

February 6, 2013

**Consolidated Financial Results for the Third Quarter of Fiscal 2012  
(Nine-Month Period Ended December 31, 2012) [JGAAP]**

Listed company name: KAKEN PHARMACEUTICAL Co., Ltd. Listing: Tokyo Stock Exchange First Section  
Stock code number: 4521 (URL: <http://www.kaken.co.jp>)

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Scheduled Date to Submit the Quarterly Securities Report: February 13, 2013  
Scheduled Date to Commence Dividends Payment: -  
Availability of supplementary briefing material on quarterly results: Available  
Schedule of quarterly results briefing session: Not Scheduled

(Figures less than one million yen have been omitted)

**1. Consolidated Financial Results for the Nine-Month Period of Fiscal 2012 (April 1, 2012 to December 31, 2012)**

**(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 2012	66,805	(0.8)	12,135	(2.3)	11,860	(2.4)
Nine-Month period of fiscal 2011	67,353	1.9	12,420	3.2	12,148	3.8

Note:

Comprehensive income:

Nine-Month period of fiscal 2012: ¥ 7,394 million (12.8 %)

Nine-Month period of fiscal 2011: ¥ 6,552 million ((1.0) %)

	Net income		Basic net income per share	Diluted net income per share
	(Millions of yen)	Change (%)	(Yen)	(Yen)
Nine-Month period of fiscal 2012	7,380	10.9	84.57	-
Nine-Month period of fiscal 2011	6,656	(5.0)	73.99	-

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of December 31, 2012	104,514	63,605	60.9
As of March 31, 2012	105,108	62,071	59.1

Reference:

Equity:

As of December 31, 2012: ¥ 63,605 million

As of March 31, 2012: ¥ 62,071 million

## 2. Dividends

	Annual cash dividends				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal 2011	-	20.00	-	20.00	40.00
Fiscal 2012	-	22.00	-		
Fiscal 2012 (Forecast)				22.00	44.00

Note: Revision to the dividend forecast from recently announced figures: None

## 3. Forecast of Consolidated Results for Fiscal 2012 (April 1, 2012 to March 31, 2013)

(Percentage figures indicate changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Basic net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	88,900	1.0	15,400	1.4	14,900	0.7	9,300	12.3	107.70

Note: Revision to the forecast of consolidated results from recently announced figures: None

### \* Notes

- (1) Significant changes of subsidiaries during the period (Changes of specified subsidiaries followed by changes in the scope of consolidation): None
- (2) Adoption of special accounting treatment for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and corrections of errors
  - 1) Changes in accounting policies related to amendments of accounting standards, etc.: Yes
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: Yes
  - 4) Corrections of errors: None

(Note) Changes have been made under Article 10-5 of "Ordinance on Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements."

### (4) Issued shares (Common stock)

1) Number of shares issued (including treasury stock) at the period end	Nine-Month period of fiscal 2012	101,879,461 shares	Fiscal 2011	101,879,461 shares
2) Number of treasury stock at the period end	Nine-Month period of fiscal 2012	15,530,381 shares	Fiscal 2011	13,498,376 shares
3) Average number of shares during the period	Nine-Month period of fiscal 2012	87,270,866 shares	Nine-Month period of fiscal 2011	89,971,476 shares

### \* Status of execution of the quarterly review procedures of financial results:

These quarterly financial results are prepared outside the quarterly review required under the Financial Instruments and Exchange Act. As such, the quarterly review required under the Financial Instruments and Exchange Act has not been completed at the time of the disclosure of these quarterly financial results.

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

The performance forecasts and other descriptions on future events presented in this material are based on information that was available when this material was prepared and based on certain assumptions considered to be reasonable. The actual performance, etc. may differ from these forecasts.

#### 4. Consolidated Financial Results for the Nine-Month Period of Fiscal 2012

##### (1) Consolidated balance sheets

(Unit: Millions of yen)

	Fiscal 2011 (As of March 31, 2012)	Nine-Month Period of Fiscal 2012 (As of December 31, 2012)
<b>Assets</b>		
Current assets		
Cash and deposits	9,543	7,251
Notes and accounts receivable-trade	32,032	33,600
Short-term investment securities	8,308	5,209
Merchandise and finished goods	5,953	5,541
Work in process	1,573	2,072
Raw materials and supplies	3,398	4,163
Other	2,407	2,383
Allowance for doubtful accounts	(3)	(3)
<b>Total current assets</b>	<b>63,214</b>	<b>60,219</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	16,724	16,286
Other, net	11,644	12,812
<b>Total property, plant and equipment</b>	<b>28,368</b>	<b>29,098</b>
Intangible assets	966	759
Investments and other assets		
Investment securities	6,422	7,217
Other	6,136	7,219
Allowance for doubtful accounts	(0)	(0)
<b>Total investments and other assets</b>	<b>12,558</b>	<b>14,437</b>
<b>Total noncurrent assets</b>	<b>41,893</b>	<b>44,294</b>
<b>Total assets</b>	<b>105,108</b>	<b>104,514</b>

(Unit: Millions of yen)

	Fiscal 2011 (As of March 31, 2012)	Nine-Month Period of Fiscal 2012 (As of December 31, 2012)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	16,331	17,004
Short-term loans payable	8,390	8,390
Income taxes payable	3,420	1,528
Provision		
Provision for bonuses	1,088	659
Other provision	632	593
Other	6,490	5,774
Total current liabilities	36,354	33,950
Noncurrent liabilities		
Provision		
Provision for retirement benefits	5,753	5,961
Other provision	390	3
Other	538	993
Total noncurrent liabilities	6,682	6,957
Total liabilities	43,036	40,908
Net assets		
Shareholders' equity		
Capital stock	23,853	23,853
Capital surplus	11,587	11,587
Retained earnings	38,672	42,385
Treasury stock	(12,592)	(14,784)
Total shareholders' equity	61,520	63,041
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	550	564
Total accumulated other comprehensive income	550	564
Total net assets	62,071	63,605
Total liabilities and net assets	105,108	104,514

**(2) Consolidated statements of income and comprehensive income**  
**(Consolidated statements of income)**  
**(Nine-month period of fiscal 2011 and 2012)**

(Unit: Millions of yen)

	Nine-Month Period of Fiscal 2011 (April 1, 2011 – December 31, 2011)	Nine-Month Period of Fiscal 2012 (April 1, 2012 – December 31, 2012)
Net sales	67,353	66,805
Cost of sales	34,183	34,092
Gross profit	33,170	32,712
Selling, general and administrative expenses		
Promotion expenses	914	738
Salaries	5,809	5,875
Bonuses and provision for bonuses	1,220	1,234
Welfare expenses	863	878
Retirement benefit expenses	1,008	886
Rent expenses	1,079	1,089
Traveling and transportation expenses	1,051	982
Research and development expenses	4,796	4,783
Other	4,005	4,107
Total selling, general and administrative expenses	20,749	20,576
Operating income	12,420	12,135
Non-operating income		
Interest income	8	8
Dividends income	133	140
Other	54	43
Total non-operating income	197	192
Non-operating expenses		
Interest expenses	52	52
Amortization of net retirement benefit obligation at transition	393	393
Other	22	21
Total non-operating expenses	468	467
Ordinary income	12,148	11,860
Extraordinary income		
Gain on sales of investment securities	–	31
Other	–	3
Total extraordinary income	–	34
Extraordinary loss		
Loss on retirement of noncurrent assets	91	87
Loss on valuation of investment securities	267	–
Loss on valuation of golf club membership	5	3
Other	0	–
Total extraordinary losses	364	90
Income before income taxes and minority interests	11,783	11,804
Income taxes	5,126	4,424
Income before minority interests	6,656	7,380
Net income	6,656	7,380

**(Consolidated statements of comprehensive income)**  
**(Nine-month period of fiscal 2011 and 2012)**

(Unit: Millions of yen)

	Nine-Month Period of Fiscal 2011 (April 1, 2011 – December 31, 2011)	Nine-Month Period of Fiscal 2012 (April 1, 2012 – December 31, 2012)
Income before minority interests	6,656	7,380
Other comprehensive income		
Valuation difference on available-for-sale securities	(104)	14
Total other comprehensive income	(104)	14
Comprehensive income	6,552	7,394
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	6,552	7,394