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

October 28, 2010

Eisai Co., Ltd. — Stock exchange listings: Tokyo, Osaka
TSE Code: 4523 — URL http://www.eisai.co.jp
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Expected date of quarterly financial report submission: November 5, 2010
Preparation of quarterly supplementary explanatory material: Yes
Quarterly results briefing held: Yes
Expected date of dividend payment commencement: November 17, 2010

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

1. Consolidated Financial Results for the Second Quarter of Fiscal 2010 (April 1, 2010 to September 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)	%
2Q fiscal 2010	412,283	+4.4	67,191	+36.8	62,167	+37.5	39,949	+29.2
2Q fiscal 2009	394,982	-1.0	49,119	+5.5	45,197	+3.6	30,922	+7.7

	Basic earnings per share	Diluted earnings per share
	(¥)	(¥)
2Q fiscal 2010	140.21	140.20
2Q fiscal 2009	108.54	108.52

(2) Consolidated Financial Position

	Total assets	Equity	Shareholder's equity ratio	Book value per share
	(¥ million)	(¥ million)	%	(¥)
As of Sept. 30, 2010	1,064,236	404,633	37.5	1,399.18
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 Sept 30, 2010 ¥398,677 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	—	70.00			
Fiscal 2010 (Forecast)			—	80.00	150.00

Note: Revisions to dividends 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)	%	(¥)
Full fiscal year	795,000	-1.0	116,000	+34.2	107,000	+34.3	70,000	+73.5	245.68

Note: Revisions to financial forecast during the quarter: Yes

4. Other (please refer to "Other information" on page 15 for details.)

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

Increase: None Decrease: None

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

(2) Application of the simplified accounting treatment and special accounting treatment in connection with the preparation of this consolidated financial statement: Yes

(3) Changes of accounting principles, procedures and representation methods in connection with the preparation of this consolidated financial statement*:
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 listing 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):
2Q 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:
2Q fiscal 2010: 11,629,885 shares Fiscal 2009: 11,629,379 shares
iii. Average number of outstanding shares (2Q cumulative):
2Q fiscal 2010: 284,936,537 shares 2Q fiscal 2009: 284,905,036 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 12 for details with regard to the assumptions and other related matters concerning consolidated financial results forecasts.

Reference materials

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1. Qualitative Information Concerning Financial Results

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

Sales and Income

- Eisai Co., Ltd. ("the Company") and its consolidated subsidiaries (collevtively referred to as "the Group") recorded the following **consolidated financial results** for the quarter ended September 30, 2010:

  Net sales: 412,283 million (4.4% increase year on year)
  Operating income: 67,191 million (36.8% increase year on year)
  Ordinary income: 62,167 million (37.5% increase year on year)
  Net income: 39,949 million (29.2% increase year on year)

- **Sales of Aricept**, an anti-Alzheimer's agent, increased to ¥172,063 million (up 10.3% year on year). **Sales of Pariet** (U.S. brand name: Aciphex), a proton pump inhibitor, came to ¥70,340 million (down 4.1% year on year). **Sales of oncology related products** came to ¥39,511million (up 1.3% 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 ¥140.21 (up ¥31.67 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** was ¥39,949 million; **depreciation of property, plant and equipment** and **amortization of intangible assets** was ¥22,097 million; **amortization of goodwill** was ¥4,043 million; and **loss on impairment of long-lived assets (incl. loss on devaluation of investment securities)** was ¥655 million.
- As a result, **cash income** for this period was ¥66,746 million (up 11.7% year on year), with **cash income per share** of ¥234.25 (up ¥24.46 per share from the same period of the previous fiscal year).

*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 21.

Japan Pharmaceuticals Business

- **Net sales** totaled ¥170,907 million (up 7.0% year on year), with **segment profit** of ¥72,349 million (up 9.4% year on year).
- **Sales of Aricept** increased to ¥50,900 million (up 11.3% year on year), and **sales of Pariet** increased to ¥29,872 million (up 14.1% year on year).

United States Pharmaceuticals Business

- **Net sales** totaled ¥181,703 million (up 4.5% year on year; up 12.2% on a U.S. dollar-denominated basis) with **segment profit** of ¥57,229 million (up 14.7% year on year).
- **Sales of Aricept** came to ¥106,058 million (up 14.3% year on year; up 22.7% on a U.S. dollar-denominated basis), and **sales of Aciphex** came to ¥34,010 million (down 15.9% year on year; down 9.7% on a U.S. dollar-denominated basis)
- **Aricept 23 mg tablet**, a higher dose formulation for the treatment of moderate-to-severe Alzheimer's disease, was launched in August 2010. Sales of the new product accounted for ¥3,687 million of the total sales of **Aricept**.

Europe Pharmaceuticals Business

- **Net sales** totaled ¥22,079 million (down 10.6% year on year), with **segment profit** of ¥2,792 million (down 18.6% year on year).
- **Sales of Aricept** came to ¥11,605 million (down 18.7% year on year), and **sales of Pariet** came to ¥3,676 million (down 10.5% year on year).

Asia Pharmaceuticals Business

- **Net sales** totaled ¥17,341 million (up 13.7% year on year), with **segment profit** of ¥4,029 million (up 1.3% year on year).
- **Sales of Aricept** came to ¥3,430 million (up 7.5% year on year), and **sales of Pariet** came to ¥ 2,627million (up 5.0% year on year).

New Markets Pharmaceuticals Business

- **Net sales** totaled ¥508 million (up 33.6% year on year), with **segment loss** of ¥197 million.
- **Sales of Aricept** (brand name in India: Aricep) came to ¥68 million (up 20.1% year on year), and **sales of Pariet** (brand name in India: Parit) came to ¥153 million (up 56.4% year on year).

(2) Second Quarter Financial Highlights (July 1, 2010- September 30, 2010)

- **Consolidated net sales** during the quarter amounted to ¥207,820 million, up 3.7% year on year.
- **Sales of Aricept** came to ¥89,135 million, up 9.7% year on year. Sales of Aricept in Japan totaled ¥25,629 million, up 14.7% year on year, and sales in the U.S. totaled ¥55,887 million, up 11.6% year on year (up 21.4% on a U.S. dollar-denominated basis).
  Sales of Pariet/Aciphex totaled ¥35,055 million, down 4.3% year on year. Sales of Pariet in Japan came to ¥14,778 million, up 15.6% year on year, and sales of Aciphex in the U.S. came to ¥17,029 million, down 17.5% year on year (down 10.2% on a U.S. dollar-denominated basis).
  Sales of Oncology related products came to ¥19,207 million, down 0.3% year on year.
- **With respect to sales to external customers** in each reporting segment, pharmaceutical sales were up 8.5% in Japan, up 2.6% in the U.S., down 11.3% in Europe, up 10.2% in Asia, and up 37.4% in New Markets year on year.
- **R&D expenses** came to ¥37,809 million, down 8.5% year on year, and **selling, general and administrative expenses** amounted to ¥95,019 million, up 1.7% year on year.
- **Operating income** was ¥34,418 million, up 37.8% year on year. **Ordinary income** was ¥31,999 million, up 45.3% year on year. **Net income** was ¥21,160 million, up 45.2% year on year and **Net income per share** was ¥74.26, up ¥23.11 from the same period of the previous fiscal year.

(3) 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 U.S. 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 E7389), 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 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 July 2010, an additional formulation (orally-disintegrating tablets) of the anti-epileptic drug **Zonegran** obtained marketing approval in Europe.
- 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. The application submitted in Europe for the new formulation was also accepted for review in September 2010.
- In June 2010, the application seeking approval of a new **granule formulation** of the oral anticoagulant **Warfarin** was submitted in Japan.
- 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.
- In August 2010, an application seeking approval of an **additional indication** of the fully human anti-TNFα monoclonal antibody **Humira** for the treatment of **juvenile idiopathic arthritis** was submitted in Japan.
- In September 2010, an application for additional dosage and administration of the oral

anticoagulant **Warfarin in pediatric patients** was submitted in Japan.

- 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 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.
- In October 2010, the marketing authorization application submitted in Japan for anti-obesity agent **KES524** was withdrawn. The development of this compound has been discontinued.

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 receptor antagonist, and palonosetron (generic name, brand name: Aloxi), a serotonin-3 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., concerning the exclusive U.S. rights to commercialize lorcaserin, a candidate for potential use in the treatment of obesity. In October 2010, the U.S. Food and Drug Administration (FDA) issued a complete response letter for lorcaserin new drug application. In the letter, the FDA outlined the non-clinical and clinical reasons for their decision. Eisai and Arena will work closely with the FDA to address these comments.
- In September 2010, **Eisai concluded an option agreement concerning APS001, a novel anticancer agent currently under development at Shinshu University venture Anaeropharma Science (Tokyo)** that utilizes characteristic features of *Bifidobacterium longum*, as well as an agreement concerning the discovery of novel anticancer agents that utilize *Bifidobacterium* as a drug delivery system.
- In September 2010, **Eisai and Brain Factory Co., Ltd. (Tokyo) concluded a license agreement concerning the development and commercialization of a dihydrogen phosphonoxy derivative of ravuconazole (ravuconazole prodrug)** in Japan.

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 addition, the product was approved for the treatment of peripheral neuropathic pain in October 2010, replacing its current indication of postherpetic neuralgia to contribute to a wider range of patients with the new and broader indication.

- In April 2010, Eisai established the **pharmaceutical sales subsidiary Eisai Limited** 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 Group'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.
- In September 2010, **Glufast (product name in Chinese "快如妥"), a rapid-acting insulin secretagogue**, was launched in China.
- In September 2010, the **anticancer agent Symbenda** (generic name: bendamustine hydrochloride) was launched in Singapore as a treatment for low-grade non-Hodgkin's lymphoma and chronic lymphatic leukemia.
- In September 2010, the U.S. FDA accepted for review the New Drug Application submitted by Teikoku Pharma USA, Inc. for a **new weekly transdermal patch formulation** (once-weekly administration formulation) of Eisai's anti-Alzheimer's agent **Aricept**, which was developed by Teikoku Pharma USA, Inc. in the U.S. under a licensing agreement.
- In October 2010, the **anticancer agent Treakisym** (generic name: bendamustine hydrochloride), which is the subject of a licensing agreement between Eisai and SymBio Pharmaceutical Limited, was approved in Japan as a treatment for relapsed and refractory low-grade non-Hodgkin's lymphoma and mantle cell lymphoma.

(4) Qualitative Information Concerning Financial Position

Assets, Liabilities and Equity

- **Total assets** as of the end of this period amounted to ¥1,064,236 million (down ¥37,673 million from the end of the previous fiscal year). Major decreases included decreases in intangible assets due to the decrease in assests of foreing subsidiaries as a result of yen conversion.
- **Total liabilities** as of the end of this period amounted to ¥659,602 million (down ¥20,567 million from the end of the previous fiscal year).
- **Total equity** as of the end of this period amounted to ¥404,633 million (down ¥17,106 million from the end of the previous fiscal year). The shareholders' equity ratio was 37.5% (down 0.3 percentage points from the end of the previous fiscal year).

Cash Flow (April 2010 to September 2010)

- **Net cash provided by operating activities** for the six month period ended September 30, 2010 amounted to ¥84,631 million (up ¥52,373 million from the same period of the previous fiscal year). More specifically, **income before income taxes and minority interests** was ¥60,640 million; **depreciation and amortization** was ¥22,097 million; **increase in notes and accounts receivable-trade** was ¥7,115 million; and **income taxes-paid** was ¥7,316 million.
- **Net cash used in investing activities** amounted to ¥26,870 million (up ¥4,255 million from the same period of the previous fiscal year). Of this amount, ¥6,381 million was used for **purchases of property, plant and equipment** and ¥19,367 million was accounted for as **net increase in time deposits exceeding three months**.
- **Net cash used in financing activities** amounted to ¥43,459 million (up ¥27,896 million from the same period of the previous fiscal year). **Net decrease in short-term borrowings** was ¥20,000 million. ¥22,795 million was used for **dividend payments**.
- As a result, **cash and cash equivalents** as of the end of this period stood at ¥119,607 million (up ¥4,478 million from the end of the previous fiscal year).

(5) Basic Policy on Profit Appropriation and Dividend for the End of Second Quarter For Fiscal 2010 (April 1, 2010 to March 31, 2011)

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

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

Cash income expresses the Company's ability to generate cash. Cash income is used in order to improve the financial standing of the Company, i.e. investment in future growth and business development, dividend payments, repayment of borrowings, and other expenditures. Eisai considers that a well-balanced allocation of cash income for these applications over a medium term is important.

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

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

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

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

Consolidated Forecast

- The full fiscal year consolidated forecast has been revised as follows from that previously announced in July 2010.

	Revised Forecast		Previous Forecast		Increase/ (Decrease)	Rate of Changes (%)
	(A)	(%)	(B)	(%)	(A-B)	
Net sales	¥795,000 mil.	-1.0%	¥810,000 mil.	+0.9%	(¥15,000 mil.)	-1.9%
Operating income	¥116,000 mil.	+34.2%	¥105,000 mil.	+21.5%	¥11,000 mil.	+10.5%
Ordinary income	¥107,000 mil.	+34.3%	¥98,500 mil.	+23.6%	¥8,500 mil.	+8.6%
Net income	¥70,000 mil.	+73.5%	¥650,00 mil.	+61.1%	¥5,000 mil.	+7.7%

Notes: *Forecasted Annual Earnings per share (full year): ¥245.68
(Assumptions for the 3rd & 4th quarter) 1 USD=¥80, 1 EUR =¥115, 1 GBP =¥135

<Net Sales>

- Despite the continued stable growth in sales in Japan, the United States, and Asia, the forecast for net sales has been lowered by ¥15,000 million below the previous forecast to ¥795,000 million, due to the influence of foreign exchange rate movements.
- The sales of Aricept have been lowered by ¥15,500 million below the previous forecast to ¥312,500 million due to the influence of foreign exchange rate movements. The sales of Pariet/Aciphex have been increased by ¥2,000 million above the previous forecast to ¥136,000 million driven by steady growth in Japan.

<Income>

- The forecast for operating income has been increased by ¥11,000 million above the previous forecast to ¥116,000 million, supported by the stable growth of pharmaceuticals business in each region by local currency basis and continued efforts to improve efficiencies in selling, general and administrative expenses.
- While non-operating expenses have increased due to the foreign exchange loss, the forecast for ordinary income is ¥107,000 million, an upward revision of ¥8,500 million above the previous forecast.
- The forecast for net income is ¥70,000 million, an upward revision of ¥5,000 million above the previous forecast.

- While a decrease is expected in depreciation of property, plant & equipment as well as in amortization of intangible assets and goodwill due to the influence of foreign exchange rate movements, the forecast for cash income is ¥121,000 million, an upward revision of ¥1,000 million above the previous forecast.

(Reference)

Non-consolidated Financial Forecast

- The full fiscal year non-consolidated forecast has been revised as follows from that previously announced in May 2010.

	Revised Forecast		Previous Forecast		Increase/ (Decrease)	Rate of Changes (%)
	(A)	(%)	(B)	(%)	(A-B)	
Net sales	¥455,000 mil.	+2.3%	¥454,000 mil.	+2.1%	¥1,000 mil.	+0.2%
Operating income	¥102,000 mil.	+9.4%	¥87,000 mil.	-6.7%	¥15,000 mil.	+17.2%
Ordinary income	¥94,500 mil.	+6.6%	¥82,000 mil.	-7.5%	¥12,500 mil.	+15.2%
Net income	¥65,500 mil.	+14.3%	¥58,500 mil.	+2.0%	¥7,000 mil.	+12.0%

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.

(7) Corporate Governance

Eisai aims to raise corporate value by adhering to its corporate philosophy, a common set of values that bind together Group companies in Japan and overseas. For the Company to attain sustainable growth in the common interests of shareholders, it is vital that it carries out its corporate strategies based on a long-term vision. Gaining the trust of shareholders is indispensable to this approach. Accordingly, Eisai is working to improve and strengthen its practices to achieve optimal corporate governance.

As Eisai operates under a “Company with Committees System,” it has built a corporate structure in which the Board of Directors, to the extent allowed by law, broadly delegates operational decision making to executive officers and focuses on management supervision, based on a clear separation of management oversight functions from business execution functions. The majority of the Board of Directors is composed of outside directors so as to ensure objective and fair supervision from the standpoints of shareholders. In addition, the roles of Chair of the Board and President and CEO are not performed by the same individual, and the Chair of the Board is an outside director. Furthermore, the President and CEO is the only director to serve concurrently as a representative executive officer. Outside directors meet not only the requirements of the Corporate Law of Japan but also “the criteria for independence” laid down by the Company’s Nominating Committee. The Nominating Committee and the Compensation Committee are composed entirely of outside directors. The Audit Committee is composed of a majority of outside directors and includes internal executive directors who are familiar with the state of affairs within the Company.

The Company has established the Independent Committee of Outside Directors composed of all the outside directors. This Committee is responsible for maintaining, reviewing, eliminating, if it so decides, and executing the “Policy for Protection of the Company's Corporate Value and Common Interests of Shareholders” (“the Policy”).

At the Independent Committee of Outside Directors meeting held on June 18, 2010 following the 98th Ordinary General Meeting of Shareholders, a new Chair of the Independent Committee of Outside Directors was elected from amongst the Committee members, a member who does not concurrently hold the post of the Chair of the Board of Directors. The Committee agreed to propose the continuation of the Policy in its present form to the Board of Directors. The Board of Directors discussed and resolved to continue the Policy at its meeting held on July 30, 2010.

Eisai will continue to pursue fair and highly transparent operations through fulfillment of sound corporate governance policies, as well as the active, appropriate and timely disclosure of information.

Detailed information on Eisai’s corporate governance is available on the corporate website (http://www.eisai.co.jp/ecompany/egovernance.html) along with the Company’s Corporate Governance Guidelines, Rules of the Board of Directors, Rules of the Nominating Committee, Rules of the Audit Committee, and Rules of the Compensation Committee. The Corporate Governance Report submitted to the Tokyo Stock Exchange (TSE) and Osaka Securities Exchange (OSE) is available on the websites of TSE, OSE and Eisai.

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 September 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 ¥40 million and income before income taxes and minority interests has decreased by ¥694 million.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of yen)

	September 30, 2010	March 31, 2010
ASSETS		
Current assets:		
Cash and cash in banks	91,241	69,637
Notes and accounts receivable-trade	206,651	207,219
Short-term investments	89,956	83,823
Merchandise and finished goods	37,292	36,564
Work in process	16,213	19,676
Raw materials and supplies	12,231	11,313
Deferred tax assets	39,416	32,457
Other	17,794	19,591
Allowance for doubtful receivables	(287)	(239)
Total current assets	510,509	480,044
Non-current assets:		
Property, plant and equipment		
Buildings and structures-net	82,390	86,525
Other-net	66,578	70,117
Total property, plant and equipment	148,968	156,642
Intangible assets		
Goodwill	133,421	152,768
Sales rights	90,913	109,704
Core technology	44,565	50,967
Other	11,493	12,449
Total intangible assets	280,394	325,890
Investments and other assets		
Investment securities	58,137	64,797
Deferred tax assets	59,986	63,568
Other	6,479	11,255
Allowance for doubtful accounts	(239)	(287)
Total investments and other assets	124,364	139,333
Total non-current assets	553,726	621,865
Total assets	1,064,236	1,101,910

(millions of yen)

	September 30, 2010	March 31, 2010
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	21,313	20,314
Short-term borrowings	4,000	24,000
Bonds and debentures (Current portion)	39,999	-
Accounts payable-other	62,804	67,913
Accrued expenses	53,870	59,657
Income tax payable	22,254	6,555
Reserve for sales rebates	33,904	32,723
Other reserves	505	556
Other	8,811	8,523
Total current liabilities	247,464	220,244
Non-current liabilities:		
Bonds and debentures	79,990	119,987
Long-term borrowings	260,292	265,824
Deferred tax liabilities	20,757	23,786
Liability for retirement benefits	27,231	26,368
Retirement allowances for directors	1,066	2,723
Other	22,800	21,235
Total non-current liabilities	412,138	459,925
Total liabilities	659,602	680,170
EQUITY		
Owner's equity		
Common stock	44,985	44,985
Capital surplus	56,928	56,928
Retained earnings	440,911	423,756
Treasury stock	(39,575)	(39,574)
Total owner's equity	503,250	486,096
Net unrealized gain (loss) and translation adjustments:		
Net unrealized gain (loss) on available-for-sale securities	1,958	4,884
Deferred gain (loss) on derivatives under hedge accounting	(1,258)	(609)
Foreign currency translation adjustments	(105,272)	(74,436)
Total net unrealized gain (loss) and translation adjustments	(104,572)	(70,160)
Stock options	808	741
Minority interests	5,147	5,063
Total equity	404,633	421,740
Total liabilities and equity	1,064,236	1,101,910

(2) Consolidated Statements of Income
(Six month period from April 1 to September 30)

(millions of yen)

		April 1, 2009- September 30, 2009		April 1, 2010- September 30, 2010
Net sales		394,982		412,283
Cost of sales		78,863		84,134
Gross profit		316,118		328,149
Provision for sales returns-net		52		-
Reversal of sales returns-net		-		19
Gross profit after deducting sales returns-net		316,065		328,169
Selling, general and administrative expenses	*1	266,945	*1	260,977
Operating income		49,119		67,191
Non-operating income				
Interest income		659		503
Dividend income		475		525
Other		171		152
Total non-operating income		1,307		1,181
Non-operating expenses				
Interest expense		3,895		3,751
Foreign exchange loss		858		2,313
Other		474		139
Total non-operating expenses		5,229		6,205
Ordinary income		45,197		62,167
Special gain				
Gain on sales of fixed assets		8		28
Other		11		20
Total special gain		19		49
Special loss				
Loss on disposal of fixed assets		110		256
Loss on impairment of long-lived assets		-		305
Loss on devaluation of investment securities		-		350
Effect of adoption of Accounting Standard for Asset Retirement Obligations		-		654
Other		5		8
Total special loss		116		1,576
Income before income taxes		45,100		60,640
Income taxes-current		18,452		23,092
Income taxes-deferred		(4,587)		(2,604)
Total income taxes		13,865		20,487
Income before minority interests		-		40,152
Minority interests in income		312		202
Net income		30,922		39,949

(Three month period from July 1 to September 30)

(millions of yen)

	July 1, 2009- September 30, 2009	July 1, 2010- September 30, 2010
Net sales	200,310	207,820
Cost of sales	40,573	40,556
Gross profit	159,736	167,263
Provision for sales returns-net	-	15
Reversal of sales returns-net	0	-
Gross profit after deducting sales returns-net	159,737	167,247
Selling, general and administrative expenses	*1 134,761	*1 132,829
Operating income	24,975	34,418
Non-operating income		
Interest income	338	287
Dividend income	5	5
Other	106	72
Total non-operating income	451	365
Non-operating expenses		
Interest expense	1,835	1,866
Foreign exchange loss	1,400	860
Other	170	55
Total non-operating expenses	3,406	2,783
Ordinary income	22,019	31,999
Special gain		
Gain on sales of fixed assets	5	1
Other	9	0
Total special gain	14	2
Special loss		
Loss on disposal of fixed assets	74	207
Loss on impairment of long-lived assets	-	305
Other	4	34
Total special loss	79	547
Income before income taxes	21,955	31,454
Income taxes-current	5,161	10,601
Income taxes-deferred	2,087	(401)
Total income taxes	7,248	10,200
Income before minority interests	-	21,254
Minority interests in income	133	93
Net income	14,573	21,160

(3) Consolidated Statements of Cash Flows
(Six month period from April 1 to September 30)

(millions of yen)

	April 1, 2009 - September 30, 2009	April 1, 2010 - September 30, 2010
Operating activities:		
Income before income taxes and minority interests	45,100	60,640
Depreciation and amortization	24,490	22,097
Amortization of goodwill	4,357	4,043
Other loss (gain)-net	2,923	3,633
Increase (decrease) in notes and accounts receivable-trade	(12,700)	(7,115)
Increase (decrease) in inventories	(1,584)	(1,555)
Increase (decrease) in notes and accounts payable-trade	16	2,842
Increase (decrease) in other current liabilities	5,705	3,619
Increase (decrease) in reserve for sales rebates	1,286	4,694
Other-net	(951)	1,786
Sub-total	68,643	94,685
Interest and dividends received	1,067	965
Interest paid	(3,911)	(3,703)
Income taxes paid	(33,541)	(7,316)
Net cash provided by (used in) operating activities	32,258	84,631
Investing activities:		
Purchases of property, plant and equipment	(11,242)	(6,381)
Purchases of intangible assets	(5,250)	(1,921)
Purchases of investment securities	(4,224)	(1,344)
Proceeds from sales and redemptions of investment securities	5,382	1,518
Net increase (decrease) in time deposits exceeding three months	-	(19,367)
Other-net	(7,280)	625
Net cash provided by (used in) investing activities	(22,615)	(26,870)
Financing activities:		
Net increase (decrease) in short-term borrowings	5,000	(20,000)
Dividends paid	(19,943)	(22,795)
Other-net	(619)	(664)
Net cash provided by (used in) financing activities	(15,562)	(43,459)
Foreign currency translation adjustments on cash and cash equivalents	(7,231)	(9,822)
Net increase (decrease) in cash and cash equivalents	(13,151)	4,478
Cash and cash equivalents at beginning of the period	131,527	115,128
Cash and cash equivalents at end of the period	118,375	119,607

(4) Going Concern

None

(5) Segment Information

1) Summary of reporting segments

The Group defines its reporting segments as follows: units that comprise the Group for which it can obtain independent financial information; and units for 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 encompasses operations in five regions worldwide: Japan, the United States, Europe, Asia (including China) and New Markets (India, Middle East, etc), each of which pursues strategies tailored to the specific characteristics of each region or market. In the Pharmaceuticals business, the Group is mainly engaged in the manufacture and sale of prescription drugs.

The Group's segments consist of the Pharmaceuticals and Other businesses, and the Pharmaceuticals business of each region is identified as a reporting segment.

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

Six month period ended September 30, 2010 (April 1, 2010 to September 30, 2010)

(millions of yen)

	Reporting Segment						Other (Note)	Total
	Pharmaceuticals Business							
	Japan	United States	Europe	Asia	New Markets	Sub-total		
Sales to external customers	170,907	181,703	22,079	17,341	508	392,541	19,742	412,283
Segment profit (loss)	72,349	57,229	2,792	4,029	(197)	136,203	9,081	145,285

Three month period ended September 30, 2010 (July 1, 2010 to September 30, 2010)

(millions of yen)

	Reporting Segment						Other (Note)	Total
	Pharmaceuticas Business							
	Japan	United States	Europe	Asia	New Markets	Sub-total		
Sales to external customers	84,735	93,149	10,960	8,582	244	197,673	10,146	207,820
Segment profit (loss)	35,539	30,717	1,513	1,939	(135)	69,575	5,005	74,580

Note: "Other" is a business segment not included in reporting segments. Pharmaceutical 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)

Six month period ended September 30, 2010 (April 1, 2010–September 30, 2010)

(millions of yen)

Profit	Amount
Reporting segment profit total	136,203
Profit of "Other"	9,081
R&D expenses	(73,837)
Group headquareters management costs and other expenses	(4,256)
Operating income as recorded in quarterly consolidated financial statements	67,191

Three month period ended September 30, 2010 (July 1, 2010–September 30, 2010)

(millions of yen)

Profit	Amount
Reporting segment profit total	69,575
Profit of "Other"	5,005
R&D expenses	(37,809)
Group headquareters management costs and other expenses	(2,352)
Operating income as recorded in quarterly consolidated financial statements	34,418

Note: R&D expenses are not allocated to any segment as the Group manages such expense on a global basis. Similarly, group headquareters management costs and other expenses are not allocated to any segment as this is the cost covering Group-wide operations.

(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

None

(7) Notes to Consolidated Statements of Income

April 1, 2009–September 30, 2009	April 1, 2010–September 30, 2010
*1. The main contents of selling, general and administrative expenses are as follows:	*1. The main contents of selling, general and administrative expenses are as follows:
Promotional expense ¥100,463 mil.	Promotional expense ¥102,086 mil.
Research and development expenses ¥80,688 mil.	Research and development expenses ¥73,837 mil.
Salaries and bonuses ¥31,813 mil.	Salaries and bonuses ¥31,672mil.

July 1, 2009–September 30, 2009	July 1, 2010–September 30, 2010
*1. The main contents of selling, general and administrative expenses are as follows:	*1. The main contents of selling, general and administrative expenses are as follows:
Promotional expense ¥52,124 mil.	Promotional expense ¥52,806 mil.
Research and development expenses ¥41,305 mil.	Research and development expenses ¥37,809 mil.
Salaries and bonuses ¥15,581 mil.	Salaries and bonuses ¥15,683 mil.

Securities Code: 4523

2010.9

Reference Data

Second Quarter Ended September 30, 2010

October 28, 2010

For Inquiry:

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[Forward-looking Statements and Risk Factors]

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

Risks that may cause significant fluctuations in the consolidated results of the Company or have a material effect on decisions of shareholders are described 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

* Revisions have been made to the full-year consolidated forecast announced previously. The revised parts are underlined.
* All amounts are rounded to their nearest specified unit except for items with a note of omission.
* 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 - Sep. 2009) Second Quarter Average Rate	95.48	133.15	152.24	13.97
(Sep. 30, 2009) Second Quarter End Rate	90.21	131.72	144.10	13.21
(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 - Sep. 2010) Second Quarter Average Rate	88.95	113.84	134.99	13.08
(Sep. 30, 2010) Second Quarter End Rate	83.82	114.24	132.67	12.52
Fiscal Year Ending March 31, 2011 Second Half Forecast Rate	80.00	115.00	135.00	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)

	Six months ended Sep 30			Full	
	FY2009	FY2010	YOY %	FY2009	FY2010 est.
Net sales	395.0	412.3	104.4	803.2	795.0
Cost of sales	78.9	84.1	106.6	160.7	167.0
R&D expenses	80.7	73.8	91.5	179.1	150.0
SG&A expenses	186.3	187.1	100.5	376.9	362.0
Operating income	49.1	67.2	136.8	86.4	116.0
Ordinary income	45.2	62.2	137.5	79.7	107.0
Net income	30.9	39.9	129.2	40.3	70.0
Cash income	59.8	66.7	111.7	126.4	121.0
			Diff.		
Dividend per share (DPS, yen)	70.0	70.0	-	150.0	150.0
Earnings per share (EPS, yen)	108.5	140.2	31.7	141.6	245.7
Cash income per share (Cash EPS, yen)	209.8	234.3	24.5	443.7	424.7

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

2) Cash Flow Data

(billions of yen)

	Six months ended Sep 30			Full
	FY2009	FY2010	Diff.	FY2009
Net cash provided by (used in) operating activities	32.3	84.6	52.4	107.9
Net cash used in investing activities	(22.6)	(26.9)	(4.3)	(69.8)
Net cash provided by (used in) financing activities	(15.6)	(43.5)	(27.9)	(49.2)
Cash and cash equivalents at end of period	118.4	119.6	1.2	115.1
Free cash flow	15.8	76.5	60.6	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	Sep 30	Diff.
Total assets	1101.9	1,064.2	(37.7)
Liabilities	680.2	659.6	(20.6)
Bonds and debentures	120.0	120.0	0.0
Borrowings	289.8	264.3	(25.5)
Equity	421.7	404.6	(17.1)
Shareholders' equity	415.9	398.7	(17.3)
Shareholders' equity ratio to total assets (%)	37.7	37.5	(0.3)
Liabilities ratio（Net DER/times)	0.6	0.5	(0.1)

* "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)

	Six months ended Sep 30			Full
	FY2009	FY2010	Diff.	FY2009
Capital expenditures	13.0	7.2	(5.8)	28.7
Property, plant and equipment	10.7	5.2	(5.5)	22.9
Intangible assets	2.3	2.0	(0.4)	5.8
Depreciation and amortization	24.5	22.1	(2.4)	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)

	Six months ended Sep 30		
	FY2009	FY2010	YOY %
Japan pharmaceuticals business	159.7	170.9	107.0
US pharmaceuticals business	173.8	181.7	104.5
Europe pharmaceuticals business	24.7	22.1	89.4
Asia pharmaceuticals business	15.2	17.3	113.7
New markets pharmaceuticals business	0.4	0.5	133.6
Other	21.2	19.7	93.2
Consolidated net sales	395.0	412.3	104.4

* Net sales to external customers for each segment.

(2) Consolidated Operating Income by Reporting Segment

(billions of yen)

	Six months ended Sep 30		
	FY2009	FY2010	YOY %
Japan pharmaceuticals business	66.1	72.3	109.4
US pharmaceuticals business	49.9	57.2	114.7
Europe pharmaceuticals business	3.4	2.8	81.4
Asia pharmaceuticals business	4.0	4.0	101.3
New markets pharmaceuticals business	(0.1)	(0.2)	-
Other profit	9.7	9.1	93.6
R&D expenses	80.7	73.8	91.5
Non-allocated SG&A expenses	3.2	4.3	131.2
Operating income	49.1	67.2	136.8

*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 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.
R&D expenses are not allocated to any segment as the Group manages such expense on a global basis.
Similarly, management cost of the Group headquarters and other are not allocated to any segment as this is the cost covering Group-wide operations.

2. Consolidated Statements of Income

(billions of yen)

	Six months ended Sep 30						Full	
	FY2009	Sales %	FY2010	Sales %	YOY %	Diff.	FY2009	Sales %
Net sales	395.0	100.0	412.3	100.0	104.4	17.3	803.2	100.0
Cost of sales	78.9	20.0	84.1	20.4	106.6	5.2	160.7	20.0
Gross profit	316.1	80.0	328.2	79.6	103.8	12.1	642.4	80.0
R&D expenses	80.7	20.4	73.8	17.9	91.5	(6.9)	179.1	22.3
SG&A expenses	186.3	47.2	187.1	45.4	100.5	0.9	376.9	46.9
Personnel expenses	41.7	10.6	40.8	9.9	97.8	(0.9)	83.4	10.4
Marketing and promotion expenses	115.0	29.1	118.4	28.7	102.9	3.4	234.0	29.1
Administrative expenses and others	29.5	7.5	27.9	6.8	94.7	(1.6)	59.5	7.4
Operating income	49.1	12.4	67.2	16.3	136.8	18.1	86.4	10.8
Non-operating income	1.3	0.3	1.2	0.3		(0.1)	2.4	0.3
Non-operating expense	5.2	1.3	6.2	1.5		1.0	9.1	1.1
Ordinary income	45.2	11.4	62.2	15.1	137.5	17.0	79.7	9.9
Special gain	0.0	0.0	0.0	0.0		0.0	0.1	0.0
Special loss	0.1	0.0	1.6	0.4		1.5	5.5	0.7
Income before income taxes and minority interests	45.1	11.4	60.6	14.7	134.5	15.5	74.3	9.2
Income taxes-current	18.5	4.7	23.1	5.6		4.6	26.8	3.3
Income taxes-deferred	(4.6)	(1.2)	(2.6)	(0.6)		2.0	6.6	0.8
Minority interests in net income	0.3	0.1	0.2	0.0		(0.1)	0.5	0.1
Net income	30.9	7.8	39.9	9.7	129.2	9.0	40.3	5.0

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

Cash income

Net income	30.9	7.8	39.9	9.7	129.2	9.0	40.3	5.0
Depreciation of PP&E and amortization of intangible assets	14.7		13.1				29.8	
Amortization of intangible assets obtained by acquisition	9.8		9.0				19.1	
In-process R&D expenses	-		-				23.9	
Amortization of goodwill	4.4		4.0				8.5	
Loss on impairment of long-lived assets (including loss on devaluation of investment securities)	-		0.7				4.9	
Cash income	59.8	15.1	66.7	16.2	111.7	7.0	126.4	15.7

Notes

Net sales	Increase in sales of Aricept [+16.0 billions of yen], Increase in sales of Humira [+3.5 billion yen], Decrease in sales of Aciphex [-3.0 billion yen]
Ratio of cost of sales <Reason for Increase>	Drug price revision in Japan, influences of currency exchange etc.
R&D expenses <Reason for decrease>	Completion of large-scaled clinical programs in the previous year and influence of currency exchange and others
Ratio of SG&A expenses <Reason for decrease>	Improve the efficiency in administration cost and others
Non-operating expense	Increase in foreign exchange loss [1.5billions of yen]
Special loss	Effect of applying accounting standard for asset retirement obligations [0.7billions of yen] Loss on devaluation of investment securities and loss on impairment of long-lived assets [0.7billions of yen]

3. Consolidated Statements of Cash Flows

(billions of yen)

	Six months ended Sep 30		
	FY2009	FY2010	Diff.
Income before income taxes and minority interests	45.1	60.6	15.5
Depreciation and amortization	24.5	22.1	(2.4)
Decrease (increase) in notes and accounts receivable, trade payables and inventories	(14.3)	(5.8)	8.4
Increase (decrease) in accounts payable-other/accrued expenses etc.	5.7	3.6	(2.1)
Other	7.6	14.2	6.5
[Sub-total]	68.6	94.7	26.0
Interest and others received (paid)	(2.8)	(2.7)	0.1
Income taxes paid	(33.5)	(7.3)	26.2
Net cash provided by (used in) operating activities	32.3	84.6	52.4
Capital expenditures (incl. acquisition and others)	(16.4)	(8.2)	8.3
Proceeds from sales of (purchases of) securities	1.2	0.2	(1.0)
Net increase (decrease) in time deposits exceeding three months	(7.3)	(19.4)	(12.1)
Other	(0.0)	0.5	0.5
Net cash used in investing activities	(22.6)	(26.9)	(4.3)
Net increase (decrease) in short-term borrowings	5.0	(20.0)	(25.0)
Dividends paid	(19.9)	(22.8)	(2.9)
Other-net	(0.6)	(0.7)	(0.0)
Net cash provided by (used in) financing activities	(15.6)	(43.5)	(27.9)
Foreign currency translation adjustments on cash and cash equivalents	(7.2)	(9.8)	(2.6)
Net increase (decrease) in cash and cash equivalents	(13.2)	4.5	17.6
Cash and cash equivalents at the beginning of period	131.5	115.1	(16.4)
Cash and cash equivalents at the end of period	118.4	119.6	1.2
Free cash flow	15.8	76.5	60.6

* "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
Decease in income taxes paid because of declining taxable income in the previous year

Net cash used in investing activities
Decrease in capital expenditures for fixed assets and intangible assets
Increase in reserve for repayment of long-term borrowings and bonds payable, corporate bonds

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

4. Financial Results by Business Segment

1) Japan Pharmaceuticals Business

(billions of yen)

	Six months ended Sep 30			Full	
	FY2009	FY2010	YOY %	FY2009	FY2010 est.
Net sales	159.7	170.9	107.0		
Segment profit	66.1	72.3	109.4		
Net sales in Japan					
Pharmaceuticals	143.7	152.5	106.1		
Consumer health care products and other	9.6	9.7	101.3		
Generic drugs (Elmed Eisai Co., Ltd.)	3.5	5.7	162.2		
Diagnostic products (Sanko Junyaku Co., Ltd.)	2.8	3.0	104.9		
Japan ethical drugs (Eisai)					
Anti-Alzheimer's agent Aricept	45.7	50.9	111.3	93.6	109.0
Proton pump inhibitor Pariet	26.2	29.9	114.1	53.8	60.0
Peripheral neuropathy treatment Methycobal	16.1	15.6	96.9	31.3	30.0
Gastritis/gastric ulcer treatment Selbex	7.5	6.0	79.8	14.2	12.0
Osteoporosis treatment Actonel	5.3	5.8	108.4	10.8	12.0
Fully-human monoclonal anti-TNFalpha antibody Humira	2.8	5.7	200.7	6.6	14.0
Oral anticoagulant Warfarin	4.3	4.8	111.3	8.7	9.5
Muscle relaxant Myonal	4.0	3.4	86.8	7.5	7.0
Non-ionic contrast medium Iomeron	3.6	3.4	94.4	7.0	6.5
Japan consumer health care major groups (Eisai)					
Vitamin B_2 preparation Chocola BB Group	5.4	5.4	99.4	10.5	11.0
Active-type Vitamin B_{12} Nabolin Group	1.2	1.4	113.3	2.3	2.5

2) U.S. Pharmaceuticals Business

		Six months ended Sep 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	173.8	181.7	104.5 <112.2>
Segment profit	Billions JPY	49.9	57.2	114.7
U.S. ethical drugs (Eisai)				
Anti-Alzheimer's agent Aricept	Billions JPY [Millions USD]	92.8 [971]	106.1 [1,192]	114.3 <122.7>
Proton pump inhibitor Aciphex	Billions JPY [Millions USD]	40.4 [423]	34.0 [382]	84.1 <90.3>
Antiemetic agent Aloxi	Billions JPY [Millions USD]	19.0 [199]	17.3 [195]	91.3 <98.0>
DNA hypomethylating agent Dacogen	Billions JPY [Millions USD]	7.9 [83]	8.4 [94]	106.3 <114.1>
Injectable anti-clotting agent Fragmin	Billions JPY [Millions USD]	6.2 [65]	8.6 [96]	137.2 <147.3>

* Aricept 23mg's sales during first half of FY2010 is ¥3.7 billion(41millions USD.)

3) Europe Pharmaceuticals Business

		Six months ended Sep 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	24.7	22.1	89.4 <103.5>
Segment profit	Billions JPY	3.4	2.8	81.4
Europe ethical drugs (Eisai)				
Anti-Alzheimer's agent Aricept	Billions JPY	14.3	11.6	81.3 <94.1>
Proton pump inhibitor Pariet	Billions JPY	4.1	3.7	89.5 <103.1>
Anti-epileptic drug Zonegran	Billions JPY	2.1	2.1	98.7 <113.9>

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

4) Asia Pharmaceuticals Business

		Six months ended Sep 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	15.2	17.3	113.7 <117.9>
Segment profit	Billions JPY	4.0	4.0	101.3
Asia ethical drugs (Eisai)				
Peripheral neuropathy treatment Methycobal	Billions JPY	4.0	4.5	112.2 <118.8>
Anti-Alzheimer's agent Aricept	Billions JPY	3.2	3.4	107.5 <109.3>
Proton pump inhibitor Pariet	Billions JPY	2.5	2.6	105.0 <107.7>
Fully-human monoclonal anti-TNFalpha antibody Humira	Billions JPY	1.0	1.7	170.2 <173.6>
Liver Disease/Allergic Disease Agents Stronger Neo-Minophagen C and Glycyron Tablets	Billions JPY	1.3	1.6	119.6 <127.7>

<Reference> China Pharmaceuticals Business

		Six months ended Sep 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	7.3	8.5	116.2 <124.1>
China ethical drugs (Eisai)				
Peripheral neuropathy treatment Methycobal	Billions JPY [Millions RMB]	3.4 [245]	3.9 [299]	114.5 <122.3>
Liver Disease/Allergic Disease Agents Stronger Neo-Minophagen C and Glycyron Tablets	Billions JPY [Millions RMB]	1.3 [94]	1.6 [121]	120.2 <128.4>
Proton pump inhibitor Pariet	Billions JPY [Millions RMB]	0.5 [38]	0.8 [63]	157.1 <167.8>
Anti-Alzheimer's agent Aricept	Billions JPY [Millions RMB]	0.6 [41]	0.6 [50]	113.9 <121.6>

5) New Markets Pharmaceuticals Business

		Six months ended Sep 30		
		FY2009	FY2010	YOY %
Net sales	Billions JPY	0.4	0.5	133.6 <136.9>
Segment profit (loss)	Billions JPY	(0.1)	(0.2)	-
New markets ethical drugs (Eisai)				
Anti-Alzheimer's agent Aricept	Billions JPY	0.1	0.1	120.1 <121.9>
Proton pump inhibitor Pariet	Billions JPY	0.1	0.2	156.4 <158.7>

* 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)

		Six months ended Sep 30			Full
		FY2009	FY2010	YOY %	FY2009
Japan	Billions JPY	45.7	50.9	111.3	93.6
U.S.	Billions JPY	92.8	106.1	114.3	194.7
	[Millions USD]	[971]	[1,192]	<122.7>	[2,097]
Europe Total	Billions JPY	14.3	11.6	81.3	27.9
				<94.1>	
UK	Billions JPY	2.8	3.2	113.9	5.3
	[Millions GBP]	[18]	[24]	<128.5>	[36]
France	Billions JPY	7.1	5.6	78.7	14.3
	[Millions EUR]	[54]	[49]	<92.1>	[109]
Germany	Billions JPY	4.3	2.8	64.5	8.3
	[Millions EUR]	[33]	[25]	<75.4>	[63]
Asia	Billions JPY	3.2	3.4	107.5	6.6
				<109.3>	
China	Billions JPY	0.6	0.6	113.9	1.4
	[Millions RMB]	[41]	[50]	<121.6>	[106]
New markets	Billions JPY	0.1	0.1	120.1	0.1
				<121.9>	
Total	Billions JPY	156.0	172.1	110.3	322.8

* Aricept 23mg's sales during first half of FY2010 in U.S. is ¥3.7 billion(41millions USD.)

* Sales forecast for the year ending Mar. 31, 2011 is ¥312.5 billion.

(2) Aciphex/Pariet (Proton pump inhibitor)

		Six months ended Sep 30			Full
		FY2009	FY2010	YOY %	FY2009
Japan	Billions JPY	26.2	29.9	114.1	53.8
U.S.	Billions JPY	40.4	34.0	84.1	81.0
	[Millions USD]	[423]	[382]	<90.3>	[872]
Europe Total	Billions JPY	4.1	3.7	89.5	8.2
				<103.1>	
UK	Billions JPY	1.1	1.0	85.0	2.2
	[Millions GBP]	[7]	[7]	<95.9>	[15]
Germany	Billions JPY	0.8	1.0	124.6	1.6
	[Millions EUR]	[6]	[9]	<145.7>	[12]
Italy	Billions JPY	1.8	1.3	73.2	3.6
	[Millions EUR]	[14]	[12]	<85.6>	[28]
Asia	Billions JPY	2.5	2.6	105.0	4.8
				<107.7>	
China	Billions JPY	0.5	0.8	157.1	1.1
	[Millions RMB]	[38]	[63]	<167.8>	[80]
New markets	Billions JPY	0.1	0.2	156.4	0.2
				<158.7>	
Total	Billions JPY	73.3	70.3	95.9	148.0

* Sales forecast for the year ending Mar. 31, 2011 is ¥136.0 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

		Six months ended Sep 30			Full
		FY2009	FY2010	YOY %	FY2009
Aloxi (Antiemetic agent)					
U.S.	Billions JPY	19.0	17.3	91.3	38.3
	[Millions USD]	[199]	[195]	<98.0>	[413]
Dacogen (DNA Hypomethylating agent)					
U.S.	Billions JPY	7.9	8.4	106.3	15.4
	[Millions USD]	[83]	[94]	<114.1>	[166]
Fragmin (Injectable anti-clotting agent)					
U.S.	Billions JPY	6.2	8.6	137.2	14.5
	[Millions USD]	[65]	[96]	<147.3>	[156]
Other	Billions JPY	5.9	5.2	88.8	11.6
Total	Billions JPY	39.0	39.5	101.3	79.9

(4) **Humira** (Fully-human monoclonal anti-TNFalpha antibody)

		Six months ended Sep 30			Full
		FY2009	FY2010	YOY %	FY2009
Japan	Billions JPY	2.8	5.7	200.7	6.6
Asia	Billions JPY	1.0	1.7	170.2 <173.6>	2.3
Total	Billions JPY	3.8	7.3	192.9	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)

	Six months ended Sep 30			Full
	FY2009	FY2010	YOY %	FY2009
Overseas sales	227.4	233.2	102.5	465.5
Overseas sales (%)	57.6	56.6	-	58.0
<Reference>				
Overseas sales by geographical area	215.7	222.5	103.2	443.4
Overseas sales (%) by geographical area	54.6	54.0	-	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	%	Sep 30	%	%	
Cash and cash in banks	69.6		91.2			21.6
Notes and accounts receivable-trade	207.2		206.7			(0.6)
Short-term investments	83.8		90.0			6.1
Inventories	67.6		65.7			(1.8)
Deferred tax assets	32.5		39.4			7.0
Other	19.6		17.8			(1.8)
Allowance for doubtful receivables	(0.2)		(0.3)			(0.0)
Total current assets	480.0	43.6	510.5	48.0	106.3	30.5
Buildings and structures-net	86.5		82.4			(4.1)
Other	70.1		66.6			(3.5)
Total property, plant and equipment-net	156.6	14.2	149.0	14.0	95.1	(7.7)
Goodwill	152.8		133.4			(19.3)
Sales rights	109.7		90.9			(18.8)
Core technology	51.0		44.6			(6.4)
Other	12.4		11.5			(1.0)
Total Intangible assets	325.9	29.6	280.4	26.3	86.0	(45.5)
Investment securities	64.8		58.1			(6.7)
Deferred tax assets	63.6		60.0			(3.6)
Other	11.3		6.5			(4.8)
Allowance for doubtful accounts	(0.3)		(0.2)			0.0
Total investments and other assets	139.3	12.6	124.4	11.7	89.3	(15.0)
Total fixed assets	621.9	56.4	553.7	52.0	89.0	(68.1)
Total assets	1,101.9	100.0	1,064.2	100.0	96.6	(37.7)

Notes

Total assets

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

2) Consolidated Balance Sheets <Liabilities and Equity>

(billions of yen)

	2010				YOY	Diff.
	Mar 31	%	Sep 30	%	%	
Notes payable-trade and accounts payable-trade	20.3		21.3			1.0
Short-term borrowings	24.0		4.0			(20.0)
Bonds and debentures(Current portion)	-		40.0			40.0
Accounts payable-other/accrued expenses	127.6		116.7			(10.9)
Income tax payable	6.6		22.3			15.7
Reserve for sales rebates	32.7		33.9			1.2
Other	9.1		9.3			0.2
Total current liabilities	220.2	20.0	247.5	23.3	112.4	27.2
Bonds and debentures	120.0		80.0			(40.0)
Long-term borrowings	265.8		260.3			(5.5)
Deferred tax liabilities	23.8		20.8			(3.0)
Liability for retirement benefits	26.4		27.2			0.9
Retirement allowances for directors	2.7		1.1			(1.7)
Other	21.2		22.8			1.6
Total long-term liabilities	459.9	41.7	412.1	38.7	89.6	(47.8)
Total liabilities	680.2	61.7	659.6	62.0	97.0	(20.6)
Common stock	45.0		45.0			-
Capital surplus	56.9		56.9			(0.0)
Retained earnings	423.8		440.9			17.2
Treasury stock	(39.6)		(39.6)			(0.0)
Total owners' equity	486.1	44.1	503.3	47.3	103.5	17.2
Net unrealized gain (loss) on available-for-sale securities	4.9		2.0			(2.9)
Deferred gain (loss) on derivatives under hedge accounting	(0.6)		(1.3)			(0.6)
Foreign currency translation adjustments	(74.4)		(105.3)			(30.8)
Total net unrealized gain (loss) and translation adjustments	(70.2)	(6.4)	(104.6)	(9.8)	149.0	(34.4)
Stock acquisition rights	0.7	0.1	0.8	0.1	109.1	0.1
Minority interests	5.1	0.5	5.1	0.5	101.7	0.1
Total equity	421.7	38.3	404.6	38.0	95.9	(17.1)
Total liabilities and equity	1,101.9	100.0	1,064.2	100.0	96.6	(37.7)

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	2nd Quarter
Net sales	194.7	200.3	209.5	198.7	204.5	207.8
Cost of sales	38.3	40.6	42.6	39.2	43.5	40.6
R&D expenses	39.4	41.3	36.1	62.3	36.0	37.8
SG&A expenses	92.8	93.5	94.8	95.9	92.1	95.0
Operating income	24.1	25.0	35.9	1.3	32.8	34.4
Ordinary income (decrease)	23.2	22.0	34.9	(0.4)	30.2	32.0
Net income (decrease)	16.3	14.6	23.0	(13.6)	18.8	21.2
Cash income	30.7	29.1	37.3	29.3	32.6	34.2
Earnings per share (decrease) (EPS, yen)	57.4	51.2	80.7	(47.7)	65.9	74.3
Cash income per share (Cash EPS, yen)	107.7	102.1	131.1	102.8	114.4	119.9

* "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	2nd Quarter
Net cash provided by (used in) operating activities	(0.5)	32.8	27.1	48.6	28.2	56.5
Net cash used in investing activities	(12.9)	(9.8)	(5.2)	(42.0)	(5.1)	(21.8)
Net cash provided by (used in) financing activities	(12.3)	(3.3)	0.8	(34.5)	(31.1)	(12.3)
Cash and cash equivalents at the end of period	105.2	118.4	142.7	115.1	101.4	119.6
Free cash flow	(10.7)	26.5	19.9	17.2	23.9	52.6

* "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	Sep 30
Total assets	1,127.4	1,109.9	1,140.3	1101.9	1,065.5	1,064.2
Liabilities	697.0	686.4	708.3	680.2	667.4	659.6
Bonds and debentures	120.9	120.9	120.0	120.0	120.0	120.0
Borrowings	307.2	300.1	323.5	289.8	279.1	264.3
Equity	430.4	423.5	432.0	421.7	398.1	404.6
Shareholders' equity	425.1	418.1	426.4	415.9	392.3	398.7
Shareholders' equity ratio to total assets (%)	37.7	37.7	37.4	37.7	36.8	37.5
Liabilities ratio（Net DER/times)	0.7	0.7	0.6	0.6	0.6	0.5

* "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	2nd Quarter
Capital expenditures	5.8	7.2	6.0	9.7	3.5	3.7
Property, plant and equipment	4.8	5.9	4.2	8.0	2.5	2.8
Intangible assets	1.0	1.3	1.8	1.7	1.0	0.9
Depreciation and amortization	12.1	12.4	12.3	12.1	11.4	10.7

* "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	2nd Quarter
Japan	Billions JPY	23.4	22.3	26.9	21.0	25.3	25.6
U.S.	Billions JPY	42.7	50.1	45.5	56.4	50.2	55.9
	[Millions USD]	[438]	[533]	[507]	[619]	[545]	[647]
Europe	Billions JPY	7.2	7.1	7.5	6.1	5.8	5.8
UK	Billions JPY	1.5	1.3	1.2	1.3	1.7	1.5
	[Millions GBP]	[10]	[9]	[8]	[9]	[13]	[11]
France	Billions JPY	3.5	3.6	3.8	3.3	2.8	2.8
	[Millions EUR]	[27]	[27]	[29]	[27]	[24]	[25]
Germany	Billions JPY	2.1	2.2	2.5	1.5	1.2	1.6
	[Millions EUR]	[16]	[16]	[19]	[12]	[10]	[14]
Asia	Billions JPY	1.6	1.6	1.6	1.8	1.7	1.8
China	Billions JPY	0.2	0.4	0.3	0.5	0.3	0.3
	[Millions RMB]	[14]	[27]	[26]	[38]	[22]	[27]
New markets	Billions JPY	0.0	0.0	0.0	0.0	0.0	0.0
Total	Billions JPY	74.8	81.2	81.5	85.3	82.9	89.1

(2) Aciphex/Pariet

		FY2009				FY2010	
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter
Japan	Billions JPY	13.4	12.8	16.9	10.7	15.1	14.8
U.S.	Billions JPY	19.8	20.6	20.8	19.7	17.0	17.0
	[Millions USD]	[203]	[220]	[231]	[217]	[185]	[198]
Europe	Billions JPY	2.1	2.0	2.1	2.0	1.8	1.9
UK	Billions JPY	0.6	0.6	0.6	0.5	0.5	0.4
	[Millions GBP]	[4]	[4]	[4]	[3]	[4]	[3]
Germany	Billions JPY	0.4	0.4	0.4	0.4	0.4	0.6
	[Millions EUR]	[3]	[3]	[3]	[3]	[4]	[5]
Italy	Billions JPY	0.9	0.9	0.9	0.9	0.6	0.7
	[Millions EUR]	[7]	[7]	[7]	[7]	[5]	[6]
Asia	Billions JPY	1.4	1.1	1.2	1.1	1.3	1.3
China	Billions JPY	0.4	0.2	0.3	0.3	0.4	0.5
	[Millions RMB]	[26]	[12]	[20]	[22]	[26]	[37]
New markets	Billions JPY	0.0	0.0	0.0	0.1	0.1	0.1
Total	Billions JPY	36.7	36.6	41.1	33.6	35.3	35.1

(3) Oncology Related Products

		FY2009				FY2010	
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter
Aloxi							
U.S.	Billions JPY	9.5	9.5	8.7	10.6	8.8	8.5
	[Millions USD]	[97]	[101]	[97]	[117]	[96]	[99]
Dacogen							
U.S.	Billions JPY	4.2	3.7	3.8	3.8	4.3	4.1
	[Millions USD]	[43]	[40]	[42]	[42]	[47]	[47]
Fragmin							
U.S.	Billions JPY	3.2	3.1	3.7	4.6	4.3	4.2
	[Millions USD]	[33]	[33]	[41]	[50]	[47]	[49]
Other	Billions JPY	2.9	3.0	2.7	3.0	2.8	2.4
Total	Billions JPY	19.7	19.3	18.8	22.0	20.3	19.2

(4) Humira

		FY2009				FY2010	
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter
Japan	Billions JPY	1.2	1.6	2.0	1.8	2.6	3.0
Asia	Billions JPY	0.5	0.5	0.6	0.7	0.8	0.8
Total	Billions JPY	1.7	2.1	2.6	2.5	3.5	3.8

7. Non-Consolidated Financial Highlights

1) Non-Consolidated Financial Highlights

(1) Income Statement Data

(billions of yen)

	Six months ended Sep 30			Full	
	FY2009	FY2010	YOY %	FY2009	FY2010 est.
Net sales	218.5	235.9	107.9	444.7	455.0
Cost of sales	41.4	45.4	109.6	82.3	90.0
R&D expenses	75.6	63.5	84.0	145.3	131.0
SG&A expenses	62.3	62.7	100.7	123.9	132.0
Operating income	39.3	64.3	163.7	93.3	102.0
Ordinary income	36.3	60.3	166.1	88.6	94.5
Net income	26.5	40.7	153.6	57.3	65.5

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

(2) Cash Flow Data

(billions of yen)

	Six months ended Sep 30			Full
	FY2009	FY2010	Diff.	FY2009
Net cash provided by (used in) operating activities	32.4	70.7	38.2	71.5
Net cash used in investing activities	(15.9)	(24.1)	(8.2)	(31.3)
Net cash provided by (used in) financing activities	(15.4)	(43.3)	(27.9)	(38.7)
Cash and cash equivalents at end of period	11.3	14.9	3.6	11.7
Free cash flow	27.2	65.9	38.7	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	Sep 30	Diff.
Total assets	951.1	963.9	12.8
Liabilities	449.8	448.0	(1.8)
Bonds and debentures	120.0	120.0	0.0
Borrowings	234.0	214.0	(20.0)
Equity	501.3	515.9	14.6
Shareholders' equity	500.6	515.1	14.5
Shareholders' equity ratio to total assets (%)	52.6	53.4	0.8

2) Net Sales by Business Segment

(billions of yen)

	Six months ended Sep 30			Full
	FY2009	FY2010	YOY %	FY2009
Net sales	218.5	235.9	107.9	444.7
Ethical drugs	143.7	152.5	106.1	
Consumer health care products and other	9.7	9.8	101.2	
Industrial property rights and other	38.0	44.7	117.6	
Exports of pharmaceuticals	26.3	28.1	106.9	
Other	0.8	0.8	93.4	

8. Stock Information

1) Number of Shares Issued and Shareholder

As of September 30, 2010

Total Number of Authorized Shares (shares)	Number of Shares Issued and Outstanding (shares)	Number of Shares Held as Treasury Stock (shares)	Number of Shareholders	Average Number of Shares per Shareholder (shares)
1,100,000,000	296,566,949	11,629,885	99,986	2,966

* Number of shares issued and outstanding includes treasury stock.

2) Top 10 Shareholders

As of September 30, 2010

	Shares (1,000 shares)	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	16,398	5.53
Nippon Life Insurance Company	15,344	5.17
Japan Trustee Services Bank, Ltd. (Trust Account)	14,652	4.94
Saitama Resona Bank, Limited	12,398	4.18
JP MORGAN CHASE BANK 385147	7,993	2.70
Eisai Employee Shareholding Association	6,816	2.30
Sumitomo Life Insurance Company	5,015	1.69
SSBT OD05 OMNIBUS ACCOUNT - TREATY CLIENTS	4,982	1.68
Mizuho Corporate Bank, Ltd.	4,680	1.58
National Mutual Insurance Federation of Agricultural Cooperatives	4,521	1.52

* Treasury stock (11,629 thousands shares, 3.92%) is excluded as it has no voting rights.
* Number of shares less than one thousand has been omitted.

3) Number of Shareholders by Category

	2010 Mar 31	%	2010 Sep 30	%	Diff.
Financial institutions	193	0.3	206	0.2	13
Securities companies	55	0.1	74	0.1	19
Other Japanese corporations	1,126	1.5	1,229	1.2	103
Corporations outside Japan, etc.	525	0.7	502	0.5	(23)
Individuals and others	74,285	97.5	97,974	98.0	23,689
Treasury stock	1	0.0	1	0.0	0
Total	76,185	100.0	99,986	100.0	23,801

4) Number of Shares Held by Category

(1,000 shares)

	2010 Mar 31	%	2010 Sep 30	%	Diff.
Financial institutions	130,057	43.9	126,171	42.5	(3,885)
Securities companies	10,536	3.6	8,511	2.9	(2,025)
Other Japanese corporations	22,201	7.5	22,774	7.7	572
Corporations outside Japan, etc.	61,655	20.8	51,777	17.5	(9,878)
Individuals and others	60,486	20.4	75,701	25.5	15,215
Treasury stock	11,629	3.9	11,629	3.9	0
Total	296,566	100.0	296,566	100.0	-

* Number of shares less than one thousand has been omitted.

5) Breakdown of Shareholders by Number of Shares Held

(investors)

	2010 Mar 31	%	2010 Sep 30	%	Diff.
1 million shares and over	53	0.1	46	0.0	(7)
100,000 ~ 999,999 shares	154	0.2	154	0.2	0
10,000 ~ 99,999 shares	867	1.1	999	1.0	132
1,000 ~ 9,999 shares	14,712	19.3	18,967	19.0	4,255
100 ~ 999 shares	55,471	72.8	74,605	74.6	19,134
less than 100 shares	4,928	6.5	5,215	5.2	287
Total	76,185	100.0	99,986	100.0	23,801

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

(1,000 shares)

	2010 Mar 31	%	2010 Sep 30	%	Diff.
1 million shares and over	186,231	62.8	172,501	58.2	(13,729)
100,000 ~ 999,999 shares	45,408	15.3	44,256	14.9	(1,151)
10,000 ~ 99,999 shares	21,357	7.2	23,113	7.8	1,756
1,000 ~ 9,999 shares	30,290	10.2	38,403	12.9	8,113
100 ~ 999 shares	13,098	4.4	18,107	6.1	5,008
less than 100 shares	181	0.1	184	0.1	3
Total	296,566	100.0	296,566	100.0	-

* Number of shares less than one thousand has been omitted.

9. Consolidated Subsidiaries - Associated Companies

1) Consolidated Subsidiaries (48 companies)

(1) Subsidiaries Outside Japan (37 companies)

As of September 30, 2010

Company Name	Location	Common Stock Unit: thousand		Equity (%) Ownership	Description of Operations
Eisai Corporation of North America	New Jersey, USA	3,416,700	USD	100.00%	U.S. holding company
Morphotek, Inc.	Pennsylvania, USA	355,000	USD	100.00%	Pharma. research and development
Eisai Inc.	New Jersey, USA	151,600	USD	100.00%	Pharma. research and development/production/sales
Eisai Machinery U.S.A. Inc.	New Jersey, USA	1,000	USD	100.00%	Pharma. machinery sales
Eisai Ltd.	Ontario, Canada	10,000	CAD	100.00%	-
Eisai Europe Ltd.	Hertfordshire, U.K.	184,137	GBP	100.00%	European regional headquarters/holding company
Eisai Ltd.	Hertfordshire, U.K.	46,008	GBP	100.00%	Pharma. research and development/sales
Eisai Manufacturing Ltd.	Hertfordshire, U.K.	32,300	GBP	100.00%	Pharma. production
Eisai GmbH	Frankfurt, FRG	7,669	EUR	100.00%	Pharma. sales
Eisai Machinery GmbH	Cologne, FRG	1,278	EUR	100.00%	Pharma. machinery production/sales
Eisai S.A.S.	Paris, France	19,500	EUR	100.00%	Pharma. production/sales
Eisai B.V.	Amsterdam, Netherlands	540	EUR	100.00%	Pharma. production/sales
Eisai Farmacéutica S.A.	Madrid, Spain	4,000	EUR	100.00%	Pharma. sales
Eisai S.r.l.	Milan, Italy	3,500	EUR	100.00%	Pharma. sales
Eisai Pharma AG	Zurich, Switzerland	3,000	CHF	100.00%	Pharma. sales
Eisai AB	Stockholm, Sweden	10,000	SEK	100.00%	Pharma. sales
Eisai Farmacêutica, Unipessoal Lda.	Lisbon, Portugal	4,000	EUR	100.00%	Pharma. sales
Eisai SA/NV	Brussels, Belgium	7,000	EUR	100.00%	-
Eisai GesmbH	Vienna, Austria	2,000	EUR	100.00%	Pharma. sales
Eisai Asia Regional Services Pte. Ltd.	Singapore, Singapore	26,400	SGD	100.00%	Asian holding company
Eisai (Singapore) Pte. Ltd.	Singapore, Singapore	300	SGD	100.00%	Pharma. sales
Eisai Clinical Research Singapore Pte. Ltd.	Singapore, Singapore	10	SGD	100.00%	Pharma. research and development
Eisai China Inc.	Suzhou, China	374,205	RMB	100.00%	Asia regional headquarters/Pharma. production/sales
Eisai Machinery Shanghai, Inc.	Shanghai, China	200	USD	100.00%	Pharma. machinery marketing support/maintenance
Eisai (Hong Kong) Co., Ltd.	Hong Kong, China	500	HKD	100.00%	Pharma. sales
PT Eisai Indonesia	Jakarta, Indonesia	5,000	USD	100.00%	Pharma. production/sales
Eisai (Malaysia) Sdn. Bhd.	Petaling Jaya, Malaysia	470	MYR	100.00%	Pharma. sales
Eisai (Thailand) Marketing Co., Ltd.	Bangkok, Thailand	11,000	THB	49.91%	Pharma. production/sales
Eisai Taiwan Inc.	Taipei, Taiwan	270,000	TWD	100.00%	Pharma. production/sales
Eisai Korea Inc.	Seoul, Korea	3,512,000	KRW	100.00%	Pharma. sales
HI-Eisai Pharmaceutical Inc.	Manila, Philippines	56,250	PHP	50.00%	Pharma. production/sales
Eisai Pharmatechnology & Manufacturing Pvt. Ltd.	Andhra Pradesh, India	2,404,000	INR	100.00%	Pharma. manufacturing research/production
Eisai Pharmaceuticals India Pvt. Ltd.	Maharashtra, India	160,000	INR	100.00%	Pharma. production/sales
Eisai Australia Pty. Ltd.	Sydney, Australia	1,000	AUD	100.00%	-
(Other 3 companies)					

* The closing date of Eisai's consolidated subsidiaries is March 31 except for Eisai China Inc. and Eisai Machinery Shanghai, Inc. (December 31). Provisional settlement of account is made on a consolidated basis for both consolidated subsidiaries.
* Eisai (Thailand) Marketing Co., Ltd. and HI-Eisai Pharmaceutical Inc. are considered as Eisai's consolidated subsidiaries under the "controlling entity" standard, although Eisai's voting rights for these companies are no more than 50%.
* Eisai Ltd. for marketing was established in Canada in April 2010.
* Liquidation of Eisai London Research Laboratories Ltd. was completed in September 2010.
* "Other 3 companies" are subsidiaries of Eisai Inc. and are included in the consolidation.
* Fractional figures in "Common Stock" are rounded down.

(2) Subsidiaries in Japan (11 companies)

As of September 30, 2010

Company Name	Location	Common Stock Unit: million JPY	Equity (%) Ownership	Description of Operations
Sanko Junyaku Co., Ltd.	Tokyo	5,262	100.00%	Diagnostic product prod./sales
Sannova Co., Ltd.	Gunma Pref.	926	80.02%	Pharma. production/sales
Elmed Eisai Co., Ltd.	Tokyo	450	100.00%	Pharma. sales
Eisai Food & Chemicals Co., Ltd.	Tokyo	101	100.00%	Food additives/chemicals sales
Eisai Machinery Inc.	Tokyo	100	100.00%	Pharma. machinery prod./sales
KAN Research Institute, Inc.	Hyogo Pref.	70	100.00%	Pharma. research and development
Eisai Distribution Co., Ltd.	Kanagawa Pref.	60	100.00%	Pharma. distribution
Palma Bee'Z Research Institute Co., Ltd.	Tokyo	50	100.00%	Diagnostic product research and development
Eisai R&D Management Co., Ltd.	Tokyo	12	100.00%	Management of drug development/research
Sunplanet Co., Ltd.	Tokyo	455	84.90%	Administrative/Catering/Printing service/Real estate management
Eisai Seikaken Co., Ltd.	Kumamoto Pref.	50	70.39%	Agro-chemical prod./sales

* Fractions in "Common Stock" are rounded down.

2) Associated Company (1 company)

As of September 30, 2010

Company Name	Location	Common Stock Unit: million JPY	Equity (%) Ownership	Description of Operations
Bracco-Eisai Co., Ltd.	Tokyo	340	49.00%	Import/prod./sales of contrast media

* Fiscal year of Bracco-Eisai Co., Ltd. ends on December 31.
* Fractions in "Common Stock" are rounded down.

10. Number of Employees

1) Number of Employees on Consolidated Basis

(persons)

	2008 Mar 31	2009 Mar 31	2010 Mar 31	2010 Sep 30
Total employees	10,686	10,977	11,415	11,653
Japan	5,453	5,592	5,675	5,709
U.S.	2,699	2,647	2,701	2,562
Europe	861	951	1,015	1,045
Asia and others (exc. Japan)	1,673	1,787	2,024	2,337

2) Number of Employees and Labor Cost on Non-consolidated Basis

(persons)

	2008 Mar 31	2009 Mar 31	2010 Mar 31	2010 Sep 30
Total employees (non-consolidated)	4,137	4,308	4,367	4,372
Production	800	801	774	764
Research and development	1,123	1,174	1,236	1,210
Sales, marketing and administration	2,214	2,333	2,357	2,398

* The number of total employees shown in the above includes the staff assigned to Eisai from companies outside of the group, and excludes Eisai employees who are loaned to companies outside of the group.

11. 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 U.S. <announced on June 1>
	・ The new drug application for Aciphex Extended-Release 50 mg Formulation was accepted for review in the U.S. <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 (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 new drug application for a new oral suspension formulation of anti-epileptic agent Banzel was accepted for review in the U.S. <announced on July 20>
	・ A new higher dose Aricept 23mg tablet was approved in the U.S. for the treatment of moderate-to-severe Alzheimer's disease <announced on July 24>
	・ Announced the continuation of policy for protection of the Company’s corporate value and common interests of shareholders (shareholder rights plan) <announced on July 30>

Date	Description
August	・ Announced that a Phase III study with AMPA receptor antagonist perampanel (E2007) conducted in patients with epilepsy met its primary endpoint <announced on August 24>
	・ Submitted an application for additional indication of Humira, a fully human anti-TNFα monoclonal antibody, for the treatment of juvenile idiopathic arthritis in Japan <announced on August 30>
	・ Received notification from the U.S. FDA about an extension to the review period of the NDA for investigational anticancer agent eribulin mesylate(E7839) <announced on August 30>
September	・ Commenced the first clinical study of BAN2401 in the U.S., a novel monoclonal antibody targeting the neurotoxic protofibrils believed to cause Alzheimer's disease <announced on September 2>
	・ Launched the rapid acting secretagogue Glufast in China <announced on September 3>
	・ Launched Symbenda (bendamustine hydrochloride) in Singapore for the treatment of low-grade non-Hodgkin’s lymphoma and chronic lymphatic leukemia <announced on September 7>
	・ Announced results of a Japanese clinical trial that confirmed the safety and efficacy of insomnia treatment SEP-190 as well as plans to submit an marketing authorization application to the regulatory authorities in Japan in fiscal 2010 <announced on September 15>
	・ Announced results of a U.S. FDA Advisory Committee meeting concerning lorcaserin, a potential obesity and weig management treatment <announced on September 17>
	・ The new drug application for a new weekly transdermal patch formulation of the Alzheimer's disease agent Aricept was accepted for review in the U.S. <announced on September 17>
	・ Concluded agreements with Anaeropharma Science, Inc. concerning the novel anticancer agent APS001 and a drug delivery system using *Bifidobacterium Longum* <announced on September 29>
	・ Concluded a licensing agreement with Brain Factory Co., Ltd. concerning the development and commercialization of a derivate of the antifungal agent ravuconazole (ravuconazole prodrug) in Japan <announced on September 30>
October	・ The National Institute for Health and Clinical Excellence (NICE) issued new draft guidance recommending that Alzheimer's disease medications be made available to patients with mild forms of the disease <announced on October 7>
	・ The U.S. FDA issues a complete response letter for locaserin new drug application <announced on October 23>
	・ Announced Japan approval of the anticancer agent Treakisym for the treatment of relapsed or refractory low-grade B-cell non-Hodgkin’s lymphoma and mantle cell lymphoma <announced on October 27>
	・ Announced Japanese approval of indication replacement concerning Lyrica from its current indication of postherpetic neuralgia to a new and broader indication of peripheral neuropathic pain <announced on October 27>
	・ Announced withdrwal of Japanese marketing authorization application of a potential obesity management agent KES524 <announced on October28>

12．Major R&D Pipeline

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

R&D Pipeline List

	Product Name/Research Code	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 gastroesophageal reflux disease)	AI, ADA	(Japan) approved	Gastrointestinal Disorders
○	Aricept (Higher dose 23 mg tablet)	ADA, AF	(US) approved	Neurology
○	Zonegran (Orally disintegrating tablets)	AF	(Europe) 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
	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 50 mg formulation)	AF	(US) under review (EU) under review	Gastrointestinal Disorders
	Pariet (Reflux esophagitis)	ADA	(Japan) under review	Gastrointestinal Disorders
○	Banzel (Oral suspension)	AF	(US) under review	Neurology
○	Humira (Juvenile idiopathic arthritis)	AI	(Japan) under review	Vascular and Immunological Reaction
	Warfarin (Granules)	AF	(Japan) under review	Vascular and Immunological Reaction
○	Warfarin (Pediatric dosage and administration)	ADA	(Japan) under review	Vascular and Immunological Reaction
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 (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

The Marketing Authorization Application submitted in Japan for KES524 (Obesity) was withdrawn and development of the agent has been discontinued.

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

○development progress from July 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. Granted priority review status in the United States 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, a vascular endothelial cell adhesion molecule.			
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 the 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 Europe, 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 mesothelin.			
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 July 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 are associated with thrombocytopenia.			
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 United States, Canada, Japan, and some Asian and South/Central American countries, etc.		
○ **Additional Dosage & Administration, Formulation:** Higher dose 23 mg 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 July 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: approved (July 2010)		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 United States (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 July 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 alpha antibody)

Description: A fully human monoclonal anti-TNF alpha antibody that neutralizes the activity of tumor necrosis factor alpha (TNF alpha), a type of cytokine that plays a central role in inflammatory reactions in patients with autoimmune diseases. Approved in Japan for the treatment of rheumatoid arthritis 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 idiopathic arthritis	Japan: under review (August 2010)		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: Suppresses 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 for the 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 July 2010 onwards
✶submission target changed from the previous announcement

Product Name: **Warfarin** Generic name: **warfarin potassium** (Oral anticoagulant)

Description: Exhibits anticoagulant effects by antagonizing vitamin K and inhibiting the production of blood clotting factors. Widely used for the treatment and prevention of thromboembolisms in adults. An application seeking approval for pediatric dosage and administration was submitted in Japan after a special committee for the use of unapproved and off-label drug with high unmet medical needs , operating under the Japanese Ministry of Labour, Health and Welfare, designated the agent as a drug that can provide significant clinical benefits to pediatric patients.			
	Additional Formulation: Granules	Japan: under review (June 2010)	Oral
○	**Additional Dosage & Administration:** Pediatric dosage & administration	Japan: under review (September 2010)	Oral

(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: submitted(March 2010), accepted(September 2010)	Oral
	Additional Dosage & Administration: Reflux esophagitis	Japan: under review(April 2010)	Oral
	Additional Indications: Functional dyspepsia	Japan: PII	Oral

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

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. (In-licensed from Kissei Pharmaceutical Co., Ltd.)		
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. (In-licensed from Dainippon Sumitomo Pharma Co., Ltd.)		
Gastroprokinetic agent	currently marketed: Thailand approved: Philippines under review: Malaysia, Vietnam, Myanmar, Laos	Oral

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

Description: An antiviral drug that exerts an anti-HBV effect by inhibiting DNA polymerase. The marketing authorization application submitted in Malaysia was not approved by the regulatory authorities. (In-licensed from Bukwang Pharm)		
Chronic hepatitis B	currently marketed: Philippines (Brand Name: Revovir) under review: Indonesia, 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). (In-licensed from Kissei Pharmaceutical Co., Ltd.)		
Dysuria associated with BPH	under review: Singapore	Oral

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