

# Financial Results for the Fiscal Year 2014, Ended December 31, 2014

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- ※ This material is prepared based on Japan GAAP.
- ※ Amounts are rounded down to the nearest million yen.

February 4, 2015



**TORII PHARMACEUTICAL CO., LTD.**

# I Summary Information

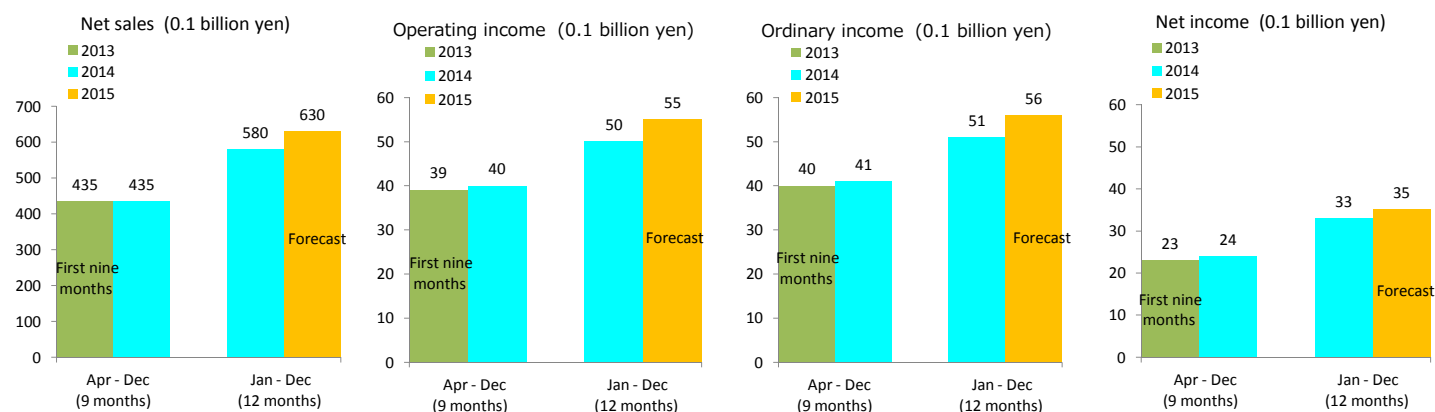
## ① Financial Results

(Millions of Yen)	FY2013 First nine months A	FY2014 B	Change B-A	Change (%) (B-A)/A	2014 Jan - Dec C	FY2015 forecast D	Change D-C	Change (%) (D-C)/C
Net sales	43,524	43,504	△20	△0.0	58,089	63,000	4,910	8.5
Operating income	3,986	4,032	45	1.1	5,033	5,500	466	9.3
Ordinary income	4,098	4,142	43	1.1	5,168	5,600	431	8.3
Net income	2,378	2,419	41	1.7	3,394	3,500	105	3.1

※Torii has changed the closing date of the accounting period from March 31 to December 31 since FY2014. FY2014, a transitional period for the change in accounting period, covered nine months from April to December 2014. For reference, results of FY2013 First nine months is presented in order to present results on a comparable basis. 12 months financial figures from Jan to Dec 2014(the calculation method is explained on P.8) is also presented with FY2015 forecast on a comparable basis.

(Reference)

R&D expenses	5,184	3,400	△1,784	△34.4	4,878	4,530	△348	△7.1
Earnings per share (EPS) (¥)	84.03	85.50	1.47		-	123.68	-	
Return on equity (ROE) (%)	3.1	3.0	△0.1		-	-		
Ratio of ordinary income to total assets (%)	4.5	4.5	0.0		-	-		
Ratio of operating income to net sales (%)	9.2	9.3	0.1		-	-		
Return on assets (ROA) (%)	2.6	2.6	0.0		-	-		



## ② Financial Conditions

(Millions of Yen)	March 31, 2014 A	December 31, 2014 B	Change B-A	Change (%) (B-A)/A
Total assets	93,137	92,550	△587	△0.6
Total equity	79,018	80,225	1,206	1.5
Equity ratio (%)	84.8	86.7	1.9	
Book value per share (BPS) (¥)	2,792.14	2,834.82	42.68	

## II Financial Results for the FY2014

### ① Non-consolidated Statement of Income

(Millions of Yen)	FY2013		FY2014	Change	Change (%)
	First nine months				
	A	B	B-A	(B-A)/A	
Net sales	43,524	43,504	△20	△0.0	
Sales of products ※	43,356	43,334	△22	△0.1	
Renal disease and hemodialysis	17,583	18,307	724	4.1	
Skin disease and allergens	9,659	8,836	△823	△8.5	
HIV	10,952	11,421	469	4.3	
Other	5,161	4,768	△392	△7.6	
Rent income of real estate	168	170	1	1.1	
Cost of sales	19,457	20,587	1,129	5.8	
Cost of products sold	19,414	20,543	1,129	5.8	
Cost of real estate rent	43	43	0	0.9	
Gross profit	24,066	22,917	△1,149	△4.8	
Selling, general and administrative expenses	20,080	18,885	△1,195	△6.0	
R&D expenses	5,184	3,400	△1,784	△34.4	
Other	14,896	15,484	588	4.0	
Operating income	3,986	4,032	45	1.1	
Non-operating income	131	119	△12	—	
Non-operating expenses	18	8	△10	—	
Ordinary income	4,098	4,142	43	1.1	
Extraordinary loss	3	361	358	—	
Income before income taxes	4,095	3,781	△314	△7.7	
Income taxes	1,717	1,361	△355	△20.7	
Net income	2,378	2,419	41	1.7	

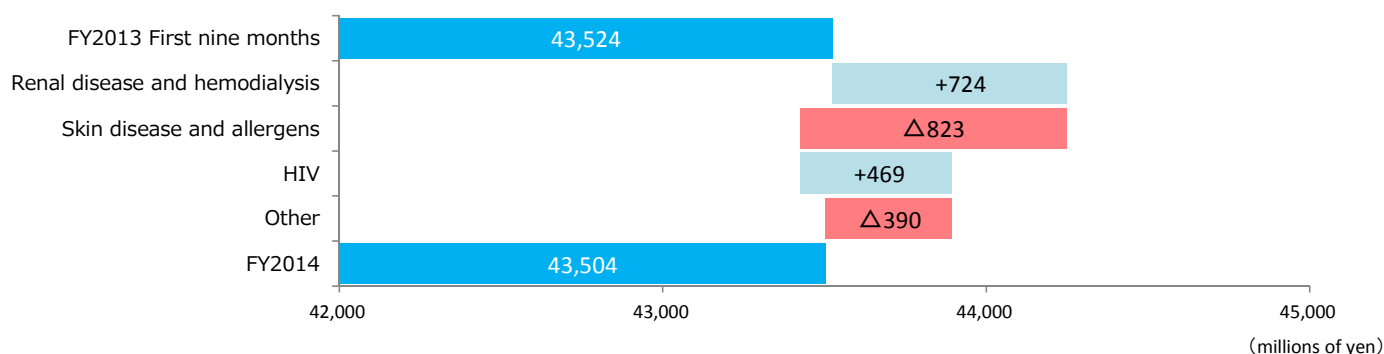
※ For details, please refer to page 4.

(Reference) Ratio to net sales

(%)	FY2013		FY2014	Change
	First nine months			
	A	B	B-A	
Cost of sales	44.7	47.3	2.6	
SG&A	46.1	43.4	△2.7	
R&D expenses	11.9	7.8	△4.1	
Operating income	9.2	9.3	0.1	
Ordinary income	9.4	9.5	0.1	
Net income	5.5	5.6	0.1	

**[Factors in increase/decrease compared with the same term of the last fiscal year (FY2013 First nine months) ]**

**Net Sales ( ¥43,504 million : Decrease ¥20 million year-on-year)**

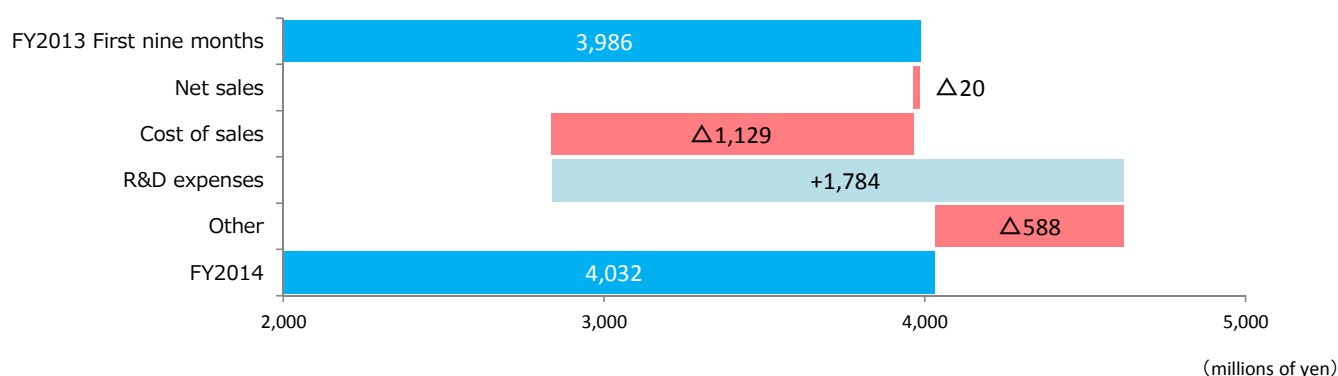


**Major factors in increase/decrease**

Renal disease and hemodialysis	: Riona	Increase ¥ 1,811 million	FUTHAN	Decrease ¥ 520 million
			URINORM	Decrease ¥ 493 million
Skin disease and allergens	: ANTEBATE	Decrease ¥ 395 million	Dovonex	Decrease ¥ 237 million
HIV	: Stribild	Increase ¥ 1,245 million	Truvada	Decrease ¥ 711 million

※ For details, please refer to "② Sales of Products" on page 4.

**Operating income ( ¥4,032 million : Increase ¥45 million year-on-year)**



**Major factors in increase/decrease**

Cost of sales	: Changes in sales mix among the products
R&D expenses	: Decrease in clinical study expenses (TO-203)
Other	: Increase in salaries and sales promotion expenses

**Ordinary income ( ¥4,142 million : Increase ¥43 million year-on-year)**

Special remarks: None

**Net income ( ¥2,419 million : Increase ¥41 million year-on-year)**

FY2014 Loss on retirement of noncurrent assets ¥ 361 million

## ② Sales of Products

(Millions of Yen)	FY2013	FY2014	Change	Change
	First nine months A	B	B-A	(%) (B-A)/A
Sales of Products	43,356	43,334	△22	△0.1
REMITCH	10,612	10,563	△48	△0.5
Oral anti-pruritus agent [Renal disease and hemodialysis]				
Truvada	9,940	9,229	△711	△7.2
Antiviral agent for HIV [HIV]				
ANTEBATE ※1	5,535	5,140	△395	△7.1
Topical corticosteroid [Skin disease and allergens]				
FUTHAN ※1	3,288	2,768	△520	△15.8
Protease inhibitor [Renal disease and hemodialysis]				
Stribild ※2	696	1,942	1,245	178.9
Antiviral agent for HIV [HIV]				
Riona ※3	—	1,811	1,811	—
Agent for hyperphosphatemia [Renal disease and hemodialysis]				
KAYEXALATE ※1	1,762	1,737	△25	△1.4
Agent for hyperkalemia [Renal disease and hemodialysis]				
BIO-THREE	1,563	1,619	56	3.6
Viable bacterial preparations [Other]				
URINORM ※1	1,919	1,425	△493	△25.7
Uricosuric agent [Renal disease and hemodialysis]				
Dovonex	1,426	1,189	△237	△16.6
Topical agent for psoriasis vulgaris [Skin disease and allergens]				
ZEFNART	1,309	1,146	△163	△12.5
Topical antifungal agent [Skin disease and allergens]				
LOCOID ※1	1,064	1,011	△53	△5.0
Topical corticosteroid [Skin disease and allergens]				
Magsent	1,018	961	△56	△5.6
Tocolysis in threatened premature labor Eclampsia-suppressing and treatment [Other]				
Other	3,218	2,786	△431	△13.4

※1 In-house products

※2 Launched on May 14, 2013

※3 Launched on May 12, 2014

### (References) Sales and ratio of in-house products

(Millions of Yen)	FY2013	FY2014	Change	Change
	First nine months A	B	B-A	(%) (B-A)/A
Sales of in-house products	15,124	13,522	△1,602	△10.6
Ratio of in-house product sales (%)	34.9	31.2	△3.7	—

③ Non-consolidated Balance Sheet

<i>(Millions of Yen)</i>	March 31, 2014 A	December 31, 2014 B	Change B-A	Change (%) (B-A)/A	Component ratio (%) (Dec 31, 2014)
Current assets	72,466	72,121	△344	△0.5	77.9
Cash and deposits	406	6,316	5,909		
Deposits in the cash management system	20,708	14,978	△5,730		
Notes and accounts receivable-trade	24,167	25,901	1,734		
Short-term investment securities	16,804	13,209	△3,595		
Inventories	8,029	10,136	2,107		
Other	2,350	1,579	△771		
Noncurrent assets	20,671	20,428	△242	△1.2	22.1
Property, plant and equipment	5,774	5,806	31		
Intangible assets	622	818	196		
Investments and other assets	14,273	13,803	△470		
Investment securities	6,708	7,070	362		
Long-term prepaid expenses	5,920	5,230	△689		
Other	1,644	1,502	△142		
<b>Total assets</b>	<b>93,137</b>	<b>92,550</b>	<b>△587</b>	<b>△0.6</b>	<b>100.0</b>
Current liabilities	13,337	11,391	△1,945	△14.6	12.3
Accounts payable-trade	6,382	6,095	△287		
Accounts payable-other	2,998	1,795	△1,203		
Income taxes payable	1,202	273	△929		
Accrued employees' bonuses	1,345	694	△651		
Other	1,407	2,534	1,126		
Long-term liabilities	782	933	150	19.2	1.0
<b>Total liabilities</b>	<b>14,119</b>	<b>12,324</b>	<b>△1,794</b>	<b>△12.7</b>	<b>13.3</b>
Shareholders' equity	78,560	79,847	1,286	1.6	86.3
Unrealized gain on available-for-sale securities	457	377	△79	△17.4	0.4
<b>Total equity</b>	<b>79,018</b>	<b>80,225</b>	<b>1,206</b>	<b>1.5</b>	<b>86.7</b>
<b>Total liabilities and equity</b>	<b>93,137</b>	<b>92,550</b>	<b>△587</b>	<b>△0.6</b>	<b>100.0</b>

Major factors in increase/decrease

(Current assets)	
Short-term investment securities	: Decrease by redemption of certificates of deposit and money trust
Inventories	: Increase in inventories of products
(Noncurrent assets)	
Investment securities	: Increase by acquisition of debt securities and : decrease by transfer to short-term investment securities
(Equity)	
Shareholders' equity	: Increase in net income and decrease by payment of dividends

④ Non-consolidated Statement of Cash Flows

(Millions of Yen)	FY2013		FY2014	Change
	First nine months			
	A	B	B-A	
Income before income taxes	4,095	3,781	△314	
Depreciation and amortization	795	924	129	
Increase in trade notes and accounts receivable-trade	△3,143	△1,734	1,408	
Increase (Decrease) in inventories	60	△2,107	△2,167	
Decrease in trade notes and accounts payable-trade	△243	△287	△44	
Decrease in accounts payable-other	△2,836	△1,207	1,628	
Decrease in long-term prepaid expenses	580	689	108	
Income taxes paid	△1,106	△1,172	△65	
Other-net	409	504	94	
Net cash used in operating activities	△1,388	△609	778	
Purchases of property, plant and equipment	△531	△555	△24	
Purchases of intangible assets	△97	△329	△232	
Other-net	15,398	1,384	△14,013	
Net cash provided by investing activities	14,769	499	△14,269	
Net cash used in financing activities	△1,257	△1,410	△153	
Net Decrease (Increase) in cash and cash equivalents	12,123	△1,520	△13,644	
Cash and cash equivalents, beginning of period	17,228	33,414	16,186	
Cash and cash equivalents, end of period	29,352	31,894	2,542	

(※) Cash and cash equivalents consist of cash on hand and in banks without time deposits with maturities more than three months, deposits in the cash management system and marketable securities of which the period from the date of acquisition to the date of redemption is not more than three months.

Major factors in increase/decrease	
(Operating activities)	
Increase (Decrease) in inventories	: FY2014 Increase in inventories of products
Decrease in accounts payable-other	: FY2013 Upfront payment of acquisition of marketing rights for a "Stribild® Combination Tablets"
(Investing activities)	
Other-net	: FY2013 Redemption of securities

## ⑤ Capital Expenditures

(Millions of Yen)	FY2013 First nine months A	FY2014	Change B-A	Change (%) (B-A)/A
Capital expenditures	990	1,514	524	52.9
PP&E	888	1,156	267	30.1
Intangible assets	102	358	256	250.0

### Descriptions of capital expenditures

PP&E	: Investment mainly in manufacturing facilities aiming to improve productivity
Intangible assets	: Investment in software aiming to streamline operations

## ⑥ Depreciation/Amortization

(Millions of Yen)	FY2013 First nine months A	FY2014 B	Change B-A	Change (%) (B-A)/A
Depreciation	795	924	129	16.2
Amortization of long-term prepaid expenses	627	700	73	11.7

## ⑦ Research and Development

Development code	Indication	Formulation/ Route of administration	Development stage (domestic)					Remarks
			Phase I	Phase II	Phase III	Application	Approval	
<b>Skin disease and allergens</b>								
TO-203	House dust mite induced allergic rhinitis (Allergen Immunotherapy)	Sublingual tablet				Application		<ul style="list-style-type: none"> <li>•Licensing agreement signed with ALK for providing exclusive development and sales rights in Japan</li> <li>•In-house</li> <li>•NDA filing by Torii on January 26, 2015</li> </ul>
	House dust mite induced allergic asthma (Allergen Immunotherapy)	Sublingual tablet		Phase II / III				<ul style="list-style-type: none"> <li>•Licensing agreement signed with ALK for providing exclusive development and sales rights in Japan</li> <li>•In-house</li> </ul>
TO-204	House dust mite induced allergic asthma and rhinitis (Allergen Immunotherapy)	Injection					Approval	<ul style="list-style-type: none"> <li>•Licensing agreement signed with ALK for providing exclusive development and sales rights in Japan</li> <li>•In-house</li> <li>•NDA approval obtained by Torii on December 26, 2014</li> </ul>
TO-205	Diagnostic product against house dust mite allergy	Skin prick test solution					Approval	<ul style="list-style-type: none"> <li>•Licensing agreement signed with ALK for providing exclusive development and sales rights in Japan</li> <li>•In-house</li> <li>•NDA approval obtained by Torii on December 26, 2014</li> </ul>
TO-206	Japanese cedar pollinosis (Allergen Immunotherapy)	Sublingual tablet		Phase II / III				<ul style="list-style-type: none"> <li>•In-house</li> </ul>
JTE-350	Diagnostic product (Histamine Dihydrochloride)	Positive control solution in the skin prick test				Application		<ul style="list-style-type: none"> <li>•Licensing agreement signed with ALK for providing exclusive development and sales rights in Japan</li> <li>•Co-development with JT</li> <li>•NDA filing by JT on December 22, 2014</li> </ul>

※ This drug is one of the medical products publicly offered for a development company by the Study Group on Unapproved and Off-label Drugs of High Medical Need, set up by the Ministry of Health, Labour and Welfare

Updates since the previous announcement on October 30, 2014 : TO-203 NDA filing for allergic rhinitis by Torii  
TO-204 and TO-205 NDA approval obtained by Torii  
JTE-350 NDA filing by JT



【Reference : 12 months information】

※ Torii has changed the closing date of the accounting period from March 31 to December 31 since FY2014.  
For reference, 12 months financial figures from Jan to Dec 2013 and those of 2014 figures are presented in the following table. The calculation method is also explained below.

① Non-consolidated Statement of Income

(Millions of Yen)	2013		2014	
	Jan - Dec	Jan - Dec	Change	Change
	A	B	B-A	(%) (B-A)/A
Net sales	55,291	58,089	2,797	5.1
Sales of products ※	55,067	57,864	2,797	5.1
Renal disease and hemodialysis	22,333	24,437	2,103	9.4
Skin disease and allergens	12,336	11,687	△648	△5.3
HIV	13,804	15,527	1,722	12.5
Other	6,592	6,210	△381	△5.8
Rent income of real estate	224	225	0	0.4
Cost of sales	24,727	27,396	2,668	10.8
Gross profit	30,564	30,693	129	0.4
SG&A	26,942	25,659	△1,283	△4.8
R&D expenses	7,170	4,878	△2,291	△32.0
Other	19,772	20,780	1,008	5.1
Operating income	3,621	5,033	1,412	39.0
Ordinary income	3,738	5,168	1,429	38.2
Net income	2,335	3,394	1,059	45.4

※ For details, please refer to page 9.

Ratio to net sales

(%)	2013		2014	
	Jan - Dec	Jan - Dec	Change	
	A	B	B-A	
Cost of sales	44.7	47.2	2.5	
SG&A	48.7	44.1	△4.6	
R&D expenses	13.0	8.4	△4.6	
Operating income	6.5	8.7	2.2	
Ordinary income	6.8	8.9	2.1	
Net income	4.2	5.8	1.6	

〈12 months calculation method〉

※Figures of Jan - Dec 2013

Jan - Mar 2013 (FY2012 (12 months) – FY2012 First nine months (9 months) )  
+ Apr - Dec 2013 (FY2013 First nine months)

※Figures of Jan - Dec 2014

Jan - Mar 2014 (FY2013 (12 months) – FY2013 First nine months (9 months) )  
+ Apr - Dec 2014 (FY2014 (9 months) )

## ② Sales of Products

<i>(Millions of Yen)</i>	2013	2014	Change	Change
	Jan - Dec	Jan - Dec		(%)
	A	B	B-A	(B-A)/A
Sales of Products	55,067	57,864	2,797	5.1
REMITCH	13,415	14,970	1,555	11.6
Oral anti-pruritus agent [Renal disease and hemodialysis]				
Truvada	12,690	12,717	26	0.2
Antiviral agent for HIV [HIV]				
ANTEBATE ※1	7,111	6,747	△364	△5.1
Topical corticosteroid [Skin disease and allergens]				
FUTHAN ※1	4,201	3,499	△701	△16.7
Protease inhibitor [Renal disease and hemodialysis]				
Stribild ※2	696	2,466	1,769	254.2
Antiviral agent for HIV [HIV]				
KAYEXALATE ※1	2,233	2,253	19	0.9
Agent for hyperkalemia [Renal disease and hemodialysis]				
BIO-THREE	2,012	2,123	111	5.5
Viable bacterial preparations [Other]				
URINORM ※1	2,483	1,901	△582	△23.4
Uricosuric agent [Renal disease and hemodialysis]				
Riona ※3	—	1,811	1,811	—
Agent for hyperphosphatemia [Renal disease and hemodialysis]				
Dovonex	1,855	1,670	△185	△10.0
Topical agent for psoriasis vulgaris [Skin disease and allergens]				
ZEFNART	1,541	1,450	△90	△5.9
Topical antifungal agent [Skin disease and allergens]				
LOCOID ※1	1,384	1,337	△47	△3.4
Topical corticosteroid [Skin disease and allergens]				
Magsent	1,249	1,192	△56	△4.5
Tocolysis in threatened premature labor Eclampsia-suppressing and treatment [Other]				
Other	4,191	3,721	△470	△11.2

※1 In-house products

※2 Launched on May 14, 2013

※3 Launched on May 12, 2014

### Ⅲ Financial Forecasts for the FY2015

※ Torii has changed the closing date of the accounting period from March 31 to December 31 since FY2014. 12 months financial figures from Jan to Dec 2014(the calculation method is explained on P.8) is presented with FY2015 forecast on a comparable basis.

#### ① Non-consolidated Statement of Income

<i>(Millions of Yen)</i>		2014 Jan - Dec A	FY2015 forecast B	Change B-A	Change (%) (B-A)/A
Net sales	※2	58,089	63,000	4,910	8.5
Sales of products	※1	57,864	62,830	4,965	8.6
Renal disease and hemodialysis		24,437	27,330	2,892	11.8
Skin disease and allergens		11,687	13,890	2,202	18.8
HIV		15,527	15,540	12	0.1
Other		6,210	6,070	△140	△2.3
Rent income of real estate		225	170	△55	△24.7
Cost of sales		27,396	30,700	3,303	12.1
Gross profit		30,693	32,300	1,606	5.2
SG&A		25,659	26,800	1,140	4.4
R&D expenses		4,878	4,530	△348	△7.1
Other		20,780	22,270	1,489	7.2
Operating income	※2	5,033	5,500	466	9.3
Ordinary income		5,168	5,600	431	8.3
Net income	※2	3,394	3,500	105	3.1

※1 For details, please refer to page 12.

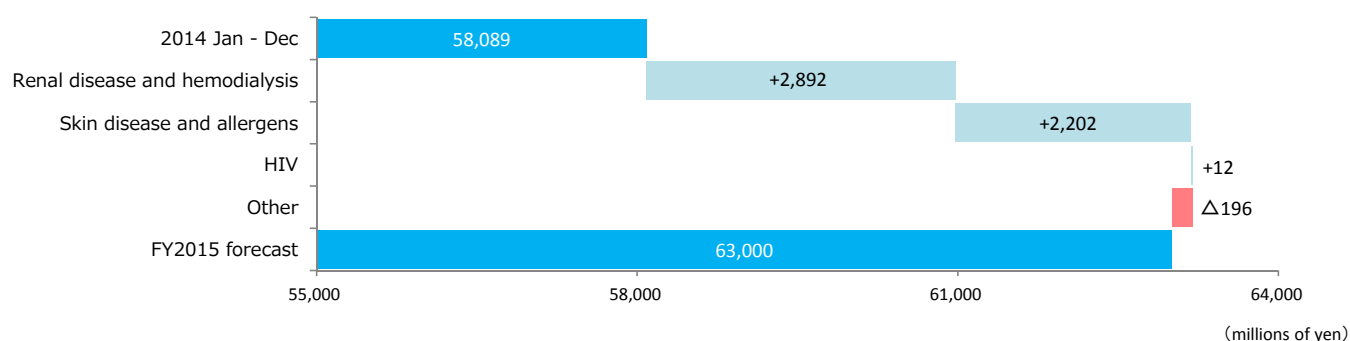
※2 Target figures(Net Sales, Operating income and Net income) of FY2015 have not changed from those announced in the Medium Management Plan on April 25,2013.

#### (Reference) Ratio to net sales

<i>(%)</i>		2014 Jan - Dec A	FY2015 forecast B	Change B-A
Cost of sales		47.2	48.7	1.5
SG&A		44.1	42.6	△1.5
R&D expenses		8.4	7.2	△1.2
Operating income		8.7	8.7	0.0
Ordinary income		8.9	8.9	0.0
Net income		5.8	5.6	△0.2

**[Factors in increase/decrease compared with the same term of the last year (Jan to Dec 2014) ]**

**Net sales ( ¥63,000 million : Increase ¥4,910 million year-on-year)**

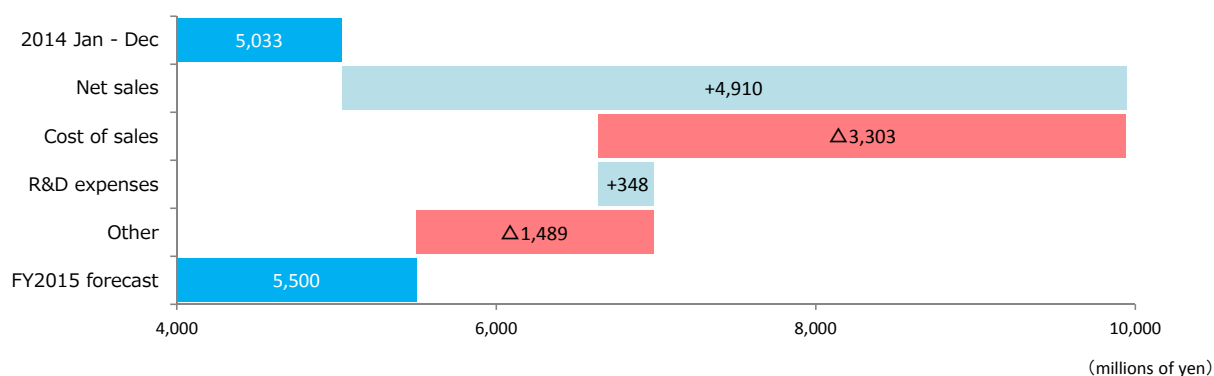


**Major factors in increase/decrease**

Renal disease and hemodialysis	: Riona	Increase	¥ 2,808 million	REMITCH	Increase	¥ 439 million
	KAYEXALATE	Increase	¥ 236 million	FUTHAN	Decrease	¥ 299 million
	URINORM	Decrease	¥ 291 million			
Skin disease and allergens	: CEDARTOLEN	Increase	¥ 2,739 million	ANTEBATE	Decrease	¥ 287 million
HIV	: Stribild	Increase	¥ 543 million	Truvada	Decrease	¥ 437 million

※ For details, please refer to "② Sales of Products" on page 12.

**Operating income ( ¥5,500 million : Increase ¥466 million year-on-year)**



**Major factors in increase/decrease**

Cost of sales	: Changes in sales mix among the products and increase in net sales
R&D expenses	: Decrease in clinical study expenses
Other	: Increase in salaries and promotion expenses

**Ordinary income ( ¥5,600 million : Increase ¥431 million year-on-year)**

Special remarks: None

**Net income ( ¥3,500 million : Increase ¥105 million year-on-year)**

Special remarks: None

## ② Sales of Products

<i>(Millions of Yen)</i>	2014 Jan - Dec A	FY2015 forecast B	Change B-A	Change (%) (B-A)/A
<b>Sales of Products</b>	57,864	62,830	4,965	8.6
REMITCH Oral anti-pruritus agent [Renal disease and hemodialysis]	14,970	15,410	439	2.9
Truvada Antiviral agent for HIV [HIV]	12,717	12,280	△437	△3.4
ANTEBATE ※1 Topical corticosteroid [Skin disease and allergens]	6,747	6,460	△287	△4.3
Riona ※2 Agent for hyperphosphatemia [Renal disease and hemodialysis]	1,811	4,620	2,808	155.0
FUTHAN ※1 Protease inhibitor [Renal disease and hemodialysis]	3,499	3,200	△299	△8.6
Stribild Antiviral agent for HIV [HIV]	2,466	3,010	543	22.1
CEDARTOLEN ※1,3 Japanese cedar pollinosis (Allergen Immunotherapy) [Skin disease and allergens]	80	2,820	2,739	—
KAYEXALATE ※1 Agent for hyperkalemia [Renal disease and hemodialysis]	2,253	2,490	236	10.5
BIO-THREE Viable bacterial preparations [Other]	2,123	2,200	76	3.6
URINORM ※1 Uricosuric agent [Renal disease and hemodialysis]	1,901	1,610	△291	△15.3
Dovonex Topical agent for psoriasis vulgaris [Skin disease and allergens]	1,670	1,520	△150	△9.0
LOCOID ※1 Topical corticosteroid [Skin disease and allergens]	1,337	1,330	△7	△0.5
ZEFNART Topical antifungal agent [Skin disease and allergens]	1,450	1,320	△130	△9.0
Magsent Tocolysis in threatened premature labor Eclampsia-suppressing and treatment [Other]	1,192	1,260	67	5.7
Other	3,641	3,300	△341	△9.4

※1 In-house products

※2 Launched on May 12, 2014

※3 Launched on October 8, 2014

### (References) Sales and ratio of in-house products

<i>(Millions of Yen)</i>	2014 Jan - Dec A	FY2015 forecast B	Change B-A	Change (%) (B-A)/A
Sales of in-house products	17,657	19,840	2,182	12.4
Ratio of in-house product sales (%)	30.5	31.6	1.1	—

### ③ Capital Expenditures

<i>(Millions of Yen)</i>	2014 Jan - Dec A	FY2015 forecast B	Change B-A	Change (%) (B-A)/A
Capital expenditures	1,726	2,277	550	31.9
PP&E	1,286	2,052	765	59.5
Intangible assets	440	225	△215	△48.9

#### Descriptions of capital expenditures

PP&E : Investment mainly in manufacturing facilities aiming to improve productivity  
 Intangible assets : Investment in software aiming to streamline operations

### ④ Depreciation/Amortization

<i>(Millions of Yen)</i>	2014 Jan - Dec A	FY2015 forecast B	Change B-A	Change (%) (B-A)/A
Depreciation	1,218	1,382	163	13.5
Amortization of long-term prepaid expenses	918	812	△106	△11.6

### ⑤ Dividends

	FY2014 A	FY2015 forecast B	Change B-A	Change (%) (B-A)/A
Dividends per share (¥)	40	48	8	20.0
Dividends payout ratio (%)	46.8	38.8	-	-

#### **【Important notes on forward-looking statements】**

The forecasts presented in this material are forward-looking statements. Reflecting assumptions based on information available on the date of publication, these statements are subject to inherent risks and uncertainties. Accordingly, unforeseen factors may cause actual results to differ materially from the projections contained herein.

Torii will not necessarily revise this material regardless of any new information, future events or other results. At the present moment, the following matters may be pointed out as risks or uncertain factors that could affect the Company's future results (but such risks or uncertain factors are not limited to these):

- ◇Changes in Pharmaceutical Affairs Law, Other Acts or Regulations
- ◇Delay or Discontinuance of Research and Development
- ◇Drug Price Decision and Revisions
- ◇Adverse Drug Reactions
- ◇Stoppage of Product Supply and Product Recall
- ◇Litigation Risk