

April 13th, 2009

Mitsubishi Tanabe Pharma Corporation

**Generation of Special Losses, Revision of Consolidated Results Forecasts  
and Partial Return of Executive Compensation**

Mitsubishi Tanabe Pharma Corporation posted a special loss in the company's settlement of accounts for the term ending March 2009, a summary of which is provided below. The company has also revised its forecasts of financial results (consolidated) for the full-term ending March 2009, announced January 29, 2009, as follows.

In addition, the company also announces that it has determined a partial return of executive compensation.

1. Details of the special loss

(1) Provision of a reserve for losses arising from the HCV lawsuit

As announced on April 10, 2009, the Minister of Health, Labour and Welfare has announced the criteria regarding the calculation method and respective proportions of the burden of expenses required for the payment of benefits, etc, to relieve the patients infected with hepatitis C by specified fibrinogen preparations and specified blood-coagulation factor IX preparations. As a result of estimating the value of the expenses required for the payment of these benefits, etc, ascribed to the company, taking into consideration factors such as the number of people anticipated to be subject to these benefits, the value of the reserve for losses arising from the HCV lawsuit that the company needed to post in the settlement of accounts for the term ending March 31, 2009 was 20,000 million yen. Consequently, the company posted a special loss of 8,800 million yen as a reserve for losses arising from the HCV lawsuit in its consolidated profit and loss statement for the term ending March 31, 2009.

(2) Medway-related losses

The company posted a special loss of 650 million yen in its consolidated profit and loss statement for the term ending March 31, 2009 for Medway-related losses such as expenses for the removal and disposal of products from the market associated with the withdrawal of manufacturing and marketing approval for Medway Injection 5%, a recombinant human serum albumin preparation, as well as the voluntary recall of Medway Injection 5% and Medway Injection 25%, announced on March 24, 2009.

(3) Losses from revaluation of investments in securities

Losses on revaluation of investments in securities during the term ending March 31, 2009

	Non-consolidated	Consolidated
(A) Total value of losses on revaluation of investments in securities during the 4 <sup>th</sup> quarter of the term ending March 31, 2009 (from January 1, 2009 to March 31, 2009) (= i - ii)	(4 million yen)	3,725 million yen
(i) Total value of losses on revaluation of investments in securities during the term ending March 31, 2009 (from April 1, 2008 to March 31, 2009)	4 million yen	6,635 million yen
(ii) Total value of losses on revaluation of investments in securities accumulated to the end of the 3 <sup>rd</sup> quarter of the term ending March 31, 2009 (from April 1, 2008 to December 31, 2008)	8 million yen	2,910 million yen

\* The company uses reversal method for the valuation of Available-for-sale securities for quarter accounting period.

\* The last day of the company's accounting period is March 31.

• Ratio against net assets/ operating income/ net income

	Non-consolidated	Consolidated
(B) Net assets at the end of the term ending March 31, 2008	476,454 million yen	667,808 million yen
(A/B*100)	- %	0.6%
(i/B*100)	0.0%	1.0%
(C) Operating income for the term ending March 31, 2008	52,152 million yen	54,408 million yen
(A/C*100)	- %	6.8%
(i/C*100)	0.0%	12.2%
(D) Net income for the term ending March 31, 2008	23,521 million yen	21,993 million yen
(A/D*100)	- %	16.9%
(i/D*100)	0.0%	30.2%

2. Revision of results forecast

(1) Revision of the consolidated results forecast for the fiscal year ending March 31, 2009 (April 1, 2008 to March 31, 2009)

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	Yen million 420,000	Yen million 73,000	Yen million 74,500	Yen million 33,000	Yen 58.80
Current forecast (B)	420,000	73,000	74,500	27,000	48.11
Difference (B-A)	-	-	-	(6,000)	-
% change	-	-	-	(18.2)	-
(Reference) Results in previous fiscal year	315,636	54,024	54,408	21,993	50.12

(2) Reason for the revision

Net income has been revised downwards by 6,000 million yen from the previous forecast and is now anticipated to finish at 27,000 million yen in order to post the special losses described above.

(3) Dividend forecast

There has been no change to the dividend forecast announced at the time of the announcement of the financial statements for the term ending March 31, 2008 on May 7, 2008.

The results forecasts above were judged by the company to be reasonable based on currently available information, but do include risks and uncertainties. Consequently, please be aware that actual results may differ from these results forecasts due to a variety of factors surrounding the company's areas of business.

3. Partial return of executive compensation

Responding sincerely to the occurrence of these special losses, the company has decided that some executive compensation will be returned.

In addition, the standing auditors have proposed to voluntarily return some auditor's compensation.

(1) Details of the return of compensation

President & Representative Director, and Representative Director & Executive Vice President	To return 20% of the value of monthly compensation
Director & Executive Vice President	To return 15% of the value of monthly compensation
Other directors and operating officers, etc.	To return 10% of the value of monthly compensation
Standing auditors	To voluntarily return 5% of the value of monthly compensation

(2) Period for the return of compensation

April 2009 through June 2009