

Most Admired Pharma Companies in Japan

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Since 1999 International Alliances Limited (IAL) has conducted an annual survey to determine the most admired pharma companies in Japan. Each year we evaluate 30 companies, 15 Japanese and 15 foreign affiliated firms. In 2011 we included the firms listed below:

| Japanese | Foreign |
|--------------------|----------------------|
| Ajinomoto | Abbott |
| Astellas | AstraZeneca |
| Daiichi Sankyo | Bayer |
| Dainippon Sumitomo | Bristol-Myers |
| Eisai | Chugai |
| Kyowa Hakko Kirin | Eli Lilly |
| Meiji Seika | GlaxoSmithKline |
| Mitsubishi Tanabe | Janssen |
| Nippon Shinyaku | MSD |
| Ono | Boehringer Ingelheim |
| Otsuka | Novartis |
| Shionogi | Novo Nordisk |
| Takeda | Pfizer |
| Teijin | sanofi-aventis |
| Torii | UCB |

Three different groups respond to our survey, i.e. employees of pharma companies, wholesaler employees, and people who provide various services to the pharma industry. We believe these industry "insiders" are well informed and qualified to objectively evaluate company performance in each of seven categories, i.e. Quality of Management, Quality of Products, Potential for Growth, New Drug Discovery Potential, Quality of Development, Quality of MRs, and Profitability in the Future.

This summary of only the top companies is the combined ranking by the three different types of responders in each performance category. Our full report gives the scores by each group of responders and includes all 30 companies since 2001. The trend of performance over time is more instructive than the snapshot of results in 2011.

The full report is available from IAL for ¥30,000, and ¥3,000 of the purchase price will be donated to the Children's Cancer Association in Japan. To order check our website at http://ial-japan.com/image_survey.html.

Total Average Score Ranking

For 13 years Takeda has been at the top of admired companies, but its lead has gradually eroded. In fact,



in 2011 it had the highest score in only three of the seven categories of performance, i.e. Quality of Management, Quality of Development, and Quality of MRs.

Chugai, Novartis, and GlaxoSmithKline were tied for second place, very close to Takeda. Eisai and Astellas tied

at third place. Rounding out the top 10 with equal scores were AstraZeneca, Pfizer, Daiichi Sankyo, and sanofi-aventis.

The five companies with the lowest scores were Ajinomoto, Meiji, Nippon Shinyaku, UCB and Torii.

Quality of Management

The leaders in this category were ranked as follows:

| Rank | Company |
|------|-----------------|
| 1 | Takeda |
| 2 | Eisai |
| 3 | Astellas |
| 4 | Chugai |
| 5 | GlaxoSmithKline |
| 6 | Novartis |
| 6 | Daiichi Sankyo |
| 6 | sanofi-aventis |
| 6 | Pfizer |
| 6 | Otsuka |

The top 10 are evenly split between Japanese and foreign firms.

Quality of Products

The top 10 is dominated by foreign firms.

| Rank | Company |
|------|-----------------|
| 1 | Chugai |
| 2 | Takeda |
| 2 | Novartis |
| 2 | GlaxoSmithKline |
| 5 | Astellas |
| 5 | MSD |
| 7 | Eisai |
| 7 | AstraZeneca |
| 7 | Pfizer |
| 7 | Daiichi Sankyo |

Chugai and Takeda switched positions in 2011 compared to 2010.

Potential for Growth

| Rank | Company |
|------|-------------------|
| 1 | Novartis |
| 1 | Chugai |
| 3 | GlaxoSmithKline |
| 4 | MSD |
| 4 | Takeda |
| 6 | Daiichi Sankyo |
| 6 | AstraZeneca |
| 6 | sanofi-aventis |
| 9 | Pfizer |
| 9 | Astellas |
| 9 | Kyowa Hakko Kirin |

Astellas and Kyowa Hakko Kirin are newcomers to the top tier in this category.

New Drug Discovery Potential

| Rank | Company |
|------|-------------------|
| 1 | Novartis |
| 1 | GlaxoSmithKline |
| 3 | Chugai |
| 3 | Takeda |
| 3 | MSD |
| 6 | Pfizer |
| 6 | AstraZeneca |
| 6 | sanofi-aventis |
| 9 | Daiichi Sankyo |
| 9 | Kyowa Hakko Kirin |

This category is typically dominated by foreign firms with Novartis and GlaxoSmithKline leading the group. Eisai dropped out of the top 10 in 2011 while Kyowa Hakko Kirin entered the most admired group.

Quality of Development

| Rank | Company |
|------|-----------------|
| 1 | Takeda |
| 2 | Novartis |
| 2 | GlaxoSmithKline |
| 2 | Chugai |
| 5 | Astellas |

| | |
|---|----------------|
| 6 | Pfizer |
| 6 | Daiichi Sankyo |
| 6 | Eisai |
| 6 | AstraZeneca |
| 6 | sanofi-aventis |
| 6 | MSD |

In this category there was no change in the leading companies compared to 2010.

Quality of MRs

| Rank | Company |
|------|--------------------|
| 1 | Takeda |
| 2 | Astellas |
| 2 | Eisai |
| 4 | Daiichi Sankyo |
| 5 | Chugai |
| 6 | Novartis |
| 6 | Pfizer |
| 8 | Shionogi |
| 8 | GlaxoSmithKline |
| 10 | AstraZeneca |
| 10 | sanofi-aventis |
| 10 | Dainippon Sumitomo |
| 10 | Otsuka |

Japanese companies dominate this category and Takeda is the clear leader. Shionogi's position eroded over the years while Chugai's improved.

Profitability in the Future

| Rank | Company |
|------|-----------------|
| 1 | Chugai |
| 2 | Novartis |
| 2 | GlaxoSmithKline |
| 2 | Takeda |
| 6 | MSD |
| 6 | Eisai |
| 6 | Daiichi Sankyo |
| 6 | Astellas |
| 6 | AstraZeneca |
| 6 | sanofi-aventis |
| 6 | Pfizer |

Scores of all the top companies in this category either eroded or stayed the same as in 2010.