

# FIRST QUARTER BUSINESS SUMMARY

## (Year ending March 31, 2010)

Nippon Chemiphar Co., Ltd. (4539)  
July 31, 2009

### I. HIGHLIGHTS

#### Sales of Generics Rise 27.1% YOY

Overall sales for the first quarter of FY2009 were up 6.9% YOY, buoyed by a 27.1% rise in sales of generics resulting from:

1. Good sales of Chemiphar's amlodipine generic launched in July 2008; and
2. Increased overall demand for generic drugs, reflecting the growing number of DPC hospitals.

Meanwhile, sales of core products slid 8.0%, mainly due to the adverse effects of the very competitive analgesics market on the painkiller Soleton.

#### Operating Income Up Sevenfold; Ordinary, Net Incomes Head North

Cost of sales rose in tandem with sales of generics, while operating income jumped sevenfold, and both ordinary and net incomes increased as forecast. This was due to:

1. The 6.9% YOY hike in sales; and
2. The Company's cost-cutting efforts.

#### Consolidated Sales and Income

¥ mn

	1 <sup>st</sup> Quarter FY2009			1 <sup>st</sup> Quarter FY2008		Interim Forecast FY2009	
	Amount	Distrib. (%)	YOY (%)	Amount	Distrib. (%)	Amount	Achievement Ratio (%)
Sales	5,754	100.0	6.9	5,384	100.0	11,550	49.8
Cost of sales	2,746	47.7	+1.2p	2,503	46.5		
SG&A expenses	2,885	50.1	(3.1p)	2,863	53.2		
Operating income	122	2.1	7 times	17	0.3	300	40.8
Ordinary income	104	1.8	—	(13)	—	200	52.1
Net income	31	0.5	—	(38)	—	50	62.4

## II. SUMMARY OF PRODUCT SALES

### Figures Mirror Forecasts

While sales of core products (Uralyt, Soleton and Calvin) realized 25.1% of our full-year growth forecast, those of generics reached 23.9%.

For the full year, the Company expects that the generics launched in May and due to be unveiled in November will make a generous contribution to our overall sales.

### Sales of Pharmaceuticals

¥ mn

	1 <sup>st</sup> Quarter FY2009			1 <sup>st</sup> Quarter FY2008		Interim Forecast FY2009	
	Amount	Distrib. (%)	YOY (%)	Amount	Distrib. (%)	Amount	Achievement Ratio (%)
Pharmaceuticals	5,202	100.0	12.0	4,643	100.0	21,415	24.3
Core products	1,832	35.2	(8.0)	1,991	42.9	7,300	25.1
Uralyt	858		(0.5)	862		3,500	24.5
Soleton	816		(14.4)	953		3,200	25.5
Calvan	158		(10.2)	176		600	26.3
Generics	3,370	64.8	27.1	2,652	57.1	14,115	23.9
Pravastatin	304		2.0	298		1,260	24.1
Amlodipine	388		—	—		1,800	21.6
Voglibose	239		22.6	195		950	25.2
Lansoprasole	196		62.0	121		700	28.0
Others	2,243		10.1	2,038		9,405	23.8

For further information contact:  
Public Relations Department, Nippon Chemiphar Co., Ltd.

e-mail: [y-doi@chemiphar.co.jp](mailto:y-doi@chemiphar.co.jp)