

Mitsubishi Tanabe Pharma Corporation



Mitsubishi Tanabe Pharma

Q1 FY2017 Business Results

(April-June, 2017)

July 31, 2017

Eizo Tabaru
Board Director, Managing Executive officer

Q1 FY2017 Business Results

Q1 FY2017 Financial Results

	FY2017 Q1	FY2016 Q1	Increase/decrease		1H Forecasts*	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Sales revenue	107.7	105.4	+2.2	+2.1	212.5	50.7
(overseas sales revenue)	25.6	25.0	+0.5	+2.2	53.7	47.7
Overseas sales ratio	23.8%	23.8%			25.3%	
Cost of sales	42.5	40.0	+2.5	+6.3	82.5	51.6
Sales cost ratio	39.5%	38.0%			38.8%	
Gross profit	65.1	65.4	-0.3	-0.5	130.0	50.1
Core operating profit	21.9	29.0	-7.0	-24.2	41.5	53.0
Operating profit	21.0	29.2	-8.1	-27.9	40.5	52.0
Net profit attributable to owners of the Company	16.9	21.9	-4.9	-22.5	32.5	52.2

Average exchange rate

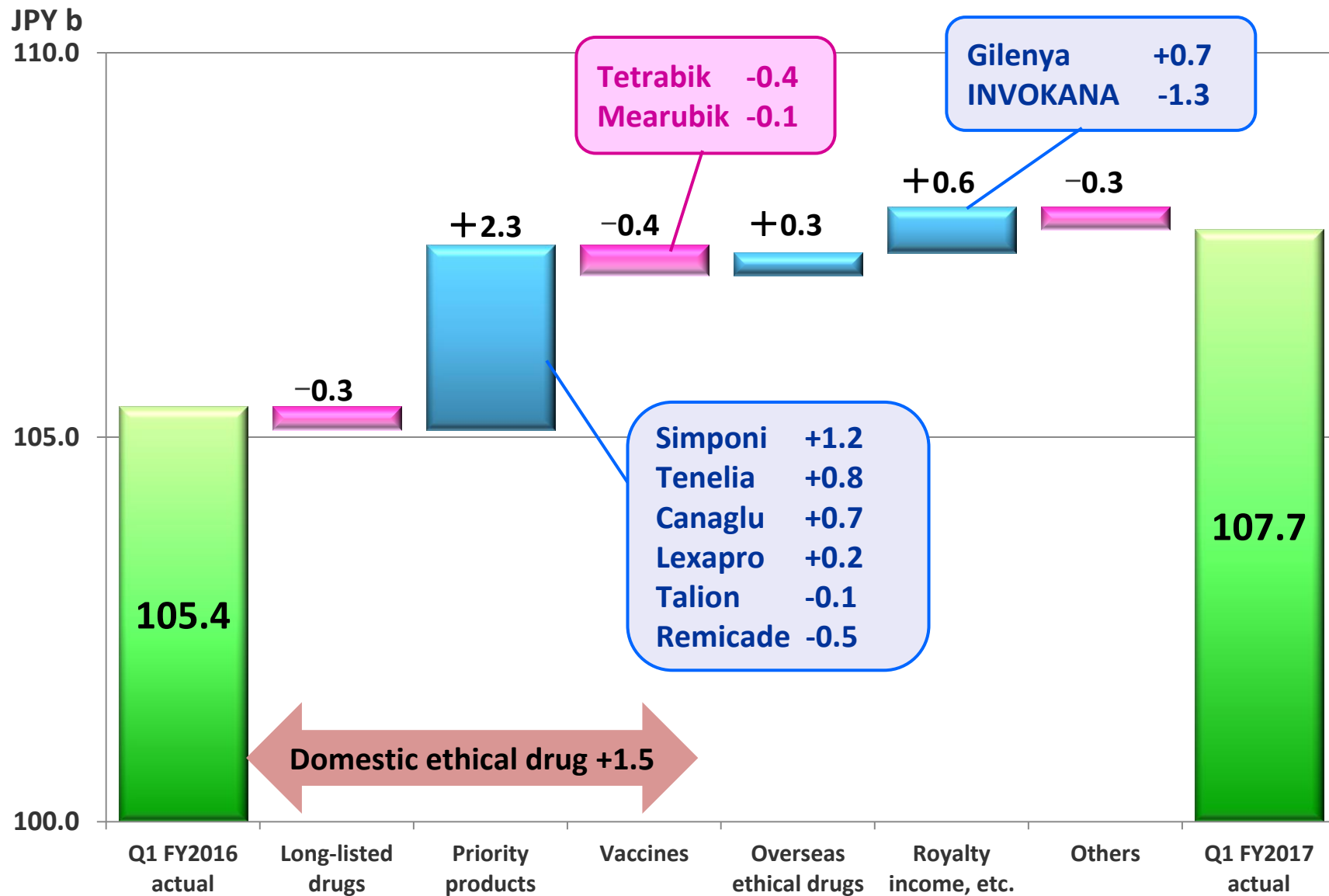
¥111.42

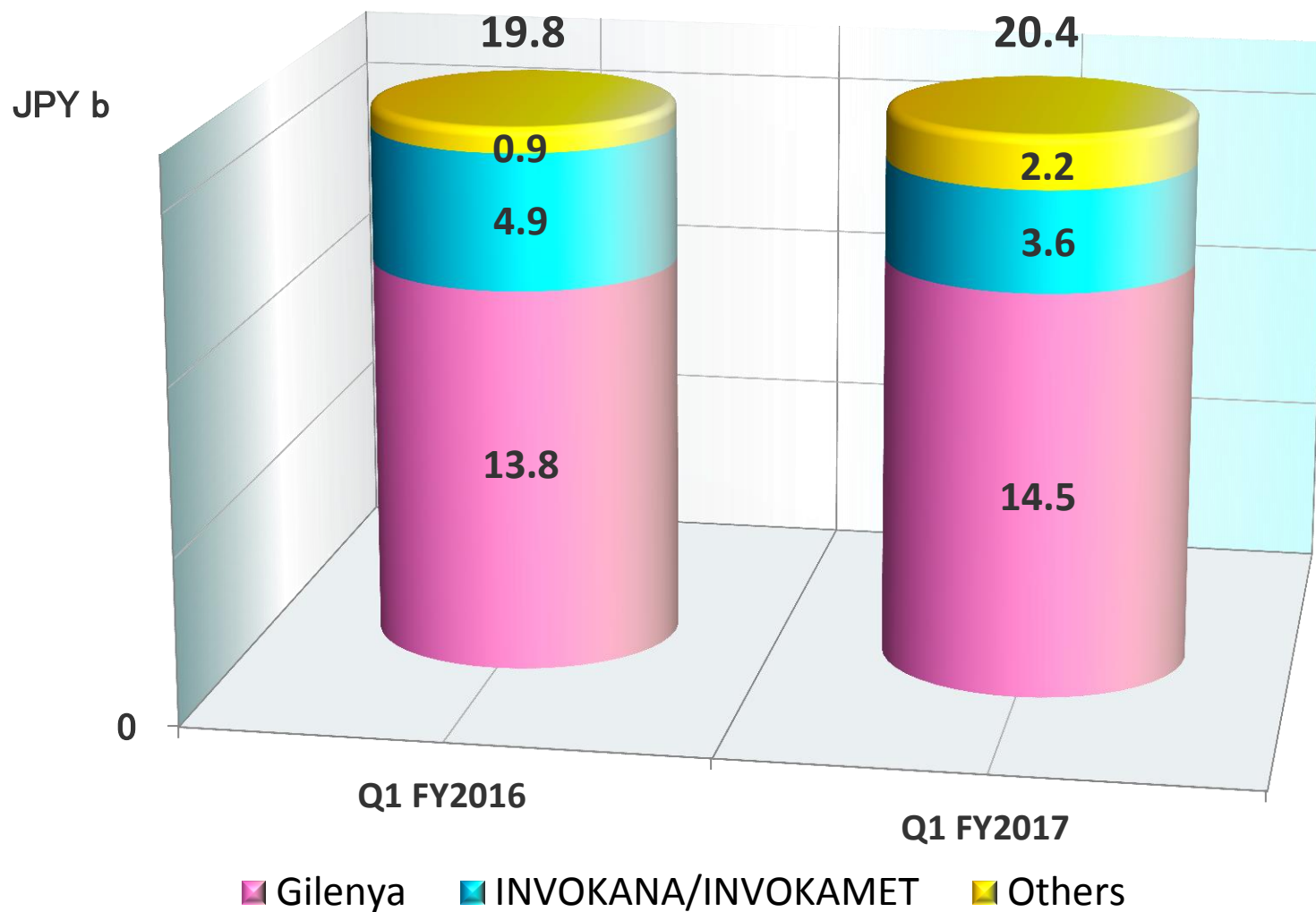
¥107.87

¥110.00

* Announced on May 10, 2017 in the financial results of FY2016

Sales Revenues Trends





<Average exchange rate>

US\$

¥107.87

¥111.42

Cost of Sales, SG&A Expense, Core Operating Profit

	FY2017 Q1	FY2016 Q1	Increase/decrease		1H forecasts*1	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Sales revenue	107.7	105.4	+2.2	+2.1	212.5	50.7
Cost of Sales	42.5	40.0	+2.5	+6.3	82.5	51.6
Sales cost ratio	39.5%	38.0%		+1.5	38.8	
Gross profit	65.1	65.4	-0.3	-0.5	130.0	50.1
SG&A expense	24.4	21.5	+2.8	+13.1	52.0	47.0
R&D expense	18.0	14.5	+3.5	+24.7	35.5	51.0
Amortization of intangible assets associated with products	0.5	0.3	+0.1	+42.8	1.0	52.7
Other income and expense*2	-0.1	+0.0	-0.1	-	-	-
Core operating profit	21.9	29.0	-7.0	-24.2	41.5	53.0
Total labor costs	18.2	17.1	+1.1	+6.4	36.3	50.3

*1 Announced on May 10, 2017 in the financial results of FY2016

*2: Negative signs indicate expense and loss.

Non-recurring items, Net Profit

	FY2017 Q1	FY2016 Q1	Increase/decrease		1H forecasts*1	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Core operating profit	21.9	29.0	-7.0	-24.2	41.5	53.0
Non-recurring items*2	-0.9	+0.1	-1.1	-	-1.0	-
Operating profit	21.0	29.2	-8.1	-27.9	40.5	52.0
Financial income	1.0	1.2	-0.2	-21.3	-	-
Financial expense	0.0	0.2	-0.1	-67.2	-	-
Net profit attributable to owners of the Company	16.9	21.9	-4.9	-22.5	32.5	52.2

*2 : Negative signs indicate expense and loss



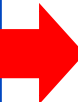
*1 Announced on May 10, 2017 in the financial results of FY2016

Development Pipeline etc.




Progress of Development Pipeline

Progress after May 10, 2017, the financial results for FY2016


Product name / Development code	Indications (MoA)	Region	P1	P2	P3	Filed	Approved
Remicade	Anti-human TNFα monoclonal antibody (Crohn's disease:shortened administration interval)	JP					
MT-2412	Fixed-dose combination of DPP-4 inhibitor and SGLT2 inhibitor (Type 2 diabetes mellitus)	JP					
MT-2990	Inflammatory diseases, autoimmune diseases, etc.	EU					

MTPC to Acquire NeuroDerm Ltd.


◆ The Advantages of NeuroDerm are Creating ideas and R&D capabilities for next-generation treatments for Parkinson's disease that will make a clinically meaningful difference in patients' lives




Development of new administration routes with new formulations to overcome current limitations



New drug with significant clinical advantages for patient QOL improvement



Strong IP portfolio backed by R&D capabilities



Accelerated lower risk regulatory pathway and short time to market

Innovative Pipeline to Challenge Unmet Needs of Parkinson's disease

ND0612

ND0701

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Open Up the Future

Becoming a company that works with a sense
of speed and is the first to deliver differentiated value



Mitsubishi Tanabe Pharma

Appendix

Details of Revenue (Q1 FY2017)

	FY2017 Q1	FY2016 Q1	Increase/decrease		1H forecasts*	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Sales revenue	107.7	105.4	+2.2	+2.1	212.5	50.7
(overseas sales revenue)	25.6	25.0	+0.5	+2.2	53.7	47.7
Domestic ethical drugs	79.9	78.4	+1.5	+2.0	154.2	51.8
Overseas ethical drugs	5.9	5.5	+0.3	+6.5	12.9	46.0
Royalty revenue, etc.	20.4	19.8	+0.6	+3.4	41.7	49.0
OTC products	1.1	1.0	+0.1	+14.3	3.2	35.6
Others	0.1	0.6	-0.5	-76.6	0.3	50.5

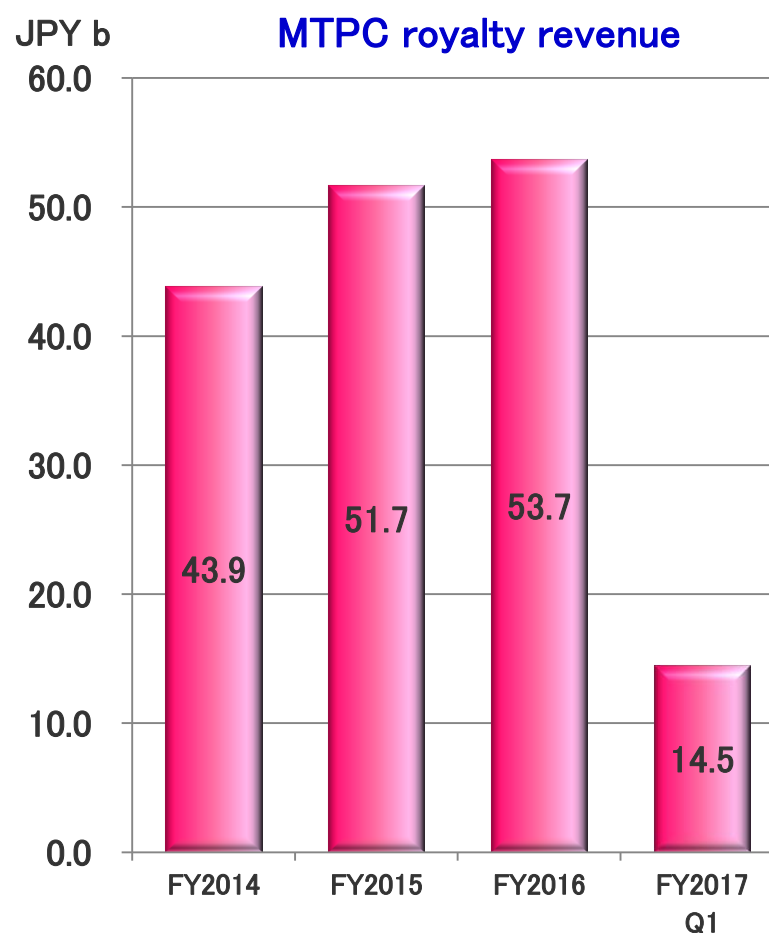
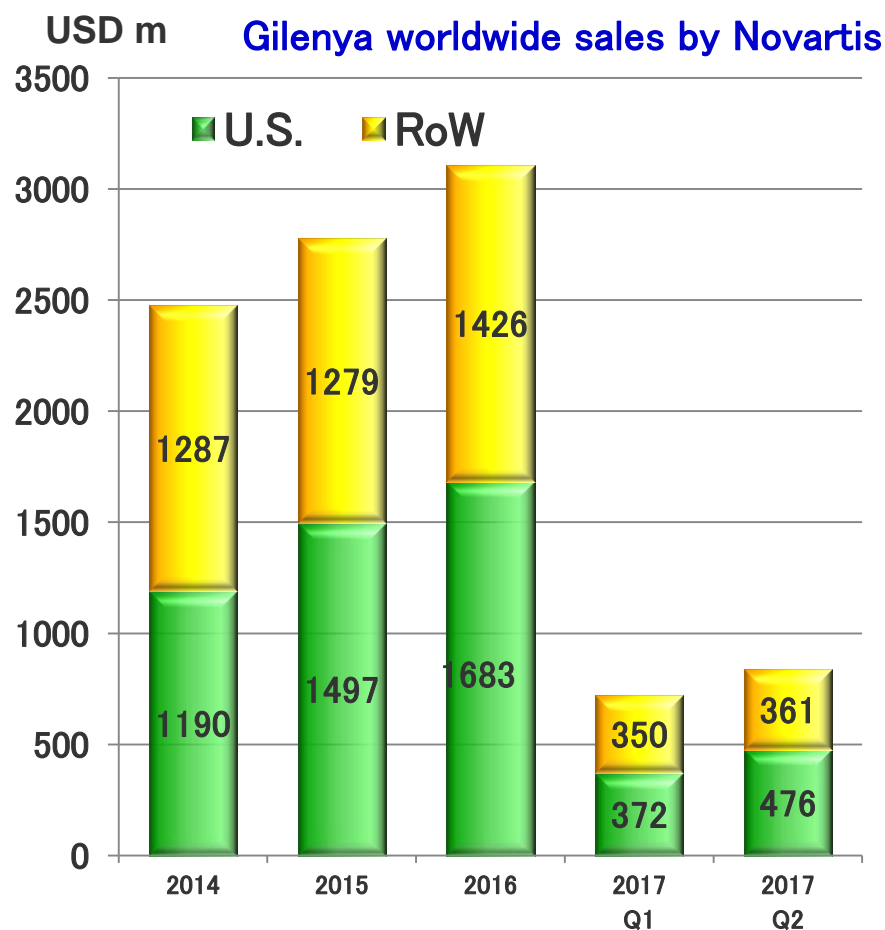
* : Announced on May 10, 2017 in the financial results of FY2016

Sales Revenue of Domestic Ethical Drugs

	FY2017 Q1	FY2016 Q1	Increase/decrease		1H forecasts*	Achieved
	Billion yen	Billion yen	Billion yen	%	Billion yen	%
Remicade	16.8	17.3	-0.5	-3.2	32.6	51.5
Simponi	7.5	6.3	+1.2	+19.5	13.9	53.9
Tenelia	4.6	3.8	+0.8	+20.9	8.6	54.0
Talion	4.0	4.1	-0.1	-2.5	8.2	48.7
Lexapro	3.1	2.8	+0.2	+9.2	6.1	50.9
Canaglu	1.4	0.7	+0.7	+102.1	3.0	48.5
Imusera	1.2	1.3	-0.0	-1.0	2.4	51.8
Total of priority products	38.9	36.5	+2.3	+6.5	75.1	51.8
Tetrabik	2.3	2.7	-0.4	-15.1	4.4	52.5
Mearubik	1.5	1.7	-0.1	-8.4	2.6	58.5
Varicella vaccine	1.4	1.4	+0.0	+0.3	2.8	50.7
JEBIK V	1.3	1.2	+0.0	+1.1	2.1	60.9
Influenza vaccine	-0.0	-0.1	+0.0	-	2.4	-
Total of vaccines	6.8	7.3	-0.4	-6.7	15.0	45.4
Total of priority products and vaccines	45.7	43.8	+1.8	+4.3	90.2	50.7

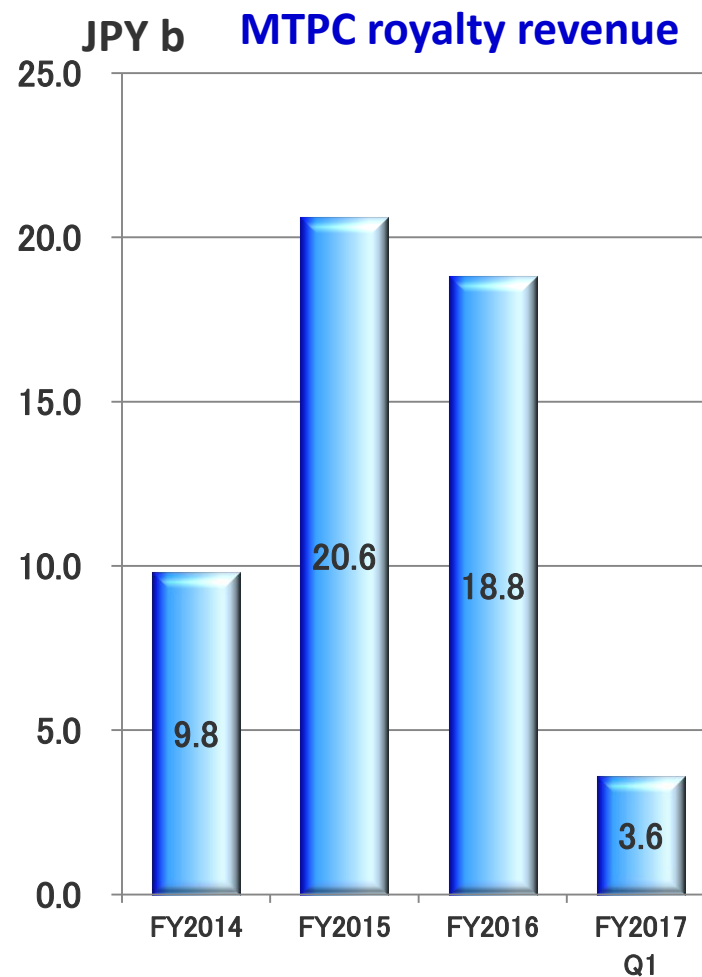
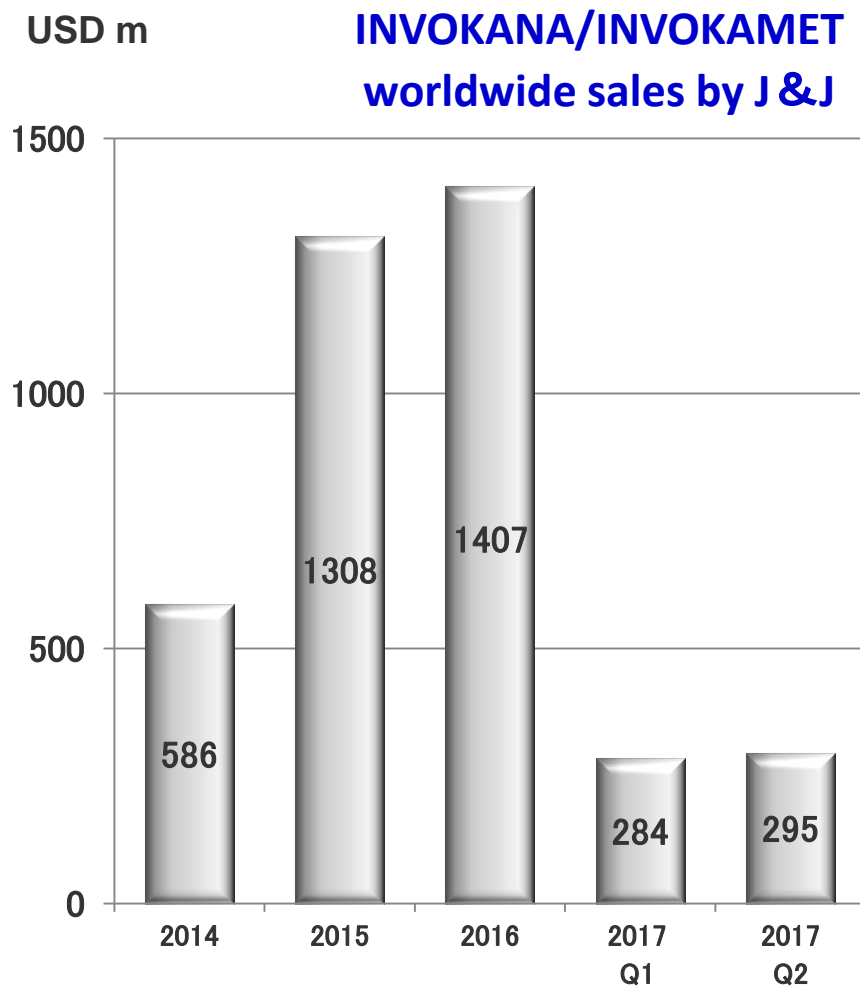
* : Announced on May 10, 2017 in the financial results of FY2016

- ◆ Gilenya worldwide sales by Novartis in April to June, 2017 : \$837 m (\$811m, the same period of previous year)
- ◆ MTPC royalty revenue in Q1 FY2017 (April to June, 2017) : ¥14.5 b



INVOKANA/INVOKAMET

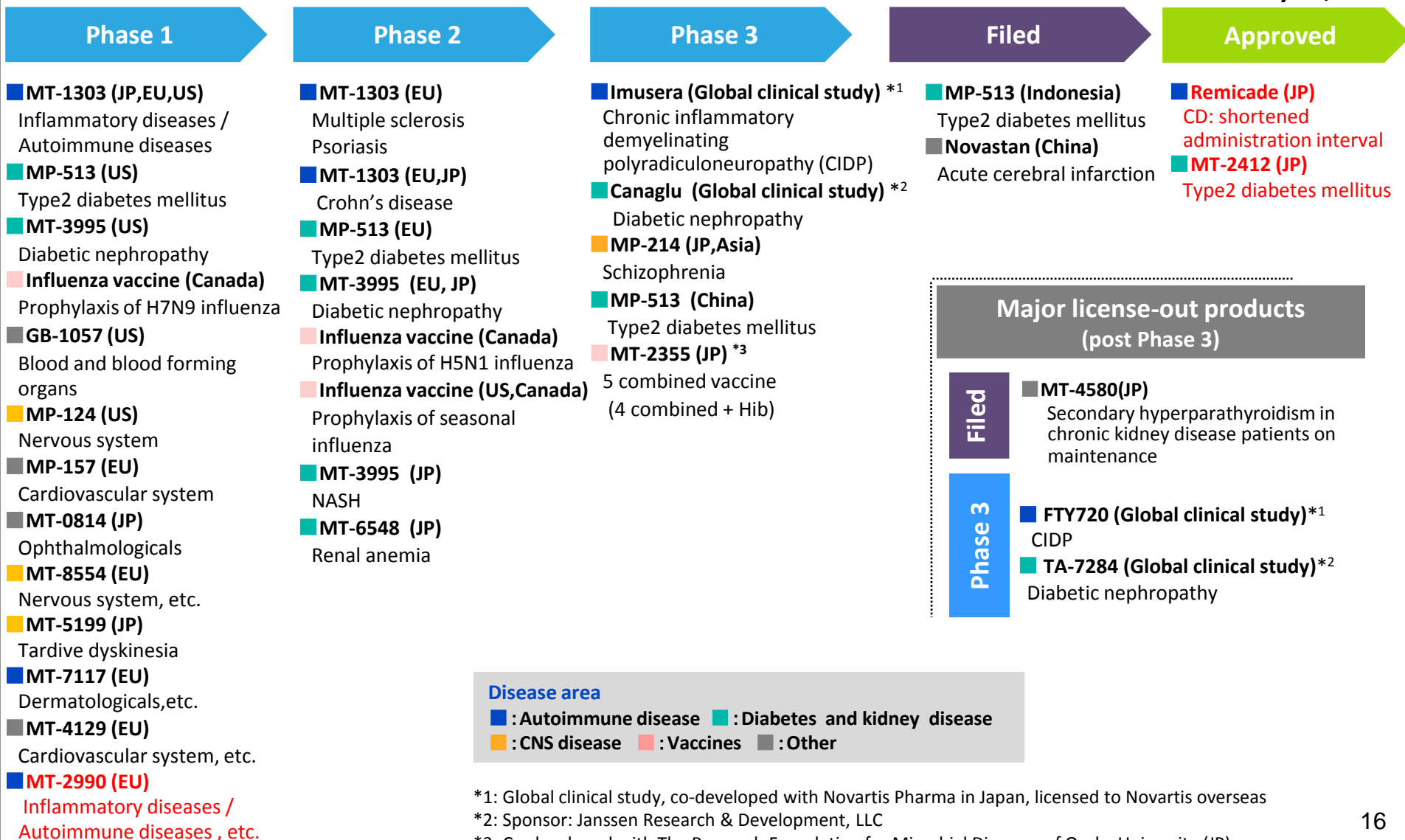
- ◆ INVOKANA/INVOKAMET sales by Johnson & Johnson
in April to June, 2017: \$295m (\$383m, the same period of previous year)
- ◆ MTPC royalty revenue in Q1 FY2017 (April to June, 2017) : ¥3.6b



Pipeline Status

Red: progress after May 10, 2017, the financial results for FY2016

As of July 31, 2017



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.