



Conference Call

Takeda to Acquire ARIAD Pharmaceuticals Significantly Enhances Takeda's Global Oncology Portfolio

January 10, 2017

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Forward-Looking Statements

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Important Notice

Forward-Looking Statements Regarding Tender Offer

This presentation contains forward-looking information related to Takeda, ARIAD Pharmaceuticals, Inc. (“ARIAD”) and the proposed acquisition of ARIAD by Takeda that involves substantial risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Forward-looking statements in this presentation include, among other things, statements about the potential benefits of the proposed acquisition, anticipated earnings accretion and growth rates, Takeda’s and ARIAD’s plans, objectives, expectations and intentions, the financial condition, results of operations and business of Takeda and ARIAD, ARIAD’s products, ARIAD’s pipeline assets, and the anticipated timing of closing of the acquisition. Risks and uncertainties include, among other things, risks related to the satisfaction of the conditions to closing the acquisition (including the failure to obtain necessary regulatory approvals) in the anticipated timeframe or at all, including uncertainties as to how many of ARIAD’s stockholders will tender their shares in the tender offer and the possibility that the acquisition does not close; risks related to the ability to realize the anticipated benefits of the acquisition, including the possibility that the expected benefits from the proposed acquisition will not be realized or will not be realized within the expected time period; the risk that the businesses will not be integrated successfully; disruption from the transaction making it more difficult to maintain business and operational relationships; negative effects of this announcement or the consummation of the proposed acquisition on the market price of Takeda’s common stock and on Takeda’s operating results; significant transaction costs; unknown liabilities; the risk of litigation and/or regulatory actions related to the proposed acquisition; other business effects, including the effects of industry, market, economic, political or regulatory conditions; future exchange and interest rates; changes in tax and other laws, regulations, rates and policies; future business combinations or disposals; the uncertainties inherent in research and development, including the ability to sustain and increase the rate of growth in revenues for ARIAD’s products despite increasing competitive, reimbursement and economic challenges; whether and when any drug applications may be filed in any jurisdictions for any indications or any additional indications for ARIAD’s products or for ARIAD’s pipeline assets; whether and when the FDA or any other applicable regulatory authorities may approve any such applications, which will depend on its assessment of the benefit-risk profile suggested by the totality of the efficacy and safety information submitted; decisions by the FDA or other regulatory authorities regarding labeling and other matters that could affect the availability or commercial potential of ARIAD’s products and ARIAD’s pipeline assets; and competitive developments.

Many of these factors are beyond Takeda’s control. Unless otherwise required by applicable law, Takeda disclaims any intention or obligation to update forward-looking statements contained in this presentation as the result of new information or future events or developments.

Important Notice

Additional Information Regarding Tender Offer

The tender offer described in this presentation has not yet commenced. This presentation is provided for informational purposes only and does not constitute an offer to purchase or the solicitation of an offer to sell any securities. At the time the tender offer is commenced, Takeda and its wholly owned subsidiary, Kiku Merger Co., Inc., intend to file with the Securities and Exchange Commission (the "SEC") a Tender Offer Statement on Schedule TO containing an offer to purchase, a form of letter of transmittal and other documents relating to the tender offer, and ARIAD intends to file with the SEC a Solicitation/Recommendation Statement on Schedule 14D 9 with respect to the tender offer. Takeda, Kiku Merger Co., Inc. and ARIAD intend to mail these documents to the ARIAD stockholders. Investors and shareholders should read those filings carefully when they become available as they will contain important information about the tender offer. Those documents may be obtained without charge at the SEC's website at www.sec.gov. The offer to purchase and related materials may also be obtained (when available) for free by contacting the information agent for the tender offer.

Takeda to acquire ARIAD Pharmaceuticals, significantly enhancing global oncology portfolio

- Highly strategic deal transforms global oncology portfolio and pipeline by expanding into solid tumors and reinforcing existing strength in hematology
- ARIAD is a Cambridge, MA based commercial-stage biotechnology company focused on targeted cancer therapeutics
- \$24.00 per share in cash (approximately \$5.2Bn enterprise value)
- Accretive to Underlying Core Earnings by FY2018 and generates immediate and long-term revenue growth
- Attractive value drivers include two very innovative precision medicines, Iclusig[®] (ponatinib) and brigatinib, an exciting early stage pipeline and cost synergies
- Consistent with strategy to invest in core therapeutic areas – oncology, GI and CNS

Iclusig reinforces existing strength in hematology



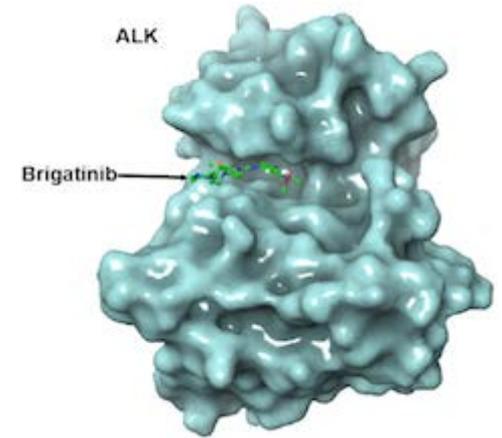
- Globally commercialized product with continued strong sales growth potential
- CY2015 revenue: \$113M
CY2016 guidance: \$170-180M
- Marketed in U.S. for a high unmet need subpopulation in CML and Ph+ ALL
- Potential to expand use into earlier lines of treatment
- Full FDA approval in November 2016

Broadens Takeda's hematology franchise into leukemia

- Highly synergistic with existing portfolio in myeloma and lymphoma

Brigatinib expands presence in solid tumors

- Second generation small molecule ALK inhibitor for ALK+ NSCLC
- Potential best-in-class profile: maturing data show broad activity against resistance mutations, CNS penetration to address brain metastases and promising PFS
- Awarded Breakthrough Designation (Oct 2014), Orphan Drug Status (May 2016), and Priority Review (Oct 2016) by the FDA
- U.S. approval for 2nd-line indication expected by PDUFA date of April 29, 2017; EU submission expected in early 2017
- Phase 3 study in 1st-line indication ongoing; opportunities for further studies and possible label expansion into other genetically-defined NSCLC subgroups
- Annual peak sales potential over \$1Bn with strong IP

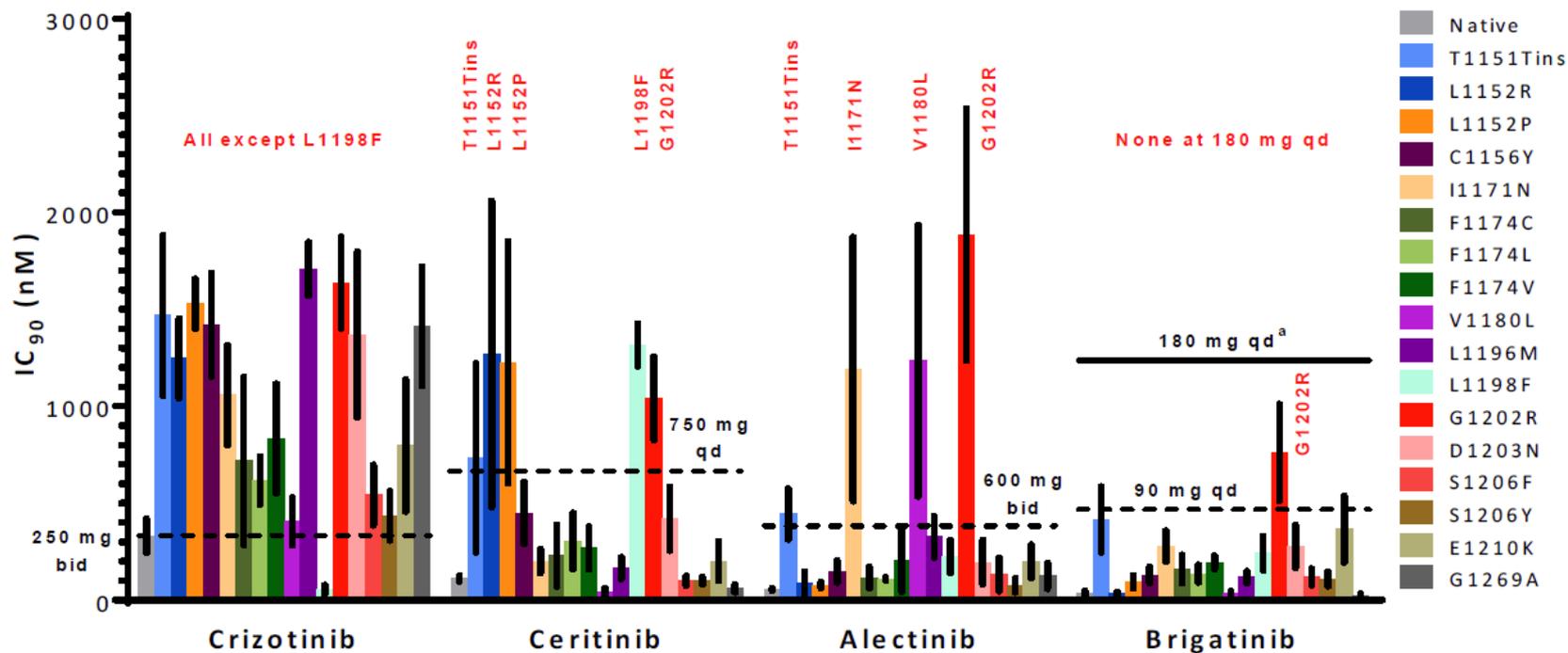


source: www.ariad.com/

Strengthening Takeda's solid tumor franchise

- Experience and expertise to deliver a successful launch
- Supported by Takeda's promising proprietary early-stage pipeline in solid tumors

Brigatinib exhibits a pan-inhibitory preclinical profile against ALK resistance mutants



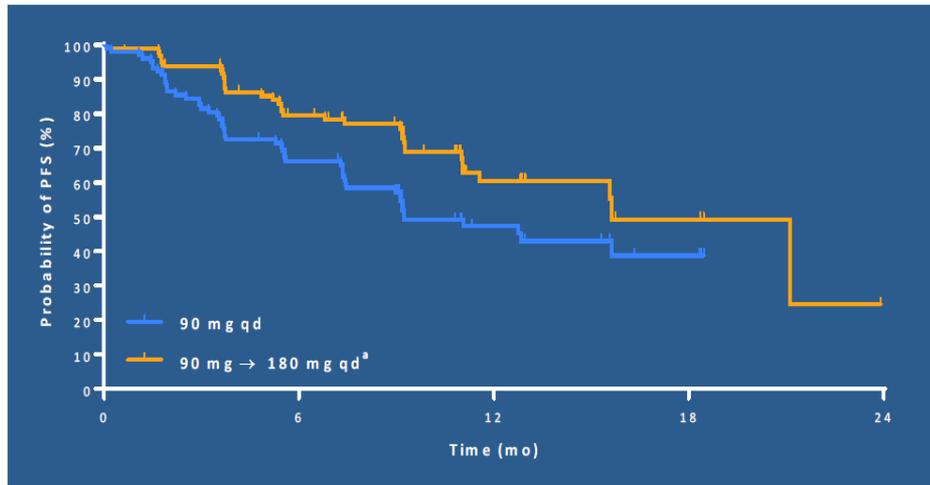
Mean IC₉₀ values are shown; error bars indicate standard deviation. Horizontal lines represent the “effective” C_{max} concentrations achieved in patients. (For brigatinib, dotted line is shown for 90 mg qd and solid line is shown for 180 mg qd.) Effective C_{max} concentrations are based on the geometric mean plasma C_{max} values at steady state at the approved or recommended phase 2 doses, corrected for the functional effects of protein binding in cellular assays. ALK variants with IC₉₀ values in cellular assays that exceed the effective C_{max} are indicated in red above the graph

^a The IC₉₀ for G1202R exceeds the effective C_{max} for 90 mg qd, but not 180 mg qd, brigatinib

Extracted from Cambridge DR, et al.
World Conference on Lung Cancer 2016

Brigatinib: Independent Review Committee-assessed PFS by arm

Extracted from Camidge DR et al
World Conference on Lung Cancer 2016



Extracted from Reckamp KL et al
World Conference on Lung Cancer 2016

Indirect comparison of mPFS post-crizotinib across studies*

	Median (m) PFS mos [95% CI]	Source
Ceritinib	6.9 [5.6-8.7]	ASCEND-1 ASCEND-2
	7.2 [5.4-9.0]	
Alectinib	8.1 [6.2-12.6]	NP28761 NP28673
	8.9 [5.6-12.8]	
Brigatinib	15.6 [11.6-not reached]	ALTA

*Comparisons across trials may reflect differing patient populations and trial designs; head to head studies are needed to fully understand comparisons between products

	Events/Total (%)	IRC-Assessed Median PFS (95% CI)	Hazard Ratio (95% CI) ^b
90 mg qd	52/112 (46)	9.2 months (7.4-not reached)	0.58 (0.37-0.90)
90 mg → 180 mg qd ^a	34/110 (31)	15.6 months (11.6-not reached)	

^a 180 mg qd with 7-d lead-in at 90 mg
^b Study was not designed to compare treatment arms statistically; however, post hoc comparisons were performed to support dose selection

- > Investigator-assessed median PFS was 8.8 mos (95% CI, 7.4–11.0 mos) at 90 mg and 15.6 mos (95% CI, 11.1 mos–not reached) at 180 mg (with lead-in)

A subset of pulmonary AEs with early onset occurred in six percent of all patients (in 3% of patients, events were grade 3 or higher); no such events occurred after dose escalation to 180 mg qd in Arm B. Most common treatment-emergent AEs, grade 3 or higher, were hypertension, increased CPK, pneumonia and increased lipase.

Oncology pipeline (as of FY2016 Q2, with inclusion of portfolio from acquisition of ARIAD)

Phase 1

AP32788
EGFR/HER2 inhibitor
Non-small Cell Lung Cancer

TAK-202
CCR2 antagonist
Solid Tumors

TAK-243
UAE inhibitor
Solid Tumors

TAK-580
Pan-Raf kinase inhibitor
Solid Tumors

TAK-659
SYK/FLT3 kinase inhibitor
Hematologic malignancies,
Solid Tumors

TAK-931
CDC7 inhibitor
Solid Tumors

Phase 2

pevonedistat
NAE inhibitor
High-Risk Myelodysplastic
Syndromes

TAK-117
PI3K α isoform inhibitor
Non-small Cell Lung Cancer

TAK-228
mTORC1/2 inhibitor
Renal Cell Carcinoma
Breast Cancer, Endometrial Cancer

Phase 3 / Filed

brigatinib
ALK inhibitor
Non-small Cell Lung Cancer

LCM

ICLUSIG
BCR-ABL inhibitor
Chronic Myeloid Leukemia
Ph+ Acute Lymphoblastic
Leukemia

ADCETRIS
CD30 ADC
Front Line Hodgkin Lymphoma
Front Line Mantle T-cell Lymphoma
Relapsed cutaneous T-cell
Lymphoma

NINLARO
Proteasome inhibitor
Front Line Multiple Myeloma
Maintenance Multiple Myeloma
post-Stem Cell Transplant
Maintenance Multiple Myeloma
without Stem Cell Transplant
R/R AL Amyloidosis

Strategic deal with significant value creation for shareholders

- Iclusig CY2016 guidance of \$170-180M, and brigatinib annual peak sales potential over \$1Bn with strong IP. Takeda expects significant long-term revenue potential from these two lead assets
- Accretive to Underlying Core Earnings by FY2018 and broadly neutral in FY2017; strong revenue growth and synergy savings will offset increased S&M costs for brigatinib launch
- Takeda will leverage ARIAD's R&D capabilities and platform, and largely absorb its R&D costs within Takeda's existing R&D budget. G&A cost synergies will be fully captured by FY2018
- Funded by up to \$4.0Bn of new debt and the remainder from existing cash; post acquisition debt ratio is expected to remain investment grade
- Takeda retains financial flexibility with no impact on dividend policy

Transaction schedule

Period of tender offer	January to February 2017*
Completion of acquisition	By the end of February 2017**

* The initial period of the tender offer will commence within 10 business days following execution of the merger agreement with ARIAD (January 8, 2017 (U.S.)), and will close 20 business days after commencement.

** Fulfillment of the terms and conditions of the U.S. Antitrust Law and the satisfaction of certain other customary conditions are required to complete the acquisition.



Takeda Pharmaceutical Company Limited