

August 4, 2009

**Consolidated Financial Results for the First Quarter of Fiscal 2009
(Three-Month Period Ended June 30, 2009)**

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: August 13, 2009
 Scheduled Date to Commence Dividends Payment -

(Figures less than one million yen have been omitted)

1. Consolidated Financial Results for the Three-Month Period of Fiscal 2009 (April 1, 2009 to June 30, 2009)

(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 (%)
Three-Month period of fiscal 2009	21,024	2.6	2,994	1.0	2,891	(1.6)
Three-Month period of fiscal 2008	20,493	-	2,964	-	2,939	-

	Net income		Basic net income per share	Diluted net income per share
	(Millions of yen)	Change (%)	(Yen)	(Yen)
Three-Month period of fiscal 2009	1,706	(2.7)	17.38	-
Three-Month period of fiscal 2008	1,754	-	17.32	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of June 30, 2009	95,220	57,564	60.5	586.33
As of March 31, 2009	94,504	56,679	60.0	577.27

Reference:

Equity:

As of June 30, 2009: ¥ 57,564 million

As of March 31, 2009: ¥ 56,679 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 2008	-	13.00	-	13.00	26.00
Fiscal 2009	-				
Fiscal 2009 (Forecast)		15.00	-	15.00	30.00

Note: Revision to the dividend forecast: None

3. Forecast of Consolidated Financial Results for Fiscal 2009 (April 1, 2009 to March 31, 2010)

(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)
Six-Month period	42,700	3.9	6,100	2.7	5,800	0.1	3,500	2.6	35.65
Full year	86,100	3.8	11,300	6.3	10,800	4.9	6,500	16.5	66.20

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.: None
 - 2) Changes other than above 1): None
- (4) Issued shares (Common stock)
 - 1) Number of shares issued (including treasury stock) at the period end

Three-Month period of fiscal 2009	101,879,461 shares
Fiscal 2008	101,879,461 shares
 - 2) Number of treasury stock at the period end

Three-Month period of fiscal 2009	3,700,619 shares
Fiscal 2008	3,695,041 shares
 - 3) Average number of shares during the period

Three-Month period of fiscal 2009	98,182,280 shares
Three-Month period of fiscal 2008	101,313,814 shares

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

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.

5. Consolidated Financial Results for the Three-Month Period of Fiscal 2009

(1) Consolidated Balance Sheets

(Unit: Millions of yen)

	Three-Month Period of Fiscal 2009 (As of June 30, 2009)	Fiscal 2008 (As of March 31, 2009) (Summary)
ASSETS		
Current assets		
Cash on hand and at bank	7,913	10,155
Notes and accounts receivable-trade	28,835	28,347
Marketable securities	4,801	2,401
Merchandise and finished goods	6,037	5,670
Work in process	1,665	1,676
Raw materials and supplies	3,281	3,599
Other current assets	2,993	3,087
Allowance for doubtful receivables	(7)	(7)
Total current assets	55,520	54,931
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,203	18,161
Other property, plant and equipment, net	7,530	7,734
Total property, plant and equipment	25,733	25,895
Intangible non-current assets	429	448
Investment and other assets		
Investment securities	5,819	5,042
Other assets	7,717	8,185
Allowance for doubtful receivables	(0)	(0)
Total investment and other assets	13,536	13,228
Total non-current assets	39,699	39,572
TOTAL ASSETS	95,220	94,504

(Unit: Millions of yen)

	Three-Month Period of Fiscal 2009 (As of June 30, 2009)	Fiscal 2008 (As of March 31, 2009) (Summary)
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	13,142	13,172
Short-term bank loans payable	8,510	7,910
Accrued income taxes	1,201	2,564
Allowance		
Accrued bonuses	573	1,162
Other allowance	543	565
Other current liabilities	7,229	5,862
Total current liabilities	31,199	31,237
Non-current liabilities		
Allowance		
Accrued retirement benefits for employees	5,475	5,598
Other allowance	353	357
Other non-current liabilities	626	631
Total non-current liabilities	6,455	6,588
TOTAL LIABILITIES	37,655	37,825
NET ASSETS		
Shareholders' equity		
Common stock	23,853	23,853
Capital surplus	11,587	11,587
Retained earnings	25,128	24,698
Treasury stock	(3,422)	(3,417)
Total shareholders' equity	57,147	56,722
Valuation and translation adjustments		
Net unrealized gain on valuation of other securities, net of taxes	417	(43)
Total valuation and translation adjustments	417	(43)
TOTAL NET ASSETS	57,564	56,679
TOTAL LIABILITIES AND NET ASSETS	95,220	94,504

(2) Consolidated Statements of Income
(Three-Month Period of Fiscal 2008 and 2009)

(Unit: Millions of yen)

	Three-Month Period of Fiscal 2008 (April 1, 2008 – June 30, 2008)	Three-Month Period of Fiscal 2009 (April 1, 2009 – June 30, 2009)
Net sales	20,493	21,024
Cost of sales	10,568	10,815
Gross profit	9,924	10,208
Selling, general and administrative expenses		
Promotion expense	364	297
Salaries	1,895	1,921
Bonuses	4	4
Provision for accrued bonuses	365	371
Welfare expense	249	230
Retirement benefit expense	257	341
Rent expense	431	395
Traveling and transportation expenses	376	333
Research and development expenses	1,623	1,975
Other selling, general and administrative expenses	1,391	1,341
Total selling, general and administrative expenses	6,960	7,213
Operating income	2,964	2,994
Non-operating income		
Interest income	12	4
Dividend income	66	53
Insurance income	32	1
Other non-operating income	40	10
Total non-operating income	151	69
Non-operating expense		
Interest expense	34	24
Amortization of net retirement benefit obligation at transition	131	131
Other non-operating expense	10	16
Total non-operating expense	175	172
Ordinary income	2,939	2,891
Extraordinary income		
Gain on sales of investment securities	32	-
Total extraordinary income	32	-
Extraordinary losses		
Loss on disposal of non-current assets	21	60
Loss on devaluation of golf club membership	3	0
Other extraordinary losses	5	-
Total extraordinary losses	30	60
Income before income taxes	2,941	2,830
Income taxes	1,187	1,124
Net income	1,754	1,706

(3) Consolidated Statements of Cash Flows

(Unit: Millions of yen)

	Three-Month Period of Fiscal 2008 (April 1, 2008 – June 30, 2008)	Three-Month Period of Fiscal 2009 (April 1, 2009 – June 30, 2009)
Cash flows from operating activities		
Income before income taxes	2,941	2,830
Depreciation	540	579
Amortization of long-term prepaid expenses	37	31
Increase (Decrease) in accrued retirement benefits for employees	134	(3)
Interest and dividend income	(79)	(57)
Interest expense	34	24
Loss on devaluation of golf club membership	3	0
Loss (Gain) on sales of investment securities	(32)	-
Loss on disposal of property, plant and equipment	21	60
Decrease (Increase) in notes and accounts receivable -trade	(201)	(488)
Decrease (Increase) in inventories	70	(36)
Increase (Decrease) in notes and accounts payable -trade	1,566	(29)
Increase (Decrease) in accrued consumption taxes	162	40
Other, net	219	518
Subtotal	5,418	3,470
Interest and dividends received	77	58
Interest paid	(20)	(24)
Income taxes (paid) refunded	(1,894)	(2,451)
Net cash provided by operating activities	3,581	1,052
Cash flows from investing activities		
Purchase of property, plant and equipment	(754)	(363)
Purchase of intangible non-current assets	(30)	(64)
Purchase of investment securities	(30)	(0)
Proceeds from sales of investment securities	185	-
Payment of long-term prepaid expenses	(12)	(1)
Other, net	10	6
Net cash used in investing activities	(632)	(422)
Cash flows from financing activities		
Proceeds from short-term bank loans payable	-	600
Net decrease (increase) in treasury stock	(5)	(4)
Cash dividends paid	(798)	(1,066)
Net cash used in financing activities	(804)	(470)
Effect of exchange rate changes on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	2,144	158
Cash and cash equivalents at beginning of period	12,386	12,556
Cash and cash equivalents at end of period	14,531	12,715