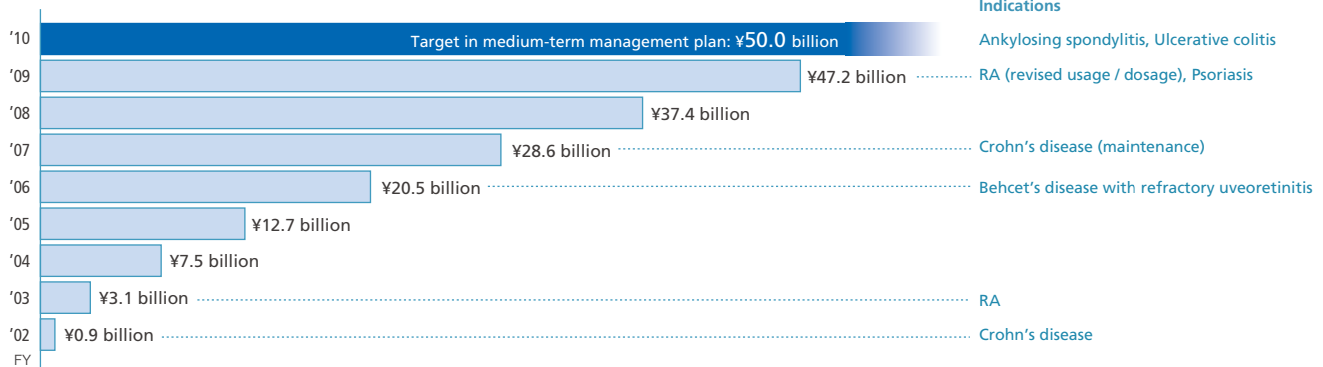


Aiming to Further Increase the Product Value of Remicade

Since our launch of Remicade in Japan in 2002, it has flourished into a significant driver of our growth, and in fiscal 2010 we expect to greatly exceed our long-stated goal of Remicade sales of ¥50.0 billion. This section introduces the initiatives that the Company has implemented to maximize the product value of Remicade.



SALES OF REMICADE



Acquisition of Approval for RA

Remicade is a biological agent that is effective against a wide range of inflammatory autoimmune diseases, including rheumatoid arthritis (RA). Remicade was first approved in 1998 for Crohn's disease in the U.S., where it was developed by Centocor Ortho Biotech, of the U.S. In the following year, it was approved for RA. It has since been launched in more than 90 countries around the world, including in the U.S. and Europe, and its effectiveness has been highly evaluated.

In Japan, our predecessor Tanabe Seiyaku was granted a license for Remicade from Centocor Ortho Biotech in 1993 and began full-scale clinical trials in 1996. In fiscal 2002, Remicade was launched in Japan for Crohn's disease, and in fiscal 2003 it received approval for RA.

Completion of Post-Marketing Surveillance

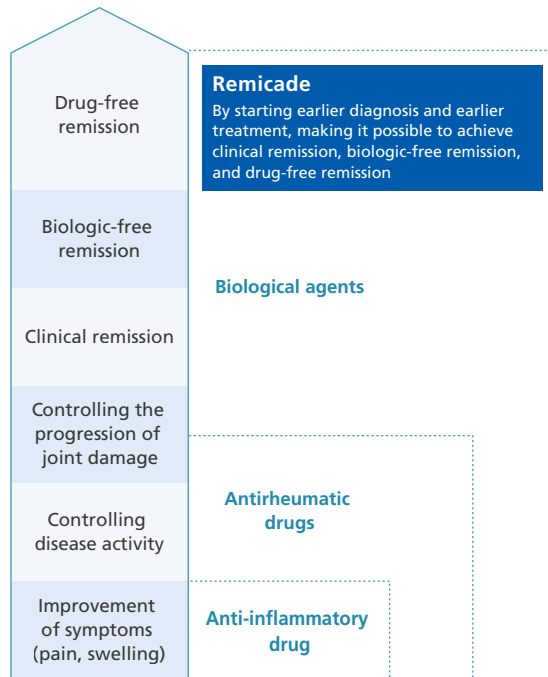
Remicade was the first biological agent approved in Japan for RA. It was expected to be highly effective, but serious side effects were also anticipated. To avoid these side effects, cautious prescription practices were indispensable, and the Minister of Health, Labour and Welfare required the Company to conduct post-marketing surveillance as a condition of Remicade's approval.

When Remicade was first launched, the Company assigned MRs specializing in Remicade with highly specialized knowledge. For the new indication of RA, Tanabe Seiyaku increased the number of these Remicade specialists to 70 in fiscal 2003. The post-marketing surveillance was handled primarily by these Remicade specialists, and the surveillance of 5,000 patients was conducted over a period of approximately two years. As a result, important data was acquired on Remicade's effectiveness and safety in Japanese patients. In addition, through the surveillance, health care professionals developed a high degree of trust in Tanabe Seiyaku's information provision activities. That trust has become a foundation for the safe use of Remicade in clinical settings. Currently, nearly 30,000 RA patients are prescribed Remicade in Japan.

Further Contribution to the Treatment of RA

In the U.S., the prescription rate of biological agents for the treatment of RA has increased rapidly, and it is currently at about 40%. This is the result of a change in RA treatment goals due to the advent of biological agents, such as Remicade. Previously, RA treatment goals were to control disease activity and to delay the progression of joint damage

TRANSITION OF THE RA TREATMENT GOALS



by antirheumatic drugs. However, it is now possible to completely inhibit the progression of joint destruction through the concomitant use of biological agents. The treatment goals are now changing to achieving clinical remission, maintaining remission without the use of biological agents (biologic-free remission), and even reaching a point where all drugs, including antirheumatic drugs, are no longer necessary (drug-free remission). As a result, the market penetration of biological agents is increasing rapidly, and at this point, Remicade is the only biological agent with reported evidence of achieving drug-free remission in RA.

However, to bring out the maximum effects of Remicade, the initially approved dose in Japan of 3 mg per kg was insufficient. Nonetheless, in fiscal 2009 the Company received approval for Remicade for a partial change of dosage and administration for RA and for a partial change of indications to include the prevention of structural joint damage. As a result, the dosage can now be increased up to 10 mg per kg per administration. We expect this change to make a major contribution to accelerating the market penetration of biological agents. The prescription rate of biological agents in RA treatment in Japan is increasing each year, but is still only about 10%, a relatively low level

in comparison with the U.S. However, the Company estimates that the rate will reach about 30% in fiscal 2012 and about 40% in the future, in parallel with the U.S. A number of competing biological products are being launched, and competition is intensifying. In this setting, however, Remicade has the potential to secure a high market share. Using the evidence of efficacy and safety that has been accumulated, we will implement a "Remicade First" initiative, working to make this drug the first choice in biological treatment agents. We will strive to establish a position as the leading company in the field of RA.

Steady Acquisition of Indications

As we take steps to foster the growing use of Remicade in RA treatment, we have also worked aggressively to obtain additional indications. In fiscal 2006, Remicade received an indication for Behcet's disease complicated with refractory uveoretinitis that does not respond to conventional therapies. In fiscal 2007 it received an additional indication for the maintenance treatment of Crohn's disease, and in fiscal 2009 it was approved for psoriasis. In fiscal 2010, it received additional indications for ankylosing spondylitis and ulcerative colitis. Currently, we are conducting phase 3 trials for a change in the dosage of Remicade for Crohn's disease.

Remicade is a drug that can contribute to the treatment of intractable diseases, such as Behcet's disease, Crohn's disease, psoriasis, and ulcerative colitis. It is also an orphan-drug designated for ankylosing spondylitis. As an innovative drug that can change the natural history of diseases that have been considered to be intractable, Remicade is the focus of growing expectations. Moving forward, we will steadily provide health care professionals with information about Remicade's safety and methods of use. In this way, we will work to foster the penetration of new methods of treatment through biological agents and make a contribution to improving the quality of life (QOL) of patients suffering from intractable diseases.

Striving Towards the Achievement of New Goals

To increase sales of Remicade, the Company will expand the number of MRs specializing in Remicade and will also work to achieve qualitative improvements among them. Currently, we are implementing affirmative dispersing actions with a system of 170 Remicade specialists.

As a result of these activities, Remicade sales have increased steadily. In fiscal 2009, sales were ¥47.2 billion, and in fiscal 2010 we expect to greatly exceed our long-stated goal of Remicade sales of ¥50.0 billion. However, this is simply a transit point. We believe that it is our mission to provide this superior drug to as many patients as possible.

Striving towards even higher goals, Mitsubishi Tanabe Pharma will continue working to maximize the product value of Remicade.