TSE:4568

Reference Data

(Consolidated Financial Results for Q1 FY2016)



July 29, 2016

Daiichi Sankyo Co., Ltd.

http://www.daiichisankyo.com

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1. Consolidated Statement of Profit or Loss

FY2015 Q1

| | F1201 | 3 Q I | | ı | - 12016 Q1 | | | | | F120 | 10 | |
|---|------------------|---------|------------|-------------|------------------|-----------|------------------------------|--|------------|--------------------|----------|---------------|
| JPY Bn | to revenue | Results | to revenue | Results (vs | s. Forecast (%)) | YoY | YoY (%) | | to revenue | Forecast | YoY | YoY (%) |
| Revenue | 100.0% | 238.4 | 100.0% | 241.0 | (26.2%) | 2.6 | +1.1% | Forex impact: -12.6 (USD:-7.8, EUR:-2.0, ASCA:-2.8) | 100.0% | 920.0 | -66.4 | -6.7% |
| Cost of sales | 31.0% | 74.0 | 32.2% | 77.6 | (24.3%) | 3.7 | +4.9% | Forex impact: -1.3 (ASCA:-1.0) | 34.8% | 320.0 | 1.4 | +0.4% |
| (excl. Special items) | 32.0% | 76.3 | 32.2% | 77.6 | | 1.3 | +1.7% | | J | | | |
| (Special items) | -1.0% | -2.4 | - | - | | 2.4 | - | | | | | |
| Gross Profit | 69.0% | 164.5 | 67.8% | 163.4 | (27.2%) | -1.1 | -0.7% | | 65.2% | 600.0 | -67.8 | -10.2% |
| SG&A expenses | 30.0% | 71.6 | 28.8% | 69.5 | (22.4%) | -2.1 | -3.0% — | Forex impact: -3.6 (USD:-1.9, EUR:-0.8, ASCA:-0.9) | 33.7% | 310.0 | -18.8 | -5.7% |
| (excl. Special items) | 31.7% | 75.6 | 28.8% | 69.5 | | -6.1 | -8.0% | 1 | J | | | |
| (Special items) | -1.6% | -3.9 | - | - | | 3.9 | - | | _ | | | |
| R&D expenses | 18.3% | 43.7 | 19.3% | 46.6 | (24.5%) | 2.9 | +6.7% ∠ | Forex impact: -2.4 (USD:-2.1, EUR:-0.2) | 20.7% | 190.0 | -18.7 | -8.9% |
| (excl. Special items) | 18.3% | 43.7 | 19.3% | 46.6 | | 2.9 | +6.7% | (33) 211, 2311. 3.2, |] | | | |
| (Special items) | - | - | - | - | | - | - | | _ | | | |
| Operating Profit | 20.6% | 49.1 | 19.6% | 47.3 | (47.3%) | -1.9 | -3.8% | Forex impact: -5.4 (USD: -3.7, EUR: -0.8, ASCA: -0.9) | 10.9% | 100.0 | -30.4 | -23.3% |
| (Operating Profit before Special items) | 18.0% | 42.9 | 19.6% | 47.3 | | 4.4 | +10.3% | |] 1 | | | |
| Financial income/expenses | | -3.7 | | -1.9 | | 1.9 | < | FY2015: Expenses relating to sale of Sun | | | | |
| Share of profit or loss of investments | | -0.2 | | -0.2 | | -0.0 | ` | Pharma shares etc. FY2016: | | | | |
| accounted for using the equity method | | | | | | | | Increase in forex loss | | | | |
| Profit before tax | 19.0% | 45.2 | 18.8% | 45.2 | (45.2%) | 0.0 | +0.0% | | 10.9% | 100.0 | -22.4 | -18.3% |
| Income taxes | | 11.1 | | 15.1 | | 4.0 | +36.1% | | | | | |
| Profit for the year | 14.3% | 34.1 | 12.5% | 30.1 | | -4.0 | -11.7% | | | | | |
| Profit attributable to owners of the Compan | ny <i>14.7</i> % | 34.9 | 12.7% | 30.6 | (47.1%) | -4.3 | -12.4% | | 7.1% | 65.0 | -17.3 | -21.0% |
| | | | | | | | | Decrease in R&D tax credit | 1 | | | |
| Tax rate | | 24.6% | | 33.4% - | | | | L | _ | | | |
| Overseas sales ratio | | 46.8% | | 42.0% | 0 | | | | | | | |
| 0 5 (4 | | | | | Special item | <u>s</u> | EV0041 | 5V204C 04 | | | D | , |
| Currency Rate (Average) USD/JPY | | 121.37 | | 108.25 | Cost of S | Sales Gai | FY2015 n on sales of subs | | | Currency 110.00 | Rate (Av | <u>erage)</u> |
| EUR/JPY | | 134.16 | | 122.17 | SG&A ex | | n on sales of fixed | <u> </u> | - | 125.00 | | |
| _0 | | | | | R&D exp | | | - | - | | | |
| | | | | | Total | | | -6.3 | - | | | |

FY2016 Q1

Annual impact of one yen change

FY2016

| | Forecast | | | | | |
|------------------|------------|------------|--|--|--|--|
| | USD EL | | | | | |
| Revenue | 2.0 JPY Bn | 0.6 JPY Bn | | | | |
| Operating Profit | minor | minor | | | | |

^{*}At the time of disclosure of this report, the audit/review procedures for financial statements are in progress in accordance with the Financial Instruments and Exchange Act.

^{*}Special items: Items having a transitory and material impact on operating profit are defined as "Special items".

Specifically, gains and losses related to: sale of fixed assets, restructuring, impairment, litigation, etc. amounting to 1 billion JPY or more are defined as "Special items".

| 2. Revenue of Global Products | FY2015 Q1 | FY2016 Q1 | | | | FY2016 | | |
|-----------------------------------|-----------|-----------|--------------------|-------|---------|---------------|-------|---------|
| JPY Bn | Results | Results | (vs. Forecast (%)) | YoY | YoY (%) | Forecast | YoY | YoY (%) |
| Olmesartan antihypertensive agent | 75.6 | 65.7 | ' (31.3%) | -10.0 | -13.2% | 210.0 | -74.1 | -26.1% |
| Olmetec (JPN) | 18.5 | 18.3 | (26.8%) | -0.2 | -1.1% | 68.0 | -5.9 | -7.9% |
| Rezaltas (JPN) | 4.6 | 4.7 | (24.5%) | 0.0 | +1.0% | 19.0 | 0.8 | +4.6% |
| Benicar/Benicar HCT (US) | 19.8 | 17.3 | (41.2%) | -2.5 | -12.7% | 42.0 | -37.5 | -47.1% |
| Azor (US) | 5.8 | 3.3 | (33.5%) | -2.5 | -42.7% | 10.0 | -9.7 | -49.3% |
| Tribenzor (US) | 3.1 | 2.5 | (42.0%) | -0.6 | -19.0% | 6.0 | -6.4 | -51.7% |
| Olmetec/Olmetec Plus (EU) | 8.9 | 7.7 | (32.2%) | -1.2 | -13.0% | 24.0 | -8.8 | -26.9% |
| Sevikar (EU) | 4.5 | 3.6 | (27.6%) | -0.9 | -19.7% | 13.0 | -3.5 | -21.0% |
| Sevikar HCT (EU) | 2.5 | 2.7 | (29.5%) | 0.2 | +8.4% | 9.0 | -0.6 | -6.5% |
| Other subsidiaries, export, etc | 7.9 | 5.6 | (29.5%) | -2.3 | -29.2% | 19.0 | -2.6 | -12.0% |
| Prasugrel antiplatelet agent | 7.8 | 10.9 | - | 3.1 | +39.3% | not disclosed | - | - |
| Effient alliance revenue (US) | 5.2 | 6.0 | - | 0.8 | +14.7% | not disclosed | - | - |
| Efient (EU) | 1.1 | 2.3 | - | 1.2 | +104.5% | not disclosed | - | - |
| Efient (JPN) | 1.2 | 2.5 | (30.9%) | 1.3 | +113.1% | 8.0 | 3.1 | +63.3% |
| Other subsidiaries, export, etc | 0.3 | 0.2 | - | -0.2 | -53.6% | not disclosed | - | - |
| Edoxaban anticoagulant agent | 1.8 | 7.3 | (20.2%) | 5.5 | +298.1% | 36.3 | 21.3 | +141.6% |
| Lixiana (JPN) | 2.1 | 5.5 | (22.0%) | 3.4 | +160.3% | 25.0 | 12.0 | +92.6% |
| Savaysa (US) | -0.3 | 0.3 | (14.9%) | 0.6 | - | 2.0 | 1.6 | +344.5% |
| Lixiana (EU) | 0.0 | 1.4 | (16.1%) | 1.4 | - | 9.0 | 7.5 | +482.3% |
| Other subsidiaries | - | 0.1 | (24.5%) | 0.1 | - | 0.3 | 0.3 | +550.5% |

| Revenue by | Business Units and Products (1) | FY2015 Q1 | | FY2016 0 | | FY2016 | | | |
|------------------|--|-----------|---------|--------------------|------|---------|---------------|-------|---------|
| PY Bn | | Results | Results | (vs. Forecast (%)) | YoY | YoY (%) | Forecast | YoY | YoY (%) |
| ıpan | | 114.2 | 123.4 | (24.9%) | 9.2 | +8.0% | 496.0 | 1.3 | +0.3% |
| Nexium | ulcer treatment | 19.1 | 21.0 | (26.3%) | 1.9 | +10.2% | 80.0 | -2.4 | -2.9% |
| Olmetec | antihypertensive agent | 18.5 | 18.3 | (26.8%) | -0.2 | -1.1% | 68.0 | -5.9 | -7.9% |
| Memary | Alzheimer's disease treatment | 10.2 | 12.1 | (23.8%) | 1.9 | +18.4% | 51.0 | 8.6 | +20.2% |
| Loxonin | anti-inflammatory analgesic | 12.6 | 10.3 | (27.8%) | -2.3 | -18.0% | 37.0 | -11.1 | -23.1% |
| Tenelia | type 2 diabetes mellitus inhibitor | 2.4 | 6.7 | (23.8%) | 4.3 | +181.1% | 28.0 | 11.5 | +69.3% |
| Lixiana | anticoagulant agent | 2.1 | 5.5 | (22.0%) | 3.4 | +160.3% | 25.0 | 12.0 | +92.6% |
| Rezaltas | antihypertensive agent | 4.6 | 4.7 | (24.5%) | 0.0 | +1.0% | 19.0 | 0.8 | +4.6% |
| Pralia | treatment for osteoporosis | 2.6 | 4.1 | (25.7%) | 1.6 | +61.2% | 16.0 | 3.5 | +28.5% |
| Ranmark | treatment for bone complications caused by bone metastases from tumors | 2.9 | 3.4 | (25.9%) | 0.5 | +16.6% | 13.0 | 0.6 | +4.9% |
| Inavir | anti-influenza treatment | 0.0 | 0.6 | (4.2%) | 0.5 | - | 13.0 | -1.0 | -7.3% |
| Cravit | synthetic antibacterial agent | 4.6 | 3.8 | (28.9%) | -0.9 | -18.7% | 13.0 | -5.4 | -29.2% |
| Omnipaque | contrast medium | 4.2 | 3.7 | (30.5%) | -0.6 | -13.3% | 12.0 | -4.9 | -28.8% |
| Urief | treatment for dysuria | 2.9 | 3.0 | (27.3%) | 0.1 | +5.1% | 11.0 | -0.8 | -7.0% |
| Artist | treatment for hypertension, angina pectoris and chronic heart failure | 4.1 | 3.1 | (28.3%) | -1.0 | -24.1% | 11.0 | -4.1 | -27.0% |
| Mevalotin | antihyperlipidemic agent | 3.6 | 2.9 | (29.3%) | -0.6 | -18.0% | 10.0 | -3.4 | -25.6% |
| Efient | antiplatelet agent | 1.2 | 2.5 | (30.9%) | 1.3 | +113.1% | 8.0 | 3.1 | +63.3% |
| Daiichi Sankyo | Espha products | 4.3 | 5.2 | - | 0.9 | +22.1% | not disclosed | - | |
| Vaccines busine | ess | 6.4 | 6.6 | - | 0.3 | +4.2% | not disclosed | - | |
| aiichi Sankyo He | ealthcare (OTC) | 10.8 | 14.8 | (24.7%) | 4.0 | +37.0% | 60.0 | 6.6 | +12.4% |

| 3. Revenue by Business Units and Products (2) | | FY2015 Q1 | FY2016 Q1 | | | | FY2016 | | | |
|---|--|-----------|-----------|--------------------|------|---------|---------------|-------|----------|--|
| JPY Bn | | Results | Results | (vs. Forecast (%)) | YoY | YoY (%) | Forecast | YoY | YoY (%) | |
| Daiichi Sanky | yo, Inc. (US) | 48.0 | 40.7 | (33.1%) | -7.3 | -15.2% | 123.0 | -62.1 | -33.5% | |
| Olmesartar | n antihypertensive agent | 28.8 | 23.2 | (40.0%) | -5.6 | -19.5% | 58.0 | -53.6 | -48.0% | |
| Benicar | /Benicar HCT | 19.8 | 17.3 | (41.2%) | -2.5 | -12.7% | 42.0 | -37.5 | -47.1% | |
| Azor | | 5.8 | 3.3 | (33.5%) | -2.5 | -42.7% | 10.0 | -9.7 | -49.3% | |
| Tribenzo | or | 3.1 | 2.5 | (42.0%) | -0.6 | -19.0% | 6.0 | -6.4 | -51.7% | |
| Welchol | hypercholesterolemia treatment/ type 2 diabetes mellitus inhibitor | 13.5 | 10.0 | (27.0%) | -3.6 | -26.3% | 37.0 | -11.4 | -23.5% | |
| Effient | antiplatelet agent | 5.2 | 6.0 | - | 0.8 | +14.7% | not disclosed | - | - | |
| Savaysa | anticoagulant agent | -0.3 | 0.3 | (14.9%) | 0.6 | - | 2.0 | 1.6 | +344.5% | |
| Movantik | opioid-induced constipation treatment | 0.2 | 0.9 | - | 0.7 | +431.4% | not disclosed | - | - | |
| Luitpold Phar | rmaceuticals, Inc. (US) | 21.5 | 22.0 | (23.9%) | 0.4 | +2.0% | 92.0 | 1.0 | +1.1% | |
| Venofer | treatment for iron deficiency anemia | 9.1 | 7.4 | (29.5%) | -1.7 | -18.8% | 25.0 | -6.2 | -19.9% | |
| Injectafer | treatment for iron deficiency anemia | 3.9 | 5.9 | (21.9%) | 2.0 | +52.4% | 27.0 | 8.4 | +44.9% | |
| Daiichi Sanky | o Europe GmbH | 20.2 | 20.4 | (27.6%) | 0.2 | +1.2% | 74.0 | -3.8 | -4.9% | |
| Olmesartar | antihypertensive agent | 15.8 | 14.0 | (30.4%) | -1.8 | -11.6% | 46.0 | -12.9 | -21.9% | |
| Olmeted | c/Olmetec Plus | 8.9 | 7.7 | (32.2%) | -1.2 | -13.0% | 24.0 | -8.8 | -26.9% | |
| Sevikar | | 4.5 | 3.6 | (27.6%) | -0.9 | -19.7% | 13.0 | -3.5 | -21.0% | |
| Sevikar | HCT | 2.5 | 2.7 | (29.5%) | 0.2 | +8.4% | 9.0 | -0.6 | -6.5% | |
| Efient | antiplatelet agent | 1.1 | 2.3 | - | 1.2 | +104.5% | not disclosed | - | <u>-</u> | |
| Lixiana | anticoagulant agent | 0.0 | 1.4 | (16.1%) | 1.4 | - | 9.0 | 7.5 | +482.3% | |
| Asia, South a | and Central America (ASCA) | 21.4 | 17.7 | (25.0%) | -3.7 | -17.2% | 71.0 | -4.3 | -5.8% | |
| Daiichi Sar | nkyo China | 7.9 | 8.2 | - | 0.3 | +4.2% | not disclosed | - | | |
| Daiichi Sar | nkyo Taiwan | 1.4 | 1.3 | - | -0.1 | -7.9% | not disclosed | - | - | |
| Daiichi Sar | nkyo Korea | 2.4 | 2.1 | - | -0.3 | -12.7% | not disclosed | - | - | |
| Daiichi Sar | nkyo Thailand | 0.8 | 0.6 | - | -0.2 | -28.8% | not disclosed | - | | |
| Daiichi Sar | nkyo Brasil Farmacêutica | 2.6 | 2.0 | - | -0.6 | -22.6% | not disclosed | - | | |
| Daiichi Sar | nkyo Venezuela | 3.1 | 0.0 | - | -3.1 | -99.7% | not disclosed | - | - | |

| 3. Revenue by Business Units and Products (3) | FY2015 Q1 | | FY2016 Q1 | | | | FY2016 | | |
|--|-----------|-----------|-------------------|-----|---------|---------------|--------|---------|--|
| [Reference] Revenue in Local Currency | Results | Results (| vs. Forecast (%)) | YoY | YoY (%) | Forecast | YoY | YoY (%) | |
| USD Mn | | | | | | | | | |
| Daiichi Sankyo, Inc. (US) | 396 | 376 | (33.6%) | -19 | -4.9% | 1,118 | -422 | -27.4% | |
| Olmesartan antihypertensive agent | 237 | 214 | (40.6%) | -23 | -9.7% | 527 | -402 | -43.2% | |
| Benicar/Benicar HCT | 163 | 160 | (41.9%) | -4 | -2.2% | 382 | -280 | -42.3% | |
| Azor | 48 | 31 | (34.0%) | -17 | -35.8% | 91 | -73 | -44.7% | |
| Tribenzor | 26 | 23 | (42.7%) | -2 | -9.2% | 55 | -49 | -47.2% | |
| Welchol hypercholesterolemia treatment/ type 2 diabetes mellitus inhibitor | 112 | 92 | (27.4%) | -19 | -17.4% | 336 | -66 | -16.5% | |
| Effient antiplatelet agent | 43 | 55 | - | 12 | +28.6% | not disclosed | - | - | |
| Savaysa anticoagulant agent | -2 | 3 | (15.2%) | 5 | - | 18 | 14 | +385.4% | |
| Movantik opioid-induced constipation treatment | 1 | 8 | - | 7 | +495.8% | not disclosed | - | - | |
| USD Mn | | | | | | | | | |
| Luitpold Pharmaceuticals, Inc. (US) | 177 | 203 | (24.3%) | 26 | +14.4% | 836 | 79 | +10.4% | |
| Venofer treatment for iron deficiency anemia | 75 | 68 | (30.0%) | -7 | -8.9% | 227 | -33 | -12.5% | |
| Injectafer treatment for iron deficiency anemia | 32 | 55 | (22.3%) | 23 | +70.9% | 245 | 90 | +58.2% | |
| EUR Mn | | | | | | | | | |
| Daiichi Sankyo Europe GmbH | 151 | 167 | (28.3%) | 17 | +11.1% | 592 | 5 | +0.9% | |
| Olmesartan antihypertensive agent | 118 | 114 | (31.1%) | -3 | -2.9% | 368 | -76 | -17.2% | |
| Olmetec/Olmetec Plus | 66 | 63 | (33.0%) | -3 | -4.4% | 192 | -56 | -22.4% | |
| Sevikar | 33 | 29 | (28.2%) | -4 | -11.8% | 104 | -20 | -16.3% | |
| Sevikar HCT | 18 | 22 | (30.2%) | 3 | +19.0% | 72 | -1 | -0.8% | |
| Efient antiplatelet agent | 8 | 19 | - | 10 | +124.5% | not disclosed | - | - | |
| Lixiana anticoagulant agent | 0 | 12 | (16.5%) | 12 | - | 72 | 60 | +517.6% | |

4. Consolidated Statement of Financial Position

<Assets> JPY Bn

| | Mar. 2016 | Jun. 2016 | vs. Mar. 2016 |
|---|-----------|-----------|---------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 222.2 | 258.9 | 36.7 |
| Trade and other receivables | 248.8 | 246.3 | -2.5 |
| Other financial assets | 493.8 | 419.8 | -73.9 |
| Inventories | 144.3 | 144.1 | -0.2 |
| Other current assets | 15.2 | 16.6 | 1.4 |
| Subtotal | 1,124.2 | 1,085.7 | -38.5 |
| Assets held for sale | 1.1 | 1.0 | -0.0 |
| Total current assets | 1,125.3 | 1,086.7 | -38.5 |
| Non-current assets | | | |
| Property, plant and equipment | 250.2 | 242.9 | -7.3 |
| Goodwill | 78.7 | 73.8 | -4.9 |
| Intangible assets | 210.4 | 206.5 | -3.9 |
| Investments accounted for using the equity method | 1.2 | 1.0 | -0.2 |
| Other financial assets | 168.2 | 158.1 | -10.1 |
| Deferred tax assets | 55.7 | 62.7 | 7.0 |
| Other non-current assets | 10.9 | 10.7 | -0.2 |
| Total non-current assets | 775.3 | 755.7 | -19.5 |
| Total assets | 1,900.5 | 1,842.4 | -58.1 |
| * Liquidity on hand | 714.7 | 677.8 | -36.9 |
| Debt with interest | 203.6 | 203.0 | |
| Net Cash | 511.1 | 474.8 | -36.3 |

Forex loss

Forex loss

Acquisition +9.8, Amortization -3.6, Forex loss -10.0

Evaluation loss -10.5

| | Mar. 2016 | Jun. 2016 | vs. Mar. 2016 |
|--|-----------|-----------|---------------|
| iabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 241.8 | 231.2 | -10.6 |
| Bonds and borrowings | 20.0 | 20.0 | - |
| Other financial liabilities | 0.8 | 0.6 | -0.2 |
| Income taxes payable | 53.9 | 64.3 | 10.3 |
| Provisions | 28.3 | 22.9 | -5.4 |
| Other current liabilities | 34.8 | 36.4 | 1.6 |
| Total current liabilities | 379.7 | 375.4 | -4.3 |
| Non-current liabilities | | | |
| Bonds and borrowings | 181.0 | 181.0 | - |
| Other financial liabilities | 9.1 | 9.0 | -0.1 |
| Post employment benefit liabilities | 14.0 | 14.1 | 0.1 |
| Provisions | 12.3 | 11.9 | -0.3 |
| Deferred tax liabilities | 33.7 | 30.7 | -3.0 |
| Other non-current liabilities | 37.2 | 33.5 | -3.6 |
| Total non-current liabilities | 287.3 | 280.3 | -7.0 |
| Total liabilities | 667.0 | 655.6 | -11.4 |
| quity | | | |
| Equity attributable to owners of the Company | | | |
| Share capital | 50.0 | 50.0 | - |
| Capital surplus | 103.9 | 103.8 | -0.1 |
| Treasury shares | -64.2 | -71.5 | -7.3 |
| Other components of equity | 146.7 | 98.5 | -48.3 |
| Retained earnings | 994.9 | 1,005.0 | 10.1 |
| Total equity attributable to owners of the Company | 1,231.4 | 1,185.8 | -45.6 |
| Non-controlling interests | | | |
| Non-controlling interests | 2.1 | 1.0 | -1.1 |
| Total equity | 1,233.5 | 1,186.8 | -46.7 |
| otal liabilities and equity | 1,900.5 | 1,842.4 | -58.1 |

Acquisition -7.3 (3 million shares)

Forex loss

Profit for the period +30.6,
Dividends -20.5

5. Consolidated Statement of Cash Flows

JPY Bn

| | FY2015 Q1 | FY2016 Q1 | YoY |
|---|-----------|-----------|--------|
| Cash flows from operating activities | | | |
| Profit before tax | 45.2 | 45.2 | 0.0 |
| Depreciation and amortization | 10.6 | 10.9 | 0.3 |
| (Increase) decrease in receivables and payables | -17.0 | -10.3 | 6.8 |
| Other, net | -2.6 | -6.3 | -3.7 |
| Income taxes paid | -10.4 | -6.5 | 3.9 |
| Net cash flows from operating activities | 25.7 | 33.0 | 7.2 |
| Cash flows from investing activities | | | |
| Net (increase) decrease in time deposits and securities | -277.2 | 58.0 | 335.3 |
| (Acquisition of) proceeds from sales of fixed assets | -26.9 | -6.9 | 20.0 |
| Proceeds from sale of subsidiary | 7.0 | - | -7.0 |
| Net (increase) decrease in investment securities | 373.8 | -0.8 | -374.6 |
| Other, net | -3.2 | 0.0 | 3.3 |
| Net cash flows from investing activities | 73.4 | 50.4 | -23.0 |
| Cash flows from financing activities | | | |
| Net (increase) decrease in borrowings | -0.0 | - | 0.0 |
| Purchase of treasury shares | -24.1 | -7.3 | 16.8 |
| Dividends paid | -21.2 | -20.5 | 0.6 |
| Other, net | -7.9 | -6.8 | 1.1 |
| Net cash flows from financing activities | -53.2 | -34.7 | 18.5 |
| Net increase (decrease) in cash and cash equivalents | 45.9 | 48.6 | 2.7 |
| Cash and cash equivalents at the beginning of the period | 189.4 | 222.2 | 32.8 |
| Effect of exchange rate changes on cash and cash equivalents | 3.1 | -11.9 | -15.0 |
| Cash and cash equivalents at the end of the period | 238.4 | 258.9 | 20.5 |
| * Free cash flows (Cash flows from operating activities and investing activities) | 99.1 | 83.3 | -15.8 |

FY2015: Increase in time deposits and securities

FY2015: Sale of Sun Pharma shares

6. Number of Employees

| | Jun. 2015 | Mar. 2016 | Jun. 2016 |
|---------------|-----------|-----------|-----------|
| | Results | Results | Results |
| Consolidated | 16,460 | 15,249 | 15,306 |
| Japan | 8,619 | 8,589 | 8,762 |
| North America | 3,285 | 2,321 | 2,523 |
| Europe | 2,092 | 1,997 | 1,859 |
| Others | 2,464 | 2,342 | 2,162 |

7. Capital Expenditure and Depreciation and Amortization

| | | FY2015 Q1 | FY2015 | FY2016 Q1 | FY2016 |
|-------------------------------|--------|-----------|---------|-----------|----------|
| | JPY Bn | Results | Results | Results | Forecast |
| Capital expenditure | · | 5.8 | 23.3 | 3.9 | 33.0 |
| Depreciation and amortization | | 10.6 | 44.3 | 10.9 | 46.0 |
| Property,plant and equipment | | 6.5 | 28.0 | 7.3 | - |
| Intangible assets | | 4.0 | 16.3 | 3.6 | - |

8. Summary of Product Outlines

| Brand Name | Generic Name | Therapeutic Category | <u>Launched</u> | Origin | Marketing Alliance | Type of Alliance |
|------------------------------------|---|--|-----------------|----------------------------------|--------------------|-----------------------------------|
| Japan | | | | | | |
| Nexium | esomeprazole | ulcer treatment | 2011 | AstraZeneca | AstraZeneca | Co-promotion (DS: Sales) |
| Olmetec | olmesartan | antihypertensive agent | 2004 | Daiichi Sankyo | | |
| Memary | memantine | Alzheimer's disease treatment | 2011 | Merz | | |
| Loxonin | | | 1986 | Daiichi Sankyo | | |
| Loxonin Poultice | loxoprofen | anti-inflammatory analgesic | 2006 | Lead Chemical | | |
| Loxonin Tape | юхоргоген | and milanimatory analgesic | 2008 | Lead Chemical | | |
| Loxonin Gel | | | 2010 | Daiichi Sankyo | | |
| Tenelia | teneligliptin | type 2 diabetes mellitus inhibitor | 2012 | Mitsubishi Tanabe | Mitsubishi Tanabe | Co-promotion (DS: Sales) |
| Lixiana | edoxaban | anticoagulant agent | 2011 | Daiichi Sankyo | | |
| Rezaltas | olmesartan / azelnidipine | antihypertensive agent | 2010 | Daiichi Sankyo | | |
| Pralia | denosumab | treatment for osteoporosis | 2013 | Amgen | | |
| Ranmark | denosumab | treatment for bone complications caused by bone metastases from tumors | 2012 | Amgen | | |
| Inavir | laninamivir | anti-influenza treatment | 2010 | Daiichi Sankyo | | |
| Cravit | levofloxacin | synthetic antibacterial agent | 1993 | Daiichi Sankyo | | |
| Omnipaque | iohexol | contrast medium | 1987 | GE Healthcare | | |
| Urief | silodosin | treatment for dysuria | 2006 | Kissei | Kissei | Co-marketing |
| Artist | carvedilol | treatment for hypertension, angina pectoris and chronic heart failure | 1993 | Roche | | |
| Mevalotin | pravastatin | antihyperlipidemic agent | 1989 | Daiichi Sankyo | | |
| Efient | prasugrel | antiplatelet agent | 2014 | Daiichi Sankyo Ube Industries | | |
| aiichi Sankyo, Inc. (US) | | | | | | |
| Olmesartan | | | | | | |
| Benicar | olmesartan | | 2002 | | | |
| Benicar HCT | olmesartan / hydrochlorothiazide | antihypertensive agent | 2003 | Daiichi Sankyo | | |
| Azor | olmesartan / amlodipine | anunypertensive agent | 2007 | Dalichi Sankyo | | |
| Tribenzor | olmesartan / amlodipine / hydrochlorothiazide | | 2010 | | | |
| Welchol | colesevelam | hypercholesterolemia treatment/ type 2 diabetes mellitus inhibitor | 2000 | Genzyme | | |
| Effient | prasugrel | antiplatelet agent | 2009 | Daiichi Sankyo Ube Industries | Lilly | Co-promotion (DS: Co-pro revenue) |
| Savaysa | edoxaban | anticoagulant agent | 2015 | Daiichi Sankyo | | |
| Movantik | naloxegol | opioid-induced constipation treatment | 2015 | Nektar AstraZeneca | AstraZeneca | Co-promotion (DS: Co-pro revenue) |
| uitpold Pharmaceuticals, Inc. (US) | | | | | | |
| Venofer | iron sucrose injection | treatment for iron deficiency anemia | 2000 | Vifor Pharma | Fresenius | Co-marketing |
| Injectafer | ferric carboxymaltose injection | treatment for iron deficiency anemia | 2013 | Vifor Pharma | | |
| aiichi Sankyo Europe GmbH | | | | | | |
| Olmesartan | | | | | | |
| Olmetec | olmesartan | | 2002 | | | |
| Olmetec Plus | olmesartan / hydrochlorothiazide | antihypertensive agent | 2005 | Daiichi Sankyo | Menarini | Co-marketing |
| Sevikar | olmesartan / amlodipine | , p | 2009 | | Pfizer | 22 |
| Sevikar HCT | olmesartan / amlodipine / hydrochlorothiazide | | 2010 | | | |
| Efient | prasugrel | antiplatelet agent | 2009 | Daiichi Sankyo Ube Industries | | |
| Lixiana | edoxaban | anticoagulant agent | 2015 | Daiichi Sankyo | Merck (MSD) | Co-marketing |

<9. Quarterly Data>

1. Consolidated Statement of Profit or Loss FY2016 FY2016 FY2016 FY2015 FY2015 FY2015 FY2016 FY2015 FY2015 FY2016 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Results Results Results to revenue Results YoY YoY (%) Results Results to revenue Results Results Results Results JPY Bn +7.3% 238.4 240.4 279.8 227.9 986.4 241.0 100.0% 241.0 Revenue 100.0% 67.1 77.6 Cost of sales 74.0 75.0 88.88 80.9 32.3% 318.6 -4.5 -1.49 77.6 32.2% 76.3 76.1 315.6 +10.4% 77.6 77.6 (excl. Special items) 88.8 74.4 32.0% 29.7 32.2% (Special items) -2.4 -1.1 6.5 0.3% 3.0 -34.1 -91.8% **Gross Profit** 164.5 165.4 191.0 147.0 67.7% 667.8 71.5 163.4 67.8% 163.4 +12.0% 71.6 SG&A expenses 72.8 87.8 96.5 33.3% 328.8 -2.4 -0.7% 69.5 69.5 28.8% 75.6 (excl. Special items) 77.1 81.7 84.6 32.3% 319.0 0.3 +0.1% 69.5 69.5 28.8% (Special items) -3.9 -4.3 6.1 11.9 1.0% 9.8 -2.8 -22.1% R&D expenses 43.7 44.7 49.8 70.5 21.2% 208.7 18.0 +9.4% 46.6 19.3% 46.6 (excl. Special items) 43.7 44.7 49.5 65.2 20.6% 203.0 16.8 +9.0% 46.6 19.3% 46.6 (Special items) 0.3 5.4 0.6% 5.6 1.2 +27.0% **Operating Profit** 49.1 47.9 53.4 -20.0 13.2% 130.4 56.0 +75.2% 47.3 19.6% 47.3 (Operating Profit before Special items) 42.9 42.5 59.8 3.7 15.1% 148.9 20.3 +15.8% 47.3 19.6% 47.3 Financial income/expenses -2.1 -2.9 -7.7 -1.9 -3.7 1.0 -14.2 -1.9 -0.1 0.2 -0.2 Share of profit or loss of investments -0.2 -0.2 -0.3 0.6 -0.2accounted for using the equity method 122.4 **Profit before tax** 45.2 45.6 54.6 -23.0 12.4% 42.5 +53.1% 45.2 18.8% 45.2 Income taxes 11.1 10.3 14.7 5.9 42.0 5.6 +15.4% 15.1 15.1 35.3 Profit for the year 34.1 39.9 -28.9 8.2% 80.4 36.8 +84.5% 30.1 12.5% 30.1 34.9 35.8 40.0 -28.4 8.3% 82.3 35.8 +77.1% 30.6 12.7% 30.6 Profit attributable to owners of the Company Tax rate 24.6% 22.5% 27.0% -25.5% 34.3% 33.4% 33.4% Overseas sales ratio 46.8% 46.2% 40.6% 41.5% 43.7% 42.0% 42.0% Currency Rate (Average) USD/JPY 121.37 121.80 121.70 120.14 120.14 108.25 108.25 **EUR/JPY** 134.16 135.07 134.37 132.57 132.57 122.17 122.17

<9. Quarterly Data>

| 2. Revenue of Global Products | FY2015 Q1 | FY2015 Q2 | FY2015 Q3 | FY2015 Q4 | F | Y2015 | | FY2016 Q1 | FY2016 Q2 | FY2016 Q3 | FY2016 Q4 | FY2016 |
|---------------------------------|-----------|-----------|-----------|-----------|---------|-------|---------|-----------|-----------|-----------|-----------|---------|
| JPY Bn | Results | Results | Results | Results | Results | YoY | YoY (%) | Results | Results | Results | Results | Results |
| | | | | | | | | | | | | |
| Olmesartan | 75.6 | 71.9 | 80.9 | 55.7 | 284.1 | -9.4 | -3.2% | 65.7 | | | | 65.7 |
| Olmetec (JPN) | 18.5 | 17.7 | 24.3 | 13.4 | 73.9 | -2.5 | -3.2% | 18.3 | | | | 18.3 |
| Rezaltas (JPN) | 4.6 | 4.3 | 5.2 | 4.1 | 18.2 | -0.2 | -1.3% | 4.7 | | | | 4.7 |
| Benicar/Benicar HCT (US) | 19.8 | 20.5 | 22.8 | 16.3 | 79.5 | 2.5 | +3.2% | 17.3 | | | | 17.3 |
| Azor (US) | 5.8 | 4.6 | 5.2 | 4.1 | 19.7 | 1.5 | +8.1% | 3.3 | | | | 3.3 |
| Tribenzor (US) | 3.1 | 3.2 | 3.3 | 2.8 | 12.4 | 1.1 | +9.8% | 2.5 | | | | 2.5 |
| Olmetec/Olmetec Plus (EU) | 8.9 | 8.2 | 7.8 | 7.9 | 32.8 | -4.9 | -13.1% | 7.7 | | | | 7.7 |
| Sevikar (EU) | 4.5 | 4.1 | 3.5 | 4.4 | 16.5 | -1.1 | -6.3% | 3.6 | | | | 3.6 |
| Sevikar HCT (EU) | 2.5 | 2.2 | 2.8 | 2.2 | 9.6 | -0.3 | -2.7% | 2.7 | | | | 2.7 |
| Other subsidiaries, export, etc | 7.9 | 7.1 | 6.0 | 0.5 | 21.6 | -5.4 | -20.2% | 5.6 | | | | 5.6 |
| | | | | | | | | | | | | |
| Prasugrel | 7.8 | 7.4 | 8.7 | 8.2 | 32.2 | 7.3 | +29.4% | 10.9 | | | | 10.9 |
| Effient alliance revenue (US) | 5.2 | 5.4 | 5.8 | 4.3 | 20.7 | 3.2 | +18.1% | 6.0 | | | | 6.0 |
| Efient (EU) | 1.1 | 1.1 | 1.1 | 2.1 | 5.4 | 0.6 | +13.0% | 2.3 | | | | 2.3 |
| Efient (JPN) | 1.2 | 0.6 | 1.5 | 1.6 | 4.9 | 4.2 | +613.5% | 2.5 | | | | 2.5 |
| Other subsidiaries, export, etc | 0.3 | 0.4 | 0.3 | 0.2 | 1.2 | -0.7 | -36.5% | 0.2 | | | | 0.2 |
| | | | | | | | | | | | | |
| Edoxaban | 1.8 | 3.5 | 5.2 | 4.5 | 15.0 | 10.7 | +251.1% | 7.3 | | | | 7.3 |
| Lixiana (JPN) | 2.1 | 3.2 | 4.2 | 3.4 | 13.0 | 9.4 | +262.6% | 5.5 | | | | 5.5 |
| Savaysa (US) | -0.3 | 0.1 | 0.5 | 0.2 | 0.4 | -0.2 | -35.6% | 0.3 | | | | 0.3 |
| Lixiana (EU) | 0.0 | 0.1 | 0.5 | 0.9 | 1.5 | 1.5 | - | 1.4 | | | | 1.4 |
| Other subsidiaries | - | - | - | 0.0 | 0.0 | 0.0 | - | 0.1 | | | | 0.1 |

| 3. Revenue by Business Units and Products (1) | FY2015 Q1 | FY2015 Q2 | FY2015 Q3 | FY2015 Q4 | F | Y2015 | FY2016 Q1 | FY2016 Q2 | FY2016 Q3 | FY2016 Q4 | FY2016 |
|---|-----------|-----------|-----------|-----------|---------|-------------|-----------|-----------|-----------|-----------|---------|
| JPY Bn | Results | Results | Results | Results | Results | YoY YoY (%) | Results | Results | Results | Results | Results |
| Japan | 114.2 | 113.6 | 149.6 | 117.2 | 494.7 | 14.2 +2.9% | 123.4 | | | | 123.4 |
| Nexium | 19.1 | 19.6 | 23.3 | 20.4 | 82.4 | 13.1 +18.8% | 21.0 | | | | 21.0 |
| Olmetec | 18.5 | 17.7 | 24.3 | 13.4 | 73.9 | -2.5 -3.2% | 18.3 | | | | 18.3 |
| Memary | 10.2 | 10.2 | 12.2 | 9.7 | 42.4 | 5.6 +15.3% | 12.1 | | | | 12.1 |
| Loxonin | 12.6 | 11.8 | 13.9 | 9.9 | 48.1 | -1.4 -2.8% | 10.3 | | | | 10.3 |
| Tenelia | 2.4 | 3.0 | 6.6 | 4.6 | 16.5 | 9.0 +118.9% | 6.7 | | | | 6.7 |
| Lixiana | 2.1 | 3.2 | 4.2 | 3.4 | 13.0 | 9.4 +262.6% | 5.5 | | | | 5.5 |
| Rezaltas | 4.6 | 4.3 | 5.2 | 4.1 | 18.2 | -0.2 -1.3% | 4.7 | | | | 4.7 |
| Pralia | 2.6 | 2.8 | 3.7 | 3.4 | 12.5 | 5.1 +70.1% | 4.1 | | | | 4.1 |
| Ranmark | 2.9 | 3.0 | 3.5 | 3.0 | 12.4 | 2.2 +22.0% | 3.4 | | | | 3.4 |
| Inavir | 0.0 | 0.0 | 2.5 | 11.5 | 14.0 | -2.6 -15.4% | 0.6 | | | | 0.6 |
| Cravit | 4.6 | 4.4 | 5.6 | 3.8 | 18.4 | -9.5 -34.0% | 3.8 | | | | 3.8 |
| Omnipaque | 4.2 | 4.2 | 4.8 | 3.6 | 16.9 | -0.3 -1.9% | 3.7 | | | | 3.7 |
| Urief | 2.9 | 2.8 | 3.3 | 2.8 | 11.8 | 0.3 +2.8% | 3.0 | | | | 3.0 |
| Artist | 4.1 | 3.8 | 4.2 | 3.0 | 15.1 | -3.0 -16.8% | 3.1 | | | | 3.1 |
| Mevalotin | 3.6 | 3.4 | 3.8 | 2.7 | 13.4 | -2.7 -16.9% | 2.9 | | | | 2.9 |
| Efient | 1.2 | 0.6 | 1.5 | 1.6 | 4.9 | 4.2 +613.5% | 2.5 | | | | 2.5 |
| Daiichi Sankyo Espha products | 4.3 | 4.3 | 5.6 | 4.3 | 18.5 | 3.6 +23.9% | 5.2 | | | | 5.2 |
| Vaccines business | 6.4 | 8.0 | 15.6 | 6.8 | 36.8 | 4.6 +14.2% | 6.6 | | | | 6.6 |
| Daiichi Sankyo Healthcare (OTC) | 10.8 | 13.8 | 15.2 | 13.5 | 53.4 | 5.5 +11.6% | 14.8 | | | | 14.8 |

| 3. Revenue by Business Units and Products (2) | FY2015 Q1 | FY2015 Q2 | FY2015 Q3 | FY2015 Q4 | F | Y2015 | | FY2016 Q1 | FY2016 Q2 | FY2016 Q3 | FY2016 Q4 | FY2016 |
|---|-----------|-----------|-----------|-----------|---------|-------|---------|-----------|-----------|-----------|-----------|---------|
| JPY Bn | Results | Results | Results | Results | Results | YoY | YoY (%) | Results | Results | Results | Results | Results |
| Daiichi Sankyo, Inc. (US) | 48.0 | 45.4 | 52.1 | 39.6 | 185.1 | 12.1 | +7.0% | 40.7 | | | | 40.7 |
| Olmesartan | 28.8 | 28.3 | 31.3 | 23.2 | 111.6 | 5.1 | +4.7% | 23.2 | | | | 23.2 |
| Benicar/Benicar HCT | 19.8 | 20.5 | 22.8 | 16.3 | 79.5 | 2.5 | +3.2% | 17.3 | | | | 17.3 |
| Azor | 5.8 | 4.6 | 5.2 | 4.1 | 19.7 | 1.5 | +8.1% | 3.3 | | | | 3.3 |
| Tribenzor | 3.1 | 3.2 | 3.3 | 2.8 | 12.4 | 1.1 | +9.8% | 2.5 | | | | 2.5 |
| Welchol | 13.5 | 10.6 | 13.5 | 10.7 | 48.4 | 1.0 | +2.1% | 10.0 | | | | 10.0 |
| Effient | 5.2 | 5.4 | 5.8 | 4.3 | 20.7 | 3.2 | +18.1% | 6.0 | | | | 6.0 |
| Savaysa | -0.3 | 0.1 | 0.5 | 0.2 | 0.4 | -0.2 | -35.6% | 0.3 | | | | 0.3 |
| Movantik | 0.2 | 0.4 | 0.7 | 0.7 | 2.0 | 2.0 | - | 0.9 | | | | 0.9 |
| Luitpold Pharmaceuticals, Inc. (US) | 21.5 | 24.9 | 22.6 | 22.0 | 91.0 | 33.6 | +58.6% | 22.0 | | | | 22.0 |
| Venofer | 9.1 | 6.9 | 8.4 | 6.8 | 31.2 | 2.6 | +9.2% | 7.4 | | | | 7.4 |
| Injectafer | 3.9 | 4.0 | 5.0 | 5.8 | 18.6 | 11.0 | +143.9% | 5.9 | | | | 5.9 |
| Daiichi Sankyo Europe GmbH | 20.2 | 19.0 | 18.8 | 19.7 | 77.8 | -5.7 | -6.9% | 20.4 | | | | 20.4 |
| Olmesartan | 15.8 | 14.4 | 14.2 | 14.5 | 58.9 | -6.3 | -9.7% | 14.0 | | | | 14.0 |
| Olmetec/Olmetec Plus | 8.9 | 8.2 | 7.8 | 7.9 | 32.8 | -4.9 | -13.1% | 7.7 | | | | 7.7 |
| Sevikar | 4.5 | 4.1 | 3.5 | 4.4 | 16.5 | -1.1 | -6.3% | 3.6 | | | | 3.6 |
| Sevikar HCT | 2.5 | 2.2 | 2.8 | 2.2 | 9.6 | -0.3 | -2.7% | 2.7 | | | | 2.7 |
| Efient | 1.1 | 1.1 | 1.1 | 2.1 | 5.4 | 0.6 | +13.0% | 2.3 | | | | 2.3 |
| Lixiana | 0.0 | 0.1 | 0.5 | 0.9 | 1.5 | 1.5 | - | 1.4 | | | | 1.4 |
| Asia, South and Central America (ASCA) | 21.4 | 21.3 | 19.9 | 12.7 | 75.3 | 7.8 | +11.6% | 17.7 | | | | 17.7 |
| Daiichi Sankyo China | 7.9 | 8.6 | 8.3 | 9.4 | 34.2 | 6.9 | +25.1% | 8.2 | | | | 8.2 |
| Daiichi Sankyo Taiwan | 1.4 | 1.3 | 1.3 | 1.4 | 5.4 | 0.5 | +10.5% | 1.3 | | | | 1.3 |
| Daiichi Sankyo Korea | 2.4 | 2.4 | 2.4 | 2.2 | 9.3 | 0.5 | +5.2% | 2.1 | | | | 2.1 |
| Daiichi Sankyo Thailand | 0.8 | 1.0 | 1.1 | 1.2 | 4.1 | 0.4 | +11.5% | 0.6 | | | | 0.6 |
| Daiichi Sankyo Brasil Farmacêutica | 2.6 | 1.9 | 2.1 | 1.4 | 8.1 | -0.3 | -3.1% | 2.0 | | | | 2.0 |
| Daiichi Sankyo Venezuela | 3.1 | 2.4 | 1.6 | -6.9 | 0.2 | -7.9 | -98.0% | 0.0 | | | | 0.0 |

| 3. Revenue by Business Units and Products (3) | FY2015 Q1 | FY2015 Q2 | FY2015 Q3 | FY2015 Q4 | F | Y2015 | FY2016 Q1 | FY2016 Q2 | FY2016 Q3 | FY2016 Q4 | FY2016 |
|---|-----------|-----------|-----------|-----------|---------|------------|--------------------|-----------|-----------|-----------|---------|
| [Reference] Revenue in Local Currency | Results | Results | Results | Results | Results | YoY YoY (% | Results | Results | Results | Results | Results |
| USD Mn | | | | | | | | | | | |
| Daiichi Sankyo, Inc. (US) | 396 | 371 | 429 | 345 | 1,540 | -33 -2.1 | 376 | | | | 376 |
| Olmesartan | 237 | 232 | 257 | 202 | 929 | -40 -4.2 | % 214 | | | | 214 |
| Benicar/Benicar HCT | 163 | 168 | 187 | 143 | 661 | -39 -5.6 | <mark>%</mark> 160 | | | · | 160 |
| Azor | 48 | 38 | 43 | 35 | 164 | -2 -1.1 | <mark>%</mark> 31 | | | | 31 |
| Tribenzor | 26 | 26 | 27 | 24 | 103 | 1 +0.5 | % 23 | | | | 23 |
| Welchol | 112 | 87 | 111 | 93 | 403 | -29 -6.6 | % 92 | | | | 92 |
| Effient | 43 | 44 | 48 | 38 | 173 | 13 +8.0 | % 55 | | | | 55 |
| Savaysa | -2 | 1 | 4 | 1 | 4 | -3 -41.1 | % 3 | | | | 3 |
| Movantik | 1 | 3 | 6 | 6 | 17 | 17 | - 8 | | | | 8 |
| USD Mn | | | | | | | | | | | |
| Luitpold Pharmaceuticals, Inc. (US) | 177 | 204 | 186 | 191 | 758 | 236 +45.2 | 203 | | | | 203 |
| Venofer | 75 | 57 | 69 | 59 | 260 | -0 -0.1 | % 68 | | | · | 68 |
| Injectafer | 32 | 33 | 41 | 49 | 155 | 86 +123.2 | % 55 | | | | 55 |
| EUR Mn | | | | | | | | | | | |
| Daiichi Sankyo Europe GmbH | 151 | 140 | 142 | 155 | 587 | -15 -2.5 | <mark>%</mark> 167 | | | | 167 |
| Olmesartan | 118 | 106 | 106 | 114 | 444 | -25 -5.4 | % 114 | | | | 114 |
| Olmetec/Olmetec Plus | 66 | 60 | 59 | 62 | 248 | -24 -9.0 | % 63 | | | | 63 |
| Sevikar | 33 | 30 | 27 | 34 | 124 | -2 -1.9 | <mark>%</mark> 29 | | | | 29 |
| Sevikar HCT | 18 | 16 | 21 | 17 | 73 | 1 +1.9 | % 22 | | | | 22 |
| Efient | 8 | 8 | 8 | 16 | 41 | 6 +18.3 | % 19 | | | | 19 |
| Lixiana | 0 | 1 | 4 | 7 | 12 | 12 | - 12 | | | | 12 |

| <1 | 0. | Hi | sto | rical | Data> |
|----|----|----|-----|-------|-------|
|----|----|----|-----|-------|-------|

| 1. Revenue of Global Products | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 |
|---------------------------------|---------|---------|---------|---------|---------|
| JPY Bn | Results | Results | Results | Results | Results |
| Olmesartan | 249.7 | 258.9 | 300.2 | 293.5 | 284.1 |
| Olmetec (JPN) | 80.9 | 78.3 | 79.1 | 76.3 | 73.9 |
| Rezaltas (JPN) | 13.5 | 16.9 | 18.5 | 18.4 | 18.2 |
| Benicar/Benicar HCT (US) | 71.3 | 73.2 | 85.9 | 77.0 | 79.5 |
| Azor (US) | 12.0 | 14.8 | 17.4 | 18.3 | 19.7 |
| Tribenzor (US) | 4.6 | 6.8 | 9.0 | 11.3 | 12.4 |
| Olmetec/Olmetec Plus (EU) | 36.6 | 32.6 | 44.5 | 37.8 | 32.8 |
| Sevikar (EU) | 11.0 | 10.8 | 13.5 | 17.6 | 16.5 |
| Sevikar HCT (EU) | 3.4 | 4.7 | 7.6 | 9.9 | 9.6 |
| Other subsidiaries, export, etc | 16.5 | 20.7 | 24.7 | 27.0 | 21.6 |
| Prasugrel | 10.9 | 14.4 | 22.3 | 24.9 | 32.2 |
| Effient alliance revenue (US) | 7.9 | 10.5 | 15.4 | 17.6 | 20.7 |
| Efient (EU) | 2.9 | 3.9 | 4.7 | 4.8 | 5.4 |
| Efient (JPN) | - | - | - | 0.7 | 4.9 |
| Other subsidiaries, export, etc | - | - | 2.2 | 1.9 | 1.2 |
| Edoxaban | - | - | 0.4 | 4.3 | 15.0 |
| Lixiana (JPN) | - | | 0.4 | 3.6 | 13.0 |
| Savaysa (US) | - | - | - | 0.7 | 0.4 |
| Lixiana (EU) | - | - | - | - | 1.5 |
| Other subsidiaries | - | - | - | - | 0.0 |

| 2. Revenue by Business Units and Products (1) | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 |
|---|---------|---------|---------|---------|---------|
| JPY Bn | Results | Results | Results | Results | Results |
| Japan | 409.8 | 442.5 | 486.0 | 480.5 | 494.7 |
| Nexium | 3.9 | 21.6 | 54.2 | 69.3 | 82.4 |
| Olmetec | 80.9 | 78.3 | 79.1 | 76.3 | 73.9 |
| Memary | 9.8 | 23.8 | 33.3 | 36.8 | 42.4 |
| Loxonin | 61.0 | 59.6 | 59.3 | 49.5 | 48.1 |
| Tenelia | | 1.3 | 1.5 | 7.6 | 16.5 |
| Lixiana | 0.3 | 0.3 | 0.4 | 3.6 | 13.0 |
| Rezaltas | 13.5 | 16.9 | 18.5 | 18.4 | 18.2 |
| Pralia | | | 3.2 | 7.3 | 12.5 |
| Ranmark | | 4.4 | 8.1 | 10.2 | 12.4 |
| Inavir | 10.7 | 11.1 | 13.4 | 16.6 | 14.0 |
| Cravit | 36.3 | 35.9 | 33.5 | 27.8 | 18.4 |
| Omnipaque | 23.5 | 20.2 | 19.7 | 17.2 | 16.9 |
| Urief | 11.0 | 11.1 | 11.4 | 11.5 | 11.8 |
| Artist | 24.5 | 22.4 | 22.4 | 18.1 | 15.1 |
| Mevalotin | 33.1 | 25.8 | 21.5 | 16.2 | 13.4 |
| Efient | | | | 0.7 | 4.9 |
| Daiichi Sankyo Espha products | 9.9 | 11.1 | 12.5 | 14.9 | 18.5 |
| Vaccines business | 21.2 | 39.1 | 37.5 | 32.2 | 36.8 |
| Daiichi Sankyo Healthcare (OTC) | 45.9 | 47.1 | 48.1 | 47.8 | 53.4 |

| 2. Revenue by Business Units and Products (2) | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 |
|---|---------|---------|---------|---------|---------|
| JPY Bn | Results | Results | Results | Results | Results |
| Daiichi Sankyo, Inc. (US) | 127.1 | 142.3 | 171.8 | 173.0 | 185.1 |
| Olmesartan | 87.9 | 94.9 | 112.3 | 106.6 | 111.6 |
| Benicar/Benicar HCT | 71.3 | 73.2 | 85.9 | 77.0 | 79.5 |
| Azor | 12.0 | 14.8 | 17.4 | 18.3 | 19.7 |
| Tribenzor | 4.6 | 6.8 | 9.0 | 11.3 | 12.4 |
| Welchol | 26.9 | 33.1 | 42.3 | 47.4 | 48.4 |
| Effient | 7.9 | 10.5 | 15.4 | 17.6 | 20.7 |
| Savaysa | | | - | 0.7 | 0.4 |
| Movantik | - | - | - | - | 2.0 |
| Luitpold Pharmaceuticals, Inc. (US) | 44.7 | 38.6 | 39.6 | 57.4 | 91.0 |
| Venofer | 24.8 | 23.6 | 24.9 | 28.6 | 31.2 |
| Injectafer | - | - | 1.3 | 7.6 | 18.6 |
| Daiichi Sankyo Europe GmbH | 70.2 | 64.4 | 83.9 | 83.5 | 77.8 |
| Olmesartan | 51.0 | 48.0 | 65.6 | 65.2 | 58.9 |
| Olmetec/Olmetec Plus | 36.6 | 32.6 | 44.5 | 37.8 | 32.8 |
| Sevikar | 11.0 | 10.8 | 13.5 | 17.6 | 16.5 |
| Sevikar HCT | 3.4 | 4.7 | 7.6 | 9.9 | 9.6 |
| Efient | 2.9 | 3.9 | 4.7 | 4.8 | 5.4 |
| Lixiana | - | - | - | - | 1.5 |
| Asia, South and Central America (ASCA) | 28.6 | 45.4 | 58.8 | 67.5 | 75.3 |
| Daiichi Sankyo China | 9.7 | 16.4 | 21.2 | 27.4 | 34.2 |
| Daiichi Sankyo Taiwan | 3.1 | 3.3 | 4.5 | 4.9 | 5.4 |
| Daiichi Sankyo Korea | 4.6 | 5.3 | 9.1 | 8.9 | 9.3 |
| Daiichi Sankyo Thailand | 1.2 | 1.4 | 2.5 | 3.7 | 4.1 |
| Daiichi Sankyo Brasil Farmacêutica | 5.5 | 6.6 | 7.5 | 8.4 | 8.1 |
| Daiichi Sankyo Venezuela | 4.2 | 6.7 | 6.9 | 8.1 | 0.2 |

| 2. Revenue by Business Units and Products (3) | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 |
|---|---------|--------------|---------|--------------|---------|
| [Reference] Revenue in Local Currency | Results | Results | Results | Results | Results |
| USD Mn | | | | | |
| Daiichi Sankyo, Inc. (US) | 1,608 | 1,713 | 1,714 | 1,574 | 1,540 |
| Olmesartan | 1,112 | 1,142 | 1,120 | 969 | 929 |
| Benicar/Benicar HCT | 901 | 881 | 857 | 700 | 661 |
| Azor | 152 | 179 | 174 | 166 | 164 |
| Tribenzor | 58 | 82 | 90 | 103 | 103 |
| Welchol | 340 | 399 | 422 | 431 | 403 |
| Effient | 100 | 127 | 154 | 160 | 173 |
| Savaysa | | | | 6 | 4 |
| Movantik | - | - | - | - | 17 |
| USD Mn | | | | | |
| Luitpold Pharmaceuticals, Inc. (US) | 566 | 465 | 395 | 522 | 758 |
| Venofer | 314 | 284 | 248 | 260 | 260 |
| Injectafer | - | - | 13 | 69 | 155 |
| EUR Mn | | | | | |
| Daiichi Sankyo Europe GmbH | 644 | 601 | 624 | 602 | 587 |
| Olmesartan | 468 | 448 | 488 | 470 | 444 |
| Olmetec/Olmetec Plus | 336 | 304 | 331 | 272 | 248 |
| Sevikar | 101 | 100 | 100 | 127 | 124 |
| Sevikar HCT | 31 | 44 | 57 | 71 | 73 |
| Efient | 27 | 36 | 35 | 34 | 41 |
| Lixiana | | - | | - | 12 |

11. Major R&D Pipeline (Innovative pharmaceuticals)

♦ Launched/Approved

| Generic Name | Class | Indication | Region Status | Remarks |
|---------------------|---------------------|------------------------------|--------------------|--|
| Edovebor | Footow Vo inhihitaw | Atrial fibrillation (AF) | ASCA etc. Approved | Taiwan (16/2), <u>Hong Kong (16/5)</u> * means Feb 2016, ditto |
| Edoxaban | Factor Xa inhibitor | Venous thromboembolism (VTE) | ASCA etc. Approved | Taiwan (16/2), <u>Hong Kong (16/5</u>) |
| <summary></summary> | | | | |

The once daily oral anti coagulant (FXa inhibitor) discovered by Daiichi Sankyo. Edoxaban specifically, reversibly and directly inhibits the enzyme, Factor Xa, a clotting factor in the blood. Launched in Japan in July 2011 as the prevention of venous thromboembolism (VTE) in patients with total knee arthroplasty, total hip arthroplasty and hip fracture surgery. Additional indications for AF/VTE was approved in September 2014 and 60 mg tablet was launched in December 2014. Launched in US, Switzerland, UK, Germany, Ireland and Netherlands in February, May, July, August, September and November 2015, respectively. Approved in South Korea in August 2015.

Underline: change after FY2015 Q4 Financial Announcement in May 2016

♦ Filed

| Product Code Number/Generic Name | Class | Target indication | Region | Note, Filing year/month |
|--|--|--|---|--|
| | Factor Vallabilities | Atrial fibrillation (AF) | ASCA etc. | BR (14/6), TH(15/7) AU(15/8), CN(15/8), CA(15/8), TR(15/10) |
| Edoxaban | Factor Xa inhibitor | Venous thromboembolism (VTE) | ASCA etc. | BR (14/6), TH(15/7) AU(15/8), CN(15/8), CA(15/8), TR(15/10) |
| Summary> The once daily oral anti coagulant (FXa inh | ibitor) discovered by Daiichi Sankyo. Ed | oxaban specifically, reversibly and directly inhibits the enzyr | me, Factor Xa, a clotting factor in the t | olood. |
| CL-108 | Opioid mu-receptor agonist combinat | ion Acute pain | US | NDA was submitted in March 2016 by Charleston Laboratories Inc., licensor and co-development partner |
| <summary> CL-108 is novel hydrocodone combination o reduce the unwanted side effects of opio</summary> | | Lab and Daiichi Sankyo for the treatment of moderate to se | evere pain while preventing or reducing | g Opioid-Induced Nausea and Vomiting (OINV). The product expe |
| Hydromorphone | Opioid mu-receptor agonist | Cancer pain | JP | NDA of oral formulation (extended-release and immediate- release formulations) was submitted in March 2016 by Daiichi Sankyo Propharma |
| | _ | ble outside of Japan for over 80 years and it is the standard Committee on Unapproved Drugs and Indications with High N | | |
| /N-100 | Intradermal influenza HA vaccine | Prevention of seasonal Influenza | JP | Submitted by Japan Vaccine in April 2015 |
| | offers a more easy-to-use, surefire metho | | | ccine Co., Ltd.]. The intradermal injection device for this vaccine is sitation to be injected and lower the risk of damaging peripheral |
| /N-0107/MEDI3250 | Live attenuated influenza vaccine | Prevention of seasonal Influenza | <u>JP</u> | Submitted by Daiichi Sankyo in June 2016 |
| Summary> The US brand name of this vaccine is FluM | ist Quadrivalent that is a live attenuated | influenza vaccine which is administered as a nasal spray ar | nd contains four protective strains. | |

Underline: change after FY2015 Q4 Financial Announcement in May 2016

◆ Under development (Phase1-3)

| Part | Generic Name / Project Code Number | Class | Target indication | 5 | Stage | target FY for approval/launc basically for P | |
|--|------------------------------------|-------------------------------|--------------------------------------|-------------|-----------|--|--|
| Part | Prasugrel | Anti-platelet agent | Ischemic stroke | JP | P3 | 2017 | Additional indication |
| Reumstoid arthritis JP P3 2017 Additional Indication Anti-EGFR antibody Gastric cancer JP P3 2018 | Donooumoh | Anti DANKI antibody | Breast cancer adjuvant | JP | P3 | 2020 | Additional indication |
| Minotizumab Anti-EGFR antibody Sastric cancer JP P3 2020 Memoria diportant Memoria adjuvant US/EU P3 P3 P3 P3 P3 P3 P3 P | Denosumad | Anti-Rankl antibody | Rheumatoid arthritis | JP | P3 | 2017 | Additional indication |
| Melanoma adjuvant US/EU P3 Additional indication. Licensee Roche is conducting the study. Submission in 2016 is planned. Signanded. | Tivantinib | MET inhibitor | Hepatocellular cancer | US/EU | P3 | 2018 | |
| Melanoma adjuvant Melanoma | Nimotuzumab | Anti-EGFR antibody | Gastric cancer | JP | P3 | 2020 | |
| PLT3-ITD inhibitor Acute myeloid leukemia US P3 2021 Newly diagnosed AML patients PR P1 P1 P1 P2 P3 P3 P3 P3 P3 P3 P3 | Vemurafenib | BRAF inhibitor | Melanoma adjuvant | US/EU | P3 | - | conducting the study. Submission in 2016 |
| P P P P P P P P P P | | | | US/EU/Asia | P3 | 2018 | Relapsed and refractory AML patients |
| Period properties Per | Quizartinib | FLT3-ITD inhibitor | Acute myeloid leukemia | US | P3 | 2021- | Newly diagnosed AML patients |
| Pacidiartinib/PLX3397 Pac | | | | JP | P1 | - | |
| Pexidatrinib/PLX3397 Pexidatrinib/PLX339 | | | Tenosynovial Giant Cell Tumor (TGCT) | US/EU | P3 | 2019 | Including pigmented villonodular synovitis |
| Pexidentinib/PLX3397 $PLX3397$ PL | | | Solid tumor | <u>Asia</u> | <u>P1</u> | - | Including TGCT |
| Melanoma | Pexidartinib/PLX3397 | CSF-1R/KIT/FLT3-ITD inhibitor | Glioblastoma | US | P2 | - | |
| Melanoma, solid tumor US P1/2 Combination with pembrolizumab in collaboration with pembrolizumab in collaboration with Merck Mirogabalin Δ2δ ligand Pibertic peirpheral neuropathic pain JP/Asia P3 2019 Postherpetic neuralgia JP/Asia P3 2018 Hydromorphone Opioid mu-receptor agonist Cancer pain JP P3 2018 Injection formulation CHS-0214 TNFα inhibitor Rheumatoid arthritis JP P3 2017 Etanercept biosimilar WN-0105 DPT-IPV/Hib vaccine Prevention of pertussis, diphtheria, tetanus, poliomyelitis and Hib and Hib Anti-HER3 antibody Head & neck cancer EU P2 - CS-3150 MR antagonist GPR119 agonist Diabetes JP/US P2 P2 - Maninamivir Neuraminidase inhibitor Neuraminidase inhibi | | | | | | - | |
| Mirogabalinα2δ ligandDiabetic peripheral neuropathic painJP/AsiaP32018HydromorphoneOpioid mu-receptor agonistCancer painJPP32018Injection formulationCHS-0214TNFα inhibitorRheumatoid arthritisJPP32017Etanercept biosimilarVN-0105DPT-IPV/Hib vaccinePrevention of pertussis, diphtheria, tetanus, poliomyelitis and HibJPP32019Co-develop with Sanofi K.K.and KDSVPatritumabAnti-HER3 antibodyHead & neck cancerEUP2-CS-1647G47 Δ oncolytic virusGlioblastomaJPP2-SAKIGAKE Designation grantedCS-3150MR antagonistHypertensionJPP2b-Diabetic nephropathyJPP2b-DS-8500GPR119 agonistDiabetesJP/USP2-AuninamivirNeuraminidase inhibitorInfluenzaUS/EUP2-Out-licensing with Biota | | | | | | - | Combination with pembrolizumab |
| Postherpetic neuralgia JP/Asia P3 2018 Hydromorphone Opioid mu-receptor agonist Cancer pain JP P3 2018 Injection formulation CHS-0214 TNFα inhibitor Rheumatoid arthritis JP P3 2017 Etanercept biosimilar VN-0105 DPT-IPV/Hib vaccine Prevention of pertussis, diphtheria, tetanus, poliomyelitis and Hib Patritumab Anti-HER3 antibody Head & neck cancer EU P2 - DS-1647 G47Δ oncolytic virus Glioblastoma JP P2b - CS-3150 MR antagonist Hypertension Diabetic nephropathy JP P2b - DS-8500 GPR119 agonist Diabetes JP/US P2 - Out-licensing with Biota Influenza Out-licensing with Biota Out-licensing with Biota Diabetic nephropathy Darks Diabetic nephropathy Darks Diabetic nephropathy Darks | | | Fibromyalgia | US/EU | P3 | 2019 | |
| HydromorphoneOpioid mu-receptor agonistCancer painJPP32018Injection formulationCHS-0214TNFα inhibitorRheumatoid arthritisJPP32017Etanercept biosimilarVN-0105DPT-IPV/Hib vaccinePrevention of pertussis, diphtheria, tetanus, poliomyelitis and HibJPP32019Co-develop with Sanofi K.K.and KDSVPatritumabAnti-HER3 antibodyHead & neck cancerEUP2-DS-1647G47 Δ oncolytic virusGlioblastomaJPP2-SAKIGAKE Designation grantedCS-3150MR antagonistHypertensionJPP2b-DS-8500GPR119 agonistDiabetesJP/USP2-Out-licensing with BiotaLaninamivirNeuraminidase inhibitorInfluenzaUS/EUP2-Out-licensing with Biota | Mirogabalin | α2δ ligand | Diabetic peripheral neuropathic pain | JP/Asia | P3 | 2018 | |
| CHS-0214 TNFα inhibitor Rheumatoid arthritis JP P3 2017 Etanercept biosimilar VN-0105 DPT-IPV/Hib vaccine Prevention of pertussis, diphtheria, tetanus, poliomyelitis and Hib Patritumab Anti-HER3 antibody Head & neck cancer EU P2 - OS-1647 G47 Δ oncolytic virus Glioblastoma JP P2 - SAKIGAKE Designation granted CS-3150 MR antagonist Hypertension JP P2b - Diabetic nephropathy JP P2b - OS-8500 GPR119 agonist Diabetes JP/US P2 - Out-licensing with Biota Laninamivir Neuraminidase inhibitor | | | Postherpetic neuralgia | JP/Asia | P3 | 2018 | |
| Prevention of pertussis, diphtheria, tetanus, poliomyelitis and Hib | Hydromorphone | Opioid mu-receptor agonist | Cancer pain | JP | P3 | 2018 | Injection formulation |
| Anti-HER3 antibody Head & neck cancer EU P2 - DS-1647 G47 Δ oncolytic virus Glioblastoma JP P2 - SAKIGAKE Designation granted CS-3150 MR antagonist Hypertension JP P2b - Diabetic nephropathy JP P2b - DIABETIC Neuraminidase inhibitor Influenza | CHS-0214 | $TNF\alpha$ inhibitor | Rheumatoid arthritis | JP | P3 | 2017 | Etanercept biosimilar |
| OS-1647G47 Δ oncolytic virusGlioblastomaJPP2- SAKIGAKE Designation grantedCS-3150MR antagonistHypertensionJPP2b-Diabetic nephropathyJPP2b-OS-8500GPR119 agonistDiabetesJP/USP2-LaninamivirNeuraminidase inhibitorInfluenzaUS/EUP2-Out-licensing with Biota | VN-0105 | DPT-IPV/Hib vaccine | | JP | P3 | 2019 | Co-develop with Sanofi K.K.and KDSV |
| CS-3150 MR antagonist Hypertension JP P2b - Diabetic nephropathy JP P2b - DS-8500 GPR119 agonist Diabetes JP/US P2 - Diabetes US/EU P2 - Out-licensing with Biota | Patritumab | Anti-HER3 antibody | Head & neck cancer | EU | P2 | - | |
| MR antagonist Diabetic nephropathy Diabeti | <u>DS-1647</u> | G47 Δ oncolytic virus | <u>Glioblastoma</u> | <u>JP</u> | <u>P2</u> | - | SAKIGAKE Designation granted |
| Diabetic nephropathy | CS 2150 | MP antagonist | Hypertension | JP | P2b | - | |
| | 03-3130 | wii\ aiitayoiiist | Diabetic nephropathy | JP | P2b | - | |
| _aninamivir | DS-8500 | GPR119 agonist | Diabetes | JP/US | P2 | - | |
| | La de a seta de | Nicona actacal Colonia | La Characteria | US/EU | P2 | - | Out-licensing with Biota |
| or reconition indication | Lanınamıvır | ineuraminidase inhibitor | intiuenza | JP | P1 | - | Nebulizer formulation |

Underline: change after FY2015 Q4 Financial Announcement in May 2016.

Note: regarding patritumab, breast cancer has been removed from the list because IIS is the only program for breast cancer indication.

◆ Under development (Phase1-3)

| Generic Name / Project code number | Class | Target indication | | Stage | target FY for approval/laund basically for F | ch Remarks |
|------------------------------------|--|---|-------|-------|--|---|
| DC 2022 | MDM2 inhibitor | Solid cancer, lymphoma | US/JP | P1 | - | |
| DS-3032 | | Leukemia | US | P1 | - | |
| PLX7486 | FMS/TRK inhibitor | Solid cancer | US | P1 | - | |
| DS-8895 | Anti-EPHA2 antibody | Solid cancer | JP | P1 | - | |
| DS-8273 | Anti-DR5 antibody | Solid cancer | US | P1 | - | |
| PLX8394 | BRAF inhibitor | Solid cancer, leukemia | US | P1 | - | |
| DS-6051 | NTRK/ROS1 inhibitor | Solid cancer | US/JP | P1 | - | |
| DS-5573 | Anti-B7-H3 antibody | Solid cancer | JP | P1 | - | |
| PLX9486 | KIT inhibitor | Solid cancer | US | P1 | - | |
| DS-8201 | Anti-HER2 antibody drug conjugat | e Solid cancer | JP | P1 | - | |
| U3-1784 | Anti-FGFR4 antibody | Solid cancer | EU | P1 | - | |
| DS-1123 | Anti-FGFR2 antibody | Solid cancer | JP | P1 | - | |
| DS-3201 | EZH1/2 inhibitor | Non-Hodgkin's lymphoma | JP | P1 | - | |
| PLX73086/AC708 | CSF-1R inhibitor | Tenosynovial Giant Cell Tumor (TGCT) | US | P1 | - | |
| PLX51107 | BRD4 inhibitor | Hematologic malignancies | US | P1 | - | |
| DS-1040 | TAFla inhibitor | Acute ischemic stroke | - | P1 | - | |
| DS-2330 | Hyperphosphatemia treatment | Hyperphosphatemia in chronic kidney disease (CKD) | - | P1 | - | |
| DS-9231/TS23 | α2 plasmin inhibitor-inactivating antibody | Thrombosis (cardiovascular diseases, ischemic stroke) | - | P1 | - | In-licensed from Translational Sciences Inc. |
| DS-9001 | Anti-PCSK9 Anticalin-Albumod | Dyslipidemia | - | P1 | - | |
| DS-1971 | Analgesic agent | Chronic pain | - | P1 | - | |
| DS-1501 | Anti-Siglec-15 antibody | Osteoporosis | US | P1 | - | |
| DS-7080 | Angiogenesis inhibitor | Neovascular age-related macular degeneration (AMD) | US | P1 | - | |
| DS-2969 | GyrB inhibitor | Clostridium difficile infection (CDI) | - | P1 | - | |
| DS-5141 | ENA oligonucleotide | Duchenne muscular dystrophy | JP | P1/2 | - | |
| VN-0102/JVC-001 | Measles-Mumps-Rubela vaccine | Prevention of Measles, Mumps and Rubela | JP | P1/2 | 2020 | Japan vaccine company is conducting the phase 1/2 study |

◆ Stage-up (major changes from the FY2015 Q4 Financial Announcement in May 2016)

| Generic Name / Project code number | Class | Target indication | | Current stage | Remarks |
|------------------------------------|-----------------------------------|---|-----------|---------------|--|
| Edoxaban | FXa inhibitor | Atrial Fibrillation (AF) Venous thromboembolism (VTE) | ASCA etc. | Approved | Hong Kong (16/5) |
| VN-0107/MEDI3250 | Live attenuated influenza vaccine | Prevention of seasonal influenza | JP | Submitted | Submitted by Daiichi Sankyo in June 2016 |
| Pexidartinib/PLX3397 | CSF-1R/KIT/FLT3-ITD inhibitor | Solid tumor | Asia | P1 | Including TGCT |
| DS-1647 | G47Δ oncolytic virus | Glioblastoma | JP | P2 | SAKIGAKE Designation granted |

◆ Discontinue (major changes from the FY2015 Q4 Financial Announcement in May 2016)

| Generic Name / Project code numb | per Class | Target indication | Stage | | |
|----------------------------------|--------------------|----------------------------|-------|----|--|
| Detritumeh | Anti UED2 antibody | Non amall call lung cancer | US/EU | P2 | |
| Patritumab | Anti-HER3 antibody | Non small cell lung cancer | JP | P1 | |

Oncology [Project after Phase 2]

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|---------------------|----------------|---------------|-------------------------|--------|------------|
| Tivantinib | ARQ 197 | Oral | MET inhibitor | - Hepatocellular cancer | ArQule | TBD |

<Summary>

The molecular-targeted agent to inhibit HGF(hepatocyte growth factor) receptor, MET which has multiple roles in intracellular signal transductions such as cancer cell proliferation, angiogenesis, invasion, and apoptosis induction.

- A P3 clinical study for HCC with MET high patients was started in Jan 2013.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|------------------------|----------------|--------------------|-------------------|-----------|------------|
| Nimotuzumab | DE-766 | Injection | Anti-EGFR antibody | - Gastric cancer | InnoCIMAb | TBD |

<Summary>

The humanized monoclonal antibody to target Epidermal Growth Factor Receptor(EGFR). This antibody is expected to be a best in class EGFR, safety against the skin toxicity and the efficacy comparable to the other antibodies.

P3 in Japan for Gastric cancer started in April 2013.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|------------------------|----------------|--------------------|--------------------------|---------------------------|------------|
| Quizartinib | AC220 | Oral | FLT3-ITD inhibitor | - Acute myeloid leukemia | Daiichi Sankyo (Ambit) | TBD |

<Summary>

Kinase inhibitor against a receptor-type tyrosine kinase, FLT3.

Therapeutic effect for patients with acute myeloid leukemia harboring FLT3-ITD mutation is expected.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|------------------------|----------------|--------------------|------------------------|-------------------------------|------------|
| Patritumab | U3-1287 | Injection | Anti-HER3 antibody | - Head and neck cancer | Daiichi Sankyo (U3 Pharma) | TBD |

<Summarv:

The fully human monoclonal antibody to target HER3, one of the Epidermal Growth Factor Receptor (EGFR) family of proteins. HER 3 is overexpressed in many tumors of epithelial origin and HER2/HER3 dimers and EGFR/HER3 dimers are more potent to induce tumor cell proliferation than homodimers of HER2 or EGFR.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|------------------------|----------------|----------------|---------------------|-------------------------------|------------|
| Vemurafenib | PLX4032 | Oral | BRAF inhibitor | - Melanoma adjuvant | Daiichi Sankyo (Plexxikon) | Zelboraf |

<Summary>

The molecular-targeted agent to inhibit BRAF V600E mutation. Launched since 2011 as personalized treatment for patients with unrespectable or metastatic melanoma. NDA for combination therapy with MEK inhibitor cobimetinib was approved in US on November 11, 2015. A Phase 1 study of a combination with anti PD-L1 monoclonal antibody atezolizumab and cobimetinib is being investigated by Genentech.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|------------------------|----------------|-------------------------------|---|-------------------------------|------------|
| Pexidartinib | PLX3397 | Oral | CSF-1R/KIT/FLT3-ITD inhibitor | - Tenosynovial Giant Cell Tumor - Glioblastoma - Melanoma | Daiichi Sankyo (Plexxikon) | TBD |

<Summary>

The molecular-targeted agent to inhibit CSF-1R, KIT and FLT3-ITD. This agent is expected to reduce tumor cell proliferation and expansion of metastases.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|---------------------|----------------|-----------------|-------------------|---|------------|
| G47 Δ | DS-1647 | Injection | Oncolytic Virus | - Glioblastoma | Prof. Todo Institute of Medical Science Univ. of Tokyo | TBD |

<Summary>

A triple-mutated, replication-conditional herpes simplex virus type 1 (the third generation oncolytic herpes simplex virus type 1), designed to replicate only in cancer cells. This oncolytic virus therapy is expected better safety and efficacy profile compare to existing oncolytic virus. This product received SAKIGAKE Designation from MHLW on February 10th ,2016. Phase 2 Investigator Initiated Study for Glioblastoma is on-going in Japan.

Cardiovascular-Metabolics

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|---------------------|----------------|---------------------|---|----------------|--|
| Edoxaban | DU-176b | Oral | Factor Xa inhibitor | - Atrial fibrillation (AF) - Venous thromboembolism (VTE) | Daiichi Sankyo | Lixiana (JP) LIXIANA (EU) SAVAYSA (US) |

<Summary>

The once daily oral anti coagulant (FXa inhibitor). Edoxaban specifically, reversibly and directly inhibits the enzyme, Factor Xa, a clotting factor in the blood. Launched in Japan in July 2011 as the prevention of venous thromboembolism (VTE) in patients with total knee arthroplasty, total hip arthroplasty and hip fracture surgery.

- Top line results of Hokusai-VTE (VTE) P3 study was presented at ESC 2013.
- Top line results of ENGAGE AF-TIMI 48 (AF) P3 study was presented at AHA 2013.
- AF/VTE indication: Launched (JP: Sep 2014 (Dec 2014 for 60 mg tablet), US: Feb 2015, Switzerland: May 2015, UK: Jul 2015, Germany: Aug 2015, Ireland: Sep 2015, Netherlands: Nov 2015, South Korea: Feb 2016)

| Generic N | lame | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|-----------|------|------------------------|----------------|---------------------|-------------------|----------------------------------|--|
| Prasug | ırel | CS-747 | Oral | Anti-platelet agent | - Ischemic stroke | Daiichi Sankyo Ube Industries | Effient (US, Asia) Efient (JPN, EU) |

<Summary>

The oral antiplatelet agent. Prasugrel helps to keep blood platelets from clumping together and developing a blockage in an artery.

- · Co-development with Eli Lilly in the US and EU, development by Daiichi Sankyo in Japan.
- [JP] Approved in Mar 2014 for the ischemic heart disease undergoing PCI and launched in May 2014. P3 studies for ischemic stroke are on-going.
- [US] P3 study in pediatric sickle cell disease patients was conducted. The patent exclusivity in US has been extended for 180 days based on the pediatric study completion.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|---------------------|----------------|---------------|--|----------|------------|
| - | CS-3150 | Oral | MR antagonist | - Hypertension - Diabetic nephropathy | Exelixis | TBD |

<Summary>

The agent inhibits aldosterone binding to Mineralocorticoid Receptor(MR) which stimulate the sodium absorption into kidney. This agent is expected antihypertensive and organ-protective effect.

- On January 2015, Ph2bs of HTN and DN started.
- On November 2015, Ph.2b study in essential hypertension in Japan was completed.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|---------------------|----------------|----------------|-------------------|----------------|------------|
| - | DS-8500 | Oral | GPR119 agonist | - Diabetes | Daiichi Sankyo | TBD |

<Summary>

The agent agonistically acts on GPR119 which is expressed in small intestine and spleen cells, stimulates insulin secretion, and lowers blood sugar concentration.

Others

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|---|---------------------|-------------------------------------|----------------------|------------------------------------|------------------------------------|------------|
| Intradermal Seasonal Influenza Vaccine | VN-100 | Injection (prefilled syringe) | Seasonal flu vaccine | - Prevention of seasonal influenza | Daiichi Sankyo (KDSV) Terumo | TBD |

<Summary>

The Vaccine is a pre-filled syringe type, intradermal influenza HA vaccine co-developed by four companies [Daiichi Sankyo, Terumo, Japan Vaccine and Kitasato Daiichi Sankyo Vaccine Co., Ltd.]. The intradermal injection device for this vaccine is developed by Terumo. This device, which offers a more easy-to-use, surefire method to administer the vaccine than current methods. The device is also expected to ease patient hesitation to be injected and lower the risk of damaging peripheral blood vessels and nerves within the subcutaneous tissue.

NDA submission in Apr 2014 by Japan Vaccine

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|---------------|------------------------|--------------------|------------------------------|-------------------|--------|------------|
| Hydromorphone | DS-7113 | Oral/ Injection | opioid mu-receptor regulator | - Cancer pain | - | TBD |

<Summary>

The opiate, narcotic analgesic that has been available outside of Japan for over 80 years and recommended in WHO guideline as a standard analgesia for cancer pain. It is designated as unapproved drug by "Study Group on Unapproved and Off-label Drugs of High Medical Need."

•NDA of oral formulations (extended-release and immediate-release formulations) were submitted in Mar 2016 by Daiichi Saknyo Propharma. Ph2/3 studies for injection formulation are ongoing.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|---------------------|----------------|---------------------|--|--------|---|
| Denosumab | AMG 162 | Injection | Anti-RANKL antibody | - Breast cancer adjuvant - Rheumatoid arthritis | Amgen | SRE, GCTB: Ranmark(JP) Osteoporosis: Pralia(JP) |

<Summary>

The fully human monoclonal antibody to target RANK Ligand, an essential mediator of osteoclast formation. Launched in Japan in April 2012 as treatment for bone complications stemming from multiple myeloma and bone metastases from solid tumors, in June 2013 as treatment for osteoporosis, and in May 2014 as treatment for giant cell tumor of bone.

- July 2007 In-licensed from Amgen.
- P3 : Breast cancer adjuvant, Rheumatoid arthritis.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|---------------------|----------------|----------------|------------------------|---------|------------|
| - | CHS-0214 | Injection | TNFα inhibitor | - Rheumatoid arthritis | Coherus | TBD |

<Summary>

Biosimilar product for etanercept

•Phase 3 study for patients with rheumatoid arthritis in Japan was completed. In preparation for submission.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|---------------------|----------------|---------------------------------|-------------------|-------------------------|------------|
| - | CL-108 | Oral | opioid mu-receptor regulator | - Acute pain | Charleston Laboratories | TBD |

<Summary>

Combination product of immediate-release promethazine, hydrocodone and acetaminophen. Reduction of Opioid-Induced Nausea and Vomiting is expected.

NDA submission in Mar 2016 by Charleston Laboratories

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|------------------------|----------------|------------|--|----------------|------------|
| Mirogabalin | DS-5565 | Oral | α2δ ligand | FibromyalgiaDiabetic peripheral neuropathic painPostherpetic neuralgia | Daiichi Sankyo | TBD |

<Summary>

The pain therapy agent to reduce the neurotransmitter release from nerve terminals. This agent is expected to show the good balanced efficacy and safety profile.

- •Ph2 studies for diabetic peripheral neuropathic pain were completed.
- •Ph3 studies for diabetic peripheral neuropathic pain and postherpetic neuralgia are in execution.
- Ph3 studies for fibromyalgia are in execution.

| Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|--------------|---------------------|----------------|----------------------|------------------------------------|--------------|------------|
| - | VN-0107 MEDI3250 | Nasal spray | Seasonal flu vaccine | - Prevention of seasonal influenza | AZ/MedImmune | TBD |

<Summary>
The US brand name of this vaccine is FluMist Quadrivalent that is a live attenuated influenza vaccine which is administered as a nasal spray and contains four protective strains. Phase III safety and efficacy studies were conducted for FluMist Quadrivalent in Japanese children over the 2014-2015 influenza season and a regulatory submission is being prepared in Japan.

NDA submission in Japan in June 2016

| I | Generic Name | Project code Number | Dosage Form | Class | Target Indication | Origin | Brand Name |
|---|--------------|------------------------|----------------|---------------------|---|--|------------|
| | 1 | VN-0105 | Injection | DPT-IPV/Hib vaccine | - Prevention of pertussis, diphtheria, tetanus, poliomyelitis and Hib | Daiichi Sankyo (KDSV) Sanofi Pasteur | TBD |

A combination vaccine reconstituting Hib with precipitated and purified pertussis-diphtheria-tetanus-inactivated polio vaccine (Salk vaccine) vaccine previously licensed and launched in Japan, as 1st in the class of pentavalent vaccine (DPT-IPV/Hib).

Ph3 study in Japan started in Oct 2014.