

Evaluate Japan Drug Forecasts

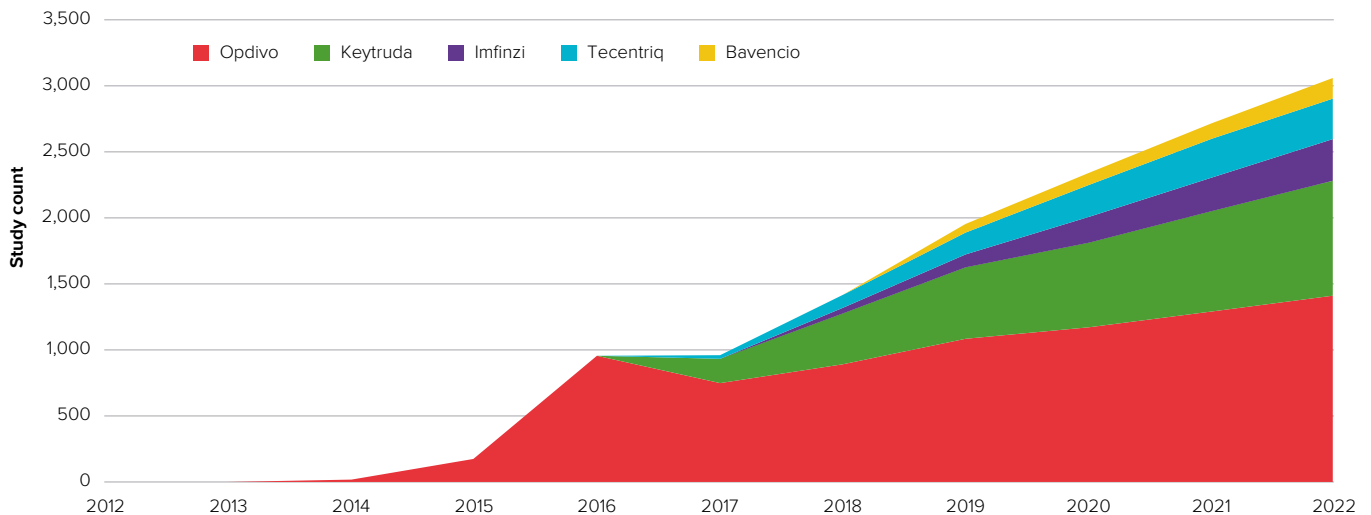
Japan Market Focus No.2

Opdivo emerges as market leader in the PD-1/PD-L1 market in Japan

While Opdivo and Keytruda are competing head to head for the global market leadership in the PD-1/PD-L1 space, Opdivo emerges as the dominant player in Japan according to Evaluate Japan Drug Forecasts.

Top 5 PD-1/PD-L1 Products

Source: Evaluate Japan Drug Forecasts. July 2017

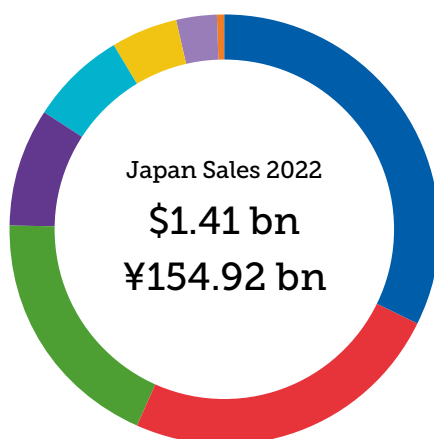


The Bristol-Myers Squibb compound, which is marketed in Japan by Ono Pharmaceutical, was launched in 2014 and is set to achieve \$1.4 billion by 2022 with a market share of 46% in the segment. The slow down in sales in 2017 is due to a 50% price reduction imposed by the Japan Health Ministry to mitigate budget impact concerns. While sales of Opdivo have been driven primarily by usage in NSCLC patients, by 2022 stomach cancer is set to become Opdivo's leading indication due to the high incidence of patients for that condition.

Despite the late launch, Keytruda is expected to reduce the gap with Opdivo and is forecast to reach a 28% market share by 2022. Imfinzi, Tecentriq and Bavencio are expected to compete for the remaining 25% of the market, consistently with the global outlook for this class.

Opdivo – Sales by Indication 2022

Source: Evaluate Japan Drug Forecasts. July 2017



Indications	Japan Sales (\$bn) 2022	Japan Sales (¥bn) 2022
Stomach cancer	0.46	50.12
Non-small cell lung cancer (NSCLC)	0.35	38.03
Renal cell carcinoma (RCC)	0.26	28.82
Head & neck cancers	0.12	13.56
Liver cancer	0.10	11.01
Melanoma	0.07	7.84
Oesophageal cancer	0.04	4.77
Hodgkin's Lymphoma	0.01	0.76
Total	\$1.41 bn	¥154.92 bn