

Mitsubishi Tanabe Pharma Corporation

FY2012 1st Quarter

Business Results

(April – June, 2012)

Kenkichi Kosakai

Board Director

Managing Executive Officer

July 31, 2012



Mitsubishi Tanabe Pharma

Q1 FY2012 Business Results Outline

(Ending March 31, 2013)

A decorative horizontal bar with a blue-to-teal gradient, starting as a solid blue bar on the left and fading into a light teal gradient on the right.

Q1 FY2012 Financial Results

【April to June, 2012】

New Value Creation



	FY2012	FY2011	Increase/decrease		Forecasts for 1 st half*	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Net sales	104.3	102.2	+2.1	+2.1	203.0	51.4
Cost of sales	40.6	37.3	+3.2	+8.8	76.5	53.1
Sales cost ratio	38.9%	36.5%			37.7%	
Gross operation profit	63.7	64.8	-1.1	-1.8	126.5	50.4
SG&A	44.9	42.1	+2.7	+6.5	98.5	45.6
Operating income	18.8	22.7	-3.9	-17.2	28.0	67.3
Ordinary income	19.6	22.9	-3.3	-14.6	28.0	70.1
Extraordinary income&loss	-0.8	-3.1	+2.3		-3.5	23.7
Net income	10.8	11.4	-0.5	-5.2	15.0	72.2

*: Published forecasts announced on May 8, 2012 in the financial results for FY2011.

Sales by Business Segment

[Q1 FY2012 Financial Results]

New Value Creation



	FY2012	FY2011	Increase/decrease		Forecasts for 1 st half	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Net sales	104.3	102.2	+2.1	+2.1	203.0	51.4
[Overseas sales]	[8.7]	[6.5]	[+2.2]	[+34.1]	[17.0]	[51.7]
Pharmaceuticals	101.9	99.7	+2.1	+2.2	199.5	51.1
Ethical drugs domestic sales	90.5	89.7	+0.7	+0.8	177.5	51.0
Ethical drugs overseas sales	4.5	4.6	-0.1	-2.8	9.5	47.9
OTC	1.3	1.4	0.0	-4.9	3.0	45.2
Others	5.4	3.8	+1.6	+41.4	9.5	57.9
Other Businesses	2.4	2.5	0.0	-1.5	3.5	70.5

Ethical Drugs Domestic Sales of Main Products

【Q1 FY2012 Financial Results】

New Value Creation



		FY2012	FY2011	Increase/decrease		Forecasts for 1 st half	Achieved
		Billion yen	Billion yen	Billion yen	%		%
Ethical drugs domestic sales		90.5	89.7	+0.7	+0.8	177.5	51.0
Priority products	Remicade	17.9	15.8	+2.1	+13.3	37.0	48.5
	Talion	3.0	3.0	0.0	-0.3	6.0	50.8
	Maintate	3.6	3.4	+0.2	+6.8	7.0	51.9
	Kremezin	3.1	2.8	+0.2	+10.0	6.0	52.2
New	Telavic	2.1	-	+2.1	-	3.5	61.4
	Lexapro	0.7	-	+0.7	-	2.0	37.6
	Simponi	1.0	-	+1.0	-	2.0	52.1
Vaccines		6.1	7.0	-0.9	-13.1	13.0	47.0
[Mearubik]		[3.3]	[4.1]	[-0.7]	[-19.2]	[6.0]	[56.1]
[JEBIK V]		[1.7]	[2.0]	[-0.3]	[-14.6]	[3.5]	[51.1]
Generics*		4.8	4.3	+0.4	+11.1	8.5	56.9
Licensing fee, etc		3.7	1.4	+2.3	+162.5	6.0	63.0

*: Generics and the long-listed drugs which were transferred from MTPC

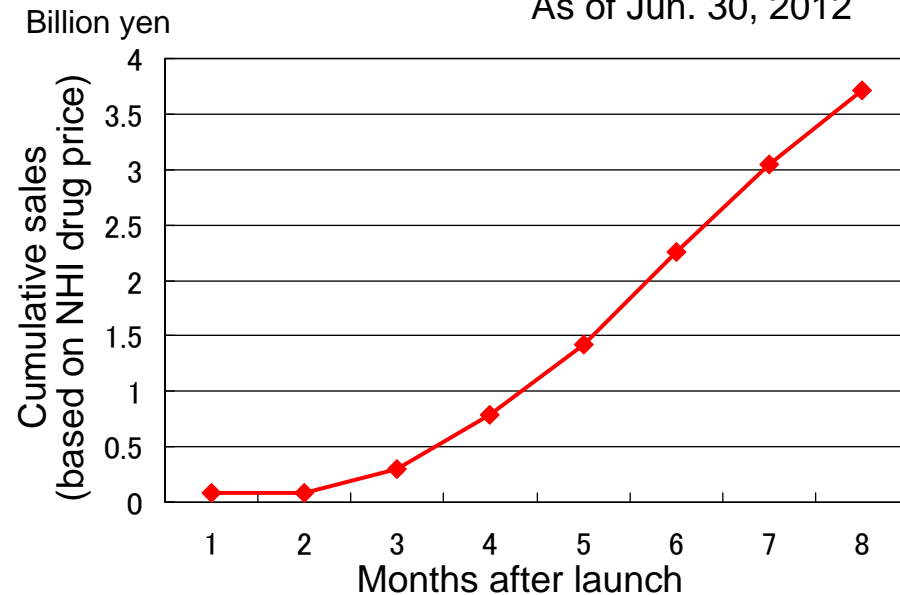
Trends of New Products (Telavic and Simponi)

■ Telavic (Chronic hepatitis C)

- Launch in Nov. 2011
- Thorough information provision for appropriate usage
- Steady progress in all-patient surveillance

No. of contracted institutions	No. of patient registrations
783	5,077

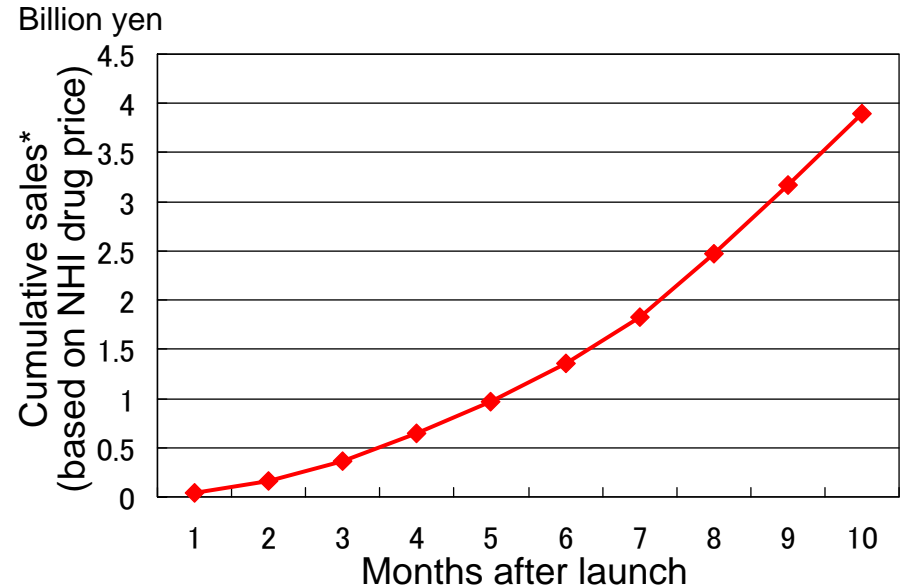
As of Jun. 30, 2012



■ Simponi (Rheumatoid arthritis)

- Launch in Sep. 2011 (Co-marketing with Janssen Pharmaceuticals)
- Good evaluation because of administration once four weeks, high efficacy, and treatment continuity
- Smooth market penetration compared with competitive products

*Total sales of MTPC and Janssen Pharmaceuticals



Cost of Sales/SG&A Expenses

New Value Creation



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Sales cost ratio	38.9%	36.5%			37.7%	
Gross operation profit	63.7	64.8	-1.1	-1.8	126.5	50.4
SG&A	44.9	42.1	+2.7	+6.5	98.5	45.6
R&D expenses	16.9	15.7	+1.1	+7.5	38.0	44.5
Labor cost	12.9	12.6	+0.3	+2.5	26.0	49.7
Amortization of goodwill	2.5	2.5	0.0	-0.1	5.0	50.6
Others	12.5	11.2	+1.2	+11.2	29.5	42.5
Operating income	18.8	22.7	-3.9	-17.2	28.0	67.3

Non-operating Income and Loss/ Extraordinary Income and Loss

【Q1 FY2012 Financial Results】

New Value Creation



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Non-operating income & loss	0.8	0.2	+0.5			
Ordinary income	19.6	22.9	-3.3	-14.6	28.0	70.1
Extraordinary income	0.2	-	+0.2		-	
Extraordinary loss	1.0	3.1	-2.1		3.5	29.5
Loss on valuation investments in securities	0.7	-	+0.7			
Impairment loss	0.1	2.9	-2.7			
Restructuring expenses	0.1	-	+0.1			
Others	-	0.2	-0.2			
Net income	10.8	11.4	-0.5	-5.2	15.0	72.2

Development Pipeline

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Status of New Product Development (1)

New Value Creation

【Main changes since previous announcement on May 8, 2012】



Approved

In-house developed

◆ **Tenelia** (MP-513/DPP-4 inhibitor)

Type 2 diabetes mellitus

Approved in Japan (June, 2012)

Co-developed with BIKEN (The Research Foundation for Microbial Diseases of Osaka University)

◆ **Tetrabik** (BK-4SP)

Pertussis-diphtheria-tetanus-inactivated polio (sabin strain) combined vaccine

Approved* in Japan (July, 2012)

*BIKEN received its approval.

Overseas progress

Licensing-out (Janssen Pharmaceuticals)

◆ **TA-7284** (SGLT2 inhibitor)

Type 2 diabetes mellitus

Filed in US (May, 2012)

Type 2 diabetes mellitus

Filed in EU (June, 2012)

Licensing-out (Handok Pharmaceuticals)

◆ **MP-513** (DPP-4 inhibitor)

Type 2 diabetes mellitus

P3 in Korea (July, 2012)

Progresses in clinical trials

In-house developed

- ◆ **MP-214** (D3/D2 receptor partial agonist)
Schizophrenia P2b/3 in Japan (May, 2012)

- ◆ **MT-1303** (Sphingosine-1-phosphate receptor functional antagonist)
Multiple sclerosis P1 in Japan (May, 2012)

- ◆ **Remicade** (Anti-human TNF α monoclonal antibody)
Additional indications:
Severe Kawasaki disease P3 in Japan (May, 2012)
Pediatric ulcerative colitis P3 in Japan (May, 2012)

New Value Creation

Becoming a “Company that Can Continue to Create New Value”

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.