

# Q1 FY2/13

## results supplementary material

These materials contain our earnings outlook. While our earnings outlook and views are based on internal and other reliable data, they do not constitute a guarantee of our future earnings. Therefore, sales and profits may differ from the figures outlined in this material.

The figures in these materials are rounded to the nearest million yen.

Jul. 10th, 2012

Hisamitsu Pharmaceutical Co., Inc.  
(Security code number: 4530)

<b>&lt;Balance sheet&gt;</b>	2009.2	2010.2	2010.5	2010.8	2010.11	2011.2	2011.5	2011.8	2011.11	2012.2	2012.5	As a %
(Unit: ¥mn)	Q4	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	of total
<b>Current assets</b>	<b>95,009</b>	<b>86,100</b>	<b>85,444</b>	<b>92,781</b>	<b>91,077</b>	<b>92,896</b>	<b>85,967</b>	<b>88,915</b>	<b>90,979</b>	<b>87,455</b>	<b>94,196</b>	<b>47.6%</b>
Cash & deposits	39,354	26,935	28,191	29,717	27,574	33,186	25,158	22,293	23,545	27,789	31,490	
Notes and accounts receivable	39,415	42,324	36,692	42,083	36,917	36,860	37,098	38,419	38,665	33,635	36,059	
Marketable securities	4,169	0	2,791	2,870	5,839	5,380	3,626	6,475	4,730	7,083	6,367	
Inventory	9,180	12,271	12,603	11,518	12,322	11,303	12,506	12,443	13,324	12,551	13,933	
Deferred tax assets	2,133	2,258	2,113	1,977	2,071	3,620	3,869	3,668	3,516	2,896	3,045	
Other current assets	975	2,577	3,292	4,891	6,596	2,786	3,926	5,846	7,445	3,702	3,510	
Bad debt provision	-217	-267	-240	-277	-244	-241	-218	-230	-247	-202	-211	
<b>Fixed assets</b>	<b>72,632</b>	<b>107,450</b>	<b>105,851</b>	<b>104,342</b>	<b>101,939</b>	<b>101,890</b>	<b>105,908</b>	<b>105,432</b>	<b>103,007</b>	<b>105,382</b>	<b>103,606</b>	<b>52.4%</b>
Tangible fixed assets	40,325	46,218	45,802	45,336	44,542	44,260	44,365	43,993	43,147	43,357	43,381	
Buildings and structures	15,971	20,082	19,752	19,475	19,043	18,825	19,128	18,715	18,627	19,385	19,234	
Machinery and transport equipment	6,589	9,692	9,259	8,552	7,863	7,452	7,327	7,394	7,016	6,972	7,705	
Tools, instruments, etc.	2,287	2,347	2,235	2,135	2,294	2,223	2,590	2,539	2,386	2,470	2,372	
Land	11,389	12,438	12,430	12,377	12,325	12,422	12,444	12,421	12,353	12,364	12,422	
Construction in progress	4,088	1,479	1,629	2,309	2,554	2,882	2,420	2,496	2,352	1,772	1,275	
Lease assets		177	494	485	461	454	452	427	411	390	370	
Intangible fixed assets	4,840	15,756	15,523	14,434	13,486	12,943	18,017	18,059	16,982	16,548	16,352	
Investments, etc.	27,466	45,475	44,524	44,571	43,910	44,686	43,526	43,380	42,877	45,477	43,872	
Investment securities	13,465	31,979	31,100	30,877	30,501	31,799	29,564	29,611	29,208	34,549	33,339	
Long-term loans	361	210	211	131	130	128	126	121	118	123	120	
Deferred tax assets	4,588	3,829	3,904	4,246	4,259	3,833	4,056	3,979	4,053	1,402	1,674	
Other	9,206	9,596	9,448	9,448	9,150	9,056	9,909	9,892	9,724	9,630	8,967	
Bad debt provision	-154	-140	-140	-132	-132	-131	-131	-226	-226	-228	-228	
<b>Total assets</b>	<b>167,642</b>	<b>193,551</b>	<b>191,295</b>	<b>197,124</b>	<b>193,017</b>	<b>194,787</b>	<b>191,876</b>	<b>194,347</b>	<b>193,987</b>	<b>192,838</b>	<b>197,802</b>	
<b>Current liabilities</b>	<b>34,646</b>	<b>42,825</b>	<b>36,915</b>	<b>42,310</b>	<b>38,827</b>	<b>39,275</b>	<b>39,060</b>	<b>41,156</b>	<b>38,746</b>	<b>31,134</b>	<b>34,351</b>	<b>17.4%</b>
Notes and accounts payable	13,062	14,669	12,511	13,343	12,342	11,279	12,774	14,342	13,313	11,932	14,258	
Short-term borrowing	1,047	10,484	8,478	6,354	6,224	6,055	9,618	6,774	6,992	4,445	4,287	
Accrued expenses	9,936	5,317	5,308	7,173	5,349	7,192	4,961	5,686	5,557	6,177	5,729	
Unpaid tax, etc.	8,838	4,694	4,037	8,221	5,514	10,239	2,486	5,139	2,106	3,839	2,166	
Reserve for returned goods unsold	213	237	183	196	183	176	204	228	235	198	269	
Bonus reserves	844	880	493	1,357	740	1,499	502	1,493	836	1,550	527	
Other current liabilities	704	6,541	5,901	5,662	8,472	2,833	8,512	7,492	9,704	2,989	7,113	
<b>Fixed liabilities</b>	<b>8,890</b>	<b>19,749</b>	<b>20,056</b>	<b>17,115</b>	<b>16,948</b>	<b>14,288</b>	<b>15,410</b>	<b>12,419</b>	<b>12,409</b>	<b>12,441</b>	<b>12,428</b>	<b>6.3%</b>
Long-term borrowing	881	8,142	8,097	5,541	5,539	3,089	3,961	1,348	1,282	1,224	1,169	
Deferred tax liabilities	2,164	3,027	5,129	4,746	4,551	4,133	4,097	3,686	3,685	3,389	3,137	
Pension provisions	4,554	4,707	4,785	4,822	4,883	4,910	4,920	4,932	4,972	4,927	5,003	
Reserve for directors' retirement benefits	1,172	1,174	1,181	1,187	1,194	1,200	1,155	1,180	1,205	1,230	1,235	
Other fixed liabilities	117	2,697	863	816	779	954	1,275	1,272	1,262	1,669	1,881	
<b>Total liabilities</b>	<b>43,536</b>	<b>62,574</b>	<b>56,971</b>	<b>59,425</b>	<b>55,776</b>	<b>53,564</b>	<b>54,470</b>	<b>53,576</b>	<b>51,156</b>	<b>43,575</b>	<b>46,779</b>	<b>23.6%</b>
<b>Owners' Equity</b>	<b>123,948</b>	<b>130,647</b>	<b>133,783</b>	<b>139,699</b>	<b>141,331</b>	<b>145,616</b>	<b>142,023</b>	<b>146,352</b>	<b>150,933</b>	<b>154,702</b>	<b>155,317</b>	<b>78.5%</b>
<b>Common stock</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	
Capital surplus	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	8,396	
Retained earnings	119,650	132,298	135,435	141,352	142,985	147,272	146,996	151,326	155,907	159,677	160,291	
Treasury stock	-12,571	-18,521	-18,522	-18,522	-18,523	-18,525	-21,842	-21,843	-21,843	-21,844	-21,844	
<b>Net unrealized gain and translation adjustment</b>	<b>-561</b>	<b>-560</b>	<b>-419</b>	<b>-2,964</b>	<b>-5,069</b>	<b>-5,324</b>	<b>-5,672</b>	<b>-6,642</b>	<b>-9,141</b>	<b>-6,476</b>	<b>-5,341</b>	<b>-2.7%</b>
Other marketable securities revaluation account	-2,154	-780	-849	-1,349	-1,344	-564	-1,618	-1,532	-1,887	47	-996	
Land revaluation account	3,188	3,188	3,189	3,189	3,189	3,189	3,189	3,189	3,189	3,459	3,459	
Forex adjustment account	-1,596	-2,968	-2,759	-4,804	-6,914	-7,949	-7,244	-8,299	-10,443	-9,983	-7,805	
<b>Minority interest</b>	<b>719</b>	<b>889</b>	<b>960</b>	<b>963</b>	<b>978</b>	<b>930</b>	<b>1,054</b>	<b>1,061</b>	<b>1,039</b>	<b>1,036</b>	<b>1,047</b>	<b>0.5%</b>
<b>Total Net assets</b>	<b>124,105</b>	<b>130,976</b>	<b>134,323</b>	<b>137,698</b>	<b>137,241</b>	<b>141,222</b>	<b>137,405</b>	<b>140,771</b>	<b>142,831</b>	<b>149,263</b>	<b>151,023</b>	<b>76.4%</b>
<b>Liabilities and Net assets</b>	<b>167,642</b>	<b>193,551</b>	<b>191,295</b>	<b>197,124</b>	<b>193,017</b>	<b>194,787</b>	<b>191,876</b>	<b>194,347</b>	<b>193,987</b>	<b>192,838</b>	<b>197,802</b>	

## Consolidated financial statement

Jul. 10th, 2012

<b>&lt;Income statement&gt;</b>												YoY
(Unit: ¥mn)												
	2009.2	2010.2	2010.5	2010.8	2010.11	2011.2	2011.5	2011.8	2011.11	2012.2	2012.5	
	Q4	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
<b>Sales</b>	<b>124,655</b>	<b>129,834</b>	<b>32,869</b>	<b>71,079</b>	<b>102,584</b>	<b>137,184</b>	<b>33,039</b>	<b>69,169</b>	<b>103,773</b>	<b>137,794</b>	<b>34,670</b>	<b>+4.9%</b>
CoGS	39,884	42,659	11,440	24,412	35,170	47,697	10,938	23,047	34,588	46,785	12,532	+14.6%
(as a % of sales)	32.0%	32.9%	34.8%	34.3%	34.3%	34.8%	33.1%	33.3%	33.3%	34.0%	36.1%	
<b>Gross profits</b>	<b>84,771</b>	<b>87,174</b>	<b>21,428</b>	<b>46,666</b>	<b>67,414</b>	<b>89,486</b>	<b>22,101</b>	<b>46,112</b>	<b>69,184</b>	<b>91,008</b>	<b>22,138</b>	<b>+2%</b>
(as a % of sales)	68.0%	67.1%	65.2%	65.7%	65.7%	65.2%	66.9%	66.7%	66.7%	66.0%	63.9%	
<b>SG&amp;A expenses</b>	<b>52,239</b>	<b>58,589</b>	<b>14,746</b>	<b>30,897</b>	<b>45,073</b>	<b>61,292</b>	<b>15,301</b>	<b>32,897</b>	<b>48,356</b>	<b>65,070</b>	<b>16,825</b>	<b>+10.0%</b>
(as a % of sales)	41.9%	45.1%	44.9%	43.5%	43.9%	44.7%	46.3%	47.6%	46.6%	47.2%	48.5%	
Advertising costs	9,306	9,039	2,542	5,228	7,073	8,581	2,105	5,035	7,277	9,565	3,093	+46.9%
Sales promotion costs	11,029	12,431	2,841	6,209	8,367	11,702	2,826	6,396	9,131	12,601	2,953	+4.5%
R&D spending	9,615	10,447	2,725	5,851	9,482	13,809	3,535	7,487	10,800	14,758	3,423	Δ3.2%
Other SG&A expenses	22,289	26,672	6,638	13,609	20,151	27,200	6,836	13,979	21,148	28,146	7,356	+7.6%
<b>Operating profits</b>	<b>32,532</b>	<b>28,585</b>	<b>6,682</b>	<b>15,768</b>	<b>22,340</b>	<b>28,193</b>	<b>6,800</b>	<b>13,214</b>	<b>20,827</b>	<b>25,937</b>	<b>5,313</b>	<b>Δ21.9%</b>
(as a % of sales)	26.1%	22.0%	20.3%	22.2%	21.8%	20.6%	20.6%	19.1%	20.1%	18.8%	15.3%	Δ25.7%
<b>Nonoperating income</b>	<b>1,319</b>	<b>2,918</b>	<b>840</b>	<b>2,315</b>	<b>3,915</b>	<b>5,448</b>	<b>1,074</b>	<b>2,959</b>	<b>4,860</b>	<b>7,875</b>	<b>1,374</b>	
Interest received	237	96	11	28	43	59	14	32	49	71	16	
Dividends received	241	291	22	198	312	356	27	212	339	392	27	
Equity-method investment profits	42	1,901	669	1,846	3,206	4,539	915	2,427	4,085	6,881	1,209	
Amortisation of consolidated adjustment account	-	-	-	-	-	-	-	-	-	-	-	
Other	799	627	135	240	352	494	117	285	385	529	120	
<b>Nonoperating expenses</b>	<b>1,375</b>	<b>272</b>	<b>58</b>	<b>207</b>	<b>226</b>	<b>406</b>	<b>42</b>	<b>265</b>	<b>315</b>	<b>319</b>	<b>67</b>	
Interest paid	19	108	36	67	92	125	24	52	72	92	14	
Other	1,356	163	22	140	134	280	17	212	242	227	52	
Extraordinary balance												
<b>Recurring profits</b>	<b>32,476</b>	<b>31,231</b>	<b>7,464</b>	<b>17,876</b>	<b>26,029</b>	<b>33,236</b>	<b>7,833</b>	<b>15,908</b>	<b>25,372</b>	<b>33,494</b>	<b>6,621</b>	<b>Δ15.5%</b>
(as a % of sales)	26.1%	24.1%	22.7%	25.1%	25.4%	24.2%	23.7%	23.0%	24.4%	24.3%	19.1%	
<b>Extraordinary profits</b>	<b>1,854</b>	<b>1,357</b>	<b>3,066</b>	<b>3,047</b>	<b>3,072</b>	<b>3,099</b>	<b>4,615</b>	<b>4,615</b>	<b>7,999</b>	<b>8,260</b>	<b>0</b>	
Public subsidies	92	310	18	18	18	19	4,611	4,611	4,611	4,611	-	
Reversal of allowance for doubtful receivables	4	24	30	4	29	34	3	3	3	20	-	
Other	1,757	1,022	3,018	3,024	3,024	3,046	-	-	3,384	3,628	-	
<b>Extraordinary losses</b>	<b>2,122</b>	<b>740</b>	<b>31</b>	<b>36</b>	<b>77</b>	<b>231</b>	<b>7,259</b>	<b>7,919</b>	<b>8,223</b>	<b>9,375</b>	<b>389</b>	
Losses on fixed asset disposal	515	73	21	26	53	83	7	107	110	189	2	
Losses on fixed asset reduction	92	294	9	9	9	9	4,611	4,611	4,611	4,611	-	
Impairment loss	-	191	-	-	-	-	-	-	-	-	-	
Valuation losses on investment securities	1,509	181	-	-	14	138	-	487	758	1,940	387	
Valuation losses on memberships	-	-	-	-	-	-	-	-	-	-	-	
Loss due to disaster	-	-	-	-	-	-	2,639	2,712	2,742	2,584	-	
Other	4	-	-	-	-	-	-	-	-	49	-	
<b>Net profit before tax, etc.</b>	<b>32,208</b>	<b>31,848</b>	<b>10,499</b>	<b>20,887</b>	<b>29,023</b>	<b>36,104</b>	<b>5,189</b>	<b>12,604</b>	<b>25,149</b>	<b>32,379</b>	<b>6,232</b>	<b>+20.1%</b>
Tax, etc.	13,087	13,423	4,413	8,884	12,353	15,148	2,430	5,516	10,480	13,940	2,557	
<b>Net profits</b>	<b>19,120</b>	<b>18,423</b>	<b>6,085</b>	<b>12,002</b>	<b>16,669</b>	<b>20,956</b>	<b>2,758</b>	<b>7,087</b>	<b>14,669</b>	<b>18,439</b>	<b>3,613</b>	<b>+31.0%</b>
(as a % of sales)	15.3%	14.2%	18.5%	16.9%	16.2%	15.3%	8.3%	10.2%	14.1%	13.4%	10.4%	
Capex	7,415	6,467		2,053		4,595		3,168		5,744		
(as a % of sales)	5.9%	5.0%		2.9%		3.3%		4.6%		4.2%		
Depreciation	4,765	5,245		3,094		6,374		2,569		5,882		
(as a % of sales)	3.8%	4.0%		4.4%		4.6%		3.7%		4.3%		
Goodwill amortization	2,114	2,379		406		779		453		1,332		
(as a % of sales)	1.7%	1.8%		0.6%		0.6%		0.7%		1.0%		
Number of employees	1,890	2,600		2,656		2,635		2,751		2,718		

<b>&lt;Balance sheet&gt;</b>	2009.2	2010.2	2010.5	2010.8	2010.11	2011.2	2011.5	2011.8	2011.11	2012.2	2012.5	As a %
(Unit: ¥mn)	Q4	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	of total
<b>Current assets</b>	<b>91,286</b>	<b>69,339</b>	<b>68,201</b>	<b>73,512</b>	<b>73,570</b>	<b>74,394</b>	<b>64,272</b>	<b>67,263</b>	<b>70,487</b>	<b>66,865</b>	<b>70,650</b>	<b>37.9%</b>
Cash & deposits	36,921	17,466	20,615	20,821	19,172	24,847	14,772	14,101	15,703	20,031	21,734	
Notes receivable	329	422	147	315	194	365	191	273	275	621	287	
Accounts receivable	38,708	39,486	34,247	38,945	35,507	34,101	34,272	36,305	36,161	31,349	32,908	
Marketable securities	4,126	0	0	0	3,000	2,500	500	500	0	2,000	1,000	
Inventory	8,367	9,860	10,265	9,051	9,912	8,902	9,839	9,527	10,177	9,617	10,729	
Deferred tax assets	2,150	1,260	1,260	1,260	1,260	2,946	2,946	2,946	2,946	2,370	2,370	
Other current assets	891	1,057	1,851	3,328	4,714	923	1,942	3,812	5,426	1,054	1,804	
Bad debt provision	-208	-213	-185	-210	-191	-191	-191	-202	-202	-178	-185	
<b>Fixed assets</b>	<b>68,760</b>	<b>111,200</b>	<b>110,759</b>	<b>111,758</b>	<b>111,747</b>	<b>112,993</b>	<b>116,735</b>	<b>116,782</b>	<b>116,233</b>	<b>117,653</b>	<b>115,519</b>	<b>62.1%</b>
Tangible fixed assets	35,142	35,140	34,447	34,149	33,668	33,077	31,911	31,157	30,671	30,794	30,465	
Buildings	12,070	13,523	13,186	12,895	12,729	12,450	11,935	11,553	11,274	12,062	11,745	
Machinery and equipment	8,033	9,554	8,963	8,331	7,972	7,464	7,400	6,934	6,397	6,405	6,887	
Land	10,948	10,996	10,949	10,949	10,949	10,949	10,949	10,949	10,949	10,949	10,949	
Construction in progress	4,088	1,026	1,281	1,911	1,958	2,158	1,574	1,671	2,005	1,336	845	
Lease assets		69	66	62	58	55	51	47	44	40	36	
Intangible fixed assets	4,831	2,837	2,845	2,736	2,748	2,824	7,798	8,486	8,220	7,953	7,687	
Investments, etc.	28,787	73,223	73,466	74,872	75,330	77,090	77,025	77,137	77,342	78,905	77,366	
Investment securities	12,255	14,658	14,610	15,026	15,498	17,350	16,018	15,914	16,175	19,085	17,902	
Advances to and shares in related companies	2,973	45,568	45,838	46,671	46,711	47,141	47,141	47,141	47,141	48,477	48,477	
Long-term loans	582	473	473	368	362	347	337	784	780	942	934	
Deferred tax assets	4,809	3,835	3,881	4,220	4,216	3,853	4,251	4,198	4,302	1,569	1,916	
Other investments, etc.	8,954	9,164	9,072	8,977	8,881	8,746	9,624	9,529	9,371	9,256	8,564	
Provision for losses on investments	-263	-109	-37	-35	-65	-	-	-	-	-	-	
Bad debt provision	-525	-368	-373	-357	-275	-349	-348	-430	-429	-425	-428	
<b>Total assets</b>	<b>160,046</b>	<b>180,540</b>	<b>178,961</b>	<b>185,270</b>	<b>185,317</b>	<b>187,388</b>	<b>181,007</b>	<b>184,044</b>	<b>186,721</b>	<b>184,518</b>	<b>186,169</b>	
<b>Current liabilities</b>	<b>31,346</b>	<b>34,444</b>	<b>29,793</b>	<b>33,416</b>	<b>31,688</b>	<b>31,229</b>	<b>29,512</b>	<b>30,685</b>	<b>29,354</b>	<b>22,866</b>	<b>25,077</b>	<b>13.5%</b>
Notes payable and Accounts payable	11,006	11,071	8,523	8,875	8,985	8,190	8,555	9,377	9,251	8,485	9,519	
short-term debt	-	9,500	7,300	5,000	5,100	5,100	8,100	5,100	5,100	2,550	2,550	
Accrued and unpaid expenses	10,215	8,144	7,910	7,390	7,239	7,387	7,397	6,733	7,715	6,836	8,614	
Unpaid tax, etc.	8,693	4,542	3,851	7,757	5,122	9,383	1,888	4,706	1,784	3,642	2,030	
Bonus reserves	811	847	210	921	227	880	222	942	232	892	248	
Reserve for returned goods unsold	213	237	183	196	183	176	204	228	235	198	269	
Provision for losses on debt guarantees	210	-	-	-	-	-	-	-	-	-	-	
Other current liabilities	194	99	1,813	3,274	4,829	110	3,143	3,596	5,035	258	1,844	
<b>Fixed liabilities</b>	<b>7,738</b>	<b>15,458</b>	<b>15,511</b>	<b>13,031</b>	<b>13,199</b>	<b>10,675</b>	<b>10,632</b>	<b>8,106</b>	<b>8,173</b>	<b>7,881</b>	<b>7,949</b>	<b>4.3%</b>
Long-term borrowing	-	7,500	7,500	5,000	5,100	2,550	2,550	-	-	-	-	
Provision for pension and remuneration obligation	5,551	5,717	5,778	5,816	5,887	5,918	5,878	5,905	5,975	5,958	6,030	
Deferred tax liabilities related to revaluation	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	1,894	1,894	
Other fixed liabilities	22	76	68	50	46	43	39	36	32	29	25	
<b>Total liabilities</b>	<b>39,084</b>	<b>49,902</b>	<b>45,305</b>	<b>46,448</b>	<b>44,888</b>	<b>41,905</b>	<b>40,145</b>	<b>38,791</b>	<b>37,527</b>	<b>30,748</b>	<b>33,026</b>	<b>17.7%</b>
<b>Owners' Equity</b>	<b>119,942</b>	<b>128,259</b>	<b>131,345</b>	<b>137,011</b>	<b>138,612</b>	<b>142,889</b>	<b>139,321</b>	<b>143,619</b>	<b>147,908</b>	<b>150,299</b>	<b>150,707</b>	<b>81.0%</b>
<b>Common stock</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	<b>8,473</b>	
Capital surplus	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	
Capital reserves	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	2,118	
Other capital surplus	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	6,123	
Retained earnings	115,774	130,040	133,126	138,792	140,395	144,673	144,421	148,720	153,009	155,400	155,809	
Voluntary reserve	94,000	104,000	120,000	120,000	120,000	120,000	135,000	135,000	135,000	135,000	146,000	
Unappropriated profit for the year (net profit)	21,774	26,040	13,126	18,792	20,395	24,673	9,421	13,720	18,009	20,400	9,809	
Treasury stock	-12,547	-18,496	-18,496	-18,497	-18,498	-18,499	-21,816	-21,817	-21,817	-21,817	-21,817	
Net unrealized gain and translation adjustments	1,019	2,377	2,310	1,810	1,816	2,593	1,541	1,633	1,286	3,471	2,434	<b>1.3%</b>
Marketable securities revaluation account	-2,169	-810	-878	-1,378	-1,372	-595	-1,647	-1,555	-1,903	11	-1,025	
Revaluation account	3,188	3,188	3,189	3,189	3,189	3,189	3,189	3,189	3,189	3,459	3,459	
<b>Total Net assets</b>	<b>120,962</b>	<b>130,637</b>	<b>133,656</b>	<b>138,822</b>	<b>140,429</b>	<b>145,482</b>	<b>140,862</b>	<b>145,253</b>	<b>149,194</b>	<b>153,770</b>	<b>153,142</b>	<b>82.3%</b>
<b>Liabilities and Net assets</b>	<b>160,046</b>	<b>180,540</b>	<b>178,961</b>	<b>185,270</b>	<b>185,317</b>	<b>187,388</b>	<b>181,007</b>	<b>184,044</b>	<b>186,721</b>	<b>184,518</b>	<b>186,169</b>	

<b>&lt;Income statement&gt;</b>		2009.2	2010.2	2010.5	2010.8	2010.11	2011.2	2011.5	2011.8	2011.11	2012.2	2012.5	YoY
(Unit: ¥mn)		Q4	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
<b>Sales</b>		<b>118,142</b>	<b>120,813</b>	<b>28,667</b>	<b>62,619</b>	<b>90,814</b>	<b>120,537</b>	<b>28,303</b>	<b>60,034</b>	<b>90,221</b>	<b>119,326</b>	<b>29,470</b>	<b>+4.1%</b>
Prescription drugs		92,775	95,740	23,926	50,021	73,449	96,544	23,088	47,686	72,832	95,036	24,659	+6.8%
OTC products		21,668	20,625	4,052	10,528	14,215	19,020	4,408	10,083	13,745	18,424	3,790	△14.0%
International business		3,698	4,447	687	2,070	3,149	4,973	806	2,264	3,642	5,865	1,021	+26.7%
CoGS		36,906	37,540	9,080	20,022	28,943	38,766	8,544	18,285	27,426	37,009	9,687	+13.4%
(as a % of sales)		31.2%	31.1%	31.7%	32.0%	31.9%	32.2%	30.2%	30.5%	30.4%	31.0%	32.9%	8.9%
<b>Gross profits</b>		<b>81,236</b>	<b>83,273</b>	<b>19,586</b>	<b>42,597</b>	<b>61,871</b>	<b>50,982</b>	<b>19,758</b>	<b>41,749</b>	<b>62,794</b>	<b>82,316</b>	<b>19,782</b>	<b>+1.1%</b>
(as a % of sales)		68.8%	68.9%	68.3%	68.0%	68.1%	67.8%	69.8%	69.5%	69.6%	69.0%	67.1%	
<b>SG&amp;A expenses</b>		<b>49,342</b>	<b>51,790</b>	<b>12,593</b>	<b>26,271</b>	<b>37,940</b>	<b>50,982</b>	<b>12,573</b>	<b>26,997</b>	<b>39,335</b>	<b>52,335</b>	<b>13,829</b>	<b>+10.0%</b>
(as a % of sales)		41.8%	42.9%	43.9%	42.0%	41.8%	42.3%	44.4%	45.0%	43.6%	43.9%	46.9%	
Sales costs		22,344	23,477	5,997	12,456	16,747	21,665	5,332	12,208	17,630	23,046	6,356	+19.2%
Advertising costs		8,613	8,481	2,500	4,959	6,577	7,876	2,064	4,923	7,105	8,728	2,895	+40.3%
(as a % of sales)		7.3%	7.0%	8.7%	7.9%	7.2%	6.5%	7.3%	8.2%	7.9%	7.3%	9.8%	
R&D spending		9,609	8,637	2,145	4,829	7,903	11,517	2,805	5,857	8,065	10,628	2,639	△5.9%
(as a % of sales)		8.1%	7.1%	7.5%	7.7%	8.7%	9.6%	9.9%	9.8%	8.9%	8.9%	9.0%	
Administration costs		17,389	19,676	4,451	8,986	13,290	17,800	4,436	8,932	13,640	18,661	4,834	+9.0%
<b>Operating profits</b>		<b>31,893</b>	<b>31,482</b>	<b>6,992</b>	<b>16,325</b>	<b>23,930</b>	<b>30,788</b>	<b>7,185</b>	<b>14,751</b>	<b>23,458</b>	<b>29,980</b>	<b>5,954</b>	<b>△17.1%</b>
(as a % of sales)		27.0%	26.1%	24.4%	24.4%	26.4%	25.5%	25.4%	24.6%	26.0%	25.1%	20.2%	
<b>Nonoperating balance</b>		<b>284</b>	<b>674</b>	<b>135</b>	<b>372</b>	<b>522</b>	<b>646</b>	<b>119</b>	<b>277</b>	<b>456</b>	<b>647</b>	<b>111</b>	
Nonoperating income		1,438	880	179	515	724	861	156	516	719	854	168	
Nonoperating expenses		1,154	205	44	143	154	215	37	238	262	206	57	
<b>Recurring profits</b>		<b>32,177</b>	<b>32,156</b>	<b>7,127</b>	<b>16,697</b>	<b>24,500</b>	<b>31,435</b>	<b>7,304</b>	<b>15,029</b>	<b>23,915</b>	<b>30,628</b>	<b>6,065</b>	<b>△17.0%</b>
(as a % of sales)		27.2%	26.6%	24.9%	26.7%	27.0%	26.1%	25.8%	25.0%	26.5%	25.7%	20.6%	
<b>Extraordinary balance</b>		<b>-112</b>	<b>1,132</b>	<b>3,109</b>	<b>3,102</b>	<b>3,150</b>	<b>3,047</b>	<b>-2,637</b>	<b>-3,282</b>	<b>-198</b>	<b>-940</b>	<b>-387</b>	
Extraordinary profits		1,977	1,728	3,111	3,106	3,175	3,202	5	13	3,399	3,662	0	
Extraordinary losses		2,089	595	2	4	25	154	2,643	3,296	3,597	4,602	387	
<b>Pretax profits</b>		<b>32,065</b>	<b>33,289</b>	<b>10,237</b>	<b>19,799</b>	<b>27,650</b>	<b>34,483</b>	<b>4,666</b>	<b>11,746</b>	<b>23,717</b>	<b>29,688</b>	<b>5,678</b>	<b>+21.7%</b>
Tax, etc.		14,337	12,306	4,201	8,098	11,312	15,488	1,883	4,665	9,347	11,189	2,270	
Tax adjustment		-1,524	942	-	-	-	-1,620	-	-	-	-1,737	-	
Effective tax rate		40.0%	39.8%	41.1%	40.9%	40.9%	40.2%	40.4%	39.7%	39.4%	43.5%	40.0%	
<b>Net profits</b>		<b>19,251</b>	<b>20,041</b>	<b>6,034</b>	<b>11,701</b>	<b>16,338</b>	<b>20,615</b>	<b>2,783</b>	<b>7,081</b>	<b>14,370</b>	<b>16,761</b>	<b>3,408</b>	<b>+22.5%</b>
(as a % of sales)		16.3%	16.6%	21.0%	18.7%	18.0%	17.1%	9.8%	11.8%	15.9%	14.0%	11.6%	
Capex		6,739	5,816		1,314		2,850		648		2,431		
(as a % of sales)		5.7%	4.8%		2.1%		2.4%		1.1%		2.0%		
Depreciation		4,336	4,442		2,218		4,600		1,629		3,945		
(as a % of sales)		3.7%	3.7%		3.5%		3.8%		2.7%		3.3%		
Goodwill amortization		2,102	2,102		0		0		88		621		
(as a % of sales)		1.8%	1.7%		0.0%		0.0%		0.1%		0.5%		
Number of employees		1,285	1,389		1,462		1,435		1,481		1,428		
<b>Major products</b>													
<b>Mohrus tape</b>		<b>71,897</b>	<b>75,765</b>	<b>19,030</b>	<b>39,488</b>	<b>58,119</b>	<b>76,565</b>	<b>18,437</b>	<b>37,668</b>	<b>57,705</b>	<b>75,369</b>	<b>19,515</b>	<b>+5.8%</b>
<b>Mohrus</b>		<b>11,996</b>	<b>11,125</b>	<b>2,604</b>	<b>5,415</b>	<b>7,725</b>	<b>9,859</b>	<b>1,969</b>	<b>4,340</b>	<b>6,543</b>	<b>8,240</b>	<b>2,038</b>	<b>+3.5%</b>
Naboal		2,004	2,151	556	1,171	1,654	2,189	477	1,034	1,545	2,046	391	△18.0%
Fentos tape					401	777	1,283	624	1,368	2,280	3,272	883	+41.5%
Norspan tape									44	152	320	257	-
Estrana tape		751	981	260	546	811	1,071	272	562	867	1,133	316	+16.2%
<b>Salonpas</b>		<b>6,732</b>	<b>6,776</b>	<b>988</b>	<b>3,066</b>	<b>4,579</b>	<b>6,439</b>	<b>1,045</b>	<b>3,118</b>	<b>4,634</b>	<b>6,658</b>	<b>1,113</b>	<b>+6.5%</b>
Feitas		4,375	4,002	781	2,039	2,907	3,664	935	2,073	2,754	3,548	599	△35.9%
Salonsip		<b>3,927</b>	<b>3,711</b>	<b>667</b>	<b>1,918</b>	<b>2,590</b>	<b>3,459</b>	<b>683</b>	<b>1,816</b>	<b>2,692</b>	<b>3,688</b>	<b>655</b>	<b>△4.1%</b>
Butenalock		2,534	2,165	655	1,139	1,144	2,085	778	1,053	1,029	1,779	816	+4.9%
Air-Salonpas		2,026	1,662	423	1,231	1,548	1,778	410	1,218	1,539	1,804	441	+7.6%
Vivelle-Dot			1,199	1,129	2,175	3,126	4,080	852	1,891	2,857	3,780	1,071	+25.7%
Noven Therapeutics			732	653	1,227	1,805	2,402	575	976	1,563	1,926	418	△27.3%
Daytrana			431	237	503	439	1,839	1,425	2,486	3,337	4,625	1,356	△4.8%

(¥mn)	Feb 2012A	Feb 2013E		Cons-
<Consolidated>	full year	full year	YoY	parent ratio
<b>Sales</b>	<b>137,794</b>	<b>142,500</b>	<b>+3.4%</b>	<b>1.16</b>
CoGS	46,785	51,000		
(CoGS ratio %)	34.0%	35.8%		
<b>Gross profits</b>	<b>91,008</b>	<b>91,500</b>	<b>+0.5%</b>	
(as a % of sales)	66.0%	64.2%		
SG&A costs	65,070	68,200	+4.8%	
of which, advertising costs	9,565	10,300	+7.7%	
of which, R&D spending	14,758	13,700	Δ7.2%	
<b>Operating profits</b>	<b>25,937</b>	<b>23,300</b>	<b>Δ10.2%</b>	<b>0.83</b>
(as a % of sales)	18.8%	16.4%		
Nonoperating balance	7,556	6,900		
<b>Recurring profits</b>	<b>33,494</b>	<b>30,200</b>	<b>Δ9.8%</b>	<b>1.04</b>
(as a % of sales)	24.3%	21.2%		
Extraordinary balance	-1,114	100		
Pretax profits	32,379	30,300	Δ6.4%	
Provision for tax	13,940	12,200		
(effective tax rate)	43.1%	40.3%		
<b>Net profits</b>	<b>18,439</b>	<b>18,100</b>	<b>Δ1.8%</b>	<b>1.01</b>
(as a % of sales)	13.4%	12.7%		
Capex	5,744	7,400		
Depreciation	5,881	6,550		
Amortization of stocks of subsidiaries and affiliates	1,053	1,650		
goodwill amortization	1,332	1,800		

**By product**

## &lt;Rx. Products&gt;

Mohrus tape	75,369	75,400	+0.0%
Mohrus	8,240	8,000	-2.9%
Naboal tape/gel/Pap/Cap	2,046	1,850	-9.6%
Fentos tape	3,272	3,800	+16.1%
Norspan tape	320	1,300	-
Estrana	1,133	1,150	+1.5%
Inside Pap	5,809	5,800	-0.2%

## &lt;OTC products&gt;

Salonpas	6,658	6,700	+0.6%
Feitas	3,548	3,600	+1.5%
Salonsip	3,688	4,000	+8.5%
Butenolock	1,779	2,600	+46.1%
Air-Salonpas	1,804	2,000	+10.9%

## &lt;Noven products&gt;

Vivelle-Dot	3,780	4,250	+12.4%
Noven Therapeutics	1,926	1,650	-14.3%
Daytrana	4,625	1,600	-65.4%

	Feb 2012A	Feb 2013E	
<Non-Consolidated>	full year	full year	YoY
<b>Sales</b>	<b>119,326</b>	<b>122,600</b>	<b>+2.7%</b>
Prescription drugs	95,036	95,500	+0.5%
OTC products	18,424	20,200	+9.6%
International business	5,865	6,900	+17.6%
CoGS	37,009	40,700	+10.0%
(CoGS ratio %)	31.0%	33.2%	
Gross profits	82,316	81,900	Δ.5%
(as a % of sales)	69.0%	66.8%	
SG&A costs	52,335	53,700	+2.6%
Sales costs	23,046	23,800	+3.3%
(advertising costs)	8,728	9,300	+6.6%
R&D spending	10,628	10,000	Δ5.9%
Other	18,661	19,900	+6.6%
<b>Operating profits</b>	<b>29,980</b>	<b>28,200</b>	<b>Δ5.9%</b>
(as a % of sales)	25.1%	23.0%	
Nonoperating balance	647	900	
<b>Recurring profits</b>	<b>30,628</b>	<b>29,100</b>	<b>Δ5.0%</b>
(as a % of sales)	25.7%	23.7%	
Extraordinary balance	-940	-100	
Pretax profits	29,688	29,000	Δ2.3%
Provision for tax	12,926	11,100	
(effective tax rate)	43.5%	38.3%	
<b>Net profits</b>	<b>16,761</b>	<b>17,900</b>	<b>+6.8%</b>
(as a % of sales)	14.0%	14.6%	

Capex	2,431	5,600
Depreciation	3,945	4,200
goodwill amortization	621	1,000