



— FACT BOOK —

Supplementary Materials
Financial Results <FY2017>

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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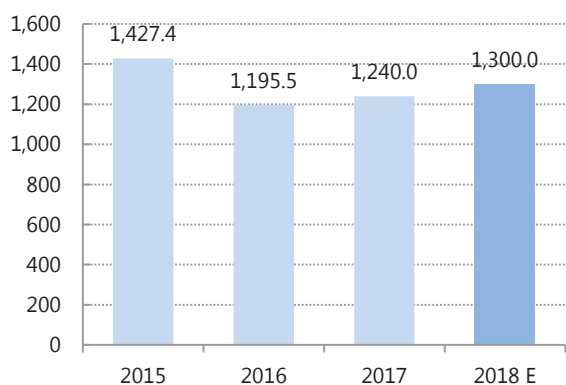
Note

• As of the fiscal year ended December 31, 2016, Otsuka Holdings voluntarily adopted International Financial Reporting Standards (IFRS) for consolidated financial statements, in place of Japanese Generally Accepted Accounting Principles (J-GAAP) previously adopted.

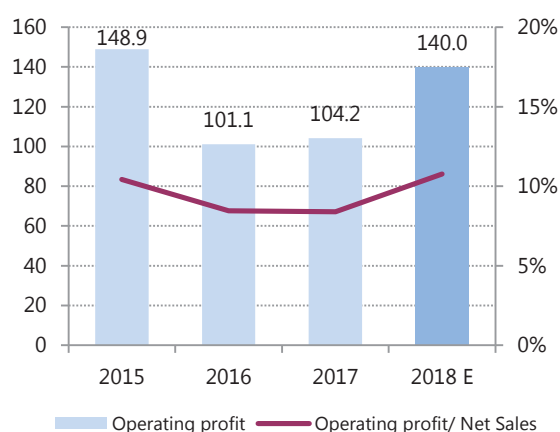
• From FY2014, domestic subsidiaries changed their fiscal year end from March 31 to December 31 in order to standardize its global activities.

I. Financial Highlights

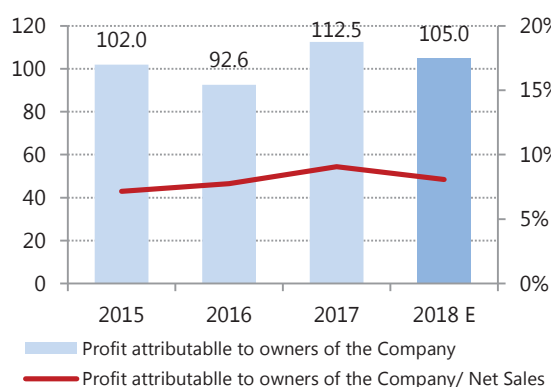
Net Sales (Billions of yen)



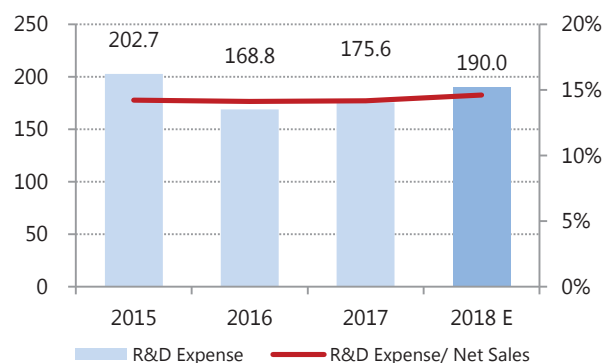
Operating Profit (Billions of yen)



Profit attributable to owners of the Company (Billions of yen)



R&D expenses (Billions of yen)



Financial Highlights

		2015	2016	2017	1H 2017	Estimate 1H 2018	Estimate 2018
Net sales	(Billions of yen)	1,427.4	1,195.5	1,240.0	595.4	620.0	1,300.0
	YoY		-16.2%	3.7%		4.1%	4.8%
Cost of sales	(Billions of yen)	452.5	406.3	422.5	200.2	211.0	445.0
	YoY		-10.2%	4.0%		5.4%	5.3%
Selling, general and administrative expenses	(Billions of yen)	636.4	535.9	558.7	276.2	270.0	545.0
	YoY		-15.8%	4.3%		-2.2%	-2.5%
R&D expenses	(Billions of yen)	202.7	168.8	175.6	80.8	90.0	190.0
	YoY		-16.7%	4.0%		11.4%	8.2%
Share of profit of associates	(Billions of yen)	12.4	16.0	19.3	10.7	10.0	18.0
	YoY		29.1%	20.9%		-6.3%	-6.6%
Operating profit	(Billions of yen)	148.9	101.1	104.2	49.5	60.0	140.0
	YoY		-32.1%	3.0%		21.2%	34.4%
Profit attributable to owners of the Company	(Billions of yen)	102.0	92.6	112.5	42.4	46.0	105.0
	YoY		-9.2%	21.5%		8.4%	-6.7%
Overseas net sales	(Billions of yen)	804.9	571.5	601.3	290.7	316.0	660.0
	% of net sales	56.4%	47.8%	48.5%		51.0%	50.8%

		2015	2016	2017
Total assets	(Billions of yen)	2,575.3	2,478.3	2,480.3
Total equity	(Billions of yen)	1,727.4	1,738.4	1,822.0
Equity ratio	(%)	66.0%	69.0%	72.3%

I. Financial Highlights

(Billions of yen)

Net sales by business segment	2015	2016	2017	Change	Estimate 1H 2018	Estimate 2018
Net sales	1,427.4	1,195.5	1,240.0	3.7%	620.0	1,300.0
Pharmaceutical business*	973.5	753.0	774.8	2.9%	386.5	810.0
Nutraceutical business*	315.4	311.6	326.2	4.7%	166.0	350.0
Consumer products business*	38.5	35.5	35.6	0.4%	17.0	35.0
Other business*	145.2	141.3	151.1	7.0%	74.5	155.0
Eliminations/corporate	-45.2	-45.7	-47.8		-24.0	-50.0

*Intersegment sales are included.

(Billions of yen)

Operating profit by business segment	2015	2016	2017	Change	Estimate 1H 2018	Estimate 2018
Operating profit	148.9	101.1	104.2	3.0%	60.0	140.0
Pharmaceutical business	146.9	92.0	82.7	-10.1%		
Nutraceutical business	34.4	32.5	39.2	20.5%		
Consumer products business	6.3	5.5	11.1	103.9%		
Other business	1.0	7.8	9.7	25.2%		
Eliminations/corporate	-39.7	-36.6	-38.5			

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

(yen)

Exchange rate (Yen)	2015	2016	2017	Change	Estimate 2018
US Dollar	121.10	108.77	112.16	3.4	110.00
Euro	134.30	120.25	126.69	6.4	130.00

ROE / EPS / Dividend	2015	2016	2017	Change	Estimate 2018
ROE (Return on equity)	6.1%	5.4%	6.4%	1.0%	5.8%
EPS (Earnings per share: yen)	188.2	170.8	207.6	36.8	193.8
Annual dividends per share (yen)	100.0	100.0	100.0	0.0	100.0
Payout ratio	53.1%	58.5%	48.2%	-10.4%	51.6%

(Billions of yen)

Cash flow information	2015	2016	2017	Change
Net cash provided by operating activities	257.9	142.0	102.8	-39.2
Net cash used in investing activities	-422.6	-135.1	-40.1	95.0
Net cash provided by (used in) financing activities	175.0	-93.1	-94.5	-1.4
Cash and cash equivalents at end of period	460.6	369.9	336.6	-33.3

II. Consolidated Statement of Income

(Billions of yen)

	2015	%	2016	%	2017	%	Change
Net sales	1,427.4	100.0%	1,195.5	100.0%	1240.0	100.0%	3.7%
Cost of sales	452.5	31.7%	406.3	34.0%	422.5	34.1%	4.0%
Gross profit	974.9	68.3%	789.2	66.0%	817.5	65.9%	3.6%
Selling, general and administrative expenses	636.4	44.6%	535.9	44.8%	558.7	45.1%	4.3%
Personnel expenses	172.9		167.8		166.3		
Depreciation and amortization expenses	33.8		32.8		33.0		
Advertisement expenses	33.3		41.5		42.5		
Promotion expenses	176.8		97.8		102.7		
Impairment loss	18.9		16.3		27.3		
Other	200.6		179.6		186.9		
Research and development expenses	202.7	14.2%	168.8	14.1%	175.6	14.2%	4.0%
Share of profit of associates	12.4		16.0		19.3		
Other income	5.3		4.6		6.1		
Other expenses	4.6		3.9		4.4		
Operating profit	148.9	10.4%	101.1	8.5%	104.2	8.4%	3.0%
Finance income	10.0		3.8		4.3		
Finance costs	7.8		13.1		5.1		
Other non-operating expenses (income)	-0.7		24.8		0.3		
Profit before tax	150.3	10.5%	116.7	9.8%	103.7	8.4%	-11.1%
Income tax expenses	50.9		23.3		-10.7		
Profit for the year	99.4	7.0%	93.3	7.8%	114.4	9.2%	22.6%
Profit attributable to owners of parent	102.0	7.1%	92.6	7.7%	112.5	9.1%	21.5%
Profit attributable to non-controlling interests	-2.6		0.8		1.9		

II-1. Sales of Major Products

【Pharmaceutical business】

(Billions of yen)

Product name	Company	2015	2016	2017	Change	Estimate 1H 2018	Estimate 2018
Antipsychotic agent	Otsuka	347.5	95.4	67.3	-29.4%	29.0	49.5
ABILIFY	Pharmaceutical						
US		242.1	27.8	15.1	-45.8%	4.5	6.5
<US\$ million>		<1,999>	<255>	<134>	-47.4%	<41>	<59>
Japan		35.6	31.7	27.1	-14.7%	9.0	16.5
Others		69.7	35.9	25.2	-29.8%	15.5	26.5
Antipsychotic agent/ Depot injection	Otsuka	40.4	57.2	70.9	24.1%	41.0	87.0
Abilify Maintena	Pharmaceutical						
US		29.9	37.4	43.2	15.5%	24.0	50.0
Japan		1.3	4.3	6.6	54.1%	4.0	8.5
Others		9.2	15.5	21.1	36.6%	13.0	28.5
Antipsychotic agent	Otsuka	4.6	29.8	47.3	58.8%	28.5	64.5
REXULTI	Pharmaceutical						
Agent for pseudobablar affect (PBA)	Otsuka	19.2	23.6	25.6	8.2%	14.5	33.5
NUEDEXTA	Pharmaceutical						
Anti-platelet agent	Otsuka	31.5	23.6	20.9	-11.5%	9.5	15.0
Pletaal/Pletal	Pharmaceutical						
Japan		23.3	16.2	13.0	-19.8%	5.0	7.0
Others		8.2	7.4	7.9	6.6%	4.5	8.0
Anti-gastritis and anti-gastric ulcer agent	Otsuka	15.8	12.5	11.4	-8.5%	5.0	10.0
Mucosta	Pharmaceutical						
Japan		11.4	8.2	6.6	-18.7%	2.5	5.0
Others		4.4	4.3	4.8	10.7%	2.5	5.0
Anti-metabolite	Taiho	29.3	26.9	20.6	-23.2%	6.5	11.0
TS-1	Pharmaceutical						
Anti-metabolite	Taiho	7.5	6.5	5.7	-12.0%	2.5	5.0
UFT	Pharmaceutical						
Antineoplastic	Taiho	9.4	30.1	32.6	8.1%	17.5	34.0
LONSURF	Pharmaceutical						
US		6.0	23.5	22.5	-4.3%	11.5	23.0
Japan		3.3	3.9	4.0	4.3%	2.0	4.0
Others		0.1	2.8	6.1	117.1%	4.0	7.0
Allergic disease treatment	Taiho	-	2.2	2.0	-9.2%	2.1	5.4
Bilanoa	Pharmaceutical						
5-HT ₃ receptor antagonist	Taiho	12.9	14.0	14.5	3.3%	7.0	14.5
Aloxi	Pharmaceutical						
Antineoplastic	Taiho	20.6	20.7	21.8	5.3%	10.5	21.5
Abraxane	Pharmaceutical						
Antiepileptic	Otsuka	23.3	28.5	33.8	18.6%	18.0	37.5
E Keppra	Pharmaceutical						
V ₂ vasopressin receptor antagonist	Otsuka	41.6	48.9	64.2	31.4%	37.0	81.0
Samsca/JINARC	Pharmaceutical						
Japan		25.7	30.5	41.0	34.5%	23.0	48.0
US		11.8	12.1	13.0	6.9%	6.0	16.0
Others		4.0	6.2	10.2	64.5%	8.0	17.0
Agent for dry eye	Otsuka	4.5	4.8	5.1	5.4%	2.5	5.0
Mucosta ophthalmic suspension	Pharmaceutical						
Parkinsons' disease, RLS* treatment	Otsuka	8.3	10.7	12.1	13.1%	6.0	12.5
Neupro Patch	Pharmaceutical						
Anticancer	Otsuka	31.2	29.3	30.8	5.1%	15.0	30.5
Sprycel (collaboration with BMS)	Pharmaceutical						
Antibiotic	Taiho	13.4	8.8	6.3	-28.7%	2.0	4.5
Zosyn/Tazocin (bulk supply)	Pharmaceutical						
Diagnostics	Otsuka	12.2	13.7	12.8	-7.2%	7.0	12.5
-total	Pharmaceutical						
Parenteral nutrition	Otsuka	106.2	107.4	111.2	3.5%	54.0	113.0
(clinical nutrition) -total	Pharmaceutical						
Japan		88.2	86.7	88.8	2.5%	42.0	88.0
Others	Factory	18.0	20.7	22.4	8.0%	12.0	25.0
Pharmaceutical business	Japan	386.1	387.9	401.8	3.6%	190.5	395.0
-total (excluding exports)							
Pharmaceutical business	Total	973.5	753.0	774.8	2.9%	386.5	810.0
-total							
Milestone and upfront revenue		66.0	18.5	15.5	-16.5%	5.0	12.0

*RLS: Restless legs syndrome

II-1. Sales of Major Products

【Nutraceutical business】

(10 thousand cases)

Product name	Company	2015	2016	2017	Change
Pocari Sweat					
1 case: 24 bottles, and other (10 thousand cases)	Otsuka Pharmaceutical				
Japan		2,625	2,846	2,762	-3.0%
Overseas		2,608	2,391	2,277	-4.8%
SOYJOY					
1 case: 48 bars (10 thousand cases)	Otsuka Pharmaceutical				
Japan		126	136	122	-10.6%
Overseas		20	19	15	-22.4%
Oronamin C					
1 case: 50 bottles (10 thousand cases)	Otsuka Pharmaceutical	1,025	993	984	-0.9%
Calorie Mate					
1 case: 4 bars×30, and other (10 thousand cases)	Otsuka Pharmaceutical	381	402	410	2.0%
Tiovita Drink					
1 case: 50 bottles (10 thousand cases)	Taiho Pharmaceutical	345	350	338	-3.5%
Solmack					
(10 thousand of bottles)	Taiho Pharmaceutical	1,501	1,525	1,517	-0.5%

* Overseas sales include sales of consolidated subsidiaries only.

【Consumer business】

(10 thousand cases)

Product name	Company	2015	2016	2017	Change
Bottled Water					
1 case: 24 bottles (10 thousand cases)	Otsuka Foods	504	488	463	-5.1%
Match					
1 case: 24 bottles (10 thousand cases)	Otsuka Foods	527	554	555	0.2%
Other (tea drinks and other)					
1 case: 24 bottles (10 thousand cases)	Otsuka Foods	232	240	236	-1.9%

【Other business】

(Billions of yen)

Product name	Company	2015	2016	2017	Change
Functional chemicals	Otsuka Chemical	34.3	34.1	38.3	12.2%
Fine chemicals	Otsuka Chemical	10.8	10.3	11.2	8.2%

II-2. Segment Information

Sales to Customers by Market

(Billions of yen)

Net sales by business segment	2015	2016	2017	Change
Consolidated sales	1,427.4	1,195.5	1,240.0	3.7%
Pharmaceutical business	973.5	753.0	774.8	2.9%
Japan	386.1	387.9	401.8	3.6%
North America	368.1	218.7	215.8	-1.4%
Others	219.3	146.4	157.2	7.3%
Nutraceutical business	306.7	300.9	314.7	4.6%
Japan	128.7	133.8	132.3	-1.1%
North America	86.4	79.2	90.5	14.2%
Others	91.6	87.8	91.9	4.7%
Consumer products business	38.2	35.2	35.3	0.5%
Japan	28.0	26.4	26.0	-1.4%
North America	9.7	8.3	8.9	6.7%
Others	0.5	0.5	0.5	2.2%
Other business	108.9	106.5	115.2	8.2%
Japan	79.7	75.9	78.5	3.4%
North America	1.9	2.9	3.1	5.1%
Others	27.4	27.6	33.6	21.6%
Japan -total	622.5	624.0	638.7	2.3%
North America - total	466.1	309.2	318.2	2.9%
Others - total	338.7	262.3	283.1	7.9%
Overseas net sales	804.9	571.5	601.3	5.2%
Overseas net sales ratio	56.4%	47.8%	48.5%	

Net Sales and Operating Income by Geographical Segment

(Billions of yen)

	2015	2016	2017	Change
Net sales	1,427.4	1,195.5	1,240.0	3.7%
Japan*	818.6	768.2	781.5	1.7%
North America*	542.5	363.0	394.7	8.7%
Others*	257.7	230.6	247.4	7.3%
Eliminations/corporate	-191.5	-166.2	-183.6	

*Intersegment sales are included.

(Billions of yen)

	2015	2016	2017	Change
Operating income	148.9	101.1	104.2	3.0%
Japan	85.2	83.1	89.2	7.3%
North America	2.1	2.2	-8.1	-
Others	20.8	12.2	21.4	76.0%
Eliminations/corporate	40.7	3.7	1.6	

II-3. Selling, General and Administrative Expenses

					(Billions of yen)	
Selling, general and administrative expenses	2015	2016	2017	Change	Estimate 1H 2018	Estimate 2018
Net sales	1,427.4	1,195.5	1,240.0	3.7%	620.0	1,300.0
Selling, general and administrative expenses	636.4	535.9	558.7	4.3%	270.0	545.0
(% of net sales)	44.6%	44.8%	45.1%		43.5%	41.9%
Personnel expenses	172.9	167.8	166.3	-0.9%		
Depreciation and amortization expenses	33.8	32.8	33.0	0.7%		
Advertisement expenses	33.3	41.5	42.5	2.5%		
Promotion expenses	176.8	97.8	102.7	5.0%		
Impairment loss	18.9	16.3	27.3	66.9%		
other	200.6	179.6	186.9	4.0%		
Research and development expenses	202.7	168.8	175.6	4.0%	90.0	190.0
(% of net sales)	14.2%	14.1%	14.2%		14.5%	14.6%
R&D expenses of pharmaceutical business	193.0	159.4	165.5	3.8%	85.0	180.0

					(Persons)
Number of employees (consolidated)	2015	2016	2017	Change	
Japan	14,082	13,909	13,880	-0.2%	
Overseas	17,858	17,878	18,937	5.9%	
Pharmaceutical business	18,743	18,647	19,168	2.8%	
Number of sales representatives (Japan)	2,492	2,453	2,462	0.4%	
Nutraceutical business	7,469	7,493	7,873	5.1%	
Consumer products business	526	541	526	-2.8%	
Other business	3,505	3,457	3,596	4.0%	
Corporate	1,697	1,649	1,654	0.3%	
Number of employees (consolidated)	31,940	31,787	32,817	3.2%	

					(Billions of yen)	
Capital expenditures	2015	2016	2017	Change	Estimate 1H 2018	Estimate 2018
Capital expenditures	526.5	75.5	152.3	101.8%	35.0	70.0
Pharmaceutical business	491.0	52.2	82.4	57.9%		
Nutraceutical business	18.8	11.6	53.3	361.2%		
Consumer products business	6.0	2.9	1.2	-59.2%		
Other business	8.0	6.3	12.5	98.2%		
Corporate	2.7	2.5	2.9	14.4%		

					(Billions of yen)	
Depreciation	2015	2016	2017	Change	Estimate 1H 2018	Estimate 2018
Depreciation	59.2	59.6	62.2	4.5%	30.5	61.0
Pharmaceutical business	39.2	39.7	41.1	3.6%		
Nutraceuticals business	10.4	10.2	10.9	6.8%		
Consumer products business	1.1	1.1	1.1	-1.2%		
Other business	4.8	5.3	5.5	3.7%		
Eliminations/corporate	3.7	3.3	3.6	11.0%		

III. Consolidated Statement of Financial Position

<Assets>

(Billions of yen)

	As of December 31, 2015	As of December 31, 2016	As of December 31, 2017	Composition	Change
Current assets	1,140.6	1,113.9	1,010.9	40.8%	-102.9
Cash and cash equivalents	460.6	369.9	336.6		-33.3
Trade and other receivables	387.8	353.2	363.9		10.7
Inventories	135.8	133.8	144.5		10.8
Income tax receivables	2.6	14.4	11.5		-2.9
Other financial assets	109.0	209.3	116.4		-92.9
Other current assets	44.7	33.0	37.5		4.5
Assets held for sale	-	0.3	0.5		0.2
Non-current assets	1,434.7	1,364.4	1,469.3	59.2%	104.9
Property, plant and equipment	359.6	358.8	382.5		23.7
Goodwill	244.7	231.8	249.5		17.6
Intangible assets	481.2	447.0	455.9		8.9
Investments in associates	175.8	166.6	188.2		21.6
Other financial assets	155.6	143.3	176.1		32.8
Deferred tax assets	9.6	6.9	7.0		0.0
Other non-current assets	8.2	10.0	10.2		0.2
Total assets	2,575.3	2,478.3	2,480.3	100.0%	2.0

III. Consolidated Statement of Financial Position

<Liabilities and equity>

(Billions of yen)

	As of December 31, 2015	As of December 31, 2016	As of December 31, 2017	Composition	Change
Liabilities	847.9	739.8	658.3	26.5%	-81.5
Current liabilities	480.0	436.6	386.5	15.6%	-50.1
Trade and other payables	150.1	162.3	159.9		-2.5
Bonds and borrowings	80.5	79.3	64.5		-14.8
Other financial liabilities	2.8	3.9	2.3		-1.5
Income taxes payables	19.0	21.5	8.0		-13.4
Provisions	2.1	0.6	-		-0.6
Other current liabilities	225.6	169.1	151.7		-17.4
Non-current liabilities	367.9	303.2	271.8	11.0%	-31.4
Bonds and borrowings	234.3	194.0	177.0		-17.0
Other financial liabilities	9.1	11.9	19.0		7.0
Net defined benefit liabilities	31.2	15.3	14.7		-0.7
Provisions	0.5	0.5	3.7		3.2
Deferred tax liabilities	83.5	70.3	44.7		-25.6
Other non-current liabilities	9.4	11.2	12.8		1.6
Equity	1,727.4	1,738.4	1,822.0	73.5%	83.5
Equity attributable to owners of the Company	1,698.5	1,710.5	1,793.3	72.3%	82.7
Share capital	81.7	81.7	81.7		-0.0
Capital surplus	503.4	504.0	505.6		1.6
Treasury shares	-47.3	-47.3	-47.3		-0.0
Retained earnings	1,159.5	1,209.1	1,266.4		57.3
Other components of equity	1.1	-37.0	-13.2		23.8
Non-controlling interests	28.9	27.9	28.7	1.2%	0.8
Total liabilities and equity	2,575.3	2,478.3	2,480.3	100.0%	2.0

IV. Consolidated Statement of Cash Flows

(Billions of yen)

	2015	2016	2017
Operating activities:			
Profit before tax	150.3	116.7	103.7
Depreciation and amortization expenses	59.2	59.6	62.2
Impairment loss and reversal of impairment loss	22.1	32.1	28.8
Share of loss (profit) of associates	-12.4	-16.0	-19.3
Finance income	-10.0	-3.8	-4.3
Finance costs	7.8	13.1	5.1
Other non-operating (income) expenses	0.7	-24.8	-0.3
Decrease (increase) in inventories	12.8	-0.6	-8.4
Decrease (increase) in trade and other receivables	26.9	22.8	-9.9
Increase (decrease) in trade and other payables	-62.8	11.6	-5.8
Other	76.3	-30.4	-12.3
(Subtotal)	271.0	180.3	139.5
Interest and dividends received	8.9	9.2	10.2
Interest paid	-3.9	-3.5	-3.6
Income taxes paid	-18.2	-43.9	-43.2
Net cash flows from (used in) operating activities	257.9	142.0	102.8
Investing activities:			
Proceeds from sales of property, plant and equipment	1.7	1.7	0.5
Payments for acquisition of property, plant and equipment	-56.9	-44.4	-54.2
Payments for acquisition of intangible assets	-18.6	-27.2	-23.4
Proceeds from sales and redemption of investments	47.5	100.1	74.4
Payments for acquisition of investments	-51.2	-72.1	-48.4
Payments for acquisition of subsidiaries	-392.4	-	-47.1
Decrease (increase) in time deposits	29.6	-111.1	59.7
Other	17.8	17.9	-1.6
Net cash flows from (used in) investing activities	-422.6	-135.1	-40.1
Financing activities:			
Purchase of treasury shares	-0.0	-0.0	-0.0
Increase (decrease) in current borrowings	-16.4	-2.6	-18.0
Proceeds from non-current borrowings	266.7	1.9	25.5
Repayments of non-current borrowings	-24.5	-35.8	-40.0
Dividends paid	-49.2	-54.7	-54.9
Other	-1.6	-1.8	-7.2
Net cash flows from (used in) financing activities	175.0	-93.1	-94.5
Increase (decrease) in cash and cash equivalents	10.3	-86.2	-31.8
Cash and cash equivalents at beginning of period	459.1	460.6	369.9
Effect of exchange rate changes on cash and cash equivalents	-8.8	-4.6	-1.5
Cash and cash equivalents at end of period	460.6	369.9	336.6

V. Shareholders

【Classification of shareholders】

(As of December 31, 2017)

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	0	137	27	440	692	41	58,030	59,367	-
Number of shares held (shares)	0	2,046,157	196,509	959,807	1,120,225	130	1,254,137	5,576,965	139,117
% of outstanding shares	0.00%	36.69%	3.52%	17.21%	20.09%	0.00%	22.49%	100.00%	-

*Out of 15,986,878 shares of treasury stock, 159,868 share units are included in "Private investors and others", and 78 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 December 31, 2017)

Names	Address	Number of shares held	% of outstanding shares
		(thousand shares)	
Japan Trustee Services Bank, Ltd. (Trust Account)	1-8-11 Harumi, Chuo-ku, Tokyo	64,082	11.49%
The Nomura Trust & Banking Co. Otsuka Founders Shareholding Fund Trust Account	2-2-2 Otemachi, Chiyoda-ku, Tokyo	61,955	11.11%
The Master Trust Bank of Japan, Co., Ltd. (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	36,599	6.56%
Otsuka Estate Co., Ltd.	17-4 Aza-Fukuike, Tosadamariura, Naruto-cho, Naruto City, Tokushima	23,281	4.17%
Otsuka Group Employee Shareholding Fund	2-16-4 Konan, Minato-ku, Tokyo	13,661	2.45%
The Awa Bank, Limited	2-24-1 Nishisemba-cho, Tokushima	10,971	1.97%
Trust & Custody Services Bank, Ltd. (Trust Account)	Harumi Triton Square towerZ, 1-8-12 Harumi, Chuo-ku, Tokyo	10,803	1.94%
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)	7,993	1.43%
Otsuka Asset Co., Ltd.	17-4 Aza-Fukuike, Tosadamariura, Naruto-cho, Naruto City, Tokushima	7,380	1.32%
MEDIPAL HOLDINGS CORPORATION	2-7-15 Yaesu, Chuo-ku, Tokyo	6,148	1.10%
ALL		242,873	43.54%

*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.

**15,986,878 shares of treasury stock are excluded from principal shareholders, but included in calculating percentage of outstanding shares.

VI. Pipeline Information

(as of December 31, 2017)

Code / <Brand name>	Generic name	Origin	Features	Indication / Dosage form	Country / Region	Development status
Central nervous system & Neurology						
OPC-34712 <REXULTI>	brexpiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Major depressive disorder / Oral	EU	Phase III
				Schizophrenia / Oral	JP	Approved*
					EU	Filed
				Agitation associated with dementia of the Alzheimer's type / Oral	US, EU	Phase III
				Bipolar I / Oral	US, EU	Phase III
				Posttraumatic stress disorder / Oral	US, EU	Phase II
			Schizophrenia / Depot injection	US	Phase I	
ASC-01	aripiprazole, sertraline	Otsuka Pharmaceutical	Dopamine partial agonist / Selective serotonin reuptake inhibitor	Major depressive disorder / Oral	JP	Filed
					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	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
			Traumatic brain injury / Oral	US	Phase II	
EB-1020	centanafadine	Neurovance	Norepinephrine, dopamine and serotonin reuptake inhibitor	Attention deficit hyperactivity disorder / 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	Alcohol dependence / Oral	JP	Filed
Lu AF20513		Lundbeck	β -amyloid vaccine	Alzheimer's demetia / Injection	EU	Phase I
OPC-64005		Otsuka Pharmaceutical	Serotonin, norepinephrine and dopamine reuptake inhibitor	Attention deficit hyperactivity disorder / Oral	US	Phase II
TEV-48125	fremanezumab	Teva	Anti-CGRP antibody	Migraine / Injection	JP	Phase II / 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.

* Event after January 1, 2018

(as of December 31, 2017)

Code / <Brand name>	Generic name	Origin	Features	Indication / Dosage form	Country / Region	Development status
Oncology						
TAS-102 <LONSURF>	trifluridine, tipiracil	Taiho Pharmaceutical	Interference with the function of DNA	Colorectal cancer / Oral	Asia	Filed
				Gastric cancer / Oral	JP, US, EU	Phase III
TAS-118	tegafur, gimeracil, oteracil, folinate	Taiho Pharmaceutical	Anti-metabolite	Gastric cancer / Oral	JP, Asia	Phase III
Pro-NETU	fosnetupitant	Helsinn Healthcare	NK ₁ receptor antagonist	Chemotherapy-induced nausea and vomiting / Injection	JP	Phase II
SGI-110	guadecitabine	Astex	DNA methyltransferase inhibitor	Ovarian cancer / Injection	US, EU	Phase II
				Acute myeloid leukemia / Injection	JP, US, EU Asia	Phase III
				Myelodysplastic syndrome / Injection	JP, US, EU Asia	Phase III
ASTX727		Astex	DNA methyltransferase inhibitor	Myelodysplastic syndrome / Oral	US	Phase II
ASTX660		Astex	IAP inhibitor	Solid tumors, Lymphomas / Oral	US	Phase II
OPB-111077		Otsuka Pharmaceutical		Solid tumors, Hematological cancers	US, Asia	Phase I
TAS-114		Taiho Pharmaceutical	dUTPase inhibitor	Non-small cell lung cancer / Oral	JP, US, EU	Phase II
TAS-115		Taiho Pharmaceutical	Multi-kinase inhibitor	Prostate cancer / Oral	JP	Phase II
TAS-116		Taiho Pharmaceutical	HSP90 inhibitor	Gastrointestinal stromal tumor / Oral	JP	Phase II
				Solid tumors / Oral	US, EU	Phase I
TAS-117		Taiho Pharmaceutical		Solid tumors / Oral	JP	Phase I
TAS-119		Taiho Pharmaceutical		Solid tumors / Oral	US, EU	Phase I
TAS-120		Taiho Pharmaceutical		Solid tumors / Oral	JP, US, EU	Phase I
TAS-121		Taiho Pharmaceutical		Solid tumors / Oral	JP	Phase I
TAS3681		Taiho Pharmaceutical		Prostate cancer / Oral	US, EU	Phase I
TAS4464		Taiho Pharmaceutical		Solid tumors, Hematological cancers / Injection	JP, US, EU	Phase I
ET-743	trabectedin	PharmaMar		Ovarian cancer / Injection	JP	Phase I
OCV-501		Otsuka Pharmaceutical	WT1 targeted cancer vaccine	Acute myeloid leukemia / Injection	JP, Asia	Phase II
OCV-C02		OncoTherapy Science		Colorectal cancer / Injection	JP	Phase I
HF10		Takara Bio	Oncolytic Virus	Melanoma / Injection	JP	Phase II
				Pancreatic cancer/ Injection	JP	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.

(as of December 31, 2017)

Code / <Brand name>	Generic name	Origin	Features	Indication / Dosage form	Country / Region	Development status
Cardiovascular & Renal system						
OPC-41061 <Samsca/ JINARC>	tolvaptan	Otsuka Pharmaceutical	V ₂ receptor antagonist	Autosomal dominant polycystic kidney disease / Oral	US	Filed
					Asia	Filed
				Cardiac edema / Oral	Asia	Approved
				Hepatic edema / Oral	Asia	Filed
			Syndrome of inappropriate antidiuretic hormone secretion / Oral	JP	Phase III	
AKB-6548	vadadustat	Akebia	HIF-prolyl hydroxylase inhibitor	Anemia associated with chronic kidney disease / Oral	US, EU	Phase III
OPC-61815		Otsuka Pharmaceutical	V ₂ receptor antagonist	Cardiac edema / Injection	JP	Phase II
Other areas						
TAS-303		Taiho Pharmaceutical	Selective norepinephrine reuptake inhibitors	Stress urinary incontinence / Oral	JP	Phase II
TAC-302		Meiji		Detrusor underactivity with overactive bladder/ Oral	JP	Phase II
OPC-67683 <Delyba>	delamanid	Otsuka Pharmaceutical	Mycolic acid biosynthesis inhibitor	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 secretagogue	Dry eyes / Eye drops (Multi dose)	JP	Phase III
OPF-105	Glucose, electrolyte, amino acid, fat and vitamin	Otsuka Pharmaceutical Factory		Peripheral parenteral nutrition solution / Injection	JP	Phase III
OPA-15406		Otsuka Pharmaceutical	PDE4 inhibitor	Atopic dermatitis / Ointment	JP	Phase II
OPS-2071		Otsuka Pharmaceutical	New quinolone based antibacterial agent	Clostridium difficile infection, enteric infection / Oral	JP, Asia	Phase II
Diagnostics						
C13-CAC	13C-calcium carbonate breath test	Otsuka Pharmaceutical		Measurement of gastric acidity / In-vivo diagnostic agent	JP	Phase II
ODK-1003/ ODK-1003-CN	WT1 mRNA RT-PCR assay kit	Otsuka Pharmaceutical		Diagnosis for Myelodysplastic syndrome / In-vitro diagnostic agent	Asia	Filed
ODK-1403	Thyroid-stimulating autoantibody kit	Otsuka Pharmaceutical		Graves' disease / In-vitro diagnostic agent	JP	Filed

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.

<Changes in Pipeline Information Since September 31, 2017>

Code / <Brand name>	Generic name	Origin	Features	Indication / Dosage form	Country / Region	Development status	Change from 3Q FY2017
Central nervous system & Neurology							
OPC-34712 <REXULTI>	brexpiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Bipolar I / Oral	US, EU	Phase III	Added
AVP-786	deuterium-modified dextromethorphan, quinidine	Avanir	NMDA receptor antagonist / Serotonin and norepinephrine reuptake inhibitor / Sigma-1 receptor agonist	Traumatic brain injury / Oral	US	Phase II	Added
Lu AA36143	nalmefene	Lundbeck	Opioid receptor antagonist	Alcohol dependence / Oral	JP	Filed	Phase III → Filed
OPC-64005		Otsuka Pharmaceutical	Serotonin, norepinephrine and dopamine reuptake inhibitor	Attention deficit hyperactivity disorder / Oral	US	Phase II	Added
TEV-48125	fremanezumab	Teva	Anti-CGRP antibody	Migraine / Injection	JP	Phase II / III	Added
Oncology							
TAS-116		Taiho Pharmaceutical	HSP90 inhibitor	Solid tumors / Oral	US, EU	Phase I	Added
Cardiovascular & Renal system							
OPC-41061 <Samsca/ JINARC>	tolvaptan	Otsuka Pharmaceutical	V ₂ receptor antagonist	Autosomal dominant polycystic kidney disease / Oral Cardiac edema / Oral	US Asia	Filed Approved	Phase III → Filed Filed → Approved
OPC-61815		Otsuka Pharmaceutical	V ₂ receptor antagonist	Cardiac edema / Injection	JP	Phase II	Added
Diagnostics							
ODK-1403	Thyroid-stimulating autoantibody Kit	Otsuka Pharmaceutical		Graves' disease / In-vitro diagnostic agent	JP	Filed	Added

<Event after January 1, 2018>

Code / <Brand name>	Generic name	Origin	Category	Indication / Dosage form	Country / Region	Development status	Change from 3Q FY2017
OPC-34712 <REXULTI>	brexpiprazole	Otsuka Pharmaceutical	Dopamine partial agonist	Schizophrenia / Oral	JP	Approved	Filed → Approved



Otsuka-people creating new products
for better health worldwide