

## Reference Data

3rd Quarter - Fiscal Year 2015  
(April 1, 2015 to December 31, 2015)

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## Consolidated Financial Data

(Millions of yen)

	March 2015(FY2014)				March 2016(FY2015)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year E (new)	Full year E (previous)
Net sales	68,371	141,805	221,759	290,498	69,212	145,984	224,978	290,000	295,000
(YOY%)	(+0.3%)	(-1.9%)	(-2.7%)	(-1.8%)	(+1.2%)	(+2.9%)	(+1.5%)	(-0.2%)	(+1.5%)
Self-Medication operations	41,188	88,072	134,915	176,295	43,602	92,094	138,782	180,700	180,500
Prescription Pharmaceutical operations	27,183	53,732	86,843	114,202	25,609	53,889	86,195	109,300	114,500
Gross profit*	43,301	88,710	137,055	178,248	42,464	89,106	136,387	177,200	182,400
Selling, general and administrative expenses	34,693	72,478	112,219	146,273	37,229	75,180	113,665	150,200	155,400
Research and development expenses	4,914	10,069	15,379	21,554	5,406	10,499	15,569	22,900	26,800
(% Sales)	(7.2%)	(7.1%)	(6.9%)	(7.4%)	(7.8%)	(7.2%)	(6.9%)	(7.9%)	(9.1%)
Advertising expenses	4,186	9,890	15,943	19,169	5,466	11,019	17,849	22,400	22,100
Sales promotion expenses	8,026	16,114	24,712	32,355	7,628	15,999	24,615	31,800	32,300
Personnel expenses	8,820	18,089	27,255	35,856	9,213	18,241	27,308	36,300	36,600
Operating income	8,607	16,231	24,835	31,974	5,234	13,925	22,722	27,000	27,000
(YOY%)	(-4.9%)	(-24.5%)	(-31.9%)	(-23.3%)	(-39.2%)	(-14.2%)	(-8.5%)	(-15.6%)	(-15.6%)
Ordinary income	10,774	19,587	30,891	39,576	7,493	17,680	29,097	35,000	35,000
(YOY%)	(-6.2%)	(-23.4%)	(-29.5%)	(-22.8%)	(-30.4%)	(-9.7%)	(-5.8%)	(-11.6%)	(-11.6%)
Profit attributable to owners of parent	6,658	12,593	19,640	24,528	4,686	11,281	18,705	21,500	22,000
(YOY%)	(-10.1%)	(-23.8%)	(-29.5%)	(-25.0%)	(-29.6%)	(-10.4%)	(-4.8%)	(-12.3%)	(-10.3%)
Comprehensive income	10,537	18,425	31,754	47,845	6,610	7,620	19,940	-	-
(YOY%)	(-19.9%)	(-33.6%)	(-25.1%)	(+0.7%)	(-37.3%)	(-58.6%)	(-37.2%)	-	-
Basic EPS (yen)	82.13	155.34	242.26	302.57	57.81	139.16	230.74	265.23	271.42
Diluted EPS (yen)	82.10	155.27	242.15	302.42	57.78	139.09	230.61	265.08	271.24
BPS (yen)	7,486.24	7,579.59	7,686.68	7,892.19	7,908.88	7,916.70	8,012.47	8,053.02	8,052.25
Dividend per share (yen)	-	50.00	-	110.00	-	50.00	-	100.00	100.00
Payout ratio	-	-	-	36.4%	-	-	-	37.7%	36.8%
Capital expenditure	485	2,329	3,186	5,253	1,057	2,910	5,150	9,200	10,100
Depreciation and amortization	2,776	5,608	8,540	11,561	2,716	5,483	8,260	11,300	11,500
Total assets	729,139	740,549	754,819	768,092	770,223	768,737	789,243	785,000	782,000
Shareholders' equity	619,311	627,267	636,416	653,242	654,801	655,911	664,019	667,000	667,000
Return on equity (%)**	-	-	-	4.0%	-	-	-	3.3%	3.4%
Return on assets (%)**	-	-	-	3.3%	-	-	-	2.8%	2.8%
Equity ratio (%)	83.2%	83.0%	82.6%	83.3%	83.2%	83.5%	82.3%	83.2%	83.5%
Overseas sales	6,590	13,485	19,747	27,949	7,720	15,886	22,217	29,810	29,910
Overseas sales ratio (% of total sales)	9.6%	9.5%	8.9%	9.6%	11.2%	10.9%	9.9%	10.3%	10.1%
Number of employees	6,458	6,412	6,651	6,609	6,710	6,637	6,598	-	-

\* After provision/reversal of reserve for returned unsold goods

\*\* Average of the beginning and year-end balance of shareholders' equity / total assets

### <Reference>

-E=Estimates

-The full-year forecasts (previous) for the fiscal year ending March 31, 2016 were announced on October 30, 2015.

-Effective from the beginning of the fiscal 2015, the company has applied the "Accounting Standard for Business Combinations"

(ASBJ Statement No.21, September 13, 2013), etc. As the results, changes have been made to the presentation for

profit attributable to owners of parent from net income, etc., and the presentation for non-controlling interests from minority interests.

## Consolidated Balance Sheets

	End of FY2014		End of FY2015/3Q		change	
	(March 31, 15)	% total	(Dec. 31, 15)	% total		
<b>(Assets)</b>						
I Current assets:	289,081	37.6%	323,291	41.0%	+34,209	
Cash and deposits	159,587		165,840		+6,252	
Notes and accounts receivable-trade	80,321		98,443		+18,122	
Marketable securities	10,038		21,591		+11,552	Transferred from investment securities: +21,498, Bond redemptions: -10,000
Inventories	27,308		25,118		-2,190	
Deferred tax assets	6,337		6,077		-259	
Other	5,488		6,220		+732	
II Fixed assets:	479,010	62.4%	465,952	59.0%	-13,058	
(1) Tangible fixed assets:	100,366	(13.1%)	98,559	(12.5%)	-1,806	
Buildings and structures	49,109		46,941		-2,168	
Machinery, equipment and vehicles	8,692		7,472		-1,220	
Land	37,500		37,536		+36	
Other	5,064		6,609		+1,545	
(2) Intangible fixed assets:	45,244	(5.9%)	39,164	(5.0%)	-6,080	
Goodwill	22,093		19,217		-2,875	
Sales rights	5,932		4,989		-942	
Trademarks	14,977		12,433		-2,543	
Software	1,652		1,977		+324	
Other	589		545		-43	
(3) Investments and other assets:	333,399	(43.4%)	328,228	(41.5%)	-5,171	
Investment securities	264,642		258,951		-5,691	Bond acquisition: +8,147, Transferred to marketable securities: -21,498, Gain/loss on valuation: -7,792
Shares of subsidiaries and affiliates	54,684		55,160		+476	
Net defined benefit assets	7,003		7,211		+208	
Deferred tax assets	5,615		5,568		-46	
Other	1,453		1,335		-118	
<b>Total assets</b>	<b>768,092</b>	<b>100.0%</b>	<b>789,243</b>	<b>100.0%</b>	<b>+21,151</b>	

<b>(Liabilities)</b>						
I Current liabilities:	64,230	8.4%	72,763	9.2%	+8,532	
Notes and accounts payable-trade	29,133		32,841		+3,708	
Accounts payable	14,769		18,679		+3,909	
Accrued income tax	3,254		3,180		-74	
Provision for bonuses	3,947		2,877		-1,069	
Other	13,125		15,184		+2,058	
II Long-term liabilities:	50,619	6.6%	52,461	6.7%	+1,841	
Net defined benefit liabilities	22,385		22,771		+386	
Deferred taxes liabilities	19,536		21,530		+1,994	
Other	8,697		8,159		-538	
<b>Total liabilities</b>	<b>114,849</b>	<b>15.0%</b>	<b>125,224</b>	<b>15.9%</b>	<b>+10,374</b>	
<b>(Net assets)</b>						
I Shareholders' equity	597,332	77.8%	607,105	76.9%	+9,772	
Common stock	30,000	3.9%	30,000	3.8%	-	
Capital surplus	15,269	2.0%	15,271	1.9%	+1	
Retained earnings	609,706	79.4%	619,487	78.5%	+9,780	Profit attributable to owners of parent: +18,705, Dividend on retained earnings: -8,924
Treasury stock	-57,643	-7.5%	-57,653	-7.3%	-9	
II Accumulated other comprehensive income	42,424	5.5%	42,416	5.4%	-8	
Valuation difference on securities	40,054	5.2%	45,589	5.8%	+5,535	
Deferred gains or losses on hedges	-0	-0.0%	-0	-0.0%	+0	
Foreign currency translation adjustment	5,744	0.7%	-57	-0.0%	-5,802	
Remeasurements of defined benefit plans	-3,373	-0.4%	-3,115	-0.4%	+257	
III Subscription rights to shares	298	0.0%	357	0.0%	+58	
IV Non-controlling interests	13,186	1.7%	14,141	1.8%	+955	
<b>Total net assets</b>	<b>653,242</b>	<b>85.0%</b>	<b>664,019</b>	<b>84.1%</b>	<b>+10,776</b>	
<b>Total liabilities and net assets</b>	<b>768,092</b>	<b>100.0%</b>	<b>789,243</b>	<b>100.0%</b>	<b>+21,151</b>	

Consolidated P/L Statement

(Millions of yen)

	FY2014		FY2015		YOY change	
	3Q	% total	3Q	% total		
Net sales	221,759	100.0%	224,978	100.0%	+3,218	
Cost of sales	84,538	38.1%	88,013	39.1%	+3,474	
Gross profit on sales	137,220	61.9%	136,965	60.9%	-255	
Provision for sales returns	165		577		+411	
Gross profit	137,055	61.8%	136,387	60.6%	-667	
Selling, general and administrative expenses	112,219	50.6%	113,665	50.5%	+1,446	
Research and development expenses	15,379		15,569		+190	
Advertising expenses	15,943		17,849		+1,906	Increase in expenses for nurturing brand
Sales promotion expenses	24,712		24,615		-96	
Personnel expenses	27,255		27,308		+53	
Other	28,929		28,321		-607	
Operating income	24,835	11.2%	22,722	10.1%	-2,113	
Non-operating income	6,189	2.8%	6,487	2.8%	+298	Equity in earnings of entities accounted for using equity method: +110
Non-operating expenses	133	0.1%	111	0.0%	-21	
Ordinary income	30,891	13.9%	29,097	12.9%	-1,794	
Extraordinary gains	1,025	0.5%	15	0.0%	-1,009	(Previous year): Gain on sales of fixed assets: 1,025
Extraordinary losses	415	0.2%	112	0.0%	-303	(Previous year): Loss on disposal of fixed assets: 375
Income before income taxes and minority interests	31,501	14.2%	29,001	12.9%	-2,500	
Income taxes	10,472	4.7%	8,977	4.0%	-1,495	
Profit	21,029	9.5%	20,024	8.9%	-1,005	
Profit attributable to non-controlling interests	1,388	0.6%	1,318	0.6%	-69	
Profit attributable to owners of parent	19,640	8.9%	18,705	8.3%	-935	

## Consolidated Sales Breakdown by Segment/Category

(Millions of yen)

	March 2015(FY2014)				March 2016(FY2015)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year E (new)	Full year E (previous)
Self-Medication operations (YOY%)	41,188 (-3.0%)	88,072 (-3.7%)	134,915 (-3.6%)	176,295 (-3.0%)	43,602 (+5.9%)	92,094 (+4.6%)	138,782 (+2.9%)	180,700 (+2.5%)	180,500 (+2.4%)
Japan	34,007	73,318	112,977	145,614	35,145	74,717	114,464	148,400	148,100
Overseas	6,590	13,482	19,742	27,939	7,720	15,880	22,208	29,800	29,900
Other	589	1,271	2,195	2,741	736	1,496	2,108	2,500	2,500
Prescription Pharmaceutical operations (YOY%)	27,183 (+5.6%)	53,732 (+1.1%)	86,843 (-1.3%)	114,202 (-0.0%)	25,609 (-5.8%)	53,889 (+0.3%)	86,195 (-0.7%)	109,300 (-4.3%)	114,500 (+0.3%)
Ethical drugs	26,166	52,354	84,901	111,594	24,967	52,740	84,774	107,200	112,000
Intermediate products, etc.	927	1,181	1,633	2,016	426	838	987	1,400	1,900
Royalty income	89	197	308	591	216	311	433	700	600
<b>Total</b>	<b>68,371</b>	<b>141,805</b>	<b>221,759</b>	<b>290,498</b>	<b>69,212</b>	<b>145,984</b>	<b>224,978</b>	<b>290,000</b>	<b>295,000</b>

## Consolidated Operating Income by Segment

(Millions of yen)

	March 2015(FY2014)				March 2016(FY2015)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year E (new)	Full year E (previous)
Self-Medication operations (YOY%)	7,144 (-14.5%)	15,302 (-23.3%)	23,012 (-25.4%)	31,060 (-15.7%)	6,067 (-15.1%)	14,530 (-5.0%)	21,103 (-8.3%)	28,200 (-9.2%)	27,600 (-11.1%)
Prescription Pharmaceutical operations (YOY%)	1,716 (+74.8%)	1,529 (-28.9%)	2,706 (-58.2%)	2,078 (-65.4%)	-537 (-)	36 (-97.6%)	2,591 (-4.3%)	100 (-95.2%)	600 (-71.1%)
Other* (YOY%)	-252 (-)	-601 (-)	-883 (-)	-1,164 (-)	-295 (-)	-641 (-)	-972 (-)	-1,300 (-)	-1,200 (-)
<b>Total</b>	<b>8,607</b>	<b>16,231</b>	<b>24,835</b>	<b>31,974</b>	<b>5,234</b>	<b>13,925</b>	<b>22,722</b>	<b>27,000</b>	<b>27,000</b>

\* The "Other" segment represents the Company (a pure holding company), which is not attributable to any reportable segment.

Consolidated Sales - Leading Brands of Self-Medication Operations

(Billions of yen)

	March 2015(FY2014)				March 2016(FY2015)						
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	YOY	Full year E (new)	YOY	Full year E (previous)
Japan	34.0	73.3	113.0	145.6	35.1	74.7	114.5	+1.3%	148.4	+1.9%	148.1
Lipovitan series	16.3	35.3	50.4	62.1	15.9	33.8	49.0	-2.9%	60.2	-3.0%	61.4
Pabron series	4.1	9.9	18.3	25.2	4.1	9.9	18.0	-1.7%	24.7	-1.9%	25.0
RiUP series	3.0	6.7	11.1	14.9	3.6	8.1	12.6	+13.6%	16.8	+12.6%	15.0
Livita series	1.0	1.9	2.9	4.0	1.0	1.9	2.9	+0.6%	4.2	+4.5%	4.2
Gastrointestinal treatment series	0.9	1.9	3.2	4.1	0.9	1.9	3.1	-0.7%	4.1	-0.5%	4.1
NARON series	0.9	1.9	2.9	3.7	0.9	1.8	2.8	-5.0%	3.7	-0.8%	3.7
VICKS series	0.4	1.2	2.7	3.5	0.5	1.4	2.8	+3.7%	3.5	+0.4%	3.5
Colac series	0.8	1.6	2.5	3.3	0.8	1.6	2.5	+1.5%	3.3	+0.3%	3.3
ZENA series	0.7	1.4	2.3	3.0	0.6	1.3	2.1	-9.4%	2.7	-8.2%	2.9
Tiofermin series	1.6	3.5	5.3	6.7	1.8	3.6	5.3	+0.8%	7.5	+11.6%	7.0
TOKUHON series	0.3	0.6	0.9	1.1	0.3	0.6	0.8	-6.9%	1.1	+6.4%	1.1
Overseas	6.6	13.5	19.7	27.9	7.7	15.9	22.2	+12.5%	29.8	+6.7%	29.9
Energy drinks	2.4	4.7	6.9	9.4	2.5	5.4	7.9	+14.9%	10.3	+9.2%	9.7
OTC drugs	4.0	8.3	12.2	17.6	4.9	10.0	13.6	+11.5%	18.5	+5.3%	19.3
Others	0.6	1.3	2.2	2.7	0.7	1.5	2.1	-4.0%	2.5	-8.8%	2.5

(Rounded to the nearest hundred-million)

Lipovitan Series: Sales Breakdown

(Billions of yen)

	March 2015(FY2014)				March 2016(FY2015)						
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	YOY	Full year E (new)	YOY	Full year E (previous)
Lipovitan series	16.3	35.3	50.4	62.1	15.9	33.8	49.0	-2.9%	60.2	-3.0%	61.4
Lipovitan D	10.5	23.1	32.6	40.0	10.2	21.9	31.6	-3.3%	38.6	-3.3%	38.9
Others	5.8	12.3	17.8	22.1	5.7	11.8	17.4	-2.2%	21.6	-2.5%	22.5
(100mL other Lipovitans)	3.9	8.1	11.7	14.5	3.6	7.6	11.0	-5.2%	13.7	-5.0%	14.5
(50mL other Lipovitans)	1.9	4.1	6.2	7.6	2.1	4.2	6.4	+3.4%	7.8	+2.2%	8.0

(Rounded to the nearest hundred-million)

Consolidated Sales - Leading Products of Prescription Pharmaceutical Operations

(Billions of yen)

	March 2015(FY2014)				March 2016(FY2015)						
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	YOY	Full year E (new)	YOY	Full year E (previous)
ZOSYN	5.9	12.5	20.6	26.9	6.6	14.5	22.8	+10.7%	26.3	-2.4%	27.0
Edirol	3.4	7.6	12.6	17.2	4.4	9.6	15.2	+20.5%	20.0	+16.6%	18.8
Clarith	2.9	5.5	10.1	13.5	2.5	5.2	9.2	-9.0%	11.8	-12.3%	12.6
Palux	1.8	3.5	5.5	7.0	1.6	3.2	4.9	-10.7%	6.2	-12.0%	6.6
OZEX	1.3	2.6	4.9	6.6	1.4	2.7	4.8	-3.4%	6.1	-7.6%	6.1
Bonviva	0.6	1.5	2.5	3.6	1.1	2.4	3.7	+46.2%	5.1	+41.3%	6.0
Geninax	0.8	2.3	4.1	5.7	0.4	1.1	3.2	-21.9%	4.3	-24.9%	4.4
Lusefi	2.4	2.4	2.4	2.4	0.5	0.5	0.7	-70.6%	0.8	-66.5%	4.0
Biofermin	0.9	1.8	2.7	3.6	0.9	1.7	2.6	-4.1%	3.6	-1.2%	3.7
Yakuban and others	0.5	1.1	1.8	2.3	0.5	1.1	1.7	-6.6%	2.1	-9.2%	2.2
Lorcam	0.5	1.1	1.7	2.3	0.5	1.1	1.6	-9.2%	2.0	-11.7%	2.2
LUPRAC	0.5	1.1	1.7	2.2	0.6	1.1	1.7	+0.1%	2.2	-1.4%	2.1

(Rounded to the nearest hundred-million)

Consolidated: Capital Expenditure

(Millions of yen)

	March 2015(FY2014)				March 2016(FY2015)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year E (new)	Full year E (previous)
Total capital expenditure	485	2,329	3,186	5,253	1,057	2,910	5,150	9,200	10,100
Taisho Pharmaceutical	201	1,845	2,482	4,222	826	2,416	4,174	7,900	8,400
Omiya Factory	36	385	450	920	201	491	682	960	1,000
Hanyu Factory	6	9	29	61	0	0	1	20	40
Okayama Factory	0	13	16	64	3	5	5	10	30
Research Center	34	1,008	1,217	1,879	30	315	381	1,170	1,190
Others	123	427	769	1,296	590	1,603	3,102	5,740	6,140
Other subsidiaries	284	484	703	1,031	230	494	976	1,300	1,700

Consolidated: Depreciation and Amortization

(Millions of yen)

	March 2015(FY2014)				March 2016(FY2015)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year E (new)	Full year E (previous)
Depreciation and amortization	2,776	5,608	8,540	11,561	2,716	5,483	8,260	11,300	11,500
Cost of sales	992	2,018	3,082	4,163	947	1,895	2,847	4,000	4,200
SGA expenses	1,783	3,590	5,458	7,398	1,768	3,588	5,412	7,300	7,300

Consolidated: R&D Expenses

(Millions of yen)

	March 2015(FY2014)				March 2016(FY2015)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year E (new)	Full year E (previous)
Total R&D expenses	4,914	10,069	15,379	21,554	5,406	10,499	15,569	22,900	26,800
Self-Medication operations	1,500	2,894	4,233	5,502	1,210	2,524	3,725	5,700	6,100
Prescription Pharmaceutical operations	3,413	7,174	11,145	16,051	4,195	7,975	11,844	17,200	20,700

## Results of Major Consolidated Subsidiaries

### Sales and earnings of Taisho Pharmaceutical

(Billions of yen)

	March 2015(FY2014)				March 2016(FY2015)						
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	YOY	Full year E (new)	YOY	Full year E (previous)
Net Sales	46.6	97.8	152.3	197.9	46.6	98.4	152.5	+0.1%	198.9	+0.5%	202.0
Self-Medication	34.3	74.0	114.0	147.1	35.5	75.6	115.7	+1.4%	150.2	+2.1%	149.6
Prescription Pharmaceutical	12.3	23.8	38.3	50.8	11.1	22.9	36.8	-3.9%	48.7	-4.1%	52.4
Operating income	5.2	10.4	15.7	20.8	2.5	7.9	14.2	-9.8%	17.2	-17.0%	16.4
Ordinary income	5.8	12.6	18.5	24.6	5.6	12.2	18.7	+1.3%	22.2	-9.8%	21.5
Profit	4.1	9.6	13.6	17.4	4.5	9.5	14.2	+4.1%	16.2	-6.6%	15.8

(Rounded to the nearest hundred-million)

### Sales and earnings of Taisho Toyama Pharmaceutical

(Billions of yen)

	March 2015(FY2014)				March 2016(FY2015)						
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	YOY	Full year E (new)	YOY	Full year E (previous)
Net Sales	26.2	52.4	84.9	111.6	25.0	52.7	84.8	-0.1%	107.2	-3.9%	112.0
Operating income	1.2	1.8	3.3	3.6	0.3	1.3	2.8	-14.7%	2.5	-30.5%	2.6
Ordinary income	1.2	1.8	3.3	3.6	0.3	1.3	2.8	-14.6%	2.5	-30.4%	2.6
Profit	0.7	1.0	1.9	1.9	0.1	0.7	1.7	-15.2%	1.3	-30.8%	1.5

(Rounded to the nearest hundred-million)

Sales and earnings of Taisho Toyama Pharmaceutical are included in the consolidated results of Prescription Pharmaceutical operations.

### Sales and earnings of Biofermin Pharmaceutical

(Billions of yen)

	March 2015(FY2014)				March 2016(FY2015)						
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	3Q (4-12)	YOY	Full year E (new)	YOY	Full year E (previous)
Net Sales	2.9	5.9	8.7	10.8	2.7	5.4	7.2	-18.0%	9.6	-11.5%	10.5
Self-Medication	1.8	3.9	5.8	7.1	1.8	3.8	4.9	-15.3%	6.6	-7.3%	6.9
Prescription Pharmaceutical	1.1	2.0	2.9	3.8	0.8	1.6	2.2	-23.5%	3.0	-19.4%	3.6
Operating income	1.1	2.1	3.1	3.4	0.9	1.7	1.8	-40.1%	2.2	-33.8%	2.9
Ordinary income	1.2	2.2	3.2	3.5	0.9	1.7	1.9	-40.4%	2.3	-34.1%	3.0
Profit	0.8	1.4	2.0	2.3	0.6	1.2	1.3	-36.5%	1.6	-31.4%	2.0

(Rounded to the nearest hundred-million)

## Major Subsidiaries and Affiliates

(As of December 31, 2015)

Company	Address	Capital	Business	Ownership <sup>*</sup>
(1) Consolidated subsidiaries				%
Taisho Pharmaceutical Co.,Ltd.	Tokyo, Japan	,000 Yen 29,804,450	SMG PD	100.0
MEJIRO KOSAN Co., Ltd.	Tokyo, Japan	,000 Yen 600,000	SMG	100.0
Taisho Okinawa Co.,Ltd.	Okinawa, Japan	,000 Yen 50,000	SMG	100.0
Taisho M.T.C. Co.,Ltd.	Tokyo, Japan	,000 Yen 400,000	SMG	60.0
Taisho Pharmaceutical Logistics Co.,Ltd.	Saitama, Japan	,000 Yen 30,000	SMG	100.0
Biofermin Pharmaceutical Co., Ltd.	Hyogo, Japan	,000 Yen 1,227,000	SMG PD	64.0
Taisho Toyama Pharmaceutical Co.,Ltd.	Tokyo, Japan	,000 Yen 2,000,000	PD	70.3
TAISHO ACTIVE HEALTH Co., Ltd.	Tokyo, Japan	,000 Yen 100,000	SMG	55.0
TOKUHON Corporation	Tokyo, Japan	,000 Yen 300,000	SMG PD	100.0
Taisho Pharmaceutical (Taiwan) Co.,Ltd.	Taiwan	,000 NT\$ 200,000	SMG	100.0
Taisho Pharmaceutical California Inc.	U.S.A.	,000 US\$ 41,050	SMG	100.0
Taisho Pharmaceuticals (Philippines), Inc.	Philippines	,000 Peso 18,900	SMG	100.0
Taisho Co.,Ltd. Shanghai	China	,000 CNY 132,621	SMG	100.0
Taisho Vietnam Co.,Ltd.	Vietnam	,000 VND 170,754,300	SMG	100.0
Taisho Pharmaceutical (H.K.) Ltd.	China	,000 HK\$ 163,000	SMG	100.0
Osotspa Taisho Pharmaceutical Co., Ltd.	Thailand	,000 THB 100,000	SMG	60.0
Taisho Pharmaceutical R&D Inc.	U.S.A.	,000 US\$ 4,000	PD	100.0
PT. Taisho Pharmaceutical Indonesia Tbk	Indonesia	,000 rupiah 10,240,000	SMG	98.0
Taisho Pharmaceutical Singapore Private Limited	Singapore	,000 US\$ 1,000	SMG	100.0
Hoepharmaceutical Holdings Sdn.Bhd.	Malaysia	,000 MYR 32,380	SMG	100.0
Compañía Internacional de Comercio, S.A.P.I. de C.V.	Mexico	,000 MXN 122,467	SMG	100.0
(2) Equity accounting method				
Toyama Chemical Co.,Ltd.	Tokyo, Japan	,000 Yen 10,000,000	PD	34.0
Yomeishu Seizo Co., Ltd.	Tokyo, Japan	,000 Yen 1,650,000	SMG	24.1

SMG=Self-Medication operations PD=Prescription Pharmaceutical operations

\*Ownership: including the portion of indirect ownership

# Prescription Pharmaceutical Operations: New Drug Development - Taisho Pharmaceutical

As of February 3, 2016

## In Japan

### Approved

#### 1) Bonviva (Oral)

- < Application > Osteoporosis
- < Development > Co-development with Chugai Pharmaceutical
- < Description > Antiresorptive bisphosphonate
- < Remarks > Generic name: Ibandronate Sodium Hydrate  
Pharmaceutical development code: CT-064

### Phase 2

#### 1) TS-091 (Oral)

- < Application > Central disorders of hypersomnolence
- < Development > In-house

#### 2) TS-152 (Injection)

- < Application > Rheumatoid arthritis
- < Development > In-license (Licensor: Ablynx)
- < Description > Anti-TNF(Tumor Necrosis Factor)- $\alpha$  antibody
- < Remarks > Generic name: Ozoralizumab

# Prescription Pharmaceutical Operations: New Drug Development - Taisho Pharmaceutical

As of February 3, 2016

## Overseas

Phase 1
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### 1) TS-071 (Oral)

< Target disease > Type 2 diabetes

< In-house/Licensed-in > In-house

< Description > Sodium-glucose cotransporter 2 (SGLT2) inhibitor

< Remarks > Generic name: Luseogliflozin Hydrate

In Japan: Launched on May 23, 2014 (Product name: Lusefi)

### 2) TS-121 (Oral)

< Target disease > Depression

< In-house/Licensed-in > In-house

### 3) TS-091 (Oral)

< Target disease > Central disorders of hypersomnolence

< In-house/Licensed-in > In-house

### 4) TS-134 (Oral)

< Target disease > Schizophrenia

< In-house/Licensed-in > In-house

## Prescription Pharmaceutical Operations: New Drug Development - Taisho Pharmaceutical

As of February 3, 2016

### Changes Since FY2015 2Q Earnings Announcement (Oct 30, 2015)

#### In Japan: LOQQA Tape (Topical)

- < Application > Treatment of osteoarthritis pain and inflammation
- < Development > Co-development with TOKUHON
- < Description > Anti-inflammatory analgesic patch formulation containing S-flurbiprofen  
Pharmaceutical development code: TT-063
  
- < Changes > Removed from pipeline due to launch of product on January 21, 2016.

#### In Japan: Bonviva (Oral)

- < Application > Osteoporosis
- < Development > Co-development with Chugai Pharmaceutical
- < Description > Antiresorptive bisphosphonate
- < Remarks > Generic name: Ibandronate Sodium Hydrate  
Pharmaceutical development code: CT-064
  
- < Changes > Filed for Application → Approved  
Announced that Chugai Pharmaceutical Co., Ltd. received manufacturing and marketing approval in Japan on January 22, 2016.

# Launch of New Products

As of February 3, 2016

## Self-Medication Operations

### 1) PABRON S GOLD W

< Description > A dual-acting Clear & Repair cold medication for treating the respiratory tract mucosal barrier, containing the clearing ingredient ambroxol hydrochloride and the repairing ingredient L-Carbocisteine.

< Launch > August 2015

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### 2) SEMPER PETIT BERRY

< Description > A motion sickness drug for the whole family, from 3-year old children to adults, consisting of tiny strawberry-flavored chewable tablets measuring 6 mm in diameter.

< Launch > September 2015

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### 3) COBARASAPŌTO APPLE FLAVOR

< Description > A beverage that controls calorie intake and helps to suppress hunger by creating a sense of fullness in an empty stomach, featuring a refreshing apple flavor and light carbonation to make it crisp and easy to drink.

< Launch > September 2015

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### 4) RIUP X5 PLUS LOTION

< Description > A men's hair regrowth treatment containing a 5% concentration of the active ingredient minoxidil and fortified with three support ingredients, including pyridoxine hydrochloride, to promote stronger and thicker hair regrowth.

< Launch > October 2015

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### 5) Lipovitan D Japan national rugby team supporters' bottle

< Description > A Lipovitan D energy drink with a package design evoking the Japan national rugby team's hallmark cherry blossom emblem and red and white jersey stripes.

Sold in a limited quantity at major convenience stores nationwide and via Taisho Pharmaceutical Direct, a mail order and direct sales service.

< Launch > October 2015

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### 6) Pabron Rhinitis Attack for seasonal allergies

< Description > Japan's first over-the-counter nose drop for seasonal allergies, containing the same concentration of steroid as a prescription formulation. It is an antedrug treatment that is strongly effective against inflammation sites yet swiftly decomposes when it is absorbed into the body.

< Launch > November 2015

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## Launch of New Products

As of February 3, 2016

### Self-Medication Operations

#### 7) Pabron Fast-Dissolving Rhinitis Tablet

< Description > Based on proprietary technology, this tablet offers superior relief for sudden rhinitis symptoms, dissolving rapidly when ingested even without water. It contains four active ingredients, including pseudoephedrine hydrochloride, and can be taken by age groups ranging from children aged 7 and older to adults.

< Launch > November 2015

#### 8) Lipovitan D limited-edition Christmas bottles

< Description > A snow-colored Lipovitan D bottle with two illustration options: Santa Claus and a snowman. Sold in a limited quantity, for a limited period only, via Taisho Pharmaceutical Direct, a mail order and direct sales service.

< Launch > November 2015

#### 9) Health manage: Young barley grass green juice with chitosan

< Description > A green juice classified as a food for specified health use (FOSHU) that contains chitosan, which helps to lower blood cholesterol. A delicious matcha green tea-flavored drink that supports daily health, made from organically grown young barley grass. Sold via Taisho Pharmaceutical Direct, a mail order and direct sales service.

< Launch > December 2015

#### 10) Lipovitan D limited-edition Valentine bottles

< Description > A Lipovitan D label designed with bright red hearts and the inscription "Happy VALENTINE's Day". The label expresses the excitement and anticipation of Valentine's Day. Sold in a limited quantity, for a limited period only, via Taisho Pharmaceutical Direct, a mail order and direct sales service.

< Launch > January 2016

#### 11) Coppertone perfect UV cut milk

< Description > A sunscreen product available in three different varieties according to typical sunburn patterns among the Japanese. Enhanced sunburn protection and water resistance for active settings, such as leisure activities. Other Coppertone series sunscreen products are also available, such as Gel Cream, Spray, Mild, and After Sun Clear Sheet.

< Launch > February 2016

## Launch of New Products

As of February 3, 2016

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### Self-Medication Operations

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#### 12) RAIZIN BONUS PACK

- < Description > An energy drink pack available in a limited quantity, featuring the energy drink RAIZIN plus one “prototype can” with a new flavor.  
The new flavor is scheduled to be launched as a new product in the near future.  
Sold in a limited quantity at major convenience stores nationwide and via Taisho Pharmaceutical Direct, a mail order and direct sales service.
- < Launch > February 2016
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### Prescription Pharmaceutical Operations

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#### 1) LOQQA Tape

- < Description > A transdermal anti-inflammatory analgesic patch formulation for the indication and usage of “the treatment of osteoarthritis pain and inflammation”.  
Once daily application was found to significantly improve the pain in patients’ knee joints when they stood up from a chair.
- < Launch > January 2016
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