

Non-consolidated Information

Non-consolidated income statements

(Millions of yen)

Year ended March 31	2001	2002	2003	2004	2005	% Change 2005/2004
Net sales	84,295	82,990	82,372	80,227	86,340	7.6
Cost of sales	30,996	29,829	28,901	27,653	29,964	8.4
(Percentage of net sales)	36.8%	35.9%	35.1%	34.5%	34.7%	
Gross profit	53,298	53,161	53,471	52,573	56,376	7.2
(Percentage of net sales)	63.2%	64.1%	64.9%	65.5%	65.3%	
Selling, general and administrative expenses	34,586	37,575	36,141	35,103	36,684	4.5
(Percentage of net sales)	41.0%	45.3%	43.9%	43.7%	42.5%	
R&D expenses	10,936	12,809	12,109	12,023	13,302	10.6
(Percentage of net sales)	12.9%	15.4%	14.7%	15.0%	15.4%	
Operating income	18,712	15,586	17,329	17,469	19,692	12.7
(Percentage of net sales)	22.2%	18.8%	21.0%	21.8%	22.8%	
Non-operating income	1,114	932	719	2,651	809	-69.5
Non-operating expense	753	458	1,037	1,439	234	-83.7
Ordinary income	19,072	16,060	17,011	18,680	20,266	8.5
(Percentage of net sales)	22.6%	19.3%	20.7%	23.3%	23.5%	
Extraordinary gain	57	952	16	682	766	12.2
Extraordinary loss	1,433	263	14,728	5,058	1,080	-78.6
Income before income taxes	17,697	16,749	2,299	14,305	19,952	39.5
(Percentage of net sales)	21.0%	20.2%	2.8%	17.8%	23.1%	
Income taxes: current	8,644	6,515	442	8,662	6,362	-26.5
deferred	-1,112	300	985	-1,533	987	164.4
Net income	10,165	9,932	871	7,176	12,602	75.6
(Percentage of net sales)	12.1%	12.0%	1.1%	8.9%	14.6%	

Selling, general and administrative expenses

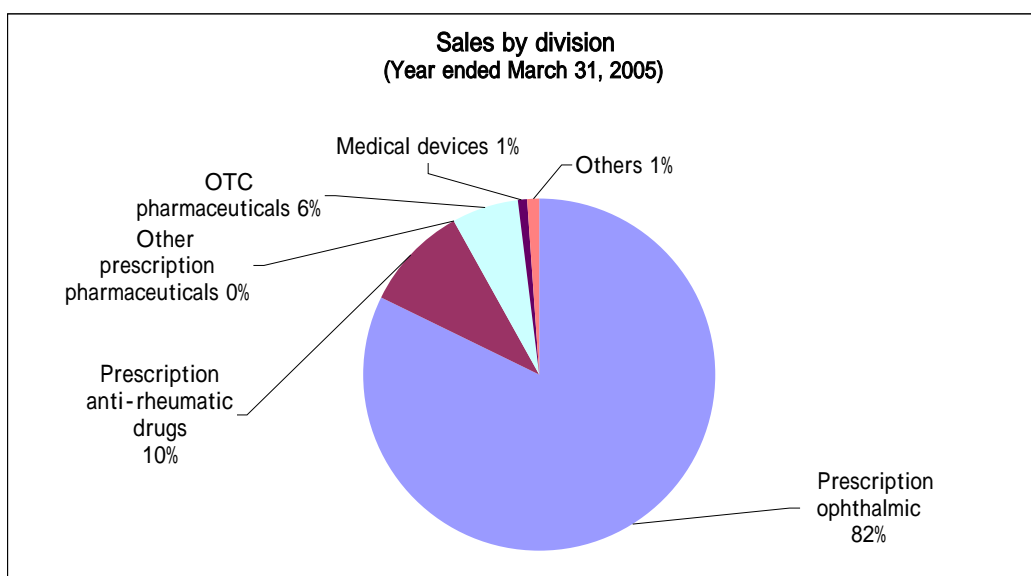
(Millions of yen)

Year ended March 31	2001	2002	2003	2004	2005	% Change 2005/2004
Personnel expenses	8,237	8,626	8,746	8,432	9,149	8.5
Sales promotion expenses	2,533	2,676	2,399	2,212	2,345	6.0
Royalty expenses	2,527	2,358	1,951	1,943	1,941	-0.1
Advertising expenses	1,364	1,869	1,655	1,542	1,457	-5.5
R&D expenses	10,936	12,809	12,109	12,023	13,302	10.6

Sales by division

(Millions of yen)

Year ended March 31	2001	2002	2003	2004	2005	% Change 2005/2004
Prescription pharmaceuticals	76,576	74,221	74,130	72,781	79,380	9.1
Ophthalmic	69,152	66,379	66,207	64,749	70,987	9.6
Anti-rheumatic drugs	6,729	7,291	7,631	7,969	8,353	4.8
Other prescription pharmaceuticals	694	551	291	62	40	-35.9
OTC pharmaceuticals	5,255	6,592	5,656	4,672	5,277	13.0
Medical devices	1,144	842	855	877	726	-17.1
Others	1,318	1,334	1,730	1,896	955	-49.6
Total net sales	84,295	82,990	82,372	80,227	86,340	7.6



Sales of merchandises and products

(Millions of yen)

	2001	2002	2003	2004	2005	% Change 2005/2004
Sales of products	61,315	63,742	62,606	60,936	61,979	1.7
Sales of merchandises	22,980	19,248	19,765	19,290	24,360	26.3
Total	84,295	82,990	82,372	80,227	86,340	7.6
Sales of products ratio(%)	72.7	76.8	76.0	75.9	71.8	-

Non-consolidated balance sheets

Assets

(Millions of yen)

March 31	2001		2002		2003		2004		2005	
		%		%		%		%		%
Current assets	82,645	52.5	78,800	49.7	75,794	51.3	84,293	56.1	78,075	54.7
Cash and deposits	24,310		19,594		18,353		28,577		21,924	
Notes receivable and accounts receivable	39,937		37,852		31,300		30,874		34,572	
Income taxes receivable	-		-		2,114		-		-	
Marketable securities	2,984		4,797		7,745		9,303		9,046	
Treasury stock	41		-		-		-		-	
Inventories	11,096		10,997		10,348		8,860		8,328	
Deferred tax assets	2,276		1,859		1,138		2,298		1,609	
Other	2,093		3,765		4,934		4,657		2,612	
Allowance for doubtful receivables	-94		-66		-141		-258		-18	
Fixed assets	74,687	47.5	79,656	50.3	72,075	48.7	65,946	43.9	64,687	45.3
Tangible assets	32,844	20.9	37,539	23.7	36,304	24.5	32,660	21.7	28,459	19.9
Buildings and structures	17,511		16,040		17,887		18,289		16,483	
Machinery, equipment and vehicles	1,235		965		857		805		981	
Tools, furnitures and fixtures	1,926		1,724		1,932		1,875		1,611	
Land	10,666		10,666		10,666		10,343		9,227	
Construction in progress	1,503		8,142		4,959		1,346		156	
Intangible assets	3,973	2.5	3,446	2.2	3,129	2.1	2,700	1.8	2,073	1.5
Patents	1,039		887		736		584		432	
Trademarks	1,081		962		839		717		596	
Goodwill	934		692		449		206		0	
Software	543		797		719		1,111		966	
Other intangible assets	373		106		384		80		78	
Investments and other assets	37,869	24.1	38,670	24.4	32,641	22.1	30,585	20.4	34,154	23.9
Investment securities	13,419		9,991		10,819		11,425		14,309	
Investments in subsidiaries and affiliates	14,455		15,567		4,618		13,201		13,148	
Long-term loans	1,051		4,671		9,346		1		-	
Long-term deferred tax assets	1,479		2,185		2,052		1,669		948	
Others	7,464		6,253		5,803		4,288		5,748	
Total assets	157,332	100.0	158,456	100.0	147,869	100.0	150,240	100.0	142,762	100.0

[Major variances between March 31, 2004 and March 31, 2005]

Cash and deposits :

Decreased due to the increase in the payment of income taxes, the repayment of long-term debt ahead of schedule, and the contribution to retirement benefit trust, despite the increase in income before income

Notes receivable and accounts receivable:

Due to the increase of sales.

Land:

Decreased due to the sales.

Construction in progress:

Decreased due to the transfer of plant manufacturing facilities (1,080 million yen) to leasing contract.

Liabilities and shareholders' equity

(Millions of yen)

March 31	2001		2002		2003		2004		2005	
		%		%		%		%		%
Current liabilities	25,870	16.5	24,094	15.2	38,055	25.7	24,337	16.2	20,686	14.5
Trade accounts payable	6,452		4,335		5,122		4,436		5,469	
Current portion of convertible bonds	-		-		19,945		-		-	
Current portion of long-term debt	624		1,416		416		416		268	
Other payables	10,556		11,242		9,449		8,228		8,732	
Corporate income taxes receivable	4,597		3,412		-		8,075		3,372	
Consumption taxes payable	573		478		275		556		460	
Reserves	2,858		2,886		2,609		2,458		2,237	
Others	207		323		237		165		145	
Noncurrent liabilities	30,735	19.5	29,654	18.7	9,530	6.5	19,102	12.7	8,983	6.3
Convertible bonds	19,945		19,945		-		-		-	
Long-term debt	4,518		3,102		2,686		12,270		6,614	
Reserve for retirement benefit	-		-		-		-		-	
Reserve for retirement benefit	5,290		5,580		5,724		5,744		1,823	
Other noncurrent liabilities	981		1,026		1,120		1,088		546	
Total liabilities	56,605	36.0	53,749	33.9	47,586	32.2	43,440	28.9	29,670	20.8
Common stock	6,205	4.0	6,214	3.9	6,214	4.2	6,214	4.1	6,247	4.4
Capital surplus reserves	6,900	4.3	6,908	4.4	6,908	4.6	6,908	4.6	6,942	4.9
Additional paid-in capital	6,900		6,908		6,908		6,908		6,942	
Other capital surplus reserves	-		-		-		0		0	
Appropriated retained earnings	86,331	54.9	91,115	57.5	90,143	61.0	92,291	61.4	97,927	68.6
Earnings reserve	1,473		1,551		1,551		1,551		1,551	
Reserve for retirement benefit	372		372		372		372		372	
Special depreciation reserve	287		250		180		325		294	
General reserve	79,409		82,109		84,109		84,109		84,109	
Unappropriated retained earnings	4,789		6,833		3,930		5,933		11,600	
Unrealized holding gains on securities	1,289	0.8	474	0.3	293	0.2	1,426	1.0	2,048	1.4
Treasury stock	-	-	-5	-0.0	-3,276	-2.2	-40	-0.0	-74	-0.1
Total shareholders' equity	100,727	64.0	104,706	66.1	100,283	67.8	106,800	71.1	113,092	79.2
Total liabilities and shareholders' equity	157,332	100.0	158,456	100.0	147,869	100.0	150,240	100.0	142,762	100.0

[Major variances between March 31, 2004 and March 31, 2005]

Trade accounts payable:	Due to the increase in purchase of merchandises mainly.
Income taxes payable:	Due to the lower payment of income taxes in November, 2003 and the increase in unpaid balance of tax in March, 2004.
Long-term debt:	Decreased due to the repayment of syndicated loans (5,000 million yen) ahead of schedule and other loans.
Reserve for retirement benefits:	Decreased due to the establishment of retirement benefit trust (3,502 million yen).