



Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

Investor and Analyst Event
March 9th, 2015
W Hotel, New York City

Takeda Pharmaceutical Company Limited

Today's Presenters & Panel



Christophe Weber
President & Chief Operating Officer

Asit Parikh, M.D., Ph.D.
Head of GI Therapeutic Area Unit

Kirsten Detrick,
Vice President , Therapeutic Area Commercial Lead, GI, Global Commercial

Nicole Mowad-Nassar
Vice President, Marketing, Takeda Pharmaceuticals USA

09:00~10:00	Session 1 Introduction: Strategic Roadmap for Profitable Growth Takeda's Position of Strength within the Gastroenterology Space Takeda's GI Portfolio Takeda's GI Drug Discovery Unit
10:00~10:20	break & refreshments
10:20~11:10	Session 2 The IBD Market The US Launch of Entyvio® Entyvio® Global Launch Achieving >\$2 Billion in Global Peak Sales The Road to GI Leadership
11:10~12:00	Q&A Session
12:00~13:00	lunch buffet

Forward-Looking Statements



This presentation contains forward-looking statements regarding the Company's plans, outlook, strategies, and results for the future.

All forward-looking statements are based on judgments derived from the information available to the Company at this time. Forward looking statements can sometimes be identified by the use of forward-looking words such as "may," "believe," "will," "expect," "project," "estimate," "should," "anticipate," "plan," "continue," "seek," "pro forma," "potential," "target," "forecast," or "intend" or other similar words or expressions of the negative thereof.

Certain risks and uncertainties could cause the Company's actual results to differ materially from any forward looking statements contained in this presentation. These risks and uncertainties include, but are not limited to, (1) the economic circumstances surrounding the Company's business, including general economic conditions in the US and worldwide; (2) competitive pressures; (3) applicable laws and regulations; (4) the success or failure of product development programs; (5) decisions of regulatory authorities and the timing thereof; (6) changes in exchange rates; (7) claims or concerns regarding the safety or efficacy of marketed products or product candidates; and (8) integration activities with acquired companies.

We assume no obligation to update or revise any forward-looking statements or other information contained in this presentation, whether as a result of new information, future events, or otherwise.

- This presentation contains information about products that may not be available in all countries, or may be available under different trademarks, for different indications, in different dosages, or in different strengths. Nothing contained herein should be considered a solicitation, promotion, advertisement or indication for any prescription drug including the ones under development.
- For full indication and important safety information of marketed products featured in the presentation, please see from slide 104. Products may not be available in all countries, or may be available under different trademarks, for different indications, in different dosages, or in different strengths.



Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

Introduction: Strategic Roadmap for Profitable Growth

Takeda's strategic roadmap to deliver sustainable EPS growth



- **Takeda-ism**

Patient → Trust → Reputation → Business

- **Patient and customer centricity**

- **Global and agile organization fostering talent**

- **Focused world class innovation engine (R&D)**

- **Sustaining sales growth**

*Innovation with leadership in GI & Oncology
Leverage value brands in Emerging Markets*

- **Financial discipline**

Profitable Growth & Creation of Shareholder Value



Two powerful growth engines



INNOVATIVE PRODUCTS

4 THERAPEUTIC AREAS and VACCINES

US, Europe, Japan and Emerging Markets

VALUE BRANDS

BRANDED GENERICS and OTC

Emerging Markets

Promising portfolio that is increasingly focused, innovative and global



 Global products

New and Potential Product Approvals	Oncology	CNS	CVM	GI	Vaccine	Other TA
FY2008 - 2012	ADCETRIS®	REMINYL®	NESINA®	DEXILANT®		COLCRYS®
	VECTIBIX®		AZILVA®			ULORIC®
			EDARBI®			ALVESCO®
			LOTRIGA®			DAXAS®
FY2013 - 2017	ixazomib	BRINTELLIX®	CONTRACE®	ENTYVIO®	Norovirus	
	alisertib	LATUDA®	trelagliptin	TAKECAB®		
		TAK-375SL				
FY2018 - 2022	MLN0264	AD-4833/ TOMM40		TAK-114	TAK-003 Dengue	
	TAK-385					
	MLN0128					

Assets shown are in Phase 2 or later and have the most substantial financial expectations

8 CNS: Central Nervous System; CVM: Cardiovascular & Metabolic; GI: Gastroenterology; TA: Therapeutic Area

Takeda Pharmaceutical Company Limited

Takeda is a global GI leader



Major marketed products sales: 299 billion yen (FY2013)*



Launched in FY2014



Pipeline

TAK-114

Life-cycle management programs for Entyvio, Dexilant, Amitiza



Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

Takeda's Position of Strength within the Gastroenterology Space

Takeda Pharmaceutical Company Limited

2014-2015: A pivotal time for Takeda gastroenterology

Gastroenterology (GI) positioned as **a core Therapeutic Areas Unit (TAU)**

Entyvio successfully launched in US and EU for the treatment of Ulcerative Colitis (UC) and Crohn's Disease (CD) (June 2014)

Takecab launched in Japan for acid-related diseases (Feb 2015)

Territory expansion agreement executed for **Amitiza**

GI Drug Discovery Unit to accelerate innovation and fuel pipeline

More than 40 ongoing GI trials with similar number anticipated for FY2015

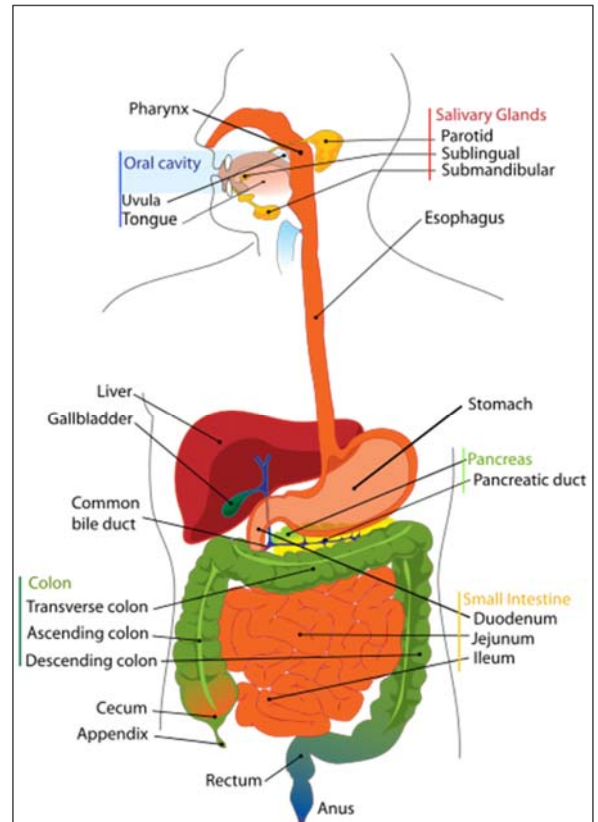
Significant R&D investment in GI therapeutic area

How Takeda defines gastroenterology



Treating disorders of the digestive system:

- esophagus
- stomach
- small intestine
- large intestine (colon)
- rectum
- liver
- gallbladder and
- pancreas

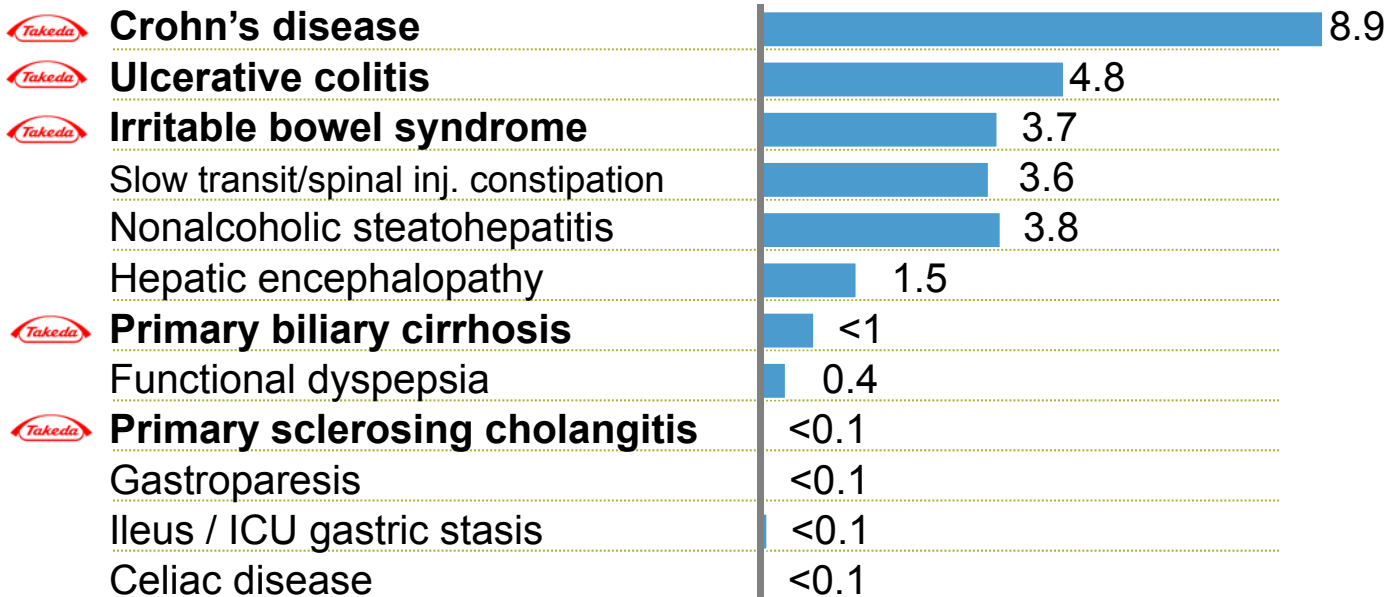


Specialty GI market is projected to be nearly \$28 billion in 2020



Indication

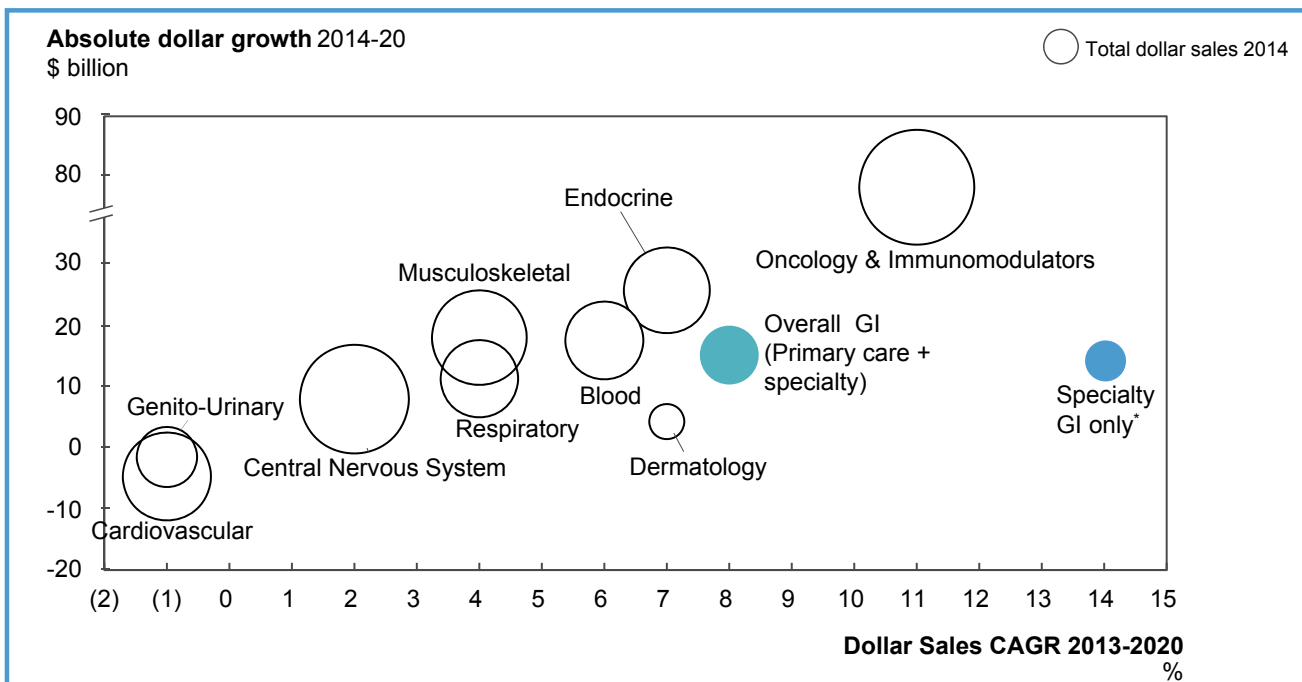
Market forecast 2020 (global), \$B



The specialty GI category is growing faster than other therapeutic areas



Worldwide, 2014-2020

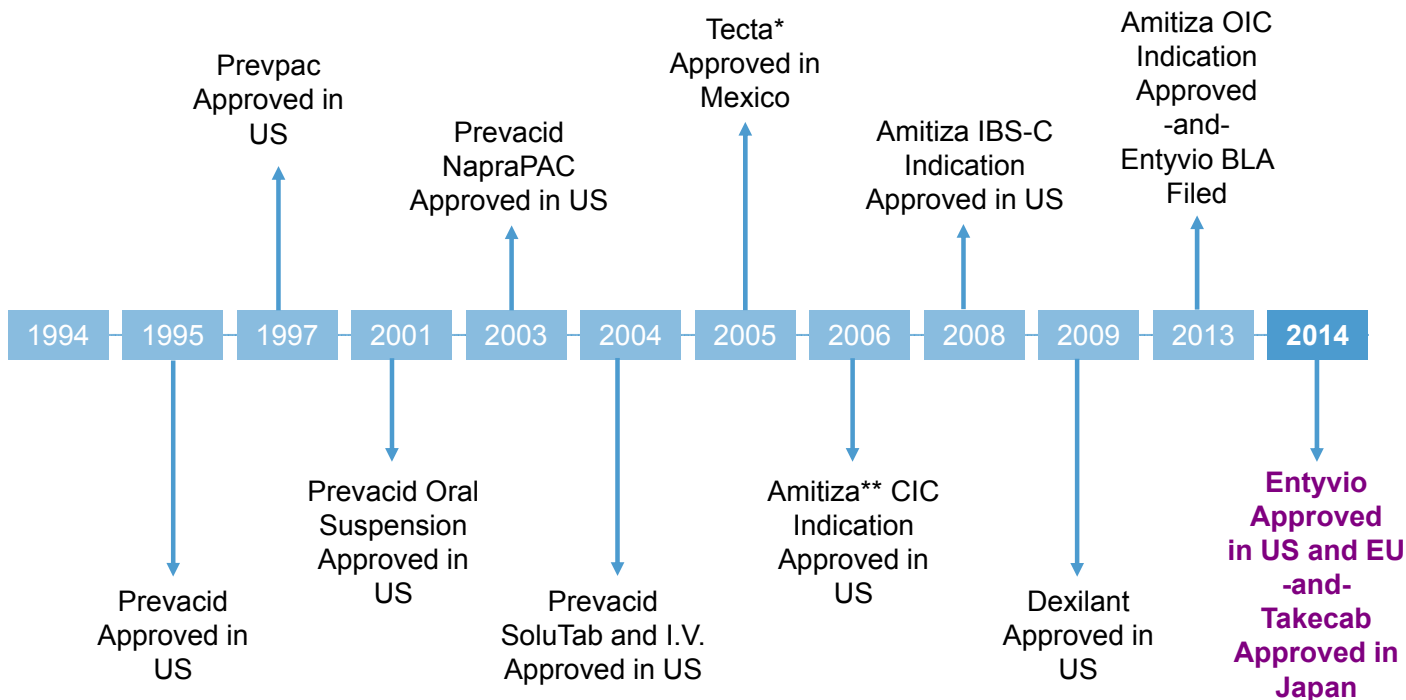


*Defined as Inflammatory Bowel Disease and Hepato-Pancreato-Biliary sub-Therapeutic Areas and select specialty GI indications within motility (e.g., Irritable Bowel Syndrome, gastroparesis, functional dyspepsia)

A strong legacy to build on Past 25 years make today's Takeda ideally poised for success



Selected milestones:



CIC: Chronic Idiopathic Constipation; IBS-C: Irritable Bowel Syndrome with Constipation; OIC: Opioid-Induced Constipation; BLA: Biologics License Application

*Tecta was acquired by Takeda as part of the Nycomed acquisition in 2011

**In-licensed from Sucampo

Note: Indications are not written in full



Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

Takeda's GI Portfolio

Takeda Pharmaceutical Company Limited

Takeda's GI portfolio Robust diversified portfolio and pipeline



Product / Development code	Category	Phase 2	Phase 3	Registration	Marketed
pantoprazole	Acid-related diseases				●
lansoprazole	Acid-related diseases				●
ulinastatin	Acute pancreatitis				●
Dexilant	Acid-related diseases				●
Amitiza	CIC, IBS-C, OIC*				●
	Pediatric functional constipation		●		
	New formulation		●		
Takecab	Acid-related diseases				●
Entyvio	Ulcerative colitis, Crohn's disease				●
	Primary Sclerosing Cholangitis	Preparing for Phase 3			
	Subcutaneous formulation	Preparing for Phase 3			
TAK-114	Ulcerative colitis	●			

Takeda's PPI portfolio totals 274 billion yen, with wide range of indications and formulations



- 1st and only Dual-Delayed Release Proton Pump Inhibitor (PPI) offers two releases in one pill
- US and Emerging Market launches driving growth
- Global growth CAGR of 33% from FY2011 to FY2014 (forecast)



- 120 billion yen in FY2013
- Lansoprazole is uniquely differentiated with multiple formulations



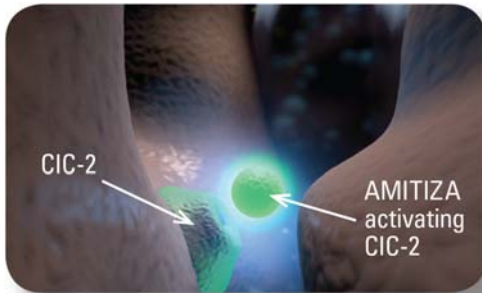
- 104 billion yen in FY2013
- IV formulation delivering strong growth in China



Amitiza® (lubiprostone) activates intestinal chloride channels



- Locally acting chloride channel activator that enhances intestinal fluid secretion without altering serum sodium or potassium
- Specifically activates ClC-2, a normal constituent of the apical membrane of human intestine



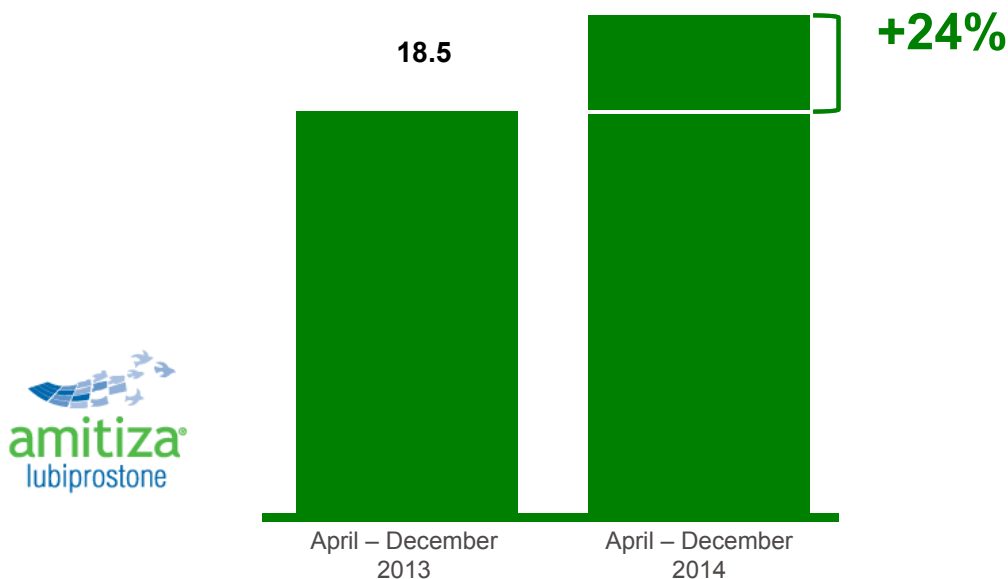
Images are an artist's rendition and are for illustration purposes only

- Bypasses the antisecretory action of opiates that results from suppression of secretomotor neuron excitability

Amitiza® continues to show robust growth in the US



Amitiza Net Sales Growth FYQ1-Q3 2013-2014 (billion yen) 22.9

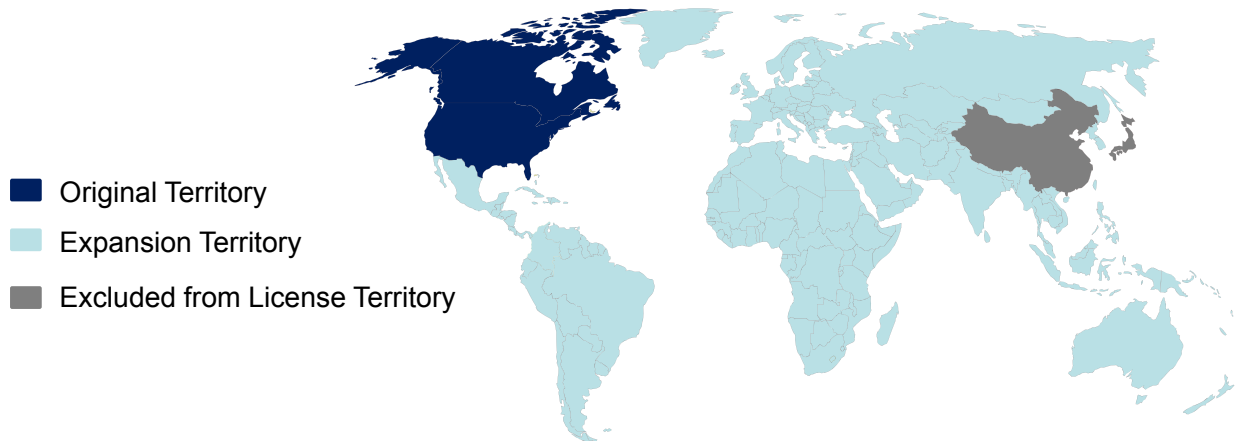


Amitiza is approved in the U.S. for the treatment of chronic idiopathic constipation, irritable bowel syndrome with constipation and opioid-induced constipation

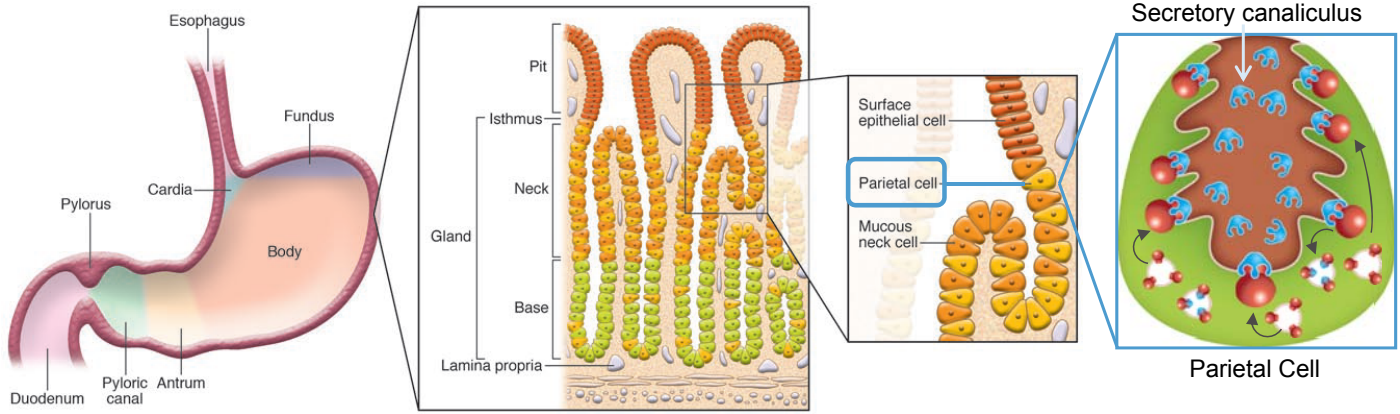
Recent territory expansion agreement bolsters our global GI position



- Original Territory FY2014 revenue forecast: 28 billion yen
 - Planned pediatric labeling and new formulation expected to fuel growth if approved
 - Canadian CIC* approval anticipated in 2015
- Expansion Territory: launches in key Emerging Markets starting in 2017-18
- Global Lifecycle management plan under evaluation



Takecab® (vonoprazan) is a potent, novel Potassium-Competitive Acid Blocker (P-CAB)

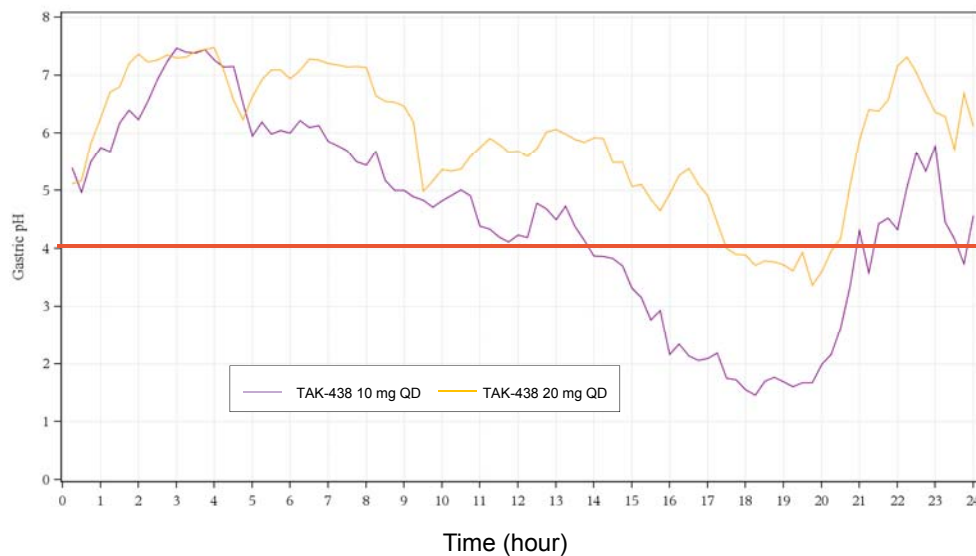


- Reversible inhibitor of proton pump
- Activation of drug by acid/food not needed
- Long half-life (~9h), linear pharmacokinetics up to 40mg
- High extent of 24 hour pH holding time >4
- Less affected by drug metabolism polymorphism (CYP2C19)

Takecab® demonstrates rapid gastric acid neutralization

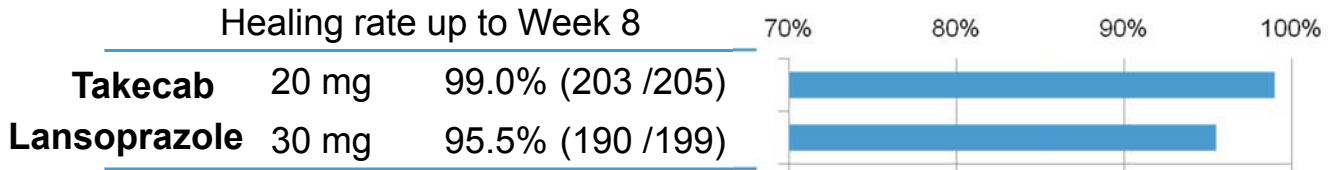


Mean of Median Gastric pH Profiles for TAK-438 Treatment Groups on Day 7*



- Rapid gastric acid neutralization
- Fast onset of action and acid suppression from first dose

Takecab® phase 3 data, erosive esophagitis healing: Takecab is clinically potent



Difference (%)	95% CI		non-inferiority	
	Lower	Upper	z-value	p-value
3.5	0.362	6.732	5.3945	<0.0001

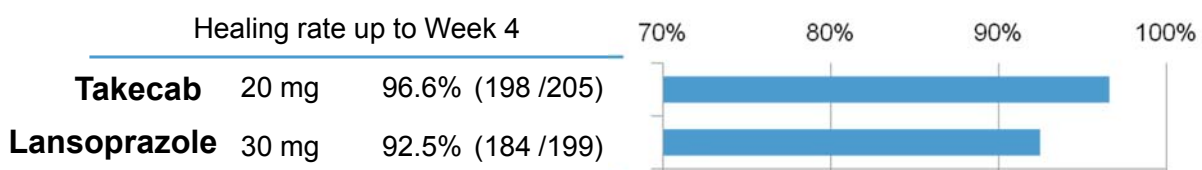
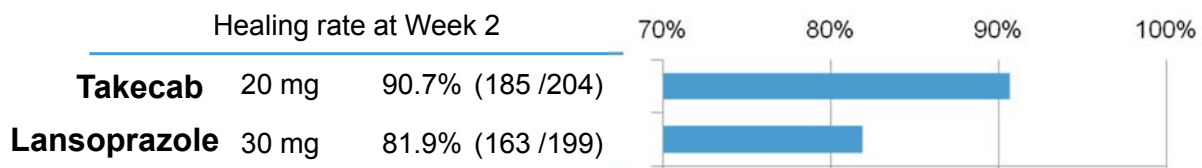
- Endoscopic Erosive Esophagitis (EE) healing rates at Week 8 were confirmed in the non inferiority analysis vs. lansoprazole
- Post hoc analysis for superiority showed difference in favor of Takecab*

Takecab® phase 3 data, erosive esophagitis healing: High healing rate of Takecab at 2 weeks



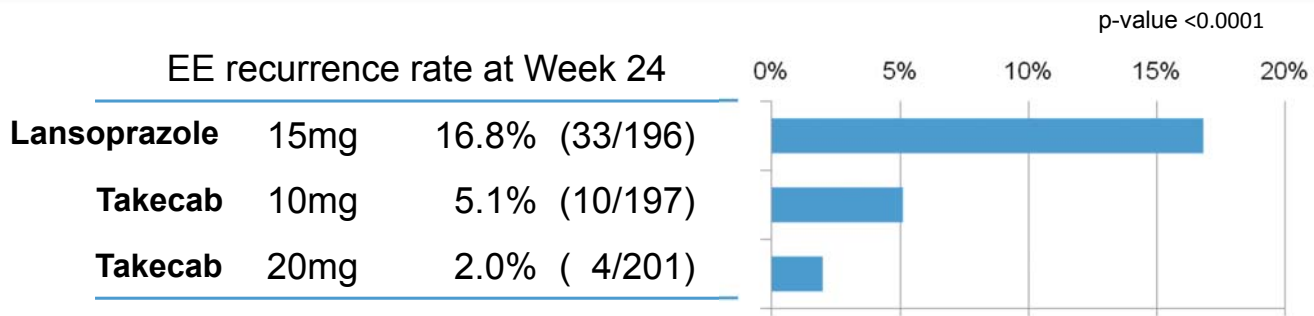
- Secondary endpoints met

Endoscopic EE healing rate up to Week 2 and Week 4



Takecab[®], EE maintenance phase 3 data

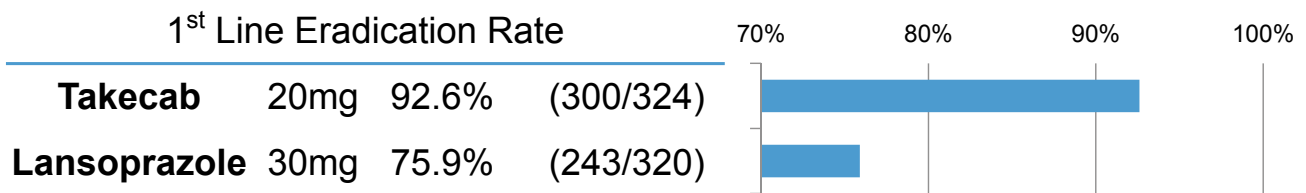
Endoscopic EE Recurrence rates at week 24



- As per protocol testing, non-inferiority of Takecab 10mg and 20mg to lansoprazole 15mg was confirmed
- Post hoc analysis for superiority showed difference in favor of Takecab*

Takecab[®] phase 3 data:

H. pylori high eradication rates



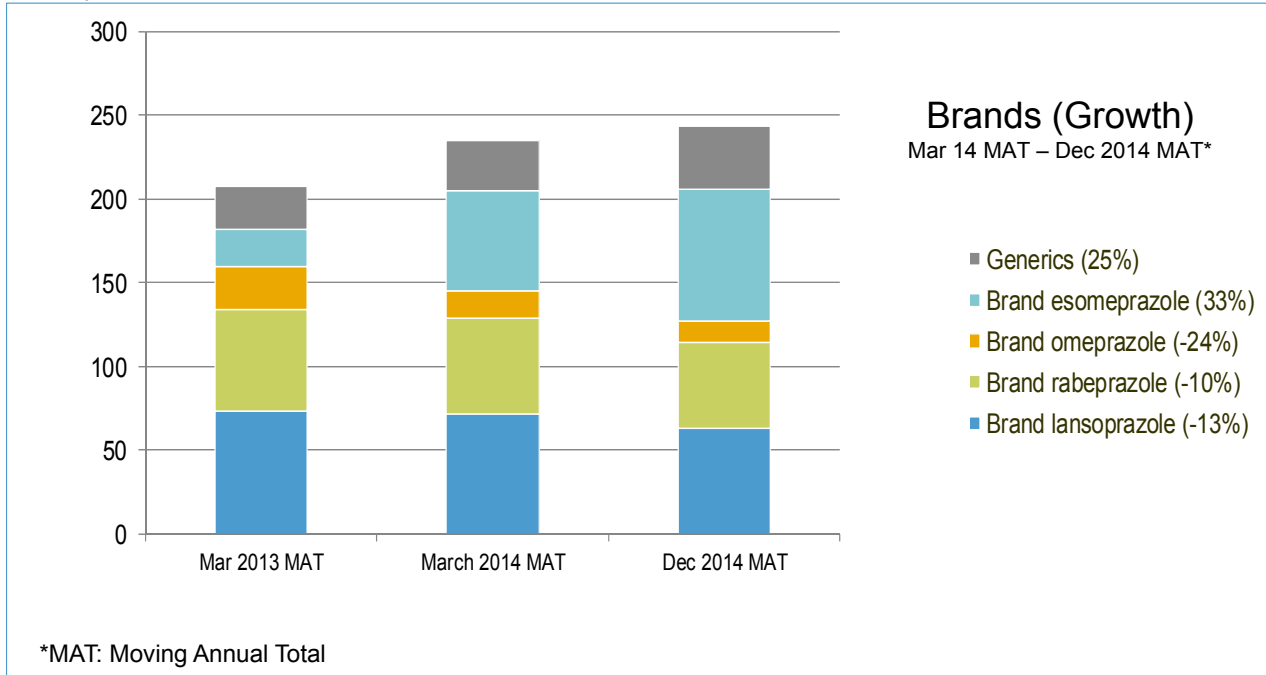
	Difference (%)	95% CI		Non-inferiority test *	
		Lower	Upper	z-value	p-value
Takecab – Lansoprazole	16.7	11.172	22.138	8.7909	<0.0001

- Non-inferiority of triple therapy with Takecab/amoxicillin/clarithromycin vs Lansoprazole/amoxicillin/clarithromycin was confirmed
- Post hoc analysis for superiority showed difference in favor of Takecab**

The Japanese anti-acid market is large and still growing even after generic entries of classical PPIs



billion yen



© IMS2014Health, Based on JPM Apr. 2012 to Dec. 2014, Reprinted with permission

30

Brand omeprazole includes Omepral tab and Omeprazon tab
 Brand rabeprazole includes Pariet tab, Rabecure and Rabefine (H.pylori triple packs)
 Brand lansoprazole includes Takepron capsule, Takepron ODT, Takelda (Takepron/ASA FDC), Lansap and Lampion (H.pylori triple packs)

Takeda Pharmaceutical Company Limited

Takecab[®] now launched in Japan



Japan

- Phase III program focused only on Japan
- Just launched with 7 approved indications
- Takeda and Otsuka co-promotion, two leading GI companies
- Anticipated to be a top 3 revenue generator for Takeda in Japan (over 60 billion yen in sales)
- Patent protection until at least 2026



Rest of World

- Takeda is reviewing different options for development of Takecab in markets outside of Japan

31

Takeda Pharmaceutical Company Limited



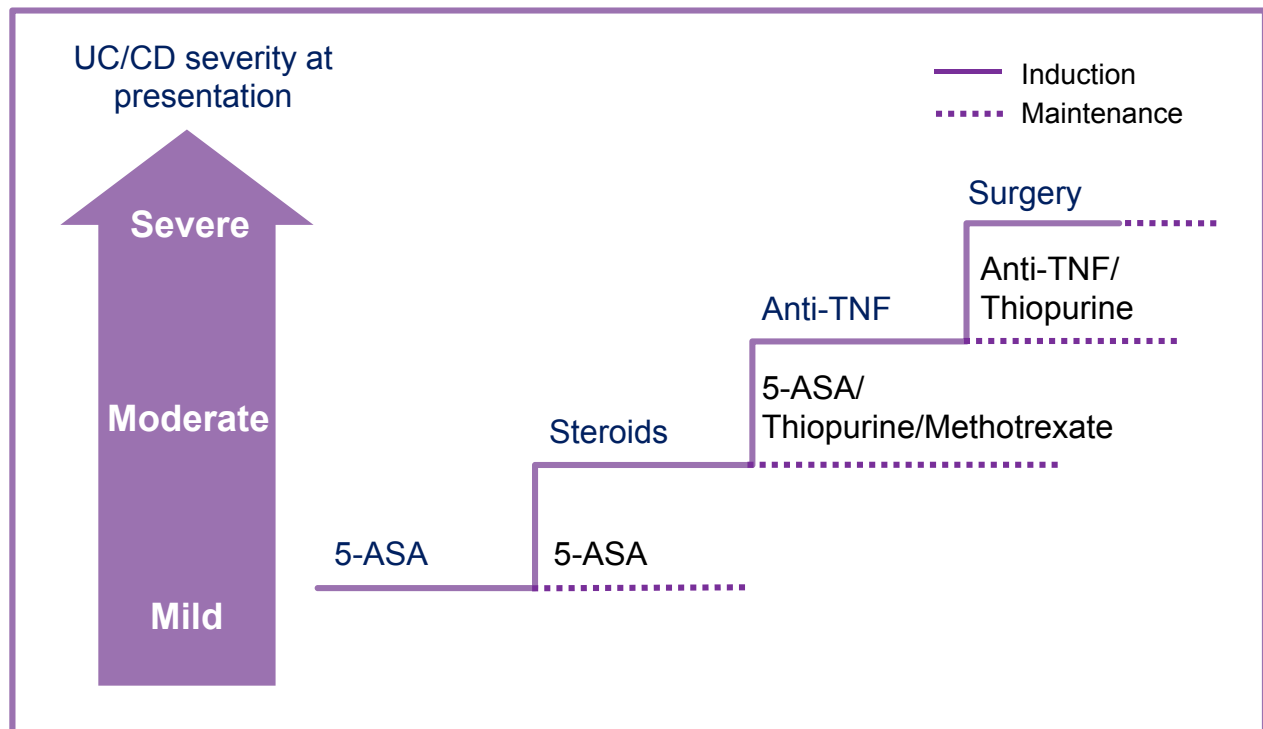
IBD includes two distinct inflammatory diseases of the gastrointestinal tract

1. **Ulcerative Colitis (UC)** affects the innermost lining of the large intestine
2. **Crohn's Disease (CD)** affects any portion of the GI tract, involves all tissue layers



- UC and CD are chronic conditions affecting 2.6 million patients in the G7 markets¹
- Symptoms include abdominal pain, diarrhea, rectal bleeding and weight loss
- Lifelong condition that often affects young otherwise healthy individuals
- Complications include strictures, bowel obstruction, need for surgery, and cancer

Inflammatory Bowel Disease (IBD) Stepwise treatment paradigm



Entyvio® (vedolizumab): An alternative for patients with UC and CD



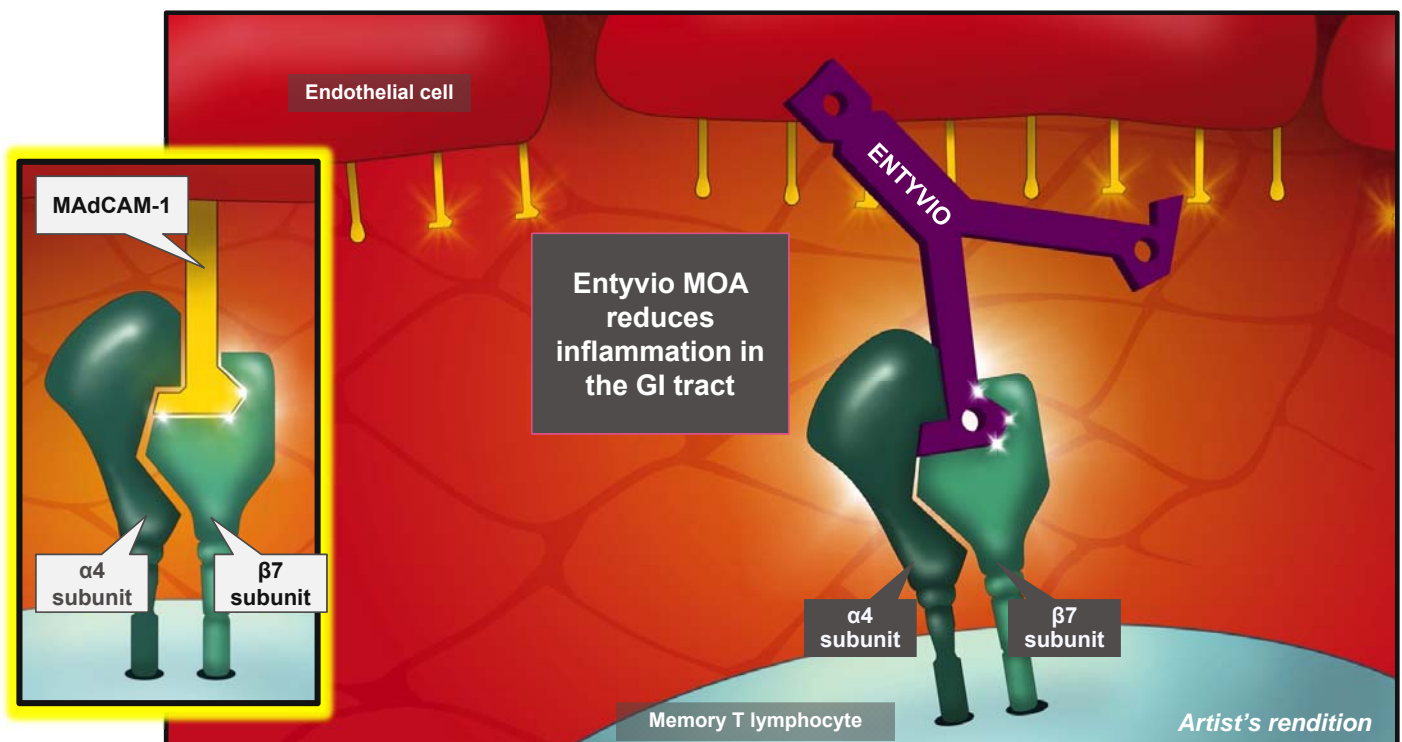
- **First and only** biologic engineered for the treatment of moderately to severely active ulcerative colitis and Crohn's disease
- **First and only** product in the US and Europe indicated for both anti-TNF α -naïve and anti-TNF α -failure patients, both in UC and CD
- **First and only** biologic with a specific binding action designed for a gut-homing inflammatory pathway
- **First and only** simultaneous launch in both UC and CD in US and Europe
- No boxed warning in label



36

Takeda Pharmaceutical Company Limited

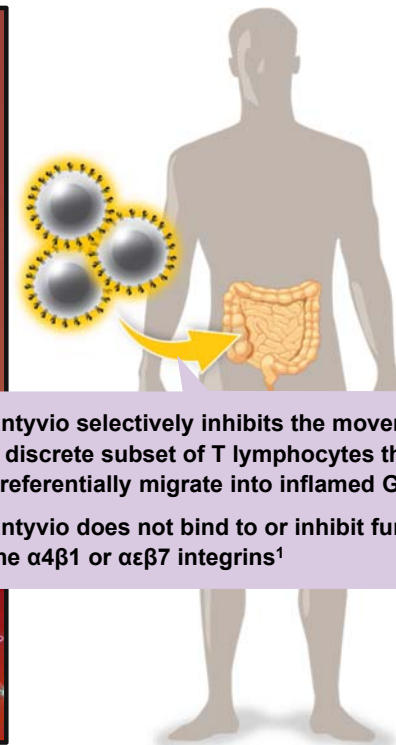
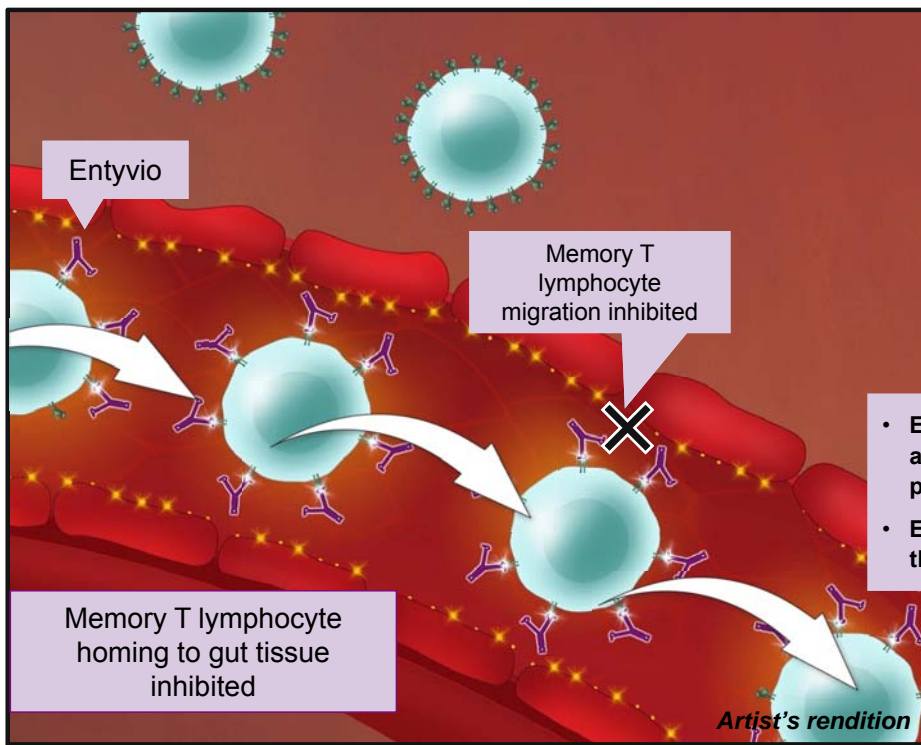
Entyvio® is the first biologic to primarily inhibit homing of lymphocytes to the gut



37

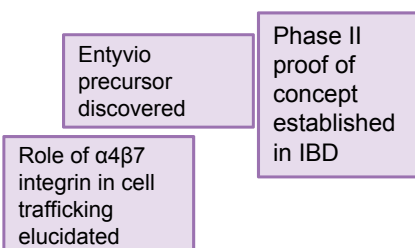
Takeda Pharmaceutical Company Limited

The specific binding action of Entyvio® inhibits lymphocyte trafficking to inflamed gut



- Entyvio selectively inhibits the movement of a discrete subset of T lymphocytes that preferentially migrate into inflamed GI tissue
- Entyvio does not bind to or inhibit function of the $\alpha 4\beta 1$ or $\alpha \epsilon\beta 7$ integrins¹

Entyvio® discovery and development An incredible journey



$\alpha 4\beta 7$ integrin mediates lymphocyte binding to the mucosal vascular addressin MAdCAM-1

Cornelia Berlin^{1, 6, 7}, Ellen L. Berg^{1, 7}, Michael J. Briskin^{1, 7}, David P. Andrew^{1, 7}, Peter J. Kilshaw², Bernhard Holzmann³, Irving L. Weissman^{4, 5}, Alf Hamann⁶, Eugene C. Butcher^{1, 4, 7}

Cell 1993

Attenuation of Colitis in the Cotton-top Tamarin by Anti- $\alpha 4$ integrin Monoclonal Antibody

JCI 1992

Daniel K. Podolsky,^{**} Roy Lobb,[§] Norval King,[¶] Christopher D. Benjamin,[§] Blake Pepinsky,[§] Prebhat Sehgal,[¶] and Michelle deBeaumont^{**}

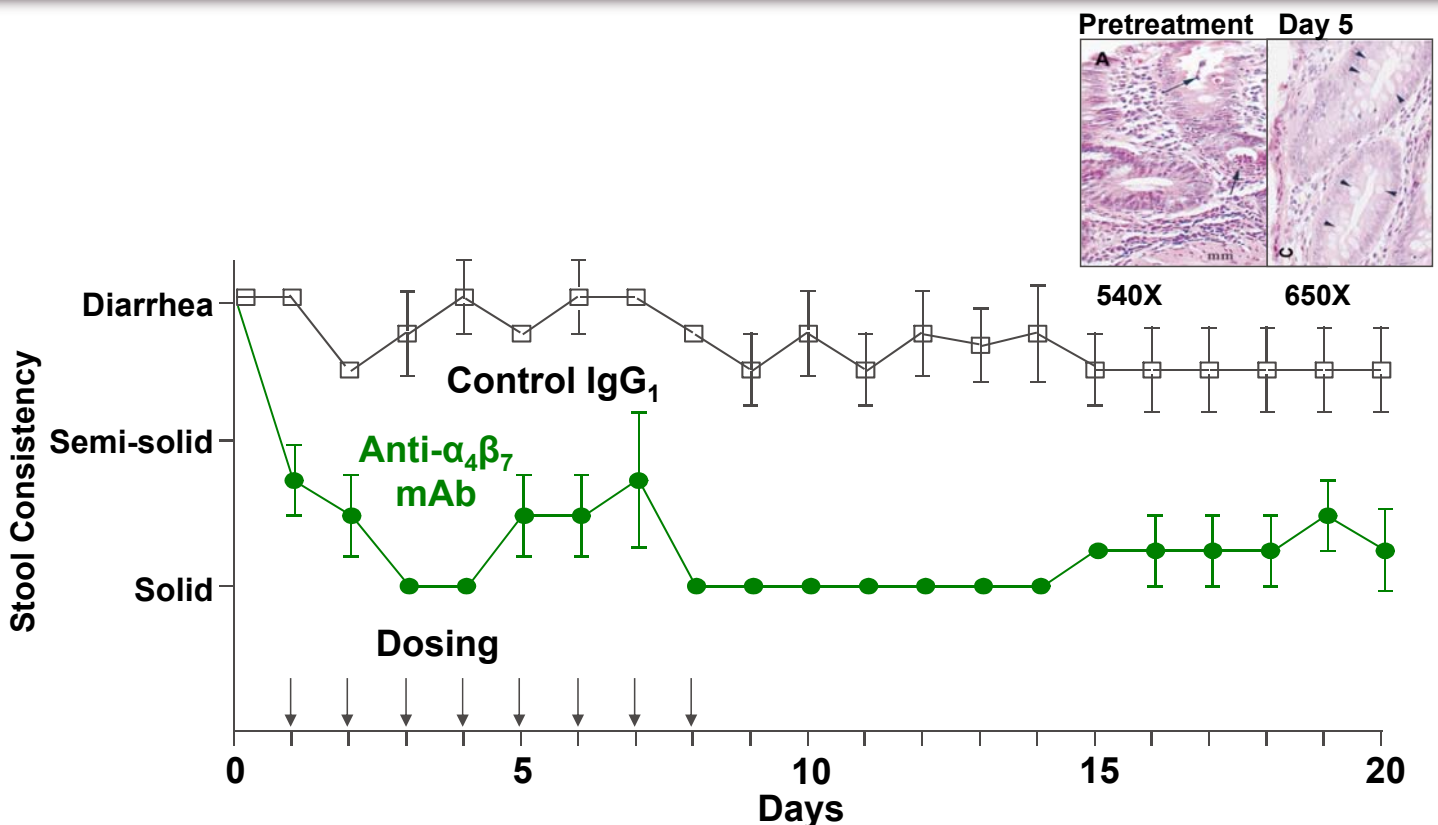
^{*}Gastrointestinal Unit, Massachusetts General Hospital and Department of Medicine, Harvard Medical School; [†]Massachusetts General Hospital/New England Regional Primate Research Center for the Study of Inflammatory Bowel Disease, Boston Massachusetts 02114; [§]Biogen, Inc., Cambridge, Massachusetts 02142; and [¶]New England Regional Primate Research Center, Southboro, Massachusetts 01772

Rapid Resolution of Chronic Colitis in the Cotton-top Tamarin With an Antibody to a Gut-Homing Integrin $\alpha 4\beta 7$

PAUL E. HESTERBERG, DAWN WINSOR-HINES, MICHAEL J. BRISKIN, DULCE SOLER-FERRAN, CHRISTOPHER MERRILL, CHARLES R. MACKAY, WALTER NEWMAN, and DOUGLAS J. RINGLER
LeukoSite Inc., Cambridge, Massachusetts

Gastroenterology 1996

Blocking $\alpha 4\beta 7$ alleviates chronic diarrhea in monkeys

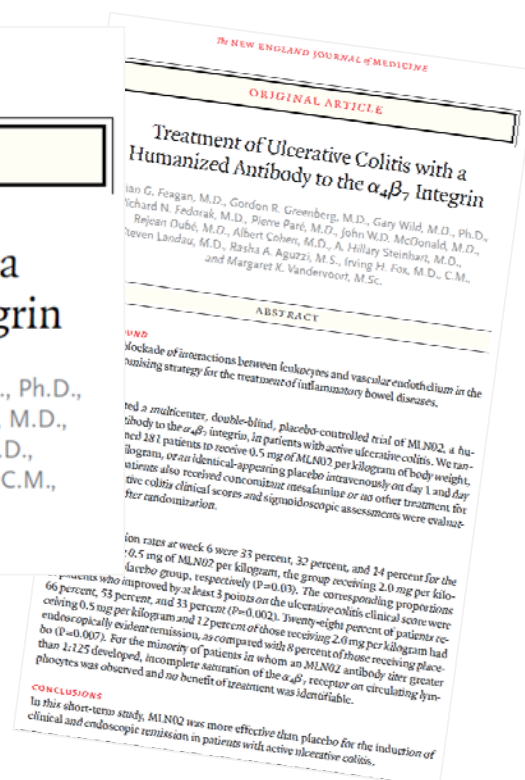


The NEW ENGLAND JOURNAL of MEDICINE

ORIGINAL ARTICLE

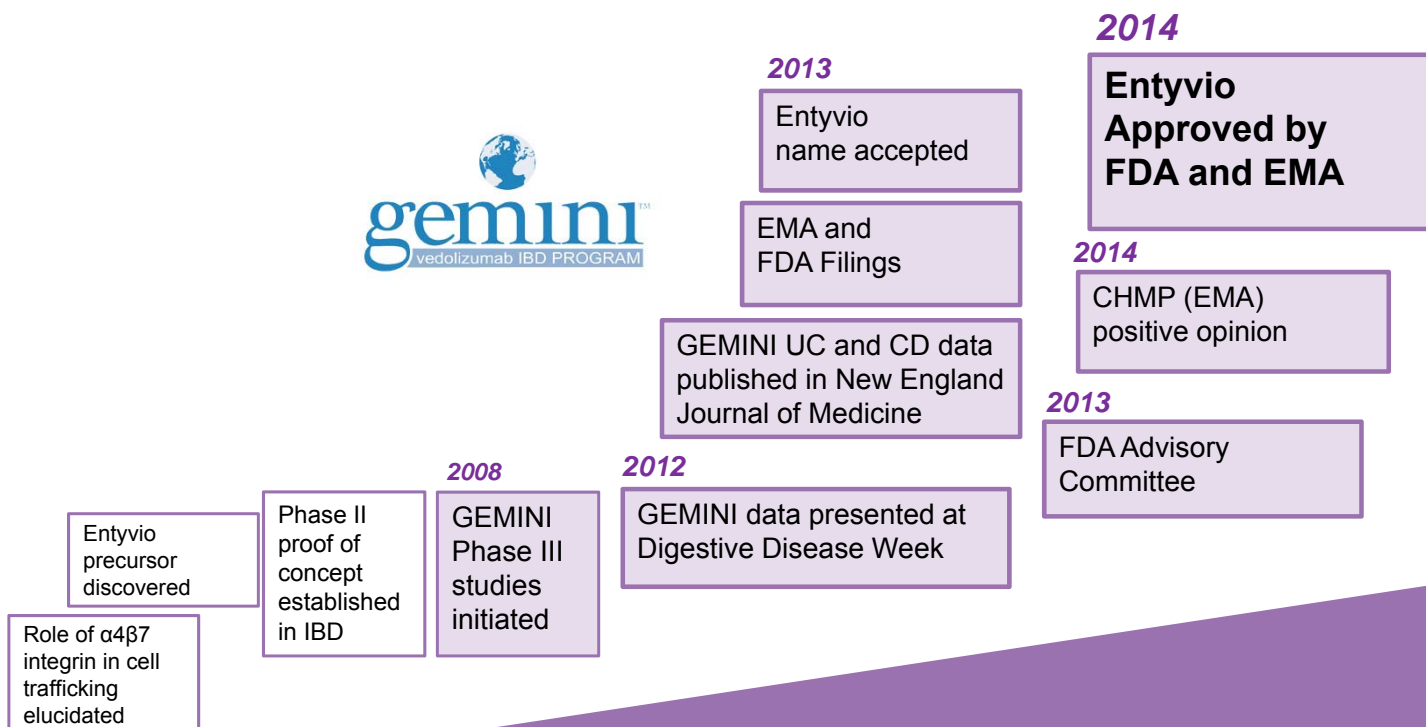
Treatment of Ulcerative Colitis with a Humanized Antibody to the $\alpha_4\beta_7$ Integrin

Brian G. Feagan, M.D., Gordon R. Greenberg, M.D., Gary Wild, M.D., Ph.D., Richard N. Fedorak, M.D., Pierre Paré, M.D., John W.D. McDonald, M.D., Rejean Dubé, M.D., Albert Cohen, M.D., A. Hillary Steinhart, M.D., Steven Landau, M.D., Rasha A. Aguzzi, M.S., Irving H. Fox, M.D., C.M., and Margaret K. Vandervoort, M.Sc.



Entyvio® discovery and development

An incredible journey

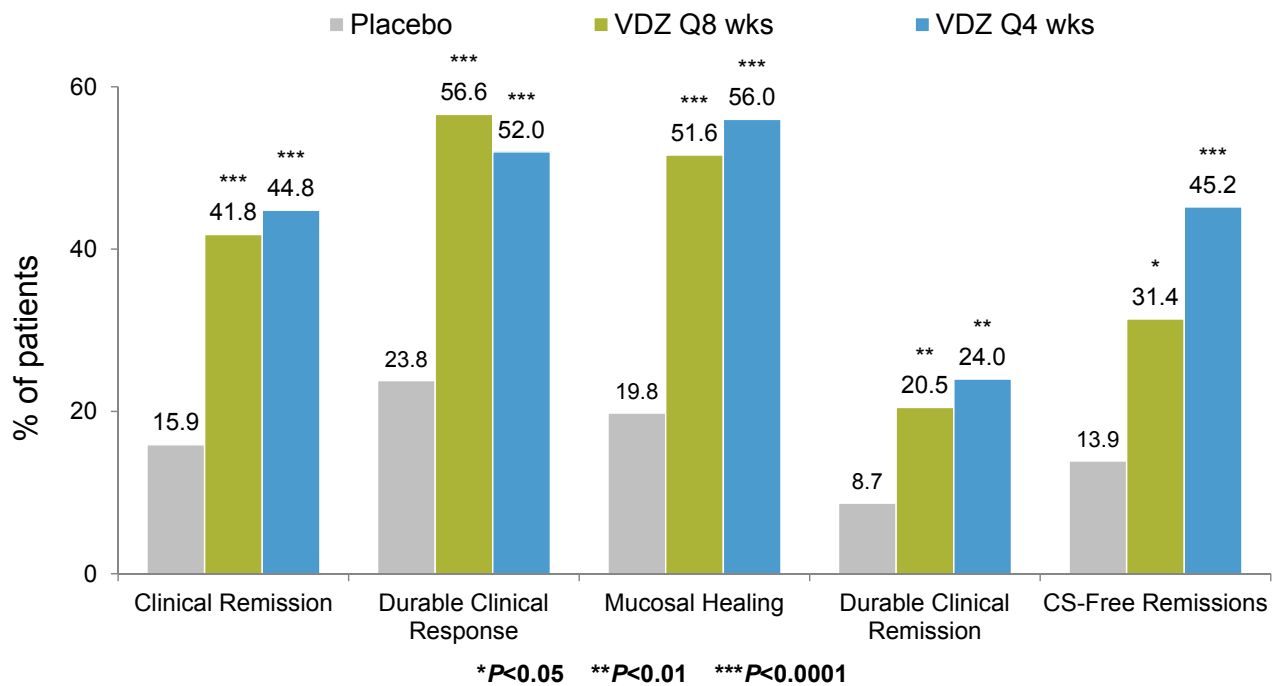


Entyvio[®] ulcerative colitis pivotal data

Powerful results in UC from GEMINI I



UC Primary and Secondary Outcomes at 52 Weeks (ITT)



44

VDZ: vedolizumab (Entyvio), ITT: Intention to treat population, CS-Free: Corticosteroid-free
 Note: Q4 dosing is not the recommended dosage regimen in the US

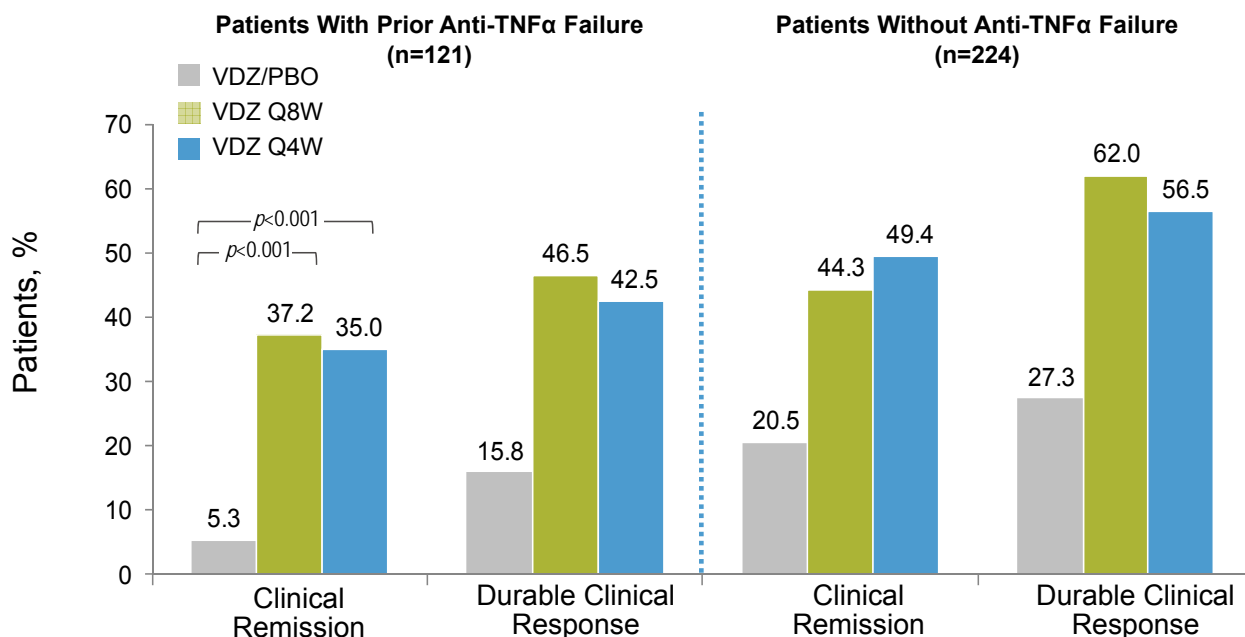
Takeda Pharmaceutical Company Limited

GEMINI I: Entyvio[®] in UC

Benefit with and without prior anti-TNF α failure



Maintenance ITT Population



45

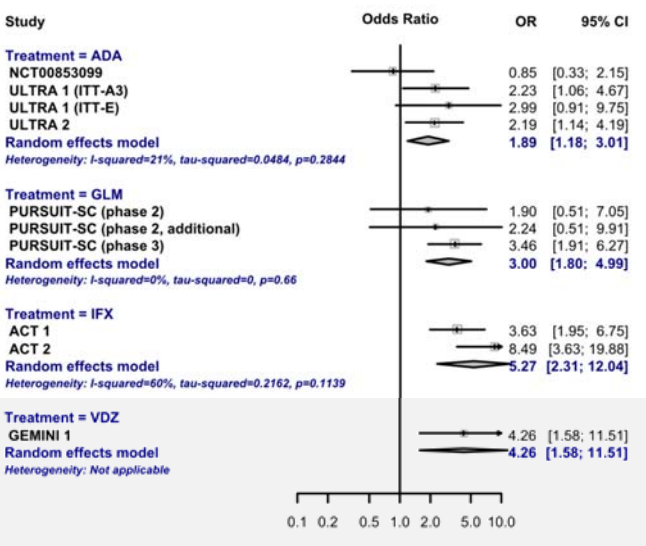
VDZ: vedolizumab (Entyvio), ITT: Intention to treat population, TNF: tumor necrosis factor.
 Feagan B et al. NEJM 2013; 369 (8): 699-710. Supplementary appendix: Figure S3.
 Note: Q4 dosing is not the recommended dosage regimen in the US

Takeda Pharmaceutical Company Limited

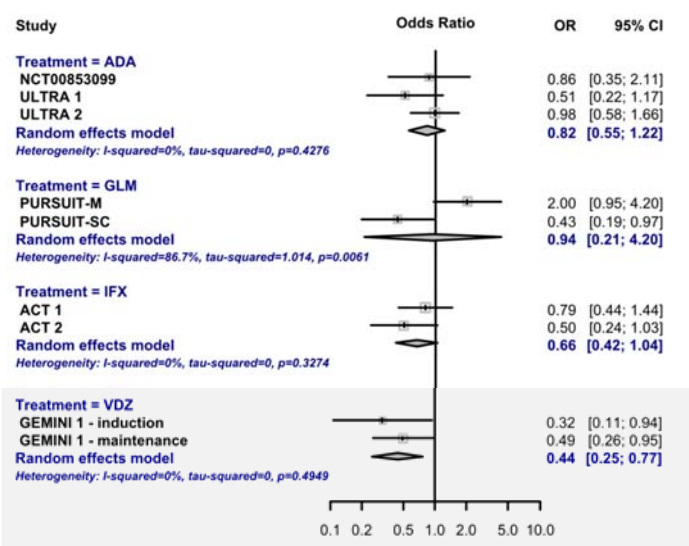
Incidence, %	PLACEBO (n=149)	VEDOLIZUMAB (n=746)
Any AE	46	45
Serious AE	7	3
Common AEs (≥5%)		
Headache	5	8
UC exacerbation	5	3
Infections		
Any	15	14
Serious	2	<1
Infusion related reaction	<1	<1
Malignant neoplasm	0	0

Entyvio[®] demonstrates favorable efficacy and safety in UC meta analysis

Clinical Remission with Induction Rx



Serious Adverse Events

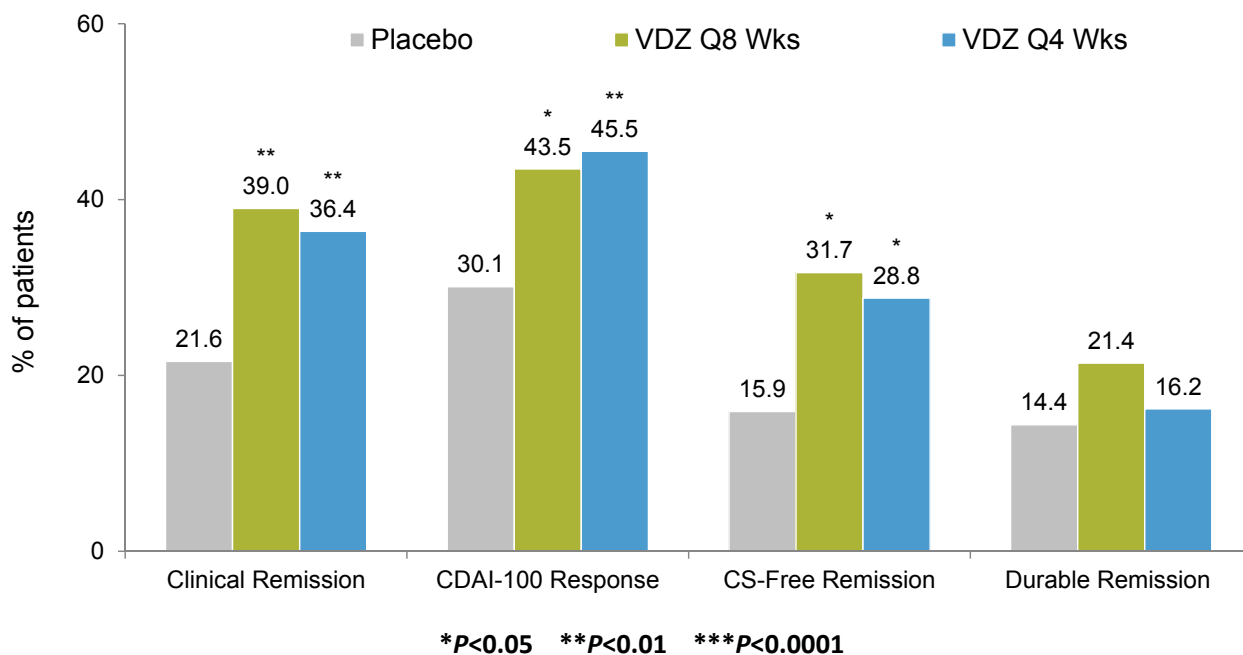


Entyvio® Crohn's disease pivotal data

Impactful results in Crohn's from GEMINI II



CD Primary and Secondary Outcomes through 52 Weeks (ITT)



48

CD: Crohn's Disease, VDZ: vedolizumab (Entyvio), ITT: Intention to treat population, CS-Free: Corticosteroid-free, CDAI: Crohn's Disease Activity Index
Note: Q4 dosing is not the recommended dosage regimen in the US

Takeda Pharmaceutical Company Limited

Entyvio® CD pivotal data

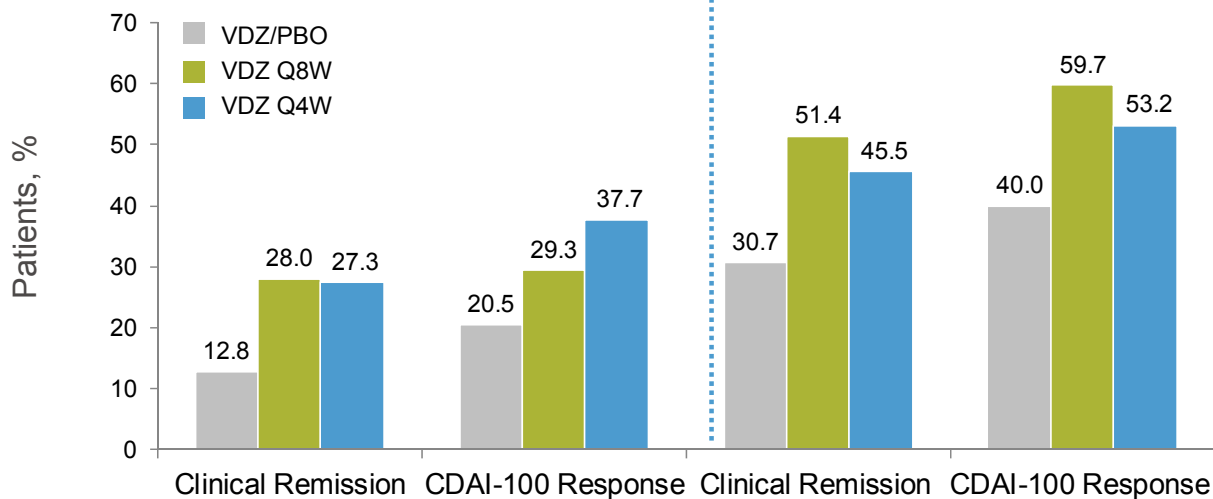
Consistency irrespective of prior anti-TNFα exposure



Maintenance ITT Population

Patients With Prior Anti-TNFα Failure (n=237)

Patients Without Prior Anti-TNFα Failure (n=224)



49

Note: Exploratory sub-population not in the US label. Note: Q4 dosing is not the recommended dosage regimen in the US
Colombel JF et al. Presented at UEGW 20th Annual Meeting 2012.

Takeda Pharmaceutical Company Limited

CD: Crohn's Disease, VDZ: vedolizumab (Entyvio), TNF: tumor necrosis factor, ITT: Intention to treat population, CS-Free: Corticosteroid-free, CDAI: Crohn's Disease Activity Index

Incidence, %	PLACEBO (n=301)	VEDOLIZUMAB (n=814)
Any AE	82	87
Serious AE	15	24
Common AEs in ≥ 10%		
Crohn's Disease	22	20
Arthralgia	13	14
Pyrexia	13	13
Headache	16	12
Nausea	10	11
Abdominal pain	13	10
Upper respiratory tract infection	19	23
Infections	40	44
Serious	3	6
Infusion reaction	5	4
Malignant neoplasm	<1	<1

50 AE: adverse event
Sandborn WJ et al. NEJM 2013; 369:711-721. Supplementary appendix: Table S6.

Takeda Pharmaceutical Company Limited

Pivotal data from UC and CD published together



The NEW ENGLAND JOURNAL of MEDICINE

ESTABLISHED IN 1812

AUGUST 22, 2013

VOL. 369 NO. 8

Vedolizumab as Induction and Maintenance Therapy for Ulcerative Colitis

Brian G. Feagan, M.D., Paul Rutgeerts, M.D., Ph.D., Bruce E. Sands, M.D., Stephen Hanauer, M.D., Jean-Frédéric Colombel, M.D., William J. Sandborn, M.D., Gert Van Assche, M.D., Ph.D., Jeffrey Axler, M.D., Hyo-Jong Kim, M.D., Ph.D., Silvio Danese, M.D., Ph.D., Irving Fox, M.D., Catherine Milch, M.D., Serap Sankoh, Ph.D., Tim Wyant, Ph.D., Jing Xu, Ph.D., and Asit Parikh, M.D., Ph.D., for the GEMINI 1 Study Group*

ORIGINAL ARTICLE

Vedolizumab as Induction and Maintenance Therapy for Crohn's Disease

William J. Sandborn, M.D., Brian G. Feagan, M.D., Paul Rutgeerts, M.D., Ph.D., Stephen Hanauer, M.D., Jean-Frédéric Colombel, M.D., Bruce E. Sands, M.D., Milan Lukas, M.D., Ph.D., Richard N. Fedorak, M.D., Scott Lee, M.D., Brian Bressler, M.D., Irving Fox, M.D., Maria Rosario, Ph.D., Serap Sankoh, Ph.D., Jing Xu, Ph.D., Kristin Stephens, B.A., Catherine Milch, M.D., and Asit Parikh, M.D., Ph.D., for the GEMINI 2 Study Group*

Takeda Pharmaceutical Company Limited

Entyvio® development (2007-2013)

Exemplifies Takeda capabilities



- Studies enrolled ~3000 patients
- Largest IBD clinical program ever conducted, resulting in approval
- Addressed numerous challenges associated with novel mechanism
- Continued mechanistic studies performed during clinical development
 - No impact on peripheral lymphocyte counts in humans¹
 - No CNS immunosuppressive effect in macaques²
 - No effect on human spinal fluid cell counts or number³
 - Measurable effect on gut but not systemic immune function in vaccine challenge study in humans⁴

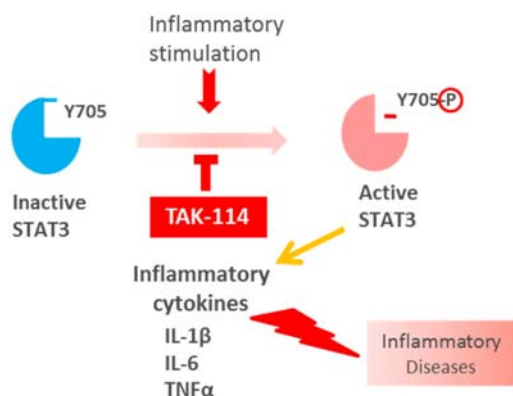
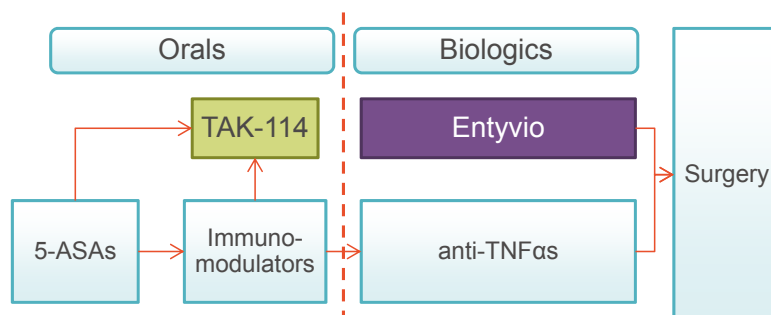
FDA and EMA approval achieved in the same week – historic in IBD

52

1. Entyvio (vedolizumab) [package insert]. Deerfield, IL: Takeda Pharmaceuticals America, Inc.; 2014;
2. Fedyk ER, et al. [abstract P-0144]. *Inflamm Bowel Dis.* 2009;15(Suppl 2):S50;
3. Milch C, et al. *J Neuroimmunol.* 2013;264(1-2):123-126; 4. Wyant T, et al. *Gut.* 2015;64(1):77-83.

Takeda Pharmaceutical Company Limited

TAK-114 is an investigational oral STAT3 inhibitor for ulcerative colitis positioned pre-biologic



- In-licensed from Natrogen in December 2013
- Positive results in Phase 2a (4 week ulcerative colitis study)
- Oral twice a day dosing
- For moderate to severe UC patients who fail 5-ASAs or other conventional oral therapies

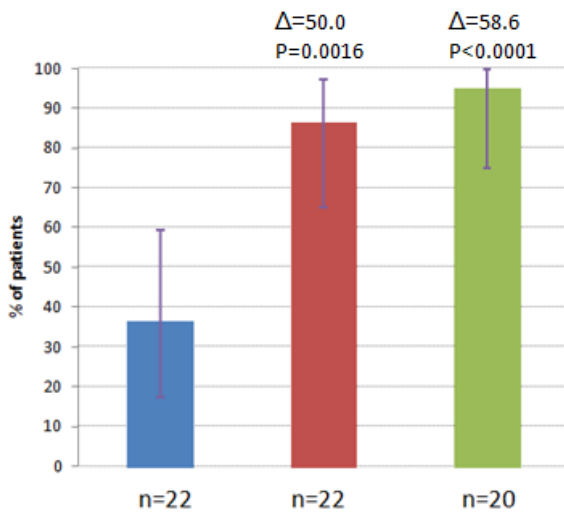
53

Takeda Pharmaceutical Company Limited

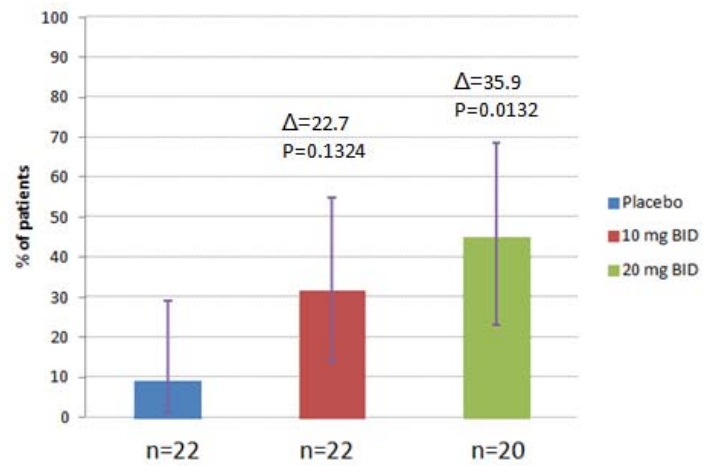
TAK-114 in UC: Positive results in a 4 week Phase II Study



Clinical **Response** at Week 4*



Clinical **Remission** at Week 4*



54

*Study phase 2a NTI2009UC1: Post-hoc analysis (Completers-Observed data).
Percentage of subjects and exact 95% confidence intervals. P-value is derived from Fisher's exact test.
† Includes correction from published abstract. Wang L, et al. Am J Gastroenterol. 2012;107(Suppl 1):S638.

Takeda Pharmaceutical Company Limited

Better Health, Brighter Future



Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

Takeda's GI Drug Discovery Unit

Takeda Pharmaceutical Company Limited

- Innovative highly matrixed virtual DD
- Focused on collaborative innovation
- Leverages the best internal & external GI science wherever it exists
- Lean infrastructure provides agility
- Passionate & experienced leadership
- Ambition to be #1 partner of choice

Inflammatory /
Immune GI Diseases

Functional Bowel Disorders

Liver Diseases

Motility Disorders

Key external partnerships established in 2014



A unique academic fully integrated preclinical drug discovery unit



Human GI tissue biology, *state of the art* target validation



World-leading visceral pain laboratories



Discovery CRO* - A major partnership with Takeda

GI is an attractive market for further investment

- Global health burden of GI diseases remains substantial
- Key assets Takecab and Entyvio are cornerstones of a diversified portfolio

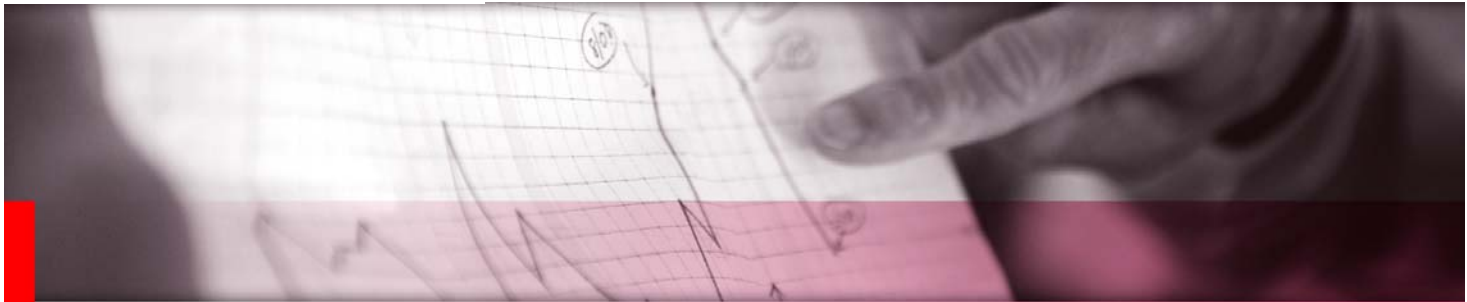
Takeda will achieve global leadership in GI

- Leveraging existing franchise and CMC/discovery/development capabilities
- Licensing/acquiring additional GI assets as good opportunities present

Agenda for Today



09:00~10:10	Session 1 Introduction: Strategic Roadmap for Profitable Growth Takeda's Position of Strength within the Gastroenterology Space Takeda's GI Portfolio Takeda's GI Drug Discovery Unit
10:10~10:20	break & refreshments
10:20~11:20	Session 2 The IBD Market The US Launch of Entyvio® Entyvio® Global Launch Achieving >\$2 Billion in Global Peak Sales The Road to GI Leadership
11:20~12:00	Q&A Session
12:00~13:00	lunch buffet



Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

The IBD Market

Takeda Pharmaceutical Company Limited

IBD has a significant impact on patients and society



IBD Impacts the Lives of Patients

- Physical symptoms
- Increased risk of colorectal cancer
- Impact on quality of life including loved ones
- Lack of general public awareness



High Cost of Care

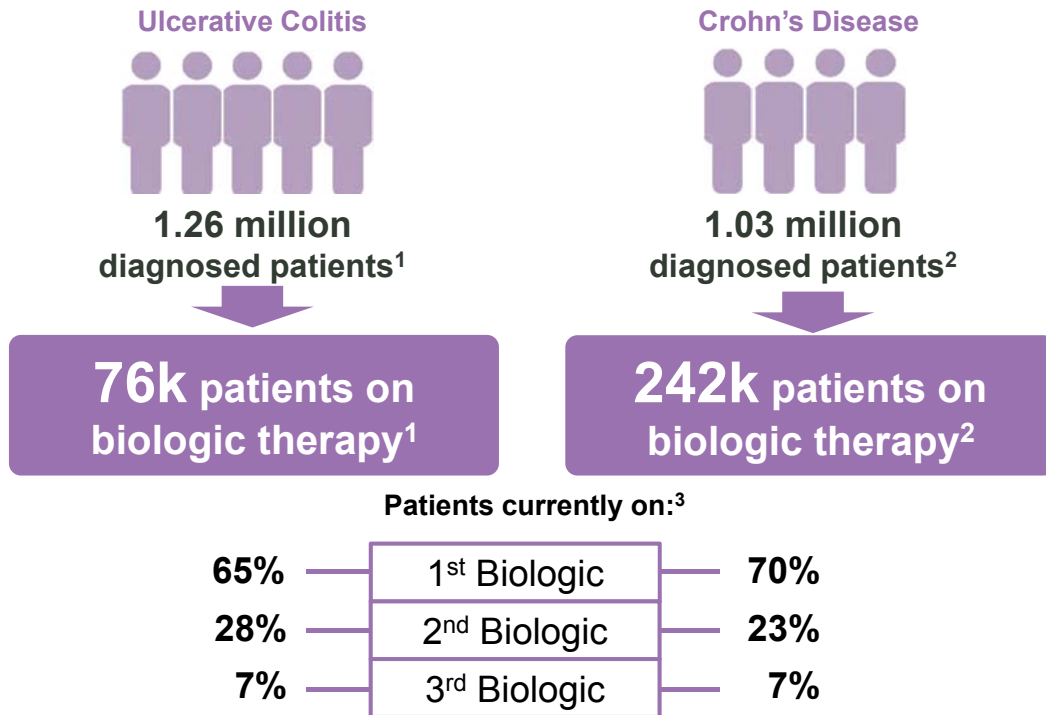
- High rates of surgery, hospitalizations, complications
- Over \$12B in direct and indirect costs in the US^{1,2}
- Increased worker absenteeism, non-participation, and sick leave

Significant unmet needs remain

The UC and CD biologic treated segments of the IBD category are ripe for a new entrant



IBD Patient Pool Dynamics (G7 data)



G7: US, France, Germany, Italy, Spain, UK, Japan

61

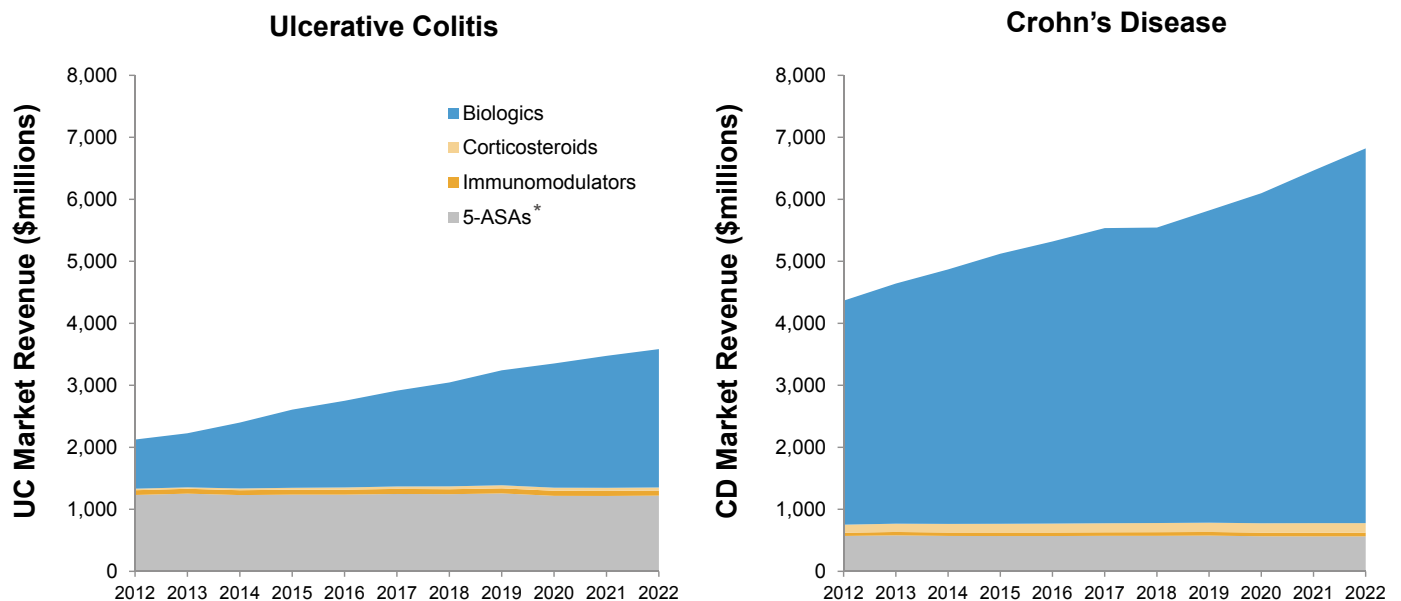
1. Decision Resources Pharmacor, G7 UC 2014
2. Decision Resources Pharmacor, G7 CD 2014
3. Internal Research and Analysis, Takeda IBD Physician Conjoint, November 2013

Takeda Pharmaceutical Company Limited

The UC and CD total market will total ~\$10 billion by 2022, with biologics accounting for 80% of sales



Projected Market Revenues (G7) 2012-2022



62

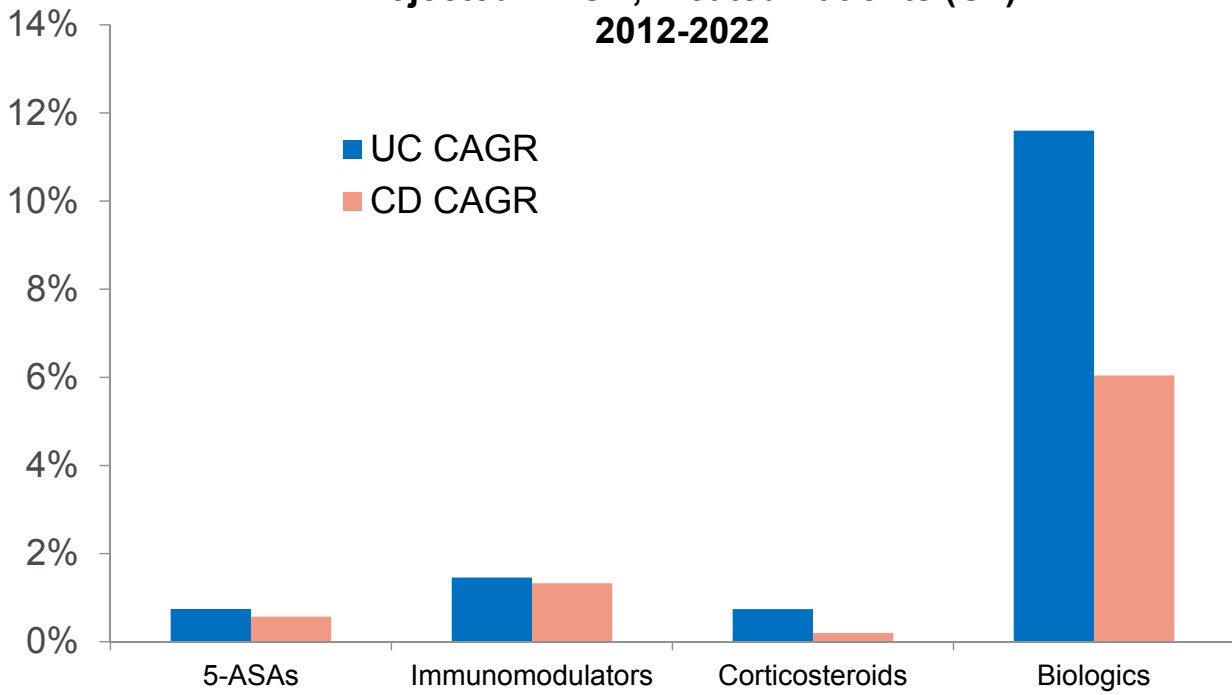
*acetylsalicylic acids
Source: Decision Resources Pharmacor G7 UC and CD Markets, 2014

Takeda Pharmaceutical Company Limited

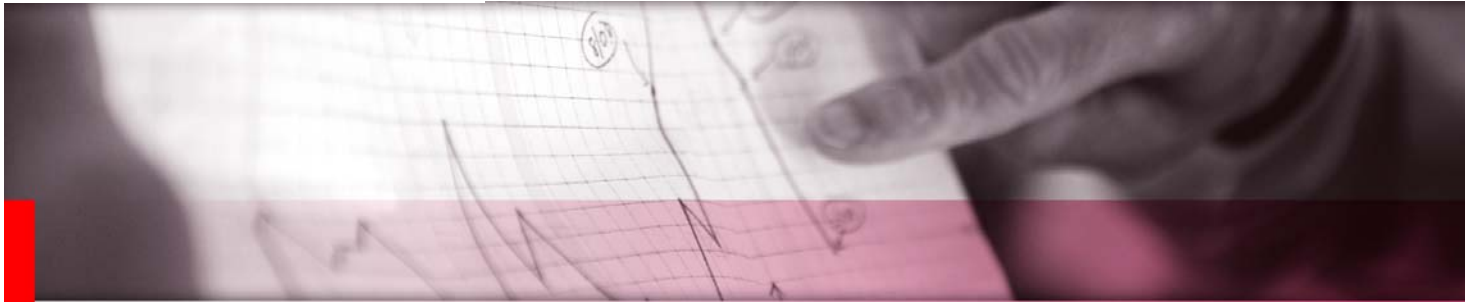
The biologic treated segment of the UC and CD market will become more prevalent, biotherapy could be used more widely



Projected CAGR, Treated Patients (G7) 2012-2022



Better Health, Brighter Future



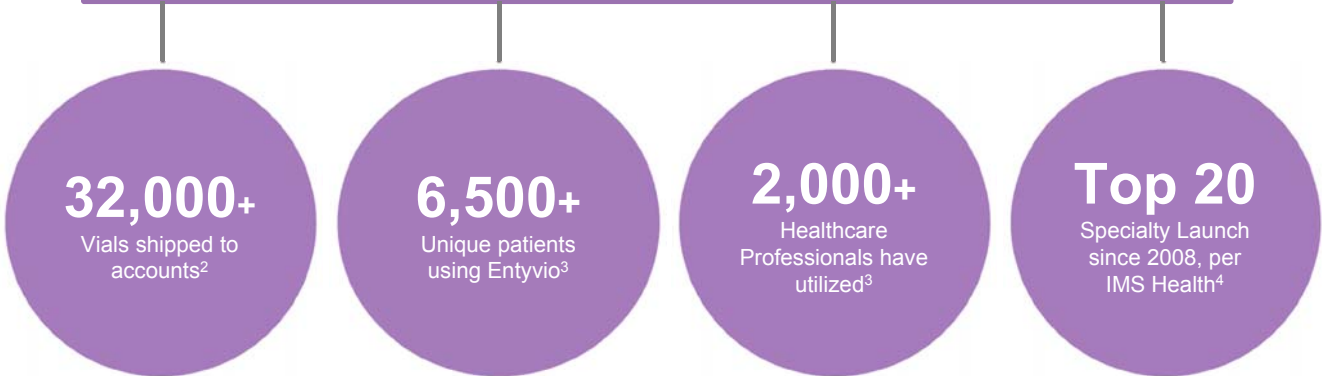
Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

The US Launch of Entyvio®

A stellar launch in the US, already generating over \$112MM in net sales*



Entyvio is now the 3rd largest IBD biologic with a volume share of 6%, surpassing two other biologics¹

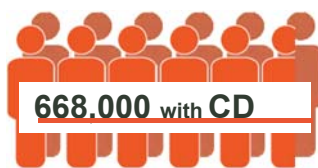


* June-December 2014
 65 ¹ Internal analysis, estimated claims and unit sales data as of Dec 2014, ² Internal analysis of shipment and enrollment data, ³ Internal analysis of shipment and enrollment data, ⁴ Based on data from EntyvioConnect, ⁵ Based on internal analysis of IMS Health, NSP (National Sales Perspectives), Nov 2014
Takeda Pharmaceutical Company Limited

There are nearly 1.5MM patients in the US with IBD, and the market is growing at 8% per year



IBD Patient Pool Dynamics (US data)



Biologic Therapy
50,000-60,000

Biologic Therapy
130,000-150,000

\$3.5B+
IBD Biologic WAC* Sales (2014)

- ~200K patients on biologic therapy
- Higher penetration in CD vs. UC
- Biologic therapy used in patients with moderate-to-severe disease not controlled on conventional agents
- Annual growth rate of 8% expected through 2020
- UC growth is expected to be nearly 2x GREATER than CD

*Wholesale acquisition cost
 66 1. Datamonitor (2014), 2. Decision Resources (Aug 2014)
 3. Internal Research and Analysis (Aug 2014)

Initial customer response has been positive



- Physicians like Entyvio's differentiated mechanism of action, remission data, safety profile
- Eager to have an alternative to the TNF class of biologics
- Expressing a desire for more education, research, and experience
- Physicians report that patients are responding well to the discussion of Entyvio as an option*

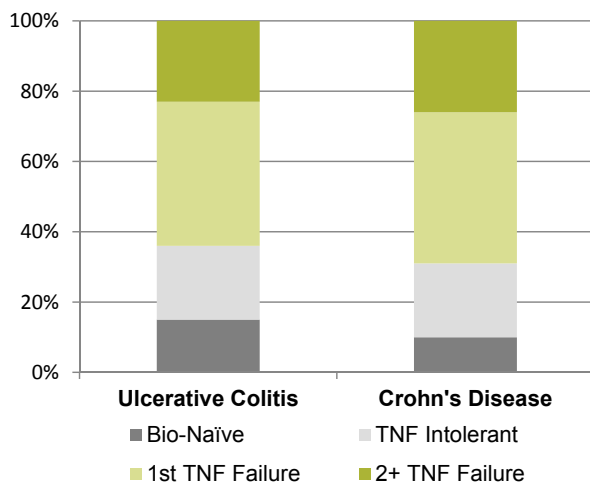
"We expect vedolizumab (Takeda's Entyvio) will...earn gold-standard status for moderate to severe UC in 2018"
Decision Resources, Feb 2015

"The introduction of vedolizumab as an additional option will offer the possibility of increasing disease-free remission for a greater proportion of patients with...active UC and CD"
Gastroenterology & Hepatology, Dec 2014

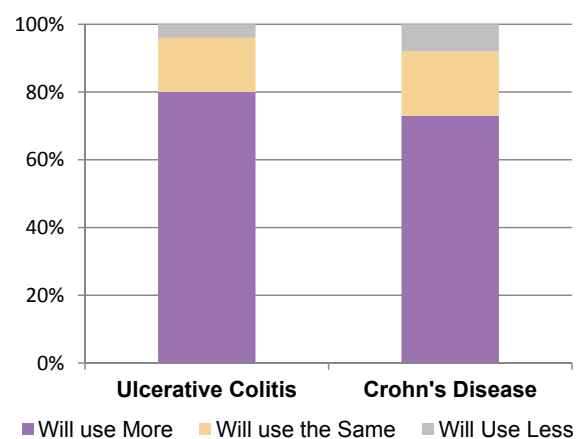
Initial penetration into the biologic-naïve segment is encouraging, and physicians are open to expanding use



Around two-thirds of current use is with patients that have failed an ant-TNF¹



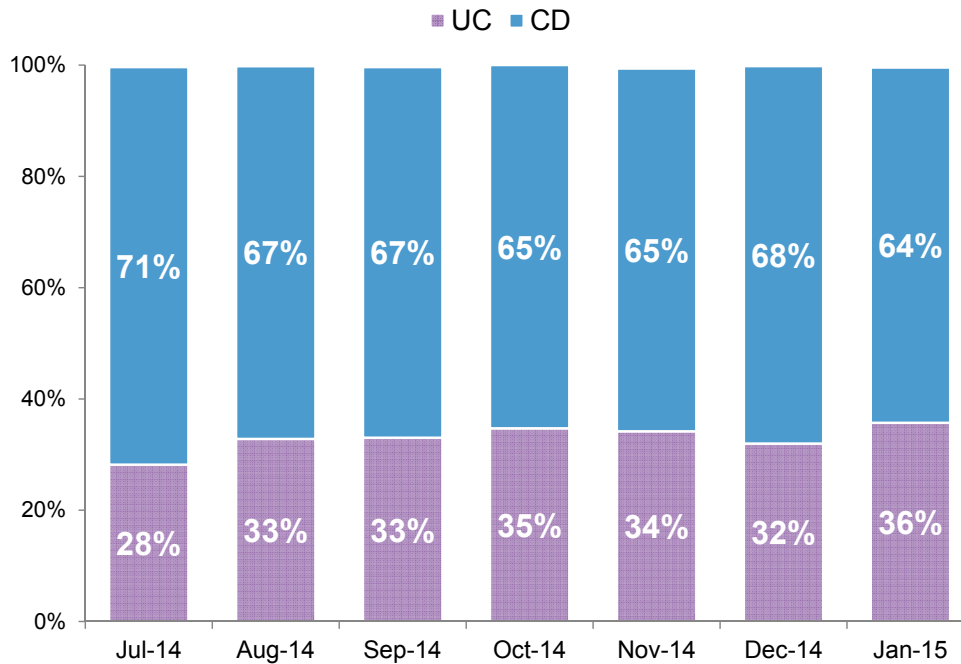
Nearly 80% of physicians state they will expand Entyvio use...higher than any other IBD biologic¹



Entyvio® is being used in both the UC and CD patient populations



US - Entyvio Usage by Indication



Takeda will capitalize on market opportunities to continue growing Entyvio® in the US



DISRUPT

Raise awareness to allow doctors to utilize Entyvio with appropriate new or failing patients

DIFFERENTIATE

Address gaps in clinical knowledge through expanded programs and education initiatives

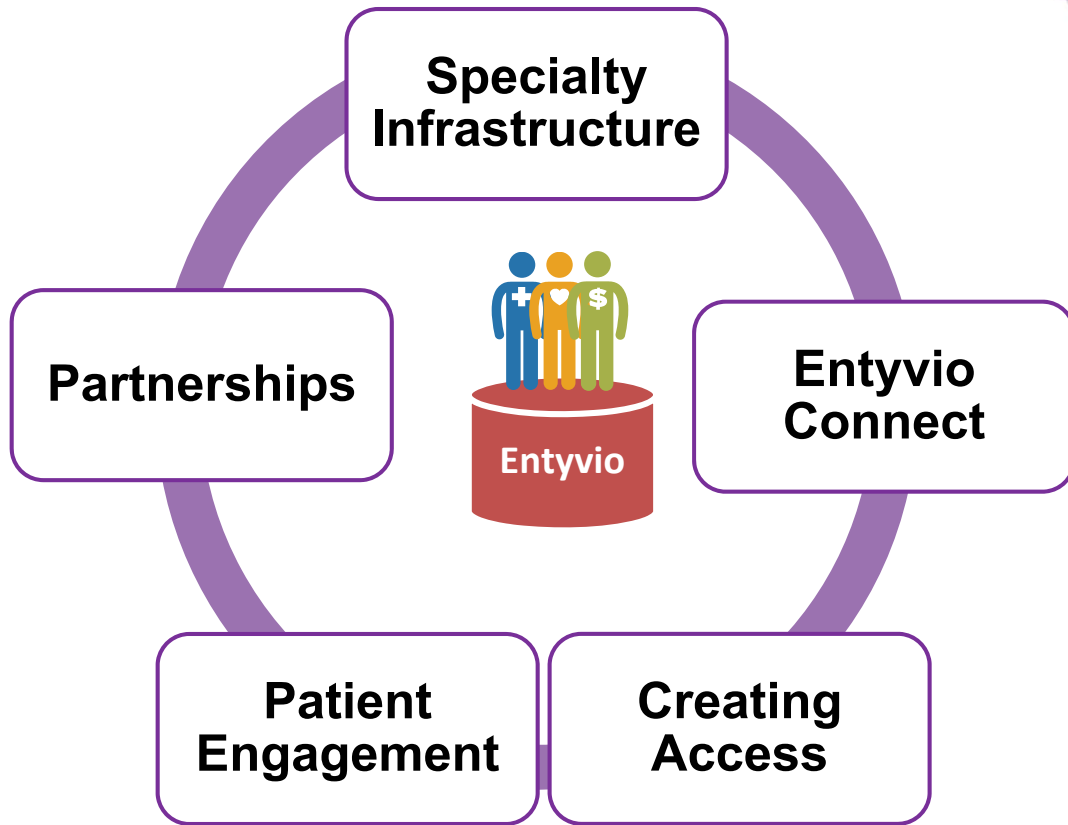
EXPAND

Grow use in ideal patient types where Entyvio may offer a positive benefit-risk profile

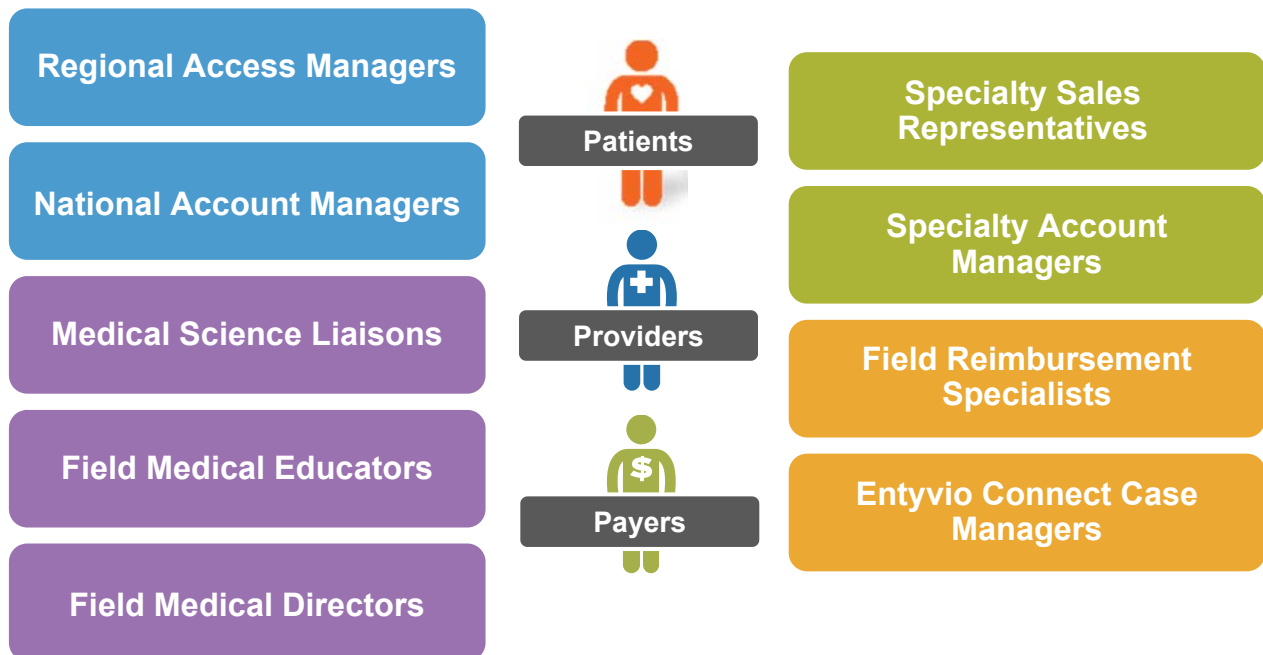
DELIVER

A positive brand experience and develop reputation as a partner in IBD care

In the US our approach is to meet the unique needs of customers; establishing Takeda as an IBD partner



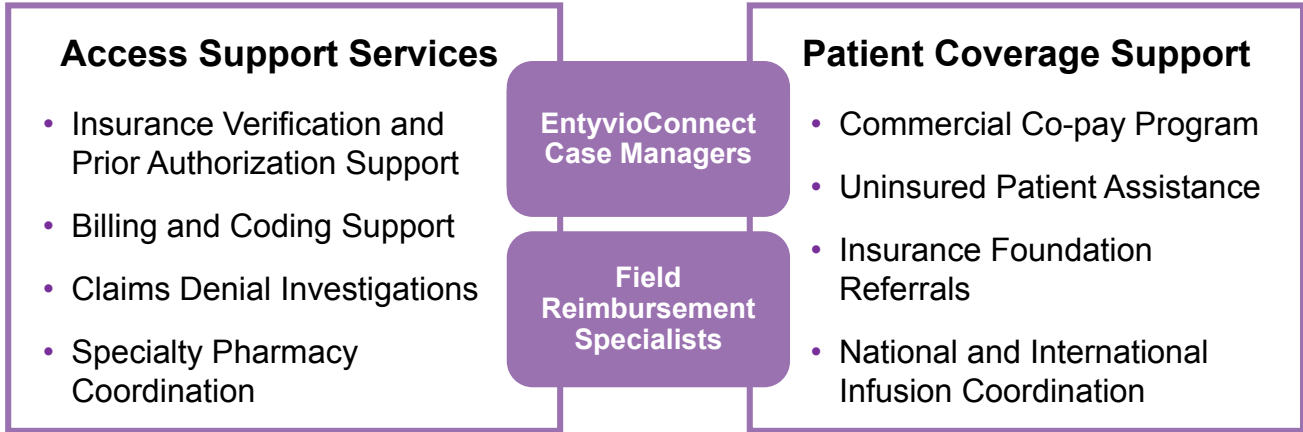
Specialty Infrastructure: developed to support customers with 8 field-based roles and over 200 individuals



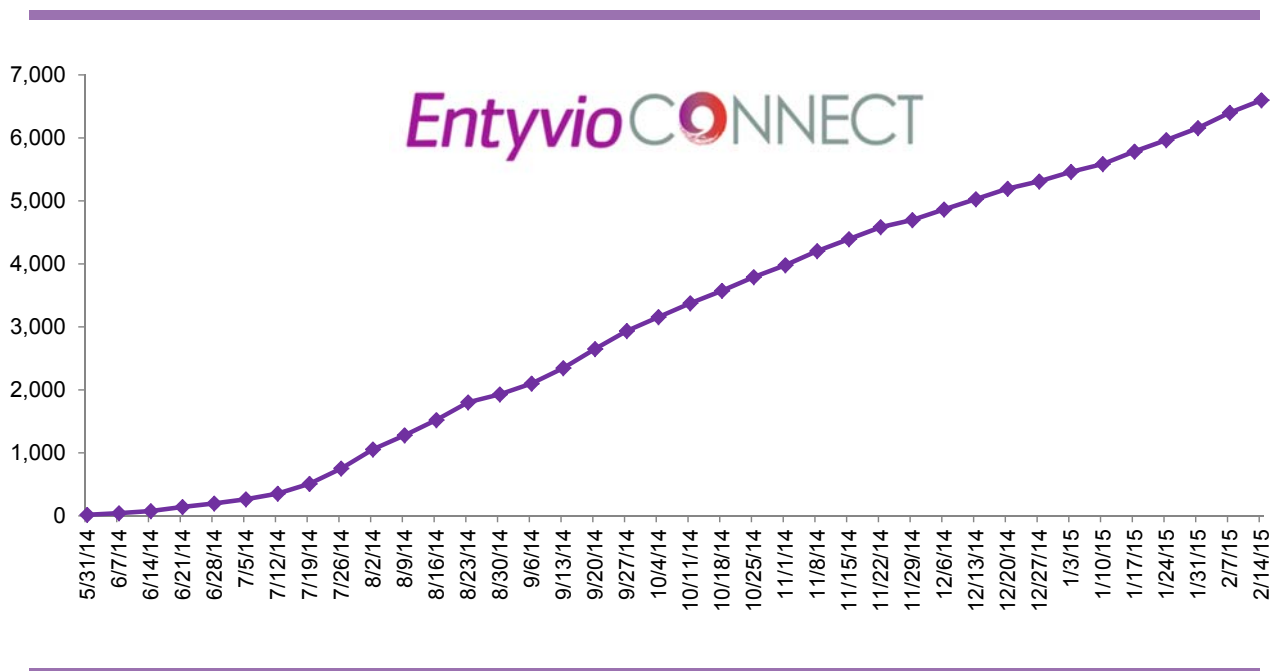
EntyvioConnect™ is a centralized program offering an integrated portfolio of access services and support



EntyvioCONNECT



EntyvioConnect™ new patient enrollments continue to grow by approx. 200 each week



Market Access is in line with launch expectations



Commercial Insured Market

- ~80% of IBD biologic patients are commercially insured¹
- Medicare reimbursement has been secured

Reaction to Entyvio Positive

- Payers respond positively to the clinical and economic profile
- Over 94% of health plans are covering Entyvio¹

Future efforts to gain more access

- Disease management education and programs
- Exploration of partnerships to pilot value-add services

Supporting and Activating the Patient Community

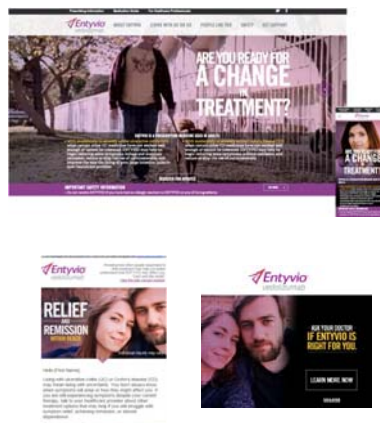


Resources

In-Office Education



Digital



Access & Support

EntyvioCONNECT



Working closely with the leading advocacy organization



US



Aligning with the CCFA Mission:

To cure Crohn's disease and ulcerative colitis, and to improve the quality of life of children and adults affected by these diseases

For Patients...

Sponsorships for:

- Educational Webcasts and Materials
- Fundraising Walks and Runs
- Various local fundraisers

For Professionals...

Support for:

- Quality of Care Partnerships
- Practitioner Education
- Conference Sponsorship



77

Takeda Pharmaceutical Company Limited

Entyvio® start in the US supports global >\$2 billion target



US

Strong and encouraging launch results...

...a commitment to the IBD Community...

...positioned for continued success



78

Takeda Pharmaceutical Company Limited



Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

Entyvio[®] Global Launch

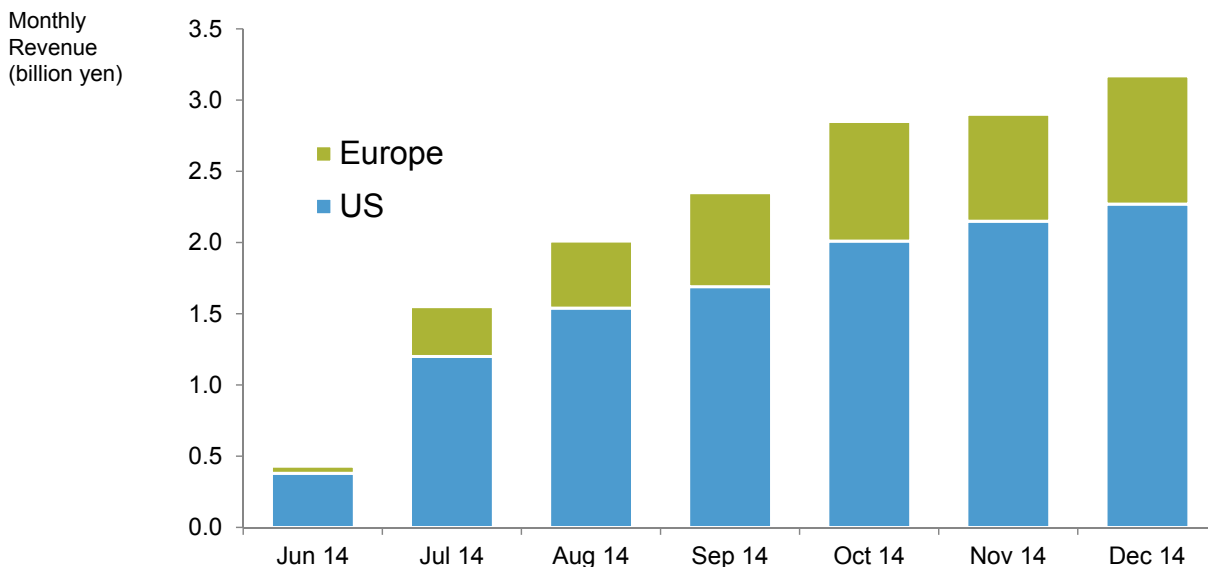
Takeda Pharmaceutical Company Limited

Entyvio[®] has had a promising launch to date, with Europe also contributing significantly to sales



**¥16.4 billion launch-to-date
(\$154 million)***

@Constant currency



The strong uptake of Entyvio[®] due to a variety of factors



Current IBD treatment options still not adequate to meet need

Regulatory labelling

- Broad indication with descriptive clinical trial sections
- No boxed warning or Risk Evaluation & Mitigation Strategy
- Mechanism of action explanation
- Dose flexibility for some patients (EU only)

Access and reimbursement, due to:

- Early access programs
- Country-level reimbursement assessments (eg, Health Technology Assessment)

Market access results for Entyvio[®] are encouraging and balanced



UK

Entyvio became the first biologic to receive a provisional “yes” as a maintenance therapy in UC

- Recommended for patients who have not received an anti-TNF or could not tolerate an anti-TNF



Germany

Entyvio is classified at least “as good as” comparable biologic therapies (and can be prescribed without restrictions)



Israel

National Health Basket Committee granted full reimbursement per the Entyvio label for both TNF-naïve and TNF-failure patients in both UC and CD



Sweden

TLV officially reimbursed Entyvio for patients not suitable for anti-TNF therapy or who have not reached treatment goals with 1st anti-TNF therapy



Estonia

Fully reimbursed as of Jan. 1, 2015

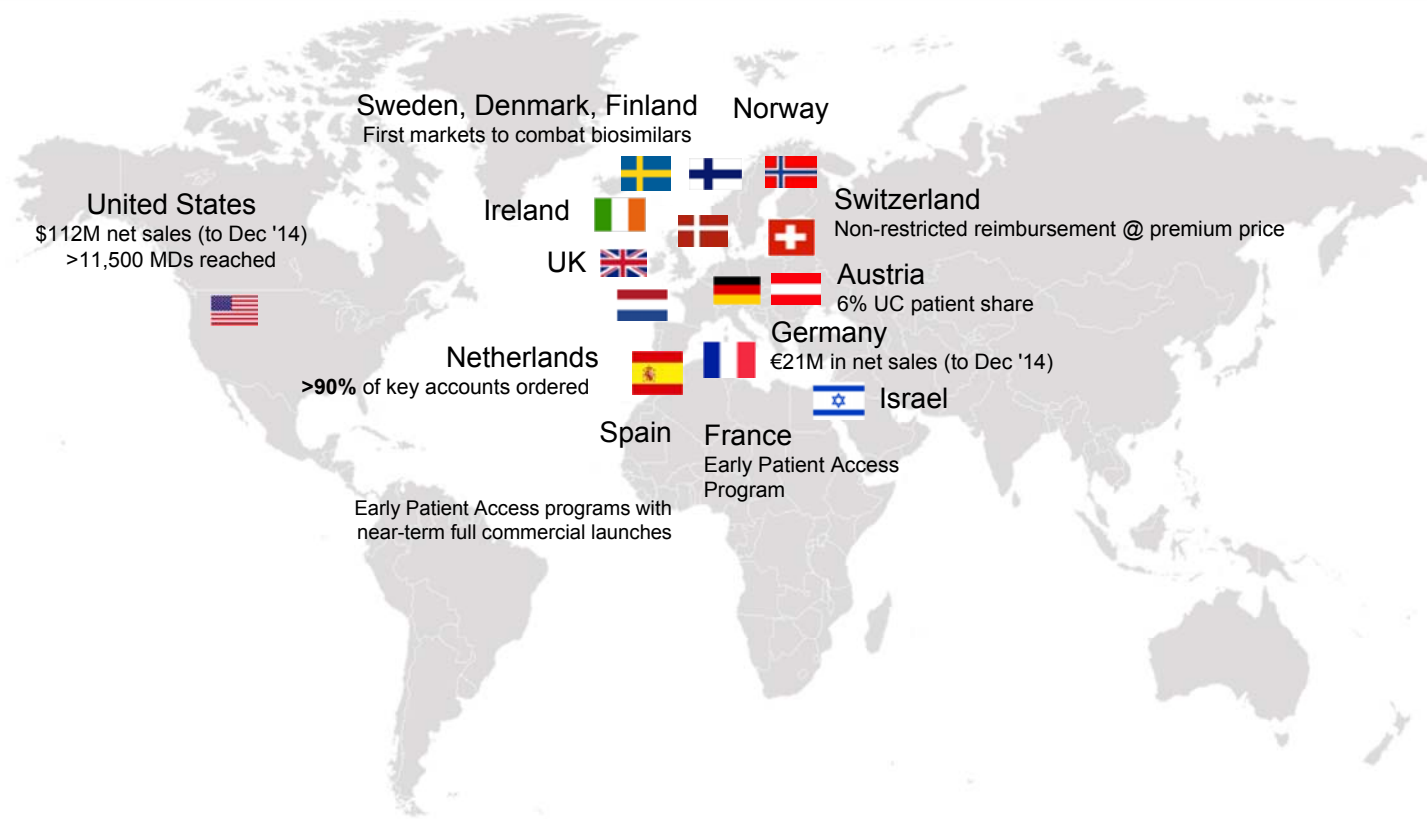


Switzerland

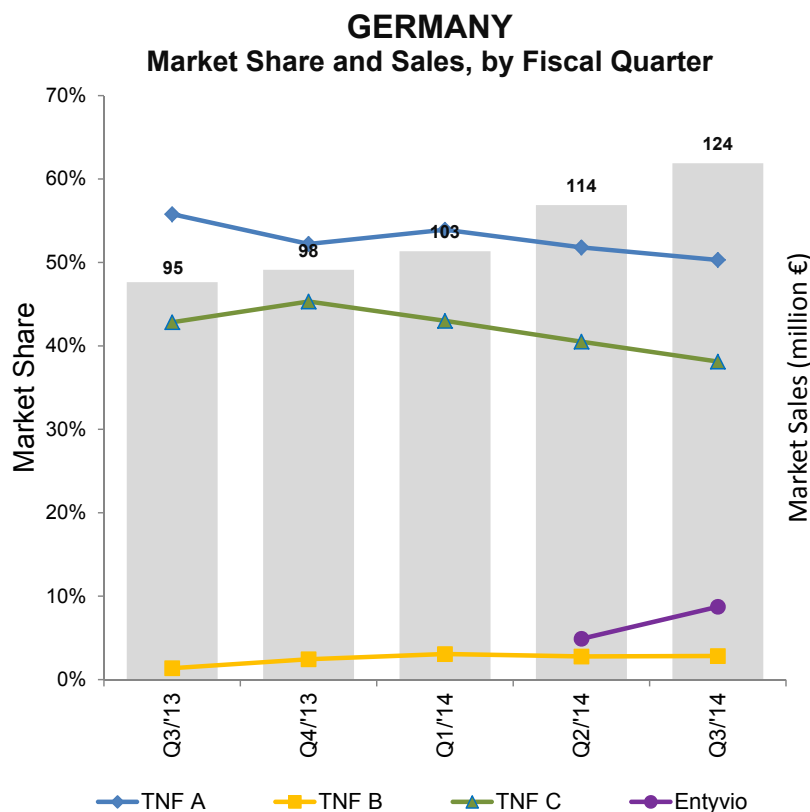
BAG granted unrestricted reimbursement for anti-TNF naïve and experienced patients in both UC and CD as of Mar 1, 2015



Entyvio® sales from 14 countries so far



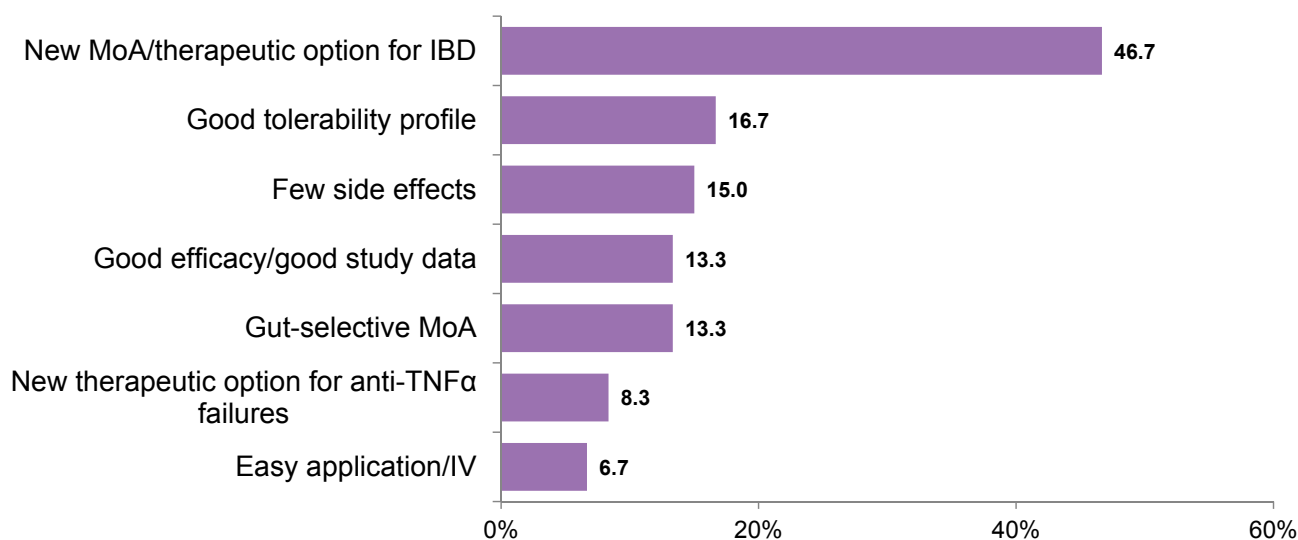
Early launch countries in Europe are delivering strong Entyvio® uptake



The benefits of Entyvio® are clear to EU physicians in both the UC and CD segments



GERMANY Cited positive characteristics, all GEs UC and CD



85 Source: Internal Research and Analysis, Germany ATU (Oct. – Nov. 2014, n=60 gastroenterologists)
Q35. What do you think are some of the positive product characteristics of Entyvio® (vedolizumab) – independent of whether or not you have already used this biologic? – May choose more than one.

Takeda Pharmaceutical Company Limited

Emerging market physicians are interested in using Entyvio as a 1st line biologic

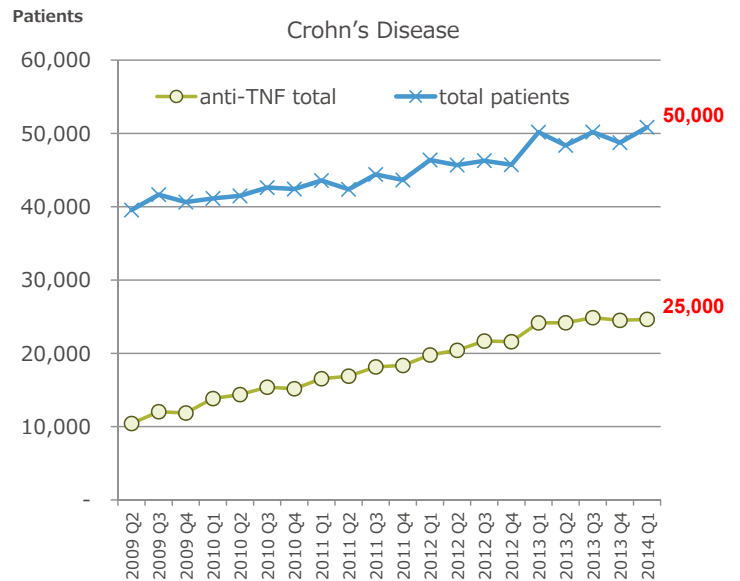
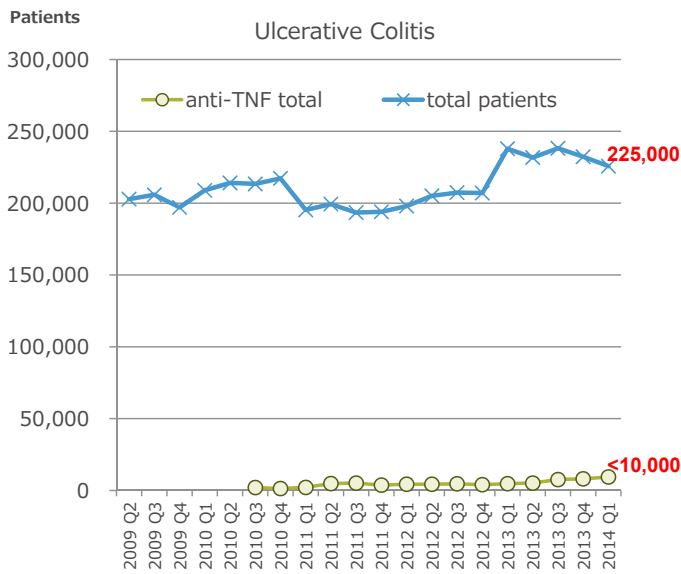


Placement of Entyvio	UC	CD
	Emerging Markets (n=286)	Emerging Markets (n=286)
Before immunomodulators and anti-TNFα	24%	22%
After immunomodulators, before anti-TNFα	38%	39%
TOTAL pre anti-TNF	62%	61%
After 1 st anti-TNFα therapy	26%	29%
Alternative to Surgery	11%	10%
Would not consider to use	1%	0%

Biologic penetration into Japan CD segment is greater than penetration in UC



Total and anti-TNFα treated patients in Japan



Better Health, Brighter Future



Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

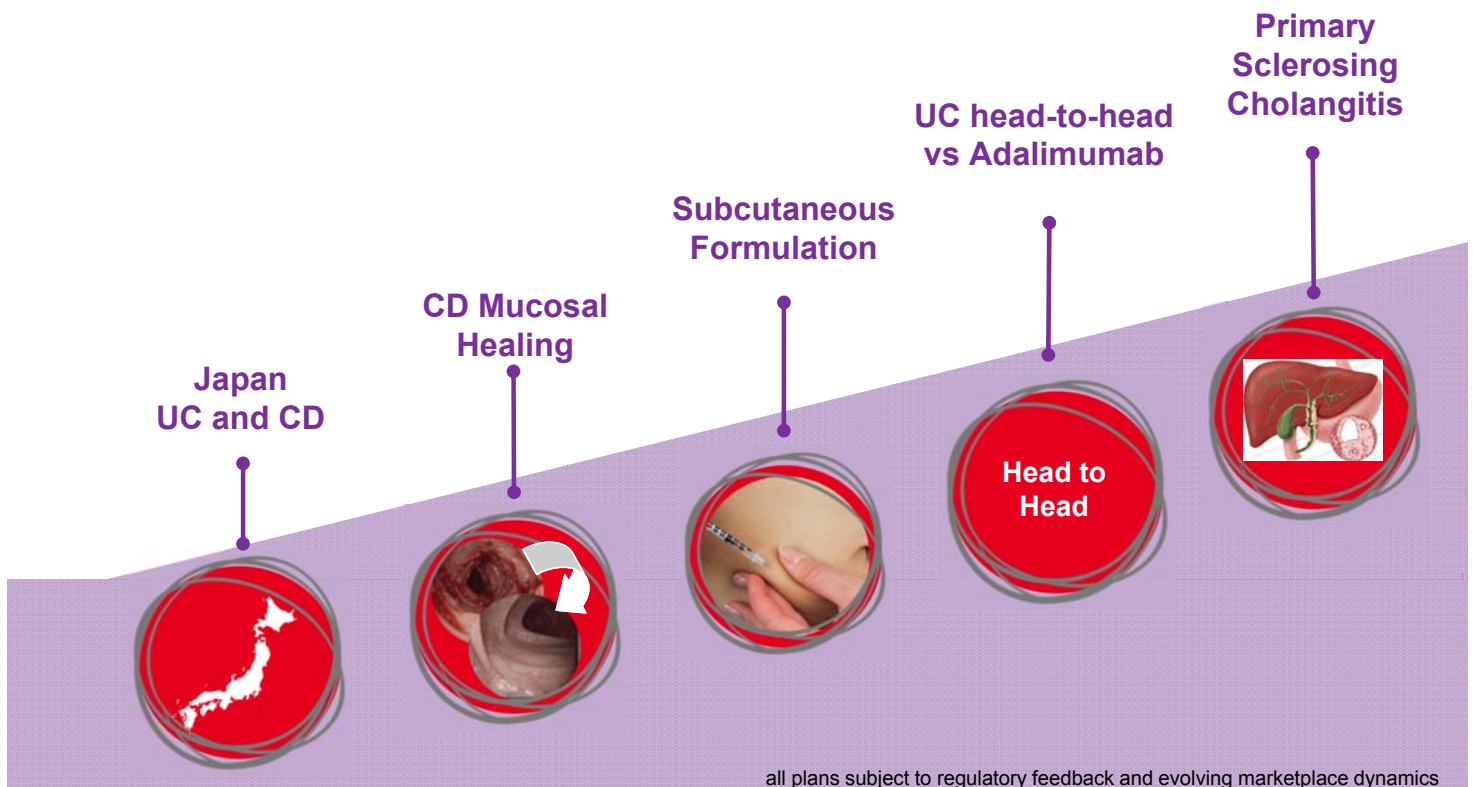
Achieving >\$2 Billion in Global Peak Sales

Achieving >\$2B in global peak sales requires aligned execution against these strategic drivers



Strategic Driver	Entyvio Executional Mandatory
Penetrate biologic naive patient pool	<ul style="list-style-type: none"> Expand IBD efficacy data set Reinforce safety profile Facilitate product experience
Raise awareness of Entyvio as an alternative treatment for existing biologic patients	<ul style="list-style-type: none"> Increase recognition sub-optimal response Support evaluative tactics to assess real-world anti-TNFα performance
Lead category in “switch to” preference in anti-TNF α switch patients	<ul style="list-style-type: none"> Over-index on share gain in anti-TNFα failures
Enter new segments, deliver new data	<ul style="list-style-type: none"> Explore new scientific frontiers

Takeda has an ambitious life-cycle management plan for Entyvio[®]



all plans subject to regulatory feedback and evolving marketplace dynamics

Planned CD Mucosal Healing trial could provide gold standard data for Entyvio®



Objective:

- To explore the correlation between endoscopy (mucosal healing) with histology (biopsy) and imaging (MRI) in vedolizumab treated patients



Rationale:

- Mucosal healing is increasingly seen as the “gold standard” clinical objective
- Correlates strongly with prolonged remission¹
- Entyvio would benefit from mucosal healing data in Crohn’s disease

91 ¹ Dave et al: Gastroenterology & Hepatology, Vol 8, Issue 1, January 2012

² ACG – FDA workshop October 2011 “Feasibility of Mucosal Healing as a Clinically Significant Endpoint in Inflammatory Bowel Disease”

Takeda Pharmaceutical Company Limited

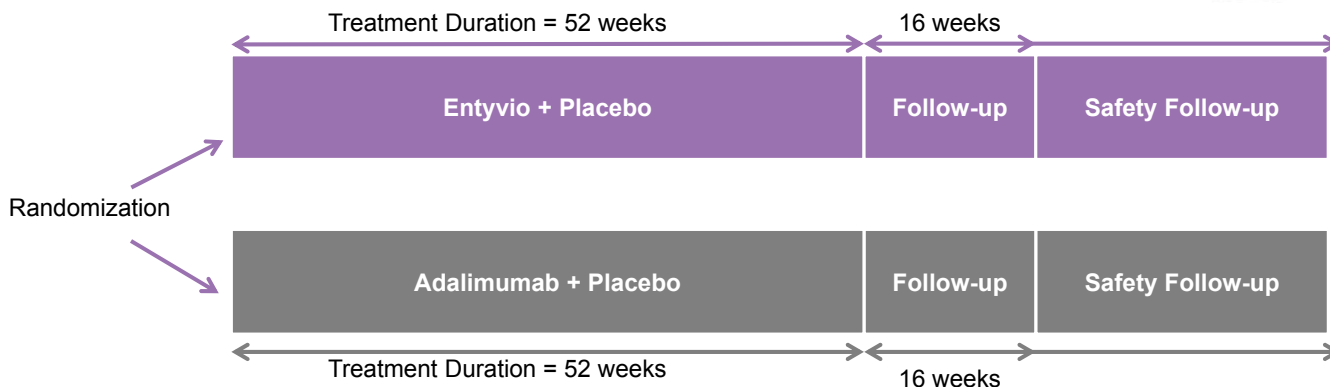
Subcutaneous (SC) program will address patient preference as a strategic LCM opportunity



- SC formulation, if approved, would represent a meaningful convenience for patients, particularly as maintenance therapy
- SC bioavailability confirmed; dose selected for the Phase 3 program will deliver similar exposure with SC as with IV administration.
- Phase 3 trials in both UC and CD are planned to investigate the efficacy, safety, and clinical pharmacology of the SC formulation
- Customers like injections while IV retains key segment appeal¹

Entyvio could be the **only** IBD biologic to offer both infusion and subcutaneous administration

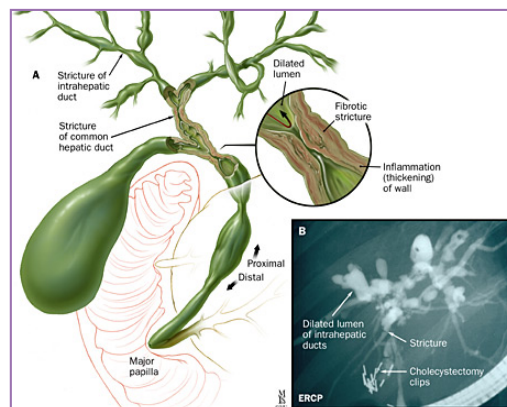
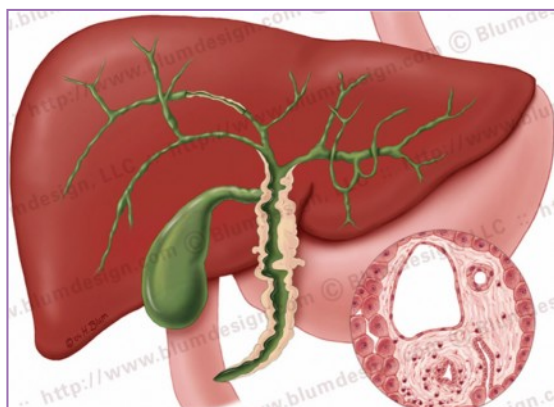
Takeda Pharmaceutical Company Limited



Primary sclerosing cholangitis (PSC) Evidence for Entyvio® mechanism in area of high unmet need



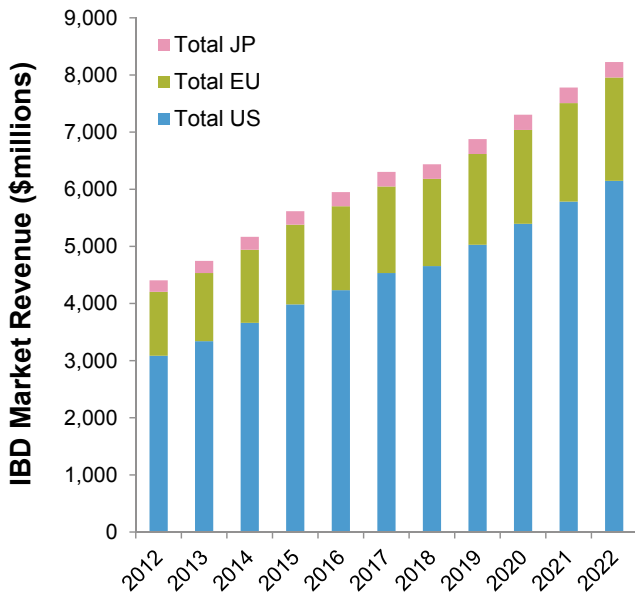
- PSC is a progressive inflammatory liver disease resulting in scarring of bile ducts, fibrosis and cirrhosis; patients at risk of liver failure and death with many requiring transplant
- To date, no therapy has been shown to prevent disease progression
- Lymphocyte migration to liver via a4b7-MAdCAM binding (Entyvio mechanism) has been implicated in pathophysiology of PSC¹



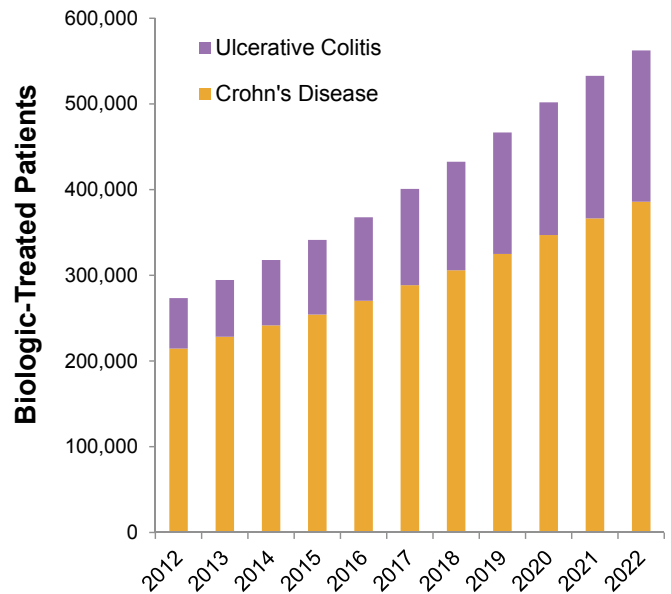
The UC and CD biologics market is large and growing significantly, particularly in UC



UC/CD Biologic Market Revenue



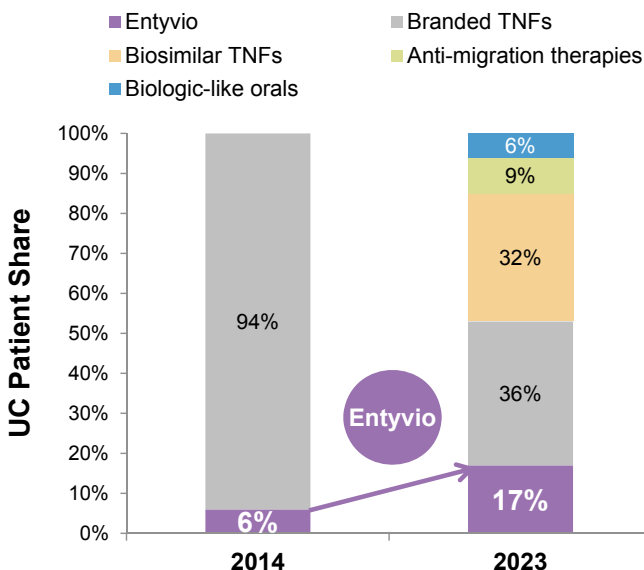
UC/CD Biologic-Treated Patient Population



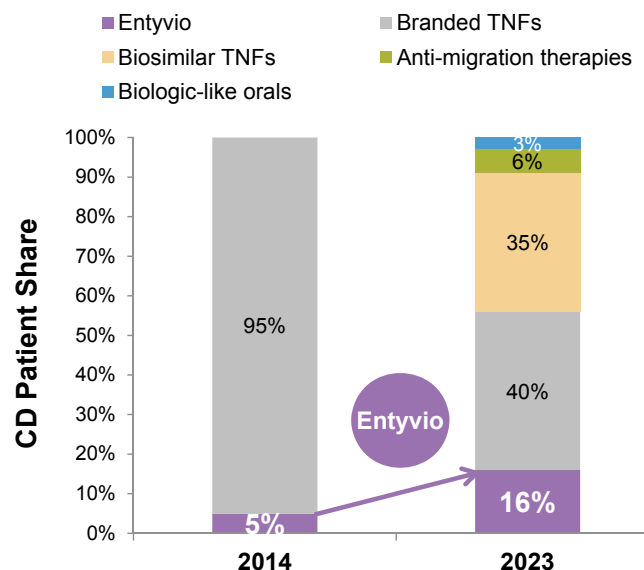
Achieving a 15-20% global patient share will result in \$2 billion in Entyvio® revenues



Evolution of UC Patient Share (G7 Markets)



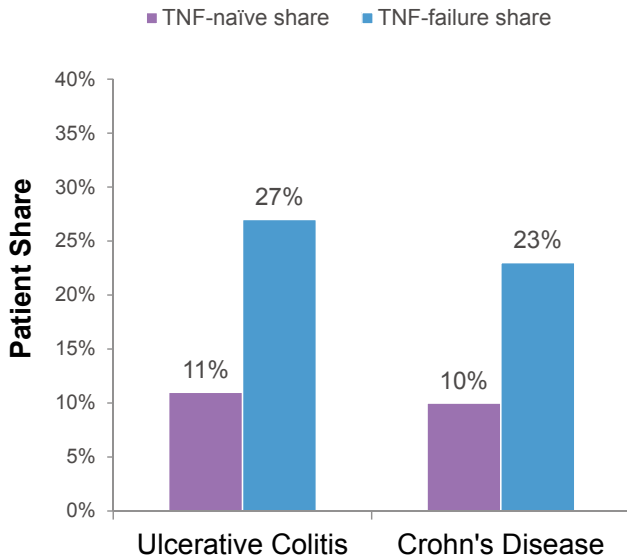
Evolution of CD Patient Share (G7 Markets)



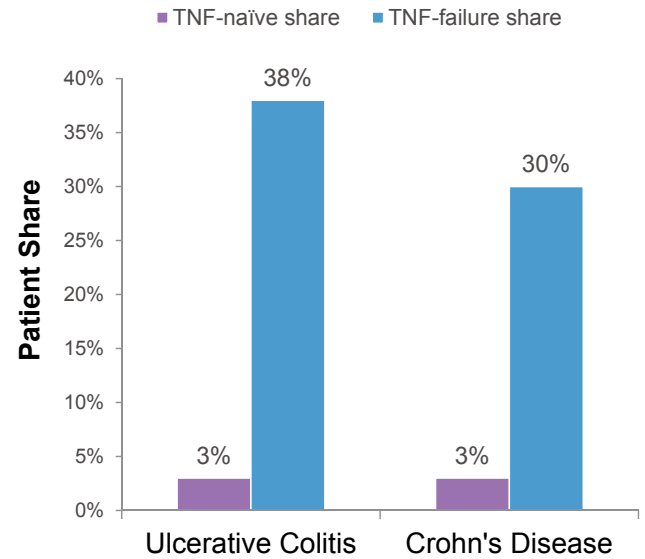
Achieving a 15-20% global patient share will result in \$2 billion in Entyvio® revenues



Scenario 1 - Entyvio Patient Share by Line of Therapy (2023)



Scenario 2 - Entyvio Patient Share by Line of Therapy (2023)



Entyvio® has a unique opportunity to position itself optimally now and will compete aggressively in future



- No new branded IBD competition expected for 2 years
- Strong patent protection with market exclusivity into next decade

CURRENT OPPORTUNITY

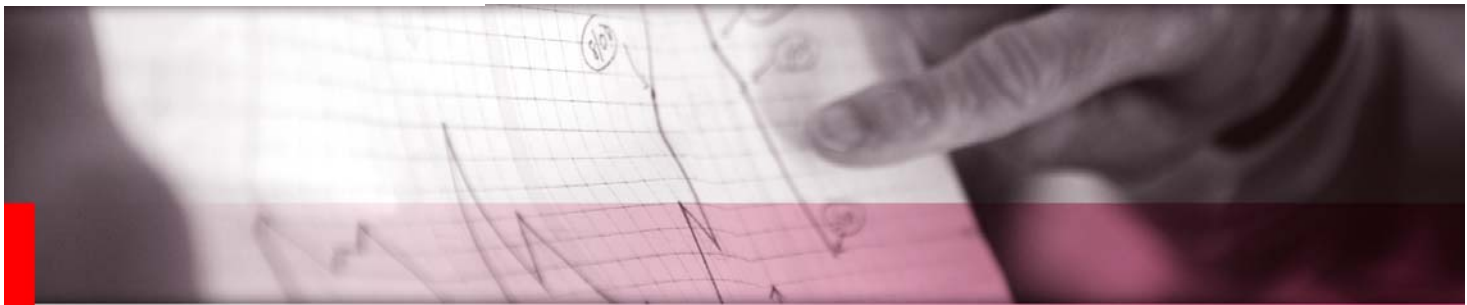
- **Biosimilar anti-TNFαs** will target current brand anti-TNFs, but Entyvio will be positioned differently
- **Anti-migration therapies** - Although they may offer subcutaneous delivery, Entyvio will have first-mover advantage
- **Biologic-like orals** - Emerging orals have unknown efficacy/safety profiles

FUTURE DYNAMICS

Takeda will realize the exciting commercial promise of Entyvio® by bringing its therapeutic benefits to patients worldwide



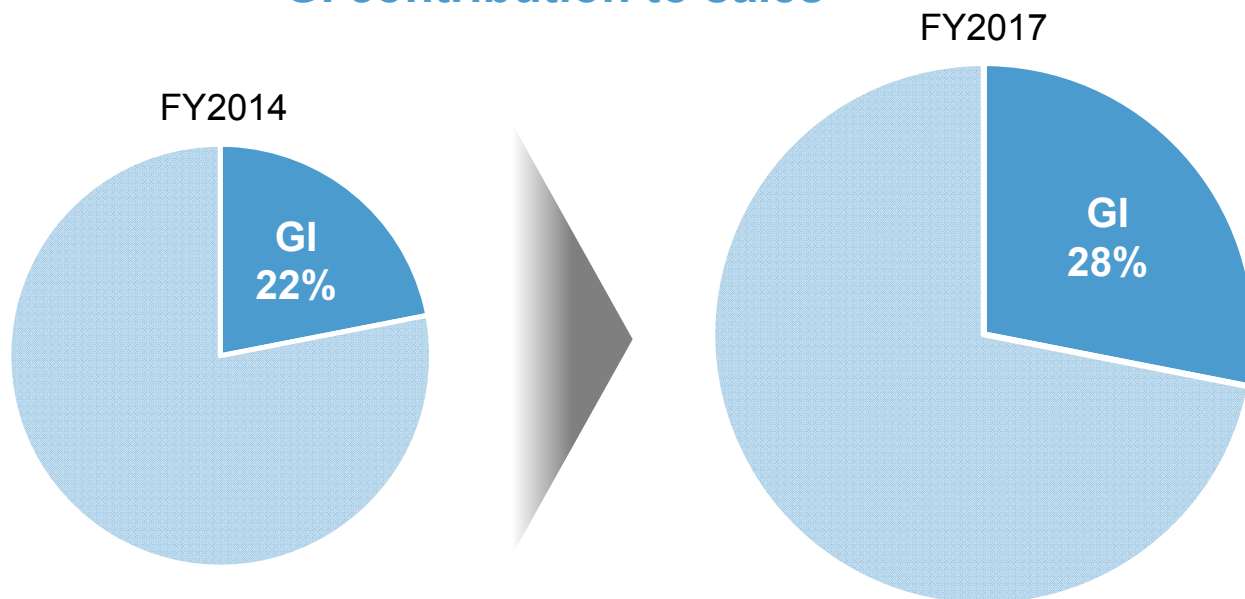
Better Health, Brighter Future



Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

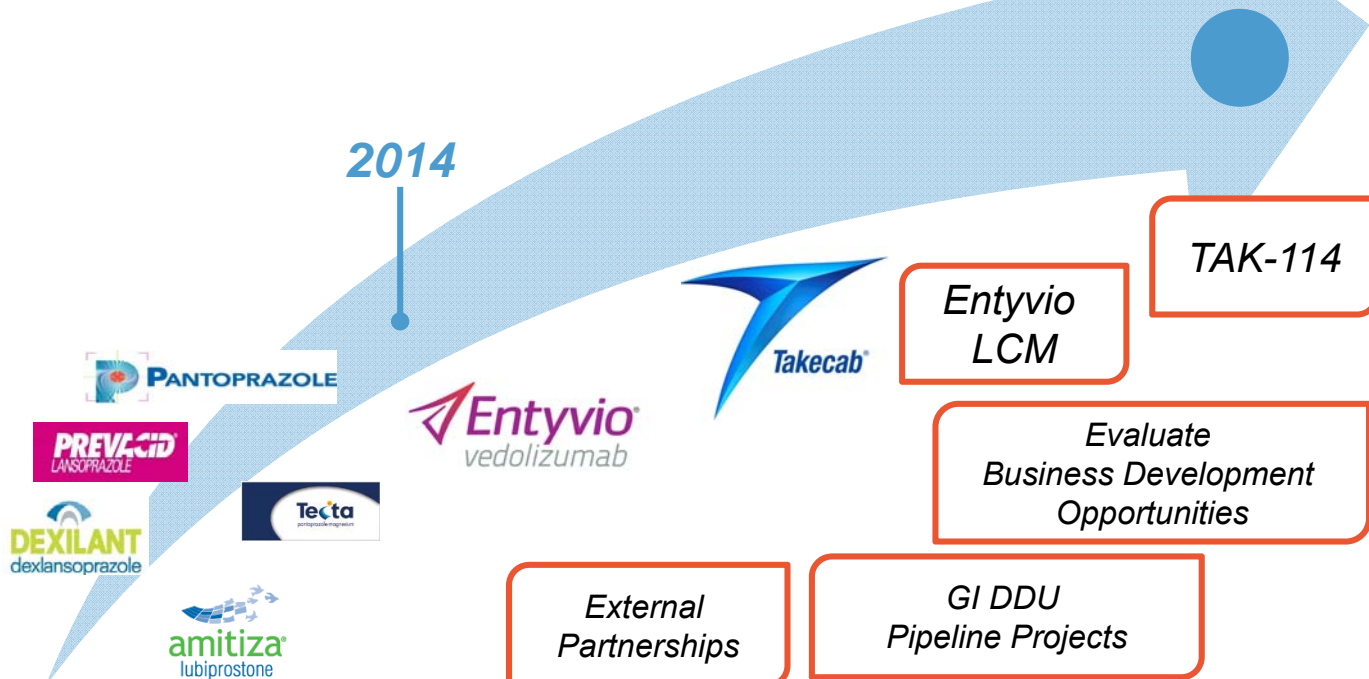
The Road to GI Leadership

GI contribution to sales*



The road to GI leadership

To be Number 1 in GI





Takeda Pharmaceutical Company: A Global Leader in Gastroenterology

Q&A Session

Christophe Weber, President & Chief Operating Officer
Asit Parikh, M.D., Ph.D., Head of GI Therapeutic Area Unit
Kirsten Detrick, VP, Therapeutic Area Commercial Lead, GI, Global Commercial
Nicole Mowad-Nassar, VP, Marketing, Takeda Pharmaceuticals USA

Takeda Pharmaceutical Company Limited

Entyvio[®] (vedolizumab) Indication: (US label)



Adult Ulcerative Colitis (UC)

Adult patients with moderately to severely active UC who have had an inadequate response with, lost response to, or were intolerant to a tumor necrosis factor (TNF) blocker or immunomodulator; or had an inadequate response with, were intolerant to, or demonstrated dependence on corticosteroids:

- ◉ inducing and maintaining clinical response
- ◉ inducing and maintaining clinical remission
- ◉ improving the endoscopic appearance of the mucosa
- ◉ achieving corticosteroid-free remission

Adult Crohn's Disease (CD)

Adult patients with moderately to severely active CD who have had an inadequate response with, lost response to, or were intolerant to a TNF blocker or immunomodulator; or had an inadequate response with, were intolerant to, or demonstrated dependence on corticosteroids:

- ◉ achieving clinical response
- ◉ achieving clinical remission
- ◉ achieving corticosteroid-free remission

Please click [here](#) for full prescribing information, or visit www.entyvio.com

Entyvio Important Safety Information



(US label)

- ENTYVIO for injection is contraindicated in patients who have had a known serious or severe hypersensitivity reaction to ENTYVIO or any of its excipients.
- Infusion-related reactions and hypersensitivity reactions including anaphylaxis have occurred. Allergic reactions including dyspnea, bronchospasm, urticaria, flushing, rash, and increased blood pressure and heart rate have also been observed. If anaphylaxis or other serious allergic reactions occur, discontinue administration of ENTYVIO immediately and initiate appropriate treatment.
- Patients treated with ENTYVIO are at increased risk for developing infections. Serious infections have been reported in patients treated with ENTYVIO, including anal abscess, sepsis (some fatal), tuberculosis, salmonella sepsis, Listeria meningitis, giardiasis, and cytomegaloviral colitis. ENTYVIO is not recommended in patients with active, severe infections until the infections are controlled. Consider withholding ENTYVIO in patients who develop a severe infection while on treatment with ENTYVIO. Exercise caution in patients with a history of recurring severe infections. Consider screening for tuberculosis (TB) according to the local practice.

Please click [here](#) for full prescribing information, or visit www.entyvio.com

Entyvio Important Safety Information



(US label)

- Although no cases of PML have been observed in ENTYVIO clinical trials, JC virus infection resulting in progressive multifocal leukoencephalopathy (PML) and death has occurred in patients treated with another integrin receptor antagonist. A risk of PML cannot be ruled out. Monitor patients for any new or worsening neurological signs or symptoms. Typical signs and symptoms associated with PML are diverse, progress over days to weeks, and include progressive weakness on one side of the body or clumsiness of limbs, disturbance of vision, and changes in thinking, memory, and orientation leading to confusion and personality changes. If PML is suspected, withhold dosing with ENTYVIO and refer to a neurologist; if confirmed, discontinue ENTYVIO dosing permanently.
- There have been reports of elevations of transaminase and/or bilirubin in patients receiving ENTYVIO. ENTYVIO should be discontinued in patients with jaundice or other evidence of significant liver injury.
- Prior to initiating treatment with ENTYVIO, all patients should be brought up to date with all immunizations according to current immunization guidelines. Patients receiving ENTYVIO may receive non-live vaccines and may receive live vaccines if the benefits outweigh the risks.
- Most common adverse reactions (incidence $\geq 3\%$ and $\geq 1\%$ higher than placebo): nasopharyngitis, headache, arthralgia, nausea, pyrexia, upper respiratory tract infection, fatigue, cough, bronchitis, influenza, back pain, rash, pruritus, sinusitis, oropharyngeal pain, and pain in extremities.

Please click [here](#) for full prescribing information, or visit www.entyvio.com

Dexilant (dexlansoprazole) Indications:



(US label)

- Healing all grades of erosive esophagitis (EE) for up to 8 weeks (60 mg once daily)
- Maintaining healing of EE and relief of heartburn for up to 6 months (30 mg once daily)
- Treating heartburn associated with symptomatic non-erosive gastroesophageal reflux disease (GERD) for 4 weeks (30 mg once daily)

• Please see full [Prescribing Information](#), including [Medication Guide](#) for DEXILANT.

Dexilant Important Safety Information:



(US label)

- DEXILANT is contraindicated in patients with known hypersensitivity to any component of the formulation. Hypersensitivity and anaphylaxis have been reported with DEXILANT use.
- Symptomatic response with DEXILANT does not preclude the presence of gastric malignancy.
- PPI therapy may be associated with increased risk of *Clostridium difficile* associated diarrhea.
- Long-term and multiple daily dose PPI therapy may be associated with an increased risk for osteoporosis-related fractures of the hip, wrist, or spine. Patients should use the lowest dose and shortest duration of PPI therapy appropriate to the condition being treated.
- Hypomagnesemia has been reported rarely with prolonged treatment with PPIs.
- Most commonly reported adverse reactions were diarrhea (4.8%), abdominal pain (4.0%), nausea (2.9%), upper respiratory tract infection (1.9%), vomiting (1.6%), and flatulence (1.6%).

Please see full [Prescribing Information](#), including [Medication Guide](#) for DEXILANT.

Dexilant Important Safety Information:



(US label)

- Do not co-administer atazanavir with DEXILANT because atazanavir systemic concentrations may be substantially decreased. DEXILANT may interfere with absorption of drugs for which gastric pH is important for bioavailability (e.g., ampicillin esters, digoxin, iron salts, ketoconazole, erlotinib).
- Patients taking concomitant warfarin may require monitoring for increases in international normalized ratio (INR) and prothrombin time. Increases in INR and prothrombin time may lead to abnormal bleeding and even death. Concomitant tacrolimus use may increase tacrolimus whole blood concentrations. DEXILANT may increase serum levels of methotrexate.
- DEXILANT 30 mg should be considered for patients with moderate hepatic impairment.

Please see full [Prescribing Information](#), including [Medication Guide](#) for DEXILANT.

Amitiza (lubiprostone) Indications:



(US label)

AMITIZA (lubiprostone) capsules are indicated for the treatment of Chronic Idiopathic Constipation (CIC) in adults and Opioid-Induced Constipation (OIC) in adults with chronic, non-cancer pain (24 mcg twice daily). The effectiveness in patients with OIC taking diphenylheptane opioids (e.g., methadone) has not been established. AMITIZA is also indicated for Irritable Bowel Syndrome with Constipation (IBS-C) in women \geq 18 years old (8 mcg twice daily).

[Please click here for complete Prescribing Information.](#)

Amitiza Important Safety Information:



(US label)

- AMITIZA (lubiprostone) is contraindicated in patients with known or suspected mechanical gastrointestinal obstruction. Patients with symptoms suggestive of mechanical gastrointestinal obstruction should be thoroughly evaluated by the treating healthcare provider (HCP) to confirm the absence of such an obstruction prior to initiating AMITIZA treatment.
- Patients taking AMITIZA may experience nausea. If this occurs, concomitant administration of food with AMITIZA may reduce symptoms of nausea. Patients who experience severe nausea should inform their HCP.
- AMITIZA should not be prescribed to patients that have severe diarrhea. Patients should be aware of the possible occurrence of diarrhea during treatment. Patients should be instructed to discontinue AMITIZA and inform their HCP if severe diarrhea occurs.
- Patients taking AMITIZA may experience dyspnea within an hour of first dose. This symptom generally resolves within three hours, but may recur with repeat dosing. Patients who experience dyspnea should inform their HCP. Some patients have discontinued therapy because of dyspnea.
- In clinical trials of AMITIZA (24 mcg twice daily vs placebo; N=1113 vs N=316, respectively) in patients with CIC, the most common adverse reactions (incidence > 4%) were nausea (29% vs 3%), diarrhea (12% vs 1%), headache (11% vs 5%), abdominal pain (8% vs 3%), abdominal distension (6% vs 2%), and flatulence (6% vs 2%).

[Please click here for complete Prescribing Information.](#)

Amitiza Important Safety Information:



(US label)

- In clinical trials of AMITIZA (24 mcg twice daily vs placebo; N=860 vs N=632, respectively) in patients with OIC, the most common adverse reactions (incidence >4%) were nausea (11% vs 5%) and diarrhea (8% vs 2%).
- In clinical trials of AMITIZA (8 mcg twice daily vs placebo; N=1011 vs N=435, respectively) in patients with IBS-C the most common adverse reactions (incidence > 4%) were nausea (8% vs 4%), diarrhea (7% vs 4%), and abdominal pain (5% vs 5%).
- Concomitant use of diphenylheptane opioids (e.g., methadone) may interfere with the efficacy of AMITIZA.
- The safety of AMITIZA in pregnancy has not been evaluated in humans. Based on animal data, AMITIZA may cause fetal harm. AMITIZA should be used during pregnancy only if the potential benefit justifies the potential risk to the fetus. Caution should be exercised when AMITIZA is administered to a nursing woman. Advise nursing women to monitor infants for diarrhea.
- Reduce the dosage in CIC and OIC patients with moderate and severe hepatic impairment. Reduce the dosage in IBS-C patients with severe hepatic impairment.

[Please click here for complete Prescribing Information.](#)