

Translation from Japanese:

The quest for wisdom yields quantum leaps

Information Meeting Feb. 2004

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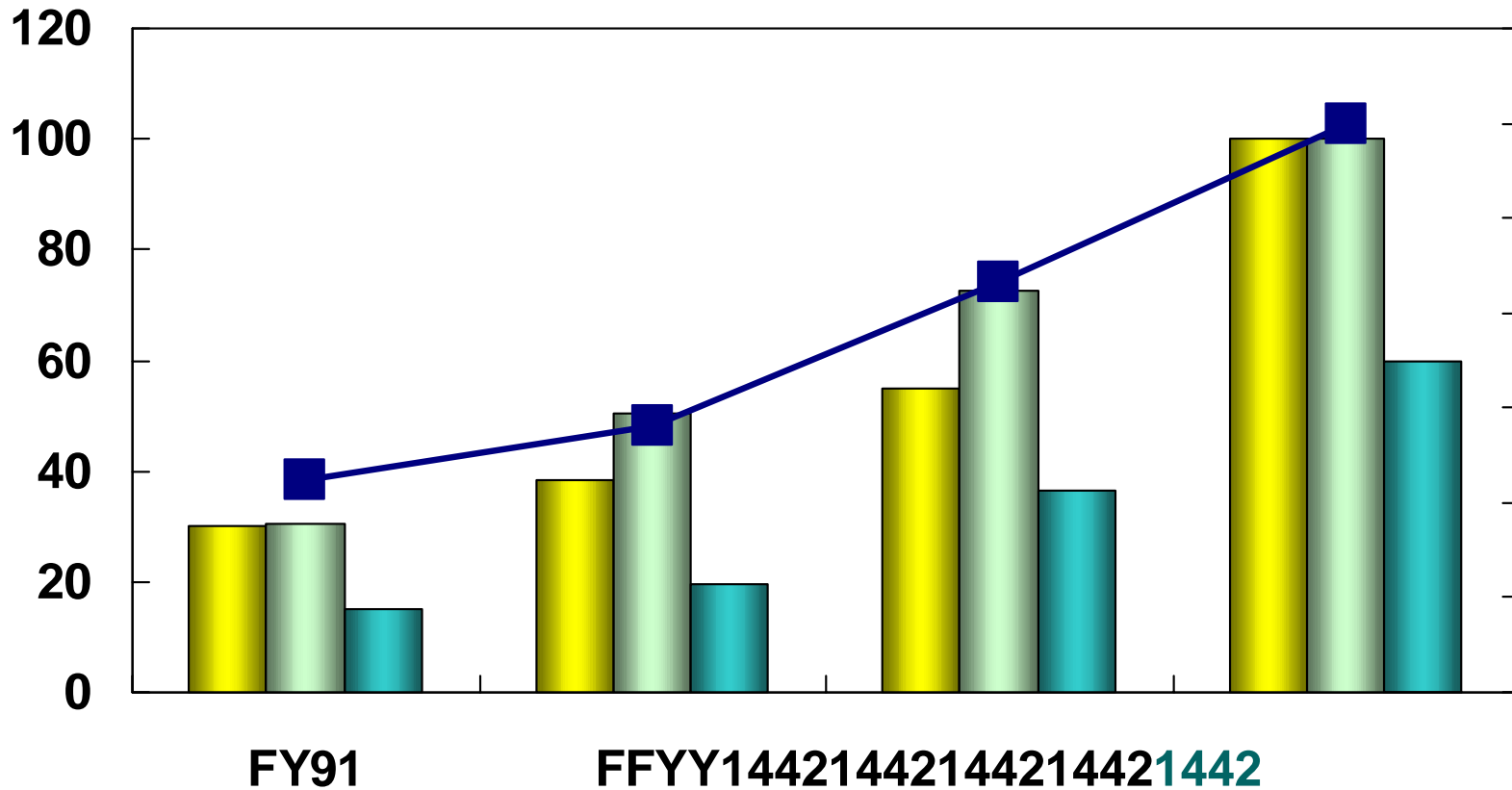
Today's Theme:

- Value Creation
- Pursuit of Efficiency
- Strengthen Infrastructure for Growth
- Desirable Company Image





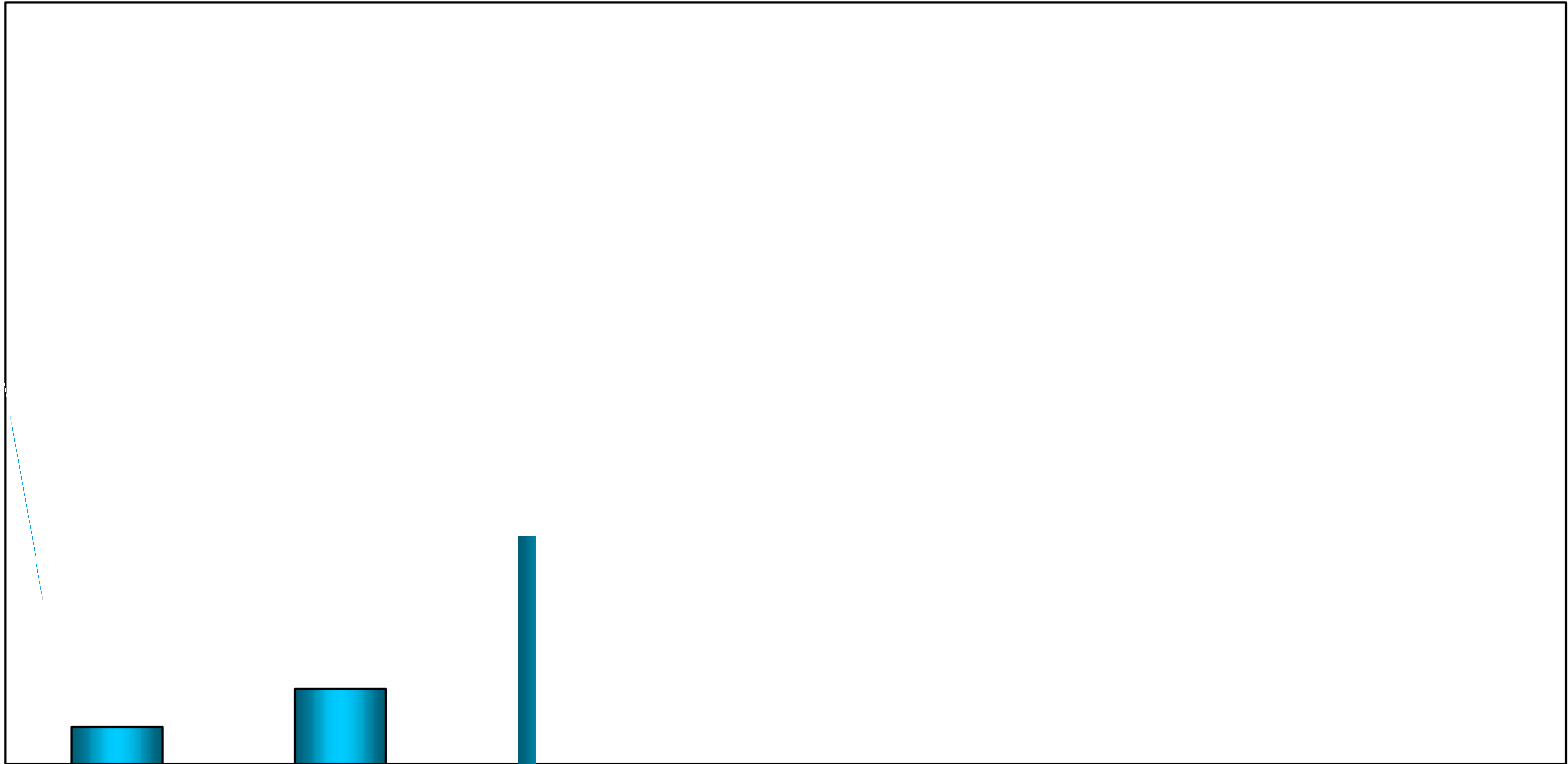
Sustained Growth





Dividend Policy

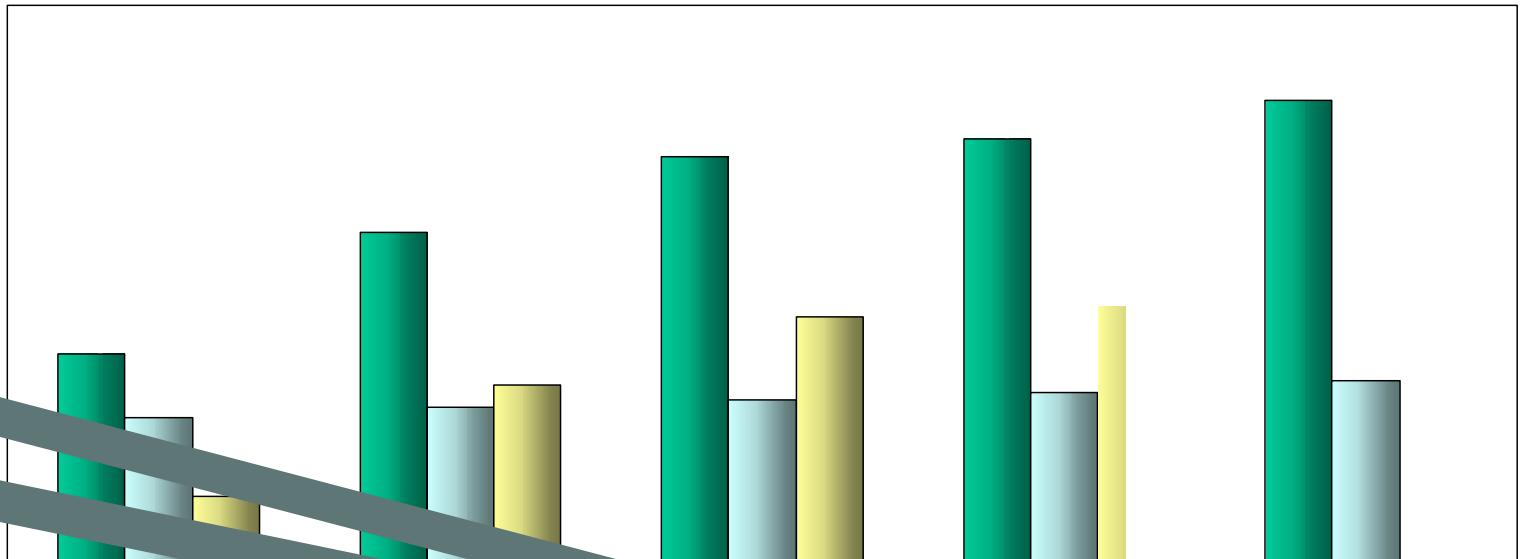
-Steady Dividend Increase-



Creating Shareholder Value

-Economic Profit (pro forma)-

Capital Cost-Conscious Management and Improvement in Capital Efficiency





Pursuit of Efficiency

Establish Franchise
Seamless Value Chain



Establish Franchise

Franchise Concept

- Products with Sales of More than \$1 Billion Forms the Basis of a “Franchise”
- Ongoing Projects in Each Stage of Clinical Development
- Continuing Investment in Discovery Research



Benefits of Establishing Franchise

- Extensive Information about Market, Competition, Science Trend, etc. in the Franchise area
- Informed Decision Making
- Improved Success Rate

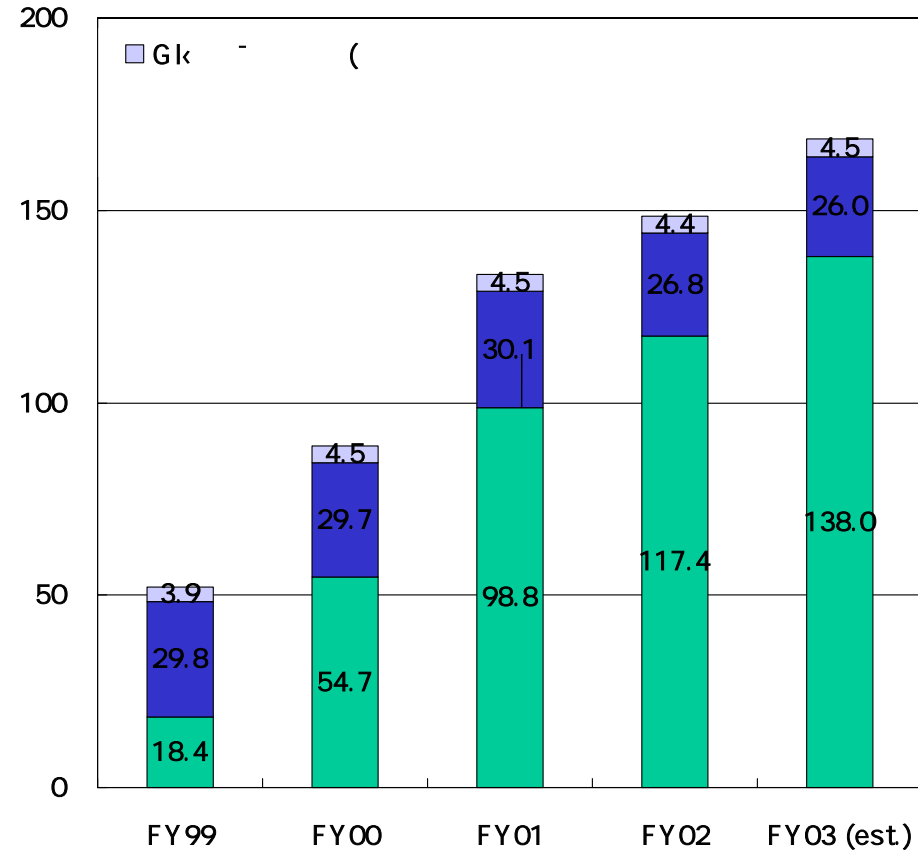
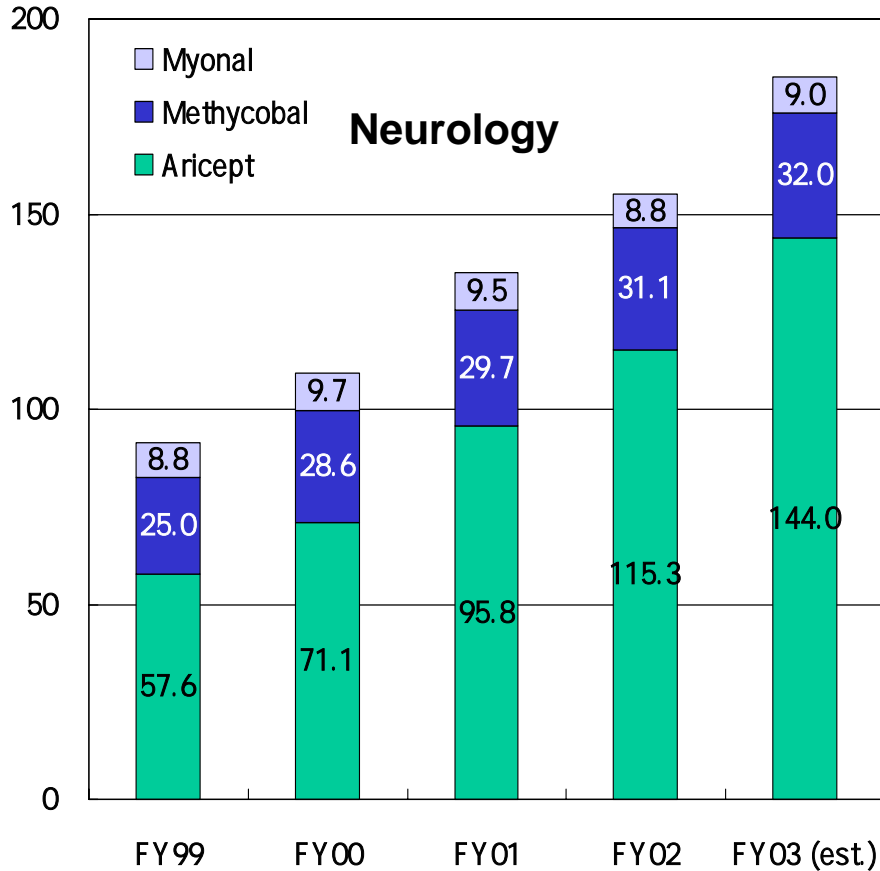
Neurology, Gastroenterology: Franchise Area

Oncology, and Orthopedics in Japan: Franchise Candidates



Establish Franchise

(Billions of Yen)

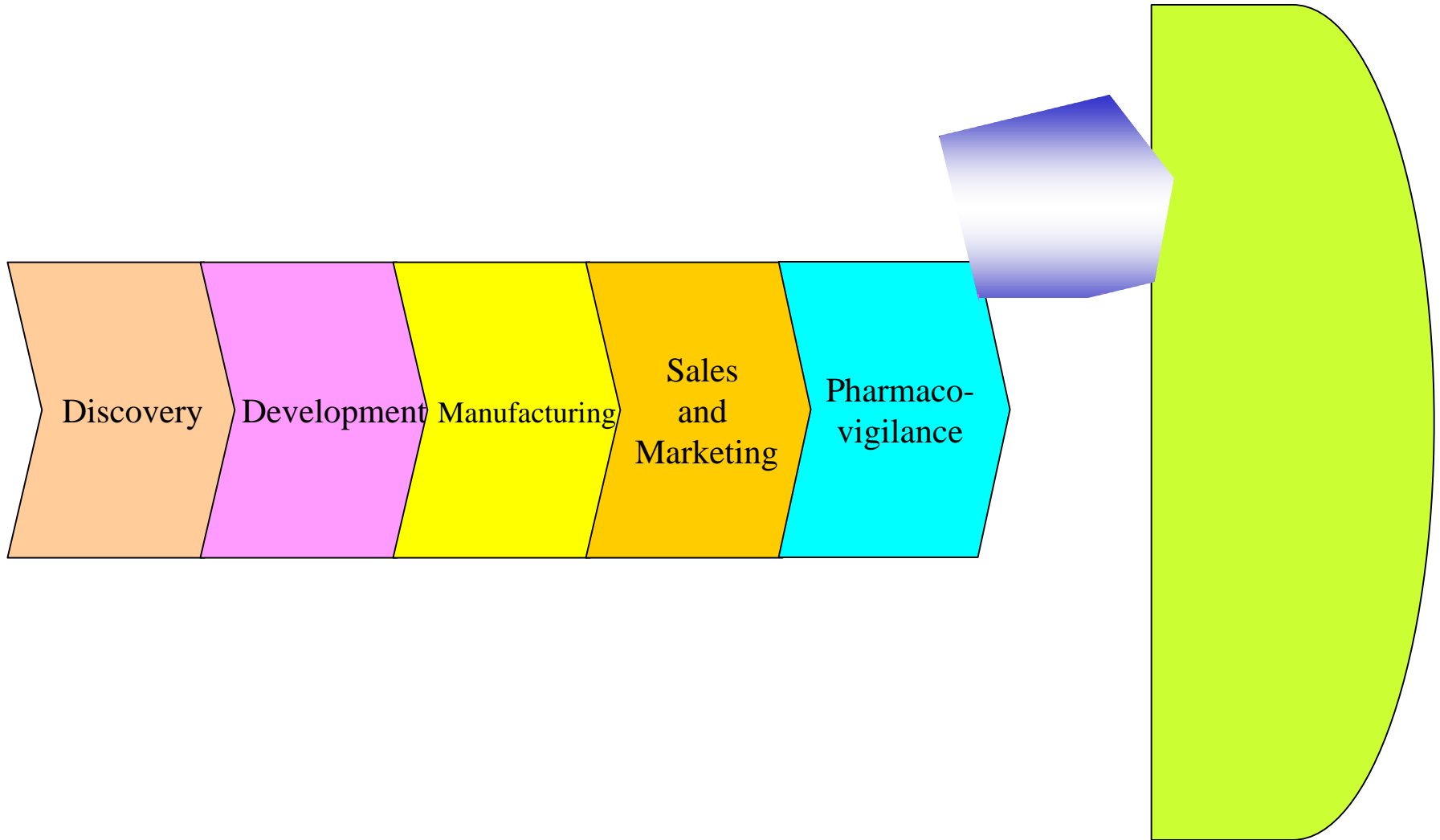




Seamless Value Chain



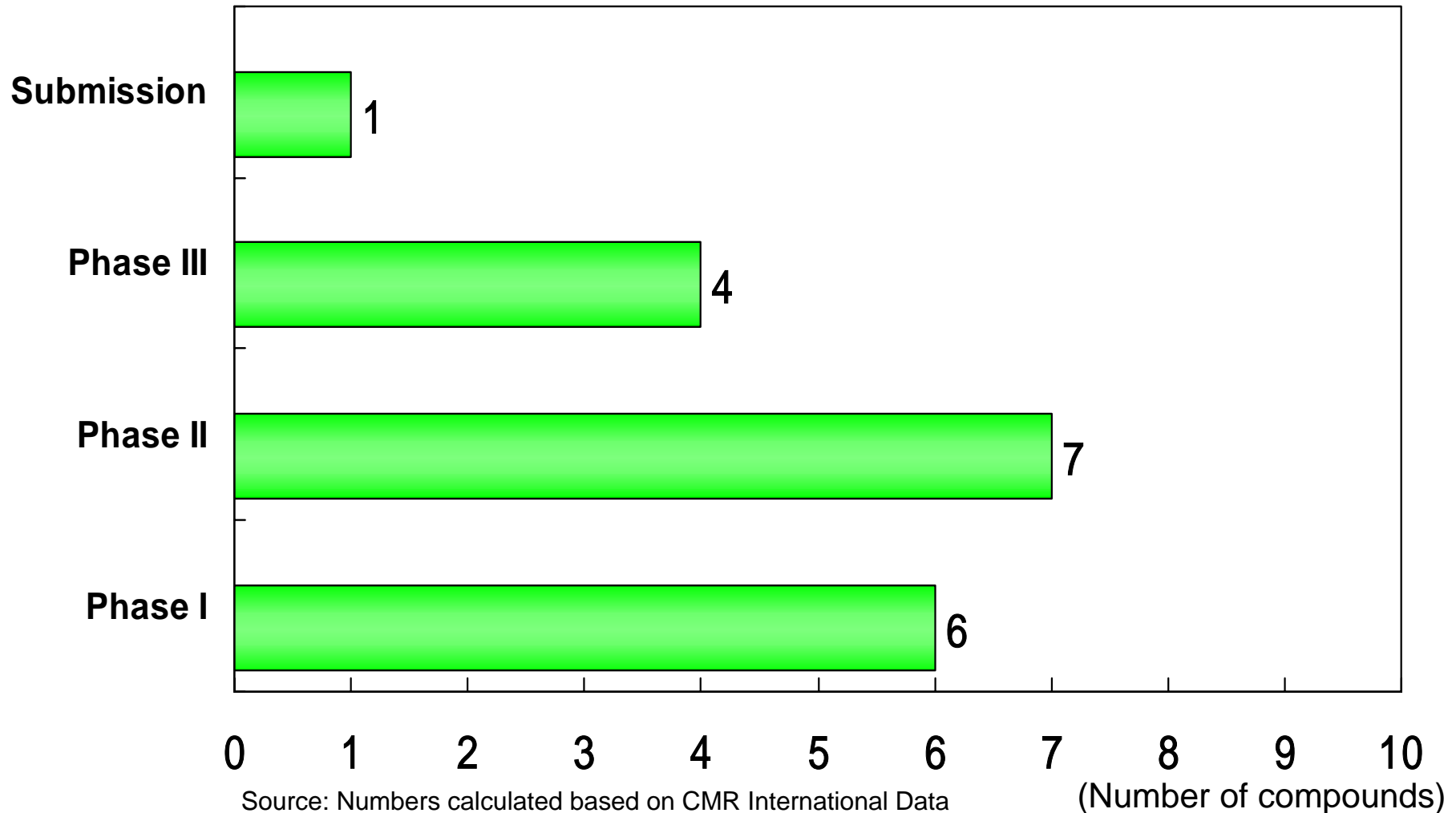
Seamless Value Chain







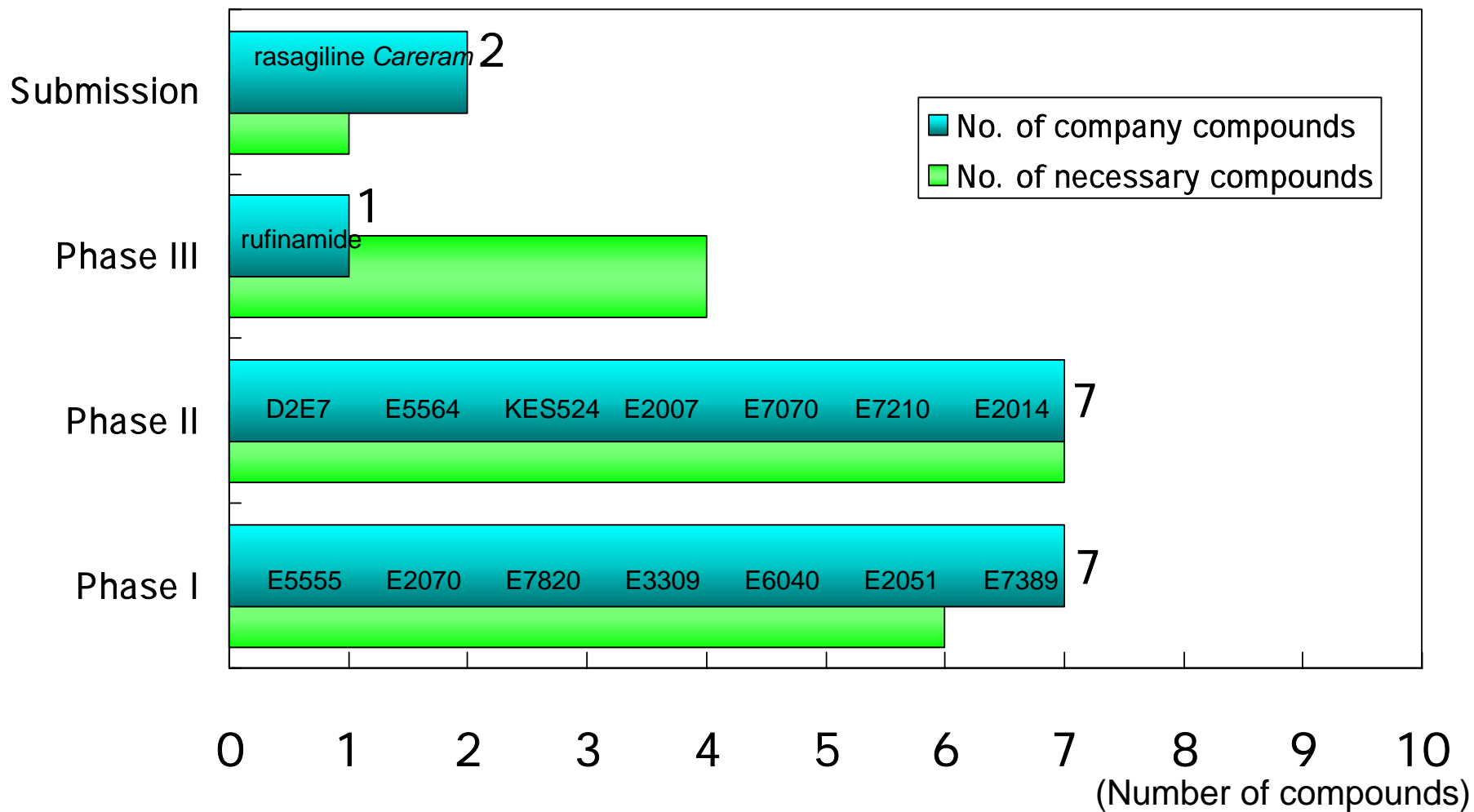
Number of necessary compound required for one NME per year (Hypothesis)





Current Pipeline

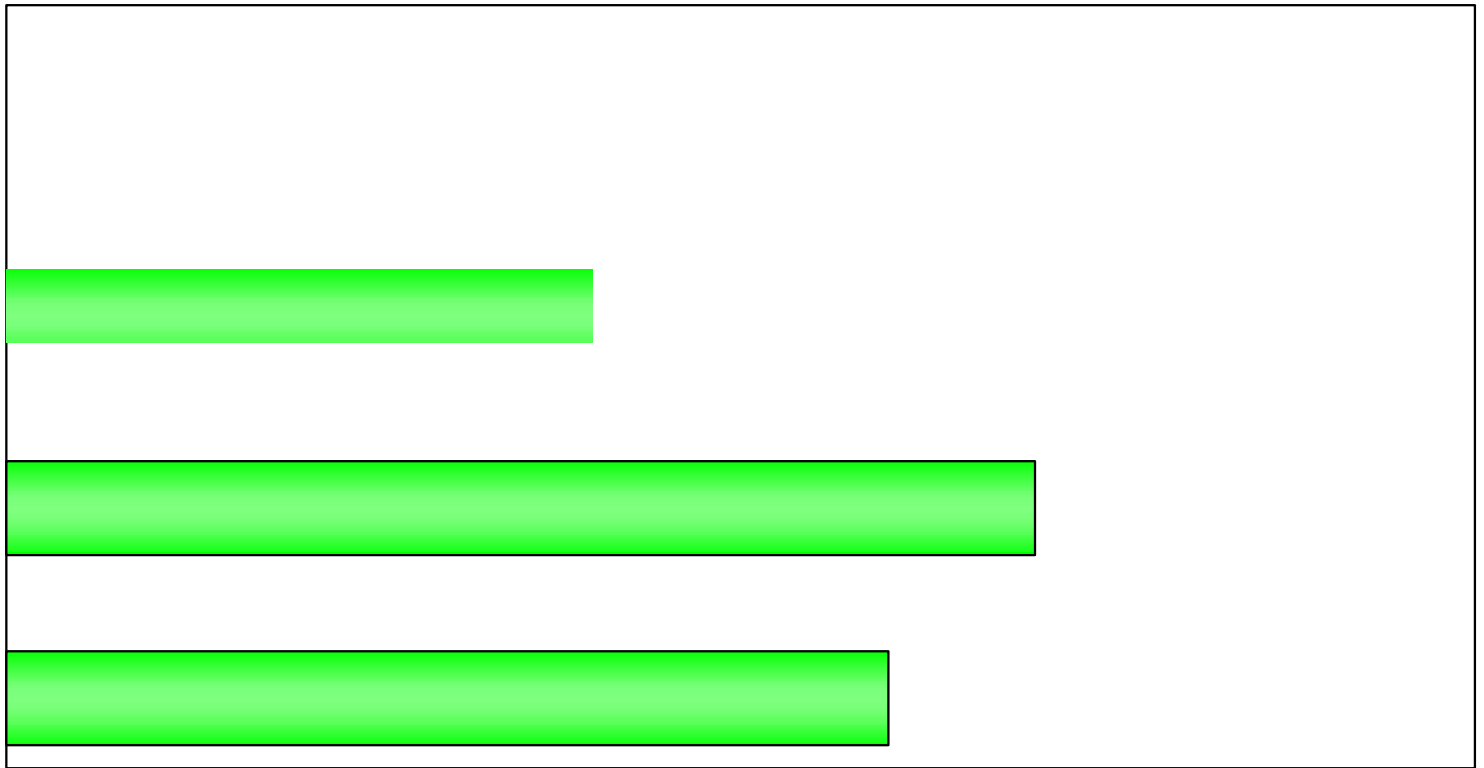
FY2003







Pipeline in FY2006





Strengthen Operations

Strengthening the Value Chain
Components -the Basis for Global
Expansion - is the Key to Achieving
Further Growth.



Strengthening Operation in the U.S.

- ¥ Completion of Seamless Value Chain
 - Assumption of Distribution of *Aciphex* in FY2003
- ¥ Increase in Manufacturing Capacity
 - Investment of \$15 Million in Manufacturing Facility at Research Triangle Park, North Carolina in FY2003
- ¥ Enhanced Abilities in Discovery Research
 - Investment of \$75 Million in Boston Laboratories Through FY2006
 - Staff Increase up to 250
- ¥ Enhanced Abilities in Clinical Research
 - Staff Increase to 200 in Eisai Medical Research in FY2004
- ¥ Securing Appropriate SOV of *Aricept* and *Aciphex*
 - Increase Sales Force to 500 in FY 2004 through Addition of 100 Sales Representatives



Strengthening Operations in Japan

- ¥ Increase Sales Force to 1200 in FY2005
- ¥ Continuous Growth of *Aricept* and *Pariet*
 - *Aricept*: 50% Penetration Ratio (FY2006)
 - *Pariet*: Confident in the Most Powerful Marketing Force in GastroenterologyAccelerate Switch from H₂RAs to PPIs
- ¥ Reinforcement of Manufacturing Capacity
 - Kashima (bulk drug substance): Invest 9 Billion Yen in FY2004
Enhance Process, Bulk Drug Substance Production, and Efficiency of Operation
 - Misato (formulation): 4 Billion Yen in FY2004
Increase Production Capacity for *Aciphex/Pariet* and Efficiency
- ¥ R&D Investment of 100 Billion yen in FY 2006 Dedicated to Achieving a Pipeline that is Necessary for 1 NME Per Year





Strengthening Operation in Asia

¥ Reinforcement of Operations in China

- Sales Force: 250, Covered Cities: 100
Estimated Sales of \$20 Billion in FY2006
- Currently 9 Products Marketed

Methycobal, Aricept, Pariet, Selbex, Myonal, Merislaq



Our Goal



Our Goal

Contribute Best to Patients Through Meeting Unmet Medical Needs in Neurology, Gastroenterology, and Oncology, Producing Quality Products Steadily, and Creating Value Through the Safe Usage of Drugs in Japan, the U.S., the E.U. and Other Asian Markets.



Safe Harbor Statement

¥ Materials and information provided during this presentation may contain “forward-looking statements” a