September 30, 2015

Mitsubishi Tanabe Pharma Corporation

Revision to Consolidated Financial Forecasts for Fiscal Year Ending March 31, 2016

Osaka, Japan, September 30, 2015 --- Mitsubishi Tanabe Pharma Corporation (Head office: Chuo-ku, Osaka, President and Representative Director: Masayuki Mitsuka) announced today a revision to the 2Q and full-year consolidated financial forecasts for the fiscal year ending March 31, 2016, which were announced on May 8, 2015.

1. Revised 2Q consolidated financial forecasts for the fiscal year ending March 31, 2016 (April 1, 2015 to September 30, 2015)

	Sales	Operating income	Ordinary income	Net income attributable to shareholders of the Company	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	191,500	28,000	28,000	19,000	33.87
Revised forecast (B)	200,000	38,500	38,000	25,500	45.46
Difference (B-A)	8,500	10,500	10,000	6,500	—
Percentage change (%)	4.4	37.5	35.7	34.2	—
(Reference) Results in the same period of the previous fiscal year	198,883	34,954	35,455	32,518	57.97

2. Revised consolidated financial forecasts for the fiscal year ending March 31, 2016 (April 1, 2015 to March 31, 2016)

	Sales	Operating income	Ordinary income	Net income attributable to shareholders of the Company	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	396,000	67,500	67,000	40,500	72.19
Revised forecast (B)	418,000	82,000	81,000	46,000	82.00
Difference (B-A)	22,000	14,500	14,000	5,500	—
Percentage change (%)	5.6	21.5	20.9	13.6	—
(Reference) Results in the same period of the previous fiscal year	415,124	67,133	67,654	39,502	70.41

3. Reason for revision:

In the first half of the fiscal year, net sales are expected to surpass the level of the previously announced forecast due to favorable sales of vaccines and others in domestic ethical drug operations and to favorable growth in royalty revenues from Invokana and other products.

In profits, operating income, ordinary income, and net income attributable to shareholders of the Company for the first half of the fiscal year are all expected to exceed the previously announced forecasts. This is a result of the growth in sales and of a decline in R&D and other SG&A expenses because certain expenses will be incurred in the second half.

In regard to the full-year forecast, in the second half of the fiscal year we expect to receive lump-sum payments accompanying the conclusion of a licensing agreement with Biogen related to MT-1303, a treatment agent for autoimmune diseases, and accompanying a patent and know-how transfer agreement and future agreements with Amgen and Dezima regarding TA-8995, a treatment agent for dyslipidemia. For the full fiscal year, net sales are expected to substantially exceed the previously announced forecast.

In addition, licensing expenses which were not occurred in the first half and R&D expenses will be incurred in the second half. As a result, we expect SG&A expenses to increase in the second half of the fiscal year. Nonetheless, operating income and ordinary income for the full-year are expected to exceed the previously announced forecast.

Accompanying the acceleration of the structural reforms that are currently being implemented, we expect to incur additional extraordinary losses in the second half. However, full-year net income attributable to shareholders of the Company is expected to exceed the previously announced forecast.

Note: The above results forecasts reflect judgments and assumptions that are based on information available at the present point in time. For any of a number of reasons, actual results might differ materially from these forecasts.

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