

FY02/2010 Results and future outlook

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including changes in material circumstances.

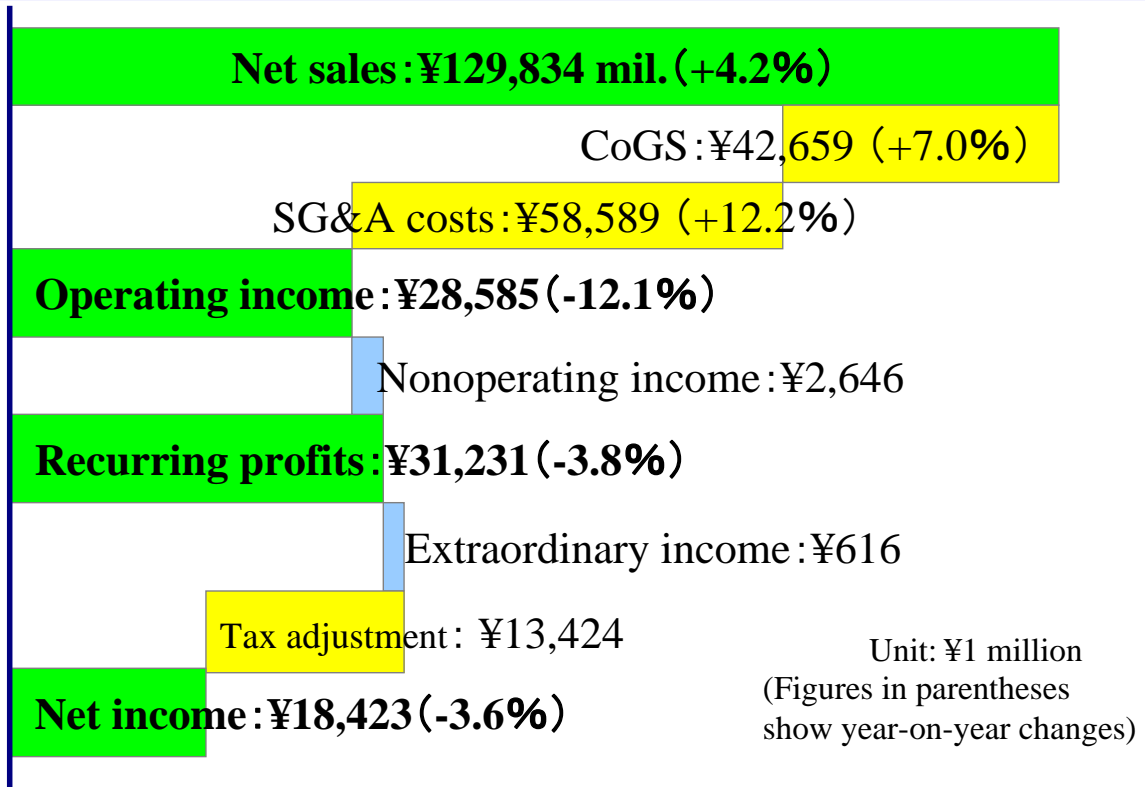
Hisamitsu Pharmaceutical Co., Inc.

April 8th, 2010

Patch and Care of People around the World

Business Performance for the Period Ending FY02/2010

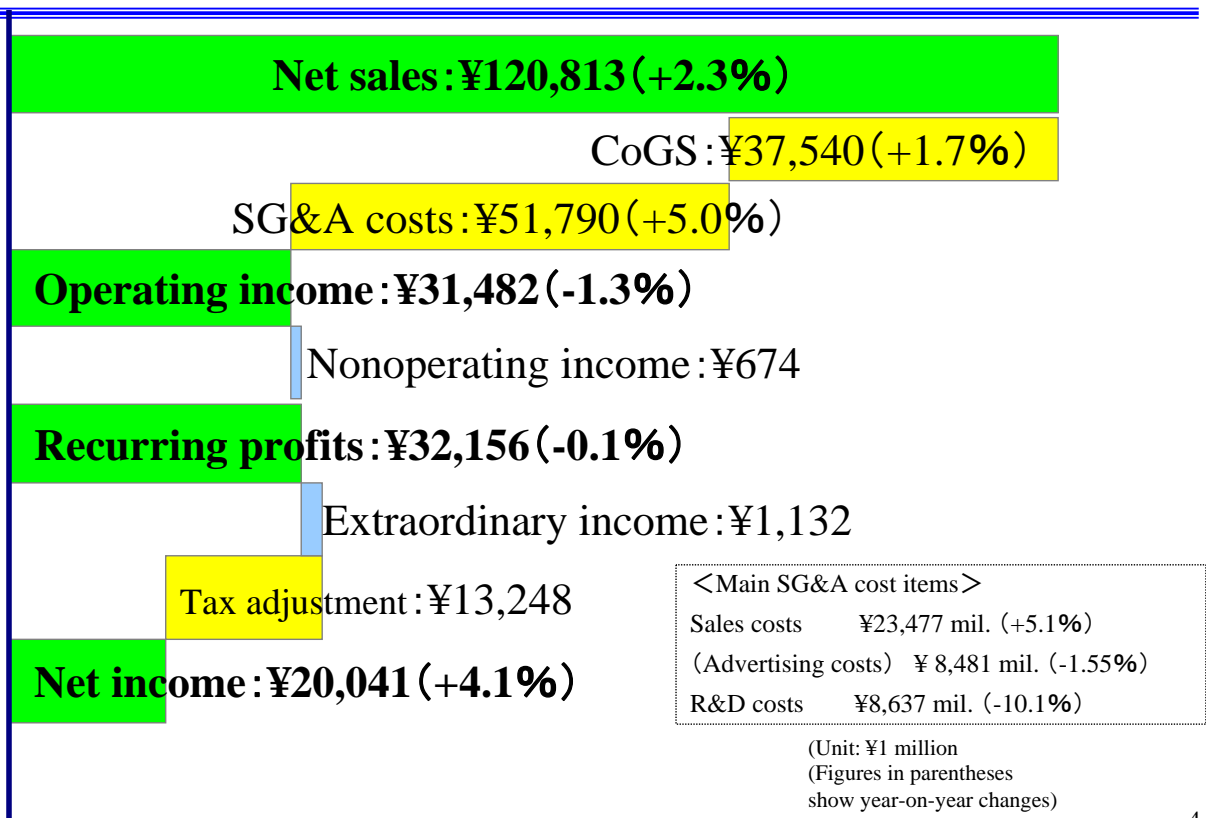
Consolidated PL



3

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Non-consolidated PL



4

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Sales by division

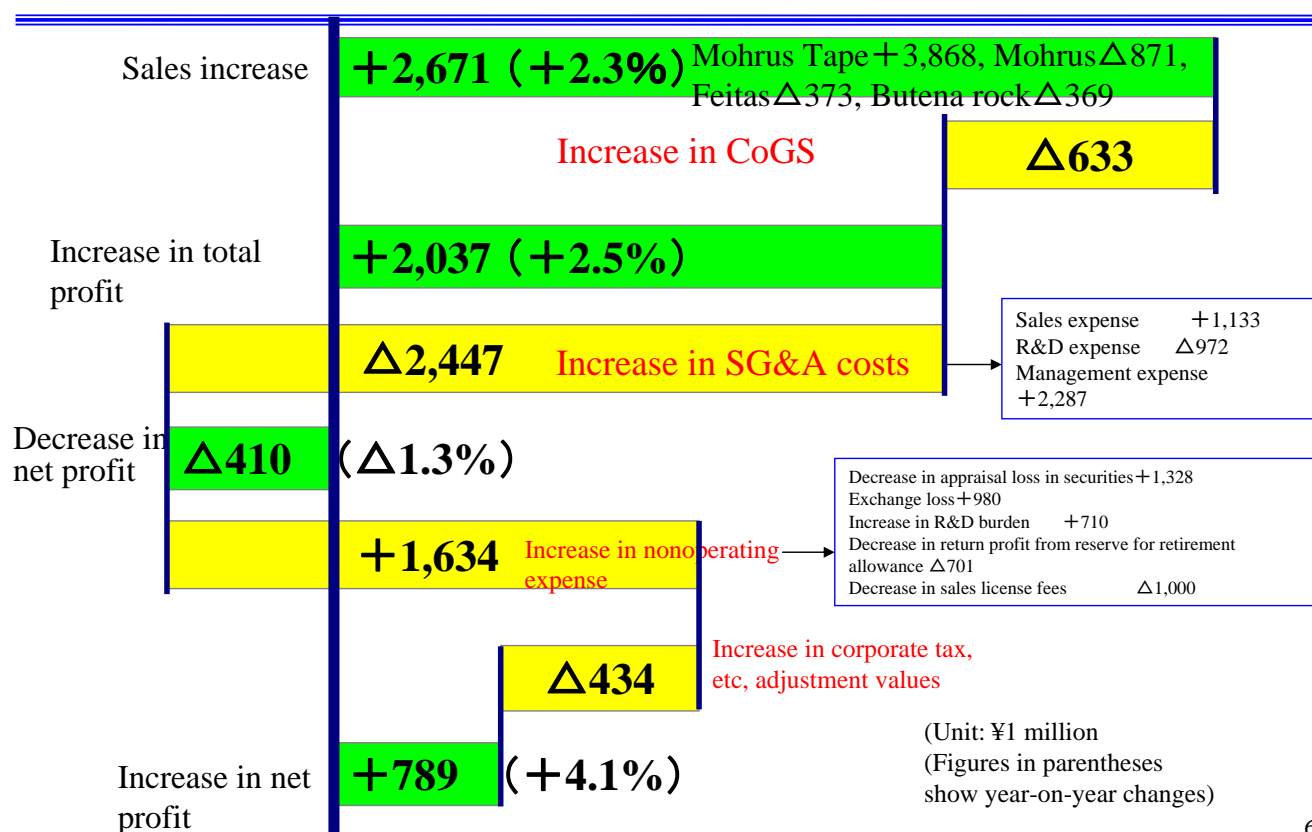
Unit: ¥1 million

	02/09 term	YoY	02/10 term	YoY
Rx Business	92,775	6.1%	95,740	3.2%
OTC Business	21,668	-1.3%	20,625	-4.8%
Int'l Business	3,698	13.1%	4,447	20.3%
Total	118,142	4.9%	120,813	2.3%

5

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Profit and Loss Summary (Unbundling)



6

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Sales results of major products

Unit: ¥1 million

		02/09 term	YoY	02/10 term	YoY
Ethical drugs	Mohrus products	71,897	10.1%	75,765	5.4%
	Mohrus pap products	11,996	-7.6%	11,125	-7.3%
	Naboal products	2,004	-3.3%	2,152	7.4%
	Estrana	751	51.4%	981	30.6%
	Inside pap	954	-17.5%	816	-14.5%
OTC drugs	Salonpas products	6,732	-2.4%	6,776	0.7%
	Feitas products	4,375	8.2%	4,002	-8.5%
	Salonship products	3,927	-6.2%	3,711	-5.5%
	Butena rock products	2,534	-0.9%	2,165	-14.6%
	Air Salonpas products	2,026	15.0%	1,662	-18.0%

* Figures for Salonpas products in Feb. '09 term were revised due to differences in the tabulation range.

7

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Outlook for period ending February 2011

8

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Business forecast for the term ending February 2011

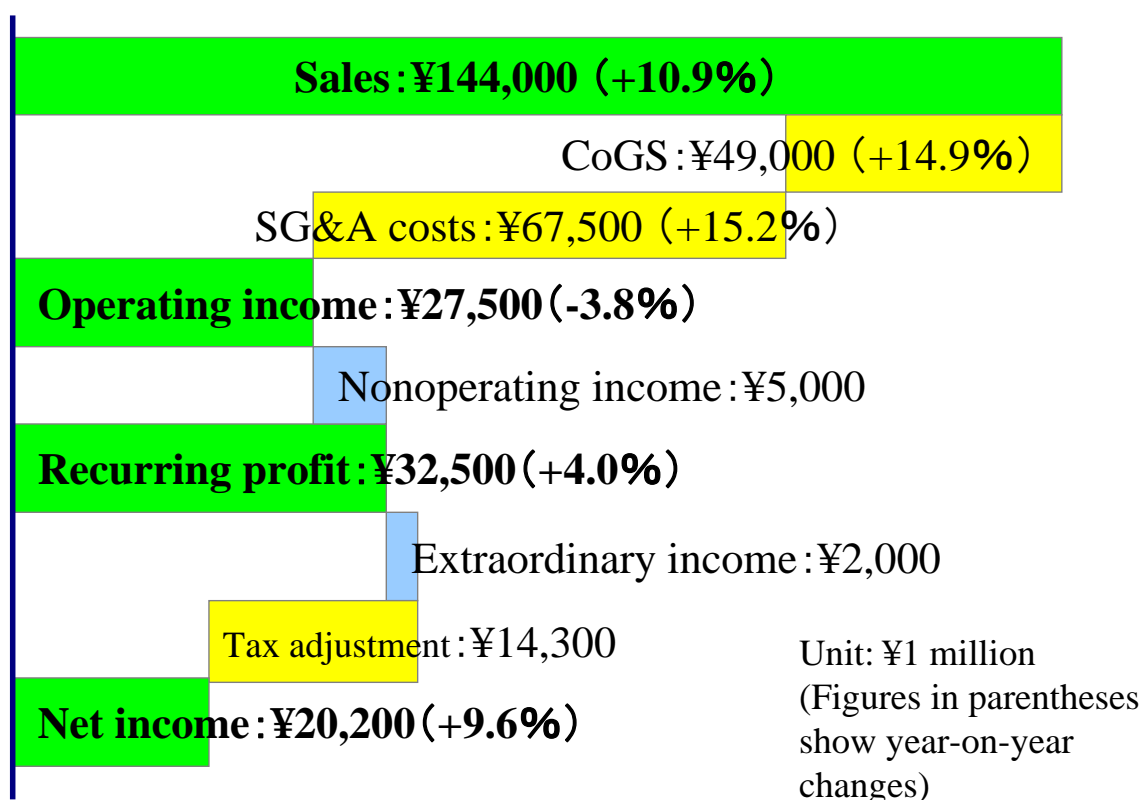
Unit: ¥1 million. (Figures in parentheses show year-on-year changes)

	Consolidated	Non-consolidated	Consolidated/nonconsolidated ratio
Sales	144,000 10.90%	127,300 5.40%	1.13
Operating profit	27,500 -3.80%	32,000 1.60%	0.86
Recurring profits	32,500 4.10%	32,600 1.40%	1.00
Net profit	20,200 9.60%	20,700 3.30%	0.98

9

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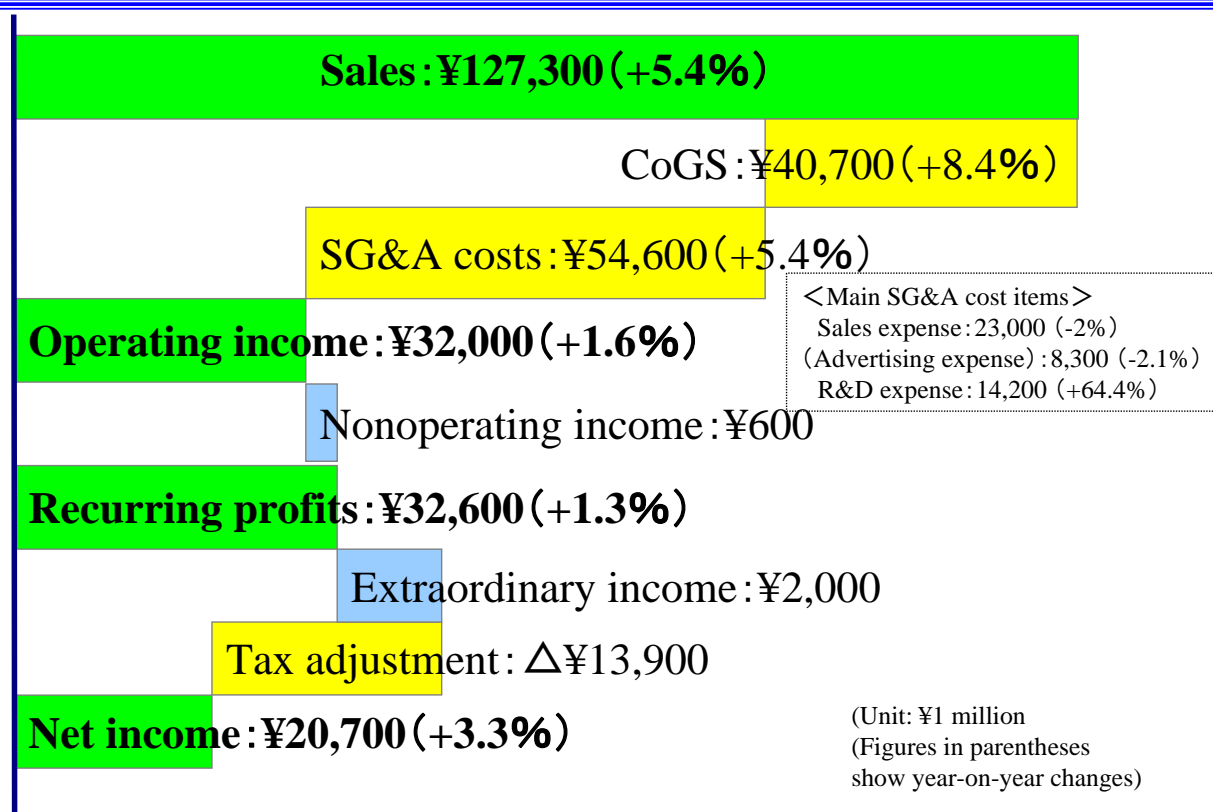
Forecast of consolidated PL



10

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Forecast of non-consolidated PL



11

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Sales plan by division



Unit: ¥1 million

	02/10 term	YoY	02/11 term E	YoY
Rx Business	95,740	3.2%	102,000	6.5%
OTC Business	20,625	-4.8%	20,700	0.4%
Intl Business	4,447	20.3%	4,600	3.4%
Total	120,813	2.3%	127,300	5.4%

12

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Sales plans for the main products

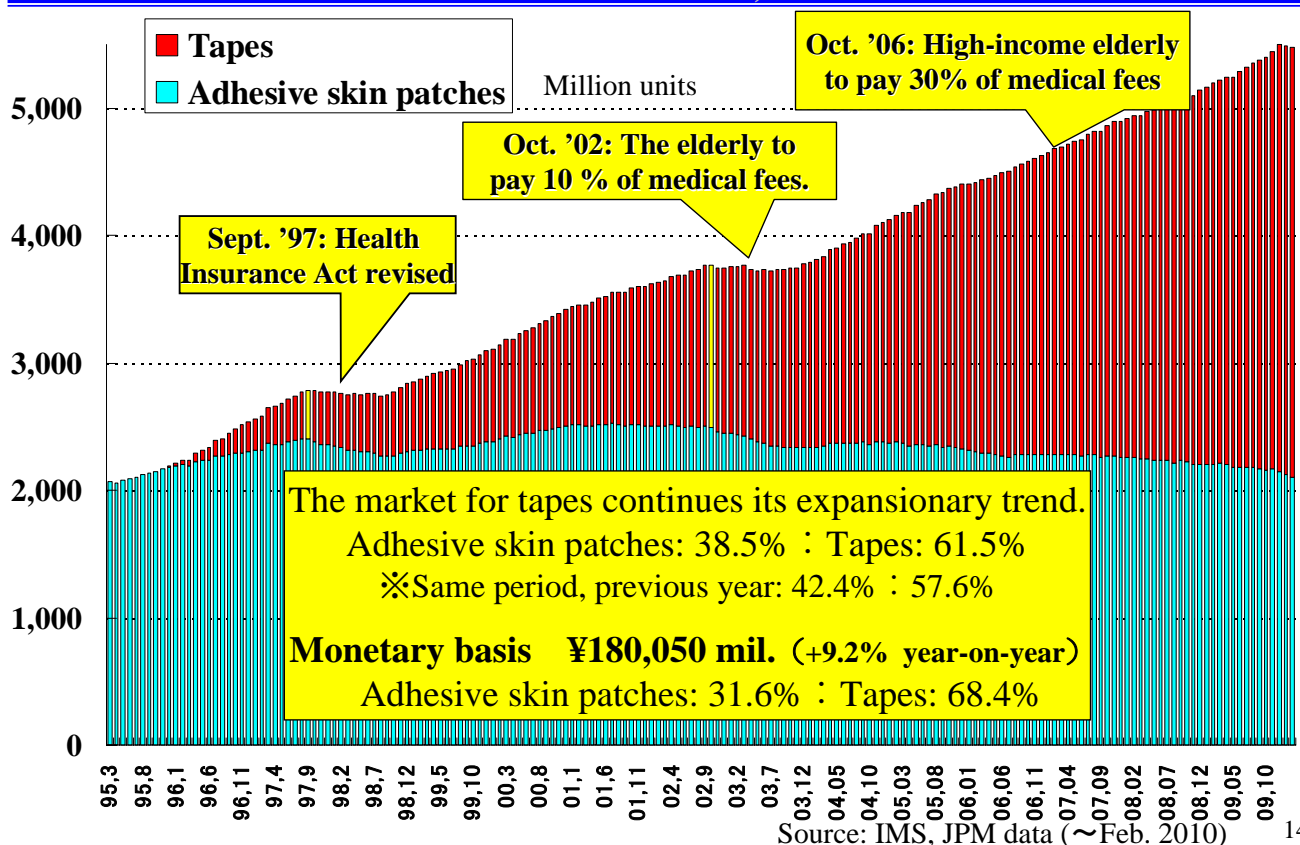
Unit: ¥1 million

		02/10 term	YoY	02/11 term E	YoY
Ethical drugs	Mohrus Tapes	75,765	5.4%	81,200	7.2%
	Mohrus Paps	11,125	-7.3%	10,300	-7.4%
	Naboal	2,151	7.3%	2,200	2.3%
	Estrana	981	30.6%	1,000	1.9%
	Inaide Pap	816	-14.5%	700	-14.2%
OTC drugs	Salonpas products	6,776	-3.9%	6,500	-4.1%
	Feitas products	4,002	-8.5%	3,900	-2.5%
	Salonship products	3,711	-5.5%	3,600	-3.0%
	Butena rock products	2,165	-14.6%	2,200	1.6%
	Air Salonpas products	1,662	-18.0%	1,850	11.3%

13

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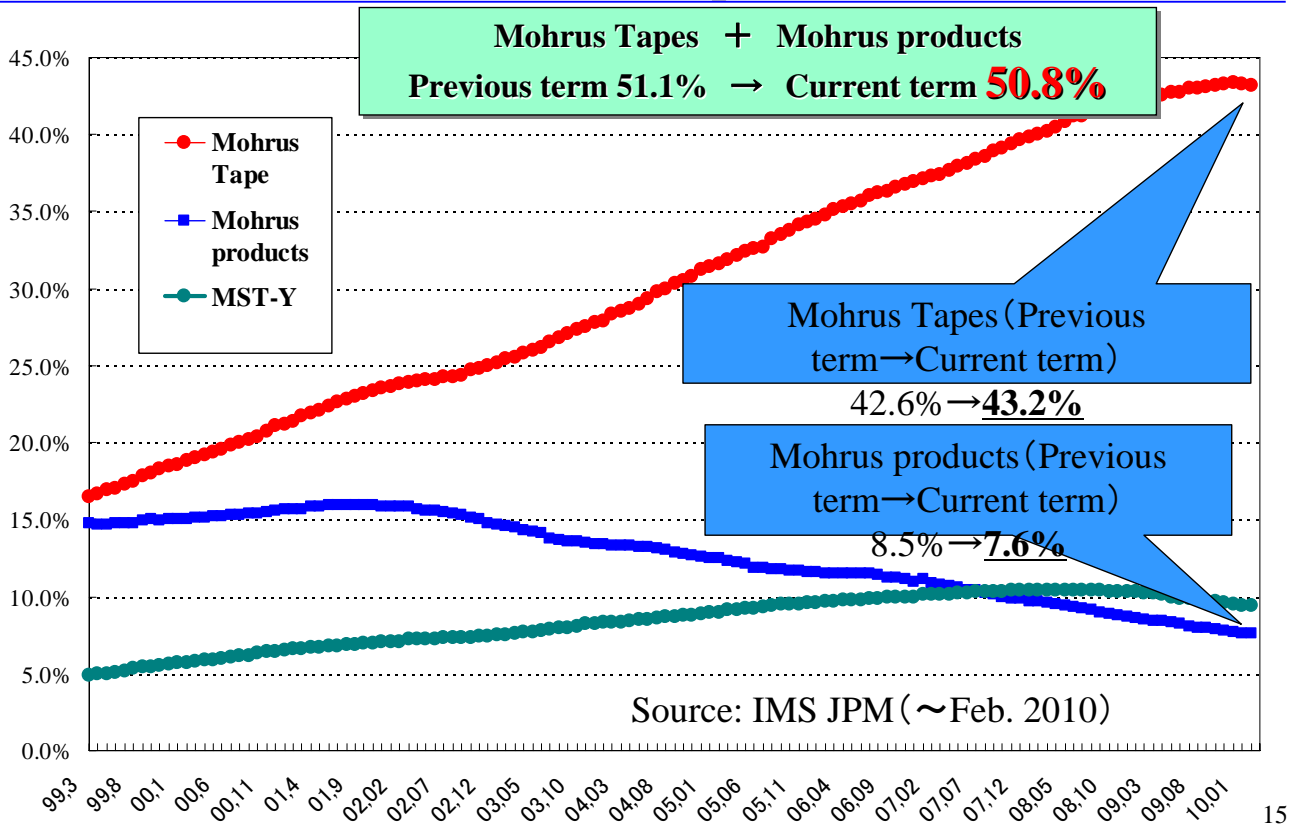
Trends of second-generation adhesive skin patch market (volume-basis)



14

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Changes in shares of second-generation adhesive skin patches



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Changes in share by region

⌘ Not provided

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Noven's business performance and outlook

17

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Noven's business performance and outlook

* Unit: ¥1 million

* Exchange rate: ¥90 for Feb. 2010 term, ¥93 for Feb. 2011 term

	02/10 term (4 months)	02/11 term E	02/11 term E (First half)
Sales	2,466	9,300	4,500
Vivelledot products	961	3,600	1,700
Noven Therapeutics products	731	2,200	1,100
Daytrana products	431	1,300	600
CoGS	2,064	5,800	2,700
SG&A costs	2,489	7,900	3,400
R%D expense	620	3,150	1,100
Others	1,869	4,750	2,300
Operating income	△ 2,086	△ 4,400	△ 1,600
Nonoperating income	1,846	4,470	2,045
Novogyne profit on equity method	2,154	6,050	2,800
Novogyne equity value amortization	△ 311	△ 1,550	△ 775
Recurring profits	△ 240	70	445
Net income	△ 143	40	250

18

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Asset appraisal after acquisition of Noven

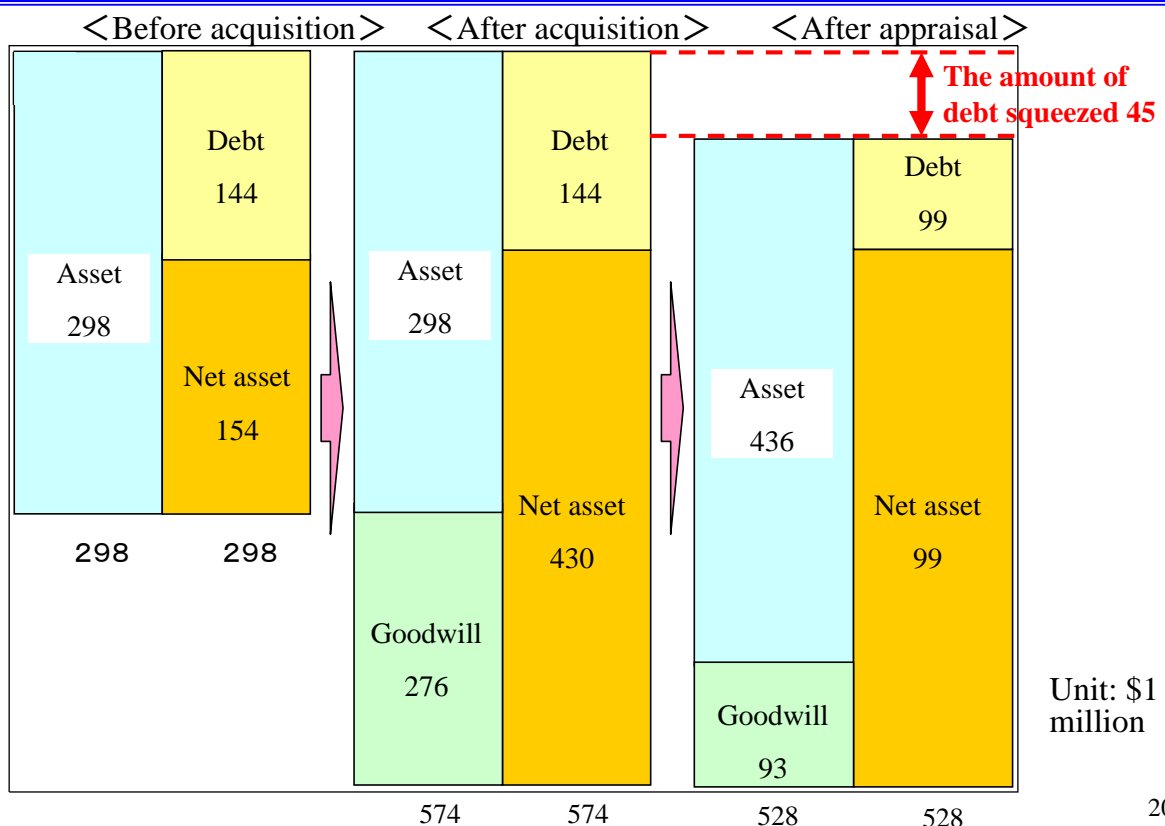
Unit: Thousand dollar

	Before acquisition cost allocation	After acquisition cost allocation	Appraisal difference	Accounting treatment (amortization method)	Estimated impact on before-tax income in FY02/11
Inventory assets	16,141	19,395	3,254	CoGS at the time of sales	—
Intangible fixed assets	33,885	55,700	21,815	Amortization years set for each asset	7,458
Shares of affiliated firms	34,156	172,000	137,844	Amortized in 16 years (amortized based on estimated CF in each year)	17,018
Expense for R&D	0	13,700	13,700	One-time amortization (consolidated)	—
Goodwill	14,407	93,838	79,431	10-year amortization (consolidated)	9,384
Total assets	298,324	528,949	230,625		

19

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Noven's BS (Debt to be squeezed after acquisition)



20

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Status of R&D Pipeline

21

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R&D Pipeline

Stage	Theme	Target	Dosage form	Characteristics	Next step
Application being filed	HFT-290 (Co-marketed with Kyowa Hakko Kirin)	Japan	Adhesive skin patch	Alleviation of cancerous pain	Approval expected in FY10 (the 1st half)
Application being filed	BTDS (Introduced from Mundipharma K.K.)	Japan	Adhesive skin patch	Alleviation of noncancerous pain	Approval expected in FY10
Application being prepared	KPT-220 (Acute effect added)	Japan	Adhesive skin patch	Alleviation and resolution of acute symptom	Filed in FY10
P III	HKT-500	US	Adhesive skin patch	Alleviation of joint pain, lower back pain and muscle pain	Filed in FY11
P III	Mesafem	US	Oral	Vasomotor symptoms (hot flashes)	Filed in FY11
P III (in preparation)	HTU-520	Japan	Adhesive skin patch	Onychomycosis	Phase III in FY10
P III (in preparation)	HOB-294	Japan	Adhesive skin patch	Overactive	Phase III in FY10

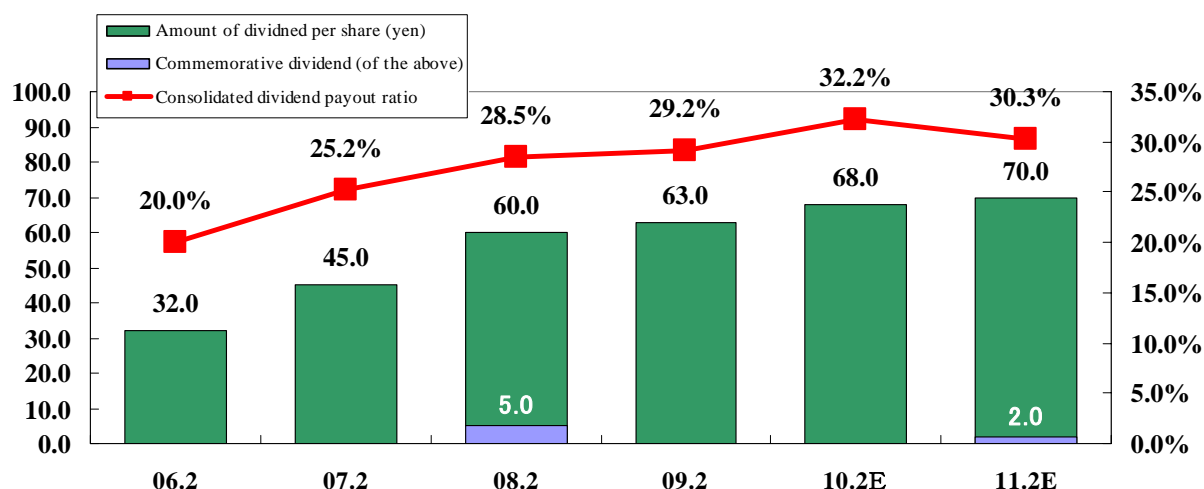
※ Yellow-highlighted parts are changes from the previous announcement made on Jan. 8.

22

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Forecast of dividends

➤ For the term ending February 2011, the consolidated dividend payout ratio is predicted to be 30.3% and the payout is expected to be ¥70, which includes ¥2 in commemoration of the 15th anniversary of the sale of Mohrus. (Dividend increase for the 10th consecutive term is predicted.)



Midterm dividend
¥35 predicted

23

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Aiming at improving the QOL of people around the world

Explanation Meeting for FY02/10 Results

April 8, 2010

Hisamitsu Pharmaceutical Co., Inc.

24

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