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# Results Briefing

## Results for 1Q FY2013 (April 1 – June 30, 2013)

Wednesday, July 31, 2013 14:45 ~ 15:30

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# Overview of FY2013 1Q Results

## - compared with FY2012 1Q results -

### Consolidated Income Statement

	FY2012 1Q Results	FY2013 1Q Results	FY2013		
			Forecast (May-2013)	Revised Forecast (Jul-2013)	Progress
Net Sales	242.6	252.5	1080.0	1080.0	23%
Cost of Sales	66.7	83.7	355.0	355.0	24%
SG&A Expenses	143.4	148.0	615.0	615.0	24%
R&D Expenses	42.0	50.0	187.0	187.0	27%
Other Expenses	101.4	98.0	428.0	428.0	23%
Operating Income	32.5	20.8	110.0	110.0	19%
Ordinary Income	40.8	23.3	110.0	100.0	23%
Net Income	20.4	11.0	68.0	65.0	17%

### Ranbaxy Group

Note : Figures of Ranbaxy are pre-adjusted before consolidation

FY2012 (Jan-Mar) Results	FY2013 (Jan-Mar) Results	FY2013 (Jan-Dec)	
		Forecast	Progress
59.8*	42.6*	217.0	20%
19.5	22.3		
26.5	19.5		
2.0	2.6		
24.5	17.0		
13.8	0.8		
21.2	2.0		
15.0	2.5		

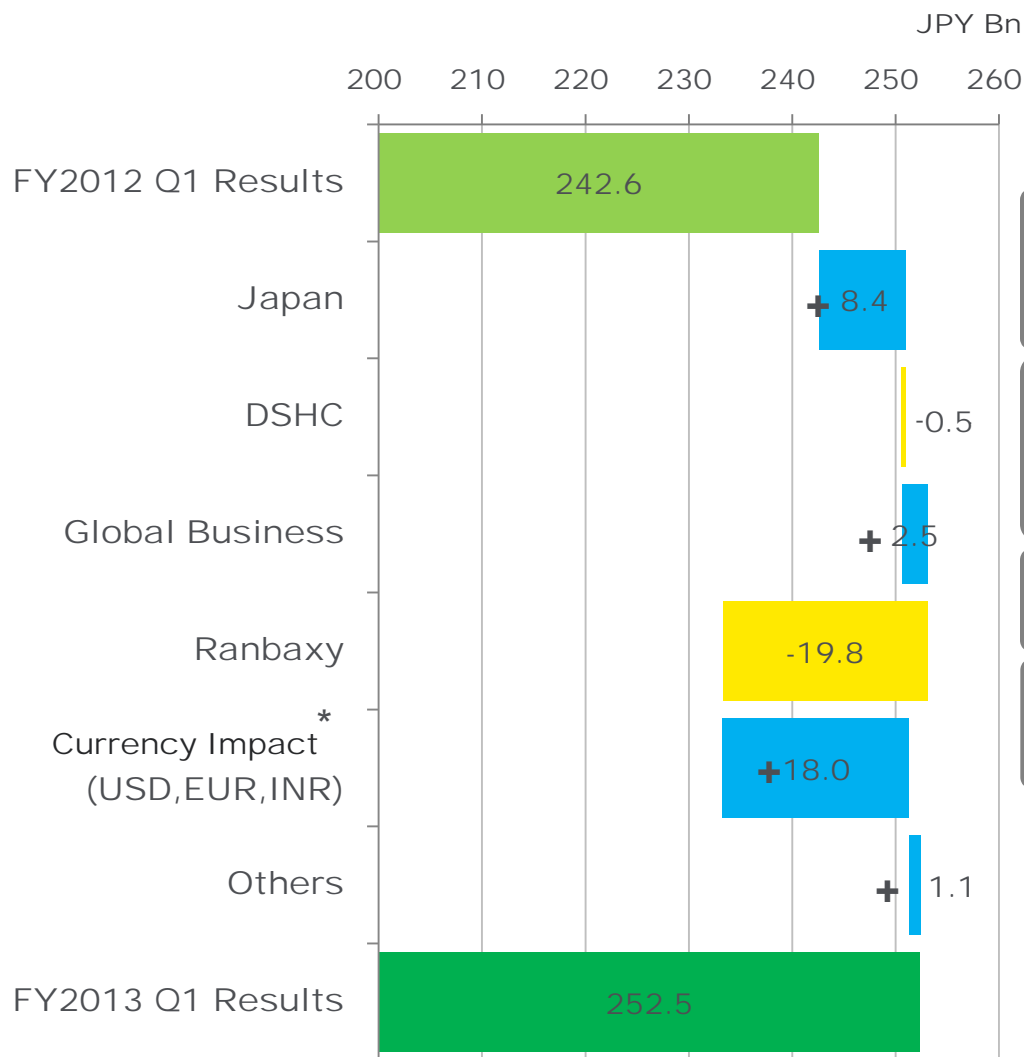
Currency Rate	USD/JPY (average)	80.21	98.76	95.00	95.94
	EUR/JPY (average)	102.91	128.96	125.00	125.99

\* INR/JPY currency rate  
FY2012 1Q=1.59  
FY2013 1Q=1.71

JPY Bn

# Overview of FY2013 1Q Results - compared with FY2012 1Q results -

Net Sales factors



### Japan

Nexium +9.3, Memary +1.5, Vaccines +2.8  
Olmetec -1.6, Mevalotin -1.3

### Global business

- Daiichi Sankyo Inc. (DSI) +1.9
- Luitpold Pharmaceuticals, Inc. (LPI) -4.8
- Daiichi Sankyo Europe GmbH (DSE) +1.3
- Asia, South and Central America (ASCA) +4.1

### Ranbaxy (RLL)

FY2012 1Q: Contribution of Atorvastatin etc.

### Currency Impact

USD: +11.0 EUR: +4.0 INR: +3.0

	FY2012 1Q Results	FY2013 1Q Results
*Currency Rate		
USD/JPY (average)	80.21	98.76
EUR/JPY (average)	102.91	128.96
INR/JPY (average)	1.59	1.71

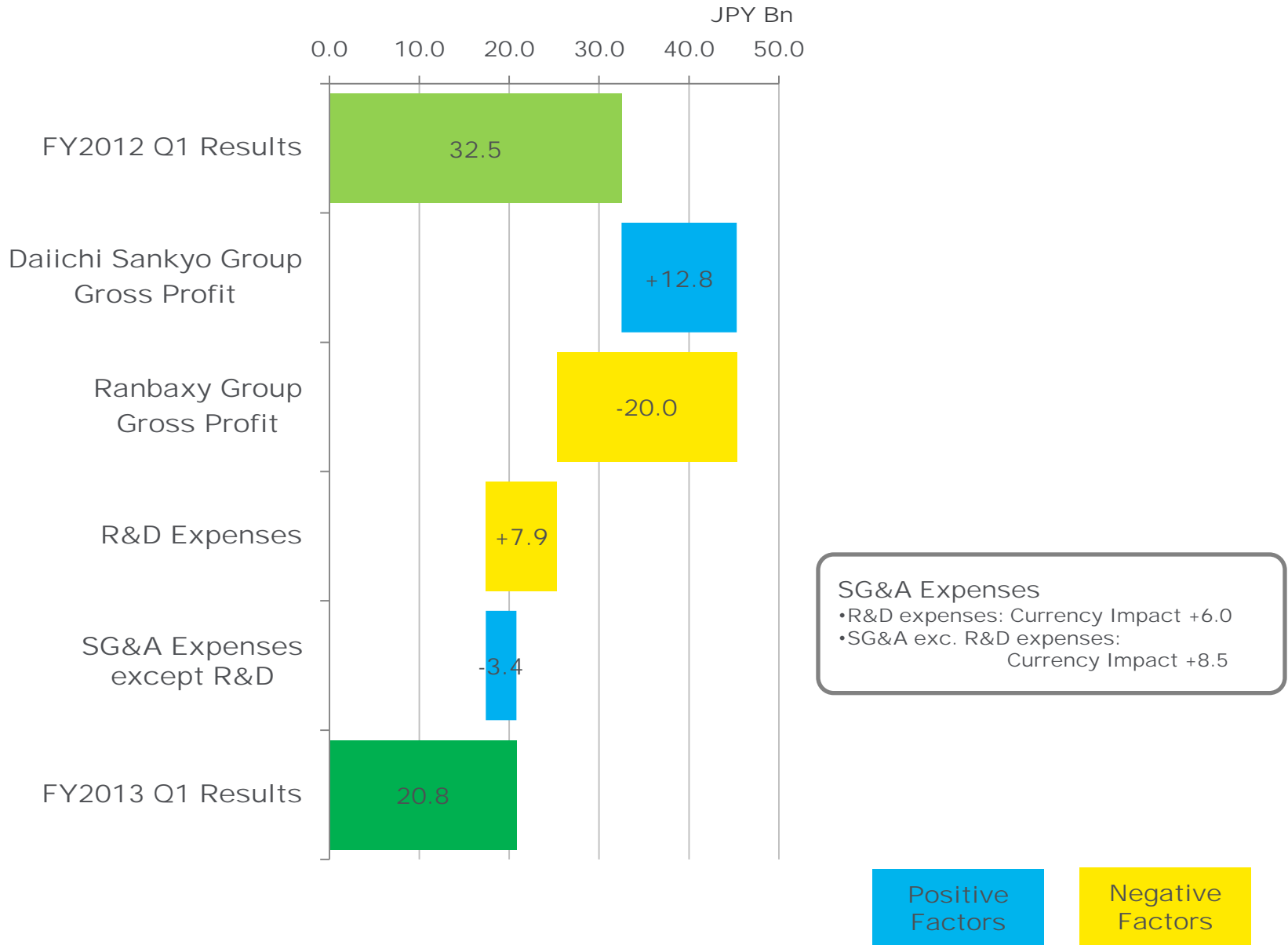
Positive Factors

Negative Factors

# Overview of FY2013 1Q Results

- compared with FY2012 1Q results -

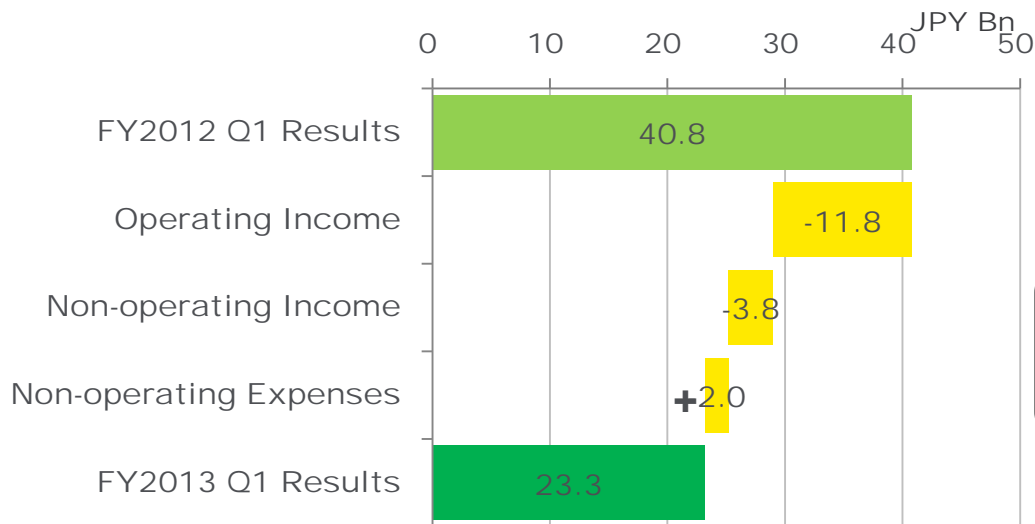
Operating Income factors



# Overview of FY2013 1Q Results

## - compared with FY2012 1Q results -

Ordinary Income

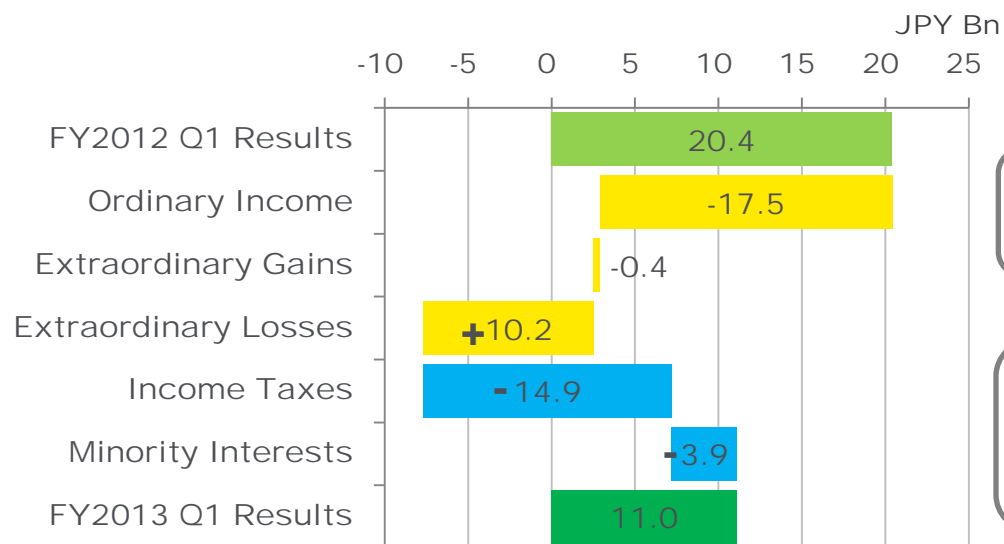


**Non-operating Income / Expenses:**

- Ranbaxy;  
Decrease gain on valuation of derivatives and increase loss on currencies

Positive Factors (Blue box)      Negative Factors (Yellow box)

Net Income



**Extraordinary Losses:**

- Extraordinary loss on provisions for business restructuring at DSE+10.0

**Income Taxes:**

Dividend received from U3 Pharma is considered as devaluation of book value, resulting in tax benefit of 3.7 billion yen.

# FY2013 Revised Forecast

JPY Bn

	Forecast (May-2013)		Revised Forecast (July-2013)			
	2Q (Apr - Sep)	Fiscal year (Apr - Mar)	2Q (Apr - Sep)	Change	Fiscal year (Apr - Mar)	change
Net Sales	520.0	1,080.0	520.0	0	1,080.0	0
Operating Income	50.0	110.0	50.0	0	110.0	0
Ordinary Income	50.0	110.0	40.0	-10.0	100.0	-10.0
Net Income	30.0	68.0	25.0	-5.0	65.0	-3.0

## Reason for the revision

Depreciated Indian Rupee likely to cause derivatives related losses at Ranbaxy in 2Q. Accordingly, forecast for ordinary income has been revised to 40.0 JPY Bn for Q2'13 and 100.0 JPY Bn for full year FY2013, decline of 10.0 JPY Bn.

Consequently, net income forecast for the Q2' 13 has been revised to 25.0 JPY Bn, decline of 5.0 JPY Bn. As DS group also expects gain on sales of unutilized assets, forecast for its full fiscal year has been revised to 65.0 JPY Bn, decline of 3.0 JPY Bn.

		May-2013	July-2013
Currency Rate	USD/JPY (average)	95.00	95.94
	EUR/JPY (average)	125.00	125.99
	INR/JPY (average)	1.75	1.70

# Sales of Major Products in Japan

JPY Bn

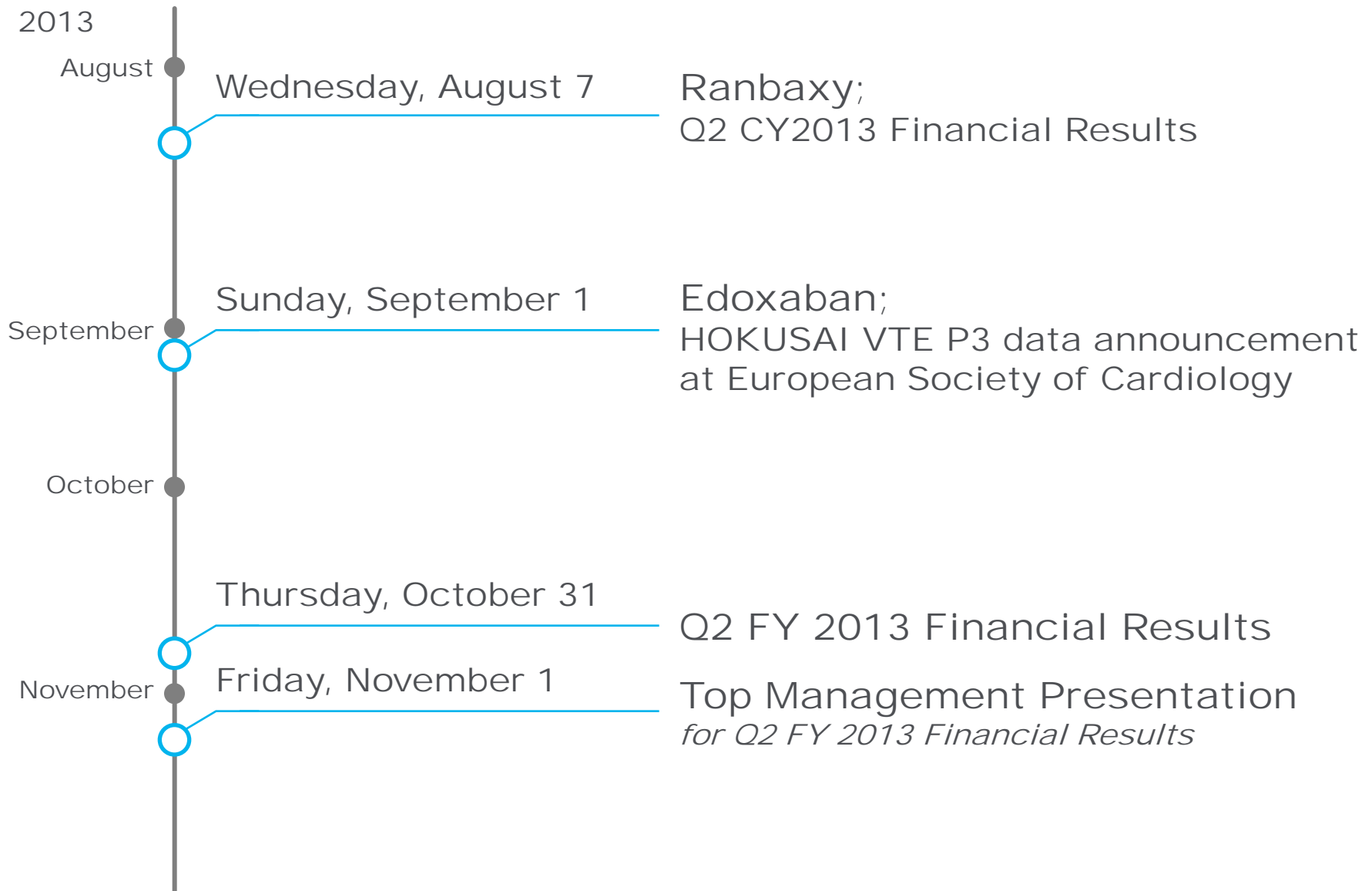
		FY2012 1Q Results	FY2013 1Q Results	FY2013	
				Plan	Progress
Olmotec	anti-hypertension	18.2	16.6	81.0	21%
Rezaltas	anti-hypertension	4.0	4.3	24.0	18%
Loxonin	analgesic and anti-inflammatory	14.1	14.9	61.0	25%
Nexium	anti-ulcer (Proton Pump Inhibitor)	1.7	10.9	38.0	29%
Cravit	antibacterial	8.1	7.6	36.0	21%
Memary	treatment for Alzheimer	5.1	6.6	36.0	18%
Artist	anti-hypertension	5.6	5.4	22.0	25%
Mevalotin	anti-hyperlipidemia	6.5	5.2	23.0	23%
Omnipaque	contrast medium	4.9	4.7	19.0	25%
Urief	treatment for dysuria	2.7	2.7	12.0	22%
Ranmark	treatment for bone metastasis	0.6	1.6	6.0	26%

# Major R&D Pipeline

Therapeutic area	Phase 1	Phase 2	Phase 3	Application
Cardiovascular-Metabolics	<ul style="list-style-type: none"> <li>■ DS-7309 (Anti-diabetes / Glucokinase activator)</li> <li>■ <del>DS-6930 (Anti-diabetes / Selective PPAR-gamma modulator)</del></li> <li>■ DS-8500 (Anti-diabetes / GPR119 agonist)</li> <li>■ DS-1442 (Dyslipidemia / CETP inhibitor)</li> <li>■ DS-1040 (Acute ischemic stroke / TAFIa inhibitor)</li> </ul>	<ul style="list-style-type: none"> <li>■ CS-3150 (JP) (Anti-hypertensive/DM nephropathy / MR antagonist)</li> <li>■ <del>DS-7250 (JP) (Anti-diabetes / DGAT1 inhibitor)</del></li> </ul>	<ul style="list-style-type: none"> <li>■ DU-176b (Global) (edoxaban / AF / oral factor Xa inhibitor)</li> <li>■ DU-176b (Global) (edoxaban / VTE / oral factor Xa inhibitor)</li> <li>■ CS-747 (JP) (prasugrel / ischemic stroke / anti-platelet agent)</li> <li>■ CS-747 (US) (prasugrel / Sickle Cell Disease)</li> </ul>	<ul style="list-style-type: none"> <li>■ CS-747 (JP) (prasugrel / PCI / anti-platelet agent)</li> </ul>
Oncology	<ul style="list-style-type: none"> <li>■ U3-1565 (US/JP) (Anti-HB-EGF antibody)</li> <li>■ DS-2248 (US) (HSP90 inhibitor)</li> <li>■ DS-7423 (US/JP) (PI3K/mTOR inhibitor)</li> <li>■ DS-3078 (US/EU) (mTOR inhibitor)</li> <li>■ <b>DS-3032 (US) (MDM2 inhibitor)</b></li> </ul>	<ul style="list-style-type: none"> <li>■ CS-1008 (Global) (tigatuzumab / anti-DR5 antibody)</li> <li>■ <del>CS-7017 (US/EU) (efatuzumab / PPARγ agonist)</del></li> <li>■ U3-1287 (US/EU) (patritumab / anti-HER3 antibody)</li> <li>■ PLX4032 (US/EU) (vemurafenib / BRAF inhibitor)</li> <li>■ PLX3397 (US) (Fms/Kit/Flt3-ITD inhibitor)</li> </ul>	<ul style="list-style-type: none"> <li>■ ARQ 197 (US/EU) (tivantinib / HCC / Met inhibitor)</li> <li>■ AMG 162 (JP) (denosumab / breast cancer adjuvant / Anti-RANKL antibody)</li> <li>■ DE-766 (JP) (nimotuzumab / NSCLC anti-EGFR antibody)</li> <li>■ DE-766 (JP) (nimotuzumab / Gastric cancer anti-EGFR antibody)</li> </ul>	
Others	<ul style="list-style-type: none"> <li>■ DS-8587 (Anti-bacterial / Topoisomerase inhibitor)</li> <li>■ CS-4771 (Anti-sepsis / TLR4 inhibitor)</li> <li>■ PLX5622 (Rheumatoid arthritis / FMS kinase inhibitor)</li> <li>■ CS-0777 (Immunomodulator / S1P receptor modulator)</li> <li>■ DS-7113 (hydromorphone / Narcotic analgesic / opioid mu-receptor regulator)</li> </ul>	<ul style="list-style-type: none"> <li>■ AMG 162 (JP) (denosumab / rheumatoid arthritis / anti-RANKL anti-body)</li> <li>■ DS-5565 (Global) (Chronic pain / α2δ ligand)</li> <li>■ SUN13837 (US/EU) (Spinal cord injury / Modulator of bFGF signaling system)</li> <li>■ ASB17061 (US) (Atopic Dermatitis / chymase inhibitor)</li> <li>■ <b>CS-8958 (US/EU) (laninamivir / anti-influenza / Outlicensing with Biota)</b></li> </ul>	<ul style="list-style-type: none"> <li>■ DR-3355 (JP) (levofloxacin / anti-infection / New quinolone)</li> </ul>	<ul style="list-style-type: none"> <li>■ CS-8958 (JP) (laninamivir / anti-influenza, prophylactic / Neuraminidase inhibitor)</li> </ul>



# Schedule



## Contact address regarding this material

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