
Financial Results Presentation

FY2013

(Fiscal Year Ending March 31, 2014)

May 14, 2014

Otsuka Holdings Co., Ltd.

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- 1 FY2013 Consolidated Financial Results**
- 2 Business Segment Analysis**
- 3 Pharmaceutical Segment Analysis**
- 4 Abilify Sales**
- 5 Growing Sales of New Products**
- 6 Nutraceutical Segment Analysis**
- 7 Results of the Mid-term Plan**
- 8 Change in Accounting Period**
- 9 FY2014 Estimate**

1. FY2013 Consolidated Financial Results



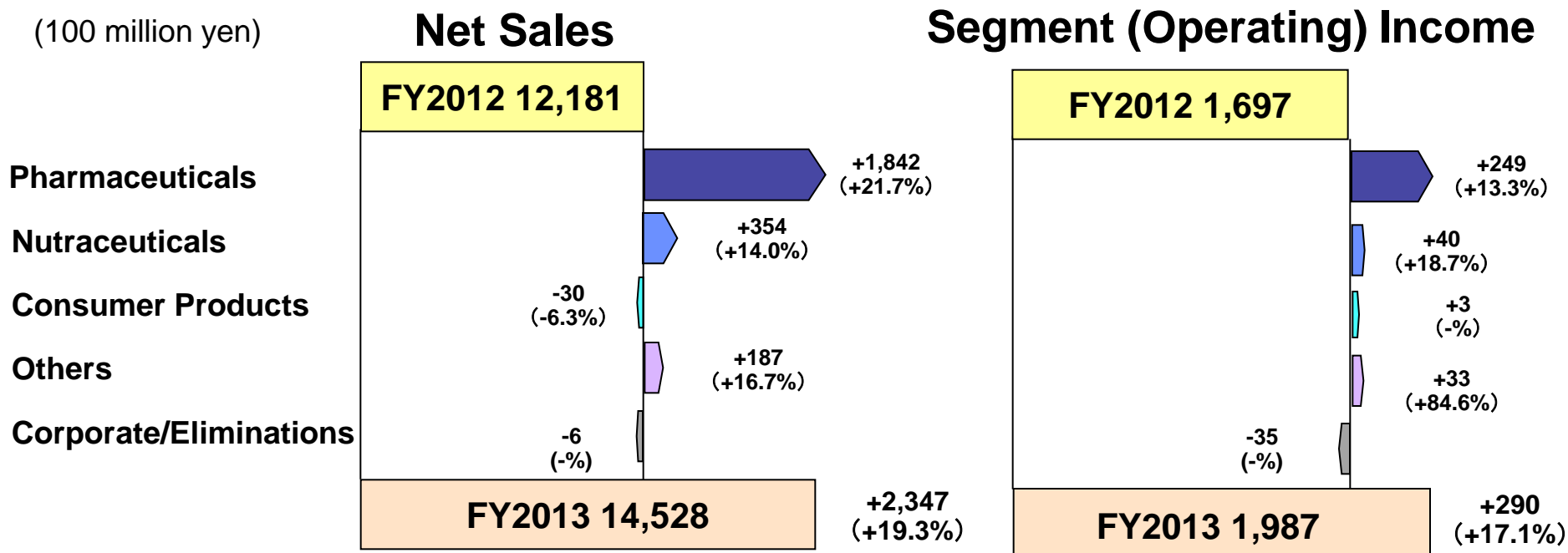
(100 million yen)

	Compared to the previous year's results				Compared to estimate		
	FY2012 Actual	FY2013 Actual	Change	% Change	2013 Estimate	Difference	% Achievement
Net Sales	12,181	14,528	2,347	19.3%	14,350	178	101.2%
Operating Income	1,697	1,987	290	17.1%	2,150	-163	92.4%
Ordinary Income	1,845	2,152	308	16.7%	2,250	-98	95.7%
Net Income	1,224	1,510	286	23.3%	1,550	-40	97.4%
R&D Expenses	1,924	2,490	566	29.4%	2,200	290	113.2%

Impact of exchange rate fluctuations: approx. +1,300 on net sales
approx. +200 on operating income

2. Business Segment Analysis

(100 million yen)



*Parentheses represent % change

Net Sales	FY2012	FY2013	Change
Pharma	8,509	10,351	1,842
NC	2,518	2,871	354
Consumer	469	439	-30
Others	1,117	1,303	187
Corp/Elim	-431	-437	-6
Consolidated	12,181	14,528	2,347

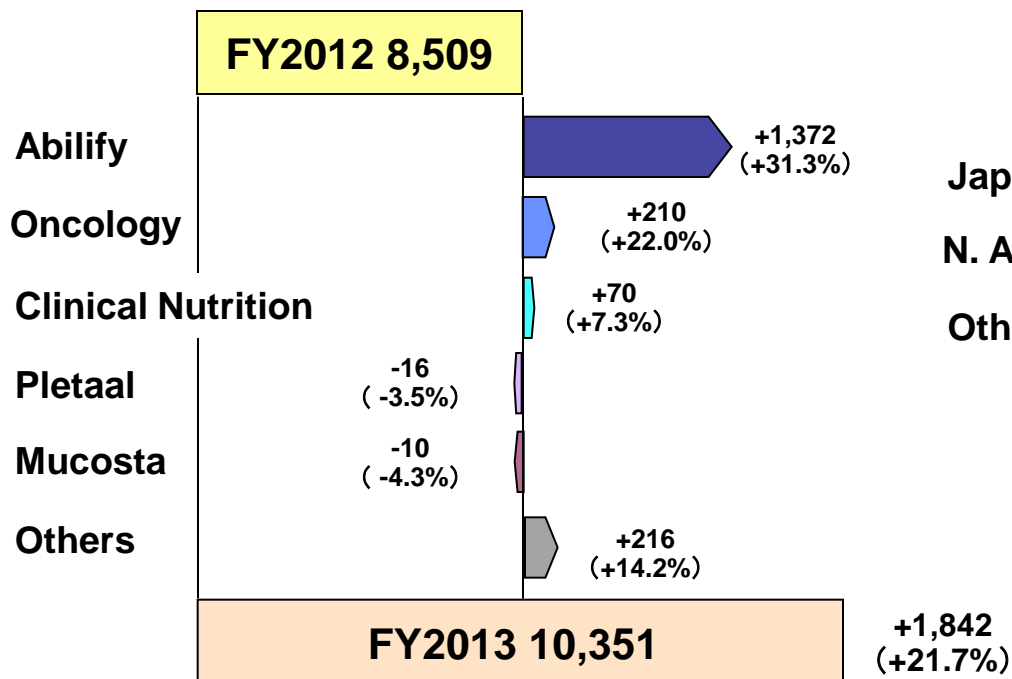
Op income	FY2012	FY2013	Change
Pharma	1,879	2,128	249
NC	214	254	40
Consumer	-24	-22	3
Others	39	72	33
Corp/Elim	-410	-445	-35
Consolidated	1,697	1,987	290

< Operating margin (%) >

FY2012	FY2013
22.1%	20.6%
8.5%	8.8%
-5.2%	-4.9%
3.5%	5.6%
-	-
13.9%	13.7%

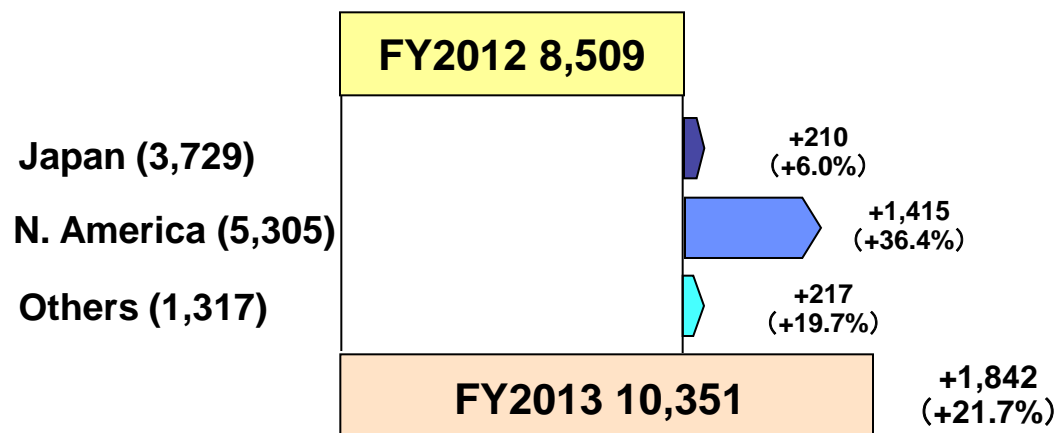
3. Pharmaceutical Segment Analysis

(100 million yen) **Net Sales**

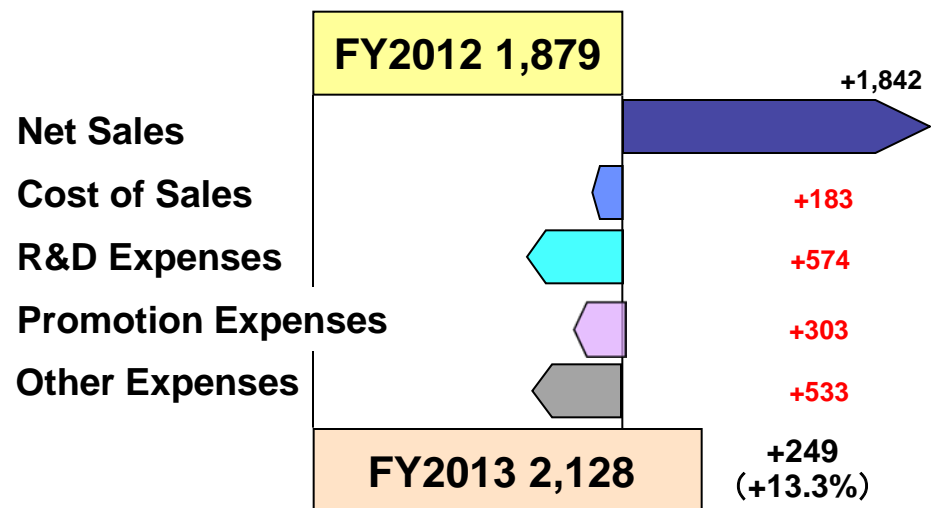


Products	FY2012	FY2013	Change	% Change
Abilify	4,385	5,757	1,372	31.3%
Oncology	957	1,167	210	22.0%
Clinical Nutrition	964	1,034	70	7.3%
Pletaal	458	442	-16	-3.5%
Mucosta	230	220	-10	-4.3%
Others	1,515	1,731	216	14.2%
Pharma Total	8,509	10,351	1,842	21.7%

Net Sales by Market



Segment (Operating) Income



4. Abilify Sales



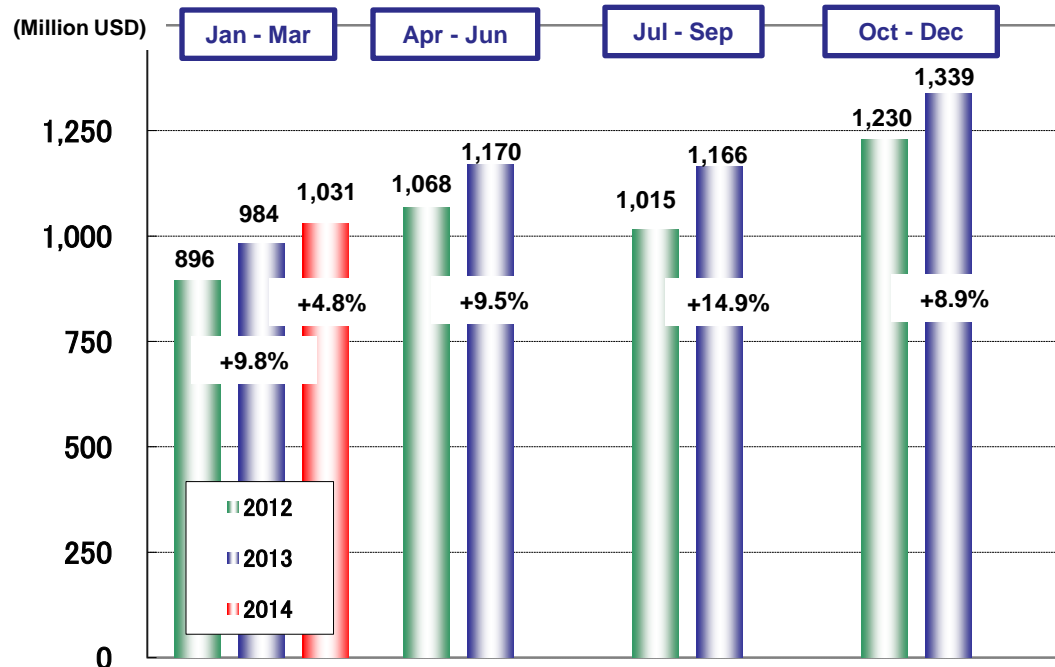
Abilify Sales by Market

(100 million yen)

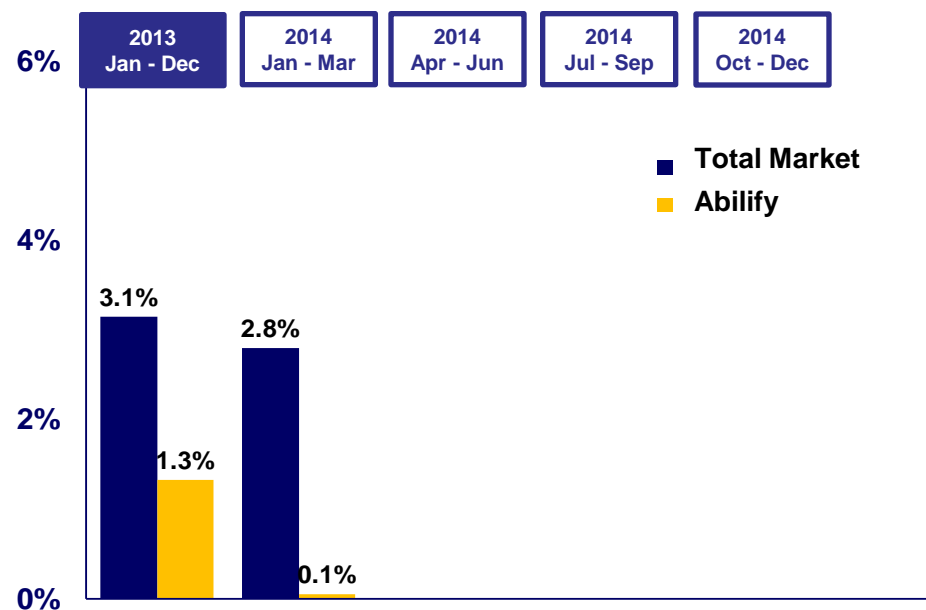
	FY2012	FY2013	Change	% Change
Abilify	4,385	5,757	1,372	31.3%
US*	3,361	4,555	1,195	35.6%
<Million USD>	<4,208>	<4,659>	<450>	10.7%
Japan	286	344	58	20.4%
Other*	739	858	119	16.1%

*Overseas sales are from January to December.

Abilify Sales – Quarterly Evolution (US market)



Atypical antipsychotic prescription market (US market)

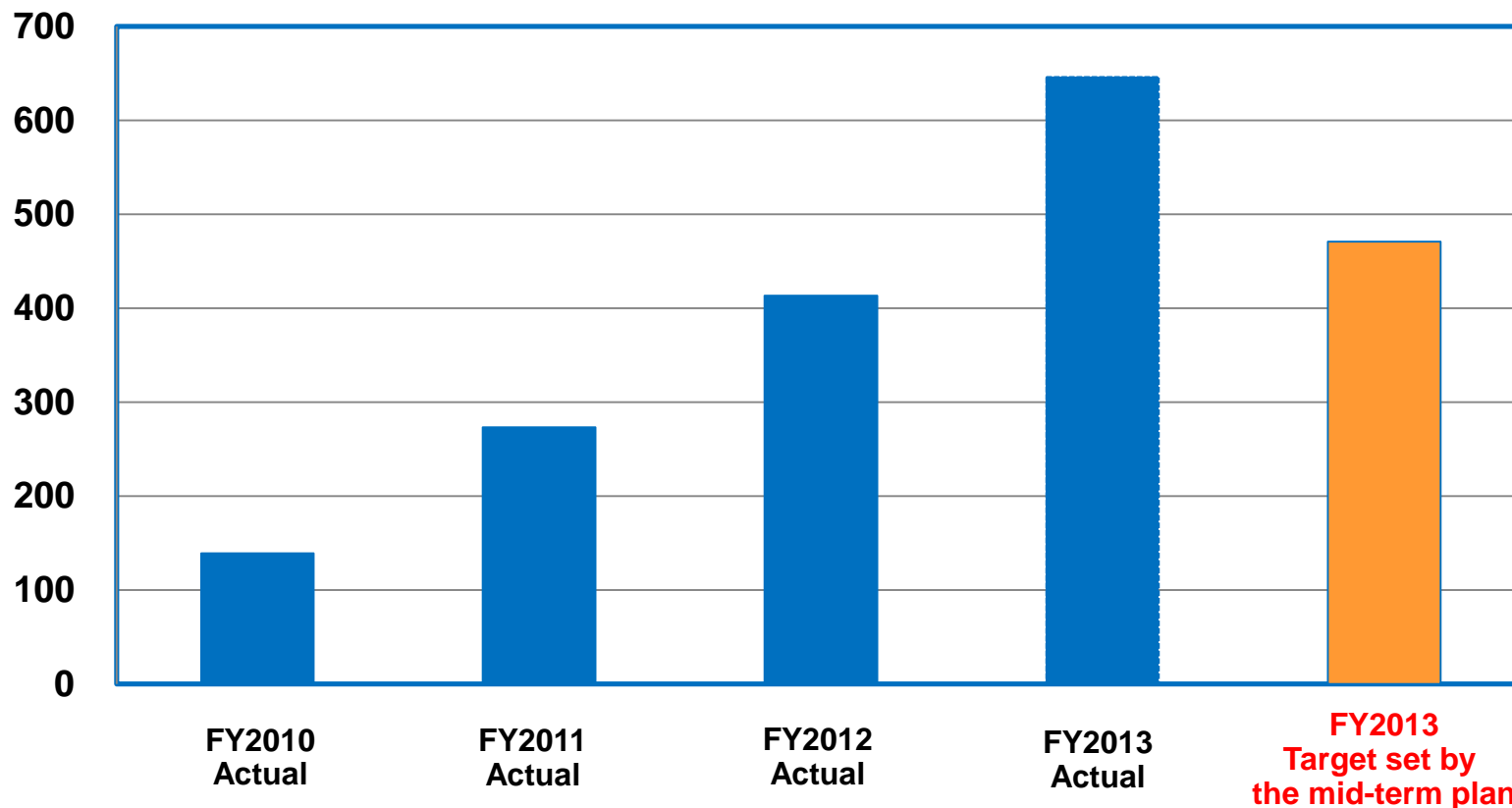


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5. Growing Sales of New Products

New Products Launched in the Japanese Market

(100 million yen)

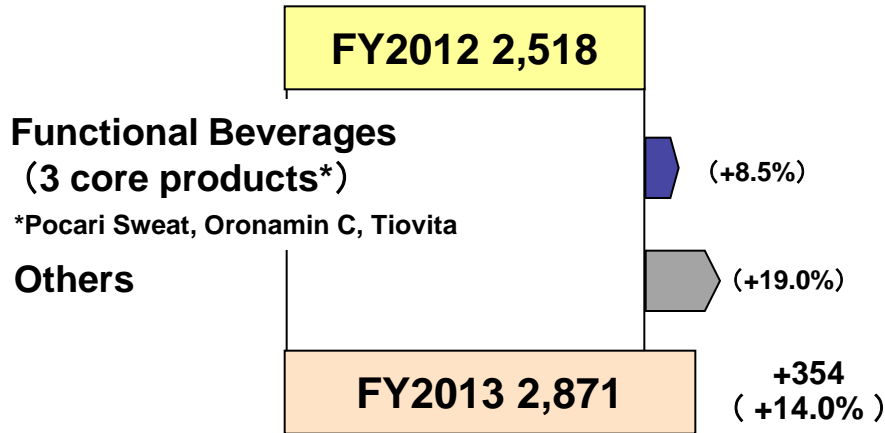


New Products: E Keppra, Aloxi, Abraxane, SAMSCA, ELNEOPA, Mucosta Ophthalmic Suspension, and Neupro Patch

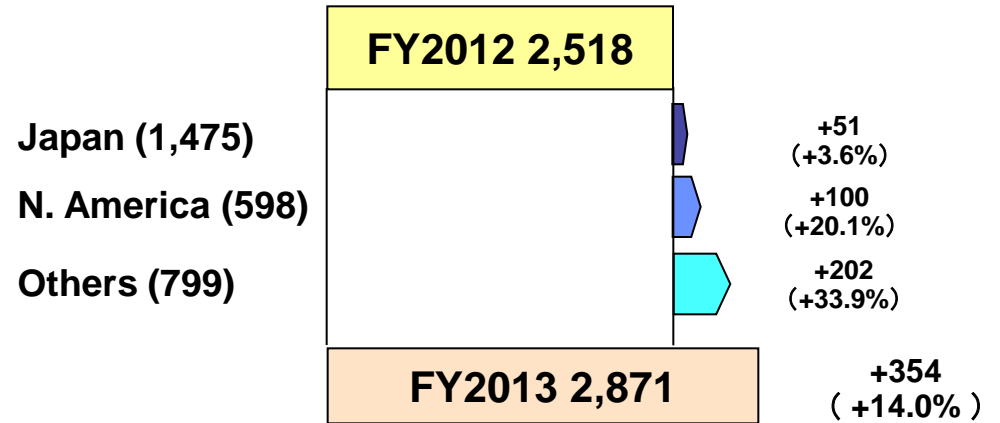
6. Nutraceutical Segment Analysis

(100 million yen)

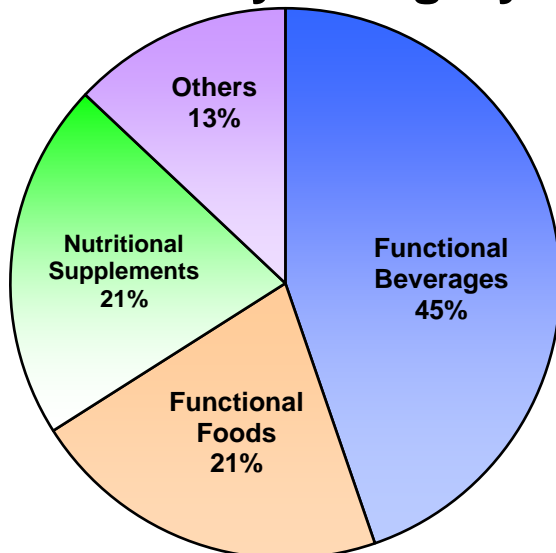
Net Sales



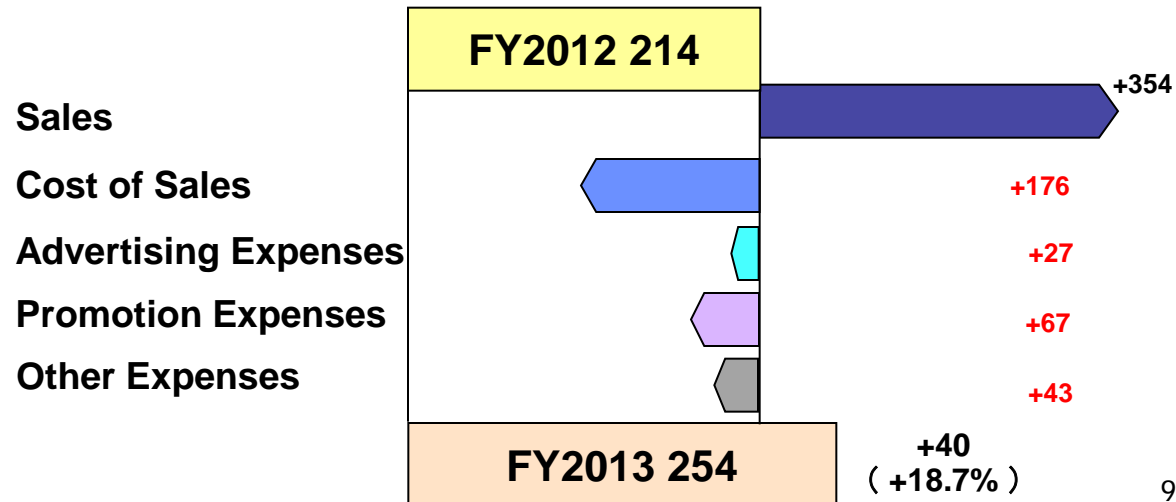
Net Sales by Market



Sales by Category



Segment (Operating) Income



7. Results of the Mid-term Plan

(100 million yen)

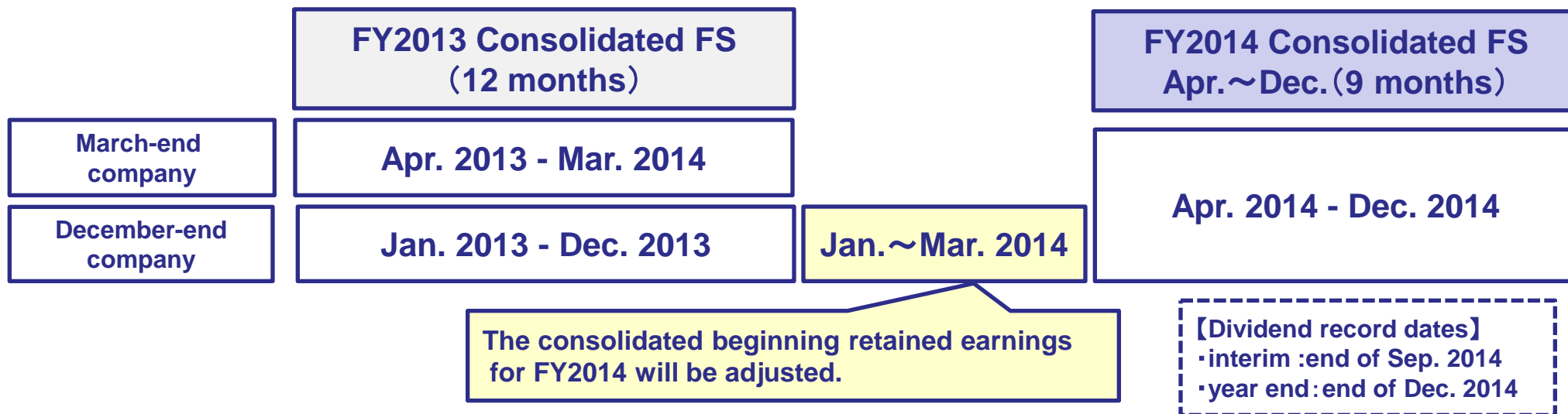
	FY2013 Mid-term plan*	FY2013 Actual	Achievement
Net Sales	13,300	14,528	109.2%
Operating Income	2,000	1,987	99.4%
Net Income	1,300	1,510	116.1%
R&D	2,000	2,490	124.5%
ROE	10% or over	10.8%	
EPS (Yen)	230.0	278.1	120.9%

(*Announced in May 2011)

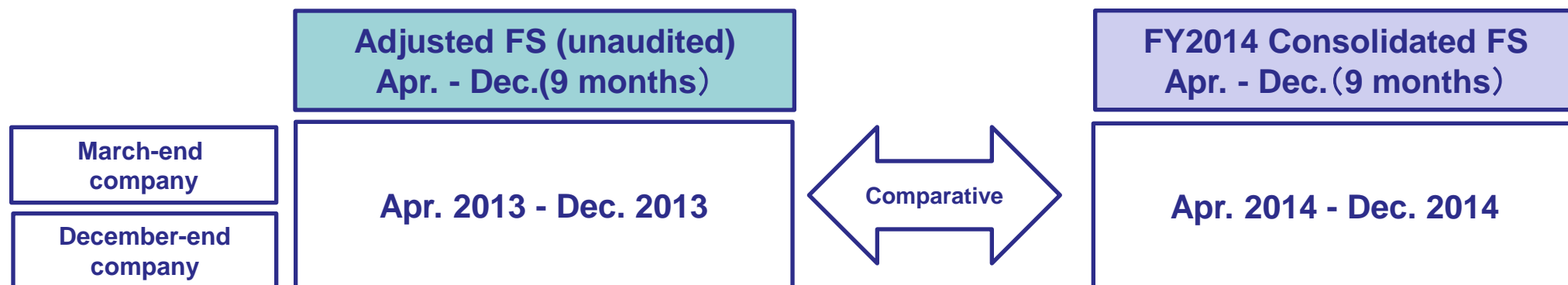
8. Change in Accounting Period

From FY2014, Otsuka Holdings changes its fiscal year end from March 31 to December 31 .

Note 1



«Adjusted financial statement (unaudited) for comparison»



Note 1 This change is subject to approval of a partial amendment to Articles of Incorporation at the 6th Annual General Meeting of Shareholders to be held in late June 2014.

9. FY2014 Estimate

(*1) Refer to 「8. Change in Accounting Period」

(100 million yen)

	FY2013(12months) Actual Apr. 2013~Mar. 2014	FY2013(9 months) Adjusted(unaudited) Apr. ~ Dec. 2013 ^{*1}	FY2014(9 months) Estimate Apr.~Dec. 2014	Compared to FY2013 Adjusted	
				Change	% Change
Net Sales	14,528	11,342	12,000	658	5.8%
Operating Income	1,987	1,831	1,900	69	3.8%
Ordinary Income	2,152	1,995	1,950	-45	-2.3%
Net Income	1,510	1,394	1,300	-94	-6.7%
R&D Expenses	2,490	1,697	1,800	103	6.1%
Earnings Per Share (Yen)	278.07		240.01		
Dividends Per Share (Yen)	65.00		75.00		
Exchange rate (USD)	97.72	99.35	100.00		
Exchange rate (EUR)	129.77	132.16	140.00		

【Estimated impact of exchange rate fluctuations (one yen movement for 9 month)】

	USD	EUR
Net Sales (100 million yen)	approx. 46	approx. 6
Operating Income (100 million yen)	approx. 7	approx. 1

Pharmaceutical Development Update

May 14, 2014

Otsuka Holdings Co., Ltd.

- 1 Major development projects**
- 2 Development update in 4Q/FY2013**
 - ✓ Approvals
 - ✓ NDA filings
 - ✓ Advanced to the next phase
- 3 Key development achievements in FY2013**
- 4 Major P-III projects and NDA submissions scheduled in FY2014 (Initial plan)**

1-1. Major development projects (as of Mar. 31, 2014)



Phase	P-1	P-2	P-3	NDA	
CNS		Brexiprazole ADHD/US	Maintena™ Bipolar/JP,US,EU ABILIFY® Tourette's weekly /US ABILIFY® Autism/JP E Keppra® Epilepsy Generalized seizures /JP Brexiprazole MDD(Adjunctive)/US,EU Brexiprazole Schiz./JP,US,EU Brexiprazole AD agitation/US,EU Brexiprazole PTSD/US,EU ASC-01 MDD/JP,Asia Lu AE58054 Alzheimer's disease/US,EU	Maintena™ Schiz./JP ABILIFY® Tourette's /US E Keppra® Partial seizures (injection)/JP E Keppra® Partial seizures/Monotherapy(Oral)/JP	
	Cardiovascular	OPC-108459 AF/JP,US	Samsca® Cancerous edema/JP Samsca® Edema in hemodialysis/JP Samsca® Edema in peritoneal dialysis /JP	Samsca® Cardiac edema /Asia	Samsca® Hepatic edema/Asia Samsca® ADPKD/JP,US,EU

*Approved (JP)

Blue columns indicate changes from 3Q

1-2. Major development projects (as of Mar. 31, 2014)



Phase	P-1	P-2	P-3	NDA
Oncology	TAS-114 Solid cancer/JP,US,EU	TS-1 Renal/JP	TS-1 Gastric/US	TAS-102 Colorectal/JP
	TAS-115 Solid cancer/JP	TAS-102 SCLC/JP, EU	TS-1 Uterocervical/JP,Asia	*Approved
	OPB-31121 Anti-cancer/JP,Asia	SPRYCEL® Pancreatic/US,EU	TS-1 HCC/JP	
	OPB-51602 Anti-cancer/US,JP,Asia	ET-743 STS/JP	TSU-68 HCC/JP,Asia	
	OPB-111001 Solid cancer/EU	OCV-101 Pancreatic/JP	TAS-102 Colorectal/JP,US,EU,Asia	
	OPB-111077 Solid cancer/US, Asia	OCV-501 AML/JP,Asia	TAS-118 Pancreatic/JP,Asia	
	OCV-C02 Colorectal/JP	SGI-110 HCC/US,EU	SATIVEX® Cancer pain/US	
		SGI-110 Ovarian/US,EU		
		SGI-110 MDS,AML/US		
		AT13387 Prostate/US,EU		
		AT13387 NSCLC/US,EU		
		AT7519 MM/US		
		Abraxane® Pancreatic/JP		
	Others/ Diagnostics	OPA-15406 Atopic dermatitis/US	OPC-6535 COPD/JP,US,Asia	ZOSYN®(YP-18) Febrile neutropenia /JP
		Delamanid Pediatric MDR-TB /EU	Mucosta® ophthalmic suspension MD Dry eye/JP	ODK-1201-01 Diagnostic kit for CML/JP
		TAC-202 Allergic rhinitis /JP	Delamanid MDR-TB/JP,US,EU	
		C13-URA Gastric emptying determination /US	OPB-2045G Disinfectant/JP	
		OPA-6566 Glaucoma/US	OPF-105 Peripheral parenteral nutrition infusions/JP	
			ACU-4429 AMD/US	

Blue columns indicate changes from 3Q

2-1. Key development progress in 4Q/2013 (as of Mar. 31, 2014)

- **Four projects approved**

Product name	Country·Area	Indication
Samsca [®]	Japan	ADPKD*
Lonsurf [®] (TAS-102)	Japan	Colorectal cancer
Meptin Swinghaler 10μg	Japan	Asthma and COPD*
RACOL-NF semisolid nutrient	Japan	Enteral nutritional support

☆ **Deltyba[™] (delamanid): EU marketing approval for MDR-TB* on April 28, 2014**

*ADPKD: Autosomal dominant polycystic kidney disease

COPD: Chronic obstructive pulmonary disease

MDR-TB: Multidrug-resistant tuberculosis

2-2. Key development progress in 4Q/2013 (as of Mar. 31, 2014)

- Three applications submitted for approval

Generic name / Development code	Country·Area	Indication
Aripiprazole IM Depot	Japan	Schizophrenia
Aripiprazole	USA	Tourette's syndrome
Levetiracetam	Japan	Partial seizures (monotherapy)

- One project advanced to P-III

Generic name / Development code	Country·Area	Indication
ASC-01*	Japan·Asia	Major depressive disorder

*ASC: Aripiprazole Sertraline Combination

- One project advanced to P-I

Generic name / Development code	Country·Area	Indication
OPB-111001	Europe	Solid cancer

3-1. R&D update in FY2013 (Number of projects)

	Approvals	NDA filings	⇒P-III	⇒P-II	⇒P-I*
Total	10	6	8	13	2
CNS	3	4	5	0	0
Oncology	2	0	2	8**	2
Cardiovascular	2	1	0	2	0
Others	3	1	1	3	0

***First patient-in
(P-I studies in healthy subjects are not included.)**

****Projects by Astex are included.**

Note:
Each development project is counted based on the number of compounds and indications.

3-2. Key development achievements in FY2013

- Ten projects approved

No.	Areas	Product name	Country·Area	Indication
1	CNS	Abilify Maintena™	Europe	Schizophrenia
2		ABILIFY®	Japan	MDD* (Adjunctive therapy)
3		E Keppra®	Japan	Partial seizures in children
4	Oncology	Lonsurf®	Japan	Colorectal cancer
5		E-fen	Japan	Cancer pain
6	Cardiovascular	Samsca®	Japan	Fluid retention attributed to hepatic cirrhosis
7		Samsca®	Japan	ADPKD
8	Others	Meptin Swinghaler 10µg	Japan	Asthma and COPD
9		RACOL-NF semisolid nutrient	Japan	Enteral nutritional support
10		WT-1 mRNA assay kit II 'Otsuka'	Japan	Diagnostic kit for AML* & MDS*

*MDD: Major depressive disorder AML: Acute myeloid leukemia MDS: Myelodysplastic syndromes

3-3. Key development achievements in FY2013

- Six projects submitted for approval

No.	Areas	Generic name / Development code	Country - Area	Indication
1	CNS	Aripiprazole IM Depot	Japan	Schizophrenia
2		Aripiprazole	USA	Tourette's syndrome
3		Levetiracetam injection	Japan	Partial seizures
4		Levetiracetam	Japan	Partial seizures (monotherapy)
5	Cardiovascular	Tolvaptan	JP・EU	ADPKD
6	Others	ODK-1201	Japan	Diagnostic reagent kit for CML*

*CML: Chronic myeloid leukemia

3-4. Key development achievements in FY2013

- Eight projects advanced to P-III

No.	Areas	Generic name / Development code	Country-Area	Indication
1	CNS	Aripiprazole IM Depot	JP·EU	Bipolar disorder
2		Brexpiprazole	US·EU	Agitation associated with dementia of the Alzheimer's type
3		Brexpiprazole	US·EU	Post-traumatic stress disorder (PTSD)
4		ASC-01	JP·Asia	MDD
5		Lu AE58054	US·EU	Alzheimer's disease
6	Oncology	TAS-102	Asia	Colorectal cancer
7		TAS-118	JP·Asia	Pancreatic cancer
8	Others	OPF-105	Japan	Peripheral venous nutrition infusions

3-5. Key development achievements in FY2013

- Seven projects advanced to P-II

No.	Areas	Generic name / Development code	Country-Area	Indication
1	Oncology	TAS-102	JP·EU	Small-cell lung cancer
2		OCV-501	JP·Asia	AML
3	Cardiovascular	Tolvaptan	Japan	Fluid retention in patients on hemodialysis
4		Tolvaptan	Japan	Fluid retention in patients on peritoneal dialysis
5	Others	Delamanid	Europe	Pediatric multidrug-resistant tuberculosis
6		Bilastine (TAC-202)	Japan	Allergic rhinitis
7		C13-URA (Breath test kit)	US	Diagnostic tool to identify rapid and/or delayed gastric emptying

3-6. Key development achievements in FY2013

- Six projects added to P-II

No.	Areas	Development code	Country·Area	Indication
1	Oncology	SGI-110	US·EU	HCC*
2		SGI-110	US·EU	Ovarian cancer
3		SGI-110	US	MDS & AML
4		AT13387	US·EU	Prostate cancer
5		AT13387	US·EU	NSCLC*
6		AT7519	US	Multiple myeloma

*HCC: Hepatocellular carcinoma NSCLC: Non-small cell lung cancer

- Two projects advanced to P-I

No.	Areas	Development code	Country·Area	Indication
1	Oncology	OPB-111077	Asia	Solid cancer
2		OPB-111001	Europe	Solid cancer

4. Major P-III projects and NDA submissions scheduled in FY2014 (Initial plan)

- Three projects in oncology and others are scheduled to proceed to P-III

No.	Areas	Generic name / Development code	Country - Area	Indication
1	Oncology	TAS-118	Japan	Stomach cancer
2	Others	Bilastine (TAC-202)	Japan	Allergic rhinitis
3		OPC-1085EL*	Japan	Glaucoma

*OPC-1085EL: Mikelan LA eye drops (combination with latanoprost)

- Seven projects in CNS, oncology and others are scheduled to proceed to filing

No.	Areas	Generic name / Development code	Country - Area	Indication
1	CNS	Brexpiprazole	US	Schizophrenia
2		Brexpiprazole	US	MDD (Adjunctive therapy)
3	Oncology	TS-1	Japan	HCC
4		ABI-007	Japan	Pancreatic cancer
5		TAS-102	US	Colorectal cancer
6	Others	YP-18	Japan	Febrile neutropenia
7		OPB-2045G	Japan	Disinfectant