

Annual Flash Report (unaudited)

Year ended March 31, 2007

ONO PHARMACEUTICAL CO., LTD.

May 14, 2007

Ono Pharmaceutical Co., Ltd. has announced its consolidated financial results for the year ended March 31, 2007.

This Annual Flash Report 2007 (unaudited) is a summary information extracted from the financial statements announced, and the financial statements contained herein are prepared for reference only for the convenience of readers outside Japan with certain modifications and reclassifications made from the original financial statements presented in Japanese language.

Financial Highlights

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

	(Note) All yen amounts are rounded off to the nearest million yen.		
	Millions of yen		Thousands of US\$
	2007	2006	2007
Net sales	¥ 141,712	¥ 148,672	\$ 1,200,949
Net income	35,272	36,147	298,915
Total Net assets(*)	446,805	443,632	3,786,483
Total assets	504,815	504,447	4,278,093

	Yen		US\$
Net income per common share	¥ 302.73	¥ 307.32	\$ 2.57

(*)Total Net assets for the year ended March 31 2006 does not include minority interests.

The shareholders'equity amounted to 444,005 million yen based on the former regulation.

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Ono Pharmaceutical Co., Ltd.
and Consolidated Subsidiaries

MESSAGE FROM THE MANAGEMENT

(1) Basic management policy

The Ono Pharmaceutical Group, in keeping with its philosophy of “Dedicated to Man’s Fight against Disease and Pain,” has always striven to achieve its goal of serving as an R&D-oriented, international pharmaceutical company specializing in defined areas. In this endeavor, we have placed emphasis on R&D, aiming to fulfilling unmet medical needs through developing truly beneficial medicines for patients.

We are highly aware of our responsibility as a pharmaceutical company dealing in medicinal drugs upon which human lives depend, and we are working to further strengthen our level of compliance to ensure that all our actions not only fully comply with all legal regulations but also are based on higher ethical standards.

The research division focuses its resources on the company’s four priority fields: prostaglandins, enzyme inhibitors, neuroscience, and intracellular signaling, where we can fully benefit from the technologies we have accumulated in the past, and on top of these four areas we now also employ genomic drug discovery. We will strive to achieve commercialization of innovative new drugs on worldwide basis with these focused areas.

We newly established Strategic Alliance Headquarters in March 2007 in order to further strengthen discovery research capability and expand the development pipeline by promoting strategic alliances. This new section is a unit into which Discovery Research Alliance of Research Headquarters that had pursued search and alliances of discovery seeds and International Business of Development Headquarters that had been in charge of in- and out-licensing activities were integrated in a constructive way. In addition to our own in-house research, our discovery research capability will be further driven by the new section as an engine. From the viewpoint of discovery research, Strategic Alliance Headquarters is aggressively promoting collaborative research and alliances through introduction of leading-edge technologies from bioventure companies such as the start of the development of kinase inhibitors with Array BioPharma Inc. and Locus pharmaceuticals, Inc. of the U.S. It is also seeking new discovery seeds by promoting alliances with research institutions such as universities at home and abroad. From the viewpoint of in-licensing activities, it is also directing its effort into acquiring commercialization rights to development compounds in preclinical and Phase I stages from companies such as bioventure companies, in addition to the late stage compounds.

In responding to the global trend toward the harmonization of pharmaceutical registration standards, the development division strives to develop new pharmaceuticals in Japan, the US and Europe. We direct effort into the early approval of compounds in late stage development in Japan as well as overseas with top priority given to them.

The marketing division is actively working to enhance the reputation of Ono's innovative pharmaceuticals through presenting its scientific data mainly at workshop and lecture meetings and through the dissemination of high-quality information that is always backed by the latest medical knowledge, in order that we fulfill the diversifying needs of healthcare professionals.

We envision that the NHI price revision and implementation of various healthcare cost containment policies may significantly and adversely affect our business. However, we will strive to attain stable growth by launching new products and by enhancing the competitiveness of existing products.

With top priority given to the pursuit of quality assurance of our products, the manufacturing division is placing stronger emphasis on improving both its hardware and software, and establishing an efficient production management system.

(2) Basic policy concerning dividends

Distribution of profits to all our shareholders is one of our key management policies, and we place great importance on the maintenance of stable dividends based on achievement. With regard to reserves, we allocate sufficient funds to meet the demand for research and development of new drugs in and outside Japan, as well as for alliances with bioventure companies and for in-licensing new products to expand our pipeline and balance development risk; this serves to maintain and enhance our profitability.

*Toshiharu Korekane
President, Representative
Director and CEO*

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Consolidated Balance Sheets

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

(Note) All amounts are rounded off to the nearest million yen.

ASSETS	Millions of yen		Thousands of US\$
	2007	2006	2007
Current assets			
Cash and bank deposits	¥ 14,942	¥ 14,904	\$ 126,627
Notes and accounts receivable	42,073	43,396	356,551
Marketable securities	119,621	101,023	1,013,737
Inventories	9,300	9,346	78,814
Deferred taxes	12,928	13,432	109,559
Others	1,582	1,280	13,407
Allowance for doubtful receivables	(15)	(1,276)	(127)
Total current assets	200,431	182,105	1,698,568
Property, plant and equipment			
Land	22,546	22,546	191,068
Buildings and structures	62,460	62,050	529,322
Machinery and equipment	25,511	27,249	216,195
Construction in progress	38	238	322
Accumulated depreciation	(57,339)	(56,308)	(485,924)
Net property, plant and equipment	53,216	55,775	450,983
Investments and other assets			
Investment securities	244,771	257,268	2,074,331
Deferred taxes	42	2,459	356
Intangible assets	1,092	1,170	9,254
Others	5,263	5,670	44,601
Total investments and other assets	251,168	266,567	2,128,542
Total assets	¥ 504,815	¥ 504,447	\$ 4,278,093

(Note) All amounts are rounded off to the nearest million yen.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of yen		Thousands of US\$
	2007	2006	2007
Current liabilities			
Current portion of long-term debt	¥ 2	¥ 2	\$ 17
Notes and accounts payable	2,970	3,127	25,169
Income taxes	12,019	8,874	101,856
Others	12,868	13,870	109,051
Total current liabilities	27,859	25,873	236,093
Long-term liabilities			
Long-term debt, less current portion	19	20	161
Long-term payable	—	289	—
Accrued retirement benefits	9,148	13,413	77,525
Deferred taxes	20,984	18,745	177,831
Others	—	2	—
Total long-term liabilities	30,151	32,469	255,517
Minority interests	—	2,473	—
Shareholders' equity			
Common stock	—	17,358	—
Additional paid-in capital	—	17,002	—
Retained earnings	—	392,291	—
Revaluation surplus of land	—	(3,549)	—
Unrealized gain on securities (*)	—	42,825	—
Translation adjustments	—	17	—
Less, treasury stock	—	(22,312)	—
Total shareholders' equity	—	443,632	—
Total liabilities and shareholders' equity	¥ —	¥ 504,447	\$ —
Shareholders' equity			
Common stock	17,358	—	147,102
Additional paid-in capital	17,002	—	144,085
Retained earnings	404,062	—	3,424,253
Less, treasury stock	(24,709)	—	(209,398)
Total shareholders' equity	413,713	—	3,506,042
Other comprehensive income			
Revaluation surplus of land	(8,919)	—	(75,585)
Unrealized gain on securities (*)	39,161	—	331,873
Translation adjustments	50	—	424
Total other comprehensive income	30,292	—	256,712
Minority interests	2,800	—	23,729
Total net assets	446,805	—	3,786,483
Total liabilities and net assets	¥ 504,815	¥ —	\$ 4,278,093

(*) Unrealized gain on securities classified as available for sale, net of tax

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Consolidated Statements of Income

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

(Note) All amounts are rounded off to the nearest million yen.

	Millions of yen		Thousands of US\$
	2007	2006	2007
Net sales	¥ 141,712	¥ 148,672	\$ 1,200,949
Cost of sales	21,086	21,815	178,695
Gross profit	120,626	126,857	1,022,254
Selling, general and administrative expenses	67,785	69,920	574,449
Operating income	52,841	56,937	447,805
Other income (expenses)			
Interest and dividend income	2,582	2,035	21,881
Interest expenses	(1)	(2)	(8)
Other, net	6,173	779	52,314
	8,754	2,812	74,187
Income before income taxes and minority interests	61,595	59,749	521,992
Income taxes			
Current	21,824	21,886	184,950
Deferred	4,187	1,428	35,483
	26,011	23,314	220,433
Income before minority interests	35,584	36,435	301,559
Minority interests	(312)	(288)	(2,644)
Net income	¥ 35,272	¥ 36,147	\$ 298,915
		Yen	US\$
Amounts per common share			
Net income	¥ 302.73	¥ 307.32	\$ 2.57
Cash dividends applicable to the period	¥ 100.00	¥ 80.00	\$ 0.85

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Consolidated Statements of Cash Flows

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

(Note) All amounts are rounded off to the nearest million yen.

	Millions of yen		Thousands of US\$
	2007	2006	2007
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 61,595	¥ 59,749	\$ 521,992
Adjustments:			
Depreciation and amortization	3,522	4,025	29,847
Decrease (increase) in allowance for doubtful receivables	(1,252)	250	(10,610)
Decrease (increase) in provision for bonuses	(320)	383	(2,712)
Decrease in provision for retirement benefits, net	(4,175)	(2,521)	(35,381)
Interest and dividend income	(2,582)	(2,035)	(21,881)
Interest expenses	1	2	8
Gain on sales of investment securities	(2,794)	(62)	(23,678)
Increase in notes and accounts receivable	1,323	1,207	11,212
Others	(1,130)	1,377	(9,576)
Interest and dividend income received	3,153	2,750	26,720
Interest paid	(1)	(2)	(8)
Income taxes paid	(18,661)	(25,195)	(158,144)
Net cash provided by operating activities	38,679	39,928	327,789
Cash flows from investing activities:			
Payments for purchases of marketable securities	(109,843)	(67,973)	(930,873)
Proceeds from sales of marketable securities	127,480	81,215	1,080,339
Payments for purchases of property, plant and equipment	(1,131)	(1,175)	(9,585)
Payments for purchases of investment securities	(28,035)	(59,259)	(237,585)
Proceeds from sales of investment securities	5,079	3,094	43,042
Other payments	(76)	(66)	(643)
Net cash generated from (used in) investment activities	(6,526)	(44,164)	(55,305)
Cash flows from financing activities:			
Repayment of current portion of long-term debt	(2)	(5)	(17)
Repayment of long-term debt	—	(62)	—
Payments for obtaining treasury stock	(11,771)	(37)	(99,754)
Cash dividends	(14,062)	(7,621)	(119,170)
Cash dividends to minority shareholders	(4)	(4)	(34)
Net cash used in financing activities	(25,839)	(7,729)	(218,975)
Effect of exchange rate changes on cash and cash equivalents	34	32	288
Net decrease in cash and cash equivalents	6,348	(11,933)	53,797
Cash and cash equivalents, beginning	26,321	38,254	223,059
Cash and cash equivalents, ending	¥ 32,669	¥ 26,321	\$ 276,856

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Consolidated Statements of Changes in Net Asset

(Millions of yen)

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

Year ended March 31 2007

(Note) All amounts are rounded off to the nearest million yen.

	Shareholder's Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholder's equity
Balance at the end of previous period	17,358	17,002	392,291	(22,312)	404,339
Changes of items during the period					
Dividends from appropriation of surplus (*)			(9,391)		(9,391)
Dividends from retained earnings			(4,693)		(4,693)
Bonuses to directors and statutory auditors (*)			(56)		(56)
Net income			35,272		35,272
Purchase of treasury stock				(11,773)	(11,773)
Disposal of treasury stock		10		5	15
Cancellation of treasury stock		(10)	(9,361)	9,371	
Net changes of items other than shareholder's equity during the period					
Total changes of items during the period	-	-	11,771	(2,397)	9,374
Balance at the end of current period	17,358	17,002	404,062	(24,709)	413,713

	Adjustments for valuation, foreign currency translation and others				Minority interests	Total net assets
	Revaluation surplus of land	Unrealized gain on available-for-sale securities	Foreign currency translation adjustments	Total Adjustments for valuation, foreign currency translation and others		
Balance at the end of previous period	(3,549)	42,825	17	39,293	2,473	446,105
Changes of items during the period						
Dividends from appropriation of surplus (*)						(9,391)
Dividends from retained earnings						(4,693)
Bonuses to directors and statutory auditors (*)						(56)
Net income						35,272
Purchase of treasury stock						(11,773)
Disposal of treasury stock						15
Cancellation of treasury stock						
Net changes of items other than shareholder's equity during the period	(5,370)	(3,664)	33	(9,001)	327	(8,674)
Total changes of items during the period	(5,370)	(3,664)	33	(9,001)	327	700
Balance at the end of current period	(8,919)	39,161	50	30,292	2,800	446,805

(*) Appropriation approved at the annual meeting of shareholders held in June 2006.

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Year ended March 31, 2007

Consolidated Statements of Changes in Net Asset

(Thousands of U.S. dollars)

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

Year ended March 31 2007

(Note) All amounts are rounded off to the nearest thousands of US\$

	Shareholder's Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholder's equity
Balance at the end of previous period	147,102	144,085	3,324,500	(189,085)	3,426,602
Changes of items during the period					
Dividends from appropriation of surplus (*)			(79,585)		(79,585)
Dividends from retained earnings			(39,771)		(39,771)
Bonuses to directors and statutory auditors (*)			(475)		(475)
Net income			298,915		298,915
Purchase of treasury stock				(99,771)	(99,771)
Disposal of treasury stock		85		42	127
Cancellation of treasury stock		(85)	(79,331)	79,416	
Net changes of items other than shareholder's equity during the period					
Total changes of items during the period	-	-	99,753	(20,313)	79,440
Balance at the end of current period	147,102	144,085	3,424,253	(209,398)	3,506,042

	Adjustments for valuation, foreign currency translation and others				Minority interests	Total net assets
	Revaluation surplus of land	Unrealized gain on available-for-sale securities	Foreign currency translation adjustments	Total Adjustments for valuation, foreign currency translation and others		
Balance at the end of previous period	(30,076)	362,924	144	332,992	20,958	3,780,552
Changes of items during the period						
Dividends from appropriation of surplus (*)						(79,585)
Dividends from retained earnings						(39,771)
Bonuses to directors and statutory auditors (*)						(475)
Net income						298,915
Purchase of treasury stock						(99,771)
Disposal of treasury stock						127
Cancellation of treasury stock						
Net changes of items other than shareholder's equity during the period	(45,509)	(31,051)	280	(76,280)	2,771	(73,509)
Total changes of items during the period	(45,509)	(31,051)	280	(76,280)	2,771	5,931
Balance at the end of current period	(75,585)	331,873	424	256,712	23,729	3,786,483

(*) Appropriation approved at the annual meeting of shareholders held in June 2006.

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Consolidated Statements of Retained Earnings

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

(Note) All amounts are rounded off to the nearest million yen.

	Millions of yen	
	2006	
Balance, beginning of period	¥	364,239
Net income for the period		36,147
Cash dividends paid		(7,630)
Bonuses to directors and statutory auditors		(86)
Reversal of revaluation surplus of land		(136)
Decrease in exclusion of consolidated subsidiary		(243)
Balance, end of period	¥	392,291

Notes to Consolidated Financial Statements

Ono Pharmaceutical Co., Ltd. and Consolidated Subsidiaries

- Note 1 This Annual Flash Report 2007 (unaudited) is summary information extracted from the financial statements announced by the Company on May 14, 2007. The financial statements announced have been prepared and stated in accordance with accounting principles generally accepted in Japan. The financial statements and figures contained in this Annual Flash Report 2007 (unaudited) are prepared for reference only for the convenience of readers outside Japan with certain modifications and reclassifications made from the original financial statements presented in Japanese language.
- Note 2 All amounts expressed herein in millions of Japanese yen are rounded down to the nearest million yen, which are to follow the basis of presentation in the above original announcement.
- Note 3 U.S. Dollar amounts herein are given solely for the convenience of readers outside Japan and are stated, as a matter of arithmetical computation only, at the rate of Japanese yen 118 = US\$ 1, the approximate exchange rate prevailing on March 31, 2007.

Sales of Major Products

Supplemental Data

For information purpose only

(Note) All amounts are rounded off to the nearest hundred million yen.

		Hundred Millions of yen	
		2007	2006
Opalmon	Circulatory system agent	¥ 338	¥ 326
Onon	Agent for bronchial asthma and allergic rhinitis	268	265
Kinedak	Agent for diabetic peripheral neuropathy	173	212
Foipan	Agent for chronic pancreatitis and postoperative reflux esophagitis	140	156
Onon dry syrup	Agent for pediatric bronchial asthma	114	94
Cataclot	Agent for (acute phase) cerebral thrombosis and cerebrovascular spasms	60	73
Prostandin	Circulatory system agent	57	71
Elaspol	Agent for acute lung injury associated with SIRS	53	55
FOY 500	Agent for DIC	42	52
Prostandin 500	Agent for perioperative hypotension	20	23
FOY	Agent for pancreatitis and DIC	15	19
Onoact	Agent for tachyarrhythmia during operation	9	4

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Supplemental Information

New Drugs in Development

Development status as of May 14, 2007

In our ongoing effort to create products that will promote the health of more people worldwide, Ono has many new drug formulations under development, including the following major drugs:

Staybla[®] Tablets (ONO-8025 / KRP-197)

Staybla[®], an antagonist selectively binding to muscarinic receptors, is for the treatment of overactive bladder (pollakiuria and urinary incontinence). The drug remarkably reduces burdens on patient daily life, such as frequent urination, urinary incontinence, and urgency of urination. The drug is characterized by having the high efficacy, and by having less adverse effect, such as dry mouth, caused by existing drugs with similar modes of action.

Japan: Approved / Overactive bladder (co-development with Kyorin Pharmaceutical Co., Ltd.)

Recalbon[®] Tablets (ONO-5920 / YM529)

Recalbon[®], a drug for the treatment of osteoporosis, is one of the most potent bisphosphonates, rapidly preventing bone resorption at low doses and increasing in bone mineral density. The drug is characterized by having the high efficacy, and by having less adverse reaction on the digestive tract.

Japan: NDA filed / Osteoporosis (co-development with Astellas Pharma Inc.)

Emend[®] Capsules (ONO-7436 / MK-0869)

Emend[®] is the first neurokinin (NK) 1 antagonist in the world. The drug is effective not only for acute phase of chemotherapy-induced nausea and vomiting, but also for delayed phase (24 hours or later after start of chemotherapy) of nausea and vomiting caused by chemotherapy for which there was no effective drug.

Japan: NDA in preparation / Chemotherapy-induced nausea and vomiting

Overseas: Marketed (Merck & Co., Inc.)

ONO-5435 / MK-0431 (tablet)

ONO-5435, a dipeptidyl-peptidase (DPP) IV inhibitor, is a new class of drug for type II diabetes and is expected to be useful for control of postprandial hyperglycemia with low risks of hypoglycemia and/or weight gain in type II diabetes patients.

Japan: Phase III / Type II diabetes (co-development with Banyu Pharmaceutical Co., Ltd.)

Overseas: Approved / Type II diabetes (Merck & Co., Inc.)

Arocyte[®] for Injection (ONO-2506)

Arocyte[®] is a drug to prevent expansion of cerebral infarction by improving function of astrocyte, a kind of glial cells in the brain. In the late phase II study in Japan, safety and efficacy of Arocyte[®] in patients with acute ischemic stroke has been confirmed.

Japan: Phase II/III / Acute ischemic stroke

North America: Phase II / Acute ischemic stroke (Merck & Co., Inc.)

ONO-2540 / ENA713D (transdermal patch)

ONO-2540 or rivastigmine patch is a drug for the treatment of Alzheimer's disease with an inhibitory action on both acetylcholinesterase (AChE) and butyrylcholinesterase (BuChE). The drug inhibits not only AChE which is known as an enzyme deeply involved in Alzheimer's disease, but also BuChE which reportedly increases as the disease progresses. Therefore, the drug is expected to have an effect in patients who do not respond to existing drugs. The rivastigmine patch is the first transdermal system developed for the disease and is expected to provide greater convenience, e.g. caregivers can easily confirm the administration of the drug.

Japan: Phase III / Alzheimer's disease (co-development with Novartis Pharma K.K.)

Europe & US: NDA filed / Alzheimer's disease (Novartis AG)

Cereact[®] Capsules (ONO-2506PO)

Abnormal activation of astrocyte has been blamed for neurodegenerative diseases such as Alzheimer's diseases and amyotrophic lateral sclerosis (ALS), one of the intractable diseases. Cereact[®] has a new mechanism of action to prevent the occurrence and progression of various neurodegenerative diseases by improving astrocyte function.

Europe: Phase II / ALS

North America: Phase II / Alzheimer's disease

ONO-5129 (tablet)

ONO-5129, a dual agonist of PPAR α and PPAR γ , intracellular nuclear receptors, has both the hypoglycemic effect exerted by PPAR γ action and the hypolipidemic effect exerted by PPAR α action. The drug is being developed primarily for the treatment of type II diabetes. Existing PPAR γ agonists increase insulin sensitivity, leading to accumulation of visceral lipid and weight increase, in addition to lowered blood glucose level. However, the dual agonists of PPAR α and PPAR γ do not contribute to triglyceride accumulation because of their hypolipidemic effect. Therefore, it is expected that ONO-5129 will be developed as an anti-type II diabetic drug with the advantages in low risks of fatty liver and weight increase.

Japan: Phase II / Type II diabetes

US: Phase II / Type II diabetes

ONO-2333Ms (tablet)

ONO-2333Ms, a corticotropin-releasing factor (CRF) receptor antagonist, is developed primarily for the treatment of depression and/or anxiety disorder. The drug is characterized by exhibiting more potent and more rapid action, compared with existing drugs. In addition, based on the mechanism of drug action, ONO-2333Ms is expected to exhibit a fewer adverse reactions, such as dry mouth, gastrointestinal disorders, sexual dysfunction, and others than those with existing drugs.

Japan: Phase I / Depression and anxiety disorder

US: Phase II / Depression and anxiety disorder

ONO-8539 (tablet)

ONO-8539 is a selective antagonist of EP1, one of subtype receptors of prostaglandin E2, and overactive bladder is the first indication for its clinical development program. It is expected that the drug can be given to the patients who are complicated with glaucoma for which use of anticholinergics is limited due to its mechanism of actions and with lower urinary obstruction including benign prostatic hypertrophy.

Europe: Phase I / Overactive bladder

ONO-2231 (injection)

ONO-2231, a poly ADP-ribose polymerase (PARP) inhibitor, is being developed for diseases such as acute ischemic stroke. Since a poly ADP-ribose polymerase is an enzyme involved in cellular death, the drug is expected to be an effective drug for diseases such as acute ischemic stroke.

Europe: Phase I / Acute ischemic stroke

ONO-5334 (tablet)

ONO-5334, a cathepsin K inhibitor, is being developed for osteoporosis with a novel mechanism of action. Unlike bisphosphonates, the drug only inhibits bone resorption without having impact on bone formation.

Europe: Phase I / Osteoporosis

ONO-4538 / MDX-1106 (injection)

ONO-4538, a fully human anti-PD-1 antibody, is expected to be a potential treatment for cancer and other diseases. PD-1 is one of the receptors expressed on activated lymphocytes, and is involved in the negative regulatory system to suppress the activated lymphocytes. It has been reported that tumor cells utilize this system to escape from the host immune responses. It is anticipated that blockade of the negative regulatory signal mediated by PD-1 will promote the host's immune response, in which tumor cells are recognized as foreign and eliminated.

US: Phase I / Cancer (co-development with Medarex, Inc.)

<Additional Indications>

Onon[®] Capsules

Japan: Phase III / Chronic sinusitis

Opalmon[®] Tablets

Japan: Phase II / Cervical Spondylosis (co-development with Dainippon Sumitomo Pharma Co., Ltd.)

Onoact[®] for Injection

Japan: Phase II / Improvement of multislice CT coronary imaging ability

Elaspol[®] for Injection

Japan: Phase II / Acute respiratory failure associated with community-acquired pneumonia

Status of Development Pipeline (as of May 14, 2007)

- Changes from the Third Quarter Flash Report for the Fiscal Year ended March 2007 announced on February 6, 2007 -

(Japan)

- Staybla[®] Tablets, a drug for overactive bladder treatment, was approved in Japan on April 18, 2007.
- An NDA of Emend[®] Capsules (ONO-7436 / MK-0869) for the treatment of cancer chemotherapy-induced nausea and vomiting is currently in preparation in Japan.

(Outside of Japan)

- Phase II study of ONO-2333Ms, a drug for the treatment of depression and anxiety disorders, started in US in February 2007.

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Supplemental Information

Status of Development Pipeline

as of May 14, 2007

Developments in Japan

Approved (New chemical entities):

- **Staybla® Tablets (ONO-8025 / KRP-197)** (co-development with Kyorin Pharmaceutical Co., Ltd.)
Overactive bladder [M3 muscarinic receptor blocker]

NDA filed (New chemical entities):

- **Recalbon® Tablets (ONO-5920 / YM529)** (co-development with Astellas Pharma Inc.)
Osteoporosis [bone resorption inhibitor (bisphosphonate)]

NDA in preparation (New chemical entities):

- **Emend® Capsules (ONO-7436 / MK-0869)** (in-licensed from Merck & Co., Inc.)
Chemotherapy-induced nausea and vomiting [NK1 antagonist]

Ongoing clinical studies (New chemical entities):

- **ONO-5435 / MK-0431** (co-development with Banyu Pharmaceutical Co., Ltd.)
Type II diabetes (Phase III) [DPP-IV inhibitor]
- **ONO-2540 / ENA713D (transdermal patch)** (co-development with Novartis Pharma K.K.)
Alzheimer's disease (Phase III)
[dual inhibitor of AChE and BuChE]
- **Arocyte® for Injection (ONO-2506)**
Acute ischemic stroke (Phase II / III)
[neuroprotective effect (astrocyte modulator)]
- **ONO-5129 (tablet)**
Type II diabetes (Phase II)
[dual agonist of PPAR α and γ]
- **ONO-2333Ms (tablet)**
Depression and anxiety disorder (Phase I)
[CRF receptor antagonist]

Ongoing clinical studies (Additional indications):

- **Onon® Capsules**
Chronic sinusitis (Phase III) [LT C4 and D4 antagonist]
- **Opalmon® Tablets (co-development with Dainippon Sumitomo Pharma Co., Ltd.)**
Cervical Spondylosis (Phase II)
[increase of blood flow in nerve tissue]
- **Onoact® for Injection**
Improvement of multislice CT coronary imaging ability (Phase II) [short-acting β_1 blocker]
- **Elaspol® for Injection**
Acute respiratory failure associated with community-acquired pneumonia (Phase II)
[neutrophil elastase inhibitor]

Developments abroad

Ongoing clinical studies (New chemical entities):

- **MK0724 / ONO-2506 (injection)** (out-licensed to Merck & Co., Inc.)
Acute ischemic stroke (Phase II)
[neuroprotective effect (astrocyte modulator)]
- **Cereact® Capsules (ONO-2506PO)**
Amyotrophic lateral sclerosis (ALS) (Phase II)
Alzheimer's disease (Phase II)
[neuroprotective effect (astrocyte modulator)]
- **ONO-5129 (tablet)**
Type II diabetes (Phase II)
[dual agonist of PPAR α and γ]
- **ONO-2333Ms (tablet)**
Depression and anxiety disorder (Phase II)
[CRF receptor antagonist]
- **ONO-2231 (injection)**
Acute ischemic stroke (Phase I) [PARP inhibitor]
- **ONO-5334 (tablet)**
Osteoporosis (Phase I) [cathepsin K inhibitor]
- **ONO-4538 / MDX-1106 (injection)** (co-development with Medarex, Inc.)
Cancer (Phase I) [fully human anti-PD-1 antibody]
- **ONO-8539 (tablet)**
Overactive bladder (Phase I) [EP 1 antagonist]