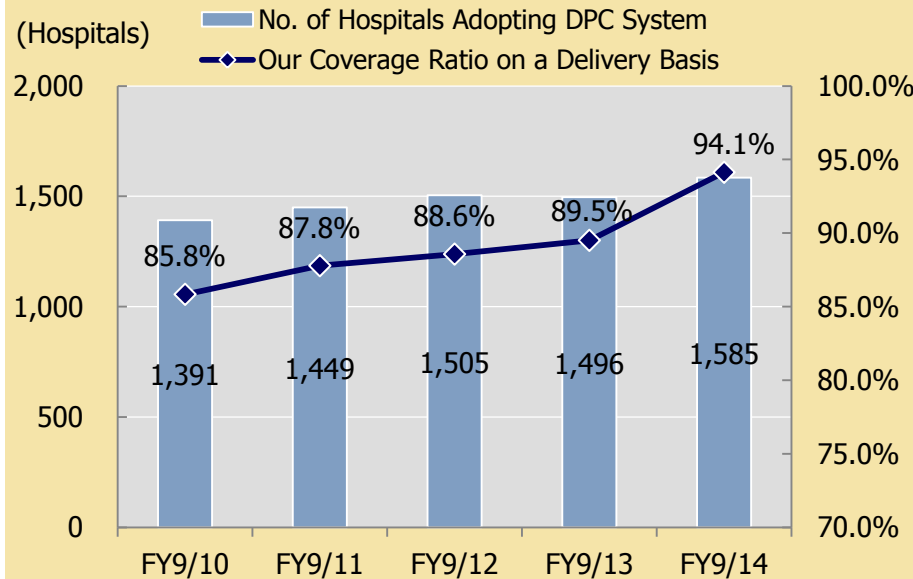
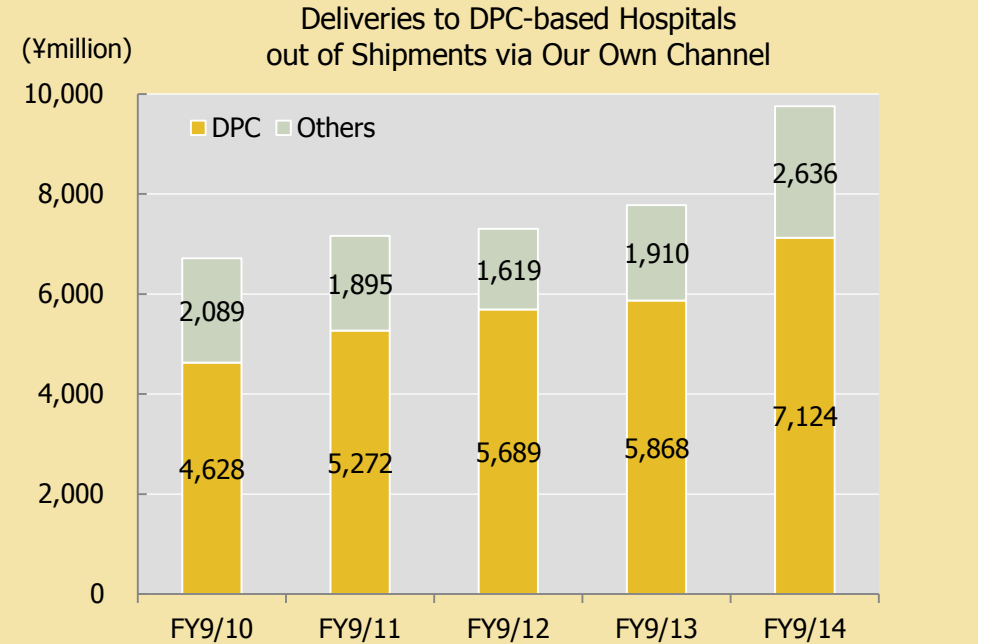
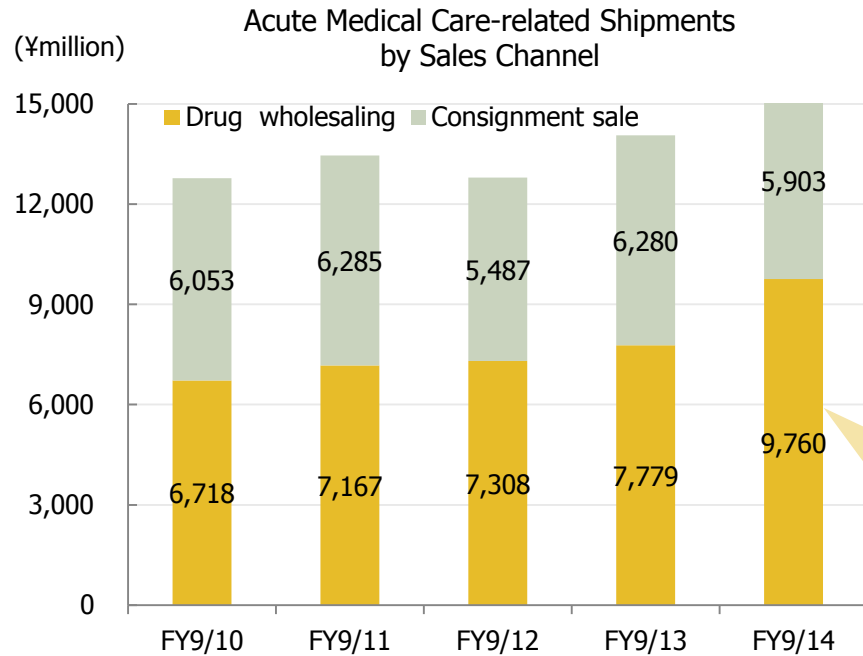
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Sales Breakdown by Acute Medical Care





Summary of FY9/14 Balance Sheet

FY9/14 Term-end	FY9/13 Term-end	YoY Change	
		Amount	Ratio
Assets			
Current Assets	23,772	33,168	9,396 39.5%
Cash and Deposits	6,015	8,173	2,158 35.9%
Notes and Accounts Receivable-Trade	9,697	11,623	1,926 19.9%
Inventories	6,537	9,153	2,616 40.0%
Other	1,521	4,217	2,696 177.3%
Non-current Assets	15,366	15,858	492 3.2%
Property, Plant and Equipment	10,506	10,465	-41 -0.4%
Intangible Assets	4,105	4,627	522 12.7%
Investments and Other Assets	753	765	12 1.6%
Total Assets	39,138	49,027	9,889 25.3%
Liabilities			
Current Liabilities	8,917	12,718	3,801 42.6%
Notes and Accounts Payable-Trade	3,604	6,635	3,031 84.1%
Other	5,313	6,082	769 14.5%
Non-current Liabilities	6,153	7,764	1,611 26.2%
Total Liabilities	15,071	20,482	5,411 35.9%
Net Assets			
Shareholders' Equity	23,644	27,834	4,190 17.7%
Capital Stock	2,447	3,799	1,352 55.3%
Capital Surplus	3,672	5,023	1,351 36.8%
Retained Earnings	17,525	19,012	1,487 8.5%
Treasury Shares	-0	-0	-0
Accumulated Other Comprehensive Income	421	708	287 68.2%
Total Net Assets	24,066	28,544	4,478 18.6%
Total Liabilities and Net Assets	39,138	49,027	9,889 25.3%

-Increase in inventories mainly for products which received marketing approval

-Increase in notes and accounts receivable-other resulting from sale-and-leaseback transactions

-Increase due to the acquisition of sales right

-Increase in notes and accounts payable-trade mainly from products which received marketing approval

-Increase resulting from a third-party allotment to Mitsui & Co., Ltd.

Summary of FY9/14 Statement of Cash Flows

(¥million)	FY9/13	FY9/14	YoY change	
	Term-end	Term-end	Amount	Ratio
Cash Flows from Operating Activities	3,630	2,757	-873	-24.0%
(Major Breakdown)				
Income Before Income Taxes and Minority Interests	3,332	3,232	-100	-3.0%
Depreciation	1,206	1,376	170	14.1%
Amortization of Goodwill	207	277	70	33.8%
Decrease (Increase) in Notes and Accounts Receivable-Trade	809	-1,880	-2,689	-332.4%
Decrease (Increase) in Inventories	546	-2,568	-3,114	-570.3%
Increase (Decrease) in Notes and Accounts Payable-Trade	-1,320	2,990	4,310	-326.5%
Income Taxes Paid	-1,366	-1,474	-108	7.9%
Cash Flows from Investing Activities	-6,601	-1,975	4,626	-70.1%
(Major Breakdown)				
Purchase of Property, Plant and Equipment	-2,779	-1,079	1,700	-61.2%
Purchase of Intangible Assets	-547	-942	-395	72.2%
Purchase of Shares of Subsidiaries Resulting in Change in Scope of Consolidation	-3,386	-	-	-
Cash Flows from Financing Activities	3,743	1,293	-2,450	-65.5%
(Major Breakdown)				
Net Increase (Decrease) in Short-term Loans Payable	-1,073	118	1,191	-111.0%
Proceeds from Long-term Loans Payable	5,850	-	-	-
Repayment of Long-term Loans Payable	-510	-921	-411	80.6%
Proceeds from Issuance of Common Shares	-	2,689	-	-
Cash Dividends Paid	-522	-593	-71	13.6%
Cash and Cash Equivalents at Beginning of Period	5,676	6,521	845	14.9%
Cash and Cash Equivalents at End of Period	6,521	8,680	2,159	33.1%
Free Cash Flows	-2,971	782		

-Increase mainly from new products transferred marketing approval

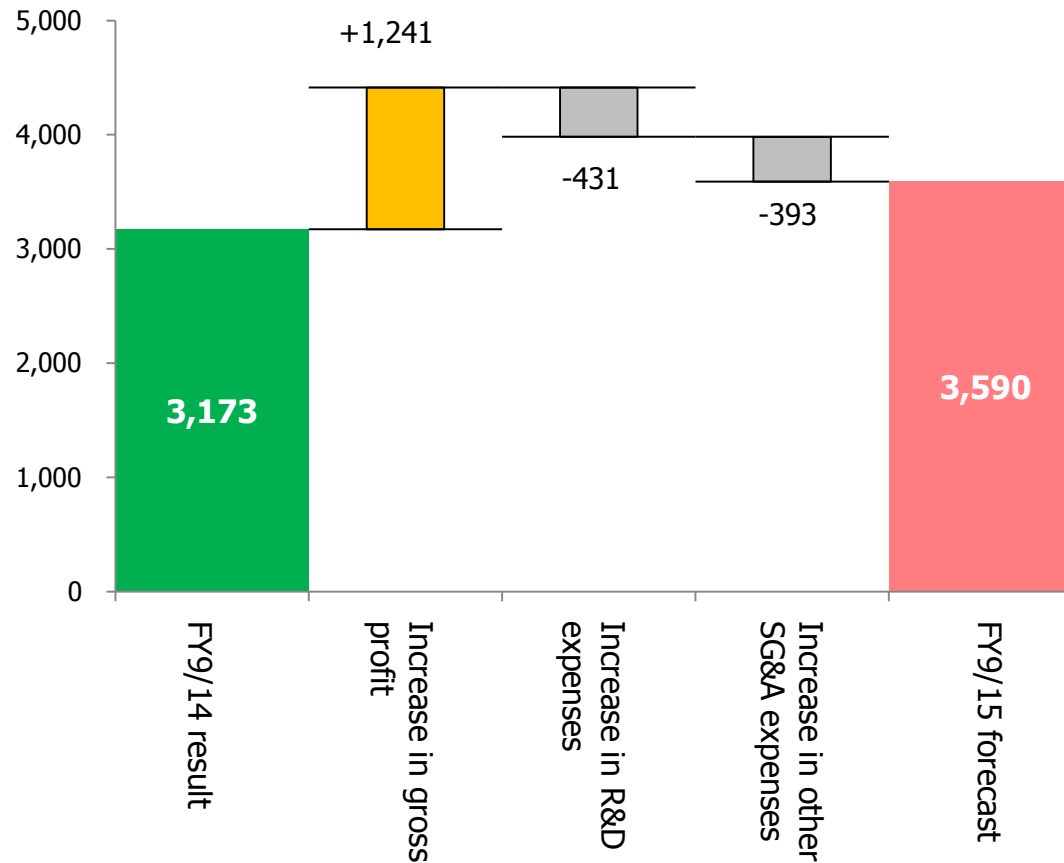
-Issuance of new shares through a third-party allotment to Mitsui & Co., Ltd.

- Forecast sales increase of ¥2,815 million (+9.6%), mainly due to higher sales for branded drugs and biosimilars
- Forecast 0.1 point increase in the gross margin as higher depreciation will be offset by growth in sales volume and cost-reduction measures
- Increase of ¥431 million in R&D expenses, and increase of ¥393 million (+5.3%) in other SG&A expenses

(¥million)	FY9/14 (Results)	FY9/15 (Forecast)	YoY Change	
			Amount	Ratio
Net Sales	29,215	32,030	2,815	9.6%
Operating Income	3,173	3,590	417	13.1%
Operating Income Margin	10.9%	11.2%	-	-
Ordinary Income	3,198	3,560	362	11.3%
Ordinary Income Margin	10.9%	11.1%	-	-
Net Income	2,078	2,260	182	8.8%
Net Income Margin	7.1%	7.1%	-	-
Capital Expenditure	1,073	1,231	158	14.7%
Depreciation	1,376	1,712	336	24.4%
Leased Equipment	412	434	22	5.3%
R&D Expenses	1,769	2,200	431	24.4%
R&D Expenses Ratio	6.1%	6.9%	-	-

YoY Changes in FY9/15 Operating Income Forecast

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



(¥million)	FY9/14	FY9/15 (Forecast)	YoY Change	
			Amount	Ratio
Diagnostic Drugs	10,656	11,255	599	5.6%
Hormone Drugs	9,511	10,144	633	6.7%
Circulatory Drugs	985	1,066	81	8.2%
in vitro Diagnostics	799	799	0	0.0%
Antibiotics & Chemotherapeutics	845	898	53	6.3%
Urogenital & Genital Organ Drugs	437	428	-9	-2.1%
Detmetological Preparations	301	288	-13	-4.3%
Others	3,860	5,248	1,388	36.0%
CMO Business (OLIC)	1,818	1,904	86	4.7%
Total	29,215	32,030	2,815	9.6%

(¥million)	FY9/14	FY9/15 (Forecast)	YoY Change	
			Amount	Ratio
Acute Medical Care	15,663	17,520	1,857	11.9%
Medical Care for Women	9,400	9,972	572	6.1%
Others	2,333	2,634	301	12.9%
CMO Business (OLIC)	1,818	1,904	86	4.7%
Total	29,215	32,030	2,815	9.6%

Sales Forecast for Major Products

Product Name (¥million)	Therapeutic Category	FY9/14	FY9/15 Forecast	YoY Change	
				Amount	Ratio
OYPALOMIN® injection	Diagnostic drugs	6,465	6,382	-83	-1.3%
LUNABELL® tablets (LD/ULD)	Hormone drugs	3,491	3,814	323	9.3%
OPTIRAY® injection	Diagnostic drugs	1,861	2,455	594	31.9%
IOPAQUE® injection	Diagnostic drugs	1,754	1,839	85	4.8%
Filgrastim BS injection Syringe	Others	539	1,529	990	183.7%
HMG intramuscular injection	Hormone drugs	901	914	13	1.4%
LIMAPROST ALFADEX tablets	Others	587	798	211	35.9%
SOL-MELCORT for injection	Hormone drugs	607	666	59	9.7%
DEXART® injection	Hormone drugs	680	665	-15	-2.2%
ALYPROST® injection	Circulatory drugs	609	659	50	8.2%
FOLYRMON®-P injection	Hormone drugs	528	541	13	2.5%
CLOMID® tablets	Hormone drugs	333	489	156	46.8%
FAVOIR® tablets	Hormone drugs	394	439	45	11.4%
Labellefile® tablets	Hormone drugs	298	417	119	39.9%
BUSERECUR®	Hormone drugs	423	394	-29	-6.9%
Total Top 15 Sales		19,476	22,008	2,532	13.0%
Pct. of Total Sales		66.7%	68.7%		
New Products*		436	669	233	53.4%
Other Products		7,483	7,450	-33	-0.4%
CMO Business (OLIC)		1,818	1,904	86	4.7%
Total		29,215	32,030	2,815	9.6%

Acute Medical Care

Medical Care for Women

*New products are products launched in FY9/14 or afterward (but excluding the top 15)

Medium-term Business Plan



Improve operations in the Acute Medical Care field focused on parenteral injections

Accomplishments

- Strengthened performance of syringe contrast media and established a biopharmaceutical production line
- Established the world's first multi-parenteral injection production line, including production of anti-cancer drugs
- Started biosimilar sales and associated marketing activities
- Strengthened the contrast media lineup by receiving a marketing authorization right for contrast media branded drugs
- Sales in the field of Acute Medical Care increased from ¥10,826 million (FY9/09) to ¥15,663 million (+44.7%)

Issues

- Upgrade production capabilities to further improve quality, meet growth in demand and provide a reliable supply of products
- Strengthen raw material procurement operations, use expenses more efficiently and return to a higher profit margin
- Quickly launch strategic products in the Acute Medical Care sector

Enlarge the lineup of products in the field of Medical Care for Women

Accomplishments

- Started selling LUNABELL® tablets ULD for the treatment of dysmenorrhea and expanded the market for LUNABELL®
- Received transfer of marketing approval and sales rights for branded drugs to strengthen the lineup in the field of obstetrics and gynecology
- Implemented clinical trials for new drugs for assisted reproductive technologies
- Sales in the field of Medical Care for Women increased from ¥4,733 million (FY9/09) to ¥9,400 million (+98.4%)

Issues

- Further increase the number of product lineup in the field of Medical Care for Women

Establish a new framework for operations and build a foundation for starting new businesses

Accomplishments

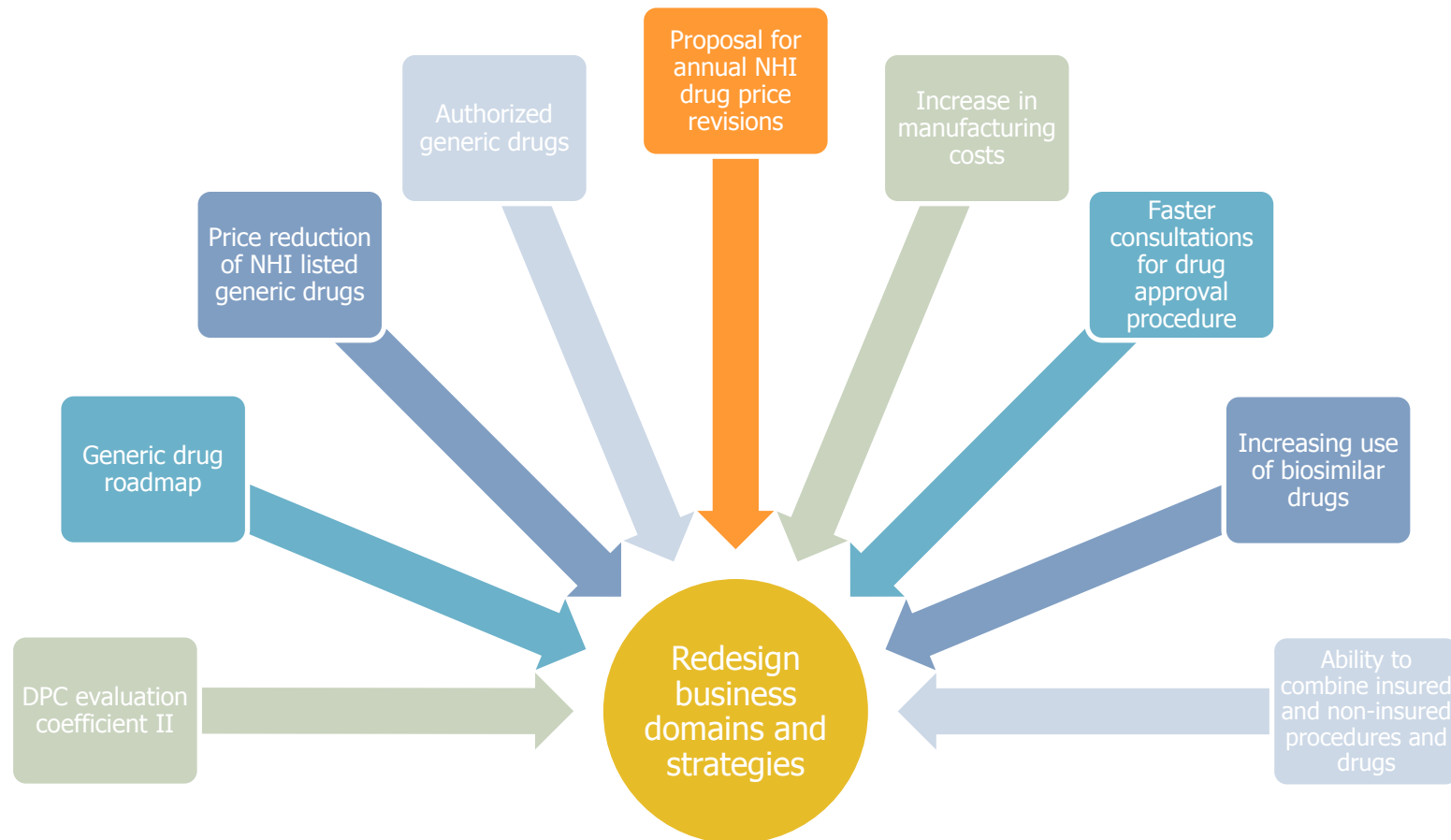
- Fuji Pharma shares were listed on the first section of the Tokyo Stock Exchange
- Acquired OLIC (Thailand), Established Fuji Pharma Group organization
- Decision to construct a new parenteral injection plant and new warehouse at OLIC

Issues

- More powerful management infrastructure and human resources development operations
- Stabilize, strengthen and expand the CMO business of OLIC
- Recover investments in new businesses faster

■ Reexamination of business domains and strategies

Fuji Pharma must realign its resources and switch to new business fields in order to adapt to ongoing structural changes in the operating environment



■ Theme of the New Medium-term Business Plan:

“Fuji Pharma Branding”

Our goal is to operate a top-class pharmaceutical business on a global scale that offers innovative added value. We want to earn the trust of healthcare professionals worldwide and people who want to lead healthy lives as well as all of other stakeholders. We are determined to be a source of excitement, major accomplishments, empathy and understanding.

We have a strong commitment to our management philosophies of “growth of the Company and its employees” and “contributing to healthy living.”

■ Goals of the Medium-term Business Plan



■ Vigorously implement the brand strategy for the people, companies and products of the Fuji Pharma Group

Use the corporate culture of a strong affection for people and a leadership development plan, increase productivity and the return on capital, maximize customer value in targeted business domains.



■ Build a new stage and framework centered on branded drugs

Establish a business plan and strategy centered on branded drugs, upgrade and renew all corporate capabilities, rebuild the framework for business operations.



■ Grow on a global scale

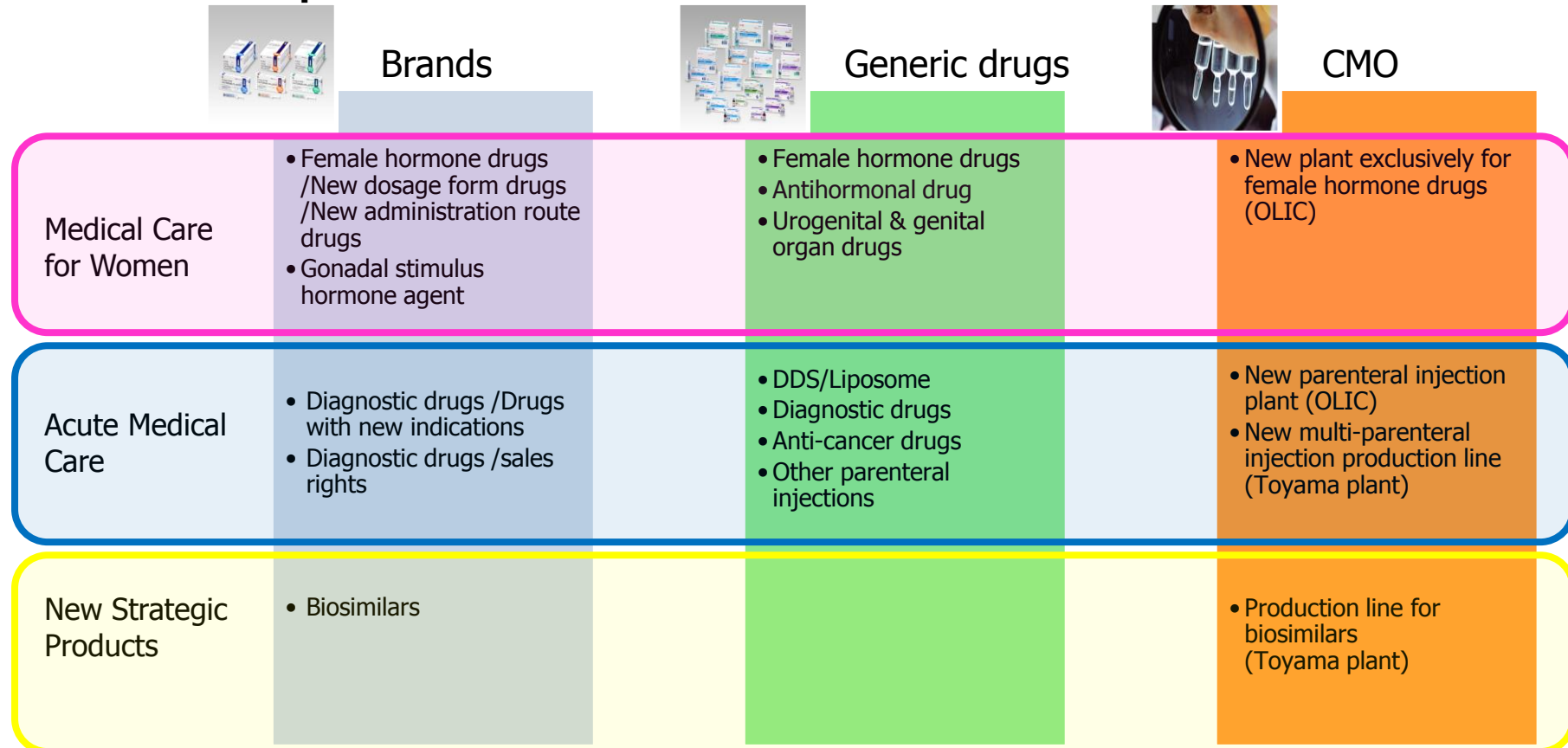
Use OLIC to sell major products outside Japan, establish a strategy for alliances with overseas companies, aim to become the leading CMO in the Asia-Pacific region.

■ Medium-term Growth Strategy:

Build a unique business model that produces synergies in strategic fields by combining brands, generic drugs and contract manufacturing

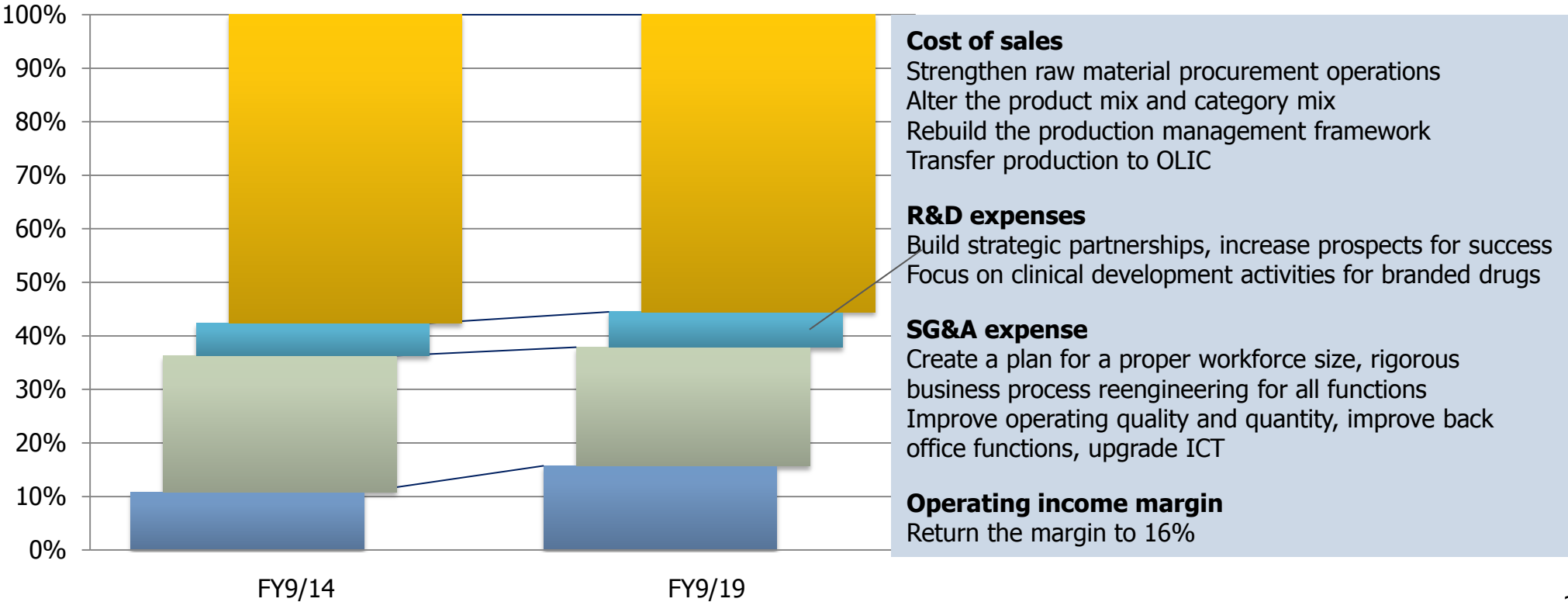
Fuji Pharma brands are branded drugs, branded generic drugs (with receipt of marketing approval) and biosimilars

■ Medium-term Pipeline



- **Bottom Line Growth**
- Initiatives for increasing sources of value creation (earnings):
- (1) Target and grow in new business domains where the supply is limited or restricted relative to potential demand
 - (2) Redesign the business portfolio, functions and structure by focusing on activities where Fuji Pharma can be highly profitable and sell products that are innovative and superior to competing products
 - (3) Design a well-balanced business portfolio with emphasis on speed and flexibility and build the best possible infrastructure for collaboration and business operations

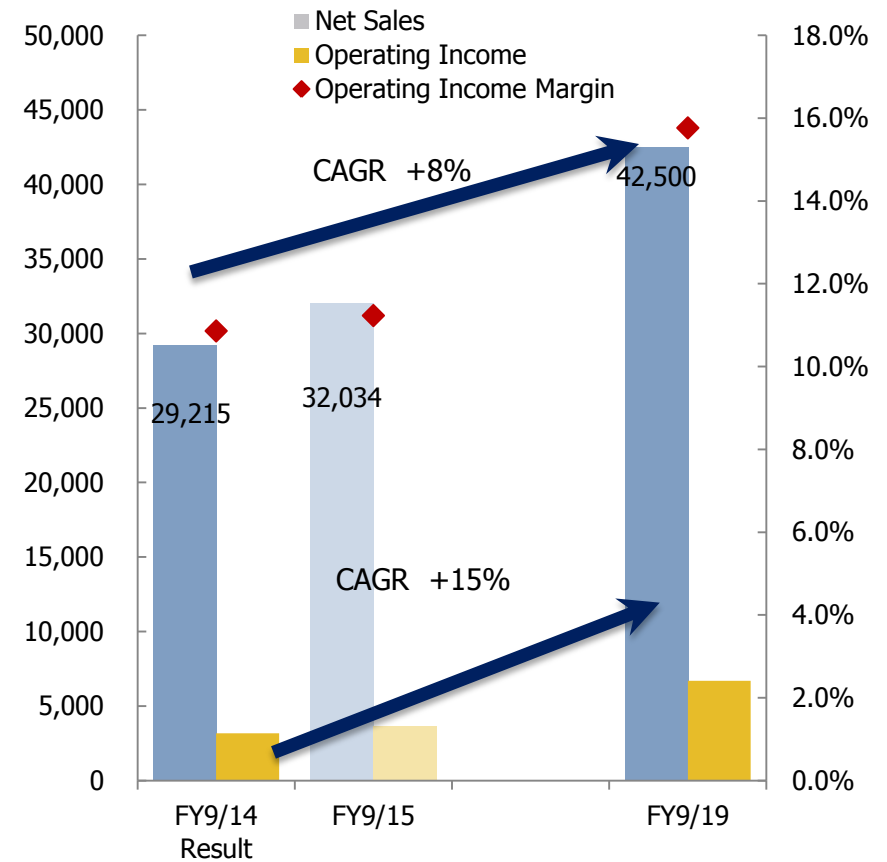
■ **Bottom Line Growth – Double Operating Income**





- Sustainable growth in sales, and recovery in profit margins
- Aggressive R&D investments to support long-term growth
- Constantly take actions aimed at using expenses more efficiently

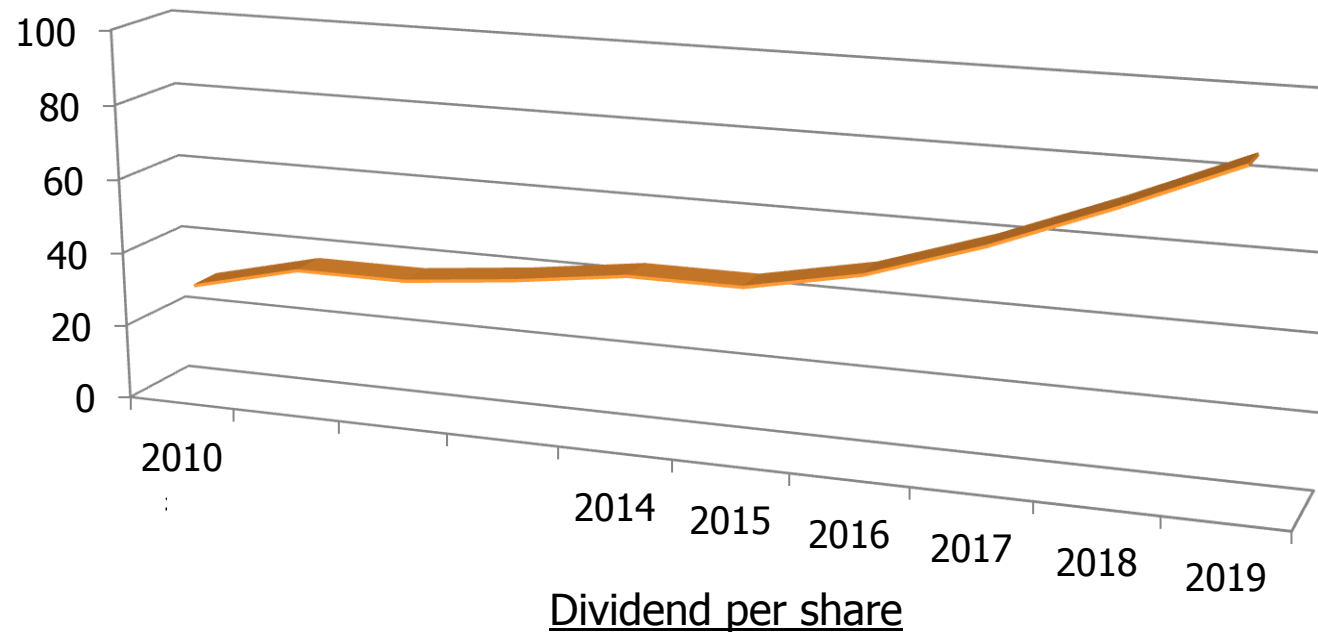
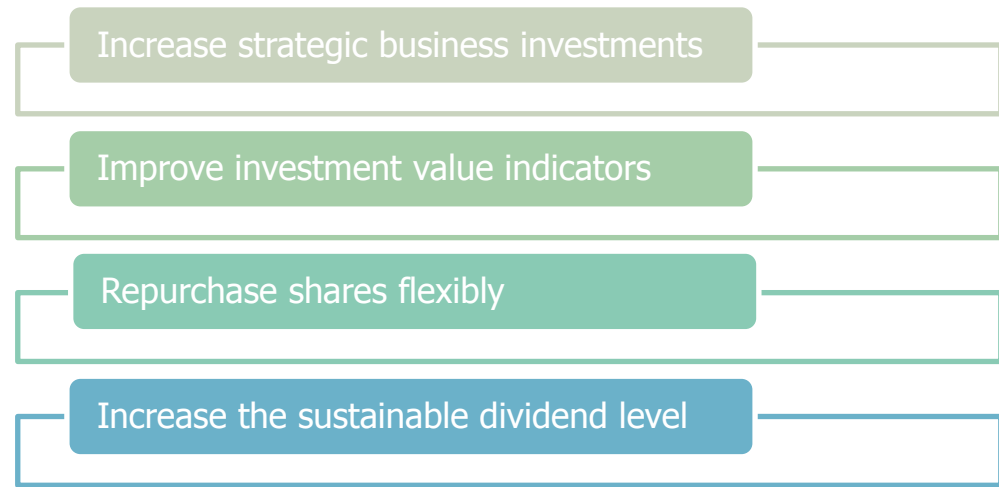
(\ million)	FY9/14	FY9/19
Net Sales	29,215	42,500
Operating Income	3,173	6,700
Operating Income Margin	10.9%	15.8%
Ordinary Income	3,198	6,650
Ordinary Income Margin	10.9%	15.6%
Net Income	2,078	4,350
Net Income Margin	7.1%	10.2%
R&D Expenses	1,769	2,800

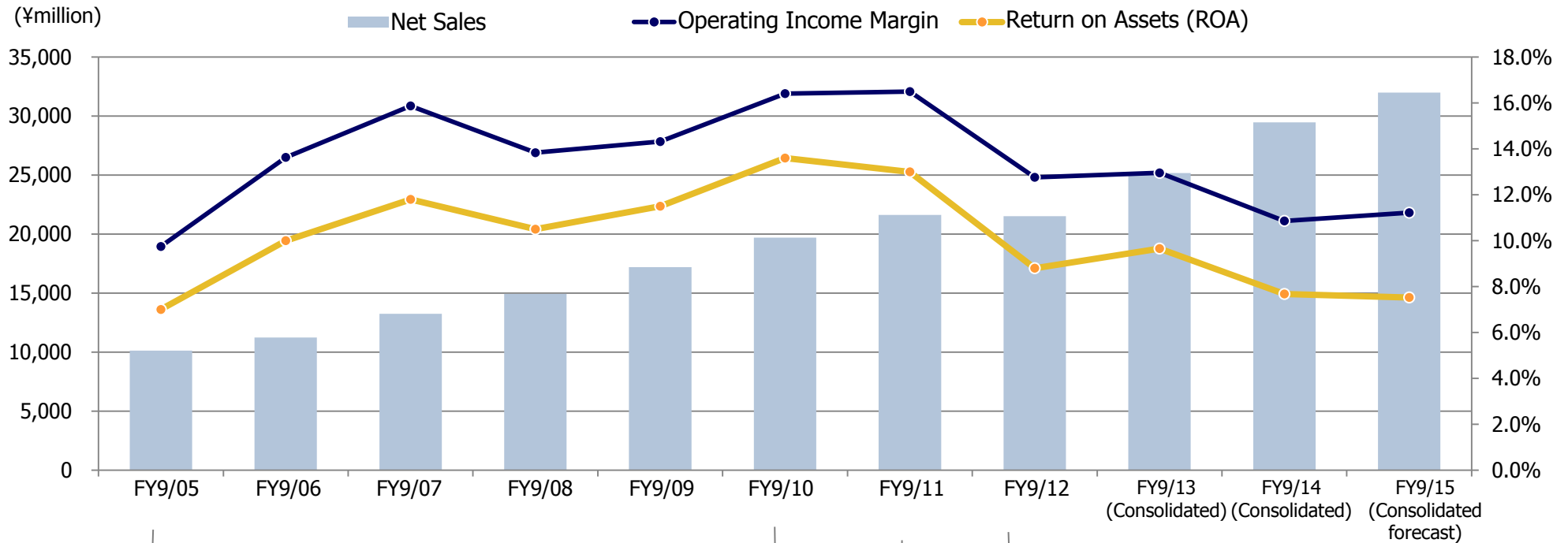


■ Shareholder Returns

Medium-term goals

ROE	Over 11%
EPS	Over ¥280
DOE	Over 3.4%





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. '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

Apr. '13
Completed
R&D center

Oct. '12
Made OLIC
(Thailand) Limited
a subsidiary

May '13
Released biosimilar drug
Filgrastim BS injection
Syringe 「F」

Sep. '13
Released LUNABELL® tablets ULD

Dec. '13
Transfer of marketing approval and
sales rights of Optiray® injection and
gynecological pills

Apr. '14
Established a capital and
business alliance with Mitsui &
Co. and issued new shares
through third-party allotment to
Mitsui & Co.

Jun. '14
Receipt of marketing
approval of Optiray®
injection

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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