

Daiichi Sankyo's Strengths

Carrying on the century-long strength in science & technology forged by its predecessors, Daiichi Sankyo continues its quest to create innovative pharmaceuticals.

Moreover, with a robust, global pool of talent and global management, we will utilize our strong presence in Japan so as to continue our earnest and trustworthy activities.

Science & Technology

Strong R&D DNA Cultivated Over Years of Operation as a Drug Discovery-Oriented Company

The roots of Daiichi Sankyo's R&D DNA can be traced back to the founding of the company. Our journey began with the extraction of *adrenaline*, the discovery of *orizantin* and the domestic production of *salvarsan*. Ever since then, we have aimed to be a drug discovery-oriented company originating from Japan and we have focused on in-house drug discovery. We have also gone on to create and deliver innovative products that have had a global impact such as *pravastatin*, *levofloxacin*, *olmesartan*, and *edoxaban* to patients around the world. Utilizing this strong R&D DNA, honed and cultivated over years of operation, Daiichi Sankyo is committed to the development of innovative pharmaceuticals that will change SOC*.

* SOC (Standard of Care): Universally applied best treatment practice in today's medical science

Superior Pharmaceutical and Technological Capabilities for Creating Innovative Pharmaceuticals

Daiichi Sankyo's Proprietary Antibody Drug Conjugate (ADC) Technologies

DS-8201 was created through Daiichi Sankyo's proprietary science and technology. The antibody portion of this drug was created by applying the antibody research and protein engineering capability of the former Sankyo, while the drug payload and linker were born out of the research capabilities of the former Daiichi Pharmaceutical. Our ADC project started in 2010 by examining the merits and issues regarding the preceding ADC. In order to solve these issues regarding the preceding ADC, our researchers screened and optimized over several hundred combinations of antibodies, linkers, and payloads to ultimately produce the technology we have now. Daiichi Sankyo ADC has been established as a platform technology where a payload and linker can be combined with many different antibodies, and we are currently developing seven ADC projects.

Diverse Modality Technologies

Daiichi Sankyo is working on the development of innovative modality technologies for the creation of innovative pharmaceuticals. Diverse modality technologies, such as next-generation ADC, nucleic acid drugs, oncolytic viruses, cell therapy, and gene therapy are utilized to broaden the possibilities for drug development.

Powerful Research Engines

Many Nobel laureates have come from Japan to date, and Japan has shown the world its high standard of research. At Daiichi Sankyo, we hire many talented researchers from excellent universities in Japan every year from a wide range of fields, including pharmacology, medicinal chemistry, pharmacokinetics, toxicology and pharmaceutical technology. Additionally we strive to improve the scientific level of research employees after joining the company, sending many of them to study at overseas universities and prestigious research

institutions. These researchers take part in cross-functional project teams together with the development division, the pharmaceutical technology division, the marketing division, conducting research every day in order to create new drugs.

Strong Ties with Leading-Edge Academic Institutions (Open Innovation Activities)

At Daiichi Sankyo, we strive to conduct research and development on pharmaceuticals that will change SOC, the universally applied best treatment practice in today's medical science. We have utilized collaborations with various organizations, including those in academia, so as to achieve many drug discovery targets, as well as to acquire and enhance drug discovery technologies. In fiscal 2018, we fostered multiple new collaborations in Japan and overseas, engaging in initiatives to bolster our pipeline by incorporating leading-edge science into the Company.

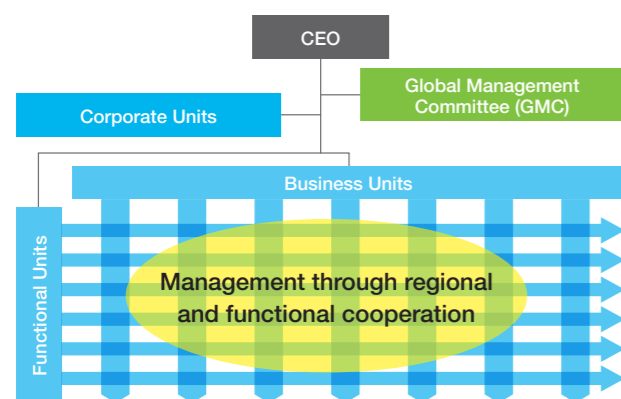
Global Organization & Talent

Global Management System Uniting Intellects from Around the World

Global Management Committee and Global Matrix Management Facilitating Swift and Accurate Decision-Making

In order to conduct swift and accurate management and decision-making from a global perspective, we established the Global Management Committee (GMC). Led by the CEO and joined by the head of each unit, the GMC is the highest-ranking committee structure within Daiichi Sankyo. Business units that focus on each region and functional units that focus on global value chain functions (including R&D, Pharmaceutical Technology, and Supply Chain) collaborate to conduct management and hold discussions in the GMC in order to maximize value creation across the entire Group.

For details, refer to page 77.



Global R&D Structure Enabling Swift Decision-Making

GEMRAD*, the decision-making body for global R&D projects, is composed of senior members from the R&D Unit, the Pharmaceutical Technology Unit, the Biologics Unit, Global Marketing, the Business Development Unit, and other departments. The multifunctional memberships allow GEMRAD to make decisions based on active discussions with a global perspective and comprehensive assessments covering science and business.

* Global Executive Meeting for Research and Development

Robust, Global Pool of Talent

Proactive Employment of Global Talent from Around the World

We employ many highly-talented individuals with diverse backgrounds in Japan and across the globe and we enhance our global organization and talent while working to achieve synergy by having such talent from around the world work together.

Human Resources Development Programs Taking Advantage of Global Experience

In human resources development, Daiichi Sankyo identifies positions that are key to the accomplishment of its management vision and the goals of its mid-term business plan on a global basis, and nurtures people by assigning them duties with challenging goals or difficult tasks or by relocating them overseas. As such, we proactively promote global talent management that offers opportunities for further contributions.

Assigning Human Resources to Strengthened Fields in a Concentrated Manner: COF Project

The Create our Future (COF) Project started in 2017, with the aim of assigning Daiichi Sankyo's human resources to strengthened fields that focus on oncology at appropriate times and in an appropriate manner, as well as to promote the maximum possible success of each and every employee.

For details, refer to page 24.

Presence in Japan

No.1 in Terms of Pharmaceutical Revenue in Japan



By continually launching and expanding the sales of proprietary developed products, Daiichi Sankyo works to grow the innovative pharmaceuticals* business. At the same time, we utilize Daiichi Sankyo's superb sales capabilities to acquire licenses for promising products developed elsewhere in order to sustain a virtuous cycle that drives further growth. Through this process, we maintain the No.1 place in terms of pharmaceutical revenue in Japan.

* Pharmaceuticals protected during the exclusivity period granted by reexamination period and patents

No.1 MR Evaluation



We have developed activities according to the various needs of each healthcare professional with a multichannel approach*1 led by MRs. With regard to MR evaluation, we have been ranked highly not just for our knowledge and information, but also in terms of human nature and responsiveness. As a result, we are comprehensively ranked No.1.*2

*1 Utilizing lectures, web seminars, Internet and other methods, principally conducted by MRs
*2 Conducted by ANTERIO Inc.

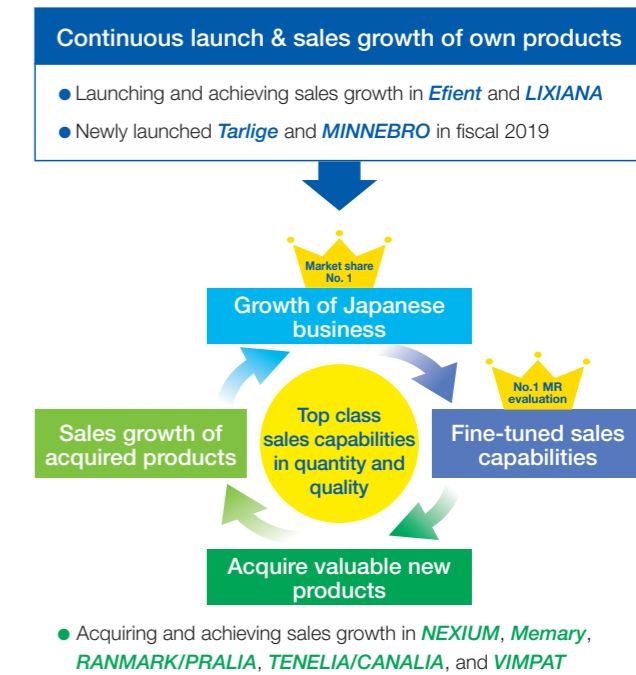
Comprehensive Training Programs



In order to maintain our superb sales capabilities, we have developed comprehensive training programs for MRs, and all MRs have passed the certificate test for nine consecutive years.

Four Businesses Responding to Diverse Medical Needs

By leveraging the strength of its innovative pharmaceutical business, Daiichi Sankyo engages in generic business, vaccine business, and OTC-related business in Japan. As the No.1 company in Japan in both name and practice, Daiichi Sankyo addresses a wide range of medical needs related to areas such as treatment, reduction of medical costs, prevention, and self-medication, making comprehensive contributions to medicine in Japan.



● Acquiring and achieving sales growth in *NEXIUM*, *Memary*, *RANMARK/PRALIA*, *TENELIA/CANALIA*, and *VIMPAT*