

## Summary of 3rd Quarter Financial Results for year ended March 31, 2014 (Japan GAAP) (Consolidated)

February 3, 2014

Company name: Mitsubishi Tanabe Pharma Corporation  
 Stock exchange listings: Tokyo  
 Securities code number: 4508  
 URL: <http://www.mt-pharma.co.jp/>  
 Representative: Name: Michihiro Tsuchiya  
 Title: President and Representative Director  
 For further information, please contact: Name: Kenji Hara  
 Title: General Manager, Corporate Communications Department  
 Telephone: (06) 6205-5211

Planned date of filing of quarterly securities report: February 7, 2014  
 Planned date of start of dividend payments: —  
 Provision of supplementary explanatory materials for quarterly results: Yes  
 Quarterly results presentation: Yes (for institutional investors and investment analysts)

Notes: Amounts less than ¥ 1 million have been rounded.  
 Percentage changes in the list show change in comparison with the previous 3rd quarter.

### 1. Results for 3rd Quarter (April 1, 2013 to December 31, 2013)

#### (1) Consolidated Business Results

	Net sales		Operating income		Ordinary income	
	Yen million	% change	Yen million	% change	Yen million	% change
3rd Quarter of Fiscal 2013	323,210	0.2	55,526	(5.7)	57,781	(3.9)
3rd Quarter of Fiscal 2012	322,570	2.2	58,860	(1.8)	60,136	(0.4)

	Net income		Net income per share	Net income per share (diluted)
	Yen million	% change	Yen	Yen
3rd Quarter of Fiscal 2013	43,851	24.4	78.17	—
3rd Quarter of Fiscal 2012	35,249	(1.7)	62.83	—

(Note) Comprehensive Income ¥47,710 million, 30.7% (¥36,507 million, 9.5% in 3rd Quarter of fiscal 2012)

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Yen million	Yen million	%
As of December 31, 2013	906,784	784,734	85.2
As of March 31, 2013	866,774	752,922	86.3

(Note) Shareholders' equity ¥772,890 million (¥747,929 million in fiscal 2012)

### 2. Dividends

(Record date)	Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	For the year
	Yen	Yen	Yen	Yen	Yen
Fiscal 2012	—	20.00	—	20.00	40.00
Fiscal 2013	—	20.00	—	—	—
Fiscal 2013(projected)	—	—	—	20.00	40.00

(Note) Revision to recently announced dividend forecast: No

### 3. Forecasts for Fiscal 2013 (April 1, 2013 to March 31, 2014)

	Net sales		Operating income		Ordinary income	
	Yen million	% change	Yen million	% change	Yen million	% change
Full year	419,000	(0.0)	63,000	(8.7)	65,500	(5.6)

	Net income		Net income per share
	Yen million	% change	Yen
Full year	45,000	7.4	80.21

(Note) Revision to recently announced consolidated results forecast: No

## ✘ Notes

- (1) Significant change involving subsidiaries during the period: Yes  
(Change in designated subsidiaries accompanying changes in the scope of consolidation)  
New: 2 companies (Company name: Medicago Inc., MTPC Holdings, Canada Inc.)
- (2) Application of special accounting methods in the preparation of quarterly financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
1. Change accompanying revision of accounting standards: No
  2. Other changes: No
  3. Change in accounting estimates: No
  4. Restatements: No

(4) Number of shares issued (common stock)

1. Number of shares issued at the end of the period (including treasury stock)

3rd Quarter of fiscal 2013	561,417,916 shares	Fiscal 2012	561,417,916 shares
----------------------------	--------------------	-------------	--------------------

2. Number of shares of treasury stock at the end of the period

3rd Quarter of fiscal 2013	426,253 shares	Fiscal 2012	424,977 shares
----------------------------	----------------	-------------	----------------

3. Average number of shares of during the period (cumulative second quarter)

3rd Quarter of fiscal 2013	560,992,409 shares	3rd Quarter of fiscal 2012	560,994,210 shares
----------------------------	--------------------	----------------------------	--------------------

\*Note regarding implementation of quarterly review procedures

At the time when this summary of 3rd quarter financial results was released, the review procedures were in progress for the quarterly financial statements in accordance with the Financial Instruments and Exchange Act.

\*Explanation regarding the appropriate use of results forecasts and other matters of special note

(Note about forward-looking information)

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. Accordingly, the Company cannot make promises to achieve such forecasts. Actual financial results may differ materially from these forecasts depending on a number of important factors.

For matters related to results forecasts, please see page 4.

(Methods of obtaining the supplementary materials and the content of the results presentation)

- Supplementary materials are included from page 11 of this document in section "4. Supplementary information."
- The Company plans to hold a results presentation (conference call) for institutional investors and securities analysts on February 3, 2014 (Monday).

The Company plans to make available on its website the content of the presentation (sound) and the presentation materials immediately after the presentation is held.

Contents of supplement

- 1. Qualitative Information for 3<sup>rd</sup> Quarter of FY2013 ..... 1
  - (1) Explanation about results of operations ..... 1
  - (2) Explanation about financial position ..... 3
  - (3) Explanation about future prediction information of consolidated results forecasts ..... 4
- 2. Items Concerning Summary Data (The notes) ..... 4
  - (1) Significant change involving subsidiaries during the period ..... 4
- 3. Consolidated Financial Statements ..... 5
  - (1) Consolidated Balance Sheets ..... 5
  - (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income ..... 7
    - Consolidated Statements of Income ..... 7
    - Consolidated Statements of Comprehensive Income ..... 8
  - (3) Consolidated Statements of Cash Flows ..... 9
  - (4) Notes of Quarterly Consolidated Financial Statements ..... 10
    - (Note regarding going concern assumption) ..... 10
    - (Note regarding substantial change in shareholders' equity) ..... 10
- 4. Supplementary information ..... 11
  - (1) Consolidated Financial Indicators for 3<sup>rd</sup> Quarter of FY2013 ..... 11
  - (2) State of New Product Development ..... 16

## 1. [Qualitative Information for 3rd Quarter of FY 2013]

### (1) Explanation about results of operations

Consolidated operating results in the third quarter of the fiscal year ended March 31, 2014 (April 1, 2013 to December 31, 2013) were as follows.

(millions of yen)

	3 <sup>rd</sup> quarter of FY 2012	3 <sup>rd</sup> quarter of FY 2013	Increase/ Decrease	% change
Net Sales	322,570	323,210	640	0.2
Cost of sales	126,732	132,971	6,239	4.9
Cost of sales ratio	39.3	41.1		
Gross profit	195,838	190,239	(5,599)	(2.9)
SG&A expenses	136,978	134,713	(2,265)	(1.7)
Operating Income	58,860	55,526	(3,334)	(5.7)
Non-operating income/loss	1,276	2,255	979	
Ordinary Income	60,136	57,781	(2,355)	(3.9)
Extraordinary income/loss	(4,148)	10,036	14,184	
Net Income	35,249	43,851	8,602	24.4

#### 【Net sales】

Net sales increased 0.2%, or ¥0.6 billion, year-on-year, to ¥323.2 billion.

(millions of yen)

	3 <sup>rd</sup> quarter of FY 2012	3 <sup>rd</sup> quarter of FY 2013	Increase/ Decrease	% change
Pharmaceuticals	318,917	322,279	3,362	1.1
Domestic ethical drugs	278,572	271,512	(7,060)	(2.5)
Overseas ethical drugs	15,211	16,344	1,133	7.4
OTC products	4,278	3,521	(757)	(17.7)
Others in Pharmaceuticals	20,856	30,902	10,046	48.2
Others	3,653	931	(2,722)	(74.5)

In the pharmaceuticals segment, net sales were ¥322.2 billion, up 1.1%, or ¥3.3 billion, year-on-year.

- In the domestic sales of ethical drugs, favorable sales growth was recorded by Remicade, an anti-TNF  $\alpha$  monoclonal antibody and other new drugs. However, there were the growing impact of generics and the cancellation of alliance in generics. As a result, the domestic sales of ethical drugs decreased 2.5%, year-on-year, to ¥271.5 billion.
- Overseas sales of ethical drugs increased 7.4%, year-on-year, to ¥16.3 billion, and sales of OTC products decreased 17.7%, year-on-year, to ¥3.5 billion.

- Sales of others in pharmaceuticals increased 48.2%, year-on-year, to ¥30.9 billion due to the increase in royalty revenue from Gilenya, for the treatment of multiple sclerosis, licensed to Novartis.

In others, sales decreased 74.5%, or ¥2.7 billion, year-on-year, due to the transfer of fine chemical operations in July 2012.

#### 【Operating income】

Operating income decreased 5.7%, or ¥3.3 billion, year-on-year, to ¥55.5 billion.

- Gross profit decreased ¥5.5 billion, year-on-year, to ¥190.2 billion because plasma fractionation products were changed from the own products to other company's products after the integration of the plasma fractionation operations in October 2012.

The cost of sales ratio worsened by 1.8 percentage points, year-on-year.

- SG&A expenses decreased ¥2.2 billion, year-on-year, to ¥134.7 billion, due to the decrease in expenses related to the plasma fractionation operations caused by the above integration. R&D expenses were ¥51.3 billion, accounting for 15.9% of net sales.

#### 【Ordinary income and net income】

Ordinary income was down 3.9%, or ¥2.3 billion, year-on-year, to ¥57.7 billion, and net income was up 24.4%, or ¥8.6 billion, year-on-year, to ¥43.8 billion.

- Extraordinary income was ¥11.9 billion, including profit on arbitration award. In the previous fiscal year, the Company recorded extraordinary income of ¥1.2 billion, such as gain on sales of property, plant and equipment.
- Extraordinary loss was ¥1.9 billion, including loss on impairment of fixed assets. In the previous fiscal year, the Company recorded extraordinary loss of ¥5.3 billion, such as loss on business integration.

#### 【Comprehensive income】

Net income before minority interests was ¥43.8 billion, due to other comprehensive income of ¥3.8 billion, and comprehensive income of ¥47.7 billion. Comprehensive income attributable to shareholders of the Company was ¥47.4 billion.

## (2) Explanation about financial position

### 【Balance sheets】

(millions of yen)

	End of FY 2012 (As of March 31, 2013)	End of 3 <sup>rd</sup> quarter of FY 2013 (As of December 31, 2013)	Increase/ Decrease
Current assets	476,686	495,595	18,909
Fixed assets	390,088	411,189	21,101
Total assets	866,774	906,784	40,010
Liabilities	113,852	122,050	8,198
Net assets	752,922	784,734	31,812
Total liabilities and net assets	866,774	906,784	40,010

Total assets at the end of the third quarter were ¥906.7 billion, increase of ¥40.0 billion from the end of the previous fiscal year. Major factors causing changes in the balance sheet in comparison with the previous year-end were as follows.

- Marketable securities decreased. On the other hand, notes and accounts receivable, trade and cash and time deposits increased. Consequently, total current assets were up ¥18.9 billion, to ¥495.5 billion.
- Intangible fixed assets increased. Consequently, total fixed assets were up ¥21.1 billion from the previous fiscal year-end, to ¥411.1 billion.
- Deferred tax liability increased. Consequently, total liabilities were up ¥8.1 billion, to ¥122.0 billion.
- Total net assets were up by ¥31.8 billion, to ¥784.7 billion. Net income was ¥43.8 billion, and dividends paid totaled ¥22.4 billion. As a result, retained earnings increased ¥21.4 billion. In addition, minority interests increased ¥6.8 billion. The equity ratio was 85.2%, compared with 86.3% a year earlier.

### 【Cash flows】

(millions of yen)

	3 <sup>rd</sup> quarter of FY 2012	3 <sup>rd</sup> quarter of FY 2013	Increase/ Decrease
Operating activities	41,270	46,094	4,824
Investing activities	(9,406)	(24,161)	(14,755)
Financing activities	(23,677)	(21,403)	2,274
Change in cash and cash equivalents	8,190	2,774	(5,416)
At beginning of year	54,344	58,745	4,401
At end of year	62,534	61,519	(1,015)

Net increase in cash and cash equivalents was ¥2.7 billion, and the balance of cash and cash equivalents at the end of the period under review was ¥61.5 billion.

- Net cash provided by operating activities was ¥46.0 billion. Cash inflows included income before income taxes and minority interests of ¥67.8 billion, while cash outflows included income taxes paid of ¥27.8 billion.

- Cash inflows included proceeds from redemption of marketable securities, while cash outflows such as purchase of investment in subsidiaries and purchase of property, plant and equipment exceeded cash inflows. As a result, net cash used in investing activities was ¥24.1 billion.
- Net cash used in financing activities was ¥21.4 billion, due in part to dividends paid.

### (3) Explanation about future prediction information of consolidated results forecasts

There are no revisions to the full-year results forecasts for the fiscal year ending March 31, 2014, which were announced on October 30, 2013.

Consolidated results forecasts for the current fiscal year (released on October 30, 2013)

(millions of yen)

	Results for FY 2012	Forecasts for FY 2013	Increase/ Decrease	% change
Net sales	419,179	419,000	(179)	(0.0)
Operating income	68,968	63,000	(5,968)	(8.7)
Ordinary income	69,392	65,500	(3,892)	(5.6)
Net income	41,892	45,000	3,108	7.4

## 2. [Items Concerning Summary Data (The notes)]

### (1) Significant change involving subsidiaries during the period

In the 2nd quarter of the current fiscal year, the Company newly established MTPC Holdings, Canada Inc., and acquired shares of Medicago Inc. through MTPC Holdings Canada, Inc. Consequently the Company included 2 companies in the scope of consolidation.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(millions of yen)

Year Accounts	As of March 31, 2013	As of December 31, 2013
	Amount	Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash and time deposits	20,281	32,591
Notes and accounts receivable, trade	129,868	146,740
Marketable securities	63,993	43,643
Merchandise and finished goods	67,944	67,393
Work in process	717	768
Raw materials and supplies	24,122	23,746
Deposits	151,554	161,990
Deferred income taxes	8,373	6,518
Other	9,877	12,246
Less allowance for doubtful receivables	(43)	(40)
<b>Total current assets</b>	<b>476,686</b>	<b>495,595</b>
<b>Fixed assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	33,833	33,737
Machinery, equipment and vehicles, net	12,271	15,842
Tools, furniture and fixtures, net	4,835	5,423
Land	38,998	38,693
Leased equipment, net	59	503
Construction in progress	2,287	3,798
<b>Total property, plant and equipment</b>	<b>92,283</b>	<b>97,996</b>
<b>Intangible fixed assets</b>		
Goodwill	99,527	98,695
Other	4,632	35,440
<b>Total intangible fixed assets</b>	<b>104,159</b>	<b>134,135</b>
<b>Investments and other assets</b>		
Investment in securities	120,984	114,140
Deferred income taxes	4,173	3,066
Prepaid pension expenses	36,883	35,085
Other	31,608	26,769
Less allowance for doubtful receivables	(2)	(2)
<b>Total investments and other assets</b>	<b>193,646</b>	<b>179,058</b>
<b>Total fixed assets</b>	<b>390,088</b>	<b>411,189</b>
<b>Total assets</b>	<b>866,774</b>	<b>906,784</b>



(millions of yen)

Year Accounts	As of	As of
	March 31, 2013	December 31, 2013
	Amount	Amount
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable, trade	38,072	41,007
Short-term debt	1,174	1,527
Current maturities of long-term debt	–	61
Accounts payable, other	15,589	16,572
Income taxes payable	16,191	8,862
Reserve for employees' bonuses	10,291	5,558
Other reserve	148	605
Other	4,653	11,630
<b>Total current liabilities</b>	<b>86,118</b>	<b>85,822</b>
<b>Long-term liabilities</b>		
Long-term debt, less current maturities	–	421
Deferred income taxes	8,365	16,637
Accrued retirement benefits for employees	9,443	8,561
Reserve for health management allowances for HIV compensation	1,627	1,627
Reserve for health management allowances for SMON compensation	3,172	2,835
Reserve for HCV litigation	3,593	3,089
Other	1,534	3,058
<b>Total long-term liabilities</b>	<b>27,734</b>	<b>36,228</b>
<b>Total liabilities</b>	<b>113,852</b>	<b>122,050</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	50,000	50,000
Capital surplus	451,186	451,186
Retained earnings	243,621	265,033
Treasury stock, at cost	(487)	(489)
<b>Total shareholders' equity</b>	<b>744,320</b>	<b>765,730</b>
<b>Accumulated other comprehensive income</b>		
Unrealized holding gains (losses) on securities	7,189	8,528
Deferred (losses) gains on hedges	1,640	993
Translation adjustments	(5,220)	(2,361)
<b>Total accumulated other comprehensive income</b>	<b>3,609</b>	<b>7,160</b>
<b>Minority interests</b>	<b>4,993</b>	<b>11,844</b>
<b>Total net assets</b>	<b>752,922</b>	<b>784,734</b>
<b>Total liabilities and net assets</b>	<b>866,774</b>	<b>906,784</b>

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Consolidated Statements of Income)

(millions of yen)

Year Accounts	April 01, 2012– December 31, 2012	April 01, 2013– December 31, 2013
	Amount	Amount
<b>Net sales</b>	<b>322,570</b>	<b>323,210</b>
Cost of sales	126,732	132,971
Gross profit	195,838	190,239
Selling, general and administrative expenses		
Advertising expenses	3,021	2,572
Sales promotion expenses	7,458	7,467
Salaries and allowances	25,077	24,938
Provision for bonuses	2,934	3,085
Retirement benefit expenses	4,105	2,247
Depreciation and amortization	927	1,068
Research and development expenses	51,233	51,381
Amortization of goodwill	7,689	7,868
Other	34,534	34,087
Total selling, general and administrative expenses	136,978	134,713
<b>Operating income</b>	<b>58,860</b>	<b>55,526</b>
Non-operating income		
Interest income	1,215	1,144
Dividend income	779	845
Equity in earning of affiliates	661	602
Foreign exchange income	–	1,680
Other	1,535	1,071
Total non-operating income	4,190	5,342
Non-operating expenses		
Interest expense	34	63
Donations	427	610
Foreign exchange loss	1,071	–
Other	1,382	2,414
Total non-operating expenses	2,914	3,087
<b>Ordinary income</b>	<b>60,136</b>	<b>57,781</b>
Extraordinary gain		
Profit on arbitration award	–	11,011
Gain on step acquisitions	–	930
Gain on sales of property, plant and equipment	646	–
Gain on transfer of business	354	–
Gain on sales of investment in securities	201	–
Total extraordinary income	1,201	11,941
Extraordinary loss		
Loss on impairment of fixed assets	348	1,355
Loss on valuation of investment in securities	123	463
Loss on business integration	2,219	–
Provision of reserve for HCV litigation	2,020	–
Loss on sales of investment in securities	385	–
Other	254	87
Total extraordinary losses	5,349	1,905
<b>Income before income taxes and minority interests</b>	<b>55,988</b>	<b>67,817</b>
Income taxes–current	20,435	20,886
Income taxes–deferred	253	3,032
Total income taxes	20,688	23,918
Net income before minority interests	35,300	43,899
Minority interests	51	48
<b>Net income</b>	<b>35,249</b>	<b>43,851</b>

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

Year Accounts	April 01, 2012– December 31, 2012	April 01, 2013– December 31, 2013
	Amount	Amount
<b>Net income before minority interests</b>	<b>35,300</b>	<b>43,899</b>
Other comprehensive income (loss)		
Unrealized holding gains (losses) on securities	329	1,339
Deferred (losses) gains on hedges	917	(635)
Translation adjustments	(41)	3,088
Other comprehensive income (loss) of equity method companies attributable to the Company	2	19
Total other comprehensive income (loss)	1,207	3,811
<b>Comprehensive income</b>	<b>36,507</b>	<b>47,710</b>
Comprehensive income (loss) attributable to:		
Shareholders of the Company	36,434	47,402
Minority interests	73	308

### (3) Consolidated Statements of Cash Flows

(millions of yen)

Year Accounts	April 01, 2012– December 31, 2012	April 01, 2013– December 31, 2013
<b>Cash flows from operating activities:</b>		
Income before income taxes and minority interests	55,988	67,817
Depreciation and amortization	6,303	6,661
Loss on impairment of fixed assets	348	1,355
Amortization of goodwill	7,689	7,868
Increase (decrease) in accrued retirement benefits for employees	(950)	(893)
Decrease (increase) in prepaid pension expenses	3,783	1,798
Increase (decrease) in reserve for HCV litigation	1,184	(504)
Interest and dividend income	(1,994)	(1,989)
Loss (gain) on sale of property, plant and equipment	(508)	88
Loss (gain) on transfer of business	(354)	–
Profit on arbitration award	–	(11,011)
Loss (gain) on step acquisitions	–	(930)
Loss(gain) on sale of investment in securities	184	–
Loss (gain) on valuation of investment in securities	123	463
Loss (gain) on foreign exchange	104	(1,272)
Equity in (earnings) losses of affiliates	(661)	(602)
Loss on business integration	2,219	–
Decrease (increase) in notes and accounts receivable, trade	(19,735)	(16,499)
Decrease (increase) in inventories	(10,030)	1,161
Increase (decrease) in notes and accounts payable, trade	13,793	2,865
Increase (decrease) in accounts payable, other	1,154	1,151
Other, net	(1,880)	2,262
Subtotal	56,760	59,789
Interest and dividends received	2,180	2,059
Interest paid	(27)	(69)
Proceeds from arbitration award	–	12,208
Income taxes paid	(17,643)	(27,893)
<b>Net cash provided by (used in) operating activities</b>	<b>41,270</b>	<b>46,094</b>
<b>Cash flows from investing activities:</b>		
Purchase of marketable securities	(42,250)	(27,250)
Proceeds from sales and redemption of marketable securities	49,720	48,098
Increase in time deposits	(45)	(9,040)
Decrease in time deposits	978	3,897
Increase in deposits	(10,534)	(10,416)
Decrease in long-term deposits	1,875	–
Purchase of property, plant and equipment	(6,167)	(9,337)
Proceeds from sales of property, plant and equipment	2,700	98
Purchase of intangible fixed assets	(1,413)	(1,525)
Purchase of investment in securities	(4,250)	(1,252)
Purchase of investment in subsidiaries	(6,015)	(3,459)
Proceeds from sales and redemption of investment in securities	4,591	4,011
Purchase of investment in subsidiaries resulting in consolidation scope change	–	(17,897)
Proceeds from transfer of business	1,384	–
Other, net	20	(89)
<b>Net cash provided by (used in) investing activities</b>	<b>(9,406)</b>	<b>(24,161)</b>
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term debt, net	(1,214)	70
Increase (decrease) in long-term debt	–	433
Proceeds from stock issuance to minority shareholders	–	581
Cash dividends paid	(22,439)	(22,439)
Other, net	(24)	(48)
<b>Net cash provided by (used in) financing activities</b>	<b>(23,677)</b>	<b>(21,403)</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>3</b>	<b>2,244</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>8,190</b>	<b>2,774</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>54,344</b>	<b>58,745</b>
<b>Cash and cash equivalents at end of the period</b>	<b>62,534</b>	<b>61,519</b>

**(4) Notes of Quarterly Consolidated Financial Statements**

**(Note regarding going concern assumption)**

Not applicable.

**(Note regarding substantial change in shareholders' equity)**

Not applicable.

## 4. Supplementary Information

### (1) Consolidated Financial Indicators for 3rd Quarter of FY2013

#### i. PL (cumulative 3rd quarter)

[Billion yen]

	Cumulative Q3/FY2013		Cumulative Q3/FY2012		Year-on-year		Comparison to forecasts		Notes [year-on-year comparison]
	Actual	Ratio to sales %	Actual	Ratio to sales %	Increase (Decrease)	Change %	Forecasts for FY2013*1	Achieved %	
Net sales	323.2	100.0 %	322.6	100.0 %	0.6	0.2	419.0	77.1	Average exchange rate Q3 FY2012: 1US \$ = ¥ 79.23 Q3 FY2013: 1US \$ = ¥ 99.80
Domestic	279.9	86.6	290.6	90.1	(10.7)	(3.7)	365.5	76.6	
Overseas	43.3	13.4	32.0	9.9	11.3	35.4	53.5	80.9	
Pharmaceuticals	322.3	99.7	318.9	98.9	3.4	1.1	418.0	77.1	Ethical drugs domestic sales (7.1) Ethical drugs overseas sales +1.1 Licensing fee, etc. +10.8 See page 12, Sales of Main Products
Domestic	279.6	86.5	288.4	89.4	(8.8)	(3.1)	365.1	76.6	
Overseas	42.7	13.2	30.5	9.5	12.2	40.0	52.9	80.7	
Others	0.9	0.3	3.7	1.1	(2.7)	(74.5)	1.0	95.3	Decrease due to transfer of fine chemical operations
Domestic	0.4	0.1	2.2	0.7	(1.8)	(83.5)	0.4	82.4	
Overseas	0.6	0.2	1.4	0.4	(0.9)	(60.8)	0.5	106.0	
Cost of sales	133.0	41.1	126.7	39.3	6.2	4.9	170.0	78.2	The sales cost is worsened due to integration of plasma fractionation operations, etc.
Gross profit	190.2	58.9	195.8	60.7	(5.6)	(2.9)	249.0	76.4	
SG&A expenses	134.7	41.7	137.0	42.5	(2.3)	(1.7)	186.0	72.4	
R&D expenses	51.4	15.9	51.2	15.9	0.1	0.3	71.0	72.4	
Non-R&D expenses	83.3	25.8	85.7	26.6	(2.4)	(2.8)	115.0	72.5	
Labor cost	36.2	11.2	38.4	11.9	(2.2)	(5.7)	48.3	75.0	Decrease due to integration of plasma fractionation operations
Amortization of goodwill*2	7.9	2.4	7.7	2.4	0.2	2.3	10.4	75.7	
Others	39.2	12.1	39.6	12.3	(0.4)	(1.0)	56.3	69.7	
Operating income	55.5	17.2	58.9	18.2	(3.3)	(5.7)	63.0	88.1	
Non-operating income	5.3		4.2		1.2				
Interest income	1.1		1.2		(0.1)				
Dividend income	0.8		0.8		0.1				
Equity in earnings of affiliates	0.6		0.7		(0.1)				
Foreign exchange gain	1.7		-		1.7				
Others	1.1		1.5		(0.5)				
Non-operating expenses	3.1		2.9		0.2				
Donations	0.6		0.4		0.2				
Foreign exchange losses	-		1.1		(1.1)				
Others	2.5		1.4		1.1				
Ordinary income	57.8	17.9	60.1	18.6	(2.4)	(3.9)	65.5	88.2	
Extraordinarily income	11.9		1.2		10.7				
Profit on arbitration award	11.0		-		11.0				Reimbursed as the overpayment caused by the arbitraion award of Remicade, etc.
Profit on step acquisitions	0.9		-		0.9				
Gain on sales of property, plant and equipment	-		0.6		(0.6)				
Gain on tranfer of business	-		0.4		(0.4)				
Gain on sales of investments in securities	-		0.2		(0.2)				
Extraordinary losses	1.9		5.3		(3.4)				
Impairment loss	1.4		0.3		1.0				
Loss on valuation of investment in securities	0.5		0.1		0.3				
Loss on business integration	-		2.2		(2.2)				
Provision of reserve for HCV litigation	-		2.0		(2.0)				
Loss on sales of investment in securities	-		0.4		(0.4)				
Others	0.1		0.3		(0.2)				
Net income	43.9	13.6	35.2	10.9	8.6	24.4	45.0	97.4	
Total labor cost	63.3	19.6	66.5	20.6	(3.2)	(4.8)	83.8	75.6	

\*1: Published forecasts announced on October 30, 2013 in the financial results of Q2 FY2013.

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

## ii. Sales of Main Products (cumulative 3rd quarter)

[Billion yen]

	Cumulative Q3/FY2013	Y-on-Y			Comparison to Forecasts	
		Cumulative Q3/FY2012	Increase (Decrease)	Change %	Forecasts for FY2013*1	Change %
<b>Ethical drugs</b>	<b>318.8</b>	314.6	4.1	1.3	413.5	77.1
<b>Ethical drugs domestic sales</b>	<b>271.5</b>	278.6	(7.1)	(2.5)	354.4	76.6
Remicade	60.9	56.5	4.4	7.8	79.0	77.1
Ceredist	14.2	14.5	(0.3)	(2.1)	17.8	79.5
Maintate	12.2	10.9	1.2	11.2	16.2	74.9
Talion	9.5	9.0	0.5	5.8	15.6	60.8
Kremezin	9.9	9.5	0.4	4.5	12.9	76.9
Urso	9.9	10.4	(0.5)	(5.1)	12.6	78.6
Venoglobulin IH	9.0	8.7	0.3	3.1	11.5	78.1
Anplag	9.0	10.3	(1.3)	(12.5)	11.4	79.4
Radicut	8.9	10.6	(1.8)	(16.6)	10.3	86.1
Depas	7.7	8.1	(0.5)	(5.8)	9.8	78.4
Simponi	7.2	3.8	3.4	90.8	10.1	71.3
Lexapro	4.7	3.1	1.7	53.7	7.5	62.7
Herbesser	5.5	6.0	(0.6)	(9.1)	6.8	80.1
Tanatril	5.0	5.7	(0.7)	(12.3)	6.1	81.2
BIKEN Products [Vaccines]	23.6	24.0	(0.4)	(1.8)	30.7	76.8
Tetrabik	4.6	2.7	1.9	69.8	8.4	54.3
Influenza	7.7	8.3	(0.7)	(8.2)	8.2	93.2
Mearubik	4.8	6.2	(1.4)	(22.2)	6.3	76.4
Tanabe Seiyaku Hanbai Products *2	10.8	14.6	(3.8)	(26.1)	14.0	77.0
<b>Ethical drugs overseas sales</b>	<b>16.3</b>	15.2	1.1	7.4	20.3	80.5
Herbesser	4.2	3.4	0.8	22.7	5.6	76.0
Argatroban (Novastan)	2.0	1.9	0.1	7.4	2.3	87.2
Tanatril	1.3	1.3	0.0	3.6	1.8	75.0
Contracted manufacturing products *3	4.3	5.1	(0.7)	(14.1)	5.5	79.1
Licensing Fee, etc.	26.6	15.8	10.8	68.1	33.3	79.9
Royalty from Gilenya	23.6	13.9	9.7	69.4	-	-
<b>OTC products</b>	<b>3.5</b>	4.3	(0.8)	(17.7)	4.6	77.4
<b>Total Pharmaceuticals</b>	<b>322.3</b>	318.9	3.4	1.1	418.0	77.1

\*1: Published forecasts announced on October 30, 2013 in the financial results of Q2 FY2013.

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

\*3: Contracted manufacturing products ordered by other companies.

## iii. Sales of Main Products (3rd quarter)

[Billion yen]

	Q3/FY2013	Y-on-Y			Comparison to Forecasts	
		Q3/FY2012	Increase (Decrease)	Change %	Forecasts for 2nd half of FY2013*1	Change %
<b>Ethical drugs</b>	<b>119.1</b>	<b>116.7</b>	<b>2.4</b>	<b>2.1</b>	<b>213.8</b>	<b>55.7</b>
Ethical drugs domestic sales	100.5	102.0	(1.4)	(1.4)	183.5	54.8
Remicade	21.9	19.8	2.1	10.4	40.0	54.7
Ceredist	5.0	5.0	0.1	1.6	8.7	58.0
Maintate	4.4	4.0	0.5	11.8	8.5	52.1
Talion	4.4	3.7	0.7	18.1	10.5	41.6
Kremezin	3.5	3.5	0.0	0.8	6.5	54.2
Urso	3.5	3.7	(0.2)	(4.3)	6.2	56.6
Venoglobulin IH	3.4	3.2	0.2	5.2	5.9	57.1
Anplag	3.2	3.5	(0.3)	(10.0)	5.5	57.3
Radicut	3.2	3.7	(0.5)	(13.9)	4.6	68.8
Depas	2.7	2.8	(0.2)	(5.3)	4.8	56.0
Simponi	2.8	1.6	1.2	79.5	5.7	49.0
Lexapro	2.3	1.4	0.9	62.2	5.1	44.8
Herbesser	1.9	2.1	(0.2)	(8.8)	3.3	58.8
Tanatril	1.8	2.0	(0.2)	(10.6)	2.9	60.4
BIKEN Products [Vaccines]	9.6	11.4	(1.8)	(15.9)	16.7	57.3
Tetrabik	1.2	2.7	(1.5)	(56.8)	5.0	23.2
Influenza	6.5	6.8	(0.3)	(3.8)	7.1	92.1
Mearubik	0.3	0.7	(0.4)	(56.3)	1.8	18.0
Tanabe Seiyaku Hanbai Products *2	4.1	5.5	(1.4)	(25.5)	7.4	56.2
Ethical drugs overseas sales	5.9	5.0	0.9	17.2	9.9	60.0
Herbesser	1.5	1.1	0.3	27.5	2.8	52.1
Argatroban (Novastan)	0.7	0.5	0.2	35.6	1.0	69.4
Tanatril	0.5	0.4	0.1	16.0	0.9	52.5
Contracted manufacturing products *3	1.4	1.3	0.1	9.6	2.5	54.9
Licensing fee, etc.	11.3	8.4	2.8	33.8	18.0	62.8
Royalty from Gilenya	9.5	7.9	1.6	20.5	-	-
<b>OTC products</b>	<b>1.1</b>	<b>1.5</b>	<b>(0.4)</b>	<b>(26.0)</b>	<b>2.1</b>	<b>51.4</b>
<b>Total Pharmaceuticals</b>	<b>120.2</b>	<b>118.2</b>	<b>2.0</b>	<b>1.7</b>	<b>216.0</b>	<b>55.7</b>

\*1: Published forecasts announced on October 30, 2013 in the financial results of Q2 FY2013.

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

\*3: Contracted manufacturing products ordered by other companies.



## iv. Quarterly Trend (profit and loss)

[Billion yen]

	FY2012					FY2013			
	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Q4 Jan. to Mar.	FY2012 Actual	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Forecasts for FY2013
Net sales	104.4	99.4	118.7	96.6	419.2	103.9	98.9	120.4	419.0
	24.9%	23.7%	28.3%	23.0%	100.0%	24.8%	23.6%	28.7%	100.0%
Domestic	95.6	89.8	105.2	80.8	371.4	91.4	85.3	103.3	365.5
	25.7%	24.2%	28.3%	21.8%	100.0%	25.0%	23.3%	28.3%	100.0%
Overseas	8.8	9.6	13.5	15.8	47.7	12.5	13.7	17.1	53.5
	18.4%	20.2%	28.3%	33.1%	100.0%	23.4%	25.5%	32.0%	100.0%
Pharmaceuticals	101.9	98.8	118.2	95.8	414.7	103.4	98.6	120.2	418.0
	24.6%	23.8%	28.5%	23.1%	100.0%	24.7%	23.6%	28.8%	100.0%
Domestic	93.7	89.7	105.1	80.7	369.1	91.3	85.1	103.1	365.1
	25.4%	24.3%	28.5%	21.9%	100.0%	25.0%	23.3%	28.3%	100.0%
Overseas	8.2	9.2	13.1	15.1	45.6	12.1	13.5	17.1	52.9
	18.0%	20.1%	28.8%	33.1%	100.0%	22.9%	25.5%	32.3%	100.0%
Others	2.5	0.6	0.6	0.8	4.5	0.5	0.3	0.2	1.0
	54.9%	13.9%	12.5%	18.7%	100.0%	50.8%	28.6%	16.0%	100.0%
Domestic	1.9	0.1	0.2	0.2	2.4	0.1	0.1	0.1	0.4
	80.4%	5.8%	7.3%	6.6%	100.0%	29.3%	25.3%	27.8%	100.0%
Overseas	0.6	0.5	0.4	0.7	2.1	0.4	0.2	0.0	0.5
	26.7%	23.0%	18.2%	32.2%	100.0%	68.5%	31.3%	6.2%	100.0%
Cost of sales	40.6	38.6	47.5	39.7	166.4	43.5	38.9	50.6	170.0
Sales Cost Ratio	38.9%	38.8%	40.0%	41.0%	39.7%	41.9%	39.3%	42.0%	40.6%
Gross profit	63.7	60.8	71.3	57.0	252.8	60.4	60.0	69.8	249.0
	25.2%	24.1%	28.2%	22.5%	100.0%	24.3%	24.1%	28.0%	100.0%
SG&A expenses	44.9	47.4	44.7	46.8	183.8	44.2	45.8	44.8	186.0
	24.4%	25.8%	24.3%	25.5%	100.0%	23.7%	24.6%	24.1%	100.0%
R&D expenses	16.9	17.3	17.0	15.3	66.5	17.6	16.7	17.1	71.0
	25.4%	26.0%	25.5%	23.0%	100.0%	24.7%	23.6%	24.1%	100.0%
Non-R&D expenses	28.0	30.1	27.7	31.5	117.3	26.6	29.1	27.7	115.0
	23.9%	25.7%	23.6%	26.9%	100.0%	23.1%	25.3%	24.0%	100.0%
Labor costs	12.9	13.0	12.5	13.5	51.9	11.9	12.0	12.4	48.3
	24.9%	25.1%	24.0%	25.9%	100.0%	24.5%	24.8%	25.6%	100.0%
Amortization of goodwill	2.5	2.5	2.6	2.6	10.3	2.6	2.7	2.6	10.4
	24.6%	24.6%	25.5%	25.3%	100.0%	25.0%	25.6%	25.0%	100.0%
Others	12.5	14.5	12.6	15.5	55.1	12.1	14.4	12.7	56.3
	22.8%	26.3%	22.8%	28.1%	100.0%	21.6%	25.6%	22.5%	100.0%
Operating income	18.8	13.4	26.6	10.1	69.0	16.2	14.2	25.1	63.0
	27.3%	19.4%	38.6%	14.7%	100.0%	25.8%	22.6%	39.8%	100.0%
Ordinary income	19.6	13.5	27.0	9.3	69.4	17.1	15.1	25.6	65.5
	28.3%	19.4%	38.9%	13.3%	100.0%	26.0%	23.1%	39.1%	100.0%
Net income	10.8	8.7	15.8	6.6	41.9	10.4	18.1	15.3	45.0
	25.8%	20.7%	37.6%	15.9%	100.0%	23.1%	40.3%	34.0%	100.0%

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

## v. Quarterly Trend (Sales of Main products)

[Billion yen]

	FY2012					FY2013			
	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Q4 Jan. to Mar.	FY2012 Actual	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Forecasts for FY2013
<b>Ethical drugs</b>	100.6	97.4	116.7	94.8	409.4	102.3	97.3	119.1	413.5
	24.6%	23.8%	28.5%	23.1%	100.0%	24.7%	23.5%	28.8%	100.0%
Ethical drugs domestic sales	90.5	86.1	102.0	78.0	356.6	88.5	82.4	100.5	354.4
	25.4%	24.1%	28.6%	21.9%	100.0%	25.0%	23.3%	28.4%	100.0%
Remicade	17.9	18.8	19.8	17.0	73.5	19.2	19.9	21.9	79.0
	24.4%	25.6%	27.0%	23.1%	100.0%	24.3%	25.1%	27.7%	100.0%
Ceredist	5.0	4.5	5.0	3.9	18.4	4.7	4.4	5.0	17.8
	27.2%	24.6%	27.0%	21.3%	100.0%	26.4%	24.8%	28.3%	100.0%
Maintate	3.6	3.3	4.0	3.2	14.1	4.0	3.8	4.4	16.2
	25.8%	23.6%	28.1%	22.6%	100.0%	24.5%	23.2%	27.3%	100.0%
Talion	3.1	2.2	3.7	5.3	14.3	2.7	2.4	4.4	15.6
	21.3%	15.5%	25.8%	37.3%	100.0%	17.5%	15.3%	27.9%	100.0%
Kremezin	3.1	2.9	3.5	2.7	12.2	3.2	3.2	3.5	12.9
	25.7%	23.6%	28.7%	22.0%	100.0%	25.1%	24.5%	27.3%	100.0%
Urso	3.5	3.3	3.7	2.9	13.3	3.3	3.1	3.5	12.6
	26.3%	24.6%	27.6%	21.6%	100.0%	26.1%	24.6%	27.9%	100.0%
Venoglobulin IH	2.9	2.7	3.2	2.2	11.0	2.9	2.7	3.4	11.5
	26.1%	24.4%	29.2%	20.3%	100.0%	25.2%	23.7%	29.2%	100.0%
Anplag	3.7	3.1	3.5	2.7	13.0	3.1	2.8	3.2	11.4
	28.3%	24.3%	27.0%	20.5%	100.0%	27.2%	24.4%	27.7%	100.0%
Radicut	3.7	3.3	3.7	2.6	13.3	3.0	2.7	3.2	10.3
	28.0%	24.6%	27.7%	19.8%	100.0%	28.8%	26.6%	30.7%	100.0%
Depas	2.8	2.5	2.8	2.2	10.4	2.6	2.4	2.7	9.8
	26.7%	24.4%	27.4%	21.5%	100.0%	26.2%	24.7%	27.5%	100.0%
Simponi	1.0	1.2	1.6	1.5	5.3	2.1	2.4	2.8	10.1
	19.7%	22.5%	29.5%	28.3%	100.0%	20.4%	23.3%	27.6%	100.0%
Lexapro	0.8	0.9	1.4	1.5	4.6	1.0	1.4	2.3	7.5
	16.5%	20.0%	31.0%	32.5%	100.0%	13.7%	18.7%	30.3%	100.0%
Herbesser	2.1	1.8	2.1	1.6	7.6	1.9	1.7	1.9	6.8
	27.7%	23.7%	27.9%	20.8%	100.0%	27.0%	24.7%	28.3%	100.0%
Tanatril	2.0	1.7	2.0	1.5	7.1	1.7	1.5	1.8	6.1
	27.7%	24.3%	27.6%	20.5%	100.0%	27.7%	24.8%	28.7%	100.0%
BIKEN products [vaccines]	6.1	6.5	11.4	4.8	28.8	8.8	5.2	9.6	30.7
	21.3%	22.6%	39.5%	16.6%	100.0%	28.6%	16.9%	31.2%	100.0%
Tetrabik	-	-	2.7	1.8	4.5	2.9	0.5	1.2	8.4
	-	-	59.3%	40.7%	100.0%	34.5%	6.0%	13.8%	100.0%
Influenza	0.0	1.6	6.8	(0.7)	7.7	(0.1)	1.2	6.5	8.2
	(0.5%)	20.5%	88.7%	(8.7%)	100.0%	(0.7%)	14.2%	79.7%	100.0%
Mearubik	3.4	2.1	0.7	1.9	8.0	3.2	1.2	0.3	6.3
	41.9%	25.6%	9.2%	23.3%	100.0%	51.8%	19.5%	5.2%	100.0%
Tanabe Seiyaku Hanbai products *1	4.8	4.2	5.5	4.3	19.0	3.5	3.2	4.1	14.0
	25.5%	22.3%	29.2%	22.9%	100.0%	25.0%	22.6%	29.4%	100.0%
Ethical drugs overseas sales *2	4.5	5.6	5.0	8.2	23.4	5.1	5.3	5.9	20.3
	19.5%	24.0%	21.6%	35.0%	100.0%	25.3%	26.1%	29.2%	100.0%
Herbesser	1.1	1.2	1.1	2.5	5.9	1.5	1.3	1.5	5.6
	19.3%	19.4%	19.1%	42.2%	100.0%	26.3%	23.6%	26.1%	100.0%
Argatroban (Novastan)	0.7	0.7	0.5	1.0	2.9	0.7	0.7	0.7	2.3
	24.8%	23.5%	17.2%	34.6%	100.0%	28.3%	30.0%	28.9%	100.0%
Tanatril	0.5	0.4	0.4	0.8	2.1	0.5	0.4	0.5	1.8
	21.9%	20.2%	20.6%	37.3%	100.0%	26.2%	21.1%	27.6%	100.0%
Contracted manufacturing products *3	1.7	2.1	1.3	1.7	6.8	1.5	1.4	1.4	5.5
	25.3%	30.2%	18.8%	25.6%	100.0%	27.5%	26.0%	25.5%	100.0%
Licensing fee, etc.	3.8	3.6	8.4	6.9	22.7	7.1	8.2	11.3	33.3
	16.7%	15.9%	37.2%	30.3%	100.0%	21.4%	24.6%	33.9%	100.0%
<b>OTC products</b>	1.4	1.5	1.5	1.0	5.3	1.1	1.3	1.1	4.6
	25.6%	27.5%	27.8%	19.1%	100.0%	25.0%	28.4%	23.9%	100.0%
<b>Total pharmaceuticals</b>	101.9	98.8	118.2	95.8	414.7	103.4	98.6	120.2	418.0
	24.6%	23.8%	28.5%	23.1%	100.0%	24.7%	23.6%	28.8%	100.0%

The each figure in the lower displays the progress rate.

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

\*2: In 2012, the settling days of overseas subsidiaries are changed from end of December to end of March, thus their accounting periods are for fifteen months from January, 2012 to March, 2013.

\*3: Contracted manufacturing products ordered by other companies.

## (2) State of New Product Development (As of February 3, 2014)

### i. New Drugs

Development code (Generic name)	Category (Indications)	Region	Stage	Origin
TA-7284 (Canagliflozin)	SGLT2 inhibitor (Type 2 diabetes mellitus)	Japan	Filed (May, 2013)	In-house
MP-424 (Telaprevir)	NS3-4A protease inhibitor (Chronic hepatitis C)	Taiwan	Filed (Jan., 2013)	US:Vertex
		Korea	Phase 1	
MT-4666	$\alpha$ 7nACh receptor agonist (Dementia of Alzheimer's type)	Multinational study	Phase 3	US: EnVivo
MP-214 (Cariprazine)	Dopamine D3/D2 receptor partial agonist (Schizophrenia)	Japan	Phase 2b/3	Hungary: Gedeon Richter
MT-9938 (Nalfurafine)	$\kappa$ -opioid receptor agonist (Refractory pruritus in Hemodialysis patients)	US, Canada	Phase 2	Japan:Toray
MP-513 (Teneligliptin)	DPP-4 inhibitor (Type 2 diabetes mellitus)	Europe	Phase 2	In-house
		US	Phase 1	
MT-3995	Selective mineralocorticoid receptor antagonist (Diabetic nephropathy)	Europe	Phase 2	In-house
		Japan	Phase 2	
MT-1303	S1P receptor functional antagonist (Multiple sclerosis)	Europe	Phase 2	In-house
		Japan	Phase 1	
	(Psoriasis)	Europe	Phase 2	
	(Inflammatory bowel disease)	Europe	Phase 1	
Influenza vaccine	Plant-based VLP vaccine (Prophylaxis of H5N1 influenza)	Canada	Phase 2	In-house (Canada:Medicago)
Influenza vaccine	Plant-based VLP vaccine (Prophylaxis of seasonal influenza)	US	Phase 1/2	In-house (Canada:Medicago)
GB-1057 (Recombinant human serum albumin)	Recombinant human serum albumin (Stabilizing agent)	US	Phase 1	In-house
MP-124	PARP inhibitor (Acute ischemic stroke)	US, Canada	Phase 1	In-house
MP-157	Angiotensin type 2 receptor agonist (Hypertension)	Europe	Phase 1	In-house

ii. Additional Indications

Product name (Generic name)	Category (Indications)	Region	Stage	Origin	Notes
Telavic (Telaprevir)	NS3-4A protease inhibitor (Chronic hepatitis C, [genotype2] )	Japan	sNDA filed (Dec., 2013)	US:Vertex	
	(Chronic hepatitis C, [combination with Pegasys] )		Phase 3		
	(Chronic hepatitis C, [combination with Feron] )		Phase 3		
Radicut (Edaravone)	Free radical scavenger (Amyotrophic lateral sclerosis*)	Japan	Phase 3	In-house	
Talion (Bepotastine)	Selective histamine H1 receptor antagonist, anti- allergic agent (Pediatric allergic rhinitis)	Japan	Phase 3	Japan: Ube Industries	
	(Pediatric atopic dermatitis)		Phase 3		
Remicade (Infliximab [recombinant])	Anti-human TNF $\alpha$ monoclonal antibody (Refractory Kawasaki disease*)	Japan	Phase 3	US:Janssen Biotech	
	(Behcet's disease with special lesions*)		Phase 3		
	(Pediatric Crohn's disease)		Phase 3		
	(Pediatric ulcerative colitis)		Phase 3		
	(Psoriasis: increased dose)		Phase 3		
Imusera (Fingolimod)	S1P receptor functional antagonist (Chronic inflammatory demyelinating polyradiculoneuropathy)	Multinational study	Phase 3	In-house	with Novartis Pharma in Japan, licensed to Novartis overseas
BindRen (Colestilan[INN])	Non-absorbed phosphate binder (Pediatric hyperphosphatemia)	Europe	Phase 3	In-house	
Cholebine (Colestimide[JAN])	Bile acid signal regulation (Type 2 diabetes mellitus)	Japan	Phase 2	In-house	
	Non-absorbed phosphate binder (Hyperphosphatemia)		Phase 1		

\* Orphan drug designated

### iii. Licensing-out

Development code (Generic name)	Category (Indications)	Region	Stage	Licensee (Notes)
TA-7284 (Canagliflozin)	SGLT2 inhibitor (Type2 diabetes mellitus / fixed dose combination with metformin, IR)	US	FDA Complete Response (Dec., 2013)	US: Janssen Pharmaceuticals
		Europe	MAA filed (Mar., 2013)	
	(Obesity)	US, Europe	Phase 2	
MP-513 (Teneligliptin)	DPP-4 inhibitor (Type 2 diabetes mellitus)	Korea	NDA filed (Sep., 2013)	Korea: Handok
FTY720 (Fingolimod)	S1P receptor functional antagonist (Chronic inflammatory demyelinating polyradiculoneuropathy)	Multinational study	Phase 3	Switzerland: Novartis (Co-developed with Novartis Pharma in Japan)
T-0047 (Finategrast)	Cell adhesion inhibitor [ $\alpha4\beta7/\alpha4\beta1$ 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	US:Minerva Neuroscience *
TA-7906	PDE4 inhibitor (Atopic dermatitis)	Japan	Phase 2	Japan: Maruho
MCC-847	Leukotriene D4 receptor antagonist (Asthma)	Korea	Phase 2	Korea: SAMA Pharma
TA-8995	CETP inhibitor (Dyslipidemia)	Netherlands, Denmark	Phase 2	Netherlands: DEZIMA Pharma
MT-4580	Ca sensing receptor agonist (Secondary hyperparathyroidism in hemodialysis patients)	Japan	Phase 1/2	Japan: Kyowa Hakko Kirin
sTU-199 (Tenatoprazole)	Proton pump inhibitor (Gastroesophageal reflux disease)	Europe	Phase 1	France: Negma/Sidem
TT-138	$\beta3$ receptor agonist (Pollakiuria, urinary incontinence)	US	Phase 1	US: MediciNova
Wf-516	SSRI / 5HT1A receptor antagonists (Depression)	Europe	Phase 1	US:Minerva Neuroscience *
Y-803	Bromodomain inhibitor (Hematological cancer)	US, Europe	Phase 1	Switzerland: OncoEthix (Development code: OTX015)

\* : New company established by the merger of Cyrenaic and SONKEI Pharmaceuticals in November, 2013

iv. Changes Since Previous Announcement on October 30, 2013

In-house Development

Development code/Product name (Generic name)	Category (Indications)	Region	As of October 30, 2013	As of February 3, 2014
Tenelia (Teneligliptin)	DPP-4 inhibitor (Type 2 diabetes mellitus, additional combination)	Japan	sNDA filed (Feb., 2013)	Approved (Dec., 2013)
Telavic (Telaprevir)	NS3-4A protease inhibitor (Chronic hepatitis C, [genotype2] )	Japan	Phase 3	sNDA filed (Dec., 2013)
MT-4666	$\alpha$ 7nACh receptor agonist (Dementia of Alzheimer's type)	Multinational study	Phase 2	Phase 3
Influenza vaccine	Plant-based VLP vaccine (Prophylaxis of H5N1 influenza)	Canada	None	Phase 2
Influenza vaccine	Plant-based VLP vaccine (Prophylaxis of seasonal influenza)	US	None	Phase 1/2

Licensing-out

Development code (Generic name)	Category (Indications)	Region	As of October 30, 2013	As of February 3, 2014
TA-7284 (Canagliflozin)	SGLT2 inhibitor (Type2 diabetes mellitus)	Europe	MAA filed (Jun. 2012*)	Approved (Nov., 2013)
	(Type2 diabetes mellitus / fixed dose combination with metformin, IR)	US	NDA filed (Dec. 2012*)	FDA Complete Response (Dec., 2013)
TA-8995	CETP inhibitor (dyslipidemia)	Netherlands, Denmark	None	Phase 2

\*: The month when the application was filed