



Third Quarter Financial Results for FY2011
(Apr. 1 to Dec. 31, 2011)

February 3, 2012
Dainippon Sumitomo Pharma Co., Ltd.

Financial Results

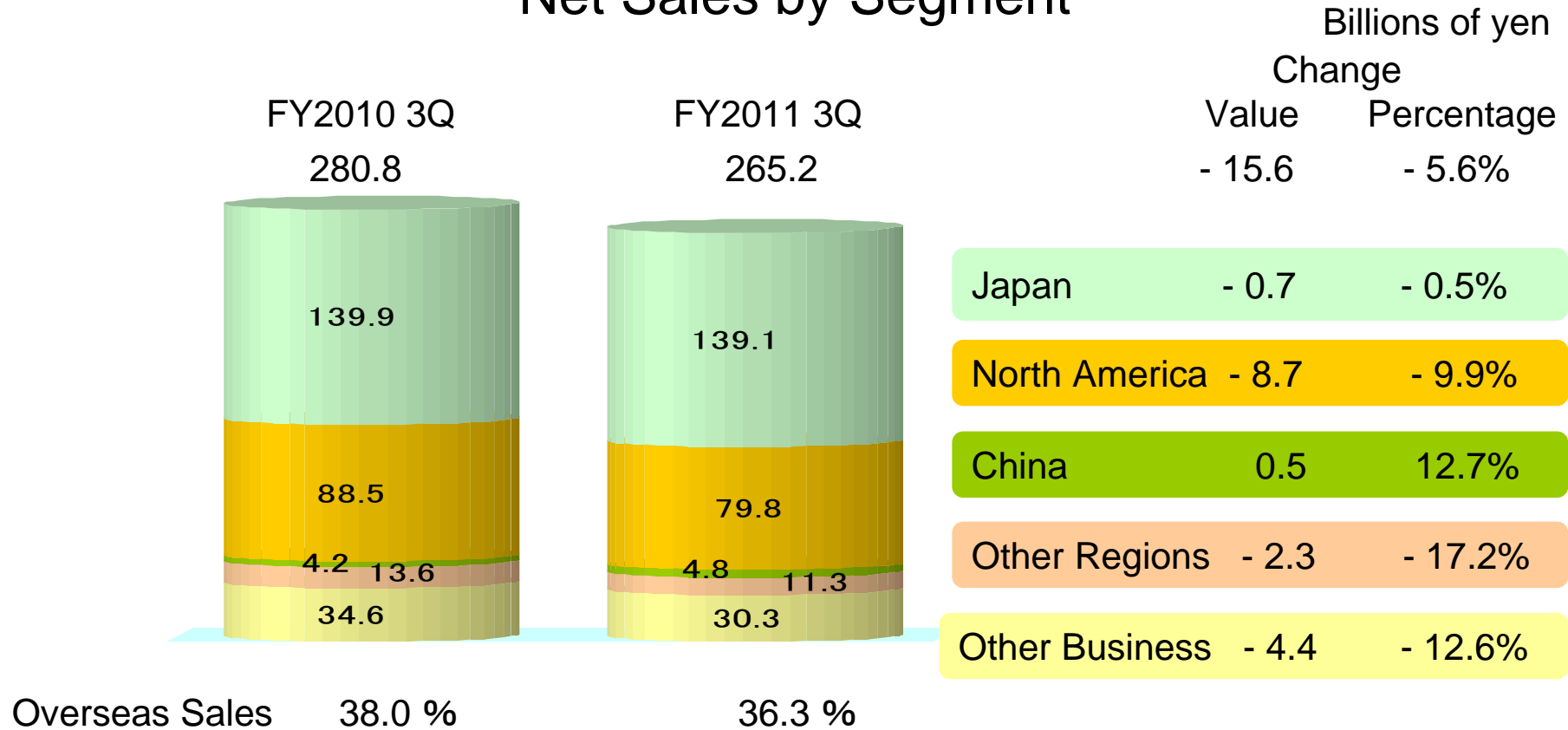
Billions of yen

| | FY2010 3Q | FY2011 3Q | Change | | |
|---------------------------------|--------------|--------------|--------|---------------------------------------|------------|
| | | | Value | Impact of exchange fluctuations | Percentage |
| Net sales | 280.8 | 265.2 | - 15.6 | - 8.4 | - 5.6 % |
| Cost of sales | 83.7 | 74.0 | - 9.8 | - 1.0 | - 11.7 % |
| Gross profit | 197.1 | 191.2 | - 5.8 | - 7.4 | - 3.0 % |
| SG&A expenses | 170.0 | 168.9 | - 1.1 | - 9.9 | - 0.6 % |
| SG&A expenses less R&D costs | 123.7 | 128.2 | 4.5 | - 8.0 | 3.7 % |
| R&D costs | 46.3 | 40.7 | - 5.6 | - 2.0 | - 12.1 % |
| Operating income | 27.1 | 22.3 | - 4.7 | 2.5 | - 17.5 % |
| Ordinary income | 26.2 | 22.0 | - 4.2 | | - 16.2 % |
| Extraordinary income or loss | - 2.2 | - 2.4 | - 0.1 | | — |
| Income taxes | 9.2 | 9.3 | 0.1 | | — |
| Net income | 14.8 | 10.3 | - 4.5 | | - 30.5 % |

Notes: 1. All values are rounded to the nearest 100 million yen.

2. Cost of sales includes provision for (reversal of) reserve for sales returns.

Net Sales by Segment



【North America】

•Decreased sales due to the effect of strong yen.

【Other Regions】

•Decrease in exports of MEROPEN®

【Other Business】

•There is a decrease because only the commission equivalent part was recorded as sales on pet foods since July,2010.



Sales in Japan Segment

Billions of yen

| | FY2010 3Q | FY2011 3Q | Change | | FY2011 | |
|----------------------------------|--------------|--------------|--------------|----------------|-----------------------------|---------------|
| | | | Value | Percentage | Forecast (as of Oct. 31) | Progress |
| AVAPRO® | 6.1 | 8.6 | 2.5 | 40.6 % | 11.5 | 74.5 % |
| LONASEN® | 6.8 | 7.8 | 0.9 | 13.9 % | 11.0 | 70.5 % |
| PRORENAL® | 11.5 | 12.1 | 0.6 | 5.0 % | 15.5 | 78.1 % |
| Strategic Products Total | 24.4 | 28.4 | 4.0 | 16.4 % | 38.0 | 74.8 % |
| TRERIEF® | 2.7 | 4.0 | 1.4 | 51.1 % | 5.4 | 74.8 % |
| MIRIPLA® | 1.2 | 1.0 | - 0.2 | - 14.5 % | 1.4 | 72.3 % |
| SUREPOST® | — | 0.1 | 0.1 | — | 0.2 | 32.2 % |
| METGLUCO® (Including MELBIN®) | 3.5 | 6.1 | 2.6 | 74.8 % | 8.2 | 75.0 % |
| New Products Total | 7.4 | 11.3 | 3.9 | 52.8 % | 15.2 | 74.1 % |
| AMLODIN® | 32.7 | 28.2 | - 4.5 | - 13.8 % | 35.5 | 79.5 % |
| GASMOTIN® | 16.0 | 16.3 | 0.3 | 1.7 % | 21.0 | 77.7 % |
| MEROPEN® | 9.9 | 9.6 | - 0.3 | - 3.1 % | 11.0 | 86.9 % |
| AmBisome® | 3.5 | 3.5 | - 0.0 | - 1.2 % | 4.5 | 77.5 % |
| REPLAGAL® | 4.4 | 7.0 | 2.5 | 56.6 % | 8.9 | 78.2 % |
| Others | 41.4 | 34.9 | - 6.5 | - 15.7 % | 46.1 | 75.7 % |
| Japan total | 139.9 | 139.1 | - 0.7 | - 0.5 % | 180.2 | 77.2 % |

Note: Sales figures of each product are before reduction of rebates.

Sales in North America & China Segments

Billions of yen [M\$]

| | FY2010 | | FY2011 | | Change | | FY2011 | | |
|------------------------------------|----------------|-------------|----------------|-------------|--------------|--------------|-----------------------------|--------------|---------------|
| | 3Q | | 3Q | | Value | Percentage | Forecast (as of Oct. 31) | Progress | |
| LATUDA® | — | | [48] | 3.9 | [48] | 3.9 | [90] | 7.2 | 53.9 % |
| LUNESTA® | [466] | 41.7 | [404] | 32.6 | [- 62] | - 9.1 | [533] | 42.8 | 76.1 % |
| XOPENEX® | [307] | 27.4 | [302] | 24.3 | [- 4] | - 3.1 | [410] | 33.0 | 73.8 % |
| BROVANA® | [77] | 6.9 | [92] | 7.4 | [15] | 0.5 | [123] | 9.9 | 75.0 % |
| OMNARIS® | [40] | 3.6 | [48] | 3.9 | [8] | 0.3 | [66] | 5.3 | 73.2 % |
| Industrial property revenues | [59] | 5.3 | [56] | 4.5 | [- 3] | - 0.8 | [65] | 5.3 | 84.4 % |
| Others | [40] | 3.6 | [40] | 3.2 | [- 0] | - 0.4 | [61] | 4.9 | 65.0 % |
| North America Total | [989] | 88.5 | [990] | 79.8 | [1] | - 8.7 | [1,348] | 108.4 | 73.6 % |
| MEROPEN® | | 3.7 | | 4.0 | | 0.3 | | 5.6 | 71.7 % |
| Others | | 0.6 | | 0.8 | | 0.2 | | 1.0 | 75.9 % |
| China Total | | 4.2 | | 4.8 | | 0.5 | | 6.6 | 72.3 % |

Segment Breakdown for North America

Billions of yen [M\$]

< Excluding mainly the impact of amortization of patent rights and goodwill >

| | FY2010 3Q | | FY2011 3Q | | Change | | Breakdown | |
|--------------------------|--------------|------|--------------|------|-----------|--------|-----------|--------|
| | | | | | | | Exchange | Others |
| Net sales | [989] | 88.5 | [990] | 79.8 | [1] | - 8.7 | - 8.4 | - 0.3 |
| Cost of sales | [101] | 9.0 | [99] | 8.0 | [- 2] | - 1.0 | - 1.0 | - 0.0 |
| Gross profit | [888] | 79.4 | [890] | 71.7 | [3] | - 7.7 | - 7.4 | - 0.3 |
| SG&A expenses | [492] | 44.0 | [632] | 50.9 | [140] | 6.9 | - 5.7 | 12.5 |
| Income (loss) of Segment | [396] | 35.4 | [258] | 20.8 | [- 137] | - 14.6 | - 1.8 | - 12.8 |

< Mainly the impact of amortization of patent rights and goodwill >

| | FY2010 3Q | | FY2011 3Q | | Change | | Breakdown | |
|--------------------------|--------------|--------|--------------|--------|----------|-------|-----------|--------|
| | | | | | | | Exchange | Others |
| Net sales | — | — | — | — | — | — | — | — |
| Cost of sales | [38] | 3.4 | — | — | [- 38] | - 3.4 | — | - 3.4 |
| Gross profit | [- 38] | - 3.4 | — | — | [38] | 3.4 | — | 3.4 |
| SG&A expenses | [268] | 24.0 | [260] | 21.0 | [- 8] | - 3.0 | - 2.3 | - 0.7 |
| Income (loss) of Segment | [- 306] | - 27.4 | [- 260] | - 21.0 | [45] | 6.4 | 2.3 | 4.0 |

Segment Information

Billions of yen

| | | Pharmaceuticals Business | | | | | Subtotal | Other Business | Total | |
|-------------------|------------------------------|--------------------------|-----------------------------|----------------------------|--------------|---------------|---------------|----------------|---------------|-------|
| | | Japan | North America ^{※1} | Amortization ^{※2} | China | Other Regions | | | | |
| FY2011 3Q Results | Net sales | 139.1 | 79.8 | — | 4.8 | 11.3 | 234.9 | 30.3 | 265.2 | |
| | Cost of sales | 35.5 | 8.0 | — | 1.5 | 5.7 | 50.7 | 23.3 | 74.0 | |
| | Gross profit | 103.8 | 71.7 | — | 3.3 | 5.5 | 184.4 | 6.8 | 191.2 | |
| | SG&A expenses less R&D costs | 49.3 | 50.9 | 21.0 | 2.4 | 0.2 | 123.9 | 4.3 | 128.2 | |
| | Income (loss) of Segment | 54.5 | 20.8 | - 21.0 | 0.9 | 5.3 | 60.5 | 2.5 | 63.0 | |
| | R&D costs | | | | | | | 40.2 | 0.5 | 40.7 |
| | Operating income | | | | | | | 20.3 | 2.0 | 22.3 |
| FY2010 3Q Results | Net sales | 139.9 | 88.5 | — | 4.2 | 13.6 | 246.2 | 34.6 | 280.8 | |
| | Cost of sales | 36.6 | 9.0 | 3.4 | 0.9 | 6.1 | 56.0 | 27.8 | 83.7 | |
| | Gross profit | 103.4 | 79.4 | - 3.4 | 3.3 | 7.5 | 190.3 | 6.7 | 197.1 | |
| | SG&A expenses less R&D costs | 49.0 | 44.0 | 24.0 | 1.9 | 0.3 | 119.2 | 4.5 | 123.7 | |
| | Income (loss) of Segment | 54.4 | 35.4 | - 27.4 | 1.4 | 7.3 | 71.2 | 2.2 | 73.4 | |
| | R&D costs | | | | | | | 45.8 | 0.5 | 46.3 |
| | Operating income | | | | | | | 25.4 | 1.7 | 27.1 |
| Change | Net sales | - 0.7 | - 8.7 | — | 0.5 | - 2.3 | - 11.2 | - 4.4 | - 15.6 | |
| | Income (loss) of Segment | 0.1 | - 14.6 | 6.4 | - 0.5 | - 1.9 | - 10.6 | 0.3 | - 10.4 | |
| | R&D costs | | | | | | | - 5.6 | - 0.0 | - 5.6 |
| | Operating income | | | | | | | - 5.1 | 0.3 | - 4.7 |

※ 1. Excluding mainly amortization of patent rights and goodwill

※ 2. Mainly amortization of patent rights and goodwill

Ordinary income & Net income

Billions of yen

| | FY2010 3Q | FY2011 3Q | Change | |
|---|--------------|--------------|--------|------------|
| | | | Value | Percentage |
| Operating Income | 27.1 | 22.3 | - 4.7 | - 17.5 % |
| Non-operating income and expenses | - 0.9 | - 0.4 | 0.5 | |
| Finance income and expenses including dividend income | - 0.1 | 0.1 | 0.2 | |
| Contributions | - 1.0 | - 0.8 | 0.2 | |
| Others | 0.3 | 0.4 | 0.1 | |
| Ordinary income | 26.2 | 22.0 | - 4.2 | - 16.2 % |
| Extraordinary income | — | 1.2 | 1.2 | |
| Gain on sales of property, plant and equipment | — | 1.2 | 1.2 | |
| Extraordinary loss | 2.2 | 3.6 | 1.4 | |
| Impairment loss | 2.2 | 2.4 | 0.1 | |
| Business structure improvement expenses | — | 1.2 | 1.2 | |
| Income taxes | 9.2 | 9.3 | 0.1 | |
| Net income | 14.8 | 10.3 | - 4.5 | - 30.5 % |

【Impairment loss】

Impairment of some patent rights

【Business structure improvement expenses】

Business restructuring costs (XOPENEX®)

Summary of Financial Forecast for FY2011

■ Sales

- ✓ Sales in the Japan segment are expected to show steady performance compared to the previous forecast.
- ✓ Sales in the North America segment are expected to remain unchanged.
- ✓ Sales in the other regions are expected to decrease compared to the previous forecast.

■ SG&A expenses

- ✓ Although an increase is expected in the North America segment, SG&A expenses (excluding R&D costs) are expected to remain at the same level as the previous forecast.
- ✓ R&D costs are expected to fall below the previous forecast.

■ Operating income

- ✓ Operating income is expected to exceed the previous forecast because of an increase in gross profit and a decrease in R&D costs.

■ Net income

- ✓ Net income is expected to be less compared to the previous forecast due to the impact of extraordinary loss and the Corporation Tax Act of Japan revision.



Revisions of Financial Forecast for FY2011

- Excluding potential strategic investment for alliances and in-licensing

Financial Forecast for FY2011

Billions of yen

| | Results FY2010 | Forecast for FY2010 | | Change (Value) | |
|---------------------------------|-------------------|-----------------------------|---------------------------|-----------------------------------|---|
| | | Forecast (as of Oct. 31) | Forecast (as of Feb.3) | Compared to FY 2010 results | Compared to Forecast (as of Oct.31) |
| Net sales | 379.5 | 352.0 | 352.0 | -27.5 | — |
| Cost of sales | 110.0 | 100.0 | 99.5 | -10.5 | -0.5 |
| Gross profit | 269.5 | 252.0 | 252.5 | -17.0 | 0.5 |
| SG&A expenses | 238.5 | 232.0 | 230.5 | -8.0 | -1.5 |
| R&D Costs | 68.2 | 58.5 | 57.0 | -11.2 | -1.5 |
| Operating income | 31.0 | 20.0 | 22.0 | -9.0 | 2.0 |
| Ordinary income | 28.6 | 19.0 | 22.0 | -6.6 | 3.0 |
| Extraordinary income or loss | -3.6 | 1.2 | -2.4 | 1.2 | -3.6 |
| Net income | 16.8 | 12.0 | 10.0 | -6.8 | -2.0 |
| | | | | | |
| EBITDA | 78.0 | 61.0 | 64.0 | -14.0 | 3.0 |



Notes: 1. All values are rounded to the nearest 100 million yen.

2. EBITDA : Earnings Before Interest Taxes Depreciation and Amortization

Segmental Forecast for FY2011

Billions of yen

| | | Pharmaceuticals Business | | | | | Subtotal | Other Business | Total |
|----------------------------------|------------------------------|--------------------------|-----------------|----------------|-------|---------------|----------|----------------|-------|
| | | Japan | North America*1 | Amortization*2 | China | Other Regions | | | |
| Forecast for FY2011 as of Oct.31 | Net sales | 180.5 | 108.4 | — | 6.6 | 16.2 | 311.7 | 40.3 | 352.0 |
| | Cost of sales | 47.7 | 10.8 | — | 2.0 | 8.3 | 68.8 | 31.2 | 100.0 |
| | Gross profit | 132.8 | 97.6 | — | 4.6 | 7.9 | 242.9 | 9.1 | 252.0 |
| | SG&A expenses less R&D costs | 66.5 | 69.1 | 28.0 | 3.6 | 0.3 | 167.5 | 6.0 | 173.5 |
| | Income(loss) of Segment | 66.3 | 28.5 | -28.0 | 1.0 | 7.6 | 75.4 | 3.1 | 78.5 |
| | R&D costs | | | | | | 57.7 | 0.8 | 58.5 |
| | Operating income | | | | | | 17.7 | 2.3 | 20.0 |
| Forecast for FY2011 as of Feb.3 | Net sales | 181.4 | 108.4 | — | 6.6 | 15.3 | 311.7 | 40.3 | 352.0 |
| | Cost of sales | 47.5 | 11.1 | — | 1.9 | 7.8 | 68.3 | 31.2 | 99.5 |
| | Gross profit | 133.9 | 97.3 | — | 4.7 | 7.5 | 243.4 | 9.1 | 252.5 |
| | SG&A expenses less R&D costs | 66.0 | 69.9 | 27.7 | 3.6 | 0.3 | 167.5 | 6.0 | 173.5 |
| | Income(loss) of Segment | 67.9 | 27.4 | -27.7 | 1.1 | 7.2 | 75.9 | 3.1 | 79.0 |
| | R&D costs | | | | | | 56.2 | 0.8 | 57.0 |
| | Operating income | | | | | | 19.7 | 2.3 | 22.0 |
| Change | Net sales | 0.9 | — | — | — | -0.9 | — | — | — |
| | Income(loss) of Segment | 1.6 | -1.1 | 0.3 | 0.1 | -0.4 | 0.5 | — | 0.5 |
| | R&D costs | | | | | | -1.5 | — | -1.5 |
| | Operating income | | | | | | 2.0 | — | 2.0 |

*1 Excluding mainly amortization of patent rights and goodwill

*2 Mainly amortization of patent rights and goodwill

Financial Forecast for FY2011

Billions of yen

| | first half (results) | 3Q (results) | 1Q–3Q (results) | 4Q (forecast) | Forecast FY2011 (as of Oct.31) | Forecast FY2011 (as of Feb.31) |
|---------------------------------|-------------------------|-----------------|--------------------|------------------|---|---|
| Net sales | 178.0 | 87.2 | 265.2 | 86.8 | 352.0 | 352.0 |
| Cost of sales | 28.0% | 27.8% | 27.9% | 29.4% | 28.4% | 28.3% |
| | 49.8 | 24.2 | 74.0 | 25.5 | 100.0 | 99.5 |
| Gross profit | 128.3 | 63.0 | 191.2 | 61.3 | 252.0 | 252.5 |
| SG&A expenses | 113.5 | 55.4 | 168.9 | 61.6 | 232.0 | 230.5 |
| SG&A expenses less R&D costs | 86.2 | 42.0 | 128.2 | 45.3 | 173.5 | 173.5 |
| R&D Costs | 27.3 | 13.4 | 40.7 | 16.3 | 58.5 | 57.0 |
| Operating income | 8.3% | 8.7% | 8.4% | -0.4% | 5.7% | 6.3% |
| | 14.7 | 7.6 | 22.3 | -0.3 | 20.0 | 22.0 |

Quarterly Sales Report in North America Segment

M\$

| | 1Q (results) | 2Q (results) | 3Q (results) | 4Q (unaudited) | Forecast FY2011 (as of Oct.31) | FY2011 (unaudited) | change |
|------------------------------------|-----------------|-----------------|-----------------|-------------------|--------------------------------------|-----------------------|-----------|
| LATUDA® | 35 | 6 | 7 | 38 | 90 | 86 | -4 |
| LUNESTA® | 124 | 138 | 143 | 123 | 533 | 528 | -5 |
| XOPENEX® | 137 | 80 | 86 | 117 | 410 | 419 | 9 |
| BROVANA® | 33 | 29 | 30 | 35 | 123 | 127 | 4 |
| OMNARIS® | 16 | 18 | 14 | 16 | 66 | 64 | -2 |
| ALVESCO® | 9 | 9 | 8 | 10 | 35 | 35 | 0 |
| Industrial property revenues | 23 | 17 | 14 | 17 | 65 | 72 | 7 |
| Others | 7 | 3 | 5 | 14 | 26 | 28 | 1 |
| Total | 385 | 300 | 305 | 369 | 1,348 | 1,359 | 11 |

Development Pipeline (1) (as of February 3, 2012)

Central Nervous System Field

Domestic Overseas

| Brand name/ Product code | Generic name | Proposed indication | Development location | Phase I | Phase II | Phase III | NDA submitted |
|-----------------------------|--------------------------|---|----------------------|---------|----------|-----------|---------------|
| LATUDA (SM-13496) | lurasidone hydrochloride | Schizophrenia | Canada | | | | |
| | | (Change of maximum dose) Schizophrenia: 160mg daily | US | | | | |
| | | Schizophrenia | Japan | | | | |
| | | (New indication) Bipolar disorder (depression) | US/Europe, etc. | | | | |
| | | (New indication) Bipolar disorder (maintenance) | US/Europe, etc. | | | | |
| | | (New indication) MDD with mixed features | US | | | | |
| STEDESA™ | eslicarbazepine acetate | Epilepsy-Adjunct | US | | | | |
| | | Epilepsy-Adult monotherapy | US | | | | |
| LONASEN® | blonanserin | Schizophrenia | China | | | | |
| | | (Addition of pediatric usage) Schizophrenia | Japan | | | | |
| DSP-8658 | TBD | Alzheimer's disease | US | | | | |
| SEP-228432 | TBD | Neuropathic Pain, Depression | US | | | | |
| DSP-1053 | TBD | Depression | US | | | | |
| DSP-0565 | TBD | Epilepsy | US | | | | |

LATUDA(SM-13496) : Co-development with Takeda Pharmaceutical in Europe (Phase III Study : Schizophrenia , Bipolar disorder)

Cancer Field

| Brand name/ Product code | Generic name | Proposed indication | Development location | Phase I | Phase II | Phase III | NDA submitted |
|----------------------------------|-------------------------|---------------------------|----------------------|---------|----------|-----------|---------------|
| CALSED® (Brand name in Japan) | amrubicin hydrochloride | Small cell lung cancer | China | | | | |
| WT4869 | TBD | Myelodysplastic syndromes | Japan | | ※ | | |
| | | Solid cancer | Japan | | | | |

※ on Phase I of Phase I/II study

Revisions since the previous announcement are in red.

Development Pipeline (2) (as of February 3, 2012)

Respiratory Field

Domestic Overseas

| Brand name/ Product code | Generic name | Proposed indication | Development location | Phase I | Phase II | Phase III | NDA submitted |
|--|--------------|---|----------------------|---------|----------|-----------|---------------|
| Ciclesonide Nasal Aerosol (Brand name: ZETONNA™) | ciclesonide | (New dose form: HFA Propellant) Allergic rhinitis | US | | | | |
| DSP-3025 | TBD | Asthma/Allergic Rhinitis | Japan | | | | |



Cardiovascular/ Diabetes Field

| Brand name/ Product code | Generic name | Proposed indication | Development location | Phase I | Phase II | Phase III | NDA submitted |
|-----------------------------|--------------------------------|---|----------------------|---------|----------|-----------|---------------|
| DSP-8153 | amlodipine besilate/irbesartan | Hypertension/Combination agent | Japan | | | | |
| SUREPOST® | repaglinide | (New indication) Type 2 diabetes (Combination therapy with thiazolidine or biguanide) | Japan | | | | |
| METGLUCO® | metformin hydrochloride | (Addition of pediatric usage) Type 2 diabetes | Japan | | | | |
| AS-3201 | ranirestat | Diabetic neuropathy | Japan | | | | |
| DSP-8658 | TBD | Type 2 diabetes | US | | | | |

Other Fields

| Brand name/ Product code | Generic name | Proposed indication | Development location | Phase I | Phase II | Phase III | NDA submitted |
|-----------------------------|-----------------------|--|----------------------|---------|----------|-----------|---------------|
| SMP-986 | afacifenacin fumarate | Overactive bladder | Japan | | | | |
| | | | US and Europe | | | | |
| PRORENAL® | limaprost alfadex | (New Indication) Carpal-tunnel syndrome | Japan | | | | |
| DSP-1747 | obeticholic acid | Primary biliary cirrhosis (PBC), Nonalcoholic steatohepatitis (NASH) | Japan | | | | |
| DSP-6952 | TBD | IBS with constipation, Chronic idiopathic constipation | Japan | | | | |
| DSP-5990 | ceftaroline fosamil | MRSA Infection | Japan | | | | |

Revisions since the previous announcement are in red.

Development Pipeline State of Progress (Main changes after October 31, 2011)

- **Ciclesonide Nasal Aerosol (New dose form: HFA Propellant, Brand name: ZETONNA™)**
 - Approved by the FDA (January 2012) for the treatment of allergic rhinitis
 - A dry nasal aerosol spray in a novel HFA-propellant
- **DSP-8153**
Change from Phase II to NDA submitted (Submitted in November 2011)
- **Ranirestat (AS-3201)**
Change from Phase III under preparation to Phase III
- **Blonanserin (Brand name LONASEN® in Japan)**
 - In China: Newly added for Phase III
 - In Japan (Addition of pediatric usage): Newly added for Phase III
- **Ceftaroline fosamil (DSP-5990)**
Change from Phase I under preparation to Phase I
- **DSP-0565**
Newly added for Phase I in the U.S.
 - An antiepileptic drug candidate possessing new mechanisms
 - Suggested to be effective for treatment-resistant epilepsy or various types of seizure, it is expected to have anti-depressant like action and weaker CNS depressive side effects.

LATUDA[®] (Lurasidone) – Clinical development status (1)

US (schizophrenia)

- **sNDA submitted for change of maximum dose (160mg/day) (June 2011)**

- **Key Current LATUDA[®] Studies in Schizophrenia**
 - PEARL 3 Extension Study: Phase III extension study (12-month effectiveness and safety / tolerability study) with comparator [Quetiapine XR] completed. Results of the study announced (October, 2011).
 - Switch Study: initiated in 3Q 2010. Completed, data analysis in progress.
 - Schizophrenia Maintenance Study: initiated in 3Q 2011, in progress.

- **Planned LATUDA[®] Studies in Schizophrenia**
 - Low-dose Schizophrenia Study with 20mg/day: to be initiated in 3Q 2012
 - Pediatric (10-17 yrs) PK Study: to be initiated in 3Q 2012
 - Pediatric (13-17 yrs) Efficacy Study: to be initiated in 1Q 2013

LATUDA[®] (Lurasidone) – Clinical development status (2)

U.S. (Bipolar disorder, others)

■ Bipolar disorder (depression) Phase III studies (PREVAIL Studies)

- PREVAIL#1 : Placebo controlled, lithium or divalproex add-on study initiated in April 2009
- PREVAIL#2 : Placebo controlled, monotherapy initiated in April 2009
- PREVAIL#3 : Placebo controlled, lithium or divalproex add-on study initiated in December 2010

**Bipolar disorder (depression)
sNDA planned for 2012**

■ Bipolar maintenance

- Phase III study initiated in 2Q 2011

■ MDD with mixed features

- Phase III study initiated in 2Q 2011

■ Other studies under consideration

- IM depot formulation

LATUDA® (Lurasidone) – Clinical development status (3)

Outside the U.S.

- Japan: Schizophrenia/ New Phase III study under preparation
- Canada: Schizophrenia/ NDS submitted (June 2011)
- China: Schizophrenia/ IND submitted (September 2011)
- Europe: Schizophrenia and Bipolar disorder/ Co-development with Takeda Pharmaceutical in Europe (Phase III)

DSP plans to commercialize lurasidone independently in the UK

Disclaimer Regarding Forward-looking Statements

The statements made in this presentation material are forward-looking statements based on management's assumptions and beliefs in light of information available up to the day of announcement, and involve both known and unknown risks and uncertainties.

Actual financial results may differ materially from those presented in this document, being dependent on a number of factors.

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