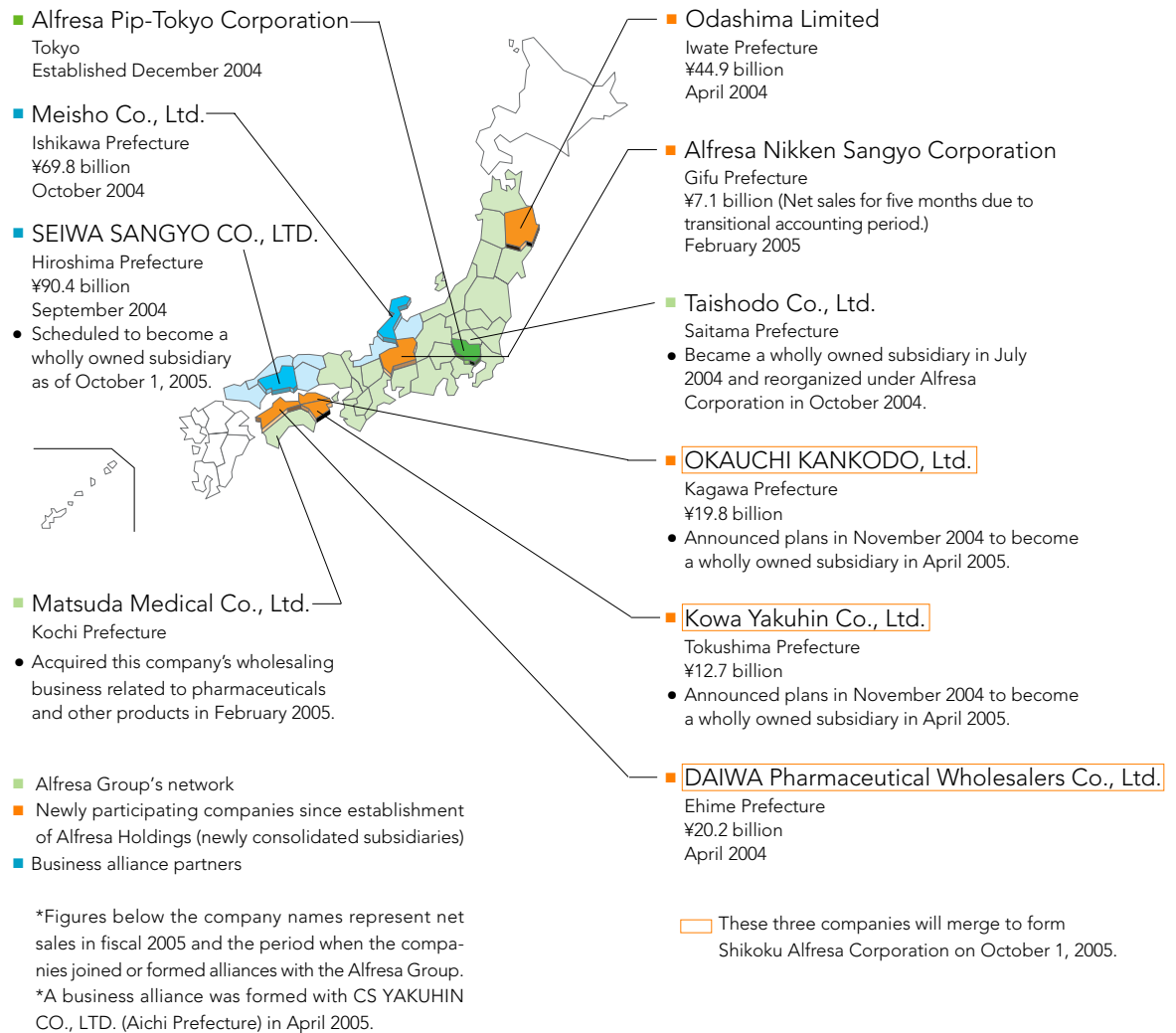


Group initiatives in the fiscal year ended March 2005

- Steady progress with M&As during the fiscal year ended March 2005: 10 companies were brought into the Alfresa Group.



- In light of growth in the number of participating companies, as well as the effects of business reorganization and changes in the business environment, the Alfresa Group has formulated a new medium-term management plan ending in the March 2008 fiscal year.
- Joint venture established with PIP-Tokyo Co., Ltd., as part of efforts to become a “*Healthcare Consortium*.”
- Applied for manufacturing approval of CN-801, a therapeutic agent for narcolepsy.

Key Consolidated Financial Highlights

Alfresa Holdings Corporation and consolidated subsidiaries
Years ended March 31

| | Millions of Yen | | Thousands of U.S. Dollars |
|--|-----------------|------------|------------------------------|
| | 2005 | 2004 | 2005 |
| For the Year: | | | |
| Net Sales | ¥1,195,314 | ¥1,066,578 | \$11,130,588 |
| Operating Income | 6,534 | 12,403 | 60,845 |
| Net Income | 3,208 | 6,490 | 29,872 |
| At Year-end: | | | |
| Shareholders' Equity | ¥ 111,076 | ¥ 108,409 | \$ 1,034,321 |
| Total Assets | 609,352 | 513,188 | 5,674,194 |
| Per Share Data (Yen/U.S. Dollars): | | | |
| Shareholders' Equity | ¥ 3,281.01 | ¥ 3,207.01 | \$ 30.552 |
| Basic Net Income | 91.81 | 194.85 | 0.855 |
| Diluted Net Income | — | — | — |
| Ratios (%): | | | |
| Shareholders' Equity Ratio | 18.2 | 21.1 | — |
| Return on Assets | 0.5 | 1.3 | — |
| Return on Equity | 2.9 | 6.0 | — |
| Cash Flows: | | | |
| Net Cash Provided by Operating Activities | ¥ 10,170 | ¥ 2,298 | \$ 94,701 |
| Net Cash Used in Investing Activities | (4,039) | (760) | (37,614) |
| Net Cash Provided by (Used in) | | | |
| Financing Activities | (7,567) | 1,429 | (70,460) |
| Cash and Cash Equivalents at End of the Year | 57,380 | 57,901 | 534,313 |
| Number of Employees | 7,549 | 6,815 | — |

*Japanese yen amounts have been translated into U.S. dollars at the rate of U.S.\$1.00=¥107.39.