Takeda Pharmaceutical Company

Strategic Update

33rd Annual J.P. Morgan Healthcare Conference

Christophe Weber
President & Chief Operating Officer
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.
I. Strategic Roadmap
   Global Organization

II. Sustaining Sales Growth

III. Leadership in Oncology and Gastroenterology (GI)
I. Strategic Roadmap
   Global Organization

II. Sustaining Sales Growth

III. Leadership in Oncology and Gastroenterology (GI)
Takeda 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**
Global One Takeda

Become an agile, best-in-class global pharmaceutical company focused on patients and customers

- Values based
- Agile
- Simple, with clear accountabilities
- Patient- and customer-centric
- Talent development and diversity champion
Takeda-ism: Key to our Reputation and Business Success

**Takeda-ism** is our foundation as we focus on:

1st
PUT THE PATIENT AT THE CENTER

2nd
BUILD TRUST WITH SOCIETY

3rd
REINFORCE OUR REPUTATION

4th
DEVELOP THE BUSINESS
# Takeda's Strengths and Areas for Improvement

<table>
<thead>
<tr>
<th>What we possess - Takeda assets / strengths</th>
<th>What we need to improve</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Takeda-ism</td>
<td>• Patients and customer centricity</td>
</tr>
<tr>
<td>• Dedicated and talented employees</td>
<td>• Organization – clear accountability / ownership</td>
</tr>
<tr>
<td>• Attractive late stage pipeline assets</td>
<td>• Way we work – to achieve “Global One Takeda”</td>
</tr>
<tr>
<td>• Leading position in Japan</td>
<td>• Business focus on growth drivers</td>
</tr>
<tr>
<td>• Global reach</td>
<td>• Talent development and diversity</td>
</tr>
<tr>
<td>• Long-term perspective</td>
<td>• Financial performance</td>
</tr>
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</table>
Focus to Support Growth

<table>
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<tr>
<th>FOUR Therapeutic Areas Units in R&amp;D</th>
<th>Gastroenterology (GI)</th>
<th>Oncology</th>
<th>Central Nervous System (CNS)</th>
<th>Cardiovascular/Metabolic (CVM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TWO Global Specialty Business Units</td>
<td>Oncology</td>
<td>Vaccine (incl. R&amp;D)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FIVE Regional Business Units</td>
<td>Japan Pharmaceuticals</td>
<td>Emerging Markets</td>
<td>U.S.</td>
<td>EUCAN (Europe + Canada)</td>
</tr>
</tbody>
</table>

Global Manufacturing & Quality Business Partner organization
Takeda's Executive Team

Yasuchika Hasegawa
Chairman & CEO

Christophe Weber
President & COO

Shinji Honda
Corporate Strategy Officer

Masato Iwasaki
President Japan Pharmaceuticals BU

Francois-Xavier Roger
Chief Financial Officer

Tachi Yamada
Chief Medical and Scientific Officer

Christophe Bianchi
President Global Oncology BU

Doug Cole
President US Business Unit

Gerard Greco
Global Quality Officer

Haruhiko Hirate
Corporate Communications and Public Affairs Officer

Yoshihiro Nakagawa
Global General Counsel

David Osborne
Global Human Resources Officer

Giles Platford
President Emerging Markets BU

Andy Plump
Chief Medical and Scientific Officer Designate will join Feb 1st

Marc Princen
President EUCAN BU

Rajeev Venkayya
President Global Vaccine BU

Thomas Wozniewski
Global Manufacturing and Supply Officer
I. Strategic Roadmap
   Global Organization

II. Sustaining Sales Growth

III. Leadership in Oncology and Gastroenterology (GI)
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
Emerging Markets: Value Brands, a Strong Foundation to Launch Innovative Products

**Expected sales in Emerging Markets**

- **Value Brands**: circa 70%
- **Innovative products**: circa 30%

**CAGR ('13-'22)**

- **Nycomed Acquisition**: circa 10%

**2022 sales contribution**

Yearly sales contributions from Nycomed and Multilab acquisitions.

**Series 1**

- **3,000**
- **6,000**
- **9,000**

**Series 2**

- **2011**
- **2012**
- **2013**
- **2014**
- **2015**
- **2016**
- **2017**
- **2018**
- **2019**
- **2020**
- **2021**
- **2022**

(billion yen)

FY 2011 to FY 2022 timeline.
## Promising Portfolio that is Increasingly Focused, Innovative and Global

<table>
<thead>
<tr>
<th>New Product Approvals</th>
<th>Oncology</th>
<th>CNS</th>
<th>CVM</th>
<th>GI</th>
<th>Vaccine</th>
<th>Other TA</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2008-2012</td>
<td>ADCETRIS®</td>
<td>REMINYL®</td>
<td>NESINA®</td>
<td>DEXILANT®</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>VECTIBIX®</td>
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<td>AZILVA®</td>
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<td>EDARBI®</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>LOTRIGA®</td>
<td></td>
<td></td>
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<tr>
<td>FY2013-2017</td>
<td>ixazomib</td>
<td>BRINTELLIX®</td>
<td>CONTRAVE®</td>
<td>ENTYVIO®</td>
<td></td>
<td>Norovirus</td>
</tr>
<tr>
<td></td>
<td>alisertib</td>
<td>LATUDA®</td>
<td>trelagliptin</td>
<td></td>
<td>TAKECAB®</td>
<td></td>
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<tr>
<td></td>
<td>motesanib</td>
<td>TAK-375SL</td>
<td></td>
<td></td>
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<tr>
<td>FY2018-2022</td>
<td>MLN0264</td>
<td>AD-4833/</td>
<td></td>
<td>TAK-114</td>
<td>TAK-003</td>
<td>Dengue</td>
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<tr>
<td></td>
<td>relugolix</td>
<td>TOMM40</td>
<td></td>
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<td></td>
<td>MLN0128</td>
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Assets shown are in Phase 2 or later and have the most substantial financial expectations.
New Product Launches and Value Brands Significantly Outpace LOE Impact

Sales variation by period (5 fiscal years)*

(billion yen)

2008-2012

2013-2017

2018-2022

Incremental sales in 5 years period

New Products
Grouped by year of first launch

Value Brands
Patent expiry
Others

* This graph was drafted before entry of colchicine competitors and AG
More Balanced Geographic Share

Region contribution to sales (ethical drug sales)*

FY2013

- Japan: 40%
- US: 24%
- EUCAN**: 17%
- Emerging Markets: 19%

FY2017 (circa %)

- Japan: 30%
- US: 30%
- EUCAN**: 15%
- Emerging Markets: 25%

**EUCAN = Europe + Canada

* This graph was drafted before entry of colchicine competitors and AG
**Offset Generic Erosion in Japan through New Product Launches**

**Sales variation by period (5 fiscal years, Japan)**

<table>
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<tr>
<th>Period</th>
<th>New Products</th>
<th>Patent expiry</th>
<th>Others</th>
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<tr>
<td>2018-2022</td>
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New launches in 2015:
- **TAKECAB**: potassium-competitive acid blocker for acid related diseases
- **trelagliptin**: once-weekly DPP4 inhibitor for diabetes

Incremental sales in 5 years period

Grouped by year of first launch

Takeda Pharmaceutical Company Limited
I. Strategic Roadmap
   Global Organization

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III. Leadership in Oncology and Gastroenterology (GI)
Takeda Oncology

- Strong market positions
  FY13 Sales: 294 billion yen

- 40% of direct R&D spending

- Key late stage pipeline assets:
  ixazomib, MLN0264
GI: A fast growing market

Worldwide, 2014-2020

Absolute dollar growth 2014-20

$ billion

Cardiovascular
Genito-Urinary
Central Nervous System
Musculoskeletal
Respiratory
Endocrine
Blood
Dermatology
Oncology & Immunomodulators
Overall GI (PCP + specialty)
Specialty GI only*

Dollar Sales CAGR 2013-2020

% 2014-20

19

*Defined as IBD and HPB sub-TAs and select specialty GI indications within motility (e.g., IBS, gastroparesis, functional dyspepsia)

SOURCE: 2014 EvaluatePharma data, Evaluate Ltd., www.evaluategroup.com; team analysis
Takeda is a Global GI Leader

Major marketed products sales: 298 billion yen (FY2013)

Launched in 2014

Pipeline
- TAKECAB (Acid Disorders / Japan) Approved
- TAK-114 (UC) Phase II
- ENTYVIO Subcutaneous, Phase I
ENTYVIO®: A Promising Take-off

Available in 13 countries as of end of December 2014

Greater than $2 billion sales potential globally
TAKECAB® (vonoprazan): A New Class of Acid Secretion Inhibitor

**Mechanism**
Potassium-competitive acid blocker (P-CAB)

**Indications**
Acid-related diseases (approved in Japan, December 2014)

- True competitive antagonist of H+, K+-ATPase, acid not required for activation
- Fast-acting, strong and sustained effect
- Co-promotion agreement with Otsuka in Japan

High accumulation and long retention in the gastric parietal cell

- **vonoprazan**
  - (pH~1)
- **H+,K+-ATPase**
- **cytosol, pH~7**
- **lansoprazole**
  - (pH~1)
  - $H^+$
Focus on Profitable Growth

*Takeda-ism based, patient centric, global organization*

*Global commercial reach and launch capability*

**Growth driven by Innovation**
- GI and Oncology are key mid term growth drivers

**Value brands in Emerging Markets**

**Financial discipline**
- Efficiency driven by globalization
- Project Summit
- Cost efficiency and operating leverage
- Strong balance sheet
- Focus on total shareholder return

We are focusing on growth and financial discipline to create value for shareholders
Better Health, Brighter Future

THANK YOU

Takeda Pharmaceutical Company Limited