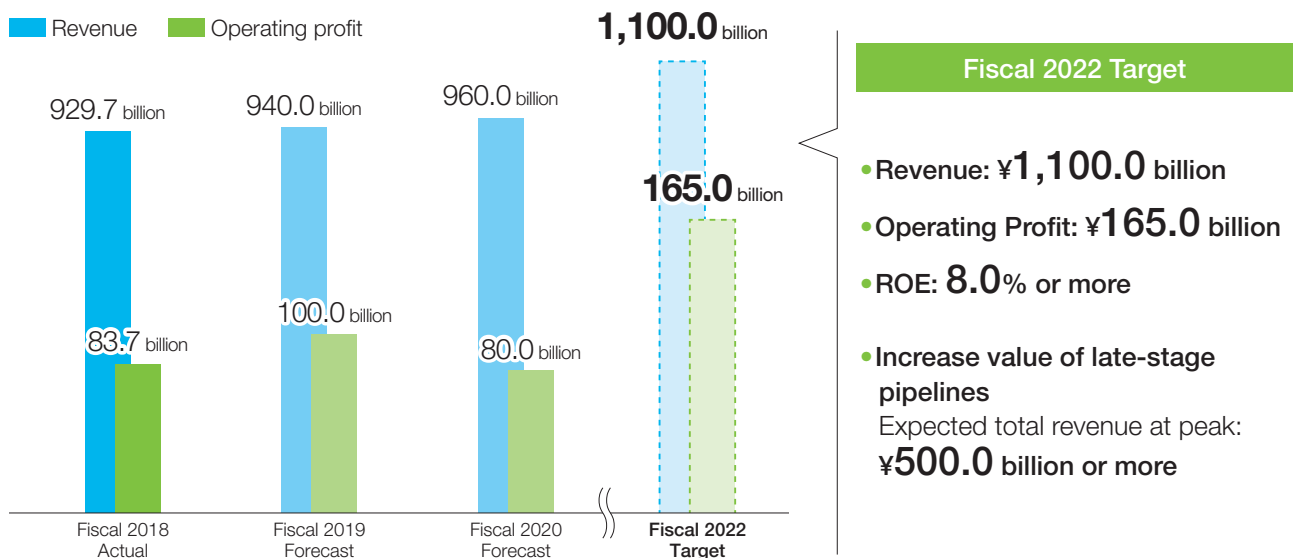


5-Year Business Plan Overview and Progress

The 5-year business plan covers the period from fiscal 2016 to fiscal 2020, which has been positioned as a period for transformation leading up to the 2025 Vision. However, we made revisions to some targets in October 2018, owing to a wide range of environmental changes. Currently, we are studying new targets in light of our strategic alliance with AstraZeneca.

For details, refer to page 33.



Six Strategic Targets for Accomplishing Our Performance Targets

<p style="text-align: center; background-color: #0070C0; color: white; padding: 5px;">Grow Edoxaban</p> <p style="text-align: center; border: 1px solid #0070C0; padding: 2px;">Achievements and Progress</p> <ul style="list-style-type: none"> Expanded global revenue (fiscal 2018 revenue: ¥117.7 billion) Ranked No.1 in market share within Japan (as of 4th quarter, fiscal 2018) Significantly expanded the market share in many countries within Europe and Asia 	<p style="text-align: center; background-color: #0070C0; color: white; padding: 5px;">Grow as the No. 1 Company in Japan</p> <p style="text-align: center; border: 1px solid #0070C0; padding: 2px;">Achievements and Progress</p> <ul style="list-style-type: none"> Ranked No.1 in market share of domestic ethical drugs for three consecutive years Ranked No.1 in MR evaluation for seven consecutive years Continually launching new products (<i>Tarlige</i> and <i>MINNEBRO</i>) 	<p style="text-align: center; background-color: #0070C0; color: white; padding: 5px;">Expand U.S. Businesses</p> <p style="text-align: center; border: 1px solid #0070C0; padding: 2px;">Achievements and Progress</p> <ul style="list-style-type: none"> Expanded American Regent business (fiscal 2018 revenue: ¥117.8 billion) Expanded <i>Injectafer</i> revenue (fiscal 2018 revenue: ¥44.2 billion) Re-examined strategy for the pain franchise of Daiichi Sankyo, Inc.
<p style="text-align: center; background-color: #0070C0; color: white; padding: 5px;">Establish Oncology Business</p> <p style="text-align: center; border: 1px solid #0070C0; padding: 2px;">Achievements and Progress</p> <ul style="list-style-type: none"> Accumulated promising clinical data on <i>DS-8201</i> and working ahead of schedule for the target date to submit an application for approval Presented positive clinical data on <i>U3-1402</i> and <i>DS-1062</i> Submitted an NDA for <i>Quizartinib</i> and <i>Pexidartinib</i> 	<p style="text-align: center; background-color: #0070C0; color: white; padding: 5px;">Continuously Generate Innovative New Medicine changing Standard of Care (SOC)</p> <p style="text-align: center; border: 1px solid #0070C0; padding: 2px;">Achievements and Progress</p> <ul style="list-style-type: none"> Ventured into many different modalities <i>DS-1647</i> (oncolytic virus) NDA submitting planned Progressed on open innovation 	<p style="text-align: center; background-color: #0070C0; color: white; padding: 5px;">Enhance Profit Generation Capabilities</p> <p style="text-align: center; border: 1px solid #0070C0; padding: 2px;">Achievements and Progress</p> <ul style="list-style-type: none"> Optimized Sales & Marketing structure in the U.S. and EU (total 550 position cuts in fiscal 2016 and 2017) Optimized global R&D structure (four locations closed) Optimized global manufacturing structure (two locations closed and decided to sell one location)

Growth Investments and Shareholder Returns

Prioritize growth investments while also enhancing shareholder returns

Achievements and Progress

- Reduced cross-shareholding shares (33 different stocks for a total amount of ¥46.0 billion over three-year period)
- Sold properties (¥25.0 billion over three-year period)
- Gain on sales of business transfers (¥6.3 billion)
- Issued super-long-term unsecured corporate bonds (¥100.0 billion)
- Acquired own shares (¥100.0 billion over three-year period)
- Maintained a total return ratio of 100% or more (114.8% over three-year period)