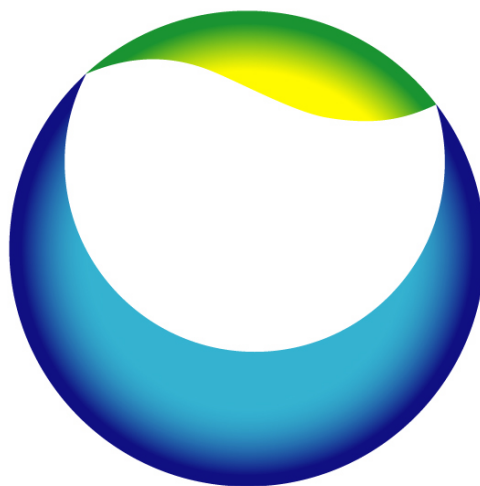


TSE : 4568

Reference Data

(Consolidated Financial Results for FY2008)



Daiichi-Sankyo

May 12, 2009

(Revised on May 28, 2009)

Corporate Communications Department

<http://www.daiichisankyo.com>

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Reference Data

(Consolidated Financial Results for FY2008)

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Each numerical value regarding the future prospect in this material is derived from our judgment and assumptions based on the currently available information and may include risk and uncertainty. For this reason, the actual performance data, etc. may differ from the prospective value.

1. Summary of Income Statement

< Daiichi Sankyo Group - Consolidated >

(Billions of yen)

	FY2008 Results						
	Q4		YoY Changes	Full Year		From Jan. Forecast	YoY Changes
Net Sales	<16.4> 100.0	214.5	30.3	<-4.3> 100.0	842.1	-7.9	-38.0
Cost of Sales	29.7	63.6	10.8	25.5	214.4	-2.6	-20.2
SG&A expenses	74.6	160.1	28.7	64.0	538.9	5.9	50.2
R&D expenses	25.8	55.4	8.9	21.9	184.5	6.0	21.1
Other expenses	48.8	104.7	19.8	42.1	354.3	-0.2	29.1
Operating income	<<-> -	-9.2	-9.2	<-43.3> 10.6	88.9	-11.1	-68.0
Non-operating income		3.1	-1.7		12.3	0.3	-4.7
Non-operating expenses		31.9	30.1		46.0	3.0	41.2
Ordinary income	<<-> -	-38.0	-41.0	<-67.4> 6.6	55.2	-13.8	-113.9
Extraordinary gains		1.1	-10.9		3.8	0.3	-12.3
Extraordinary losses		5.9	-3.4		367.2	0.7	348.9
Income before income taxes and minority interests	-	-42.8	-48.5		-308.3	-14.3	-475.1
Net Income	<<-> 38.4	82.3	81.1	<<-> -	-215.5	100.5	-313.2

(Billions of yen)

FY2009 Forecasts						
1st half		YoY Changes	Full Year		YoY Changes	
<14.4> 100.0	465.0	58.7	<14.0> 100.0	960.0	117.9	
29.0	135.0	37.4	29.0	278.0	63.6	
62.2	289.0	41.9	61.0	586.0	47.1	
20.0	93.0	10.7	20.2	194.0	9.5	
42.2	196.0	31.3	40.8	392.0	37.7	
<-33.5> 8.8	41.0	-20.6	<-8.0> 10.0	96.0	7.1	
	5.0	-1.1		6.0	-6.3	
	29.0	20.9		33.0	-13.0	
<-71.5> 3.7	17.0	-42.6	<-25.1> 7.2	69.0	13.8	
	0.0	-0.8		0.0	-3.8	
	0.0	-3.9		0.0	-367.2	
3.7	17.0	-39.6	7.2	69.0	377.3	
<-76.5> 1.7	8.0	-26.0	<<-> 4.2	40.0	255.5	

(Billions of yen)

	FY2008 Results				
	Full Year		YoY Changes	Details	From Jan. Forecast
Net Sales	<-4.3> 100.0	842.1	-38.0	Non-pharmaceutical business: -32.0 Change in fiscal year-end of DSE in FY2007: -14.1 Consolidation of Ranbaxy: +38.6 Decrease by yen appreciation, commercial rights transfer, and NHI drug price revision, etc.	-7.9
Cost of Sales	25.5	214.4	-20.2		-2.6
SG&A expenses	64.0	538.9	50.2		5.9
R&D expenses	21.9	184.5	21.1	Consolidation of Ranbaxy and allocation of its purchase cost: +9.5 Increase from acquisition of U3 Pharma and R&D alliance with ArQule, Inc.	6.0
Other expenses	42.1	354.3	29.1	Consolidation of Ranbaxy: +15.0 Amortization of goodwill of Ranbaxy: +10.2 Spin-off of non-pharmaceutical business and change in fiscal year-end of DSE in FY2007: -12.9 Increase due to intensive investment in U.S./EU to expand business foundation: +10.2	-0.2
Operating income	<-43.3> 10.6	88.9	-68.0		-11.1
Non-operating income		12.3	-4.7		0.3
Non-operating expenses		46.0	41.2	Consolidation of Ranbaxy: +25.9 Revaluation of synthetic stock options in DSI: +4.9 Valuation loss of European subsidiary's asset: +6.8	3.0
Ordinary income	<-67.7> 6.6	55.2	-113.9		-13.8
Extraordinary gains		3.8	-12.3		0.3
Extraordinary losses		367.2	348.9	One-time write-down of goodwill: +351.3	0.7
Income before income taxes and minority interests	-	-308.3	-475.1		-14.3
Net Income	<<-> -	-215.5	-313.2	Corporate tax, etc.: -148.3 Minority interests: -13.7	100.5

< Ranbaxy >

(Billions of yen)

	FY2008 Results				
	Q4		Full Year		From Jan. Forecast
Net Sales	100.0	38.6	100.0	38.6	-1.4
Cost of Sales	53.1	20.5	53.1	20.5	-0.5
SG&A expenses	45.4	17.6	45.4	17.6	-0.4
R&D expenses	6.7	2.6	6.7	2.6	0.1
Other expenses	38.8	15.0	38.8	15.0	-0.5
Operating income	1.5	0.6	1.5	0.6	-0.4
Non-operating income		1.4		1.4	0.4
Non-operating expenses		25.9		25.9	-1.1
Ordinary income	-	-23.9	-	-23.9	1.1
Extraordinary gains		0.2		0.2	0.2
Extraordinary losses		0.3		0.3	0.3
Income before income taxes and minority interests	-	-24.1	-	-24.1	0.9
Net Income	-	-16.2	-	-16.2	-5.2

Exchange Rate 1 INR = 2.0yen

Ranbaxy Laboratories Limited became a subsidiary of Daiichi Sankyo as of October 1st, 2008.

Q4 (Oct.-Dec.) results of Ranbaxy were consolidated in the Q4 (Jan.-Mar.) results of Daiichi Sankyo.

< Impact of Business Combination of Ranbaxy >

(Billions of yen)

	FY2008 Results		
	Q4	Full Year	From Jan. Forecast
Net Sales			
Cost of Sales	1.8	1.8	1.8
SG&A expenses	12.0	17.5	6.5
R&D expenses	6.9	6.9	6.9
Amortization of goodwill	4.7	10.2	-0.8
Operating income	-13.8	-19.3	-8.3
Non-operating income	0.0	0.0	0.0
Non-operating expenses	0.0	0.0	0.0
Ordinary income	-13.8	-19.3	-8.3
Extraordinary gains	0.0	0.0	0.0
Extraordinary losses (one-time write down of goodwill)	-2.7	351.3	-2.7
Income before income taxes and minority interests	-11.1	-370.6	-5.6
Net Income	110.3	-249.2	115.8

< Daiichi Sankyo's Performance excluding the impact of Ranbaxy's Consolidation >

(Billions of yen)

	FY2008 Results						Real term comparison *				
	Q4		YoY Changes	Full Year		From Jan. Forecast	YoY Changes	Q4 YoY changes	Full Year YoY changes		
Net Sales	<-4.6>	100.0	175.9	-8.4	<-8.7>	100.0	803.5	-6.5	-76.6	-1.8	-30.5
Cost of Sales		23.5	41.3	-11.5		23.9	192.1	-3.9	-42.5	-6.3	-11.0
SG&A expenses		74.2	130.5	-0.8		62.7	503.8	-0.2	15.1	-0.2	28.0
R&D expenses		26.1	45.9	-0.6		21.8	175.1	-0.9	11.6	-0.5	12.7
Other expenses		48.1	84.7	-0.3		40.9	328.8	0.8	3.5	0.3	15.3
Operating income	< >	2.3	4.0	4.0	<-31.4>	13.4	107.6	-2.4	-49.2	4.7	-47.5
Non-operating income			1.7	-3.1		10.8	-0.2	-6.2		-3.1	-5.8
Non-operating expenses			6.0	4.2		20.0	4.0	15.3		4.2	15.4
Ordinary income	< >	-	-0.3	-3.3	<-41.8>	12.2	98.4	-6.6	-70.7	-2.6	-68.7
Extraordinary gains			1.0	-11.1		3.6	0.1	-12.5		-4.0	-3.8
Extraordinary losses			8.3	-1.0		15.6	3.1	-2.7		0.4	-1.3
Income before income taxes and minority interests			-7.7	-13.3		86.4	-9.6	-80.5		-7.0	-71.2
Net Income	< >	-	-11.8	-13.0	<-48.9>	6.2	49.9	-10.1	-47.7	-10.9	-45.2

* Figures of non-pharmaceutical subsidiaries spun off, and the impact of change in the accounting periods of EU subsidiaries in FY2007 are considered as special factors.

Real term comparison compares figures excluding such special factors.

Operating results of non-pharmaceuticals was net sales of ¥32.0 billion and operating income of -¥0.1 billion in FY2007.

Operating results of DSE for the period from January to March 2007 was net sales of ¥14.1 billion and operating income of ¥1.8 billion.

< Notes to FY2009 Forecast >

(Billions of yen)

	FY2009 Forecasts			Details
	Full Year	YoY Changes		
Net Sales	<14.0>	960.0	117.9	
Ranbaxy	<249.3>	135.0	96.4	Full year contribution of Ranbaxy (FY2008 results include only Q4 (Oct-Dec) results of Ranbaxy)
ex) Ranbaxy	<2.7>	825.0	21.5	Domestic ethical drugs: +24.0, DSI (U.S.): -10.7, LPI (U.S.): -7.6, DSE (EU): +0.7, and other factors including decrease of Levofloxacin export sales Loss from currency fluctuation: -32.0 (increase/decrease of the above mentioned overseas subsidiaries includes impact of currency fluctuation)
Net Income	<>	4.2	40.0	255.5
Ranbaxy	<>	-19.0	-2.8	Impact of loss on valuation of derivatives recorded in Q1 (Jan-Mar), etc.
ex) Ranbaxy	<>	59.0	258.3	One-time write-down of goodwill (¥351.3 billion) was recorded in FY2008. Sales growth will be partially offset by increase in SG&A from the U.S./EU business expansion and launch of Phase 3 studies of Edoxaban (DU-176b).

2. Currency Rate

	FY2007	FY2008			FY2009 Forecast	
	Full Year Results	Full Year Forecast (May-08)	Full Year Forecast (Jan-09)	Full Year Results	Full Year	Annual impact of one yen change in currency rate
Yen / USD (average)	114.3	100.0	99.6	100.5	95.0	Net Sales ¥2.3 billion Operating Income ¥0.3 billion
Yen / EUR (average)	160.5	155.0	143.0	143.5	120.0	Net Sales ¥0.6 billion Operating Income -
Yen / INR (average)	-	-	2.0	2.0	1.9	Net Sales* ¥7.0 billion

* Annual impact of 0.1 yen change in currency rate for Indian Rupees

3. Sales of Global Products

	FY2008 Results						YoY changes excluding special factors*		FY2009 Forecast			
	Q4	YoY Changes	Full Year	From Jan. Forecast	YoY Changes			1st half	YoY Changes	Full Year	YoY Changes	
						1st half	Full Year					
Olmesartan <antihypertensive>	<9.1> 49.0	4.1	<8.0> 211.1	-1.4	15.6	<15.9> 14.3	<11.6> 22.0	<7.3> 112.2	7.6	<11.5> 235.5	24.4	
Olmetec (JPN)	<28.7> 14.4	3.2	<16.6> 64.4	-2.6	9.2			<24.6> 39.0	7.7	<27.4> 82.0	17.6	
Benicar HCT / Benicar (US)	<1.6> 19.6	0.3	<-0.6> 87.4	2.4	-0.5			<-6.5> 42.5	-3.0	<-1.6> 86.0	-1.4	
Azor (US)	<241.8> 2.3	1.6	<240.7> 8.7	-0.3	6.1			<71.7> 6.5	2.7	<72.9> 15.0	6.3	
Olmetec Plus / Olmetec (EU) *	<-13.6> 9.7	-1.5	<-10.3> 37.5	0.0	-4.3	<17.4> 2.8	<-5.9> 2.1	<-8.9> 17.0	-1.7	<-2.7> 36.5	-1.0	
Sevikar (EU)	<> 0.8	0.8	<> 2.2	-0.3	2.2			<> 2.2	2.2	<105.6> 4.5	2.3	
Other subsidiaries / Export, etc.	<-12.5> 22.0	29.0	<35.6> 110.0	-5.0	29.0			<-7.0> 5.0	-0.4	<4.3> 11.5	0.5	
Levofloxacin <synthetic antibacterial>	<-4.6> 22.6	-1.1	<-10.2> 97.7	-1.8	-11.1			<-13.4> 42.7	-6.6	<-5.8> 92.0	-5.7	
Cravit (JPN)	<-1.2> 9.7	-0.1	<-9.2> 43.0	-2.0	-4.4			<7.1> 21.0	1.4	<2.3> 44.0	1.0	
Export, etc	<7.6> 7.1	0.5	<-8.7> 31.1	0.1	-2.9			<-38.3> 11.0	-6.8	<-17.9> 25.5	-5.6	
Royalty	<-26.6> 4.0	-1.4	<-17.6> 16.1	-0.1	-3.4			<-13.0> 7.0	-1.0	<-6.7> 15.0	-1.1	
Other subsidiaries	<-2.6> 1.8	0.0	<-4.0> 7.5	0.2	-0.3			<-4.2> 3.7	-0.2	<-0.2> 7.5	0.0	
Pravastatin <antihyperlipidemic>	<-15.3> 12.3	-2.2	<-20.5> 60.8	0.3	-15.6	<-17.5> -6.8	<-18.8> -14.0	<-9.2> 29.0	-2.9	<-9.6> 55.0	-5.8	
Mevalotin (JPN)	<-14.3> 10.0	-10.9	<-17.6> 50.7	-0.3	-10.9			<-6.1> 25.0	-1.6	<-7.3> 47.0	-3.7	
Export, etc	<-3.5> 0.7	-1.8	<-36.6> 3.2	0.2	-1.8			<-45.2> 1.0	-0.8	<-37.0> 2.0	-1.2	
European Subsidiaries *	<-43.9> 0.7	-2.7	<-40.7> 4.0	0.0	-2.7	<-21.8> -0.6	<-22.0> -1.1	<-24.0> 1.5	-0.5	<-37.0> 2.5	-1.5	
Other subsidiaries	<7.1> 0.9	0.1	<-7.2> 3.0	0.5	-0.2			<-1.2> 1.5	0.0	<17.9> 3.5	0.5	

* The accounting period of Daiichi Sankyo Europe GmbH (DSE) was 15 months following a change in its fiscal year-end from December to March.

YoY changes excluding special factors column excludes extra three months sales of DSE in FY2007.

Prasugrel (alliance revenue) <antiplatelet>	<> 0.03	0.03	<> 0.03	-	0.03
Efient (EU)	<> 0.03	0.03	<> 0.03	-	0.03

Forecast of prasugrel is not disclosed.

Alliance Revenue of Efient (EU) is booked on Daiichi Sankyo Co., Ltd.

4. Overseas Sales

Consolidated basis

	FY2008 Results				
	Q4	YoY Changes	Full Year	From Jan. Forecast	YoY Changes
Overseas sales	<47.5> 114.7	36.9	<4.1> 373.3	-1.7	14.6
Overseas sales ratio	53.5%		44.3%		
North America	<21.7> 56.6	10.1	<0.6> 221.3	-	1.4
Europe	<37.0> 30.5	8.3	<-0.3> 98.2	-	-0.3
Other	<206.7> 27.6	18.6	<33.6> 53.8	-	13.5

(Billions of yen)

FY2009 Forecast	
Full Year	YoY Changes
<24.7> 465.5	92.2
48.5%	

Overseas sales of Ranbaxy

	FY2008 Results				
	Q4	YoY Changes	Full Year	From Jan. Forecast	YoY Changes
Overseas sales	<> 38.6	38.6	<> 38.6	-1.4	38.6
North America	<> 10.4	10.4	<> 10.4	-	10.4
Europe	<> 8.2	8.2	<> 8.2	-	8.2
Other	<> 20.0	20.0	<> 20.0	-	20.0

(Billions of yen)

FY2009 Forecast	
Full Year	YoY Changes
<249.9> 135.0	96.4

Ranbaxy became a consolidated subsidiary of Daiichi Sankyo as of October 1st, 2008.

Ranbaxy's fourth quarter (Oct-Dec) figures is consolidated into Daiichi Sankyo's fourth quarter (Jan-Mar).

Overseas sales excluding Ranbaxy

	FY2008 Results				
	Q4	YoY Changes	Full Year	From Jan. Forecast	YoY Changes
Overseas sales	<-2.1> 76.1	-1.6	<-6.7> 334.7	-0.3	-24.0
Overseas sales ratio	43.3%		41.7%		
North America	<-0.6> 46.2	-0.3	<-4.1> 210.9	1.4	-9.0
Europe	<0.3> 22.3	0.1	<-8.6> 90.0	-0.5	-8.5
Other	<-15.9> 7.6	-1.4	<-16.1> 33.8	-1.2	-6.5

(Billions of yen)

YoY changes excluding special factors*		FY2009 Forecast	
1st half	Full Year	Full Year	YoY Changes
<-2.5> 4.2	<-1.1> -3.6	<-1.2> 330.5	-4.2
<-0.7> 0.8	<-4.0> -8.9	<0.5> 212.0	1.1
<-7.3> 3.1	<6.7> 5.7	<-6.6> 84.0	-6.0
<-1.9> 0.3	<-1.3> -0.4	<-2.2> 34.5	0.7

* Daiichi Sankyo made certain non-pharmaceutical business independent of the group in FY2007.

The accounting period of Daiichi Sankyo Europe GmbH (DSE) was 15 months following a change in its fiscal year-end from December to March.

YoY changes excluding special factors column excludes sales of non-pharmaceutical business and extra three months sales of DSE in FY2007.

5. Consolidated Segment information - Operating Segment

(Billions of yen)

	FY2008 Results					
	Q4		YoY Changes	Full Year		YoY Changes
Net Sales	<16.4>			<-4.3>		
	214.5	30.3		842.1	-38.0	
Pharmaceuticals	<21.7>			<-0.2>		
	213.7	38.2		838.7	-2.0	
Domestic	<1.8>			<-4.7>		
	88.6	1.6		416.7	-20.6	
Overseas *	<46.7>			<5.9>		
	114.9	36.6		373.3	20.9	
OTC drugs	<-6.5>			<-6.2>		
	10.1	-0.7		47.2	-3.1	
Other	<-90.7>			<-91.3>		
	0.8	-7.9		3.4	-35.9	
Operating income	<>			<-43.3>		
	-9.2	-9.2		88.9	-68.0	
Pharmaceuticals	<>			<-44.3>		
	-9.7	-8.6		86.6	-69.0	
Other	<-53.9>			<116.2>		
	0.5	-0.6		2.2	1.2	

* The accounting period of Daiichi Sankyo Europe GmbH (DSE) in FY2007 was 15 months 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 ¥14.1 billion and operating income of ¥1.8 billion.

6. Consolidated Segment information - Geographic Segment

(Billions of yen)

	FY2008 Results					
	Q4		YoY Changes	Full Year		YoY Changes
Net Sales	<16.4>			<-4.3>		
	100.0	214.5	30.3	100.0	842.1	-38.0
Japan	<-8.4>			<-11.4>		
	52.5	112.7	-10.3	62.9	529.8	-68.4
North America	<31.7>			<7.2>		
	22.8	48.9	11.8	22.7	190.8	12.9
Europe *	<41.8>			<-0.7>		
	12.0	25.8	7.6	9.2	77.4	-0.5
India	<>			<>		
	7.1	15.3	-	1.8	15.3	-
Other	<101.4>			<10.9>		
	5.5	11.9	6.0	3.4	28.9	2.8
Operating income	<>			<-43.3>		
	-9.2	-9.2		88.9	-68.0	
Japan				43.4		
North America				50.3		
Europe *				5.8		
India				-18.9		
Other				0.4		

* The accounting period of Daiichi Sankyo Europe GmbH (DSE) in FY2007 was 15 months 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 ¥14.1 billion and operating income of ¥1.8 billion.

7. Status of Major Companies

7-1. Daiichi Sankyo Co., Ltd.

(Billions of yen)

	FY2008 Results					FY2009 Forecast		
	Q4	Full Year	From Jan. Forecast	YoY Changes	FY07 Results ==> FY08 Results	1st half	Full Year	YoY Changes
Total net sales of ethical pharmaceuticals	<2.3> 86.2	<<-4.8> 406.7	-8.3	-20.5		<4.3> 209.0	<-5.7> 430.0	23.3
Cardiovascular disease	<-0.6> 49.9	<<-4.8> 232.5	-7.5	-11.7	Sales dropped reflecting the NHI price revision and commercial rights transfer of certain product. Volume increased centering on the growth of Olmetec.	<-7.5> 126.0	<-9.2> 254.0	21.5
Olmetec <antihypertensive>	<28.7> 14.4	<16.6> 64.4	-2.6	9.2	Although Olmetec was the most affected by the NHI price revision (approx. -10%), sales have expanded on the strength of its antihypertensive effects to strongly lead the market.	<24.6> 39.0	<27.4> 82.0	17.6
Calblock <antihypertensive>	<17.2> 2.8	<18.9> 12.1	-0.9	1.9	With its efficacy for renal protection, concomitant prescriptions of Calblock and ARB increased in hypertensive patients who also suffer from chronic kidney disease.	<17.4> 7.0	<23.6> 15.0	2.9
Artist <antihypertensive>	<6.8> 4.9	<3.6> 21.9	-1.1	0.8	Despite a shrinking market, Artist prescriptions increased mainly for cardiac conditions and firmly maintained the top share among drugs in its class as the only beta-blocker indicated for the treatment of chronic heart failure.	<9.2> 12.0	<9.5> 24.0	2.1
Mevalotin <antihyperlipidemic agent>	<-14.3> 10.0	<-17.6> 50.7	-0.3	-10.9	Despite the increase in the number of prescriptions after MEGA Study results were reflected in treatment Guideline, sales of Mevalotin declined due to increasing prescriptions of generics and competition from other products.	<-6.1> 25.0	<-7.3> 47.0	-3.7
Kremezin <treatment for chronic renal failure>	<5.3> 2.8	<2.9> 12.8	-1.2	0.4	Despite the growth of generics, new prescriptions of Kremezin are growing due to practice guidelines for chronic kidney disease that recommend doctors prescribe oral adsorbents in severe cases.	<9.3> 7.0	<9.8> 14.0	1.2
Hanp <treatment for acute cardiac failure>	<-8.1> 2.2	<-6.2> 9.2	-0.3	-0.6	Although Hanp firmly maintained the competitive edge as the first choice for the treatment of acute heart failure, sales dropped slightly due to the effects of NHI price revision and the Diagnosis Procedure Combination (DPC).	<-5.7> 4.0	<-1.8> 9.0	-0.2
Livalo <antihyperlipidemic agent>	<16.6> 1.4	<11.8> 6.1	-0.9	0.6	Daiichi Sankyo, as a pioneer manufacturer of statins offered proposals for effective dyslipidemia treatment which increased the number of prescriptions and hospitals using Livalo.	<36.0> 4.0	<39.4> 8.5	2.4
Sunrythm <antiarrhythmic agent>	<-0.3> 2.5	<-3.6> 11.6	-0.4	-0.4	Despite holding the competitive edge as the first choice prescription for patients with atrial fibrillation, sales of Sunrythm decreased slightly due to NHI price revision.	<1.0> 6.0	<3.0> 12.0	0.4
Fastic <antidiabetic agent>	<-1.3> 1.1	<-1.2> 5.1	-0.9	-0.1	Fastic firmly maintained top share in the glinide market.	<14.8> 3.0	<17.2> 6.0	0.9
Infectious diseases/bone and joint diseases/ immunological allergic diseases/urology	<4.6> 30.0	<-1.0> 137.4	-0.2	-1.4	Sales dropped reflecting the NHI price revision and decline of Cravit. Volume increased centering on Loxonin and Urief.	<13.2> 71.0	<12.8> 155.0	17.6
Cravit <synthetic antibacterial agent>	<-1.2> 9.7	<-9.2> 43.0	-2.0	-4.4	Sales dropped due to the stagnant market condition and NHI price revision. However, Cravit further established its reputation for safety and antibacterial effects, and maintained its market share even with the launch of a rival drug from a competitor.	<7.1> 21.0	<2.3> 44.0	1.0
Loxonin <anti-inflammatory analgesic>	<12.3> 8.3	<15.1> 38.7	-2.3	5.1	Even with the growing number of generics prescriptions, sales increased due to the launch of the Loxonin Tape in July with superior efficacy and the strong Loxonin brand name, and also from the contribution of Loxonin Poultice.	<27.2> 24.0	<31.8> 51.0	12.3
Mobic <anti-inflammatory analgesic>	<-18.3> 1.6	<-17.8> 8.4	-1.6	-1.8	Sales declined due to the launch of generics in July and COX-2 inhibitor by a competitor.	<-1.9> 4.5	<12.8> 9.5	1.1
Urief <treatment for dysuria>	<60.5> 2.2	<46.0> 7.9	-0.6	2.5	Number of prescriptions and hospitals using Urief increased because of its strong efficacy. Market share has steadily risen, achieving third place in its class.	<27.2> 4.5	<26.4> 10.0	2.1
Zyrtec <antiallergic agent>	<-4.8> 3.5	<-14.1> 9.3	0.3	-1.5	Sales declined due to launches of generics by 29 companies.	<11.5> 4.0	<7.4> 10.0	0.7
Contrast agents / cancer / gastric diseases	<-13.6> 10.1	<-17.5> 48.8	0.8	-10.3	Sales dropped reflecting the NHI price revision and commercial rights transfer of certain product.	<0.9> 25.0	<0.4> 49.0	0.2
Omnipaque <contrast agent>	<-4.7> 5.7	<-9.1> 28.3	-0.7	-2.8	Sales declined due to a shrinking market and increased prescription of generics as a result of the introduction of DPC.	<-0.5> 14.5	<-1.1> 28.0	-0.3
Topotecin <anticancer agent>	<2.1> 1.4	<0.9> 6.2	-0.3	0.1	Prescriptions of Topotecin increased due to its addition to a pharmacotherapy regimen as a standard drug for treatment of gastrointestinal cancer.	<1.8> 3.2	<4.4> 6.5	0.3

7-2. Daiichi Sankyo Healthcare Co., Ltd

	FY2008 Results					FY07 Results ==> FY08 Results	FY2009 Forecast		
	Q4	Full Year	From Jan. Forecast	YoY Changes	1st half		Full Year	YoY Changes	
Daiichi Sankyo Healthcare Co., Ltd	<-6.5> 10.1	<-6.2> 47.2	-0.8	-3.1		<-2.1> 24.5	<-5.9> 50.0	2.8	
LuLu Series	<-6.9> 1.4	<-2.2> 9.8	-0.3	-0.2	Market share has increased in spite of a slight fall in sales due to a slump in the cold medication market.	<-9.8> 5.3	<-12.6> 11.0	1.2	
Gaster 10	<-12.6> 0.7	<-5.5> 3.3	0.0	-0.2	Sales have fallen slightly due to a slump in the gastrointestinal drug market.	<-15.3> 1.4	<-14.0> 2.8	-0.5	
Shin-Sankyo Ichoyaku series	<-12.1> 0.7	<-5.2> 3.3	0.0	-0.2	Sales have fallen slightly due to a slump in the gastrointestinal drug market coupled with the impact of the launch of <i>Shin-Sankyo Ichoyaku Plus</i> in fiscal 2007.	<-5.8> 1.7	<-8.5> 3.6	0.3	
Patecs series	<-9.3> 0.4	<-10.4> 2.7	-0.1	-0.3	Sales have fallen due to the impact of the launch of <i>Felbinac</i> series in fiscal 2007 and increased market competition.	<-33.6> 2.1	<-27.7> 3.4	0.7	
Transino	<-69.6> 0.1	<-41.4> 1.5	-0.1	-1.1	Sales have fallen significantly due to factors such as lack of increase in new purchases, compounded by a slump in consumer spending and insufficient levels of consumer understanding with regard to treatments for melasma.	<-20.0> 1.0	<-9.9> 1.7	0.2	

7-3. Daiichi Sankyo, Inc. (US)

	FY2008 Results					FY07 Results ==> FY08 Results	FY2009 Forecast		
	Q4	Full Year	From Jan. Forecast	YoY Changes	1st half		Full Year	YoY Changes	
Daiichi Sankyo, Inc. (DSI)	<-15.3> 27.9	<-1.9> 129.3	1.3	2.4		<-2.7> 67.0	<-8.3> 140.0	10.7	
mil USD	<-27.9> 300	<-15.8> 1,286	1	176		<-8.7> 705	<-14.6> 1,474	188	
Benicar / Benicar HCT <antihypertensive>	<1.6> 19.6	<-0.6> 87.4	2.4	-0.5	The ARB market saw negative growth on a volume basis for the first time in 2008. DSI has continued to actively promote <i>Benicar / Benicar HCT</i> as a highly effective drug for lowering blood pressure during fiscal 2008, after taking sole responsibility for their promotion. New prescriptions have been obtained steadily, and sales increased both on volume and monetary (local currency) basis.	<-6.5> 42.5	<-1.6> 86.0	-1.4	
mil USD	<14.1> 210	<13.0> 869	16	100		<4.4> 447	<4.2> 905	36	
Azor <antihypertensive>	<241.8> 2.3	<240.7> 8.7	-0.3	6.1	Since its launch in October 2007, promotional activities have been focused on establishing a position as a unique product that is both highly effective and safe. In addition to product features, promotions on the same level as competing drugs have also helped increase the market share.	<71.7> 6.5	<72.9> 15.0	6.3	
mil USD	<285.1> 24	<287.2> 86	-4	64		<91.8> 68	<82.9> 158	72	
Welchol <antihyperlipidemic / type 2 diabetes>	<4.3> 5.3	<7.8> 24.5	-0.5	1.8	Stepped up promotional activities to capitalize on the additional indication obtained for the treatment of type 2 diabetes in January 2008, resulting in accelerated sales growth as the only drug to treat both cholesterol and type 2 diabetes.	<7.8> 13.5	<16.4> 28.5	4.0	
mil USD	<17.8> 57	<22.5> 244	-7	45		<20.4> 142	<23.1> 300	56	

7-4. Luitpold Pharmaceuticals, Inc. (US)

	FY2008 Results					FY07 Results ==> FY08 Results	FY2009 Forecast		
	Q4	Full Year	From Jan. Forecast	YoY Changes	1st half		Full Year	YoY Changes	
Luitpold Pharmaceuticals, Inc. (LPI)	<-17.8> 10.7	<-0.1> 51.1	0.6	0.1		<-20.5> 21.5	<-14.9> 43.5	-7.6	
mil USD	<-5.7> 115	<-13.8> 509	2	62		<-11.2> 226	<-10.0> 458	-51	
Venofer <treatment for iron deficiency anemia>	<-15.3> 6.9	<3.1> 32.0	0.5	1.0	Halfway through fiscal 2008, LPI concluded an exclusive sublicensing agreement for the US dialysis market with Fresenius Medical Care, the largest dialysis chain company in the world, in an effort to secure stable profits in the dialysis market. LPI has focused on the non-dialysis market. With no new generic or competing entries into the market during fiscal 2008, market shares have continued to grow steadily in both the dialysis and non-dialysis (hospital) markets.	<-19.9> 13.5	<-14.2> 27.5	-4.5	
mil USD	<-2.8> 74	<-17.2> 319	3	47		<-10.5> 142	<-9.2> 289	-29	

7-5. Daiichi Sankyo Europe GmbH

(Billions of yen)

	FY2008 Results					FY2009 Forecast		
	Q4	Full Year	From Jan. Forecast	YoY Changes	FY07 Results ==> FY08 Results	1st half	Full Year	YoY Changes
Daiichi Sankyo Europe GmbH (DSE)	<2.4>	<-9.9>				<2.5>	<1.0>	
mil €	18.6	70.3	-0.7	-7.7		34.5	71.0	0.7
	<27.9>	<0.8>				<38.9>	<20.8>	
mil €	147	490	-7	4		288	592	102
Olmotec / Olmetec Plus <antihypertensive>	<-13.6>	<-10.3>				<-8.9>	<-2.7>	
mil €	9.7	37.5	0.0	-4.3		17.0	36.5	-1.0
	<8.5>	<0.3>				<23.6>	<16.4>	
mil €	77	261	-1	1		142	304	43
Sevikar <antihypertensive>	<>	<>				<>	<105.6>	
mil €	0.8	2.2	-0.3	2.2		2.2	4.5	2.3
	<>	<>				<>	<145.9>	
mil €	6	15	-2	15		18	38	22
Mevalotin <antihyperlipidemic agent>	<-43.9>	<-40.7>				<-24.0>	<-37.0>	
mil €	0.7	4.0	0.0	-2.7		1.5	2.5	-1.5
	<-25.7>	<-33.7>				<3.0>	<-24.6>	
mil €	6	28	0	-14		13	21	-7
Evista <treatment for osteoporosis>	<57.8>	<128.5>				<-23.2>	<-12.4>	
mil €	2.2	12.0	-0.5	6.7		5.2	10.5	-1.5
	<111.8>	<155.6>				<4.1>	<4.8>	
mil €	18	84	-4	51		43	88	4

* Following the change in fiscal year-end, FY2007 results for DSE, Olmetec / Olmetec Plus, Mevalotin and Evista are fifteen-month totals from Jan-07 to Mar-08. Three-month results from Jan-07 to Mar-07 are ¥14.1 billion (€9 million), ¥6.4 billion (€4 million), ¥1.6 billion (€10 million), and ¥1.0 billion (€6 million), respectively.

Alliance Revenue of Efient (Europe)

Efient <antiplatelet>	<>	<>			
mil USD	0.03	0.03	-	0.03	
	<>	<>			
mil USD	0.3	0.3	-	0.3	

* Alliance Revenue of Efient (Europe) is booked on Daiichi Sankyo Co., Ltd., thus, total sales of DSE above does not include Alliance Revenue of Efient (Europe). Forecast of Efient is not disclosed.

7-5. Daiichi Sankyo Europe GmbH <excluding the effect of change in fiscal year-end in FY2007>

	FY2008 Results					FY07 Results ==> FY08 Results
	Q4	Full Year	From Jan. Forecast	YoY Changes		
Daiichi Sankyo Europe GmbH (DSE)	<2.4>	<10.1>				
mil €	18.6	70.3	-0.7	6.4		
	<27.9>	<23.3>				
mil €	147	490	-7	92		
Olmotec / Olmetec Plus <antihypertensive>	<-13.6>	<5.9>				Sales of both single and combination drugs have continued to grow steadily. Sales via joint sales partners have also remained healthy. In-house promotions stepped up in Germany and other major countries with increased sales force.
mil €	9.7	37.5	0.0	2.1		
	<8.5>	<18.5>				
mil €	77	261	-1	41		
Sevikar <antihypertensive>	<>	<>				Sevikar was launched in Germany and the Netherlands in January 2009 and in Switzerland in February. Promotional activities have been reinforced to establish a position as a high value-added drug that is both highly effective and safe. Launch in other major markets will be made gradually.
mil €	0.8	2.2	-0.3	2.2		
	<>	<>				
mil €	6	15	-2	15		
Mevalotin <antihyperlipidemic agent>	<-43.9>	<-22.0>				Worldwide patents have now been expired. In-house sales and sales to partners both decreased.
mil €	0.7	4.0	0.0	-1.1		
	<-25.7>	<-12.6>				
mil €	6	28	0	-4		
Evista <treatment for osteoporosis>	<57.8>	<180.5>				Marketing and distribution rights for additional 26 European countries were obtained from Eli Lilly in February 2008. Sales have increased due to factors such as a substantially larger sales area, from eight to 34 countries.
mil €	2.2	12.0	-0.5	7.7		
	<111.8>	<214.2>				
mil €	18	84	-4	57		

7-6. Asia, South and Central America (ASCA)

	FY2008 Results					FY2009 Forecast		
	Q4	Full Year	From Jan. Forecast	YoY Changes	FY07 Results ==> FY08 Results	1st half	Full Year	YoY Changes
ASCA Total	<1.6> 6.0	<9.5> 23.0	1.0	20.0	Increase by 23.5% excluding the forex impact.	<0.8> 11.2	<4.6> 24.0	10.0
Daiichi Pharmaceutical (Beijing) Co., Ltd. (DPP)	<-22.0> 0.9	<-1.3> 4.0	-1.0	-1.0	Increase by 2.7% on a local currency basis. In addition to increased sales of <i>Cravit</i> , antibacterial agent franchise operations have also been stepped up via promotions for SSP products.	<-0.7> 2.0	<-5.6> 3.8	-2.0
Shanghai Sankyo Pharmaceuticals Co., Ltd. (SSP)	<126.2> 1.1	<69.0> 3.8	0.0	16.0	Increase by 75.8% on a local currency basis. Increased sales of <i>Carbenin</i> and <i>Cefmetazon</i> , promoted by DPP, have made a substantial contribution.	<43.2> 2.3	<26.3> 4.9	10.0
Daiichi Sankyo Korea Co., Ltd. (DSKR)	<-19.7> 0.6	<-12.4> 3.0	2.0	-4.0	Increase by 20.4% on a local currency basis. In addition to the increased sales of <i>Cravit</i> and <i>Mevalotin</i> , revenue from the co-promotion of <i>Olmetec</i> starting in fiscal 2008 has also helped the growth.	<-19.9> 1.4	<8.4> 3.2	3.0
Daiichi Sankyo (Thailand) Ltd. (DSTH)	<-13.4> 0.2	<-1.4> 0.8	0.0	0.0	Increase by 20.9% on a local currency basis. Sales have increased, driven primarily by sales of intravenous formulation of <i>Cravit</i> . <i>Cravit i.v.</i> 750mg was also introduced to the market in March 2009.	<4.0> 0.4	<4.9> 0.9	0.0
Daiichi Sankyo Taiwan Ltd. (DSTW)	<-15.5> 0.8	<-5.4> 3.5	0.0	-2.0	Increase by 6.1% on a local currency basis. Sales have increased, driven primarily by <i>Olmesartan</i> . The dry mouth treatment <i>Evinoxac</i> was introduced to the market in May 2008.	<-9.7> 1.7	<-4.2> 3.3	-1.0
Daiichi Sankyo Brasil Farmacéutica Ltda. (DSBR)	<-4.2> 1.4	<13.6> 5.0	0.0	6.0	Increase by 20.4% on a local currency basis. The launch of a combination drug (<i>Olmesartan</i> and <i>Amlodipine</i>) has accelerated sales growth of <i>Olmesartan</i> .	<-25.9> 1.6	<-22.0> 3.9	-11.0
Daiichi Sankyo Venezuela, S.A. (DSVE)	<9.8> 1.0	<19.0> 2.8	0.0	4.0	Increase by 36.3% on a local currency basis. Despite increased competition in the ARB market, sales of <i>Olmesartan</i> have grown substantially due to the intensive channeling of resources.	<45.9> 1.6	<45.5> 4.1	13.0

7-7. Ranbaxy Laboratories Limited

	FY2008 Results					FY2009 Forecast *		
	Q4	Full Year	From Jan. Forecast	YoY Changes	FY07 Results ==> FY08 Results	Full Year	YoY Changes	
Ranbaxy Laboratories Limited	<<>> 38.6	<<>> 38.6	-1.4	38.6	Ranbaxy joined Daiichi Sankyo group as of October 1st, 2008.	<249.3> 135.0	96.4	
bil INR	<<>> 19.3	<<>> 19.3	-0.7	19.3	Accordingly, Daiichi Sankyo's consolidated results for fiscal 2008 include Ranbaxy's fourth quarter (Oct-Dec, 08) results.	<267.4> 71.0	51.7	

* Only full year forecasts are disclosed for Ranbaxy.

7-8. ASCA & Ranbaxy's Sales of Global Products

	FY2008 Results					FY2009 Forecast		
	Q4	Full Year	From Jan. Forecast	YoY Changes	FY07 Results ==> FY08 Results	1st half	Full Year	YoY Changes
Olmesartan <antihypertensive>	<38.4> 2.1	<74.2> 7.3	0.0	3.1	Increase by 92.2% excluding the forex impact. In addition to sales expansion in Taiwan, Brasil, Venezuela, etc., co-promotion in Korea contributed to the increase of <i>Olmesartan</i> .	<-6.0> 3.0	<2.3> 7.5	0.2
Levofloxacin <synthetic antibacterial>	<-2.6> 1.8	<-4.0> 7.5	0.2	-0.3	Increase by 9.0% excluding the forex impact. In addition to sales increase in China (DPP), Korea, Thailand, etc., Ranbaxy's sales contributed to the growth.	<-4.2> 3.7	<-0.2> 7.5	0.0
Pravastatin <antihyperlipidemic>	<7.1> 0.9	<-7.2> 3.0	0.5	-0.2	Increase by 15.1% excluding the forex impact. In addition to sales increase in China (SSP), Taiwan, Korea, etc., Ranbaxy's sales contributed to the growth.	<-1.2> 1.5	<17.9> 3.5	0.5

8. Number of Employees

	FY2007	FY2008	
	Mar-08	Sep-08	Mar-09*
Total Number of Employees	15,349	16,237	28,895
Japan	9,048	9,096	9,148
Overseas	6,301	7,141	19,747

	FY2007		FY2008			
	Mar-08	MRs	Sep-08	MRs	Mar-09*	MRs
Total Number of Employees	15,349		16,237		28,895	
<Japan>						
Daiichi Sankyo Co., Ltd. (DS)	5,925	2,400	6,007	2,400	5,960	2,400
Daiichi Sankyo Healthcare Co., Ltd (DSHC)	396	150	401	150	401	150
<US>						
Daiichi Sankyo, Inc. (DSI)	2,446	1,550	2,856	1,810	2,875	1,800
Luitpold Pharmaceuticals, Inc. (LPI)	498	90	497	90	477	70
<Europe>						
Daiichi Sankyo Europe GmbH (DSE)	1,776	830	2,031	1,020	2,436	1,350
<Asia / Latin America>						
Daiichi Pharmaceutical (Beijing) Co., Ltd. (DPP)	443	143	470	164	459	158
Shanghai Sankyo Pharmaceuticals Co., Ltd. (SSP)	456	196	486	201	504	208
Daiichi Sankyo Hong Kong Ltd. (DSHK)	7	-	7	-	7	-
Daiichi Sankyo Korea Co., Ltd. (DSKR)	89	51	89	48	98	49
Daiichi Sankyo (Thailand) Ltd. (DSTH)	46	18	38	13	44	18
Daiichi Sankyo Taiwan Ltd. (DSTW)	150	65	159	69	158	69
Daiichi Sankyo Brasil Farmacêutica Ltda. (DSBR)	266	118	288	116	292	112
Daiichi Sankyo Venezuela, S.A. (DSVE)	123	70	128	61	131	80

	FY2007	FY2008	
	Mar-08	Sep-08	Mar-09*
Ranbaxy Group	-	-	12,174

* For overseas subsidiaries with different fiscal year-ends, figures as of Dec-08 are shown

9. Major Management / Financial Indicators

	FY2007 Results		FY2008 Results		FY2009 Forecast	
	1st Half	Full Year	1st Half	Full Year	1st Half	Full Year
Management Indicators						
Dividend payout ratio (Consolidated)	42.1%	51.7%	83.9%	-	264.0%	105.6%
Dividend on equity (DOE)	-	4.0%	-	5.4%	-	-
Earnings per share (EPS)	83.2 yen	135.3 yen	47.7 yen	-304.2yen	(11.4 yen)	(56.8 yen)
Dividend per share	35.0 yen	70.0 yen	40.0 yen	80.0 yen	30.0 yen	60.0 yen
Dividend payment (billions of yen)	25.2 billion	50.3 billion	28.2 billion	56.3 billion	-	-
Return on equity (ROE)	-	7.8%	-	-20.5%	-	-
Book value per share (BPS)	1,762.0 yen	1,730.1 yen	1,683.8 yen	1,226.0 yen	-	-
Equity ratio	83.6%	83.6%	83.9%	57.7%	-	-
Number of treasury stock purchased	10.0 million	10.0 million	15.0 million	15.0million	-	-
Treasury stock purchase (billions of yen)	33.4 billion	33.4 billion	45.8 billion	45.8 billion	-	-
Total number of common shares [*]	719 million	719 million	704 million	704 million	-	-
Share price at end of period	3,450 yen	2,945 yen	2,695 yen	1,648 yen	-	-
Market value (billions of yen)	2,481 billion	2,117 billion	1,897 billion	1,160 billion	-	-
Financial Indicators (billions of yen)						
Total assets	1,515.8	1,487.9	1,412.3	1,494.6		
Current assets	944.9	926.5	857.5	783.5		
Debt with interest	5.9	0.1	0.0	311.4		
Shareholder's equity	1,266.8	1,243.9	1,185.3	863.1		
CF from operating activities	-6.8	66.7	18.8	78.4		
CF from investing activities	5.6	-49.4	-198.0	-413.9		
CF from financial activities	-59.5	-82.9	-71.0	98.1		
Free cash flow ^{**}	-1.2	17.3	-179.3	-335.5		
Cash and cash equivalents, end of year	453.9	444.3	192.1	177.8		
Liquidity on hand ^{***}	652.6	662.0	385.1	364.2		
Number of consolidated subsidiaries	46	43	43	98		

* excluding treasury stock

** CF from operating activities + CF from investing activities

*** Current deposits + marketable securities + investment securities, etc

10. Capital Expenditure and Depreciation Expense

(Billions of yen)

	FY2007 Results		FY2008 Results		FY2009 Forecast
	1st Half	Full Year	1st Half	Full Year	Full Year
Depreciation expense	18.8	38.7	19.3	40.6	48.0
Capital expenditure	12.8	21.1	7.7	19.6	32.0

11. Number of Shares Held and Shareholders by Category

	As of March 31, 2008			As of September 30, 2008			As of March 31, 2009		
	Number of shareholders	Number of shares (million)	%	Number of shareholders	Number of shares (million)	%	Number of shareholders	Number of shares (million)	%
Government and public	1	0	0.0%	2	0	0.0%	2	0	0.0%
Financial institutions	187	350	47.8%	189	340	48.0%	185	347	49.0%
Financial instruments firms	45	19	2.7%	46	12	1.8%	72	10	1.5%
Corporate investors	673	44	6.1%	645	44	6.4%	738	45	6.5%
Foreign investors	653	212	29.0%	642	216	30.6%	698	200	28.3%
individuals	56,944	89	12.2%	56,967	88	12.5%	75,205	99	14.0%
Treasury stock	1	16	2.2%	1	5	0.7%	1	5	0.7%
Total	58,504	733	100.0%	58,492	707	100.0%	76,901	707	100.0%

< Notes to Business Combination of Ranbaxy Laboratories Limited >

1. Under the purchase method of accounting, the purchase cost of Ranbaxy Laboratories Limited (488.3 billion yen, 268,711 thousand shares, 63.9% of common shares) has been allocated to assets and others as the following table summarizes.

Breakdown	Amount billion yen	Accounting Treatment on date of business combination (Rs 1 = ¥2.25)	Impact on FY2008 Income Statement
Purchase cost	488.3		
Book value of assets and liabilities (Cash, Inventory etc.)	78.8	B/S	
Fair value of net assets	45.8		
Inventories (Increase in inventories to fair value)	2.0	B/S (Charged to cost of sales upon use)	Cost of Sales ¥1.8 billion (Rs 1 = ¥2.0 : average during period)
Tangible assets (Land)	10.0	B/S (Nondepreciable assets)	
Intangible assets (Leasehold land)	5.9	B/S (Nondepreciable assets)	
Intangible assets (Increase in current products, etc. to fair value)	41.0	B/S (Amortization period: straight-line basis over 10 years)	SG&A expenses ¥0.9 billion (Rs 1 = ¥2.0 : average during period)
In-process R&D expenses *	6.9	Charged to R&D expenses in FY2008	R&D expenses ¥6.9billion (Rs 1 = ¥2.25)
Deferred tax liability (tax rate : 33.99%)	-20.0	B/S	
Goodwill	408.7	B/S (Amortization period: straight-line basis over 20 years)	SG&A expenses ¥10.2 billion (amortization) Extraordinary losses ¥351.3 billion (one-time write down of goodwill)
Minority interests	-45.0	B/S	

* In-process R&D expenses were written off and fully charged to R&D expenses as those projects have no alternative future use.

2. The Company recorded a one-time write down of goodwill (A) to reflect the fact that the market price at the fiscal year-end of the shares acquired in Ranbaxy had fallen below 50% of the purchase cost.

- A: One time write down of goodwill
- B: Goodwill left at fiscal year-end after amortization
- C: Net asset of Ranbaxy x 63.9% (Daiichi Sankyo's stake)
- D: Market price of Ranbaxy's shares acquired

$$A: ¥351.3 \text{ billion} = (B: ¥398.5 \text{ billion} + C: ¥38.8 \text{ billion}) - D: ¥85.9 \text{ billion}$$

12. Consolidated Balance Sheets

<Assets>

(Billions of yen)

	2008.3.31		2009.3.31		Change	Details
		%		%		
Current assets	926.5	62.3%	783.5	52.4%	-143.0	
Cash and time deposits	47.3		76.6		29.2	Liquidity on hand (current deposits + marketable securities + investment securities)
Trade notes and accounts receivable	167.0		195.5		28.5	Total ¥364.2 billion (¥ -297.8 billion from the end of fiscal 2007)
Marketable securities	526.8		235.5		-291.3	<Breakdown> ¥ +48.8 billion by consolidation of Ranbaxy ¥ -53.3 billion by dividends ¥ -45.8 billion by share buybacks
Inventories	98.2		139.5		41.3	¥ -26.8 billion for the acquisition of U3 Pharma
Deferred tax assets	52.7		76.7		24.1	¥ -488.3 billion for the acquisition of Ranbaxy's share
Other current assets	34.9		60.8		25.9	¥ +240.0 billion by short-term bank loans ¥ +18.7 billion from increase in assets of DSI, LPI, DSE
Allowance for doubtful accounts	-0.3		-1.0		-0.7	→Deferred tax accounting on loss on valuation of stocks of Ranbaxy
Non-current assets	561.4	37.7%	711.1	47.6%	149.7	
Property, plant and equipment	221.3	14.9%	250.1	16.7%	28.8	Increase by consolidation of Ranbaxy, etc.
Buildings and structures	136.8		132.7		-4.1	
Machinery, equipment and vehicles	33.2		46.0		12.9	
Land	33.1		42.4		9.2	
Construction in progress	2.9		13.3		10.4	
Other	15.2		15.7		0.4	
Intangible assets	91.1	6.1%	192.6	12.9%	101.5	
Goodwill, net	15.4		77.4		62.0	U3 Pharma: ¥ +21.3billion (Amortization period: five years from Q2 of FY2008) Ranbaxy: ¥ +47.1billion Goodwill ¥408.7billion (Amortization period: 20 years from Q3 of FY2008) Amortization (SG&A expenses) ¥10.2 billion One-time write down (extraordinarily loss) ¥351.3 billion
Other intangible assets, net	75.7		115.2		39.5	Allocation of purchase cost of Ranbaxy ¥ +38.7 billion (Trade marks, etc.)
Investments and other assets	249.0	16.7%	268.4	18.0%	19.4	
Investment securities	216.0		153.7		-62.3	Decrease of market value due to stagnation in equity market
Long-term loans	1.3		0.6		-0.7	
Prepaid pension costs	8.0		6.9		-1.1	
Deferred tax assets	6.0		91.6		85.6	Deferred tax accounting on loss on valuation of stocks of Ranbaxy
Other assets	18.0		15.9		-2.2	
Allowance for doubtful accounts	-0.4		-0.3		0.0	
Total assets	1,487.9	100.0%	1,494.6	100.0%	6.7	

<Liabilities and Net Assets>

(Billions of yen)

	2008.3.31		2009.3.31		Change	Details
		%		%		
Liabilities	243.4	16.4%	606.0	40.5%	362.6	
Current liabilities	194.5	13.1%	508.5	34.0%	314.0	
Trade notes and accounts payable	46.4		59.4		13.0	
Short-term bank loans	0.1		264.3		264.3	Borrowings for the acquisition of Ranbaxy's share <u>¥+240.0 billion</u> Increase by consolidation of Ranbaxy
Income taxes payable	18.7		8.2		-10.4	
Allowance for sales returns	0.8		0.6		-0.2	
Allowance for sales rebates	0.8		2.7		1.9	
Allowance for contingent losses	0.2		-		-0.2	
Other current liabilities	127.6		173.3		45.7	Increase by consolidation of Ranbaxy
Long-term liabilities	48.9	3.3%	97.4	6.5%	48.6	
Convertible bond-type bonds with subscription rights to shares	-		47.1		47.1	Increase by consolidation of Ranbaxy
Long-term bank loans	0.0		15.9		15.8	Increase by consolidation of Ranbaxy
Deferred tax liabilities	26.7		5.4		-21.3	Decrease in unrealized gain on investment securities
Accrued employees' severance and retirement benefits	6.8		10.6		3.8	
Accrued directors' severance and retirement benefits	0.1		0.2		0.1	
Provision for environmental measures	1.1		0.1		-1.0	
Other long-term liabilities	14.2		18.2		4.1	
Net assets	1,244.5	83.6%	888.6	59.5%	-355.9	
Shareholders' equity	1,211.6	81.4%	894.5	59.8%	-317.1	
Common stock	50.0		50.0		0.0	
Capital surplus	179.9		105.2		-74.7	Cancellation of treasury stock <u>¥-74.7 billion</u> (26 million shares)
Retained earnings	1,025.1		753.8		-271.3	One-time write down of goodwill <u>¥-351.3 billion</u> Dividends paid <u>¥-53.3 billion</u>
Treasury stock at cost	-43.4		-14.6		28.9	Share buyback: 15 million shares, <u>¥-45.7 billion</u> Cancellation: 26 million shares, <u>¥+74.7 billion</u>
Valuation and other adjustments	32.3	2.2%	-31.4	-2.1%	-63.7	
Net unrealized gain on investment securities	48.5		19.9		-28.7	Decrease due to stagnation in equity market
Deferred gains or losses on hedges	-		0.1		0.1	
Foreign currency translation adjustments	-16.3		-51.4		-35.1	
Subscription rights to shares	0.3	0.0%	2.4	0.2%	2.1	
Minority interests	0.4	0.0%	23.2	1.6%	22.8	
Total liabilities and net assets	1,487.9	100.0%	1,494.6	100.0%	6.7	

13. Consolidated Statements of Income

(Billions of yen)

	FY2007		FY2008		YoY	Details
		%		%	Change	
Net sales	880.1	100.0%	842.1	100.0%	-38.0	----- Non-pharmaceutical business: <u>¥ -32.0 billion</u> Change in fiscal year-end of the EU subsidiaries in FY2007: <u>¥ -14.1 billion</u> Consolidation of Ranbaxy: <u>¥ +38.6 billion</u> Loss from currency fluctuation: <u>¥ -39.0 billion</u>
Cost of sales	234.6	26.7%	214.4	25.5%	-20.2	----- Cost to sales ratio: <u>-1.2 points</u> Exclusion* of non-pharmaceutical subsidiaries with high cost ratios Impact of consolidation of Ranbaxy <u>+1.6 points</u>
Gross profit	645.5	73.3%	627.7	74.5%	-17.8	
Selling, general and administrative expenses	488.7	55.5%	538.9	64.0%	50.2	----- Impact of non-pharmaceutical business spin-off and fiscal year-end change in EU subsidiaries: <u>¥ -12.9 billion</u>
Advertising and promotional expenses	109.1		109.8		0.7	
Salaries and bonuses	91.2		94.4		3.2	----- Increase in number of overseas employees from business expansion
Severance and retirement costs	0.2		7.3		7.1	----- Increase in personnel cost (Japan): (temporarily decreased in FY2007 due to the integration of retirement benefit and pension plans)
Research and development expenses	163.5		184.5		21.1	----- Increase from activities to further strengthen R&D pipeline (Acquisition of U3Pharma , alliance and in-license from ArQule, Inc.) Increase by consolidation of Ranbaxy and allocation of its purchase cost
Other	124.7		142.8		18.1	
Operating income	156.8	17.8%	88.9	10.6%	-68.0	
Non-operating income:	17.0	1.9%	12.3	1.5%	-4.7	
Interest income	8.6		6.3		-2.3	
Dividend income	3.3		3.1		-0.1	
Other	4.8		2.8		-2.3	
Non-operating expenses	4.8	0.5%	46.0	5.5%	41.2	
Interest expense	0.1		1.9		1.8	
Loss on valuation of derivatives	0.7		20.5		19.8	----- Consolidation of Ranbaxy: <u>¥ +14.8 billion</u> Revaluation of synthetic stock options in DSI (U.S.), linked to share price of Daiichi Sankyo: <u>¥ +4.9 billion</u>
Foreign exchange losses	-		17.5		17.5	----- Consolidation of Ranbaxy: <u>¥ -10.6 billion</u> Valuation loss of European subsidiary's asset: <u>¥ -6.8 billion</u>
Other	3.9		6.1		2.2	
Ordinary income	169.1	19.2%	55.2	6.6%	-113.9	
Extraordinary income	16.1	1.9%	3.8	0.5%	-12.3	
Gain on sale of non-current assets	6.6		2.2		-4.4	
Gain on liquidation of subsidiaries and affiliates	-		1.4		1.4	
Gain on sales or investments in affiliates	8.7		-		-8.7	
Other	0.8		0.1		-0.7	
Extraordinary losses	18.3	2.1%	367.2	43.6%	348.9	
Loss on business integration	2.2		3.3		1.1	
Amortization of goodwill	-		354.4		354.4	----- One-time write down of goodwill
Non-recurring depreciation on non-current assets	-		3.2		3.2	----- Loss from impairment of Osaka plant and office buildings.
Loss on impairment of long-lived assets	-		3.1		3.1	
Loss on valuation of investment securities	0.7		1.5		0.8	
Loss on business integration	10.0		-		-10.0	
Loss on business restructuring	2.2		-		-2.2	
Loss on litigation	1.6		-		-1.6	
Other	1.6		1.7		0.1	
Income (loss) before income taxes and minority interests	166.9	19.0%	-308.3	-	-475.1	
Total income taxes	69.1	7.9%	-79.2	-9.4%	-148.3	----- Corporate tax rate: 41.4% → 42.4%
Minority interests in net income (loss) of consolidated subsidiaries	0.1	0.0%	-13.6	-1.6%	-13.7	(Excluding the impact of Ranbaxy combined)
Net income (loss)	97.7	11.1%	-215.5	-	-313.2	

* In FY2007, Daiichi Sankyo completed its process of making non-pharmaceutical subsidiaries independent of the group, in order to focus resources on the pharmaceutical business.


14. Consolidated Statements of Cash Flows

(Billions of yen)

	FY2007	FY2008	Change	Details
Income/Loss before income taxes and minority interests	166.9	-308.3	-475.1	
Depreciation	38.7	40.6	1.8	
Loss on impairment of long-lived assets	-	3.1	3.1	
Non-recurring depreciation on non-current assets	-	3.2	3.2	
Amortization of goodwill	3.6	371.8	368.2	One-time write down of goodwill etc.
Loss on valuation of derivatives	0.7	20.5	19.8	
Gain on sales of investments in affiliates	-8.7	-	8.7	
Increase (decrease) in accrued severance and retirement benefits	-26.8	0.9	27.7	FY2007 Temporarily decreased due to the integration of retirement benefit and pension plans
Decrease in prepaid pension costs	9.9	1.1	-8.8	
Decrease in trade notes and accounts receivable	7.6	4.7	-3.0	
(Increase) decrease in inventories	-4.5	-2.1	2.5	
Increase (decrease) in trade notes and accounts payable	-0.3	-0.3	0.0	
Increase (decrease) in accounts payable and accrued expenses	-54.1	3.5	57.6	FY2007 Payment of accrued severance and retirement benefits due to workforce resizing and employment transfer to function-based subsidiaries, etc
Other, net	-5.9	-1.7	4.2	
Income taxes paid	-60.5	-58.6	1.9	
I. Cash flows from operating activities	66.7	78.4	11.7	
Net decrease (increase) in short-term operating assets	-29.4	36.5	65.9	Decrease in investment activity
Acquisition/sales of fixed assets	-43.9	-42.3	1.6	
Acquisition/sales of investment securities	-1.6	-10.5	-8.8	
Proceeds from sale of investments in consolidated subsidiaries	22.3	0.0	-22.2	FY2007 Daiichi Fine Chemical Co., Ltd. and Saitama Daiichi Pharmaceuticals Ltd., etc.
Purchases of investments in consolidated subsidiaries	-0.8	-411.3	-410.5	Acquisition of Ranbaxy: ¥387.0 billion Acquisition of U3 Pharma: ¥24.3 billion
Net decrease (increase) in loans receivable	8.7	8.8	0.1	
Other, net	-4.7	4.8	9.5	
II. Cash flows from investing activities	-49.4	-413.9	-364.4	
Net increase (decrease) in short-term bank loans and long-term debt	-2.4	197.3	199.7	Borrowings for the acquisition of Ranbaxy's share: ¥240.0 billion
Purchases of treasury stock	-33.4	-45.8	-12.4	FY2008: Acquired 15 million shares for ¥45.7 billion FY2007: Acquired 10 million shares for ¥33.2 billion
Dividends paid	-47.0	-53.3	-6.3	Dividend increase of 5 yen per share
Other, net	-0.1	-0.1	0.0	
III. Cash flows from financing activities	-82.9	98.1	181.0	
IV. Effect of exchange rate changes on cash and cash equivalents	-4.7	-29.1	-24.4	
V. Net increase (decrease) in cash and cash equivalents	-70.4	-266.5	-196.1	
VI. Cash and cash equivalents, beginning of year	513.2	444.3	-68.9	
VII. Increase (decrease) in cash and cash equivalents due to changes in scope of consolidation	0.5	0.0	-0.5	
VIII. Increase in cash and cash equivalents due to merger with unconsolidated subsidiaries	1.0	-	-1.0	
IX. Cash and cash equivalents, end of year	444.3	177.8	-266.6	

15. Major R&D Pipeline

Daiichi Sankyo Group Major Research & Development Pipeline (Development Stage)

Therapeutic Area	Main Existing Product	Phase1	Phase2
Cardiovascular diseases	Mevalotin Benicar/Olmetec Azor Welchol Olmetec Calblock Artist Mevalotin Kremezin Hanp Livalo Sunrythm Bepricor	DB-772d(US/EU) (oral factor Xa inhibitor)	★CS-866CMB(JP) (Olmesartan Medoxomil/Hydrochlorothiazide combination) DU-176b(US/EU) (Edoxaban/venous thromboembolism/oral factor Xa inhibitor) CS-747(JP) (Prasugrel/anti-platelet agent)
Glucose metabolic disorders	Welchol Fastic	CS-1036(JP/Asia) (glucose absorption inhibitor)	CS-011(JP) (Rivoglitazone/ glitazone agent that improves insulin resistance)
Infectious diseases	Levaquin / Tavanic Banan Cravit	CS-8958(US/EU) (anti-influenza/co-development with Biota)	
Cancer	Topotecin Krestin	U3-1287(US) (anti-HER3 antibody) <u>CS-1008(JP)</u> (<u>Tigatuzumab/anti-DR5 antibody</u>)	CS-1008(US) (Tigatuzumab/anti-DR5 antibody) CS-7017(US) (PPARγ activator) DE-766(JP) (Nimotuzumab/anti-EGFR antibody) ARQ 197(US/EU) (c-Met inhibitor)
Immunological allergic diseases	Zyrtec	CS-0777(US/EU) (immunomodulator)	SUN13834(US) (Chymase inhibitor)
Bone/Joint diseases	Loxonin Mobic		
Others	Venofer Evoxac Omnipaque Omniscan Visipaque Sonazoid Feron Urief		 SUN11031(US/EU) (Human ghrelin/cachexia) ★DD-723-B(JP) (<u>Perflubutane/ultrasonic contrast agent</u>)

★additional indications, new formulations etc.

Change from the announcement of Jan 2009

- # New(underline) : CS-8635(EU), CS-1008(JP), DD-723-B(JP)
- # Change of Stage etc. : CS-747(EU), levofloxacin high-dose(JP), SUN11031(JP)
- # Withdrawal of Development etc. :
- # Others : Stages of DU-176b are described per each target indication, venous thromboembolism and atrial fibrillation.

Phase3	Application
<p>★CS-747(US/EU) (Prasugrel/ACS-MM/anti-platelet agent)</p> <p>★CS-866DM(JP) (Olmesartan Medoxomil/diabetic nephropathy)</p> <p>DU-176b(US/EU/JP/Asia) (Edoxaban/atrial fibrillation/oral factor Xa inhibitor)</p> <p>DU-176b(JP) (Edoxaban/venous thromboembolism/oral factor Xa)</p> <p>★CS-8635(US/ EU) (Olmesartan Medoxomil/Amlodipine Besilate/Hydrochlorothiazide combination)</p>	<p>CS-747(EU) (Prasugrel/ACS-PCI/anti-platelet agent/Approved • Launched)</p> <p>CS-747(US) (Prasugrel/ACS-PCI/anti-platelet agent)</p> <p>★CS-866AZ(JP) (Olmesartan Medoxomil/Azelinidipine combination)</p>
<p>CS-011(US/EU) (Rivoglitazone/ glitazone agent that improves insulin resistance)</p>	
<p>★levofloxacin inj(JP) (new quinolone)</p> <p>CS-8958(JP) (anti-influenza)</p>	<p>★levofloxacin high-dose(JP) (new quinolone/approved)</p>
<p>AMG 162(JP) (Denosumab/bone metastases of cancer, osteoporosis/ anti-RANKL antibody)</p> <p>★CS-600G(JP) (Loxoprofen Sodium Hydrate/gel)</p>	
<p>SUN11031(JP) (Human ghrelin/anorexia nervosa)</p> <p>SUN Y7017(JP) (Memantine Hydrochloride/ mild to moderate and severe dementia of Alzheimer type)</p>	<p>★DL-8234(JP) (FERON add indic./hepatitis C/with Ribavirin)</p> <p>KMD-3213(China) (Silodosin/treatment of dysuria associated with benign prostatic hyperplasia)</p>

Cardiovascular diseases

[project after Phase II]

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-747	Prasugrel	Oral	Anti-platelet agent	Acute coronary syndrome	DAIICHI SANKYO, Ube Industries	US EU JP	Application Launched P2
<ul style="list-style-type: none"> Prasugrel works by inhibiting platelet activation and subsequent aggregation by blocking the P2Y12 adenosine diphosphate(ADP) receptor on the platelet surface. Developer: Co-development with Eli Lilly in the US and EU, DAIICHI SANKYO in Japan In Phase3 trial, Prasugrel reduced risk of major cardiovascular events by 19 percent when compared with clopidogrel, significantly improves net clinical benefit despite increased bleeding.[American Heart Association (November, 2007)] The result of Phase3 trial was that Prasugrel reduced the relative risk of coronary stent thrombosis over clopidogrel by 52 percent. In patients who received drug-eluting stent, treatment with prasugrel reduced relative risk by 64 percent over clopidogrel, and by 48 percent in patients who received bare metal stents.[Society for cardiovascular Angiography and Interventions Scientific Sessions with the American College of Cardiology's Innovation in Intervention: i2 Summit(March, 2008)] Feb 3, 2009:USFDA Cardio-Renal Advisory Committee unanimously recommended approval for prasugrel for patients with ACS-PCI. Feb 25, 2009:EU approved Efiect for ACS-PCI March 27, 2009: Launched in UK. A new Phase3 trial started in June, 2008 in patients with acute coronary syndrome(ACS), not being managed with percutaneous coronary intervention(PCI). 							

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
DU-176b	-	Oral	Factor Xa inhibitor	1) Atrial fibrillation 2) Venous thromboembolism	DAIICHI SANKYO	US EU JP	1)P3 / 2)P2 1)P3 / 2)P2 1)P3 / 2)P3
<ul style="list-style-type: none"> DU-176b inhibits an anticoagulant possessing Xa factorplaying an important role by the process when blood coagulates. DU-176b is an oral factor Xa inhibitor, possible once daily regimen, confirmed high oral absorption within human trials. No hepatotoxicity signals in pre-clinical and clinical trials Devaloper: DAIICHI SANKYO in the US, EU and Japan Summary of Phase2b results in THR(total hip replacement, US/EU) & TKR(total knee replacement, JP) <ul style="list-style-type: none"> Dose-dependent inhibition of VTE(venous thromboembolism) incidence Low incidence of major bleeding, including at doses with very effective VTE inhibition Phase2b trials in AF in Japan, US and EU were ended, and the results of Phase2b trial in US and EU are presented at American Society of Hematology in Dec-2008. <ul style="list-style-type: none"> DU-176b 30mg or 60mg once daily groups are comparable clinically relevant bleeding rate to Warfarin. A new Phase3 trial in AF started in Nov-2008. A phase 3 trial in VTE after surgery started in Japan in March 2009. A global phase 3 trial for prevention of thromboembolic event in patients with DVT/PE is planed to start in 4Q 2009. 							

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-866DM	Olmesartan medoxomil	Oral	Angiotensin II receptor antagonist	Diabetic nephropathy in patients with type 2 DM	DAIICHI SANKYO	JP	P3
<ul style="list-style-type: none"> LCM of Olmesartan(New indication for diabetic nephropathy) Evaluate the composite renal endpoints as primary endpoint in ORIENT study <ul style="list-style-type: none"> the composite renal endpoints: Doubling of serum creatinine(Scr), Onset of ESRD(Scr>5mg/dL, dialysis, kidney transplantation), Death Application(schedule): 2009 							

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-866AZ	Olmesartan medoxomil, Azelnidipine	Oral	Angiotensin II receptor antagonist, Calcium channel blocker	Hypertension	DAIICHI SANKYO	JP	Application
<ul style="list-style-type: none"> Combination drug of Olmesartan medoxomil(angiotensin II receptor antagonist) and Azelnidipine(calcium channel blocker) LCM of Olmesartan Application: December 2009 							

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-866CMB	Olmesartan medoxomil, Hydrochlorothiazide	Oral	Angiotensin II receptor antagonist, Diuretic	Hypertension	DAIICHI SANKYO	JP	P2
<ul style="list-style-type: none"> Combination drug of Olmesartan medoxomil(angiotensin II receptor antagonist) and Hydrochlorothiazide(diuretic) LCM of Olmesartan [US] Launch: September, 2003 [EU] Launch: June, 2005 							

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-8635	Olmesartan medoxomil, Amlodipine besilate, Hydrochlorothiazide	Oral	Angiotensin II receptor antagonist, Calcium channel blocker, Diuretic	Hypertension	DAIICHI SANKYO	US EU	P3 P3
<ul style="list-style-type: none"> Combination drug of Olmesartan medoxomil(angiotensin II receptor antagonist), Amlodipine besilate(calcium channel blocker) and Hydrochlorothiazide(diuretic) LCM of Olmesartan Application(schedule): 2009 							

Glucose metabolic disorders

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-011	Rivoglitazone	Oral	Glitazone agent that improves insulin resistance	Diabetes	DAIICHI SANKYO	US EU JP	P3 P3 P2

- A glitazone type antidiabetic drug which exhibits strong PPAR γ activity.
- Summary of Rivoglitazone Ph2 trial
HbA1C: Both 2 and 3 mg rivoglitazone showed significantly greater HbA1c placebo-corrected decreases from baseline than pioglitazone 45 mg.
TG and HDL-C: Rivoglitazone showed greater TG reductions and HDL-C increases than pioglitazone 45 mg.

Infectious diseases

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-8958	-	Inhalant	Newranidase inhibitor	Influenza	DAIICHI SANKYO	US EU JP	P1 P1 P3

- CS-8958 is a long-acting neuraminidase inhibitor that is expected to be used as single administration for treatment and once a week for prophylaxis.
- Developer: Co-development with Biota in the US and EU, DAIICHI SANKYO in Japan
- CS-8958 is under development as an inhalant that will act directly on the pulmonary and tracheal sites of infection.
- The patient enrollments of phase3 trials were completed.

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
levofloxacin inj	levofloxacin	Injection	New quinolone	Bacterial infections	DAIICHI SANKYO	JP	P3

- The drug inhibits bacterial DNA composition by inhibiting a DNA gyrase activity and a topoisomerase IV activity.
- New formulation(injection of levofloxacin)

Cancer

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
ARQ 197	-	Oral	c-Met inhibitor	-	ArQule	US EU	P2 P2

- c-Met is the receptor for tyrosine kinase of hepatocyte growth factor (HGF).
- c-Met has multiple roles in intracellular signal transductions such as cancer cell motility, proliferation, angiogenesis, invasion, and apoptosis induction.
- Variations of c-Met are shown in gastric, HCC, head and neck cancer, and high expression of c-met are shown in colon, HCC, pancreatic, prostate, breast cancer, etc.

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-1008	Tigatuzumab	Injection	Anti-DR5 antibody	-	DAIICHI SANKYO	US JP	P2 P1

- A humanized version TRA-8, a murine agonistic Mab raised against human death receptor 5(DR5).
- DR5 is rarely expressed in normal tissues, expected to show selective activity against tumor cells.
- Induces apoptosis of tumor cells expressing DR5 on the cell surface.

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
DE-766	nimotuzumab	Injection	Anti-EGFR antibody	-	CIMYM Biosciences	JP	P2

- A humanized monoclonal antibody against Epidermal Growth Factor Receptor(EGFR).
- Expected to be a best in class EGFR antibody, safety against the skin toxicity and the efficacy comparable to the other EGFR antibodies.

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-7017	-	Oral	PPAR-gamma activator	-	DAIICHI SANKYO	US	P2

- Inhibits growth of tumor cells in vitro without killing those cells.
Expected to be less toxic compared to standard chemotherapeutics.

Immunological allergic diseases

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
SUN13834	-	Oral	Chymase inhibitor	Atopic Dermatitis	Asubio Pharma	US	P2

- Inhibiting chymase, one of endogenous proteases, which is released from mast cells and involves allergic reaction.
- Under development in the US by Asubio Pharma.
- Expected to be an oral anti-atopic dermatitis drug with a novel mechanism of action.

Bone/Joint diseases

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
AMG162	Denosumab	Injection	Anti-RANKL antibody	Osteoporosis Bone metastases of cancer	Amgen	JP	P3
<ul style="list-style-type: none"> Denosumab is a fully human monoclonal antibody that specifically targets the receptor activator of nuclear factor kappa B ligand (RANKL), a key mediator of the resorptive phase of bone remodeling. July, 2007 In-licensed from Amgen Phase3 : Osteoporosis Phase3 : Bone metastases of cancer(Phase3 multinational trials) 							
Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-600G	Loxoprofen sodium Hydrate	Gel	Anti-inflammatory and analgesic	Osteoarthritis Muscle ache Algia after trauma	DAIICHI SANKYO	JP	P3
<ul style="list-style-type: none"> Mechanism of action: inhibition of prostaglandin composition/ Point of action: cyclooxygenase Developer: DAIICHI SANKYO Loxoprofen gel New formulation of LOXONIN 							

Others

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
SUN Y7017	Memantine hydrochloride	Oral	NMDA receptor antagonist	Dementia of Alzheimer type	Merz	JP	P3(Mild to moderate) P3(Moderately severe to severe)
<ul style="list-style-type: none"> Memantine, categorized as an antagonist of the NMDA receptor which is one of the Glutamate receptor subtypes in the central nervous system in mammals, possesses therapeutic action for dementia of Alzheimer type. The drug is expected to demonstrate effectivity in slowing down the progression of the disease by its neuroprotective action, which is distinct from cholinesterase inhibitors. Developer: Asubio pharma 							
Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
KMD-3213	Sildenafil	Oral	Selective alpha 1A blocker	Treatment of dysuria associated with benign prostatic hyperplasia	Kissei	China	Application
<ul style="list-style-type: none"> An alpha1A blocker which effectively reduces urinary tract resistance and improves dysuria associated with benign prostatic hyperplasia. Reduces cardiovascular side effects due to its alpha1A selectivity. Sildenafil is marketed in Japan as brand name of URIF by DAIICHI SANKYO and Kissei. Developer: DAIICHI SANKYO in China Application: December, 2008 							
Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
SUN11031	Human ghrelin	Injection	-	Cachexia Anorexia Nervosa	Asubio Pharma	US EU JP	P2 P2 P3
<ul style="list-style-type: none"> Ghrelin is an endogenous peptide known as one-and-only peripheral appetite stimulator among all hormones discovered the relationship with feeding behavior up to now. In addition to it, ghrelin is a potent stimulator of growth hormone release. Developer: Asubio pharma in the US, EU and Japan 							
Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
DL-8234	Interferon-β	Injection	Interferon-β	Hepatitis C (with Ribavirin)	Toray	JP	Application
<ul style="list-style-type: none"> DL-8234 is marketed in Japan as a brand name of FERON. Application: September, 2007 Co-development with Toray A natural interferon-beta preparation with reduced adverse reactions, such as depression and alopecia, in comparison with interferon-alpha. 							
Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
DD-723-B	Perflubutane	Injection	Ultrasonic contrast agent	Contrast for prostatic lesion Contrast for mammary lesion	GEHC	JP	P2
<ul style="list-style-type: none"> DD-723-B is marketed in Japan as a brand name of SONAZOID. 							

<Historical Data>

Data available at www.daiichisankyo.com/ir/financial/index.html

1. Summary of Income Statement

(Billions of yen)

	FY2007					
	Q3		Q4		Full Year	
Net sales	<3.0> 100.0	252.1	<-7.3> 100.0	184.3	<-5.3> 100.0	880.1
Cost of sales	27.2	68.5	28.7	52.8	26.7	234.6
Selling, general and administrative expenses	47.9	120.7	71.3	131.4	55.5	488.7
Research and development expenses	15.4	38.8	25.2	46.5	18.6	163.5
Other expenses	32.5	82.0	46.1	84.9	37.0	325.2
Operating income	<-17.2> 24.9	62.9	<-98.8> 0.0	0.1	<-15.0> 17.8	156.8
Non-operating income		3.5		4.8		17.0
Non-operating expenses		1.0		1.9		4.8
Ordinary income	<-12.8> 25.9	65.4	<-49.5> 1.6	3.0	<-11.2> 19.2	169.1
Extraordinary gains		0.1		12.0		16.1
Extraordinary losses		2.3		9.4		18.3
Income before income taxes and minority interests	25.1	63.2	3.1	5.7	19.0	166.9
Net income	<-234.8> 14.3	36.2	<-45.0> 0.7	1.2	<-24.3> 11.1	97.7

	FY2008									
	Q1		Q2		Q3		Q4		Full Year	
Net sales	<-13.5> 100.0	203.7	<-2.7> 100.0	202.6	<-12.2> 100.0	221.3	<-16.4> 100.0	214.5	<-4.3> 100.0	842.1
Cost of sales	23.9	48.6	24.2	49.0	24.0	53.1	29.7	63.6	25.5	214.4
Selling, general and administrative expenses	56.5	115.1	65.1	132.0	59.5	131.7	74.6	160.1	64.0	538.9
Research and development expenses	18.1	36.9	22.4	45.4	21.2	46.8	25.8	55.4	21.9	184.5
Other expenses	38.4	78.2	42.7	86.6	38.4	84.9	48.8	104.7	42.1	354.3
Operating income	<-41.0> 19.6	40.0	<-17.1> 10.7	21.6	<-42.0> 16.5	36.4	<> -	-9.2	<-43.3> 10.6	88.9
Non-operating income		3.6		2.5		3.0		3.1		12.3
Non-operating expenses		2.8		5.3		5.9		31.9		46.0
Ordinary income	<-43.0> 20.1	40.9	<-35.3> 9.3	18.8	<-48.7> 15.2	33.5	<> -	-38.0	<-67.4> 6.6	55.2
Extraordinary gains		0.0		0.8		1.8		1.1		3.8
Extraordinary losses		1.3		2.6		357.4		5.9		367.2
Income before income taxes and minority interests	19.4	39.5	8.4	17.0	-	-322.0	-	-42.8	-	-308.3
Net income	<-39.4> 12.3	25.1	<-52.8> 4.4	8.9	<> -	-331.8	<> 38.4	82.3	<> -	-215.5

2. Currency Rate

	FY2007	
	Q3 YTD	Full Year
Yen / USD (average)	117.3	114.3
Yen / EUR (average)	161.2	160.5
Yen / INR (average)	-	-

	FY2008			
	Q1	Q2 YTD	Q3 YTD	Full Year
Yen / USD (average)	104.6	106.1	102.8	100.5
Yen / EUR (average)	163.4	162.7	150.7	143.5
Yen / INR (average)	-	-	-	2.0

3. Sales of Global Products

(Billions of yen)

	FY2007				
	Q3		Q4		Full Year
Olmesartan <antihypertensive>	<-35.8> 54.0	<-22.8> 44.9	<-22.0> 44.9	<-22.0> 44.9	195.6
Olmetec (JPN)	<-29.5> 17.6	<-21.4> 11.2	<-30.7> 11.2	<-30.7> 11.2	55.2
Benicar / Benicar HCT (US)	<-22.0> 24.1	<-2.0> 19.3	<-5.3> 19.3	<-5.3> 19.3	87.9
Azor (US)	<> 1.9	<> 0.7	<> 0.7	<> 0.7	2.5
Olmetec / Olmetec Plus* (EU)	<-45.0> 8.3	<-66.5> 11.2	<-85.6> 11.2	<-85.6> 11.2	41.8
Sevikar (EU)	- -	- -	- -	- -	-
Other subsidiaries / Export, etc	<-199.0> 2.1	<-180.7> 2.5	<-189.2> 2.5	<-189.2> 2.5	8.1
Levofloxacin <synthetic antibacterial>	<-1.0> 32.1	<-3.6> 23.7	<-4.4> 23.7	<-4.4> 23.7	108.7
Cravit (JPN)	<-8.5> 15.5	<-11.5> 9.8	<-1.4> 9.8	<-1.4> 9.8	47.4
Export, etc	<-13.2> 9.7	<-5.5> 6.6	<-6.8> 6.6	<-6.8> 6.6	34.0
Royalty	<-6.9> 4.8	<-3.0> 5.4	<-2.8> 5.4	<-2.8> 5.4	19.5
Other subsidiaries	<-19.6> 2.1	<-2.9> 1.9	<-19.5> 1.9	<-19.5> 1.9	7.8
Pravastatin <antihyperlipidemic>	<-12.3> 21.6	<-14.1> 14.5	<-18.3> 14.5	<-18.3> 14.5	76.5
Mevalotin (JPN)	<-8.7> 18.2	<-10.3> 11.6	<-9.1> 11.6	<-9.1> 11.6	61.6
Export	<-54.7> 1.4	<-68.2> 0.7	<-73.4> 0.7	<-73.4> 0.7	5.0
European subsidiaries*	<-13.3> 1.2	<-1.5> 1.3	<-11.5> 1.3	<-11.5> 1.3	6.7
Other subsidiaries	<-224.0> 0.8	<-212.7> 0.8	<-227.5> 0.8	<-227.5> 0.8	3.2

	FY2008									
	Q1		Q2		Q3		Q4		Full Year	
Olmesartan <antihypertensive>	<-4.5> 50.7	<-23.7> 53.9	<-6.6> 57.6	<-9.1> 49.0	<-8.0> 49.0	<-8.0> 49.0	<-8.0> 49.0	<-8.0> 49.0	<-8.0> 49.0	211.1
Olmetec (JPN)	<-12.8> 15.6	<-24.9> 15.7	<-6.0> 18.7	<-28.7> 14.4	<-16.6> 14.4	<-16.6> 14.4	<-16.6> 14.4	<-16.6> 14.4	<-16.6> 14.4	64.4
Benicar / Benicar HCT (US)	<-2.6> 23.4	<-1.8> 22.1	<-7.5> 22.3	<-1.6> 19.6	<-0.6> 19.6	<-0.6> 19.6	<-0.6> 19.6	<-0.6> 19.6	<-0.6> 19.6	87.4
Azor (US)	<> 1.4	<> 2.4	<-39.6> 2.6	<-241.8> 2.3	<-240.7> 2.3	<-240.7> 2.3	<-240.7> 2.3	<-240.7> 2.3	<-240.7> 2.3	8.7
Olmetec / Olmetec Plus* (EU)	<-44.3> 8.3	<-40.7> 10.3	<-10.1> 9.1	<-13.6> 9.7	<-10.3> 9.7	<-10.3> 9.7	<-10.3> 9.7	<-10.3> 9.7	<-10.3> 9.7	37.5
Sevikar (EU)	- -	- -	<> 1.4	<> 0.8	<> 0.8	<> 0.8	<> 0.8	<> 0.8	<> 0.8	2.2
Other subsidiaries / Export, etc	<-30.4> 2.0	<-72.2> 3.3	<-62.0> 3.5	<-12.5> 2.2	<-35.6> 2.2	<-35.6> 2.2	<-35.6> 2.2	<-35.6> 2.2	<-35.6> 2.2	11.0
Levofloxacin <synthetic antibacterial>	<-12.6> 25.8	<-0.5> 23.6	<-19.8> 25.8	<-4.6> 22.6	<-10.2> 22.6	<-10.2> 22.6	<-10.2> 22.6	<-10.2> 22.6	<-10.2> 22.6	97.7
Cravit (JPN)	<-15.5> 10.2	<-6.0> 9.4	<-11.5> 13.7	<-1.2> 9.7	<-9.2> 9.7	<-9.2> 9.7	<-9.2> 9.7	<-9.2> 9.7	<-9.2> 9.7	43.0
Export, etc	<-11.3> 9.6	<-19.4> 8.3	<-36.8> 6.2	<-7.6> 7.1	<-8.7> 7.1	<-8.7> 7.1	<-8.7> 7.1	<-8.7> 7.1	<-8.7> 7.1	31.1
Royalty	<-12.6> 4.1	<-13.8> 4.0	<-15.9> 4.1	<-26.6> 4.0	<-17.6> 4.0	<-17.6> 4.0	<-17.6> 4.0	<-17.6> 4.0	<-17.6> 4.0	16.1
Other subsidiaries	<-1.8> 1.9	<-0.9> 1.9	<-11.9> 1.8	<-2.6> 1.8	<-4.0> 1.8	<-4.0> 1.8	<-4.0> 1.8	<-4.0> 1.8	<-4.0> 1.8	7.5
Pravastatin <antihyperlipidemic>	<-25.8> 16.1	<-14.9> 15.9	<-23.3> 16.6	<-15.3> 12.3	<-20.5> 12.3	<-20.5> 12.3	<-20.5> 12.3	<-20.5> 12.3	<-20.5> 12.3	60.8
Mevalotin (JPN)	<-17.1> 13.5	<-14.8> 13.1	<-22.6> 14.1	<-14.3> 10.0	<-17.6> 10.0	<-17.6> 10.0	<-17.6> 10.0	<-17.6> 10.0	<-17.6> 10.0	50.7
Export	<-39.0> 1.0	<-33.6> 0.8	<-54.0> 0.6	<-3.5> 0.7	<-36.6> 0.7	<-36.6> 0.7	<-36.6> 0.7	<-36.6> 0.7	<-36.6> 0.7	3.2
European subsidiaries*	<-74.3> 0.7	<-3.4> 1.2	<-1.2> 1.2	<-43.9> 0.7	<-40.7> 0.7	<-40.7> 0.7	<-40.7> 0.7	<-40.7> 0.7	<-40.7> 0.7	4.0
Other subsidiaries	<-3.1> 0.8	<-7.6> 0.8	<-25.4> 0.6	<-7.1> 0.9	<-7.2> 0.9	<-7.2> 0.9	<-7.2> 0.9	<-7.2> 0.9	<-7.2> 0.9	3.0

* The accounting period of Daiichi Sankyo Europe GmbH (DSE) was 15 months from January 2007 to March 2008, following a change in its fiscal year-end from December to March.

Three months results of Olmetec / Olmetec Plus and Pravastatin from Jan-07 to Mar-07 were ¥6.4 billion (€40 million) and ¥1.6 billion (€10 million), respectively.

4. Overseas Sales

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Overseas sales	<14.2> 92.4	<-4.2> 77.8	<-0.5> 358.6	<-15.9> 88.7	<-3.6> 86.1	<-9.3> 83.8	<-47.5> 114.7	<-4.1> 373.3
Overseas sales ratio	36.6%	42.2%	40.7%	43.5%	42.5%	37.9%	53.5%	44.3%
North America	<15.0> 62.2	<-11.9> 46.5	<-9.1> 219.9	<-3.9> 58.3	<-2.7> 53.6	<-15.1> 52.8	<-21.7> 56.6	<-0.6> 221.3
Europe*	<2.0> 19.4	<7.7> 22.3	<16.8> 98.5	<-42.6> 22.4	<-31.8> 23.3	<12.9> 21.9	<-37.0> 30.5	<-0.3> 98.2
Other	<-38.3> 10.7	<17.0> 9.0	<-31.9> 40.2	<-22.3> 8.0	<-10.9> 9.2	<-15.4> 9.1	<-206.7> 27.6	<-33.6> 53.8

* The accounting period of Daiichi Sankyo Europe GmbH (DSE) was 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 ¥14.1 billion.

5. Consolidated Segment information - Operating Segment

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Net Sales	<3.0> 252.1	<-7.3> 184.3	<-5.3> 880.1	<-13.5> 203.7	<-2.7> 202.6	<-12.2> 221.3	<-16.4> 214.5	<-4.3> 842.1
Pharmaceuticals	<7.0> 241.2	<3.1> 175.6	<-0.4> 840.8	<-10.2> 202.9	<1.7> 201.6	<-8.6> 220.5	<-21.7> 213.7	<-0.2> 838.7
Domestic	<2.3> 135.7	<1.8> 87.0	<0.9> 437.3	<-8.2> 103.3	<-0.4> 101.6	<-9.3> 123.2	<1.8> 88.6	<-4.7> 416.7
Overseas*	<16.2> 89.4	<3.2> 78.3	<-4.3> 352.5	<-14.1> 88.7	<-5.3> 85.8	<-6.1> 84.0	<-46.7> 114.9	<-5.9> 373.3
OTC drugs	<0.1> 15.2	<30.6> 10.8	<-4.9> 50.3	<-3.1> 10.2	<-5.2> 13.8	<-13.2> 13.2	<-6.5> 10.1	<-6.2> 47.2
Other	<-43.4> 10.9	<-69.6> 8.7	<-57.4> 39.3	<-91.5> 0.8	<-90.0> 1.0	<-93.0> 0.8	<-90.7> 0.8	<-91.3> 3.4
Operating income	<17.2> 62.9	<-98.8> 0.1	<15.0> 156.8	<-41.0> 40.0	<-17.1> 21.6	<-42.0> 36.4	<-> -9.2	<-43.3> 88.9
Pharmaceuticals	<18.4> 62.5	<-140.5> -1.1	<18.5> 155.6	<-42.3> 39.4	<-18.9> 20.9	<-42.5> 35.9	<-> -9.7	<-44.3> 86.6
Other	<-> 0.3	<-> 1.1	<-> 1.0	<-> 0.5	<-> 0.7	46 0.5	-54 0.5	<116.2> 2.2

* The accounting period of Daiichi Sankyo Europe GmbH (DSE) was 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 ¥14.1 billion and operating income of ¥1.8 billion.

6. Consolidated Segment information - Geographic Segment

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Net Sales	<3.0> 252.1	<-7.3> 184.3	<-5.3> 880.1	<-13.5> 203.7	<-2.7> 202.6	<-12.2> 221.3	<-16.4> 214.5	<-4.3> 842.1
Japan	<-4.1> 179.7	<-11.1> 123.0	<-10.4> 598.1	<-12.6> 132.7	<-7.3> 133.0	<-15.8> 151.4	<-8.4> 112.7	<-11.4> 529.8
North America	<24.7> 51.1	<-11.4> 37.2	<-7.1> 178.0	<12.5> 50.7	<1.4> 45.3	<-10.0> 46.0	<-31.7> 48.9	<7.2> 190.8
Europe*	<21.6> 14.4	<28.2> 18.2	<46.1> 78.0	<-53.1> 15.2	<-41.9> 18.5	<24.8> 18.0	<-41.8> 25.8	<-0.7> 77.4
India	-	-	-	-	-	-	<-> 15.3	<-> 15.3
Other	<52.7> 6.9	<36.3> 5.9	<55.0> 26.1	<-16.9> 5.2	<-16.3> 5.8	<-13.9> 5.9	<101.4> 11.9	<10.9> 28.9
Operating income	<17.2> 62.9	<-98.8> 0.1	<15.0> 156.8	<-41.0> 40.0	<-17.1> 21.6	<-42.0> 36.4	<-> -9.2	<-43.3> 88.9
Japan	47.3	-9.5	107.1	18.5	8.2	25.5	-8.8	43.4
North America	12.5	2.6	37.6	16.9	10.9	11.6	10.9	50.3
Europe*	1.4	5.9	10.7	1.2	0.0	0.5	4.0	5.8
India	-	-	-	-	-	-	-18.9	-18.9
Other	0.7	0.4	2.5	0.7	0.4	-3.5	2.7	0.4

* The accounting period of Daiichi Sankyo Europe GmbH (DSE) was 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 ¥14.1 billion and operating income of ¥1.8 billion.

7. Status of Major Companies

Data available at www.daiichisankyo.com/ir/financial/index.html

7-1. Daiichi Sankyo Co., Ltd.

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Total net sales of ethical pharmaceuticals	<0.7>	<3.5>	<1.6>	<-8.8>	<-0.9>	<-8.9>	<2.3>	<-4.8>
	131.9	84.2	427.1	100.9	99.5	120.1	86.2	406.7
Cardiovascular disease			<3.3>	<-5.9>	<-2.2>	<-8.8>	<-0.6>	<-4.8>
	71.8	50.2	244.2	60.0	57.2	65.5	49.9	232.5
Olmotec <antihypertensive>	<29.5>	<21.4>	<30.7>	<12.8>	<24.9>	<6.0>	<28.7>	<16.6>
	17.6	11.2	55.2	15.6	15.7	18.7	14.4	64.4
Calblock <antihypertensive>	<10.2>	<23.1>	<16.3>	<19.4>	<26.9>	<13.6>	<17.2>	<18.9>
	3.0	2.4	10.2	3.0	2.9	3.4	2.8	12.1
Artist <antihypertensive>	<3.7>	<16.5>	<9.6>	<3.3>	<4.9>	<0.5>	<6.8>	<3.6>
	6.0	4.6	21.1	5.7	5.3	6.0	4.9	21.9
Mevalolin <antihyperlipidemic agent>	<-8.7>	<-10.3>	<-9.1>	<-17.1>	<-14.8>	<-22.6>	<-14.3>	<-17.6>
	18.2	11.6	61.6	13.5	13.1	14.1	10.0	50.7
Kremezin <treatment for chronic renal failure>	<1.8>	<1.8>	<1.7>	<3.9>	<3.9>	<-0.5>	<5.3>	<2.9>
	3.5	2.7	12.4	3.2	3.2	3.5	2.8	12.8
Hanp <treatment for acute cardiac failure>	<-1.7>	<15.5>	<6.4>	<-7.8>	<-3.2>	<-5.2>	<-8.1>	<-6.2>
	2.9	2.4	9.8	2.4	1.8	2.8	2.2	9.2
Livalo <antihyperlipidemic agent>	<3.0>	<10.1>	<6.3>	<10.0>	<13.8>	<8.1>	<16.6>	<11.8>
	1.6	1.2	5.5	1.5	1.5	1.8	1.4	6.1
Sunrythm <antiarrhythmic agent>	<-2.4>	<7.5>	<3.0>	<-4.2>	<-2.9>	<-6.1>	<-0.3>	<-3.6>
	3.4	2.5	12.1	3.1	2.9	3.2	2.5	11.6
Fastic <antidiabetic agent>	<-5.6>	<-4.0>	<-4.0>	<-0.5>	<-0.1>	<-2.9>	<-1.3>	<-1.2>
	1.5	1.1	5.2	1.3	1.3	1.4	1.1	5.1
Infectious diseases / bone and joint diseases / immunological allergic diseases / urology			<1.7>	<-8.3>	<-4.2>	<-2.6>	<-4.6>	<-1.0>
	45.9	28.7	138.8	30.8	31.9	44.7	30.0	137.4
Cravit <synthetic antibacterial agent>	<-8.5>	<11.5>	<1.4>	<-15.5>	<-6.0>	<-11.5>	<-1.2>	<-9.2>
	15.5	9.8	47.4	10.2	9.4	13.7	9.7	43.0
Loxonin <anti-inflammatory analgesic>	<9.0>	<6.0>	<8.7>	<2.2>	<28.3>	<17.1>	<12.3>	<15.1>
	9.8	7.4	33.6	8.4	10.4	11.5	8.3	38.7
Mobic <anti-inflammatory analgesic>	<-10.6>	<-2.8>	<-4.0>	<-13.1>	<-16.7>	<-23.1>	<-18.3>	<-17.8>
	2.9	2.0	10.2	2.4	2.1	2.2	1.6	8.4
Urief <treatment for dysuria>	<145.4>	<168.5>	<139.3>	<59.7>	<45.4>	<25.9>	<60.5>	<46.0>
	1.7	1.4	5.4	1.8	1.8	2.1	2.2	7.9
Zyrtec <antiallergic agent>	<-18.4>	<0.6>	<-9.5>	<-23.8>	<-16.1>	<-15.6>	<-4.8>	<-14.1>
	2.7	3.7	10.8	2.0	1.6	2.2	3.5	9.3
Contrast agents / cancer / gastric diseases			<-5.6>	<-22.2>	<-13.6>	<-19.0>	<-13.6>	<-17.5>
	17.1	11.7	59.1	12.3	12.5	13.9	10.1	48.8
Omnipaque <contrast agent>	<-6.3>	<12.7>	<-1.2>	<-11.3>	<-5.4>	<-13.2>	<-4.7>	<-9.1>
	9.2	6.0	31.2	7.3	7.3	8.0	5.7	28.3
Topotecin <anticancer agent>	<4.0>	<18.8>	<13.8>	<0.7>	<2.1>	<-1.0>	<2.1>	<0.9>
	1.7	1.3	6.2	1.6	1.5	1.7	1.4	6.2

7-2. Daiichi Sankyo Healthcare Co., Ltd

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Daiichi Sankyo Healthcare Co., Ltd	<0.1>	<30.6>	<4.9>	<-3.1>	<-5.2>	<-13.2>	<-6.5>	<-6.2>
	15.2	10.8	50.3	10.2	13.8	13.2	10.1	47.2
LuLu Series	<3.4>	<28.9>	<-0.5>	<8.7>	<-2.0>	<-4.0>	<-6.9>	<-2.2>
	3.7	1.5	10.0	1.2	3.6	3.5	1.4	9.8
Gaster 10	<-28.9>	<64.0>	<-3.0>	<-15.5>	<7.8>	<-2.6>	<-12.6>	<-5.5>
	1.0	0.8	3.5	0.7	0.9	1.0	0.7	3.3
Shin-Sankyo Ichoyaku series	<39.1>	<45.4>	<17.5>	<7.9>	<31.2>	<-26.4>	<-12.1>	<-5.2>
	1.3	0.8	3.5	0.7	0.9	1.0	0.7	3.3
Patecs series	<41.1>	<63.6>	<56.6>	<-19.5>	<-9.0>	<0.0>	<-9.3>	<-10.4>
	0.7	0.5	3.0	0.8	0.8	0.7	0.4	2.7
Transino	<>	<>	<>	<>	<-62.0>	<-76.9>	<-69.6>	<-41.4>
	0.7	0.5	2.6	0.7	0.5	0.2	0.1	1.5

7-3. Daiichi Sankyo, Inc. (US)

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Daiichi Sankyo, Inc. (DSI)	<35.1>	<-16.6>	<-2.7>	<-12.0>	<-0.6>	<-13.5>	<-15.3>	<-1.9>
mil USD	37.6	24.2	126.9	37.2	31.7	32.6	27.9	129.3
	<39.6>	<-3.6>	<-0.4>	<-29.4>	<-8.4>	<-2.1>	<-27.9>	<-15.8>
	330	234	1,110	356	294	337	300	1,286
Benicar / Benicar HCT <antihypertensive>	<22.0>	<-2.0>	<-5.3>	<2.6>	<1.8>	<-7.5>	<1.6>	<-0.6>
mil USD	24.1	19.3	87.9	23.4	22.1	22.3	19.6	87.4
	<26.3>	<11.6>	<-3.0>	<18.6>	<11.3>	<-8.7>	<14.1>	<13.0>
	212	184	769	223	205	230	210	869
Azor <antihypertensive>	<>	<>	<>	<>	<>	<-39.6>	<-241.8>	<-240.7>
mil USD	1.9	0.7	2.5	1.4	2.4	2.6	2.3	8.7
	<>	<>	<>	<>	<>	<-66.2>	<-285.1>	<-287.2>
	16	6	22	13	23	27	24	86
Welchol <antihyperlipidemic / type 2 diabetes>	<29.5>	<-3.4>	<-2.1>	<11.0>	<-8.8>	<-6.6>	<4.3>	<-7.8>
mil USD	6.2	5.1	22.7	6.4	6.1	6.6	5.3	24.5
	<34.1>	<-9.6>	<-0.2>	<-28.2>	<-18.9>	<-24.7>	<-17.8>	<-22.5>
	55	49	199	62	57	68	57	244

7-4. Luitpold Pharmaceuticals, Inc. (US)

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Luitpold Pharmaceuticals, Inc. (LPI)	<2.3>	<0.6>	<-16.3>	<-13.8>	<-6.4>	<-0.5>	<-17.8>	<-0.1>
mil USD	13.5	13.0	51.1	13.5	13.5	13.4	10.7	51.1
	<5.9>	<12.9>	<-14.3>	<-31.4>	<-16.5>	<-16.9>	<-5.7>	<-13.8>
	119	122	447	129	126	139	115	509
Venofor <treatment for iron deficiency anemia>	<-3.5>	<-5.5>	<-17.6>	<-23.1>	<-6.4>	<1.7>	<-15.3>	<3.1>
mil USD	8.2	8.1	31.1	8.3	8.5	8.3	6.9	32.0
	<-0.3>	<-5.7>	<-15.6>	<-42.2>	<-16.7>	<-19.5>	<-2.8>	<-17.2>
	72	76	272	80	79	86	74	319

7-5. Daiichi Sankyo Europe GmbH

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Daiichi Sankyo Europe GmbH (DSE)	<26.3>	<32.8>	<-51.0>	<-53.1>	<-42.4>	<-24.2>	<-2.4>	<-9.9>
mil €	14.5	18.2	78.0	15.2	18.5	18.0	18.6	70.3
	<14.7>	<27.4>	<-37.5>	<-54.2>	<-42.5>	<-53.8>	<-27.9>	<-0.8>
	88	115	486	93	114	136	147	490
Olmotec / Olmetec Plus <antihypertensive>	<45.0>	<-66.5>	<-85.6>	<-44.3>	<-40.7>	<10.1>	<-13.6>	<-10.3>
mil €	8.3	11.2	41.8	8.3	10.3	9.1	9.7	37.5
	<31.0>	<-58.4>	<-69.0>	<-45.6>	<-40.5>	<-37.5>	<-8.5>	<-0.3>
	51	71	261	51	64	70	77	261
Sevikar <antihypertensive>	-	-	-	-	-	<>	<>	<>
mil €	-	-	-	-	-	1.4	0.8	2.2
	-	-	-	-	-	<>	<>	<>
	-	-	-	-	-	9	6	15
Mevalotin <antihyperlipidemic agent>	<-13.3>	<1.5>	<-11.5>	<-74.3>	<-3.4>	<1.2>	<-43.9>	<-40.7>
mil €	1.2	1.3	6.7	0.7	1.2	1.2	0.7	4.0
	<-21.4>	<-1.2>	<-1.5>	<-74.9>	<-3.6>	<-23.3>	<-25.7>	<-33.7>
	7	8	42	4	8	9	6	28
Evista <treatment for osteoporosis>	<62.6>	<-51.5>	<-87.1>	<-71.7>	<-419.7>	<-134.5>	<-57.8>	<-128.5>
mil €	1.3	1.4	5.2	3.2	3.5	3.0	2.2	12.0
	<46.6>	<-43.6>	<-70.4>	<-67.7>	<-421.3>	<-195.4>	<-111.8>	<-155.6>
	8	9	33	20	22	23	18	84

* Following the change in fiscal year-end, FY2007 results for DSE, Olmetec / Olmetec Plus, Mevalotin and Evista are fifteen-months totals from Jan-07 to Mar-08.

Three months results from Jan-07 to Mar-07 were ¥14.1 billion (€89 million), ¥6.4 billion (€40 million), ¥1.6 billion (€10 million), and ¥1.0 billion (€6 million), respectively.

Alliance Revenue of Efient (Europe)

Efient <antiplatelet>	-	-	-	<>	<>
mil USD	-	-	-	<>	0.03
	-	-	-	-	0.3

* Alliance Revenue of Efient (Europe) is booked on Daiichi Sankyo Co., Ltd., thus, total sales of DSE above does not include Alliance Revenue of Efient (Europe).

7-6. Asia, South and Central America (ASCA)

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
ASCA Total	5.2	5.9	21.0	<10.5>	<12.7>	<14.3>	<1.6>	<9.5>
Daiichi Pharmaceutical (Beijing) Co., Ltd. (DPP)	1.0	1.2	4.1	<10.9>	<-0.8>	<11.4>	<-22.0>	<-1.3>
Shanghai Sankyo Pharmaceuticals Co., Ltd. (SSP)	0.7	0.5	2.3	<29.5>	<64.3>	<62.4>	<126.2>	<69.0>
Daiichi Sankyo Korea Co., Ltd. (DSKR)	0.9	0.8	3.4	<4.3>	<1.1>	<-35.5>	<-19.7>	<-12.4>
Daiichi Sankyo (Thailand) Ltd. (DSTH)	0.2	0.2	0.8	<-4.9>	<17.9>	<-3.3>	<-13.4>	<-1.4>
Daiichi Sankyo Taiwan Ltd. (DSTW)	0.9	0.9	3.7	<1.6>	<1.2>	<-9.0>	<-15.5>	<-5.4>
Daiichi Sankyo Brasil Farmacêutica Ltda. (DSBR)	1.0	1.4	4.4	<11.5>	<14.9>	<38.7>	<-4.2>	<13.6>
Daiichi Sankyo Venezuela, S.A. (DSVE)	0.5	0.9	2.4	<21.7>	<12.0>	<40.5>	<9.8>	<19.0>
				0.5	0.6	0.7	1.0	2.8

7-7. Ranbaxy Laboratories Limited

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Ranbaxy Laboratories Limited	-	-	-	-	-	-	38.6	38.6
bil INR	-	-	-	-	-	-	19.3	19.3

7-8. ASCA & Ranbaxy's Sales of Global Products

(Billions of yen)

	FY2007			FY2008				
	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Olmesartan <antihypertensive>	1.0	1.5	4.2	<69.3>	<110.1>	<98.0>	<38.4>	<74.2>
Levofloxacin <synthetic antibacterial>	2.1	1.9	7.8	<-1.8>	<0.9>	<-11.9>	<-2.6>	<-4.0>
Pravastatin <antihyperlipidemic>	0.8	0.8	3.2	<-3.1>	<-7.6>	<-25.4>	<7.1>	<-7.2>
				1.3	1.9	1.9	1.8	7.5
				0.8	0.8	0.6	0.9	3.0

