



Mitsubishi Tanabe Pharma Corporation

FY2007 Third Quarter

Business Results (Apr.1, 2007 – Dec.31, 2007)

January 29, 2008

Kunihiko Shimojuku
Board Director
Executive Vice President

FY2007 Third Quarter Financial Results

【Accounting Standard Basis】



	Third Quarter		Increase (Decrease)		Published forecasts for FY2007	% achieve
	FY2006	FY2007				
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Net sales	139.6	229.7	+90.0	+64.5	318.0	72.2
Cost of sales	53.4	81.2	+27.8	+52.0	113.0	71.9
Sales cost ratio	38.2%	35.4%			35.5%	
SG&A	58.0	97.4	+39.4	+68.0	153.0	63.7
Operating income	28.3	51.1	+22.8	+80.8	52.0	98.2
Ordinary income	30.0	51.7	+21.7	+72.4	52.0	99.3
Net income	18.8	27.6	+8.9	+47.3	26.0	106.3

Published forecasts for FY2007: Published on November 1, 2007 in the Interim Financial Results of FY2007

FY2007 Third Quarter Financial Results

【Simple Sum】



	Third Quarter		Increase (Decrease)		Published forecasts for FY2007	% achieve
	FY2006	FY2007				
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Net sales	314.8	323.5	+8.6	+2.7	411.8	78.6
Cost of sales	113.9	118.4	+4.4	+3.9	150.1	78.8
Sales cost ratio	36.2%	36.6%			36.5%	
SG&A	136.3	135.6	-0.7	-0.5	191.2	70.9
Operating income	64.6	69.5	+4.9	+7.6	70.4	98.7
Ordinary income	66.1	70.9	+4.8	+7.3	71.2	99.5
Net income	41.4	37.6	-3.8	-9.3	35.9	104.6

Published forecasts for FY2007: Published on November 1, 2007 in the Interim Financial Results of FY2007

Segment Sales

【FY2007 Third Quarter Financial Results (Simple Sum)】



	Third Quarter		Increase (Decrease)		Published forecasts for FY2007	% achieve
	FY2006	FY2007	Billion yen	%		
Net sales	Billion yen 314.8	Billion yen 323.5	Billion yen +8.6	% +2.7	Billion yen 411.8	% 78.6
Pharmaceuticals	292.2	301.1	+8.9	+3.0	381.5	78.9
Ethical drugs	288.0	296.5	+8.5	+2.9	375.8	78.9
OTC drugs	4.2	4.6	+0.4	+9.4	5.7	81.1
Other businesses	22.6	22.4	-0.2	-1.1	30.3	73.9
[Overseas sales]	[24.3]	[27.7]	[+3.4]	[+14.1]	[38.2]	[72.5]

Sales of Main Products

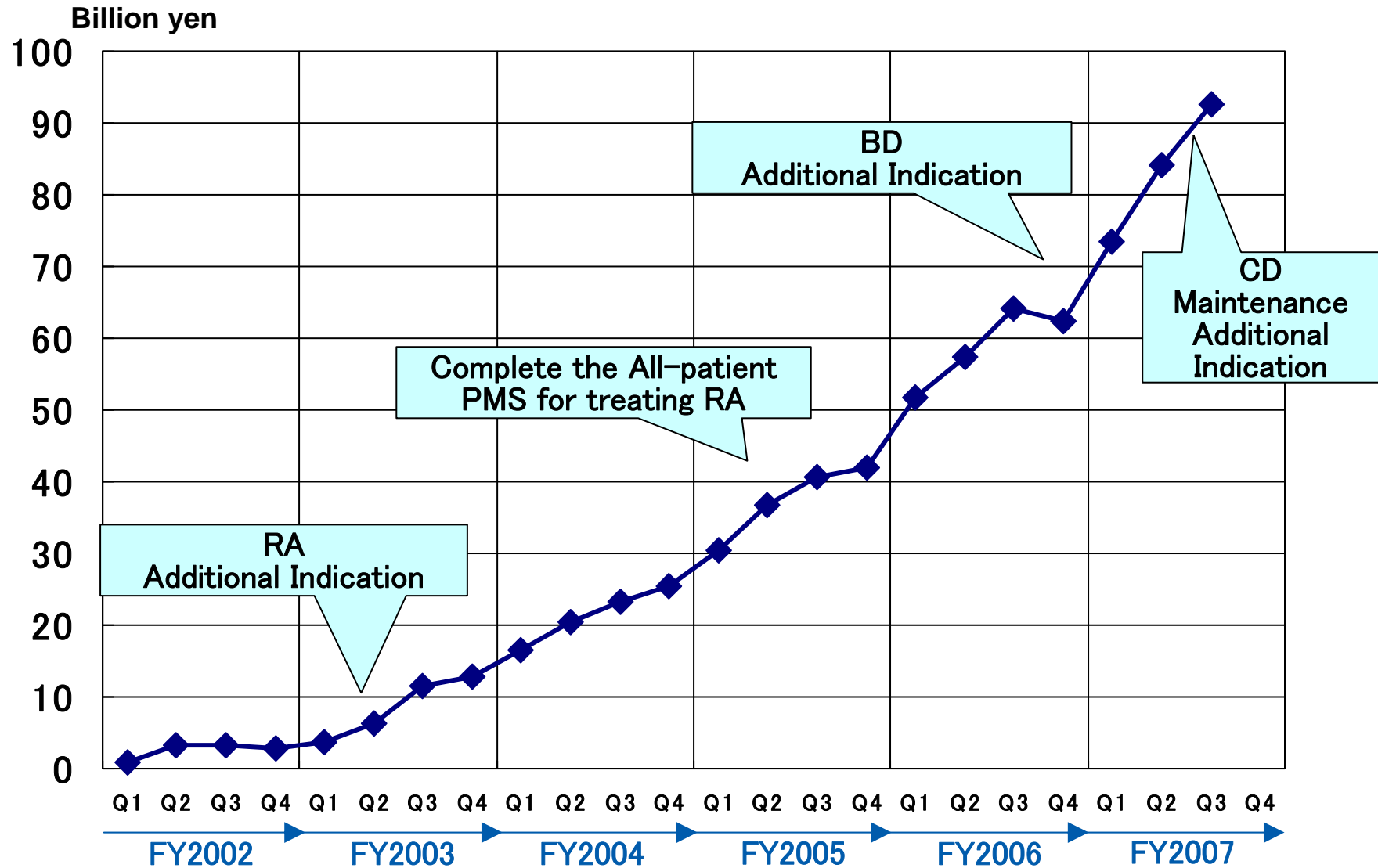


【FY2007 Third Quarter Financial Results (Simple Sum)】

	Third Quarter		Increase (Decrease)		Published forecasts for FY2007	% achieve
	FY2006	FY2007	Billion yen	%		
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Ethical drugs	292.2	301.1	+8.9	+3.0	381.5	78.9
Radicut	22.4	22.6	+0.2	+0.8	29.0	78.0
Remicade	15.3	22.2	+7.0	+45.6	28.3	78.7
Anplag	12.9	14.1	+1.2	+9.4	18.6	76.0
Urso	12.4	13.1	+0.7	+6.0	17.8	73.8
Tanatril	11.6	11.6	+0.0	+0.1	14.3	81.0
Talion	4.4	5.5	+1.1	+25.7	8.9	62.4
Herbesser	14.3	14.0	-0.2	-1.6	17.7	79.5
Ceredist	11.6	12.2	+0.6	+5.2	15.1	81.0
Venoglobulin-IH	10.3	10.5	+0.2	+2.0	13.6	77.6
Depas	8.8	9.0	+0.2	+2.6	11.6	77.9
Vaccine	14.5	15.1	+0.6	+4.3	16.6	91.1

Remicade Sales Trend (Drug Price Basis)

【FY2007 Third Quarter Financial Results (Simple Sum)】



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Cost of Sales/SG&A Expenses

【FY2007 Third Quarter Financial Results (Simple Sum)】



	Third Quarter		Increase (Decrease)		Published forecasts for FY2007	% achieve
	FY2006	FY2007	Billion yen	%		
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Net sales	314.8	323.5	+8.6	+2.7	411.8	78.6
Cost of sales	113.9	118.4	+4.4	+3.9	150.1	78.8
Sales cost ratio	36.2%	36.6%			36.5%	
SG&A	136.3	135.6	-0.7	-0.5	191.2	70.9
R&D expenses	54.0	52.8	-1.2	-2.3	75.5	69.9
Labor costs	41.5	39.9	-1.6	-3.8	52.7	75.7
Amortization of goodwill	0.1	2.6	+2.6	—	5.0	52.4
Others	40.8	40.3	-0.5	-1.2	58.0	69.5
Operating income	64.6	69.5	+4.9	+7.6	70.4	98.7

Non-operating Income and Expenses/ Special Gains and Losses

【FY2007 Third Quarter Financial Results (Simple Sum)】



	Third Quarter		Increase (Decrease)		Published forecasts for FY2007	% achieve
	FY2006	FY2007				
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Operating income	64.6	69.5	+4.9	+7.6	70.4	98.7
Non-operating income & expenses	1.5	1.4	-0.1	-8.9	0.8	172.5
Ordinary income	66.1	70.9	+4.8	+7.3	71.2	99.5
Special gains	3.3	0.3	-3.1	—	0.2	154.6
Special losses	0.5	8.9	+8.3	—	10.1	87.9
Merger-related expenses	—	5.6	+5.6	—	6.4	88.7
Special retirement expenses	0.2	1.6	+1.4	—	1.6	102.1
Losses on plant closure	—	1.4	+1.4	—	—	—
Net income	41.4	37.6	-3.8	-9.3	35.9	104.6

State of New Product Development



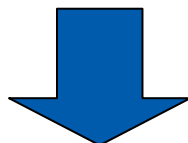
Changes since previous announcement on November 1, 2007

Product name (Generic name)	Category Indications	As of Nov.1, 2007	As of Jan.29, 2008
Remicade (Infliximab)	Anti-TNF α monoclonal antibody Crohn's disease: maintenance	sNDA Filed in Japan	Approved Nov.13, 2007
Novastan (Argatroban)	Thrombin inhibitor Acute cerebral thrombosis	sNDA Filed in China	Terminated

Progress of Mid-term Business Plan



- ❑ Discuss the strategic target and the action plan to materialize our “Vision” on the basis of “Basic strategies” and “FY2010 Business Management Goals”, announced on May 16, 2007.
- ❑ Initiate projects for reinforcement of business infrastructure
 - Structural Optimization Project
 - Base integration Restructure of affiliates Cost reduction
 - Personnel Right-sizing Project



Set to announce Mid-term Business Plan in May, 2008

Cautionary Statement

The statements contained in this presentation is based on a number of assumptions and belief in light of the information currently available to management of the two companies and is subject to significant risks and uncertainties.

Information on the companies, excluding the two companies and the new company, is generally based on and referring directly to publicly available information, and the companies have not assumed any responsibility for independently verifying and makes no warranties or representations with respect to the accuracy and completeness of such information.