

Results Presentation

Fiscal 2015

(January 1, 2015 – December 31, 2015)

Kyowa Hakko Kirin Co., Ltd.

FY 2015 Highlights

Nobuo Hanai, Ph. D. President and CEO

Financial review 2016 Forecasts

Kazuyoshi Tachibana, Managing Executive Officer

R & D review Topics

Nobuo Hanai, Ph. D. President and CEO

This document contains certain forward-looking statements relating to such items as the company's (including its domestic and overseas subsidiaries) forecasts, targets and plans. These forward-looking statements are based upon information available to the company at the present time and upon reasonable assumptions made by the company in making its forecasts, but actual results in practice may differ substantially due to uncertain factors.

These uncertain factors include, but are not limited to, potential risks of the business activities of the pharmaceutical industry in Japan and overseas, intellectual property risks, risk of side effects, legal regulation risks, product defect risks, risks of changes to prices for raw materials, risks of changes to market prices, as well as risks of changes to foreign exchange rates and financial markets.

This document contains information on pharmaceutical products (including products under development), but its contents should not be construed as promotion, advertising or as a medical recommendation.

In FY2015, the final year of the medium-term business plan, consolidated net income increased ¥13.8 billion YoY due to increased sales and profits in both the Pharmaceuticals business and the Bio-Chemicals business

- In the Pharmaceuticals business, new products G-Lasta[®], Dovobet[®], Onglyza[®], and NOURIAST[®] progressed steadily, and Japan sales increased ¥15.9 billion YoY
- In the Pharmaceuticals business, overseas pharmaceutical sales increased ¥12.7 billion YoY due to increased sales resulting from the acquisition of Archimedes and currency effects
- In the Bio-Chemicals business, sales increased ¥4.9 billion YoY due to growth in the Japanese healthcare market and sales of amino acids for the U.S. and Europe, and currency effects
- Net income increased ¥13.8 billion YoY due to increases in operating income and gains on sales of investment securities

Financial review

Summary of 2015 results (consolidated)

KYOWA KIRIN

Consolidated sales and profits increased YoY due to factors such as growth of domestic pharmaceutical products and despite higher expenses such as R&D costs in the Pharmaceuticals business

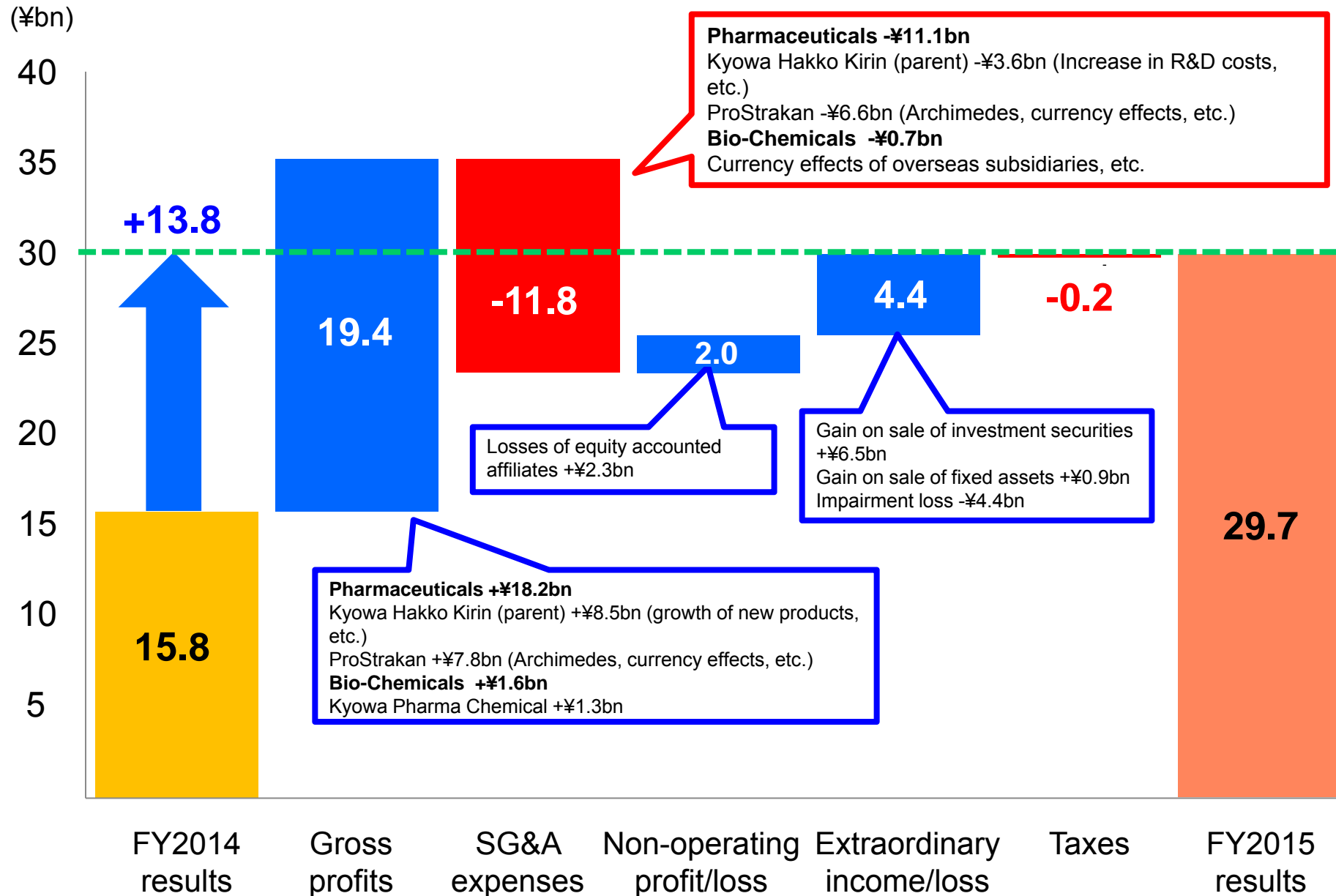
| (Unit: ¥bn) | FY2014 results | FY2015 results | Change | FY2015 forecast |
|---|----------------|----------------|-------------|-----------------|
| Net sales | 333.4 | 364.3 | 30.8 (+9%) | 360.0 |
| Operating Income <i>Operating margin</i> | 36.1 10.8% | 43.7 12.0% | 7.5 (+21%) | 47.0 |
| Ordinary income | 29.5 | 39.2 | 9.6 (+33%) | 41.0 |
| Net income | 15.8 | 29.7 | 13.8 (+87%) | 26.0 |

(Profits stated after amortization of goodwill. Figures rounded down)

- ✓ Ordinary income increased due to growth in operating income and decrease in losses in affiliates accounted for by the equity method
- ✓ Net income increased due to growth in ordinary income and other factors, such as gain on sale of investment securities

Summary of FY2015 consolidated results: Analysis of YoY profit changes

FY2015 net income: Analysis of YoY changes



Summary of FY2015 financial results by segment

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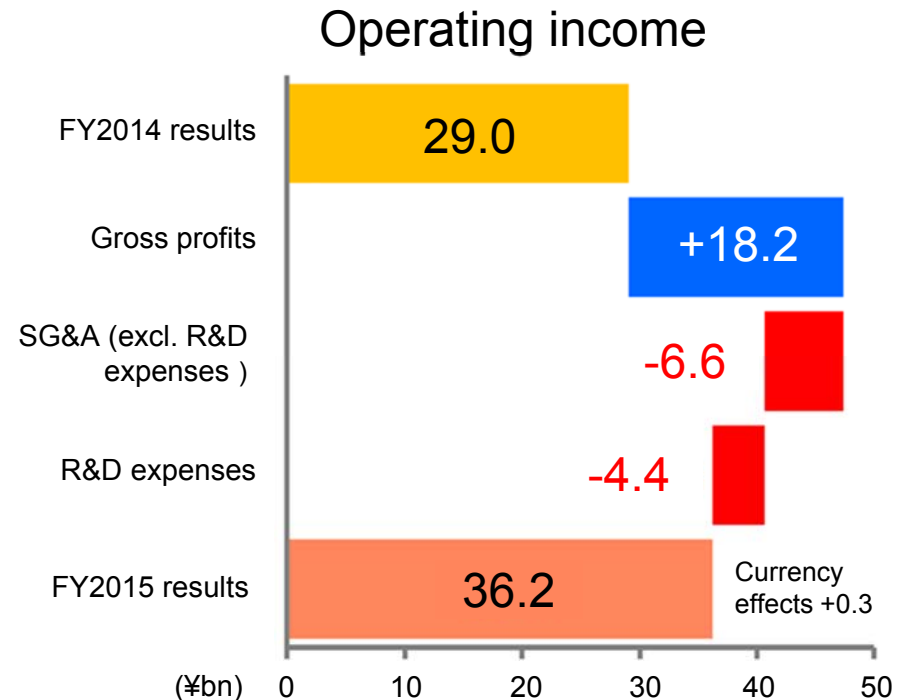
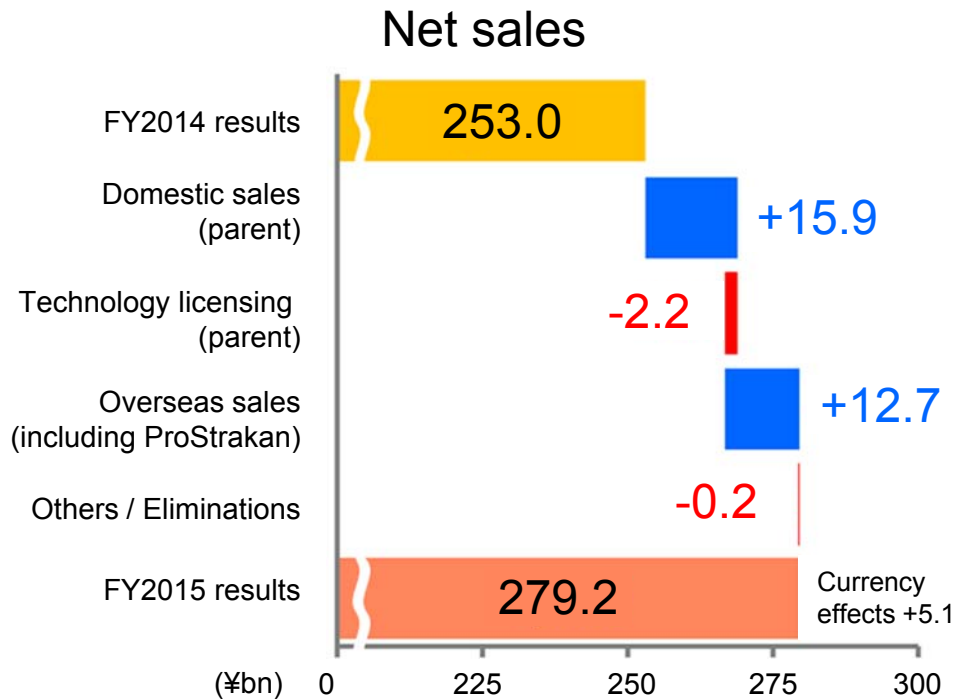
In the Pharmaceuticals business, sales and profits increased due to growth of domestic pharmaceutical products, especially new products, and other factors
 In the Bio-Chemicals business, sales and profits increased due to growth in areas such as amino acids for overseas supplements and infusion use, as well as ongoing yen weakness

| (Unit : ¥bn) | | FY2014 results | FY2015 results | Change |
|--------------------------|---|----------------|----------------|-------------|
| Pharmaceuticals business | Net sales | 253.0 | 279.2 | 26.2 (+10%) |
| | Operating income <i>Operating margin</i> | 29.0 11.5% | 36.2 13.0% | 7.1 (+25%) |
| Bio-Chemicals business | Net sales | 83.9 | 88.8 | 4.9 (+6%) |
| | Operating income <i>Operating margin</i> | 7.2 8.7% | 8.1 9.1% | 0.8 (+12%) |

(Profits stated after amortization of goodwill. Figures rounded down)

Pharmaceuticals business: FY2015: Analysis of YoY changes

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Net sales (+¥26.2bn):

- Domestic pharmaceutical products (+¥15.9bn):
 - Products (shipments): New products G-Lasta® +¥9.9bn, Dovobet® +¥3.5bn, Onglyza® +¥3.5bn, NOURIAST® +¥2.5bn, ALLELOCK® -¥1.5bn, CONIEL® -¥2.0bn, GRAN® -¥3.3bn.
 - NESP® (+¥2.1bn): Sales volume and net sales increased YoY due to additional indication for anemia with myelodysplastic syndrome and other factors. Our share was maintained.
- Technology licensing, etc. (-¥2.2bn): Currency effects +¥0.7bn.
 - Decrease in royalties associated with out-licensing contract
- Overseas sales (+¥12.7bn): Currency effects +¥4.1bn.
- ProStrakan (+¥9.6bn): Effects of consolidation of Archimedes, etc.

Operating income (+¥7.1bn)

- Gross profits (+¥18.2bn): Currency effects +¥4.4bn.
 - Domestic sales increased due to growth in new products (in particular new products such as G-Lasta®).
 - ProStrakan growth contributed to further growth in profits.
- SG&A (-¥6.6bn): Currency effects -¥2.4bn.
 - Effects of consolidation of Archimedes, etc.
- R&D expenses (-¥4.4bn): Currency effects -¥1.6bn.
 - Launch of clinical trials in Japan for late-stage development products.
 - Increase in overseas R&D expenses and other factors.

Pharmaceuticals business: Domestic sales of key products

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Sales increased YoY due to market penetration of new products and growth of key products such as NESP[®], and despite the effects of the drug price revision in the previous year and the market penetration of generics

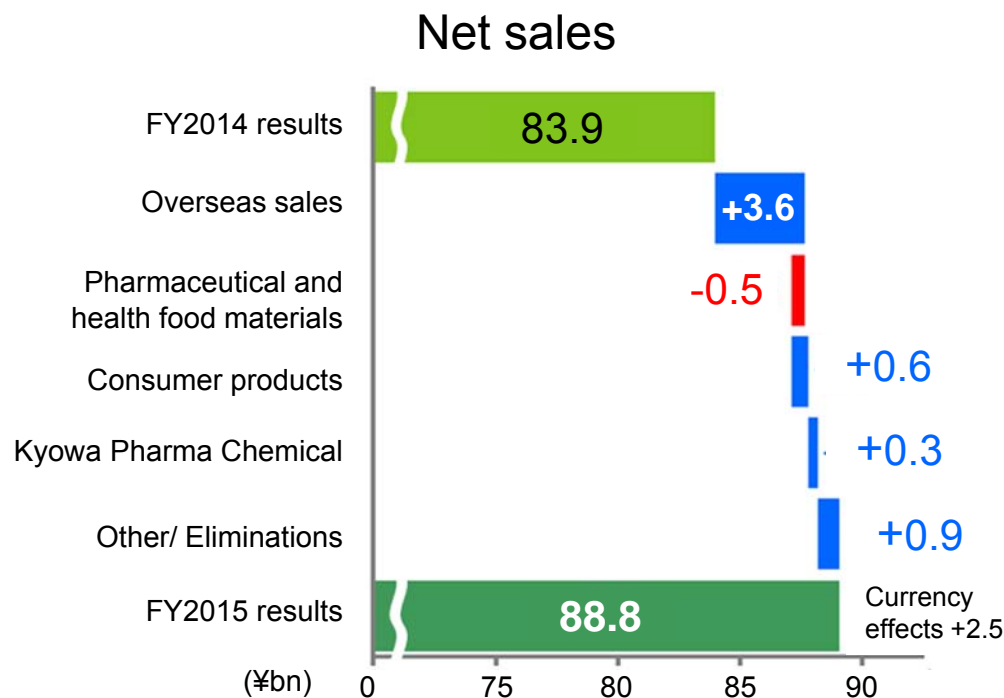
| Product name, other information | FY2014 results | FY2015 results | Change | Reason for change | FY2015 forecast |
|------------------------------------|-------------------|-------------------|----------------|---|--------------------|
| NESP [®] | 55.3 | 57.5 | 2.1 (+4%) | (+) Effect of additional indication for MDS* (-) Drug price revisions in the previous year | 56.9 |
| REGPARA [®] | 16.3 | 18.2 | 1.8 (+11%) | (+) Steady growth in the market | 17.7 |
| ALLELOCK [®] | 23.6 | 22.1 | -1.5 (-7%) | (+) Increase in airborne pollen count level (-) Drug price revisions in the previous year, market penetration of generics | 20.5 |
| Patanol [®] | 11.8 | 12.8 | 0.9 (8%) | (+) Increase in airborne pollen level and other factors | 11.9 |
| G-Lasta [®] | 0.3 | 10.3 | 9.9 (N/A) | (+) Steady penetration of the market following launch end of November, 2014 | 8.9 |
| NOURIAST [®] | 2.8 | 5.3 | 2.5 (+91%) | (+) Steady penetration of the market | 5.5 |
| Technology out-licensing | 13.9 | 11.9 | -2.0 (-15%) | (-) Decrease in royalties and other factors | 12.8 |

※ Myelodysplastic Syndrome

(Unit: ¥bn, figures rounded down)

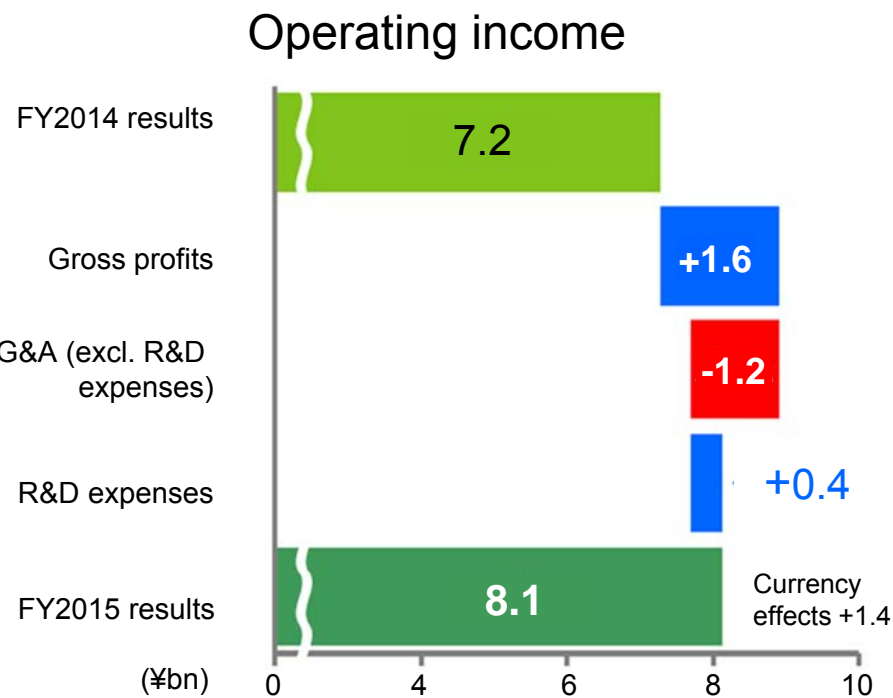
Bio-Chemicals business: FY2015: Analysis of YoY profit changes

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Net sales (+¥4.9 bn)

- Overseas sales (+¥3.6bn): Currency effects +¥2.3 bn
 - U.S. (+¥1.9bn): Currency effects (+¥1.3bn), sales increased due to growth in health-food-use amino acids, etc.
 - Europe (-¥0.1bn): Currency effects (-¥0.6bn), sales declined due to weakened Euro and the effects of the transfer of cosmetics business, and despite a recovery in demand for infusion-use amino acids from some customers.
 - Asia and others (+¥1.8bn): Currency effects (+¥1.6bn), sales increased due to a recovery from inventory adjustments by some customers in the previous year and ongoing yen weakness.
- Pharmaceuticals and health food materials(-¥0.5bn): Sales declined as growth in health-food-use raw materials failed to compensate for the year-on-year decline resulting from concentrated shipments of some generic drug APIs in the previous year.
- Consumer products (+¥0.6bn): Mail order sales were strong and increased from the previous year
- Kyowa Pharma Chemical (+¥0.3bn): Due to difference in accounting period in which sales of pharmaceutical intermediates were recorded, etc.)



Operating income (+¥0.8bn)

- Gross profit (+¥1.6bn): Currency effects +¥1.8bn
 - Positive factors were currency effects, growth of mail order sales, and cost improvements in some of Kyowa Pharma Chemical's products, etc.
 - Negative factors were an increase in costs related to planned reorganization of production facilities at Yamaguchi Production Center and establishment of overseas manufacturing facilities.
- SG&A (-¥1.2bn): Currency effects -¥0.4bn
 - Increase in sales promotion costs for mail order sales, etc.

On October 1, 2015 the company name (trade name) of Daiichi Fine Chemical Co., Ltd. was changed to Kyowa Pharma Chemical Co., Ltd.

2016 Forecasts

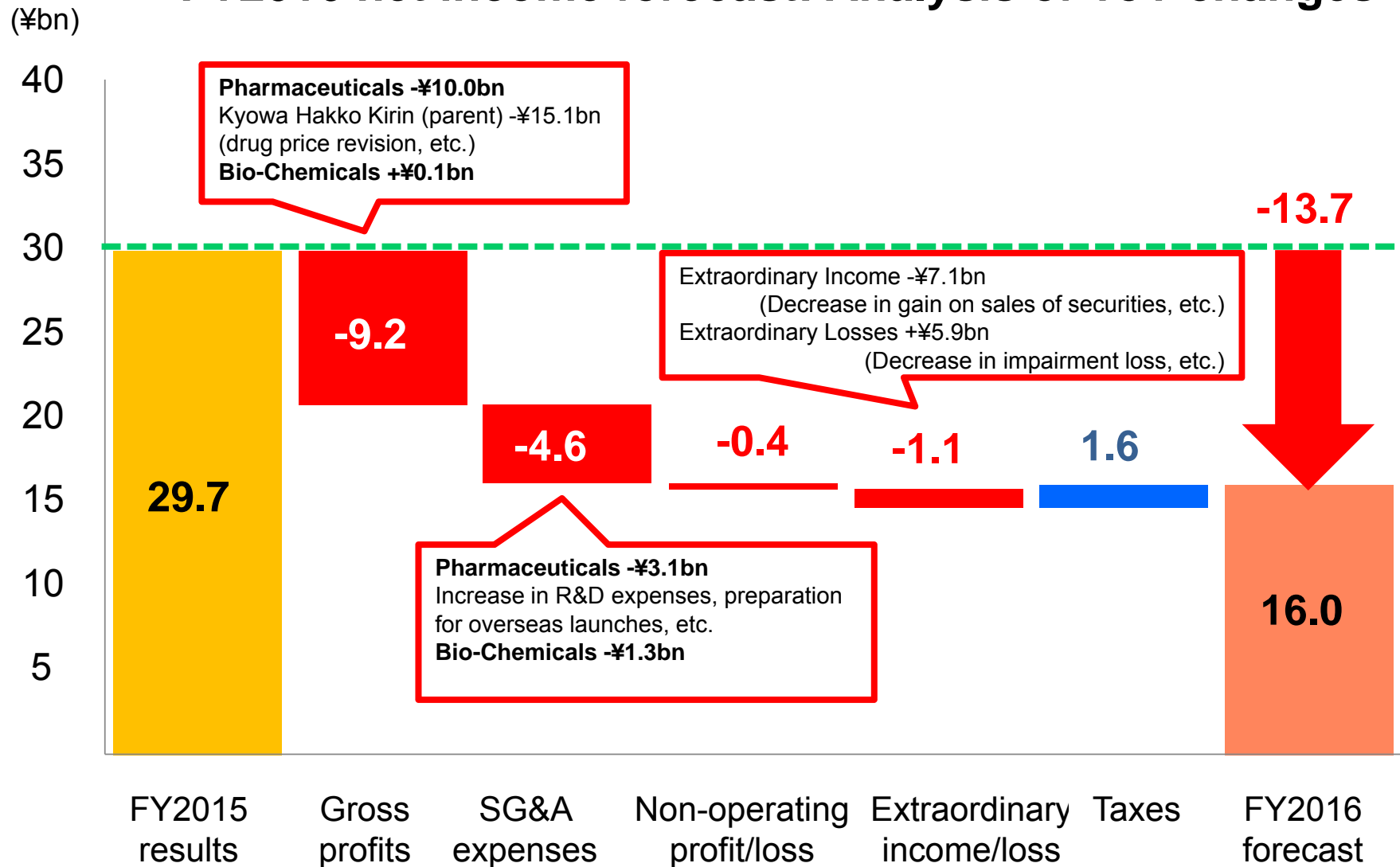
We forecast a decrease in sales due to the effect of the drug price revision and market penetration of generics in Japan, and a decrease in profits as we continue investment in late-stage developments

| (Unit: ¥bn) | FY2015 results | FY2016 forecasts | Change (%) |
|---|-----------------|------------------|-----------------|
| Net sales | 364.3 | 351.0 | -13.3 (-4%) |
| Operating income <i>Operating margin</i> | 43.7 [12.0%] | 30.0 [8.5%] | -13.7 (-31%) |
| Ordinary income | 39.2 | 25.0 | -14.2 (-37%) |
| Net income | 29.7 | 16.0 | -13.7 (-46%) |

(Profits stated after amortization of goodwill. Figures rounded down)

Summary of FY2016 consolidated forecasts: Analysis of YoY profit changes

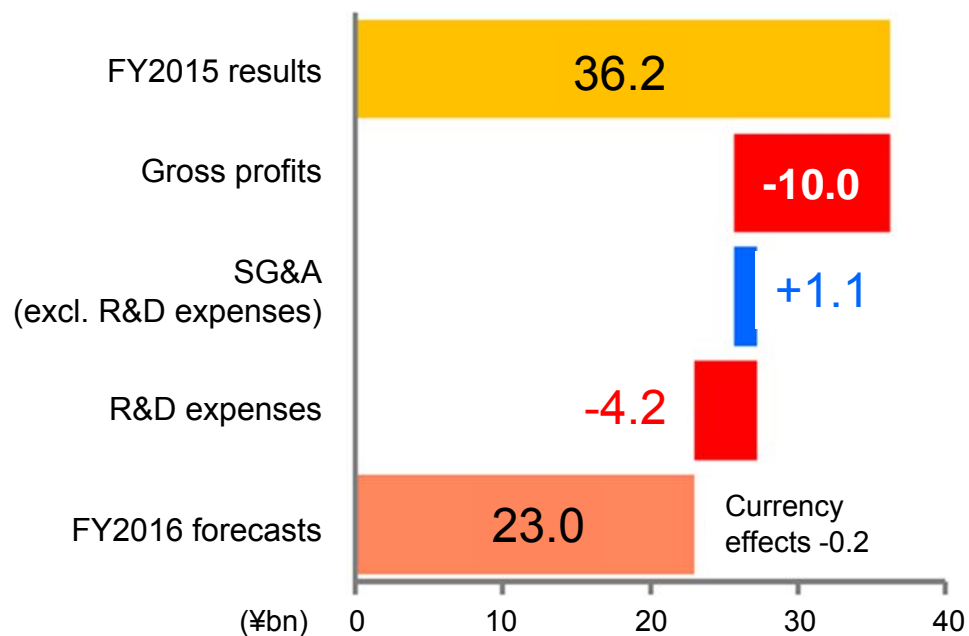
FY2016 net income forecast: Analysis of YoY changes



Pharmaceuticals business: FY2016 forecasts

| (Unit: ¥bn) | FY2015 results | FY2016 forecasts | Change |
|---|-----------------|------------------|-----------------|
| Net sales | 279.2 | 268.0 | -11.2 (-4%) |
| Operating income <i>Operating margin</i> | 36.2 [13.0%] | 23.0 [8.6%] | -13.2 (-36%) |

Operating income YoY change



(+)

- Decrease in in-licensing expenses

(-)

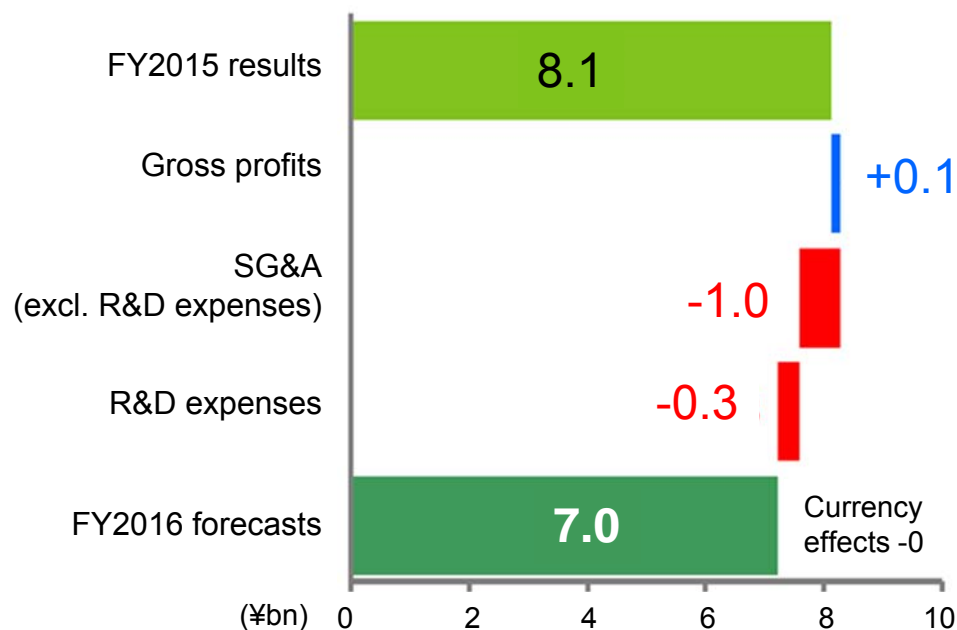
- Negative effects of the drug price revision
- Increase in R&D expenses
- Decrease in tech out-licensing incomes

(Figures rounded down. Operating income stated after amortization of goodwill.)

Bio-Chemical business: FY2016 forecasts

| (Unit: ¥bn) | FY2015 results | FY2016 forecasts | Change |
|---|----------------|------------------|----------------|
| Net sales | 88.8 | 87.0 | -1.8 (-2%) |
| Operating income <i>Operating margin</i> | 8.1 [9.1%] | 7.0 [8.0%] | -1.1 (-14%) |

Operating income YoY change



(-)

- Increase in sales promotion costs for mail order sales, etc.
- Increase in expenses related to the establishment of new manufacturing processes for high-value-added amino acids, etc.

(Figures rounded down. Operating income stated after amortization of goodwill.)

Maximize corporate value = Maximize shareholder value

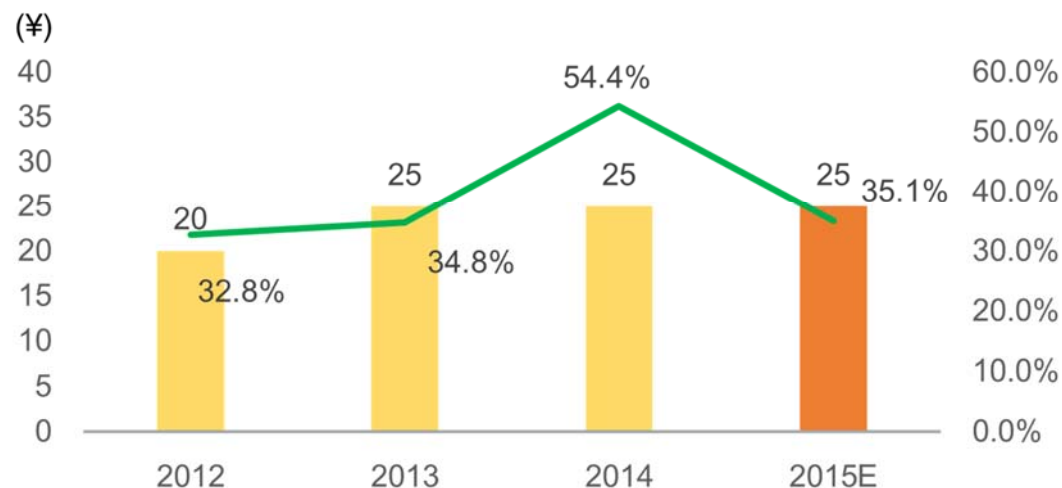
Shareholder returns policy

- Dividend payout ratio
Targeting a stable dividend payout ratio of 40% of profits before amortization of goodwill
- Acquisition of treasury stock
Implement flexibly in response to market environment and finances

Planned dividends for period

- Based on the company's shareholder returns policy, the company expects to pay a year-end dividend of ¥12.50 per share
(Including an interim dividend of ¥12.50 per share, the total dividend will be ¥25 per share)

Dividends/payout ratio



Note: "Before amortization of goodwill" refers to profits prior to the deduction of amortization of the goodwill arising on the reverse acquisition in April 2008 (Kirin Pharma share transfer).

R & D review

Domestic:

- ☑ Initiation of Phase 2 trials of RTA 402 targeting chronic kidney disease with type-2 diabetes (March)
- ☑ Initiation of Phase 1 trials of Nivolumab (ONO PHARMACEUTICAL/Bristol-Myers Squibb) in combination with KW-0761 (brand name in Japan: POTELIGEO®) targeting solid tumors (July)
- ☑ Application for marketing authorization of fully human anti-IL-17 receptor antibody KHK4827(July)
- ☑ Approval for marketing authorization of recombinant human antithrombin drug KW-3357 (brand name in Japan: ACOALAN®) (July) and sale (September)
- ☑ Initiation of Phase 3 trials of KHK4563 targeting COPD (July)
- ☑ Initiation of Phase 3 trials of KHK7580 targeting secondary hyperparathyroidism (November)

Overseas:

- ☑ Application for marketing authorization of KRN321 (brand name in Japan: NESP[®]) (February, China)
- ☑ Initiation of Phase 1 trials of PF-05082566 (Pfizer) in combination with KW-0761 targeting solid tumors (June, U.S.)
- ☑ Agreement to collaborate on development of Phase 1/2 trials of Nivolumab (Bristol-Myers Squibb) in combination with KW-0761 targeting solid tumors (July, U.S.)
- ☑ Initiation of Phase 3 trials of AMG531 (brand name in Japan: Romiplate[®]) targeting ITP (September, China)
- ☑ Initiation of Phase 3 trials of KRN23 targeting adult XLH (December, North America, Europe, Asia)

KW-0761 (hematological cancer)¹

| Indication | | Country/ region | Development stage (Scheduled trial completion date) | | | Estimated enrollment |
|------------|-------------------------|--|--|----------|-------------|-------------------------|
| | | | Phase 2 | Phase 3 | Application | |
| ATL | Relapsed/ refractory | U.S., Europe, others ² | (2015/12) | | | 70 ⁴ |
| CTCL | Relapsed/ refractory | U.S., Europe, Japan, others ² | | (2017/2) | | 317 ⁵ |

Annual incidence per disease U.S. CTCL: approx. 1,500³ patients

¹Launched in Japan (brand name POTELIGEO®)

²CCR4 not included in selection criteria

³SEER Data (2001-2007)

ClinialTrials.gov identifier:

⁴NCT01626664; ⁵NCT01728805

KW-0761 (solid tumor)

| Indication | Country/ region | Concomitant Drug | Development stage (Scheduled trial completion date) | Partner | Estimated enrollment |
|----------------|--------------------|-------------------------------|--|--|-------------------------|
| | | | Phase 1 | | |
| Solid tumor | U.S. | Durvalumab or Tremelimumab | (2016/6) | AstraZeneca | 108 ¹ |
| | U.S. | PF-05082566 | (2018/3) | Pfizer | 70 ² |
| | Japan | Nivolumab | (2017/10) | ONO PHARMACEUTICAL Bristol-Myers Squibb | 108 ³ |
| | U.S. | Nivolumab | In preparation | Bristol-Myers Squibb | - |
| | U.S. | Docetaxel | (2016/2) | - | 27 ⁴ |

ClinicalTrials.gov identifier:

¹ NCT02301130; ² NCT02444793; ³ NCT02476123; ⁴ NCT02358473

KW-6002

| Indication | Country/ region | Development stage (Scheduled trial completion date) | | | | Estimated enrollment |
|------------------------|----------------------------------|--|----------|-------------|---------------------|-------------------------|
| | | Phase 2 | Phase 3 | Application | Approval | |
| Parkinson's disease | Japan | | | | 2013/3 ¹ | 609 ⁴ |
| | North America, Europe, Others | | (2016/4) | | | |

Patient numbers Japan: approx. 140,000²
 U.S.: approx. 570,000³

¹Launched in Japan (brand name: NOURIAST®)

²Ministry of Health, Labour and Welfare: 2011 Patient survey (illness classification)

³Study by Decision Resources

ClinialTrials.gov identifier:

⁴NCT01968031

KRN23

| Indication | Country/ region | Development stage (Scheduled trial completion date) | | | Partner | Estimated enrollment | |
|--------------|--------------------|--|----------|-----------------|--|-------------------------|------------------|
| | | Phase 1 | Phase 2 | Phase 3 | | | |
| XLH | Pediatric | U.S., Europe | | (2017/3) | Ultragenyx Pharmaceutical (U.S., Europe) | 50 ⁴ | |
| | Adult | U.S. | | (2016/9) | | 25 ⁵ | |
| | | NA., Europe | | | | (2017/3) | 120 ⁶ |
| | | Japan, Korea | | | | (2017/1) | 15 ⁷ |
| | | NA., Europe | | | | (2017/1) | 15 ⁷ |
| Japan, Korea | (2015/12) | | | 15 ⁸ | | | |
| TIO/ENS | U.S. | | (2016/9) | | 6 ⁹ | | |

Estimated no. of patients

XLH Japan: approx. 5,000¹ adult patients
 approx. 1,000¹ pediatric patients
 U.S.: approx. 12,000¹ adult patients
 approx. 3,000¹ pediatric cases

TIO / ENS Japan: approx. 30² patients
 U.S.: approx. 500 – 1,000³ patients

¹Estimate based on reported prevalence of 1 in 20,000 people

²2010 Ministry of Health, Labour and Welfare Epidemiological Research on abnormalities in Hormone Receptor Mechanisms

³Survey by Ultragenyx Pharmaceutical

ClinicalTrials.gov identifier:

⁴NCT02163577; ⁵NCT02312687; ⁶NCT02526160; ⁷NCT02537431 ⁸NCT02181764; ⁹NCT02304367

Achieved results favorable for approval application, launched late-phase clinical studies in Europe, the U.S., Japan, and Korea

Study of pediatric patients with XLH

- Phase 2 study (Europe, U.S.): 36 patients* received KRN23 and in the 40-week interim results effectiveness and safety confirmed as follows:
 - Blood phosphorous improved to normal level, urine excretion of phosphorous improved, concentration in blood of $1,25(\text{OH})_2\text{D}_3$ improved
 - Improvement in rickets imaging findings (RSS System, RGI-C)
 - Improvement in motor functions and QOL (6 minutes walking test, Patient report outcome)
 - Main side-effect was injection site reaction, no cessation of treatment due to fatalities or adverse events was reported
- Phase 3 study (Europe, U.S., Japan, Korea) currently under review

Study of adult patients with XLH

- Phase 3 study underway (Europe, U.S., Japan, Korea)
 - Placebo-controlled randomized double-blind comparative study
 - Unblinded single-arm bone biopsy study

* 35 of the 36 patients had received standard therapy for an average of 9 years before the trial.

Topics

KHK has entered into a licensing agreement with Sandoz for the sale of biosimilar rituximab in Japan to strengthen efforts in hematologic cancers, a priority disease area

Rituximab

- ✓ Chimeric anti-CD20 monoclonal antibody
- ✓ Sandoz is developing rituximab globally, its main indication is for CD20-positive non-Hodgkin lymphoma

Significance of licensing agreement:

- ✓ Strengthens product lineup in hematologic cancers, a priority disease area within oncology, one of our major categories
- ✓ Meets diverse needs of healthcare providers and patients

Details of agreement:

- ✓ Upfront contractual payment on agreement, milestone payments contingent upon success in development stages, royalties paid after sale
- ✓ Sandoz will file for marketing authorization
- ✓ KHK will conduct sales and marketing activities

| | |
|------|---------------------------------------|
| ATL | Adult T-cell Leukemia/Lymphoma |
| CCR4 | Chemokine (C-C motif) Receptor 4 |
| COPD | Chronic Obstructive Pulmonary Disease |
| CTCL | Cutaneous T-Cell Lymphoma |
| ENS | Epidermal Nevus Syndrome |
| ITP | Idiopathic Thrombocytopenic Purpura |
| TIO | Tumor Induced Osteomalacia |
| XLH | X-linked Hypophosphatemia |

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The Kyowa Hakko Kirin Group companies strive to contribute to the health and well-being of people around the world by creating new value through the pursuit of advances in life sciences and technologies.

**If you have any inquiries regarding this presentation, please call:
Corporate Communications Department, Kyowa Hakko Kirin Co., Ltd.
Tel: +81-3-3282-0009**

APPENDIX

Appendix: Summary of FY2015 financial results by segment and comparison to forecasts

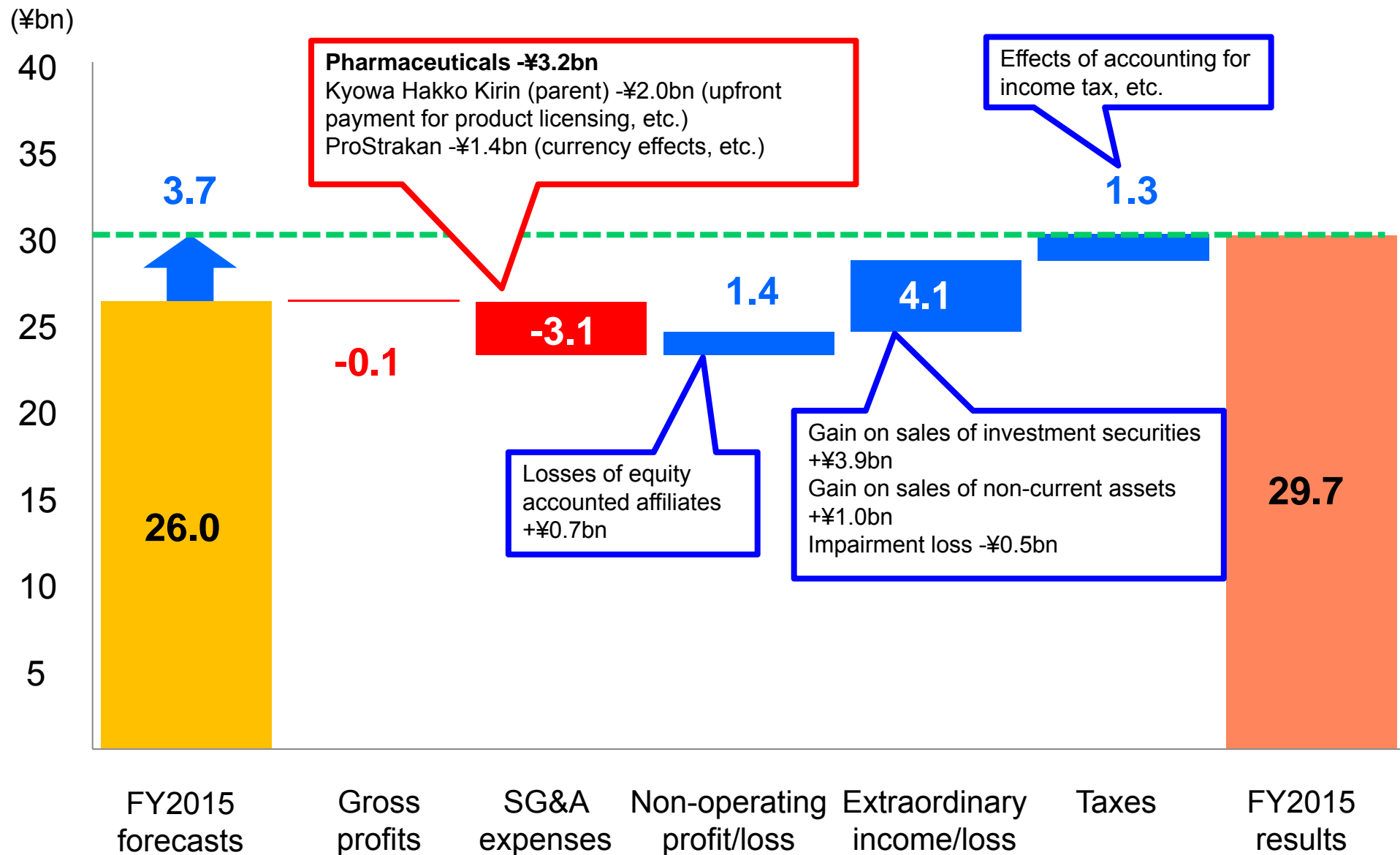
In the Pharmaceuticals business, profits decreased due to increased SG&A as a result of product licensing and other factors
 In the Bio-Chemicals business, profits decreased due to high costs associated with the establishment of manufacturing facilities overseas and other factors

| (Unit : ¥bn) | | FY2015 forecasts | FY2015 results | Change |
|--------------------------|---|------------------|-----------------|---------------|
| Pharmaceuticals business | Net sales | 276.0 | 279.2 | 3.2 (+1%) |
| | Operating income <i>Operating margin</i> | 38.5 [13.9%] | 36.2 [13.0%] | -2.3 (-6%) |
| Bio-Chemicals business | Net sales | 88.0 | 88.8 | 0.8 (+1%) |
| | Operating income <i>Operating margin</i> | 8.5 [9.7%] | 8.1 [9.1%] | -0.3 (-4%) |

(Profits stated after amortization of goodwill. Figures rounded down)

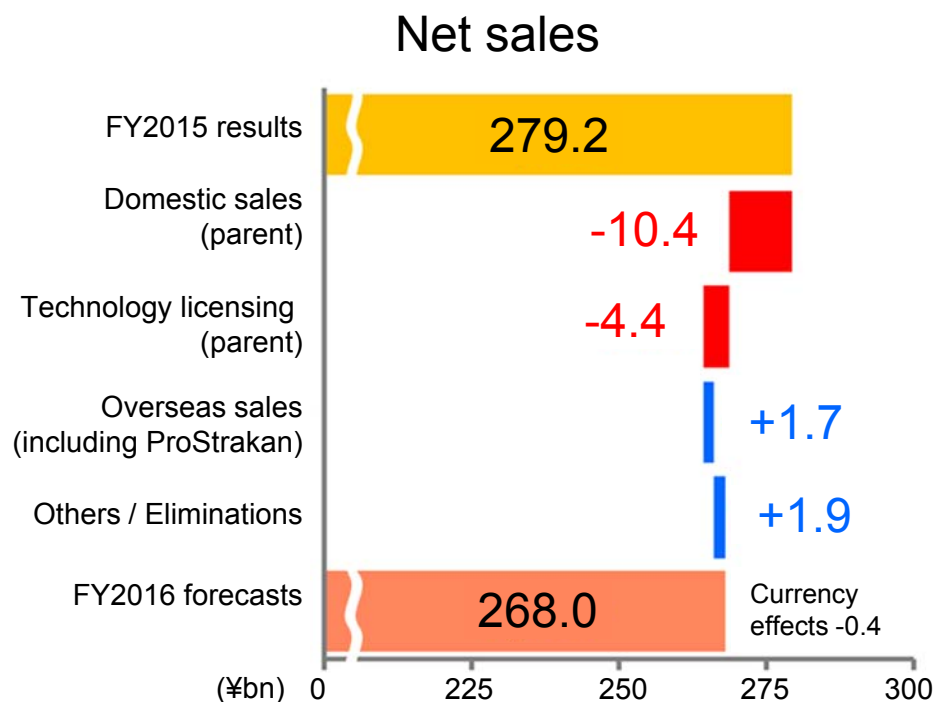
Appendix: Analysis of FY2015 profit comparison to forecasts

2015 Net income: comparison to forecasts



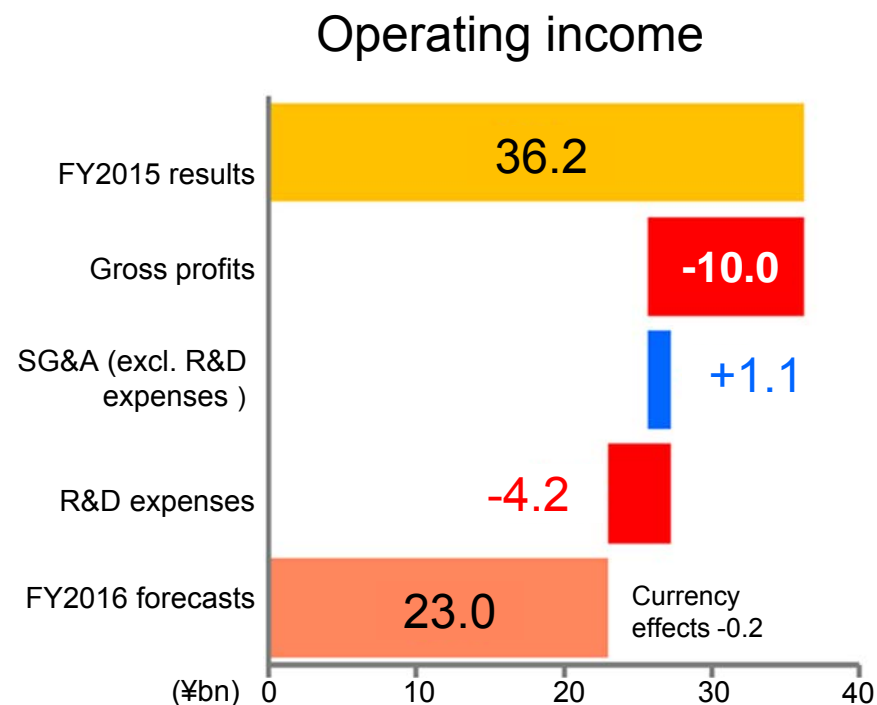
Appendix: Pharmaceuticals business

FY2016 forecasts: Analysis of YoY changes



Net sales (-¥11.2bn)

- Domestic pharmaceutical products (-¥10.4bn):
 - Products (shipments): New products G-Lasta® +¥4.8bn, Onglyza® +¥2.2bn, NOURIAST® +¥1.6bn, Dovobet® +¥0.7bn, REGPARA® +¥0.8bn, Fentos® +¥0.4bn, GRAN® -¥2.6bn, CONIEL® -¥2.6bn, NESP® -¥2.8bn, ALLELOCK® -¥3.9bn
- Technology licensing, etc. (-¥4.4bn): Currency effects -¥0.0bn
 - Upfront payment of US\$45 million last year associated with option agreement for exclusive sales of KHK4563 in Japan, etc.
- Overseas sales (+¥1.7bn): Currency effects -¥0.3bn
 - ProStrakan (+¥1.2bn): growth of Abstral®, Pecfent®, Sancuso®, etc.
- Others
 - Increase in technology out-licensing milestone payment, etc.



Operating income (-¥13.2bn)

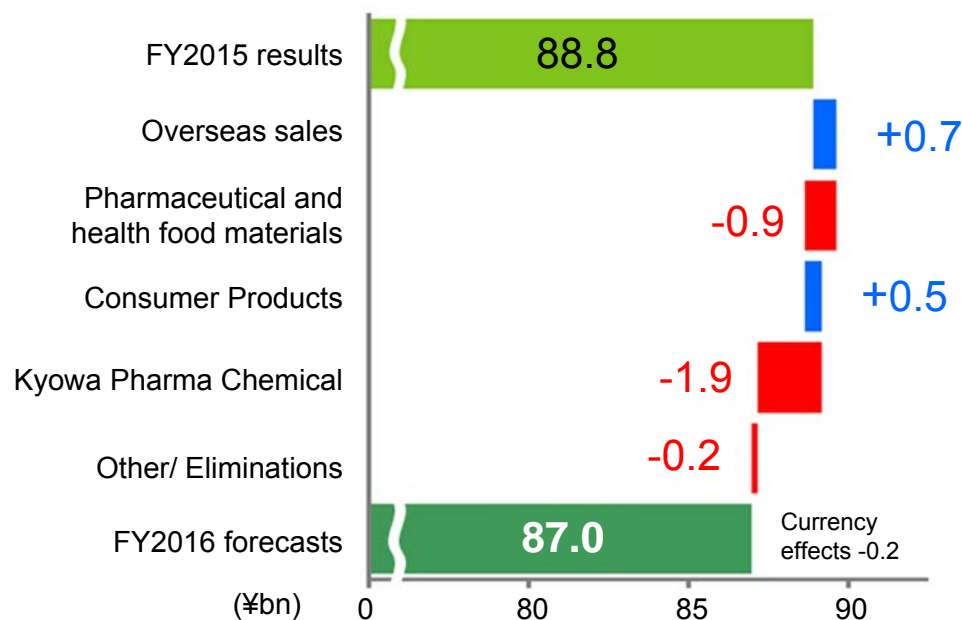
- Gross profits (-¥10.0bn): Currency effects -¥0.5bn
 - Effects of drug price revision and upfront payment of US\$45 million last year associated with option agreement for exclusive sales of KHK4563 in Japan, etc.
- SG&A (+¥1.1bn): Currency effects -¥0.0bn
 - Factors in cost increase: Expenses incurred in preparation for launch of development products at ProStrakan, etc.
 - Factors in cost reduction: Upfront payment for product in-licensing in previous year, etc.
- R&D expenses (-¥4.2bn): Currency effects +¥0.2bn
 - Increase in research expenses at pre-clinical stage, etc.
 - Increase in ProStrakan's development expenses in Europe and the U.S.

Appendix: Bio-Chemicals business

FY2016 forecasts: Analysis of YoY profit changes

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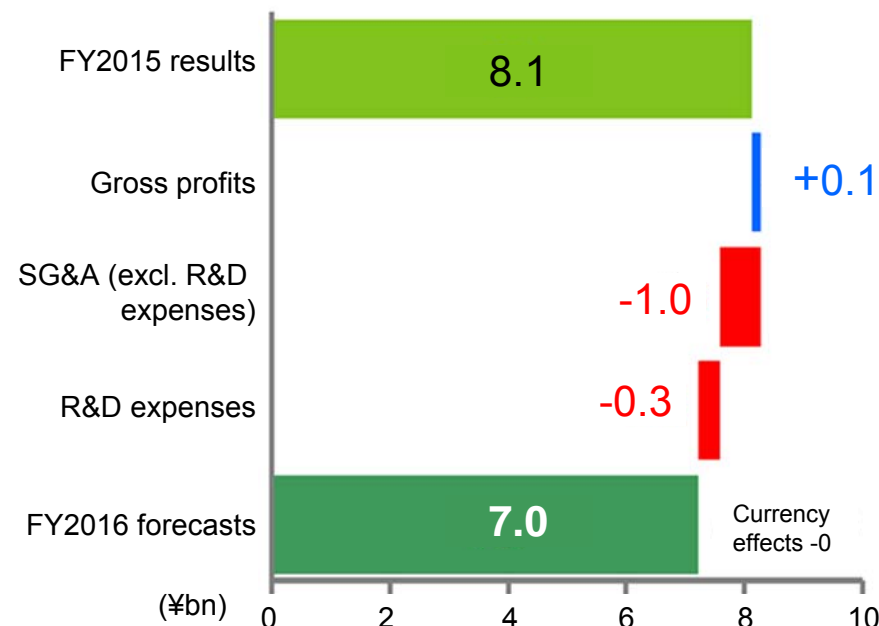
Net sales



Net sales (-¥1.8bn)

- Overseas sales (+¥0.7bn): Currency effects -¥0.2bn
 - U.S. (+¥0.5bn): Currency effects (-¥0.1bn), sales increased due to growth in health-food-use and infusion amino acids
 - Europe (-¥0.1): Currency effects (+¥0.2bn), sales declined as growth in sales of pharmaceutical raw material-use amino acids failed to compensate for effects of transfer of cosmetics business.
 - Asia and others (+¥0.2bn): Currency effects (-¥0.2bn) growth in infusion-use amino acids, etc.
- Pharmaceutical and health food materials(-¥0.9bn):
 - Concentrated shipments of some generic drug APIs in the previous year and end of sales of low-margin agency sales, etc.
- Consumer products(+¥0.5bn): Growth in mail order sales
- Kyowa Pharma Chemical (-¥1.9bn):
 - End of sales of low-margin agency sales, etc

Operating income



Operating income (-¥1.1bn)

- Gross profit (+¥0.1bn): Currency effects -¥0.1bn
- SG&A (-¥1.0bn): Currency effects +¥0.0bn
 - Head office relocation expenses and increase in sales promotion costs for mail order sales, etc.
- R&D expenses (-¥0.3bn):
 - Increase in expenses related to the establishment of new manufacturing processes for high added-value amino acids such as peptides and nucleic acid, etc.

On October 1, 2015 the company name (trade name) of Daiichi Fine Chemical Co., Ltd. was changed to Kyowa Pharma Chemical Co., Ltd.

Appendix: Biosimilar pharmaceutical products development update

| Development code | Reference bio medical product | | Country/region | Development stage | | |
|------------------|-------------------------------|---------------|----------------|---------------------------|---------|---------|
| | Generic name | Brand name | | Phase 1 | Phase 2 | Phase 3 |
| FKB327 | Adalimumab | HUMIRA | U.S., others | | | 1 |
| FKB238 | Bevacizumab | Avastin | United Kingdom | | | 2 |
| Not disclosed | Not disclosed | Not disclosed | Not disclosed | Determined target product | | |

1) Biosimilar pharmaceutical products are developed by *FUJIFILM KYOWA KIRIN BIOLOGICS Co., Ltd.*

ClinialTrials.gov identifier: ¹NCT02260791

2) Development is currently conducted by Centus Biotherapeutics Limited.

BioWa launches business for the licensing of POTELLIGENT® technology alone, in addition to combined licensing of POTELLIGENT® technology and cell-line business

BioWa

Combined licensing of POTELLIGENT® technology and cell-line business

By licensing the POTELLIGENT® technology and the POTELLIGENT® CHO DG44 cells and/or POTELLIGENT® CHOK1SV™ cells, customers have the right to commercialize POTELLIGENT® antibodies produced using these cells.

To date, BioWa has signed technology licensing agreements with 14 companies



POTELLIGENT® technology licensing business

By licensing POTELLIGENT® technology alone, customers have the right to create POTELLIGENT® cells utilizing the antibody-producing cells of their choice, and to commercialize POTELLIGENT® antibodies produced using these cells.

Greater freedom on choice in selection of antibody-producing cells

Expansion of licensing business

Appendix: Development progress with outlicensed compounds

| Name | Partner | Phase | | | Remarks |
|----------------------------|---------------------------|-----------|----|-----|---|
| | | I | II | III | |
| Tivozanib | AVEO | | | | Cancer (VEGF receptor inhibitor) (KRN951) |
| Benralizumab (MEDI-563) | AstraZeneca /MedImmune | | | | Asthma (Anti-IL-5R antibody) (KHK4563) |
| | | | | | COPD POTELLIGENT® |
| KRN5500 | Midatech Pharma US | | | | Peripheral neuropathy |
| RGI-2001 | REGiMMUNE | Phase 1/2 | | | Immunosuppressive |

(as of January 22, 2016)

Period average rate

| Average exchange rate | 2014 Results | 2015 Results | Change | FY2016 Forecast |
|-----------------------|--------------|--------------|--------|-----------------|
| ¥/\$ | ¥105 | ¥121 | +¥16 | ¥119 |
| ¥/€ | ¥140 | ¥135 | -¥5 | ¥137 |
| ¥/£ | ¥173 | ¥185 | +¥12 | ¥187 |

FY2015 currency effects (YoY)

| Segment | Currency | Net sales | Operating income |
|--------------------------|----------|-----------|------------------|
| Pharmaceuticals business | \$ | +¥1.1bn | -¥0.6bn |
| | € | -¥0bn | +¥0bn |
| | £ | +¥2.6bn | +¥0.1bn |
| Bio-Chemicals business | \$ | +¥2.8bn | +¥1.8bn |
| | € | -¥0.6bn | -¥0.3bn |
| | £ | - | - |