

Mitsubishi Tanabe Pharma Corporation

FY2010 Third Quarter

Business Results Outline

(April 1, 2010 – December 31, 2010)

January 28, 2011

Kenkichi Kosakai
Board Director
Managing Executive Officer
Head of Finance & Accounting
Department

Q3 FY2010 Financial Results

【April to December, 2010】



	FY2009	FY2010	Increase Decrease		Published forecasts	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Net sales	320.2	319.6	-0.7	-0.2	401.0	79.7
Cost of sales	116.8	122.4	+5.7	+4.8	154.0	79.5
Sales cost ratio	36.5%	38.3%				
SG&A	143.5	128.3	-15.2	-10.6	180.0	71.3
Operating income	60.0	68.9	+8.9	+14.9	67.0	102.8
Ordinary income	60.4	69.4	+9.0	+14.9	67.0	103.6
Net income	32.6	39.3	+6.6	+20.3	35.5	110.6

Published forecasts announced on Oct. 29, 2010 in the financial results for the 2nd Quarter FY2010

Sales by Business Segment

【Q3 FY2010 Financial Results, April to December, 2010】



	FY2009	FY2010	Increase Decrease		Published forecasts	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Net sales	320.2	319.6	-0.7	-0.2	401.0	79.7
[Overseas sales]	[19.9]	[19.6]	[-0.2]	[-1.2]	[27.5]	[71.4]
Pharmaceuticals	313.1	312.4	-0.7	-0.2	390.7	79.9
Ethical drugs domestic sales	282.3	282.7	+0.4	+0.1	350.7	80.6
Ethical drugs overseas sales	16.9	16.3	-0.6	-3.4	22.1	73.9
OTC	3.9	4.4	+0.5	+12.4	5.3	83.5
Others	9.9	8.9	-1.0	-10.2	12.6	70.7
Others	7.2	7.2	0.0	0.4	10.3	70.0

Ethical Drugs Domestic Sales of Main Products

【Q3 FY2010 Financial Results, April to December, 2010】



	FY2009	FY2010	Increase Decrease		Published forecasts	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Ethical drugs domestic sales	282.3	282.7	+0.4	+0.1	350.7	80.6
Remicade	35.9	46.7	+10.8	+29.9	60.7	76.9
Radicut	22.3	22.4	+0.1	+0.4	28.3	79.1
Anplag	15.3	13.0	-2.3	-14.9	16.0	81.5
Urso	13.1	12.0	-1.1	-8.2	15.0	79.8
Talion	7.2	8.3	+1.1	+16.0	12.6	66.1
Tanatril	9.2	7.7	-1.4	-15.7	9.3	83.3
Ceredist	13.5	14.1	+0.6	+4.2	17.8	79.2
Maintate	8.8	9.5	+0.7	+7.5	11.8	79.9
Depas	9.2	8.9	-0.3	-3.3	11.1	80.1
Herbesser	8.8	7.7	-1.0	-11.8	9.5	81.2
Vaccines	18.5	24.3	+5.8	+31.4	26.8	90.9
[Mearubik]	[8.9]	[9.0]	[+0.1]	[+1.4]	[11.8]	[76.3]
[Influenza]	[6.2]	[7.7]	[+1.5]	[+24.4]	[7.3]	[105.2]
[JEBIK V]	[1.4]	[5.4]	[+4.0]	[+287.7]	[4.7]	[113.9]

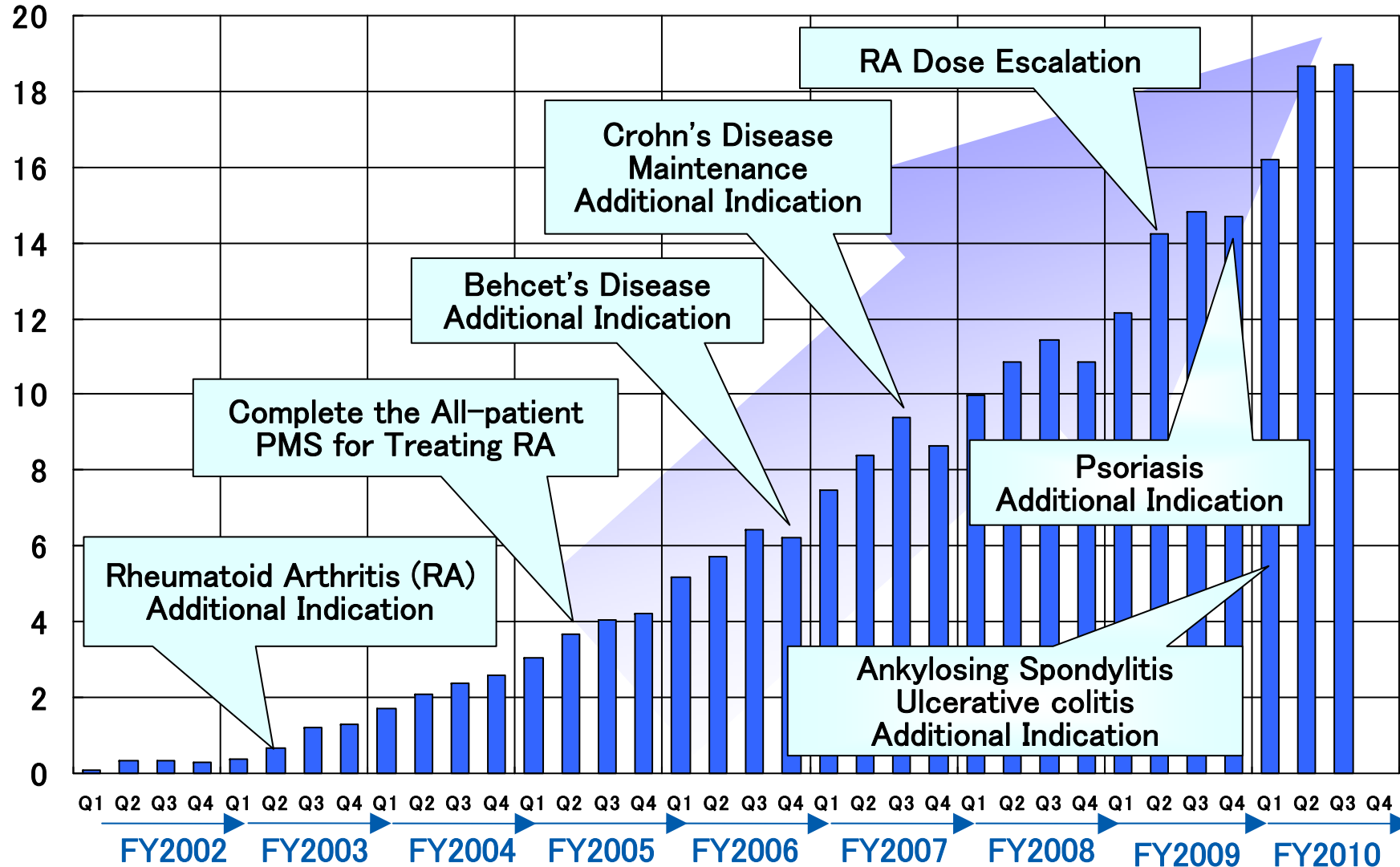
In FY2009, sales of H1N flu vaccine are not included in sales of vaccine and influenza vaccine.
Seasonal vaccine of this year is composed of H1N1 flu vaccine and other seeds.

Remicade Sales Trend (Drug Price Basis)

【Q3 FY2010 Financial Results】



Billion yen



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Cost of Sales/SG&A Expenses

【Q3 FY2010 Financial Results, April to December, 2010】



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	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Net sales	320.2	319.6	-0.7	-0.2	401.0	79.7
Cost of sales	116.8	122.4	+5.7	+4.8	154.0	79.5
Sales cost ratio	36.5%	38.3%				
SG&A	143.5	128.3	-15.2	-10.6	180.0	71.3
R&D expenses	61.1	47.6	-13.5	-22.1	70.0	68.0
Labor costs	39.3	38.2	-1.0	-2.7	51.0	75.0
Sales promotion expenses	8.6	8.1	-0.5	-5.7	11.8	68.3
Amortization of goodwill	7.6	7.6	0.0	+0.1	10.1	75.3
Others	27.0	26.7	-0.2	-0.8	37.1	72.1
Operating income	60.0	68.9	+8.9	+14.9	67.0	102.8

Non-operating Income and Expenses/ Extraordinary Income and Losses

【Q3 FY2010 Financial Results, April to December, 2010】



	FY2009	FY2010	Increase Decrease		Published forecasts	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Operating income	60.0	68.9	+8.9	+14.9	67.0	102.8
Non-operating income & expenses	0.4	0.5	+0.1	+22.1		
Ordinary income	60.4	69.4	+9.0	+14.9	67.0	103.6
Extraordinary income	0.1	0.6	+0.5		0.5	125.0
Extraordinary losses	6.3	6.4	+0.1		7.5	85.1
Loss on valuation of investment in securities	0.2	4.3	+4.0			
Loss related to business suspension	2.3	0.7	-1.5			
Special retirement expenses	–	0.4	+0.4			
Impairment loss	1.8	0.4	-1.5			
Loss on disposal of property, plant and equipment	–	0.4	+0.4			
Restructuring expenses	1.5	0.1	-1.3			
Net income	32.6	39.3	+6.6	+20.3	35.5	110.6

Status of New Product Development (1)

【Q3 FY2010 Financial Results, April to Dec, 2010】



【New Molecular Entities】

◆MP-424 (NS3-4A protease inhibitor)

Chronic hepatitis C

Filed in Japan (Jan. 2011)

◆FTY720 (Sphingosine-1-phosphate receptor modulator)

Multiple sclerosis*

Filed in Japan (Dec. 2010)

Approved in Switzerland and Australia
(Jan. 2011) by Novartis

【Additional Indication】

◆Remicade (Anti-TNF α monoclonal antibody)

Crohn's disease: dose escalation

Filed in Japan (Dec. 2010)

◆Venoglobulin IH (Human immunoglobulin G)

Myasthenia gravis*

Filed in Japan (Dec. 2010)

* : Orphan drug designated in Japan

Status of New Product Development (2)

【Q3 FY2010 Financial Results, April to Dec, 2010】



【Response to Unapproved or Off-Label Use of Ethical Drugs】

◆ Maintate (Selective β 1 antagonist)

Chronic heart failure

◆ AZANIN (Immunosuppressant)

Systemic vasculitis, systemic lupus erythematosus, polymyositis, dermatomyositis, scleroderma, mixed connective tissue disease, intractable rheumatic disease

◆ Anti-D Human Immunoglobulin

Suppression of immunization of the D(Rho) factor (post partum, treatment through pregnancy or for parturition, abdominal bruise etc., and pregnancy around 28 weeks)

Filed in Japan
based on the said
published evidence
(Nov. 2010)

【Other】

◆ Roflumilast (PDE4 inhibitor)

Asthma, COPD

Termination of Collaborative Development
with Nycomed

Cautionary Statement

The statements contained in this presentation is based on a number of assumptions and belief in light of the information currently available to management of the company and is subject to significant risks and uncertainties.