



Eisai **Now**

Eisai's Profile

Eisai's vision is to meet various health care needs around the world, taking into consideration the desires of patients and their families, and to increase the benefits that health care provides. We have built integrated in-house systems that cover all aspects of our business, from research and development (R&D) to production, sales, management and supply of drug safety information, so that we can provide optimal patient solutions throughout our business activities. We have developed our business globally through unique business strategies. Our goal is to generate value for patients and shareholders alike, so that we can continue to exemplify a *human health care (hhc)* company.

Eisai Co., Ltd.

Valid as of Feb. 7, 2006



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Safe Harbor Statement

Materials and information provided during this presentation may contain “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. 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.

Also, for products that are approved, there are manufacturing and marketing risks and uncertainties, which include, but are not limited to, inability to build production capacity to meet demand, unavailability of raw materials, and failure to gain market acceptance.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.



Growth



Consolidated Performance

Posted Growth for Six Consecutive Years

(Billions of yen, %)

	Apr-Dec 2004		Apr-Dec 2005			
	Results	%	Results	%	YOY	Increase (Decrease)
Net Sales	404.4	100.0	449.9	100.0	111	45.5
Cost of Sales	75.7	18.7	78.7	17.5	104	3.0
Gross Margin	328.8	81.3	371.2	82.5	113	42.5
R&D Expenses	57.0	14.1	67.0	14.9	118	10.0
SG&A Expenses	203.5	50.3	226.0	50.2	111	22.5
Operating Income	68.3	16.9	78.2	17.4	115	9.9
Ordinary Income	69.8	17.3	81.4	18.1	117	11.6
Net Income	44.1	10.9	52.2	11.6	118	8.1
EPS (Yen)	153.3		182.5		119	29.2




The Company's performance and financial results could differ materially from these forward-looking statements due to general, financial, economic, regulatory, and political conditions affecting the pharmaceutical industry.

Sales of Major Products (billions of yen, %)



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Product Name	Area	Apr-Dec 2004	Apr-Dec 2005	
		Results	Results	YOY
Aricept[®] Alzheimer's Disease Treatment 	Total	122.0	142.6	117
	Japan	27.2	32.6	120
	U.S.	71.5	84.3	118
	millions of dollars	659	752	114
	Europe	21.2	22.6	107
	Asia	2.1	3.1	151
Pariet[®]/AcipHex[®] Proton Pump Inhibitor 	Total	100.8	114.0	113
	Japan	14.9	21.7	145
	U.S.	79.2	84.2	106
	millions of dollars	729	751	103
	Europe	5.2	5.6	108
	Asia	1.5	2.5	164
Zonegran[®] Anti-epileptic Drug 	Total	8.2	11.5	140
	U.S.	8.2	11.2	137
	millions of dollars	76	100	132
	Europe, Asia	-	0.3	-

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Sales to Customers by Geographic Area

(billions of yen, %)

	Apr-Dec 2004		Apr-Dec 2005		
	Results	%	Results	%	YOY
Japan	205.9	50.9	220.8	49.1	107
North America	160.6	39.7	183.7	40.8	114
Europe	29.4	7.3	32.9	7.3	112
Asia & Others	8.6	2.1	12.6	2.8	146
Overseas Total	198.5	49.1	229.1	50.9	115
Total	404.4	100.0	449.9	100.0	111

(Sales to outside customers)



Operating Income by Geographic Area (Pre-royalty deduction)

(billions of yen, %)

	Apr-Dec 2004		Apr-Dec 2005			
	Results	%	Results	%	YOY	Increase (Decrease)
Japan	35.7	48.9	36.6	43.0	102	0.9
North America	32.0	43.8	41.2	48.5	129	9.2
Europe	3.5	4.8	5.1	6.0	145	1.6
Asia & Others	1.8	2.5	2.2	2.6	119	0.4
Overseas Total	37.4	51.1	48.5	57.0	130	11.1
Sub-total	73.1	100.0	85.1	100.0	116	12.0
Eliminations	(4.8)		(6.9)		143	(2.1)
Total	68.3		78.2		115	9.9

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New Territories (2005)

India

Austria

Ireland

Italy

Sweden

Switzerland



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Financial Forecast for FY2005

(billions of yen)

	FY2004		FY2005		
	Results	%	Forecast	%	YOY
Net Sales	533.0	100.0	595.0	100.0	112
Cost of Sales	98.5	18.5	104.0	17.5	105
Gross Margin	434.5	81.5	491.0	82.5	113
R&D Expenses	78.3	14.7	94.0	15.8	120
SG&A Expenses	269.4	50.5	301.0	50.6	112
Operating Income	86.8	16.3	96.0	16.1	111
Ordinary Income	89.1	16.7	99.0	16.6	111
Net Income	55.5	10.4	63.0	10.6	114
EPS (Yen)	193.4		220.4		114

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Pipeline



Topics

- **Focus on two franchise areas**
 - Global integration of research efforts in two franchise areas, Brain Science and Oncology
- **Enhancing capabilities in discovery research in the U.S.**
 - Beef-up discovery endeavors at Eisai's Boston Research Institute by building a new campus and integrating medicinal chemistry, biology and pharmacology research activities
- **Global unification of clinical research teams in the U.S., EU, Japan and Asia**
 - Aim at simultaneous applications for approval in the U.S., EU, Japan and Asia
 - Reinforcement of clinical research functions including: clinical pharmacology, data management and biostatistics
- **Establishing a strategic European business hub in UK, which incorporates discovery research and clinical development**
- **Solid progress of late-stage NME projects**



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Filed for Approval

	Indications/Description	Area
T-614 (<i>Careram</i> [®])	Rheumatoid arthritis (Cytokine/Immunoglobulin production suppressor)	Japan
rufinamide (<i>Inovelon</i> [®])*	Pediatric Lennox-Gastaut syndrome (Na ⁺ channel modulator)	Europe
	Lennox-Gastaut syndrome & adolescent/adult partial seizures	U.S.
D2E7 (<i>Raheara</i> [®])	Rheumatoid arthritis (Human anti-TNF-alpha monoclonal antibody)	Japan
<i>Aricept</i> [®]	Vascular dementia	U.S.
	Severe dementia due to Alzheimer's disease	U.S./ Japan
	Liquid formulation	Europe
<i>Pariet</i> [®]	Eradication of <i>H. pylori</i> in combination with antibiotics	Japan
<i>Tambocor</i> [®]	Paroxysmal atrial fibrillation/flutter	Japan

* Brand name for Europe

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Major R&D Progress & Plan (1)

	Indication/Description	Progress/Plan	Filing Schedule
E7389	Breast cancer (Microtubule growth suppressor)	Subpart H submission study ongoing (U.S., Europe)	FY2006
		Phase III initiation in 4Q FY2005 (U.S., Europe)	
E2007	Parkinson's disease (AMPA receptor antagonist)	Phase III initiated (Europe)	FY2007
E5564	Severe sepsis (Endotoxin antagonist)	Phase III initiation in 4Q FY2005 (U.S., Europe)	FY2009
AS-3201	Diabetic complications (Aldose reductase inhibitor)	Phase III ongoing (U.S.)	
E2014	Cervical dystonia (Botulinum toxin)	Phase II/III (Japan)	FY2006
D2E7	Psoriasis (Human anti-TNF-alpha monoclonal antibody)	Phase II / III ongoing (Japan)	FY2007
KES524	Obesity management (Serotonin/noradrenalin reuptake inhibitor)	Phase III ongoing (Japan)	FY2007
E0167	Prevention of hepatocellular carcinoma recurrence (Vitamin K2)	Phase II / III ongoing (Japan)	FY2008
E7389	Non-small cell lung cancer	POC study (monotherapy) ongoing (U.S.)	
	Prostate cancer	POC study (monotherapy) initiated (Europe)	
E2007	Migraine prophylaxis	POC study ongoing (U.S.)	
	Epilepsy	POC study ongoing (U.S., Europe)	
	Multiple sclerosis	Phase II (Europe)	

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Major R&D Progress & Plan (2)

	Indication/Description	Progress/Plan	Filing Schedule
E7070	Colorectal, Gastric cancer	Phase II study is ongoing (US, Europe, JP)	
D2E7	Psoriasis	Phase II study is ongoing (JP)	
E5555	Acute coronary syndrome (Thrombin receptor antagonism)	Phase II study will be initiated in 4Q FY2005 (US, Europe)	
E7389	Breast cancer	Phase I study initiated (JP)	
E2012	Alzheimer's disease (γ -secretase modulation)	IND is scheduled in March 2006 (US, Europe)	
<i>Aricept</i> [®]	Dementia associated with Parkinson's disease	Phase III study is ongoing (Europe)	FY2006
	Sustained release formulation	Under clinical evaluation	
<i>AcipHex</i> ^{®/I} <i>Pariet</i> [®]	Symptomatic GERD	Phase III study is ongoing (JP)	FY2005
	Intermittent therapy for symptomatic GERD	Phase II study is ongoing (US)	
	Extended release formulation	Under clinical evaluation	
	OTC	Study for application is ongoing	

Development of E5564 for post-coronary artery bypass graft (CABG) surgery complication (Phase II) and of E3030 for diabetes (Phase I) was discontinued.

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Enrichment of Oncology Compounds

Meet Needs for Cancer Treatment
by Various Approaches

Tumor Regression

Novel
Mechanism

E7070
Cell Cycle G1 Phase
Targeting Agent
US, EU and JP
Phase II

E7107
Novel Anti-tumor Agent
Derived From
Fermentation
Pre-clinical

Novel
Anti-mitotic

E7389
Microtubule Growth
Suppressor
US, EU and JP
Phase II

E7974
Hemiasterlin Type
Tubulin Polymerization
Inhibitor
US, Phase I

**Tumor
Suppression**

Anti-
Angiogenesis

E7820
Integrin Alpha-2
Expression Inhibitor
US
Phase I

E7080
VEGF Receptor
Tyrosine Kinase Inhibitor
Phase I
US, EU and JP

**Life-span
Prolongation**

Prevention
of
Recurrence

E0167
Prevention of Hepatocellular
Carcinoma recurrence
by Vitamin K2
JP, Phase II



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Shareholder Return



Enriching Return through Dividend Increase to ¥90

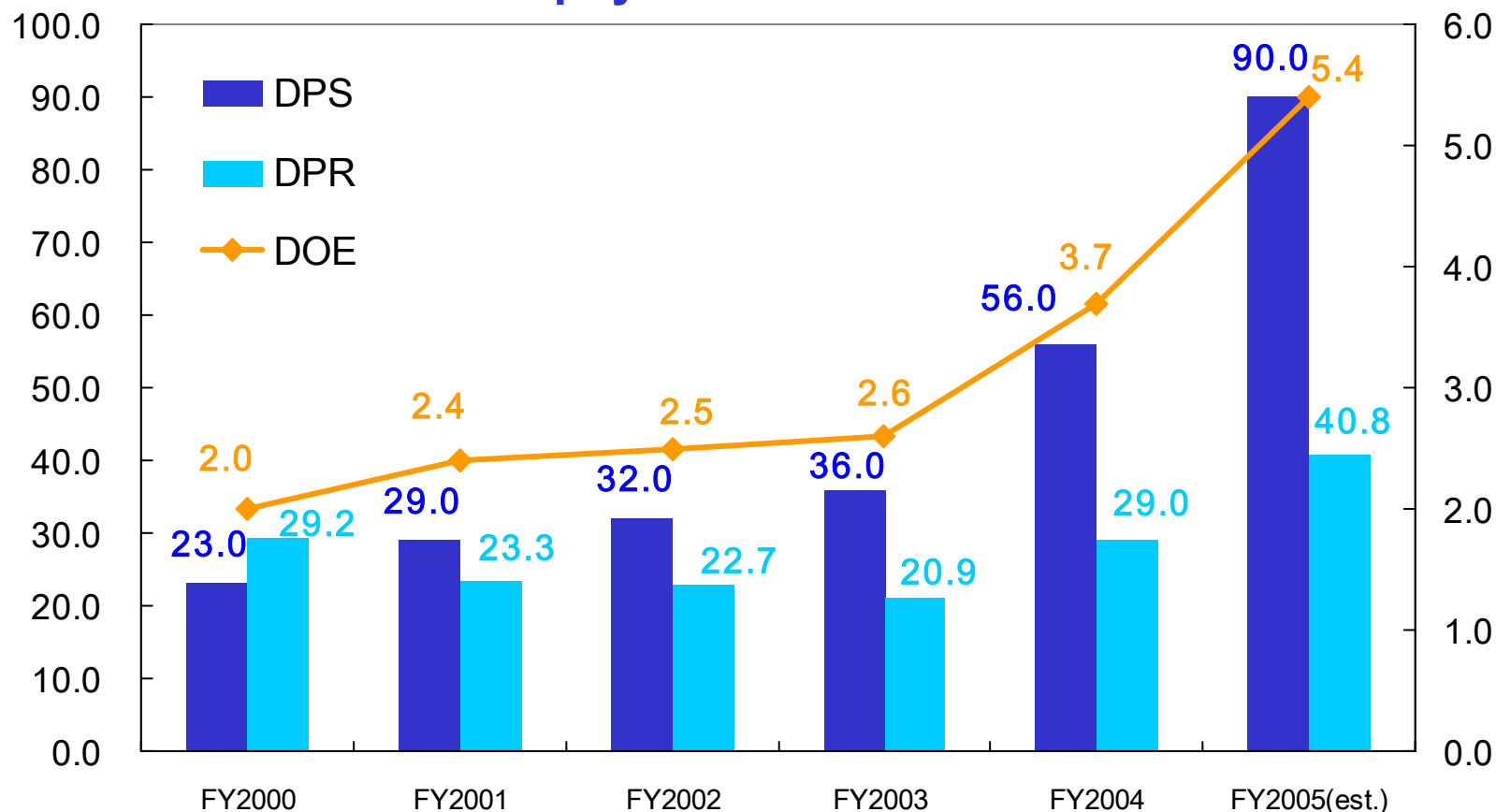
Upward revision of DPS by ¥10 slated for FY05

Next mid-term target will be DOE of 7.5%
with payout ratio around 50%

(DPS: Yen)

(DPR: %)

(DOE: %)



DOE = Dividends On Equity (= ROE x DPR) DPS = Dividends Per Share DPR = Dividend Payout Ratio

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Mid-term Strategic Plans



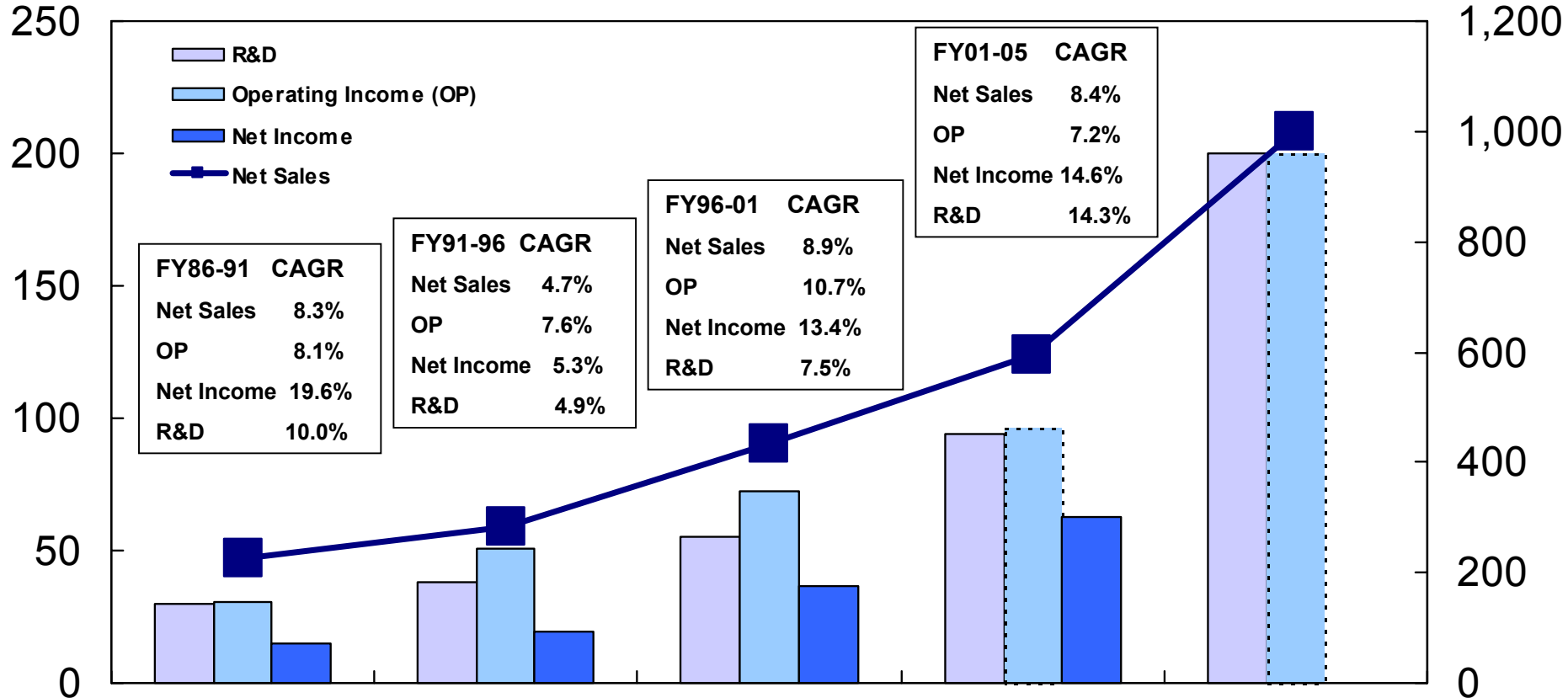
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Results of 5-Year Strategic Plans

Expect to attain Millennium Plan targets in FY2005,
a Year Ahead of Schedule

(Income, R&D: Billions of Yen)

(Net Sales: Billions of Yen)



FY91 FY96 FY01 FY05 (est.) FY11 (plan)

1st: Era of Domestic Operation 2nd: Era of Globalization 3rd: Era of Soaring Growth Millennium Plan

CAGR: Compound Annual Growth Rate

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Efficient Discovery Expedited Development Stable Supply