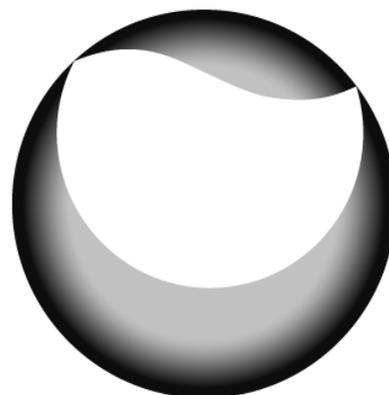


# Reference Data

(Consolidated Financial Results for Q1 FY2011)



Daiichi-Sankyo

July 29, 2011

Daiichi Sankyo Co., Ltd.

<http://www.daiichisankyo.com>

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## Supplemental Information

Historical Data

Summary of Product Outlines

## 1. Summary of Consolidated Income Statement

JPY Bn	Q1			Q2			Q3			Q4			Q1					FY2011				
	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	to forecast	to sales	Forecast	from May	YoY	YoY	
<b>Net sales</b>	<b>100%</b>	<b>231.7</b>	<b>-9.7%</b>										<b>100%</b>	<b>231.7</b>	<b>-24.8</b>	<b>-9.7%</b>	<b>24%</b>	<b>100%</b>	<b>970.0</b>	<b>0.0</b>	<b>2.6</b>	<b>+0.3%</b>
Cost of sales	26%	59.9	-6.5%										26%	59.9	-4.1	-6.5%	21%	30%	290.0	0.0	8.3	+3.0%
Gross Profit	74%	171.8	-10.7%										74%	171.8	-20.6	-10.7%	25%	70%	680.0	0.0	-5.7	-0.8%
SG&A expenses	55%	128.3	-2.3%										55%	128.3	-3.0	-2.3%	22%	61%	590.0	0.0	26.5	+4.7%
R&D expenses	18%	41.0	-5.9%										18%	41.0	-2.6	-5.9%	21%	21%	200.0	0.0	5.7	+2.9%
Other expenses	38%	87.3	-0.5%										38%	87.3	-0.5	-0.5%	22%	40%	390.0	0.0	20.8	+5.6%
<b>Operating Income</b>	<b>19%</b>	<b>43.5</b>	<b>-28.8%</b>										<b>19%</b>	<b>43.5</b>	<b>-17.6</b>	<b>-28.8%</b>	<b>48%</b>	<b>9%</b>	<b>90.0</b>	<b>0.0</b>	<b>-32.1</b>	<b>-26.3%</b>
Non-operating income / expenses		1.4												1.4	-7.7				0.0	0.0	-9.6	
Non-operating income		4.5												4.5	-7.3				not disclosed			
Non-operating expenses		3.1												3.1	0.3				not disclosed			
<b>Ordinary Income</b>	<b>19%</b>	<b>44.8</b>	<b>-36.0%</b>										<b>19%</b>	<b>44.8</b>	<b>-25.3</b>	<b>-36.0%</b>	<b>50%</b>	<b>9%</b>	<b>90.0</b>	<b>0.0</b>	<b>-41.8</b>	<b>-31.7%</b>
Extraordinary income / losses		-1.1												-1.1	2.9				0.0	4.0	7.3	
Extraordinary income		1.2												1.2	0.4				not disclosed			
Extraordinary losses		2.3												2.3	-2.5				not disclosed			
Income before income taxes and minority interests	19%	43.8	-33.8%										19%	43.8	-22.3	-33.8%	49%	9%	90.0	4.0	-34.4	-25.3%
Income taxes / minority interests		18.5												18.5	-14.6				40.0	-1.0	-9.3	
Income taxes		16.4												16.4	-10.2				not disclosed			
Minority interests		2.1												2.1	-4.4				not disclosed			
<b>Net Income</b>	<b>11%</b>	<b>25.3</b>	<b>-23.5%</b>										<b>11%</b>	<b>25.3</b>	<b>-7.8</b>	<b>-23.5%</b>	<b>51%</b>	<b>5%</b>	<b>50.0</b>	<b>5.0</b>	<b>-25.1</b>	<b>-28.7%</b>
Effective tax rate		37%												37%								
Overseas sales ratio results		51%												51%								

### Notes to FY2011 Q1 Results Year-on-Year Comparisons

Net Sales	{	Olmesartan +3.1, Plexxikon +3.0, Memory +2.2, Prasugrel alliance revenue +1.4 Ranbaxy -15.1, Return of sales rights -8.3, Denosuman milestone payment -5.5, Levofloxacin -3.4, Pravastatin -1.7 (appreciation of JPY to USD and EUR -7.0)
SG&A expenses		R&D: Forex impact -2.0      Other: Forex Impact -3.0, Cost increase from LPI's new product launch and new subsidiaries including Plexxikon and Kitasato Daiichi Sankyo Vaccine
Non-operating items		Decrease in forex derivative valuation gain and forex gain of Ranbaxy
Extraordinary items		Decrease in gain on sales of investment securities, Increase in loss on disaster
Income taxes		Decrease in Ranbaxy's tax expense led to improvement in effective tax rate (Following the redemption of FCCB *1, DTA was recognized on redemption premiums charged to previous years' P/Ls under US-GAAP)
		* FCCB: Foreign Currency Convertible Bond

### Purchase Price Allocation of Plexxikon

<b>Purchase cost</b>	<b>JPY 79.2 Bn (USD 953 Mn)</b>	
Book value of assets and liabilities	JPY 5.2 Bn (USD 62 Mn)	{ *2 Breakdown on the fair value of assets
Fair value of assets *2	JPY 48.0 Bn (USD 578 Mn)	
Goodwill	JPY 26.0 Bn (USD 313 Mn)	
		IPR&D      JPY 81.1 Bn (USD 976 Mn)
		Deferred tax liabilities: JPY -33.1 Bn (USD -398 Mn)

### Notes to Revision in FY2011 Forecast

Extraordinary items	Gain on sales of underutilized real estate
Income taxes	DTA recognition following the redemption of FCCB

## 2. Currency Rate

	Q1		Q2 YTD		Q3 YTD		Q4 YTD		Q1		FY2011	
	Results	YoY	Results	YoY	Results	YoY	Results	YoY	Results	YoY	Forecast	from May
USD/JPY (average)	81.75	-10.27					81.75	-10.27			82.00	-1.00
EUR/JPY (average)	117.40	+0.40					117.40	+0.40			115.00	0.00
INR/JPY (average)	1.83	-0.15					1.83	-0.15			1.90	0.00

Appreciation of JPY to USD and EUR negatively affected the Q1 FY2011 results by 7.0 bil yen in net sales and 1.5 bil yen in operating income.

Annual impact of one yen change is estimated to affect the group's FY2011 performance by; USD: net sales 2.4 bil yen, operating income minor / EUR: net sales 0.7 bil yen, operating income 0.1 bil yen

### 3. Segment Information

Daichi Sankyo Group	Q1			Q2			Q3			Q4			Q1			
	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	YoY
<b>Net sales</b>	100%	192.0	-4.8%										100%	192.0	-9.7	-4.8%
Cost of sales	21%	41.1	-8.4%										21%	41.1	-3.8	-8.4%
<b>Gross Profit</b>	79%	150.8	-3.8%										79%	150.8	-5.9	-3.8%
SG&A expenses	58%	111.2	-2.0%										58%	111.2	-2.3	-2.0%
R&D expenses	20%	39.1	-3.1%										20%	39.1	-1.2	-3.1%
Other expenses	38%	72.1	-1.4%										38%	72.1	-1.0	-1.4%
<b>Operating Income</b>	21%	39.6	-8.5%										21%	39.6	-3.7	-8.5%
Non-operating income		3.8												3.8	2.0	
Non-operating expenses		1.8												1.8	0.1	
<b>Ordinary Income</b>	22%	41.6	-4.2%										22%	41.6	-1.8	-4.2%
Extraordinary income		1.2												1.2	0.4	
Extraordinary losses		2.3												2.3	-1.9	
Income before income taxes and minority interests	21%	40.4	+1.2%										21%	40.4	0.5	+1.2%
Income taxes		17.8												17.8	0.2	
Minority interests		-0.2												-0.2	-0.2	
<b>Net Income</b>	12%	22.9	+2.5%										12%	22.9	0.6	+2.5%
<b>Ranbaxy Group</b>																
<b>Net sales</b>	100%	40.0	-27.1%										100%	40.0	-14.9	-27.1%
Cost of sales	47%	18.8	-2.2%										47%	18.8	-0.4	-2.2%
<b>Gross Profit</b>	53%	21.2	-40.6%										53%	21.2	-14.5	-40.6%
SG&A expenses	40%	15.9	-2.6%										40%	15.9	-0.4	-2.6%
R&D expenses	6%	2.3	-30.8%										6%	2.3	-1.0	-30.8%
Other expenses	34%	13.7	+4.5%										34%	13.7	0.6	+4.5%
<b>Operating Income</b>	13%	5.3	-72.7%										13%	5.3	-14.1	-72.7%
Non-operating income		1.7												1.7	-8.3	
Non-operating expenses		1.3												1.3	0.2	
<b>Ordinary Income</b>	14%	5.8	-79.6%										14%	5.8	-22.5	-79.6%
Extraordinary income		0.0												0.0	0.0	
Extraordinary losses		0.0												0.0	-0.6	
Income before income taxes and minority interests	14%	5.7	-79.2%										14%	5.7	-21.9	-79.2%
Income taxes		-1.1												-1.1	-10.3	
Minority interests		0.0												0.0	0.0	
<b>Net Income</b>	17%	6.9	-62.7%										17%	6.9	-11.5	-62.7%
<b>Inter-segment Transactions</b>																
<b>Net sales</b>		-0.3												-0.3		
Cost of sales		0.0												0.0		
<b>Gross Profit</b>		-0.3												-0.3		
SG&A expenses		1.1												1.1		
R&D expenses		-0.4												-0.4		
Other expenses		1.4												1.4		
<b>Operating Income</b>		-1.4												-1.4		
Non-operating income		-1.1												-1.1		
Non-operating expenses		0.0												0.0		
<b>Ordinary Income</b>		-2.5												-2.5		
Extraordinary income		0.1												0.1		
Extraordinary losses																
Income before income taxes and minority interests		-2.4												-2.4		
Income taxes		-0.3												-0.3		
Minority interests		2.3												2.3		
<b>Net Income</b>		-4.4												-4.4		

#### 4. Sales by Business Units

	FY2011		Q1			Q2			Q3			Q4			Q1				
	Plan *2	YoY	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	YoY	to plan	
JPY Bn																			
<b>Consolidated Net Sales</b>	<b>970.0</b>	<b>+0.3%</b>	<b>231.7</b>	<b>-9.7%</b>	<b>24%</b>										<b>231.7</b>	<b>-24.8</b>	<b>-9.7%</b>	<b>24%</b>	
<b>Japan Company (domestic sales)</b>	<b>435.0</b>	<b>+4.6%</b>	<b>100.4</b>	<b>-4.6%</b>	<b>23%</b>										<b>100.4</b>	<b>-4.8</b>	<b>-4.6%</b>	<b>23%</b>	
Olmotec	93.0	+13.0%	20.4	-1.3%	22%										20.4	-0.3	-1.3%	22%	
Rezaltas	17.0	+264.3%	2.9	+58.1%	17%										2.9	1.0	+58.1%	17%	
Calblock	15.0	+7.5%	3.2	-13.4%	21%										3.2	-0.5	-13.4%	21%	
Loxonin	58.0	+7.1%	14.4	+10.7%	25%										14.4	1.4	+10.7%	25%	
Cravit	38.0	+17.4%	8.4	+8.5%	22%										8.4	0.7	+8.5%	22%	
Mevalotin	32.0	-15.9%	8.8	-14.0%	27%										8.8	-1.4	-14.0%	27%	
Artist	23.0	-3.0%	6.1	+0.0%	27%										6.1	0.0	+0.0%	27%	
Omnipaque	23.0	-8.0%	5.7	-11.6%	25%										5.7	-0.7	-11.6%	25%	
Urief	11.0	+9.4%	2.6	+6.8%	24%										2.6	0.2	+6.8%	24%	
Inavir	9.0	+35.6%	0.4	-	4%										0.4	0.4	-	4%	
New Memory	not disclosed	-	2.2	-	-										2.2	2.2	-	-	
Vaccines	not disclosed	-	4.6	+166.4%	-										4.6	2.9	+166.4%	-	
Daiichi Sankyo Espha products	not disclosed	-	2.4	-	-										2.4	-	-	-	
<b>Daiichi Sankyo Healthcare (OTC)</b>	<b>49.0</b>	<b>+9.3%</b>	<b>9.7</b>	<b>+4.9%</b>	<b>20%</b>										<b>9.7</b>	<b>0.5</b>	<b>+4.9%</b>	<b>20%</b>	
<b>Daiichi Sankyo, Inc. (US)</b>	<b>130.0</b>	<b>-0.4%</b>	<b>34.6</b>	<b>+3.2%</b>	<b>27%</b>										<b>34.6</b>	<b>1.1</b>	<b>+3.2%</b>	<b>27%</b>	
Olmesartan	88.0	-6.8%	24.9	-1.5%	28%										24.9	-0.4	-1.5%	28%	
Benicar/Benicar HCT	67.0	-15.9%	20.1	-6.1%	30%										20.1	-1.3	-6.1%	30%	
Azor	13.5	+1.5%	3.6	-7.0%	26%										3.6	-0.3	-7.0%	26%	
Tribenzor	7.5	+415.9%	1.2	-	16%										1.2	1.2	-	16%	
Welchol	32.0	+12.2%	7.0	+0.5%	22%										7.0	0.0	+0.5%	22%	
Effient (alliance revenue)	not disclosed	-	1.6	+345.5%	-										1.6	1.2	+345.5%	-	
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>49.0</b>	<b>-9.1%</b>	<b>12.7</b>	<b>-13.6%</b>	<b>26%</b>										<b>12.7</b>	<b>-2.0</b>	<b>-13.6%</b>	<b>26%</b>	
Venofer	25.0	-18.5%	7.4	-12.5%	30%										7.4	-1.1	-12.5%	30%	
<b>Daiichi Sankyo Europe GmbH</b>	<b>77.0</b>	<b>+15.9%</b>	<b>16.9</b>	<b>+14.0%</b>	<b>22%</b>										<b>16.9</b>	<b>2.1</b>	<b>+14.0%</b>	<b>22%</b>	
Olmesartan	55.0	+19.1%	11.9	+23.5%	22%										11.9	2.3	+23.5%	22%	
Olmotec/Olmotec Plus	40.0	+9.0%	8.7	+9.8%	22%										8.7	0.8	+9.8%	22%	
Sevikar	12.0	+43.1%	2.4	+44.1%	20%										2.4	0.7	+44.1%	20%	
Sevikar HCT	3.0	+172.3%	0.7	-	25%										0.7	0.7	-	25%	
*1 Effient (alliance revenue)	not disclosed	-	0.6	-	-										0.6	-	-	-	

	FY2011		Q1			Q2			Q3			Q4			Q1			
	Plan *2	YoY	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	YoY	to plan
<b>Asia, South and Central America (ASCA)</b>	<b>30.0</b>	<b>+9.3%</b>	<b>6.5</b>	<b>+8.7%</b>	<b>22%</b>										<b>6.5</b>	<b>0.5</b>	<b>+8.7%</b>	<b>22%</b>
Daiichi Sankyo Pharmaceutical (Beijing)	not disclosed	-	0.9	-19.9%	-										0.9	-0.2	-19.9%	-
Daiichi Sankyo Pharmaceutical (Shanghai)	not disclosed	-	1.7	+21.9%	-										1.7	0.3	+21.9%	-
Daiichi Sankyo Taiwan	not disclosed	-	0.8	+4.6%	-										0.8	0.0	+4.6%	-
Daiichi Sankyo Korea	not disclosed	-	1.2	+23.0%	-										1.2	0.2	+23.0%	-
Daiichi Sankyo (Thailand)	not disclosed	-	0.3	+10.1%	-										0.3	0.0	+10.1%	-
Daiichi Sankyo Brasil Farmacêutica	not disclosed	-	1.1	+2.6%	-										1.1	0.0	+2.6%	-
Daiichi Sankyo Venezuela	not disclosed	-	0.5	+22.5%	-										0.5	0.1	+22.5%	-
<b>Ranbaxy Laboratories Limited</b>	<b>162.0</b>	<b>-5.8%</b>	<b>39.8</b>	<b>-27.5%</b>	<b>25%</b>										<b>39.8</b>	<b>-15.1</b>	<b>-27.5%</b>	<b>25%</b>
<b>Others</b>	<b>38.0</b>	<b>-32.5%</b>	<b>11.1</b>	<b>-38.7%</b>	<b>29%</b>										<b>11.1</b>	<b>-7.0</b>	<b>-38.7%</b>	<b>29%</b>
Levofloxacin export, royalty, etc	7.0	-75.1%	3.1	-56.2%	45%										3.1	-4.0	-56.2%	45%
New Plexxikon	not disclosed	-	3.0	-	-										3.0	3.0	-	-

Currency rates for overseas subsidiaries

	Plan *2	Q1 Results	Q2 YTD Results	Q3 YTD results	Q4 YTD Results	Q1 Results
USD/JPY (average)	83.00	81.75				81.75
EUR/JPY (average)	115.00	117.40				117.40
INR/JPY (average)	1.90	1.83				1.83

New Product Launches

May 2011: Sprix (analgesic and anti-inflammatory drug) launched in US. Sales of Sprix are / will be included in Luitpold and Daiichi Sankyo Inc.  
Jun 2011: Memary (treatment for Alzheimer's Disease) launched in Japan

Notes

\*1 Alliance revenue of Efient (Europe) is included in Daiichi Sankyo Europe GmbH from FY2011

\*2 FY2011 Plan are those announced at the beginning of the fiscal year (May 2011)

**[Reference] Sales in Local Currency**

	FY2011		Q1			Q2			Q3			Q4			Q1			
	Plan *2	YoY	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	YoY	to plan
USD Mn																		
<b>Daiichi Sankyo, Inc. (US)</b>	<b>1,566</b>	<b>+2.9%</b>	<b>424</b>	<b>+16.1%</b>	<b>27%</b>										<b>424</b>	<b>59</b>	<b>+16.1%</b>	<b>27%</b>
Olmesartan	1,060	-3.8%	304	+10.9%	29%										304	30	+10.9%	29%
Benicar/Benicar HCT	807	-13.2%	246	+5.7%	31%										246	13	+5.7%	31%
Azor	163	+4.8%	43	+4.7%	27%										43	2	+4.7%	27%
Tribenzor	90	+432.8%	14	-	16%										14	14	-	16%
Welchol	386	+15.9%	86	+13.2%	22%										86	10	+13.2%	22%
Effient (alliance revenue)	not disclosed	-	20	+401.5%	-										20	16	+401.5%	-
USD Mn																		
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>590</b>	<b>-6.1%</b>	<b>156</b>	<b>-2.8%</b>	<b>26%</b>										<b>156</b>	<b>-4</b>	<b>-2.8%</b>	<b>26%</b>
Venofer	301	-15.8%	90	-1.5%	30%										90	-1	-1.5%	30%
EUR Mn																		
<b>Daiichi Sankyo Europe GmbH</b>	<b>670</b>	<b>+14.1%</b>	<b>144</b>	<b>+13.6%</b>	<b>21%</b>										<b>144</b>	<b>17</b>	<b>+13.6%</b>	<b>21%</b>
Olmesartan	478	+17.2%	101	+23.1%	21%										101	19	+23.1%	21%
Olmotec/Olmotec Plus	348	+7.3%	74	+9.4%	21%										74	6	+9.4%	21%
Sevikar	104	+40.8%	21	+43.7%	20%										21	6	+43.7%	20%
Sevikar HCT	26	+167.9%	6	-	24%										6	6	-	24%
*1 Efient (alliance revenue)	not disclosed	-	5	-	-										5	-	-	-
INR Bn																		
<b>Ranbaxy Laboratories Limited</b>	<b>85</b>	<b>-4.6%</b>	<b>22</b>	<b>-21.5%</b>	<b>26%</b>										<b>22</b>	<b>-6</b>	<b>-21.5%</b>	<b>26%</b>

## 5. Sales of Global Products

	FY2011		Q1			Q2			Q3			Q4			Q1				
	Plan *2	YoY	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	to plan	Results	YoY	YoY	to plan	
JPY Bn																			
<b>Olmesartan</b>	<b>270.0</b>	<b>+11.8%</b>	<b>63.3</b>	<b>+5.2%</b>	<b>24%</b>										<b>63.3</b>	<b>3.1</b>	<b>+5.2%</b>	<b>24%</b>	
Olmotec (JPN)	93.0	+13.0%	20.4	-1.3%	22%										20.4	-0.3	-1.3%	22%	
Rezaltas (JPN)	17.0	+264.3%	2.9	+58.1%	17%										2.9	1.0	+58.1%	17%	
Benicar/Benicar HCT (US)	67.0	-15.9%	20.1	-6.1%	30%										20.1	-1.3	-6.1%	30%	
Azor (US)	13.5	+1.5%	3.6	-7.0%	26%										3.6	-0.3	-7.0%	26%	
Tribenzor (US)	7.5	+415.9%	1.2	-	16%										1.2	1.2	-	16%	
Olmotec/Olmotec Plus (EU)	40.0	+9.0%	8.7	+9.8%	22%										8.7	0.8	+9.8%	22%	
Sevikar (EU)	12.0	+43.1%	2.4	+44.1%	20%										2.4	0.7	+44.1%	20%	
Sevikar HCT (EU)	3.0	+172.3%	0.7	-	25%										0.7	0.7	-	25%	
Other subsidiaries, export, etc	17.0	+22.0%	3.3	+16.4%	20%										3.3	0.5	+16.4%	20%	
<b>Levofloxacin</b>	<b>53.0</b>	<b>-23.3%</b>	<b>13.5</b>	<b>-20.2%</b>	<b>26%</b>										<b>13.5</b>	<b>-3.4</b>	<b>-20.2%</b>	<b>26%</b>	
Cravit (JPN)	38.0	+17.4%	8.4	+8.5%	22%										8.4	0.7	+8.5%	22%	
Export, royalty, etc	7.0	-75.1%	3.1	-56.2%	45%										3.1	-4.0	-56.2%	45%	
Other subsidiaries	8.0	-7.7%	2.0	-4.7%	25%										2.0	-0.1	-4.7%	25%	
<b>Pravastatin</b>	<b>38.0</b>	<b>-15.3%</b>	<b>10.2</b>	<b>-13.9%</b>	<b>27%</b>										<b>10.2</b>	<b>-1.7</b>	<b>-13.9%</b>	<b>27%</b>	
Mevalotin (JPN)	32.0	-15.9%	8.8	-14.0%	27%										8.8	-1.4	-14.0%	27%	
Other subsidiaries, export, etc	6.0	-11.9%	1.5	-12.9%	25%										1.5	-0.2	-12.9%	25%	
<b>Prasugrel (alliance revenue)</b>	<b>not disclosed</b>	<b>-</b>	<b>2.2</b>	<b>+180.2%</b>	<b>-</b>										<b>2.2</b>	<b>1.4</b>	<b>+180.2%</b>	<b>-</b>	
Effient alliance revenue (US)	not disclosed	-	1.6	+345.5%	-										1.6	1.2	+345.5%	-	
Efient alliance revenue (EU)	not disclosed	-	0.6	+34.9%	-										0.6	0.1	+34.9%	-	

## 6. Number of Employees

	Mar 2011 Result	Jun 2011 Result	Sep 2011 Result	Dec 2011 Result	Mar 2012 Result
<b>Total Number of Employees</b>	<b>30,488</b>	<b>31,556</b>			
Japan	9,002	9,402			
* Overseas	21,486	22,154			
Daiichi Sankyo Group	17,065	17,771			
* Ranbaxy Group	13,423	13,785			

\* For overseas subsidiaries with different fiscal year-ends, numbers as of Mar-end are shown in the Jun-end columns

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## 7. Consolidated Balance Sheets

(Millions of yen\*)

	Mar 2011	Jun 2011	YoY	Notes
<b>ASSETS</b>				
Current assets				
Cash and time deposits	262,037	80,622	-181,415	PBT +43.8 Bn, Plexxikon acquisition -65.6 Bn, Loans / Bonds -45.3 Bn, Dividend paid -21.1 Bn
Trade notes and accounts receivable	205,590	205,283	-307	
Marketable securities	157,653	224,870	67,217	Addition of Kitasato Daiichi Sankyo Vaccine (KDSV), etc
Inventories	142,792	156,204	13,412	
Deferred tax assets	90,245	87,111	-3,134	
Other current assets	38,075	38,829	754	
Allowance for doubtful accounts	-2,319	-2,547	-228	
Total current assets	894,075	790,375	-103,700	
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	119,962	126,100	6,138	
Machinery, equipment and vehicles, net	46,706	48,642	1,936	
Land	38,407	38,632	225	
Construction in progress	20,599	23,255	2,656	
Other, net	12,034	12,398	364	
Net property, plant and equipment	237,710	249,029	11,319	Addition of KDSV + 7.9 Bn
Intangible assets				
Goodwill, net	67,316	91,836	24,520	Newly added: Plexxikon +26.0 Bn, KDSV +2.3 Bn
Other intangible assets, net	89,606	168,063	78,457	Newly added: Plexxikon +81.1 Bn, KDSV +2.6 Bn
Total intangible assets	156,923	259,900	102,977	
Investments and other assets				
Investment securities	102,416	105,103	2,687	
Deferred tax assets	73,245	74,632	1,387	
Other	16,149	14,543	-1,606	
Allowance for doubtful accounts	-281	-291	-10	
Total investments and other assets	191,531	193,989	2,458	
Total non-current assets	586,164	702,919	116,755	
<b>Total assets</b>	<b>1,480,240</b>	<b>1,493,294</b>	<b>13,054</b>	

\* All amounts have been rounded down to the nearest million yen

(Millions of yen\*)

	Mar 2011	Jun 2011	YoY	Notes
<b>LIABILITIES</b>				
Current liabilities				
Trade notes and accounts payable	58,407	60,467	2,060	
Current portion of convertible bond-type bonds with subscription rights to shares	46,020	—	-46,020	Redeemed in Mar-2011
Short-term bank loans	29,342	32,051	2,709	
Income taxes payable	7,545	7,261	-284	
Allowance for sales returns	1,244	622	-622	
Allowance for sales rebates	1,623	1,689	66	
Provision for loss on disaster	4,570	4,257	4,257	
Asset retirement obligations	178	187	187	
Other current liabilities	158,019	162,168	4,149	
<b>Total current liabilities</b>	<b>306,952</b>	<b>268,706</b>	<b>-38,246</b>	
Long-term liabilities				
Bonds payable	100,000	100,000	—	
Long-term debt	124,036	124,407	371	
Deferred tax liabilities	28,463	60,360	31,897	DTL on the purchase price allocation of Plexxikon +33.1 Bn
Accrued employees' severance and retirement benefits	11,541	13,620	2,079	
Accrued directors' severance and retirement benefits	155	132	-23	
Other long-term liabilities	21,388	22,291	903	
<b>Total long-term liabilities</b>	<b>285,585</b>	<b>320,812</b>	<b>35,227</b>	
<b>Total liabilities</b>	<b>592,537</b>	<b>589,519</b>	<b>-3,018</b>	
<b>NET ASSETS</b>				
Shareholders' equity				
Common stock	50,000	50,000	—	
Capital surplus	105,194	105,194	—	
Retained earnings	774,274	778,466	4,192	Net income +25.3 Bn, Dividend paid -21.1 Bn
Treasury stock, at cost	-14,581	-14,582	-1	
<b>Total shareholders' equity</b>	<b>914,888</b>	<b>919,077</b>	<b>4,189</b>	
Accumulated other comprehensive income				
Net unrealized gain on investment securities	16,559	16,699	140	
Deferred gains or losses on hedges	1,193	1,290	97	
Foreign currency translation adjustments	-83,636	-86,731	-3,095	Decrease in net assets of overseas subsidiaries in JPY basis -3.1 Bn
<b>Total accumulated other comprehensive income</b>	<b>-65,883</b>	<b>-68,742</b>	<b>-2,859</b>	
Subscription rights to shares	3,544	3,611	67	
Minority interests	35,153	49,828	14,675	Investment in KDSV from The Kitasato Institute (49%) +11.0 Bn
<b>Total net assets</b>	<b>887,702</b>	<b>903,775</b>	<b>16,073</b>	
<b>Total liabilities and net assets</b>	<b>1,480,240</b>	<b>1,493,294</b>	<b>13,054</b>	

\* All amounts have been rounded down to the nearest million yen

## 8. Consolidated Statements of Cash Flows

(Millions of yen\*)

	FY2010 Q1 Results	FY2011 Q1 Results	YoY	Notes
Cash flows from operating activities				
Income before income taxes and minority interests	66,089	43,773	△22,316	
Depreciation	10,629	10,632	3	
Loss on impairment of long-lived assets	656	314	△342	
Amortization of goodwill	2,266	2,830	564	
(Gain) loss on valuation of derivatives	-7,654	276	7,930	
Increase (decrease) in allowance for doubtful accounts	-52	186	238	
Increase (decrease) in accrued severance and retirement benefits	397	400	3	
(Increase) decrease in prepaid pension costs	577	548	△29	
Interest and dividend income	-2,134	-2,491	△357	
Interest expense	1,619	1,742	123	
Loss (gain) on valuation of investment securities	3,215	74	△3,141	
(Gain) loss on sales of investment securities	-3	—	3	
(Gain) loss on sales of investments in affiliates	-33	—	33	
(Gain) loss on sales and disposal of property, plant and equipment	-410	-578	△168	
Equity in net (income) losses of affiliated companies	52	32	△20	
(Increase) decrease in trade notes and accounts receivable	-8,482	2,783	11,265	
(Increase) decrease in inventories	-4,100	-11,395	△7,295	
Increase (decrease) in trade notes and accounts payable	-7,877	903	8,780	
Increase (decrease) in accounts payable and accrued expenses	-6,035	-7,829	△1,794	
Other, net	-8,855	-1,278	7,577	
Subtotal	39,862	40,926	1,064	
Interest and dividends received	2,151	3,909	1,758	
Interest paid	-1,301	-1,672	△371	
Income taxes paid	-9,916	-8,724	1,192	
Net cash provided by operating activities	30,796	34,437	3,641	

\* All amounts have been rounded down to the nearest million yen

(Millions of yen\*)

	FY2010 Q1 Results	FY2011 Q1 Results	YoY	Notes
<b>Cash flows from investing activities</b>				
Payments into time deposits	-36,132	-1,852	34,280	
Proceeds from maturities in time deposits	11,014	40,125	29,111	
Purchases of marketable securities	-22,865	-30,976	△8,111	
Proceeds from sales of marketable securities	29,180	42,005	12,825	
Acquisitions of property, plant and equipment	-6,866	-10,098	△3,232	
Proceeds from sales of property, plant and equipment	3,442	4,183	741	
Acquisitions of intangible assets	-499	-1,602	△1,103	
Acquisitions of investment securities	-627	-2,615	△1,988	
Proceeds from sales of investment securities	7	—	△7	
Acquisition of investments in subsidiaries	-1	—	1	
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	-65,637	△65,637	Plexxikon
Proceeds from sales of investments in consolidated subsidiaries resulting in changes in scope of consolidation	5,641	—	△5,641	Transfer of Shizuoka Factory
Payments for transfer of business	—	-16,096	△16,096	Kitasato Daiichi Sankyo Vaccine (KDSV)
Payment for loans receivable	-1	—	1	
Proceeds from collection of loans receivable	0	—	0	
Other, net	-711	-61	650	
<b>Net cash provided by (used in) investing activities</b>	<b>-18,418</b>	<b>-42,625</b>	<b>△24,207</b>	
<b>Cash flows from financing activities</b>				
Net increase (decrease) in short-term bank loans	11,864	2,043	△9,821	
Proceeds from long-term debt	—	3,269	3,269	
Repayments of long-term debt	-2,051	-2,995	△944	
Redemption of bonds	—	-47,643	△47,643	Redemption of Ranbaxy's FCCB
Proceeds from issuance of common stock	—	11,270	11,270	Investment in KDSV from The Kitasato Institute (49%)
Purchases of treasury stock	-6	-2	4	
Proceeds from sale of treasury stock	0	0	0	
Dividends paid	-21,129	-21,128	1	
Other, net	10	65	55	
<b>Net cash used in financing activities</b>	<b>-11,312</b>	<b>-55,122</b>	<b>△43,810</b>	
Effect of exchange rate changes on cash and cash equivalents	-7,720	-994	6,726	
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-6,655</b>	<b>-64,305</b>	<b>△57,650</b>	
Cash and cash equivalents, beginning of year	259,215	302,402	43,187	
Cash and cash equivalents, at end of year	252,559	238,097	△14,462	

\* All amounts have been rounded down to the nearest million yen

**9. Major R&D Pipeline**

July 2011

Therapeutic Area	Phase1	Phase2	Phase3	Application
<b>Cardiovascular- Metabolics</b>	<p><b>CS-3150</b> (Antihypertensive)</p> <p><b>DS-7309</b> (Anti-diabetes)</p>	<p><b>DU-176b (US/EU)</b> (Edoxaban / post surgical VTE / oral factor Xa inhibitor)</p> <p><b>CS-747 (JP)</b> (Prasugrel / ischemic stroke / anti-platelet agent)</p>	<p><b>DU-176b (US/EU/JP/Asia)</b> (Edoxaban / AF / oral factor Xa inhibitor)</p> <p><b>DU-176b (US/EU/JP/Asia)</b> (Edoxaban / VTE / oral factor Xa inhibitor)</p> <p><b>CS-747 (US/EU/Asia)</b> (Prasugrel / ACS-MM / anti-platelet agent)</p> <p><b>CS-747 (JP)</b> (Prasugrel / ACS-PCI / anti-platelet agent)</p>	
<b>Oncology</b>	<p><b>CS-7017 (JP/Asia)</b> (Efatutazone / PPARγ agonist)</p> <p><b>U3-1565 (US/JP)</b> (Anti-HB-EGF antibody)</p> <p><b>U3-1287 (JP)</b> (Anti-HER3 antibody)</p> <p><b>DS-2248 (US)</b> (Hsp90 inhibitor)</p> <p><b>DS-7423 (US)</b> (PI3K/mTOR inhibitor)</p>	<p><b>U3-1287 (US/EU)</b> (Anti-HER3 antibody)</p> <p><b>CS-1008 (US/EU/JP/Asia)</b> (Tigatuzumab / anti-DR5 antibody)</p> <p><b>CS-7017 (US/EU)</b> (Efatutazone / PPARγ agonist)</p> <p><b>DE-766 (JP)</b> (Nimotuzumab / anti-EGFR antibody)</p> <p><b>PLX3397 (US)</b> (Fms/Kit/Flt3-ITD inhibitor)</p>	<p><b>ARQ 197 (US/EU)</b> (Tivantinib / NSCLC / c-Met inhibitor)</p> <p><b>AMG 162 (JP)</b> (Denosumab / osteoporosis, breast cancer adjuvant / anti-RANKL antibody)</p>	<p><b>PLX4032 (US/EU)</b> (Vemurafenib / Melanoma / BRAF inhibitor)</p> <p><b>AMG 162 (JP)</b> (Denosumab / bone metastases of cancer / anti-RANKL antibody)</p>
<b>Infectious diseases</b>	<p><b>CS-8958 (US/EU)</b> (Laninamivir / anti-influenza / co-development with Biota)</p> <p><b>CS-4771</b> (Anti-Sepsis)</p> <p><b>DS-8587</b> (Broad spectrum antibacterial agent)</p>		<p><b>CS-8958 (JP)</b> (Laninamivir / anti-influenza, prophylactic / Neuraminidase inhibitor)</p>	
<b>Bone/Joint diseases</b>	<p><b>PLX5622</b> (Rheumatoid arthritis)</p>	<p><b>AMG 162 (JP)</b> (Denosumab / rheumatoid arthritis / anti-RANKL antibody)</p>	<p><b>AMG 162 (JP)</b> (Denosumab / osteoporosis / anti-RANKL antibody)</p>	
<b>Immunological allergic diseases</b>	<p><b>CS-0777</b> (Immunomodulator)</p>	<p><b>SUN13834 (US)</b> (Chymase inhibitor)</p>		
<b>Others</b>	<p><b>DS-5565</b> (Chronic pain)</p> <p><b>SUN13837</b> (Spinal cord injury)</p>	<p><b>SUN11031 (US/EU)</b> (Human ghrelin / COPD cachexia)</p>	<p><b>SUN11031 (JP)</b> (Human ghrelin / anorexia nervosa)</p> <p><b>DD-723-B (JP)</b> (Perflubutane / Contrast agents in ultrasound for prostate cancer and breast tumor/ ultrasound contrast agent)</p>	<p><b>KMD-3213 (China)</b> (Silodosin / treatment of dysuria associated with benign prostatic hyperplasia/ Selective alpha 1A blocker)</p>

**Change from the announcement in May 2011**

**New (underline)**

DS-7423 (PI3K/mTOR inhibitor/US/P1)

U3-1565 (Anti-HB-EGF antibody/JP/P1)

## 1. Summary of Consolidated Income Statement (FY2010)

JPY Bn	Q1			Q2			Q3			Q4			FY2010			
	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	YoY
<b>Net sales</b>	<b>100%</b>	<b>256.4</b>	<b>+12.9%</b>	<b>100%</b>	<b>242.5</b>	<b>-0.4%</b>	<b>100%</b>	<b>249.2</b>	<b>-2.3%</b>	<b>100%</b>	<b>219.3</b>	<b>-3.2%</b>	<b>100%</b>	<b>967.4</b>	<b>15.3</b>	<b>+1.6%</b>
Cost of sales	25%	64.1	+2.5%	31%	74.4	-0.4%	30%	74.6	-1.1%	31%	68.6	+5.0%	29%	281.7	3.6	+1.3%
Gross Profit	75%	192.4	+16.9%	69%	168.0	-0.4%	70%	174.6	-2.8%	69%	150.7	-6.4%	71%	685.7	11.6	+1.7%
SG&A expenses	51%	131.3	-4.7%	57%	139.0	-3.9%	58%	144.1	+2.6%	68%	149.2	-4.1%	58%	563.5	-15.0	-2.6%
R&D expenses	17%	43.6	-3.4%	19%	45.7	-6.7%	21%	53.0	+11.4%	24%	52.0	-5.6%	20%	194.3	-2.5	-1.3%
Other expenses	34%	87.7	-5.4%	38%	93.3	-2.5%	37%	91.1	-2.0%	44%	97.2	-3.3%	38%	369.2	-12.5	-3.3%
<b>Operating Income</b>	<b>24%</b>	<b>61.1</b>	<b>+128.1%</b>	<b>12%</b>	<b>29.0</b>	<b>+20.6%</b>	<b>12%</b>	<b>30.5</b>	<b>-22.2%</b>	<b>1%</b>	<b>1.5</b>	<b>-72.2%</b>	<b>13%</b>	<b>122.1</b>	<b>26.6</b>	<b>+27.9%</b>
Non-operating income / expenses		9.0			-6.5			7.4			-0.4			9.6	2.0	
Non-operating income		11.8			-1.7			7.5			5.6			23.2	-5.0	
Non-operating expenses		2.8			4.8			0.0			6.0			13.6	-7.0	
<b>Ordinary Income</b>	<b>27%</b>	<b>70.1</b>	<b>+877.7%</b>	<b>9%</b>	<b>22.6</b>	<b>-50.0%</b>	<b>15%</b>	<b>38.0</b>	<b>-1.1%</b>	<b>1%</b>	<b>1.2</b>	<b>-90.7%</b>	<b>14%</b>	<b>131.8</b>	<b>28.6</b>	<b>+27.8%</b>
Extraordinary income / losses		-4.0			5.5			-1.2			-11.6			-11.3	-5.6	
Extraordinary income		0.8			6.8			0.9			4.3			12.8	6.9	
Extraordinary losses		4.8			1.3			2.2			15.9			24.2	12.5	
Income before income taxes and minority interests	26%	66.1	+665.1%	12%	28.0	-37.7%	15%	36.7	-1.6%	-5%	-10.4	-	12%	120.4	23.0	+23.7%
Income taxes / minority interests		33.0			9.0			9.2			-0.9			50.3	-5.2	
Income taxes		26.6			8.2			8.0			-0.9			41.8	-8.2	
Minority interests		6.5			0.8			1.2			0.0			8.5	3.0	
<b>Net Income</b>	<b>13%</b>	<b>33.1</b>	<b>-</b>	<b>8%</b>	<b>19.1</b>	<b>-24.1%</b>	<b>11%</b>	<b>27.5</b>	<b>+33.8%</b>	<b>-4%</b>	<b>-9.5</b>	<b>-</b>	<b>7%</b>	<b>70.1</b>	<b>28.3</b>	<b>+67.5%</b>
Effective tax rate		40%			29%			22%			-			35%		
Overseas sales ratio results		52%			51%			46%			53%			51%		

## 2. Currency Rate (FY2010)

	Q1	Q2 YTD	Q3 YTD	Q4 YTD	FY2010
	Results	Results	Results	Results	Results YoY
USD/JPY (average)	92.02	88.95	86.53	85.72	85.72 -7.14
EUR/JPY (average)	117.00	113.84	113.31	113.13	113.13 -18.03
INR/JPY (average)	1.98	2.01	1.96	1.93	1.93 -0.02

### 3. Segment Information (FY2010)

Daiichi Sankyo Group	Q1			Q2			Q3			Q4			FY2010			
	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	to sales	Results	YoY	YoY
<b>Net sales</b>	100%	<b>201.6</b>	<b>+2.1%</b>	100%	<b>198.8</b>	<b>-4.0%</b>	100%	<b>213.7</b>	<b>-2.4%</b>	100%	<b>181.3</b>	<b>-0.3%</b>	100%	<b>795.5</b>	<b>-10.0</b>	<b>-1.2%</b>
Cost of sales	22%	44.9	-1.1%	27%	54.4	+0.1%	26%	55.0	-1.1%	26%	47.6	+0.5%	25%	201.8	-0.8	-0.4%
Gross Profit	78%	156.7	+3.1%	73%	144.4	-5.4%	74%	158.8	-2.9%	74%	133.8	-0.6%	75%	593.7	-9.1	-1.5%
SG&A expenses	56%	113.5	-7.0%	61%	121.2	-4.2%	60%	127.7	+2.7%	73%	131.5	-2.5%	62%	493.9	-13.7	-2.7%
R&D expenses	20%	40.3	-6.2%	22%	43.5	-6.9%	24%	50.6	+12.0%	27%	49.6	-4.0%	23%	184.0	-2.5	-1.3%
Other expenses	36%	73.2	-7.4%	39%	77.7	-2.6%	36%	77.1	-2.6%	45%	81.9	-1.5%	39%	309.9	-11.2	-3.5%
<b>Operating Income</b>	22%	<b>43.3</b>	<b>+44.0%</b>	12%	<b>23.2</b>	<b>-11.6%</b>	15%	<b>31.1</b>	<b>-20.6%</b>	1%	<b>2.3</b>	<b>-1422.3%</b>	13%	<b>99.8</b>	<b>4.6</b>	<b>+4.8%</b>
Non-operating income		1.8			1.9			2.6			0.9			7.2	0.2	
Non-operating expenses		1.7			2.0			-0.1			3.4			7.0	0.9	
<b>Ordinary Income</b>	22%	<b>43.4</b>	<b>+34.8%</b>	12%	<b>23.1</b>	<b>-12.6%</b>	16%	<b>33.7</b>	<b>-12.9%</b>	0%	<b>-0.2</b>	-	13%	<b>100.0</b>	<b>3.8</b>	<b>+4.0%</b>
Extraordinary income		0.8			3.8			1.4			4.3			10.2	5.7	
Extraordinary losses		4.2			1.0			0.7			15.0			20.9	9.3	
Income before income taxes and minority interests	20%	40.0	+18.8%	13%	25.9	-1.6%	16%	34.4	-8.6%	-6%	-10.9	-	11%	89.3	0.2	+0.2%
Income taxes		17.7			7.5			8.5			-3.1			30.6	-23.7	
Minority interests																
<b>Net Income</b>	11%	<b>22.3</b>	<b>+122.8%</b>	9%	<b>18.3</b>	<b>+39.4%</b>	12%	<b>26.0</b>	<b>+30.0%</b>	-4%	<b>-7.8</b>	-	7%	<b>58.8</b>	<b>23.9</b>	<b>+68.6%</b>
<b>Ranbaxy Group</b>																
<b>Net sales</b>	100%	<b>54.9</b>	<b>+84.9%</b>	100%	<b>43.8</b>	<b>+20.1%</b>	100%	<b>35.5</b>	<b>-1.4%</b>	100%	<b>38.9</b>	<b>-12.6%</b>	100%	<b>173.1</b>	<b>26.4</b>	<b>+18.0%</b>
Cost of sales	35%	19.2	+12.0%	46%	20.0	-1.8%	55%	19.5	-1.7%	54%	21.0	+16.6%	46%	79.8	4.4	+5.8%
Gross Profit	65%	35.7	+184.1%	54%	23.7	+48.0%	45%	16.0	-1.1%	46%	17.9	-32.5%	54%	93.3	22.1	+31.0%
SG&A expenses	30%	16.4	+13.9%	39%	17.1	+2.9%	43%	15.4	+5.3%	43%	16.7	-13.5%	38%	65.6	0.7	+1.0%
R&D expenses	6%	3.3	+56.2%	7%	3.0	+32.0%	8%	2.8	+19.0%	7%	2.8	-19.0%	7%	12.0	1.7	+16.7%
Other expenses	24%	13.1	+6.7%	32%	14.1	-1.8%	35%	12.5	+2.6%	36%	13.9	-12.3%	31%	53.5	-1.1	-2.0%
<b>Operating Income</b>	35%	<b>19.3</b>	<b>-1171.9%</b>	15%	<b>6.6</b>	<b>-1214.7%</b>	2%	<b>0.6</b>	<b>-60.0%</b>	3%	<b>1.1</b>	<b>-83.9%</b>	16%	<b>27.7</b>	<b>21.4</b>	<b>+338.8%</b>
Non-operating income		10.0			-3.0			4.9			4.2			16.2	-5.0	
Non-operating expenses		1.1			2.7			0.1			0.1			3.9	-10.5	
<b>Ordinary Income</b>	52%	<b>28.3</b>	<b>-220.1%</b>	2%	<b>0.9</b>	<b>-95.4%</b>	16%	<b>5.5</b>	<b>+374.9%</b>	14%	<b>5.3</b>	<b>-65.1%</b>	23%	<b>40.0</b>	<b>27.0</b>	<b>+207.8%</b>
Extraordinary income		0.0			5.2			0.0			-0.1			5.1	3.8	
Extraordinary losses		0.7			0.1			1.5			6.0			8.3	8.2	
Income before income taxes and minority interests	50%	27.6	-217.5%	14%	6.0	-70.2%	11%	4.0	+249.7%	-2%	-0.8	-	21%	36.8	22.6	+158.6%
Income taxes		9.2			1.5			0.1			2.4			13.2	3.4	
Minority interests		0.1			0.1			0.1			0.1			0.3	0.1	
<b>Net Income</b>	33%	<b>18.4</b>	-	10%	<b>4.5</b>	<b>-68.3%</b>	11%	<b>3.8</b>	-	-9%	<b>-3.3</b>	-	14%	<b>23.3</b>	<b>19.1</b>	<b>+456.4%</b>
<b>Inter-segment Transactions</b>																
<b>Net sales</b>		<b>-0.1</b>			<b>-0.1</b>			<b>-0.1</b>			<b>-0.9</b>			<b>-1.2</b>		
Cost of sales		0.0			0.0			0.1			0.0			0.1		
Gross Profit		-0.1			-0.1			-0.2			-0.9			-1.3		
SG&A expenses		1.5			0.7			1.0			1.0			4.1		
R&D expenses		0.0			-0.8			-0.4			-0.4			-1.7		
Other expenses		1.5			1.5			1.4			1.4			5.8		
<b>Operating Income</b>		<b>-1.5</b>			<b>-0.7</b>			<b>-1.2</b>			<b>-1.9</b>			<b>-5.4</b>		
Non-operating income		0.0			-0.7			-0.1			0.5			-0.2		
Non-operating expenses					0.1			0.0			2.5			2.6		
<b>Ordinary Income</b>		<b>-1.5</b>			<b>-1.5</b>			<b>-1.3</b>			<b>-3.9</b>			<b>-8.2</b>		
Extraordinary income		0.0			-2.2			-0.5			0.1			-2.5		
Extraordinary losses					0.2			0.0			-5.2			-5.0		
Income before income taxes and minority interests		-1.5			-3.9			-1.7			1.4			-5.7		
Income taxes		-0.3			-0.8			-0.6			-0.2			-2.0		
Minority interests		6.4			0.7			1.1			-0.1			8.2		
<b>Net Income</b>		<b>-7.6</b>			<b>-3.8</b>			<b>-2.2</b>			<b>1.6</b>			<b>-12.0</b>		

#### 4. Sales by Business Units (FY2010)

	Q1		Q2		Q3		Q4		FY2010	
	Results	YoY								
JPY Bn										
<b>Consolidated Net Sales</b>	<b>256.4</b>	<b>+12.9%</b>	<b>242.5</b>	<b>-0.4%</b>	<b>249.2</b>	<b>-2.3%</b>	<b>219.3</b>	<b>-3.2%</b>	<b>967.4</b>	<b>+1.6%</b>
<b>Japan Company (domestic sales)</b>	<b>105.3</b>	<b>+0.6%</b>	<b>103.0</b>	<b>-1.7%</b>	<b>116.8</b>	<b>-1.4%</b>	<b>91.0</b>	<b>+7.6%</b>	<b>416.0</b>	<b>+0.9%</b>
Olmotec	20.7	+8.7%	21.1	+6.5%	23.0	+3.5%	17.6	+8.5%	82.3	+6.6%
Rezaltas	1.8	-	0.1	-	1.3	-	1.4	-	4.7	-
Calblock	3.7	+6.5%	3.5	+0.6%	3.8	-0.6%	2.9	+1.3%	14.0	+1.9%
Loxonin	13.0	+15.9%	13.9	+11.0%	14.7	+10.0%	12.6	+27.3%	54.2	+15.3%
Cravit	7.8	-18.3%	7.5	-36.7%	9.3	-14.5%	7.8	-31.7%	32.4	-25.8%
Mevalotin	10.2	-17.9%	10.1	-18.9%	10.0	-22.0%	7.8	-8.8%	38.1	-17.6%
Artist	6.1	+1.8%	5.8	-1.6%	6.3	-0.9%	5.4	+8.5%	23.7	+1.6%
Omnipaque	6.4	-10.1%	6.6	-12.4%	6.5	-8.5%	5.4	-0.2%	25.0	-8.3%
Urief	2.5	+11.2%	2.5	+9.2%	2.8	+9.2%	2.3	+16.5%	10.1	+11.3%
Inavir	-	-	-	-	2.8	-	3.9	-	6.6	-
Vaccines	1.7	+36.2%	4.6	+139.8%	8.5	-1.2%	2.9	+128.3%	17.8	+35.6%
Daiichi Sankyo Espha products	-	-	-	-	2.6	-	2.0	-	4.6	-
<b>Daiichi Sankyo Healthcare (OTC)</b>	<b>9.3</b>	<b>-2.7%</b>	<b>11.7</b>	<b>-12.9%</b>	<b>13.2</b>	<b>+9.1%</b>	<b>10.6</b>	<b>+23.2%</b>	<b>44.8</b>	<b>+2.6%</b>
<b>Daiichi Sankyo, Inc. (US)</b>	<b>33.6</b>	<b>+1.7%</b>	<b>33.9</b>	<b>+1.2%</b>	<b>34.6</b>	<b>+0.6%</b>	<b>28.4</b>	<b>-11.6%</b>	<b>130.5</b>	<b>-1.9%</b>
Olmesartan	25.2	+0.6%	24.7	-2.5%	24.6	-6.9%	19.9	-19.8%	94.5	-7.1%
Benicar/Benicar HCT	21.4	-2.9%	20.7	-6.8%	20.6	-9.4%	17.0	-22.5%	79.7	-10.4%
Azor	3.8	+25.8%	3.4	+6.8%	3.5	-5.3%	2.6	-9.7%	13.3	+4.1%
Tribenzor	-	-	0.7	-	0.5	-	0.3	-	1.5	-
Welchol	7.0	+1.8%	7.4	+13.4%	7.9	+7.6%	6.3	-8.3%	28.5	+3.6%
Effient (alliance revenue)	0.4	-	0.8	-	1.1	-	1.3	-	3.4	-
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>14.7</b>	<b>+10.4%</b>	<b>13.7</b>	<b>+1.3%</b>	<b>11.5</b>	<b>-8.5%</b>	<b>14.0</b>	<b>+10.5%</b>	<b>53.9</b>	<b>+3.5%</b>
Venofor	8.4	+5.2%	7.7	-5.0%	5.8	-27.1%	8.7	+8.4%	30.7	-4.6%
<b>Daiichi Sankyo Europe GmbH</b>	<b>14.8</b>	<b>-14.6%</b>	<b>16.6</b>	<b>-10.0%</b>	<b>18.1</b>	<b>-5.0%</b>	<b>16.9</b>	<b>-17.2%</b>	<b>66.4</b>	<b>-11.7%</b>
Olmesartan	9.6	+4.5%	11.7	+4.5%	13.4	+7.9%	11.5	-14.7%	46.2	-0.2%
Olmotec/Olmotec Plus	7.9	-4.2%	9.3	-6.7%	10.1	-1.6%	9.4	-17.9%	36.7	-8.1%
Sevikar	1.7	+84.9%	2.4	+97.4%	2.3	+5.7%	2.0	-0.4%	8.4	+32.5%
Sevikar HCT	-	-	-	-	1.0	-	0.1	-	1.1	-
<b>Asia, South and Central America (ASCA)</b>	<b>5.9</b>	<b>+12.7%</b>	<b>7.1</b>	<b>+12.8%</b>	<b>6.8</b>	<b>+3.3%</b>	<b>7.6</b>	<b>-0.4%</b>	<b>27.4</b>	<b>+6.4%</b>
Daiichi Sankyo Pharmaceutical (Beijing)	1.1	+17.8%	1.1	+3.6%	1.1	-6.3%	0.9	-2.2%	4.2	+2.9%
Daiichi Sankyo Pharmaceutical (Shanghai)	1.4	+35.5%	1.7	+32.5%	1.6	+10.5%	1.8	+20.7%	6.6	+23.8%
Daiichi Sankyo Taiwan	0.8	-8.6%	0.8	+1.0%	0.8	+13.5%	1.0	+29.2%	3.4	+7.9%
Daiichi Sankyo Korea	1.0	+31.4%	0.9	+2.9%	1.0	+9.7%	1.1	+29.6%	4.0	+17.9%
Daiichi Sankyo (Thailand)	0.2	+35.8%	0.3	+22.8%	0.3	+53.4%	0.3	+26.9%	1.2	+33.8%
Daiichi Sankyo Brasil Farmacêutica	1.0	+36.5%	1.4	+39.5%	1.4	+6.4%	1.3	-19.9%	5.2	+9.5%
Daiichi Sankyo Venezuela	0.4	-46.7%	0.7	-18.7%	0.6	-25.1%	1.1	-32.7%	2.9	-30.5%
<b>Ranbaxy Laboratories Limited</b>	<b>54.8</b>	<b>+84.7%</b>	<b>43.7</b>	<b>+19.9%</b>	<b>35.4</b>	<b>-1.6%</b>	<b>38.0</b>	<b>-14.5%</b>	<b>171.9</b>	<b>+17.3%</b>
<b>Others</b>	<b>18.0</b>	<b>+25.6%</b>	<b>12.8</b>	<b>-25.1%</b>	<b>12.7</b>	<b>-20.2%</b>	<b>12.8</b>	<b>-20.0%</b>	<b>56.3</b>	<b>-11.1%</b>
Levofloxacin export, royalty, etc	7.1	-16.2%	7.2	-25.3%	6.6	-27.5%	7.2	-16.8%	28.1	-21.7%
Effient alliance revenue (Europe)	0.4	-	0.2	-	0.4	+278.5%	0.7	+97.7%	1.8	+285.9%

**[Reference] Sales in Local Currency (FY2010)**

	Q1		Q2		Q3		Q4		FY2010	
	Results	YoY	Results	YoY	Results	YoY	Results	YoY	Results	YoY
USD Mn										
<b>Daiichi Sankyo, Inc. (US)</b>	<b>365</b>	<b>+7.6%</b>	<b>394</b>	<b>+10.2%</b>	<b>422</b>	<b>+10.3%</b>	<b>342</b>	<b>-3.3%</b>	<b>1,522</b>	<b>+6.3%</b>
Olmesartan	274	+6.4%	287	+6.2%	300	+2.3%	241	-12.2%	1,102	+0.6%
Benicar/Benicar HCT	233	+2.7%	241	+1.6%	251	-0.5%	205	-15.2%	930	-2.9%
Azor	42	+33.1%	39	+16.9%	42	+4.6%	32	-1.0%	155	+12.7%
Tribenzor	-	-	7	-	6	-	4	-	17	-
Welchol	76	+7.6%	85	+23.1%	95	+17.8%	76	+0.3%	333	+12.2%
Effient (alliance revenue)	4	-	9	-	13	-	15	-	40	-
USD Mn										
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>160</b>	<b>+16.7%</b>	<b>159</b>	<b>+10.6%</b>	<b>142</b>	<b>+1.2%</b>	<b>168</b>	<b>+20.1%</b>	<b>629</b>	<b>+12.1%</b>
Venofer	92	+11.3%	90	+3.8%	72	-18.5%	104	+17.5%	358	+3.4%
EUR Mn										
<b>Daiichi Sankyo Europe GmbH</b>	<b>126</b>	<b>-3.2%</b>	<b>149</b>	<b>+8.3%</b>	<b>161</b>	<b>+12.1%</b>	<b>150</b>	<b>-7.0%</b>	<b>587</b>	<b>+2.3%</b>
Olmesartan	82	+18.4%	105	+25.4%	119	+27.3%	102	-3.9%	408	+15.7%
Olmotec/Olmotec Plus	68	+8.5%	83	+12.0%	90	+16.1%	83	-7.6%	324	+6.5%
Sevikar	14	+109.5%	21	+136.0%	20	+24.9%	18	+12.8%	74	+53.6%
Sevikar HCT	-	-	-	-	9	-	1	-	10	-
INR Bn										
<b>Ranbaxy Laboratories Limited</b>	<b>28</b>	<b>+76.3%</b>	<b>21</b>	<b>+17.1%</b>	<b>19</b>	<b>+4.6%</b>	<b>21</b>	<b>-9.0%</b>	<b>89</b>	<b>+18.5%</b>

**5. Sales of Global Products (FY2010)**

	Q1		Q2		Q3		Q4		FY2010	
	Results	YoY	Results	YoY	Results	YoY	Results	YoY	Results	YoY
JPY Bn										
<b>Olmesartan</b>	<b>60.2</b>	<b>+7.6%</b>	<b>61.4</b>	<b>+3.4%</b>	<b>65.7</b>	<b>+1.6%</b>	<b>54.2</b>	<b>-7.0%</b>	<b>241.5</b>	<b>+1.4%</b>
Olmotec (JPN)	20.7	+8.7%	21.1	+6.5%	23.0	+3.5%	17.6	+8.5%	82.3	+6.6%
Rezaltas (JPN)	1.8	-	0.1	-	1.3	-	1.4	-	4.7	-
Benicar/Benicar HCT (US)	21.4	-2.9%	20.7	-6.8%	20.6	-9.4%	17.0	-22.5%	79.7	-10.4%
Azor (US)	3.8	+25.8%	3.4	+6.8%	3.5	-5.3%	2.6	-9.7%	13.3	+4.1%
Tribenzor (US)	-	-	-	-	0.5	-	0.3	-	1.5	-
Olmotec/Olmotec Plus (EU)	7.9	-4.2%	9.3	-6.7%	10.1	-1.6%	9.4	-17.9%	36.7	-8.1%
Sevikar (EU)	1.7	+84.9%	2.4	+97.4%	2.3	+5.7%	2.0	-0.4%	8.4	+32.5%
Sevikar HCT (EU)	-	-	-	-	1.0	-	0.1	-	1.1	-
Other subsidiaries, export, etc	2.8	+7.7%	3.9	+25.4%	3.5	-6.2%	3.8	+0.8%	13.9	+6.0%
<b>Levofloxacin</b>	<b>17.0</b>	<b>-14.3%</b>	<b>16.9</b>	<b>-28.0%</b>	<b>18.1</b>	<b>-18.3%</b>	<b>17.2</b>	<b>-21.1%</b>	<b>69.1</b>	<b>-20.7%</b>
Cravit (JPN)	7.8	-18.3%	7.5	-36.7%	9.3	-14.5%	7.8	-31.7%	32.4	-25.8%
Export, royalty, etc	7.1	-16.2%	7.2	-25.3%	6.6	-27.5%	7.2	-16.8%	28.1	-21.7%
Other subsidiaries	2.1	+15.8%	2.2	+10.6%	2.1	+2.0%	2.2	+25.6%	8.7	+12.9%
<b>Pravastatin</b>	<b>11.9</b>	<b>-19.1%</b>	<b>11.8</b>	<b>-21.5%</b>	<b>11.6</b>	<b>-21.8%</b>	<b>9.6</b>	<b>-8.3%</b>	<b>44.9</b>	<b>-18.4%</b>
Mevalotin (JPN)	10.2	-17.9%	10.1	-18.9%	10.0	-22.0%	7.8	-8.8%	38.1	-17.6%
Other subsidiaries, export, etc	1.7	-25.8%	1.7	-34.1%	1.6	-20.9%	1.8	-6.1%	6.8	-22.8%
<b>Prasugrel (alliance revenue)</b>	<b>0.8</b>	<b>-</b>	<b>1.0</b>	<b>-</b>	<b>1.5</b>	<b>-</b>	<b>2.0</b>	<b>-</b>	<b>5.2</b>	<b>+889.6%</b>
Effient alliance revenue (US)	0.4	-	0.8	-	1.1	-	1.3	-	3.4	-
Effient alliance revenue (EU)	0.4	-	0.2	-	0.4	+278.5%	0.7	+97.7%	1.8	+285.9%

## Summary of Product Outlines

Brand Name	Generic Name	Therapeutic Category	Launched	Origin	Marketing Alliance
<b>Japan Company (domestic sales)</b>					
Olmotec	olmesartan	antihypertensive	2004	Daiichi Sankyo	Kowa
Rezaltas	olmesartan / azelnidipine	antihypertensive	2010	Daiichi Sankyo	
Calblock	azelnidipine	antihypertensive	2003	Ube Industries	
Loxonin			1986	Daiichi Sankyo	
Loxonin Poullice			2006	Lead Chemical	
Loxonin Tape	loxoprofen	analgesic and anti-inflammatory	2008	Lead Chemical	
Loxonin Gel			2010	Daiichi Sankyo	
Cravit	levofloxacin	antibacterial	1993	Daiichi Sankyo	
Mevalotin	pravastatin	antihyperlipidemic	1989	Daiichi Sankyo	
Artist	carvedilol	antihypertensive	1993	Roche	
Omnipaque	iohexol	contrast medium	1987	GE Healthcare	
Urief	silodosin	treatment for dysuria	2006	Kissei	Kissei
Inavir	laninamivir	anti-influenza	2010	Daiichi Sankyo	
New Memory	memantine	treatment for Alzheimer's Disease	2011	Merz	
<b>Daiichi Sankyo, Inc. (US)</b>					
Olmecartan					
Benicar	olmesartan		2002		
Benicar HCT	olmesartan / hydrochlorothiazide	antihypertensive	2003	Daiichi Sankyo	
Azor	olmesartan / amlodipine		2007		
Tribenzor	olmesartan / amlodipine / hydrochlorothiazide		2010		
Welchol	colestevlam	antihyperlipidemic / type 2 diabetes	2000	Genzyme	
Effient	prasugrel	antiplatelet	2009	Daiichi Sankyo Ube Industries	Lilly
<b>Luitpold Pharmaceuticals, Inc. (US)</b>					
Venofer	iron sucrose injection	iron deficiency anemia	2000	Vifor Pharma	Fresenius
<b>Daiichi Sankyo Europe GmbH</b>					
Olmecartan					
Olmotec	olmesartan		2002		
Olmotec Plus	olmesartan / hydrochlorothiazide	antihypertensive	2005	Daiichi Sankyo	Menarini Pfizer
Sevikar	olmesartan / amlodipine		2009		Nycomed
Sevikar HCT	olmesartan / amlodipine / hydrochlorothiazide		2010		
Efient	prasugrel	antiplatelet	2009	Daiichi Sankyo Ube Industries	Lilly