Taking Advantage of Global Opportunities Following the Nycomed Acquisition
- Takeda’s Strategy Focused on Emerging Markets

August 28, 2012

AGENDA

1. BUILDING A GLOBAL PHARMACEUTICAL COMPANY
   Dr. Frank Morich, Chief Commercial Officer

2. REGIONAL FOCUS: EMERGING MARKETS REGION, RUSSIA/CIS, AND BRAZIL
   Jostein Davidsen, Head of Commercial Operations, Emerging Markets

3. REGIONAL FOCUS: CHINA
   Haruhiko Hirate, Head of Commercial Operations, North Asia

4. CLOSING REMARKS
   Dr. Frank Morich, Chief Commercial Officer

5. Q&A SESSION
1. BUILDING A GLOBAL PHARMACEUTICAL COMPANY
Dr. Frank Morich, Chief Commercial Officer

Takeda has Grown From a Company Focused on Japan and the United States…
...to a Global Player with a Balanced Presence in Japan, USA, Europe, Emerging Markets

The Past Year has Changed the Face of the Company

Share of Net sales Q1-FY11

Japan 51%
EM 3%
Europe* 12%
Americas* 34%

Share of Net sales Q1-FY12

Japan 45%
Asia + other EM 13%
Russia-CIS 16%
Latin America 26%

*Excluding EM
The Acquisition of Nycomed Provided an Immediate Financial Contribution

Significantly increased Takeda’s presence in Emerging Markets

**Emerging Markets**
*FY2011 sales (€m), pro forma*

<table>
<thead>
<tr>
<th></th>
<th>Takeda</th>
<th>Takeda + Nycomed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nycomed</td>
<td>204</td>
<td>1,564</td>
</tr>
<tr>
<td>Takeda</td>
<td>1,360</td>
<td>204</td>
</tr>
</tbody>
</table>

Note: Nycomed joined Takeda in October 2011, and therefore there was only a 6 month contribution to Takeda FY2011 results. Nycomed full year sales are shown to demonstrate the full effect of the acquisition going forward.

Expanded Takeda's sales in Europe more than two-fold

**Europe**
*FY2011 sales (€m), pro forma*

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<th>Takeda + Nycomed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nycomed</td>
<td>204</td>
<td>867</td>
</tr>
<tr>
<td>Takeda</td>
<td>1,250</td>
<td>867</td>
</tr>
</tbody>
</table>

Integration of Nycomed Progressing Smoother than Expected

**Organizational Transition**
- New integration targets announced Jan 2012
- Most of integration milestones are on track
- Shared Services for finance and IT introduced in most of EU countries
  - Leverage legacy Nycomed financial system and shared services concept
- Introduced new commercial structure for CCO organization including global marketing function
- Successfully retained key talent from both legacy companies
- Managing the cultural shift – Takeda-ism

**Business Transition**
- Successfully mitigate sales dip of Actos and Candesartan
- Cost synergies in Europe: 40 billion yen per year from FY2014 – bigger than the original estimate (30bn yen) at the deal announcement
- Global portfolio with local adjustment through local BD activities
  - URL, Multilab
  - Small local BDs
- New revenue opportunities through introducing Takeda products in ex-Nycomed territory
  - Mexico Dexilant – achieved top share position in Specialist market 6 month after launch
Takeda has Become the 12th Largest Pharmaceutical Company Globally

- **15th largest pharmaceutical company in USA**
- **29,000 employees worldwide**
- **18th largest pharmaceutical company in Europe**
- **#1 pharmaceutical company in Japan**
- **14th largest pharmaceutical company in BRIC countries**
- **¥1,509bn global sales in FY2011**
- **70 approx no. of countries with Takeda market presence**
- **20+ products from own pipeline planned to be launched in the next 5 years**

Takeda is Well Positioned to Prosper as a Global Pharmaceutical Company

**Mature Markets**
- Reimbursement-driven
- Tight budgets
- Market access hurdles
- Advanced medical need

**Emerging Markets**
- Out-of-pocket-driven, reimbursement growing
- Spending power
- Basic medical need

**Takeda Strategy**
- New Innovative Products
  - Shift to specialty care
- Nurture strong foundation in mature markets
- Diversity – Empower regions and countries to develop strategies and portfolios that best serve their markets
- Enhance portfolio and presence through partnerships and strategic investments
- A robust, global supply chain network that ensures product availability at competitive cost

**Takeda strengths**

**Portfolio**
- 20 products to be launched in next 5 years
- Large portfolio of branded generics
- Access to strong oncology pipeline
- Global leadership in diabetes

**Global coverage**
- Japan, US, Europe
- Emerging Markets
- Combine Nycomed momentum with Takeda innovation

**Diversity**
- Nycomed culture
- Global compliance, Takeda-ism

**Partnerships**
- >20 local/regional licensing deals since October 11
Nearly all Future Population Growth will be in the Emerging Markets

- Emerging Markets account for 97% of global population growth

<table>
<thead>
<tr>
<th>Region</th>
<th>Population factor 2011</th>
<th>Drug consumption per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>GI</td>
</tr>
<tr>
<td>US</td>
<td>1.0</td>
<td>104</td>
</tr>
<tr>
<td>EU</td>
<td>1.4</td>
<td>121</td>
</tr>
<tr>
<td>EM*</td>
<td>13.2*</td>
<td>14</td>
</tr>
</tbody>
</table>

- Per-capita drug-consumption 10-20 times lower
- EM population significantly larger than in US or EU

* - selection includes the biggest Emerging markets covering app. 65% of overall EMs population


Outlook for Global Pharmaceutical Market Driven Primarily by Emerging Markets

Emerging Markets Contributing 70% of Expected Global Market Growth in Value

Global
CAGR 12-16: 5% to US$1,201bn
Growth: US$219bn

Emerging Markets
CAGR 12-16: 11%
to US$446bn
Growth US$152bn

Mature Markets
CAGR 12-16: 2% to US$755bn
Growth: US$67bn

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Emerging Markets Will Drive the Industry Beyond 2020

Opportunities

• Large populations
• Growing economies
  GDP growth: 6-7% vs. 3-3.5% in developed countries
• Beyond BRIC
  Further countries are growing into becoming emerging markets
• Increasing disease awareness
  Improved lifestyle due to social and economic changes drives disease awareness, diagnostics and treatment rates
• Increase of public and private healthcare expenditure
  The emerging economies will experience the most rapid growth in demand for medicines over the next decade

Challenges

• Diversity of languages and cultures
• Developing infrastructure and institutions
• Preferential treatment for domestic companies
• Cheap local generic competition
• Need for local clinical trials
• Healthcare cost containment measures being implemented
• Achieving geographical coverage
• Political, regulatory and economic volatility

Takeda is Serving Approximately 70 Markets with a Large Variation of Market Conditions

Takeda’s global reach

Managing diversity is key to global success

- Cultural shift at New Takeda
- No “one-size-fits-all”
- Local portfolios and strategies
Takeda is present in 80% of Emerging Markets by Value – aims for 90% by 2016

Takeda sales forecasts for FY2012 in million €

**TOTAL EM**
- FY12 Forecast: 1,850
- Growth 2012: 20%
- Sales Reps: 4,780

**META**
- FY12 Forecast: 150-170
- Growth 2012: 16-32%
- Sales Reps: 240

**LATAM (incl. Brazil)**
- FY12 Forecast: 540
- Growth 2012: 29%
- Sales Reps: 1,200

**Russia/CIS**
- FY12 Forecast: 630
- Growth 2012: 15%
- Sales Reps: 1,170

**North Asia**
- FY12 Forecast: 340
- Growth 2012: 18%
- Sales Reps: 1,500

**South Asia (excl. Australia)**
- FY12 Forecast: 170
- Growth 2012: 3%
- Sales Reps: 670

Note: Sales Reps numbers as of June 30, 2012

Empower Regions and Countries to Best Serve Their Markets

**Mature Markets: Emphasis on Specialty and Patented Products**
- Mature Markets* Portfolio FY12
  - OTC: 50%
  - Branded Generics: 32%
  - Specialty (patented): 14%
  - Primary (patented): 4%

**Brazilian Portfolio FY16**
- OTC: 43%
- Branded Generics: 29%
- Specialty (patented): 24%
- Primary (patented): 6%

**EM Portfolio FY12**
- OTC: 17%
- Branded Generics: 74%
- Specialty (patented): 8%
- Primary (patented): 2%

**EM Portfolio FY16**
- OTC: 14%
- Branded Generics: 65%
- Specialty (patented): 13%
- Primary (patented): 8%

Different Growth Drivers in Mature and Emerging Markets

**Mature Markets: Specialty and Primary Care**

Mature Markets Portfolio Growth FY12-16
Sales growth (€m) and CAGR (%)

- Specialty (patent): 25%
- Primary (patent): 12%
- Branded Generics: 1%
- OTC: -14%

**Emerging Markets: Branded Generics and Patented**

EM Portfolio Growth FY12-16
Sales growth (€m) and CAGR (%)

- Specialty (patent): 33%
- Primary (patent): 75%
- Branded Generics: 11%
- OTC: 1%

*Note: Mature Markets: Europe, Canada, US (excludes US Millennium)*

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Forecast for Takeda’s Top 10 Emerging Markets Products in 2012

<table>
<thead>
<tr>
<th>Product</th>
<th>Indication</th>
<th>Sales forecasts for FY2012 in million €</th>
<th>YoY %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pantoprazole (Rx)</td>
<td>Acid-related gastrointestinal disorders</td>
<td>&lt;260: +5%</td>
<td></td>
</tr>
<tr>
<td>Actovegin (Rx)</td>
<td>Cerebral vascular disorders and stroke</td>
<td>&lt;170: +1%</td>
<td></td>
</tr>
<tr>
<td>Concor (Rx)</td>
<td>Hypertension</td>
<td>&lt;100: +7%</td>
<td></td>
</tr>
<tr>
<td>Ulinastatin (Rx)</td>
<td>Sepsis, organ dysfunction</td>
<td>&lt;90: +24%</td>
<td></td>
</tr>
<tr>
<td>Neosaldina (OTC)</td>
<td>Headaches</td>
<td>&lt;65: +9%</td>
<td></td>
</tr>
<tr>
<td>Magnyl (OTC)</td>
<td>Cardiovascular diseases prophylaxis</td>
<td>&lt;65: +18%</td>
<td></td>
</tr>
<tr>
<td>Calcium (Rx)</td>
<td>Osteoporosis</td>
<td>&lt;65: +11%</td>
<td></td>
</tr>
<tr>
<td>Ceraxon (Rx)</td>
<td>Brain metabolism</td>
<td>&lt;40: +33%</td>
<td></td>
</tr>
<tr>
<td>Xefo (Rx)</td>
<td>Pain</td>
<td>&lt;35: +10%</td>
<td></td>
</tr>
<tr>
<td>Leuprorelin (Rx)</td>
<td>Prostate cancer, etc.</td>
<td>&lt;35: +17%</td>
<td></td>
</tr>
</tbody>
</table>
Ensuring Ethical Behavior and Integrity Worldwide

Integrity is of paramount importance for Takeda

At the core of Takeda-ism

Global governance for unified compliance

- Global Code of Conduct -- specific guidelines on global compliance with marketing codes, anti-corruption and anti-bribery, and competition and anti-trust
- All Takeda executives and employees are expected to understand, comply with and implement the Takeda Global Code of Conduct in daily business activities.
- Global Compliance Organization – Compliance Committee, Compliance Officer, Compliance Office (part of Legal department)
- Regional and local implementation of the Global Code of Conduct

Emerging Markets Product Launches

Products expecting launch in emerging markets – FY12-14

DAXAS  MEPACT  DEXILANT  ADCETRIS

EDARBI  ROZEREM  NESINA  OMONTYS

Regional development centers -- clinical data for local submissions

<table>
<thead>
<tr>
<th></th>
<th>Shanghai</th>
<th>Singapore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Established</td>
<td>2012</td>
<td>2009</td>
</tr>
<tr>
<td>Focus area</td>
<td>China: Primary Care Asia: Oncology</td>
<td>Asian hub for non-oncology clinical development</td>
</tr>
</tbody>
</table>
# A Closer Look into Our Priority Markets for Future Growth

- Russia/CIS
- Brazil
- China

## World's top pharmaceutical markets ($, Bn)

<table>
<thead>
<tr>
<th>Country</th>
<th>2011</th>
<th>2016 (E)</th>
<th>CAGR 2011-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. #1</td>
<td>322</td>
<td>363</td>
<td>2%</td>
</tr>
<tr>
<td>Japan #2</td>
<td>115</td>
<td>143</td>
<td>16%</td>
</tr>
<tr>
<td>China #3</td>
<td>68</td>
<td>130</td>
<td>29%</td>
</tr>
<tr>
<td>Germany #4</td>
<td>44</td>
<td>53</td>
<td>14%</td>
</tr>
<tr>
<td>France #5</td>
<td>40</td>
<td>47</td>
<td>2%</td>
</tr>
<tr>
<td>Brazil #6</td>
<td>28</td>
<td>39</td>
<td>0%</td>
</tr>
<tr>
<td>Italy #7</td>
<td>28</td>
<td>31</td>
<td>36%</td>
</tr>
<tr>
<td>Spain #8</td>
<td>22</td>
<td>30</td>
<td>2%</td>
</tr>
<tr>
<td>Canada #9</td>
<td>22</td>
<td>26</td>
<td>15%</td>
</tr>
<tr>
<td>UK #10</td>
<td>21</td>
<td>25</td>
<td>12%</td>
</tr>
<tr>
<td>Russian Federation #11</td>
<td>15</td>
<td>23</td>
<td>1%</td>
</tr>
<tr>
<td>Australia #12</td>
<td>14</td>
<td>23</td>
<td>1%</td>
</tr>
<tr>
<td>India #13</td>
<td>13</td>
<td>19</td>
<td>-3%</td>
</tr>
<tr>
<td>South Korea #14</td>
<td>12</td>
<td>16</td>
<td>3%</td>
</tr>
<tr>
<td>Mexico #15</td>
<td>11</td>
<td>15</td>
<td>22%</td>
</tr>
</tbody>
</table>

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## 2. OVERVIEW OF THE EMERGING MARKETS REGION

**Jostein Davidsen,**
Head of Commercial Operations, Emerging Markets
The Emerging Markets Region: Geared to Exceed Market Growth in 2012 and Beyond

EM Region Outperforms Markets in Key Countries


* - Selected Emerging Markets are the markets where Takeda reported sales
LATAM: Argentina, Brazil, Colombia, Mexico, Venezuela
RUSSIA/ CIS: Russia, Ukraine, Kazakhstan, Belarus, Georgia, Azerbaijan, Uzbekistan, Armenia
SOUTH ASIA – Indonesia, Thailand, Philippines, Malaysia, Singapore + Australia
META – Egypt, Saudi Arabia, S.Africa, Turkey, UAE.

** - Takeda Brazil excluding Multilab, Takeda Colombia including Farmacol

Source: IMS MIDAS, ex-mnf., excluding Brazil (local IMS PMB, net) and Russia/ CIS (local IMS RMBC, Pharmexpert (ex-mnf.) and Pharmstandart, final prices)
Well Established in the Largest Markets, Gaining Ground Elsewhere

Our position

- # 7 in Russia
  - local manufacturing
- # 11 in Brazil (# 8 incl. Multilab)
  - local manufacturing
- # 5 in Ukraine
- Present in 5 largest Latin American markets with a strong hub in Mexico with local manufacturing for the region
- A new dynamic META organization with highest planned growth in EM
- Stronger position in South Asia through combined Takeda and Nycomed organizations

Key Success Factors

- Strong and knowledgeable local management teams
- Diversified and balanced portfolio, adapted to local needs
- Lean regional support structure for more market proximity
- External partners to build portfolio

Takeda’s Portfolio is Well Matched to the Region

Focus Areas Provide Strategic Match of Takeda Portfolio with Market Growth

Emerging Markets (excl. North Asia) TA Sales FY2012-2016 and CAGR (%)

- GI: 12% 2012, 2016
- OTC: 12% 2012, 2016
- Neurology: 15% 2016
- Cardiology: 15% 2012, 38% 2016
- Diabetes: 17% 2016
- Hematology: 27% 2016
- Oncology: 45% 2016
- Respiratory: 26% 2012, 45% 2016
Significant part of growth in EM (excl. North Asia) is projected from existing products (esp. in Russia/CIS) – further growth from new product launches.

Emerging Markets (excl. North Asia) Growth Contribution by Region FY12-16

<table>
<thead>
<tr>
<th>Region</th>
<th>Growth FY12-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latin America</td>
<td>25%</td>
</tr>
<tr>
<td>Russia/CIS</td>
<td>53%</td>
</tr>
<tr>
<td>META</td>
<td>15%</td>
</tr>
<tr>
<td>South Asia</td>
<td>7%</td>
</tr>
<tr>
<td>Existing Products</td>
<td>73%</td>
</tr>
<tr>
<td>New (Nycomed)</td>
<td>6%</td>
</tr>
<tr>
<td>New (Takeda)</td>
<td>21%</td>
</tr>
<tr>
<td>Total Growth</td>
<td>100%</td>
</tr>
</tbody>
</table>

FOCUS REGION: RUSSIA / CIS
Russia Will Become a Top-10 Pharmaceutical Market in 2016

World's top pharmaceutical markets ($, Bn)

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<td>UK #10</td>
<td>21</td>
</tr>
<tr>
<td>Russian Federation #11</td>
<td>15</td>
</tr>
<tr>
<td>Australia #12</td>
<td>14</td>
</tr>
<tr>
<td>India #13</td>
<td>13</td>
</tr>
<tr>
<td>South Korea #14</td>
<td>12</td>
</tr>
<tr>
<td>Mexico #15</td>
<td>11</td>
</tr>
</tbody>
</table>

CAGR 2011-2016

<table>
<thead>
<tr>
<th>Country</th>
<th>2011-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>2%</td>
</tr>
<tr>
<td>China</td>
<td>16%</td>
</tr>
<tr>
<td>Japan</td>
<td>3%</td>
</tr>
<tr>
<td>Brazil</td>
<td>14%</td>
</tr>
<tr>
<td>Germany</td>
<td>2%</td>
</tr>
<tr>
<td>France</td>
<td>0%</td>
</tr>
<tr>
<td>Venezuela</td>
<td>36%</td>
</tr>
<tr>
<td>Italy</td>
<td>2%</td>
</tr>
<tr>
<td>India</td>
<td>15%</td>
</tr>
<tr>
<td>Russia</td>
<td>12%</td>
</tr>
<tr>
<td>Canada</td>
<td>1%</td>
</tr>
<tr>
<td>UK</td>
<td>1%</td>
</tr>
<tr>
<td>Spain</td>
<td>-3%</td>
</tr>
<tr>
<td>Australia</td>
<td>3%</td>
</tr>
<tr>
<td>Argentina</td>
<td>22%</td>
</tr>
</tbody>
</table>

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Geographical Coverage of Takeda Business in Russia/CIS

- Present in Russia/CIS since 1993
- Head office in Moscow
- Further affiliates and branch offices in 7 CIS countries plus 5 export markets
- Russia/CIS sales force as of June 30, 2012: 1,170

* Export market
- Sales & Marketing
- Manufacturing

* Export market

- Sales & Marketing
- Manufacturing

Map of Russia/CIS showing locations such as Moscow, Saint-Petersburg, Yaroslavl, Novosibirsk, Perm, Rostov-on-Don, N. Novgorod.
In the Past Decade, Nycomed/Takeda has Outgrown the Russian Pharma Market

Consistent Outperformance

Nycomed/Takeda performance in Russia compared to the pharma market

IMS-RMBC Database (Retail, Hospital Audit, Reimbursement), Ex-MNF and reference prices, Euro

A Locally Adapted Portfolio

<table>
<thead>
<tr>
<th>Product</th>
<th>Indication</th>
<th>FY2011 sales in €MM, YoY Growth (%)</th>
<th>CAGR 2007-11 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actovegin (Rx &amp; OTC)</td>
<td>Cerebral vascular disorders and stroke</td>
<td>&lt;179, +23%, +19%</td>
<td></td>
</tr>
<tr>
<td>Concor (Rx)</td>
<td>Hypertension</td>
<td>&lt;103, +43%, +30%</td>
<td></td>
</tr>
<tr>
<td>Cardiomagnyl (semi-Rx)</td>
<td>Cardio-vascular diseases prophylaxis</td>
<td>&lt;60, +86%, +52%</td>
<td></td>
</tr>
<tr>
<td>Calcium (OTC)</td>
<td>Osteoporosis</td>
<td>&lt;33, +33%, +10%</td>
<td></td>
</tr>
<tr>
<td>Ceraxon (Rx)</td>
<td>Promotes brain metabolism</td>
<td>&lt;31, +74%, +63%</td>
<td></td>
</tr>
<tr>
<td>Nasivin (OTC)</td>
<td>Flu</td>
<td>&lt;21, +13%, +12%</td>
<td></td>
</tr>
<tr>
<td>Glucophage (Rx)</td>
<td>Diabetes</td>
<td>&lt;23, +35%, +16%</td>
<td></td>
</tr>
<tr>
<td>Xymelin (OTC)</td>
<td>Flu</td>
<td>&lt;18, +46%, +15%</td>
<td></td>
</tr>
<tr>
<td>Xefo (Rx)</td>
<td>Pain</td>
<td>&lt;18, +48%, +21%</td>
<td></td>
</tr>
<tr>
<td>Euthyrox (Rx)</td>
<td>Thyroids</td>
<td>&lt;11, +67%, +22%</td>
<td></td>
</tr>
</tbody>
</table>

Note: These figures are recalculated by using 2012 plan exchange rate

- Actovegin is a large and mature product, but still growing
- 3 OTC products in top 10
- 5 partnered products in top-10
**Business Environment in Russia**

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare Expenditure</td>
<td>4.7% of GDP, low vs mature markets</td>
</tr>
<tr>
<td>Retail / Hospital / Reimbursement</td>
<td>Retail 75%, Hospital 12%, Reimbursement 13%</td>
</tr>
<tr>
<td>Insurance and Drug Reimbursement System</td>
<td>10% population entitled to reimbursed medicines</td>
</tr>
<tr>
<td></td>
<td>Nationwide reimbursement potentially starting 2015-2016</td>
</tr>
<tr>
<td></td>
<td>7 Nosologies* - reimbursed</td>
</tr>
<tr>
<td>Product Registration</td>
<td>Clinical trials with Russian centers obligatory</td>
</tr>
<tr>
<td>Pricing</td>
<td>Essential Drug List (EDL)</td>
</tr>
<tr>
<td></td>
<td>• EDL products (40% of market) - controlled pricing, but potentially</td>
</tr>
<tr>
<td></td>
<td>• Non- EDL - free pricing</td>
</tr>
<tr>
<td>Others</td>
<td>Russia ratified legislation bringing trading laws into compliance with</td>
</tr>
<tr>
<td></td>
<td>the international standards set under the WTO</td>
</tr>
<tr>
<td>Tenders</td>
<td>15% price preference for local manufacturers</td>
</tr>
</tbody>
</table>

*Seven nosologies: life threatening and rare conditions, costly treatment e.g. Sclerosis Multiplex, leukemia

**Opportunities & Challenges**

**Opportunities**
- Increasing private wealth
- Large unmet medical need
- Value of brands
- Government intent to increase healthcare expenditure
- Share of public funding in total healthcare spending in Russia is planned to increase from 36% to 42% by 2015

**Challenges**
- Logistical difficulties
  - 86 different regions in Russia with 8 time zones
- Increased competition
  - Especially from local industry
- Regulatory framework under constant change
- Unpredictability
  - Regulations
  - Industry guidelines
Takeda has a Tailored Portfolio to Meet Russian Needs

Distribution by cause of death in Russia in 2009

- Cardiovascular diseases: 57%
- Cancer: 15%
- Injuries: 11%
- Respiratory system: 4%
- Digestive system: 4%
- Infections: 2%
- Endocrine & metabolic system: 1%

Source: State Statistics Committee

Cerebrovascular:
- Actovegin, for cerebral vascular disorders and stroke
- Ceraxon, for stroke
- Encephabol, cognitive functions

Cardiology:
- Concor, for hypertension
- Cardiomagnyl, CV prophylaxis
- Warfarin, thrombosis prevention
- Edarbi, for hypertension
- Lodoz, for hypertension
- Eneas, for hypertension

Takeda’s Strategy to Achieve Sustainable Growth in Russia/CIS

- Focus on core retail segment and prepare for state reimbursement expansion
- Further strengthen local portfolio, with balance of reimbursement and out-of-pocket for risk mitigation
- Exploit new revenue opportunities: Takeda products and successful partnerships
- Strong and sustained and local management team
- Build local value chain – adding manufacturing facility in Yaroslavl and local development center
State-of-the-Art Production Facility in Yaroslavl

Completion in September 2012

- Meeting demand in Russia for key products including Actovegin, Calcium, Cardiomagnyl
- €75m investment
- Shows Takeda’s long term commitment to improving health outcomes in Russia
- Offering better service to the market
- Secured supply chain
- Reinforces relationship with Russian authorities

Sales Forecasts toward FY2016 in Russia/CIS

Takeda’s FY12-16 CAGR: approx 15%

Note: The figures in the slide do not include revenue from licensees

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Brazil is Projected to be the World’s 4th Largest Pharma Market in 2016

World's top pharmaceutical markets ($, Bn)

<table>
<thead>
<tr>
<th>Country</th>
<th>2011</th>
<th>2016(E)</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. #1</td>
<td>322</td>
<td>363</td>
</tr>
<tr>
<td>Japan #2</td>
<td>115</td>
<td></td>
</tr>
<tr>
<td>China #3</td>
<td>68</td>
<td></td>
</tr>
<tr>
<td>Germany #4</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>France #5</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Brazil #6</td>
<td>28</td>
<td>Brazil #4</td>
</tr>
<tr>
<td>Italy #7</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Spain #8</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Canada #9</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>UK #10</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>Russian Federation #11</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Australia #12</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>India #13</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>South Korea #14</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Mexico #15</td>
<td>11</td>
<td></td>
</tr>
</tbody>
</table>

CAGR 2011-2016

- U.S. #1: 2%
- Japan #2: 16%
- China #3: 3%
- Brazil #4: 14%
- Germany #4: 2%
- France #5: 0%
- Italy #7: 36%
- Spain #6: 15%
- Canada #9: 12%
- UK #10: 1%
- Russia Federation #11: 1%
- Australia #12: 1%
- India #13: -3%
- South Korea #14: 3%
- Mexico #15: 22%

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Takeda Reinforces its Presence in Brazil

- Head office in São Paulo (since 1954)
- Sites at Jaguariúna and São Jerônimo
- 1,250 employees in Takeda: 270 in head office, 480 in sales force and 500 in manufacturing (as of June 30, 2012)
- 600 employees in Multilab, including 460 in production
- Total: 1,800 employees in Brazil
- Production capacity:
  - Jaguariúna: 100 million units/year
  - São Jerônimo: 2.8 billion doses/year

Nycomed/Takeda Has Built a Strong and Growing Business in Brazil

Takeda’s market share in Brazil is 2.3%
Ranked 11th in 2011

Nycomed/Takeda performance in Brazil compared to the pharma market

Source: IMS, PMB (Pharmaceutical Market Brazil) 2006, 2012 – Local Currency; List Price; Calendar Year
### Current Main Products in Brazil

<table>
<thead>
<tr>
<th>Product</th>
<th>Indication</th>
<th>FY2011 sales in €MM, YoY Growth (%), CAGR 2007-11 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neosaldina (OTC)</td>
<td>Headaches</td>
<td>&lt;60, +15%, +7%</td>
</tr>
<tr>
<td>Dramin (Rx)</td>
<td>Antinauseants</td>
<td>&lt;22, +3%, +14%</td>
</tr>
<tr>
<td>Pantozol/Tecta (Rx)</td>
<td>Acid-related gastrointestinal disorders</td>
<td>&lt;18, +63%, +12%</td>
</tr>
<tr>
<td>Venalot (Rx)</td>
<td>Varicose Therapy</td>
<td>&lt;17, +16%, +13%</td>
</tr>
<tr>
<td>Eparema (OTC)</td>
<td>Liver Therapy</td>
<td>&lt;17, +22%, +13%</td>
</tr>
<tr>
<td>Noripurum (Rx)</td>
<td>Antianemic</td>
<td>&lt;14, +6%, +8%</td>
</tr>
<tr>
<td>Proctyl (Rx)</td>
<td>Topical Anti-hemorrhoidals</td>
<td>&lt;9, +5%, +8%</td>
</tr>
<tr>
<td>Nebacetin (OTC)</td>
<td>Topical Antibiotic</td>
<td>&lt;8, +23%, +13%</td>
</tr>
<tr>
<td>Plantaben (Rx)</td>
<td>Laxative</td>
<td>&lt;7, +4%, +3%</td>
</tr>
<tr>
<td>Omnaris (Rx)</td>
<td>Nasal Corticoid</td>
<td>&lt;5, -47%, +11%*</td>
</tr>
</tbody>
</table>

Note: These figures are recalculated by using 2012 plan exchange rate; *Omnaris CAGR (09-11), since it was launched in 2009; 2011 negative sales due to inventory build-up in 2010

---

### Business Environment in Brazil

**Healthcare Expenditure**  
8.4% of GDP (2011)

**Ratio of Ethical vs. OTC**  
OTC 1/3 by volume, 29% by value

**Ratio of Retail vs Non Retail Market**  
Retail 70%, non retail (hospitals, government, oncology clinics, vaccines) 30%, with strong growth (22.8% CAGR 07-11)

**Insurance and Drug Reimbursement System**  
Primarily out-of-pocket, 25% only covered by private health care  
Single Healthcare System (SUS) to deliver on recognized universal rights to basic healthcare provision  
Government regulated prices based on lowest prices registered in 10 reference countries

**Product Registration**  
Stability studies zone 4b and clinical trials data or bioequivalence studies required. ANVISA* GMP certificate needed.

**Distribution**  
Growing importance of pharmacy chains (31%)  
3 national wholesalers with 50% of market share

** Intellectual Property**  
Compulsory licensing less of an issue today  
Pipeline protection, patent backlog, dual examination (ANVISA and INPI**) main issues

* Agência Nacional de Vigilância Sanitária (Brazilian Health Agency)  
** Instituto Nacional da Propriedade Industrial (Brazilian Trademark and Patent Office)
Opportunities & Challenges

Opportunities

- Increasing share of C class (middle class) consumers (50% of population, 42% of medical consumption in 2011) with certain level of purchasing power, especially for branded generics and OTC
- Concentrated growth in 2nd tier cities and small PoS (Point of Sales)
- OTC business segment accounts for 29% of total pharma market in Brazil
- Regional wholesalers increasingly important and are responsible for ~20% of total pharmaceutical market

Challenges

- Growing awareness and confidence around generics in recent years, mainly as a result of government campaigns
- Higher and increasing discounts, including incentives to pharmacy clerks, who may switch Rx
- National companies’ increasing investments in sales force, new products, merger and acquisitions

Purchasing Power is Expanding Quickly with Middle Classes

- Diversified portfolio including OTC drugs to better meet the needs of the Brazilian market, and the emerging C class consumer
- Strong regional distribution network to cover high growth markets and second tier cities
- Multilab acquisition targets the C class
### Takeda’s Strategy to Achieve Sustainable Growth in Brazil

<table>
<thead>
<tr>
<th>Leverage Market Growth</th>
<th>New Products</th>
<th>High Performance Organization</th>
</tr>
</thead>
</table>
| • Position Takeda to capitalize on the natural growth drivers of the Brazilian market  
• Momentum from 2011 (new products, sales force expansion)  
• Access to rural areas ("emerging markets") – Multilab  
• KAM/CRM* programs to strengthen relationships with key chain pharmacies  
• Strengthen market access function | • In 2011 <6% of net sales came from products launched in the previous 5 years. By 2016 we expect this figure to be >22%  
• 14 new products to be launched by 2016  
• New TAs to be entered | • Second fastest growing multinational company, with global recognition and achievements  
• High level of engagement – according to Hewitt research  
• One of the best companies to work for in Brazil – Revista Exame  
• Global recognition for best practices – Best OTC Marketing Campaign: “Neosaldina”** |

*KAM: Key Account Management; CRM: Customer Relationship Management  
**Nicholas Hall Award

### Acquisition of Multilab

#### Deal Rationale

- Mid-sized pharmaceutical company - 2011 net revenues BRL 140 million  
- Positioned Takeda as a top ten pharmaceutical company in Brazil  
- Diverse portfolio of complementary branded generics and OTC products including Multigrip, with significant growth potential  
- Strong regional distribution network and coverage of high growth emerging regions in Brazil

#### Value Drivers

- Access to C-class  
- Multigrip, Brazil’s best-selling OTC product for cold and flu  
- Access to branded generics portfolio  
- Take advantage of Multilab’s strong distribution network
Sales Forecasts toward FY2016 in Brazil

Takeda’s FY12-16 CAGR (incl. Multilab) : approx 16%

Brazil Market FY12-16 CAGR approx 14%*

Note: The figures in the slide do not include revenue from licensees
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3. FOCUS REGION: CHINA
Haruhiko Hirate,
Head of Commercial Operations, North Asia
China is Projected to be the Largest Market in Asia and 2nd Largest Globally in 2016

China Sales Took a Giant Leap
Continuous Investment to Reach Critical Mass

Takeda’s market share in China is 0.4%, #17 among MNCs in 2011. With 40% growth in the twelve months ending Q1 2012, Takeda is the fastest growing MNC in China

- Tianjin Takeda Pharmaceuticals Co., Ltd was established in 1994
- Nycomed entered China in 2007
- Nycomed acquired 51% of the shares of Guangdong Techpool Bio-Pharma Co., Ltd in 2010
### Current Main Products in China

<table>
<thead>
<tr>
<th>Product</th>
<th>Indication</th>
<th>FY2011 sales in €MM, YoY Growth (%), CAGR 2007-11 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ulinastatin (Rx)</td>
<td>Sepsis, organ dysfunction</td>
<td>&lt;76, +364%, N/A</td>
</tr>
<tr>
<td>Pantoprazole (Rx)</td>
<td>Acid-related gastrointestinal disorders</td>
<td>&lt;26, +20%, +42%</td>
</tr>
<tr>
<td>Leuprolerin (Rx)</td>
<td>Prostate cancer, etc.</td>
<td>&lt;17, +77%, +39%</td>
</tr>
<tr>
<td>Kallikrein (Rx)</td>
<td>Ischemic stroke, renal failure</td>
<td>&lt;14, +691%, N/A</td>
</tr>
<tr>
<td>Voglibose (Rx)</td>
<td>Diabetes</td>
<td>&lt;5, +61%, +100%</td>
</tr>
<tr>
<td>Lansoprazole (Rx)</td>
<td>Acid-related gastrointestinal disorders</td>
<td>&lt;5, +115%, +28%</td>
</tr>
<tr>
<td>Pioglitazone (Rx)</td>
<td>Diabetes</td>
<td>&lt;4, +101%, +105%</td>
</tr>
<tr>
<td>Ebrantil (Rx)</td>
<td>Hypertension</td>
<td>&lt;4, -26%, +26%</td>
</tr>
<tr>
<td>Candesartan (Rx)</td>
<td>Hypertension</td>
<td>&lt;2, +107%, +23%</td>
</tr>
<tr>
<td>Albothyl (Rx)</td>
<td>Bacterial vaginosis</td>
<td>&lt;1, -40%, +21%</td>
</tr>
</tbody>
</table>

Note: These figures are recalculated by using 2012 plan exchange rate

### Presence in China

- Head office in Shanghai, with offices across mainland China
- 2,000 employees in manufacturing, sales, marketing and clinical research of new medicines (includes Techpool)
- 1,200 sales force as of June 30, 2012 (includes Techpool)
Business Environment in China

| Healthcare Expenditure | 4.3% of GDP (2008)  
GDP: US$5,739 billion (2010) |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio of Ethical vs. OTC</td>
<td>Approximately 8:2</td>
</tr>
<tr>
<td>Market Characteristics</td>
<td>Hospital accounts approximately 60% of market sales</td>
</tr>
</tbody>
</table>
| Insurance and Drug Reimbursement System | Currently, almost 96% of the population is covered by one of the below three social medical insurance schemes, and the government has the objective of achieving universal coverage by 2020. (population covered as of 2010)  
• Urban Employee Basic Medical Insurance Scheme (237.3 million)  
• Urban Resident Basic Medical Insurance Scheme (126.2 million)  
• New Rural Co-operative Medical Insurance Scheme – NCMS (835.6 million) |
| Product Registration | Local clinical trials are required, and despite some improvements, the requirements are more onerous than in other countries, which takes time |
| Distribution | There are tier 1, 2, 3 and in total 13,000 distributors in the market, the market trend is the integration of distributors  
The government policy is to have two or three national distributors and 20 regional distributors |
| Intellectual Property | The interpretation of 6-years data exclusivity is still a concern  
Compulsory licensing is the current issue |

Opportunities & Challenges

Opportunities

• Large unmet medical needs  
• Expected double digit growth in the future due to booming economy, aging population (In 2016, the market size is expected to be US$143 billion)  
• Improving healthcare services and universal healthcare coverage by national/local governments  
• Chinese government encourages only innovative drugs from multinational companies  
• Innovative product may get fast track registration

Challenges

• Complex regulations for approval  
• Bidding and hospital listing is becoming tougher than before  
• Reimbursement price cuts  
• Strong purchasing power due to distribution sector consolidation  
• Adoption of healthcare reform initiatives
# China Key Success Factors and Takeda’s Strength

<table>
<thead>
<tr>
<th>Success Factors</th>
<th>Good corporate image/reputation in industry and society</th>
<th>Commitment to Chinese market by investing in R&amp;D and local talent development</th>
<th>Customized product portfolio based on the unmet medical need of Chinese</th>
<th>Enhanced market access such as RDL listing, tendering, hospital listing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Takeda</td>
<td>Corporate branding campaign to build image and relation with key stakeholders, to attract top talents and gain credibility &amp; trust among HCPs and patients</td>
<td>Takeda Shanghai Development Center established in Feb 2012 Invest in training programs and building up internal medical scientific capabilities</td>
<td>Launching highly relevant new products in China market</td>
<td>Most of our products listed in national RDL or national List B Actovegin &amp; Kallikrein in provincial RDL</td>
</tr>
</tbody>
</table>

---

## Our Strategy Going Forward

### Two Step Expansion Strategy

**Growth by Commercial Excellence**  
**Growth by New Product Launches**

- **Strengthen Commercial Capability**
- **Focus on New Products**

- Strengthen commercial capabilities by increasing sales force productivity
- Establish medical science leadership, accessing innovative science internally in order to introduce innovative products to HCPs and patients
- Successively introduce new products and lifecycle management initiatives
- Secure business development and licensing opportunities to expand portfolios that best serve the Chinese market
- Align physician targeting and geographic coverage with ongoing healthcare reform
  - Refocus physician targeting on primary care infrastructures and GPs
  - Expand our geographic coverage to lower tier cities and rural areas
Our Success will be Reinforced by New Product Launches

New Products

<table>
<thead>
<tr>
<th>Category</th>
<th>2010 Sales</th>
<th>2015 Sales</th>
<th>($, Bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infection</td>
<td>7.9</td>
<td>19.3</td>
<td></td>
</tr>
<tr>
<td>CV</td>
<td>4.3</td>
<td>11.2</td>
<td>Edarbi</td>
</tr>
<tr>
<td>Cancer</td>
<td>2.4</td>
<td>6.7</td>
<td>Adcetris, TAK-700, Mepact</td>
</tr>
<tr>
<td>Digestive</td>
<td>2.0</td>
<td>6.1</td>
<td>Dexilant</td>
</tr>
<tr>
<td>Depression</td>
<td>0.9</td>
<td>2.7</td>
<td></td>
</tr>
<tr>
<td>Diabetes</td>
<td>0.8</td>
<td>2.7</td>
<td>Nesina</td>
</tr>
<tr>
<td>Respiratory</td>
<td>0.8</td>
<td>2.8</td>
<td>Daxas, Omnaris</td>
</tr>
<tr>
<td>Alzheimer, etc</td>
<td>0.7</td>
<td>3.3</td>
<td></td>
</tr>
<tr>
<td>Hepatitis</td>
<td>0.7</td>
<td>2.2</td>
<td></td>
</tr>
<tr>
<td>Musculo-skeletal</td>
<td>0.7</td>
<td>2.1</td>
<td></td>
</tr>
<tr>
<td>Hematology</td>
<td>0.6</td>
<td>1.4</td>
<td></td>
</tr>
<tr>
<td>Gynecology / urinary</td>
<td>0.4</td>
<td>1.1</td>
<td></td>
</tr>
</tbody>
</table>

Source: Internal Analysis

Sales Forecasts toward FY2016 in China

Takeda's FY12-16 CAGR: approx 29%

China Market FY12-16 CAGR approx 16%*

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4. CLOSING REMARKS

Dr. Frank Morich, Chief Commercial Officer

Takeda is on the Path to Sustainable Growth

- Takeda has the right strategy, product mix, and capabilities to make optimal use of our newly expanded presence in Europe and the emerging markets
- With the URL acquisition and strategic changes, Takeda’s US business is ready to master the patent expiry of Actos
- The transformation of Takeda into a truly global pharmaceutical company is well under way
- Takeda is well positioned to meet the global challenges in the pharmaceutical market, and is on the path to sustainable growth
Emerging Markets Will be a Major Contributor to Takeda’s Growth

- **CAGR FY12-16**
  - Total: 20%
  - Emerging Markets: 16.6%
  - Europe*: 5.0%
  - Americas*: 5.4%
  - Japan: 2.7%

<table>
<thead>
<tr>
<th>Region</th>
<th>Net turnover (billion yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY12</td>
<td>Japan</td>
</tr>
<tr>
<td>Japan</td>
<td>44%</td>
</tr>
<tr>
<td>Americas*</td>
<td>24%</td>
</tr>
<tr>
<td>Europe*</td>
<td>18%</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>14%</td>
</tr>
</tbody>
</table>

*excludes Emerging Markets

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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.

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