



Mitsubishi Tanabe Pharma

Mitsubishi Tanabe Pharma Corporation

FY2011 1st Quarter

Business Results

April – June, 2011

July 29, 2011

Kenkichi Kosakai

Boad Director, Managing Executive Officer



Q1 FY2011 Financial Results

| | FY2011 | FY2010 | Increase/ decrease | | Forecasts for 1 st half* | Achieved |
|------------------------|-------------|-------------|-----------------------|-------|--|----------|
| | Billion yen | Billion yen | Billion yen | % | Billion yen | % |
| Net sales | 102.2 | 108.7 | -6.5 | -6.0 | 199.0 | 51.4 |
| Cost of sales | 37.3 | 41.3 | -3.9 | -9.6 | 75.5 | 49.5 |
| Sales cost ratio | 36.5% | 38.0% | | | 37.9% | |
| Gross Operation Profit | 64.8 | 67.4 | -2.5 | -3.8 | 123.5 | 52.5 |
| SG & A | 42.1 | 40.8 | +1.2 | +3.2 | 91.5 | 46.1 |
| Operating income | 22.7 | 26.5 | -3.8 | -14.5 | 32.0 | 71.1 |
| Ordinary income | 22.9 | 26.7 | -3.8 | -14.2 | 32.0 | 71.8 |
| Net income | 11.4 | 14.6 | -3.2 | -22.1 | 16.5 | 69.2 |

*: Revised forecasts announced on Jul. 29, 2011



Sales by Business Segment

【 Q1 FY2011 Financial Results 】

| | FY2011 | FY2010 | Increase/ decrease | | Forecasts for 1 st half* | Achieved |
|---------------------------------|-------------|-------------|-----------------------|--------|--|----------|
| | Billion yen | Billion yen | Billion yen | % | Billion yen | % |
| Net sales | 102.2 | 108.7 | -6.5 | -6.0 | 199.0 | 51.4 |
| [Overseas sales] | (6.5) | (6.7) | (-0.1) | (-2.6) | (12.5) | (52.4) |
| Pharmaceuticals | 99.7 | 106.0 | -6.2 | -5.9 | 194.1 | 51.4 |
| Ethical drugs domestic sales | 89.7 | 96.0 | -6.3 | -6.6 | 176.5 | 50.9 |
| Ethical drugs overseas sales | 4.6 | 5.6 | -0.9 | -17.4 | 8.5 | 55.0 |
| OTC | 1.4 | 1.2 | +0.1 | +10.6 | 2.5 | 57.0 |
| Others | 3.8 | 2.9 | +0.9 | +31.6 | 6.5 | 59.8 |
| Other Businesses | 2.5 | 2.7 | -0.2 | -9.1 | 5.0 | 50.1 |

*: Revised forecasts announced on Jul. 29, 2011

Ethical Drugs Domestic Sales of Main Products



Mitsubishi Tanabe Pharma

【 Q1 FY2011 Financial Results 】

| | FY2011 | FY2010 | Increase/ decrease | | |
|------------------------------|-------------|-------------|--------------------|--------|---------|
| | Billion yen | Billion yen | Billion yen | % | |
| Ethical drugs domestic sales | 89.7 | 96.0 | -6.3 | -6.6 | |
| Remicade | 15.8 | 14.3 | +1.4 | +10.2 | |
| Radicut | 6.7 | 7.9 | -1.2 | -15.7 | |
| Ceredist | 4.6 | 4.8 | -0.1 | -3.3 | |
| Anplag | 4.0 | 4.5 | -0.4 | -9.3 | |
| Urso | 3.7 | 4.1 | -0.3 | -8.3 | |
| Maintate | 3.4 | 3.2 | +0.1 | +5.4 | |
| Talion | 3.0 | 2.6 | +0.4 | +15.0 | |
| Kremezin | 2.8 | - | +2.8 | - | |
| Depas | 2.8 | 3.0 | -0.2 | -9.1 | |
| Venoglobulin IH | 2.4 | 2.3 | 0 | +4.0 | |
| Herbesser | 2.3 | 2.7 | -0.3 | -13.7 | |
| Tanatril | 2.2 | 2.7 | -0.4 | -17.4 | |
| Vaccines | 7.0 | 7.7 | -0.7 | -9.1 | |
| | [Mearubik] | [4.1] | [4.9] | [-0.8] | [-16.6] |
| | [JEBIK V] | [2.0] | [1.7] | [+0.3] | [+17.8] |



Cost of Sales/SG&A Expenses

【 Q1 FY2011 Financial Results 】

| | FY2011 | FY2010 | Increase/ decrease | | Forecasts for 1 st half* | Achieved |
|--------------------------|-------------|-------------|-----------------------|-------|--|----------|
| | Billion yen | Billion yen | Billion yen | % | Billion yen | % |
| Net sales | 102.2 | 108.7 | -6.5 | -6.0 | 199.0 | 51.4 |
| Cost of sales | 37.3 | 41.3 | -3.9 | -9.6 | 75.5 | 49.5 |
| Sales cost ratio | 36.5% | 38.0% | | | 37.9% | |
| Gross Operatin Profit | 64.8 | 67.4 | -2.5 | -3.8 | 123.5 | 52.5 |
| SG&A | 42.1 | 40.8 | +1.2 | +3.2 | 91.5 | 46.1 |
| R&D expenses | 15.7 | 15.9 | -0.2 | -1.3 | 34.5 | 45.6 |
| Labor costs | 12.6 | 12.3 | +0.2 | +1.9 | 25.5 | 49.4 |
| Amortization of goodwill | 2.5 | 2.5 | 0 | 0.0 | 5.0 | 50.7 |
| Others | 11.2 | 10.0 | +1.2 | +12.6 | 26.5 | 42.6 |
| Operating income | 22.7 | 26.5 | -3.8 | -14.5 | 32.0 | 71.1 |

*: Revised forecasts announced on Jul. 29, 2011

Non-operating Income and Expenses/ Extraordinary Income and Losses



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【Q1 FY2011 Financial Results】

| | FY2011 | FY2010 | Increase/ decrease | | Forecasts for 1 st half* | Achieved |
|--|-------------|-------------|-----------------------|-------|--|----------|
| | Billion yen | Billion yen | Billion yen | % | Billion yen | % |
| Operating income | 22.7 | 26.5 | -3.8 | -14.5 | 32.0 | 71.1 |
| Non-operating income & expenses | 0.2 | 0.2 | 0 | | | |
| Ordinary income | 22.9 | 26.7 | -3.8 | -14.2 | 32.0 | 71.8 |
| Extraordinary losses | 3.1 | 2.4 | +0.7 | | 3.5 | 90.4 |
| Impairment loss | 2.9 | - | +2.9 | | | |
| Loss on valuation of investment in securities | - | 1.6 | -1.6 | | | |
| Others | 0.2 | 0.8 | -0.6 | | | |
| Net income | 11.4 | 14.6 | -3.2 | -22.1 | 16.5 | 69.2 |

*: Revised forecasts announced on Jul. 29, 2011

Revision of Forecasts for 1st Half of FY2011



| | Forecasts before revision* | Revised forecasts | Increase/decrease | |
|-------------------------------|----------------------------|-------------------|-------------------|--------------|
| | Billion yen | Billion yen | Billion yen | % |
| Net sales | 194.5 | 199.0 | +4.5 | +2.3 |
| Pharmaceuticals | 189.3 | 194.0 | +4.6 | +2.4 |
| Other Businesses | 5.1 | 5.0 | -0.1 | -2.3 |
| Cost of sales | 75.5 | 75.5 | - | - |
| Sales cost ratio | 38.8% | 37.9% | | |
| Gross Operation Profit | 119.0 | 123.5 | +4.5 | +3.8 |
| SG & A | 96.5 | 91.5 | -5.0 | -5.2 |
| R&D expenses | 36.0 | 34.5 | -1.5 | -4.2 |
| Labor costs | 25.6 | 25.5 | -0.1 | -0.4 |
| Amortization of goodwill | 5.1 | 5.0 | -0.1 | -2.0 |
| Others | 29.8 | 26.5 | -3.3 | -11.1 |
| Operating income | 22.5 | 32.0 | +9.5 | +42.2 |
| Ordinary income | 22.5 | 32.0 | +9.5 | +42.2 |
| Extraordinary income and loss | -0.5 | -3.5 | -3.0 | |
| Net income | 11.5 | 16.5 | +5.0 | +43.5 |

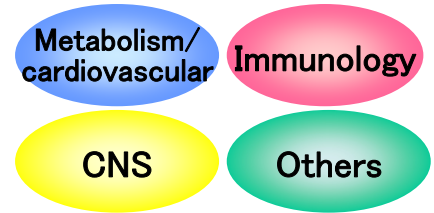
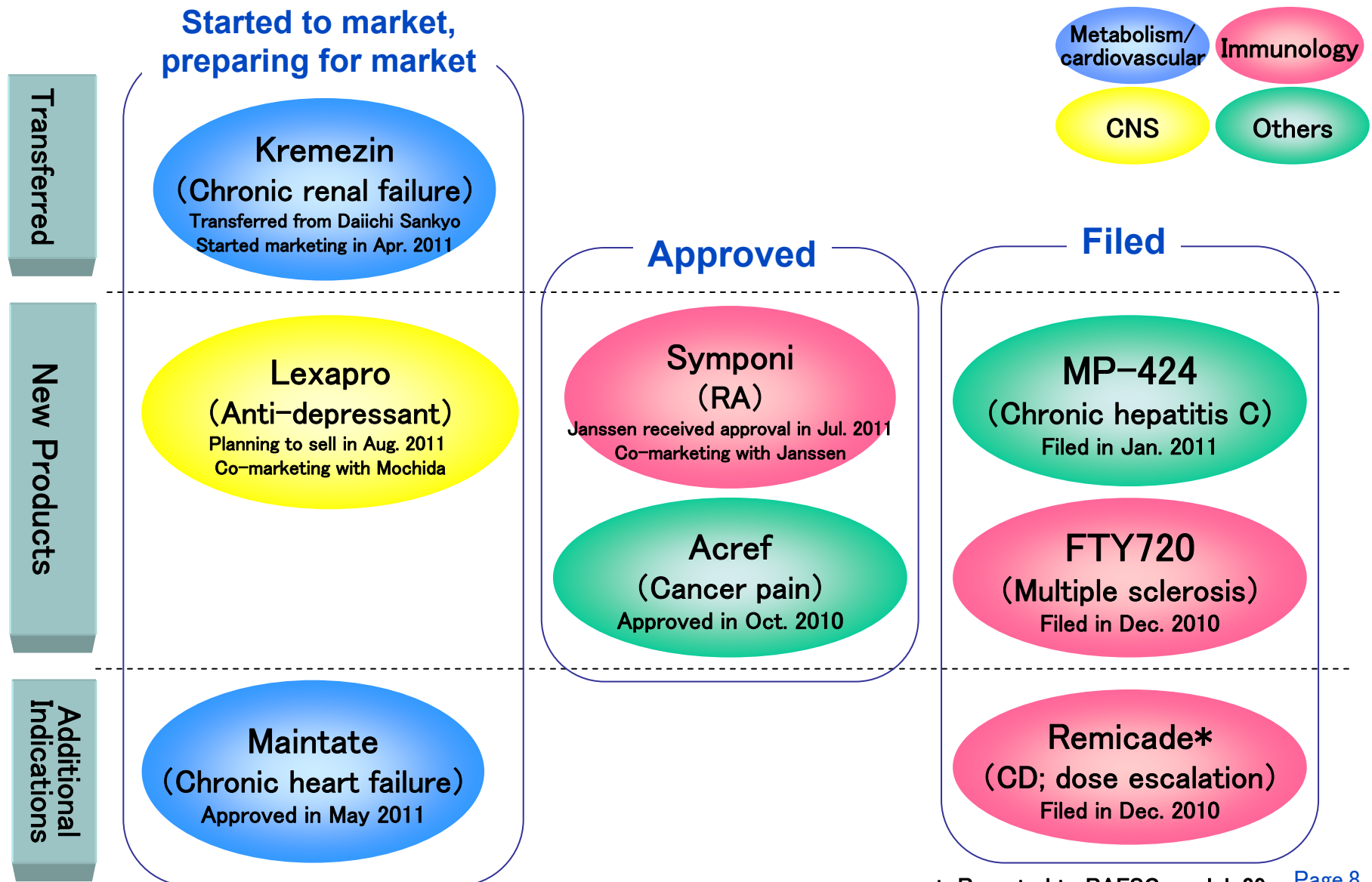
Revision of Forecasts for FY2011



| | Forecasts before revision* | Revised forecasts | Increase/decrease | | FY2010 actual |
|----------------------------------|-------------------------------|----------------------|-------------------|-------------|------------------|
| | Billion yen | Billion yen | Billion yen | % | Billion yen |
| Net sales | 403.0 | 405.0 | +2.0 | +0.5 | 409.5 |
| Pharmaceuticals | 392.9 | 395.5 | +2.5 | +0.6 | 400.2 |
| Other Businesses | 10.0 | 9.5 | -0.5 | -5.4 | 9.3 |
| Cost of sales | 150.5 | 150.0 | -0.5 | -0.3 | 154.5 |
| Sales cost ratio | 37.3% | 37.0% | | | 37.7% |
| Gross Operation Profit | 252.5 | 255.0 | +2.5 | +1.0 | 254.9 |
| SG & A | 189.5 | 187.0 | -2.5 | -1.3 | 178.3 |
| R&D expenses | 69.0 | 69.0 | - | - | 65.7 |
| Labor costs | 51.3 | 51.5 | +0.2 | +0.4 | 52.5 |
| Amortization of goodwill | 10.1 | 10.0 | -0.1 | -1.0 | 10.1 |
| Others | 59.1 | 56.5 | -2.6 | -4.4 | 49.9 |
| Operating income | 63.0 | 68.0 | +5.0 | +7.9 | 76.5 |
| Ordinary income | 63.0 | 68.0 | +5.0 | +7.9 | 76.6 |
| Extraordinary income and loss | -1.0 | -4.5 | -3.5 | | -12.5 |
| Net income | 35.5 | 37.5 | +2.0 | +5.6 | 37.7 |

*:Forecasts announced on May 10, 2011 in the financial results for FY2010

New Products expected in FY2011





New Molecular Entities

Own Development

◆ TA-7284 (SGLT2 inhibitor)

Type 2 diabetes mellitus

P3 in Japan (May 2011)

Co-development with Janssen

◆ CNTO148 (Anti-TNF α monoclonal antibody)

Rheumatoid arthritis

Approved in Japan

by Janssen Pharmaceutical

(Jul. 2011)

Product name: Simponi

Licensing-out to Vivus

◆ TA-1790 (PDE5 inhibitor)

Erectile dysfunction

Filed in US (Jun. 2011)



Additional Indications

◆ Novastan (Thrombin inhibitor)

Prevention of the blood clottingcoagulation in
under dialysis and percutaneous coronary intervention
in patients with heparin-induced thrombocytopenia [HIT] type II

Approved in Japan
(May 2011)

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 (SLE),
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)

Approved in Japan
(May 2011)

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.