

CONSOLIDATED FINANCIAL REPORT
For the Third Quarter of Fiscal 2011
(Fiscal Year Ending March 31, 2012, Japan Standard)

February 2, 2012

Eisai Co., Ltd.	Stock exchange listings: Tokyo, Osaka
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Expected date of quarterly report submission:	February 10, 2012
Expected date of dividend payment commencement:	-
Preparation of quarterly supplementary explanatory material:	Yes
Quarterly results briefing held:	Yes

(Figures are rounded down to the nearest million yen unless otherwise stated)

1. Consolidated Financial Results for the Third Quarter of Fiscal 2011
(April 1, 2011 to December 31, 2011)

(1) Consolidated Operating Results (cumulative)

(Percentage figures show year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
3Q Fiscal 2011	504,800	-17.8	82,215	-24.9	77,897	-24.2	49,191	-27.0
3Q Fiscal 2010	613,859	+1.6	109,434	+28.7	102,734	+28.3	67,371	+24.9

(Note) Comprehensive income: 3Q Fiscal 2011 ¥24,383 million (2.1%) 3Q Fiscal 2010 ¥23,879 million (- %)

	Basic earnings per share	Diluted earnings per share
	(¥)	(¥)
3Q Fiscal 2011	172.62	172.61
3Q Fiscal 2010	236.44	236.43

(2) Consolidated Financial Position

	Total assets	Equity	Shareholder's equity ratio	Book value per share
	(¥ million)	(¥ million)	%	(¥)
As of Dec. 31, 2011	970,481	392,093	39.8	1,353.87
As of Mar. 31, 2011	1,046,291	410,370	38.6	1,418.35

(Reference) Shareholder's equity (total equity less minority interests and stock options):

As of December 31, 2011 ¥385,810 million As of March 31, 2011 ¥404,170 million

2. Dividends

	Dividend per share				
	1Q end	2Q end	3Q end	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal 2010	-	70.00	-	80.00	150.00
Fiscal 2011	-	70.00	-		
Fiscal 2011 (Forecast)				80.00	150.00

Note: Revisions to dividend forecast during the quarter: None

3. Consolidated Financial Forecasts for Fiscal 2011

(April 1, 2011 to March 31, 2012)

(Percentage figures show year-on-year change)

	Net sales		Operating income		Ordinary income		Net income		Basic earnings per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Full fiscal year	654,000	-14.9	100,000	-11.6	94,000	-10.7	60,500	-10.2	212.31

Note: Revisions to financial forecasts during the quarter: Yes

4. Other Information

- 1) Changes in number of significant subsidiaries* in connection with changes to the scope of consolidation during the period : None

Increase: None Decrease: None

*Subsidiaries that meet the following criteria:

1. The subsidiary's sales or purchases from the parent company represent 10% or more of the sales or purchases of the parent company.
2. The subsidiary's net assets are equal to or more than 30% of the net assets of the parent company
3. The amount of common stock is equal to or more than 10% of that of the parent company

- 2) Application of special accounting treatment in preparation of consolidated quarterly financial statements: No

- 3) Changes in accounting policies, accounting estimates and restatements:
- i. Changes in connection with the amendment of accounting standards: Yes
 - ii. Changes other than (1): None
 - iii. Change in accounting estimate: None
 - iv. Restatement: None

- 4) Number of shares issued and outstanding (common stock):
- i. Number of shares issued and outstanding as of the end of the reporting period (including treasury stock):
3Q Fiscal 2011: 296,566,949 shares Fiscal 2010: 296,566,949 shares
 - ii. Number of shares of treasury stock as of the end of the reporting period:
3Q Fiscal 2011: 11,599,335 shares Fiscal 2010: 11,608,283 shares
 - iii. Average number of outstanding shares (quarterly cumulative):
3Q Fiscal 2011: 284,964,960 shares 3Q Fiscal 2010: 284,936,110 shares

* Disclosure concerning the implementation status of quarterly review procedures:

This quarterly financial report is exempt from quarterly review procedures as stipulated under the Financial Instruments and Exchange Act of Japan. At the time of this quarterly financial report's disclosure, quarterly financial statement review procedures have not been completed as stipulated under the Financial Instruments and Exchange Act of Japan.

* Explanation concerning the appropriate use of results forecast and other special instructions:

Please refer to page 11-12 for details with regard to the assumptions and other related matters concerning consolidated financial results forecasts

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1. Qualitative Information Concerning Consolidated Financial Results

1) Qualitative Information Concerning Consolidated Operating Results

(Reporting period: April 1, 2011 to December 31, 2011)

[Sales and Income]

- Eisai Co., Ltd. (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”) recorded the following **consolidated financial results** for the quarter ended December 31, 2011:

Net sales:	¥504,800 million (down 17.8% year on year)
Operating income:	¥82,215 million (down 24.9% year on year)
Ordinary income:	¥77,897 million (down 24.2% year on year)
Net income:	¥49,191 million (down 27.0% year on year)
- **Sales of Aricept**, an anti-Alzheimer’s agent, declined to ¥123,366 million (down 50.2% year on year) as a result of the impact caused by the expiration of the composition of matter patent in the United States. **Sales of Pariet** (U.S. brand name: Aciphex), a proton pump inhibitor, came to ¥98,172 million (down 10.0% year on year). On the other hand, the Group is moving forward with its shift into the field of integrative oncology as outlined in its mid-term strategic plan “HAYABUSA”, driven by the launch of new anticancer agent Halaven. As a result, **sales of oncology related products** increased to ¥69,120 million (up 15.8% year on year). The ratio of sales of oncology related products to the Group’s consolidated net sales increased to 13.7% from the 9.7% ratio of the third quarter of the previous fiscal year.
- Selling expenses significantly declined as a result of lower alliance fees paid to Pfizer Inc. following the Aricept composition of matter patent expiration in the United States, while **operating income and ordinary income** decreased due to a decline in gross profit that resulted from lower net sales.
- In accordance with the promulgation of the revised Corporation Tax Act in December 2011, changes were made to the effective statutory tax rates, which are used to measure deferred tax assets and deferred tax liabilities. Following this reform, tax expenses increased by ¥6,777 million, resulting in a decrease in net income.
- As a result, **basic earnings per share** for the period came to ¥172.62 (down ¥63.82 per share from the same period of the previous fiscal year).
- **Comprehensive income** for the period after adding/deducting minority interests and other comprehensive income to/from net income came to ¥24,383 million.

[Cash Income]

- The Group uses **cash income** as a managerial index to express its ability to generate cash.
- Cash income is the total amount of cash available for investment in future growth, dividend payments, repayment of borrowings, and other expenditures. The Group considers cash income as an indicator to assess corporate growth potential and strategies.
- **Net income** was ¥49,191 million; **depreciation of property, plant and equipment and amortization of intangible assets** was ¥30,915 million; and **amortization of goodwill** was ¥5,357 million.

- As a result, **cash income** for this period was ¥85,671 million (down 19.6% year on year), with **cash income per share** of ¥300.64 (down ¥73.55 per share from the same period of the previous fiscal year). **Cash income for this period excluding the effects of the revised Corporation Tax Act** was ¥92,448 million.

*Cash income = Net income (loss) + depreciation of PP&E and amortization of intangible assets + in-process R&D expenses + amortization of goodwill + loss on impairment of long-lived assets (incl. loss on devaluation of investment securities)

*Cash income per share = Cash Income / average number of outstanding shares after deduction of treasury stock

[Performance by Segment]

(Net sales for each segment include only sales to external customers.)

The Eisai Group's segments comprise the Pharmaceuticals and Other businesses, with the Pharmaceuticals Business of each region being identified as a reporting segment.

Effective from the fiscal year ending March 31, 2012, the Group has designated four new reporting segments for its Pharmaceuticals Business: East Asia (Japan, China, South Korea, Taiwan, and Hong Kong), the United States, Europe and New Markets & ASEAN (which includes Brazil, Mexico, Russia, Canada, Australia, India, the Middle East, and Southeast Asia). In line with this change, net sales figures listed in this report for each segment for the fiscal year ended March 31, 2011 are based on the new reporting segments.

<East Asia Pharmaceuticals Business>

- **Net sales** totaled ¥315,695 million (up 9.6% year on year), with **segment profit** of ¥136,397 million (up 14.1% year on year). Of this amount, ¥294,322 million (up 9.4% year on year) was recorded by the Japan Pharmaceuticals Business, with **segment profit** of ¥131,915 million (up 13.1% year on year). **The ratio of net sales of the East Asia Pharmaceuticals Business** to the total net sales of the Group increased to 62.5% from 46.9% year on year, an increase of 15.6 percentage points from the third quarter of the previous fiscal year. The Group is steadily transforming to achieve its objective in regards to regional balance as set forth in the mid-term strategic plan "HAYABUSA".
- **Sales of Aricept** increased to ¥95,557 million (up 13.4% year on year), while **sales of Pariet** decreased to ¥49,850 million (down 2.9% year on year). Of this amount, **sales of Aricept, Pariet, and Halaven** recorded by the Japan Pharmaceuticals Business came to ¥91,211 million (up 13.4% year on year), ¥47,768 million (down 2.0% year on year), and ¥1,822 million, respectively.

<United States Pharmaceuticals Business>

- **Net sales** totaled ¥119,787 million (down 53.6% year on year; down 49.0% on a U.S. dollar-denominated basis). This represented an improvement of 0.7% compared to the first six months of the fiscal year, in which net sales fell by 49.7% year on year on a U.S. dollar-denominated basis, showing that the decline in sales due to the expiration of Aricept's composition of matter patent has bottomed out. **Segment profit** was ¥25,214 million (down 70.4% year on year; down 67.5% on a U.S. dollar-denominated basis).
- **Sales of Aricept** came to ¥9,414 million (down 93.5% year on year; down 92.8% on a U.S. dollar-denominated basis), while **sales of Aciphex** came to ¥42,938 million (down 16.3% year on year; down 8.0% on a U.S. dollar-denominated basis). **Sales of Halaven** totaled

¥7,858 million.

- Of the Aricept sales recorded by the U.S. pharmaceutical business, **sales of Aricept 23 mg tablet**, a higher dose formulation of Aricept, during the period totaled ¥3,002 million, while **Aricept AG related sales** (Authorized Generic; generic products that are marketed with the permission of the brand company) came to ¥2,808 million.

< Europe Pharmaceuticals Business >

- **Net sales** totaled ¥33,633 million (up 0.8% year on year), with **segment profit** of ¥5,411 million (up 52.7% year on year).
- **Sales of Aricept** came to ¥17,092 million (down 6.2% year on year), while **sales of Pariet** came to ¥4,095 million (down 19.2% year on year). **Sales of Halaven** totaled ¥1,155 million.

< New Markets & ASEAN Pharmaceuticals Business >

- **Net sales** totaled ¥5,261 million (up 0.7% year on year), with **segment profit** of ¥750 million (down 11.8% year on year).
- **Sales of Aricept** came to ¥1,302 million (down 0.9% year on year), while **sales of Pariet** came to ¥1,288 million (down 3.0% year on year). **Sales of Halaven** totaled ¥36 million.
- The Group expanded its business platform in New Markets with the launch of the antiepileptic agent **Banzel** and the chemotherapeutic brain tumor implant **Gliadel Wafer** in Canada, as well as the establishment of pharmaceutical sales subsidiaries in Brazil and Mexico.

2) Research & Development Pipeline, Alliances and Other Events

[Status of Ongoing Research & Development Pipeline]

- The **anticancer agent Halaven** (E7389, microtubule dynamics inhibitor) received approval as a treatment for breast cancer in the U.S. and other markets, including Singapore, the European Union (EU), Japan, Switzerland and Canada. As of January 2012, the agent is approved in 35 countries worldwide. Applications seeking approval have also been submitted in 11 countries, including Thailand, Malaysia, Hong Kong, the Philippines, Mexico, and Brazil. A Phase III study that was underway in the U.S. to investigate the agent as a potential treatment for sarcoma is now being conducted as a global development program, while a Phase II study was initiated and is ongoing in Japan. In addition, the Group initiated a Phase III study for non-small cell lung cancer as a global development program. A Phase III study to evaluate the agent as a potential second-line chemotherapy for breast cancer (U.S. and Europe) is also ongoing.
- The application submitted for the **AMPA-type glutamate receptor antagonist E2007 (perampanel)** seeking approval to use the agent as an adjunctive therapy in epilepsy patients with partial seizures was accepted for review in Europe in June 2011. In the U.S., the Group submitted an application to the U.S. Food and Drug Administration (FDA) in May 2011. Upon preliminary review, the FDA requested additional information, including reformatting of some datasets. The reformatted data was resubmitted in December 2011. Additionally, a Phase III study for the same indication was initiated in Japan. A Phase III study investigating the agent as a potential adjunctive therapy for generalized seizures in patients with epilepsy was initiated in Japan following the U.S. and Europe, and is being conducted as a global development program.
- In May 2011, the **calcium channel blocking anti-arrhythmic agent Vasolan** Tablets 40 mg and Vasolan for Intravenous Injection 5 mg received approval in Japan for an additional indication as a treatment for pediatric patients with supraventricular tachyarrhythmia.
- In June 2011, the **antiepileptic agent Banzel** received approval in Canada for use in the adjunctive treatment of seizures associated with Lennox-Gastaut Syndrome (LGS) in children 4 years and older and adults.
- In July 2011, the **fully human anti-TNF- α monoclonal antibody Humira** received approval in Japan for polyarticular juvenile idiopathic arthritis (JIA) as an additional indication. In addition, Humira Pre-filled Syringe 20 mg/0.4 mL for Subcutaneous Injection, a new formulation for patients with a low body weight, also received approval.
- In July 2011, a new granule formulation of the **oral anticoagulant Warfarin** received approval in Japan. Subsequently, the agent received approval for use in pediatric patients in October.
- In November 2011, a new oral suspension formulation of the **antiepileptic agent Inovelon** received approval in Europe.
- In January 2012, the **insomnia treatment Lunesta** received approval in Japan for use in the treatment of insomnia.

- In July 2011, the supplemental New Drug Application (sNDA) submitted in the U.S. seeking approval of acute myeloid leukemia (AML) as an additional indication for the **DNA methylation inhibitor Dacogen** was accepted for review by the FDA. A Phase II study investigating the agent as a potential treatment for AML in pediatric patients is currently underway in the U.S.
- In July 2011, the application submitted in Europe seeking approval of an additional indication for the **antiepileptic agent Zonegran** as monotherapy in patients with partial seizures was accepted for review by the European Medicines Agency (EMA).
- In August 2011, an application was submitted in Japan seeking approval for the **anti-rheumatic agent T-614**.
- In September 2011, the Group decided to terminate the development of its investigational proton pump inhibitor (PPI) **Pariet/Aciphex Extended-Release Capsules, 50 mg**, and withdrew the marketing authorization applications it had submitted to the regulatory authorities in the U.S. and Europe.
- In September 2011, an application seeking approval of inhibition of structural damage of joints in rheumatoid arthritis as an additional indication for **Humira**, a fully human anti-TNF- α monoclonal antibody, was submitted in Japan.
- In December 2011, an application seeking approval of a **new dry syrup formulation of the anti-Alzheimer's agent Aricept** was submitted in Japan.
- A Phase III study investigating the **anticancer agent E7080** (lenvatinib, VEGF receptor tyrosine kinase/multi-kinase inhibitor) as a potential treatment for thyroid cancer was initiated in Japan following the U.S. The study is being conducted as a global development program. In addition, Phase II studies investigating the agent as a potential treatment for endometrial cancer (U.S. and Europe), melanoma (U.S. and Europe), and glioma (U.S.) are also ongoing.
- A global Phase III study of the anticancer agent **MORAb-003 (farletuzumab, monoclonal antibody)** for platinum-sensitive ovarian cancer is ongoing. Meanwhile, the Phase III study that was being conducted in the U.S. and Europe in patients with platinum-resistant ovarian cancer was terminated based on the results of an interim analysis conducted by an Independent Data Monitoring Committee that determined the study was unlikely to meet its statistically defined efficacy endpoints. A Phase II study for non-small cell lung cancer with folate receptor alpha (FRA) positive is also ongoing in the U.S and Europe.
- The Phase III study initiated in the U.S. to evaluate **the anticancer agent Ontak** as a potential treatment for peripheral T-cell lymphoma was temporarily terminated in order to focus on the development of a new formulation that enhances the benefit that the agent provides to patients.
- A Phase II/III study of the **proton pump inhibitor Pariet** for the prevention of recurrence of gastric/duodenal ulcers during treatment with low-dosage aspirin was initiated in Japan.
- A Phase II study of the **anticancer agent MORAb-004 (ontecizumab, monoclonal antibody)** for melanoma was initiated and is ongoing in the U.S.
- A Phase II study of the **phosphodiesterase 4 inhibitor E6005** for atopic dermatitis was

initiated and is ongoing in Japan.

- A Phase III study of the oral **thrombopoietin receptor agonist E5501/AKR-501 (avatrombopag)** for idiopathic thrombocytopenic purpura (ITP) was initiated in the U.S. and Europe.
- A Phase III study of **Aricept 23 mg tablet**, a higher dose formulation of the anti-Alzheimer's agent Aricept, was initiated in Japan.

[Status of Major Alliances and Agreements]

- In April 2011, Eisai Co., Ltd. concluded a **license and collaborative research and development agreement with PRISM BioLab Corporation** (Yokohama) concerning a CBP/ β -catenin inhibitor and analogous compounds thereof.
- In September 2011, Eisai Co., Ltd. entered into a **collaborative development agreement with SFJ Pharma Ltd.**, a wholly-owned subsidiary of SFJ Pharmaceuticals, LP., II (California, U.S.), to conduct Phase III studies with E7080 in thyroid cancer, in an effort to further accelerate the late-stage clinical development of its new drug pipeline through effective leverage of external financial resources.
- In September 2011, Eisai Co., Ltd. entered into a neurological drug **discovery research collaboration with U.S.-based Johns Hopkins University.**
- In October 2011, Eisai Co., Ltd. entered into a Japan **co-promotion agreement with Novartis Pharma K.K.** (Tokyo) for three Novartis Pharma therapies for chronic obstructive pulmonary disease (COPD). Based on this agreement, the two companies began co-promoting Onbrez Inhalation Capsules 150 mcg (indacaterol maleate) on December 1, 2011. Co-promotion of NVA237 (glycopyrronium bromide) and QVA149 (indacaterol maleate and glycopyrronium bromide), both of which are currently being developed by Novartis Pharma, will commence following their launch.

[Other Events]

- In April 2011, EIDIA Co., Ltd., Eisai's diagnostics subsidiary, launched the **Cobas h232 Series, a point-of-care testing system for use in the early diagnosis of cardiovascular emergencies.** Eisai Co. Ltd. is serving as co-promotion partner for the product.
- In April 2011, the Eisai Group **established a pharmaceutical sales subsidiary Eisai Participações Ltda.** in Brazil. In order to facilitate the immediate start of its Brazil business, the Group then acquired Soluções Naturais Importação e Distribuição Ltda., an inactive Brazilian corporation with a sanitary license (a license required to apply for approval of pharmaceutical products) in July 2011. Subsequently, in November 2011, the Group changed the name of the acquired company to Eisai Laboratórios Ltda., and merged it with Eisai Participações Ltda., with Eisai Laboratórios Ltda. remaining as the surviving company.
- In April 2011, Abbott Japan Co., Ltd. received approval in Japan to market the **pancreatic enzyme replacement drug Lipacreon**, which was co-developed by Eisai Co., Ltd. and Solvay Seiyaku K.K. (currently Abbott Japan Co., Ltd.), as a pancreatic digestive enzyme replacement in patients with pancreatic exocrine insufficiency. The product was launched in August and is being marketed by Eisai.

- In May 2011, the anticancer agent **Symbenda** (product name in Japan: Treakysim) received approval for the treatment of chronic lymphocytic leukemia and multiple myeloma from the regulatory authorities in South Korea. The product was launched in October 2011.
- In August 2011, the Eisai Group **established the new pharmaceutical sales subsidiary Eisai Laboratorios S. de R.L. de C.V.** in Mexico.
- In August 2011, the EIDIA Co., Ltd., Eisai's diagnostics subsidiary, received approval to manufacture and market and subsequently launched **PROTOCO2L**, Japan's first carbon dioxide insufflation system for use as a medical device in CT colonography, along with the carbon dioxide insufflation tube PROTOCO2L Catheter Set. Eisai Co., Ltd. is serving as a co-promotion partner of the product.
- In September 2011, **New Selbelle Tablets** and **New Selbelle Fine Granules** were launched as a new addition to the Selbelle series, the Company's consumer healthcare brand to relieve weakness of the stomach due to aging or other factors.
- In September 2011, the Supreme Court of Japan turned down a petition filed by generic drug manufacturers in regards to an Intellectual Property High Court ruling to maintain a decision to grant an extension for the Aricept patent in relation to severe Alzheimer's disease. As a result of this decision, the term of the Aricept patent in relation to severe Alzheimer's disease was extended to June 22, 2013.
- In November 2011, Sannova Co., Ltd., Eisai's pharmaceutical manufacturing and sales subsidiary, submitted an application in Japan seeking approval of an additional indication, prevention of infantile vitamin K deficiency hemorrhage, for **Kaytwo Syrup**, a vitamin K₂ syrup formulation.
- An application seeking to remove alveolar pyorrhea and other conditions as approved indications for egg white lysozyme preparation **Neuzym** and to make changes to its approved dosage and administration was submitted in December 2011, and was subsequently approved in January 2012. The agent was also designated for reevaluation in other indications not subject to removal.
- With respect to obesity treatment **lorcaserin** (generic name), for which the Company's U.S. subsidiary, Eisai Inc., has concluded an exclusive U.S. licensing agreement with Arena Pharmaceuticals, Inc.'s Swiss subsidiary, Arena Pharmaceuticals GmbH ("Arena"), in December 2011 Arena submitted its response to the Complete Response Letter (CRL) issued by the U.S. Food and Drug Administration (FDA) in October 2010 following the review of the New Drug Application (NDA). The FDA accepted the response and assigned a new Prescription Drug User Fee Act (PDUFA) date of June 27, 2012.
- In January 2012, Nobelpharma Co., Ltd. and Eisai launched the anticonvulsant agent **Fostoin 750 mg for Injection** (fosphenytoin sodium hydrate) in Japan based on a marketing agreement previously concluded between the two companies. Fostoin is being marketed by Eisai and co-promoted by both companies.
- In January 2012, EIDIA Co., Ltd. launched **LIFE CHECK**, a self-monitoring blood glucose meter manufactured by Gunze Limited in Japan. The product is co-promoted by Eisai.

3) Qualitative Information Concerning Financial Position

[Assets, Liabilities and Equity]

- **Total assets** as of the end of this period amounted to ¥970,481 million (down ¥75,810 million from the end of the previous fiscal year). This decrease in total assets was attributed to such factors as depreciation and amortization expenses for non-current assets as well as a decrease in the yen value of assets of overseas subsidiaries as a result of currency exchange rate fluctuations.
- **Total liabilities** as of the end of this period decreased to ¥578,388 million (down ¥57,533 million from the end of the previous fiscal year) as a result of such factors as the payment of income tax liabilities and the redemption at maturity of the Company's 5th series of unsecured straight bonds of ¥40,000 million issued in 2008.
- **Total equity** as of the end of this period decreased to ¥392,093 million (down ¥18,277 million from the end of the previous fiscal year) as a result of such factors as a decrease in the yen value of assets of overseas subsidiaries as a result of currency exchange rate fluctuations. The shareholders' equity ratio was 39.8% (up 1.1 percentage points from the end of the previous fiscal year).

[Cash Flow] (April 1, 2011 to December 31, 2011)

- **Net cash provided by operating activities** amounted to ¥54,850 million (down ¥50,236 million from the same period of the previous fiscal year). More specifically, **income before income taxes and minority interests** was ¥80,001 million; **depreciation and amortization** was ¥30,915 million; and **income taxes paid** was ¥37,090 million, an increase of ¥18,505 million from the same period of the previous fiscal year.
- **Net cash provided by investing activities** amounted to ¥10,166 million (¥34,437 million was used in the same period of the previous fiscal year). **Proceeds from sales and redemptions of investment securities** were ¥19,421 million.
- **Net cash used in financing activities** amounted to ¥56,677 million (down ¥3,053 million from the same period of the previous fiscal year). ¥40,000 million was used for **redemptions of bonds and debentures**, while ¥42,744 million was used for dividend payments.
- As a result, **cash and cash equivalents** at the end of this period stood at ¥104,942 million (up ¥2,141 million from the end of the previous fiscal year).

4) Basic Policy on Profit Appropriation and Dividend Forecast for the End of Fiscal 2011 (April 1, 2011 to March 31, 2012)

Eisai is devoted to providing sustainable and stable dividends based on its consolidated financial performance along with the Dividend on Equity ratio (DOE) and cash income.

DOE encompasses both the Dividend Payout Ratio (DPR), which measures the extent to which profits are distributed to shareholders in the form of dividends, and Return on Equity (ROE), which measures how effectively the Company uses the money invested by shareholders to generate profits.

Cash income expresses the Company's ability to generate cash. Cash income is used for dividend payments, investment in future growth and repayment of borrowings as well as other purposes to enhance the financial standing of the Company. Eisai considers it important to allocate cash income equally for these applications over a medium term.

From this standpoint, the Company considers it well-balanced and appropriate to take DOE and cash income, in addition to consolidated financial results, into consideration in a comprehensive manner in mid-term assessments of shareholder return. In addition, acquisition of treasury stock will be carried out flexibly on a timely basis.

Eisai is a company with a committees system and, to facilitate a flexible dividend policy as specified in the Company's Articles of Incorporation, dividend payments are to be determined by a resolution of the Board of Directors.

Based on the Company's basic dividend policy to provide shareholders with sustainable and stable dividends, the Company intends to set the fiscal year-end dividend at ¥80 per share (same amount as the same period of the previous fiscal year). With an interim (the second quarter-end) dividend of ¥70 per share, Eisai intends to set the total dividend for the year at ¥150 per share (same amount as the previous fiscal year).

**5) Qualitative Information Concerning Consolidated Financial Forecasts for Fiscal 2011
(April 1, 2011 to March 31, 2012)**

[Consolidated Forecasts]

The full fiscal year consolidated forecasts have been revised as follows from the forecasts previously announced in November 2011.

	Revised forecast		Previous forecast		Increase/ decrease	Rate of change
	(A)	(%)	(B)	(%)	(A-B)	(%)
Net sales	¥654,000 mil.	-14.9%	¥654,000 mil.	-14.9%	-	-
Operating income	¥100,000 mil.	-11.6%	¥100,000 mil.	-11.6%	-	-
Ordinary income	¥94,000 mil.	-10.7%	¥94,000 mil.	-10.7%	-	-
Net income	¥60,500 mil.	-10.2%	¥67,500 mil.	+0.2%	(¥7,000 mil.)	-10.4%

Notes: *Forecasted annual earnings per share (full year): ¥212.31

(Assumptions for the 4th quarter) 1 USD = ¥77, 1 EUR = ¥100, 1 GBP = ¥120

- Full fiscal year forecasts for net sales, operating income and ordinary income remain unchanged from the previous forecast.
- In accordance with the promulgation of the revised Corporation Tax Act in December 2011, changes were made to the corporate income tax rates. Following this reform, deferred tax assets are expected to decrease and tax related expenses are expected to increase by ¥7,000 million. As a result, the Group forecasts full-year net income to decrease to ¥60,500 million. Excluding the effects of the above change, the forecast for net income remains unchanged from the previous forecast.
- Excluding the effects of revisions to the Corporation Tax Act, the full fiscal year forecast for cash income remains unchanged from the previous forecast of ¥116,000 million. The Company forecasts a full-year dividend payment of ¥150 per share, which remains the same as previously announced.

[Forecasts and Risk Factors]

- Materials and information provided in this financial disclosure may contain “forward looking statements” based on current expectations, business goals, forecasts, estimates, and assumptions that are subject to risks and uncertainties, and actual outcomes and results could differ materially from these statements. Risks and uncertainties include general industry and market conditions, as well as general domestic and international economic conditions such as interest rate and currency exchange rate fluctuations.
- Risks that could cause significant fluctuations in the consolidated results of the Eisai Group or have a material effect on investment decisions include: risks related to overseas operations; uncertainty of new drug development; risks related to dependence on specific

products; risks in alliances with other companies; impact of measures to contain medical costs; competition and lawsuits with respect to generic products; risks related to intellectual property; risks of occurrences of side effects; risks regarding regulations; risks relating to lawsuits; plant closure/shutdown; risks concerning the safety and quality of raw materials; risks associated with outsourcing; environmental risks; risks concerning IT security and information management; risks related to financial markets and currency movement; risks concerning internal control systems; and risks related to disasters. These risks, however, have been evaluated and forecasted as of the disclosure date of this financial report.

For further details on the abovementioned risks, please refer to the “Risk Factors” section of the Annual Securities Report.

2 . Other Information in Summery

1) Changes in Number of Significant Subsidiaries During the Period

Not applicable

2) Application of Special Accounting Treatment in Preparation of Consolidated Quarterly Financial Statements

Not applicable

3) Changes in Accounting Policies, Accounting Estimates and Restatements

Effective from the first quarter of the fiscal year ending March 31, 2012, the “Accounting Standard for Earnings Per Share” (ASBJ Statement No. 2 issued on June 30, 2010) and the “Guidance on Accounting Standard for Earnings Per Share” (ASBJ Guidance No. 4 issued on June 30, 2010) have been adopted.

As a result, in calculating diluted earnings per share for stock options for which the right to exercise options is vested after a specified service period, the fair value of service expected to be provided to the Group in the future is added to the proceeds assumed to be received when options are exercised.

Diluted earnings per share for the third quarter of the fiscal year ended March 31, 2011, in which this accounting standard had not yet been adopted, was ¥236.43.

(Additional information)

1. Application of Accounting Changes and Error Corrections

In terms of changes in accounting policies and correction of errors contained in past reports after the beginning of the first quarter of the fiscal year ending March 31, 2012, the “Accounting Changes and Error Corrections” (ASBJ Statement No. 24 issued on December 4, 2009) and the “Guidance on Accounting Changes and Error Corrections” (ASBJ Guidance No. 24 issued on December 4, 2009) have been applied.

2. Effects of Revised Corporate Tax Rate

Following the promulgation of December 2, 2011 of “Act for Partial Revision of the Income Tax Act, etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures” (Act No. 114 of 2011) and “Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake” (Act No. 117 of 2011), effective from the fiscal year beginning on and after April 1 2012, the corporate tax rate will be reduced and a special recovery tax will be imposed.

In accordance with this reform, the effective statutory tax rates, which are used to measure deferred tax assets and deferred tax liabilities, will be reduced to 38.0% from 41.0% between April 1, 2012 and March 31, 2015 for temporary differences that are expected to be eliminated during this period, and to 35.5% from 41.0% on and after April 1, 2015 for temporary differences that are expected to be eliminated on and after April 1, 2015.

The changes in effective statutory tax rates led to a ¥7,068 million decrease in deferred tax assets (after deducting deferred tax liabilities) and a ¥195 million and a ¥95 million decrease, respectively, in net unrealized gain/loss on available-for-sale securities and deferred gain/loss on derivatives under hedge accounting. Income taxes (income taxes-deferred) increased by ¥6,777 million.

3. Consolidated Financial Statements

1) Consolidated Balance Sheets

(millions of yen)

	March 31, 2011	December 31, 2011
Assets		
Current assets		
Cash and cash in banks	111,356	104,372
Notes and accounts receivable-trade	195,234	213,559
Short-term investments	70,301	71,241
Merchandise and finished goods	38,496	38,935
Work in process	18,677	19,644
Raw materials and supplies	13,633	12,451
Deferred tax assets	39,172	37,192
Other	22,576	15,250
Allowance for doubtful receivables	(89)	(168)
Total current assets	509,359	512,479
Non-current assets		
Property, plant and equipment		
Buildings and structures-net	85,232	80,503
Other-net	63,900	58,434
Total property, plant and equipment	149,132	138,937
Intangible assets		
Goodwill	128,450	114,538
Sales rights	83,037	66,839
Core technology	43,687	38,936
Other	13,035	11,935
Total intangible assets	268,211	232,249
Investments and other assets		
Investment securities	54,561	33,472
Deferred tax assets	57,802	47,105
Other	7,428	6,400
Allowance for doubtful accounts	(204)	(163)
Total investments and other assets	119,588	86,815
Total non-current assets	536,932	458,002
Total assets	1,046,291	970,481

(millions of yen)

	March 31, 2011	December 31, 2011
Liabilities		
Current liabilities		
Notes and accounts payable-trade	22,004	23,671
Short-term borrowings	-	27,000
Long-term borrowings (current portion)	-	40,000
Bonds and debentures (current portion)	39,999	-
Accounts payable-other	46,432	45,069
Accrued expenses	58,805	44,629
Income tax payable	24,070	6,539
Reserve for sales rebates	23,872	14,845
Other reserves	500	740
Other	9,430	12,575
Total current liabilities	225,116	215,071
Non-current liabilities		
Bonds and debentures	79,992	79,994
Long-term borrowings	259,890	216,644
Deferred tax liabilities	24,802	18,894
Liability for retirement benefits	29,225	29,964
Retirement allowances for directors	805	601
Other	16,089	17,218
Total non-current liabilities	410,804	363,316
Total liabilities	635,921	578,388
Equity		
Owners' equity		
Common stock	44,985	44,985
Capital surplus	56,910	56,902
Retained earnings	448,410	454,857
Treasury stock	(39,499)	(39,467)
Total owners' equity	510,807	517,277
Accumulated other comprehensive income		
Net unrealized gain (loss) on available-for-sale securities	69	(2,275)
Deferred gain (loss) on derivatives under hedge accounting	(808)	(1,118)
Foreign currency translation adjustments	(105,898)	(128,073)
Total accumulated other comprehensive income	(106,636)	(131,467)
Stock options	870	961
Minority interests	5,329	5,322
Total equity	410,370	392,093
Total liabilities and equity	1,046,291	970,481

2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income (Consolidated Statements of Income)

(millions of yen)

	April 1, 2010- December 31, 2010	April 1, 2011- December 31, 2011
Net sales	613,859	504,800
Cost of sales	127,305	129,221
Gross profit	486,553	375,578
Provision for sales returns-net	14	95
Gross profit-net	486,539	375,483
Selling, general and administrative expenses	377,104	293,268
Operating income	109,434	82,215
Non-operating income		
Interest income	752	541
Dividend income	917	831
Other	210	269
Total non-operating income	1,880	1,643
Non-operating expenses		
Interest expense	5,608	5,256
Foreign exchange loss	2,738	520
Other	233	184
Total non-operating expenses	8,580	5,960
Ordinary income	102,734	77,897
Special gains		
Gain on sales of fixed assets	33	21
Gain on sales of investment securities	46	483
Reversal of provision for doubtful accounts	142	-
Gain on contribution of securities to retirement benefit trust	-	1,881
Other	2	2
Total special gains	225	2,387
Special losses		
Loss on disposal of fixed assets	279	69
Loss on impairment of long-lived assets	305	-
Loss on devaluation of investment securities	277	206
Effect of adoption of Accounting Standard for Asset Retirement Obligations	654	-
Other	9	8
Total special losses	1,526	284
Income before income taxes and minority interests	101,433	80,001
Income taxes-current	37,501	21,491
Income taxes-deferred	(3,749)	9,034
Total income taxes	33,752	30,526
Income before minority interests	67,681	49,474
Minority interests in income	309	283
Net income	67,371	49,191

(Consolidated Statement of Comprehensive Income)

(millions of yen)

	April 1, 2010- December 31, 2010	April 1, 2011- December 31, 2011
Income before minority interests	67,681	49,474
Other comprehensive income		
Net unrealized gain (loss) on available-for-sale securities	(3,510)	(2,351)
Deferred gain (loss) on derivatives under hedge accounting	(354)	(310)
Foreign currency translation adjustments	(39,937)	(22,429)
Total other comprehensive income	(43,801)	(25,091)
Comprehensive Income	23,879	24,383
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	23,701	24,360
Comprehensive income attributable to minority interests	177	22

3) Consolidated Statement of Cash Flows

(millions of yen)

	April 1, 2010 - December 31, 2010	April 1, 2011 - December 31, 2011
Operating activities		
Income before income taxes and minority interests	101,433	80,001
Depreciation and amortization	32,751	30,915
Amortization of goodwill	5,913	5,357
Other loss (gain)-net	4,573	1,807
Decrease (increase) in notes and accounts receivable-trade	(15,003)	(22,636)
Decrease (increase) in inventories	(5,781)	(3,315)
Increase (decrease) in trade payables	4,497	3,360
Increase (decrease) in other current liabilities	(4,857)	(5,229)
Increase (decrease) in reserve for sales rebates	1,058	(7,595)
Other-net	2,904	12,952
Sub-total	127,489	95,618
Interest and dividends received	1,537	1,398
Interest paid	(5,354)	(5,075)
Income taxes paid	(18,585)	(37,090)
Net cash provided by (used in) operating activities	105,086	54,850
Investing activities		
Purchases of property, plant and equipment	(10,037)	(7,805)
Purchases of intangible assets	(4,702)	(4,249)
Purchases of investment securities	(2,972)	(4,327)
Proceeds from sales and redemptions of investment securities	4,536	19,421
Net decrease (increase) in time deposits exceeding three months	(21,583)	6,493
Other-net	321	633
Net cash provided by (used in) investing activities	(34,437)	10,166
Financing activities		
Net increase (decrease) in short-term borrowings	(16,000)	27,000
Redemptions of bonds and debentures	-	(40,000)
Dividends paid	(42,740)	(42,744)
Other-net	(990)	(932)
Net cash provided by (used in) financing activities	(59,731)	(56,677)
Foreign currency translation adjustments on cash and cash equivalents	(12,464)	(6,198)
Net increase (decrease) in cash and cash equivalents	(1,546)	2,141
Cash and cash equivalents at beginning of the fiscal year	115,128	102,800
Cash and cash equivalents at end of the quarter	113,582	104,942

4) Notes Regarding Assumptions of A Going Concern

Not applicable

5) Segment Information

Effective from the first quarter of the fiscal year ending March 31, 2012, the Eisai Group has redefined its reporting segments.

I. Third quarter of the fiscal year ended March 31, 2011 (April 1, 2010 to December 31, 2010)
Information concerning sales and profit (loss) for the third quarter of the fiscal year ended March 31, 2011 based on the new reporting segments is as follows:

(1) Information concerning sales and profit (loss) by reporting segment

(millions of yen)

	Reporting Segment					Other (Note)	Total
	Pharmaceuticals Business						
	East Asia	United States	Europe	New Markets & ASEAN	Sub-total		
Sales to external customers	288,130	257,966	33,381	5,226	584,705	29,154	613,859
Segment profit	119,571	85,146	3,544	850	209,113	12,980	222,094

Note: "Other" is a business segment not included in reporting segments. Pharmaceutical raw materials and machinery businesses are included in this segment.

(2) Amounts and main components of difference between reporting segment total and consolidated statements of income (items concerning difference adjustment)

(millions of yen)

Profit Item	Amount
Reporting segment total	209,113
Profit included in "Other"	12,980
R&D expenses ¹	(106,166)
Group headquarters management costs and other expenses ²	(6,492)
Operating income as reported in the consolidated financial statements	109,434

Note: 1 R&D expenses are not allocated to any particular segment as the Group manages such expense on a global basis.

2 Group headquarters management costs and other expenses are not allocated to any particular segment as this is the cost covering Group-wide operations.

(3) Information concerning loss on impairment of long-lived assets and goodwill by reporting segment

Not applicable

II. Third quarter of the fiscal year ending March 31, 2012 (April 1, 2011 to December 31, 2011)

(1) Information concerning sales and profit (loss) by reporting segment

(millions of yen)

	Reporting Segment					Other (Note)	Total
	Pharmaceuticals Business						
	East Asia	United States	Europe	New Markets & ASEAN	Sub-total		
Sales to external customers	315,695	119,787	33,633	5,261	474,377	30,422	504,800
Segment profit	136,397	25,214	5,411	750	167,774	14,481	182,255

Note: "Other" is a business segment not included in reporting segments. Pharmaceutical raw materials and machinery businesses are included in this segment.

(2) Amounts and main components of difference between reporting segment total and consolidated statements of income (items concerning difference adjustment)

(millions of yen)

Profit Item	Amount
Reporting segment total	167,774
Profit included in "Other"	14,481
R&D expenses ¹	(93,887)
Group headquarters management costs and other expenses ²	(6,152)
Operating income as reported in the consolidated financial statements	82,215

Note: 1 R&D expenses are not allocated to any particular segment as the Group manages such expense on a global basis.

2 Group headquarters management costs and other expenses are not allocated to any particular segment as this is the cost covering Group-wide operations.

(3) Information concerning changes to reporting segments, etc.

The Eisai Group's segments comprise the Pharmaceuticals and Other businesses, with the Pharmaceuticals Business of each region being identified as a reporting segment.

Previously, the Group's Pharmaceuticals Business comprised five regions: Japan, the United States, Europe, Asia (including China) and New Markets (India, the Middle East, etc.), but effective from the first quarter of the fiscal year ending March 31, 2012, the business has been reorganized into four regions: East Asia, the United States, Europe and New Markets & ASEAN (which includes Brazil, Mexico, Russia, Canada, Australia, India, the Middle East, and Southeast Asia).

As a result of these changes to reporting segments, the Japan Pharmaceuticals Business, as well as China, South Korea, Taiwan, and Hong Kong, which were previously included in the Asia Pharmaceuticals Business, are now defined as the East Asia Pharmaceuticals Business, while the Asia Pharmaceuticals Business excluding China, South Korea, Taiwan, and Hong Kong and the New Markets Pharmaceuticals Business are now defined as the New Markets & ASEAN Pharmaceuticals Business. These changes to reporting segments have been reflected in Segment Information for the third quarter of the fiscal year ending March 31, 2011.

(4) Information concerning loss on impairment of long-lived assets and goodwill by reporting segment

Not applicable

6) Notes Regarding Significant Changes in the Amount of Shareholders' Equity

Not applicable

7) Significant Subsequent Events

Effective from April 1, 2012, the Company intends to reform its retirement policy and retirement benefits program. As part of the retirement benefits program reforms, the Company will implement revisions to its defined-benefit corporate pension plan and its lump-sum retirement benefit plan, and transfer a portion of its lump-sum retirement benefit plan to a defined contribution pension plan (based on revisions decided in January 2012). The effects of these reforms are in the process of being calculated.



2011.12

Reference Data

Third Quarter Ended December 31, 2011

February 2, 2012

For Inquiry:

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Forward-looking Statements and Risk Factors

Materials and information provided in this financial disclosure may contain “forward-looking statements” based on current expectations, forecasts, estimates, business goals and assumptions that are subject to risks and uncertainties, which could cause actual outcomes and results to differ materially from these statements. Risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions, such as interest rate and currency exchange fluctuations.

Risks that may cause significant fluctuations in the consolidated results of the Company or have a material effect on decisions of shareholders are described as follows. These are risk factors that have been identified and assessed as of the disclosure date of the Financial Report. Risk factors associated with our business include, but are not limited to, challenges arising out of global expansion, uncertainties in new drug development, risks related to strategic alliances with partners, healthcare cost-containment measures, intensified competition with generic drugs, intellectual property, possible incidence of adverse events, compliance with laws and regulations, litigation, closure or shutdown of factories, safety/quality issues related to raw materials used, outsourcing-related risks, environmental issues, IT security/information management, and conditions of financial markets, foreign exchange fluctuations, internal control systems and disasters.

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* Revisions have been made to the full-year consolidated forecast announced previously. The revised parts are underlined.

* All amounts are rounded to the nearest specified unit.

* The exchange rates used in the reference data are noted in the table below.

* All overseas profit and loss amounts have been converted into yen based on the average exchange rates for the periods shown in the table below.

Currency Exchange Rates

	US (¥/USD)	EU (¥/EUR)	UK (¥/GBP)	China (¥/RMB)
(Apr. 2010 - Dec. 2010) Average Rate for nine-month period	86.84	113.30	133.53	12.85
(Dec. 31, 2010) Rate at end of Third Quarter	81.49	107.90	126.48	12.30
(Apr. 2010 - Mar. 2011) Average Rate for full Fiscal Year	85.72	113.12	133.13	12.76
(Mar. 31, 2011) Fiscal Year End Rate	83.15	117.57	133.89	12.68
(Apr. 2011 - Dec. 2011) Average Rate for nine-month period	79.01	110.63	126.77	12.30
(Dec. 31, 2011) Rate at end of Third Quarter	77.74	100.71	119.81	12.31
Fiscal Year Ending March 31, 2012 Rate Forecast for Fourth Quarter	77.00	100.00	<u>120.00</u>	12.00

About Indicators in this Reference Data

Eisai believes that cash generating ability is the most intrinsic element determining the true value of a company. Based upon this belief, in order to reflect our true earnings capacity, we focus on disclosing "cash income" and "cash EPS," which are affected by non-cash profit-and-loss items, such as depreciation of property, plant and equipment, amortization of goodwill, loss on impairment of long-lived assets (including loss on devaluation of investment securities), and in-process R&D expenses.

Cash income

Cash income is the total amount of cash available for investment in future growth, dividend payments, repayment of borrowings, and other expenditures. We consider cash income as an indicator to assess corporate growth potential and strategies.

Cash income = Net income + Depreciation of PP&E and amortization of intangible assets + In-process R&D expenses + Amortization of goodwill + Loss on impairment of long-lived assets (including loss on devaluation of investment securities)

Cash income per share (Cash EPS)

Cash EPS = Cash income / Average number of outstanding shares for the period (after deduction of treasury stock)

Segment information

The Eisai Group's segments comprise the Pharmaceuticals and Other businesses, with the Pharmaceuticals Business of each region being identified as a reporting segment. Effective from the fiscal year ending March 31, 2012, the Group has designated four new reporting segments for its Pharmaceuticals Business: East Asia (Japan, China, South Korea, Taiwan, and Hong Kong), the United States, Europe and New Markets & ASEAN (including Brazil, Mexico, Russia, Canada, Australia, India, the Middle East, and Southeast Asia). In line with this change, figures listed in this report for each segment for the fiscal year ended March 31, 2011 are based on the new reporting segments.

1. Consolidated Financial Highlights

1) Income Statement Data

	(billions of yen)				
	Nine months ended Dec. 31			Full Year	
	FY2010	FY2011	YOY %	FY2010	FY2011 est.
Net sales	613.9	504.8	82.2	768.9	654.0
Cost of sales	127.3	129.3	101.6	167.8	173.0
R&D expenses	106.2	93.9	88.4	145.0	123.5
SG&A expenses	270.9	199.4	73.6	343.0	257.5
Operating income	109.4	82.2	75.1	113.1	100.0
Ordinary income	102.7	77.9	75.8	105.2	94.0
Net income	67.4	49.2	73.0	67.4	<u>60.5</u>
Cash income	106.6	85.7	80.4	120.0	<u>109.0</u>
Cash income (adjusted)	-	92.4	86.7	-	116.0
Comprehensive Income	23.9	24.4	102.1	31.2	-
			Diff.		
Dividend per share (DPS, yen)	70.0	70.0	-	150.0	150.0
Earnings per share (EPS, yen)	236.4	172.6	(63.8)	236.5	<u>212.3</u>
Cash income per share (Cash EPS, yen)	374.2	300.6	(73.5)	421.3	<u>382.5</u>
Cash income (adjusted) per share (Cash EPS, yen)	-	324.4	(49.8)	-	407.1

* "Cost of sales" includes "Provision for (reversal of) sales returns-net."

* "Cash income (adjusted)" is the amount of cash income excluding the impact of the changes to the tax rate that accompanied revisions to the Corporation Tax Act promulgated on December 2011.

2) Cash Flow Statement Data

	(billions of yen)			
	Nine months ended Dec. 31			Full Year
	FY2010	FY2011	Diff.	FY2010
Net cash provided by (used in) operating activities	105.1	54.9	(50.2)	123.2
Net cash provided by (used in) investing activities	(34.4)	10.2	44.6	(58.8)
Net cash provided by (used in) financing activities	(59.7)	(56.7)	3.1	(68.0)
Cash and cash equivalents at end of period	113.6	104.9	(8.6)	102.8
Free cash flow	90.5	43.1	(47.4)	100.3

* "Free cash flow" = "Net cash provided by (used in) operating activities" - "Capital expenditures (incl. acquisition and other expenditures)"

3) Balance Sheet Data

	(billions of yen)		
	2011		Diff.
	March 31	Dec. 31	
Total assets	1,046.3	970.5	(75.8)
Liabilities	635.9	578.4	(57.5)
Bonds and debentures	120.0	80.0	(40.0)
Borrowings	259.9	283.6	23.8
Equity	410.4	392.1	(18.3)
Shareholders' equity	404.2	385.8	(18.4)
Shareholders' equity ratio to total assets (%)	38.6	39.8	1.1
Liabilities ratio (Net DER/times)	0.49	0.49	(0.00)

* "Liabilities ratio (Net DER)" = ("Interest-bearing debt" ("Borrowings" + "Bonds and debentures") - "Cash and cash in banks" - "Short-term investments") / "Shareholders' equity"

4) Capital Expenditures and Depreciation/Amortization

(billions of yen)

	Nine months ended Dec. 31			Full Year
	FY2010	FY2011	Diff.	FY2010
Capital expenditures	13.9	11.7	(2.1)	23.7
Property, plant and equipment	9.1	7.1	(2.0)	14.4
Intangible assets	4.8	4.7	(0.1)	9.3
Depreciation and amortization	32.8	30.9	(1.8)	43.5

* "Depreciation and amortization" includes amortization of "Intangible assets."

5) Financial Results by Business Segment

(1) Consolidated Net Sales by Reporting Segment

(billions of yen)

	Nine months ended Dec. 31			Full Year
	FY2010	FY2011	YOY %	FY2010
East Asia pharmaceuticals business	288.1	315.7	109.6	375.7
Japan pharmaceuticals business	269.1	294.3	109.4	350.4
U.S. pharmaceuticals business	258.0	119.8	46.4	303.0
Europe pharmaceuticals business	33.4	33.6	100.8	44.4
New Markets & ASEAN pharmaceuticals business	5.2	5.3	100.7	6.9
Other	29.2	30.4	104.4	38.9
Consolidated net sales	613.9	504.8	82.2	768.9

* Net sales to external customers for each segment.

(2) Consolidated Operating Income by Reporting Segment

(billions of yen)

	Nine months ended Dec. 31		
	FY2010	FY2011	YOY %
East Asia pharmaceuticals business	119.6	136.4	114.1
Japan pharmaceuticals business	116.6	131.9	113.1
U.S. pharmaceuticals business	85.1	25.2	29.6
Europe pharmaceuticals business	3.5	5.4	152.7
New Markets & ASEAN pharmaceuticals business	0.9	0.8	88.2
Other	13.0	14.5	111.6
R&D expenses	106.2	93.9	88.4
Non-allocated SG&A expenses	6.5	6.2	94.8
Operating income	109.4	82.2	75.1

*The Group's Pharmaceuticals Business is classified into segments comprising East Asia (Japan, China, South Korea, Taiwan, and Hong Kong), the United States, Europe, and New Markets & ASEAN (Brazil, Mexico, Russia, Canada, Australia, India, the Middle East, East Asia, etc).

Steps are taken to develop and implement strategies tailored to the specific characteristics and attributes of each region or market.

In the Pharmaceuticals business, the Group is mainly engaged in the manufacture and sale of prescription drugs.

The Group's segments comprise the Pharmaceuticals Business and Other Business, with the Pharmaceuticals Business of each region being identified as a reporting segment.

2. Consolidated Statements of Income

(billions of yen)								
	Nine months ended Dec. 31						Full Year	
	FY2010	Sales %	FY2011	Sales %	YOY %	Diff.	FY2010	Sales %
Net sales	613.9	100.0	504.8	100.0	82.2	(109.1)	768.9	100.0
Cost of sales	127.3	20.7	129.3	25.6	101.6	2.0	167.8	21.8
Gross profit	486.5	79.3	375.5	74.4	77.2	(111.1)	601.1	78.2
R&D expenses	106.2	17.3	93.9	18.6	88.4	(12.3)	145.0	18.9
SG&A expenses	270.9	44.1	199.4	39.5	73.6	(71.6)	343.0	44.6
Personnel expenses	61.8	10.1	57.6	11.4	93.2	(4.2)	84.2	10.9
Marketing and promotion expenses	168.2	27.4	102.2	20.2	60.8	(66.0)	202.6	26.3
Administrative and other expenses	40.9	6.7	39.5	7.8	96.6	(1.4)	56.3	7.3
Operating income	109.4	17.8	82.2	16.3	75.1	(27.2)	113.1	14.7
Non-operating income	1.9	0.3	1.6	0.3		(0.2)	2.2	0.3
Non-operating expense	8.6	1.4	6.0	1.2		(2.6)	10.1	1.3
Ordinary income	102.7	16.7	77.9	15.4	75.8	(24.8)	105.2	13.7
Special gain	0.2	0.0	2.4	0.5		2.2	0.3	0.0
Special loss	1.5	0.2	0.3	0.1		(1.2)	2.9	0.4
Income before income taxes and minority interests	101.4	16.5	80.0	15.8	78.9	(21.4)	102.6	13.3
Income taxes-current	37.5	6.1	21.5	4.3		(16.0)	37.2	4.8
Income taxes-deferred	(3.7)	(0.6)	9.0	1.8		12.8	(2.4)	(0.3)
Income before minority interests	67.7	11.0	49.5	9.8	73.1	(18.2)	67.8	8.8
Minority interests in net income	0.3	0.1	0.3	0.1		(0.0)	0.4	0.1
Net income	67.4	11.0	49.2	9.7	73.0	(18.2)	67.4	8.8

* "Cost of Sales" includes "Provision for (reversal of) sales returns-net."

Cash income

Net income	67.4	11.0	49.2	9.7	73.0	(18.2)	67.4	8.8
Depreciation of PP&E and amortization of intangible assets	19.5		18.9				26.1	
Amortization of intangible assets obtained through acquisition	13.2		12.0				17.4	
Amortization of goodwill	5.9		5.4				7.8	
Loss on impairment of long-lived assets (including loss on devaluation of investment securities)	0.6		0.2				1.4	
Cash income	106.6	17.4	85.7	17.0	80.4	(20.9)	120.0	15.6
Cash income (adjusted)	-	-	92.4	18.3	86.7	(14.2)	-	-

* "Cash income (adjusted)" is the amount of cash income excluding the impact of the changes to the tax rate that accompanied revisions to the Corporation Tax Act promulgated on December 2011.

Notes

Net sales	Decrease in sales of Aricept [- ¥124.3 billion] Decrease in sales of Pariet/Aciphex [- ¥10.9 billion] Increase in sales of Halaven [+ ¥10.5 billion]
Cost of sales to net sales <Reason for increase>	Primarily due to a change in the U.S. product mix
R&D expenses <Reason for decrease>	Decrease in lump-sum payment for in-license products
SG&A expenses <Reason for decrease>	Decrease in alliance cost related to Aricept in the U.S. Increased efficiency of SG&A expenses globally
Non-operating income/expense	Reversal of foreign exchange loss
Special gain/loss	Proceeds from sales of securities Gain on the employee retirement benefit trust/sales of investment securities
Income taxes-deferred <Reason for increase>	Increase in tax expense attributable to a change in the tax rate that accompanied revisions to the Corporation Tax Act

Consolidated Statements of Comprehensive Income

(billions of yen)

	Nine months ended Dec. 31			Diff.	Full Year FY2010
	FY2010	FY2011	YOY %		
Income before minority interests	67.7	49.5	73.1	(18.2)	67.8
Other comprehensive income	(43.8)	(25.1)	-	18.7	(36.6)
Net unrealized gain (loss) on available-for-sale securities	(3.5)	(2.4)	-	1.2	(4.8)
Deferred gain (loss) on derivatives under hedge accounting	(0.4)	(0.3)	-	0.0	(0.2)
Foreign currency translation adjustments	(39.9)	(22.4)	-	17.5	(31.6)
Comprehensive income	23.9	24.4	102.1	0.5	31.2
(Breakdown)					
Comprehensive income attributable to shareholders of the parent company	23.7	24.4	102.8	0.7	30.9
Comprehensive income attributable to minority interests	0.2	0.0	12.5	(0.2)	0.3

*FY2010 amounts for the nine months ended December 31 and indices that compare data with the same period of the previous fiscal year in consolidated statements of comprehensive income are provided for reference purposes only.

3. Consolidated Statements of Cash Flows

	(billions of yen)		
	<u>Nine months ended Dec. 31</u>		
	FY2010	FY2011	Diff.
Income before income taxes and minority interests	101.4	80.0	(21.4)
Depreciation and amortization	32.8	30.9	(1.8)
Decrease (increase) in notes and accounts receivable, trade payables and inventories	(16.3)	(22.6)	(6.3)
Increase (decrease) in accounts payable-other/accrued expenses, etc.	(4.9)	(5.2)	(0.4)
Other	14.4	12.5	(1.9)
[Sub-total]	127.5	95.6	(31.9)
Interest received (paid), etc.	(3.8)	(3.7)	0.1
Income taxes paid	(18.6)	(37.1)	(18.5)
Net cash provided by (used in) operating activities	105.1	54.9	(50.2)
Capital expenditures (incl. acquisition and other expenditures)	(14.6)	(11.8)	2.8
Proceeds from sales of (purchases of) securities	1.6	15.1	13.5
Net increase (decrease) in time deposits exceeding three months	(21.6)	6.5	28.1
Other	0.2	0.4	0.2
Net cash provided by (used in) investing activities	(34.4)	10.2	44.6
Net increase (decrease) in short-term borrowings	(16.0)	27.0	43.0
Redemption of corporate bonds	-	(40.0)	(40.0)
Dividends paid	(42.7)	(42.7)	(0.0)
Other-net	(1.0)	(0.9)	0.1
Net cash provided by (used in) financing activities	(59.7)	(56.7)	3.1
Foreign currency translation adjustments on cash and cash equivalents	(12.5)	(6.2)	6.3
Net increase (decrease) in cash and cash equivalents	(1.5)	2.1	3.7
Cash and cash equivalents at the beginning of period	115.1	102.8	(12.3)
Cash and cash equivalents at the end of period	113.6	104.9	(8.6)
Free cash flow	90.5	43.1	(47.4)

* "Free cash flow" = "Net cash provided by (used in) operating activities" - "Capital expenditures (incl. acquisition and other expenditures)"

Notes

Net cash provided by (used in) operating activities

Decrease in income before income taxes and minority interests
Decrease in income taxes paid

Net cash provided by (used in) investing activities

Proceeds from sales and redemption of securities

Net cash provided by (used in) financing activities

Redemption of corporate bonds and debentures, maturity payment of dividends, etc.
Temporary increase in short-term borrowings

4. Financial Results by Business Segment

1) East Asia Pharmaceuticals Business

(billions of yen)

	Nine months ended Dec. 31			Full Year
	FY2010	FY2011	YOY %	FY2010
Net sales	288.1	315.7	109.6 <109.9>	375.7
Segment profit	119.6	136.4	114.1	

East Asia Net Sales Breakdown

Net sales in Japan	269.1	294.3	109.4	350.4
Prescription drugs	240.3	263.9	109.8	311.1
Consumer health care products, etc.	15.3	15.9	103.8	20.7
Generic drugs (Elmed Eisai Co., Ltd.)	9.0	10.1	111.6	12.4
Diagnostic products (EIDIA Co., Ltd.)	4.5	4.4	99.1	6.1

Japan prescription drugs - Major products (Eisai)

Anti-Alzheimer's agent				
Aricept	80.4	91.2	113.4	105.5
Proton pump inhibitor				
Pariet	48.8	47.8	98.0	60.2
Peripheral neuropathy treatment				
Methycobal	23.7	23.4	98.8	30.4
Fully human anti-TNF-alpha monoclonal antibody				
Humira	9.5	15.4	162.4	13.3
Osteoporosis treatment				
Actonel	8.9	8.8	98.3	11.5
Gastritis/gastric ulcer treatment				
Selbex	9.0	7.9	88.0	11.4
Oral anticoagulant				
Warfarin	7.3	7.6	103.1	9.6
Anticancer agent				
Halaven	-	1.8	-	-

Japan consumer health care products - Major product groups (Eisai)

Vitamin B2 preparation ("Chocola BB Plus", etc.)	8.0	8.5	107.5	9.9
Chocola BB Group				

* Net sales of prescription drugs for the nine months ended December 31 of FY2011 includes Lyrica co-promotion income of ¥8.4 billion.

Net sales in China	Billions JPY	10.5	13.0	123.8 <129.3>	14.1
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China prescription drugs - Major products

Peripheral neuropathy treatment	Billions JPY	4.3	5.7	131.4	6.0
Methycobal	[Millions RMB]	[339]	[465]	<137.3>	[474]
Liver disease/Allergic disease agents	Billions JPY	2.2	2.8	128.2	3.0
Stronger Neo-Minophagen C and Glycyron Tablets	[Millions RMB]	[169]	[226]	<133.9>	[234]
Anti-Alzheimer's agent	Billions JPY	0.9	1.3	152.1	1.3
Aricept	[Millions RMB]	[66]	[106]	<158.9>	[99]
Proton pump inhibitor	Billions JPY	1.1	0.8	78.0	1.1
Pariet	[Millions RMB]	[83]	[67]	<81.5>	[86]

* Indices shown in parentheses "<>" compare data with the same period of the previous fiscal year on a constant currency basis.

2) U.S. Pharmaceuticals Business

		<u>Nine months ended Dec. 31</u>		
		FY2010	FY2011	YOY %
Net sales	Billions JPY	258.0	119.8	46.4 <51.0>
Segment profit	Billions JPY	85.1	25.2	29.6
U.S. prescription drugs - Major products				
Proton pump inhibitor Aciphex	Billions JPY [Millions USD]	51.3 [591]	42.9 [543]	83.7 <92.0>
Antiemetic agent Aloxi	Billions JPY [Millions USD]	26.5 [305]	25.9 [327]	97.5 <107.2>
DNA methylation inhibitor Dacogen	Billions JPY [Millions USD]	12.2 [141]	12.8 [162]	104.8 <115.2>
Injectable anticoagulant Fragmin	Billions JPY [Millions USD]	12.5 [144]	10.8 [137]	86.3 <94.9>
Anti-Alzheimer's agent Aricept	Billions JPY [Millions USD]	143.8 [1,656]	9.4 [119]	6.5 <7.2>
Anticancer agent Halaven	Billions JPY [Millions USD]	0.4 [5]	7.9 [99]	1,966.8 <2161.7>

*Sales of Aricept 23mg tablets out of total sales of Aricept for the nine months ended December 31 of FY2011 in the U.S. totaled ¥3.0 billion (US\$38 million), while sales of AG (Authorized Generic: a generic product sold with the permission of the brand company) totaled ¥2.8 billion (US\$36 million).

3) Europe Pharmaceuticals Business

		<u>Nine months ended Dec. 31</u>		
		FY2010	FY2011	YOY %
Net sales	Billions JPY	33.4	33.6	100.8 <103.5>
Segment profit	Billions JPY	3.5	5.4	152.7
Europe prescription drugs - Major products				
Anti-Alzheimer's agent Aricept	Billions JPY	18.2	17.1	93.8 <96.6>
Proton pump inhibitor Pariet	Billions JPY	5.1	4.1	80.8 <82.7>
Anti-epileptic agent Zonegran	Billions JPY	3.2	3.4	106.5 <109.2>
Anticancer agent Halaven	Billions JPY	-	1.2	-

* Indices shown in parentheses "<>" compare data with the same period of the previous fiscal year on a constant currency basis.

4) New Markets & ASEAN Pharmaceuticals Business

		Nine months ended Dec. 31		
		FY2010	FY2011	YOY %
Net sales	Billions JPY	5.2	5.3	100.7 <107.3>
Segment profit (loss)	Billions JPY	0.9	0.8	88.2
New Markets & ASEAN prescription drugs - Major products				
Anti-Alzheimer's agent	Billions JPY	1.3	1.3	99.1 <106.0>
Aricept				
Proton pump inhibitor	Billions JPY	1.3	1.3	97.0 <104.2>
Pariet				
Peripheral neuropathy treatment	Billions JPY	0.9	1.0	103.3 <107.7>
Methycobal				

*Indices shown in parentheses "<>" compare data with the same period of the previous fiscal year on a constant currency basis.

5) Sales of Major Products

(1) Aricept (Anti-Alzheimer's agent)

		Nine months ended Dec. 31			Full Year FY2010
		FY2010	FY2011	YOY %	
Total	Billions JPY	247.6	123.4	49.8 <50.5>	290.4
East Asia	Billions JPY	84.3	95.6	113.4 <113.6>	110.8
Japan prescription drugs	Billions JPY	80.4	91.2	113.4	105.5
U.S.	Billions JPY [Millions USD]	143.8 [1,656]	9.4 [119]	6.5 <7.2>	153.4 [1,790]
Europe	Billions JPY	18.2	17.1	93.8 <96.6>	24.4
New Markets & ASEAN	Billions JPY	1.3	1.3	99.1 <106.0>	1.8

*Sales of Aricept 23mg tablets out of total sales of Aricept for the nine months ended December 31 of FY2011 in the U.S. totaled ¥3.0 billion (US\$38 million), while sales of AG (Authorized Generic: a generic product sold with the permission of the brand company) totaled ¥2.8 billion (US\$36 million).

(2) Aciphex/Pariet (Proton pump inhibitor)

		Nine months ended Dec. 31			Full Year FY2010
		FY2010	FY2011	YOY %	
Total	Billions JPY	109.0	98.2	90.0 <94.2>	136.9
East Asia	Billions JPY	51.3	49.9	97.1 <97.3>	63.2
Japan prescription drugs	Billions JPY	48.8	47.8	98.0	60.2
U.S.	Billions JPY [Millions USD]	51.3 [591]	42.9 [543]	83.7 <92.0>	65.6 [765]
Europe	Billions JPY	5.1	4.1	80.8 <82.7>	6.4
New Markets & ASEAN	Billions JPY	1.3	1.3	97.0 <104.2>	1.8

* Indices shown in parentheses "<>" compare data with the same period of the previous fiscal year on a constant currency basis.

(3) Oncology Related Products

		Nine months ended Dec. 31			Full Year
		FY2010	FY2011	YOY %	FY2010
Total	Billions JPY	59.7	69.1	115.8 <126.3>	80.3
Halaven (Anticancer agent)	Billions JPY	0.4	10.9	2721.2 <2920.9>	2.2
East Asia	Billions JPY	-	1.8	-	-
Japan prescription drugs	Billions JPY	-	1.8	-	-
U.S.	Billions JPY [Millions USD]	0.4 [5]	7.9 [99]	1966.8 <2161.7>	2.2 [25]
Europe	Billions JPY	-	1.2	-	-
New Markets & ASEAN	Billions JPY	-	0.0	-	-
Aloxi (Antiemetic agent)					
U.S.	Billions JPY [Millions USD]	26.5 [305]	25.9 [327]	97.5 <107.2>	34.6 [403]
Dacogen (DNA methylation inhibitor)					
U.S.	Billions JPY [Millions USD]	12.2 [141]	12.8 [162]	104.8 <115.2>	16.2 [189]
Fragmin (Injectable anticoagulant)					
U.S.	Billions JPY [Millions USD]	12.5 [144]	10.8 [137]	86.3 <94.9>	16.4 [191]
Other*	Billions JPY	8.0	8.8	109.5	11.0

*Sales of "Other" for the nine months ended December 31 of FY2011 includes sales of TREAKISYM/Symbenda, which totaled ¥2.5 billion.

(4) Humira (Fully human anti-TNF-alpha monoclonal antibody)

		Nine months ended Dec. 31			Full Year
		FY2010	FY2011	YOY %	FY2010
Total	Billions JPY	11.9	18.0	151.7 <152.5>	16.6
Japan prescription drugs	Billions JPY	9.5	15.4	162.4	13.3

* Indices shown in parentheses "<>" compare data with the same period of the previous fiscal year on a constant currency basis.

6) Overseas Sales

(billions of yen)

	Nine months ended Dec. 31			Full Year
	FY2010	FY2011	YOY %	FY2010
Overseas sales	331.5	198.6	59.9	401.4
Overseas sales (% of total sales)	54.0	39.3	-	52.2

* Net sales to external customers for each segment.

5. Sales Forecast by Reporting Segment (FY2011)

	(billions of yen)		
	Nine months ended Dec. 31 FY2011	Full Year	
		FY2010	FY2011 est.
East Asia	315.7	375.7	408.0
Japan	294.3	350.4	380.5
Prescription drugs	263.9	311.1	338.0
Anti-Alzheimer's agent			
Aricept	91.2	105.5	114.0
Proton pump inhibitor			
Pariet	47.8	60.2	60.0
Peripheral neuropathy treatment			
Methycobal	23.4	30.4	30.0
Fully human anti-TNF-alpha monoclonal antibody			
Humira	15.4	13.3	22.0
Osteoporosis treatment			
Actonel	8.8	11.5	12.0
Gastritis/gastric ulcer treatment			
Selbex	7.9	11.4	10.0
Oral anticoagulant			
Warfarin	7.6	9.6	10.0
Consumer health care products, etc.	15.9	20.7	22.0
Vitamin B2 preparation ("Chocola BB Plus", etc.)	8.5	9.9	11.0
Chocola BB Group			
Generic drugs (Elmed Eisai Co., Ltd.)	10.1	12.4	14.0
Diagnostics (EIDIA Co., Ltd.)	4.4	6.1	6.5
China	13.0	14.1	16.8
U.S.	119.8	303.0	152.9
Europe	33.6	44.4	44.0
New Markets & ASEAN	5.3	6.9	7.5
Other	30.4	38.9	41.6
Consolidated net sales	504.8	768.9	654.0

* Sales forecast for Aricept for FY2011 is ¥156.0 billion.

* Sales forecast for Pariet/Aciphex for FY2011 is ¥125.0 billion.

* Sales forecast for Halaven for FY2011 is ¥18.5 billion.

6. Consolidated Balance Sheets

1) Consolidated Balance Sheets <Assets>

	(billions of yen)					
	March 31,		Dec. 31,		YOY	Diff.
	2011	%	2011	%	%	
Cash and cash in banks	111.4		104.4			(7.0)
Notes and accounts receivable-trade	195.2		213.6			18.3
Short-term investments	70.3		71.2			0.9
Inventories	70.8		71.0			0.2
Deferred tax assets	39.2		37.2			(2.0)
Other	22.6		15.3			(7.3)
Allowance for doubtful receivables	(0.1)		(0.2)			(0.1)
Total current assets	509.4	48.7	512.5	52.8	100.6	3.1
Buildings and structures-net	85.2		80.5			(4.7)
Other	63.9		58.4			(5.5)
Total property, plant and equipment-net	149.1	14.3	138.9	14.3	93.2	(10.2)
Goodwill	128.5		114.5			(13.9)
Sales rights	83.0		66.8			(16.2)
Core technology	43.7		38.9			(4.8)
Other	13.0		11.9			(1.1)
Total Intangible assets	268.2	25.6	232.2	23.9	86.6	(36.0)
Investment securities	54.6		33.5			(21.1)
Deferred tax assets	57.8		47.1			(10.7)
Other	7.4		6.4			(1.0)
Allowance for doubtful accounts	(0.2)		(0.2)			0.0
Total investments and other assets	119.6	11.4	86.8	8.9	72.6	(32.8)
Total non-current assets	536.9	51.3	458.0	47.2	85.3	(78.9)
Total assets	1,046.3	100.0	970.5	100.0	92.8	(75.8)

Notes

Total assets

Decrease in yen equivalent amount of assets of overseas subsidiaries due to currency exchange fluctuations

Decrease in non-current assets due to depreciation and amortization

Reversal of deferred tax assets of Eisai Co., Ltd. and its domestic subsidiaries attributable to changes in the tax rate that accompanied revisions to the Corporation Tax Act

2) Consolidated Balance Sheets <Liabilities and Equity>

(billions of yen)

	March 31,		Dec. 31,		YOY	Diff.
	2011	%	2011	%	%	
Notes payable-trade and accounts payable-trade	22.0		23.7			1.7
Short-term borrowings	-		27.0			27.0
Long-term borrowings (current portion)	-		40.0			40.0
Bonds and debentures (current portion)	40.0		-			(40.0)
Accounts payable-other/accrued expenses	105.2		89.7			(15.5)
Income tax payable	24.1		6.5			(17.5)
Reserve for sales rebates	23.9		14.8			(9.0)
Other	9.9		13.3			3.4
Total current liabilities	225.1	21.5	215.1	22.2	95.5	(10.0)
Bonds and debentures	80.0		80.0			0.0
Long-term borrowings	259.9		216.6			(43.2)
Deferred tax liabilities	24.8		18.9			(5.9)
Liability for retirement benefits	29.2		30.0			0.7
Other	16.9		17.8			0.9
Total non-current liabilities	410.8	39.3	363.3	37.4	88.4	(47.5)
Total liabilities	635.9	60.8	578.4	59.6	91.0	(57.5)
Common stock	45.0		45.0			-
Capital surplus	56.9		56.9			(0.0)
Retained earnings	448.4		454.9			6.4
Treasury stock	(39.5)		(39.5)			0.0
Total owners' equity	510.8	48.8	517.3	53.3	101.3	6.5
Net unrealized gain (loss) on available-for-sale securities	0.1		(2.3)			(2.3)
Deferred gain (loss) on derivatives under hedge accounting	(0.8)		(1.1)			(0.3)
Foreign currency translation adjustments	(105.9)		(128.1)			(22.2)
Total accumulated other comprehensive income	(106.6)	(10.2)	(131.5)	(13.5)	123.3	(24.8)
Stock options	0.9	0.1	1.0	0.1	110.4	0.1
Minority interests	5.3	0.5	5.3	0.5	99.9	(0.0)
Total equity	410.4	39.2	392.1	40.4	95.5	(18.3)
Total liabilities and equity	1,046.3	100.0	970.5	100.0	92.8	(75.8)

Notes

Total liabilities <Reason for decrease>

Redemption of corporate bonds at maturity

Decrease in income tax payable resulting from payment of income tax

Total equity <Reason for decrease>

Decrease in yen equivalent amount of equity of overseas subsidiaries due to yen appreciation

7. Changes in Consolidated Quarterly Results

1) Income Statement Data

(billions of yen)

	FY2010				FY2011		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
Net sales	204.5	207.8	201.6	155.1	167.3	163.7	173.8
Cost of sales	43.5	40.6	43.2	40.4	43.0	42.7	43.6
R&D expenses	36.0	37.8	32.3	38.9	33.7	29.2	31.0
SG&A expenses	92.1	95.0	83.8	72.1	68.4	63.6	67.4
Operating income	32.8	34.4	42.2	3.7	22.2	28.2	31.8
Ordinary income	30.2	32.0	40.6	2.5	21.2	26.2	30.6
Net income	18.8	21.2	27.4	0.0	13.5	19.8	15.9
Cash income	32.6	34.2	39.9	13.4	25.9	31.8	28.0
Comprehensive Income	(0.8)	6.5	18.2	7.3	4.7	1.5	18.2
Earnings per share (EPS, yen)	65.9	74.3	96.2	0.1	47.4	69.6	55.7
Cash income per share (Cash EPS, yen)	114.4	119.9	139.9	47.1	90.8	111.6	98.3

* "Cost of Sales" includes "Provision for (reversal of) sales returns-net."

2) Cash Flow Segment Data

(billions of yen)

	FY2010				FY2011		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
Net cash provided by (used in) operating activities	28.2	56.5	20.5	18.1	7.8	28.6	18.5
Net cash provided by (used in) investing activities	(5.1)	(21.8)	(7.6)	(24.3)	28.2	(16.2)	(1.9)
Net cash provided by (used in) financing activities	(31.1)	(12.3)	(16.3)	(8.3)	(63.1)	(0.3)	6.8
Cash and cash equivalents at the end of period	101.4	119.6	113.6	102.8	73.9	81.2	104.9
Free cash flow	23.9	52.6	14.0	9.8	4.2	24.5	14.4

* "Free cash flow" = "Net cash provided by (used in) operating activities" - "Capital expenditures (incl. acquisition and other expenditures)"

3) Balance Sheet Data

(billions of yen)

	FY2010				FY2011		
	June 30	Sep. 30	Dec. 31	March 31	June 30	Sep.30	Dec.31
Total assets	1,065.5	1,064.2	1,054.2	1,046.3	959.6	943.2	970.5
Liabilities	667.4	659.6	651.3	635.9	567.2	549.4	578.4
Bonds and debentures	120.0	120.0	120.0	120.0	80.0	80.0	80.0
Borrowings	279.1	264.3	266.9	259.9	258.4	256.0	283.6
Equity	398.1	404.6	402.9	410.4	392.3	393.9	392.1
Shareholders' equity	392.3	398.7	396.9	404.2	386.1	387.7	385.8
Shareholders' equity ratio to total assets (%)	36.8	37.5	37.6	38.6	40.2	41.1	39.8
Liabilities ratio (Net DER/times)	0.65	0.51	0.53	0.49	0.56	0.47	0.49

* "Liabilities ratio (Net DER)" = ("Interest-bearing debt" ("Borrowings" + "Bonds and debentures") - "Cash and cash in banks" - "Short-term investments") / "Shareholders' equity"

4) Capital Expenditures and Depreciation/Amortization

(billions of yen)

	<u>FY2010</u>				<u>FY2011</u>		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
Capital expenditures	3.5	3.7	6.7	9.8	2.7	4.2	4.8
Property, plant and equipment	2.5	2.8	3.9	5.3	1.8	2.7	2.6
Intangible assets	1.0	0.9	2.8	4.5	0.9	1.6	2.2
Depreciation and amortization	11.4	10.7	10.7	10.7	10.5	10.2	10.2

* "Depreciation and amortization" includes amortization of "Intangible assets."

5) Sales of Major Products

(1) Aricept

		FY2010				FY2011		
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
Total	Billions JPY	82.9	89.1	75.6	42.7	42.0	39.3	42.0
East Asia	Billions JPY	26.5	27.0	30.7	26.6	30.0	30.4	35.2
Japan prescription drugs	Billions JPY	25.3	25.6	29.5	25.1	28.5	29.0	33.7
U.S.	Billions JPY [Millions USD]	50.2 [545]	55.9 [647]	37.8 [464]	9.6 [133]	4.7 [57]	2.6 [35]	2.1 [27]
Europe	Billions JPY	5.8	5.8	6.6	6.2	6.8	5.9	4.4
New Markets & ASEAN	Billions JPY	0.4	0.4	0.5	0.4	0.5	0.4	0.4

(2) Aciphex/Pariet

		FY2010				FY2011		
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
Total	Billions JPY	35.3	35.1	38.7	27.9	33.2	30.1	34.9
East Asia	Billions JPY	16.0	15.7	19.6	11.9	15.5	15.6	18.8
Japan prescription drugs	Billions JPY	15.1	14.8	18.9	11.4	14.8	14.9	18.1
U.S.	Billions JPY [Millions USD]	17.0 [185]	17.0 [198]	17.3 [209]	14.3 [174]	15.8 [194]	12.7 [164]	14.4 [186]
Europe	Billions JPY	1.8	1.9	1.4	1.3	1.4	1.3	1.4
New Markets & ASEAN	Billions JPY	0.5	0.4	0.4	0.4	0.4	0.5	0.3

(3) Oncology Related Products

		FY2010				FY2011		
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
Total	Billions JPY	20.3	19.2	20.2	20.6	24.0	22.3	22.8
Halaven	Billions JPY	-	-	0.4	1.8	2.6	3.6	4.6
East Asia	Billions JPY	-	-	-	-	-	0.6	1.2
Japan prescription drugs	Billions JPY	-	-	-	-	-	0.6	1.2
U.S.	Billions JPY	-	-	0.4	1.8	2.5	2.6	2.8
	[Millions USD]			[5]	[21]	[31]	[33]	[35]
Europe	Billions JPY	-	-	-	-	0.1	0.4	0.6
New Markets & ASEAN	Billions JPY	-	-	-	-	0.0	0.0	0.0
Aloxi								
U.S.	Billions JPY	8.8	8.5	9.2	8.1	9.7	8.6	7.6
	[Millions USD]	[96]	[99]	[111]	[98]	[118]	[111]	[98]
Dacogen								
U.S.	Billions JPY	4.3	4.1	3.8	4.0	4.9	3.6	4.3
	[Millions USD]	[47]	[47]	[46]	[48]	[60]	[46]	[56]
Fragmin								
U.S.	Billions JPY	4.3	4.2	3.9	3.8	3.5	3.7	3.5
	[Millions USD]	[47]	[49]	[48]	[47]	[43]	[48]	[46]
Other	Billions JPY	2.8	2.4	2.8	3.0	3.3	2.7	2.8

(4) Humira

		FY2010				FY2011		
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
Total	Billions JPY	3.5	3.8	4.5	4.7	5.5	5.9	6.6
Japan prescription drugs	Billions JPY	2.6	3.0	3.8	3.8	4.6	5.0	5.7

8. Non-Consolidated Financial Highlights

1) Non-Consolidated Financial Highlights

(1) Income Statement Data

(billions of yen)

	Nine months ended Dec. 31			Full Year
	FY2010	FY2011	YOY %	FY2010
Net sales	361.4	322.4	89.2	464.6
Cost of sales	69.7	71.4	102.3	91.8
R&D expenses	91.8	87.1	94.9	127.4
SG&A expenses	96.9	102.0	105.2	131.8
Operating income	102.9	62.0	60.2	113.5
Ordinary income	97.6	59.0	60.5	106.9
Net income	67.0	37.6	56.2	73.4

* "Cost of sales" includes "Provision for (reversal of) sales returns-net."

(2) Cash Flow Statement Data

(billions of yen)

	Nine months ended Dec. 31			Full Year
	FY2010	FY2011	Diff.	FY2010
Net cash provided by (used in) operating activities	89.4	38.9	(50.5)	128.6
Net cash provided by (used in) investing activities	(28.8)	14.3	43.1	(49.5)
Net cash provided by (used in) financing activities	(59.5)	(56.5)	3.0	(67.7)
Cash and cash equivalents at end of period	12.7	19.7	7.0	23.1
Free cash flow	81.2	32.1	(49.1)	116.1

* "Free cash flow" = "Net cash provided by (used in) operating activities" - "Capital expenditures (incl. acquisition and other expenditures)"

(3) Balance Sheet Data

(billions of yen)

	2011		
	March 31	Dec. 31	Diff.
Total assets	983.7	947.0	(36.7)
Liabilities	456.5	427.0	(29.5)
Bonds and debentures	120.0	80.0	(40.0)
Borrowings	210.0	237.0	27.0
Equity	527.2	520.0	(7.2)
Shareholders' equity	526.3	519.0	(7.3)
Shareholders' equity ratio to total assets (%)	53.5	54.8	1.3

2) Net Sales Highlights

(billions of yen)

	Nine months ended Dec. 31			Full Year
	FY2010	FY2011	YOY %	FY2010
Net sales	361.4	322.4	89.2	464.6
Prescription drugs	240.2	263.8	109.8	311.0
Consumer health care products, etc.	15.4	16.1	104.1	20.9
Industrial property rights, etc.	62.7	15.7	25.0	79.4
Export of pharmaceuticals	41.9	26.1	62.3	51.7
Other	1.2	0.8	64.8	1.6

9 . Major News Releases

Date	Description
April 2011	<ul style="list-style-type: none"> • Eisai Enters into Collaborative Research and Development Agreement with PRISM Biolab Corporation Concerning CBP/β-Catenin Inhibiting Compounds <issued on April 4> • Morphotek, Inc. Acquires Tumor Targeting Assets from TransMolecular, Inc. <agreement concluded in March 2011> <issued on April 5> • Eisai Establishes Sales Subsidiary in Brazil <issued on April 8> • Halaven Receives Approval in Japan for the Treatment of Inoperable and Recurrent Breast Cancer <issued on April 22> • Abbott Japan and Eisai Receive Approval to Market the Pancreatic Digestive Enzyme Replacement Drug Lipacreon (pancrelipase) in Japan <issued on April 22> • U.S. Food and Drug Administration (FDA) Issues Complete Response Letter for Aricept Patch (Donepezil Transdermal System) <issued on April 25>
May	<ul style="list-style-type: none"> • Issuance of Stock Acquisition Rights for the Purpose of Granting Stock Options to the Company's Employees <issued on May 13> • Eisai's Halaven Receives Approval from Swissmedic for Use in Late-stage Metastatic Breast Cancer <issued on May 17> • Eisai Oncology to Present New Research on Product Portfolio, Pipeline at ASCO Annual Meeting <issued on May 20> • Eisai Receives Approval for Additional Indication of Calcium Channel Blocking Anti-arrhythmic Agent Vasolan for Pediatric Patients in Japan <issued on May 20> • Eisai to Donate US\$200,000 to American Red Cross in Response to Recent Tornadoes in the United States <issued on May 23> • Eisai-University College London Partnership Enters New Phase <issued on May 25>
June	<ul style="list-style-type: none"> • Phase II Study Results Showed E7080 Demonstrated an Objective Response Rate of 59% in Advanced Radioiodine-Refractory Differentiated Thyroid Cancer <issued on June 2> • Phase III Study of DNA Methylation Inhibitor Dacogen for Injection in Acute Myeloid Leukemia Presented at ASCO <issued on June 7> • Information Regarding Voluntary Recall of Chocola BB Sparkling (Vitamin Drink) Due to Mislabeling of Nutritional Information <issued on June 10> • Notice on Allocation of Stock Options (Stock Acquisition Rights) <issued on June 21> • European Medicines Agency (EMA) Accepts for Review Eisai's Marketing Authorization Application (MAA) for AMPA Receptor Antagonist Perampanel (E2007) <issued on June 24 > • Eisai's Antiepileptic Agent Banzel Receives Approval in Canada <issued on June 28>
July	<ul style="list-style-type: none"> • Abbott Japan and Eisai Receive Approval in Japan for Additional Indication and New Formulation of Humira, a Fully Human Anti-TNF-α Monoclonal Antibody, for the Treatment of Juvenile Idiopathic Arthritis <issued on July 1> • Notice on Determination of Details of Stock Options (Stock Acquisition Rights) to be Allotted <issued on July 7> • Eisai Enters into Comprehensive Chinese Marketing Agreement with Orion Corporation (Finland) Concerning Breast Cancer Treatment Fareston and Parkinson's Disease Treatment Eldepryl <issued on July 13> • Eisai Announces U.S. Food and Drug Administration (FDA) Acceptance of supplemental New Drug Application (sNDA) Submission for Dacogen in Acute Myeloid Leukemia <issued on July 14> • Eisai Announces Japan Launch of Anticancer Agent Halaven <issued on July 19 > • European Medicines Agency (EMA) Accepts Eisai's License Extension Application for Antiepileptic Agent Zonegran as a Monotherapy <issued on July 28> • U.S. Food and Drug Administration (FDA) Provides Response to Perampanel (E2007) New Drug Application <issued on July 29 >

Date	Description
August 2011	<ul style="list-style-type: none"> • Continuation of Policy for Protection of the Company's Corporate Value and Common Interests of Shareholders (Shareholder Rights Plan) <issued on August 2> • PROTOCO2L Carbon Dioxide Insufflation System for CT Colonography Receives Approval in Japan <issued on August 10> • Eisai Establishes Sales Subsidiary in Mexico <issued on August 17> • Abbott Japan and Eisai Announce Launch of Pancreatic Digestive Enzyme Replacement Drug Lipacreon (pancrelipase) <issued on August 29> • Toyama Chemical and Eisai Submit Marketing Authorization Application for Anti-Rheumatic Agent T-614 <issued on August 31>
September	<ul style="list-style-type: none"> • Eisai Presents New Research on Epilepsy Pipeline, Portfolio at the 29th International Epilepsy Congress <issued on September 1> • Eisai Discontinues Development of Pariet/Aciphex Extended-release Capsules, 50mg <issued on September 2> • Eisai to Launch New Selbelle Tablets and New Selbelle Fine Granules - New Medications to Alleviate Post Meal Stomach Heaviness - <issued on September 6> • Eisai to Accelerate Late-Stage Clinical Development of Drugs by Effectively Leveraging External Resources - Enters Collaborative Development Agreement with SFJ Pharmaceuticals for Anticancer Agent E7080 - <issued on September 7> • Supreme Court of Japan Rules to Extend Eisai's Patent for Aricept in Relation to Severe Alzheimer's Disease <issued on September 14> • Abbott Japan and Eisai Submit Application in Japan for Additional Indication of Humira (adalimumab), a Fully Human Anti-TNF-α Monoclonal Antibody, for Inhibition of Structural Damage of Joints in Rheumatoid Arthritis <issued on September 26> • Abbott Japan and Eisai Announce Launch of Humira Prefilled Syringe 20mg/0.4mL, a New Formulation for the Treatment of Juvenile Idiopathic Arthritis in Patients with Low Body Weight <issued on September 28>
October	<ul style="list-style-type: none"> • Eisai Enters into Neurological Drug Discovery Research Collaboration with Johns Hopkins University <issued on October 17> • Eisai Joins WIPO Sponsored Global Consortium for Neglected Tropical Disease Research and Development <issued on October 26> • Eisai Supports Relief Efforts for Thailand Flood Victims -To Make US\$100,000 Donation to Thailand Red Cross Society- <issued on October 31>
November	<ul style="list-style-type: none"> • Eisai Enters into Japan Co-promotion Agreement with Novartis Pharma for COPD Therapies <issued on November 18> • Eisai Announces Japan Launch of Oral Anticoagulant Warfarin Granules 0.2% <issued on November 30>
December	<ul style="list-style-type: none"> • Eisai's Canadian Sales Subsidiary Celebrates Official Introduction to Canada <issued on December 1> • Eisai Announces Commencement of Operations of a New Research Facility at H3 Biomedicine Inc., a U.S. Research Subsidiary to Facilitate Cutting-edge Cancer Genomics-driven Drug Development <issued on December 2> • Eisai Submits Application in Japan for New Dry Syrup Formulation of its Alzheimer's Disease Treatment Aricept <issued on December 13> • Eisai Announces Canadian Approval of its Anticancer Agent Halaven <issued on December 15> • Eisai Submits Application for Partial Change to Label of Egg White Lysozyme Preparation Neuzym <issued on December 21 > • Eisai Resubmits AMPA Receptor Antagonist Perampanel (E2007) NDA to U.S. FDA <issued on December 26>
January 2012	<ul style="list-style-type: none"> • Arena Submits Response to FDA Complete Response Letter for Lorcaserin <issued on January 5 > • Nobelpharma and Eisai Announce Japan Launch of Anticonvulsant Agent Fostoin 750mg for Injection <issued on January 16 > • Eisai Receives Approval to Market Insomnia Treatment Lunesta in Japan <issued on January 18> • Eisai and EIDIA Announce Launch of LIFE CHECK, a Self-monitoring Blood Glucose Meter That is Easy for Elderly Diabetes Patients to Use <issued on January 19 > • MHLW Approves Partial Label Change for Egg White Lysozyme Preparation Neuzym, Designates Drug for Reevaluation <issued on January 20 >

10. Major R&D Pipeline

1) R&D Pipeline (Japan, United States, Europe)

R&D Pipeline List

Product Name/Research Code	Additional Indication, etc.*	Development Stage	Therapeutic Area
New Approval			
○ Halaven (Breast cancer)		(Japan, Switzerland) approved	Oncology and Supportive Care
⊙ Lunesta (Insomnia)		(Japan) approved	Neurology
○ Humira (Juvenile idiopathic arthritis)	AI	(Japan) approved	Vascular and Immunological Reaction
○ Vasolan (Pediatric dosage and administration)	ADA	(Japan) approved	Vascular and Immunological Reaction
⊙ Warfarin (Granules pediatric dosage and administration)	ADA	(Japan) approved	Vascular and Immunological Reaction
○ Warfarin (Granules)	AF	(Japan) approved	Vascular and Immunological Reaction
⊙ Inovelon (Oral suspension)	AF	(EU) approved	Neurology
Submitted/Preparing for Submission			
⊙ E2007 (Partial-onset epilepsy)		(US/EU) submitted	Neurology
E7040 (Transcatheter arterial embolization (TAE) in patients with hepatocellular carcinoma (HCC))		(Japan) submitted	Oncology and Supportive Care
○ T-614 (Rheumatoid arthritis)		(Japan) submitted	Vascular and Immunological Reaction
○ ZONEGRAN (Monotherapy for epilepsy)	AI	(EU) submitted	Neurology
○ Dacogen (Acute myeloid leukemia (AML))	AI	(US) submitted	Oncology and Supportive Care
○ Humira (Inhibition of structural damage of joints)	AI	(Japan) submitted	Vascular and Immunological Reaction
⊙ Aricept (Dry syrup)	AF	(Japan) submitted	Neurology
Clinical			
⊙ E2007 (Partial-onset epilepsy)		(Japan) PIII	Neurology
○ E2007 (Generalized epilepsy)		(Global) PIII	Neurology
E2080 (Lennox-Gastaut syndrome (LGS))		(Japan) PIII	Neurology
⊙ E5501 (Idiopathic thrombocytopenic purpura (ITP))		(US/EU) PIII	Oncology and supportive care
E5564 (Severe sepsis)		(Global) PIII	Vascular and Immunological Reaction
E6014 (Oral mucositis)		(US) PIII	Oncology and Supportive Care
E7080 (Thyroid cancer)		(Global) PIII	Oncology and Supportive Care
MORAb-003 (Platinum-sensitive ovarian cancer)		(Global) PIII	Oncology and Supportive Care
○ Halaven (Non small-cell lung cancer)	AI	(Global) PIII	Oncology and Supportive Care
Halaven (Sarcoma)	AI	(Global) PIII	Oncology and Supportive Care
Aricept (Lewy body dementia)	AI	(Japan) PIII	Neurology
Zonegran (Pediatric epilepsy)	AI	(EU) PIII	Neurology
⊙ Aricept (Higher dose 23 mg tablet)	ADA, AF	(Japan) PIII	Neurology
E0302 (Amyotrophic lateral sclerosis (ALS))		(Japan) PII/III	Neurology
AS-3201 (Diabetic neuropathy)		(US/EU) PII/III	Neurology
Humira (Ulcerative colitis)	AI	(Japan) PII/III	Vascular and Immunological Reaction
○ Pariet (Prevention of recurrence of gastric and duodenal ulcers during treatment with low-dosage aspirin)	AI	(Japan) PII/III	Gastrointestinal Disorders
E2007 (Neuropathic pain)		(US/EU) PII	Neurology
E2007 (Multiple sclerosis)		(EU) PII	Neurology
E2007 (Migraine prophylaxis)		(US) PII	Neurology
E5501 (Thrombocytopenia associated with liver disease (TLD))		(US) PII	Oncology and Supportive Care
E5555 (Acute coronary syndrome)		(Japan/US/EU) PII	Vascular and Immunological Reaction
E5555 (Atherothrombosis)		(Japan/US/EU) PII	Vascular and Immunological Reaction
○ E6005 (Atopic dermatitis)		(Japan) PII	Vascular and Immunological Reaction
E6201 (Psoriasis)		(US/EU) PII	Vascular and Immunological Reaction
E7080 (Endometrial cancer)		(US/EU) PII	Oncology and Supportive Care
E7080 (Melanoma)		(US/EU) PII	Oncology and Supportive Care
E7080 (Glioma)		(US) PII	Oncology and Supportive Care
E7820 (Colorectal cancer)		(US) PII	Oncology and Supportive Care
E7850 (Prostate cancer, etc)		(US) PII	Oncology and Supportive Care
MORAb-003 (Non-small cell lung cancer)		(US/EU) PII	Oncology and Supportive Care
○ MORAb-004 (Melanoma)		(US) PII	Oncology and Supportive Care
MORAb-009 (Mesothelioma)		(US/EU) PII	Oncology and Supportive Care
○ Halaven (Sarcoma)	AI	(Japan) PII	Oncology and Supportive Care
Halaven (Prostate cancer)	AI	(US/EU) PII	Oncology and Supportive Care
Ontak (Melanoma)	AI	(US) PII	Oncology and Supportive Care
○ Dacogen (Pediatric acute myeloid leukemia (AML))	AI	(US) PII	Oncology and Supportive Care
Pariet (Functional dyspepsia)	AI	(Japan) PII	Gastrointestinal Disorders

* AI : Additional Indication, ADA : Additional Dosage & Administration, AF : Additional Formulation P : Clinical phase

• The Phase III study that was being conducted in the United States and Europe for MORAb-003 in patients with platinum-resistant ovarian cancer was terminated based on the results of an interim analysis conducted by an Independent Data Monitoring Committee (IDMC) that determined the study was unlikely to meet its statistically defined efficacy endpoints.

○ Development progress from April 2011 onwards

⊙ Development progress from October 2011 onwards

(1) Oncology and Supportive Care

Product Name: **Halaven** Research Code: **E7389** Generic name: **eribulin mesylate** (Anticancer agent/microtubule dynamics inhibitor)

Description: A synthetic analog of halichondrin B derived from a marine sponge, *Halichondria okadae*. Believed to exert an antitumor effect by arresting the cell cycle through inhibition of the growth of microtubules. Currently being investigated as a potential treatment for breast cancer and various other solid tumors. Received approval in 35 countries including the United States, Singapore, the European Union (EU), Switzerland, and Japan. In addition, a Phase III study investigating the potential of the agent as a second-line treatment for recurrent and metastatic breast cancer is ongoing in the United States and Europe.

Breast cancer	<input type="radio"/> Japan: approved (April 2011) <input type="radio"/> Switzerland: approved (May 2011)	Inj.
Additional Indication: Non-small cell lung cancer	<input type="radio"/> Global: PIII	Inj.
Additional Indication: Sarcoma	Global: PIII <input type="radio"/> Japan: PII	Inj.
Additional Indication: Prostate cancer	US/EU: PII	Inj.

Research Code: **E7820** (Anticancer agent/alpha 2 integrin suppressor)

Description: An angiogenesis inhibitor that suppresses the expression of alpha 2 integrin, a vascular endothelial cell adhesion molecule.

Colorectal cancer	US: PII	Oral
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Research Code: **E7080** Generic name: **lenvatinib** (Anticancer agent/VEGF receptor tyrosine kinase inhibitor/multi-kinase inhibitor)

Description: An anti-angiogenic agent that inhibits tyrosine kinase of the VEGF receptor, VEGFR2, and a number of other types of kinase involved in angiogenesis and tumor proliferation. Currently being investigated as a potential treatment for various solid tumors.

Thyroid cancer	Global: PIII	Submission Target FY2013	Oral
Endometrial cancer	US/EU: PII		Oral
Melanoma	US/EU: PII		Oral
Glioma	US: PII		Oral

Research Code: **MORAb-003** Generic name: **farletuzumab** (Anticancer agent/monoclonal antibody)

Description: A humanized IgG1 monoclonal antibody that targets folate receptor alpha (FRA). Expected to exhibit an antitumor effect against carcinomas that over-express FRA.

Platinum-sensitive ovarian cancer	Global: PIII	Submission Target FY2012	Inj.
Non-small cell lung cancer	US/EU: PII		Inj.

- The Phase III study that was being conducted in the United States and Europe for MORAb-003 in patients with platinum-resistant ovarian cancer was terminated based on the results of an interim analysis conducted by an Independent Data Monitoring Committee (IDMC) that determined the study was unlikely to meet its statistically defined efficacy endpoints.

Research Code: **MORAb-004** Generic name: **ontecizumab** (Anticancer agent/monoclonal antibody)

Description: A humanized IgG1 monoclonal antibody that targets Tumor Endothelial Marker 1 (TEM-1/Endosialin). Expected to exhibit an antitumor effect against carcinomas that express endosialin.

<input type="radio"/> Melanoma	US: PII	Inj.
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Research Code: **MORAb-009** Generic name: **amatuximab** (Anticancer agent/monoclonal antibody)

Description: A chimeric IgG1 monoclonal antibody that blocks the function of mesothelin. Expected to exhibit an antitumor effect against carcinomas that express mesothelin.

Mesothelioma	US/EU: PII	Inj.
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Product Name: **Dacogen** Research Code: **E7373** Generic name: **decitabine** (DNA methylation inhibitor)

Description: Induces cell differentiation by inhibiting DNA methylation. Currently approved in the United States for the treatment of myelodysplastic syndromes (MDS).

○ **Additional Indication:** Acute myeloid leukemia (AML) US: submitted (May 2011), accepted (July 2011) Inj.

○ **Additional Indication :** Pediatric acute myeloid leukemia (AML) US: PII Inj.

Research Code: **E7850** Generic Name: **irofulven** (Anticancer agent/DNA synthesis inhibitor)

Description: Expected to exhibit an anticancer effect against various solid tumors by inhibiting DNA synthesis.

Prostate cancer, etc.

US: PII

Inj.

Research Code: **E5501/AKR-501** Generic name: **avatrombopag** (Treatment for thrombocytopenia/thrombopoietin receptor agonist)

Description: A novel, oral thrombopoietin receptor agonist that stimulates platelet production. Expected to exhibit effects against conditions that are associated with thrombocytopenia.

◎ Idiopathic thrombocytopenic purpura (ITP) US/EU: PIII Submission Target FY2013 Oral

Thrombocytopenia associated with liver disease (TLD)

US: PII

Oral

Research Code: **E6014** Generic name: **glutamine** (Oral mucositis/glutamine oral suspension)

Description: A topical, oral glutamine suspension for the treatment of chemotherapy-induced mucositis.

Oral mucositis

US: PIII

Oral
Suspension

Product Name: **Ontak** Research Code: **E7272** Generic name: **denileukin diftitox**
(Anticancer agent/interleukin-2 diphtheria toxin fusion protein)

Description: A fusion protein that combines the interleukin-2 (IL-2) receptor binding domain with diphtheria toxins. It specifically binds to IL-2 receptors on the cell surface, causing diphtheria toxins that have entered cells to inhibit protein synthesis. The agent is already approved in the United States as a treatment for CD25 (a component of the IL-2 receptor) positive cutaneous T-cell lymphoma.

Additional Indication: Melanoma

US: PII

Inj.

Research Code: **E7040** (Embolitic bead/medical device)

Description: A hydrophilic microspherical particle produced from a polyvinyl alcohol polymer. An embolic bead that is injected through a catheter to physically and selectively embolize targeted blood vessels. Microscopic and uniformly spherical in shape, it allows for precise embolization of targeted vessels based on vascular diameter and tumor size.

Transcatheter arterial embolization (TAE) in patients with hepatocellular carcinoma (HCC)

Japan: submitted (December 2010)

Embolitic
Agent

(2) Neurology

Product Name: **Aricept** Research Code: **E2020** Generic name: **donepezil** (Anti-Alzheimer's agent)

Description: Increases levels of the neurotransmitter acetylcholine in the brain by inhibiting its breakdown by the enzyme acetylcholinesterase, thereby slowing the overall progression of symptoms associated with Alzheimer's disease (AD). Currently approved in more than 90 countries around the world for the treatment of mild to moderate AD. It is also approved as a treatment for patients with severe AD in countries including the United States, Canada, Japan, and some Asian and South/Central American countries.

◎ **Additional Formulation:** Dry Syrup Japan: submitted (December 2011) Oral

Additional Indication: Lewy body dementia

Japan: PIII

Submission Target FY2012

Oral

◎ **Additional Dosage & Administration, Formulation:**

Higher dose 23 mg tablet

Japan: PIII

Oral

Research Code: **E2007** Generic name: **perampanel** (AMPA receptor antagonist)

Description: A selective antagonist against AMPA receptor (a glutamate receptor subtype) for the treatment of a variety of neurological disorders. Clinical studies investigating the potential of the agent as an adjunctive treatment for partial-onset seizures as well as a treatment for generalized seizures in patients with epilepsy are currently underway. Further studies are also planned to evaluate perampanel as a monotherapy for partial-onset seizures and as a treatment for other forms of epilepsy such as Lennox-Gastaut syndrome (LGS).

Partial-onset epilepsy	○ EU: submitted (May 2011), accepted (June 2011) ◎ US: submitted (December 2011) ◎ Japan: PIII	Oral
Generalized epilepsy	○ Global: PIII	Oral
Neuropathic pain	US/EU: PII	Oral
Multiple sclerosis	EU: PII	Oral
Migraine prophylaxis	US: PII	Oral

Research Code: **AS-3201** Generic name: **ranirestat** (Treatment for diabetic complications/aldose reductase inhibitor)

Description: An aldose reductase inhibitor that is believed to reduce intracellular accumulation of sorbitol. Currently being investigated as a potential treatment for diabetic neuropathy, one of the most common diabetic complications.

Diabetic neuropathy	US/EU: PII/III	Oral
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Product Name: **Zonegran** Research Code: **E2090** Generic name: **zonisamide** (Anti-epileptic agent)

Description: Believed to exhibit a broad anti-epileptic spectrum and is well-tolerated. Currently indicated as an adjunctive therapy in the treatment of patients with partial-onset seizures.

○ Additional Indication: Monotherapy for epilepsy	EU: submitted (June 2011), accepted (July 2011)	Oral
Additional Indication: Pediatric epilepsy	EU: PIII Submission Target FY2011	Oral

Research Code: **E0302** Generic name: **mecobalamin** (Amyotrophic lateral sclerosis)

Description: A mecobalamin (vitamin B₁₂ coenzyme) formulation. Restores damaged peripheral nerves and is widely used for the treatment of peripheral neuropathy. Currently being investigated as a potential treatment for amyotrophic lateral sclerosis (ALS).

Amyotrophic lateral sclerosis (ALS)	Japan: PII/III	Inj.
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Product Name: **Lunesta** Research Code: **SEP-190** Generic name: **eszopiclone** (Treatment for insomnia/GABA_A receptor agonist)

Description: A non-benzodiazepine type allosteric GABA_A receptor agonist that is expected to be effective in treating transient or short-term insomnia as well as insomnia in the elderly.

◎ Insomnia	Japan: approved (January 2012)	Oral
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Product Name: **Inovelon(EU)/Banzel(US)** Research Code: **E2080** Generic name: **rufinamide** (Anti-epileptic agent)

Description: A triazole derivative that is structurally unrelated to currently marketed antiepileptic drugs (AEDs). It is believed to regulate the activity of sodium channels in the brain that carry excessive electrical charges. The agent is approved in Europe (under the product name Inovelon) and the United States (under the product name Banzel) as an adjunctive therapy for Lennox-Gastaut syndrome (LGS).

◎ Additional Formulation: Oral suspension	EU: approved (November 2011)	Oral
Adjunctive therapy for LGS	Japan: PIII Submission Target FY2012	Oral

(3) Vascular and Immunological Reaction

Product Name: **Humira** Research Code: **D2E7** Generic name: **adalimumab** (Fully human anti-TNF-alpha monoclonal antibody)

Description: A fully human anti-TNF-alpha monoclonal antibody that neutralizes the activity of tumor necrosis factor alpha (TNF-alpha), a type of cytokine that plays a central role in inflammatory reactions in patients with autoimmune diseases. Approved in Japan for the treatment of rheumatoid arthritis, psoriasis, Crohn's disease, ankylosing spondylitis, and juvenile idiopathic arthritis.

<input type="radio"/>	Additional Indication: Juvenile idiopathic arthritis	Japan: approved (July 2011)	Inj.
<input type="radio"/>	Additional Indication: Inhibition of structural damage of joints	Japan: submitted (September 2011)	Inj.
	Additional Indication: Ulcerative colitis	Japan: PII/III	Submission Target FY2011 Inj.

Research Code: **E5564** Generic name: **eritoran** (Severe sepsis/endotoxin antagonist)

Description: Exhibits endotoxin antagonist effects that inhibit isolation of inflammatory cytokines. Suppresses various clinical conditions caused by endotoxins.

Severe sepsis	Global: PIII	Inj.
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Research Code: **E5555** (Thrombin receptor antagonist)

Description: Selectively binds to the thrombin receptor (PAR-1) and inhibits platelet aggregation and vascular smooth muscle cell proliferation by suppressing thrombin-mediated cellular activation.

Acute coronary syndrome	US/EU: PII Japan: PII	Oral
Atherothrombosis	US/EU: PII Japan: PII	Oral

Research Code: **E6201** (Novel MEK-1/MEKK-1 kinase inhibitor)

Description: A novel MEK-1/MEKK-1 kinase inhibitor. Expected to inhibit inflammatory cellular signaling as well as overgrowth of epidermal cells in patients with psoriasis.

Psoriasis	US/EU: PII	Topical
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Research Code: **E6005** (Phosphodiesterase 4 inhibitor)

Description: Inhibits the action of phosphodiesterase 4, a cyclic AMP-degrading enzyme that acts as an intracellular messenger. It is expected to be effective as a treatment to suppress the various symptoms associated with atopic disease.

<input type="radio"/>	Atopic dermatitis	Japan: PII	Topical
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Research Code: **T-614** Generic name: **iguratimod** (Rheumatoid arthritis)

Description: Suppresses inflammatory cytokine production and immunoglobulin production. Expected to exhibit effects against rheumatoid arthritis.

<input type="radio"/>	Rheumatoid arthritis	Japan: submitted (August 2011)	Oral
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Product Name: **Warfarin** Generic name: **warfarin potassium** (Oral anticoagulant)

Description: Exhibits anticoagulant effects by antagonizing vitamin K and inhibiting the production of blood clotting factors. Widely used for the treatment and prevention of thromboembolisms in adults. An application seeking approval for pediatric use of the new granules formulation was approved in Japan based on that the Japanese Ministry of Health, Labour and Welfare's Study Group on Unapproved and Off Label Drugs of High Medical Need designated the agent as a drug that can provide significant clinical benefits to pediatric patients.

<input type="radio"/>	Additional Formulation: Granules	Japan: approved (July 2011)	Oral
<input checked="" type="radio"/>	Additional Dosage & Administration: Granules pediatric dosage & administration	Japan: approved (October 2011)	Oral

Product Name: **Vasolan** Generic name: **verapamil** (Calcium channel blocking anti-arrhythmic agent)

Description: Slows cardiac excitation and regulates tachyarrhythmia by blocking calcium channels. Also exhibits coronary dilating and peripheral vasodilator action and is widely used as a treatment for ischemic heart disease and tachyarrhythmia in adults. An application seeking approval for pediatric dosage and administration was approved in Japan based on that the Japanese Ministry of Health, Labour and Welfare's Study Group on Unapproved and Off Label Drugs of High Medical Need designated the agent as a drug that can provide significant clinical benefits to pediatric patients.

<input type="radio"/>	Additional Dosage & Administration: Pediatric dosage & administration	Japan: approved (May 2011)	Oral Inj.
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(4) Gastrointestinal Disorders

Product Name: **Pariet/Aciphex** Research Code: **E3810** Generic name: **rabeprazole** (Proton pump inhibitor)

Description: A proton pump inhibitor approved for the treatment of gastric and duodenal ulcers, reflux esophagitis and eradication of *Helicobacter pylori* infections, etc.

<input type="radio"/>	Additional Indication: Prevention of recurrence of gastric and duodenal ulcers during treatment with low-dosage aspirin	Japan: PII/III	Oral
	Additional Indication: Functional dyspepsia	Japan: PII	Oral

2) R&D Pipeline (Asia)

Product Name: **Glufast** Generic name: **mitiglinide** (Rapid-acting insulin secretagogue agent)

Description: By selectively binding to sulfonylurea receptors in pancreatic beta cells, it accelerates insulin release, resulting in the reduction of blood glucose. (In-licensed from Kissei Pharmaceutical Co., Ltd.)

Type 2 diabetes mellitus	currently marketed: ○Thailand approved: Philippines submitted: Indonesia	Oral
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- The development of Glufast was terminated in Malaysia following careful consideration by Eisai after the Malaysian regulatory authorities failed to approve the drug.

Product Name: **Gasmotin** Generic name: **mosapride** (Gastroprokinetic agent)

Description: A selective serotonin 5-HT₄ receptor agonist that exhibits gastroprokinetic and gastric evacuation effects by enhancing acetylcholine release. (In-licensed from Daiippon Sumitomo Pharma Co., Ltd.)

Gastroprokinetic agent	currently marketed: Thailand, ○Philippines, ◎Vietnam submitted: Malaysia, Myanmar, Laos, Cambodia	Oral
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Generic name: **clevudine** (Anti-chronic hepatitis B agent)

Description: An antiviral drug that exerts an anti-HBV effect by inhibiting DNA polymerase. (In-licensed from Bukwang Pharmaceutical Co., Ltd.)

Chronic hepatitis B	currently marketed: Philippines (Product Name: Revovir) submitted: Indonesia, Thailand, ○Vietnam, India, China	Oral
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Product Name: **Urief** Generic name: **silodosin** (Treatment for dysuria associated with benign prostatic hyperplasia)

Description: A selective alpha 1A-adrenergic receptor antagonist. By selectively blocking alpha 1A-adrenergic receptors that are found primarily in the prostate gland, it reduces urethral resistance by relaxing certain prostate gland muscles, thereby improving dysuria associated with benign prostatic hyperplasia (BPH). (In-licensed from Kissei Pharmaceutical Co., Ltd.)

Dysuria associated with BPH	submitted: Singapore, ◎Malaysia, ○Thailand	Oral
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Generic name: **cinitapride** (Gastroprokinetic agent)

Description: By stimulating 5-HT₂ and 5-HT₄ receptors found in the gastrointestinal tract, the agent increases acetylcholine release and improves upper gastrointestinal motility. Its antidopaminergic effects also help stimulate the release of acetylcholine by blocking dopamine receptors, thereby improving upper gastrointestinal function. (In-licensed from Almirall, S.A.)

Functional dyspepsia	submitted: ○China	Oral
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