

## PROFILE

### For 60 Years: Medicine that is original, innovative and minimally disruptive to the body

Each year, science develops a deeper awareness of the medical potential of glycoconjugates, biologically essential natural elements that regulate basic activities on the cellular level. In the newly emerging field of glycoscience, Seikagaku Corporation is leveraging 60 years of experience in this area to seek new breakthroughs in a balanced program of original research, international collaboration and licensing. Our purpose is to find and develop novel approaches that lead to significant new products for the medical and healthcare industries—centered on, but not limited to diseases of the joints.

Seikagaku has focused on glycoconjugates since 1950. It was the first company in the world to begin large-scale production of chondroitin sulfate, a glycoconjugate used in a variety of pharmaceutical products. In 1987, it rolled out a proprietary formulation of hyaluronic acid. Two decades later, sales of this core product continue to climb around the world.

As a leading producer of glycoconjugate-related pharmaceuticals, Seikagaku is recognized internationally for the superior quality of its products. Furthering its role as a pioneer in glycoscience research and development, it hopes to bring new improvements to the quality of life for people everywhere.

# Glycoscience for Human Health

## CONSOLIDATED FINANCIAL HIGHLIGHTS Years Ended March 31

	Millions of Yen					Thousands of U.S. Dollars (Note 1)
	2003	2004	2005	2006	2007	2007
Net Sales	¥ 20,829	¥ 20,744	¥ 22,565	¥ 23,144	¥ 24,353	\$ 206,381
Overseas Sales	4,380	4,648	6,004	6,095	6,400	54,237
Overseas Sales Ratio (to Net Sales)	21.0%	22.4%	26.6%	26.3%	26.3%	26.3%
Gross Profit	14,199	14,206	15,723	15,976	16,554	140,288
R&D Expenses	4,134	4,766	3,655	3,489	4,537	38,449
Operating Income	5,285	4,242	6,785	6,901	5,572	47,220
Operating Income Ratio (to Net Sales)	25.4%	20.5%	30.1%	29.8%	22.9%	22.9%
Net Income	2,367	2,118	3,625	4,678	3,535	29,958
Net Income Ratio (to Net Sales)	11.4%	10.2%	16.1%	20.2%	14.5%	14.5%
Total Equity	41,517	43,596	46,426	50,693	52,833	447,737
Return on Shareholders' Equity (ROE)	5.8%	5.0%	8.1%	9.6%	6.8%	6.8%
Total Assets	46,590	48,246	51,544	57,332	59,244	502,068
Return on Total Assets (ROA)	5.2%	4.5%	7.3%	8.6%	6.1%	6.1%
Consolidated Dividend Payout Ratio	22.5%	37.8%	32.8%	31.5%	41.0%	41.0%
					(Yen)	(Dollars)
Net Income per Share of Common Stock (Note 2)	39.52	35.31	60.93	79.24	60.93	0.52
Cash Dividends per Share of Common Stock (Note 3)	8.88	13.33	20.00	25.00	25.00	0.21
Number of Employees	486	510	535	544	557	

Notes: 1. U.S. dollar amounts are converted, for convenience only, at the rate of ¥118=US\$1, the approximate rate at March 31, 2007.

2. Per-share figures have been retroactively adjusted for stock splits at July 20, 2004 and May 20, 2005. From the year ended March 31, 2003, a new method was adopted for computing net income per share. (See Note 2.p.)

3. Cash dividends per share are dividends applicable to the respective years including dividends to be paid after the end of the year, retroactively adjusted for stock splits at July 20, 2004 and May 20, 2005. (See Notes 8 and 13.)