October 31, 2014

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Financial Results of Astellas for the First Six Months of FY2014 (IFRS)

Japan, October 31, 2014 – Astellas Pharma Inc. (hereinafter referred to as "the Company") today announced the financial results for the first six months of the fiscal year 2014 (FY2014) ending March 31, 2015.

Consolidated financial results for the first six months of FY2014 (April 1, 2014 – September 30, 2014) (core basis)

(Millions of yen)

	First six months of FY2013	**First six months of FY2014**	Change (%)
Sales	544,079	**594,453**	+50,375 (+9.3%)
Core operating profit	91,818	**119,175**	+27,357 (+29.8%)
Core profit for the period	63,142	**81,051**	+17,909 (+28.4%)
Core earnings per share (yen)	27.99	**36.61**	+8.62 (+30.8%)

Cautionary statement regarding forward-looking information

This press release includes forward-looking statements based on a number of assumptions and beliefs in light of the information currently available to management and subject to significant risks and uncertainties. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual financial results may differ materially depending on a number of factors, including adverse economic conditions, currency exchange rate fluctuations, adverse legislative and regulatory developments, delays in new product launches, the pricing and product initiatives of competitors, the inability of the Company to market existing and new products effectively, interruptions in production, infringements of the Company's intellectual property rights and the adverse outcome of material litigation.

1. Qualitative information on consolidated financial results for the first six months of FY2014

(1) Information on business performance

1) Overview of the first six months of FY2014

<Consolidated financial results (core basis)>

The Company discloses financial results on a core basis as an indicator of its recurring profitability. Certain items reported in financial results on a full basis that are deemed to be non-recurring items by the Company are excluded as non-core items from these financial results on a core basis. These adjusted items include impairment losses, gain (loss) on sales of property, plant and equipment, restructuring costs, loss on disaster, a large amount of losses on compensation or settlement of litigations and other legal disputes, and other items that the Company judges should be excluded. A reconciliation table between results on a full basis and results on a core basis is provided on page 3 of the "Supplement Documents for Results 2Q/FY2014."

Consolidated financial results (core basis) in the first six months of FY2014 showed increases in sales, core operating profit and core profit for the period, as follows.

Consolidated financial results (core basis)

(Millions of yen)

	First six months of FY2013	**First six months of FY2014**	Change (%)
Sales	544,079	**594,453**	+50,375 (+9.3%)
Core operating profit	91,818	**119,175**	+27,357 (+29.8%)
Core profit for the period	63,142	**81,051**	+17,909 (+28.4%)
Core earnings per share (yen)	27.99	**36.61**	+8.62 (+30.8%)

(Note) The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2014. Core earnings per share is calculated based on the number of issued shares after the stock split (excluding treasury shares) on the assumption that the stock split was conducted at the beginning of FY2013.

Research and development (R&D) expenses

(Millions of yen)

	First six months of FY2013	**First six months of FY2014**	Change
R&D expenses	90,423	**97,027**	+6,604

Impact of exchange rate on financial results

The exchange rates for the yen in the first six months of FY2014 are shown in the table below. The resulting impacts were a ¥18.6 billion increase in sales and an ¥8.9 billion increase in core operating profit.

Average rate	First six months of FY2013	**First six months of FY2014**	Change
¥/US$	¥99	**¥103**	¥4 (Weakening of yen)
¥/€	¥130	**¥139**	¥9 (Weakening of yen)

Change from beginning to end of period	As of September 30, 2013	**As of September 30, 2014**
¥/US$	¥4 (Weakening of yen)	**¥7 (Weakening of yen)**
¥/€	¥11 (Weakening of yen)	**¥3 (Strengthening of yen)**

Sales

Consolidated sales in the first six months of FY2014 increased by 9.3% compared to those in the corresponding period of the previous fiscal year ("year-on-year") to ¥594.5 billion.

- In addition to a new product, XTANDI for the treatment of prostate cancer, sales of overactive bladder (OAB) treatments Vesicare and Betanis / Myrbetriq / BETMIGA grew. Additionally, sales of products including Prograf, an immunosuppressant, increased.

Sales by region

*Sales by region calculated according to locations of sellers.

<Japan>

Sales in Japan decreased by 6.8% year-on-year to ¥237.2 billion. Sales in the Japanese market decreased by 7.1% year-on-year to ¥229.5 billion. The impacts of NHI drug price revision enforced in April 2014, generics and other factors caused overall sales to decline year-on-year.

- In addition to Betanis, new products such as Cimzia for the treatment of adult patients with rheumatoid arthritis and Gonax for the treatment of prostate cancer saw growth in sales. Additionally, there were contributions from sales of the selective SGLT2 inhibitor Suglat and XTANDI, which were launched in April and May 2014, respectively.
- On the other hand, sales of products declined, including Lipitor for the treatment of hypercholesterolemia, Seroquel for the treatment of schizophrenia, Myslee for the treatment of insomnia, and Gaster for the treatment of peptic ulcer and gastritis, mainly due to the impacts of NHI drug price revision and generics.
- Furthermore, there were decreases in sales of products including the anti-inflammatory and anti-pain drug Celecox, Symbicort for the treatment of bronchial asthma and Bonoteo for the treatment of osteoporosis reflecting temporary fluctuations in supply and demand conditions before and after the consumption tax hike implemented in April 2014.

<The Americas>

Sales in the Americas increased by 20.4% year-on-year to ¥168.0 billion. The sales on a U.S. dollar basis increased by 15.5% year-on-year to US$1,631 million.

- In addition to the sales of XTANDI, overall sales of OAB treatments VESIcare and Myrbetriq grew.
- Additionally, there were increases in sales of Prograf and income from anticancer drug Tarceva and others.
- Overall sales of the pharmacologic stress agents Adenoscan and Lexiscan decreased.

<Europe*>

Sales in Europe increased by 28.2% year-on-year to ¥156.5 billion. The sales on a euro basis increased by 20.0% year-on-year to €1,127 million.

- In addition to XTANDI and overall OAB treatments Vesicare and BETMIGA, sales of Prograf, the Candin-type antifungal agent MYCAMINE and others grew.

* This category includes sales from the Middle East, and Africa in addition to Europe.

<Asia and Oceania>

Sales in Asia and Oceania increased by 17.1% year-on-year to ¥32.7 billion.

- Products such as Prograf, Harnal and Vesicare showed growth in sales, resulting in an increase in revenue.

Core operating profit / Core profit for the period

- The increase in sales and a fall in the cost-to-sales ratio resulted in a gross profit of ¥435.4 billion, up 13.6% year-on-year. The cost-to-sales ratio fell 2.8 percentage points year-on-year to 26.8%, owing to changes in product mix and other factors.
- Selling, general and administrative expenses increased by 9.4% year-on-year to ¥201.8 billion, which in addition to the foreign exchange rate impact, was partly due to increased expenditures for co-promotion of XTANDI in the US.
- Research and development (R&D) expenses were ¥97.0 billion, up 7.3% year-on-year, which in addition to the foreign exchange rate impact, was partly due to increased expenses related to progress of development projects. The R&D cost-to-sales ratio was down 0.3 percentage points year-on-year to 16.3%.
- Amortisation of intangible assets was ¥17.9 billion, up 0.9% year-on-year.

As a result of the above, core operating profit increased by 29.8% year-on-year to ¥119.2 billion. Core profit for the period increased by 28.4% to ¥81.1 billion. Core earnings per share increased by 30.8% to ¥36.61.

<Consolidated financial results (full basis)>

Consolidated financial results on a full basis in the first six months of FY2014 are shown in the table below. Sales, operating profit, profit before tax and profit for the period increased.

Items excluded from results on a core basis including impairment losses on other intangible assets and restructuring costs at a total of ¥20.8 billion (compared to ¥28.7 billion in the same period of the previous fiscal year) were recorded in "other expense." Within this total, ¥9.9 billion was recorded as additional special retirement benefits connected with the early retirement incentive program that was implemented in June and September 2014 for employees of the Company and its subsidiaries in Japan (the number of applicants to the program was approximately 430 persons).

Consolidated financial results (full basis)

(Millions of yen)

	First six months of FY2013	**First six months of FY2014**	Change (%)
Sales	544,079	**594,453**	+50,375 (+9.3%)
Operating profit	63,761	**103,187**	+39,426 (+61.8%)
Profit before tax	65,182	**102,671**	+37,488 (+57.5%)
Profit for the period	45,557	**69,984**	+24,427 (+53.6%)
Earnings per share (yen)	20.19	**31.61**	+11.42 (+56.6%)
Comprehensive income	86,707	**87,780**	+1,074 (+1.2%)

(Note) The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2014. Earnings per share is calculated based on the number of issued shares after the stock split (excluding treasury shares) on the assumption that the stock split was conducted at the beginning of FY2013.

2) Other

R&D activities

The Company is aiming for mid- to long-term sustainable growth through the continuous and early creation of new pharmaceuticals that are innovative and useful in therapeutic areas where no effective drugs are available and unmet medical needs exist. To achieve this, we have made it our top priority to strengthen our ability to generate innovative drugs.

[Initiatives for drug discovery research]

Astellas' five focus therapeutic areas in research are Urology, Immunology (including Transplantation) and Infectious Diseases, Oncology, Neuroscience and Diabetes Mellitus (DM) Complications and Kidney Diseases, in which we are concentrating resources.

In drug discovery research, we aim to create innovative drugs, promoting the Precision Medicine approach, which is based on the molecular target and diagnostic workup, and proactively making use of leading-edge technologies and knowhow through alliances with outside organizations. In the field of regenerative medicine, in addition to the regenerative medicine research and development we already carry out, we will expand the scope of our research for cell therapy, which involves the utilization of cells themselves in medical treatment. As part of these efforts, we established the "Regenerative Medicine Unit" as a new organization that will specialize in research of regenerative medicine and cell therapy in April 2014.

In May 2013, we decided to reshape our research framework and introduce new initiatives for R&D, seeking to optimize the allocation of R&D resources while reinforcing our ability to generate innovative drugs to accelerate the development of new drugs. We are now vigorously pushing ahead with this work. Specifically, our R&D reforms are centered on four themes: integrating and reinforcing our drug discovery research functions, expanding our use of external cutting-edge science, targeting new therapeutic areas and drug discovery platform technologies, and accelerating drug discovery. Through these efforts, we are working to construct a network research framework with the use of external resources. In the area of identifying and obtaining external innovation opportunities during the preclinical development stage, we continued to deliver steady results during the first six months of FY2014, including collaborations with academia and other sectors, in efforts led by Drug Discovery Research and Astellas Innovation Management, which was established in October 2013.

[Initiatives for clinical development and main development advances]

In tandem with moves to further reinforce its global development framework, the Company plans to accelerate the pace of product development by focusing resources on high-priority projects. The followings are the main development advances made during the first six months of FY2014.

(Clinical development overseas)

- For XTANDI (generic name: enzalutamide, development code: MDV3100), an additional indication was approved in the US in September 2014 for the treatment of men with metastatic castration-resistant prostate cancer who have not received chemotherapy. In

addition, the Company submitted a variation to amend the Marketing Authorization Application in Europe in April 2014.

- For isavuconazole (generic name), an azole antifungal agent, the Company submitted an application for approval in the US in July 2014 for the indication of invasive aspergillosis and invasive mucormycosis.

(Clinical development in Japan)

- The Company submitted an application in May 2014 for approval for the recombinant influenza HA vaccine ASP7374 (former development code: UMN-0502) for the indication of the prevention of influenza.
- In June 2014, an application for approval for additional indication for Cimzia (generic name: certolizumab pegol), for the treatment of rheumatoid arthritis in patients without previous treatment with anti-rheumatic drugs was submitted.
- In July 2014, an application for approval for additional indication for Starsis (generic name: nateglinide), a fast-acting postprandial hypoglycemic agent, for the treatment of type 2 diabetes in combination with DPP-4 inhibitors was submitted.
- With respect to Irribow (generic name: ramosetron hydrochloride, development code: YM060) for the treatment of diarrhea-predominant irritable bowel syndrome, the Company submitted an application in July 2014 for the additional indication of diarrhea-predominant irritable bowel syndrome in females.

[Initiatives for alliances with outside organizations, etc. in R&D]

- In April 2014, the Company joined a consortium established by the Lieber Institute for Brain Development (US) together with several pharmaceutical companies to identify new treatments for neuropsychiatric disorders.
- In August 2014, the Company entered into a joint research and license agreement with Cancer Research UK (UK) to find new drug targets for the treatment of various cancers, including pancreatic cancer. The joint research will focus on the relationship between autophagy and the growth of cancer cells. The aim of the research is to identify and validate the best possible drug targets to block the autophagy pathway in pancreatic cancer cells.

Initiatives to optimize the allocation of resources, etc.

- In September 2014, the Company and Pfizer Japan Inc. (“Pfizer”) agreed to terminate the distribution and co-promotion agreement in Japan they entered into in 2009 for the drug Caduet, a combination drug of hypertension treatment and hypercholesterolemia treatment. The termination of the agreement will be effective on March 31, 2015. In accordance with this termination agreement, Caduet promotion, which to date has been carried out jointly by both companies, will be conducted solely by Pfizer from October 1, 2014, and the distribution will be transferred to Pfizer on April 1, 2015.

(2) Information on financial position

1) Assets, equity and liabilities

An overview of the consolidated statement of financial position as of September 30, 2014 and the main changes from the end of the previous fiscal year are shown below.

Assets

Total assets as of September 30, 2014 saw an increase of ¥62.2 billion compared to the end of the previous fiscal year to ¥1,715.3 billion.

<Non-current assets> ¥749.0 billion (an increase of ¥9.2 billion)

- Other intangible assets decreased by ¥1.9 billion compared to the end of the previous fiscal year to ¥278.2 billion.

<Current assets> ¥966.4 billion (an increase of ¥53.1 billion)

- Cash and cash equivalents increased by ¥30.0 billion compared to the end of the previous fiscal year to ¥421.3 billion.

Equity

Total equity as of September 30, 2014 saw an increase of ¥26.7 billion compared to the end of the previous fiscal year to ¥1,295.2 billion, making the ratio of owners' equity to gross assets 75.5%.

- While profit for the period stood at ¥70.0 billion, the Company paid ¥31.2 billion of dividends of surplus and acquired ¥30.0 billion of own shares.
- Cancellation of treasury shares totaling ¥25.4 billion (25 million shares) was carried out on May 30, 2014.
- In addition, the effect of foreign currency translation adjustments increased equity by ¥16.8 billion.

Liabilities

Total liabilities increased by ¥35.5 billion compared to the end of the previous fiscal year to ¥420.2 billion.

<Non-current liabilities> ¥45.1 billion (an increase of ¥1.1 billion)

<Current liabilities> ¥375.1 billion (an increase of ¥34.4 billion)

2) Cash flow

Cash flows from operating activities

Net cash flows from operating activities increased year-on-year by ¥8.2 billion to ¥99.9 billion.

- Income tax paid was ¥37.8 billion, an increase in outflow of ¥23.0 billion year-on-year.

Cash flows from investing activities

Net cash flows used in investing activities was ¥16.5 billion, a decrease in outflow of ¥8.1 billion year-on-year.

- Purchases of property, plant and equipment used cash of ¥8.6 billion and purchase of intangible assets used cash of ¥16.9 billion, while proceeds from sales of property, plant and equipment provided cash of ¥4.7 billion.

Cash flows from financing activities

Net cash flows used in financing activities was ¥61.6 billion, an increase in outflow of ¥32.0 billion year-on-year.

- Dividends paid totaled ¥31.2 billion, an increase in outflow of ¥1.9 billion year-on year. Other outflow included cash of ¥30.0 billion used for the acquisition of own shares.

As a result of the above, cash and cash equivalents totaled ¥421.3 billion as of September 30, 2014, an increase of ¥30.0 billion compared to the end of the previous fiscal year.

(3) Information on consolidated business forecasts for FY2014 and other forward-looking statements

The Company's business forecasts for FY2014 are presented on a core basis.

Consolidated full-year business forecasts (core basis)

(Millions of yen)

	FY2013 Full-year results	**FY2014 Full-year forecasts**	Change (%)
Sales	1,139,909	**1,210,000**	+70,091 (+6.1%)
Core operating profit	186,253	**210,000**	+23,747 (+12.7%)
Core profit for the year	132,796	**154,000**	+21,204 (+16.0%)
Core earnings per share (yen)	59.11	**69.65**	+10.54 (+17.8%)

(Note) The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2014. Core earnings per share is calculated based on the number of issued shares after the stock split (excluding treasury shares) on the assumption that the stock split was conducted at the beginning of FY2013. In addition, acquisitions of own shares carried out from May 13 to June 23, 2014 are reflected in the figures.

Expected exchange rate for

FY2014	**¥104/US$**	**¥137/€**
(Expected exchange rate for the last six months of FY2014: ¥105/US$, ¥135/€)		
FY2013 (Result)	¥100/US$	¥134/€

Consolidated full-year business forecasts are shown in the table above.

The Company has upwardly revised its forecasts for consolidated sales and core operating profit from the figures announced in May 2014 ("initial forecasts"). The figure for core profit for the year is unchanged from initial forecasts.

The Company forecasts consolidated sales of ¥1,210.0 billion (an upward revision of ¥18.0 billion compared with initial forecasts). Global sales of products including XTANDI, OAB treatments Vesicare and Betanis / Myrbetriq / BETMIGA are forecasted to grow in excess of initial forecasts. Looking at sales by region, sales are projected to exceed initial forecasts in the Americas, Europe, and Asia and Oceania. Sales in the Japanese market, however, are projected to be below initial forecasts, due partly to the impact of generics and other factors.

In addition to the projection that sales will exceed initial forecasts, the cost-to-sales ratio is

expected to be below initial estimation as a result of changes in product mix and other factors. Consequently, gross profit is projected to exceed initial estimation.

The Company forecasts R&D expenses of ¥200.0 billion (upwardly revised by ¥2.0 billion from initial forecasts). Selling, general and administrative expenses are projected to exceed initial estimation, mainly reflecting an expectation of increases in expenditures for co-promotion related to XTANDI in the US.

As a result of the above, the Company forecasts core operating profit of ¥210.0 billion (upwardly revised by ¥2.0 billion from initial forecasts). The Company has left the figure for core profit for the year unchanged from initial forecasts at ¥154.0 billion because it projects that the income tax burden rate will rise above initial estimation.

2. Matters Related to Summary Information (Notes)

(1) Changes in Accounting Policies and Accounting Estimates

The significant accounting policies adopted for the Group's condensed interim consolidated financial statements for the six months ended 30 September 2014 are the same as those applied for its consolidated financial statements for the fiscal year ended 31 March 2014, except for the new standards listed below.

The Group calculated income tax expense for the six months ended 30 September 2014 based on the estimated average annual effective tax rate.

The following accounting standards and interpretations are newly applied by the Group from the three months ended 30 June 2014 in compliance with each transitional provision. These standards and interpretations do not have a material impact on the Group's condensed interim consolidated financial statements.

IFRS		Summary of new standards and amendments
IAS 32	Financial Instruments: Presentation	Offsetting financial assets and financial liabilities
IAS 36	Impairment of Assets	Disclosures related to recoverable amount of non-financial assets
IFRS 10	Consolidated Financial Statements	Establishment of accounting treatment for entities meeting new definition of investment entity
IFRS 12	Disclosure of Interests in Other Entities	Additional disclosure requirements for newly defined investment entities
IFRIC 21	Levies	Clarification of recognition of liabilities for levies

3. Condensed Interim Consolidated Financial Statements
(1) Condensed Interim Consolidated Statements of Income

（Millions of Yen）

	Six months ended 30 September 2013	Six months ended 30 September 2014
Sales	544,079	594,453
Cost of sales	(160,708)	(159,091)
Gross profit	383,370	435,362
Selling, general and administrative expenses	(184,515)	(201,770)
Research and development expenses	(90,423)	(97,027)
Amortisation of intangible assets	(17,777)	(17,931)
Share of profits of associates and joint ventures	1,163	541
Other income	628	4,862
Other expense	(28,685)	(20,850)
Operating profit	63,761	103,187
Finance income	2,163	2,270
Finance expense	(741)	(2,786)
Profit before tax	65,182	102,671
Income tax expense	(19,626)	(32,687)
Profit for the period	45,557	69,984
Profit attributable to:		
Owners of the parent	45,557	69,984
Earnings per share		
Basic（Yen）	20.19	31.61
Diluted（Yen）	20.16	31.56

(2) Condensed Interim Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Six months ended 30 September 2013	Six months ended 30 September 2014
Profit for the period	45,557	69,984
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurements of defined benefit plans	1,323	1,889
Total items that will not be reclassified subsequently to profit or loss	1,323	1,889
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation adjustments	37,969	16,820
Fair value movements on available-for-sale financial assets	1,858	(913)
Total items that may be reclassified subsequently to profit or loss	39,827	15,907
Other comprehensive income, net of tax	41,150	17,796
Total comprehensive income	86,707	87,780
Total comprehensive income attributable to:		
Owners of the parent	86,707	87,780

(3) Condensed Interim Consolidated Statements of Financial Position

(Millions of Yen)

	As of 31 March 2014	As of 30 September 2014
Assets		
Non-current assets		
Property, plant and equipment	191,451	192,816
Goodwill	116,766	124,175
Other intangible assets	280,120	278,238
Investments in associates and joint ventures	1,808	1,772
Deferred tax assets	45,530	50,857
Other financial assets	94,961	89,877
Other non-current assets	9,179	11,244
Total non-current assets	739,816	748,979
Current assets		
Inventories	135,228	154,644
Trade and other receivables	332,639	333,571
Income tax receivable	2,710	1,770
Other financial assets	35,406	42,162
Other current assets	12,068	12,267
Cash and cash equivalents	391,374	421,345
Sub total	909,424	965,759
Assets held for sale	3,868	602
Total current assets	913,292	966,361
Total assets	1,653,108	1,715,340

(Millions of Yen)

	As of 31 March 2014	As of 30 September 2014
Equity and liabilities		
Equity		
Share capital	103,001	103,001
Capital surplus	176,822	176,822
Treasury shares	(54,535)	(59,100)
Retained earnings	864,830	880,062
Other components of equity	178,359	194,396
Total equity attributable to owners of the parent	1,268,476	1,295,181
Total equity	1,268,476	1,295,181
Liabilities		
Non-current liabilities		
Trade and other payables	64	72
Deferred tax liabilities	2	136
Retirement benefit liabilities	27,184	25,081
Provisions	4,264	4,038
Other financial liabilities	749	668
Other non-current liabilities	11,681	15,060
Total non-current liabilities	43,944	45,054
Current liabilities		
Trade and other payables	187,032	212,822
Income tax payable	13,237	14,000
Provisions	66,407	70,874
Other financial liabilities	1,062	7,357
Other current liabilities	72,950	70,052
Total current liabilities	340,688	375,105
Total liabilities	384,632	420,159
Total equity and liabilities	1,653,108	1,715,340

(4) Condensed Interim Consolidated Statements of Changes in Equity

（Millions of Yen）

	Equity attributable to owners of the parent					
					Other components of equity	
	Share capital	Capital surplus	Treasury shares	Retained earnings	Subscription rights to shares	Foreign currency translation adjustments
As of 1 April 2013	103,001	176,822	(72,285)	875,473	1,937	67,659
Comprehensive income						
Profit for the period				45,557		
Other comprehensive income						37,969
Total comprehensive income	―	―	―	45,557	―	37,969
Transactions with owners of the parent						
Acquisition of treasury shares			(27)			
Disposals of treasury shares			202	(62)	(83)	
Cancellation of treasury shares			47,362	(47,362)		
Dividends				(29,326)		
Share-based payments					186	
Transfers				1,323		
Total transactions with owners of the parent	―	―	47,537	(75,428)	103	―
As of 30 September 2013	103,001	176,822	(24,748)	845,602	2,039	105,628

As of 1 April 2014	103,001	176,822	(54,535)	864,830	2,110	147,660
Comprehensive income						
Profit for the period				69,984		
Other comprehensive income						16,820
Total comprehensive income	―	―	―	69,984	―	16,820
Transactions with owners of the parent						
Acquisition of treasury shares			(30,010)			
Disposals of treasury shares			47	(8)	(31)	
Cancellation of treasury shares			25,398	(25,398)		
Dividends				(31,236)		
Share-based payments					162	
Transfers				1,889		
Total transactions with owners of the parent	―	―	(4,565)	(54,753)	131	―
As of 30 September 2014	103,001	176,822	(59,100)	880,062	2,241	164,480

(Millions of Yen)

	Equity attributable to owners of the parent				Total equity
	Other components of equity			Total	
	Fair value movements on available-for-sale financial assets	Remeasurements of defined benefit plans	Total		
As of 1 April 2013	22,000	—	91,596	1,174,606	1,174,606
Comprehensive income					
Profit for the period			—	45,557	45,557
Other comprehensive income	1,858	1,323	41,150	41,150	41,150
Total comprehensive income	1,858	1,323	41,150	86,707	86,707
Transactions with owners of the parent					
Acquisition of treasury shares			—	(27)	(27)
Disposals of treasury shares			(83)	57	57
Cancellation of treasury shares			—	—	—
Dividends			—	(29,326)	(29,326)
Share-based payments			186	186	186
Transfers		(1,323)	(1,323)	—	—
Total transactions with owners of the parent	—	(1,323)	(1,220)	(29,111)	(29,111)
As of 30 September 2013	23,858	—	131,525	1,232,202	1,232,202
As of 1 April 2014	28,588	—	178,359	1,268,476	1,268,476
Comprehensive income					
Profit for the period			—	69,984	69,984
Other comprehensive income	(913)	1,889	17,796	17,796	17,796
Total comprehensive income	(913)	1,889	17,796	87,780	87,780
Transactions with owners of the parent					
Acquisition of treasury shares			—	(30,010)	(30,010)
Disposals of treasury shares			(31)	8	8
Cancellation of treasury shares			—	—	—
Dividends			—	(31,236)	(31,236)
Share-based payments			162	162	162
Transfers		(1,889)	(1,889)	—	—
Total transactions with owners of the parent	—	(1,889)	(1,758)	(61,076)	(61,076)
As of 30 September 2014	27,676	—	194,396	1,295,181	1,295,181

(5) Condensed Interim Consolidated Statements of Cash Flows

(Millions of Yen)

	Six months ended 30 September 2013	Six months ended 30 September 2014
Cash flows from operating activities		
Profit before tax	65,182	102,671
Depreciation and amortisation	31,517	31,426
Impairment losses and reversal of impairment losses	17,478	8,335
Finance income and expense	(1,421)	516
(Increase) decrease in inventories	(14,243)	(17,058)
(Increase) decrease in trade and other receivables	7,274	1,648
Increase (decrease) in trade and other payables	(20,177)	16,731
Other	20,896	(6,592)
Cash generated from operations	106,506	137,678
Income tax paid	(14,831)	(37,796)
Net cash flows from operating activities	91,675	99,883
Cash flows from investing activities		
Purchases of property, plant and equipment	(13,034)	(8,588)
Proceeds from sales of property, plant and equipment	897	4,734
Purchase of intangible assets	(15,328)	(16,863)
Purchase of available-for-sale financial assets	(250)	(190)
Proceeds from sales of available-for-sale financial assets	1,968	3,945
Interest and dividends received	2,178	1,481
Other	(1,058)	(998)
Net cash flows used in investing activities	(24,627)	(16,479)
Cash flows from financing activities		
Acquisition of treasury shares	(27)	(30,010)
Dividends paid to owners of the parent	(29,326)	(31,236)
Other	(235)	(346)
Net cash flows used in financing activities	(29,588)	(61,592)
Effect of exchange rate changes on cash and cash equivalents	12,874	8,159
Net increase (decrease) in cash and cash equivalents	50,333	29,971
Cash and cash equivalents at the beginning of the year	264,912	391,374
Cash and cash equivalents at the end of the period	315,246	421,345

(6) Notes on going concern assumption

Not applicable.