

First Half FY 2003 Financial Results

Consolidated First Half Performance

(Billion yen, %)

	HY 2002		HY 2003				
	Results	%	Estimates in May	Results	%	YOY	Increase (Decrease)
Net Sales	234.4	100.0	243.0	247.8	100.0	106	13.3
Cost of Goods	52.9	22.5		47.6	19.2	90	(5.3)
R&D Expenses	27.9	11.9		33.5	13.6	120	5.7
SG&A	113.3	48.4		125.7	50.7	111	12.4
Operating Income	40.4	17.2	40.5	41.0	16.5	101	0.5
Ordinary Income	40.1	17.1	40.5	40.7	16.4	101	0.6
Net Income	22.2	9.5	24.0	24.9	10.0	112	2.6

EPS (Yen)	76.5			85.2		111	8.7
Dividends per Share (Yen)	16.0			18.0			

Note: HY refers to half-year.

Sales to Customers by Geographical Area

(Billion yen, %)

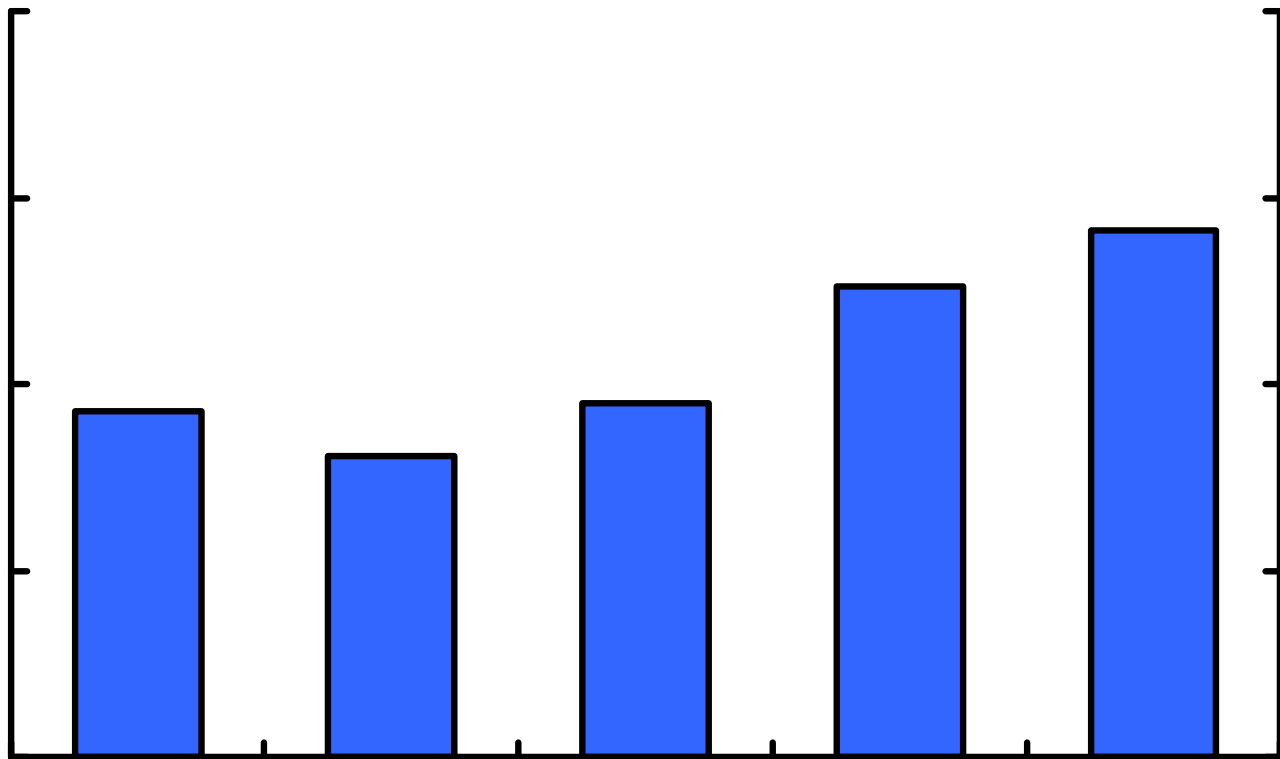
	HY 2002		HY 2003			
	Results	%	Results	%	YOY	Increase (Decrease)
Japan	131.1	55.9	129.1	52.1	98	(2.1)
N. America	84.8	36.2	96.9	39.1	114	12.1
Europe	14.0	6.0	17.1	6.9	122	3.1
Asia and others	4.5	1.9	4.8	1.9	105	0.2
Overseas	103.3	44.1	118.7	47.9	115	15.4
Total	234.4	100.0	247.8	100.0	106	13.3

Performance of Eisai Inc.

Profitability Improvement

(million \$, %)

	FY 2002 1st Half	FY 2003 1st Half	YOY %
Sales	700	828	118
<i>Aricept</i>	272	358	132
<i>Aciphex</i>	413	457	111
Operating Income (Pre-royalty deduction)	95	141	148
Operating Income Ratio (Pre-royalty deduction)	13.6	17.0	



Consolidated Free Cash Flow Trend

(Billion yen, %)

45.8	26.3	(9.8)	4.4	36.0	30.7
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Aricept Sales Increase in the U.S., Japan, and EU

(Billion Yen)

	Japan	U.S.	EU	Asia	Total
HY 2002	10.9	33.4	8.6	1.3	54.2
HY 2003	13.7	42.3	11.4	1.2	68.6
YOY (%)	126	126	133	94	127

Pariet Soars in Japan

(Billion Yen)

	Japan	U.S.	EU	Asia	Total
HY 2002	3.0	50.8	2.7	0.6	57.2
HY 2003	5.9	54.0	3.4	0.7	63.9
YOY (%)	195	106	124	113	112

One Step Forward to Achieving FY 2003 Target Sales

Sales of *Aricept* and *Aciphex/Pariet* (Billion Yen)

	FY2003 Target	1Q Results	2Q Results	HY
<i>Aricept</i>	136.0	32.5	36.1	68.6
YOY	118	128	125	127
Progress (%)		23.9	26.5	50.4
<i>Aciphex/Pariet</i>	149.0	26.3	37.7	63.9
YOY	127	95	127	112
Progress (%)		17.7	25.3	42.9

Outperform Market Growth in the U.S. and Japan

HY 2003 IMS Data Comparison (YOY) (%)

	Market	Eisai
Japan	103	105
U.S.	112	123

•U.S.: April to August, 2003

Japan: April to September , 2003

Eisai YOY figures in Japan include sales from co-promotion products.

Japan

<i>Careram</i>	Rheumatoid arthritis	NDA submission in September 2003
<i>Maxalt</i>	Migraine treatment agent	Launch in September 2003
<i>Actonel</i>	Osteoporosis therapeutic agent	Co-promotion since 2002

U.S.

<i>rasagiline</i>	Parkinson's disease treatment	NDA submission in September 2003 (Teva)
<i>Cerebyx</i>	anti	

Active Investment in R&D

Clinical Research Expenses for HY 2003: YOY 129%

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Financial Forecast for FY 2003

(Billion Yen, %)

	FY 2002 (Actual)	FY 2003 (Est.)	YOY (%)
Net Sales	466.6	508.0	109
Operating Income	75.9	83.0	109
Ordinary Income	76.1	82.5	108
Net Income	41.0	50.0	122

EPS (yen)	141.2	171.4	121
ROE (%)	10.9	12.2	
Dividends (yen)	32.0	36.0	

Growth Strategy to FY 2006

- 1. Continuous growth in Japan and the U.S.**
- 2. Expanding *Aricept* and *Aciphex/Pariet* sales**
- 3. Business development in Franchise areas**
- 4. Development of new markets**
- 5. Active investment in R&D**
- 6. Promotion of structural reform**

On Right Track toward FY 2006 Goals

(Billion Yen, %)

Strategic 5-Year Plan	FY 1991 1st Phase Japan Marketing Era	FY 1996 2nd Phase Globalization Era	FY 2001 3rd Phase Expansion Era	FY 2006 Millennium Plan
Net Sales	224.3	281.6	431.7	600.0
Avg. Growth Rate	108.3	104.7	108.9	106.8
R&D Expenses	30.2	38.3	55.0	100.0
Avg. Growth Rate	110.0	104.9	107.5	112.7
Operating Income	30.3	50.4	72.7	100.0
Avg. Growth Rate	108.1	110.7	107.6	106.6
Net Income	15.0	19.4	36.5	60.0
Avg. Growth Rate	119.6	105.3	113.4	110.4