January 29, 2021

Consolidated Financial Results for the First Nine Months of the Year Ending March 31, 2021 (Fiscal 2020) <under IFRS>

Listed company name: Daiichi Sankyo Company, Limited
Listed exchange: First Section of the Tokyo Stock Exchange
Stock code number: 4568
URL: https://www.daiichisankyo.com
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Scheduled date of Quarterly Report filing: February 5, 2021
Scheduled date of dividend payments: -
Preparing supplementary material (Reference Data) on quarterly financial results: Yes
Holding quarterly information meeting: Yes (for institutional investors, analysts and the press)

(All amounts have been rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Nine Months of the Year Ending March 31, 2021 (from April 1, 2020 to December 31, 2020)

(1) Consolidated Financial Results

(Percentages indicate changes from the same period in the previous fiscal year)

	Revenue		Operating profit		Profit before tax		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2020	738,791	-2.4	89,463	-42.5	99,568	-37.8	75,678	-43.6
Nine months ended December 31, 2019	757,032	7.7	155,581	60.3	159,978	63.3	134,199	70.3

	Profit attributable to owners of the Company		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Nine months ended December 31, 2020	75,806	-43.5	74,149	-41.0	38.99	38.94
Nine months ended December 31, 2019	134,281	70.4	125,595	-14.9	69.08	68.94

Note: Effective Thursday, October 1, 2020, Daiichi Sankyo Company, Limited (hereinafter, "Daiichi Sankyo" or "the Company") implemented a three-for-one share split of its ordinary shares. "Basic earnings per share" and "Diluted earnings per share" are calculated as if the share split had taken place at the beginning of the year ended March 31, 2020.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets	Equity per share attributable to owners of the Company
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of December 31, 2020	2,051,185	1,291,308	1,291,308	63.0	667.73
As of March 31, 2020	2,105,619	1,306,274	1,305,809	62.0	671.64

Note: Effective Thursday, October 1, 2020, Daiichi Sankyo implemented a three-for-one share split of its ordinary shares. "Equity per share attributable to owners of the Company" is calculated as if the share split had taken place at the beginning of the year ended March 31, 2020.

2. Dividend

	Annual dividend per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2020	–	35.00	–	35.00	70.00
Year ending March 31, 2021	–	40.50	–		
Year ending March 31, 2021 (Forecast)				13.50	–

Note: Revision of the forecast from most recently announced figures: No

Note: Effective Thursday, October 1, 2020, Daiichi Sankyo implemented a three-for-one share split of its ordinary shares. The dividend for the fiscal year ending March 31, 2021 presents the amount prior to the share split for the end of the second quarter and the amount after the share split for the end of the fiscal year. The annual dividend per share forecast is not presented because the amounts cannot be simply combined due to the implementation of the share split. When calculated based on the assumption of no share split, the annual dividend per share forecast is ¥81 for the year ending March 31, 2021. For further details, please refer to "1. Qualitative Information about Consolidated Results for the First Nine Months (4) Information about Return to Shareholders" on page 13-14 of the attached material.

3. Forecast of Consolidated Financial Results for Year Ending March 31, 2021

(Percentages indicate changes from the same period in the previous fiscal year)

	Revenue		Operating profit		Profit before tax		Profit for the year		Profit attributable to owners of the Company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	960,000	-2.2	60,000	-56.8	69,000	-51.1	53,000	-58.9	53,000	-58.9	27.41

Note: Revision of the forecast from most recently announced figures: No

Note: Effective Thursday, October 1, 2020, Daiichi Sankyo implemented a three-for-one share split of its ordinary shares. "Basic earnings per share" indicates the amount after the share split. In addition, the figure for basic earnings per share reflects the purchase of treasury shares conducted from Monday, November 2 to Thursday, December 31, 2020.

*Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in scope of consolidation): No

(2) Changes in accounting policies and changes in accounting estimates

1) Changes in accounting policies required by IFRS: No
2) Changes in accounting policies due to other reasons: No
3) Changes in accounting estimates: No

(3) Number of ordinary shares issued

1) Number of shares issued at the end of the period (including treasury shares)

As of December 31, 2020	2,127,034,029 shares
As of March 31, 2020	2,127,034,029 shares

2) Number of treasury shares at the end of the period

As of December 31, 2020	193,158,002 shares
As of March 31, 2020	182,830,776 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	1,944,131,938 shares
Nine months ended December 31, 2019	1,943,777,072 shares

Note: Effective Thursday, October 1, 2020, Daiichi Sankyo implemented a three-for-one share split of its ordinary shares. "Number of ordinary shares issued" is calculated as if the share split had taken place at the beginning of the year ended March 31, 2020.

* This quarterly financial results summary is not subject to quarterly review procedures by Certified Public Accountants or an audit firm.

*Disclaimer regarding forward-looking information including appropriate use of forecast financial results

The forecast information included in these materials is based on information currently available and certain assumptions that Daiichi Sankyo regards as reasonable. Actual performance and results may differ from those forecast due to various factors.

Please see *"1. Qualitative Information about Consolidated Results for the First Nine Months (3) Information about Forecasts of Consolidated Financial Results and Other Forward-Looking Statements"* on page 13 for matters related to the above forecasts.

Attached Material

1. Qualitative Information about Consolidated Results for the First Nine Months

(1) Information about Operating Results

1) Overview

[Consolidated Financial Results]

(Millions of yen; all amounts have been rounded down to the nearest million yen.)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020	YoY change
Revenue	757,032	738,791	-18,240 -2.4%
Cost of sales	256,280	256,412	131 0.1%
Selling, general and administrative expenses	208,232	229,275	21,043 10.1%
Research and development expenses	136,937	163,640	26,702 19.5%
Operating profit	155,581	89,463	-66,118 -42.5%
Profit before tax	159,978	99,568	-60,410 -37.8%
Profit attributable to owners of the Company	134,281	75,806	-58,475 -43.5%
Total comprehensive income	125,595	74,149	-51,445 -41.0%

<Revenue of global mainstay products>

(Millions of yen; all amounts have been rounded down to the nearest million yen.)

Generic name (Main brand name)	Nine months ended December 31, 2019	Nine months ended December 31, 2020	YoY change
Trastuzumab deruxtecan (Enhertu) antitumor agent (HER2-directed antibody drug conjugate)	8,066	28,768	20,702 256.7%
Edoxaban (Lixiana) anticoagulant	116,387	124,697	8,310 7.1%
Olmesartan antihypertensive agent	76,976	71,137	-5,839 -7.6%
Prasugrel antiplatelet agent	14,315	13,344	-970 -6.8%

<Yen exchange rates for major currencies (average rate during the period)>

(Yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
USD/Yen	108.67	106.11
EUR/Yen	121.05	122.37

a. Revenue

- Revenue in the first nine months of the year ending March 31, 2021 decreased by ¥18.2 billion, or 2.4% compared to the same period of the previous fiscal year (year on year), to ¥738.8 billion.
- Revenue decreased year on year due to the NHI drug price revision in Japan, termination of vaccine sales cooperation, and on account of the performance of Memary, Inavir, Injectafer and others, despite having achieved growth with global mainstay products such as Enhertu (generic name: trastuzumab deruxtecan, T-DXd/DS-8201) and Lixiana, and the revenue recognition of upfront payment for the global development and commercialization collaboration of datopotamab deruxtecan (Dato-DXd/DS-1062) with AstraZeneca (¥2.5 billion).
- The negative effect on revenue from foreign exchange was ¥5.9 billion in total.

b. Operating profit

- Operating profit decreased by ¥66.1 billion, or 42.5% year on year, to ¥89.5 billion.
- Cost of sales was ¥256.4 billion, approximately the same level as the same period of the previous fiscal year, as a result of having recorded a gain on sale of subsidiary (¥18.8 billion) in association with the transfer of Takatsuki plant in the previous year, despite a decline in revenue.
- Selling, general and administrative expenses increased by ¥21.0 billion, or 10.1%, to ¥229.3 billion despite a decrease in sales promotion expenses due to the impact of the spread of COVID-19, as a result of having recorded a gain on sale of property, plant and equipment of ¥10.6 billion associated with the sale of the Nihonbashi Building in the previous year, in addition to an increase in expenses associated with Enhertu (sales promotion expenses and profit sharing).
- Research and development expenses increased by ¥26.7 billion, or 19.5% year on year, to ¥163.6 billion despite lower expenses brought about by an increase in cost sharing with AstraZeneca pertaining to Enhertu, mainly due to R&D investment in 3 main ADCs as well as higher expenses associated with enhancing the oncology project development structure.
- The negative effect on operating profit from foreign exchange was ¥1.3 billion in total.

c. Profit before tax

- Profit before tax decreased by ¥60.4 billion, or 37.8% year on year, to ¥99.6 billion.
- The decrease in profit before tax was modest compared to the decrease in operating profit due to improvement of ¥5.7 billion in Daiichi Sankyo's financial balance mainly resulting from improvement of loss (gain) on exchange differences.

d. Profit attributable to owners of the Company

- Profit attributable to owners of the Company decreased by ¥58.5 billion, or 43.5% year on year, to ¥75.8 billion.

e. Total comprehensive income

- Total comprehensive income decreased by ¥51.4 billion, or 41.0% year on year, to ¥74.1 billion.
- Decrease in total comprehensive income was less compared to the decrease in profit attributable to owners of the Company due to improvement in valuation difference on financial assets.

[Revenue by Geographic Area]

Primary revenue by geographic area is as follows.

a. Japan

- Revenue in Japan decreased by ¥37.3 billion, or 7.8% year on year, to ¥437.9 billion.

<Prescription drug business>

- In the prescription drug business, revenue decreased by ¥35.9 billion, or 8.5%, to ¥386.4 billion mainly due to NHI drug price revision in Japan, decline in sales of Memary caused by generic entries following the loss of exclusivity, termination of vaccine sales cooperation, and decline in sales of Inavir caused by the lower level of seasonal influenza outbreak, despite growth in sales of Tarlige. This revenue also includes revenue generated by the vaccine business and revenue generated by the generic pharmaceutical business of Daiichi Sankyo Espha Co., Ltd.
- In May 2020, Enhertu for the treatment of patients with HER2-positive unresectable or recurrent breast cancer after prior chemotherapy (limit the use to patients who are refractory or intolerant to standard treatments) was launched.
- In December 2020, the application to partially change items of approval for anti-epileptic agent Vimpat, to expand the indications for combination therapy using tonic-clonic seizures in epilepsy patients, was approved.

<Healthcare (OTC) products business>

- Revenue from the healthcare (OTC) products business decreased by ¥1.4 billion, or 2.6% year on year, to ¥51.5 billion due to the impact of the spread of COVID-19.

<Primary revenue composition in Japan>

(Billions of yen; all amounts have been rounded to the nearest single decimal place.)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020	YoY change
Prescription drugs*	422.3	386.4	-35.9 -8.5%
Healthcare (OTC) products	52.9	51.5	-1.4 -2.6%

* Includes generic pharmaceutical business and vaccine business.

<Domestic revenue from mainstay prescription drugs>

(Billions of yen; all amounts have been rounded to the nearest single decimal place.)

Brand name	Nine months ended December 31, 2019	Nine months ended December 31, 2020	YoY change
Nexium ulcer treatment	62.3	60.8	-1.5 -2.4%
Lixiana anticoagulant	65.6	59.8	-5.8 -8.8%
Pralia treatment for osteoporosis/ inhibitor of the progression of bone erosion associated with rheumatoid arthritis	24.3	26.4	2.1 8.8%
Memary Alzheimer's disease treatment	40.2	16.9	-23.3 -57.9%
Tenelia type 2 diabetes mellitus treatment	19.7	19.2	-0.5 -2.7%
Loxonin anti-inflammatory analgesic	22.7	19.1	-3.6 -15.9%
Ranmark treatment for bone complications caused by bone metastases from tumors	14.0	14.9	0.9 6.2%
Inavir anti-influenza agent	11.5	2.3	-9.3 -80.4%
Tarlige pain agent treatment	5.4	15.3	9.9 184.3%
Canalia type 2 diabetes mellitus treatment	9.8	11.9	2.1 21.5%
Vimpat anti-epileptic agent	8.5	11.2	2.7 32.1%
Efient antiplatelet agent	11.1	11.0	-0.1 -0.8%
Rezaltas antihypertensive agent	11.6	10.4	-1.2 -10.7%
Olmetec antihypertensive agent	9.4	7.4	-2.0 -21.4%
Enhertu antitumor agent (HER2-directed antibody drug conjugate)	-	2.7	2.7 -

b. North America

- Revenue in North America increased by ¥2.8 billion, or 2.3% year on year, to ¥126.4 billion. Revenue in local currency terms increased by US$54 million, or 4.8%, to US$1,191 million.
  This revenue includes revenue generated by Daiichi Sankyo, Inc., and American Regent, Inc.
- At Daiichi Sankyo, Inc., sales in this nine months ended December 31, 2020 increased due to contributions of Enhertu upon its sales launch in January 2020.
- At American Regent, Inc., sales of Injectafer and others decreased due to the impact of the spread of COVID-19.

<Revenue of Daiichi Sankyo, Inc. mainstay products>

(Millions of US$; all amounts have been rounded to the nearest million US$.)

Brand name	Nine months ended December 31, 2019	Nine months ended December 31, 2020	YoY change
Enhertu antitumor agent (HER2-directed antibody drug conjugate)	0	170	170 -
Olmesartan* antihypertensive agent	72	68	-4 -5.4%
Welchol hypercholesterolemia treatment/ type 2 diabetes mellitus treatment	79	37	-42 -53.4%

* Benicar /Benicar HCT, Azor, Tribenzor and authorized generics for Olmesartan

<Revenue of American Regent, Inc. mainstay products>

(Millions of US$; all amounts have been rounded to the nearest million US$.)

Brand name	Nine months ended December 31, 2019	Nine months ended December 31, 2020	YoY change
Injectafer treatment for iron deficiency anemia	362	304	-58 -16.1%
Venofer treatment for iron deficiency anemia	215	209	-6 -2.8%

c. Europe

- Revenue in Europe increased by ¥15.2 billion, or 22.5% year on year, to ¥82.9 billion. Revenue in local currency terms increased by EUR118 million, or 21.2%, to EUR678 million.
- Revenue increased due to steady growth in sales of Lixiana and as a result of having recorded a gain from transfer of the non-core products of Daiichi Sankyo France SAS.
- In November 2020, the hypercholesterolemia treatments NILEMDO (with bempedoic acid as sole active ingredient) and NUSTENDI (combination drug comprising bempedoic acid and ezetimibe) were launched in Germany.

<Revenue of Daiichi Sankyo Europe GmbH mainstay products>

(Millions of euro; all amounts have been rounded to the nearest million euro.)

Brand name	Nine months ended December 31, 2019	Nine months ended December 31, 2020	YoY change
Lixiana anticoagulant	362	458	96 26.4%
Olmesartan* antihypertensive agent	140	132	-8 -5.4%
Efient antiplatelet agent	16	9	-7 -40.7%

* Olmetec /Olmetec Plus, Sevikar and Sevikar HCT

d. Asia, South & Central America

- Revenue in Asia, South & Central America increased by ¥1.0 billion, or 1.3% year on year, to ¥74.5 billion. This revenue includes sales to overseas licensees.

2) Status of R&D

- The Daiichi Sankyo Group (hereinafter, "the Group") has established its 2025 Vision of being a "Global Pharma Innovator with Competitive Advantage in Oncology."
- Toward the realization of 2025 Vision, the Group is working on research and development in accordance with the "3 and Alpha" Strategy, which intensively allocates resources to 3 ADCs[*1] (trastuzumab deruxtecan: T-DXd/DS-8201, datopotamab deruxtecan: Dato-DXd/DS-1062 and patritumab deruxtecan: HER3-DXd/U3-1402) for maximizing its product value and aims to deliver medicines that change SOC[*2] (Alpha) for realization of sustainable growth.
- While striving to strengthen drug discovering capabilities by active utilization of partnering and technology research of new modalities[*3], the Group focuses on accelerating global clinical development.
  In the medium- to long-term, the Group aims to develop therapeutic drugs for various diseases in addition to oncology by utilizing its competitive science and technology.

[*1] Antibody Drug Conjugate: Drug composed of an antibody drug and a payload (a small molecule drug) linked via appropriate linker. By using a monoclonal antibody that binds to a specific target expressed on cancer cells, a cytotoxic payload is delivered to cancer cells effectively with reducing systemic exposure.

[*2] Standard of Care: Universally applied best treatment practice in today's medical science.

[*3] New medical treatment such as ADC, nucleic acid drugs, viruses for treatment, and cell therapy.

【3 ADCs】

The following describes the Group's clinical development of 3 ADCs projects as of December 31, 2020.

a. Trastuzumab deruxtecan (T-DXd/DS-8201: HER2-directed ADC, Japanese and U.S. brand name: Enhertu)

T-DXd is marketed in Japan and the U.S. under the brand name Enhertu. To maximize the product value, Daiichi Sankyo is jointly developing T-DXd with AstraZeneca, a company with a wealth of global experience in oncology.

<Breast cancer>

DESTINY-Breast01 trial (Phase II, Monotherapy, Third line treatment)

- The global clinical trial for the patients with HER2-positive breast cancer previously treated with HER2-directed ADC T-DM1 has been completed in the previous fiscal year.
- T-DXd has been approved and marketed for the treatment of adult patients with unresectable or metastatic HER2 positive breast cancer who have received two or more prior anti-HER2-based regimens in the metastatic setting in the U.S., and for the treatment of patients with HER2 positive unresectable or recurrent breast cancer after prior chemotherapy (limited to the use to patients who are refractory or intolerant to standard treatments) in Japan.
- In December 2020, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (hereinafter, EMA) adopted a positive opinion, recommending a conditional approval for its sale as a treatment for unresectable, HER2-positive breast cancer after the EMA granted it accelerated assessment*[4].
- In December 2020, the Company presented new data from the trial at the 2020 San Antonio Breast Cancer Symposium (#SABCS20).

[*4] Accelerated assessment is granted by the EMA to medicines expected to significantly contribute from the perspective of public health and therapeutic innovation and can be significantly reduced the review timelines.

DESTINY-Breast02 trial (Phase III, Monotherapy, Third line treatment)

- The global clinical trial designed to compare the efficacy and safety of T-DXd versus the investigator's choice for the patients with HER2 positive breast cancer previously treated with HER2-directed ADC T-DM1, etc. is underway.

DESTINY-Breast03 trial (Phase III, Monotherapy, Second line treatment)

- The global clinical trial designed to compare the efficacy and safety of T-DXd versus T-DM1 for the patients with HER2 positive breast cancer previously treated with anti-HER2 antibody, trastuzumab, etc. is underway.

DESTINY-Breast04 trial (Phase III, Monotherapy, Third or later line treatment)

- The global clinical trial designed to compare the efficacy and safety of T-DXd versus the investigator's choice for the patients with HER2 low expressing metastatic breast cancer is underway.

DESTINY-Breast05 trial (Phase III, Monotherapy, Post neo-adjuvant therapy)

- In November 2020, the global clinical trial designed to compare the efficacy and safety of T-DXd versus T-DM1 for patients with HER2 positive early breast cancer with high risk of disease recurrence who have residual invasive disease in the breast or axillary lymph nodes after receiving neo-adjuvant therapy was initiated.

DESTINY-Breast06 trial (Phase III, Monotherapy, Chemotherapy naiive)

- In July 2020, the global clinical trial designed to compare the efficacy and safety of T-DXd versus the investigator's choice for the patients who have received endocrine therapy, but have not received chemotherapy with HER2 low expressing metastatic breast cancer was initiated.

BEGONIA trial (Phase Ib/II, Combination, First line treatment)

- AstraZeneca is conducting clinical trial in the U.S., Europe and Asia to evaluate the combination of T-DXd and durvalumab, the immune checkpoint inhibitor (brand name: Imfinzi) in patients with triple negative breast cancer (TNBC).

<Gastric cancer>

DESTINY-Gastric01 trial (Phase II, Monotherapy, Third line treatment)

- Clinical trial in Japan and South Korea for the patients with HER2 positive gastric or gastroesophageal junction adenocarcinoma that had progressed following two or more treatment regimens including trastuzumab has been completed in the previous fiscal year.
- T-DXd was granted SAKIGAKE Designation[*5] by Japan's Ministry of Health, Labour and Welfare (MHLW), the application for approval in Japan was submitted in April 2020, and it was approved in September 2020 for the treatment of HER2 positive unresectable advanced and/or recurrent gastric cancer that has progressed after cancer chemotherapy.
- In May 2020, T-DXd has been granted Breakthrough Therapy Designation[*6] for the patients with HER2-positive recurrent and/or metastatic gastric cancer, and Orphan Drug Designation[*7] for the treatment of patients with gastric cancer, including gastroesophageal junction cancer by the U.S. Food and Drug Administration (hereinafter, FDA).
- The Group presented the primary analysis results at the 2020 American Society of Clinical Oncology (ASCO) in May 2020.
- In October 2020, the FDA accepted the application for approval for the treatment of HER2 positive gastric cancer and granted it Priority Review[*8]. The FDA has set a target action date under the Prescription Drug User Fee Act (PDUFA) of February 28, 2021.

[*5] System that promotes R&D in Japan by providing prioritized access to clinical trial and approval procedures aiming at early practical application for innovative pharmaceutical products.

[*6] Designation in the U.S. designed to expedite the development and review of medicines that may demonstrate substantial benefit over currently available treatments in order to ensure that patients with serious diseases have access to new treatments as soon as possible.

[*7] Designation to medicines intended for the treatment, diagnosis or prevention of rare diseases of disorders that affect fewer than 200,000 people in the U.S.

[*8] A designation, that is granted by the FDA to drugs that would be significant improvements in the safety or effectiveness of the treatment, diagnosis or prevention of serious conditions when compared to standard applications in the U.S.. Under Priority Review, the FDA aims to take action on an application within six months as compared to 10 months under standard review.

DESTINY-Gastric02 trial (Phase II, Monotherapy, Second line treatment)

- The Group is conducting clinical trial in the U.S. and Europe for patients with HER2-positive gastric cancer.

DESTINY-Gastric03 trial (Phase Ib/II, Combination, Second/First line treatment)

- In June 2020, the trial to evaluate the combination of T-DXd and various other drugs for patients with HER2-positive gastric cancer or gastroesophageal junction adenocarcinoma was initiated in the U.S., Europe and Asia.

<Non-small cell lung cancer>

DESTINY-Lung01 trial (Phase II, Monotherapy, Second line treatment)

- The Group is conducting clinical trial in Japan, the U.S. and Europe for patients with HER2-positive and HER2 mutant, non-small cell lung cancer (NSCLC).
- In May 2020, T-DXd has been granted Breakthrough Therapy Designation by the FDA for the treatment of patients with HER2 mutant unresectable and/or metastatic non-squamous NSCLC.
- The Group presented the interim data for the patients with HER2 mutant unresectable and/or metastatic NSCLC at the 2020 American Society of Clinical Oncology (ASCO) in May 2020.

HUDSON trial (Phase II, Combination, Second line treatment)

- AstraZeneca is conducting clinical trial in the U.S., Europe and Asia to evaluate the combination of T-DXd and durvalumab, the immune checkpoint inhibitor (brand name: Imfinzi) for patients with NSCLC whose disease progressed on an anti-PD-1/PD-L1 containing therapy.

<Colorectal cancer>

DESTINY-CRC01 trial (Phase II, Monotherapy, Third line treatment)

- The Group is conducting clinical trial in Japan, the U.S. and Europe for patients with HER2-positive colorectal cancer.
- The Group presented the primary analysis results at the 2020 American Society of Clinical Oncology (ASCO) in May 2020.

<Other>

Combination study of T-DXd and nivolumab (Phase I, Combination, Third or later line treatment)

- Daiichi Sankyo is conducting clinical trial in the U.S. and Europe with Bristol-Myers Squibb Company, to evaluate the combination of T-DXd and nivolumab, the immune checkpoint inhibitor (brand name: Opdivo) in patients with HER2-positive breast cancer and bladder cancer.
- In December 2020, the Company presented new data from the trial at the 2020 San Antonio Breast Cancer Symposium (#SABCS20).

Combination study of T-DXd and pembrolizumab (Phase I, Combination, Third or later line treatment)

- Daiichi Sankyo is conducting clinical trial in the U.S. and Europe with Merck & Co., Inc., to evaluate the combination of T-DXd and pembrolizumab, the immune checkpoint inhibitor (brand name: Keytruda) in patients with HER2-positive breast cancer and NSCLC.

DESTINY-PanTumor02 trial (Phase II, Monotherapy, Refractory to standards of care (SOC))

- In August 2020, the trial for patients with HER2 expressing bladder cancer, biliary tract cancer, cervical cancer, endometrial cancer, ovarian cancer, pancreatic cancer, and other rare types of cancer was initiated in the U.S. and Asia.

b. Datopotamab deruxtecan (Dato-DXd/DS-1062: TROP2-directed ADC)

In July 2020, Daiichi Sankyo entered into a strategic collaboration agreement for Dato-DXd with AstraZeneca.
To maximize the product value, Daiichi Sankyo is jointly developing Dato-DXd with AstraZeneca, a company with a wealth of global experience in oncology.

<Non-small cell lung cancer>

TROPION-PanTumor01 trial (Phase I, Monotherapy)

- The Group is conducting global Phase I clinical trial in monotherapy with Dato-DXd for patients with NSCLC refractory to standards of care (SOC).
- In May 2020, the Group presented data from the trial at the 2020 American Society of Clinical Oncology (ASCO).
- In June 2020, Patients with triple negative breast cancer (TNBC) refractory to standards of care (SOC) were added to this trial.

TROPION-Lung01 trial (Phase III, Monotherapy, Second or later line treatment)

- In December 2020, the global clinical trial designed to compare the efficacy and safety of Dato-DXd versus docetaxel in patients with NSCLC without actionable genomic alterations[*9] was initiated.

[*9] Genomic alterations that could potentially be targeted for treatment, such as EGFR mutations.

TROPION-Lung02 trial (Phase I, Combination)

- In October 2020, the clinical trial to evaluate the combination of Dato-DXd and pembrolizumab, the immune checkpoint inhibitor (brand name: Keytruda) in patients with NSCLC without actionable genomic alterations was initiated.

TROPION-Lung05 trial (Phase II, Monotherapy)

- In December 2020, the global clinical trial in patients with NSCLC with actionable genomic alterations was initiated.

c. Patritumab deruxtecan (HER3-DXd/U3-1402: HER3-directed ADC)

<Breast cancer>

- The Group is conducting Phase I/II clinical trial in Japan and the U.S. in monotherapy with HER3-DXd for patients with HER3-positive cancer refractory to standards of care (SOC).

<Non-small cell lung cancer>

- The Group is conducting global Phase I clinical trial in monotherapy with HER3-DXd for patients with epidermal growth factor receptor (EGFR)-mutated NSCLC whose disease has progressed while taking an EGFR tyrosine kinase inhibitor (TKI).
- The Group presented the interim data for the trial at the European Society of Medical Oncology Virtual Congress 2020 (ESMO20) in September 2020.

Combination study of osimertinib, EGFR tyrosine kinase inhibitor (TKI)

- In August 2020, Daiichi Sankyo has entered into a clinical trial collaboration with AstraZeneca to evaluate the combination of osimertinib, an epidermal growth factor receptor (EGFR) tyrosine kinase inhibitor (TKI) (brand name: Tagrisso), in patients with EGFR-mutated NSCLC.

<Colorectal cancer>

- In September 2020, Phase II clinical trial in monotherapy with HER3-DXd for patients with HER3 expressing colorectal cancer (the third line treatment) was initiated in Japan, the U.S. and Europe.

d. Research collaboration, etc.

Entered into innovative research collaboration with Gustave Roussy[*10]

- In July 2020, the Group entered into an agreement to support comprehensive research programs by Gustave Roussy such as clinical and translational research, including potential combination strategies with other drugs for Dato-DXd and HER3-DXd.

[*10] Gustave Roussy Cancer Campus (GRCC): Cancer research laboratory located in Villejuif in southern Paris, France

【Alpha】

The following describes the progress of the research and development made in each project other than 3 ADCs projects in the first nine months of the year ending March 31, 2021.

① Oncology Area

a. DS-6157: GPR20-directed ADC

- In May 2020, Phase I clinical trial in monotherapy with DS-6157 for patients with recurrent or advanced gastrointestinal stromal tumor (GIST) was initiated in Japan and the U.S.

b. DS-1055: GARP-directed antibody

- In October 2020, Phase I clinical trial in monotherapy with DS-1055 for patients with unresectable solid tumors was initiated in Japan and the U.S.

② Areas Other than Oncology

a. Strategic partnership with Ultragenyx Pharmaceutical Inc. for use of gene therapy manufacturing technology

- In April 2020, Daiichi Sankyo has entered into a strategic partnership with Ultragenyx Pharmaceutical Inc. for the non-exclusive use of gene therapy manufacturing technology with Ultragenyx Pharmaceutical Inc.'s proprietary adeno associated virus (AAV) vector.

b. Commencement of open innovation research with Mitsubishi UFJ Capital Co., Ltd. and Nagoya Institute of Technology

- In April 2020, Daiichi Sankyo has commenced open innovation research concerning a gene therapy for restoring vision with Mitsubishi UFJ Capital Co., Ltd. and Nagoya Institute of Technology.

c. Prasugrel: ADP receptor inhibitor

- In July 2020, the primary endpoint has been achieved in the Japan Phase III clinical trial (PRASTRO-III) in thrombotic stroke patients.
- In December 2020, an application was filed to partially change items of approval for manufacturing and marketing in Japan mainly based on the results of this trial.

d. Edoxaban: Factor Xa-inhibitor

- In August 2020, the primary endpoint has been achieved in the Japan Phase III clinical trial (ELDERCARE AF Study) for the anticoagulant, edoxaban, in elderly patients with non-valvular atrial fibrillation and high bleeding risk.
- In September 2020, an application was filed to partially change items of approval for manufacturing and marketing in Japan based on the results of this trial.

e. Mirogabalin: α2δ ligand

- In December 2020, the primary endpoint has been achieved in the Phase III clinical trial in Asia (Japan, South Korea and Taiwan) in patients with central neuropathic pain after spinal cord injury.

3) Efforts to Address the Novel Coronavirus Infection

- Daiichi Sankyo is proactively involved in the establishment of prevention and treatment methods in the fight against COVID-19, for which there is an urgent global social need. In April 2020, Daiichi Sankyo established a task force to promote company-wide R&D on vaccines and therapeutic agents for COVID-19; moreover, in our role as a pharmaceutical company, by leveraging our research properties, technologies and knowledge to the maximum extent, and through partnerships with other organizations, Daiichi Sankyo is proceeding with the following R&D.

a. DS-5670: genetic (mRNA) vaccine

- For the prevention of COVID-19, Daiichi Sankyo is currently participating in "Fundamental Research on the Control of the Novel Coronavirus (2019-nCoV[*1]),"[*2] an initiative supported by the Japan Agency for Medical Research and Development (hereinafter, AMED). In addition, using novel nucleic acid delivery technology[*3] developed by Daiichi Sankyo itself, Daiichi Sankyo is taking part in a basic research project on a genetic (mRNA) vaccine with the title "Development of a Genetic Vaccine for 2019-nCoV."
- In a pharmacological evaluation using animal models, Daiichi Sankyo achieved an increase in antibody titers to the COVID-19 in June 2020. Leveraging this result, Daiichi Sankyo has positioned the development of the mRNA vaccine as a priority project and started to consider an increase in scale toward establishing a supply system. At the same time, Daiichi Sankyo aims to proceed to clinical studies in or around March 2021.
- In August 2020, Daiichi Sankyo was selected by the MHLW to be a provider for the Japanese Government's "Emergent Initiative to Build Production Capacity for COVID-19 Vaccines[*4] (First Round)."
- In August 2020, Daiichi Sankyo was selected by AMED to be a company for the AMED's Drug Discovery Support Program "Development of a Vaccine for COVID-19 Vaccines[*5] (Second Round)."

[*1] 2019-nCoV is synonymous with SARS-CoV-2.

[*2] A vaccine development initiative determined for support by AMED under urgent government-wide efforts against the worldwide spread of COVID-19.

[*3] Technology focusing on forming lipid nanoparticle structures, stabilizing pharmaceutical active ingredients and delivering nucleic acids into immune cells. Compared to conventional vaccine technology, it has demonstrated to induce a more optimal immune response.

[*4] The project aims to swiftly develop an actual (large-scale) production system for biologics, including vaccines, in order to ensure that the vaccines necessary for the prevention of the spread and severity of unexpected epidemics, including COVID-19, are produced as soon as possible, and that their supply is secured for the Japanese people.

[*5] The project aims to support the development of a vaccine against COVID-19, for which R&D is already underway, and aims to ensure the early commercialization of safe and effective vaccines.

b. DS-2319: Nafamostat inhalation formulation

- In June 2020, Daiichi Sankyo entered into a Basic Agreement on Collaborative R&D on Nafamostat Inhalation Formulation with the University of Tokyo, RIKEN, and Nichi-Iko Pharmaceutical Co., Ltd. on Nafamostat inhalation formulation for the treatment of COVID-19.
- Daiichi Sankyo will carry out R&D on the Nafamostat inhalation formulation using technology gained in the development of its anti-influenza virus agent, Inavir. Non-clinical studies have begun in July 2020 and after consultation with authorities with the aim of proceeding to clinical studies by March 2021.

c. Discussions with AstraZeneca regarding supply in Japan of novel coronavirus vaccine

- In June 2020, Daiichi Sankyo agreed to proceed with discussions with AstraZeneca for the stable supply in Japan of a potential novel coronavirus vaccine being developed by AstraZeneca and Oxford University in the U.K. Daiichi Sankyo will advance discussions with AstraZeneca to formulate the vaccine, including vial filling, packaging, and storage in Japan.

(2) Analysis of Financial Position as of December 31, 2020

- Total assets as of December 31, 2020 were ¥2,051.2 billion, a decrease of ¥54.4 billion from the previous fiscal year-end, mainly due to decreases in trade and other receivables and other financial assets (current assets), which were partially offset by increases in cash and cash equivalents and other financial assets (non-current assets).
- Total liabilities as of December 31, 2020 were ¥759.9 billion, a decrease of ¥39.5 billion from the previous fiscal year-end, mainly due to decreases in trade and other payables and bonds and borrowings, which were partially offset by an increase in other non-current liabilities.
- Total equity as of December 31, 2020 was ¥1,291.3 billion, a decrease of ¥15.0 billion from the previous fiscal year-end, mainly because of dividend payment and purchase of treasury shares (11.65 million shares at a cost of ¥40.0 billion as part of upper limit of 60 million shares as the total number of shares to be purchased or ¥100.0 billion aggregate purchase cost), which was partially offset by the profit for the period.
- The ratio of equity attributable to owners of the Company to total assets was 63.0%, an increase of 1.0 points from the previous fiscal year-end.

(3) Information about Forecasts of Consolidated Financial Results and Other Forward-Looking Statements

- There are no changes from the forecasts of consolidated financial results for the year ending March 31, 2021 publicly announced on October 30, 2020.

Note: The forecasted statements shown above are based on information currently available and certain assumptions that Daiichi Sankyo regards as reasonable. Actual performance and other results may differ from these forecasted figures due to various factors.

(4) Information about Return to Shareholders

- In order to secure sustainable growth in corporate value, one of the fundamental business policies of Daiichi Sankyo is to decide profit distributions based on a comprehensive consideration of the investments essential for implementing its growth strategy and returning profits to shareholders.
- In the 5-Year Business Plan, Daiichi Sankyo introduced policy to pay a total return ratio[*1] of 100% or more during the period, and in terms of dividend payments, to distribute ordinary dividend to ¥70 or more yearly, to pay stable dividend, and to exercise the agile purchase of treasury shares.

*1 Total return ratio = (Total amount of dividend + Total acquisition costs of treasury shares) / Profit attributable to owners of the Company

- Daiichi Sankyo paid an ordinary dividend of ¥40.5 per share (on a pre-share split basis) as an interim dividend on December 1, 2020.
  Daiichi Sankyo has conducted a three-for-one share split of ordinary shares on October 1, 2020, and intends to pay a year-end dividend of ¥13.5 per share on a post-share split basis. The annual dividend for the year ending March 31, 2021, on a pre-share split basis, will be increased by ¥11.0 from the previous fiscal year, to ¥81.0 per share.

The Board of Directors held on October 30, 2020 approved the following resolution:

- To acquire the ordinary shares of Daiichi Sankyo upper limited to ¥100 billion as the aggregate amount of acquisition cost or 60 million shares as the total number of shares to be acquired from November 2, 2020.
- To cancel 180 million treasury shares of Daiichi Sankyo which are 9.3% issued shares before cancelled (excluding treasury shares).

2. Condensed Interim Consolidated Financial Statements with Primary Notes

(1) Condensed Interim Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	424,184	520,074
Trade and other receivables	309,363	263,361
Other financial assets	466,528	303,648
Inventories	173,362	183,895
Other current assets	10,546	10,983
Subtotal	1,383,984	1,281,962
Assets held for sale	134	–
Total current assets	1,384,119	1,281,962
Non-current assets		
Property, plant and equipment	247,053	252,350
Goodwill	76,760	74,103
Intangible assets	172,499	167,587
Investments accounted for using the equity method	383	1,349
Other financial assets	97,974	137,101
Deferred tax assets	114,748	124,716
Other non-current assets	12,079	12,014
Total non-current assets	721,499	769,222
Total assets	2,105,619	2,051,185

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	270,867	241,471
Bonds and borrowings	40,389	20,391
Other financial liabilities	9,490	9,760
Income taxes payable	9,937	23,614
Provisions	5,367	4,878
Other current liabilities	15,019	13,181
Total current liabilities	351,071	313,298
Non-current liabilities		
Bonds and borrowings	183,811	163,533
Other financial liabilities	37,118	34,326
Post-employment benefit liabilities	5,263	5,580
Provisions	10,597	10,333
Deferred tax liabilities	15,641	14,631
Other non-current liabilities	195,840	218,172
Total non-current liabilities	448,273	446,578
Total liabilities	799,344	759,876
Equity		
Equity attributable to owners of the Company		
Share capital	50,000	50,000
Capital surplus	94,633	94,576
Treasury shares	(162,519)	(201,377)
Other components of equity	82,094	79,207
Retained earnings	1,241,600	1,268,901
Total equity attributable to owners of the Company	1,305,809	1,291,308
Non-controlling interests		
Non-controlling interests	464	–
Total equity	1,306,274	1,291,308
Total liabilities and equity	2,105,619	2,051,185

(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income

Condensed Interim Consolidated Statement of Profit or Loss

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Revenue	757,032	738,791
Cost of sales	256,280	256,412
Gross profit	500,751	482,379
Selling, general and administrative expenses	208,232	229,275
Research and development expenses	136,937	163,640
Operating profit	155,581	89,463
Financial income	8,398	12,135
Financial expenses	4,082	2,108
Share of profit (loss) of investments accounted for using the equity method	79	77
Profit before tax	159,978	99,568
Income taxes	25,778	23,889
Profit for the period	134,199	75,678
Profit attributable to:		
Owners of the Company	134,281	75,806
Non-controlling interests	(81)	(127)
Profit for the period	134,199	75,678
Earnings per share		
Basic earnings per share (Yen)	69.08	38.99
Diluted earnings per share (Yen)	68.94	38.94

Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit for the period	134,199	75,678
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(1,067)	9,511
Remeasurements of defined benefit plans	(130)	29
Items that are or may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(7,405)	(11,069)
Other comprehensive income for the period	(8,604)	(1,528)
Total comprehensive income for the period	125,595	74,149
Total comprehensive income attributable to:		
Owners of the Company	125,677	74,277
Non-controlling interests	(81)	(127)
Total comprehensive income for the period	125,595	74,149

(3) Condensed Interim Consolidated Statement of Changes in Equity

Nine months ended December 31, 2019

(Millions of yen)

	Equity attributable to owners of the Company					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Subscription rights to shares	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
Balance as of April 1, 2019	50,000	94,633	(162,964)	1,805	66,628	46,732
Changes in accounting policies	–	–	–	–	–	–
Adjusted balance as of April 1, 2019	50,000	94,633	(162,964)	1,805	66,628	46,732
Profit for the period	–	–	–	–	–	–
Other comprehensive income for the period	–	–	–	–	(7,405)	(1,067)
Total comprehensive income for the period	–	–	–	–	(7,405)	(1,067)
Purchase of treasury shares	–	–	(65)	–	–	–
Cancellation of treasury shares	–	90	241	(61)	–	–
Dividend	–	–	–	–	–	–
Changes associated with obtaining control of subsidiaries	–	–	–	–	–	–
Changes associated with losing control of subsidiaries	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	–	–	(8,739)
Total transactions with owners of the Company	–	90	176	(61)	–	(8,739)
Balance as of December 31, 2019	50,000	94,724	(162,788)	1,744	59,222	36,924

(Millions of yen)

	Equity attributable to owners of the Company					
	Other components of equity					
	Remeasure-ments of defined benefit plans	Total other components of equity	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as of April 1, 2019	–	115,166	1,152,806	1,249,642	62	1,249,705
Changes in accounting policies	–	–	(375)	(375)	–	(375)
Adjusted balance as of April 1, 2019	–	115,166	1,152,431	1,249,267	62	1,249,329
Profit for the period	–	–	134,281	134,281	(81)	134,199
Other comprehensive income for the period	(130)	(8,604)	–	(8,604)	–	(8,604)
Total comprehensive income for the period	(130)	(8,604)	134,281	125,677	(81)	125,595
Purchase of treasury shares	–	–	–	(65)	–	(65)
Cancellation of treasury shares	–	(61)	–	270	–	270
Dividend	–	–	(45,354)	(45,354)	–	(45,354)
Changes associated with obtaining controls of subsidiaries	–	–	–	–	576	576
Changes associated with losing control of subsidiaries	–	–	–	–	(67)	(67)
Transfer from other components of equity to retained earnings	130	(8,608)	8,608	–	–	–
Total transactions with owners of the Company	130	(8,670)	(36,745)	(45,148)	509	(44,639)
Balance as of December 31, 2019	–	97,892	1,249,967	1,329,795	490	1,330,286

Nine months ended December31, 2020

(Millions of yen)

	Equity attributable to owners of the Company					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Subscription rights to shares	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
Balance as of April 1, 2020	50,000	94,633	(162,519)	1,611	51,218	29,264
Profit for the period	–	–	–	–	–	–
Other comprehensive income for the period	–	–	–	–	(11,069)	9,511
Total comprehensive income for the period	–	–	–	–	(11,069)	9,511
Purchase of treasury shares	–	(57)	(40,047)	–	–	–
Cancellation of treasury shares	–	–	1,189	(523)	–	–
Dividend	–	–	–	–	–	–
Changes associated with losing control of subsidiaries	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	–	–	(805)
Total transactions with owners of the Company	–	(57)	(38,857)	(523)	–	(805)
Balance as of December 31, 2020	50,000	94,576	(201,377)	1,087	40,149	37,970

(Millions of yen)

	Equity attributable to owners of the Company					
	Other components of equity					
	Remeasure-ments of defined benefit plans	Total other components of equity	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as of April 1, 2020	–	82,094	1,241,600	1,305,809	464	1,306,274
Profit for the period	–	–	75,806	75,806	(127)	75,678
Other comprehensive income for the period	29	(1,528)	–	(1,528)	–	(1,528)
Total comprehensive income for the period	29	(1,528)	75,806	74,277	(127)	74,149
Purchase of treasury shares	–	–	–	(40,104)	–	(40,104)
Cancellation of treasury shares	–	(523)	(393)	272	–	272
Dividend	–	–	(48,946)	(48,946)	–	(48,946)
Changes associated with losing control of subsidiaries	–	–	–	–	(336)	(336)
Transfer from other components of equity to retained earnings	(29)	(835)	835	–	–	–
Total transactions with owners of the Company	(29)	(1,358)	(48,505)	(88,778)	(336)	(89,115)
Balance as of December 31, 2020	–	79,207	1,268,901	1,291,308	–	1,291,308

(4) Condensed Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Cash flows from operating activities		
Profit before tax	159,978	99,568
Depreciation and amortization	39,198	42,868
Impairment losses (reversal of impairment losses)	4,547	12
Financial income	(8,398)	(12,135)
Financial expenses	4,082	2,108
Share of (profit) loss of investments accounted for using the equity method	(79)	(77)
(Gain) loss on sale and disposal of non-current assets	(9,914)	324
(Increase) decrease in trade and other receivables	69,937	44,785
(Increase) decrease in inventories	(4,878)	(11,194)
Increase (decrease) in trade and other payables	(85,546)	(19,142)
Others, net	(10,570)	6,184
Subtotal	158,356	153,301
Interest and dividend received	5,183	2,671
Interest paid	(1,584)	(1,033)
Income taxes paid	(21,155)	(22,687)
Net cash flows from (used in) operating activities	140,799	132,252
Cash flows from investing activities		
Payments into time deposits	(737,016)	(410,875)
Proceeds from maturities of time deposits	731,858	626,323
Acquisition of securities	(122,336)	(207,378)
Proceeds from sale and redemption of securities	151,334	150,788
Acquisition of property, plant and equipment	(24,970)	(21,798)
Proceeds from sale of property, plant and equipment	112	18
Acquisition of intangible assets	(17,525)	(32,380)
Acquisition of subsidiaries	463	–
Proceeds from sale of subsidiary	37,128	–
Payments for loans receivable	(201)	(24)
Proceeds from collection of loans receivable	340	324
Others, net	14,197	(140)
Net cash flows from (used in) investing activities	33,384	104,854

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Cash flows from financing activities		
Proceeds from bonds and borrowings	3,981	–
Repayments of bonds and borrowings	(40,290)	(40,292)
Purchase of treasury shares	(65)	(40,104)
Proceeds from sale of treasury shares	0	2
Dividend paid	(45,391)	(48,988)
Others, net	(7,260)	(9,517)
Net cash flows from (used in) financing activities	(89,026)	(138,900)
Net increase (decrease) in cash and cash equivalents	85,158	98,206
Cash and cash equivalents at the beginning of the period	243,155	424,184
Effect of exchange rate changes on cash and cash equivalents	(1,913)	(2,316)
Cash and cash equivalents at the end of the period	326,400	520,074

(5) Notes to Condensed Interim Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Changes in Significant Subsidiaries during the Period

Not applicable.

Changes in Accounting Policies

The significant accounting policies adopted in preparing the condensed interim consolidated financial statements of the Group have not changed from the prior year.