



FY2004 First Quarter Financial Results Presentation

Eisai Co., Ltd.

Revised on August 27, 2004

Consolidated Performance

FY2004 1Q

YOY

101

82

Gross Margin

93.7

80.3

107

98.6

80.3

105

4.9

125

106

100

100

107

19.500

15.9

99

(0.1)

110

Sales of Major Products

(billions of yen, %)

Product Name	Area	FY2003 1Q	FY2004 1Q	YOY	Increase (Decrease)
<i>Aricept</i> Alzheimer's Treatment	Total	32.5	34.4	106	1.9
	Japan	7.0	8.9	128	1.9
	U.S.	19.1	18.1	95	(1.0)
	Millions of Dollars	162	165	102	4
	Europe	5.8	6.7	116	0.9
	Asia	0.6	0.7	114	0.1
<i>Aciphex/</i> <i>Pariet</i> Proton Pump Inhibitor	Total	26.3	30.3	116	4.1
	Japan	1.7	3.2	187	1.5
	U.S.	22.6	24.8	110	2.2
	Millions of Dollars	191	226	119	35
	Europe	1.6	1.8	115	0.2
	Asia	0.3	0.5	135	0.1

U.S. *Aricept* Sales and Prescription

Sales to Customers by Geographic Area

	FY2003		FY2004			
	1Q		1Q			
	Results	%	Results	%	YOY	Increase
Japan	63.7	54.6	65.0	53.0	102	1.3
North America	42.3	36.2	45.5	37.1	108	3.2
Europe	8.5	7.3	9.5	7.8	112	1.0
Asia and Others	2.2	1.9	2.6	2.2	122	0.5
Overseas Total	52.9	45.4	57.6	47.0	109	4.7
Total	116.6	100.0	122.7	100.0	105	6.0

Operating Income by Geographic Area

(Pre-royalty deduction) (billions of yen, %)

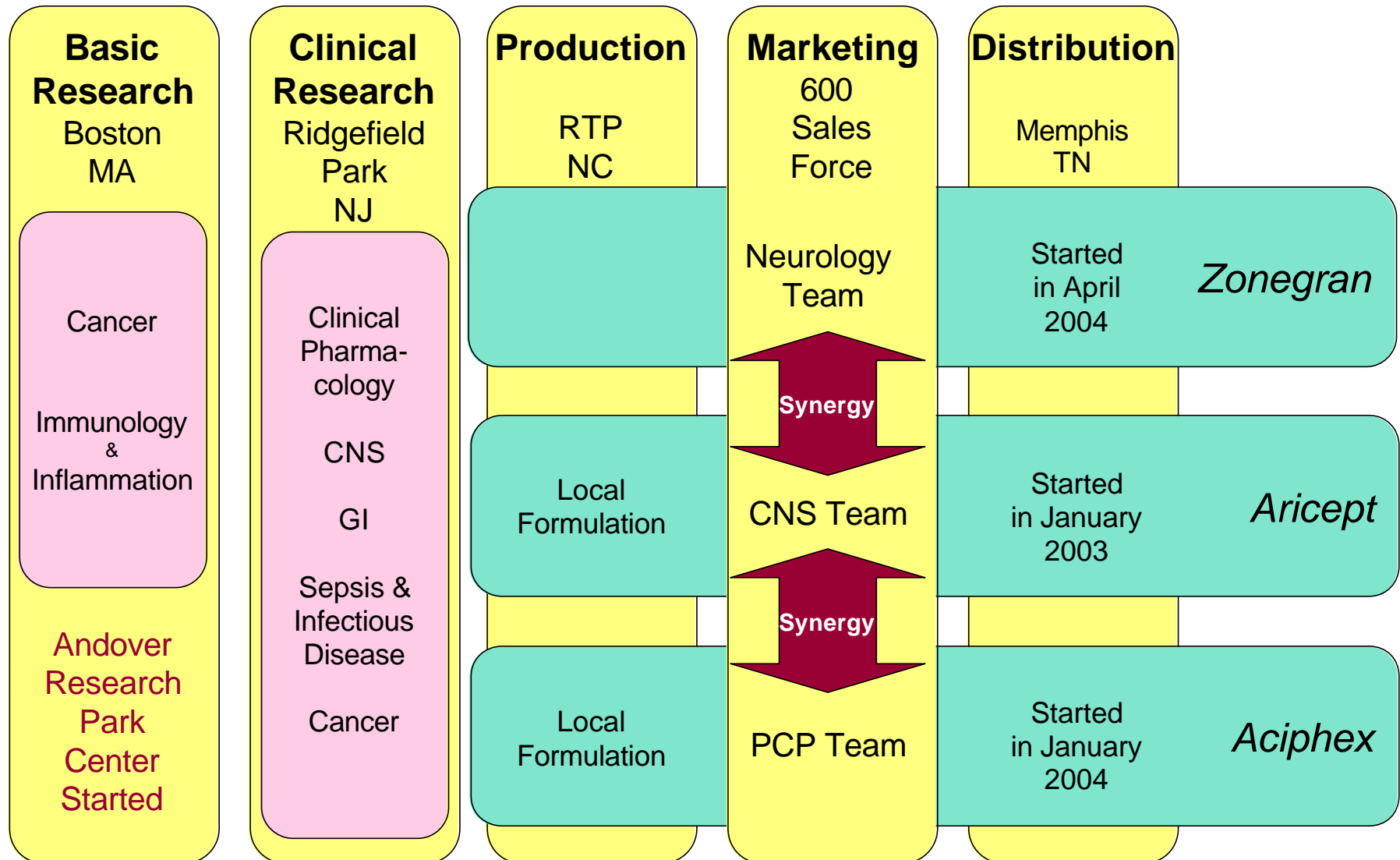
	FY2003		FY2004			
	1Q		1Q			
	Results	%	Results	%	YOY	Increase (Decrease)
Japan	14.7	65.6	11.7	54.3	80	(3.0)
North America	6.5	29.2	7.9	36.4	120	1.3
Europe	0.7	3.2	1.3	6.0	183	0.6
Asia and Others	0.5	2.0	0.7	3.2	152	0.2
Overseas Total	7.7	34.4	9.8	45.7	128	2.1
Sub-Total	22.4	100.0	21.6	100.0	96	(0.8)
Elimination	(3.3)		(2.9)			0.4
Total	19.1		18.6		98	(0.4)

Performance of Eisai Inc.

(Millions of Dollars, %)

	FY2003 1Q			FY2004 1Q			
	Results	%	YOY	Results	%	YOY	Increase
Net Sales	358	100.0	113	418	100.0	117	60
<i>Aricept</i>	162	45.1	139	165	39.5	102	4
<i>Aciphex</i>	191	53.3	100	226	54.1	119	35
<i>Zonegran</i>	-	-	-	23	5.4	-	23
Operating Income	8	2.3	166	14	3.4	172	6
Net Income	5	1.5	139	9	2.2	164	4
Operating Income (Pre-royalty deduction)	53	14.7	139	69	16.6	132	17

Overview of U.S. Operations



Consolidated Free Cash Flow

18.3	13.4	(8.9)	(21.0)
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Japan *Pariet* Growth Rate

(Billions of yen, %)

	FY2003				FY2004
	1Q	2Q	3Q	4Q	1Q
Sales	1.7	4.1	5.7	3.1	3.2
YOY	107	299	357	253	187

Focused Development of Four Global Compounds

Accelerating progress by adding study sites to achieve Proof of Concept (POC) in FY2004

E2007 AMPA Receptor Antagonist

Phase IIb study for Parkinson's disease is ongoing in the E.U.

E7070 (generic name: indisulam) Cell Cycle G1 Phase Arresting Agent

Phase II mono-therapy for breast cancer is ongoing in the U.S.

Phase II combination therapy with carboplatin for non-small cell lung cancer is ongoing in the E.U.

Phase II combination therapy with irinotecan for colorectal cancer started in the E.U.

E7389 Tubulin Polymerase Inhibitor

Phase I study is nearing completion

Phase II study is in preparation for breast and non-small cell lung cancer

E5564 (generic name: eritoran) Endotoxin Antagonist

Sepsis: Phase II study is ongoing at the highest dose (stage 3)

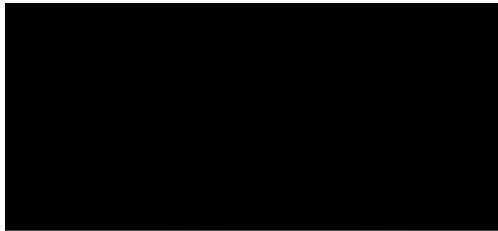
Prevention of endotoxin-related complications after coronary artery bypass graft surgery.

Phase IIa data processing is ongoing

Phase IIb study is ongoing

Launched Products and Approved and Filed Compounds in 1Q

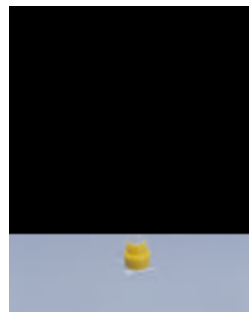
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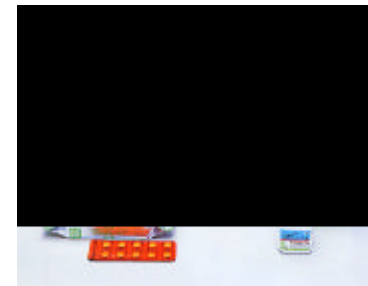
Aricept, Rapid Disintegration Tablet
Launched on July 1 in Japan



Apnission Inj. (Apnea of Prematurity)
Launched on July 1 in Japan



Neophylline Injection Prefilled soft bag
250mg (Additional Formulation)
Launched on July 1 in Japan



Warfarin 0.5mg (Additional Formulation)
Launched on May 10 in Japan

<Approved>

Pariet (On-demand therapy for moderate to very severe symptomatic GORD) in April in the E.U. (Additional Indication)

Pariet (Zollinger-Ellison Syndrome) in June in the E.U. (Additional Indication)

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Aricept (Liquid Formulation) in May in the E.U. (Additional Formulation)

Financial Forecast for FY2004

(billions of yen, %)

	FY2003 Results	FY2004 Estimates	YOY
Net Sales	500.2	520.0	104
R&D Expenses	69.0	75.0	109
Operating Income	83.1	86.0	104
(R&D Expenses + Operating Income Ratio)	30.4%	31.0%	-
Net Income	50.1	52.0	104
EPS (Yen)	172.1	180.7	105
Dividends (Yen)	36.0	42.0	
DOE (%)	2.6	2.7	