Second Quarter of Fiscal 2012
Updates Related to R&D Activities

Dr. Tadataka Yamada
Chief Medical & Scientific Officer

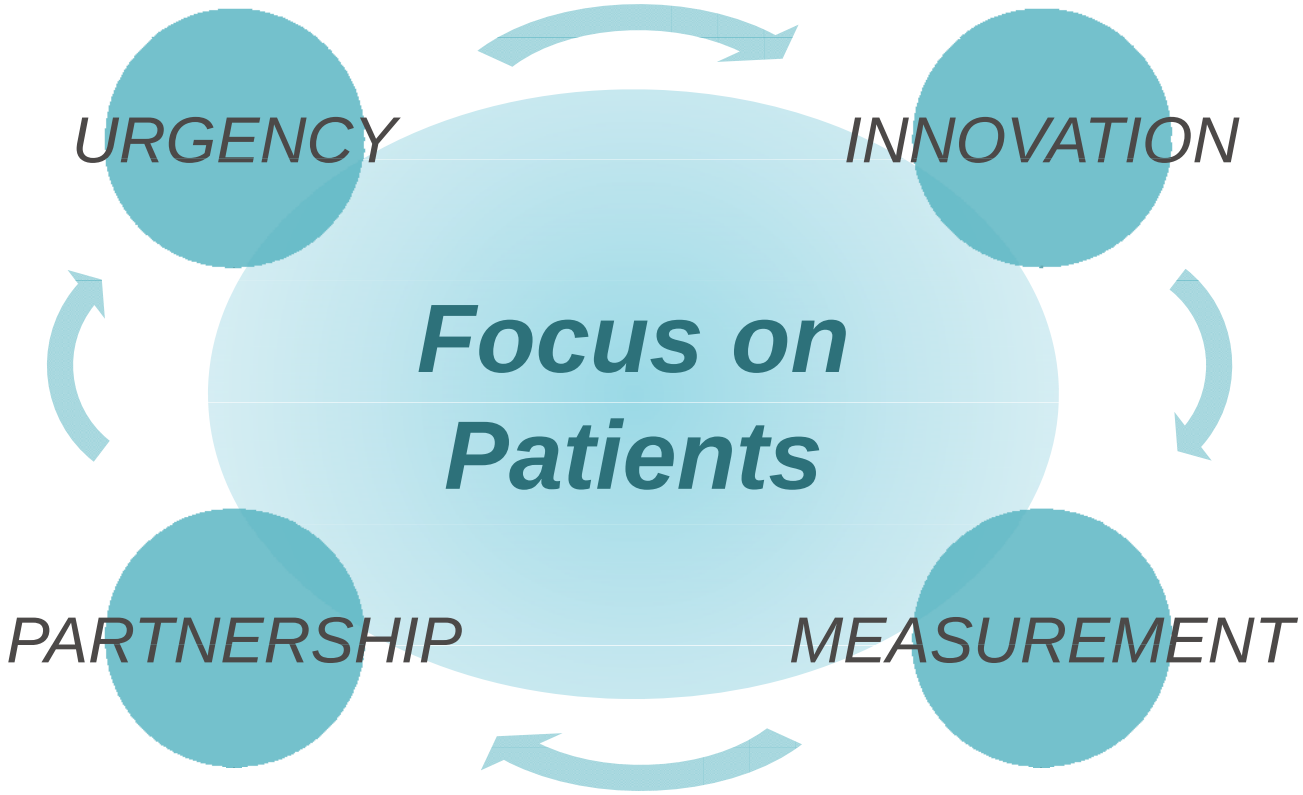
October 31, 2012

Takeda Pharmaceutical Company Limited

Takeda R&D Value

Takeda is a pharmaceutical company committed to the discovery and development of innovative solutions addressing unmet medical needs of patients through R&D investment

Takeda R&D Principles



Partnership in Takeda R&D

Shonan Incubation Laboratories

- Distinguished researchers from external institutions will work side-by-side with Takeda researchers in the Shonan Research Center, bringing new insights to drug discovery through intensely collaborative research
- Plans to adopt 1 or 2 new projects per year
- Project initiated with **BC Cancer Agency** collaboration to explore new drug targets based on gene analysis

BC Cancer Agency
CARE + RESEARCH
An agency of the Provincial Health Services Authority

Advinus Therapeutics Discovery Collaboration

- A three-year discovery collaboration with **Adivnus Therapeutics** in India, who have the ability to provide a timely and sustainable flow of IND candidates focused on novel targets for major therapeutic areas, including **Inflammatory, CNS and Metabolic**

ADVINUS

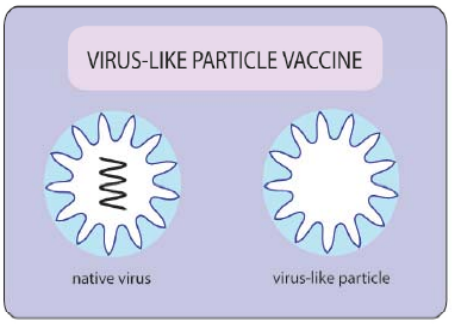
Acquisition of LigoCyte

LIGOCYTE® PHARMACEUTICALS, INC.

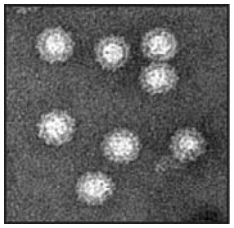
A major step forward for Takeda's vaccine business, and an expansion of Takeda's commitment to human health

Enhances Takeda's R&D capacity with the acquisition of VLP* technology

Expands Takeda's development pipeline with potential first-in-class norovirus vaccine (P-I/II) and pre-clinical assets for RS virus, influenza and rotavirus



***Virus-Like Particles (VLPs)** mimic the external protein structure of a virus without including the genetic material (DNA or RNA). The human immune system responds as if encountering a live virus, allowing it to build immune defenses.



LigoCyte's norovirus VLP
Credit: LigoCyte Pharmaceuticals, Inc.

R&D Pipeline Stage-Ups (since July 30, 2012)

			P-I	P-II	P-III	Filing	Approval
ADCETRIS®	Relapsed / Refractory Hodgkin Lymphoma Relapsed / Refractory systemic Anaplastic Large Cell Lymphoma	EU				→	
Revestive®	Short Bowel Syndrome	EU				→	
Lotriga®	Hyperlipidemia	Jpn				→	
Lu AA21004 (vortioxetine)	Major Depressive Disorder	US			→		
Lurasidone	Schizophrenia	EU			→		
ATL-962 (cetilistat)	Obesity	Jpn			→		
AG-1749 (lansoprazole)	Helicobacter pylori eradication by concomitant therapy with amoxicillin hydrate and either clarithromycin or metronidazole	Jpn			→		
MLN9708	Relapsed / Refractory Primary (AL) Amyloidosis	US/EU			●		

Progress in Oncology
- ADCETRIS® (SGN-35) Additional Indications -

ADCETRIS® (SGN-35, generic name: brentuximab vedotin)

- In-licensed from **Seattle Genetics**
- Antibody-drug conjugate (ADC), anti-CD30 monoclonal antibody linked to MMAE*
- Potential for further use in other CD30 expressing malignancies - collaboration with **Ventana Medical Systems** to identify CD30 expression in patients

ADCETRIS® brentuximab vedotin

*Monomethyl auristatin E

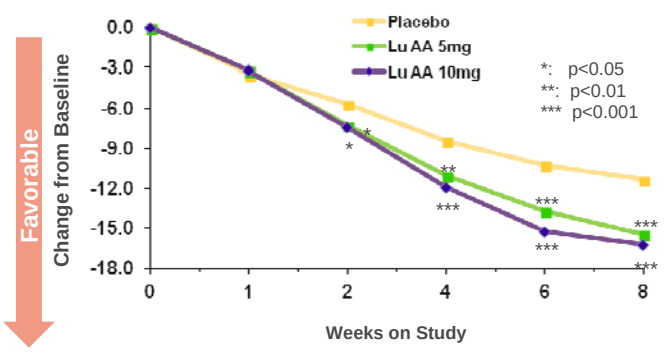
Indication	Development stage
Relapsed or Refractory Hodgkin Lymphoma	EU: Approved (Oct 2012) Jpn: P-I/II
Relapsed or Refractory Systemic Anaplastic Large Cell Lymphoma	EU: Approved (Oct 2012) Jpn: P-I/II
Post-Transplant Hodgkin Lymphoma	EU: P-III (AETHERA)
Relapsed Cutaneous T-Cell Lymphoma	EU: P-III
Front Line Hodgkin Lymphoma	EU: P-I
Front Line Systemic Anaplastic Large Cell Lymphoma	EU: P-I

Progress in CNS
- Two Late-Stage Pipelines Filed -

Lu AA21004 (vortioxetine)

- A novel multimodal antidepressant
- In-licensed from **Lundbeck**
- US NDA filed by Takeda in October 2012 for Major Depressive Disorder
- 6 global Phase III results (including a study in elderly patients) demonstrated significant efficacy in dose range of 5 to 20mg/day
- Japan filing expected in FY2013
- EU MAA announced by Lundbeck in September 2012

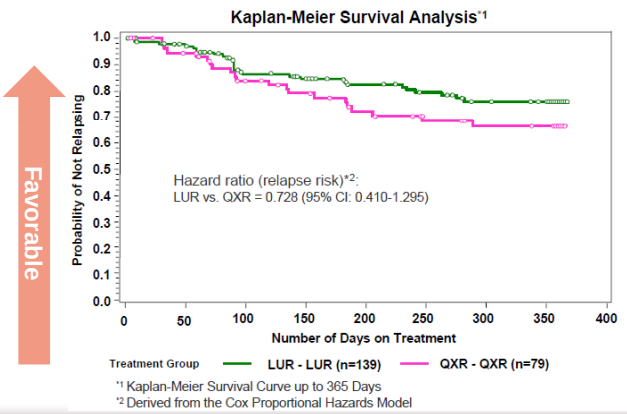
Phase III Result - Change from Baseline in HAMD-24 Total Score by Visit (MMRM, LS Means)



Lurasidone

- An atypical antipsychotic
- In-licensed from **Dainippon Sumitomo Pharma**
- EU MAA filed by Takeda in September 2012 for schizophrenia
- MAA supported by data including PEARL 1, 2, and 3, from more than 50 clinical trials involving more than 3,800 Lurasidone-treated subjects
- Approved in the US in October 2010 and Canada in June 2012

Phase III: 52 week double-blind extended study (PEARL 3)



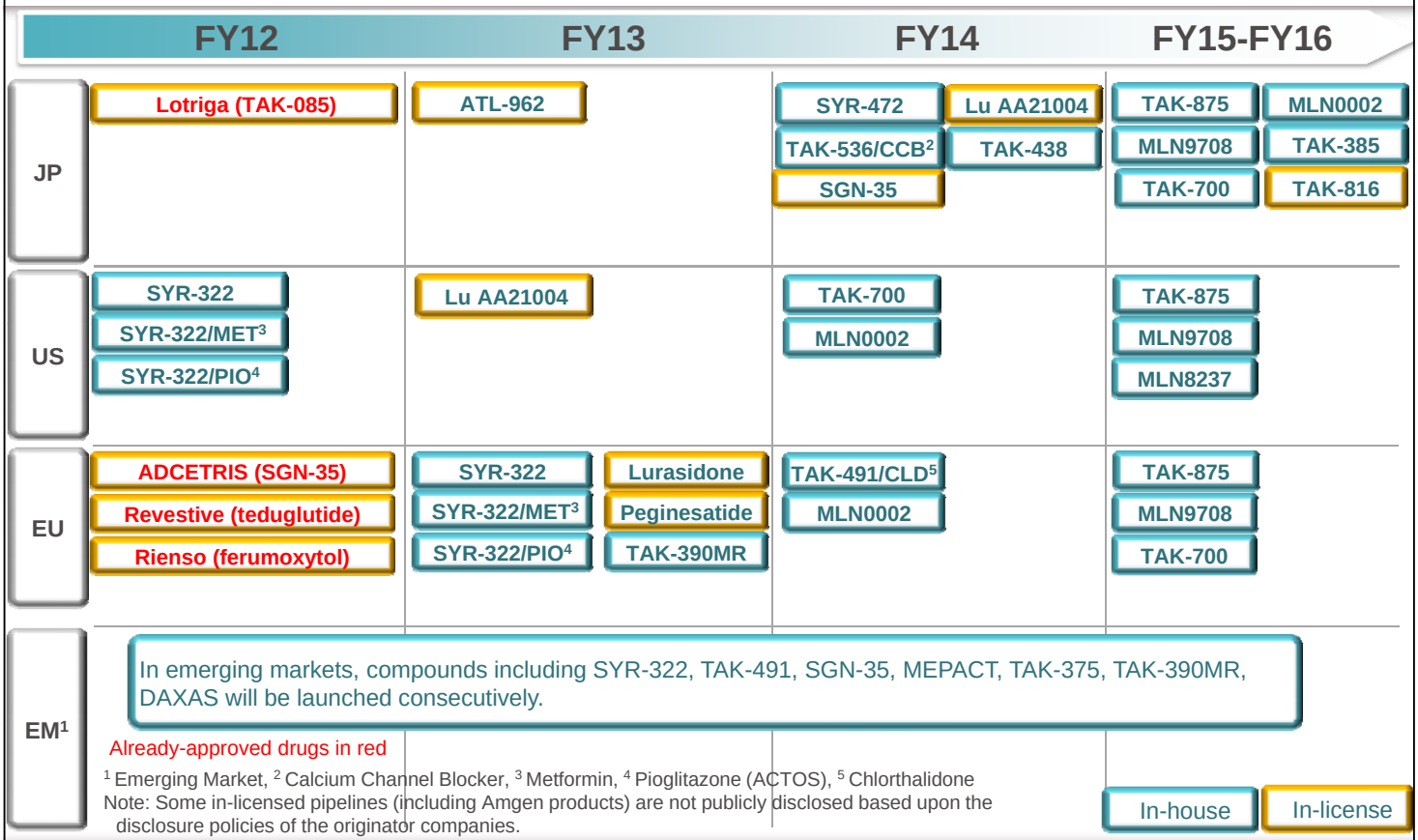
Top 10 Companies by Pipeline Size 2012

Position 2012 (2011)	Company	No. of R&D products 2012 (2011)	No. of originated products
1 (2)	GlaxoSmithKline	257 (269)	147
2 (1)	Pfizer	225 (284)	152
3 (3)	Merck & Co	223 (236)	150
4 (4)	Novartis	218 (200)	151
5 (5)	Hoffmann-La Roche	198 (183)	147
6 (6)	Sanofi	178 (182)	91
7 (12)	**Takeda**	**149 (103)**	**80**
8 (9)	Bristol-Myers Squibb	146 (149)	113
9 (8)	AstraZeneca	144 (167)	85
10 (7)	Johnson & Johnson	142 (171)	85

Citeline: Pharma R&D Annual Review 2012

Appendix

Expected Pipeline Approval Year by Region



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.