Securities Code: 4523

FY 2018 (Ending March 31, 2019)
Second Quarter Financial Results

Reference Data

November 1, 2018

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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. Accordingly, actual outcomes and results could differ materially from these statements depending on a number of important factors. 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 fluctuations.

Risks that may cause significant fluctuations in the consolidated results of the Eisai Group or have a material effect on investment decisions are described below. These are risk factors that have been identified and assessed as of the disclosure date of this Financial Report.

Risk factors associated with our business include, but are not limited to, risks related to product safety and quality, risks related to occurrences of side effects, risks related to lawsuits, risks regarding laws and regulations, risks related to intellectual property, uncertainties in new drug development, impact of medical cost containment measures, risks related to generic products, risks related to overseas operations, risks in alliances with other companies, risks associated with acquisitions of companies and product lines, risks associated with outsourcing, risks concerning IT security and information management, risks concerning internal control systems for financial reporting, risks related to financial market conditions and currency movement, risks related to plant closure or shutdown, environmental risks, and risks concerning disasters.

This English presentation was translated from the original Japanese version. In the event of any inconsistency between the statements in the two versions, the statements in the Japanese version shall prevail.

Contents

Currency Exchange Rates

		US (USD/JPY)	EU (EUR/JPY)	UK (GBP/JPY)	China (RMB/JPY)
FY 2017 Q2	Q2 YTD Average Rate	111.06	126.28	143.61	16.42
	Quarter End Rate	112.73	132.85	151.37	16.96
FY 2017	Yearly Average Rate	110.85	129.70	147.03	16.74
	Year End Rate	106.24	130.52	148.84	16.92
FY 2018 Q2	Q2 YTD Average Rate	110.26	129.84	146.91	16.74
	Quarter End Rate	113.57	132.14	148.53	16.50
FY 2018	Q3 - Q4 Forecast Rate	113.00	131.00	146.00	16.50

* Full year financial forecasts previously announced have been revised. Revised figures are underlined.
* Eisai Co., Ltd. (“the Company") discloses its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS).
* The Eisai Group's ("the Group") business is comprised of pharmaceutical business and other business. The pharmaceutical business is organized into the following five reporting segments in this report: Japan (Prescription Medicines, Generics, and OTC and others), Americas (North America), China, EMEA (Europe, the Middle East, Africa, and Oceania), and Asia and Latin America (primarily South Korea, Taiwan, Hong Kong, India, ASEAN, Central and South America).
* All amounts are rounded to the nearest specified unit.

1. Consolidated Statement of Income

(billions of yen)

	FY 2017				FY 2018				FY 2018 Full year (est.)	
	Q2 YTD	Ratio (%)	Full year	Ratio (%)	Q2 YTD	Ratio (%)	YOY (%)	Diff.	Revised	Previous
Revenue	285.1	100.0	600.1	100.0	310.1	100.0	108.8	25.1	636.5	632.0
Cost of sales	102.2	35.8	201.3	33.5	92.0	29.7	90.1	(10.1)	187.0	186.5
Gross profit	182.9	64.2	398.8	66.5	218.1	70.3	119.2	35.2	449.5	445.5
Selling, general and administrative expenses	89.5	31.4	183.9	30.6	104.8	33.8	117.1	15.3	212.7	212.7
Selling expenses	27.0	9.5	56.4	9.4	37.0	11.9	137.2	10.0	–	–
Personnel expenses	39.6	13.9	80.0	13.3	41.1	13.3	103.8	1.5	–	–
Administrative and other expenses	22.9	8.0	47.4	7.9	26.7	8.6	116.5	3.8	–	–
Research and development expenses	66.1	23.2	139.6	23.3	65.0	21.0	98.3	(1.1)	147.0	147.0
Other income	1.4	0.5	3.0	0.5	1.0	0.3	74.3	(0.3)	0.2	0.2
Other expenses	1.0	0.3	1.1	0.2	1.0	0.3	99.8	(0.0)	–	–
Operating profit	27.7	9.7	77.2	12.9	48.4	15.6	174.4	20.6	90.0	86.0
Financial income	1.2	0.4	2.6	0.4	2.3	0.7	188.5	1.1	–	–
Financial costs	1.5	0.5	3.0	0.5	1.0	0.3	67.3	(0.5)	–	–
Profit before income taxes	27.4	9.6	76.8	12.8	49.7	16.0	180.9	22.2	90.8	86.0
Income taxes	7.1	2.5	22.4	3.7	13.3	4.3	188.1	6.2	–	–
Profit for the period	20.4	7.1	54.4	9.1	36.3	11.7	178.5	16.0	63.5	60.0
Attributable to										
Owners of the parent	18.8	6.6	51.8	8.6	32.7	10.5	173.5	13.8	60.5	57.5
Non-controlling interests	1.5	0.5	2.6	0.4	3.7	1.2	239.0	2.1	–	–
Comprehensive income for the period	32.1	11.3	53.8	9.0	61.3	19.8	190.8	29.2		

Earnings per share (EPS, yen)	65.8	181.2	114.0	211.4	200.9
Dividends per share (DPS, yen)	70.0	150.0	70.0	150.0	150.0
Return on equity (ROE, %)	–	8.8	–	10.0	9.5
Dividend on equity ratio (DOE, %)	–	7.3	–	7.1	7.1
Overseas revenue ratio (%)	45.9	49.6	51.5		

* Full year estimation for other income has had other expenses deducted from it.

Notes

Revenue	・Increase due to growth of Lenvima, Humira and Fycompa ・China, EMEA, as well as Asia and Latin America pharmaceutical businesses each achieved double-digit growth ・Received 22.2 billion yen as milestone payments (U.S.: 13.9 billion yen, Europe: 5.5 billion yen, China: 2.8 billion yen) from Merck & Co., Inc., Kenilworth, N.J., U.S.A. due to the approval of the indication covering hepatocellular carcinoma for Lenvima in the United States, Europe and China
Selling, general and administrative expenses	・Commercial activities for fostering and expanding global brands ・Recorded 7.9 billion yen of shared profit under the strategic collaboration with Merck & Co., Inc., Kenilworth, N.J., U.S.A. for Lenvima as expenses
Research and development expenses	・Aggressive R&D investment mainly for Lenvima as monotherapy and in combination with Merck & Co., Inc., Kenilworth, N.J., U.S.A.'s anti-PD1 antibody KEYTRUDA as well as Alzheimer's disease projects such as the beta secretase cleaving enzyme (BACE) inhibitor E2609 (elenbecestat) ・Expenses controlled by using the partnership model (reimbursement from partners for major in-house products: 24.3 billion yen)
Exchange rate effects	・Revenue: +790 million yen, operating profit: +610 million yen
Exchange rate sensitivity (annual effect of a 1 yen appreciation in currency value)	・Revenue (U.S. dollars: -1.19 billion yen, Euro: -310 million yen, U.K. pounds: -50 million yen, Chinese renminbi: -3.81 billion yen) Operating profit (U.S. dollars: -30 million yen, Euro: -210 million yen, U.K. pounds: +200 million yen, Chinese renminbi: -1.71 billion yen)

2. Segment Information

1) Revenue by Reporting Segment

(billions of yen)

	FY 2017		FY 2018		
	Q2 YTD	Full year	Q2 YTD	YOY (%)	CER YOY (%)
Pharmaceutical Business Total	279.1	553.2	282.4	101.2	100.9
Japan pharmaceutical business	150.9	296.2	157.7	104.5	104.5
Americas pharmaceutical business	57.5	113.9	42.8	74.5	75.0
United States	57.0	112.9	42.2	74.1	74.6
China pharmaceutical business	28.0	56.2	31.8	113.9	111.7
EMEA pharmaceutical business	21.2	44.3	25.4	120.0	118.2
Asia and Latin America pharmaceutical business	21.6	42.6	24.7	114.2	113.8
Other business	6.0	46.8	27.7	461.7	461.2
Consolidated revenue	285.1	600.1	310.1	108.8	108.5

* Indicates revenue from external customers.
* CER=Constant Exchange Rates

2) Profit by Reporting Segment

(billions of yen)

	FY 2017		FY 2018		
	Q2 YTD	Full year	Q2 YTD	YOY (%)	CER YOY (%)
Pharmaceutical Business Total	97.6	191.4	108.1	110.8	110.4
Japan pharmaceutical business	55.6	104.4	60.0	107.8	107.8
Americas pharmaceutical business	20.0	43.6	16.9	84.8	85.5
China pharmaceutical business	8.4	15.5	11.5	137.2	133.9
EMEA pharmaceutical business	7.3	15.4	11.2	153.1	153.0
Asia and Latin America pharmaceutical business	6.3	12.4	8.5	134.8	131.6
Other business	2.2	38.0	23.4	1058.0	1056.8
R&D expenses	(66.1)	(139.6)	(65.0)	98.3	98.7
Group headquarters' management costs and other expenses[#]	(6.0)	(12.6)	(18.2)	304.7	304.7
Consolidated operating profit	27.7	77.2	48.4	174.4	172.2

* CER=Constant Exchange Rates
[#] Includes the amount of profits and expenses shared under strategic collaborations with partners.

3. Financial Results by Reporting Segment

1) Japan pharmaceutical business

(billions of yen)

	FY 2017		FY 2018	
	Q2 YTD	Full year	Q2 YTD	YOY (%)
Revenue	150.9	296.2	157.7	104.5
Prescription Medicines	126.3	246.7	133.2	105.5
Generics	13.6	27.8	12.2	89.8
OTC and others	11.0	21.7	12.3	111.9
Segment profit	55.6	104.4	60.0	107.8
Japan prescription medicines - revenue from major products				
Fully human anti-TNF-α monoclonal antibody Humira	21.8	43.4	23.9	109.6
Pain treatment (neuropathic pain, fibromyalgia) Lyrica	13.2	26.5	13.8	104.9
Alzheimer's disease / Dementia with Lewy bodies treatment Aricept	13.3	24.4	9.8	73.7
Peripheral neuropathy treatment Methycobal	9.0	17.2	7.8	87.0
Proton pump inhibitor Pariet[#]	9.2	17.2	6.8	73.9
Insomnia treatment Lunesta	5.0	10.2	5.5	110.5
Anticancer agent Halaven	4.7	9.3	4.9	104.6
Anticancer agent Lenvima	1.5	3.0	4.3	285.9
Anticancer agent Treakisym	3.5	6.9	3.7	106.0
Elemental diet Elental[#]	3.4	6.6	3.3	96.1
Oral anticoagulant Warfarin	3.2	6.0	2.8	89.5
Branched-chain amino acid preparation Livact[#]	3.1	5.9	2.6	81.4
Antiepileptic agent Fycompa	0.7	1.7	1.4	189.8
OTC and others—Japan - revenue from major products				
Vitamin B2 preparation, "Chocola BB Plus," etc. Chocola BB Group	7.2	13.9	8.0	111.2

* The revenue for Pariet includes the revenue for triple formulation packs for *Helicobacter pylori* eradication, Rabecure Pack 400/800 and Rabefine Pack.

* Co-promotion income has been booked as revenue for Lyrica.

[#] EA Pharma product

2) Americas pharmaceutical business (North America)

(billions of yen)

	FY 2017		FY 2018	
	Q2 YTD	Full year	Q2 YTD	YOY (%)
Revenue	57.5	113.9	42.8	74.5
United States	57.0	112.9	42.2	74.1
Segment profit	20.0	43.6	16.9	84.8
Americas - revenue from major products				
Anticancer agent	10.0	21.9	14.4	143.6
Lenvima				
United States	10.0	21.8	14.3	143.2
[Millions USD]	[90]	[196]	[130]	<144.2>
Antiepileptic agent	8.0	16.6	8.5	106.5
Banzel				
United States	7.9	16.4	8.4	106.4
[Millions USD]	[71]	[148]	[76]	<107.2>
Anticancer agent	8.0	15.7	8.1	100.8
Halaven				
United States	7.9	15.4	7.9	100.4
[Millions USD]	[71]	[139]	[72]	<101.1>
Antiepileptic agent	3.2	6.9	4.5	140.2
Fycompa				
United States	3.0	6.6	4.3	141.9
[Millions USD]	[27]	[60]	[39]	<142.9>
Proton pump inhibitor	3.1	6.0	2.2	70.5
AcipHex [Millions USD]	[28]	[54]	[20]	<71.0>
Antiobesity agent	2.0	3.6	1.9	97.3
BELVIQ [Millions USD]	[18]	[32]	[17]	<98.0>
Antiemetic agent	21.5	39.6	1.5	7.2
Aloxi				
United States	21.4	39.6	1.5	7.2
[Millions USD]	[193]	[357]	[14]	<7.2>

* Year-on-year (YOY) percentage: figures shown in angle brackets "< >" exclude the effects of foreign currency fluctuations.

* The U.S. is the only country in the Americas where the Eisai directly markets AcipHex and BELVIQ.

3) China pharmaceutical business

(billions of yen)

	FY 2017		FY 2018	
	Q2 YTD	Full year	Q2 YTD	YOY (%)
Revenue	28.0	56.2	31.8	113.9
Segment profit	8.4	15.5	11.5	137.2
China - revenue from major products				
Peripheral neuropathy treatment Methycobal [Millions RMB]	10.2 [621]	18.8 [1,121]	10.4 [624]	102.4 <100.4>
Liver disease / Allergic disease agents Stronger Neo-Minophagen C and Glycyron Tablets [Millions RMB]	4.8 [291]	10.2 [608]	5.1 [307]	107.7 <105.7>
Alzheimer's disease treatment Aricept [Millions RMB]	3.5 [215]	7.5 [449]	4.9 [290]	137.7 <135.1>
Proton pump inhibitor Pariet [Millions RMB]	2.3 [142]	4.5 [267]	2.9 [173]	124.3 <121.9>

* Year-on-year (YOY) percentage: figures shown in angle brackets "< >" exclude the effects of foreign currency fluctuations.

4) EMEA pharmaceutical business (Europe, the Middle East, Africa and Oceania)

(billions of yen)

	FY 2017		FY 2018	
	Q2 YTD	Full year	Q2 YTD	YOY (%)
Revenue	21.2	44.3	25.4	120.0
Segment profit	7.3	15.4	11.2	153.1
EMEA - revenue from major products				
Anticancer agent Halaven	5.8	12.1	6.1	105.5 <104.5>
Anticancer agent Lenvima/Kisplyx	2.6	5.8	3.7	142.5 <140.5>
Antiepileptic agent Fycompa	2.4	5.4	3.0	121.1 <119.1>
Antiepileptic agent Zebinix	2.6	4.9	2.8	106.0 <103.4>
Antiepileptic agent Zonegran	2.2	4.4	2.0	93.0 <91.6>
Antiepileptic agent Inovelon	1.1	2.3	1.1	103.6 <101.7>

* Year-on-year (YOY) percentage: figures shown in angle brackets "< >" exclude the effects of foreign currency fluctuations.

5) Asia and Latin America pharmaceutical business

(billions of yen)

	FY 2017		FY 2018	
	Q2 YTD	Full year	Q2 YTD	YOY (%)
Revenue	21.6	42.6	24.7	114.2
Segment profit	6.3	12.4	8.5	134.8
Asia and Latin America - revenue from major products				
Fully human anti-TNF-α monoclonal antibody Humira	6.0	11.6	6.6	110.6 <109.4>
Alzheimer's disease / Dementia with Lewy bodies treatment Aricept	5.8	11.2	6.1	103.9 <102.5>
Anticancer agent Lenvima	0.6	1.5	2.0	349.3 <353.9>
Proton pump inhibitor Pariet	2.1	3.9	1.9	90.2 <89.9>
Peripheral neuropathy treatment Methycobal	1.7	3.1	1.8	108.0 <109.1>
Anticancer agent Halaven	1.6	2.8	1.3	78.2 <78.9>
Antiepileptic agent Fycompa	0.3	0.6	0.4	151.1 <150.8>

* Year-on-year (YOY) percentage: figures shown in angle brackets "< >" exclude the effects of foreign currency fluctuations.

* Indication of Aricept for the treatment of dementia with Lewy bodies is approved only in Japan, the Philippines and Thailand.

4. Revenue from Major Products

1) Neurology Products

(billions of yen)

	FY 2017		FY 2018	
	Q2 YTD	Full year	Q2 YTD	YOY (%)
Neurology Products Total	86.9	170.8	88.9	102.3 <101.9>
Aricept (Alzheimer's disease / dementia with Lewy bodies treatment)	23.3	44.3	21.3	91.3 <90.5>
Japan	13.3	24.4	9.8	73.7
China	3.5	7.5	4.9	137.7 <135.1>
Asia and Latin America	5.8	11.2	6.1	103.9 <102.5>
Methycobal (Peripheral neuropathy treatment)	21.3	40.1	20.5	96.4 <95.6>
Japan	9.0	17.2	7.8	87.0
China	10.2	18.8	10.4	102.4 <100.4>
Asia and Latin America	1.7	3.1	1.8	108.0 <109.1>
Lyrica (Pain treatment [neuropathic pain, fibromyalgia]) - Japan	13.2	26.5	13.8	104.9
Inovelon/Banzel (Antiepileptic agent)	9.3	19.3	9.9	106.3 <106.7>
Americas	8.0	16.6	8.5	106.5 <107.3>
EMEA	1.1	2.3	1.1	103.6 <101.7>
Fycompa (Antiepileptic agent)	6.6	14.7	9.2	139.1 <138.9>
Japan	0.7	1.7	1.4	189.8
Americas	3.2	6.9	4.5	140.2 <141.2>
EMEA	2.4	5.4	3.0	121.1 <119.1>
Asia and Latin America	0.3	0.6	0.4	151.1 <150.8>
Lunesta (Insomnia treatment) - Japan	5.0	10.2	5.5	110.5
Zebinix (Antiepileptic agent) - EMEA	2.6	4.9	2.8	106.0 <103.4>
Zonegran (Antiepileptic agent)	2.4	4.9	2.3	93.9 <92.7>
EMEA	2.2	4.4	2.0	93.0 <91.6>
BELVIQ (Antiobesity agent)	2.6	4.8	2.1	81.6 <82.2>
United States	2.0	3.6	1.9	97.3 <98.0>
Other	0.5	1.2	1.4	289.8

* Year-on-year (YOY) percentage: figures shown in angle brackets "< >" exclude the effects of foreign currency fluctuations.

* Indication of Aricept for the treatment of dementia with Lewy bodies is approved only in Japan, the Philippines and Thailand.

* Co-promotion income has been booked as revenue for Lyrica.

2) Oncology Products

(billions of yen)

	FY 2017		FY 2018	
	Q2 YTD	Full year	Q2 YTD	YOY (%)
Oncology Products Total	63.7	126.4	54.7	85.9 <86.0>
Lenvima/Kisplyx (Anticancer agent)	14.7	32.2	24.5	166.0 <166.6>
Japan	1.5	3.0	4.3	285.9
Americas	10.0	21.9	14.4	143.6 <144.6>
EMEA	2.6	5.8	3.7	142.5 <140.5>
Asia and Latin America	0.6	1.5	2.0	349.3 <353.9>
Halaven (Anticancer agent)	20.2	39.9	20.4	101.2 <101.3>
Japan	4.7	9.3	4.9	104.6
Americas	8.0	15.7	8.1	100.8 <101.5>
EMEA	5.8	12.1	6.1	105.5 <104.5>
Asia and Latin America	1.6	2.8	1.3	78.2 <78.9>
Treakisym/Symbenda (Anticancer agent)	3.6	7.2	3.8	106.3 <106.2>
Aloxi (Antiemetic agent) - Americas	21.5	39.6	1.5	7.2 <7.2>
Other	3.7	7.5	4.5	120.4 <118.6>

* Year-on-year (YOY) percentage: figures shown in angle brackets "< >" exclude the effects of foreign currency fluctuations.

5. Revenue Forecasts by Reporting Segment (FY 2018)

(billions of yen)

	FY 2017		FY 2018		
				Full year (est.)	
	Q2 YTD	Full year	Q2 YTD	Revised	Previous
Japan	150.9	296.2	157.7	296.5	296.0
Prescription Medicines	126.3	246.7	133.2	247.5	247.0
Fully human anti-TNF-α monoclonal antibody Humira	21.8	43.4	23.9	45.0	45.0
Alzheimer's disease / Dementia with Lewy bodies treatment Aricept	13.3	24.4	9.8	18.0	18.0
Peripheral neuropathy treatment Methycobal	9.0	17.2	7.8	14.0	14.0
Proton pump inhibitor Pariet[#]	9.2	17.2	6.8	13.0	13.0
Insomnia treatment Lunesta	5.0	10.2	5.5	11.0	11.0
Anticancer agent Halaven	4.7	9.3	4.9	9.5	9.5
Anticancer agent Lenvima	1.5	3.0	4.3	7.5	7.5
Elemental diet Elental[#]	3.4	6.6	3.3	6.5	6.5
Oral anticoagulant Warfarin	3.2	6.0	2.8	5.0	5.0
Antiepileptic agent Fycompa	0.7	1.7	1.4	4.0	4.0
Generics	13.6	27.8	12.2	26.0	26.0
OTC and others	11.0	21.7	12.3	23.0	23.0
Vitamin B2 preparation, "Chocola BB Plus," etc. Chocola BB Group	7.2	13.9	8.0	14.5	14.5
Americas	57.5	113.9	42.8	96.0	95.0
United States	57.0	112.9	42.2	93.0	92.0
China	28.0	56.2	31.8	64.0	63.0
EMEA	21.2	44.3	25.4	51.0	51.0
Asia and Latin America	21.6	42.6	24.7	48.0	46.0
Other	6.0	46.8	27.7	81.0	81.0
Consolidated revenue	**285.1**	**600.1**	**310.1**	**636.5**	**632.0**
Global revenue from major products					
Lenvima/Kisplyx	14.7	32.2	24.5	60.0	58.5
Japan	1.5	3.0	4.3	7.5	7.5
Americas	10.0	21.9	14.4	40.0	40.0
China	—	—	—	0.5	0.3
EMEA	2.6	5.8	3.7	9.0	9.0
Asia and Latin America	0.6	1.5	2.0	3.0	1.7
Halaven	20.2	39.9	20.4	43.0	43.0
Japan	4.7	9.3	4.9	9.5	9.5
Americas	8.0	15.7	8.1	17.0	17.0
EMEA	5.8	12.1	6.1	13.5	13.5
Asia and Latin America	1.6	2.8	1.3	3.0	3.0
Fycompa	6.6	14.7	9.2	21.5	21.5
Japan	0.7	1.7	1.4	4.0	4.0
Americas	3.2	6.9	4.5	9.5	9.5
EMEA	2.4	5.4	3.0	7.2	7.2
Asia and Latin America	0.3	0.6	0.4	0.8	0.8
BELVIQ	2.6	4.8	2.1	5.0	5.0
Americas	2.0	3.6	1.9	4.0	4.0
Aricept	23.3	44.3	21.3	39.0	39.0
Pariet/AcipHex	16.9	32.0	14.0	26.0	26.0

* The revenue for Pariet includes the revenue for triple formulation packs for *Helicobacter pylori* eradication, Rabecure Pack 400/800 and Rabefine Pack.

[#] EA Pharma product

6. Consolidated Statement of Comprehensive Income

(billions of yen)

	FY 2017		FY 2018		
	Q2 YTD	Full year	Q2 YTD	YOY (%)	Diff.
Profit for the period	20.4	54.4	36.3	178.5	16.0
Other comprehensive income (loss)					
Items that will not be reclassified to profit or loss					
Financial assets measured at fair value through other comprehensive income (loss)	3.3	6.7	4.3	130.0	1.0
Remeasurements of defined benefit plans	–	4.2	–	–	–
Subtotal	3.3	11.0	4.3	130.0	1.0
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	8.4	(11.8)	20.5	245.0	12.2
Cash flow hedges	0.1	0.2	0.1	170.3	0.0
Subtotal	8.5	(11.6)	20.7	244.3	12.2
Total other comprehensive income (loss), net of tax	11.8	(0.6)	25.0	212.0	13.2
Comprehensive income (loss) for the period	32.1	53.8	61.3	190.8	29.2
Comprehensive income (loss) for the period attributable to					
Owners of the parent	30.6	51.2	57.6	188.3	27.0
Non-controlling interests	1.5	2.6	3.7	239.9	2.1

7. Consolidated Statement of Cash Flows

(billions of yen)

	FY 2017 Q2 YTD	FY 2018 Q2 YTD	FY 2018 Diff.
Operating activities			
Profit before income taxes	27.4	49.7	22.2
Depreciation and amortization	12.8	13.7	0.9
Impairment losses	–	4.1	4.1
(Increase) decrease in working capital	(20.0)	(4.9)	15.0
Interest and dividends received	1.0	2.1	1.1
Interest paid	(1.3)	(0.9)	0.5
Income taxes paid	(6.8)	(10.0)	(3.2)
Income taxes refund	1.8	1.4	(0.5)
Other	(2.3)	(5.1)	(2.8)
Net cash from (used in) operating activities	12.6	49.9	37.3
Investing activities			
Purchases of property, plant and equipment	(5.4)	(4.7)	0.8
Proceeds from sales of property, plant and equipment	0.3	0.0	(0.2)
Purchases of intangible assets	(8.3)	(4.0)	4.3
Advances received for sale of investments in subsidiaries	–	3.4	3.4
Purchases of financial assets	(4.5)	(0.0)	4.5
Proceeds from sales and redemption of financial assets	9.2	0.8	(8.5)
Subtotal <Capital expenditures (cash basis)>	(8.8)	(4.5)	4.3
Payments of time deposits exceeding 3 months	(31.6)	(0.6)	30.9
Proceeds from redemption of time deposits exceeding 3 months	30.8	0.7	(30.1)
Other	(0.0)	(0.1)	(0.1)
Net cash from (used in) investing activities	(9.6)	(4.5)	5.1
Financing activities			
Net increase (decrease) in short-term borrowings	6.5	(11.4)	(17.9)
Proceeds from long-term borrowings	–	5.0	5.0
Repayments of long-term borrowings	–	(5.0)	(5.0)
Dividends paid	(22.9)	(22.9)	(0.0)
Other	(0.3)	(0.2)	0.0
Net cash from (used in) financing activities	(16.7)	(34.5)	(17.9)
Effect of exchange rate change on cash and cash equivalents	3.4	10.4	7.0
Net increase (decrease) in cash and cash equivalents	(10.3)	21.3	31.6
Cash and cash equivalents at beginning of period	186.8	270.5	83.7
Cash and cash equivalents at end of period	176.5	291.8	115.3

Free cash flows	3.8	45.4	41.6

* "Free cash flows" = "Net cash from operating activities" - "Capital expenditures (cash basis)"

Notes

Cash flow from operating activities:
Improvement in working capital through reduction in inventories and other factors in addition to an increase in profit before income taxes

Cash flow from investing activities:
Proceeds from advances received for sale of investments in subsidiaries

Cash flow from financing activities:
Payment of dividends

8. Capital Expenditures, Depreciation and Amortization

(billions of yen)

	FY 2017		FY 2018			
	Q2 YTD	Full year	Q2 YTD	Diff.	Full year (est.) Revised	Previous
Capital expenditures (cash basis)	13.7	24.7	8.7	(5.1)	38.0	28.0
Property, plant and equipment	5.4	10.5	4.7	(0.8)	20.0	13.0
Intangible assets	8.3	14.2	4.0	(4.3)	18.0	15.0
Depreciation and amortization	12.8	26.2	13.7	0.9	28.0	26.0
Property, plant and equipment	5.4	11.1	5.8	0.3	12.0	11.0
Intangible assets	7.4	15.1	7.9	0.5	16.0	15.0

9. Consolidated Statement of Financial Position

<Assets>

(billions of yen)

	FY 2017		FY 2018			
	March 31, 2018	Ratio (%)	September 30, 2018	Ratio (%)	% change	Diff.
Assets						
Non-current assets						
Property, plant and equipment	103.1	9.8	93.9	8.7	91.2	(9.1)
Goodwill	165.0	15.7	176.1	16.3	106.8	11.1
Intangible assets	107.4	10.2	105.1	9.7	97.8	(2.4)
Other financial assets	47.8	4.6	54.1	5.0	113.3	6.3
Other assets	14.6	1.4	15.5	1.4	105.9	0.9
Deferred tax assets	75.3	7.2	72.5	6.7	96.4	(2.7)
Total non-current assets	513.1	48.9	517.3	47.9	100.8	4.1
Current assets						
Inventories	80.9	7.7	71.0	6.6	87.8	(9.9)
Trade and other receivables	151.5	14.4	149.3	13.8	98.5	(2.2)
Other financial assets	18.7	1.8	18.7	1.7	100.3	0.1
Other assets	14.3	1.4	13.9	1.3	97.1	(0.4)
Cash and cash equivalents	270.5	25.8	291.8	27.0	107.9	21.3
Subtotal	535.9	51.1	544.7	50.4	101.6	8.8
Assets held for sale	—	—	18.2	1.7	—	18.2
Total current assets	535.9	51.1	562.9	52.1	105.0	27.0
Total assets	1,049.0	100.0	1,080.2	100.0	103.0	31.2

Notes

Assets

Increase in cash and cash equivalents

<Equity and Liabilities>

(billions of yen)

	FY 2017		FY 2018			
	March 31, 2018	Ratio (%)	September 30, 2018	Ratio (%)	% change	Diff.
Equity						
Equity attributable to owners of the parent						
Share capital	45.0	4.3	45.0	4.2	100.0	—
Capital surplus	77.6	7.4	77.6	7.2	100.0	(0.0)
Treasury shares	(35.3)	(3.4)	(34.9)	(3.2)	99.0	0.4
Retained earnings	415.0	39.6	429.5	39.8	103.5	14.5
Other components of equity	91.3	8.7	112.0	10.4	122.6	20.7
Total equity attributable to owners of the parent	593.6	56.6	629.1	58.2	106.0	35.6
Non-controlling interests	20.5	2.0	24.5	2.3	119.6	4.0
Total equity	614.1	58.5	653.7	60.5	106.4	39.6
Liabilities						
Non-current liabilities						
Borrowings	156.7	14.9	124.0	11.5	79.1	(32.8)
Other financial liabilities	3.0	0.3	2.6	0.2	86.9	(0.4)
Retirement benefit liabilities	11.1	1.1	11.2	1.0	101.7	0.2
Provisions	1.4	0.1	1.4	0.1	100.5	0.0
Other liabilities	20.6	2.0	19.9	1.8	96.9	(0.6)
Deferred tax liabilities	0.5	0.0	0.1	0.0	27.4	(0.4)
Total non-current liabilities	193.3	18.4	159.3	14.7	82.4	(34.0)
Current liabilities						
Borrowings	16.4	1.6	40.0	3.7	243.8	23.6
Trade and other payables	68.1	6.5	52.1	4.8	76.5	(16.0)
Other financial liabilities	51.6	4.9	49.3	4.6	95.4	(2.4)
Income taxes payable	9.0	0.9	10.0	0.9	110.6	1.0
Provisions	16.0	1.5	18.0	1.7	112.1	1.9
Other liabilities	80.5	7.7	90.5	8.4	112.5	10.1
Subtotal	241.7	23.0	259.8	24.1	107.5	18.2
Liabilities directly related to assets held for sale	—	—	7.4	0.7	—	7.4
Total current liabilities	241.7	23.0	267.3	24.7	110.6	25.6
Total liabilities	434.9	41.5	426.5	39.5	98.1	(8.4)
Total equity and liabilities	1,049.0	100.0	1,080.2	100.0	103.0	31.2

Notes

Equity
Increase in retained earnings due to profit for the period exceeding dividends paid
Increase in other components of equity due to increase in exchange differences on translation of foreign operations resulting from depreciation of the yen

Liabilities
Decrease in trade and other payables as well as borrowings

10. Changes in Quarterly Results

1) Income Statement

(billions of yen)

	FY 2017				FY 2018	
	Q1	Q2	Q3	Q4	Q1	Q2
Revenue	141.9	143.2	154.9	160.1	153.3	156.8
Cost of sales	49.4	52.8	54.0	45.1	48.0	44.0
Gross profit	92.5	90.5	100.8	115.1	105.3	112.8
Selling, general and administrative expenses	44.3	45.2	46.1	48.3	50.6	54.2
Selling expenses	13.2	13.7	14.4	15.1	17.3	19.7
Personnel expenses	20.0	19.5	19.8	20.6	19.9	21.2
Administrative and other expenses	11.0	11.9	11.9	12.6	13.4	13.3
Research and development expenses	33.2	32.9	35.9	37.6	34.1	30.9
Other income	0.6	0.7	0.3	1.4	0.1	0.9
Other expenses	0.4	0.5	0.1	0.1	0.1	0.9
Operating profit	15.1	12.6	19.0	30.5	20.6	27.8
Financial income	0.7	0.5	0.8	0.6	1.2	1.1
Financial costs	0.7	0.8	0.8	0.7	0.5	0.5
Profit before income taxes	15.1	12.3	19.0	30.4	21.3	28.4
Income taxes	4.5	2.5	8.7	6.6	5.6	7.7
Profit for the period	10.6	9.8	10.3	23.8	15.7	20.6
Attributable to						
Owners of the parent	9.8	9.0	9.3	23.7	12.3	20.3
Non-controlling interests	0.8	0.8	1.0	0.0	3.4	0.3
Comprehensive income for the period	15.2	16.9	18.8	2.8	27.2	34.1
Earnings per share (EPS, yen)	34.3	31.5	32.5	82.9	43.0	71.1

2) Cash Flows

(billions of yen)

	FY 2017				FY 2018	
	Q1	Q2	Q3	Q4	Q1	Q2
Net cash from (used in) operating activities	(3.7)	16.3	26.2	110.9	12.3	37.6
Net cash from (used in) investing activities	(10.4)	0.9	(0.6)	27.2	(1.6)	(2.8)
Net cash from (used in) financing activities	(11.7)	(5.0)	(12.3)	(52.9)	(5.4)	(29.1)
Cash and cash equivalents at the end of period	162.2	176.5	191.0	270.5	279.7	291.8
Free cash flows	(13.7)	17.6	24.6	108.3	10.7	34.7

* "Free cash flows" = "Net cash from operating activities" - "Capital expenditures (cash basis)"

3) Capital Expenditures, Depreciation and Amortization

(billions of yen)

	FY 2017				FY 2018	
	Q1	Q2	Q3	Q4	Q1	Q2
Capital expenditures (cash basis)	9.6	4.1	5.4	5.6	5.5	3.1
Property, plant and equipment	3.4	2.1	1.9	3.2	2.9	1.8
Intangible assets	6.2	2.0	3.5	2.4	2.7	1.3
Depreciation and amortization	6.4	6.4	6.6	6.8	6.9	6.8
Property, plant and equipment	2.7	2.7	2.8	2.9	2.9	2.8
Intangible assets	3.7	3.7	3.8	3.9	4.0	4.0

4) Financial Positions

(billions of yen)

	Jun. 30 2017	Sept. 30 2017	Dec. 31 2017	Mar. 31 2018	Jun. 30 2018	Sept. 30, 2018
Total assets	1,020.4	1,034.6	1,048.2	1,049.0	1,066.6	1,080.2
Equity	595.0	612.1	610.9	614.1	619.4	653.7
Attributable to owners of the parent	576.3	592.6	590.4	593.6	595.2	629.1
Liabilities	425.4	422.5	437.2	434.9	447.2	426.5
Borrowings	224.8	220.2	228.2	173.1	192.0	163.9
Ratio of equity attributable to owners of the parent (%)	56.5	57.3	56.3	56.6	55.8	58.2
Net debt equity ratio (times)	-0.06	-0.08	-0.10	-0.27	-0.25	-0.31

* "Net debt equity ratio (Net DER)" = ("Interest-bearing debt" ("Borrowings") - "Cash and cash equivalents" - "Time deposits exceeding three months, etc." - "Investment securities held by the parent") / "Equity attributable to owners of the parent"

5) Changes in Quarterly Revenue from Major Products

(1) Neurology Products

(billions of yen)

	FY 2017				FY 2018	
	Q1	Q2	Q3	Q4	Q1	Q2
Neurology Total	43.0	43.9	46.5	37.4	45.3	43.6
Aricept (Alzheimer's disease / dementia with Lewy bodies treatment)	11.8	11.6	12.1	8.9	11.1	10.3
Japan	7.0	6.3	7.0	4.1	5.3	4.4
China	1.6	1.9	2.1	1.9	2.3	2.6
Asia and Latin America	2.7	3.1	2.7	2.7	3.1	3.0
Methycobal (Peripheral neuropathy treatment)	10.4	10.9	10.7	8.1	10.7	9.9
Japan	4.6	4.3	4.8	3.4	4.1	3.7
China	4.9	5.3	4.8	3.7	5.5	4.9
Asia and Latin America	0.7	1.0	0.7	0.6	0.9	1.0
Lyrica (Pain treatment [neuropathic pain, fibromyalgia]) - Japan	6.7	6.5	7.3	6.0	7.1	6.7
Inovelon/Banzel (Antiepileptic agent)	4.7	4.6	5.4	4.5	4.8	5.1
Americas	4.1	3.9	4.7	3.9	4.0	4.4
EMEA	0.5	0.6	0.6	0.6	0.6	0.6
Fycompa (Antiepileptic agent)	3.2	3.4	3.9	4.1	4.5	4.7
Japan	0.3	0.4	0.5	0.4	0.7	0.7
Americas	1.6	1.6	1.8	2.0	2.1	2.3
EMEA	1.2	1.3	1.4	1.5	1.5	1.4
Asia and Latin America	0.1	0.2	0.2	0.2	0.2	0.2
Lunesta (Insomnia treatment) - Japan	2.5	2.5	3.0	2.2	2.9	2.7
Zebinix (Antiepileptic agent) - EMEA	1.0	1.6	1.4	0.8	1.4	1.4
Zonegran (Antiepileptic agent)	1.2	1.2	1.3	1.2	1.2	1.1
EMEA	1.1	1.1	1.1	1.1	1.0	1.0
BELVIQ (Antiobesity agent)	1.1	1.4	1.1	1.1	1.0	1.1
United States	1.0	1.0	0.8	0.8	1.0	0.9
Other	0.3	0.2	0.3	0.4	0.8	0.7

* Co-promotion income has been booked as revenue for Lyrica.

* Indication of Aricept for the treatment of dementia with Lewy bodies is approved only in Japan, the Philippines and Thailand.

(2) Oncology Products

(billions of yen)

	FY 2017				FY 2018	
	Q1	Q2	Q3	Q4	Q1	Q2
Oncology Total	31.1	32.6	33.9	28.7	28.1	26.6
Lenvima/Kisplyx (Anticancer agent)	7.3	7.5	8.7	8.8	11.9	12.6
Japan	0.8	0.8	0.8	0.6	1.9	2.4
Americas	4.9	5.2	5.8	6.1	6.9	7.5
EMEA	1.3	1.3	1.6	1.6	1.9	1.8
Asia and Latin America	0.3	0.2	0.5	0.4	1.1	0.9
Halaven (Anticancer agent)	9.7	10.5	10.4	9.3	10.2	10.2
Japan	2.3	2.4	2.7	1.9	2.5	2.4
Americas	4.0	4.0	4.2	3.5	4.0	4.1
EMEA	2.8	3.0	3.2	3.1	3.0	3.1
Asia and Latin America	0.6	1.1	0.4	0.7	0.7	0.6
Treakisym/Symbenda (Anticancer agent)	1.8	1.8	2.0	1.6	2.0	1.8
Aloxi (Antiemetic agent) - Americas	10.6	10.8	10.7	7.4	1.6	(0.1)
Other	1.7	2.0	2.0	1.8	2.4	2.1

11. Stock Information

1) Number of Shares Issued and Shareholders

As of September 30, 2018

Total Number of Authorized Shares	Number of Shares Issued and Outstanding	Number of Shares Held as Treasury Stock	Number of Shareholders	Average Number of Shares per Shareholder
1,100,000,000	296,566,949	10,135,820	48,903	6,064

* Number of shares issued and outstanding includes treasury stock.

2) Principal Shareholders

As of September 30, 2018

	Shares (1,000 shares)	Percentage of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	31,344	10.94
Japan Trustee Services Bank, Ltd. (Trust Account)	30,521	10.66
State Street Bank and Trust Company 505001	18,075	6.31
Nippon Life Insurance Company	12,281	4.29
Saitama Resona Bank Limited	7,300	2.55
Trust & Custody Services Bank, Ltd. as trustee for Mizuho Bank, Ltd. Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd.	5,437	1.90
Japan Trustee Services Bank, Ltd. (Trust Account 5)	4,666	1.63
State Street Bank West Client - Treaty 505234	4,337	1.51
The Naito Foundation	4,207	1.47
Japan Trustee Services Bank, Ltd. (Trust Account 7)	4,033	1.41

* Number of shares has been rounded down to the nearest thousand.

* The percentage of shares held is calculated in proportion to the number of shares issued and outstanding (excluding treasury stock).

* Treasury stock (10,135 thousand shares, 3.42%) has been excluded from the table as it has no voting rights.

* While the substantial shareholding reports (amendment reports) received up until September 30, 2018 are listed below, in cases where substantial shareholdings cannot be confirmed by the shareholder registry as of September 30, 2018 or where the number of shares held does not account among the top 10 shareholders, such shareholders are not listed in the above table. Furthermore, the percentage of shares held given inside the brackets is calculated in proportion to the number of shares issued and outstanding including treasury stock.

(1) As of July 13, 2015, four companies including Mitsubishi UFJ Financial Group jointly hold 16,113 thousand shares (5.43%).
(Amendment report dated July 21, 2015)

(2) As of July 31, 2015, two companies including the Wellington Management Company, LLP jointly hold 27,087 thousand shares (9.13%).
(Amendment report dated August 7, 2015)

(3) As of April 15, 2016, three companies including Sumitomo Mitsui Trust Bank, Ltd. jointly hold 14,926 thousand shares (5.03%).
(Substantial shareholding report dated April 21, 2016)

(4) As of October 14, 2016, two companies including Mizuho Bank, Ltd. jointly hold 18,900 thousand shares (6.37%).
(Substantial shareholding report dated October 21, 2016)

(5) As of November 24, 2016, Vanguard Health Care Fund holds 14,838 thousand shares (5.00%).
(Substantial shareholding report dated December 15, 2016)

(6) As of August 15, 2017, eleven companies including Black Rock Japan Co., Ltd. jointly hold 18,308 thousand shares (6.17%).
(Amendment report dated August 21, 2017)

(7) As of March 15, 2018, Nomura Asset Management Co., Ltd. holds 14,963 thousand shares (5.05%).
(Substantial shareholding report dated March 22, 2018)

3) Number of Shareholders by Category

(investors)

	March 31, 2018	Ratio (%)	September 30, 2018	Ratio (%)	Diff.
Financial institutions	145	0.2	124	0.3	-21
Securities companies	38	0.1	44	0.1	6
Other Japanese corporations	810	1.3	761	1.6	-49
Corporations outside Japan, etc.	707	1.2	824	1.7	117
Individuals and others	59,247	97.2	47,149	96.4	-12,098
Treasury stock	1	0.0	1	0.0	0
Total	60,948	100.0	48,903	100.0	-12,045

4) Number of Shares Held by Category

(1,000 shares)

	March 31, 2018	Ratio (%)	September 30, 2018	Ratio (%)	Diff.
Financial institutions	132,334	44.6	129,377	43.6	-2,956
Securities companies	7,846	2.6	10,566	3.6	2,720
Other Japanese corporations	20,945	7.1	21,062	7.1	116
Corporations outside Japan, etc.	81,943	27.6	88,799	29.9	6,856
Individuals and others	43,268	14.6	36,625	12.3	-6,643
Treasury stock	10,228	3.4	10,135	3.4	-92
Total	296,566	100.0	296,566	100.0	―

* Number of shares has been rounded down to the nearest thousand.

5) Breakdown of Shareholders by Number of Shares Held

(investors)

	March 31, 2018	Ratio (%)	September 30, 2018	Ratio (%)	Diff.
1 million or more shares	47	0.1	48	0.1	1
100,000 ~ 999,999 shares	144	0.2	151	0.3	7
10,000 ~ 99,999 shares	721	1.2	694	1.4	-27
1,000 ~ 9,999 shares	10,560	17.3	8,865	18.1	-1,695
100 ~ 999 shares	45,662	74.9	35,326	72.2	-10,336
Less than 100 shares	3,814	6.3	3,819	7.8	5
Total	60,948	100.0	48,903	100.0	-12,045

6) Breakdown by Shareholder Holding Size / Number of Shares Held

(1,000 shares)

	March 31, 2018	Ratio (%)	September 30, 2018	Ratio (%)	Diff.
1 million or more shares	200,813	67.7	202,457	68.3	1,643
100,000 ~ 999,999 shares	44,312	14.9	48,002	16.2	3,690
10,000 ~ 99,999 shares	18,737	6.3	18,844	6.4	106
1,000 ~ 9,999 shares	22,369	7.5	19,182	6.5	-3,186
100 ~ 999 shares	10,205	3.4	7,953	2.7	-2,251
Less than 100 shares	128	0.0	126	0.0	-2
Total	296,566	100.0	296,566	100.0	—

* Number of shares has been rounded down to the nearest thousand.

12. Number of Employees

1) Number of Employees on Consolidated Basis

(employees)

	March 31, 2016	March 31, 2017	March 31, 2018	September 30, 2018
Total employees	9,877	10,452	10,456	10,508
Japan	4,523	5,009	4,914	4,953
Americas (North America)	1,290	1,296	1,240	1,229
China	1,875	1,909	1,906	1,916
EMEA (Europe, the Middle East, Africa and Oceania)	913	983	1,022	1,016
Asia and Latin America	1,276	1,255	1,374	1,394

2) Number of Employees on Non-Consolidated Basis

(employees)

	March 31, 2016	March 31, 2017	March 31, 2018	September 30, 2018
Total employees (Eisai Co., Ltd.)	3,504	3,246	3,172	3,177
Production	459	459	415	429
Research and development	871	878	883	876
Sales, marketing and administration	2,174	1,909	1,874	1,872

* The number of total employees shown above includes staff dispatched to Eisai Co., Ltd. from other group companies, and excludes the employees of Eisai Co., Ltd. dispatched to other group companies.

13. Major R&D Pipeline

In-House R&D Pipeline List

	Product Name / Development Code	Additional Indication, etc.**	Development Stage***	Therapeutic Area****
Approved				
◎	Lenvima (Hepatocellular carcinoma: HCC)	AI	(US/EU/CN/AS) approved	Oncology
◎	Fycompa (Pediatric epilepsy)	AI	(US) approved	Neurology
◎	Movicol (Chronic constipation)*		(JP) approved	GI
Submitted / Preparing for Submission				
	Halaven (Breast cancer)		(CN) submitted	Oncology
◎	Fycompa (Adjunctive therapy for partial-onset seizures)		(CN) submitted	Neurology
◎	ME2125 (Parkinson's disease)		(JP) submitted	Neurology
Clinical Trial Stage				
	E2006 (Insomnia disorder)		(JP/US/EU) PIII	Neurology
	E2609 (Early Alzheimer's disease)		(JP/US/EU/CN) PIII	Neurology
	BIIB037 (Early Alzheimer's disease)		(JP/US/EU) PIII	Neurology
○	Lenvima (Endometrial carcinoma, second-line, combination therapy with anti-PD1 antibody pembrolizumab)		(JP/US/EU) PIII	Oncology
	AJM300 (Ulcerative colitis)*		(JP) PIII	GI
	Livact (Hypoalbuminemia)		(CN) PIII	GI
	Fycompa (Lennox-Gastaut syndrome)	AI	(JP/US/EU) PIII	Neurology
	Fycompa (Pediatric epilepsy)	AI	(JP/EU) PIII	Neurology
	Fycompa (Monotherapy for partial-onset seizures)	AI	(JP) PIII	Neurology
	Lenvima (Thyroid cancer)	AI	(CN) PIII	Oncology
	Lenvima (Renal cell carcinoma, first-line, combination therapy with everolimus or anti-PD1 antibody pembrolizumab)	AI	(JP/US/EU) PIII	Oncology
	BAN2401 (Early Alzheimer's disease)		(JP/US/EU) PII	Neurology
	E2006 (Irregular sleep-wake rhythm disorder and Alzheimer's disease dementia)		(JP/US) PII	Neurology
	E2027 (Dementia with Lewy bodies)		(JP/US/EU) PII/III	Neurology
◎	E2730 (Epilepsy)		(US) PII	Neurology
◎	E2082 (Epilepsy)		(US) PII (JP) PI	Neurology
	MORAb-003 (Platinum-sensitive ovarian cancer)		(JP/US/EU) PII	Oncology
	MORAb-004 (Melanoma)		(US/EU) PII	Oncology
	MORAb-009 (Mesothelioma)		(US/EU) PII	Oncology
	E7777 (Peripheral T-cell lymphoma, cutaneous T-cell lymphoma)		(JP) PII	Oncology
	E7438 (Non-Hodgkin B-cell lymphoma)		(JP) PII	Oncology
	Halaven (Combination therapy with anti-PD1 antibody pembrolizumab in breast cancer)		(US) PI/II	Oncology
	Lenvima (Combination therapy with anti-PD1 antibody pembrolizumab in select solid tumors)		(US) PI/II (JP) PI	Oncology
	E6007 (Ulcerative colitis)*		(JP) PII	GI
	E6011 (Rheumatoid arthritis)		(JP) PII	Other
	E6011 (Primary biliary cholangitis)*		(JP) PII	Other
◎	E6011 (Crohn's disease)*		(JP/EU) PII	Other
	Halaven (Bladder cancer)	AI	(US/EU) PI/II	Oncology
	Lenvima (Non-small cell lung cancer, RET translocations)	AI	(JP/US/EU/AS) PII	Oncology
	Lenvima (Biliary tract cancer)	AI	(JP) PII	Oncology
	Halaven (Combination therapy with PEGPH20 in breast cancer)		(US) PI/II	Oncology
	H3B-6545 (Breast cancer)		(US) PI/II	Oncology
	BELVIQ (Obesity)		(JP) PI	Neurology
	E7090 (Solid tumors)		(JP) PI	Oncology
	H3B-6527 (HCC)		(US/EU) PI	Oncology
	H3B-8800 (Blood cancer)		(US/EU) PI	Oncology
	Lenvima (Combination therapy with anti-PD1 antibody pembrolizumab in HCC)		(JP/US) PI	Oncology
	E7386 (Solid tumors)		(EU) PI	Oncology
	MORAb-202 (Solid tumors)		(JP) PI	Oncology
	Lenvima (Combination therapy with anti-PD1 antibody nivolumab in HCC)		(JP) PI	Oncology
	E7130 (Solid tumors)		(JP) PI	Oncology
	MORAb-022 (Rheumatoid arthritis)		(US) PI	Other
	E6742 (Autoimmune disease)		(US) PI	Other
	Halaven (Liposome formulation)	AF	(JP/EU) PI	Oncology

* EA Pharma pipeline product ** AI: Additional Indication, AF: Additional Formulation
*** JP: Japan, US: United States, EU: Europe, CN: China, AS: Asia (excluding Japan and China), P: Clinical Phase ****GI: Gastrointestinal Disorders

○ Development of E6130 for inflammatory bowel disease has been discontinued at the Phase I stage in Japan and was therefore removed from this list.
○ Development of MORAb-066 for solid tumors has been discontinued at the Phase I stage in the United States and was therefore removed from this list.

○: Development progress from April 2018 onwards ◎: Development progress from July 2018 onwards

(1) Neurology

Development Code: **E2007** Generic Name: **perampanel** Product Name: **Fycompa**

Indications / Drug class: Antiepileptic agent / AMPA receptor antagonist				In-house
Description: A selective antagonist against the AMPA receptor (a glutamate receptor subtype). Approved as an adjunctive therapy for partial-onset seizures in over 55 countries including Japan, the United States, in Europe and in Asia. Approved for use as monotherapy for the treatment of partial onset seizures (with or without secondarily generalized seizures) in patients 4 years of age and older in the United States. Also approved as an adjunctive therapy for primary generalized tonic-clonic seizures in over 50 countries including Japan, the United States, in Europe and in Asia. In the United States, an oral suspension formulation has been approved and is being marketed.				
	Monotherapy for partial-onset seizures (Additional Indication)	Study 342	JP: PIII Submission Target: FY2018	Oral
	Lennox-Gastaut syndrome (Additional Indication)	338	JP/US/EU: PIII	Oral
	Pediatric epilepsy (Additional Indication)	311	◎ US: approved (September 2018) JP/ EU: PIII Submission Target: FY2018	Oral
◎	Adjunctive therapy for partial-onset seizures	335	CN: submitted (accepted October 2018)	Oral

Development Code: **E2006** Generic Name: **lemborexant**

Indications / Drug class: Orexin receptor antagonist				In-house
Description: By antagonizing the orexin receptors that are involved in the regulation of sleep and wakefulness, it is expected to alleviate wakefulness, thereby facilitating the initiation and maintenance of natural sleep.				
	Insomnia disorder	Study 303/304	JP/US/EU: PIII	Submission Target: FY2018 Joint development with Purdue Pharma	Oral
	Irregular sleep-wake rhythm disorder and Alzheimer's disease dementia	202	JP/US: PII	Joint development with Purdue Pharma	Oral

Development Code: **E2609** Generic Name: **elenbecestat**

Indications / Drug class: Treatment for Alzheimer's disease / beta secretase cleaving enzyme (BACE) inhibitor				In-house
Description: By inhibiting beta-site amyloid precursor protein cleaving enzymes (BACE), the agent reduces the amount of amyloid beta in the brain, potentially slowing the progression of Alzheimer's disease.				
	Early Alzheimer's disease	Study 301/302 (MISSION AD1/2)	JP/US/EU/CN: PIII	Joint development with Biogen Inc.	Oral

Development Code: **BIIB037** Generic Name: **aducanumab**

Indications / Drug class: Treatment for Alzheimer's disease / anti-Aβ monoclonal antibody				In-license (Biogen Inc.)
Description: Aducanumab is a human recombinant monoclonal antibody (mAb) derived from a de-identified library of B cells collected from healthy elderly subjects with no signs of cognitive impairment or cognitively impaired elderly subjects with unusually slow cognitive decline using Neurimmune's technology platform called Reverse Translational Medicine (RTM). Biogen licensed aducanumab from Neurimmune. Aducanumab is thought to target aggregated forms of amyloid beta including soluble oligomers and insoluble fibrils which can form into amyloid plaque in Alzheimer's disease patients.				
	Early Alzheimer's disease	ENGAGE/EMERGE Study	JP/US/EU: PIII	Joint development with Biogen Inc.	Injection (Inj.)

Development Code: **BAN2401**

Indications / Drug class: Treatment for Alzheimer's disease / anti-Aβ protofibril monoclonal antibody				In-license (BioArctic AB)
Description: An IgG1 monoclonal antibody that targets amyloid beta (Aβ) protofibrils. Expected to be effective in the treatment of Alzheimer's disease by halting disease progression through the elimination of neurotoxic Aβ protofibrils.				
	Early Alzheimer's disease	Study 201	JP/US/EU: PII	Joint development with Biogen Inc.	Inj.

Development Code: **ME2125** Generic Name: **safinamide**

Indications / Drug class: Anti-Parkinson's disease agent / MAO-B inhibitor			In-license (Meiji Seika Pharma)
Description: A selective monoamine oxidase B (MAO-B) inhibitor, which reduces the degradation of secreted dopamine, helping to maintain the density of dopamine in the brain. Additionally, it inhibits glutamate release by blocking sodium ion channels, and as such, has potential to be a new Parkinson's disease treatment which possesses both dopaminergic and non-dopaminergic mechanisms.			
◎ Parkinson's disease		JP: submitted (October 2018)	Oral

Development Code: **E2027**

Indications / Drug class: Treatment for dementia with Lewy bodies / phosphodiesterase (PDE) 9 inhibitor			In-house
Description: A selective phosphodiesterase (PDE) 9 inhibitor, which reduces the degradation of cyclic GMP which is critical to signal transmission among cells. By helping maintain the concentration of cyclic GMP in the brain, E2027 has the potential to be a new treatment for dementia with Lewy bodies.			
Dementia with Lewy bodies	Study 201 (DELPHIA)	JP/US/EU: PII/III	Oral

Development Code: **E2730**

Indications / Drug class: Antiepileptic agent, treatment for neurological diseases / Synapse function modulator			In-house
Description: A compound with a novel mechanism of action that selectively regulates the function of activated synapses. Has potential to be a new treatment for neurological diseases such as epilepsy, including orphan epilepsy, and epileptogenesis.			
◎ Epilepsy	Study 201	US: PII	Oral

Development Code: **E2082**

Indications / Drug class: Antiepileptic agent, treatment for neurological diseases / AMPA receptor antagonist			In-house
Description: Next-generation AMPA receptor antagonist that inhibits glutamate activity of AMPA receptors, a subtype of glutamate receptor. Has potential to be a new treatment for neurological diseases such as epilepsy, in particular as a treatment for epileptogenesis and others.			
Epilepsy	Study 201	◎ US: PII JP: PI	Oral

Development Code: **APD356** Generic Name: **lorcaserin** Product Name: **BELVIQ**

Indications / Drug class: Anti-obesity agent / serotonin 2C receptor agonist			In-license (Arena Pharmaceuticals)
Description: Anti-obesity agent with novel mechanism of action. By selectively activating serotonin 2C receptors in the brain, it is believed to decrease food consumption and promote satiety. Approved in the United States by the U.S. Food and Drug Administration (FDA) in June 2012 as an adjunct to a reduced-calorie diet and increased physical activity for chronic weight management in adult patients with an initial body mass index (BMI) of 30 kg/m^2 or greater (obese) or 27 kg/m^2 or greater (overweight) in the presence of at least one weight-related comorbid condition. Launched in the United States in June 2013 after receiving a final scheduling designation from the U.S. Drug Enforcement Administration (DEA). Approved in Mexico in July 2016 and Brazil in December 2016. Additionally, in the United States, a once-daily formulation has been approved and is being marketed.			
Obesity		JP: PI	Oral

(2) Oncology

Development Code: **E7389** Generic Name: **eribulin** Product Name: **Halaven**

Indications / Drug class: Anticancer agent / microtubule dynamics inhibitor				In-house
Description: A synthetic analog of halichondrin B derived from the marine sponge, *Halichondria okadai*. Shows an antitumor effect by arresting the cell cycle through inhibition of the growth of microtubules. Approved in over 65 countries including Japan, the United States, and other countries in Europe and Asia for use in the treatment of breast cancer. Approved in over 50 countries including Japan, the United States and other countries in Europe and Asia for use in the treatment of liposarcoma (soft tissue sarcoma in Japan).				
	Breast cancer	Study 304	CN: submitted (accepted November 2017)	Inj.
	Bladder cancer (Additional Indication)	702	US/EU: PI/II	Inj.
	Triple negative breast cancer (in combination with anti-PD1 antibody pembrolizumab)	218	US: PI/II Joint development with Merck & Co., Inc., Kenilworth, NJ, USA, through an affiliate	Inj.
	HER2-negative breast cancer (in combination with PEGPH20)	219	US: PI/II Joint development with Halozyme Therapeutics, Inc.	Inj.
	Liposome formulation (Additional Formulation)	—	JP/EU: PI	Inj.

Development Code: **E7080** Generic Name: **lenvatinib** Product Name: **Lenvima/Kisplyx**

Indications / Drug class: Anticancer agent / molecular targeted drug				In-house
Description: Discovered and developed in-house, the agent is an orally administered multiple receptor tyrosine kinase (RTK) inhibitor that selectively inhibits the kinase activities of vascular endothelial growth factor receptors (VEGFR) and fibroblast growth factor receptors (FGFR) in addition to other proangiogenic and oncogenic pathway related RTKs (including the platelet-derived growth factor receptor (PDGFR), KIT and RET) involved in angiogenesis and tumor proliferation. Approved for use in the treatment of thyroid cancer in over 50 countries including Japan, the United States and other countries in Europe and Asia. Also approved in combination with everolimus for use in the treatment of renal cell carcinoma (second-line) in over 45 countries including the United States and other countries in Europe. The agent is marketed under the product name Kisplyx only for this indication in Europe. Approved for use in the treatment of hepatocellular carcinoma in over 35 countries including Japan, the United States, Europe, China and Asia.				
	Thyroid cancer (Additional Indication)	Study 308	CN: PIII Joint development with Merck & Co., Inc., Kenilworth, NJ, USA, through an affiliate	Oral
	Renal cell carcinoma/First-line (Additional Indication) (in combination with anticancer agent everolimus or anti-PD1 antibody pembrolizumab)	307	JP/US/EU: PIII Joint development with Merck & Co., Inc., Kenilworth, NJ, USA, through an affiliate	Oral
○	Endometrial carcinoma/Second-line (in combination with anti-PD1 antibody pembrolizumab)	309	JP/US/EU: PIII Joint development with Merck & Co., Inc., Kenilworth, NJ, USA, through an affiliate	Oral
	Hepatocellular carcinoma (Additional Indication)	304	◎ US: approved (August 2018) ◎ EU: approved (August 2018) ◎ CN: approved (September 2018) ◎ AS: approved (August 2018 • South Korea) Joint development with Merck & Co., Inc., Kenilworth, NJ, USA, through an affiliate	Oral
	Non-small cell lung cancer (RET translocations) (Additional Indication)	209	JP/US/EU/AS: PII Joint development with Merck & Co., Inc., Kenilworth, NJ, USA, through an affiliate	Oral
	Biliary tract cancer (Additional Indication)	215	JP: PII Joint development with Merck & Co., Inc., Kenilworth, NJ, USA, through an affiliate	Oral
	Select solid tumors (Endometrial cancer, renal cell carcinoma, head and neck cancer, urothelial cancer, non-small cell lung cancer, melanoma) (in combination with anti-PD1 antibody pembrolizumab)	111 —	US: PI/II JP: PI Joint development with Merck & Co., Inc., Kenilworth, NJ, USA, through an affiliate	Oral
	Hepatocellular carcinoma (in combination with anti-PD1 antibody pembrolizumab)	—	JP/US: PI Joint development with Merck & Co., Inc., Kenilworth, NJ, USA, through an affiliate	Oral
	Hepatocellular carcinoma (in combination with anti-PD1 antibody nivolumab)	—	JP: PI Joint development with Ono Pharmaceutical	Oral

○ Development progress from April 2018 onwards ◎ Development progress from July 2018 onwards

Development Code: **MORAb-003** Generic Name: **farletuzumab**

Indications / Drug class: Anticancer agent / humanized anti-FRA monoclonal antibody			In-house
Description: A humanized IgG1 monoclonal antibody that targets folate receptor alpha (FRA). Expected to show an antitumor effect against cancers that over-express FRA.			
Platinum-sensitive ovarian cancer	Study 011	JP/US/EU: PII	Inj.

Development Code: **MORAb-004**

Indications / Drug class: Anticancer agent / humanized anti-endosialin monoclonal antibody			In-house
Description: A humanized IgG1 monoclonal antibody that targets Tumor Endothelial Marker 1 (TEM-1) / endosialin. Expected to show an antitumor effect against cancers that express endosialin.			
Melanoma	Study 201	US/EU: PII	Inj.

Development Code: **MORAb-009** Generic Name: **amatuximab**

Indications / Drug class: Anticancer agent / chimeric anti-mesothelin monoclonal antibody			In-house
Description: A chimeric IgG1 antibody that targets mesothelin. Expected to show an antitumor effect against cancers that express mesothelin.			
Mesothelioma	Study 003/201	US/EU: PII	Inj.

Development Code: **E7777**

Indications / Drug class: Anticancer agent / interleukin-2 diphtheria toxin fusion protein			In-house
Description: A fusion protein that combines the interleukin-2 (IL-2) receptor binding domain with diphtheria toxins. Specifically binds to IL-2 receptors on the cell surface, causing diphtheria toxins that have entered cells to inhibit protein synthesis.			
Peripheral T-cell lymphoma and cutaneous T-cell lymphoma	Study 205	JP: PII	Inj.

Development Code: **E7438** Generic Name: **tazemetostat**

Indications / Drug class: Anticancer agent / EZH2 inhibitor			In-license (Epizyme, Inc.)
Description: Believed to have an important role in carcinogenesis, the epigenetic enzyme EZH2 is one of the proteins that constitute the histone methyltransferases. Discovered by Epizyme through its proprietary product platform, E7438 is a first-in-class, orally administered small molecule inhibitor, and is expected to exhibit antitumor effects via inhibition of the epigenetic enzyme EZH2. Eisai is responsible for development and commercialization within Japan and has the right of first negotiation for licensing rights in Asia.			
Non-Hodgkin B-cell lymphoma	Study 206	JP: PII	Oral

Development Code: **H3B-6545**

Breast cancer	US: PI/II	In-house	Oral

Development Code: **E7090**

Solid tumors	JP: PI	In-house	Oral

Development Code: **H3B-6527**

Hepatocellular carcinoma	US/EU: PI	In-house	Oral

Development Code: **H3B-8800**

Blood cancer	US/EU: PI	In-house	Oral

Development Code: **E7386**

Solid tumors	EU: PI	Collaboration (PRISM Pharma)	Oral

○ Development progress from April 2018 onwards ◎ Development progress from July 2018 onwards

Development Code: **MORAb-202**

Solid tumors	JP: PI	In-house	Inj.

Development Code: **E7130**

Solid tumors	JP: PI	Collaboration (Harvard University)	Inj.

○ Development of MORAb-066 for solid tumors has been discontinued at the Phase I stage in the United States and was therefore removed from this list.

(3) Gastrointestinal Disorders

Development Code: **AJM300** Generic Name: **carotegrast methyl**

Indications / Drug class: Ulcerative colitis treatment / α4 integrin antagonist			In-house	
Description: α4 integrin antagonist with a novel mechanism of action believed to suppress adhesion and infiltration of lymphocytes. Aiming to be marketed as the first orally-available α4 integrin antagonist in the world to be effective in ulcerative colitis.				
Ulcerative colitis		JP: PIII	Joint development by EA Pharma and Kissei Pharmaceutical	Oral

Development Code: **AJG555** Generic Name: **macrogol 4000, sodium chloride, sodium bicarbonate, potassium chloride** Product Name: **MOVICOL**

Indications / Drug class: Chronic constipation treatment / polyethylene glycol preparation			In-license (Norgine)	
Description: An orally available constipation treatment consisting of a polyethylene glycol preparation which facilitates bowel movement by regulating osmolality in the intestines.				
◎	Chronic constipation	Study CT1/CT2	JP: approved (September 2018) Joint development by EA Pharma and Mochida Pharmaceutical	Oral

Generic Name: **isoleucine, leucine and valine granules** Product Name: **Livact Granules**

Indications / Drug class: Branched-chain amino acid formula			In-house	
Description: A branched-chain amino acid formula developed by Ajinomoto that increases serum albumin levels in patients with decompensated hepatic cirrhosis. Approved in Japan for “improvement of hypoalbuminemia in patients with decompensated hepatic cirrhosis that have hypoalbuminemia despite adequate dietary intake”, and marketed by EA Pharma.				
Hypoalbuminemia		CN: PIII	Submission Target: FY2018 Joint development with EA Pharma	Oral

Development Code: **E6007**

Indications / Drug class: Ulcerative colitis treatment / integrin activation inhibitor			In-house	
Description: A compound with a novel mechanism of action that is believed to suppress the adhesion and infiltration by multiple leukocyte types by inhibiting integrin activation. Development is conducted jointly with the University of Tsukuba as an industry-academia practical application project under the Japan Science and Technology Agency.				
Ulcerative colitis	Study 201	JP: PII	Development conducted by EA Pharma	Oral

○ Development of E6130 for inflammatory bowel disease has been discontinued at the Phase I stage in Japan and was therefore removed from this list.

(4) Other

Development Code: **E6011**

Indications / Drug class: Anti-fractalkine antibody				In-house	
Description: The world's first humanized anti-fractalkine monoclonal antibody discovered by the Eisai Group subsidiary KAN Research Institute Inc. Believed to exert an anti-inflammatory effect by neutralizing fractalkine. Fractalkine is found in vascular endothelial cells and induces an inflammatory response associated with diseases such as rheumatoid arthritis and inflammatory bowel disease.					
	Rheumatoid arthritis	Study 201/202	JP: PII		Inj.
	Primary biliary cholangitis	ET1	JP: PII	Development conducted by EA Pharma	Inj.
◎	Crohn's disease	ET2	JP/EU: PII	Development conducted by EA Pharma	Inj.

Development Code: **MORAb-022**

	Rheumatoid arthritis (antibody)	US: PI	In-house	Inj.

Development Code: **E6742**

	Autoimmune disease	US: PI	In-house	Oral