

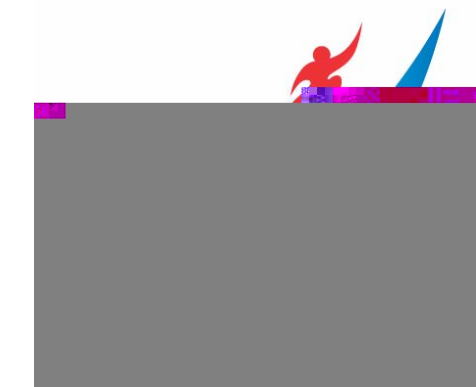


Half-Year FY2006

(Fiscal Year Ending March 31, 2007)

Financial Results

Presentation



October 31, 2006

Fisai Co. Ltd

Consolidated Performance

(billion yen)

	1H FY2005		1H FY2006			
	Results	%	Results	%	YOY (%)	Increase
Net Sales	282.6	100.0	319.4	100.0	113	36.8
Cost of Sales	48.7	17.2	53.2	16.7	109	4.5
Gross Margin	233.9	82.8	266.2	83.3	114	32.2
R&D Expenses	44.4	15.7	52.2	16.4	118	7.8
SG&A Expenses	144.3	51.0	164.3	51.4	114	20.0
Operating Income	45.3	16.0	49.6	15.5	110	4.4
Ordinary Income	47.1	16.7	51.7	16.2	110	4.6
Net Income	30.2	10.7	32.5	10.2	108	2.4
R&D + Operating Income	89.7	31.7	101.9	31.9	114	12.2

Sales to Customers by Geographic Area

(billion yen)

	1H FY2005		1H FY2006			
	Results	%	Results	%	YOY (%)	Increase
Japan	139.6	49.4	143.5	44.9	103	3.9
North America	114.0	40.3	139.1	43.6	122	25.2
Europe	21.2	7.5	26.5	8.3	125	5.3
Asia and Others	7.9	2.8	10.3	3.2	130	2.4
Overseas Total	143.1	50.6	175.9	55.1	123	32.8
Total	282.6	100.0	319.4	100.0	113	36.8

	1H FY2005		1H FY2006		YOY (%)	Increase/ Decrease
	Results	%	Results	%		
				66.6	92	
				25.9	156	
				3.9	75	
				3.6	121	
				33.4	135	
Sub Total	49.7	100.0	51.2	100.0	103	1.5
	(4.4)		(1.6)			2.8
					110	

	1H FY2005		1H FY2006			
	Results	%	Results	%	YOY (%)	Increase/Decrease
Net Revenue	1,047	100.0	1,212	100.0	116	164
<i>Aricept</i> [®]	481	45.9	631	52.0	131	150
<i>AcipHex</i> [®]	488	46.6	524	43.2	107	36
<i>Zonegran</i> [®]	68	6.5	14	1.2	21	(54)
<i>Fragmin</i> [®]	-	-	31	2.6	-	31
Operating Income	72	6.9	107	8.9	149	35
Net Income	49	4.7	74	6.1	153	26
Operating Income (Pre-royalty deduction)	218	20.8	288	23.8	132	71

Cash Flow Condition

(Consolidated)

(billion yen)

	Operating Cash Flows		Capital Expenditures		Free Cash Flows	
	Results	Increase/ Decrease	Results	Increase/ Decrease	Results	Increase/ Decrease
1H FY2003	45.8	26.3	9.8	(4.4)	36.0	30.7
1H FY2004	40.8	(5.1)	24.2	14.3	16.6	(19.4)
1H FY2005	39.9	(0.9)	19.2	(5.0)	20.7	4.1
1H FY2006	36.6	(3.3)	14.2	(5.0)	22.4	1.7

Achievement in Growth Toward Dramatic Leap Plan

(¥ Based, %)

	FY2006 - FY2011 Compound Annual Growth Rate		1H FY2006
	Market (est.)	Eisai Target	Eisai
Japan	-	104	103
Prescription Pharmaceuticals	102	107	104
America	108	110	122
Europe	107	121	125
Asia and Others	109	120	130
Overseas Total	108	113	123
Total	107	109	113

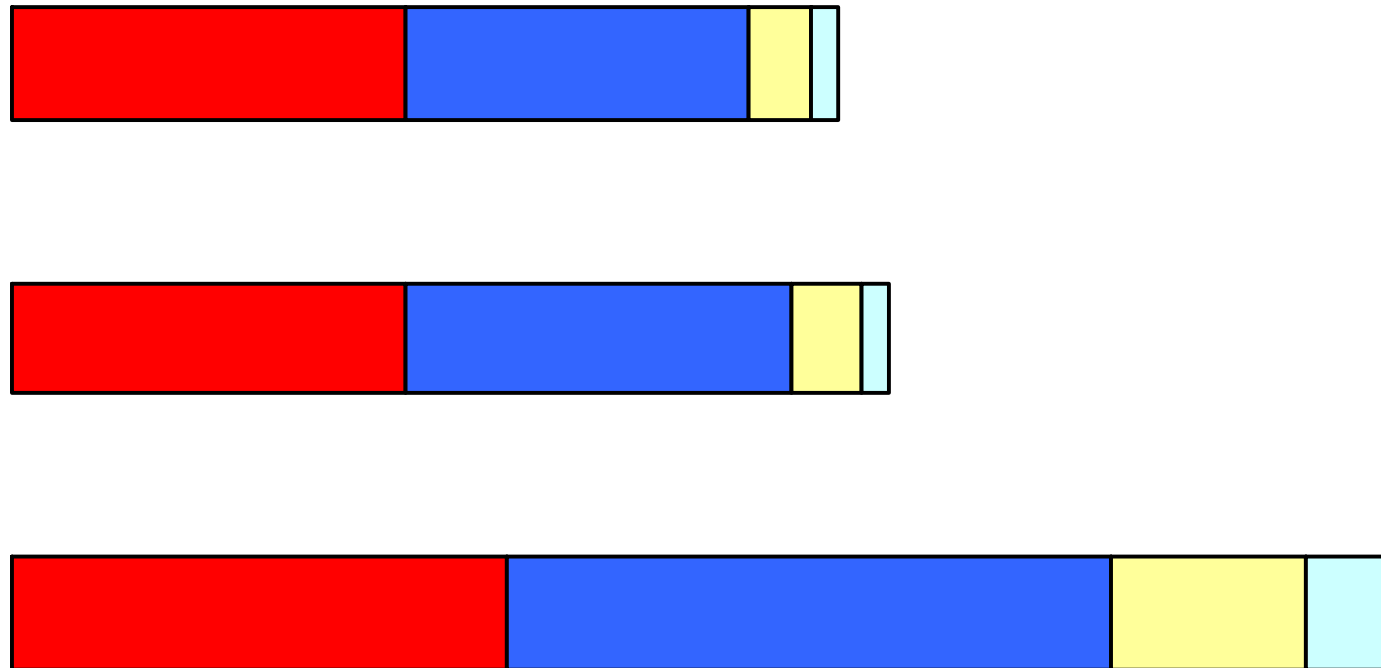
(Compound annual growth rates are based on Dramatic Leap Plan)

Qualitative Transition in Globalization



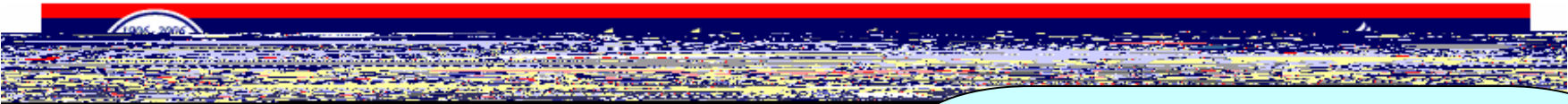
Pursue Well Balanced Sales Structure by Region
(Japan, US, EU & Asia)

EU

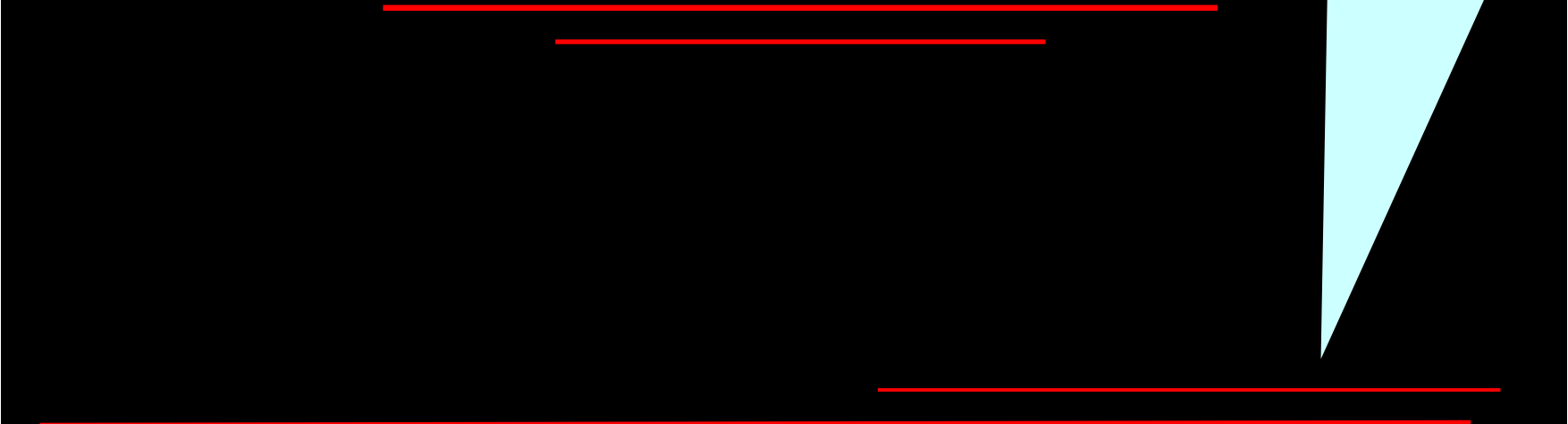




Receives Additional Indication for Severe Alzheimer's Disease



Today's approval is based on two additional randomized, placebo-controlled, 24-week clinical studies conducted in Sweden and Japan in more than 500 patients





Treats Full-Spectrum of Alzheimer's Disease First in the World

Number of Alzheimer's disease patients by geographic region

(x1,000)

	Japan		US		Europe(G5)		Asia		Total	
	# of Patients	Aricept Penetration	# of Patients	Aricept Penetration	# of Patients	Aricept Penetration	# of Patients	Aricept Penetration	# of Patients	Aricept Penetration
Mild to Moderate	900	41.5%	3,340	39.5%	2,080	18.0%	2,600	6.1%	8,920	25.0%
Severe	250		1,160		310		650		2,370	
Total	1,150	32.5%	4,500	29.3%	2,390	15.7%	3,250	4.9%	11,290	19.7%

Source: Data Monitor 2004, Eisai

- Approach to target the worldwide untreated patient population
 - Closely communicate with Alzheimer's disease patient and caregiver groups
 - Enhance educational activities around disease awareness and new treatment
 - Leverage MR's sales capability of Eisai and partner to enhance dissemination of key information
- Filed with MHRA under mutual recognition system for severe Alzheimer's Disease in Europe;

E7389: Breast Cancer Study for 3rd Line Subpart H Completed Enrollment of 300 Patients NDA Filing in 3Q 2007

Breast cancer	The 3 rd line subpart H study completed enrollment of 300 patients NDA filing in 3Q of FY2007 Phase III study for the 2 nd line ongoing Phase III study for the 3 rd line ongoing
Prostate cancer	Phase II POC study ongoing
Non-small cell lung cancer	Confirmed monotherapy to be equivalent to approved agents in 2 nd line treatment Initiated Phase Ib study (combination with carboplatin)
Sarcoma	Phase II POC study in preparation
Japan	Phase I study ongoing
Joint study with NCI	Phase II studies targeted to ovarian cancer, head and neck cancer ongoing

Eisai Acquired Four Anti-tumor Products from Ligand

Product	Indication	Patent Expiration
ONTAK[®]	CD25 positive cutaneous T-cell lymphoma (injection)	December 2014
Targretin[®] capsules	Cutaneous T-cell lymphoma (capsule)	October 2016
Targretin[®] gel 1%	Cutaneous T-cell lymphoma (ointment)	October 2016
Panretin[®] gel 0.1%	AIDS-related Kaposi's sarcoma (ointment)	October 2016

- Purchasing assets regarding the four products including intellectual property
- Transition of oncology expertise from Ligand to Eisai
- Began global marketing on October 25, 2006
- Sales target in FY2007: \$60 Million
- These four acquired products are the first commercialization in Eisai's entry into the oncology market, a key strategy in the Dramatic Leap Plan



- Development progress of new indication and formulation for *AcipHex*[®]/*Pariet*[®]
 - Completed POC of extended release formulation; confirmed the inhibition of nocturnal acid secretion by new formulation designed to maintain plasma levels with once-a-day dosing
 - Filing of *H. pylori* eradication passed the 2nd Pharmaceutical Council of Japanese PMDA
 - Filed *H. pylori* secondary eradication in Japan
- Japan Consumer Health Product Business doing well
 - For 1H FY2006, net sales up 11% year-on-year and further improvement of profitability
 - Substantial growth of OTC products: *CHOCOLA BB*[®] group, *Higuard*[®], *Selbelle*[®] tablets, *Nabolin*[®] group



Oncology

		Recurrence of hepatocellular carcinoma	Phase II/III study ongoing	FY2008
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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	Human anti TNF- alpha monoclonal antibody	Rheumatoid arthritis Psoriasis Crohn's disease	NDA Submitted in December 2005 (Japan) Phase II/III study ongoing Phase II/III study in preparation Phase III ongoing for severe sepsis	Submitted
E5564	Endotoxin antagonist	Severe sepsis	29 study sites (27 in North America and 2 in Europe) opened out of 250 planned sites Phase I ongoing using Japanese volunteers in the US, before conducting Phase III in Japan Plan to file simultaneously in the US, Europe and Japan in FY2009	FY2009
E2014	Botulinum toxin type B	Cervical dystonia	Phase II/III study ongoing	FY2006
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 (U.S., EU)	FY2010

Enriching Shareholder Return

Stable and Continuous Dividend Payment
Target DOE of approx. 8% in FY2011

