

# Financial Results for the Year Ended March 31, 2012 <Supplement>

As of May 8, 2012

Mitsubishi Tanabe Pharma Corporation



Mitsubishi Tanabe Pharma

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# Summary of Financial Results for FY2011 Ended March 31, 2012 and Forecasts for FY2012

(Amounts less than ¥ 100 million are rounded down.)

## 1. Summary of Financial Results for FY2011

				[Billion yen]
Net Sales	407.1	Y-on-Y	(2.3)	(0.6 %)
Pharmaceuticals	397.5	Y-on-Y	(2.6)	(0.7 %)
Other Businesses	9.5	Y-on-Y	0.2	3.1 %

In the pharmaceuticals segment, net sales were ¥397.5 billion, down 0.7%, or ¥2.6 billion, year-on-year.

In domestic sales of ethical drugs, continued favorable sales growth was recorded by Remicade, an anti-TNF $\alpha$  monoclonal antibody, and by Maintate, a selective  $\beta$ -1 antagonist. Telavic, for the treatment of chronic hepatitis C, and other new drugs gradually began to make contributions. However, a number of factors contributed to lower sales, such as the growing impact of generics and a rebound from a temporary increase in orders that was recorded at the end of the previous year. As a result, net sales were down 1.7% or ¥6.2 billion.

Overseas sales of ethical drugs were down 13.4%, year-on-year, and sales of OTC products decrease 0.6%.

Sales of others in pharmaceuticals increased 54.5%, year-on-year, or ¥6.4 billion, due to the increase in royalty revenue from Gilenya, for the treatment of multiple sclerosis, licensed to Novartis.

In others, sale of fine chemical increased. As a result sales of others were ¥9.5 billion, up 3.1%, or ¥0.2 billion, year-on-year.

### 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

				[Billion yen]
Operating Income	69.0	Y-on-Y	(7.5)	(9.8 %)

Net sales decreased ¥2.3 billion, year-on-year. On the other hand, the cost of sales ratio improved 0.3 percentage points year-on-year due to the influence of exchange and the increase of royalty revenue. Consequently, gross profit was ¥254.8 billion in the same as the previous year.

SG&A expenses were up 4.2%, or ¥7.4 billion, year-on-year, to ¥185.8 billion, due to the increase in R&D expenses such as upfront fees for in-licensing, and due to the increase in sales expenses with marketing of the new drugs. R&D expenses increased 6.8%, or ¥4.4 billion, year-on-year, to ¥70.2 billion

				[Billion yen]
Ordinary Income	68.7	Y-on-Y	(7.9)	(10.3 %)
Net Income	39.0	Y-on-Y	1.2	3.4 %

Extraordinary income was ¥1.1 billion, with major item including gain on sales of property, plant and equipment.

Extraordinary losses were ¥6.1 billion, including loss on impairment of fixed assets of ¥3.3 billion and loss on valuation of investment in securities of ¥2.1 billion. In the previous fiscal year, the Company recorded extraordinary losses of ¥13.2 billion, such as loss on valuation of investment in securities of ¥8.0 billion, loss on disaster accompanying the Great East Japan Earthquake of ¥2.1 billion, and impairment loss of ¥0.8 billion. Consequently, in the period under review, the net balance of extraordinary items improved by ¥7.6 billion year-on-year

## 2. Summary of Forecasts for FY2012

				[Billion yen]
Net Sales	429.0	Y-on-Y	21.8	5.4 %
Operating Income	70.0	Y-on-Y	0.9	1.4 %
Ordinary Income	70.0	Y-on-Y	1.2	1.8 %
Net Income	40.5	Y-on-Y	1.4	3.8 %

## 3. Dividends

	FY2012 (Estimate)		FY2011	
	End of 1st Half	For the Year	End of 1st Half	For the Year
Dividends per Share (¥)	20	40	15	35
Dividends Payout Ratio	44.4%		40.0%	

Note: The dividend payout ratio is calculated using net income (less amortization of goodwill) and dividends.

## 2 Consolidated Financial Indicators for FY2011

(Amounts less than ¥ 100 million are rounded down.)

### 1. Profit and Loss

#### (1) Profit and Loss

[Billion yen]

	FY2011	Y-on-Y			Comparison to Forecasts		
		FY2010	Increase (Decrease)	Change %	Forecast*1	Increase (Decrease)	Change %
Net sales	<b>407.1</b>	409.5	(2.3)	(0.6)	405.0	2.1	0.5
Cost of sales	<b>152.2</b>	154.5	(2.2)	(1.5)	150.0	2.2	1.5
Sales cost ratio	<b>37.4%</b>	37.7%			37.0%		
Gross operation profit	<b>254.8</b>	254.9	(0.1)	0.0	255.0	(0.1)	(0.1)
SG&A expenses	<b>185.8</b>	178.3	7.4	4.2	187.0	(1.1)	(0.6)
% of net sales	<b>45.6%</b>	43.6%			46.2%		
Operating income	<b>69.0</b>	76.5	(7.5)	(9.8)	68.0	1.0	1.5
Ordinary income	<b>68.7</b>	76.6	(7.9)	(10.3)	68.0	0.7	1.1
Extraordinary income	<b>1.1</b>	0.6	0.5	-	-	1.1	-
Extraordinary loss	<b>6.1</b>	13.2	(7.0)	-	4.5	1.6	36.4
Net income	<b>39.0</b>	37.7	1.2	3.4	37.5	1.5	4.0

#### (2) Sales by Business Segments

[Billion yen]

	FY2011	Y-on-Y			Comparison to Forecasts			Notes [Y-on-Y Comparison]
		FY2010	Increase (Decrease)	Change %	Forecast*1	Increase (Decrease)	Change %	
Pharmaceuticals	<b>397.5</b>	400.2	(2.6)	(0.7)	395.5	2.0	0.5	Ethical drugs domestic sales (6.2) Ethical drugs overseas sales (2.8) Contracted manufacturing products (0.7) Licensing fee, etc. 7.1 See page 5, "Sales of Main Products"
% Composition	<b>97.6%</b>	97.7%			97.7%			
Domestic	<b>371.8</b>	376.8	(4.9)	(1.3)	371.0	0.8	0.2	
Overseas	<b>25.6</b>	23.3	2.3	9.9	24.5	1.1	4.9	
Others	<b>9.5</b>	9.3	0.2	3.1	9.5	0.0	1.0	Overseas sales ratio FY2010: 6.3% FY2011: 7.0% Average exchange rate FY2010, 1\$= ¥ 87.32 FY2011, 1\$= ¥ 79.63
% Composition	<b>2.4%</b>	2.3%			2.3%			
Domestic	<b>6.9</b>	6.9	0.0	0.7	7.0	0.0	(0.5)	
Overseas	<b>2.6</b>	2.3	0.2	10.0	2.5	0.1	5.4	
Total	<b>407.1</b>	409.5	(2.3)	(0.6)	405.0	2.1	0.5	
% Composition	<b>100.0%</b>	100.0%			100.0%			
Domestic	<b>378.8</b>	383.7	(4.9)	(1.3)	378.0	0.8	0.2	
Overseas	<b>28.3</b>	25.7	2.5	9.9	27.0	1.3	4.9	

#### (3) Cost of Sales and Selling, General and Administrative Expenses

[Billion yen]

	FY2011	Y-on-Y			Comparison to Forecasts			Notes [Y-on-Y Comparison]
		FY2010	Increase (Decrease)	Change %	Forecast*1	Increase (Decrease)	Change %	
Cost of sales	<b>152.2</b>	154.5	(2.2)	(1.5)	150.0	2.2	1.5	Sales cost ratio is improved according to the price cuts of the imported raw materials by the strong yen and the increase of the royalty revenues, etc.
% of Net sales	<b>37.4%</b>	37.7%			37.0%			
SG&A expenses	<b>185.8</b>	178.3	7.4	4.2	187.0	(1.1)	(0.6)	Increase according to the progress of the late development stage products in Japan and increase of onetime payment
% of Net sales	<b>45.6%</b>	43.6%			46.2%			
R&D expenses	<b>70.2</b>	65.7	4.4	6.8	69.0	1.2	1.8	Increase according to the progress of the late development stage products in Japan and increase of onetime payment
% of Net sales	<b>17.3%</b>	16.1%			17.0%			
Except R&D expenses	<b>115.5</b>	112.6	2.9	2.6	118.0	(2.4)	(2.0)	Increase in sales promotion expenses, etc.
Labor cost	<b>51.9</b>	52.5	(0.5)	(1.1)	51.5	0.4	0.9	
Amortization of goodwill*2	<b>10.1</b>	10.1	0.0	(0.2)	10.0	0.1	1.3	
Others	<b>53.4</b>	49.9	3.5	7.1	56.5	(3.0)	(5.3)	
Total labor cost	<b>88.7</b>	88.6	0.1	0.2	89.0	(0.2)	(0.2)	

\*1: Published forecasts announced on Jul. 29, 2011 in the financial results for 1st quarter of FY2011

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

## (4) Non-operating Income and Loss

[Billion yen]

	FY2011	FY2010	Increase (Decrease)	Notes
Non-operating income	3.4	3.4	0.0	
Interest income	1.5	1.5	0.0	
Dividend income	0.7	0.7	0.0	
Equity in earnings of income	0.1	0.2	0.0	
Others	0.9	0.8	0.1	
Non-operating expenses	3.7	3.3	0.3	
Foreign exchange loss	1.5	1.4	0.0	
Losses on disposal of property, plant and equipment	0.4	0.4	0.0	
Donations	0.3	0.3	0.0	
Others	1.4	1.1	0.2	

## (5) Extraordinary Income and Loss

[Billion yen]

	FY2011	FY2010	Increase (Decrease)	Notes
Extraordinary income	1.1	0.6	0.5	
Gains on sale of property, plant and equipment	0.7	0.3	0.4	
Reversal of provision for loss on disaster	0.4	-	0.4	
Reversal of past year patent royalties	-	0.1	(0.1)	
Gains on sale of investments in securities	-	0.1	(0.1)	
Extraordinary Loss	6.1	13.2	(7.0)	
Impairment loss	3.3	0.8	2.5	Sanban-cho office in Tokyo, etc.
Loss on valuation of investment in securities	2.1	8.0	(5.8)	
Special retirement expenses	0.1	0.4	(0.3)	
Loss related to disaster	0.1	2.1	(2.0)	FY2010: Expenses related to Great East Japan Earthquake
Loss related to business suspension	-	0.7	(0.7)	FY2010: Expenses related to business suspension of Bipha
Losses on sales of property, plant and equipment	-	0.3	(0.3)	
Restructuring expenses	-	0.1	(0.1)	
Others	0.3	0.5	(0.1)	

## (6) Taxes

[Billion yen]

	FY2011	FY2010	Increase (Decrease)	Notes
Income before income taxes and minority interests	63.7	64.1	(0.3)	Statutory tax rate Adjustment
Income taxes-current	20.0	26.9	(6.9)	Non-deductible expenses Non-taxable dividend income, etc.
Income taxes-deferred	4.4	(0.4)	4.9	Adjustment for per capital inhabitants tax Special deduction for R&D expenses Amortization of goodwill
Minority interests	0.2	(0.1)	0.3	Elimination of dividends upon consolidation Increase/decrease in valuation allowance Adjustment on deferred tax assets due to change in tax rate
Net Income	39.0	37.7	1.2	Others Actual tax rate

## (7) Sales of Main Products

[Billion yen]

	FY2011	Y-on-Y			Comparison to Forecasts		
		FY2010	Increase (Decrease)	Change %	Forecasts *1	Increase (Decrease)	Change %
<b>Ethical drugs</b>	<b>392.1</b>	394.7	(2.6)	(0.7)	390.5	1.6	0.4
Ethical drugs domestic sales	<b>355.4</b>	361.6	(6.2)	(1.7)	358.0	(2.5)	(0.7)
Remicade	<b>66.3</b>	60.4	5.9	9.8	66.4	(0.1)	(0.2)
Radicut	<b>22.4</b>	28.7	(6.2)	(21.6)	23.7	(1.2)	(5.2)
Ceredist	<b>18.0</b>	18.0	0.0	(0.4)	18.1	(0.1)	(0.9)
Anplag	<b>15.2</b>	16.4	(1.1)	(7.2)	15.0	0.2	1.5
Talion	<b>13.3</b>	13.4	0.0	(0.6)	14.5	(1.1)	(8.2)
Urso	<b>14.4</b>	15.3	(0.8)	(5.8)	14.2	0.2	1.7
Maintate	<b>13.6</b>	12.3	1.3	11.3	13.4	0.2	1.5
Kremezin *2	<b>11.6</b>	-	11.6	-	12.2	(0.5)	(4.5)
Depas	<b>10.9</b>	11.4	(0.4)	(3.8)	10.8	0.1	1.3
Venoglobulin IH	<b>10.6</b>	9.6	1.0	11.1	10.2	0.4	4.5
Herbesser	<b>8.6</b>	9.6	(0.9)	(10.2)	8.6	0.0	(0.2)
Tanatril	<b>8.3</b>	9.6	(1.3)	(13.7)	8.2	0.1	1.6
Liple	<b>6.2</b>	7.3	(1.0)	(15.0)	6.1	0.0	0.8
Sermion	<b>5.5</b>	6.3	(0.8)	(13.4)	5.4	0.0	0.6
Neuart	<b>5.3</b>	5.5	(0.2)	(4.0)	5.1	0.2	4.0
Omeprason	<b>4.3</b>	4.8	(0.5)	(12.0)	4.0	0.2	5.1
BIKEN Products [Vaccine]	<b>28.8</b>	29.6	(0.8)	(2.8)	29.5	(0.7)	(2.7)
Mearubik	<b>9.5</b>	12.2	(2.7)	(22.3)	10.0	(0.4)	(4.7)
JEVIK V	<b>7.1</b>	6.9	0.1	2.9	8.5	(1.4)	(16.5)
Influenza	<b>9.0</b>	7.1	1.8	26.6	8.2	0.7	9.3
Tanabe Seiyaku Hanbai Products *3	<b>17.4</b>	14.0	3.4	24.4	17.3	0.1	0.9
Ethical drugs overseas sales	<b>18.4</b>	21.3	(2.8)	(13.4)	18.5	0.0	(0.2)
Herbesser	<b>4.8</b>	4.6	0.2	4.6	4.6	0.2	5.8
Argatroban (Novastan)	<b>3.0</b>	3.4	(0.4)	(11.7)	2.8	0.2	8.5
Tanatril	<b>1.7</b>	1.8	(0.1)	(6.5)	1.7	0.0	(3.2)
Vaccine	<b>1.5</b>	1.3	0.2	16.8	1.6	0.0	(2.7)
Contracted manufacturing products *4	<b>8.6</b>	9.3	(0.7)	(7.6)	8.0	0.6	8.4
Licensing Fee, etc.	<b>9.5</b>	2.4	7.1	293.0	6.0	3.5	59.9
<b>OTC products</b>	<b>5.4</b>	5.4	0.0	(0.6)	5.0	0.4	8.0
<b>Total Pharmaceuticals</b>	<b>397.5</b>	400.2	(2.6)	(0.7)	395.5	2.0	0.5

\*1: Published forecasts announced on July 29, 2011 in the financial results for 1st quarter of FY2011.

\*2: In FY2010, Daiichi Sankyo sold Kremezin on consignment from MTPC. We recorded amount of money we sold Kremezin to Daiichi Sankyo in "ethical drugs domestic sales" in FY2010, however, we do not disclose this sales.

\*3: Tanabe Seiyaku Hanbai Products are composed of generic drugs and the long-listed drugs which were transferred from MTPC.

\*4: Active pharmaceutical ingredients and others ordered by other companies.

## 2. Financial Statement

### (1) Balance Sheet

[Billion Yen]

	End of FY2011	Composition %	End of FY2010	Increase (Decrease)	Notes
<b>Total Assets</b>	<b>819.9</b>	<b>100.0</b>	818.7	1.2	
<b>Current Assets</b>	<b>419.6</b>	<b>51.2</b>	391.5	28.0	
Cash and deposits	15.4	1.9	27.4	(11.9)	See Page 7, (2) Cash Flows Statement
Marketable securities	46.3	5.7	84.7	(38.4)	Decrease of negotiable deposits and government bond, etc
Notes and accounts receivable*1 [Months/Revolution]	127.2 [3.75]	15.5	128.3 [3.76]	(1.1) [(0.01)]	
Inventories	86.1	10.5	77.7	8.4	Increase according to rebound from temporary increase(inventory reduction) in orders after the Great East Japan Earthquake.
Deposits	130.7	16.0	56.3	74.4	Deposits to Mitsubishi Chemical Holdings Increase according to a change of composition ratio for fund management
Deferred income taxes	9.3	1.1	12.5	(3.2)	
Others	4.3	0.5	4.4	0.0	
<b>Fixed Assets</b>	<b>400.2</b>	<b>48.8</b>	427.1	(26.8)	
Property, plant and equipment	103.9	12.7	113.5	(9.5)	Investment for plant and equipment, 7.0; Depreciation, (11.4); Impairment of Sanban-cho office, (3.3); Disposal and sales(1.9)
Intangible fixed assets	109.3	13.3	119.2	(9.8)	Investment for information system, 1.2; Amortization of goodwill, (10.1); Depreciation, (1.0)
Investment in securities	116.5	14.2	127.6	(11.0)	Decrease of government and corporate bond, etc
Prepaid pension expenses	42.1	5.1	40.4	1.6	
Deferred Tax Asset	7.8	1.0	13.7	(5.8)	
Other investments	20.3	2.5	12.5	7.8	Long-term prepaid expense, 6.9
<b>Total Liabilities</b>	<b>98.4</b>	<b>12.0</b>	122.7	(24.3)	
<b>Current Liabilities</b>	<b>69.5</b>	<b>8.5</b>	87.7	(18.1)	
Notes and accounts payable*2	28.8	3.5	29.6	(0.7)	
Short-term debt	2.1	0.3	2.8	(0.7)	
Accrued payable	15.7	1.9	20.3	(4.6)	Decrease according to payment of account payable for equipment
Income taxes payable	6.7	0.8	15.2	(8.4)	
Other current liabilities	16.0	2.0	19.6	(3.5)	
<b>Long-term Liabilities</b>	<b>28.8</b>	<b>3.5</b>	35.0	(6.1)	
Deferred income taxes	9.3	1.1	11.4	(2.1)	
Accrued retirement benefits for employees	10.5	1.3	11.8	(1.2)	
Reserve for health management allowances for HIV compensation	1.4	0.2	1.5	0.0	
Reserve for health management allowances for SMON compensation	3.6	0.4	3.8	(0.2)	
Reserve for HCV litigation	2.5	0.3	4.6	(2.1)	Reversal accompanied with payment of the settlement
Other long-term liabilities	1.3	0.2	1.7	(0.4)	
<b>Net Assets</b>	<b>721.4</b>	<b>88.0</b>	695.9	25.5	
<b>Shareholders' equity</b>	<b>724.8</b>	<b>88.4</b>	702.2	22.6	
Common stock	50.0	6.1	50.0	-	
Capital surplus	451.1	55.0	451.1	-	
Retained earnings	224.1	27.3	201.4	22.7	Net income, 39.0; Payment for dividends, (16.2)
Treasury stock, at cost	(0.4)	(0.1)	(0.4)	0.0	
<b>Accumulated other comprehensive loss</b>	<b>(9.1)</b>	<b>(1.1)</b>	(12.0)	2.8	
Unrealized holding (losses) gains on securities	0.0	0.0	(2.7)	2.6	
Deffered (losses) gains on hedges	0.0	0.0	(1.0)	1.1	
Translation adjustments	(9.1)	(1.1)	(8.2)	(0.8)	
<b>Minority interests</b>	<b>5.7</b>	<b>0.7</b>	5.7	0.0	

\*1: Note and accounts receivable = Bills + Accounts receivable

\*2: Note and account payable=Bills(except non-operating bills)+Accounts payable

## (2) Cash Flow Statement

[Billion yen]

	FY2011	FY2010	Increase (Decrease)
Cash and cash equivalents at beginning of year	97.8	62.9	34.9
<b>Cash flows from operating activities</b>	<b>37.2</b>	59.0	(21.8)
Income before income taxes and minority interests	63.7	64.1	(0.3)
Depreciation and amortization	12.4	12.4	0.0
Impairment loss	3.3	0.8	2.5
Amortization of goodwill	10.1	10.1	0.0
Increase (decrease) in accrued retirement benefit for employees	(1.2)	(1.2)	0.0
Decrease (increase) in prepaid pension expenses	(1.6)	(3.7)	2.0
Increase (decrease) in reserve for HCV litigation	(2.1)	(6.0)	3.9
Increase (decrease) in allowance for disaster	(1.4)	1.5	(3.0)
Interest and dividend income	(2.3)	(2.3)	0.0
Loss (gain) on sales of investments in securities	2.1	8.0	(5.8)
Decrease(increase) in notes and accounts receivable, trade	0.9	(2.5)	3.5
Decrease (increase) in inventories	(8.6)	(4.7)	(3.8)
Increase (decrease) in notes and accounts payable, trade	(0.5)	2.4	(3.0)
Increase(decrease) in accrued expenses	(2.1)	(2.1)	0.0
Interest and dividends received	2.5	2.5	0.0
Income taxes paid	(28.3)	(22.2)	(6.1)
Other, net	(9.6)	2.0	(11.7)
<b>Cash flows from investing activities</b>	<b>(63.2)</b>	(7.6)	(55.5)
Purchase/sales etc. of marketable securities	43.1	25.7	17.3
Increase/decrease in time deposits	9.3	(0.9)	10.2
Increase in deposits	(110.7)	-	(110.7)
Increase/decrease in long-term deposits	(0.4)	0.0	(0.4)
Purchase/sales of property, plant and equipment	(7.3)	(7.0)	(0.2)
Purchase of intangible fixed assets	(1.2)	(0.7)	(0.4)
Purchase/sales of investment in securities	4.0	(24.7)	28.8
Other, net	0.0	0.0	0.0
<b>Cash flows from financing activities</b>	<b>(17.1)</b>	(15.4)	(1.7)
Increase (decrease) in short-term debt, net	(0.7)	0.4	(1.2)
Repayment of long-term loans debt	-	0.0	0.0
Cash dividends paid	(16.2)	(15.7)	(0.5)
Other, net	(0.1)	(0.1)	0.0
Effect of exchange rate change on cash and cash equivalents	(0.3)	(1.1)	0.7
Net increase (decrease) in cash and cash equivalents	(43.5)	34.8	(78.3)
Increase (decrease) in cash and cash equivalent resulting from merger with an unconsolidated subsidiary	-	0.0	0.0
Increase (decrease) in cash and cash equivalent resulting from inclusion of a new consolidated subsidiary	-	0.0	0.0
<b>Cash and cash equivalents at end of the year</b>	<b>54.3</b>	97.8	(43.5)

## 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 [Billion yen]

	FY2011	FY2010
Cash and time deposits	15.4	27.4
Time deposits maturing after three months	(2.4)	(11.5)
Short-term investments in marketable securities maturing within three months of acquisition	21.1	25.4
Cash equivalents included in short-term loans receivable*	0.1	0.1
Cash equivalents included in deposits	20.0	56.3
Cash and cash equivalents in the consolidated statements of cash flows	54.3	97.8

\*: Short-term loans are included in "Others, Current Assets" on page 6.

### (3) Investment in Property, Plant and Equipment and Investment in Development of Information Systems

[Billion yen]

	FY2011	FY2010	Increase (Decrease)
Investment in property, plant and equipment /occurring basis	7.0	10.1	(3.0)
Investment in information systems/occurring basis	1.2	0.8	0.3

[Billion yen]

Major investment in property, plant and equipment in FY2011		Major investment in development of information systems in FY2011	
Mitsubishi Tanabe Pharma	3.2	Mitsubishi Tanabe Pharma	1.0
Mitsubishi Tanabe Pharma Factory [Manufacturing facilities at Ashikaga Plant]	1.6 [0.1]		
Benesis [Manufacturing facilities at Kyoto Plant]	1.3 [0.9]		

### (4) Depreciation Costs

[Billion yen]

	FY2011	FY2010	Increase (Decrease)
Property, plant and equipment	11.4	11.3	0.0
Intangible fixed assets	1.0	1.0	0.0

### 3. Financial Data & Employee Numbers of Major Consolidated Subsidiaries

[Billion yen]

	Companies	Benesis Corporation	Mitsubishi Tanabe Pharma Factory Ltd.	Tanabe Seiyaku Hanbai Co., Ltd	Mitsubishi Tanabe Pharma Korea Co., Ltd.	Mitsubishi Pharma (Guangzhou) Co., Ltd.	Tianjin Tanabe Seiyaku Co., Ltd.
		Fiscal Year	End of Mar.	End of Mar.	End of Mar.	End of Dec.	End of Dec.
Net Sales	FY2011	19.5	54.8	17.4	3.6	0.1	2.1
	FY2010	18.2	53.0	14.0	3.7	2.2	2.0
Operating Income	FY2011	2.5	3.2	1.1	0.2	(0.9)	0.0
	FY2010	1.2	4.6	0.3	0.5	(0.1)	0.1
Ordinary Income	FY2011	2.7	3.4	1.1	0.2	(1.0)	0.0
	FY2010	1.3	4.5	0.3	0.5	(0.3)	0.1
Net Income and Loss	FY2011	1.5	1.8	1.1	0.1	(1.0)	0.0
	FY2010	0.8	2.3	0.3	0.4	(0.3)	0.1
R&D Expenses	FY2011	1.8	0.9	-	-	0.0	0.0
	FY2010	2.0	0.9	-	-	0.0	0.0
Depreciation of Property, Plant and Equipment	FY2011	1.1	3.6	0.0	0.0	0.0	0.0
	FY2010	1.0	3.8	0.0	0.0	0.1	0.0
Total Assets	FY2011	32.0	58.4	7.4	2.1	2.9	1.8
	FY2010	29.9	57.7	6.6	2.5	3.8	1.8
Net Assets	FY2011	26.1	39.3	0.0	1.5	2.2	1.3
	FY2010	25.0	38.6	(1.0)	1.5	3.2	1.4
Number of Employees	FY2011	565	1238	166	125	425	392
	FY2010	575	1219	176	125	419	333

### 3 Forecasts for FY2012 Ending March 31, 2013

(Amounts less than ¥100 million is rounded down.)

#### (1) Consolidated Forecasts of Profit and Loss

[Billion yen]

	1st Half of FY2012 Forecasts	1st Half of FY2011 Actual	Increase (Decrease)	Change %	FY2012 Forecasts	FY2011 Actual	Increase (Decrease)	Change %	Notes
Net Sales	203.0	200.3	2.6	1.3	429.0	407.1	21.8	5.4	
Cost of Sales	76.5	74.4	2.0	2.8	165.0	152.2	12.7	8.4	
Sales cost ratio	37.7%	37.2%			38.5%	37.4%			
Gross Operatin Profit	126.5	125.9	0.5	0.5	264.0	254.8	9.1	3.6	
SG & A Expenses	98.5	89.8	8.6	9.6	194.0	185.8	8.1	4.4	
% of Net Sales	48.5%	44.9%			45.2%	45.6%			
Operating Income	28.0	36.0	(8.0)	(22.3)	70.0	69.0	0.9	1.4	
Ordinary Income	28.0	36.3	(8.3)	(23.0)	70.0	68.7	1.2	1.8	
Extraordinary Income	-	-	-	-	-	1.1	(1.1)	-	
Extraordinary Losses	3.5	3.2	0.2	-	4.0	6.1	(2.1)	-	
Net Income	15.0	19.9	(4.9)	(24.9)	40.5	39.0	1.4	3.8	

#### (2) Sales Forecasts by Segments

[Billion yen]

	1st Half of FY2012 Forecasts	1st Half of FY2011 Actual	Increase (Decrease)	Change %	FY2012 Forecasts	FY2011 Actual	Increase (Decrease)	Change %	Notes
Pharmaceuticals	199.5	195.4	4.0	2.1	424.0	397.5	26.4	6.7	
% Composition	98.3%	97.5%			98.8%	97.6%			
Domestic	184.0	183.5	0.4	0.2	388.0	371.8	16.1	4.3	
Overseas	15.5	11.8	3.6	30.8	36.0	25.6	10.3	40.1	
Other Businesses	3.5	4.9	(1.4)	(29.2)	5.0	9.5	(4.5)	(47.9)	
% Composition	1.7%	2.5%			1.2%	2.4%			
Domestic	2.0	3.5	(1.5)	(44.4)	2.5	6.9	(4.4)	(64.1)	
Overseas	1.5	1.3	0.1	11.2	2.5	2.6	(0.1)	(5.1)	
Total	203.0	200.3	2.6	1.3	429.0	407.1	21.8	5.4	Foreign sales ratio FY2011: 7.0% FY2012 estimation: 9.0%
% Composition	100.0%	100.0%			100.0%	100.0%			Exchange rate planned: 1US\$= ¥ 81
Domestic	186.0	187.1	(1.1)	(0.6)	390.5	378.8	11.6	3.1	
Overseas	17.0	13.1	3.8	28.8	38.5	28.3	10.1	35.9	

#### (3) Forecasts of Cost of Sales and SG&A Expenses

[Billion yen]

	1st Half of FY2012 Forecasts	1st Half of FY2011 Actual	Increase (Decrease)	Change %	FY2012 Forecasts	FY2011 Actual	Increase (Decrease)	Change %	Notes
Cost of Sales	76.5	74.4	2.0	2.8	165.0	152.2	12.7	8.4	
Sales cost ratio	37.7%	37.2%			38.5%	37.4%			
SG & A Expenses	98.5	89.8	8.6	9.6	194.0	185.8	8.1	4.4	
% of Net sales	48.5%	44.9%			45.2%	45.6%			
R&D Expenses	38.0	33.5	4.4	13.2	72.0	70.2	1.7	2.5	
% of Net sales	18.7%	16.8%			16.8%	17.3%			
Except R&D Expenses	60.5	56.3	4.1	7.4	122.0	115.5	6.4	5.5	
Labor Cost	26.0	25.9	0.0	0.3	52.0	51.9	0.0	0.1	
Amortization of Goodwill *	5.0	5.0	0.0	(1.3)	10.0	10.1	(0.1)	(1.3)	
Others	29.5	25.3	4.1	16.5	60.0	53.4	6.5	12.2	Increase in sales promotion expenses according to rebound from the reduction of marketing activity after the earthquake
Total Labor Cost	46.0	44.4	1.5	3.6	91.0	88.7	2.2	2.5	

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

## (4) Sales Forecasts for Main Products

[Billion yen]

	1st Half of FY2012 Forecasts	1st Half of FY2011 Actual	Increase (Decrease)	Change %	FY2012 Forecasts	FY2011 Actual	Increase (Decrease)	Change %
<b>Ethical drugs</b>	<b>196.5</b>	192.5	3.9	2.1	<b>418.5</b>	392.1	26.3	6.7
<b>Ethical drugs domestic sales</b>	<b>177.5</b>	175.6	1.8	1.0	<b>375.0</b>	355.4	19.5	5.5
Remicade	37.0	32.0	4.9	15.4	76.0	66.3	9.6	14.6
Ceredist	9.0	8.9	0.0	0.8	17.5	18.0	(0.5)	(2.8)
Talion	6.0	5.3	0.6	12.9	16.5	13.3	3.1	23.7
Maintate	7.0	6.5	0.4	6.2	14.5	13.6	0.8	5.9
Radicut	8.0	12.7	(4.7)	(37.4)	14.5	22.4	(7.9)	(35.5)
Anplag	7.0	7.7	(0.7)	(9.3)	14.0	15.2	(1.2)	(8.2)
Urso	7.0	7.2	(0.2)	(2.9)	14.0	14.4	(0.4)	(3.3)
Kremezin	6.0	6.1	(0.1)	(3.0)	12.5	11.6	0.8	7.3
Venoglobulin IH	5.5	5.0	0.4	9.0	11.5	10.6	0.8	7.5
Depas	5.5	5.4	0.0	1.0	10.5	10.9	(0.4)	(4.5)
Telavic	3.5	-	3.5	-	10.0	1.4	8.5	572.5
Herbesser	4.0	4.3	(0.3)	(8.7)	7.5	8.6	(1.1)	(13.3)
Tanatril	3.5	4.2	(0.7)	(18.2)	7.0	8.3	(1.3)	(16.1)
Lexapro	2.0	0.4	1.5	356.6	6.0	1.2	4.7	377.7
Simponi	2.0	0.0	1.9	-	5.5	0.9	4.5	477.1
Liple	2.5	3.1	(0.6)	(20.2)	5.0	6.2	(1.2)	(19.4)
Neuart	2.5	2.5	0.0	(2.6)	5.0	5.3	(0.3)	(6.8)
BIKEN Products [Vaccine]	13.0	15.1	(2.1)	(14.0)	28.0	28.8	(0.8)	(2.8)
Mearubik	6.0	6.2	(0.2)	(4.4)	9.5	9.5	0.0	(0.5)
Influenza	2.0	2.3	(0.3)	(14.4)	9.0	9.0	0.0	(0.3)
JEVIK V	3.5	4.8	(1.3)	(28.6)	6.5	7.1	(0.6)	(9.0)
Tanabe Seiyaku Hanbai Products *1	8.5	8.2	0.2	3.6	18.0	17.4	0.5	2.9
<b>Ethical drugs overseas sales</b>	<b>9.5</b>	9.1	0.3	3.8	<b>22.5</b>	18.4	4.0	21.9
Herbesser	2.5	2.2	0.2	8.8	5.5	4.8	0.6	12.9
Argatroban (Novastan)	1.0	1.6	(0.6)	(39.2)	2.5	3.0	(0.5)	(18.8)
Tanatril	1.0	0.8	0.1	14.8	2.0	1.7	0.2	17.2
Vaccine	1.0	0.9	0.0	7.3	2.0	1.5	0.4	26.4
Contracted manufacturing products *2	3.5	4.7	(1.2)	(26.8)	7.0	8.6	(1.6)	(19.3)
Licensing Fee, etc.	6.0	2.9	3.0	106.8	14.0	9.5	4.4	45.9
<b>OTC products</b>	<b>3.0</b>	2.8	0.1	4.0	<b>5.5</b>	5.4	0.0	1.8
<b>Total Pharmaceuticals</b>	<b>199.5</b>	195.4	4.0	2.1	<b>424.0</b>	397.5	26.4	6.7

\*1: Tanabe Seiyaku Hanbai Products are composed of generic drugs and the long-listed drugs which were transferred from MTPC.

\*2: Active pharmaceutical ingredients and others ordered by other companies.

(5) Forecast of Investment for Property, Plant and Equipment and Information Systems

[Billion yen]

	1st Half of FY2012 Forecasts	1st Half of FY2011 Actual	Increase (decrease)	Change %	FY2012 Forecasts	FY2011 Actual	Increase (decrease)	Change %
Investment in property, plant and equipment/occurring basis	6.8	2.8	4.0	142.1	10.5	7.0	3.4	49.3
Investment for information systems/occurring basis	1.1	0.3	0.7	201.5	2.0	1.2	0.8	70.5

[Billion yen]

Major investment in property, plant and equipment in FY2012		Major investment for information system in FY2012	
Production Facilities	7.8	R&D Related Systems	0.5
Facilities & Equipment for R&D	1.1	Production Related Systems	0.2
Others	1.6	Others	1.3

(6) Forecasts for Depreciation Costs

[Billion yen]

	1st Half of FY2012 Forecasts	1st Half of FY2011 Actual	Increase (decrease)	Change %	FY2012 Forecasts	FY2011 Actual	Increase (decrease)	Change %
Property, plant and equipment	4.0	5.3	(1.2)	(23.2)	7.8	11.4	(3.6)	(31.7)
Intangible fixed assets	0.6	0.5	0.1	20.9	1.2	1.0	0.2	22.0

## 4 Five-Year Financial Data

Amounts less than ¥100 million are rounded down.

### (1) Profit and Loss

[Billion yen]

	FY2007 Simple Sum	FY2008	FY2009	FY2010	FY2011	Forecast for FY2012
Net sales	409.4	414.7	404.7	409.5	407.1	429.0
Cost of sales	150.5	158.1	147.8	154.5	152.2	165.0
Gross operation profit	258.8	256.5	256.9	254.9	254.8	264.0
SG&A expenses	186.4	184.8	195.4	178.3	185.8	194.0
R&D expenses	72.3	73.1	83.0	65.7	70.2	72.0
Operating income	72.4	71.6	61.4	76.5	69.0	70.0
Ordinary income	73.6	72.5	61.6	76.6	68.7	70.0
Extraordinary income	1.9	1.2	0.0	0.6	1.1	-
Extraordinary loss	20.3	25.7	10.7	13.2	6.1	4.0
Net income	31.9	26.5	30.2	37.7	39.0	40.5

### (2) Balance Sheet

[Billion yen]

	End of FY2007	End of FY2008	End of FY2009	End of FY2010	End of FY2011
Total assets	807.2	810.7	796.8	818.7	819.9
Current assets	382.0	364.4	344.2	391.5	419.6
Fixed assets	425.2	446.3	452.6	427.1	400.2
Total liabilities	139.4	144.5	120.0	122.7	98.4
Current liabilities	89.4	89.1	77.7	87.7	69.5
Fixed liabilities	50.0	55.3	42.2	35.0	28.8
Net assets	667.8	666.2	676.8	695.9	721.4

### (3) Other Financial Data

[Billion yen]

	FY2007 Simple Sum	FY2008	FY2009	FY2010	FY2011	Forecast for FY2011
Cash flows from operating activities	46.4	50.5	23.9	59.0	37.2	-
Cash flows from investing activities	(8.9)	(74.5)	(61.2)	(7.6)	(63.2)	-
Cash flows from financing activities	(9.0)	(15.9)	(17.1)	(15.4)	(17.1)	-
Investments in property, plant and equipment	9.9	12.1	8.3	10.1	7.0	10.5
Investments for development of information systems	1.9	1.7	0.8	0.8	1.2	2.0
Depreciation costs	15.0	15.6	13.2	12.4	12.4	9.0
Equity ratio (%)	80.9	80.5	84.1	84.3	87.3	-
ROE (%)	4.9	4.1	4.6	5.5	5.5	-
Net income per share (¥)	50.12	47.28	53.91	67.27	69.54	72.19
Net assets per share (¥)	1,163.96	1,162.69	1,194.79	1,230.16	1,275.85	-

### (4) Number of Employees

	End of FY2007	End of FY2008	End of FY2009	End of FY2010	End of FY2011	Forecast for End of FY2012
Consolidated	10,361	10,030	9,266	9,198	9,180	8,930
Non-consolidated	6,266	5,715	5,186	4,957	4,826	4,830

## 5 Quarterly Trend

(Amount less than ¥100million is rounded down.)

### (1) Profit and Loss

[Billion yen]

	FY2010					FY2011					FY2012
	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Q4 Jan. to Mar.	FY2010 Actual	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Q4 Jan. to Mar.	FY2011 Actual	Forecast for FY2012
Net sales	108.7	95.9	114.8	89.9	409.5	102.2	98.1	115.3	91.4	407.1	429.0
	26.6%	23.4%	28.0%	22.0%	100.0%	25.1%	24.1%	28.3%	22.5%	100.0%	
Domestic	102.0	88.9	108.9	83.8	383.7	95.7	91.4	108.0	83.6	378.8	390.5
	26.6%	23.2%	28.4%	21.8%	100.0%	25.3%	24.1%	28.5%	22.1%	100.0%	
Overseas	6.7	6.9	5.9	6.1	25.7	6.5	6.6	7.3	7.7	28.3	38.5
	26.1%	27.1%	22.9%	23.8%	100.0%	23.1%	23.5%	25.9%	27.5%	100.0%	
Pharmaceuticals	106.0	93.8	112.5	87.8	400.2	99.7	95.6	112.9	89.2	397.5	424.0
	26.5%	23.4%	28.1%	22.0%	100.0%	25.1%	24.1%	28.4%	22.4%	100.0%	
Domestic	100.2	87.2	107.1	82.2	376.8	93.7	89.8	106.2	82.0	371.8	388.0
	26.6%	23.2%	28.4%	21.8%	100.0%	25.2%	24.2%	28.6%	22.1%	100.0%	
Overseas	5.7	6.5	5.3	5.6	23.3	6.0	5.8	6.6	7.1	25.6	36.0
	24.8%	28.1%	22.9%	24.2%	100.0%	23.4%	22.7%	26.0%	27.8%	100.0%	
Others	2.7	2.0	2.3	2.1	9.3	2.5	2.4	2.4	2.1	9.5	5.0
	29.6%	22.5%	25.3%	22.6%	100.0%	26.1%	25.4%	25.7%	22.8%	100.0%	
Domestic	1.8	1.6	1.8	1.6	6.9	1.9	1.6	1.8	1.5	6.9	2.5
	26.4%	24.0%	26.2%	23.5%	100.0%	28.3%	23.4%	26.0%	22.4%	100.0%	
Overseas	0.9	0.4	0.5	0.4	2.3	0.5	0.8	0.6	0.6	2.6	2.5
	39.0%	18.2%	22.8%	20.1%	100.0%	20.3%	30.9%	24.9%	23.9%	100.0%	
Cost of sales	41.3	36.5	44.5	32.1	154.5	37.3	37.0	44.8	32.9	152.2	165.0
Sales Cost Ratio	38.0%	38.1%	38.8%	35.7%	37.7%	36.5%	37.8%	38.9%	36.1%	37.4%	38.5%
Gross operating profit	67.4	59.4	70.2	57.8	254.9	64.8	61.0	70.5	58.4	254.8	264.0
	26.5%	23.3%	27.6%	22.7%	100.0%	25.5%	23.9%	27.7%	22.9%	100.0%	
SG&A expenses	40.8	45.8	41.5	50.1	178.3	42.1	47.7	46.6	49.3	185.8	194.0
	22.9%	25.7%	23.3%	28.1%	100.0%	22.7%	25.7%	25.1%	26.6%	100.0%	
R&D expenses	15.9	16.5	15.1	18.1	65.7	15.7	17.8	18.0	18.6	70.2	72.0
	24.2%	25.1%	23.0%	27.7%	100.0%	22.4%	25.4%	25.7%	26.5%	100.0%	
Non-R&D expenses	24.9	29.2	26.4	31.9	112.6	26.4	29.8	28.5	30.7	115.5	122.0
	22.1%	26.0%	23.5%	28.4%	100.0%	22.9%	25.9%	24.7%	26.6%	100.0%	
Labor costs	12.3	13.4	12.4	14.2	52.5	12.6	13.3	12.9	13.1	51.9	52.0
	23.5%	25.6%	23.7%	27.2%	100.0%	24.3%	25.6%	24.9%	25.2%	100.0%	
Amortization of goodwill	2.5	2.5	2.5	2.5	10.1	2.5	2.5	2.5	2.5	10.1	10.0
	25.0%	25.0%	25.0%	25.0%	100.0%	25.0%	25.0%	25.0%	25.0%	100.0%	
Other	10.0	13.2	11.5	15.1	49.9	11.2	14.0	13.0	15.0	53.4	60.0
	20.1%	26.6%	23.0%	30.3%	100.0%	21.1%	26.3%	24.5%	28.2%	100.0%	
Operating income	26.5	13.5	28.7	7.7	76.5	22.7	13.3	23.8	9.1	69.0	70.0
	34.7%	17.7%	37.5%	10.1%	100.0%	32.9%	19.3%	34.6%	13.2%	100.0%	
Ordinary income	26.7	13.6	28.9	7.2	76.6	22.9	13.3	24.0	8.3	68.7	70.0
	34.9%	17.8%	37.7%	9.5%	100.0%	33.4%	19.5%	34.9%	12.2%	100.0%	
Net income	14.6	8.0	16.5	(1.5)	37.7	11.4	8.5	15.8	3.1	39.0	40.5
	38.9%	21.3%	43.9%	( 4.0%)	100.0%	29.3%	21.9%	40.7%	8.1%	100.0%	

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

## (2) Sales of Main Products

[Billion yen]

	FY2010					FY2011					FY2012
	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Q4 Jan. to Mar.	FY2010 Actual	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Q4 Jan. to Mar.	FY2011 Actual	Forecast for FY2012
<b>Ethical drugs</b>	104.7 26.5%	92.2 23.4%	110.9 28.1%	86.8 22.0%	394.7 100.0%	98.3 25.1%	94.2 24.0%	111.4 28.4%	88.1 22.5%	392.1 100.0%	418.5
Ethical drugs domestic sales	96.0 26.6%	83.0 23.0%	103.5 28.6%	78.9 21.8%	361.6 100.0%	89.7 25.3%	85.9 24.2%	102.8 28.9%	76.8 21.6%	355.4 100.0%	375.0
Remicade	14.3 23.8%	14.9 24.8%	17.3 28.8%	13.7 22.7%	60.4 100.0%	15.8 23.9%	16.2 24.5%	18.9 28.5%	15.3 23.1%	66.3 100.0%	76.0
Radicut	7.9 27.8%	6.2 21.9%	8.0 28.2%	6.3 22.1%	28.7 100.0%	6.7 29.9%	6.0 26.9%	5.9 26.4%	3.7 16.7%	22.4 100.0%	14.5
Ceredist	4.8 26.6%	4.1 23.0%	5.1 28.3%	3.9 22.0%	18.0 100.0%	4.6 25.9%	4.2 23.7%	5.1 28.4%	3.9 22.0%	18.0 100.0%	17.5
Anplag	4.5 27.5%	3.7 22.8%	4.7 28.8%	3.4 20.9%	16.4 100.0%	4.0 26.8%	3.6 23.7%	4.4 29.4%	3.0 20.1%	15.2 100.0%	14.0
Talion	2.6 19.8%	2.0 15.6%	3.5 26.5%	5.1 38.1%	13.4 100.0%	3.0 22.9%	2.2 16.9%	3.9 29.3%	4.1 30.9%	13.3 100.0%	16.5
Urso	4.1 26.9%	3.5 23.3%	4.2 27.8%	3.3 22.0%	15.3 100.0%	3.7 26.2%	3.4 23.6%	4.1 28.9%	3.0 21.3%	14.4 100.0%	14.0
Maintate	3.2 26.3%	2.7 22.2%	3.4 28.4%	2.8 23.1%	12.3 100.0%	3.4 24.9%	3.1 23.3%	4.0 29.6%	3.0 22.3%	13.6 100.0%	14.5
Kremezin *1	-	-	-	-	-	2.8 24.4%	3.3 28.6%	2.8 24.8%	2.5 22.1%	11.6 100.0%	12.5
Depas	3.0 27.0%	2.6 23.1%	3.1 27.7%	2.5 22.2%	11.4 100.0%	2.8 25.5%	2.6 24.0%	3.1 28.3%	2.4 22.2%	10.9 100.0%	10.5
Venoglubulin IH	2.3 24.9%	2.1 22.4%	2.8 29.9%	2.1 22.7%	9.6 100.0%	2.4 23.3%	2.5 23.8%	3.2 30.6%	2.3 22.2%	10.6 100.0%	11.5
Herbesser	2.7 28.1%	2.1 22.6%	2.8 29.3%	1.9 20.0%	9.6 100.0%	2.3 27.0%	2.0 23.6%	2.4 28.8%	1.7 20.6%	8.6 100.0%	7.5
Tanatril	2.7 28.5%	2.2 23.2%	2.7 28.3%	1.9 20.0%	9.6 100.0%	2.2 27.3%	2.0 24.0%	2.3 28.6%	1.6 20.1%	8.3 100.0%	7.0
Liple	2.0 27.7%	1.6 23.1%	2.0 27.7%	1.5 21.5%	7.3 100.0%	1.6 26.6%	1.4 23.9%	1.7 28.1%	1.3 21.4%	6.2 100.0%	5.0
Sermion	1.8 28.4%	1.5 23.5%	1.7 27.8%	1.2 20.3%	6.3 100.0%	1.5 27.2%	1.3 24.3%	1.5 28.6%	1.0 19.8%	5.5 100.0%	-
Neuart	1.4 26.1%	1.3 23.3%	1.6 30.1%	1.1 20.5%	5.5 100.0%	1.2 23.9%	1.2 23.9%	1.6 31.6%	1.1 20.6%	5.3 100.0%	5.0
Omeprazon	1.3 28.3%	1.1 22.7%	1.3 28.5%	1.0 20.5%	4.8 100.0%	1.1 26.2%	1.0 24.0%	1.2 29.8%	0.8 20.0%	4.3 100.0%	-
BIKEN products [Vaccine]	7.7 26.1%	7.3 24.8%	9.2 31.3%	5.2 17.8%	29.6 100.0%	7.0 24.4%	8.0 28.0%	9.4 32.7%	4.2 14.8%	28.8 100.0%	28.0
Mearubik	4.9 40.6%	2.5 21.1%	1.4 11.6%	3.2 26.6%	12.2 100.0%	4.1 43.6%	2.1 22.2%	1.1 12.3%	2.0 21.9%	9.5 100.0%	9.5
JEBIK V	1.7 25.6%	1.9 27.9%	1.6 23.9%	1.5 22.6%	6.9 100.0%	2.0 29.3%	2.8 39.3%	1.2 18.0%	0.9 13.4%	7.1 100.0%	6.5
Influenza	0.0 0.0%	1.9 27.4%	5.7 80.2%	(0.5) (7.6%)	7.1 100.0%	0.0 (0.1%)	2.3 26.0%	6.4 71.2%	0.2 3.0%	9.0 100.0%	9.0
Tanabe Seiyaku Hanbai products *2	2.8 20.4%	2.5 18.1%	4.7 33.7%	3.9 27.9%	14.0 100.0%	4.3 24.9%	3.8 22.0%	5.2 29.8%	4.0 23.3%	17.4 100.0%	18.0
Ethical drugs overseas sales	5.6 26.6%	5.6 26.4%	5.0 23.7%	4.9 23.3%	21.3 100.0%	4.6 25.3%	4.4 24.2%	4.7 25.5%	4.6 24.9%	18.4 100.0%	22.5
Herbesser	1.2 25.9%	1.2 26.4%	1.0 23.4%	1.1 24.3%	4.6 100.0%	1.1 24.6%	1.0 22.5%	1.3 27.1%	1.2 25.7%	4.8 100.0%	5.5
Argatroban (Novastan)	1.0 29.5%	0.8 23.5%	0.8 24.3%	0.7 22.8%	3.4 100.0%	0.9 32.3%	0.6 21.1%	0.7 25.6%	0.6 21.0%	3.0 100.0%	2.5
Tanatril	0.5 30.0%	0.4 23.2%	0.4 27.0%	0.3 19.8%	1.8 100.0%	0.3 22.9%	0.4 28.2%	0.4 27.7%	0.3 21.3%	1.7 100.0%	2.0
Vaccine	0.2 18.9%	0.4 30.0%	0.2 16.5%	0.4 34.6%	1.3 100.0%	0.4 29.8%	0.4 29.1%	0.3 21.0%	0.3 20.0%	1.5 100.0%	2.0
Contracted manufacturing products *3	2.6 28.6%	2.5 27.0%	1.9 20.9%	2.2 23.5%	9.3 100.0%	2.4 28.3%	2.3 26.9%	1.7 20.2%	2.1 24.6%	8.6 100.0%	7.0
Licensing fee, etc.	0.2 11.3%	1.0 42.5%	0.4 17.6%	0.6 28.6%	2.4 100.0%	1.4 15.0%	1.4 15.2%	2.0 21.9%	4.5 47.9%	9.5 100.0%	14.0
<b>OTC products</b>	1.2 23.7%	1.5 29.1%	1.5 28.2%	1.0 19.0%	5.4 100.0%	1.4 26.4%	1.4 27.0%	1.4 27.3%	1.0 19.3%	5.4 100.0%	5.5
<b>Total pharmaceuticals</b>	106.0 26.5%	93.8 23.4%	112.5 28.1%	87.8 22.0%	400.2 100.0%	99.7 25.1%	95.6 24.1%	112.9 28.4%	89.2 22.4%	397.5 100.0%	424.0

The each figure in the lower displays the progress rate.

\*1: In FY2010, Daiichi Sankyo sold Kremezin on consignment from MTPC. We recorded amount of money we sold Kremezin to Daiichi Sankyo in "ethical drugs domestic sales" in FY2010, however, we do not disclose this sales.

\*2: Tanabe Seiyaku Hanbai Products are composed of generic drugs and the long-listed drugs which were transferred from MTPC.

\*3: Active pharmaceutical ingredients and products ordered by other companies.

## 6 State of New Product Development (as of May 8, 2012)

### 1. Pipeline in Japan

#### (1) New Molecular Entities

Development code (Generic name)	Category (Indications)	Stage	Origin	Notes
MP-513 (Teneligliptin)	DPP4 inhibitor (Type 2 Diabetes mellitus)	NDA filed (Aug. 2011)	In-house	
	(Type 2 Diabetes mellitus, Additional combination)	Phase3		
BK-4SP	Vaccine (Prophylaxis of pertussis, diphtheria, tetanus, and poliomyelitis)	NDA filed (Dec. 2011)	The Research Foundation for Microbial Diseases of Osaka University	Co-development -The Research Foundation for Microbial Diseases of Osaka University
TA-7284 (Canagliflozin)	SGLT2 inhibitor (Type 2 Diabetes mellitus)	Phase 3	In-house	
MP-214 (Cariprazine)	D3/D2 receptor partial agonist (Schizophrenia)	Phase 2	Hungary: Gedeon-Richter	
MP-435	C5a receptor antagonist (Rheumatoid arthritis)	Phase 2	In-house	
MT-4666	$\alpha$ 7nAChR agonist (Alzheimer's disease)	Phase 1	US: EnVivo Pharmaceuticals	
MT-3995	Selective mineralocorticoid receptor antagonist (Hypertention)	Phase 1	In-house	

#### (2) Additional Indications

Product name (Generic name)	Category (Indications)	Stage	Origin	Notes
Venoglobulin IH (Polyethylene glycol treated human normal immunoglobulin)	Human immunoglobulin G (IgG2 deficiency)	sNDA filed (Dec. 1997)	In-house	
	(Systemic scleroderma)	Phase 3		
Radicut (Edaravone)	Free radical scavenger (Amyotrophic lateral sclerosis*)	Phase 3	In-house	
Maintate (Bisoprolol)	Selective $\beta$ 1 blocker (Chronic atrial fibrillation)	Phase 3	In-house	
Talion (Bepotastine)	Selective histamine H1 receptor antagonist, anti-allergic agent (Pediatric allergic rhinitis)	Phase 3	Japan: Ube Industries	
Telavic (Telaprevir)	NS3-4A protease inhibitor (Chronic hepatitis C, (genotype2) )	Phase 3	US:Vertex	
Remicade (Infliximab[recombinant])	Anti- human TNF $\alpha$ monoclonal antibody (Subtype Behcet's disease)	Phase 3	US:Janssen Biotech	
	(Pediatric Crohn's disease)	Phase 3		
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. Pipelines Overseas

### (1) New Molecular Entities

Development code (Generic name)	Category (Indications)	Region	Stage	Origin
MCI-196 (Colestilan(INN))	Non-absorbed phosphate binder (Hyperphosphatemia)	Europe	MAA filed (Aug. 2011)	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
MP-513 (Teneligliptin)	DPP4 inhibitor (Type 2 Diabetes mellitus)	Europe	Phase 2	In-house
		US	Phase 1	
GB-1057 (Recombinant human serum albumin)	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
MT-3995	Selective mineralocorticoid receptor antagonist (Hypertention)	Europe	Phase 1	In-house
MP-157	Angiotensin Type2 Receptor agonist (Hypertention)	Europe	Phase 1	In-house
MT-1303	Sphingosine-1-phosphate receptor functiona antagonist (Multiple sclerosis)	Europe	Phase 1	In-house
MT-7716	NOP receptor agonist (Alcohol-use disorder)	US	Phase 1	In-house

### 3. Licensing-out

Development code (Generic name)	Category (Indications)	Region	Stage	Licensee
TA-1790 (Avanafil)	PDE5 inhibitor (Erectile dysfunction)	Europe	MAA filed (Mar. 2012)	US: Vivus
TA-7284 (Canagliflozin)	SGLT2 inhibitor (Type2 Diabetes mellitus)	US, Europe	Phase 3	US: Janssen Pharmaceuticals*
	(Obesity)	US, Europe	Phase 2	
T-0047 (Finategrast)	Cell adhesion inhibitor [ $\alpha$ 4 $\beta$ 7/ $\alpha$ 4 $\beta$ 1 inhibitor] (Multiple sclerosis)	Europe	Phase 2	UK: GlaxoSmithKline
MKC-242	5-HT1A receptor agonist (Insomnia)	US	Phase 2	US: MediciNova
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	$\beta$ 3 receptor agonist (Pollakiuria, urinary incontinence)	US	Phase 1	US: MediciNova
TA-7906	PDE4 inhibitor (Atopic dermatitis)	Japan	Phase 1	Japan: Maruho

\*: A pharmaceutical company of Johnson & Johnson

#### 4. Changes Since Previous Announcement on Jan. 31, 2012

##### (1) In-house Development

Development code/Product name (Generic name)	Category (Indications)	Region	As of Jan 31, 2012	As of May 8, 2012
MT-3995	Selective mineralocorticoid receptor antagonist (Hypertention)	Japan	None	Phase 1 (Mar. 2012)
Remicade (Infliximab[recombinant])	Anti-TNF $\alpha$ monoclonal antibody (Subtype Behcet's disease)	Japan	None	Phase 3 (Jan. 2012)
	(Pediatric Crohn's disease)	Japan	None	Phase 3 (Apr. 2012)
MCI-186 (Edaravone)	Free radical scavenger (Acute ischemic stroke)	Europe	Phase 2	Discontinued
MP-136	PPAR alpha agonist (Dyslipidemia)	Europe	Phase 1	Discontinued

##### (2) Licensing-out

Development code (Generic name)	Category (Indications)		As of Jan 31, 2012	As of May 8, 2012
TA-1790 (Avanafil)	PDE5 inhibitor (Erectile dysfunction)	Europe	None	Filed (Mar. 2012)
		US	NDA Filed	Approved (Apr. 2012)
MKC-231	Neurogenesis enhancer (Depression/anxiety)	US	Phase 2	Termination of license agreement

## 5. Additional Information for State of New Product Development (as of May 8, 2012)

### (1) New Molecular Entities in Japan

Development code (Generic name)	Information
MP-513 (Teneligliptin)	MP-513 is developed for the treatment of type2 diabetes mellitus. It selectively inhibits dipeptidyl peptidase 4 (DPP4), thus accelerates the insulin secretion after meal intake without effect on the fasting insulin secretion. NDA was filed in August 2011. Additional combination trials are on going.
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. NDA was filed in December 2011 by the Research Foundation for Microbial Diseases of Osaka University.
TA-7284 (Canagliflozin)	As a selective SGLT2 inhibitor, TA-7284 decreases blood glucose levels by inhibiting reabsorption of glucose in the kidney. Clinical stage is Phase 3 for type2 diabetes mellitus.
MP-214 (Cariprazine)	MP-214 is a dopamine D3/D2 receptor partial agonist, licensed from Gedeon-Richter (Hungary). Clinical stage is Phase 2 for schizophrenia.
MP-435	MP-435 is a C5a (complement factor) receptor antagonist which modulates the immune system. Clinical stage is Phase 2 for Rheumatoid arthritis.
MT-4666	MT-4666 is an $\alpha 7$ nACh receptor agonist, licensed from EnVivo pharmaceuticals(US). Clinical stage is Phase 1 for Alzheimer's disease.
MT-3995	MT-3995 is a selective mineralocorticoid receptor antagonist. Clinical stage is Phase 1 in Japan for hypertension.

(2) Additional Indications in Japan

Development code/Product name (Generic name)	Information
Venoglobulin IH (Polyethylene glycol treated human normal immunoglobulin)	(IgG2 deficiency) sNDA has been filed. (Diffuse systemic scleroderma) Clinical research in Japan demonstrated IV-IG was effective in improvement of skin manifestation, a main factor of systemic scleroderma. Efficacy of IV-IG was also reported in overseas studies. Clinical stage is Phase 3.
Radicut (Edaravone)	(Amyotrophic lateral sclerosis [Orphan drug designated in June, 2005]) Radicut is Free radical scavenger. In 2001, it is launched for improvement neurological symptoms at the acute stage of cerebral infarction, interference with activities of daily living and functional disability. Clinical stage is Phase 3 for amyotrophic lateral sclerosis.
Maintate (Bisoprolol)	(Chronic atrial fibrillation) Maintate is selective $\beta$ 1 antagonist. It is launched as a treatment for hypertension, angina and premature ventricular beat in 1990. An additional indication for heart failure was approved in 2011. Clinical stage is Phase 3 for chronic atrial fibrillation, responding the request from the academic society.
Talion (Bepotastine)	(Pediatric allergic rhinitis) We launched this drug as an anti-allergic agent for adult in 2000. Clinical stage is Phase 3 for pediatric allergic rhinitis.
Telavic (Telaprevir)	(Chronic hepatitis C ( genotype2 ) ) It is launched as a treatment for chronic hepatitis C in 2011. Clinical stage is Phase 3 for chronic hepatitis C (genotype2).
Remicade (Infliximab[recombinant])	Remicade is an anti-TNF $\alpha$ monoclonal antibody. It is launched this drug as a treatment for Crohn's disease in 2002, followed by as a treatment for rheumatoid arthritis, intractable uveoretinitis caused by Behcet's disease, psoriasis, ankylosing spondylitis, and ulcerative colitis. (Subtype Behcet's disease) Clinical stage is Phase 3 for subtype Behcet's disease.
	(Pediatric Crohn's disease) Clinical stage is Phase 3 for Pediatric Crohn's disease.
Cholebine (Colestimide(JAN))	Cholebine is a bile acid eliminant. It is launched as a treatment for hypercholesterolemia in 1999.
	(Type 2 diabetes mellitus) Clinical stage is Phase 2 for Type 2 diabetes mellitus (Hyperphosphatemia) Clinical stage is Phase 1 for Hyperphosphatemia.

### (3) New Molecular Entities Overseas

Development code/Product name (Generic name)	Information
MCI-196 ( Colestilan(INN) )	MCI-196 is anion-exchange resin, and has been developed for the treatment of hyperphosphatemia in patients on dialysis. MAA was filed in Europe in Aug. 2011. It has been 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 (Japan) in November 2006. Clinical stage is Phase 3 for chronic kidney disease patients in Europe, North America and Latin America. It had been marketed by Daiichi Sankyo Co. Ltd. in Japan from 1991 under the brand name, KREMEZIN®. In April 2011, Mitsubishi Tanabe Pharma succeeded its marketing from Daiichi Sankyo.
MT-2832 (Lunacalcipol)	MT-2832 was licensed from Cytochroma (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.
MP-513 ( Teneigliptin )	MP-513 is developed for the treatment of type2 diabetes mellitus. It selectively inhibits dipeptidyl peptidase 4 (DPP4), thus accelerates the insulin secretion after meal intake without effect on the fasting insulin secretion. Clinical stages in the US and Europe are Phase1 and
GB-1057 ( Recombinant human serum albumin )	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 HDL-C raising and LDL-C lowering effects. Clinical stage is Phase 1 in Europe.
MP-124	MP-124 is a PARP inhibitor that has neuroprotective effect. Clinical stage in the US and Canada are Phase 1 for acute ischemic stroke.
MT-3995	MT-3995 is a selective mineralocorticoid receptor antagonist. Clinical stage is Phase 1 in Europe for hypertension.
MP-157	MP-157 is a angiotensin type2 receptor agonist. Clinical stage is Phase 1 in Europe for hypertension.
MT-1303	MT-1303 is a sphingosine-1-phosphate receptor functional antagonist. Clinical stage is Phase1 in Europe for multiple sclerosis as a successor of Imusera.
MT-7716	MT-7716 is a NOP receptor agonist. Clinical stage is Phase 1 in the US for Alcohol-use disorder (abuse and alcoholism).

(4) Licensing-out

Development code (Generic name)	Information
TA-1790 (Avanafil)	TA-1790 is created for the treatment of erectile dysfunction by Mitsubishi Tanabe Pharma, which is expected to have a quick onset and fewer side effects. MAA was filed by Vivus in the Europe in March 2012. Vivus obtained its approval in US in April 2012.
TA-7284 (Canagliflozin)	As a selective SGLT2 inhibitor, TA-7284 decreases blood glucose levels by inhibiting reabsorption of glucose in the kidney. Phase 3 clinical trials in type2 diabetes mellitus in Europe and the US are underway by Janssen Pharmaceuticals. 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, etc.
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 (US) is conducting Phase 2 clinical trial for insomnia.
Y-39983	Y-39983 is a ROCK (Rho-kinase) inhibitor, which relaxes vascular smooth muscle. Clinical stage is Phase 2 in Japan by Senju Pharmaceutical.
MT-210	MP-210 is a 5-HT2A/ Sigma 2 receptor antagonist. Clinical stage is Phase 2 in Europe by Cyrenaic (France).
sTU-199 (Tenatoprazole)	sTU-199 is an isomer of TU-199, developed in Japan, and licensed to Negma (France). 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 half-life. It is expected that this compound could reveal rapid improvement for non-erosive reflux disease. Sidem Pharma, a subsidiary of Negma, is conducting phase 1 trial for gastroesophageal reflux disease in Europe.
TT-138	TT-138 is a $\beta$ 3 receptor agonist used to treat pollakiuria and urinary incontinence. Phase 1 study is conducted by Medici Nova in the US.
TA-7906	TA-7906 is a PDE4 inhibitor. Clinical stage is Phase1 for the treatment of atopic dermatitis in Japan by Maruho.

## 7 Others

### 1 Subsidiaries and Affiliated Companies

#### (1) Number of Subsidiaries and Affiliated Companies

	End of FY2011	End of FY2010	Increase (Decrease)	Notes
Consolidated subsidiaries	28	28	-	
Non-consolidated subsidiaries	3	3	-	
Affiliated companies	3	3	-	
Total	34	34	-	

#### (2) Consolidated Subsidiaries

[As of March 31, 2012]

	Company Name	Paid-in Capital (Million yen)	% Voting Control [% Indirect Ownership]	Settling Day	Description of Business
1	Benesis Corporation	3,000	100.0 [ - ]	End of Mar.	Manufacture and sale of pharmaceuticals
2	Mitsubishi Tanabe Pharma Factory Ltd.	1,130	100.0 [ - ]	End of Mar.	Manufacture and sale of pharmaceuticals
3	Mitsubishi Tanabe Pharma Korea Co., Ltd.	KRW 2,100,000,000	100.0 [ - ]	End of Dec.	Manufacture and sale of pharmaceuticals
4	Mitsubishi Pharma (Guangzhou) Co., Ltd.	US\$12,000,000	100.0 [ - ]	End of Dec.	Manufacture and sale of pharmaceuticals
5	Tianjin Tanabe Seiyaku Co., Ltd.	US\$12,000,000	66.7 [ - ]	End of Dec.	Manufacture and sale of pharmaceuticals
6	Yoshitomiya Corporation	385	100.0 [ - ]	End of Mar.	Provision of information about pharmaceuticals
7	MP-Logistics Corporation	95	65.0 [ - ]	End of Mar.	Distribution, warehouse operations
8	Bipha Corporation	7,500	51.0 [ - ]	End of Mar.	Manufacture and sale of pharmaceuticals
9	Tanabe Seiyaku Yoshiki Factory Co., Ltd.	400	100.0 [ - ]	End of Mar.	Manufacture and sale of pharmaceuticals
10	Tanabe Seiyaku Hanbai, Ltd.	169	92.9 [7.9]	End of Mar.	Sale of generic pharmaceuticals, etc.
11	Tanabe R&D Service Co., Ltd.	44	100.0 [ - ]	End of Mar.	Support of R&D regarding pharmaceuticals
12	Tanabe Total Service Co., Ltd.	90	100.0 [ - ]	End of Mar.	Real estate management, etc.
13	MP Healthcare Venture Management, Inc.	US\$100	65.0 [ - ]	End of Dec.	Investments in bio-ventures
14	Mitsubishi Tanabe Pharma Holdings America, Inc.	US\$166	100.0 [ - ]	End of Dec.	Management of group companies in US
15	Mitsubishi Tanabe Pharma Development America, Inc.	US\$100	100.0 [100.0]	End of Dec.	R&D of pharmaceuticals
16	Tanabe Research Laboratories U.S.A., Inc.	US\$3,000,000	100.0 [100.0]	End of Dec.	R&D of pharmaceuticals
17	Tanabe U.S.A., Inc.	US\$1,400,000	100.0 [100.0]	End of Dec.	Sale of chemicals, etc.
18	Mitsubishi Tanabe Pharma America, Inc.	US\$100	100.0 [100.0]	End of Dec.	Sale of pharmaceuticals
19	Mitsubishi Pharma Research & Development (Beijing) Co., Ltd.	US\$1,000,000	100.0 [ - ]	End of Dec.	R&D of pharmaceuticals
20	Guangdong Tanabe Pharmaceutical Co., Ltd.	CNY 7,000,000	100.0 [ - ]	End of Dec.	Sale of pharmaceuticals
21	Taiwan Tanabe Seiyaku Co., Ltd.	NT\$90,000,000	65.0 [ - ]	End of Dec.	Manufacture and sale of pharmaceuticals
22	Tai Tien Pharmaceuticals Co., Ltd.	NT\$20,000,000	65.0 [ - ]	End of Dec.	Sale of pharmaceuticals
23	P.T. Tanabe Indonesia	US\$2,500,000	99.6 [ - ]	End of Dec.	Manufacture and sale of pharmaceuticals
24	Mitsubishi Pharma Europe Ltd.	£4,632,000	100.0 [ - ]	End of Dec.	R&D of pharmaceuticals
25	Mitsubishi Pharma Deutschland GmbH	EUR 25,000	100.0 [100.0]	End of Dec.	Sale of pharmaceuticals
26	Tanabe Europe N.V.	EUR 260,330	100.0 [ - ]	End of Dec.	Sale of chemicals, etc.

Note: Aside from the companies mentioned above, there are two consolidated companies under the liquidations.

#### (3) Non-consolidated Subsidiaries Accounted for by the Equity Method

[As of March 31, 2012]

	Company Name	Paid-in Capital (Million yen)	% Voting Control [% Indirect Ownership]	Settling Day	Description of Business
1	Choseido Pharmaceutical Co.,Ltd.	340	52.5 [ - ]	End of Dec.	Manufacture and sale of pharmaceuticals
2	Hoshienu Pharmaceutical Co.,Ltd.	75	34.2 [34.2]	End of Mar.	Manufacture and sale of pharmaceuticals

#### (4) Affiliated Companies Accounted for by the Equity Method

[As of March 31, 2012]

	Company Name	Paid-in Capital (Million yen)	% Voting Control [% Indirect Ownership]	Settling Day	Description of Business
1	API Corporation	4,000	47.7 [ - ]	End of Mar.	Manufacture and sale of API, etc.
2	Synthelabo-Tanabe Chimie S.A.	EUR 1,600,000	50.0 [ - ]	End of Dec.	Manufacture and sale of pharmaceuticals

## 2 Status of Shareholders

### (1) Number of Outstanding Shares

	The End of March, 2012	The End of March, 2011
Issued	561,417,916	561,417,916
The company's own shares at the end of the period	423,532	353,152
Number of shares outstanding at the end of the period	560,994,384	561,064,764
Average number of the company's own share in the period	364,350	307,141
Average number of shares outstanding in the period	561,053,566	561,110,775

### (2) Status of Major Shareholders

Rank	Name of Shareholders	The End of March, 2012		The End of March, 2011		
		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	Japan Trustee Services Bank, Ltd.	32,566	5.80%	3	17,169	3.06%
3	The Master Trust of Japan, Ltd.	28,150	5.01%	2	25,490	4.54%
4	Nippon Life Insurance Company	15,137	2.70%	4	15,875	2.83%
5	Nipro Corporation	7,642	1.36%	5	7,642	1.36%
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	7,100	1.26%	8	7,100	1.26%
8	Employee Stock Ownership Plan	4,423	0.79%	10	4,190	0.75%
9	Goldman Sachs & Company Regular Account	4,297	0.77%	7	7,116	1.27%
10	Tokyo Marine & Nichido Fire Insurance Co., Ltd.	4,175	0.74%	9	5,218	0.93%

### (3) Ownership and Distribution of Shares

	The End of March, 2012			The End of March, 2011		
	Number of Shareholders	Number of Shares (Thousands)	Percentage of Total	Number of Shareholders	Number of Shares (Thousands)	Percentage of Total
Financial institutions	64	106,350	18.95%	62	90,522	16.13%
Foreign corporations and others	375	82,524	14.70%	391	100,839	17.97%
Individuals and others	13,850	27,518	4.90%	11,460	26,104	4.65%
Other corporations	282	342,629	61.04%	284	342,679	61.05%
Securities firms	57	2,285	0.41%	38	1,148	0.20%
Total	14,628	561,308	100.00%	12,235	561,293	100.00%
Less than trading unit	-	109	-	-	124	-

\* The trading unit of the Company's stock is 100 shares.

\* Individuals and Others include treasury stock (353 thousands shares at the end of March, 2011 and 423 thousands shares at the end of March, 2012)

### (4) Trend of Dividend and Stock Price

	FY2007 *1	FY2008 *2	FY2009 *2	FY2010 *2	FY2011*2	FY2012 Estimate *2
Dividends per share (yen)	26	28	28	28	35	40
Dividend payout ratio(%)	44.0	43.0	39.0	32.9	40.0	44.4
Stock price at the end of FY	1,161	971	1,320	1,350	1,161	-
Market capitalization (billion yen)	6,518	5,451	7,410	7,579	6,518	-

\*1: The interim dividends of the former Tanabe Seiyaku (¥13) and the year-end dividends of Mitsubishi Tanabe Pharma (¥13) are used for the FY2007 dividends. The dividend payout ratio is calculated using Mitsubishi Tanabe Pharma's net income for the second half of the fiscal year (less amortization of goodwill) and Mitsubishi Tanabe Pharma's year-end dividends.

\*2: The dividend payout ratio is calculated using Mitsubishi Tanabe Pharma's net income for the fiscal year (less amortization of goodwill) and annual dividends.

# Reference

## Major Ethical Drugs

<b>Remicade (Infliximab)</b>	Launch: May 2002	Category	Anti-TNF $\alpha$ monoclonal antibody
Remicade is an anti-TNF $\alpha$ antibody, which targets TNF $\alpha$ , an important inflammatory cytokine. It is very fast-acting and its efficacy is sustained for eight weeks with a single administration. It has indications for the treatment of rheumatoid arthritis, Crohn's disease, Behcet's disease with refractory uveoretinitis, psoriasis, ankylosing spondylitis, and ulcerative colitis. In addition, in July 2009 and August 2011, changes in usage/dosage were approved for rheumatoid arthritis, and Crohn's disease, respectively. Origin: Janssen Biotech			
<b>Radicut (Edaravone)</b>	Launch: Jun. 2001	Category	Free radical scavenger (Cerebral neuroprotectant)
Radicut is the world's first brain protecting agent (free radical scavenger) 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. An additional formulation, Radicut bag for I.V. Infusion, was launched in May 2010.			
<b>Ceredist (Taltirelin)</b>	Launch: Sep. 2000	Category	Agent for treatment of 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. An additional formulation, orally disintegrating tablets, was launched in October 2009.			
<b>Anplag (Sarpogrelate)</b>	Launch: Oct. 1993	Category	5-HT <sub>2</sub> blocker (Anti-platelet agent)
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.			
<b>Talion (Bepotastine)</b>	Launch: Oct. 2000	Category	Agent for treatment of allergic disorders
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. An additional formulation, orally disintegrating tablets, was approved in March and launched in July 2007. Origin: Ube Industries			
<b>Urso (Ursodeoxycholic Acid)</b>	Launch: July 1962	Category	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 hepatic protection and indications of improvement of liver function in chronic liver disease and hepatitis C, and dissolution of gallstones.			
<b>Maintate (Bisoprolol)</b>	Launch: Nov. 1990	Category	Selective $\beta$ 1 antagonist (Treatment of hypertension, angina pectoris, and arrhythmias )
Maintate is a representative $\beta$ -blocker used in more than 85 countries around the world. It exhibits high selectivity for $\beta$ 1 receptor and excellent pharmacokinetics profiles. It has high efficacy and safety, and there is evidence for its cardioprotective action. An additional indication for chronic heart failure has been approved in May, 2011. Origin: Merck Serono			
<b>Kremezin</b>	Launch: Apr. 2011	Category	Agent for treatment of Chronic renal failure
Kremezin is an oral absorptive charcoal consisting of porous spherical activated carbon of high purity. It absorbs and excretes uremic toxins out of the body. Kremezin was introduced to the Japanese market in December 1991 as the first pharmaceuticals drug in the world for proactive treatment of chronic renal failure (progressive). In April, 2011, the marketing rights were transferred from Daiichi Sankyo to MTPC. Origin, Manufacturer and distributor: Kureha			
<b>Depas (Etizolam)</b>	Launch: Mar. 1984	Category	Antianxiety agent
Depas is the most widely used anxiolytic agent in Japan. Due to its broad pharmacological properties, Depas shows reasonable effectiveness for psychosomatic disease, neurosis, low back pain, neck pain and muscle-contraction headache, depression and sleep disorder.			
<b>Venoglobulin IH (Human immunoglobulin)</b>	Launch: Jan. 1992	Category	Plasma derivatives
Venoglobulin IH is intravenous human immunoglobulin derived from donated plasma in Japan. It shows high efficacy on serious infectious diseases in combined administration with anti-bacterial agent due to its opsonic, immuno-bacteriolytic and antibody-dependent cytotoxic effects and neutralizing effects on toxins and viruses. In October 2010 and September 2011, the indications for improvement of muscle weakness associated with polymyositis or dermatomyositis and generalized myasthenia gravis (only in case of insufficient response to steroids or immunosuppressants) were added, respectively. It is expected to be a new treatment option for the diseases that contribute better QOL for patients.			
<b>Herbesser (Diltiazem)</b>	Launch: Feb. 1974	Category	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.			

<b>Tanatril (Imidapril)</b>	Launch: Dec. 1993	Category	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 January 2002, it became the first drug in Japan approved for diabetic nephropathy with type I diabetes mellitus.			
<b>Liple (Arprostadiil)</b>	Launch: Nov. 1988	Category	Agent for treatment for Chronic arterial occlusion / Circulatory disturbance (PGE1)
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 vasodilating effects. DDS maximizes the therapeutic effects and simultaneously minimizes the adverse effects of PGE1.			
<b>Sermion (Nicergoline)</b>	Launch: Jun. 1988	Category	Cerebral circulation and metabolism ameliorator
Sermion ameliorates blood flow and metabolism in the brain. It is used to treat sequela of cerebral infarction. In 1998, its effectiveness was confirmed in a reevaluation by the Ministry of Health and Welfare in Japan. In "the treatment guidelines for strokes in 2009," Sermion was recommended as a treatment drug for chronic cerebral infarction. Origin: Pfizer			
<b>Neuart (Anti-thrombin III)</b>	Launch: Jun. 1987	Category	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 thrombin.			
<b>Omeprazon (Omeprazole)</b>	Launch: Apr. 1991	Category	Proton pump inhibitor (Antiulcerogenic agent)
Omeprazon is the world's first proton pump inhibitor that suppresses gastric acid secretion. 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 Helicobacter pylori were approved in May and August 2007, respectively. Origin: AstraZeneca			
<b>Mearubik (Live Attenuated Measles and Rubella Vaccine)</b>	Launch: Dec. 2005	Category	Prevention of measles and rubella
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. Origin, Manufacturer and distributor: BIKEN (The Research Foundation for Microbial Diseases of Osaka University)			
<b>JEBIK V (Cell Culture-derived Japanese Encephalitis Vaccine)</b>	Launch: Jan. 2009	Category	Prevention of Japanese encephalitis
JEBIK V 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. A freeze-dried prepared vaccine is available in routine vaccination. Accordingly, it is expected to increase in number of vaccinated persons. Origin, Manufacturer and distributor: BIKEN (The Research Foundation for Microbial Diseases of Osaka University)			
<b>Lexapro (Escitalopram)</b>	Launch: Aug. 2011	Category	Selective serotonin reuptake inhibitor (SSRI)
Lexapro is a selective serotonin reuptake inhibitor with high selectivity of serotonin transporter, and available in more than 96 countries and regions. By having good efficacy and tolerability, in addition to simple administration, it is expected to contribute to the improvement of medication adherence for patients with depression. Origin: H. Lundbeck, Manufacturer and distributor: Mochida Pharmaceutical			
<b>Simponi (Golimumab)</b>	Launch: Sep. 2011	Category	Anti-TNF $\alpha$ monoclonal antibody
Simponi is a human TNF $\alpha$ monoclonal antibody for the treatment of rheumatoid arthritis (including prevention of articular structural damage), and co-marketed with Janssen Pharmaceutical. It shows a long acting efficacy by subcutaneous injection once every four weeks, and currently is under development for the ulcerative colitis by Janssen Pharmaceutical. Origin: Janssen Biotech			
<b>Telavic (Telaprevir)</b>	Launch: Nov. 2011	Category	NS3-4A protease inhibitor
Teravic is positioned in the first-in-class oral drug for treating chronic hepatitis C. It inhibits hepatitis C virus (HCV) proliferation by inhibiting NS3-4A protease which involved in HCV replication. It was revealed that the combination therapy of three drugs (pegylated interferon, ribavirin and Teravic) improves therapeutic efficacy and shortens the treatment period, compared to the current standard therapy, for the patients with chronic hepatitis C affected by genotype 1 virus. In addition, it is expected to offer the new treatment opportunity to patients for whom the conventional treatment was not effective. Origin: Vertex			

## News Releases

The major news releases after October 2011 are as follows.

Please refer to the Company's website for the details. (<http://www.mt-pharma.co.jp/e/release/index.php> )

Date	Contents
October 14, 2011	Toray, Mitsubishi Tanabe Pharma Reach North American License Agreement on Antipruritic Agent, TRK-820
October 17, 2011	Formulation of Medium-Term Management Plan 11-15 New Value Creation
November 18, 2011	Notice of postponement of integrating the plasma fractionation operations of the Japanese Red Cross Society and Mitsubishi Tanabe Pharma Corporation
November 25, 2011	Launch of "IMUSERA Capsules 0.5mg" Japan's First Oral Dosing Multiple Sclerosis Treatment with Novel Mode of Action
November 25, 2011	Launch of Antiviral Agent "TELAVIC Tablets 250 mg" Novel Mode of Action for Chronic Hepatitis C Treatment
November 25, 2011	Approval of Additional Indication for MODIODAL Tablets 100 mg, a Sleep Disorder Treatment
November 28, 2011	Launch of Generic Drugs *
December 1, 2011	Dainippon Sumitomo Pharma and Yoshitomiyakuhin terminate co-promotion of antipsychotics, LONASEN and LULLAN
January 6, 2012	Launch of OTC Drugs, ALEGYSAL, a Treatment for Allergic Rhinitis *
January 16, 2012	Conclusion of Licensing Agreement for Hib Vaccine
March 6, 2012	Daiichi Sankyo and Mitsubishi Tanabe Pharma Establish Strategic Alliance to Contribute to the Treatment of Diabetes in Japan, Companies conclude joint sales agreement for two treatments for type 2 diabetes mellitus - MP-513 and TA-7284
March 7, 2012	Conclusion of Research Collaboration Agreement for Next-Generation Vaccines
March 9, 2012	Transfer of Tokyo Head Office, Mitsubishi Tanabe Pharma *
March 21, 2012	"IMUSERA Capsules 0.5mg" Multiple Sclerosis Treatment Agent Notice Regarding Revision of "Warnings" and "Important Basic Precautions" Sections of Prescribing Information
March 29, 2012	Launch of "SIMPONI", a human TNF $\alpha$ monoclonal antibody in Taiwan
May 7, 2012	Starting New TV Commercial Broadcast of OTC Drugs, FLUCORT f, a Treatment for Eczema and Dermatitis *
May 7, 2012	VIVUS gains NDA approval for TA-1790 in the US
May 8, 2012	Remicade for I.V. Infusion 100, Anti-Human TNF $\alpha$ Monoclonal Antibody Lifting of Condition on Approval for Psoriasis
May 8, 2012	Remicade for I.V. Infusion 100, Anti-Human TNF $\alpha$ Monoclonal Antibody A New Option to Shorten Infusion Time
May 8, 2012	New Organization in Plasma Fractionation Operations Establishment of "Japan Blood Products Organization"

\*: Only in Japanese



Mitsubishi Tanabe Pharma

Financial Results for the Fiscal Year Ended March 31, 2012  
<Supplement>