

Kyowa Hakko Kirin Co., Ltd.

Appendix to the Consolidated Financial Summary Fiscal 2015

(January 1, 2015 - December 31, 2015)

- This document was made as a supplement to the Kessan Tanshin (financial report), disclosed at the Tokyo Stock Exchange on January 29, 2016 for the fiscal year ended December 31, 2015.
- This document contains forward-looking statements based on a number of assumptions and beliefs held by management in light of information currently available. For a variety of reasons, actual financial results may differ materially from the forecasts presented here.
- Figures presented in this document have been rounded down to the nearest whole number.

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The average exchange rate for each period was as follows

Unit: yen

	2014 results				2015 results				2016 forecasts	
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Jun	Jan - Dec
US \$	103	103	103	105	119	120	120	121	119	119
EURO	141	141	140	140	138	135	135	135	137	137
GBP	171	171	171	173	183	183	186	185	187	187

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I. Consolidated Financial Results

1. Trends in consolidated income

Accumulative

Billions of yen, rounded down

	FY 2014 results				FY 2015 results										FY 2016 forecasts						
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	%	Jan - Jun	%	Jan - Sep	%	Jan - Dec	Change Amount	%	Jan - Dec latest forecasts	% of forecasts	Jan - Jun	Change Amount	%	Jan - Dec	Change Amount	%
Net sales	86.0	161.8	238.9	333.4	89.5	104%	178.8	110%	272.9	114%	364.3	30.8	109%	360.0	101%	171.0	(7.8)	96%	351.0	(13.3)	96%
Gross Profit	51.2	98.2	146.5	205.9	51.9	101%	108.8	111%	170.4	116%	225.3	19.4	109%	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	38.8	79.8	120.3	169.7	42.5	110%	86.3	108%	129.5	108%	181.6	11.8	107%	-	-	-	-	-	-	-	-
Operating income (Prior to reverse acquisition amortization of goodwill)	14.7	23.0	33.2	45.4	11.6	79%	27.0	118%	47.8	144%	53.0	7.5	117%	56.2	94%	-	-	-	-	-	-
Operating income	12.4	18.4	26.2	36.1	9.3	75%	22.4	122%	40.8	156%	43.7	7.5	121%	47.0	93%	9.0	(13.4)	40%	30.0	(13.7)	69%
Non-operating income	1.0	1.6	1.5	2.3	1.1	115%	1.8	117%	2.7	179%	2.9	0.6	127%	-	-	-	-	-	-	-	-
Non-operating expenses	1.3	3.1	4.0	8.9	2.4	174%	4.2	135%	6.9	173%	7.4	(1.4)	84%	-	-	-	-	-	-	-	-
Ordinary income	12.0	16.8	23.8	29.5	8.0	67%	20.0	119%	36.6	154%	39.2	9.6	133%	41.0	96%	-	-	-	25.0	(14.2)	64%
Extraordinary income	0.3	0.3	0.3	0.3	0.6	201%	0.6	201%	7.5	-	8.1	7.8	-	-	-	-	-	-	-	-	-
Extraordinary loss	-	0.4	1.5	2.5	0.4	-	3.4	828%	3.5	234%	5.9	3.3	232%	-	-	-	-	-	-	-	-
Income before income taxes and minority interests	12.3	16.7	22.5	27.2	8.2	67%	17.2	103%	40.6	180%	41.4	14.1	152%	39.0	106%	-	-	-	26.0	(15.4)	63%
Income taxes	6.0	7.5	10.5	11.3	3.6	61%	7.6	102%	14.6	139%	11.6	0.2	102%	-	-	-	-	-	-	-	-
Net income	6.3	9.1	12.0	15.8	4.6	73%	9.5	104%	26.0	216%	29.7	13.8	187%	26.0	115%	-	-	-	16.0	(13.7)	54%
Comprehensive income	3.8	6.6	15.1	27.2	3.0	78%	14.2	213%	22.2	147%	24.9	(2.2)	92%	-	-	-	-	-	-	-	-
EPS prior to reverse acquisition amortization of goodwill (¥/share)	15.80	25.24	34.67	45.95	12.65	80%	25.85	102%	60.27	174%	71.31	25.36	155%	64.41	111%	-	-	-	-	-	-
EPS prior to amortization of goodwill (¥/share)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53.87	-	-
ROE prior to amortization of goodwill (%)	-	-	-	4.8	-	-	-	-	-	-	7.1	-	-	-	-	-	-	-	-	-	-

* 1 "Prior to reverse acquisition amortization of goodwill" refers to profits prior to the deduction of amortization of the goodwill arising on the reverse acquisition in April 2008 (Kirin Pharma share transfer).

* 2 "Prior to amortization of goodwill" refers to profits prior to the deduction of all amortization of goodwill.

* 2 Throughout this document, "Jan - Dec latest forecasts" refers to the revised FY 2015 earnings forecasts announced on July 24, 2015.

Quarterly

Billions of yen, rounded down

	FY 2014 results				FY 2015 results									
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	%	Apr - Jun	%	Jul - Sep	%	Oct - Dec	Change Amount	%	
Net sales	86.0	75.8	77.0	94.5	89.5	104%	89.2	118%	94.1	122%	91.3	(3.1)	97%	
Gross Profit	51.2	46.9	48.3	59.3	51.9	101%	56.9	121%	61.5	127%	54.9	(4.3)	93%	
Selling, general and administrative expenses	38.8	40.9	40.5	49.4	42.5	110%	43.8	107%	43.1	107%	52.0	2.6	105%	
Operating income (Prior to reverse acquisition amortization of goodwill)	14.7	8.2	10.1	12.2	11.6	79%	15.4	187%	20.7	204%	5.1	(7.0)	43%	
Operating income	12.4	5.9	7.8	9.8	9.3	75%	13.1	220%	18.4	234%	2.8	(7.0)	29%	
Non-operating income	1.0	0.5	(0.0)	0.7	1.1	115%	0.7	119%	0.9	-	0.1	(0.6)	20%	
Non-operating expenses	1.3	1.7	0.8	4.9	2.4	174%	1.8	105%	2.7	310%	0.5	(4.4)	10%	
Ordinary income	12.0	4.8	6.9	5.7	8.0	67%	11.9	250%	16.6	239%	2.5	(3.1)	44%	
Extraordinary income	0.3	-	-	-	0.6	201%	-	-	6.9	-	0.6	0.6	-	
Extraordinary loss	-	0.4	1.0	1.0	0.4	-	3.0	729%	0.0	6%	2.4	1.3	229%	
Income before income taxes and minority interests	12.3	4.3	5.8	4.6	8.2	67%	8.9	204%	23.4	402%	0.7	(3.9)	15%	
Income taxes	6.0	1.5	2.9	0.7	3.6	61%	4.0	262%	6.9	233%	(3.0)	(3.8)	-	
Net income	6.3	2.8	2.8	3.8	4.6	73%	4.9	172%	16.5	580%	3.7	(0.1)	97%	
EPS prior to reverse acquisition amortization of goodwill (¥/share)	15.80	9.44	9.44	11.28	12.65	80%	13.21	140%	34.42	365%	11.04	(0.24)	98%	

I. Consolidated Financial Results

2. Trends in results by segment

(1) Reported segment

Accumulative

Billions of yen, rounded down

	FY 2014 results				FY 2015 results										FY 2016 forecasts						
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	%	Jan - Jun	%	Jan - Sep	%	Jan - Dec	Change Amount	%	Jan - Dec latest forecasts	% of forecasts	Jan - Jun	Change Amount	%	Jan - Dec	Change Amount	%
Net sales	86.0	161.8	238.9	333.4	89.5	104%	178.8	110%	272.9	114%	364.3	30.8	109%	360.0	101%	171.0	(7.8)	96%	351.0	(13.3)	96%
Pharmaceuticals	63.1	119.5	178.6	253.0	68.0	108%	135.3	113%	208.7	117%	279.2	26.2	110%	276.0	101%	129.0	(6.3)	95%	268.0	(11.2)	96%
Elimination of inter-segment sales	(0.2)	(0.5)	(0.8)	(1.1)	(0.2)	-	(0.4)	-	(0.6)	-	(0.8)	0.2	-	(1.0)	-	-	0.4	-	(1.0)	(0.1)	-
Bio-Chemicals	23.5	44.0	62.7	83.9	22.1	94%	45.0	102%	67.1	107%	88.8	4.9	106%	88.0	101%	43.0	(2.0)	96%	87.0	(1.8)	98%
Elimination of inter-segment sales	(0.3)	(1.1)	(1.6)	(2.4)	(0.3)	-	(1.0)	-	(2.2)	-	(2.9)	(0.5)	-	(3.0)	-	(1.0)	0.0	-	(3.0)	(0.0)	-
Operating income	12.4	18.4	26.2	36.1	9.3	75%	22.4	122%	40.8	156%	43.7	7.5	121%	47.0	93%	9.0	(13.4)	40%	30.0	(13.7)	69%
<i>Prior to reverse acquisition goodwill amortization</i>	14.7	23.0	33.2	45.4	11.6	79%	27.0	118%	47.8	144%	53.0	7.5	117%	56.2	94%						
Pharmaceuticals	9.4	14.1	20.6	29.0	7.7	83%	18.5	131%	34.9	170%	36.2	7.1	125%	38.5	94%	5.2	(13.3)	28%	23.0	(13.2)	64%
	11.5	18.4	27.0	37.6	9.9	86%	22.8	124%	41.4	153%	44.8	7.1	119%	47.1	95%						
Bio-Chemicals	3.0	4.2	5.6	7.2	1.4	48%	3.9	95%	6.4	114%	8.1	0.8	112%	8.5	96%	3.8	(0.1)	95%	7.0	(1.1)	86%
	3.2	4.5	6.1	7.9	1.6	50%	4.3	95%	6.9	112%	8.7	0.8	111%	9.1	96%						
Total	12.4	18.4	26.2	36.3	9.2	74%	22.5	123%	41.3	157%	44.3	7.9	122%	47.0	94%	9.0	(13.5)	40%	30.0	(14.3)	68%
	14.8	23.0	33.2	45.5	11.5	78%	27.1	118%	48.3	145%	53.5	7.9	118%	56.2	95%						
Eliminations	(0.0)	0.0	(0.0)	(0.1)	0.0	-	(0.0)	-	(0.5)	-	(0.5)	(0.3)	-	-	-	-	0.0	-	-	0.5	-

Quarterly

Billions of yen, rounded down

	FY 2014 results				FY 2015 results									
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	%	Apr - Jun	%	Jul - Sep	%	Oct - Dec	Change Amount	%	
Net sales	86.0	75.8	77.0	94.5	89.5	104%	89.2	118%	94.1	122%	91.3	(3.1)	97%	
Pharmaceuticals	63.1	56.3	59.1	74.3	68.0	108%	67.2	119%	73.4	124%	70.5	(3.8)	95%	
Elimination of inter-segment sales	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	-	(0.2)	-	(0.2)	-	(0.2)	0.0	-	
Bio-Chemicals	23.5	20.4	18.7	21.2	22.1	94%	22.8	112%	22.0	118%	21.7	0.5	103%	
Elimination of inter-segment sales	(0.3)	(0.7)	(0.5)	(0.7)	(0.3)	-	(0.7)	-	(1.1)	-	(0.6)	0.0	-	
Operating income	12.4	5.9	7.8	9.8	9.3	75%	13.1	220%	18.4	234%	2.8	(7.0)	29%	
<i>Prior to reverse acquisition goodwill amortization</i>	14.7	8.2	10.1	12.2	11.6	79%	15.4	187%	20.7	204%	5.1	(7.0)	43%	
Pharmaceuticals	9.4	4.7	6.4	8.4	7.7	83%	10.7	227%	16.3	255%	1.2	(7.2)	15%	
	11.5	6.8	8.5	10.6	9.9	86%	12.9	187%	18.5	216%	3.4	(7.2)	32%	
Bio-Chemicals	3.0	1.1	1.4	1.6	1.4	48%	2.5	217%	2.4	168%	1.6	0.0	105%	
	3.2	1.3	1.6	1.7	1.6	50%	2.6	203%	2.5	162%	1.8	0.0	105%	
Total	12.4	5.9	7.8	10.0	9.2	74%	13.3	225%	18.8	239%	2.9	(7.1)	29%	
	14.8	8.2	10.1	12.3	11.5	78%	15.6	190%	21.1	207%	5.2	(7.1)	42%	
Eliminations	(0.0)	0.0	(0.0)	(0.1)	0.0	-	(0.1)	-	(0.4)	-	(0.0)	0.1	-	

(2) Regional sales

Billions of yen, rounded down

	FY 2014 results					FY 2015 results								FY 2016 forecasts			
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Percentage of consolidated sales	Jan - Mar	Percentage of consolidated sales	Jan - Jun	Percentage of consolidated sales	Jan - Sep	Percentage of consolidated sales	Jan - Dec	Percentage of consolidated sales	Jan - Jun	Percentage of consolidated sales	Jan - Dec	Percentage of consolidated sales
Japan sales	61.8	115.7	170.0	239.2	71.7%	61.6	68.8%	122.8	68.7%	184.4	67.6%	249.9	68.6%	116.6	68.2%	240.2	68.4%
Overseas sales	24.2	46.1	68.8	94.2	28.3%	27.9	31.2%	56.0	31.3%	88.4	32.4%	114.3	31.4%	54.3	31.8%	110.7	31.6%
America	5.5	11.4	16.5	21.6	6.5%	7.4	8.3%	13.7	7.7%	19.5	7.2%	24.1	6.6%	10.3	6.0%	23.0	6.6%
Europe	11.0	21.3	32.6	45.7	13.7%	13.2	14.8%	26.3	14.7%	45.5	16.7%	57.9	15.9%	28.2	16.5%	55.3	15.8%
Asia	7.3	12.8	19.0	25.8	7.8%	7.0	7.9%	15.4	8.6%	22.6	8.3%	31.0	8.5%	15.2	8.9%	31.5	9.0%
Other regions	0.2	0.4	0.6	0.9	0.3%	0.2	0.3%	0.4	0.3%	0.6	0.3%	1.0	0.3%	0.4	0.2%	0.8	0.2%
Total consolidated net sales	86.0	161.8	238.9	333.4	100%	89.5	100%	178.8	100%	272.9	100%	364.3	100%	171.0	100%	351.0	100%

* Sales classified by region or country based on location of customer.

I. Consolidated Financial Results
3. Other trends
(1) R&D Expenses
Billions of yen, rounded down

	FY 2014 results				FY 2015 results				FY 2016 forecasts	
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Jun	Jan - Dec
R&D expenses	10.3	21.9	32.5	47.7	12.1	24.1	36.2	51.6	28.9	56.1
<i>R&D to net sales ratio</i>	12.0%	13.5%	13.6%	14.3%	13.5%	13.5%	13.3%	14.2%	17.0%	16.0%
Pharmaceuticals	9.5	20.2	30.0	44.0	11.3	22.5	33.8	48.3	27.1	52.6
<i>R&D to net sales ratio</i>	15.2%	16.9%	16.8%	17.4%	16.7%	16.7%	16.2%	17.3%	21.1%	19.6%
Bio-Chemicals	0.7	1.7	2.5	3.6	0.7	1.6	2.3	3.2	1.7	3.5

(2) Capital Expenditure (Property, plant and equipment)
Billions of yen, rounded down

	FY 2014 results				FY 2015 results				FY 2016 forecasts	
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Jun	Jan - Dec
Capital expenditure	5.3	12.1	20.9	27.2	5.6	10.2	13.3	19.0	11.1	27.7
Pharmaceuticals	2.8	6.5	11.5	14.8	2.2	4.6	6.9	10.5	7.2	16.0
Bio-Chemicals	2.4	5.5	9.4	12.4	3.3	5.6	6.3	8.4	3.9	11.6

(3) Depreciation Expenses (Property, plant and equipment and Intangible assets)
Billions of yen, rounded down

	FY 2014 results				FY 2015 results				FY 2016 forecasts	
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Jun	Jan - Dec
Depreciation and amortization expenses	5.2	10.8	16.9	23.8	5.5	11.2	17.1	23.1	12.0	24.4
<i>Amortization of intangible assets</i>	1.9	3.9	6.2	8.9	2.6	5.1	7.7	10.2	4.9	9.8
Pharmaceuticals	3.6	7.6	12.0	17.0	4.0	8.1	12.3	16.5	8.5	17.5
<i>Amortization of intangible assets</i>	1.9	3.8	6.2	8.8	2.6	5.1	7.6	10.2	4.9	9.8
Bio-Chemicals	1.5	3.2	4.8	6.8	1.4	3.0	4.8	6.5	3.4	6.9

*Depreciation expenses for intangible assets do not include amortization of goodwill.

(4) Amortization of Goodwill
Billions of yen, rounded down

	FY 2014 results				FY 2015 results				FY 2016 forecasts	
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Jun	Jan - Dec
Amortization expenses	3.0	6.0	9.3	12.8	3.3	6.6	10.0	13.4	6.7	13.4
<i>Reverse acquisition amortization of goodwill</i>	2.3	4.6	6.9	9.2	2.3	4.6	6.9	9.2		
Pharmaceuticals	2.8	5.6	8.6	11.8	3.1	6.3	9.6	12.8	6.4	12.8
<i>Reverse acquisition amortization of goodwill</i>	2.1	4.3	6.4	8.6	2.1	4.3	6.4	8.6		
Bio-Chemicals	0.2	0.4	0.6	0.9	0.1	0.3	0.4	0.6	0.3	0.6
<i>Reverse acquisition amortization of goodwill</i>	0.1	0.3	0.4	0.6	0.1	0.3	0.4	0.6		

**Reverse acquisition amortization of goodwill" refers to amortization of goodwill arising on the reverse acquisition in April 2008 (Kirin Pharma share transfer).

II. Consolidated Balance Sheets

Billions of yen, rounded down

	2013	2014				2015				
	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31	Change previous year end
Assets	719.2	689.9	683.1	730.3	719.1	699.8	708.5	708.2	720.7	1.6
Current assets	329.3	300.8	296.0	295.7	283.1	270.3	278.0	307.4	324.4	41.2
Cash and deposits	20.1	17.2	15.5	17.3	20.6	16.5	16.2	17.2	13.2	(7.4)
Notes and accounts receivable-trade	98.6	102.9	93.4	91.2	108.8	106.2	105.2	100.7	106.8	(2.0)
Inventories	75.7	78.9	79.9	90.3	91.2	91.5	90.2	88.1	84.8	(6.4)
Deferred tax assets	10.4	10.2	10.3	10.6	10.6	10.2	10.2	9.8	11.1	0.5
Short-term loans receivable	113.1	85.1	89.6	77.7	41.6	36.2	45.1	80.0	96.1	54.4
Other	11.2	6.3	7.1	8.3	10.0	9.4	10.8	11.3	12.3	2.2
Non-current assets	389.9	389.0	387.0	434.6	435.9	429.5	430.5	400.7	396.3	(39.6)
Property, plant and equipment	137.9	139.4	142.2	148.2	151.8	154.5	152.9	149.8	147.0	(4.8)
Buildings and structures	42.2	41.3	42.0	41.9	44.4	45.5	48.2	49.0	49.4	4.9
Machinery, equipment and vehicles	21.0	21.5	21.6	22.0	22.1	25.8	30.4	29.6	30.6	8.4
Land	54.6	54.5	54.4	54.2	54.2	54.0	51.0	49.5	46.6	(7.5)
Other	20.0	21.9	24.0	29.9	30.9	29.0	23.2	21.6	20.3	(10.6)
Intangible assets	212.0	207.6	203.0	241.5	241.5	228.9	230.6	220.2	212.8	(28.7)
Goodwill	163.7	161.6	158.8	169.5	173.2	165.7	166.0	159.9	155.8	(17.3)
Sales rights	46.5	44.3	42.8	70.4	67.2	62.3	63.8	59.4	56.2	(10.9)
Other	1.8	1.6	1.4	1.4	1.0	0.8	0.8	0.7	0.7	(0.3)
Investments and other assets	39.9	41.9	41.7	44.8	42.5	46.0	46.9	30.6	36.4	(6.0)
Investment securities	24.6	23.4	23.1	24.4	22.7	27.6	28.4	11.6	14.0	(8.7)
Net defined benefit asset	-	-	-	-	6.4	5.8	6.1	6.5	6.9	0.5
Deferred tax assets	3.8	3.9	3.9	5.5	8.0	7.1	7.0	7.3	10.3	2.2
Other	11.4	14.5	14.6	14.8	5.2	5.3	5.2	5.0	5.1	(0.0)
Liabilities	123.8	98.4	88.8	134.4	113.7	100.0	97.5	96.0	105.9	(7.8)
Current liabilities	85.0	76.7	67.2	108.3	85.1	76.4	74.6	74.8	84.8	(0.3)
Notes and accounts payable-trade	22.5	26.0	17.5	21.6	22.7	24.5	17.2	16.3	19.0	(3.6)
Short-term loans payable	6.2	4.8	5.7	4.8	4.8	4.9	4.8	4.8	4.8	(0.0)
Accounts payable-other	36.5	27.3	28.3	31.8	39.2	29.9	35.4	30.8	39.8	0.6
Income taxes payable	10.4	5.4	7.2	5.9	7.7	4.4	8.7	10.3	11.8	4.1
Provision	1.8	5.5	1.5	5.8	2.7	5.5	2.0	6.3	2.7	0.0
Other	7.4	7.5	6.6	38.2	7.8	7.0	6.1	6.1	6.4	(1.4)
Non-current liabilities	38.7	21.7	21.6	26.0	28.5	23.5	22.9	21.2	21.0	(7.5)
Deferred tax liabilities	11.8	11.3	11.3	15.8	16.2	14.5	13.8	12.1	12.0	(4.1)
Net defined benefit liability	-	-	-	-	3.7	2.0	2.0	2.0	1.8	(1.8)
Provision	22.9	6.4	6.3	6.4	3.4	3.4	3.3	3.3	3.3	(0.1)
Other	3.9	3.9	3.9	3.8	5.1	3.5	3.6	3.6	3.7	(1.3)
Net assets	595.4	591.4	594.3	595.9	605.3	599.8	611.0	612.1	614.8	9.4
Shareholders' equity	578.3	577.8	580.6	576.6	580.4	576.8	581.7	591.3	594.9	14.4
Capital stock	26.7	26.7	26.7	26.7	26.7	26.7	26.7	26.7	26.7	-
Capital surplus	512.3	512.3	512.3	512.3	512.3	509.1	509.1	509.1	509.1	(3.1)
Retained earnings	65.8	65.3	68.2	64.2	68.1	67.6	72.5	82.2	85.9	17.8
Treasury shares	(26.6)	(26.5)	(26.6)	(26.6)	(26.6)	(26.6)	(26.7)	(26.8)	(26.8)	(0.2)
Accumulated other comprehensive income	15.6	13.3	13.3	18.9	24.5	22.6	28.9	20.4	19.4	(5.0)
Valuation difference on available-for-sale securities	1.4	1.2	1.4	2.2	2.7	5.1	5.0	2.2	2.9	0.2
Foreign currency translation adjustment	14.2	12.1	11.8	16.7	24.4	20.1	26.4	20.5	18.8	(5.5)
Remeasurements of defined benefit plans	-	-	-	-	(2.6)	(2.6)	(2.4)	(2.3)	(2.3)	0.2
Subscription rights to shares	0.3	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.0
Minority interests	1.1	-	-	-	-	-	-	-	-	-
Total liabilities and net assets	719.2	689.9	683.1	730.3	719.1	699.8	708.5	708.2	720.7	1.6

III. Consolidated Cash Flows

Billions of yen, rounded down

	2013	2014		2015			Breakdown
	Jan-Dec	Jan-Jun	Jan-Dec	Jan-Jun	Jan-Dec	Change	
Cash flows from operating activities	56.8	(0.5)	19.3	22.9	66.5	47.1	
Net income before taxes and minority interests	49.7	16.7	27.2	17.2	41.4	14.1	Net income 29.7 Tax expense 11.6
Depreciation	21.5	10.8	23.8	11.2	23.1	(0.7)	Property, plant and equipment 12.8 Intangible assets 10.2
Amortization of goodwill	11.5	6.0	12.8	6.6	13.4	0.6	Reverse acquisition amortization of goodwill 9.2 ProStrakan goodwill 4.1
Increase (decrease) in working capital	(5.6)	(4.6)	(20.1)	(0.5)	3.5	23.7	Changes in notes and accounts receivable-trade 1.0 Changes in inventories 5.4 Changes in notes and accounts payable-trade (2.8)
Income taxes paid	(23.1)	(11.6)	(16.8)	(8.4)	(14.3)	2.4	
Other	2.7	(17.9)	(7.5)	(3.2)	(0.6)	6.9	
Cash flows from investing activities	(77.1)	1.6	16.8	(17.5)	(57.7)	(74.5)	
Purchase of property, plant and equipment	(21.5)	(16.3)	(30.4)	(9.8)	(19.0)	11.4	
Proceeds from sales of property, plant and equipment	1.7	0.1	0.1	0.0	3.0	2.8	
Purchase of intangible assets	(13.1)	(1.9)	(4.1)	(0.0)	(1.0)	3.1	
Purchase of investment securities	(3.8)	(1.1)	(4.5)	(5.2)	(6.7)	(2.1)	
Proceeds from sales of investment securities	3.9	0.0	1.2	0.0	17.9	16.6	
Proceeds from sales of shares of subsidiaries and associates	3.7	1.0	1.0	-	-	(1.0)	
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-	(14.5)	-	-	14.5	
Net decrease (increase) in short-term loans receivable	(43.0)	20.4	68.3	(3.5)	(54.4)	(122.8)	Short-term loan receivable (exceeding 3 months) to Kirin Holdings
Other	(5.0)	(0.5)	(0.3)	1.0	2.4	2.7	
Cash flows from financing activities	(12.5)	(7.8)	(37.1)	(7.1)	(14.0)	23.1	
Net increase (decrease) of loans payable	0.0	(0.8)	(23.4)	(0.0)	0.0	23.4	
Purchase of treasury shares	(0.1)	(0.0)	(0.1)	(0.1)	(0.2)	(0.1)	
Cash dividends paid	(12.3)	(6.8)	(13.6)	(6.8)	(13.6)	0.0	
Other	(0.1)	(0.0)	0.0	(0.0)	(0.1)	(0.2)	
Effect of exchange rate change on cash and cash equivalents	1.7	(1.0)	(1.2)	(1.5)	1.0	2.2	
Net increase (decrease) in cash and cash equivalents	(31.0)	(7.8)	(2.2)	(3.2)	(4.2)	(2.0)	
Cash and cash equivalents at beginning of year	50.3	19.2	19.2	17.0	17.0	(2.2)	
Cash and cash equivalents at end of year*	19.2	11.4	17.0	13.8	12.7	(4.2)	

*Cash and cash deposits in the consolidated balance sheet, cash and cash equivalents at end of year in consolidated cash flows, and cash reserves at end of year

Cash and deposit accounts (consolidated balance sheet)	20.1	15.5	20.6	16.2	13.2	(7.4)
Fixed deposits in excess of three months	(3.4)	(3.3)	(3.7)	(2.4)	(0.4)	3.2
Short-term loans receivable to the parent company not exceeding three months	3.1	0.1	0.0	0.0	0.0	(0.0)
Current loans payable as negative cash equivalents (short-term loans payable)	(0.6)	(0.9)	-	-	-	-
Cash and cash equivalents at end of year (consolidated cash flows)	19.2	11.4	17.0	13.8	12.7	(4.2)
Fixed deposits in excess of three months	3.4	3.3	3.7	2.4	0.4	(3.2)
Short-term loans receivable to the parent company in excess of three months	110.0	89.5	41.5	45.0	96.0	54.5
Cash reserves at end of year	132.6	104.2	62.2	61.2	109.2	47.0

IV. Consolidated Subsidiaries and Affiliates

(As of December 31, 2015)

Segment	Type	Region	Company name	Percentage owned (direct and indirect)	Principal business
Pharmaceuticals	Consolidated subsidiary	Japan	Kyowa Medex Co., Ltd.	100.0%	Manufacture and sale of diagnostic reagents
			Kyowa Medical Promotion Co., Ltd.	100.0%	Promotion and sale of pharmaceuticals
			Chiyoda Kaihatsu Co., Ltd.	100.0%	Contracting, wholesale and retail and insurance agency business
		The Americas	Kyowa Hakko Kirin America, Inc.	100.0%	Supervision and management of subsidiaries (US)
			BioWa, Inc.	100.0%	Out-licensing of anti-body technology (US)
			Kyowa Hakko Kirin Pharma, Inc.	100.0%	Development of new candidate substances under contract (US)
			Kyowa Hakko Kirin California, Inc.	100.0%	Generation of new candidate substances under contract and accelerating research collaborations (US)
			ProStrakan Inc.	100.0%	Sale of pharmaceuticals (US)
			Archimedes Pharma US Inc.	100.0%	Licensing of pharmaceuticals (US)
			Europe	ProStrakan Group plc	100.0%
		Strakan International S.a r.l.		100.0%	Sale, licensing-in and licensing-out of pharmaceuticals (UK)
		Strakan Pharmaceuticals Limited		100.0%	Development of pharmaceuticals (UK)
		ProStrakan Limited		100.0%	Sale of pharmaceuticals (UK)
		ProStrakan Pharma S.A.S ¹		100.0%	Sale of pharmaceuticals (France)
		Kyowa Kirin Farmacéutica SLU. ²		100.0%	Sale of pharmaceuticals (Spain)
		ProStrakan Pharma GmbH ³		100.0%	Sale of pharmaceuticals (Germany)
		ProStrakan Holdings B.V.		100.0%	Holding company for subsidiaries (Netherlands)
		ProStrakan Pharma B.V.		100.0%	Sale of pharmaceuticals (Netherlands)
		ProStrakan S.r.l.		100.0%	Sale of pharmaceuticals (Italy)
		ProStrakan AB		100.0%	Sale of pharmaceuticals (Sweden)
		Archimedes Pharma Limited		100.0%	Supervision and management of subsidiaries (UK)
		Archimedes Development Limited		100.0%	Sale and development of pharmaceuticals (UK)
		Archimedes Holdings Limited		100.0%	Holding company for subsidiaries (UK)
		Archimedes Pharma Europe Limited		100.0%	Holding company for subsidiaries (UK)
		Archimedes Pharma UK Limited		100.0%	Sale of pharmaceuticals (UK)
		Archimedes Pharma Ibérica S.L.		100.0%	Sale of pharmaceuticals (Spain)
		Archimedes Pharma Ireland Limited	100.0%	Sale of pharmaceuticals (Ireland)	
		Asia	Kyowa Hakko Kirin China Pharmaceutical Co., Ltd.	100.0%	Manufacture and sale of pharmaceuticals (China)
			Kyowa Hakko Kirin Korea Co., Ltd.	100.0%	Sale of pharmaceuticals (Korea)
			Kyowa Hakko Kirin (Taiwan) Co., Ltd.	100.0%	Sale of pharmaceuticals (Taiwan)
	Kyowa Hakko Kirin (Hong Kong) Co., Ltd.		100.0%	Sale of pharmaceuticals (Hong Kong)	
	Kyowa Hakko Kirin (Singapore) Pte. Ltd.		100.0%	Research and sale of pharmaceuticals (Singapore)	
	Entity accounted for using equity method	Japan	FUJIFILM KYOWA KIRIN BIOLOGICS Co., Ltd.	50.0%	Development, manufacture and sale of biosimilar pharmaceuticals
Europe		Centus Biotherapeutics Limited ⁴	25.0%	Development and sale of biosimilar pharmaceuticals (UK)	
Bio-Chemicals	Japan	Kyowa Hakko Bio Co., Ltd.	100.0%	Manufacture and sale of pharmaceutical and industrial raw materials, and health care products	
		Kyowa Pharma Chemical Co., Ltd. ⁵	100.0%	Manufacture and sale of active pharmaceutical ingredients and pharmaceutical intermediates	
		Kyowa Engineering Co., Ltd.	100.0%	Design and installation of plant facilities and equipment	
	The Americas	BioKyowa Inc.	100.0%	Manufacture and sale of amino acids (US)	
		Kyowa Hakko U.S.A., Inc.	100.0%	Sale of fine chemicals including amino acids (US)	
		Kyowa Hakko Bio U.S. Holdings, Inc.	100.0%	Supervision and management of subsidiaries (US)	
	Europe	Kyowa Hakko Europe GmbH	100.0%	Sale of fine chemicals including amino acids (Germany)	
		Kyowa Hakko Bio Italia S.r.l.	100.0%	Sale of fine chemicals including amino acids (Italy)	
	Asia	Shanghai Kyowa Amino Acid Co., Ltd.	100.0%	Manufacture and sale of amino acids (China)	
		Thai Kyowa Biotechnologies Co., Ltd.	100.0%	Manufacture and sale of amino acids (Thailand)	
		Kyowa Hakko (H.K.) Co., Ltd.	100.0%	Sale of fine chemicals including amino acids (Hong Kong)	
		Kyowa Hakko Bio Singapore Pte. Ltd.	100.0%	Sale of fine chemicals including amino acids (Singapore)	

Changes in major subsidiaries and affiliates (January 1, 2015 - December 31, 2015)

New: Centus Biotherapeutics Limited (see note 4)

Exclusions: Archimedes Pharma France SAS (see note 1), Archimedes Pharma Germany GMBH (see note 3)

Notes:

1. On June 30, 2015, Archimedes Pharma France SAS was dissolved in a merger with ProStrakan Pharma S.A.S.
2. On July 3, 2015, ProStrakan Farmaceutica SLU changed its company name to "Kyowa Kirin Farmacéutica SLU."
3. On June 18, 2015, Archimedes Pharma Germany GMBH was dissolved in a merger with ProStrakan Pharma GmbH.
4. On December 1, 2015, Centus Biotherapeutics Limited became an equity method affiliate following an investment.
5. On October 1, 2015, Kyowa Pharma Chemical Co., Ltd.'s company name (trade name) was changed from DAIIICHI FINE CHEMICAL CO., LTD.

V. Kyowa Hakko Kirin Sales of Main Products

Accumulative

Billions of yen, rounded down

	FY 2014 results				FY 2015 results											FY2016 forecasts			
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	%	Jan - Jun	%	Jan - Sep	%	Jan - Dec	Change Amount	%	Jan - Dec latest forecasts	% of forecasts	Jan - Jun	%	Jan - Dec	%
Kyowa Hakko Kirin total	52.1	97.0	143.1	201.7	53.8	103%	105.9	109%	163.6	114%	217.9	16.1	108%	215.7	101%	97.7	92%	200.4	92%
Indication / Product name																			
<i>ESA formulation</i> Nesp	12.1	25.9	40.1	55.3	12.3	101%	27.0	105%	42.0	105%	57.5	2.1	104%	56.9	101%	26.8	99%	54.6	95%
<i>ESA formulation</i> Espo	0.6	1.2	1.8	2.4	0.4	71%	0.9	75%	1.4	78%	1.9	(0.4)	79%	1.8	103%	0.7	79%	1.4	78%
<i>Secondary hyperparathyroidism</i> Regpara	4.5	7.6	11.7	16.3	3.9	85%	8.5	112%	13.2	113%	18.2	1.8	111%	17.7	102%	9.1	106%	18.9	104%
<i>Secondary hyperparathyroidism</i> Rocaltrol	1.1	2.1	3.3	4.6	1.0	97%	2.4	113%	3.7	112%	5.1	0.4	109%	4.8	105%	1.7	71%	3.3	65%
<i>Type-2 diabetes</i> Onglyza	0.0	0.1	0.4	1.2	0.8	-	2.0	-	3.2	78%	4.8	3.5	387%	4.7	102%	3.2	160%	6.9	145%
<i>Cardiovascular (Hypertension & angina pectoris)</i> Coniel	3.2	6.2	9.0	12.0	2.4	75%	5.0	81%	7.4	82%	10.0	(2.0)	83%	9.6	104%	3.8	76%	7.4	74%
<i>Cardiovascular (Hypertension)</i> Coversyl	0.7	1.4	2.1	2.8	0.5	81%	1.2	85%	1.8	87%	2.5	(0.3)	87%	2.4	104%	0.9	76%	1.8	75%
<i>Sustained-duration G-CSF</i> G-Lasta	-	-	-	0.3	1.4	-	3.8	-	6.7	-	10.3	9.9	-	8.9	115%	6.9	181%	15.0	146%
<i>G-CSF</i> Gran	2.0	4.4	6.7	9.2	1.3	64%	2.8	65%	4.4	65%	5.9	(3.3)	64%	5.7	103%	1.7	60%	3.3	56%
<i>Transdermal persistent pain</i> Fentos	1.1	2.6	4.1	5.9	1.2	109%	2.8	109%	4.4	106%	6.1	0.2	104%	6.4	95%	3.0	108%	6.5	106%
<i>Anticancer</i> Poteligeo	0.2	0.6	1.1	1.5	0.4	183%	1.0	146%	1.4	127%	1.9	0.3	125%	2.0	95%	0.8	87%	1.9	97%
<i>Anticancer</i> 5-FU	0.5	1.1	1.8	2.4	0.5	100%	1.1	101%	1.7	99%	2.3	(0.1)	96%	2.1	111%	0.6	56%	1.1	50%
<i>Chronic idiopathic thrombocytopenic purpura</i> Romiplate	0.5	1.2	1.9	2.7	0.6	109%	1.3	115%	2.1	113%	3.0	0.3	111%	2.8	106%	1.4	107%	3.1	104%
<i>Antiallergenic</i> Allelock	8.4	13.4	17.9	23.6	7.8	92%	12.4	93%	16.8	94%	22.1	(1.5)	93%	20.5	107%	11.0	89%	18.1	82%
<i>Antiallergic eyedrops</i> Patanol	7.1	8.1	9.9	11.8	7.4	105%	8.8	108%	10.7	108%	12.8	0.9	108%	11.9	107%	9.2	105%	12.2	96%
<i>Inflammatory bowel disease</i> Asacol	1.5	2.7	4.2	5.9	1.3	91%	2.9	107%	4.5	106%	6.1	0.1	102%	6.3	96%	2.5	87%	4.9	81%
<i>Psoriasis vulgaris</i> Dovobet	-	-	0.3	1.1	0.9	-	2.1	-	3.3	-	4.7	3.5	402%	4.8	98%	2.8	129%	5.4	114%
<i>Parkinson's disease</i> Nourias	0.2	0.8	1.7	2.8	0.9	350%	2.2	263%	3.6	216%	5.3	2.5	191%	5.5	97%	3.2	142%	6.9	130%
<i>Antiepileptic</i> Depakene	2.3	4.6	6.9	9.4	2.0	88%	4.2	92%	6.4	92%	8.7	(0.7)	92%	8.7	99%	3.9	92%	7.7	89%
<i>Gastrointestinal</i> Nauzelin	1.0	1.9	2.7	3.8	0.8	84%	1.7	89%	2.5	91%	3.5	(0.3)	91%	3.5	101%	1.4	86%	2.8	81%
Technology Out-Licensing	2.0	4.1	6.4	13.9	1.7	82%	3.7	90%	11.3	176%	11.9	(2.0)	85%	12.8	93%	2.0	54%	7.3	61%

V. Kyowa Hakko Kirin Sales of Main Products

Quarterly

Billions of yen, rounded down

	FY 2014 results				FY 2015 results									
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	%	Apr - Jun	%	Jul - Sep	%	Oct - Dec	Change Amount	%	
Kyowa Hakko Kirin total	52.1	44.8	46.1	58.6	53.8	103%	52.1	116%	57.6	125%	54.3	(4.3)	93%	
Indication / Product name														
<i>ESA formulation</i> Nesp	12.1	13.7	14.2	15.2	12.3	101%	14.7	108%	14.9	105%	15.4	0.2	102%	
<i>ESA formulation</i> Espo	0.6	0.6	0.5	0.5	0.4	71%	0.5	79%	0.5	84%	0.4	(0.0)	85%	
<i>Secondary hyperparathyroidism</i> Regpara	4.5	3.0	4.0	4.6	3.9	85%	4.6	151%	4.6	114%	4.9	0.3	108%	
<i>Secondary hyperparathyroidism</i> Rocaltrol	1.1	1.0	1.1	1.3	1.0	97%	1.3	130%	1.3	111%	1.3	0.0	103%	
<i>Type-2 diabetes</i> Onglyza	0.0	0.1	0.2	0.8	0.8	-	1.1	-	1.2	448%	1.5	0.7	185%	
<i>Cardiovascular (Hypertension & angina pectoris)</i> Coniel	3.2	2.9	2.8	3.0	2.4	75%	2.6	88%	2.4	86%	2.5	(0.4)	85%	
<i>Cardiovascular (Hypertension)</i> Coversyl	0.7	0.7	0.6	0.7	0.5	81%	0.6	88%	0.6	91%	0.6	(0.0)	89%	
<i>Sustained-duration G-CSF</i> G-Lasta	-	-	-	0.3	1.4	-	2.4	-	2.8	-	3.6	3.2	912%	
<i>G-CSF</i> Gran	2.0	2.3	2.3	2.4	1.3	64%	1.5	66%	1.5	65%	1.4	(0.9)	60%	
<i>Transdermal persistent pain</i> Fentos	1.1	1.4	1.5	1.7	1.2	109%	1.5	108%	1.5	102%	1.7	(0.0)	100%	
<i>Anticancer</i> Poteligeo	0.2	0.4	0.4	0.4	0.4	183%	0.5	126%	0.4	98%	0.5	0.0	118%	
<i>Anticancer</i> 5-FU	0.5	0.6	0.6	0.6	0.5	100%	0.6	101%	0.5	95%	0.5	(0.0)	87%	
<i>Chronic idiopathic thrombocytopenic purpura</i> Romiplate	0.5	0.6	0.7	0.7	0.6	109%	0.7	120%	0.8	110%	0.8	0.0	106%	
<i>Antiallergenic</i> Allelock	8.4	4.9	4.5	5.6	7.8	92%	4.6	93%	4.4	97%	5.2	(0.4)	92%	
<i>Antiallergic eyedrops</i> Patanol	7.1	1.0	1.7	1.9	7.4	105%	1.3	124%	1.9	108%	2.0	0.1	109%	
<i>Inflammatory bowel disease</i> Asacol	1.5	1.2	1.5	1.7	1.3	91%	1.5	128%	1.5	105%	1.6	(0.1)	93%	
<i>Psoriasis vulgaris</i> Dovobet	-	-	0.3	0.8	0.9	-	1.2	-	1.1	374%	1.4	0.5	162%	
<i>Parkinson's disease</i> Nourist	0.2	0.5	0.8	1.1	0.9	350%	1.2	221%	1.4	168%	1.6	0.5	153%	
<i>Antiepileptic</i> Depakene	2.3	2.3	2.2	2.4	2.0	88%	2.2	95%	2.1	94%	2.2	(0.1)	92%	
<i>Gastrointestinal</i> Nauzelin	1.0	0.9	0.8	1.1	0.8	84%	0.8	95%	0.7	97%	1.0	(0.1)	91%	
Technology Out-Licensing	2.0	2.0	2.2	7.5	1.7	82%	2.0	97%	7.6	332%	0.6	(6.9)	8%	

VI. Segment Information and Main Subsidiaries Operating Profit or Loss

1. Pharmaceuticals segment

(1) Pharmaceuticals segment total

Billions of yen, rounded down

	FY 2014 results				FY 2015 results										FY2016 forecasts				
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	%	Jan - Jun	%	Jan - Sep	%	Jan - Dec	Change Amount	%	Jan - Dec latest forecasts	% of forecasts	Jan - Jun	%	Jan - Dec	%
Net sales	63.1	119.5	178.6	253.0	68.0	108%	135.3	113%	208.7	117%	279.2	26.2	110%	276.0	101%	129.0	95%	268.0	96%
Japan sales	49.6	92.3	137.3	195.1	50.0	101%	100.1	108%	150.6	110%	204.9	9.8	105%	201.8	102%	95.2	95%	197.9	97%
Overseas sales	13.5	27.2	41.3	57.8	17.9	133%	35.1	129%	58.1	141%	74.3	16.4	128%	74.1	100%	33.7	96%	70.0	94%
America	3.4	7.2	10.3	13.4	4.8	140%	8.4	117%	11.6	113%	13.9	0.5	104%	13.8	101%	4.9	58%	12.2	88%
Europe	6.8	13.2	20.6	30.0	8.9	130%	18.1	137%	33.4	162%	42.4	12.4	141%	42.4	100%	20.1	111%	39.9	94%
Asia and others	3.1	6.6	10.4	14.3	4.1	130%	8.5	128%	13.0	125%	17.9	3.5	125%	17.8	101%	8.4	99%	17.5	98%
Operating income	9.4	14.1	20.6	29.0	7.7	83%	18.5	131%	34.9	170%	36.2	7.1	125%	38.5	94%	5.2	28%	23.0	64%

(2) ProStrakan (GBP)

Millions of GBP, rounded down

	FY 2014 results				FY 2015 results										FY2016 forecasts				
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	%	Jan - Jun	%	Jan - Sep	%	Jan - Dec	Change Amount	%	Jan - Dec latest forecasts	% of forecasts	Jan - Jun	%	Jan - Dec	%
Net sales	38.4	78.0	125.3	181.4	53.7	140%	108.7	139%	163.7	131%	222.0	40.6	122%	220.1	101%	111.9	103%	226.1	102%
Cancer pain Abstral	12.1	25.7	40.6	55.8	12.9	107%	27.5	107%	42.6	105%	60.0	4.2	108%	56.2	107%	29.8	109%	61.0	102%
Cancer pain PecFent	-	-	2.4	7.5	5.4	-	10.9	-	16.9	687%	22.2	14.6	295%	24.3	91%	13.7	125%	27.6	124%
Anticancer MitomycinC	3.8	7.0	10.7	14.6	4.6	120%	9.8	139%	14.6	137%	18.5	3.9	127%	16.7	111%	8.2	84%	16.5	89%
Chemotherapy-induced nausea and vomiting drug Sancuso	2.7	6.3	10.0	14.0	3.9	140%	8.2	131%	12.7	128%	17.2	3.2	123%	18.2	95%	8.9	108%	19.1	111%
Replacement therapy with testosterone for male hypogonadism Tostran	2.7	5.9	9.2	13.0	5.8	216%	9.2	154%	12.2	133%	17.5	4.4	134%	16.1	109%	5.7	63%	10.8	62%
Relief of pain associated with chronic anal fissures Rectogesic	2.7	5.6	8.4	11.5	2.8	102%	5.4	96%	7.9	95%	10.3	(1.2)	89%	10.6	97%	4.9	90%	9.6	94%
Osteoporosis drug Adcal-D3	7.1	13.9	21.3	29.3	6.7	94%	13.2	95%	20.3	95%	27.2	(2.0)	93%	27.8	98%	12.6	95%	26.3	97%
Others	4.0	8.2	17.2	29.8	11.1	274%	22.6	275%	34.2	199%	46.1	16.3	155%	48.0	96%	26.8	119%	53.0	115%
Product net sales (subtotal)	35.4	72.9	120.0	175.9	53.4	151%	107.2	147%	161.8	135%	219.5	43.5	125%	218.3	101%	111.0	104%	224.3	102%
Technology Out-Licensing and others	2.9	5.0	5.2	5.4	0.2	8%	1.4	29%	1.9	37%	2.5	(2.9)	46%	1.8	139%	0.8	60%	1.7	70%
Gross profit	28.8	58.7	91.0	129.1	38.9	135%	81.4	139%	121.2	133%	163.2	34.0	126%	161.7	101%	84.7	104%	166.9	102%
Selling, general and administrative expenses ¹	16.6	33.0	51.2	74.5	20.8	125%	42.0	127%	61.6	120%	88.1	13.6	118%	85.6	103%	45.7	109%	89.4	101%
R&D expenses ¹	1.2	2.1	3.8	5.5	1.6	137%	3.0	140%	5.0	132%	6.8	1.3	124%	5.3	128%	10.9	356%	21.0	307%
EBITDA ²	10.9	23.5	35.9	49.1	16.4	150%	36.2	154%	54.5	152%	68.2	19.1	139%	70.7	96%	28.1	78%	56.4	83%
Depreciation and amortization ¹	9.9	19.9	33.2	49.2	15.4	155%	30.6	154%	46.4	139%	61.9	12.7	126%	61.9	100%	31.2	102%	62.5	101%
Operating income	1.0	3.5	2.6	(0.1)	1.0	105%	5.6	156%	8.1	304%	6.2	6.3	-	8.7	72%	(3.1)	-	(6.0)	-

¹ R&D expenses, and Depreciation and amortization are not included in Selling, general and administrative expenses.

² EBITDA = Operating income + depreciation + amortization

³ Archimedes was acquired by ProStrakan on August 5, 2014, and from August 2014, Archimedes' financial results have been consolidated with those of ProStrakan.

⁴ Geographical breakdown of sales for January - December 2015 is as follows:

UK	Europe (excluding UK)	USA	Other
32.6%	48.9%	15.9%	2.5%

(3) Kyowa Medex Co., Ltd.

Billions of yen, rounded down

	FY 2014 results				FY 2015 results										FY 2016 forecasts				
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	%	Jan - Jun	%	Jan - Sep	%	Jan - Dec	Change Amount	%	Jan - Dec latest forecasts	% of forecasts	Jan - Jun	%	Jan - Dec	%
Net sales	2.6	5.7	8.4	11.7	2.5	95%	5.5	98%	8.5	101%	11.7	0.0	100%	11.9	99%	5.7	102%	12.1	103%
Japan sales	2.1	4.6	7.0	9.7	2.1	99%	4.6	100%	7.0	100%	9.8	0.1	101%	10.0	98%	4.7	102%	10.1	103%
Biochemical Diagnostic Reagent	0.8	1.9	2.9	4.0	0.8	99%	1.8	99%	2.9	99%	4.0	(0.0)	99%	4.0	98%	1.8	100%	4.0	101%
Immunological Diagnostic Reagent	1.0	2.3	3.4	4.7	0.9	94%	2.2	98%	3.4	100%	4.8	0.1	102%	4.8	100%	2.5	110%	5.3	108%
Other	0.2	0.4	0.6	0.8	0.2	115%	0.4	110%	0.6	112%	0.9	0.0	104%	1.0	89%	0.3	71%	0.8	87%
Exports	0.5	1.0	1.4	2.0	0.4	80%	0.9	91%	1.5	106%	1.9	(0.0)	95%	1.8	103%	0.9	103%	2.0	103%
Operating income	0.0	0.3	0.4	0.7	0.0	83%	0.3	93%	0.4	103%	0.8	0.0	107%	0.9	84%	0.0	2%	0.4	62%

VI. Segment Information and Main Subsidiaries Operating Profit or Loss

2. Bio-Chemicals segment

(1) Bio-Chemicals segment total

Billions of yen, rounded down

	FY 2014 results				FY 2015 results										FY 2016 forecasts				
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	%	Jan - Jun	%	Jan - Sep	%	Jan - Dec	Change Amount	%	Jan - Dec latest forecasts	% of forecasts	Jan - Jun	%	Jan - Dec	%
Net sales	23.5	44.0	62.7	83.9	22.1	94%	45.0	102%	67.1	107%	88.8	4.9	106%	88.0	101%	43.0	96%	87.0	98%
Japan sales	12.9	25.1	35.2	47.6	12.1	94%	24.1	96%	36.7	104%	48.9	1.2	103%	48.5	101%	22.4	93%	46.3	95%
Overseas sales	10.6	18.8	27.4	36.3	10.0	94%	20.8	110%	30.3	110%	39.9	3.6	110%	39.5	101%	20.6	99%	40.7	102%
America	2.0	4.1	6.2	8.2	2.5	124%	5.2	127%	7.9	128%	10.2	1.9	123%	9.9	103%	5.4	102%	10.8	106%
Europe	4.1	8.0	12.0	15.6	4.3	103%	8.2	102%	12.0	101%	15.5	(0.1)	99%	15.0	104%	8.1	98%	15.4	99%
Asia and others	4.4	6.6	9.2	12.4	3.1	71%	7.3	110%	10.2	111%	14.2	1.8	115%	14.6	98%	7.1	97%	14.5	102%
Operating income	3.0	4.2	5.6	7.2	1.4	48%	3.9	95%	6.4	114%	8.1	0.8	112%	8.5	96%	3.8	95%	7.0	86%

(2) Kyowa Hakko Bio Co., Ltd.

Billions of yen, rounded down

	FY 2014 results				FY 2015 results										FY 2016 forecasts				
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	%	Jan - Jun	%	Jan - Sep	%	Jan - Dec	Change Amount	%	Jan - Dec latest forecasts	% of forecasts	Jan - Jun	%	Jan - Dec	%
Net sales	17.3	31.5	44.5	58.0	14.1	82%	31.0	99%	45.8	103%	60.9	2.8	105%	61.4	99%	30.6	99%	60.8	100%
Japan sales	9.9	19.1	27.1	35.7	8.7	89%	18.1	95%	27.1	100%	36.0	0.3	101%	36.4	99%	17.1	94%	34.6	96%
Pharmaceutical and health food materials	5.5	10.7	15.1	19.8	4.3	78%	9.4	88%	14.1	93%	19.3	(0.4)	98%	19.2	101%	9.0	96%	18.3	95%
Consumer product (mail order etc.)	1.3	2.8	4.4	6.1	1.4	107%	3.2	111%	4.9	112%	6.8	0.6	111%	6.8	100%	3.4	108%	7.3	108%
Other	2.9	5.5	7.5	9.8	2.9	100%	5.5	100%	8.0	106%	9.9	0.1	101%	10.3	96%	4.5	83%	8.9	90%
Exports	7.4	12.3	17.3	22.3	5.4	73%	12.9	104%	18.6	107%	24.8	2.4	111%	25.0	99%	13.5	105%	26.2	106%
Operating income	2.7	3.6	4.7	5.6	1.3	48%	2.9	81%	4.4	94%	5.9	0.3	106%	6.2	95%	2.8	96%	5.3	89%

Note: Japan sales volumes are displayed using different categories than those previously. Past results use figures after reclassification.

(3) Kyowa Pharma Chemical Co., Ltd. *

Billions of yen, rounded down





	FY 2014 results				FY 2015 results										FY 2016 forecasts				
	Jan - Mar	Jan - Jun	Jan - Sep	Jan - Dec	Jan - Mar	%	Jan - Jun	%	Jan - Sep	%	Jan - Dec	Change Amount	%	Jan - Dec latest forecasts	% of forecasts	Jan - Jun	%	Jan - Dec	%
Net sales	3.5	6.9	9.4	13.3	3.5	100%	6.6	96%	10.4	111%	13.7	0.3	103%	13.3	103%	5.7	87%	11.7	86%
Operating income	(0.0)	(0.0)	(0.1)	0.3	0.1	-	0.7	-	1.3	-	1.7	1.3	456%	1.7	100%	0.3	51%	0.7	44%

* On October 1, 2015, Kyowa Pharma Chemical Co., Ltd.'s company name (trade name) was changed from DAIICHI FINE CHEMICAL CO., LTD.












VII. R&D Pipeline



Filed · Approved  antibody  protein  small molecule

As of Jan. 22, 2016

Area		Code Name Generic Name Formulation	Mechanism of Action	Indication	Stage	In-House or Licensed	Remarks
Nephrology		KRN321 Darbepoetin Alfa Injection	Long-Acting Erythropoiesis Stimulating Agent	Renal Anemia (on Dialysis)	Filed in CN	Kirin-Amgen	
Oncology		Granisetron Patch	5-HT ₃ Serotonin Receptor Antagonist	Chemotherapy induced Nausea and Vomiting	Filed in MY	Licensed from Solasia Pharma (ProStrakan)	Launched by ProStrakan as Sancuso®
Immunology /Allergy		©KHK4827 Brodalumab Injection	Anti-IL-17 Receptor Fully Human Antibody	Psoriasis	Filed in JP	Kirin-Amgen	
Other		AMG531 Romiplostim Injection	Thrombopoietin Receptor Agonist	Idiopathic (Immune) Thrombocytopenic Purpura	Filed in TH, MY	Kirin-Amgen	

Phase II, Phase III









Area		Code Name Generic Name Formulation	Mechanism of Action	Indication	Stage	In-House or Licensed	Remarks
Nephrology		©RTA 402 Bardoxolone Methyl Oral	Antioxidant Inflammation Modulator	CKD in Patients with Type 2 Diabetes	Phase II in JP	Licensed from Reata	
		©KHK7580 Oral	Calcium Receptor Agonist	Secondary Hyperparathyroidism	Phase III in JP	Licensed from Mitsubishi Tanabe Pharma	
Oncology		©ARQ 197 Tivantinib Oral	c-Met Inhibitor	Hepatocellular Cancer	Phase III in JP	Licensed from ArQule	
		©BIW-8962 Injection	Anti-GM2 Humanized Antibody	Cancer	Phase I / II a in KR	In-House	POTELLIGENT®
		KW-0761 Mogamulizumab Injection	Anti-CCR4 Humanized Antibody	Adult T-cell Leukemia/Lymphoma Cutaneous T-cell Lymphoma	Phase II in US, EU and others Phase III in US, EU, JP and others	In-House	POTELLIGENT®
Immunology /Allergy		©KHK4563 Benralizumab Injection	Anti-IL-5 Receptor Humanized Antibody	Asthma Chronic Obstructive Pulmonary Disease (COPD)	Phase III in JP and KR Phase III in JP	In-House	POTELLIGENT® Jointly Developed with AstraZeneca/MedImmune in JP and KR
		©ASKP1240 Injection	Anti-CD40 Fully Human Antibody	Organ Transplant Rejection	Phase I in JP Phase II in US	In-House	Human Antibody-Producing mouse Jointly Developed with Astellas
		Z-206 Mesalazine Oral	pH Dependent Controlled Release Tablet	Ulcerative Colitis	Phase III in JP	Licensed from Zeria Pharma	Jointly Developed with Zeria Pharma The Phase III study is conducted to seek a new dose regimen
Central Nervous System		KW-6002 Istradefylline Oral	Adenosine A _{2A} Receptor Antagonist	Parkinson's Disease	Phase III in US, CA, EU and others	In-House	
Other		©KRN23 Injection	Anti-FGF23 Fully Human Antibody	X-linked Hypophosphatemia (XLH) in adult patients X-linked Hypophosphatemia (XLH) in pediatric patients Tumor Induced Osteomalacia (TIO)/Epidermal Nevus Syndrome (ENS)	Phase III in US, CA, EU, JP and KR Phase II in US and EU Phase II in US	In-House	Human Antibody-Producing mouse Jointly Developed with Ultragenyx in US and EU
		AMG531 Romiplostim Injection	Thrombopoietin Receptor Agonist	Aplastic Anemia Idiopathic (Immune) Thrombocytopenic Purpura	Phase II in KR Phase III in CN	Kirin-Amgen	

 Updated since Oct. 21, 2015 (Area, Stage, Filed, Approved, etc.)
 New Molecular Entity

VII. R&D Pipeline

Ph I  antibody  protein  small molecule


As of Jan. 22, 2016

Area		Code Name Generic Name Formulation	Mechanism of Action	Indication	Stage	In-House or Licensed	Remarks
Oncology		©KRN951 Tivozanib Oral	VEGF Receptor Inhibitor	Cancer	Phase I in JP	In-House	Being Developed Overseas by AVEO as AV-951
		©KHK2375 Entinostat Oral	HDAC Inhibitor	Breast Cancer	Phase I in JP	Syndax	
		©KHK2898 Injection	Anti-CD98 Fully Human Antibody	Cancer	Phase I in SG	In-House	POTELLIGENT® Human Antibody-Producing mouse
		©KHK2823 Injection	Anti-CD123 Fully Human Antibody	Cancer	Phase I in UK	In-House	POTELLIGENT® Human Antibody-Producing mouse
		KW-0761 Mogamulizumab Injection	Anti-CCR4 Humanized Antibody	Solid Tumor	Phase I in US Phase I in JP	In-House	POTELLIGENT® Combination with Durvalumab/Tremelimumab (Jointly Developed with AstraZeneca) Combination with Docetaxel Combination with PF-05082566 (Jointly Developed with Pfizer) Combination with Nivolumab (Jointly Developed with Ono Pharmaceutical / Bristol-Myers Squibb)
Immunology /Allergy		©KHK4083 Injection	Immunomodulator Antibody	Autoimmune diseases	Phase I in CA	In-House	POTELLIGENT® Human Antibody-Producing mouse
Central Nervous System		©KHK6640 Injection	Anti-Amyloid Beta Peptide Antibody	Alzheimer's Disease	Phase I in EU Phase I in JP	Licensed from Immunas Pharma	
Others		KW-3357 Antithrombin Gamma Injection	Recombinant Human Antithrombin	Disseminated Intravascular Coagulation, Congenital Antithrombin Deficiency	Phase I in EU	In-House	



 Updated since Oct. 21, 2015 (Area, Stage, Filed, Approved, etc.)
 © New Molecular Entity

Updated since Oct. 21, 2015 (Area, Stage, Filed, Approved, etc.)


Filed · Approved

Area		Code Name Generic Name Formulation	Mechanism of Action	Indication	Stage	In-House or Licensed	Remarks
Other		AMG531 Romiplostim Injection	Thrombopoietin Receptor Agonist	Idiopathic (Immune) Thrombocytopenic Purpura	Filed in MY	Kirin-Amgen	



Ph II~Ph III

Area		Code Name Generic Name Formulation	Mechanism of Action	Indication	Stage	In-House or Licensed	Remarks
Nephrology		©KHK7580 Oral	Calcium Receptor Agonist	Secondary Hyperparathyroidism	Phase III in JP	Licensed from Mitsubishi Tanabe Pharma	
Other		©KRN23 Injection	Anti-FGF23 Fully Human Antibody	X-linked Hypophosphatemia (XLH) in adult patients	Phase III in US, CA, EU, JP and KR	In-House	Human Antibody-Producing mouse Jointly Developed with Ultragenyx in US and EU

Ph I

Area		Code Name Generic Name Formulation	Mechanism of Action	Indication	Stage	In-House or Licensed	Remarks
Oncology		©KHK2375 Entinostat Oral	HDAC Inhibitor	Breast Cancer	Phase I in JP	Syndax	

Terminated

Area		Code Name Generic Name Formulation	Mechanism of Action	Indication	Stage	In-House or Licensed	Remarks
Oncology		©KHK2804/ CEP-37250 Injection	Anti-Tumor Specific Glycoprotein Humanized Antibody	Cancer	Phase I in US	Licensed from Teva	POTELLIGENT® Jointly Developed with Teva
		KW-0761 Mogamulizumab Injection	Anti-CCR4 Humanized Antibody	Peripheral T-cell Lymphoma	Phase II in EU	In-House	POTELLIGENT®

<Appendix> Pipeline of Biosimilar

Phase III

As of Jan. 22, 2016

Code Name	Generic Name	Stage	Remarks
FKB327	Adalimumab (fully human anti-TNF- α monoclonal antibody)	Phase III in US and others	Fujifilm Kyowa Kirin Biologics

Phase I

Code Name	Generic Name	Stage	Remarks
FKB238	Bevacizumab (humanized anti-VEGF monoclonal antibody)	Phase I in UK	Centus Biotherapeutics