CONSOLIDATED FINANCIAL REPORT
For the First Quarter of Fiscal 2010
(the Fiscal Year Ending March 31, 2011, Japan Standard)

July 30, 2010

Eisai Co., Ltd. — Stock exchange listings: Tokyo Osaka
TSE Code: 4523 — URL http://www.eisai.co.jp
Representative: Haruo Naito, Director, President & CEO
Contact: Yuji Matsue, Vice President, Corporate Communications — Telephone: +81-3-3817-5120

Expected date of quarterly financial report submission: August 10, 2010
Preparation of quarterly supplementary explanatory material: Yes
Quarterly results briefing held: Yes
Expected date of dividend payment commencement: —

(Millions of yen rounded down unless otherwise stated)

1. Consolidated Financial Results for the First Quarter of Fiscal 2010 (April 1, 2010 to June 30, 2010)

(1) Consolidated Operating Results (cumulative)

(Percentage figures show year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
1Q fiscal 2010	204,463	+5.0	32,773	+35.7	30,167	+30.2	18,789	+14.9
1Q fiscal 2009	194,671	-0.6	24,144	+0.3	23,177	-2.9	16,349	-1.7

	Basic earnings per share	Diluted earnings per share
	(¥)	(¥)
1Q fiscal 2010	65.94	65.94
1Q fiscal 2009	57.39	57.38

(2) Financial Position

	Total assets	Equity	Shareholder's equity ratio	Book value per share
	(¥ million)	(¥ million)	%	(¥)
As of June 30, 2010	1,065,528	398,131	36.8	1,376.88
As of March 31, 2010	1,101,910	421,740	37.7	1,459.74

(Reference) Total equity less minority interests and stock options:
As of June 30, 2010 ¥392,324 million As of March 31, 2010 ¥415,935 million

2. Dividends

	Dividend per share				
	1Q end	2Q end	3Q end	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal 2009	—	70.00	—	80.00	150.00
Fiscal 2010	—				
Fiscal 2010 (Forecast)		70.00	—	80.00	150.00

Note: Revisions to dividents forecast during the quarter: None

3. Consolidated Financial Results Forecast for Fiscal 2010 (April 1, 2010 to March 31, 2011)

(Percentage figures show year-on-year change)

	Net sales		Operating income		Ordinary income		Net income		Basic earnings per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
First half	416,000	+5.3	56,000	+14.0	52,500	+16.2	34,500	+11.6	121.09
Full fiscal year	810,000	+0.9	105,000	+21.5	98,500	+23.6	65,000	+61.1	228.14

Note: Revisions to financial forecast during the quarter: None

4. Other (please refer to "Other information" on page 10 for details.)

(1) Changes in significant subsidiaries* during the period: None

New establishment: not applied Elimination: not applied

*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 the simplified accounting treatment and special accounting treatment in connection with the preparation of this consolidated financial statements: Yes

(3) Changes of accounting principles, procedures and representation methods in connection with the preparation of this consolidated financial statements*:
1) Changes in connection with the amendment of accounting policies and methods: Yes
2) Changes other than (1): None

*The changes that are subject to be listed in "Summary of Changes of Accounting Principles, Procedures and Representation Methods in Connection with the Preparation of Consolidated Financial Statements" in reference materials.

(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):
1Q fiscal 2010: 296,566,949 shares Fiscal 2009: 296,566,949 shares
ii. Number of shares of treasury stock as of the end of the reporting period:
1Q fiscal 2010: 11,630,783 shares Fiscal 2009: 11,629,379 shares
iii. Average number of outstanding shares (1Q cumulative):
1Q fiscal 2010: 284,936,904 shares 1Q fiscal 2009: 284,904,136 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 7 for details with regard to the assumptions and other related matters concerning consolidated financial results forecasts.

Reference materials

TABLE OF CONTENTS ..... Page

1. Qualitative Information Concerning Financial Results (April 1, 2010 to June 30, 2010)

(1) Qualitative Information Concerning Consolidated Operating Results 2

(2) Research & Development Projects, Alliances, and Other Events 4

(3) Qualitative Information Concerning Financial Position 6

(4) Consolidated Financial Results Forecast for Fiscal 2010 (April 1, 2010 to March 31, 2011) 7

(5) Corporate Governance 8

2. Other Information 10

(1) Application of the Simplified Accounting Method and Special Accounting Treatments 10

(2) Summary of Changes of Accounting Principles, Procedures and Representation Methods in Connection with the Preparation of Consolidated Financial Statements 10

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets 11

(2) Consolidated Statements of Income 13

(3) Consolidated Statements of Cash Flows 14

(4) Going Concern 15

(5) Segment Information 15

(6) Notes to Statements of Changes in Equity 16

(7) Notes to Consolidated Financial Statements 16

1. Qualitative Information Concerning Financial Results

(1) Qualitative Information Concerning Consolidated Operating Results (April 1, 2010 to June 30, 2010)

Sales and Income

- The Eisai Group (hereinafter referred to as "the Group") recorded the following **consolidated financial results** for the quarter ended June 30, 2010:

  Net sales: 204,463 million (5.0% increase year on year)
  Operating income: 32,773 million (35.7% increase year on year)
  Ordinary income: 30,167 million (30.2% increase year on year)
  Net income: 18,789 million (14.9% increase year on year)

- **Sales of Aricept**, an anti-Alzheimer's agent, increased to ¥82,928 million (up 10.9% year on year). **Sales of Pariet** (U.S. brand name: Aciphex), a proton pump inhibitor, came to ¥35,284 million (down 3.9% year on year). **Sales of oncology related products** came to ¥20,304 million (up 2.9% year on year).
- **Operating income**, **ordinary income** and **net income** all exceeded results recorded in the same period of the previous fiscal year, driven by increased gross profit as a result of higher sales as well as improved efficiencies in selling, general and administrative expenses.
- As a result, **basic earnings per share** for this period came to ¥65.94 (up ¥8.56 per share from the same period of the previous fiscal year).

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 and business development, 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** for this period was ¥18,789 million; **depreciation of property, plant and equipment** and **amortization of intangible assets** was ¥11,384 million; **amortization of goodwill** was ¥2,093 million; and **loss on impairment of long-lived assets (incl. loss on devaluation of investment securities)** was ¥321 million.
- As a result, **cash income** for this period was ¥32,589 million (up 6.2% from the same period of the previous fiscal year), with **cash income per share** of ¥114.37 (up ¥6.64 per share).

*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 / number of shares issued and outstanding as of the end of the year after deduction of treasury stock

Performance by Segment

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

Details concerning performance by segment are provided in accordance with the "Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (Accounting Standards Board of Japan (ASBJ) Statement No. 17 released on March 27, 2009) and the "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20 released on March 21, 2008), which were adopted effective from the first quarter of the fiscal year ending March 31, 2011. In addition, indices that compare data with the same period of the previous fiscal year are provided for reference purposes only. For segment information details, please refer to pages 15.

Japan Pharmaceuticals Business

- **Net sales** totaled ¥86,172 million (up 5.6% year on year), with **segment profit** of ¥36,809 million (up 7.1% year on year).
- **Sales of Aricept** increased to ¥25,271 million (up 8.0% year on year), and **sales of Pariet** increased to ¥15,093 million (up 12.6% year on year).

United States Pharmaceuticals Business

- **Net sales** totaled ¥88,554 million (up 6.7% year on year; up 12.9% on a U.S. dollar-denominated basis) with **segment profit** of ¥26,512 million (up 19.8% year on year).
- **Sales of Aricept** came to ¥50,170 million (up 17.6% year on year; up 24.4% on a U.S. dollar-denominated basis), and **sales of Aciphex** came to ¥16,980 million (down 14.2% year on year; down 9.2% on a U.S. dollar-denominated basis).

Europe Pharmaceuticals Business

- **Net sales** totaled ¥11,119 million (down 10.0% year on year), with **segment profit** of ¥1,278 million (down 36.1% year on year).
- **Sales of Aricept** came to ¥5,775 million (down 19.3% year on year), and **sales of Pariet** came to ¥1,815 million (down 11.9% year on year).

Asia Pharmaceuticals Business

- **Net sales** totaled ¥8,758 million (up 17.4% year on year), with **segment profit** of ¥2,090 million (up 0.2% year on year).
- **Sales of Aricept** came to ¥1,676 million (up 7.6% year on year), and **sales of Pariet** came to ¥1,323 million (down 5.6% year on year).

New Markets Pharmaceuticals Business

- **Net sales** totaled ¥264 million (up 30.3% year on year), with **segment loss** of ¥62 million.
- **Sales of Aricept** (brand name in India: Aricep) came to ¥34 million (up 21.0% year on year), and **sales of Pariet** (brand name in India: Parit) came to ¥72 million (up 46.0% year on year).

(2) Research & Development Projects, Alliances, and Other Events

Status of Ongoing Research & Development Projects

- Regulatory applications for approval of the **anticancer agent E7389** (microtubule dynamics inhibitor) for the treatment of breast cancer are currently under review in Japan, the United States, the European Union, Switzerland, and Singapore. In May 2010, the regulatory applications submitted in Japan and the United States were granted priority review status. Results from the global Phase III study with eribulin (EMBRACE Study: Eisai Metastatic Breast Cancer Study Assessing Physician's Choice Versus E7839), which demonstrated that the compound significantly extended median overall survival in heavily pretreated locally recurrent and metastatic breast cancer patients, were announced in an oral presentation at the 46th Annual Meeting of the American Society of Clinical Oncology held in June 2010. The compound is also being investigated in Phase II and other studies for non-small cell lung cancer (the U.S.), prostate cancer (the U.S. and Europe), and sarcoma (Europe).
- **Endotoxin antagonist E5564** is currently being investigated in a Phase III study for severe sepsis in Japan, the U.S. and the Europe with the aim of simultaneous trilateral filing. The study is being conducted as a global development program.
- In May 2010, the application submitted for an additional indication and additional dosage and administration of the **anti-arrhythmic agent Tambocor Tablet** for the treatment of tachyarrhythmia (paroxysmal atrial fibrillation/flutter, paroxysmal superventricular tachycardia, ventricular tachycardia) in pediatric patients was approved in Japan.
- In June 2010, the applications submitted for additional indications of the **proton pump inhibitor Pariet** for the treatment of non-erosive gastroesophageal reflux disease (GERD), and concomitant therapy with amoxicillin hydrate, and either clarithromycin or metronidazole for the eradication of *Helicobacter pylori* in gastric MALT lymphoma, the stomach after endoscopic resection of early stage gastric cancer, and idiopathic thrombocytopenic purpura were approved in Japan.
- In July 2010, a new **higher dose 23 mg once daily tablet** formulation of the **anti-Alzheimer's agent Aricept** was approved in the U.S. for the treatment of moderate-to-severe Alzheimer's disease.
- In April 2010, an application for additional dosage and administration of the **proton pump inhibitor Pariet** for reflux esophagitis was submitted in Japan.
- In June 2010, the application submitted for the **proton pump inhibitor Aciphex Extended-Release 50 mg** formulation was accepted for review in the U.S.
- In July 2010, the application submitted for a new **oral suspension (40mg/mL)** formulation of the **anti-epileptic agent Banzel** was accepted for review in the U.S.
- A Phase III study of the **anticancer agent MORAb-003 (monoclonal antibody)** for ovarian cancer was initiated in Japan. The study is now ongoing in the Europe, the U.S. and Japan, and is being conducted as a global development program.
- A Phase III study of the **anti-epileptic agent E2080** for Lennox-Gastaut syndrome (LGS) was initiated in Japan.
- A Phase II study of the **anticancer agent E7080** (VEGF receptor tyrosine kinase inhibitor) for melanoma was initiated in the U.S.
- A Phase II study of the **anticancer agent Ontak** for melanoma was initiated in the U.S.

Status of Major Alliances and Agreements

- In June 2010, Eisai's U.S. subsidiary **Eisai Inc. concluded an exclusive license agreement with Helsinn Healthcare S.A. of Switzerland** for the commercialization of a new product for potential use in the prevention of chemotherapy-induced nausea and vomiting (CINV) in the U.S. The arrangement covers the development of a combination antiemetic agent (in both oral and intravenous forms) containing netupitant (generic name), a neurokinin-1 receptor antagonist, and palonosetron (generic name, brand name: Aloxi), a serotonin-3 (5-HT3) receptor antagonist.
- In July 2010, Eisai's U.S. subsidiary **Eisai Inc. concluded a license agreement with Arena Pharmaceuticals GmbH**, the Swiss subsidiary of U.S. based Arena Pharmaceuticals, Inc., for exclusive U.S. rights to commercialize lorcaserin, a candidate for potential use in the treatment of obesity.

Other Events

- In April 2010, Pfizer Japan Inc. received approval to market the **postherpetic neuralgia treatment Lyrica Capsules** in Japan. Subsequently launched in June, Lyrica is the subject of a co-promotion agreement between Eisai and Pfizer Japan Inc.
- In April 2010, Eisai established the **pharmaceutical sales subsidiary Eisai Limited (Canada)** in Canada.
- In May 2010, a new **parenteral oncology drug production facility was opened at Eisai's U.S. plant in North Carolina**. The facility will serve as a global production site for the formulation R&D and commercial manufacturing of intravenous drug treatments, including Eisai's first anticancer agent. Encompassing aseptic processing suites, manufacturing lines for investigational compounds, formulation research laboratories as well as other support functions, the new operation was designed to handle and process highly potent compounds utilizing state-of-the-art isolator containment technology. The opening of the new facility has allowed Eisai to further reinforce its seamless value chain, which integrates the company's global research and development, production, distribution and sales operations.
- In June 2010, the once-daily **motion sickness remedy Travelmin 1** (class 2 pharmaceutical product) was launched in Japan.

(3) Qualitative Information Concerning Financial Position

Assets, Liabilities and Equity

- **Total assets** as of the end of this period amounted to ¥1,065,528 million (down ¥36,381 million from the end of the previous fiscal year). Major decreases included decreases in intangible assets due to the foreign currency loss in the yen conversion.
- **Total liabilities** as of the end of this period amounted to ¥667,396 million (down ¥12,773 million from the end of the previous fiscal year).
- **Total equity** as of the end of this period amounted to ¥398,131 million (down ¥23,608 million from the end of the previous fiscal year). The shareholder's equity ratio was 36.8% (down 0.9 percentage points from the end of the previous fiscal year).

Cash Flow

- **Net cash provided by operating activities** for the quarter ended June 30, 2010 amounted to ¥28,178 million (up ¥28,716 million from the same period of the previous fiscal year). More specifically, **income before income taxes and minority interests** was ¥29,185 million; **depreciation and amortization** was ¥11,384 million; **increase in notes and accounts receivable-trade** was ¥11,415 million; and **income taxes-paid** was ¥6,079 million.
- **Net cash used in investing activities** amounted to ¥5,069 million (down ¥7,781 million from the same period of the previous fiscal year), of which ¥3,345 million was used for **purchases of property, plant and equipment**.
- **Net cash used in financing activities** amounted to ¥31,134 million (up ¥18,862 million from the same period of the previous fiscal year), of which ¥22,795 million was used for dividend payments.
- As a result, **cash and cash equivalents** as of the end of this period stood at ¥101,441 million (down ¥13,687 million from the end of the previous fiscal year).

(4) Consolidated Financial Results Forecast for Fiscal 2010 (April 1, 2010 to March 31, 2011)

Consolidated Forecast

- The first half and full fiscal year consolidated **forecasts remain unchanged** from those announced in May 2010.

(Note: Percentage figures show the year-on-year change)

	Net sales		Operating income		Ordinary income		Net income		Basic earnings per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
First half	416,000	+5.3	56,000	+14.0	52,500	+16.2	34,500	+11.6	121.09
Full fiscal year	810,000	+0.9	105,000	+21.5	98,500	+23.6	65,000	+61.1	228.14

Forecasts 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, 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 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 trends to control medical expenses; 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 of raw materials; risks associated with outsourcing; environmental risks; risks concerning IT security and information management; risks related to credit situation and currency movement; and risks concerning internal control systems. These risks, however, have been evaluated and forecasted as of the disclosure date of this financial report.

  Please refer to “Risk Factors” in the annual securities report for further details.

(5) Corporate Governance

1) Appointment of Directors

Eleven Directors, including seven Outside Directors, were appointed and assumed their respective offices effective June 18, 2010, the date of the 98th Ordinary General Meeting of Shareholders.

Candidates for Director were selected by the Nomination Committee in accordance with the Committee's selection criteria, and the list was presented for approval at the General Meeting of Shareholders. Outside Directors in particular must meet the requirements for Outside Directors set forth in Article 2-3-7 of the Ordinance for Enforcement of Japan's Companies Act, as well as satisfy the following Independence and Neutrality Requirements established by the Nomination Committee.

Requirements for the Independence and Neutrality of Outside Directors

(Revised on January 30, 2009)

1. An Outside Director must be economically independent from Eisai Co., Ltd. or its affiliated companies (hereinafter referred to as the Eisai Group collectively) as well as from specified enterprises, etc., as demonstrated by satisfying the following conditions:
   - i) An Outside Director must not have received directly from the Eisai Group, in the past five years, compensation or remuneration for work or transactions (excluding director compensation from Eisai) at or above the fixed amount defined as follows:
     - a The "fixed amount" is defined as ¥10 million or more in any given fiscal year out of the past five years.
     - b Even when the individual has received the amount indirectly, the actual situation shall be judged prudently.
   - ii) An Outside Director must not have been, in the past five years, a Director, Executive Officer, or other officer of the any of the types of enterprises (including holding companies) defined as follows:
     - a Enterprises, etc., for which 2% or more of its sales in any given fiscal year out of the past five years have been sales or compensation for work or transactions with the Eisai Group;
     - b Regardless of the previous item, enterprises, etc., with a relationship of substantial interest with Eisai or its affiliated companies, such as Eisai's audit corporation;
     - c Enterprises, etc., that are major shareholders of the company (holding 10% or more of the company's outstanding shares); or
     - d Enterprises, etc., in which the Eisai Group is a major shareholder (holding 10% or more of the outstanding shares of the relevant enterprise, etc.)
   - iii) Even if an Outside Director has retired from their position as a Director, Executive Officer, or other officer of the types of enterprises specified above, the Nomination Committee must determine that the Outside Director is independent and neutral with respect to these enterprises based on consideration of the following factors:
     - a The Outside Director's shareholding in the relevant enterprise, etc.
     - b The Outside Director's post-retirement remuneration from the relevant enterprise, etc.
     - c Human interaction between the Eisai Group and the relevant enterprise, etc.
2. An Outside Director must not be a close relative of, or one having a similar relationship to, a Director or Executive Officer of the Eisai Group.
   - i) A "close relative" is defined as a spouse, a blood relative within three degrees of kinship, or a cohabitating relative.
   - ii) "One having a similar relationship to" is defined as one having a human relationship that can be rationally recognized as that which makes it impossible for the individual to fulfill duties as an independent Director, such as a personally interested individual.
3. An Outside Director may not be of the same household as persons with any of the conflicts of interest described in paragraph 1.
4. In addition, there must not be any other situations rationally recognizable as preventing an Outside Director from performing duties as an independent Director.
5. The requirements for the independence and neutrality of Outside Directors defined in this article continue to apply after the appointment as Outside Director.

2) Structure of the Board of Directors and Executive Officers

At the Board of Directors meeting held following the closing of the 98th Ordinary General Meeting of Shareholders, the Chair of the Board of Directors, as well as Chairs and members of the Nomination, Audit and Compensation committees, were appointed and assumed office.

Director	Haruo Naito	President (Representative Executive Officer) and CEO
Director	Hiroyuki Mitsui	
Director	Akira Fujiyoshi	Audit Committee Member
Director	Norio Kano	Audit Committee Member
Outside Director	Norihiko Tanikawa	Chairman of the Board
Outside Director	Satoru Anzaki	Chair of the Nomination Committee, Compensation Committee Member
Outside Director	Junji Miyahara	Nomination Committee Member, Compensation Committee Member
Outside Director	Kimitoshi Yabuki	Audit Committee Member
Outside Director	Christina Ahmadjian	Audit Committee Member
Outside Director	Tokuji Izumi	Chair of the Compensation Committee, Nomination Committee Member
Outside Director	Koichi Masuda	Chair of the Audit Committee

The Independent Committee of Outside Directors (Chair: Kimitoshi Yabuki), at a meeting on June 18, 2010, determined that the “Policy for Protection of the Company’s Corporate Value and Common Interests of Shareholders” (the “Policy”) incorporates the following provisions, and that except for the deletion of phrases pertaining to the real register of shareholders as a result of the digitization of stock certificates, recommended to the Board of Directors that it be continued in its present form.

a) The Policy precludes arbitrary action on the part of management.
b) The continuation, amendment or abandonment of the Policy shall be deliberated every year.
c) Shareholders’ opinions concerning the Policy may be reflected through the election of Directors at the Ordinary General Meeting of Shareholders.

At the Board of Directors meeting held on July 30, 2010, a proposal by the Independent Committee of Outside Directors regarding continuing application of the Policy was approved and resolved, and the company announced it as the “Policy for Protection of the Company’s Corporate Value and the Common Interests of Shareholders” in a press release issued on the same day.

For further details on the Policy, please visit the web site:
http://www.eisai.co.jp/ecompany/egovernance.html

2. Other Information

(1) Application of the Simplified Accounting Method and Special Accounting Treatment

1) Simplified accounting method

The calculation of the value of inventories as of the end of the quarter ended June 30, 2010 has been made in a rational manner based on the actual inventory value as of the end of the previous fiscal year.

2) Special accounting treatment used in the preparation of consolidated quarterly financial statements: None

(2) Summary of Changes of Accounting Principles, Procedures and Representation Methods in Connection with the Preparation of Consolidated Financial Statements

1) The accounting standard and guidance concerning asset retirement obligations, the “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18 released on March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 released on March 31, 2008) , have been applied effective from the first quarter of the fiscal year ending March 31, 2011. As a result, operating income and ordinary income have each decreased by ¥20 million and income before income taxes and minority interests has decreased by ¥675 million.

3. Consolidated Financial Statements

(1) Consolidated Banalnce Sheets

(millions of yen)

	June 30, 2010	March 31, 2010
ASSETS		
Current assets:		
Cash and cash in banks	69,380	69,637
Notes and accounts receivable-trade	213,533	207,219
Short-term investments	75,384	83,823
Merchandise and finished goods	37,007	36,564
Work in process	16,376	19,676
Raw materials and supplies	12,727	11,313
Deferred tax assets	39,470	32,457
Other	19,420	19,591
Allowance for doubtful receivables	(258)	(239)
Total current assets	483,042	480,044
Non-current assets:		
Property, plant and equipment		
Buildings and structures-net	84,388	86,525
Other-net	68,017	70,117
Total property, plant and equipment	152,406	156,642
Intangible assets		
Goodwill	143,119	152,768
Sales rights	100,283	109,704
Core technology	47,756	50,967
Other	11,745	12,449
Total intangible assets	302,905	325,890
Investments and other assets		
Investment securities	60,939	64,797
Deferred tax assets	58,965	63,568
Other	7,510	11,255
Allowance for doubtful accounts	(239)	(287)
Total investments and other assets	127,175	139,333
Total non-current assets	582,486	621,865
Total assets	1,065,528	1,101,910

(millions of yen)

	June 30, 2010	March 31, 2010
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	23,029	20,314
Short-term borrowings	16,000	24,000
Bonds and debentures(Current portion)	39,998	-
Accounts payable-other	59,469	67,913
Accrued expenses	58,344	59,657
Income tax payable	12,899	6,555
Reserve for sales rebates	33,243	32,723
Other reserves	492	556
Other	7,756	8,523
Total current liabilities	251,233	220,244
Long-term liabilities:		
Bonds and debentures	79,989	119,987
Long-term borrowings	263,088	265,824
Deferred tax liabilities	22,102	23,786
Liability for retirement benefits	26,755	26,368
Retirement allowances for directors	1,101	2,723
Other	23,126	21,235
Total long-term liabilities	416,163	459,925
Total liabilities	667,396	680,170
EQUITY		
Owner's equity		
Common stock	44,985	44,985
Capital surplus	56,928	56,928
Retained earnings	419,750	423,756
Treasury stock	(39,578)	(39,574)
Total owner's equity	482,086	486,096
Net unrealized gain (loss) and translation adjustments:		
Net unrealized gain (loss) on available-for-sale securities	3,602	4,884
Deferred gain (loss) on derivatives under hedge accounting	(1,064)	(609)
Foreign currency translation adjustments	(92,300)	(74,436)
Total net unrealized gain (loss) and translation adjustments	(89,762)	(70,160)
Stock options	775	741
Minority interests	5,032	5,063
Total equity	398,131	421,740
Total liabilities and equity	1,065,528	1,101,910

(2) Consolidated Statements of Income

(millions of yen)

	April 1, 2009- June 30, 2009	April 1, 2010- June 30, 2010
Net sales	194,671	204,463
Cost of sales	38,289	43,577
Gross profit	156,381	160,885
Provision for sales returns-net	52	–
Reversal of reserve for sales returns-net	–	35
Gross profit after deducting provision for sales returns-net	156,328	160,921
Selling, general and administrative expenses	*1 132,184	*1 128,148
Operating income	24,144	32,773
Non-operating income		
Interest income	320	215
Dividend income	469	519
Foreign exchange gain	541	-
Other	65	90
Total non-operating income	1,397	825
Non-operating expenses		
Interest expenses	2,060	1,885
Foreign exchange loss	-	1,453
Other	303	92
Total non-operating expenses	2,364	3,431
Ordinary income	23,177	30,167
Special gain		
Gain on sales of fixed assets	2	27
Other	2	19
Total special gain	5	46
Special loss		
Loss on disposal of fixed assets	36	48
Loss on devaluation of investment securities	-	321
Effect of application of an accounting standard of asset retirement obligations	-	654
Other	0	2
Total special loss	37	1,028
Income before income taxes and minority interests	23,145	29,185
Income taxes-current	13,291	12,490
Income taxes-deferred	(6,674)	(2,203)
Total income taxes	6,617	10,287
Income before minority interests	-	18,898
Minority interests in income	178	109
Net income	16,349	18,789

(3) Consolidated Statements of Cash Flows

(millions of yen)

	April 1, 2009 - June 30, 2009	April 1, 2010 - June 30, 2010
Operating activities:		
Income before income taxes and minority interests	23,145	29,185
Depreciation and amortization	12,122	11,384
Amortization of goodwill	2,221	2,093
Other loss (gain)	1,324	1,490
Increase (decrease) in notes and accounts receivable-trade	(6,649)	(11,415)
Increase (decrease) in inventories	52	(1,100)
Increase (decrease) in notes and accounts payable-trade	(819)	4,481
Increase (decrease) in other current liabilities	(1,137)	(2,366)
Increase (decrease) in reserve for sales rebates	1,767	2,208
Other	(564)	(719)
Sub-total	31,463	35,243
Interest and dividends received	832	727
Interest paid	(1,806)	(1,712)
Income taxes paid	(31,027)	(6,079)
Net cash provided by (used in) operating activities	(537)	28,178
Investing activities:		
Purchases of property, plant and equipment	(5,881)	(3,345)
Purchases of intangible assets	(4,320)	(1,038)
Purchases of investment securities	(3,273)	(657)
Proceeds from sales and redemptions of investment securities	3,373	803
Other	(2,749)	(830)
Net cash provided by (used in) investing activities	(12,851)	(5,069)
Financing activities:		
Net increase (decrease) in short-term borrowings	8,000	(8,000)
Dividends paid	(19,943)	(22,795)
Other	(328)	(339)
Net cash provided by (used in) financing activities	(12,271)	(31,134)
Foreign currency translation adjustments on cash and cash equivalents	(647)	(5,661)
Net increase (decrease) in cash and cash equivalents	(26,307)	(13,687)
Cash and cash equivalents at beginning of the fiscal year	131,527	115,128
Cash and cash equivalents at end of the quarter	105,219	101,441

(4) Going Concern

Not applicable

(5) Segment Information

1) Summary of reporting segments

The Group defines its reporting segments as follows: units that comprise the Group of which it can obtain independent financial information; units of which Top management undertakes a periodic review in order to determine the allocation of management resources and to evaluate performance.

The Group's Pharmaceuticals business is classified into five segments comprising Japan, the United States, Europe, Asia (including China) and New Markets (India, Middle East, etc). Steps are taken to pursue strategies and plans that take into account 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 business consists of the Pharmaceuticals and Other businesses and the Pharmaceuticals business of each region is identified as a reporting segment.

2) Information concerning sales, profit (and loss) by reporting segment

First Quarter of Fiscal 2010 (April 1, 2010 to June 30, 2010)

(Millions of yen)

	Reporting Segment						Other (Note)	Total
	Japan Pharma-ceuticals Business	US Pharma-ceuticals Business	Europe Pharma-ceuticals Business	Asia Pharma-ceuticals Business	New Markets Pharma-ceuticals Business	Subtotal		
Sales to external customers	86,172	88,554	11,119	8,758	264	194,868	9,595	204,463
Segment profit (loss)	36,809	26,512	1,278	2,090	(62)	66,628	4,076	70,704

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

3) The amount and major details of differences between reporting segment profit and loss totals and amounts reported in the quarterly consolidated statements of income (items concerning difference adjustment)

(Millions of yen)

Profit	Amount
Reporting segment profit total	66,628
Profit of "Other"	4,076
R&D expenses	(36,028)
Non-allocated SG&A expenses	(1,903)
Operating income as recorded in quarterly consolidated financial statements	32,773

(Additional information)

Effective from the first quarter of the fiscal year ending March 31, 2011, the “Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17 released on March 27, 2009) and the “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20 released on March 21, 2008) have been applied.

(6) Notes to Statements of Changes in Equity

Not applicable

(7) Notes to Consolidated Financial Statements

April 1, 2009 to June 30, 2009	April 1, 2010 to June 30, 2010
*1. The main contents of selling, general and administrative expenses are as follows: Promotional expenses ¥48,338 mil. Research and development expenses ¥39,383 mil. Salaries and bonuses ¥16,231 mil.	*1. The main contents of selling, general and administrative expenses are as follows: Promotional expenses ¥49,280 mil. Research and development expenses ¥36,028 mil. Salaries and bonuses ¥15,988 mil.

Securities Code: 4523

2010.6

Reference Data

First Quarter Ended June 30, 2010

July 30, 2010

For Inquiry:

Eisai Co., Ltd.

Public Relations / Investor Relations

TEL 81-3-3817-5120 FAX 81-3-3811-3077

http://www.eisai.co.jp/eir/

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 below. 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 issues of raw materials used, outsourcing-related risks, environmental issues, IT security/information management, and conditions of financial markets, foreign exchange fluctuations, and internal control systems.

Contents

1. **Consolidated Financial Highlights** ---------- **1**
2. **Consolidated Statements of Income** ---------- **3**
3. **Consolidated Statements of Cash Flows** ---------- **4**
4. **Financial Results by Business Segment** ---------- **5**
5. **Consolidated Balance Sheets** ---------- **10**
6. **Changes in Consolidated Quarterly Results** ---------- **12**
7. **Non-Consolidated Financial Highlights** ---------- **16**
8. **Major Events** ---------- **18**
9. **Major R&D Pipeline** ---------- **19**

* All amounts are rounded to their nearest specified unit.
* The exchange rates used in the reference data are noted in the table below.
* All amounts of overseas profit and loss are 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. 2009 - Jun. 2009) Three Months Average Rate	97.32	132.57	150.77	14.25
(Jun. 30, 2009) First Quarter End Rate	96.01	135.53	159.54	14.05
(Apr. 2009 - Mar. 2010) Fiscal Year Average Rate	92.84	131.15	148.25	13.57
(Mar. 31, 2010) Fiscal Year End Rate	93.04	124.92	140.40	13.63
(Apr. 2010 - Jun. 2010) Three Months Average Rate	92.00	116.99	136.98	13.48
(Jun. 30, 2010) First Quarter End Rate	88.48	107.81	133.07	13.03
Fiscal Year Ending March 31, 2011 Forecast Rate	90.00	125.00	145.00	13.00

About Indications in this Reference Data

Eisai believes that cash generating ability is the most intrinsic element determining the true value of a company. Upon this basic concept, in order to reflect our true earnings capacity, we focus on disclosing “cash income” and “cash EPS,” which are not affected by non-cash profit-and-loss items, such as depreciation of property, plant and equipment, amortization of goodwill, loss on impairment (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 and business development, 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 / Number of shares issued and outstanding at the end of the year after deducting treasury stocks

Segment information

Details concerning performance by segment are provided in accordance with the “Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (Accounting Standards Board of Japan (ASBJ) Statement No. 17 released on March 27, 2009) and the “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20 released on March 21, 2008), which were adopted effective from the first quarter of the fiscal year ending March 31, 2011. In addition, indices that compare data with the same period of the previous fiscal year are provided for reference purposes only.

1. Consolidated Financial Highlights

1) Income Statement Data

(billions of yen)

	Three months ended Jun 30			Full	
	FY2009	FY2010	YOY %	FY2009	FY2010 est.
Net sales	194.7	204.5	105.0	803.2	810.0
Cost of sales	38.3	43.5	113.6	160.7	169.0
R&D expenses	39.4	36.0	91.5	179.1	157.0
SG&A expenses	92.8	92.1	99.3	376.9	379.0
Operating income	24.1	32.8	135.7	86.4	105.0
Ordinary income	23.2	30.2	130.2	79.7	98.5
Net income	16.3	18.8	114.9	40.3	65.0
Cash income	30.7	32.6	106.2	126.4	120.0
			Diff.		
Dividend per share (DPS, yen)	-	-	-	150.0	150.0
Earnings per share (EPS, yen)	57.4	65.9	8.6	141.6	228.1
Cash income per share (Cash EPS, yen)	107.7	114.4	6.6	443.7	421.2

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

2) Cash Flow Data

(billions of yen)

	Three months ended Jun 30			Full
	FY2009	FY2010	Diff.	FY2009
Net cash provided by (used in) operating activities	(0.5)	28.2	28.7	107.9
Net cash used in investing activities	(12.9)	(5.1)	7.8	(69.8)
Net cash provided by (used in) financing activities	(12.3)	(31.1)	(18.9)	(49.2)
Cash and cash equivalents at end of period	105.2	101.4	(3.8)	115.1
Free cash flow	(10.7)	23.9	34.6	52.9

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

3) Balance Sheet Data

(billions of yen)

		2010	
	Mar 31	Jun 30	Diff.
Total assets	1101.9	1,065.5	(36.4)
Liabilities	680.2	667.4	(12.8)
Bonds and debentures	120.0	120.0	0.0
Borrowings	289.8	279.1	(10.7)
Equity	421.7	398.1	(23.6)
Shareholders' equity	415.9	392.3	(23.6)
Shareholders' equity ratio to total assets (%)	37.7	36.8	(0.9)
Liabilities ratio（Net DER/times)	0.6	0.6	0.0

* "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)

	Three months ended Jun 30			Full
	FY2009	FY2010	Diff.	FY2009
Capital expenditures	5.8	3.5	(2.3)	28.7
Property, plant and equipment	4.8	2.5	(2.3)	22.9
Intangible assets	1.0	1.0	0.0	5.8
Depreciation and amortization	12.1	11.4	(0.7)	48.9

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

5) Financial Results by Business Segment

(1) Consolidated Net Sales by Reporting Segment

(billions of yen)

	Three months ended Jun 30		
	FY2009	FY2010	YOY %
Japan pharmaceuticals business	81.6	86.2	105.6
US pharmaceuticals business	83.0	88.6	106.7
Europe pharmaceuticals business	12.4	11.1	90.0
Asia pharmaceuticals business	7.5	8.8	117.4
New markets pharmaceuticals business	0.2	0.3	130.3
Other	10.1	9.6	95.1
Consolidated net sales	194.7	204.5	105.0

* Net sales to external customers for each segment.

(2) Consolidated Operating Income by Reporting Segment

(billions of yen)

	Three months ended Jun 30		
	FY2009	FY2010	YOY %
Japan pharmaceuticals business	34.4	36.8	107.1
US pharmaceuticals business	22.1	26.5	119.8
Europe pharmaceuticals business	2.0	1.3	63.9
Asia pharmaceuticals business	2.1	2.1	100.2
New markets pharmaceuticals business	(0.0)	(0.1)	-
Other profit	4.7	4.1	86.1
R&D expenses	39.4	36.0	91.5
Non-allocated SG&A expenses	1.8	1.9	108.1
Operating income	24.1	32.8	135.7

*The Group's Pharmaceuticals business is classified into five segments comprising Japan, the United States, Europe, Asia and New Markets (India, Middle East, etc). Steps are taken to pursue strategies and plans that take into account the specific characteristicsand attributes of each region or market. In the Pharmaceuticals business, the Group is mainly engaged in the manufacture and sale of prescription drugs.

2. Consolidated Statements of Income

(billions of yen)

	Three months ended Jun 30						Full	
	FY2009	Sales %	FY2010	Sales %	YOY %	Diff.	FY2009	Sales %
Net sales	194.7	100.0	204.5	100.0	105.0	9.8	803.2	100.0
Cost of sales	38.3	19.7	43.5	21.3	113.6	5.2	160.7	20.0
Gross profit	156.3	80.3	160.9	78.7	102.9	4.6	642.4	80.0
R&D expenses	39.4	20.2	36.0	17.6	91.5	(3.4)	179.1	22.3
SG&A expenses	92.8	47.7	92.1	45.1	99.3	(0.7)	376.9	46.9
Personnel expenses	21.3	10.9	20.5	10.0	96.6	(0.7)	83.4	10.4
Marketing and promotion expenses	56.3	28.9	57.3	28.0	101.8	1.0	234.0	29.1
Administrative expenses and others	15.2	7.8	14.3	7.0	93.6	(1.0)	59.5	7.4
Operating income	24.1	12.4	32.8	16.0	135.7	8.6	86.4	10.8
Non-operating income	1.4	0.7	0.8	0.4		(0.6)	2.4	0.3
Non-operating expense	2.4	1.2	3.4	1.7		1.1	9.1	1.1
Ordinary income	23.2	11.9	30.2	14.8	130.2	7.0	79.7	9.9
Special gain	0.0	0.0	0.0	0.0		0.0	0.1	0.0
Special loss	0.0	0.0	1.0	0.5		1.0	5.5	0.7
Income before income taxes and minority interests	23.1	11.9	29.2	14.3	126.1	6.0	74.3	9.2
Income taxes-current	13.3	6.8	12.5	6.1		(0.8)	26.8	3.3
Income taxes-deferred	(6.7)	(3.4)	(2.2)	(1.1)		4.5	6.6	0.8
Minority interests in net income	0.2	0.1	0.1	0.1		(0.1)	0.5	0.1
Net income	16.3	8.4	18.8	9.2	114.9	2.4	40.3	5.0

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

Cash income

Net income	16.3	8.4	18.8	9.2	114.9	2.4	40.3	5.0
Depreciation of PP&E and amortization of intangible assets	7.1		6.7				29.8	
Amortization of intangible assets obtained by acquisition	5.0		4.7				19.1	
In-process R&D expenses	-		-				23.9	
Amortization of goodwill	2.2		2.1				8.5	
Loss on impairment of long-lived assets (including loss on devaluation of investment securities)	-		0.3				4.9	
Cash income	30.7	15.8	32.6	15.9	106.2	1.9	126.4	15.7

Notes

Net sales	<Reason for Increase> Increase in sales of Aricept [+8.1billions of yen], Increase in sales of Humira [+1.8 billion yen], Decrease in sales of Aciphex [-1.4 billion yen]
Ratio of cost of sales	<Reason for Increase> Drug price revision in Japan, influences of currency exchange, change of product mix etc.
R&D expenses	<Reason for decrease> Influence of currency exchange and others
SG&A expenses	<Reason for decrease> Improve the efficiency in administration cost and others
Non-operating expense	<Reason for decrease> Decrease in foreign exchange loss [-1.5billions of yen]
Special loss	<Reason for Increase> Effect of applying accounting standard for asset retirement obligations [-0.7billions of yen]

3. Consolidated Statements of Cash Flows

(billions of yen)

	Three months ended Jun 30		
	FY2009	FY2010	Diff.
Income before income taxes and minority interests	23.1	29.2	6.0
Depreciation and amortization	12.1	11.4	(0.7)
Decrease (increase) in notes and accounts receivable, trade payables and inventories	(7.4)	(8.0)	(0.6)
Increase (decrease) in accounts payable-other/accrued expenses etc.	(1.1)	(2.4)	(1.2)
Other	4.7	5.1	0.3
[Sub-total]	31.5	35.2	3.8
Interest and others received (paid)	(1.0)	(1.0)	(0.0)
Income taxes paid	(31.0)	(6.1)	24.9
Net cash provided by (used in) operating activities	(0.5)	28.2	28.7
Capital expenditures (incl. acquisition and others)	(10.2)	(4.3)	5.9
Proceeds from sales of (purchases of) securities	0.1	0.1	0.0
Other	(2.8)	(0.9)	1.9
Net cash used in investing activities	(12.9)	(5.1)	7.8
Net increase (decrease) in short-term borrowings	8.0	(8.0)	(16.0)
Dividends paid	(19.9)	(22.8)	(2.9)
Other-net	(0.3)	(0.3)	(0.0)
Net cash provided by (used in) financing activities	(12.3)	(31.1)	(18.9)
Foreign currency translation adjustments on cash and cash equivalents	(0.6)	(5.7)	(5.0)
Net increase (decrease) in cash and cash equivalents	(26.3)	(13.7)	12.6
Cash and cash equivalents at the beginning of period	131.5	115.1	(16.4)
Cash and cash equivalents at the end of period	105.2	101.4	(3.8)
Free cash flow	(10.7)	23.9	34.6

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

Notes

Net cash provided by (used in) operating activities
Declease in income taxes paid because of declining taxable income in the previous year

Net cash used in investing activities
Decrease in expenses of gaining fixed asset and intangible assets

Net cash provided by (used in) financing activities
Repayment of long-term borrowings, increase of amount of dividends paid

4. Financial Results by Business Segment

1) Japan Pharmaceuticals Business

(billions of yen)

	Three months ended Jun 30			Full	
	FY2009	FY2010	YOY %	FY2009	FY2010 est.
Net sales	81.6	86.2	105.6		
Segment profit	34.4	36.8	107.1		
Net sales in Japan					
Pharmaceuticals	74.3	77.1	103.8		
Consumer health care products and other	4.2	4.5	108.2		
Generic drugs (Elmed Eisai Co., Ltd.)	1.7	3.0	175.0		
Diagnostic products (Sanko Junyaku Co., Ltd.)	1.4	1.5	107.1		
Japan ethical drugs (Eisai)					
Anti-Alzheimer's agent Aricept	23.4	25.3	108.0	93.6	109.0
Proton pump inhibitor Pariet	13.4	15.1	112.6	53.8	55.0
Peripheral neuropathy treatment Methycobal	8.3	8.0	95.3	31.3	30.0
Gastritis/gastric ulcer treatment Selbex	4.0	3.1	77.9	14.2	12.0
Osteoporosis treatment Actonel	2.7	2.9	107.2	10.8	12.0
Fully-human monoclonal anti-TNF-alpha antibody Humira	1.2	2.6	215.6	6.6	14.0
Oral anticoagulant Warfarin	2.2	2.4	109.3	8.7	9.5
Muscle relaxant Myonal	2.1	1.8	86.4	7.5	7.0
Non-ionic contrast medium Iomeron	1.9	1.8	91.4	7.0	6.5
Japan consumer health care major groups (Eisai)					
Vitamin B_2 preparation Chocola BB Group	2.3	2.4	104.1	10.5	11.0
Active-type Vitamin B_{12} Nabolin Group	0.6	0.8	142.4	2.3	2.5

2) U.S. Pharmaceuticals Business

		Three months ended Jun 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	83.0	88.6	106.7 <112.9>
Segment profit	Billions JPY	22.1	26.5	119.8
U.S. ethical drugs (Eisai)				
Anti-Alzheimer's agent Aricept	Billions JPY [Millions USD]	42.7 [438]	50.2 [545]	117.6 <124.4>
Proton pump inhibitor Aciphex	Billions JPY [Millions USD]	19.8 [203]	17.0 [185]	85.8 <90.8>
Antiemetic agent Aloxi	Billions JPY [Millions USD]	9.5 [97]	8.8 [96]	93.2 <98.6>
DNA hypomethylating agent Dacogen	Billions JPY [Millions USD]	4.2 [43]	4.3 [47]	103.6 <109.6>
Injectable anti-clotting agent Fragmin	Billions JPY [Millions USD]	3.2 [33]	4.3 [47]	136.3 <144.2>

3) Europe Pharmaceuticals Business

		Three months ended Jun 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	12.4	11.1	90.0 <101.1>
Segment profit	Billions JPY	2.0	1.3	63.9
Europe ethical drugs (Eisai)				
Anti-Alzheimer's agent Aricept	Billions JPY	7.2	5.8	80.7 <90.7>
Proton pump inhibitor Pariet	Billions JPY	2.1	1.8	88.1 <98.4>
Anti-epileptic drug Zonegran	Billions JPY	1.0	1.1	107.6 <120.5>

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

4) Asia Pharmaceuticals Business

		Three months ended Jun 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	7.5	8.8	117.4 <119.5>
Segment profit	Billions JPY	2.1	2.1	100.2
Asia ethical drugs (Eisai)				
Peripheral neuropathy treatment Methycobal	Billions JPY	1.8	2.3	123.8 <129.7>
Anti-Alzheimer's agent Aricept	Billions JPY	1.6	1.7	107.6 <106.3>
Proton pump inhibitor Pariet	Billions JPY	1.4	1.3	94.4 <94.5>
Fully-human monoclonal anti-TNF-alpha antibody Humira	Billions JPY	0.5	0.8	182.7 <180.7>
Liver Disease/Allergic Disease Agents Stronger Neo-Minophagen C and Glycyron Tablets	Billions JPY	0.7	0.8	126.1 <133.2>

<Reference> China Pharmaceuticals Business

		Three months ended Jun 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	3.4	4.2	124.5 <131.6>
China ethical drugs (Eisai)				
Peripheral neuropathy treatment Methycobal	Billions JPY [Millions RMB]	1.5 [108]	2.0 [149]	130.7 <138.1>
Liver Disease/Allergic Disease Agents Stronger Neo-Minophagen C and Glycyron Tablets	Billions JPY [Millions RMB]	0.6 [45]	0.8 [61]	126.7 <133.9>
Proton pump inhibitor Pariet	Billions JPY [Millions RMB]	0.4 [26]	0.4 [26]	96.1 <101.6>
Anti-Alzheimer's agent Aricept	Billions JPY [Millions RMB]	0.2 [14]	0.3 [22]	148.4 <156.9>

5) New Markets Pharmaceuticals Business

		Three months ended Jun 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	0.2	0.3	130.3 <130.3>
Segment profit (loss)	Billions JPY	(0.0)	(0.1)	-
New markets ethical drugs (Eisai)				
Anti-Alzheimer's agent Aricept	Billions JPY	0.0	0.0	121.0 <119.8>
Proton pump inhibitor Pariet	Billions JPY	0.0	0.1	146.0 <144.6>

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

6) Sales of Major Products (Eisai)

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

		Three months ended Jun 30			Full
		FY2009	FY2010	YOY %	FY2009
Japan	Billions JPY	23.4	25.3	108.0	93.6
U.S.	Billions JPY	42.7	50.2	117.6	194.7
	[Millions USD]	[438]	[545]	<124.4>	[2,097]
Europe Total	Billions JPY	7.2	5.8	80.7	27.9
				<90.7>	
UK	Billions JPY	1.5	1.7	117.0	5.3
	[Millions GBP]	[10]	[13]	<128.8>	[36]
France	Billions JPY	3.5	2.8	79.8	14.3
	[Millions EUR]	[27]	[24]	<90.5>	[109]
Germany	Billions JPY	2.1	1.2	57.2	8.3
	[Millions EUR]	[16]	[10]	<64.8>	[63]
Asia	Billions JPY	1.6	1.7	107.6	6.6
				<106.3>	
China	Billions JPY	0.2	0.3	148.4	1.4
	[Millions RMB]	[14]	[22]	<156.9>	[106]
New markets	Billions JPY	0.0	0.0	121.0	0.1
				<119.8>	
Total	Billions JPY	74.8	82.9	110.9	322.8

* Sales forecast for the year ending Mar. 31, 2011 is ¥328.0 billion.

(2) **Aciphex/Pariet** (Proton pump inhibitor)

		Three months ended Jun 30			Full
		FY2009	FY2010	YOY %	FY2009
Japan	Billions JPY	13.4	15.1	112.6	53.8
U.S.	Billions JPY	19.8	17.0	85.8	81.0
	[Millions USD]	[203]	[185]	<90.8>	[872]
Europe Total	Billions JPY	2.1	1.8	88.1	8.2
				<98.4>	
UK	Billions JPY	0.6	0.5	93.1	2.2
	[Millions GBP]	[4]	[4]	<102.5>	[15]
Germany	Billions JPY	0.4	0.4	108.1	1.6
	[Millions EUR]	[3]	[4]	<122.6>	[12]
Italy	Billions JPY	0.9	0.6	67.9	3.6
	[Millions EUR]	[7]	[5]	<77.0>	[28]
Asia	Billions JPY	1.4	1.3	94.4	4.8
				<94.5>	
China	Billions JPY	0.4	0.4	96.1	1.1
	[Millions RMB]	[26]	[26]	<101.6>	[80]
New markets	Billions JPY	0.0	0.1	146.0	0.2
				<144.6>	
Total	Billions JPY	36.7	35.3	96.1	148.0

* Sales forecast for the year ending Mar. 31, 2011 is ¥134.0 billion.

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

(3) Oncology Related Products

		Three months ended Jun 30			Full
		FY2009	FY2010	YOY %	FY2009
Aloxi (Antiemetic agent)					
U.S.	Billions JPY	9.5	8.8	93.2	38.3
	[Millions USD]	[97]	[96]	<98.6>	[413]
Dacogen (DNA Hypomethylating agent)					
U.S.	Billions JPY	4.2	4.3	103.6	15.4
	[Millions USD]	[43]	[47]	<109.6>	[166]
Fragmin (Injectable anti-clotting agent)					
U.S.	Billions JPY	3.2	4.3	136.3	14.5
	[Millions USD]	[33]	[47]	<144.2>	[156]
Other	Billions JPY	2.9	2.8	97.1	11.6
Total	Billions JPY	19.7	20.3	102.9	79.9

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

		Three months ended Jun 30			Full
		FY2009	FY2010	YOY %	FY2009
Japan	Billions JPY	1.2	2.6	215.6	6.6
Asia	Billions JPY	0.5	0.8	182.7 <180.7>	2.3
Total	Billions JPY	1.7	3.5	206.6	8.9

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

7) Overseas Sales

(billions of yen)

	Three months ended Jun 30			Full
	FY2009	FY2010	YOY %	FY2009
Overseas sales	109.9	114.2	103.9	465.5
Overseas sales (%)	56.5	55.9	-	58.0
<Reference>				
Overseas sales by geographical area	103.9	109.0	104.9	443.4
Overseas sales (%) by geographical area	53.4	53.3	-	55.2

* Net sales to external customers for each segment.

* "Overseas sales by geographical area" is amount of overseas subsidiary companys' sales.

5. Consolidated Balance Sheets

1) Consolidated Balance Sheets <Assets>

(billions of yen)

	2010				YOY	Diff.
	Mar 31	%	Jun 30	%	%	
Cash and cash in banks	69.6		69.4			(0.3)
Notes and accounts receivable-trade	207.2		213.5			6.3
Short-term investments	83.8		75.4			(8.4)
Inventories	67.6		66.1			(1.4)
Deferred tax assets	32.5		39.5			7.0
Other	19.6		19.4			(0.2)
Allowance for doubtful receivables	(0.2)		(0.3)			(0.0)
Total current assets	480.0	43.6	483.0	45.3	100.6	3.0
Buildings and structures-net	86.5		84.4			(2.1)
Other	70.1		68.0			(2.1)
Total property, plant and equipment-net	156.6	14.2	152.4	14.3	97.3	(4.2)
Goodwill	152.8		143.1			(9.6)
Sales rights	109.7		100.3			(9.4)
Core technology	51.0		47.8			(3.2)
Other	12.4		11.7			(0.7)
Total Intangible assets	325.9	29.6	302.9	28.4	92.9	(23.0)
Investment securities	64.8		60.9			(3.9)
Deferred tax assets	63.6		59.0			(4.6)
Other	11.3		7.5			(3.7)
Allowance for doubtful accounts	(0.3)		(0.2)			0.0
Total investments and other assets	139.3	12.6	127.2	11.9	91.3	(12.2)
Total fixed assets	621.9	56.4	582.5	54.7	93.7	(39.4)
Total assets	1,101.9	100.0	1,065.5	100.0	96.7	(36.4)

Notes

Total assets

・Decrease resulting from conversion of overseas subsidiaries' assets into yen in accorance with fluctuations in exchange rates.

・Decrease resulting from amortization of intanglible assets.

2) Consolidated Balance Sheets <Liabilities and Equity>

(billions of yen)

	2010				YOY	Diff.
	Mar 31	%	Jun 30	%	%	
Notes payable-trade and accounts payable-trade	20.3		23.0			2.7
Short-term borrowings	24.0		16.0			(8.0)
Bonds and debentures(Current portion)	-		40.0			40.0
Accounts payable-other/accrued expenses	127.6		117.8			(9.8)
Income tax payable	6.6		12.9			6.3
Reserve for sales rebates	32.7		33.2			0.5
Other	9.1		8.2			(0.8)
Total current liabilities	220.2	20.0	251.2	23.6	114.1	31.0
Bonds and debentures	120.0		80.0			(40.0)
Long-term borrowings	265.8		263.1			(2.7)
Deferred tax liabilities	23.8		22.1			(1.7)
Liability for retirement benefits	26.4		26.8			0.4
Retirement allowances for directors	2.7		1.1			(1.6)
Other	21.2		23.1			1.9
Total long-term liabilities	459.9	41.7	416.2	39.1	90.5	(43.8)
Total liabilities	680.2	61.7	667.4	62.6	98.1	(12.8)
Common stock	45.0		45.0			-
Capital surplus	56.9		56.9			-
Retained earnings	423.8		419.8			(4.0)
Treasury stock	(39.6)		(39.6)			(0.0)
Total owners' equity	486.1	44.1	482.1	45.2	99.2	(4.0)
Net unrealized gain (loss) on available-for-sale securities	4.9		3.6			(1.3)
Deferred gain (loss) on derivatives under hedge accounting	(0.6)		(1.1)			(0.5)
Foreign currency translation adjustments	(74.4)		(92.3)			(17.9)
Total net unrealized gain (loss) and translation adjustments	(70.2)	(6.4)	(89.8)	(8.4)	127.9	(19.6)
Stock acquisition rights	0.7	0.1	0.8	0.1	104.7	0.0
Minority interests	5.1	0.5	5.0	0.5	99.4	(0.0)
Total equity	421.7	38.3	398.1	37.4	94.4	(23.6)
Total liabilities and equity	1,101.9	100.0	1,065.5	100.0	96.7	(36.4)

Notes

Total liabilities
<Reason for decrease>
Repayment short-term borrowings

Total equity
<Reason for Decrease>
Change in B/S conversion rate for overseas subsidiaries due to yen appreciation

6. Changes in Consolidated Quarterly Results

1) Income Statement Data

(billions of yen)

	FY2009				FY2010
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
Net sales	194.7	200.3	209.5	198.7	204.5
Cost of sales	38.3	40.6	42.6	39.2	43.5
R&D expenses	39.4	41.3	36.1	62.3	36.0
SG&A expenses	92.8	93.5	94.8	95.9	92.1
Operating income	24.1	25.0	35.9	1.3	32.8
Ordinary income (decrease)	23.2	22.0	34.9	(0.4)	30.2
Net income (decrease)	16.3	14.6	23.0	(13.6)	18.8
Cash income	30.7	29.1	37.3	29.3	32.6
Earnings per share (decrease) (EPS, yen)	57.4	51.2	80.7	(47.7)	65.9
Cash income per share (Cash EPS, yen)	107.7	102.1	131.1	102.8	114.4

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

2) Cash Flow Data

(billions of yen)

	FY2009				FY2010
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
Net cash provided by (used in) operating activities	(0.5)	32.8	27.1	48.6	28.2
Net cash used in investing activities	(12.9)	(9.8)	(5.2)	(42.0)	(5.1)
Net cash provided by (used in) financing activities	(12.3)	(3.3)	0.8	(34.5)	(31.1)
Cash and cash equivalents at the end of period	105.2	118.4	142.7	115.1	101.4
Free cash flow	(10.7)	26.5	19.9	17.2	23.9

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

3) Balance Sheet Data

(billions of yen)

	2009			2010	
	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30
Total assets	1,127.4	1,109.9	1,140.3	1101.9	1,065.5
Liabilities	697.0	686.4	708.3	680.2	667.4
Bonds and debentures	120.9	120.9	120.0	120.0	120.0
Borrowings	307.2	300.1	323.5	289.8	279.1
Equity	430.4	423.5	432.0	421.7	398.1
Shareholders' equity	425.1	418.1	426.4	415.9	392.3
Shareholders' equity ratio to total assets (%)	37.7	37.7	37.4	37.7	36.8
Liabilities ratio（Net DER/times)	0.7	0.7	0.6	0.6	0.6

* "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)

	FY2009				FY2010
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
Capital expenditures	5.8	7.2	6.0	9.7	3.5
Property, plant and equipment	4.8	5.9	4.2	8.0	2.5
Intangible assets	1.0	1.3	1.8	1.7	1.0
Depreciation and amortization	12.1	12.4	12.3	12.1	11.4

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

5) Sales of Major Products (Eisai)

(1) Aricept

		FY2009				FY2010
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
Japan	Billions JPY	23.4	22.3	26.9	21.0	25.3
U.S.	Billions JPY	42.7	50.1	45.5	56.4	50.2
	[Millions USD]	[438]	[533]	[507]	[619]	[545]
Europe	Billions JPY	7.2	7.1	7.5	6.1	5.8
UK	Billions JPY	1.5	1.3	1.2	1.3	1.7
	[Millions GBP]	[10]	[9]	[8]	[9]	[13]
France	Billions JPY	3.5	3.6	3.8	3.3	2.8
	[Millions EUR]	[27]	[27]	[29]	[27]	[24]
Germany	Billions JPY	2.1	2.2	2.5	1.5	1.2
	[Millions EUR]	[16]	[16]	[19]	[12]	[10]
Asia	Billions JPY	1.6	1.6	1.6	1.8	1.7
China	Billions JPY	0.2	0.4	0.3	0.5	0.3
	[Millions RMB]	[14]	[27]	[26]	[38]	[22]
New markets	Billions JPY	0.0	0.0	0.0	0.0	0.0
Total	Billions JPY	74.8	81.2	81.5	85.3	82.9

(2) Aciphex/Pariet

		FY2009				FY2010
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
Japan	Billions JPY	13.4	12.8	16.9	10.7	15.1
U.S.	Billions JPY	19.8	20.6	20.8	19.7	17.0
	[Millions USD]	[203]	[220]	[231]	[217]	[185]
Europe	Billions JPY	2.1	2.0	2.1	2.0	1.8
UK	Billions JPY	0.6	0.6	0.6	0.5	0.5
	[Millions GBP]	[4]	[4]	[4]	[3]	[4]
Germany	Billions JPY	0.4	0.4	0.4	0.4	0.4
	[Millions EUR]	[3]	[3]	[3]	[3]	[4]
Italy	Billions JPY	0.9	0.9	0.9	0.9	0.6
	[Millions EUR]	[7]	[7]	[7]	[7]	[5]
Asia	Billions JPY	1.4	1.1	1.2	1.1	1.3
China	Billions JPY	0.4	0.2	0.3	0.3	0.4
	[Millions RMB]	[26]	[12]	[20]	[22]	[26]
New markets	Billions JPY	0.0	0.0	0.0	0.1	0.1
Total	Billions JPY	36.7	36.6	41.1	33.6	35.3

(3) Oncology Related Products

		FY2009				FY2010
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
Aloxi						
U.S.	Billions JPY	9.5	9.5	8.7	10.6	8.8
	[Millions USD]	[97]	[101]	[97]	[117]	[96]
Dacogen						
U.S.	Billions JPY	4.2	3.7	3.8	3.8	4.3
	[Millions USD]	[43]	[40]	[42]	[42]	[47]
Fragmin						
U.S.	Billions JPY	3.2	3.1	3.7	4.6	4.3
	[Millions USD]	[33]	[33]	[41]	[50]	[47]
Other	Billions JPY	2.9	3.0	2.7	3.0	2.8
Total	Billions JPY	19.7	19.3	18.8	22.0	20.3

(4) Humira

		FY2009				FY2010
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
Japan	Billions JPY	1.2	1.6	2.0	1.8	2.6
Asia	Billions JPY	0.5	0.5	0.6	0.7	0.8
Total	Billions JPY	1.7	2.1	2.6	2.5	3.5

7. Non-Consolidated Financial Highlights

1) Non-Consolidated Financial Highlights

(1) Income Statement Data

(billions of yen)

	Three months ended Jun 30			Full	
	FY2009	FY2010	YOY %	FY2009	FY2010 est.
Net sales	109.2	116.0	106.2	444.7	454.0
Cost of sales	20.9	22.5	107.9	82.3	90.0
R&D expenses	36.8	32.8	89.2	145.3	140.0
SG&A expenses	31.7	30.8	97.3	123.9	137.0
Operating income	19.9	29.9	150.3	93.3	87.0
Ordinary income	19.2	27.9	145.6	88.6	82.0
Net income	14.8	18.4	124.4	57.3	58.5

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

(2) Cash Flow Data

(billions of yen)

	Three months ended Jun 30			Full
	FY2009	FY2010	Diff.	FY2009
Net cash provided by (used in) operating activities	20.7	34.2	13.5	71.5
Net cash used in investing activities	(9.9)	(3.7)	6.2	(31.3)
Net cash provided by (used in) financing activities	(12.2)	(31.0)	(18.9)	(38.7)
Cash and cash equivalents at end of period	8.8	11.1	2.3	11.7
Free cash flow	17.4	31.7	14.3	58.3

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

(3) Balance Sheet Data

(billions of yen)

	2010		
	Mar 31	Jun 30	Diff.
Total assets	951.1	952.2	1.1
Liabilities	449.8	456.8	7.0
Bonds and debentures	120.0	120.0	0.0
Borrowings	234.0	226.0	(8.0)
Equity	501.3	495.4	(5.9)
Shareholders' equity	500.6	494.6	(5.9)
Shareholders' equity ratio to total assets (%)	52.6	51.9	(0.7)

2) Net Sales by Business Segment

(billions of yen)

	Three months ended Jun 30			Full
	FY2009	FY2010	YOY %	FY2009
Net sales	109.2	116.0	106.2	444.7
Ethical drugs	74.3	77.1	103.8	
Consumer health care products and other	4.2	4.6	108.0	
Industrial property rights and other	17.5	21.5	122.4	
Exports of pharmaceuticals	12.8	12.5	97.5	
Other	0.4	0.4	107.9	

8. Major Events

Date	Description
April 2010	・ Signed a license agreement with Almirall, S.A. concerning the gastroprokinetic agent cinitapride in China <announced on April 16>
	・ Postherpetic neuralgia treatment Lyrica Capsules received approval in Japan <announced on April 16>
May	・ Submitted applications in Japan for twice-daily dosing treatments of proton pump inhibitor Pariet for the treatment of reflux esophagitis <announced on May 6>
	・ Announced plans to commence a Phase III clinical trial in Japan of the antiepileptic agent rufinamide in patients with Lennox-Gastaut syndrome <announced on May 7>
	・ Established a pharmaceutical sales subsidiary in Canada <announced on May 11>
	・ Received approval for an additional indication and additional administration and dosage for anti-arrhythmic agent Tambocor Tablets for the treatment of tachyarrhythmia in pediatric patients in Japan <announced on May 13>
	・ Issued a notice regarding the issuance of stock acquisition rights for the purpose of granting stock options to employees <announced on May 14>
	・ Opened a new parenteral oncology drug production facility at Eisai's U.S. plant in North Carolina <announced on May 20>
	・ Announced plans to present new research on the Company's oncology pipeline and portfolio products at the American Society of Clinical Oncology annual meeting, including new Phase III data on the investigational anticancer agent eribulin mesylate (E7389) in locally recurrent or metastatic breast cancer <announced on May 24>
June	・ Anticancer agent eribulin mesylate (E7389) was granted priority review status in the United States <announced on June 1>
	・ The NDA for Aciphex Extended-Release 50 mg Formulation was accepted for review in the United States <announced on June 3>
	・ Announced that Phase III study results showed that eribulin mesylate (E7389) significantly improved overall survival in patients with locally recurrent or metastatic breast cancer <announced on June 7>
	・ U.S. subsidiary Eisai Inc. entered into a U.S. license agreement with Helsinn Healthcare S.A. concerning the commercialization of a new combination antiemetic agent <announced on June 9>
	・ Announced the Japan launch of postherpetic neuralgia treatment Lyrica Capsules (launched on June 22) <announced on June 11>
	・ Issued a notice on allocation of stock options (stock acquisition rights) <announced on June 18>
	・ Received approval for an additional indication of proton pump inhibitor Pariet for*Helicobacter Pylori* eradication by concomitant therapy <announced on June 18>
	・ Anticancer agent eribulin mesylate (E7389) was granted priority review status in Japan <announced on June 23>
	・ Received approval for an additional indication and additional administration and dosage of proton pump inhibitor Pariet for the treatment of non-erosive GERD in Japan <announced on June 24>
	・ Announced the Japan launch of Travelmin 1, a once-daily rapidly disintegrating tablet for the prevention and alleviation of motion sickness, was launched in Japan (launched on June 30) <announced on June 29>
July	・ U.S. subsidiary Eisai Inc. entered into a marketing and supply agreement with Arena Pharmaceuticals GmbH, the wholly-owned Swiss subsidiary of U.S. based Arena Pharmaceuticals, concerning the potential obesity and weight management treatment lorcaserin <announced on July 1>
	・ Issued a notice on determination of details of stock options (stock acquisition rights) to be allotted <announced on July 5>
	・ The New England Journal of Medicine published results of the two-year BLOOM Trial, which showed that obesity and weight management treatment lorcaserin caused significant weight loss and maintenance of weight loss <announced on July 15>
	・ The NDA for a new oral suspension formulation of anti-epileptic agent Banzel was accepted for review in the United States <announced on July 20>
	・ A new higher dose Aricept 23mg tablet was approved in the United States for the treatment of moderate-to-severe Alzheimer's disease <announced on July 24>

9．Major R&D Pipeline

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

R&D Pipeline List

	Product Name	Additional Indication, etc. * 1	Development Stage	Therapeutic Area
New Approval				
○	Tambocor (Tachyarrhythmia in pediatric patients)	AI, ADA	(Japan) approved	Vascular and Immunological Reaction
○	Pariet(Concomitant therapy for eradication of *Helicobacter pylori*)	AI	(Japan) approved	Gastrointestinal Disorders
○	Pariet (Non-erosive GERD)	AI, ADA	(Japan) approved	Gastrointestinal Disorders
○	Aricept (Higher dose 23mg tablet)	ADA, AF	(US) approved	Neurology
Under Review/Preparing for Submission				
	Aricept (Vascular dementia)	AI	(US) under review (EU) preparing for submission	Neurology
	E2014 (Cervical dystonia)		(Japan) under review	Neurology
	KES524 (Obesity)		(Japan) under review	Other Therapeutic Areas
	Zonegran (Orally disintegrating tablet)	AF	(EU) under review	Neurology
	E7389 (Breast cancer)		(Japan/US/EU/Switzerland/ Singapore) under review	Oncology and Supportive Care
	Humira (Crohn's disease)	AI	(Japan) under review	Vascular and Immunological Reaction
	Humira (Ankylosing spondylitis)	AI	(Japan) under review	Vascular and Immunological Reaction
○	Pariet/Aciphex (Extended-release 50mg formulation)	AF	(US) under review (EU) submission being processed	Gastrointestinal Disorders
○	Pariet (Reflux esophagitis)	ADA	(Japan) under review	Gastrointestinal Disorders
○	Banzel (Oral suspension)	AF	(US) under review	Neurology
Clinical				
	E2007 (Epilepsy)		(US/EU)PIII (Japan)PII	Neurology
○	E2080 (Adjunctive therapy for Lennox-Gastaut syndrome (LGS))		(Japan) PIII	Neurology
	E5564 (Severe sepsis)		(Global Development Program) PIII	Vascular and Immunological Reaction
	E6014 (Oral mucositis)		(US) PIII	Oncology and Supportive Care
○	MORAb-003 (Ovarian cancer)		(Global Development Program) PIII	Oncology and Supportive Care
	SEP-190 (Insomnia)		(Japan) PIII	Neurology
	T-614 (Rheumatoid arthritis)		(Japan) PIII	Vascular and Immunological Reaction
	Zonegran (Pediatric epilepsy)	AI	(EU) PIII	Neurology
	Zonegran (Monotherapy for epilepsy)	AI	(EU) PIII	Neurology
	Dacogen (Acute myelogenous leukemia (AML))	AI	(US) PIII	Oncology and Supportive Care
	Humira (Juvenile rheumatoid arthritis)	AI	(Japan) PIII	Vascular and Immunological Reaction
	Humira (Inhibition of structural damage of joints)	AI	(Japan) PIII	Vascular and Immunological Reaction
	E0302 (Amyotrophic lateral sclerosis (ALS))	AI	(Japan) PII/III	Neurology
	E7101 (Cervical dysplasia)		(US) PII/III	Oncology and Supportive Care
	AS-3201 (Diabetic neuropathy)		(US/EU) PII/III	Neurology
	Humira (Ulcerative colitis)	AI	(Japan) PII/III	Vascular and Immunological Reaction
	E2007 (Neuropathic pain)		(US/EU) PII	Neurology
	E2007 (Multiple sclerosis)		(EU) PII	Neurology
	E2007 (Migraine prophylaxis)		(US) PII	Neurology
	E5501 (Idiopathic thrombocytopenic purpura (ITP))		(US) PII	Oncology and Supportive Care
	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
	E6201 (Psoriasis)		(US/EU) PII	Vascular and Immunological Reaction
	E7080 (Thyroid cancer)		(US/EU) PII	Oncology and Supportive Care
	E7080 (Endometrial cancer)		(US) PII	Oncology and Supportive Care
○	E7080 (Melanoma)		(US) PII	Oncology and Supportive Care
	E7389 (Non small cell lung cancer)		(US) PII	Oncology and Supportive Care
	E7389 (Prostate cancer)		(US/EU) PII	Oncology and Supportive Care
	E7389 (Sarcoma)		(EU) 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-009 (Mesothelioma)		(US/EU) PII	Oncology and Supportive Care
○	Ontak (Melanoma)	AI	(US) PII	Oncology and Supportive Care
	Aricept (Lewy body dementia)	AI	(Japan) PII	Neurology
	Pariet (Functional dyspepsia)	AI	(Japan) PII	Gastrointestinal Disorders

＊1 AI：Additional Indication, ADA：Additional Dosage & Administration, AF：Additional Formulation

○development progress from April 2010 onwards

P = Phase：Clinical study stage

(1) Oncology and Supportive Care

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

Description: A synthetic analog of halichondrin B derived from a marine sponge. 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 various solid tumors such as breast cancer. A priority review status was granted in the U.S. and Japan.				
	Breast cancer	Switzerland: under review(July 2009) Singapore: under review(July 2009) US: submitted(March 2010), accepted(May 2010) EU: submitted(March 2010), accepted(May 2010) Japan: under review(March 2010)		Inj.
	Non small cell lung cancer	US: PII		Inj.
	Prostate cancer	US: PII EU: PII		Inj.
	Sarcoma	EU: PII		Inj.

Research Code: **E7820** (Anticancer agent/angiogenesis inhibitor that suppresses alpha 2 integrin expression)

Description: An angiogenesis inhibitor that suppresses the expression of alpha 2 integrin, an adhesion molecule of vascular endothelial cells.				
	Colorectal cancer	US: PII		Oral

Research Code: **E7080** (Anticancer agent/VEGF receptor tyrosine kinase inhibitor)

Description: An anti-angiogenic agent that inhibits tyrosine kinase of a VEGF receptor, VEGFR2. Currently being investigated as a potential treatment for various solid tumors.				
	Thyroid cancer	US: PII EU: PII		Oral
	Endometrial cancer	US: PII		Oral
○	Melanoma	US: PII		Oral

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

Description: A humanized IgG1 MAb that targets folate receptor alpha (FRA). Expected to exhibit an antitumor effect against carcinomas that over express FRA. A Phase III study was initiated in Japan for ovarian cancer. The study is now ongoing in the European Union, the United States and Japan, and is being conducted a global development program.				
○	Ovarian cancer	Global Development Program: PIII	Submission Target FY2012	Inj.

Research Code: **MORAb-009** Generic name: **amatuximab** (Anticancer agent/monoclonal antibody)

Description: A chimeric IgG1 MAb that blocks the function of mesothelin. Expected to exhibit an anti-tumor effect against carcinomas that express methothelin.				
	Mesothelioma	US: PII EU: PII		Inj.

Product Name: **Dacogen** Research Code: **E7373** Generic name: **decitabine** (DNA methylation inhibitor)

Description: Induces cell differentiation through inhibition of DNA methylation. Currently approved for the treatment of myelodysplastic syndromes (MDS) in the United States.				
	Additional Indications: Acute myelogenous leukemia (AML)	US: PIII	Submission Target FY2010	Inj.

○development progress from April 2010 onwards
✶submission target changed from the previous announcement

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

Description: Believed to exhibit an anticancer effect by inhibiting DNA synthesis.			
Prostate cancer, etc	US: PII		Inj.

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

Description: An oral thrombopoietin receptor agonist that increases platelet production. Expected to exhibit effects against conditions that show thrombopenia.			
Idiopathic thrombocytopenic purpura(ITP)	US: PII	Submission Target FY2012	Oral
Thrombocytopenia associated with liver disease(TLD)	US: PII		Oral

Research Code: **E7101** Generic name: **amolimogene bepiplasmid** (Treatment for cervical dysplasia/therapeutic DNA vaccine)

Description: A therapeutic DNA vaccine against human papilloma virus (HPV), which is believed to cause diseases such as cervical dysplasia.		
Cervical dysplasia	US: PII/III	Inj.

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 Susp.

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 Indications:** Melanoma	US: PII	Inj.

(2) Neurology

Product Name: **Aricept** Research Code: **E2020** Generic name: **donepezil** (Treatment for Alzheimer's disease)

Description: It 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 the U.S., Canada, Japan, and some Asian and South/Central American countries, etc.		
○ **Additional Dosage & Administration, Formulation:** Higher dose 23mg tablet	US: approved(July 2010)	Oral
Additional Indications: Vascular dementia	US: submitted(September 2002), accepted (November 2002) EU: preparing for submission	Oral
Additional Indications: Lewy body dementia	Japan: PII	Oral

○development progress from April 2010 onwards
✶submission target changed from the previous announcement

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

Description: A selective AMPA-subtype glutamate receptor antagonist for the treatment of a variety of neurological disorders.			
Epilepsy	US: PIII EU: PIII Japan: PII	Submission Target FY2011	Oral
Neuropathic pain	US: PII 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: PII/III EU: PII/III		Oral

Product Name: **Zonegran** Research Code: **E2090** Generic name: **zonisamide** (Anti-epileptic agent)

Description: Believed to exhibit a wide anti-epileptic spectrum and is well-tolerated. Currently indicated as an adjunctive therapy in the treatment of patients with partial seizures.				
	Additional Formulations: Orally disintegrating tablet	EU: under review (March 2009) , Accepted (March 2009)		Oral
	Additional Indications: Pediatric epilepsy	EU: PIII	Submission Target FY2011	Oral
✶	**Additional Indications:** Monotherapy for epilepsy	EU: PIII	Submission Target FY2011	Oral

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

Description: A mecobalamin (Vitamin B_{12} 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.

Research Code: **E2014** Generic name: **botulinum toxin type B** (Cervical dystonia)

Description: Acts on cholinergic nerve terminal synapses at neuromuscular junction and inhibits the release of acetylcholine to relax muscles. Currently seeking approval as a treatment for cervical dystonia.		
Cervical dystonia	Japan: under review (December 2006)	Inj.

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 may help patients with transient insomnia as well as insomnia in the elderly.			
Insomnia	Japan: PIII	Submission Target FY2010	Oral

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 which carry excessive electrical charges. The agent has been approved for adjunctive therapy for Lennox-Gastaut syndrome (LGS) in Europe (under the brand name Inovelon) and in the U.S. (under the brand name Banzel).			
○	**Additional Formulation:** oral suspension	US: submitted (April 2010), accepted (July 2010)	Oral
○	Adjunctive therapy for LGS	Japan: PIII	Oral

○development progress from April 2010 onwards
✶submission target changed from the previous announcement

(3) Vascular and Immunological Reaction

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

Description: A fully human monoclonal anti-TNF-α antibody that neutralizes the activity of tumor necrosis factor alpha (TNF-a), 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 and psoriasis.			
Additional Indications: Crohn's disease	Japan: under review(September 2009)		Inj.
Additional Indications: Ankylosing spondylitis	Japan: under review(October 2009)		Inj.
Additional Indications: Juvenile rheumatoid arthritis	Japan: PIII	Submission Target FY2010	Inj.
Additional Indications: Inhibition of structural damage of joints	Japan: PIII	Submission Target FY2011	Inj.
Additional Indications: 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. It suppresses various clinical conditions caused by endotoxins.			
Severe sepsis	Global Development Program: PIII	Submission Target FY2010	Inj.

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: PII EU: PII Japan: PII		Oral
Atherothrombosis	US: PII 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: PII EU: PII		Topical

Research Code: **T-614** Generic name: **iguratimod** (Rheumatoid arthritis)

Description: Suppresses inflammatory cytokine production and immunoglobulin production. Expected to exhibit effects against rheumatoid arthritis.			
Rheumatoid arthritis	Japan: PIII	Submission Target FY2011	Oral

Product Name: **Tambocor** Generic name: **flecainide** (Anti-arrhythmic agent)

Description: Suppress tachyarrhythmia by blocking cardiac sodium channels. The agent was approved for the treatment of tachyarrhythmia (paroxysmal atrial fibrillation/flutter, paroxysmal superventricular tachycardia, ventricular tachycardia) in pediatric patients in addition to the existing indication of treatment of tachyarrhythmia (paroxysmal atrial fibrillation/flutter and ventricular tachycardia) in adults.			
○ **Additional Indication, Dosage & Administration:** Tachyarrhythmia in pediatric patients	Japan: approved(May 2010)		Oral

○development progress from April 2010 onwards
✶submission target changed from the previous announcement

(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.			
○	**Additional Indications, Additional Dosage & Administration:** Non-erosive gastroesophageal reflux disease (GERD)	Japan: approved(June 2010)	Oral
○	**Additional Indications:** concomitant therapy for eradication of *Helicobacter pylori* in gastric MALT lymphoma, the stomach after endoscopic resection of early stage gastric cancer, and idiopathic thrombocytopenic purpura	Japan: approved(June 2010)	Oral
○	**Additional Formulation:** Extended-release 50mg formulation	US: submitted(March 2010), accepted(June 2010) EU: submission being processed	Oral
○	**Additional Dosage & Administration:** Reflux esophagitis	Japan: under review(April 2010)	Oral
	Additional Indications: Functional dyspepsia	Japan: PII	Oral

(5) Other Therapeutic Areas

Research Code: **KES524** Generic name: **sibutramine** (Anti-obesity agent/central acting serotonin & noradrenaline reuptake inhibitor)

Description: Expected to enhance the feeling of satiety and increase energy consumption by inhibiting the reuptake of the cerebral neurotransmitters serotonin and noradrenaline, thereby preventing increase in body weight.		
Obesity	Japan: under review(November 2007)	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 which results in the reduction of blood glucose. The application for marketing authorization in Singapore has been withdrawn.		
Type 2 diabetes mellitus	approved: Thailand, Philippines under review: Indonesia, Malaysia	Oral

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

Description: A selective serotonin 5-HT_4 receptor agonist that exhibits gastroprokinetic and gastric evacuation effects by enhancing acetylcholine release. The application for marketing authorization in Indonesia was not approved by the regulatory authorities.		
Gastroprokinetic agent	currently marketed: Thailand approved: Philippines under review: Malaysia, Vietnam	Oral

Generic name: **clevudine** (Anti-chronic hepatitis B agent)

Description: An antiviral drug that exerts an anti-HBV effect by inhibiting DNA polymerase.		
Chronic hepatitis B	currently marketed: Philippines (Brand Name: Revovir) under review: Indonesia, Malaysia, Thailand, India Clinical study ongoing: China PIII	Oral

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 primarily distributed in the prostate gland, the compound reduces urethral resistance by relaxing certain muscles of the prostate gland, thereby improving dysuria associated with benign prostatic hyperplasia (BPH).		
Dysuria associated with BPH	under review: Singapore	Oral

○development progress from April 2010 onwards
✶submission target changed from the previous announcement