

Financial Results Summary for Q2 FY 2018 (April 1 to September 30, 2018)

 ONO PHARMACEUTICAL CO.,LTD.

Revenue **¥144.4 billion** (+18.9%)

Breakdown of Revenue

(Billion yen)

	FY 2017 Q2	FY 2018 Q2	Change
Revenue of Goods and Products	97.4	105.0	+7.9%
Royalty & other revenue (Opdivo)	24.1 (18.0)	39.4 (28.1)	+63.3% (+56.5%)
Total	121.4	144.4	+18.9%

Revenue ¥144.4 billion (+18.9%)

(1) Sales of Major Products

(Billion yen)

	FY 2017 Q2	FY 2018 Q2	Change
Opdivo	40.6	45.4	+11.9%
Glactiv	13.7	13.7	+0.1%
Orencia SC	6.8	8.6	+26.8%
Forxiga	5.3	7.0	+33.1%
Emend/Proemend	5.0	5.3	+6.6%
Rivastach	4.5	4.5	+1.4%
Kyprolis	2.7	2.6	-4.6%
Parsabiv	1.4	2.7	+98.8%
Onoact	2.7	2.2	-19.6%
Staybla	2.1	1.9	-9.0%

Revenue ¥ 144.4 billion (+18.9%)

(2) Sales of Major Products

(Billion yen)

	FY 2017 Q2	FY 2018 Q2	Change
Opalmon	7.5	5.5	-26.8%
Recalbon	5.4	4.4	-19.0%
Onon capsule	2.4	1.9	-19.7%
Onon dry syrup	1.5	1.2	-19.2%

Operating Profit ¥35.2 billion (+31.2%)

(Change)

· Cost of sales	¥41.6 billion (+ 36.5%)
· R&D costs	¥33.0 billion (+ 5.2%) ①
· SG&A expenses	¥34.2 billion (+ 5.0%) ②
①+② Total	¥67.3 billion (+ 5.1%)
· Other income	¥0.5 billion (+59.9%)
· Other expenses	¥0.9 billion (+ 81.7%)

Profit before Tax ¥36.9 billion (+30.0%)

Net financial income

+ ¥1.8 billion (+0.2 billion)

Finance income: ¥1.8 billion
(Interest and dividend income received, etc.)

Finance costs: ¥0.0 billion
(Interest expense: lease obligations,
employee retirement benefit, etc.)

Profit for the Period ¥28.8 billion (+36.0%)
(Owners of the Parent Company)

Income tax expense

¥8.0 billion (+13.1%)

(Major change factors)

Increase in profit before tax (¥8.5 billion)

Financial Forecasts in FY 2018 (Year ending March 31, 2019)

 ONO PHARMACEUTICAL CO.,LTD.

Revenue ¥280.0 billion (+6.9%)

Breakdown of Revenue

(Billion yen)

	FY 2017	FY 2018 (Forecast)	Change
Revenue of Goods and Products	205.9	206.0	+0.0%
Royalty & other revenue	55.9	74.0	+32.3%
Total	261.8	280.0	+6.9%



Revenue ¥280.0 billion (+6.9%)

Sales forecast for FY 2018

(Billion yen)

	FY 2017	FY 2018 (Forecast)	Change
Opdivo	90.1	90.0	-0.1%
Glactiv	27.4	26.0	-5.1%
Orencia SC	14.1	17.0	+20.3%
Forxiga	11.1	14.5	+31.0%
Emend/Proemend	9.9	10.5	+5.5%
Rivastach	8.9	9.0	+1.3%
Kyprolis	5.5	6.5	+17.4%
Parsabiv	3.4	5.5	+60.4%
Onoact	5.6	4.0	-28.8%
Staybla	4.1	3.5	-15.3%



ONO PHARMACEUTICAL CO.,LTD.

Revenue ¥ 280.0 billion (+6.9 %)

Sales forecast for FY 2018

(Billion yen)

	FY 2017	FY 2018 (Forecast)	Change
Opalmon	14.4	10.5	-26.9%
Recalbon	10.9	7.5	-31.3%
Onon capsule	5.5	4.5	-17.6%
Onon dry syrup	3.3	2.5	-25.0%

Operating Profit ¥63.5 billion (+4.6%)

	(Change)
· Cost of sales	¥77.0 billion (+17.8%)
· R&D costs	¥70.0 billion (+1.7%) ①
· SG&A expenses	¥69.0 billion (+1.4%) ②
①+② Total	¥139.0 billion (+1.6%)
· Other income	¥1.0 billion (-69.3%)
· Other expenses	¥1.5 billion (-29.9%)

Profit before Tax ¥67.0 billion (+4.8%)

Net financial income

+ ¥3.5 billion (+8.0%)

Finance income: ¥3.6 billion

Finance costs: ¥0.1 billion

Profit for the Period ¥52.0 billion (+3.4%)
(Owners of the Parent Company)

Income tax expense ¥14.9 billion
(+10.2%)

(Major change factors)

Increase in profit before tax ¥3.1 billion

Increase in corporate tax ¥1.4 billion

Various tax credit

Financial Policy

◆ Policy for cross-shareholdings

- We will promote reduction in shareholdings while obtaining understanding of investee companies through discussion, considering comprehensively benefits and risks associated with business relationships and holdings, as well as further improvement of capital efficiency and change in the environment surrounding corporate governance code.
 - In the next three years, we plan to reduce about 30% of the cross-holdings stock against 111 stock brand (167.1 billion yen) at the end of March 2018.

◆ Policy for fund allocation

- In order to achieve sustainable growth, we will continuously promote stable dividends and flexible purchase of treasury stock, while focusing on growth investment, including research and development, capital investment, etc.

Under the above financial policy, we aim to further increase shareholder value