

February 3, 2009

**Consolidated Financial Results for the Third Quarter of Fiscal 2008
(Nine-Month Period Ended December 31, 2008)**

Listed company name: KAKEN PHARMACEUTICAL Co., Ltd. Listing: Tokyo Stock Exchange First Section
 Stock code number: 4521 (URL: <http://www.kaken.co.jp>)
 Representative: Shiro Inui, President and Representative Director
 Contact: Takao Endo, Executive Director and General Manager of General Affairs Department
 Telephone: +81-3-5977-5002
 Scheduled Date to Submit the Quarterly Securities Report: February 13, 2009

(Figures less than one million yen have been omitted)

1. Consolidated Financial Results for the Nine-Month Period of Fiscal 2008 (April 1, 2008 to December 31, 2008)

(1) Consolidated Results of Operations (cumulative)

(Percentage figures indicate changes from the previous year)

	Net sales		Operating income		Ordinary income	
	(Millions of yen)	Change (%)	(Millions of yen)	Change (%)	(Millions of yen)	Change (%)
Nine-Month period of fiscal 2008	64,125	-	9,695	-	9,448	-
Nine-Month period of fiscal 2007	62,291	7.0	8,957	35.4	8,584	37.2

	Net income		Basic net income per share	Diluted net income per share
	(Millions of yen)	Change (%)	(Yen)	(Yen)
Nine-Month period of fiscal 2008	5,271	-	52.22	-
Nine-Month period of fiscal 2007	4,447	29.7	41.73	41.47

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of December 31, 2008	97,495	57,013	58.5	577.64
As of March 31, 2008	93,856	57,447	61.2	567.02

Reference:

Equity:

As of December 31, 2008: ¥ 57,013 million

As of March 31, 2008: ¥ 57,447 million

2. Dividends

(Record date)	Cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal 2007	-	10.00	-	10.00	20.00
Fiscal 2008	-	13.00	-	-	-
Fiscal 2008 (Forecast)	-	-	-	13.00	26.00

Note: Revision to the dividend forecast: None

3. Forecast of Consolidated Financial Results for Fiscal 2008 (April 1, 2008 to March 31, 2009)

(Percentage figures indicate changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	83,500	4.5	10,500	6.7	10,100	8.0	6,100	19.5	61.80

Note: Revision to the forecast of consolidated financial results: None

4. Others

- (1) Significant changes of subsidiaries during the period (Changes of specified subsidiaries followed by changes in the scope of consolidation): None
- (2) Adoption of simplified accounting methods and special accounting treatment for preparing quarterly consolidated financial statements: Yes
- (3) Changes in the accounting principles, accounting procedures, presentation, etc., related to the preparation of quarterly consolidated financial statements (to be described in the changes of significant matters that constitute the bases for the preparation of quarterly consolidated financial statements):
 - 1) Changes related to amendments of accounting standards, etc.: Yes
 - 2) Changes other than above 1): None
- (4) Issued shares (Common stock)
 - 1) Number of shares issued (including treasury stock) at the period end

Nine-Month period of fiscal 2008	101,879,461 shares
Fiscal 2007	114,879,461 shares
 - 2) Number of treasury stock at the period end

Nine-Month period of fiscal 2008	3,178,114 shares
Fiscal 2007	13,564,112 shares
 - 3) Average number of shares during the period

Nine-Month period of fiscal 2008	100,933,925 shares
Nine-Month period of fiscal 2007	106,580,785 shares

* Explanation for the appropriate use of performance forecasts and other special notes:

1. The forecast figures shown above are based on information that was available at the time of preparation of this material and may contain certain uncertainties. Actual performance may differ from these forecasts due to changes in circumstances and other various factors.

2. Effective April 1, 2008, the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14) have been adopted. The quarterly consolidated financial statements are prepared in accordance with "Regulations for Quarterly Consolidated Financial Statements."

5. Consolidated Financial Results for the Nine-Month Period of Fiscal 2008

(1) Consolidated Balance Sheets

(Unit: Millions of yen)

	Nine-Month Period of Fiscal 2008 (As of December 31, 2008)	Fiscal 2007 (As of March 31, 2008) (Summary)
ASSETS		
Current assets		
Cash on hand and at bank	8,574	8,288
Notes and accounts receivable-trade	34,863	28,043
Marketable securities	1,101	4,097
Merchandise and finished goods	5,425	4,599
Work in process	1,603	1,692
Raw materials and supplies	3,714	3,646
Other current assets	3,224	2,841
Allowance for doubtful receivables	(9)	(6)
Total current assets	58,497	53,203
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,292	18,227
Other property, plant and equipment, net	7,035	6,924
Total property, plant and equipment	25,328	25,151
Intangible non-current assets	460	495
Investment and other assets		
Investment securities	5,410	7,733
Other assets	7,799	7,274
Allowance for doubtful receivables	(0)	(0)
Total investment and other assets	13,209	15,007
Total non-current assets	38,998	40,653
TOTAL ASSETS	97,495	93,856

(Unit: Millions of yen)

	Nine-Month Period of Fiscal 2008 (As of December 31, 2008)	Fiscal 2007 (As of March 31, 2008) (Summary)
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	17,609	13,380
Short-term bank loans payable	7,210	5,380
Current portion of long-term bank loans payable	-	3,000
Accrued income taxes	1,972	2,092
Allowance		
Accrued bonuses	645	1,155
Other allowance	592	543
Other current liabilities	5,867	4,730
Total current liabilities	33,898	30,282
Non-current liabilities		
Allowance		
Accrued retirement benefits for employees	5,597	5,100
Other allowance	342	303
Other non-current liabilities	643	722
Total non-current liabilities	6,583	6,125
TOTAL LIABILITIES	40,481	36,408
NET ASSETS		
Shareholders' equity		
Common stock	23,853	23,853
Capital surplus	11,587	22,727
Retained earnings	24,390	21,440
Treasury stock	(2,917)	(11,618)
Total shareholders' equity	56,913	56,403
Valuation and translation adjustments		
Net unrealized gain on valuation of other securities, net of taxes	117	1,045
Deferred hedge gain (loss)	(17)	(0)
Total valuation and translation adjustments	100	1,044
TOTAL NET ASSETS	57,013	57,447
TOTAL LIABILITIES AND NET ASSETS	97,495	93,856

(2) Consolidated Statement of Income
(Nine-Month Period of Fiscal 2008)

(Unit: Millions of yen)

	Nine-Month Period of Fiscal 2008 (April 1, 2008 – December 31, 2008)
Net sales	64,125
Cost of sales	33,124
Gross profit	31,001
Selling, general and administrative expenses	
Promotion expense	1,132
Salaries	5,765
Bonuses	15
Provision for accrued bonuses	1,150
Welfare expense	858
Retirement benefit expense	774
Rent expense	1,244
Traveling and transportation expenses	1,111
Research and development expenses	5,235
Other selling, general and administrative expenses	4,018
Total selling, general and administrative expenses	21,305
Operating income	9,695
Non-operating income	
Interest income	34
Dividend income	113
Other non-operating income	147
Total non-operating income	296
Non-operating expense	
Interest expense	103
Amortization of net retirement benefit obligation at transition	393
Other non-operating expense	45
Total non-operating expense	543
Ordinary income	9,448
Extraordinary income	
Gain on sales of investment securities	32
Other extraordinary income	0
Total extraordinary income	33
Extraordinary losses	
Loss on disposal of non-current assets	63
Loss on devaluation of golf club membership	47
Loss on devaluation of investment securities	33
Loss on sales of investment securities	436
Other extraordinary losses	5
Total extraordinary losses	585
Income before income taxes	8,896
Income taxes	3,625
Net income	5,271

(3) Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Nine-Month Period of Fiscal 2008 (April 1, 2008 – December 31, 2008)
Cash flows from operating activities	
Income before income taxes	8,896
Depreciation	1,754
Amortization of long-term prepaid expenses	102
Increase (Decrease) in accrued retirement benefits for employees	464
Interest and dividend income	(148)
Interest expense	103
Loss on devaluation of golf club membership	47
Loss (Gain) on sales of investment securities	403
Loss (Gain) on devaluation of investment securities	33
Loss on disposal of property, plant and equipment	63
Decrease (Increase) in notes and accounts receivable -trade	(6,820)
Decrease (Increase) in inventories	(804)
Increase (Decrease) in notes and accounts payable -trade	4,228
Increase (Decrease) in accrued consumption taxes	274
Other, net	134
Subtotal	8,733
Interest and dividends received	150
Interest paid	(99)
Income taxes (paid) refunded	(3,752)
Net cash provided by operating activities	5,030
Cash flows from investing activities	
Purchase of property, plant and equipment	(2,096)
Purchase of intangible non-current assets	(76)
Purchase of investment securities	(187)
Proceeds from sales of investment securities	501
Payment of long-term prepaid expenses	(25)
Other, net	52
Net cash used in investing activities	(1,832)
Cash flows from financing activities	
Proceeds from short-term bank loans payable	1,830
Repayment of long-term bank loans payable	(3,000)
Net decrease (increase) in treasury stock	(2,439)
Cash dividends paid	(2,300)
Net cash used in financing activities	(5,909)
Effect of exchange rate changes on cash and cash equivalents	-
Net increase (decrease) in cash and cash equivalents	(2,711)
Cash and cash equivalents at beginning of period	12,386
Cash and cash equivalents at end of period	9,675