R&D Initiatives at Takeda

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Takeda Pharmaceutical Company Limited

Takeda R&D Mission

Takeda will lead the pharmaceutical industry in providing meaningful solutions to patients with unmet medical needs

Looking Back on FY2013

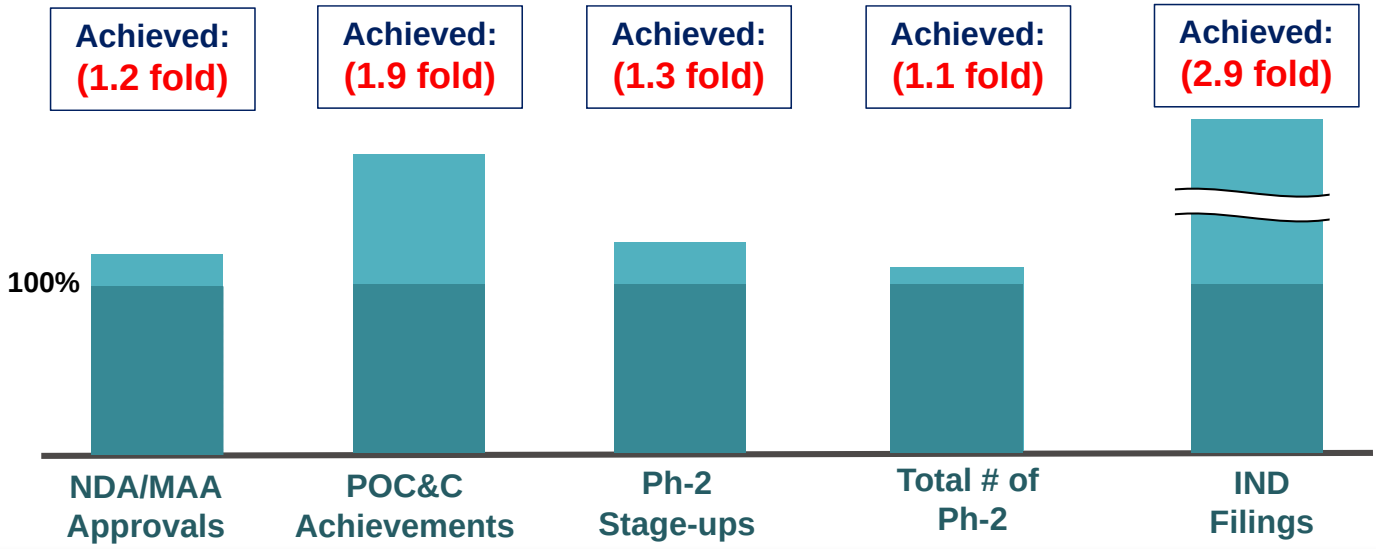
Approvals and Filings in FY2013

				Filing / Approval
BRINTELLIX®	vortioxetine	Major depressive disorder	US	
OBLEAN®	cetilistat	Obesity with both type 2 diabetes mellitus and dyslipidemia	JP	
ADCETRIS®	brentuximab vedotin	Relapsed or refractory Hodgkin lymphoma Relapsed or refractory anaplastic large cell lymphoma	JP	
ZACRAS®	azilsartan/CCB	Hypertension (fixed dose combination of azilsartan and amlodipine besilate)	JP	
TAKELDA®	lansoprazole/LDA	Peptic ulcers (fixed dose combination of lansoprazole and low-dose aspirin)	JP	
BLB-750	-	Prevention of pandemic influenza (H5N1 strain & prototype)	JP	
VIPIDIA® VIPDOMET® INCRESYNC®	alogliptin alogliptin/metformin alogliptin/pioglitazone	Diabetes mellitus Diabetes mellitus (fixed-dose combination of alogliptin and metformin) Diabetes mellitus (fixed-dose combination of alogliptin and pioglitazone)	EU	
TAK-390MR	dexlansoprazole	Erosive esophagitis, Non-erosive gastro-esophageal reflux disease	EU*	
LATUDA®	lurasidone	Schizophrenia	EU	
ENTYVIO™	vedolizumab	Ulcerative colitis Crohn's disease	US	
CONTRAVE®	naltrexone SR/ bupropion SR	Obesity	US	
SYR-472	trelagliptin	Diabetes mellitus	JP	
TAK-438	vonoprazan	Acid related diseases (GERD, peptic ulcer, etc)	JP	
-	fomepizole	Ethylene glycol and methanol poisonings	JP	
TAK-816	-	Prevention of infectious disease caused by Haemophilus influenza Type b	JP	
RIENSO®	ferumoxytol	Iron deficiency anemia from all causes in patients who have a history of unsatisfactory oral iron therapy or in whom oral iron cannot be used	EU	

Red borders indicate stage-ups since the announcement of Q3 results (Feb 5, 2014)
*TAK-390MR has been approved in 16 countries in the EU by the decentralized procedure

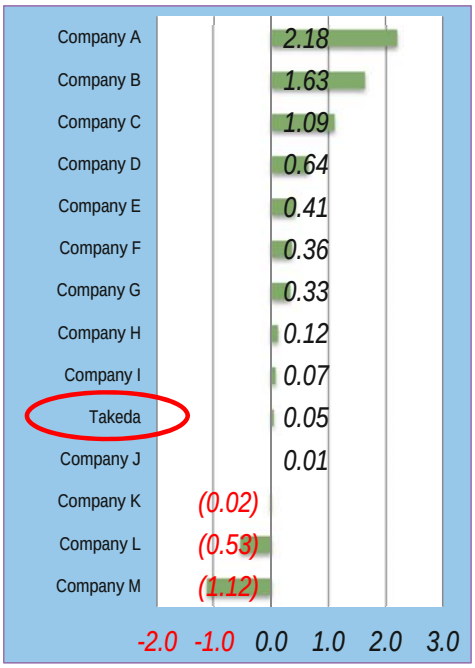
R&D Productivity:
Achieving all FY13 R&D Value Creation Goals

- Building on FY12 achievements, continued to realize dramatic improvement in our research productivity
- Initiated efforts to conduct early clinical studies through Experimental Medicine
- Established critical biomarkers and other basic tools useful for predicting or following clinical outcomes through Translational Medicine
- Committed to Project Summit goal and took bold and transformative steps to make every area of our R&D more efficient and competitive

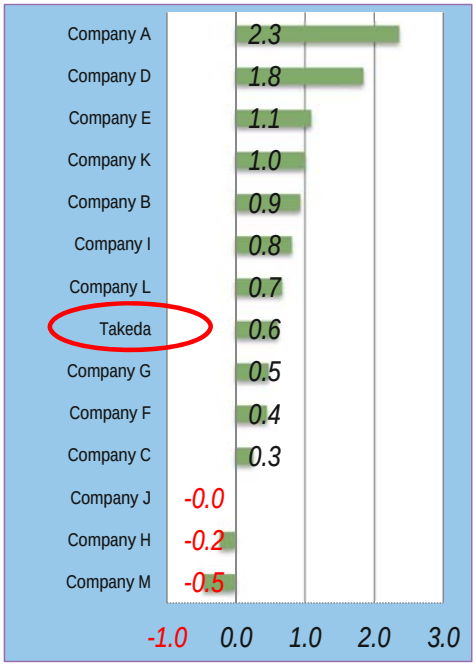


Productivity Improvement
Takeda has consistent improvement in R&D productivity

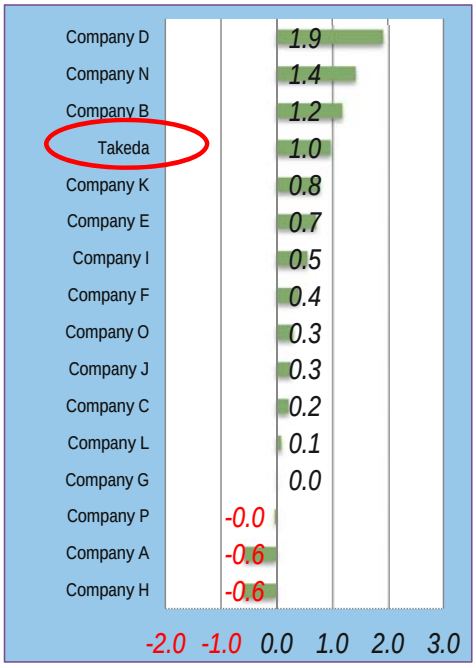
2008-2010
Based on 3-year period from '07 year end - '10 year end data as of August 16th, 2011



2009-2011
Based on 3-year period from '08 year end - '11 year end data as of Nov. 14th, 2012



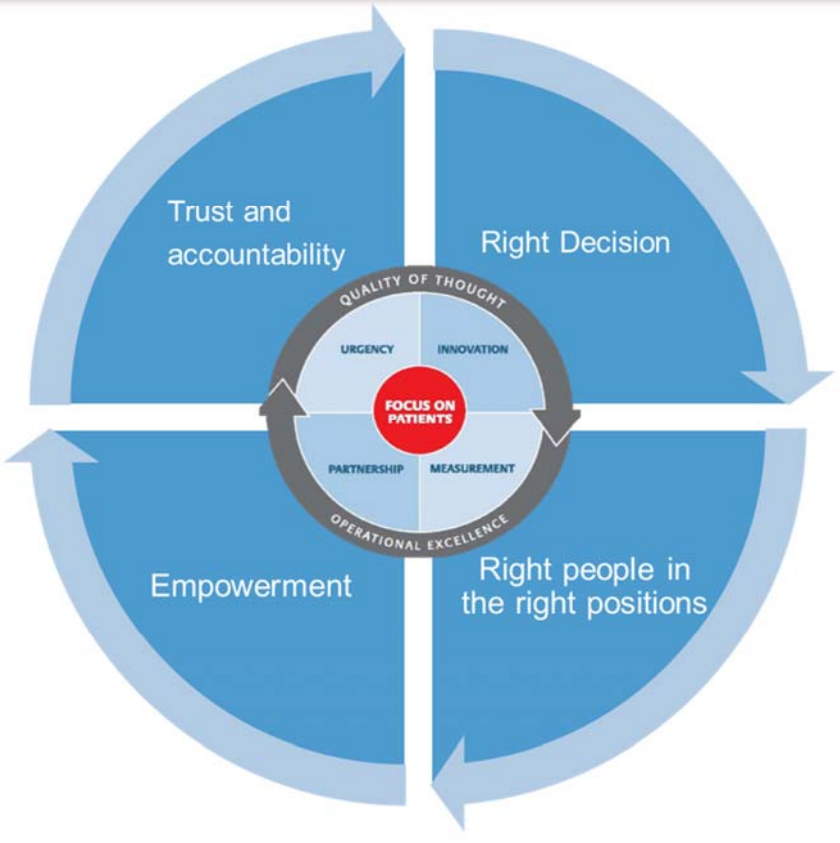
2010-2012
Based on 3-year period from '09 year end - '12 year end data as of Sep. 3rd, 2013



- Expected NPV (eNPV) of products at clinical stage (Phase 1 or later) is used. eNPV at the end of year 2007 is subtracted from eNPV at the end of 2010, followed by addition of NPV of products launched in 2008, 2009 & 2010. The delta eNPV is then divided by the total R&D expenditure in years 2008, 2009 & 2010. The same applies for 2009-2011 and 2010-2012.
- This slide compares Takeda's R&D productivity with that of other major global pharmaceutical companies.
- Sources: Parexel Biopharmaceutical R&D Statistical Sourcebook, Evaluate Pharma data (values used are pre-adjusted for M&A activity)

R&D Initiatives in the Mid-Range Growth Strategy

Strategies for Enhanced Productivity



Deliver the Late Stage Portfolio
Short-term key deliverables

Make Steady Progress Toward Approval

ENTYVIO (MLN0002)	vonoprazan (TAK-438)	trelagliptin (SYR-472)	CONTRAVE (naltrexone/bupropion)

Focus on Key Late-stage Assets

ixazomib (MLN9708)	norovirus vaccine	TAK-375SL	AD-4833/TOMM40

Advance Mid-stage Assets

alisertib (MLN8237)	TAK-003 dengue vaccine	MLN0264	MLN4924

Enhance Effort on Life Cycle Management

ENTYVIO subcutaneous formulation	ADCETRIS CD-30 positive cancers	ULORIC XR Extended release	VELCADE Front Line Mantle Cell Lymphoma

Fill the Gap in the Middle Portfolio
Medium-term key deliverables

Progress Our Early Stage Portfolio As Quickly As Possible

namilumab GM-CSF antagonist	TAK-137 AMPA receptor potentiator	MLN0128 mTORC 1/2 inhibitor	TAK-058 5-HT_3 antagonist
TAK-114 (Natura-alpha) STAT-3 inhibitor	RSLV-132 Fc fusion protein platform	TAK-063 PDE10A inhibitor	TAK-648 PDE4 inhibitor

Business Development

- Focus on business development/in-licensing activity on promising assets that are ready for a POC&C experiment

Mono-oki Projects (Repositioning)

- Explore additional or other uses for existing compounds

Invigorate Discovery Research
Long-term key deliverables

Invest in Cutting-edge Science and Technology

Maximize Drug Discovery Potential

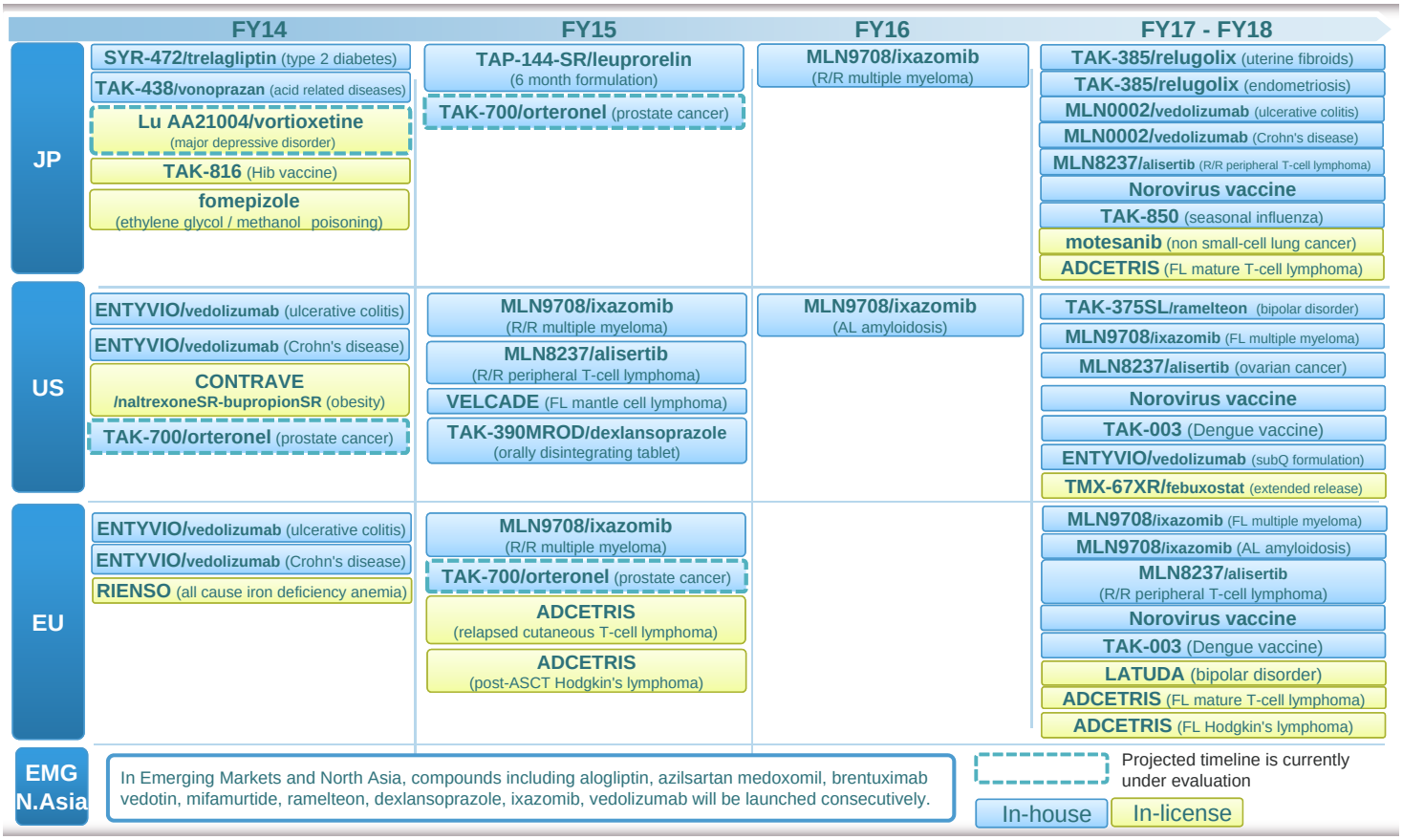
Advance Experimental/Translational Medicine Capability

Events Expected in FY2014

Approvals	
US	ENTYVIO/vedolizumab (ulcerative colitis, Crohn's disease), CONTRAVE/naltrexone SR-bupropion SR (obesity)
JP	SYR-472/trelagliptin (type 2 diabetes), TAK-438/vonoprazan (acid-related diseases), TAK-816 (Hib vaccine), fomepizole (ethylene glycol and methanol poisonings)
EU	ENTYVIO/vedolizumab (ulcerative colitis, Crohn's disease), RIENSO (all cause iron deficiency anemia)
Submissions	
US	VELCADE (front line mantle cell lymphoma), MLN9708/ixazomib (R/R multiple myeloma), MLN8237/alisertib (R/R peripheral T-cell lymphoma), TAK-390MR OD/dexlansoprazole (orally disintegrating tablet)
JP	TAP-144-SR/leuprorelin 6 month formulation (prostate cancer, breast cancer)
EU	MLN9708/ixazomib (R/R multiple myeloma), ADCETRIS (post-autologous stem cell transplant Hodgkin's lymphoma), ADCETRIS (refractory cutaneous T-cell lymphoma)

R/R = Relapsed/Refractory

Ensuring Steady Pipeline Approval



R/R: Relapsed / Refractory; FL: Front Line
Please note that approval timing of several products, including certain in-licensed items, are not disclosed

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