

Daiichi-Sankyo

Strategic Moves

DAIICHI SANKYO CO., LTD.
Annual Report 2009



PROFILE

Daiichi Sankyo Co., Ltd., was established in 2005, after the merger of two leading century-old Japanese pharmaceutical companies. With more than 100 years of scientific expertise across a wide range of therapeutic categories, our new Company draws upon a rich legacy of innovation and a robust pipeline of promising new compounds. Our corporate mission is “to contribute to the enrichment of quality of life around the world through the creation and provision of innovative pharmaceuticals.”

To fulfill this mission, we are striving to realize our vision for 2015, to become a “**Global Pharma Innovator**,” and are making unceasing efforts to increase our corporate value, which we view as the sum of our social value, economic value, and humanistic value.

OUR VISION FOR 2015

**Global
Pharma
Innovator**

Global

Extending our global reach

Pharma

Fulfilling unmet medical needs

Innovator

Innovations in science, technology,
and business model

Three Years Young— See How Much We've Achieved!

DAIICHI SANKYO TODAY*

Annual Net Sales of **¥842.1 Billion**

➡ No. **3** in Japan and No. **22** in the World

Annual Overseas Sales of **¥373.3 Billion**

➡ **44.3%** of Our Sales

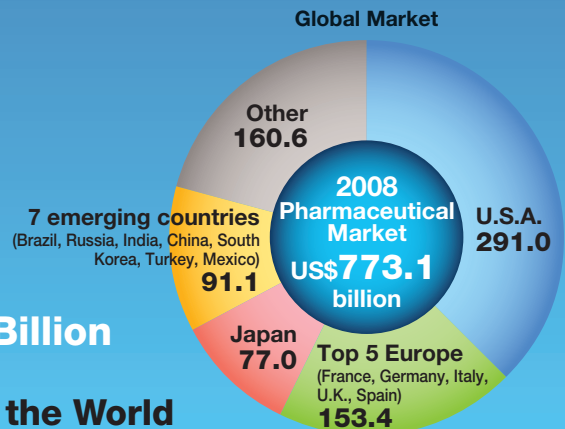
Annual R&D of **¥184.5 Billion**

➡ **21.9%** of Annual Net Sales

Return to Shareholders

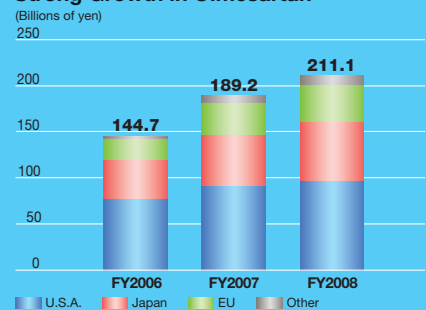
➡ **¥102 Billion** in Total Return

* Figures are actual figures recorded for fiscal 2008.



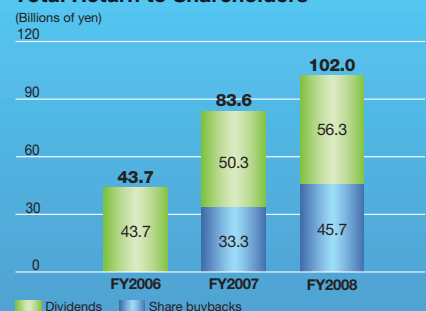
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Strong Growth in Olmesartan



Note: Excluding the impact of fiscal period adjustments

Total Return to Shareholders



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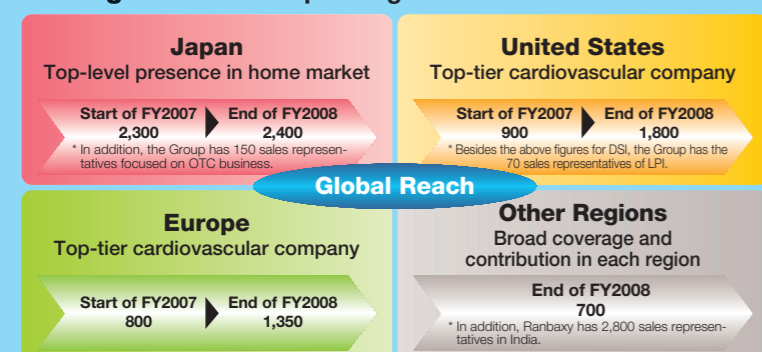
Forward-Looking Statements

This annual report contains forward-looking statements regarding the Company's plans, outlook, strategies, and results for the future. All forward-looking statements are based on judgements derived from the information available to the Company at the time of publication. Certain risks and uncertainties could cause the Company's actual results to differ from any projections presented in this report. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's business; competitive pressures; related laws and regulations; product development programs; and foreign currency fluctuations.

Bold, Strategic Moves to Realize Our Vision for 2015

Strategic Moves

Strategic Move 1 Expanding Our Business



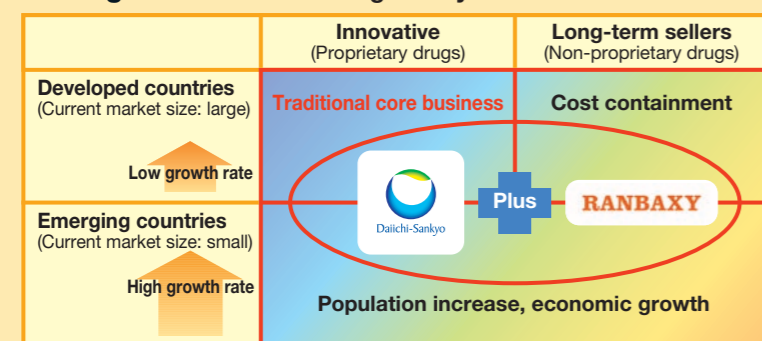
For additional information, please see page 10.

Strategic Move 2 Groundbreaking Debut of Prasugrel

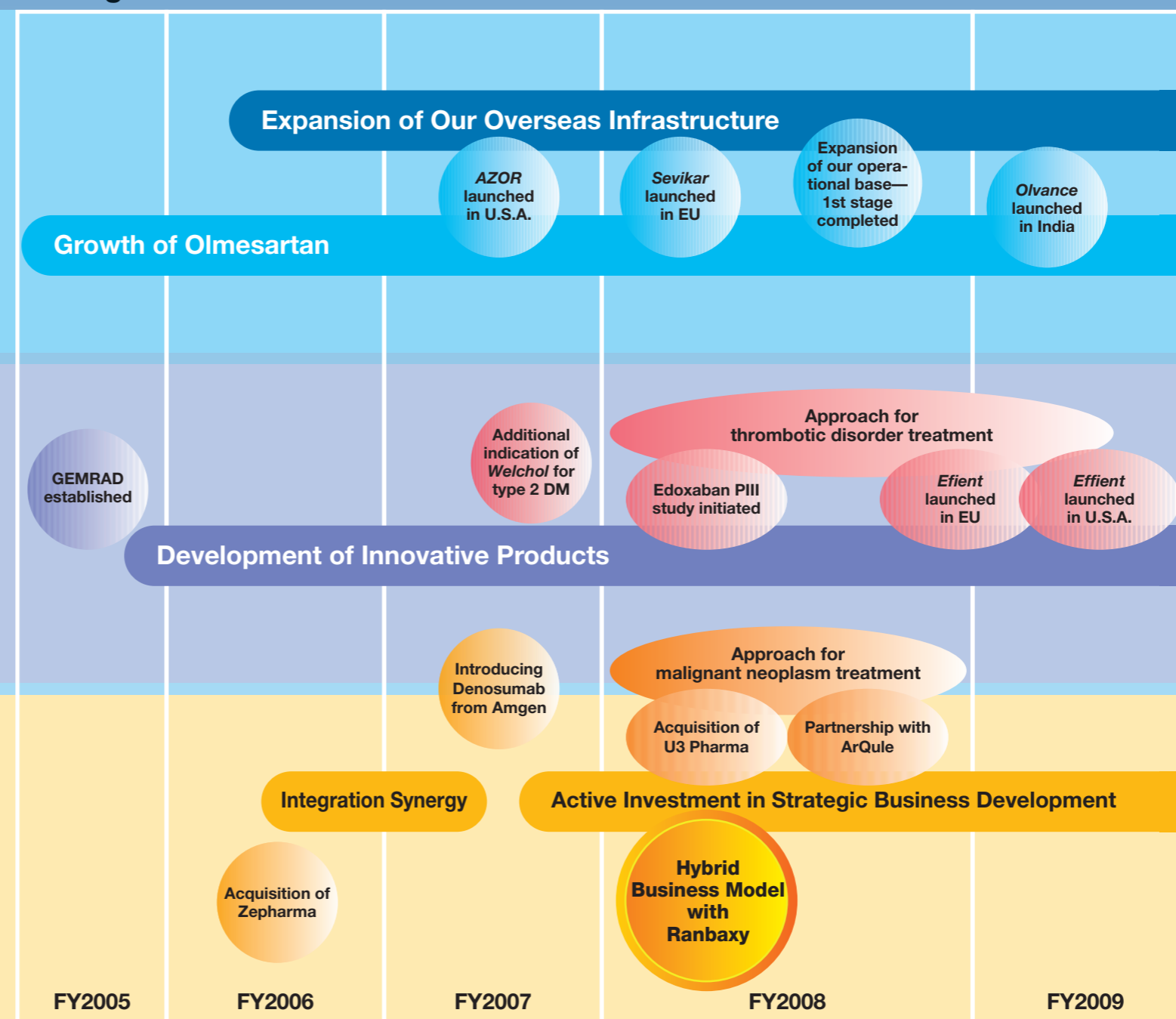


For additional information, please see page 12.

Strategic Move 3 Realizing the Hybrid Business Model



For additional information, please see page 14.



Targets for FY2015

Sales **¥1.5 trillion**

Operating income margin **25% or more**

Overseas sales ratio **60% or more**

CONSOLIDATED FINANCIAL HIGHLIGHTS

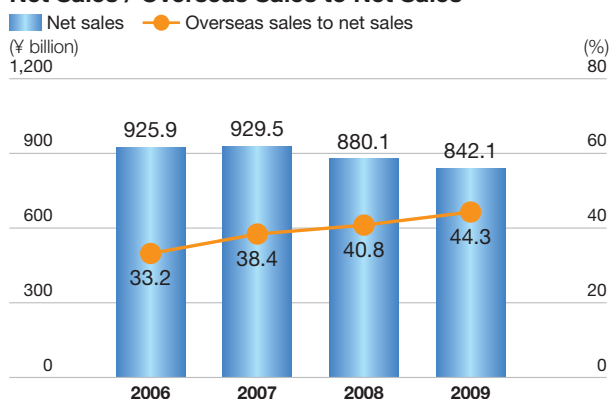
DAIICHI SANKYO COMPANY, LIMITED and Consolidated Subsidiaries
 Years ended March 31, 2009, 2008, 2007 and 2006 (Fiscal years 2008, 2007, 2006 and 2005)

	Millions of yen				Millions of U.S. dollars**
	2009	2008	2007	2006	2009
Net sales	¥ 842,147	¥ 880,120	¥ 929,507	¥ 925,918	\$ 8,593
Operating income	88,871	156,827	136,314	154,728	907
Net income (loss)	(215,499)	97,660	78,550	87,693	(2,199)
Overseas sales	373,254	358,639	356,701	307,265	3,809
Overseas sales to net sales (%)	44.3	40.8	38.4	33.2	44.3
R&D expenses	184,539	163,472	170,662	158,716	1,883
R&D expenses to net sales (%)	21.9	18.6	18.4	17.1	21.9
Expenditures of a capital nature	27,241	67,640	46,284	35,376	278
Depreciation	40,582	38,733	39,987	41,129	414
Total assets	1,494,600	1,487,889	1,636,835	1,596,127	15,251
Net assets	888,617	1,244,513	1,272,148	1,249,139	9,068
Net income (loss) per share of common stock (yen and U.S. dollars)	¥(304.22)	¥135.35	¥107.75	¥119.49	\$(3.10)
Cash dividends per share (yen and U.S. dollars)	80.00	70.00	60.00	25.00*	0.82

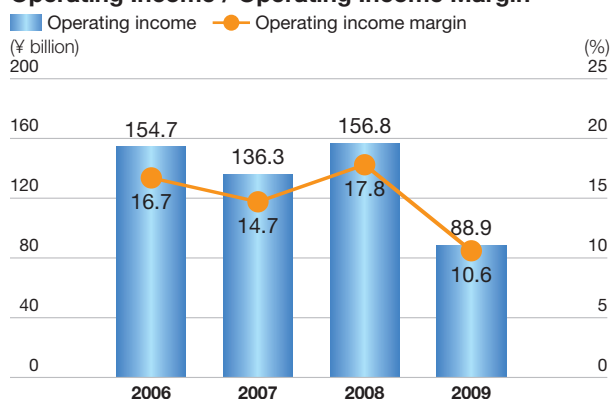
* The Company paid ¥25 per share as an interim stock transfer payment in December 2005, instead of the interim dividend.

** The U.S. dollar amounts represent translations of Japanese yen, solely for convenience, at the rate of ¥98=US\$1.00, the approximate exchange rate prevailing on March 31, 2009.

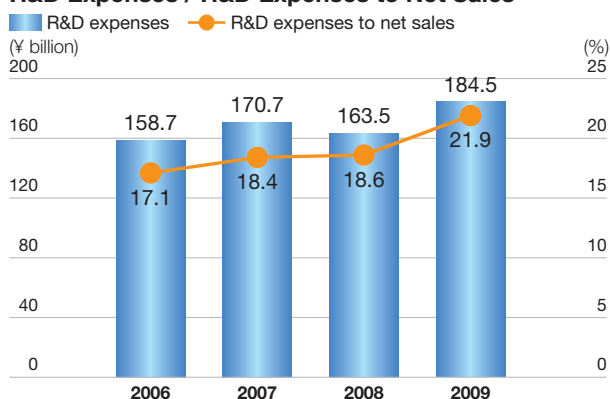
Net Sales / Overseas Sales to Net Sales



Operating Income / Operating Income Margin



R&D Expenses / R&D Expenses to Net Sales



Cash Dividends per Share / Dividend on Equity

