

Consolidated Financial Results for the first quarter of fiscal year 2006

July 31, 2006

Name of Listed Company : **SHIONOGI & CO., LTD.** (URL <http://www.shionogi.co.jp>)
 Securities code number : 4507
 Listed Exchanges : Section 1 of Tokyo and Osaka
 Representative : Title of Person in Charge *President*
 : Name *Motozo Shiono*
 Contact responsibility : Title of Person in Charge *General Manager, Public Relations Unit*
 : Name *Noriyuki Kishida*
 Telephone : 06(6202)-2161

1. Basis of preparation

- (1) Adoption of simplified methods of accounting [Yes/No] : Yes
The Company has partially adopted simplified methods of accounting for inventory valuation and others.
- (2) Changes in method of accounting [Yes/No] : No
- (3) Changes in the scope of consolidation or in the application of the equity method [Yes/No] : Yes
Consolidation (Excluded) 1 subsidiary (Ohmori Group Honsha Co., Ltd.)

2. Financial Results for the period from April 1, 2006 to June 30, 2006

(1) Results of operations (Note: All amounts are rounded down to the nearest million yen.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2006	46,193	(4.7)	5,212	(24.6)	5,145	(28.1)	3,049	(45.4)
Three months ended June 30, 2005	48,491	1.5	6,912	33.2	7,153	37.8	5,581	10.0
Year ended March 31, 2006	196,388	(1.5)	29,226	1.7	29,656	6.7	22,735	20.0

	Earnings per share		Earnings per share (diluted)	
	Yen	Yen	Yen	Yen
Three months ended June 30, 2006	8.96	—	—	—
Three months ended June 30, 2005	16.38	—	—	—
Year ended March 31, 2006	66.55	—	—	—

(Notes) *The percentages shown under net sales, operating income, ordinary income and net income in the table above represent the change from the corresponding figures for the same period of the previous year.*

[Information on results of operations]

For the first quarter ended June 30, 2006, net sales were ¥46,193 million, operating income was ¥5,212 million, ordinary income was ¥5,145 million, and net income was ¥3,049 million. With regard to net sales, royalty income increased substantially, but in prescription drugs, sales of Flumarin, Vancomycin, Claritin and other core products declined compared to the same period of the previous year, due in part to a revision of National Health Insurance (NHI) drug prices in April 2006. Moreover, in October 2005, Shionogi sold the capsule business and removed it from consolidation. As a result, overall net sales declined 4.7 percent compared to the same period of the previous year.

In terms of profit, while royalty income increased, research and development expenses increased by 30.4 percent compared to the same period of the previous year. Operating income and ordinary income, therefore, decreased 24.6 percent and 28.1 percent, respectively. Net income decreased 45.4 percent, which also reflected factors such as gain on sales of investments in securities in the same period of the previous year.

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2006	422,264	335,872	79.5	985.48
As of June 30, 2005	374,891	302,977	80.8	889.26
As of March 31, 2006	427,682	337,185	78.8	989.76

[Cash Flows]

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the period
	Million yen	Million yen	Million yen	Million yen
Three months ended June 30, 2006	(1,890)	(3,761)	(3,680)	66,763
Three months ended June 30, 2005	2,320	(1,109)	(22,601)	74,436
Year ended March 31, 2006	16,885	(12,047)	(24,796)	76,142

[Information on changes in financial position]

Looking at the financial position as of June 30, 2006, total assets decreased ¥5,418 million compared to the end of the previous fiscal year, primarily because of a decrease in cash and deposits due to payment of income taxes. Total liabilities decreased ¥3,857 million, mainly due to a decrease in accrued tax liabilities. Net assets decreased ¥1,313 million compared to the end of the previous fiscal year, mainly due to payment of cash dividends and a decrease in unrealized gain on securities.

Net cash used in operating activities was ¥1,890 million. Income before income taxes was ¥5,145 million, a decrease compared with the same period of the previous fiscal year, and income taxes paid totaled ¥11,770 million. Net cash used in investing activities was ¥3,761 million due to factors including purchases of property, plant and equipment. Net cash used in financing activities was ¥3,680 million due to cash dividends paid and other factors. As a result, cash and cash equivalents as of June 30, 2006 totaled ¥66,763 million, a decrease of ¥9,379 million from the end of the previous fiscal year.

(Reference) Financial Results (Non-consolidated) for the period from April 1, 2006 to June 30, 2006

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2006	44,338	0.1	4,334	(29.7)	4,948	(29.9)	2,720	(53.2)
Three months ended June 30, 2005	44,309	4.2	6,165	53.4	7,063	56.8	5,806	23.6
Year ended March 31, 2006	183,388	1.5	25,770	4.9	28,107	10.2	26,663	49.9

	Total assets	Net assets
	Million yen	Million yen
As of June 30, 2006	407,055	331,476
As of June 30, 2005	362,457	296,824
As of March 31, 2006	415,740	332,426

(Notes) The percentages shown under net sales, operating income, ordinary income and net income in the table above represent the change from the corresponding figures for the same period of the previous year.

[Reference]

Forecasted results for the year ending March 31, 2007 (April 1, 2006 to March 31, 2007)

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
For the 6 months ending September 30, 2006	97,000	11,500	6,500
For the year ending March 31, 2007	210,000	31,000	18,000

(Reference) *Estimated earnings per share for FY 2006:* ¥52.85

[Information on forecasted results]

We have not revised the interim or annual forecasted results which were announced on May 15, 2006.

Forecasted results (Non-consolidated) for the year ending March 31, 2007 (April 1, 2006 to March 31, 2007)

	Net sales	Ordinary income	Net income	Annual dividend per share		
				Interim	Year end	
	Million yen	Million yen	Million yen	Yen	Yen	Yen
For the 6 months ending September 30, 2006	93,000	10,600	6,000	8 . 00	—	—
For the year ending March 31, 2007	198,000	29,000	17,000	—	8 . 00	16 . 00

(Reference) *Estimated earnings per share for FY 2006:* ¥49.91

(Notes) *These estimates on July 31, 2006 include a number of assumptions, forward-looking projections and plans. The actual results may differ substantially depending on the situation of competitors, uncertainties in the market.*

1.Consolidated Statements of Income

(Units: millions of yen)

	Three months ended June 30, 2006		Three months ended June 30, 2005		Increase (decrease)	(Reference) Year ended March 31, 2006	
	Amount	%	Amount	%		Amount	%
Net sales	46,193	100.0	48,491	100.0	(2,298)	196,388	100.0
Cost of sales	15,489	33.5	17,932	37.0	(2,443)	68,707	35.0
Gross profit	30,703	66.5	30,559	63.0	144	127,681	65.0
Selling, general and administrative expenses	25,491	55.2	23,646	48.7	1,845	98,455	50.1
<i>R&D expenses</i>	[9,088]	[19.7]	[6,968]	[14.4]	[2,120]	[32,256]	[16.4]
Operating income	5,212	11.3	6,912	14.3	(1,700)	29,226	14.9
Non-operating income	856	1.8	979	2.0	(123)	3,440	1.7
Non-operating expenses	924	2.0	738	1.5	186	3,010	1.5
Ordinary income	5,145	11.1	7,153	14.8	(2,008)	29,656	15.1
Extraordinary gains	—	—	2,729	5.6	(2,729)	10,647	5.4
Extraordinary losses	—	—	700	1.5	(700)	1,505	0.7
Income before income taxes and minority interests	5,145	11.1	9,182	18.9	(4,037)	38,798	19.8
Income taxes, current	772	1.7	3,215	6.6	(2,443)	16,890	8.6
Income taxes, deferred	1,319	2.8	388	0.8	931	(861)	(0.4)
Minority interests	(3)	(0.0)	2	0.0	(5)	(33)	(0.0)
Net income	3,049	6.6	5,581	11.5	(2,532)	22,735	11.6

2. Consolidated Balance Sheets

(Units: millions of yen)

	As of June 30, 2006		(Reference) As of March 31, 2006		Increase (decrease)	As of June 30, 2005	
	Amount	%	Amount	%	Amount	Amount	%
Assets							
Current assets:							
Cash and deposits	81,287		90,652		(9,365)	81,200	
Notes and accounts receivable	67,256		69,912		(2,656)	69,786	
Inventories	29,392		27,184		2,208	30,726	
Other current assets	22,915		20,590		2,325	19,551	
Allowance for doubtful accounts	(13)		(13)		0	(66)	
Total current assets	200,838	47.6	208,327	48.7	(7,489)	201,198	53.7
Fixed assets:							
Property, plant and equipment:							
Buildings and structures	30,817		30,759		58	31,835	
Other	34,922		33,491		1,431	36,047	
Property, plant and equipment, net	65,739	15.6	64,251	15.0	1,488	67,883	18.1
Intangible fixed assets	6,851	1.6	7,131	1.7	(280)	6,719	1.8
Investments and other assets:							
Investments in securities	128,726		129,037		(311)	81,097	
Prepaid pension expenses	16,572		15,360		1,212	13,714	
Other	3,697		3,736		(39)	4,479	
Allowance for doubtful accounts	(162)		(162)		0	(200)	
Total investments and other assets	148,834	35.2	147,972	34.6	862	99,089	26.4
Total fixed assets	221,426	52.4	219,355	51.3	2,071	173,692	46.3
Total assets	422,264	100.0	427,682	100.0	(5,418)	374,891	100.0

(Units: millions of yen)

	As of June 30, 2006		(Reference) As of March 31, 2006		Increase (decrease)	As of June 30, 2005	
	Amount	%	Amount	%	Amount	Amount	%
Liabilities							
Current liabilities:							
Note and accounts payable	12,552		10,227		2,325	12,423	
Reserves:							
Reserve for bonuses	10,989		7,482		3,507	11,143	
Other reserves	984		1,187		(203)	777	
Other current liabilities	24,649		32,981		(8,332)	21,020	
Total current liabilities	49,175	11.7	51,877	12.1	(2,702)	45,364	12.1
Long-term liabilities:							
Reserves:							
Accrued retirement benefits for employees	8,501		8,318		183	8,520	
Other reserves	185		240		(55)	240	
Other long-term liabilities	28,529		29,811		(1,282)	17,575	
Total long-term liabilities	37,216	8.8	38,371	9.0	(1,155)	26,336	7.0
Total liabilities	86,392	20.5	90,249	21.1	(3,857)	71,701	19.1
Minority interests:							
Minority interests	—	—	247	0.1	—	211	0.1
Shareholders' equity:							
Common stock	—	—	21,279	5.0	—	21,279	5.7
Additional paid-in capital	—	—	20,227	4.7	—	20,227	5.4
Retained earnings	—	—	266,469	62.3	—	251,344	67.0
Unrealized gain on securities	—	—	38,116	8.9	—	20,442	5.5
Translation adjustments	—	—	(156)	(0.0)	—	(1,718)	(0.5)
Less treasury stock, at cost	—	—	(8,750)	(2.1)	—	(8,598)	(2.3)
Total shareholders' equity	—	—	337,185	78.8	—	302,977	80.8
Total liabilities, minority interests and shareholders' equity	—	—	427,682	100.0	—	374,891	100.0
Net Assets:							
Owners' equity:							
Common stock	21,279	5.0	—	—	—	—	—
Additional paid-in capital	20,227	4.8	—	—	—	—	—
Retained earnings	266,050	63.0	—	—	—	—	—
Less treasury stock, at cost	(8,834)	(2.1)	—	—	—	—	—
Total owners' equity	298,723	70.7	—	—	—	—	—
Valuation and translation adjustments:							
Unrealized gain on securities	37,018	8.7	—	—	—	—	—
Translation adjustments	(117)	(0.0)	—	—	—	—	—
Total valuation and translation adjustments	36,900	8.7	—	—	—	—	—
Minority interests:	247	0.1	—	—	—	—	—
Total net assets	335,872	79.5	—	—	—	—	—
Total liabilities and net assets	422,264	100.0	—	—	—	—	—

3. Consolidated Statements of Cash Flows

(Units: millions of yen)

	Three months ended June 30, 2006	Three months ended June 30, 2005	(Reference) Year ended March 31, 2006
	Amount	Amount	Amount
Operating activities:			
Income before income taxes and minority interests	5,145	9,182	38,798
Depreciation and amortization	2,017	2,085	8,652
Decrease (increase) in notes and accounts receivable, trade	2,660	3,679	(89)
Increase in inventories	(2,206)	(995)	(167)
Increase in notes and accounts payable, trade	2,330	3,725	2,657
Other	(599)	(6,483)	(20,499)
Subtotal	9,348	11,193	29,352
Interest and dividend income received	548	463	1,471
Interest paid	(17)	(203)	(234)
Income taxes paid	(11,770)	(9,133)	(13,704)
Net cash (used in) provided by operating activities	(1,890)	2,320	16,885
Investing activities:			
Purchases of marketable securities or investments in securities	(1,411)	—	(23,205)
Proceeds from sales of marketable securities or investments in securities	—	—	25,320
Purchases of property, plant and equipment	(2,190)	(1,376)	(5,386)
Proceeds from sales of property, plant and equipment	9	144	343
Other	(169)	122	(9,120)
Net cash used in investing activities	(3,761)	(1,109)	(12,047)
Financing activities:			
Short-term loans, net	—	65	276
Redemption of bonds	—	(20,000)	(20,000)
Cash dividends paid to shareholders' of the company	(3,407)	(2,641)	(4,675)
Other	(272)	(26)	(397)
Net cash used in financing activities	(3,680)	(22,601)	(24,796)
Effect of exchange rate changes on cash and cash equivalents	(46)	107	358
Decrease in cash and cash equivalents	(9,378)	(21,283)	(19,600)
Cash and cash equivalents at beginning of period	76,142	95,719	95,719
Increase in cash and cash equivalents resulting from merger of consolidated subsidiary with unconsolidated subsidiary	—	—	23
Cash and cash equivalents at end of period	66,763	74,436	76,142

4. Segment Information

[Business Segment Information]

Three months ended June 30, 2006

(Units: millions of yen)

Business Segment Account	Pharmaceuticals and related businesses	Other businesses	Total	Eliminations	Consolidated
Net sales and operating income:					
Net sales					
(1) Sales to third parties	45,600	593	46,193	—	46,193
(2) Intergroup sales and transfers	—	1,573	1,573	(1,573)	—
Total	45,600	2,166	47,766	(1,573)	46,193
Operating expenses	40,897	1,657	42,554	(1,573)	40,981
Operating income	4,703	509	5,212	(0)	5,212

Three months ended June 30, 2005

(Units: millions of yen)

Business Segment Account	Pharmaceuticals and related businesses	Capsule business	Other businesses	Total	Eliminations	Consolidated
Net sales and operating income:						
Net sales						
(1) Sales to third parties	45,158	2,760	572	48,491	—	48,491
(2) Intergroup sales and transfers	—	90	1,273	1,363	(1,363)	—
Total	45,158	2,850	1,845	49,855	(1,363)	48,491
Operating expenses	38,815	2,497	1,630	42,943	(1,364)	41,578
Operating income	6,342	353	215	6,911	1	6,912

(Reference) Year ended March 31, 2006

(Units: millions of yen)

Business Segment Account	Pharmaceuticals and related businesses	Capsule business	Other businesses	Total	Eliminations	Consolidated
Net sales and operating income:						
Net sales						
(1) Sales to third parties	187,235	6,060	3,092	196,388	—	196,388
(2) Intergroup sales and transfers	—	116	8,571	8,687	(8,687)	—
Total	187,235	6,177	11,663	205,075	(8,687)	196,388
Operating expenses	160,476	5,489	9,933	175,899	(8,736)	167,162
Operating income	26,758	687	1,730	29,176	49	29,226

(Notes) 1. *Businesses of the Shionogi & Co., Ltd and consolidated subsidiaries are segmented into "Pharmaceuticals and related businesses" and "Other businesses", considering the types of products/merchandise handled and the similarities in their markets. Previously, the business segments were "Pharmaceuticals and related businesses", "Capsule business" and "Other businesses". However, the capsule business was removed from consolidation with the sale of that business in the previous fiscal year, and therefore businesses for this quarter are segmented into "Pharmaceuticals and related businesses" and "Other businesses".*

2. *Major products/merchandise and services provided by each segment*

Business Segment	Major products/merchandise and services
Pharmaceuticals and related businesses	Ethical drugs, OTC drugs and Diagnostics
Other businesses	Real estate leases, Physical distribution and other services

First Quarter Result for the year ending March 31, 2007 <Supplement>

July 31, 2006
SHIONOGI & CO., LTD.

① Sales by segment

(Unit: Yen 100 million)

<Consolidated>

		(Announced May 15, 2006)						(Announced July 31, 2006)	
		FY2006 1H (forecast)	FY2006 (forecast)	Apr. 2006- Jun. 2006	Apr. 2005- Jun. 2005	Change	Progress % vs FY2006 1H forecast	FY2006 1H (forecast)	FY2006 (forecast)
Pharmaceuticals and related businesses		956 (7.1)	2,043 (9.1)	456 (1.0)	451 (4.1)	5	47.7	956 (7.1)	2,043 (9.1)
	Ethical drugs	829 (3.4)	1,768 (5.5)	399 (Δ 2.4)	408 (1.9)	Δ 9	48.1	827 (3.2)	1,766 (5.4)
	OTC and quasi-drugs	35 (7.9)	70 (8.6)	15 (Δ 5.2)	16 (3.6)	Δ 1	43.7	35 (7.9)	70 (8.6)
	Diagnostics	17 (Δ 3.1)	35 (3.2)	9 (Δ 5.7)	9 (Δ 4.1)	0	51.9	19 (8.3)	37 (9.1)
	Royalty income	75 (81.2)	170 (72.6)	33 (88.4)	17 (104.9)	16	44.3	75 (81.2)	170 (72.6)
Capsule business		- (-)	- (-)	- (-)	27 (Δ 3.8)	Δ 27	-	- (-)	- (-)
Other businesses		14 (Δ 6.8)	57 (84.6)	6 (3.7)	5 (Δ 62.7)	1	43.5	14 (Δ 6.8)	57 (84.6)
	Real estate etc.	14 (Δ 6.8)	57 (84.6)	6 (3.7)	5 (Δ 62.7)	1	43.5	14 (Δ 6.8)	57 (84.6)
Total		970 (0.2)	2,100 (6.9)	461 (Δ 4.7)	484 (1.5)	Δ 23	47.6	970 (0.2)	2,100 (6.9)

() = UP % vs previous year

<Non-consolidated>

		(Announced May 15, 2006)						(Announced July 31, 2006)	
		FY2006 1H (forecast)	FY2006 (forecast)	Apr. 2006- Jun. 2006	Apr. 2005- Jun. 2005	Change	Progress % vs FY2006 1H forecast	FY2006 1H (forecast)	FY2006 (forecast)
Pharmaceuticals and related businesses		930 (6.2)	1,980 (8.0)	443 (0.1)	443 (4.2)	0	47.7	930 (6.2)	1,980 (8.0)
	Ethical drugs	803 (2.3)	1,705 (4.2)	386 (Δ 3.5)	399 (2.2)	Δ 13	48.1	801 (2.1)	1,703 (4.0)
	OTC and quasi-drugs	35 (7.9)	70 (8.6)	15 (Δ 5.2)	16 (3.6)	Δ 1	43.7	35 (7.9)	70 (8.6)
	Diagnostics	17 (Δ 3.1)	35 (3.2)	9 (Δ 5.7)	9 (Δ 4.1)	0	51.9	19 (8.3)	37 (9.1)
	Royalty income	75 (81.2)	170 (72.6)	33 (88.4)	17 (104.9)	16	44.3	75 (81.2)	170 (72.6)
Total		930 (6.2)	1,980 (8.0)	443 (0.1)	443 (4.2)	0	47.7	930 (6.2)	1,980 (8.0)

() = UP % vs previous year

② Main Products <Non-consolidated>

(Unit: Yen 100 million)

Ethical drugs

(Announced May 15, 2006)

Product name	FY2006 1H (forecast)	FY2006 (forecast)
Total ethical drugs	803	1,705
Top 10 products		
1 FLOMOX	150	340
2 VANCOMYCIN	76	143
3 FLUMARIN	77	150
4 IMMUNACE	55	110
5 RINDERON	53	100
6 CLARITIN	38	105
7 OXYCONTIN	31	70
8 LONGES	22	45
9 KEFRAL	15	31
10 MS CONTIN	11	20
Other main products		
RHYTHMY	15	30
DOBUTREX	15	30
LANDEL	13	30
AQUPLA	7	15
PL GRANULES	9	28
BROACT	13	26
BERIZYM	12	24
ULGUT	5	10
MORPHINE- HYDROCHLORIDE	4	8
CEFTIBUTEN (Export)	10	20
New products		
CRESTOR	2	10
FINIBAX	12	35
AVELOX	20	55
CETROTIDE	-	5

Apr. 2006- Jun. 2006	Apr. 2005- Jun. 2005	Change	Progress % vs FY2006 1H forecast
386	399	△ 13	48.1
72	76	△ 4	48.1
37	44	△ 7	49.3
36	42	△ 6	46.5
30	27	3	54.6
27	27	0	51.2
14	20	△ 6	35.4
13	10	3	42.2
10	12	△ 2	44.7
8	9	△ 1	51.1
7	10	△ 3	65.1
7	7	0	43.8
6	8	△ 2	41.5
5	5	0	37.2
3	3	0	43.0
6	5	1	67.0
5	7	△ 2	38.9
6	6	0	54.7
2	3	△ 1	43.7
2	3	△ 1	55.8
3	5	△ 2	26.1
1	0	1	30.3
5	-	5	37.7
7	-	7	34.0
-	-	-	-

(Announced July 31, 2006)

FY2006 1H (forecast)	FY2006 (forecast)
801	1,703
145	335
76	143
75	148
60	115
56	103
30	97
31	70
22	45
15	31
13	22
15	30
15	30
13	30
7	15
9	28
13	26
12	24
5	10
4	8
10	20
2	10
12	35
20	55
-	5

OTC products

(Announced May 15, 2006)

Product name	FY2006 1H (forecast)	FY2006 (forecast)
Total OTC products	35	70
SEDES	15	30
POPON-S	6	13

Apr. 2006- Jun. 2006	Apr. 2005- Jun. 2005	Change	Progress % vs FY2006 1H forecast
15	16	△ 1	43.7
6	7	△ 1	42.7
3	3	0	48.9

(Announced July 31, 2006)

FY2006 1H (forecast)	FY2006 (forecast)
35	70
15	30
6	13

Royalty income

(Announced May 15, 2006)

Product name	FY2006 1H (forecast)	FY2006 (forecast)
Total Royalty income	75	170
CRESTOR	65	150

Apr. 2006- Jun. 2006	Apr. 2005- Jun. 2005	Change	Progress % vs FY2006 1H forecast
33	17	16	44.3
31	14	17	48.1

(Announced July 31, 2006)

FY2006 1H (forecast)	FY2006 (forecast)
75	170
65	150

<In Japan>

Code No. (Generic name)	Category (Administration)	Indication	Stage	Origin	Development
NS75A (Cetorelix acetate)	Gonadotropin releasing hormone antagonist (Injection)	Prevention of premature ovulation during a controlled ovarian stimulation followed by assisted reproductive technology (ART).	Approval (April, 2006)	Zentaris AG (Germany)	Co-development: Nippon Kayaku Co., Ltd.
S-8116 (Oxycodone hydrochloride)	Immediate-release oxycodone (Oral)	Cancer pain	NDA submission (May, 2004)	Mundipharma AG (Netherlands)	In-house
SCH29851 (Loratadine)	Histamine H1 receptor antagonist (Oral)	Additional indication: Pediatric use (allergic rhinitis and itch caused by various dermatitis)	NDA submission (September, 2004; Schering-Plough K.K.)	Schering-Plough Corp. (USA)	Co-development: Schering-Plough K.K.
SR47436 (Irbesartan)	Angiotensin II receptor antagonist (Oral)	Hypertension	Phase 3	Sanofi-Aventis (France)	Co-development: Bristol Pharmaceuticals K.K.
LY248686 (Duloxetine hydrochloride)	SNRI (serotonin & norepinephrine reuptake inhibitor) (Oral)	Depression	Phase 3	Eli Lilly and Company (USA)	In-house
S-7701 (Pirfenidone)	Anti-fibrosis (Oral)	Idiopathic interstitial pulmonary fibrosis	Phase 3	Marnac, Inc. (USA)	In-house
NS75A (Cetorelix acetate)	Gonadotropin releasing hormone antagonist (Injection)	Uterine myoma	Phase 2	Zentaris AG (Germany)	Co-development: Nippon Kayaku Co., Ltd.
LY248686 (Duloxetine hydrochloride)	SNRI (serotonin & norepinephrine reuptake inhibitor) (Oral)	Diabetic Peripheral neuropathic pain	Phase 2	Eli Lilly and Company (USA)	In-house
S-013420	Novel macrolide antibiotic (Oral)	Bacterial infection	Phase 2	Enanta Pharmaceuticals, Inc. (USA)	In-house
NS75B (Cetorelix pamoate)	Gonadotropin releasing hormone antagonist (Injection)	Benign Prostatic Hypertrophy	Phase 1/2	Zentaris AG (Germany)	Co-development: Nippon Kayaku Co., Ltd.
S-777469	Antipruritic agent (Oral)	Pruritus with atopic dermatitis	Phase 1 (in preparation)	In-house	In-house
S-0373	Non-peptide mimetic of TRH (Oral)	Spinocerebellar ataxia, Parkinson's disease	Phase 1 (in preparation)	In-house	In-house

<Outside Japan>

Code No.	Category (Administration)	Indication	Stage	Origin	Development
S-5751	Prostaglandin D2 receptor antagonist (Oral)	Bronchial asthma	Japan: Phase 1 USA/Europe: Phase 2	In-house	In-house
S-2367	Neuropeptide Y Y5 receptor antagonist (Oral)	Obesity	USA: Phase 2	In-house	In-house
S-0139	Endothelin A receptor antagonist (Injection)	Cerebrovascular diseases	Japan: Phase 2a Europe: Phase 1	In-house	In-house

<Shionogi-GlaxoSmithKline>

Code No.	Category (Administration)	Indication	Stage	Origin	Development
S-364735	HIV integrase inhibitor (Oral)	HIV infection	USA: Phase 1	Shionogi-GlaxoSmithKline Pharmaceuticals LLC (USA)	Shionogi-GlaxoSmithKline Pharmaceuticals LLC

<Out-Licensing Activity>

Code No. (Generic name)	Category (Administration)	Indication	Stage	Origin	Development
S-4661 (Doripenem hydrate)	Carbapenem antibiotic (Injection)	Bacterial infection	Phase 3	In-house	Peninsula (USA) Johnson & Johnson (USA)

<In-Licensing Activity>

Generic name	Category (Administration)	Indication	Stage	Origin	Development
Adapalene gel	Retinoic acid nuclear receptor agonist (Topical)	Acne vulgaris	NDA submission (June, 2006)	Galderma (France)	Galderma K.K.