



On the Road to Sustained Growth FY2015 Annual Results

May 10, 2016

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President & Chief Executive Officer

Takeda Pharmaceutical Company Limited

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Takeda Strategic Roadmap

VALUES



- **Takeda-ism**
Patient → Trust → Reputation → Business

PEOPLE



- **Patient and customer centricity**
- **Agile global organization**
- **Fostering talent**

R&D



- **Focused world class R&D**
New approaches to innovation

BUSINESS PERFORMANCE



- **Sustaining sales growth**
GI, Oncology, CNS and Emerging Markets
- **Sustaining profit growth**
Cost discipline

Strategic Roadmap will Deliver our Long-term Aspiration

We serve the needs of our patients, wherever they are.
We earn the trust of society and customers through Takeda-ism.
We are recognized as best in class because of agility and innovation, qualities that help us build a steady pipeline and deliver growth, year on year.

No.1 GI, Top 10 Oncology, and strong CNS and EM Presence

Mid-Term (3 year) Milestones (CAGR)

Underlying Revenue:	Mid-single digit
Underlying Core Earnings:	Double digit

FY2016 Management Guidance (Growth %)

Underlying Revenue:	Mid-single digit
Underlying Core Earnings:	Low- to mid-teen
Underlying Core EPS:	Low- to mid-teen

FY2015 (Growth %)

Underlying Revenue:	+3.4%
Underlying Core Earnings:	+8.1%
Underlying Core EPS:	+21.7%

Diverse and Experienced Takeda Executive Team (TET)



Yasuchika Hasegawa

Chairman of the Board



Christophe Weber

President & CEO



Shinji Honda

*Corporate Strategy
Officer*



Masato Iwasaki

*President
Japan Pharma BU*



Andrew Plump

*Chief Medical and
Scientific Officer*



Rudolf van Houten

*Acting
Chief Financial Officer*



**Christophe
Bianchi**

*President
Global Oncology BU*



**Ramona
Sequeira**

*President
US BU*



Giles Platford

*President
Emerging Markets
BU*



**Yoshihiro
Nakagawa**

*Global General
Counsel*



David Osborne

*Global Human
Resources Officer*



**Rajeev
Venkayya**

*President
Global Vaccine BU*



Marc Princen

*President
EUCAN BU*



Haruhiko Hirate

*Corporate
Communications and
Public Affairs Officer*



Gerard Greco

*Global Quality
Officer*



**Thomas
Wozniowski**

*Global Manufacturing
and Supply Officer*

BU: Business Unit

Looking Back on FY2015: A Year of Turnaround to Sustained Growth

FY2015: A Year of Turnaround to Sustained Growth (1/3)

VALUES	<ul style="list-style-type: none"> - Takeda-ism Patient → Trust → Reputation → Business
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- 1. Compliance**
 - Corporate philosophy
 - Compliance monitoring
- 2. CSR and Access to Medicine Strategy**
- 3. Customer satisfaction**
 - Customer Satisfaction Index
- 4. Talent development**
 - President's forum
 - Global induction program
 - Agile leader program
 - Accelerator program
 - Leadership academies
- 5. Diversity & Inclusion**
 - Japan D&I program
 - "Hanamizuki Network"

FY2015: A Year of Turnaround to Sustained Growth (2/3)

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- 6. NINLARO approved**
3M earlier than PDUFA date US, November 2015
- 7. ENTYVIO approved**
further approvals in Asia, LatAm, and the Middle-East; total number of approved countries now 48
- 8. BRINTELLIX* received CRL for cognition data**
US, March 2016
- 9. Vaccines**
TAK-003 (Dengue) Ph-2 data presented
- 10. T-CiRA started**
Japan, December 2015

* BRINTELLIX will be marketed in the United States under the new name TRINTELLIX starting in June of 2016. The formulation, indication and dosages of TRINTELLIX remain the same as that of BRINTELLIX.

FY2015: A Year of Turnaround to Sustained Growth (3/3)

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11. Management Guidance met:

Underlying growth vs LY
 Revenue: + 3.4%
 Core Earnings: + 8.1%
 Core EPS: + 21.7%

OPEX under control + 0.9%

12. Growth Drivers : + 9.5%

→ the next slide

13. Focus on growth: EPS accretive deals

Respiratory divestiture, Takeda-Teva Japan JV, termination of Contrave agreement

Growth Drivers Continue to be Robust

Underlying revenue growth

	FY14 (billion JPY)	FY15 (billion JPY)		
GI*	240.9	297.7	+23.6%	
Oncology***	333.0	336.4	+1.0%	Growth Drivers Total** +9.5%
CNS	41.5	56.9	+37.3%	Growth Drivers Total** excl. CNS +8.2%
Emerging Markets*	316.3	331.4	+4.8%	

Growth Drivers Total**

Takeda Total

52%

* Sales of pantoprazole in Emerging Markets (EM) is included in EM, but not in GI (Gastrointestinal), as it is a key driver in EM. Sales of pantoprazole in other regions is not included in this slide.

** Total GI/Oncology/CNS/EM, eliminated duplications (e.g. ADCETRIS in EM and in Oncology)

***Underlying growth of Oncology excl. VELCADE royalties is +4.4%

Growth from GI: ENTYVIO® (1/2) On Track to Exceed \$2bn MAT* Sales within FY2018



Sales of 86.2bn JPY in FY15

- Compelling growth in both US and EU
- US NRx and switch market share currently above 20%**

approx. 40,000 patients treated

- Increasing use as first-line biologic

>500,000 vials manufactured***

- US plant acquisition for stable supply

Long-term safety data published in *Gut*

Long-term efficacy data presented at ECCO

AGA and ECCO recommend as a first-line biologic in UC

from *Gut*:



In conclusion, the integrated clinical trial data set of 2932 patients with moderately to severely active UC or CD presented herein provides evidence that there are no significant safety concerns associated with vedolizumab treatment.

Colombel J-F, Sands BE, Rutgeerts P, et al. *Gut*. Published Online First: February 18, 2016. doi:10.1136/gutjnl-2015-311079

**SHA medical and pharmacy claims data, IBD diagnosis codes, February 2016
***includes supply for clinical studies

* MAT: Moving Annual Total @ constant currency
UC: Ulcerative colitis; CD: Crohn's disease, IBD: Inflammatory Bowel Disease
AGA: American Gastroenterological Association
ECCO: European Crohn's and Colitis Organisation

Growth from GI: ENTYVIO® (2/2) On Track to Exceed \$2bn MAT* Sales within FY2018

We aim to deliver to more patients

Geographic Expansion

- Currently approved in 48 countries
- Preparing for launch in Brazil
- Ph-3 ongoing in Japan
- Ph-3 Clinical Trial Authorization submitted in China



Additional Data Generation

- Head-to-head with adalimumab ongoing
- Subcutaneous Ph-3 study initiated Jan 2016
- Examining potential in GvHD, PSC
- 69 IISR studies ongoing



* MAT: Moving Annual Total @ constant currency
GvHD: Graft versus Host Disease, PSC: Primary Sclerosing Cholangitis
IISR: Investigator Initiated Sponsored Research

Growth from Oncology: NINLARO® (1/2)

Encouraging Start in the US since December 2015 Launch



UNIQUE

- The 1st and only oral proteasome inhibitor

EFFECTIVE

- ~6 month PFS improvement in a real-world representative population
- Efficacy in high risk patients

GOOD SAFETY PROFILE

- Low neuropathy and mostly low grade
- No cardiac safety signals have been associated with use of NINLARO

SIMPLE

- One capsule, once weekly

Growth from Oncology: NINLARO® (2/2)

Encouraging Start in the US since December 2015 Launch



**1,400 patients treated in US,
88% market coverage achieved**

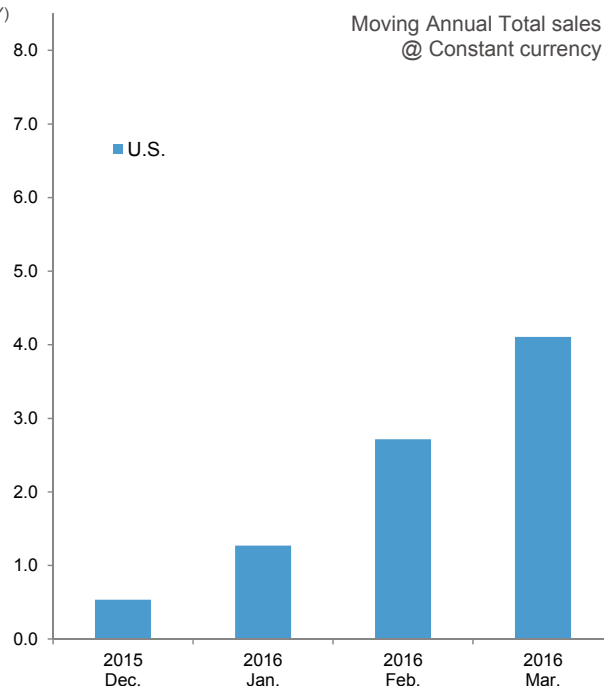
**EU submission
under review**

**Orphan designation
in Japan**

**5 pivotal Ph-3;
40 IISR studies ongoing**

IISR: Investigator Initiated Sponsored Research

Revenue
(billion JPY)



FY2016 and beyond: Relentless Execution of our Strategic Roadmap

FY2016: A Year of Strategic Focus to Sustain Growth (1/4)

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- 1** Reinforce compliance monitoring across all countries
- 2** Roll out CSR and Access to Medicine strategy

FY2016: A Year of Strategic Focus to Sustain Growth (2/4)

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3 Improve patient and customer satisfaction (e.g. digital)

4 Strengthen global talent development programs

5 Implement Japan Diversity & Inclusion acceleration plans

FY2016: A Year of Strategic Focus to Sustain Growth (3/4)

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6 Sustain R&D investment with sharpened TA focus and modality* diversification

7 Progress dengue vaccine program

Sharpen Therapeutic Area Focus and Modality Diversification in R&D



Takeda will take new approaches to innovation, further driving the shift of modalities beyond small molecules to biologics and regenerative medicine, etc. in the future.

FY2016: A Year of Strategic Focus to Sustain Growth (4/4)

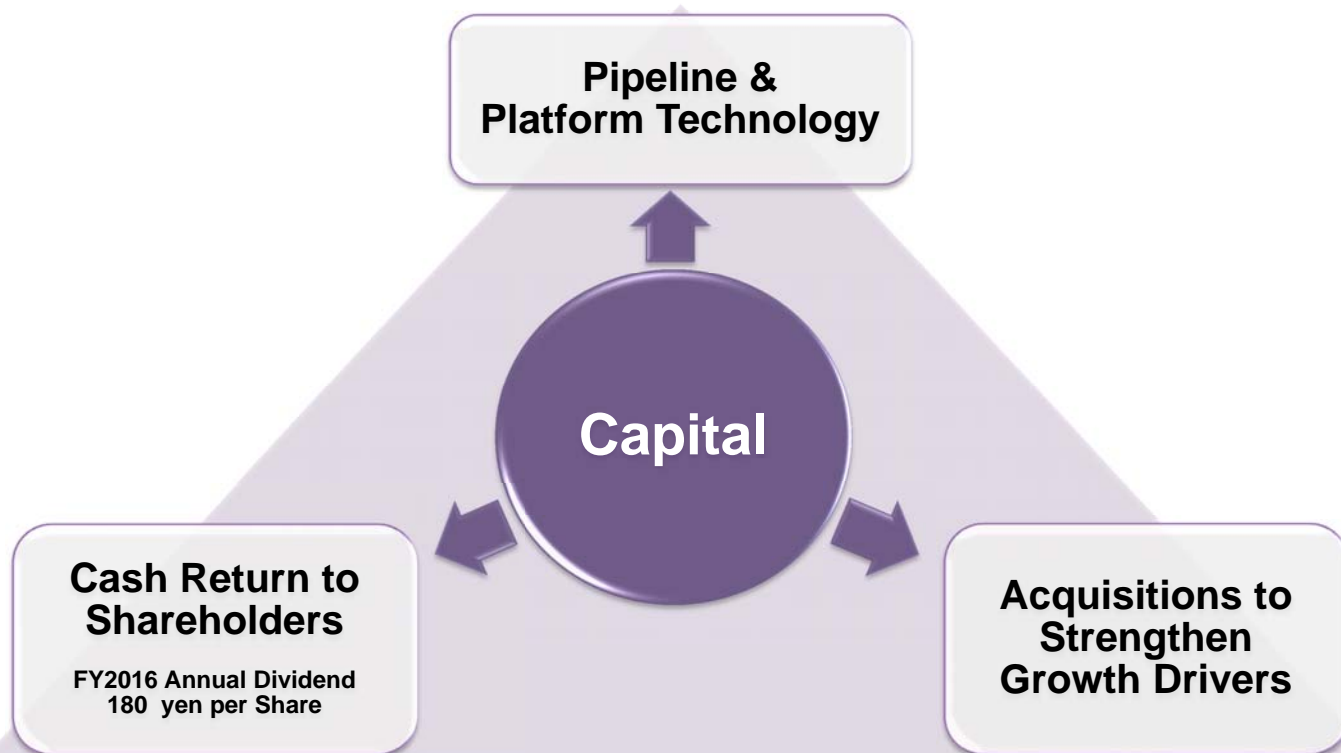
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8 Continue to deliver on ENTYVIO's potential

9 Launch NINLARO in key markets; approvals in 37 countries & under review in 27 add'l countries by FY16 end

10 Capital allocation aligned with strategy

Capital Allocation Aligned with Strategic Ambitions



Relentless Execution of our Strategic Roadmap will Deliver our Long-term Aspiration

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Takeda IR Day in June 2016



Thursday June 9th, 2016

12:45-17:45

8th floor, Tokyo Office with a focus on R&D strategy and oncology

More details soon...

Better Health, Brighter Future

THANK YOU

