

Eisai *Now*

Eisai Co., Ltd.

February 7, 2007

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

Sales to Customers by Geographic Area

(billions yen, %)

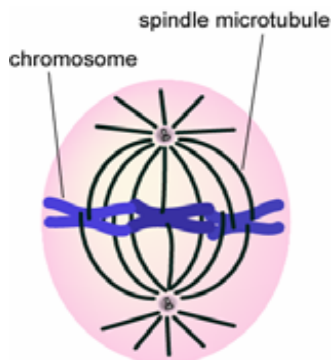
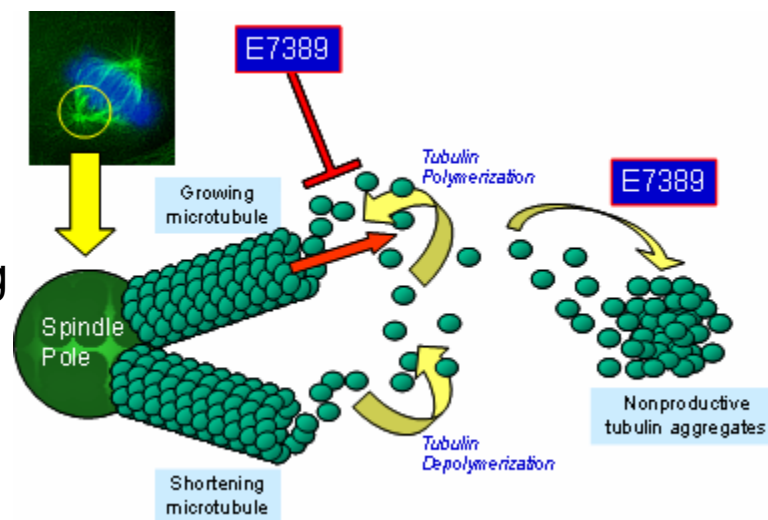
	Apr-Dec 2005		Apr-Dec 2006			
	Results	%	Results	%	YOY (%)	Increase (Decrease)
Global Sales	449.9	100.0	500.8	100.0	111	50.9
Japan	220.8	49.1	223.9	44.7	101	3.1
North America	183.7	40.8	220.1	44.0	120	36.4
Europe	32.9	7.3	40.8	8.2	124	8.0
Asia & Others	12.6	2.8	15.9	3.2	127	3.4
Overseas Total	229.1	50.9	276.8	55.3	121	47.7

Aricept[®]	142.6		182.7		128	40.1
AcipHex[®]/Pariet[®]	114.0		130.9		115	16.9

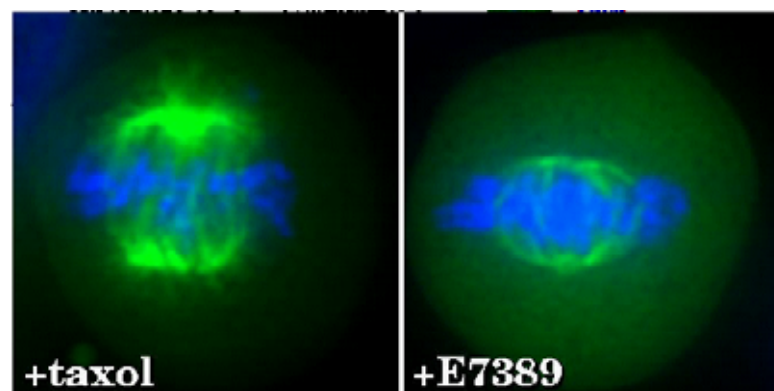
Status of Major Projects (1)

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

- Study for 3rd line breast cancer Subpart H ongoing (enrollment completed)
- Phase III study ongoing for 2nd line breast cancer treatment
- Phase III study ongoing for 3rd 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



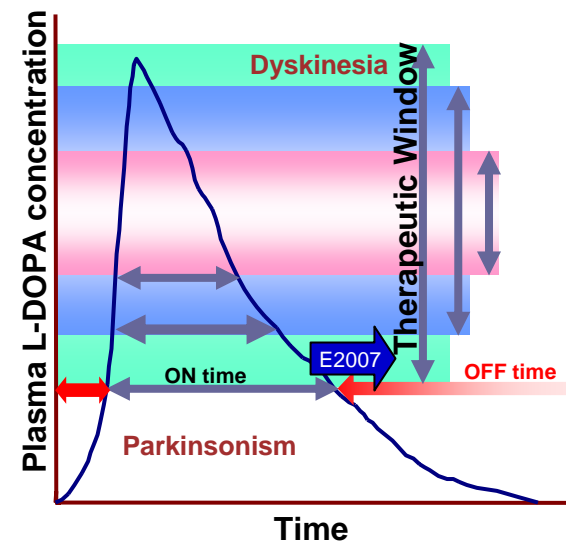
Green : Microtubule
Blue : Chromosome



Status of Major Projects (2)

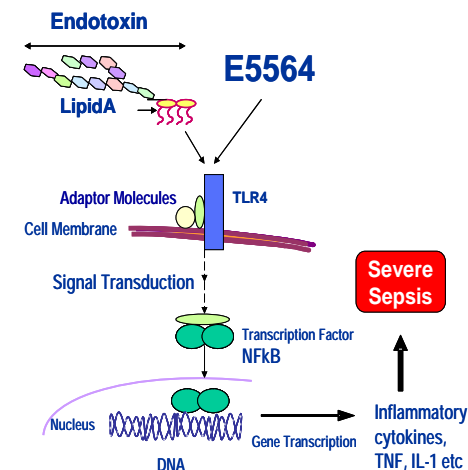
- **E2007** (USAN: perampanel): **AMPA receptor antagonist**
(Target submission for Parkinson's disease: FY2007)

- Parkinson's disease: Phase III studies ongoing in EU and US for on schedule submission (enrollment completed in one of three studies)
- Migraine prophylaxis: Phase II POC study ongoing
- Epilepsy: Phase II POC study ongoing
- Multiple sclerosis: Phase II POC study in preparation



- **E5564** (INN: eritoran 4Na): **Endotoxin antagonist**
(Target submission: FY2009 in JP, EU and US)

- Phase III study ongoing for severe sepsis
Sites open and patient enrollment on schedule
- Phase I study ongoing with Japanese volunteers
in the US before conducting Phase III study in Japan



New Formulation / New Indication

Product		Target Indication	Submission Target
Aricept[®]	Acetylcholinesterase Inhibitor	Severe Alzheimer's disease	Approved (US) Submitted (JP & EU)
		Sustained release formulation	FY2009 (EU,US)
		Transdermal patch formulation	FY2009 (EU,US)
AcipHex[®] / Pariet[®]	Anti-ulcer Agent (Proton Pump Inhibitor)	Extended release formulation	FY2009 (EU,US)
		OTC	FY2007 (US)

NME Progresses in Japan

[Filing]

T-614	Suppression of lymphocyte proliferation, immunoglobulin and inflammatory cytokines production	Rheumatoid arthritis	Submitted in Sept. 2003
D2E7	Fully human anti-TNF-alpha monoclonal antibody	Rheumatoid arthritis	Submitted in Dec. 2005
E2014	Botulinum toxin type B	Cervical dystonia	Submitted in Dec. 2006

[Filings planned in FY2007]

D2E7	Fully human anti-TNF- alpha monoclonal antibody	Psoriasis	Plan to submit in FY2007
KES524	Central acting serotonin & noradrenaline reuptake inhibitor	Obesity management	Plan to submit in FY2007

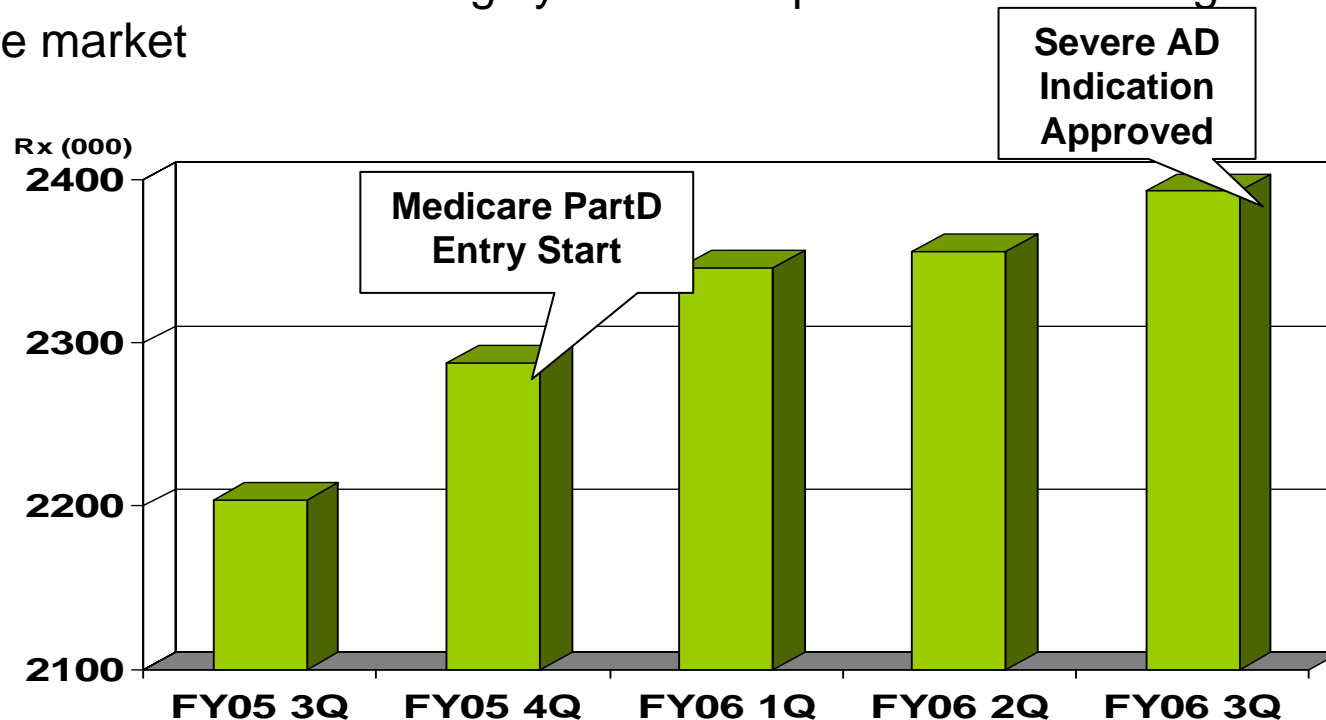
E0167 (menatrenone for recurrence of hepatocellular carcinoma) clinical study has been discontinued

Area	Project	Mode of Action	Target Indication	Current Status	Submission Target
Neuroscience	rufinamide INOVELON®	Na ⁺ channel modulator	Lennox-Gastaut Syndrome (LGS)	Received marketing authorization as an orphan drug from the European Commission on January 16, 2007	Approved
			LGS & Epilepsy	Received an approvable letter from US FDA in September 2006; meeting planned with FDA regarding next steps	Submitted
	E2007	AMPA receptor antagonist	Parkinson's disease	Phase III studies ongoing in EU and US for on schedule submission (enrollment completed in one of three studies)	FY2007
			Migraine prophylaxis	Phase II POC study ongoing	
			Epilepsy	Phase II POC study ongoing	
	AS-3201	Aldose reductase inhibitor	Diabetic neuropathy	Phase III for diabetic neuropathy study results in review by Daiinippon Sumitomo Pharma in US	FY2009
	E0302	Mecobalamin	Amyotrophic lateral sclerosis	Phase II/III study ongoing	
E2012	Gamma secretase modulator	Alzheimer's disease	Phase I study ongoing (US) Aim to establish Proof of Principle in Phase I by measuring beta amyloid in blood and spinal fluids	FY2010	
Oncology	E7389	Microtubule growth suppressor	Breast cancer	Studies for 3 rd line Subpart H ongoing Phase III studies ongoing for 2 nd and 3 rd line treatment	FY2007 (Subpart H)
			Prostate cancer	Phase II POC study ongoing	
			NSCLC	Phase Ib study in combination with carboplatin ongoing	
			Sarcoma	Initiated phase II POC study	
	E7820	Alpha 2 integrin expression inhibitor	Cancer	Phase I study ongoing in Japan Phase Ib/II study for 3 rd line use in combination with cetuximab ongoing in the US	FY2011
	E7070	Cell cycle G1 phase targeting agent	Small cell lung cancer, pancreatic cancer	Pursue possibility of development in combination with irinotecan	FY2010
	E7080	VEGF receptor tyrosine kinase inhibitor	Cancer	Phase I studies ongoing (Japan, EU and US)	FY2012
E7974	Hemiasterlin type tubulin polymerization inhibitor	Cancer	Phase I ongoing (US) Evaluate for treatment of colorectal cancer in which P-glycoprotein occurs in high incidence	FY2012	
Critical Care, RA, etc.	T-614	Suppression of lymphocyte proliferation, immunoglobulin and inflammatory cytokines production	Rheumatoid arthritis	NDA submitted in September 2003 (Japan)	Submitted
	D2E7	Fully human anti-TNF-alpha monoclonal antibody	Rheumatoid arthritis	NDA submitted in December 2005 (Japan)	Submitted
			Psoriasis	Phase II/III study ongoing	FY2007
	E5564	Endotoxin antagonist	Severe sepsis	Phase III study ongoing for severe sepsis Site open and patients enrollment on schedule Phase I study ongoing using Japanese volunteers in the US, before conducting Phase III in Japan Plan to submit simultaneously in the US, Europe and Japan in FY2009	FY2009 (Japan, US EU)
				E2014	Botulinum toxin type B
	KES524	Central acting serotonin & noradrenaline reuptake inhibitor	Obesity management	Phase III study ongoing	FY2007
	clevudine	HBV DNA polymerase inhibition	Anti-hepatitis B	Phase III study in preparation (China)	
	E5555	Thrombin receptor antagonist	Acute coronary syndromes	Phase II study ongoing (US, EU)	FY2010
Phase I study ongoing (Japan)				FY2011	
E1224	Ergosterol synthesis inhibition	Fungal infection	Phase I study ongoing (US)	FY2011	

Over 30% Sales Growth in US

First and Only Full Spectrum AD Treatment

- Improve call effectiveness by communicating clinical benefits across full spectrum of Alzheimer's disease (Mild, Moderate and Severe)
Achieved the highest Share of Voice in last 3 years among all Alzheimer's disease therapies in November 2006
- Raising awareness among caregivers by implementing DTC and educational programs about importance of proper diagnosis and persistent treatment
- Enhancement of marketing systems and promotions for the growing Long Term Care market



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[®], Targretin[®] capsules, Targretin[®] gel 1%, Panretin[®] gel 0.1%

Sales and Marketing

The hospital-team, hoping for additional oncology-supportive indication on *Fragmin[®]*, 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

4th 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

Research & Mfg. Company:

Eisai Pharmatechnology & Manufacturing Pvt. Ltd

Location: Vishakhapatnam, Andhra Pradesh States

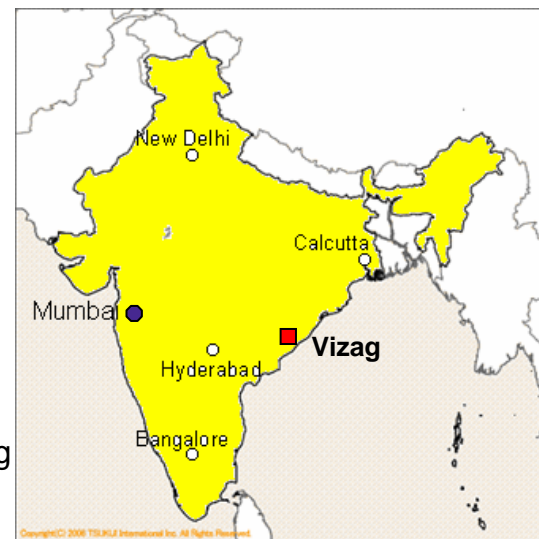
Vizag Industrial Estate

Space: 202,000 m²

Invest Amount: ¥5 billion

Employees: 130 people

Operation: FY2010



(billions yen,%)

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

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	36 yen	12.4%	20.9%	2.6%
2004	21 yen	35 yen	56 yen	12.6%	29.0%	3.7%
2005	40 yen	50 yen	90 yen	13.0%	40.6%	5.3%
2006	55 yen	65 yen (revised)	120 yen (revised)	13.1% (est.)	48.8% (est.)	6.4% (est.)