

Summary of 3rd Quarter Financial Results for year ended March 31, 2015 (Japan GAAP) (Consolidated)

February 2, 2015

Company name: Mitsubishi Tanabe Pharma Corporation
 Stock exchange listings: Tokyo
 Securities code number: 4508
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 Title: President and Representative Director
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Planned date of filing of quarterly securities report: February 6, 2015
 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, 2014 to December 31, 2014)

(1) Consolidated Business Results

	Net sales		Operating income		Ordinary income	
	Yen million	% change	Yen million	% change	Yen million	% change
3rd Quarter of Fiscal 2014	319,777	(1.1)	63,588	14.5	64,088	10.9
3rd Quarter of Fiscal 2013	323,210	0.2	55,526	(5.7)	57,781	(3.9)

	Net income		Net income per share		Net income per share (diluted)	
	Yen million	% change	Yen		Yen	
3rd Quarter of Fiscal 2014	48,294	10.1	86.09		–	
3rd Quarter of Fiscal 2013	43,851	24.4	78.17		–	

(Note) Comprehensive Income ¥52,298 million, 9.6% (¥47,710 million, 30.7% in 3rd Quarter of fiscal 2013)

(2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Yen million		Yen million		%	
As of December 31, 2014	911,691		800,509		86.5	
As of March 31, 2014	886,476		777,837		86.4	

(Note) Shareholders' equity ¥788,497 million (¥766,046 million in fiscal 2013)

2. Dividends

(Record date)	Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	For the year
	Yen	Yen	Yen	Yen	Yen
Fiscal 2013	–	20.00	–	20.00	40.00
Fiscal 2014	–	20.00	–	–	–
Fiscal 2014(projected)	–	–	–	20.00	40.00

(Note) Revision to recently announced dividend forecast: No

3. Forecasts for Fiscal 2014 (April 1, 2014 to March 31, 2015)

	Net sales		Operating income		Ordinary income	
	Yen million	% change	Yen million	% change	Yen million	% change
Full year	406,000	(1.6)	60,000	1.5	61,500	(0.6)

	Net income		Net income per share	
	Yen million	% change	Yen	
Full year	40,500	(10.8)	72.19	

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

※ Notes

(1) Significant change involving subsidiaries during the period: No
(Change in designated subsidiaries accompanying changes in the scope of consolidation)

(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: Yes

2. Other changes: No

3. Change in accounting estimates: No

4. Restatements: No

(Note) For details, please refer to “(1) Changes in accounting policies, changes in accounting estimates, and restatements” under “2. Items Concerning Summary Data (The notes)” on page 5.

(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 2014	561,417,916 shares	Fiscal 2013	561,417,916 shares
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2. Number of shares of treasury stock at the end of the period

3rd Quarter of Fiscal 2014	427,850 shares	Fiscal 2013	426,862 shares
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3. Average number of shares of during the period (cumulative total)

3rd Quarter of Fiscal 2014	560,990,643 shares	3rd Quarter of Fiscal 2013	560,992,409 shares
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*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 12 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 2, 2015 (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.

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1. [Qualitative Information for 3rd Quarter of FY 2014]

(1) Explanation about results of operations

Consolidated operating results in the third quarter of the fiscal year ended March 31, 2015 (April 1, 2014 to December 31, 2014) were as follows.

(millions of yen)

	3 rd quarter of FY 2013	3 rd quarter of FY 2014	Increase/ Decrease	% change
Net Sales	323,210	319,777	(3,433)	(1.1)
Cost of sales	132,971	128,025	(4,946)	(3.7)
Cost of sales ratio	41.1	40.0		
Gross profit	190,239	191,752	1,513	0.8
SG&A expenses	134,713	128,164	(6,549)	(4.9)
Operating Income	55,526	63,588	8,062	14.5
Non-operating income/loss	2,255	500	(1,755)	
Ordinary Income	57,781	64,088	6,307	10.9
Extraordinary income/loss	10,036	5,788	(4,248)	
Net Income	43,851	48,294	4,443	10.1

【Net sales】

Net sales decreased 1.1%, or ¥3.4 billion, year-on-year, to ¥319.7 billion.

(millions of yen)

	3 rd quarter of FY 2013	3 rd quarter of FY 2014	Increase/ Decrease	% change
Pharmaceuticals	322,279	319,443	(2,836)	(0.9)
Domestic ethical drugs	271,512	252,003	(19,509)	(7.2)
Overseas ethical drugs	16,344	16,793	449	2.7
OTC products	3,521	3,180	(341)	(9.7)
Others in Pharmaceuticals	30,902	47,467	16,565	53.6
Others	931	334	(597)	(64.1)

In the pharmaceuticals segment, net sales were ¥319.4 billion, down 0.9%, or ¥2.8 billion, year-on-year.

- Domestic sales of ethical drugs decreased 7.2%, year-on-year, to ¥252.0 billion due to the influence of NHI drug price revision in April 2014 and the growing impact of generics.
- Sales of others in pharmaceuticals increased 53.6%, year-on-year, to ¥47.4 billion due to the increase in royalty revenue from Gilenya, for the treatment of multiple sclerosis, licensed to Novartis and from INVOKANA and the fixed dose combination with metformin (IR), for the treatment of type2 diabetes mellitus, licensed to Janssen Pharmaceuticals.

【Operating income】

Operating income increased 14.5%, or ¥8.0 billion, year-on-year, to ¥63.5 billion.

- Despite the influence of NHI drug price revision and the impact of generics, gross profit increased ¥1.5 billion, year-on-year, to ¥191.7 billion due to the increase in royalty revenue. As a result, the cost of sales ratio improved by 1.1 percentage points, year-on-year, to 40.0%.
- SG&A expenses decreased ¥6.5 billion, year-on-year, to ¥128.1 billion due to the decrease in R&D expenses and the labor cost accompanying the decrease in retirement benefit expenses. R&D expenses were ¥48.0 billion, accounting for 15.0% of net sales.

【Ordinary income and net income】

Ordinary income was up 10.9%, or ¥6.3 billion, year-on-year, to ¥64.0 billion, and net income was up 10.1%, or ¥4.4 billion, year-on-year, to ¥48.2 billion.

- Extraordinary income was ¥13.5 billion, including gain on sales of property, plant and equipment and gain on sales of investment in securities. In the previous fiscal year the Company recorded extraordinary income of ¥11.9 billion such as profit on arbitration award.
- Extraordinary loss was ¥7.7 billion, including restructuring expenses related to one of the strategic challenges of Medium-Term Management Plan; “accelerating operational and structural reforms.”

【Comprehensive income】

Net income before minority interests was ¥47.1 billion and other comprehensive income was ¥5.1 billion including translation adjustments. As a result, comprehensive income was ¥52.2 billion. Comprehensive income attributable to shareholders of the Company was ¥53.2 billion.

(2) Explanation about financial position

【Balance sheets】

(millions of yen)

	End of FY 2013 (As of March 31, 2014)	End of 3 rd quarter of FY 2014 (As of December 31, 2014)	Increase/ Decrease
Current assets	540,492	590,872	50,380
Fixed assets	345,984	320,819	(25,165)
Total assets	886,476	911,691	25,215
Liabilities	108,639	111,182	2,543
Net assets	777,837	800,509	22,672
Total liabilities and net assets	886,476	911,691	25,215

Total assets at the end of the third quarter were ¥911.6 billion, an increase of ¥25.2 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.

- Notes and accounts receivable, trade and marketable securities increased. Consequently, total current

assets were up ¥50.3 billion, to ¥590.8 billion.

- Fixed assets were down ¥25.1 billion from the previous fiscal year-end, to ¥320.8 billion as intangible fixed assets decreased. In addition, net defined benefit asset decreased due to the adjustment at the beginning of the current fiscal year with the application of revised accounting standard for retirement benefits.
- Other current liabilities such as consumption taxes payable increased. As a result, total liabilities were up ¥2.5 billion, to ¥111.1 billion.
- Total net assets were up by ¥22.6 billion, to ¥800.5 billion. Net income was ¥48.2 billion, dividends paid totaled ¥22.4 billion, and the adjustment at the beginning of the current fiscal year with the application of revised accounting standard for retirement benefits was ¥8.3 billion. As a result, retained earnings increased ¥17.5 billion and accumulated other comprehensive income increased ¥4.9 billion. The equity ratio was 86.5%, compared with 86.4% a year earlier.

【Cash flows】

(millions of yen)

		3 rd quarter of FY 2013	3 rd quarter of FY 2014	Increase/ Decrease
	Operating activities	46,094	30,907	(15,187)
	Investing activities	(24,161)	(15,348)	8,813
	Financing activities	(21,403)	(22,383)	(980)
	Change in cash and cash equivalents	2,774	(4,568)	(7,342)
	At beginning of year	58,745	84,957	26,212
	At end of period	61,519	80,389	18,870

Net decrease in cash and cash equivalents was ¥4.5 billion, and the balance of cash and cash equivalents at the end of the period under review was ¥80.3 billion.

- Net cash provided by operating activities was ¥30.9 billion. Cash inflows included income before income taxes and minority interests of ¥69.8 billion, while cash outflows included increase in notes and accounts receivable, trade of ¥29.6 billion and income taxes paid of ¥19.8 billion.
- In investing activities, there were purchase of marketable securities and increase in deposits as a factor for cash outflow. On the other hands, there were proceeds from sales of property, plant and equipment and shares of subsidiaries and affiliates as a factor for cash inflow. Consequently, net cash used in investing activities was ¥15.3 billion.
- Net cash used in financing activities was ¥22.3 billion, due in part to dividends paid.

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

There are no revisions to the consolidated operating results forecasts that were announced on October 21, 2014.

【Consolidated results forecasts for full-year of the current fiscal year (released on October 21, 2014)】

(millions of yen)

	Results in FY 2013	Forecasts for FY 2014	Increase/ Decrease	% change
Net sales	412,675	406,000	(6,675)	(1.6)
Operating income	59,119	60,000	881	1.5
Ordinary income	61,873	61,500	(373)	(0.6)
Net income	45,393	40,500	(4,893)	(10.8)

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

(1) Changes in accounting policies, changes in accounting estimates, and restatements

Concerning the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26 on May 17, 2012) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25 on May 17, 2012), the Company has applied the text in Paragraph 35 of the Accounting Standard for Retirement Benefits and the text in Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits from the first quarter of the fiscal year under review, revising its method of calculating retirement benefit obligations and prior service costs. The method of attributing expected benefit has been changed from a straight-line basis to a benefit formula basis. The bond period used as the basis for determining the discount rate has been changed from a method of referring to the average period to the expected date of payment for retirement benefits to one using a single weighted average discount rate for each expected retirement benefit payment period and expected retirement benefit payment amount.

Regarding the application of the Accounting Standard for Retirement Benefits, in accordance with the transitional treatment stipulated in paragraph 37, from the beginning of the first quarter of the fiscal year under review the amount of change resulting from the method of calculating retirement benefit obligations and prior service costs is added to or deducted from retained earnings.

As a result, net defined benefit asset decreased ¥11,830 million, net defined benefit liability increased ¥1,046 million, and retained earnings decreased ¥8,313 million at the beginning of the first quarter of the fiscal year under review. Furthermore, operating income, ordinary income, and income before income taxes for consolidated cumulative third quarter under review each increased ¥510 million.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of yen)

Year Accounts	As of March 31, 2014	As of December 31, 2014
	Amount	Amount
Assets		
Current assets		
Cash and time deposits	27,187	29,210
Notes and accounts receivable, trade	123,537	153,355
Marketable securities	106,470	118,640
Merchandise and finished goods	70,406	63,699
Work in process	998	873
Raw materials and supplies	22,296	22,159
Deposits	172,149	182,620
Deferred income taxes	8,153	8,259
Other	9,335	12,104
Less allowance for doubtful receivables	(39)	(47)
Total current assets	540,492	590,872
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	33,398	31,240
Machinery, equipment and vehicles, net	16,384	12,042
Tools, furniture and fixtures, net	6,017	5,377
Land	38,346	36,077
Leased equipment, net	542	646
Construction in progress	3,653	6,190
Total property, plant and equipment	98,340	91,572
Intangible fixed assets		
Goodwill	96,180	88,055
Software	3,891	4,350
Other	33,021	32,048
Total intangible fixed assets	133,092	124,453
Investments and other assets		
Investment in securities	71,583	69,048
Deferred income taxes	677	462
Net defined benefit asset	16,305	7,459
Other	25,989	27,827
Less allowance for doubtful receivables	(2)	(2)
Total investments and other assets	114,552	104,794
Total fixed assets	345,984	320,819
Total assets	886,476	911,691

(millions of yen)

Year Accounts	As of March 31, 2014	As of December 31, 2014
	Amount	Amount
Liabilities		
Current liabilities		
Notes and accounts payable, trade	33,986	31,353
Short-term debt	1,225	241
Current maturities of long-term debt	128	135
Accounts payable, other	16,773	19,461
Income taxes payable	10,161	11,954
Reserve for employees' bonuses	10,169	5,180
Other reserve	116	711
Other	9,279	18,323
Total current liabilities	81,837	87,358
Long-term liabilities		
Long-term debt, less current maturities	958	963
Deferred income taxes	13,356	9,999
Reserve for health management allowances for HIV compensation	1,576	1,576
Reserve for health management allowances for SMON compensation	2,976	2,660
Reserve for HCV litigation	2,634	2,224
Net defined benefit liability	2,146	2,871
Other	3,156	3,531
Total long-term liabilities	26,802	23,824
Total liabilities	108,639	111,182
Net assets		
Shareholders' equity		
Common stock	50,000	50,000
Capital surplus	451,186	451,186
Retained earnings	266,575	284,117
Treasury stock, at cost	(490)	(492)
Total shareholders' equity	767,271	784,811
Accumulated other comprehensive income		
Unrealized holding gains (losses) on securities	8,747	9,534
Deferred (losses) gains on hedges	493	99
Translation adjustments	(2,399)	1,292
Remeasurements of defined benefit plans	(8,066)	(7,239)
Total accumulated other comprehensive income	(1,225)	3,686
Minority interests	11,791	12,012
Total net assets	777,837	800,509
Total liabilities and net assets	886,476	911,691

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

(millions of yen)

Year Accounts	April 1, 2013– December 31, 2013	April 1, 2014– December 31, 2014
	Amount	Amount
Net sales	323,210	319,777
Cost of sales	132,971	128,025
Gross profit	190,239	191,752
Selling, general and administrative expenses		
Advertising expenses	2,572	2,551
Sales promotion expenses	7,467	7,138
Salaries and allowances	24,938	24,830
Provision for bonuses	3,085	2,966
Retirement benefit expenses	2,247	979
Depreciation and amortization	1,068	1,251
Research and development expenses	51,381	48,085
Amortization of goodwill	7,868	8,095
Other	34,087	32,269
Total selling, general and administrative expenses	134,713	128,164
Operating income	55,526	63,588
Non-operating income		
Interest income	1,144	1,187
Dividend income	845	771
Equity in earning of affiliates	602	11
Foreign exchange income	1,680	77
Other	1,071	727
Total non-operating income	5,342	2,773
Non-operating expenses		
Interest expense	63	142
Donations	610	846
Other	2,414	1,285
Total non-operating expenses	3,087	2,273
Ordinary income	57,781	64,088
Extraordinary gain		
Gain on sales of property, plant and equipment	—	11,924
Gain on sales of investment in securities	—	1,069
Profit on arbitration award	11,011	—
Gain on step acquisitions	930	—
Gain on sales of shares of subsidiaries and affiliates	—	560
Total extraordinary income	11,941	13,553
Extraordinary loss		
Loss on impairment of fixed assets	1,355	965
Restructuring expenses	—	6,562
Loss on valuation of investment in securities	463	130
Other	87	108
Total extraordinary losses	1,905	7,765
Income before income taxes and minority interests	67,817	69,876
Income taxes—current	20,886	22,101
Income taxes—deferred	3,032	646
Total income taxes	23,918	22,747
Net income before minority interests	43,899	47,129
Minority interests	48	(1,165)
Net income	43,851	48,294

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

Year Accounts	April 1, 2013– December 31, 2013	April 1, 2014– December 31, 2014
	Amount	Amount
Net income before minority interests	43,899	47,129
Other comprehensive income		
Unrealized holding gains (losses) on securities	1,339	788
Deferred (losses) gains on hedges	(635)	(394)
Translation adjustments	3,088	3,960
Remeasurements of defined benefit plans, net of tax	—	791
Other comprehensive income (loss) of equity method companies attributable to the Company	19	24
Total other comprehensive income (loss)	3,811	5,169
Comprehensive income	47,710	52,298
Comprehensive income (loss) attributable to:		
Shareholders of the Company	47,402	53,205
Minority interests	308	(907)

(3) Consolidated Statements of Cash Flows

(millions of yen)

Accounts	Year	
	April 1, 2013– December 31, 2013	April 1, 2014– December 31, 2014
Cash flows from operating activities:		
Income before income taxes and minority interests	67,817	69,876
Depreciation and amortization	6,661	6,656
Loss on impairment of fixed assets	1,355	965
Amortization of goodwill	7,868	8,095
Increase (decrease) in accrued retirement benefits for employees	(893)	—
Decrease (increase) in prepaid pension expenses	1,798	—
Increase (decrease) in reserve for HCV litigation	(504)	(410)
Interest and dividend income	(1,989)	(1,958)
Loss (gain) on sale of property, plant and equipment	88	(11,786)
Restructuring expenses	—	6,562
Decrease (increase) in net defined benefit asset	—	(2,984)
Profit on arbitration award	(11,011)	—
Loss (gain) on sales of shares of subsidiaries and affiliates	—	(560)
Loss (gain) on step acquisitions	(930)	—
Loss (gain) on sale of investment in securities	—	(1,069)
Loss (gain) on valuation of investment in securities	463	130
Foreign exchange losses (gains)	(1,272)	(225)
Equity in (earnings) losses of affiliates	(602)	(11)
Decrease (increase) in notes and accounts receivable, trade	(16,499)	(29,621)
Decrease (increase) in inventories	1,161	6,286
Increase (decrease) in notes and accounts payable, trade	2,865	(2,839)
Increase (decrease) in accounts payable, other	1,151	1,116
Other, net	2,262	793
Subtotal	59,789	49,016
Interest and dividends received	2,059	1,908
Interest paid	(69)	(163)
Proceeds from arbitration award	12,208	—
Income taxes paid	(27,893)	(19,854)
Net cash provided by (used in) operating activities	46,094	30,907
Cash flows from investing activities:		
Purchase of marketable securities	(27,250)	(75,300)
Proceeds from sales and redemption of marketable securities	48,098	53,011
Increase in time deposits	(9,040)	(1,054)
Decrease in time deposits	3,897	4,753
Increase in deposits	(10,416)	(10,471)
Purchase of property, plant and equipment	(9,337)	(6,468)
Proceeds from sales of property, plant and equipment	98	11,070
Purchase of intangible fixed assets	(1,525)	(1,096)
Purchase of investment in securities	(1,252)	(198)
Purchase of investment in subsidiaries	(3,459)	—
Proceeds from sales and redemption of investment in securities	4,011	1,297
Proceeds from sales of shares of subsidiaries and affiliates	—	7,600
Purchase of investment in subsidiaries resulting in consolidation scope change	(17,897)	—
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	1,467
Other, net	(89)	41
Net cash provided by (used in) investing activities	(24,161)	(15,348)
Cash flows from financing activities:		
Increase (decrease) in short-term debt, net	70	(973)
Increase (decrease) in long-term debt	433	—
Proceeds from stock issuance to minority shareholders	581	1,698
Cash dividends paid	(22,439)	(22,439)
Cash dividends paid to minority shareholders	(31)	(570)
Other, net	(17)	(99)
Net cash provided by (used in) financing activities	(21,403)	(22,383)
Effect of exchange rate change on cash and cash equivalents	2,244	2,256
Net increase (decrease) in cash and cash equivalents	2,774	(4,568)
Cash and cash equivalents at beginning of the year	58,745	84,957
Cash and cash equivalents at end of the period	61,519	80,389

(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 FY2014

i. PL (Cumulative 3rd Quarter)

[Billion yen]

	Cumulative Q3/FY2014		Cumulative Q3/FY2013		Year-on-year		Comparison to forecasts		Notes [year-on-year comparison]
	Actual	Ratio to sales	Actual	Ratio to sales	Increase (Decrease)	Change	Forecasts for FY2014*1	Achieved	
Net sales	319.8	100.0	323.2	100.0	(3.4)	(1.1)	406.0	78.8	
Domestic	263.6	82.4	279.9	86.6	(16.4)	(5.9)	335.7	78.5	Average exchange rate Q3 FY2013: 1US \$ = ¥ 99.80 Q3 FY2014: 1US \$ = ¥ 107.75
Overseas	56.2	17.6	43.3	13.4	13.0	29.9	70.3	80.0	
Cost of sales	128.0	40.0	133.0	41.1	(4.9)	(3.7)	164.0	78.1	Improvement due to increase of royalty income, etc.
Gross profit	191.8	60.0	190.2	58.9	1.5	0.8	242.0	79.2	
SG&A expenses	128.2	40.1	134.7	41.7	(6.5)	(4.9)	182.0	70.4	
R&D expenses	48.1	15.0	51.4	15.9	(3.3)	(6.4)	72.5	66.3	
Non-R&D expenses	80.1	25.0	83.3	25.8	(3.3)	(3.9)	109.5	73.1	
Labor cost	34.8	10.9	36.2	11.2	(1.4)	(4.0)	46.2	75.3	Decrease in retirement benefit expenses, etc.
Amortization of goodwill	8.1	2.5	7.9	2.4	0.2	2.9	10.8	75.0	
Others	37.2	11.6	39.2	12.1	(2.0)	(5.2)	52.5	70.8	
Operating income	63.6	19.9	55.5	17.2	8.1	14.5	60.0	106.0	
Non-operating income	2.8		5.3		(2.6)				
Interest income	1.2		1.1		0.0				
Dividend income	0.8		0.8		(0.1)				
Equity in earnings of affiliates	0.0		0.6		(0.6)				Decrease due to sales of shares of API Corporation, etc.
Foreign exchange gain	0.1		1.7		(1.6)				
Others	0.7		1.1		(0.3)				
Non-operating expenses	2.3		3.1		(0.8)				
Interest income	0.1		0.1		0.1				
Donations	0.8		0.6		0.2				
Others	1.3		2.4		(1.1)				
Ordinary income	64.1	20.0	57.8	17.9	6.3	10.9	61.5	104.2	
Extraordinarily income	13.6		11.9		1.6				
Gain on sales of property, plant and equipment	11.9		-		11.9				Gain on sale of a vacant lot of the former Nihonbashi building
Gain on sales of investments in securities	1.1		-		1.1				
Gain on sales of shares of subsidiaries and affiliates	0.6		-		0.6				Gain on sales of shares of API Corporation and CMIC CMO, Ashikaga
Profit on arbitration award	-		11.0		(11.0)				FY2013: Reimbursement as the overpayment caused by the arbitration award of Remicade, etc.
Profit on step acquisitions	-		0.9		(0.9)				FY2013: Gain on market value of stock holdings accompanied with acquisition of Medicago's stocks
Extraordinary losses	7.8		1.9		5.9				
Restructuring expenses	6.6		-		6.6				Loss on transfer of Kashima plant, withdrawal of the operation at Mitsubishi Pharma (Guangzhou) and remove of head office and Kashima office, etc.
Impairment loss	1.0		1.4		(0.4)				FY2014: Toda dormitory, etc. FY2013: Yoshitomi research office, etc.
Loss on valuation of investment in securities	0.1		0.5		(0.3)				
Others	0.1		0.1		0.0				
Net income	48.3	15.1	43.9	13.6	4.4	10.1	40.5	119.2	
Total labor cost	59.9	18.7	63.3	19.6	(3.5)	(5.5)	80.0	74.9	

*1: Published forecasts announced on October 29, 2014 in the financial results of Q2 FY2014.

ii Sales of Main Products (Cumulative 3rd Quarter)

[Billion yen]

	Q3/FY2014 Apr.-Dec.	Y-on-Y			Comparison to Forecasts	
		Q3/FY2013 Apr.-Dec.	Increase (Decrease)	Change %	Full-year forecasts ^{*1}	Achieved %
Ethical drugs	316.3	318.8	(2.5)	(0.8)	401.3	78.8
Ethical drugs domestic sales	252.0	271.5	(19.5)	(7.2)	322.5	78.1
Remicade	54.5	60.9	(6.4)	(10.5)	70.3	77.5
Talion	10.3	9.5	0.8	8.8	16.4	63.1
Ceredist	12.3	14.2	(1.9)	(13.5)	15.4	79.6
Maintate	10.9	12.2	(1.2)	(9.9)	14.5	75.8
Simponi	8.0	7.2	0.7	10.2	11.5	69.0
Venoglobulin IH	9.1	9.0	0.1	1.5	11.5	79.9
Kremezin	8.2	9.9	(1.7)	(17.0)	10.5	78.3
Urso	7.8	9.9	(2.1)	(21.3)	9.9	78.8
Anplag	6.6	9.0	(2.4)	(27.0)	8.4	78.9
Depas	6.3	7.7	(1.4)	(18.1)	8.1	77.5
Lexapro	6.1	4.7	1.4	30.2	8.0	76.7
Radicut	5.9	8.9	(3.0)	(33.7)	7.2	81.8
Tenelia	4.6	0.5	4.0	748.6	6.5	70.7
Herbesser	4.3	5.5	(1.1)	(20.8)	5.5	78.5
Tanatril	3.7	5.0	(1.3)	(26.2)	4.6	79.4
BIKEN Products [Vaccine]	25.9	23.6	2.3	9.8	28.2	91.7
Influenza	8.2	7.7	0.6	7.4	7.6	108.4
Tetrabik	5.7	4.6	1.1	24.7	7.1	80.5
Varicella vaccine	5.4	2.6	2.8	106.3	5.2	103.6
Tanabe Seiyaku Hanbai Products ^{*2}	10.3	10.8	(0.5)	(4.4)	13.7	75.5
Ethical drugs overseas sales	16.8	16.3	0.4	2.7	22.0	76.5
Herbesser	4.9	4.2	0.7	16.3	6.0	81.6
Argatroban (Novastan)	1.7	2.0	(0.3)	(13.8)	2.2	78.1
Tanatril	1.4	1.3	0.1	7.0	2.1	68.5
Contracted manufacturing products ^{*3}	2.6	4.3	(1.7)	(40.3)	3.3	78.0
Royalty income, etc.	44.9	26.6	18.3	68.9	53.6	83.8
Royalty from Gilenya	32.5	23.6	8.9	37.8	Undisclosed	-
Royalty from INVOKANA ^{*4}	6.1	Undisclosed	-	-	Undisclosed	-
OTC products	3.2	3.5	(0.3)	(9.7)	4.3	74.2
Total sales	319.8	323.2	(3.4)	(1.1)	406.0	78.8

*1: Published forecasts announced on October 29, 2014 in the financial results of Q2 FY2014.

*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 others ordered by other companies

*4: Including combination drugs

iii. Sales of Main Products (3rd Quarter)

[Billion yen]

	Q3/FY2014 Oct.-Dec.	Y-on-Y			Comparison to Forecasts	
		Q3/FY2013 Oct.-Dec.	Increase (Decrease)	Change %	2nd half forecasts *1	Achieved %
Ethical drugs	119.8	119.1	0.7	0.5	204.8	58.5
Ethical drugs domestic sales	96.8	100.5	(3.7)	(3.7)	167.3	57.9
Remicade	19.3	21.9	(2.6)	(11.9)	35.1	54.9
Talion	4.3	4.4	(0.1)	(2.7)	10.3	41.3
Ceredist	4.4	5.0	(0.7)	(13.4)	7.5	58.2
Maintate	3.8	4.4	(0.6)	(14.3)	7.3	52.0
Simponi	2.9	2.8	0.1	4.5	6.5	44.9
Venoglobulin IH	3.5	3.4	0.1	3.7	5.8	60.3
Kremezin	2.8	3.5	(0.7)	(20.0)	5.1	55.3
Urso	2.7	3.5	(0.8)	(23.0)	4.8	56.3
Anplag	2.2	3.2	(0.9)	(29.2)	4.0	55.9
Depas	2.2	2.7	(0.5)	(18.8)	4.0	54.6
Lexapro	2.7	2.3	0.4	19.6	4.6	59.4
Radicut	2.1	3.2	(1.1)	(33.8)	3.4	61.6
Tenelia	1.9	0.5	1.4	275.6	3.8	50.2
Herbesser	1.5	1.9	(0.4)	(22.2)	2.7	55.9
Tanatril	1.2	1.8	(0.5)	(28.7)	2.2	56.8
BIKEN Products [Vaccine]	14.8	9.6	5.2	54.3	17.1	86.4
Influenza	7.3	6.5	0.8	12.1	6.7	109.5
Tetrabik	2.1	1.2	1.0	83.0	3.5	60.7
Varicella vaccine	3.5	0.7	2.8	404.2	3.3	105.7
Tanabe Seiyaku Hanbai Products *2	3.9	4.1	(0.2)	(5.7)	7.3	53.7
Ethical drugs overseas sales	5.5	5.9	(0.5)	(7.8)	10.6	51.4
Herbesser	1.4	1.5	0.0	(0.5)	2.6	56.6
Argatroban (Novastan)	0.5	0.7	(0.2)	(27.3)	1.0	49.8
Tanatril	0.4	0.5	(0.1)	(18.9)	1.1	37.8
Contracted manufacturing products *3	0.5	1.4	(0.9)	(63.5)	1.2	41.1
Royalty income, etc.	17.0	11.3	5.7	50.9	25.7	66.2
Royalty from Gilenya	13.7	9.5	4.2	43.5	Undisclosed	-
OTC products	1.0	1.1	(0.1)	(8.4)	2.1	47.4
Total sales	120.9	120.4	0.5	0.4	207.1	58.4

*1: Published forecasts announced on October 29, 2014 in the financial results of Q2 FY2014.

*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 others ordered by other companies.

iv. Quarterly Trend (Profit and Loss)

[Billion yen]

	FY2013					FY2014			
	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Q4 Jan. to Mar.	Full-year actual	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Full-year forecasts
Net sales	103.9 25.2%	98.9 24.0%	120.4 29.2%	89.5 21.7%	412.7 100.0%	94.6 23.3%	104.3 25.7%	120.9 29.8%	406.0 100.0%
Domestic	91.4 25.9%	85.3 24.1%	103.3 29.2%	73.4 20.8%	353.3 100.0%	79.8 23.8%	85.3 25.4%	98.6 29.4%	335.7 100.0%
Overseas	12.5 21.0%	13.7 23.0%	17.1 28.8%	16.1 27.1%	59.4 100.0%	14.8 21.1%	19.1 27.1%	22.3 31.8%	70.3 100.0%
Cost of sales	43.5	38.9	50.6	36.4	169.4	39.2	39.0	49.8	164.0
Sales cost ratio	41.9%	39.3%	42.0%	40.7%	41.0%	41.4%	37.4%	41.2%	40.4%
Gross operating profit	60.4 24.8%	60.0 24.7%	69.8 28.7%	53.1 21.8%	243.3 100.0%	55.4 22.9%	65.3 27.0%	71.0 29.4%	242.0 100.0%
SG&A expenses	44.2 24.0%	45.8 24.9%	44.8 24.3%	49.5 26.9%	184.2 100.0%	41.7 22.9%	44.1 24.2%	42.4 23.3%	182.0 100.0%
R&D expenses	17.6 24.9%	16.7 23.8%	17.1 24.3%	19.0 27.0%	70.4 100.0%	16.3 22.5%	15.6 21.5%	16.2 22.3%	72.5 100.0%
Non-R&D expenses	26.6 23.4%	29.1 25.6%	27.7 24.3%	30.5 26.8%	113.8 100.0%	25.3 23.1%	28.5 26.0%	26.3 24.0%	109.5 100.0%
Labor costs	11.9 24.5%	12.0 24.8%	12.4 25.6%	12.1 25.1%	48.4 100.0%	11.1 24.0%	11.9 25.8%	11.8 25.5%	46.2 100.0%
Amortization of goodwill	2.6 24.5%	2.7 25.0%	2.6 24.5%	2.8 26.0%	10.6 100.0%	2.7 25.0%	2.7 25.0%	2.7 25.0%	10.8 100.0%
Others	12.1 22.2%	14.4 26.3%	12.7 23.1%	15.6 28.4%	54.8 100.0%	11.5 22.0%	13.9 26.4%	11.8 22.4%	52.5 100.0%
Operating income	16.2 27.5%	14.2 24.1%	25.1 42.4%	3.6 6.1%	59.1 100.0%	13.7 22.8%	21.3 35.5%	28.6 47.7%	60.0 100.0%
Ordinary income	17.1 27.6%	15.1 24.5%	25.6 41.3%	4.1 6.6%	61.9 100.0%	14.6 23.7%	20.9 34.0%	28.6 46.6%	61.5 100.0%
Net income	10.4 22.9%	18.1 39.9%	15.3 33.7%	1.5 3.4%	45.4 100.0%	9.6 23.7%	22.9 56.6%	15.8 39.0%	40.5 100.0%

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

v. Quarterly Trend (Sales of Main Products)

[Billion yen]

	FY2013					FY2014			
	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Q4 Jan. to Mar.	Full-year actual	Q1 Apr. to Jun.	Q2 Jul. to Sep.	Q3 Oct. to Dec.	Full-year forecasts
Ethical drugs	102.3 25.1%	97.3 23.9%	119.1 29.3%	88.4 21.7%	407.2 100.0%	93.2 23.2%	103.3 25.7%	119.8 29.8%	401.3 100.0%
Ethical drugs domestic sales	88.5 25.9%	82.4 24.1%	100.5 29.4%	70.2 20.5%	341.7 100.0%	77.5 24.0%	77.7 24.1%	96.8 30.0%	322.5 100.0%
Remicade	19.2 25.1%	19.9 26.0%	21.9 28.7%	15.4 20.2%	76.3 100.0%	17.3 24.7%	17.9 25.4%	19.3 27.4%	70.3 100.0%
Talion	2.7 19.9%	2.4 17.5%	4.4 31.9%	4.2 30.7%	13.7 100.0%	3.3 19.8%	2.8 17.3%	4.3 25.9%	16.4 100.0%
Ceredist	4.7 26.5%	4.4 24.9%	5.0 28.4%	3.6 20.2%	17.8 100.0%	4.1 26.9%	3.8 24.4%	4.4 28.4%	15.4 100.0%
Maintate	4.0 25.7%	3.8 24.3%	4.4 28.6%	3.3 21.4%	15.5 100.0%	3.8 26.1%	3.4 23.4%	3.8 26.3%	14.5 100.0%
Simponi	2.1 22.1%	2.4 25.2%	2.8 29.8%	2.1 22.9%	9.4 100.0%	2.5 21.3%	2.6 22.3%	2.9 25.3%	11.5 100.0%
Venoglobulin IH	2.9 26.2%	2.7 24.6%	3.4 30.3%	2.1 18.9%	11.1 100.0%	2.8 24.7%	2.8 24.7%	3.5 30.5%	11.5 100.0%
Kremezin	3.2 25.8%	3.2 25.2%	3.5 28.1%	2.6 20.9%	12.6 100.0%	2.8 26.6%	2.6 24.9%	2.8 26.8%	10.5 100.0%
Urso	3.3 26.5%	3.1 25.0%	3.5 28.2%	2.5 20.3%	12.4 100.0%	2.7 27.0%	2.4 24.4%	2.7 27.3%	9.9 100.0%
Anplag	3.1 27.7%	2.8 24.9%	3.2 28.3%	2.1 19.1%	11.2 100.0%	2.4 28.4%	2.0 23.7%	2.2 26.7%	8.4 100.0%
Depas	2.6 26.1%	2.4 24.7%	2.7 27.4%	2.1 21.8%	9.8 100.0%	2.1 25.8%	2.0 24.8%	2.2 27.0%	8.1 100.0%
Lexapro	1.0 15.9%	1.4 21.8%	2.3 35.4%	1.7 26.9%	6.5 100.0%	1.7 21.0%	1.7 21.6%	2.7 34.1%	8.0 100.0%
Radicut	3.0 27.1%	2.7 25.1%	3.2 28.9%	2.1 18.9%	10.9 100.0%	2.0 27.4%	1.8 25.4%	2.1 29.1%	7.2 100.0%
Tenelia	0.0 0.1%	0.0 3.8%	0.5 64.0%	0.3 32.1%	0.8 100.0%	1.1 17.3%	1.6 24.0%	1.9 29.5%	6.5 100.0%
Herbesser	1.9 26.9%	1.7 24.7%	1.9 28.2%	1.4 20.2%	6.9 100.0%	1.5 27.0%	1.3 24.2%	1.5 27.2%	5.5 100.0%
Tanatril	1.7 27.4%	1.5 24.6%	1.8 28.4%	1.2 19.6%	6.2 100.0%	1.3 28.0%	1.1 24.3%	1.2 27.1%	4.6 100.0%
BIKEN products (vaccines)	8.8 30.9%	5.2 18.3%	9.6 33.7%	4.9 17.1%	28.4 100.0%	4.9 17.4%	6.2 21.9%	14.8 52.4%	28.2 100.0%
Influenza	(0.1) (0.7%)	1.2 16.2%	6.5 90.6%	(0.4) (6.1%)	7.2 100.0%	(0.1) (0.7%)	0.9 12.4%	7.3 96.7%	7.6 100.0%
Tetrabik	2.9 43.1%	0.5 7.5%	1.2 17.3%	2.2 32.2%	6.7 100.0%	1.8 25.2%	1.8 25.3%	2.1 30.1%	7.1 100.0%
Varicella vaccine	1.0 28.9%	0.9 25.0%	0.7 19.3%	1.0 26.8%	3.6 100.0%	0.6 11.9%	1.3 24.9%	3.5 66.8%	5.2 100.0%
Tanabe Seiyaku Hanbai products *1	3.5 25.0%	3.2 22.5%	4.1 29.4%	3.2 23.1%	14.1 100.0%	3.4 24.7%	3.1 22.4%	3.9 28.4%	13.7 100.0%
Ethical drugs overseas sales	5.1 23.3%	5.3 24.1%	5.9 26.9%	5.7 25.8%	22.0 100.0%	5.3 24.1%	6.0 27.5%	5.5 24.9%	22.0 100.0%
Herbesser	1.5 25.3%	1.3 22.6%	1.5 25.1%	1.6 26.9%	5.8 100.0%	1.6 26.3%	1.9 31.3%	1.4 24.0%	6.0 100.0%
Argatroban (Novastan)	0.7 24.8%	0.7 26.3%	0.7 25.3%	0.6 23.7%	2.7 100.0%	0.7 31.0%	0.6 25.3%	0.5 21.8%	2.2 100.0%
Tanatril	0.5 25.8%	0.4 20.8%	0.5 27.2%	0.5 26.3%	1.8 100.0%	0.5 21.7%	0.6 27.6%	0.4 19.1%	2.1 100.0%
Contracted manufacturing products *2	1.5 25.9%	1.4 24.5%	1.4 24.0%	1.5 25.6%	5.8 100.0%	0.9 27.5%	1.2 35.2%	0.5 15.4%	3.3 100.0%
Royalty income, etc.	7.1 18.9%	8.2 21.8%	11.3 30.0%	11.0 29.3%	37.6 100.0%	9.5 17.7%	18.4 34.3%	17.0 31.8%	53.6 100.0%
Royalty from Gilenya	6.5 20.1%	7.6 23.6%	9.5 29.6%	8.6 26.6%	32.2 100.0%	7.7 -	11.1 -	13.7 -	Undisclosed -
OTC products	1.1 25.5%	1.3 29.0%	1.1 24.4%	0.9 21.1%	4.5 100.0%	1.2 28.3%	1.0 22.6%	1.0 23.3%	4.3 100.0%
Total sales	103.9 25.2%	98.9 24.0%	120.4 29.2%	89.5 21.7%	412.7 100.0%	94.6 23.3%	104.3 25.7%	120.9 29.8%	406.0 100.0%

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: Active pharmaceutical ingredients and others ordered by other companies.

(2) State of New Product Development (As of February 2, 2015)

i. New Drugs

Development code (Generic name)	Category (Indications)	Region	Stage	Origin
MT-4666	α 7nACh receptor agonist (Dementia of Alzheimer's type)	Global clinical trial*	Phase 3	US: FORUM Pharmaceuticals
MT-2412 (Teneligliptin, Canagliflozin)	Fixed-dose combination of DPP-4 inhibitor and SGLT2 inhibitor (Type 2 diabetes mellitus)	Japan	Phase 3	In-house
MP-214 (Cariprazine)	Dopamine D3/D2 receptor partial agonist (Schizophrenia)	Japan	Phase 2b/3	Hungary: Gedeon Richter
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	
		US	Phase 1	
MT-1303	S1P receptor functional antagonist (Multiple sclerosis)	Europe	Phase 2	In-house
	(Psoriasis)	Europe	Phase 2	
	(Inflammatory diseases, Autoimmune diseases)	Japan, Europe, US	Phase 1	
MT-2301	Haemophilus influenza type b (Hib) vaccine (Prophylaxis of Pediatric Hib infection)	Japan	Phase 2	US: Nuron Biotech
Influenza vaccine	Plant-based VLP vaccine (Prophylaxis of H5N1 influenza)	Canada	Phase 2	In-house
Influenza vaccine	Plant-based VLP vaccine (Prophylaxis of seasonal influenza)	US, Canada	Phase 2	In-house
Influenza vaccine	Plant-based VLP vaccine (Prophylaxis of H7N9 influenza)	Canada	Phase 1	In-house
MP-424 (Telaprevir)	NS3-4A protease inhibitor (Chronic hepatitis C)	Korea	Phase 1	US: Vertex Pharmaceuticals
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	Phase 1	In-house
MP-157	Angiotensin type 2 receptor agonist (Hypertension)	Europe	Phase 1	In-house
MT-0814	CC chemokine receptor 3 antagonist (Age-related macular degeneration)	Japan	Phase 1	In-house

*: Co-developed with FORUM Pharmaceuticals.

ii. Additional Indications

Product name (Generic name)	Category (Indications)	Region	Stage	Origin	Notes
Telavic (Telaprevir)	NS3-4A protease inhibitor (Chronic hepatitis C, [combination with Pegasys])	Japan	Phase 3	US:Vertex Pharmaceutic als	
	(Chronic hepatitis C, [combination with Feron])		Phase 3		
Talion (Bepotastine)	Selective histamine H1 receptor antagonist, anti- allergic agent (Pediatric allergic rhinitis)	Japan	sNDA filed (May, 2014)	Japan: Ube Industries	
	(Pediatric atopic dermatitis)		sNDA filed (May, 2014)		
Radicut (Edaravone)	Free radical scavenger (Amyotrophic lateral sclerosis*)	Japan	sNDA filed (Oct., 2014)	In-house	
Remicade (Infliximab [recombinant])	Anti-human TNF α monoclonal antibody (Behcet's disease with special lesions*)	Japan	sNDA filed (Oct., 2014)	US:Janssen Biotech	
	(Refractory Kawasaki disease*)		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)	Global clinical trial	Phase 3	In-house	Co-developed with Novartis Pharma in Japan, licensed to Novartis overseas
Tribik (Adsorbed diphtheria-purified pertussis-tetanus combined vaccine)	Vaccine (Prophylaxis of pertussis, diphtheria, and tetanus; Stage 2 vaccination)	Japan	Phase 3	Japan:The Research Foundation for Microbial Diseases of Osaka University	Co-developed with The Research Foundation for Microbial Diseases of Osaka University
Canaglu (Canagliflozin)	SGLT2 inhibitor (Diabetic nephropathy)	Global clinical trial	Phase 3	In-house	Sponsor: Janssen Research & Development, LLC
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, XR)	US	Phase 3	US: Janssen Pharmaceuticals, Inc
	(Diabetic nephropathy)	Global clinical trial	Phase 3	
FTY720 (Fingolimod)	S1P receptor functional antagonist (Chronic inflammatory demyelinating polyradiculoneuropathy)	Global clinical trial	Phase 3	Switzerland: Novartis (Co-developed with Novartis Pharma in Japan)
	(Primary progressive multiple sclerosis)	Global clinical trial	Phase 3	Switzerland: Novartis
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 (Masilukast)	Leukotriene D4 receptor antagonist (Asthma)	Korea	Phase 2	Korea: SAMA Pharma
TA-8995	CETP inhibitor (Dyslipidemia)	Netherlands, Danmark	Phase 2	Netherlands: DEZIMA Pharma
MT-4580	Ca sensing receptor agonist (Secondary hyperparathyroidism in hemodialysis patients)	Japan	Phase 2	Japan: Kyowa Hakko Kirin
MP-513 (Teneligliptin)	DPP-4 inhibitor (Type2 diabetes mellitus / fixed dose combination with metformin, XR)	Korea	NDA filed ^{*1}	Korea: Handok
sTU-199 (Tenatoprazole)	Proton pump inhibitor (Gastroesophageal reflux disease)	Europe	Phase 1	France: Negma/Sidem
Wf-516	SSRI / 5HT1A receptor antagonists (Depression)	Europe	Phase 1	US:Minerva Neuroscience
Y-803	Bromodomain inhibitor (Hematological cancer)	Europe, Canada	Phase 1	US: Merck ^{*2} (Development code: OTX015)
	(Solid cancer)	Europe, Canada	Phase 1	

*1 20mg/1000mg(teneligliptin/metformin), 10mg/750mg and 10mg/500mg were submitted in Oct., Nov., and Dec. 2014, respectively.

*2 Merck acquired OncoEthix, the licensee, in December 2014.

iv. Changes Since Previous Announcement on October 29, 2014

In-house Development

Product name (Generic name)	Category (Indications)	Region	As of October 29, 2014	As of February 2, 2015
Radicut (Edaravone)	Free radical scavenger (Amyotrophic lateral sclerosis ^{*1})	Japan	Phase 3	sNDA filed (Oct., 2014)
Remicade (Infliximab [recombinant])	Anti-human TNF α monoclonal antibody (Behcet's disease with special lesions ^{*1})	Japan	Phase 3	sNDA filed (Oct., 2014)

*1 Orphan drug designated

Licensing-out

Development code (Generic name)	Category (Indications)	Region	As of October 29, 2014	As of February 2, 2015
MP-513 (Teneligliptin)	DPP-4 inhibitor (Type2 diabetes mellitus / fixed dose combination with metformin, XR)	Korea	Phase 1	NDA filed ^{*2}
Y-803	Bromodomain inhibitor (Solid cancer)	Europe, Canada	None	Phase 1

*2 20mg/1000mg(teneligliptin/metformin), 10mg/750mg and 10mg/500mg were submitted in Oct., Nov., and Dec. 2014, respectively.