EISAI CO., LTD.
AND
CONSOLIDATED SUBSIDIARIES
THIRD QUARTER FINANCIAL REPORT

DATE ANNOUNCED: February 2, 2010

Eisai Co., Ltd. announced today consolidated financial results for the Third Quarter of the fiscal year ending March 31, 2010.

- Eisai Co., Ltd. is listed on the First Section of both the Tokyo Stock Exchange and the Osaka Securities Exchange.
- Securities Code Number: 4523
- Representative of corporation: Haruo Naito**,** Director, President & CEO

1. CONSOLIDATED FINANCIAL RESULTS
(APRIL 1, 2009 – DECEMBER 31, 2009)

1) RESULTS OF OPERATIONS

(% indicates change from the corresponding period of the previous fiscal year)

Period	Net Sales	Percent Change	Operating Income	Percent Change	Ordinary Income	Percent Change
April 1, 2009- Dec. 31, 2009	¥604,489 mil.	1.0%	¥,85,061 mil.	15.9%	¥80,069 mil.	20.6%
April 1, 2008- Dec. 31, 2008	¥598,695 mil.	-%	¥73,416 mil.	-%	¥66,391 mil.	-%

4. OTHER

1) Significant changes to subsidiaries that occurred during the period (transfers of specific subsidiaries* accompanied with a change in scope of consolidation): Yes
Exclusion: One company (Eisai Research Institute of Boston Inc.)

Note: For details, please refer to "5. Other Items" on page 17.

*Subsidiaries that meet the following criteria:
1. The subsidiary's sales to or purchases from the parent company represent 10% or more of the sales or purchases of the parent company.
2. The subsidiary's net assets are equal to or more than 30% of the net assets of the parent company.
3. The amount of common stocks is equal to or more than 10% of that of the parent company.

2) Application of simplified accounting method or accounting treatment specific to preparation for consolidated quarterly financial statements: Applied

Note: For details, please refer to "5. Other Items" on page 17.

3) Changes of accounting rules, procedures and representation method in connection with the preparation of consolidated quarterly financial statements: (indicated in "CHANGES IN ACCOUNTING PRINCIPLES")

(1) Changes in connection with the amendment of accounting principles: None
(2) Changes other than (1): None

4) Number of shares issued and outstanding (common stock):
(1) Number of shares issued and outstanding at the end of period (including treasury stock)
- Nine-month period ended December 31, 2009: 296,566,949 shares
- Fiscal year ended March 31, 2009: 296,566,949 shares

(2) Number of shares of treasury stock at the end of period
- Nine-month period ended December 31, 2009: 11,657,332 shares
- Fiscal year ended March 31, 2009: 11,660,830 shares

(3) Average number of shares issued during the period
- Nine-month period ended December 31, 2009: 284,906,621 shares
-

[Qualitative Information / Financial Statements]

1. Overview of Consolidated Operating Results

(1) Operating Results for the Nine Month Period (April 1, 2009–December 31, 2009) for the Fiscal Year Ending March 31, 2010

[Sales and Income]

- The Eisai Group (hereinafter referred to as "the Company") achieved the following **consolidated financial results** for the nine-month period ended December 31, 2009:

Net sales:	¥604,489 million	(1.0% increase year-on-year)
Operating income:	¥85,061 million	(15.9% increase year-on-year)
Ordinary income:	¥80,069 million	(20.6% increase year-on-year)
Net income:	¥53,919 million	(37.7% increase year-on-year)

- **Sales of Aricept**, an anti-Alzheimer's agent, increased to ¥237,561 million (up 3.8% year-on-year).

[Performance by Segment]

(Net sales for each segment are those to external customers.)

a. Performance by Operating Segment

<Pharmaceuticals segment>

- **Sales in the pharmaceuticals segment** totaled ¥588,956 million (up 1.1% year-on-year), with **operating income** of ¥87,779 million (up 16.0% year-on-year)

<Other segment>

- **Other sales, including food additives, chemicals, and machinery,** totaled ¥15,533 million (down 2.4% year-on-year), with **operating income** of ¥1,619 million (up 17.7% year-on-year).

b. Performance by Geographic Segment

<Japan>

- **Net sales** totaled ¥280,316 million (up 8.4% year-on-year), with **operating income** of ¥75,809 million (up 24.4% year-on-year).
- **Sales of Aricept** increased to ¥72,598 million (up 19.0% year-on-year), and **sales of Pariet** increased to ¥43,046 million (up 22.9% year-on-year).

<North America>

- **Net sales** totaled ¥261,757 million (down 5.6% year-on-year), with **operating income** of ¥ 5,765 million (down 16.2% year-on-year).
- **Sales of Aricept** came to ¥138,288 million (down 0.6% year-on-year; up 9.3% on a U.S. dollar-denominated basis), and **sales of Aciphex** decreased to ¥61,263 million (down 19.9%; down 12.0% on a U.S. dollar-denominated basis).

<Europe>

- **Net sales** totaled ¥39,095 million (down 3.8% year-on-year), with **operating income** of ¥3,885 million (up 45.2% year-on-year).
- **Sales of Aricept** decreased to ¥21,748 million (down 5.3% year-on-year), and **sales of Pariet** decreased to ¥6,230 million (down 17.4% year-on-year).

<China>

- **Net sales** totaled ¥11,313 million (up 31.7% year-on-year), with **operating income** of ¥1,514 million (down 12.5% year-on-year).
- **Sales of Aricept** increased to ¥919 million (up 32.7% year-on-year), and **sales of Pariet** increased to ¥791 million (up 53.2% year-on-year).

<Asia (excluding China) and Other Regions>

- **Net sales** totaled ¥12,007 million (down 12.9% year-on-year), with **operating income** of ¥1,860 million (down 40.5% year-on-year).
- **Sales of Aricept** decreased to ¥4,006 million (down 23.1% year-on-year), and **sales of Pariet** decreased to ¥3,052 million (down 15.2% year-on-year).

<Overseas Total>

- **Total overseas sales** amounted to ¥324,173 million (down 4.7% year-on-year), accounting for 53.6% of consolidated net sales (down 3.2 percentage points year-on-year).

2) Third Quarter Financial Highlights (October 1, 2009- December 31, 2009)

- **Consolidated net sales**

3) Acquisition of AkaRx, Inc.

The Company acquired AkaRx, Inc. in the United States in January 2010 for US$ 255 million, by exercising an option right to acquire AkaRx which was obtained through the acquisition of MGI PHARMA, INC. in January 2008.

As a result of the acquisition, AkaRx has become a wholly-owned subsidiary of Eisai Inc., the Company's U.S. subsidiary, while Eisai has obtained the exclusive worldwide rights to develop, market, and manufacture AKR-501 (agent to treat thrombocytopenia; current research code: E5501).

AKR-501 is a pharmacological agonist of the receptors of thrombopoietin (TPO), which stimulates platelet production, and is expected to demonstrate its effects in various diseases associated with thrombocytopenia. Eisai is currently conducting Phase II clinical studies of the compound in the U.S. for idiopathic thrombocytopenic purpura (ITP) and thrombocytopenia associated with liver diseases, and has confirmed POC (Proof of Concept) in the clinical studies for ITP. In addition, Eisai will explore its potential as a treatment for cancer chemotherapy-induced thrombocytopenia.

4) Research & Development Projects, Alliances, and Other Events

[Status of Ongoing Research & Development Projects]

- The **anticancer agent E7389** (microtubule dynamics inhibitor) is being investigated for breast cancer in a Phase III study in Europe and the United States as well as in a Phase II study in Japan. The compound is also being investigated in Phase II and other studies for non-small cell lung cancer (the U.S.), prostate cancer (the U.S. and Europe), and sarcoma (Europe). In July 2009, marketing authorization applications were filed to the health authorities in Switzerland and Singapore with data derived primarily from Study 211 (Phase II trial). The Company is seeking an approval of the compound as a treatment for locally advanced and metastatic breast cancer.
- **Endotoxin antagonist E5564** is currently being investigated in a Phase III study for severe sepsis in Japan, the U.S. and Europe with the aim of simultaneous trilateral filing. The study is being conducted as a global development program.
- **AMPA receptor antagonist E2007** is being investigated with placing priority on epilepsy as the potential indication. Studies for epilepsy are ongoing in Phase III in the U.S. and Europe and Phase II in Japan. Phase II studies for neuropathic pain are

Phase II for functional dyspepsia has been initiated in Japan.

- An application for the fully human monoclonal anti-TNF-α antibody **Humira** was submitted in Japan seeking an approval of additional indications for Crohn's disease and ankylosing spondylitis in September 2009 and in October 2009, respectively. In January 2010, the compound received approval in Japan for the additional indications of plaque psoriasis (PS) and psoriatic arthritis (PSA).

- In July 2009, Eisai concluded a **license agreement with Biocompatibles International plc** (U.K.) for the development and commercialisation of drug-eluting bead products for embolisation in Japan. Under the conditions of the agreement, Eisai obtained the exclusive rights to develop and commercialis

success.

[Other Events]

- In April 2009, Eisai established a pharmaceutical sales subsidiary **Eisai GesmbH in Austria**.
- In June 2009, Eisai officially opened **the European Knowledge Centre** (Hatfield, U.K.) as its strategic base in Europe. The Centre incomi

specialized in each disease and technology with clear responsibilities in an autonomous environment, in an effort to encourage a sense of ownership and motivate employees to increase their productivity and efficiency. By pursuing this strategy, Eisai aims for early creation of novel and innovative drugs for unmet medical needs or that improve the quality of life of patients.

- In September 2009, **Eisai signed a collaboration and license agreement with the Drugs for Neglected Diseases *initiative*** ("DND*i*"), a non-profit independent foundation based in Switzerland concerning the clinical development of a promising new drug for the treatment of Chagas disease. Under the terms of the agreement, DND*i* shall retain sole responsibility for the clinical development to assess the safety and efficacy of E1224, which is a pro-drug of ravuconazole, in patients with Chagas disease within endemic countries. Eisai shall provide DND*i* with its scientific expertise in clinical development as well as supply the drug for the clinical studies. Eisai shall also have the option to become the industrial partner with DND*i* to manufacture, register and make available E1224 at an affordable price to the public sector in endemic countries. This

Eisai also plans to conduct API process research and manufacture API and formulations of its next generation global products. With the completion of this facility, Eisai has established an API production system centered on two hubs, together with the Kashima plant, one of Eisai's manufacturing plants in Japan. Intending to make a future global hub for supplying APIs, Eisai Knowledge Centre, India aims to ensure a stable supply of high quality pharmaceutical products and achieve innovation in API synthesis processes that will provide the platform for producing such products.

2. Consolidated Financial Condition

[Assets, Liabilities, and Equity]

- Total **assets** at the end of this period amounted to ¥1,140,261 million (decreased by ¥7,901 million from the end of the previous fiscal year). Intangible assets including goodwill and sales rights decreased as a result of amortization while accounts receivable-trade increased as a result of increased sales in Japan.
- Total **liabilities** at the end of this period amounted to ¥708,253 million (decreased by ¥6,864 million from the end of the previous fiscal year).
- Total **equity** at the end of this period amounted to ¥432,008 million (decreased by ¥1,036 million from the end of the previous fiscal year). The **shareholders' equity ratio*** was 37.4% (up 0.1 percentage points from the end of the previous fiscal year).

*(Equity – Minority interests – Stock acquisition rights) / Total assets

[Cash Flow] (April 1, 2009–December 31, 2009)

- **Net cash provided by operating activities** for the nine-month period ended December 31, 2009 amounted to ¥59,317 million (decreased by ¥11,647 million from the same period of the previous fiscal year). More specifically, **income before income taxes and minority interests** was ¥79,747 million; **depreciation and amortization** was ¥36,797 million; **increase in notes and accounts receivable-trade** was ¥28,212 million; and **income taxes-paid** was ¥50,312 million.
- **Net cash used in investing activities** amounted to ¥27,803 million (decreased by ¥9,036 million from the same period of the previous fiscal year). Of this amount, ¥16,363 million was used for **purchases of property, plant and equipment**.
- **Net cash used in financing activities** amounted to ¥14,728 million (increased by ¥8,655 million from the same period of the previous fiscal year). Of this amount, ¥39,887 million was used for **dividend payment**.
- As a result, **cash and cash equivalents** at the end of this period stood at ¥142,688 million (increased by ¥11,161 million from the end of the previous fiscal year).

3. Basic Policy on Profit Appropriation and Year-End Dividend for the Fiscal Year ending March 31, 2010

Eisai is devoted to providing sustainable and stable dividends based on its consolidated financial performance along with the Dividend on Equity ratio (DOE) and cash income.

DOE encompasses both the Dividend Payout Ratio (DPR), which measures the extent to which profits are distributed to shareholders in the form of dividends, and Return on Equity (ROE), which measures how effectively the company uses the money invested by shareholders to generate profits.

Cash income expresses the company's ability to generate cash. Cash income is used to improve the financial standing of the company, i.e. investment in future growth and business development, dividend payments, repayment of borrowings, and other expenditures. Eisai considers that a well-balanced allocation of cash income for these applications over a medium term is important.

From this standpoint, Eisai considers it well-balanced and appropriate to take DOE and cash income, in addition to consolidated financial results, into consideration in a comprehensive manner in mid-term assessments of shareholder return. In addition, acquisition of treasury stock will be carried out flexibly on a timely basis.

Eisai operates under a Company with Committee System and, to facilitate a flexible dividend policy as specified in the Company's Articles of Incorporation, dividend payments are to be determined by a resolution of the Board of Directors.

Based on the Company's fundamental policy to provide shareholders with sustainable and stable dividends, Eisai intends to pay a year-end dividend of ¥80 per share to shareholders (increased by ¥10 from the previous year) as previously forecasted. With an interim dividend of ¥70 per share paid at the end of the second quarter, Eisai intends to set the total dividend for the year at ¥150 per share (increased by ¥10 from the previous year).

4. Outlook for the Fiscal Year Ending March 31, 2010

(April 1, 2009–March 31, 2010)

[Consolidated Forecasts]

¸ Fiscal year consolidated forecast announced in December 2009 has been revised as follows:

(% indicates change from previous fiscal year)

	Revised Forecast		Forecast in December '09		Increase/ (Decrease)	Rate of Changes (%)
	(A)	(%)	(B)	(%)	(A-B)	
Net sales	¥803,000 mil.	+2.7	¥820,000 mil.	+4.9	(¥17,000 mil.)	-2.1
Operating income	¥81,500 mil.	-11.2	¥80,300 mil.	-12.5	¥1,200 mil.	1.5
Ordinary income	¥74,500 mil.	-9.8	¥74,300 mil.	-10.0	¥200 mil.	0.3
Net income	¥40,300 mil.	-15.5	¥40,300 mil.	-15.5	-	-

Notes: *Forecasted Annual Earnings per share (full year): ¥141.45

(Assumptions for the 4th quarter) 1 USD=¥90, 1 EUR =¥130, 1 GBP =¥145

<Net Sales>

¸ Despite the continued stable growth in sales of Aricept and oncology related products, the forecast for net sales has been lowered by ¥17,000 million below the previous forecast to ¥803,000 million, due to the influence of further genericization of PPI market in the U.S. against the performance of Aciphex as well as the weakening of the dollar.

¸ The sales forecast of the major products, Aricept and Pariet/Aciphex have bee

(Reference)
[Non-consolidated Forecast]

- Fiscal year non-consolidated forecast announced in May 2009 has been revised as follows:

(% indicates change from previous fiscal year)

	Revised Forecast		Forecast in December '09		Increase/ (Decrease)	Rate of Changes (%)
	(A)	(%)	(B)	(%)	(A-B)	
Net sales	¥433,000 mil.	+4.2	¥441,000 mil.	+6.1	(¥8,000 mil.)	-1.8
Operating income	¥77,000 mil.	+1.5	¥71,000 mil.	-6.4	¥6,000 mil.	8.5
Ordinary income	¥71,500 mil.	+3.5	¥66,000 mil.	-4.5	¥5,500 mil.	8.3
Net income	¥50,000 mil.	-11.7	¥47,000 mil.	-17.0	¥3,000 mil.	6.4

[Forecasts and Risk Factors]

- Materials and information provided in this financial disclosure may contain "forward-looking statements" based on current expectations, forecasts, estimates, business goals and assumptions that are subject to risks and uncertainties, which could cause actual outcomes and results to differ materially from these statements. Risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions, such as interest rate and currency exchange fluctuations.
- Risks that may cause significant fluctuations in the consolidated results of the Company or have a material effect on decisions of shareholders are described as follows. These are risk factors that have been identified and assessed as of the disclosure date of the Financial Report. Risk factors associated with our business include, but are not limited to, challenges arising out of global expansion, uncertainties in new drug development, risks related to strategic alliances with partners, health care cost-containment measures, intensified competition with generic drugs, intellectual properties, possible incidence of adverse events, compliance with laws and regulations, litigations, closure or shutdown of factories, safety issues concerning raw materials used, outsourcing-related risks, environmental issues, IT security/information management, conditions of financial markets, foreign exchange fluctuations, and internal control systems.

Please refer to "Risk Factors" in the annual financial report for further details.

7. Consolidated Financial Statements
1) Consolidated Balance Sheets

(Millions of Yen)

ASSETS		
Current assets:		
Cash and cash in banks	64,612	48,061
Notes and accounts receivable-trade	216,345	191,622
Short-term investments	104,519	104,018
Merchandise and finished goods	35,080	33,853
Work in process	19,322	17,228
Raw materials and supplies	11,949	13,435
Deferred tax assets	31,178	36,860
Other	16,583	20,016
Allowance for doubtful receivables	(257)	(320)
Total current assets	499,334	464,777

(Millions of Yen)

	December 31, 2009	March 31, 2009
LIABILITIES		
Current liabilities:		
Notes payable-trade and accounts payable-trade	19,370	19,095
Short-term borrowings	49,000	22,000
Accounts payable-other	64,689	70,870
Accrued expenses	52,852	54,571
Income tax payable	7,492	33,098
Reserve for sales rebates	34,475	32,564
Other reserves	646	553
Other	11,401	8,848
Total current liabilities	239,929	241,603
Long-term liabilities:		
Bonds and debentures	119,986	120,939
Long-term borrowings	274,470	278,761
Deferred tax liabilities	25,351	27,679
Liability for retirement benefits	25,317	21,774
Retirement allowances for directors	2,552	2,408
Other	20,646	21,951
Total long-term liabilities	468,324	473,514
Total liabilities	708,253	715,118
EQUITY		
Owners' equity		
Common stock	44,985	44,985
Capital surplus	56,942	56,949
Retained earnings	437,337	423,305
Treasury stock	(39,669)	(39,683)
Total owners' equity	499,596	485,557
Net unrealized gain (loss) and translation adjustments:		
Net unrealized gain (loss) on available-for-sale securities	3,713	1,125
Deferred gain (loss) on derivatives under hedge accounting	(682)	(437)
Foreign currency translation adjustments	(76,184)	(58,293)
Total net unrealized gain (loss) and translation adjustments	(73,152)	(57,605)
Stock acquisition rights	704	613
Minority interests	4,859	4,479
Total equity	432,008	433,045
Total liabilities and equity	1,140,261	1,148,163

2) Consolidated Statements of Income
(Nine month period from April 1 to December 31)

4) Going Concern

Not applicable

5) Segment Information

(1) Business Segment Information

Three-month period ended December 31, 2008 (October 1 –December 31, 2008)

(Millions of Yen)

	Pharma-

Nine-month period ended December 31, 2008 (April 1, 2008– December 31, 2008)

(Millions of Yen)

	Pharma-ceuticals	Other	Total	Eliminations and Corporate	Consolidated
Sales					
(1) Sales to external customers	582,786	15,908	598,695	–	598,695
(2) Intersegment sales	217	13,605	13,823	(13,823)	–
Total sales	583,004	29,514	612,518	(13,823)	598,695
Operating income	75,648	1,376	77,024	(3,608)	73,416

Nine-month period ended December 31, 2009 (April 1, 2009– December 31, 2009)

(Millions of Yen)

	Pharma-Ceuticals	Other	Total	Eliminations and Corporate	Consolidated
Sales					
(1) Sales to external customers	588,956	15,533	604,489		604,489
(2) Intersegment sales	258	12,845	13,103	(13,103)	
Total sales	589,215	28,378	617,593	(13,103)	604,489
Operating income	87,779	1,619	89,399	(4,337)	85,061

Notes:

(1) The Company's consolidated operations include two segments: "Pharmaceuticals," which mainly consists of ethical drugs, and "Other," which encompasses all operations other than pharmaceuticals.

(2) Major products in each segment are as follows:

Business Segment	Major Products
Pharmaceuticals	Ethical Drugs, Consumer Health Care Products, Diagnostic Products, etc.
Other	Food Additives, Chemicals, Machinery, Others

(2) Geographical Segment Information

Three-month period ended December 31, 2008 (October 1 –December 31, 2008)

(Millions of Yen)

	Japan	North America	Europe	China	Asia and Others	Total	Eliminations and Corporate	Consoli-dated
Sales								
(1) Sales to external customers	92,191	89,813	11,576	2,562	3,721	199,866	–	199,866
(2) Intersegment Sales	24,264	14,060	6,847	10	100	45,282	(45,282)	–
Total sales	116,456	103,873	18,423	2,573	3,822	245,149	(45,282)	199,866
Operating income	21,815	3,211	514	392	707	26,642	229	26,871

Three-month period ended December 31, 2009 (October 1 –December 31, 2009)

(Millions of Yen)

	Japan	North America	Europe	China

(3) Overseas Sales

Three-month period ended December 31, 2008 (October 1 –December 31, 2008)

(Millions of Yen)

	North America	Europe	China	Asia and Others	Total
1. Overseas sales	91,852	13,048	2,562	4,950	112,413
2. Consolidated sales					199,866
3. Share of overseas sales	45.9%	6.5%	1.3%	2.5%	56.2%

Three-month period ended December 31, 2009 (October 1 –December 31, 2009)

(Millions of Yen)

	North America	Europe	China	Asia and Others	Total
1. Overseas sales	88,605	15,688	4,138	4,241	112,673
2. Consolidated sales					209,507
3. Share of overseas sales	42.3%	7.5%	2.0%	2. 0%	53.8%

Notes:

(1) Segmentation by region is based on geographical proximity.

(2) Major areas and countries included in this category other than China:

-North America: United States and Canada

-Europe: United Kingdom, France, Germany, etc.

-Asia and Others: Asian countries, Latin America, etc.

(3) Overseas sales represent the sales reported by the consolidated subsidiaries operating in countries and areas outside Japan.

Nine-month period ended December 31, 2008 (April 1, 2008– December 31, 2008)

(Millions of Yen)

	North America	Europe	China	Asia and Others	Total
1. Overseas sales	284,235	50,006	8,591	16,866	359,699
2. Consolidated sales					598,695
3. Share of overseas sales	47.5%	8.4%	1.4%	2.8%	60.1%

Nine-month period ended December 31, 2009 (April 1, 2009– December 31, 2009)

(Millions of Yen)

	North America	Europe	China	Asia and Others	Total
1. Overseas sales	267,718	46,699	11,722	1.t59/P	, 9 0

6) Significant Changes in Equity

Not applicable

7) Notes to Consolidated Financial Statements

(Notes to consolidated statements of income)

April 1, 2008– December 31, 2008	April 1, 2009– December 31, 2009
*1. The main contents of selling, general and administrative expenses are as follows: Promotional expenses ¥158,064 mil. Research and development expenses ¥116,927 mil. Salaries and bonuses ¥50,183 mil.	*1. The main contents of selling, general and administrative expenses are as follows: Promotional expenses ¥152,945 mil. Research and development expenses ¥116,815 mil. Salaries and bonuses ¥47,669 mil.

October 1, 2008– December 31, 2008	October 1, 2009– December 31, 2009
*1. The main contents of selling, general and administrative expenses are as follows: Promotional expenses ¥52,604 mil. Research and development	

0 0 J925Tm( )TjETEMC /P <6/P t Tc 0.a<</min556.c4784EMC /Pf9 0 0 9 566.3BT/TT0 1 Tf-0.0015

[Forward-looking Statements and Risk Factors]

Materials and information provided in this financial disclosure may contain “forward-looking statements” based on current expectations, forecasts, estimates, business goals and assumptions that are subject to risks and uncertainties, which could cause actual outcomes and results to differ materially from these statements. Risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions, such as interest rate and currency exchange fluctuations.

Risks that may cause significant fluctuations in the consolidated results of the Company or have a material effect on decisions of shareholders are described below. These are risk factors that have been identified and assessed as of the disclosure date of the Financial Report. Risk factors associated with our business include, but are not limited to, challenges arising out of global expansion, uncertainties in new drug development, risks related to strategic alliances with partners, healthcare cost-containment measures, intensified competition with generic drugs, intellectual property, possible incidence of adverse events, compliance with laws and regulations, litigation, closure or shutdown of factories, safety issues of raw materials used, outsourcing-related risks, environmental issues, IT security/information management, and conditions of financial markets, foreign exchange fluctuations, and internal control systems.

Contents

* Revisions have been made to the full-year consolidated forecast announced previous . The revised parts are underlined.
* All amounts are rounded to their nearest specified unit.
* The exchange rates used in the reference data are noted in the table below.
* All amounts of overseas profit and loss are converted into yen based on the average exchange rates for the periods shown in the table below.

Currency Exchange Rates

	US	EU	UK
	(¥/USD)	(¥/EUR)	(¥/GBP)
(Apr. 2008 - Dec. 2008) Nine Months Average Rate	102.84	150.70	187.25
(Dec. 31, 2008) Third Quarter End Rate	91.03	127.96	131.83
(Apr. 2008 - Mar. 2009) Fiscal Year Average Rate	100.53	143.47	173.98
(Mar. 31, 2009) Fiscal Year End Rate	98.23	129.84	140.45
(Apr. 2009 - Dec. 2009) Nine Months Average Rate	**93.56**	**132.99**	**150.41**
(Dec. 31, 2009) Third Quarter End Rate	**92.10**	**132.00**	**146.53**
Mar. 31, 2010) Fourth Quarter Rate (forecast)	**90.00**	**130.00**	**145.00**

<About Indications in this Reference Data>

Eisai believes that cash generating ability is the most intrinsic element determining the true value of a company. Upon this basic concept, in order to reflect our true earnings capacity, we focus on disclosing “cash income” and “cash EPS,” which are not affected by non-cash profit-and-loss items, such as depreciation of property, plant and equipment, amortization of goodwill, loss on impairment (including loss on devaluation of investment securities), and in-process R&D expenses.

Cash income

Cash income is the total amount of cash available for investment in future growth and business development, dividend payments, repayment of borrowings, and other expenditures. We consider cash income as an indicator to assess corporate growth potential and strategies.

Cash income =Net income + Depreciation of PP&E and amortization of intangible assets + In-process R&D expenses + Amortization of goodwill + loss on impairment of long-lived assets (including loss on devaluation of investment securities)

Cash income per share (Cash EPS)

Cash EPS = Cash income / Number of shares issued and outstanding at the end of the year after deducting treasury stocks

1. Consolidated Financial Highlights

1) Income Statement Data

(billions of yen)

	Nine months ended Dec 31			Full	
	2009	**2010**	YOY %	2009	2010 est.
Net sales	598.7	**604.5**	101.0	781.7	803.0
Cost of sales	118.9	**121.5**	102.3	152.5	161.0
R&D expenses	116.9	**116.8**	99.9	156.1	181.0
SG&A expenses	289.5	**281.1**	97.1	381.4	379.5
Operating income	73.4	**85.1**	115.9	91.8	81.5
Ordinary income	66.4	**80.1**	120.6	82.6	74.5
Net income	39.2	**53.9**	137.7	47.7	40.3
Cash income	90.0	**97.1**	107.9	119.0	120.5
			Diff.		
Dividend per share (DPS, yen)	-	-	-	140.0	150.0
Earnings per share (EPS, yen)	137.5	**189.3**	51.8	167.3	141.4
Cash income per share (Cash EPS, yen)	315.9	**340.9**	24.9	417.8	422.9

* "Cost of sales" includes "Provision for (reversal of) sales returns-net."
* In accordance with a partial change of the definition of "Cash income" as well as "Cash income per share", we have also changed the previous year's results.

2) Cash Flow Data

(billions of yen)

	Nine months ended Dec 31			Full
	2009	**2010**	Diff.	2009
Net cash provided by (used in) operating activities	71.0	**59.3**	(11.6)	105.0
Net cash used in investing activities	(36.8)	**(27.8)**	9.0	(55.0)
Net cash provided by (used in) financing activities	(6.1)	**(14.7)**	(8.7)	(31.0)
Cash and cash equivalents at end of period	130.3	**142.7**	12.4	131.5
Free cash flow	39.5	**35.7**	(3.8)	59.3

* "Free cash flow" = "Net cash provided by (used in) operating activities" - "Capital expenditures (incl. acquisition and others)"

3) Balance Sheet Data

(billions of yen)

		2009	
	Mar 31	**Dec 31**	Diff.
Total assets	1,148.2	**1,140.3**	(7.9)
Liabilities	715.1	**708.3**	(6.9)
Equity	433.0	**432.0**	(1.0)
Shareholders' equity	428.0	**426.4**	(1.5)
Shareholders' equity ratio to total assets (%)	37.3	**37.4**	0.1

4) Capital Expenditures and Depreciation/Amortization

(billions of yen)

	Nine months ended Dec 31			Full	
	2009	**2010**	Diff.	2009	2010 est.
Capital expenditures	27.9	**19.0**	(8.9)	47.3	29.0
Property, plant and equipment	24.0	**14.9**	(9.1)	31.8	24.0
Intangible assets	3.9	**4.1**	0.2	15.6	5.0
Depreciation and amortization	36.8	**36.8**	0.0	49.1	48.2

* "Depreciation and amortization" includes amortization of "Intangible assets."

2. Consolidated Statements of Income

(billions of yen)

	2009	Sales	**2010**	Sales	YOY	Diff.	**<Notes>**

3. Consolidated Statements of Cash Flows

(billions of yen)

	2009	**2010**	Diff.	**<Notes>**
Income before income taxes and minority interests	60.8	**79.7**	19.0	
Depreciation and amortization	36.8	**36.8**	0.0	
Decrease (increase) in notes and accounts receivable, trade payables and inventories	(28.2)	**(30.7)**	(2.5)	
Increase (decrease) in accounts payable-other/accrued expenses etc.	14.6	**8.3**	(6.3)	
Other	23.9	**19.4**	(4.6)	
[Sub-total]	107.8	**113.5**	5.7	
Interest and others received (paid)	(1.0)	**(3.9)**	(2.9)	
Income taxes paid	(35.9)	**(50.3)**		

4. Financial Results by Business Segment

1) Consolidated Net Sales by Business Segment

(billions of yen)

	Nine months ended Dec 31			Full
	2009	**2010**	YOY %	2009
Net sales	598.7	**604.5**	101.0	781.7
Pharmaceuticals	582.8	**589.0**	101.1	761.2
Japan	245.0	**267.8**	109.3	314.7
North America	275.8	**259.9**	94.3	368.4
Europe	39.7	**37.9**	95.7	49.7
China	8.6	**11.3**	131.6	11.4
Asia and others	13.8	**12.0**	87.1	16.9
Other	15.9	**15.5**	97.6	20.6
Japan	13.5	**12.6**	93.0	17.7
Overseas	2.4	**3.0**	123.7	2.9

* Net sales to external customers for each segment.

* Major areas and countries included in each category other than Japan and China:

1. North America: United States and Canada
2. Europe: United Kingdom, France, Germany, etc.
3. Asia and others: Asian countries, Latin America, etc.

2) Consolidated Operating Income by Business Segment

(billions of yen)

	Nine months ended Dec 31			Full
	2009	**2010**	YOY %	2009
Operating income	73.4	**85.1**	115.9	91.8
Pharmaceuticals	75.6	**87.8**	116.0	94.5
Other	1.4	**1.6**	117.7	1.7
Eliminations and corporate	(3.6)	**(4.3)**	-	(4.5)

3) Geographical Segment Information

(1) Consolidated Net Sales by Geographical Segment

(billions of yen)

	2009	**2010**	YOY %	Full 2009
Net sales	598.7	**604.5**	101.0	781.7
Japan	258.5	**280.3**	108.4	332.5
North America	277.2	**261.8**	94.4	369.9
Europe	40.6	**39.1**	96.2	51.0
China	8.6	**11.3**	131.7	11.4
Asia and others	13.8	**12.0**	87.1	16.9
Overseas sales	340.2	**324.2**	95.3	449.3
Overseas sales (%)	56.8	**53.6**	-	57.5

* Net sales to external customers for each segment.

(2) Consolidated Operating Income by Geographical Segment

(billions of yen)

	2009	**2010**	YOY %	Full 2009
Operating income	73.4	**85.1**	115.9	91.8
Japan				

5) Sales of Major Products by Geographical Area (Eisai)

(1) Aricept (Anti-Alzheimer's agent)

(3) Methycobal (Peripheral neuropathy treatment)

		Nine months ended Dec 31			Full
		2009	**2010**	YOY %	2009
Japan	Billions JPY	24.7	**25.0**	101.1	31.3
Asia (Incl. China)	Billions JPY	6.6	**6.1**	92.9	8.3
Total	Billions JPY	31.3	**31.1**	99.4	39.5

(4) Aloxi (Antiemetic agent)

		Nine months ended Dec 31			Full
		2009	**2010**	YOY %	2009
U.S.	Billions JPY	28.0	**27.7**	98.9	36.5
	[Millions USD]	[272]	**[296]**	[108.7]	[363]

(5) Dacogen (DNA hypomethylating agent)

		Nine months ended Dec 31			Full
		2009	**2010**	YOY %	2009
U.S.	Billions JPY	12.6	**11.6**	92.5	15.1
	[Millions USD]	[122]	**[124]**	[101.7]	[150]

(6) Zonegran (Anti-epileptic drug)

		Nine months ended Dec 31			Full
		2009	**2010**	YOY %	2009
U.S.	Billions JPY	1.6	**1.4**	89.1	2.1
	[Millions USD]	[16]	**[15]**	[97.9]	[21]
Europe	Billions JPY	2.9	**3.4**	115.9	3.8
Asia	Billions JPY	0.2	**0.1**	88.3	0.2
Total	Billions JPY	4.7	**5.0**	105.7	6.1

5. Consolidated Balance Sheets

1) Consolidated Balance Sheets <Assets>

(billions of yen)

	Mar 31	%	**Dec 31**	%	YOY %	Diff.	**<Notes>**

2) Consolidated Balance Sheets <Liabilities and Equity>

(billions of yen)

	2009				YOY	Diff.	<Notes>
	Mar 31	%	**Dec 31**	%	%		
Notes payable-trade and accounts payable-trade	19.1		**19.4**			0.3	
Short-term borrowings	22.0		**49.0**			27.0	
Accounts payable-other/accrued expenses	125.4		**117.5**			(7.9)	
Income tax payable	33.1		**7.5**			(25.6)	
Reserve for sales rebates	32.6		**34.5**			1.9	
Other	9.4		**12.0**			2.6	
Total current liabilities	241.6	21.0	**239.9**	21.0	99.3	(1.7)	
Bonds and debentures	120.9		**120.0**			(1.0)	
Long-term borrowings	278.8		**274.5**			(4.3)	
Deferred tax liabilities	27.7		**25.4**			(2.3)	
Liability for retirement benefits	21.8		**25.3**			3.5	
Retirement allowances for directors	2.4		**2.6**			0.1	
Other	22.0		**20.6**			(1.3)	
Total long-term liabilities	473.5	41.2	**468.3**	41.1	98.9	(5.2)	
Total liabilities	715.1	62.3	**708.3**	62.1	99.0	(6.9)	
Common stock	45.0		**45.0**			-	
Capital surplus	56.9		**56.9**			(0.0)	
Retained earnings	423.3		**437.3**			14.0	
Treasury stock	(39.7)		**(39.7)**			0.0	
Total owners' equity	485.6	42.3	**499.6**	43.8	102.9	14.0	
Net unrealized gain (loss) on available-for-sale securities	1.1		**3.7**			2.6	
Deferred gain (loss) on derivatives under hedge accounting	(0.4)		**(0.7)**			(0.2)	
Foreign currency translation adjustments	(58.3)		**(76.2)**			(17.9)	
Total net unrealized gain (loss) and translation adjustments	(57.6)	(5.0)	**(73.2)**	(6.4)	127.0	(15.5)	
Stock acquisition rights	0.6	0.1	**0.7**	0.1	114.8	0.1	
Minority interests	4.5	0.4	**4.9**	0.4	108.5	0.4	
Total equity	433.0	37.7	**432.0**	37.9	99.8	(1.0)	
Total liabilities and equity	1,148.2	100.0	**1,140.3**	100.0	99.3	(7.9)	

6. Changes in Consolidated Quarterly Results

1) Income Statement Data

(billions of yen)

	2009				2010		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	**3rd Quarter**
Net sales	195.8	203.0	199.9	183.0	194.7	200.3	**209.5**
Cost of sales	39.4	39.9	39.6	33.6	38.3	40.6	**42.6**
R&D expenses	35.7	42.3	38.9	39.2	39.4	41.3	**36.1**
SG&A expenses	96.7	98.4	94.5	91.9	92.8	93.5	**94.8**
Operating income	24.1	22.5	26.9	18.4	24.1	25.0	**35.9**
Non-operating gain (loss)	(0.2)	(2.7)	(4.1)	(2.2)	(1.0)	(3.0)	**(1.1)**
Ordinary income	23.9	19.7	22.8	16.2	23.2	22.0	**34.9**
Special gain (loss)	1.3	(1.3)	(5.6)	(6.5)	(0.0)	(0.1)	**(0.2)**
Income before income taxes and minority interests in income	25.2	18.4	17.2	9.7	23.1	22.0	**34.6**
Net income	16.6	12.1	10.5	8.5	16.3	14.6	**23.0**
Cash income	31.8	27.9	30.3	29.0	30.7	29.1	**37.3**
Earnings per share (EPS, yen)	58.4	42.4	36.7	29.9	57.4	51.2	**80.7**
Cash income per share (Cash EPS, yen)	111.8	97.9	106.2	101.8	107.7	102.1	**131.1**

* "Cost of Sales" includes "Provision for (reversal of) sales returns-net."
* In accordance with a partial change of the definition of "Cash income" as well as "Cash income per share", we have also changed figures from the previous year's results.

2) Cash Flow Data

(billions of yen)

	2009				2010		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	**3rd Quarter**
Net cash provided by (used in) operating activities	18.6	50.8	1.6	34.0	(0.5)	32.8	**27.1**
Net cash used in investing activities	(7.7)	(9.3)	(19.8)	(18.1)	(12.9)	(9.8)	**(5.2)**
Net cash provided by (used in) financing activities	(20.0)	(5.5)	19.5	(24.9)	(12.3)	(3.3)	**0.8**
Cash and cash equivalents at the end of period	113.0	142.1	130.3	131.5	105.2	118.4	**142.7**
Free cash flow	6.3	40.0	(6.7)	19.8	(10.7)	26.5	**19.9**

* "Free cash flow" = "Net cash provided by (used in) operating activities" - "Capital expenditures (incl. acquisition and others)"

3) Balance Sheet Data

<Assets>

(billions of yen)

	2008			2009			
	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	**Dec 31**
Current assets	433.4	444.2	441.3	464.8	446.8	462.1	**499.3**
Property, plant and equipment	155.0	157.6	149.3	155.5	157.2	153.9	**153.9**
Intangible assets	430.3	410.8	360.5	384.2	368.7	339.5	**336.0**
Investments and other assets	146.6	144.0	146.0	143.7	154.7	154.4	**151.0**
Fixed assets	731.9	712.3	655.8	683.4	680.6	647.8	**640.9**
Total assets	1,165.3	1,156.5	1,097.1	1,148.2	1,127.4	1,109.9	**1,140.3**

<Liabilities and Equity>

(billions of yen)

	2008			2009			
	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	**Dec 31**
Current liabilities	367.1	209.9	227.3	241.6	225.3	219.0	**239.9**
Long-term liabilities	324.4	481.8	469.9	473.5	471.7	467.4	**468.3**
Liabilities	691.5	691.6	697.2	715.1	697.0	686.4	**708.3**
Owners' equity	474.5	486.6	477.0	485.6	482.0	496.5	**499.6**
Net unrealized gain (loss) and translation adjustments	(5.4)	(26.6)	(82.0)	(57.6)	(56.8)	(78.4)	**(73.2)**
Stock acquisition rights	0.6	0.6	0.6	0.6	0.6	0.7	**0.7**
Minority interests	4.3	4.3	4.2	4.5	4.7	4.7	**4.9**
Equity	473.9	464.9	399.9	433.0	430.4	423.5	**432.0**
Total liabilities and equity	1,165.3	1,156.5	1,097.1	1,148.2	1,127.4	1,109.9	**1,140.3**

4) Capital Expenditures and Depreciation/Amortization

(billions of yen)

	2009				2010		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	**3rd Quarter**
Capital expenditures	8.5	12.3	7.1	19.4	5.8	7.2	**6.0**
Property, plant and equipment	7.5	10.3	6.2	7.7	4.8	5.9	**4.2**
Intangible assets	1.0	2.0	0.9	11.7	1.0	1.3	**1.8**
Depreciation and amortization	12.3	12.6	11.9	12.3	12.1	12.4	**12.3**

* "Depreciation and amortization" includes amortization of "Intangible assets."

5) Aricept Sales by Area (Eisai)

		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	**3rd Quarter**
Japan	Billions JPY	19.4	18.8	22.7	17.2	23.4	22.3	**26.9**
U.S.	Billions JPY	43.4	49.9	45.8	50.5	42.7	50.1	**45.5**
	[Millions USD]	[415]	[464]	[474]	[534]	[438]	[533]	**[507]**
Europe	Billions JPY	8.0	8.7	6.3	5.8	7.2	7.1	**7.5**
UK	Billions JPY	0.7	1.3	0.5	0.8	1.5	1.3	**1.2**
	[Millions GBP]	[4]	[6]	[4]	[6]	[10]	[9]	**[8]**
France	Billions JPY	5.1	5.0	3.8	3.4	3.5	3.6	**3.8**
	[Millions EUR]	[31]	[31]	[30]	[28]	[27]	[27]	**[29]**
Germany	Billions JPY	2.1	2.4	2.0	1.6	2.1	2.2	**2.5**
	[Millions EUR]	[13]	[15]	[15]	[13]	[16]	[16]	**[19]**
China	Billions JPY	0.1	0.3	0.2	0.2	0.2	0.4	**0.3**
	[Millions RMB]	[9]	[20]	[18]	[18]	[14]	[27]	**[26]**
Asia (exc. Japan and China)	Billions JPY	2.0	2.0	1.2	1.0	1.4	1.3	**1.3**
Total	Billions JPY	72.9	79.6	76.4	74.8	74.8	81.2	**81.5**

6) Aciphex/Pariet Sales by Area (Eisai)

		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	**3rd Quarter**
Japan	Billions JPY	11.0	10.6	13.4	9.5	13.4	12.8	**16.9**
U.S.	Billions JPY	25.9	27.0	23.6	24.7	19.8	20.6	**20.8**
	[Millions USD]	[248]	[251]	[245]	[263]	[203]	[220]	**[231]**
Europe	Billions JPY	2.5	2.6	2.5	1.6	2.1	2.0	**2.1**
UK	Billions JPY	0.6	0.7	0.4	0.3	0.6	0.6	**0.6**
	[Millions GBP]	[3]	[3]	[3]	[3]	[4]	[4]	**[4]**
Germany	Billions JPY	0.6	0.7	0.5	0.3	0.4	0.4	**0.4**
	[Millions EUR]	[4]	[4]	[4]	[3]	[3]	[3]	**[3]**

8) Aloxi Sales by Area (Eisai)

		2009				2010		
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	**3rd Quarter**
U.S.	Billions JPY	9.5	9.5	9.1	8.5	9.5	9.5	**8.7**
	[Millions USD]	[90]	[88]	[94]	[91]	[97]	[101]	**[97]**

9) Dacogen Sales by Area (Eisai)

		2009				2010		
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	**3rd Quarter**
U.S.	Billions JPY	4.4	4.3	3.9	2.5	4.2	3.7	**3.8**
	[Millions USD]	[42]	[40]	[41]	[28]	[43]	[40]	**[42]**

10) Zonegran Sales by Area (Eisai)

		2009				2010		
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	**3rd Quarter**
U.S.	Billions JPY	0.5	0.6	0.6	0.5	0.5	0.4	**0.5**
	[Millions USD]	[4]	[5]	[6]	[5]	[5]	[5]	**[6]**
Europe	Billions JPY	1.0	1.0	0.9	0.8	1.0	1.1	**1.3**
Asia	Billions JPY	0.1	0.1	0.0	0.0	0.0	0.0	**0.0**
Total	Billions JPY	1.5	1.6	1.5	1.4	1.6	1.6	**1.8**

11) Eisai Inc. (U.S.)

		2009				2010		
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	**3rd Quarter**
Net sales	Billions JPY	74.8	98.0	90.6	93.2	83.9	91.8	**97.0**
	[Millions USD]	[716]	[913]	[932]	[986]	[862]	[978]	**[1,074]**
Net sales of former MGI PHARMA	[Millions USD]	[-]	[142]	[148]	[126]	[151]	[153]	**[151]**
Operating income	Billions JPY	4.0	8.1	7.4	(5.5)	2.7	5.6	**4.2**
	[Millions USD]	[39]	[75]	[76]	[(51)]	[27]	[59]	**[47]**
Net income	Billions JPY	2.6	5.2	5.6	(15.1)	1.7	3.6	**2.0**
	[Millions USD]	[25]	[48]	[57]	[(147)]	[18]	[38]	**[22]**
Operating income before royalty deduction	Billions JPY	18.1	23.9	21.8	21.5	18.2	23.3	**-**
	[Millions USD]	[174]	[222]	[225]	[228]	[187]	[248]	**-**

* The sales function of MGI PHARMA, INC. has been integrated into Eisai Inc. since July 2008.

* Eisai Research Institute of Boston Inc. and Eisai Medical Research Inc. have been merged with Eisai Inc. since October 2009.

* Figures for "Operating income before royalty deduction" are not shown starting this period because the R&D function has been integrated into Eisai Inc.

7. Non-Consolidated Financial Highlights

1) Non-Consolidated Financial Highlights

(1) Income Statement Data

(billions of yen)

	2009	**2010**	YOY %	2009	2010 est.
Net sales	313.3	**335.8**	107.2	415.6	433.0
Cost of sales	63.3	**63.8**	100.8	81.4	82.5
R&D expenses	108.0	**109.5**	101.3	143.0	146.0
SG&A expenses	87.4	**95.1**	108.8	115.4	127.5

<Liabilities and Equity>

(billions of yen)

	Mar 31	**Dec 31**	Diff.
Current liabilities	112.6	**112.7**	0.1
Long-term liabilities	351.1	**354.9**	3.8
Liabilities	463.7	**467.6**	3.9
Owners' equity	479.4	**485.0**	5.6
Net unrealized gain and translation adjustments	0.7	**2.7**	2.0
Stock acquisition rights	0.6	**0.7**	0.1
Equity	480.7	**488.4**	7.7
Total liabilities and equity	944.4	**956.0**	11.6
Shareholders' equity	480.1	**487.7**	7.6
Shareholders' equity ratio (%)	50.8	**51.0**	0.2

2) Net Sales by Business Segment

(billions of yen)

	Nine months ended Dec 31			Full
	2009	**2010**	YOY %	2009
Net sales	313.3	**335.8**	107.2	415.6
Ethical drugs	204.0	**227.9**	111.7	260.4
Exports of Pharmaceuticals	39.9	**35.1**	87.9	52.5
Consumer health care products	14.7	**14.7**	100.2	19.0
Other (Food additives, Chemicals, etc.)	1.2	**1.0**	86.6	1.7
Industrial property rights, and other income	53.5	**57.1**	106.7	82.1

3) Exports by Geographical Area

(billions of yen)

	Nine months ended Dec 31			Full
	2009	**2010**	YOY %	2009
Net sales	313.3	**335.8**	107.2	415.6
Exports	93.0	**91.7**	98.6	134.1
North America	67.8	**70.7**	104.4	101.6
Europe	18.5	**13.7**	73.9	23.6
Asia and Others (incl. China)	6.8	**7.3**	107.9	8.9
Ratio of exports to sales (%)	29.7	**27.3**	-	32.3

* Major areas and countries included in each category other than Japan and China:
  1. North America: United States and Canada
  2. Europe: United Kingdom, France, Germany, etc.
  3. Asia and others: Asian countries, Latin America, etc.

* The figures in "Exports" include revenues from industrial property rights, etc.

4) Exports by Product

(billions of yen)

	Nine months ended Dec 31			Full
	2009	**2010**	YOY %	2009
Aricept	19.8	**15.7**	79.1	25.6
Aciphex/Pariet	13.5	**11.7**	86.3	18.5
Others	6.6	**7.7**	117.6	8.4
Total exports	39.9	**35.1**	87.9	52.5

8. Major R&D Pipeline

1) By Development Stage

(1) New Approval

	Product Name Research Code	Indication/Mode of Action or Category	Region	Approved	Form.
	Aricept (E2020)	**Additional Formulation: oral jelly formulation**	Japan	July 2009	Oral
	Glufast	**Rapid-acting insulin secretagogue agent/type 2 diabetes mellitus (generic name: mitiglinide)**	Philippines Thailand	July 2009 December 2009	Oral
	Inovelon (E2080)	**Anti-epileptic agent for adjunctive therapy in Lennox-Gastaut syndrome (LGS) (generic name: rufinamide)**		July 2009	Oral
[1]	**Humira (D2E7)**	**Additional Indication & Dosage: psoriasis**	Japan		Inj.

(3) Clinical (Phase III-II/III)

	Product Name Research Code	Indication/Mode of Action or Category	Region	Phase	Submission Target	Form.
ċ	**E2007**	**Anti-epileptic agent/AMPA receptor antagonist**				

(4) Clinical (Phase II)

Product Name Research Code	Indication/Mode of Action or Category	Region	Phase	Submission Target	Form.
E2007	**Treatment for neuropathic pain/AMPA receptor antagonist (generic name: perampanel)**	US EU			Oral
E2007	**Treatment for multiple sclerosis/AMPA receptor antagonist**	EU			Oral
E2007	**Migraine prophylaxis/AMPA receptor antagonist**	US			Oral
E5555	**Treatment of acute coronary syndrome/thrombin receptor antagonist**	US EU Japan		FY2012	Oral
E5555	**Treatment of atherothrombosis/thrombin receptor antagonist**	US EU Japan			Oral
E6201	**Antipsoriatic agent/novel MEK-1/MEKK-1 kinase inhibitor**	US			Topical
E7080	**Anticancer agent (thyroid cancer) /VEGF receptor tyrosine kinase inhibitor**	US EU	 II		Oral
E7389	**Anticancer agent (non-small cell lung cancer)/ microtubule dynamics inhibitor (generic name: eribulin)**	US			Inj.
E7389	**Anticancer agent (prostate cancer)/microtubule dynamics inhibitor**	US EU			Inj.
E7389	**Anticancer agent (sarcoma)/microtubule dynamics inhibitor**	EU			Inj.
E7820	**Anticancer agent (colorectal cancer)/angiogenesis**				

pr87o5cerl 0 0 7.32 385.44 419.16eric name: eribulin)

E7389 V Anticancer agen(Oral)Tj/TT2 i Tmg0cal

2) By Therapeutic Area

(1) Neurology

Product Name Research Code	Description	Development Status
Aricept (E2020)	An acetylcholinesterase inhibitor currently approved for the treatment of Alzheimer's disease. (Generic name: donepezil)	**Additional Indications** Vascular dementia: under review (US) Lewy body dementia: Phase II (Japan) **Additional Formulations** Oral jelly: approved (Japan) Extended release formulation: under review (US)
E2007	A selective AMPA-type glutamate receptor antagonist for the treatment of a variety of neurological disorders. (Generic name: perampanel)	Epilepsy: Phase III (EU/US), Phase II (Japan) Neuropathic pain: Phase II (EU/US) Migraine prophylaxis: Phase II (US) Multiple sclerosis: Phase II (EU)
AS-3201	An aldose reductase inhibitor that is believed to reduce intracellular accumulation of sorbitol. Currently being investigated for the treatment of diabetic neuropathy, one of the most common diabetic complications. (Generic name: ranirestat)	Diabetic neuropathy: Phase II/III (EU/US)
Zonegran (E2090)	Believed to exhibit a wide anti-epileptic spectrum and is well-tolerated. Currently indicated as an adjunctive therapy in the treatment of patients with partial seizures. (Generic name: zonisamide)	**Additional Indications** Monotherapy: Phase III (EU) Paediatric indication: Phase III (EU) **Additional Formulations** Orally disintegrating tablet: under review (EU)
E0302	Has an effect on restoring damaged peripheral nerves and is widely used for the treatment of peripheral neuropathy. Currently being investigated as a new treatment of amyotrophic lateral sclerosis (ALS). (Generic name: mecobalamine)	Amyotrophic lateral sclerosis (ALS): Phase II/III (Japan)
E2014	Acts on cholinergic nerve ending synapses at neuromuscular junction and inhibits the release of acetylcholine to relax muscles. Currently seeking approval as a treatment of cervical dystonia. (Generic name: botulinum toxin type B)	Cervical dystonia: under review (Japan)
SEP-190	A non-benzodiazepine type allosteric $GABA_A$ receptor agonist that may help patients with transient insomnia as well as insomnia in the elderly. (Generic name: eszopiclone)	Insomnia: Phase III (Japan)
Inovelon (E2080)	The agent has been approved for adjunctive therapy for Lennox-Gastaut syndrome (LGS) in Europe (with the brand name of Inovelon) and in the U.S. (with the brand name of Banzel). Approval was also granted in South Korea. (Generic name: rufinamide)	Adjunctive therapy for LGS: approved (South Korea)

(2) Oncology and Supportive Care

Product Name Research Code	Description	Development Status
E7389	A synthetic analog of halichondrin B derived from a marine sponge. Believed to exert an antitumor effect by arresting cell division through inhibiting the growth of microtubules. Currently being investigated as a potential treatment of various solid tumors such as breast cancer. (Generic name: eribulin)	Breast cancer: Phase III (EU/US), Phase II (Japan), under review (Switzerland/Singapore) NSCLC: Phase II (US) Prostate cancer: Phase II (EU/US) Sarcoma: Phase II (EU)
E7820	An angiogenesis inhibitor that suppresses the expression of alpha 2 integrin, an adhesion molecule of vascular endothelial cells.	Colorectal cancer: Phase II (US)
E7080	An anti-angiogenic agent that inhibits tyrosine kinase of a VEGF receptor, VEGFR2. Currently being investigated as a potential treatment of various solid tumors.	Thyroid cancer: Phase II (EU/US)
MORAb-003	A humanized IgG1 MAb that targets folate receptor alpha (FRA). Expected to show an anti-tumor effect against carcinomas with excessive expression of FRA. (Generic name: farletuzumab)	Ovarian cancer: Phase III (EU/US)
MORAb-009	A chimeric IgG1 MAb that blocks the function of mesothelin. Expected to exhibit an anti-tumor effect against carcinomas that express methothelin.	Mesothelioma: Phase II (EU/US)

(2) Oncology and Supportive Care (cont.)

Product Name Research Code	Description	Development Status
Dacogen (E7373)	Induces cell differentiation through inhibition of DNA methylation. Currently approved for the treatment of myelodysplastic syndromes (MDS) in the United States. (Generic name: decitabine)	**Additional Indications** Acute myelogenous leukemia (AML): Phase III (US) **Additional Dosage**: alternative five-day dosing regimen for MDS: under review (US)
irofulven (E7850)	Believed to show an anticancer effect by inhibiting DNA synthesis.	Prostate cancer, etc: Phase II (US)
AKR-501 (E5501)	A thrombopoietin receptor agonist for oral administration that increases platelet production. Expected to exhibit effects against conditions that show thrombopenia.	Idiopathic thrombocytopenic purpura: Phase II (US) Thrombocytopenia associated with liver disease: Phase II (US)
amolimogene (E7101)	A therapeutic DNA vaccine against human papilloma virus (HPV) that is believed to cause diseases such as cervical dysplasia.	Cervical dysplasia: Phase II/III (US)
Saforis (E6014)	A topical, oral glutamine suspension for the treatment of chemotherapy-induced mucositis.	Oral mucositis: Phase III (US)

(3) Vascular and Immunological Reaction

Product Name Research Code	Description	Development Status
Humira (D2E7)	A fully human monoclonal anti-TNF-α antibody that neutralizes the activity of tumor necrosis factor alpha (TNF-α), a type of cytokine that plays a central role in inflammatory reactions in patients with autoimmune diseases. Approved in Japan for the treatment of rheumatoid arthritis and psoriasis. (Generic name: adalimumab)	**Additional Indications** Psoriasis: approved (Japan) Crohn's disease: under review (Japan) Juvenile rheumatoid arthritis: Phase III (Japan) Ankylosing spondylitis: under review (Japan) Inhibition of structural damage of joints: Phase III (Japan) Ulcerative colitis: Phase II/III (Japan)
E5564	Shows endotoxin antagonist effects that inhibit isolation of inflammatory cytokines. It suppresses various clinical conditions caused by endotoxins. (Generic name: eritoran)	Severe sepsis: Phase III (Global Development Program)
E5555	Selectively binds to the thrombin receptor (PAR-1) and inhibits platelet aggregation and vascular smooth muscle cell proliferations by suppressing thrombin-mediated cellular activation.	Acute coronary syndrome: Phase II (Japan/US/EU) Atherothrombosis: Phase II (Japan/US/EU)
E6201	A novel MEK-1/MEKK-1 kinase inhibitor. Expected to show inhibition of inflammatory cellular signaling as well as overgrowth of epidermal cells in patients with psoriasis.	Psoriasis: Phase II (US)
T-614	Suppresses inflammatory cytokine production and immunoglobulin production. Expected to show effects against rheumatoid arthritis. (Generic name: iguratimod)	Rheumatoid arthritis: Phase III (Japan)
Tambocor	Suppress tachyarrhythmia by blocking cardiac sodium channels. Currently approved for the treatment of tachyarrhythmia (paroxysmal atrial fibrillation/flutter and ventricular tachycardia) in adults. (Generic name: flecainide)	Tachyarrhythmia in paediatric patients: under review (Japan)

(4) Gastrointestinal Disorders

Product Name Research Code	Description	Development Status
Aciphex/ Pariet (E3810)	A proton pump inhibitor approved for the treatment of gastric and duodenal ulcers, reflux esophagitis and eradication of *H.pylori* infections, etc. (Generic name: rabeprazole)	**Additional Indications** Non-erosive GERD: under review (Japan), concomitant therapy for eradication of *Helicobacter pylori* in gastric MALT lymphoma, the stomach after endoscopic resection of early stage gastric cancer, and idiopathic thrombocytopenic purpura: under review (Japan), functional-dyspepsia: Phase II (Japan) **Additional Dosage** Reflux esophagitis: Phase II/III (Japan) **Additional Formulations** Extended release formulation: Phase III (US)

(4) Gastrointestinal Disorders (cont.)

Product Name Research Code	Description	Development Status
Gasmotin	A selective serotonin 5-HT4 receptor agonist that shows gastroprokinetic and gastric evacuation effects by enhancing acetylcholine release. Currently approved in Thailand. Approval was also granted in the Philippines. The application for marketing authorization in Singapore has been withdrawn. (Generic name: mosapride)	Gastroprokinetic agent: approved (Philippines), under review (Malaysia/Indonesia/Vietnam), in preparation for submission (four other Asian (including ASEAN member) countries)

(5) Other Therapeutic Areas

Product Name Research Code	Description	Development Status
KES524	Expected to enhance the feeling of satiety and increase energy consumption by inhibiting the reuptake of the cerebral neurotransmitters serotonin and noradrenaline, thereby preventing increase in body weight. (Generic name: sibutramine)	Obesity: under review (Japan)
clevudine	An antiviral drug that exerts an anti-HBV effect by inhibiting DNA polymerase. Approved in the Philippines for the treatment of chronic hepatitis B. (Generic name: clevudine)	Chronic hepatitis B: under review (Malaysia/Thailand/Indonesia/India), in preparation for submission (two ASEAN member countries), In preparation for Phase III (China)
Glufast	By selectively binding to sulfonylurea receptors in pancreatic beta cells, it accelerates insulin release which results in the reduction of blood glucose. Received approval in the Philippines and Thailand. (Generic name: mitiglinide)	Diabetes: approved (Philippines, Thailand), under review (Malaysia/Indonesia/Singapore), in preparation for submission (five ASEAN member countries)

9. Major Events

Date	Description
April 2009	Signed a license agreement with Kissei Pharmaceutical Co., Ltd. for the development and commercialization of Urief, a treatment for dysuria associated with benign prostatic hyperplasia, in ASEAN Countries, India, and Sri Lanka <announced on April 2> Signed a license agreement with Nobelpharma Co., Ltd. for the development and commercialization of Gliadel Wafer in Japan <announced on April 6> The antiepileptic agent Zebinix received approval in Europe as an adjunctive therapy in adult patients with

Date	Description
September	Announced an agreement with Pfizer on the strategic alliance for Alzheimer's disease treatment Aricept <announced on September 25> Signed a license agreement with KYORIN Pharmaceutical Co., Ltd., a subsidiary of KYORIN Co., Ltd., for the development and marketing of a therapeutic agent for overactive bladder Uritos Tablets in China, India, Sri Lanka and ASEAN member countries <announced on September 29> Submitted an application for an additional indication for proton pump inhibitor Pariet to treat non-erosive GERD <announced on September 29> Entered into a collaboration and license agreement with DNDi