Mitsubishi Tanabe Pharma Corporation
Information Meeting

Becoming a "Company that Can Continue to Provide New Value"

February 21, 2013

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President and
Representative Director

Mitsubishi Tanabe Pharma

Today's Topics

New Value Creation

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- Medium-Term Management Plan 11-15: Results in the First Two Years
- Initiatives Targeting Sustained Growth toward 2015: Issues for the Next Three Years
  - Growth strategies for Remicade and Simponi
  - Growth of Gilenya/Imusera
  - Taking on challenges in the diabetes area (Tenelia, TA-7284)
  - Strategy for nurturing new products / priority products (Lexapro, Talion, Telavic)
  - Promising pipeline (MT-1303, MP-214, MT-4666, MT-3995, MT-9938)
- Other Initiatives
  - Operational and Structural Reforms
  - Contributing to *KAITEKI* Society by orchestrating

Medium-Term Management Plan 11-15: Results in the First Two Years

Operating Environment in the Pharmaceutical Industry

Maturation of Medicine

- Increase in patients by the aging society
- Advances in medicine

→ Control of health care expenditures because of growth in health care spending

- Promotion of use of generics
- Revisions of NHI drug price and NHI drug system

Maturation of pharmaceutical market

- Intensifying competition among companies
- Increase in log-listed drugs
- Increase in R&D expenses due to the decline in development success rate

→ Decline in earning power

- Expansion of operational scale of companies by M&A and cooperation
- Selection and concentration on business activities

Medium-Term Management Plan 11-15
Success in These Two Years

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	Success to Date
Bolstering Our Ability to Discover New Drugs	◆ Launched 6 new drugs (Lexapro, Simponi, Telavic, Imusera, Tenelia, Tetrabik) ◆ Taking on challenges in diabetes field (Launch of Tenelia, strategic joint sales agreement with Daiichi Sankyo) ◆ Steadily implementing LCM (Remicade, Maintate, others)
Advancing Domestic Operations, Centered on New Drugs	◆ Progress in domestic and overseas development pipelines P3: TA-7284 (Japan), P2b/3: MP-214 (Japan) P2: MT-4666 (Japan), MT-9938 (US) , MT-3995 (Europe) In preparation for P2: MT-1303 (Europe)
Building a Foundation for the Expansion of Overseas Operations	◆ Progress in development by out-licensing partners Gilenya: Grow to blockbuster TA-7284: NDAs filed in Europe and US, approval recommended in US TA-1790: NDAs filed in Europe and US, approval received in US ◆ Progress with in-house development Argatroban: Launched in increasing number of markets (11 countries) MCI-196: Approved in Europe; Talion: Launched in China, Indonesia
Accelerating Operational and Structural Reforms	◆ Integrated plasma fractionation operations with the Japanese Red Cross Society ◆ Transferred fine chemical operations ◆ Outsourced logistics operations

FY2015 Numerical Targets

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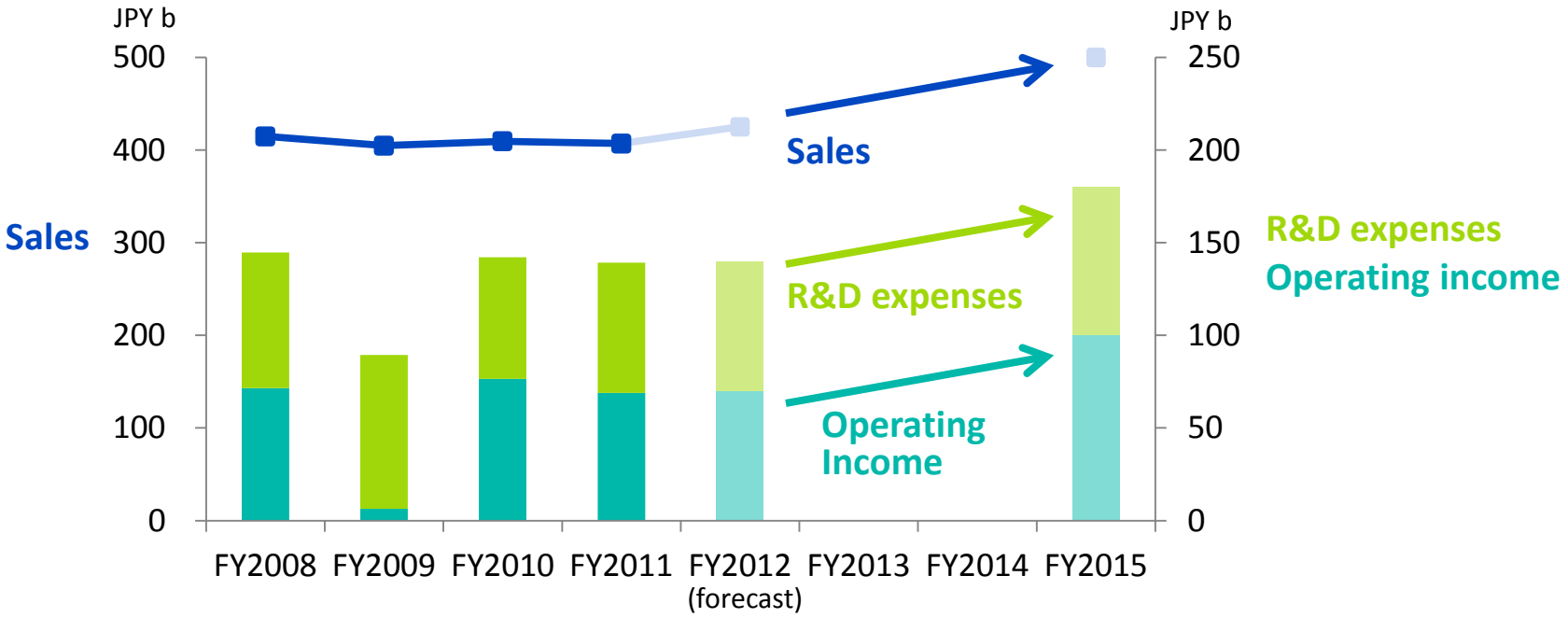
	FY2011 actual	FY2012 forecast	FY2015 objectives
Sales	¥ 407.1 billion	¥ 425.0 billion	¥ 500.0 billion
Operating income	¥ 69.0 billion	¥ 70.0 billion	¥ 100.0 billion
Overseas sales ratio	7.0%	9.6%	15% +



Initiatives Targeting Sustained Growth toward 2015:
Issues for the Next Three Years

For the patients –the improvements of health and treatment satisfaction-

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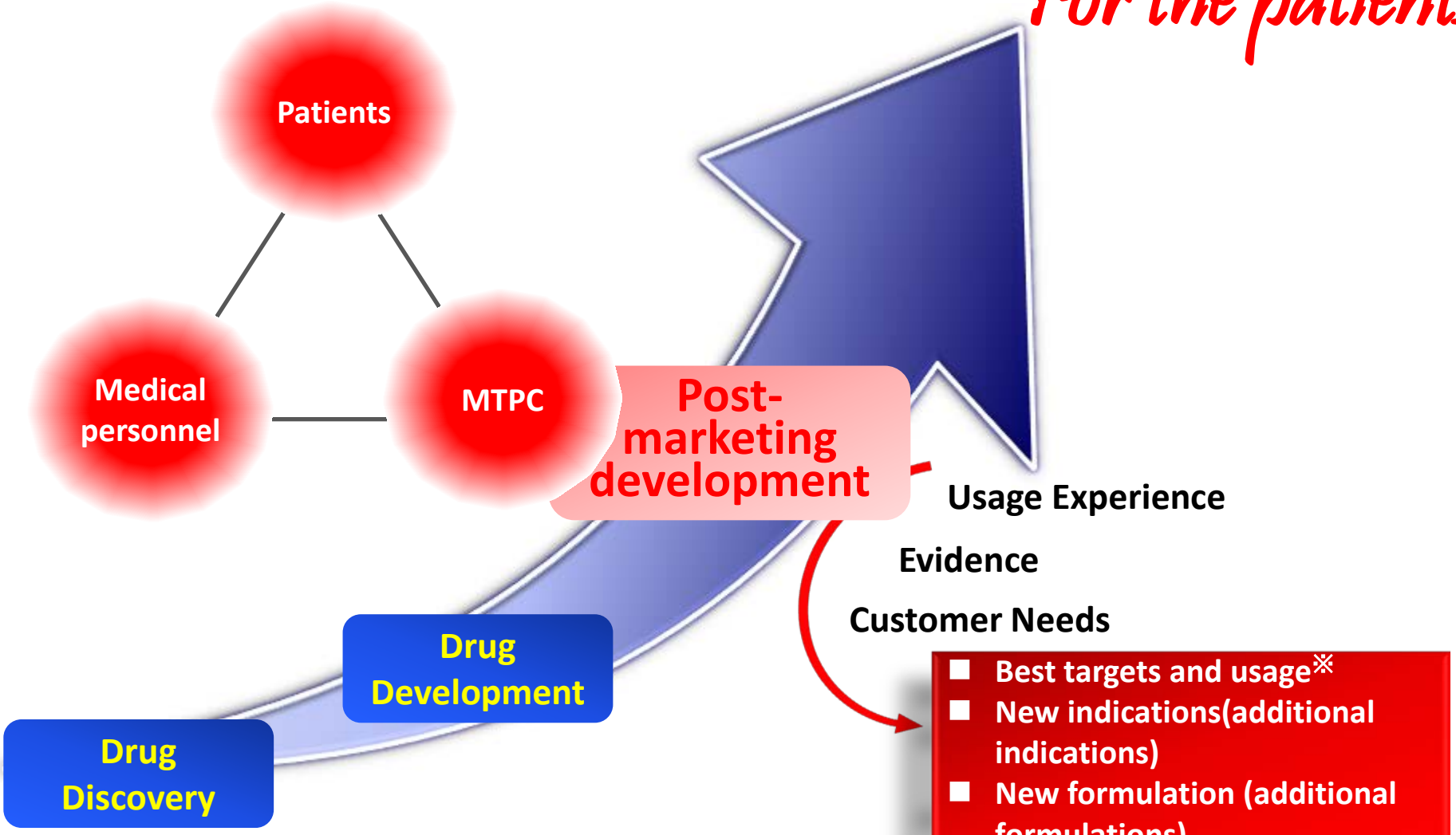
For the patients



Future Marketing Strategy that Reflects System Reforms

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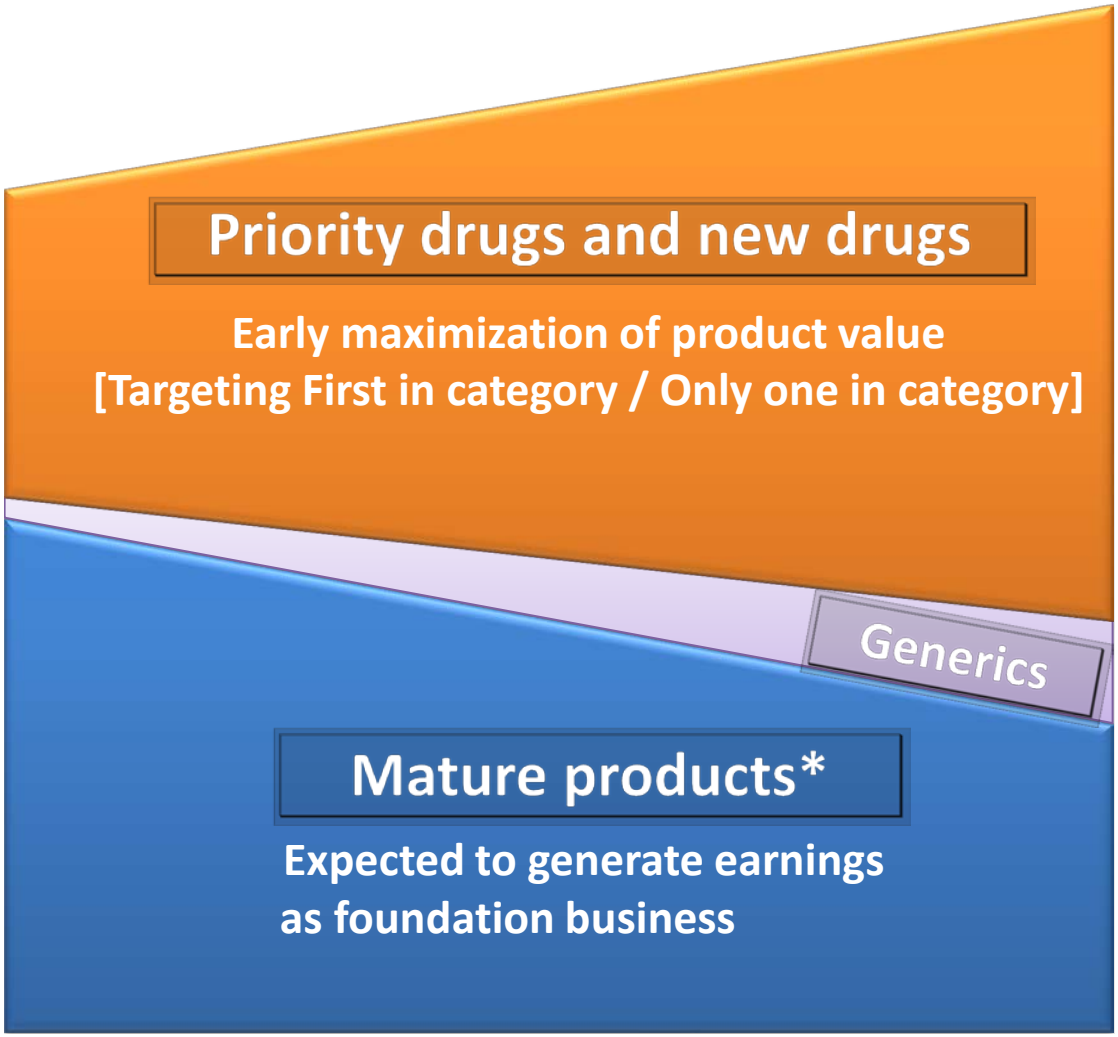


- Active cooperative initiatives: Maximizing sales capabilities
  - Co-marketing
  - Co-promotion
  - Reinforcing the partnership with wholesalers
- Advancing LCM:
  - Evidence
  - Additional indications/formulations
- Information provision: Maximizing product value
  - T-Shaped Marketing system

- Group cooperative initiatives and strategic alliances

- Utilizing multiple channels

*Mature products: Long-listed drug except for priority products

Growth strategies for Remicade and Simponi

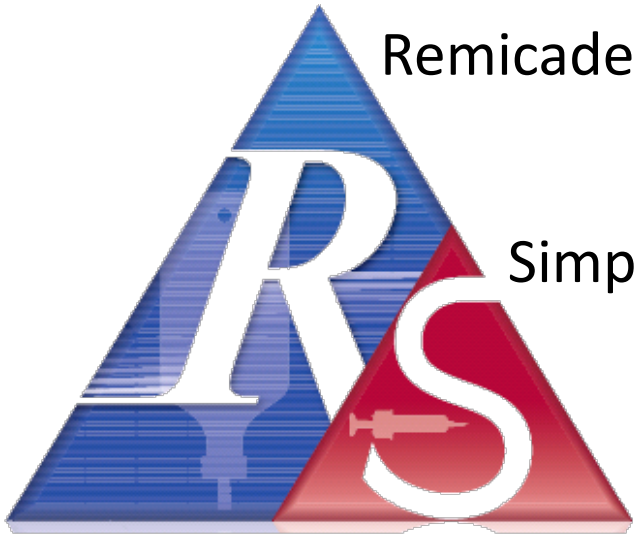
Remicade & Simponi: Advantages

Advantages of the one-company, two-drug approach

- Can provide large quantity of information accumulated
- Can propose drugs to meet patient needs and lifestyles (intravenous injection, subcutaneous injection)
- Can be the first to identify patients for whom one of the drugs was not effective.

Advantages shared by both drugs

- Both target TNF
- Both can be tightly controlled (setting dosage to obtain maximum effect) (possible to increase dosage)



Remicade : Rapid
Remission

Simponi : Simple
Sustain

Remicade & Simponi: Meeting the Next Treatment Needs in RA

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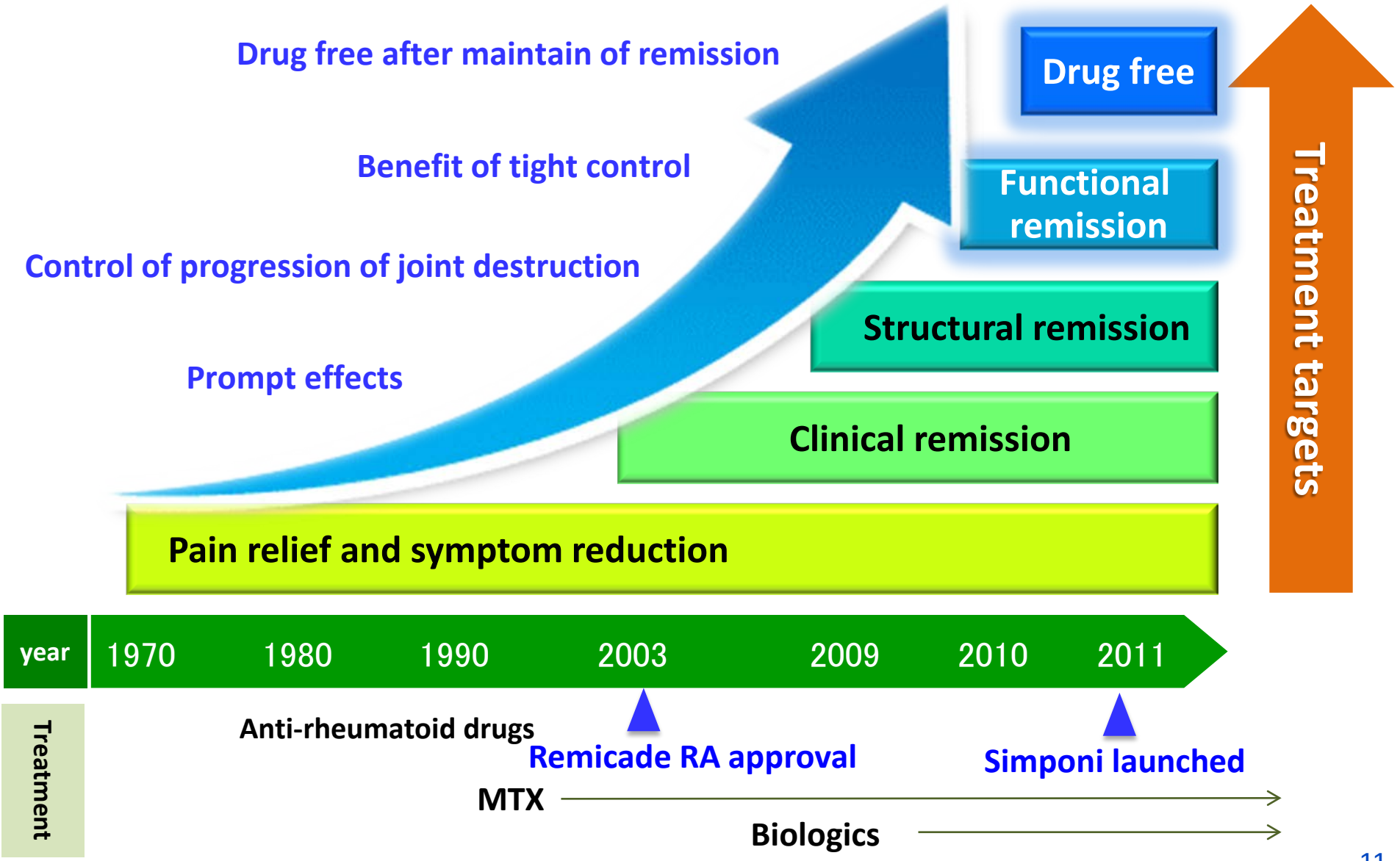

Remicade & Simponi: ¥ 100 billion of Sales in FY2013

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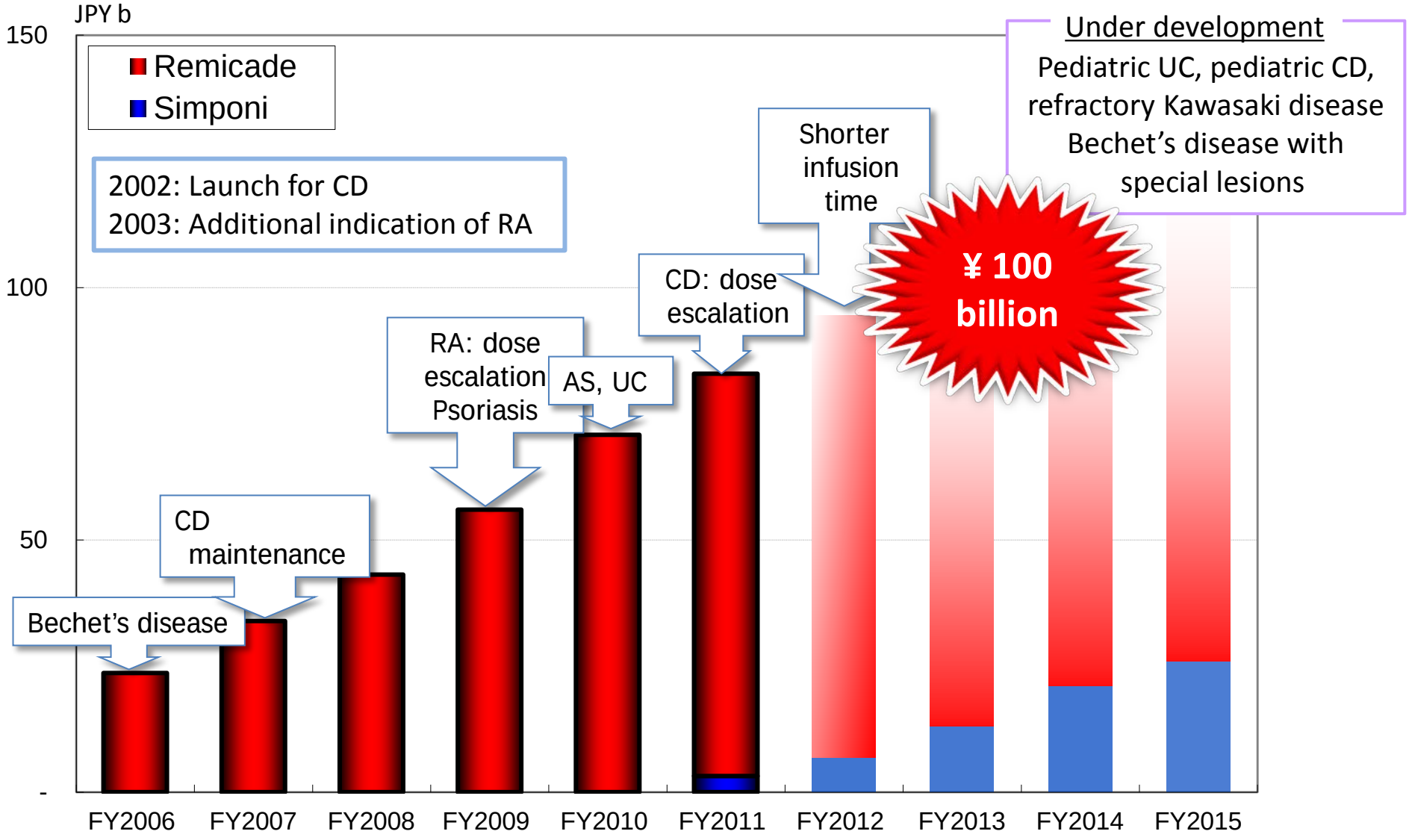
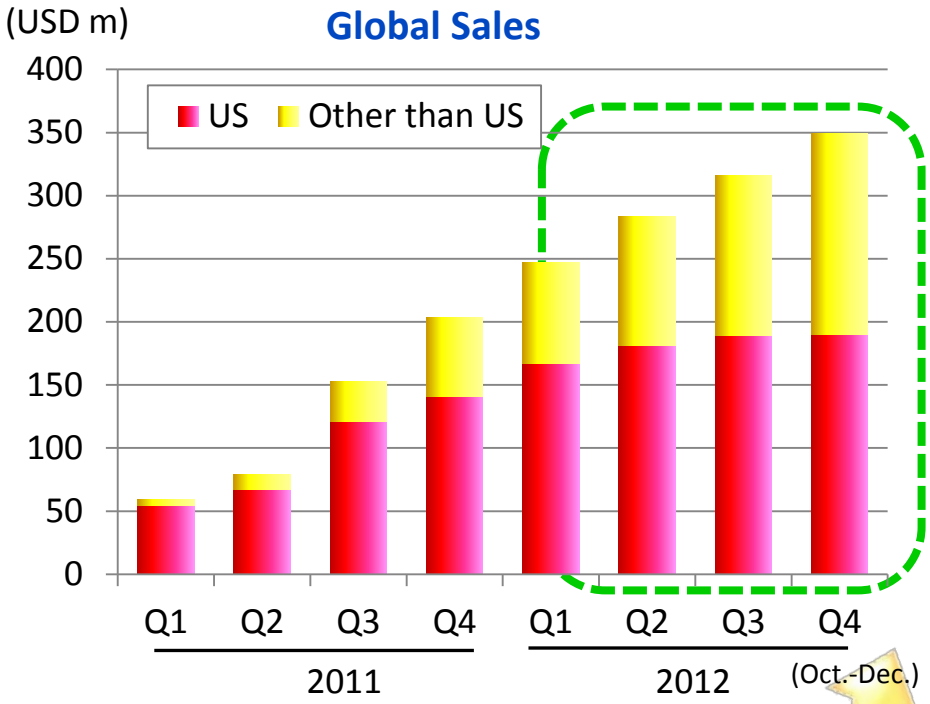


CD: Crohn's disease, RA: rheumatoid arthritis, AS: ankylosing spondylitis, UC: ulcerative colitis

Growth of Gilenya/Imusera

Gilenya:
Becoming a Blockbuster in 2 years after launch

- Novartis 2012 global sales: about $1.2 billion
- Approved in more than 65 countries, used in the treatment of more than 53,000 patients after marketing



Global Sales
About $1.2 billion

Royalty Income
¥13.9 billion

Taking on Challenges in the Diabetes Area (Tenelia, TA-7284)

Schedule of MTPC's Diabetic Drugs in Japan

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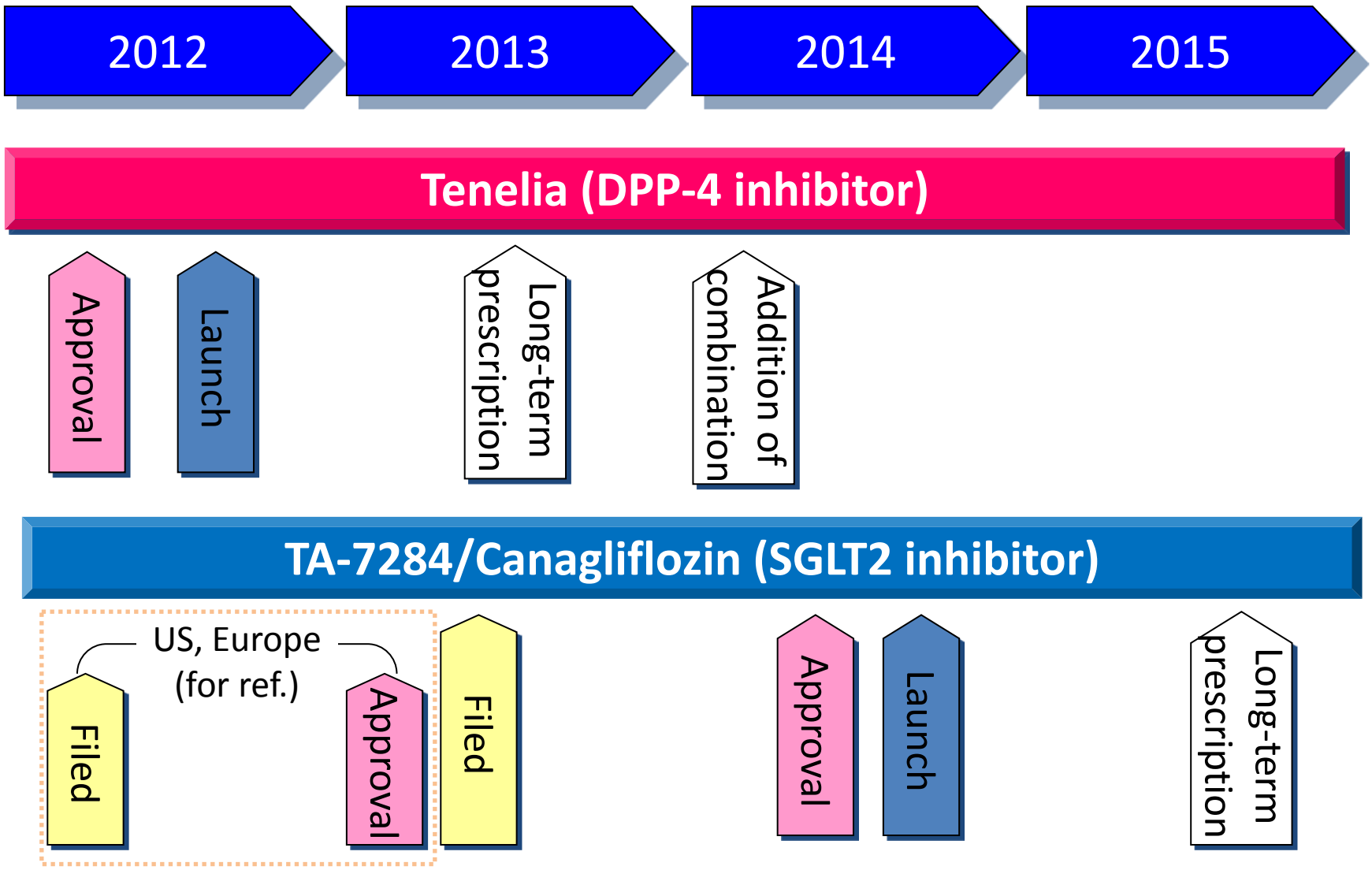

Tenelia: Priority Issues

	Priority Issues	Measures
Short-term	Promote rapid spread of product profile	➢ Strengthen cooperation and activities among 4,000 MRs ➢ Emergence of unmet needs in diabetes treatment
Short to long term	Maximize product value	➢ Establish evidence ✓ Special post-marketing surveillance in 10,000 patients (RUBY trials) ✓ Anti-arteriosclerosis (endothelial cell function), others ➢ Meticulous preparations for change in usage, long-term administration
	Promote spread of MTPC brand	➢ Advance patient support program ➢ Strengthen system for support of diabetes research ➢ Deepen T-Shaped system

Tenelia & TA-7284

Top tier presence in domestic market (diabetes field)

TA-7284 (SGLT2 inhibitor): Distinctive Features

Mechanism of action	SGLT2 inhibitor
Indication	Type2 diabetes mellitus
Development stage	Japan: Phase 3 (planning 1st half of FY2013) US, Europe: Filed (by Janssen Pharmaceuticals)
Distinctive features	➢ Abundant clinical data from Japan and overseas (more than 12,000) ➢ Efficacious without regard to insulin status ➢ Low risk of hypoglycemia ➢ Weight reduction effect

TA-7284(SGLT2 inhibitor): Body Weight Reduction

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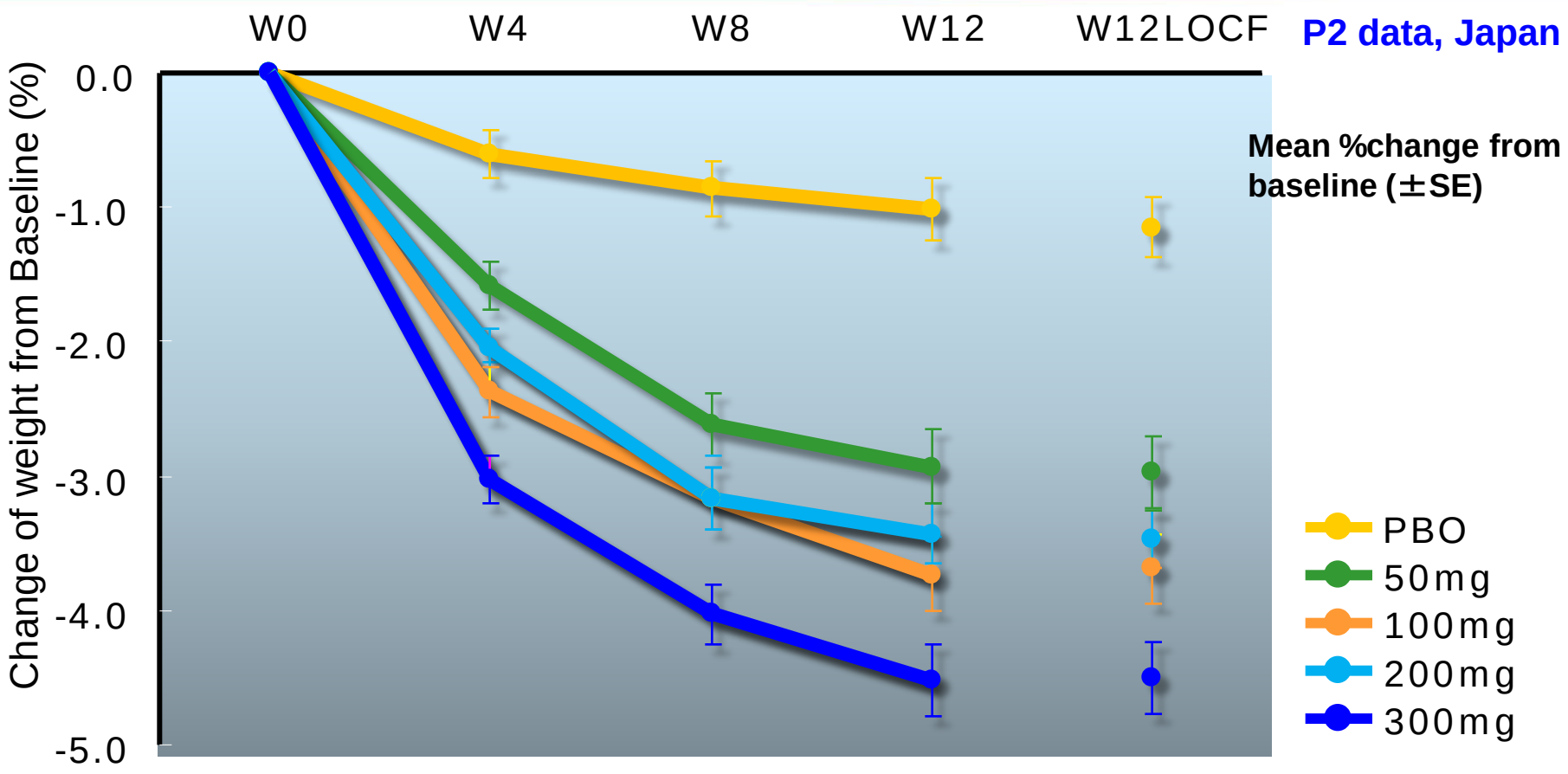


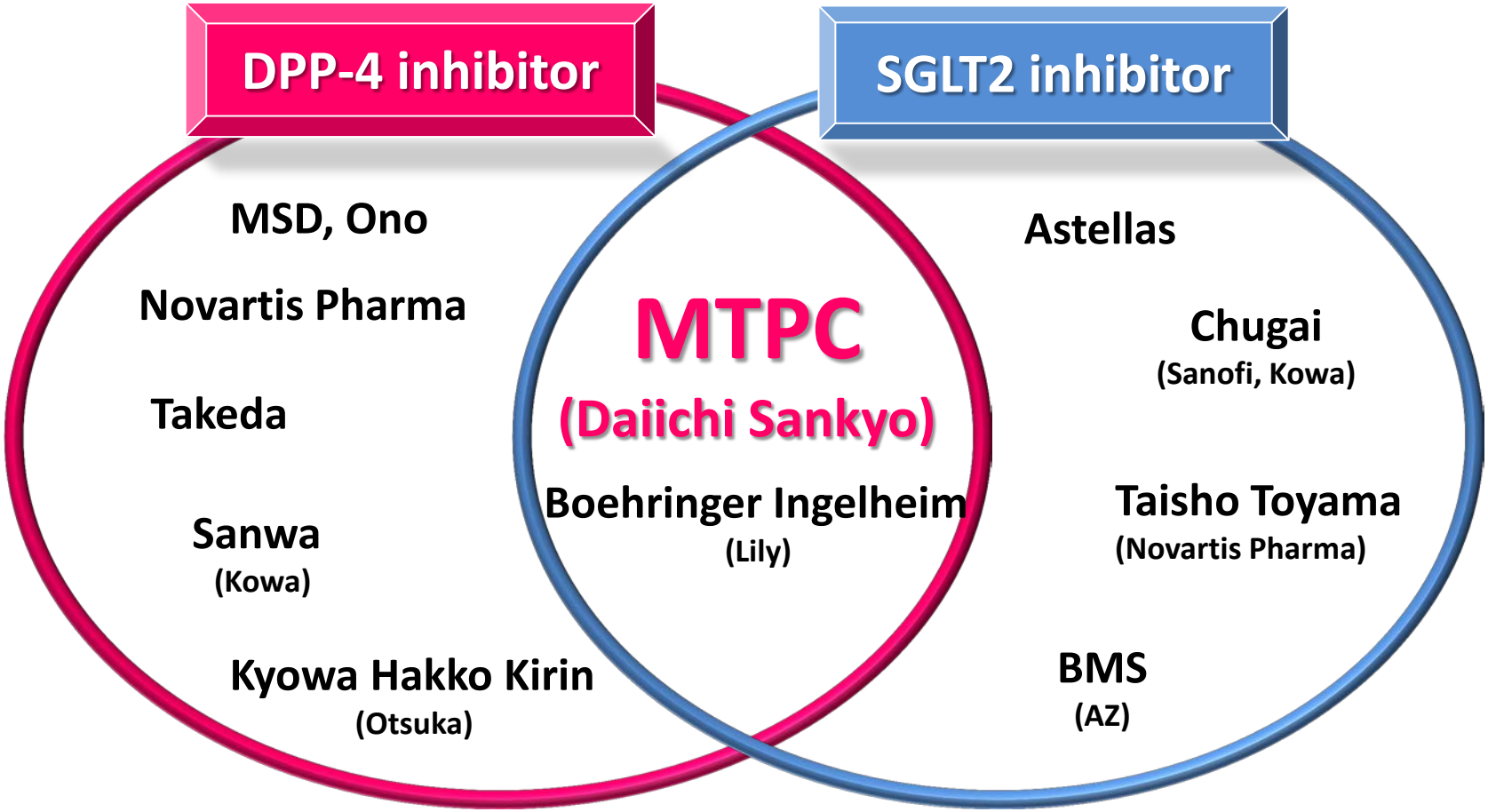
	PBO	50mg	100mg	200mg	300mg
n	75	82	74	76	75
BW at BL (kg)	72.56 ± 15.36	65.77 ± 13.56	68.61 ± 14.86	68.97 ± 14.50	71.30 ± 12.19

Inagaki N. JDI 2012;3 (suppl1): 226

Advantage in Diabetic Area

■Major marketing authorization holders

( ): Co-marketing or co-promotion



MTPC and Boehringer Ingelheim are the originators having both drugs

Ideal Diabetic Treatment brought about by Two Mechanisms of Action

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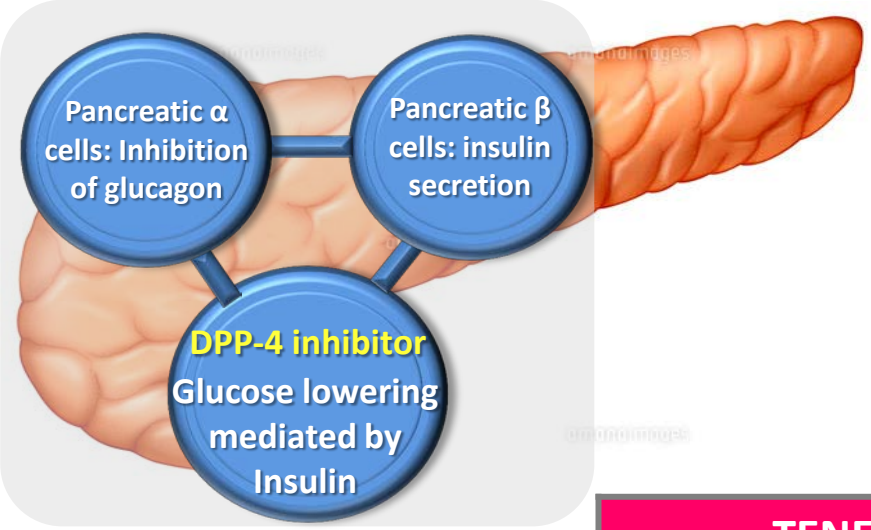
Gentle treatment for pancreatic β cells

Physiological insulin secretion by incretin



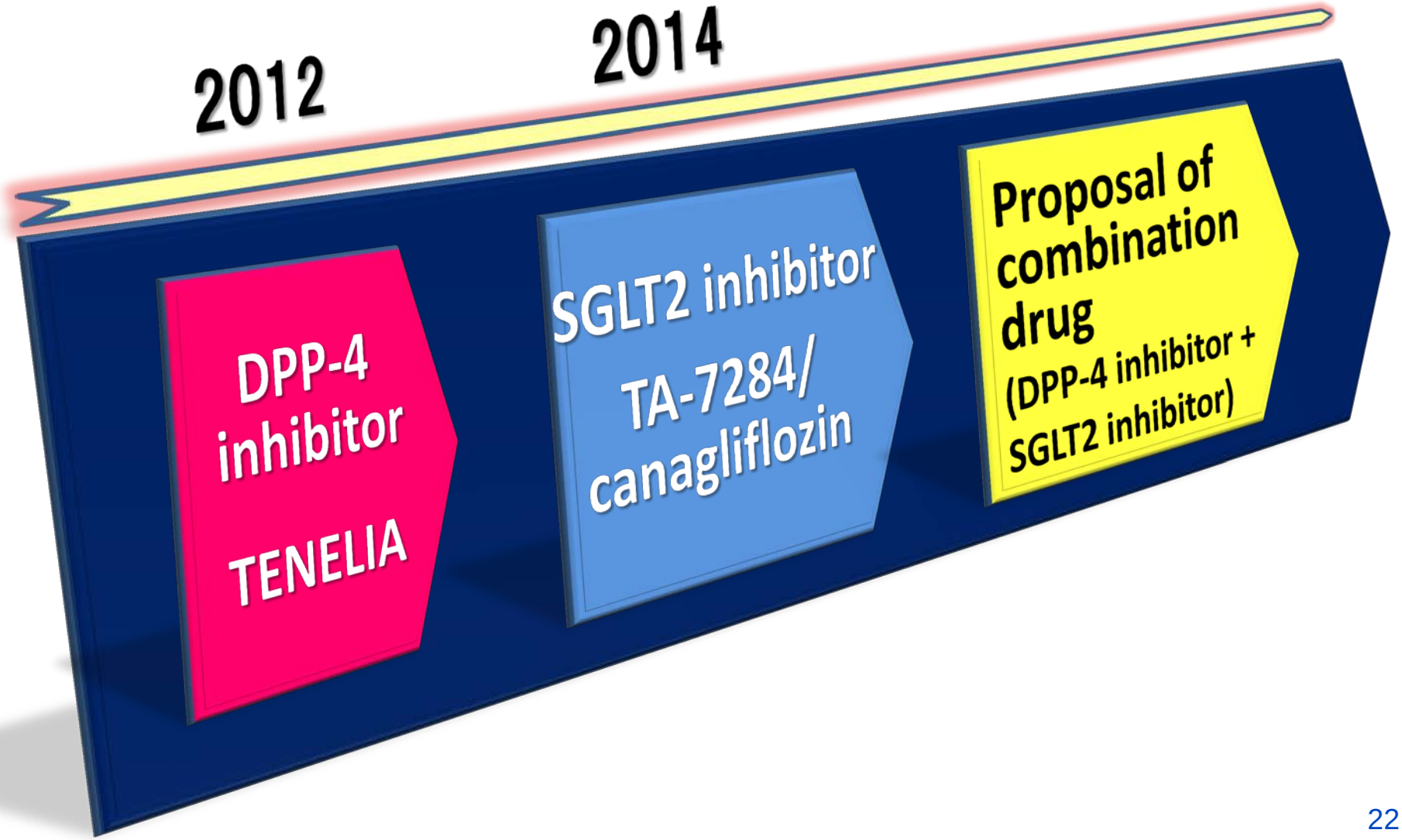
SGLT2 inhibitor
Reduction of glucotoxicity by inhibition of glucose reabsorption

Reduction of CV risks by TENELIA® and canagliflozin

Requirements to inhibit CV events
1. Adequate control of blood glucose
2. No hypoglycemia
3. No body weight gain
4. Influence on blood pressure

TENELIA®	TA-7284
Improvement of postprandial hyperglycemia	Improvement of fasting hyperglycemia
Fewer hypoglycemia by monotherapy	Fewer hypoglycemia by monotherapy
No body weight increase	Body weight loss
No influence on blood pressure	Blood pressure decrease

Medium- to Long-term Expansion in Diabetic Area



Strategy for Nurturing New Products / Priority Products (Lexapro, Talion, Telavic)

Lexapro: Global Evaluation

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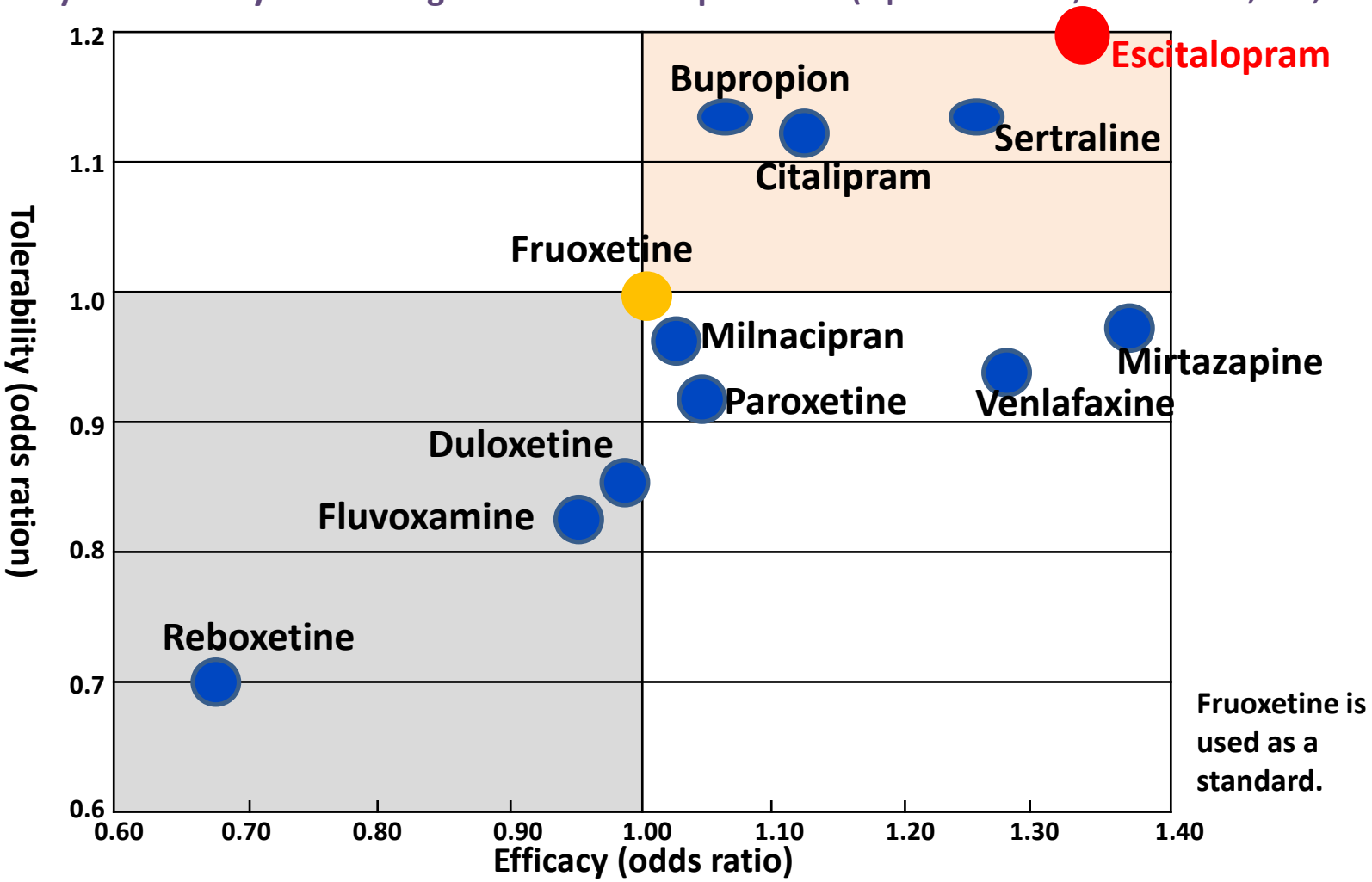
No.1 in MANGA study, famous for meta-analysis of antidepressants

Efficacy and Tolerability of antidepressants

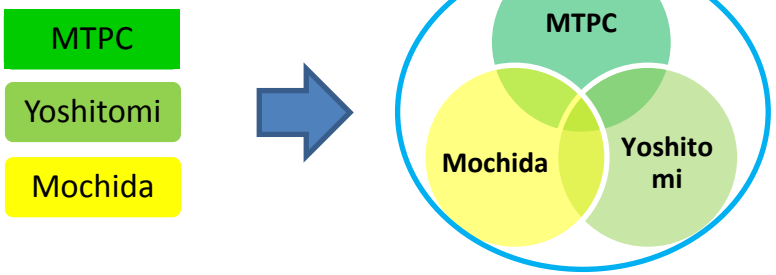
MANGA Study: Meta-analysis of new generation antidepressants (Cipriani A. et al., Lancet 2009; 373, 746-758)



Fruoxetine is used as a standard.

Lexapro: Priority Issues

	Priority issues	Measures
Short-term	Penetration of the product concept	➢ Strengthening of the marketing information provision system(single visit ⇒ multi visits)
Med.- to long-term	Maximization of the product value	➢ Evidence in Japan ➢ Additional indication: Social anxiety disorder



Toward No.1 share in antidepressants

Talion: Current Status

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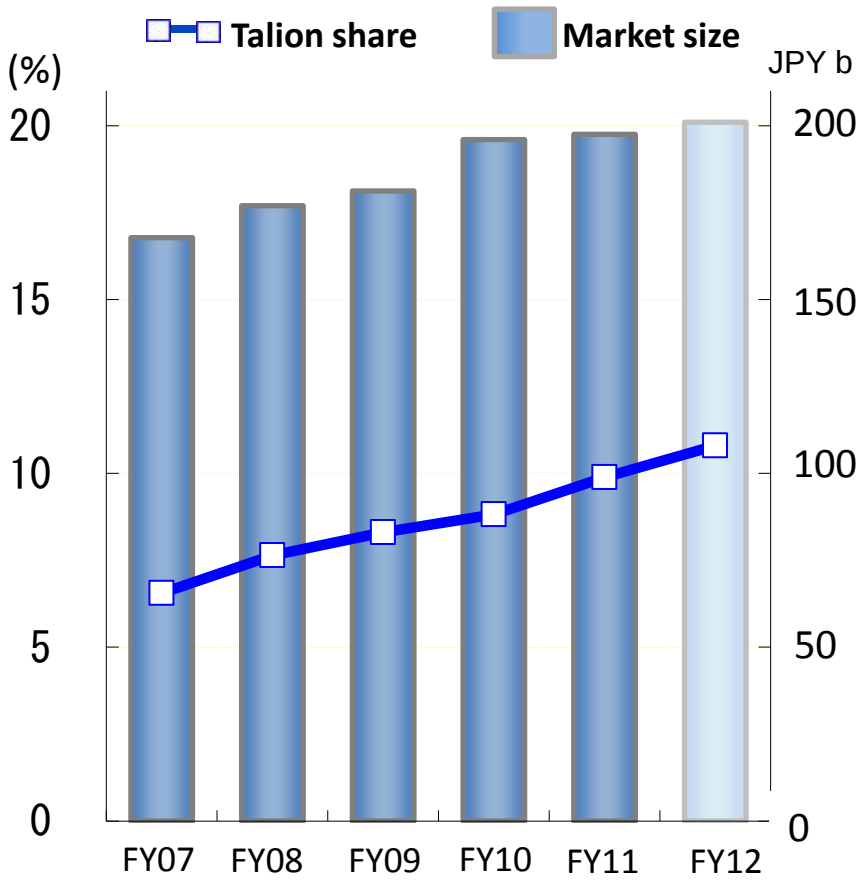
Market size and share trend of Talion



Market has grown to ¥200 billion per year by increasing hay fever patients.

Talion is expanding its market share year by year.

A spate of patent off;
In FY2012, GEs of Allegra and Allelock are launched.

Products.	Alesion	Zyrtec	Ebastel	Claritin	Allelock	Allegra
GE launch	2002 Jul.	2007 Jul.	2008 Jul.	2011 Nov.	2012 Dec.	2013 Jan.

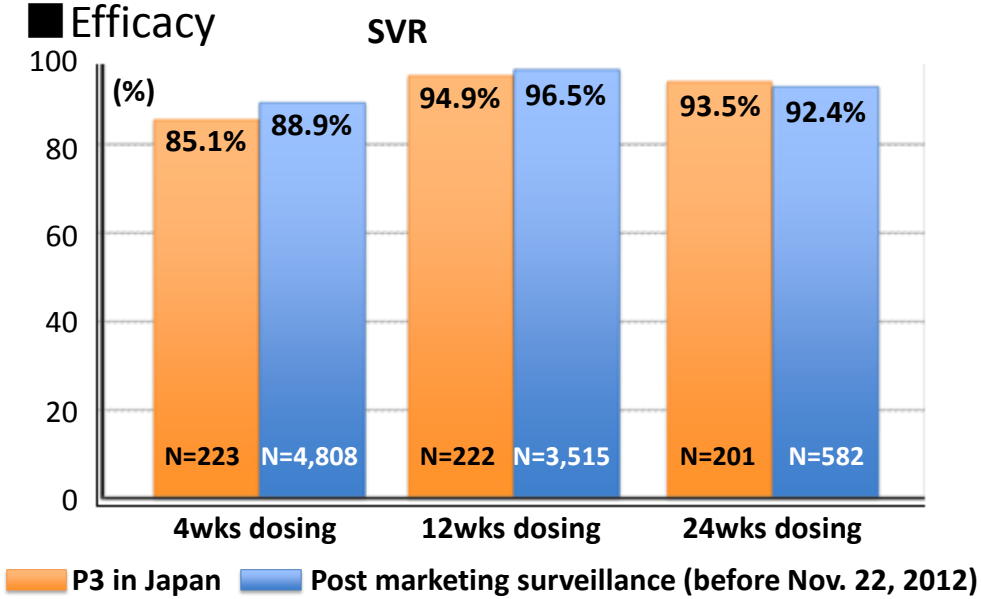
Talion: Priority Issues

Priority Issues	Measures
Increase promotional impact	➢ Continually provide evidence from Japanese patients and strengthen product key message, as domestically produced antihistamine.
Develop new market	➢ Preparations to obtain additional indication in pediatric field
Capture share in existing market	➢ Establish product position through evidence from Japanese patients and encourage switch to Talion from long-term listed products (1st generation products, etc.).

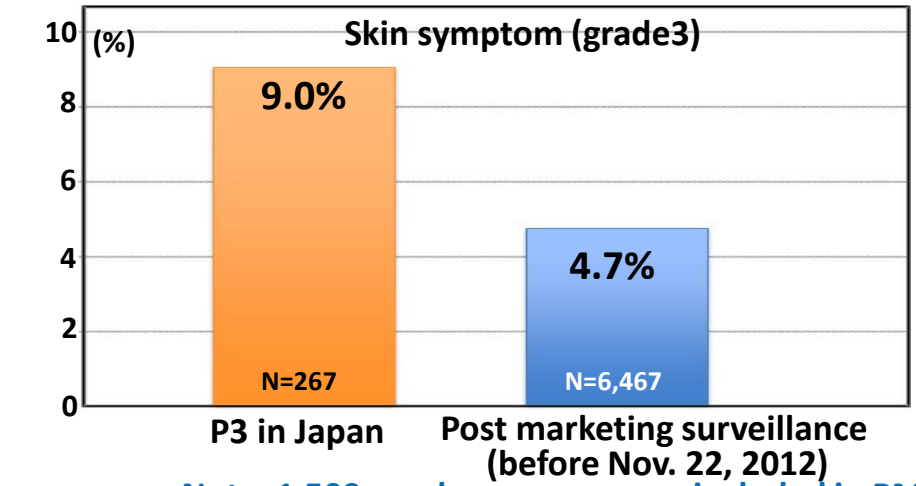
Develop to sales of ¥30 billion/year

Telavic: Current Status

Efficacy



Safety



Note: 1,500 mg dosage cases are included in PMS

Telavic:
Priority Issues and Measures

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Priority Issues		Measures
All-patient surveillance underway	Safety confirmation/usage establishment	➢ Early completion of all-patient surveillance by speeding up the information collection and analysis
After completion of all-patient surveillance	Foster spread of usage method	➢ Rapidly expand number of institutions [gastroenterologists] (continued links with dermatology) ➢ Disseminate knowledge about usage methods through Doctor to Doctor* communications
	Develop new market	➢ Additional indications (genotype 2, etc.)

* At presentations and other venues, have doctors who are opinion leaders provide information to other doctors who have not used it yet or are not well acquainted with it.

Strive to expand sales based on the established safety evidence after the approval conditions are lifted

Promising Pipeline
(MT-1303, MP-214, MT-4666, MT-3995, MT-9938)

Pipeline Status (Japan)

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Red: progress after April 2011

As of Feb. 1, 2012

In-house Development

Phase 1	Phase 2	Phase 3	Filed	Approved, Launch (After April 2011)
MT-3995 Hypertrophy	**MP-435** RA	**TA-7284** Type 2 diabetes mellitus	**Omeprazon** Helicobacter pylori eradication by concomitant therapy for helicobacter pylori gastritis	**Simponi** RA
MT-1303 Multiple sclerosis	**MT-4666** Alzheimer's disease	**MP-214** Schizophrenia	**Maintate** Chronic atrial fibrillation	**Imusera** Multiple sclerosis
Cholebine Hyperphosphatemia	**Cholebine** Type 2 diabetes mellitus	**Radicut** ALS	**Grtpa** Acute ischemic cerebrovascular disease, up to 4.5h after the onset of symptoms	**Telavic** Chronic hepatitis C
		Talion Pediatric allergic rhinitis		**Tenelia** Type2 diabetes
		Telavic Chronic hepatitis C, genotype2		**Tetrabik** Tetra vaccine
		Tenelia/MP-513 Type2 diabetes mellitus, additional combination		**Maintate** Chronic heart failure
		Remicade Refractory Kawasaki disease Bechet's disease with special lesions Pediatric CD Pediatric UC Psoriasis: increased dose		**Novastan** Dialysis, PCI in HIT
				Azanin Systemic vasculitis
				Remicade CD: dose escalation
				Modiodale Obstructive sleep apnea

Disease area

- : Autoimmune disease
- : Diabetes and kidney disease
- : CNS disease
- : Other

Major license-out

TA-7906
Atopic dermatitis

Pipeline Status (Overseas)

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Red: progress after April 2011

As of Feb. 1, 2012

	Phase 1	Phase 2	Phase 3	Filed	Approved, Launch (After April 2011)
In-house Development	**MT-1303 (Europe)** Multiple sclerosis **MP-513 (US)** Type2 diabetes mellitus **MT-7716 (US)** Alcohol-use disorder **MP-124 (US, Canada)** Acute ischemic stroke **MT-3995 (Europe)** Hypertension →**P2 start in Diabetes nephropathy** **MP-157 (Europe)** Hypertention **GB-1057 (US)** Stabilizing agent	**MT-9938 (US)** Refractory pruritus **MP-513 (Europe)** Type2 diabetes mellitus	**MP-146(US, Europe)** Chronic kidney disease	**MP-424 (Taiwan)** Chronic hepatitis C	**Talion (China, Indonesia)** Allergic disease **Simponi (Taiwan, Indonesia)** RA, ankylosing spondylitis **Livalo (Indonesia)** Primary hyperlipidemia , mixed dyslipidemia **Livalo (Taiwan)** Primary hyperchoresteremia, mixed dyslipidemia **Exembol (UK)** HIT type II **BindRen (Europe)** Hyperphosphatemia
Major license-out	**TA-7284 (US, Europe)** Obesity	**MP-513 (Korea)** Type2 diabetes mellitus	**TA-7284 (US, Europe)** Type2 diabetes mellitus **TA-1790 (Europe)** ED	**TA-1790 (Korea, US)** ED	

Disease area

- **: Autoimmune disease**
- **: Diabetes and kidney disease**
- **: CNS disease**
- **: Other**

Nurturing of Three Disease Areas:

Autoimmune disease, Diabetes and Kidney Disease, CNS disease

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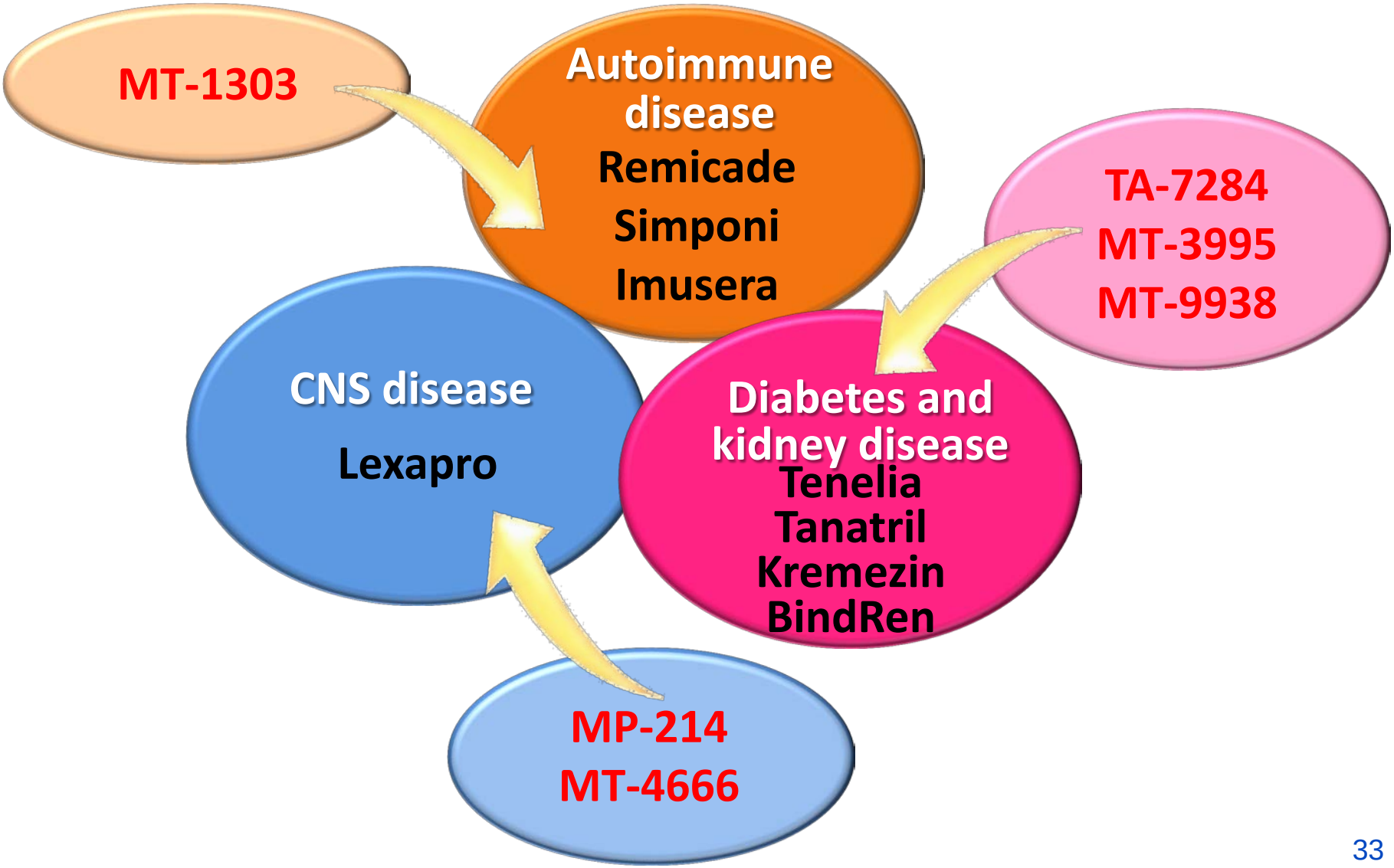

Nurturing of Autoimmune Disease Area

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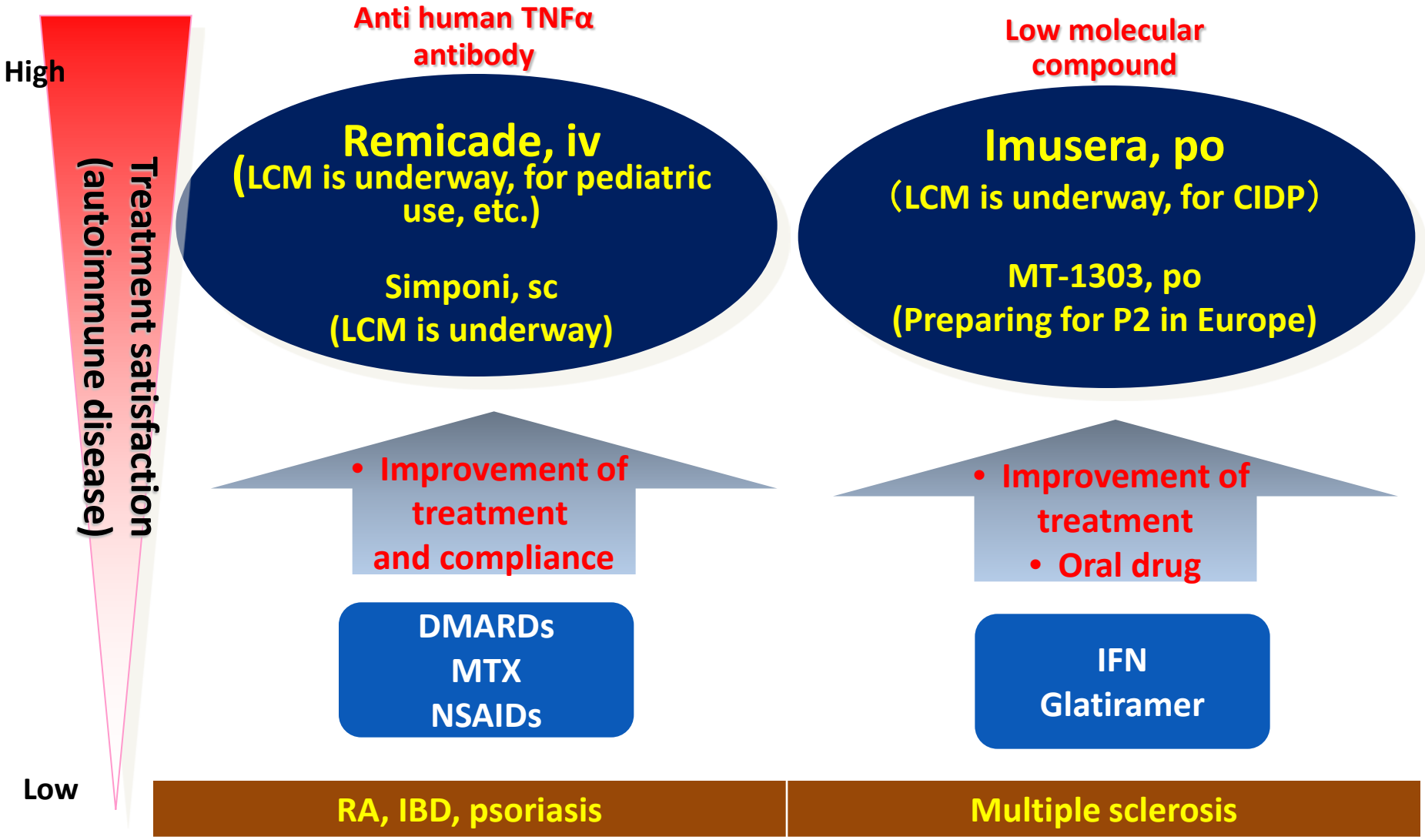
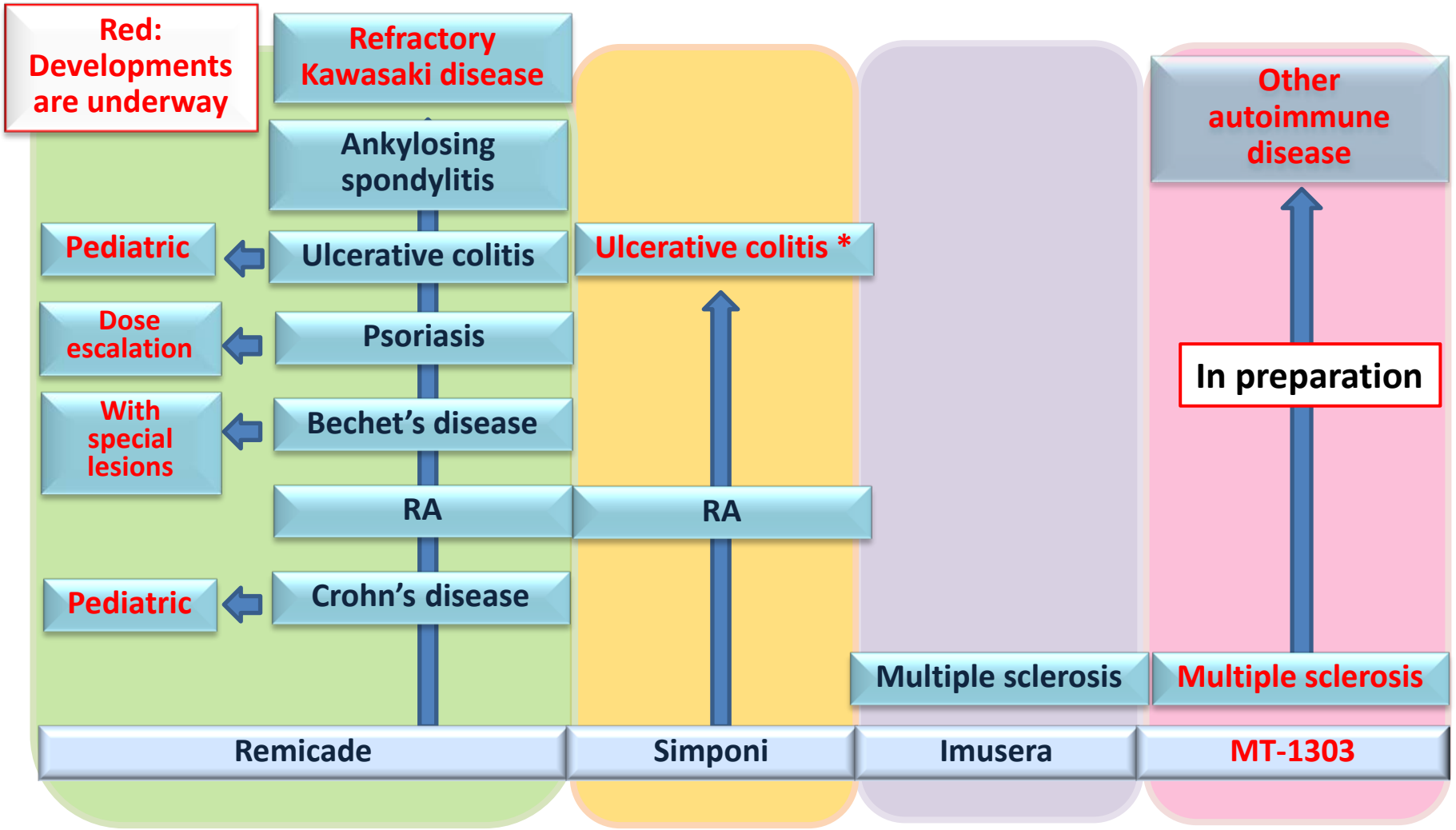


Nurturing of Autoimmune Disease Area

Expansion of indication based on Remicade experiences



*: developed by Janssen Pharmaceutical

MT-1303 for Multiple Sclerosis

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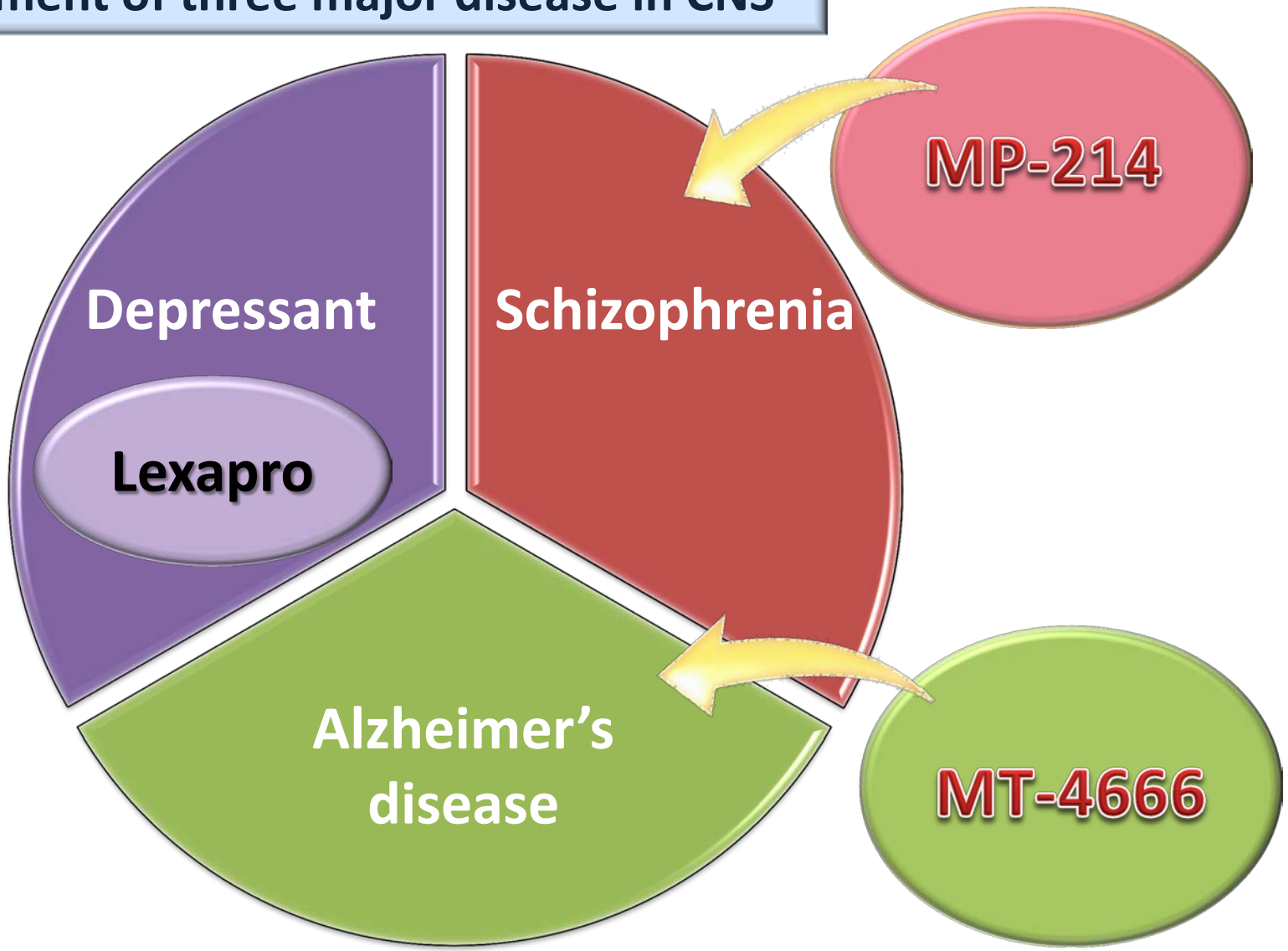
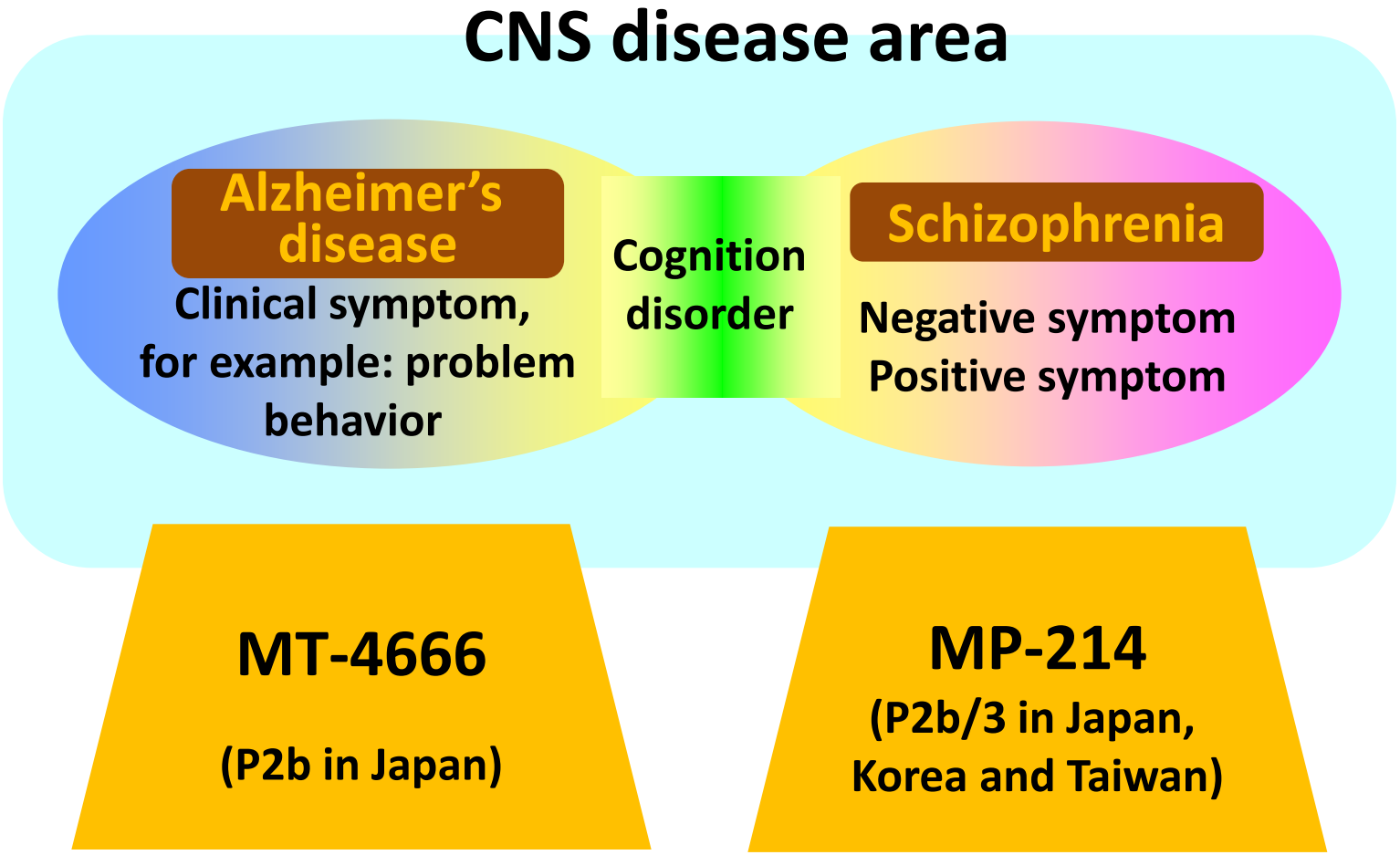
Mechanism of action	S1P receptor functional antagonist
Indication	Multiple sclerosis and other autoimmune disease
Development stage	Japan: Phase1 Europe: preparing for Phase2b
Distinctive features	➢ Equivalent efficacy to FTY720 (Imusera) ➢ Circulatory system side effects have been eliminated, and the high level of safety that is better than others ➢ Using FTY720 (Imusera) development know-how ➢ Are now considering development for indications other than MS, using Remicade development know-how

Nurturing of CNS Disease Area

Complement of three major disease in CNS



Nurturing of CNS Disease Area



MP-214 (cariprazin) for Schizophrenia

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Mechanism of action	D3/D2 receptor partial agonist
Indication	Schizophrenia
Development stage	Japan, Korea, Taiwan: Phase2b/3
Originator	Gedeon-Richter (Hungary)
Distinctive features	➢ Expected to show efficacy for both positive symptoms and negative symptoms ➢ With limited side effects, it is expected to be suitable for long-term use ➢ P3 results in Europe and the U.S. for schizophrenia show results equivalent to or better than aripiprazole.

MT-4666 for Alzheimer's Disease

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Mechanism of action	α7nACh receptor agonist
Indication	Japan: Alzheimer's disease
Development stage	Japan: Phase2b
Originator	EnVivo (US)
Distinctive features	➢ In phase 2b trials overseas (conducted by EnVivo), it had good results in improving cognitive function and clinical symptoms in Alzheimer's（expected to be first in class）. ➢ Expected to be used concomitantly with such drugs as donepezil, rivastigmine, and galantamine

MT-4666, Treatment for Alzheimer's disease

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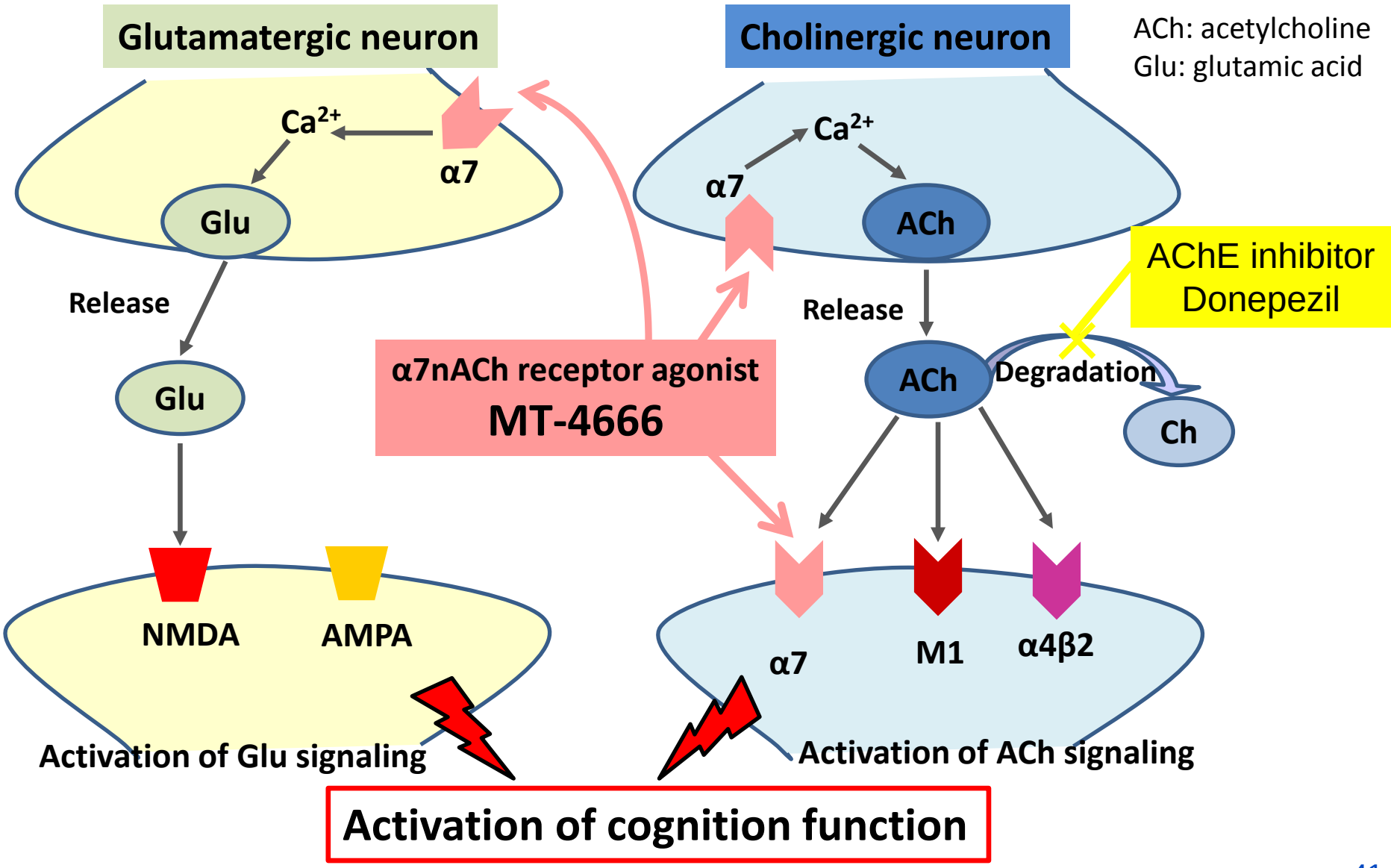
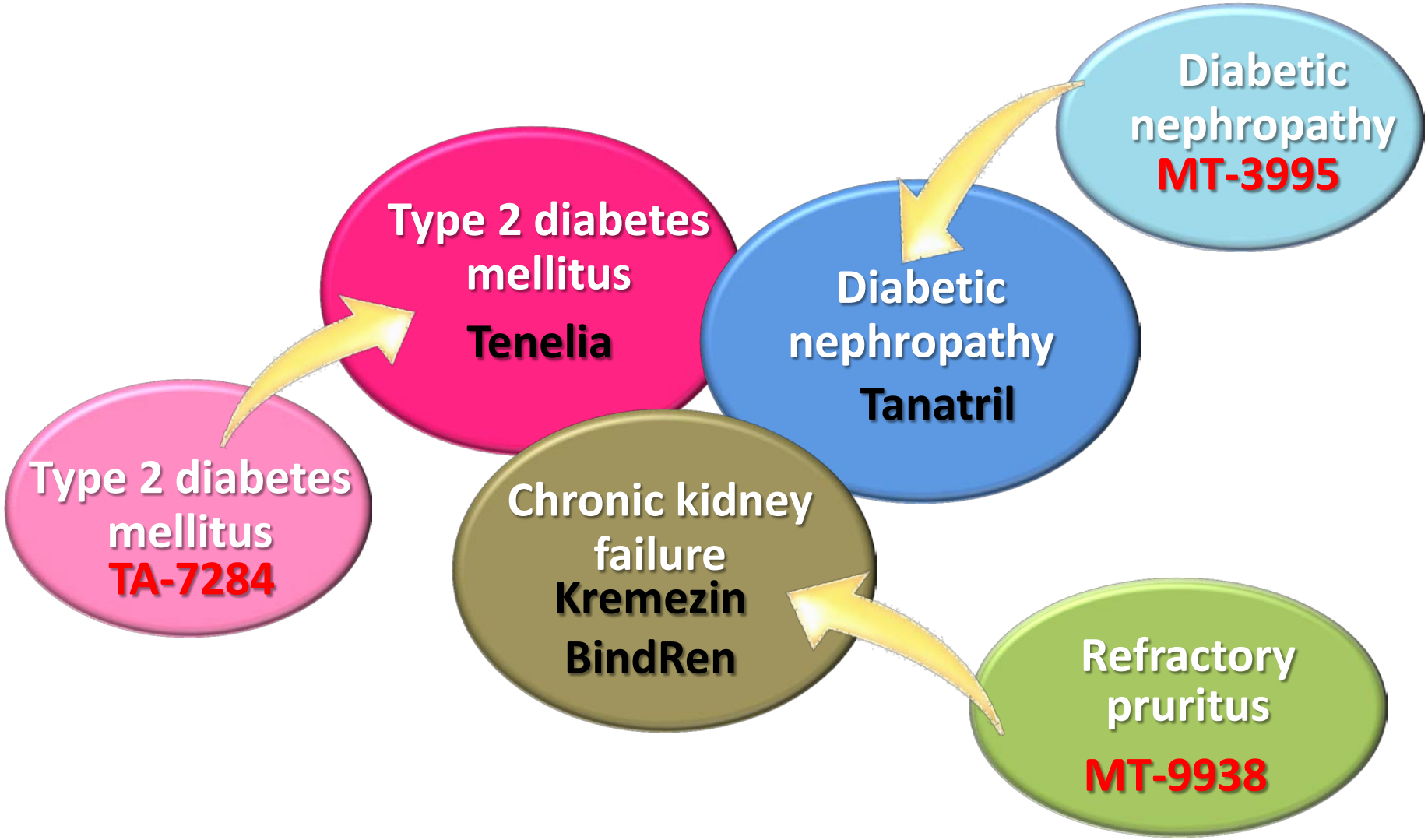


Nurturing of Diabetes and Kidney Disease Area



Nurturing of Diabetes and Kidney Disease Area

Refractory pruritus MT-9938

Chronic kidney failure Kremezin

Hyper-phosphatemia BindRen

Diabetes nephropathy MT-3995

(Type1 diabetes mellitus) Diabetes nephropathy, Tanatril

Type2 diabetes mellitus, Tenelia

Type2 diabetes mellitus TA-7284

MT-3995 for Diabetes Nephropathy

Mechanism of action	Selective mineralocorticoid receptor antagonist
Indication	Diabetes nephropathy
Development stage	Japan: Phase1 Europe: Phase2 (Feb. 2012)
Distinctive features	➢ In pre-clinical trials, anti-albuminuria effects confirmed ➢ Has non-steroid structure, avoids sex hormone related side effects. ➢ As a new generation mineralocorticoid receptor antagonist, phase 2 trials have begun for diabetic nephropathy.

MT-9938 for Refractory Pruritus

Mechanism of action	κ-opioid receptor agonist
Indication	Refractory pruritus (for hemodialysis patients)
Development stage	US: Phase2b
Distinctive features	➢ Fewer physical and mental addiction, compared with morphine ➢ Action on CNS and inhibition of pruritus independent from histamine, liver and kidney failure ➢ Expected to be first in class

Other Initiatives:
Operational and Structural Reforms

Strengthening and Expanding the Vaccine Business

Vaccine Business Policy

- **In addition to the discovery and provision of drugs to treat diseases, by supplying vaccines we will also contribute to improving the QOL of patients in the area of disease prevention.**
  - **We will bolster our domestic foundation, centered on our relationship with BIKEN.**
    - **We will take steps to contribute to maximizing value as the top domestic brand, such as offering an influenza vaccine, a Japanese encephalitis vaccine, and a combination vaccine for four diseases.**
    - **Launch of Tetra vaccine, Tetrabik**
  - **We will independently in-license competitive products and technologies, develop and provide new products, with consideration for global use**
    - **Build a system that is suitable for production and development in cooperation with Medicago**
    - **Consider cooperative activities with a view to global development**

Strengthening and Enhancing the Generic Business

Generics Business Policy

Provide "Reliable Generics" that leverage the strengths of the Group's organizational foundation (new drugs, specialized areas)

<Environmental Changes>

- **Market growth due to progress in measures to promote the use of generics**
- **Intensifying competition due to new market entrants and bolstered operations**

- **Response to major drugs coming off patent**
- **Strengthen the earning power using the group marketing foundation at a maximum (not only Tanabe Seiyaku Hanbai but also MTPC and Yoshitomiyakuhin)**
- **Targeting the FY2015 sales objective of ¥50.0 billion, we will further enhance our presence, with consideration for strategic tie-ups.**

Bolstering of Major Base Function

Bolstering of Major Base Function

	Medium-Term Management Plan 11-15
Research facilities	■ Research Headquarters: Completed transfer/consolidation of research functions at Yokohama and Toda. ■ CMC Research Center: Bolstered CMC research facilities at Kashima.
Head office, etc.	■ Completed reorganization / relocation of Tokyo head office building (Nihonbashi, Sanbancho) ■ Construction / relocation of Osaka head office building ■ Constructed Kashima office building

Bolstering Production Bases

New drug production building at Tianjin Tanabe
(Start construction in 2013, finish in 2015)

(Tianjin, China)

Bolster production capacity to accommodate demand growth in China and Asia.

New drug production building at P.T. Tanabe Indonesia
(Start construction in 2013, finish in 2014)

(Bandung, Indonesia)

New drug production building at Yoshitomi Plant (Fukuoka Prefecture)
(Start construction in 2014, finish in 2016)

Enhance new drug supply system and achieve optimal production system

New drug production building at Onoda Plant (Yamaguchi Prefecture)
(Start construction in 2014, finish in 2016)

During the period covered by the current medium-term management plan, we will invest a total of about ¥20.0 billion to build new plants to global standards at production bases in Japan and overseas. In addition, we will strengthen the clinical drug facility function.

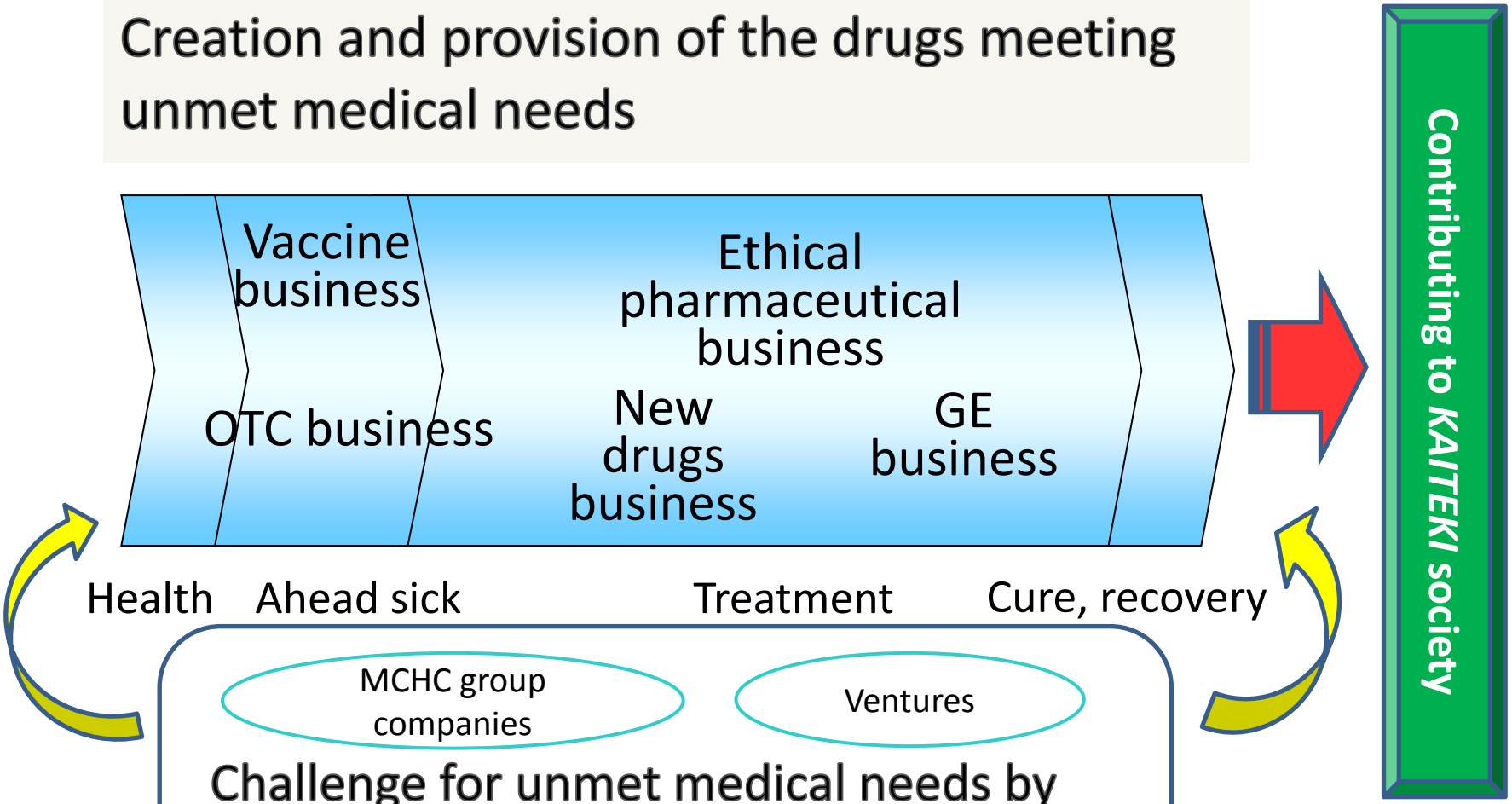
Other Initiatives
Contributing to *KAITEKI* Society by orchestrating

Contributing to *KAITEKI* Society by orchestrating

New **Value** Creation

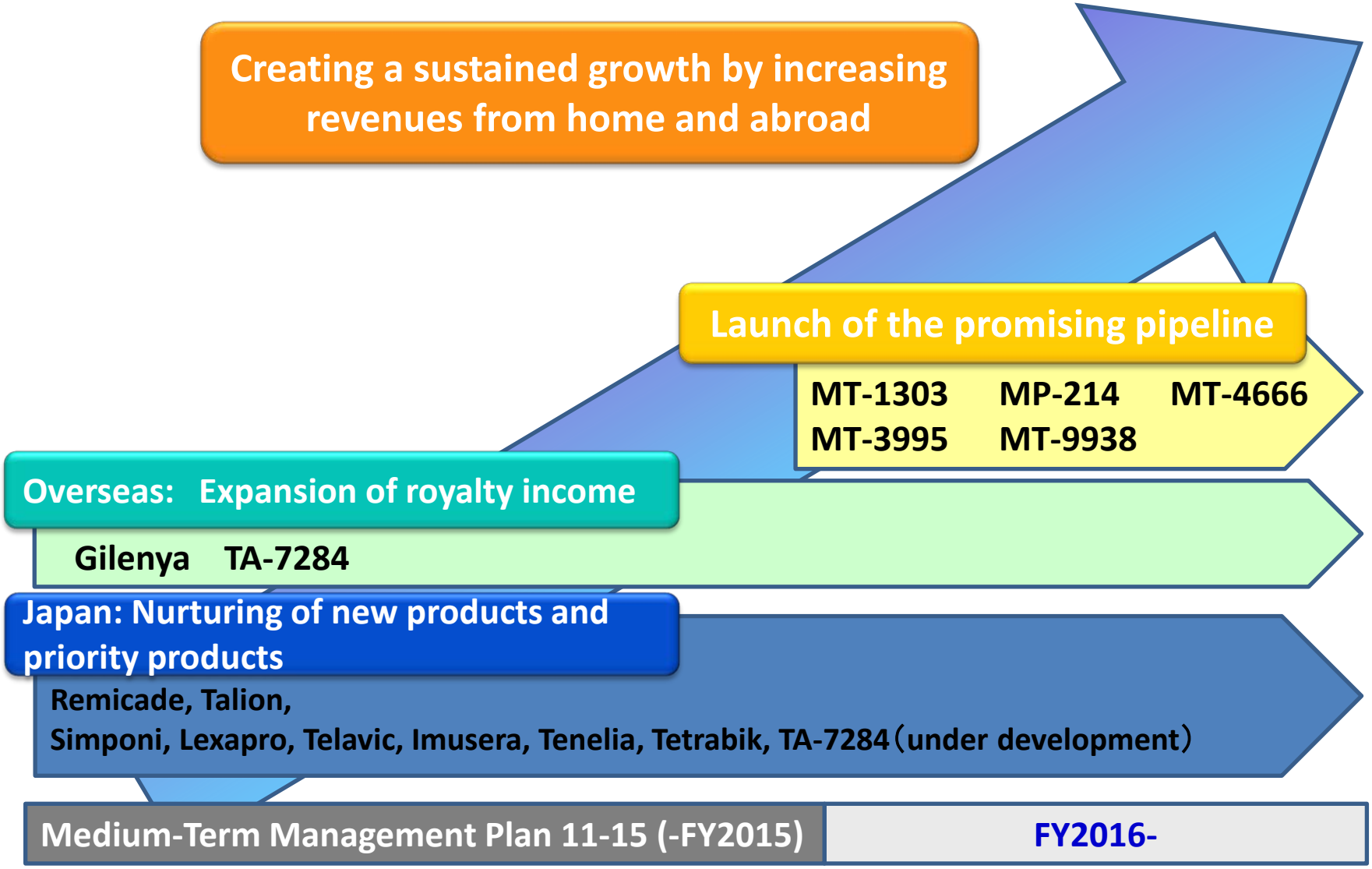
Mitsubishi Tanabe Pharma

Creation and provision of the drugs meeting unmet medical needs



Toward Achievement of FY2015 Targets

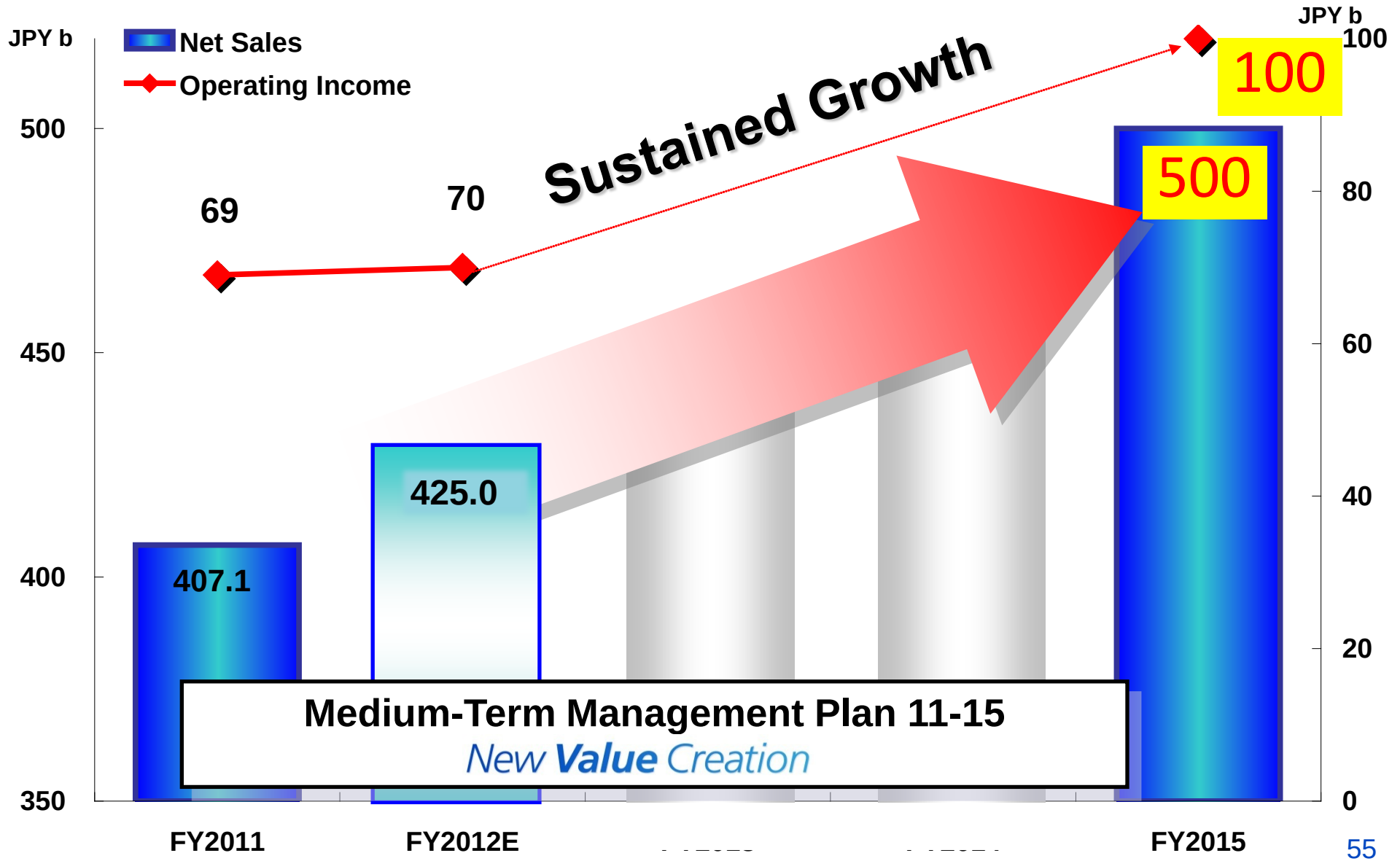
Growth Drivers in the Future



Toward Achievement of FY2015 Targets

New Value Creation

Mitsubishi Tanabe Pharma



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.