

Financial Summary**Consolidated Financial Results for the Three Months Ended June 30, 2011 (Q1 FY2011)**

July 29, 2011

(Amounts of less than one million yen are rounded down to the nearest million yen.)

1. Consolidated Financial Results for Q1 FY2011 (Apr. 1, 2011 - Jun. 30, 2011)**(1) Consolidated Operating Results (Cumulative)**

(Percentage shows year-on-year changes)

	Net Sales		Operating Income		Ordinary Income		Net Income	
Three Months Ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Jun. 30, 2011	3,087	(21.1)	137	(84.7)	140	(84.2)	117	(78.7)
Jun. 30, 2010	3,911	19.0	896	159.3	887	134.8	551	117.7

(Note) Comprehensive income ;

Three months ended Jun. 30, 2011 : 71 million yen Three months ended Jun. 30, 2010 : 405 million yen

	Net Income per Share (basic)	Net Income per Share (diluted)
Three Months Ended	Yen	Yen
Jun. 30, 2011	3.63	3.62
Jun. 30, 2010	17.64	17.03

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
As of	Million yen	Million yen	%
Jun. 30, 2011	30,692	22,713	73.8
Mar. 31, 2011	29,817	22,832	76.3

(Reference) Shareholders' Equity ; As of Jun. 30, 2011 : 22,639 Million yen As of Mar. 31, 2011 : 22,762 Million yen

2. Dividends

	Dividend per Share				
(Base date)	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2010	—	6.00	—	6.00	12.00
FY 2011	—				
FY 2011 (Forecast)		6.00	—	6.00	12.00

(Note) Revisions of the latest forecast of dividends : None

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2012 (Apr. 1, 2011 - Mar. 31, 2012)

(Percentage figures for the fiscal year represent the changes from the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending Sep. 30, 2011	6,440	(8.5)	320	(69.4)	320	(68.3)	200	(67.0)	6.19
Year ending Mar. 31, 2012	14,220	(1.6)	1,200	(14.7)	1,200	(8.6)	750	(19.0)	23.23

(Note) Revisions of the latest forecast of consolidated operating performance : None

※ Information regarding the implementation of quarterly review procedures

These quarterly financial results are not subject to quarterly review procedures. At the time of disclosure of these financial results, the quarterly consolidated Financial statement review procedures based on the Financial Instruments and Exchange Law of Japan are in progress.

※ Explanations and other special notes concerning the appropriate use of business performance forecasts

The forward-looking statements such as a result forecasts in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable. Actual results may differ materially from the forecast depending on various factors.

1. Descriptive Information and Financial Statements

Descriptive Information on Consolidated Operating Results

During the first quarter ended June 30, 2011, the Company reorganized the sales division to strengthen regional marketing and strived to establish global standard quality assurance system to expand its business overseas with **Epoetin Alfa BS Inj. JCR** for treatment of anemia and therapeutic enzymes for lysosomal diseases.

As a result, the sales of the Company during the first quarter remained at the same level of projection at the beginning of this fiscal year with ¥3,087 million. However, this is ¥824 million short due to no license revenue and sales of anticancer bulk drug substance which posted ¥1,027 million during the same period of the previous fiscal year.

The sales of anticancer bulk substance drug and license revenue are anticipated to be recorded in the second quarter and the third quarter of this fiscal year or later, respectively.

In terms of profit and loss, the Company recorded operating income of ¥137 million (a decrease of ¥759 million), ordinary income of ¥140 million (a decrease of ¥747 million) and net income of ¥117 million (a decrease of ¥434 million) in the same period of the previous fiscal year, primarily due to the aforementioned declined revenue.

The sales and status of each business segment are as shown below:

(1) Pharmaceutical business

While the sales of **Growject®** and **Epoetin Alpha BS Inj. JCR** remained at the same level of the same period in the previous financial year, the sales of urine-derived products increased compared to the previous year. As a result, the sales of final products reached ¥2,992 million, an increase of ¥208 million. Total pharmaceutical business sales recorded ¥2,993 million (a decrease of ¥818 million) primarily due to no license revenue and sales of anticancer bulk substance.

(2) Medical device/laboratory equipment business

The sales of medical device/laboratory equipment business recorded ¥93 million (a decrease of ¥6 million), primarily due to decrease in the sales of laboratory equipments.

2. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

Yen in thousands

Consolidated Balance Sheets	As of March 31, 2011	As of June 30, 2011
Assets		
Current assets		
Cash and deposits	1,439,264	2,562,436
Notes and accounts receivable-trade	3,904,924	3,827,450
Short-term investment securities	2,979,717	1,729,527
Merchandise and finished goods	668,566	734,580
Work in process	1,060,196	1,204,402
Raw materials and supplies	2,846,064	2,763,247
Other	928,131	1,310,911
Allowance for doubtful accounts	(6,146)	(5,760)
Total current assets	13,820,720	14,126,796
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	3,700,457	3,648,152
Land	3,602,773	3,602,773
Other, net	3,015,987	2,994,411
Total property, plant and equipment	10,319,218	10,245,336
Intangible assets	120,539	114,211
Investments and other assets		
Investment securities	4,412,021	4,178,608
Other	1,343,565	2,226,464
Allowance for doubtful accounts	(198,564)	(198,564)
Total investments and other assets	5,557,021	6,206,508
Total noncurrent assets	15,996,779	16,566,056
Total assets	29,817,499	30,692,853
Liabilities		
Current liabilities		
Notes and accounts payable-trade	955,207	1,020,253
Short-term loans payable	1,746,000	1,723,000
Income taxes payable	323,914	106,516
Provision for bonuses	249,155	400,838
Provision for directors' bonuses	59,500	70,625
Other	1,499,131	2,558,674
Total current liabilities	4,832,908	5,879,908
Noncurrent liabilities		
Long-term loans payable	633,200	591,200
Provision for retirement benefits	50,655	44,957
Other	1,468,586	1,463,600
Total noncurrent liabilities	2,152,442	2,099,758
Total liabilities	6,985,350	7,979,667

(Continued)

Yen in thousands

Consolidated Balance Sheets	As of March 31, 2010	As of June 30, 2011
Net assets		
Shareholders' equity		
Capital stock	9,061,866	9,061,866
Capital surplus	10,779,605	10,779,605
Retained earnings	2,964,585	2,888,028
Treasury stock	(82,722)	(82,801)
Total shareholders' equity	22,723,335	22,646,699
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	53,646	8,259
Deferred gains or losses on hedge	(55,329)	(65,460)
Foreign currency translation adjustments	40,464	50,218
Total accumulated other comprehensive income	38,780	(6,983)
Subscription rights to shares	69,717	73,123
Minority interests	315	345
Total net assets	22,832,148	22,713,185
Total liabilities and net assets	29,817,499	30,692,853

(2) Consolidated Statements of Income

Yen in thousands

Consolidated Statements of Income	Three months ended Jun. 30, 2010	Three months ended Jun. 30, 2011
Net sales	3,911,258	3,087,133
Cost of sales	1,151,871	1,022,839
Gross profit	2,759,387	2,064,293
Selling, general and administrative expenses	1,862,747	1,927,110
Operating income	896,640	137,183
Non-operating income		
Interest income	13,358	14,073
Dividends income	11,056	9,514
Foreign exchange gain	2,564	5,181
Other	3,087	3,582
Total non-operating income	30,066	32,352
Non-operating expenses		
Interest expenses	13,107	14,210
Equity in losses of affiliates	24,717	11,364
Other	1,317	3,960
Total non-operating expenses	39,143	29,535
Ordinary income	887,563	140,000
Extraordinary income		
Reversal of allowance for doubtful accounts	17	—
Total extraordinary income	17	—
Extraordinary loss		
Loss on disposal of noncurrent assets	532	431
Loss on adjustment for changes of accounting standard for asset retirement obligations	14,783	—
Total extraordinary loss	15,316	431
Income before income taxes	872,264	139,568
Income taxes-current	279,377	85,300
Income taxes-deferred	41,597	(62,934)
Total income taxes	320,974	22,365
Income before minority interests	551,289	117,203
Minority interests in income	40	30
Net income	551,249	117,172

(3) Consolidated Statements of Comprehensive Income

Consolidated Statements of Comprehensive Income	Three months ended Jun. 30, 2010	Three months ended Jun. 30, 2011
Income before minority interests	551,289	117,203
Other comprehensive income		
Valuation difference on available-for-sale securities	(73,534)	(45,386)
Deferred gains or losses on hedges	(75,255)	(10,131)
Foreign currency translation adjustment	3,144	9,753
Total other comprehensive income	(145,646)	(45,764)
Comprehensive income	405,643	71,439
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	405,602	71,408
Comprehensive income attributable to minority interests	40	30