

FACT BOOK

For the Fiscal Year Ended September 30, 2014



Fuji Pharma Co., Ltd.

TSE1 4554

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Contact

Fuji Pharma Co., Ltd.
Corporate Planning Department

Phone: +81-3-3556-3344
Fax: +81-3-3556-4455
E-Mail: fsk_ir@fujipharma.jp
URL: <http://www.fujipharma.jp/>

Consolidated Balance Sheet
as of September 30, 2013-2014



(¥ Million)

	FY9/13	FY9/14
Assets		
Total assets	39,138	49,027
Current assets	23,772	33,168
Cash and deposits	6,015	8,173
Notes and accounts receivable-trade	9,697	11,623
Securities	505	506
Merchandise and finished goods	2,356	3,341
Work in process	1,150	1,994
Raw materials and supplies	3,030	3,816
Accounts receivables-other	37	2,727
Deferred tax assets	581	570
Other	405	420
Allowance for doubtful accounts	-8	-6
Non-current assets	15,366	15,858
Property, plant and equipment	10,506	10,465
Buildings and structures	8,858	8,969
Accumulated depreciation	-3,581	-4,052
Buildings and structures, net	5,276	4,917
Machinery, equipment and vehicles	9,949	7,891
Accumulated depreciation	-5,794	-6,219
Machinery, equipment and vehicles, net	4,154	1,672
Land	851	882
Leased assets	—	2,508
Accumulated depreciation	—	-26
Leased assets, net	—	2,482
Construction in progress	79	386
Other	1,068	1,072
Accumulated depreciation	-924	-947
Other, net	144	125
Intangible assets	4,105	4,627
Goodwill	3,060	3,030
Other	1,044	1,596
Investments and other assets	753	765
Investment securities	165	93
Deferred tax assets	463	567
Other	123	105

(¥ Million)

	FY9/13	FY9/14
Liabilities		
Total liabilities	15,071	20,482
Current liabilities	8,917	12,718
Notes and accounts payable-trade	3,604	6,635
Short-term loans payable	933	1,183
Current portion of long-term loans payable	921	921
Lease obligations	—	340
Income taxes payable	899	695
Provision for bonuses	913	910
Provision for directors' bonuses	25	23
Provision for sales returns	9	25
Other	1,610	1,981
Non-current liabilities	6,153	7,764
Long-term loans payable	4,417	3,496
Lease obligations	—	2,394
Provision for retirement benefits	1,190	—
Net defined benefit liability	—	1,296
Other	544	577
Net assets		
Total net assets	24,066	28,544
Shareholders' equity	23,644	27,834
Capital stock	2,447	3,799
Capital surplus	3,672	5,023
Retained earnings	17,525	19,012
Treasury shares	-0	-0
Accumulated other comprehensive income	421	708
Valuation difference on available-for-sale securities	56	9
Foreign currency translation adjustment	365	699
Remeasurements of defined benefit plans	—	-0
Minority interests	0	1
Total liabilities and net assets	39,138	49,027

(¥ Million)

	FY9/13	FY9/14
Net sales	25,174	29,215
Cost of sales	14,233	16,835
Gross profit	10,941	12,379
Selling, general and administrative expenses	7,679	9,206
Sales commission	1,038	1,125
Salaries and bonuses	1,685	2,054
Provision for bonuses	539	493
Provision for directors' bonuses	25	23
Retirement benefit expenses	117	131
Research and development expenses	1,280	1,769
Depreciation	255	386
Amortization of goodwill	207	277
Other	2,529	2,945
Operating income	3,261	3,173
Non-operating income	175	98
Foreign exchange gains	116	22
Fiduciary obligation fee	9	6
Other	49	69
Non-operating expenses	61	73
Interest expenses	55	50
Share issuance cost	—	13
Other	6	10
Ordinary income	3,376	3,198
Extraordinary income	39	78
Gain on sales of non-current assets	—	1
Subsidy income	39	76
Other	—	0
Extraordinary losses	82	44
Loss on sales of non-current assets	—	0
Loss on retirement of non-current assets	49	0
Loss on reduction of non-current assets	33	43
Income before income taxes and minority interests	3,332	3,232
Income taxes-current	1,379	1,195
Income taxes-deferred	-115	-41
Total income taxes	1,264	1,153
Income before minority interests	2,068	2,079
Minority interests in income	0	0
Net income	2,068	2,078

Consolidated Statement of Comprehensive Income

(¥ Million)

	FY9/13	FY9/14
Income before minority interests	2,068	2,079
Other comprehensive income	422	287
Valuation difference on available-for-sale securities	56	-46
Foreign currency translation adjustment	365	334
Comprehensive income	2,490	2,366
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,490	2,366
Comprehensive income attributable to minority interests	0	0

Consolidated Statement of Cash Flows
for the Fiscal Years ended September 30, 2013-2014



(¥ Million)

	FY9/13	FY9/14
Net cash provided by (used in) operating activities	3,630	2,757
Income before income taxes and minority interests	3,332	3,232
Depreciation	1,206	1,376
Amortization of goodwill	207	277
Increase (decrease) in allowance for doubtful accounts	-2	-2
Increase (decrease) in provision for bonuses	265	-3
Increase (decrease) in provision for directors' bonuses	7	-1
Increase (decrease) in provision for retirement benefits	64	101
Interest and dividend income	-9	-2
Interest expenses	55	50
Foreign exchange losses (gains)	-116	-54
Decrease (increase) in notes and accounts receivable-trade	809	-1,880
Decrease (increase) in inventories	546	-2,568
Increase (decrease) in notes and accounts payable-trade	-1,320	2,990
Other, net	0	768
Subtotal	5,048	4,283
Interest and dividend income received	10	9
Interest expenses paid	-61	-60
Income taxes paid	-1,366	-1,474
Net cash provided by (used in) investing activities	-6,601	-1,975
Purchase of property, plant and equipment	-2,779	-1,079
Purchase of intangible assets	-547	-942
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-3,386	—
Subsidy income	39	46
Other, net	72	0
Net cash provided by (used in) financing activities	3,743	1,293
Increase (decrease) in short-term loans payable	-1,073	118
Proceeds from long-term loans payable	5,850	—
Repayments of long-term loans payable	-510	-921
Proceeds from issuance of common shares	—	2,689
Cash dividends paid	-522	-593
Proceeds from share issuance to minority shareholders	—	0
Effect of exchange rate change on cash and cash equivalents	71	82
Net increase (decrease) in cash and cash equivalents	844	2,158
Cash and cash equivalents at beginning of period	5,676	6,521
Cash and cash equivalents at end of period	6,521	8,680

Consolidated Statement of Changes in Equity
for the Fiscal Years ended September 30, 2013-2014

(¥ Million)

	FY9/13	FY9/14
Shareholders' equity		
Capital stock		
Balance at beginning of current period	2,447	2,447
Issuance of new shares	—	1,351
Changes of items during period	—	1,351
Balance at end of current period	2,447	3,799
Capital surplus		
Balance at beginning of current period	3,672	3,672
Issuance of new shares	—	1,351
Changes of items during period	—	1,351
Balance at end of current period	3,672	5,023
Retained earnings		
Balance at beginning of current period	15,979	17,525
Changes of items during period		
Dividends of surplus	-522	-593
Net income	2,068	2,078
Total changes of items during period	1,545	1,486
Balance at end of current period	17,525	19,012
Treasury shares		
Balance at beginning of current period	-0	-0
Balance at end of current period	-0	-0
Total shareholders' equity		
Balance at beginning of current period	22,098	23,644
Issuance of new shares	—	2,703
Changes of items during period		
Dividends of surplus	-522	-593
Net income	2,068	2,078
Purchase of treasury shares	—	-0
Total changes of items during period	1,545	4,190
Balance at end of current period	23,644	27,834
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at beginning of current period	-0	56
Changes of items during period		
Net changes of items other than shareholders' equity	56	-46
Total changes of items during period	56	-46
Balance at end of current period	56	9
Foreign currency translation adjustment		
Balance at beginning of current period	—	365
Changes of items during period		
Net changes of items other than shareholders' equity	365	334
Total changes of items during period	365	334
Balance at end of current period	365	699
Remeasurements of defined benefit plans		
Balance at beginning of current period	—	—
Changes of items during period		
Net changes of items other than shareholders' equity	—	-0
Total changes of items during period	—	-0
Balance at end of current period	—	-0
Total accumulated other comprehensive income		
Balance at beginning of current period	-0	421
Changes of items during period		
Net changes of items other than shareholders' equity	422	286
Total changes of items during period	422	286
Balance at end of current period	421	708
Minority interests		
Balance at beginning of current period	—	0
Changes of items during period		
Net changes of items other than shareholders' equity	0	0
Total changes of items during period	0	0
Balance at end of current period	0	1
Total net assets		
Balance at beginning of current period	22,098	24,066
Changes of items during period		
Issuance of new shares	—	2,703
Dividends of surplus	-522	-593
Net income	2,068	2,078
Purchase of treasury shares	—	-0
Net changes of items other than shareholders' equity	422	288
Total changes of items during period	1,968	4,477
Balance at end of current period	24,066	28,544

Non-consolidated Balance Sheet
as of September 30, 2008-2014



(¥ Million)

	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13	FY9/14
Assets							
Total assets	20,355	22,862	24,723	29,757	31,471	37,259	46,237
Current assets	13,212	15,099	16,588	20,537	22,828	22,633	30,576
Cash and deposits	2,275	2,161	2,592	4,755	5,170	5,912	6,331
Notes receivable-trade	746	746	654	627	502	440	394
Accounts receivable-trade	5,544	6,782	7,032	7,658	9,137	8,883	10,626
Securities	705	706	504	606	505	505	506
Merchandise and finished goods	—	1,415	1,728	2,153	2,276	2,283	3,226
Merchandise	476	—	—	—	—	—	—
Finished goods	834	—	—	—	—	—	—
Work in process	760	844	810	778	1,266	1,100	1,944
Raw materials and supplies	—	1,668	2,336	2,324	3,068	2,630	3,371
Raw materials	1,120	—	—	—	—	—	—
Supplies	88	—	—	—	—	—	—
Advance payments-trade	14	64	64	35	121	12	82
Prepaid expenses	222	213	194	201	195	155	98
Deferred tax assets	316	415	503	532	473	575	560
Accounts receivable-other	92	70	146	808	94	37	2,735
Short-term loans receivable to subsidiaries and associates	—	—	—	—	—	—	676
Consumption taxes receivable	—	—	—	40	—	74	—
Accrued income	0	0	0	0	—	—	—
Other	14	11	22	18	18	22	21
Allowance for doubtful accounts	-1	-2	-2	-2	-2	-0	-0
Non-current assets	7,142	7,763	8,135	9,220	8,642	14,625	15,661
Property, plant and equipment	4,242	4,930	5,901	7,581	7,242	9,232	8,777
Buildings	4,376	4,690	4,748	6,461	6,315	7,603	7,602
Accumulated depreciation	-1,757	-1,995	-2,083	-2,339	-2,640	-2,812	-3,134
Buildings, net	2,619	2,695	2,665	4,121	3,674	4,790	4,467
Structures	105	108	118	166	172	199	199
Accumulated depreciation	-69	-77	-72	-77	-90	-107	-124
Structures, net	35	31	46	88	82	91	75
Machinery and equipment	2,898	3,270	3,449	5,156	4,451	7,436	5,234
Accumulated depreciation	-2,048	-2,332	-2,584	-2,886	-3,332	-3,708	-4,059
Machinery and equipment, net	849	937	865	2,269	1,119	3,727	1,174
Vehicles	27	35	35	35	37	44	47
Accumulated depreciation	-22	-26	-31	-33	-34	-39	-42
Vehicles, net	4	8	4	1	2	5	5
Tools, furniture and fixtures	686	757	749	811	844	870	885
Accumulated depreciation	-527	-610	-623	-679	-751	-770	-811
Tools, furniture and fixtures, net	158	147	126	131	93	99	74
Land	527	634	634	587	497	497	497
Leased assets	—	—	—	—	—	—	2,508
Accumulated depreciation	—	—	—	—	—	—	-26
Leased assets, net	—	—	—	—	—	—	2,482
Construction in progress	47	475	1,559	380	1,771	19	—
Intangible assets	1,372	1,323	1,141	1,027	718	1,038	1,588
Trademark right	0	0	0	0	—	—	—
Distributorship	1,298	1,231	1,048	914	631	745	1,224
Software	66	84	85	105	78	285	355
Telephone subscription right	7	7	7	7	7	7	7
Investments and other assets	1,528	1,509	1,092	610	682	4,354	5,295
Investment securities	148	138	130	23	77	165	93
Shares of subsidiaries and associates	—	—	—	—	—	3,661	4,615
Investments in capital	0	0	0	0	0	0	0
Claims provable in bankruptcy, claims provable in rehabilitation and other	—	—	19	18	1	1	1
Long-term prepaid expenses	427	438	313	211	103	33	3
Deferred tax assets	197	224	245	285	418	405	483
Guarantee deposits	542	593	374	62	62	66	75
Insurance funds	12	14	16	17	19	21	23
Long-term time deposits	200	100	—	—	—	—	—
Allowance for doubtful accounts	—	—	-7	-7	-0	—	—

Non-consolidated Balance Sheet
as of September 30, 2008-2014



(¥ Million)

	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13	FY9/14
Liabilities							
Total liabilities	5,383	6,641	6,890	8,492	9,373	13,384	18,119
Current liabilities	4,639	5,852	6,058	7,588	8,034	7,549	10,693
Notes payable-trade	443	488	553	522	736	573	330
Accounts payable-trade	2,237	3,056	2,777	2,903	3,261	2,756	5,725
Short-term loans payable	—	—	—	—	1,000	—	—
Current portion of long-term loans payable	—	—	—	1,300	—	921	921
Lease obligations	—	—	—	—	—	—	330
Accounts payable-other	774	675	793	903	1,063	1,237	1,256
Accrued expenses	186	121	139	162	145	186	205
Income taxes payable	358	695	804	846	883	899	695
Accrued consumption taxes	27	94	122	—	174	0	194
Deposits received	13	19	17	21	23	24	31
Forward exchange contracts	—	—	—	—	68	0	—
Provision for bonuses	571	651	808	886	648	913	910
Provision for directors' bonuses	15	14	29	30	17	25	23
Provision for sales returns	11	14	10	12	11	9	25
Other	—	—	—	—	—	—	42
Notes payable-facilities	—	21	0	—	—	—	—
Non-current liabilities	744	789	832	904	1,338	5,835	7,425
Lease obligations	—	—	—	—	—	—	2,357
Guarantee deposits received	212	197	196	193	187	192	193
Provision for retirement benefits	461	517	555	625	1,082	1,146	1,255
Long-term loans payable	—	—	—	—	—	4,417	3,496
Long-term accounts payable-other	69	73	80	84	68	78	101
Other	—	—	—	—	—	—	21
Net assets							
Total net assets	14,971	16,221	17,833	21,264	22,098	23,874	28,118
Shareholders' equity	14,971	16,226	17,836	21,264	22,098	23,818	28,109
Capital stock	1,616	1,616	1,616	2,447	2,447	2,447	3,799
Capital surplus	2,841	2,841	2,841	3,672	3,672	3,672	5,023
Legal capital surplus	2,226	2,226	2,226	3,056	3,056	3,056	4,408
Other capital surplus	615	615	615	615	615	615	615
Retained earnings	10,512	11,768	13,377	15,145	15,979	17,699	19,286
Legal retained earnings	164	164	164	164	164	164	164
General reserve	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Retained earnings brought forward	5,348	6,604	8,213	9,981	10,815	12,535	14,122
Treasury shares	-0	-0	-0	-0	-0	-0	-0
Valuation and translation adjustments	0	-5	-3	0	-0	56	9
Valuation difference on available-for-sale securities	0	-5	-3	0	-0	56	9
Total liabilities and net assets	20,355	22,862	24,723	29,757	31,471	37,259	46,237

Non-consolidated Statement of Income
for the Fiscal Years ended September 30, 2008-2014



(¥ Million)

	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13	FY9/14
Net sales	14,937	17,198	19,698	21,623	21,520	23,948	27,397
Cost of sales	8,468	9,403	10,619	11,323	12,202	13,285	15,496
Gross profit	6,469	7,795	9,079	10,299	9,318	10,664	11,885
Selling, general and administrative expenses	4,403	5,333	5,846	6,734	6,571	7,247	8,566
Promotion expenses	130	132	115	143	151	178	175
Sales commission	300	489	607	825	878	1,038	1,125
Packing and transportation expenses	178	199	211	232	233	252	283
Entertainment expenses	37	53	45	52	44	39	46
Directors' compensations	52	55	61	61	64	65	71
Salaries and bonuses	1,182	1,326	1,349	1,412	1,478	1,634	1,920
Provision for bonuses	364	411	502	540	388	539	493
Provision for directors' bonuses	15	14	29	30	17	25	23
Provision for retirement benefits	39	45	42	—	—	—	—
Retirement benefit expenses	—	—	—	91	96	109	117
Provision of allowance for doubtful accounts	—	—	7	0	-1	-2	0
Provision for directors' retirement benefits	0	—	—	—	—	—	—
Welfare expenses	252	249	280	283	311	343	383
Traveling and transportation expenses	241	239	244	259	288	348	398
Rent expenses	214	210	206	224	235	273	325
Depreciation	142	327	321	325	330	241	364
Research and development expenses	625	918	1,114	1,516	1,303	1,280	1,769
Other	623	658	704	773	748	878	1,069
Operating income	2,066	2,462	3,232	3,565	2,746	3,417	3,319
Non-operating income	33	19	15	16	31	163	34
Interest income	4	2	0	0	0	8	1
Interest on securities	4	2	1	1	1	0	0
Dividend income	0	0	0	0	0	0	0
Foreign exchange gains	—	—	—	—	—	125	—
Dividend income of life insurance	—	—	2	2	3	3	4
Commission fee	—	—	2	1	5	3	2
Subsidy income	—	—	—	—	—	—	6
Compensation income	—	—	2	3	5	2	7
Fiduciary obligation fee	13	4	0	2	7	9	6
Other	9	10	4	4	7	9	5
Non-operating expenses	12	4	4	37	79	36	48
Interest expenses	2	0	0	5	5	30	20
Share issuance cost	—	—	—	14	—	—	13
Going public expenses	—	—	—	12	—	—	—
Foreign exchange losses	—	—	—	—	68	—	3
Sales discounts	2	2	3	3	4	4	6
Other	7	0	0	2	1	1	3
Ordinary income	2,086	2,477	3,243	3,545	2,698	3,544	3,305
Extraordinary income	—	55	40	—	79	39	76
Gain on prior period adjustment	—	22	—	—	—	—	—
Contribution for expenses for cooperate development	—	—	40	—	—	—	—
Gain on sales of non-current assets	—	32	—	—	—	—	—
Subsidy income	—	—	—	—	79	39	76
Extraordinary losses	56	63	127	48	452	82	44
Loss on sales of non-current assets	—	—	—	5	8	—	—
Loss on retirement of non-current assets	0	1	66	15	2	49	0
Loss on reduction of non-current assets	—	—	—	—	77	33	43
Retirement benefit expenses	—	—	—	—	364	—	—
Loss on valuation of inventories	—	54	—	—	—	—	—
Loss on abandonment of inventories	56	—	—	—	—	—	—
Loss on valuation of investment securities	—	—	11	11	—	—	—
Impairment loss	—	—	50	—	—	—	—
Loss on disaster	—	—	—	6	—	—	—
Head office transfer cost	—	—	—	7	—	—	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	—	—	1	—	—	—
Other	—	7	—	—	—	—	—
Income before income taxes	2,030	2,469	3,156	3,496	2,325	3,501	3,337
Income taxes-current	776	1,066	1,321	1,363	1,028	1,379	1,195
Income taxes-deferred	1	-122	-109	-71	-73	-120	-37
Total income taxes	778	943	1,212	1,292	954	1,259	1,157
Net income	1,251	1,525	1,944	2,204	1,370	2,242	2,180

Non-consolidated Statement of Cash Flows
for the Fiscal Years ended September 30, 2008-2012



(¥ Million)

	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12
Net cash provided by (used in) operating activities	952	1,816	2,168	1,954	1,171
Income before income taxes	2,030	2,469	3,156	3,496	2,325
Depreciation	803	952	1,026	1,021	1,211
Impairment loss	—	—	50	—	—
Increase (decrease) in provision for retirement benefits	51	55	37	70	456
Increase (decrease) in provision for directors' retirement benefits	-77	—	—	—	—
Increase (decrease) in allowance for doubtful accounts	0	0	7	0	-7
Increase (decrease) in provision for bonuses	-3	80	156	77	-238
Increase (decrease) in provision for directors' bonuses	-1	-1	15	0	-12
Increase (decrease) in provision for sales returns	3	2	-3	1	-1
Interest and dividend income	-10	-5	-2	-2	-2
Loss (gain) on sales of non-current assets	—	-32	—	5	8
Loss on retirement of non-current assets	0	1	66	15	2
Subsidy income	—	—	—	—	-79
Loss on reduction of non-current assets	—	—	—	—	77
Foreign exchange losses (gains)	—	—	—	—	68
Share issuance cost	—	—	—	14	—
Going public expenses	—	—	—	12	—
Loss (gain) on valuation of investment securities	—	—	11	11	—
Loss on disaster	—	—	—	6	—
Head office transfer cost	—	—	—	7	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	—	—	1	—
Decrease (increase) in notes and accounts receivable-trade	-839	-1,237	-158	-599	-1,353
Decrease (increase) in inventories	-163	-648	-946	-380	-1,355
Decrease (increase) in accounts receivable-other	-82	21	-75	-661	10
Decrease (increase) in prepaid expenses	-44	9	18	-6	5
Decrease (increase) in long-term prepaid expenses	-32	-11	124	102	108
Increase (decrease) in notes and accounts payable-trade	255	864	-213	94	572
Increase (decrease) in accounts payable-other	56	66	87	117	103
Increase (decrease) in long-term accounts payable-other	69	3	6	4	-16
Increase (decrease) in accrued expenses	6	-65	18	22	-17
Decrease (increase) in consumption taxes refund receivable	—	—	—	-40	40
Increase (decrease) in accrued consumption taxes	-94	66	28	-122	174
Decrease (increase) in claims provable in bankruptcy, claims provable in rehabilitation	—	—	-19	1	16
Increase (decrease) in guarantee deposits received	0	-14	-1	-3	-5
Other, net	14	-21	-15	30	76
Subtotal	1,942	2,557	3,377	3,300	2,166
Interest and dividend income received	9	8	3	2	2
Interest expenses paid	—	-3	-3	-9	-8
Payments for loss on disaster	—	—	—	-6	—
Payments for head office transfer cost	—	—	—	-7	—
Income taxes paid	-999	-739	-1,208	-1,325	-989
Other, net	—	-6	—	—	—
Net cash provided by (used in) investing activities	-1,331	-1,859	-1,404	-2,288	80
Proceeds from withdrawal of time deposits	200	—	300	—	—
Payments into time deposits	—	-100	—	—	—
Purchase of securities	—	—	—	—	—
Proceeds from sales and redemption of securities	—	—	—	—	100
Purchase of investment securities	—	—	—	—	-54
Purchase of property, plant and equipment	-656	-1,288	-1,482	-2,499	-1,629
Proceeds from sales of property, plant and equipment	—	38	—	89	1,725
Payments for retirement of property, plant and equipment	—	—	-21	-3	—
Purchase of intangible assets	-926	-458	-218	-203	-22
Purchase of property for lease	-222	—	—	—	—
Proceeds from sales of property for lease	326	—	—	—	—
Proceeds from subsidy income	—	—	—	—	79
Proceeds from collection of guarantee deposits	—	—	20	330	—
Payments for guarantee deposits	-50	-50	—	—	—
Other, net	-1	-1	-1	-1	-117
Net cash provided by (used in) financing activities	-283	-270	-334	2,497	-835
Increase (decrease) in short-term loans payable	—	—	—	—	1,000
Proceeds from long-term loans payable	—	—	—	1,300	—
Repayments of long-term loans payable	—	—	—	—	-1,300
Proceeds from issuance of common shares	—	—	—	1,646	—
Going public expenses paid	—	—	—	-12	—
Cash dividends paid	-283	-270	-334	-437	-535
Purchase of treasury shares	—	—	—	-0	—
Net increase (decrease) in cash and cash equivalents	-662	-312	429	2,162	415
Cash and cash equivalents at beginning of period	3,643	2,981	2,668	3,097	5,260
Cash and cash equivalents at end of period	2,981	2,668	3,097	5,260	5,676

Non-consolidated Statement of Changes in Equity
for the Fiscal Years ended September 30, 2011-2014



(¥ Million)

	FY9/11	FY9/12	FY9/13	FY9/14
Shareholders' equity				
Capital stock				
Balance at beginning of current period	1,616	2,447	2,447	2,447
Changes of items during period				
Issuance of new shares	830	—	—	1,351
Total changes of items during period	830	—	—	1,351
Balance at end of current period	2,447	2,447	2,447	3,799
Capital surplus				
Legal capital surplus				
Balance at beginning of current period	2,226	3,056	3,056	3,056
Changes of items during period				
Issuance of new shares	830	—	—	1,351
Total changes of items during period	830	—	—	1,351
Balance at end of current period	3,056	3,056	3,056	4,408
Other capital surplus				
Balance at beginning of current period	615	615	615	615
Changes of items during period	—	—	—	—
Balance at end of current period	615	615	615	615
Total capital surplus				
Balance at beginning of current period	2,841	3,672	3,672	3,672
Changes of items during period				
Issuance of new shares	830	—	—	1,351
Total changes of items during period	830	—	—	1,351
Balance at end of current period	3,672	3,672	3,672	5,023
Retained earnings				
Legal retained earnings				
Balance at beginning of current period	164	164	164	164
Changes of items during period	—	—	—	—
Balance at end of current period	164	164	164	164
Other retained earnings				
General reserve				
Balance at beginning of current period	5,000	5,000	5,000	5,000
Changes of items during period	—	—	—	—
Balance at end of current period	5,000	5,000	5,000	5,000
Retained earnings brought forward				
Balance at beginning of current period	8,213	9,981	10,815	12,535
Changes of items during period				
Dividends of surplus	-437	-536	-522	-593
Net income	2,204	1,370	2,242	2,180
Total changes of items during period	1,767	834	1,719	1,587
Balance at end of current period	9,981	10,815	12,535	14,122
Total retained earnings				
Balance at beginning of current period	13,377	15,145	15,979	17,699
Changes of items during period				
Dividends of surplus	-437	-536	-522	-593
Net income	2,204	1,370	2,242	2,180
Total changes of items during period	1,767	834	1,719	1,587
Balance at end of current period	15,145	15,979	17,699	19,286
Treasury shares				
Balance at beginning of current period	-0	-0	-0	-0
Changes of items during period				
Purchase of treasury shares	-0	—	—	-0
Total changes of items during period	-0	—	—	—
Balance at end of current period	-0	-0	-0	-0
Total shareholders' equity				
Balance at beginning of current period	17,836	21,264	22,098	23,818
Changes of items during period				
Issuance of new shares	1,660	—	—	2,703
Dividends of surplus	-437	-536	-522	-593
Net income	2,204	1,370	2,242	2,180
Purchase of treasury shares	-0	—	—	-0
Total changes of items during period	3,428	834	1,719	4,290
Balance at end of current period	21,264	22,098	23,818	28,109

Non-consolidated Statement of Changes in Equity (continued)
Capital Expenditure, Depreciation and R&D Expenses

(¥ Million)

	FY9/11	FY9/12	FY9/13	FY9/14
Valuation and translation adjustments				
Valuation difference on available-for-sale securities				
Balance at beginning of current period	-3	0	-0	56
Changes of items during period				
Net changes of items other than shareholders' equity	3	-0	56	-46
Total changes of items during period	3	-0	56	-46
Balance at end of current period	0	-0	56	9
Total valuation and translation adjustments				
Balance at beginning of current period	-3	0	-0	56
Changes of items during period				
Net changes of items other than shareholders' equity	3	-0	56	-46
Total changes of items during period	3	-0	56	-46
Balance at end of current period	0	-0	56	9
Total net assets				
Balance at beginning of current period	17,833	21,264	22,098	23,874
Changes of items during period				
Issuance of new shares	1,660	—	—	2,703
Dividends of surplus	-437	-536	-522	-593
Net income	2,204	1,370	2,242	2,180
Purchase of treasury shares	-0	—	—	-0
Net changes of items other than shareholders' equity	3	-0	56	-46
Total changes of items during period	3,431	833	1,776	4,243
Balance at end of current period	21,264	22,098	23,874	28,118

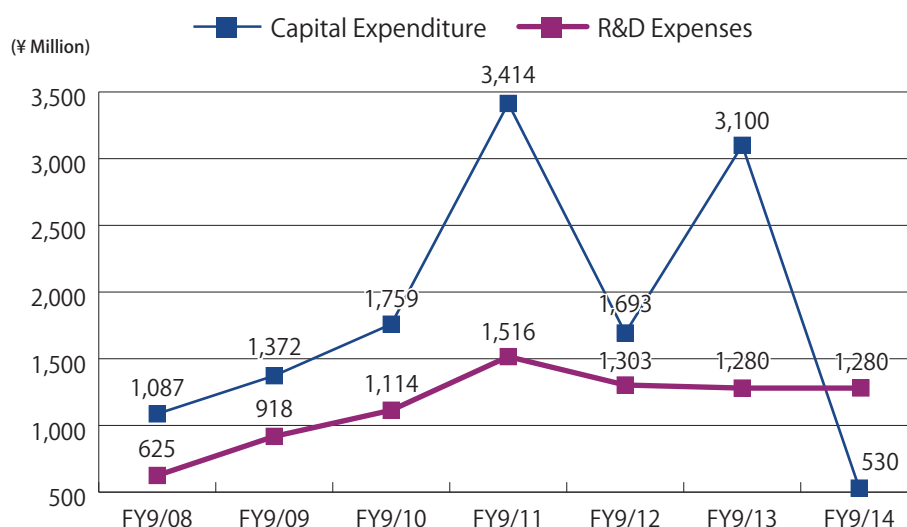
Capital Expenditure*, Depreciation and R&D Expenses

(¥ Million)

	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13**		FY9/14**	
						Non-consolidated	Consolidated	Non-consolidated	Consolidated
Capital Expenditure	1,087	1,372	1,759	3,414	1,693	3,100	3,167	530	1,073
Depreciation	803	952	1,026	1,021	1,211	1,039	1,206	1,153	1,376
R&D Expenses	625	918	1,114	1,516	1,303	1,280	1,280	1,280	1,769

*Capital expenditure includes acquisition cost of property, plant and equipment, and software; and acquisition cost equivalents of lease agreement.

Capital Expenditure and R&D Expenses



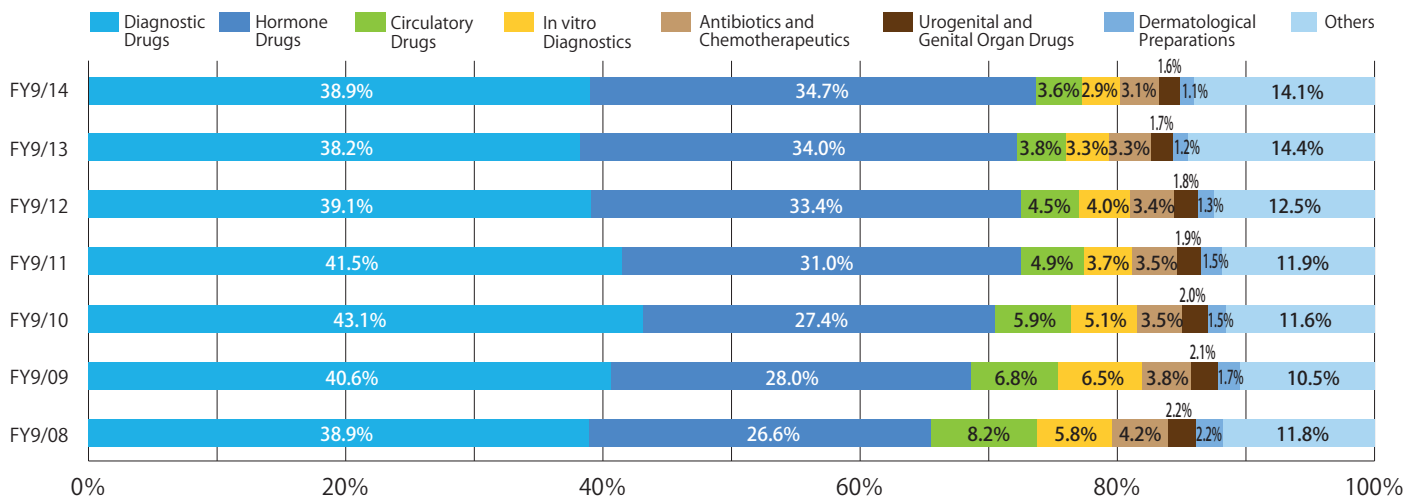
** Non-consolidated and consolidated figures are presented for FY9/13 and FY9/14 as an affiliated company in Thailand was included in the scope of consolidation in these fiscal years, and it should be noted when making a year-on-year comparison. Figures in the graphs are shown on a non-consolidated basis.

Sales Trend by Therapeutic Category

(\$ Million)	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13**		FY9/14**	
						Non-consolidated	Consolidated	Non-consolidated	Consolidated
Net sales	14,937	17,198	19,698	21,623	21,520	23,948	25,174	27,397	29,215
Finished goods	13,535	14,769	17,114	18,296	17,921	19,937	21,164	20,586	22,403
Diagnostic drugs	5,803	6,983	8,494	8,978	8,419	9,158	9,158	8,794	8,794
Hormone drugs	3,731	3,806	4,010	4,376	4,631	5,129	5,129	5,473	5,473
Circulatory drugs	1,231	1,161	1,155	1,067	962	920	920	985	985
Antibiotics and chemotherapeutics	623	636	672	745	721	789	789	842	842
Urogenital and genital organ drugs	332	364	389	418	396	406	406	437	437
Dermatological preparations	225	196	* 293	311	282	286	286	299	299
Others	1,588	1,618	2,098	2,399	2,507	3,247	4,473	3,753	5,571
Merchandise	1,401	2,429	2,584	3,326	3,599	4,040	4,010	6,811	6,811
Hormone drugs	242	1,008	1,393	2,328	2,557	3,005	3,005	4,037	4,037
In vitro diagnostics	873	1,124	999	810	856	802	802	687	687
Antibiotics and chemotherapeutics	11	9	8	7	4	4	4	2	2
Dermatological preparations	103	91	* 3	3	3	3	3	2	2
Others	170	195	179	178	176	194	194	2,080	2,080
Total (finished goods + merchandise)	14,937	17,198	19,698	21,623	21,520	23,948	25,174	27,397	29,215
Diagnostic drugs	5,803	6,983	8,494	8,978	8,419	9,158	9,158	10,656	10,656
Hormone drugs	3,973	4,815	5,403	6,704	7,189	8,134	8,134	9,511	9,511
Circulatory drugs	1,231	1,161	1,155	1,067	962	920	920	985	985
In vitro diagnostics	873	1,124	999	810	856	802	802	799	799
Antibiotics and chemotherapeutics	634	646	680	752	726	793	793	845	845
Urogenital and genital organ drugs	332	364	389	418	396	406	406	437	437
Dermatological preparations	329	288	297	314	285	289	289	301	301
Others	1,758	1,814	2,277	2,577	2,684	3,441	4,667	3,860	5,678

* Some of dermatological preparations were shifted from merchandise to finished goods in FY9/10.

Sales Component Ratio by Therapeutic Category



Mainstay Pharmaceuticals by Therapeutic Category

Route of Administration	Therapeutic Category	Main Products
Parenteral Injections	Diagnostic drugs (contrast media, etc.)	OYPALOMIN® injection, IOPAQUE® injection
	Circulatory drugs	ALYPROST® injection, APISTANDIN for injection
	Hormone drugs	HMG intramuscular injection, DEXART® injection
	Antibiotics and chemotherapeutics	TEICOPLANIN intravenous for drip use, LINTACIN for injection
Oral Medications	Hormone drugs	LUNABELL® tablets, PROGESTON tablets
	Urogenital and genital organ drugs	RITODRINE HYDROCHLORIDE tablets
External Applications	Hormone drugs	BUSERECUR®, NAFARELIL®
	Dermatological preparations	DEXAN-VG ointment, ELTACIN ointment
Diagnostic Agents	In vitro diagnostics (influenza testing, urinalysis)	Clearview Exact Influenza A&B, CLEARPLAN

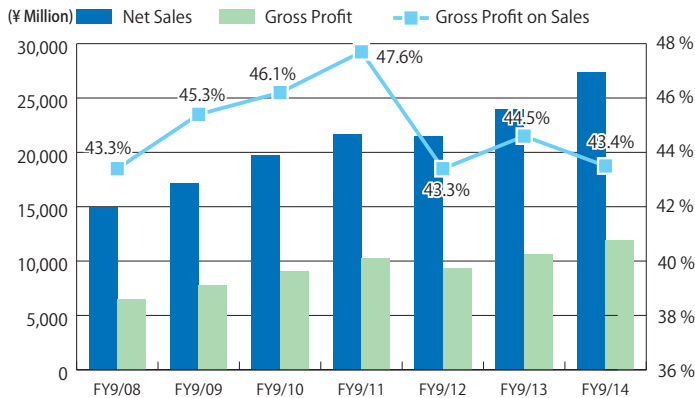
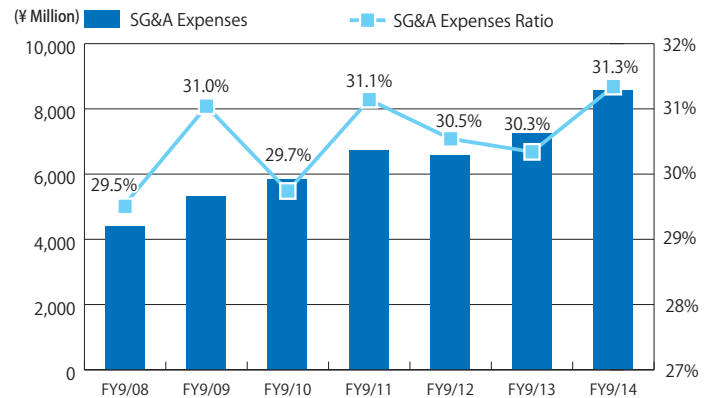
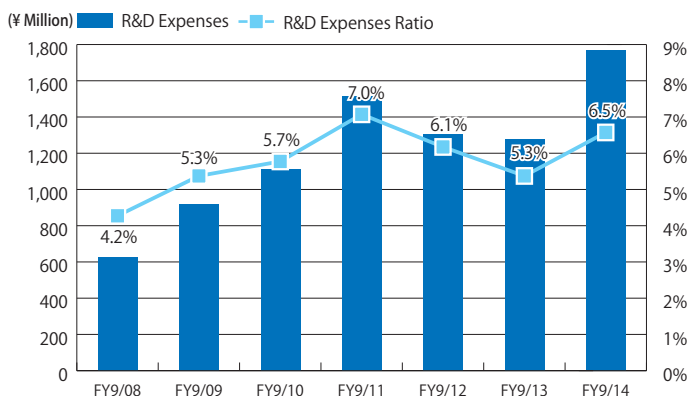
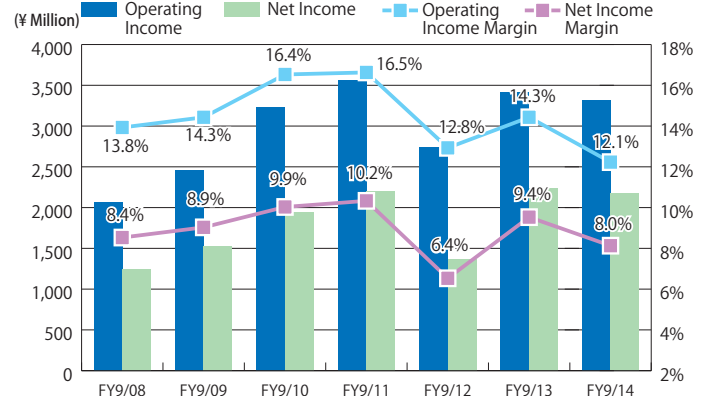
**Non-consolidated and consolidated figures are presented for FY9/13 and FY9/14 as an affiliated company in Thailand was included in the scope of consolidation in these fiscal years, and it should be noted when making a year-on-year comparison. Figures in the graphs are shown on a non-consolidated basis.

Profitability Indicators

(¥ Million)

	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13*		FY9/14*	
						Non-consolidated	Consolidated	Non-consolidated	Consolidated
Net Sales	14,937	17,198	19,698	21,623	21,520	23,948	25,174	27,397	29,215
Cost of Sales	8,468	9,403	10,619	11,323	12,202	13,284	14,233	15,512	16,835
Gross Profit	6,469	7,795	9,079	10,299	9,318	10,664	10,941	11,885	12,379
SG&A Expenses	4,403	5,333	5,846	6,734	6,571	7,247	7,679	8,566	9,206
R&D Expenses	625	918	1,114	1,516	1,303	1,280	1,280	1,769	1,769
Operating Income	2,066	2,462	3,232	3,565	2,746	3,417	3,261	3,319	3,173
Ordinary Income	2,086	2,477	3,243	3,545	2,698	3,544	3,376	3,305	3,198
Net Income	1,251	1,525	1,944	2,204	1,370	2,242	2,068	2,180	2,078

Profitability Indicators	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13*		FY9/14*	
						Non-consolidated	Consolidated	Non-consolidated	Consolidated
Gross Profit on Sales	43.3%	45.3%	46.1%	47.6%	43.3%	44.5%	43.5%	43.4%	42.4%
SG&A Expenses Ratio	29.5%	31.0%	29.7%	31.1%	30.5%	30.3%	30.5%	31.3%	31.5%
R&D Expenses Ratio	4.2%	5.3%	5.7%	7.0%	6.1%	5.3%	5.1%	6.5%	6.1%
Operating Income Margin	13.8%	14.3%	16.4%	16.5%	12.8%	14.3%	13.0%	12.1%	10.9%
Ordinary Income Margin	14.0%	14.4%	16.5%	16.4%	12.5%	14.8%	13.4%	12.1%	10.9%
Net Income Margin	8.4%	8.9%	9.9%	10.2%	6.4%	9.4%	8.2%	8.0%	7.1%

Gross Profit on Sales

SG&A Expenses Ratio

R&D Expenses Ratio

Operating Income Margin / Net Income Margin


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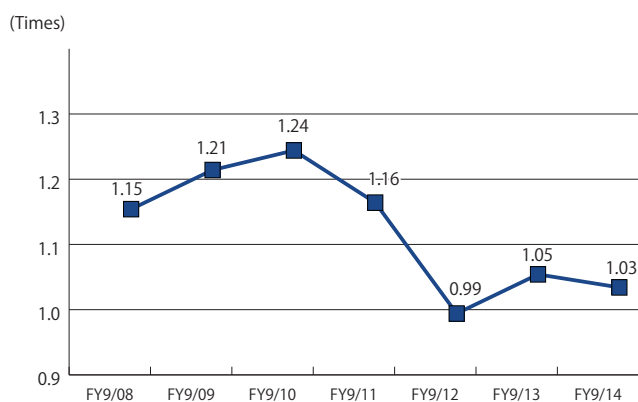
	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13*		FY9/14*	
						Non-consolidated	Consolidated	Non-consolidated	Consolidated
Total Assets Turnover (times)	0.76	0.80	0.83	0.79	0.70	0.70	0.64	0.66	0.66
Current Assets Turnover (times)	1.15	1.21	1.24	1.16	0.99	1.05	1.06	1.03	1.03
Fixed Assets Turnover (times)	2.20	2.31	2.48	2.49	2.41	2.06	1.64	1.81	1.87

	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13*		FY9/14*	
						Non-consolidated	Consolidated	Non-consolidated	Consolidated
Inventories Turnover (days)	78.2	76.5	81.6	85.5	100.6	96.2	94.8	96.9	98.0
Accounts Receivable Turnover (days)	143.5	146.6	141.0	134.8	152.0	144.5	140.6	135.5	133.2
Accounts Payable Turnover (days)	62.4	66.1	63.7	57.0	63.0	55.8	52.3	62.5	64.0

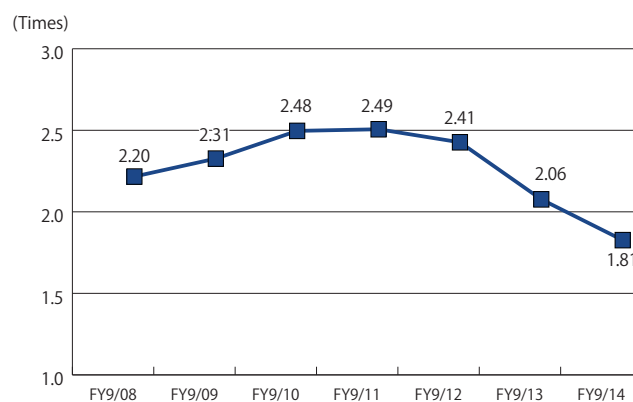
Total Assets Turnover = Net Sales/Average Total Assets
 Current Assets Turnover = Net Sales/Average Current Assets
 Fixed Assets Turnover = Net Sales/Average Non-current Assets

Inventories Turnover = Average Inventories/Net Sales × 365
 Accounts Receivable Turnover = Average Accounts Receivable/Net Sales × 365
 Accounts Payable Turnover = Average Accounts Payable/Net Sales × 365

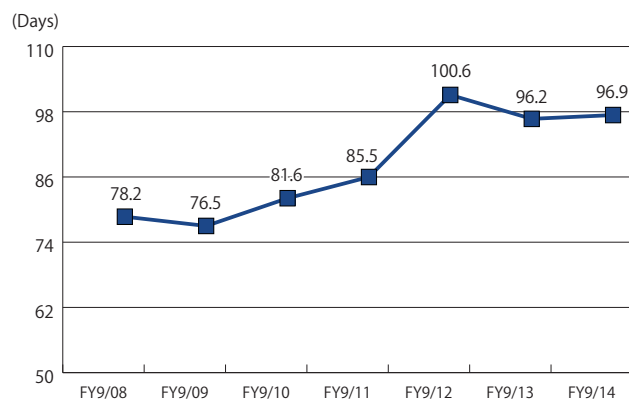
Current Assets Turnover



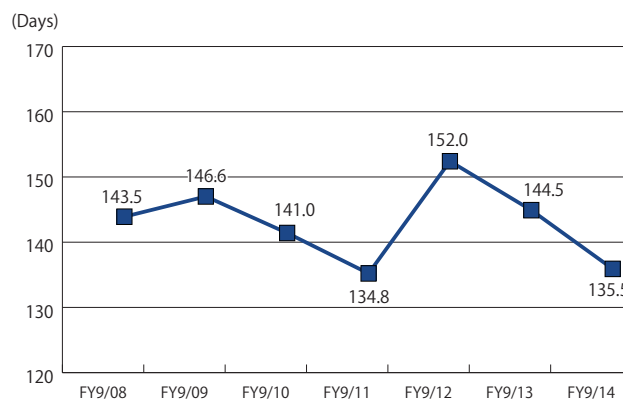
Fixed Assets Turnover



Inventories Turnover



Accounts Receivable Turnover



*Non-consolidated and consolidated figures are presented for FY9/13 and FY9/14 as an affiliated company in Thailand was included in the scope of consolidation in these fiscal years, and it should be noted when making a year-on-year comparison. Figures in the graphs are shown on a non-consolidated basis.

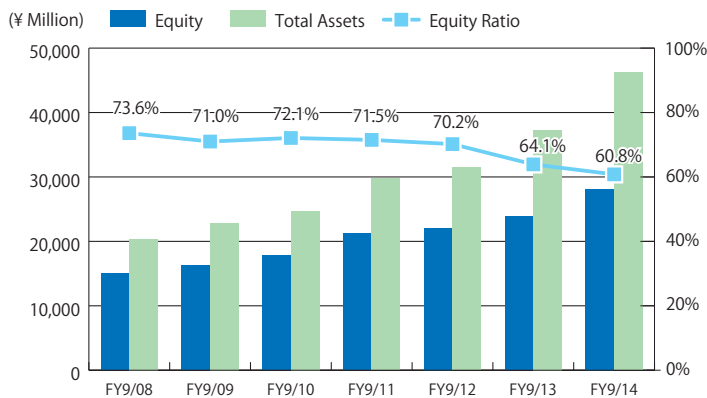
Stability & Other Indicators

(¥ Million)

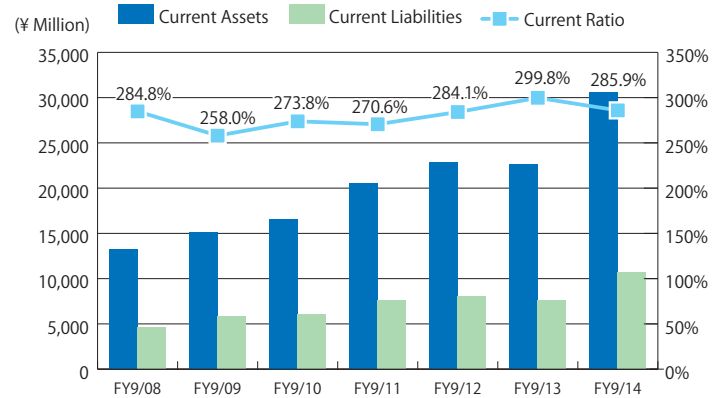
	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13*		FY9/14*	
						Non-consolidated	Consolidated	Non-consolidated	Consolidated
Equity	14,972	16,222	17,833	21,264	22,098	23,874	24,066	28,118	28,544
Total Assets	20,355	22,863	24,724	29,758	31,471	37,259	39,138	46,237	49,027
Current Assets	13,212	15,099	16,589	20,537	22,828	22,633	23,772	30,576	33,168
Non-current Assets	7,143	7,764	8,135	9,220	8,643	14,625	15,366	15,661	15,858
Current Liabilities	4,639	5,852	6,058	7,589	8,035	7,549	8,917	10,693	12,718
Interest-Bearing Debt	—	—	—	1,300	1,000	5,339	6,272	4,417	5,600

	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13*		FY9/14*	
						Non-consolidated	Consolidated	Non-consolidated	Consolidated
Equity Ratio	73.6%	71.0%	72.1%	71.5%	70.2%	64.1%	61.5%	60.8%	58.2%
Current Ratio	284.8%	258.0%	273.8%	270.6%	284.1%	299.8%	266.6%	285.9%	260.8%
Fixed Ratio	47.7%	47.9%	45.6%	43.4%	39.1%	61.4%	65.0%	55.7%	55.6%
Return on Equity (ROE)	8.6%	9.8%	11.4%	11.3%	6.3%	9.4%	8.6%	8.2%	7.3%
Return on Total Assets (ROA)	10.5%	11.5%	13.6%	13.0%	8.8%	10.3%	8.6%	7.9%	6.5%

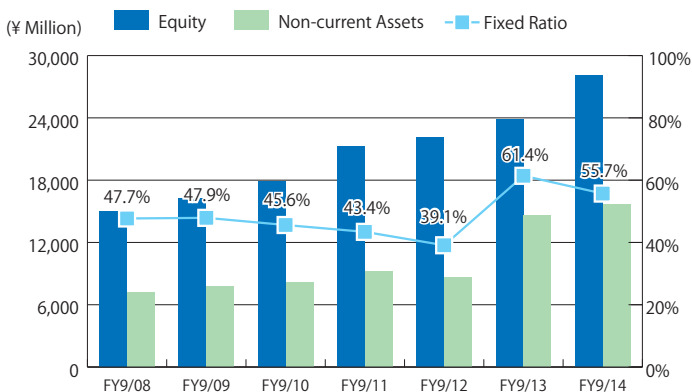
Equity Ratio



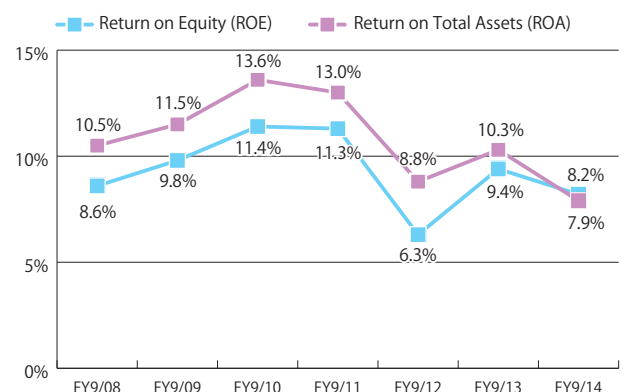
Current Ratio



Fixed Ratio



ROE / ROA



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Indicators per Share

(¥)

As of September 30, 2014

	FY9/08	FY9/09	FY9/10	FY9/11	FY9/12	FY9/13*		FY9/14*	
						Non-consolidated	Consolidated	Non-consolidated	Consolidated
Share Price at Term-end	1,600	1,845	1,599	1,266	1,286	1,737	1,737	2,031	2,031
Net Income per Share	97.26	118.57	151.05	167.63	97.09	158.81	146.48	147.38	140.53
Net Assets per Share	1,163.31	1,260.42	1,385.65	1,506.00	1,565.03	1,690.87	1,704.46	1,799.37	1,826.63
Dividend per Share	20.00	24.00	30.00	37.00	37.00	40.00	40.00	44.00	44.00 (plan)

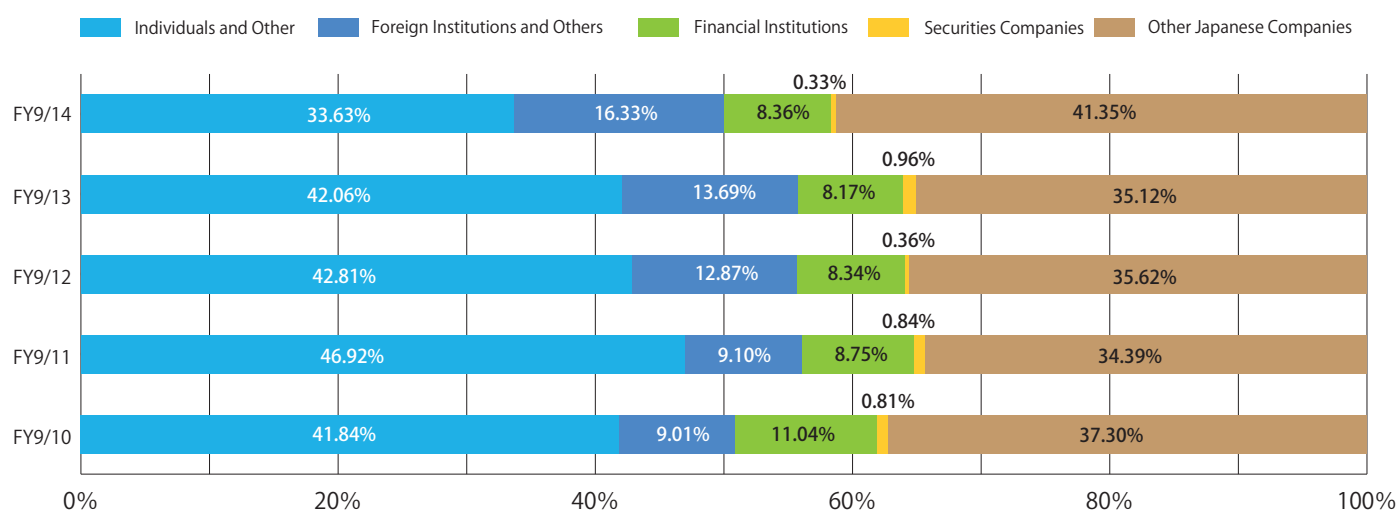
Major Shareholders (Top 10 Shareholders)

As of September 30, 2014

	Number of Shares	Shareholding Ratio
MITSUI & CO., LTD.	3,437,500	22.00%
FJP Ltd.	2,146,500	13.74%
Hirofumi Imai	2,025,000	12.96%
TERUMO CORPORATION	643,500	4.12%
Noriko Arai	620,000	3.97%
BBH FOR HEARTLAND VALUE FUND INC.	500,000	3.20%
Michiko Imai	423,000	2.71%
RBC IST 15 PCT NON LENDING ACCOUNT	385,300	2.47%
The Master Trust Bank of Japan, Ltd. (Trust Account)	337,500	2.16%
BBH FOR FIDELITY LOW-PRICED STOCK FUND (PRINCIPAL ALL SECTOR SUBPORTFOLIO)	272,900	1.75%

Shareholding by Category

As of September 30, 2014



*Non-consolidated and consolidated figures are presented for FY9/13 and FY9/14 as an affiliated company in Thailand was included in the scope of consolidation in these fiscal years.