



Daiichi-Sankyo

Stock code
number
4568

Reference Data

(Consolidated Financial Results for 1 Q FY2007)

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The forecasts of FY2007 announced in May are NOT revised.
(Figures of non-pharmaceutical subsidiaries are not included)

1.Summary of Financial Statement

(Billions of yen)

	FY2006 Actual						FY2007						
	1st half			Full year			1st half			Full year			
	1Q						1Q						
	Pharma business *	Influence of change in the accounting period (U.S.) Excluded					Actual	Progress	Pharma business *	Influence of change in the accounting period (EU.) Excluded	Forecast	Forecast	Influence of change in the accounting period (EU.) Excluded
Change	<17.1>			<7.5>	<0.4>		<12.9>			<2.5>	<14.4>	<10.0>	<3.7>
Net sales	270.5	239.6	208.1	485.8	929.5	793.7	235.5	56.6%	227.4	213.3	416.0	837.0	822.9
Cost of sales	73.6	54.4	49.3	138.0	265.2	190.2	57.9	57.9%	50.8	47.2	100.0	200.5	196.9
Cost of sales ratio	27.2%	22.7%	23.7%	28.4%	28.5%	24.0%	24.6%		22.3%	22.1%	24.0%	24.0%	23.9%
Selling, general and administrative expenses	136.2	126.9	109.5	269.5	528.0	483.4	109.9	45.6%	108.6	100.0	241.0	479.5	470.9
SG&A ratio	50.3%	53.0%	52.6%	55.5%	56.8%	60.9%	46.6%		47.8%	46.9%	57.9%	57.3%	57.2%
Research and development expenses	37.9	36.0	34.2	84.9	170.7	163.3	32.7	39.9%	32.5	32.2	82.0	161.5	161.2
R&D ratio	14.0%	15.0%	16.4%	17.5%	18.4%	20.6%	13.9%		14.3%	15.1%	19.7%	19.3%	19.6%
Change	<27.6>			<-2.5>	<-11.9>		<11.6>			<-34.2>	<-4.3>	<15.2>	<-29.2>
Operating income	60.8	58.3	49.3	78.4	136.3	120.1	67.8	90.4%	68.0	66.2	75.0	157.0	155.1
/ Net sales	22.5%	24.3%	23.7%	16.1%	14.7%	15.1%	28.8%		29.9%	31.0%	18.0%	18.8%	18.9%
Change	<35.8>			<-6.7>	<-4.8>		<5.6>			<-27.6>	<-9.3>	<-8.5>	<-21.1>
Ordinary income	67.8	65.2	54.6	88.2	152.1	134.5	71.7	89.6%	71.9	69.7	80.0	165.0	162.8
/ Net sales	25.1%	27.2%	26.2%	18.2%	16.4%	16.9%	30.4%		31.6%	32.7%	19.2%	19.7%	19.8%
Change	<51.7>			<-35.3>	<-10.4>		<-13.7>			<-23.5>	<-34.2>	<-17.1>	<-154.8>
Net income	48.0	36.7	30.9	66.9	78.5	35.3	41.4	94.1%	40.1	38.1	44.0	92.0	90.0
/ Net sales	17.7%	15.3%	14.8%	13.8%	8.5%	4.4%	17.6%		17.6%	17.9%	10.6%	11.0%	10.9%

*In order to make comparison with the existing businesses in FY2007 easier, "Pharma business" does not include certain figures from the non-pharmaceuticals operations. Thus, it does not meet the figures in the "Consolidated Segment information - Business" section.

Extraordinary gains / losses which arose from the spin-off of such operations, are excluded from the "Pharmaceuticals business". The figures were included in the "Pharmaceuticals business" in the May 2007 disclosure.

【Notes】

• The accounting period of Daiichi Sankyo Europe GmbH (DSE), which is an European subsidiary of the DAIICHI SANKYO Group, for the first quarter in FY2007 was 6 months from January 2007 to June 2007, following a change in its fiscal year-end from December to March. The net sales, operating income, ordinary income, and net income of DSE for the period from January to March 2007 is ¥14.1 billion, ¥1.8 billion, ¥2.1 billion, and ¥2.0 billion, respectively.

• The accounting period of Daiichi Sankyo INC. (DSI) and Luitpold Pharmaceuticals Inc. (LPI), both of which are U.S. subsidiaries of the DAIICHI SANKYO Group, for the first quarter in FY2006 was 6 months from January 2006 to June 2006, following a change in these companies' fiscal year-end from December to March. The aggregate net sales, operating income, ordinary income, and net income of these subsidiaries for the period from January to March 2006 were ¥31.5 billion, ¥9.0 billion, ¥10.5 billion, and ¥5.8 billion, respectively.

• DAIICHI SANKYO Group has been in the process of making non-pharmaceutical operations independent of the Group in order to focus resources on the pharmaceutical business. During FY2006, the Company completed various movements which made subsidiaries such as Wakodo Co., Ltd., Fuji Flour Milling Co., Ltd., Daiichi Pure Chemicals Co., Ltd., Daiichi Radioisotope Laboratories, Ltd., Sankyo Agro Co., Ltd., Meguro Chemical Industry Co., Ltd., Sankyo Yell Yakuhin Co., Ltd., and Daiichi Medical Co., Ltd. independent of the Group.

The forecasts of FY2007 announced in May are NOT revised. (Figures of non-pharmaceutical subsidiaries are not included)

Although 1Q results include figures of non-pharmaceutical subsidiaries, they are not included in the forecast of FY2007, since they are to be spun off.

2.Currency rate

	FY2006 Actual			FY2007		
	1st half		Full year	1st half		Full year
	1Q			1Q Actual	Forecast	Forecast
Yen / USD (Average)	115.7	115.9	117.0	120.8	115	115
Yen / EUR (Average)	140.7	142.2	146.1	159.6	140	140

【Estimated impact of change in currency rate for FY2007】

1Q
Yen was approximately 5 yen and 20 yen weaker than originally estimated against USD and EUR, respectively. The effect of gains on currency exchange brought by weakening of the yen was net sales of ¥6.7 billion and operating income of ¥1.2 billion.

Full Year Forecast

A one yen per USD change in currency rate has an impact of approximately ¥1.8 billion and ¥0.3 billion on annual net sales and operating income, respectively.

A one yen per EUR change in currency rate has an impact of approximately ¥0.5 billion on annual net sales.

3.Consolidated sales of Global Produ

(Billions of yen)

	FY2006 Actual			
	1st half		Full Year	
	1Q			YoY %
Olmesartan [antihypertensive]	51.2	84.0	160.3	73.5%
Japan : Olmetec	9.8	19.4	42.2	64.9%
U.S.A: Benicar/ Benicar HCT*	35.6	53.3	92.8	84.4%
Europe: Olmetec/ Olmetec Plus**	5.2	10.1	22.5	53.2%
Others	0.5	1.2	2.8	56.2%
Levofloxacin [oral antibacterials]	25.0	48.8	104.1	2.6%
Japan : Cravit	11.7	21.0	46.7	-6.9%
Exports	9.0	19.3	38.4	10.6%
Royalty	4.3	8.5	19.0	14.4%
Pravastatin [antihyperlipidemic agent]	25.9	52.0	93.5	-34.7%
Japan: Mevalotin	17.8	34.8	67.8	-9.9%
Europe**	1.6	3.3	6.0	9.1%
Exports	6.5	13.9	19.8	-68.4%

FY2007							
1Q			1st half		Full Year		
Actual	Change	Progress	Forecast	YoY %	Forecast	YoY %	
53.1	3.6%	55.6%	95.5	13.8%	195.0	21.6%	
13.8	40.5%	48.5%	28.5	46.9%	63.0	49.2%	
22.8	-36.1%	51.7%	44.0	-17.4%	87.0	-6.2%	
14.9	185.4%	72.8%	20.5	103.9%	37.0	64.3%	
1.6	196.8%	62.6%	2.5	106.6%	8.0	184.5%	
29.5	17.9%	57.8%	51.0	4.4%	108.0	3.7%	
12.1	3.5%	52.6%	23.0	9.5%	52.0	11.3%	
12.7	40.9%	65.1%	19.5	1.1%	37.5	-2.4%	
4.7	8.5%	55.3%	8.5	-0.5%	18.5	-2.5%	
21.7	-16.2%	53.5%	40.5	-22.1%	78.0	-16.6%	
16.3	-8.4%	49.5%	33.0	-5.2%	65.0	-4.1%	
2.8	77.9%	76.7%	3.7	13.3%	6.0	0.0%	
2.5	-61.1%	66.1%	3.8	-72.6%	7.0	-64.6%	

* FY2006 Actual for Benicar / Benicar HCT is fifteen-months totals. (January 2006 - March 2007)

Three-months actuals (January 2006 - March 2006) is ¥15.6 billion (\$135mil).

** 1Q Actual for Olmetec / Olmetec Plus and Mevalotin are six-months totals. (January 2007 - June 2007)

Three-months actuals (January 2007 - March 2007) are ¥6.4 billion (€40mil) and ¥1.6 billion (€10mil), respectively.

4.Overseas sales

(Billions of yen)

	FY2006 Actual			
	1st half		Full Year	
	1Q			YoY %
North America*	80.2	135.0	241.9	32.4%
Europe**	27.6	44.6	84.3	-14.3%
Others	7.4	15.1	30.5	16.5%
Overseas sales	115.1	194.6	356.7	16.1%
/ Net sales	42.5%	40.1%	38.4%	

FY2007							
1Q			1st half		Full Year		
Actual	Change	Progress	Forecast	YoY %	Forecast	YoY %	
56.1	-30.0%	56.7%	99.0	-26.6%	204.0	-15.7%	
39.1	41.8%	73.7%	53.0	18.9%	90.0	6.7%	
10.3	39.2%	78.9%	13.0	-13.9%	26.0	-14.8%	
105.5	-8.4%	63.9%	165.0	-15.2%	320.0	-10.3%	
44.8%			39.7%		38.2%		

Others: China, Korea, Thailand, Taiwan, Brazil, Venezuela etc.

*FY2006

The accounting period of Daiichi Sankyo INC. (DSI) and Luitpold Pharmaceuticals Inc. (LPI), both of which are U.S. subsidiaries of the DAIICHI SANKYO Group, was 15 months from January 2006 to March 2007, following a change in these companies' fiscal year-end from December to March. The aggregate net sales of these subsidiaries for the period from January to March 2006 were ¥31.5 billion.

**FY2007

The accounting period of Daiichi Sankyo Europe GmbH (DSE) is 15 months from January 2007 to March 2008, following a change in its fiscal year-end from December to March. The net sales of DSE for the period from January to March 2007 was ¥14.1billion.

5.Consolidated Segment information - Business

(Billions of yen)

		FY2006 Actual				FY2007	
		1st half		2nd half	Full year	1 Q	YoY %
		1 Q					
	Domestic	117.1	215.2	218.2	433.4	112.5	-3.9%
	Overseas*	110.3	185.2	152.9	338.1	103.2	-6.5%
	OTC drugs	11.2	24.6	23.3	47.9	9.9	-11.5%
	Pharmaceuticals	247.5	441.4	395.7	837.1	225.8	-8.8%
	Others	22.9	44.4	47.9	92.4	9.6	-57.9%
Consolidated Sales		270.5	485.8	443.7	929.5	235.5	-12.9%
	Pharmaceuticals	59.4	75.9	55.5	131.4	68.3	15.1%
	Others	1.2	2.3	2.1	4.4	-0.3	-
Consolidated Operating income		60.7	78.4	58.0	136.3	67.8	11.6%

*FY2007

The accounting period of Daiichi Sankyo Europe GmbH (DSE) is 15 months from January 2007 to March 2008, following a change in its fiscal year-end from December to March. The operating results of DSE for the period from January to March 2007 was net sales of ¥14.1billion and operating income of ¥1.8billion.

*FY2006

The accounting period of Daiichi Sankyo INC. (DSI) and Luitpold Pharmaceuticals Inc. (LPI), both of which are U.S. subsidiaries of the DAIICHI SANKYO Group, was 15 months from January 2006 to March 2007, following a change in these companies' fiscal year-end from December to March. The aggregate operating results of these subsidiaries for the period from January to March 2006 were net sales of ¥31.5 billion and operating income of ¥9.0 billion.

6.Consolidated Segment information - Area

(Billions of yen)

		FY2006 Actual								FY2007		
		1st half		2nd half		Full year		1 Q	%	YoY %		
		1 Q	%	1 Q	%	1 Q	%					
	Japan	179.2	66.2%	342.0	70.4%	325.9	73.5%	667.8	71.9%	151.8	64.5%	-15.3%
	North America*	71.0	26.3%	108.5	22.3%	82.9	18.7%	191.5	20.6%	45.0	19.1%	-36.6%
	Europe**	16.3	6.0%	27.3	5.6%	26.1	5.9%	53.4	5.7%	32.3	13.7%	98.3%
	Others	3.9	1.5%	8.0	1.6%	8.8	2.0%	16.8	1.8%	6.3	2.7%	59.1%
Consolidated Sales		270.5	100.0%	485.8	100.0%	443.7	100.0%	929.5	100.0%	235.5	100.0%	-12.9%
	Japan	51.0		71.6		41.1		112.7		47.4		
	North America	23.4		33.9		3.4		37.3		13.2		
	Europe	4.7		5.4		1.4		6.8		4.4		
	Others	0.1		0.3		0.5		0.8		0.7		
Consolidated Operating income		60.7		78.4		58.0		136.3		67.8		

*FY2006

The accounting period of Daiichi Sankyo INC. (DSI) and Luitpold Pharmaceuticals Inc. (LPI), both of which are U.S. subsidiaries of the DAIICHI SANKYO Group, was 15 months from January 2006 to March 2007, following a change in these companies' fiscal year-end from December to March. The aggregate operating results of these subsidiaries for the period from January to March 2006 were net sales of ¥31.5 billion and operating income of ¥9.0 billion.

**FY2007

The accounting period of Daiichi Sankyo Europe GmbH (DSE) is 15 months from January 2007 to March 2008, following a change in its fiscal year-end from December to March. The operating results of DSE for the period from January to March 2007 was net sales of ¥14.1billion and operating income of ¥1.8billion.

7. Domestic Sales

Sales of main ethical pharmaceuticals

(Billions of yen)

	FY2006 Actual			
	1st half		Full Year	
	1Q			YoY %
Total net sales of ethical pharmaceuticals	110.6	206.1	420.4	1.8%
Cardiovascular disease-related field				
Olmotec (antihypertensive)	9.8	19.4	42.2	65.4%
Calblock (antihypertensive)	2.1	4.1	8.8	38.0%
Artist (long-acting beta-blocker)	5.2	9.6	19.3	5.9%
Mevalotin (antihyperlipidemic agent)	17.8	34.8	67.8	-9.9%
Kremezin (treatment for chronic renal failure)	3.2	6.1	12.2	-6.4%
Hanp (agent for the treatment of acute cardiac failure)	2.5	4.2	9.2	5.8%
Livalo (antihyperlipidemic agent)	1.3	2.5	5.1	23.9%
Sunrhythm (antiarrhythmic agent)	3.2	5.9	11.7	-1.3%
Bepricor (antiarrhythmic and antianginal agent)	0.6	1.1	2.3	25.8%
Fastic (antidiabetic agent)	1.5	2.7	5.4	0.6%
Infectious diseases / bone and joint diseases / immunological allergic diseases / urology				
Cravit (oral antibacterial agent)	11.7	21.0	46.7	-6.9%
Loxonin (non-steroidal analgesic and anti-inflammatory agent)	7.9	14.9	30.9	8.0%
Mobic (non-steroidal anti-inflammatory agent)	2.9	5.4	10.7	0.7%
Urief (treatment for dysuria)	0.8	1.1	2.3	-
Zyrtec (allergy drug)	2.9	5.1	12.0	-4.8%
Contrast agents / cancer / Gastric diseases				
Omnipaque (non-ionic contrast agent)	8.5	16.4	31.5	-9.1%
Omniscan (contrast medium for MRI)	1.4	2.7	5.2	-2.6%
Topotecin (anticancer agent)	1.4	2.6	5.4	12.1%
Krestin (anticancer agent)	1.1	2.0	3.8	-18.2%
Feron (interferon beta)	0.9	1.9	4.0	9.6%

FY2007						
1st half Estimate			Full Year Estimate			
1Q						
Actual	YoY %	Progress		YoY %		YoY %
110.7	0.1%	50.8%	218.0	5.7%	452.0	7.5%
13.8	40.5%	48.5%	28.5	46.9%	63.0	49.2%
2.5	17.8%	42.1%	6.0	45.1%	13.5	53.8%
5.5	5.2%	47.8%	11.5	20.1%	23.0	19.2%
16.3	-8.4%	49.5%	33.0	-5.2%	65.0	-4.1%
3.1	-4.1%	47.1%	6.5	7.2%	13.0	6.7%
2.6	4.2%	56.5%	4.6	10.1%	10.0	8.9%
1.4	5.9%	40.9%	3.3	33.9%	7.0	36.4%
3.2	-0.6%	53.5%	6.0	1.7%	12.0	2.3%
0.7	15.4%	55.8%	1.2	9.1%	2.6	13.0%
1.3	-8.1%	49.5%	2.7	-0.1%	5.5	1.9%
12.1	3.5%	52.5%	23.0	9.5%	52.0	11.3%
8.3	4.0%	48.6%	17.0	13.8%	35.0	13.2%
2.8	-3.5%	43.3%	6.5	20.1%	12.5	17.2%
1.1	36.2%	38.0%	2.9	175.6%	8.0	253.5%
2.7	-8.9%	59.1%	4.5	-11.4%	9.5	-20.6%
8.2	-3.0%	45.7%	18.0	10.0%	34.0	7.8%
1.3	-8.6%	47.9%	2.7	0.4%	5.5	4.9%
1.6	15.1%	55.4%	2.9	10.2%	6.0	10.5%
0.9	-21.3%	45.0%	1.9	-2.9%	3.7	-2.6%
1.0	13.5%	41.8%	2.4	25.9%	5.5	37.2%

Sales of main OTC drugs

(Billions of yen)

	FY2006 Actual			
	1st half		Full Year	
	1Q			YoY %
Total net sales of OTC drugs	11.2	24.6	47.9	-
LuLu series	1.3	5.3	10.0	7.7%
Gaster 10	1.0	1.7	3.6	-
Shin-Sankyo Ichoyaku series	0.7	1.4	3.0	2.2%
Patecs series	0.6	1.1	1.9	-3.5%

FY2007						
1st half Estimate			Full Year Estimate			
1Q						
Actual	YoY %	Progress		YoY %		YoY %
9.9	-11.5%	38.2%	26.0	5.7%	52.0	8.5%
1.1	-11.7%	20.9%	5.5	3.1%	11.0	9.7%
0.9	-9.8%	50.5%	1.7	0.4%	3.9	8.6%
0.6	-9.8%	45.6%	1.4	-3.0%	3.4	15.0%
1.0	60.0%	54.1%	1.8	58.0%	3.0	56.3%

Export sales of main products

(Billions of yen)

	FY2006 Actual			
	1st half		Full Year	
	1Q			YoY %
Levofloxacin (antibacterial agent)	7.7	16.3	32.4	9.6%
Pravastatin (antihyperlipidemic agent)	6.9	14.8	21.6	-66.6%

FY2007						
1st half Estimate			Full Year Estimate			
1Q						
Actual	YoY %	Progress	YoY %		YoY %	
10.6	38.4%	68.4%	15.5	-5.1%	31.0	-4.2%
1.8	-73.7%	59.0%	3.1	-79.1%	4.8	-77.9%

8. Sales of Overseas Subsidiaries

U.S. subsidiaries—net sales of main products

(Billions of yen)

	FY2006 Actual			
	1st half		Full Year	
	1Q			YoY %
DAIICHI SANKYO INC. (DSI)	47.3	73.6	130.4	70.3%
Benicar / Benicar HCT (antihypertensive) (\$ million)	35.6 (307)	53.3 (460)	92.8 (793)	84.4% 73.9%
WelChol (antihyperlipidemic agent) (\$ million)	8.7 (75)	13.1 (113)	23.2 (198)	56.8% 48.1%
Floxin Otic (antibiotic eardrops) (\$ million)	1.7 (14)	4.5 (39)	8.2 (71)	33.8% 29.7%
Evoxac (agent for treatment of dry-mouth) (\$ million)	0.4 (3)	1.3 (11)	2.9 (25)	22.5% 18.7%
Luitpold Pharmaceuticals, Inc. (LPI)	23.8	35.0	61.0	54.5%
Venofer (treatment for iron deficiency anemia) (\$ million)	13.7 (118)	20.6 (178)	37.7 (322)	66.7% 57.1%

FY2007						
1st half Estimate			Full Year Estimate			
1Q						
Actual	YoY %	Progress	YoY %		YoY %	
33.3	-29.6%	53.7%	62.0	-15.8%	126.0	-3.4%
22.8 (188)	-36.1% -38.8%	51.7% 49.4%	44.0 (381)	-17.4% -17.1%	87.0 (759)	-6.2% -4.3%
5.8 (48)	-33.6% -36.4%	58.0% 54.0%	10.0 (89)	-23.8% -21.4%	22.5 (196)	-3.1% -1.1%
2.9 (24)	68.2% 61.1%	52.6% 50.0%	5.5 (48)	23.1% 24.3%	9.0 (78)	9.1% 10.6%
1.0 (8)	131.0% 121.4%	68.4% 64.4%	1.5 (13)	15.3% 17.4%	3.2 (28)	8.7% 11.7%
11.9	-50.2%	59.3%	20.0	-42.8%	40.0	-34.5%
6.8 (56)	-50.8% -52.8%	67.7% 63.0%	10.0 (89)	-51.5% -49.9%	21.0 (184)	-44.3% -42.8%

FY2006 Actuals for Benicar / Benicar HCT, Welchol, and Venofer are fifteen-months totals. (January 2006 - March 2007)

Three-months actuals (January 2006 - March 2006) are ¥15.6 billion (\$135mil), ¥3.9 billion (\$33mil), and ¥6.8 billion (\$59mil), respectively.

European subsidiaries—net sales of main products

(Billions of yen)

	FY2006 Actual			
	1st half		Full Year	
	1Q			YoY %
DAIICHI SANKYO EUROPE GmbH (DSE)	15.9	26.7	51.6	17.8%
Olmetec / Olmetec Plus (antihypertensive) (€ million)	5.2 (37)	10.1 (71)	22.5 (154)	53.2% 44.1%
Mevalotin (antihyperlipidemic agent) (€ million)	1.5 (11)	3.3 (23)	6.0 (41)	9.1% 2.6%

FY2007						
1st half Estimate			Full Year Estimate			
1Q						
Actual	YoY %	Progress	YoY %		YoY %	
32.5	104.5%	81.2%	40.0	51.0%	69.0	33.6%
14.9 (94)	185.4% 151.5%	72.8% 63.6%	20.5 (147)	103.9% 108.0%	37.0 (265)	64.3% 71.8%
2.8 (18)	77.9% 56.8%	76.7% 66.9%	3.7 (27)	13.3% 15.8%	6.0 (42)	0.0% 2.9%

1Q Actuals for Olmetec / Olmetec Plus and Mevalotin are six-months totals. (January 2007 - June 2007)

Three-months actuals (January 2007 - March 2007) are ¥6.4 billion (€40mil) and ¥1.6 billion (€10mil), respectively.

9.R&D Pipeline (Change from the announcement of May 2007)

Stage of Development

Development Code Number	Before Change	After Change	Remarks
CS-011	Japan: —	Japan : Phase2	· antidiabetic (glitazone type)
AMG162	Japan: —	Japan : Phase3	· anti-RANKL antibody (denosumab) · bone metastases of cancer
	Japan: —	Japan : Phase2	· anti-RANKL antibody (denosumab) · osteoporosis