

(English Translation)

**Consolidated Financial Results**  
**for the Second Quarter of the Fiscal Year Ending March 31, 2015 (under Japan GAAP)**

November 5, 2014

Company name: Nichi-Iko Pharmaceutical Co., Ltd.      Stock exchange listings:  
Tokyo Stock Exchange

Securities code: 4541      (URL <http://www.nichiiko.co.jp/>)

Representative: Yuichi Tamura  
President and CEO

Contact: Noboru Inasaka      Tel: 076-432-2121  
Board of Senior Director, Head of  
Administrative Division

Scheduled date of filing of quarterly report: November 14, 2014

Scheduled date of commencement of dividend payment: December 9, 2014

Presentation of supplementary materials on quarterly financial results: Yes

Holding of quarterly financial presentation meeting: Yes

(Note that all amounts have been rounded down to the nearest one million yen.)

**1. Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2015 (From April 1, 2014 to September 30, 2014)**

(1) Consolidated Results of Operations (cumulative)

(Percentage figures represent changes from the same period of the previous fiscal year)

	Net sales	Operating income	Ordinary income	Net income
Second quarter of fiscal year ending March 31, 2015	¥60,949 million (23.1%)	¥4,410 million (18.6%)	¥4,370 million (21.0%)	¥3,007 million (34.0%)
Second quarter of fiscal year ended March 31, 2014	¥49,526 million (7.9%)	¥3,718 million (1.3%)	¥3,613 million (-3.1%)	¥2,244 million (2.8%)

(Note)

Comprehensive income:

Second Quarter of Fiscal Year Ending March 31, 2015: 3,474 million yen (46.8%)

Second Quarter of Fiscal Year Ended March 31, 2014: 2,366 million yen (7.2%)

	Net income per share	Net income (fully diluted) per share
Second quarter of fiscal year ending March 31, 2015	¥50.29	¥50.25
Second quarter of fiscal year ended March 31, 2014	¥56.32	¥56.27

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
Second quarter of fiscal year ending March 31, 2015	¥126,817 million	¥69,116 million	54.4%	¥1,158.27
Fiscal year ended March 31, 2014	¥129,130 million	¥66,195 million	51.2%	¥1,112.19

(Reference)

Equity:

Second Quarter of Fiscal Year Ending March 31, 2015: 68,993 million yen

Fiscal Year Ended March 31, 2014: 66,115 million yen

**2. Dividends**

	Annual dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Total
Fiscal year ended March 31, 2014	¥-	¥16.00	¥-	¥12.30	¥28.30
Fiscal year ending March 31, 2015	¥-	¥12.30			
Fiscal year ending March 31, 2015 (forecast)			¥-	¥14.30	¥26.60

(Note)

Revisions to recently announced dividends forecast: None

**3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2015 (From April 1, 2014 to March 31, 2015)**

(Percentage figures represent changes from the same period of the previous fiscal year)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Annual	¥123,000 million (18.7%)	¥9,300 million (25.9%)	¥9,000 million (27.0%)	¥5,900 million (28.6%)	¥98.67

(Note)

Revisions to recently announced forecast of financial results: None

**\*Notes**

- (1) Changes in significant subsidiaries during the consolidated cumulative quarter under review (changes in specified subsidiaries resulting in change in scope of consolidation): None

*(Note)*

*For details, please refer to "(1) Changes in Significant Subsidiaries during the Consolidated Cumulative Quarter under Review" in "2. Matters Related to Summary Information (Notes)" on page 3 of the Attachment.*

- (2) Application of accounting treatment specific to preparation of quarterly consolidated financial statements: Applicable

*(Note)*

*For details, please refer to "(2) Application of Accounting Treatment Specific to Preparation of Quarterly Consolidated Financial Statements" in "2. Matters Related to Summary Information (Notes)" on page 3 of the Attachment.*

- (3) Changes in accounting policies and changes in accounting estimates and restatement of prior period financial statements after error corrections

- |  |     |
|--|-----|
| (i) Changes in accounting policies due to revisions to accounting standards and other regulations, etc.: | Yes |
| (ii) Changes in accounting policies due to other reasons:  | Yes |
| (iii) Changes in accounting estimates:   | Yes |
| (iv) Restatements of prior period financial statements after error corrections:                          | No  |

*(Note)*

*For details, please refer to "(3) Changes in Accounting Policies and Changes in Accounting Estimates and Restatement of Prior Period Financial Statements after Error Corrections" in "2. Matters Related to Summary Information (Notes)" on page 3 of the Attachment.*

- (4) Total number of issued shares (common stock)

- |   |                   |
|---|-------------------|
| (i) Total number of issued shares as of the end of the period (including treasury stock): |                   |
| As of September 30, 2014:   | 60,662,652 shares |
| As of March 31, 2014:   | 60,662,652 shares |
| (ii) Number of treasury stock as of the end of the period:                                |                   |
| As of September 30, 2014:   | 1,010,598 shares  |
| As of March 31, 2014:   | 1,081,597 shares  |
| (iii) Average number of shares during the period (cumulative quarter):                    |                   |
| Second quarter of fiscal year ending March 31, 2015                                       | 59,790,379 shares |
| Second quarter of fiscal year ended March 31, 2014  | 39,853,215 shares |

*(Note)*

*Number of treasury stock as of the end of the period includes shares held by Employee Shareholding Incentive Plan.*

**\* Presentation of implementation status for quarterly review procedures**

This quarterly financial summary is not included in quarterly review procedures under the Financial Instruments and Exchange Act. The reviewing procedures for quarterly consolidated financial statements under the Financial Instruments and Exchange Act have not been completed at the time of release of this quarterly financial summary.

**\* Explanation on the appropriate usage of forecast of financial results, and other specific matters**

(Considerations on forward-looking statements)

1. The forward-looking statements including forecast of financial results contained in these materials are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. As such, they do not constitute the Company's guarantee that such results would be achieved. Actual business and other results may differ substantially from the forecasts provided in these materials as a result of various factors. For a description of the conditions underlying the forecast of financial results and considerations on usage of forecast of financial results, please refer to "*(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-looking Statements*" in "*1. Qualitative Information on Financial Results for the Quarter under Review*" on page 3 of the Attachment.
2. Supplementary materials for financial results will be provided on the website of the Company on Wednesday, November 5, 2014.

○ Attachment - Contents

1. Qualitative Information on Financial Results for the Quarter under Review.....	2
(1) Explanation on Operating Results.....	2
(2) Explanation on Financial Position .....	3
(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-looking Statements .....	3
2. Matters Related to Summary Information (Notes) .....	3
(1) Changes in Significant Subsidiaries during the Consolidated Cumulative Quarter under Review .....	3
(2) Application of Accounting Treatment Specific to Preparation of Quarterly Consolidated Financial Statements .....	3
(3) Changes in Accounting Policies and Changes in Accounting Estimates and Restatement of Prior Period Financial Statements after Error Corrections .....	3
3. Quarterly Consolidated Financial Statements.....	5
(1) Quarterly Consolidated Balance Sheet .....	5
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income .....	7
(Quarterly Consolidated Statements of Income) (Second Quarter Consolidated Cumulative Period).....	7
(Quarterly Consolidated Statements of Comprehensive Income) (Second Quarter Consolidated Cumulative Period).....	8
(3) Quarterly Consolidated Statements of Cash Flows.....	9
(4) Notes to Quarterly Consolidated Financial Statements .....	11
(Notes on premise of going concern).....	11
(Notes on significant changes in the amount of shareholders' equity) .....	11
(Segment information, etc.) .....	11

## 1. Qualitative Information on Financial Results for the Quarter under Review

### (1) Explanation on Operating Results

Although one view of the Japanese economy during the second quarter consolidated cumulative period is that there will be a steady economic recovery moving into next year, there continues to be concerns about the recovery stalling due to a recoil from the last-minute demand preceding the rise in consumption tax and poor weather conditions.

In the pharmaceuticals industry, the Ministry of Health, Labour and Welfare aimed for generic drugs to account for 60% of the volume of drugs by the year ending March 2018 as set forth in the Roadmap for Promotion of Use of Generic Pharmaceuticals, and has promoted use of generic drugs through such means as increasing the points for the generic drug dispensing incentives and adding generic drug share by volume as a new coefficient to the function evaluation coefficient II for evaluation of hospitals with the DPC payment system in the revision to a medical fee system being implemented in April 2014.

Given this environment, the Company commenced operations at the Shizuoka Plant of its subsidiary, Nichi-Iko Pharma Tech Co., Ltd. in April 2014, and is working to expand the production capacities with the aim of 11 billion tablets and 100 million injections. With the aim of maximizing profits, the Company established the Profit Management Department in October 2014 as an organization performing cost management, analysis of the effect of capital investment and financial investment, and timely provision of analytical information.

By establishing and expanding the framework for ensuring stable supply and appropriate profits including the measures above, the Company is aiming for net sales of 137.2 billion yen and operating income of 12.5 billion yen in the fiscal year ending March 2016, which is the final year of the 6th Medium-term Business Plan "Pyramid" which was subject to an interim revision.

Also, with respect to the products listed on the supplemental official drug list of June 2014, the Company started the distribution of high-volume listing Valsartan Tablets 20mg "Nichiiko", 40mg "Nichiiko", 80mg "Nichiiko" and 160mg "Nichiiko", Losarhyd LD "Nichiiko", Zoledronic Acid Injection 4mg/100mL Bag "Nichiiko" and Injection 4mg/5mL "Nichiiko", DECADRON Tablets 4mg, Pranlukast Capsules 225mg "Nichiiko", Atorvastatin Tablets 20mg "Nichiiko" and Tocopherol Nicotinate Capsules 200mg "Nichiiko".

Following this, in August 2014, the Company obtained approval to manufacture and distribute high-volume listing Candesartan Tablets 2mg "Nichiiko", 4mg "Nichiiko", 8mg "Nichiiko" and 12mg "Nichiiko", Levofloxacin Tablets 250mg "Nichiiko P" and 500mg "Nichiiko P", Pranlukast Tablets 112.5mg "Nichiiko" and 225mg "Nichiiko", Zolpidem Tartrate OD Tablets 5mg "Nichiiko" and 10mg "Nichiiko", Pitavastatin Calcium Tablets 4mg "Nichiiko", Enalapril Maleate Tablets 2.5mg "NikP", 5mg "NikP" and 10mg "NikP", Levofloxacin Ophthalmic Solution 1.5% "Nichiiko", Oxaliplatin Infusion 50mg "Nichiiko" and 100mg "Nichiiko", Gemcitabine Infusion 200mg "Nichiiko" and 1g "Nichiiko".

Consequently, the results of the second quarter consolidated cumulative period showed increased revenue and earnings with net sales of 60,949 million yen (23.1% increase from the same period of the previous fiscal year), operating income of 4,410 million yen (18.6% increase from the same period of the previous fiscal year), ordinary income of 4,370 million yen (21.0% increase from the same period of the previous fiscal year), and net income of 3,007 million yen (34.0% increase from the same period of the previous fiscal year).

(2) Explanation on Financial Position

As of the end of this second quarter under review, total assets on a consolidated basis decreased by 2,312 million yen from the previous fiscal year-end and ran up to 126,817 million yen. This was attributable to cash and deposits decreasing by 9,863 million yen, notes and accounts receivable decreasing by 1,584 million yen, inventories increasing by 3,624 million yen, buildings and structures increasing by 2,013 million yen, land increasing by 1,524 million yen, machinery and equipment increasing by 1,012 million yen, and investment securities increasing by 1,195 million yen.

Liabilities on a consolidated basis decreased by 5,233 million yen from the previous fiscal year-end and ran up to 57,701 million yen. This was attributable to loans payable decreasing by 10,545 million yen, notes and accounts payable increasing by 1,530 million yen, other payable increasing by 659 million yen and electronically recorded debts increasing by 1,772 million yen.

Net assets increased by 2,921 million yen from the end of the previous fiscal year to 69,116 million yen due to retained earnings increasing by 2,292 million yen and valuation difference on available-for-sale securities increasing by 457 million yen.

(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-looking Statements

There is no change to the forecast of consolidated financial results announced on May 12, 2014.

2. Matters Related to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Consolidated Cumulative Quarter under Review

Nichi-Iko Pharma Tech Co., Ltd. was included in the scope of consolidation due to stock acquisition which took place in the first quarter.

(2) Application of Accounting Treatment Specific to Preparation of Quarterly Consolidated Financial Statements

Tax expenses are calculated by multiplying the net income for the term before provision for income taxes by an estimated effective tax rate that is reasonably estimated after applying tax effect accounting to the net income before provision for income taxes for the consolidated fiscal year including the second quarter under review.

Income taxes - deferred are included in income taxes and recorded.

(3) Changes in Accounting Policies and Changes in Accounting Estimates and Restatement of Prior Period Financial Statements after Error Corrections

(Changes in accounting policies)

(Application of Accounting Standard for Retirement Benefits)

The Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012. Hereafter, "Retirement Benefits Accounting Standard") and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012. Hereafter, "Guidance on Retirement Benefits") have been applied to the language in Paragraph 35 of the Retirement Benefits Accounting Standard and the language in Paragraph 67 of the Guidance on Retirement Benefits from the first quarter. Specifically, this involves (1) revising the method of calculating retirement benefit obligations and service costs, (2) changing the method of calculating the period of attribution of projected retirement benefits from being based on a fixed amount for the period to being based on the calculation of benefits, and (3) changing the method for determining the discount rate from a method based on the approximated average number of years of service remaining to a method using a single weighted average discount rate reflecting the projected

payment period for retirement benefits and the amount for each projected payment period.

The application of the Retirement Benefit Accounting Standard and the related Guidance adhere to the staged application stipulated in Paragraph 37 of the Retirement Benefit Accounting Standard, and adjustments for the impact resulting from the changes in the method of calculating retirement benefit obligations and service costs were taken into account in retained earnings at the start of the second quarter consolidated cumulative period.

As a result, net defined benefit liability decreased by 28 million yen at the start of the second quarter consolidated cumulative period, and retained earnings increased by 18 million yen. Furthermore, the impact of the change on operating income, ordinary income and net income before provision for income taxes during the second quarter consolidated cumulative period is minimal.

(Application of the Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts)

The Company applied the "Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts" (Practical Solution No. 30, December 25, 2013) from the first quarter consolidated period. Accounting pertaining to the trust agreement concluded before the start of the first year the Practical Solution was applied has no impact on the quarterly consolidated financial statements due to application of the Practical Solution as a result of the continuation of the existing method in accordance with the staged application stipulated in Paragraph 20 of the Practical Solution.

(Change in the Method of Depreciation of Property, Plant and Equipment)

In the past, the Company and its consolidated subsidiaries primarily used the declining balance method as the method of depreciation of property, plant and equipment (however, the straight-line method was used for buildings (excluding accompanying facilities) acquired on or after April 1, 1998), but this was changed to the straight-line method from the first quarter consolidated period.

Accordingly, as a result of consideration of the use of property, plant and equipment by the Group due to the full-scale implementation of the capital investment plan included in the four-year medium-term business plan "Pyramid" announced by the Group in March 2012, launched from the first quarter consolidated period, new investment and strengthening of property, plant and equipment was confirmed to contribute to more stable operation because property, plant and equipment is generally operated stably in the Group and the products manufactured thereby bring about stable earnings in the long term. Therefore, allocation of expenses by amortization by straight-line method over the useful life was deemed to reflect the Group's actual usage of property, plant and equipment more accurately, and a decision was made to change to the straight-line method from the first quarter consolidated period.

As a result, operating income increased by 405 million yen, ordinary income increased by 406 million yen and net income before provision for income taxes increased by 405 million yen in the second quarter consolidated cumulative period.



3. Quarterly Consolidated Financial Statements  
(1) Quarterly Consolidated Balance Sheet

	(in millions of yen)	
	Fiscal year ended March 31, 2014 (as of March 31, 2014)	Second quarter of fiscal year ending March 31, 2015 (as of September 30, 2014)
Assets		
Current assets		
Cash and deposits	21,695	11,831
Notes and accounts receivable	27,857	26,273
Securities	1	-
Merchandise and finished goods	19,480	22,674
Work in process	5,985	5,496
Raw materials and supplies	7,183	8,102
Deferred tax assets	522	524
Other current assets	909	617
Allowance for doubtful accounts	(63)	(106)
Total current assets	83,572	75,414
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	14,818	16,831
Machinery and equipment, net	6,963	7,976
Tools, furniture and fixtures, net	711	1,009
Land	4,439	5,964
Lease assets, net	1,894	2,065
Construction in progress	922	165
Total property, plant and equipment	29,750	34,012
Intangible assets		
Goodwill	1,287	1,182
Lease assets	519	415
Other intangible assets	1,755	2,690
Total intangible assets	3,563	4,288
Investments and other assets		
Investment securities	8,568	9,764
Long-term loans receivable	1,932	2,054
Deferred tax assets	488	185
Other assets	1,401	1,488
Allowance for doubtful accounts	(147)	(392)
Total investments and other assets	12,244	13,101
Total fixed assets	45,558	51,403
Total assets	129,130	126,817

	(in millions of yen)	
	Fiscal year ended March 31, 2014 (as of March 31, 2014)	Second quarter of fiscal year ending March 31, 2015 (as of September 30, 2014)
Liabilities		
Current liabilities		
Notes and accounts payable	12,996	14,526
Electronically recorded debts	9,939	11,711
Short-term loans payable	11,856	3,160
Current portion of long-term loans payable	3,512	3,512
Lease debts	966	978
Other payable	5,078	5,737
Accrued expenses	473	659
Income taxes payable	729	1,610
Deposits payable	59	74
Allowance for sales returns	85	73
Allowance for bonuses	558	759
Other current liabilities	465	244
Total current liabilities	46,721	43,049
Fixed liabilities		
Long-term loans payable	10,975	9,125
Lease debts	1,616	1,684
Deferred tax liabilities	13	193
Deferred tax liabilities for land revaluation	255	255
Net defined benefit liability	3,290	3,351
Asset retirement obligations	55	36
Other fixed liabilities	7	5
Total fixed liabilities	16,213	14,652
Total liabilities	62,935	57,701
Net assets		
Shareholders' equity		
Common stock	19,976	19,976
Capital surplus	18,678	18,673
Retained earnings	28,061	30,354
Treasury stock	(1,753)	(1,630)
Deposit on subscriptions to treasury stock	0	-
Total shareholders' equity	64,962	67,372
Other comprehensive income		
Valuation difference on available-for-sale securities	161	618
Revaluation reserve for land	297	297
Foreign currency translation adjustment	792	790
Accumulated adjustments in retirement benefits	(97)	(86)
Total other comprehensive income	1,153	1,620
Stock acquisition rights	79	122
Total net assets	66,195	69,116
Total liabilities and net assets	129,130	126,817

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income  
(Quarterly Consolidated Statements of Income)

(Second Quarter Consolidated Cumulative Period)

	(in millions of yen)	
	First half of previous fiscal year (from April 1, 2013 to September 30, 2013)	First half of current fiscal year (from April 1, 2014 to September 30, 2014)
Net sales	49,526	60,949
Cost of sales	30,455	38,469
Gross profit	19,070	22,479
Allowance for sales returns	15	-
Reversal of allowance for sales returns	-	12
Gross profit, net	19,055	22,491
Selling, general and administrative expenses	15,337	18,081
Operating income	3,718	4,410
Non-operating income		
Interest income	8	15
Dividends income	16	22
Income from subsidies	60	1
Reimbursement for joint development cost	1	43
Foreign exchange gains	27	125
Others	125	125
Total non-operating income	238	335
Non-operating expenses		
Interest payment	69	58
Commissions paid	21	21
Loss on sales of accounts receivables	47	70
Equity in losses of affiliates	161	195
Others	43	29
Total non-operating expenses	343	374
Ordinary income	3,613	4,370
Extraordinary income		
Gain on sales of fixed assets	1	0
Gains on negative goodwill	-	270
Total extraordinary income	1	270
Extraordinary loss		
Loss on disposal of fixed assets	4	94
Loss on valuation of investment securities	4	-
Total extraordinary loss	9	94
Net income before provision for income taxes	3,605	4,547
Income taxes	1,360	1,540
Income before minority interests	2,244	3,007
Net income	2,244	3,007

(Quarterly Consolidated Statements of Comprehensive Income)

(Second Quarter Consolidated Cumulative Period)

	(in millions of yen)	
	First half of previous fiscal year (from April 1, 2013 to September 30, 2013)	First half of current fiscal year (from April 1, 2014 to September 30, 2014)
Income before minority interests	2,244	3,007
Other comprehensive income		
Valuation difference on available-for-sale securities	25	496
Share of other comprehensive income of affiliates accounted for using equity method	96	(42)
Adjustments in retirement benefits	-	13
Total other comprehensive income	122	467
Comprehensive income	2,366	3,474
(Comprehensive income attributable to:)		
Comprehensive income attributable to shareholders of the parent company	2,366	3,474
Comprehensive income attributable to minority interests	-	-

### (3) Quarterly Consolidated Statements of Cash Flows

	(in millions of yen)	
	First half of previous fiscal year (from April 1, 2013 to September 30, 2013)	First half of current fiscal year (from April 1, 2014 to September 30, 2014)
Cash flows from operating activities		
Net income before provision for income taxes	3,605	4,547
Depreciation	2,811	2,393
Amortization of goodwill	116	105
Gain on negative goodwill	-	(270)
Increase (decrease) in allowance for doubtful accounts	(94)	288
Increase (decrease) in allowance for retirement benefits	(12)	-
Increase (decrease) in net defined benefit liability	-	109
Increase (decrease) in allowance for sales returns	15	(12)
Increase (decrease) in allowance for bonuses	2	201
Interest and dividends income	(24)	(38)
Interest payment	69	58
Loss (gain) on sales of fixed assets	(1)	(0)
Loss (gain) on disposal of fixed assets	4	94
Equity in (earnings) losses of affiliates	161	195
Loss (gain) on valuation of investment securities	4	-
(Increase) decrease in accounts receivable	(108)	1,515
(Increase) decrease in inventories assets	(1,822)	(3,575)
Increase (decrease) in accounts payable	(3,389)	3,302
Increase (decrease) in accrued expenses	(135)	161
Other	313	457
Sub-total	<u>1,515</u>	<u>9,533</u>
Interest and dividends received	81	98
Interest payment	(72)	(58)
Income taxes paid	(2,157)	(650)
Net cash provided by (used in) operating activities	<u>(633)</u>	<u>8,922</u>
Cash flows from investing activities		
Deposits in fixed deposits	(3)	(3)
Acquisition of property, plant and equipment	(3,042)	(1,643)
Sales of property, plant and equipment	1	0
Retirement of property, plant and equipment	-	(78)
Acquisition of intangible assets	(1)	(1,096)
Acquisition of investments in subsidiaries resulting in change in scope of consolidation	-	(3,341)
Acquisition of investment securities	(364)	(691)
Sales of investment securities	223	1
Proceeds from loans receivable	26	8
Other	(83)	(165)
Net cash provided by (used in) investing activities	<u>(3,242)</u>	<u>(7,009)</u>
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	6,203	(8,696)
Proceeds from long-term loans payable	2,200	-
Repayment of long-term loans payable	(1,486)	(1,849)
Acquisition of treasury stock	(0)	(1)
Sales of treasury stock	83	108

	(in millions of yen)	
	First half of previous fiscal year (from April 1, 2013 to September 30, 2013)	First half of current fiscal year (from April 1, 2014 to September 30, 2014)
Acquisition of treasury stock acquisition rights	-	(87)
Proceeds from exercise of stock option	0	-
Repayments of finance lease debts	(479)	(519)
Dividends paid	(634)	(734)
Net cash provided by (used in) financing activities	5,885	(11,779)
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	2,008	(9,866)
Cash and cash equivalents at beginning of period	4,889	21,269
Cash and cash equivalents at end of period	6,897	11,403

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on premise of going concern)

Not applicable.

(Notes on significant changes in the amount of shareholders' equity)

Not applicable.

(Segment information, etc.)

[Segment information]

- I First half of previous fiscal year (from April 1, 2013 to September 30, 2013)  
The Company and its consolidated subsidiaries have a single segment related to pharmaceutical business, and therefore the statement is omitted.
  
- II First half of current fiscal year (from April 1, 2014 to September 30, 2014)  
The Company and its consolidated subsidiaries have a single segment related to pharmaceutical business, and therefore the statement is omitted.