

Hisamitsu Pharmaceutical Co., Inc.

Q1 FY02/2012 Results and future outlook

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.

Jul. 7th, 2011

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Patch and Care of People around the World

Business Performance for the Q1 FY02/2012

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Patch and Care of People around the World

Consolidated PL



	Q1 FY02/11	Q1 FY02/12	YoY	Consolidated / Non-consolidated
Net sales	32,869	33,039	+0.5%	1.17
CoGS	11,440	10,938	-4.4%	
as a % of sales	34.8%	33.1%		
SG&A costs	14,746	15,301	+3.8%	
Advertising costs	2,542	2,105	-17.2%	
R&D spending	2,725	3,534	+29.7%	
Operating profits	6,682	6,800	+1.8%	0.95
Recurring profits	7,464	7,833	+4.9%	1.07
Net profits	6,085	2,758	-54.7%	0.99

Unit: ¥"1" million

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Patch and Care of People around the World

Non-consolidated PL



	Q1 FY02/11	Q1 FY02/12	YoY	Remarks
Net sales	28,667	28,303	-1.3%	
Rx Business	23,926	23,088	-3.5%	<ul style="list-style-type: none"> • Impact of Disaster (quake and Tsunami). • Slowdown in growth of Patch market. • Intensified Competitive Environment.
OTC Business	4,052	4,408	+8.8%	• Inventory.
Intl Business	687	806	+17.3%	• Inventory
CoGS	9,080	8,544	-5.9%	• Disaster-Related Costs Recorded as Extraordinary losses.
as a % of sales	31.7%	30.2%		
SG&A costs	12,593	12,573	-0.2%	
Advertising costs	2,500	2,064	-17.4%	• Self-Controlled Due to Disaster.
R&D spending	2,145	2,805	+30.8%	• Progress of Development Themes.
Operating profits	6,992	7,185	+2.8%	
Recurring profits	7,127	7,304	+2.5%	
Net profits	6,034	2,783	-53.9%	• Extraordinary balance.

Unit: ¥"1" million

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	Q1 FY02/11	Q1 FY02/12	YoY	Remarks
Net sales	2,191	3,043	+38.9%	
Vivelle-Dot	1,129	852	-24.5%	•Inventory.
Noven Therapeutics	653	575	-11.9%	
Daytrana	237	1,425	+501.3%	•Changed to Marketing by Ourselves.
Other	172	191	+11.0%	
CoGS	1,311	1,450	+10.5%	
SG&A costs	1,473	1,883	+27.8%	
R&D spending	579	732	+26.3%	•Progress of Development Themes.
Other	893	1,151	+28.8%	•Sales Promotion Costs of Daytrana.
Operating profits	-594	-290	-	
Nonoperating balance	597	884	+47.9%	
Equity in earnings of Novogyne	927	1,125	+21.3%	•Increased Sales of Vivelle-Dot.
Amortization of fair value adjustment to investment in Novogyne	-330	-243	-	
Recurring profits	3	593	+16874%	
Net profits	8	370	+4198%	

* Exchange rate: ¥90.75 (Q1 FY02/11) , ¥82.33 (Q1 FY02/12)

Unit: ¥"1" million

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Sales results of major products

		Q1 FY02/11	Q1 FY02/12	YoY	Remarks
Ethical drugs	Mohrus Tapes	19,030	18,437	-3.1%	•Impact of Disaster. (quake and Tsunami)
	Mohrus Paps	2,604	1,969	-24.4%	•Impact of Disaster. (quake and Tsunami)
	Naboal	556	477	-14.2%	
	FENTOS TAPE	-	624	-	
	ESTRANA TAPE	260	272	+4.6%	
	Vivelle-Dot	1,129	852	-24.5%	•Inventory Adjustment by raising prices.
	Noven therapeutics	653	575	-11.9%	
	Daytrana	237	1,425	+501.3%	•Changed to Marketing by ourselves.
OTC drugs	Salonpas products	988	1,045	+5.8%	
	Feitas products	773	935	+21.0%	•Launch of New Products.
	Salonship products	667	683	+2.4%	
	Butena rock products	655	778	+18.8%	•Timing of Shipment.
	Air Salonpas products	423	410	-3.1%	

Unit: ¥"1" million

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Outlook for the FY02/2012

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Forecast of Consolidated PL

	FY02/11	FY02/12E	YoY	Consolidated / Non-consolidated
Net sales	137,184	142,400	+3.8%	1.15
CoGS	47,697	49,200	+3.2%	
as a % of sales	34.8%	34.6%		
SG&A costs	61,292	69,200	+12.9%	
Advertising costs	8,581	10,000	+16.5%	
R&D spending	13,809	16,400	+18.8%	
Operating profits	28,193	24,000	-14.9%	0.86
Recurring profits	33,236	30,500	-8.2%	1.06
Net profits	20,956	17,200	-17.9%	1.04

Unit: ¥"1" million

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Forecast of Non-consolidated PL

	FY02/11	FY02/12E	YoY
Net sales	120,537	123,400	+2.4%
Rx Business	96,544	98,100	+1.6%
OTC Business	19,020	19,500	+2.5%
Intl Business	4,973	5,800	+16.6%
CoGS	38,766	39,300	+1.4%
as a % of sales	32.2%	31.8%	
SG&A costs	50,982	56,300	+10.4%
Advertising costs	7,876	9,100	+15.5%
R&D spending	11,517	12,300	+6.8%
Operating profits	30,788	27,800	-9.7%
Recurring profits	31,435	28,700	-8.7%
Net profits	20,615	16,600	-19.5%

Unit: ¥"1" million

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Forecast of Noven PL

	FY02/11	FY02/12E	YoY
Net sales	9,323	12,700	+36.2%
Vivelle-Dot	4,080	3,900	-4.4%
Noven Therapeutics	2,402	2,000	-16.7%
Daytrana	1,839	5,000	+171.9%
Other	1,002	1,800	+79.6%
CoGS	5,683	7,100	+24.9%
SG&A costs	6,764	9,600	+41.9%
R&D spending	2,777	4,100	+47.6%
Other	3,987	5,500	+37.9%
Operating profits	-3,125	-4,000	-
Nonoperating balance	4,423	5,500	+24.3%
Equity in earnings of Novogyne	5,706	6,500	+13.9%
Amortization of fair value adjustment to investment in Novogyne	-1,273	-1,000	-21.4%
Recurring profits	1,298	1,500	+15.6%
Net profits	882	900	+2.0%

* Exchange rate: ¥87.32 (FY02/11), ¥83.00 (FY02/12E)

Unit: ¥"1" million

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Forecast of Sales results of major products

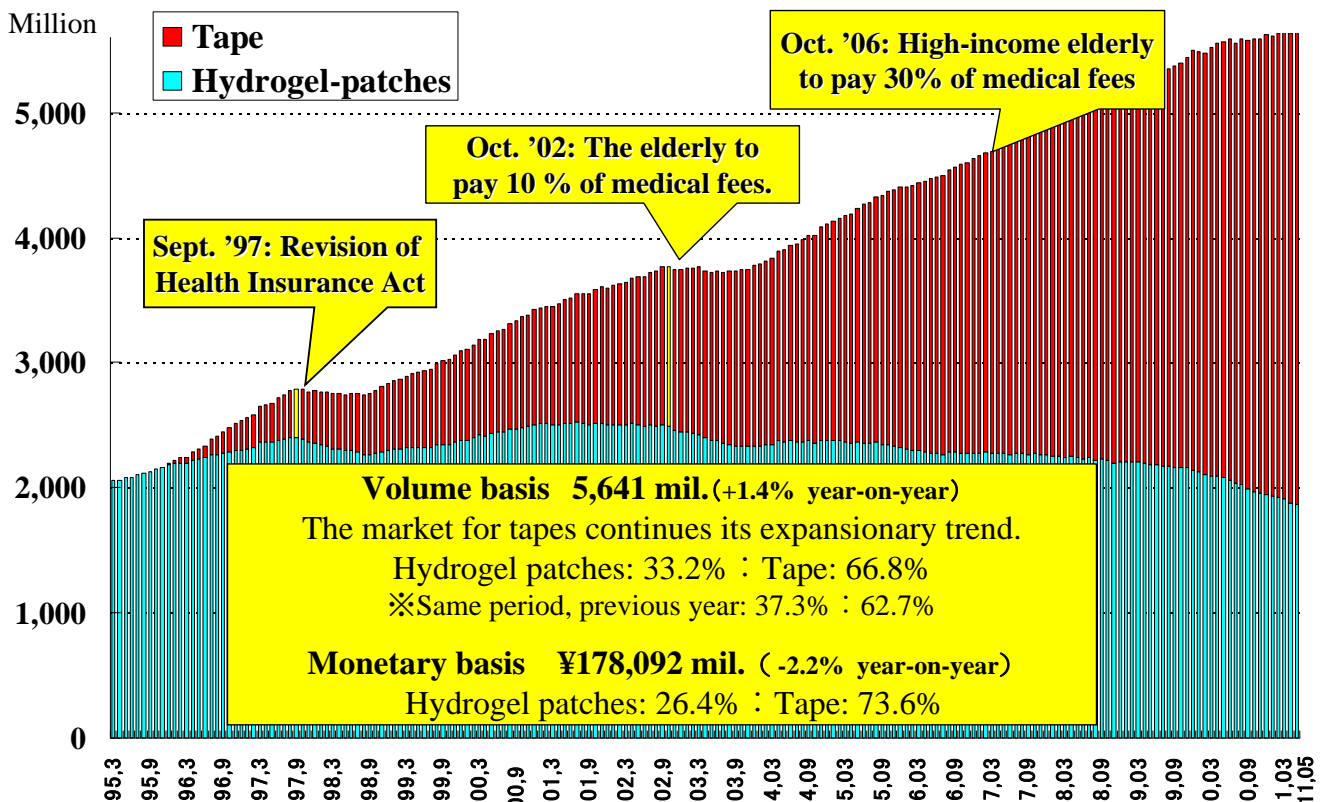
		FY02/11	FY02/12E	YoY
Ethical drugs	Mohrus Tapes	76,565	77,600	+1.4%
	Mohrus Paps	9,859	8,600	-12.8%
	Naboal	2,189	2,000	-8.6%
	FENTOS TAPE	1,283	3,500	+172.8%
	NORSPAN TAPE	-	1,300	-
	ESTRANA TAPE	1,071	1,200	+12.0%
	Vivelle-Dot	4,080	3,900	-4.4%
	Noven therapeutics	2,402	2,000	-16.7%
	Daytrana	1,839	5,000	+171.9%
OTC drugs	Salonpas products	6,439	6,400	-0.6%
	Feitas products	3,664	3,900	+6.4%
	Salonship products	3,459	3,500	+1.2%
	Butena rock products	2,085	2,200	+5.5%
	Air Salonpas products	1,778	1,800	+1.2%

Unit: ¥'1" million

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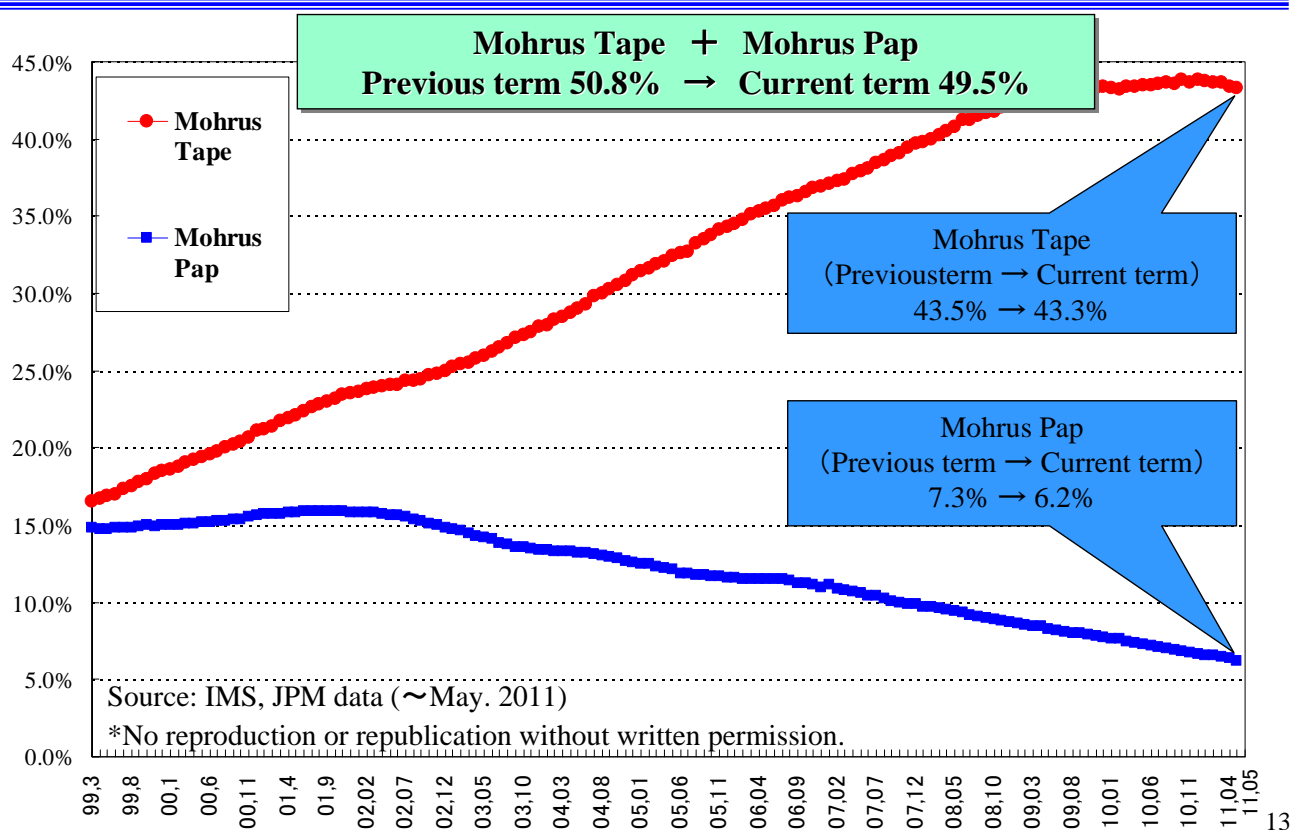
Trends of second-generation Non-Steroidal anti-inflammatory patch market (volume-basis)



Source: IMS, JPM data (~ May. 2011) *No reproduction or republication without written permission.¹²

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



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R&D Pipeline

P III	Mesafem	US	Oral	Vasomotor symptms (hot flashes)	Filed in FY12
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	HFT-290 (Additional Indication of FENTOS@TAPE)	Japan	Adhesive skin patch	Relief of non-malignant chronic pain	Filed in FY13
P II	HTU-520	US	Adhesive skin patch	Onychomycosis	P III in FY13

※ Yellow-highlighted parts are changes from the previous announcement made on Apr.8.

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Regarding Damages by Disaster

■ Loss due to disaster (Extraordinary losses)

-Loss Estimated through FY02/2012: Approx. ¥3 billion

*Actual Record: ¥2.6 billion (March – May)

- Costs of elimination, dismantlement, removal or repairs of buildings and facilities at 1st and 2nd in Utsunomiya Factory.
- Loss due to scrapping products, raw materials or packing materials.

■ Insurance

-Insurance money now in calculation by outside experts.

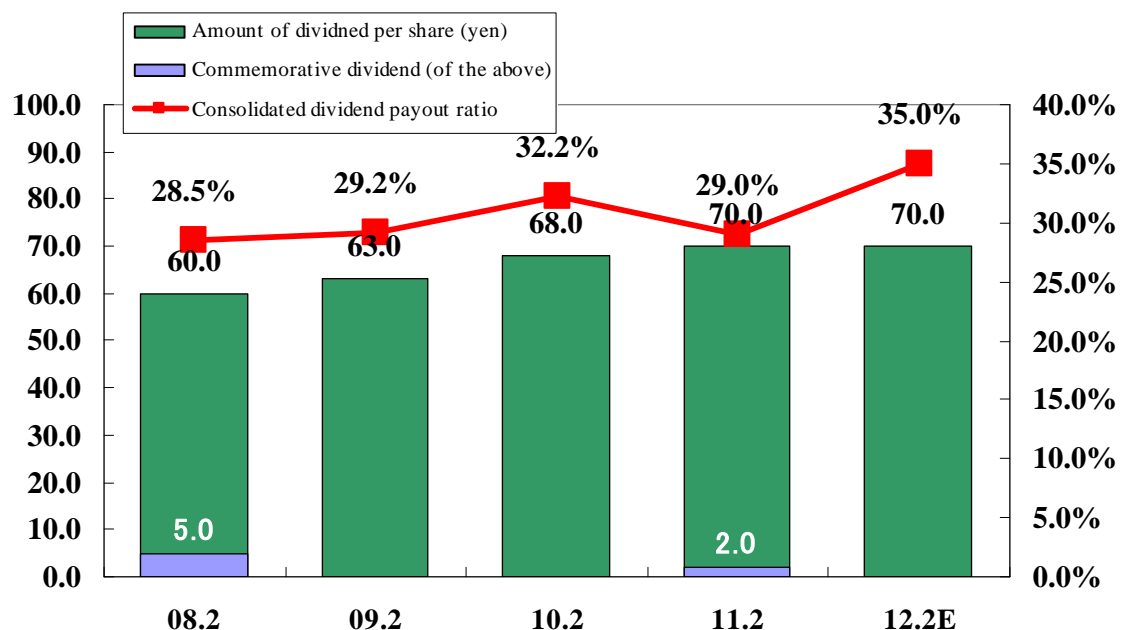
-Formal negotiations to be started (in July) for the early finalization of the insurance money.

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Forecast of dividends

➤ For the term ending February 2012, the consolidated dividend payout ratio is predicted to be 35.0% and the payout is expected to be ¥70.



Midterm dividend ¥35 predicted

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Aiming at improving the QOL of people around the world

Q1 FY02/2012 Results
and future outlook

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