Securities Code: 4506

Supplementary Financial Data for the Year Ended March 31, 2011

May 11, 2011

Dainippon Sumitomo Pharma Co., Ltd.

- Forecasts provided in this document are based on the management's assumptions and beliefs, made in light of information available up to the day of announcement. Actual financial results may differ materially from those presented in this document, being dependent upon a number of factors.
- All values are rounded. Therefore totals may not be consistent with aggregated figures.

I. Consolidated Financial Highlights

1. Highlights of the Statements of Income

(Billions of yen)

	FY2009	FY2010	Change (%)	FY2011 2Q (Forecast)	Change (%)	FY2011 (Forecast)	Change (%)
Net sales	296.3	379.5	28.1	179.7	(4.7)	362.0	(4.6)
Cost of sales	112.3	110.0	(2.0)	50.1	(13.4)	103.8	(5.7)
SG&A expenses	148.4	238.5	60.8	120.7	4.2	241.2	1.1
SG&A expenses less R&D costs	97.0	170.4	75.6	90.1	8.6	179.2	5.2
R&D costs	51.4	68.2	32.7	30.6	(6.7)	62.0	(9.0)
Operating income	35.6	31.0	(13.1)	8.9	(40.4)	17.0	(45.1)
Ordinary income	33.8	28.6	(15.4)	8.4	(41.6)	15.5	(45.8)
Net income	21.0	16.8	(19.9)	4.8	(44.5)	8.5	(49.4)

Notes 1: Cost of sales includes provision for (reversal of) reserve for sales returns.
2: Change (%) represent ratio of changes from the corresponding period of the previous year.
3: FY2009 includes 4Q（Oct.15 to Dec.31 2009）figures of US subsidiaries.

EBITDA (Billions of yen)	56.4	78.0	30.1	59.5
Earnings per share (yen)	52.75	42.27	12.08	21.39
Return on equity (ROE)	6.3%	5.0%	—	—
Payout ratio	34.1%	42.6%	74.5%	84.2%

2. Financial Results of U.S. Subsidiary（Before Elimination）

(1) Excluding Impact of Valuations and Accounting Procedures

(Billions of yen)

	FY2009	FY2010
Net sales	30.0	121.9
Cost of sales	2.4	12.5
SG&A expenses	19.2	86.4
SG&A expenses less R&D costs	15.0	63.5
R&D costs	4.2	22.9
Operating income	8.3	23.0
Ordinary income	7.9	23.3
Net income	5.2	15.3

(2) Impact of Valuations and Accounting Procedures (Billions of yen)

	FY2009	FY2010
Net sales	—	—
Cost of sales	3.6	3.3
SG&A expenses	6.9	31.4
Operating income	(10.5)	(34.7)
Ordinary income	(10.5)	(34.7)
Extraordinary loss	—	2.2
Net income	(6.9)	(24.6)

Note：FY2009 includes 4Q（Oct.15 to Dec.31 2009）figures of US subsidiaries.

3. Currency Exchange Rates (Billions of yen)

	FY2010		FY2011	Forex sensitivity (2011 Jan-Dec) (Impact of yen strength by 1yen/$)	
	Fiscal year end rate	average rate	Forecast rate		
Yen / USD	81.5	87.8	85.0	Sales	(1.4)
Yen / RMB	12.4	13.0	13.0	Operating income	0.3

4. Capital Expenditures and Depreciation (Billions of yen)

	FY2009	FY2010	Change	FY 2011 Forecast	Change
Capital expenditures (including intangible assets)	6.5	8.7	2.2	13.5	4.8
Depreciation and amortization	11.0	12.3	1.3	12.5	0.2

Note: Excluding the depreciation associated with acquisition of Sunovion Pharmaceuticals Inc.

・Major continuing capital expenditure projects for FY2011

Relocation of Tokyo office:

Total budget: ¥0.7 billion, plan to be completed in June 2011

Construction operation of new research building in Osaka research center:

Total budget ¥9.1billion, plan to be completed in March 2013

(Reference) Statements of Income (Non-Consolidated)

(Billions of yen)

	FY2009	FY2010	Change (%)	Group-to-parent ratio
Net sales	248.7	229.8	(7.6)	1.65
Cost of sales	93.6	69.4	(25.9)	
SG&A expenses	119.4	116.9	(2.1)	
SG&A expenses less R&D costs	71.1	67.9	(4.5)	
R&D costs	48.3	49.1	1.5	
Operating income	35.7	43.5	21.8	0.71
Ordinary income	34.4	41.2	19.5	0.70
Net income	20.9	26.8	27.8	0.63
Earnings per share (yen)	52.68	67.34		

II. Consolidated Statements of Income

1. Statements of Income (Billions of yen)

	FY2009 (A)	FY2010 (B)	(B)-(A)	Change (%)	Breakdown of (B)-(A)	
					U.S. Subsidiaries	Except U.S. Subsidiaries
Net sales	296.3	379.5	83.3	28.1	89.0	(5.7)
Overseas sales	53.0	152.2	99.2	187.1	89.0	10.2
[% of net sales]	[17.9]	[40.1]				
Cost of sales	112.3	110.0	(2.2)	(2.0)	9.8	(12.0)
Gross profit	184.0	269.5	85.5	46.5	79.2	6.3
SG&A expenses	148.4	238.5	90.2	60.8	88.7	1.5
Labor costs	39.5	67.5	28.0	70.9	27.1	0.9
Advertising and promotion costs	7.9	17.2	9.2	116.1	9.9	(0.7)
Sales promotion costs	12.1	14.0	2.0	16.2	2.3	(0.4)
Depreciation and amortization	9.4	35.2	25.8	275.3	25.4	0.4
Other costs	28.1	36.6	8.4	29.9	8.3	0.1
SG&A expenses less R&D costs	97.0	170.4	73.4	75.6	73.0	0.4
R&D costs	51.4	68.2	16.8	32.7	15.7	1.1
Operating income	35.6	31.0	(4.7)	(13.1)	(9.5)	4.8
Non-operating income	2.3	3.3	1.1		0.8	0.3
Non-operating expenses	4.0	5.6	1.6		0.2	1.4
Ordinary income	33.8	28.6	(5.2)	(15.4)	(8.9)	3.7
Extraordinary loss	2.4	3.6	1.2		2.3	(1.2)
Impairment loss	—	3.2	3.2		2.2	1.1
Loss on valuation of investment securities	0.8	0.3	(0.5)		0.2	(0.7)
Compensation for revision of personnel system	1.6	—	(1.6)		—	(1.6)
Income before income taxes and minority interests	31.4	25.0	(6.4)	(20.3)	(11.2)	4.9
Income taxes	10.5	8.3	(2.2)		(3.6)	1.4
Income before minority interests	21.0	16.8	(4.2)	(19.9)	(7.6)	3.4
Minority interests in net income	0.0	—	(0.0)		—	(0.0)
Net income	21.0	16.8	(4.2)	(19.9)	(7.6)	3.4

Notes 1: Cost of sales includes provision for (reversal of) reserve for sales returns.

2: Overseas sales includes the sales of export.

2. Statements of Comprehensive Income (Billions of yen)

	FY2009	FY2010
Income before minority interests	21.0	16.8
Unrealized gains on available-for-sale securities, net of tax	2.8	(2.5)
Foreign currency translation adjustment	3.4	(26.3)
Total other comprehensive income	6.2	(28.9)
Comprehensive income	27.1	(12.1)

3. Segment Information (FY2010)

(Billions of yen)

	Pharmaceuticals Segment						Others	Total
	Japan	U.S.*1	Impact of purchase price allocation*2	China	Elimination	Total		
Net sales	217.8	121.9	—	6.1	(11.1)	334.8	44.7	379.5
Sales to customers	211.3	117.6	—	5.6	—	334.6	44.9	379.5
Intersegment	6.5	4.3	—	0.5	(11.1)	0.2	(0.2)	—
Cost of sales	59.0	12.5	3.3	2.1	(2.8)	74.2	35.9	110.0
Gross profit	158.8	109.4	(3.3)	4.0	(8.3)	260.6	8.9	269.5
SG&A expenses	115.4	86.4	31.4	3.2	(4.8)	231.6	6.9	238.5
SG&A expenses less R&D costs	66.7	63.5	31.4	3.1	(0.4)	164.3	6.1	170.4
R&D costs	48.8	22.9	—	0.1	(4.4)	67.4	0.8	68.2
Operating income	43.3	23.0	(34.7)	0.8	(3.5)	29.0	2.0	31.0

Notes: *1: Excluding the impact of purchase price allocation by acquisition of Sunovion Pharmaceuticals Inc.

*2: Mainly amortization of patent rights and goodwill

(Reference) Segment Information (FY2009)

(Billions of yen)

	Pharmaceuticals Segment						Others	Total
	Japan	U.S.*1	Impact of purchase price allocation*2	China	Elimination	Total		
Net sales	205.3	30.0	—	4.6	(3.1)	236.8	59.5	296.3
Cost of sales	56.0	2.4	3.6	1.5	(1.2)	62.2	50.0	112.3
Gross profit	149.3	27.5	(3.6)	3.1	(1.9)	174.5	9.5	184.0
SG&A expenses	115.0	19.2	6.9	2.3	(1.8)	141.5	6.9	148.4
Operating income	34.3	8.3	(10.5)	0.9	(0.0)	33.0	2.6	35.6

Notes: *1: Excluding the impact of purchase price allocation by acquisition of Sunovion Pharmaceuticals Inc.

*2: Mainly amortization of patent rights and goodwill

Segment Information (FY2011 Forecast)　　(Billions of yen)

	Pharmaceuticals Segment						Others	Total
	Japan	North America*1	Impact of purchase price allocation*2	China	Others	Total		
Net sales	180.1	115.5	—	7.0	18.1	320.7	41.3	362.0
Sales to customers	179.9	115.5	—	7.0	18.1	320.5	41.5	362.0
Intersegment	0.2	—	—	—	—	0.2	(0.2)	—
Cost of sales	46.2	13.3	—	1.6	10.8	71.9	31.9	103.8
Gross profit	133.9	102.2	—	5.4	7.3	248.8	9.4	258.2
SG&A expenses	66.4	72.5	29.7	4.2	0.3	173.1	6.1	179.2
Income (loss) of segment	67.5	29.7	(29.7)	1.2	7.0	75.7	3.3	79.0
R&D costs						61.1	0.9	62.0
Operating income						14.6	2.4	17.0

Notes: *1: Excluding the impact of purchase price allocation by acquisition of Sunovion Pharmaceuticals Inc.

*2: Mainly amortization of patent rights and goodwill

*3: Pharmaceuticals Segmentation is changed from FY2011 to reflect profitability of each segment more properly.

・"Others" is added to Pharmaceuticals Segment, including "Export" and "Industrial property revenues (overseas) " which were included in "Japan".

・R&D costs of Pharmaceuticals are not allocated to each segment.

(Reference) Segment Information (FY2010)　　(Billions of yen)

	Pharmaceuticals Segment						Others	Total
	Japan	North America*1	Impact of purchase price allocation*2	China	Others	Total		
Net sales	183.0	117.6	—	5.7	28.4	334.8	44.7	379.5
Sales to customers	182.9	117.6	—	5.7	28.4	334.6	44.9	379.5
Intersegment	0.2	—	—	—	—	0.2	(0.2)	—
Cost of sales	49.2	12.5	3.3	1.2	8.0	74.2	35.9	110.0
Gross profit	133.9	105.2	(3.3)	4.5	20.4	260.6	8.9	269.5
SG&A expenses	65.7	63.6	31.4	3.3	0.3	164.3	6.1	170.4
Income (loss) of segment	68.2	41.6	(34.7)	1.2	20.1	96.4	2.8	99.1
R&D costs						67.4	0.8	68.2
Operating income						29.0	2.0	31.0

Notes: *1: Excluding the impact of purchase price allocation by acquisition of Sunovion Pharmaceuticals Inc.

*2: Mainly amortization of patent rights and goodwill

*3: According to change of segmentation , results of FY2010 are recalculated by new segmentation.

4. Sales of Pharmaceuticals Segment (Sales to customers) (Billions of yen)

		FY2009 (A)	FY2010 (B)	(B)-(A)	Change (%)	FY2011 2Q (Forecast)	FY2011 (Forecast)
Japan		204.0	211.3	7.4	3.6	88.4	179.9
	Domestic	184.2	182.9	(1.3)	(0.7)	88.4	179.9
	Export	19.8	28.5	8.7	43.7	—	—
U.S.		28.6	117.6	89.0	310.7	57.7	115.5
China		4.1	5.6	1.4	34.8	3.6	7.0
Other		—	—	—	—	9.6	18.1

Note: With regard to forecasts of FY2011, "North America"is replaced with "U.S.".

Overseas Sales Total

Overseas sales (Pharmaceuticals)	52.6	151.7	99.2	188.7	70.9	140.6
% of net sales (Pharmaceuticals)	22.2%	45.3%			44.5%	43.9%

5. Sales of Major Products

Pharmaceuticals (Domestic) (Billions of yen)

Brand name (Generic name) Therapeutic indication	FY2009(A)	FY2010(B)	(B)-(A)	Change (%)	FY2011 2Q (Forecast)	FY2011 (Forecast)
AMLODIN® (amlodipine) Therapeutic agent for hypertension and angina pectoris	52.0	41.4	(10.6)	(20.4)	16.3	31.0
GASMOTIN® (mosapride citrate) Gastroprokinetic	20.7	21.0	0.3	1.3	10.3	21.0
PRORENAL® (limaprost alfadex) Vasodilator	15.4	14.9	(0.4)	(2.9)	8.3	17.0
MEROPEN® (meropenem) Carbapenem antibiotic	14.7	12.6	(2.1)	(14.0)	5.4	10.0
LONASEN® (blonanserin) Atypical antipsychotic	6.3	9.0	2.6	42.0	6.1	13.0
EBASTEL® (ebastine) Antiallergic	9.2	8.6	(0.6)	(6.6)	2.6	6.7
AVAPRO® (irbesartan) Therapeutic agent for hypertension	3.7	8.3	4.6	122.7	5.5	12.0
REPLAGAL® (agalsidase alfa) Anderson-Fabry disease drug	2.5	6.2	3.7	148.5	3.6	7.5
SUMIFERON® (interferon-α NAMALWA) Natural alpha interferon	5.8	5.1	(0.7)	(12.2)	2.5	5.0
AmBisome® (amphotericin B) Therapeutic agent for systemic fungal infection	4.0	4.6	0.5	13.3	2.4	5.0
MELBIN® (metformin) Biguanide oral hypoglycemic	3.9	4.4	0.5	12.3	1.0	1.0
EXCEGRAN® (zonisamide) Antiepileptic	3.6	3.5	(0.1)	(2.5)	1.7	3.4
DOPS® (droxidopa) Neural function ameliorant	3.6	3.3	(0.2)	(6.2)	1.7	3.2
GLIMICRON® (gliclazide) Sulfonylurea oral hypoglycemic	3.2	2.8	(0.5)	(14.5)	1.3	2.6
QVAR™ (beclomethasone dipropionate) Bronchial asthma	3.0	2.7	(0.3)	(10.1)	1.4	2.4
ALMARL® (arotinolol) Therapeutic agent for hypertension, angina pectoris and arrhythmia	2.8	2.6	(0.2)	(7.1)	1.3	2.5
LULLAN® (perospirone) Atypical antipsychotic	2.6	2.5	(0.1)	(3.8)	1.4	2.7
SEDIEL® (tandospirone) Serotonin-agonist antianxiety drug	2.5	2.4	(0.2)	(6.9)	1.3	2.6

Pharmaceuticals（Domestic, New Products）　（Billions of yen）

Brand name (Generic name) Therapeutic indication	FY2009 (A)	FY2010 (B)	(B)-(A)	Change (%)	FY2011 2Q (Forecast)	FY2011 (Forecast)
TRERIEF® (zonisamide) Parkinson's disease drug (Launch: March, 2009)	0.8	3.7	2.9	367.6	2.2	4.6
MIRIPLA® (miriplatin hydrate) Therapeutic agent for hepatocellular Carcinoma (Launch: January, 2010)	0.2	1.5	1.3	530.7	0.8	1.7
METGLUCO® (metformin) Biguanide oral hypoglycemic (Launch: May, 2010)	—	0.3	0.3	—	1.5	5.0
SUREPOST® (repaglinide) Rapid-acting insulin secretagogue (Planned launch: May, 2011)	—	—	—	—	0.1	0.2

Pharmaceuticals（Export）　（Billions of yen）

MEROPEN® (meropenem) Carbapenem antibiotic	15.7	14.5	(1.2)	(7.9)	7.6	14.0
GASMOTIN® (mosapride citrate) Gastroprokinetic	1.1	1.0	(0.1)	(7.8)	0.3	0.6
EXCEGRAN® (zonisamide) Antiepileptic	0.6	1.5	0.9	158.0	0.8	1.4
Industrial property revenues	2.2	11.2	9.0	418.2	0.4	1.0

Note: Sales to customers

U.S.　（Billions of yen）

LUNESTA® (eszopiclone) Sedative hypnotic	10.5	53.9	43.3	411.2	23.8	45.5
XOPENEX® (levalbuterol HCl) Short-acting beta-agonist	13.6	38.4	24.8	182.2	16.5	33.0
BROVANA® (arformoterol tartrate) Long-acting beta-agonist	1.7	9.3	7.6	459.2	5.2	10.8
OMNARIS® (ciclesonide) Corticosteroid nasal spray	0.6	4.8	4.2	681.7	3.2	6.4
ALVESCO® (ciclesonide) Inhaled corticosteroid	0.3	2.5	2.2	739.8	1.9	4.1
LATUDA® (lurasidone) Atypical antipsychotic (Launch: Feb, 2011)	—	—	—	—	4.0	10.2
Industrial property revenues	1.5	6.6	5.1	340.7	2.3	3.9

China　（Billions of yen）

MEROPEN® (meropenem) Carbapenem antibiotic	3.8	5.0	1.2	32.5	3.0	5.9

(Reference) Business Results of North America Business (based on local currency)

Sales of Products　(Millions of dollar)

Brand name (Generic name)	Jan-Mar 2010(A)	Jan-Mar 2011(B)（Unaudited）	(B)-(A)	Change (%)	Jan-Jun 2011 (Forecast)	Jan-Dec 2011 (Forecast)
LUNESTA® (eszopiclone)	161	124	(37)	(23.1)	280	535
XOPENEX® (levalbuterol HCl)	127	137	10	7.7	194	388
BROVANA® (arformoterol tartrate)	25	33	8	31.8	61	127
OMNARIS® (ciclesonide)	11	16	5	39.8	38	75
ALVESCO® (ciclesonide)	7	9	2	15.4	22	48
LATUDA® (lurasidone)	—	35	35	—	47	120
Industrial property revenues	25	23	(2)	(5.2)	27	46
Others	6	7	1	6.3	10	20
Total	363	383	20	5.6	679	1,359

III. Consolidated Balance Sheets

ASSETS

(Billions of yen)

	As of 3/31/10 (A)	As of 3/31/11 (B)	(B)-(A)
[Assets]	626.7	589.9	(36.9)
Current assets:	287.6	333.0	45.4
Cash and time deposits	13.8	14.9	1.1
Notes and accounts receivable	94.0	107.8	13.8
Marketable securities	51.2	90.9	39.7
Inventories	65.2	56.0	(9.3)
Deferred tax assets	32.4	33.5	1.0
Short-term loans	25.0	25.0	—
Others	6.1	5.0	(1.1)
Allowance for doubtful receivables	(0.2)	(0.1)	0.1
Fixed assets:	339.2	256.9	(82.3)
Property, plant and equipment:	74.1	69.8	(4.3)
Buildings and structures	43.0	41.7	(1.3)
Machinery, equipment and carriers	12.8	12.1	(0.7)
Land	10.3	10.3	(0.0)
Construction in progress	2.7	0.9	(1.7)
Others	5.3	4.8	(0.5)
Intangible assets:	199.5	143.3	(56.2)
Goodwill	83.6	70.4	(13.2)
Patent rights	104.0	61.0	(43.0)
Others	11.9	11.9	0.0
Investments and other assets:	65.6	43.8	(21.8)
Investment securities	53.2	27.9	(25.2)
Deferred tax assets	2.4	7.0	4.6
Others	10.2	9.0	(1.2)
Allowance for doubtful receivables	(0.1)	(0.1)	(0.0)
Total assets	626.7	589.9	(36.9)

・Transfer from investment securities
・Increase in short-term operating funds

・Decrease by amortization
・Decrease in yen amounts by yen strength

・Transfer to marketable securities
・Decrease by revaluation of investment securities

Accounts receivable turnover period (in months)	Year ended 3/31/10	Year ended 3/31/11
	3.81	3.41

LIABILITIES AND NET ASSETS

(Billions of yen)

	As of 3/31/10 (A)	As of 3/31/11 (B)	(B)-(A)
[Liabilities]	283.3	265.9	(17.4)
Current liabilities:	265.0	157.2	(107.8)
Notes and accounts payable	16.9	15.6	(1.2)
Short-term loans payable	165.5	50.0	(115.5)
Current portion of long-term loans payable	0.3	10.6	10.3
Income taxes payable	8.6	7.7	(0.9)
Reserve for bonuses	7.4	7.4	0.0
Reserve for sales returns	2.7	2.3	(0.4)
Reserve for sales rebates	15.7	15.9	0.2
Accounts payable-other	33.4	33.8	0.5
Others	14.5	13.8	(0.7)
Long-term liabilities:	18.3	108.7	90.4
Bonds payable	—	50.0	50.0
Long-term loans payable	0.6	43.0	42.4
Liability for retirement benefits	9.8	10.3	0.5
Others	7.9	5.4	(2.4)
[Net assets]	343.5	324.0	(19.5)
Shareholders' equity:	332.3	341.8	9.5
Common stock	22.4	22.4	—
Capital surplus	15.9	15.9	—
Retained earnings	294.7	304.2	9.5
Treasury stock	(0.6)	(0.6)	(0.0)
Accumulated other comprehensive income	11.2	(17.8)	(29.0)
Unrealized gains on available-for-sale securities, net of tax	7.9	5.4	(2.5)
Foreign currency translation adjustment	3.2	(23.2)	(26.5)
Total liabilities and net assets	626.7	589.9	(36.9)

・Total interest-bearing liabilities
166.4→153.6（△12.8）

・Impact of yen strength

IV. Consolidated Statements of Cash Flows

(Billions of yen)

	FY2009	FY2010
Income before income taxes and minority interests	31.4	25.0
Depreciation and amortization	18.6	44.6
Impairment loss	—	3.2
Decrease (increase) in notes and accounts receivable	1.8	(15.5)
Decrease (increase) in inventories	2.9	8.2
Increase (decrease) in notes and accounts payable	(1.7)	(1.2)
Other-net	(15.1)	6.0
Subtotal	37.9	70.3
Interest and dividend received less paid	0.5	(0.3)
Income taxes paid	(11.8)	(14.9)
Net cash provided by operating activities	26.7	55.0
Purchases of property, plant and equipment／intangible assets	(6.1)	(9.1)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(200.6)	—
Decrease (increase) in short-term loans receivable	25.0	—
Other-net	29.9	2.6
Net cash used in investing activities	(151.8)	(6.6)
Net increase in short-term loans payable	164.9	(115.5)
Proceeds from long-term loans payable	—	58.0
Repayment of long-term loans payable	—	(5.3)
Proceeds from issuance of bonds	—	49.8
Dividends paid	(7.1)	(7.1)
Other-net	(25.8)	(0.1)
Net cash used in financing activities	131.9	(20.3)
Effect of exchange rate changes on cash and cash equivalents	0.4	(3.8)
Net increase (decrease) in cash and cash equivalents	7.2	24.3
Cash and cash equivalents at the beginning of period	49.5	58.1
Increase in cash and cash equivalents related to change in scope of consolidation	1.5	0.4
Cash and cash equivalents at the end of period	58.1	82.9

V. Quarterly Business Results

(Billions of yen)

	FY2009				FY2010			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	66.0	66.2	71.5	92.5	101.8	86.8	92.2	98.7
Cost of sales	25.4	25.9	27.8	33.2	32.6	25.2	25.9	26.3
SG&A expenses	29.4	32.6	30.7	55.7	54.4	61.4	54.2	68.5
SG&A expenses less R&D costs	17.5	20.2	19.3	40.0	39.9	43.1	40.7	46.7
R&D costs	11.9	12.4	11.4	15.7	14.5	18.3	13.5	21.8
Operating income	11.2	7.7	13.1	3.6	14.8	0.1	12.1	3.9
Non-operating income	1.1	0.3	0.5	0.4	1.1	0.8	0.7	0.7
Non-operating expenses	0.5	0.8	0.8	2.0	1.1	1.4	1.0	2.2
Ordinary income	11.8	7.2	12.8	2.0	14.8	(0.5)	11.8	2.4
Extraordinary loss	—	—	—	2.4	—	—	2.2	1.3
Income before income taxes and minority interests	11.8	7.2	12.8	(0.4)	14.8	(0.5)	9.6	1.1
Net income	7.8	4.8	8.5	(0.2)	9.3	(0.6)	6.1	2.0

Note: Cost of sales includes provision for (reversal of) reserve for sales returns.

VI. Major consolidated subsidiaries (as of 3/31/11)

	Domestic			Overseas	
	DSP Gokyo Food & Chemical Co., Ltd.	DS Pharma Animal Health Co., Ltd.	DS Pharma Biomedical Co., Ltd.	Sunovion Pharmaceuticals Inc.	Sumitomo Pharmaceuticals (Suzhou) Co., Ltd.
Establishment	October 1947	July 2010	June 1998	January 1984	December 2003
Fiscal year	March 31	March 31	March 31	December 31	December 31
Ownership	100%	100%	100%	100%	100%
Sales (Billions of yen)	25.4	8.3	2.9	121.9	6.1
Number of employees	137	99	62	2,419	560
Businesses	Manufacturing, purchase, and sales of food ingredients, food additives, and chemical product materials	Manufacturing, purchase, and sales of veterinary medicines, feedstuff, and feed additives	Manufacturing, purchase, and sales of diagnostics and research materials	Manufacturing, purchase, and sales of ethical pharmaceuticals	Manufacturing, sales of ethical pharmaceuticals

Number of employees (as of 3/31/11):

7,746 (consolidated)

4,469 (non-consolidated)

Number of MRs (as of 3/31/11):

Japan	1,380 (excluding managers)	1,580 (including managers)
U.S.	1,370 (excluding managers)	1,530 (including managers)
China	290 (excluding managers)	350 (including managers)

VII. Shareholder Positioning (As of March 31, 2011)

1. Total number of authorized shares: 1,500,000,000

2. Total number of shares outstanding: 397,900,154 (Including number of treasury stock 587,168)

3. Number of shareholders: 21,211

4. Major shareholders:

Shareholders	Status of ownership	
	Number of shares held (Thousand shares)	Percentage of shareholding (%)
Sumitomo Chemical Co., Ltd.	199,434	50.20
Inabata & Co., Ltd.	27,282	6.87
The Master Trust Bank of Japan, Ltd. (Trust account)	13,737	3.46
Nippon Life Insurance Company	10,530	2.65
Japan Trustee Services Bank, Ltd. (Trust account)	10,153	2.56
Japan Trustee Services Bank, Ltd. (Trust account for Sumitomo Mitsui Banking Corporation's retirement benefits)	7,000	1.76
Sumitomo Life Insurance Company	5,776	1.45
Aioi Nissay Dowa Insurance Co., Ltd.	4,928	1.24
Dainippon Sumitomo Pharma Employee shareholders' association	3,875	0.98
JP Morgan Securities Japan Co., Ltd.	3,801	0.96

Note: Percentage of shareholding is calculated excluding treasury stock (587,168 stocks).

VIII. Development Pipeline (as of May 11, 2011)

Major Products under Development in Japan

Stage in JPN	Brand name/ Product code Formulation	Generic name	Therapeutic indications	Origin	Remarks
Phase III	SM-13496 Oral	lurasidone hydrochloride	Schizophrenia	In-house	Pan-Asia study (Japan, Korea and Taiwan)
	SUREPOST® (SMP-508) Oral	repaglinide	(New Indication) Type 2 diabetes Combination therapy with biguanide	Novo Nordisk	approved indication: The reduction of postprandial blood glucose in patients with type 2 diabetes
			Type 2 diabetes Combination therapy with thiazolidine		
	METGLUCO® (SMP-862) Oral	metformin hydrochloride	Type 2 diabetes Pediatric usage	Merck Santé	Addition of pediatric usage
Phase II	AS-3201 Oral	ranirestat	Diabetic neuropathy	In-house	Co-developed with Kyorin Pharmaceutical
	DSP-8153 Oral	amlodipine besilate / irbesartan	Hypertension	In-house	Combination product
	SMP-986 Oral	TBD	Overactive bladder	In-house	
Phase I/II	WT4869 Injection	TBD	Myelodysplastic syndromes	In-house (with Chugai Pharmaceutical)	Co-developed with Chugai Pharmaceutical
Phase I	DSP-3235 Oral	TBD	Diabetes	Kissei Pharmaceutical	SGLT1 inhibitor
	DSP-3025 Intranasal	TBD	Bronchial asthma, Allergic rhinitis	In-house	TLR7 agonist

[Main revisions since the announcement of Feb. 2011]

SUREPOST® (repaglinide) Deleted because of "Launched" <Launched in Apr. 2011>

MEROPEN® Deleted because of "Approved" about change of the maximum daily dose <Approved in Mar. 2011>

METGLUCO® Newly added in "Phase III"

Major Products under Development in Foreign Markets

Stage	Brand name/ Product code Formulation	Generic name	Therapeutic indications	Origin	Country/Area	Remarks
NDA submitted	STEDESA™ Oral	eslicarbazepine acetate	Epilepsy-adjunct	BIAL	U.S.	NDA submitted in Mar.2009
	ciclesonide Nasal Aerosol (HFA) Collunarium	ciclesonide	(HFA - New Formulation) Allergic rhinitis	Nycomed	U.S.	NDA Submitted Mar. 2011 approved formulation: OMNARIS® Nasal Spray
Phase III	LATUDA® Oral	lurasidone hydrochloride	(New Indication) Bipolar disorder	In-house	U.S. and Europe, etc.	approved indication: Schizophrenia
	amrubicin hydrochloride Injection	amrubicin hydrochloride	Small cell lung cancer	In-house	China	Brand name in Japan: CALSED®
	STEDESA™ Oral	eslicarbazepine acetate	Epilepsy-adult monotherapy	BIAL	U.S.	
Phase II	SMP-986 Oral	TBD	Overactive bladder	In-house	U.S. and Europe	
Phase I	DSP-7238 Oral	TBD	Diabetes	In-house	Europe	DPPIV inhibitor
	DSP-8658 Oral	TBD	Diabetes, Alzheimer's disease	In-house	U.S.	PPARα/γ modulator
	SEP-228432 Oral	TBD	Neuropathic pain, Depressive disorder	In-house (Sunovion)	U.S.	
	DSP-1053 Oral	TBD	Depressive disorder	In-house	U.S.	

[Main revisions since the announcement of Feb. 2011]

LATUDA® (lurasidone hydrochloride)	Deleted because of launched for Schizophrenia in U.S <Launched in Feb. 2011>
ciclesonide Nasal Aerosol (HFA)	Changed from "Phase III" to "NDA submitted" in the U.S. <NDA submitted in Mar. 2011>
DSP-1053	Newly added in "Phase I" in U.S.

Major Products under Development by Licensees

Generic / Product code (Brand name in JPN)	Therapeutic indications	Status of development
AG-7352	Cancer	Out-licensed to Sunesis Pharmaceuticals Inc. for the worldwide territory in October 2003 Phase III study ongoing in North America by Sunesis (Sunesis' product code: SNS-595)
amrubicin hydrochloride (CALSED®)	Small cell lung cancer	Out-licensed to Celgene (former Pharmion) for the U.S. and European territories in June 2005 Phase III study ongoing in the U.S. and Europe by Celgene
ranirestat AS-3201	Diabetic neuropathy	Out-licensed to Eisai for the worldwide territory, excluding Japan, in September 2005. Phase II / III study ongoing in the U.S., Canada and Europe by Eisai
droxidopa (DOPS®)	Neurogenic orthostatic hypotension, Intradialytic hypotension, Fibromyalgia	Out-licensed to Chelsea Therapeutics for the worldwide territory, excluding Japan, China, Korea and Taiwan in May 2006. Phase III study of neurogenic orthostatic hypotension in the U.S. and Europe, and phase II study of fibromyalgia in the UK are ongoing by Chelsea. Phase II study of intradialytic hypotension completed in the U.S. by Chelsea.
DSP-3025	Bronchial asthma, Allergic rhinitis	Entered into a development and marketing agreement concluded in March 2005. AstraZeneca has the right for the worldwide territory, excluding Japan, China, Korea and Taiwan. Phase II study is ongoing in Europe by AstraZeneca (AstraZeneca' product code: AZD-8848)
eszopiclone	Insomnia	Out-licensed by Sunovion to Eisai for the Japanese territory in July, 2007. (Brand name in U.S.: LUNESTA®) NDA filed in Japan by Eisai

[Main revisions since the announcement of Feb. 2011]

None

IX. Profile of Major Products under Development (as of May 11, 2011)

LATUDA® (lurasidone hydrochloride) Schizophrenia, Bipolar depression

- Developed in-house
- LATUDA® (lurasidone hydrochloride) tablets was approved for the treatment of schizophrenia by the U.S. Food and Drug Administration (FDA) in October 2010, and launched by Sunovion in February 2011 in the U.S. LATUDA is an atypical antipsychotic agent with an affinity for dopamine D_2, serotonin 5-HT_{2A} and serotonin 5-HT_7 receptors where it has antagonist effects. In addition, LATUDA is a partial agonist at the serotonin 5-HT_{1A} receptor and has no appreciable affinity for histamine or muscarinic receptors. The efficacy of LATUDA for the treatment of schizophrenia was established in four, short-term (6-week), placebo-controlled clinical studies in adult patients who met DSM-IV criteria for schizophrenia. In these studies, LATUDA demonstrated significantly greater improvement versus placebo on the primary efficacy measures [the Positive and Negative Syndrome Scale (PANSS) total score and the Brief Psychiatric Rating Scale-derived from PANSS (BPRSd)] at study endpoint. A total of five clinical trials contributed to the understanding of the tolerability and safety profile of LATUDA.
- Development stage:
  Schizophrenia: Phase III as Pan-Asia study (Japan, Korea and Taiwan)
  Out-licensed to Takeda Pharmaceutical Company Limited for European territory, excluding United Kingdom in March 2011.
  Bipolar disorder: Phase III in the U.S. and Europe, etc.

STEDESA™ (eslicarbazepine acetate) Epilepsy

- In-licensed from BIAL Portela & C^a, S.A
- STEDESA is a novel voltage-gated sodium channel blocker. STEDESA has been studied in Phase III, multi-center, randomized, placebo-controlled studies, which involved patients from over 20 countries. Patients involved in the studies were required to have at least four partial-onset seizures per month despite treatment with one to three concomitant antiepileptic drugs. After a two-week titration period, patients were assessed over a 12-week maintenance period with continued follow-up over a one-year, open-label period. STEDESA is expected to have clear dose-response correlation and marked and sustained seizure reduction with favorable tolerability and safety profiles.
- NDA submitted in March 2009 in the U.S.
- NDA Complete Response received April 2010.
- Sunovion is committed to seeking FDA approval of STEDESA as a once-daily, adjunctive therapy in the treatment of partial-onset seizures in adults with epilepsy in the U.S.

AS-3201 (ranirestat) Diabetic neuropathy

- Developed in-house
- AS-3201 alleviates diabetic neuropathy, a complication of diabetes, by inhibiting aldose reductase and thereby inhibiting the accumulation of intracellular sorbitol that causes diabetic neuropathy. This compound has a stronger inhibitory effect and is longer-acting compared to other drugs in this therapeutic area. Clinical studies have shown AS-3201 to have good penetration into nerve tissues, resulting in dose-dependent inhibition of intraneural accumulation of sorbitol and fructose. Based on the results of clinical studies, AS-3201 is expected to show improvement of neuronal function and symptoms related to diabetic neuropathy.
- AS-3201 was out-licensed to Eisai for the overseas territory in September 2005. Eisai is conducting Phase II / III study in the U.S., Canada and Europe.
- Development stage: Phase IIb in Japan (co-developed with Kyorin Pharmaceutical)

DSP-8153 Hypertension

- Developed in-house
- Combination product of amlodipine besilate (AMLODIN®; calcium channel blocker) and irbesartan (AVAPRO®; angiotensin II receptor blocker). DSP-8153 is expected to have an antihypertensive activity for the patients with essential hypertension who do not have sufficient antihypertensive effect by irbesartan or amlodipine treatment. In addition, the product is expected to have cerebroprotective, cardioprotective and renoprotective effect for patients with essential hypertension, because irbesartan has renoprotective effect and amlodipine has cerebroprotective and cardioprotective effects.
- Development stage: Phase II in Japan

SMP-986 Overactive bladder

- Developed in-house
- SMP-986 possesses the dual pharmacological actions of muscarinic receptor antagonism (non-selective) and inhibition of the bladder afferent pathway through Na^+-channel blockade. This compound is expected to ease urinary urgency and reduce the frequency of both urination and incontinence. The compound is also expected to have lower incidence of side effects related to muscarinic receptor antagonism, such as dry mouth.
- Development stage: Phase II in the U.S. and Europe. Phase II in Japan

WT4869 Myelodysplastic syndromes (MDS)

- Developed in-house (Co-developed with Chugai Pharmaceutical)
- WT4869 is applied as a therapeutic cancer vaccine targeting various types of cancer. It is expected that administration of WT4869 will show efficacy in the treatment of leukemia and other types of cancers that express WT1, by inducing WT1-specific cytotoxic T-lymphocytes that have the potential to attack tumor cells. The compound is under development for MDS.
- Development stage: Phase I/II in Japan

DSP-3235 Diabetes

- In-licensed from Kissei Pharmaceutical
- DSP-3235 is a selective inhibitor for an isoform of sodium-dependent glucose cotransporters (SGLT1). It is expected to improve postprandial hyperglycemia by suppressing glucose absorption from the intestine with a novel mechanism of action different from that of conventional alpha-glucosidase inhibitors.
- Development stage: Phase I in Japan

DSP-3025 Bronchial asthma, Allergic rhinitis

- Developed in-house
- An immune response modifier with agonistic activity against Toll-like receptor 7 (TLR7). It is expected to become a therapeutic agent providing long-term disease remission in bronchial asthma and allergic rhinitis.
- A series of promising compounds were identified from drug discovery research for a therapeutic agent with a novel mechanism of action against allergic disorders. With this as a turning point, we started a research collaboration with AstraZeneca in 2004 and discovered a drug candidate as an outcome based on this research collaboration.
- We entered into a development and marketing agreement with AstraZeneca in March 2005. Under the agreement, we will retain development and commercialization rights in Japan, China, Korea and Taiwan and AstraZeneca will retain development and commercialization rights worldwide excluding the four

countries. AstraZeneca is conducting Phase II study in Europe. (AstraZeneca' product code: AZD-8848)

- Development stage: Phase I in Japan

DSP-7238 Diabetes

- Developed in-house
- DSP-7238 is a dipeptidyl peptidase IV (DPP IV) inhibitor and improves hyperglycemia through the GLP-1-induced acceleration of insulin secretion. Since DSP-7238 has a selective and strong inhibitory activity for the GLP-1-degrading enzyme DPP IV, it may be a promising DPP IV inhibitor that achieves better glycemic control.
- Development stage: Phase I in Europe

DSP-8658 Diabetes, Alzheimer's disease

- Developed in-house
- DSP-8658 is a novel PPARα/γ modulator that exhibits potent antihyperglycemic and lipid lowering activity in several animal models.
- Non-clinical studies suggest that DSP-8658 may offer advantages over marketed PPARγ agonists, particularly with respect to improvements in lipid metabolism and incidence of fluid retention or body weight gain in the treatment of diabetes.
- Also it is expected that DSP-8658 may improve symptomatic cognitive decline and show disease modification with mechanism of reduction in β amyloid by impacting a number of different mechanism in marketed compound.
- Development stage: Phase I in the U.S.

SEP-228432 Neuropathic pain, Depressive disorder

- Developed in-house (Sunovion)
- SEP-228432 is a new triple unbalanced reuptake inhibitor (TRI) that inhibits reuptake of serotonin, norepinephrine and dopamine. The compound is under development for neuropathic pain and MDD in central nervous disorders (CNS) area.
- Development stage: Phase I in the U.S.

DSP-1053 Depressive disorder

- Developed in-house
- DSP-1053 is a new antidepressant drug candidate that shows an inhibitory effect on serotonin transporter and modulatory effects on monoamine receptors. By these mechanisms, DSP-1053 is expected to show early on-set of action and higher efficacies in patients.
- Development stage: Phase I in the U.S.