



Summary of Consolidated Financial Results for the Second Quarter of the Year Ending March 31, 2012 [Japanese GAAP] (Unaudited)

October 31, 2011

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Stock Exchange Listings: Tokyo, Osaka
Security Code Number: 4506 (URL: <http://www.ds-pharma.co.jp>)
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Filing Date of Quarterly Financial Report: November 11, 2011
Starting Date of Dividend Payments: December 1, 2011
Preparation of Supplementary Financial Data for Quarterly Financial Results: Yes
Information Meeting for Quarterly Financial Results to be held: Yes (for institutional investors and analysts)

(Note : All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Second Quarter of the Year Ending March 31, 2012 (April 1, 2011 to September 30, 2011)

(1) Results of Operations

(% represents changes from the corresponding period of the previous year)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|--|-------------|-------|------------------|--------|-----------------|--------|-------------|--------|
| | Yen million | % | Yen million | % | Yen million | % | Yen million | % |
| Six months ended September 30, 2011 | 178,026 | (5.6) | 14,726 | (1.4) | 14,480 | 0.7 | 9,569 | 10.6 |
| Six months ended September 30, 2010 | 188,574 | 42.6 | 14,941 | (21.0) | 14,381 | (24.5) | 8,650 | (31.6) |

Note: Comprehensive income

Six months ended September 30, 2011: 8,079 —% Six months ended September 30, 2010: (2,654) —%

| | Earnings per share | Earnings per share (diluted) |
|--|--------------------|---------------------------------|
| Six months ended September 30, 2011 | ¥24.09 | — |
| Six months ended September 30, 2010 | ¥21.77 | — |

(2) Financial Position

(Millions of yen)

| | Total assets | Net assets | Shareholders' equity ratio |
|-----------------------------|--------------|------------|----------------------------|
| As of September 30, 2011 | 566,294 | 328,486 | 58.0% |
| As of March 31, 2011 | 589,868 | 323,983 | 54.9% |

Reference: Shareholders' Equity (Millions of yen)

As of September 30, 2011: 328,486 As of March 31, 2011: 323,983

2. Dividends

| | Dividends per share | | | | |
|--|---------------------|-------------|-------------|----------|--------|
| | 1st quarter | 2nd quarter | 3rd quarter | Year-End | Annual |
| Year ended March 31, 2011 | — | ¥9.00 | — | ¥9.00 | ¥18.00 |
| Year ending March 31, 2012 | — | ¥9.00 | | | |
| Year ending March 31, 2012 (Forecast) | | | — | ¥9.00 | ¥18.00 |

Note: Revision of dividend forecasts during this period: None

3. Consolidated Financial Forecasts for the Year Ending March 31, 2012 (April 1, 2011 to March 31, 2012)

(% represents changes from the corresponding period of the previous year)

| | Net sales | | Operating income | | Ordinary income | | Net income | | Earnings per share |
|----------------------------|-------------|-------|------------------|--------|-----------------|--------|-------------|--------|--------------------|
| | Yen million | % | Yen million | % | Yen million | % | Yen million | % | |
| Year ending March 31, 2012 | 352,000 | (7.2) | 20,000 | (35.4) | 19,000 | (33.6) | 12,000 | (28.6) | ¥30.20 |

Note: Revision of consolidated financial forecasts during this period: Yes

4. Other

(1) Shift of significant subsidiaries during the period (shift of specified subsidiaries accompanied by changes in scope of consolidation) : None

(2) Application of specific accounting methods for preparing quarterly consolidated financial statements: Yes

• Calculation of income taxes

The effective tax rate, after applying tax effect accounting, expected to be imposed on income before income taxes and minority interests for the fiscal year is estimated based on reasonable assumptions. Then, tax expenses are calculated by multiplying the income before income taxes and minority interests for the quarter by the estimated effective tax rate.

(3) Changes in accounting policies, accounting estimates, and retrospective restatements

- ① Changes due to changes in accounting standards: None
- ② Changes due to changes in accounting standards other than (3),①: None
- ③ Changes in accounting estimates: None
- ④ Retrospective restatements: None

(4) Number of shares outstanding (Common stock) at the end of period

① Number of shares outstanding (Including treasury stock)

September 30, 2011 : 397,900,154 shares

March 31, 2011 : 397,900,154 shares

② Number of treasury stock

September 30, 2011: 588,230 shares

March 31, 2011 : 587,168 shares

③ Average number of shares during the period

September 30, 2011 : 397,312,428 shares

September 30, 2010 : 397,315,063 shares

Indication of quarterly review procedure implementation status:

This summary of financial results is exempt from quarterly review procedure based upon the Financial Instruments and Exchange Act. It is under the quarterly review procedure process at the time of disclosure of this report.

Explanation for Appropriate Use of Forecasts and Other Notes:

This document contains forward-looking statements based on management's assumptions and beliefs in light of the information currently available, and involves risks and uncertainties. Actual financial results may differ materially depending on a number of factors, including economic conditions.

The Company holds an earnings presentation for institutional investors and analysts on Tuesday, November 1, 2011.

The documents distributed at the presentation are scheduled to be posted on our website.

【Attachment Documents】

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1. Qualitative Information for the Six Months Ended September 30, 2011

(1) Qualitative Information on Consolidated Business Results

The situation in the pharmaceutical industry is still severe, in part due to the stagnation in discovering new epoch-making drugs and the increase in developing cost of new drugs, in part due to getting rigorous of examination for the approval and making progress in reform of healthcare systems.

Under such circumstances, the DSP Group is striving to conduct business activities, by setting transforming the revenue source structure in Japan, expanding overseas operations and maximizing earnings, and expanding the drug pipeline for the future growth as the most important tasks.

Net sales by the Group for the six months ended September 30 of this consolidated fiscal year amounted to 178,026 million yen (a 5.6% decrease year-on-year). Operating income amounted to 14,726 million yen (a 1.4% decrease year-on-year) and ordinary income amounted to 14,480 million yen (a 0.7% increase year-on-year). In addition, due to posting extraordinary income from sales of fixed assets mainly land in Tokyo Northern Office, net income amounted to 9,569 million yen (a 10.6% increase year-on-year).

From the consolidated fiscal year ending March 31, 2012, the Group revised classification of the reportable segments to strengthen the performance management of the pharmaceutical business for each market. The results by business segment are as follows:

① Japan segment

This represents the business performance of the domestic pharmaceutical business of the DSP. The company has continued its intensive infusions of operating resources into its strategic products, such as AVAPRO[®], a therapeutic agent for hypertension, LONASEN[®], an atypical antipsychotic, and PRORENAL[®], a vasodilator, as well as its new products, such as TRERIEF[®], a Parkinson's disease drug, MIRIPLA[®], a therapeutic agent for hepatocellular carcinoma, METGLUCO[®], a biguanide oral hypoglycemic, thereby working to increase in sales. In addition, the company has aggressively worked to expand the income by pursuing continuous improvement in management efficiency, such as pursue low-cost operations. However, partly due to the impact by assignment of the growth hormone business in the previous year, net sales amounted to 88,623 million yen (a 1.8% decrease year-on-year) and segment income amounted to 33,878 million yen (a 0.1% decrease year-on-year).

② North America segment

This represents the business performance of the U.S. subsidiaries led by Sunovion Pharmaceuticals Inc. and the North America business of the DSP. The Group strived to achieve market penetration and sales expansion of the Group's global strategic product, LATUDA[®], an atypical antipsychotic, at an early stage and worked promotion activities for the existing products such as LUNESTA[®], sedative hypnotic and XOPENEX[®], short-acting beta-agonist through aggressive promotion activities. Net sales amounted to 56,170 million yen (a 7.6% decrease year-on-year) due to the effect of strong yen despite of increase based on local currency. Segment income amounted to 1,107 million yen (a 81.4% decrease year-on-year) due to the increase of expense related to LATUDA[®].

③ China segment

This represents the business performance of the Sumitomo Pharmaceuticals (Suzhou) Co., Ltd. and the China business of the DSP. Mainly due to the steady sales of MEROPEN[®] (sold in China as MEPEM[®]), a carbapenem antibiotic preparation, net sales amounted to 3,355 million yen (a 26.2% increase year-on-year). Segment income amounted to 905million yen (a 5.9% decrease year-on-year) due to increase in selling, general and administrative expenses.

④ Other Regions segment

This represents mainly the business performance of the export excluding North America and China. Net sales amounted to 9,769 million yen (a 6.0% decrease year-on-year) and segment income amounted to 4,488 million yen (a 17.2% decrease year-on-year).

In addition to the above-mentioned reporting segments, the Group has been marketing food ingredients, food additives, chemical product materials, veterinary drugs, diagnostic products, etc. and net sales of these products amounted to 20,107 million yen (a 18.1% decrease year-on-year) and segment income amounted to 1,617 million yen (a 10.2% increase year-on-year).

(2) Qualitative Information on Consolidated Financial Condition

Total assets decreased 23,573 million yen from the previous consolidated fiscal year-end, to 566,294 million yen, primarily due to the decrease in notes and accounts receivable and amortization of patent rights.

Total liabilities decreased 28,076 million yen from the previous consolidated fiscal year-end, to 237,808 million yen, primarily due to the decrease in interest-bearing debt.

Net assets increased 4,502 million yen from the previous consolidated fiscal year-end, to 328,486 million yen, mainly because the increase in retained earnings due to recording of the quarterly net income exceeded the decrease due to payment of dividends.

In addition, shareholders' equity ratio as of the end of the second quarter of the present consolidated fiscal year amounted to 58.0%.

(3) Qualitative Information on Consolidated Financial Forecasts

Consolidated financial forecasts were revised, reflecting changes in the business performance from the previous forecasts announced on May 11, 2011.

Revision of consolidated financial forecasts for the fiscal year ending March 31, 2012

(April 1, 2011 – March 31, 2012)

| | Net sales | Operating income | Ordinary income | Net income | Earnings per share |
|---|-------------|------------------|-----------------|-------------|--------------------|
| | Yen million | Yen million | Yen million | Yen million | |
| Previous forecasts (A) | 362,000 | 17,000 | 15,500 | 8,500 | ¥21.39 |
| New forecasts (B) | 352,000 | 20,000 | 19,000 | 12,000 | ¥30.20 |
| (B—A) | (10,000) | 3,000 | 3,500 | 3,500 | |
| Change (%) | (2.8) | 17.6 | 22.6 | 41.1 | |
| (Reference) Results for the year ended March 31, 2011 | 379,513 | 30,951 | 28,616 | 16,796 | ¥42.27 |

Due to the expectation that net sales will continue to be subject to factors such as the influence of the appreciation of the yen, results for the year ending March 31, 2012 are also expected to fall short of the previous forecast announcement dated May 11, 2011.

SG&A expenses are expected to increase due to strengthening of marketing and progression of R&D projects. However, a reduction in the yen equivalent due to the appreciation of the yen is expected resulting in a decrease compared to the previous forecast.

Consequently, in the revised consolidated financial forecasts for the year ending March 31, 2012, the Company anticipates that net sales decrease 10.0 billion yen to 352.0 billion yen, operating income increases 3.0 billion yen to 20.0 billion yen, ordinary income increases 3.5 billion yen to 19.0 billion yen and net income increases 3.5 billion yen to 12.0 billion yen compared to the previous forecast.

Note: Forecasts shown above are based on management's assumptions and beliefs in light of the information currently available, and involves risks and uncertainties. Actual financial results may differ materially depending on a number of factors, including economic conditions.

2. Consolidated Financial Statements
(1) Consolidated Balance Sheets

| | (Millions of yen) | |
|--|-------------------------|-----------------------------|
| | As of March 31, 2011 | As of September 30, 2011 |
| Assets | | |
| Current assets: | | |
| Cash and time deposits | 14,938 | 8,268 |
| Notes and accounts receivable | 107,803 | 91,599 |
| Marketable securities | 90,921 | 103,879 |
| Merchandise and finished goods | 38,442 | 36,171 |
| Work-in-process | 2,388 | 3,512 |
| Raw materials and supplies | 15,140 | 15,108 |
| Deferred tax assets | 33,489 | 33,122 |
| Short-term loans | 25,000 | 25,000 |
| Others | 4,998 | 6,714 |
| Allowance for doubtful receivables | (122) | (104) |
| Total current assets | 332,999 | 323,274 |
| Fixed assets: | | |
| Property, plant and equipment: | | |
| Buildings and structures | 91,227 | 90,774 |
| Accumulated depreciation and impairment loss | (49,497) | (49,655) |
| Buildings and structures, net | 41,730 | 41,118 |
| Machinery, equipment and carriers | 77,089 | 76,815 |
| Accumulated depreciation and impairment loss | (65,030) | (66,059) |
| Machinery, equipment and carriers, net | 12,058 | 10,756 |
| Land | 10,291 | 10,260 |
| Construction in progress | 941 | 1,482 |
| Others | 27,529 | 27,742 |
| Accumulated depreciation and impairment loss | (22,758) | (23,025) |
| Others, net | 4,771 | 4,716 |
| Total property, plant and equipment | 69,793 | 68,334 |
| Intangible assets: | | |
| Goodwill | 70,369 | 68,618 |
| Patent rights | 60,984 | 48,264 |
| Others | 11,912 | 11,259 |
| Total intangible assets | 143,266 | 128,143 |
| Investments and other assets: | | |
| Investment securities | 27,922 | 28,051 |
| Deferred tax assets | 7,023 | 9,365 |
| Others | 8,961 | 9,235 |
| Allowance for doubtful receivables | (99) | (109) |
| Total investments and other assets | 43,807 | 46,542 |
| Total fixed assets | 256,868 | 243,020 |
| Total assets | 589,868 | 566,294 |

(Millions of yen)

| | As of March 31, 2011 | As of September 30, 2011 |
|---|-------------------------|-----------------------------|
| Liabilities | | |
| Current liabilities: | | |
| Notes and accounts payable | 15,647 | 16,770 |
| Short-term loans payable | 50,000 | — |
| Current portion of long-term loans payable | 10,600 | 10,000 |
| Income taxes payable | 7,678 | 8,796 |
| Reserve for bonuses | 7,431 | 7,679 |
| Reserve for sales returns | 2,289 | 3,031 |
| Reserve for sales rebates | 15,875 | 16,398 |
| Others | 47,681 | 36,015 |
| Total current liabilities | 157,203 | 98,692 |
| Long-term liabilities: | | |
| Bonds payable | 50,000 | 70,000 |
| Long-term loans payable | 43,000 | 53,000 |
| Liability for retirement benefits | 10,266 | 10,626 |
| Others | 5,414 | 5,489 |
| Total long-term liabilities | 108,680 | 139,115 |
| Total liabilities | 265,884 | 237,808 |
| Net assets | | |
| Shareholders' equity: | | |
| Common stock | 22,400 | 22,400 |
| Capital surplus | 15,860 | 15,860 |
| Retained earnings | 304,186 | 310,180 |
| Treasury stock | (648) | (649) |
| Total shareholders' equity | 341,798 | 347,791 |
| Accumulated other comprehensive income (loss) | | |
| Unrealized gains on available-for-sale securities, net of tax | 5,413 | 5,694 |
| Foreign currency translation adjustment | (23,228) | (24,999) |
| Total accumulated other comprehensive income (loss) | (17,814) | (19,305) |
| Total net assets | 323,983 | 328,486 |
| Total liabilities and net assets | 589,868 | 566,294 |

(2) Consolidated Statements of (Comprehensive) Income

Consolidated Statements of Income

| | (Millions of yen) | |
|--|--|--|
| | Six months ended September 30, 2010 | Six months ended September 30, 2011 |
| Net sales | 188,574 | 178,026 |
| Cost of sales | 57,845 | 49,766 |
| Gross profit | 130,729 | 128,260 |
| Reversal of reserve for sales returns | 20 | — |
| Provision for reserve for sales returns | — | 7 |
| Gross profit-net | 130,749 | 128,253 |
| Selling, general and administrative expenses | | |
| Salaries | 17,471 | 18,168 |
| Provision for reserve for bonuses | 4,812 | 5,156 |
| Research and development costs | 32,807 | 27,288 |
| Others | 60,716 | 62,913 |
| Total selling, general and administrative expenses | 115,808 | 113,526 |
| Operating income | 14,941 | 14,726 |
| Non-operating income | | |
| Interest income | 241 | 195 |
| Dividend income | 474 | 397 |
| Others | 1,165 | 833 |
| Total non-operating income | 1,881 | 1,426 |
| Non-operating expenses | | |
| Interest expense | 874 | 599 |
| Contribution | 900 | 720 |
| Others | 666 | 352 |
| Total non-operating expenses | 2,441 | 1,671 |
| Ordinary income | 14,381 | 14,480 |
| Extraordinary income | | |
| Gain on sales of property, plant and equipment | — | 1,235 |
| Total extraordinary income | — | 1,235 |
| Income before income taxes and minority interests | 14,381 | 15,716 |
| Income taxes | 5,730 | 6,146 |
| Income before minority interests | 8,650 | 9,569 |
| Net income | 8,650 | 9,569 |

Consolidated Statements of Comprehensive Income (Loss)

(Millions of yen)

| | Six months ended September 30, 2010 | Six months ended September 30, 2011 |
|--|--|--|
| Income before minority interests | 8,650 | 9,569 |
| Other comprehensive income (loss) | | |
| Unrealized gains (losses) on available-for-sale securities, net of tax | (2,051) | 280 |
| Foreign currency translation adjustment | (9,253) | (1,770) |
| Total other comprehensive income (loss) | (11,304) | (1,490) |
| Comprehensive income (loss) | (2,654) | 8,079 |
| Comprehensive income attributable to | | |
| Comprehensive income (loss) attributable to owners of the parent | (2,654) | 8,079 |
| Comprehensive income (loss) attributable to minority interests | — | — |

(3) Consolidated Statements of Cash Flows

| | (Millions of yen) | |
|--|--|--|
| | Six months ended September 30, 2010 | Six months ended September 30, 2011 |
| Net cash provided by operating activities: | | |
| Income before income taxes and minority interests | 14,381 | 15,716 |
| Depreciation and amortization | 20,749 | 18,394 |
| Amortization of goodwill | 2,027 | 1,962 |
| Provision for liability for retirement benefits, less payments | 386 | 32 |
| Provision for other liabilities | 508 | 1,701 |
| Interest and dividend income | (715) | (592) |
| Interest expense | 874 | 599 |
| Loss (gain) on sales of property, plant, and equipment | (2) | (1,235) |
| Decrease (increase) in notes and accounts receivable | 3,131 | 16,021 |
| Decrease (increase) in inventories | 6,325 | 1,130 |
| Increase (decrease) in notes and accounts payable | (3,348) | 1,118 |
| Increase (decrease) in accounts payable-other | (4,270) | (9,019) |
| Other-net | (2,221) | (4,771) |
| Subtotal | 37,825 | 41,058 |
| Interest and dividend received | 891 | 682 |
| Interest paid | (945) | (563) |
| Income taxes paid | (7,740) | (7,064) |
| Net cash provided by operating activities | 30,030 | 34,113 |
| Net cash provided by (used in) investing activities: | | |
| Purchases of marketable securities | (3,316) | (22,064) |
| Proceeds from sales of marketable securities | 750 | 5,863 |
| Proceeds from redemption of marketable securities | 5,219 | 14,783 |
| Purchases of property, plant and equipment | (3,377) | (3,989) |
| Proceeds from sales of property, plant and equipment | 30 | 1,935 |
| Purchases of intangible assets | (832) | (1,021) |
| Proceeds from sales of intangible assets | 1,142 | — |
| Purchases of investment securities | (2,476) | (1,856) |
| Proceeds from sales of investment securities | 1,916 | 410 |
| Proceeds from redemption of investment securities | 1,502 | 7 |
| Other-net | (242) | (375) |
| Net cash provided by (used in) investing activities | 314 | (6,307) |
| Net cash used in financing activities: | | |
| Net increase (decrease) in short-term loans payable | (5,500) | (50,000) |
| Proceeds from long-term loans payable | — | 15,000 |
| Repayment of long-term debt | — | (5,600) |
| Proceeds from issuance of bonds | — | 19,895 |
| Net decrease (increase) in treasury stock | (0) | (0) |
| Dividends paid | (3,573) | (3,575) |
| Other-net | (46) | (33) |
| Net cash used in financing activities | (9,120) | (24,314) |
| Effect of exchange rate changes on cash and cash equivalents | (1,223) | (158) |
| Net increase (decrease) in cash and cash equivalents | 20,001 | 3,332 |
| Cash and cash equivalents at the beginning of period | 58,139 | 82,868 |
| Cash and cash equivalents at the end of period | 78,140 | 86,201 |

(4) Notes on Premise of Going Concern

Not applicable.

(5) Segment Information

I Six months ended September 30, 2010

1. Information on sales and income (loss) by reportable segment

(Millions of yen)

| | Reportable Segments | | | | Other Business | Total |
|----------------------------------|-------------------------|---------|-------|----------|----------------|---------|
| | Japan (Pharmaceuticals) | U.S. | China | Subtotal | | |
| Net sales | | | | | | |
| Sales to customers | 100,767 | 60,761 | 2,500 | 164,028 | 24,546 | 188,574 |
| Intersegment sales and transfers | 1,238 | 2,206 | 371 | 3,816 | 19 | 3,836 |
| Total | 102,005 | 62,967 | 2,871 | 167,844 | 24,566 | 192,410 |
| Income (loss) of segment | 16,348 | (3,266) | 846 | 13,927 | 1,089 | 15,017 |

Note: The "Other Business" category incorporates operations not included in reportable segments, including animal health products, food additives, diagnostics and other products.

2. Difference between total of the income (loss) of the reportable segments and the amount on consolidated statements of income, and main contents of the difference (adjustment of difference)

(Millions of yen)

| Income | Amount |
|---|--------|
| Reportable segments total | 13,927 |
| Income of "Other Business" | 1,089 |
| Elimination of intersegment transactions | (75) |
| Operating income on consolidated statements of income | 14,941 |

II Six months ended September 30, 2011

1. Information on sales and income (loss) by reportable segment

(Millions of yen)

| | Reportable Segments | | | | | Other Business | Total |
|----------------------------------|--------------------------|---------------|-------|---------------|----------|----------------|---------|
| | Pharmaceuticals Business | | | | | | |
| | Japan | North America | China | Other Regions | Subtotal | | |
| Net sales | | | | | | | |
| Sales to customers | 88,623 | 56,170 | 3,355 | 9,769 | 157,918 | 20,107 | 178,026 |
| Intersegment sales and transfers | 124 | — | — | — | 124 | 44 | 168 |
| Total | 88,748 | 56,170 | 3,355 | 9,769 | 158,043 | 20,151 | 178,195 |
| Income (loss) of segment | 33,878 | 1,107 | 905 | 4,488 | 40,380 | 1,617 | 41,998 |

Note: The "Other Business" category incorporates operations not included in reportable segments, including food ingredients, food additives, chemical product materials, veterinary drugs, diagnostics and other products.

2. Difference between total of the income (loss) of the reportable segments and the amount on consolidated statements of income, and main contents of the difference (adjustment of difference)

| (Millions of yen) | |
|---|----------|
| Income | Amount |
| Reportable segments total | 40,380 |
| Income of "Other Business" | 1,617 |
| Research and development costs | (27,288) |
| Elimination of intersegment transactions | 17 |
| Operating income on consolidated statements of income | 14,726 |

Note: Research and development costs are not allocated to any segment as the Group manages such cost on a global basis.

3. Change of Reportable Segments

From the first quarter of the present consolidated fiscal year, in order to strengthen the market-specific performance management, such as Japan, North America, China, the classification of profit management within the group has changed from the previous three [Japan (Pharmaceuticals), US, China] to four reportable segments [Japan, North America, China, Other Regions].

Because of this, results from overseas dealings that were included in the previous Japan (Pharmaceuticals) segment are now included in the North America, China and Other Regions segments. Moreover, from the first quarter of the present consolidated fiscal year, in order to manage R&D costs globally, they are not included in each segment.

As a result, segment income is changed to the operating income before R&D costs from the past operating income. For the corresponding fiscal period of the previous consolidated fiscal year, information on sales and income (loss) by reportable segment created from the revised classification of segments is outlined below.

Six months ended September 30, 2010

(Millions of yen)

| | Reportable Segments | | | | | Other Business | Total |
|----------------------------------|--------------------------|---------------|-------|---------------|----------|----------------|---------|
| | Pharmaceuticals Business | | | | | | |
| | Japan | North America | China | Other Regions | Subtotal | | |
| Net sales | | | | | | | |
| Sales to customers | 90,220 | 60,761 | 2,659 | 10,387 | 164,028 | 24,546 | 188,574 |
| Intersegment sales and transfers | 20 | — | — | — | 20 | 19 | 40 |
| Total | 90,240 | 60,761 | 2,659 | 10,387 | 164,048 | 24,566 | 188,615 |
| Income (loss) of segment | 33,904 | 5,966 | 962 | 5,422 | 46,256 | 1,467 | 47,723 |

Note: The "Other Business" category incorporates operations not included in reportable segments, including animal health products, food additives, diagnostics and other products.

Difference between total of the income (loss) of the reportable segments and the amount on consolidated statements of income, and main contents of the difference (adjustment of difference)

| (Millions of yen) | |
|---|----------|
| Income | Amount |
| Reportable segments total | 46,256 |
| Income of "Other Business" | 1,467 |
| Research and development costs | (32,807) |
| Elimination of intersegment transactions | 25 |
| Operating income on consolidated statements of income | 14,941 |

(6) Notes on Significant Changes in Shareholders' Equity

Not applicable.