

# Hisamitsu Pharmaceutical Co., Inc.

## Q2 FY02/2011 Results

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including changes in material circumstances.

Hisamitsu Pharmaceutical Co., Inc.

Oct. 5<sup>th</sup>, 2010

Patch and Care of People around the World

### Consolidated PL

	Q1+Q2 FY02/11	YoY	increase -decrease	Q1+Q2 FY02/11E	FY02/11E	YoY
Net sales	71,079	+9.7%	6,278	71,900	144,000	+10.9%
CoGS	24,412	+17.6%	3,653	24,400	49,000	+14.9%
as a % of sales	34.3%			33.9%	34.0%	
SG&A costs	30,897	+8.6%	2,448	32,800	67,500	+15.2%
Advertising costs	5,228	-7.0%	-396	6,200	10,000	+10.6%
R&D spending	5,851	+33.2%	1,458	6,600	17,300	+65.6%
Operating profits	15,768	+1.1%	176	14,700	27,500	-3.8%
Recurring profits	17,876	+11.2%	1,799	17,100	32,500	+4.1%
Net profits	12,002	+25.4%	2,433	11,600	20,200	+9.6%

Unit: ¥'1" million

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# Summary of Profit and Loss

	Target difference	Main factor
<b>Net sales</b>	<b>-821</b>	
Noven	-106	▪ Exchange-rate loss
Rx Business	-979	▪ Miscalculation in Forecast balance between 1H and 2H
OTC Business	-872	▪ Market reduction
Other	+1,136	▪ Growth of sales of CRCC
<b>Operating profits</b>	<b>+1,068</b>	
CoGS	+12	-
SG&A costs	+1,903	▪ Delay
<b>Recurring profits</b>	<b>+776</b>	
Non-operating balance	-292	▪ Delay (Noven)
<b>Net profits</b>	<b>+402</b>	
Extraordinary balance	+611	▪ Delay

Unit: ¥"1" million

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# Noven PL

	Q1+Q2 FY02/11	Q1+Q2 FY02/11E	increase -decrease	FY02/11E
<b>Net sales</b>	<b>4,394</b>	<b>4,500</b>	<b>-106</b>	<b>9,300</b>
Vivelle-dot	2,175	2,000	175	4,100
Noven Therapeutics	1,227	1,100	127	2,200
Daytrana	503	600	-97	1,300
<b>CoGS</b>	<b>2,637</b>	<b>2,700</b>	<b>-63</b>	<b>5,800</b>
<b>SG&amp;A costs</b>	<b>2,851</b>	<b>3,400</b>	<b>-549</b>	<b>7,900</b>
R&D spending	1,021	1,100	-79	3,150
Other	1,830	2,300	-470	4,750
<b>Operating profits</b>	<b>-1,094</b>	<b>-1,600</b>	<b>506</b>	<b>-4,400</b>
<b>Nonoperating balance</b>	<b>1,781</b>	<b>2,045</b>	<b>-264</b>	<b>4,470</b>
Equity in earnings of Novogyne	2,445	2,800	-355	6,050
Amortization of fair value adjustment to investment in Novogyne	-663	-775	112	-1,550
<b>Recurring profits</b>	<b>686</b>	<b>445</b>	<b>241</b>	<b>70</b>
<b>Net profits</b>	<b>434</b>	<b>250</b>	<b>184</b>	<b>40</b>

\* Exchange rate: ¥93.00 (FY02/11E), ¥91.02 (Q1+Q2 FY02/11)

Unit: ¥"1" million

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# Non-consolidated PL

	Q1+Q2 FY02/11	YoY	increase -decrease	Q1+Q2 FY02/11E	FY02/11E	YoY
Net sales	62,619	-3.4%	791	64,500	127,300	+5.4%
CoGS	20,022	-3.6%	766	20,600	40,700	+8.4%
as a % of sales	32.0%			31.9%	32.0%	
SG&A costs	26,271	-7.7%	-1,086	27,900	54,600	+5.4%
Advertising costs	4,959	-11.8%	-497	5,000	8,300	-2.1%
R&D spending	4,829	+9.9%	436	5,600	14,200	+64.4%
Operating profits	16,325	+4.7%	1,111	16,000	32,000	+1.6%
Recurring profits	16,697	+3.9%	1,049	16,400	32,600	+1.4%
Net profits	11,701	+22.3%	2,275	11,300	20,700	+3.3%

Unit: ¥'1" million

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# Sales according to Division Q1 vs Q2

	Q1 (Mar-May)	YoY	Q2 (Jun-Aug)	YoY	Q1+Q2 (Mar-Aug)	YoY
Prescription Drugs Division	23,926	+7.6%	26,095	+0.2%	50,021	+3.6%
OTC Division	4,052	-28.9%	6,476	+12.3%	10,528	-8.2%
International Division	687	-28.1%	1,383	+21.2%	2,070	-1.2%
Total	28,667	-0.8%	33,952	+3.1%	62,619	+1.3%

Unit: ¥'1" million

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# Sales according to section

	Q1+Q2 FY02/11	YoY	increase -decrease	Q1+Q2 FY02/11E	FY02/11E	YoY
Prescription Drugs Division	50,021	+3.6%	1,753	51,000	102,000	+6.5%
OTC Division	10,528	-8.2%	-936	11,400	20,700	+0.4%
International Division	2,070	-1.2%	-26	2,100	4,600	+3.4%
Total	62,619	+1.3%	791	64,500	127,300	+5.4%

Unit: ¥'1" million

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# Sales results of major products

		Q1+Q2 FY02/11	YoY	increase -decrease	Q1+Q2 FY02/11E	FY02/11E	YoY
Ethical drugs	Mohrus Tape	39,488	+4.6%	1,753	41,000	81,200	+7.2%
	Mohrus Pap	5,415	-8.1%	-478	5,500	10,300	-7.4%
	Naboal	1,171	+1.7%	20	1,000	2,200	+2.3%
	Estrana	546	+11.0%	54	500	1,000	+1.9%
	Vivelle-Dot	2,175	-	-	2,000	4,100	-
	Noven Therapeutics	1,227	-	-	1,100	2,200	-
	Daytrana	503	-	-	600	1,300	-
OTC drugs	Salonpas products	988	-9.8%	-333	3,300	6,500	-4.1%
	Feitas products	781	-2.4%	-50	1,900	3,900	-2.5%
	Salonship products	667	-7.7%	-161	2,000	3,600	-3.0%
	Butenalock products	655	-9.5%	-119	1,300	2,200	+1.6%
	Air Salonpas products	423	+11.9%	131	1,250	1,850	+11.3%

Unit: ¥'1" million

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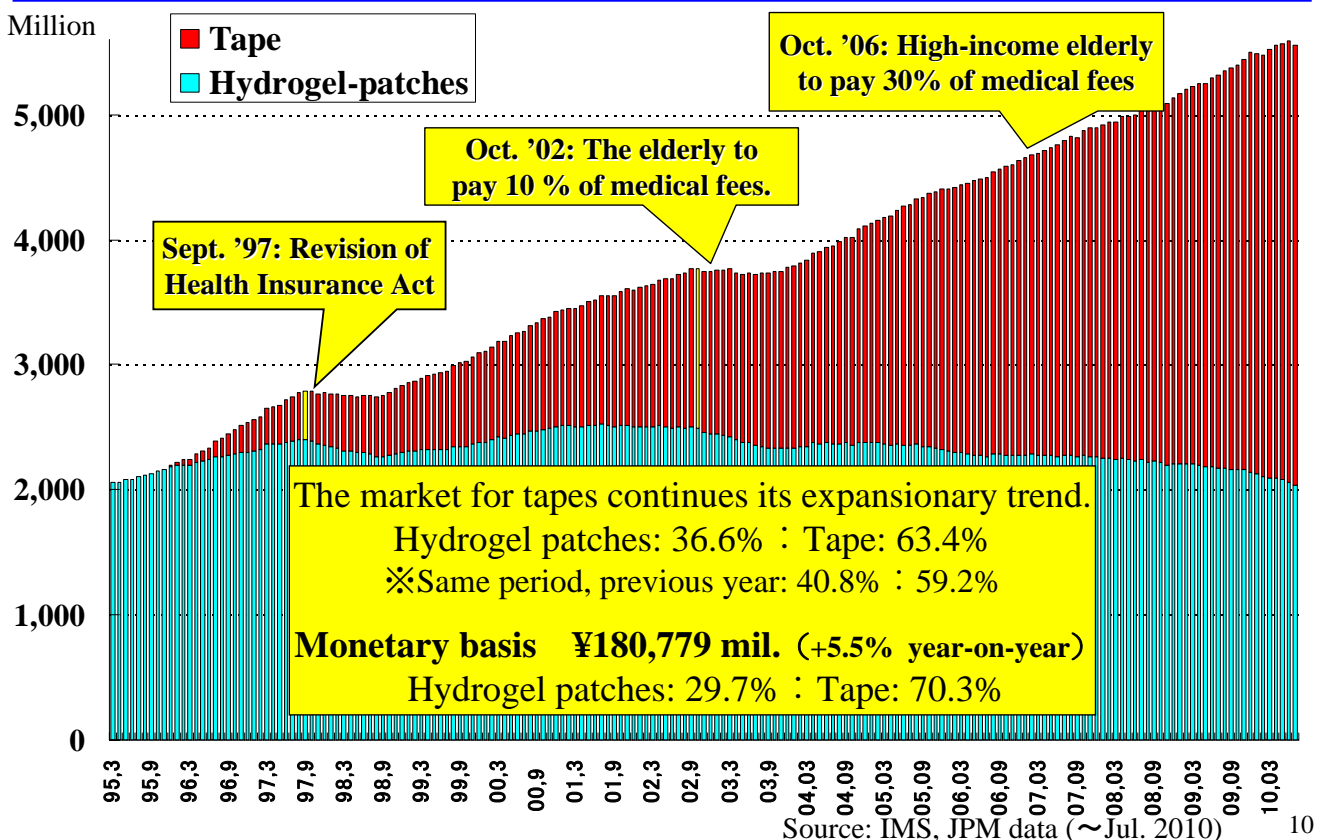
# Sales results of major products Q1 vs Q2

		Q1 (Mar-May)	YoY	Q2 (Jun-Aug)	YoY	Q1+Q2 (Mar-Aug)	YoY
Ethical drugs	Mohrus Tapes	19,030	+9.5%	20,458	+0.5%	39,488	+4.6%
	Mohrus Paps	2,604	-2.1%	2,811	-13.0%	5,415	-8.1%
	Naboal	556	+0.4%	615	+3.0%	1,171	+1.7%
	Estrana	260	+12.1%	286	+10.0%	546	+11.0%
	Vivelle-Dot	1,129	-	1,046	-	2,175	-
	Noven therapeutics	653	-	574	-	1,227	-
	Daytrana	237	-	266	-	503	-
OTC drugs	Salonpas products	988	-36.0%	2,078	+12.0%	3,066	+9.8%
	Feitas products	781	-17.4%	1,258	+10.1%	2,039	-2.4%
	Salonship products	667	-34.4%	1,251	+17.7%	1,918	-7.7%
	Butena rock products	655	-36.5%	484	+114.2%	1,139	-9.5%
	Air Salonpas products	423	-24.6%	808	+49.9%	1,231	+11.9%

Unit: ¥'1" million

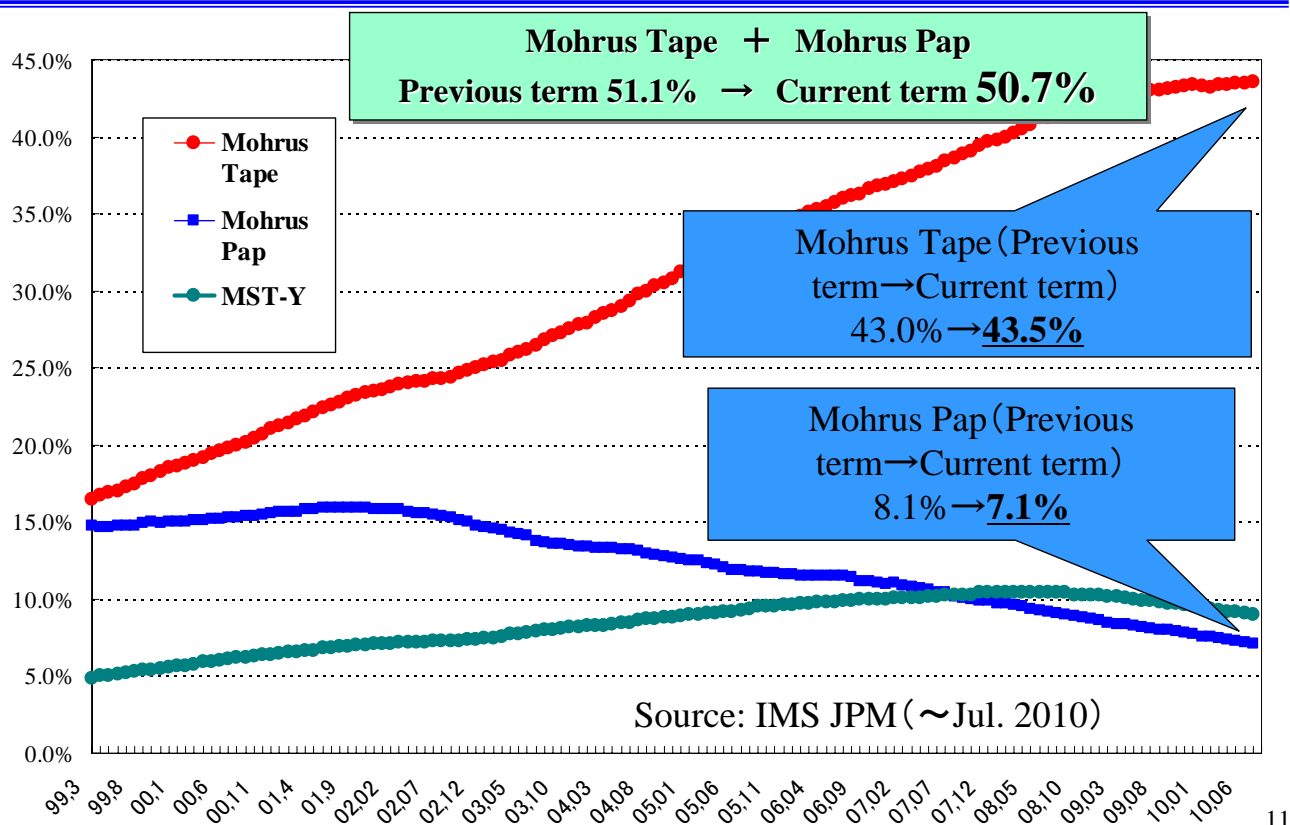
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## Trends of second-generation Non-Steroidal anti-inflammatory patch market (volume-basis)



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## Changes in shares of second-generation Non-Steroidal anti-inflammatory patch



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## Changes in share by region

⌘ Not provided

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Stage	Theme	Target	Dosage form	Characteristics	Next step
Application being field	BTDS (In-licensed from Mundipharma)	Japan	Adhesive skin patch	Relief of non-malignant chronic pain	Approval expected in FY10
Application being field	KPT-220 (Additional Indication of Mohrus@Tape)	Japan	Adhesive skin patch	Relief of pain and inflammation in acute symptom	Approval expected in FY12
P III	HKT-500	US	Adhesive skin patch	Relief of joint pain, lower back pain and muscle pain	Discontinuance
P III	Mesafem	US	Oral	Vasomotor symptoms (hot flashes)	Filed in FY11
P III	HTU-520	Japan	Adhesive skin patch	Onychomycosis	Filed in FY12
P III	HOB-294	Japan	Adhesive skin patch	Overactive bladder	Filed in FY12
P III (in preparation)	HFT-290 (Additional Indication of FENTOS@TAPE)	Japan	Adhesive skin patch	Relief of non-malignant chronic pain	Phase III in FY10

※Yellow-highlighted parts are changes from the previous announcement made on Jun. 30. 13

**Patch and Care of People around the World**

## Aiming at improving the QOL of people around the world

Q2 FY02/2011 Results

Oct. 5th, 2010

Hisamitsu Pharmaceutical Co., Inc.

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