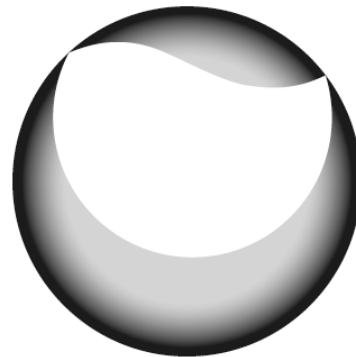


# Reference Data

(Consolidated Financial Results for Q3 FY2017)



Daiichi-Sankyo

January 31, 2018

Daiichi Sankyo Co., Ltd.

<http://www.daiichisankyo.com>

# Contents

1.	Consolidated Statement of Profit or Loss	P1
2.	Revenue of Global Products	P2
3.	Revenue by Business Units and Products	P3
4.	Consolidated Statement of Financial Position	P6
5.	Consolidated Statement of Cash Flows	P8
6.	Number of Employees	P9
7.	Capital Expenditure, Depreciation and Amortization	P9
8.	Summary of Product Outlines	P10
9.	Quarterly Data	P11
10.	Historical Data	P16
11.	Major R&D Pipeline (Innovative pharmaceuticals)	P20

# 1. Consolidated Statement of Profit or Loss

JPY Bn	FY2016 Q3 YTD		FY2017 Q3 YTD					FY2017						
	to revenue	Results	to revenue	Results	(vs. Forecast (%))	YoY	YoY (%)	to revenue	Forecast (as of Oct.)	to revenue	Forecast (as of Jan.)	vs. Forecast (as of Oct.)	YoY	YoY (%)
<b>Revenue</b>	<b>100.0%</b>	<b>734.4</b>	<b>100.0%</b>	<b>741.0</b>	<b>(78.0%)</b>	<b>6.6</b>	<b>+0.9%</b>	<b>100.0%</b>	<b>930.0</b>	<b>100.0%</b>	<b>950.0</b>	<b>20.0</b>	<b>-5.1</b>	<b>-0.5%</b>
Cost of sales	32.9%	241.7	34.5%	255.5	(73.6%)	13.7	+5.7%	36.2%	337.0	36.5%	347.0	10.0	-2.4	-0.7%
(excl. Special items)	32.9%	241.7	35.3%	261.5		19.8	+8.2%							
(Special items)	-	-	-0.8%	-6.1		-6.1	-							
<b>Gross Profit</b>	<b>67.1%</b>	<b>492.7</b>	<b>65.5%</b>	<b>485.6</b>	<b>(80.5%)</b>	<b>-7.1</b>	<b>-1.4%</b>	<b>63.8%</b>	<b>593.0</b>	<b>63.5%</b>	<b>603.0</b>	<b>10.0</b>	<b>-2.8</b>	<b>-0.5%</b>
SG&A expenses	30.0%	220.5	29.2%	216.7	(73.0%)	-3.7	-1.7%	31.9%	297.0	31.3%	297.0	0.0	-5.5	-1.8%
(excl. Special items)	28.6%	209.9	29.2%	216.7		6.9	+3.3%							
(Special items)	1.4%	10.6	-	-		-10.6	-							
R&D expenses	19.5%	143.5	23.7%	175.6	(76.0%)	32.1	+22.4%	23.8%	221.0	24.3%	231.0	10.0	16.7	+7.8%
(excl. Special items)	19.5%	143.5	19.6%	145.4		2.0	+1.4%							
(Special items)	-	-	4.1%	30.2		30.2	-							
<b>Operating Profit</b>	<b>17.5%</b>	<b>128.7</b>	<b>12.6%</b>	<b>93.2</b>	<b>(124.3%)</b>	<b>-35.5</b>	<b>-27.6%</b>	<b>8.1%</b>	<b>75.0</b>	<b>7.9%</b>	<b>75.0</b>	<b>0.0</b>	<b>-13.9</b>	<b>-15.7%</b>
(Operating Profit before Special items)	19.0%	139.3	15.8%	117.3		-22.0	-15.8%							
Financial income/expenses		3.5		4.1		0.6								
Share of profit or loss of investments accounted for using the equity method		0.2		0.4		0.2								
<b>Profit before tax</b>	<b>18.0%</b>	<b>132.4</b>	<b>13.2%</b>	<b>97.7</b>	<b>(130.3%)</b>	<b>-34.7</b>	<b>-26.2%</b>	<b>8.1%</b>	<b>75.0</b>	<b>7.9%</b>	<b>75.0</b>	<b>0.0</b>	<b>-12.8</b>	<b>-14.6%</b>
Income taxes		45.1		25.6		-19.5	-43.2%							
<b>Profit for the year</b>	<b>11.9%</b>	<b>87.3</b>	<b>9.7%</b>	<b>72.1</b>		<b>-15.2</b>	<b>-17.4%</b>							
<b>Profit attributable to owners of the Company</b>	<b>12.0%</b>	<b>88.2</b>	<b>9.8%</b>	<b>72.6</b>	<b>(145.2%)</b>	<b>-15.6</b>	<b>-17.7%</b>	<b>5.4%</b>	<b>50.0</b>	<b>5.3%</b>	<b>50.0</b>	<b>0.0</b>	<b>-3.5</b>	<b>-6.5%</b>

Forex impact: +14.3  
(USD: +6.6, EUR: +4.7, ASCA: +3.0)

Forex impact: +3.7  
(USD: +2.4, EUR: +0.9, ASCA: +0.4)

Forex impact: +5.4  
(USD: +2.2, EUR: +2.1, ASCA: +1.1)

Forex impact: +3.3  
(USD: +2.5, EUR: +0.7)

Forex impact: +1.9  
(USD: -0.6, EUR: +1.0, ASCA: +1.4)

Improvement in forex gains/losses

Impact of the tax rate reduction in US

### Special items

	FY2016 Q3 YTD	FY2017 Q3 YTD
Cost of Sales		Gain on sales of fixed assets -6.1
SG&A expenses	Restructuring costs in EU 10.6	
R&D expenses		Impairment loss (Intangible) 30.2
<b>Total</b>	<b>10.6</b>	<b>24.1</b>

Currency Rate (Average)	
USD	EUR
110.54	111.28
123.14	126.39

### Annual impact of one yen change

	Forecast	
	USD	EUR
Revenue	1.5 JPY Bn	0.5 JPY Bn
Operating Profit	-0.4 JPY Bn	minor

\*This report is not subject to audit procedures.

\*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

JPY Bn		FY2016 Q3 YTD	FY2017 Q3 YTD				FY2017				
		Results	Results	(vs. Forecast (%))	YoY	YoY (%)	Forecast (as of Oct.)	Forecast (as of Jan.)	vs. Forecast (as of Oct.)	YoY	YoY (%)
	<b>Olmesartan</b> antihypertensive agent	<b>179.1</b>	<b>120.6</b>	<b>(82.6%)</b>	<b>-58.5</b>	<b>-32.7%</b>	<b>134.0</b>	<b>146.0</b>	<b>12.0</b>	<b>-72.0</b>	<b>-33.0%</b>
	Olmetec (JPN)	54.1	40.5	(86.1%)	-13.7	-25.2%	47.0	47.0	0.0	-22.4	-32.3%
	Rezaltas (JPN)	13.6	13.1	(82.2%)	-0.5	-3.3%	16.0	16.0	0.0	-1.5	-8.7%
	Olmesartan (US)	60.9	17.4	(96.4%)	-43.6	-71.5%	14.0	18.0	4.0	-48.4	-72.9%
	Olmesartan (EU)	34.6	25.5	(79.6%)	-9.2	-26.5%	26.0	32.0	6.0	-11.2	-25.9%
	Other subsidiaries, export, etc	15.8	24.2	(73.2%)	8.4	+52.9%	31.0	33.0	2.0	11.5	+53.5%
	<b>Edoxaban</b> anticoagulant	<b>26.0</b>	<b>56.6</b>	<b>(75.5%)</b>	<b>30.6</b>	<b>+117.8%</b>	<b>65.0</b>	<b>75.0</b>	<b>10.0</b>	<b>37.7</b>	<b>+100.9%</b>
	Lixiana (JPN)	17.9	34.7	(77.0%)	16.8	+93.8%	39.0	45.0	6.0	20.0	+80.0%
	Savaysa (US)	1.4	1.6	(80.7%)	0.2	+14.7%	2.0	2.0	0.0	0.1	+6.6%
	Lixiana (EU)	6.1	18.5	(71.1%)	12.3	+201.3%	22.0	26.0	4.0	16.3	+168.9%
	Other subsidiaries	0.6	1.8	(92.2%)	1.3	+232.7%	2.0	2.0	0.0	1.2	+155.9%
	<b>Prasugrel</b> antiplatelet agent	<b>31.2</b>	<b>27.0</b>	<b>-</b>	<b>-4.2</b>	<b>-13.3%</b>	<b>not disclosed</b>	<b>not disclosed</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Effient alliance revenue (US)	16.5	10.1	-	-6.4	-38.6%	not disclosed	not disclosed	-	-	-
	Efient (EU)	6.1	6.0	(74.6%)	-0.1	-1.7%	7.0	8.0	1.0	0.1	+0.6%
	Efient (JPN)	7.8	9.9	(76.5%)	2.1	+26.8%	13.0	13.0	0.0	2.6	+24.8%
	Other subsidiaries, export, etc	0.7	1.0	-	0.2	+29.2%	not disclosed	not disclosed	-	-	-

### 3. Revenue by Business Units and Products (1)

JPY Bn			FY2016 Q3 YTD					FY2017 Q3 YTD					FY2017				
			Results	Results	(vs. Forecast (%))	YoY	YoY (%)	Forecast (as of Oct.)	Forecast (as of Jan.)	vs. Forecast (as of Oct.)	YoY	YoY (%)					
<b>Japan</b>			<b>390.2</b>	<b>418.1</b>	<b>(78.0%)</b>	<b>27.9</b>	<b>+7.1%</b>	<b>536.0</b>	<b>536.0</b>	<b>0.0</b>	<b>29.4</b>	<b>+5.8%</b>					
	Nexium	ulcer treatment	67.4	70.0	(84.3%)	2.5	+3.8%	92.0	83.0	-9.0	-1.0	-1.2%					
	Memary	Alzheimer's disease treatment	36.3	38.1	(76.1%)	1.7	+4.8%	54.0	50.0	-4.0	3.1	+6.7%					
	Olmotec	antihypertensive agent	54.1	40.5	(86.1%)	-13.7	-25.2%	47.0	47.0	0.0	-22.4	-32.3%					
	Lixiana	anticoagulant	17.9	34.7	(77.0%)	16.8	+93.8%	39.0	45.0	6.0	20.0	+80.0%					
	Loxonin	anti-inflammatory analgesic	29.3	29.0	(80.6%)	-0.3	-0.9%	33.0	36.0	3.0	-1.4	-3.8%					
	Tenelia	type 2 diabetes mellitus treatment	19.7	20.9	(80.3%)	1.2	+6.1%	30.0	26.0	-4.0	1.8	+7.6%					
	Pralia	treatment for osteoporosis/ inhibitor of the progression of bone erosion associated with rheumatoid arthritis	13.3	17.3	(75.0%)	4.0	+29.9%	23.0	23.0	0.0	5.0	+28.1%					
	Rezaltas	antihypertensive agent	13.6	13.1	(82.2%)	-0.5	-3.3%	16.0	16.0	0.0	-1.5	-8.7%					
	Ranmark	treatment for bone complications caused by bone metastases from tumors	10.6	11.7	(78.1%)	1.1	+10.5%	15.0	15.0	0.0	1.1	+7.7%					
	Efient	antiplatelet agent	7.8	9.9	(76.5%)	2.1	+26.8%	13.0	13.0	0.0	2.6	+24.8%					
	Inavir	anti-influenza treatment	7.9	9.3	(51.5%)	1.4	+17.3%	13.0	18.0	5.0	-1.6	-7.9%					
	Cravit	synthetic antibacterial agent	12.0	10.1	(77.6%)	-1.9	-16.1%	13.0	13.0	0.0	-2.1	-13.9%					
	Urief	treatment for dysuria	8.9	8.7	(78.9%)	-0.2	-2.3%	11.0	11.0	0.0	-0.4	-3.7%					
	Omnipaque	contrast medium	11.1	11.0	(84.4%)	-0.1	-1.3%	11.0	13.0	2.0	-1.2	-8.4%					
	Mevalotin	antihyperlipidemic agent	8.3	7.0	(77.8%)	-1.3	-15.4%	10.0	9.0	-1.0	-1.4	-13.9%					
	Daiichi Sankyo Espha products		15.7	34.3	-	18.7	+118.9%	not disclosed	not disclosed	-	-	-					
	Vaccines business		31.2	34.5	-	3.3	+10.5%	not disclosed	not disclosed	-	-	-					
<b>Daiichi Sankyo Healthcare (OTC)</b>			<b>51.9</b>	<b>56.6</b>	<b>(79.7%)</b>	<b>4.7</b>	<b>+9.1%</b>	<b>69.0</b>	<b>71.0</b>	<b>2.0</b>	<b>4.3</b>	<b>+6.4%</b>					

### 3. Revenue by Business Units and Products (2)

JPY Bn	FY2016 Q3 YTD		FY2017 Q3 YTD				FY2017				
	Results		Results	(vs. Forecast (%))	YoY	YoY (%)	Forecast (as of Oct.)	Forecast (as of Jan.)	vs. Forecast (as of Oct.)	YoY	YoY (%)
<b>Daiichi Sankyo, Inc. (US)</b>		<b>115.8</b>	<b>64.1</b>	<b>(91.5%)</b>	<b>-51.8</b>	<b>-44.7%</b>	<b>62.0</b>	<b>70.0</b>	<b>8.0</b>	<b>-72.3</b>	<b>-50.8%</b>
Olmesartan	antihypertensive agent	60.9	17.4	(96.4%)	-43.6	-71.5%	14.0	18.0	4.0	-48.4	-72.9%
Welchol	hypercholesterolemia treatment/ type 2 diabetes mellitus treatment	32.2	29.3	(88.7%)	-2.9	-9.1%	27.0	33.0	6.0	-12.5	-27.5%
Effient	antiplatelet agent	16.5	10.1	-	-6.4	-38.6%	not disclosed	not disclosed	-	-	-
Savaysa	anticoagulant	1.4	1.6	(80.7%)	0.2	+14.7%	2.0	2.0	0.0	0.1	+6.6%
Movantik	opioid-induced constipation treatment	2.9	3.7	-	0.8	+28.5%	not disclosed	not disclosed	-	-	-
<b>Luitpold Pharmaceuticals, Inc. (US)</b>		<b>64.3</b>	<b>79.9</b>	<b>(76.1%)</b>	<b>15.7</b>	<b>+24.4%</b>	<b>103.0</b>	<b>105.0</b>	<b>2.0</b>	<b>16.9</b>	<b>+19.2%</b>
Venofer	treatment for iron deficiency anemia	21.2	24.0	(77.5%)	2.8	+13.1%	28.0	31.0	3.0	2.5	+8.9%
Injectafer	treatment for iron deficiency anemia	17.2	25.2	(72.0%)	8.0	+46.4%	33.0	35.0	2.0	11.0	+46.0%
<b>Daiichi Sankyo Europe GmbH</b>		<b>54.4</b>	<b>58.2</b>	<b>(74.6%)</b>	<b>3.8</b>	<b>+7.0%</b>	<b>66.0</b>	<b>78.0</b>	<b>12.0</b>	<b>7.0</b>	<b>+9.9%</b>
Olmesartan	antihypertensive agent	34.6	25.5	(79.6%)	-9.2	-26.5%	26.0	32.0	6.0	-11.2	-25.9%
Efient	antiplatelet agent	6.1	6.0	(74.6%)	-0.1	-1.7%	7.0	8.0	1.0	0.1	+0.6%
Lixiana	anticoagulant	6.1	18.5	(71.1%)	12.3	+201.3%	22.0	26.0	4.0	16.3	+168.9%
<b>Asia, South and Central America (ASCA)</b>		<b>52.5</b>	<b>58.7</b>	<b>(74.3%)</b>	<b>6.2</b>	<b>+11.9%</b>	<b>84.0</b>	<b>79.0</b>	<b>-5.0</b>	<b>6.9</b>	<b>+9.5%</b>
Daiichi Sankyo China		23.5	25.2	-	1.7	+7.0%	not disclosed	not disclosed	-	-	-
Daiichi Sankyo Taiwan		3.7	4.8	-	1.1	+28.1%	not disclosed	not disclosed	-	-	-
Daiichi Sankyo Korea		6.3	8.6	-	2.3	+36.5%	not disclosed	not disclosed	-	-	-
Daiichi Sankyo Thailand		1.9	2.1	-	0.2	+10.1%	not disclosed	not disclosed	-	-	-
Daiichi Sankyo Brasil Farmacêutica		6.8	8.1	-	1.3	+18.5%	not disclosed	not disclosed	-	-	-

### 3. Revenue by Business Units and Products (3)

#### [Reference] Revenue in Local Currency

USD Mn

		FY2016 Q3 YTD	FY2017 Q3 YTD			
		Results	Results	(vs. Forecast (%))	YoY	YoY (%)
<b>Daiichi Sankyo, Inc. (US)</b>		<b>1,086</b>	<b>573</b>	<b>(91.2%)</b>	<b>-512</b>	<b>-47.2%</b>
Olmesartan	antihypertensive agent	571	155	(96.0%)	-416	-72.8%
Welchol	hypercholesterolemia treatment/ type 2 diabetes mellitus treatment	302	262	(88.4%)	-40	-13.1%
Effient	antiplatelet agent	155	91	-	-64	-41.3%
Savaysa	anticoagulant	13	14	(80.4%)	1	+9.5%
Movantik	opioid-induced constipation treatment	27	33	-	6	+22.7%

USD Mn

		FY2016 Q3 YTD	FY2017 Q3 YTD			
		Results	Results	(vs. Forecast (%))	YoY	YoY (%)
<b>Luitpold Pharmaceuticals, Inc. (US)</b>		<b>602</b>	<b>715</b>	<b>(75.8%)</b>	<b>113</b>	<b>+18.8%</b>
Venofer	treatment for iron deficiency anemia	199	215	(77.2%)	16	+8.0%
Injectafer	treatment for iron deficiency anemia	161	226	(71.7%)	64	+39.8%

EUR Mn

		FY2016 Q3 YTD	FY2017 Q3 YTD			
		Results	Results	(vs. Forecast (%))	YoY	YoY (%)
<b>Daiichi Sankyo Europe GmbH</b>		<b>460</b>	<b>453</b>	<b>(73.4%)</b>	<b>-8</b>	<b>-1.7%</b>
Olmesartan	antihypertensive agent	293	198	(78.3%)	-95	-32.4%
Effient	antiplatelet agent	51	46	(73.3%)	-5	-9.7%
Lixiana	anticoagulant	52	144	(69.9%)	92	+176.8%

		FY2017				
		Forecast (as of Oct.)	Forecast (as of Jan.)	vs. Forecast (as of Oct.)	YoY	YoY (%)
		<b>564</b>	<b>629</b>	<b>65</b>	<b>-683</b>	<b>-52.1%</b>
		127	162	34	-450	-73.6%
		245	297	51	-123	-29.3%
		not disclosed	not disclosed	-	-	-
		18	18	-0	1	+3.8%
		not disclosed	not disclosed	-	-	-

		<b>936</b>	<b>944</b>	<b>7</b>	<b>131</b>	<b>+16.1%</b>
		255	279	24	16	+6.1%
		300	315	15	93	+42.3%

		<b>550</b>	<b>617</b>	<b>67</b>	<b>20</b>	<b>+3.3%</b>
		217	253	37	-110	-30.3%
		58	63	5	-4	-5.4%
		183	206	22	124	+152.8%

## 4. Consolidated Statement of Financial Position

<Assets>

JPY Bn

	Mar. 2017	Dec. 2017	vs. Mar. 2017
Assets			
Current assets			
Cash and cash equivalents	246.1	288.6	42.6
Trade and other receivables	231.9	284.8	52.9
Other financial assets	552.9	480.4	-72.4
Inventories	153.1	169.2	16.1
Other current assets	10.5	7.3	-3.1
Subtotal	1,194.4	1,230.4	36.0
Assets held for sale	3.4	-	-3.4
<b>Total current assets</b>	<b>1,197.8</b>	<b>1,230.4</b>	<b>32.6</b>
Non-current assets			
Property, plant and equipment	217.8	219.4	1.6
Goodwill	78.4	78.9	0.4
Intangible assets	217.0	182.7	-34.3
Investments accounted for using the equity method	1.4	1.7	0.3
Other financial assets	140.9	190.0	49.2
Deferred tax assets	53.5	43.4	-10.1
Other non-current assets	8.1	7.7	-0.5
<b>Total non-current assets</b>	<b>717.2</b>	<b>723.8</b>	<b>6.6</b>
<b>Total assets</b>	<b>1,915.0</b>	<b>1,954.2</b>	<b>39.2</b>
* Liquidity on hand	798.2	769.5	-28.8
Debt with interest	282.1	282.2	0.0
Net Cash	516.1	487.3	-28.8

Acquisition +19.4, Depreciation -18.9

Acquisition +12.7, Amortization -14.4, Impairment loss

Insurance credit for olmesartan litigation settlement

Impact of the tax rate reduction in US etc. -6.1



## &lt;Liabilities and equity&gt;

JPY Bn

	Mar. 2017	Dec. 2017	vs. Mar. 2017
<b>Liabilities</b>			
Current liabilities			
Trade and other payables	219.8	203.3	-16.5
Bonds and borrowings	-	20.0	20.0
Other financial liabilities	0.5	0.6	0.0
Income taxes payable	58.0	69.7	11.7
Provisions	41.2	33.3	-7.9
Other current liabilities	6.3	9.5	3.2
Subtotal	325.8	336.4	10.6
Liabilities directly associated with assets held for sale	1.1	-	-1.1
<b>Total current liabilities</b>	<b>326.8</b>	<b>336.4</b>	<b>9.6</b>
Non-current liabilities			
Bonds and borrowings	280.5	260.6	-20.0
Other financial liabilities	9.1	8.3	-0.8
Post employment benefit liabilities	11.4	12.3	0.9
Provisions	16.4	49.3	32.9
Deferred tax liabilities	32.3	21.9	-10.4
Other non-current liabilities	67.1	64.2	-2.9
<b>Total non-current liabilities</b>	<b>416.7</b>	<b>416.4</b>	<b>-0.3</b>
<b>Total liabilities</b>	<b>743.6</b>	<b>752.8</b>	<b>9.3</b>
<b>Equity</b>			
Equity attributable to owners of the Company			
Share capital	50.0	50.0	-
Capital surplus	103.8	94.7	-9.1
Treasury shares	-114.0	-133.6	-19.6
Other components of equity	124.5	152.0	27.5
Retained earnings	1,011.6	1,038.2	26.6
Total equity attributable to owners of the Company	1,175.9	1,201.3	25.4
Non-controlling interests			
Non-controlling interests	-4.5	0.1	4.5
<b>Total equity</b>	<b>1,171.4</b>	<b>1,201.4</b>	<b>29.9</b>
<b>Total liabilities and equity</b>	<b>1,915.0</b>	<b>1,954.2</b>	<b>39.2</b>

Provisions for olmesartan litigation settlement

Impact of the tax rate reduction in US etc.  
-11.2

Acquisition -20.0 (7.4 million shares)

Profit for the period +72.6,  
Payment of dividends -46.4

## 5. Consolidated Statement of Cash Flows

JPY Bn

	FY2016 Q3 YTD	FY2017 Q3 YTD	YoY
Cash flows from operating activities			
Profit before tax	132.4	97.7	-34.7
Depreciation and amortization	33.6	33.5	-0.1
(Increase) decrease in receivables and payables	-60.5	-71.5	-11.0
Others, net	-2.9	4.0	6.9
Income taxes paid	-22.3	-19.9	2.5
<b>Net cash flows from operating activities</b>	<b>80.3</b>	<b>43.8</b>	<b>-36.4</b>
Cash flows from investing activities			
Net (increase) decrease in time deposits and securities	-69.5	77.8	147.2
(Acquisition of) proceeds from sales of fixed assets	-37.0	-25.6	11.4
Proceeds from sale of subsidiary	-	-	-
Net (increase) decrease in investment securities	8.6	3.9	-4.7
Others, net	2.9	8.4	5.5
<b>Net cash flows from investing activities</b>	<b>-94.9</b>	<b>64.5</b>	<b>159.4</b>
Cash flows from financing activities			
Net (increase) decrease in borrowings	-20.0	-	20.0
Proceeds from bonds and borrowings	100.0	-	-100.0
Purchase of treasury shares	-50.1	-20.1	30.0
Dividends paid	-43.9	-46.5	-2.5
Others, net	-0.9	-4.7	-3.7
<b>Net cash flows from financing activities</b>	<b>-14.9</b>	<b>-71.2</b>	<b>-56.3</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-29.6</b>	<b>37.1</b>	<b>66.7</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>222.2</b>	<b>246.1</b>	<b>23.9</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>4.4</b>	<b>5.4</b>	<b>1.0</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>197.0</b>	<b>288.6</b>	<b>91.6</b>
* <b>Free cash flows (Cash flows from operating activities and investing activities)</b>	<b>-14.7</b>	<b>108.3</b>	<b>123.0</b>

## 6. Number of Employees

	Dec. 2016	Mar. 2017	Dec. 2017
	Results	Results	Results
Consolidated	15,124	14,670	14,818
Japan	8,728	8,648	8,822
North America	2,504	2,464	2,483
Europe	1,774	1,578	1,563
Others	2,118	1,980	1,950

## 7. Capital Expenditure, Depreciation and Amortization

		FY2016 Q3 YTD	FY2016	FY2017 Q3 YTD	FY2017
	JPY Bn	Results	Results	Results	Forecast
Capital expenditure		22.1	23.9	18.2	28.0
Depreciation and amortization		33.6	47.4	33.5	43.5
Property, plant and equipment		22.2	31.1	19.1	-
Intangible assets		11.5	16.3	14.4	-

## 8. Summary of Product Outlines

Brand Name	Generic Name	Therapeutic Category	Launched	Origin	Marketing Alliance	Type of Alliance
<b>Japan</b>						
Nexium	esomeprazole	ulcer treatment	2011	AstraZeneca	AstraZeneca	Co-promotion (DS: Sales)
Memary	memantine	Alzheimer's disease treatment	2011	Merz		
Olmetec	olmesartan	antihypertensive agent	2004	Daiichi Sankyo		
Lixiana	edoxaban	anticoagulant	2011	Daiichi Sankyo		
Loxonin			1986	Daiichi Sankyo		
Loxonin Poultice			2006	Lead Chemical		
Loxonin Tape	loxoprofen	anti-inflammatory analgesic	2008	Lead Chemical		
Loxonin Gel			2010	Daiichi Sankyo		
Tenelia	teneligliptin	type 2 diabetes mellitus treatment	2012	Mitsubishi Tanabe	Mitsubishi Tanabe	Co-promotion (DS: Sales)
Pralia	denosumab	treatment for osteoporosis/ inhibitor of the progression of bone erosion associated with rheumatoid arthritis	2013	Amgen		
Rezaltas	olmesartan / azelnidipine	antihypertensive agent	2010	Daiichi Sankyo		
Ranmark	denosumab	treatment for bone complications caused by bone metastases from tumors	2012	Amgen		
Efient	prasugrel	antiplatelet agent	2014	Daiichi Sankyo Ube Industries		
Inavir	laninamivir	anti-influenza treatment	2010	Daiichi Sankyo		
Cravit	levofloxacin	synthetic antibacterial agent	1993	Daiichi Sankyo		
Urief	silodosin	treatment for dysuria	2006	Kissei	Kissei	Co-marketing
Omnipaque	iohexol	contrast medium	1987	GE Healthcare		
Mevalotin	pravastatin	antihyperlipidemic agent	1989	Daiichi Sankyo		
<b>Daiichi Sankyo, Inc. (US)</b>						
Olmesartan						
Benicar	olmesartan		2002			
Benicar HCT	olmesartan / hydrochlorothiazide	antihypertensive agent	2003	Daiichi Sankyo		
Azor	olmesartan / amlodipine		2007			
Tribenzor	olmesartan / amlodipine / hydrochlorothiazide		2010			
Welchol	colesevelam	hypercholesterolemia treatment/ type 2 diabetes mellitus treatment	2000	Genzyme		
Effient	prasugrel	antiplatelet agent	2009	Daiichi Sankyo Ube Industries	Lilly	Co-promotion (DS: Co-pro revenue)
Savaysa	edoxaban	anticoagulant	2015	Daiichi Sankyo		
Movantik	naloxegol	opioid-induced constipation treatment	2015	Nektar AstraZeneca	AstraZeneca	Co-promotion (DS: Co-pro revenue)
<b>Luitpold Pharmaceuticals, Inc. (US)</b>						
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	Daiichi Sankyo, Inc.	Promotion (Daiichi Sankyo, Inc.)
<b>Daiichi Sankyo Europe GmbH</b>						
Olmesartan						
Olmetec	olmesartan		2002			
Olmetec Plus	olmesartan / hydrochlorothiazide	antihypertensive agent	2005	Daiichi Sankyo	Menarini Pfizer	Co-marketing
Sevikar	olmesartan / amlodipine		2009			
Sevikar HCT	olmesartan / amlodipine / hydrochlorothiazide		2010			
Efient	prasugrel	antiplatelet agent	2009	Daiichi Sankyo Ube Industries		
Lixiana	edoxaban	anticoagulant	2015	Daiichi Sankyo	Merck (MSD)	Co-marketing

<9. Quarterly Data>

1. Consolidated Statement of Profit or Loss

JPY Bn	FY2016	FY2016	FY2016	FY2016	FY2016				FY2017	FY2017	FY2017	FY2017	FY2017	
	Q1	Q2	Q3	Q4	to revenue	Results	YoY	YoY (%)	Q1	Q2	Q3	Q4	to revenue	Results
	Results	Results	Results	Results					Results	Results	Results	Results		
<b>Revenue</b>	<b>241.0</b>	<b>217.0</b>	<b>276.4</b>	<b>220.7</b>	<b>100.0%</b>	<b>955.1</b>	<b>-31.3</b>	<b>-3.2%</b>	<b>239.1</b>	<b>230.3</b>	<b>271.7</b>		<b>100.0%</b>	<b>741.0</b>
Cost of sales	77.6	69.7	94.5	107.6	36.6%	349.4	30.8	+9.7%	80.1	77.0	98.4		34.5%	255.5
(excl. Special items)	77.6	69.7	94.5	83.4	34.0%	325.2	9.6	+3.0%	80.1	83.1	98.4		35.3%	261.5
(Special items)	-	-	-	24.2	2.5%	24.2	21.2	+697.2%	-	-6.1	-		-0.8%	-6.1
<b>Gross Profit</b>	<b>163.4</b>	<b>147.4</b>	<b>181.9</b>	<b>113.1</b>	<b>63.4%</b>	<b>605.8</b>	<b>-62.1</b>	<b>-9.3%</b>	<b>159.0</b>	<b>153.3</b>	<b>173.3</b>		<b>65.5%</b>	<b>485.6</b>
SG&A expenses	69.5	72.2	78.8	82.0	31.7%	302.5	-26.3	-8.0%	70.8	69.2	76.7		29.2%	216.7
(excl. Special items)	69.5	66.2	74.2	80.9	30.4%	290.8	-28.2	-8.8%	70.8	69.2	76.7		29.2%	216.7
(Special items)	-	6.0	4.6	1.1	1.2%	11.7	1.9	+19.1%	-	-	-		-	-
R&D expenses	46.6	49.2	47.7	70.9	22.4%	214.3	5.7	+2.7%	48.0	75.6	52.0		23.7%	175.6
(excl. Special items)	46.6	49.2	47.7	66.3	22.0%	209.8	6.8	+3.4%	48.0	45.4	52.0		19.6%	145.4
(Special items)	-	-	-	4.5	0.5%	4.5	-1.1	-19.8%	-	30.2	-		4.1%	30.2
<b>Operating Profit</b>	<b>47.3</b>	<b>26.0</b>	<b>55.4</b>	<b>-39.8</b>	<b>9.3%</b>	<b>88.9</b>	<b>-41.5</b>	<b>-31.8%</b>	<b>40.3</b>	<b>8.5</b>	<b>44.5</b>		<b>12.6%</b>	<b>93.2</b>
(Operating Profit before Special items)	47.3	32.0	60.0	-10.0	13.5%	129.3	-19.6	-13.1%	40.3	32.6	44.5		15.8%	117.3
Financial income/expenses	-1.9	0.7	4.6	-4.8		-1.3	6.4		2.1	0.5	1.5			4.1
Share of profit or loss of investments accounted for using the equity method	-0.2	-0.0	0.4	-0.0		0.2	0.5		-0.1	-0.1	0.6			0.4
<b>Profit before tax</b>	<b>45.2</b>	<b>26.7</b>	<b>60.5</b>	<b>-44.6</b>	<b>9.2%</b>	<b>87.8</b>	<b>-34.6</b>	<b>-28.3%</b>	<b>42.2</b>	<b>9.0</b>	<b>46.5</b>		<b>13.2%</b>	<b>97.7</b>
Income taxes	15.1	9.0	21.0	-4.8		40.3	-1.7	-4.0%	13.4	4.0	8.2			25.6
<b>Profit for the year</b>	<b>30.1</b>	<b>17.7</b>	<b>39.5</b>	<b>-39.8</b>	<b>5.0%</b>	<b>47.5</b>	<b>-32.9</b>	<b>-40.9%</b>	<b>28.8</b>	<b>4.9</b>	<b>38.4</b>		<b>9.7%</b>	<b>72.1</b>
<b>Profit attributable to owners of the Company</b>	<b>30.6</b>	<b>18.4</b>	<b>39.2</b>	<b>-34.7</b>	<b>5.6%</b>	<b>53.5</b>	<b>-28.8</b>	<b>-35.0%</b>	<b>29.2</b>	<b>5.1</b>	<b>38.3</b>		<b>9.8%</b>	<b>72.6</b>
Tax rate	33.4%	33.7%	34.7%	10.7%		45.9%			31.8%	44.8%	17.5%			26.2%
Overseas sales ratio	42.0%	37.9%	37.6%	39.8%		39.3%			37.6%	35.5%	33.2%			35.4%
<u>Currency Rate (YTD Average)</u>														
USD/JPY	108.25	105.35	106.68	108.42		108.42			111.10	111.07	111.71			111.71
EUR/JPY	122.17	118.22	118.09	118.84		118.84			122.19	126.29	128.53			128.53

<9. Quarterly Data>

**2. Revenue of Global Products**

JPY Bn	FY2016 Q1	FY2016 Q2	FY2016 Q3	FY2016 Q4	FY2016			FY2017 Q1	FY2017 Q2	FY2017 Q3	FY2017 Q4	FY2017
	Results	Results	Results	Results	Results	YoY	YoY (%)	Results	Results	Results	Results	Results
<b>Olmesartan</b>	<b>65.7</b>	<b>49.7</b>	<b>63.7</b>	<b>38.9</b>	<b>218.0</b>	<b>-66.1</b>	<b>-23.3%</b>	<b>42.8</b>	<b>40.0</b>	<b>37.8</b>		<b>120.6</b>
Olmetec (JPN)	18.3	16.6	19.2	15.3	69.4	-4.4	-6.0%	16.8	15.1	8.6		40.5
Rezaltas (JPN)	4.7	4.2	4.8	3.9	17.5	-0.6	-3.5%	4.5	4.1	4.6		13.1
Olmesartan (US)	23.2	13.5	24.3	5.4	66.4	-45.3	-40.6%	6.8	3.5	7.0		17.4
Olmesartan (EU)	14.0	10.7	10.0	8.6	43.2	-15.7	-26.7%	9.0	9.0	7.5		25.5
Other subsidiaries, export, etc	5.6	4.7	5.5	5.7	21.5	-0.1	-0.4%	5.8	8.3	10.0		24.2
<b>Edoxaban</b>	<b>7.3</b>	<b>8.7</b>	<b>9.9</b>	<b>11.3</b>	<b>37.3</b>	<b>22.3</b>	<b>+148.5%</b>	<b>15.3</b>	<b>17.6</b>	<b>23.7</b>		<b>56.6</b>
Lixiana (JPN)	5.5	6.0	6.4	7.1	25.0	12.0	+92.6%	9.4	10.3	15.0		34.7
Savaysa (US)	0.3	0.6	0.5	0.5	1.9	1.4	+317.0%	0.5	0.5	0.6		1.6
Lixiana (EU)	1.4	1.9	2.8	3.5	9.7	8.1	+525.7%	4.9	6.1	7.5		18.5
Other subsidiaries	0.1	0.3	0.2	0.2	0.8	0.7	-	0.6	0.6	0.7		1.8
<b>Prasugrel</b>	<b>10.9</b>	<b>9.3</b>	<b>10.9</b>	<b>10.5</b>	<b>41.6</b>	<b>9.4</b>	<b>+29.2%</b>	<b>11.5</b>	<b>7.2</b>	<b>8.2</b>		<b>27.0</b>
Effient alliance revenue (US)	6.0	4.9	5.7	5.7	22.2	1.5	+7.2%	6.1	1.9	2.2		10.1
Efient (EU)	2.3	1.9	1.9	1.9	7.9	2.6	+47.9%	1.9	2.0	2.1		6.0
Efient (JPN)	2.5	2.4	2.9	2.6	10.4	5.5	+112.7%	3.3	3.1	3.6		9.9
Other subsidiaries, export, etc	0.2	0.2	0.4	0.3	1.0	-0.2	-14.6%	0.2	0.3	0.4		1.0

**3. Revenue by Business Units and Products (1)**

JPY Bn	FY2016 Q1	FY2016 Q2	FY2016 Q3	FY2016 Q4	FY2016			FY2017 Q1	FY2017 Q2	FY2017 Q3	FY2017 Q4	FY2017
	Results	Results	Results	Results	Results	YoY	YoY (%)	Results	Results	Results	Results	Results
<b>Japan</b>	<b>123.4</b>	<b>115.6</b>	<b>151.2</b>	<b>116.3</b>	<b>506.6</b>	<b>11.9</b>	<b>+2.4%</b>	<b>130.0</b>	<b>127.6</b>	<b>160.5</b>		<b>418.1</b>
Nexium	21.0	21.0	25.4	16.6	84.0	1.6	+1.9%	22.6	22.1	25.3		70.0
Memary	12.1	11.3	12.9	10.5	46.9	4.4	+10.4%	12.5	12.0	13.6		38.1
Olmotec	18.3	16.6	19.2	15.3	69.4	-4.4	-6.0%	16.8	15.1	8.6		40.5
Lixiana	5.5	6.0	6.4	7.1	25.0	12.0	+92.6%	9.4	10.3	15.0		34.7
Loxonin	10.3	8.5	10.5	8.1	37.4	-10.7	-22.3%	9.6	9.3	10.1		29.0
Tenelia	6.7	5.1	7.9	4.5	24.2	7.6	+46.1%	7.6	5.6	7.7		20.9
Pralia	4.1	4.2	5.0	4.7	18.0	5.5	+44.1%	5.5	5.4	6.4		17.3
Rezaltas	4.7	4.2	4.8	3.9	17.5	-0.6	-3.5%	4.5	4.1	4.6		13.1
Ranmark	3.4	3.4	3.8	3.3	13.9	1.5	+12.4%	3.8	3.8	4.2		11.7
Efient	2.5	2.4	2.9	2.6	10.4	5.5	+112.7%	3.3	3.1	3.6		9.9
Inavir	0.6	0.0	7.4	11.6	19.6	5.5	+39.3%	0.7	0.4	8.2		9.3
Cravit	3.8	3.6	4.7	3.1	15.1	-3.3	-17.8%	3.3	3.1	3.7		10.1
Urief	3.0	2.7	3.1	2.5	11.4	-0.4	-3.4%	2.9	2.7	3.1		8.7
Omnipaque	3.7	3.5	3.9	3.1	14.2	-2.7	-15.9%	3.6	3.5	3.9		11.0
Mevalotin	2.9	2.5	2.8	2.2	10.4	-3.0	-22.2%	2.4	2.2	2.4		7.0
Daiichi Sankyo Espha products	5.2	4.7	5.8	4.5	20.2	1.7	+9.2%	7.2	10.1	17.1		34.3
Vaccines business	6.6	8.0	16.6	7.3	38.5	1.7	+4.7%	7.6	8.6	18.4		34.5
<b>Daiichi Sankyo Healthcare (OTC)</b>	<b>14.8</b>	<b>17.4</b>	<b>19.7</b>	<b>14.9</b>	<b>66.7</b>	<b>13.4</b>	<b>+25.0%</b>	<b>16.8</b>	<b>19.0</b>	<b>20.8</b>		<b>56.6</b>

3. Revenue by Business Units and Products (2)	FY2016 Q1	FY2016 Q2	FY2016 Q3	FY2016 Q4	FY2016			FY2017 Q1	FY2017 Q2	FY2017 Q3	FY2017 Q4	FY2017
	Results	Results	Results	Results	Results	YoY	YoY (%)	Results	Results	Results	Results	Results
JPY Bn												
<b>Daiichi Sankyo, Inc. (US)</b>	<b>40.7</b>	<b>29.6</b>	<b>45.5</b>	<b>26.5</b>	<b>142.3</b>	<b>-42.8</b>	<b>-23.1%</b>	<b>25.0</b>	<b>17.1</b>	<b>22.0</b>		<b>64.1</b>
Olmesartan	23.2	13.5	24.3	5.4	66.4	-45.3	-40.6%	6.8	3.5	7.0		17.4
Welchol	10.0	9.5	12.7	13.3	45.5	-2.9	-6.0%	10.1	9.6	9.6		29.3
Effient	6.0	4.9	5.7	5.7	22.2	1.5	+7.2%	6.1	1.9	2.2		10.1
Savaysa	0.3	0.6	0.5	0.5	1.9	1.4	+317.0%	0.5	0.5	0.6		1.6
Movantik	0.9	0.9	1.1	1.2	4.2	2.1	+106.8%	1.3	1.2	1.2		3.7
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>22.0</b>	<b>19.8</b>	<b>22.5</b>	<b>23.8</b>	<b>88.1</b>	<b>-2.9</b>	<b>-3.2%</b>	<b>27.6</b>	<b>24.8</b>	<b>27.6</b>		<b>79.9</b>
Venofer	7.4	6.5	7.4	7.2	28.5	-2.8	-8.8%	7.4	7.3	9.3		24.0
Injectafer	5.9	5.2	6.1	6.7	24.0	5.3	+28.6%	8.1	8.1	9.1		25.2
<b>Daiichi Sankyo Europe GmbH</b>	<b>20.4</b>	<b>16.5</b>	<b>17.4</b>	<b>16.6</b>	<b>71.0</b>	<b>-6.8</b>	<b>-8.8%</b>	<b>18.5</b>	<b>19.7</b>	<b>19.9</b>		<b>58.2</b>
Olmesartan	14.0	10.7	10.0	8.6	43.2	-15.7	-26.7%	9.0	9.0	7.5		25.5
Efient	2.3	1.9	1.9	1.9	7.9	2.6	+47.9%	1.9	2.0	2.1		6.0
Lixiana	1.4	1.9	2.8	3.5	9.7	8.1	+525.7%	4.9	6.1	7.5		18.5
<b>Asia, South and Central America (ASCA)</b>	<b>17.7</b>	<b>16.3</b>	<b>18.4</b>	<b>19.7</b>	<b>72.1</b>	<b>-3.2</b>	<b>-4.2%</b>	<b>19.0</b>	<b>19.6</b>	<b>20.1</b>		<b>58.7</b>
Daiichi Sankyo China	8.2	7.3	8.1	10.2	33.8	-0.5	-1.3%	8.3	8.3	8.6		25.2
Daiichi Sankyo Taiwan	1.3	1.2	1.3	1.4	5.2	-0.2	-3.3%	1.6	1.6	1.6		4.8
Daiichi Sankyo Korea	2.1	2.0	2.2	2.5	8.8	-0.5	-5.2%	2.9	2.7	3.0		8.6
Daiichi Sankyo Thailand	0.6	0.5	0.8	0.7	2.5	-1.5	-37.4%	0.6	0.7	0.8		2.1
Daiichi Sankyo Brasil Farmacêutica	2.0	2.1	2.7	2.0	8.8	0.7	+9.1%	2.4	2.4	3.2		8.1



### 3. Revenue by Business Units and Products (3)

#### [Reference] Revenue in Local Currency

	FY2016 Q1	FY2016 Q2	FY2016 Q3	FY2016 Q4	FY2016			FY2017 Q1	FY2017 Q2	FY2017 Q3	FY2017 Q4	FY2017
	Results	Results	Results	Results	Results	YoY	YoY (%)	Results	Results	Results	Results	Results
USD Mn												
<b>Daiichi Sankyo, Inc. (US)</b>	<b>376</b>	<b>291</b>	<b>419</b>	<b>227</b>	<b>1,312</b>	<b>-228</b>	<b>-14.8%</b>	<b>225</b>	<b>154</b>	<b>195</b>		<b>573</b>
Olmesartan	214	134	223	41	612	-317	-34.1%	61	32	62		155
Welchol	92	92	117	118	420	17	+4.2%	91	86	85		262
Effient	55	48	52	50	205	32	+18.7%	55	17	19		91
Savaysa	3	6	5	4	17	14	+362.1%	4	5	5		14
Movantik	8	9	10	11	38	22	+129.2%	12	11	11		33
USD Mn												
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>203</b>	<b>193</b>	<b>206</b>	<b>210</b>	<b>812</b>	<b>55</b>	<b>+7.2%</b>	<b>248</b>	<b>223</b>	<b>244</b>		<b>715</b>
Venofer	68	63	67	63	263	3	+1.0%	67	66	82		215
Injectafer	55	51	56	60	221	66	+42.5%	72	73	80		226
EUR Mn												
<b>Daiichi Sankyo Europe GmbH</b>	<b>167</b>	<b>145</b>	<b>148</b>	<b>137</b>	<b>597</b>	<b>10</b>	<b>+1.8%</b>	<b>152</b>	<b>151</b>	<b>150</b>		<b>453</b>
Olmesartan	114	94	85	70	363	-81	-18.2%	73	69	56		198
Efient	19	17	16	16	67	26	+65.0%	16	15	16		46
Lixiana	12	16	24	29	81	70	+598.0%	40	47	57		144

## <10. Historical Data>

### 1. Revenue of Global Products

	FY2012	FY2013	FY2014	FY2015	FY2016
JPY Bn	Results	Results	Results	Results	Results
<b>Olmesartan</b>	<b>258.9</b>	<b>300.2</b>	<b>293.5</b>	<b>284.1</b>	<b>218.0</b>
Olmetec (JPN)	78.3	79.1	76.3	73.9	69.4
Rezaltas (JPN)	16.9	18.5	18.4	18.2	17.5
Benicar/Benicar HCT (US)	73.2	85.9	77.0	79.5	46.6
Azor (US)	14.8	17.4	18.3	19.7	11.2
Tribenzor (US)	6.8	9.0	11.3	12.4	8.6
Olmetec/Olmetec Plus (EU)	32.6	44.5	37.8	32.8	21.9
Sevikar (EU)	10.8	13.5	17.6	16.5	12.4
Sevikar HCT (EU)	4.7	7.6	9.9	9.6	9.0
Other subsidiaries, export, etc	20.7	24.7	27.0	21.6	21.5
<b>Edoxaban</b>	<b>-</b>	<b>0.4</b>	<b>4.3</b>	<b>15.0</b>	<b>37.3</b>
Lixiana (JPN)	-	0.4	3.6	13.0	25.0
Savaysa (US)	-	-	0.7	0.4	1.9
Lixiana (EU)	-	-	-	1.5	9.7
Other subsidiaries	-	-	-	0.0	0.8
<b>Prasugrel</b>	<b>14.4</b>	<b>22.3</b>	<b>24.9</b>	<b>32.2</b>	<b>41.6</b>
Effient alliance revenue (US)	10.5	15.4	17.6	20.7	22.2
Efient (EU)	3.9	4.7	4.8	5.4	7.9
Efient (JPN)	-	-	0.7	4.9	10.4
Other subsidiaries, export, etc	-	2.2	1.9	1.2	1.0

**2. Revenue by Business Units and Products (1)**

	FY2012	FY2013	FY2014	FY2015	FY2016
JPY Bn	Results	Results	Results	Results	Results
<b>Japan</b>	<b>442.5</b>	<b>486.0</b>	<b>480.5</b>	<b>494.7</b>	<b>506.6</b>
Nexium	21.6	54.2	69.3	82.4	84.0
Memary	23.8	33.3	36.8	42.4	46.9
Olmetec	78.3	79.1	76.3	73.9	69.4
Lixiana	0.3	0.4	3.6	13.0	25.0
Loxonin	59.6	59.3	49.5	48.1	37.4
Tenelia	1.3	1.5	7.6	16.5	24.2
Pralia	-	3.2	7.3	12.5	18.0
Rezaltas	16.9	18.5	18.4	18.2	17.5
Ranmark	4.4	8.1	10.2	12.4	13.9
Efient	-	-	0.7	4.9	10.4
Inavir	11.1	13.4	16.6	14.0	19.6
Cravit	35.9	33.5	27.8	18.4	15.1
Urief	11.1	11.4	11.5	11.8	11.4
Omnipaque	20.2	19.7	17.2	16.9	14.2
Mevalotin	25.8	21.5	16.2	13.4	10.4
Artist	22.4	22.4	18.1	15.1	10.6
Daiichi Sankyo Espha products	11.1	12.5	14.9	18.5	20.2
Vaccines business	39.1	37.5	32.2	36.8	38.5
<b>Daiichi Sankyo Healthcare (OTC)</b>	<b>47.1</b>	<b>48.1</b>	<b>47.8</b>	<b>53.4</b>	<b>66.7</b>

## 2. Revenue by Business Units and Products (2)

	FY2012	FY2013	FY2014	FY2015	FY2016
JPY Bn	Results	Results	Results	Results	Results
<b>Daiichi Sankyo, Inc. (US)</b>	<b>142.3</b>	<b>171.8</b>	<b>173.0</b>	<b>185.1</b>	<b>142.3</b>
Olmesartan	94.9	112.3	106.6	111.6	66.4
Benicar/Benicar HCT	73.2	85.9	77.0	79.5	46.6
Azor	14.8	17.4	18.3	19.7	11.2
Tribenzor	6.8	9.0	11.3	12.4	8.6
Welchol	33.1	42.3	47.4	48.4	45.5
Effient	10.5	15.4	17.6	20.7	22.2
Savaysa	-	-	0.7	0.4	1.9
Movantik	-	-	-	2.0	4.2
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>38.6</b>	<b>39.6</b>	<b>57.4</b>	<b>91.0</b>	<b>88.1</b>
Venofer	23.6	24.9	28.6	31.2	28.5
Injectafer	-	1.3	7.6	18.6	24.0
<b>Daiichi Sankyo Europe GmbH</b>	<b>64.4</b>	<b>83.9</b>	<b>83.5</b>	<b>77.8</b>	<b>71.0</b>
Olmesartan	48.0	65.6	65.2	58.9	43.2
Olmetec/Olmetec Plus	32.6	44.5	37.8	32.8	21.9
Sevikar	10.8	13.5	17.6	16.5	12.4
Sevikar HCT	4.7	7.6	9.9	9.6	9.0
Efient	3.9	4.7	4.8	5.4	7.9
Lixiana	-	-	-	1.5	9.7
<b>Asia, South and Central America (ASCA)</b>	<b>45.4</b>	<b>58.8</b>	<b>67.5</b>	<b>75.3</b>	<b>72.1</b>
Daiichi Sankyo China	16.4	21.2	27.4	34.2	33.8
Daiichi Sankyo Taiwan	3.3	4.5	4.9	5.4	5.2
Daiichi Sankyo Korea	5.3	9.1	8.9	9.3	8.8
Daiichi Sankyo Thailand	1.4	2.5	3.7	4.1	2.5
Daiichi Sankyo Brasil Farmacêutica	6.6	7.5	8.4	8.1	8.8
Daiichi Sankyo Venezuela	6.7	6.9	8.1	0.2	0.1

**2. Revenue by Business Units and Products (3)****[Reference] Revenue in Local Currency**

	FY2012	FY2013	FY2014	FY2015	FY2016
	Results	Results	Results	Results	Results
USD Mn					
<b>Daichi Sankyo, Inc. (US)</b>	<b>1,713</b>	<b>1,714</b>	<b>1,574</b>	<b>1,540</b>	<b>1,312</b>
Olmesartan	1,142	1,120	969	929	612
Benicar/Benicar HCT	881	857	700	661	430
Azor	179	174	166	164	103
Tribenzor	82	90	103	103	79
Welchol	399	422	431	403	420
Effient	127	154	160	173	205
Savaysa	-	-	6	4	17
Movantik	-	-	-	17	38
USD Mn					
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>465</b>	<b>395</b>	<b>522</b>	<b>758</b>	<b>812</b>
Venofer	284	248	260	260	263
Injectafer	-	13	69	155	221
EUR Mn					
<b>Daichi Sankyo Europe GmbH</b>	<b>601</b>	<b>624</b>	<b>602</b>	<b>587</b>	<b>597</b>
Olmesartan	448	488	470	444	363
Olmetec/Olmetec Plus	304	331	272	248	184
Sevikar	100	100	127	124	104
Sevikar HCT	44	57	71	73	75
Efient	36	35	34	41	67
Lixiana	-	-	-	12	81

11. Major R&D Pipeline (Innovative pharmaceuticals)

As of January 2018

◆ Oncology (Late-stage pipeline products)

Generic Name/Project Code Number (Brand Name)	Class	Target indication	Region	Stage	Dosage Form	Partner	Target FY for approval/launch	Remarks
Denosumab/AMG 162	Anti-RANKL antibody	Breast cancer adjuvant	JP	P3	Injection	Amgen	2020	Additional indication
Ranmark (JP)	The fully human monoclonal antibody to target RANK Ligand, an essential mediator of osteoclast formation.							
Quizartinib/AC220	FLT3 inhibitor	Acute Myeloid Leukemia (AML)	US/EU/Asia	P3	Oral	-	2018	Relapsed and refractory AML patients
			US/EU/Asia	P3		-	2021-	Newly diagnosed AML patients
			JP	P2		-	2018-	Relapsed and refractory AML patients
			<u>US</u>	<u>P1 prep</u>		-	-	<u>Combination with DS-3032</u>
Kinase inhibitor against a receptor-type tyrosine kinase, FLT3. Therapeutic effect for patients with acute myeloid leukemia harboring FLT3-ITD mutation is expected.								
Pexidartinib/PLX3397	CSF-1R/KIT/FLT3 inhibitor	Tenosynovial Giant Cell Tumor (TGCT)	US/EU	P3	Oral	-	2019	Including pigmented villonodular synovitis Announced top line result
		Solid tumors	Asia	P1		-	-	Including TGCT
		c-KIT Melanoma	Asia	P1/2		-	-	
The molecular-targeted agent to inhibit CSF-1R, KIT and FLT3. This agent is expected to reduce tumor cell proliferation and expansion of metastases.								
Nimotuzumab/DE-766	Anti-EGFR antibody	Gastric cancer	JP	P3	Injection	InnoCIMAb Pte Ltd	2020	
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.								
Patritumab/U3-1287	Anti-HER3 antibody	Head & neck cancer	EU	P2	Injection	-	-	
The fully human monoclonal antibody to target HER3, one of the Epidermal Growth Factor Receptor (EGFR) family of proteins. HER3 is overexpressed in many tumors of epithelial origin and HER2/HER3 dimers and EGFR/HER3 dimers are expected more potent to induce tumor cell proliferation than homodimers of HER2 or EGFR.								
DS-1647(G47Δ)	Oncolytic HSV-1	Glioblastoma	JP	P2	Injection	ActiVec Inc.	-	Granted SAKIGAKE designation from MHLW. Investigator Initiated Study is on-going Orphan drug designation from MHLW in July 2017.
The third generation oncolytic herpes simplex virus type 1(HSV-1), genetically-engineered to restrict virus replication to tumor cells. This oncolytic virus therapy is expected equal or better safety and better efficacy profile compare to existing oncolytic virus.								
DS-8201	Anti-HER2 antibody drug conjugate	Breast cancer	JP/US/EU	P2	Injection	-	2021	Granted Fast Track designation for HER2 positive metastatic breast cancer by U.S. FDA Granted Breakthrough THERapy designation for HER2 positive locally advanced or metastatic breast cancer who have been treated with trastuzumab and pertuzumab and have disease progression after ado-trastuzumab emtansine (T-DM1) by U.S. FDA
		Gastric cancer	JP/Asia	P2		-	2021	
		Breast cancer, Urothelial (bladder) cancer	US/EU	P1 prep		Bristol-Myers Squibb	-	Combination with nivolumab
		<u>Colorectal cancer</u>	<u>JP/US/EU</u>	<u>P2 prep</u>		-	-	
The drug (payload) conjugated through linker to the fully human monoclonal antibody to target HER2, one of the Epidermal Growth Factor Receptor (EGFR) family of proteins. Payload is potent topoisomerase I inhibitor with high membrane permeability. With bystander effect it provides neighbor cell death. Drug-to antibody ratio is 7-8.								

Underline: change after FY2017 Q2 Financial Announcement in Oct 2017

◆ Oncology (Early-stage pipeline products)

Generic Name/Project Code Number	Class	Target indication	Region	Stage	Partner	Target FY for approval/launch	Remarks
DS-3032	MDM2 inhibitor	Solid tumors	US/JP	P1	-	-	
		Acute Myeloid Leukemia (AML)	US	P1	-	-	
		<u>Acute Myeloid Leukemia (AML)</u>	<u>US</u>	<u>P1 prep</u>	-	-	<u>Combination with quizartinib</u>
PLX7486	FMS/TRK inhibitor	Solid tumors	US	P1	-	-	
PLX8394	BRAF inhibitor	Solid tumors	US	P1	-	-	
PLX9486	KIT inhibitor	Solid tumors (gastrointestinal stromal tumor)	US	P1	-	-	
DS-3201	EZH1/2 inhibitor	Non-Hodgkin's lymphoma	JP	P1	-	-	
		Acute Myeloid Leukemia (AML), Acute Lymphoblastic Leukemia (ALL)	US	P1	-	-	
PLX73086/AC708	CSF-1R inhibitor	Tenosynovial Giant Cell Tumor (TGCT)	US	P1	-	-	
PLX51107	BRD4 inhibitor	Acute Myeloid Leukemia (AML), Myelodysplastic syndrome (MDS)	US	P1	-	-	
U3-1402	Anti-HER3 antibody drug conjugate	Breast cancer	<u>JP/US</u>	P1	-	-	
		Non-Small Cell Lung Cancer (NSCLC)	US	P1 prep	-	-	
DS-1001	IDH1 mutant inhibitor	Glioma	JP	P1	-	-	
DS-1205	AXL inhibitor	Non-Small Cell Lung Cancer (NSCLC)	US	P1 prep	-	-	Combination with osimertinib
PLX2853	BRD4 inhibitor	Solid tumors	US	P1	-	-	
<u>DS-1062</u>	<u>Anti-TROP2 antibody drug conjugate</u>	<u>Solid tumors (Non-Small Cell Lung Cancer)</u>	<u>US/JP</u>	<u>P1 prep</u>	-	-	

Underline: change after FY2017 Q2 Financial Announcement in Oct 2017

◆ Cardiovascular-Metabolics (Late-stage pipeline products)

Generic Name/Project Code Number (Brand Name)	Class	Target indication	Region	Stage	Dosage Form	Partner	Target FY for approval/launch	Remarks
Edoxaban/DU-176b	Factor Xa inhibitor	Atrial fibrillation (AF)	ASCA etc.	Submitted			-	BR (14/6*), CN(15/8) submitted * means June 2014, ditto
Lixiana (JP)		Venous thromboembolism (VTE)	ASCA etc.	Submitted	Oral	-	-	BR (14/6), CN(15/8) submitted
LIXIANA (EU, Asia)		Very elderly patients with non-valvular atrial fibrillation (AF)	JP	P3			2021	Additional dosage and formulation for very elderly (80 years and older) AF patients
SAVAYSA (US)		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.						
Prasugrel/CS-747	Anti-platelet agent	Ischemic stroke	JP	P3	Oral	Ube Industries	2019	Additional indication, P3 studies completed
Effient (US, Asia)	The oral antiplatelet agent. Prasugrel helps to keep blood platelets from clumping together and developing a blockage in an artery.							
Effient (JP, EU)								
Esaxerenone/CS-3150	MR antagonist	Hypertension	JP	P3	Oral	Exelixis, Inc.	2019	Announced top line result
		Diabetic nephropathy	JP	P3			2021	
The agent inhibits aldosterone binding to Mineralocorticoid Receptor (MR) which stimulate the sodium absorption into kidney. This agent is expected to exhibit antihypertensive and organ-protective effect.								

Underline: change after FY2017 Q2 Financial Announcement in Oct 2017

◆ Cardiovascular-Metabolics (Early-stage pipeline products)

Generic Name/Project Code Number	Class	Target indication	Region	Stage	Partner	Target FY for approval/launch	Remarks
DS-1040	TAFIa inhibitor	Acute ischemic stroke, Acute pulmonary embolism	US/EU/JP	P1	-	-	
DS-2330	Hyperphosphatemia treatment	Hyperphosphatemia in chronic kidney disease (CKD)	-	P1	-	-	

Underline: change after FY2017 Q2 Financial Announcement in Oct 2017



◆ Internal Medicine (Late-stage pipeline products)

Generic Name/Project Code Number (Brand Name)	Class	Target indication	Region	Stage	Dosage Form	Partner	Target FY for approval/launch	Remarks
Hydromorphone/DS-7113	Opioid $\mu$ -receptor agonist	Cancer pain	JP	<u>Approved</u>	Injection		2017	<u>Daiichi Sankyo Propharma received approval in January 2018</u>
		Narcotic analgesics. Immediate and extended-release tablets were launched in Japan in June 2017.						
Mirogabalin/DS-5565	$\alpha 2\delta$ ligand	Fibromyalgia	US/EU	P3			-	Announced top line result
		Diabetic peripheral neuropathic pain	JP/Asia	P3	Oral	-	2018	Announced top line result
		Postherpetic neuralgia	JP/Asia	P3			2018	Announced top line result
		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.						
Laninamivir/CS-8958	Neuraminidase inhibitor	Influenza	JP	P3	Inhalation	-	2019	Additional dosage form, nebulizer formulation, obtained topline result of P3 study
Inavir (JP)		The long-acting neuraminidase inhibitor and acts directly on the pulmonary and tracheal sites of infection.						

Underline: change after FY2017 Q2 Financial Announcement in Oct 2017

◆ Internal Medicine (Early-stage pipeline products)

Generic Name/Project Code Number	Class	Target indication	Region	Stage	Partner	Target FY for approval/launch	Remarks
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), Diabetic Macular Edema (DME)	US	P1	-	-	
DS-5141	ENA oligonucleotide	Duchenne muscular dystrophy (DMD)	JP	P1/2	-	-	Granted SAKIGAKE designation from MHLW in April 2017
DS-1211	TNAP inhibitor	Prevention of ectopic calcification diseases	US	P1	-	-	Research collaboration with Sanford Burnham Prebys Medical Discovery Institute

Underline: change after FY2017 Q2 Financial Announcement in Oct 2017

◆ Vaccines

Generic Name/Project Code Number (Brand Name)	Class	Target indication	Region	Stage	Dosage Form	Partner	Target FY for approval/launch	Remarks
VN-0107/MEDI3250	Live attenuated influenza vaccine	Prevention of seasonal influenza	JP	Submitted	Nasal spray	AstraZeneca/ MedImmune	-	Submitted by Daiichi Sankyo in June 2016 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.
VN-100	Intradermal seasonal influenza vaccine	Prevention of seasonal influenza	JP	<u>P3</u>	Injection*	Terumo Corporation	-	Submitted by Japan Vaccine in April 2015 * prefilled syringe <u>Status changed: P3 study conducted in Japan met its primary endpoint; however, could not establish commercial manufacturing method and Japan Vaccine dismissed NDA.</u> The Vaccine is a pre-filled syringe type, intradermal influenza HA vaccine co-developed by four companies [Daiichi Sankyo, Terumo Corporation, Japan Vaccine and Kitasato Daiichi Sankyo Vaccine Co., Ltd.]. The intradermal injection device for this vaccine is developed by Terumo Corporation. 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.
VN-0105	DPT-IPV/Hib vaccine	Prevention of pertussis, diphtheria, tetanus, poliomyelitis and Hib	JP	P3	Injection	Sanofi Pasteur	2019	Co-develop with Sanofi K.K.and KDSV A combination vaccine reconstituting Hib with precipitated and purified pertussis-diphtheria-tetanus-inactivated polio vaccine (Salk vaccine) vaccine launched in Japan, as 1st in the class of pentavalent vaccine (DPT-IPV/Hib).
VN-0102/JVC-001	Measles-Mumps-Rubella vaccine	Prevention of Measles, Mumps and Rubella	JP	P1/2	Injection	-	-	Japan vaccine company is conducting the P1/2 study

Underline: change after FY2017 Q2 Financial Announcement in Oct 2017

◆ **Stage-up (major changes from the FY2017 Q2 Financial Announcement in Oct 2017)**

Generic Name/Project Code Number	Class	Target indication	Current region/stage		Remarks
Quizartinib/AC220	FLT3 inhibitor	Acute Myeloid Leukemia (AML)	US	P1 prep	Combination with DS-3032
DS-8201	Anti-HER2 antibody drug conjugate	Colorectal cancer	JP/US/EU	P2 prep	
DS-1062	Anti-TROP2 antibody drug conjugate	Solid tumors (NSCLC)	US/JP	P1 prep	
Hydromorphone/DS-7113	Opioid $\mu$ -receptor agonist	Cancer pain	JP	Approved	Injection formulation. Daiichi Sankyo Propharma received approval in January 2018

◆ **Discontinue (major changes from the FY2017 Q2 Financial Announcement in Oct 2017)**

Generic Name/Project Code Number	Class	Target indication	Region / stage when discontinued		Reason
Pexidartinib/PLX3397	CSF-1R/KIT/FLT3 inhibitor	Glioblastoma	US	P2	Decided to discontinue the development after reviewing its study result
		Melanoma, solid tumors	US	P1/2	Combination with pembrolizumab in collaboration with Merck Decided to discontinue the development after reviewing its study result
DS-8273	Anti-DR5 antibody	Solid tumors	US	P1	Strategic decision with a portfolio review (IIS is ongoing)
DS-1123	Anti-FGFR2 antibody	Solid tumors	JP	P1	Strategic decision with a portfolio review
DS-9231/TS23	$\alpha$ 2 plasmin inhibitor-inactivating antibody	Thrombosis (Acute pulmonary embolism, ischemic stroke)	-	P1	Strategic decision with a portfolio review

◆ **Out-licensing**

Generic Name/Project Code Number	Class	Target indication	Region / stage when out-licensing		Remarks
DS-6051	NTRK/ROS1 inhibitor	Solid tumors	US/JP	P1	
U3-1784	Anti-FGFR4 antibody	Solid tumors	EU	P1	
DS-1123	Anti-FGFR2 antibody	Solid tumors	JP	P1	
Laninamivir/CS-8958 Inavir (JP)	Neuraminidase inhibitor	Influenza	EU/US	P2	Out-licensing with Aviragen
DS-2969	GyrB inhibitor	Clostridium difficile infection	US	P1	
DS-1515	PI3K $\delta$ inhibitor	Inflammatory disease	-	Non-clin	
DS-1039	MOA undisclosed (CFTR independent fluid secretion)	Cystic fibrosis	-	Non-clin	
DS-7411	MOA undisclosed (antibody)	Hemophilia A and B	-	Non-clin	