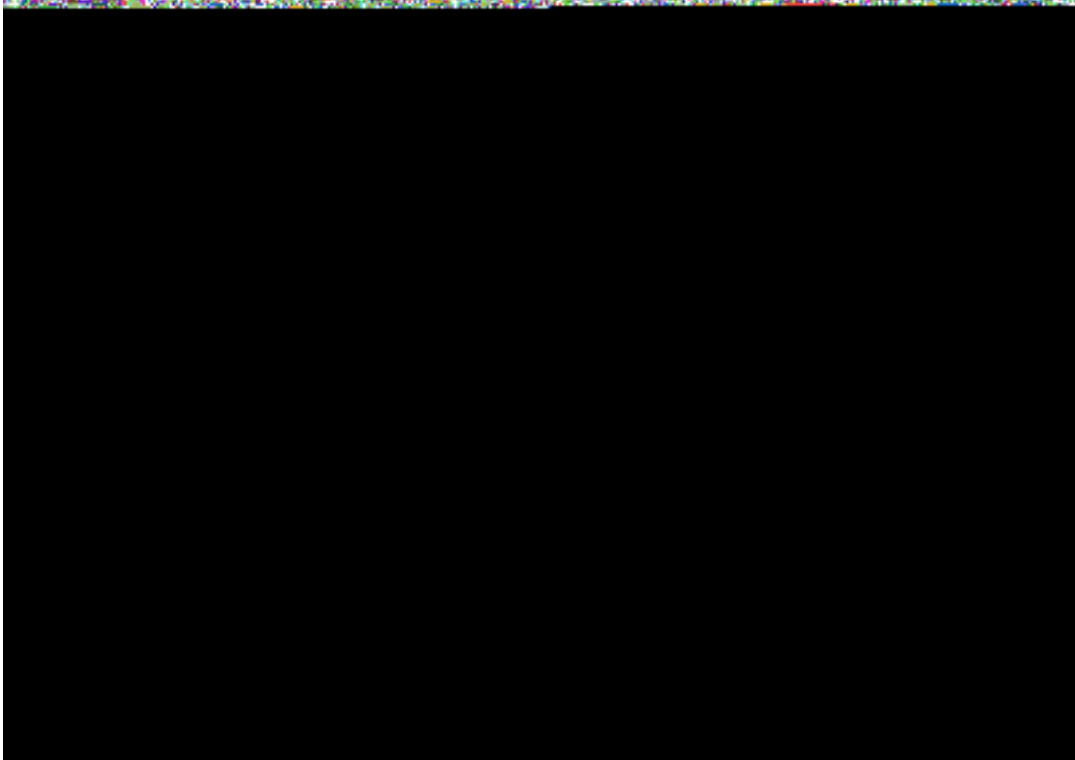


We Started as a Pioneer of Japanese Bio-Venture Company

Sakuragaoka Laboratory (Started 1936)

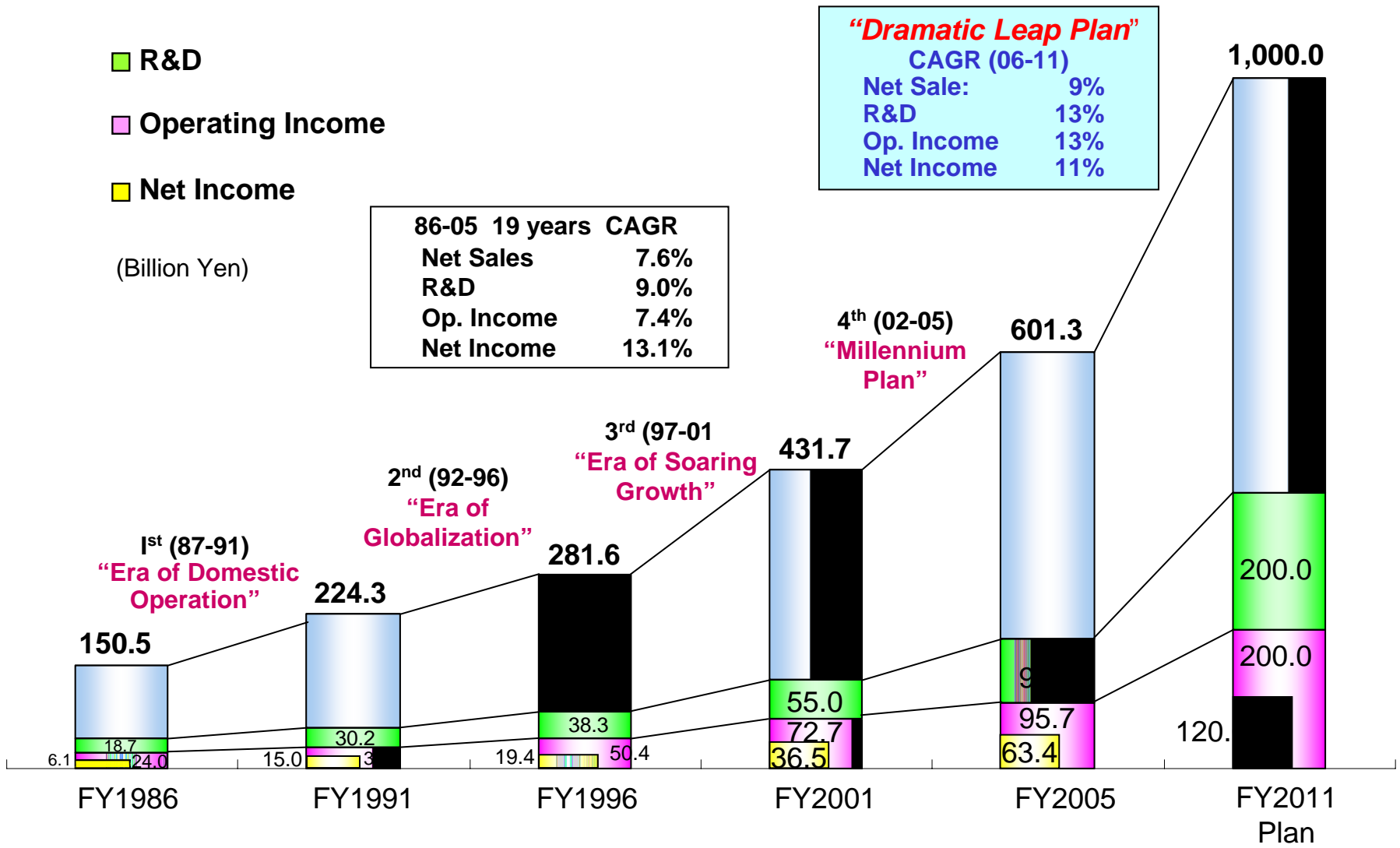


“JUVELA” (Vitamin E Pellet)



We aim to attain net sales of ¥1 trillion, R&D expenses of ¥200 billion, operating income of ¥200 billion and

History of Growth (Sales, R&D and Incomes)



Outperform Market Growth in All Regions

Geographic Region	Market Forecast	<i>Dramatic Leap Plan</i>
	CAGR FY05-11	CAGR FY05-11
Japan		4%
Prescription Pharmaceuticals	2%	7%
America	8%	10%
Europe	7%	21%
Asia and Others	9%	20%
Overseas Total	8%	13%
Total	7%	9%

Market Forecast: Internal estimation



Well Balanced Sales Structure by Geographic Region

Growth: Recent Strategic Investments

	R&D	Manufacturing	Sales & Promotion	Regional Headquarter	Total Investment
Strategic Product Acquisition from Ligand Pharm.			Four Oncology Products		\$205 Mil.
US Production Site (RTP, NC) 2 nd Phase Investment		Oncology Manufacturing Facilities			\$90 Mil.
Research Institute of Boston 2 nd Phase Investment	Improve Discovery Capabilities				\$75 Mil.
European Knowledge Center (Hatfield, UK)	Improve Discovery	Global Supply Chain	Sales in UK	Expand Management Function	£100 Mil.
China Production Site (Suzhou) 2 nd Phase Investment		Tripled Production Capacity			¥2 Bil.
Indian Production Site, Data Analysis Center	Development & Global Data Management	Global Supply Chain			¥5 Bil.



Contributing to Unmet Medical Needs

E7389: Microtubule growth suppressor (Target Subpart H NDA submission for Breast Cancer in 3Q FY2007)

- Origin from a natural sea sponge (*Halicondria okadaï*)
- E7389 blocks tubulin polymerization resulting in microtubule growth suppression while taxane blocks tubulin depolymerization
- Good response rate in taxane refractory patients
- Less neurotoxic and easy to administer due to good water solubility

Growing microtubule

Tubulin Polymerization



Nonproductive tubulin aggregates

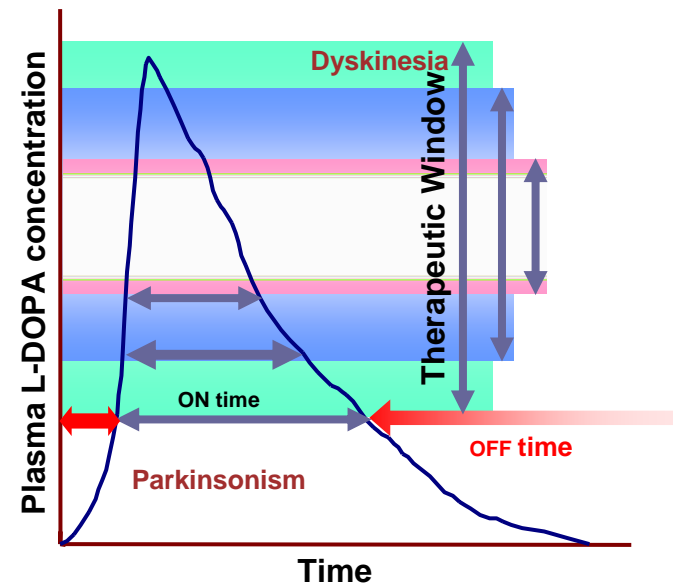
Tubulin Depolymerization

Shortening microtubule

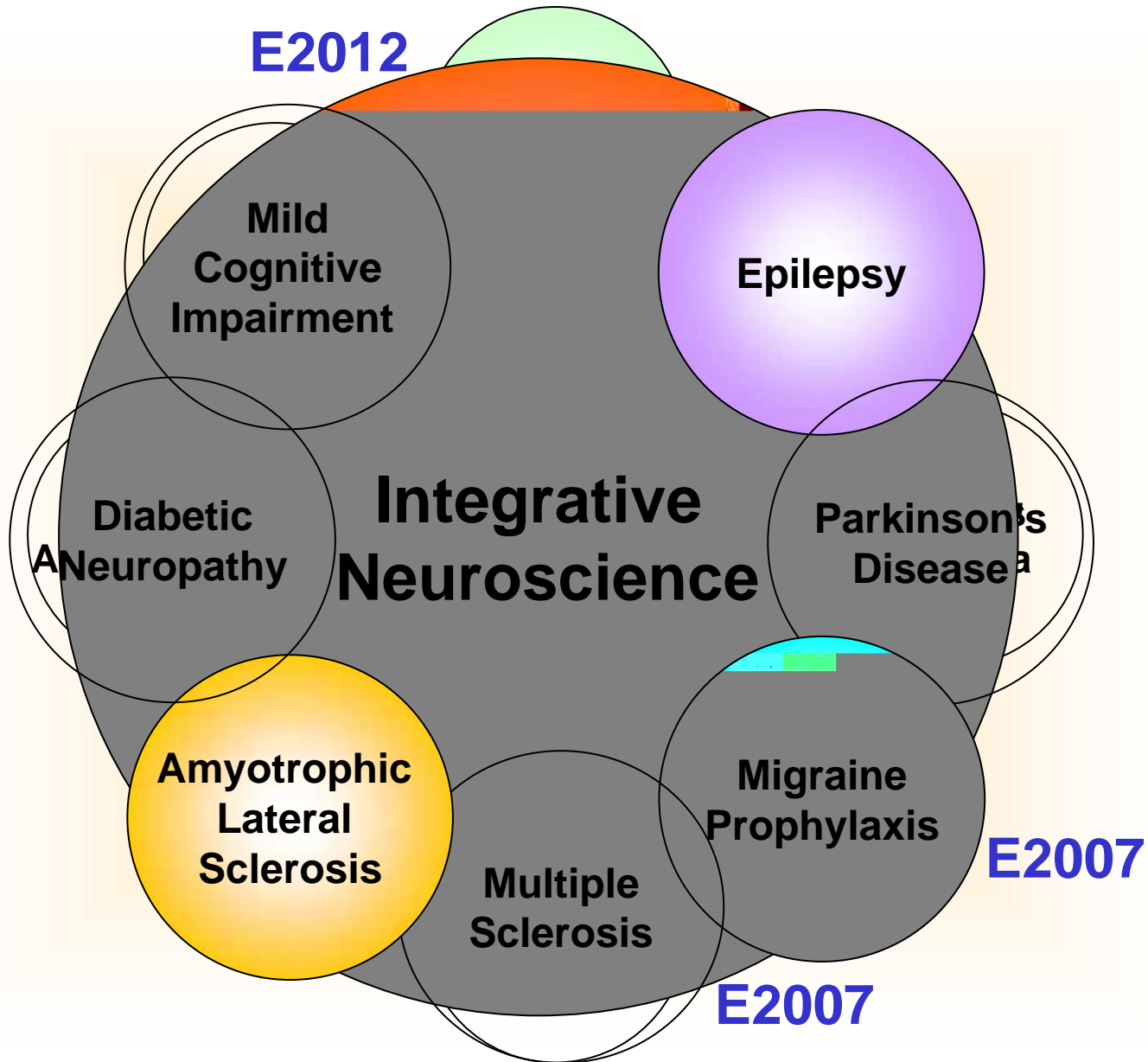
Target Indication	Current Status	Submission Target
Breast cancer	<ul style="list-style-type: none"> •Studies for 3rd line Subpart H completed 300 patients enrollment, NDA filing in 3Q of FY2007 •Phase III studies ongoing for the 2nd line •Phase III studies ongoing for the 3rd line 	FY2007 (Subpart H)
Prostate cancer	Phase II POC study ongoing	
Non-small cell lung cancer	<ul style="list-style-type: none"> •Confirmed monotherapy to be equivalent to approved agents in 2nd line treatment in Phase IIa •Initiated Phase Ib study in combination with carboplatin 	
Sarcoma	Phase II POC study in preparation	
	Phase I study ongoing in Japan	

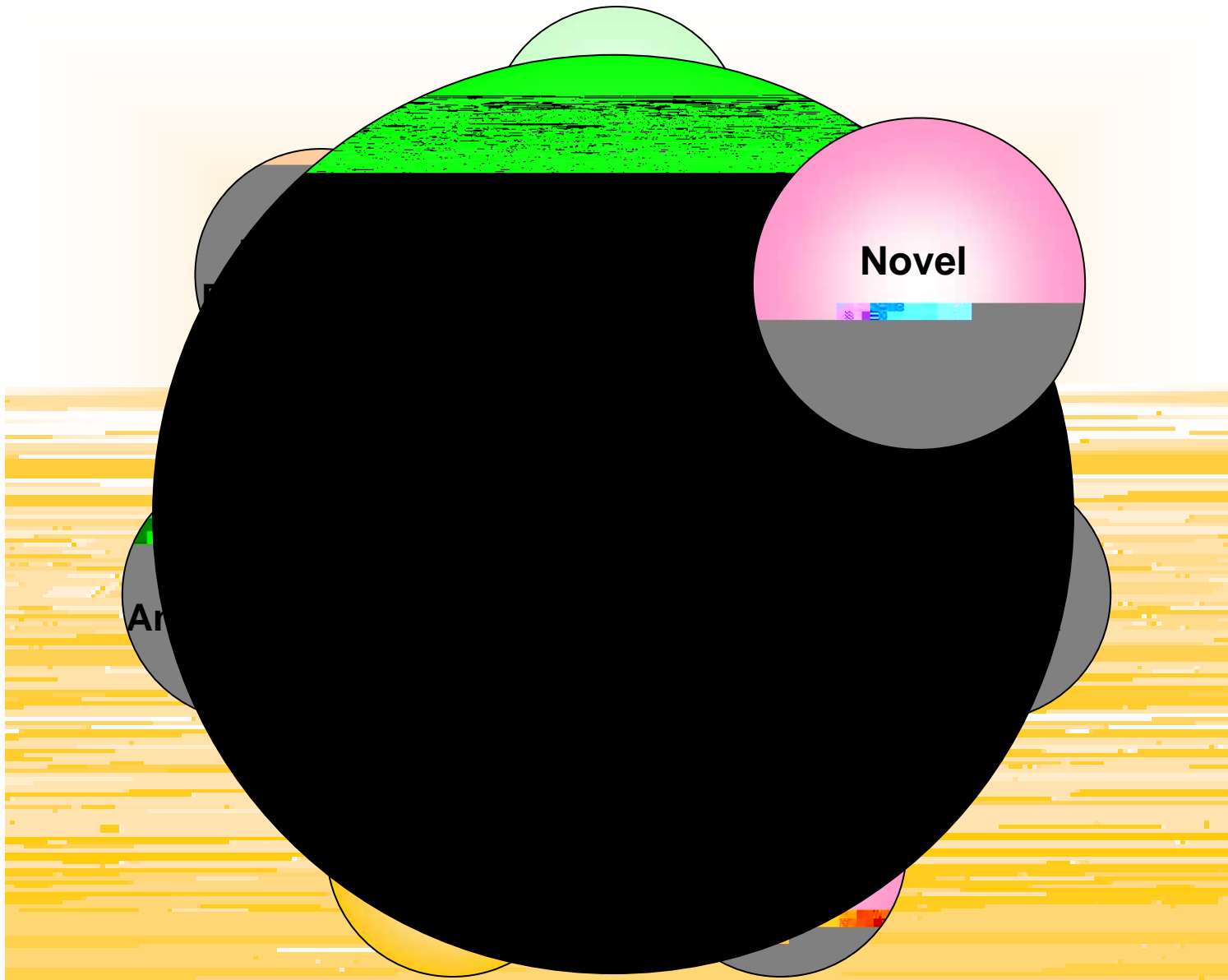
E2007: AMPA receptor antagonist (Target submission for Parkinson's disease in FY2007)

- An oral AMPA receptor antagonist accomplished World's First Proof of Concept for Parkinson's disease, showed clinically meaningful efficacy in OFF time reduction
- Excellent safety profile and no worsening of dyskinesia



Target Indication	Current Status	Submission Target
Parkinson's disease	Phase III study ongoing in EU and US for the submission on schedule	FY2007
Migraine prophylaxis	Phase II POC study ongoing	
Epilepsy	Phase II POC study ongoing	
Multiple sclerosis	Phase II POC study in preparation	







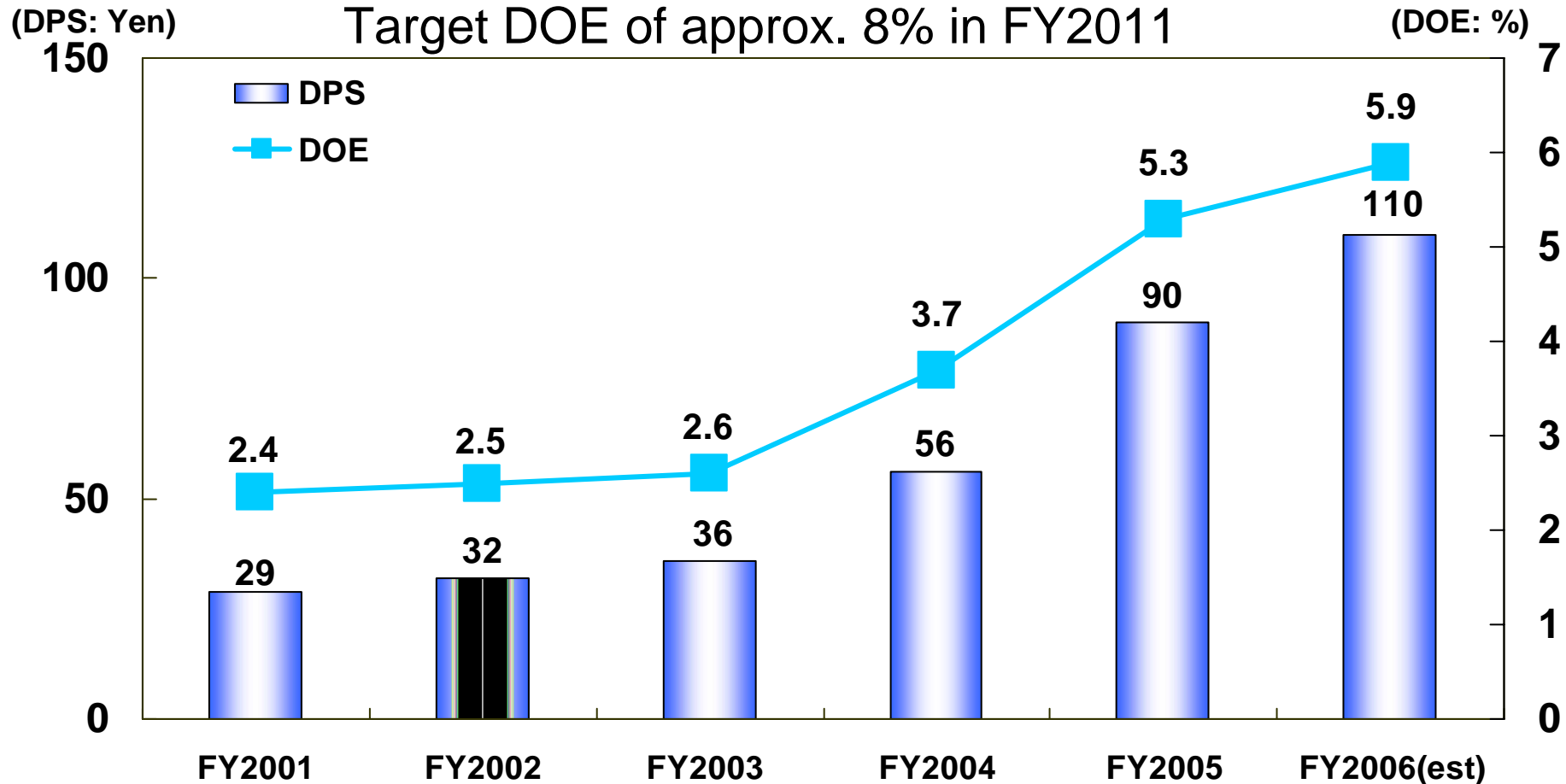
IR Policy

- **Strong Leadership of CEO in IR Activities**
 - Expand IR coverage
 - Further focus on direct communication with shareholders
- **Growth & Shareholders Return**

Enriching Shareholder Return

Stable and Continuous Dividend Payment

Target DOE of approx. 8% in FY2011



Share Buyback	4.59 M ¥13.9 B	3.00 M ¥9.2 B	4.00 M ¥11.4 B	1.97 M ¥6.1 B	-	2.00 M* ¥11.0 B
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*Board of Directors authorized maximum share buyback of the lesser of 4 million shares or ¥22 billion on 31st July 2006



FY2005

FY2006

Forecast