

# **Business Results for the Fiscal Year Ended September 30, 2018**

November 19, 2018

Eiji Takemasa,  
President and Chief Executive Officer

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

**FujiPharma**

- Summary of FY9/18 Consolidated Financial Results
- FY9/19 Consolidated Forecast
- Alliance with Alvotech
- Long-Term Vision “FujiPharma 2030”

# Summary of FY9/18 Consolidated Financial Results

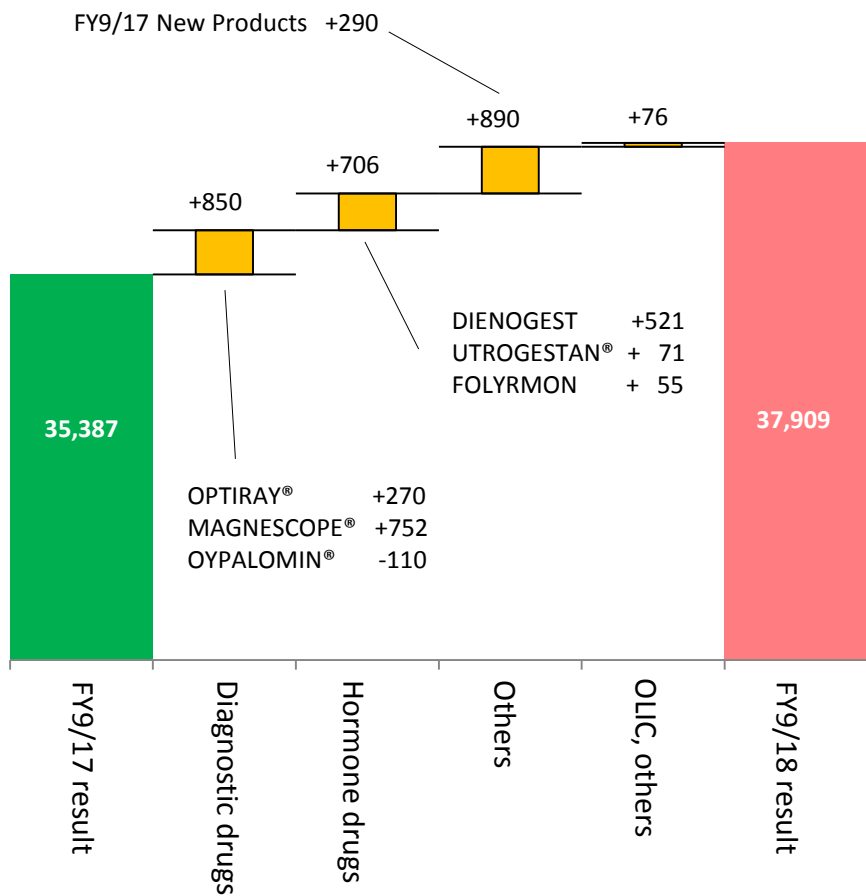
- Net sales increased by 7.1%, or ¥2,522 million YoY, due to the contribution from branded drugs and new products
- Operating profit increased by 1.8%, or ¥77 million YoY, due to higher SG&A expenses caused by the unification at Fuji Pharma of generic x-ray contrast media sales
- Ordinary profit decreased by 3.4%, or ¥156 million YoY, due to a foreign exchange gain as a non-operating income in FY9/17

(¥million)	FY9/17	FY9/18	YoY Change		FY9/18	vs Fcst
	Full Year	Full Year	Amount	Ratio	Fcst	Change in Amount
Net Sales	35,387	<b>37,909</b>	2,522	7.1%	38,139	-230
Gross Profit	14,715	<b>15,950</b>	1,235	8.4%	-	-
Gross Margin	41.6%	<b>42.1%</b>			-	-
SG&A Expenses	10,401	<b>11,559</b>	1,158	11.1%	-	-
SG&A Margin	29.4%	<b>30.5%</b>			-	-
Operating Profit	4,314	<b>4,391</b>	77	1.8%	4,850	-459
Operating Margin	12.2%	<b>11.6%</b>			12.7%	
Ordinary Profit	4,628	<b>4,472</b>	-156	-3.4%	4,710	-238
Ordinary Margin	13.1%	<b>11.8%</b>			12.3%	
Profit Attributable to Owners of Parent	3,301	<b>3,372</b>	71	2.2%	3,345	27
Profit Margin	9.3%	<b>8.9%</b>			8.8%	
Return on Equity	10.7%	<b>9.9%</b>				
Net Income per Share (Yen)	110.32	<b>112.68</b>	2.36	2.1%		
Capital Expenditure	1,261	<b>1,109</b>	-152	-12.1%		
Depreciation (Including Leased Equipment)	1,862	<b>2,060</b>	198	10.6%		
R&D Expenses	1,825	<b>1,760</b>	-65	-3.6%		
R&D Expenses Ratio	5.2%	<b>4.6%</b>				

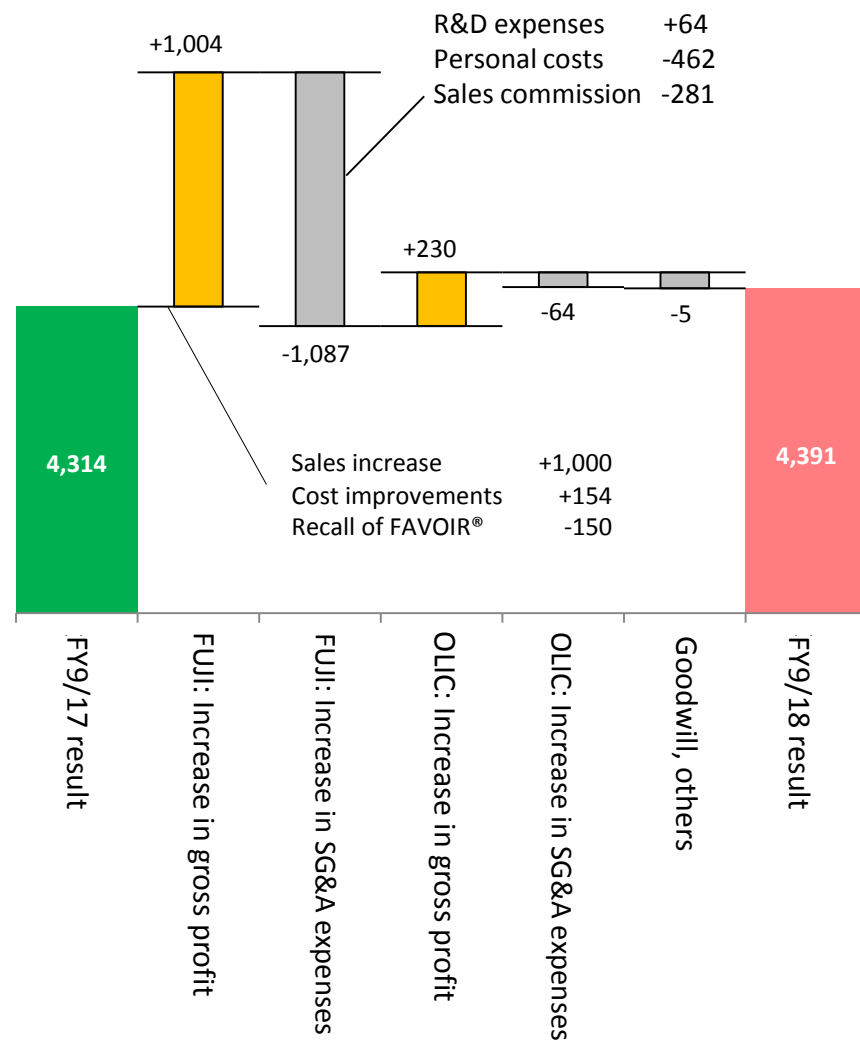
# Summary of FY9/18 Consolidated Financial Results

(¥million)

## Net Sales



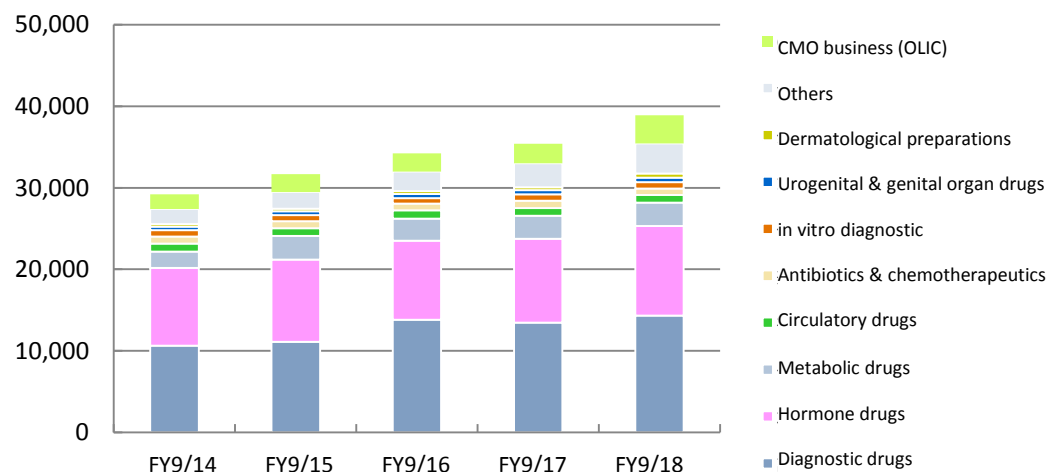
## Operating Profit



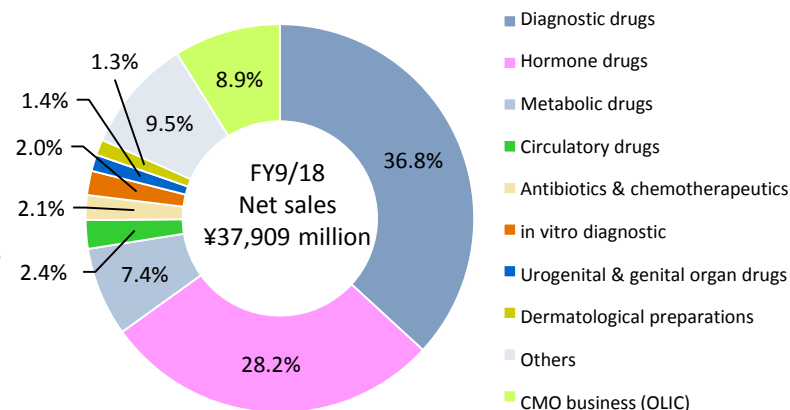
# Sales by Therapeutic Category

(¥million)	FY9/14	FY9/15	FY9/16	FY9/17	FY9/18	YoY Change	
						Amount	Ratio
Diagnostic Drugs	10,656	11,123	13,808	13,473	<b>14,323</b>	850	6.3%
Hormone Drugs	9,511	10,071	9,709	10,275	<b>10,981</b>	706	6.9%
Metabolic Drugs	2,003	2,893	2,706	2,828	<b>2,882</b>	54	1.9%
Circulatory Drugs	985	937	1,008	945	<b>925</b>	-20	-2.1%
Antibiotics & Chemotherapeutics	845	874	812	874	<b>801</b>	-73	-8.4%
in vitro Diagnostics	799	742	695	805	<b>784</b>	-21	-2.6%
Urogenital & Genital Organ Drugs	437	464	486	492	<b>533</b>	41	8.3%
Dermatological Preparations	301	327	352	384	<b>505</b>	121	31.5%
Others	1,857	2,055	2,414	2,907	<b>3,695</b>	788	27.1%
CMO Business (OLIC)	1,864	2,255	2,309	2,576	<b>3,452</b>	876	34.0%
<b>Total</b>	<b>29,215</b>	<b>31,680</b>	<b>34,229</b>	<b>35,387</b>	<b>37,909</b>	<b>2,522</b>	<b>7.1%</b>

(¥million) Sales Trendline by Therapeutic Category



Sales Breakdown by Therapeutic Category



# Sales of Major Products

Product Name (¥million)	Therapeutic Category	FY9/14	FY9/15	FY9/16	FY9/17	FY9/18	YoY Change	
							Amount	Ratio
OYPALOMIN® injection	Diagnostic drugs	6,465	6,500	7,029	6,879	<b>6,769</b>	-110	-1.6%
<u>LUNABELL® tablets (LD/ULD)</u>	<u>Hormone drugs</u>	<u>3,491</u>	<u>3,756</u>	<u>3,017</u>	<u>2,845</u>	<u>2,769</u>	-76	-2.7%
<u>OPTIRAY® injection</u>	<u>Diagnostic drugs</u>	<u>1,861</u>	<u>1,972</u>	<u>1,927</u>	<u>1,923</u>	<u>2,193</u>	270	14.0%
<u>MAGNESCOPE® intravenous injection</u>	<u>Diagnostic drugs</u>	-	<u>57</u>	<u>1,310</u>	<u>1,353</u>	<u>2,105</u>	752	55.6%
IOPAQUE® injection	Diagnostic drugs	1,754	1,968	2,133	2,162	<b>2,010</b>	-152	-7.0%
<u>Filgrastim BS injection Syringe</u>	<u>Metabolic drugs</u>	<u>539</u>	<u>1,344</u>	<u>1,481</u>	<u>1,671</u>	<u>1,721</u>	50	3.0%
<u>LIPIODOL® injection</u>	<u>Diagnostic drugs</u>	-	<u>24</u>	<u>722</u>	<u>643</u>	<u>986</u>	343	53.3%
HMG intramuscular injection	Hormone drugs	901	939	917	891	<b>880</b>	-11	-1.2%
DEXART® injection	Hormone drugs	680	724	813	866	<b>870</b>	4	0.5%
DIENOGEST tablets	Hormone drugs	-	-	-	307	<b>828</b>	521	169.7%
<u>UTROGESTAN® Vaginal Capsules</u>	<u>Hormone drugs</u>	-	-	<u>254</u>	<u>578</u>	<u>649</u>	71	12.3%
FOLYRMON®-P injection	Hormone drugs	528	507	512	583	<b>638</b>	55	9.4%
LIMAPROST ALFADEX tablets	Metabolic drugs	587	600	588	572	<b>621</b>	49	8.6%
SOL-MELCORT for injection	Hormone drugs	607	627	598	585	<b>582</b>	-3	-0.5%
FAVOIR® tablets	Hormone drugs	394	456	537	601	<b>552</b>	-49	-8.2%
Total Top 15 Sales		17,812	19,480	21,846	22,467	<b>24,179</b>	1,712	7.6%
Pct. of Total Sales		61.0%	61.5%	63.8%	63.5%	63.8%		
New Products*		770	1,120	1,487	2,241	<b>2,763</b>	522	23.3%
Other Products		8,814	8,889	8,659	8,277	<b>8,489</b>	212	2.6%
CMO Business (OLIC)		1,864	2,255	2,309	2,576	<b>3,452</b>	876	34.0%
Total		29,215	31,680	34,229	35,387	<b>37,909</b>	2,522	7.1%

Acute Medical Care

Women's Healthcare

\* New Products: products launched in FY9/14 or afterward (excluding the top 15)

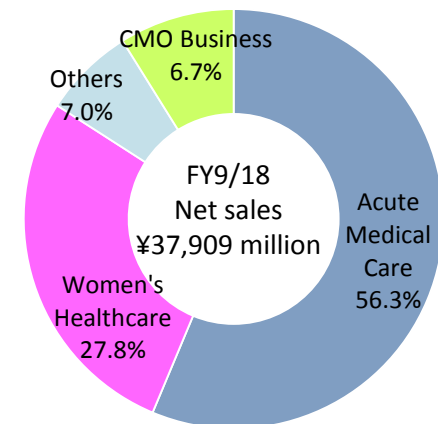
\* Underlined products are the Fuji Pharma branded drugs, branded generic drugs (marketing approval received from original drug manufacturers) and biosimilars.

# Sales by Medical Field and Drug Form Category

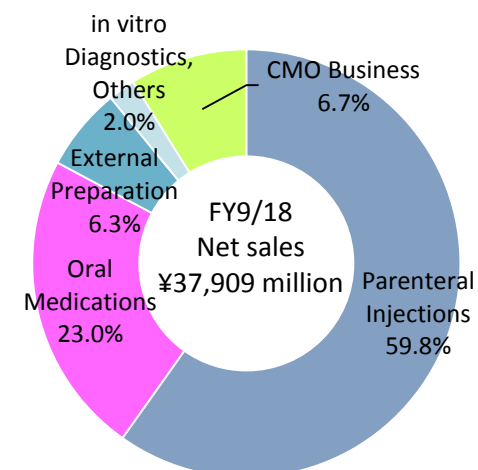
Breakdown by Medical Field (¥million)	FY9/14	FY9/15	FY9/16	FY9/17	FY9/18	YoY Change	
						Amount	Ratio
Acute Medical Care	15,663	17,082	19,997	20,264	<b>21,895</b>	1,631	8.0%
Women's Healthcare	9,400	9,943	9,582	10,212	<b>10,802</b>	590	5.8%
Others	2,333	2,463	2,413	2,509	<b>2,734</b>	225	9.0%
CMO Business (OLIC)	1,864	2,255	2,309	2,576	<b>3,452</b>	876	34.0%
<b>Total</b>	<b>29,215</b>	<b>31,680</b>	<b>34,229</b>	<b>35,387</b>	<b>37,909</b>	<b>2,522</b>	<b>7.1%</b>

Breakdown by Drug Category (¥million)	FY9/14	FY9/15	FY9/16	FY9/17	FY9/18	YoY Change	
						Amount	Ratio
Parenteral Injections	17,212	18,596	21,452	21,463	<b>23,260</b>	1,797	8.4%
Oral Medications	7,974	8,663	8,020	8,547	<b>8,937</b>	390	4.6%
External Preparation	1,399	1,477	1,818	2,165	<b>2,441</b>	276	12.7%
in vitro Diagnostics, Others	811	752	701	811	<b>793</b>	-18	-2.2%
CMO Business (OLIC)	1,864	2,255	2,309	2,576	<b>3,452</b>	876	34.0%
<b>Total</b>	<b>29,215</b>	<b>31,680</b>	<b>34,229</b>	<b>35,387</b>	<b>37,909</b>	<b>2,522</b>	<b>7.1%</b>

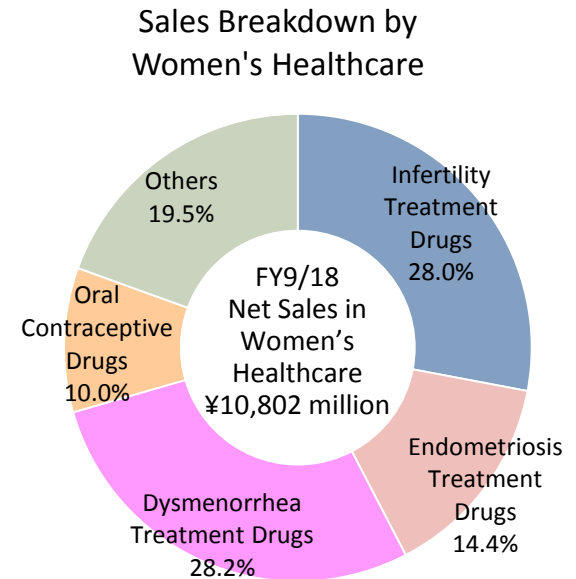
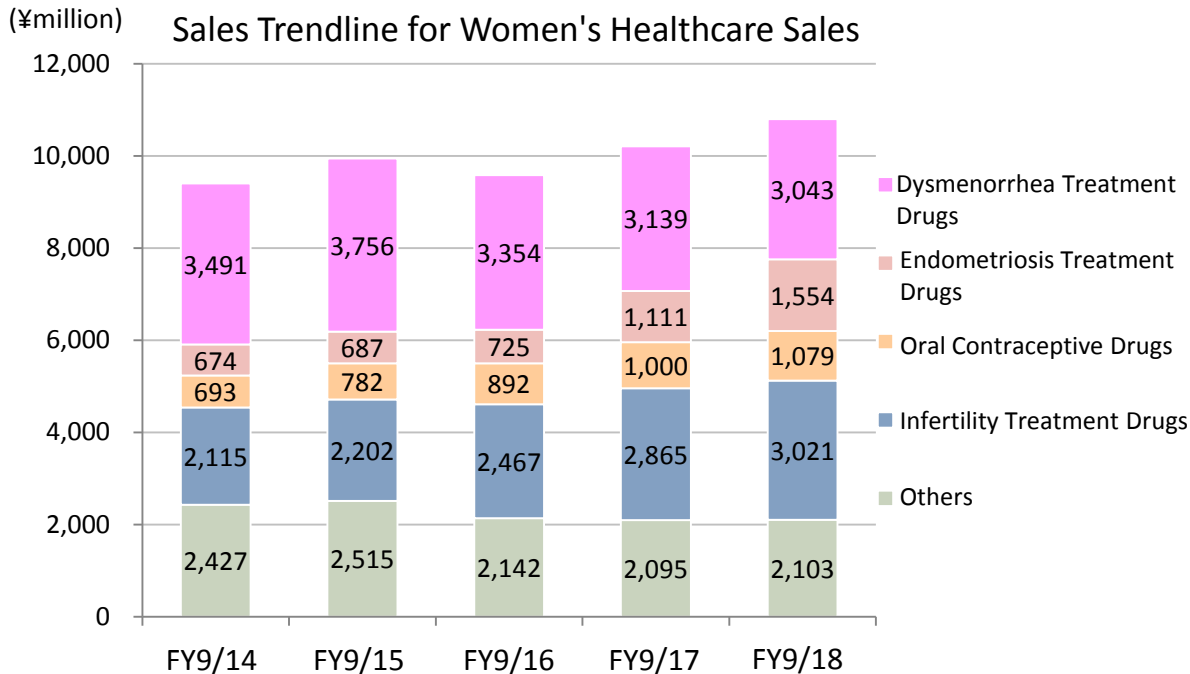
Sales Breakdown by Medical Field



Sales Breakdown by Drug Form Category



# Women's Healthcare: Sales Trendline



## LiLuLa – An app that helps women lead healthy lives

Fuji Pharma created the LiLuLa app to provide services via a smartphone concerning the health of women in age segments extending from puberty to menopause.

Fuji Pharma developed this app under the supervision of gynecologists for the purpose of supplying accurate information about menstruation and associated subjects.

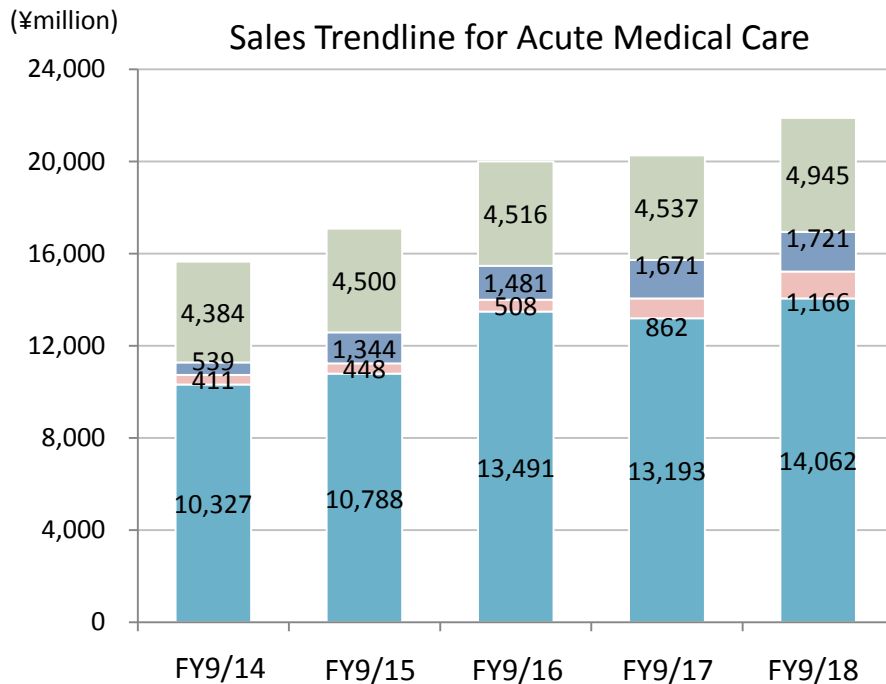
Providing this knowledge will reduce or eliminate worries about various health-related issues and enable women to lead more enjoyable lives.

An app that helps women lead healthy lives

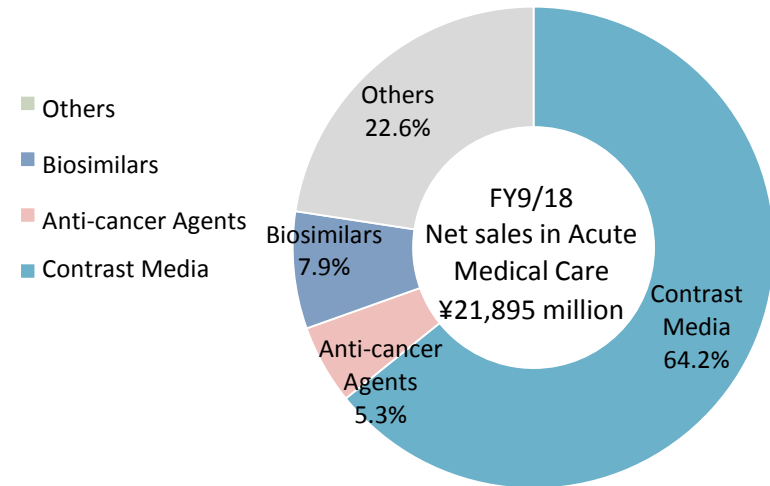




# Acute Medical Care: Sales Trendline



## Sales Breakdown by Acute Medical Care



150注 50mL / 200mL  
300注 20mL / 50mL / 100mL  
370注 20mL / 50mL / 100mL  
300注 シリンジ 50mL / 80mL / 100mL / 150mL  
370注 シリンジ 50mL / 65mL / 80mL / 100mL

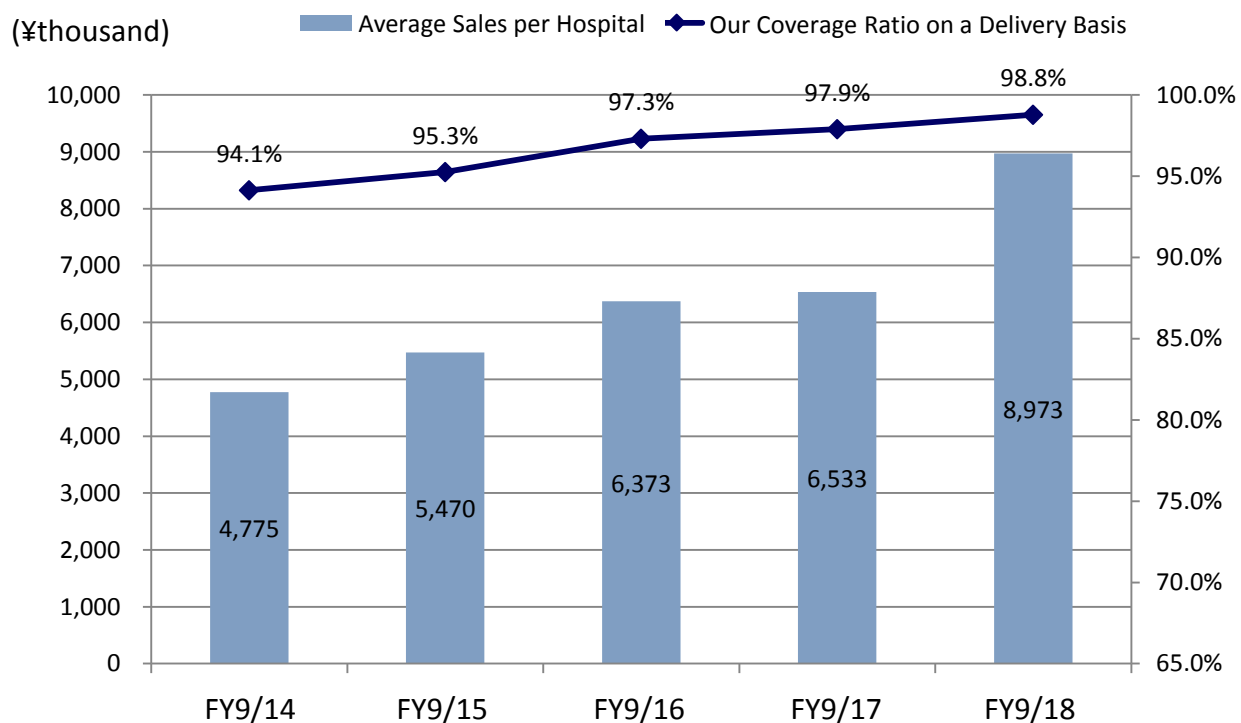


**イオパーク®**  
非イオン性造影剤 イオヘキソール注射液  
処方せん医薬品® | 薬価基準収載

IOPAQUE®  
300注 10mL / 20mL / 50mL / 100mL  
350注 20mL / 50mL / 100mL  
240注 シリンジ 100mL  
300注 シリンジ 50mL / 80mL / 100mL / 110mL / 125mL / 150mL  
350注 シリンジ 70mL / 100mL

# Acute Medical Care: Sales Trendline for DPC-based Hospitals

	FY9/13	FY9/14	FY9/15	FY9/16	FY9/17	FY9/18	YoY Change	
							Amount	Ratio
No. of Hospitals Adopting DPC System	1,496	1,585	1,580	1,667	1,664	<b>1,726</b>	62	3.7%
No. of DPC Hospitals with Our Coverage	1,339	1,492	1,505	1,622	1,629	<b>1,705</b>	76	4.7%
Coverage Ratio	89.5%	94.1%	95.3%	97.3%	97.9%	<b>98.8%</b>		
Average Sales per Hospital (¥thousand)	4,383	4,775	5,470	6,373	6,533	<b>8,973</b>	2,440	37.4%



# Summary of FY9/18 Consolidated Balance Sheet

(¥million)	FY9/17	FY9/18	YoY Change	
			Amount	Ratio
<b>Assets</b>				
Current Assets	33,208	<b>35,507</b>	2,299	6.9%
Cash and Deposits	5,503	<b>6,251</b>	748	13.6%
Notes and Accounts Receivable-Trade	15,142	<b>16,903</b>	1,761	11.6%
Inventories	11,486	<b>11,285</b>	-201	-1.7%
Other	1,077	<b>1,066</b>	-11	-1.0%
Non-current Assets	16,342	<b>17,610</b>	1,268	7.8%
Property, Plant and Equipment	11,703	<b>11,700</b>	-3	0.0%
Intangible Assets	2,709	<b>2,220</b>	-489	-18.1%
Investments and Other Assets	1,930	<b>3,689</b>	1,759	91.1%
<b>Total Assets</b>	<b>49,551</b>	<b>53,117</b>	<b>3,566</b>	<b>7.2%</b>
<b>Liabilities</b>				
Current Liabilities	11,513	<b>11,546</b>	33	0.3%
Notes and Accounts Payable-Trade	5,721	<b>6,746</b>	1,025	17.9%
Other	5,792	<b>4,799</b>	-993	-17.1%
Non-current Liabilities	5,436	<b>6,220</b>	784	14.4%
<b>Total Liabilities</b>	<b>16,949</b>	<b>17,767</b>	<b>819</b>	<b>4.8%</b>
<b>Net Assets</b>				
Shareholders' Equity	31,887	<b>34,438</b>	2,550	8.0%
Capital Stock	3,799	<b>3,799</b>	0	0.0%
Capital Surplus	5,023	<b>5,023</b>	0	0.0%
Retained Earnings	24,541	<b>27,119</b>	2,578	10.5%
Treasury Shares	-1,476	<b>-1,504</b>	-28	1.9%
Accumulated Other Comprehensive Income	711	<b>909</b>	198	27.8%
<b>Total Net Assets</b>	<b>32,601</b>	<b>35,350</b>	<b>2,748</b>	<b>8.4%</b>
<b>Total Liabilities and Net Assets</b>	<b>49,551</b>	<b>53,117</b>	<b>3,566</b>	<b>7.2%</b>

- Advance payments-trade for OLIC's leased equipment
- Advance payments-trade for clinical trial expenses

# Summary of FY9/18 Consolidated Statement of Cash Flows

(¥million)	FY9/17	FY9/18	YoY Change	
			Amount	Ratio
Cash Flows from Operating Activities	3,238	<b>3,773</b>	535	16.5%
(Major Breakdown)				
Profit Before Income Taxes	4,530	<b>4,472</b>	-58	-1.3%
Depreciation	1,769	<b>1,976</b>	207	11.7%
Amortization of Goodwill	254	<b>275</b>	-21	8.2%
Decrease (Increase) in Notes and Accounts Receivable-Trade	-1,982	<b>-1,731</b>	250	-12.7%
Decrease (Increase) in Inventories	185	<b>235</b>	50	27.0%
Increase (Decrease) in Notes and Accounts Payable-Trade	-642	<b>994</b>	1,637	-254.8%
Income Taxes Paid	-1,094	<b>-1,797</b>	-703	64.3%
Cash Flows from Investing Activities	-1,534	<b>-1,073</b>	460	-30.1%
(Major Breakdown)				
Purchase of Property, Plant and Equipment	-1,477	<b>-1,446</b>	31	-2.1%
Proceeds from Sales of Property, Plant and Equipment	130	<b>1,283</b>	1,153	886.9%
Purchase of Intangible Assets	-65	<b>-184</b>	-118	183.1%
Cash Flows from Financing Activities	-3,042	<b>-2,001</b>	1,040	-
(Major Breakdown)				
Repayments of Long-term Loans Payable	-1,921	<b>-653</b>	1,267	-66.0%
Cash Dividends Paid	-704	<b>-794</b>	-89	12.8%
Repayments of Lease Obligations	-416	<b>-513</b>	-97	23.3%
Cash and Cash Equivalents at Beginning of Period	6,815	<b>5,503</b>	-1,311	-19.3%
Cash and Cash Equivalents at End of Period	5,503	<b>6,251</b>	747	13.6%
Free Cash Flows	1,703	<b>2,699</b>	996	58.5%

• Mainly for higher shipments of contrast media

•OLIC's sale-and-leaseback transactions

# FY9/19 Consolidated Forecast

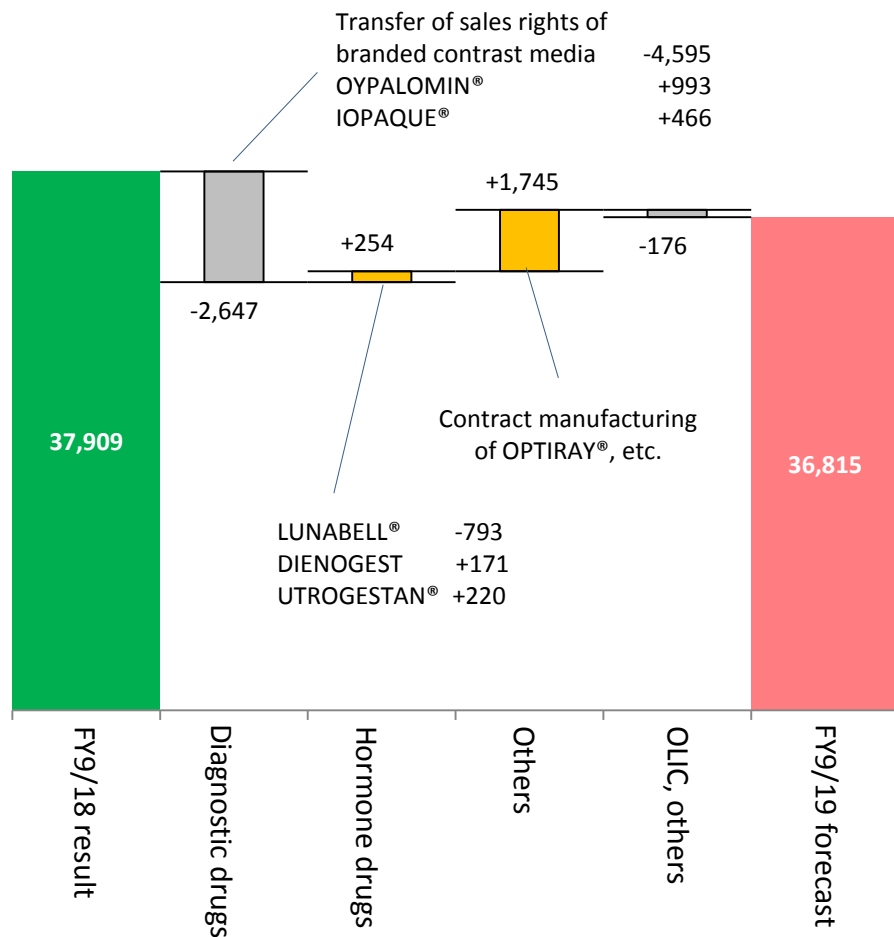
- Forecast a 2.9%, or ¥1,094 million decrease in sales due to the transfer of sales rights of branded contrast media
- Forecast a 3.3% increase in operating profit to ¥4,535 million as measures to hold down SG&A expenses and reduce the cost of sales offset higher R&D expenses for new drugs

(¥million)	FY9/18	FY9/19 (Forecast)	YoY Change	
			Amount	Ratio
Net Sales	37,909	36,815	-1,094	-2.9%
Operating Profit	4,391	4,535	144	3.3%
Operating Margin	11.6%	12.3%	-	-
Ordinary Profit	4,472	4,506	34	0.8%
Ordinary Margin	11.8%	12.2%	-	-
Profit Attributable to Owners of Parent	3,372	3,396	24	0.7%
Profit Margin	8.9%	9.2%	-	-
Capital Expenditure	1,109	2,130	1,021	92.1%
Depreciation (Including Leased Equipment)	2,060	1,718	-342	-16.6%
R&D Expenses	1,760	2,439	679	38.6%
R&D Expenses Ratio	4.6%	6.6%	-	-

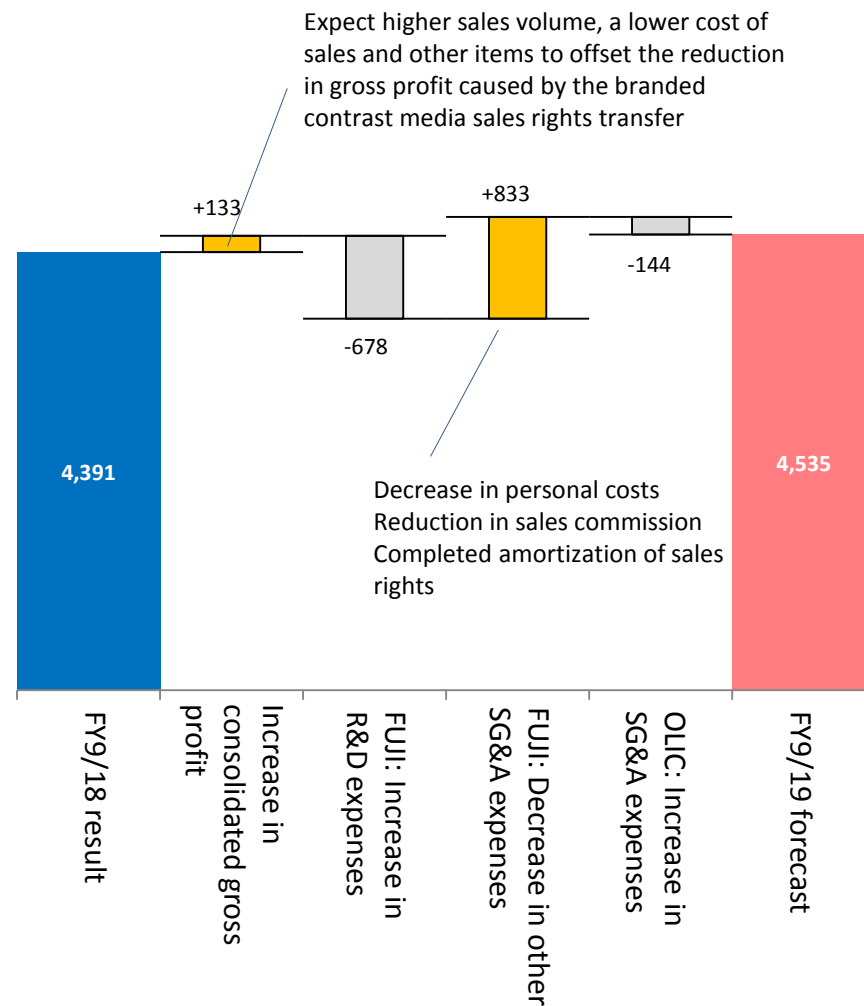
# FY9/19 Consolidated Forecast

(¥million)

## Net Sales



## Operating Profit



# Sales Forecast by Therapeutic Category and Medical Field

(¥million)	FY9/18	FY9/19 (Forecast)	YoY Change	
			Amount	Ratio
Diagnostic Drugs	14,323	11,208	-3,115	-21.7%
Hormone Drugs	10,981	11,236	255	2.3%
Metabolic Drugs	2,882	2,919	37	1.3%
Circulatory Drugs	925	900	-25	-2.7%
Antibiotics & Chemotherapeutics	801	836	35	4.4%
in vitro Diagnostics	784	729	-55	-7.0%
Urogenital & Genital Organ Drugs	533	521	-12	-2.3%
Detmetological Preparations	505	552	47	9.3%
Others	3,695	5,318	1,623	43.9%
CMO Business (OLIC)	3,452	3,276	-176	-5.1%
<b>Total</b>	<b>37,909</b>	<b>36,815</b>	<b>-1,094</b>	<b>-2.9%</b>

(¥million)	FY9/18	FY9/19 (Forecast)	YoY Change	
			Amount	Ratio
Acute Medical Care	21,895	20,132	-1,763	-8.1%
Women's Healthcare	10,802	10,820	18	0.2%
Others	2,734	3,268	534	19.5%
CMO Business (OLIC)	3,452	3,276	-176	-5.1%
<b>Total</b>	<b>37,909</b>	<b>36,815</b>	<b>-1,094</b>	<b>-2.9%</b>

# Sales Forecast for Major Products

Product Name (¥million)	Therapeutic Category	FY9/18	FY9/19 (Forecast)	YoY Change	
				Amount	Ratio
OYPALOMIN® injection	Diagnostic drugs	6,769	7,763	994	14.7%
IOPAQUE® injection	Diagnostic drugs	2,010	2,476	466	23.2%
<u>LUNABELL® tablets (LD/ULD)</u>	<u>Hormone drugs</u>	<u>2,769</u>	<u>1,975</u>	<u>-794</u>	<u>-28.7%</u>
<u>Filgrastim BS injection</u>	<u>Metabolic drugs</u>	<u>1,721</u>	<u>1,752</u>	<u>31</u>	<u>1.8%</u>
DIENOGEST tablets	Hormone drugs	828	1,000	172	20.8%
HMG intramuscular injection	Hormone drugs	880	916	36	4.1%
DEXART® injection	Hormone drugs	870	891	21	2.4%
<u>UTROGESTAN® Vaginal Capsules</u>	<u>Hormone drugs</u>	<u>649</u>	<u>869</u>	<u>220</u>	<u>33.9%</u>
FOLYRMON®-P injection	Hormone drugs	638	751	113	17.7%
SOL-MELCORT for injection	Hormone drugs	582	654	72	12.4%
LIMAPROST ALFADEX tablets	Metabolic drugs	621	650	29	4.7%
Labellefill® tablets	Hormone drugs	526	649	123	23.4%
<u>OPTIRAY® injection</u>	<u>Diagnostic drugs</u>	<u>2,193</u>	<u>629</u>	<u>-1,564</u>	<u>-71.3%</u>
FAVOIR® tablets	Hormone drugs	552	600	48	8.7%
ALPROSTADIL injection	Circulatory drugs	534	526	-8	-1.5%
Total Top 15 Sales		22,149	22,108	-41	-0.2%
Pct. of Total Sales		58.4%	60.1%		
New Products*		2,763	2,930	167	6.0%
Other Products		10,520	9,184	-1,336	-12.7%
CMO Business (OLIC)		3,452	3,276	-176	-5.1%
Total		37,909	36,815	-1,094	-2.9%
Acute Medical Care					
Women's Healthcare					

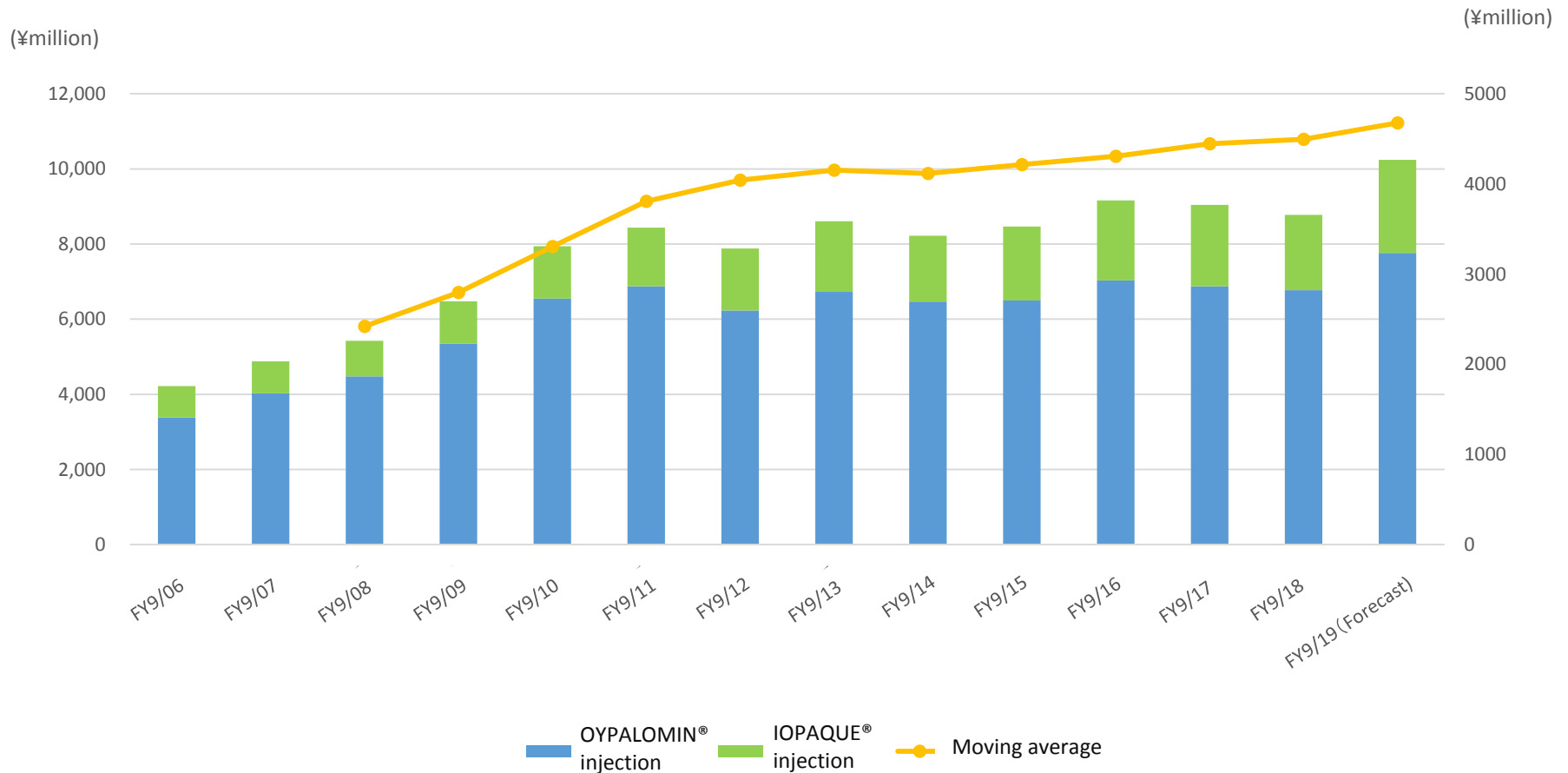
\*New products are products launched in FY9/14 or afterward (excluding the top 15)

\*Underlined products are the Fuji Pharma branded drugs, branded generic drugs (marketing approval received from original drug manufacturers) and biosimilars.



# Sales of Fuji Pharma Generic Contrast Media

- Generic contrast media sales fluctuate from year to year, but the long-term trend is upward
- The goal is more sales growth by using relationships with doctors established through sales of branded contrast media and Fuji Pharma's high market share obtained by selling generic contrast media





**Alliance with Alvotech**

**FujiPharma**

# November 16 Announcement of Alvotech Alliance

## 1. Profile of Alvotech

- Established in 2013 by Robert Wessman, CEO of the Alvogen Group, Alvotech specializes in the development and manufacture of biosimilars.
- The CEO is Rasumus Rojikjaer, who has more than 20 years of experience at Novo Nordisk, Mylan and other biopharmaceutical companies, and there are about 280 employees.
- Major shareholders are Robert Wessman and the Alvogen Group

The head office and factory in Iceland



### Alvotech's Vision

Alvotech's goal is to become a global leader in the biosimilar (antibody drug) industry in order to make high-quality bio-pharmaceuticals accessible to everyone, thereby contributing to the growth of bio-pharmaceutical biosimilar market and helping solve the problem of the high cost of bio-pharmaceuticals.

### ● Locations

Head office and factory: Iceland

Two development centers in Germany and one in Switzerland (cell line development, clinical development, pharmacology)

In 2016, Alvotech began operating a state-of-the-art factory with integrated operations steps from active ingredients to finished products, resulting in the capability to supply high-quality drugs at competitive prices.

### ● Business domains

Autoimmune diseases, oncology, ophthalmology and other fields with global drug sales of more than US\$32 billion in 2017

#### Profile of the Alvogen Group

The Alvogen Group is a global pharmaceutical company that was established in 2009 by Robert Wessman, the former CEO of Actavis who is now the CEO and chairman of this group. Annual sales are about US\$1.2 billion. The group develops, produces and sells generic, branded and OTC drugs. With a workforce of approximately 2,800 in 35 countries, the group has manufacturing and R&D hubs in the United States, Romania, South Korea and Taiwan.

# November 16 Announcement of Alvotech Alliance

## 2. Agreement for Exclusive Partnership with Alvotech

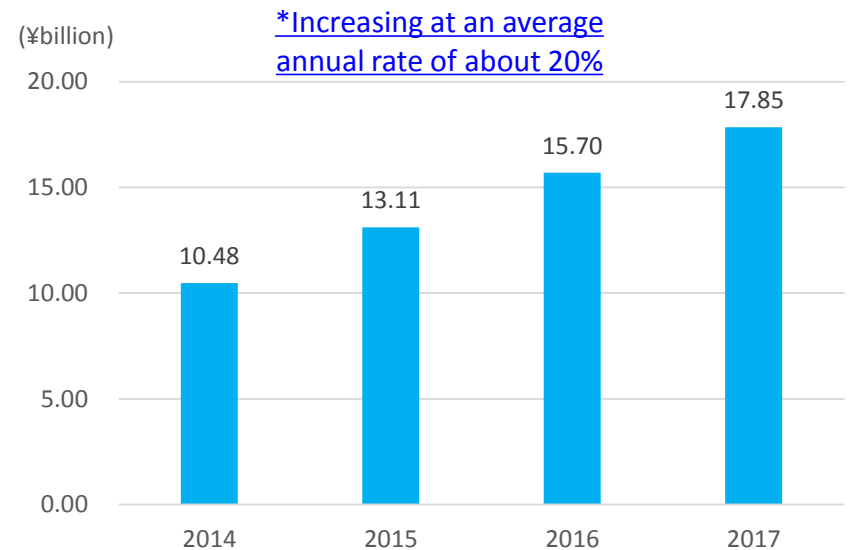
### (1) Summary

- a) Fuji Pharma will commercialize in Japan biosimilars developed by Alvotech for the purpose of expanding the biosimilar business in Japan  
Exclusive partnership
  - Alvotech      Development and production of biosimilars
  - Fuji Pharma      Receipt of Japanese regulatory approval for production and sale and sales of biosimilars in Japan
- b) Fuji Pharma may make an equity investment in Alvotech depending on the outcome of discussions

### (2) Benefits of this partnership

- a) Strengthens the biosimilars business in order to **create a new core business**, thereby contributing to the realization of the FujiPharma 2030 long-term vision.  
Japan's biosimilar market is growing at an average annual rate of about 20% and sales were about ¥18 billion in 2017.
- b) Alvotech has a fully integrated production capability, extending from active ingredients to finished drugs, that allows the company to supply high-quality drugs at competitive prices.
- c) Fuji Pharma has many years of experience selling Filgrastim BS Injection in Japan and can use this know-how for other biosimilars.

Growth of Biosimilar Sales in Japan



Source: Fuji Pharma



# Long-Term Vision “FujiPharma 2030”

FujiPharma

# Medium-term Business Plan (5 Years from FY9/15 to FY9/19)

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

Build a new stage and framework centered on branded drugs

Grow on a global scale

## Medium-term Growth Strategy

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

	Brands (new drugs)	Generic drugs	CMO
Women's Healthcare	<ul style="list-style-type: none"> <li>Female hormone drugs/ New administration route drugs</li> </ul>	<ul style="list-style-type: none"> <li>Female hormone drugs</li> <li>Antihormonal drugs</li> </ul>	[Toyama plant/OLIC] A dedicated plant for female hormone drugs
Acute Medical Care	<ul style="list-style-type: none"> <li>Diagnostic drugs/Sales right</li> <li>Diagnostic drugs/Drugs with new dosages</li> <li>Anti-cancer agents</li> </ul>	<ul style="list-style-type: none"> <li>DDS/Liposome</li> <li>Diagnostic drugs</li> <li>Anti-cancer agents</li> <li>Other parenteral injections</li> </ul>	[OLIC] New parenteral injection plant [Toyama plant] New multipurpose parenteral injection production line
New Strategic Products			[Toyama plant] Production line for biosimilars

# Progress Report on Medium-term Business Plan (FY9/18)

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

- Started distributing LiLuLa, a women's health support app
- Started contract production of a value-added anti-cancer agents
- Increased branded drug sales to more than 30% by strengthening relationships with physicians (key opinion leaders)

Build a new stage and framework centered on branded drugs

- Developed new drugs for women (menstruation, contraception, menopause)
- More information provision to strengthen sales activities for VESANOID® capsule and Filgrastim BS injection
- Exclusive biosimilar partnership with Alvotech

Grow on a global scale

- Sales alliance with APO PLUS STATION (THAILAND) CO., LTD.
- Plan to receive approval in Thailand in 2019 to sell generic contrast media
- Consistent production of generic contrast media for export to Japan at the new parenteral injection plant at OLIC in Thailand

# Major Drugs in the Pipeline

Indication	Area	Preparation	Ph I	Ph II	Ph III	Application
Menopausal disorders	Japan	FSN-014 Estetrol			FSN-011-01 Progesterone	
	ASEAN*			FSN-014 Estetrol		
Dysmenorrhea	Japan			FSN-013 Estetrol		
Contraception	ASEAN*				FSN-013 Estetrol	

\*Development pipeline as of September 2018

Licensors    Progesterone: Besins Healthcare (Fuji Pharma has already licensed UTROGESTAN® Vaginal Capsules 200mg)  
                   Estetrol:            Mithra Pharmaceuticals

\*Status for the ASEAN region is progress by the drug licensors in Europe and the United States.

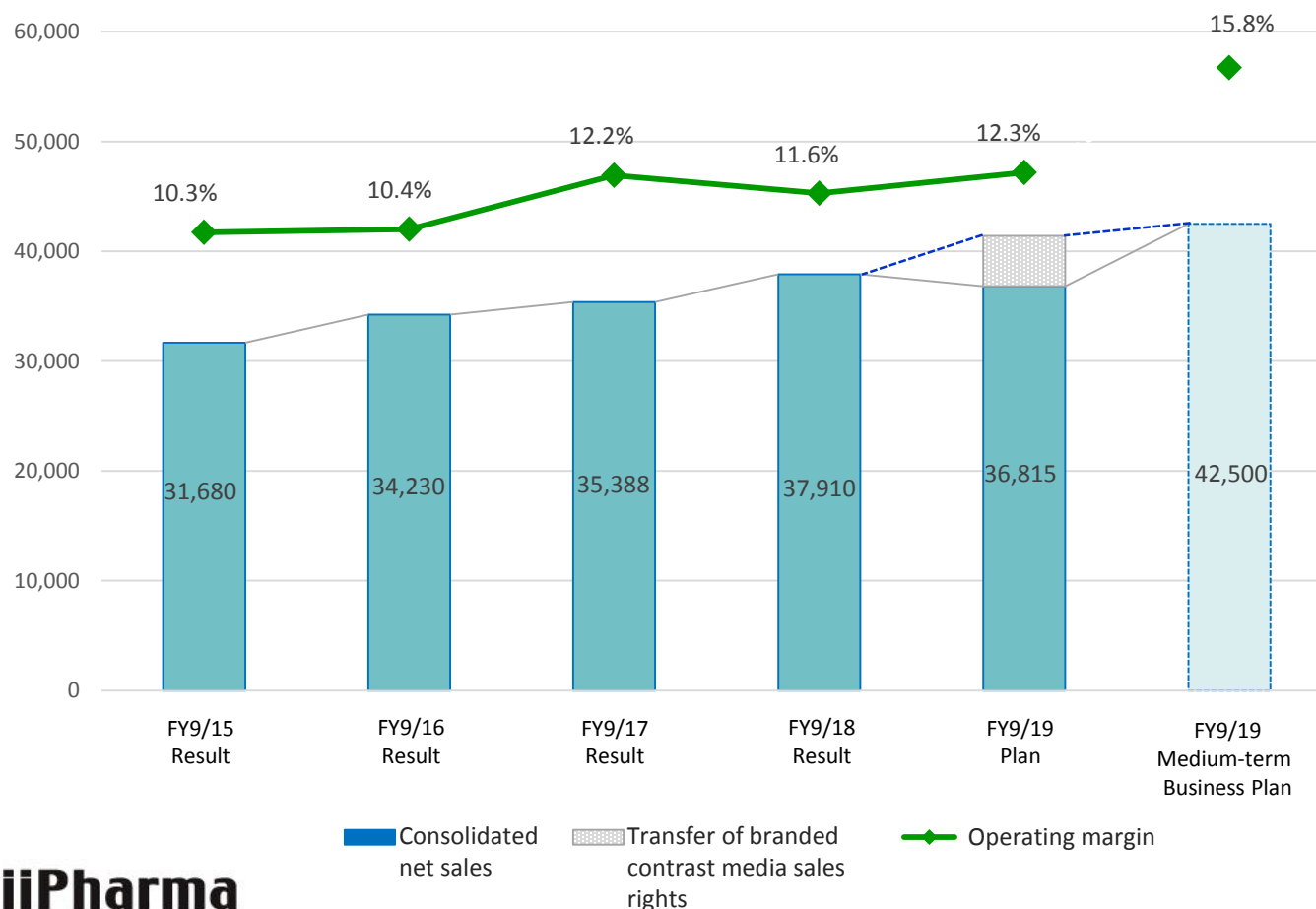
- ◆ Status of Estetrol in Europe/North America (as of November 15, 2018)
  - Menopause:            Phase II completed in Europe and preparations for Phase III have started
  - Contraception:        Phase III completed in Europe/Russia and preparations for submitting a clinical study report have started
  - Final Phase III tests have been completed in the US/Canada



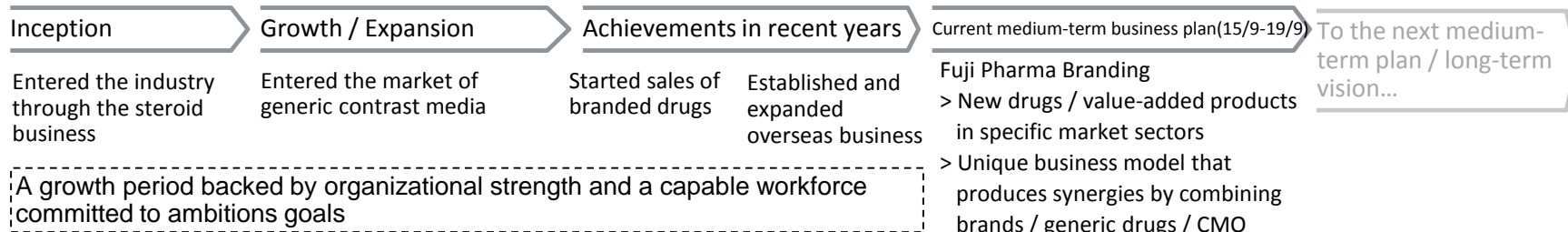
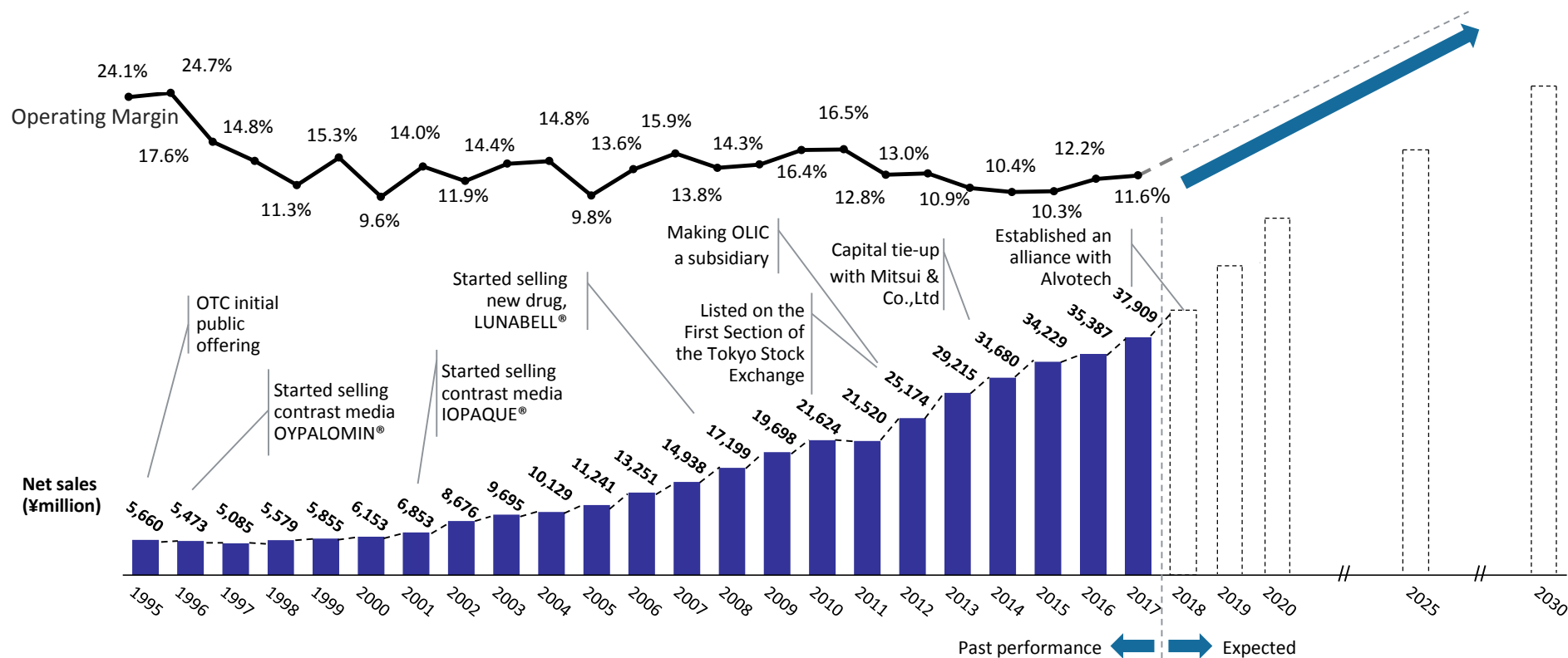


# Medium-term Numerical Targets

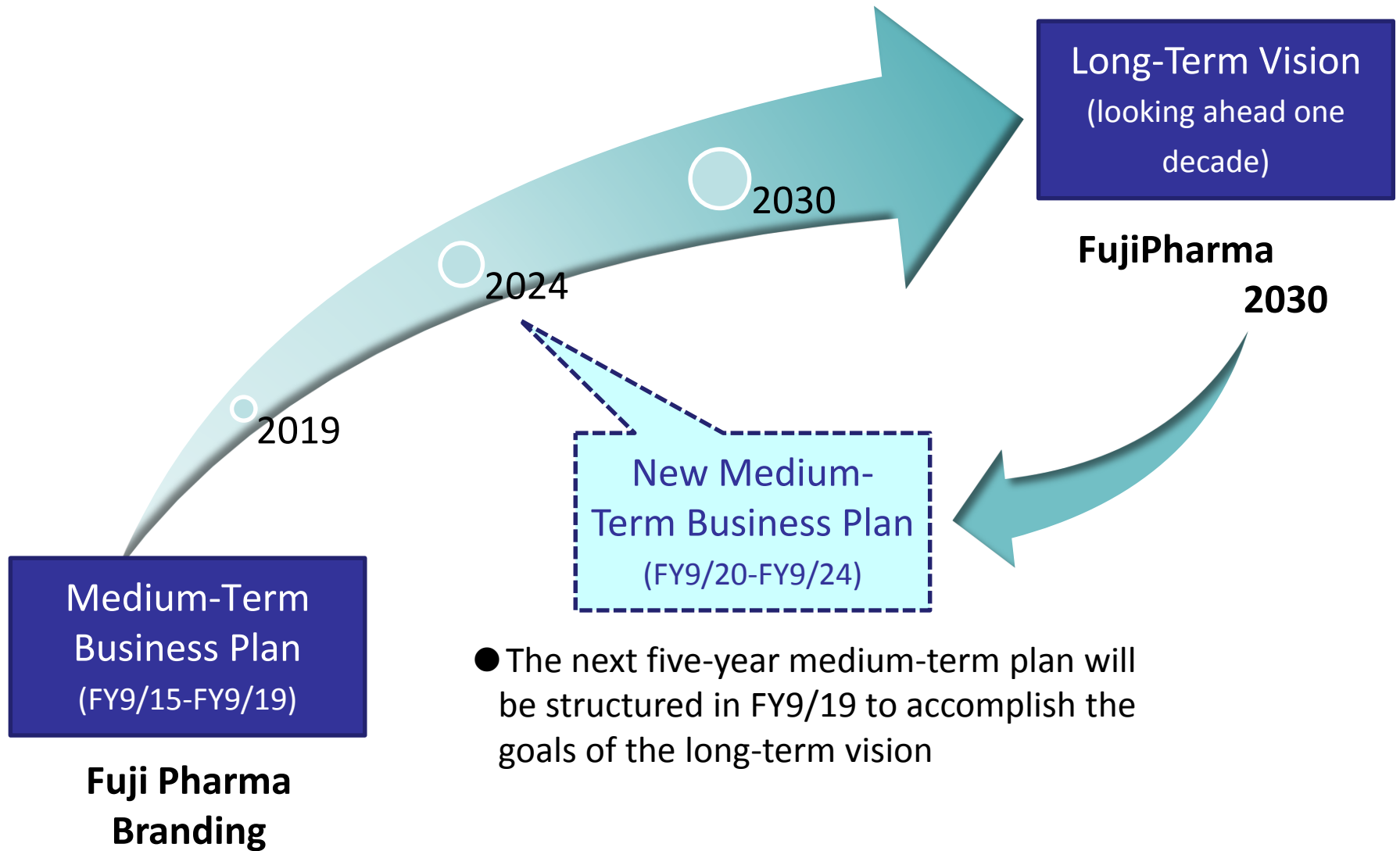
- The transfer of sales rights of branded contrast media and termination of the development of some products are the main reasons that FY9/19 sales are expected to be below the medium-term target.
- Although sales are below the target, growth is continuing by building a new business framework centered on branded drugs.
- Strengthening operations involving generic contrast media and branded drugs for women, globalizing the business by activities centered on OLIC, and taking other actions for growth



# The history and identity of Fuji Pharma



It is difficult to predict the business environment toward 2030.  
It is becoming increasingly difficult for companies to grow continuously in the scenario as they have so far.



A specialty company that delivers new medical value by providing close support to each individual's long life starting from the birth of life

Towards 2030, when medical needs become diversified, we will pursue innovation and offer a wide range of solutions globally, primarily in the areas of Women's Healthcare / Men's Healthcare / Rare diseases.



◆ We contribute to the healthy lives of people by supplying outstanding pharmaceuticals.  
 ◆ The growth of Fuji Pharma is directly proportional to the growth of each employee.

**A specialty company that delivers new medical value by providing close support to each individual's long life starting from the birth of life**

Towards 2030, when medical needs become diversified, we will pursue innovation and offer a wide range of solutions globally, primarily in the areas of Women's Healthcare / Men's Healthcare / Rare diseases.

**No. 1 in Japan / Asia in the area of Women's Healthcare**

**Branded drug sales ratio 50%**

**Overseas sales ratio 30%**

**(1) Contribute widely to the birth of life and Women's and Men's Healthcare**

- Provide close support for lifelong health extending from aspects related to birth of life, such as infertility and perinatal medical care, to those related to menopause / the senior stage
- As well as the prescription drugs (including privately paid treatments) for diseases specific to women / men, primarily focusing on the hormonal agents, we also consider OTC, and supplements.
- Tackle the integration of pharmaceuticals and devices / medical information

**(2) Make people around the world healthy with high quality medicines**

- With the expertise cultivated in the domestic market, expand Women's Healthcare / the contrast media business etc. overseas
- Primarily focusing on the Asian market, where growth is expected, as an important source of expansion outside Japan
- Provide pharmaceuticals suited to the economic situation of individual countries

**(3) Deliver hope-inspiring treatment options for medically vulnerable populations**

- Provide drugs for rare diseases, primarily for children
- Contribute to eliminating information gaps through educational activities
- Provide innovative drugs, such as biosimilar and anticancer drugs, for affordable prices

## Contact Information

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.

Information in this presentation about pharmaceuticals (including items in the pipeline) is not provided for the purpose of marketing or advertising or of supplying medical advice.

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