

Annual Flash Report (unaudited)

Fiscal Year ended March 31, 2017

**Comparison to business results of the previous fiscal year
excluding the impact of retirement benefits plan revision**

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

Supplemental Data

For information purpose only

The Retirement Benefits Plan Revision was agreed between labor and management in April 2015. For previous 1st quarter ended June 30, 2015, the company computed actuarial calculations based on the revised retirement benefits plan and past service costs of retirement benefits obligations. As a result, for previous 1st quarter ended June 30, 2015, cost of sales decreased by 4 hundreds of millions of yen, research and development costs decreased by 22 hundreds of millions of yen, and selling, general, and administrative expenses decreased by 37 hundreds of millions of yen respectively, due to the effect of past service costs by the retirement benefits plan revision. Operating profit increased by 63 hundreds of millions of yen. The consolidated statement of income for the year ended March 31, 2016 excluding this impact and the year ended March 31, 2017 are as follows.

	(Hundreds of Millions of yen)					
	Year ended March 31, 2016			Year ended March 31, 2017		
	Actual	Actual excluding the Impact of Retirement Benefits Plan Revision	Actual	Changes	Changes excluding the Impact of Retirement Benefits Plan Revision in previous year	
Revenue	¥ 1,603	¥ 1,603	¥ 2,448	52.7 %	52.7 %	
Cost of sales	(415)	(420)	(655)	57.8 %	56.2 %	
Gross profit	1,188	1,183	1,793	51.0 %	51.5 %	
Selling, general, and administrative expenses	(440)	(476)	(620)	41.1 %	30.3 %	
Research and development costs	(434)	(456)	(575)	32.6 %	26.1 %	
Operating profit	305	242	723	136.9 %	198.6 %	
Profit before tax	333	270	745	124.0 %	176.3 %	
Income tax expense	(81)	(62)	(185)	129.0 %	200.7 %	
Profit for the period	252	208	560	122.4 %	169.1 %	
Profit for the period attributable to:						
Owners of the parent company	250	206	558	123.4 %	170.7 %	