

Kyowa Hakko Kirin Co., Ltd.

Appendix to the Fiscal 2011 Third Quarter Consolidated Financial Statements

Third quarter results for Fiscal 2011

(January 1, 2011 - September 30, 2011)

Index	Page
I. Consolidated Financial Results	
1. Income	1
2. Results by segment	1
3. Non-operating income/expenses	2
Extraordinary income/loss	2
5. R&D expenses	2
Capital expenditure	3 3 3 3
7. Depreciation expenses	3
8. Employee numbers	3
9. Exchange rates	3
II. Consolidated Subsidiaries and Affiliates	4
III. Non-Consolidated Net Sales by Division	5
1. Kyowa Hakko Kirin	5
2. ProStrakan	6
Kyowa Hakko Bio	6
4. Kyowa Hakko Chemical	6
R&D Pipeline	7

This document was made as a supplement to the Kessan Tanshin (financial report) for the third quarter period of the fiscal year ending December 31, 2011. This document contains forward-looking statements based on a number of assumptions and beliefs made by management in light of information currently available. For a variety of reasons, actual financial results may differ materially from the forecasts presented here.

I. Consolidated Financial Results

1. Trends in income Millions of yen, rounded down

		nuary 1, 2010 ber 31, 2010		FY 2011 results				FY 2011 forecasts
	January 1 to June 30	September	January 1 to December	January 1 to June 30	January 1 to September	Chang January to 20	September	January to
		30 (A)	31		30 (B)	Amount (B-A)	%	
Net sales	203,466	304,453	413,738	186,367	262,358	(42,094)	86%	342,000
Gross Profit	92,763	139,828	190,979	100,234	147,334	7,506	105%	
Selling, general and administrative expenses	71,071	106,585	145,568	70,297	108,830	2,244	102%	
Operating income (prior to amortization of								
goodwill)	26,344	40,220	54,713	34,576	45,456	5,236	113%	52,767
Operating income	21,692	33,242	45,410	29,936	38,503	5,261	116%	43,500
Non-operating income	3,120	3,758	5,201	1,316	1,878	(1,880)		
Non-operating expenses	2,478	2,994	4,111	1,040	1,858	(1,136)		
Ordinary income	22,334	34,006	46,500	30,212	38,523	4,516	113%	44,500
Extraordinary income	1,082	1,091	2,822	8,421	7,444	6,353		
Extraordinary loss	5,775	6,121	7,023	5,363	4,580	(1,540)		
Net income before income taxes	17,641	28,976	42,299	33,270	41,387	12,410	143%	46,500
Corporate, local and enterprise taxes	7,718	14,513	20,040	15,507	18,640	4,126		
Income from minority interests	21	47	61	44	74	26		
Net income	9,901	14,414	22,197	17,718	22,672	8,257	157%	25,500
EPS before goodwill amortization (¥/share)	25.55	37.55	55.29	39.24	52.03			61.02

Notes:

2. Trends in results by segment

(1) Results by operating segment Millions of yen, rounded down

		January 1, 2010 to December 31, 2010 results			FY 2011 results			
	January 1 to June 30	September	January 1 to December 31	January 1 to June 30	January 1 to September	Change on January to September 2010		January to
		30 (A)	31		30 (B)	Amount (B-A)	%	
Net sales	203,466	304,453	413,738	186,367	262,358	(42,094)	86%	342,000
Pharmaceuticals	103,475	154,092	210,362	112,534	168,218	14,125	109%	225,000
Bio-Chemicals	44,186	63,968	84,236	40,360	58,973	(4,995)	92%	80,000
Chemicals	61,289	94,661	130,018	33,550	33,550	(61,111)		33,550
Other	5,082	7,706	10,499	5,306	7,856	150	102%	11,000
Total	214,034	320,429	435,116	191,752	268,598	(51,831)	84%	349,550
Eliminations	(10,567)	(15,975)	(21,377)	(5,384)	(6,239)	9,736		(7,550)
Operating income	21,692	33,242	45,410	29,936	38,503	5,261	116%	43,500
*Before goodwill amortization	26,344	40,220	54,713	34,576	45,456	5,236	113%	52,767
Pharmaceuticals	17,993	26,465	35,857	25,145	33,114	6,648	125%	37,500
	22,307	32,937	44,485	29,459	39,585	6,648	120%	46,129
Bio-Chemicals	1,853	2,846	3,275	2,519	3,018	171	106%	3,500
	2,166	3,316	3,901	2,832	3,487	171	105%	4,126
Chemicals	1,589	3,557	5,678	2,135	2,135	(1,421)		2,135
	1,614	3,594	5,728	2,147	2,147	(1,446)	()	2,147
Other	150	252	363	148	255	3	101%	365
	150	252	363	148	255	3	101%	365
Total	21,587	33,122	45,175	29,948	38,524	5,402	116%	43,500
	26,239	40,099	54,478	34,588	45,477	5,377	113%	52,767
Eliminations	105	120	235	(12)	(20)	(140)		

^{1.} On April 21, 2011, Kyowa Hakko Kirin acquired all outstanding shares of ProStrakan Group plc and as a result ProStrakan Group, and its ten subsidiaries were newly included in the scope of consolidation. In terms of accounting treatment, June 30, 2011 will be considered as the date that the acquisition was completed and therefore results from ProStrakan have not been included in the consolidated financial results for the first half of the current fiscal year. Financial results from ProStrakan as of July have been included in the FY2011 Forecast. 2. Figures for FY2011 Forecast are those as announced July 20, 2011.

^{1.} Figures representing amounts before goodwill amortization have been italicized.

^{2.} As of the period under review, Kyowa Hakko Kirin has adopted "Accounting Standards Related to the Disclosure of Segment Information". Since the segment classification methods used to classify business by segment are the same as those used previously, we are able to make comparisons with the previous year. 3. The Chemicals Business was discontinued at the end of the first quarter following the transfer of all shares of Kyowa Hakko Chemical on March 31, 2011. As a result, income from Chemicals was consolidated on the Statements of Income only until March 31, 2011.

(2) Regional sales

Millions of yen, rounded down

		January 1, 2010 to December 31, 2010 results				FY 2011 results				
	January 1 to June 30	Percentage of consolidated sales	January 1 to September 30	of	January 1 to December 31	Percentage of consolidated sales	January 1 to June 30	Percentage of consolidated sales	January 1 to September 30	Percentage of consolidated sales
Japan sales	161,229	79.2%	240,812	79.1%	328,596	79.4%	148,987	79.9%	208,194	79.4%
Overseas sales	42,236	20.8%	63,641	20.9%	85,141	20.6%	37,379	20.1%	54,163	20.6%
America	12,977	6.4%	19,770	6.5%	23,467	5.7%	10,456	5.6%	16,083	6.1%
Europe	10,779	5.3%	16,085	5.3%	21,477	5.2%	10,919	5.9%	18,449	7.0%
Asia	18,114	8.9%	27,346	9.0%	39,689	9.6%	15,772	8.5%	19,256	7.3%
Other regions	364	0.2%	439	0.1%	507	0.1%	231	0.1%	374	0.1%
Total consolidated net sales	203,466	100.0%	304,453	100.0%	413,738	100.0%	186,367	100.0%	262,358	100.0%

3. Trends in non-operating income/expenses

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Millions of yerr, rounded								
		nuary 1, 2010 ber 31, 2010		FY 2011 results				
	January 1 to June 30	January 1 to September 30	January 1 to December 31	January 1 to June 30	January 1 to September 30			
Non-operating income	3,120	3,758	5,201	1,316	1,878			
Interest income	221	298	362	193	343			
Dividends income	485	557	844	303	334			
Foreign exchange gains				112				
Gain on revaluation of derivatives	685	251	414		296			
Equity in earnings of affiliates	626	1,150	1,074	141	189			
Other	1,102	1,501	2,505	565	713			
Non-operating expenses	2,478	2,994	4,111	1,040	1,858			
Interest expenses	122	172	199	77	110			
Foreign exchange loss	1,143	1,051	1,280		570			
Loss on revaluation of derivatives				32				
Loss on disposal of non-current assets	608	1,121	1,493	313	453			
Other	604	648	1,138	617	724			

4. Trends in extraordinary income / loss

Millions of yen, rounded down

		nuary 1, 2010 ber 31, 2010		FY 2011	l results
	January 1 to June 30	January 1 to September 30	January 1 to December 31	January 1 to June 30	January 1 to September 30
Extraordinary income	1,082	1,091	2,822	8,421	7,444
Gain on sales of subsidiaries and affiliates' stocks				8,320	7,339
Reversal of allowance for doubtful accounts	107	117	139	100	104
Gain on sale of investment securities	120	120	1,828		
Gain on negative goodwill	854	854	854		
Extraordinary loss	5,775	6,121	7,023	5,363	4,580
Loss on valuation of investment securities	2,588	2,833	1,473	3,043	2,011
Advisory fee				1,030	1,062
Loss on adjustment for changes of accounting standard for asset retirement				447	447
Loss on disaster				302	447
Impairment loss			1374	200	273
Loss on liquidation of subsidiaries and affiliates				209	209
Provision for point card certificates for prior periods				128	128
Loss on revision of retirement benefit plan	1,771	1,771	1,771		
Non-recurring depreciation on non-current assets	1,225	1,225	1,225		
Provision for environmental measures			887		
Other	189	290	290		

5. Trends in R&D expenses

Billions of yen, rounded down

5. Treflus III Nab expenses Billions of yen, rounded down							
		January 1, 2010 to December 31, 2010 results			FY 2011 results		
	January 1 to June 30	January 1 to September 30	January 1 to December 31	January 1 to June 30	January 1 to September 30	January to December	
R&D (Consolidated)	21.4	32.3	44.2	22.2	34.0	48.5	
R&D to net sales ratio	10.5%	10.6%	10.7%	11.9%	13.0%	14.2%	
Pharmaceuticals	19.3	29.2	40.0	20.4	31.5	45.0	
(R&D to net sales ratio)	18.7%	19.0%	19.0%	18.2%	18.8%	20.0%	
Bio-Chemicals	1.5	2.3	3.2	1.5	2.2	3.3	
Chemicals	0.4	0.7	1.0	0.2	0.2	0.2	
Other							

6. Trends in capital expenditure (Tangible fixed assets)

	6. Trends in capital experiancial (Tarigible Tixed assets) Billions of yen,								
		January 1, 2010 to December 31, 2010 results			FY 201	FY 2011 forecasts			
		January 1 to June 30	January 1 to September 30	January 1 to December 31	January 1 to June 30	January 1 to September 30	January to December		
Capital expenditure (Consolidated)		12.2	17.1	21.9	5.9	10.4	18.3		
	Pharmaceuticals	7.0	9.1	11.7	2.8	5.1	8.4		
	Bio-Chemicals	3.7	5.8	7.5	2.7	4.9	9.6		
	Chemicals	1.3	2.2	2.5	0.3	0.3	0.3		
	Other	0.0	0.0	0.0	0.0	0.0	0.0		

7.	7. Trends in depreciation expenses Billions of yen, rounded down									
		January 1, 2010 to December 31, 2010 results			FY 201	FY 2011 forecasts				
		January 1 to June 30	January 1 to September 30	January 1 to December 31	January 1 to June 30	January 1 to September 30	January to December			
Depreciation expenses (Consolidated)		10.5	16.2	22.1	10.4	16.2	23.0			
	Pharmaceuticals	4.5	7.3	10.7	6.8	11.0	15.7			
	Bio-Chemicals	3.8	5.4	6.7	2.6	4.2	6.2			
	Chemicals	2.1	3.4	4.6	0.9	0.9	0.9			
	Other	0.0	0.0	0.0	0.0	0.0	0.0			

8. Employee numbers

			January 1, 2010 to ember 31, 2010 res	FY 2011 results		
		As of June 30	As of September 30	As of December 31	As of June 30	As of September 30
Employee numbers (Consolidated)		7,554	7,499	7,484	7,305	7,298
	Pharmaceuticals			5,041		
	Bio-Chemicals			1,581		
	Chemicals			652		
	Other			210		

9 Exchange rates

9. Exchange rates										
	January 1, 2010 to December 31, 2010 results			FY2011	FY 2011 forecasts					
	January 1 to June 30	January 1 to September 30	January 1 to December 31	January 1 to June 30	January 1 to September 30	January 1 to December 31				
US Dollar (¥/US\$)	91	90	88	82	81	80				
Euro (¥/Euro)	121	118	116	115	113	111				
Pound (¥/Pound)	139	137	136	133	130	127				

Parmaceuticals Consolidated subsidiary Pharmaceuticals Consolidated subsidiary Pharmaceuticals Consolidated subsidiary Pharmaceuticals Europe ProStrakan International S at I						(As of September 30, 2011)
Parmaceuticals	Segment	Туре	Region	Company name	owned (direct and	Principal business
Nyowa Neoland Promotion Co., Ltd. 100.0% Promotion and sales of pharmaceuticals Promotion of pharmaceuticals Promotion of an Excit International Co., Ltd. 100.0% Solidary company for administration and management of US debudshalines (US) Solidary and promotion of anti-body technology (US) Received (US) Development of a discussion of anti-body technology (US) Received (US) Development of a discussion of anti-body technology (US) Received			l	Kyowa Medex Co., Ltd.	100.0%	Manufacture and sale of diagnostic reagents
BioWh, Inc. Biowh			Japan	Kyowa Medical Promotion Co., Ltd.	100.0%	Promotion and sales of pharmaceuticals
Pharmacountcists				Kyowa Hakko Kirin America, Inc.	100.0%	subsidiaries (US)
Paramaceuticals				BioWa, Inc.	100.0%	
Parameter Para					100.0%	
Pharmaceuticals			The Americas	Kyowa Hakko Kirin California, Inc.	100.0%	Generate new candidate substances and develop pharmaceuticals
Pharmaceuticals				Hematech, Inc.	100.0%	Technology research for manufacture of therapeutic antibody (US)
Pharmaceuticals ProStrakan Inc. ProStrakan 100,0% Sales of pharmaceuticals (UK) Strakan Pharmaceuticals Limited 100,0% Sales of pharmaceuticals (UK) Strakan Pharmaceuticals Limited 100,0% Sales of pharmaceuticals (UK) Development of pharmaceuticals (UK) Development of pharmaceuticals (UK) ProStrakan Pharmaceuticals Limited 100,0% Sales of pharmaceuticals (UK) ProStrakan Pharmaceuticals U 100,0% Sales of pharmaceuticals (Grance) ProStrakan Pharmaceuticals U 100,0% Sales of pharmaceuticals (Grance) ProStrakan Pharma S.V. 100,0% Sales of pharmaceuticals (Grance) ProStrakan Pharma B.V. 100,0% Sales of pharmaceuticals (Grance) ProStrakan Pharma B.V. 100,0% Sales of pharmaceuticals (Grance) ProStrakan Pharma B.V. 100,0% Sales of pharmaceuticals (Grance) ProStrakan Pharmaceutical V. 100,0% Sales of pharmaceuticals (Grance) ProStrakan S.t. 100,0% Sales of				Hematech-GAC Venture, LLC	51.0%	Technology research for manufacture of therapeutic antibody (US)
Pharmaceuticals Pharmaceuticals Pharmaceuticals Europe FroStrakan Pharmaceuticals Limited ProStrakan Limited 100.0% ProStrakan Limited 100.0% Sales of pharmaceuticals (UK) ProStrakan Pharmaceuticals SUU ProStrakan Pharmaceuticals SUU ProStrakan Pharmaceuticals SUU ProStrakan Pharmaceuticals SUU ProStrakan Pharma Grnbh ProStrakan Pharma BV. ProStrakan Pharma BV. ProStrakan Pharma BV. ProStrakan SY.I. Nyowa Hakko Krim Italia SY.I. I 100.0% Sales of pharmaceuticals (Germany) Holding company for special companies (Netherlands) ProStrakan SY.I. ProStrakan SY.I. Nyowa Hakko Krim Italia SY.I. I 100.0% Sales of pharmaceuticals (Germany) Asles of pharmaceuticals (Germany) Reposed Hakko Krim Italia SY.I. Nyowa Hakko Krim Italia SY.I. Asla Kyowa Hakko Krim (Ringapore) Pte. Ltd. Asla Kyowa Hakko Krim (Ringapore) Pte. Ltd. 100.0% Sales of pharmaceuticals (Krowan) Sales of pharmaceuticals (China) Sales of pharmaceuticals (ProStrakan Inc.	100.0%	
Consolidated subsidiary				ProStrakan Group plc	100.0%	
Pharmaceuticals				Strakan Inernational S.a r.l.	100.0%	
Pharmaceuticals Pharmaceuticals Europe Europe ProStrakan Pharma S.A.S. ProStrakan Farmaceutical S.U. ProStrakan Farmaceutical S.U. ProStrakan Pharma S.A.S. ProStrakan Pharma S.V. ProStrakan Pharma B.V. ProStrakan Sr.I. ProStrakan Sr.I. 100.0% Sales of pharmaceuticals (Netherlands) Sales of pharma				Strakan Pharmaceuticals Limited	100.0%	Development of pharmaceuticals (UK)
Pharmaceuticals					100.0%	Sales of pharmaceuticals (UK)
Bio-Chemicals Europe ProStrakan Farmaceutica SLU 100.0% Sales of pharmaceuticals (Spain)	Pharmaceuticals				100.0%	Sales of pharmaceuticals (France)
ProStrakan Holdings B.V. 100.0% Holding company for special companies (Netherlands)			Europe		100.0%	Sales of pharmaceuticals (Spain)
ProStrakan Holdings B.V. 100.0% Holding company for special companies (Netherlands)			Europe	ProStrakan Pharma GmbH	100.0%	
ProStrakan Pharma B.V. 100.0% Sales of pharmaceuticals (Netherlands)						
ProStrakan S.f.l. 100.0% Sales of pharmaceuticals (Italy)						
Kyowa Hakko Kirin Italia S.r.I. 100.0% Sales of pharmaceuticals (Italy) Kirin Kunpeng (China) Bio-Pharmaceutical Co., Ltd. 100.0% Manufacture and sale of pharmaceuticals (China) Jeli-Kirin Pharmaceutical Inc. 90.0% Sales of pharmaceuticals (Korea) Kyowa Kirin Pharmaceuticals (Taiwan) Co., Ltd. 100.0% Sales of pharmaceuticals (Taiwan) Kyowa Hakko Kirin (Hong Kong) Co., Ltd. 100.0% Sales of pharmaceuticals (Taiwan) Kyowa Hakko Kirin (Hong Kong) Co., Ltd. 100.0% Sales of pharmaceuticals (Hong Kong) Kyowa Hakko Kirin (Singapore) Pte. Ltd. 100.0% Sales of pharmaceuticals (Singapore) Sales and import/export of fine chemicals including amino acids (China) Kyowa Hakko (H.K.) Co., Ltd.	I					<u> </u>
Kirin Kunpeng (China) Bio-Pharmaceutical Co., Ltd. 100.0% Manufacture and sale of pharmaceuticals (China) Jeli-Kirin Pharmaceutical Inc. 90.0% Sales of pharmaceuticals (Korea) Kyowa Kirin Pharmaceuticals (Taiwan) Co., Ltd. 100.0% Sales of pharmaceuticals (Taiwan) Kyowa Hakko Kirin (Hong Kong) Co., Ltd. 100.0% Sales of pharmaceuticals (Hong Kong) Kyowa Hakko Kirin (Singapore) Pte. Ltd. 100.0% Sales of pharmaceuticals (Singapore) FroStrakan AB						1
Asia Jeil-Kirin Pharmaceutical Inc. 90.0% Sales of pharmaceuticals (Korea)			Asia	·		
Asia Kyowa Kirin Pharmaceuticals (Taiwan) Co., Ltd. 100.0% Sales of pharmaceuticals (Taiwan)						<u> </u>
Ryowa Hakko Kirin (Hong Kong) Co., Ltd. 100.0% Sales of pharmaceuticals (Hong Kong)						
Affiliate accounted for by the equity method Affiliate accounted for by the equity method Europe ProStrakan AB 50.0% Sales of pharmaceuticals (Singapore)						
Affiliate accounted for by the equity method Affiliate accounted for by the equity method Europe ProStrakan AB 50.0% Sales of pharmaceuticals (Sweden)						
Bio-Chemicals Bio-Chemicals Bio-Chemicals Bio-Chemicals Bio-Chemicals Bio-Chemicals Bio-Chemicals Bio-Chemicals Consolidated subsidiary Bio-Chemicals Consolidated Subsidiary Bio-Chemicals Consolidated Subsidiary Bio-Chemicals Consolidated Subsidiary Consolidated Subsidiaries (Consolidated Subsidiaries				Kyowa Hakko Kirin (Singapore) Pte. Ltd.	100.0%	Sales of pharmaceuticals (Singapore)
Bio-Chemicals Consolidated subsidiary Europe Kyowa Hakko Bio U.S. Holdings, Inc. Kyowa Hakko Bio Italia S.r.I. Sale and import/export of fine chemicals including amino acids (Germany) Kyowa Hakko Bio Italia S.r.I. Asia Kyowa Hakko Bio Singapore Pte. Ltd. Liou.0% Manufacture and sale of active pharmaceutical ingredients and pharmaceutical intermediates Sale of healthcare products Manufacture and sale of active pharmaceutical ingredients and pharmaceutical intermediates Sale of healthcare products Manufacture and sale of active pharmaceutical ingredients and pharmaceutical intermediates Biokyowa Inc. Liou.0% Sale and import/export of fine chemicals including amino acids (Germany) Kyowa Hakko Bio Italia S.r.I. 100.0% Sale and import/export of fine chemicals including amino acids (China) Kyowa Hakko Bio Singapore Pte. Ltd. Consolidated Cons	accounted for by the equity		Europe	ProStrakan AB	50.0%	Sales of pharmaceuticals (Sweden)
Bio-Chemicals Consolidated subsidiary Consolidated Subsidiary Subsidiaries (US) Consolidated Subsidiary Subsidiaries (US) Sale and import/export of fine chemicals including amino acids (Germany) Kyowa Hakko Bio Italia S.r.l. 100.0% Sale and import/export of fine chemicals including amino acids (China) Sale and import/export of fine chemicals including amino acids (Song) Kyowa Hakko Bio Singapore Pte. Ltd. 100.0% Sale and import/export of fine chemicals including amino acids (Singapore) Consolidated Consolidate				Kyowa Hakko Bio Co., Ltd.	100.0%	Manufacture and sale of pharmaceutical and industrial raw materials, and health care products
Bio-Chemicals Consolidated subsidiary Consolidated Subsidiary Consolidated Subsidiary Europe Europe Europe Kyowa Hakko Bio U.S. Holdings, Inc. 100.0% Manufacture and sale of amino acids (US)			Japan	Daiichi Fine Chemical Co., Ltd.	100.0%	Manufacture and sale of active pharmaceutical ingredients and pharmaceutical intermediates
Bio-Chemicals Consolidated subsidiary The Americas Kyowa Hakko U.S.A., Inc. Kyowa Hakko Bio U.S. Holdings, Inc. Kyowa Hakko Europe GmbH Europe Kyowa Hakko Bio Italia S.r.l. Sale and import/export of fine chemicals including amino acids (Germany) Kyowa Hakko Bio Italia S.r.l. 100.0% Sale and import/export of fine chemicals including amino acids (Germany) Kyowa Hakko Bio Italia S.r.l. 100.0% Sale and import/export of fine chemicals including amino acids (Germany) Kyowa Hakko Bio Italia S.r.l. 100.0% Sale and import/export of fine chemicals including amino acids (Germany) Kyowa Hakko Holding company for administration and management of US subsidiaries (US) Sale and import/export of fine chemicals including amino acids (Germany) Sale and import/export of fine chemicals including amino acids (Nong) Sale and import/export of fine chemicals including amino acids (Singapore) Consolidated Consolidated Consolidated Chivota Kaihatsu Co. Ltd. 100.0% Transportation insurance wholesale sales of food, etc.				Kyowa Wellness Co., Ltd.	100.0%	Sale of healthcare products
Bio-Chemicals Consolidated subsidiary				Kyowa Engineering Co., Ltd.	100.0%	Design and installation of plant facilities and equipment
Bio-Chemicals Consolidated subsidiary				Biokyowa Inc.	100.0%	
Subsidiary Subsidiary Subs		Consolidated	The Americas	Kyowa Hakko U.S.A., Inc.	100.0%	Sale and import/export of fine chemicals including amino acids (US)
Europe Kyowa Hakko Europe GmbH Kyowa Hakko Bio Italia S.r.l. 100.0% Sale and import/export of fine chemicals including amino acids Shanghai Kyowa Amino Acid Co., Ltd. 70.0% Manufacture and sale of amino acids (China) Sale and import/export of fine chemicals including amino acids (Kong) Kyowa Hakko Bio Singapore Pte. Ltd. 100.0% Sale and import/export of fine chemicals including amino acids (Singapore) Consolidated Chivota Kaibatsu Co. Ltd. 100.0% Transportation, insurance, wholesale sales of food, etc.	Bio-Chemicals			Kyowa Hakko Bio U.S. Holdings, Inc.	100.0%	
Asia Shanghai Kyowa Amino Acid Co., Ltd. 70.0% Manufacture and sale of amino acids (China) Kyowa Hakko (H.K.) Co., Ltd. 100.0% Sale and import/export of fine chemicals including amino acids (Kong) Kyowa Hakko Bio Singapore Pte. Ltd. 100.0% Sale and import/export of fine chemicals including amino acids (Singapore) Consolidated Chivoda Kaihatsu Co. Ltd. 100.0% Transportation, insurance, wholesale sales of food, etc.			Europe	Kyowa Hakko Europe GmbH	100.0%	
Asia Kyowa Hakko (H.K.) Co., Ltd. 100.0% Sale and import/export of fine chemicals including amino acids Kong) Kyowa Hakko Bio Singapore Pte. Ltd. 100.0% Sale and import/export of fine chemicals including amino acids (Singapore) Consolidated Chivoda Kaihatsu Co., Ltd. 100.0% Transportation, insurance, wholesale sales of food, etc.			,	Kyowa Hakko Bio Italia S.r.l.	100.0%	Sale and import/export of fine chemicals including amino acids (Italy)
Asia Kyowa Hakko (H.K.) Co., Ltd. 100.0% Kong) Kyowa Hakko Bio Singapore Pte. Ltd. 100.0% Sale and import/export of fine chemicals including amino acids (Singapore) Consolidated Chivoda Kaihatsu Co. Ltd. 100.0% Transportation, insurance, wholesale sales of food, etc.				Shanghai Kyowa Amino Acid Co., Ltd.	70.0%	Manufacture and sale of amino acids (China)
Kyowa Hakko Bio Singapore Pte. Ltd. 100.0% Sale and import/export of fine chemicals including amino acids (Singapore) Consolidated Chivoda Kaihatsu Co. Ltd. 100.0% Transportation, insurance, wholesale sales of food, etc.			Asia	Kyowa Hakko (H.K.) Co., Ltd.	100.0%	Sale and import/export of fine chemicals including amino acids (Hong Kong)
I I I I I I I I I I I I I I I I I I I				Kyowa Hakko Bio Singapore Pte. Ltd.	100.0%	Sale and import/export of fine chemicals including amino acids
Substitute 1		Consolidated subsidiary		Chiyoda Kaihatsu Co., Ltd.	100.0%	
Other Affiliate accounted for by the equity method Japan Synthetic Alcohol Co., Ltd. 33.3% Manufacture and sale of industrial use alcohol	Other	accounted for by the equity	Japan	Japan Synthetic Alcohol Co., Ltd.	33.3%	Manufacture and sale of industrial use alcohol

Notes: Changes to the scope of consolidation (January 1, 2011 to September 30, 2011)

Newly consolidated: 11 companies: ProStrakan Group plc and 10 subsidiaries (*1)

Removed: 4 companies: Kashiwagi Corporation (*2), Kyowa Hakko Chemical Co., Ltd., Miyako Kagaku Co., Ltd. (*3), Shinwa Pharmaceutical Co., Ltd. (*4)

^{*1} On April 21, 2011, Kyowa Hakko Kirin acquired all outstanding shares of ProStrakan Group plc and as a result ProStrakan Group, and its 10 subsidiaries were newly included in the scope of consolidation.

^{* 2.} As of January 1, 2011, Kashiwagi Corporation was merged with Miyako Kagaku Co., Ltd. and eliminated.

^{* 3.} Kyowa Hakko Chemical Co., Ltd. and its subsidiary Miyako Kagaku Co., Ltd. were removed from the scope of consolidation at the end of the first quarter of the current period following the transfer of all shares of Kyowa Hakko Chemical Co., Ltd. to KJ Holdings Inc. on March 31, 2011.

^{*4.} Shinwa Pharmaceutical Co., Ltd. was removed from the scope of consolidation as of the second quarter of the current period and all shares in the company were transferred on April 1, 2011.

III. Non-Consoliadted Net Sales by Division (Items and main products)

1. Kyowa Hakko Kirin

Billions of yen, rounded down

		anuary 1, 2010 to mber 31, 2010 res			FY2011 results		FY 2011 forecasts
Pharmaceuticals division (non-consolidated)	January 1 to June 30	January 1 to September 30 (A)	January 1 to December 31	January 1 to June 30	January 1 to September 30 (B)	Change on January 1 to September 30, 2010 (B/A)	January 1 to December 31
Pharmaceuticals division total	94.1	140.7	192.9	104.6	152.3	108%	201.2
Indication / Product							
ESA formulation							
Nesp	17.7	28.1	41.7	25.4	40.4	143%	50.8
ESA formulation							
Espo	5.7	8.7	10.8	2.7	4.0	47%	5.3
Nesp/Espo	23.4	36.8	52.6	28.2	44.4	121%	56.1
Secondary hyperparathyroidism	4.0	6.7	0.5	5.0	0.0	4000/	44.4
Regpara Antiallergenic	4.3	6.7	9.5	5.3	8.2	122%	11.1
_	40.0			40.4		4400/	
Allelock	13.9	19.1	26.8	18.1	22.2	116%	29.0
Antiallergenic							
Celtect	1.4	2.0	2.7	1.3	1.9	94%	2.3
Antiallergic eyedrops							
Patanol	4.7	6.0	7.5	8.6	9.8	164%	11.6
G-CSF							
Gran/Neu-up*1	7.3	11.1	14.4	6.7	10.5	94%	14.5
Cancer pain	0.0		0.0	4.0	0.0	0450/	
Fentos*2 Anticancer	0.0	0.3	0.8	1.2	2.0	615%	2.6
Farmorubicin*3 / Adriacin	2.4	3.6	4.8	0.5	0.8	22%	
Anticancer	2.4	3.0	4.0	0.5	0.0	22 /0	
5 - FU	1.5	2.3	3.1	1.5	2.3	100%	2.9
Anticancer			0		2.0	10070	
Navelbine	1.0	1.5	2.0	0.8	1.3	85%	1.6
Cardiovascular							
Coniel	10.3	15.3	21.0	9.6	14.3	93%	19.7
Cardiovascular (Hypertension)							
Coversyl	2.0	3.0	4.2	1.9	2.8	93%	3.9
Cardiovascular							
Inovan / Pre Dopa	1.5	2.2	3.0	1.3	2.0	93%	2.9
Antiepileptic	F ^	7.0	44.0	5 0	0.4	40007	44.4
Depakene Parkinson's disease	5.2	7.9	11.0	5.3	8.1	102%	11.1
Parkinson's disease Permax*4	0.7	1.3	2.0	1.1	1.6	119%	2.3
Gastrointestinal	0.7	1.3	2.0	1.1	1.0	11370	2.3
Nauzelin	2.6	3.6	5.3	2.3	3.3	91%	4.9
Inflammatory bowel disease						2 : 70	
Asacol	0.2	0.4	0.7	1.1	1.9	444%	2.8
Exports and Technology	13.1	19.9	24.1	11.4	17.7	89%	22.4
Out-Licensing	.5.1	13.0			,	2070	

Notes 1: As of March 1, 2010, manufacturing, sales and other rights for Neu-up were transferred to Yakult Honsha.

Therefore, Gran/Neu-up figures after March 31, 2010 include only sales figures for Gran.

Sales of Fentos began June 24, 2010.
 Sales of Farmorubicin ended December 31, 2010 following completion of our contract with Pfizer.
 Therefore, as of January 2011, only amounts for Adriacin have been included in Farmorubicin/Adriacin.

^{4:} Sales of Permax began April 1, 2010.

2. ProStrakan Millions of GBP, rounded down

Pharmaceuticals division			1, 2010 to 1, 2010 results			FY 2011 forecasts		
(non-consolidated)	January 1 to March 31	January 1 to June 30	July 1 to September 30	July 1 to December 31	January 1 to March 31	January 1 to June 30	July 1 to September 30	July 1 to December 31
Net sales	22	45	22	54	23	48	30	57
Sancuso	1	4	1	2	2	4	2	5
Abstral	3	7	4	9	5	12	7	17
Tostran	0	1	0	1	0	2	1	3
Xomolix	2	4	1	3	2	4	1	4
Rectogesic	2	4	2	4	2	4	2	5
Adcal-D3	5	10	5	12	5	11	6	13
Others	5	12	5	20	4	8	8	6
Gross profit	14	29	14	37	15	29	20	37
Selling, general and								
administrative expenses	15	30	14	31	18	40	18	37
Operating income								
(prior to amortization of goodwill)	(0)	(0)	(0)	6	(3)	(11)	2	(0)
(Ref.) Amortization of goodwill	· _		_	_		_	Ω	16

(Ref.) Amortization of goodwill - - 8
*Amortization of goodwill is the amortization of the goodwill and noncurrent intangible assets (sales rights, etc.) resulting from the acquisition of all outstanding shares in ProStrakan Group plc.

*Sales ratio by region	UK	Europe (excluding UK)	USA	Other	Total
(January 1 to September 30, 2011)	34.7%	46.6%	17.5%	1.2%	100.0%

3. Kyowa Hakko Bio

Billions of ven. rounded down

3. Куоwа накко віо						Billions of yen,	rounaea aown
Bio-Chemicals division		anuary 1, 2010 nber 31, 2010			FY 2011 forecasts		
(non-consolidated)	January 1 to June 30	January 1 to September 30 (A)	January 1 to December 31	January 1 to June 30	January 1 to September 30 (B)	Change on January 1 to September 30, 2010 (B/A)	January 1 to December 31
Bio-Chemical division total	28.7	41.1	54.2	25.9	38.0	92%	50.9
Pharmaceuticals / Industrial raw materials							
Amino acids	10.8	15.3	20.4	10.1	14.9	97%	19.7
Nucleic acids and vitamins	2.5	3.7	4.8	2.7	4.0	107%	5.2
Other	3.9	5.8	8.0	3.8	5.4	93%	7.2
Health care products	4.9	7.4	9.8	4.7	7.0	95%	9.3

4. Kyowa Hakko Chemical

Billions of yen, rounded down

Chemicals division	Ja Decer	FY2011 results		
(non-consolidated)	January 1 to June 30	January 1 to September 30	January 1 to December 31	January 1 to March 31
Chemicals division total	39.7	61.9	85.7	22.9
Solvents	15.9	24.4	33.4	8.4
Raw materials for plasticizers	12.2	19.9	27.7	7.7
Specialty chemicals	9.9	15.2	21.2	5.9

Note: The Chemicals Business was discontinued at the end of the first quarter following the transfer of all shares of Kyowa Hakko Chemical on March 31, 2011. As a result, income from Chemicals are until the first quarter ended March 31, 2011.

R&D PIPELINES

Oct 20th 2011 Filed · Approved

ilea Approved								
Code Name Therapeutic area	Mechanism of action	St	age	Indication	Formulation	In-house	Remarks	
merapediic area	Generic Name	Weer at list if of action	Japan	Other countries	ii idication	Torridiation	Licensed	Heriaiks
	KW-0761 Mogamulizumab	Anti-CCR4 humanized antibody	Filed Apr/2011		Adult T-cell leukemia/lymphoma	Injection	In-house	(※) POTELLIGENT≎
Oncology	KRN321 Darbepoetin Alfa	Long-Acting Erythropoiesis Stimulating Agent	Filed Nov/2008		☆ Chemotherapy induced anemia	Injection	Kirin-Amgen	Launched for anemia of CKD patients
	Pegfilgrastim	Long-acting Granulocyte colony stimulating factor		Filed in Asia	Chemotherapy induced febrile neutropenia	Injection	Kirin-Amgen	Asia: Taiwan and Vietnam (Approved in Korea on September 8)
Nephrology	Cinacalcet Hydrochloride	Calcium receptor agonist		Filed in Asia	Secondary hyperparathyroidism	Oral	Licensed from NPS	Asia: Philippine, Malaysia and China (Approved in Singapore on August 2)
Nephrology	Darbepoetin Alfa	Long-Acting Erythropoiesis Stimulating Agent		Filed in Asia	Renal Anemia (on dialysis)	Injection	Kirin-Amgen	Asia: Singapore (Approved in Philippines on June 23)
CNS	KW-6500 Apomorphine Hydrochloride	Dopamine receptor agonist	Filed Jul/2011		Parkinson's disease	Injection	Licensed from Britannia Pharmaceuticals Limited	
CINS	KW-6002 Istradefylline	Adenosine A2a receptor antagonist		Filed in USA	Parkinson's disease	Oral	In-house	Reinbursement of license from Valeant International SRL for the development and commercialization of KW-6002 in the US and Canac
Other	AMG531 Romiplostim	Thrombopoietin receptor agonist		Filed in Asia	ldiopathic (Immune) thrombocytopenic purpura	Injection	Kirin-Amgen	Asia: Singapore, Malaysia and Taiwan (Approved in Hong Kong on July 22)

Phase II, Phase II

riase II, riase III													
Therapeutic area	Code Name Generic Name	Mechanism of action	St	age	- Indication	Formulation	In-house or	Remarks					
	Generic I varrie		Japan	Other countries			Licensed						
				Phase I / II in USA	Peripheral T-cell lymphoma and cutaneous T-cell lymphoma								
	KW-0761 Mogamulizumab	Anti-CCR4 humanized antibody	Phase II		Adult T-cell leukemia/lymphoma, Add-on therapy (for untreated patients)	Injection	In-house	(※) POTELLIGENT®					
			Phase II		Peripheral T/NK-cell Lymphoma								
Oncology	KW-2246 Fentanyl citrate	μ-opioid receptor agonist	Phase Ⅲ		Cancer pain	Sublingual tablet	Licensed from Orexo						
Oricology	KRN125 Pegfilgrastim	Long-acting Granulocyte colony stimulating factor	Phase III		Chemotherapy induced febrile neutropenia	Injection	Kirin-Amgen						
	ARQ 197		M				c-Met inhibitor	Phase II in Japan and Korea		Gastric cancer	Oral	Licensed from ArQuile	
ti∨antinib	tivantinib	C-IVIET INTIIDITOR	Pha in Japan, Kor	ase III rea and Taiwan	Lung cancer	Orai	Licensed from Arquie						
	KW-2478	HSP90 inhibitor		Phase I / II in UK/US/PH	Multiple Myeloma	Injection	In-house						
Nephrology	KRN321	Long-Acting Erythropoiesis	Phase II		☆ Paediatric Renal Anemia	Injection	Kirin-Amgen	Launched in Japan for anemia of CKD patients					
Neprirology	Darbepoetin Alfa	Stimulating Agent		Phase II in China Phase III in India	Renal Anemia (on dialysis)	injection	Nin-Amgen	Lauriched in Japan for ariemia of CAD patients					
	ASKP1240	Anti-CD40 fully human antibody	Phase I	Phase II in USA	Organ transplant rejection	Injection	In-house	Jointly developed with Astellas					
Immunology/Allergy	KHK4563 Benralizumab	Anti-IL-5 receptor humanized antibody	Pha in Japan	ase II and Korea	Asthma	Injection	In-house	Being developed by Medlmmune as MEDI-563 worldwide except in Japan and other Asian countries POTFI LIGENT®					
	Z-206 Mesalazine	pH dependent controlled release tablet	Phase II		☆ Crohn's disease	Oral	Licensed from Zeria Pharma.	Jointly developed with Zeria Pharma Launched in Japan for ulcerative colitis.					
CNS	KW-6002 Istradefylline	Adenosine A2a receptor antagonist	Phase Ⅲ		Parkinson's disease	Oral	In-house						
CINS	KW-6485 Topiramate	Antiepileptic drugs	Phase III		☆ Pediatric epilepsy	Oral	Licensed from Janssen Pharmaceutical K.K.	Launched in Japan for use as an epileptic drug					
Other	KW-3357 Antithrombin	Recombinant human antithrombin	Phase Ⅲ	Phase I in Europe	Disseminated intravascular coagulation, Congenital antithrombin deficiency	Injection	In-house						

Phase I

Code Name	A4 . I	S	tage	La Parattan		In-house	D Iv	
Therapeutic area	Generic Name	Mechanism of action	Japan	Other countries	Indication	Formulation	or Licensed	Remarks
	KW-2450	IGF-1 receptor signal inhibitor		Phase I / II in USA	Cancer	Oral	In-house	
	KRN330	Anti-A33 fully human antibody		Phase I / II a in USA	Cancer	Injection	In-house	
0	B I W-8962	Anti-GM2 humanized antibody		Phase I / II a in USA	Cancer	Injection	In-house	POTELLIGENT®
Oncology	KRN951 Tivozanib	VEGF receptor inhibitor	Phase I		Cancer	Oral	In-house	
	KHK2866	Anti-HB-EGF humanized antibody		Phase I in USA	Cancer	Injection	In-house	POTELLIGENT®
	LY2523355 Litronesib	M phase kinesin Eg5 inhibitor	Phase I		Cancer	Injection	In-house	World wide outlicensed to Eli Lilly for the development and commercialization LY2523355 except Japan
Nephrology	RTA 402 Bardoxolone Methyl	Antioxidant Inflammation Modulator	Phase I		Diabetic nephropathy	Oral	Licensed from Reata	
Other	KHK6188	Cannabinoid CB2 receptor agonist	Phase I		Neuropathic pain	Oral	In-house	
Other I	KRN23	Anti-FGF23 fully human antibody		Phase I in USA	X-linked hypophosphatemic rickets/osteomalacia (XLH)	Injection	In-house	

(%) KW-0761 is outlicensed to Amgen Inc. on March 6th,2008, with an exclusive right to develop and commercialize KW-0761 worldwide, except in Japan, Korea, China and Taiwan, Kyowa Hakko Kirin has retained the development and commercialization rights in th

Updated since Aug 2nd, 2011 (Area, Stage, Filed, Approved, Launched etc.)

New indication