

Financial Statements

Consolidated Balance Sheets

Sawai Pharmaceutical Co., Ltd. and Consolidated Subsidiaries
March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2009	2008	2009
ASSETS			
Current Assets:			
Cash and cash equivalents	¥ 6,548	¥ 5,389	\$ 66,640
Trade notes and accounts receivable	17,290	15,312	175,962
Allowance for doubtful receivables	(26)	(22)	(265)
	23,812	20,679	242,337
Inventories (Note 3)	13,588	13,500	138,286
Deferred income taxes (Note 8)	1,322	710	13,454
Other current assets	232	452	2,361
Total current assets	38,954	35,341	396,438
Property, Plant and Equipment (Note 5) :			
Land	5,140	4,862	52,310
Buildings and structures	28,212	24,805	287,116
Machinery and equipment	16,894	14,429	171,932
Lease assets (Note 2)	34	—	346
Construction in progress	31	1,564	315
Other	3,825	3,493	38,927
	54,136	49,153	550,946
Accumulated depreciation	(22,314)	(20,298)	(227,091)
Net property, plant and equipment	31,822	28,855	323,855
Intangible Assets	598	763	6,086
Investments and Other Assets:			
Investment securities (Note 4)	544	821	5,536
Long-term receivable	99	216	1,008
Deferred income taxes (Note 8)	32	—	326
Long-term deposits	71	90	723
Other investments and long-term receivables	229	262	2,330
	975	1,389	9,923
Allowance for doubtful receivables	(29)	(53)	(295)
Net investments and other assets	946	1,336	9,628
	¥ 72,320	¥ 66,295	\$ 736,007

The accompanying notes to the consolidated financial statements are an integral part of these statements.

	Millions of yen		Thousands of U.S. dollars (Note 1)
LIABILITIES AND NET ASSETS	2009	2008	2009
Current Liabilities:			
Bank debt (Note 5)	¥ 2,530	¥ 2,000	\$ 25,748
Current portion of long-term debt (Note 5)	2,550	2,144	25,952
Current portion of lease obligation (Note 2)	11	—	112
Trade notes and accounts payable	6,528	6,904	66,436
Other accounts payable	6,076	3,799	61,836
Accrued bonuses to employees	872	814	8,874
Accrued bonuses to directors and corporate auditors	48	45	488
Income taxes payable	1,587	821	16,151
Reserve for sales returns (Note 2)	128	154	1,303
Reserve for sales rebates (Note 2)	345	263	3,511
Other current liabilities	236	208	2,402
Total current liabilities	20,911	17,152	212,813
Long-Term Liabilities:			
Long-term debt (Note 5)	8,471	7,490	86,210
Long-term lease obligation (Note 2)	20	—	203
Employees' retirement benefits (Note 6)	116	169	1,180
Directors' and corporate auditors' retirement benefits	207	387	2,107
Deferred tax liabilities (Note 8)	139	207	1,415
Negative goodwill	39	42	397
Other long-term liabilities	711	643	7,236
Total long-term liabilities	9,703	8,938	98,748
Net Assets:			
Shareholders' Equity (Note 7) :			
Common stock			
Authorized 38,800,000 shares			
Issued and outstanding			
15,702,000 shares in 2009 and 2008	11,502	11,502	117,057
Capital surplus	11,825	11,825	120,344
Retained earnings	16,644	15,069	169,387
Treasury stock			
549 shares in 2009			
282 shares in 2008	(2)	(1)	(20)
Valuation and translation adjustments			
Net unrealized holding gains on securities	87	234	885
Subscription rights to shares	82	—	835
Minority Interests	1,568	1,576	15,958
Net assets	41,706	40,205	424,446
	¥72,320	¥66,295	\$736,007