

Better Health, Brighter Future



Takeda Pharmaceutical Company

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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.

Global presence

Diverse product portfolio

Low patent expiry exposure

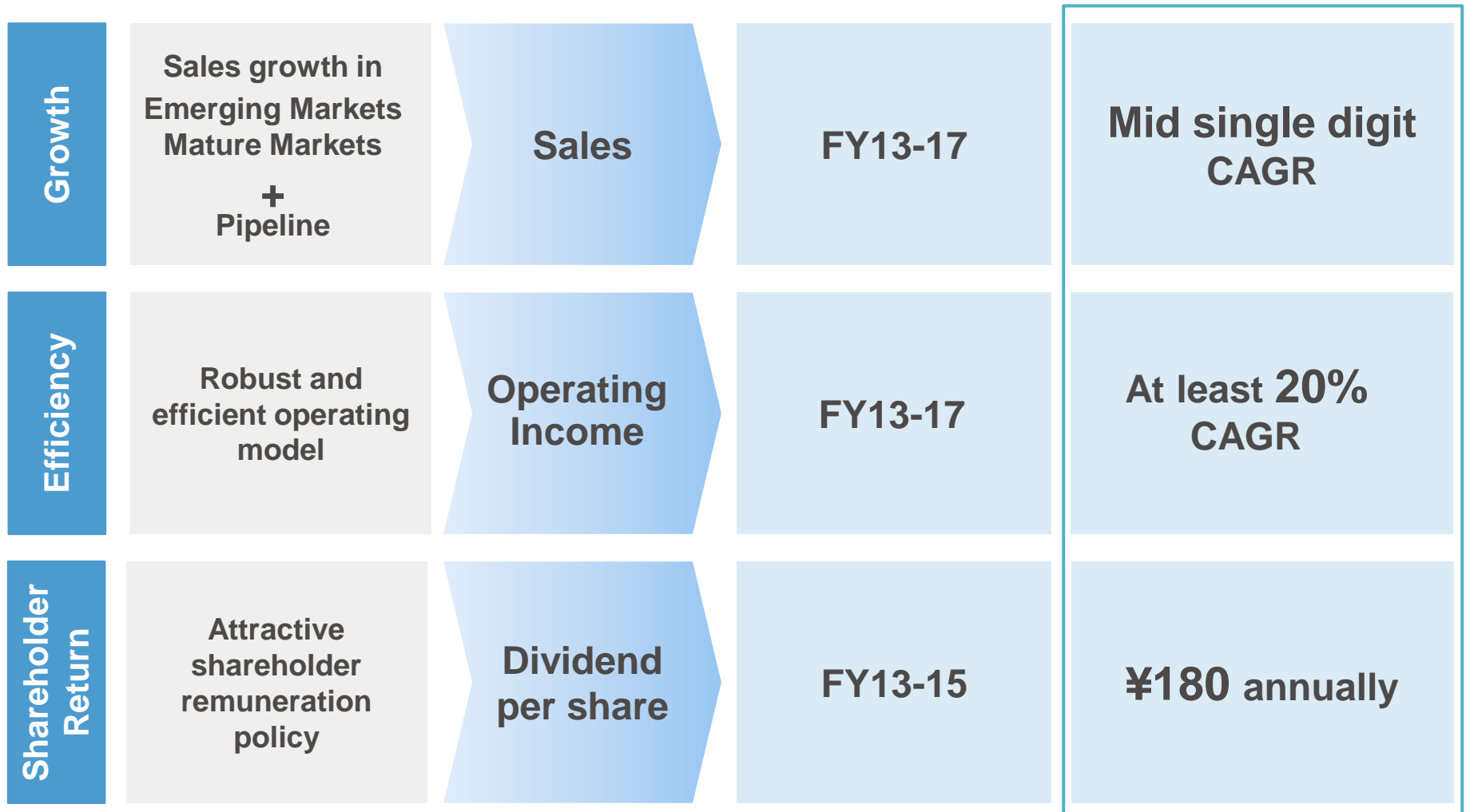
Success in transformative and value-creating acquisitions and partnerships

High potential late-stage pipeline

Strong balance sheet, low net debt

Significant profit improvement expected from sales growth and our efficiency project "Summit"

Sustainable Growth Guidance



Note: The termination of TAK-875 is reflected in all guidance contained in this presentation

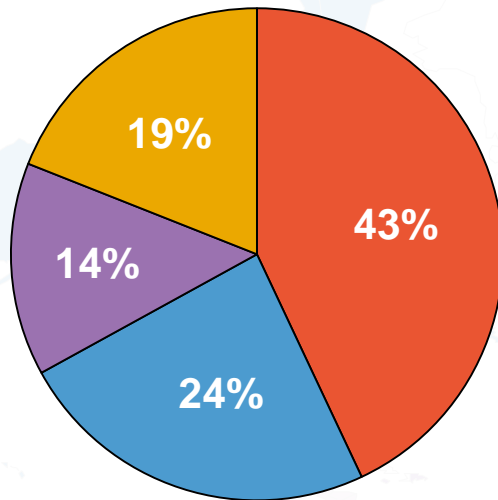
Marketing Strategy - Globalization

Well Diversified Geographic Footprint

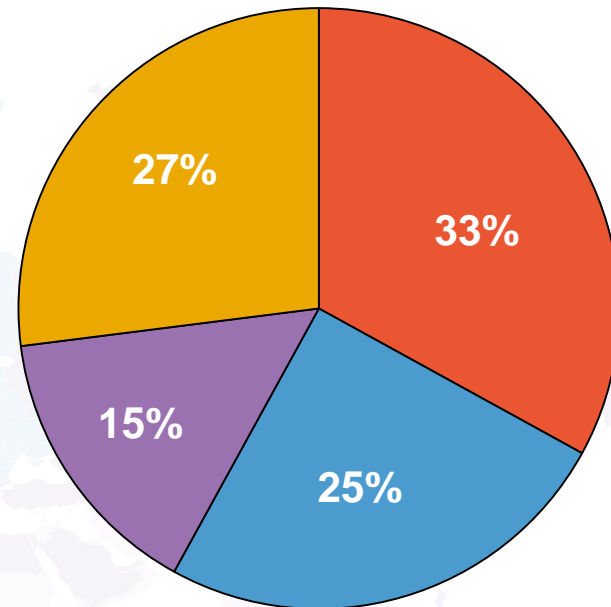


Sales in billion yen

FY13 Outlook: 1,680



FY17 Outlook: >2,000



■ Japan ■ North America ■ Europe ■ Emerging Markets

Mature Markets growth from new innovative products

Emerging Markets growth from strong base in BGx & OTC, accelerated by increasing proportion of innovative products

Japan Strategy – Maintain No. 1 Share



Takeda's Strategy

Positive
FY13-17
Sales
Growth

Adapt to Rapidly Changing Home Market

Challenges

Regular price cuts
Increase of generic use

Opportunities

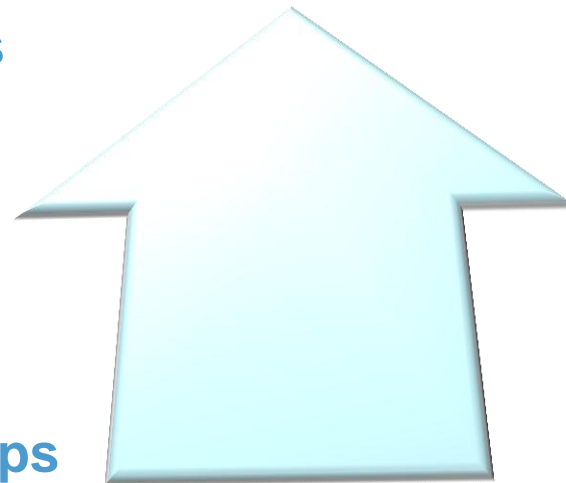
Price benefits for innovation
Increase of lifestyle-related diseases
Aging population

New Product Sales

NESINA: type 2 diabetes
AZILVA: hypertension
LOTRIGA: hyperlipidemia



Strengthen Partnerships



Innovative Pipeline

TAK-438: GERD, peptic ulcer, etc.
SYR-472: type 2 diabetes
MLN0002: ulcerative colitis, Crohn's disease

New Commercial Model

US Strategy – Expand Portfolio



Takeda's Strategy

Steady Growth from Existing Portfolio

VELCADE, COLCRYS, DEXILANT, ULORIC, NESINA family, etc.

Optimization of Resources to Support New Launches

FY13-17
sales
CAGR
≥ 12%

FY13

FY14

New Launches

NESINA® family
Type 2 Diabetes

BRINTELLIX®
Major Depressive
Disorder

ENTYVIO™
Ulcerative Colitis

ENTYVIO™
Crohn's Disease

CONTRAVE®
Obesity

Existing Portfolio

VELCADE®
Multiple Myeloma
FY13 outlook: \$940MM

COLCRYS®
Acute Gout
FY13 outlook: \$555MM

DEXILANT®
GERD, etc.
FY13 outlook: \$450MM

ULORIC®
Chronic Gout
FY13 outlook: \$270MM

EU Strategy – Focus on Specialty Care



Takeda's Strategy

Strengthen Foundations in Primary Care

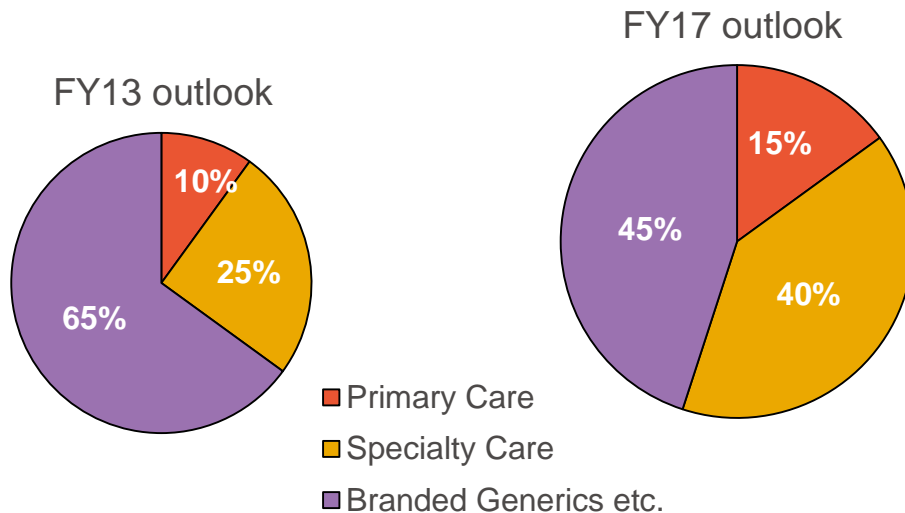
VIPIDIA family, dexlansoprazole, etc.

Accelerate Presence in Specialty Care

ENTYVIO, ADCETRIS, LATUDA, etc.

FY13-17
sales
CAGR
≥ 4%

Europe Sales Breakdown



ADCETRIS® (brentuximab vedotin)

Approved for Relapsed/Refractory Hodgkin Lymphoma
In Ph-3 for several other CD30 positive cancers

ENTYVIO® (vedolizumab)

Filed for ulcerative colitis and Crohn's disease

Emerging Markets Strategy – Maintain Strong Momentum

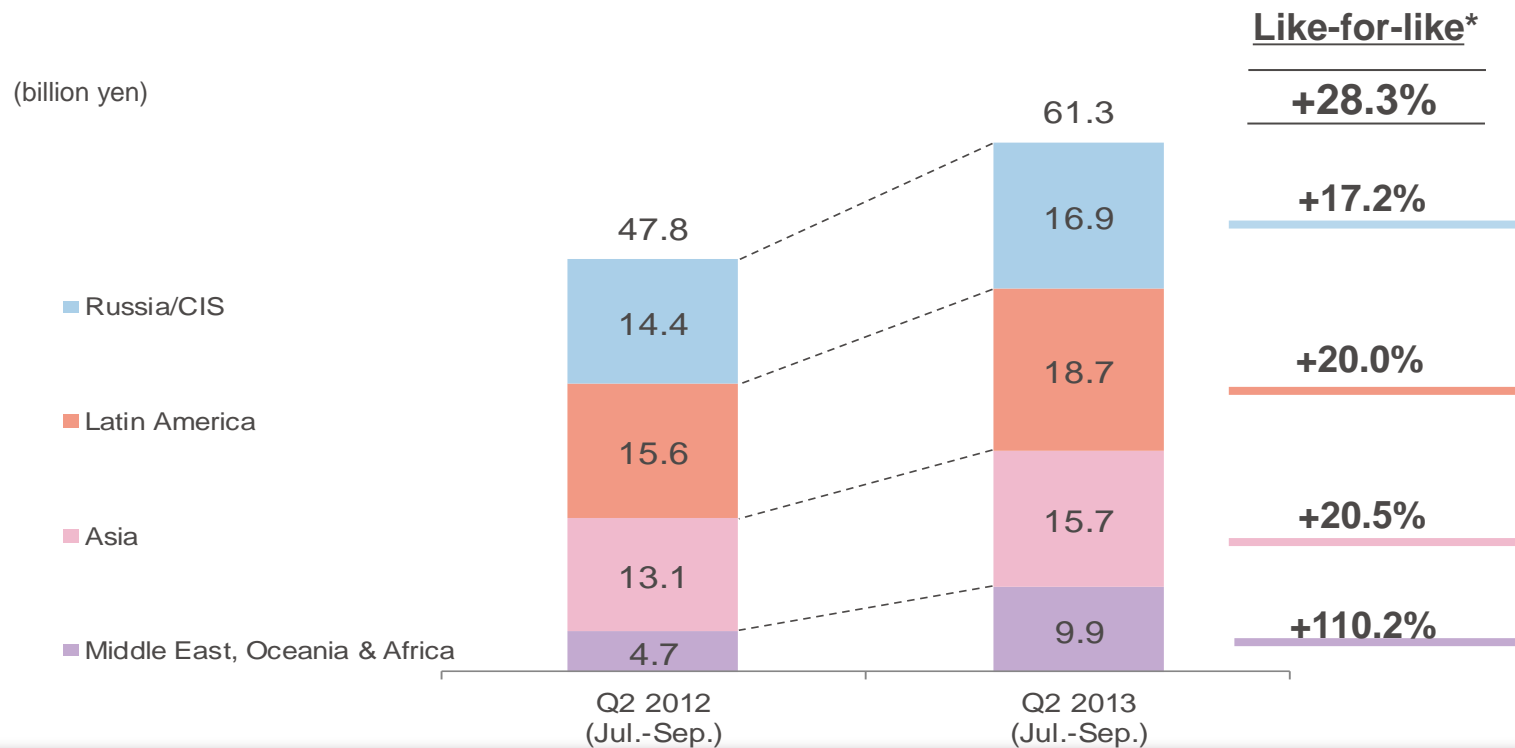


Takeda's Strategy

Capitalize upon Global Sales Channel

Accelerate Growth Through Further Investment

FY13-17
sales
CAGR
≥ 15%



Emerging Markets Strategy – China, Russia/CIS and Brazil



China



- Maximize sales of existing products (Ulinastatin, pantoprazole, leuporelin, etc.)
- Increase presence in diabetes (NESINA co-promotion)
- Improve profitability

FY13-17
sales
CAGR*
≥ 25%

Russia/CIS



- Maximize ROI from balanced portfolio of reimbursed and non-reimbursed products including new launches (TAK-491, ADCETRIS, etc.)
- Prepare for expansion of reimbursement and state procurement programs
- Fully utilize potential of local GMP plant

FY13-17
sales
CAGR*
≥ 13%

Brazil



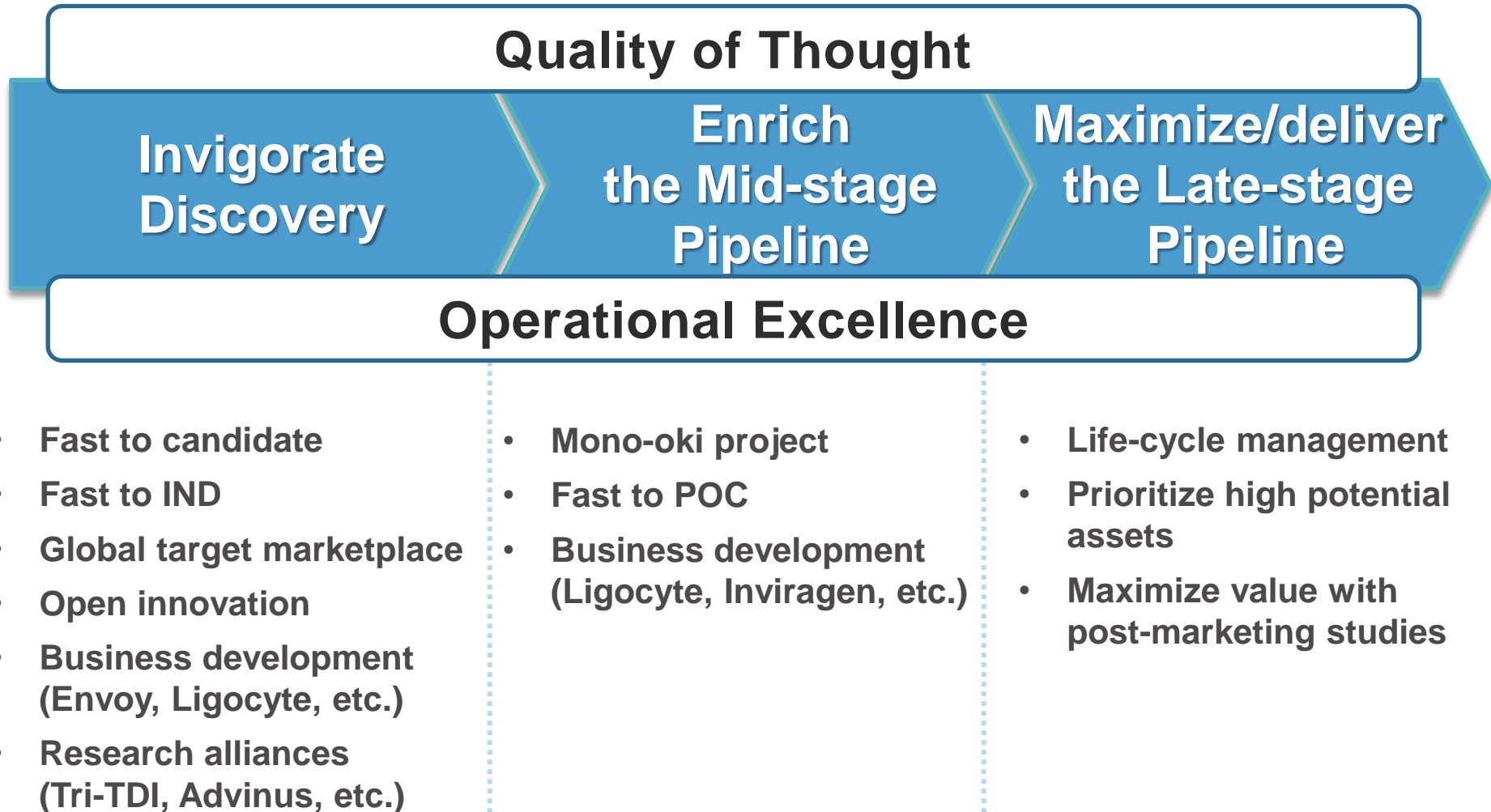
- Maximize potential of Multilab's product portfolio and sales infrastructure
- Increase competitiveness in fast-growing rural areas
- Launch new products (TAK-491, alogliptin, etc.)

FY13-17
sales
CAGR*
≥ 13%

* Excluding royalty and service income

R&D Strategy - Innovation

Increasing R&D Productivity



Enhancing Late-Stage Pipeline in Core Therapeutic Areas



*Includes life-cycle management and fixed-dose combinations
Each project is only counted once - in the most advanced stage, regardless of region

High Potential Pipeline Assets

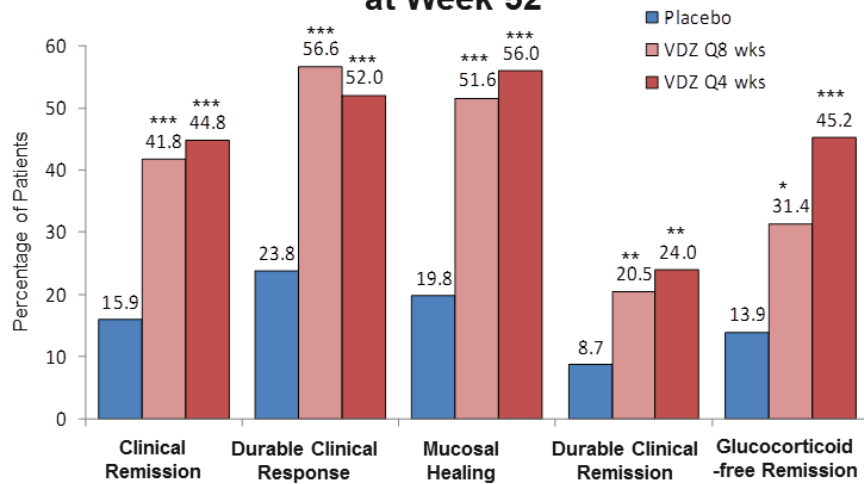


ENTYVIO (vedolizumab)

- Gut-selective monoclonal antibody targets $\alpha 4\beta 7$ integrin on leukocytes involved in ulcerative colitis (UC) and Crohn's disease (CD)
- PDUFA date 2014/5/20 (UC), 2014/6/18(CD)
- Efficacy in patients who are anti-TNF naïve and those with prior anti-TNF failure

Ph-3 Data in Ulcerative Colitis

at Week 52

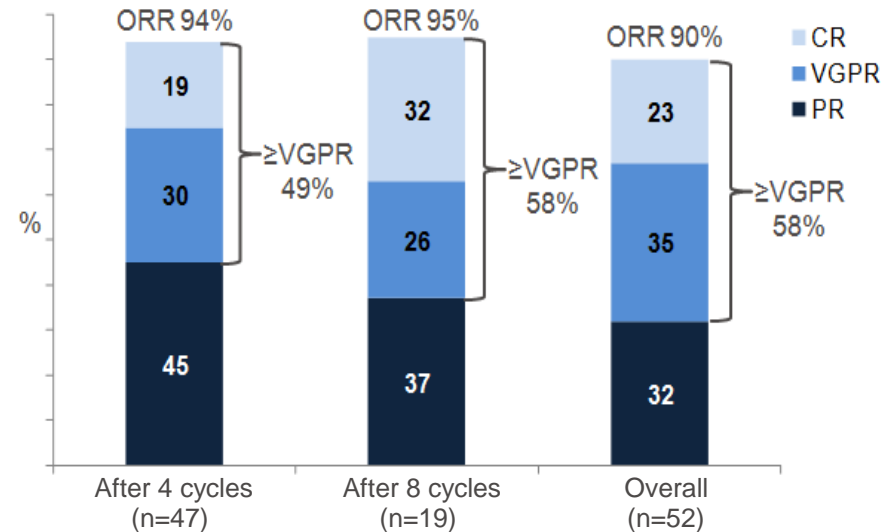


*p<0.01 **p<0.01 ***p<0.001

MLN9708 (ixazomib citrate)

- Once weekly oral proteasome inhibitor
- On-going clinical trials include Phase 3 in front line MM, R/R MM and R/R AL Amyloidosis
- Potential in a broad range of hematological and solid tumors

Ph-1/2 Data in Front Line Multiple Myeloma



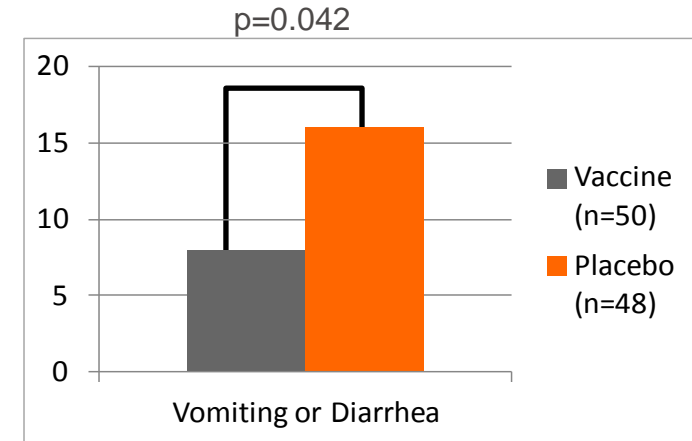
Increasing Presence in Vaccines



Norovirus Vaccine

- Acquired with LigoCyte in October 2012
- Potential to be first-in-class vaccine against norovirus
- The candidate vaccine had a clinically relevant impact on the incidence of norovirus illness after challenge based on Ph-1/2 data presented at Infectious Disease Week in October 2013

No. of Challenged Subjects with Mild, Moderate or Severe Acute Gastroenteritis Symptoms



200,000 children die from norovirus each year*

Dengue Vaccine (DENVax)

- Acquired with Inviragen in May 2013
- Live virus vaccine including the four serotypes of the dengue virus that cause dengue fever
- Currently in Ph-2 trials

Over 2.5 billion people currently at risk from dengue**

Other Vaccines

- Vaccines filed in Japan for prevention of pandemic influenza and prevention infectious disease caused by Haemophilus influenza type b (Hib)
- Other vaccines in development include tetravalent vaccine (DTaP-sIPV), and a vaccine for enterovirus 71

Ensuring Steady Pipeline Approval



	FY13	FY14	FY15	FY16-FY17
JP	OBLEAN ADCETRIS TAKEPRON/LDA BLB-750 AZILVA/CCB	SYR-472 Lu AA21004 TAK-438 TAK-816	MLN9708 TAK-700* LEUPLIN/6M	TAK-385 motesanib
US	BRINTELLIX	TAK-700* ENTYVIO	MLN9708 MLN8237	TAK-375SL
EU	VIPIDIA family LATUDA TAK-390MR	ENTYVIO	MLN9708 TAK-700*	MLN8237
EM	SYR-322, TAK-491, SGN-35, mifamurtide, TAK-375, TAK-390MR, roflumilast, etc.			

*TAK-700 timeline is currently under review

Financial Strategy

Project Summit: Raising Competitiveness



Implement global operating models and establish best-in-class business processes, boosting profitability and capacity for investments in growth

Sales & Marketing

Research & Development

FY15

FY17

Yearly Savings Targets:

>80

billion yen

>100

billion yen

Low single digit percentage reduction anticipated in net global workforce by FY17

Implementation costs: 80-90 billion yen over 5 years

Production & Supply

General & Administrative

Cash Generation and Cash Use



Cash Generation

- Increase sales of new products
- Increase sales in emerging markets
- Streamline balance sheet

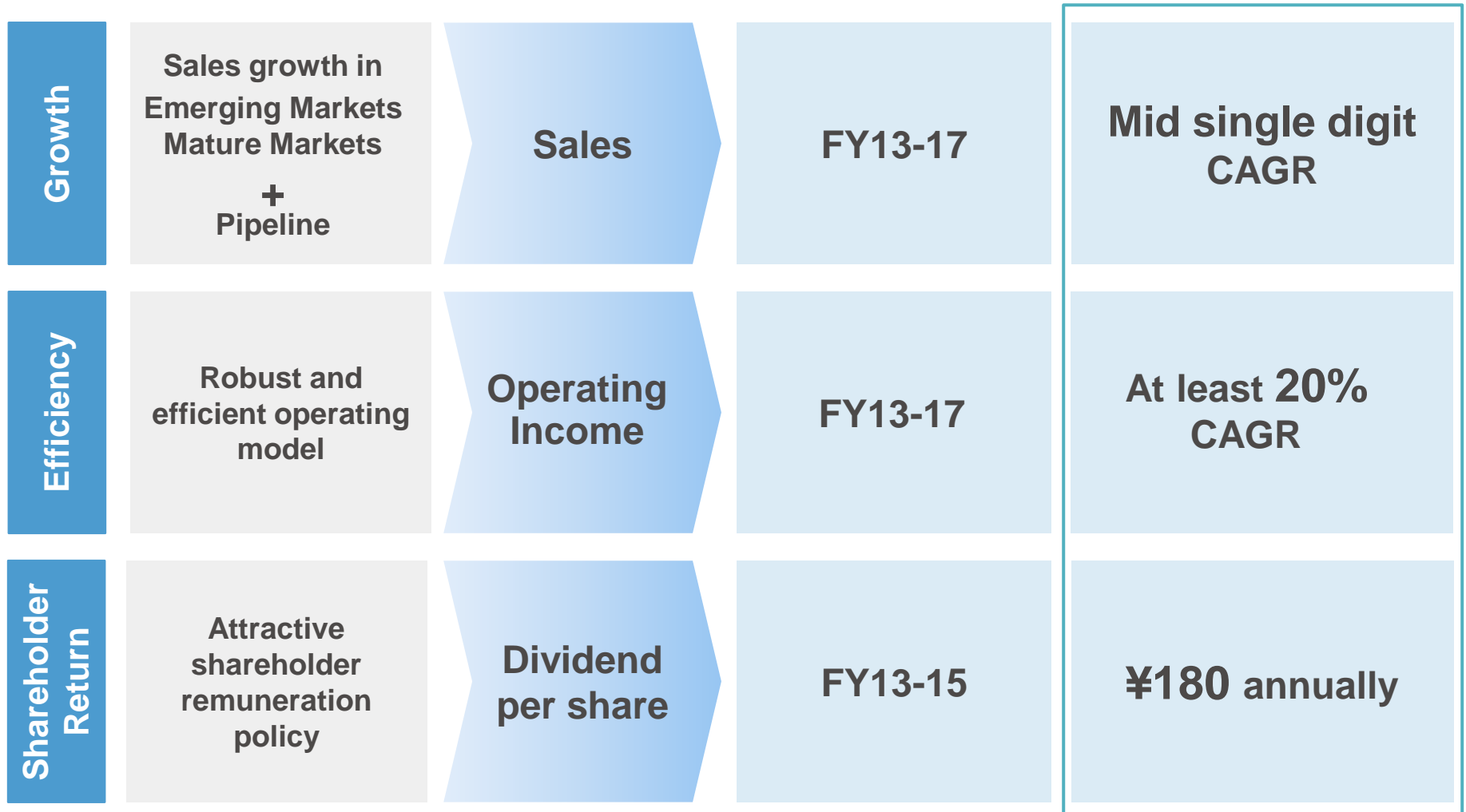
Cash Use

- Maintain ¥180 dividend for FY13-15
- Steadily repay debt
- Continue investment for sustainable growth

All Debts Paid Back by 2020
Double FCF* from FY12 to FY15
Triple FCF* from FY12 to FY17

*Excludes exceptional items such as restructuring and Summit costs

Sustainable Growth Guidance



Better Health, Brighter Future



- Our marketing strategy is tailored to each region
- Our late-stage pipeline is both rich and deep; the impact of patent expiries is limited in the short- to mid- term
- We will continue to take bold and transformative steps to make every area of our company more effective, efficient, profitable and competitive
- We strive towards better health for people worldwide through leading innovation in medicine

End of Presentation