

## Non-consolidated Information

# Non-consolidated income statements

(Millions of yen)

Half year/year to	9/2003	3/2004	9/2004	3/2005	9/2005	Change over previous first-half year (%)
<b>Net sales</b>	<b>40,928</b>	<b>80,227</b>	<b>41,897</b>	<b>86,340</b>	<b>46,234</b>	<b>10.4</b>
Cost of sales (Percentage of net sales)	13,953 34.1%	27,653 34.5%	14,430 34.4%	29,964 34.7%	15,673 33.9%	8.6
<b>Gross profit</b> (Percentage of net sales)	<b>26,975</b> 65.9%	<b>52,573</b> 65.5%	<b>27,467</b> 65.5%	<b>56,376</b> 65.3%	<b>30,560</b> 66.1%	<b>11.3</b>
Selling, general and administrative expenses (Percentage of net sales)	18,215 44.5%	35,103 43.7%	17,690 42.2%	36,684 42.5%	18,587 40.2%	5.1
(R&D expenses) (Percentage of net sales)	6,102 14.9%	12,023 15.0%	6,195 14.7%	13,302 15.4%	6,288 13.6%	1.5
<b>Operating income</b> (Percentage of net sales)	<b>8,759</b> 21.4%	<b>17,469</b> 21.8%	<b>9,776</b> 23.3%	<b>19,692</b> 22.8%	<b>11,972</b> 25.9%	<b>22.5</b>
Non-operating income	490	2,651	539	809	394	-26.8
Non-operating expenses	929	1,439	94	234	48	-48.4
<b>Ordinary income</b> (Percentage of net sales)	<b>8,320</b> 20.3%	<b>18,680</b> 23.3%	<b>10,221</b> 24.3%	<b>20,266</b> 23.5%	<b>12,318</b> 26.6%	<b>20.5</b>
Extraordinary gain	489	682	237	766	14	-94.1
Extraordinary loss	793	5,058	1,006	1,080	940	-6.6
<b>Income before income taxes</b> (Percentage of net sales)	<b>8,016</b> 19.6%	<b>14,305</b> 17.8%	<b>9,452</b> 22.5%	<b>19,952</b> 23.1%	<b>11,392</b> 24.6%	<b>20.5</b>
Income taxes - current	3,941	8,662	3,058	6,362	4,604	50.5
Income taxes - deferred	-923	-1,533	386	987	-503	-230.3
<b>Net income</b> (Percentage of net sales)	<b>4,998</b> 12.2%	<b>7,176</b> 8.9%	<b>6,008</b> 14.3%	<b>12,602</b> 14.6%	<b>7,291</b> 15.8%	<b>21.4</b>

### Selling, general and administrative expenses

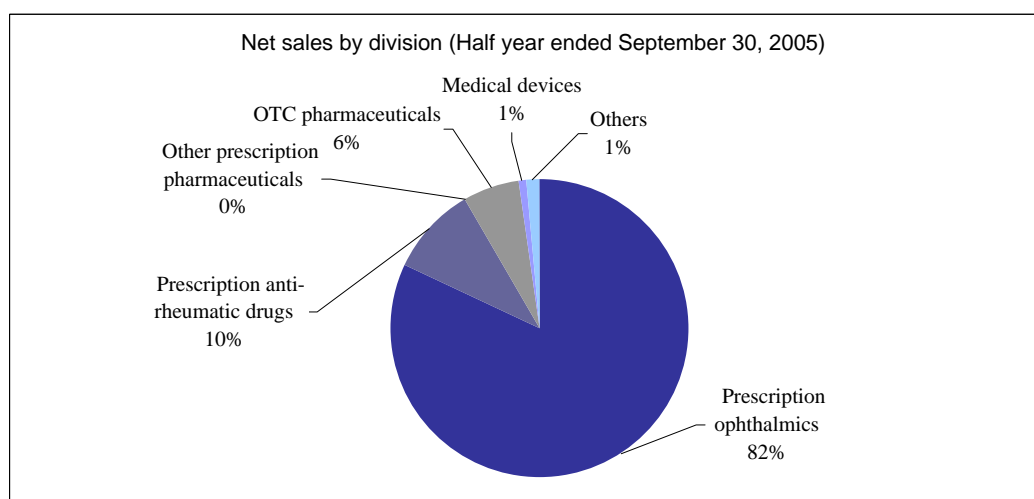
(Millions of yen)

Half year/year to	9/2003	3/2004	9/2004	3/2005	9/2005	Change over previous first-half year (%)
Personnel expenses	4,272	8,432	4,364	9,149	4,606	5.5
Sales promotion expenses	913	2,212	1,008	2,345	1,319	30.8
Royalty expenses	1,011	1,943	1,055	1,941	987	-6.4
Advertising expenses	1,141	1,542	1,006	1,457	894	-11.1
R&D expenses	6,102	12,023	6,195	13,302	6,288	1.5

Sales by division

(Millions of yen)

Half year/year to	9/2003	3/2004	9/2004	3/2005	9/2005	Change over previous first-half year (%)	3/2006 Forecast
Prescription pharmaceuticals	37,154	72,781	38,405	79,380	42,430	10.5	83,980
Ophthalmic	33,087	64,749	34,170	70,987	37,825	10.7	74,930
Anti-rheumatic drugs	4,022	7,969	4,215	8,353	4,588	8.9	9,030
Other prescription pharmaceuticals	43	62	19	40	17	-13.4	20
OTC pharmaceuticals	2,205	4,672	2,593	5,277	2,777	7.1	5,280
Medical devices	456	877	416	726	322	-22.4	640
Others	1,113	1,896	482	955	703	45.9	1,300
<b>Total net sales</b>	<b>40,928</b>	<b>80,227</b>	<b>41,897</b>	<b>86,340</b>	<b>46,234</b>	<b>10.4</b>	<b>91,200</b>



Sales of merchandises and products

(Millions of yen)

	9/2003	3/2004	9/2004	3/2005	9/2005	Change over previous first-half year (%)	3/2006 Forecast
Sales of products	31,323	60,936	32,199	61,979	32,652	1.4	63,370
Sales of merchandises	9,605	19,290	9,696	24,360	13,581	40.1	27,820
<b>Total</b>	<b>40,928</b>	<b>80,227</b>	<b>41,897</b>	<b>86,340</b>	<b>46,234</b>	<b>10.4</b>	<b>91,200</b>
Sales of products ratio(%)	76.5	75.9	76.9	71.8	70.6	-	69.4

# Non-consolidated balance sheets

## Assets

At half-year/year end	9/2003		3/2004		9/2004		3/2005		9/2005	
	Million yen	Proportion (%)	Million yen	Proportion (%)	Million yen	Proportion (%)	Million yen	Proportion (%)	Million yen	Proportion (%)
<b>Current assets</b>	<b>75,180</b>	<b>52.0</b>	<b>84,293</b>	<b>56.1</b>	<b>84,763</b>	<b>56.8</b>	<b>78,075</b>	<b>54.7</b>	<b>84,704</b>	<b>57.0</b>
Cash and deposits	17,724		28,577		31,413		21,924		28,259	
Notes receivable and accounts receivable-trade	32,071		30,874		31,990		34,572		34,098	
Marketable securities	8,046		9,303		9,309		9,046		10,388	
Inventories	9,331		8,860		7,699		8,328		7,822	
Deferred tax assets	1,936		2,298		1,828		1,609		1,599	
Other current assets	6,374		4,657		2,536		2,612		2,539	
Allowance for doubtful receivables	-304		-258		-14		-18		-4	
<b>Fixed assets</b>	<b>69,497</b>	<b>48.0</b>	<b>65,946</b>	<b>43.9</b>	<b>64,547</b>	<b>43.2</b>	<b>64,687</b>	<b>45.3</b>	<b>63,976</b>	<b>43.0</b>
Tangible assets	34,508	23.8	32,660	21.7	31,363	21.0	28,459	19.9	27,135	18.2
Buildings and structures	18,923		18,289		17,461		16,483		15,493	
Machinery, equipment and vehicles	872		805		717		981		983	
Tools, furnitures and fixtures	2,051		1,875		1,757		1,611		1,566	
Land	10,666		10,343		9,630		9,227		8,794	
Construction in progress	1,994		1,346		1,797		156		297	
Intangible assets	2,922	2.0	2,700	1.8	2,247	1.5	2,073	1.5	1,873	1.3
Patents	660		584		508		432		356	
Trademarks	779		717		657		596		534	
Distributorship	327		206		84		0		0	
Software	1,062		1,111		960		966		821	
Other intangibles	92		80		36		78		161	
Investments and other assets	32,065	22.2	30,585	20.4	30,936	20.7	34,154	23.9	34,967	23.5
Investment securities	10,069		11,425		11,997		14,309		15,733	
Investments in subsidiaries and affiliates	7,109		13,201		13,148		13,148		13,148	
Long-term loans	7,045		1		1		-		-	
Deferred assets	1,909		1,669		1,868		948		868	
Other assets	5,931		4,288		3,920		5,748		5,216	
<b>Total assets</b>	<b>144,677</b>	<b>100.0</b>	<b>150,240</b>	<b>100.0</b>	<b>149,311</b>	<b>100.0</b>	<b>142,762</b>	<b>100.0</b>	<b>148,681</b>	<b>100.0</b>

### Major changes at September 30, 2005 from March 31, 2005

<b>Cash and deposits:</b>	Due to the increase in income before income taxes.
<b>Marketable securities:</b>	Due to the purchase of commercial paper of 1,000 million yen.
<b>Tangible assets:</b>	Due to the impairment loss of 908 million yen on the property for the distribution service.
<b>Investment securities:</b>	Due to the increase in fair value of investment securities.

### Liabilities and shareholders' equity

At half-year/year end	9/2003		3/2004		9/2004		3/2005		9/2005	
	Million yen	Proportion (%)	Million yen	Proportion (%)	Million yen	Proportion (%)	Million yen	Proportion (%)	Million yen	Proportion (%)
<b>Current liabilities</b>	<b>20,735</b>	<b>14.3</b>	<b>24,337</b>	<b>16.2</b>	<b>20,044</b>	<b>13.4</b>	<b>20,686</b>	<b>14.5</b>	<b>21,714</b>	<b>14.6</b>
Accounts payable-trade	3,640		4,436		4,773		5,469		4,813	
Current portion of long-term debt	416		416		416		268		768	
Other payables	9,807		8,228		8,935		8,732		8,649	
Income taxes payable	3,664		8,075		3,120		3,372		4,694	
Consumption taxes payable	428		556		451		460		477	
Reserves	2,495		2,458		2,179		2,237		2,150	
Other current liabilities	282		165		168		145		161	
<b>Noncurrent liabilities</b>	<b>19,199</b>	<b>13.3</b>	<b>19,102</b>	<b>12.7</b>	<b>19,263</b>	<b>12.9</b>	<b>8,983</b>	<b>6.3</b>	<b>8,289</b>	<b>5.6</b>
Long-term debt	12,478		12,270		12,062		6,614		5,980	
Retirement and severance benefits for employee	5,679		5,744		6,067		1,823		1,582	
Other liabilities	1,042		1,088		1,134		546		726	
<b>Total liabilities</b>	<b>39,934</b>	<b>27.6</b>	<b>43,440</b>	<b>28.9</b>	<b>39,321</b>	<b>26.3</b>	<b>29,670</b>	<b>20.8</b>	<b>30,003</b>	<b>20.2</b>
Common stock	6,214	4.3	6,214	4.1	6,227	4.2	6,247	4.4	6,272	4.2
Capital surplus reserves	6,908	4.8	6,908	4.6	6,922	4.6	6,942	4.9	6,967	4.7
Additional paid-in capital	6,908		6,908		6,922		6,942		6,966	
Other capital surplus reserves	-		0		0		0		0	
Retained earnings	94,232	65.1	92,291	61.4	95,640	64.1	97,927	68.6	102,595	69.0
Earning reseve	1,551		1,551		1,551		1,551		1,551	
Reserve for retirement benefit	372		372		372		372		372	
Special depreciation reserve	325		325		294		294		301	
General reserve	84,109		84,109		84,109		84,109		89,109	
Undivided profits	7,873		5,933		9,313		11,600		11,261	
Unrealized holding gains on securities	665	0.5	1,426	1.0	1,256	0.8	2,048	1.4	2,922	2.0
Treasury stock at cost	-3,277	-2.3	-40	-0.0	-44	-0.0	-74	-0.1	-79	-0.1
<b>Total shareholders' equity</b>	<b>104,742</b>	<b>72.4</b>	<b>106,800</b>	<b>71.1</b>	<b>110,002</b>	<b>73.7</b>	<b>113,092</b>	<b>79.2</b>	<b>118,677</b>	<b>79.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>144,677</b>	<b>100.0</b>	<b>150,240</b>	<b>100.0</b>	<b>149,311</b>	<b>100.0</b>	<b>142,762</b>	<b>100.0</b>	<b>148,681</b>	<b>100.0</b>

### Major changes at September 30, 2005 from March 31, 2005

**Income taxes payable:** Due to the increase in income taxes driven by the increase in income before income taxes.