



# Eisai *Now*

February 7, 2007



# Safe Harbor Statement

- Materials and information provided during this presentation may contain so-called “forward-looking statements.” These statements are based on current expectations, forecasts 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 and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited to, technological advances and patents attained by competitors; challenges inherent in new product development, including completion of clinical trials; claims and concerns about product safety and efficacy; obtaining regulatory approvals; domestic and foreign healthcare reforms; trends toward managed care and healthcare cost containment; and governmental laws and regulations affecting domestic and foreign operations.
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- The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events



# Today's Topics

- Good Growth
- Progressing Enriched Pipeline
- Proactive Shareholders' Return

# Consolidated Performance (9 Months)

(billions yen, %)

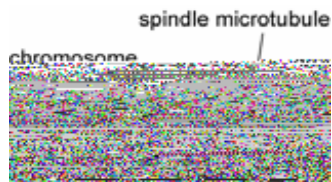
|                                       | Apr-Dec 2005 |       | Apr-Dec 2006 |       |        |                        |
|---------------------------------------|--------------|-------|--------------|-------|--------|------------------------|
|                                       | Results      | %     | Results      | %     | YOY(%) | Increase<br>(Decrease) |
| <b>Net Sales</b>                      | 449.9        | 100.0 | <b>500.8</b> | 100.0 | 111    | 50.9                   |
| <b>Cost of Sales</b>                  | 78.7         | 17.5  | <b>81.9</b>  | 16.4  | 104    | 3.3                    |
| <b>Gross Margin</b>                   | 371.2        | 82.5  | <b>418.9</b> | 83.6  | 113    | 47.6                   |
| <b>R&amp;D Expenses</b>               | 67.0         | 14.9  | <b>78.9</b>  | 15.8  | 118    | 11.8                   |
| <b>SG&amp;A Expenses</b>              | 226.0        | 50.2  | <b>256.1</b> | 51.1  | 113    | 30.2                   |
| <b>Operating Income</b>               | 78.2         | 17.4  | <b>83.8</b>  | 16.7  | 107    | 5.6                    |
| <b>Ordinary Income</b>                | 81.4         | 18.1  | <b>87.8</b>  | 17.5  | 108    | 6.4                    |
| <b>Net Income</b>                     | 52.2         | 11.6  | <b>55.8</b>  | 11.2  | 107    | 3.7                    |
| <b>R&amp;D +<br/>Operating Income</b> | 145.2        | 32.3  | <b>162.7</b> | 32.5  | 112    | 17.5                   |



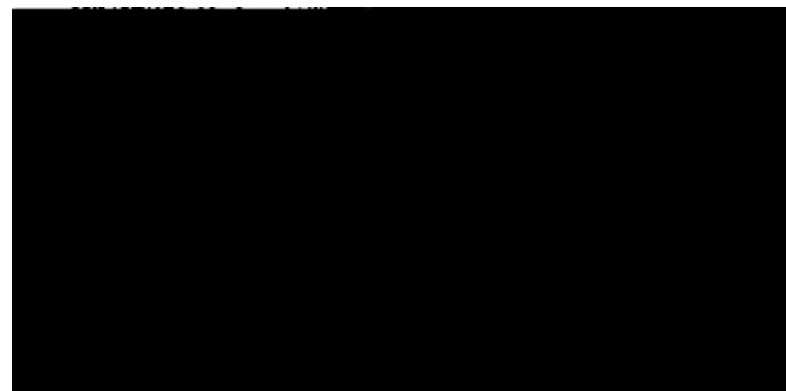
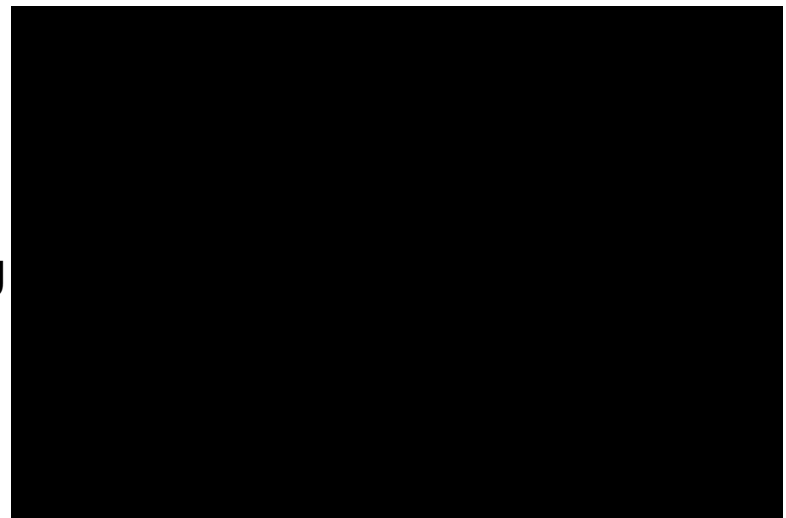
# Status of Major Projects (1)

- **E7389** (USAN: eribulin mesylate) **Microtubule growth suppressor**  
(Target Subpart H NDA submission for breast cancer in 3Q FY2007)

- Study for 3<sup>rd</sup> line breast cancer Subpart H ongoing (enrollment completed)
- Phase III study ongoing for 2<sup>nd</sup> line breast cancer treatment
- Phase III study ongoing for 3<sup>rd</sup> line breast cancer treatment
- Prostate cancer Phase II POC study ongoing
- NSCLC Phase Ib study in combination with carboplatin ongoing
- Initiated Sarcoma Phase II POC study
- Phase I study ongoing in Japan



Green : Microtubule  
Blue : Chromosome





# Status of Major Projects (2)

- **E2007** (USAN: perampanel): **AMPA receptor antagonist**

# New Formulation / New Indication

| Product | Target Indication |
|---------|-------------------|
|---------|-------------------|

**Aricept®**

Acetylcholinesterase Inhibitor

Severe Alzheimer's disease  
Sustained release formulation

Approved (US)  
Submitted (JP & EU)  
FY2009 (EU,US)

OTC

FY2007 (US)





| Area | Project | Mode of Action | Target Indication | Current Status |
|------|---------|----------------|-------------------|----------------|
|------|---------|----------------|-------------------|----------------|

rufinamide  
INOVELON®

Lennox-Gastaut Syndrome (LGS)  
LGS & Epilepsy  
Parkinson's disease  
Migraine prophylaxis  
Epilepsy  
Multiple sclerosis  
Diabetic neuropathy  
Amyotrophic lateral sclerosis

Received marketing authorization as an orphan drug from the European Commission on January 16, 2007

Approved



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# Accelerate the Development of Oncology Franchise

## Top Priority in Dramatic Leap Plan

### Discovery Research

Tsukuba and Boston Labs serve as basic discovery research bases for oncology

### Development

Global initiative taken by Eisai Global Clinical Development (Based in US)

### Production

Construction started in Nov 2006 for formulation research and new production facility in North Carolina, US for future global supply of oncology treatment  
API manufacturing plant completed in Kashima Plant in Nov 2006

### Product Acquisition

Four oncology products acquired from Ligand Pharmaceuticals  
*ONTAK<sup>®</sup>, Targretin<sup>®</sup> capsules, Targretin<sup>®</sup> gel 1%, Panretin<sup>®</sup> gel 0.1%*

### Sales and Marketing

The hospital-team, hoping for additional oncology-supportive indication on *Fragmin<sup>®</sup>*, start training programs to expand into oncology market  
Hospital-team and sales reps from Ligand will promote oncology products  
(FY2011 target: 300 oncology sales reps in US)

**Acquire oncology expert and know how from Ligand Pharmaceuticals**

Academic meetings, distribution, reimbursement and FDA correspondence

Better Established for Market Entry of E7389



# 4<sup>th</sup> Knowledge Creation Base – India

## Progressing Transformation Strategy

| Function                        | Summary   |
|---------------------------------|---|
| Discovery                       | Discover treatments for neglected disease   |
| Clinical Data Analysis          | Global data management, biostatistics function  |
| API / Formulation Manufacturing | Equip process and formulation research functions and establish stable supply base for global market (Vizag) |
| Sales & Marketing               | Established “Eisai Pharmaceuticals India Private Limited” in Mumbai in Oct. 2004                            |



# 3Q Results and Forecast for FY2006



|                  | FY2005  |       | Apr-Dec 2006 |              | FY2006       |              |     | Forecast Revision since Oct | Original Forecast in May |
|------------------|---------|-------|--------------|--------------|--------------|--------------|-----|-----------------------------|--------------------------|
|                  | Results | %     | Results      | %            | Forecast     | %            | YOY |                             |                          |
| Net Sales        | 601.3   | 100.0 | <b>500.8</b> | <b>100.0</b> | <b>668.0</b> | <b>100.0</b> | 111 | <b>15.0</b>                 | <b>640.0</b>             |
| Cost of Sales    | 104.5   | 17.4  | <b>81.9</b>  | <b>16.4</b>  | <b>110.0</b> | <b>16.5</b>  | 105 | <b>1.0</b>                  |                          |
| Gross Margin     | 496.7   | 82.6  | <b>418.9</b> | <b>83.6</b>  | <b>558.0</b> | <b>83.5</b>  | 112 | <b>14.0</b>                 |                          |
| R&D Expenses     | 93.2    | 15.5  | <b>78.9</b>  | <b>15.8</b>  | <b>107.0</b> | <b>16.0</b>  | 115 | <b>2.0</b>                  |                          |
| SG&A Expenses    | 307.8   | 51.2  | <b>256.1</b> | <b>51.1</b>  | <b>344.0</b> | <b>51.5</b>  | 112 | <b>10.0</b>                 |                          |
| Operating Income | 95.7    | 15.9  | <b>83.8</b>  | <b>16.7</b>  | <b>107.0</b> | <b>16.0</b>  | 112 | <b>2.0</b>                  | <b>101.0</b>             |
| Ordinary Income  | 100.0   | 16.6  | <b>87.8</b>  | <b>17.5</b>  | <b>111.0</b> | <b>16.6</b>  | 111 | <b>2.5</b>                  | <b>104.0</b>             |
| Net Income       | 63.4    | 10.5  | <b>55.8</b>  | <b>11.2</b>  | <b>70.0</b>  | <b>10.5</b>  | 110 | <b>1.5</b>                  | <b>67.0</b>              |
| EPS (Yen)        | 221.9   |       | <b>195.9</b> |              | <b>246.4</b> |              | 111 | <b>5.2</b>                  | <b>234.4</b>             |



# Year-end Dividend Forecast

Up by 10 yen from May Forecast

| Fiscal Year | Mid-term | Year-end | Annual | ROE | DPR | DOE |
|-------------|----------|----------|--------|-----|-----|-----|
| 2003        | 18 yen   | 18 yen   |        |     |     |     |