

**Financial results for the second quarter  
of fiscal year 2012**

< Supplement >

November 2, 2012

 **SHIONOGI & CO., LTD.**

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## 1. Financial results and forecast

(Billions of yen)

	FY2012 1H actual *	FY2012 2H forecast	FY2012 forecast	FY2011 1H actual	FY2011 2H actual	FY2011 actual	Y on Y change		
							1H	2H	full-year
Net Sales	137.3	145.7	283.0	124.0	143.3	267.3	13.3	2.4	15.7
<i>change %</i>	10.7	1.7	5.9	(13.5)	3.1	(5.3)			
Operating Income	26.1	29.9	56.0	18.2	28.8	47.0	7.9	1.1	9.0
<i>change %</i>	43.1	3.9	19.1	(5.1)	4.0	0.2			
Ordinary Income	25.1	28.9	54.0	18.4	27.7	46.1	6.7	1.2	7.9
<i>change %</i>	36.2	4.5	17.2	4.1	0.7	2.0			
Net Income	14.9	17.1	32.0	8.2	18.9	27.1	6.7	(1.8)	4.9
<i>change %</i>	81.2	(9.3)	18.1	19.5	43.6	35.3			

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

\* Because of changing fiscal term, FY2012 1H actual of Taiwan Shionogi & Co., Ltd. includes 9-month results from January to September 2012.

## 2. Sales of main merchandise and finished goods

(Billions of yen)

	FY2012 1H actual	FY2012 2H forecast	FY2012 forecast	FY2011 1H actual	FY2011 2H actual	FY2011 actual	Y on Y change		
							1H	2H	full-year
Prescription drugs	79.7	88.9	168.6	78.7	85.7	164.4	1.0	3.2	4.2
<i>change %</i>	1.2	3.8	2.6	4.8	2.2	3.4			
CRESTOR	18.6	18.4	37.0	17.2	18.5	35.7	1.4	(0.1)	1.3
IRBETAN	4.7	5.3	10.0	4.3	4.6	8.9	0.4	0.7	1.1
CYMBALTA	4.7	6.1	10.8	2.8	3.8	6.6	1.9	2.3	4.2
<b>Total of 3 key products</b>	<b>28.0</b>	<b>29.8</b>	<b>57.8</b>	<b>24.3</b>	<b>27.0</b>	<b>51.3</b>	<b>3.7</b>	<b>2.8</b>	<b>6.5</b>
OXYCONTIN	5.1	5.1	10.2	4.5	4.4	8.9	0.6	0.7	1.3
FINIBAX	2.4	2.7	5.1	2.2	2.5	4.7	0.2	0.2	0.4
DIFFERIN	1.9	2.1	4.0	1.7	2.0	3.7	0.2	0.1	0.3
PIRESPA	2.3	2.6	4.9	1.6	1.8	3.4	0.7	0.8	1.5
RAPIACTA	0.1	2.4	2.5	0.0	1.4	1.4	0.1	1.0	1.1
<b>Total of 8 strategic products</b>	<b>39.8</b>	<b>44.7</b>	<b>84.5</b>	<b>34.3</b>	<b>38.9</b>	<b>73.2</b>	<b>5.5</b>	<b>5.8</b>	<b>11.3</b>
FLOMOX	8.4	9.5	17.9	9.8	10.9	20.7	(1.4)	(1.4)	(2.8)
RINDERON	4.7	4.3	9.0	4.8	4.4	9.2	(0.1)	(0.1)	(0.2)
CLARITIN	2.2	4.6	6.8	3.2	4.6	7.8	(1.0)	(0.0)	(1.0)
FLUMARIN	3.2	3.2	6.4	3.5	3.4	6.9	(0.3)	(0.2)	(0.5)
VANCOMYCIN	1.7	1.8	3.5	2.3	2.0	4.3	(0.6)	(0.2)	(0.8)
IMUNACE	0.8	0.8	1.6	1.2	0.9	2.1	(0.4)	(0.1)	(0.5)
Export/Overseas subsidiaries	* 14.8	13.5	28.3	2.0	15.0	17.0	12.8	(1.5)	11.3
<i>change %</i>	607.8	(9.4)	66.6	(92.0)	30.6	(54.6)			
Shionogi Inc.	7.5	8.0	15.5	(2.4)	8.2	5.8	9.9	(0.2)	9.7
C&O	2.9	2.7	5.6	-	1.9	1.9	2.9	0.8	3.7
DORIPENEM	1.4	0.4	1.8	1.9	2.3	4.2	(0.5)	(1.9)	(2.4)
Contract manufacturing	4.5	3.1	7.6	3.7	3.9	7.6	0.8	(0.8)	(0.0)
<i>change %</i>	17.3	(17.3)	(0.0)	108.0	6.1	40.5			
OTC and quasi-drugs	2.8	2.3	5.1	2.7	2.3	5.0	0.1	(0.0)	0.1
<i>change %</i>	3.6	(0.8)	1.5	(4.9)	(0.7)	(3.0)			
SEDES	1.2	1.1	2.3	1.3	1.1	2.4	(0.1)	(0.0)	(0.1)
POPON-S	0.5	0.4	0.9	0.5	0.3	0.8	0.0	0.1	0.1
Diagnostics	1.1	1.3	2.4	1.3	1.4	2.7	(0.2)	(0.1)	(0.3)
<i>change %</i>	(18.6)	(4.2)	(11.4)	(7.7)	(2.8)	(5.3)			
Royalty income	33.4	35.7	69.1	34.3	34.4	68.7	(0.9)	1.3	0.4
<i>change %</i>	(2.7)	4.0	0.6	(1.6)	0.8	(0.4)			
CRESTOR	30.7	32.3	63.0	32.3	32.4	64.7	(1.6)	(0.1)	(1.7)
Others	1.0	0.9	1.9	0.9	1.0	1.9	0.1	(0.1)	(0.0)
<i>change %</i>	10.5	(12.2)	(1.0)	(19.5)	(60.6)	(47.3)			
<b>Total</b>	<b>137.3</b>	<b>145.7</b>	<b>283.0</b>	<b>124.0</b>	<b>143.3</b>	<b>267.3</b>	<b>13.3</b>	<b>2.4</b>	<b>15.7</b>
<i>change %</i>	10.7	1.7	5.9	(13.5)	3.1	(5.3)			

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, FY2012 1H actual of Taiwan Shionogi & Co., Ltd. includes 9-month sales from January to September 2012.

### 3. Management index

( Management index trend )

		FY2010	FY2011	FY2011 1H	FY2012 1H
Ratio of operating income to net sales	%	16.6	17.6	14.7	19.0
Ratio of ordinary income to net sales	%	16.0	17.2	14.9	18.3
Ratio of net income to net sales	%	7.1	10.1	6.6	10.8
Total asset turnover		0.53	0.51	0.24	0.27
Equity ratio	%	62.7	65.9	62.6	67.9
Return on asset (ROA)	%	8.5	8.8	3.6	4.9
Return on equity (ROE)	%	6.0	8.1	2.5	4.3
Dividend payout ratio	%	66.9	49.4	-	-
Earnings per share	yen	59.80	80.93	24.50	44.38
Earnings per share (diluted)	yen	-	80.91	24.49	44.36

## 4. Capital investments and depreciation cost

(Billions of yen)

	FY2012 1H actual	FY2012 2H forecast	FY2012 forecast	FY2011 1H actual	FY2011 2H actual	FY2011 actual	Y on Y change		
							1H	2H	full-year
Investment in equipments	6.2	6.8	13.0	8.2	5.0	13.2	(2.0)	1.8	(0.2)
Depreciation cost	6.0	7.0	13.0	7.1	9.2	16.3	(1.1)	(2.2)	(3.3)
Amortization of goodwill	1.9	1.7	3.6	1.6	1.8	3.4	0.3	(0.1)	0.2

## 5. R&D expenses

(Billions of yen)

	FY2012 1H actual	FY2012 2H forecast	FY2012 forecast	FY2011 1H actual	FY2011 2H actual	FY2011 actual	Y on Y change		
							1H	2H	full-year
R&D expenses	25.0	28.0	53.0	25.7	27.9	53.6	(0.7)	0.1	(0.6)
change %	(2.8)	0.5	(1.1)	(8.5)	22.1	5.3			
% to net sales	18.2	19.2	18.7	20.7	19.5	20.1			

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

## 6. Employees

	End of FY2010	End of 2011 1H	End of FY2011	End of 2012 1H	End of FY2012	Y on Y change		
	actual	actual	actual	actual	forecast	1H	2H	full-year
Employees	5,277	6,431	6,132	6,217	6,530	85	313	398

## 7. Consolidated statement of income

	FY2011 1H actual	FY2012 1H actual	(Millions of yen) Y on Y change	
Net sales	124,000	137,322	13,322	Increase / (decrease) in: Shionogi Inc.: 9.9 billion yen C&O: 2.9 billion yen Prescription drugs: 1.0 billion yen Royalty income: (0.9) billion yen
Cost of sales	37,523	40,213	2,690	
Gross profit	86,476	97,109	10,633	
Selling, general and administrative expenses	68,237	71,003	2,766	
Operating income	18,239	26,106	7,867	
Non-operating income	2,085	1,112	(973)	Subsidy income in FY2011 1H : 0.5 billion yen
Interest income	213	185	(28)	
Dividends income	663	622	(41)	
Other	1,207	304	(903)	
Non-operating expenses	1,894	2,123	229	
Interest expenses	667	605	(62)	
Contribution	669	664	(5)	
Other	558	853	295	
Ordinary income	18,429	25,095	6,666	
Extraordinary income	661	779	118	Sale of land (FY2011 and FY2012)
Gain on sales of noncurrent assets	509	228	(281)	
Gain on sales of investment securities	152	551	399	
Extraordinary loss	4,536	1,091	(3,445)	Due to impairment of In-Process R&D in Shionogi Inc. in FY2011 1H.
Loss on valuation of investment securities	142	1,091	949	
Impairment loss	1,570	-	(1,570)	
Loss on penalty	1,187	-	(1,187)	
Loss on disaster	1,089	-	(1,089)	Due to reorganization of in Shionogi Inc. in FY2011 1H.
Business structure improvement expenses	546	-	(546)	
Income before income taxes and minority interests	14,554	24,783	10,229	
Income taxes-current	9,216	10,278	1,062	
Income taxes-deferred	(2,865)	(382)	2,483	
Income before minority interests	8,203	14,887	6,684	
Minority interests in income	-	24	24	Due to share acquisition of C&O
Net income	8,203	14,863	6,660	

## 8-1. Consolidated balance sheets (Assets)

	As of Mar. 31 2012	As of Sep. 30 2012	(Millions of yen) Y on Y change	
(Assets)				
Current assets				
Cash and deposits	18,427	15,668	(2,759)	Payment for the development milestones of Ospemifene in Shionogi Inc.
Notes and accounts receivable-trade	65,568	63,602	(1,966)	
Short-term investment securities	86,556	88,763	2,207	
Merchandise and finished goods	26,040	25,811	(229)	
Work in process	12,662	13,041	379	
Raw materials and supplies	11,418	9,936	(1,482)	Capital investments: A facility for production of beta-lactam antibiotics. A facility for manufacturing active pharmaceutical ingredients. etc.
Other	20,275	20,540	265	
Allowance for doubtful accounts	(17)	(10)	7	
Total current assets	240,931	237,354	(3,577)	
Noncurrent assets				
Property, plant and equipment	74,282	77,392	3,110	Increase / (decrease) by: Amortization: (1.9) billion yen Acquisition of Victory Pharma, Inc., a subsidiary of Shionogi Inc.: 1.1 billion yen Exchange rate fluctuations: (2.9) billion yen
Intangible assets				
Goodwill	63,572	59,880	(3,692)	
Other	43,121	39,351	(3,770)	
Total Intangible assets	106,694	99,231	(7,463)	
Investments and other assets				Increase / (decrease) by: Shionogi Inc.'s sales rights Amortization: (1.8) billion yen Exchange rate fluctuations: (1.9) billion yen
Investment securities	63,568	62,348	(1,220)	
Other	36,783	36,439	(344)	
Allowance for doubtful accounts	(97)	(81)	16	
Total investments and other assets	100,253	98,706	(1,547)	Increase / (decrease) by: Investments: 1.0 billion yen Sales of securities: (1.6) billion yen Loss on valuation: (1.1) billion yen
Total noncurrent assets	281,230	275,330	(5,900)	
Total assets	522,161	512,684	(9,477)	



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

	As of Mar. 31 2012	As of Sep. 30 2012	(Millions of yen) Y on Y change	
<b>(Liabilities)</b>				
<b>Current liabilities</b>				
Notes and accounts payable-trade	8,613	12,800	4,187	Increase in Shionogi & Co., Ltd.: 4.2 billion yen
Current portion of long-term loans payable	14,000	14,000	-	Redemption of 2 <sup>nd</sup> Series of Shionogi & Co., Ltd. Unsecured Straight bonds at June 2012.
Current portion of bonds	10,000	-	(10,000)	
Income taxes payable	9,891	10,885	994	
Provision for bonuses	6,745	6,999	254	Increase in Shionogi Inc.: 0.5 billions yen
Provision for sales returns	5,356	5,778	422	
Other provision	25	-	(25)	
Other	27,430	28,232	802	
<b>Total Current liabilities</b>	<b>82,063</b>	<b>78,696</b>	<b>(3,367)</b>	
<b>Noncurrent liabilities</b>				
Bonds payable	20,000	20,000	-	Repayment of syndicate loan and others
Long-term loans payable	49,000	42,024	(6,976)	
Provision for retirement benefits	8,793	8,891	98	
Other	15,106	11,921	(3,185)	Due to account transfer from long-term loans payable to short-term in payment for the development milestones of Ospemifene.
<b>Total noncurrent liabilities</b>	<b>92,899</b>	<b>82,838</b>	<b>(10,061)</b>	
<b>Total liabilities</b>	<b>174,963</b>	<b>161,534</b>	<b>(13,429)</b>	
<b>(Net Assets)</b>				
<b>Shareholders' equity</b>				
Capital stock	21,279	21,279	-	
Capital surplus	20,227	20,227	-	
Retained earnings	353,676	361,840	8,164	
Treasury stock	(19,746)	(19,738)	8	
<b>Total shareholders' equity</b>	<b>375,436</b>	<b>383,608</b>	<b>8,172</b>	
<b>Accumulated other comprehensive income</b>				
Valuation difference on available-for-sale securities	7,729	7,922	193	
Deferred gains or losses on hedges	(141)	429	570	
Foreign currency translation adjustment	(38,809)	(43,917)	(5,108)	Increase / (decrease) by: Exercising Stock options FY 2011 : (0.8) billion yen Issuing Stock options FY 2012 : 7.2 billion yen
<b>Total accumulated other comprehensive income</b>	<b>(31,220)</b>	<b>(35,566)</b>	<b>(4,346)</b>	
Subscription rights to shares	58	123	65	
Minority interests	2,923	2,983	60	Share holders of C&O
<b>Total net assets</b>	<b>347,198</b>	<b>351,149</b>	<b>3,951</b>	
<b>Total liabilities and net assets</b>	<b>522,161</b>	<b>512,684</b>	<b>(9,477)</b>	

## 9-1 Quarterly trend for FY2011 and FY2012 (Sales of main merchandise and finished goods)

Fiscal year ended March 31, 2012

(Billions of yen)

FY2011	FY2011 1Q actual	Y on Y change %	FY2011 2Q actual	Y on Y change %	FY2011 3Q actual	Y on Y change %	FY2011 4Q actual	Y on Y change %
Prescription drugs	39.3	3.6	39.4	6.1	45.9	4.5	39.8	(0.3)
CRESTOR	8.3	27.4	8.9	24.1	9.5	13.1	9.1	31.3
IRBETAN	2.1	31.0	2.2	27.0	2.5	15.1	2.2	21.1
CYMBALTA	1.3	261.0	1.5	190.6	1.9	113.0	1.9	113.3
<b>Total of 3 key products</b>	<b>11.8</b>	<b>38.1</b>	<b>12.5</b>	<b>33.9</b>	<b>13.8</b>	<b>21.2</b>	<b>13.1</b>	<b>37.0</b>
OXYCONTIN	2.2	(10.5)	2.3	(1.4)	2.6	(4.6)	1.8	(16.4)
FINIBAX	1.0	11.8	1.2	31.3	1.4	50.7	1.1	32.4
DIFFERIN	0.8	27.0	0.9	8.8	1.0	5.9	0.9	21.4
PIRESPA	0.8	21.7	0.8	37.8	1.0	21.1	0.8	10.9
RAPIACTA	0.0	-	0.0	-	0.3	-	1.1	98.5
<b>Total of 8 strategic products</b>	<b>16.6</b>	<b>26.1</b>	<b>17.7</b>	<b>26.4</b>	<b>20.1</b>	<b>21.3</b>	<b>18.8</b>	<b>29.2</b>
FLOMOX	5.1	(3.9)	4.7	(1.5)	6.0	(9.5)	5.0	(5.0)
RINDERON	2.4	(6.4)	2.4	(1.1)	2.5	4.5	1.9	(9.9)
CLARITIN	1.8	8.3	1.4	(2.7)	2.3	2.8	2.4	(49.4)
FLUMARIN	1.7	(3.5)	1.8	(16.1)	1.6	(19.8)	1.8	13.4
VANCOMYCIN	1.1	(7.3)	1.2	(16.0)	1.2	(12.7)	0.8	(27.3)
IMUNACE	0.6	(26.1)	0.6	(31.4)	0.5	(31.6)	0.4	(44.2)
Export/Overseas subsidiaries	4.3	(74.8)	(2.3)	-	7.8	(11.1)	7.2	164.4
Shionogi Inc.	2.5	(82.9)	(4.9)	-	4.1	(26.2)	4.2	850.3
C&O	-	-	-	-	0.9	-	1.0	-
DORIPENEM	0.5	0.5	1.4	(32.1)	1.6	(4.6)	0.8	54.1
Contract manufacturing	1.6	74.9	2.1	144.6	2.1	9.3	1.8	2.6
OTC and quasi-drugs	1.2	(6.9)	1.5	(3.0)	1.3	(4.1)	1.1	3.6
SEDES	0.6	8.9	0.7	(10.5)	0.5	(18.3)	0.5	16.4
POPON-S	0.2	(16.0)	0.3	7.2	0.2	30.5	0.1	(58.9)
Diagnostics	0.7	(2.5)	0.6	(13.1)	0.7	0.4	0.7	(5.8)
Royalty income	15.9	(3.6)	18.4	0.2	16.7	(0.3)	17.6	1.9
CRESTOR	15.2	(0.8)	17.1	(1.9)	16.0	5.7	16.4	0.6
Others	0.4	(19.1)	0.5	(19.8)	0.5	(33.2)	0.5	(72.3)
<b>Total</b>	<b>63.7</b>	<b>(15.3)</b>	<b>60.3</b>	<b>(11.5)</b>	<b>74.7</b>	<b>1.1</b>	<b>68.5</b>	<b>5.3</b>

Fiscal year ending March 31, 2013

FY2012	FY2012 1Q actual	Y on Y change %	FY2012 2Q actual	Y on Y change %
Prescription drugs	39.7	0.8	40.0	1.6
CRESTOR	8.6	2.7	10.0	13.3
IRBETAN	2.3	9.3	2.4	12.2
CYMBALTA	2.2	65.5	2.5	62.8
<b>Total of 3 key products</b>	<b>13.1</b>	<b>11.0</b>	<b>14.9</b>	<b>19.1</b>
OXYCONTIN	2.6	16.6	2.5	9.3
FINIBAX	1.2	23.4	1.2	(2.6)
DIFFERIN	0.9	8.4	1.0	18.4
PIRESPA	1.1	34.6	1.2	51.9
RAPIACTA	0.1	76.2	0.0	-
<b>Total of 8 strategic products</b>	<b>18.9</b>	<b>13.6</b>	<b>20.9</b>	<b>18.1</b>
FLOMOX	4.4	(13.7)	4.0	(14.6)
RINDERON	2.4	0.9	2.3	(4.8)
CLARITIN	1.3	(28.0)	0.9	(32.5)
FLUMARIN	1.5	(14.8)	1.7	(2.7)
VANCOMYCIN	0.9	(22.2)	0.8	(32.5)
IMUNACE	0.4	(26.5)	0.4	(33.1)
Export/Overseas subsidiaries	* 7.4	71.4	7.4	-
Shionogi Inc.	3.5	35.4	4.0	-
C&O	1.5	-	1.4	-
DORIPENEM	0.6	8.4	0.8	(38.4)
Contract manufacturing	2.3	39.7	2.2	(0.4)
OTC and quasi-drugs	1.3	4.9	1.5	2.4
SEDES	0.5	(12.0)	0.7	6.1
POPON-S	0.3	5.9	0.2	1.9
Diagnostics	0.6	(20.6)	0.5	(16.2)
Royalty income	16.0	0.9	17.4	(5.8)
CRESTOR	14.7	(3.5)	16.0	(6.4)
Others	0.5	(1.3)	0.5	21.6
<b>Total</b>	<b>67.8</b>	<b>6.4</b>	<b>69.5</b>	<b>15.3</b>

Note: Sales of each product are shown on non-consolidated basis

\* Because of changing fiscal term, FY2012 1Q actual of Taiwan Shionogi & Co., Ltd. includes 6-month sales from January to June 2012.

## 9-2 Quarterly trend for FY2011 and FY2012 (Consolidated statements of income)

Fiscal year ended March 31, 2012

(Billions of yen)

FY2011	FY2011 1Q actual *	Y on Y change %	FY2011 2Q actual	Y on Y change %	FY2011 3Q actual	Y on Y change %	FY2011 4Q actual	Y on Y change %
<b>Net sales</b>	<b>63.7</b>	<b>(15.3)</b>	<b>60.3</b>	<b>(11.5)</b>	<b>74.7</b>	<b>1.1</b>	<b>68.5</b>	<b>5.3</b>
Cost of sales	28.3 18.0	(13.5)	32.3 19.5	7.0	29.6 22.1	0.9	26.5 18.1	(12.7)
Gross profit	45.7	(16.0)	40.8	(18.3)	52.6	1.2	50.4	13.8
SG & A expenses	53.7 34.2	(26.3)	56.4 34.0	(12.1)	48.4 36.2	1.9	55.6 38.1	15.0
Selling & general expenses	21.2	(36.6)	21.4	(9.5)	23.6	(4.0)	22.8	7.3
R & D expenses	13.1	0.3	12.6	(16.0)	12.6	15.0	15.3	28.8
<b>Operating income</b>	<b>18.0</b> <b>11.5</b>	<b>43.7</b>	<b>11.3</b> <b>6.8</b>	<b>(39.7)</b>	<b>22.0</b> <b>16.4</b>	<b>(0.2)</b>	<b>18.0</b> <b>12.3</b>	<b>10.1</b>
Non-operating income & expenses	0.2		(0.0)		(0.3)		(0.8)	
<b>Ordinary income</b>	<b>18.3</b> <b>11.7</b>	<b>62.1</b>	<b>11.2</b> <b>6.7</b>	<b>(35.7)</b>	<b>21.6</b> <b>16.1</b>	<b>0.7</b>	<b>16.8</b> <b>11.5</b>	<b>0.6</b>
Extraordinary income & loss	(6.3)		2.4		(0.8)		0.0	
Income before income taxes and minority interests	5.4		9.2		15.4		11.6	
Income taxes and minority interests	1.6		4.7		5.0		3.0	
<b>Net income</b>	<b>5.9</b> <b>3.8</b>	<b>(21.7)</b>	<b>7.3</b> <b>4.4</b>	<b>117.1</b>	<b>13.9</b> <b>10.4</b>	<b>55.6</b>	<b>12.4</b> <b>8.5</b>	<b>31.2</b>

Fiscal year ending March 31, 2013

FY2012	FY2012 1Q actual *	Y on Y change %	FY2012 2Q actual	Y on Y change %
<b>Net sales</b>	<b>67.8</b>	<b>6.4</b>	<b>69.5</b>	<b>15.3</b>
Cost of sales	30.3 20.6	14.0	28.3 19.6	0.8
Gross profit	47.2	3.4	49.9	22.2
SG & A expenses	51.7 35.0	2.4	51.7 36.0	5.7
Selling & general expenses	23.3	10.1	22.7	6.4
R & D expenses	11.8	(10.0)	13.2	4.6
<b>Operating income</b>	<b>18.0</b> <b>12.2</b>	<b>6.6</b>	<b>20.0</b> <b>13.9</b>	<b>104.8</b>
Non-operating income & expenses	(0.1)		(0.9)	
<b>Ordinary income</b>	<b>17.8</b> <b>12.1</b>	<b>3.2</b>	<b>18.7</b> <b>13.0</b>	<b>93.4</b>
Extraordinary income & loss	(0.4)		0.1	
Income before income taxes and minority interests	11.7		13.1	
Income taxes and minority interests	4.7		5.2	
<b>Net income</b>	<b>10.2</b> <b>6.9</b>	<b>82.8</b>	<b>11.4</b> <b>8.0</b>	<b>79.8</b>

\* Because of changing fiscal term, FY2012 1Q actual of Taiwan Shionogi & Co., Ltd. includes 6-month results from January to June 2012.

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

### <Consolidated affiliated companies>

As of September 30, 2012

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 General Service Co., Ltd.	Osaka, Japan	JPY 10 million	Real estate rental, Insurance agency and contract general services	November 2, 1992	March 31	100
4	Shionogi Analysis Center Co., Ltd.	Osaka, Japan	JPY 200 million	Contract testing and analysis on medicine	December 21, 2007	March 31	100
5	Aburahi AgroResearch Co., Ltd.	Shiga, Japan	JPY 10 million	Contract Laboratories for Agro Chemicals	February 26, 2004	March 31	* 100
6	Shionogi Techno Advance Research Co., Ltd.	Osaka, Japan	JPY 9 million	Contract support services for experimental research	September 8, 2010	March 31	100
7	Taiwan Shionogi & Co., Ltd.	Taipei, Taiwan, R.O.C.	TWS 92 million	Mfg. and sale of pharmaceuticals	December 26, 1963	March 31	100
8	Shionogi Inc.	Delaware, U.S.A.	US\$ 7	Mfg. and sale of pharmaceuticals	August 25, 2008	March 31	100
9	SG Holding, Inc.	Delaware, U.S.A.	US\$ 140	Holding company	September 10, 2001	March 31	* 100
10	Ezose Sciences Inc.	Delaware, U.S.A.	US\$ 13.5	Serum glycan analysis contract services	March 3, 2009	March 31	* 100
11	C&O Pharmaceutical Technology (Holdings) Limited	Bermuda Islands	HK\$ 165,840 thousand	Mfg. and sale of pharmaceuticals	July 28, 2003	June 30	66
12	Shionogi Ltd.	London, U.K.	GBP 700,000	Contract research for pharmaceuticals	February 10, 2012	March 31	100

\* Incl. Indirect ownership

### <Affiliated company accounted for by the equity method>

As of September 30, 2012

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: Twenty consolidated affiliated companies and three affiliated companies accounted for by the equity method are not shown on this table as the scale of their business is very small.*

## 11. Pipeline (as of November 2012)

Areas	Code No. (Generic name) 【Product name】	Category (Administration)	Indication	Stage	Origin	Development
Infectious Diseases	S-649266	Cephem antibiotic (Injection)	Infection	Japan: Phase I	In-house	Shionogi/ GlaxoSmithKline (UK)
Metabolic Syndrome	S-474474 (Irbesartan/ Trichlormethiazide combination)	Angiotensin receptor antagonist/Diuretic combination (Oral)	Hypertension	Japan: NDA submission (Jul. 2012)	Irbesartan: Sanofi (France) Trichlormethiazide: Shionogi	In-house
	S-2367 (Velneperit)	Neuropeptide Y Y5 receptor antagonist (Oral)	Obesity	Japan: Phase IIb	In-house	In-house
	S-707106	Insulin sensitizer (Oral)	Type 2 Diabetes	USA: Phase IIa	In-house	In-house
	S-556971	Cholesterol absorption inhibitor (Oral)	Dyslipidemia	Japan: Phase IIa Europe: Phase I	Kotobuki Pharmaceutical Co., Ltd. (Japan)	Shionogi/Kotobuki Pharmaceutical Co., Ltd.
	S-234462	Neuropeptide Y Y5 receptor antagonist (Oral)	Obesity	USA: Phase I	In-house	In-house
Pain	S-297995 (Naldemedine)	Peripheral opioid receptor antagonist (Oral)	Alleviation of opioid-induced adverse effect	Global: Phase III (in preparation)	In-house	In-house
	S-117957	Analgesic agent for neuropathic pain (Oral)	Neuropathic pain	USA: Phase I	Shionogi/Purdue Pharma L.P. (USA)	Shionogi/Purdue Pharma L.P.
	S-120083	Analgesic agent for inflammatory pain (Oral)	Inflammatory pain	Japan: Phase I	Shionogi/Purdue Pharma L.P. (USA)	Shionogi/Purdue Pharma L.P.
Other	Ospemifene	Selective estrogen receptor modulator (Oral)	Post-menopausal vaginal atrophy	USA: NDA submission (Apr. 2012) Europe: NDA submission (in preparation)	QuatRx Pharmaceuticals Company (USA)	Shionogi/QuatRx Pharmaceuticals Company
	PSD502 (Lidocaine/Prilocaine)	Eutectic mixture of anesthetics (Metered-dose topical aerosol spray)	Premature ejaculation	USA: Phase III	Plethora Solutions Holdings PLC (UK)	Shionogi/Plethora Solutions Holdings PLC
	S-555739	Prostaglandin D2 receptor antagonist (Oral)	Allergic disease	Japan: Phase IIb USA: Phase IIa Europe: POM (Proof of Mechanism)	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 II/III	Stallergenes SA (France)	In-house
	S-888711 (Lusutrombopag)	Small molecule TPO mimetic (Oral)	Thrombocytopenia	USA, Europe: Phase II Japan: Phase IIb	In-house	In-house
	S-288310	Cancer peptide vaccine (Injection)	Bladder cancer	Asia: Phase I/II	OncoTherapy Science, Inc. (Japan)	In-house
	S-488410	Cancer peptide vaccine (Injection)	Esophageal cancer	Japan: Phase I/II	OncoTherapy Science, Inc. (Japan)	In-house
	S-488210	Cancer peptide vaccine (Injection)	Head and neck squamous cell carcinoma	Europe: 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-646240	Peptide vaccine (Injection)	Age-related Macular Degeneration	Japan: Phase IIa	OncoTherapy Science, Inc. (Japan)	In-house
	S-877489 (Lisdexamfetamine)	DA and NE reuptake inhibitor/Releaser of DA, NE (Oral)	ADHD	Japan: Phase II (in preparation)	Shire (Ireland)	Shionogi/Shire
	S-877503 (Guanfacine hydrochloride)	alpha-2A-adrenergic receptor agonist (Oral)	ADHD	Japan: Phase II (in preparation)	Shire (Ireland)	Shionogi/Shire

<Out-Licensing Activity>

Code No. (Generic name)	Category (Administration)	Indication	Stage	Origin	Development
S-349572 (Dolutegravir)	Integrase inhibitor (Oral)	HIV infection	Global: NDA submission (in preparation)	Shionogi-ViiV Healthcare LLC	ViiV Healthcare Ltd. (UK)
S-265744 LAP*	Integrase inhibitor (Injection)	HIV infection	USA: Phase I	Shionogi-ViiV Healthcare LLC	ViiV Healthcare Ltd. (UK)
S-4661 (Doripenem hydrate)	Carbapenem antibiotic (Injection)	Bacterial infection	USA: Approval (Oct. 2007) Complicated intra-abdominal infections, Complicated urinary tract infections including pyelonephritis NDA submission (Jun. 2007) Hospital-acquired (nosocomial) pneumonia including ventilator-associated pneumonia Europe: Approval (Jul. 2008)	In-house	Johnson & Johnson (USA)
S-0373	Non-peptide mimetic of TRH (Oral)	Spinocerebellar ataxia	Japan: Phase II	In-house	Kissei Pharmaceutical Co., Ltd. (Japan)

\*: Long acting parenteral formulation

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

Generic name 【Product name】	Category (Administration)	Indication	Stage	Origin	Development
Metronidazole 【Flagyl®】	Antibacterial and antiprotozoal agent (Oral)	Infections caused by anaerobic bacteria, Amebiasis, Giardiasis	Approval (Aug. 2012)	Sanofi (France)	In-house
Sulfamethoxazole/ Trimethoprim combination 【Baktar®】	Synthetic folate-antagonist/ Anti-infectives combination (Oral)	Prophylaxis and treatment of Pneumocystis pneumonia	Approval (Aug. 2012)	Shionogi/ GlaxoSmithKline (UK)	In-house
Oxycodone hydrochloride hydrate 【OxyContin®】	Natural opium alkaloids (Oral)	For the treatment of moderate to severe chronic pain	Clinical trial (in preparation)	Napp Pharmaceuticals Limited (UK)	In-house
Duloxetine hydrochloride 【Cymbalta®】	SNRI (Serotonin & noradrenaline reuptake inhibitor) (Oral)	Fibromyalgia	Phase III	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

<Requested for development by academy>

Generic name 【Product name】	Category (Administration)	Indication	Stage	Origin	Development
Metreleptin	Human leptin (Genetical Recombination) (Injection)	Lipodystrophy	Japan: NDA submission (Jul. 2012)	Amylin Pharmaceuticals Inc. (USA)	In-house
Interferon Gamma-1a 【Imunomax®-γ】	Interferon Gamma-1a (Genetical Recombination) (Injection)	Mycosis fungoides/Sezary syndrome	Japan: Phase II	Biogen Idec, Inc. (USA)	In-house

Since August 2012

Change of phase	S-349572: Global: Phase III → NDA submission (in preparation), move to <Out-Licensing Activity>
	S-265744: move to <Out-Licensing Activity>
	S-297995: USA: Phase IIb, Japan: Phase IIb → Global Phase III (in preparation)
	Ospemifene: Europe: NDA submission (in preparation)
	S-877489: USA: Phase I → Japan: Phase II (in preparation)
	S-877503: Japan: Phase I → Phase II (in preparation)
	Metronidazole 【Flagyl®】: NDA submission → Approval (Aug. 2012)
	Sulfamethoxazole/Trimethoprim combination 【Baktar®】: NDA submission → Approval (Aug. 2012)
Compound added to the list	S-556971: Japan: Phase IIa, Europe: Phase I
	S-120083: Japan: Phase I
Compound erased	S-4661: Japan: Approval (May 2012)
	Lisinopril hydrate 【Longes®】: Approval (Jun. 2012)