

Eisai's Approach to Disclosure

*Eisai, as a Pharmaceutical Company,
Pursues Our Responsibility to Stakeholders
through Mission-driven Disclosure Activities*

Akira Fujiyoshi

Member of the Board

Eisai Co., Ltd.

Member of the Steering Committee, WICI-J

h/c

Mission Driven Company

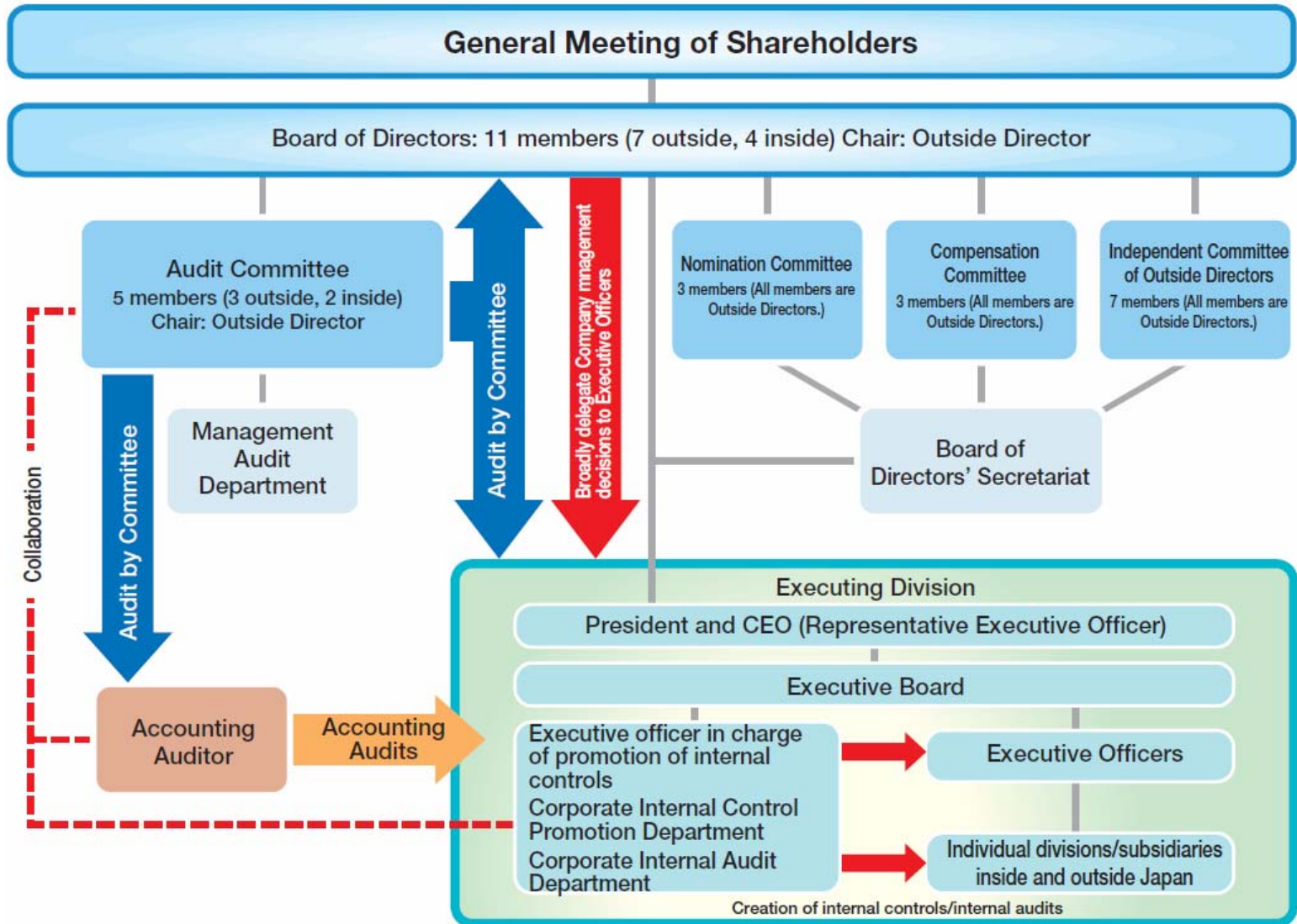
Eisai

- embedded its Corporate Concept & Mission statement in *Articles of Incorporation*
“to give first thought to patients and their families, and to increase the benefits that health care provides”
“The Company’s mission is the enhancement of patient satisfaction”
- is a *Human healthcare company*
- has a clear focus on stakeholders
- defines Patients, Shareholders, Employees as principal stakeholders



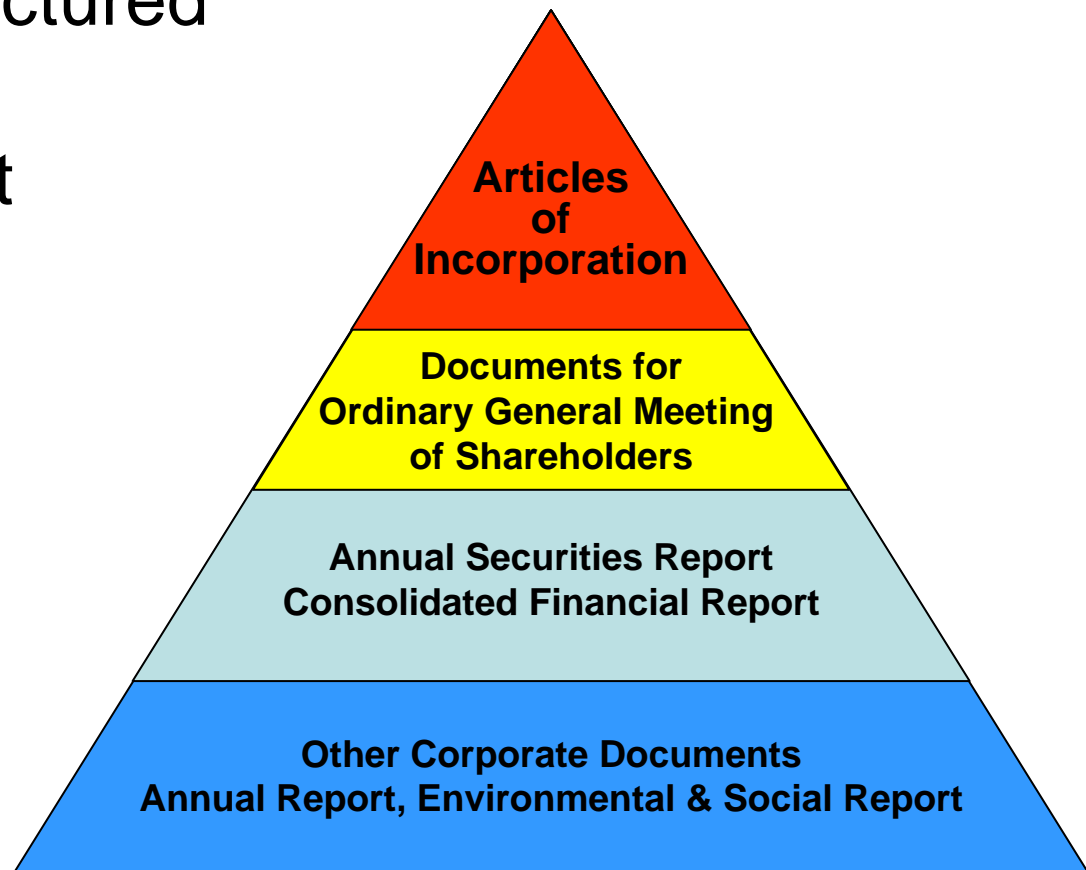
Corporate Governance

-Unique among Japanese companies-



Eisai's Disclosure Concept

- Corporate Concept and Mission Statement drives Eisai's disclosure practices
- Disclosure has structured levels
- Disclosure Concept
 - Complete
 - Comprehensive
 - Easy
 - to understand
 - to follow
 - to go through



Major Reports

- Ordinary General Meeting of Shareholders
 - 226 pages
 - Management Policy -24 pages
 - Business progress & results -23 pages
- Annual Securities Report
 - Required for filing with Financial Services Agency quarterly
- Consolidated Financial Report
 - Required for filing with Tokyo Stock Exchange quarterly
 - Includes P/L forecast for the coming year end
- Annual Report
 - Japanese & English versions for general public
- Environmental & Social Report



Ideas for New Action

-Simplicity and More Accountability-

Japanese Advantages on Business Reporting

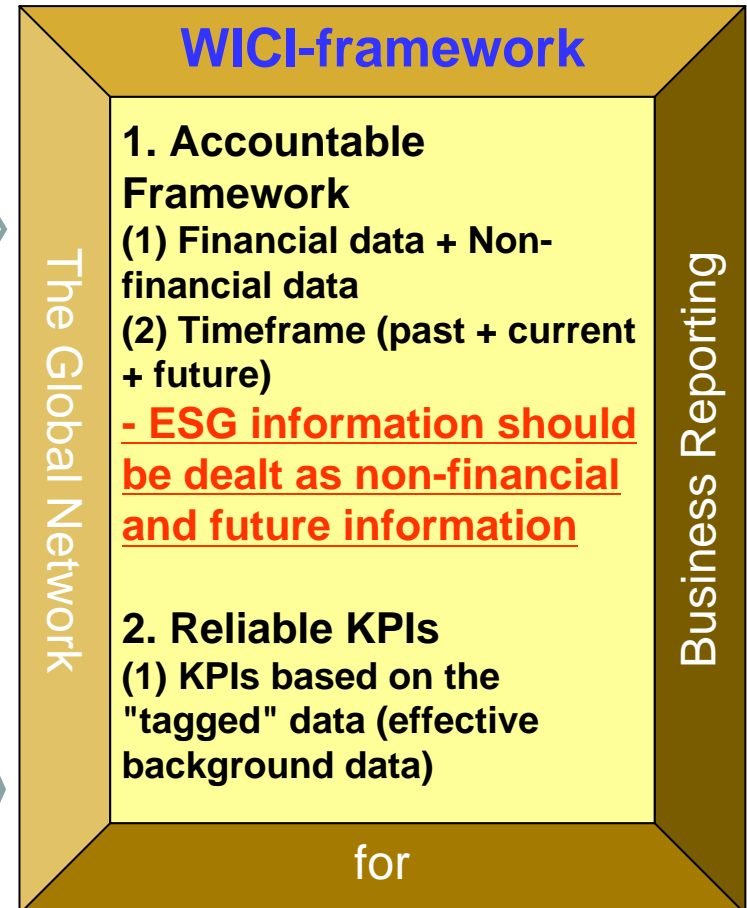
- Disclosing the Mid-term Business Plan is a common practice
- Disclosing Performance Indices
Sales, Operating Income, Ordinary Income, Net Income of Next Fiscal Year



Code of Tokyo Stock Exchange

Japanese Disadvantages on Business Reporting

- Overburden Issue of Business Reporting
 - Too Much Data for Information Users



Summary Report using WICI Framework

-A potential approach for the next-

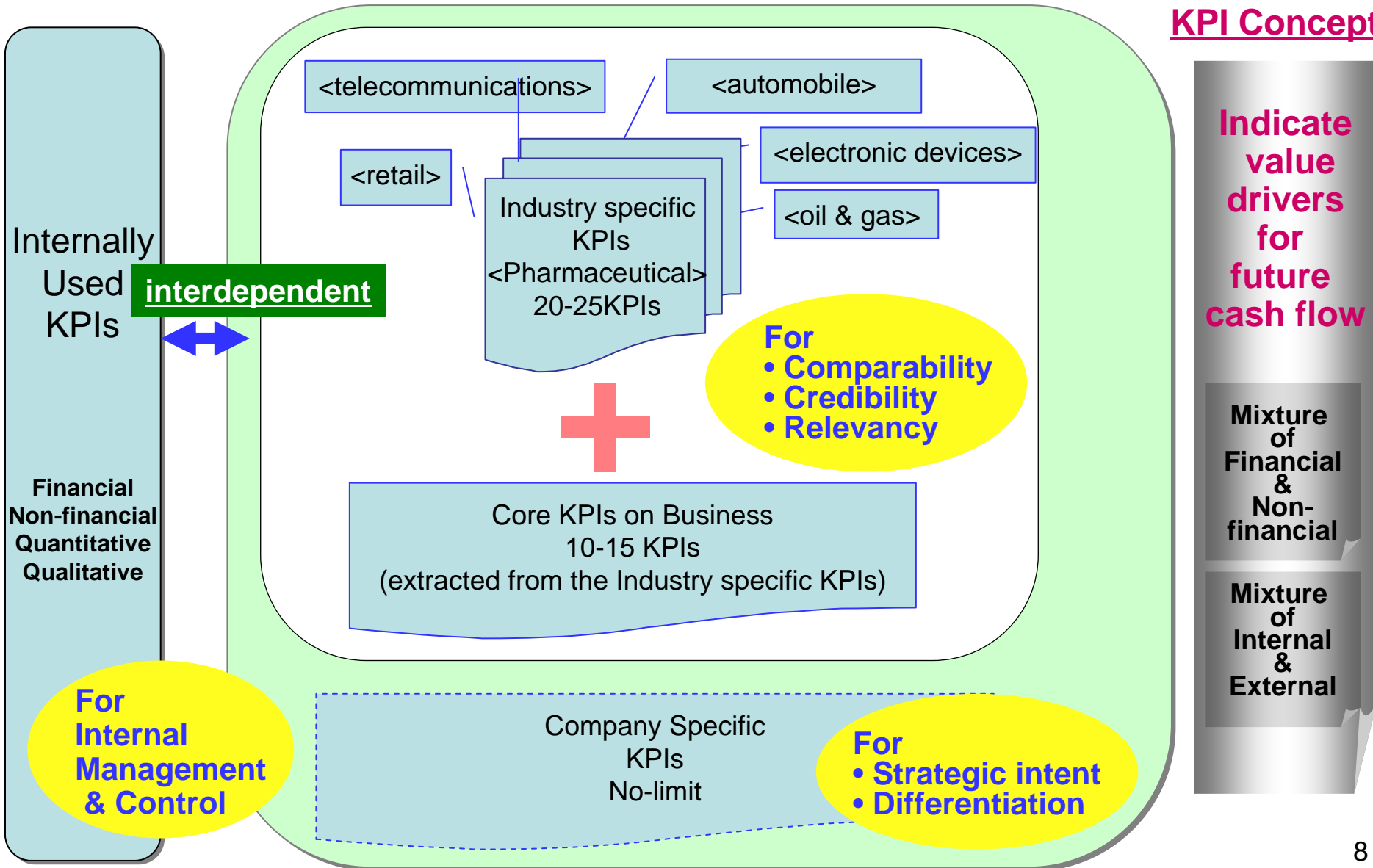
0. Corporate Profile & Business Attributes		
0-1. industry overview 0-2. duration and results per business unit 0-3. business cycle per business unit 0-4. competitive analysis		
past	current	future
a. Business Landscape a-1. business landscape summary	d. Performance d-1. performance summary (results of operation) d-2. GAAP based d-3. GAAP derived d-4. Industry based d-5. Company specific d-6 Capital market-based	A. Business Landscape A-1. business landscape summary A-2. economics A-3. industry analysis A-4. technology trends A-5. political A-6. legal A-7. environmental A-8. social
b. Strategies b-1. corporate strategy summary b-2. vision and mission b-3. strength b-4. weakness b-7. goals and objectives b-8. corporate strategy b-9. business unit strategies b-10. business portfolio		B. Strategies B-1. corporate strategy summary B-2. vision and mission B-5. opportunities B-6. threats B-7. goals and objectives B-8. corporate strategy B-9. business unit strategies B-10. business portfolio
c. Resources and Processes c-1. resources and processes summary c-2. resource forms c-3. key processes c-4. value drivers		c. Resources and Processes c-1. resources and processes summary (C-99.) Resources and processes summary especially with changes in resource forms, key performance and main process from that described in c-2 and c-3
		D. Performances D-1. financial prospects (summary)

KPIs for non-financial data

Internal

Reporting for communication on shared framework

KPI Concept



Business Report of Eisai based on WICI Framework-Past Performance

0 Corporate Profile

0-1 Global Pharmaceutical Business

0-2 Established in 1941 (67 years history)

0-3 •Average R&D period of a new pharmaceutical product :15years

- Average amount of investments for developing a new pharmaceutical product: 80 billion yen

a-1 Business Landscape-Summary

The Business environment surrounding the pharmaceutical industry has been increasingly pressured and is set for great change, as represented by the accelerating healthcare cost-containment measures in Japan, the U.S., Europe and Asia, the swelling research and development (R&D) expenditures, the advancement of science and technology, the emergence of new economic blocs, and the trend of industry reorganization. In addition to having to manage their social responsibilities to ensure global environmental conservation and sustainability of society.

b-2 Vision & Mission

The Eisai mission, to “give first thoughts to patients and their families and to increasing the benefits healthcare provides,” is embodied in the letters *hhc* (human health care). Upon the consent of shareholders, we have included our concept in our Articles of Incorporation. Eisai Group employees throughout the world share this corporate concept and work to realize its objectives through their everyday activities.

b-3.4.5.6. SWOT and Objectives

(1) Creation of “Patient Value”

It is our belief that our mission is creating hope through providing high level of product/services/information with our integrated business strategies. To achieve this mission, we are committed to the creation of “patient value” from all aspects of healthcare from prevention, intervention, and innovation of treatments. We believe that the creation of “patient value” lies in “discovery of innovative drugs for combating the diseases for which adequate treatments have not been discovered” and “raising quality of life of patients”, “ensuring a stable supply of quality products” and “provision of information for safe and proper usage of drugs”.

(2) Creation of “Shareholder Value”

The company is committed to global efforts aimed at creating “patient value” while pursuing sustained growth and increased value generation and return to shareholders. In pursuing the above, we shall also engage in a constant effort to enhance “shareholder value” with increasing transparency in our business operations through active and fair disclosure of corporate information.

(3) Creation of “Employee Value”

The company believes that employees are the only stakeholders that can solely and directly enhance corporate value. We also seek an environment where all employees share the corporate vision and are motivated to drive the realization of company philosophy through daily business activities. To that end, we consider the key component of our human resource management is to be the encouragement of employee skill development in order to provide a rewarding environment for employees, taking each individual’s strengths and will into account.

(4) Performing Our Social Responsibilities

The Eisai Group aims to raise corporate value by realizing its corporate concept, which formulates a bond between its member companies and our all stakeholders. We implement our corporate strategies based on long-term perspectives that we believe are essential for sustainable growth in the common interests of shareholders. We are continuously making effort to develop and establish better systems of corporate governance, internal control environment protection, and social contribution activities.

c-2 Resources & Processes

c-2a Financial Capital

Net cash for acquisition of NCE and for M&A

c-2b Physical Capital

3 R&D centers in Japan, US and Europe

c-2c Relational Capital

Cross license agreements with major alliances

c-2d Organizational Capital

Corporate concept described in the articles of incorporation

Career development and continuous education plan

c-2e Human Capital

Committees for strategy organized by global management in all regions and functions

c-3a Main Point of Strategies based on its Vision

Establishing seamless value-chain

d-1 Past Performance

Consolidated Financial Highlights

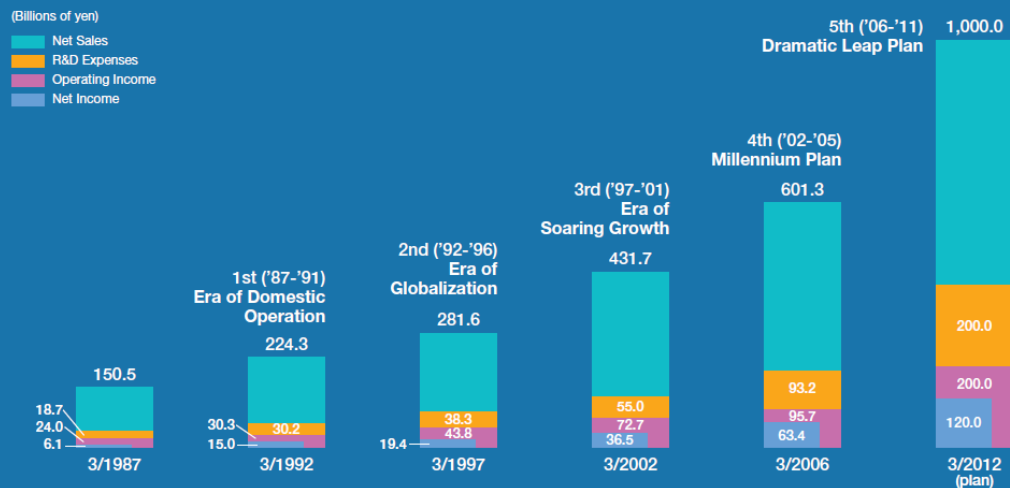
Years ended March 31

	2008	2008 Adjusted	2007
Net sales	¥ 734.3	¥734.3	¥674.1
Operating income	17.7	110.8	105.3
Net income (loss)	(17.0)	70.7	70.6
Research and development (R&D) expenses	225.4	137.8	108.3
Shareholders' equity*1	448.9		552.5
Total assets	1,123.9		792.1
Cash income*2	105.5		97.6
Ratio of R&D expenses to net sales (%)	30.7		16.1
Return on equity (ROE) (%)	(3.4)		13.2
Return on assets (ROA) (%)	(1.8)		9.2
Shareholders' equity ratio (%)	39.9		69.7
Dividends on equity (DOE) (%)	7.4		6.4
			Yen
Basic earnings (loss) per share (EPS)	¥ (59.80)		¥247.85
Diluted earnings per share	¥0		247.47
Cash dividends per share	130.00		120.00
Cash income per share (Cash EPS)*4	370.8		342.6

d-1 Past/Current Performance & Prospects (Medium-term base)

Eisai has achieved steady growth based on its medium-term strategic plans. Currently, the Company is striving towards attaining the targets of the Dramatic Leap Plan (DLP), which covers the period through March 31, 2012.

Trends in Medium-term Strategic Plans



Note: Enterprise taxes in the past were included in the category "Selling, general and administrative expenses." From the fiscal year ended March 31, 1999, they are included in the category "Income taxes—current" to conform to the accounting principles regarding disclosures in consolidated financial statements. Certain reclassifications have also been made in the previous data.

Forward-looking of Eisai (FY2006~FY2011)

A-1 Business Landscape-Summary

The Business environment surrounding the pharmaceutical industry will continue to be pressured by the accelerating healthcare cost-containment measures in all regions, the skyrocketing research and development (R&D) expenditures, the advancement of science and technology, increasing requirements for approval of new drugs, and the trend of industry reorganization. In addition to having to manage their social responsibilities to ensure global environmental conservation and sustainability of society.

B-2 Vision & Mission

All employees throughout the Eisai Group share the corporate concept of raising corporate value through the creation of "patient value," "shareholder value" and "employee value," while fulfilling its corporate social responsibilities.

b-3.4.5.6. SWOT and Strategies

■ Concept of the Regional Management

Eisai enhance the idea of Regional Headquarters model based on the concept "Create value by the best person at the best place in the best structure". In this business model, the functional headquarters as important function of the pharmaceutical business, and the regional headquarters in Japan, the US, Europe, China and Asia are located in the most adequate country and region. Increasingly complex environment will not allow single-strategy for the region. Regional strategies will accommodate the uniqueness of each healthcare systems in the region.

■ Research and Development Strategy

Eisai will focus on disease area, Neuroscience and Oncology, and aims to realize speedy and efficient achievement of business plan for new products through the newly-established Product Creation Strategy. Each Product Creation Unit will have a maximum autonomy for decision making in order to achieve the fastest delivery of good products in the focused areas. Cross-Functional Units will serve PCUs. CEO office will manage the product portfolio and corporate strategy.

■ Oncology Business Strategy

We establish the Eisai Oncology Unit in the U.S. not only to make efforts to advance our growing development of oncology drugs according to plans for regulatory application but to unify functions of discovery research, clinical development and marketing. In addition, Eisai has acquired key antibody technology through the acquisition of Morphotek and cancer business infrastructure through MGI Pharma.

■ Independent Marketing Strategy

Eisai aims to initiate independent marketing activities globally for the new products in order to support the increasing R&D expenditure and for profitability. We will increase the number of MRs in each area and form a special MR team for oncology to allow independent marketing capacity.

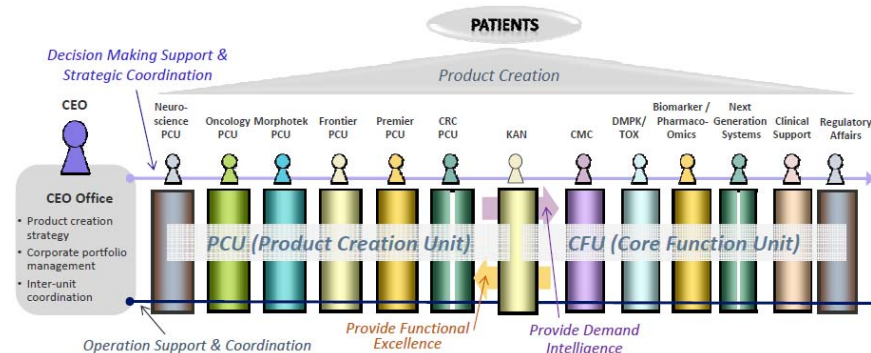
■ Transformation Strategy

It is a significant strategy to transfer operations to areas which have excellent technological levels and excel in cost performance to gain the global flexibility (transformation). Eisai will strive to create innovative wisdom by assuming clinical research data management/statistical analysis, medicinal chemistry, process chemistry, formulation research and production and by making maximum use of advantage offered in India.

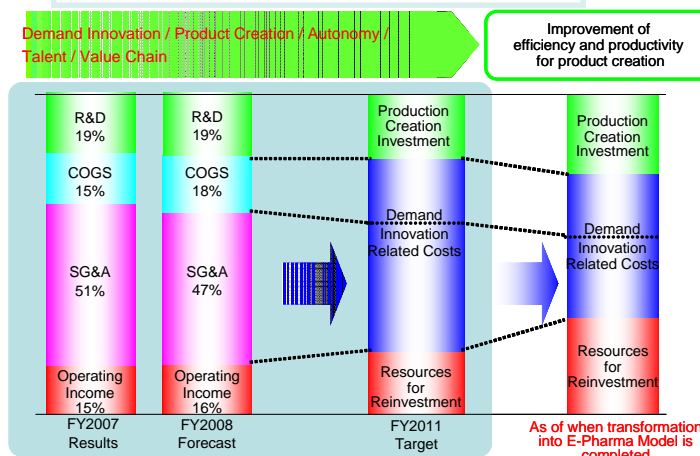
■ Human Resource Strategy

Eisai addresses to establish a Human Resource System that can realize maximum utilization of human capital.

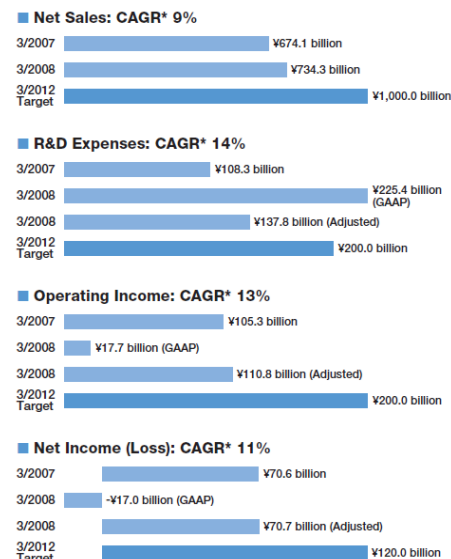
B-8 Corporate Strategy



Independent Marketing Strategy and New Initiative in Creating Value

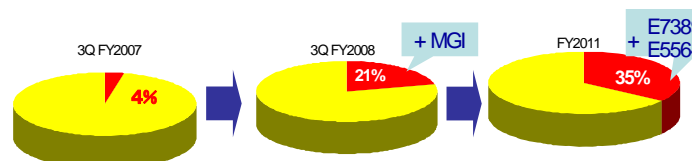


All key indicators exhibited steady growth toward the targets for the year ending March 31, 2012



Note: In the fiscal year ended March 31, 2008, as a result of the acquisition of MGI PHARMA, the application of GAAP-based standards for certain special consolidated accounting processes led to a large drop in profit as calculated using GAAP-based standards. On an adjusted basis, however, the Company increased its operating income and achieved a slight increase in net income.

Accelerating transformation into oncology and critical care areas



For Further Information

- Eisai WEB page
 - <http://www.eisai.co.jp/index-e.html>
- IR Section
 - <http://www.eisai.co.jp/eir/index.html>
- Documents
 - General Meeting of Shareholder
 - <http://www.eisai.co.jp/eir/estock/emeeting.html>
 - Financial Reports
 - <http://www.eisai.co.jp/eir/ereports/index.html>
 - Annual Report
 - <http://www.eisai.co.jp/eannual/index.html>
 - Environmental & Social Report
 - <http://www.eisai.co.jp/esocial/eesreport/index.html>
 - Presentations
 - <http://www.eisai.co.jp/eir/ematerials/index.html>
- WICI
 - <http://www.worldici.com/>