



— **FACT BOOK** —  
Supplementary Materials  
Financial Results <FY2013>

Otsuka Holdings Co., Ltd.

# Corporate Philosophy

Otsuka-people creating new products for better health worldwide

These words embody our commitment to:

- Creating our own unique and innovative products
- Improving human health and well-being
- Contributing to the lives of people worldwide

In keeping with this corporate philosophy and Otsuka's mottoes "*JISSHO*" (Proof through Execution) and "*SOZOSEI*" (Creativity), we strive to utilize our Group's unique assets and skills to develop differentiating scientific solutions which contribute to the lives of people worldwide in the form of innovative and creative products ranging from pharmaceuticals to consumer products.

Otsuka Group is striving to cultivate a culture and a dynamic corporate climate reflecting our vision as a health-care company. As such we are dedicated to achieving global sustainability, to our relationships with local communities and to the protection of the natural environment.

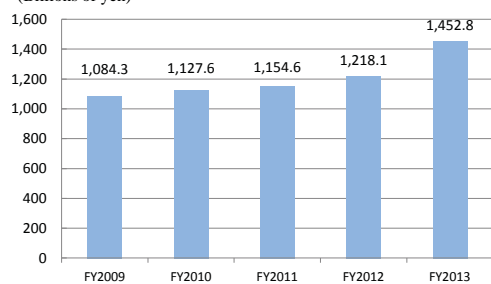
## Corporate profile

Company name	Otsuka Holdings Co., Ltd.
Established	July 8, 2008
President and Representative Director, CEO	Tatsuo Higuchi
Capital	JPY 81,690 million
Registered address	2-9 Kanda-Tsukasamachi, Chiyoda-ku, Tokyo 101-0048, Japan
Tokyo headquarters	Shinagawa Grand Central Tower, 2-16-4 Konan, Minato-ku, Tokyo 108-8241, Japan
URL	<a href="http://www.otsuka.com/en/">http://www.otsuka.com/en/</a>

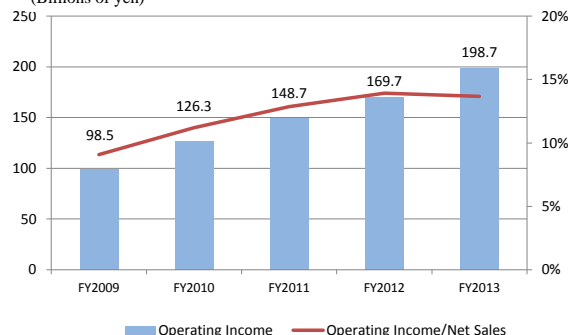
			Page
I	Financial Highlights	• • • • •	2
II	Consolidated Statements of Income	• • • • •	4
	II -1 Subsidiaries and Affiliates	• • • • •	5
	II -2 Sales of Major Products	• • • • •	6
	II -3 Segment Information	• • • • •	8
	II -4 Selling, General and Administrative Expenses	• • • • •	9
III	Consolidated Balance Sheets	• • • • •	10
IV	Consolidated Statements of Cash Flows	• • • • •	12
V	Shareholders	• • • • •	13
VI	Pipeline Information	• • • • •	14
Appendix	Sales for January through March 2014 <unaudited>	• • • • •	18

## I. Financial Highlights

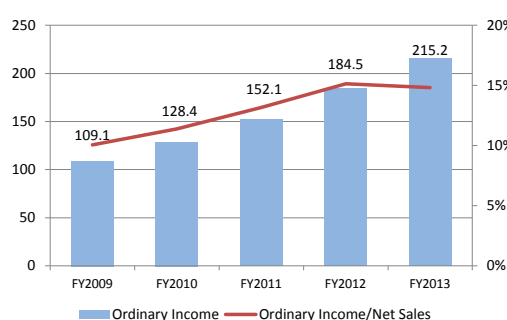
Net Sales  
(Billions of yen)



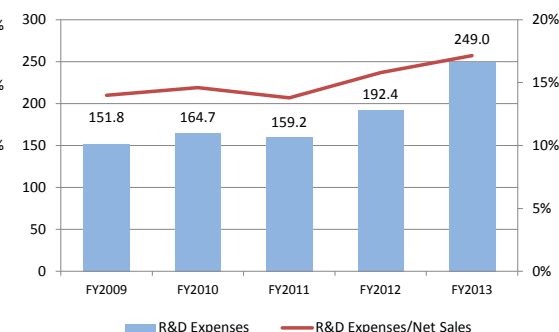
Operating Income  
(Billions of yen)



Ordinary Income  
(Billions of yen)



R&D Expenses  
(Billions of yen)



### Financial Highlights

		FY2009	FY2010	FY2011	FY2012	FY2013	Estimate FY2014 Apr-Sep	Estimate FY2014 Apr-Dec	Standardizing the Company's business year FY2013 Apr-Sep <unaudited>	Standardizing the Company's business year FY2013 Apr-Dec <unaudited>
Net sales	(Billions of yen)	1,084.3	1,127.6	1,154.6	1,218.1	1,452.8	795.0	1,200.0	732.3	1,134.2
	YoY	13.4%	4.0%	2.4%	5.5%	19.3%				
Operating income	(Billions of yen)	98.5	126.3	148.7	169.7	198.7	120.0	190.0	113.2	183.1
	YoY	7.6%	28.2%	17.7%	14.1%	17.1%				
Ordinary income	(Billions of yen)	109.1	128.4	152.1	184.5	215.2	125.0	195.0	124.4	199.5
	YoY	13.5%	17.7%	18.5%	21.3%	16.7%				
Net income	(Billions of yen)	67.4	82.4	92.2	122.4	151.0	83.0	130.0	88.5	139.4
	YoY	43.2%	22.1%	11.9%	32.8%	23.3%				
R&D expenses	(Billions of yen)	151.8	164.7	159.2	192.4	249.0	117.0	180.0	106.0	169.7
	YoY	11.7%	8.4%	-3.3%	20.8%	29.4%				
Overseas net sales	(Billions of yen)	525.5	552.5	579.7	622.7	824.4	459.0	700.0	404.8	645.1
	% of net sales	48.4%	49.0%	50.2%	51.1%	56.8%	57.7%	58.3%	55.3%	56.9%

		FY2009	FY2010	FY2011	FY2012	FY2013
Total assets	(Billions of yen)	1,458.4	1,589.7	1,666.8	1,779.2	2,028.4
Net assets	(Billions of yen)	948.5	1,163.3	1,222.8	1,325.1	1,510.8
Shareholders' equity ratio	(%)	64.2	72.4	72.5	73.7	73.2

\* From 1Q FY2011, the method of translating revenue and expense accounts of foreign subsidiaries was changed from the spot rate as of the reporting date to the average exchange rate. The method of presentation for upfront licensing payments received was changed from non-operating income to net sales. Figures for FY2010 have been adjusted retrospectively to apply the changes above.

(Billions of yen)

Net sales by business segment	FY2009	FY2010	FY2011	FY2012	FY2013	Change	Estimate FY2014 Apr-Sep	Estimate FY2014 Apr-Dec	Standardizing the Company's business year	
									Standardizing the Company's business year FY2013 Apr-Sep <unaudited>	Standardizing the Company's business year FY2013 Apr-Dec <unaudited>
Net sales	<b>1,084.3</b>	<b>1,127.6</b>	<b>1,154.6</b>	<b>1,218.1</b>	<b>1,452.8</b>	<b>19.3%</b>	<b>795.0</b>	<b>1,200.0</b>	<b>732.3</b>	<b>1,134.2</b>
Pharmaceutical business*	715.9	751.1	782.2	850.9	1,035.1	21.7%	550.0	842.0	501.6	801.1
Nutraceutical business*	248.8	258.7	254.8	251.8	287.1	14.0%	172.0	248.0	163.4	233.8
Consumer products business*	51.1	47.9	49.2	46.9	43.9	-6.3%	26.0	37.0	24.5	34.8
Other business*	105.1	106.9	108.6	111.7	130.3	16.7%	70.0	106.0	66.5	98.4
Eliminations/corporate	-36.6	-37.0	-40.3	-43.1	-43.7		-23.0	-33.0	-23.7	-33.9

\*Intersegment sales are included.

(Billions of yen)

Operating income by business segment	FY2009	FY2010	FY2011	FY2012	FY2013	Change	Estimate FY2014 Apr-Sep	Estimate FY2014 Apr-Dec	Standardizing the Company's business year	
									Standardizing the Company's business year FY2013 Apr-Sep <unaudited>	Standardizing the Company's business year FY2013 Apr-Dec <unaudited>
Operating income	<b>98.5</b>	<b>126.3</b>	<b>148.7</b>	<b>169.7</b>	<b>198.7</b>	<b>17.1%</b>	<b>120.0</b>	<b>190.0</b>	<b>113.2</b>	<b>183.1</b>
Pharmaceutical business	132.9	142.8	168.5	187.9	212.8	13.3%				
Nutraceutical business	2.3	18.4	22.1	21.4	25.4	18.7%				
Consumer products business	-8.4	-2.2	-2.3	-2.4	-2.2	-				
Other business	4.4	4.4	1.9	3.9	7.2	84.6%				
Eliminations/corporate	-32.7	-37.1	-41.6	-41.0	-44.5					

(Reference) Exchange rates used to translate operating results of overseas subsidiaries

(Billions of yen)

Exchange rate (Yen)	FY2009	FY2010	FY2011	FY2012	FY2013	Change	Estimate FY2014 Apr-Dec	Standardizing the Company's business year	
								Standardizing the Company's business year FY2013 Apr-Sep <unaudited>	Standardizing the Company's business year FY2013 Apr-Dec <unaudited>
US\$	92.10	87.79	79.79	79.80	97.72	17.92	100.00	98.85	99.35
Euro	132.00	116.27	111.12	102.55	129.77	27.22	140.00	129.98	132.16

ROE / EPS / Dividend	FY2009	FY2010	FY2011	FY2012	FY2013	Change	Estimate FY2014 Apr-Dec
EPS (Earnings per share: yen)	143.5	164.5	165.2	221.9	278.1	56.2	240.0
Annual dividends per share (yen)	12.5	28.0	45.0	58.0	65.0	7.0	75.0
Payout ratio (%)	8.7%	17.3%	27.2%	26.1%	23.4%		31.2%

\* On June 30, 2009, a twenty-for-one stock split was executed by way of a free share distribution.

(Billions of yen)

Cash flow information	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Net cash provided by operating activities	173.5	87.7	147.6	119.3	226.4	107.1
Net cash used in investing activities	-59.0	-131.5	-107.6	-91.2	-108.5	-17.3
Net cash provided (used in) by financing activities	-28.1	113.6	-41.1	-71.9	-66.7	5.2
Cash and cash equivalents at end of period	321.3	387.3	384.2	347.6	417.5	70.0

## II. Consolidated Statements of Income

(Billions of yen)

	FY2009	%	FY2010	%	FY2011	%	FY2012	%	FY2013	%	Change
Net sales	1,084.3	100.0%	1,127.6	100.0%	1,154.6	100.0%	1,218.1	100.0%	1,452.8	100.0%	19.3%
Cost of sales	356.6	32.9%	379.0	33.6%	389.3	33.7%	393.8	32.3%	441.6	30.4%	12.1%
Gross profit	727.7	67.1%	748.6	66.4%	765.3	66.3%	824.2	67.7%	1,011.1	69.6%	22.7%
Selling, general and administrative expenses	629.2	58.0%	622.3	55.2%	616.6	53.4%	654.6	53.7%	812.4	55.9%	24.1%
Promotion expenses	198.7		179.6		174.4		156.2		192.0		
Salaries and bonuses	77.9		80.3		81.3		85.4		107.1		
Reserve for bonuses	9.9		9.6		9.8		9.5		11.2		
Retirement benefit expenses	7.9		7.1		7.7		7.8		4.6		
Provision for directors' retirement benefits	0.7		0.6		0.7		0.6		0.5		
Provision for directors' bonuses	0.3		0.3		0.4		0.3		0.6		
Depreciation	14.7		14.1		14.7		14.5		16.9		
Amortization of goodwill	4.3		4.6		4.7		4.8		3.7		
Research and development expenses	151.8	14.0%	164.7	14.6%	159.2	13.8%	192.4	15.8%	249.0	17.1%	29.4%
Other	163.0		161.5		163.8		183.0		226.7		
Operating income	98.5	9.1%	126.3	11.2%	148.7	12.9%	169.7	13.9%	198.7	13.7%	17.1%
Non-operating income	14.9		10.8		8.6		16.6		18.8		
Interest income	1.4		1.3		1.6		1.4		1.3		
Dividend income	1.6		1.2		1.3		1.5		1.3		
Amortization of negative goodwill	2.5		2.5		2.5		2.5		2.6		
Equity in earnings of unconsolidated subsidiaries and affiliates	4.9		3.7		1.2		3.1		3.2		
Foreign exchange profit, net	-		-		-		6.2		7.9		
Revenues related to extension of co-promotion agreement	1.8		-		-		-		-		
Other	2.7		2.0		2.1		2.0		2.5		
Non-operating expenses	4.3		8.6		5.2		1.8		2.3		
Interest expenses	3.2		1.5		1.7		1.2		1.2		
Foreign exchange loss, net	0.6		5.7		2.7		-		-		
Other	0.5		1.4		0.7		0.6		1.1		
Ordinary income	109.1	10.1%	128.4	11.4%	152.1	13.2%	184.5	15.1%	215.2	14.8%	16.7%
Extraordinary income	0.4		5.9		1.2		0.3		2.0		
Gain on sales of fixed assets	-		0.2		0.2		0.1		0.5		
Gain on change in equity interest	-		5.6		0.3		-		-		
Gain on sales of investment securities	-		-		-		-		0.3		
Gain on sales of subsidiaries stocks	-		-		-		-		0.3		
Subsidy	0.2		-		-		-		0.9		
Other	0.1		0.1		0.6		0.1		0.0		
Extraordinary loss	7.5		11.3		10.9		7.8		7.0		
Loss on retirement of fixed assets	1.1		0.9		0.6		0.7		0.9		
Impairment loss	2.4		2.8		2.7		2.6		3.4		
Loss on valuation of investment securities	1.6		1.9		3.7		4.4		0.2		
Extra retirement payments	-		-		-		-		1.9		
Provision of allowance for investment loss	1.5		0.6		-		-		-		
Loss on transfer of business	-		1.9		0.7		-		-		
Provision for loss on business liquidation	-		-		2.2		-		-		
disaster related loss	-		1.8		0.3		-		-		
Other	1.0		1.4		0.8		0.1		0.6		
Income before income taxes and minority interests	101.9		123.0		142.4		176.9		210.2		
Income taxes-current	52.6		33.6		55.0		62.0		81.3		
Income taxes-deferred	-19.2		5.4		-5.4		-8.2		-23.6		
Total income taxes	33.5		39.0		49.6		53.8		57.7		7.2%
Minority interests in net income	1.0		1.6		0.6		0.7		1.6		
Net income	67.4	6.2%	82.4	7.3%	92.2	8.0%	122.4	10.1%	151.0	10.4%	23.3%

\* From 1Q FY2011, the method of translating revenue and expense accounts of foreign subsidiaries was changed from the spot rate as of the reporting date to the average exchange rate. The method of presentation for upfront licensing payments received was changed from non-operating income to net sales. Figures for FY2010 have been adjusted retrospectively to apply the changes above.

## II – 1. Subsidiaries and Affiliates

(Billions of yen)

Otsuka Pharmaceutical Co., Ltd.	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Net Sales	465.8	494.8	535.0	598.0	728.8	21.9%
Operating Income	65.3	66.4	111.3	129.0	191.1	48.1%

(Billions of yen)

Taiho Pharmaceutical Co., Ltd.	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Net Sales	120.7	123.6	124.3	125.0	125.8	0.7%
Operating Income	14.6	15.8	16.3	15.2	9.8	-35.3%

(Billions of yen)

Otsuka Pharmaceutical Factory, Inc.	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Net Sales	91.8	97.9	100.7	102.9	106.0	3.0%
Operating Income	1.0	5.5	7.5	8.3	8.0	-3.2%

(Billions of yen)

Otsuka Chemical Co., Ltd.	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Net Sales	56.4	60.8	54.5	54.6	30.1	-44.9%
Operating Income	2.3	2.5	0.7	2.8	1.8	-36.6%

\* On June 30, 2009, Otsuka Chemical Holdings Co., Ltd. merged with Otsuka Chemical Co., Ltd. with Otsuka Chemical Holdings Co., Ltd. as the surviving corporation. The company name was subsequently changed to Otsuka Chemical Co., Ltd. Operating results of the former Otsuka Chemical, the dissolved company, for the period April 1 – June 29, 2009, are not included.

(Billions of yen)

Otsuka Foods Co., Ltd.	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Net Sales	36.4	60.3	61.8	57.4	55.9	-2.5%
Operating Income	-0.4	1.6	0.8	0.1	1.6	2994.2%

(Reference)

(Billions of yen)

Otsuka America Pharmaceutical, Inc.	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Net Sales	310.8	316.6	328.1	352.1	481.9	36.9%
Operating Income	12.7	6.5	8.8	6.7	-9.2	-236.1%

(Billions of yen)

Otsuka Warehouse Co., Ltd.	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Net Sales	30.7	34.4	39.2	40.6	42.8	5.4%
Operating Income	1.2	1.6	1.9	2.5	2.9	15.8%

II - 2. Sales of Major Products

【Pharmaceutical business】

								(Billions of yen)			
Product name	Company	FY2009	FY2010	FY2011	FY2012	FY2013	Change	Estimate	Estimate	Standardizing	Standardizing
								FY2014	FY2014	the Company's	the Company's
								Apr-Sep	Apr-Dec	business year	business year
										FY2013	FY2013
										Apr-Sep	Apr-Dec
										<unaudited>	<unaudited>
Anti-psychotic agent <i>ABILIFY</i>	Otsuka Pharmaceutical	374.5	392.6	411.6	438.5	575.7	31.3%	318.0	483.0	285.7	455.8
USA		305.6	308.3	316.1	336.1	455.5	35.6%	255.0	384.0	231.1	365.3
<US\$ million>		<3,303>	<3,512>	<3,960>	<4,208>	<4,659>	10.7%	<2,550>	<3,840>	<2,336>	<3,675>
Japan		18.8	23.0	24.8	28.6	34.4	20.4%	18.0	29.0	15.6	25.0
Others		50.1	61.2	70.7	73.9	85.8	16.1%	45.0	70.0	39.0	65.5
Anti-platelet agent <i>Pletal/Pletal</i>	Otsuka Pharmaceutical	51.5	53.2	50.3	45.8	44.2	-3.5%	19.0	28.0	23.3	34.9
Japan		45.4	46.5	44.1	40.1	36.8	-8.0%	15.0	22.0	19.6	29.4
Others		6.1	6.7	6.2	5.7	7.4	27.9%	4.0	6.0	3.7	5.4
Anti-gastritis and anti-gastric ulcer agent <i>Mucosta</i>	Otsuka Pharmaceutical	37.1	30.7	28.7	23.0	22.0	-4.3%	9.0	13.5	11.3	17.2
Japan		34.5	27.8	26.0	20.5	18.8	-8.1%	7.0	11.0	9.7	14.9
Others		2.6	2.9	2.7	2.5	3.1	27.1%	2.0	2.5	1.6	2.4
Antimetabolite <i>TS-1</i>	Taiho Pharmaceutical	37.3	37.1	36.5	37.0	37.4	1.1%	16.0	25.0	19.6	30.6
Antimetabolite <i>UFT</i>	Taiho Pharmaceutical	18.3	15.7	12.9	11.2	9.5	-15.4%	4.0	6.0	5.0	7.5
Reduced folic acid formulation <i>Uzel</i>	Taiho Pharmaceutical	15.2	14.1	12.7	13.2	11.9	-10.1%	5.5	8.5	6.2	9.2
Urinary incontinence / frequency treatment <i>P4 (BUP-4)</i>	Taiho Pharmaceutical	7.6	7.0	6.3	5.6	4.7	-16.0%	2.0	3.5	2.5	3.8
Oral nutrient for liver failure <i>Aminoleban EN</i>	Otsuka Pharmaceutical	6.4	6.5	6.1	5.7	5.5	-3.3%	2.5	4.0	2.8	4.3
Bronchodilator <i>Meptin</i>	Otsuka Pharmaceutical	5.9	6.1	5.7	5.2	4.9	-5.6%	2.0	3.5	2.3	3.9
H2-receptor antagonist <i>Protecadin</i>	Taiho Pharmaceutical	5.1	5.8	6.3	5.9	5.0	-15.5%	2.0	3.5	2.6	4.0
5-HT3 Receptor Antagonist <i>Aloxi</i>	Taiho Pharmaceutical		4.3	7.9	10.0	11.0	10.0%	6.0	9.0	5.4	8.4
Antineoplastic <i>Abraxane</i>	Taiho Pharmaceutical		1.1	3.2	3.7	8.8	138.2%	5.5	8.5	3.9	6.5
Antiepileptic <i>E Keppra</i>	Otsuka Pharmaceutical		0.8	4.8	10.5	15.8	51.3%	10.0	16.0	7.0	11.5
V2-vasopressin receptor antagonist <i>Samsca</i>	Otsuka Pharmaceutical	0.6	3.2	6.7	12.8	21.0	64.8%	13.0	21.0	9.6	15.3
Anticancer <i>SPRYCEL</i> (collaboration with BMS)	Otsuka Pharmaceutical	2.0	8.0	7.6	12.0	26.1	116.7%	13.0	20.0	13.5	20.0
Antibiotic <i>Zosyn/Tazocin</i> (bulk supply)	Taiho Pharmaceutical	11.2	11.2	10.7	12.4	14.5	17.4%	7.5	11.0	5.6	9.7
Diagnostics -total	Otsuka Pharmaceutical	8.2	6.6	7.9	8.8	12.6	42.5%	5.0	8.0	4.2	7.5
Parenteral nutrition (clinical nutrition) -total	Otsuka Pharmaceutical	92.9	96.8	96.0	96.4	103.4	7.3%	53.5	83.0	51.6	82.0
Japan	Factory	83.0	87.6	88.6	88.8	91.6	3.1%	44.0	68.0	45.7	72.2
Others		9.9	9.2	7.4	7.6	11.8	55.8%	9.5	15.0	5.8	9.8
Pharmaceutical business -total (excluding exports)	Japan	312.4	319.9	326.5	351.8	372.9	6.0%	181.0	282.0	180.9	285.6
Pharmaceutical business -total	Total	715.9	751.1	782.2	850.9	1,035.1	21.7%	550.0	842.0	501.6	801.1
Milestone and upfront revenue		0.0	7.3	14.9	41.5	22.0	-47.1%	14.0	21.0	6.4	17.7

\* From 1Q FY2011, the method of translating revenue and expense accounts of foreign subsidiaries was changed from the spot rate as of the reporting date to the average exchange rate. The method of presentation for upfront licensing payments received was changed from non-operating income to net sales. Figures for FY2010 have been adjusted retrospectively to apply the changes above.



**【Nutraceutical business】**

(10 thousand cases)

Products	Company	FY2009	FY2010	FY2011	FY2012	FY2013	Change
<i>Pocari Sweat</i> 1 case: 24 bottles, and other	Otsuka Pharmaceutical						
Japan		2,624	3,234	2,912	2,709	2,860	5.6%
Overseas		1,884	1,597	1,963	2,151	2,684	24.8%
<i>SOYJOY</i> 1 case: 48 bars	Otsuka Pharmaceutical						
Japan		187	113	100	88	109	23.7%
Overseas		46	28	20	12	16	30.5%
<i>Oronamin C</i> 1 case: 50 bottles	Otsuka Pharmaceutical	1,042	1,051	1,081	1,067	1,105	3.6%
<i>Calorie Mate</i> 1 case: 4 bars×30, and other	Otsuka Pharmaceutical	396	392	351	335	340	1.6%
<i>Tiovita Drink</i> 1 case: 50 bottles	Taiho Pharmaceutical	428	484	532	489	402	-17.8%
<i>Solmack</i> (10 thousand of bottles)	Taiho Pharmaceutical	1,591	1,571	1,579	1,588	1,479	-6.9%

\* Overseas sales include sales of consolidated subsidiaries only.

**【Consumer products business】**

(10 thousand cases)

Products	Company	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Bottled Water 1 case: 24 bottles	Otsuka Foods	840	674	679	567	580	2.3%
<i>NESCAFE</i> 1 case: 24 bottles	Otsuka Foods	676	680	616	536	448	-16.4%
<i>Match</i> 1 case: 24 bottles	Otsuka Foods	332	371	451	521	514	-1.3%
Other (tea drinks and other) 1 case: 24 bottles	Otsuka Foods	390	267	317	300	265	-11.9%

**【Other business】**

(Billions of yen)

Products	Company	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Functional chemicals	Otsuka Chemical	23.2	26.3	27.9	26.6	33.5	26.1%
Fine chemicals	Otsuka Chemical	13.7	12.4	9.3	10.2	10.1	-0.9%

## II - 3. Segment Information

### Sales to Customers by Market

(Billions of yen)

Net sales by business segment	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Consolidated sales	<b>1,084.3</b>	<b>1,127.6</b>	<b>1,154.6</b>	<b>1,218.1</b>	<b>1,452.8</b>	19.3%
Pharmaceutical business	715.9	751.1	782.2	850.9	1,035.1	21.7%
Japan	312.4	319.9	326.5	351.8	372.9	6.0%
North America	334.7	349.0	361.1	389.0	530.5	36.4%
Others	68.8	82.2	94.7	110.0	131.7	19.7%
Nutraceutical business	247.0	256.4	251.3	246.9	281.1	13.9%
Japan	142.6	154.1	147.4	142.3	147.5	3.6%
North America	47.1	46.8	45.8	49.8	59.8	20.1%
Others	57.3	55.6	58.1	54.8	73.9	34.8%
Consumer products business	50.1	47.1	48.0	45.2	43.8	-3.2%
Japan	44.1	40.9	42.0	39.2	36.6	-6.6%
North America	5.4	5.5	5.4	5.4	6.9	27.1%
Others	0.6	0.7	0.6	0.6	0.3	-53.2%
Other business	71.3	72.9	73.1	75.0	92.8	23.6%
Japan	59.7	60.1	59.1	62.0	71.4	15.2%
North America	1.3	1.4	1.3	1.4	2.3	60.6%
Others	10.4	11.4	12.7	11.6	19.0	64.0%
Japan -total	558.8	575.1	574.9	595.3	628.3	5.5%
North America - total	388.4	402.7	413.5	445.7	599.6	34.5%
Others - total	137.1	149.8	166.2	177.1	224.9	27.0%
Overseas net sales	525.5	552.5	579.7	622.7	824.4	32.4%
Overseas net sales ratio	48.4%	49.0%	50.2%	51.1%	56.8%	

### Net Sales and Operating Income by Geographical Segment

(Billions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Net sales	<b>1,084.3</b>	<b>1,127.6</b>	<b>1,154.6</b>	<b>1,218.1</b>	<b>1,452.8</b>	19.3%
Japan*	709.4	745.2	779.1	842.5	982.1	16.6%
North America*	406.2	426.0	437.5	474.1	652.1	37.5%
Others*	121.6	132.5	142.4	138.2	204.4	48.0%
Eliminations/corporate	-152.8	-176.2	-204.4	-236.7	-385.9	

\*Intersegment sales are included.

(Billions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Operating income	<b>98.5</b>	<b>126.3</b>	<b>148.7</b>	<b>169.7</b>	<b>198.7</b>	17.1%
Japan	86.5	106.3	142.5	160.8	217.5	35.3%
North America	11.3	12.2	14.4	16.2	-5.0	-131.0%
Others	8.4	6.8	3.7	6.4	1.9	-70.4%
Eliminations/corporate	-7.7	1.0	-12.0	-13.8	-15.7	

\* From 1Q FY2011, the method of translating revenue and expense accounts of foreign subsidiaries was changed from the spot rate as of the reporting date to the average exchange rate. The method of presentation for upfront licensing payments received was changed from non-operating income to net sales. Figures for FY2010 have been adjusted retrospectively to apply the changes above.

II -4. Selling, General and Administrative Expenses

(Billions of yen)

Selling, general and administrative expenses	FY2009	FY2010	FY2011	FY2012	FY2013	Change	Estimate FY2014 Apr-Sep	Estimate FY2014 Apr-Dec	Standardizing the Company's business year FY2013 Apr-Sep <unaudited>	Standardizing the Company's business year FY2013 Apr-Dec <unaudited>
Net sales	1,084.3	1,127.6	1,154.6	1,218.1	1,452.8	19.3%	795.0	1,200.0	732.3	1,134.2
Selling, general and administrative expenses	629.2	622.3	616.6	654.6	812.4	24.1%	433.0	650.0	393.2	604.4
(% of net sales)	58.0%	55.2%	53.4%	53.7%	55.9%		54.5%	54.2%	53.7%	53.3%
Promotion expenses	198.7	179.6	174.4	156.2	192.0	22.9%				
Personnel expenses	96.7	97.9	99.8	103.7	124.0	19.6%				
Advertising expenses	33.2	28.9	25.1	29.5	34.2	15.9%				
Research and development expenses	151.8	164.7	159.2	192.4	249.0	29.4%	117.0	180.0	106.0	169.7
(% of net sales)	14.0%	14.6%	13.8%	15.8%	17.1%		14.7%	15.0%	14.5%	15.0%
R&D expenses of pharmaceutical business	141.6	153.4	149.3	183.5	240.8	31.3%	112.0	172.0	102.1	163.6

(Persons)

Number of employees (consolidated)	FY2009	FY2010	FY2011	FY2012	FY2013	Change
Japan	14,174	14,030	13,808	13,732	14,116	383
Overseas	10,415	11,158	10,787	11,598	14,172	2,574
Pharmaceutical business	13,961	14,662	14,063	14,660	16,578	1,918
Number of sales representatives (Japan)	2,099	2,240	2,297	2,329	2,340	11
Nutraceutical business *	5,854	5,740	5,422	5,729	6,405	676
Consumer products business *	928	855	819	831	654	-177
Other business	2,275	2,218	2,490	2,429	2,928	499
Corporate	1,571	1,713	1,801	1,681	1,723	42
Number of employees (consolidated)	24,589	25,188	24,595	25,330	28,288	2,958

\* Effective April 1, 2009, the business segmentation was modified.

(Billions of yen)

Capital expenditures	FY2009	FY2010	FY2011	FY2012	FY2013	Change	Estimate FY2014 Apr-Sep	Estimate FY2014 Apr-Dec	Standardizing the Company's business year FY2013 Apr-Sep <unaudited>	Standardizing the Company's business year FY2013 Apr-Dec <unaudited>
Capital expenditures	62.5	44.8	43.3	63.3	179.0	115.7	40.0	58.0	29.1	146.7
Pharmaceutical business	21.1	24.5	20.8	38.0	154.5	116.6				
Nutraceutical business *	23.1	11.9	11.5	14.9	10.1	-4.8				
Consumer products business *	0.8	0.8	2.0	2.7	2.9	0.2				
Other business	7.7	2.9	4.6	4.0	4.4	0.4				
Corporate	9.7	4.7	4.5	3.7	7.1	3.4				

\* Effective April 1, 2009, the business segmentation was modified. The information for FY2008 has been reclassified according to the new segmentation.

(Billions of yen)

Depreciation	FY2009	FY2010	FY2011	FY2012	FY2013	Change	Estimate FY2014 Apr-Sep	Estimate FY2014 Apr-Dec	Standardizing the Company's business year FY2013 Apr-Sep <unaudited>	Standardizing the Company's business year FY2013 Apr-Dec <unaudited>
Depreciation	46.6	48.1	48.1	45.5	49.8	4.3	23.0	34.0	23.7	37.8
Pharmaceutical business	20.4	22.4	22.8	21.9	25.6	3.7				
Nutraceuticals business *	15.1	14.8	13.1	12.1	13.3	1.2				
Consumer products business *	1.1	0.9	2.1	2.0	1.7	-0.3				
Other business	5.3	5.2	5.1	4.6	4.5	-0.1				
Eliminations/corporate	4.7	4.8	5.0	4.9	4.6	-0.2				

\* Effective April 1, 2009, the business segmentation was modified. The information for FY2008 has been reclassified according to the new segmentation.

\* From 1Q FY2011, the method of translating revenue and expense accounts of foreign subsidiaries was changed from the spot rate as of the reporting date to the average exchange rate. The method of presentation for upfront licensing payments received was changed from non-operating income to net sales. Figures for FY2010 have been adjusted retrospectively to apply the changes above.

### III. Consolidated Balance Sheets

<Assets>

(Billions of yen)

	As of March 31, 2010	As of March 31, 2011	As of March 31, 2012	As of March 31, 2013	As of March 31, 2014	Composition	Change
<b>Current assets</b>	751.5	921.2	1,012.3	1,080.6	1,168.8	57.6%	88.2
Cash and deposits	300.7	387.5	411.6	414.4	455.3		40.9
Notes and accounts receivable-trade	231.7	239.6	263.5	318.1	327.3		9.2
Marketable securities	50.2	122.5	151.8	137.8	118.0		-19.8
Finished products and merchandise	64.2	62.3	60.8	71.2	83.8		12.6
Work-in process	22.9	23.6	26.9	25.8	30.6		4.8
Raw materials and supplies	28.3	28.9	31.7	35.3	37.4		2.1
Deferred tax assets	28.3	24.6	34.3	40.8	54.5		13.7
Other	25.6	32.4	32.2	37.8	62.5		24.7
Allowance for doubtful receivables	-0.4	-0.4	-0.4	-0.5	-0.6		-0.1
<b>Fixed assets</b>	706.8	668.4	654.4	698.5	859.5	42.4%	161.0
Property, plant and equipment	260.9	256.8	255.5	276.0	315.2		39.2
Intangible fixed assets	88.4	77.1	67.1	73.9	192.3		118.4
Goodwill	44.8	41.4	36.8	37.8	70.6		32.8
Other intangible fixed assets	43.6	35.6	30.3	36.1	121.7		85.6
Investments and other assets	357.5	334.5	331.8	348.7	352.0		3.4
Investment securities	278.5	261.2	267.0	276.3	268.5		-7.8
Investments in capital	24.3	22.0	23.3	31.6	36.0		4.4
Long-term loans receivable	3.3	0.6	1.3	0.9	5.3		4.4
Net defined benefit asset	-	-	-	-	11.1		11.1
Deferred tax assets	34.0	32.2	25.3	26.5	16.9		-9.5
Other assets	20.0	21.3	16.3	15.8	15.0		-0.9
Allowance for investment loss	-2.4	-2.8	-1.0	-1.6	-0.1		1.5
Allowance for doubtful receivables	-0.3	-0.1	-0.5	-0.8	-0.7		0.1
<b>Deferred assets</b>	0.1	0.1	0.1	0.1	0.1	0.0%	- 0.0
<b>Total assets</b>	1,458.4	1,589.7	1,666.8	1,779.2	2,028.4	100%	249.2

\* From 1Q FY2011, the method of translating revenue and expense accounts of foreign subsidiaries was changed from the spot rate as of the reporting date to the average exchange rate. The method of presentation for upfront licensing payments received was changed from non-operating income to net sales. Figures for FY2010 have been adjusted retrospectively to apply the changes above.

## &lt;Liabilities&gt;

(Billions of yen)

	As of March 31, 2010	As of March 31, 2011	As of March 31, 2012	As of March 31, 2013	As of March 31, 2014	Composition	Change
<b>Total liabilities</b>	509.9	426.4	444.0	454.1	517.6	25.5%	63.5
Current liabilities	311.8	275.6	311.4	346.5	437.4	21.6%	90.9
Notes and accounts payable-trade	94.0	88.1	94.8	97.5	132.9		35.4
Short-term borrowings	62.7	53.2	39.7	51.8	53.4		1.6
Lease obligations	3.6	3.4	3.0	2.6	2.2		-0.4
Income taxes payable	35.3	13.3	33.8	33.5	51.1		17.5
Reserve for bonuses	16.2	15.9	16.1	15.9	18.7		2.7
Provision for directors' bonuses	0.3	0.3	0.4	0.3	0.6		0.3
Provision for sales returns	0.2	0.1	0.1	0.2	0.1		-0.1
Other current liabilities	99.6	101.2	123.4	144.7	178.5		33.8
Long-term liabilities	198.1	150.8	132.6	107.7	80.2	4.0%	-27.4
Long-term debt	62.4	28.8	25.9	6.3	14.3		8.0
Lease obligations	7.6	7.1	5.8	5.9	5.7		-0.2
Deferred tax liabilities	13.2	10.8	8.0	11.3	16.7		5.4
Net Defined Benefit Liability	-	-	-	-	8.1		8.1
Liability for employees' retirement benefits	45.1	44.3	44.7	40.6	-		-40.6
Provision for directors' retirement benefits	3.3	3.4	3.1	3.1	2.6		-0.5
Negative goodwill	31.4	28.9	26.5	24.0	21.5		-2.5
Other long-term liabilities	35.1	27.5	18.7	16.6	11.3		-5.3

## &lt;Net assets&gt;

<b>Total net assets</b>	948.5	1,163.3	1,222.8	1,325.1	1,510.8	74.5%	185.7
Shareholders' equity	962.1	1,202.3	1,267.7	1,342.0	1,438.3	70.9%	96.2
Common stock	42.9	81.7	81.7	81.7	81.7		0.0
Capital surplus	432.5	510.6	510.6	510.4	512.9		2.5
Retained earnings	532.0	610.0	675.4	768.3	891.6		123.3
Treasury stock	-45.4	-0.0	-0.0	-18.4	-47.9		-29.5
Valuation and translation adjustments	-25.8	-52.1	-59.1	-31.5	46.3	2.3%	77.8
Unrealized gain/loss on available-for-sale securities	4.3	0.4	0.8	8.3	13.8		5.5
Deferred loss on derivatives under hedge accounting	-0.0	-0.0	0.0	0.0	-0.0		-0.0
Foreign currency translation adjustments	-30.1	-52.4	-59.9	-39.8	12.2		52.0
Remeasurements of defined benefit plans	-	-	-	-	20.3		20.3
Stock acquisition rights	-	0.5	1.1	0.1	0.1	0.0%	0.0
Minority interests	12.2	12.7	13.0	14.5	26.1	1.3%	11.6
<b>Total liabilities and net assets</b>	1,458.4	1,589.7	1,666.8	1,779.2	2,028.4	100%	249.2

#### IV. Consolidated Statements of Cash Flows

(Billions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013	Change
<b>Operating activities:</b>						
Income before income taxes and minority interests	101.9	123.0	142.4	176.9	210.2	33.3
Depreciation	42.8	43.5	43.4	40.6	46.0	5.4
Impairment loss	2.4	2.8	2.7	2.6	3.4	0.8
Amortization of goodwill	1.8	2.1	2.2	2.4	1.1	-1.3
Increase in net defined benefit asset and liability	-	-	-	-	-13.8	-13.8
Increase in liability for employees' retirement benefits	4.2	0.3	0.5	-4.7	-	4.7
Increase in allowance for doubtful receivables	-0.0	-0.1	0.4	0.2	-0.2	-0.4
Increase in provision for loss on business liquidation	-	-	2.2	-0.3	-1.9	-1.7
Interest and dividend income	-2.9	-2.5	-2.8	-2.9	-2.5	0.4
Interest expenses	3.2	1.5	1.7	1.2	1.2	0.0
Equity in earnings of unconsolidated subsidiaries and affiliates	-4.9	-3.7	-1.2	-3.1	-3.2	-0.1
Loss on sales of stocks of subsidiaries	-	-	-	-	-0.3	-0.3
Gain on change in equity interest	-	-5.6	-0.3	-	-	-
Loss on transfer of business	-	1.9	0.7	-	-	-
Decrease in accounts receivables-trade	0.2	-17.0	-25.7	-47.2	12.4	59.6
Increase in inventories	-7.4	-7.4	-7.4	-5.5	-1.8	3.7
Increase in accounts payable-trade	5.3	2.1	8.5	-3.9	19.6	23.4
Increase in long-term unearned revenue	29.9	-7.3	-7.3	-1.9	-7.7	-5.9
Other, net	19.1	8.1	17.3	25.7	23.3	-2.4
<b>Subtotal</b>	<b>195.5</b>	<b>141.7</b>	<b>177.2</b>	<b>180.1</b>	<b>285.7</b>	<b>105.6</b>
Interest and dividends received	8.9	7.9	6.9	7.2	8.0	0.8
Interest paid	-3.2	-1.8	-2.0	-1.2	-1.2	-0.0
Income taxes paid	-27.7	-59.9	-34.4	-66.8	-66.1	0.7
<b>Net cash provided by operating activities</b>	<b>173.5</b>	<b>87.7</b>	<b>147.6</b>	<b>119.3</b>	<b>226.4</b>	<b>107.1</b>
<b>Investing activities:</b>						
Increase in short-term investment securities	-	-	-7.0	-20.0	12.7	32.7
Purchases of property, plant and equipment	-39.7	-35.4	-36.0	-50.5	-48.9	1.6
Purchases of property, Intangible fixed asset	-	-	-	-	-21.2	-21.2
Proceeds from sales of property, plant and equipment	0.2	0.5	0.7	0.3	1.2	0.9
Purchases of investment securities	-28.8	-33.2	-31.4	-16.7	-5.3	11.4
Proceeds from sales and redemption of investment securities	15.7	27.7	17.4	16.2	12.4	-3.8
Payments for investments in capital	-	-1.8	-0.3	-3.3	-1.1	2.2
Proceeds from transfer of business	-	2.1	1.4	-	-	-
Payments for transfer of business	-	-	-1.3	-	-	-
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	-	-	-1.5	-95.4	-93.8
Payments of loans receivables	-1.4	-0.3	-2.3	-0.7	-22.3	-21.6
Proceeds from collection of loans receivables	0.1	0.4	0.6	1.4	0.6	-0.8
Increase in time deposits-net	-0.3	-85.8	-47.5	-9.1	59.1	68.2
Other, net	-4.9	-5.8	-1.9	-7.3	-0.3	7.0
<b>Net cash used in investing activities</b>	<b>-59.0</b>	<b>-131.5</b>	<b>-107.6</b>	<b>-91.2</b>	<b>-108.5</b>	<b>-17.3</b>
<b>Financing activities:</b>						
Increase in short-term debt-net	13.5	-6.7	3.2	1.1	5.0	3.9
Proceeds from long-term debt	3.5	2.6	2.3	3.4	7.9	4.5
Repayments of long-term debt	-27.6	-33.8	-23.8	-16.1	-13.0	3.1
Redemption of bonds	-7.6	-	-	-	-	-
Proceeds from issuance of common stock	-	77.5	-	-	-	-
Proceeds from disposal of treasury stock	-	85.2	-	0.2	0.4	0.1
Purchases of treasury stock	-	-	-	-20.0	-30.0	-10.0
Dividends paid	-5.9	-6.0	-26.8	-29.3	-32.8	-3.4
Dividends paid to minority interest in consolidated subsidiaries	-0.9	-0.4	-0.4	-0.5	-0.4	0.1
Other, net	-3.1	-4.9	4.5	-10.7	-3.8	6.9
<b>Net cash provided by (used in) financing activities</b>	<b>-28.1</b>	<b>113.6</b>	<b>-41.1</b>	<b>-71.9</b>	<b>-66.7</b>	<b>5.2</b>
Foreign currency translation adjustment on cash and cash equivalents	1.0	-5.3	-1.4	6.2	9.5	3.3
<b>Net increase in cash and cash equivalents</b>	<b>87.3</b>	<b>64.5</b>	<b>-2.4</b>	<b>-37.6</b>	<b>60.7</b>	<b>98.3</b>
Cash and cash equivalents at beginning of period	230.1	321.3	387.3	384.2	347.6	-36.6
Increase in cash and cash equivalents resulting from change of scope of consolidation	3.9	1.5	-0.7	0.9	9.2	8.3
<b>Cash and cash equivalents at end of period</b>	<b>321.3</b>	<b>387.3</b>	<b>384.2</b>	<b>347.6</b>	<b>417.5</b>	<b>70.0</b>

\* From 1Q FY2011, the method of translating revenue and expense accounts of foreign subsidiaries was changed from the spot rate as of the reporting date to the average exchange rate. The method of presentation for upfront licensing payments received was changed from non-operating income to net sales. Figures for FY2010 have been adjusted retrospectively to apply the changes above.

## V. Shareholders

### 【Classification of shareholders】

(As of March 31, 2014)

Classification	Shareholder Information								Less than trading unit
	National and local government	Financial institutions	Financial instruments firms	Other institutions	Foreign investors		Private investors and others	Total	
					Other than individuals	Individuals			
Number of shareholders	—	111	40	469	564	25	51,979	53,188	-
Number of shares held (shares)	—	1,571,373	41,635	1,044,140	1,449,024	208	1,470,641	5,577,021	133,517
% of outstanding shares	—	28.18%	0.75%	18.72%	25.98%	0.00%	26.37%	100.00%	-

\*Out of 16,211,155 shares of treasury stock, 162,111 share units are included in “Private investors and others” and 55 shares are included In “Less than trading unit”

\*\*Shareholders who only own a number of shares that is less than a trading unit are included in "Number of shareholders".

### 【Principal shareholders】

(As of March 31, 2014)

Names	Address	Number of shares held	% of outstanding shares
		(thousand shares)	
The Nomura Trust & Banking Co. Otsuka Founders Shareholding Fund Trust Account	2-2-2 Otemachi, Chiyoda-ku, Tokyo	62,936	11.28
Japan Trustee Services Bank, Ltd. (Trust Account)	8-11, Harumi 1-Chome, Chuo-ku, Tokyo	43,060	7.71
Otsuka Estate Limited	3-3-3 Ote-Dori, Chuo-ku, Osaka	25,511	4.57
Otsuka Group Employee Shareholding Fund	2-16-4 Konan, Minato-ku, Tokyo	18,964	3.40
The Master Trust Bank of Japan, Co., Ltd. (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	16,201	2.90
The Awa Bank, Limited	2-24-1 Nishisemba-cho, Tokushima	10,970	1.96
Goldman, Sachs & Co. Regular Account (standing proxy: Goldman Sachs)	200 WEST STREET NEW YORK, NY, USA (6-10-1, Roppongi, Minato-ku, Tokyo)	7,824	1.40
Otsuka Asset Co., Ltd.	17-4, Aza-Fukuike, Tosadomariura, Naruto-cho, Naruto City, Tokushima	7,720	1.38
TOHO HOLDINGS CO., LTD.	5-2-1, Daizawa, Setagaya Ward, Tokyo	7,270	1.30
Trust & Custody Services Bank, Ltd. (Trust Account)	1-8-12, Harumi, Chuo-ku, Toyo	5,708	1.02
ALL	—	206,167	36.95

\*16,211,155 shares of treasury stock is excluded from principal shareholders. However, treasury stocks are included in the calculation for "% of outstanding shares".

VI. Pipeline Information
--------------------------



Otsuka Group – Pipeline Information

(as of Mar 31, 2014)

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status
<b>Central nervous system</b>						
OPC-14597 <ABILIFY*> <Abilify Maintena*>:Depot injection	aripiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Schizophrenia / Depot injection	JP	Filed
				Autism / Oral	JP	Phase III
				Tourette's disorder / Tablet	US	Filed
				Tourette's disorder / Once-weekly	US	Phase III
				Bipolar I / Depot injection	JP, US, EU	Phase III
L059 <E. Keppra>	levetiracetam	UCB	Anti-epileptic drug	Epilepsy (generalized onset seizures) / Oral	JP	Phase III
				Epilepsy (partial onset seizures) / injection	JP	Filed
				Epilepsy (partial onset seizures/mono therapy) / Oral	JP	Filed
OPC-34712	brexpiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Adjunctive therapy for major depressive disorder / Oral	US, EU	Phase III
				Schizophrenia / Oral	JP, US, EU	Phase III
				ADHD (Adults) / Oral	US	Phase II
				Agitation associated with dementia of the Alzheimer's type / Oral	US, EU	Phase III
				Posttraumatic stress disorder (PTSD) / Oral	US, EU	Phase III
Lu AE58054		Lundbeck	selective serotonin 5-HT <sub>2</sub> receptor antagonist	Alzheimer's disease / Oral	US, EU	Phase III
ASC-01	aripiprazole, sertraline	Otsuka Pharmaceutical	Dopamine partial agonist/Selective serotonin reuptake inhibitor	Major depressive disorder / Oral	JP, Asia	Phase III

Note 1: In general, Otsuka disclose compounds that are in Phase II or later stage of development, although some compounds in Phase I are disclosed in the above table.  
 Note 2: Product names with asterisk "\*" are the names used outside Japan.

## Otsuka Group – Pipeline Information

(as of Mar 31, 2014)

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status
<b>Oncology</b>						
ABI-007 <Abraxane>	paclitaxel protein-bound particles for injectable suspension	Celgene	Anti-cancer (nanoparticle)	Pancreatic cancer / Injection	JP	Phase I / II
S-1 <TS-1> Japan, Korea <TEYSUNO> EU <TS-ONE*> Singapore <愛斯万> China <愛斯萬> Taiwan	tegafur, gimeracil, oteracil	Taiho Pharmaceutical	Anti-cancer (Anti-metabolite)	Gastric cancer / Oral	US	Phase III
				Uterocervical cancer / Oral	JP, Asia	Phase III
				Hepatocellular carcinoma / Oral	JP	Phase III
				Renal cell carcinoma / Oral	JP	Phase II
TSU-68	orantinib	(Sugen)	Anti-cancer (Molecular-targeted drug)	Hepatocellular carcinoma / Oral	JP, Asia	Phase III
TAS-102 <Lonsurf>	trifluridine, tipiracil	Taiho Pharmaceutical	Anti-cancer	Colorectal cancer / Oral	JP	Approved
					JP, US, EU, Asia	Phase III
				SCLC / Oral	JP, EU	Phase II
TAS-118	tegafur, gimeracil, oteracil, folinate	Taiho Pharmaceutical	Anti-cancer (Anti-metabolite)	Pancreatic cancer / Oral	JP, Asia	Phase III
<SATIVEX*>	nabiximols	GW Pharmaceuticals	Cannabinoid (THC, CBD)	Cancer pain / Oral spray	US	Phase III
OCV-101		OncoTherapy Science	Therapeutic cancer vaccine	Pancreatic cancer / Injection	JP	Phase II
<SPRYCEL>	dasatinib	BMS	Anti-cancer	Pancreatic cancer / Oral	US, EU	Phase II
SGI-110		Astex	Anti-cancer	Ovarian cancer / Injection	US, EU	Phase II
				Hepatocellular carcinoma / Injection	US, EU	Phase II
				Acute myeloid leukemia, Myelodysplastic syndrome / Injection	US	Phase II
AT13387		Astex	Anti-cancer	Prostate cancer / Injection	US, EU	Phase II
				NSCLC / Injection	US, EU	Phase II
AT7519		Astex	Anti-cancer	Multiple myeloma / Injection	US	Phase II
ET-743	trabectedin	PharmaMar	Anti-cancer	Malignant soft tissue sarcoma / Injection	JP	Phase II
OPB-31121		Otsuka Pharmaceutical	Anti-cancer	Anti-cancer / Oral	JP, Asia	Phase I
OPB-51602		Otsuka Pharmaceutical	Anti-cancer	Anti-cancer / Oral	JP, US, Asia	Phase I
OPB-111077		Otsuka Pharmaceutical	Anti-cancer	Solid tumors / Oral	US, Asia	Phase I
OPB-111001		Otsuka Pharmaceutical	Anti-cancer	Solid tumors / Oral	EU	Phase I
TAS-114		Taiho Pharmaceutical	Anti-cancer (Antitumor enhancer)	Solid tumors / Oral	JP, US, EU	Phase I
TAS-115		Taiho Pharmaceutical	Anti-cancer (Molecular-targeted drug)	Solid tumors / Oral	JP	Phase I
OCV-501		Otsuka Pharmaceutical	WT1 targeted cancer vaccine	Secondary Prevention of elderly acute myeloid leukemia / Injection	JP, Asia	Phase II
OCV-C02		OncoTherapy Science	Therapeutic cancer vaccine	Colorectal Cancer / Injection	JP	Phase I

Note 1: In general, Otsuka disclose compounds that are in Phase II or later stage of development, although some compounds in Phase I are disclosed in the above table.

Note 2: Product names with asterisk "\*" are the names used outside Japan.

Otsuka Group – Pipeline Information

(as of Mar 31, 2014)

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status
<b>Cardiovascular</b>						
OPC-41061 <SAMSCA*>	tolvaptan	Otsuka Pharmaceutical	Vasopressin V <sub>2</sub> -receptor antagonist	Hepatic edema / Oral	Asia	Filed
				Autosomal dominant polycystic kidney disease / Oral	JP, US, EU	Approval Filed**
				Cardiac edema / Oral	Asia	Phase III
				Carcinomatous edema / Oral	JP	Phase II
				Volume overload in hemodialysis / Oral	JP	Phase II
				Volume overload in peritoneal dialysis / Oral	JP	Phase II
OPC-108459		Otsuka Pharmaceutical		Paroxysmal and persistent atrial fibrillation / Injection	JP, US	Phase I
<b>Other areas</b>						
YP-18 <ZOSYN*>	lazobactam + piperacillin	Taiho Pharmaceutical	Antibiotic agent	Febrile neutropenia / Injection	JP	Phase III
TAC-202	bilastine	Faes Farma	Histamine H <sub>1</sub> antagonist	Allergic rhinitis / Oral	JP	Phase II
OPC-67683	delamanid	Otsuka Pharmaceutical	Anti-tuberculosis agent	Multidrug-resistant tuberculosis / Oral	JP, EU, US, EU	Filed Phase III
				Multidrug-resistant tuberculosis for pediatrics / Oral	EU	Phase II
OPC-12759E <Mucosta Ophthalmic Suspension>	rebamipide	Otsuka Pharmaceutical	Mucin-production enhancing agent	Dry eyes / Eye drops MD (Multi Dose)	JP	Phase III
OPB-2045G	olanexidin	Otsuka Pharmaceutical Factory	Anti-septics	Patient preoperative preparation / Topical	JP	Phase III
OPF-105	Amino Acid, Carbohydrate, and Fat Emulsion Injection with Electrolytes and Vitamins	Otsuka Pharmaceutical Factory	Protein and amino acid preparation	Peripheral parenteral nutrition solution / Injection	JP	Phase III
OPC-6535	telomilast	Otsuka Pharmaceutical	Anti-inflammatory agent	COPD / Oral	JP, US, Asia	Phase II
ACU-4429	emixustat	Acucela	Visual cycle modulator	Dry AMD / Oral	US	Phase II b / III
OPA-6566		Otsuka Pharmaceutical	Adenosine A <sub>2a</sub> receptor agonist	Glaucoma / Eye Drops	US	Phase I / II
OPA-15406		Otsuka Pharmaceutical	PDE4 inhibitor	Atopic Dermatitis / Ointment	US	Phase I
<b>Diagnostics</b>						
C13-URA	Uracil (2-13C)	Otsuka Pharmaceutical	13C-uracil breath test	For the diagnosis of gastric emptying disorders / In-vivo diagnostic drug	US	Phase II
ODK-1201-01	Major bcr-abl mRNA kit	Otsuka Pharmaceutical	Diagnostic aid for CML	For the diagnosis of bcr-abl / In-vitro diagnostic agent	JP	Filed

Note 1: In general, Otsuka disclose compounds that are in Phase II or later stage of development, although some compounds in Phase I are disclosed in the above table.

Note 2: Product names with asterisk "\*" are the names used outside Japan.

Note 3: \*\* Otsuka received complete response letter from FDA in August 2013. Otsuka continues future discussion with FDA.

Appendix

**Sales for January through March 2014 <unaudited>**  
Standardizing the company's business year with its overseas consolidated subsidiaries

By standardizing the company's business year with its overseas consolidated subsidiaries, the Company aims to make more timely and accurate disclosure of management information about global activities by our group whose overseas sales represent a large percentage of total sales.

Sales information by standardizing the company's business year are disclosed in 2014 January through March as a supplemental information.

However these numbers are not audited by Financial Instruments and Exchange Act.

Standardizing the company's business year with its overseas consolidated subsidiaries

(Billions of yen)		(Billions of yen)		(Billions of yen)		Exchange rate (Yen)	
Financial Highlights	2014 Jan-Mar <unaudited>	Net sales by business segment	2014 Jan-Mar <unaudited>	Net Sales by Geographical Segment	2014 Jan-Mar <unaudited>	2014 Jan-Mar <unaudited>	2014 Jan-Mar <unaudited>
Net sales	347.5	Net sales	347.5	Net sales	347.5	US\$	102.76
Operating income	17.3	Pharmaceutical business	258.3	Japan*	236.9	Euro	140.79
Ordinary income	18.5	Nutraceutical business	57.0	North America*	155.9		
Net income	12.0	Consumer products business	9.6	Others*	56.7		
R&D expenses	78.8	Other business	32.4	Eliminations/corporate	-101.9	EPS (Earnings per share; yen)	22.07
Overseas net sales	207.4	Eliminations/corporate	-9.8				
% of net sales	59.7%						

\*Intersegment sales are included.

【Pharmaceutical business】

(Billions of yen)		(Billions of yen)	
Product	Company	2014 Jan-Mar <unaudited>	2014 Jan-Mar <unaudited>
Anti-psychotic agent <i>ABILIFY</i>	Otsuka Pharmaceutical	146.8	
USA		106.0	
<US\$ million>		<1,031>	
Japan		9.4	
Others		31.4	
Anti-platelet agent <i>Pletaal/Pletal</i>	Otsuka Pharmaceutical	9.3	
Japan		7.4	
Others		1.9	
Anti-gastritis and anti-gastric ulcer agent <i>Mucosta</i>	Otsuka Pharmaceutical	4.9	
Japan		4.0	
Others		0.9	
Antimetabolite <i>TS-1</i>	Taiho Pharmaceutical	6.7	
Antimetabolite <i>UFT</i>	Taiho Pharmaceutical	1.9	
Reduced folic acid formulation <i>Uzel</i>	Taiho Pharmaceutical	2.6	
Urinary incontinence / frequency treatment <i>P4 (BUP-4)</i>	Taiho Pharmaceutical	1.0	
Oral nutrient for liver failure <i>Aminoleban EN</i>	Otsuka Pharmaceutical	1.2	
Bronchodilator <i>Meptin</i>	Otsuka Pharmaceutical	1.0	
H2-receptor antagonist <i>Protecadin</i>	Taiho Pharmaceutical	1.0	
5-HT3 Receptor Antagonist <i>Aloxi</i>	Taiho Pharmaceutical	2.6	
Antineoplastic <i>Abraxane</i>	Taiho Pharmaceutical	2.2	
Antiepileptic <i>E Keppra</i>	Otsuka Pharmaceutical	4.3	
V2-vasopressin receptor antagonist <i>Samsca</i>	Otsuka Pharmaceutical	5.7	
Anticancer <i>SPRYCEL</i> (collaboration with BMS)	Otsuka Pharmaceutical	6.1	
Antibiotic <i>Zosyn/Tazocin</i> (bulk supply)	Taiho Pharmaceutical	4.8	
Diagnostics -total	Otsuka Pharmaceutical	5.1	
Parenteral nutrition (clinical nutrition) -total	Otsuka Pharmaceutical	23.1	
Japan	Factory	19.4	
Others		3.6	
Pharmaceutical business -total (excluding exports)	Japan	88.0	
Pharmaceutical business -total	Total	258.3	
Royalty Milestone revenue	Total	5.2	

【Nutraceutical business】

(10 thousand cases)		(10 thousand cases)	
Products	Company	2014 Jan-Mar <unaudited>	2014 Jan-Mar <unaudited>
<i>Pocari Sweat</i>	Otsuka Pharmaceutical		
1 case: 24 bottles, and other			
Japan			430
Overseas			497
<i>SOYJOY</i>	Otsuka Pharmaceutical		
1 case: 48 bars			
Japan			19
Overseas			4
<i>Oronamin C</i>	Otsuka Pharmaceutical		
1 case: 50 bottles			207
<i>Calorie Mate</i>	Otsuka Pharmaceutical		
1 case: 4 bars×30, and other			78
<i>Tiovita Drink</i>	Taiho Pharmaceutical		
1 case: 50 bottles			76
<i>Solmack</i> (10 thousand of bottles)	Taiho Pharmaceutical		
			251

\* Overseas sales include sales of consolidated subsidiaries only.

【Consumer products business】

(10 thousand cases)		(10 thousand cases)	
Products	Company	2014 Jan-Mar <unaudited>	2014 Jan-Mar <unaudited>
Bottled Water	Otsuka Foods		
1 case: 24 bottles			105
<i>NESCAFE</i>	Otsuka Foods		
1 case: 24 bottles			97
<i>Match</i>	Otsuka Foods		
1 case: 24 bottles			96
Other (tea drinks and other)	Otsuka Foods		
1 case: 24 bottles			54

【Other business】

(Billions of yen)		(Billions of yen)	
Products	Company	2014 Jan-Mar <unaudited>	2014 Jan-Mar <unaudited>
Functional chemicals	Otsuka Chemical		8.9
Fine chemicals	Otsuka Chemical		3.1



Otsuka-people creating new products  
for better health worldwide