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2nd Quarter - Fiscal Year 2016
(April 1, 2016 to September 30, 2016)

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Taisho Pharmaceutical Holdings Co.,Ltd.

Consolidated Financial Data

(Millions of yen)

	March 2016(FY2015)				March 2017(FY2016)		
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	Full year E
Net sales	69,212	145,984	224,978	290,135	69,431	141,007	285,000
(YOY%)	(+1.2%)	(+2.9%)	(+1.5%)	(-0.1%)	(+0.3%)	(-3.4%)	(-1.8%)
Self-Medication operations	43,602	92,094	138,782	180,722	43,012	90,457	185,400
Prescription Pharmaceutical operations	25,609	53,889	86,195	109,413	26,418	50,550	99,600
Gross profit*	42,464	89,106	136,387	176,813	44,409	90,333	181,500
Selling, general and administrative expenses	37,229	75,180	113,665	147,935	35,302	73,678	152,000
Research and development expenses (% Sales)	5,406 (7.8%)	10,499 (7.2%)	15,569 (6.9%)	21,768 (7.5%)	5,050 (7.3%)	10,496 (7.4%)	23,400 (8.2%)
Advertising expenses	5,466	11,019	17,849	21,366	5,013	10,595	23,500
Sales promotion expenses	7,628	15,999	24,615	31,775	7,082	15,069	30,800
Personnel expenses	9,213	18,241	27,308	36,042	9,090	18,078	36,700
Operating income	5,234	13,925	22,722	28,878	9,106	16,655	29,500
(YOY%)	(-39.2%)	(-14.2%)	(-8.5%)	(-9.7%)	(+74.0%)	(+19.6%)	(+2.2%)
Ordinary income	7,493	17,680	29,097	36,775	10,422	19,129	36,500
(YOY%)	(-30.4%)	(-9.7%)	(-5.8%)	(-7.1%)	(+39.1%)	(+8.2%)	(-0.7%)
Profit attributable to owners of parent	4,686	11,281	18,705	22,473	6,945	13,499	24,000
(YOY%)	(-29.6%)	(-10.4%)	(-4.8%)	(-8.4%)	(+48.2%)	(+19.7%)	(+6.8%)
Comprehensive income	6,610	7,620	19,940	9,059	3,455	5,317	-
(YOY%)	(-37.3%)	(-58.6%)	(-37.2%)	(-81.1%)	(-47.7%)	(-30.2%)	-
Basic EPS (yen)	57.81	139.16	230.74	277.75	86.92	168.93	300.37
Diluted EPS (yen)	57.78	139.09	230.61	277.59	86.86	168.82	300.17
BPS (yen)	7,908.88	7,916.70	8,012.47	7,870.04	7,857.63	7,876.45	8,072.90
Dividend per share (yen)	-	50.00	-	100.00	-	50.00	110.00
Payout ratio	-	-	-	36.0%	-	-	36.6%
Capital expenditure	1,057	2,910	5,150	8,967	2,453	4,262	8,500
Depreciation and amortization	2,716	5,483	8,260	11,117	2,529	5,099	10,800
Total assets	770,223	768,737	789,243	759,049	751,353	752,705	771,000
Shareholders' equity	654,801	655,911	664,019	643,127	642,439	644,393	660,000
Return on equity (%)**	-	-	-	3.5%	-	-	3.8%
Return on assets (%)**	-	-	-	2.9%	-	-	3.1%
Equity ratio (%)	83.2%	83.5%	82.3%	82.9%	83.6%	83.6%	83.7%
Overseas sales	7,720	15,886	22,217	29,901	6,836	13,769	29,020
Overseas sales ratio (% of total sales)	11.2%	10.9%	9.9%	10.3%	9.9%	9.8%	10.2%
Number of employees	6,710	6,637	6,598	6,517	6,596	6,515	-

* 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 for the fiscal year ending March 31, 2017 were announced on August 1, 2016.

Consolidated Balance Sheets

(Millions of yen)

	End of FY2015		End of FY2016/2Q		change	change
	(March 31, 16)	% total	(Sept. 30, 16)	% total		
(Assets)						
I Current assets:	319,670	42.1%	303,545	40.3%	-16,124	
Cash and deposits	172,142		179,411		+7,268	
Notes and accounts receivable-trade	75,243		73,959		-1,283	
Marketable securities	34,316		12,730		-21,586	Bond redemptions: -21,500
Inventories	26,638		26,493		-145	
Deferred tax assets	6,128		6,343		+215	
Other	5,201		4,607		-593	
II Fixed assets:	439,379	57.9%	449,160	59.7%	+9,781	
(1) Tangible fixed assets:	98,950	(13.0%)	98,763	(13.1%)	-186	
Buildings and structures	45,979		50,973		+4,993	Completion of Omiya Distribution Center 2
Machinery, equipment and vehicles	7,211		6,799		-412	
Land	37,473		37,456		-17	
Other	8,285		3,534		-4,750	
(2) Intangible fixed assets:	38,863	(5.1%)	35,010	(4.7%)	-3,853	
Goodwill	19,046		17,288		-1,757	
Sales rights	4,675		4,046		-628	
Trademarks	12,175		10,613		-1,561	
Software	2,419		2,531		+111	
Other	547		529		-18	
(3) Investments and other assets:	301,565	(39.7%)	315,386	(41.9%)	+13,821	
Investment securities	237,213		239,509		+2,295	
Shares of subsidiaries and affiliates	54,590		66,004		+11,413	Acquisition of shares of Duoc Hau Giang Pharmaceutical JSC
Net defined benefit assets	568		678		+109	
Deferred tax assets	7,869		7,884		+15	
Other	1,322		1,309		-13	
Total assets	759,049	100.0%	752,705	100.0%	-6,343	
(Liabilities)						
I Current liabilities:	66,646	8.8%	60,718	8.1%	-5,927	
Notes and accounts payable-trade	27,082		22,052		-5,030	
Accounts payable	16,753		15,167		-1,586	
Accrued income tax	5,746		6,139		+392	
Provision for bonuses	3,855		4,752		+896	
Other	13,207		12,607		-600	
II Long-term liabilities:	49,275	6.5%	47,594	6.3%	-1,681	
Net defined benefit liabilities	23,713		23,792		+78	
Deferred taxes liabilities	16,333		15,107		-1,225	
Other	9,228		8,694		-534	
Total liabilities	115,922	15.3%	108,312	14.4%	-7,609	
(Net assets)						
I Shareholders' equity	600,862	79.2%	610,343	81.1%	+9,481	
Common stock	30,000	4.0%	30,000	4.0%	-	
Capital surplus	15,271	2.0%	15,272	2.0%	+1	
Retained earnings	623,255	82.1%	632,755	84.1%	+9,500	Profit attributable to owners of parent: +13,499. Dividend on retained earnings: -3,998
Treasury stock	-67,664	-8.9%	-67,684	-9.0%	-19	
II Accumulated other comprehensive income	28,029	3.7%	19,060	2.5%	-8,968	
Valuation difference on securities	35,736	4.7%	33,066	4.4%	-2,670	
Deferred gains or losses on hedges	-0	-0.0%	-2	-0.0%	-2	
Foreign currency translation adjustment	507	0.1%	-6,136	-0.8%	-6,643	
Remeasurements of defined benefit plans	-8,213	-1.1%	-7,865	-1.0%	+347	
III Subscription rights to shares	357	0.0%	478	0.1%	+121	
IV Non-controlling interests	13,878	1.8%	14,509	1.9%	+631	
Total net assets	643,127	84.7%	644,393	85.6%	+1,265	
Total liabilities and net assets	759,049	100.0%	752,705	100.0%	-6,343	

Consolidated P/L Statement

(Millions of yen)

	End of FY2015		End of FY2016/2Q		YOY change	change
	(March 31, 16)	% total	(Sept. 30, 16)	% total		
Net sales	145,984	100.0%	141,007	100.0%	-4,976	
Cost of sales	56,593	38.8%	50,647	35.9%	-5,945	
Gross profit on sales	89,391	61.2%	90,360	64.1%	+968	
Provision for sales returns	285		26		-258	
Gross profit	89,106	61.0%	90,333	64.1%	+1,227	
Selling, general and administrative expenses	75,180	51.5%	73,678	52.3%	-1,502	
Research and development expenses	10,499		10,496		-3	
Advertising expenses	11,019		10,595		-423	
Sales promotion expenses	15,999		15,069		-929	
Personnel expenses	18,241		18,078		-162	
Other	19,420		19,437		+17	
Operating income	13,925	9.5%	16,655	11.8%	+2,729	
Non-operating income	3,829	2.7%	3,838	2.7%	+8	
Non-operating expenses	75	0.1%	1,364	1.0%	+1,289	Foreign exchange losses: +555 Equity in losses of affiliates: +735
Ordinary income	17,680	12.1%	19,129	13.6%	+1,449	
Extraordinary gains	6	0.0%	1,394	1.0%	+1,387	Gain on sale of investment securities: +1,381
Extraordinary losses	103	0.1%	112	0.1%	+9	
Income before income taxes and minority interests	17,583	12.0%	20,411	14.5%	+2,827	
Income taxes	5,502	3.7%	6,008	4.3%	+506	
Profit	12,081	8.3%	14,403	10.2%	+2,321	
Profit attributable to non-controlling interests	800	0.6%	903	0.6%	+103	
Profit attributable to owners of parent	11,281	7.7%	13,499	9.6%	+2,218	

Consolidated Sales Breakdown by Segment/Category

(Millions of yen)

	March 2016(FY2015)				March 2017(FY2016)		
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	Full year E
Self-Medication operations (YOY%)	43,602 (+5.9%)	92,094 (+4.6%)	138,782 (+2.9%)	180,722 (+2.5%)	43,012 (-1.4%)	90,457 (-1.8%)	185,400 (+2.6%)
Japan	35,145	74,717	114,464	148,125	35,560	75,344	153,800
Overseas	7,720	15,880	22,208	29,875	6,832	13,757	29,000
Other	736	1,496	2,108	2,721	620	1,355	2,600
Prescription Pharmaceutical operations (YOY%)	25,609 (-5.8%)	53,889 (+0.3%)	86,195 (-0.7%)	109,413 (-4.2%)	26,418 (+3.2%)	50,550 (-6.2%)	99,600 (-9.0%)
Ethical drugs	24,967	52,740	84,774	107,215	24,562	48,140	96,100
Other	642	1,149	1,421	2,197	1,856	2,410	3,500
Total	69,212	145,984	224,978	290,135	69,431	141,007	285,000

Consolidated Operating Income by Segment

(Millions of yen)

	March 2016(FY2015)				March 2017(FY2016)		
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	Full year E
Self-Medication operations (YOY%)	6,067 (-15.1%)	14,530 (-5.0%)	21,103 (-8.3%)	28,393 (-8.6%)	7,022 (+15.7%)	15,203 (+4.6%)	29,600 (+4.2%)
Prescription Pharmaceutical operations (YOY%)	-537 (-)	36 (-97.6%)	2,591 (-4.3%)	1,755 (-15.5%)	2,496 (-)	2,272 (-)	1,300 (-26.0%)
Other* (YOY%)	-295 (-)	-641 (-)	-972 (-)	-1,271 (-)	-412 (-)	-820 (-)	-1,400 (-)
Total	5,234	13,925	22,722	28,878	9,106	16,655	29,500

* 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 2016(FY2015)				March 2017(FY2016)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	YOY	Full year E	YOY
Japan	35.1	74.7	114.5	148.1	35.6	75.3	+0.8%	153.8	+3.8%
<i>Lipovitan</i> series	15.9	33.8	49.0	60.5	15.6	33.0	-2.3%	60.4	-0.2%
<i>Pabron</i> series	4.1	9.9	18.0	24.8	4.3	10.2	+3.1%	25.5	+2.9%
<i>RiUP</i> series	3.6	8.1	12.6	16.5	3.8	7.9	-2.5%	16.9	+1.9%
<i>Livita</i> series	1.0	1.9	2.9	3.9	0.9	1.9	+0.2%	4.0	+2.9%
GI treatment series	0.9	1.9	3.1	4.1	0.9	1.8	-3.4%	4.1	+0.3%
<i>VICKS</i> series	0.5	1.4	2.8	3.6	0.5	1.5	+6.4%	3.7	+3.2%
<i>NARON</i> series	0.9	1.8	2.8	3.7	0.9	1.7	-5.8%	3.6	-2.3%
<i>Colac</i> series	0.8	1.6	2.5	3.3	0.8	1.6	+2.6%	3.4	+0.9%
<i>ZENA</i> series	0.6	1.3	2.1	2.7	0.5	1.3	+1.6%	3.3	+21.7%
<i>Biofermin</i> series	1.8	3.6	5.3	7.5	2.0	4.2	+14.9%	8.2	+10.2%
Overseas	7.7	15.9	22.2	29.9	6.8	13.8	-13.4%	29.0	-2.9%
Energy drinks	2.5	5.4	7.9	10.3	2.5	4.9	-9.0%	9.7	-6.1%
OTC drugs	4.9	10.0	13.6	18.4	4.2	8.5	-15.0%	18.5	+0.6%
Others	0.7	1.5	2.1	2.7	0.6	1.4	-9.4%	2.6	-4.4%

(Rounded to the nearest hundred-million)

Lipovitan Series: Sales Breakdown

(Billions of Yen)

	March 2016(FY2015)				March 2017(FY2016)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	YOY	Full year E	YOY
<i>Lipovitan</i> series	15.9	33.8	49.0	60.5	15.6	33.0	-2.3%	60.4	-0.2%
<i>Lipovitan D</i>	10.2	21.9	31.6	38.6	10.2	21.4	-2.2%	38.6	-0.1%
Others	5.7	11.8	17.4	21.9	5.4	11.6	-2.3%	21.8	-0.4%
(100mL other <i>Lipovitan</i>)	3.6	7.6	11.0	13.9	3.5	7.4	-3.3%	14.0	+0.7%
(50mL other <i>Lipovitan</i>)	2.1	4.2	6.4	8.0	1.9	4.2	-0.5%	7.8	-2.2%

(Rounded to the nearest hundred-million)

Consolidated Sales - Leading Products of Prescription Pharmaceutical Operations

(Billions of Yen)

	March 2016(FY2015)				March 2017(FY2016)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	YOY	Full year E	YOY
<i>Edirol</i>	4.4	9.6	15.2	19.8	5.8	11.3	+17.1%	22.4	+12.9%
<i>ZOSYN</i>	6.6	14.5	22.8	27.3	4.2	8.3	-43.1%	15.4	-43.6%
<i>Clarith</i>	2.5	5.2	9.2	12.0	2.2	4.0	-22.2%	9.8	-18.3%
<i>Bonviva</i>	1.1	2.4	3.7	4.9	1.7	3.1	+30.1%	6.6	+34.0%
<i>Palux</i>	1.6	3.2	4.9	6.2	1.5	2.8	-14.1%	5.1	-17.8%
<i>Geninax</i>	0.4	1.1	3.2	4.3	1.1	2.7	+137.2%	5.0	+16.6%
<i>OZEX</i>	1.4	2.7	4.8	5.9	1.1	2.2	-18.1%	4.6	-21.6%
<i>Biofermin</i>	0.9	1.7	2.6	3.6	1.0	2.0	+14.7%	3.8	+6.8%
<i>Lusefi</i>	0.5	0.5	0.7	0.9	0.5	1.5	+177.6%	2.6	+194.5%
<i>LOQOA</i>	-	-	-	0.4	0.3	0.5	-	1.8	+312.8%

(Rounded to the nearest hundred-million)

Consolidated: Capital Expenditure

(Millions of yen)

	March 2016(FY2015)				March 2017(FY2016)		
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	Full year E
Total capital expenditure	1,057	2,910	5,150	8,967	2,453	4,262	8,500
Taisho Pharmaceutical	826	2,416	4,174	7,324	2,268	3,668	6,700
Omiya Factory	201	491	682	868	28	372	1,000
Hanyu Factory	0	0	1	21	-	11	60
Okayama Factory	3	5	5	28	0	4	70
Research Center	30	315	381	1,053	134	381	950
Others	590	1,603	3,102	5,351	2,105	2,899	4,620
Other subsidiaries	230	494	976	1,642	185	593	1,800

Consolidated: Depreciation and Amortization

(Millions of yen)

	March 2016(FY2015)				March 2017(FY2016)		
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	Full year E
Depreciation and amortization	2,716	5,483	8,260	11,117	2,529	5,099	10,800
Cost of sales	947	1,895	2,847	3,823	851	1,670	3,700
SGA expenses	1,768	3,588	5,412	7,293	1,678	3,429	7,100

Consolidated: R&D Expenses

(Millions of yen)

	March 2016(FY2015)				March 2017(FY2016)		
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	Full year E
Total R&D expenses	5,406	10,499	15,569	21,768	5,050	10,496	23,400
Self-Medication operations	1,210	2,524	3,725	5,497	1,320	2,825	6,200
Prescription Pharmaceutical operations	4,195	7,975	11,844	16,270	3,730	7,670	17,200

Results of Major Consolidated Subsidiaries

Sales and earnings of Taisho Pharmaceutical

(Billions of Yen)

	March 2016(FY2015)				March 2017(FY2016)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	YOY	Full year E	YOY
Net Sales	46.6	98.4	152.5	198.4	49.2	101.6	+3.2%	207.3	+4.5%
Self-Medication	35.5	75.6	115.7	150.1	35.9	76.2	+0.8%	155.7	+3.7%
Prescription Pharmaceutical	11.1	22.9	36.8	48.3	13.4	25.4	+11.2%	51.6	+6.7%
Operating income	2.5	7.9	14.2	19.5	5.9	11.1	+39.9%	21.4	+9.6%
Ordinary income	5.6	12.2	18.7	24.3	6.6	13.8	+13.4%	25.6	+5.5%
Profit	4.5	9.5	14.2	17.8	5.2	10.5	+10.2%	19.7	+10.7%

(Rounded to the nearest hundred-million)

Sales and earnings of Taisho Toyama Pharmaceutical

(Billions of Yen)

	March 2016(FY2015)				March 2017(FY2016)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	YOY	Full year E	YOY
Net Sales	25.0	52.7	84.8	107.2	24.6	48.1	-8.7%	96.1	-10.4%
Operating income	0.3	1.3	2.8	2.7	1.4	2.0	+50.8%	1.5	-14.8%
Ordinary income	0.3	1.3	2.8	2.7	1.4	2.0	+50.2%	-	-15.0%
Profit	0.1	0.7	1.7	1.4	0.9	1.3	+84.8%	-	+6.3%

(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 2016(FY2015)				March 2017(FY2016)				
	1Q (4-6)	2Q (4-9)	3Q (4-12)	Full year	1Q (4-6)	2Q (4-9)	YOY	Full year E	YOY
Net Sales	2.7	5.4	7.2	9.7	2.6	5.1	-5.8%	10.3	+6.6%
Self-Medication	1.8	3.8	4.9	6.6	1.7	3.4	-9.6%	6.7	+1.7%
Prescription Pharmaceutical	0.8	1.6	2.2	3.1	0.8	1.7	+2.9%	3.6	+17.1%
Operating income	0.9	1.7	1.8	2.3	0.7	1.3	-23.8%	2.4	+3.2%
Ordinary income	0.9	1.7	1.9	2.3	0.8	1.3	-23.9%	2.4	+3.2%
Profit	0.6	1.2	1.3	1.6	0.5	0.9	-21.7%	1.7	+6.9%

(Rounded to the nearest hundred-million)

Major Subsidiaries and Affiliates

(As of September 30, 2016)

Company	Address	Capital	Business	Ownership*
(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
Hoepharm 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	24.3
Duoc Hau Giang Pharmaceutical JSC	Vietnam	,000 VND 871,643,300	SMG	24.5

SMG=Self-Medication operations PD=Prescription Pharmaceutical operations

*Ownership: including the portion of indirect ownership

Shareholders Information (as of end of September 2016)

Major Shareholders

(Thousands of Shares)

Shareholders	Number of shares	% of total
The Uehara Memorial Foundation	12,900	16.13%
Shoji Uehara	9,974	12.47%
Uehara Museum	3,900	4.88%
Sumitomo Mitsui Banking Corp.	3,000	3.75%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000	3.75%
Akira Uehara	2,143	2.68%
Sumitomo Chemical Co., Ltd.	2,109	2.64%
Kajima Corporation	1,650	2.06%
Japan Trustee Services Bank, Ltd. (Trust account)	1,569	1.96%
Japan Trustee Services Bank, Ltd. (Sumitomo Mitsui Trust Bank, Limited ReTrust Account/ Sumitomo Chemical Company, Limited Employee Pension Trust Account)	1,530	1.91%

Shares less than one thousand are rounded down.

Treasury stock of 10,160 thousand shares are excluded from the above as these shares do not have voting

The shareholding ratio is calculated excluding treasury stock. (Rounded to the nearest second decimal place)

Distribution of Ownership Among Shareholders

	% of total
Financial Institutions	21.08%
Financial Instruments Firms	0.27%
Other companies	38.32%
Foreign Companies	11.46%
Individuals and Others	28.87%

The shareholder composition is calculated excluding treasury stock of 10,160 thousand shares.

(Rounded to the nearest second decimal place)

Prescription Pharmaceutical Operations: New Drug Development - Taisho Pharmaceutical

As of October 31, 2016

In Japan

Phase 2

TS-091 (Oral)

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

TS-152 (Injection)

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

TS-141 (Oral)

< Application > Childhood Attention-Deficit/Hyperactivity Disorder
< Development > In-house

TS-133 (Topical)

< Application > Alopecia
< Development > In-house

Overseas

Phase 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)

TS-121 (Oral)

< Target disease > Depression
< In-house/Licensed-in > In-house

TS-091 (Oral)

< Target disease > Central disorders of hypersomnolence
< In-house/Licensed-in > In-house

TS-134 (Oral)

< Target disease > Schizophrenia
< In-house/Licensed-in > In-house

Prescription Pharmaceutical Operations:
New Drug Development - Taisho Pharmaceutical

As of October 31, 2016

Changes Since FY2016 1Q Earnings Announcement (August 1, 2016)

In Japan: TS-133 (Topical)

< Application > Alopecia

< Development > In-house

< Changes > Added to Phase 2

Launch of New Products

As of October 31, 2016

Self-Medication Operations

Naturalcare < Long Pepper > (stick-type packaging granules)

< Description > Japan's first^{*1} powdered green tea beverage to be classified as a food with function claims, with the submitted claim of moderating elevated blood pressure and maintaining it at normal levels. The functional substance is piperine derived from long pepper, which has a hypotensive action.

*1: Approved for the first time in Japan by the Consumer Affairs Agency as a green tea classified as a food with function claims. The product contains piperine derived from long pepper, which has a hypotensive action, thereby moderating elevated blood pressure and maintaining it at normal levels.

< Launch > September 2016

COBARASAPŌTO PEACH FLAVOR

< Description > A carbonated beverage recommended for management of overindulgence in food. When consumed on an empty stomach before a meal, the product suppresses by creating a sense of fullness in the stomach, preventing inadvertent over-eating during the ensuing meal.

Following the launch of yuzu, apple and grapefruit flavors, the product is now in a new peach flavor.

< Launch > September 2016

Pabron JIYOUNAIFUKUEKI / Pabron JIYOUNAIFUKUEKI Gold

< Description > A designated quasi-drug mini-drink optimal as a nutritional supplement for fever and fatigue caused by the common cold and other conditions.

In addition to taurine and three types of vitamin, Pabron JIYOUNAIFUKUEKI and Pabron JIYOUNAIFUKUEKI Gold contain five and eight herbal ingredients, Available in ginger flavor.

< Launch > September 2016

NARON ACE T

< Description > An antipyretic analgesic with superior efficacy against painful headaches and menstrual cramps due to the two analgesic agents ibuprofen and ethenzamide, in addition to the action of bromovalerylurea and anhydrous caffeine, both of which enhance the efficacy of the two analgesic agents.

NARON ACE has been relaunched as small tablets that are even easier to swallow.

< Launch > October 2016

Launch of New Products

As of October 31, 2016

Self-Medication Operations

RAIZIN Purple Wing

< Description > A strongly carbonated energy drink with a tropical sweetness, crisp tanginess and refreshing aftertaste. The flavor has been extensively researched to achieve a fully refreshing, easy-to-drink beverage, ensuring that consumers feel it has a fresh and continuously appealing taste.

< Launch > October 2016

Lipovitan Fine Precious

< Description > A designated quasi-drug energy drink containing 1,500 mg of taurine, B vitamins, as well as royal jelly, hawthorn, lycium fruit and other ingredients. Available in an easy-to-drink, "Peach & Raspberry" flavor, Lipovitan Fine Precious is a sugar-free, low-calorie energy drink with only 11 kcal per bottle.

< Launch > October 2016

Taisho Glucosamine Power Plus

< Description > A nutritional supplement containing 1,500 mg of glucosamine, in addition to the muscle component anserine^{*2} and motor system amino acids^{*3}.

*2: From fish extract

*3: Refers to the branched-chain amino acids (BCAAs) leucine, isoleucine, and valine. BCAAs are known as vital amino acids consumed by the body during exercise.

Sold via Taisho Pharmaceutical Direct, a mail order and direct sales service.

< Launch > October 2016

SHINAYAKA LIFE Base Supplement

< Description > A nutritional supplement originally containing the carotenoid and the polyphenol, such as astaxanthin and resveratrol, in addition to some vitamins and minerals, which modern people is apt to lack.

Sold via Taisho Pharmaceutical Direct, a mail order and direct sales service.

< Launch > October 2016
