



# — FACT BOOK —

Supplementary Materials  
Financial Results <2Q FY2014>

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>



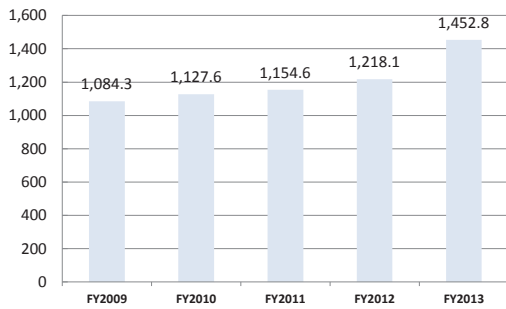
Otsuka-people creating new products  
for better health worldwide

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## I. Financial Highlights

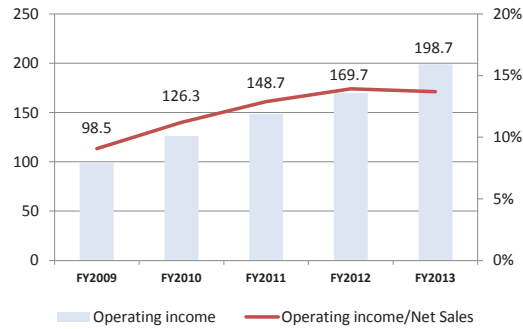
### Net Sales

(Billions of yen)



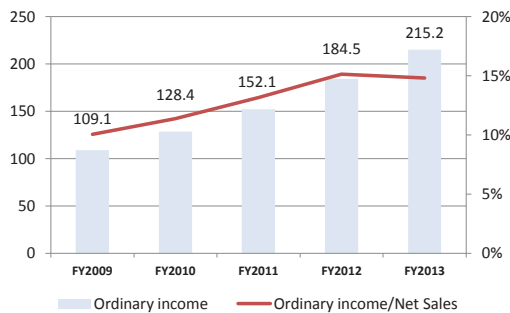
### Operating Income

(Billions of yen)



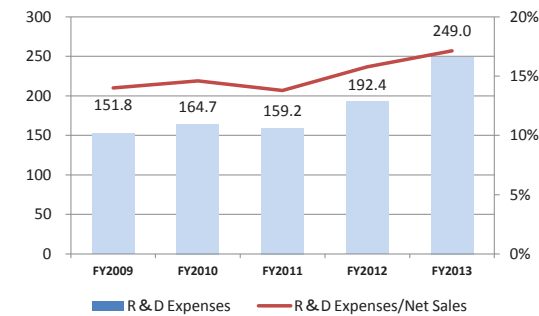
### Ordinary Income

(Billions of yen)



### R&D expenses

(Billions of yen)



## Financial Highlights

		FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep) Standardizing the Company's business year <unaudited>	FY2014 (Apr-Sep) Standardizing the Company's business year	Estimate FY2014 (Apr-Dec) Standardizing the Company's business year Forecast as of May 2014
Net sales	(Billions of yen)	1,084.3	1,127.6	1,154.6	1,218.1	1,452.8	732.3	788.3	1,200.0
	YoY	13.4%	4.0%	2.4%	5.5%	19.3%	-	7.6%	5.8%
Operating income	(Billions of yen)	98.5	126.3	148.7	169.7	198.7	113.2	136.7	190.0
	YoY	7.6%	28.2%	17.7%	14.1%	17.1%	-	20.7%	3.8%
Ordinary income	(Billions of yen)	109.1	128.4	152.1	184.5	215.2	124.4	148.1	195.0
	YoY	13.5%	17.7%	18.5%	21.3%	16.7%	-	19.1%	-2.3%
Net income	(Billions of yen)	67.4	82.4	92.2	122.4	151.0	88.5	99.5	130.0
	YoY	43.2%	22.1%	11.9%	32.8%	23.3%	-	12.4%	-6.7%
R&D expenses	(Billions of yen)	151.8	164.7	159.2	192.4	249.0	103.0	102.7	180.0
	YoY	11.7%	8.4%	-3.3%	20.8%	29.4%	-	-0.2%	6.1%
Overseas net sales	(Billions of yen)	525.5	552.5	579.7	622.7	824.4	405.0	479.1	700.0
	% of net sales	48.4%	49.0%	50.2%	51.1%	56.8%	55.3%	60.8%	58.3%

		As of Mar 31, 2010	As of Mar 31, 2011	As of Mar 31, 2012	As of Mar 31, 2013	As of Mar 31, 2014	As of Sep 30, 2013	As of Sep 30, 2014
Total assets	(Billions of yen)	1,458.4	1,589.7	1,666.8	1,779.2	2,028.4	1,862.0	2,094.2
Net assets	(Billions of yen)	948.5	1,163.3	1,222.8	1,325.1	1,510.8	1,409.6	1,596.0
Shareholders' equity ratio	(%)	64.2	72.4	72.5	73.7	73.2	74.4	74.8

\* 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 of 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	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Estimate	
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year	Change	FY2014 (Apr-Dec) Standardizing the Company's business year Forecast as of May 2014
Net sales	1,084.3	1,127.6	1,154.6	1,218.1	1,452.8	732.3	788.3	7.6%	1,200.0
Pharmaceutical business*	715.9	751.1	782.2	850.9	1035.1	501.6	561.4	11.9%	842.0
Nutraceutical business*	248.8	258.7	254.8	251.8	287.1	163.4	158.9	-2.8%	248.0
Consumer products business*	51.1	47.9	49.2	46.9	43.9	24.5	24.1	-1.3%	37.0
Other business*	105.1	106.9	108.6	111.7	130.3	66.5	67.3	1.3%	106.0
Eliminations/corporate	-36.6	-37.0	-40.3	-43.1	-43.7	-23.7	-23.5		-33.0

\*Intersegment sales are included.

(Billions of yen)

Operating income by business segment	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Estimate	
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year	Change	FY2014 (Apr-Dec) Standardizing the Company's business year Forecast as of May 2014
Operating income	98.5	126.3	148.7	169.7	198.7	113.2	136.7	20.7%	190.0
Pharmaceutical business	132.9	142.8	168.5	187.9	212.8	110.2	135.7	23.1%	
Nutraceutical business	2.3	18.4	22.1	21.4	25.4	22.2	16.8	-24.5%	
Consumer products business	-8.4	-2.2	-2.3	-2.4	-2.2	-1.1	-0.1		
Other business	4.4	4.4	1.9	3.9	7.2	4.3	4.3	0.7%	
Eliminations/corporate	-32.7	-37.1	-41.6	-41.0	-44.5	-22.5	-20.0		

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

(yen)

Exchange rate (Yen)	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Estimate	
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year	Change	FY2014 (Apr-Dec) Standardizing the Company's business year Forecast as of May 2014
US\$	92.10	87.79	79.79	79.80	97.72	98.85	103.00	4.2	100.00
Euro	132.00	116.27	111.12	102.55	129.77	129.98	138.90	8.9	140.00

ROE / EPS / Dividend	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Estimate	
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year	Change	FY2014 (Apr-Dec) Standardizing the Company's business year Forecast as of May 2014
ROE (Return on equity: %)	7.7	7.9	7.8	9.7	10.8	6.5	6.7	0.2	8.5
EPS (Earnings per share: yen)	143.5	164.5	165.2	221.9	278.1	162.7	183.7	21.0	240.0
Annual dividends per share (yen)	12.5	28.0	45.0	58.0	65.0	30.0	35.0	5.0	75.0
Payout ratio (%)	8.7%	17.3%	27.2%	26.1%	23.4%	18.4%	19.1%		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	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Estimate	
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year	Change	FY2014 (Apr-Dec) Standardizing the Company's business year Forecast as of May 2014
Net cash provided by operating activities	173.5	87.7	147.6	119.3	226.4	122.1	80.2	-41.9	
Net cash used in investing activities	-59.0	-131.5	-107.6	-91.2	-108.5	-4.6	2.1	6.7	
Net cash provided (used in) by financing activities	-28.1	113.6	-41.1	-71.9	-66.7	-51.6	-4.1	47.5	
Cash and cash equivalents at end of period	321.3	387.3	384.2	347.6	417.5	429.1	501.7	72.6	

## II. Consolidated Statements of Income

(Billions of yen)

	FY2009	%	FY2010	%	FY2011	%	FY2012	%	FY2013	%	FY2013 (Apr-Sep) Standardizing the Company's business year (continued)	%	FY2014 (Apr-Sep) Standardizing the Company's business year	%	Change	Estimate FY2014 (Apr-Dec) Standardizing the Company's business year Forecast as of May 2014
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%	732.3	100.0%	788.3	100.0%	7.6%	1,200.0
Cost of sales	356.6	32.9%	379.0	33.6%	389.3	33.7%	393.8	32.3%	441.6	30.4%	225.9	30.9%	221.4	28.1%	-2.0%	
Gross profit	727.7	67.1%	748.6	66.4%	765.3	66.3%	824.2	67.7%	1,011.1	69.6%	506.3	69.1%	566.9	71.9%	12.0%	
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%	393.2	53.7%	430.3	54.6%	9.4%	650.0
Promotion expenses	198.7		179.6		174.4		156.2		192.0		101.7		120.7			
Salaries and bonuses	77.9		80.3		81.3		85.4		107.1		48.5		52.1			
Reserve for bonuses	9.9		9.6		9.8		9.5		11.2		10.3		11.1			
Retirement benefit expenses	7.9		7.1		7.7		7.8		4.6		2.4		1.0			
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		1.8		2.4			
Research and development expenses	151.8	14.0%	164.7	14.6%	159.2	13.8%	192.4	15.8%	249.0	17.1%	103.0	14.1%	102.7	13.0%	-0.2%	180.0
Other	163.0		161.5		163.8		183.0		226.7		125.5		140.2			
Operating income	98.5	9.1%	126.3	11.2%	148.7	12.9%	169.7	13.9%	198.7	13.7%	113.2	15.5%	136.7	17.3%	20.7%	190.0
Non-operating income	14.9		10.8		8.6		16.6		18.8		12.2		12.9			
Interest income	1.4		1.3		1.6		1.4		1.3		0.6		0.7			
Dividend income	1.6		1.2		1.3		1.5		1.3		0.5		0.6			
Amortization of negative goodwill	2.5		2.5		2.5		2.5		2.6		1.4		1.2			
Equity in earnings of unconsolidated subsidiaries and affiliates	4.9		3.7		1.2		3.1		3.2		4.1		5.3			
Foreign exchange profit, net	-		-		-		6.2		7.9		4.7		3.8			
Revenues related to extension of co-promotion agreement	1.8		-		-		-		-		-		-			
Other	2.7		2.0		2.1		2.0		2.5		0.8		1.2			
Non-operating expenses	4.3		8.6		5.2		1.8		2.3		1.0		1.4			
Interest expenses	3.2		1.5		1.7		1.2		1.2		0.7		1.0			
Foreign exchange loss, net	0.6		5.7		2.7		-		-		-		-			
Other	0.5		1.4		0.7		0.6		1.1		0.3		0.4			
Ordinary income	109.1	10.1%	128.4	11.4%	152.1	13.2%	184.5	15.1%	215.2	14.8%	124.4	17.0%	148.1	18.8%	19.1%	195.0
Extraordinary income	0.4		5.9		1.2		0.3		2.0		1.3		0.3			
Gain on sales of fixed assets	-		0.2		0.2		0.1		0.5		0.3		0.1			
Gain on change in equity interest	-		5.6		0.3		-		-		-		0.1			
Gain on abolishment of retirement benefit plan	-		-		-		-		-		-		-			
Gain on disposal of recalled products	-		-		-		-		-		-		-			
Gain on sales of investment securities	-		-		-		-		0.3		-		-			
Gain on sales of subsidiaries stocks	-		-		-		-		0.3		-		-			
Subsidy	0.2		-		-		-		0.9		0.6		0.0			
Other	0.1		0.1		0.6		0.1		0.0		0.3		0.1			
Extraordinary loss	7.5		11.3		10.9		7.8		7.0		0.5		0.8			
Loss on retirement of fixed assets	1.1		0.9		0.6		0.7		0.9		0.3		0.2			
Impairment loss	2.4		2.8		2.7		2.6		3.4		0.1		0.0			
Loss on valuation of investment securities	1.6		1.9		3.7		4.4		0.2		0.0		-			
Extra retirement payments	-		-		-		-		1.9		-		0.6			
Loss on recall of merchandises	-		-		-		-		-		-		-			
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		0.1		0.1			
Income before income taxes and minority interests	101.9		123.0		142.4		176.9		210.2		125.1		147.5			
Income taxes-current	52.6		33.6		55.0		62.0		81.3		34.3		32.6			
Income taxes-deferred	Δ 19.2		5.4		Δ 5.4		Δ 8.2		Δ 23.6		1.2		14.6			
Total income taxes	33.5		39.0		49.6		53.8		57.7		35.5		47.2		32.8%	
Minority interests in net income	1.0		1.6		0.6		0.7		1.6		1.1		0.8			
Net income	67.4	6.2%	82.4	7.3%	92.2	8.0%	122.4	10.1%	151.0	10.4%	88.5	12.1%	99.5	12.6%	12.4%	130.0

\* 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. Sales of Major Products

(Billions of yen)

Product name	Company	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep) Standardizing the Company's business year <unaudited>	FY2014 (Apr-Sep) Standardizing the Company's business year	Change	Estimate FY2014 (Apr-Dec) Standardizing the Company's business year Forecast as of May 2014
Antipsychotic agent <i>ABILIFY</i>	Otsuka Pharmaceutical	374.5	392.6	411.6	438.5	575.7	285.7	325.7	14.0%	483.0
North America		305.6	308.3	316.1	336.1	455.5	231.1	263.9	14.2%	384.0
<US\$ million>		<3,303>	<3,512>	<3,960>	<4,208>	<4,659>	<2,336>	<2,561>	9.6%	<3,840>
Japan		18.8	23.0	24.8	28.6	34.4	15.6	14.3	-8.6%	29.0
Others		50.1	61.2	70.7	73.9	85.8	39.0	47.4	21.5%	70.0
Anti-platelet agent <i>Pletal/Pletal</i>	Otsuka Pharmaceutical	51.5	53.2	50.3	45.8	44.2	23.3	17.3	-25.5%	28.0
Japan		45.4	46.5	44.1	40.1	36.8	19.6	13.7	-29.9%	22.0
Others		6.1	6.7	6.2	5.7	7.4	3.7	3.6	-2.1%	6.0
Anti-gastritis and anti-gastric ulcer agent <i>Mucosta</i>	Otsuka Pharmaceutical	37.1	30.7	28.7	23.0	22.0	11.3	8.5	-25.2%	13.5
Japan		34.5	27.8	26.0	20.5	18.8	9.7	6.7	-31.2%	11.0
Others		2.6	2.9	2.7	2.5	3.1	1.6	1.8	12.6%	2.5
Anti-metabolite <i>TS-1</i>	Taiho Pharmaceutical	37.3	37.1	36.5	37.0	37.4	19.6	15.6	-20.2%	25.0
Anti-metabolite <i>UFT</i>	Taiho Pharmaceutical	18.3	15.7	12.9	11.2	9.5	5.0	4.2	-17.5%	6.0
Reduced folic acid formulation <i>Uzel</i>	Taiho Pharmaceutical	15.2	14.1	12.7	13.2	11.9	6.2	5.1	-18.0%	8.5
Urinary incontinence /frequency treatment <i>P4 (BUP-4)</i>	Taiho Pharmaceutical	7.6	7.0	6.3	5.6	4.7	2.5	1.8	-25.8%	3.5
Oral nutrient for liver failure <i>Aminoleban EN</i>	Otsuka Pharmaceutical	6.4	6.5	6.1	5.7	5.5	2.8	2.5	-10.5%	4.0
Bronchodilator <i>Mepit</i>	Otsuka Pharmaceutical	5.9	6.1	5.7	5.2	4.9	2.3	2.0	-12.3%	3.5
H <sub>2</sub> -receptor antagonist <i>Protecadin</i>	Taiho Pharmaceutical	5.1	5.8	6.3	5.9	5.0	2.6	1.9	-27.1%	3.5
5-HT <sub>3</sub> receptor antagonist <i>Aloxi</i>	Taiho Pharmaceutical		4.3	7.9	10.0	11.0	5.4	5.5	1.6%	9.0
Antineoplastic <i>Abraxane</i>	Taiho Pharmaceutical		1.1	3.2	3.7	8.8	3.9	5.2	33.2%	8.5
Antiepileptic <i>E Keppra</i>	Otsuka Pharmaceutical		0.8	4.8	10.5	15.8	7.0	7.9	13.2%	16.0
V <sub>2</sub> -vasopressin receptor antagonist <i>Samsca</i>	Otsuka Pharmaceutical	0.6	3.2	6.7	12.8	21.0	9.6	13.3	38.8%	21.0
Anticancer <i>SPRYCEL</i> (collaboration with BMS)	Otsuka Pharmaceutical	2.0	8.0	7.6	12.0	26.1	13.5	14.3	6.3%	20.0
Antibiotic <i>Zosyn/Tazocin</i> (bulk supply)	Taiho Pharmaceutical	11.2	11.2	10.7	12.4	14.5	5.6	7.6	35.2%	11.0
Diagnostics -total	Otsuka Pharmaceutical	8.2	6.6	7.9	8.8	12.6	4.2	4.1	-1.3%	8.0
Parenteral nutrition (clinical nutrition) -total		92.9	96.8	96.0	96.4	103.4	51.6	52.2	1.2%	83.0
Japan	Otsuka Pharmaceutical Factory	83.0	87.6	88.6	88.8	91.6	45.7	43.8	-4.3%	68.0
Others		9.9	9.2	7.4	7.6	11.8	5.8	8.4	44.0%	15.0
Pharmaceutical business -total (excluding exports)	Japan	312.4	319.9	326.5	351.8	372.9	180.9	172.8	-4.5%	282.0
Pharmaceutical business -total	Total	715.9	751.1	782.2	850.9	1,035.1	501.6	561.4	11.9%	842.0
Milestone and upfront revenue			7.3	14.9	41.5	22.0	6.4	13.6	111.4%	21.0

\* 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.



(10 thousand cases/ bottles)

Product name	Company	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep) Standardizing the Company's business year	FY2014 (Apr-Sep) Standardizing the Company's business year	Change
<b>Pocari Sweat</b> 1 case: 24 bottles, and other (10 thousand cases)	Otsuka Pharmaceutical								
Japan		2,624	3,234	2,912	2,709	2,860	2,017	1,601	-20.6%
Overseas		1,884	1,597	1,963	2,151	2,684	1,572	1,665	5.9%
<b>SOYJOY</b> 1 case: 48 bars (10 thousand cases)	Otsuka Pharmaceutical								
Japan		187	113	100	88	109	66	75	14.6%
Overseas		46	28	20	12	16	8	9	12.0%
<b>Oronamin C</b> 1 case: 50 bottles (10 thousand cases)	Otsuka Pharmaceutical	1,042	1,051	1,081	1,067	1,105	654	594	-9.2%
<b>Calorie Mate</b> 1 case: 4 bars×30, and other (10 thousand cases)	Otsuka Pharmaceutical	396	392	351	335	340	174	182	4.3%
<b>Tiovita Drink</b> 1 case: 50 bottles (10 thousand cases)	Taiho Pharmaceutical	428	484	532	489	402	229	205	-10.5%
<b>Solmack</b> (10 thousand of bottles)	Taiho Pharmaceutical	1,591	1,571	1,579	1,588	1,479	722	669	-7.4%

\* Overseas sales include sales of consolidated subsidiaries only.

## 【Consumer business】

(10 thousand cases)

Product name	Company	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep) Standardizing the Company's business year	FY2014 (Apr-Sep) Standardizing the Company's business year	Change
<b>Bottled Water</b> 1 case: 24 bottles (10 thousand cases)	Otsuka Foods	840	674	679	567	580	356	290	-18.7%
<b>NESCAFE</b> 1 case: 24 bottles (10 thousand cases)	Otsuka Foods	676	680	616	536	448	231	178	-22.9%
<b>Match</b> 1 case: 24 bottles (10 thousand cases)	Otsuka Foods	332	371	451	521	514	320	349	8.8%
<b>Other (tea drinks and other)</b> 1 case: 24 bottles (10 thousand cases)	Otsuka Foods	390	267	317	300	265	133	111	-16.7%

## 【Other business】

(Billions of yen)

Product name	Company	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep) Standardizing the Company's business year	FY2014 (Apr-Sep) Standardizing the Company's business year	Change
Functional chemicals	Otsuka Chemical	23.2	26.3	27.9	26.6	33.5	16.7	17.8	6.5%
Fine chemicals	Otsuka Chemical	13.7	12.4	9.3	10.2	10.1	4.9	4.5	-9.0%

## II -2. Segment Information

### Sales to Customers by Market

(Billions of yen)

Net sales by business segment	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Change
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year	
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>	<b>732.3</b>	<b>788.3</b>	<b>7.6%</b>
Pharmaceutical business	715.9	751.1	782.2	850.9	1,035.1	501.6	561.4	11.9%
Japan	312.4	319.9	326.5	351.8	372.9	180.9	172.8	-4.5%
North America	334.7	349.0	361.1	389.0	530.5	256.6	308.1	20.1%
Others	68.8	82.2	94.7	110.0	131.7	64.2	80.6	25.6%
Nutraceutical business	247.0	256.4	251.3	246.9	281.1	160.4	155.3	-3.2%
Japan	142.6	154.1	147.4	142.3	147.5	90.7	80.2	-11.6%
North America	47.1	46.8	45.8	49.8	59.8	29.4	30.1	2.3%
Others	57.3	55.6	58.1	54.8	73.9	40.3	45.1	11.9%
Consumer products business	50.1	47.1	48.0	45.2	43.8	24.4	24.0	-1.4%
Japan	44.1	40.9	42.0	39.2	36.6	20.3	19.7	-3.4%
North America	5.4	5.5	5.4	5.4	6.9	3.8	4.1	8.7%
Others	0.6	0.7	0.6	0.6	0.3	0.2	0.2	6.4%
Other business	71.3	72.9	73.1	75.0	92.8	45.8	47.5	3.6%
Japan	59.7	60.1	59.1	62.0	71.4	35.4	36.6	3.5%
North America	1.3	1.4	1.3	1.4	2.3	1.1	1.1	-1.6%
Others	10.4	11.4	12.7	11.6	19.0	9.3	9.8	4.6%
Japan -total	558.8	575.1	574.9	595.3	628.3	327.3	309.2	-5.5%
North America - total	388.4	402.7	413.5	445.7	599.6	290.9	343.4	18.0%
Others - total	137.1	149.8	166.2	177.1	224.9	114.1	135.7	19.0%
Overseas net sales	525.5	552.5	579.7	622.7	824.4	405.0	479.1	18.3%
Overseas net sales ratio	48.4%	49.0%	50.2%	51.1%	56.8%	55.3%	60.8%	

### Net Sales and Operating Income by Geographical Segment

(Billions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Change
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year	
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>732.3</b>	<b>788.3</b>	<b>7.6%</b>
Japan*	709.4	745.2	779.1	842.5	982.1	483.8	486.3	0.5%
North America*	406.2	426.0	437.5	474.1	652.1	332.0	375.2	13.0%
Others*	121.6	132.5	142.4	138.2	204.4	104.6	122.9	17.5%
Eliminations/corporate	-152.8	-176.2	-204.4	-236.7	-385.9	-188.1	-196.2	

\*Intersegment sales are included.

(Billions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Change
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year	
Operating income	<b>98.5</b>	<b>126.3</b>	<b>148.7</b>	<b>169.7</b>	<b>198.7</b>	<b>113.2</b>	<b>136.7</b>	<b>20.7%</b>
Japan	86.5	106.3	142.5	160.8	217.5	113.8	117.9	3.6%
North America	11.3	12.2	14.4	16.2	-5.0	-1.2	4.4	-
Others	8.4	6.8	3.7	6.4	1.9	2.8	8.6	204.6%
Eliminations/corporate	-7.7	1.0	-12.0	-13.8	-15.7	-2.2	5.8	

\* 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-3. Selling, General and Administrative Expenses

(Billions of yen)

Selling, general and administrative expenses	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Change	Estimate
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year		FY2014 (Apr-Dec)
									Standardizing the Company's business year Forecast as of May 2014
Net sales	1,084.3	1,127.6	1,154.6	1,218.1	1,452.8	732.3	788.3	7.6%	1,200.0
Selling, general and administrative expenses	629.2	622.3	616.6	654.6	812.4	393.2	430.3	9.4%	650.0
(% of net sales)	58.0%	55.2%	53.4%	53.7%	55.9%	53.7%	54.6%		54.2%
Promotion expenses	198.7	179.6	174.4	156.2	192.0	101.7	120.7	18.6%	168.2
Personnel expenses	96.7	97.9	99.8	103.7	124.0	61.3	64.2	4.8%	
Advertising expenses	33.2	28.9	25.1	29.5	34.2	19.6	17.2	-12.5%	
Research and development expenses	151.8	164.7	159.2	192.4	249.0	103.0	102.7	-0.2%	180.0
(% of net sales)	14.0%	14.6%	13.8%	15.8%	17.1%	14.1%	13.0%		15.0%
R&D expenses of pharmaceutical business	141.6	153.4	149.3	183.5	240.8	99.0	98.4	-0.6%	172.0

(Persons)

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

(Billions of yen)

Capital expenditures	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Change	Estimate
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year		FY2014 (Apr-Dec)
									Standardizing the Company's business year Forecast as of May 2014
Capital expenditures	62.5	44.8	43.3	63.3	179.0	29.1	30.6	1.5	58.0
Pharmaceutical business	21.1	24.5	20.8	38.0	154.5	19.4	10.6	-8.9	
Nutraceutical business	23.1	11.9	11.5	14.9	10.1	3.9	15.2	11.3	
Consumer products business	0.8	0.8	2.0	2.7	2.9	1.8	1.8	- 0.0	
Other business	7.7	2.9	4.6	4.0	4.4	1.6	2.1	0.5	
Corporate	9.7	4.7	4.5	3.7	7.1	2.3	0.9	-1.4	

(Billions of yen)

Depreciation	FY2009	FY2010	FY2011	FY2012	FY2013	FY2013 (Apr-Sep)	FY2014 (Apr-Sep)	Change	Estimate
						Standardizing the Company's business year <unaudited>	Standardizing the Company's business year		FY2014 (Apr-Dec)
									Standardizing the Company's business year Forecast as of May 2014
Depreciation	46.6	48.1	48.1	45.5	49.8	23.7	29.1	5.4	34.0
Pharmaceutical business	20.4	22.4	22.8	21.9	25.6	11.6	17.5	5.8	
Nutraceuticals business	15.1	14.8	13.1	12.1	13.3	6.6	6.3	-0.4	
Consumer products business	1.1	0.9	2.1	2.0	1.7	0.9	0.8	- 0.0	
Other business	5.3	5.2	5.1	4.6	4.5	2.2	2.3	0.1	
Eliminations/corporate	4.7	4.8	5.0	4.9	4.6	2.3	2.2	-0.1	

\* 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	As of Sep 30, 2014	Composition
<b>Current assets</b>	751.5	921.2	1,012.3	1,080.6	1,168.8	1,228.3	58.7%
Cash and deposits	300.7	387.5	411.6	414.4	455.3	458.9	
Notes and accounts receivable-trade	231.7	239.6	263.5	318.1	327.3	331.0	
Marketable securities	50.2	122.5	151.8	137.8	118.0	162.7	
Finished products and merchandise	64.2	62.3	60.8	71.2	83.8	88.5	
Work-in process	22.9	23.6	26.9	25.8	30.6	37.2	
Raw materials and supplies	28.3	28.9	31.7	35.3	37.4	32.8	
Deferred tax assets	28.3	24.6	34.3	40.8	54.5	44.9	
Other	25.6	32.4	32.2	37.8	62.5	73.6	
Allowance for doubtful receivables	-0.4	-0.4	-0.4	-0.5	-0.6	- 1.2	
<b>Fixed assets</b>	706.8	668.4	654.4	698.5	859.5	865.8	41.3%
Property, plant and equipment	260.9	256.8	255.5	276.0	315.2	322.8	
Intangible fixed assets	88.4	77.1	67.1	73.9	192.3	191.1	
Goodwill	44.8	41.4	36.8	37.8	70.6	76.3	
Other intangible fixed assets	43.6	35.6	30.3	36.1	121.7	114.8	
Investments and other assets	357.5	334.5	331.8	348.7	352.0	351.9	
Investment securities	278.5	261.2	267.0	276.3	268.5	269.6	
Investments in capital	24.3	22.0	23.3	31.6	36.0	39.6	
Long-term loans receivable	3.3	0.6	1.3	0.9	5.3	5.2	
Net defined benefit asset	-	-	-	-	11.1	7.5	
Deferred tax assets	34.0	32.2	25.3	26.5	16.9	15.9	
Other assets	20.0	21.3	16.3	15.8	15.0	15.0	
Allowance for investment loss	-2.4	-2.8	-1.0	-1.6	-0.1	- 0.1	
Allowance for doubtful receivables	-0.3	-0.1	-0.5	-0.8	-0.7	- 0.7	
<b>Deferred assets</b>	0.1	0.1	0.1	0.1	0.1	0.1	0.0%
<b>Total assets</b>	1,458.4	1,589.7	1,666.8	1,779.2	2,028.4	2,094.2	100%

\* 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	As of Sep 30, 2014	Composition
<b>Total liabilities</b>	509.9	426.4	444.0	454.1	517.6	498.2	23.8%
Current liabilities	311.8	275.6	311.4	346.5	437.4	419.2	20.0%
Notes and accounts payable-trade	94.0	88.1	94.8	97.5	132.9	123.8	
Short-term borrowings	62.7	53.2	39.7	51.8	53.4	78.3	
Lease obligations	3.6	3.4	3.0	2.6	2.2	2.1	
Income taxes payable	35.3	13.3	33.8	33.5	51.1	26.0	
Reserve for bonuses	16.2	15.9	16.1	15.9	18.7	18.1	
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	0.0	
Other current liabilities	99.6	101.2	123.4	144.7	178.5	170.6	
Long-term liabilities	198.1	150.8	132.6	107.7	80.2	79.0	3.8%
Long-term debt	62.4	28.8	25.9	6.3	14.3	19.9	
Lease obligations	7.6	7.1	5.8	5.9	5.7	5.7	
Deferred tax liabilities	13.2	10.8	8.0	11.3	16.7	14.7	
Net defined benefit liability	-	-	-	-	8.1	7.3	
Liability for employees' retirement benefits	45.1	44.3	44.7	40.6	-	-	
Provision for directors' retirement benefits	3.3	3.4	3.1	3.1	2.6	2.6	
Negative goodwill	31.4	28.9	26.5	24.0	21.5	20.3	
Other long-term liabilities	35.1	27.5	18.7	16.6	11.3	8.5	
<Net assets>							
<b>Total net assets</b>	948.5	1,163.3	1,222.8	1,325.1	1,510.8	1,596.0	76.2%
Shareholders' equity	962.1	1,202.3	1,267.7	1,342.0	1,438.3	1,513.0	72.2%
Common stock	42.9	81.7	81.7	81.7	81.7	81.7	
Capital surplus	432.5	510.6	510.6	510.4	512.9	512.9	
Retained earnings	532.0	610.0	675.4	768.3	891.6	966.2	
Treasury stock	- 45.4	- 0.0	- 0.0	- 18.4	- 47.9	- 47.8	
Valuation and translation adjustments	- 25.8	- 52.1	- 59.1	- 31.5	46.3	54.2	2.6%
Unrealized gain/loss on available-for-sale securities	4.3	0.4	0.8	8.3	13.8	13.3	
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	23.1	
Remeasurements of defined benefit plans	-	-	-	-	20.3	17.9	
Stock acquisition rights	-	0.5	1.1	0.1	0.1	0.1	0.0%
Minority interests	12.2	12.7	13.0	14.5	26.1	28.7	1.4%
<b>Total liabilities and net assets</b>	1,458.4	1,589.7	1,666.8	1,779.2	2,028.4	2,094.2	100.0%

#### IV. Consolidated Statements of Cash Flows

						(Billions of yen)
	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014 (Apr-Sep) Standardizing the Company's business year
<b>Operating activities:</b>						
Income before income taxes and minority interests	101.9	123.0	142.4	176.9	210.2	147.5
Depreciation and amortization	42.8	43.5	43.4	40.6	46.0	26.7
Impairment loss	2.4	2.8	2.7	2.6	3.4	0.0
Amortization of goodwill	1.8	2.1	2.2	2.4	1.1	1.2
Decrease/ increase in net defined benefit asset/ liability	-	-	-	-	-13.8	- 6.0
Increase in liability for employees' retirement benefits	4.2	0.3	0.5	-4.7	-	-
Increase (decrease) in allowance for doubtful receivables	-0.0	-0.1	0.4	0.2	-0.2	0.6
Increase in provision for loss on business liquidation	-	-	2.2	-0.3	-1.9	-
Interest and dividend income	-2.9	-2.5	-2.8	-2.9	-2.5	- 1.3
Interest expense	3.2	1.5	1.7	1.2	1.2	1.0
Equity in earnings of unconsolidated subsidiaries and affiliated companies (gain)	-4.9	-3.7	-1.2	-3.1	-3.2	- 5.3
Gain on sales of subsidiaries' stocks (gain)	-	-	-	-	- 0.3	-
Gain on change in equity interest	-	-5.6	-0.3	-	-	-
Loss on transfer of business	-	1.9	0.7	-	-	-
(Increase) decrease in trade receivables	0.2	-17.0	-25.7	-47.2	12.4	0.0
(Increase) decrease in inventories	-7.4	-7.4	-7.4	-5.5	-1.8	3.3
Increase (decrease) in trade payables	5.3	2.1	8.5	-3.9	19.6	1.1
Increase (decrease) in long-term unearned revenue	29.9	-7.3	-7.3	-1.9	-7.7	- 5.6
Other, net	19.1	8.1	17.3	25.7	23.3	- 24.6
<b>Subtotal</b>	<b>195.5</b>	<b>141.7</b>	<b>177.2</b>	<b>180.1</b>	<b>285.7</b>	<b>138.6</b>
Interest and dividends received	8.9	7.9	6.9	7.2	8.0	4.9
Interest paid	-3.2	-1.8	-2.0	-1.2	-1.2	- 1.0
Income taxes paid	-27.7	-59.9	-34.4	-66.8	-66.1	- 62.3
<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>80.2</b>
<b>Investing activities:</b>						
(Increase) decrease in short-term investment securities	-	-	-7.0	-20.0	12.7	4.2
Purchases of property, plant and equipment	-39.7	-35.4	-36.0	-50.5	-48.9	- 19.7
Purchases of intangible assets	-	-	-	-	-21.2	- 4.3
Proceeds from sales of property, plant and equipment	0.2	0.5	0.7	0.3	1.2	0.1
Purchases of investment securities	-28.8	-33.2	-31.4	-16.7	-5.3	- 4.4
Proceeds from sales and redemption of investment securities	15.7	27.7	17.4	16.2	12.4	1.0
Payments for investments in capital	-	-1.8	-0.3	-3.3	- 1.1	- 0.1
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	- 6.1
Payments of loans receivables	-1.4	-0.3	-2.3	-0.7	-22.3	- 1.5
Proceeds from collection of loans receivables	0.1	0.4	0.6	1.4	0.6	0.2
(Increase) decrease in time deposits-net	-0.3	-85.8	-47.5	-9.1	59.1	33.1
Other, net	-4.9	-5.8	-1.9	-7.3	-0.3	- 0.3
<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>2.1</b>
<b>Financing activities:</b>						
Increase (decrease) in short-term debt-net	13.5	-6.7	3.2	1.1	5.0	8.2
Proceeds from long-term debt	3.5	2.6	2.3	3.4	7.9	8.1
Repayments of long-term debt	-27.6	-33.8	-23.8	-16.1	-13.0	- 0.9
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	- 0.0
Dividends paid	-5.9	-6.0	-26.8	-29.3	-32.8	- 19.0
Dividends paid to minority interest in consolidated subsidiaries	-0.9	-0.4	-0.4	-0.5	-0.4	- 0.3
Proceeds from share issuance to minority shareholders	-	-	-	-	-	0.8
Other, net	-3.1	-4.9	4.5	-10.7	-3.8	- 1.2
<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>- 4.1</b>
Foreign currency translation adjustment on cash and cash equivalents	1.0	-5.3	-1.4	6.2	9.5	5.1
<b>Net increase (decrease) 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>83.4</b>
Cash and cash equivalents at beginning of period	230.1	321.3	387.3	384.2	347.6	417.5
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	3.9	1.5	-0.7	0.9	9.2	1.0
Decrease in cash and cash equivalents due to change of fiscal year end	-	-	-	-	-	- 0.1
<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>501.7</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 Sep 30, 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	-	114	30	422	607	17	44,353	45,543	-
Number of shares held (shares)	-	1,575,322	37,733	1,022,305	1,578,523	101	1,363,022	5,577,006	135,017
% of outstanding shares	-	28.25%	0.68%	18.33%	28.30%	0.00%	24.44%	100.00%	-

\*Out of 16,323,351 shares of treasury stock, 163,233 share units are included in "Private investors and others", and 51 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 Sep 30, 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	62,686	11.24
Japan Trustee Services Bank, Ltd. (Trust Account)	1-8-11, Harumi, Chuo-ku, Tokyo	44,953	8.06
Otsuka Estate Limited	3-3-3 Ote-Dori, Chuo-ku, Osaka	22,871	4.10
Otsuka Group Employee Shareholding Fund	2-16-4 Konan, Minato-ku, Tokyo	17,830	3.20
The Master Trust Bank of Japan, Co., Ltd. (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	15,969	2.86
The Awa Bank, Limited	2-24-1 Nishisemba-cho, Tokushima	10,970	1.96
Otsuka Asset Co., Ltd.	17-4, Aza-Fukuike, Tosadomariura, Naruto-cho, Naruto City, Tokushima	7,380	1.32
TOHO HOLDINGS CO., LTD.	5-2-1, Daizawa, Setagaya Ward, Tokyo	7,270	1.30
Goldman, Sachs & Co. Regular Account (standing proxy: Goldman Sachs)	200 WEST STREET NEW YORK, NY, USA (6-10-1, Roppongi, Minato-ku, Tokyo)	7,048	1.26
MEDIPAL HOLDINGS CORPORATION	2-7-15, Yaesu, Chuo-ku, Tokyo	6,148	1.10
ALL	-	203,125	36.4

\*Shares of Japan Trustee Services Bank, Ltd. and The Master Trust Bank of Japan, Co., Ltd. are the sum of plural Trust Account.

\*\*16,323,351 shares of treasury stock are excluded from principal shareholders, but included in calculating percentage of outstanding shares.

VI. Pipeline Information



Otsuka Group - Pipeline Information

(as of Sep 30, 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
				Bipolar I / Depot injection	JP, US, EU	Phase III
				Agitation associated with dementia of the Alzheimer's type / Oral	JP	Phase III
L059 <E Kepra>	levetiracetam	UCB	Anti-epileptic drug	Epilepsy (generalized onset seizures) / Oral	JP	Phase III
				Epilepsy (partial onset seizures) / injection	JP	Approved
				Epilepsy (partial onset seizures / mono therapy) / Oral, injection	JP	Filed
OPC-34712	brexpiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Adjunctive therapy for major depressive disorder / Oral	US EU	Filed Phase III
				Schizophrenia / Oral	US JP, EU	Filed 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	idalopirdine	Lundbeck	selective serotonin 5-HT <sub>6</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: 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.

\*: Product names used outside Japan.

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	Filed
S-1 <TS-1> Japan <TEYSUNO* > EU	tegafur, gimeracil, oteracil	Taiho Pharmaceutical	Anti-cancer (Anti-metabolite)	Uterocervical cancer / Oral	JP, Asia	Phase III
TAS-102 <Lonsurf>	trifluridine, tipiracil	Taiho Pharmaceutical	Anti-cancer	Colorectal cancer / Oral	JP, US, EU, Asia	Phase III
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 (Molecular-targeted drug)	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 (Molecular-targeted drug)	Prostate cancer / Injection	US, EU	Phase II
				NSCLC / Injection	US, EU	Phase II
AT7519		Astex	Anti-cancer (Molecular-targeted drug)	Multiple myeloma / Injection	US	Phase II
ASTX727		Astex	Anti-cancer	Myelodysplastic syndrome / Oral	US	Phase I
ET-743	trabectedin	PharmaMar	Anti-cancer	Malignant soft tissue sarcoma / Injection	JP	Phase II
OPB-31121		Otsuka Pharmaceutical	Anti-cancer (Molecular-targeted drug)	Anti-cancer / Oral	JP, Asia	Phase I
OPB-51602		Otsuka Pharmaceutical	Anti-cancer (Molecular-targeted drug)	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
TAS-116		Taiho Pharmaceutical	Anti-cancer (Molecular-targeted drug)	Solid tumors / Oral	JP	Phase I
TAS-119		Taiho Pharmaceutical	Anti-cancer (Molecular-targeted drug)	Solid tumors / Oral	US, EU	Phase I
TAS-120		Taiho Pharmaceutical	Anti-cancer (Molecular-targeted drug)	Solid tumors / Oral	JP, US, EU	Phase I
TAS-121		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
OPC-12759	rebamipide	Otsuka Pharmaceutical	Oral mucosal protectant / mucosal healing agent	Stomatitis associated with cancer chemoradiotherapy / Solution	JP	Phase II

Note: 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.

\*: Product names used outside Japan.

## Otsuka Group - Pipeline Information

(as of Sep 30, 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	EU US	Filed Phase III
				Cardiac edema / Oral	Asia	Filed
				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*>	tazobactam, piperacillin	Taiho Pharmaceutical	Antibiotic agent	Febrile neutropenia / Injection	JP	Filed
TAC-202	bilastine	Faes Farma	Histamine H <sub>1</sub> antagonist	Allergic rhinitis / Oral	JP	Phase III
				Chronic urticaria, Pruritus associated with skin disease/ Oral	JP	Phase II / III
OPC-67683 <Dellyba*>	delamanid	Otsuka Pharmaceutical	Anti-tuberculosis agent	Multidrug-resistant tuberculosis / Oral	JP US	Approved 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	Filed
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
OPF-108	Amino Acid and Carbohydrate, and with Electrolytes and Vitamins	Otsuka Pharmaceutical Factory	Protein and amino acid preparation	Total parenteral nutrition / Injection	JP	Phase III
OPC-6535	tetomilast	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
OPC-1085EL	carteolol, latanoprost	Otsuka Pharmaceutical	$\beta$ -adrenergic receptor blocker/ prostaglandine F <sub>2</sub> $\alpha$ analogue	Glaucoma / Eye Drops	JP	Phase III
OPA-15406		Otsuka Pharmaceutical	PDE4 inhibitor	Atopic Dermatitis / Ointment	US	Phase II
<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	Approved Phase III
C13-CAC	Calcium (13C)	Otsuka Pharmaceutical	13C-Calcium Carbonate breath test	For measurement of gastric acidity / In-vivo diagnostic agent	JP	Phase II

Note: 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.

\*: Product names used outside Japan.

## Changes in Pipeline information Since June 2014

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status	Change from 2014 1Q
<b>Central nervous system</b>							
OPC-34712	brexpiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Adjunctive therapy for major depressive disorder / Oral	US	Filed	Phase III → Filed
OPC-34712	brexpiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Schizophrenia / Oral	US	Filed	Phase III → Filed
L059 <E Keppra>	levetiracetam	UCB	Anti-epileptic drug	Epilepsy (partial onset seizures) / injection	JP	Approved	Filed → Approved
L059 <E Keppra>	levetiracetam	UCB	Anti-epileptic drug	Epilepsy (partial onset seizures / mono therapy) / injection	JP	Filed	Newly added

<b>Oncology</b>							
ASTX727		Astex	Anti-cancer	Myelodysplastic syndrome / Oral	US	Phase I / II	Newly added
TAS-119		Taiho Pharmaceutical	Anti-cancer (Molecular-targeted drug)	Solid tumors / Oral	US, EU	Phase I	Newly added
TAS-120		Taiho Pharmaceutical	Anti-cancer (Molecular-targeted drug)	Solid tumors / Oral	JP, US, EU	Phase I	Newly added
TAS-121		Taiho Pharmaceutical	Anti-cancer (Molecular-targeted drug)	Solid tumors / Oral	JP	Phase I	Newly added

<b>Other areas</b>							
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	Approved	Filed → Approved
C13-CAC	Calcium (13C)	Otsuka Pharmaceutical	13C-Calcium Carbonate breath test	For measurement of gastric acidity / In-vivo diagnostic agent	JP	Phase II	Newly added
OPC-67683 <Delyba>	delamanid	Otsuka Pharmaceutical	Anti-tuberculosis agent	Multidrug-resistant tuberculosis / Oral	JP	Approved	Filed → Approved
OPF-108	Amino Acid and Carbohydrate, and with Electrolytes and Vitamins	Otsuka Pharmaceutical Factory	Protein and amino acid preparation	Total parenteral nutrition / Injection	JP	Phase III	Newly added
YP-18 <ZOSYN>	tazobactam, piperacillin	Taiho Pharmaceutical	Antibiotic agent	Febrile neutropenia / Injection	JP	Filed	Phase III → Filed
TAC-202	bilastine	Faes Farma	Histamine H <sub>1</sub> antagonist	Allergic rhinitis / Oral	JP	Phase III	Phase II → Phase II

## Discontinuation of project development

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status	
S-1 <TS-1> Japan <TEYSUNO> EU	tegafur, gimeracil, oteracil	Taiho Pharmaceutical	Anti-cancer (Anti-metabolite)	Gastric cancer / Oral	US	Phase III	
Reason for discontinuation of project development :		Due to the significant delay in enrollment of patients resulting from changes in the investigational and clinical practice landscape of a sub-type of gastric cancer that the study focused on					
S-1 <TS-1> Japan <TEYSUNO> EU	tegafur, gimeracil, oteracil	Taiho Pharmaceutical	Anti-cancer (Anti-metabolite)	Hepatocellular carcinoma / Oral	JP	Phase III	
Reason for discontinuation of project development :		Phase III clinical study did not meet its primary end-point of demonstrating a statistically significant improvement in overall survival					
S-1 <TS-1> Japan <TEYSUNO> EU	tegafur, gimeracil, oteracil	Taiho Pharmaceutical	Anti-cancer (Anti-metabolite)	Renal cell carcinoma / Oral	JP	Phase II	
Reason for discontinuation of project development :		The decision to discontinue development was made as a result of strategic reallocation of our R&D resources					
TSU-68	orantinib	(Sugen)	Anti-cancer (Molecular-targeted drug)	Hepatocellular carcinoma / Oral	JP, Asia	Phase III	
Reason for discontinuation of project development :		Based on the interim analysis conducted by the independent data monitoring committee, the study did not meet its pre-determined standard related to the primary end-point of overall survival					
TAS-102 <Lonsurf>	trifluridine, tipiracil	Taiho Pharmaceutical	Anti-cancer	SCLC / Oral	JP, EU	Phase II	
Reason for discontinuation of project development :		Based on the early analysis of the efficacy data, it was unlikely that the study would support the pre-specified superiority hypothesis for the primary end-point					