



Eisai

Acquisition of MGI PHARMA, INC.

December 10, 2007



Overview of MGI PHARMA Transaction

☒ Overview of the offer

- \$41 per share, transaction value approximately \$3.923 billion

∅ Premium :

§ A premium of 38.7 % on \$29.55, closing price as of November 29, 2007, the day before MGI PHARMA, INC. announced strategic alternatives

§

Overview of MGI PHARMA

Biopharmaceutical Company Focused on Oncology and Acute Care

Corporate Overview

Locations:	Bloomington, MN (HQ), Lexington, MA Baltimore, MD
Established:	1979
Market Listing:	NASDAQ (Listing in 1982)
Market cap.:	\$2.7 billion (Share price : \$33.45 as of Dec. 7, 2007)
Shareholders:	Institutional investors hold approximately 73%
Employees:	540 people (as of February 1, 2007)

Chairman and Officers

Chairman:	Hugh Miller
President & CEO:	Lonnie. Moulder
EVP & CSO:	Mary Lynne Hedley
EVP & COO:	Eric P. Loukas
EVP & CFO:	William F. Spengler

Infrastructure

- Commercial infrastructure: sales force (oncology and acute care), Marketing, Medical Affairs, etc. totaling 236 employees.
- R&D: Discovery Research, Development Research, Clinical Research, Program Management, Regulatory, Safety, etc. totaling 170 employees (Source: MGI PHARMA Annual Report 2006)



Goal of MGI PHARMA Acquisition

1. Significantly Strengthen Oncology Business
2. Increasing the Likelihood of Achieving the Dramatic Leap Plan (DLP) Targets
3. Seeking Continuous Growth after FY2012



Goal of MGI PHARMA Acquisition

1. Significantly Strengthen Oncology Business





Research & Development Synergies

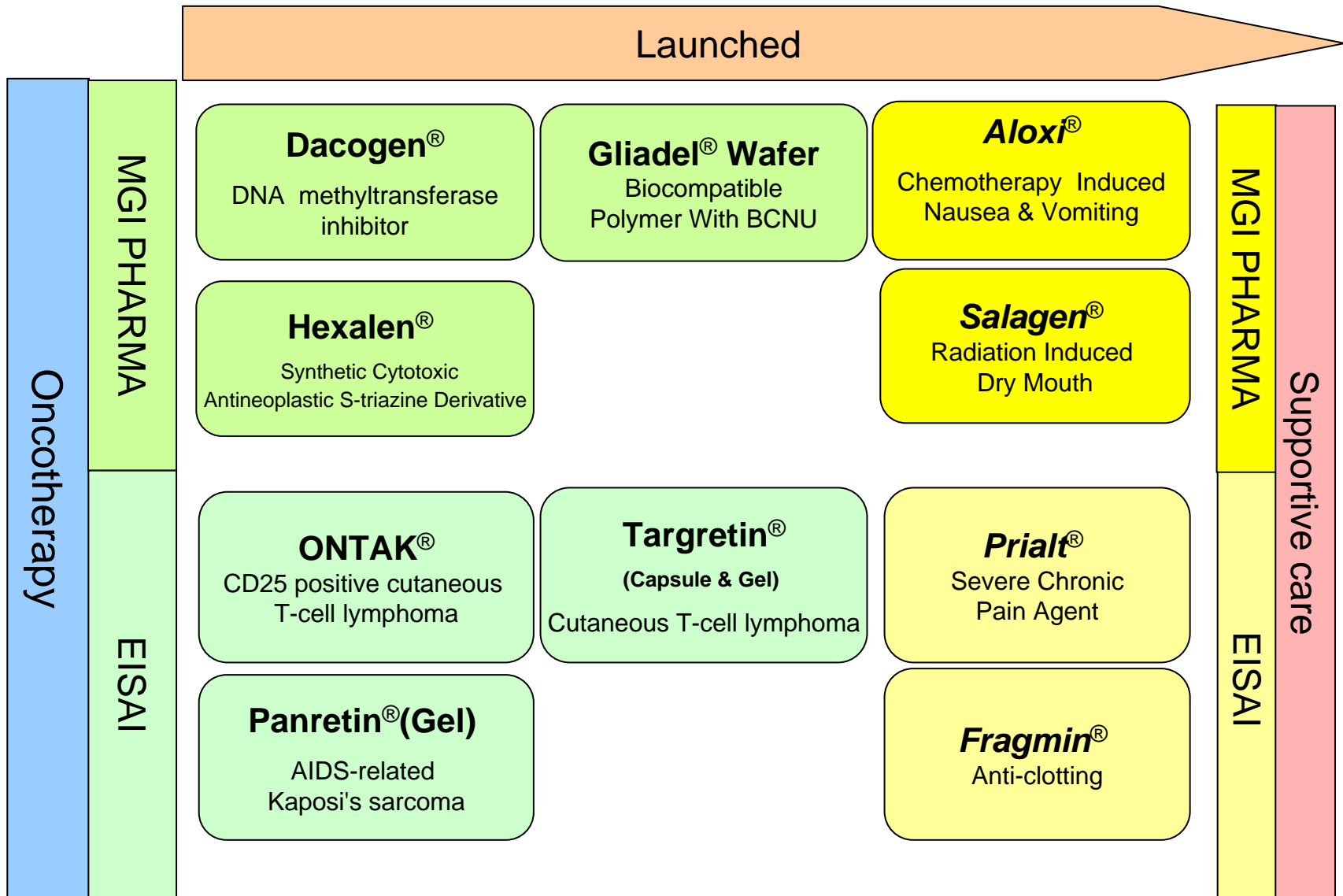
Full-spectrum approach in oncology area

⌘ Small Molecules

- Novel Anti-Mitosis (E7389, E7974, [Irofulven](#))
- Induction of Cell Differentiation ([Dacogen[®]](#))
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Rich Product Line with Oncology and Supportive Care Products





Continuing Double-Digit Growth in the U.S.

Improving the Likelihood of Achieving 440B yen in FY2011 in the U.S

⊞ Outcome from the acquisition

- Acquiring the high-growing category leader products
 - *Aloxi*[®] and *Dacogen*[®] have experienced steady growth since their launch
 - MGI PHARMA's total revenue growth to compound at greater than 35% over the next 5 years

Products	Launch	FY2006 Sales	Potential Peak Sales (Est.)* ³
<i>Aloxi</i> [®] (CINV) (PONV *1)	2003	\$251MM* ²	\$750MM
<i>DACOGEN</i> [®] (MDS)	2006	\$36MM (Approved in May 2006)	\$500MM
<i>GLIADEL</i> [®] Wafer Implant Treatment for Brain Cancer	1996	\$36MM	\$75MM
<i>AQUAVAN</i> [®] INJECTION Sedation for minor diagnostics and surgery	2008	-	\$400MM

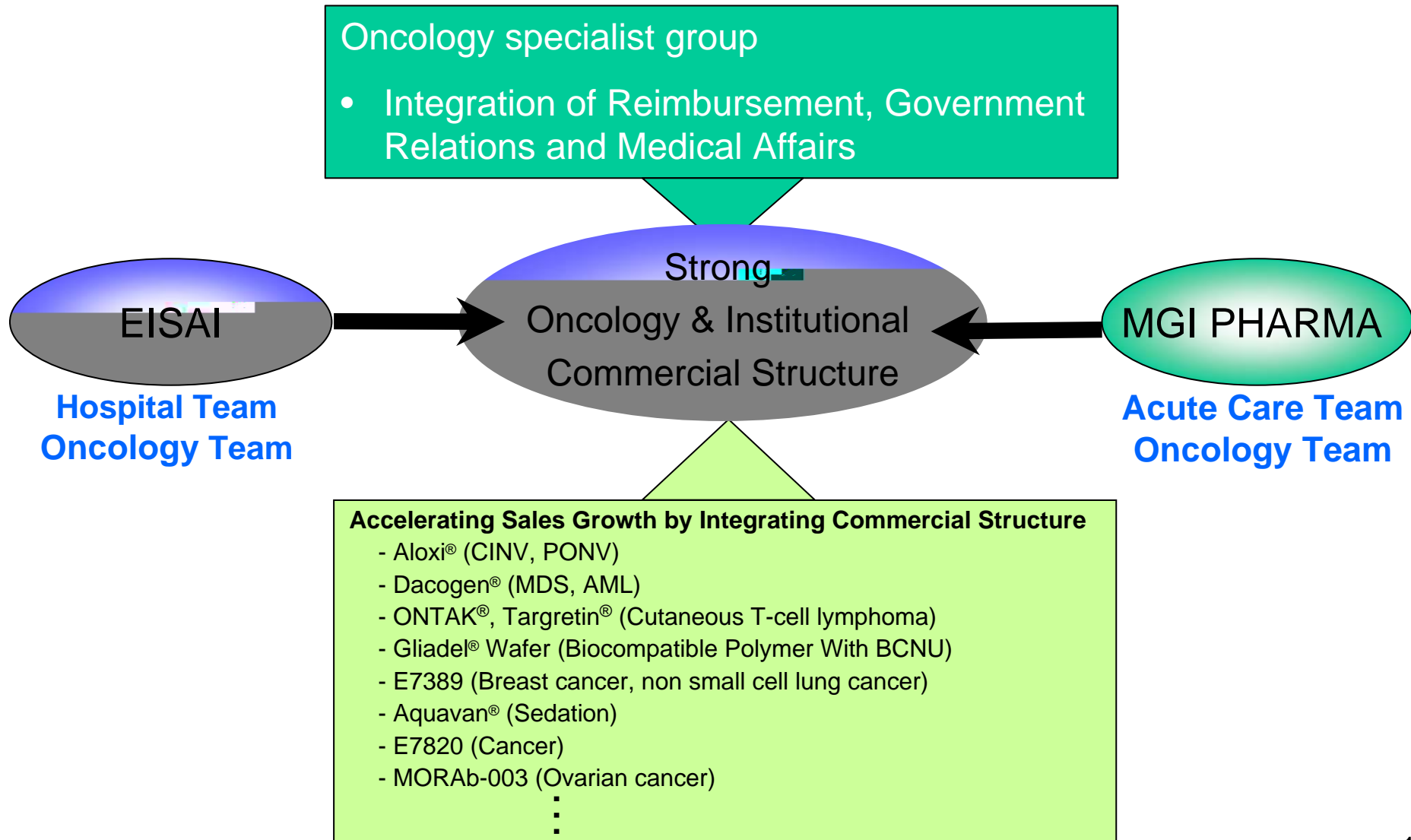
*1: sNDA submitted

*2 Sales results for CINV

*3 MGI PHARMA public announcement, November 2007

Strengthen Commercial Structure

Realizing Business Synergies





Cost Synergies

(Cost Reduction and Avoidance)

⊕ Reviewing and optimizing personnel/business functions and



MGI PHARMA'S Major Products & Pipeline

Dacogen®

Myelodysplastic Syndrome (MDS) Treatment

☒ Mode of action and characteristics

- Anti-cancer activities through inhibition of DNA methylation
- Broad indication in patients with MDS: All subtypes, de novo and secondary MDS, previously treated and untreated

☒ Indication

- Myelodysplastic syndrome (MDS)

☒ Orphan drug exclusivity until May 2013

Pediatric exclusivity could extend US exclusivity by six months

☒ Significant growth opportunity

- Launched in May 2006; now has largest dollar share in hypomethylating class
- Phase III in preparation for MDS survival

☒ Clinical Development Status

- Acute myelogenous leukemia (AML): Phase III



Gliadel® Wafer

Implant Treatment for Malignant Glioma



⊖ Mode of action and characteristics

- Localized delivery of carmustine, DNA/RNA alkylating agent
- Only FDA approved implant treatment for brain cancer

⊖ Indication

- As an adjunct to surgery and radiation for patients newly-diagnosed with high-grade malignant glioma
- As an adjunct to surgery for patients

Aquavan[®]



Injection for Procedural Mild to Moderate Sedation

☒ Mode of action and characteristics

- A prodrug of propofol (injectable anesthetic/sedative), with improved water solubility and pharmacokinetic profiles
- Clinical study data show rapid onset, ease to titrate, and rapid clear-headed recovery

☒ Proposed indication

- Sedation for brief diagnostic or therapeutic procedures

☒ Development stage

- US NDA submitted in September 2007

☒ Potential expansion of Eisai's supportive care



Amolimogene

DNA Vaccine for Cervical Dysplasia

⊕ Mode of action and characteristics

- Investigational DNA vaccine for human papilloma virus (HPV), a main cause of cervical dysplasia and cervical cancer

⊕ Proposed indication

- Cervical Dysplasia

⊕ Development stage

- Phase II/III



Financing of Acquisition

Method of Financing (Plan)



⊕ Using cash reserves and bridge loan

- Cash: \$300MM

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Impact on Financials

- ⊖ Accretive to Cash EPS (pre-goodwill amortization) in FY2008
- ⊖ Accretive to J-GAAP EPS (post-goodwill amortization) in FY2009
- ⊖ Recognizing all In-Process R&D in FY2007
- ⊖ Impact to FY2007 performance will be announced promptly following the final settlement of accounts



Valuation

- ⊖ Conducted detailed valuation using several methods such as DCF, precedent transactions, and trading multiples
- ⊖ In the DCF method, a significant portion of the value came from MGI PHARMA's existing products, pipeline and synergies
- ⊖ Used precedent transactions and trading multiples, analysis, using comparable companies and transactions in the US as additional valuation analysis



Return to Shareholders

Momentary Changes of Business Performance

☒ Maintain stable and continuous dividend payment

☒ Aim to achieve DOE 8% as targeted

☒ Maintain trend of dividend increase

(130 yen per share expected in FY2007)