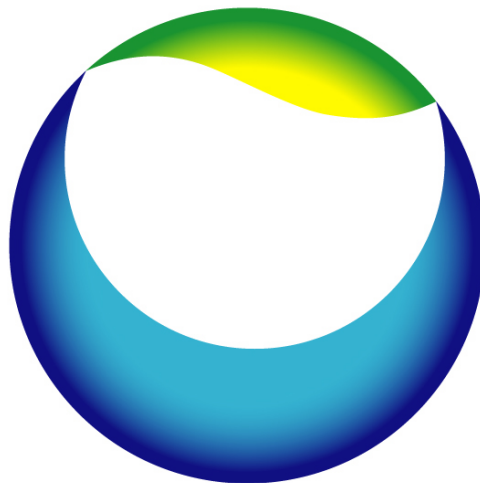


TSE : 4568

Reference Data

(Consolidated Financial Results for Q2 FY2009)



Daiichi-Sankyo

October 30, 2009

Corporate Communications Department
<http://www.daiichisankyo.com>

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Daiichi-Sankyo

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Reference Data

(Consolidated Financial Results for Q2 FY2009)

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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)

	FY2009 Results						Details (YoY Changes)
	Q2		1st half		From Jul. Forecast	YoY Changes	
Net Sales	<20.2> 100.0 243.4		<15.8> 100.0 470.6		5.6	64.2	- Consolidation of Ranbaxy: +66.1 - Azor (lump sum payment received) in FY2008: -4.7 - Decrease by yen appreciation: -20.5 - Increase of Olmesartan sales: <u>+10.8</u> , Decrease of Levofloxacin sales: <u>-6.0</u> [Underlined figures include loss from currency fluctuation]
Cost of Sales	30.7	74.7	29.2	137.2	2.2	39.6	- Cost to sales ratio: +5.2 Points Impact of consolidation of Ranbaxy: +4.5 Points Impact of currency fluctuation: +0.8 Points
SG&A expenses	59.4	144.6	60.0	282.5	-6.5	35.4	
R&D expenses	20.1	49.0	20.0	94.1	1.1	11.8	- Consolidation of Ranbaxy: +4.4 - Increase in development costs of Edoxaban (DU-176b) and CS-8958, etc.
Other expenses	39.3	95.6	40.0	188.4	-7.6	23.6	- Consolidation of Ranbaxy: +26.6
Operating income	<11.5> 9.9 24.1		<-17.5> 10.8 50.9		9.9	-10.8	
Non-operating income		10.9		14.8	10.8	8.7	- Gain on valuation of Ranbaxy's USD / INR forex derivatives
Non-operating expenses		-10.1		13.4	5.4	5.3	- Realized losses from derivatives of Ranbaxy
Ordinary income	<140.0> 18.5 45.1		<-12.4> 11.1 52.3		15.3	-7.4	
Extraordinary gains		0.2		2.4	2.4	1.5	- Gain on sales of investment securities: +1.8
Extraordinary losses		0.3		1.0	1.0	-2.9	
Income before income taxes and minority interests	18.5	45.0	11.4	53.7	16.7	-2.9	
Net Income	<182.7> 10.3 25.1		<-45.0> 4.0 18.7		7.7	-15.3	- Income taxes: 36.7 (Tax rate 40.0% →68.5%) [Factors leading to increase in tax rate] Amendment of income taxes for the previous year: 7.5 Non-application of R&D tax credits on parent - Minority interests in loss: -1.8

< Ranbaxy >

(Billions of yen)

	FY2009 Results				FY2009 Forecasts	
	Q2		1st half		Full Year	YoY Changes
Net Sales	< - > 100.0 36.4		< - > 100.0 66.1		135.0	
Cost of Sales	56.0	20.4	56.8	37.5		
SG&A expenses	45.6	16.6	46.9	31.0		
R&D expenses	6.3	2.3	6.7	4.4		
Other expenses	39.3	14.3	40.2	26.6		
Operating income	< - > -1.6 -0.6		< - > -3.6 -2.4			
Non-operating income		9.0		9.9		
Non-operating expenses		-11.9		10.8		
Ordinary income	< - > 55.5 20.2		< - > -5.0 -3.3			
Extraordinary gains		0.0		0.0		
Extraordinary losses		0.0		0.0		
Income before income taxes and minority interests	55.6	20.2	-4.9	-3.3		
Net Income	< - > 39.1 14.2		< - > -4.1 -2.7		-19.0	

(Billions of yen)								
	FY2009 Forecast						Details (From Forecast)	
	2nd half		From Jul. Forecast	Full Year		YoY Changes		From Jul. Forecast
Net Sales	<12.3> 100.0 489.4 -5.6			<14.0> 100.0 960.0 117.9 0.0				
Cost of Sales	29.8	145.8	2.8	29.5	283.0	68.6	5.0	Change in accounting method of certain overseas subsidiary
SG&A expenses	61.0	298.5	1.5	60.5	581.0	42.1	-5.0	
R&D expenses	20.4	99.9	-1.1	20.2	194.0	9.5	0.0	
Other expenses	40.6	198.6	2.6	40.3	387.0	32.7	-5.0	Change in accounting method of certain overseas subsidiary
Operating income	<65.6> 9.2 45.1 -9.9			<8.0> 10.0 96.0 7.1 0.0				
Non-operating income		-8.8	-10.8		6.0	-6.3	0.0	
Non-operating expenses		19.6	-5.4		33.0	-13.0	0.0	
Ordinary income	<- -> 3.4 16.7 -15.3			<25.1> 7.2 69.0 13.8 0.0				
Extraordinary gains		0.0	1.4		2.4	-1.4	2.4	
Extraordinary losses		1.4	-1.4		2.4	-364.9	2.4	
Income before income taxes and minority interests	3.1	15.3	-16.7	7.2	69.0	377.3	0.0	
Net Income	<- -> 4.4 21.3 -7.7			<- -> 4.2 40.0 255.5 0.0				

< Impact of Business Combination of Ranbaxy >

(Billions of yen)				
	FY2009 Results			
	Q2	1st half	YoY Changes	
Net Sales				
Cost of Sales				
SG&A expenses	1.5	3.0	3.0	
R&D expenses				
Other expenses	1.5	3.0	3.0	
Operating income	-1.5	-3.0	-3.0	
Non-operating income				
Non-operating expenses				
Ordinary income	-1.5	-3.0	-3.0	
Extraordinary gains				
Extraordinary losses				
Income before income taxes and minority interests	-1.5	-3.0	-3.0	
Net Income	-2.3	-1.8	-1.8	

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

(Billions of yen)				
FY2009 Results				
Q2	1st half		YoY Change	
<2.2> 100.0	207.0	<-0.5> 100.0	404.4	-1.9
26.2	54.3	24.7	99.7	2.1
61.1	126.5	61.4	248.5	1.4
22.6	46.7	22.2	89.7	7.4
38.5	79.8	39.3	158.8	-6.0
<21.3> 12.7	26.2	<-8.7> 13.9	56.2	-5.4
	2.0		4.9	-1.2
	1.8		2.6	-5.5
<40.5> 12.8	26.4	<-1.8> 14.5	58.6	-1.1
	0.2		2.3	1.5
	0.3		1.0	-2.9
12.7	26.3	14.8	59.9	3.3
<48.0> 6.4	13.2	<-31.8> 5.7	23.2	-10.8

2. Currency Rate

	FY2008	FY2009			FY2009 Original Forecast
	1st half Results	1st half Results	Full Year Forecast *	Annual impact of one yen change in currency rate	Full Year
USD / Yen (average)	106.1	95.5	92.8	Net Sales ¥2.3 billion Operating Income ¥0.3 billion	95.0
EUR / Yen (average)	162.7	133.2	131.6	Net Sales ¥0.6 billion Operating Income -	120.0
INR / Yen (average)	-	1.95	1.90	Net Sales** ¥7.0 billion	1.90

* Based on 2nd half forecast of 1\$ = 90 yen and 1€ = 130 yen

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

3. Sales of Global Products

	FY2009 Results					FY2009 Forecast			
	Q2	1st half	From Jul. Forecast	YoY Changes					
					2nd half	From Jul. Forecast	Full Year	From Jul. Forecast	
Olmесartan <antihypertensive>	<10.2> 59.4	<10.3> 115.4	3.2	10.8	<16.9> 124.6	1.3	<13.7> 240.0	4.5	
Olmotec (JPN)	<26.1> 19.8	<24.1> 38.8	-0.2	7.5	<30.5> 43.2	0.2	<27.4> 82.0	0.0	
Benicar HCT / Benicar (US)	<0.5> 22.2	<-2.6> 44.3	1.8	-1.2	<-0.5> 41.7	-1.8	<-1.6> 86.0	0.0	
Azor (US)	<30.9> 3.2	<63.7> 6.2	-0.3	2.4	<39.1> 6.8	-1.7	<49.8> 13.0	-2.0	
Olmotec Plus / Olmotec (EU)	<-3.7> 10.0	<-2.2> 18.2	1.2	-0.4	<20.7> 22.8	3.3	<9.3> 41.0	4.5	
Sevikar (EU)	<> 1.2	<> 2.1	-0.1	2.1	<55.0> 3.4	1.1	<151.3> 5.5	1.0	
Other subsidiaries / Export, etc.	<-7.8> 3.1	<6.4> 5.7	0.7	0.3	<20.0> 6.8	0.3	<13.4> 12.5	1.0	
Levofloxacin <synthetic antibacterial>	<-0.3> 23.5	<-12.3> 43.3	0.6	-6.0	<-6.5> 45.2	-4.1	<-9.4> 88.5	-3.5	
Cravit (JPN)	<26.7> 11.9	<9.3> 21.4	0.4	1.8	<-3.6> 22.6	-0.4	<2.3> 44.0	0.0	
Export, etc	<-22.7> 6.4	<-37.2> 11.2	0.2	-6.6	<-14.7> 11.3	-3.2	<-27.6> 22.5	-3.0	
Royalty	<-19.3> 3.2	<-14.6> 6.9	-0.1	-1.2	<-5.0> 7.6	-0.4	<-9.8> 14.5	-0.5	
Other subsidiaries	<2.9> 2.0	<-1.7> 3.8	0.1	-0.1	<1.4> 3.7	-0.1	<-0.2> 7.5	0.0	
Pravastatin <antihyperlipidemic>	<-5.2> 15.0	<-6.9> 29.7	0.7	-2.2	<-9.1> 26.3	0.3	<-7.9> 56.0	1.0	
Mevalotin (JPN)	<-5.0> 12.4	<-6.7> 24.9	-0.1	-1.8	<-8.1> 22.1	0.1	<-7.3> 47.0	0.0	
Export, etc	<23.3> 1.0	<-11.8> 1.6	0.6	-0.2	<-34.1> 0.9	-0.1	<-21.3> 2.5	0.5	
European Subsidiaries	<-34.0> 0.8	<-17.3> 1.6	0.1	-0.3	<-31.4> 1.4	0.4	<-24.4> 3.0	0.5	
Other subsidiaries	<8.4> 0.8	<8.1> 1.6	0.1	0.1	<28.2> 1.9	-0.1	<17.9> 3.5	0.0	
Prasugrel (alliance revenue) <antiplatelet>	<> 1.0	<> 1.0	-	1.0					
Effient (US)	<> 1.0	<> 1.0	-	1.0					
Effient (EU)	<> 0.0	<> 0.0	-	0.0					

Forecast of prasugrel is not disclosed.

The US portion of prasugrel alliance revenue is booked on DSI, while the European portion is booked on Daiichi Sankyo Co., Ltd.

4. Overseas Sales

Consolidated basis

	FY2009 Results		
	Q2	1st half	YoY Changes
Overseas sales	<42.6> 122.7	<33.1> 232.6	57.8
Overseas sales ratio	50.4%	49.4%	
North America	<16.6> 62.5	<8.5> 121.4	9.5
Europe	<27.6> 29.7	<24.5> 56.9	11.2
Other	<232.9> 30.5	<216.4> 54.2	37.1

(Billions of yen)

FY2009 Forecast		
2nd half	Full Year	From Jul. Forecast
<19.1> 236.4	<25.7> 469.0	3.5
48.3%	48.9%	

Overseas sales of Ranbaxy

	FY2009 Results		
	Q2	1st half	YoY Changes
Overseas sales	<> 36.4	<> 66.0	66.0
North America	<> 7.5	<> 15.4	15.4
Europe	<> 7.3	<> 13.0	13.0
Other	<> 21.6	<> 37.6	37.6

(Billions of yen)

FY2009 Forecast		
2nd half	Full Year	From Jul. Forecast
<> 69.0	<> 135.0	0.0

Overseas sales excluding Ranbaxy

	FY2009 Results		
	Q2	1st half	YoY Changes
Overseas sales	<0.4> 86.4	<-4.7> 166.6	-8.1
Overseas sales ratio	41.7%	41.2%	
North America	<2.7> 55.1	<-5.2> 106.0	-5.9
Europe	<-3.9> 22.4	<-3.9> 43.9	-1.8
Other	<-2.5> 8.9	<-2.9> 16.6	-0.5

(Billions of yen)

FY2009 Forecast		
2nd half	Full Year	From Jul. Forecast
<4.7> 167.4	<-0.2> 334.0	3.5
39.8%	40.5%	
<4.0> 103.0	<-0.9> 209.0	-3.0
<4.0> 46.1	<0.0> 90.0	6.0
<10.6> 18.4	<3.7> 35.0	0.5

5. Consolidated Segment information - Operating Segment

(Billions of yen)

	FY2009 Results					
	Q1		Q2		1st half	YoY Changes
Net Sales	<11.5>		<20.2>		<15.8>	
	227.1		243.4		470.6	64.2
Pharmaceuticals	<11.5>		<20.3>		<15.9>	
	226.3		242.5		468.8	64.3
Domestic	<3.1>		<5.0>		<4.0>	
	106.6		106.7		213.2	8.3
Overseas	<23.9>		<42.5>		<33.0>	
	109.9		122.2		232.1	57.7
OTC drugs	<-6.9>		<-2.1>		<-4.1>	
	9.5		13.5		23.0	-1.0
Other	<-2.6>		<-3.5>		<-3.1>	
	0.8		1.0		1.8	-0.1
Operating income	<-33.1>		<11.5>		<-17.5>	
	26.8		24.1		50.9	-10.8
Pharmaceuticals	<-33.5>		<11.9>		<-17.8>	
	26.2		23.4		49.6	-10.7
Other	<-1.3>		<-0.6>		<-0.9>	
	0.5		0.7		1.2	0.0

6. Consolidated Segment information - Geographic Segment

(Billions of yen)

	FY2009 Results						
	Q1		Q2		1st half	YoY Changes	
Net Sales	<11.5>		<20.2>		<15.8>		
	100.0	227.1	100.0	243.4	100.0	470.6	64.2
Japan	<-3.1>		<1.8>		<-0.7>		
	56.6	128.5	55.6	135.4	56.1	263.9	-1.8
North America	<7.0>		<20.4>		<13.3>		
	23.9	54.2	22.4	54.5	23.1	108.7	12.8
Europe	<48.1>		<32.4>		<39.5>		
	9.9	22.5	10.1	24.5	10.0	46.9	13.3
India	<->		<->		<->		
	5.1	11.5	6.8	16.5	5.9	28.0	28.0
Other	<99.7>		<115.3>		<108.0>		
	4.6	10.5	5.2	12.6	4.9	23.0	12.0
Operating income	<-33.1>		<11.5>		<-17.5>		
	26.8		24.1		50.9	-10.8	
Japan	15.6		11.9		27.4		
North America	13.9		13.0		27.0		
Europe	1.2		1.9		3.1		
India	-3.2		-1.7		-4.9		
Other	0.9		0.5		1.4		

7. Status of Major Companies

7-1. Daiichi Sankyo Co., Ltd.

(Billions of yen)

	FY2009 Results				FY2009 Forecast			
	1st half	From Jul. Forecast	YoY Changes	FY08 Results ==> FY09 Results	2nd half	From Jul. Forecast	Full Year	From Jul. Forecast
Total net sales of ethical pharmaceuticals	<4.5> 209.4	0.4	9.0		<6.9> 220.6	-0.4	<5.7> 430.0	0.0
Cardiovascular disease	<6.0> 124.2	-1.8	7.0	With exception of Mevalotin, which is slightly declining since its patent expiration, mainstay products grew considerably.	<12.6> 129.8	1.8	<9.2> 254.0	0.0
Olmotec <antihypertensive>	<24.1> 38.8	-0.2	7.5	Sales have expanded on the strength of its antihypertensive effects to strongly lead the market, moving it to the third place in terms of share among drugs of same class	<30.5> 43.2	0.2	<27.4> 82.0	0.0
Calblock <antihypertensive>	<16.7> 7.0	0.0	1.0	In addition to promotion of antihypertensive effects, prescriptions grew due to its efficacy for renal protection.	<30.2> 8.0	0.0	<23.6> 15.0	0.0
Artist <antihypertensive>	<8.7> 11.9	-0.1	1.0	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.	<10.4> 12.1	0.1	<9.5> 24.0	0.0
Mevalotin <antihyperlipidemic agent>	<-6.7> 24.9	-0.1	-1.8	Its clinical efficacy as a standard statin is being promoted but revenues are declining due to increasing prescriptions of generics and competition from competitive strong statins.	<-8.1> 22.1	0.1	<-7.3> 47.0	0.0
Kremezin <treatment for chronic renal failure>	<7.2> 6.9	-0.1	0.5	Its clear position as oral adsorbent listed in practice guidelines for chronic kidney disease and the clinical efficacy of early administration led to increased new patients	<12.4> 7.1	0.1	<9.8> 14.0	0.0
Hanp <treatment for acute cardiac failure>	<5.8> 4.5	0.5	0.2	Despite the expansion in Diagnosis Procedure Combination (DPC), Hanp maintained and slightly improved its strong market position as first choice for treatment of acute heart failure.	<1.8> 5.0	0.0	<3.6> 9.5	0.5
Livalo <antihyperlipidemic agent>	<24.3> 3.7	-0.3	0.7	Number of prescriptions and hospitals using Livalo increased leveraging the announcement of evidence of studies on Japanese and the growth of the strong statin market.	<53.5> 4.8	0.3	<39.4> 8.5	0.0
Sunrhythm <antiarrhythmic agent>	<1.0> 6.0	0.0	0.1	Sales of Sunrhythm increased slightly due to its competitive edge as the first choice prescription for patients with atrial fibrillation.	<5.2> 6.0	0.0	<3.0> 12.0	0.0
Fastic <antidiabetic agent>	<4.5> 2.7	-0.3	0.1	Sales increased slightly due to additional indication of concomitant use with thiazolidinediones (TZDs)	<30.5> 3.3	0.3	<17.2> 6.0	0.0
Infectious diseases/bone and joint diseases/ immunological allergic diseases/urology	<13.0> 70.9	-0.1	8.1	Sales grew centering on Loxonin, Urief, and the launch of Cravit high-dose.	<12.6> 84.1	0.1	<12.8> 155.0	0.0
Cravit <synthetic antibacterial agent>	<9.3> 21.4	0.4	1.8	Increase in sales due to launch of Cravit high-dose coinciding with its strong appeal as effective control against drug-resistant microbes based on PK/PD theory.	<-3.6> 22.6	-0.4	<2.3> 44.0	0.0
Loxonin <anti-inflammatory analgesic>	<25.6> 23.7	-0.3	4.8	While sales of Loxonin in oral form slowed due to competition, in addition to the contribution of Loxonin Poullice, sales increased due to launch of Loxonin Tape last year with superior efficacy and strong brand name.	<45.3> 28.8	1.8	<35.7> 52.5	1.5
Mobic <anti-inflammatory analgesic>	<-13.5> 4.0	-0.5	-0.6	Sales declined due to the sudden growth of COX-2 inhibitor by a competitor.	<31.2> 5.0	0.0	<6.8> 9.0	-0.5
Urief <treatment for dysuria>	<26.4> 4.5	0.0	0.9	Number of prescriptions and hospitals using Urief increased due to its high clinical efficacy and its share steadily rose.	<26.5> 5.5	0.0	<26.4> 10.0	0.0
Zyrtec <antiallergic agent>	<16.2> 4.2	0.2	0.6	Sales increased after obtaining indication for infants in April.	<1.9> 5.8	-0.2	<7.4> 10.0	0.0
Contrast agents / cancer / gastric diseases	<2.3> 25.3	0.3	0.6	Sales increased with favorable conditions assisting good performance in the oncology arena.	<-1.5> 23.7	-0.3	<0.4> 49.0	0.0
Omnipaque <contrast agent>	<0.7> 14.7	0.2	0.1	While the operating environment of brand drugs became more difficult with the expansion of DPC, Omnipaque secured top share such as by expanding its lineups to match treatment needs.	<-3.0> 13.3	-0.2	<-1.1> 28.0	0.0
Topotecin <anticancer agent>	<5.1> 3.3	0.1	0.2	Prescriptions grew as a result of Topotecin becoming standard treatment in the recommended regimen of colon cancer guidelines.	<3.6> 3.2	-0.1	<4.4> 6.5	0.0

7-2. Daiichi Sankyo Healthcare Co., Ltd

(Billions of yen)

	FY2009 Results				FY2009 Forecast			
	1st half	From Jul. Forecast	YoY Changes	FY08 Results ==> FY09 Results	2nd half	From Jul. Forecast	Full Year	From Jul. Forecast
Daiichi Sankyo Healthcare Co., Ltd	<-4.1> 23.0	-1.5	-1.0		<-7.7> 25.0	-0.5	<11.7> 48.0	-2.0
LuLu Series	<13.5> 5.5	0.2	0.7	Sales increased due to favorable sales of a new product <i>LuLu Attack EX</i> .	<21.9> 6.0	0.3	<17.7> 11.5	0.5
Gaster 10	<-38.3> 1.0	-0.4	-0.6	Sales fell due to the impact of the enforcement of the revised Pharmaceutical Affairs Act resulting in a decrease in the number of drug stores who sell Category 1 OTC drugs.	<-26.8> 1.2	-0.2	<-32.5> 2.2	-0.6
Shin-Sankyo Ichoyaku series	<10.7> 1.8	0.1	0.2	Sales increased due to steady sales of <i>Shin-Sankyo Ichoyaku Plus</i> .	<12.5> 1.9	0.0	<11.6> 3.7	0.1
Patecs series	<-1.3> 1.6	-0.5	0.0	Sales fell slightly due to a fierce competitive environment surrounding <i>Felbinac 35</i> and others.	<7.1> 1.2	-0.1	<2.2> 2.8	-0.7
Transino	<-66.6> 0.4	-0.6	-0.8	Sales fell due to the impact of the enforcement of the revised Pharmaceutical Affairs Act resulting in a decrease in the number of drug stores who sell Category 1 OTC drugs.	<24.5> 0.4	-0.3	<-48.2> 0.8	-0.9

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

(Billions of yen)

	FY2009 Results				FY2009 Forecast			
	1st half	From Jul. Forecast	YoY Changes	FY08 Results ==> FY09 Results	2nd half	From Jul. Forecast	Full Year	From Jul. Forecast
Daiichi Sankyo, Inc. (DSI)	<-3.4> 66.5	-0.5	-2.4		<-11.7> 67.5	-5.5	<3.6> 134.0	-6.0
mil USD	<7.3> 696	-9	47		<-17.5> 748	-20	<12.3> 1,445	-29
Benicar / Benicar HCT <antihypertensive>	<-2.6> 44.3	1.8	-1.2	Although the ARB market saw negative growth on a new prescription basis, DSI has continued to actively promote <i>Benicar / Benicar HCT</i> as a highly effective drug for lowering blood pressure during fiscal 2009. New prescriptions expanded steadily, and sales increased in local currency bases.	<-0.5> 41.7	-1.8	<-1.6> 86.0	0.0
mil USD	<8.2> 464	16	35		<5.2> 464	6	<6.7> 927	22
Azor <antihypertensive>	<63.7> 6.2	-0.3	2.4	The market share expanded steadily by extending a promotion to ensure its position as a unique product. DSI will further strengthen measures to expand its market	<39.1> 6.8	-1.7	<49.8> 13.0	-2.0
mil USD	<81.9> 65	-4	29		<48.6> 75	-14	<62.4> 140	-18
Welchol <antihyperlipidemic / type 2 diabetes>	<6.8> 13.4	-0.1	0.9	Sales increase was accelerated due to strengthened promotions since fiscal 2008 of this product as the only therapy approved to treat patients with type 2 diabetes and primary hyperlipidemia.	<13.8> 13.6	-1.4	<10.2> 27.0	-1.5
mil USD	<18.7> 140	-2	22		<20.2> 151	-7	<19.5> 291	-9
Effient (alliance revenue) <antiplatelet>	<> 1.0	-	1.0	Launched promotional activities in August 2009. Specialty sales force are accelerating their activities to have <i>Effient</i> introduced at hospitals centering on those with catheter labs. DSI will further enhance measures to expand prescriptions.	<> 1.0	-	<> 1.0	-
mil USD	<> 10	-	10		<> 10	-	<> 10	-

Forecast of Effient is not disclosed.

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

(Billions of yen)

	FY2009 Results				FY2009 Forecast			
	1st half	From Jul. Forecast	YoY Changes	FY08 Results ==> FY09 Results	2nd half	From Jul. Forecast	Full Year	From Jul. Forecast
Luitpold Pharmaceuticals, Inc. (LPI)	<-0.7>				<-8.1>		<-4.2>	
mil USD	26.9	5.4	-0.2		22.1	0.1	49.0	5.5
	<10.3>				<-2.6>		<-3.9>	
	281	55	26		247	16	528	70
Venofor <treatment for iron deficiency anemia>	<-4.3>			Through an exclusive sublicensing agreement for the US dialysis market with Fresenius Medical Care, the largest dialysis chain company in the world, the share of <i>Venofor</i> in this company increased. Sales grew steadily despite market entry on a competitor in July, as LPI strengthened promotion activities also in the non-dialysis markets, which it focuses on.	<-2.1>		<-3.3>	
mil USD	16.1	2.6	-0.7		14.9	0.9	31.0	3.5
	<6.4>				<-3.4>		<-4.9>	
	169	27	10		165	18	334	45

7-5. Daiichi Sankyo Europe GmbH

(Billions of yen)

	FY2009 Results				FY2009 Forecast			
	1st half	From Jul. Forecast	YoY Changes	FY08 Results ==> FY09 Results	2nd half	From Jul. Forecast	Full Year	From Jul. Forecast
Daiichi Sankyo Europe GmbH (DSE)	<-6.1>				<-12.7>		<-9.6>	
mil €	35.7	1.2	2.1		41.3	4.8	77.0	6.0
	<-29.7>				<-12.0>		<-19.5>	
	268	-19	61		317	13	585	-6
Olmetec / Olmetec Plus <antihypertensive>	<-2.2>			DSE strengthened promotion activities by increasing the number of MRs in major countries. Sales of joint sales partners also remained firm. Sales of both the single agent and fixed dose combinations steadily grew.	<-20.7>		<-9.3>	
mil €	18.2	1.2	-0.4		22.8	3.3	41.0	4.5
	<-19.5>				<-19.0>		<-19.2>	
	137	-5	22		175	12	312	7
Sevikar <antihypertensive>	<>			<i>Sevikar</i> was launched first in Germany in January 2009. It was then launched in other European countries, including France and Spain. In response to the high demand of hypertensive patients whose blood pressure control deems insufficient, DSE will strengthen promotion activities of <i>Sevikar</i> emphasizing the agent's attribute having both safety and efficiency.	<-55.0>		<-151.3>	
mil €	2.1	-0.1	2.1		3.4	1.1	5.5	1.0
	<>				<-70.3>		<-174.1>	
	16	-3	16		26	7	42	4
Mevalotin <antihyperlipidemic agent>	<-17.3>			Patent has expired in all of Europe.	<-31.4>		<-24.4>	
mil €	1.6	0.1	-0.3		1.4	0.4	3.0	0.5
	<-1.1>				<-32.1>		<-17.5>	
	12	0	0		11	2	23	2
Evista <treatment for osteoporosis>	<-26.3>			After acquiring additional marketing rights in 26 countries from Eli Lilly and Company in February 2008, DSE now markets <i>Evista</i> in 34 European countries. Although DSE has gradually changed the sales structure in each country to own company promotion, sales tend to drop. DSE will further take steps to maintain the sales level.	<-4.0>		<-16.6>	
mil €	5.0	-0.2	-1.8		5.0	-0.3	10.0	-0.5
	<-9.9>				<-8.1>		<-9.0>	
	37	-6	-4		39	-6	76	-12

Alliance Revenue of Efient (Europe)

Efient <antiplatelet>	<>			Launched promotional activities in UK and Germany in March 2009. Preparation on schedule towards launch in other key markets including pricing negotiations with authorities in each country. DSE will enhance measures to expand prescriptions of <i>Efient</i> in countries where it is already launched.
mil USD	0.0	-	0.0	
	<>			
	0	-	0	

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

Forecast of Efient is not disclosed.

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

	FY2009 Results				FY2009 Forecast			
	1st half	From Jul. Forecast	YoY Change	FY08 Results ==> FY09 Results	2nd half	From Jul. Forecast	Full Year	From Jul. Forecast
ASCA Total	<4.0> 11.5	0.3	0.4	Increase by 23.1% excluding the forex impact.	<13.1> 13.5	0.6	<8.7> 25.0	1.0
Daiichi Sankyo Pharmaceutical (Beijing) Co., Ltd. (DSBJ)	<1.6> 2.0	0.0	0.0	Increase by 8.1% on a local currency basis. There were boosts in collaboration with DSSH, as well as increase in sales of <i>Cravit</i> .	<7.9> 1.9	0.1	<3.1> 3.9	0.1
Daiichi Sankyo Pharmaceutical (Shanghai) Co., Ltd. (DSSH)	<43.6> 2.4	0.0	0.7	Increase by 52.7% on a local currency basis. Increased sales of <i>Carbenin</i> and <i>Cefmetazon</i> , promoted by DSB, have made a substantial contribution.	<22.3> 2.7	0.2	<31.4> 5.1	0.2
Daiichi Sankyo Korea Co., Ltd. (DSKR)	<-8.8> 1.6	0.2	-0.2	Increase by 22.8% on a local currency basis. In addition to the increased sales of <i>Cravit</i> and revenue from the co-promotion of <i>Olmetec</i> , <i>Sevikar</i> was launched in Jun 2009.	<45.4> 1.7	-0.1	<12.9> 3.4	0.1
Daiichi Sankyo (Thailand) Ltd. (DSTH)	<-0.6> 0.4	0.0	0.0	Increase by 14.8% on a local currency basis. March 2009 launch of <i>Cravit i.v.</i> 750mg contributed to the growth in overall sales of <i>Cravit</i> .	<31.0> 0.5	0.1	<15.2> 0.9	0.1
Daiichi Sankyo Taiwan Ltd. (DSTW)	<-11.8> 1.7	0.0	-0.2	Increase by 5.0% on a local currency basis. In addition to the increased sales driven primarily by <i>Olmesartan</i> and <i>Cravit</i> , <i>Sevikar</i> was launched in August 2009.	<-1.2> 1.6	-0.1	<-6.9> 3.2	-0.1
Daiichi Sankyo Brasil Farmacêutica Ltda. (DSBR)	<-18.6> 1.8	0.2	-0.4	Increase by 15.3% on a local currency basis. The combination drug (<i>Olmesartan</i> and <i>Amlodipine</i>) has accelerated sales growth of <i>Olmesartan</i> franchise.	<-16.5> 2.3	0.1	<-17.4> 4.1	0.2
Daiichi Sankyo Venezuela, S.A. (DSVE)	<40.6> 1.6	-0.1	0.5	Increase by 54.1% on a local currency basis. Increased sales of <i>Olmesartan</i> contributed to the growth of DSVE.	<58.9> 2.7	0.2	<51.5> 4.2	0.2

7-7. Ranbaxy Laboratories Limited

	FY2009 Results				FY2009 Forecast *	
	1st half	From Jul. Forecast	YoY Change	FY08 Results ==> FY09 Results	Full Year	From Jul. Forecast
Ranbaxy Laboratories Limited	<<> 66.1	-	66.1		135.0	0.0
bil INR	<<> 33.9	-	33.9		71.0	0.0

* Only full year forecasts are disclosed for Ranbaxy.

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

	FY2009 Results				FY2009 Forecast			
	1st half	From Jul. Forecast	YoY Change	FY08 Results ==> FY09 Results	2nd half	From Jul. Forecast	Full Year	From Jul. Forecast
Olmesartan <antihypertensive>	<32.4> 4.2	1.2	1.0	Increase by 71.3% excluding the forex impact. In addition to sales expansion in each country, launch of <i>Sevikar</i> in Korea as well as <i>Olvance</i> in India contributed to the increase of <i>Olmesartan</i> .	<3.2> 4.3	-0.2	<15.9> 8.5	1.0
Levofloxacin <synthetic antibacterial>	<-1.7> 3.8	0.1	-0.1	Increase by 12.1% excluding the forex impact. In addition to sales increase in each country, Ranbaxy's sales contributed to the growth.	<1.4> 3.7	-0.1	<-0.2> 7.5	0.0
Pravastatin <antihyperlipidemic>	<8.1> 1.6	0.1	0.1	Increase by 26.8% excluding the forex impact. In addition to sales increase in China (DSSH) and Venezuela, Ranbaxy's sales contributed to the growth.	<28.2> 1.9	-0.1	<17.9> 3.5	0.0

8. Number of Employees

	FY2008	FY2009	
	Mar-09	Jun-09	Sep-09*
Total Number of Employees	28,895	29,156	29,272
Japan	9,148	9,311	9,323
Overseas	19,747	19,845	19,949

	FY2008		FY2009			
	Mar-09	MRs	Jun-09	MRs	Sep-09*	MRs
Total Number of Employees	28,895		29,156		29,272	
<Japan>						
Daiichi Sankyo Co., Ltd. (DS)	5,960	2,400	6,057	2,400	6,042	2,400
Daiichi Sankyo Healthcare Co., Ltd (DSHC)	401	150	398	150	396	150
<US>						
Daiichi Sankyo, Inc. (DSI)	2,875	1,800	2,881	1,810	2,933	1,800
Luitpold Pharmaceuticals, Inc. (LPI)	477	70	488	70	490	70
<Europe>						
Daiichi Sankyo Europe GmbH (DSE)	2,436	1,350	2,472	1,360	2,471	1,360
<Asia / Latin America>						
Daiichi Sankyo Pharmaceutical (Beijing) Co., Ltd. (DSBJ)	459	158	479	174	479	175
Daiichi Sankyo Pharmaceutical (Shanghai) Co., Ltd. (DSSH)	504	208	533	229	553	243
Daiichi Sankyo Hong Kong Ltd. (DSHK)	7	-	7	-	7	-
Daiichi Sankyo Korea Co., Ltd. (DSKR)	98	49	98	49	97	49
Daiichi Sankyo (Thailand) Ltd. (DSTH)	44	18	42	16	45	18
Daiichi Sankyo Taiwan Ltd. (DSTW)	158	69	162	69	161	68
Daiichi Sankyo Brasil Farmacêutica Ltda. (DSBR)	292	112	313	118	312	117
Daiichi Sankyo Venezuela, S.A. (DSVE)	131	80	139	70	156	86

	FY2008	FY2009	
	Mar-09	Jun-09	Sep-09*
Ranbaxy Group	12,174	12,131	12,127

* For overseas subsidiaries with different fiscal year-ends, figures as of Jun-09 are shown

9. Major Management / Financial Indicators

	FY2008 Results		FY2009 Results	(Billions of yen) FY2009 Forecast
	1st Half	Full Year	1st Half	Full Year
Management Indicators				
Dividend payout ratio (Consolidated)	83.9%	-	113.0%	105.6%
Dividend on equity (DOE)	-	5.4%	-	-
Earnings per share (EPS)	47.7 yen	-304.2yen	26.6yen	(56.8 yen)
Dividend per share	40.0 yen	80.0 yen	30.0 yen	60.0 yen
Dividend payment (billions of yen)	28.1 billion	56.3 billion	21.1 billion	-
Return on equity (ROE)	-	-20.5%	-	-
Book value per share (BPS)	1,683.8 yen	1,226.0 yen	1,213.8 yen	-
Equity ratio	83.9%	57.7%	58.5%	-
Number of treasury stock purchased	15.0 million	15.0million	-	-
Treasury stock purchase (billions of yen)	45.8 billion	45.8 billion	-	-
Total number of common shares [*]	704 million	704 million	704 million	-
Share price at end of period	2,695 yen	1,648 yen	1,853 yen	-
Market value (billions of yen)	1,897.3 billion	1,160.2 billion	1,304.4 billion	-
Financial Indicators (billions of yen)				
Total assets	1,412.3	1,494.6	1,460.3	
Current assets	857.5	783.5	771.5	
Debt with interest	0.0	327.3	318.5	
Shareholder's equity	1,185.3	863.1	854.4	
CF from operating activities	18.8	78.4	39.6	
CF from investing activities	-198.0	-413.9	54.9	
CF from financial activities	-71.0	98.1	-42.0	
Free cash flow ^{**}	-179.3	-335.5	94.5	
Cash and cash equivalents, end of year	192.1	177.8	227.6	
Liquidity on hand ^{***}	385.1	364.2	341.2	
Number of consolidated subsidiaries	43	98	96	

* excluding treasury stock

** CF from operating activities + CF from investing activities

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

10. Capital Expenditure and Depreciation Expense

	FY2008 Results		FY2009 Results	(Billions of yen) FY2009 Forecast
	1st Half	Full Year	1st half	Full Year
Depreciation expense	19.3	40.6	22.0	48.0
Capital expenditure	7.7	19.6	14.0	32.0

11. Number of Shares Held and Shareholders by Category

	As of September 30, 2008			As of March 31, 2009			As of September 30, 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	2	0	0.0%	2	0	0.0%	2	0	0.0%
Financial institutions	189	340	48.0%	185	347	49.0%	188	326	46.1%
Financial instruments firms	46	12	1.8%	72	10	1.5%	86	19	2.7%
Corporate investors	645	44	6.4%	738	45	6.5%	800	46	6.5%
Foreign investors	642	216	30.6%	698	200	28.3%	672	199	28.3%
individuals	56,967	88	12.5%	75,205	99	14.0%	94,070	111	15.7%
Treasury stock	1	5	0.7%	1	5	0.7%	1	5	0.7%
Total	58,492	707	100.0%	76,901	707	100.0%	95,819	707	100.0%

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12. Consolidated Balance Sheets

<Assets>

(Billions of yen)

	2009.3.31		2009.9.30		Change	Details
		%		%		
Current assets	783.5	52.4%	771.5	52.8%	-12.0	
Cash and time deposits	76.6		98.7		22.1	Liquidity on hand (current deposits + marketable securities + investment securities) <u>Total ¥341.2 billion (¥ -23.0 billion from the end of fiscal 2008)</u> Net gain: ¥ +18.7 billion Dividends paid: ¥ -28.1 billion Ranbaxy ¥ -16.7 billion
Trade notes and accounts receivable	195.5		216.9		21.4	
Marketable securities	235.5		209.3		-26.1	
Inventories	139.5		143.5		4.1	Breakdown of inventories as of Sep-2009: Merchandise and finished goods <u>¥ 91.3 billion</u> Work in process: <u>¥ 18.0 billion</u> Raw materials and supplies: <u>¥ 34.3 billion</u>
Deferred tax assets	76.7		62.1		-14.7	Shift from non-current deferred tax assets <u>¥ +9.0 billion</u> Reversal of differed tax assets <u>¥ -23.1 billion</u> , consisting of Amount equivalent to tax for taxable income of FY2009 and Amendment of income taxes for the previous year
Other current assets	60.8		42.0		-18.7	Refund of income taxes paid in FY2008
Allowance for doubtful accounts	-1.0		-1.1		-0.1	
Non-current assets	711.1	47.6%	688.9	47.2%	-22.2	
Property, plant and equipment	250.1	16.7%	250.8	17.2%	0.7	
Buildings and structures	132.7		129.7		-3.0	
Machinery, equipment and vehicles	46.0		46.9		0.9	
Land	42.4		42.9		0.5	
Construction in progress	13.3		16.3		3.0	
Other	15.7		15.0		-0.6	
Intangible assets	192.6	12.9%	185.2	12.7%	-7.4	
Goodwill, net	77.4		74.1		-3.3	U3 Pharma: <u>¥ -2.5 billion</u> Ranbaxy: <u>¥ -1.2 billion</u>
Other intangible assets, net	115.2		111.1		-4.1	
Investments and other assets	268.4	18.0%	252.9	17.3%	-15.6	
Investment securities	153.7		151.7		-2.0	
Long-term loans	0.6		0.5		-0.1	
Prepaid pension costs	6.9		5.4		-1.5	
Deferred tax assets	91.6		79.3		-12.3	Shift to current deferred tax assets <u>¥ -9.0 billion</u>
Other assets	15.9		16.3		0.4	
Allowance for doubtful accounts	-0.3		-0.3		0.0	
Total assets	1,494.6	100.0%	1,460.3	100.0%	-34.3	

<Liabilities and Net Assets>

(Billions of yen)

	2009.3.31		2009.9.30		Change	Details
		%		%		
Liabilities	606.0	40.5%	580.1	39.7%	-25.9	
Current liabilities	508.5	34.0%	370.1	25.3%	-138.4	
Trade notes and accounts payable	59.4		57.8		-1.6	
Short-term bank loans	264.3		142.6		-121.8	Change to long-term financing by the issuance of bonds
Income taxes payable	8.2		4.1		-4.2	
Allowance for sales returns	0.6		0.9		0.3	
Allowance for sales rebates	2.7		2.2		-0.5	
Other current liabilities	173.3		162.6		-10.7	
Long-term liabilities	97.4	6.5%	210.0	14.4%	112.6	
Bonds payable	-		100.0		100.0	1st Series of Unsecured Straight Bonds; ¥ 60 billion yen Maturity: 5 years, Interest rate: 1.078% per annum
Convertible bond-type bonds with subscription rights to shares	47.1		50.4		3.3	2nd Series of Unsecured Straight Bonds; ¥ 40 billion Maturity: 10 years, Interest rate: 1.776% per annum
Long-term bank loans	15.9		25.5		9.6	
Deferred tax liabilities	5.4		5.6		0.2	
Accrued employees' severance and retirement benefits	10.6		11.6		1.0	
Accrued directors' severance and retirement benefits	0.2		0.2		0.0	
Provision for environmental measures	0.1		0.0		-0.1	
Other long-term liabilities	18.2		16.7		-1.5	
Net assets	888.6	59.5%	880.2	60.3%	-8.4	
Shareholders' equity	894.5	59.8%	885.0	60.6%	-9.5	
Common stock	50.0		50.0		0.0	
Capital surplus	105.2		105.2		0.0	
Retained earnings	753.8		744.4		-9.5	Dividends paid ¥ -28.1 billion (year-end dividend ¥40) Net income ¥ +18.7 billion
Treasury stock at cost	-14.6		-14.6		0.0	
Valuation and other adjustments	-31.4	-2.1%	-30.6	-2.1%	0.8	
Net unrealized gain on investment securities	19.9		27.2		7.3	
Deferred gains or losses on hedges	0.1		0.8		0.7	
Foreign currency translation adjustments	-51.4		-58.6		-7.2	
Subscription rights to shares	2.4	0.2%	3.1	0.2%	0.7	
Minority interests	23.2	1.6%	22.7	1.6%	-0.4	
Total liabilities and net assets	1,494.6	100.0%	1,460.3	100.0%	-34.3	

13. Consolidated Statements of Income

(Billions of yen)

	FY2008		FY2009		YoY Change	Details
	1st half	%	1st half	%		
Net sales	406.3	100%	470.6	100%	64.2	Consolidation of Ranbaxy ¥ +66.1 billion Lump-sum income in FY2008 related to the termination of co-promotion agreement of AZOR ¥ -4.7 billion
Cost of sales	97.6	24.0%	137.2	29.2%	39.6	Cost to sales ratio: ±5.2 points Impact of consolidation of Ranbaxy +4.5 points
Gross profit	308.7	76.0%	333.3	70.8%	24.6	
Selling, general and administrative expenses	247.1	60.8%	282.5	60.0%	35.4	Consolidation of Ranbaxy ¥ +31.0 billion
Advertising and promotional expenses	53.1		52.2		-0.9	
Salaries and bonuses	45.1		57.0		11.9	
Severance and retirement costs	3.7		5.6		1.9	
Research and development expenses	82.3		94.1		11.8	Consolidation of Ranbaxy ¥ +4.4 billion Increase in R&D expense for anticoagulant agent <i>Edoxaban</i> etc. ¥ +7.4 billion
Other	62.8		73.5		10.7	
Operating income	61.6	15.2%	50.9	10.8%	-10.8	
Non-operating income:	6.1	1.5%	14.8	3.1%	8.7	
Interest income	3.2		2.6		-0.5	
Dividend income	1.9		1.3		-0.6	
Gain on valuation of derivative	-		8.7		8.7	Gain on valuation of Ranbaxy's US dollar / rupee forex derivatives \$/INR 48.5 (end of Dec-08) to \$/INR 47.9 (end of Jun-09)
Other income	1.1		2.2		1.1	
Non-operating expenses	8.1	2.0%	13.4	2.8%	5.3	
Interest expense	0.0		3.1		3.1	
Foreign exchange losses	3.1		8.0		4.9	Realized losses from derivatives of Ranbaxy
Equity in net losses of affiliated companies	0.1		0.1		0.0	
Loss on valuation of derivatives	2.3		-		-2.3	
Other	2.5		2.2		-0.3	
Ordinary income	59.6	14.7%	52.3	11.1%	-7.4	
Extraordinary income	0.8	0.2%	2.4	0.5%	1.5	
Gain on sale of non-current assets	0.8		0.5		-0.3	
Gain on sales of investment securities	0.0		1.8		1.8	
Reversal of allowance for doubtful accounts	0.0		-		0.0	
Extraordinary losses	3.9	1.0%	1.0	0.2%	-2.9	
Loss on disposal of non-current assets	1.7		0.5		-1.2	
Environmental expenses	-		0.5		0.5	
Loss on impairment of assets	1.6		-		-1.6	
Loss on valuation of investment securities	0.3		-		-0.3	
Provision for environmental measures	0.2		-		-0.2	
Loss on sales of investments in affiliates	0.0		-		0.0	
Income before income taxes and minority interests	56.6	13.9%	53.7	11.4%	-2.9	
Total income taxes	22.6	5.6%	36.7	7.8%	14.1	Tax rate: 40.0% in FY2008, 68.5%* in FY2009
Minority interests in loss	-	-	-1.8	-0.4%	-1.8	* 48.9% excluding the impact of Ranbaxy combined
Net income	34.0	8.4%	18.7	4.0%	-15.3	

14. Consolidated Statements of Cash Flows

(Billions of yen)

	FY2008 1st half	FY2009 1st half	YoY Change	Details
Income before income taxes and minority interests	56.6	53.7	-2.9	
Depreciation	19.3	22.0	2.7	
Amortization of goodwill	2.9	4.4	1.5	
(Gain) loss on valuation of derivatives	2.3	-8.7	-11.0	
(Increase) decrease in trade notes and accounts receivable	-13.9	-20.7	-6.7	
(Increase) decrease in inventories	-2.0	-3.5	-1.5	
Increase (decrease) in trade notes and accounts payable	-1.1	-2.1	-1.0	
Increase (decrease) in accounts payable and accrued expenses	-11.3	-7.4	3.9	
Other, net	-2.3	15.9	18.1	FY2009: Refund of income taxes paid in FY2008
Income taxes paid	-31.7	-14.0	17.7	
Cash flows from operating activities	18.8	39.6	20.8	
Net (increase) decrease in short-term operating assets	39.4	68.4	29.0	
(Acquisitions) / proceeds from sales of fixed assets	-27.5	-13.0	14.5	
(Acquisitions) / proceeds from sales of investment securities	-188.4	0.2	188.7	FY2008: Provisional payment for tender offer on Ranbaxy shares, etc
Purchases of investments in consolidated subsidiaries	-24.3	-1.5	22.8	FY2008: Acquisition of U3 Pharma
Other, net	2.7	0.8	-1.9	
Cash flows from investing activities	-198.0	54.9	253.0	
Net increase (decrease) in short-term bank loans and long-term debt	-0.1	-113.4	-113.4	Decrease in short-term bank loans by the issuance of bonds
Proceeds from issuance of bonds	-	99.7	99.7	Issuance of unsecured straight bonds (net of issue cost)
Purchases of treasury stock	-45.8	-0.0	45.8	
Dividends paid	-25.2	-28.1	-3.0	Dividend increase of 5 yen per share
Other, net	-0.0	-0.1	-0.1	
Cash flows from financing activities	-71.0	-42.0	29.0	
Effect of exchange rate changes on cash and cash equivalents	-1.9	-2.6	-0.7	
Net increase (decrease) in cash and cash equivalents	-252.2	49.8	302.1	
Cash and cash equivalents, beginning of period	444.3	177.8	-266.6	
Cash and cash equivalents, end of period	192.1	227.6	35.5	

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/Sevikar Welchol Effient/Efient Olmetec Calblock Artist Mevalotin Kremezin Hanp Livalo Sunrythm Bepricor	DB-772d(US/EU) (oral factor Xa inhibitor)	☆CS-866CMB(JP) (Olmesartan / Hydrochlorothiazide combination) DU-176b(US/EU) (Edoxaban / VTE / oral factor Xa inhibitor) CS-747(JP) (Prasugrel / anti-platelet agent)
Glucose metabolic disorders	Welchol Fastic	CS-1036(JP/Asia) (glucose absorption inhibitor)	
Infectious diseases	Levaquin / Tavanic Banan Cravit	CS-8958(US/EU) (Laninamivir / anti-influenza / co-development with Biota)	
Cancer	Topotecin Krestin	U3-1287(US) (anti-HER3 antibody) CS-1008(JP) (Tigatuzumab / anti-DR5 antibody)	CS-1008(US/EU) (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) (Perflubutane / ultrasonic contrast agent)

☆Additional indications, new formulations etc.




Change from the announcement in July 2009

New(underline)

CS-1008 (EU/P2)

Change of Stage etc.

DL-8234(JP / Approved), CS-8635(US / Application), Levofloxacin inj.(JP / Application)

Phase3	Application
<p>★CS-747(US/EU) (Prasugrel / ACS-MM / anti-platelet agent)</p> <p>DU-176b(US/EU/JP/Asia) (Edoxaban / atrial fibrillation / oral factor Xa inhibitor)</p> <p>DU-176b(JP) (Edoxaban / VTE / oral factor Xa inhibitor)</p> <p>★CS-8635(EU) (Olmesartan, Amlodipine, Hydrochlorothiazide combination)</p> 	<p>★CS-866AZ(JP) (Olmesartan / Azelnidipine combination)</p> <p>★CS-8635(US) (Olmesartan, Amlodipine, Hydrochlorothiazide combination)</p>
 <p>CS-8958(JP) (Laninamivir / anti-influenza)</p>	<p>★Levofloxacin inj(JP) (new quinolone)</p>
<p>AMG 162(JP) (Denosumab / bone metastases of cancer, osteoporosis / anti-RANKL antibody)</p>	<p>★CS-600G(JP) (Loxoprofen / gel)</p>
<p>SUN11031(JP) (Human ghrelin / anorexia nervosa)</p> <p>SUN Y7017(JP) (Memantine / 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	P3 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. Co-development with Eli Lilly in the US and EU, development by DAIICHI SANKYO in Japan In June, 2008, a new Phase3 trial started in US and EU for patients with acute coronary syndrome, not being managed with percutaneous coronary intervention (ACS-MM). [EU] Approved in Feb-2009 for ACS-PCI, launch in Mar-2009 in UK [US] Approved in Jul-2009 for ACS-PCI, launch in Aug-2009							

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)P3
<ul style="list-style-type: none"> DU-176b is an oral anticoagulant that directly inhibits Xa factor playing an important role in the process when blood coagulates. DU-176b is an oral factor Xa inhibitor, possible once daily regimen with high oral absorption, confirmed by clinical trials. No severe hepatotoxicity signals in pre-clinical and clinical trials Development by DAIICHI SANKYO globally Summary of Phase2b results in THR(total hip replacement, US/EU) & TKR(total knee replacement, JP): after surgery Dose-dependent inhibition of venous thromboembolism(VTE) incidence Low incidence of major bleeding, including at doses with very effective VTE inhibition A phase 3 trial in VTE after surgery started in Japan in March 2009. Phase2 trials in Atrial fibrillation(AF) in Japan, US and EU were ended, and the results of Phase2b trial in US and EU are presented at ASH in Dec-2008, ACC in Mar-2009, and ISTH in July-2009. A phase 3 multi-national trial in AF started in Nov-2008. A new phase 3 multi-national trial for prevention of recurrent VTE in patients with deep-vein thrombosis (DVT) and/or pulmonary embolism (PE) is planned to start in 4Q 2009. 							

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-866AZ	Olmesartan Azelnidipine	Oral	Angiotensin II receptor antagonist Calcium channel blocker	Hypertension	DAIICHI SANKYO	JP	Application
<ul style="list-style-type: none"> Combination drug of Olmesartan (angiotensin II receptor antagonist) and Azelnidipine(calcium channel blocker) LCM of Olmesartan Application: December 2008 							

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

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

Infectious diseases

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-8958	Laninamivir	Inhalant	Neuraminidase inhibitor	Influenza	DAIICHI SANKYO	US/EU JP	P1 P3
<ul style="list-style-type: none"> 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. Co-development with Biota in the US and EU, development by DAIICHI SANKYO in Japan CS-8958 is under development as an inhalant that will act directly on the pulmonary and tracheal sites of infection. [JP] planned NDA filing: 1Q 2010 A new phase 3 trial for a prophylaxis indication plans to be started in autumn of 2009 in Japan.							

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
levofloxacin inj	levofloxacin	Injection	New quinolone	Bacterial infections	DAIICHI SANKYO	JP	Application
<ul style="list-style-type: none"> The drug inhibits bacterial DNA composition by inhibiting a DNA gyrase activity and a topoisomerase IV activity. New formulation(injection of levofloxacin) Application: Oct-2009 							

Cancer

Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
ARQ 197	-	Oral	c-Met inhibitor	-	ArQule	US/EU	P2
<ul style="list-style-type: none"> 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. Clinical studies are on-going for several types of cancer. 							
Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-1008	Tigatuzumab	Injection	Anti-DR5 antibody	-	DAIICHI SANKYO	US/EU JP	P2 P1
<ul style="list-style-type: none"> 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. Clinical studies are on-going for several types of cancer. 							
Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
DE-766	nimotuzumab	Injection	Anti-EGFR antibody	-	CIMYM Biosciences	JP	P2
<ul style="list-style-type: none"> 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. Clinical studies are on-going for several types of cancer. 							
Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-7017	-	Oral	PPAR-gamma activator	-	DAIICHI SANKYO	US	P2
<ul style="list-style-type: none"> Inhibits growth of tumor cells in vitro without killing those cells. Expected to be less toxic compared to standard chemotherapeutics. Clinical studies are on-going for several types of cancer. 							

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
<ul style="list-style-type: none"> Inhibiting chymase, one of endogenous proteases, which is released from mast cells and involves allergic reaction. Development by Asubio Pharma in the US 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 P3 : Osteoporosis P3 : Bone metastases of cancer(Phase3 multinational trials) 							
Development Code Number	Generic Name	Dosage Form	Class	Indication	Origin	Region	Stage
CS-600G	Loxoprofen	Gel	Anti-inflammatory and analgesic	Osteoarthritis Muscle ache Algia after trauma	DAIICHI SANKYO	JP	Application
<ul style="list-style-type: none"> Mechanism of action: inhibition of prostaglandin composition/ Point of action: cyclooxygenase Development by 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. • Development by Asubio pharma in Japan 							
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 URIFEF by DAIICHI SANKYO and Kissei. • Development by 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 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. • Development by 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	Approved
<ul style="list-style-type: none"> • DL-8234 is marketed in Japan as a brand name of FERON. • Application: Sep-2007 • Co-development with Toray • A natural interferon-beta preparation with reduced adverse reactions, such as depression and alopecia, in comparison with interferon-alpha. • Approved in Oct-2009. 							
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. 							

1. Summary of Income Statement

(Billions of yen)

	FY2008										FY2009					
	Q1		Q2		Q3		Q4		Full Year		Q1	Q2		Q2 YTD		
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	<-11.5> 100.0	227.1	<-20.2> 100.0	243.4	<-15.8> 100.0	470.6
Cost of sales	23.9	48.6	24.2	49.0	24.0	53.1	29.7	63.6	25.5	214.4	27.5	62.5	30.7	74.7	29.2	137.2
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	60.7	137.8	59.4	144.6	60.0	282.5
Research and development expenses	18.1	36.9	22.4	45.4	21.2	46.8	25.8	55.4	21.9	184.5	19.9	45.1	20.1	49.0	20.0	94.1
Other expenses	38.4	78.2	42.7	86.6	38.4	84.9	48.8	104.7	42.1	354.3	40.8	92.7	39.3	95.6	40.0	188.4
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	<-33.1> 11.8	26.8	<-11.5> 9.9	24.1	<-17.5> 10.8	50.9
Non-operating income		3.6		2.5		3.0		3.1		12.3		3.9		10.9		14.8
Non-operating expenses		2.8		5.3		5.9		31.9		46.0		23.5		-10.1		13.4
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	<-82.5> 3.2	7.2	<-140.0> 18.5	45.1	<-12.4> 11.1	52.3
Extraordinary gains		0.0		0.8		1.8		1.1		3.8		2.1		0.2		2.4
Extraordinary losses		1.3		2.6		357.4		5.9		367.2		0.7		0.3		1.0
Income before income taxes and minority interests	19.4	39.5	8.4	17.0	-	-322.0	-	-42.8	-	-308.3	3.8	8.6	18.5	45.0	11.4	53.7
Net income	<-39.4> 12.3	25.1	<-52.8> 4.4	8.9	<-> -	-331.8	<-> 38.4	82.3	<-> -	-215.5	<-> -	-6.4	<-182.7> 10.3	25.1	<-45.0> 4.0	18.7

2. Currency Rate

	FY2008				FY2009	
	Q1	Q2 YTD	Q3 YTD	Full Year	Q1	Q2 YTD
USD / Yen (average)	104.6	106.1	102.8	100.5	97.3	95.5
EUR / Yen (average)	163.4	162.7	150.7	143.5	132.6	133.2
INR / Yen (average)	-	-	-	2.00	1.89	1.95

3. Sales of Global Products

(Billions of yen)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Olmecartan <antihypertensive>	<-4.5> 50.7	<-23.7> 53.9	<-6.6> 57.6	<-9.1> 49.0	<-8.0> 211.1	<-10.5> 56.0	<-10.2> 59.4	<-10.3> 115.4
Olmec (JPN)	<12.8> 15.6	<24.9> 15.7	<6.0> 18.7	<28.7> 14.4	<16.6> 64.4	<22.1> 19.0	<26.1> 19.8	<24.1> 38.8
Benicar / Benicar HCT (US)	<2.6> 23.4	<1.8> 22.1	<-7.5> 22.3	<1.6> 19.6	<-0.6> 87.4	<-5.6> 22.1	<0.5> 22.2	<-2.6> 44.3
Azor (US)	<-> 1.4	<-> 2.4	<-39.6> 2.6	<-241.8> 2.3	<-240.7> 8.7	<121.5> 3.0	<30.9> 3.2	<63.7> 6.2
Olmec / Olmec Plus* (EU)	<-44.3> 8.3	<40.7> 10.3	<10.1> 9.1	<-13.6> 9.7	<-10.3> 37.5	<-0.2> 8.3	<-3.7> 10.0	<-2.2> 18.2
Sevikar (EU)	<-> -	<-> -	<-> 1.4	<-> 0.8	<-> 2.2	<-> 0.9	<-> 1.2	<-> 2.1
Other subsidiaries / Export, etc	<30.4> 2.0	<72.2> 3.3	<62.0> 3.5	<-12.5> 2.2	<-35.6> 11.0	<29.9> 2.6	<-7.8> 3.1	<6.4> 5.7
Levofloxacin <synthetic antibacterial>	<-12.6> 25.8	<-0.5> 23.6	<-19.8> 25.8	<-4.6> 22.6	<-10.2> 97.7	<-23.2> 19.8	<-0.3> 23.5	<-12.3> 43.3
Cravit (JPN)	<-15.5> 10.2	<-6.0> 9.4	<-11.5> 13.7	<-1.2> 9.7	<-9.2> 43.0	<-6.8> 9.5	<26.7> 11.9	<9.3> 21.4
Export, etc	<-11.3> 9.6	<19.4> 8.3	<-36.8> 6.2	<-7.6> 7.1	<-8.7> 31.1	<-49.6> 4.8	<-22.7> 6.4	<-37.2> 11.2
Royalty	<-12.6> 4.1	<-13.8> 4.0	<-15.9> 4.1	<-26.6> 4.0	<-17.6> 16.1	<-9.9> 3.7	<-19.3> 3.2	<-14.6> 6.9
Other subsidiaries	<-1.8> 1.9	<0.9> 1.9	<-11.9> 1.8	<-2.6> 1.8	<-4.0> 7.5	<-6.4> 1.8	<2.9> 2.0	<-1.7> 3.8
Pravastatin <antihyperlipidemic>	<-25.8> 16.1	<-14.9> 15.9	<-23.3> 16.6	<-15.3> 12.3	<-20.5> 60.8	<-8.5> 14.7	<-5.2> 15.0	<-6.9> 29.7
Mevalotin (JPN)	<-17.1> 13.5	<-14.8> 13.1	<-22.6> 14.1	<-14.3> 10.0	<-17.6> 50.7	<-8.3> 12.4	<-5.0> 12.4	<-6.7> 24.9
Export	<-39.0> 1.0	<-33.6> 0.8	<-54.0> 0.6	<-3.5> 0.7	<-36.6> 3.2	<-37.6> 0.7	<23.3> 1.0	<-11.8> 1.6
European subsidiaries*	<-74.3> 0.7	<-3.4> 1.2	<1.2> 1.2	<-43.9> 0.7	<-40.7> 4.0	<11.3> 0.8	<-34.0> 0.8	<-17.3> 1.6
Other subsidiaries	<-3.1> 0.8	<-7.6> 0.8	<-25.4> 0.6	<-7.1> 0.9	<-7.2> 3.0	<-7.7> 0.8	<8.4> 0.8	<8.1> 1.6

* 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 Olmec / Olmec Plus and Pravastatin from Jan-07 to Mar-07 were ¥6.4 billion (€40 million) and ¥1.6 billion (€10 million), respectively.

Prasugrel (alliance revenue) <antiplatelet>	<-> -	<-> -	<-> -	<-> -	<-> 0.03	<-> 0.03	<-> 0.00	<-> 1.00	<-> 1.00
Effient (US)	<-> -	<-> -	<-> -	<-> -	<-> -	<-> -	<-> -	<-> 1.0	<-> 1.0
Effient (EU)	<-> -	<-> -	<-> -	<-> -	<-> 0.03	<-> 0.03	<-> 0.00	<-> 0.00	<-> 0.00

The US portion of prasugrel alliance revenue is booked on DSI, while the European portion is booked on Daiichi Sankyo Co., Ltd.

4. Overseas Sales

(Billions of yen)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Overseas sales	<-15.9> 88.7	<-3.6> 86.1	<-9.3> 83.8	<-47.5> 114.7	<-4.1> 373.3	<-23.9> 109.8	<-42.6> 122.7	<-33.1> 232.6
Overseas sales ratio	43.5%	42.5%	37.9%	53.5%	44.3%	48.4%	50.4%	49.4%
North America	<-3.9> 58.3	<-2.7> 53.6	<-15.1> 52.8	<-21.7> 56.6	<-0.6> 221.3	<-1.1> 58.9	<-16.6> 62.5	<-8.5> 121.4
Europe*	<-42.6> 22.4	<-31.8> 23.3	<-12.9> 21.9	<-37.0> 30.5	<-0.3> 98.2	<-21.3> 27.2	<-27.6> 29.7	<-24.5> 56.9
Other	<-22.3> 8.0	<-10.9> 9.2	<-15.4> 9.1	<-206.7> 27.6	<-33.6> 53.8	<-197.4> 23.7	<-232.9> 30.5	<-216.4> 54.2

* 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 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)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Net Sales	<-13.5> 203.7	<-2.7> 202.6	<-12.2> 221.3	<-16.4> 214.5	<-4.3> 842.1	<-11.5> 227.1	<-20.2> 243.4	<-15.8> 470.6
Pharmaceuticals	<-10.2> 202.9	<-1.7> 201.6	<-8.6> 220.5	<-21.7> 213.7	<-0.2> 838.7	<-11.5> 226.3	<-20.3> 242.5	<-15.9> 468.8
Domestic	<-8.2> 103.3	<-0.4> 101.6	<-9.3> 123.2	<-1.8> 88.6	<-4.7> 416.7	<-3.1> 106.6	<-5.0> 106.7	<-4.0> 213.2
Overseas*	<-14.1> 88.7	<-5.3> 85.8	<-6.1> 84.0	<-46.7> 114.9	<-5.9> 373.3	<-23.9> 109.9	<-42.5> 122.2	<-33.0> 232.1
OTC drugs	<-3.1> 10.2	<-5.2> 13.8	<-13.2> 13.2	<-6.5> 10.1	<-6.2> 47.2	<-6.9> 9.5	<-2.1> 13.5	<-4.1> 23.0
Other	<-91.5> 0.8	<-90.0> 1.0	<-93.0> 0.8	<-90.7> 0.8	<-91.3> 3.4	<-2.6> 0.8	<-3.5> 1.0	<-3.1> 1.8
Operating income	<-41.0> 40.0	<-17.1> 21.6	<-42.0> 36.4	<-> -9.2	<-43.3> 88.9	<-33.1> 26.8	<-11.5> 24.1	<-17.5> 50.9
Pharmaceuticals	<-42.3> 39.4	<-18.9> 20.9	<-42.5> 35.9	<-> -9.7	<-44.3> 86.6	<-33.5> 26.2	<-11.9> 23.4	<-17.8> 49.6
Other	<-> 0.5	<-> 0.7	46 0.5	-54 0.5	<-116.2> 2.2	<-1.3> 0.5	<-0.6> 0.7	<-0.9> 1.2

* 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)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Net Sales	<-13.5> 203.7	<-2.7> 202.6	<-12.2> 221.3	<-16.4> 214.5	<-4.3> 842.1	<-11.5> 227.1	<-20.2> 243.4	<-15.8> 470.6
Japan	<-12.6> 132.7	<-7.3> 133.0	<-15.8> 151.4	<-8.4> 112.7	<-11.4> 529.8	<-3.1> 128.5	<-1.8> 135.4	<-0.7> 263.9
North America	<-12.5> 50.7	<-1.4> 45.3	<-10.0> 46.0	<-31.7> 48.9	<-7.2> 190.8	<-7.0> 54.2	<-20.4> 54.5	<-13.3> 108.7
Europe*	<-53.1> 15.2	<-41.9> 18.5	<-24.8> 18.0	<-41.8> 25.8	<-0.7> 77.4	<-48.1> 22.5	<-32.4> 24.5	<-39.5> 46.9
India	-	-	-	<-> 15.3	<-> 15.3	<-> 11.5	<-> 16.5	<-> 28.0
Other	<-16.9> 5.2	<-16.3> 5.8	<-13.9> 5.9	<-101.4> 11.9	<-10.9> 28.9	<-99.7> 10.5	<-115.3> 12.6	<-108.0> 23.0
Operating income	<-41.0> 40.0	<-17.1> 21.6	<-42.0> 36.4	<-> -9.2	<-43.3> 88.9	<-33.1> 26.8	<-11.5> 24.1	<-17.5> 50.9
Japan	18.5	8.2	25.5	-8.8	43.4	15.6	11.9	27.4
North America	16.9	10.9	11.6	10.9	50.3	13.9	13.0	27.0
Europe*	1.2	0.0	0.5	4.0	5.8	1.2	1.9	3.1
India	-	-	-	-18.9	-18.9	-3.2	-1.7	-4.9
Other	0.7	0.4	-3.5	2.7	0.4	0.9	0.5	1.4

* 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)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Total net sales of ethical pharmaceuticals	<-8.8> 100.9	<-0.9> 99.5	<-8.9> 120.1	<-2.3> 86.2	<-4.8> 406.7	<-3.7> 104.6	<-5.3> 104.8	<-4.5> 209.4
Cardiovascular disease	<-5.9> 60.0	<-2.2> 57.2	<-8.8> 65.5	<-0.6> 49.9	<-4.8> 232.5	<-3.8> 62.3	<-8.2> 61.9	<-6.0> 124.2
Olmotec <antihypertensive>	<12.8> 15.6	<24.9> 15.7	<6.0> 18.7	<28.7> 14.4	<16.6> 64.4	<22.1> 19.0	<26.1> 19.8	<24.1> 38.8
Calblock <antihypertensive>	<19.4> 3.0	<26.9> 2.9	<13.6> 3.4	<17.2> 2.8	<18.9> 12.1	<14.5> 3.5	<18.9> 3.5	<16.7> 7.0
Artist <antihypertensive>	<3.3> 5.7	<4.9> 5.3	<0.5> 6.0	<6.8> 4.9	<3.6> 21.9	<6.3> 6.0	<11.3> 5.9	<8.7> 11.9
Mevalolin <antihyperlipidemic agent>	<-17.1> 13.5	<-14.8> 13.1	<-22.6> 14.1	<-14.3> 10.0	<-17.6> 50.7	<-8.3> 12.4	<-5.0> 12.4	<-6.7> 24.9
Kremezin <treatment for chronic renal failure>	<3.9> 3.2	<3.9> 3.2	<-0.5> 3.5	<5.3> 2.8	<2.9> 12.8	<5.5> 3.4	<8.8> 3.5	<7.2> 6.9
Hanp <treatment for acute cardiac failure>	<-7.8> 2.4	<-3.2> 1.8	<-5.2> 2.8	<-8.1> 2.2	<-6.2> 9.2	<1.5> 2.4	<11.3> 2.1	<5.8> 4.5
Livalo <antihyperlipidemic agent>	<10.0> 1.5	<13.8> 1.5	<8.1> 1.8	<16.6> 1.4	<11.8> 6.1	<22.8> 1.8	<25.9> 1.8	<24.3> 3.7
Sunrythm <antiarrhythmic agent>	<-4.2> 3.1	<-2.9> 2.9	<-6.1> 3.2	<-0.3> 2.5	<-3.6> 11.6	<-1.2> 3.0	<3.4> 3.0	<1.0> 6.0
Fastic <antidiabetic agent>	<-0.5> 1.3	<-0.1> 1.3	<-2.9> 1.4	<-1.3> 1.1	<-1.2> 5.1	<1.8> 1.4	<7.3> 1.4	<4.5> 2.7
Infectious diseases / bone and joint diseases / immunological allergic diseases / urology	<-8.3> 30.8	<4.2> 31.9	<-2.6> 44.7	<4.6> 30.0	<-1.0> 137.4	<-9.4> 33.7	<-16.4> 37.2	<-13.0> 70.9
Cravit <synthetic antibacterial agent>	<-15.5> 10.2	<-6.0> 9.4	<-11.5> 13.7	<-1.2> 9.7	<-9.2> 43.0	<-6.8> 9.5	<-26.7> 11.9	<-9.3> 21.4
Loxonin <anti-inflammatory analgesic>	<2.2> 8.4	<28.3> 10.4	<17.1> 11.5	<12.3> 8.3	<15.1> 38.7	<33.0> 11.2	<19.7> 12.5	<25.6> 23.7
Mobic <anti-inflammatory analgesic>	<-13.1> 2.4	<-16.7> 2.1	<-23.1> 2.2	<-18.3> 1.6	<-17.8> 8.4	<-17.5> 2.0	<-8.9> 2.0	<-13.5> 4.0
Urief <treatment for dysuria>	<59.7> 1.8	<45.4> 1.8	<25.9> 2.1	<60.5> 2.2	<46.0> 7.9	<26.6> 2.2	<26.1> 2.2	<26.4> 4.5
Zyrtec <antiallergic agent>	<-23.8> 2.0	<-16.1> 1.6	<-15.6> 2.2	<-4.8> 3.5	<-14.1> 9.3	<18.4> 2.4	<13.3> 1.8	<16.2> 4.2
Contrast agents / cancer / gastric diseases	<-22.2> 12.3	<-13.6> 12.5	<-19.0> 13.9	<-13.6> 10.1	<-17.5> 48.8	<-2.9> 12.6	<-1.7> 12.7	<-2.3> 25.3
Omnipaque <contrast agent>	<-11.3> 7.3	<-5.4> 7.3	<-13.2> 8.0	<-4.7> 5.7	<-9.1> 28.3	<-2.0> 7.1	<3.4> 7.5	<0.7> 14.7
Topotecin <anticancer agent>	<0.7> 1.6	<2.1> 1.5	<-1.0> 1.7	<2.1> 1.4	<0.9> 6.2	<5.6> 1.7	<4.6> 1.6	<5.1> 3.3

7-2. Daiichi Sankyo Healthcare Co., Ltd

(Billions of yen)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Daiichi Sankyo Healthcare Co., Ltd	<-3.1> 10.2	<-5.2> 13.8	<-13.2> 13.2	<-6.5> 10.1	<-6.2> 47.2	<-6.9> 9.5	<-2.1> 13.5	<-4.1> 23.0
LuLu Series	<8.7> 1.2	<-2.0> 3.6	<-4.0> 3.5	<-6.9> 1.4	<-2.2> 9.8	<-2.4> 1.2	<18.9> 4.3	<13.5> 5.5
Gaster 10	<-15.5> 0.7	<7.8> 0.9	<-2.6> 1.0	<-12.6> 0.7	<-5.5> 3.3	<-29.1> 0.5	<-45.7> 0.5	<-38.3> 1.0
Shin-Sankyo Ichoyaku series	<7.9> 0.7	<31.2> 0.9	<-26.4> 1.0	<-12.1> 0.7	<-5.2> 3.3	<26.3> 0.9	<-1.1> 0.9	<10.7> 1.8
Patecs series	<-19.5> 0.8	<-9.0> 0.8	<0.0> 0.7	<-9.3> 0.4	<-10.4> 2.7	<15.3> 0.9	<-17.8> 0.6	<-1.3> 1.6
Transino	<-> 0.7	<-62.0> 0.5	<-76.9> 0.2	<-69.6> 0.1	<-41.4> 1.5	<-62.3> 0.3	<-72.0> 0.2	<-66.6> 0.4

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

(Billions of yen)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Daiichi Sankyo, Inc. (DSI)	<12.0>	<-0.6>	<-13.5>	<-15.3>	<-1.9>	<-11.2>	<-5.6>	<-3.4>
mil USD	37.2	31.7	32.6	27.9	129.3	33.0	33.5	66.5
	<29.4>	<-8.4>	<-2.1>	<-27.9>	<-15.8>	<-4.6>	<-21.7>	<-7.3>
	356	294	337	300	1,286	339	357	696
Benicar / Benicar HCT <antihypertensive>	<2.6>	<-1.8>	<-7.5>	<-1.6>	<-0.6>	<-5.6>	<-0.5>	<-2.6>
mil USD	23.4	22.1	22.3	19.6	87.4	22.1	22.2	44.3
	<18.6>	<-11.3>	<-8.7>	<-14.1>	<-13.0>	<-1.4>	<-15.6>	<-8.2>
	223	205	230	210	869	227	237	464
Azor <antihypertensive>	<->	<->	<-39.6>	<-241.8>	<-240.7>	<-121.5>	<-30.9>	<-63.7>
mil USD	1.4	2.4	2.6	2.3	8.7	3.0	3.2	6.2
	<->	<->	<-66.2>	<-285.1>	<-287.2>	<-138.0>	<-49.3>	<-81.9>
	13	23	27	24	86	31	34	65
Welchol <antihyperlipidemic / type 2 diabetes>	<-11.0>	<-8.8>	<-6.6>	<-4.3>	<-7.8>	<-7.0>	<-6.6>	<-6.8>
mil USD	6.4	6.1	6.6	5.3	24.5	6.9	6.5	13.4
	<28.2>	<-18.9>	<-24.7>	<-17.8>	<-22.5>	<-14.9>	<-22.8>	<-18.7>
	62	57	68	57	244	71	69	140
Effient (alliance revenue) <antiplatelet>	-	-	-	-	-	<->	<->	<->
mil USD	-	-	-	-	-	-	1.0	1.0
	-	-	-	-	-	<->	<->	<->
	-	-	-	-	-	-	10	10

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

(Billions of yen)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Luitpold Pharmaceuticals, Inc. (LPI)	<13.8>	<-6.4>	<-0.5>	<-17.8>	<-0.1>	<-1.1>	<-0.4>	<-0.7>
mil USD	13.5	13.5	13.4	10.7	51.1	13.4	13.5	26.9
	<31.4>	<-16.5>	<-16.9>	<-5.7>	<-13.8>	<-6.2>	<-14.5>	<-10.3>
	129	126	139	115	509	137	144	281
Venofor <treatment for iron deficiency anemia>	<23.1>	<-6.4>	<-1.7>	<-15.3>	<-3.1>	<-3.9>	<-4.6>	<-4.3>
mil USD	8.3	8.5	8.3	6.9	32.0	8.0	8.1	16.1
	<42.2>	<-16.7>	<-19.5>	<-2.8>	<-17.2>	<-3.2>	<-9.6>	<-6.4>
	80	79	86	74	319	82	87	169

7-5. Daiichi Sankyo Europe GmbH

(Billions of yen)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Daiichi Sankyo Europe GmbH (DSE)	<-53.1>	<-42.4>	<-24.2>	<-2.4>	<-9.9>	<-14.1>	<-0.4>	<-6.1>
mil €	15.2	18.5	18.0	18.6	70.3	17.3	18.4	35.7
	<-54.2>	<-42.5>	<-53.8>	<-27.9>	<-0.8>	<-40.6>	<-20.8>	<-29.7>
	93	114	136	147	490	131	138	268
Olmotec / Olmetec Plus <antihypertensive>	<-44.3>	<-40.7>	<-10.1>	<-13.6>	<-10.3>	<-0.2>	<-3.7>	<-2.2>
mil €	8.3	10.3	9.1	9.7	37.5	8.3	10.0	18.2
	<-45.6>	<-40.5>	<-37.5>	<-8.5>	<-0.3>	<-23.0>	<-16.7>	<-19.5>
	51	64	70	77	261	63	74	137
Sevikar <antihypertensive>	<->	<->	<->	<->	<->	<->	<->	<->
mil €	-	-	1.4	0.8	2.2	0.9	1.2	2.1
	<->	<->	<->	<->	<->	<->	<->	<->
	-	-	9	6	15	7	9	16
Mevalotin <antihyperlipidemic agent>	<-74.3>	<-3.4>	<-1.2>	<-43.9>	<-40.7>	<-11.3>	<-34.0>	<-17.3>
mil €	0.7	1.2	1.2	0.7	4.0	0.8	0.8	1.6
	<-74.9>	<-3.6>	<-23.3>	<-25.7>	<-33.7>	<-37.2>	<-20.0>	<-1.1>
	4	8	9	6	28	6	6	12
Evista <treatment for osteoporosis>	<-71.7>	<-419.7>	<-134.5>	<-57.8>	<-128.5>	<-24.9>	<-27.5>	<-26.3>
mil €	3.2	3.5	3.0	2.2	12.0	2.4	2.6	5.0
	<-67.7>	<-421.3>	<-195.4>	<-111.8>	<-155.6>	<-7.5>	<-12.2>	<-9.9>
	20	22	23	18	84	18	19	37

* 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 Effient (Europe)

Effient <antiplatelet>	-	-	-	<->	<->	<->	<->	<->
mil USD	-	-	-	0.03	0.03	0.0	0.0	0.0
	-	-	-	<->	<->	<->	<->	<->
	-	-	-	0.3	0.3	0	0	0

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

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

(Billions of yen)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
ASCA Total	<10.5>	<12.7>	<14.3>	<1.6>	<9.5>	<0.5>	<7.1>	<4.0>
	5.2	5.8	5.9	6.0	23.0	5.3	6.3	11.5
Daiichi Sankyo Pharmaceutical (Beijing) Co., Ltd. (DSBJ)	<10.9>	<-0.8>	<11.4>	<-22.0>	<-1.3>	<-4.3>	<7.6>	<1.6>
	1.0	1.0	1.1	0.9	4.0	1.0	1.1	2.0
Daiichi Sankyo Pharmaceutical(Shanghai) Co., Ltd. (DSSH)	<29.5>	<64.3>	<62.4>	<126.2>	<69.0>	<48.0>	<40.2>	<43.6>
	0.7	0.9	1.1	1.1	3.8	1.1	1.3	2.4
Daiichi Sankyo Korea Co., Ltd. (DSKR)	<4.3>	<1.1>	<-35.5>	<-19.7>	<-12.4>	<-15.6>	<-2.1>	<-8.8>
	0.9	0.9	0.6	0.6	3.0	0.8	0.9	1.6
Daiichi Sankyo (Thailand) Ltd. (DSTH)	<-4.9>	<17.9>	<-3.3>	<-13.4>	<-1.4>	<-0.9>	<-0.4>	<-0.6>
	0.2	0.2	0.2	0.2	0.8	0.2	0.2	0.4
Daiichi Sankyo Taiwan Ltd. (DSTW)	<1.6>	<1.2>	<-9.0>	<-15.5>	<-5.4>	<-8.6>	<-14.9>	<-11.8>
	0.9	1.0	0.8	0.8	3.5	0.9	0.8	1.7
Daiichi Sankyo Brasil Farmacêutica Ltda. (DSBR)	<11.5>	<14.9>	<38.7>	<-4.2>	<13.6>	<-25.5>	<-12.7>	<-18.6>
	1.0	1.2	1.4	1.4	5.0	0.8	1.0	1.8
Daiichi Sankyo Venezuela, S.A. (DSVE)	<21.7>	<12.0>	<40.5>	<-9.8>	<19.0>	<35.3>	<45.0>	<40.6>
	0.5	0.6	0.7	1.0	2.8	0.7	0.9	1.6

7-7. Ranbaxy Laboratories Limited

(Billions of yen)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Ranbaxy Laboratories Limited				<>	<>	<>	<>	<>
	-	-	-	38.6	38.6	29.7	36.4	66.1
bil INR	-	-	-	19.3	19.3	15.7	18.2	33.9

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

(Billions of yen)

	FY2008					FY2009		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q2 YTD
Olmesartan <antihypertensive>	<69.3>	<110.1>	<98.0>	<38.4>	<74.2>	<42.4>	<25.7>	<32.4>
	1.3	1.9	2.1	2.1	7.3	1.8	2.4	4.2
Levofloxacin <synthetic antibacterial>	<-1.8>	<0.9>	<-11.9>	<-2.6>	<-4.0>	<-6.4>	<2.9>	<-1.7>
	1.9	1.9	1.8	1.8	7.5	1.8	2.0	3.8
Pravastatin <antihyperlipidemic>	<-3.1>	<-7.6>	<-25.4>	<7.1>	<-7.2>	<7.7>	<8.4>	<8.1>
	0.8	0.8	0.6	0.9	3.0	0.8	0.8	1.6

