

I. Consolidated Data

1. Consolidated Financial Data

(Yen Million)

	01/3	02/3	03/3	04/3	YOY	Est. 05/3
Net sales	274,396	271,397	274,077	286,433	4.5%	295,000
Operating Income	66,591	60,701	54,394	57,700	6.1%	59,000
Recurring income	73,826	67,472	60,857	61,180	0.5%	64,000
Net income	31,269	37,361	35,392	40,910	15.6%	37,000
EPS (yen)	91.41	109.66	105.81	127.87	20.8%	117.80
CoGS ratio(%)	25.7%	26.1%	26.8%	29.7%	-	29.7%
SGA/Sales ratio (%)	50.0%	51.5%	53.4%	50.2%	-	50.3%
Capital Expenditure	15,602	24,996	8,957	8,829	-1.4%	9,300
Depreciation and amortization	14,572	14,189	16,832	15,343	-8.8%	13,800
Research and development expenses	33,401	32,212	29,526	24,171	-18.1%	27,000
Advertising expenses	19,475	19,572	17,939	17,619	-1.8%	17,800
Sales promotion expenses	23,031	24,276	26,968	28,876	7.1%	29,800
Total assets	573,612	590,036	577,706	601,956	4.2%	617,000
Shareholders' equity	467,601	486,882	485,717	500,761	3.1%	515,000
Return on equity(%) (* 1)	6.9%	7.8%	7.3%	8.3%	13.7%	7.3%
Return on assets(%) (* 1)	5.7%	6.4%	6.1%	6.9%	13.1%	6.1%
Equity ratio(%)	81.5%	82.5%	84.1%	83.2%	-1.1%	83.5%
Number of employees	5,026	4,894	4,806	5,477	14.0%	-

(* 1) Average of the beginning and year-end balance of shareholders' equity

2. Consolidated Statements of Income
(1) Consolidated P/L statement

(Yen Million)

	03/3(full-year)		04/3(full-year)		YOY	
		% of Sales		% of Sales		
Net sales	274,077	100.0%	286,433	100.0%	12,356	4.5%
Cost of sales	73,462	26.8%	85,091	29.7%	11,629	15.8%
Gross profit on sales	200,615	73.2%	201,341	70.3%	726	0.4%
Provision for sales returns	731	0.3%	607	0.2%	-123	-17.0%
Reversal of provision for sales returns	615	0.2%	521	0.2%	-93	-15.3%
Gross profit	200,731	73.2%	201,428	70.3%	693	0.3%
Selling general and administrative expenses	146,336	53.4%	143,727	50.2%	-2,608	-1.8%
Depreciation and amortization	6,269	2.3%	6,441	2.2%	172	2.7%
Research and development expenses	29,526	10.8%	24,171	8.4%	-5,355	-18.1%
Advertising expenses	17,939	6.5%	17,619	6.2%	-320	-1.8%
Sales promotion expenses	26,968	9.8%	28,878	10.1%	1,910	7.1%
Others	65,632	23.9%	66,619	23.3%	987	1.5%
Operating income	54,394	19.8%	57,700	20.1%	3,305	6.1%
Non-operating profits	6,960	2.5%	5,873	2.1%	-1,086	-15.6%
Interest income	4,290	1.6%	3,803	1.3%	-487	-11.4%
Dividend income	290	0.1%	270	0.1%	-20	-6.9%
Rent income for real estate	518	0.2%	271	0.1%	-246	-47.7%
Equity in earnings of unconsolidated	140	0.1%	-	-	-140	-
Others	1,720	0.6%	1,528	0.5%	-191	-11.2%
Non-operating expenses	496	0.2%	2,393	0.8%	1,896	382.5%
Interest expense	13	0.0%	5	0.0%	-7	-61.5%
Equity in earnings of unconsolidated	-	-	1,832	0.6%	1,832	-
Others	483	0.2%	555	0.2%	72	14.9%
Recurring income	60,857	22.2%	61,180	21.4%	322	0.5%
Extraordinary Income	1,668	0.6%	10,213	3.5%	8,544	512.3%
Profit on sales of investment securities	1,633	0.6%	-	-	-1,633	-
Profit on disposal of fixed assets	35	0.0%	1,034	0.4%	1,000	2854.3%
Others*	-	-	9,178	3.2%	9,178	-
Extraordinary losses	2,257	0.8%	1,483	0.5%	-773	-34.3%
Unrealized loss on securities	665	0.2%	872	0.3%	207	31.1%
Loss on disposal of fixed assets	270	0.1%	611	0.2%	341	126.3%
Changes in accounting for retirement benefits	1,296	0.5%	-	-	-1,296	-
Others	24	0.0%	-	-	-24	-
Income before income taxes	60,269	22.0%	69,910	24.4%	9,640	16.0%
Income taxes	24,707	9.0%	27,382	9.6%	2,674	10.8%
Deferred income taxes	184	0.1%	1,852	0.6%	1,667	906.5%
Minority interests in loss of consolidated subsidiaries	15	0.0%	234	0.1%	219	1460.0%
Net income	35,392	12.9%	40,910	14.3%	5,517	15.6%

(2) Consolidated Sales Breakdown by Category

(Yen Million)

	01/3	02/3	03/3	04/3	YOY	Est. 05/3
Self-medication operations :	198,897	192,427	195,125	188,062	-3.6%	195,200
OTC products, etc.	190,042	183,492	185,233	178,233	-3.8%	182,150
Consumer goods	7,166	7,389	8,535	7,876	-7.7%	9,600
Others	1,689	1,547	1,357	1,953	43.9%	3,450
Prescription pharmaceutical operations :	75,499	78,969	78,952	98,371	24.6%	99,800
Prescription pharmaceutical operations	59,141	62,547	61,637	82,129	33.2%	84,300
Others	10,133	9,647	10,994	10,631	-3.3%	10,500
Royalty income	6,225	6,775	6,321	5,611	-11.2%	5,000
Total	274,396	271,397	274,077	286,433	4.5%	295,000

(3) Consolidated Operating Income by Category

(Yen Million)

	01/3	02/3	03/3	04/3
Self-medication operations	61,093	53,215	50,412	43,391
Prescription pharmaceutical operations	5,498	7,485	3,982	14,308
Total	66,591	60,701	54,394	57,700

(4) Sales of Leading Products: Self-Medication Business Group (consoli.)

(Yen Billion)

	01/3	02/3	03/3	04/3	YOY	Est. 05/3
Tonics and nutrient drinks	115.5	113.7	112.9	107.6	-4.7%	111.7
Lipovitan series	103.1	102.6	102.0	96.9	-5.0%	99.2
Lipovitan D	79.7	77.2	77.9	72.9	-6.4%	73.0
Others	23.4	25.4	24.1	24.0	-0.4%	26.2
Zena series	5.3	4.2	4.2	4.6	9.5%	5.6
Alfe etc.	2.5	2.5	2.2	1.9	-13.6%	2.7
Overseas drinks	4.5	4.4	4.5	4.2	-6.7%	4.2
Cold remedies	26.2	26.7	28.7	28.1	-2.1%	28.3
Gastrointestinal treatments	5.5	5.4	5.3	5.4	1.9%	5.4
RiUP	23.6	18.5	17.7	15.3	-13.6%	14.5
Livita series	-	-	1.5	1.1	-26.7%	2.9

(5) Sales of Leading Products: Prescription Pharmaceutical Business (consoli.)

(Yen Billion)

	01/3	02/3	03/3	04/3	YOY	Est. 05/3
Clarith	23.2	25.9	27.1	27.6	1.8%	28.0
Palux	19.0	17.2	14.5	13.2	-9.0%	13.2
Pentacillin	-	-	-	6.4	-	6.7
Tomiron	-	-	-	4.9	-	5.3
Lorcam	0.5	3.4	4.2	4.5	7.1%	4.9
Ankaron	1.9	2.6	3.5	4.2	20.0%	4.8
Ozex	-	-	-	2.9	-	3.1
Solon	3.7	3.3	2.6	2.3	-11.5%	2.3
Metligine	2.7	2.6	2.4	2.2	-8.3%	2.3
Limas	2.3	2.3	2.3	2.3	0.0%	2.3
Luprac	-	-	-	1.6	-	1.8
Pasil	-	-	-	0.9	-	1.2

(6) Capital Expenditure (Breakdown by Area)

(Yen Million)

	00/3	01/3	02/3	03/3	04/3	Est. 05/3
Total Capital Expenditure	6,991	15,602	24,996	8,956	8,829	9,300
Omiya Factory	3,153	2,934	4,372	1,499	1,521	3,000
Hanyu Factory	49	73	100	84	136	100
Okayama Factory	104	7,486	5,792	63	175	200
Research Center	1,203	1,501	1,881	1,492	1,218	2,000
Others	2,482	3,608	12,851	5,818	5,779	4,000

3 .Subsidiaries and Affiliates

Company	Address	Capital	Business	Ownership %
(1) Consolidated subsidiaries				
Taisho Kosei Service Co.,Ltd.	Tokyo, Japan	,000 Yen 10,000	SMG	100
Taisho Okinawa Co.,Ltd.	Okinawa	,000 Yen 50,000	SMG	100
Taisho M.T.C. Co.,Ltd.	Tokyo, Japan	,000 Yen 400,000	SMG	60
Taisho Pharmaceutical Logistics Co.,Ltd.	Tokyo, Japan	,000 Yen 30,000	SMG	100
Taisho Business Research Institute Co.,Ltd.	Tokyo, Japan	,000 Yen 50,000	SMG PD	100
Taisho Toyama Pharmaceutical Co.,Ltd.	Tokyo, Japan	,000 Yen 1,000,000	PD	55
Medwell Taisho Co.,Ltd.	Saitama, Japan	,000Yen 200,000	PD	100
Mejiro Real Estate Co.,Ltd.	Tokyo, Japan	,000 Yen 600,000	SMG	100
Taisho Service Sangyo Co.,Ltd.	Tokyo, Japan	,000 Yen 100,000	SMG	100
Taisho Pharmaceutical (Taiwan) Co.,Ltd.	Taiwan	,000 NT\$ 200,000	SMG	86.6
Taisho Pharmaceutical California Inc.	U.S.A.	,000 US\$ 41,000	SMG	100
Taisho Pharmaceutical (M) SDN. BHD.	Malaysia	,000 M\$ 24,380	SMG	100
Taisho Pharmaceuticals (Philippines), Inc.	Philippines	,000 Peso 18,900	SMG	100
PT. Taisho Indonesia	Indonesia	,000 rupiah 42,920,000	SMG	100
Taisho Foods Deutschland GmbH	Germany	,000 DM 600	SMG	100
Taisho Co.,Ltd. Shanghai	China	,000 US\$ 16,000	SMG	85
Taisho Pharmaceutical Asia (M) SDN. BHD.	Malaysia	,000 M\$ 26,500	SMG	100
Taisho Pharmaceutical (Europe) Ltd.	United Kingdom	,000 £ 20,000	SMG	100
Taisho Vietnam Co.,Ltd.	Vietnam	,000 VND 136,806,000	SMG	100
Taisho Pharmaceutical (H.K.) Ltd.	China	,000 HK\$ 163,000	SMG	100
Osotspa Taisho Co.,Ltd.	Thailand	,000 THB 15,000	SMG	49
Taisho (Australia) Pty. Ltd.	Australia	,000 A\$ 5,500	SMG	100
Taisho Pharmaceutical R&D Inc.	U.S.A.	,000 US\$ 4,000	PD	100
(2) Equity Accounting Method				
Toyama Chemical Co.,Ltd.	Tokyo, Japan	,000 Yen 22,397,193	PD	22
Sanofi-Synthelabo-Taisho Pharmaceuticals Co.,Ltd.	Tokyo, Japan	,000 Yen 10,000	PD	49
Taisho Hizon Manufacturing Inc.	Philippines	,000 Peso 17,000	SMG	50 (50)

*SMG=Self Medication Group PD=Prescription Pharmaceutical Business

II. Non-consolidated Data

1. Non-consolidated Financial Data

(Yen million)

	02/3	03/3	04/3	YOY	Est. 05/3
Net sales	266,158	268,920	240,562	-10.5%	246,500
Operating Income	61,089	54,494	57,292	5.1%	57,500
Recurring income	67,119	60,405	62,506	3.5%	62,500
Net income	37,245	35,136	43,350	23.4%	37,500
EPS (yen)	109.32	105.05	135.51	29.0%	119.39
CoGS ratio(%)	25.2%	25.9%	28.6%	-	28.6%
SGA/Sales ratio (%)	51.9%	53.9%	47.6%	-	48.0%
Capital Expenditure	24,809	8,636	8,529	-1.2%	9,000
Depreciation and amortization	13,725	16,364	15,020	-8.2%	13,500
Research and development expenses	32,212	29,535	24,191	-18.1%	27,000
Advertising expenses	19,219	17,661	17,414	-1.4%	17,500
Sales promotion expenses	23,722	26,530	15,254	-42.5%	16,000
Total assets	589,386	577,634	589,673	2.1%	605,000
Shareholders' equity	488,302	488,101	507,024	3.9%	522,000
Return on equity(%) (* 1)	7.8%	7.2%	8.7%	20.8%	7.3%
Return on assets(%) (* 1)	6.4%	6.0%	7.4%	23.3%	6.3%
Equity ratio(%)	82.8%	84.5%	86.0%	1.8%	86.3%
Number of employees	4,510	4,430	4,355	-1.7%	-

(*1) Average of the beginning and end of the year balance of shareholders's equity/total assets

2. Non-consolidated Statement of Income

(1) Non-consolidated P/L statement

(Yen million)

	03/3(full-year)		04/3(full-year)		YOY	
		% of Sales		% of Sales		
Net sales	268,920	100.0%	240,562	100.0%	-28,358	-10.5%
Cost of sales	69,641	25.9%	68,920	28.6%	-721	-1.0%
Gross profit on sales	199,278	74.1%	171,642	71.4%	-27,636	-13.9%
Provision for sales returns	731	0.3%	606	0.3%	-125	-17.1%
Reversal of provision for sales returns	606	0.2%	508	0.2%	-98	-16.2%
Gross profit	199,403	74.1%	171,740	71.4%	-27,663	-13.9%
Selling general and administrative expenses	144,909	53.9%	114,447	47.6%	-30,462	-21.0%
Depreciation and amortization	6,203	2.3%	6,361	2.6%	158	2.5%
Research and development expenses	29,535	11.0%	24,191	10.1%	-5,344	-18.1%
Advertising expenses	17,661	6.6%	17,414	7.2%	-247	-1.4%
Sales promotion expenses	26,530	9.9%	15,254	6.3%	-11,276	-42.5%
Others	64,978	24.2%	51,225	21.3%	-13,753	-21.2%
Operating income	54,494	20.2%	57,292	23.8%	2,798	5.1%
Non-operating profits	6,318	2.4%	5,574	2.3%	-744	-11.8%
Interest income	3,435	1.3%	3,026	1.3%	-409	-11.9%
Dividend income	638	0.2%	679	0.3%	41	6.4%
Rent income for real estate	550	0.2%	516	0.2%	-34	-6.2%
Others	1,693	0.6%	1,352	0.6%	-341	-20.1%
Non-operating expenses	407	0.1%	360	0.1%	-47	-11.5%
Interest expense	1	0.0%	0	0.0%	-1	-100.0%
Others	406	0.2%	359	0.1%	-47	-11.6%
Recurring income	60,405	22.5%	62,506	26.0%	2,101	3.5%
Extraordinary Income	1,667	0.6%	9,914	4.1%	8,247	494.7%
	-	-	9,178	3.8%	9,178	-
Profit on sales of investment securities	1,633	0.6%	-	-	-1,633	-
Profit on disposal of fixed assets	2	0.0%	735	0.3%	733	-
Extraordinary losses	2,384	0.9%	1,481	0.6%	-903	-37.9%
Unrealized loss on securities	665	0.2%	872	0.4%	207	31.1%
Loss on disposal of fixed assets	265	0.1%	608	0.3%	343	129.4%
Changes in accounting for retirement benefit	1,296	0.5%	-	-	-1,296	-
Others	56	0.0%	-	-	-24	-
Income before income taxes	59,688	22.2%	70,939	29.5%	11,251	18.8%
Income taxes	24,364	9.0%	23,754	9.9%	-610	-2.5%
Deferred income taxes	187	0.1%	3,833	1.6%	3,646	1949.7%
Net income	35,136	13.1%	43,350	18.0%	8,214	23.4%
Retained earnings at the beginning of a period	-	-	-	-	-	-
Write-down of treasury stock from income	-	-	-	-	-	-
Unappropriated retained earnings	35,136	13.1%	43,350	18.0%	8,214	23.4%

(2) Non-consolidated Sales Breakdown by Category

(Yen million)

	01/3	02/3	03/3	04/3	YOY	Est. 05/3
Self-medication operations :	194,015	187,194	189,968	182,974	-3.7%	188,500
OTC products, etc.	189,866	183,311	185,051	178,080	-3.8%	182,000
Consumer goods	2,639	2,542	3,671	3,581	-2.5%	5,300
Others	1,510	1,341	1,246	1,313	5.4%	1,200
Prescription pharmaceuticals :	75,496	78,964	78,952	57,588	-27.1%	58,000
Prescription pharmaceutical operations	59,138	62,542	61,637	42,166	-31.6%	42,500
Others	10,133	9,647	10,994	9,811	-10.8%	10,500
Royalty income	6,225	6,775	6,321	5,611	-11.2%	5,000
Total	269,511	266,158	268,920	240,562	-10.5%	246,500

(3) Sales of Leading Products: Self-Medication Business Group

(Yen billion)

	01/3	02/3	03/3	04/3	YOY	Est. 05/3
Tonics and nutrient drinks	111.0	109.3	108.4	103.4	-4.6%	107.5
Lipovitan series	103.1	102.6	102.0	96.9	-5.0%	99.2
Lipovitan D	79.7	77.2	77.9	72.9	-6.4%	73.0
Others	23.4	25.4	24.1	24.0	-0.4%	26.2
Zena series	5.3	4.2	4.2	4.6	9.5%	5.6
Alfe etc.	2.5	2.5	2.2	1.9	-13.6%	2.7
Cold remedies	26.2	26.7	28.7	28.1	-2.1%	28.3
Gastrointestinal treatments	5.5	5.4	5.3	5.4	1.9%	5.4
RiUP	24	18.5	17.7	15.3	-13.6%	14.5
Livita Series	-	-	1.5	1.1	-26.7%	2.9

a. Quasi-drug Drinks: Sales Breakdown by Channel

(Yen billion)

	01/3	02/3	03/3	04/3	YOY	Est. 05/3
Drug-oriented channels	51.7	43.3	41.7	37.9	-9.1%	40.0
Food-oriented channels	35.0	42.5	45.6	45.1	-1.1%	46.0
Total	86.7	85.8	87.3	83.0	-4.9%	86.0

b. Lipovitan D: Sales Breakdown by Channel

(Yen billion)

	01/3	02/3	03/3	04/3	YOY	Est. 05/3
Drug-oriented channels	49.6	42.2	39.5	35.9	-9.1%	36.0
Food-oriented channels	30.0	35.0	38.4	37.0	-3.6%	37.0
Total	79.7	77.2	77.9	72.9	-6.4%	73.0

(5) Non-consolidated Sales Breakdown by Category

(Yen million)

	01/3	02/3	03/3	04/3
Nervous system and sensory organ drugs	37,216	40,213	42,871	39,757
Cardiorascular and digestive system drugs	38,803	36,776	35,168	28,281
Nutrient drugs	113,111	111,791	111,045	106,075
Dermatological preparations	36,637	31,283	30,458	26,892
Others	34,830	36,691	39,311	30,303
Consumer goods	2,639	2,549	3,678	3,585
Royalty Income	6,275	6,855	6,389	5,669
Total	269,511	266,158	268,920	240,562

(6) Capital Expenditure: Breakdown by Area

(Yen million)

	01/3	02/3	03/3	04/3	04/3
Total Capital Expenditure	15,501	24,809	8,636	8,529	9,000
Omiya Factory	2,934	4,372	1,499	1,521	3,000
Hanyu Factory	73	100	84	136	100
Okayama Factory	7,486	5,792	63	175	200
Research Center	1,501	1,881	1,492	1,218	2,000
Others	3,507	12,664	5,498	5,479	3,700

* Top 10 Shareholders

(as of March 31, 2004)

Shareholders	ownership
Uehara Memorial Foundation	12.61%
Shoji Uehara	10.74%
	8.10%
The Bank o Tokyo-Mitsubishi	3.74%
Sumitomo Mitsui Banking Corp.	3.55%
Sumitomo Chemical	3.34%
Taisho Pharmaceutical	2.93%
	2.93%
Uehara Musium of Modern Art Foundation	2.93%
The Master Trust Bank of Japan	2.82%
Foreign Ownership	13.69%

. New Drug Development

As of April 30, 2004

1. New Drug Pipeline (domestic)

(1) Approved

Clarith (additional formula)

<Application> Macrolide antibiotic
<Formula> Small tablet
<Remarks> Approved on November, 2003

Metligine (additional formula)

<Application> Hypotension
<Formula> Rapidly disintegrating tablet
<Remarks> Approved on February, 2004

Solon (additional formula)

<Application> Gastric ulcer
<Formula> Powder (half portion)
<Remarks> Approved on February, 2004

(2) Filed for application

OTC Drug RiUP (minoxidil)

<Application> Treatment of female androgenetic alopecia (indication expansion)
<Development> In-house
<Description> Indication expansion for female

(3) Phase 2

NT-702 (NM-702, in the United States)

<Application> Intermittent claudication (arteriosclerosis obliterans and spinal canal stenosis)
<Development> Co-development with Nissan Chemical
<Description> Expressed extremely strong vasodilation as well as platelet aggregate inhibition
Expect improving intermittent claudication
<Remarks> Phase2 in the United States

(4) Phase 1

TS-021

<Application> Type II diabetes
<Development> In-house

TS-022

<Application> Atopic dermatitis
<Development> In-house

2. New Drug Pipeline (overseas)

(1) Phase 2

NM-702 (NT-702, in Japan)

- <Application> Intermittent claudication (arteriosclerosis obliterans)
- <Development> Co-development with Nissan Chemical
- <Description> Expressed extremely strong vasodilation as well as platelet aggregate inhibition
Expect improving intermittent claudication
- <Remarks> United States

(2) Phase 1

SUN N8075

- <Application> Acute stage of cerebral infarction
- <Development> Co-development with Daiichi Suntory Pharma
- <Remarks> United States

TS-011

- <Application> Acute stage of cerebral infarction
- <Development> In-house
- <Remarks> United States

3. Launch of New Products

As of April 30, 2004

Over-the-Counter Drugs

1) Resty Tablets

<Description> An insomnia treatment/tranquilizer containing 9 herbs to aid sleep
<Launch> April 2003

2) DENTWELL [Medicated] VC

<Description> The first toothpaste in Japan containing stable vitamin C
<Launch> May 2003

3) DENTWELL Toothbrush

<Description> Designed by top periodontal specialist
<Launch> June 2003

4) Colac Suppository-Type

<Description> A uniquely fast-acting suppository-type laxative
<Launch> June 2003

5) Emazen Moist Foam

<Description> The first foam skin treatment to use with 20% mix of urea
<Launch> August 2003

6) ALFE White

<Description> A vitamin C treatment that works on freckles from inside the skin
<Launch> August 2003

7) Pabron SC

<Description> New vitamin C-enriched comprehensive cold medication
<Launch> August 2003

8) Pabron SC Tablets

<Description> New vitamin C-enriched comprehensive cold medication
<Launch> August 2003

9) Pabron Troche AZ

<Description> Alleviates unpleasant cold symptoms including pain and swelling of the throat
<Launch> August 2003

10) Pabron Rhinitis Tablets S

<Description> Compound of pseudoephedrin hydrochloride has been highly effective
<Launch> September 2003

11) Balancer Ichoyaku

<Description> Contains three digestive enzymes
<Launch> September 2003

12) Preser S Hi Ointment

<Description> Hemorrhoidal preparations packaged to be more accessible to women
<Launch> September 2003

13) Preser S Hi

<Description> Hemorrhoidal preparations packaged to be more accessible to women
<Launch> September 2003

14) Menfula Hot < IM >

<Description> Japan's first indomethacin-formulated poultice containing vitamin E
<Launch> September 2003

15) ZENA F0-I

<Description> A quasi-drug small drink
<Launch> October 2003

16) Dermarin Cool Spray

<Description> An once-a-day athlete's foot treatment targeting women users
<Launch> January 2004

17) ALFE

<Description> A quasi-drug small drink
<Launch> January 2004

18) Cholescare Neo

<Description> A Food for Specified Health Use (FOSHU) that inhibits cholesterol absorption
<Launch> February 2004

19) Gen-en Shukan

<Description> A special purpose food for people with high blood pressure
that cuts salt content (sodium) by 50%
<Launch> February 2004

20) Colac Fiber

<Description> A laxative fortified with dietary fiber
<Launch> March 2004

21) Menfula Lotion

<Description> Contains piroxicam, a pain and inflammation reducer
<Launch> March 2004

22) Menfula Cool Ointment

<Description> Contains piroxicam, a pain and inflammation reducer
<Launch> March 2004

23) Menfula Gel

<Description> Contains piroxicam, a pain and inflammation reducer
<Launch> March 2004

24) ALFE Light

<Description> A quasi-drug drink with a lower calorie content
<Launch> April 2004

25) ALFE BB

<Description> A quasi-drug small caffeine-free drink containing coix seed
<Launch> April 2004

26) Lipovitan Gold II

<Description> A small, tonic and nutrient drink combining 13 active ingredients
<Launch> April 2004

Brief Report of Consolidated Fiscal Results

1. Financial Results for Fiscal 2003 (April 1, 2003 to March 31, 2004)

(1) Operating Results (Consolidated)

(Note: Amounts less than ¥1 million, except per share amounts, have been omitted.)

(Millions of yen)

	Net Sales (% change)	Operating Income (% change)	Ordinary Income (% change)
Fiscal 2003	286,433 (+4.5%)	57,700 (+6.1%)	61,180 (+0.5%)
Fiscal 2002	274,077 (+1.0%)	54,394 (-10.4%)	60,857 (-9.8%)

	Net Income (% change)	Net Income per Share (Yen)	Net Income per Share, Diluted (Yen)	Return on Shareholders' Equity (%)	Ordinary Income to Total Assets (%)	Ordinary Income to Net Sales (%)
Fiscal 2003	40,910 (+15.6%)	127.87	—	8.3	10.4	21.4
Fiscal 2002	35,392 (-5.3%)	105.81	—	7.3	10.5	22.2

Notes:

1. Equity in earnings (loss) of subsidiaries and affiliates accounted for by the equity method:

Fiscal 2003: ¥(1,832) million

Fiscal 2002: ¥140 million

2. Average number of shares outstanding during the fiscal year (consolidated):

Fiscal 2003: 319,253,969 shares

Fiscal 2002: 333,656,072 shares

3. Changes in accounting methods: Yes

4. Percentage change for net sales, operating income, ordinary income and net income indicate percentage increase/decrease over the previous corresponding term.

(2) Consolidated Financial Position

(Millions of yen)

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (Yen)
March 31, 2004	601,956	500,761	83.2	1,597.78
March 31, 2003	577,706	485,717	84.1	1,474.65

Notes:

1. Number of shares outstanding at end of year (consolidated):

Fiscal year ended March 31, 2004: 313,356,268 shares

Fiscal year ended March 31, 2003: 329,318,591 shares

(3) Cash Flows

(Millions of yen)

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Cash and Cash Equivalents, End of Period
Fiscal 2003	57,529	27,254	(39,651)	106,801
Fiscal 2002	53,420	10,419	(27,613)	62,125

(4) Scope of Consolidation and Application of the Equity Method

Number of consolidated companies: 23

Number of non-consolidated subsidiaries to which the equity method applies: 0

Number of affiliates to which the equity method applies: 3

(5) Changes in Scope of Consolidation and Application of the Equity Method

1. Newly consolidated companies: 2
2. Excluded consolidated companies: 0
3. Newly included under the equity method: 0
4. Excluded under the equity method: 0

2. Financial Forecasts for Fiscal 2004 (April 1, 2004 to March 31, 2005)

(Millions of yen)

	Net Sales	Ordinary Income	Net Income
Interim period	149,500	34,000	19,500
Fiscal 2004	295,000	64,000	37,000

Reference: Forecast consolidated net income per share (Fiscal 2004): ¥117.80

Note: Forecasts of business results in this financial report reflect the Company's current analysis of available data. Certain factors could cause the Company's actual results to differ materially from any projections presented in this report. Readers are asked to refer to the attached documents for further details.

Consolidated Balance Sheets

(Millions of Yen)

	Fiscal 2004		Fiscal 2003		Increase/ Decrease
	March 31, 2004		March 31, 2003		
Assets	Amount	% Comp.	Amount	% Comp.	
Current assets:	254,714	42.3	247,588	42.9	7,126
Cash, including time deposits	138,358		116,267		22,090
Notes and accounts receivable-trade	75,752		67,025		8,727
Marketable securities	5,241		34,035		-28,794
Inventories	21,708		18,580		3,128
Deferred tax assets	9,091		7,886		1,205
Other current assets	5,420		4,540		879
Allowance for doubtful accounts	-858		-746		-111
Fixed assets	347,241	57.7	330,118	57.1	17,123
Tangible fixed assets:	100,710	(16.7)	102,719	(17.8)	-2,009
Buildings and Structures	52,870		55,754		-2,883
Machinery and equipment	13,953		17,328		-3,374
Land	27,206		23,471		3,734
Construction in progress	882		59		823
Others	5,797		6,106		-308
Intangible fixed assets:	15,707	(2.6)	17,838	(3.1)	-2,131
Good will	240		300		-60
Trade marks	11,225		13,565		-2,339
Software	3,984		3,688		295
Adjustment account for consolidation	49		72		-22
Others	207		212		-4
Investments and other assets:	230,823	(38.4)	209,559	(36.2)	21,263
Investments in securities	214,057		179,101		34,955
Long-term prepaid expenses	3,706		4,659		-953
Deferred tax assets	8,106		20,707		-12,601
Other Investments	5,114		5,161		-47
Allowance for doubtful receivables-long term	-161		-70		-91
Total assets:	601,956	100.0	577,706	100.0	24,249

(Millions of Yen)

LIABILITIES AND SHAREHOLDERS' EQUITY	Fiscal 2004		Fiscal 2003		Increase/ Decrease
	March 31, 2004		March 31, 2003		
	Amount	% Comp.	Amount	% Comp.	
Current liabilities:	62,019	10.3	46,346	8.0	15,672
Notes and accounts payable-trade	21,171		13,575		7,596
Short-term loans	265		340		-75
Accounts payable	12,821		8,300		4,520
Accrued enterprise tax	14,829		6,510		8,318
Accrued expenses	7,828		12,160		-4,331
Adjustment allowance for returns	522		609		-86
Allowance for bonuses	3,171		3,653		-481
Other current liabilities	1,407		1,196		211
Long-term liabilities:	38,120	6.3	44,772	7.7	-6,652
Long-term loans	-		5		-5
Reserves for retirement benefits	33,744		41,010		-7,265
Reserves for directors' retirement payment	1,501		1,380		120
Deferred taxes liabilities	13		18		-4
Other long-term liabilities	2,861		2,357		503
Total liabilities:	100,139	16.6	91,119	15.8	9,019
Minority interest:	1,055	0.2	870	0.2	185
Shareholders' equity					
Common stock:	29,804	4.9	29,804	5.1	-
Additional paid-in capital:	14,935	2.5	14,935	2.6	-
Retained Earnings	498,172	82.8	467,229	80.9	30,943
Unrealized gain on securities:	13,852	2.3	-165	-0.0	14,017
Foreign currency adjustment accounts:	-4,769	-0.8	-3,330	-0.6	-1,439
Treasury stock:	-51,233	-8.5	-22,755	-3.9	-28,478
Total Shareholders' Equity:	500,761	83.2	485,717	84.1	15,043
Total liabilities and Shareholders' Equity:	601,956	100.0	577,706	100.0	24,249

Consolidated Statements of Income

(Millions of Yen)

	Fiscal 2004		Fiscal 2003		Increase/ Decrease
	March 31, 2004		March 31, 2003		
	Amount	% Comp.	Amount	% Comp.	
Net sales	286,433	100.0	274,077	100.0	12,356
Cost of sales	85,091	29.7	73,462	26.8	11,629
Gross profit on sales	201,341	70.3	200,615	73.2	726
Reversal of provision for sales returns	607		731		-123
Provision for sales returns	521		615		-93
Gross profit	201,428	70.3	200,731	73.2	693
Selling, general & administrative expenses	143,727	50.2	146,336	53.4	-2,608
Operating income	57,700	20.1	54,394	19.8	3,305
Non-operating income	5,873	2.1	6,960	2.5	-1,086
Interest income	3,803		4,290		-487
Dividend income	270		290		-20
Rent income on real estate	271		518		-246
Investment gain by the equity method	-		140		-140
Others	1,528		1,720		-191
Non-operating expenses	2,393	0.8	496	0.2	1,896
Interest and discount expenses	5		13		-7
Investment loss by the equity method	1,832		-		1,832
Others	555		483		72
Ordinary income	61,180	21.4	60,857	22.2	322
Extraordinary gains and losses					
Extraordinary gains	10,213	3.5	1,668	0.6	8,544
Gains on sales of investment in securities	-		1,633		-1,633
Gains on sales of fixed assets	1,034		35		1,000
Gains on the return of the substitutional portion of the employees' welfare fund	9,178		-		9,178
Extraordinary losses	1,483	0.5	2,257	0.8	-773
Unrealized loss on securities	872		665		207
Loss on reimbursement of investment securities	-		24		-24
Loss on disposal of fixed assets	611		270		341
Changes in accounting for directors' retirement payments	-		1,296		-1,296
Income before income taxes	69,910	24.4	60,269	22.0	9,640
Corporate and inhabitants' taxes	27,382	9.6	24,707	9.0	2,674
Enterprise tax adjustment	1,852	0.6	184	0.1	1,667
Minority interest losses	234	0.1	15	0.0	219
Net income	40,910	14.3	35,392	12.9	5,517

Consolidated Statements of Retained Earnings

(Millions of Yen)

	Fiscal 2004	Fiscal 2003
	March 31,2004	March 31,2003
	Amount	Amount
(Additional paid-in capital)		
I. Additional paid-in capital, beginning balance		
Additional paid-in capital, beginning balance	14,935	14,935
II. Additional paid-in capital, ending balance	14,935	14,935
(Retained earnings)		
I. Retained earnings, beginning balance		
Retained earnings, beginning balance	467,229	440,408
II. Increase of retained earnings		
Net income	40,910	35,392
III. Decrease of retained earnings		
Cash dividends	9,879	8,485
Director's bonus	87	87
IV. Retained earnings, ending balance	498,172	467,229

Consolidated Statements of Cash Flows

	Fiscal 2004 March 31, 2004	Fiscal 2003 March 31, 2003
	Amount	Amount
. Cash flows from operating activities:		
Income before income taxes and others	69,910	60,269
Depreciation and amortization	15,343	16,832
Interest and dividend income	-4,073	-4,580
Interest expenses	5	13
Gains on sales of investment securities	-	-1,633
Losses in refund of investment securities	-	24
Losses in evaluation of investment securities	872	665
Gains in sales of fixed assets	-1,034	-1
Losses in disposal of fixed assets	611	270
Adjustment expenses for consolidated elimination	22	22
Equity in earnings of affiliates	1,832	-140
Increase (decrease) in allowance for doubtful accounts	203	139
Increase (decrease) in reserves for retirement benefits	-7,265	641
Increase (decrease) in reserves for directors' retirement payments	120	1,380
Increase (decrease) in reserves for bonuses	-481	-53
Increase (decrease) in notes and accounts receivable	-8,733	6,481
Increase (decrease) in inventories	-3,159	680
Increase (decrease) in accounts and notes payable	7,605	-2,693
Others	1,964	4,597
Subtotal	73,743	82,914
Interest and dividend income received	4,172	4,591
Interest paid	-5	-13
Income taxes paid	-20,380	-34,072
Net cash provided by operating activities	57,529	53,420
. Cash flows from investment activities:		
Decrease in time deposits	22,572	35,784
Proceeds from sales of marketable securities	34,035	25,100
Payments for purchases of property, plant and equipment	-7,614	-13,418
Proceeds from sales of property, plant and equipment	1,047	39
Payments for purchases of intangible fixed assets	-1,366	-8,976
Payments for purchases of investment securities	-58,987	-26,350
Proceeds from sales of investment securities	38,500	17,781
Payment for acquisition of affiliate's stocks	-	-19,012
Payment for acquisition of long-term prepaid expenses	-314	-442
Increase (decrease) of other assets	-617	-86
Net cash used in investment activities	27,254	10,419
. Cash flows from financing activities:		
Proceeds from short-term borrowings	265	443
Repayment of short-term borrowings	-340	-462
Proceeds from long-term borrowings	-	5
Repayment of long-term borrowings	-5	-
Payments for dividends	-9,855	-8,467
Payments for acquiring treasury stocks	-28,478	-19,307
Others	-1,236	176
Net cash used by financing activities	-39,651	-27,613
. Effect of exchange rate changes on cash and cash equivalents	-456	-164
. Net increase in cash and cash equivalents	44,676	36,061
. Cash and cash equivalents at the beginning of period	62,125	26,064
. Cash and cash equivalents at end of period	106,801	62,125