

FUJIREBIO INC.
TRANSITIONAL THREE-MONTH
FINANCIAL REPORT
(2005 JAN-MAR)
Supplementary Information

2005/5/27

FUJIREBIO INC.

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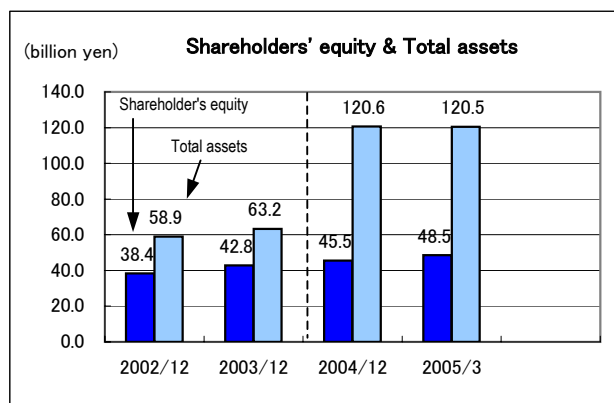
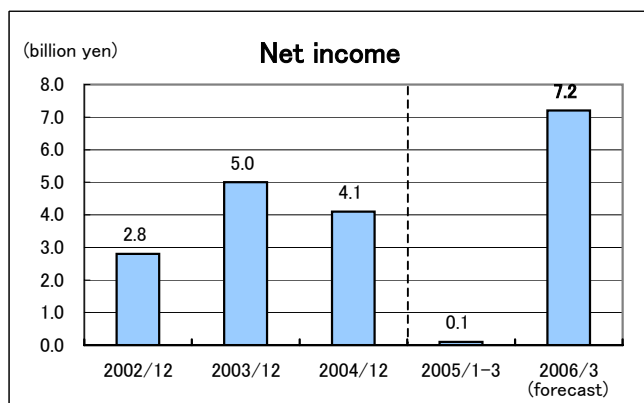
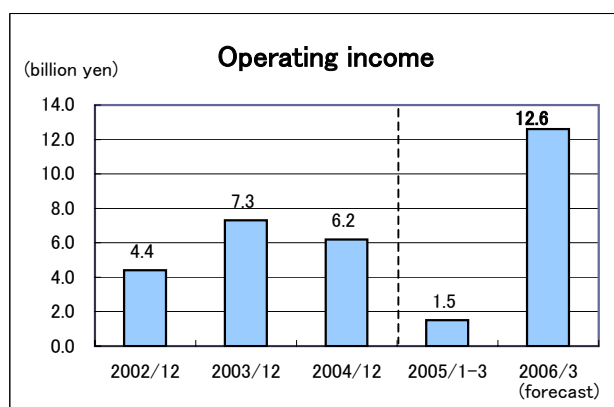
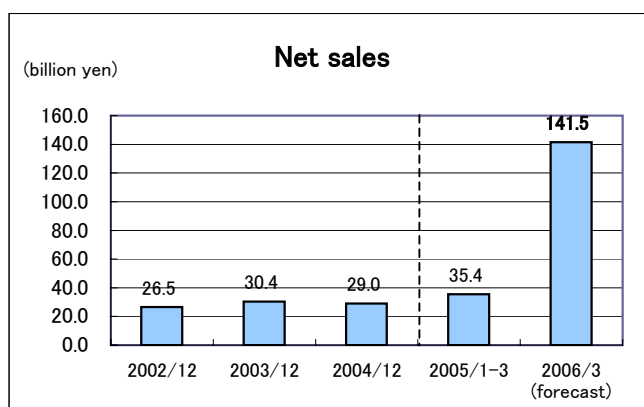


Consolidated Financial Highlights

	FY2002	FY2003	FY2004 ^{*1}	FY2005/1-3 ^{*2}	FY2006/3 (Forecast)
Net sales (millions of yen)	26,529	30,418	29,029	35,446	141,500
Operating income (millions of yen)	4,445	7,353	6,216	1,592	12,600
Income from ordinary operations (millions of yen)	4,727	8,280	6,787	1,596	12,700
Net income (millions of yen)	2,894	5,055	4,179	167	7,200
Earnings per common share (yen)	67.44	116.50	97.01	3.68	—
Total assets (millions of yen)	58,947	63,242	120,661	120,583	—
Shareholders' equity (millions of yen)	38,466	42,845	45,536	48,516	—
Shareholders' equity per common share (yen)	892.79	993.67	1,070.57	1,066.33	—
ROE (%)	7.8	12.4	9.5	0.4	—
ROA (%)	8.0	13.6	7.4	1.3	—
Capital ratio (%)	65.2	67.8	37.7	40.2	—
Number of consolidated subsidiaries	5	5	32	31	—

Note*1: As the end of FY2004 is deemed as the date of the stock acquisition of SRL, in the consolidated results for FY2004 the balance sheet is on consolidated basis with SRL and equity in profits and losses of SRL is accounted for by the equity method.

Note*2: Due to the fiscal year change from Jan-Dec to Apr-Mar, FY2005/3 is irregular transitional three-month fiscal term (Jan-Mar 2005) and the consolidate financial statements is prepared on consolidated basis with SRL and it's consolidated subsidiaries.



Consolidated Balance Sheets

ASSETS	(Millions of yen)					
	FY2002/12	FY2003/12	FY2004/12	FY2005/3	Ratio (%)	Y/Y increase (decrease)
CURRENT ASSETS	23,521	27,415	60,549	61,125	50.7	575
Cash and cash equivalents	7,835	9,861	19,411	19,959		547
Accounts and notes receivables	9,663	11,769	28,928	29,196		267
Marketable securities	1,020	1,015	907	191		(716)
Inventories	4,427	4,143	8,124	7,831		(292)
Deferred tax assets	276	368	1,243	2,157		913
Other current assets	332	280	2,046	1,953		(93)
Allowance for doubtful receivables	(34)	(23)	(113)	(163)		(50)
FIXED ASSETS	35,426	35,826	60,111	59,457	49.3	(653)
Property, plant and equipment	8,941	9,349	33,099	32,923	27.3	(175)
Buildings and structures	4,593	4,350	14,416	14,172		(243)
Machinery and equipment	1,086	1,551	1,652	1,701		48
Furniture and fixtures	1,652	1,573	8,643	8,722		79
Land	1,542	1,537	7,860	7,748		(111)
Construction in progress	66	335	526	577		51
Intangible assets	3,776	3,418	14,973	14,662	12.2	(310)
Software			7,779	7,728		(50)
Other intangible assets			7,194	6,933		(260)
Investment and other assets	22,708	23,058	12,038	11,870	9.8	(167)
Investment securities	20,198	20,854	4,519	4,583		63
Deferred tax assets	1,705	1,486	3,104	3,252		147
Other assets	846	748	4,626	4,221		(405)
Allowance for doubtful receivables	(41)	(29)	(212)	(186)		26
TOTAL	58,947	63,242	120,661	120,583	100.0	(78)

Consolidated Balance Sheets

LIABILITIES AND SHAREHOLDERS' EQUITY

(Millions of yen)

	FY2002/12	FY2003/12	FY2004/12	FY2005/3	Ratio (%)	Y/Y increase (decrease)
CURRENT LIABILITIES	8,311	8,997	38,911	32,891	27.3	(6,019)
Accounts and notes payables	2,051	2,305	11,048	10,597		(450)
Short-term debt	2,635	1,503	13,735	7,656		(6,078)
Income tax payable	1,007	1,865	2,287	1,341		(946)
Accrued bonus	307	294	1,272	3,432		2,159
Other current liabilities	2,310	3,028	10,567	9,863		(703)
LONG-TERM LIABILITIES	12,142	11,376	17,260	20,423	16.9	3,163
Convertible bonds	6,500	6,500	4,978	1,991		(2,987)
Long-term debt	1,769	886	2,101	8,186		6,085
Liability for employee's retirement benefits	3,248	3,338	9,010	9,119		109
Liability for directors' and corporate auditors' severance	139	161	433	327		(106)
Other long-term liabilities	485	490	737	798		61
TOTAL LIABILITIES	20,454	20,373	56,171	53,314	44.2	(2,856)
MINORITY INTEREST	26	23	18,952	18,751	15.6	(201)
Common stock	3,962	3,966	4,794	6,329		1,535
Capital surplus	5,365	5,369	6,195	7,727		1,532
Retained earnings	29,184	33,700	37,856	37,638		(217)
Unrealized gain on available-for-sale securities	23	259	462	495		33
Foreign currency translation adjustments	(4)	(372)	(471)	(353)		117
Treasury stock at cost	(65)	(77)	(3,300)	(3,320)		(20)
EQUITY	38,466	42,845	45,536	48,516	40.2	2,979
TOTAL	58,947	63,242	120,661	120,583	100.0	(78)

Consolidated Statement of Income

Highlights of Consolidated Statement of Income

(Millions of yen)

	FY 2002	FY 2003	FY 2004	FY2005/1-3	Ratio (%)	Y/Y increase (decrease)	Y/Y (%)
NET SALES	26,529	30,418	29,029	35,446	100.0	6,417	22.1
Cost of goods sold	9,176	9,850	9,330	22,852	64.5	13,521	144.9
GROSS PROFIT	17,352	20,568	19,698	12,594	35.5	(7,104)	(36.1)
Selling, general and administrative expenses	12,906	13,215	13,481	11,001	31.0	(2,479)	(18.4)
OPERATING INCOME	4,445	7,353	6,216	1,592	4.5	(4,624)	(74.4)
Other income	718	1,260	735	158	0.4	(577)	(78.5)
Interest and dividend income	118	83	80	39		(40)	
Equity in net gains of associated companies	474	1,061	553	—		(553)	
Real estate rental income	—	—	55	18		(37)	
Income from contracting business	—	—	3	22		19	
Other	125	115	43	77		34	
Other expense	436	332	164	154	0.4	(10)	(6.2)
Interest expense	122	69	51	34		(17)	
Equity in net losses of associated companies	—	—	—	56		56	
Foreign currency loss	189	167	39	—		(39)	
Loss on investment business partnership	—	24	25	21		(4)	
Expenses on assets rented to others	—	28	27	14		(13)	
Other	124	42	20	27		6	
INCOME FROM CONTINUING OPERATIONS	4,727	8,280	6,787	1,596	4.5	(5,191)	(76.5)
Extraordinary gain	481	160	35	37	0.1	2	6.2
Gain on sale of property, plant and equipment	—	0	—	3		3	
Reversal of liability for directors' severance payments	—	—	10	4		(6)	
Reversal of allowance for doubtful receivables	15	3	11	0		(10)	
Gain on sale of investment securities	—	—	13	28		15	
Investment profit on equity method	5	156	—	—		—	
Adjustment of business transfer	460	—	—	—		—	
Extraordinary loss	420	470	425	1,126	3.2	700	164.6
Loss on disposals of property, plant and equipment	95	101	63	44		(18)	
Loss on sales of property, plant and equipment	—	—	0	13		12	
Business integration expense	—	—	340	717		376	
Loss on devaluation of investment securities	240	355	11	—		(11)	
Disposals of inventories	72	13	9	3		(5)	
Other	11	—	—	347		347	
INCOME BEFORE INCOME TAX AND MINORITY INTERESTS	4,788	7,971	6,397	506	1.4	(5,890)	(92.1)
INCOME TAX	1,882	2,919	2,227	1,371	3.8	(855)	(38.4)
DEFERRED TAX	14	(4)	(9)	(1,095)	(3.1)	(1,086)	11,465.2
MINORITY INTEREST	(2)	(0)	0	63	0.2	63	15,304.8
NET INCOME	2,894	5,055	4,179	167	0.5	(4,011)	(96.0)

Sales by Business Segments (Consolidated)

(Millions of yen)

	FY2005/1-3	FY2006/3 (Forecast)
Clinical Laboratory Testing	30,234	126,100
Testing Service	23,223	96,100
Clinical Diagnostics	7,011	30,100
Sterilizing	1,774	7,900
Clinical Trials	1,115	6,100
Others	2,323	1,300
TOTAL	35,446	141,500

Sales Costs and Selling, General and Administrative Expenses (Consolidated)

(Millions of yen)

	FY2002	FY2003	FY2004	FY2005/1-3
Net Sales	26,529	30,418	29,029	35,446
Cost of goods sold	9,176	9,850	9,330	22,852
Ratio of sales (%)	34.6	32.4	32.1	64.5
Selling, general and administrative expenses	12,906	13,215	13,481	11,001
Ratio of sales (%)	48.6	43.4	46.5	31.0

R&D Expenses (Consolidated)

(Millions of yen)

	FY2002	FY2003	FY2004	FY2005/1-3	FY2006/3 (Forecast)
Research and development expenses	3,650	3,071	3,733	1,663	4,600
Ratio of sales (%)	13.8	10.1	12.9	4.7	3.3

Capital Expenditure/Depreciation and Amortization (Consolidated)

(Millions of yen)

	FY2002	FY2003	FY2004	FY2005/1-3	FY2006/3 (Forecast)
Capital Expenditure	1,905	2,614	2,536	1,948	13,600
Depreciation and Amortization	1,928	2,016	2,100	2,025	9,500

Note: Capital expenditure is aggregation of intangible assets and long-term prepaid expenses.

Note: Main capital expenditures for FY2005/1-3: construction of laboratories, development of clinical testing system devices

Number of Employees (Consolidated)

	FY2002	FY2003	FY2004	FY2005/1-3
Full-time (permanent employees)	693	699	7,754	7,712
Part-time	48	56	1,635	1,682

Note: The number of part-time worker is approximate number of the average for each year.

Note: The number of employees of SRL and its consolidated subsidiaries is included for FY2004.

Note: Due to the adjustment of basis of employment period at SRL, the number of SRL employees was reclassified from FY2004.

Results of Consolidated Companies

<Sales>

(Millions of yen)

	FY2002	FY2003	FY2004	FY2005/1-3
Net Sales				
SRL (SRL consolidated group)	110,216	116,164	117,640	28,832
TFB	4,119	4,116	3,946	691
FAI/FDI	3,676	3,453	3,575	894
Fujirebio Taiwan	253	219	220	45
Rebio Gen	—	1,053	1,213	186

<Income from Continuing Operations>

(Millions of yen)

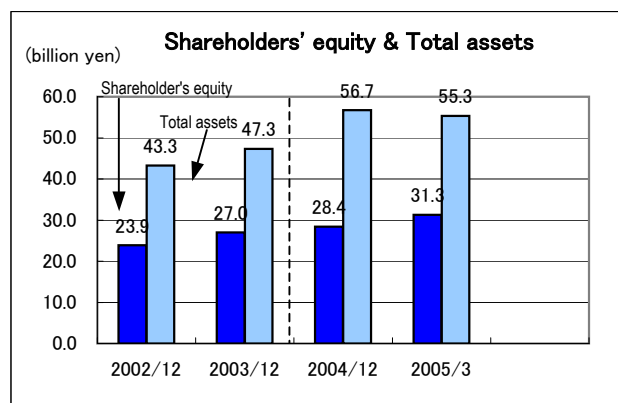
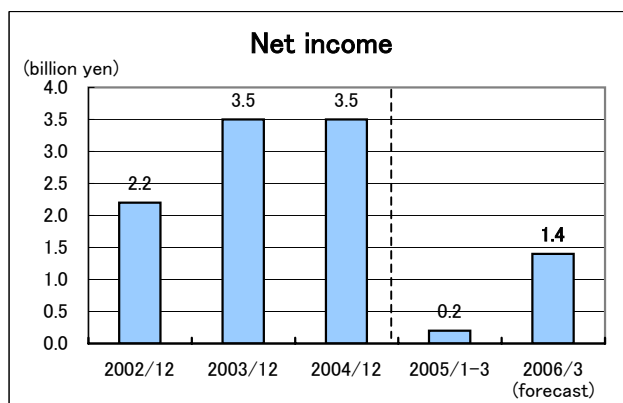
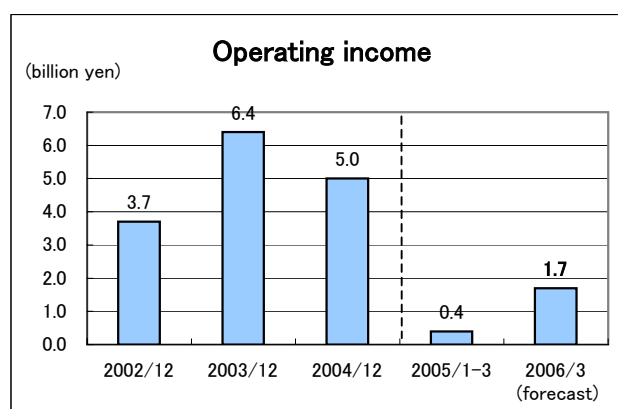
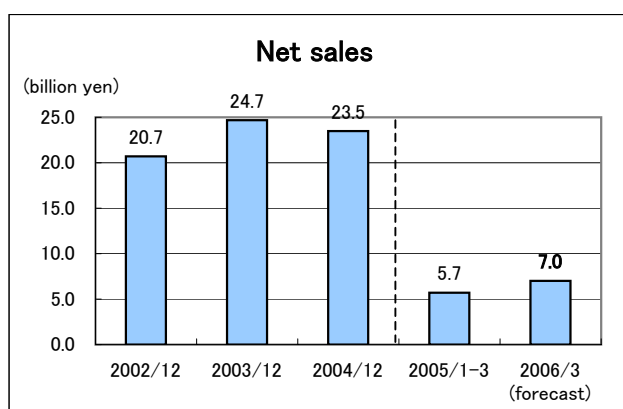
	FY2002	FY2003	FY2004	FY2005/1-3
Income from continuing operations				
SRL (SRL consolidated group)	5,688	4,794	4,765	1,065
TFB	72	116	142	9
FAI/FDI	473	499	767	173
Fujirebio Taiwan	(10)	(9)	30	6
Rebio Gen	—	153	288	46

Note: Rebio Gen is not consolidated in the statement of income for FY2002.

Non-consolidated Financial Highlights

	FY2002	FY2003	FY2004	FY2005/1-3	FY2006/3 (Forecast)*1
Net sales (millions of yen)	20,716	24,779	23,502	5,755	7,000
Operating income (millions of yen)	3,757	6,484	5,086	406	1,700
Income from ordinary operations (millions of yen)	3,916	6,875	5,857	684	1,800
Net income (millions of yen)	2,260	3,548	3,537	228	1,400
Earnings per share (yen)	52.66	81.53	82.04	5.06	—
Total assets (millions of yen)	43,364	47,397	56,767	55,301	—
Shareholders' equity (millions of yen)	23,903	27,068	28,401	31,303	—
Shareholders' equity per common share (yen)	554.79	628.31	667.81	687.98	—
ROE(%)	9.9	13.8	12.8	0.8	—
ROA(%)	9.0	15.2	11.2	1.2	—
Capital ratio(%)	55.1	57.1	50.0	56.6	—
Average number of shares outstanding (thousands of share)	42,917	43,081	42,829	44,144	—

Note*1: Forecast for FY2006/3 is based on aggregation of Fujirebio non-consolidated forecast for Apr-June 2005 and Miraca Holdings non-consolidated forecast for Jun 2005-Mar 2006.



Note: Due to the fiscal year change, FY2005/3 is a three-month fiscal transition period.

Non-consolidated Sales Costs and Selling, General and Administrative Expenses

(Millions of yen)

	FY2002	FY2003	FY2004	FY2005/1-3
Net Sales	20,716	24,779	23,502	5,755
Cost of goods sold	6,528	7,665	7,355	1,793
Ratio of sales (%)	31.5	30.9	31.3	31.2
Selling, general and administrative expenses	10,431	10,630	11,060	3,555
Ratio of sales (%)	50.4	42.9	47.1	61.7

Non-consolidated R&D Expenses

(Millions of yen)

	FY2002	FY2003	FY2004	FY2005/1-3
Research and development expenses	3,345	2,767	3,361	1,484
Ratio of sales (%)	16.1	11.2	14.3	25.8

Non-consolidated Capital Expenditure/Depreciation and Amortization

(Millions of yen)

	FY2002	FY2003	FY2004	FY2005/1-3
Capital Expenditure	1,798	2,337	2,386	568
Depreciation and Amortization	1,514	1,637	1,729	421

Note: Capital expenditure is aggregation of intangible assets and long-term prepaid expenses.

Employees (Non-consolidated)

	FY2002	FY2003	FY2004	FY2005/1-3
Full-time (permanent employees)	523	540	552	548
Part-time	40	60	65	68

Note: The number of part-time worker is approximate number of the average for each year.

Share of Stock

<Stock Information (Year-end)>

	FY2002	FY2003	FY2004	FY2005/1-3
Number of shares issued (thousands of share)	43,152	43,160	44,790	47,805
Number of shareholders	6,045	6,533	5,134	5,372
Share price (yen)	809	1,235	1,455	1,685
Aggregate market value of listed stock (billions of yen)	349.1	533.0	651.0	806.0

Note: Issued number of shares includes treasury stocks.

<Cash Dividends per Share>

	FY2002	FY2003	FY2004	FY2005/1-3	FY2006/3 (Forecast)
Interim dividends	5.0	6.0	7.0	–	10.0
Year-end dividends	6.0	7.0	8.0	4.0	10.0
Annual dividends per share	11.0	13.0	15.0	4.0	20.0

<Treasury Stock>

	FY2002	FY2003	FY2004	FY2005/1-3
Number of treasury stocks	66,488	78,607	2,298,402	2,310,908

[Reference information – Clinical Laboratory Testing business 1]

1.Compositon of number of hospitals (SRL Group)

	Total Japan	SRL's clients		SRL Group's clients	
500 beds or more	356	290	(81.5%)	310	(87.1%)
400-499 beds	233	168	(72.1%)	182	(78.1%)
300-399 beds	524	318	(60.7%)	358	(68.3%)
200-299 beds	762	323	(42.4%)	389	(51.0%)
100-199 beds	2,321	563	(24.3%)	837	(36.1%)
20-99 beds	3,641	352	(9.7%)	770	(21.1%)

Note: The number of hospitals is based on our own surveys in 2004. Hospitals with partial order are included in above numbers.

2.Contractd laboratory management within hospitals

	FY2002	FY2003	FY2004	FY2005 /1-3
Number of testing facilities in hospitals	138	149	156	157
Sales (billion yen)	11.1	12.7	13.7	3.4

Note: Number of testing facilities in hospitals = Number of Branch lab. + Number of FMS: Facility Management Service

Note: The above sales include income from leasing equipments, devices, etc.

[Reference information – Clinical Laboratory Testing business 2]

1. Breakdown of sales by hospital management (SRL)

	FY2002	FY2003	FY2004	FY2005/1-3
National	10.7%	10.4%	10.1%	10.6%
Municipal	32.7%	31.7%	31.1%	30.7%
Union	6.3%	5.9%	6.1%	6.0%
Non profit corporation	6.5%	6.7%	6.3%	5.7%
Medical corporation	11.2%	10.9%	10.4%	10.9%
Private University Hospital	11.9%	11.8%	11.9%	12.0%
Others	20.7%	22.6%	24.1%	24.1%
Total	100.0%	100.0%	100.0%	100.0%

2. Breakdown of sales by hospital size (SRL)

	FY2002	FY2003	FY2004	FY2005/1-3
500 beds or more	39.4%	41.4%	43.1%	44.1%
400-499 beds	13.8%	13.5%	13.4%	13.4%
300-399 beds	17.1%	16.1%	15.5%	15.3%
200-299 beds	14.2%	14.0%	13.3%	13.0%
100-199 beds	11.7%	11.6%	11.2%	11.0%
20-99 beds	3.8%	3.4%	3.5%	3.2%
Total	100.0%	100.0%	100.0%	100.0%

3. Breakdown of sales by disease category (SRL)

	FY2002	FY2003	FY2004	FY2005/1-3
Malignant tumor	16.9%	17.1%	16.8%	15.8%
Infection disease (excluding viral hepatitis)	9.7%	9.2%	9.1%	8.9%
Allergy	6.6%	6.1%	5.5%	7.1%
Hepatic disease (excluding Malignant tumor)	6.8%	5.8%	5.2%	5.1%
Autoimmune disease	5.8%	5.5%	5.5%	5.4%
Thyroid disease	4.7%	4.5%	4.3%	3.9%
Cardiac disease, Hyperlipidemia	4.6%	4.6%	4.5%	4.5%
General test	14.3%	16.9%	18.0%	17.9%
Others	30.6%	30.3%	31.1%	31.4%
Total	100.0%	100.0%	100.0%	100.0%

4. Sales of gene based testing (SRL)

	FY2002	FY2003	FY2004	FY2005/1-3
Sales (billion yen)	3.1	2.8	3.0	0.7

Note: The above sales composed of human gene test, chromosomal test, infection disease test (non-health insurance).