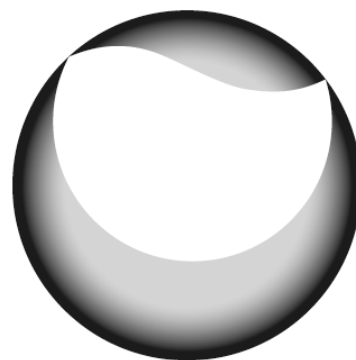


# Reference Data

(Consolidated Financial Results for Q2 FY2018)



Daiichi-Sankyo

October 31, 2018

Daiichi Sankyo Co., Ltd.

<https://www.daiichisankyo.com>

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# 1. Consolidated Statement of Profit or Loss

JPY Bn	FY2017 Q2 YTD		FY2018 Q2 YTD					FY2018						
	to revenue	Results	to revenue	Results	(vs. Forecast (%))	YoY	YoY (%)	to revenue	Forecast (as of Apr.)	to revenue	Forecast (as of Oct.)	vs. Forecast (as of Apr.)	YoY	YoY (%)
<b>Revenue</b>	<b>100.0%</b>	<b>469.4</b>	<b>100.0%</b>	<b>446.9</b>	<b>(49.1%)</b>	<b>-22.5</b>	<b>-4.8%</b>	<b>100.0%</b>	<b>910.0</b>	<b>100.0%</b>	<b>910.0</b>	-	<b>-50.2</b>	<b>-5.2%</b>
Cost of sales	33.5%	157.1	37.3%	166.6	(50.5%)	9.6	+6.1%	36.3%	330.0	36.3%	330.0	-	-16.0	-4.6%
(excl. Special items)	34.8%	163.1	37.3%	166.6		3.5	+2.2%							
(Special items)	-1.3%	-6.1	-	-		6.1	-							
<b>Gross Profit</b>	<b>66.5%</b>	<b>312.3</b>	<b>62.7%</b>	<b>280.2</b>	<b>(48.3%)</b>	<b>-32.1</b>	<b>-10.3%</b>	<b>63.7%</b>	<b>580.0</b>	<b>63.7%</b>	<b>580.0</b>	-	<b>-34.2</b>	<b>-5.6%</b>
SG&A expenses	29.8%	140.0	28.8%	128.6	(44.8%)	-11.4	-8.2%	32.1%	292.0	31.5%	287.0	-5.0	-14.8	-4.9%
(excl. Special items)	29.8%	140.0	29.5%	132.0		-8.0	-5.7%							
(Special items)	-	-	-0.8%	-3.5		-3.5	-							
R&D expenses	26.3%	123.6	21.0%	93.7	(43.6%)	-29.9	-24.2%	23.1%	210.0	23.6%	215.0	5.0	-21.0	-8.9%
(excl. Special items)	19.9%	93.4	21.0%	93.7		0.3	+0.3%							
(Special items)	6.4%	30.2	-	-		-30.2	-							
<b>Operating Profit</b>	<b>10.4%</b>	<b>48.8</b>	<b>13.0%</b>	<b>58.0</b>	<b>(74.3%)</b>	<b>9.2</b>	<b>+18.9%</b>	<b>8.6%</b>	<b>78.0</b>	<b>8.6%</b>	<b>78.0</b>	-	<b>1.7</b>	<b>+2.3%</b>
(Operating Profit before Special items)	15.5%	72.9	12.2%	54.5		-18.3	-25.2%							
Financial income/expenses		2.6		0.8		-1.8								
Share of profit or loss of investments accounted for using the equity method		-0.2		-0.2		0.0								
<b>Profit before tax</b>	<b>10.9%</b>	<b>51.2</b>	<b>13.1%</b>	<b>58.6</b>	<b>(75.2%)</b>	<b>7.4</b>	<b>+14.5%</b>	<b>8.6%</b>	<b>78.0</b>	<b>8.6%</b>	<b>78.0</b>	-	<b>-3.0</b>	<b>-3.7%</b>
Income taxes		17.4		14.6		-2.8	-16.2%							
<b>Profit for the year</b>	<b>7.2%</b>	<b>33.7</b>	<b>9.9%</b>	<b>44.0</b>	<b>(80.0%)</b>	<b>10.3</b>	<b>+30.4%</b>	<b>6.0%</b>	<b>55.0</b>	<b>6.0%</b>	<b>55.0</b>	-	<b>-4.8</b>	<b>-8.0%</b>
<b>Profit attributable to owners of the Company</b>	<b>7.3%</b>	<b>34.3</b>	<b>9.8%</b>	<b>44.0</b>	<b>(80.0%)</b>	<b>9.7</b>	<b>+28.4%</b>	<b>6.0%</b>	<b>55.0</b>	<b>6.0%</b>	<b>55.0</b>	-	<b>-5.3</b>	<b>-8.8%</b>
Tax rate		34.1%		24.9%										
Overseas sales ratio		36.6%		37.0%										
Currency Rate (Average)														
USD/JPY		111.07		110.27										
EUR/JPY		126.29		129.84										

Forex impact: +0.2  
(USD: -0.6, EUR: +1.2, ASCA: -0.4)

Forex impact: -0.2  
(USD: -0.2, EUR: -0.1)

Forex impact: +0.0  
(USD: -0.2, EUR: +0.5, ASCA: -0.3)

Forex impact: -0.2  
(USD: -0.3, EUR: +0.1)

Forex impact: +0.6  
(USD: +0.1, EUR: +0.6, ASCA: -0.1)

Deterioration in forex gains/losses

Impact of the tax rate reduction in US etc.

	FY2017 Q2 YTD	FY2018 Q2 YTD
Cost of Sales		
SG&A expenses	Gain on sales of fixed assets -6.1	
R&D expenses	Impairment loss (Intangible) 30.2	Gain on sales of fixed assets -3.5
Total	24.1	-3.5

Currency Rate (Average)

	USD	EUR
Revenue	110.00	110.13
Operating Profit	130.00	129.92

Annual impact of one yen change

	Forecast	
	USD	EUR
Revenue	1.3 JPY Bn	0.6 JPY Bn
Operating Profit	-0.4 JPY Bn	0.1 JPY Bn

\*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	FY2017 Q2 YTD		FY2018 Q2 YTD				FY2018				
	Results	Results	(vs. Forecast (%))	YoY	YoY (%)	Forecast (as of Apr.)	Forecast (as of Oct.)	vs. Forecast (as of Oct.)	YoY	YoY (%)	
<b>Edoxaban</b> anticoagulant	<b>32.9</b>	<b>54.1</b>	<b>(48.8%)</b>	<b>21.3</b>	<b>+64.6%</b>	<b>105.0</b>	<b>111.0</b>	<b>6.0</b>	<b>33.9</b>	<b>+44.0%</b>	
Lixiana (JPN)	19.7	30.1	(50.2%)	10.5	+53.2%	54.0	60.0	6.0	14.7	+32.3%	
Savaysa (US)	1.0	1.1	(54.3%)	0.1	+7.2%	2.0	2.0	-	-0.2	-7.8%	
Lixiana (EU)	11.0	20.8	(46.2%)	9.8	+88.8%	45.0	45.0	-	18.0	+66.7%	
Other subsidiaries	1.2	2.1	(53.0%)	0.9	+79.9%	4.0	4.0	-	1.4	+54.9%	
<b>Olmesartan</b> antihypertensive agent	<b>82.8</b>	<b>53.5</b>	<b>(55.2%)</b>	<b>-29.3</b>	<b>-35.4%</b>	<b>100.0</b>	<b>97.0</b>	<b>-3.0</b>	<b>-52.7</b>	<b>-35.2%</b>	
Olmetec (JPN)	31.9	7.9	(56.1%)	-24.0	-75.4%	19.0	14.0	-5.0	-30.6	-68.6%	
Rezaltas (JPN)	8.5	7.8	(55.6%)	-0.8	-9.0%	14.0	14.0	-	-2.8	-16.5%	
Olmesartan (US)	10.3	5.8	(64.8%)	-4.5	-43.4%	7.0	9.0	2.0	-12.3	-57.8%	
Olmesartan (EU)	18.0	14.4	(62.7%)	-3.5	-19.7%	23.0	23.0	-	-10.5	-31.4%	
Other subsidiaries, export, etc	14.1	17.6	(47.6%)	3.5	+24.7%	37.0	37.0	-	3.5	+10.6%	
<b>Prasugrel</b> antiplatelet agent	<b>18.8</b>	<b>13.5</b>	<b>-</b>	<b>-5.3</b>	<b>-28.0%</b>	<b>not disclosed</b>	<b>not disclosed</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Effient alliance revenue (US)	8.0	2.7	-	-5.3	-65.8%	not disclosed	not disclosed	-	-	-	
Efient (EU)	3.9	3.3	(46.6%)	-0.6	-15.8%	7.0	7.0	-	-1.0	-12.7%	
Efient (JPN)	6.4	7.0	(46.5%)	0.6	+9.4%	15.0	15.0	-	2.2	+16.9%	
Other subsidiaries, export, etc	0.6	0.6	-	0.0	+2.5%	not disclosed	not disclosed	-	-	-	

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

JPY Bn	FY2017 Q2 YTD		FY2018 Q2 YTD				FY2018				
	Results		Results	(vs. Forecast (%))	YoY	YoY (%)	Forecast (as of Apr.)	Forecast (as of Oct.)	vs. Forecast (as of Oct.)	YoY	YoY (%)
<b>Japan</b>	<b>257.6</b>	<b>243.7</b>	<b>(47.5%)</b>	<b>-13.9</b>	<b>-5.4%</b>	<b>498.0</b>	<b>513.0</b>	<b>15.0</b>	<b>-27.0</b>	<b>-5.0%</b>	
Nexium	ulcer treatment	44.7	38.6	(50.8%)	-6.1	-13.7%	76.0	76.0	-	-10.5	-12.2%
Lixiana	anticoagulant	19.7	30.1	(50.2%)	10.5	+53.2%	54.0	60.0	6.0	14.7	+32.3%
Memary	Alzheimer's disease treatment	24.5	25.2	(49.4%)	0.7	+2.9%	51.0	51.0	-	2.4	+5.0%
Loxonin	anti-inflammatory analgesic	18.9	15.6	(50.4%)	-3.2	-17.2%	31.0	31.0	-	-5.5	-15.0%
Pralia	treatment for osteoporosis/ inhibitor of the progression of bone erosion associated with rheumatoid arthritis	10.9	13.0	(48.1%)	2.1	+19.7%	27.0	27.0	-	3.8	+16.5%
Tenelia	type 2 diabetes mellitus treatment	13.2	12.6	(46.8%)	-0.6	-4.4%	27.0	27.0	-	0.7	+2.7%
Inavir	anti-influenza treatment	1.1	0.1	(0.3%)	-1.0	-94.9%	19.0	19.0	-	-6.3	-24.8%
Olmotec	antihypertensive agent	31.9	7.9	(56.1%)	-24.0	-75.4%	19.0	14.0	-5.0	-30.6	-68.6%
Ranmark	treatment for bone complications caused by bone metastases from tumors	7.6	8.1	(50.6%)	0.5	+7.2%	16.0	16.0	-	0.6	+3.9%
Efient	antiplatelet agent	6.4	7.0	(46.5%)	0.6	+9.4%	15.0	15.0	-	2.2	+16.9%
Rezaltas	antihypertensive agent	8.5	7.8	(55.6%)	-0.8	-9.0%	14.0	14.0	-	-2.8	-16.5%
Urief	treatment for dysuria	5.6	5.2	(52.4%)	-0.4	-6.9%	10.0	10.0	-	-1.1	-10.1%
Omnipaque	contrast medium	7.1	6.2	(51.8%)	-0.9	-12.6%	10.0	12.0	2.0	-2.0	-14.1%
Daiichi Sankyo Espha products		17.3	26.5	-	9.2	+53.1%	not disclosed	not disclosed	-	-	-
Vaccines business		16.1	16.7	-	0.6	+3.8%	not disclosed	not disclosed	-	-	-
<b>Daiichi Sankyo Healthcare (OTC)</b>	<b>35.8</b>	<b>34.8</b>	<b>(47.0%)</b>	<b>-1.0</b>	<b>-2.8%</b>	<b>74.0</b>	<b>69.0</b>	<b>-5.0</b>	<b>-3.9</b>	<b>+1.5%</b>	

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

JPY Bn	FY2017 Q2 YTD		FY2018 Q2 YTD				FY2018				
	Results		Results	(vs. Forecast (%))	YoY	YoY (%)	Forecast (as of Apr.)	Forecast (as of Oct.)	vs. Forecast (as of Oct.)	YoY	YoY (%)
<b>Daiichi Sankyo, Inc. (US)</b>	<b>42.0</b>	<b>22.0</b>	<b>(70.8%)</b>	<b>-20.1</b>	<b>-47.8%</b>	<b>44.0</b>	<b>31.0</b>	<b>-13.0</b>	<b>-43.8</b>	<b>-58.5%</b>	
Olmesartan antihypertensive agent	10.3	5.8	(64.8%)	-4.5	-43.4%	7.0	9.0	2.0	-12.3	-57.8%	
Welchol hypercholesterolemia treatment/ type 2 diabetes mellitus treatment	19.7	8.7	(86.8%)	-11.0	-55.9%	25.0	10.0	-15.0	-23.9	-70.5%	
Effient antiplatelet agent	8.0	2.7	-	-5.3	-65.8%	not disclosed	not disclosed	-	-	-	
Savaysa anticoagulant	1.0	1.1	(54.3%)	0.1	+7.2%	2.0	2.0	-	-0.2	-7.8%	
Movantik opioid-induced constipation treatment	2.5	2.2	-	-0.4	-14.1%	not disclosed	not disclosed	-	-	-	
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>52.4</b>	<b>58.4</b>	<b>(51.7%)</b>	<b>6.1</b>	<b>+11.6%</b>	<b>110.0</b>	<b>113.0</b>	<b>3.0</b>	<b>7.6</b>	<b>+7.2%</b>	
Venofer treatment for iron deficiency anemia	14.7	16.6	(57.1%)	1.8	+12.4%	27.0	29.0	2.0	-2.0	-6.3%	
Injectafer treatment for iron deficiency anemia	16.1	22.0	(53.8%)	5.9	+36.6%	39.0	41.0	2.0	6.7	+19.4%	
<b>Daiichi Sankyo Europe GmbH</b>	<b>38.2</b>	<b>43.0</b>	<b>(50.6%)</b>	<b>4.8</b>	<b>+12.5%</b>	<b>85.0</b>	<b>85.0</b>	<b>-</b>	<b>5.6</b>	<b>+7.0%</b>	
Olmesartan antihypertensive agent	18.0	14.4	(62.7%)	-3.5	-19.7%	23.0	23.0	-	-10.5	-31.4%	
Efient antiplatelet agent	3.9	3.3	(46.6%)	-0.6	-15.8%	7.0	7.0	-	-1.0	-12.7%	
Lixiana anticoagulant	11.0	20.8	(46.2%)	9.8	+88.8%	45.0	45.0	-	18.0	+66.7%	
<b>Asia, South and Central America (ASCA)</b>	<b>38.6</b>	<b>40.1</b>	<b>(44.6%)</b>	<b>1.5</b>	<b>+4.0%</b>	<b>90.0</b>	<b>90.0</b>	<b>-</b>	<b>9.6</b>	<b>+12.0%</b>	
Daiichi Sankyo China	16.6	16.7	-	0.1	+0.4%	not disclosed	not disclosed	-	-	-	
Daiichi Sankyo Taiwan	3.2	3.5	-	0.3	+9.5%	not disclosed	not disclosed	-	-	-	
Daiichi Sankyo Korea	5.6	7.2	-	1.6	+28.9%	not disclosed	not disclosed	-	-	-	
Daiichi Sankyo Thailand	1.3	1.6	-	0.3	+23.3%	not disclosed	not disclosed	-	-	-	
Daiichi Sankyo Brasil Farmacêutica	4.8	4.9	-	0.1	+1.5%	not disclosed	not disclosed	-	-	-	

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

#### [Reference] Revenue in Local Currency

	FY2017 Q2 YTD	FY2018 Q2 YTD				FY2018					
		Results	Results	(vs. Forecast (%))	YoY	YoY (%)	Forecast (as of Apr.)	Forecast (as of Oct.)	vs. Forecast (as of Oct.)	YoY	YoY (%)
USD Mn											
<b>Daiichi Sankyo, Inc. (US)</b>	<b>378</b>	<b>199</b>	<b>(70.7%)</b>	<b>-179</b>	<b>-47.4%</b>	<b>400</b>	<b>281</b>	<b>-119</b>	<b>-393</b>	<b>-58.3%</b>	
Olmesartan antihypertensive agent	93	53	(64.8%)	-40	-43.0%	64	82	18	-111	-57.5%	
Welchol hypercholesterolemia treatment/ type 2 diabetes mellitus treatment	177	79	(86.7%)	-99	-55.6%	227	91	-136	-215	-70.3%	
Effient antiplatelet agent	72	25	-	-47	-65.6%	not disclosed	not disclosed	-	-	-	
Savaysa anticoagulant	9	10	(54.3%)	1	+8.0%	18	18	-	-1	-7.2%	
Movantik opioid-induced constipation treatment	23	20	-	-3	-13.5%	not disclosed	not disclosed	-	-	-	
USD Mn											
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>471</b>	<b>530</b>	<b>(51.7%)</b>	<b>59</b>	<b>+12.4%</b>	<b>1,000</b>	<b>1,026</b>	<b>26</b>	<b>75</b>	<b>+7.9%</b>	
Venofer treatment for iron deficiency anemia	133	150	(57.1%)	18	+13.2%	245	263	18	-16	-5.7%	
Injectafer treatment for iron deficiency anemia	145	200	(53.7%)	55	+37.6%	355	372	18	63	+20.2%	
EUR Mn											
<b>Daiichi Sankyo Europe GmbH</b>	<b>303</b>	<b>331</b>	<b>(50.6%)</b>	<b>28</b>	<b>+9.4%</b>	<b>654</b>	<b>654</b>	<b>-</b>	<b>42</b>	<b>+6.8%</b>	
Olmesartan antihypertensive agent	142	111	(62.7%)	-31	-21.9%	177	177	-	-81	-31.5%	
Efient antiplatelet agent	31	25	(46.6%)	-6	-18.1%	54	54	-	-8	-12.8%	
Lixiana anticoagulant	87	160	(46.3%)	73	+83.6%	346	346	-	138	+66.4%	

#### 4. Consolidated Statement of Financial Position

<Assets>

JPY Bn

	Mar. 2018	Sep. 2018	vs. Mar. 2018
Assets			
Current assets			
Cash and cash equivalents	357.7	236.9	-120.8
Trade and other receivables	231.5	270.8	39.2
Other financial assets	429.4	512.9	83.6
Inventories	172.6	186.6	14.0
Other current assets	10.3	13.2	2.9
<b>Total current assets</b>	<b>1,201.5</b>	<b>1,220.4</b>	<b>18.8</b>
Non-current assets			
Property, plant and equipment	217.9	224.2	6.3
Goodwill	75.5	79.1	3.7
Intangible assets	173.5	174.6	1.0
Investments accounted for using the equity method	1.7	2.0	0.3
Other financial assets	179.2	145.2	-33.9
Deferred tax assets	40.3	56.1	15.8
Other non-current assets	8.0	6.2	-1.8
<b>Total non-current assets</b>	<b>696.2</b>	<b>687.6</b>	<b>-8.7</b>
<b>Total assets</b>	<b>1,897.8</b>	<b>1,907.9</b>	<b>10.2</b>

Insurance credit for olmesartan litigation settlement  
(Transfer from Non-current assets "Other financial assets")

Acquisition +17.7, Depreciation -12.7

Acquisition +4.3, Amortization -9.8, Forex impact +6.5

Insurance credit for olmesartan litigation settlement  
(Transfer to Current assets "Trade and other receivables")

DTA related to prior year's restructuring +12.6

*	Liquidity on hand	786.5	748.9	-37.5
	Debt with interest	282.1	262.1	-20.0
	Net Cash	504.4	486.9	-17.5



## &lt;Liabilities and equity&gt;

JPY Bn

	Mar. 2018	Sep. 2018	vs. Mar. 2018
<b>Liabilities</b>			
Current liabilities			
Trade and other payables	226.2	256.7	30.5
Bonds and borrowings	20.0	40.0	20.0
Other financial liabilities	0.5	0.5	-0.1
Income taxes payable	64.6	10.9	-53.8
Provisions	34.0	7.4	-26.6
Other current liabilities	7.8	6.4	-1.4
<b>Total current liabilities</b>	<b>353.1</b>	<b>321.8</b>	<b>-31.3</b>
Non-current liabilities			
Bonds and borrowings	260.6	220.6	-40.0
Other financial liabilities	8.2	7.2	-0.9
Post employment benefit liabilities	10.5	9.9	-0.7
Provisions	48.8	10.8	-38.0
Deferred tax liabilities	18.7	20.6	1.9
Other non-current liabilities	64.9	69.1	4.2
<b>Total non-current liabilities</b>	<b>411.6</b>	<b>338.1</b>	<b>-73.5</b>
<b>Total liabilities</b>	<b>764.7</b>	<b>659.9</b>	<b>-104.8</b>
<b>Equity</b>			
Equity attributable to owners of the Company			
Share capital	50.0	50.0	-
Capital surplus	94.6	94.7	0.1
Treasury shares	-163.5	-163.3	0.3
Other components of equity	120.5	143.1	22.6
Retained earnings	1,031.4	1,123.4	92.0
<b>Total equity attributable to owners of the Company</b>	<b>1,133.0</b>	<b>1,247.9</b>	<b>115.0</b>
Non-controlling interests			
Non-controlling interests	0.1	0.1	-0.0
<b>Total equity</b>	<b>1,133.0</b>	<b>1,248.0</b>	<b>115.0</b>
<b>Total liabilities and equity</b>	<b>1,897.8</b>	<b>1,907.9</b>	<b>10.2</b>

Provisions for olmesartan litigation settlement  
(Transfer from Non-current liabilities "Provisions")

2nd Unsecured Corporate Bond +40.0  
(Transfer from Non-current liabilities "Bonds and borrowings"),  
Borrowings repayment -20.0

Reversal of tax liability related to prior year's restructuring -53.8

2nd Unsecured Corporate Bond -40.0  
(Transfer to Current liabilities "Trade and other payables")

Provisions for olmesartan litigation settlement  
(Transfer to Current liabilities "Trade and other payables")

Profit for the period +44.0,  
Payment of dividends -22.7,  
Increase due to reversal of tax liability related to prior year's  
restructuring +66.4

## 5. Consolidated Statement of Cash Flows

JPY Bn

	FY2017 Q2 YTD	FY2018 Q2 YTD	YoY
Cash flows from operating activities			
Profit before tax	51.2	58.6	7.4
Depreciation and amortization	21.8	22.6	0.8
(Increase) decrease in receivables and payables	-32.4	-32.3	0.1
Others, net	-6.1	-24.6	-18.5
Income taxes paid	-16.6	-17.8	-1.2
<b>Net cash flows from operating activities</b>	<b>18.0</b>	<b>6.6</b>	<b>-11.4</b>
Cash flows from investing activities			
Net (increase) decrease in time deposits and securities	83.4	-76.6	-160.1
(Acquisition of) proceeds from sales of fixed assets	-15.0	-24.6	-9.6
Net (increase) decrease in investment securities	1.4	6.8	5.4
Others, net	8.5	4.9	-3.7
<b>Net cash flows from investing activities</b>	<b>78.4</b>	<b>-89.6</b>	<b>-168.0</b>
Cash flows from financing activities			
Net (increase) decrease in borrowings	-	-20.0	-20.0
Purchase of treasury shares	-0.0	-0.0	-0.0
Dividends paid	-23.2	-22.7	0.5
Others, net	-0.4	-0.5	-0.1
<b>Net cash flows from financing activities</b>	<b>-23.6</b>	<b>-43.2</b>	<b>-19.6</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>72.8</b>	<b>-126.1</b>	<b>-198.9</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>246.1</b>	<b>357.7</b>	<b>111.7</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>5.2</b>	<b>5.3</b>	<b>0.1</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>324.1</b>	<b>236.9</b>	<b>-87.2</b>
* <b>Free cash flows (Cash flows from operating activities and investing activities)</b>	<b>96.4</b>	<b>-82.9</b>	<b>-179.3</b>

## 6. Number of Employees

	Sep. 2017	Mar. 2018	Sep. 2018
	Results	Results	Results
Consolidated	14,791	14,446	14,796
Japan	8,837	8,765	8,929
North America	2,484	2,191	2,198
Europe	1,556	1,582	1,652
Others	1,914	1,908	2,017

## 7. Capital Expenditure, Depreciation and Amortization

	JPY Bn	FY2017 Q2 YTD	FY2017	FY2018 Q2 YTD	FY2018
		Results	Results	Results	Forecast
Capital expenditure		10.0	26.9	17.3	41.5
Depreciation and amortization		21.8	46.7	22.6	47.0
Property, plant and equipment		12.4	27.4	12.8	-
Intangible assets		9.4	19.3	9.8	-

## 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)
Lixiana	edoxaban	anticoagulant	2011	Daiichi Sankyo		
Memary	memantine	Alzheimer's disease treatment	2011	Merz		
Loxonin			1986	Daiichi Sankyo		
Loxonin Poulrice	loxoprofen	anti-inflammatory analgesic	2006	Lead Chemical		
Loxonin Tape			2008	Lead Chemical		
Loxonin Gel			2010	Daiichi Sankyo		
Pralia	denosumab	treatment for osteoporosis/ inhibitor of the progression of bone erosion associated with rheumatoid arthritis	2013	Amgen		
Tenelia	teneligliptin	type 2 diabetes mellitus treatment	2012	Mitsubishi Tanabe	Mitsubishi Tanabe	Co-promotion (DS: Sales)
Inavir	laninamivir	anti-influenza treatment	2010	Daiichi Sankyo		
Olmetec	olmesartan	antihypertensive agent	2004	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		
Rezaltas	olmesartan / azelnidipine	antihypertensive agent	2010	Daiichi Sankyo		
Urief	silodosin	treatment for dysuria	2006	Kissei	Kissei	Co-marketing
Omnipaque	iohexol	contrast medium	1987	GE Healthcare		
<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	FY2017	FY2017	FY2017	FY2017	FY2017				FY2018	FY2018	FY2018	FY2018	FY2018	
	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>239.1</b>	<b>230.3</b>	<b>271.7</b>	<b>219.1</b>	<b>100.0%</b>	<b>960.2</b>	<b>5.1</b>	<b>+0.5%</b>	<b>225.7</b>	<b>221.1</b>			<b>100.0%</b>	<b>446.9</b>
Cost of sales	80.1	77.0	98.4	90.6	36.0%	346.0	-3.4	-1.0%	84.7	81.9			37.3%	166.6
(excl. Special items)	80.1	83.1	98.4	85.5	36.1%	347.0	21.9	+6.7%	84.7	81.9			37.3%	166.6
(Special items)	-	-6.1	-	5.1	-0.1%	-1.0	-25.2	-	-	-			-	-
<b>Gross Profit</b>	<b>159.0</b>	<b>153.3</b>	<b>173.3</b>	<b>128.6</b>	<b>64.0%</b>	<b>614.2</b>	<b>8.4</b>	<b>+1.4%</b>	<b>141.0</b>	<b>139.2</b>			<b>62.7%</b>	<b>280.2</b>
SG&A expenses	70.8	69.2	76.7	85.1	31.4%	301.8	-0.6	-0.2%	65.6	63.0			28.8%	128.6
(excl. Special items)	70.8	69.2	76.7	80.6	31.0%	297.4	6.6	+2.3%	65.6	66.4			29.5%	132.0
(Special items)	-	-	-	4.5	0.5%	4.5	-7.2	-	-	-3.5			-0.8%	-3.5
R&D expenses	48.0	75.6	52.0	60.4	24.6%	236.0	21.7	+10.1%	45.5	48.2			21.0%	93.7
(excl. Special items)	48.0	45.4	52.0	60.4	21.4%	205.9	-4.0	-1.9%	45.5	48.2			21.0%	93.7
(Special items)	-	30.2	-	-	3.1%	30.2	25.7	-	-	-			-	-
<b>Operating Profit</b>	<b>40.3</b>	<b>8.5</b>	<b>44.5</b>	<b>-16.9</b>	<b>7.9%</b>	<b>76.3</b>	<b>-12.6</b>	<b>-14.2%</b>	<b>29.9</b>	<b>28.1</b>			<b>13.0%</b>	<b>58.0</b>
(Operating Profit before Special items)	40.3	32.6	44.5	-7.4	11.4%	109.9	-19.4	-15.0%	29.9	24.6			12.2%	54.5
Financial income/expenses	2.1	0.5	1.5	0.3		4.4	5.7		-0.2	1.0				0.8
Share of profit or loss of investments accounted for using the equity method	-0.1	-0.1	0.6	-0.1		0.3	0.2		-0.1	-0.0				-0.2
<b>Profit before tax</b>	<b>42.2</b>	<b>9.0</b>	<b>46.5</b>	<b>-16.7</b>	<b>8.4%</b>	<b>81.0</b>	<b>-6.8</b>	<b>-7.7%</b>	<b>29.6</b>	<b>29.0</b>			<b>13.1%</b>	<b>58.6</b>
Income taxes	13.4	4.0	8.2	-4.4		21.2	-19.1	-47.4%	5.7	8.9				14.6
<b>Profit for the year</b>	<b>28.8</b>	<b>4.9</b>	<b>38.4</b>	<b>-12.3</b>	<b>6.2%</b>	<b>59.8</b>	<b>12.3</b>	<b>+26.0%</b>	<b>24.0</b>	<b>20.1</b>			<b>9.9%</b>	<b>44.0</b>
<b>Profit attributable to owners of the Company</b>	<b>29.2</b>	<b>5.1</b>	<b>38.3</b>	<b>-12.3</b>	<b>6.3%</b>	<b>60.3</b>	<b>6.8</b>	<b>+12.7%</b>	<b>24.0</b>	<b>20.1</b>			<b>9.8%</b>	<b>44.0</b>
Tax rate	31.8%	44.8%	17.5%	26.3%		26.2%			19.2%	30.8%				24.9%
Overseas sales ratio	37.6%	35.5%	33.2%	36.4%		35.6%			36.5%	37.5%				37.0%
Currency Rate (YTD Average)														
USD/JPY	111.10	111.07	111.71	110.86		110.86			109.07	110.27				110.27
EUR/JPY	122.19	126.29	128.53	129.70		129.70			130.06	129.84				129.84

<9. Quarterly Data>

**2. Revenue of Global Products**

JPY Bn	FY2017 Q1	FY2017 Q2	FY2017 Q3	FY2017 Q4	FY2017			FY2018 Q1	FY2018 Q2	FY2018 Q3	FY2018 Q4	FY2018
	Results	Results	Results	Results	Results	YoY	YoY (%)	Results	Results	Results	Results	Results
<b>Edoxaban</b>	<b>15.3</b>	<b>17.6</b>	<b>23.7</b>	<b>20.5</b>	<b>77.1</b>	<b>39.8</b>	<b>+106.5%</b>	<b>25.8</b>	<b>28.3</b>			<b>54.1</b>
Lixiana (JPN)	9.4	10.3	15.0	10.7	45.3	20.3	+81.4%	14.7	15.4			30.1
Savaysa (US)	0.5	0.5	0.6	0.6	2.2	0.3	+15.6%	0.4	0.7			1.1
Lixiana (EU)	4.9	6.1	7.5	8.5	27.0	17.3	+179.1%	9.7	11.1			20.8
Other subsidiaries	0.6	0.6	0.7	0.7	2.6	1.8	+230.3%	1.0	1.2			2.1
<b>Olmesartan</b>	<b>42.8</b>	<b>40.0</b>	<b>37.8</b>	<b>29.1</b>	<b>149.7</b>	<b>-68.3</b>	<b>-31.3%</b>	<b>28.5</b>	<b>25.0</b>			<b>53.5</b>
Olmotec (JPN)	16.8	15.1	8.6	4.1	44.6	-24.8	-35.8%	4.2	3.7			7.9
Rezaltas (JPN)	4.5	4.1	4.6	3.6	16.8	-0.8	-4.4%	4.1	3.7			7.8
Olmesartan (US)	6.8	3.5	7.0	4.0	21.3	-45.0	-67.8%	3.2	2.7			5.8
Olmesartan (EU)	9.0	9.0	7.5	8.0	33.5	-9.7	-22.4%	8.2	6.2			14.4
Other subsidiaries, export, etc	5.8	8.3	10.0	9.3	33.5	12.0	+55.6%	9.0	8.7			17.6
<b>Prasugrel</b>	<b>11.5</b>	<b>7.2</b>	<b>8.2</b>	<b>5.8</b>	<b>32.8</b>	<b>-8.8</b>	<b>-21.1%</b>	<b>6.4</b>	<b>7.1</b>			<b>13.5</b>
Effient alliance revenue (US)	6.1	1.9	2.2	0.5	10.7	-11.5	-52.0%	0.6	2.1			2.7
Efient (EU)	1.9	2.0	2.1	2.0	8.0	0.1	+0.8%	1.9	1.4			3.3
Efient (JPN)	3.3	3.1	3.6	2.9	12.8	2.4	+23.2%	3.6	3.4			7.0
Other subsidiaries, export, etc	0.2	0.3	0.4	0.3	1.3	0.3	+27.4%	0.3	0.3			0.6

3. Revenue by Business Units and Products (1)	FY2017 Q1	FY2017 Q2	FY2017 Q3	FY2017 Q4	FY2017			FY2018 Q1	FY2018 Q2	FY2018 Q3	FY2018 Q4	FY2018
	Results	Results	Results	Results	Results	YoY	YoY (%)	Results	Results	Results	Results	Results
JPY Bn												
<b>Japan</b>	<b>130.0</b>	<b>127.6</b>	<b>160.5</b>	<b>121.9</b>	<b>540.0</b>	<b>33.5</b>	<b>+6.6%</b>	<b>123.9</b>	<b>119.8</b>			<b>243.7</b>
Nexium	22.6	22.1	25.3	16.6	86.5	2.6	+3.0%	19.8	18.8			38.6
Lixiana	9.4	10.3	15.0	10.7	45.3	20.3	+81.4%	14.7	15.4			30.1
Memary	12.5	12.0	13.6	10.5	48.6	1.7	+3.6%	12.9	12.3			25.2
Loxonin	9.6	9.3	10.1	7.4	36.5	-1.0	-2.6%	7.9	7.7			15.6
Pralia	5.5	5.4	6.4	5.9	23.2	5.2	+29.1%	6.6	6.4			13.0
Tenelia	7.6	5.6	7.7	5.4	26.3	2.1	+8.8%	6.4	6.2			12.6
Inavir	0.7	0.4	8.2	16.0	25.3	5.7	+29.2%	0.1	-0.0			0.1
Olmotec	16.8	15.1	8.6	4.1	44.6	-24.8	-35.8%	4.2	3.7			7.9
Ranmark	3.8	3.8	4.2	3.7	15.4	1.5	+10.6%	3.9	4.2			8.1
Efient	3.3	3.1	3.6	2.9	12.8	2.4	+23.2%	3.6	3.4			7.0
Rezaltas	4.5	4.1	4.6	3.6	16.8	-0.8	-4.4%	4.1	3.7			7.8
Urief	2.9	2.7	3.1	2.4	11.1	-0.3	-2.7%	2.7	2.5			5.2
Omnipaque	3.6	3.5	3.9	3.0	14.0	-0.2	-1.6%	3.3	3.0			6.2
Daiichi Sankyo Espha products	7.2	10.1	17.1	12.4	46.7	26.5	+131.5%	13.7	12.8			26.5
Vaccines business	7.6	8.6	18.4	7.4	41.9	3.4	+8.8%	8.2	8.6			16.7
<b>Daiichi Sankyo Healthcare (OTC)</b>	<b>16.8</b>	<b>19.0</b>	<b>20.8</b>	<b>16.3</b>	<b>72.9</b>	<b>6.2</b>	<b>+9.3%</b>	<b>18.4</b>	<b>16.4</b>			<b>34.8</b>

3. Revenue by Business Units and Products (2)	FY2017 Q1	FY2017 Q2	FY2017 Q3	FY2017 Q4	FY2017			FY2018 Q1	FY2018 Q2	FY2018 Q3	FY2018 Q4	FY2018
	Results	Results	Results	Results	Results	YoY	YoY (%)	Results	Results	Results	Results	Results
JPY Bn												
<b>Daiichi Sankyo, Inc. (US)</b>	<b>25.0</b>	<b>17.1</b>	<b>22.0</b>	<b>10.7</b>	<b>74.8</b>	<b>-67.5</b>	<b>-47.5%</b>	<b>11.0</b>	<b>11.0</b>			<b>22.0</b>
Olmesartan	6.8	3.5	7.0	4.0	21.3	-45.0	-67.8%	3.2	2.7			5.8
Welchol	10.1	9.6	9.6	4.7	33.9	-11.6	-25.5%	4.9	3.8			8.7
Effient	6.1	1.9	2.2	0.5	10.7	-11.5	-52.0%	0.6	2.1			2.7
Savaysa	0.5	0.5	0.6	0.6	2.2	0.3	+15.6%	0.4	0.7			1.1
Movantik	1.3	1.2	1.2	0.9	4.7	0.5	+12.3%	0.9	1.2			2.2
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>27.6</b>	<b>24.8</b>	<b>27.6</b>	<b>25.5</b>	<b>105.4</b>	<b>17.3</b>	<b>+19.7%</b>	<b>28.6</b>	<b>29.8</b>			<b>58.4</b>
Venofer	7.4	7.3	9.3	6.9	31.0	2.5	+8.7%	8.2	8.3			16.6
Injectafer	8.1	8.1	9.1	9.1	34.3	10.4	+43.3%	11.2	10.8			22.0
<b>Daiichi Sankyo Europe GmbH</b>	<b>18.5</b>	<b>19.7</b>	<b>19.9</b>	<b>21.3</b>	<b>79.4</b>	<b>8.5</b>	<b>+12.0%</b>	<b>22.2</b>	<b>20.9</b>			<b>43.0</b>
Olmesartan	9.0	9.0	7.5	8.0	33.5	-9.7	-22.4%	8.2	6.2			14.4
Efient	1.9	2.0	2.1	2.0	8.0	0.1	+0.8%	1.9	1.4			3.3
Lixiana	4.9	6.1	7.5	8.5	27.0	17.3	+179.1%	9.7	11.1			20.8
<b>Asia, South and Central America (ASCA)</b>	<b>19.0</b>	<b>19.6</b>	<b>20.1</b>	<b>21.7</b>	<b>80.4</b>	<b>8.2</b>	<b>+11.4%</b>	<b>19.7</b>	<b>20.4</b>			<b>40.1</b>
Daiichi Sankyo China	8.3	8.3	8.6	10.1	35.3	1.5	+4.6%	8.4	8.2			16.7
Daiichi Sankyo Taiwan	1.6	1.6	1.6	1.8	6.6	1.4	+27.5%	1.8	1.7			3.5
Daiichi Sankyo Korea	2.9	2.7	3.0	3.2	11.8	3.0	+33.5%	3.0	4.2			7.2
Daiichi Sankyo Thailand	0.6	0.7	0.8	0.8	2.9	0.4	+14.6%	0.8	0.8			1.6
Daiichi Sankyo Brasil Farmacêutica	2.4	2.4	3.2	2.0	10.1	1.3	+14.6%	2.4	2.5			4.9



3. Revenue by Business Units and Products (3) [Reference] Revenue in Local Currency	FY2017 Q1	FY2017 Q2	FY2017 Q3	FY2017 Q4	FY2017			FY2018 Q1	FY2018 Q2	FY2018 Q3	FY2018 Q4	FY2018
	Results	Results	Results	Results	Results	YoY	YoY (%)	Results	Results	Results	Results	Results
USD Mn												
<b>Daiichi Sankyo, Inc. (US)</b>	<b>225</b>	<b>154</b>	<b>195</b>	<b>101</b>	<b>674</b>	<b>-638</b>	<b>-48.6%</b>	<b>101</b>	<b>99</b>			<b>199</b>
Olmesartan	61	32	62	37	192	-420	-68.5%	29	24			53
Welchol	91	86	85	44	306	-114	-27.1%	45	34			79
Effient	55	17	19	6	96	-109	-53.0%	6	19			25
Savaysa	4	5	5	5	20	2	+13.0%	4	6			10
Movantik	12	11	11	9	42	4	+9.9%	9	11			20
USD Mn												
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>248</b>	<b>223</b>	<b>244</b>	<b>235</b>	<b>951</b>	<b>138</b>	<b>+17.0%</b>	<b>263</b>	<b>267</b>			<b>530</b>
Venofer	67	66	82	64	279	17	+6.3%	75	75			150
Injectafer	72	73	80	84	310	89	+40.1%	103	97			200
EUR Mn												
<b>Daiichi Sankyo Europe GmbH</b>	<b>152</b>	<b>151</b>	<b>150</b>	<b>160</b>	<b>613</b>	<b>15</b>	<b>+2.6%</b>	<b>170</b>	<b>161</b>			<b>331</b>
Olmesartan	73	69	56	60	258	-105	-28.9%	63	48			111
Efient	16	15	16	15	62	-5	-7.6%	15	10			25
Lixiana	40	47	57	64	208	127	+155.7%	75	86			160

## <10. Historical Data>

### 1. Revenue of Global Products

	FY2013	FY2014	FY2015	FY2016	FY2017
JPY Bn	Results	Results	Results	Results	Results
<b>Edoxaban</b>	<b>0.4</b>	<b>4.3</b>	<b>15.0</b>	<b>37.3</b>	<b>77.1</b>
Lixiana (JPN)	0.4	3.6	13.0	25.0	45.3
Savaysa (US)	-	0.7	0.4	1.9	2.2
Lixiana (EU)	-	-	1.5	9.7	27.0
Other subsidiaries	-	-	0.0	0.8	2.6
<b>Olmesartan</b>	<b>300.2</b>	<b>293.5</b>	<b>284.1</b>	<b>218.0</b>	<b>149.7</b>
Olmetec (JPN)	79.1	76.3	73.9	69.4	44.6
Rezaltas (JPN)	18.5	18.4	18.2	17.5	16.8
Olmesartan (US)	112.3	106.6	111.6	66.4	21.3
Olmesartan (EU)	65.6	65.2	58.9	43.2	33.5
Other subsidiaries, export, etc	24.7	27.0	21.6	21.5	33.5
<b>Prasugrel</b>	<b>22.3</b>	<b>24.9</b>	<b>32.2</b>	<b>41.6</b>	<b>32.8</b>
Effient alliance revenue (US)	15.4	17.6	20.7	22.2	10.7
Efient (EU)	4.7	4.8	5.4	7.9	8.0
Efient (JPN)	-	0.7	4.9	10.4	12.8
Other subsidiaries, export, etc	2.2	1.9	1.2	1.0	1.3

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

	FY2013	FY2014	FY2015	FY2016	FY2017
JPY Bn	Results	Results	Results	Results	Results
<b>Japan</b>	<b>486.0</b>	<b>480.5</b>	<b>494.7</b>	<b>506.6</b>	<b>540.0</b>
Nexium	54.2	69.3	82.4	84.0	86.5
Lixiana	0.4	3.6	13.0	25.0	45.3
Memary	33.3	36.8	42.4	46.9	48.6
Loxonin	59.3	49.5	48.1	37.4	36.5
Pralia	3.2	7.3	12.5	18.0	23.2
Tenelia	1.5	7.6	16.5	24.2	26.3
Inavir	13.4	16.6	14.0	19.6	25.3
Olmotec	79.1	76.3	73.9	69.4	44.6
Ranmark	8.1	10.2	12.4	13.9	15.4
Efient	-	0.7	4.9	10.4	12.8
Rezaltas	18.5	18.4	18.2	17.5	16.8
Urief	11.4	11.5	11.8	11.4	11.1
Omnipaque	19.7	17.2	16.9	14.2	14.0
Daiichi Sankyo Espha products	12.5	14.9	18.5	20.2	46.7
Vaccines business	37.5	32.2	36.8	38.5	41.9
<b>Daiichi Sankyo Healthcare (OTC)</b>	<b>48.1</b>	<b>47.8</b>	<b>53.4</b>	<b>66.7</b>	<b>72.9</b>

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

	FY2013	FY2014	FY2015	FY2016	FY2017
JPY Bn	Results	Results	Results	Results	Results
<b>Daiichi Sankyo, Inc. (US)</b>	<b>171.8</b>	<b>173.0</b>	<b>185.1</b>	<b>142.3</b>	<b>74.8</b>
Olmesartan	112.3	106.6	111.6	66.4	21.3
Welchol	42.3	47.4	48.4	45.5	33.9
Effient	15.4	17.6	20.7	22.2	10.7
Savaysa	-	0.7	0.4	1.9	2.2
Movantik	-	-	2.0	4.2	4.7
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>39.6</b>	<b>57.4</b>	<b>91.0</b>	<b>88.1</b>	<b>105.4</b>
Venofer	24.9	28.6	31.2	28.5	31.0
Injectafer	1.3	7.6	18.6	24.0	34.3
<b>Daiichi Sankyo Europe GmbH</b>	<b>83.9</b>	<b>83.5</b>	<b>77.8</b>	<b>71.0</b>	<b>79.4</b>
Olmesartan	65.6	65.2	58.9	43.2	33.5
Efient	4.7	4.8	5.4	7.9	8.0
Lixiana	-	-	1.5	9.7	27.0
<b>Asia, South and Central America (ASCA)</b>	<b>58.8</b>	<b>67.5</b>	<b>75.3</b>	<b>72.1</b>	<b>80.4</b>
Daiichi Sankyo China	21.2	27.4	34.2	33.8	35.3
Daiichi Sankyo Taiwan	4.5	4.9	5.4	5.2	6.6
Daiichi Sankyo Korea	9.1	8.9	9.3	8.8	11.8
Daiichi Sankyo Thailand	2.5	3.7	4.1	2.5	2.9
Daiichi Sankyo Brasil Farmacêutica	7.5	8.4	8.1	8.8	10.1

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

### [Reference] Revenue in Local Currency

	FY2013	FY2014	FY2015	FY2016	FY2017
	Results	Results	Results	Results	Results
USD Mn					
<b>Daiichi Sankyo, Inc. (US)</b>	<b>1,714</b>	<b>1,574</b>	<b>1,540</b>	<b>1,312</b>	<b>674</b>
Olmesartan	1,120	969	929	612	192
Welchol	422	431	403	420	306
Effient	154	160	173	205	96
Savaysa	0	6	4	17	20
Movantik	0	0	17	38	42
USD Mn					
<b>Luitpold Pharmaceuticals, Inc. (US)</b>	<b>395</b>	<b>522</b>	<b>758</b>	<b>812</b>	<b>951</b>
Venofer	248	260	260	263	279
Injectafer	13	69	155	221	310
EUR Mn					
<b>Daiichi Sankyo Europe GmbH</b>	<b>624</b>	<b>602</b>	<b>587</b>	<b>597</b>	<b>613</b>
Olmesartan	488	470	444	363	258
Efient	35	34	41	67	62
Lixiana	0	0	12	81	208

11. Major R&D Pipeline (Innovative pharmaceuticals)

As of October 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	
Quizartinib/AC220	FLT3 inhibitor	Acute myeloid leukemia (relapsed/refractory)	JP/US/EU/Asia	<u>Submitted</u>	Oral	-	2019	May 2018: announced top line result August 2018: FDA granted Breakthrough Therapy Designation for relapsed/refractory FLT3-ITD AML September 2018: MHLW granted Orphan Drug Designation from for FLT3-mutated AML October 2018: submitted in Japan	
		Acute myeloid leukemia (1st line)	JP/US/EU/Asia	P3		-	2021-		
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	US/EU	P3	Oral	-	2019	Including pigmented villonodular synovitis November 2015: FDA granted Breakthrough Therapy Designation for tenosynovial giant cell tumor October 2017: announced top line result	
		Solid tumors	Asia	P1		-	-	Including TGCT	
The molecular-targeted agent to inhibit CSF-1R, KIT and FLT3. This agent is expected to reduce tumor cell proliferation and expansion of metastases.									
DS-1647(G47D)	Oncolytic HSV-1	Glioblastoma	JP	P2	Injection	ActiVec Inc.	-	February 2016: MHLW granted SAKIGAKE designation Investigator Initiated Study is on-going July 2017: MHLW granted Orphan Drug Designation	
		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.							
trastuzumab deruxtecan/DS-8201	Anti-HER2 antibody drug conjugate	Breast cancer (HER2 positive, post T-DM1)	JP/US/EU/Asia	P2	Injection	-	2021	December 2016: FDA granted Fast Track Designation for HER2 positive metastatic breast cancer August 2017: 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)	
		Breast cancer (HER2 positive, vs T-DM1)	JP/US/EU/Asia	<u>P3</u>					-
		Gastric cancer (HER2 expressing, post trastuzumab)	JP/Asia	P2			-	2021	March 2018: MHLW granted SAKIGAKE Designation for the treatment of HER2-overexpressing advanced gastric or gastroesophageal junction cancer
		Colorectal cancer	JP/US/EU	P2			-	-	
		Non-small cell lung cancer	JP/US/EU	P2			-	-	
		Breast cancer, urothelial (bladder) cancer	US/EU	<u>P1</u>			Bristol-Myers Squibb	-	Combination with nivolumab
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.									
Axicabtagene Ciloleuce/AXI-Cel®	Anti-CD19 CAR-T cells	B Cell Lymphoma	JP	P2 prep	Injection	Kite/Gilead	-	October 2018: MHLW granted Orphan Drug Designation for B-Cell Lymphoma	
		Chimeric antigen receptor T (CAR-T), which is a cell therapy directed against CD19, an antigen expressed on the surface of B-cell malignant lymphoma cells.							

Underline: change after FY2018 Q1 Financial Announcement in July 2018

◆ Oncology (Early-stage pipeline products)

Generic Name/Project Code Number	Class	Target indication	Region	Stage	Partner	Target FY for approval/launch	Remarks
Milademetan/DS-3032	MDM2 inhibitor	Solid tumors	JP/US	P1	-	-	
		Acute myeloid leukemia	US	P1	-	-	Added a combination cohort with azacitidine
		Acute myeloid leukemia	US	P1 prep	-	-	Combination with quizartinib
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	Adult T-cell leukemia/lymphoma, peripheral T-cell lymphoma	JP	P1	-	-	
		Acute myeloid leukemia , Acute lymphoblastic leukemia	US	P1	-	-	
PLX51107	BRD4 inhibitor	Acute myeloid leukemia, myelodysplastic syndrome, solid tumor	US	P1	-	-	
U3-1402	Anti-HER3 antibody drug conjugate	Breast cancer	JP/US	P1/2	-	-	
		Non-small cell lung cancer	US	P1	-	-	
DS-1001	IDH1 mutant inhibitor	Glioma	JP	P1	-	-	
DS-1205	AXL inhibitor	Non-small cell lung cancer	JP	<u>P1</u>	-	-	Combination with gefitinib
			US	P1 prep	-	-	Combination with osimertinib
PLX2853	BRD4 inhibitor	Acute myeloid leukemia, solid tumors	US	P1	-	-	
DS-1062	Anti-TROP2 antibody drug conjugate	Solid tumors (non-small cell lung cancer)	JP/US	P1	-	-	

Underline: change after FY2018 Q1 Financial Announcement in July 2018

◆ 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  Lixiana (JP) LIXIANA (EU, Asia) SAVAYSA (US)	Factor Xa inhibitor	Atrial fibrillation (AF)	ASCA	Submitted	Oral	-	-	August 2015: submitted in China
		Venous thromboembolism	ASCA	Submitted			-	August 2015: submitted in China
		Very elderly patients with non-valvular AF	JP	P3			2021	Additional dosage and formulation for very elderly (80 years and older) AF patients
The once daily oral anti coagulant (Factor Xa inhibitor) discovered by Daiichi Sankyo. Edoxaban specifically, reversibly and directly inhibits the enzyme, Factor Xa, a clotting factor in the blood.								
Prasugrel/CS-747  Effient (US, Asia) Eflient (JP, EU)	Anti-platelet agent	Ischemic stroke	JP	P3	Oral	Ube Industries	2021	Additional indication <u>Additional P3 study started</u>
The oral antiplatelet agent. Prasugrel helps to keep blood platelets from clumping together and developing a blockage in an artery.								
Esaxerenone/CS-3150	MR blocker	Hypertension	JP	Submitted	Oral	Exelixis, Inc.	2019	February 2018: submitted
		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 FY2018 Q1 Financial Announcement in July 2018

◆ 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	JP/US/EU	P1	-	-	
DS-2330	Hyperphosphatemia treatment	Hyperphosphatemia in chronic kidney disease	-	P1	-	-	

Underline: change after FY2018 Q1 Financial Announcement in July 2018



◆ 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
Mirogabalin/DS-5565	α2δ ligand	Diabetic peripheral neuropathic pain	JP/Asia	Submitted	Oral	-	2018	February 2018: submitted in JP
		Postherpetic neuralgia						
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	Submitted	Inhalation	-	2019	Additional dosage form, nebulizer formulation July 2018: submitted
Inavir (JP)	The long-acting neuraminidase inhibitor and acts directly on the pulmonary and tracheal sites of infection.							

Underline: change after FY2018 Q1 Financial Announcement in July 2018

◆ Internal Medicine (Early-stage pipeline products)

Generic Name/Project Code Number	Class	Target indication	Region	Stage	Partner	Target FY for approval/launch	Remarks
DS-1501	Anti-Siglec-15 antibody	Osteoporosis	US	P1	-	-	
DS-5141	ENA oligonucleotide	Duchenne muscular dystrophy	JP	P1/2	ODTI	-	April 2017: MHLW granted SAKIGAKE Designation April 2018: announced top line result
DS-1211	TNAP inhibitor	Prevention of ectopic calcification diseases	US	P1	-	-	Research collaboration with Sanford Burnham Prebys Medical Discovery Institute

Underline: change after FY2018 Q1 Financial Announcement in July 2018

◆ 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	-	June 2016: submitted by Daiichi Sankyo
	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-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 preparing for the P3 study

Underline: change after FY2018 Q1 Financial Announcement in July 2018

◆ Stage-up (major changes from the FY2018 Q1 Financial Announcement in July 2018)

Generic Name/Project Code Number	Class	Target indication	Current region/stage		Remarks
Quizartinib/AC220	FLT3 inhibitor	Acute myeloid leukemia (relapsed/refractory)	JP	Submitted	October 2018: submitted in Japan
trastuzumab deruxtecan/DS-8201	Anti-HER2 antibody drug conjugate	Breast cancer (HER2 positive, post T-DM1)	JP/US/EU/Asia	P3	
		Breast cancer (HER2 positive, vs T-DM1)	JP/US/EU/Asia	P3	
		Breast cancer, urothelial (bladder) cancer	US/EU	P1	Combination with nivolumab
DS-1205	AXL inhibitor	Non-small cell lung cancer	JP	P1	Combination with gefitinib

◆ Discontinue (major changes from the FY2018 Q1 Financial Announcement in July 2018)

Generic Name/Project Code Number	Class	Target indication	Region / stage when discontinued		Reason
VN-100	Intradermal seasonal influenza vaccine	Prevention of seasonal influenza	JP	P3	Strategic reason

◆ Out-licensing

Generic Name/Project Code Number	Class	Target indication	Region / stage when out-licensing		Remarks
DS-6051	NTRK/ROS1 inhibitor	Solid tumors	JP/US	P1	
Laninamivir/CS-8958 Inavir (JP)	Neuraminidase inhibitor	Influenza	US/EU	P2	Out-licensing with Vaxart Inc
DS-2969	GyrB inhibitor	Clostridium difficile infection	US	P1	
DS-1093	HIF-PH inhibitor	Inflammatory bowel disease	EU	P1	Developed until P1 in EU for indication of neurogenic anemia
DS-7080	Angiogenesis inhibitor	Neovascular age-related macular degeneration	US	P1	
DS-1515	PI3K $\delta$ inhibitor	Inflammatory disease	-	Pre-clin	
DS-1039	MOA undisclosed (CFTR independent fluid secretion)	Cystic fibrosis	-	Pre-clin	
DS-7411	MOA undisclosed (antibody)	Hemophilia A and B	-	Pre-clin	

Underline: change after FY2018 Q1 Financial Announcement in July 2018