

## Annual Flash Report (unaudited)

Fiscal Year ended March 31, 2015

# Consolidated Statement of Cash Flows

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

|  | Millions of yen  |                  | Thousands of US\$ |
|--|------------------|------------------|-------------------|
|  | 2014             | 2015             | 2015              |
| <b>Cash flows from operating activities</b>                          |                  |                  |                   |
| Profit before tax  | ¥ 29,464         | ¥ 18,305         | \$ 152,541        |
| Depreciation and amortization  | 5,109            | 6,100            | 50,837            |
| Impairment losses  | 2,016            | 560              | 4,668             |
| Interest and dividend income   | (2,584)          | (2,528)          | (21,069)          |
| Interest expense   | 14               | 13               | 112               |
| Increase in inventories  | (1,036)          | (1,541)          | (12,839)          |
| Decrease in trade and other receivables                              | 1,156            | 282              | 2,353             |
| Increase in trade and other payables                                 | 990              | 3,999            | 33,329            |
| Increase in retirement benefit liabilities                           | 515              | 526              | 4,387             |
| Decrease in retirement benefit assets                                | 1,035            | 915              | 7,629             |
| Increase in long-term advances received                              | –                | 6,724            | 56,030            |
| Other  | (93)             | 327              | 2,729             |
| Subtotal   | 36,585           | 33,685           | 280,707           |
| Interest received  | 667              | 450              | 3,747             |
| Dividends received   | 2,046            | 2,138            | 17,816            |
| Interest paid  | (14)             | (13)             | (112)             |
| Income taxes paid  | (10,862)         | (4,680)          | (38,997)          |
| <b>Net cash provided by operating activities</b>                     | <b>28,422</b>    | <b>31,579</b>    | <b>263,160</b>    |
| <b>Cash flows from investing activities</b>                          |                  |                  |                   |
| Purchases of property, plant and equipment                           | (5,816)          | (17,540)         | (146,168)         |
| Proceeds from sales of property, plant and equipment                 | 7                | 1                | 9                 |
| Purchases of intangible assets                                       | (7,041)          | (13,578)         | (113,151)         |
| Purchases of investments   | (31,353)         | (3,677)          | (30,640)          |
| Proceeds from sales and redemption of investments                    | 51,526           | 22,396           | 186,634           |
| Other  | (398)            | (358)            | (2,984)           |
| <b>Net cash provided by (used in) investing activities</b>           | <b>6,926</b>     | <b>(12,756)</b>  | <b>(106,300)</b>  |
| <b>Cash flows from financing activities</b>                          |                  |                  |                   |
| Dividends paid to owners of the parent company                       | (19,073)         | (19,060)         | (158,833)         |
| Dividends paid to non-controlling interests                          | (3)              | (4)              | (34)              |
| Repayments of long-term borrowings                                   | (515)            | (487)            | (4,057)           |
| Net decrease in short-term borrowings                                | (2)              | (19)             | (161)             |
| Purchases of treasury shares   | (42)             | (33)             | (272)             |
| <b>Net cash used in financing activities</b>                         | <b>(19,636)</b>  | <b>(19,603)</b>  | <b>(163,358)</b>  |
| <b>Net increase (decrease) in cash and cash equivalents</b>          | <b>15,712</b>    | <b>(780)</b>     | <b>(6,498)</b>    |
| <b>Cash and cash equivalents at the beginning of the year</b>        | <b>89,117</b>    | <b>104,898</b>   | <b>874,148</b>    |
| <b>Effects of exchange rate changes on cash and cash equivalents</b> | <b>69</b>        | <b>104</b>       | <b>869</b>        |
| <b>Cash and cash equivalents at the end of the year</b>              | <b>¥ 104,898</b> | <b>¥ 104,222</b> | <b>\$ 868,520</b> |