



— FACT BOOK —

Supplementary Materials
Financial Results <2Q FY2016>

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	http://www.otsuka.com/en/

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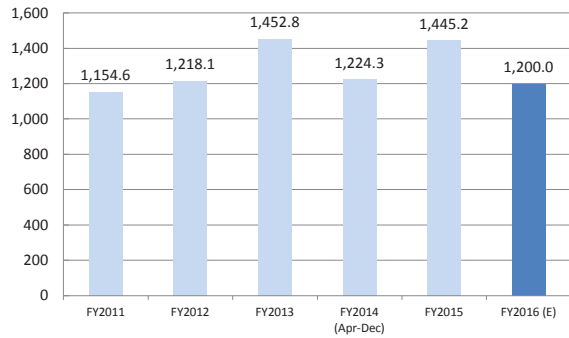
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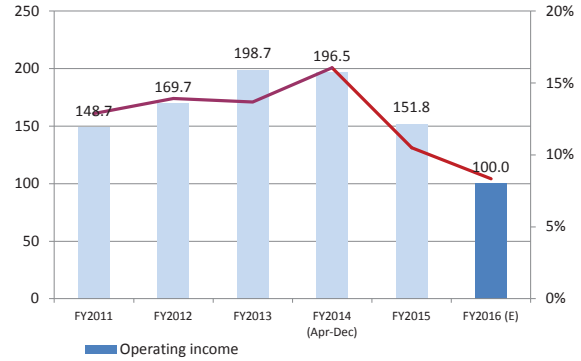
- From FY2014, domestic subsidiaries changed their fiscal year end from March 31 to December 31 in order to standardize its global activities.
- To provide a comparison with last year's results of FY2015, we have calculated pro-forma consolidated results for the period from January 1 to December 31, 2014 for all consolidated companies, which are shown for reference purposes below.

I. Financial Highlights

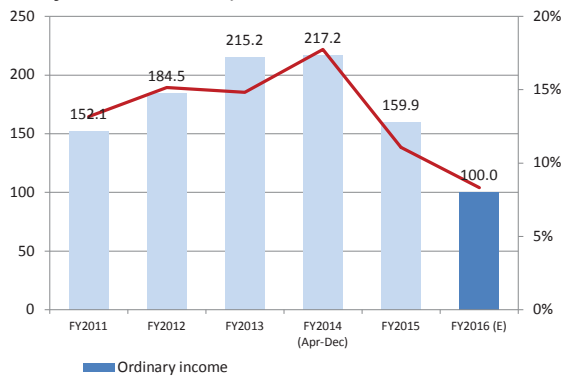
Net Sales (Billions of yen)



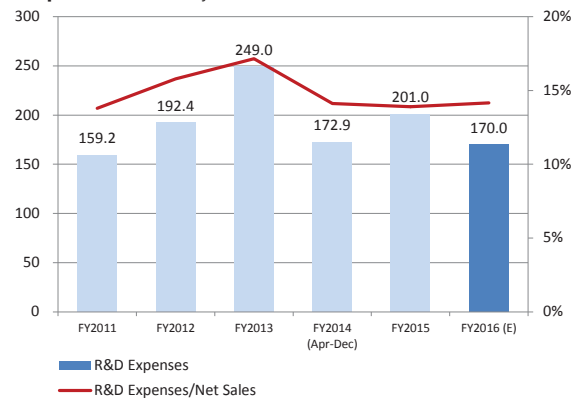
Operating Income (Billions of yen)



Ordinary Income (Billions of yen)



R&D expenses (Billions of yen)



Financial Highlights

		FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Estimate FY2016 (Jan-Dec) Forecast as of Aug 2016
Net sales	(Billions of yen)	1,154.6	1,218.1	1,452.8	1,224.3	1,445.2	745.8	594.8	1,200.0
	YoY	2.4%	5.5%	19.3%	7.9%	-8.1%		-20.3%	
Operating income	(Billions of yen)	148.7	169.7	198.7	196.5	151.8	103.2	66.2	100.0
	YoY	17.7%	14.1%	17.1%	7.4%	-29.0%		-35.9%	
Ordinary income	(Billions of yen)	152.1	184.5	215.2	217.2	159.9	109.4	65.4	100.0
	YoY	18.5%	21.3%	16.7%	8.9%	-32.2%		-40.2%	
Net income	(Billions of yen)	92.2	122.4	151.0	143.1	84.1	69.5	46.7	75.0
	YoY	11.9%	32.8%	23.3%	2.7%	-45.8%		-32.7%	
R&D expenses	(Billions of yen)	159.2	192.4	249.0	172.9	201.0	95.1	71.8	170.0
	YoY	-3.3%	20.8%	29.4%	4.6%	-19.5%		-24.5%	
Overseas net sales	(Billions of yen)	579.7	622.7	824.4	757.0	805.8	444.4	289.8	553.0
	% of net sales	50.2%	51.1%	56.8%	61.8%	55.8%		48.7%	46.1%

* Relative change YoY in FY2014: FY2014 (Apr-Dec) is compared to PY2013 (Apr-Dec: unaudited).

		FY2011	FY2012	FY2013	FY2014	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)
Total assets	(Billions of yen)	1,666.8	1,779.2	2,028.4	2,178.2	2,528.5	2,493.4	2,318.6
Net assets	(Billions of yen)	1,222.8	1,325.1	1,510.8	1,658.6	1,683.4	1,726.0	1,591.4
Shareholders' equity ratio	(%)	72.5	73.7	73.2	74.7	65.4	67.9	67.5

(Billions of yen)

Net sales by business segment	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change	Estimate FY2016 (Jan-Dec) Forecast as of Aug 2016
Net sales	1,154.6	1,218.1	1,452.8	1,224.3	1,445.2	745.8	594.8	-20.3%	1,200
Pharmaceutical business*	782.2	850.9	1,035.1	883.5	971.8	520.9	369.8	-29.0%	732
Nutraceutical business*	254.8	251.8	287.1	238.2	330.2	154.4	157.8	2.2%	330
Consumer products business*	49.2	46.9	43.9	34.5	43.2	20.9	19.4	-7.4%	40
Other business*	108.6	111.7	130.3	102.2	145.2	71.8	70.1	-2.4%	143
Eliminations/corporate	-40.3	-43.1	-43.7	-34.2	-45.2	-22.2	-22.3		-45

*Intersegment sales are included.

(Billions of yen)

Operating income by business segment	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change	Estimate FY2016 (Jan-Dec) Forecast as of Aug 2016
Operating income	148.7	169.7	198.7	196.5	151.8	103.2	66.2	-35.9%	100
Pharmaceutical business	168.5	187.9	212.8	204.8	156.8	108.5	62.7	-42.2%	
Nutraceutical business	22.1	21.4	25.4	21.9	31.3	11.9	17.4	46.0%	
Consumer products business	-2.3	-2.4	-2.2	-1.4	-3.3	-1.7	-0.8	-	
Other business	1.9	3.9	7.2	5.5	5.9	3.6	4.1	14.8%	
Eliminations/corporate	-41.6	-41.0	-44.5	-34.3	-38.8	-19.2	-17.3		

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

(yen)

Exchange rate (Yen)	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change	Estimate FY2016 (Jan-Dec) Forecast as of Aug 2016
US\$	79.79	79.80	97.72	106.72	121.10	120.30	111.69	-8.61	108.00
Euro	111.12	102.55	129.77	140.20	140.34	134.10	124.51	-9.59	120.00

ROE / EPS / Dividend	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change	Estimate FY2016 (Jan-Dec) Forecast as of Aug 2016
ROE (Return on equity)	7.8%	9.7%	10.8%	9.2%	5.1%	4.2%	2.9%		4.7%
EPS (Earnings per share: yen)	165.2	221.9	278.1	264.2	155.1	128.2	86.2	-42.0	138.4
Annual dividends per share (yen)	45.0	58.0	65.0	75.0	100.0	50.0	50.0	-	100.0
Payout ratio	27.2%	26.1%	23.4%	28.4%	64.5%	39.0%	58.0%		72.2%

(Billions of yen)

Cash flow information	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change
Net cash provided by operating activities	147.6	119.3	226.4	88.5	253.9	227.5	93.5	-134.1
Net cash used in investing activities	-107.6	-91.2	-108.5	-28.7	-420.1	-422.2	-69.3	-
Net cash provided (used in) by financing activities	-41.1	-71.9	-66.7	-36.0	176.5	213.7	-43.4	-257.1
Cash and cash equivalents at end of period	384.2	347.6	417.5	456.5	460.6	463.5	415.6	-47.9

II. Consolidated Statements of Income

(Billions of yen)															
	FY2011	%	FY2012	%	FY2013	%	FY2014 (Apr-Dec)	%	FY2015	%	2Q FY2015 (Jan-Jun)	%	2Q FY2016 (Jan-Jun)	%	Change
Net sales	1,154.6	100.0%	1,218.1	100.0%	1,452.8	100.0%	1,224.3	100.0%	1,445.2	100.0%	745.8	100.0%	594.8	100.0%	-20.3%
Cost of sales	389.3	33.7%	393.8	32.3%	441.6	30.4%	346.3	28.3%	449.3	31.1%	215.1	28.8%	196.1	33.0%	-8.8%
Gross profit	765.3	66.3%	824.2	67.7%	1,011.1	69.6%	878.0	71.7%	996.0	68.9%	530.7	71.2%	398.6	67.0%	-24.9%
Selling, general and administrative expenses	616.6	53.4%	654.6	53.7%	812.4	55.9%	681.5	55.7%	844.1	58.4%	427.5	57.3%	332.5	55.9%	-22.2%
Promotion expenses	174.4		156.2		192.0		188.0		195.6		115.4		52.7		
Salaries and bonuses	81.3		85.4		107.1		89.9		138.2		66.4		64.5		
Reserve for bonuses	9.8		9.5		11.2		5.3		10.2		6.5		7.3		
Retirement benefit expenses	7.7		7.8		4.6		1.7		3.5		1.6		2.4		
Provision for directors' and audit & supervisory board members' retirement benefits	0.7		0.6		0.5		0.3		0.4		-		-		
Provision for directors' bonuses	0.4		0.3		0.6		0.6		0.3		-		-		
Depreciation	14.7		14.5		16.9		22.9		31.8		-		-		
Amortization of goodwill	4.7		4.8		3.7		3.8		14.0		12.8		6.2		
Research and development expenses	159.2	13.8%	192.4	15.8%	249.0	17.1%	172.9	14.1%	201.0	13.9%	95.1	12.7%	71.8	12.1%	-24.5%
Other	163.8		183.0		226.7		196.0		249.3		129.7		127.6		
Operating income	148.7	12.9%	169.7	13.9%	198.7	13.7%	196.5	16.1%	151.8	10.5%	103.2	13.8%	66.2	11.1%	-35.9%
Non-operating income	8.6		16.6		18.8		23.1		16.4		9.7		12.5		
Interest income	1.6		1.4		1.3		1.3		1.7		0.8		1.0		
Dividend income	1.3		1.5		1.3		1.0		1.6		1.0		1.1		
Amortization of negative goodwill	2.5		2.5		2.6		1.8		2.7		1.5		1.2		
Equity in earnings of unconsolidated subsidiaries and affiliates	1.2		3.1		3.2		3.9		8.0		5.1		6.8		
Foreign exchange gain, net	-		6.2		7.9		12.9		-		-		-		
Other	2.1		2.0		2.5		2.3		2.4		1.3		2.5		
Non-operating expenses	5.2		1.8		2.3		2.4		8.3		3.5		13.3		
Interest expenses	1.7		1.2		1.2		1.7		4.1		2.0		1.8		
Foreign exchange loss, net	2.7		-		-		-		3.0		0.8		10.9		
Other	0.7		0.6		1.1		0.8		1.2		0.7		0.6		
Ordinary income	152.1	13.2%	184.5	15.1%	215.2	14.8%	217.2	17.7%	159.9	11.1%	109.4	14.7%	65.4	11.0%	-40.2%
Extraordinary income	1.2		0.3		2.0		1.4		5.0		1.2		0.6		
Gain on sales of fixed assets	0.2		0.1		0.5		0.1		0.9		0.6		0.2		
Gain on change in equity interest	0.3		-		-		-		0.5		-		-		
Gain on sales of investment securities	-		-		0.3		0.0		2.8		-		0.3		
Gain on sales of shares of subsidiaries	-		-		0.3		-		-		-		-		
Subsidy income	-		-		0.9		0.9		0.4		0.3		0.1		
Gain on insurance adjustment	-		-		-		-		-		0.3		-		
Other	0.6		0.1		0.0		0.4		0.3		0.0		0.1		
Extraordinary loss	10.9		7.8		7.0		8.4		26.7		1.1		1.4		
Loss on retirement of fixed assets	0.6		0.7		0.9		0.6		1.2		0.2		-		
Impairment loss	2.7		2.6		3.4		5.4		18.8		0.1		-		
Loss on valuation of investment securities	3.7		4.4		0.2		1.5		0.9		-		0.9		
Loss on valuation of investments in capital	-		-		-		-		2.5		-		-		
Extra retirement payments	-		-		1.9		0.6		-		-		-		
Loss on transfer of business	0.7		-		-		-		-		-		-		
Provision for loss on business liquidation disaster related loss	2.2		-		-		-		-		-		-		
Loss on sales of subsidiaries' stocks	0.3		-		-		-		-		-		-		
Other	0.8		0.1		0.6		0.4		3.3		0.3		0.5		
Income before income taxes and minority interests	142.4		176.9		210.2		210.3		138.2		109.5		64.6		
Income taxes-current	55.0		62.0		81.3		46.2		37.8		13.6		16.1		
Income taxes-deferred	-5.4		-8.2		-23.6		19.8		18.7		26.0		1.0		
Total income taxes	49.6		53.8		57.7		66.1		56.4		39.7		17.1		-56.8%
Minority interests in net income	0.6		0.7		1.6		1.1		-2.4		0.3		0.8		
Net income	92.2	8.0%	122.4	10.1%	151.0	10.4%	143.1	11.7%	84.1	5.8%	69.5	9.3%	46.7	7.9%	-32.7%

II-1. Sales of Major Products

[Pharmaceutical business]

(Billions of yen)

Product name	Company	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change	Estimate FY2016 (Jan-Dec) Forecast as of Aug 2016
Antipsychotic agent ABILIFY	Otsuka Pharmaceutical	411.6	438.5	575.7	507.4	347.5	231.0	57.4	-75.2%	98.0
North America		316.1	336.1	455.5	416.5	242.1	175.6	19.2	-89.0%	27.0
<US\$ million>		<3,960>	<4,208>	<4,659>	<3,900>	<1,999>	<1,460>	<172>	-88.2%	<250>
Japan		24.8	28.6	34.4	23.7	35.6	16.9	15.7	-7.4%	35.5
Others		70.7	73.9	85.8	67.2	69.7	38.4	22.4	-41.6%	35.5
Antipsychotic agent/ Depot injection Abilify Maintena	Otsuka Pharmaceutical	-	-	4.3	14.4	40.4	17.2	27.7	60.8%	60.0
US		-	-	4.3	13.0	29.9	13.5	18.4	36.1%	38.5
Japan		-	-	-	-	1.3	0.2	1.8	646.6%	5.5
Others		-	-	-	1.4	9.2	3.5	7.6	116.6%	16.0
Antipsychotic agent REXULTI	Otsuka Pharmaceutical	-	-	-	-	4.6	-	11.6	-	29.0
Agent for pseudobablar affect (PBA) NUDEXTA	Otsuka Pharmaceutical	-	-	-	-	19.2	8.4	11.1	32.3%	23.0
Anti-platelet agent Pietaal/Pietal	Otsuka Pharmaceutical	50.3	45.8	44.2	26.2	31.4	15.7	12.2	-22.3%	24.5
Japan		44.1	40.1	36.8	20.7	23.3	11.7	8.5	-27.1%	17.0
Others		6.2	5.7	7.4	5.5	8.2	4.0	3.7	-8.4%	7.5
Anti-gastritis and anti-gastric ulcer agent Mucosta	Otsuka Pharmaceutical	28.7	23.0	22.0	12.9	15.8	8.1	6.7	-17.1%	12.5
Japan		26.0	20.5	18.8	10.1	11.4	5.8	4.3	-25.0%	8.2
Others		2.7	2.5	3.1	2.7	4.4	2.3	2.4	2.6%	4.3
Anti-metabolite TS-1	Taiho Pharmaceutical	36.5	37.0	37.4	24.0	29.3	14.9	14.0	-6.3%	25.0
Anti-metabolite UFT	Taiho Pharmaceutical	12.9	11.2	9.5	6.3	7.5	3.7	3.3	-11.3%	6.5
Reduced folic acid formulation Uzel	Taiho Pharmaceutical	12.7	13.2	11.9	7.9	10.5	5.1	5.0	-2.8%	10.0
Antineoplastic LONSURF	Taiho Pharmaceutical	-	-	-	2.3	9.4	1.5	14.5	854.0%	26.5
5-HT ₃ receptor antagonist Aloxi	Taiho Pharmaceutical	7.9	10.0	11.0	8.8	12.9	6.0	6.7	12.2%	13.5
Antineoplastic Abraxane	Taiho Pharmaceutical	3.2	3.7	8.8	8.2	20.6	9.0	10.1	12.1%	21.0
Antiepileptic E Keppra	Otsuka Pharmaceutical	4.8	10.5	15.8	13.2	23.3	10.1	13.1	30.2%	26.5
V ₂ -vasopressin receptor antagonist Samsca/JINARC	Otsuka Pharmaceutical	6.7	12.8	21.0	20.8	41.6	18.4	23.1	25.3%	45.5
Japan		1.0	4.2	10.0	12.4	25.7	11.0	14.3	30.1%	28.0
US		4.9	7.5	9.3	6.0	11.8	5.6	6.0	6.3%	11.5
Others (including JINARC)		0.7	1.0	1.7	2.4	4.1	1.8	2.8	55.2%	6.0
Agent for dry eye Mucosta ophthalmic suspension	Otsuka Pharmaceutical	0.1	1.0	2.9	2.8	4.5	2.1	2.3	11.1%	5.0
Parkinson's disease, RLS* tretment Neupro Patch	Otsuka Pharmaceutical	-	0.2	2.6	4.7	8.3	3.6	4.9	34.7%	11.0
Anticancer Sprycel (collaboration with BMS)	Otsuka Pharmaceutical	7.6	12.0	26.1	22.9	31.2	15.5	13.8	-11.0%	29.0
Antibiotic Zosyn/Tazocin (bulk supply)	Taiho Pharmaceutical	10.7	12.4	14.5	11.8	13.4	6.1	3.8	-37.3%	8.0
Diagnostics -total	Otsuka Pharmaceutical	7.9	8.8	12.6	8.5	12.2	6.2	7.3	17.7%	13.0
Parenteral nutrition (clinical nutrition) -total		96.0	96.4	103.4	81.5	104.8	49.5	50.8	2.8%	107.5
Japan	Otsuka Pharmaceutical Factory	88.6	88.8	91.6	68.2	88.2	41.2	40.8	-1.1%	86.5
Others		7.4	7.6	11.8	13.3	16.6	8.2	10.1	22.1%	21.0
Pharmaceutical business -total (excluding exports)	Japan	326.5	351.8	372.9	273.7	386.1	181.1	184.8	2.0%	387.5
Pharmaceutical business -total	Total	782.2	850.9	1,035.1	883.5	971.8	520.9	369.8	-29.0%	732.0
Milestone and upfront revenue		14.9	41.5	22.0	20.4	66.0	32.2	13.7	-57.4%	17.0

*RLS: Restless legs syndrome

【Nutraceutical business】

(10 thousand cases)

Product name	Company	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change
Pocari Sweat 1 case: 24 bottles, and other (10 thousand cases)	Otsuka Pharmaceutical								
Japan		2,912	2,709	2,860	2,006	2,625	1,202	1,264	5.2%
Overseas		1,963	2,151	2,684	2,256	2,608	1,326	1,296	-2.3%
SOYJOY 1 case: 48 bars (10 thousand cases)	Otsuka Pharmaceutical								
Japan		100	88	109	107	126	61	76	25.8%
Overseas		20	12	16	12	20	10	11	5.6%
Oronamin C 1 case: 50 bottles (10 thousand cases)	Otsuka Pharmaceutical	1,081	1,067	1,105	830	1,025	488	465	-4.6%
Calorie Mate 1 case: 4 barsx30, and other (10 thousand cases)	Otsuka Pharmaceutical	351	335	340	280	381	182	195	7.2%
Tiovita Drink 1 case: 50 bottles (10 thousand cases)	Taiho Pharmaceutical	532	489	402	290	345	156	160	2.8%
Solmack (10 thousand of bottles)	Taiho Pharmaceutical	1,579	1,588	1,479	1,174	1,501	588	628	6.8%

* Overseas sales include sales of consolidated subsidiaries only.

【Consumer business】

(10 thousand cases)

Product name	Company	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change
Bottled Water 1 case: 24 bottles (10 thousand cases)	Otsuka Foods	679	567	580	396	226	226	242	7.2%
Match 1 case: 24 bottles (10 thousand cases)	Otsuka Foods	451	521	514	447	249	249	253	1.6%
Other (tea drinks and other) 1 case: 24 bottles (10 thousand cases)	Otsuka Foods	317	300	265	177	104	104	105	1.2%

【Other business】

(Billions of yen)

Product name	Company	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change
Functional chemicals	Otsuka Chemical	27.9	26.6	33.5	26.6	34.4	17.4	18.0	3.3%
Fine chemicals	Otsuka Chemical	9.3	10.2	10.1	7.3	10.6	5.5	4.9	-10.5%

II-3. Segment Information

Sales to Customers by Market

(Billions of yen)

Net sales by business segment	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change
Consolidated sales	1,154.6	1,218.1	1,452.8	1,224.3	1,445.2	745.8	594.8	-20.3%
Pharmaceutical business	782.2	850.9	1,035.1	883.5	971.8	520.9	369.8	-29.0%
Japan	326.5	351.8	372.9	273.7	386.1	181.1	184.8	2.0%
North America	361.1	389.0	530.5	481.6	368.0	229.9	104.3	-54.6%
Others	94.7	110.0	131.7	128.3	217.7	109.8	80.7	-26.6%
Nutraceutical business	251.3	246.9	281.1	232.7	321.6	150.6	152.7	1.4%
Japan	147.4	142.3	147.5	109.8	141.0	65.7	68.2	3.8%
North America	45.8	49.8	59.8	55.8	86.0	36.4	35.1	-3.6%
Others	58.1	54.8	73.9	67.1	94.6	48.5	49.4	1.8%
Consumer products business	48.0	45.2	43.8	34.4	42.9	20.7	19.1	-7.7%
Japan	42.0	39.2	36.6	27.9	32.7	15.6	14.5	-7.3%
North America	5.4	5.4	6.9	6.1	9.7	4.8	4.5	-6.3%
Others	0.6	0.6	0.3	0.3	0.5	0.3	0.2	-46.6%
Other business	73.1	75.0	92.8	73.7	109.0	53.5	53.1	-0.8%
Japan	59.1	62.0	71.4	55.9	79.7	39.0	37.5	-3.8%
North America	1.3	1.4	2.3	1.8	1.9	1.0	1.5	60.4%
Others	12.7	11.6	19.0	16.0	27.4	13.6	14.1	3.6%
Japan -total	574.9	595.3	628.3	467.3	639.5	301.4	304.9	1.2%
North America - total	413.5	445.7	599.6	545.3	465.6	272.1	145.4	-46.6%
Others - total	166.2	177.1	224.9	211.7	340.2	172.3	144.4	-16.2%
Overseas net sales	579.7	622.7	824.4	757.0	805.8	444.4	289.8	-34.8%
Overseas net sales ratio	50.2%	51.1%	56.8%	61.8%	55.8%	59.6%	48.7%	

Net Sales and Operating Income by Geographical Segment

(Billions of yen)

	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change
Net sales	1,154.6	1,218.1	1,452.8	1,224.3	1,445.2	745.8	594.8	-20.3%
Japan*	779.1	842.5	982.1	738.2	835.5	402.7	375.9	-6.7%
North America*	437.5	474.1	652.1	601.9	542.1	307.9	176.4	-42.7%
Others*	142.4	138.2	204.4	189.6	259.1	133.2	121.7	-8.7%
Eliminations/corporate	-204.4	-236.7	-385.9	-305.4	-191.5	-98.0	-79.2	

*Intersegment sales are included.

(Billions of yen)

	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change
Operating income	148.7	169.7	198.7	196.5	151.8	103.2	66.2	-35.9%
Japan	142.5	160.8	217.5	156.2	98.8	47.7	57.8	21.2%
North America	14.4	16.2	-5.0	12.8	-11.2	6.6	2.9	-55.3%
Others	3.7	6.4	1.9	16.8	27.4	17.1	10.5	-38.5%
Eliminations/corporate	-12.0	-13.8	-15.7	10.7	36.8	31.7	-5.1	

II-4. Selling, General and Administrative Expenses

(Billions of yen)

Selling, general and administrative expenses	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change	Estimate FY2016 (Jan-Dec) Forecast as of Aug 2016
Net sales	1,154.6	1,218.1	1,452.8	1,224.3	1,445.2	745.8	594.8	-20.3%	1,200.0
Selling, general and administrative expenses	616.6	654.6	812.4	681.5	844.1	427.5	332.5	-22.2%	695.0
(% of net sales)	53.4%	53.7%	55.9%	55.7%	58.4%	57.3%	55.9%		57.9%
Promotion expenses	174.4	156.2	192.0	188.0	195.6	115.4	52.7	-54.3%	
Personnel expenses	99.8	103.7	124.0	97.9	152.5	74.8	74.6	-0.2%	
Advertising expenses	25.1	29.5	34.2	26.0	33.3	15.9	21.2	33.8%	
Research and development expenses	159.2	192.4	249.0	172.9	201.0	95.1	71.8	-24.5%	170.0
(% of net sales)	13.8%	15.8%	17.1%	14.1%	13.9%	12.7%	12.1%		14.2%
R&D expenses of pharmaceutical business	149.3	183.5	240.8	166.1	191.4	90.2	67.5	-25.1%	160.0

Number of employees (consolidated)	FY2011	FY2012	FY2013	FY2014	FY2015
Japan	13,808	13,732	14,116	14,285	14,059
Overseas	10,787	11,598	14,172	15,197	16,579
Pharmaceutical business	14,063	14,660	16,578	17,057	17,947
Number of sales representatives (Japan)	2,297	2,329	2,340	2,317	2,492
Nutraceutical business	5,422	5,729	6,405	7,022	7,339
Consumer products business	819	831	654	540	514
Other business	2,490	2,429	2,928	3,207	3,141
Corporate	1,801	1,681	1,723	1,656	1,697
Number of employees (consolidated)	24,595	25,330	28,288	29,482	30,638

(Billions of yen)

Capital expenditures	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change	Estimate FY2016 (Jan-Dec) Forecast as of Aug 2016
Capital expenditures	43.3	63.3	179.0	88.2	523.9	414.0	30.9	-383.1	55.0
Pharmaceutical business	20.8	38.0	154.5	31.7	488.1	400.0	20.0	-380.0	
Nutraceutical business	11.5	14.9	10.1	31.9	19.0	5.7	4.5	-1.2	
Consumer products business	2.0	2.7	2.9	2.9	6.0	3.4	1.7	-1.7	
Other business	4.6	4.0	4.4	18.6	8.0	4.0	3.8	-0.2	
Corporate	4.5	3.7	7.1	3.2	2.7	0.9	0.9	0.0	

(Billions of yen)

Depreciation	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015	2Q FY2015 (Jan-Jun)	2Q FY2016 (Jan-Jun)	Change	Estimate FY2016 (Jan-Dec) Forecast as of Aug 2016
Depreciation	48.1	45.5	49.8	45.5	71.4	36.6	35.4	-1.3	70.0
Pharmaceutical business	22.8	21.9	25.6	27.9	47.2	24.7	23.0	-1.7	
Nutraceuticals business	13.1	12.1	13.3	9.6	13.8	6.7	7.1	0.4	
Consumer products business	2.1	2.0	1.7	1.2	1.2	0.7	0.6	-0.1	
Other business	5.1	4.6	4.5	3.7	5.3	2.5	2.9	0.4	
Eliminations/corporate	5.0	4.9	4.6	3.2	3.9	2.0	1.8	-0.2	

III. Consolidated Balance Sheets

<Assets>							(Billions of yen)	
	As of March 31, 2011	As of March 31, 2012	As of March 31, 2013	As of December 31, 2014	As of December 31, 2015	As of June 30, 2016	Composition	
Current assets	1,012.3	1,080.6	1,168.8	1,245.6	1,176.9	1,099.1	47.4%	
Cash and deposits	411.6	414.4	455.3	523.1	439.4	491.9		
Notes and accounts receivable-trade	263.5	318.1	327.3	406.4	379.5	304.4		
Marketable securities	151.8	137.8	118.0	48.5	127.6	76.1		
Finished products and merchandise	60.8	71.2	83.8	80.0	71.3	73.7		
Work-in process	26.9	25.8	30.6	31.8	34.7	33.5		
Raw materials and supplies	31.7	35.3	37.4	41.9	38.9	38.7		
Deferred tax assets	34.3	40.8	54.5	37.8	32.5	-		
Other current assets	32.2	37.8	62.5	76.5	53.8	81.5		
Allowance for doubtful receivables	-0.4	-0.5	-0.6	-0.5	-0.7	-0.7		
Fixed assets	654.4	698.5	859.5	932.5	1,351.6	1,219.4	52.6%	
Tangible fixed assets	255.5	276.0	315.2	344.8	356.4	346.6		
Intangible fixed assets	67.1	73.9	192.3	221.2	642.5	549.7		
Goodwill	36.8	37.8	70.6	93.2	234.0	196.0		
In-process research and development	-	-	-	-	238.3	174.0		
Other intangible fixed assets	30.3	36.1	121.7	128.0	170.2	179.7		
Investments and other assets	331.8	348.7	352.0	366.6	352.7	323.2		
Investment securities	267.0	276.3	268.5	270.8	258.9	240.9		
Investments in capital	23.3	31.6	36.0	42.5	42.9	35.9		
Long-term loans receivable	1.3	0.9	5.3	5.6	5.6	-		
Net defined benefit asset	-	-	11.1	17.5	22.8	25.7		
Deferred tax assets	25.3	26.5	16.9	15.5	7.4	-		
Other assets	16.3	15.8	15.0	15.5	15.8	21.1		
Allowance for investment loss	-1.0	-1.6	-0.1	-0.1	-0.1	-0.1		
Allowance for doubtful receivables	-0.5	-0.8	-0.7	-0.8	-0.7	-0.3		
Deferred assets	0.1	0.1	0.1	0.1	0.0	0.0	0.0%	
Total assets	1,666.8	1,779.2	2,028.4	2,178.2	2,528.5	2,318.6	100%	

<Liabilities>

(Billions of yen)

	As of March 31, 2011	As of March 31, 2012	As of March 31, 2013	As of December 31, 2014	As of December 31, 2015	As of June 30, 2016	Composition
Total liabilities	444.0	454.1	517.6	519.6	845.1	727.2	31.4%
Current liabilities	311.4	346.5	437.4	437.0	467.1	393.3	17.0%
Notes and accounts payable-trade	94.8	97.5	132.9	130.8	82.7	79.7	
Short-term borrowings	39.7	51.8	53.4	70.2	79.7	79.2	
Lease obligations	3.0	2.6	2.2	2.1	2.1	-	
Accounts payable -other	-	-	-	-	66.5	-	
Accrued expenses	-	-	-	-	170.0	-	
Income taxes payable	33.8	33.5	51.1	14.5	19.3	15.5	
Reserve for bonuses	16.1	15.9	18.7	8.6	14.1	9.5	
Provision for directors' bonuses	0.4	0.3	0.6	0.6	0.3	0.1	
Provision for sales returns	0.1	0.2	0.1	0.0	0.0	0.0	
Other current liabilities	123.4	144.7	178.5	210.2	32.4	209.2	
Long-term liabilities	132.6	107.7	80.2	82.6	378.0	333.9	14.4%
Long-term debt	25.9	6.3	14.3	22.3	234.2	204.4	
Lease obligations	5.8	5.9	5.7	5.8	5.3	-	
Deferred tax liabilities	8.0	11.3	16.7	12.0	99.9	-	
Net defined benefit liability	-	-	8.1	10.9	9.8	9.0	
Liability for employees' retirement benefits	44.7	40.6	-	-	-	-	
Retirement benefits for directors' and audit & supervisory board members' retirement benefits	3.1	3.1	2.6	2.8	2.5	2.3	
Negative goodwill	26.5	24.0	21.5	19.7	17.2	16.0	
Other long-term liabilities	18.7	16.6	11.3	9.1	9.1	102.2	
<Net assets>							
Total net assets	1,222.8	1,325.1	1,510.8	1,658.6	1,683.4	1,591.4	68.6%
Shareholders' equity	1,267.7	1,342.0	1,438.3	1,537.9	1,572.8	1,592.9	68.7%
Common stock	81.7	81.7	81.7	81.7	81.7	81.7	
Capital surplus	510.6	510.4	512.9	512.7	512.7	513.2	
Retained earnings	675.4	768.3	891.6	990.9	1,025.7	1,045.3	
Treasury stock	-0.0	-18.4	-47.9	-47.4	-47.3	-47.3	
Accumulated other comprehensive income	-59.1	-31.5	46.3	89.9	82.0	-28.1	-1.2%
Unrealized gain/loss on available-for-sale securities	0.8	8.3	13.8	13.2	27.1	26.7	
Deferred gain (loss) on derivatives under hedge accounting	0.0	0.0	-0.0	0.4	0.1	0.0	
Foreign currency translation adjustments	-59.9	-39.8	12.2	57.2	41.7	-66.5	
Remeasurements of defined benefit plans	-	-	20.3	19.2	13.0	11.7	
Stock acquisition rights	1.1	0.1	0.1	-	-	0.0	0.0%
Minority interests	13.0	14.5	26.1	30.8	28.7	26.7	1.1%
Total liabilities and net assets	1,666.8	1,779.2	2,028.4	2,178.2	2,528.5	2,318.6	100.0%

IV. Consolidated Statements of Cash Flows

(Billions of yen)

	FY2011	FY2012	FY2013	FY2014 (Apr-Dec)	FY2015 (Jan-Dec)	2Q FY2016 (Jan-Jun)
Operating activities:						
Income before income taxes and minority interests	142.4	176.9	210.2	210.3	138.2	64.6
Depreciation and amortization	43.4	40.6	46.0	41.7	57.5	29.2
Impairment loss	2.7	2.6	3.4	5.4	18.8	0.0
Amortization of goodwill	2.2	2.4	1.1	2.0	11.3	4.9
Decrease/ increase in net defined benefit asset/ liability	-	-	-13.8	-9.6	-9.8	-2.7
Increase in liability for employees' retirement benefits	0.5	-4.7	-	-	-	-
Increase (decrease) in allowance for doubtful receivables	0.4	0.2	-0.2	-0.2	0.2	0.0
Increase in provision for loss on business liquidation	2.2	-0.3	-1.9	-	-	-
Interest and dividend income	-2.8	-2.9	-2.5	-2.2	-3.3	-2.0
Interest expense	1.7	1.2	1.2	1.7	4.1	1.8
Equity in earnings of unconsolidated subsidiaries and affiliated companies (gain)	-1.2	-3.1	-3.2	-3.9	-8.0	-6.8
Loss of valuation of investments in capital	-	-	-	-	2.5	-
Gain on sales of subsidiaries' stocks (gain)	-	-	-0.3	-	-	-
Gain on change in equity interest	-0.3	-	-	-	-	-
Loss on transfer of business	0.7	-	-	-	-	-
(Increase) decrease in trade receivables	-25.7	-47.2	12.4	-61.3	27.4	59.0
(Increase) decrease in inventories	-7.4	-5.5	-1.8	17.7	14.8	-10.5
Increase (decrease) in trade payables	8.5	-3.9	19.6	-3.9	-47.5	3.9
Increase (decrease) in accounts payable - other	-	-	-	-	-16.4	1.0
Increase (decrease) in accrued expenses	-	-	-	-	97.6	-27.2
Increase (decrease) in long-term unearned revenue	-7.3	-1.9	-7.7	-5.6	-0.0	1.8
Other, net	17.3	25.7	23.3	-20.5	-20.3	-0.2
Subtotal	177.2	180.1	285.8	171.6	267.0	117.0
Interest and dividends received	6.9	7.2	8.0	7.1	8.9	3.9
Interest paid	-2.0	-1.2	-1.2	-1.7	-3.9	-1.8
Income taxes paid	-34.4	-66.8	-66.1	-88.5	-18.2	-25.6
Net cash provided by operating activities	147.6	119.3	226.5	88.5	253.9	93.5
Investing activities:						
(Increase) decrease in short-term investment securities	-7.0	-20.0	12.7	19.6	-7.6	8.8
Purchases of property, plant and equipment	-36.0	-50.5	-48.9	-32.9	-57.3	-21.4
Purchases of intangible assets	-	-	-21.2	-7.1	-15.6	-7.5
Proceeds from sales of property, plant and equipment	0.7	0.3	1.2	0.5	1.6	0.7
Purchases of investment securities	-31.4	-16.7	-5.3	-9.7	-5.3	-2.7
Proceeds from sales and redemption of investment securities	17.4	16.2	12.4	1.3	10.1	16.0
Payments for investments in capital	-0.3	-3.3	-1.1	-0.1	-0.4	-0.6
Proceeds from transfer of business	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	-26.7	-392.5	-
Payments of loans receivables	-2.3	-0.7	-22.3	-2.8	-1.0	-2.5
Proceeds from collection of loans receivables	0.6	1.4	0.6	0.3	19.4	1.6
(Increase) decrease in time deposits-net	-47.5	-9.1	59.1	28.5	29.6	-59.6
Other, net	-1.9	-7.3	-0.5	0.3	-1.1	-2.0
Net cash used in investing activities	-107.6	-91.2	-108.7	-28.7	-420.1	-69.3
Financing activities:						
Increase (decrease) in short-term debt-net	3.2	1.1	5.0	-4.2	-16.1	-0.0
Proceeds from long-term debt	2.3	3.4	7.9	9.4	266.7	0.7
Repayments of long-term debt	-23.8	-16.1	-13.0	-1.8	-24.4	-15.6
Proceeds from disposal of treasury stock	-	0.2	0.4	0.4	0.1	-0.0
Purchases of treasury stock	-	-20.0	-30.0	-0.0	-0.0	-
Dividends paid	-26.8	-29.3	-32.8	-37.9	-48.8	-27.1
Dividends paid to minority interest in consolidated subsidiaries	-0.4	-0.5	-0.4	-0.4	-0.4	-0.5
Proceeds from share issuance to minority shareholders	-	-	-	0.8	0.9	0.4
Other, net	4.5	-10.7	-3.8	-2.2	-1.5	-1.4
Net cash provided by (used in) financing activities	-41.1	-71.9	-66.7	-36.0	176.5	-43.4
Foreign currency translation adjustment on cash and cash equivalents	-1.4	6.2	9.5	14.3	-8.8	-25.8
Net increase (decrease) in cash and cash equivalents	-2.4	-37.6	60.6	38.2	1.5	-45.0
Cash and cash equivalents at beginning of period	387.3	384.2	347.6	417.5	456.5	460.6
Increase (decrease) in cash and cash equivalents due to change in scope of consolidation	-0.7	0.9	9.2	1.0	2.5	-
Decrease in cash and cash equivalents due to change of fiscal year end	-	-	-	-0.1	0.0	-
Cash and cash equivalents at end of period	384.2	347.6	417.4	456.5	460.6	415.6

V. Shareholders

【Classification of shareholders】

(As of June 30, 2016)

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	-	113	33	373	662	25	44,019	45,225	-
Number of shares held (shares)	-	1,742,552	144,855	989,386	1,442,463	117	1,257,621	5,576,994	136,217
% of outstanding shares	-	31.25%	2.60%	17.74%	25.86%	0.00%	22.55%	100.00%	-

*Out of 15,986,171 shares of treasury stock, 159,861 share units are included in "Private investors and others", and 71 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 June 30, 2016)

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	62,209	11.15
Japan Trustee Services Bank, Ltd. (Trust Account)	1-8-11 Harumi, Chuo-ku, Tokyo	57,933	10.39
Otsuka Estate Limited	3-3-3 Ote-Dori, Chuo-ku, Osaka	22,891	4.10
The Master Trust Bank of Japan, Co., Ltd. (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	17,222	3.09
Otsuka Group Employee Shareholding Fund	2-16-4 Konan, Minato-ku, Tokyo	14,289	2.56
The Awa Bank, Limited	2-24-1 Nishisemba-cho, Tokushima	10,971	1.97
STATE STREET BANK WEST CLIENT-TREATY 505234 (standing proxy: Mizuho Bank)	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, USA (Shinagawa Intercity Tower A, 2-15-1, Konan, Minato-ku, Tokyo)	7,697	1.38
Otsuka Asset Co., Ltd.	17-4 Aza-Fukuike, Tosadomariura, Naruto- cho, Naruto City, Tokushima	7,380	1.32
Trust & Custody Services Bank, Ltd. (Trust Account)	Tower Z, Harumi Triton Square, 1-8-12, Harumi, Chuo-ku, Tokyo	6,906	1.24
THE BANK OF NEW YORK MELLON SA/NV (standing proxy: The Bank of Tokyo-Mitsubishi UFJ)	RUE MONTROYERSTRAAT 46,1000 BRUSSELS, BELGIUM (2-7-1, Marunouchi, Chiyoda-ku, Tokyo)	6,711	1.20
ALL	-	214,209	38.40

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

**15,986,171 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 June 30, 2016)

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status
OPC-14597 <ABILIFY*> <Abilify Maintena*>: Depot injection	aripiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Autism / Oral	JP	Filed
				Agitation associated with dementia of the Alzheimer's type / Oral	JP	Phase III
				Bipolar I / Depot injection	JP, US, EU	Phase III
OPC-34712 <REXULTI*>	brexpiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Major depressive disorder / Oral	EU	Phase III
				Schizophrenia / Oral	JP, EU	Phase III
				Agitation associated with dementia of the Alzheimer's type / Oral	US, EU	Phase III
				Posttraumatic stress disorder / Oral	US, EU	Phase III
Lu AE58054	idalopirdine	Lundbeck	Selective 5-HT ₆ 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
AVP-923	dextromethorphan, quinidine	Avanir	NMDA receptor antagonist / Sigma-1 receptor agonist	Dyskinesia associated with Parkinson's disease / Oral	US	Phase II
AVP-786	deuterium-modified dextromethorphan, quinidine	Avanir	NMDA receptor antagonist / Serotonin and norepinephrine reuptake inhibitor / Sigma-1 receptor agonist	Major depressive disorder / Oral	US	Phase II
				Agitation associated with dementia of the Alzheimer's type / Oral	US, EU	Phase III
				Residual schizophrenia symptoms / Oral	US	Phase II
				Disinhibition syndrome in neurodegenerative disorders / Oral	US	Phase II
TAS-205		Taiho Pharmaceutical	PGD synthase inhibitor	Duchenne muscular dystrophy / Oral	JP	Phase II
Lu AA36143	nalmefene	Lundbeck	Opioid receptor antagonist	Lowering alcohol consumption of alcohol dependence / Oral	JP	Phase III
Lu AF20513		Lundbeck	β -amyloid vaccine	Preventing progression of Alzheimer's demetia / Injection	EU	Phase I

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 June 30, 2016)

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status
Oncology						
S-1 <TS-1> Japan, Korea <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	EU Asia	Approved Phase III
				Gastric cancer / Oral	JP, US, EU	Phase III
TAS-118	tegafur, gimeracil, oteracil, folinate	Taiho Pharmaceutical	Anti-cancer (Anti-metabolite)	Pancreatic cancer / Oral	JP, Asia	Phase III
				Gastric cancer / Oral	JP, Asia	Phase III
<SATIVEX>	nabiximols	GW Pharmaceuticals	Cannabinoid (THC, CBD)	Cancer pain / Oral spray	US	Phase III
SGI-110	guadecitabine	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
				Acute myeloid leukemia / Injection	US, EU JP, Asia	Phase III
AT13387		Astex	Anti-cancer (Molecular-targeted drug)	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 II
ASTX660		Astex	Anti-cancer (Molecular-targeted drug)	Solid tumors , Lymphomas / Oral	US	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)	Gastrointestinal stromal tumor / Oral	JP	Phase II
TAS-117		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
TAS3681		Taiho Pharmaceutical	Anti-androgenic agent	Prostate cancer / Oral	US, EU	Phase I
ET-743	trabectedin	PharmaMar	Anti-cancer	Ovarian cancer / Injection	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 June 30, 2016)

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status
Cardiovascular						
OPC-41061 <Samsca [*] / JINARC [*] >	tolvaptan	Otsuka Pharmaceutical	V ₂ receptor antagonist	Hepatic edema / Oral	Asia	Filed
				Autosomal dominant polycystic kidney disease / Oral	US Asia	Phase III Filed
				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
Other areas						
TAC-202	bilastine	Faes Farma	H ₁ receptor antagonist	Allergic rhinitis / Oral	JP	Filed
				Chronic urticaria, Pruritus associated with skin disease / Oral	JP	Filed
OPC-67683 <Delyba [*] >	delamanid	Otsuka Pharmaceutical	Anti-tuberculosis agent	Multidrug-resistant tuberculosis / Oral	US	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
OPF-105	Glucose, electrolyte, amino acid, fat and multivitamin	Otsuka Pharmaceutical Factory	Protein and amino acid preparation	Peripheral parenteral nutrition solution / Injection	JP	Phase III
OPF-108	Glucose, electrolyte, amino acid, multivitamin, and trace element	Otsuka Pharmaceutical Factory	Protein and amino acid preparation	Total parenteral nutrition / Injection	JP	Approved**
OPA-6566		Otsuka Pharmaceutical	A _{2a} receptor agonist	Glaucoma / Eye Drops	US	Phase I / II
OPC-1085EL	carteolol, latanoprost	Otsuka Pharmaceutical	β receptor antagonist / PGF _{2α} analogue	Glaucoma / Eye Drops	JP	Filed
OPA-15406		Otsuka Pharmaceutical	PDE4 inhibitor	Atopic dermatitis / Ointment	US	Phase II
OPS-2071		Otsuka Pharmaceutical	New quinolone based antibacterial agent	Clostridium difficile infection, enteric infection / Oral	JP, Asia	Phase II
Diagnostics						
C13-CAC	calcium (13C)	Otsuka Pharmaceutical	13C-calcium carbonate breath test	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.

** : Events after June 30, 2016 OPF-108/Total parenteral nutrition: approved on July in JP.

Otsuka Group - Pipeline Information

<Changes in Pipeline information Since March 2016>

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status	Change from 1Q FY2016
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Central nervous system, neurological disorders

AVP-786	deuterium-modified dextromethorphan, quinidine	Avanir	NMDA receptor antagonist / Serotonin and norepinephrine reuptake inhibitor / Sigma-1 receptor agonist	Disinhibition syndrome in neurodegenerative disorders / Oral	US	Phase II	Added
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Oncology

TAS-102 <LONSURF>	trifluridine, tipiracil	Taiho Pharmaceutical	Anti-cancer	Colorectal cancer / Oral	EU	Approved	Filed → Approved (Apr 2016)
TAS-116		Taiho Pharmaceutical	Anti-cancer (Antitumor enhancer)	Gastrointestinal stromal tumor / Oral	JP	Phase II	Added
ET-743	trabectedin	PharmaMar	Anti-cancer	Ovarian cancer / Injection	JP	Phase I	Added

Other areas

TAS-205		Taiho Pharmaceutical	PGD synthase-inhibitor	Duchenne muscular dystrophy / Oral	JP	Phase II	Phase I → Phase II
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<Events after June 30, 2016>

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status	Change
OPF-108	Glucose, electrolyte, amino acid, multivitamin, and trace element	Otsuka Pharmaceutical Factory	Protein and amino acid preparation	Total parenteral nutrition / Injection	JP	Approved	Approved (Jul 2016)

<Discontinuation of project development>

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status	Change
ACU-4429	emixustat	Acucela	Visual cycle modulator	Dry AMD / Oral	US	Phase II / III	contract was terminated

Reason for discontinuation of project development : On June 27 2016, the co-development and commercialization contract was terminated.

OPC-108459		Otsuka Pharmaceutical		Paroxysmal and persistent atrial fibrillation / Injection	JP, US	Phase I	Terminate
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Reason for discontinuation of project development : It could not to move on to Phase II study due to insufficient scientific evidence from Phase I.

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.



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