

**Annual Flash Report (unaudited)**

Fiscal Year ended March 31, 2016

**Consolidated Statement of Income  
excluding the Impact of Retirement Benefits Plan Revision**

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

Supplemental Data

For information purpose only

The Retirement Benefits Plan Revision was agreed between labor and management in April 2015. For the 1st quarter ended June 30, 2015, the company computed actuarial calculations based on the revised retirement benefits plan and past service costs of retirement benefits obligations. As a result, operating profit increased by 63 hundreds of millions of yen, for the reason of decrease of personnel expenses due to the effect of past service costs by the retirement benefits plan revision.

The consolidated statement of income for the year ended March 31, 2016 excluding this impact is as follows.

|  | Hundreds of Millions of yen  |                              |               |  |               |  | Millions of US\$ |
|--|------------------------------|------------------------------|---------------|--|---------------|--|------------------|
|  | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2016 |               | Year ended<br>March 31, 2016                                       |               | Year ended<br>March 31, 2016                                       |                  |
|  | Actual                       | Actual                       | Change<br>(%) | Excluding the<br>Impact of<br>Retirement Benefits<br>Plan Revision | Change<br>(%) | Excluding the<br>Impact of<br>Retirement Benefits<br>Plan Revision |                  |
| <b>Revenue</b>                                   | ¥ 1,358                      | ¥ 1,603                      | 18.1 %        | ¥ 1,603  | 18.1 %        | \$ 1,431   |                  |
| Cost of sales                                    | (351)                        | (415)                        | 18.2 %        | (420)  | 19.4 %        | (375)  |                  |
| <b>Gross profit</b>                              | 1,006                        | 1,188                        | 18.0 %        | 1,183  | 17.6 %        | 1,057  |                  |
| Selling, general,<br>and administrative expenses | (422)                        | (440)                        | 4.2 %         | (476)  | 12.8 %        | (425)  |                  |
| Research and development costs                   | (413)                        | (434)                        | 4.9 %         | (456)  | 10.3 %        | (407)  |                  |
| <b>Operating profit</b>                          | 148                          | 305                          | 106.2 %       | 242  | 63.7 %        | 216  |                  |
| <b>Profit before tax</b>                         | 183                          | 333                          | 81.8 %        | 270  | 47.4 %        | 241  |                  |
| Income tax expense                               | (51)                         | (81)                         | 58.8 %        | (62)   | 20.9 %        | (55)   |                  |
| <b>Profit for the period</b>                     | 132                          | 252                          | 90.6 %        | 208  | 57.6 %        | 186  |                  |
| <b>Profit for the period attributable to:</b>    |                              |                              |               |  |               |  |                  |
| Owners of the parent company                     | 130                          | 250                          | 92.5 %        | 206  | 58.8 %        | 184  |                  |