Daiichi Sankyo Deep Dive

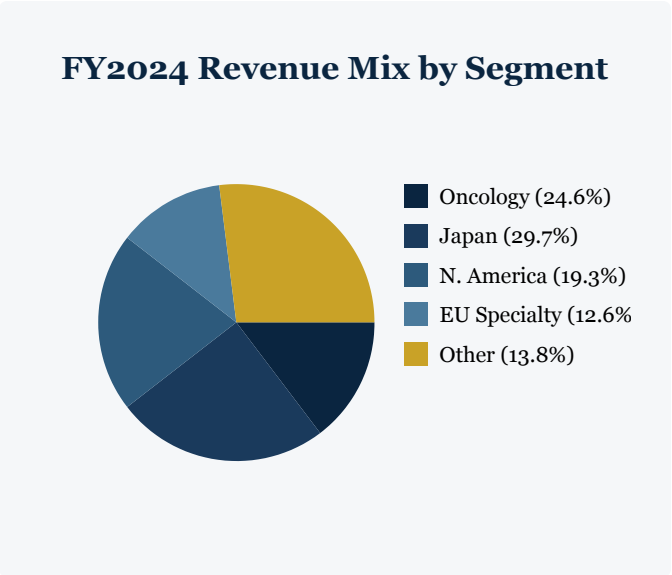
Investor-Grade Research Report | March 2026

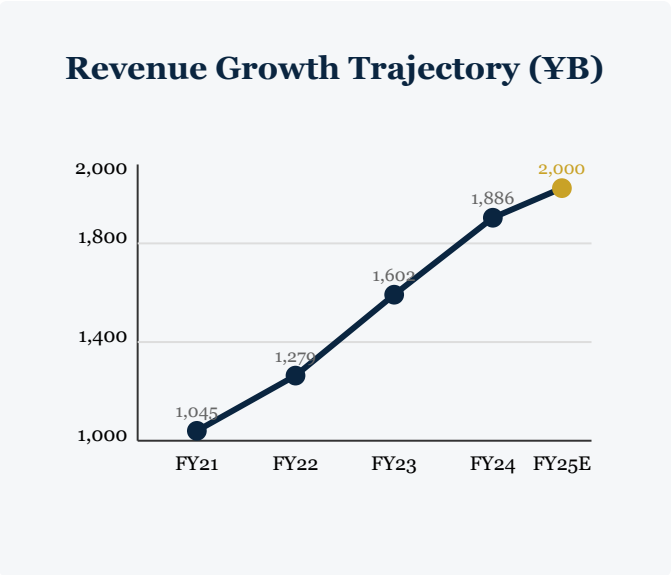
Executive Summary

Daiichi Sankyo Company, Limited (TSE: 4568) is a global biopharmaceutical company headquartered in Tokyo, Japan. Formed in 2005 through the merger of Daiichi Pharmaceutical (est. 1918) and Sankyo (est. 1913), the company employs approximately **19,765 employees** worldwide and has transformed into a Global Pharma Innovator with Competitive Advantage in Oncology.

¥1,886B	¥312.8B	17.9%
FY2024 Revenue	Core Operating Profit	ROE
+17.8% YoY	+60.2% YoY	Exceeded 16% target

~$48B
Market Cap
P/E 21.6x





Strategic Position

Daiichi Sankyo has successfully transformed from a cardiovascular-focused company into a global oncology leader through its proprietary **DXd ADC (antibody-drug conjugate) technology platform**. The company aims to become a **Global Top 10 Oncology Company by 2030** via the "5 DXd-ADCs and Next Wave" strategy.

Forward-Looking Disclaimer: This report contains forward-looking statements based on current expectations and available data as of March 2026. Actual results may differ materially due to risks outlined in the Risks section.

1. Company History

Origins

Daiichi Sankyo traces its roots to two pioneering Japanese pharmaceutical companies:

- **Sankyo Co., Ltd. (1913):** Founded as Sankyo Shoten in 1899; formally incorporated 1913 with Dr. Jokichi Takamine as first president
- **Daiichi Pharmaceutical Co., Ltd. (1918):** Started as Arsemin Shokai; restructured under Seinosuke Shibata

Key Milestones

Year	Milestone
2005	Merger creating Daiichi Sankyo Company, Limited
2008	Acquired 63.92% of Ranbaxy Laboratories (~$4.6B)
2015	Divested Ranbaxy to Sun Pharmaceutical Industries
2019	$6.9B partnership with AstraZeneca for Enhertu
2020	$6B partnership with AstraZeneca for Dato-DXd
2023	$22B+ collaboration with Merck for three DXd ADCs
2024	Multiple Enhertu label expansions; vaccine launches in Japan
2025	Hiroyuki Okuzawa appointed CEO; Datroway approved in US

2. Ownership Structure

Daiichi Sankyo is publicly traded on the **Tokyo Stock Exchange (Prime Market)** under ticker **4568**.

Owner Category	Ownership %
Foreign Investors	47.61%
Financial Institutions	34.70%
Individuals and Others	10.56%
Financial Instruments Firms	3.51%
Domestic Corporations	2.08%
Treasury Stock	1.54%

Top Shareholders

Rank	Shareholder	Ownership %
1	The Master Trust Bank of Japan (Trust)	17.38%
2	Custody Bank of Japan (Trust)	7.15%
3	BlackRock, Inc.	7.87%
4	Nippon Life Insurance	4.60%
5	State Street Bank (505001)	4.53%

3. Leadership / C-Suite

Hiroyuki Okuzawa - President & CEO

Start Date: April 1, 2025 | **Education:** Hitotsubashi University (Social Sciences)

Nearly 40 years at the company, previously served as CFO (2021-2023) and President & COO (2023-2025). Led financial transformation during critical oncology growth phase.

Kenneth Joseph Keller - Head of Global Oncology

Start Date: March 2014 (as "employee No. 1" in oncology unit)

30+ years pharma experience including 20+ years at Amgen. Built oncology unit from 1 employee to 2,000+ operating in 55 countries. Credited with Enhertu development and commercialization success.

Executive	Title	Status
Sunao Manabe	Executive Chairperson	Retiring June 2026
Koji Ogawa	CFO	Retiring March 2026
Takashi Matsumoto	CHRO	Re-elected 2026
Stuart Mackey	Head of Global Oncology (from Apr 2026)	Taking operational leadership

4. Drug Portfolio

Oncology Business Unit

Product	Revenue (FY24)	Growth	Patent Status	Peak Potential
ENHERTU	¥552.6B (~$3.75B)	+39.7%	Complex; key Seagen patent invalidated	$11-14B by 2030
Datroway	~¥1.4B (launch)	N/A	Protected through 2030s	$2.24B (US) by 2036

Specialty & Cardiovascular

Product	Revenue (FY24)	Growth	Patent Status
Lixiana/Savaysa	~¥180B (est.)	Moderate	US: Apr 2027 / EU: Jun 2027
Nilemdo/Nustendi	¥57.4B	+55.7%	Protected through 2030s
Tarlige	Growing	Increasing	Japan-focused

ENHERTU - Approved Indications

- HER2-positive metastatic breast cancer (2nd line+)

- HER2-low breast cancer
- HER2-ultralow breast cancer
- HR+/HER2-low or HER2-ultralow (post endocrine therapy)
- First-line HER2-positive with pertuzumab
- HER2-positive gastric/GEJ adenocarcinoma
- HER2-mutant NSCLC
- HER2-positive (IHC 3+) solid tumors

5. Top 5 CEO Focus Drugs

Rank	Drug	Status	Revenue/Stage	Priority Focus
1	**ENHERTU**	Marketed	¥552.6B	Cornerstone of transformation; label expansions
2	**Datroway**	Marketed	Launch phase	Second ADC pillar; breast/lung focus
3	**Patritumab deruxtecan**	Pipeline (Merck)	Phase 3	EGFR+ NSCLC; BLA withdrawn but strategic
4	**Ifinatamab deruxtecan**	Pipeline (Merck)	Phase 3	ES-SCLC; Breakthrough Therapy Designation
5	**Raludotatug deruxtecan**	Pipeline (Merck)	Phase 3	Ovarian cancer; 50.5% ORR

7. R&D Pipeline

Daiichi Sankyo maintains **seven ADCs in clinical development** under the "5 DXd-ADCs and Next Wave" strategy.

Drug Candidate	Target	Partner	Phase	Lead Indication
ENHERTU	HER2	AstraZeneca	Marketed/Ph3	Multiple cancers
Datroway	TROP2	AstraZeneca	Marketed/Ph3	BC, NSCLC
Patritumab deruxtecan	HER3	Merck	Ph3	EGFR+ NSCLC
Ifinatamab deruxtecan	B7-H3	Merck	Ph3	ES-SCLC
Raludotatug deruxtecan	CDH6	Merck	Ph3	Ovarian cancer

8. Top Geographies

Region	Revenue (¥B)	% of Total	YoY Growth	Key Drivers
Japan	559.6	29.7%	Moderate	Enhertu, Lixiana, Tarlige, vaccines
Oncology (Global)	463.8	24.6%	+38.6%	Enhertu primary driver
North America	364.3	19.3%	Strong	Enhertu, American Regent
EU Specialty	237.4	12.6%	+25.5%	Lixiana, Nilemdo/Nustendi
Other Regions	261.2	13.8%	Mixed	Various

9. Competitive Landscape

Company	Key ADC Products	Competitive Threat
Pfizer/Seagen	Adcetris, Padcev, Besponsa	High - Deep ADC portfolio
Gilead Sciences	Trodelvy	Moderate-High - TROP2 competition
Roche	Kadcyla, Polivy	Moderate - HER2-ADC losing share
AstraZeneca	Partner on Enhertu/Datroway	Partner - Aligned interests
Merck	Partner on 3 DXd ADCs	Partner - $22B collaboration

10. Risks and Challenges

Key Risk Factors

- **Competition:** >200 companies with >500 ADCs in development
- **Patent Cliff:** Lixiana/Savaysa expiring 2027-2028
- **Currency:** >60% overseas revenue; significant yen volatility impact
- **Pipeline:** HER3-DXd BLA withdrawn; Datroway OS failures
- **Manufacturing:** ADC complexity; third-party issues affected HER3-DXd
- **Safety:** ILD black box warning on Enhertu; deaths in trials

11. Outlook and Valuation

FY2025 Guidance

Metric	Forecast	vs. FY2024
Revenue	¥2,000 billion	+6.0%
Core Operating Profit	¥350 billion	+11.9%
Enhertu Product Sales	¥662.1 billion	+19.8%

Peer Comparison

Company	Revenue	Market Cap	P/E	Key Franchise
Daiichi Sankyo	~$12.4B	~$48B	21.6x	ADCs (Enhertu)
Astellas	~$10.6B	~$22B	15x	Xtandi, Izervay
Takeda	~$30B	~$45B	25x	GI, Oncology, Rare
Pfizer	~$58B	~$140B	12x	Seagen ADCs

Enhertu Peak Sales Projections

- **GlobalData Consensus:** $11.2 billion by 2030
- **GlobalData High:** $13.9 billion by 2030
- **Jefferies:** ~$6 billion by 2030

12. Patent/Exclusivity Summary

Product	Indication	US Exclusivity	EU Exclusivity	Key Risk
ENHERTU	HER2+ BC (multiple)	Complex; Seagen patent invalidated	Varies	Patent uncertainty
Datroway	HR+/HER2- BC	Protected through 2030s	Similar	Trodelvy competition
Lixiana/Savaysa	AF/VTE	Apr 2027 / Mar 2028	June 2027	Generic competition imminent
Nilemdo/Nustendi	Cholesterol/CV	Protected; new CV indication 2024	Protected	Limited near-term risk

Ada Patient Finder Analysis

Ada Patient Finder identifies undiagnosed patients and navigates them to appropriate care, generating revenue through a percentage of first-year drug revenue per patient found.

ENHERTU - HER2+ Breast Cancer **Fit Score: 8/10**

Metric	Value
Diagnostic Delay	73.5% have delays >52 days (critical threshold)
Misdiagnosis Impact	Stage migration mediates 67.3% of delay impact on survival
Gross Price	~$165,000/year per patient (US)
Net Revenue (40-60% G2N)	$66,000-99,000/year per patient
Addressable by Ada (US)	5,000-8,000 patients/year

> ***Pitch Hook:*** *"73% of HER2-positive breast cancer patients experience diagnostic delays exceeding the 52-day threshold associated with 10%+ stage migration risk. Ada Patient Finder can accelerate identification of symptomatic patients through its validated symptom assessment, potentially reaching 5,000+ delayed-diagnosis patients annually who are eligible for ENHERTU therapy."*

R-DXd - Ovarian Cancer (Pipeline) **Fit Score: 8/10**

Metric	Value
Diagnostic Delay	31 weeks (7.75 months) average
Misdiagnosis Rate	30% initially misdiagnosed as IBS
Projected Net Revenue	$60,000-120,000/year per patient
Addressable by Ada (US)	2,000-4,000 patients/year

> ***Pitch Hook:*** *"Ovarian cancer has the deadliest diagnostic delay of any gynecologic cancer - average 31 weeks from symptoms to diagnosis. 30% of patients are initially misdiagnosed with IBS. Ada's pattern recognition can identify the constellation of persistent bloating, pelvic discomfort, and urinary symptoms that warrant gynecologic oncology evaluation."*

Patient Finder Opportunity Summary

Product	Fit Score	Net Revenue/Patient	Addressable (US)
ENHERTU - HER2+ Breast	8/10	$66-99K	5,000-8,000/yr
ENHERTU - HER2+ Gastric	7/10	$66-99K	1,000-1,500/yr
R-DXd - Ovarian (Pipeline)	8/10	$60-120K	2,000-4,000/yr
I-DXd - SCLC (Pipeline)	7/10	$60-108K	TBD

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