

September 8, 2010

**ONO PHARMACEUTICAL CO., LTD.**

President and Representative Director: Gyo Sagara,  
Code No.: 4528 at the 1<sup>st</sup> section of the Tokyo / Osaka Stock Exchange  
INQUIRIES: Kinya Morimoto, Managing Director, Corporate Communications

**Revisions of Consolidated Financial Forecasts**

Ono Pharmaceutical Co., Ltd. (Osaka, Japan) announced today that it has revised its consolidated financial forecast that was originally announced on May 13, 2010, based on the prospects that upfront payments for licensing agreements will be more than expected and the progress of other expenses spending.

-- 6 months ending September 30, 2010 --

(JPY Millions except per share income)

	Sales	Operating Income	Ordinary Income	Net Income	Net Income per share
Previous Forecast (A)	62,000	16,900	18,200	11,800	JPY 108.52
Change from the previous corresponding period	-7.7%	-24.5%	-24.5%	-25.9%	
Revised Forecast (B)	62,000	11,300	12,600	8,000	JPY 73.57
Change from the previous corresponding period	-7.7%	-49.5%	-47.7%	-49.7%	
Change (B – A)	0	(5,600)	(5,600)	(3,800)	NA
Percentage Change	0	-33.1%	-30.8%	-32.2%	NA
(Reference) Results of the previous corresponding period	67,184	22,382	24,107	15,914	JPY 146.35

-- Full fiscal year ending March 31, 2010 --

(JPY Millions except per share income)

	Sales	Operating Income	Ordinary Income	Net Income	Net Income per share
Previous Forecast (A)	129,000	32,000	34,000	22,100	JPY 203.25
Change from the previous year	-5.1%	-19.7%	-20.4%	-20.7%	
Revised Forecast (B)	129,000	26,700	28,700	18,500	JPY 170.14
Change from the previous year	-5.1%	-33.0%	-32.8%	-33.6%	
Change (B – A)	0	(5,300)	(5,300)	(3,600)	NA
Percentage Change	0	-16.6%	-15.6%	-16.3%	NA
(Reference) Results of the previous year	135,986	39,840	42,711	27,878	JPY 256.38

## Reasons for the revisions

Ono decided to revise the 1<sup>st</sup>-2<sup>nd</sup> quarter (the first 6 months) and annual consolidated financial forecast for the fiscal year ending March 31, 2011 based on the recent prospects that the selling, general and administrative expenses will be substantially more than originally expected. The increment of expenses include upfront payments associated with licensing agreements planned to be concluded during this first 6 month period ending September 30, 2011 including the payment to Onyx Pharmaceuticals, Inc. for in-licensing of the new drug candidate announced today and marketing expenses for the new products including Glactiv<sup>®</sup> Tablets for type II diabetes and Emend<sup>®</sup> Capsules for chemo-therapy induced nausea and vomiting, both of which were launched in December 2009.

Sales forecast of either period will not be revised from the forecast previously announced.

The downward revision of the consolidated financial forecasts this time is due to the strategic investment with its aim of expansion of the development pipeline which we believe contributes to the future stable growth, and not due to sales decline. The annual dividend of JPY 180 per share for this Fiscal Year (including the interim dividend of JPY 90 per share) is therefore planned to remain unchanged.

<p>The financial forecasts and statements contained in this announcement are made based on information and assumptions regarding uncertainties affecting the financial forecasts that are available as of the date the announcement is made. Actual results may differ materially from those set forth in the announcements due to various uncertain factors.</p>
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