

**Financial results for the year
ended March 31, 2011**

< Supplement >

May 9, 2011

 **SHIONOGI & CO., LTD.**

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1. Financial results and forecast <Consolidated>

< Consolidated >

(billions of yen)

	FY2009 Results	FY2010 Results	FY2011 Forecast	Change		FY2011 1H Forecast
				FY2010	FY2011	
Net Sales	278.5	282.3	286.0	3.8	3.7	137.5
<i>change %</i>	22.4	1.4	1.3			(4.1)
Operating Income	52.4	46.8	58.0	(5.6)	11.2	24.5
<i>change %</i>	63.8	(10.6)	23.7			27.4
Ordinary Income	50.5	45.1	56.0	(5.4)	10.9	23.5
<i>change %</i>	57.9	(10.6)	24.0			32.8
Net Income	38.6	20.0	37.0	(18.6)	17.0	15.5
<i>change %</i>	146.6	(48.2)	84.8			125.9

Note: Change % shows changes from the same period of the previous fiscal year

Because of changing fiscal term, FY 2010, FY2010 results of subsidiaries in the United States are 15 months from January 2010 to March 2011.

2.Sales of main products

(billions of yen)

	FY2009 Results	FY2010 Results	FY2011 Forecast	Change		FY2011 1H Forecast
				FY2010	FY2011	
Prescription drugs	152.5	158.9	166.8	6.4	7.9	80.4
<i>change %</i>	<i>(0.5)</i>	<i>4.2</i>	<i>5.0</i>			<i>7.0</i>
CRESTOR	24.2	29.0	37.0	4.8	8.0	17.6
IRBETAN	3.8	7.3	10.5	3.5	3.2	4.8
CYMBALTA	–	2.7	5.5	2.7	2.8	2.5
Total of 3 key strategic products	27.9	38.9	53.0	11.0	14.1	24.9
OXYCONTIN	8.5	9.6	10.5	1.1	0.9	5.1
FINIBAX	3.4	3.6	4.2	0.2	0.6	2.0
DIFFERIN	2.2	3.2	4.1	1.0	0.9	1.9
PIRESPA	1.5	2.8	3.4	1.3	0.6	1.6
RAPIACTA	0.6	0.3	1.5	(0.3)	1.2	0.1
Total of 8 new products	44.1	58.3	76.7	14.2	18.4	35.6
FLOMOX	24.0	21.9	19.0	(2.1)	(2.9)	9.0
CLARITIN	9.0	10.0	7.5	1.0	(2.5)	3.5
RINDERON	9.5	9.5	9.2	0.0	(0.3)	4.5
FLUMARIN	8.7	7.5	6.2	(1.2)	(1.3)	3.3
VANCOMYCIN	6.1	5.0	3.8	(1.1)	(1.2)	2.0
IMUNACE	4.6	3.1	3.0	(1.5)	(0.1)	1.6
Export/Overseas subsidiaries	49.1	37.4	33.5	(11.7)	(3.9)	15.8
<i>change %</i>	<i>163.5</i>	<i>(23.7)</i>	<i>(10.5)</i>			<i>(39.3)</i>
Shionogi Inc.	38.6	27.0	22.4	(11.6)	(4.6)	10.2
DORIPENEM	5.2	4.7	5.0	(0.5)	0.3	2.4
Contract manufacturing	7.4	5.4	5.9	(2.0)	0.5	2.6
<i>change %</i>	<i>28.8</i>	<i>(27.1)</i>	<i>9.1</i>			<i>42.4</i>
OTC and quasi-drugs	5.4	5.2	5.1	(0.2)	(0.1)	2.5
<i>change %</i>	<i>3.2</i>	<i>(4.9)</i>	<i>(1.5)</i>			<i>(11.9)</i>
SEDES	2.4	2.4	2.5	0.0	0.1	1.3
POPON-S	1.1	0.9	0.8	(0.2)	(0.1)	0.4
Diagnostics	2.9	2.9	2.7	(0.0)	(0.2)	1.2
<i>change %</i>	<i>(11.2)</i>	<i>(2.9)</i>	<i>(5.6)</i>			<i>(18.1)</i>
Royalty income	57.0	68.9	70.0	11.9	1.1	34.0
<i>change %</i>	<i>54.6</i>	<i>20.9</i>	<i>1.6</i>			<i>(2.5)</i>
CRESTOR	50.0	64.2	67.0	14.2	2.8	32.0
Others	4.1	3.6	2.0	(0.5)	(1.6)	1.0
<i>change %</i>	<i>(8.2)</i>	<i>(10.5)</i>	<i>(45.0)</i>			<i>(15.3)</i>
Total	278.5	282.3	286.0	3.8	3.7	137.5
<i>change %</i>	<i>22.4</i>	<i>1.4</i>	<i>1.3</i>			<i>(4.1)</i>

Note: Change % shows changes from the same period of the previous fiscal year

Sales of each product are shown on non-consolidated basis

Because of changing fiscal term, FY 2010, FY2010 results of subsidiaries in the United States are 15 months from January 2010 to March 2011.

3. Management index <Consolidated>

(Management index trend <Consolidated>)

		FY2008	FY2009	FY2010
Ratio of operating income to net sales	%	14.1	18.8	16.6
Ratio of ordinary income to net sales	%	14.1	18.1	16.0
Ratio of net income to net sales	%	6.9	13.9	7.1
Total asset turnover		0.50	0.53	0.53
Equity ratio	%	61.7	63.2	62.7
Return on asset (ROA)	%	7.0	9.7	8.5
Return on equity (ROE)	%	4.8	11.9	6.0
Dividend payout ratio	%	59.9	31.2	66.9
Earnings per share	yen	46.75	115.33	59.80

4. Capital investments and depreciation cost

(billions of yen)

	FY2009 Results	FY2010 Results	FY2011 Forecast	Change		FY2011 1H Forecast
				FY2010	FY2011	
<Consolidated>						
Investment in equipments	12.5	17.9	16.0	5.4	(1.9)	10.0
Depreciation cost	17.9	17.9	16.0	0.0	(1.9)	7.4
Amortization of goodwill	3.7	4.3	3.2	0.6	(1.1)	1.6
<Non-consolidated>						
Investment in equipments	10.3	17.4	15.0	7.1	(2.4)	9.5
Depreciation cost	10.4	10.6	12.0	0.2	1.4	5.5

Note: Because of changing fiscal term, FY 2010, FY2010 results of subsidiaries in the United States are 15 months from January 2010 to March 2011.

5. R&D expenses

(billions of yen)

	FY2009 Results	FY2010 Results	FY2011 Forecast	Change		FY2011 1H Forecast
				FY2010	FY2011	
<Consolidated>						
R&D expenses	51.8	50.9	57	(0.9)	6.1	28.5
<i>change %</i>	<i>(1.9)</i>	<i>(1.7)</i>	<i>11.9</i>			<i>1.4</i>
% to net sales	18.6	18.0	19.9			20.7
<Non-consolidated>						
R&D expenses	46.7	48.3	54.0	1.6	5.7	27.0
<i>change %</i>	<i>10.7</i>	<i>3.25</i>	<i>11.8</i>			<i>4.4</i>
% to net sales	20.5	19.3	20.8			21.5

Note: Change % shows changes from the same period of the previous fiscal year

Because of changing fiscal term, FY 2010, FY2010 results of subsidiaries in the United States are 15 months from January 2010 to March 2011.

6. Employees

	FY2009 Results	FY2010 Results	FY2011 Forecast	Change		FY2011 1H Forecast
				FY2010	FY2011	
Consolidated	5,887	5,277	5,310	(610)	33	5,350
Non-consolidated	4,124	4,162	4,260	38	98	4,310

7. Consolidated statement of income

(Unites: Million yen)

	FY2009 Results	FY2010 Results	Change	
Net sales	278,502	282,350	3,848	Royalty income: +11.9 billion yen
Cost of sales	76,263	81,737	5,474	
Gross profit	202,239	200,612	(1,627)	
Selling, general and administrative expenses	149,801	153,720	3,919	From effects of 15 months in Shionogi Inc. -Amortization of goodwill: +0.8 billion yen -SG&A expenses: +7.7 billion yen From effects of Business structure improvement in Shionogi Inc. -4.9 billion yen
Operating income	52,438	46,892	(5,546)	
Non-operating income	2,579	2,326	(253)	
Interest income	484	459	(25)	
Dividends income	1,124	1,224	100	
Other	970	643	(327)	
Non-operating expenses	4,494	4,042	(452)	
Interest expenses	1,675	1,478	(197)	
Contribution	1,412	1,334	(78)	
Other	1,407	1,229	(178)	
Ordinary income	50,522	45,176	(5,346)	
Extraordinary income	10,251	6,237	(4,014)	
Gain on sales of non-current assets	-	4,067	4,067	Land
Gain on sales of investment securities	-	1,647	1,647	
Gain on forgiveness of debts	-	279	279	
Gain on negative goodwill	-	243	243	
Gain on transfer of business	5,351	-	(5,351)	
Gain on exchange from business combination	4,900	-	(4,900)	
Extraordinary loss	2,233	18,278	16,045	
Impairment loss	199	7,342	7,143	Sales rights in Shionogi Inc.
Business structure improvement expenses	-	4,829	4,829	Attributable to the reorganization of U.S. subsidiaries. The principal component was extraordinary retirement benefits totaling 4.0 billion yen
Loss on disaster	-	2,826	2,826	
Bad debts written off	-	1,769	1,769	
Loss on valuation of investment securities	1,942	-	(1,942)	
Other	90	1,511	1,421	
Income before income taxes and minority interests	58,540	33,135	(25,405)	
Income taxes-current	21,145	20,207	(938)	
Income taxes-deferred	(1,246)	(7,129)	(5,883)	
Income before minority interests	-	20,057	-	
Minority interests in income	15	30	15	
Net income	38,625	20,026	(18,599)	

8-1. Consolidated balance sheets (Assets)

(Unites: Million yen)

	As of Mar. 31 2010	As of Mar. 31 2011	Change	
(Assets)				
Current assets				
Cash and deposits	33,532	27,579	(5,953)	
Notes and accounts receivable-trade	79,414	69,498	(9,916)	
Short-term investment securities	70,677	88,914	18,237	Increase in negotiable certificate of deposit: 18.4 billion yen
Merchandise and finished goods	26,931	24,369	(2,562)	
Work in process	14,058	13,294	(764)	
Raw materials and supplies	8,350	9,675	1,325	
Other	17,710	23,618	5,908	
Allowance for doubtful accounts	(11)	(12)	(1)	
Total current assets	250,664	256,937	6,273	
Noncurrent assets				
Property, plant and equipment	62,447	70,220	7,773	Increase in construction of SPRC (New research facility)
Intangible assets				
Goodwill	69,874	58,830	(11,044)	Decrease for amortization: 4.3 billion yen
Sales rights	40,719	34,255	(6,464)	Decrease for exchange rate fluctuations: 6.6 billion yen
Other	8,470	6,506	(1,964)	
Total Intangible assets	119,065	99,593	(19,472)	
Investments and other assets				
Investment securities	71,870	60,654	(11,216)	Purchasing Sales right of Ophena in Shionogi Inc. 10.4 billion yen
Other	36,835	35,957	(878)	Decrease for amortization: 6.4 billion yen
Allowance for doubtful accounts	(121)	(121)	-	Decrease for impairment: 7.3 billion yen
Total investments and other assets	108,584	96,491	(12,093)	Decrease for exchange rate fluctuations: 4.4 billion yen
Total noncurrent assets	290,097	266,304	(23,793)	
Total assets	540,761	523,242	(17,519)	Decrease of prepaid pension expenses: 1.08 billion yen

8-2. Consolidated balance sheets (Liabilities/Net Assets)

(Unites: Million yen)

	As of Mar. 31 2010	As of Mar. 31 2011	Change
(Liabilities)			
Current liabilities			
Notes and accounts payable-trade	13,400	12,884	(516)
Current portion of long-term loans payable	14,000	14,000	–
Income taxes payable	13,479	13,510	31
Provision for bonuses	6,473	7,059	586
Other provision	1,316	3,290	1,974
Other	18,159	29,075	10,916
Total Current liabilities	66,829	79,819	12,990
Noncurrent liabilities			
Bonds payable	30,000	30,000	–
Long-term loans payable	77,000	63,000	(14,000)
Provision for retirement benefits	8,077	8,573	496
Other	16,878	13,752	(3,126)
Total noncurrent liabilities	131,955	115,325	(16,630)
Total liabilities	198,785	195,145	(3,640)
(Net Assets)			
Shareholders' equity			
Capital stock	21,279	21,279	–
Capital surplus	20,227	20,227	–
Retained earnings	332,669	339,970	7,301
Treasury stock	(19,733)	(19,743)	(10)
Total shareholders' equity	354,443	361,733	7,290
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	10,362	3,732	(6,630)
Deferred gains or losses on hedges	–	(288)	(288)
Foreign currency translation adjustment	(23,301)	(37,081)	(13,780)
Total valuation and translation adjustments	(12,939)	(33,637)	(20,698)
Minority interests	471	–	(471)
Total net assets	341,976	328,096	(13,880)
Total liabilities and net assets	540,761	523,242	(17,519)

Reserve for loss on disaster 1.4 billion yen

Repayment of syndicate loan

9-1 Quarterly trend for FY2009 and FY2010 (Sales of main products)

(Billions of yen)

FY2009	FY2009 1Q actual	Y on Y change %	FY2009 2Q actual	Y on Y change %	FY2009 3Q actual	Y on Y change %	FY2009 4Q actual	Y on Y change %
Pharmaceuticals and related business	63.4	24.2	67.1	27.5	72.8	23.9	71.1	17.3
Ethical drugs	37.2	(2.2)	37.5	3.5	42.4	0.3	35.4	(3.4)
CRESTOR	5.5	44.1	6.0	33.2	6.9	43.6	5.8	26.3
FLOMOX	5.8	(4.6)	5.5	(9.1)	7.9	(10.2)	4.8	(24.6)
RINDERON	2.6	(1.2)	2.5	0.2	2.3	(5.3)	2.1	1.9
CLARITIN	1.8	1.1	1.6	8.0	2.0	2.2	3.6	(18.3)
FLUMARIN	2.2	(12.9)	2.5	(14.7)	2.3	(16.6)	1.7	(10.2)
OXYCONTIN	2.2	6.5	2.0	6.0	2.5	6.5	1.8	30.4
VANCOMYCIN	1.7	(26.3)	1.7	(24.2)	1.5	(18.1)	1.2	(28.8)
IMUNACE	1.3	(34.3)	1.3	(21.3)	1.1	(8.9)	0.9	(29.1)
IRBETAN	0.4	(53.5)	0.8	359.7	1.2	-	1.4	919.3
FINIBAX	0.8	35.0	1.0	26.2	0.8	(6.5)	0.8	14.4
DIFFERIN	0.5	-	0.5	-	0.6	(6.0)	0.6	5.1
PIRESPA	0.3	-	0.3	-	0.4	-	0.5	280.8
AVELOX	0.3	(26.7)	0.2	(10.4)	0.3	(42.8)	0.2	(37.0)
RAPIACTA	-	-	-	-	-	-	0.6	-
Export/Overseas operations	11.9	521.0	12.0	447.6	12.7	346.7	12.5	7.1
Shionogi Pharma, Inc.	9.5	-	8.8	-	9.9	-	10.4	12.2
DORIPENEM	1.2	157.5	1.7	189.2	1.3	(18.8)	1.0	16.7
Contract manufacturing	1.4	22.8	2.0	6.9	1.9	20.5	2.1	79.6
OTC and quasi-drugs	1.4	(0.8)	1.6	8.8	1.4	(3.2)	1.0	10.1
SEDES	0.6	5.7	0.8	12.0	0.6	(0.1)	0.4	8.0
POPON-S	0.2	(6.4)	0.4	30.4	0.3	(4.0)	0.2	1.4
Diagnostics	0.8	(10.7)	0.8	(4.7)	0.6	(23.3)	0.7	(5.7)
Royalty income	10.5	39.4	13.5	31.8	13.8	40.8	19.2	106.6
CRESTOR	10.0	38.2	12.5	34.4	13.2	41.5	14.3	69.4
Other business	0.5	(9.1)	1.6	114.2	1.0	(5.0)	1.0	(53.4)
Total	64.0	23.8	68.6	28.6	73.8	23.4	72.0	15.0

Sales of each product are shown on non-consolidated basis

FY2010	FY2010 1Q actual	Y on Y change %	FY2010 2Q actual	Y on Y change %	FY2010 3Q actual	Y on Y change %	FY2010 4Q actual	Y on Y change %
Prescription drugs	38.0	2.1	37.1	(0.9)	43.9	3.3	39.9	12.7
CRESTOR	6.6	19.9	7.1	17.5	8.4	21.0	6.9	20.4
IRBETAN	1.6	347.9	1.7	95.9	2.2	75.0	1.8	37.9
CYMBALTA	0.4	-	0.5	-	0.9	-	0.9	-
Total of 3 key strategic products	8.5	46.6	9.4	34.8	11.4	40.1	9.6	36.3
OXYCONTIN	2.5	13.7	2.3	13.5	2.7	7.7	2.1	20.2
FINIBAX	0.9	5.2	0.9	0.6	1.0	18.1	0.8	1.0
DIFFERIN	0.6	32.2	0.9	53.5	1.0	54.4	0.7	42.9
PIRESPA	0.7	150.1	0.6	75.3	0.8	79.7	0.7	47.9
RAPIACTA	0.0	-	0.0	-	(0.3)	-	0.6	1.6
Total of 8 new products	13.2	37.6	14.0	30.1	16.6	32.1	14.5	30.3
FLOMOX	5.3	(8.6)	4.8	(12.6)	6.6	(16.6)	5.2	8.0
CLARITIN	1.6	(8.0)	1.5	(13.2)	2.2	9.1	4.7	31.5
RINDERON	2.5	(1.1)	2.5	(2.8)	2.3	(0.5)	2.2	8.0
FLUMARIN	1.8	(16.5)	2.1	(17.5)	2.1	(9.9)	1.5	(9.0)
VANCOMYCIN	1.2	(29.4)	1.4	(19.1)	1.4	(6.9)	1.0	(13.3)
IMUNACE	0.8	(40.8)	0.8	(32.9)	0.9	(23.1)	0.6	(30.0)
Export/Overseas subsidiaries	17.1	42.6	8.9	(24.9)	8.7	(31.5)	2.7	(78.3)
Shionogi Inc.	15.2	58.8	5.8	(33.8)	5.6	(43.5)	0.4	(95.8)
DORIPENEM	0.5	(57.3)	2.0	16.3	1.7	35.8	0.5	(54.7)
Contract manufacturing	1.0	(35.7)	0.8	(55.4)	1.9	0.3	1.7	(19.4)
OTC and quasi-drugs	1.4	(3.9)	1.4	(4.1)	1.3	(3.4)	1.1	(8.9)
SEDES	0.6	(10.5)	0.7	(0.2)	0.7	16.5	0.4	(0.6)
POPON-S	0.3	14.0	0.2	(29.4)	0.2	(38.2)	0.2	(14.7)
Diagnostics	0.7	(9.7)	0.8	(2.2)	0.7	7.5	0.7	(4.9)
Royalty income	16.4	56.6	18.4	36.4	16.7	21.5	17.4	(10.0)
CRESTOR	15.4	53.6	17.4	38.7	15.2	15.1	16.2	14.2
Others	0.6	2.8	0.6	(60.5)	0.7	(28.7)	1.7	83.7
Total	75.2	17.5	68.1	(0.7)	73.9	0.1	65.0	(9.7)

Sales of each product are shown on non-consolidated basis

Because of changing fiscal term, FY2010 1Q actuals of subsidiaries in the United States include 6-month sales from January to June 2010.

9-2 Quarterly trend for FY2009 and FY2010 (Consolidated statements of income)

(Billions of yen)

FY2009	FY2009 1Q Actual	Y on Y change %	FY2009 2Q Actual	Y on Y change %	FY2009 3Q Actual	Y on Y change %	FY2009 4Q Actual	Y on Y change %
Net sales	64.0	23.8	68.6	28.6	73.8	23.4	72.0	15.0
Cost of sales	26.9 17.2	4.1	28.7 19.6	19.5	27.5 20.2	5.7	26.6 19.1	1.9
Gross profit	46.8	33.1	48.9	32.7	53.5	31.8	52.9	20.6
SG & A expenses	63.6 40.7	50.3	54.2 37.2	40.3	49.3 36.3	0.6	49.3 35.5	2.0
Selling & general expenses	24.6	48.4	25.4	56.5	23.8	39.4	24.1	10.6
R & D expenses	16.1	53.4	11.8	14.8	12.5	(34.2)	11.3	(12.5)
Operating income	9.5 6.0	(24.8)	17.1 11.8	13.3	23.3 17.1	282.4	24.2 17.4	92.3
Non-operating income & expenses	(0.2)		(1.2)		(0.1)		(0.2)	
Ordinary income	9.1 5.8	(30.3)	15.4 10.5	(0.3)	23.0 16.9	282.8	23.8 17.1	99.3
Extraordinary income & loss	(0.1)		0.1		4.8		3.1	
Income before income taxes and minority interests	5.7		10.6		21.8		20.3	
Income taxes and minority interests	1.0		(3.7)		(7.9)		(7.2)	
Net income	7.2 4.6	(14.6)	10.2 6.9	8.4	18.9 13.9	-	18.2 13.0	172.2

FY2010	FY2010 1Q Actual	Y on Y change %	FY2010 2Q Actual	Y on Y change %	FY2010 3Q Actual	Y on Y change %	FY2010 4Q Actual	Y on Y change %
Net sales	75.2	17.5	68.1	(0.7)	73.9	0.1	65.0	(9.7)
Cost of sales	27.7 20.8	21.2	26.7 18.2	(7.4)	29.6 21.9	8.0	31.9 20.7	8.6
Gross profit	54.3	16.1	49.9	2.0	52.0	(2.9)	44.2	(16.3)
SG & A expenses	61.7 46.4	13.9	56.8 38.6	4.0	48.1 35.5	(2.3)	50.9 33.1	(6.7)
Selling & general expenses	33.3	35.4	23.6	(7.0)	24.5	3.1	21.2	(12.0)
R & D expenses	13.0	(19.1)	15.0	27.5	10.9	(12.5)	11.8	4.4
Operating income	10.6 7.9	31.1	16.5 11.2	(4.3)	22.3 16.4	(4.1)	17.2 11.1	(35.8)
Non-operating income & expenses	(0.7)		(0.7)		(0.4)		0.2	
Ordinary income	9.6 7.2	23.6	15.4 10.4	(0.7)	21.7 16.0	(5.7)	17.6 11.4	(33.2)
Extraordinary income & loss	(2.1)		(4.0)		(5.2)		(0.6)	
Income before income taxes and minority interests	5.0		6.4		10.7		10.8	
Income taxes and minority interests	0.2		4.3		4.1		4.3	
Net income	6.4 4.8	4.9	3.0 2.0	(70.9)	9.0 6.6	(52.2)	10.0 6.4	(50.4)

Because of changing fiscal term, FY2010 1Q actuals of subsidiaries in the United States include 6-month sales from January to June 2010.

10. Consolidated affiliated companies and affiliated company accounted for by the equity method

<Consolidated affiliated companies>

No.	Company name	Location	Common stock	Business status	Establish	Closing date	Ownership (%)
1	Shionogi Pharma Chemicals Co., Ltd.	Tokushima, Japan	JPY 200 million	Mfg. of pharmaceutical raw materials	August 24, 1976	March 31	100
2	Saishin Igaku Co., Ltd.	Osaka, Japan	JPY 90 million	Publication of medical information	December 21, 1998	March 31	100
3	Shionogi Engineering Service Co., Ltd.	Hyogo, Japan	JPY 20 million	Inspection and maintenance of pharmaceuticals mfg. equipment	November 2, 1992	March 31	100
4	Shionogi General Service Co., Ltd.	Osaka, Japan	JPY 10 million	Traveling, Insurance agency	November 2, 1992	March 31	100
5	Shionogi Analysis Center Co., Ltd.	Hyogo, Japan	JPY 200 million	Contract testing and analysis on medicine	December 21, 2007	March 31	100
6	Aburahi AgroResearch Co., Ltd.	Shiga, Japan	JPY 10 million	Contract Laboratories for Agro Chemicals	February 26, 2004	March 31	* 100
7	Shionogi Techno Advance Research Co., Ltd.	Osaka, Japan	JPY 9 million	Purchasing and Breeding animals for Research and Development	September 8, 2010	March 31	100
8	Taiwan Shionogi & Co., Ltd.	Taipei, Taiwan, R.O.C.	TWS 92 million	Mfg. and sale of pharmaceuticals	December 26, 1963	December 31	100
9	Shionogi Inc.	Delaware, U.S.A.	US\$ 6	Its consolidated US corporate headquarters	August 25, 2008	March 31	100
10	Shionogi USA, Inc.	Delaware, U.S.A.	US\$ 10 million	Contract research and sale for pharmaceuticals	February 15, 2001	March 31	* 100
11	SG Holding, Inc.	Delaware, U.S.A.	US\$ 140	Holding company	September 10, 2001	March 31	* 100
12	Shionogi Pharma, Inc.	Georgia, U.S.A.	US\$ 0.01	Mfg. and sale of pharmaceuticals	July 9, 1992	March 31	* 100
13	Ezose Sciences, Inc.	Delaware, U.S.A.	US\$ 9	Serum glycan analysis contract services	March 3, 2009	March 31	* 100

<Affiliated company accounted for by the equity method>

No.	Company name	Location	Common stock	Business status	Establish	Closing date	Ownership (%)
1	Shionogi - ViiV Healthcare L. P.	Cayman Islands	-	Holding company	October 19, 2001	December 31	* 50

* Incl. Indirect ownership

Note: Five consolidated affiliated companies are not shown on this table as the scale of their business is very small.

11. Main events during fiscal 2010

- Third medium-term business plan for the five-year period from fiscal 2010 starts
- Launch of an Antidepressant Drug, “Cymbalta[®] Capsules 20mg and 30mg ”
- Shionogi Establishes Shionogi Techno Advance Research Co., Ltd.
- Crestor[®] Patent Upheld by US District Court, District of Delaware
- Shionogi Announces Reorganization of US Operations, New Leadership
- FDA approval of Cuvposa[™], a treatment of chronic severe drooling in pediatric patients with neurologic conditions
- License agreements with Stallergenes regarding sublingual allergen immunotherapy tablets
- Shionogi Signs Agreement with Sweden on International Industry-Academic Collaboration Initiatives
- Shionogi - ViiV Healthcare LLC Initiates Phase III Clinical Programme for Investigational Once-Daily HIV Integrase Inhibitor
- Shionogi Receives an Approval for an Additional Indication for Pediatric Use of RAPIACTA[®], a Novel Anti-viral Drug for Influenza
- Shionogi and GlaxoSmithKline to collaborate on the research, development and commercialization of novel antibiotics targeting drug-resistant Gram-negative bacteria
- Shionogi has entered into a licensing agreement on peptide vaccines for ophthalmic disease with OncoTherapy Science, Inc.
- Shionogi to enter into licensing agreement on NF-κB Decoy Oligodeoxynucleotide for Atopic Dermatitis with AnGes MG, Inc.
- Shionogi Inc. Announces Commercial Availability of KAPVAY[™] (clonidine hydrochloride) Extended-Release Tablets For The Treatment of ADHD
- Shionogi-ViiV Healthcare Starts Phase III Trial for “572-Trii” Fixed-Dose Combination HIV Therapy

12. Pipeline (as of May 2011)

Areas	Code No. (Generic name) 【Product name】	Category (Administration)	Indication	Stage	Origin	Development
Metabolic Syndrome	S-474474 (Irbesartan/trichlormethiazide combination)	Angiotensin receptor blocker/diuretic combination (Oral)	Hypertension	Japan: Phase III	Irbesartan: Sanofi Aventis (France) Trichlormethiazide: Shionogi	In-house
	S-2367 (Velnepirit)	Neuropeptide Y Y5 receptor antagonist (Oral)	Obesity	Japan: Phase II	In-house	In-house
	S-707106	Insulin sensitizer (Oral)	Type 2 Diabetes	USA: Phase IIa	In-house	In-house
	ADX415	Alpha 2 specific adrenergic agonist (Oral)	Hypertension	USA: Phase II (in preparation)	In-house	In-house
	S-234462	Neuropeptide Y Y5 receptor antagonist (Oral)	Obesity	USA: Phase I	In-house	In-house
Infectious Diseases	S-4661 (Doripenem hydrate) 【Fimibax [®] 】	Carbapenem antibiotic (Injection)	Addition of new dosage regimen (1g t.i.d. for serious infection)	Japan: Approval (April 2011)	In-house	In-house
	S-4661 (Doripenem hydrate) 【Fimibax [®] 】	Carbapenem antibiotic (Injection)	Pediatric infection	Japan: Phase III	In-house	In-house
	S-349572/S-265744/S-247303	Integrase inhibitor (Oral)	HIV infection	Global: Phase III (the most advanced phase)	Shionogi & GlaxoSmithKline	Shionogi-ViiV Healthcare LLC
	S-265744 LAP	Integrase inhibitor (Injection; Long acting parenteral formulation)	HIV infection	USA: Phase I	Shionogi & GlaxoSmithKline	Shionogi-ViiV Healthcare LLC
Pain	LY248686 (Duloxetine hydrochloride) 【Cymbalta [®] 】	SNRI (Serotonin & noradrenaline reuptake inhibitor) (Oral)	Diabetic peripheral neuropathic pain	Japan: NDA submission (September 2009)	Eli Lilly and Company (USA)	Shionogi/ Eli Lilly Japan K.K.
	S-811717 (Oxycodone hydrochloride)	Natural opium alkaloids (Injection)	For the treatment of moderate to severe pain in patients with cancer pain	Japan: NDA submission (September 2010)	Napp Pharmaceuticals Limited (UK)	In-house
	S-297995	Peripheral opioid receptor antagonist (Oral)	Alleviation of opioid-induced adverse effect	USA: Phase IIa Japan: Phase IIb	In-house	In-house
Women's Health	PSD502 (Lidocaine/prilocaine)	Eutectic mixture of anesthetics (Metered-dose topical aerosol spray)	Premature ejaculation	USA, Europe: Phase III	Plethora Solutions Holdings PLC (UK)	Shionogi/ Plethora Solutions Holdings PLC
	Ospemifene	Selective estrogen receptor modulator (Oral)	Post-menopausal vaginal atrophy	USA: Phase III	QuatRx Pharmaceuticals Company (USA)	Shionogi/ QuatRx Pharmaceuticals Company
Pediatrics	Glycopyrrolate (Glycopyrrolate oral solution) 【Cuvposa [™] 】	Anticholinergic (Oral)	Chronic moderate-to-severe drooling in pediatric patients	USA: Launch (April 2011)	In-house	In-house
Other	S-555739	Prostaglandin D2 receptor antagonist (Oral)	Allergic disease	Japan: Phase IIa Europe: POM (Proof of Mechanism)	In-house	In-house
	S-888711	Small molecule TPO mimetic (Oral)	Thrombocytopenia	USA, Europe: Phase II Japan: Phase IIa	In-house	In-house
	S-288310	Peptide cancer vaccine (Injection)	Bladder cancer	Japan: Phase I/II	OncoTherapy Science, Inc. (Japan)	In-house
	S-488410	Peptide cancer vaccine (Injection)	Esophageal cancer	Japan: Phase I/II	OncoTherapy Science, Inc. (Japan)	In-house
	S-222611	Her2/EGFR dual inhibitor (Oral)	Malignant tumor	Europe: Phase Ib	In-house	In-house
	S-524101	Sublingual tablet of house-dust mite allergen extracts for immunotherapy	Allergic rhinitis caused by house-dust mite allergen	Japan: Phase I	Stallergenes SA (France)	In-house

<Out-Licensing Activity>

Code No.	Category (Administration)	Indication	Stage	Origin	Development
S-4661 (Doripenem hydrate)	Carbapenem antibiotic (Injection)	Bacterial infection	USA: Approval (October 2007) Complicated intra-abdominal infections, Complicated urinary tract infections including pyelonephritis NDA submission (June 2007) Hospital-acquired (nosocomial) pneumonia including ventilator-associated pneumonia Europe: Approval (July 2008)	In-house	Johnson & Johnson (USA)
S-3013 (Varespladib methyl)	Secretory PLA2(sPLA2) inhibitor (Oral)	Acute coronary syndromes	USA, Europe: Phase III	Shionogi/Eli Lilly and Company(USA)	Anthera Pharmaceuticals, Inc. (USA)
S-0373	Non-peptide mimetic of TRH (Oral)	Spinocerebellar ataxia	Japan: Phase II	In-house	Kissei Pharmaceutical Co., Ltd. (Japan)

<Since January, 2011>

Change of phase	S-4661<Japan>: (Addition of new dosage regimen) NDA submission → Approval
	S-297995 <Japan>: Phase I → Phase IIb
	Glycopyrrolate <USA>: NDA submission → Approval
	S-524101 <Japan>: Phase I (in preparation) → Phase I
Compound erased	S-2367 <USA>: Discontinued
	Clonidine HCL <USA>: Launched in January 2011

<Drugs to acquire new indication requested by the Ministry of Health, Labour and Welfare>

Generic name 【Product name】	Category (Administration)	Indication	Stage	Origin	Development
Cyclophosphamide Hydrate 【Endoxan®】	Antineoplastic agent and immunosuppressant (Injection)	Refractory Rheumatic Disease such as Systemic Lupus Erythematosus, Systemic Vasculitis, Polymyositis/Dermatomyositis Complex, Scleroderma, Mixed Connective-Tissue Disease, Refractory Rheumatic Disease with Vasculitis	Approval (February 2011)	Baxter (Germany)	In-house
		Minimal change nephrotic syndrome in children	NDA submission (in preparation)		
Metronidazole 【Flagyl®】	Antibacterial and antiprotozoal agent (Oral)	Infections caused by anaerobic bacteria, Amebiasis, Giardiasis	NDA submission (in preparation)	Sanofi-aventis (France)	In-house
Metronidazole 【Flagyl®】	Antibacterial and antiprotozoal agent (Oral or Intravaginal)	Bacterial vaginosis	NDA submission (in preparation)	Sanofi-aventis (France)	In-house
Lisinopril Hydrate 【Longes®】	ACE inhibitor (Oral)	Childhood hypertension	NDA submission (in preparation)	Merck & Co., Inc. (USA)/ AstraZeneca (UK)	Shionogi/AstraZeneca
Ifosfamide 【Ifomide】	Antineoplastic agent (Injection)	Malignant lymphoma in childhood	NDA submission (in preparation)	Baxter (Germany)	In-house
Sulfamethoxazole/trimethoprim combination 【Baktar®】	Synthetic folate-antagonist/anti-infectives combination (Oral)	Prophylaxis and treatment of <i>Pneumocystis carinii</i>	NDA submission (in preparation)	GSK (UK)/Shionogi	In-house
Oxycodone Hydrochloride Hydrate 【Oxycontin®, Oxinorm®】	Natural opium alkaloids (Oral)	For the treatment of moderate to severe chronic pain	To be determined	Napp Pharmaceuticals Limited (UK)	In-house
Duloxetine Hydrochloride 【Cymbalta®】	SNRI (Serotonin & noradrenaline reuptake inhibitor) (Oral)	Fibromyalgia	To be determined	Eli Lilly (USA)	Shionogi/Eli Lilly Japan K.K.
Vancomycin Hydrochloride 【Vancomycin】	Glycopeptide antibiotic (Drip infusion)	<Spectrum> methicillin-resistant coagulase-negative staphylococcus, penicillin-resistant enterococcus <Indication> Gram-positive bacteria-associated bloodstream infection (including intravascular catheter-related infection), Febrile neutropenia, Alternative agent in penicillin-allergic adults and children	To be determined	Eli Lilly (USA)	In-house