2nd Quarter Consolodated Financial Results for the year Ended March 31, 2011

<Supplement>

As of October 29, 2010

Mitsubishi Tanabe Pharma Corporation

(Note)

In these materials, forecasts of results and other statements about the future are forward-looking statements based on a number of assumptions and beliefs in light of the information available to management as of the date of release of the materials and are subject to risks and uncertainties. Actual financial results may differ materially from these forecasts depending on a number of important factors.

I. Summary of Financial Results for FY2010 Ended March 31, 2011 and Forecasts for FY2011 Ended March 31, 2011

(Amounts less than ¥100 million is rounded.)

1. Summary of Financial Results for 1st Half of FY2010

(billion yen)

Net Sales	204.7	FY-on-FY	6.4	3.3 %
Pharmaceuticals	199.8	FY-on-FY	6.4	3.3 %
Other Businesses	4.8	FY-on-FY	0.0	0.9 %

In the pharmaceuticals segment, net sales were ¥199.8 billion, up 3.3%, or ¥6.4 billion, year-on-year. In domestic sales of ethical drugs, although NHI drug prices were revised in April 2010, favorable sales were recorded by such products as Remicade, an anti-TNFα monoclonal antibody; Radicut, a cerebral neuroprotectant; Maintate, a selective β1 antagonist; and Talion, a treatment for allergic disorders. In addition, higher sales were recorded by generic drugs as well as by JEBIK V, a freeze-dried, cell-culture derived Japanese encephalitis vaccine, which the government reinstated as a recommended vaccination in April 2010.

The Principal Products and Businesses in Each Business Segment

Pharmaceuticals: Ethical drugs, over-the-counter-drugs

Other businesses: Fine chemicals, real-estate leasing, information services, advertising, etc.

Operating Income	40.2	FY-on-FY	12.7	46.3 %

Net sales rose ¥6.4 billion. On the other hand, gross profit declined slightly due to the influence of NHI drug price revisions and other factors. The cost of sales ratio worsened by 2.2 percentage points, to 38.0%. Accompanying a change in a licensing contract, the Company made a one-time payment of about ¥10.0 billion in the previous fiscal year. In the period under review, R&D expenses decreased substantially year-on-year, and labor costs were down due to such factors as lower retirement benefits expense. In addition, sales promotion and other expenses also decreased. As a result, SG&A expenses were down 13.1%, or ¥13.1 billion, to ¥86.7 billion. R&D expenses were ¥32.5 billion, accounting for 15.9% of net sales.

Ordinary Income	40.5	FY-on-FY	12.6	45.0 %
Net Income	22.7	FY-on-FY	9.2	67.5 %

Ordinary income was up 45.0%, or ¥12.6 billion, year-on-year, to ¥40.5 billion, and net income was up 67.5%, or ¥9.2 billion, year-on-year, to ¥22.7 billion. Extraordinary losses were ¥3.8 billion, including loss on valuation of investment in securities of ¥2.4 billion and loss related to business suspension for Medway injection recombinant human serum albumin preparation of ¥0.7 billion. In the previous fiscal year, the Company recorded extraordinary losses of ¥4.7 billion, such as impairment loss accompanying head office relocation, restructuring expenses, and loss related to business suspension in regard to Medway injection. Consequently, in the period under review, the net balance of extraordinary items improved by ¥ 1.3 billion year-on-year.

2. Summary of Forecasts for FY2010

Net Sales	401.0	FY-on-FY	(3.7)	(0.9 %)
Operating Income	67.0	FY-on-FY	5.5	9.0 %
Ordinary Income	67.0	FY-on-FY	5.4	8.7 %
Net Income	35.5	FY-on-FY	5.2	17.3 %

3. Dividends

	FY2009		FY2010 (Projected)	
	2nd Quarter	For the year	2nd Quarter	For the year (Forecast)
Dividends per Share (¥)	14	28	14	28
Dividends Payout Ratio	39.0%		28.3%	34.5%

Note: The dividend payout ratio is calculated exclusive of the amortization of goodwill, and with estimated annual dividends.

II. Consolidated Financial Indicators for 2nd Quarter FY2010

1. Profit and Loss

(1) PL

[Million yen]

	1st Half FY2009	1st Half FY2010	FY-on-FY		Comparison to forecasts		
			Increase (Decrease)	Change %	Forecasts*1	Increase (Decrease)	Change %
Net Sales	198,239	204,684	6,445	3.3	198,000	6,684	3.4
Cost of Sales Sales Cost Ratio	71,005 35.8%	77,835 38.0%	6,830	9.6	77,000 38.9%	835	1.1
SG & A Expenses % of Net Sales	99,778 50.3%	86,694 42.4%	(13,084)	(13.1)	90,000 45.5%	(3,306)	(3.7)
Operating Income	27,456	40,155	12,699	46.3	31,000	9,155	29.5
Ordinary Income	27,910	40,473	12,563	45.0	31,000	9,473	30.6
Extraordinary Income	77	456	379	492.2	-	456	-
Extraordinary Losses	4,668	3,751	(917)	(19.6)	3,000	751	25.0
Net Income	13,552	22,704	9,152	67.5	16,000	6,704	41.9

(2) Sales by Business Segments

[Million yen]

	1st Half FY2009	1st Half FY2010	FY-on-FY		Comparison to forecasts			Notes [FY-on-FY comparison] [Billion yen]
			Increase (Decrease)	Change %	Forecasts*1	Increase (Decrease)	Change %	
Pharmaceuticals % Composition	193,435 97.6%	199,836 97.6%	6,401	3.3	192,600 97.3%	7,236	3.8	Ethical drugs domestic sales +7.0 Licensing fee, etc. (0.7)
[Domestic]	[181,235]	[187,478]	[6,243]	[3.4]	[180,500]	[6,978]	[3.9]	See page 3, (4) Sales of Main Products
[Overseas]	[12,200]	[12,358]	[158]	[1.3]	[12,100]	[258]	[2.1]	
Other Businesses % Composition	4,804 2.4%	4,848 2.4%	44	0.9	5,400 2.7%	(552)	(10.2)	
[Domestic]	[3,509]	[3,480]	[(29)]	[(0.8)]	[3,700]	[(220)]	[(5.9)]	
[Overseas]	[1,295]	[1,368]	[73]	[5.6]	[1,700]	[(332)]	[(19.5)]	
Total % Composition	198,239 100.0%	204,684 100.0%	6,445	3.3	198,000 100.0%	6,684	3.4	Foreign sales ratio 1st Half FY2009, 6.8% 1st Half FY2010, 6.7%
[Domestic]	[184,744]	[190,958]	[6,214]	[3.4]	[184,200]	[6,758]	[3.7]	Average exchange rate 1st Half FY2009, 1$ = ¥ 95.98
[Overseas]	[13,495]	[13,726]	[231]	[1.7]	[13,800]	[(74)]	[(0.5)]	1st Half FY2010, 1$ = ¥ 91.02

(3) Cost of Sales and Selling, General and Administrative Expense

[Million yen]

	1st Half FY2009	1st Half FY2010	FY-on-FY		Comparison with forecasts			Notes [FY-on-FY comparison] [Billion yen]
			Increase (Decrease)	Change %	Forecasts*1	Increase (Decrease)	Change %	
Cost of Sales Sales Cost Ratio	71,005 35.8%	77,835 38.0%	6,830	9.6	77,000 38.9%	835	1.1	The cost of sales ratio worsened due to the revised drug prices, etc.
SG & A Expenses % of Net Sales	99,778 50.3%	86,694 42.4%	(13,084)	(13.1)	90,000 45.5%	(3,306)	(3.7)	
R&D Expenses % of Net Sales	44,567 22.5%	32,492 15.9%	(12,075)	(27.1)	35,500 17.9%	(3,008)	(8.5)	FY2009; License fee payment related to ammendment agreement of MP-424, approx. ¥ 10.0 billion
Labor Costs	26,219	25,821	(398)	(1.5)	25,500	321	1.3	Decrease in accrued benefit, etc.
Sales Promotion Expenses	5,629	5,312	(317)	(5.6)	5,500	(188)	(3.4)	Decrease due to business suspension
Amortization of Goodwill*2	5,067	5,072	5	0.1	5,000	72	1.4	
Others	18,296	17,997	(299)	(1.6)	18,500	(503)	(2.7)	Decrease in transportation expenses due to business suspension
Total Labor Costs	44,644	44,039	(605)	(1.4)	44,000	39	0.1	

*1: Published forecasts announced on July 29, 2010 in the 1st quarter financial results for FY2010

*2: Clear off 150.5 billion yen within 15 years.

(4) Sales of Main Products [Billion yen]

	1st Half FY2009	1st Half FY2010	FY-on-FY		Comparison to Forecasts		
			Increase (Decrease)	%	Forecasts*1	Increase (Decrease)	%
Ethical drugs	190.8	197.0	6.2	3.2	189.9	7.1	3.7
Ethical drugs domestic sales	172.1	179.1	7.0	4.1	172.4	6.7	3.9
Remicade	22.7	29.3	6.6	29.0	-	-	-
Radicut	13.9	14.3	0.4	2.9	-	-	-
Ceredist	8.4	9.0	0.6	6.7	-	-	-
Anplag	9.5	8.3	(1.2)	(13.0)	-	-	-
Urso	8.3	7.7	(0.5)	(6.5)	-	-	-
Maintate	5.5	6.0	0.5	9.1	-	-	-
Depas	5.9	5.7	(0.2)	(2.6)	-	-	-
Tanatril	5.8	5.0	(0.8)	(13.5)	-	-	-
Herbesser	5.6	4.9	(0.7)	(12.2)	-	-	-
Talion	4.1	4.7	0.6	14.8	-	-	-
Venoglobulin-IH	4.9	4.6	(0.4)	(7.9)	-	-	-
Liple	4.1	3.7	(0.4)	(9.9)	-	-	-
Sermion	3.8	3.3	(0.5)	(12.8)	-	-	-
Neuart	2.9	2.8	(0.1)	(3.3)	-	-	-
Omeprazon	2.9	2.5	(0.4)	(12.5)	-	-	-
Novastan	1.5	1.7	0.2	13.9	-	-	-
BIKEN Products [Vaccines]*2	13.1	15.1	2.0	15.4	-	-	-
[Mearubik]	[7.8]	[7.6]	[(0.2)]	[(2.8)]	-	-	-
[Influenza]*2	[2.4]	[1.9]	[(0.5)]	[(19.3)]	-	-	-
[JEBIK V]	[1.1]	[3.7]	[2.6]	[246.5]	-	-	-
Generic Drugs*3	3.5	5.4	1.9	53.8	-	-	-
Ethical drugs overseas sales	11.3	11.3	0.0	(0.3)	11.4	(0.1)	(0.9)
Herbesser	2.5	2.4	0.0	(1.7)	-	-	-
Argatroban (Novastan)	1.7	1.8	0.1	5.8	-	-	-
Tanatril	1.0	1.0	0.0	0.3	-	-	-
Anplag	0.6	0.4	(0.2)	(36.3)	-	-	-
BIKEN Products [Vaccines]	0.7	0.7	0.0	(2.1)	-	-	-
Contracted manufacturing products*4	5.3	5.2	(0.1)	(1.7)	5.2	0.0	0.7
Licensing fee, etc.	2.0	1.3	(0.7)	(35.5)	0.9	0.4	40.1
OTC prodcuts	2.7	2.9	0.2	7.9	2.7	0.2	6.9
Pharmaceuticals	193.4	199.8	6.4	3.3	192.6	7.2	3.8
Others	4.8	4.8	0.0	0.9	5.4	(0.6)	(10.2)
Total net sales	198.2	204.7	6.4	3.3	198.0	6.7	3.4

*1: Published forecasts announced on July 29, 2010 in the financial results for 1Q FY2010
*2: Sales of H1N1 flu vaccine are not included in sales of vaccine and influenza vaccine.
*3: Sold by Tanabe Seiyaku Hanbai Co., Ltd
*4: Active pharmaceutical ingredients, etc. ordered by other companies.

(5) Non-operating Income and Expenses

[Million yen]

	1st Half FY2009	1st Half FY2010	Increase (Decrease)	Notes
Non-operating Income	1,807	1,742	(65)	
Interest income	932	801	(131)	
Dividend income	434	473	39	
Equity in earnings of affiliates	83	-	(83)	
Others	358	468	110	
Non-operating Expenses	1,353	1,424	71	
Interest expenses	16	7	(9)	
Equity in losses of affiliates	-	34	34	
Foreign exchange losses	233	263	30	
Tax and dues	-	213	213	
Loss on disposal of property, plant and equipment	233	175	(58)	
Donations	161	158	(3)	
Others	710	574	(136)	

(6) Extraordinary Income and Losses

[Million yen]

	1st Half FY2009	1st Half FY2010	Increase (Decrease)	Notes
Exordinary income	77	456	379	
Gains on sale of property, plant and equipment	-	277	277	
Reversal of past year patent royalties	-	179	179	
Gains on sale of investments in securities	77	-	(77)	
Exordinary Losses	4,668	3,751	(917)	
Loss on valuation of investment in securities	263	2,426	2,163	
Loss related to business suspension	1,699	737	(962)	Expenses related to suspension of Medway business
Special retirement expenses	-	448	448	Additional retirement expenses accompanied with employment transfer
Restructuring expenses	528	140	(388)	FY2009: Expenses related to relocation of the head office, etc.
Impairment loss	1,824	-	(1,824)	FY2009: Relocation of the head office
Others	354	-	(354)	

(7) Taxes

[Million yen]

	1st Half FY2009	1st Half FY2010	Increase (Decrease)	Notes
Income before income taxes and minority interests	23,319	37,178	13,859	Statutory tax rate, 40.6% Adjustment Non-deductible expenses, 2.1% Non-taxable devidend income, etc., (2.7%) Adjustment for per capital inhabitants tax, 0.2% Special deduction for R&D expenses, (8.6%) Amortization of goodwill, 5.5% Elimination of dividends upon consolidation, 2.4% Others, (0.1%) Actual tax rate, 39.4%
Income taxes-current	9,923	12,892	2,969	
Income taxes-deferred	589	1,759	1,170	
Minority interests	(745)	(177)	568	
Net Income	13,552	22,704	9,152	

2. Financial Statement

(1) Balance Sheets

[Million yen]

	End of FY2009	End of 2Q FY2010	Composition %	Increase (Decrease)	Notes (Billion Yen)
Total Assets	796,858	810,923	100.0	14,065	
Current assets	344,249	365,636	45.1	21,387	Cash and cash equivalents, 2.1; Marketable securities, 20.8; Notes and accounts receivable*1, 0.6; Inventory assets, 4.0; Deposits, (7.2); Deferred tax assets, 0.7; Other current assets, 0.3
Fixed assets	452,609	445,287	54.9	(7,322)	Property, plant and equipment, (2.1); Intangible fixed assets, (5.2); Investment in securities, 0.3; Prepaid pension expenses, 1.9; Other investments, (2.3)
Total Liabilities	120,045	122,981	15.2	2,936	
Current liabilities	77,767	83,751	10.3	5,984	Notes and accounts payable*2, 8.8; Accrued payables, (6.6); Income taxes payable, 1.9; Other current liabiliteis, 1.7
Long-term liabilities	42,278	39,230	4.8	(3,048)	Deferred tax liabilities, 0.2; Accured retirement benefits for employees, (0.7); Reserve for health management allowances for SMON compensation, (0.3); Reserve for HCV litigation, (3.2); Other fixed liabilities, 0.9
Net Assets	676,813	687,942	84.8	11,129	
Total shareholders' equity	680,317	695,076	85.7	14,759	Retained earnings, 14.8
Total valuation and translation adjustments	(9,847)	(13,084)	(1.6)	(3,237)	Unrealized holding gains on securities, (1.1)
Minority interests	6,343	5,950	0.7	(393)	

(2) Increase (Decrease) of Major Items

[Million yen]

	End of FY2009	End of 2Q FY2010	Increase (Decrease)	Notes (Billion Yen)
Cash and deposits	22,792	24,922	2,130	See page 6, (3) Statements of Cash Flows
Marketable securities	59,726	80,568	20,842	Increase of negotiable deposit and government bond
Notes and accounts receivable*1	126,227	126,861	634	
[Months/Revolution]	[3.74]	[3.72]	[(0.02)]	
Inventories	73,166	77,157	3,991	Increase of finished products such as Remicade and vaccines
Deposits	46,271	39,077	(7,194)	Money deposited to MCFA, a group financing company of Mitsubishi Chemical Holdongs
Deferred income taxes	11,394	12,108	714	
Others	4,673	4,943	270	
Property, plant and equipment	117,218	115,139	(2,079)	Investment for plant and equipment, 3.9; Depreciation, (5.5)
Intangible fixed assets	129,614	124,441	(5,173)	Investment for information system, 0.4; Amortization of goodwill, (5.1); Depreciation (0.5)
Investment in securities	139,133	139,474	341	
Prepaid pension expenses	36,730	38,625	1,895	
Other investments	29,914	27,608	(2,306)	
Notes and accounts payable*2	27,557	36,400	8,843	Increase in debts for products such as Remicade and vaccines
Accrued payable	20,202	13,592	(6,610)	
Income taxes payable	11,080	12,958	1,878	
Other current liabilities	16,488	18,176	1,688	
Liabilities with interest	2,440	2,625	185	
Short-term debt *3	2,410	2,610	200	
Long-term debt *4	30	15	(15)	
Deferred income taxes	11,267	11,478	211	
Accrued retirement benefits for employees	13,159	12,499	(660)	
Reserve for health management allowances for HIV compensation	1,627	1,627	-	
Reserve for health management allowances for SMON	4,205	3,914	(291)	
Reserve for HCV litigation	10,689	7,480	(3,209)	Reversal of the reserve accompanied with payment of the settlement
Other long-term liabilities	1,331	2,232	901	
Common stock	50,000	50,000	-	
Additional paid-in capital	451,185	451,186	1	
Retained earnings	179,409	194,257	14,848	Net income, 22.7; Payment for dividends, (7.9)
Treasury stock	(277)	(367)	(90)	
Unrealized holding gains on securities	(3,218)	(4,367)	(1,149)	

*1: Note and accounts receivable = Bills + Accounts receivable
*2:Note and account payable=Bills(except non-operating bills)+Accounts payable
*3 and *4: Long-term debt includes long-term debt due within one year

(3) Statements of Cash Flows

[Million yen]

	1st Half FY2009	1st Half FY2010	Increase (Decrease)	FY2009	Notes (Billion yen)
Cash and Cash Equivalents at Beginning of the Period	116,903	62,958	(53,945)	116,903	
Net Cash Provided by Operating Activities	2,846	32,900	30,054	23,923	
Net Cash Provided by (Used in) Investing Activities	(37,736)	(24,878)	12,858	(61,227)	Sale/acquisition of securities: 18.4 [1st Half FY2009: (14.3) 1st Half FY2010: 4.1] Increase/decrese in time deposits: 0.7[1st Half FY2009:(0.1) 1st Half FY2010: 0.6] Increase in long-term deposits: 0.7 [1st Half FY2009:(0.6) 1st Half FY2010: 0.0] Sale/purchase of property, plant and equipment: (0.1), [1st Half FY2009:(3.8) 1st Half FY2010: (3.9)] Purchase of intangible fixed assets: 0.8, [1st Half FY2009:(1.2) 1st Half FY2010: (0.4)] Sale/purchase of investment of securities: (6.6), [1st Half FY2009:(18.8) 1st Half FY2010: (25.3)]
Net Cash Provided by (Used in) Financing Activities	(9,002)	(7,784)	1,218	(17,105)	Increase/decrease in short-term loans: 0.6 [1st Half FY2009:(0.4) 1st Half FY2010: 0.2] Repayment of long-term loans: 0.7 [1st Half FY2009:(0.7) 1st Half FY2010:(0.0)]
Effect of Exchange Rate Changes on Cash and Cash Equivalents	519	(703)	(1,222)	274	
Increase(Decrease) in Cash and Cash Equivalents	(43,373)	(465)	42,908	(54,135)	
Increase in Cash and Cash Equivalents resulting from inclusion of consolidated subsidiaries	190	5	(185)	190	
Increase in Cash and Cash Equivalents resulting from new consolidations	-	59	59	-	
Cash and Cash Equivalents at End of the Period	73,720	62,557	(11,163)	62,958	

* The Reconciliation of Cash and Cash Equivalents in the Consolidated Balance Sheets and Cash and Cash Equivalents in the Consolidated Statements of Cash Flows at the End of the Period.

	1st Half FY2009	1st Half FY2010 [Million yen]
Cash and time deposits	18,368	24,922
Time deposits maturing after three months	(1,450)	(9,499)
Short-term investments in marketable securities maturing within three months of acquisition	6,000	8,000
Cash and cash equivalents included in short-term loans receivable	50,802	67
Cash and cash equivalents included in deposits	-	39,067
Cash and cash equivalents in the consolidated statements of cash flows	73,720	62,557

(4) Investment in Property, Plant and Equipment/ Investment for Development of Information Systems

[Million yen]

	1st Half FY2009	1st Half FY2010	Increase (Decrease)	FY2009
Investment in Property, Plant and Equipment(Occurring basis)	3,129	3,924	795	8,378
Investment for Information Systems (Occurring Basis)	1,043	394	(649)	815

<Major Investment in Property, Plant and Equipment in 1st Half FY2010> [Billion yen]

Mitsubishi Tanabe Pharma Corporation	1.9
[Construction of a new research building at Yokohama Office]	[1.1]
Mitsubishi Tanabe Pharma Factory Ltd.	1.0

<Major Investment for Development of Information Systems in 1st Half FY2010> [Billion yen]

Mitsubishi Tanabe Pharma Corporation	0.2

(5) Depreciation Costs

[Million yen]

	1st Half FY2009	1st Half FY2010	Increase (Decrease)	FY2009
Property, Plant and Equipment	5,856	5,471	(385)	12,283
Intangible Fixed Assets	473	546	73	1,008

3. Consolidated Subsidiaries

(1) Number of Consolidated Subsidiaries and Affiliated Companie

	End of FY2009	End of 2Q FY2010	Increase (Decrease)	Notes (Status Change)
Consolidated Subsidiaries	27	28	1	Increase: Guangdong Tanabe Pharmaceutical Co., Ltd.
Nonconsolidated Subsidiaries	6	4	(2)	Decrease: Guangdong Tanabe Pharmaceutical Co., Ltd., Koei Shoji Co.,
Affiliated Companies	4	4	-	
Total	37	36	(1)	

(2) Financial Data & Employees of Major Consolidated Subsidiarie

[Million yen]

Companies	Fiscal Year	Benesis Corporation	Mitsubishi Tanabe Pharma Factory Ltd.	Mitsubishi Tanabe Pharma Korea Co., Ltd.	Mitsubishi Pharma (Guangzhou) Co., Ltd.	Tianjin Tanabe Seiyaku Co., Ltd.
Settling Day		End of March	End of March	End of March	End of December	End of December
Paid-in Capital	2Q FY2010	3,000	1,130	372	1,269	1,261
	FY2009	3,000	1,130	372	1,269	1,261
	2Q FY2009	3,000	1,130	372	1,269	1,261
% Voting Control	2Q FY2010	100.0%	100.0%	100.0%	100.0%	66.7%
	FY2009	100.0%	100.0%	100.0%	100.0%	66.7%
	2Q FY2009	100.0%	100.0%	100.0%	100.0%	66.7%
Total Assets	2Q FY2010	30,405	56,169	2,319	4,640	2,012
	FY2009	29,018	57,937	2,504	4,959	1,803
	2Q FY2009	27,361	53,684	2,089	5,118	1,879
Net Assets	2Q FY2010	24,814	37,543	1,741	3,837	1,457
	FY2009	24,730	37,059	1,703	3,894	1,398
	2Q FY2009	23,058	33,530	1,422	3,814	1,487
Net Sales	1H FY2010	9,811	26,747	1,930	1,348	1,054
	FY2009	18,714	53,804	3,519	3,441	2,016
	1H FY2009	6,789	25,340	1,679	1,643	1,038
Operating Income	1H FY2010	975	1,750	299	111	103
	FY2009	1,668	2,580	603	565	156
	1H FY2009	(822)	1,382	304	244	113
Ordinary Income	1H FY2010	1,011	1,769	302	106	102
	FY2009	1,612	2,504	614	558	157
	1H FY2009	(793)	1,338	324	245	113
Net Income and Loss	1H FY2010	628	1,201	215	83	108
	FY2009	1,087	1,434	457	426	110
	1H FY2009	(585)	906	251	196	80
R&D Expenses	1H FY2010	1,110	556	-	4	-
	FY2009	2,346	1,153	-	23	17
	1H FY2009	1,242	596	-	9	-
Depreciation of Property, Plant and Equipment	1H FY2010	512	1,820	27	60	30
	FY2009	1,224	4,016	50	111	61
	1H FY2009	595	1,913	21	51	31
Number of Employees	1H FY2010	580	1,194	124	451	344
	FY2009	569	1,115	120	430	321
	1H FY2009	571	1,022	118	412	343

(3) Other Consolidated Subsidiaries

(As of September 30, 2010)

	Company Name	Paid-in Capital (Million yen)	% Voting Control [% Indirect Ownership]		Settling Day
1	Yoshitomiyakuhin Corporation	385	100.0	(-)	End of March
2	MP-Logistics Corporation	95	65.0	(-)	End of March
3	BIPHA CORPORATION	7,500	51.0	(-)	End of March
4	Tanabe Seiyaku Yoshiki Factory Co., Ltd.	400	100.0	(-)	End of March
5	Tanabe Seiyaku Hanbai., Ltd.	169	92.7	(7.7)	End of March
6	Tanabe R&D Service Co., Ltd.	44	100.0	(-)	End of March
7	Tanabe Total Service Co., Ltd.	90	100.0	(-)	End of March
8	Welfide International Corporation	US$36,816,000	100.0	(-)	End of December
9	Alpha Therapeutic Corporation	US$50,000,000	100.0	(100.0)	End of December
10	MP Healthcare Venture Management, Inc.	US$100	65.0	(-)	End of December
11	Mitsubishi Tanabe Pharma Holdings America, Inc.	US$166	100.0	(-)	End of December
12	Mitsubishi Tanabe Pharma Development America, Inc.	US$100	100.0	(100.0)	End of December
13	Tanabe Research Laboratories U.S.A., Inc.	US$3,000,000	100.0	(100.0)	End of December
14	Tanabe U.S.A., Inc.	US$1,400,000	100.0	(100.0)	End of December
15	Mitsubishi Tanabe Pharma America, Inc.	US$100	100.0	(100.0)	End of December
16	Mitsubishi Pharma Research & Development (Beijing) Co., Ltd.	US$1,000,000	100.0	(-)	End of December
17	Guangdong Tanabe Pharmaceutical Co., Ltd.	CNY 7,000,000	100.0	(-)	End of December
18	Taiwan Tanabe Seiyaku Co., Ltd.	NT$90,000,000	65.0	(-)	End of December
19	Tai Tien Pharmaceuticals Co., Ltd.	NT$20,000,000	65.0	(-)	End of December
20	P.T. Tanabe Indonesia	US$2,500,000	99.6	(-)	End of December
21	Mitsubishi Pharama Europe Ltd.	£4,632,000	100.0	(-)	End of December
22	Mitsubishi Pharma Deutschland GmbH	EUR 25,000	100.0	(100.0)	End of December
23	Tanabe Europe N.V.	EUR 260,330	100.0	(-)	End of December

(4) Nonconsolidated Subsidiaries Accounted for by the Equity Method

(As of September 30, 2010)

	Company Name	Paid-in Capital (Million yen)	% Voting Control [% Indirect Ownership]		Settling Day
1	Choseido Pharmaceutical Co.,Ltd.	340	51.0	(-)	End of December
2	Hoshienu Pharmaceutical Co.,Ltd.	75	51.0	(51.0)	End of March

(5) Affiliated Companies Accounted for by the Equity Method

(As of September 30, 2010)

	Company Name	Paid-in Capital (Million yen)	% Voting Control [% Indirect Ownership]		Settling Day
1	API Crporation	4,000	47.7	(-)	End of March
3	Sun Chemical Co.,Ltd.	342	48.3	(-)	End of March
4	Synthelabo-Tanabe Chimie S.A.	EUR 1,600,000	50.0	(-)	End of December

III. Forecasts for FY2010 Ending March 31, 2011

(1) Consolidated Forecasts of Profit and Loss

[Billion yen]

	2nd Half FY2009 Actual	2nd Half FY2010 Forecasts	Increase (Decrease)	Change%	FY2009 Actual	FY2010 Forecasts	Increase (Decrease)	Change %	Note
Net Sales	206.5	196.3	(10.2)	(4.9)	404.7	401.0	(3.7)	(0.9)	
Cost of Sales	76.8	76.2	(0.6)	(0.8)	147.8	154.0	6.2	4.2	The cost of sales ratio is increased due to the revised drug prices, etc.
Sales cost ratio%	37.2%	38.8%			36.5%	38.4%			
SG & A Expenses	95.7	93.3	(2.4)	(2.5)	195.5	180.0	(15.5)	(7.9)	
% of Net Sales	46.3%	47.5%			48.3%	44.9%			
Operating Income	34.0	26.8	(7.2)	(21.1)	61.5	67.0	5.5	9.0	
Ordinary Income	33.7	26.5	(7.2)	(21.4)	61.6	67.0	5.4	8.7	
Extraordinary Income	0.0	0.0	0.0	450.0	0.1	0.5	0.4	488.2	
Extraordinary Losses	6.1	3.7	(2.3)	(38.5)	10.8	7.5	(3.3)	(30.3)	Loss on valuation of investment in securities and loss related to business suspension, etc.
Net Income	16.7	12.8	(3.9)	(23.4)	30.3	35.5	5.2	17.3	

(2) Sales Forecasts by Business Segments

[Billion yen]

	2nd Half FY2009 Actual	2nd Half FY2010 Forecasts	Increase (Decrease)	Change%	FY2009 Actual	FY2010 Forecasts	Increase (Decrease)	Change %	Note
Pharmaceuticals	202.3	190.9	(11.4)	(5.7)	395.7	390.7	(5.0)	(1.3)	
% Composition	98.0%	97.2%			97.8%	97.4%			See page 10, (4) Sales Forecasts for Main Products
[Domestic]	[189.9]	[178.5]	[(11.3)]	[(6.0)]	[371.1]	[366.0]	[(5.1)]	[(1.4)]	
[Overseas]	[12.4]	[12.3]	[(0.1)]	[(0.8)]	[24.6]	[24.7]	[0.1]	[0.2]	
Others	4.2	5.5	1.2	29.5	9.0	10.3	1.3	14.3	
% Composition	2.0%	2.8%			2.2%	2.6%			
[Domestic]	[3.3]	[4.0]	[0.7]	[22.3]	[6.8]	[7.5]	[0.7]	[10.4]	
[Overseas]	[0.9]	[1.4]	[0.5]	[55.1]	[2.2]	[2.8]	[0.6]	[26.2]	
Total	206.5	196.3	(10.2)	(4.9)	404.7	401.0	(3.7)	(0.9)	Foreign sales ratio: FY2009, 6.6%; FY2010 estimation, 6.8%
% Composition	100.0%	100.0%			100.0%	100.0%			
[Domestic]	[193.1]	[182.5]	[(10.6)]	[(5.5)]	[377.9]	[373.5]	[(4.4)]	[(1.2)]	
[Overseas]	[13.4]	[13.8]	[0.4]	[3.0]	[26.9]	[27.5]	[0.6]	[2.4]	Exchange rate: 1 U.S.$ = ¥90

(3) Forecasts of SG&A Expenses / Total Labor Cost

[Billion yen]

	2nd Half FY2009 Actual	2nd Half FY2010 Forecasts	Increase (Decrease)	Change%	FY2009 Actual	FY2010 Forecasts	Increase (Decrease)	Change %	Note
SG&A expenses	95.7	93.3	(2.4)	(2.5)	195.5	180.0	(15.5)	(7.9)	
R&D Expenses	38.5	37.5	(1.0)	(2.6)	83.1	70.0	(13.1)	(15.7)	R&D expenses ratio : 17.5% FY2009; License fee payment, ¥10.0 billion, related to amendment agreement of MP-424
Labor Costs	26.8	25.2	(1.6)	(6.1)	53.0	51.0	(2.0)	(3.8)	Decrease in retirement benefit expenses
Sales promotion expenses	6.3	6.5	0.2	2.6	12.0	11.8	(0.2)	(1.3)	
Goodwill Amoritization*	5.1	5.0	0.0	(0.8)	10.1	10.1	0.0	(0.4)	
Others	19.0	19.1	0.1	0.7	37.3	37.1	(0.2)	(0.5)	
Total Labor Costs	45.3	43.5	(1.9)	(4.2)	90.0	87.5	(2.5)	(2.8)	

* Clear off 150.5 billion yen within 15 years.

(4) Sales Forecasts for Main Products

[Billion yen]

	2nd Half FY2009 Actual	2nd Half FY2010 Forecasts	Increase (Decrease)	Change %	FY2009 Actual	FY2010 Forecasts	Increase (Decrease)	Change %
Ethical drugs	200.0	188.5	(11.5)	(5.8)	390.8	385.4	(5.3)	(1.4)
Ethical drugs domestic sales	182.5	171.6	(10.9)	(6.0)	354.6	350.7	(3.9)	(1.1)
Remicade	24.4	31.4	6.9	28.4	47.2	60.7	13.5	28.7
Radicut	14.1	14.0	(0.1)	(0.7)	28.0	28.3	0.3	1.1
Ceredist	8.5	8.8	0.3	4.1	16.9	17.8	0.9	5.4
Anplag	8.9	7.7	(1.2)	(13.5)	18.4	16.0	(2.4)	(13.3)
Urso	8.0	7.3	(0.7)	(9.0)	16.3	15.0	(1.3)	(7.7)
Maintate	5.6	5.9	0.3	5.6	11.0	11.8	0.8	7.4
Depas	5.7	5.4	(0.3)	(5.7)	11.6	11.1	(0.5)	(4.1)
Tanatril	5.4	4.3	(1.1)	(20.1)	11.1	9.3	(1.9)	(16.7)
Herbesser	5.2	4.6	(0.6)	(11.5)	10.8	9.5	(1.3)	(11.9)
Talion	6.5	7.8	1.3	20.3	10.6	12.6	1.9	18.2
VenoglobulinIH	4.7	4.2	(0.5)	(9.8)	9.6	8.8	(0.9)	(8.8)
Liple	3.9	3.5	(0.3)	(8.7)	8.0	7.3	(0.7)	(9.3)
Sermion	3.4	3.1	(0.4)	(11.3)	7.2	6.4	(0.9)	(12.1)
Neuart	2.9	2.7	(0.2)	(5.3)	5.7	5.5	(0.2)	(4.3)
Omeprazon	2.7	2.3	(0.4)	(15.4)	5.5	4.8	(0.8)	(13.9)
Novastan	1.4	1.4	0.0	3.0	2.9	3.1	0.2	8.6
BIKEN Products [Vaccines]*1	9.9	11.7	1.8	17.9	23.0	26.8	3.8	16.5
[Mearubik]	[4.0]	[4.2]	[0.2]	[6.1]	[11.8]	[11.8]	[0.0]	[0.2]
[Influenza]*1	[4.0]	[5.3]	[1.4]	[35.3]	[6.4]	[7.3]	[0.9]	[14.6]
[JEBIK V]	[0.9]	[1.0]	[0.1]	[6.1]	[2.0]	[4.7]	[2.7]	[133.9]
Generic Drugs*2	5.0	8.1	3.1	61.4	8.5	13.5	5.0	58.2
Ethical drugs overseas sales	11.5	10.8	(0.7)	(6.0)	22.8	22.1	(0.7)	(3.2)
Herbesser	2.2	2.0	(0.2)	(7.7)	4.7	4.5	(0.2)	(4.5)
Argatroban (Novastan)	1.9	1.2	(0.7)	(34.7)	3.6	3.1	(0.6)	(15.3)
Tanatril	0.8	0.8	0.0	(4.2)	1.8	1.8	0.0	(1.8)
Anplag	0.5	0.6	0.0	8.9	1.1	1.0	(0.2)	(15.4)
BIKEN Products [Vaccines]	0.6	0.7	0.0	6.2	1.3	1.3	0.0	2.0
Contracted manufacturing products*3	4.9	4.5	(0.4)	(8.0)	10.2	9.7	(0.5)	(4.8)
Licensing Fee, etc.	1.1	1.6	0.5	48.1	3.1	2.9	(0.2)	(6.5)
OTC prodcuts	2.3	2.4	0.1	3.8	5.0	5.3	0.3	6.0
Pharmaceuticals	202.3	190.9	(11.4)	(5.7)	395.7	390.7	(5.0)	(1.3)
Others	4.2	5.5	1.2	29.5	9.0	10.3	1.3	14.3
Total net sales	206.5	196.3	(10.2)	(4.9)	404.7	401.0	(3.7)	(0.9)

*1: In FY2009, sales of H1N1 flu vaccine are not included in sales of vaccine and influenza vaccine.
Seasonal vaccine of this year is composed of H1N1 flu vaccine and other seeds.
*2: Sold by Tanabe Seiyaku Hanbai Co., Ltd
*3: Active pharmaceutical ingredients, etc. ordered by other companies.

(5) Forecasts of Investment in Property, Plant and Equipment

[Billion yen]

	2nd Half FY2009 Actual	2nd Half FY2010 forecasts	Increase (Decrease)	% Change	FY2009 Actual	FY2010 Forecasts	Increase (Decrease)	%
Investment in Propety, Plant and Equipment (Occuring basis)	5.2	6.9	1.6	30.7	8.4	10.8	2.4	28.7

<Major Investment in Property, Plant and Equipment in 2nd Half FY2010> [Billion yen]

Production Facilities	4.4
[Facilities responding to overseas demand of MCI-196]	[1.5]
Facilities & Equipment in Laboratories	2.0
[Construction of a new research building at Yokohama Office]	[1.6]
Others	0.5

(6) Forecasts of Investment for Development of Information Systems (Intangible Fixed Assets)

[Billion yen]

	2nd Half FY2009 Actual	2nd Half FY2010 forecasts	Increase (Decrease)	% Change	FY2009 Actual	FY2010 Forecasts	Increase (Decrease)	%
Investment for Information Systems (Occurring basis)	(0.2)	0.6	0.9	-	0.8	1.0	0.2	28.0

<Major Investment in Information System in 2nd Half FY2010> [Billion yen]

R&D Related System	0.2
Production Related System	0.2
Others	0.2

(7) Forecasts for Depreciation Costs

[Billion yen]

	2nd Half FY2009 Actual	2nd Half FY2010 forecasts	Increase (Decrease)	% Change	FY2009 Actual	FY2010 Forecasts	Increase (Decrease)	%
Property, Plant and Equipment	6.4	6.4	0.0	(0.7)	12.3	11.9	(0.4)	(3.5)
Intangible Fixed Assets	0.5	0.4	(0.1)	(17.2)	1.0	1.0	0.0	(1.9)

3. Quarterly Trend (P/L)

[Billion yen]

	FY2009					FY2010			
	1Q Apr. to Jun.	2Q Jul. to Sep.	3Q Oct. to Dec.	4Q Jan. to Mar.	FY2009 Actual	1Q Apr. to Jun.	2Q Jul. to Sep.	2nd Half Forecasts	FY2010 Forecasts
Net Sales	100.8	97.5	122.0	84.5	404.7	108.8	95.9	196.3	401.0
	24.9%	24.1%	30.1%	20.9%	100.0%	27.1%	23.9%	49.0%	100.0%
[Domestic]	[94.5]	[90.2]	[115.6]	[77.5]	[377.9]	[102.0]	[88.9]	[182.5]	[373.5]
	[25.0%]	[23.9%]	[30.6%]	[20.5%]	[100.0%]	[27.3%]	[23.8%]	[48.9%]	[100.0%]
[Overseas]	[6.2]	[7.2]	[6.4]	[7.0]	[26.9]	[6.7]	[7.0]	[13.8]	[27.5]
	[23.3%]	[27.0%]	[23.8%]	[26.0%]	[100.0%]	[24.5%]	[25.4%]	[50.1%]	[100.0%]
Pharmaceuticals	98.2	95.2	119.6	82.7	395.7	106.0	93.8	190.9	390.7
	24.8%	24.1%	30.2%	20.9%	100.0%	27.1%	24.0%	48.9%	100.0%
[Domestic]	[92.8]	[88.5]	[113.8]	[76.1]	[371.1]	[100.2]	[87.3]	[178.5]	[366.0]
	[25.0%]	[23.8%]	[30.7%]	[20.5%]	[100.0%]	[27.4%]	[23.8%]	[48.8%]	[100.0%]
[Overseas]	[5.4]	[6.8]	[5.8]	[6.6]	[24.6]	[5.8]	[6.6]	[12.3]	[24.7]
	[22.0%]	[27.5%]	[23.7%]	[26.8%]	[100.0%]	[23.5%]	[26.6%]	[50.0%]	[100.0%]
Others	2.6	2.2	2.4	1.8	9.0	2.8	2.1	5.5	10.3
	28.7%	24.6%	26.3%	20.4%	100.0%	26.8%	20.3%	52.9%	100.0%
[Domestic]	[1.8]	[1.7]	[1.8]	[1.5]	[6.8]	[1.8]	[1.7]	[4.0]	[7.5]
	[25.9%]	[25.7%]	[26.9%]	[21.5%]	[100.0%]	[24.3%]	[22.1%]	[53.6%]	[100.0%]
[Overseas]	[0.8]	[0.5]	[0.5]	[0.4]	[2.2]	[0.9]	[0.4]	[1.4]	[2.8]
	[37.4%]	[21.0%]	[24.6%]	[17.0%]	[100.0%]	[33.3%]	[15.5%]	[51.1%]	[100.0%]
Cost of Sales	35.9	35.1	45.8	31.0	147.8	41.3	36.5	76.2	154.0
Sales cost ratio %	35.6%	36.0%	37.5%	36.7%	36.5%	38.0%	38.1%	38.8%	38.4%
SG & A Expenses	42.3	57.5	43.7	52.0	195.5	40.9	45.8	93.3	180.0
	21.6%	29.4%	22.4%	26.6%	100.0%	22.7%	25.5%	51.8%	100.0%
R&D Expenses	16.2	28.4	16.5	22.0	83.1	16.0	16.5	37.5	70.0
	19.4%	34.2%	19.9%	26.5%	100.0%	22.8%	23.6%	53.6%	100.0%
Labor Costs	12.7	13.5	13.1	13.7	53.0	12.4	13.5	25.2	51.0
	23.9%	25.5%	24.7%	25.9%	100.0%	24.2%	26.4%	49.4%	100.0%
Sales Promotion Expenses	2.3	3.3	2.9	3.4	12.0	1.7	3.6	6.5	11.8
	19.2%	27.9%	24.5%	28.5%	100.0%	14.8%	30.2%	55.0%	100.0%
Amortization of Goodwill	2.5	2.5	2.5	2.5	10.1	2.5	2.5	5.0	10.1
	25.0%	25.0%	25.0%	25.0%	100.0%	25.1%	25.1%	49.8%	100.0%
Others	8.6	9.7	8.7	10.3	37.3	8.3	9.7	19.1	37.1
	23.2%	25.9%	23.3%	27.6%	100.0%	22.3%	26.2%	51.5%	100.0%
Operating Income	22.6	4.9	32.5	1.5	61.5	26.6	13.6	26.8	67.0
	36.7%	7.9%	52.9%	2.5%	100.0%	39.7%	20.3%	40.1%	100.0%
Ordinary Income	23.1	4.8	32.5	1.3	61.6	26.8	13.7	26.5	67.0
	37.4%	7.9%	52.7%	2.0%	100.0%	40.0%	20.4%	39.6%	100.0%
Net Income	11.4	2.2	19.1	(2.4)	30.3	14.7	8.0	12.8	35.5
	37.6%	7.2%	63.0%	(7.8%)	100.0%	41.3%	22.6%	36.0%	100.0%

The each figure (excluding Cost of Sales) in the lower displays the progress rate.

4. Quarterly Trend (Sales of Main Products)

[Billion yen]

	FY2009					FY2010			
	1Q Apr. to Jun	2Q Jul. to Sep.	3Q Oct. to Dec.	4Q Jan. to Mar.	FY2009 Actual	1Q Apr. to Jun.	2Q Jul. to Sep.	2nd Half Forecasts	FY2010 Forecasts
Ethical drugs	97.1	93.7	118.4	81.6	390.8	104.7	92.2	188.5	385.4
	24.8%	24.0%	30.3%	20.9%	100.0%	27.2%	23.9%	48.9%	100.0%
Ethical drugs domestic sales	88.9	83.2	110.2	72.3	354.6	96.1	83.0	171.6	350.7
	25.1%	23.5%	31.1%	20.4%	100.0%	27.4%	23.7%	48.9%	100.0%
Remicade	10.3	12.4	13.2	11.2	47.2	14.4	15.0	31.4	60.7
	21.9%	26.3%	28.0%	23.8%	100.0%	23.7%	24.6%	51.7%	100.0%
Radicut	7.2	6.7	8.4	5.7	28.0	8.0	6.3	14.0	28.3
	25.6%	24.0%	30.0%	20.4%	100.0%	28.2%	22.3%	49.5%	100.0%
Ceredist	4.4	4.0	5.1	3.4	16.9	4.8	4.2	8.8	17.8
	26.2%	23.7%	30.2%	19.9%	100.0%	27.1%	23.4%	49.5%	100.0%
Anplag	5.1	4.4	5.8	3.1	18.4	4.5	3.8	7.7	16.0
	27.7%	23.9%	31.4%	17.0%	100.0%	28.3%	23.5%	48.2%	100.0%
Urso	4.3	3.9	4.8	3.2	16.3	4.1	3.6	7.3	15.0
	26.5%	24.2%	29.5%	19.7%	100.0%	27.5%	23.9%	48.6%	100.0%
Maintate	2.9	2.6	3.3	2.2	11.0	3.2	2.7	5.9	11.8
	26.2%	23.4%	30.2%	20.2%	100.0%	27.3%	23.1%	49.6%	100.0%
Depas	3.1	2.8	3.3	2.4	11.6	3.1	2.6	5.4	11.1
	26.7%	24.0%	28.7%	20.6%	100.0%	27.8%	23.8%	48.4%	100.0%
Tanatril	3.2	2.6	3.4	2.0	11.1	2.8	2.2	4.3	9.3
	28.5%	23.4%	30.4%	17.7%	100.0%	29.6%	24.2%	46.2%	100.0%
Herbesser	3.0	2.6	3.2	2.0	10.8	2.7	2.2	4.6	9.5
	28.0%	23.7%	29.5%	18.9%	100.0%	28.5%	22.9%	48.6%	100.0%
Talion	2.4	1.8	3.0	3.5	10.6	2.7	2.1	7.8	12.6
	22.3%	16.6%	28.4%	32.7%	100.0%	21.2%	16.6%	62.2%	100.0%
Venoglobulin-IH	2.5	2.4	2.9	1.8	9.6	2.4	2.2	4.2	8.8
	26.4%	24.9%	30.3%	18.4%	100.0%	27.3%	24.5%	48.2%	100.0%
Liple	2.2	1.9	2.3	1.6	8.0	2.0	1.7	3.5	7.3
	27.5%	23.9%	28.5%	20.0%	100.0%	27.9%	23.3%	48.9%	100.0%
Sermion	2.1	1.8	2.2	1.3	7.2	1.8	1.5	3.1	6.4
	28.3%	24.2%	29.7%	17.8%	100.0%	28.5%	23.6%	47.9%	100.0%
Neuart	1.4	1.5	1.8	1.0	5.7	1.5	1.3	2.7	5.5
	24.3%	25.6%	32.1%	18.1%	100.0%	26.7%	23.7%	49.6%	100.0%
Omeprazon	1.5	1.3	1.7	1.0	5.5	1.4	1.1	2.3	4.8
	27.6%	23.9%	30.3%	18.2%	100.0%	29.0%	23.3%	47.7%	100.0%
Novastan	0.8	0.7	0.8	0.6	2.9	0.9	0.8	1.4	3.1
	26.9%	24.7%	28.4%	20.0%	100.0%	29.1%	25.0%	45.9%	100.0%
Vaccines*2	6.3	6.8	5.5	4.5	23.0	7.7	7.3	11.7	26.8
	27.3%	29.5%	23.7%	19.4%	100.0%	28.9%	27.4%	43.7%	100.0%
[Mearubik]	[4.9]	[2.9]	[1.1]	[2.9]	[11.8]	[5.0]	[2.6]	[4.2]	[11.8]
	[41.7%]	[24.5%]	[9.2%]	[24.6%]	[100.0%]	[42.3%]	[22.0%]	[35.8%]	[100.0%]
[Influenza]*2	[0.0]	[2.4]	[3.8]	[0.2]	[6.4]	[0.0]	[2.0]	[5.3]	[7.3]
	[0.0%]	[38.0%]	[59.0%]	[3.1%]	[100.0%]	[0.0%]	[26.8%]	[73.3%]	[100.0%]
[JEBIK V]	[0.4]	[0.7]	[0.3]	[0.6]	[2.0]	[1.8]	[1.9]	[1.0]	[4.7]
	[19.5%]	[33.6%]	[15.6%]	[31.3%]	[100.0%]	[37.7%]	[41.1%]	[21.3%]	[100.0%]
Generic Drugs*3	1.8	1.7	2.8	2.2	8.5	2.9	2.5	8.1	13.5
	21.1%	20.2%	33.0%	25.8%	100.0%	21.2%	18.8%	59.9%	100.0%
Ethical drugs overseas sales	5.3	6.1	5.6	5.9	22.8	5.7	5.6	10.8	22.1
	23.0%	26.6%	24.4%	25.9%	100.0%	25.6%	25.5%	48.9%	100.0%
Herbesser	1.2	1.3	1.1	1.1	4.7	1.2	1.2	2.0	4.5
	25.6%	27.4%	24.1%	22.8%	100.0%	27.1%	27.6%	45.4%	100.0%
Argatroban (Novastan)	0.8	0.9	0.8	1.1	3.6	1.0	0.8	1.2	3.1
	23.1%	24.8%	22.0%	30.2%	100.0%	33.2%	26.5%	40.2%	100.0%
Tanatril	0.4	0.6	0.4	0.4	1.8	0.5	0.4	0.8	1.8
	23.1%	30.6%	23.2%	23.1%	100.0%	31.0%	23.9%	45.1%	100.0%
Anplag	0.4	0.2	0.4	0.2	1.1	0.1	0.2	0.6	1.0
	33.1%	20.7%	30.9%	15.4%	100.0%	14.6%	25.9%	59.6%	100.0%
Vaccines	0.3	0.3	0.3	0.3	1.3	0.3	0.4	0.7	1.3
	25.7%	25.5%	23.9%	24.9%	100.0%	19.0%	30.1%	50.9%	100.0%
Contracted Manufacturing Products*4	2.6	2.7	2.2	2.7	10.2	2.7	2.5	4.5	9.7
	25.7%	26.4%	21.6%	26.4%	100.0%	27.6%	26.1%	46.3%	100.0%
Licensing Fee, etc.	0.3	1.7	0.4	0.7	3.1	0.3	1.0	1.6	2.9
	10.8%	54.5%	12.6%	22.1%	100.0%	9.5%	35.6%	54.9%	100.0%
OTC Drugs	1.1	1.5	1.3	1.1	5.0	1.3	1.6	2.4	5.3
	22.9%	30.6%	25.2%	21.3%	100.0%	24.4%	30.0%	45.6%	100.0%
Pharmaceuticals	98.2	95.2	119.6	82.7	395.7	106.0	93.8	190.9	390.7
	24.8%	24.1%	30.2%	20.9%	100.0%	27.1%	24.0%	48.9%	100.0%
Others	2.6	2.2	2.4	1.8	9.0	2.8	2.1	5.5	10.3
	28.7%	24.6%	26.3%	20.4%	100.0%	26.8%	20.3%	52.9%	100.0%
Total	100.8	97.5	122.0	84.5	404.7	108.8	95.9	196.3	401.0
	24.9%	24.1%	30.1%	20.9%	100.0%	27.1%	23.9%	49.0%	100.0%

*1: The each figure in the lower displays the progress rate.
*2: Sales of H1N1 flu vaccines are not included in sales of vaccines and influenza vaccines.
*3: Sold by Tanabe Seiyaku Hanbai Co., Ltd.
*4: Contracted manufacturing products, etc. ordered by other companies.

IV. State of New Product Development (as of October 29, 2010)

1. Pipeline in Japan

(1) New Molecular Entities

Development code (Generic name)	Category (Indications)	Stage	Origin	Remarks
CNTO148 (Golimumab)	Anti-TNFα monoclonal antibody (Rheumatoid arthritis)	NDA filed (June 2010)	US:Centocor Ortho Biotech	Co-development -Janssen Pharma
MP-424 (Telaprevir)	NS3-4A protease inhibitor (Chronic hepatitis C)	Phase 3	US:Vertex	
MP-513 (Teneligliptin)	DPP4 Inhibitor (Type 2 Diabetes mellitus)	Phase 3	In-house	
BK-4SP	Vaccine (Prophylaxis of pertussis, diphtheria, tetanus, and poliomyelitis)	Phase 3	The Research Foundation for Microbial Diseases of Osaka University	Co-development -The Research Foundation for Microbial Diseases of Osaka University
APTA-2217 (Roflumilast)	PDE4 inhibitor (Asthma)	Phase 2/3	Switzerland: Nycomed	Co-development -Nycomed
	(COPD)	Phase 2/3		
FTY720 (Fingolimod hydrochloride)	Sphingosine-1-phosphate receptor modulator (Multiple sclerosis*)	Phase 2	In-house	Co-development -Novartis Pharma K.K.
MP-214 (Cariprazine)	D3/D2 receptor antagonist (Schizophrenia)	Phase 2	Hungary: Gedeon-Richter	
TA-7284 (Canagliflozin)	SGLT2 inhibitor (Diabetes mellitus)	Phase 2	In-house	
MP-435	C5a receptor antagonist (Rheumatoid arthritis)	Phase 2	In-house	
MT-4666	α7nAChR agonist (Alzheimer's disease)	Phase 1	US: EnVivo Pharmaceuticals	

(2) Additional Indications

Product name (Generic name)	Category (Indications)	Stage	Origin	Remarks
Venoglobulin IH (Polyethylene glycol treated human normal immunogloblin)	Human immunoglobulin G (IgG2 deficiency)	sNDA filed (Dec. 1997)	In-house	
	(Systemic scleroderma)	Phase 3		
	(Myasthenia gravis*)	Phase 3		
Modiodal (Modafinil)	Psychoneurotic agent (Obstructive sleep apnea)	Filed (May 2010)	US: Cephalon	Co-development -Alfresa Pharma
MCI-9038 (Argatroban)	Thrombin inhibitor Prevention of the blood clotting under dialysis and percutaneous coronary intervention in heparin-induced thrombocytopenia (HIT))	sNDA Filed (Aug. 2010)	In-house	
Remicade (Infliximab[recombinant])	Anti-TNFα monoclonal antibody (Crohn's disease: dose escalation)	Phase 3	US: Centocor Ortho Biotech	
Radicut (Edaravone)	Free radical scavenger (Amyotrophic lateral sclerosis*)	Phase 3	In-house	
Maintate (Bisoprolol)	Selective β1 antagonist (Chronic heart failure)	Phase 3	Germany: Merck KGaA	
Cholebine (Colestimide(JAN))	Bile acid signal regulation (Type 2 diabetes mellitus)	Phase 2	In-house	
	Non-absorbed phosphate binder (Hyperphosphatemia)	Phase 1		

*: Orphan drug designated

2. Pipeline Overseas

(1) New Molecular Entities

Development code (Generic name)	Category (Indications)	Region	Stage	Origin	Remarks
LIVALO	HMG-CoA reductase inhibitor	Taiwan	NDA Filed (April 2010)	Japan:Kowa	Filed by Tai Tien Pharmaceuticals
(Pitavastatin calcium)	(Hypercholesterolemia, Familial hypercholesterolemia)	Indonesia	NDA Filed (June 2010)		Filed by Tanabe Indonesia
MCI-196 (Colestilan(INN))	Non-absorbed phosphate binder (Hyperphosphatemia)	US, Europe	Phase 3	In-house	
MP-146	Uremic toxin adsorbent (Chronic kidney disease)	US, Europe	Phase 3	Japan:Kureha	
MT-2832 (Lunacalcipol)	Vitamin D analog (Secondary hyperparathyroidism)	US, Canada	Phase 2	Canada: Cytochroma	
MCI-186 (Edaravone)	Free radical scavenger (Acute ischemic stroke)	Europe	Phase 2	In-house	
MP-513	DPP4 inhibitor	Europe	Phase 2	In-house	
(Teneligliptin)	(Type 2 diabetes mellitus)	US	Phase 1		
GB-1057 (Human serum albumin[recombinant])	Recombinant human serum albumin (Stabilizing agent)	US	Phase 1	In-house	
TA-8995	CETP inhibitor (Dyslipidemia)	Europe	Phase 1	In-house	
MP-124	PARP inhibitor (Acute ischemic stroke)	US, Canada	Phase 1	In-house	
MP-136	PPAR alpha agonist (Dyslipidemia)	Europe	Phase 1	In-house	
MT-3995	Selective mineralocorticoid receptor antagonist (Hypertention)	Europe	Phase 1	In-house	

(2) Additional Indications

Development code (Generic name)	Category (Indications)	Region	Stage	Origin	Remarks
MCI-9038 (Argatroban)	Thrombin inhibitor (Heparin-induced thrombocytopenia (HIT))	Europe	Prepareing for MAA	In-house	

3. Licensing-out

Development code (Generic name)	Category (Indications)	Region	Stage	Licensee
FTY720 (Fingolimod hydrochloride)	Sphingosine 1–phosphate receptor modulator (Multiple sclerosis)	Europe	Filed (Dec. 2009)	Switzerland:Novartis Pharma A.G.
TA-1790 (Avanafil)	PDE5 inhibitor (Erectile dysfunction)	US Korea	Phase 2 Phase 3	US: Vivus Korea: Choongwae Pharma
TA-7284 (Canagliflozin)	SGLT2 inhibitor (Type2 Diabetes mellitus) (Obesity)	US, Europe US, Europe	Phase 3 Phase 2	US: Johnson & Johnson Pharmaceutical Research & Development, L.L.C.
T-0047 (Firategrast)	Cell adhesion inhibitor [α4β7/α4β1 inhibitor] (Multiple sclerosis)	Europe	Phase 2	UK:GlaxoSmithKline
MKC-242	5-HT1A receptor agonist (Insomnia)	US	Phase 2	US:MediciNova
TA-2005 (Carmoterol)	Long-acting β2 receptor agonist (Asthma, COPD)	Europe	Phase 2	Italy:Chiesi Farmaceutici
MKC-231	Neurogenesis enhancer (Depression/anxiety)	US	Phase 2	US:BrainCells
Y-39983	ROCK (rho-kinase) inhibitor (Glaucoma)	Japan	Phase 2	Japan: Senju Pharmaceutical
MT-210	5-HT2A/ Sigma 2 receptor antagonist (Schizophrenia)	Europe	Phase 2	France: Cyrenaic
sTU-199 (Tenatoprazole)	Proton pump inhibitor (Gastroesophageal reflux disease)	Europe	Phase 1	France:Negma (Sidem)
TT-138	β3 receptor agonist (Pollakiuria, urinary incontinence)	US	Phase 1	US:MediciNova
TA-7906	PDE4 inhibitor (Atopic dermatitis)	Japan	Phase1	Japan: Maruho

4. Changes Since Previous Announcement on July 29,2010

Product name Development code (Generic name)	Category (Indications)	As of July 29, 2010	As of Oct. 29, 2010
Venoglobulin IH (Polyethylene glycol treated human normal immunogloblin)	Human immunoglobulin G (Polymyositis, dermatomyositis*)	sNDA filed in Japan (May 2003)	Approved (October 2010)
TA-8317 /Acref (Fentanyl citrate)	Oral transmucosal treatment for cancer pain (Narcotics for medical use) (Breakthrough cancer pain)	NDA filed (August 2008)	Approved (October 2010)
MCI-9038/Novastan(Domestic) (Argatroban)	Thrombin inhibitor (Dialysis, PCI in HIT)	Not described	sNDA filed in Japan (August 2010)
MP-435	C5a receptor antagonist (Rheumatoid arthritis)	Japan Phase 1	Japan Phase 2

Licensing-out

FTY720 (Fingolimod hydrochloride)	Sphingosine 1–phosphate receptor modulator (Multiple sclerosis)	NDA filed in EU and US (December 2009)	Approved in US and Russia (September 2010)
TA-7906	DPP4 inhibitor (Atopic dermatitis)	Not described	Phase 1

*: Orphan drug designated

5. Additional Information for State of New Product Development (as of October. 29, 2010)

(1) Japan　New Molecular Entities

TA-8317／Acref (Fentanyl citrate)	TA-8317 is an oral transmucosal fentanyl citrate product for the management of breakthrough pain in cancer patients, licensed from Cephalon (U.S.). This product is marketed in the US and Europe. NDA was approved in October 2010.
CNTO148 (Golimumab)	CNTO148 is an anti-TNFα monoclonal antibody, licensed from Centocor(US). NDA was filed in June for rheumatoid arthritis with subcutaneous injections as co-development with Janssen Pharma K.K.
MP-424 (Telaprevir)	MP-424 is an orally-available product for treatment of chronic liver diseases due to hepatitis C virus infection, licensed from Vertex (US). This compound inhibits protease NS3/4 in hepatitis C virus. Clinical stage in Japan is Phase 3.
MP-513 (Teneligliptin)	MP-513 is developed for the treatment of type-2 diabetes mellitus. It selectively inhibits dipeptidyl peptidase 4 (DPP4), thus accelerates the insulin secretion after meal intake. Clinical stage in Japan is Phase 3.
BK-4SP	Diphtheria toxoid-Tetanus toxoid-Bordetella pertussis antigen-Inactivated Poliovirus Combined Vaccine. Co-development with the Research Foundation for Microbial Diseases of Osaka University. Clinical stage in Japan is Phase 3.
APTA-2217 (Roflumilast)	APTA-2217 is a potent, highly selective and orally availabe product for the treatment of respiratory diseases, and licensed from Nycomed (Switzerland). An efficacy was obtained both in asthma and COPD. Phase 2/ 3 trials for asthma and COPD are underway in Japan.
FTY720 (Fingolimod hydrochloride)	(Orphan drug designated in September, 2007) FTY720 is a sphingosine-1-phosphate receptor modulator. Phase 2 clinical trial in patients with multiple sclerosis is currrently under co-development with Novartis Pharma K.K. .
MP-214 (Cariprazine)	MP-214 is a dopamine D3/D2 receptor antagonist, licensed from Gedeon-Richter (Hungary). Clinical stage in Japan is Phase 2 for schizophrenia.
TA-7284 (Canagliflozin)	As a selective SGLT2 inhibitor, TA-7284 decreases blood glucose levels by inhibiting reabsportion of glucose in the kidney. Clinical stage in Japan is Phase 2 for type2 diabetes mellitus.
MP-435	MP-435 is a C5a (complement factor) receptor antagonist which modulates the immune system. Clinical stage in Japan is Phase 2 for oral antirheumatoid drug.
MT-4666	MT-4666 is an α7 nACh receptor agonist, licensed from EnVivo pharmaceuticals Inc. (US). Clinical stage in Japan is Phase 1 for Alzheimer's disease.

(2) Japan　Additional Indication

Venoglobulin-IH (Polyethylene glycol treated human normal immunogloblin)	(IgG2 deficiency) sNDA has been filed.
	(Diffuse systemic scleroderma) Clinical research in Japan demonstrated IV-IG was effective in improvement of skin manifestation, a primary endpoint of systemic scleroderma. Efficacy of IV-IG was also reported in overseas studies. Clinical stage is Phase 3. It was designated as an orphan drug at September in 2009.
	(Myasthenia gravis (Orphan drug designated in September 2009)) Clinical stage in Japan is Phase 3 in which is compared with blood purification therapy.
Modiodal (Modafinil)	(Obstructive sleep apnea) sNDA was filed by Alfresa Pharma Corp. in May 2008. As a result of the consultation with PMDA, additional data has been required. Additional data was submited in May 2010.
MCI-9038 (Argatoroban)	Prevention of the blood clotting under dialysis and percutaneous coronary intervention in HIT. sNDA has been filed in August 2010.
Remicade （Infliximab〔recombinant〕）	(Crohn's disease) In order to verify the effectiveness of Remicade when administered in higher doses, Phase 3 trial is on going for patients showing an insufficient response to maintenance therapy.
Radicut (Edaravone)	(Amyotrophic lateral sclerosis (Orphan drug designated in June, 2005)) Clinical stage is Phase 3.
Maintate (Bisoprolol)	(Chronic heart failure) In Europe, the result of the large-scale CIBIS-II trials demonstrated that bisoprolol significantly decreased mortality in patients with chronic heart failure (NYHA III-IV). In Japan, sNDA for an additional indication of chronic heart failure was submitted in April 2006. As a result of the consultation with PMDA, an additional clinical study (Phase 3) for sNDA is onging.
Cholebine （Colestimide（JAN））	(Type 2 diabetes mellitus) Clinical stage is Phase 2.
	(Hyperphosphatemia) Clinical stage is Phase 1.

(3) Overseas　New Morecular Entities

LIVALO (Pitavastatin calcium)	LIVALO is HMG-CoA reductase inhibitor, licensed from Kowa Co., Ltd. (Japan) in August 2009. NDAs have been filed in Taiwan and Indonesia by the overseas subsidiaries. It is marketed by Kowa Co., Ltd. in Japan under the brand name, LIVALO®.
MCI-196 (Colestilan(INN))	MCI-196 is anion-exchange resin, and has been developed for the treatment of hyperphosphatemia in patients on dialysis in Europe and the US. Clinical stage is Phase 3. It is marketed in Japan for the treatment of hypercholesterolemia, under the brand name of CHOLEBINE®.
MP-146	MP-146 is spherical carbon adsorbent, licensed from KUREHA CORPORATION (Japan) in November 2006. Clinical stage is Phase 3 for Chronic Kidney Disease patients in Europe, North America and South America. It is marketed by Daiichi Sankyo Co. Ltd. in Japan under the brand name, KREMEZIN®.
MT-2832 (Lunacalcipol)	MT-2832 was licensed from Cytochroma Inc. (Canada) in July 2008. MT-2832 is a strong activator of the vitamin D signaling pathway and has a resistance characteristics to CYP24, intracellular enzyme responsible for catabolism of Vitamin D hormones. Clinical stage is Phase 2 for secondary hyperparathyroidism in patients with chronic kidney disease in Canada.
MCI-186 (Edaravone)	MCI-186 is the world's first cerebral neuroprotectant (free radical scavenger). Clinical stage in Europe is Phase 2 for the acute ischemic stroke. It is marketed in Japan under the brand name, Radicut®.
MP-513 (Teneligliptin)	MP-513 is developed for the treatment of type-2 diabetes mellitus. It selectively inhibits dipeptidyl peptidase 4 (DPP4), thus accelerates the insulin secretion after meal intake. Clinical stages in the US is Phase1 and Europe is Phase 2.
GB-1057 (Human serum albumin [recombinant])	GB-1057 is a recombinant human serum albumin. Clinical stage is Phase 1 as a stabilizing agent in the US.
TA-8995	TA-8995 is a CETP inhibitor that has raising the HDL-C and lowering the LDL-C effects. Clinical stage is Phase 1 in Europe.
MP-124	MP-124 is a PARP inhibitor that has neuroprotective effect. Clinical stages in the US and Canada are Phase 1 for the acute ischemic stroke.
MP-136	MP-136 is a PPAR alpha agonist. Clinical stage is Phase 1 in Europe for the dyslipidemia.
MT-3995	MT-3995 is a selective mineralocorticoid receptor antagonist. Clinical stage is Phase 1 in Europe for the hypertension.

(4) Overseas　Additional Indications

MCI-9038 (Argatroban)	(Heparin-induced thrombocytopenia (HIT)) Nine Europe countries (Germany, Austria, Sweden, the Netherlands, Denmark, Norway, Iceland, Italy and Finland) have given the marketing authorization. The Company now considers the submission of MAA to other Europe countries.

(5) Licensing-Out

FTY720 (Fingolimod hydrochloride)	FTY720 is a sphingosine-1-phosphate receptors modulator. Novartis Pharma A.G. has filled with multiple sclerosis in the US and Europe. It was approved in the US and Russia in September 2010.
TA-1790 (Avanafil)	TA-1790 is developed for the treatment of erectile dysfunction by Mitsubishi Tanabe Pharma, which is expected to have a quick onset and fewer side effects. Clinical trial stage is Phase 3 in the US and Korea.
TA-7284 (Canagliflozin)	As a selective SGLT2 inhibitor, TA-7284 decreases blood glucose levels by inhibiting reabsportion of glucose in the kidney. Phase 3 clinical trials in diabetes mellitus in Europe and the US are underway by Johnson & Johnson Pharmaceutical Reseach & Development, L.L.C.. Phase 2 clinical trials in obesity in Europe and the US are completed.
T-0047 (Firategrast)	T-0047 inhibits the cell adhesion and cell migration processes of white blood cells in inflammatory region. Phase 2 trial is conducted by GSK in Europe, Canada, Australia, and New Zealand.
MKC-242	MKC-242 is a serotonin 1A receptor agonist, used to treat psychiatric disorders such as anxiety and depression. This compound is expected to reveal rapid onset with low possibility of dependency. Medici Nova Inc.(US) is conducting Phase 2 clinical trials in patients with generalized anxiety disorder or insomnia.
TA-2005 (Carmoterol)	TA-2005 is a selective, potent and long acting β2 agonist for the treatment of asthma and COPD. Clinical trial stage is Phase 2 in Europe.
MKC-231	MKC-231 is a neurogenesis enhancer. Phase 2 study in major depression is underway by BrainCells Inc.(US).
Y-39983	Y-39983 is a ROCK (Rho-kinase) inhibitor, which relaxes vascular smooth muscle. Clinical trial stage in Japan is Phase 2 by Senju Pharmaceutical Co. Ltd..
MT-210	MP-210 is a 5-HT2A/ Sigma 2 receptor antagonist. Clinical trial stage is Phase 2 in Europe by Cyrenaic (France).
sTU-199 (Tenatoprazole)	Pharmacokinetic/pharmacodynamic results from Phase 1 clinical trials in Europe and the US demonstrated that sTU-199 controlled gastric acid secretion at nighttime in patients receiving this compound once-daily, with the long terminal half-life. It is expected that this compound will reveal rapid improvement for non-erosive reflux disease. Sidem Pharma, a subsidiary of Negma, is conducting phase 1 trial for gastroesophageal reflux dsease in Europe.
TT-138	TT-138 is a β3 receptor agonist used to treat pollakiuria and urinary incontinence. Phase 1 study is conducted by Medici Nova Inc. in the US.
TA-7906	TA-7906 in a PDE4 inhibitor. Clinical trial stage is Phase1 for the treatment of atopic dermatitis in Japan by Maruho Co. Ltd.

<Ref.> Major Ethical Drugs 1

Product Name	Launch	Category	Notes
	Product Profile		
Remicade (Infliximab)	May 2002	Anti-TNFα monoclonal antibody (Treatment of rheumatoid arthritis (RA), active Crohn's disease, Behcet's disease with refractory uveoretinitis, psoriasis and ankylosing spondylitis)	Origin: Centocor, Inc.
	Remicade is an anti-TNFα antibody, which targets TNFα, an important inflammatory cytokine. It is very fast-acting and its efficacy is sustained for two months with a single administration. It was approved in Japan for the treatment of Behcet's disease with refractory uveoretinitis in January 2007 and for the maintenance treatment of Crohn's disease in November 2007. Increase of the dosage/shortage of administration interval and the effect on prevention of structural joint damage for the treatment of rheumatoid arthritis were approved in July 2009. Remicade additionally received approvals for psoriasis in January 2010, and for ankylosing spondylitis in April 2010.		
Radicut (Edaravone)	June, 2001	Free radical scavenger (Treatment of cerebral neuroprotectant)	
	Radicut developed in Japan is the world's first brain protecting agent (free radical scavemger) shown to improve neurological symptoms, interference with activities of daily living, and disability (at hospital discharge) in patients at acute stage of cerebral infarction. Specific indications include the treatment of various types of infarction (cerebral lacunar, atherothrombotic and cardiogenic infarction) It is initiated administration within 24 hours after onset, and is not administrated for more than 14 days. In January 2010, approval was received for an additional formulation, Radicut bag for I.V. Infusion.		
Anplag (Sarpogrelate)	Oct. 1993	5-HT2 blocker (Treatment of anti-platelet)	
	Anplag, an oral anti-platelet, is used to patients with arteriosclerosis obliterans (ASO) to improve ischemic symptoms like as ulcer, pain and coldness of limbs associated with chronic arterial occlusion. Anplag especially improves the bloodstream of collateral circulation and inhibits platelet aggregation, vascular contraction and growth of vascular smooth muscle cell by antagonistic action to serotonin receptor in platelets and vessels. The downsized tablet which is convenient for elderly patients was approved in August 2007.		
Ceredist (Taltirelin)	Sep. 2000	Agent for treating spinocerebellar degeneration	
	Thyrotropin releasing hormone (TRH) was known to be effective against ataxia caused by spinocerebellar degeneration, but it was previously administered only through injection. Ceredist, developed by Tanabe, is the world's first oral TRH derivative drug. In June 2009, approval was received for an additional formulation, orally disintegrating tablets, and it was launched in October.		
Urso (Ursodeoxycholic Acid)	Jul. 1962	Agent for improving hepatic, biliary and digestive functions	
	Ursodeoxycholic acid (UDCA), principal ingredient of Urso, had been extracted from blackbear's gallbladder in the past and has been used in the treatment of various digestive diseases. It is one of the bile acids existing in human body. Urso has effects of hapatic protection and indications of improvement of liver function in chronic liver disease and hepatitis C, and dissolution of gallstones.		
Depas (Etizolam)	Mar. 1984	Antianxiety agent	
	Depas is the most widely used anxiolytic agent in Japan. Due to its broad pharmacological properties, Depas shows reasonable effectiveness for pychosomatic disease, neurosisas, low back pain, neck pain and muscle-contraction headache, depression and sleep disorder.		
Tanatril (Imidapril)	Dec. 1993	ACE Inhibitor (Treatment of hypertension)	
	Tanatril shows excellent blood pressure control with effective organ protection as well as minimal incidence of dry cough, a common side effect of ACE inhibitors. With the approval of an additional indication in 2002, it became the first drug in Japan approved for diabetic nephropathy with type I diabetes mellitus.		
Herbesser (Diltiazem)	Feb. 1974	Calcium antagonist (Treatment of angina pectoris and hypertension)	
	Herbesser is a representative calcium antagonist that is used in more than 110 countries around the world. In addition to a blood pressure lowering effect, it has a cardioprotective action in patients with hypertension or angina pectoris by reducing the cardiac load through a heart rate lowering effect and by increasing the oxygen supply through a coronary vasodilating effect.		

<Ref.> Major Ethical Drugs 2

Product Name	Launch	Category	Notes
	Product Profile		
Maintate (Bisoprolol)	Nov. 1990	Selective β_1 Antagonist (Treatment of angina pectoris hypertension, and arrhythmias)	Origin: Merck KGaA
	Maintate is a representativeβ-blocker used in more than 85 countries around the world. It exhibits high selectivity for β1 receptor and excellent phamacokinetics profiles. It has high efficacy and safety, and there is evidence for its cardioprotective action.		
Venoglobulin-IH (Human immunoglobulin)	Jan. 1992	Plasma derivatives	
	Venoglobulin-IH is intravenous human immunoglobulin derived from donated plasma in Japan. It shows high efficacy on serious infectious diseases in combined addministration with anti-bacterial agent due to its opsonic, immuno-bacteriolytic and antibody-dependent cytotoxic effects and neutralizing effects on toxics and viruses.		
Talion (Bepotastine)	Oct. 2000	Agent for treatment of allergic disorders (Treatment for allergic rhinitis and urticaria)	Origin: Ube Industries, Ltd. Co-development
	Talion has rapid onset of anti-histamine(H1) effects and has been demonstrated to be effective for allergic rhinitis, urticaria, and pruritus accompanying dermatitis. It has minimal incidence of sedation. In March 2007, approval was received for an additional formulation, orally disintegrating tablets, and it was launched in July.		
Liple (Arprostadil)	Nov. 1988	Chronic arterial ccclusion / Circulatory disturbance (PG E1)	Co-developed with Taisho Pharmaceutical Co., Ltd.
	Liple, the world's first DDS (Drug Delivery System) agent of intravenous PGE1, improves the peripheral circulatory disturbance and skin ulcer in chronic arterial occlusive disease and diabetes by its direct vasolidating effects. DDS maximizes the therapeutic effects and simutaneously minimizes the adverse effects of PGE1.		
Sermion (Nicergoline)	June 1988	Cerebral circulation and metabolism ameliorator	Origin: Pfizer Inc.
	Sermion ameliorates blood flow and metabolism in the brain. It is used to treat sequela of cerebral infarction. In 1998, in a reevaluation by the Ministry of Health and Welfare in Japan, its effectiveness was confirmed. In "the treatment guidelines for strokes in 2004," Sermion was recommended as a treatment drug for chronic cerebral infarction.		
Neuart (Anti-thrombin Ⅲ)	Jun. 1987	Plasma derivatives (Anticoagulant agent)	
	Neuart is highly purified human anti-thrombin Ⅲ derived from donated plasma in Japan. It shows strong anticoagulant effects in the treatment of DIC patients by inhibiting various kinds of activated serine protease including thrombine.		
Omeprazon (Omeprazole)	Apr. 1991	Proton pump inhibitor（Antiulcerogenic agent）	Origin: AstraZeneca Co-developed with AstraZeneca
	Omeprazon is the world's first proton pump inhibitor that suppresses gastric acid secretion by specific inhibition of the H+/K+-ATPase enzyme in the gastric parietal cell. It strongly and sustainably blocks the final step in gastric acid production results in reducing gastric acidity. Omeprazon has excellent efficacy for gastric ulcer, duodenal ulcer and reflux esophagitis. Additional indications for non-erosive reflux disease (NERD) and secondary eradication of Hellicobacter pylori were approved in May and August 2007, respectively.		

<Ref.> Major Ethical Drugs 3

Product Name	Launch	Category	Notes
	Product Profile		
Novastan (Argatroban)	June. 1990	Selective Antithrombin Agents	Co-developed with Daiichi-Sankyo
	Novastan is a fully synthesized, selective thrombin inhibitor. In Japan, it was launched in June, 1990 and has been approved for the treatment of limb ulcers, rest pain and a sensation of cold in chronic arterial occlusive disease, the acute treatment of neurological symptoms and activities of daily living for patients with acute-phase cerebral thrombosis, and the prevention of blood clotting in the circuit during hemodialysis in the patients with congenitally decreased antithrombin Ⅲ levels. In July 2008, it was also approved for the prophylaxis of thrombosis in the patients with type 2 heparin-induced thrombocytopenia (HIT). In overseas market, it was approved by the FDA in 2000 for the prophylaxis or treatment of thrombosis in patient with HIT and has since been approved in nine countries for the same indications.		
Mearubik (Measles and Rubella Vaccine Live Attenuated)	Dec. 2005	Prevention of measles and rubella immunization	Manufacturer: *BIKEN
	Mearubik is the combination vaccine for measles and rubella, and children are able to receive both measles and rubella shot at a time with Mearubik. It is expected to contribute enhancement of immunization rate for measles and rubella in Japan.		
JEBIK V	June, 2009	Prevention of Japanese encephalitis	
	Jervic is a freeze-dried preparation containing inactivated Japanese encephalitis virus derived from Vero cells which were used in the manufacturing process as a host to increase the virus. In April 2010, the government announced that it would reinstate recommendation of vaccination and it is expected to contribute to an increase in the vaccination rate.		

*BIKEN:The Research Foundation for Microbial Diseases of Osaka University

V. Others

1. Status of Shareholders

(1) Number of Outstanding Shares, the Company's Own Shares

	The End of September, 2010	The End of March, 2010
Issued	561,417,916	561,417,916
The company's own shares at the end of the period	324,358	256,440
Number of shares outstanding at the end of the period	561,093,558	561,161,476
Average number of the company's own share	269,959	253,814
Average number of shares outstanding	561,147,957	561,164,102

(2) Dividends Trend

	FY2007*1	FY2008*2	FY2009*2	The End of 2Q FY2010*2	FY2010 (Estimated)*2
Dividends per Share	¥26	¥28	¥28	¥14	¥28
Dividend Payout Ratio(%)	44.0	43.0	39.0	28.3	34.5

*1 Tanabe Seiyaku's interim (¥13) and Mitsubishi Tanabe Pharma's estimated year-end (¥13) figures were used for the FY2007 dividends. The dividend payout ratio was calculated exclusive of the amortization of goodwill from Mitsubishi Tanabe Pharma's second-half net income, and with estimated year-end dividends.

*2 The dividend payout ratio has been calculated exclusive of the amortization of goodwill from net income, and with estimated annual dividends.

(3) Status of Major Shareholders

Rank	Name of Shareholders	The End of September, 2010		The End of March, 2010		
		Number of Shares (Thousands)	Percentage of Total	(Rank)	Number of Shares (Thousands)	Percentage of Total
1	Mitsubishi Chemical Holdings Corporation	316,320	56.34%	(1)	316,320	56.34%
2	The Master Trust Bank of Japan, Ltd.	29,911	5.33%	(2)	32,043	5.71%
3	Japan Trustee Services Bank, Ltd.	23,235	4.14%	(3)	25,237	4.50%
4	Nippon Life Insurance Company	15,875	2.83%	(4)	15,875	2.83%
5	Nipro Corporation	8,030	1.43%	(5)	8,030	1.43%
6	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	7,254	1.29%	(6)	7,254	1.29%
7	JP Morgan Chase Bank, N.A., 385147	6,900	1.23%	(7)	6,850	1.22%
8	Tokio Marine & Nichido Fire Insurance Co., Ltd.	5,218	0.93%	(8)	5,218	0.93%
9	Goldman Sachs & Co. Reg.	4,488	0.80%	(-)	213	0.04%
10	Persing-Div. of DLJ Secs. Corp.	4,258	0.76%	(13)	3,021	0.54%

(4) Ownership and Distribution of Shares

	The End of September, 2010			The End of March, 2010		
	Number of Shareholders	Number of Shares (Thousands)	Percentage of Total	Number of Shareholders	Number of Shares (Thousands)	Percentage of Total
Financial Institutions	61	103,437	18.45%	71	110,681	19.75%
Foreign Corporations and Others	379	87,144	15.55%	402	79,225	14.13%
Individuals and Others	9,324	27,793	4.96%	9,724	28,289	5.05%
Other Corporations	213	340,962	60.83%	220	341,060	60.85%
Securities Firms	34	1,226	0.22%	31	1,239	0.22%
Total	10,011	560,562	100.00%	10,448	560,494	100.00%
Less than Trading Unit	-	855	-	-	923	-

* The trading unit of the Company's stock is 1,000 shares.

* Individuals and Others include treasury stock (324 thousands shares at the end of September, 2010 and 256 thousands shares at the end of March, 2010)

(5) Percentage of Shares Owned by Foreign Institutions and Individuals

As of Mar.31,2008	As of Mar.31,2009	As of Mar.31,2010	As of Sep.30,2010
15.80%	12.98%	14.13%	15.55%

2. Other Data

(1) Number of Employees

	As of Mar.31, 2007	As of Mar.31, 2008	As of Mar.31, 2009	As of Mar.31, 2010	As of Sep. 30, 2010	As of Mar.31, 2011 (Estimate)
Mitsubishi Tanabe Pharma Corporation	—	10,361	10,030	9,266	9,294	9,260
Non-consolidated	—	6,266	5,715	5,186	5,039	4,930
Tanabe Seiyaku Co., Ltd.	4,554					
Non-consolidated	3,033					
Mitsubishi Pharma Corporation	5,907					
Non-consolidated	3,488					

(2) Topics after April, 2010

April 13, 2010	The Company and its subsidiary Bipha Corporation received an administrative action, suspension of business and an order for improvement, from the Ministry of Health, Labour and Welfare in regard to a violation of the Pharmaceutical Affairs Act. The reasons for the action included the fact that the NDA materials for "Medway Injection 5%" that were submitted by the two companies contained materials that were based on fraudulent acts by Bipha and the compamy's responsibility for failing to supervise. The details of the action are that the company must suspend its first-class pharmaceutical manufacturing and sales operations for 25 days and Bipha must suspend its pharmaceutical manufacturing operations for 30 days. The Company and Bipha have also been ordered to submit business improvement plans.
April 16, 2010	Received an approval of the additional indication for ankylosing spondylitis for Remicade® I.V. Drip Infusion 100 (generic name: infliximab), anti-human TNF-α monoclonal antibody.
June 11, 2010	Submitted the business improvement plan to the Minister of Health, Labour and Welfare related to the Medway incident. (Bipha submitted on June 14.)
June 18, 2010	Received an approval of additional indication for ulcerative colitis for Remicade® I.V. Drip Infusion 100 (generic name: infliximab), anti-human TNF-α monoclonal antibody.
June 18, 2010	Received an approval of additional indications for Helicobacter pylori eradication by concomitant therapy with three proton pump inhibitors, lansoprazole, omeprazole, and rabeprazole sodium, marketed in Japan under four brand names (our product name: Omeprazon).
June 22, 2010	Mr. Kuniaki Kaga was appointed Representative Director & Managing Executive Officer.
July 23, 2010	Received an approval of partial changes in indications, dosage and usage, as well as new 1000 mg dosage formulation, for injectable new quinolone antibacterial agents, Pasil® and Pazucross®
July 31, 2010	Yoshitomiyakuhin, a subsidiary of Mitsubishi Tanabe Pharma, terminated co-promotion of Paxil®, the selective serotonin re-uptake inhibitor, with GlaxoSmithKline K.K.
July 31, 2010	Terminated co-promotion of Adoair®, the combination drug for asthma and COPD, with GlaxoSmithKline K.K.
August, 2010	Established an independent committee comprising outside experts to ensure transparency and objectivity in embodying and implementing the business improvement plan related to the Medway incident.
August, 2010	Completes post-marketing surveillance on all patients with refractory uveoretinitis in Behcet's disease Remicade® I.V. drip infusion anti-TNFα monoclonal antibody 100
August 20, 2010	Held the first outside committee related to Medway incident.
September 15, 2010	Newly launched Okinazole® L100 (OTC drug), the treatment of recurrence of vaginal candidiasis
September 21, 2010	Novartis gained NDA approval for multiple sclerosis for FTY720 in the US. This is the world's first S1P receptor modulator that was discovered in a joint research project conducted by Tetsuro FUJITA, a professor emeritus at Kyoto University, Yoshitomi Pharmaceutical (present Mitsubishi Tanabe Pharma) and it's marketing rights was licensed out to Novartis for the entire world excluding Japan.
September 30, 2010	Held the second outside committee related to Medway incident.
October 1, 2010	Transfered manufacturing and marketing rights of the selective β1 receptor blocker Kerlong® 5mg/10mg to Sanofi-aventis K.K.
October 1, 2010	Transferred the promotion and marketing of 3 long-term listing drugs to Tanabe Seiyaku Hanbai, a consolidated subsidiary.
October 13, 2010	Newly launched new quinolone antibacterial agents, Pazucross® Injection 1000 mg.
October 27, 2010	Benesis Corporation, a consolidated subsidiary, received an approval of additional indication for polymyositis and dermatomyositis, only in case in which steroid is not effective, for Venoglobulin® IH 5% I.V., human immunogloblin G.
October 27, 2010	Received an approval of manufacturing and marketing for Acref®, an oral transmucosal fentanyl citrate, for breakthrough cancer pain.