



SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

First quarter results for the fiscal year ending March 31, 2007

These financial statements have been prepared for reference only, in accordance with accounting principles and practices generally accepted in Japan.

Takeda Pharmaceutical Company Limited

July 31, 2006

TSE Code: 4502

Listed exchanges: Osaka, Tokyo, Nagoya, Fukuoka, Sapporo

URL: <http://www.takeda.co.jp/>

Inquiries: Toyoji Yoshida, Director

President & COO: Yasuchika Hasegawa

General Manager

Telephone:

Corporate Communications Department

+81 6 6204-2060 / +81 3 3278-2039

1. Information relating to the preparation of quarterly financial statements

Adoption of simplified accounting treatments: Adopted

Income tax expenses are calculated by multiplying quarterly income before income tax by the estimated tax rate for the fiscal year.

Differences in accounting treatments applied compared to previous consolidated fiscal year: None

Changes in the scope of consolidation or application of the equity method:

Consolidated (Newly added) 1 company (Excluded) None

Equity method (Newly added) 1 company (Excluded) 1 company

2. First Quarter Consolidated Financial Results (April 1, 2006 to June 30, 2006) for the Fiscal Year ending March 31, 2007

1) Consolidated Operating Results

Millions of yen, rounded to the nearest million

	Three months ended June 30, 2006		Three months ended June 30, 2005		Fiscal year ended March 31, 2006
		Change %		Change %	
Net sales	334,308	6.7	313,447	5.6	1,212,207
Operating income.....	132,083	0.2	131,776	7.7	402,809
Ordinary income.....	162,559	4.5	155,558	10.0	485,354
Net income	124,635	8.1	115,246	28.3	313,249
Earnings per share (¥)	¥141.30		¥130.19		¥353.47
Earnings per share (diluted) (¥)	--		--		--

Note: Percentages for net sales, operating income, ordinary income and net income represent the amount of change over the previous comparable period.

2) Financial Position

Millions of yen, rounded to the nearest million

	As of June 30, 2006	As of March 31, 2006
Total assets.....	2,961,389	3,042,294
Net assets	2,384,769	2,348,429
Net assets / total assets (%).....	79.2	77.2
Net assets per share (¥)	¥2,674.68	¥2,652.59

3. Consolidated forecasts for the Fiscal Year Ending March 31, 2007 (April 1, 2006 to March 31, 2007)

Millions of yen

	Interim period ending September 30, 2006	Fiscal year ending March 31, 2007
Net sales	605,000	1,230,000
Ordinary income.....	245,000	486,000
Net income	175,000	320,000

Notes: 1. Net income per share forecast for the fiscal year ending March 31, 2007: ¥361.50

2. Forecasts are unchanged from those announced in May 2006.



[Descriptive information on consolidated results for the 1st quarter]

1. OVERVIEW OF CONSOLIDATED OPERATING RESULTS FOR 1ST QUARTER

[Consolidated net sales]

Consolidated net sales increased ¥20.9 billion (6.7%) to ¥334.3 billion from the same period of the previous year.

- In April 2006, the beverage and food business of Takeda Food Products, Ltd., a subsidiary of Takeda, was transferred to House Wellness Foods Corporation, Ltd., a joint venture between Takeda and House Foods Corp. The negative effect from this transfer on sales, however, was more than offset by the growth of ethical drugs sales, mainly in Takeda Pharmaceuticals North America, Inc., a U.S. subsidiary. As a result, consolidated net sales increased.
- The impact of foreign exchange rate fluctuations increased revenues by ¥7.5 billion compared to the same period last year, as a result of the weakening of the yen against both the US dollar and the Euro.
- The table below shows consolidated sales of four international strategic products:

Drug for treatment of prostate cancer and endometriosis <i>Leuprorelin</i> (Japan product name: <i>Leuplin</i>)	¥32.7 billion	Up ¥0.4 billion (1.1%) from same period last year
Drug for treatment of peptic ulcer <i>Lansoprazole</i> (Japan product name: <i>Takepron</i>)	¥40.2 billion	Down ¥6.4 billion (13.8%) from same period last year
Drug for treatment of hypertension <i>Candesartan</i> (Japan product name: <i>Blopress</i>)	¥52.3 billion	UP ¥3.0 billion (6.2%) from same period last year
Drug for treatment of diabetes <i>Pioglitazone</i> (Product name: <i>Actos</i>)	¥84.0 billion	UP ¥28.6 billion (51.5%) from same period last year

[Gross profit]

Gross profit increased ¥21.3 billion (8.8%) from the same period last year to ¥264.5 billion.

- The gross profit margin ratio improved 1.5 points to 79.1%, supported by an increase in sales of ethical drugs that have high gross profit ratios, and by the exclusion of the transferred beverage and food business that had a low gross profit ratio.

[Operating income]

Operating income increased ¥0.3 billion (0.2%) from the same period last year to ¥132.1 billion.

- Operating income increased due to the increase in gross profit, which more than offset the increase in selling, general and administrative expenses by ¥21.0 billion (18.8%) from the same period last year to ¥132.4 billion.
- R&D expenses increased by ¥16.1 billion (46.6%), mainly due to up-front payment recorded in the first quarter for an exclusive license to develop and sell in overseas markets *Hematide*, a drug for chronic kidney disease/cancer related anemia developed by Affymax in the U.S., as well as to the progress of overall development activities.

[Ordinary income]

Ordinary income increased ¥7.0 billion (4.5%) from the same period last year to ¥162.6 billion.

- In addition to the increased operating income, the increase of non-operating income by ¥6.7 billion also contributed to the increase in ordinary income, supported by the increased interest income received by Takeda America Holdings, Inc., a U.S. subsidiary, and increased equity in earnings of affiliated companies.
- Equity in earnings of affiliated companies increased ¥4.6 billion (36.3%) to ¥17.3 billion. Equity in the earnings from TAP Pharmaceutical Products Inc., a U.S. affiliated company reported by the equity method, increased by ¥3.9 billion (33.5%) to ¥15.4 billion.

[Consolidated net income]

Consolidated net income increased ¥9.4 billion (8.1%) from the same period last year to ¥124.6 billion.

- In addition to the increase in ordinary income, increase in extraordinary income by ¥5.7 billion to ¥38.2 billion also contributed.
- Extraordinary income for the current first quarter includes a gain from transfer of the beverage and food business of Takeda Food Products, Ltd., a gain from the partial transfer of Wyeth K.K. shares and a gain from transfer of shares of Mitsui Takeda Chemicals, Inc.
- Earnings per share for the current first quarter increased ¥11.11 to ¥141.30 from the same period last year.



2. RESULTS BY SEGMENT FOR 1ST QUARTER

The following table shows sales and operating income for each business segment:

Type of business	Net sales		Operating income	
	Amount	Change from same period last year	Amount	Change from same period last year
Pharmaceuticals segment	¥310.0 billion	Up ¥30.1 billion	¥128.4 billion	Down ¥0.6 billion
Ethical drugs	¥296.6 billion	Up ¥30.2 billion		
<Japan>	<¥135.6 billion>	<Up ¥6.5 billion>		
<Overseas>	<¥161.0 billion>	<Up ¥23.7 billion>		
Consumer healthcare	¥13.5 billion	Down ¥0.1 billion		
Other segment	¥24.3 billion	Down ¥9.3 billion	¥3.7 billion	Up ¥0.3 billion

Note: Sales figures for each segment refer to sales to outside customers.

[Pharmaceuticals Segment]

Consolidated net sales by the Pharmaceuticals segment increased ¥30.1 billion (10.8%) from the same period last year to ¥310.0 billion. Operating income decreased ¥0.6 billion (0.5%) to ¥128.4 billion.

- Sales by the Ethical drugs business increased ¥30.2 billion (11.4%) to ¥296.6 billion. Sales of ethical drugs in the Japan market increased ¥6.5 billion (5.1%) to ¥135.6 billion, absorbing the negative impact from the revision of National Health Insurance (NHI) drug prices in April 2006. The following table shows sales results for major products in Japan.

<i>Blipress</i> (drug for hypertension treatment)	¥33.5 billion	Up ¥2.0 billion (6.4%) from same period last year
<i>Leuplin</i> (drug for prostatic cancer and endometriosis treatment)	¥16.5 billion	UP ¥0.3 billion (2.1%) from same period last year
<i>Basen</i> (drug for treatment of postprandial hyperglycemia)	¥15.4 billion	Down ¥2.4 billion (13.3%) from same period last year
<i>Takepron</i> (drug for peptic ulcer treatment)	¥14.9 billion	UP ¥0.7 billion (4.8%) from same period last year
<i>Actos</i> (drug for diabetic treatment)	¥8.5 billion	UP ¥2.9 billion (52.1%) from same period last year

Sales of ethical drugs in overseas markets increased ¥23.7 billion (17.3%) to ¥161.0 billion compared to the same period in the previous year including the positive impact from the weaker yen.

In the U.S., Medicare Part D (prescription drug benefits for outpatients under the federal insurance plan for the elderly), started in January 2006. Supported by the market expansion resulting from the introduction of this insurance plan, sales of *Actos* for type II diabetes including *Actoplus Met* (a fixed combination of *Actos* and *metformin* launched in the market in November 2005) increased US\$184 million (43.2%) from the same period last year, to US\$611 million. Sales of *ROZEREM*, (generic name: *ramelteon*) an insomnia treatment launched in September 2005, totaled US\$16 million. Sales of *Amitiza* (generic name: *lubiprostone*), a drug for chronic idiopathic constipation, launched into the market in April 2006 totaled US\$5 million.

In Europe, overall ethical drug sales decreased due to the decline in export of products to licensees, mainly *lansoprazole*, while sales of *Actos* increased.

- Sales by the Consumer healthcare business decreased ¥0.1 billion (0.8%) from the same period in the previous year to ¥13.5 billion, due to decreased sales of *Alinamin* tablets, etc.

[Other segment]

Sales by Other businesses decreased ¥9.3 billion (27.6%) from the same period last year to ¥24.3 billion. Operating income increased ¥0.3 billion (10.3%) to ¥3.7 billion.

- The sharp sales decline from the same period last year was due to transfer of the beverage and food business of Takeda Food Products, Ltd. in April 2006.



3. Research & Development

Seeking to enhance our R&D pipelines, which serve as sources for growth and the early launching of new products into the market, Takeda intensively invests its management resources in the core therapeutic areas of lifestyle-related diseases; oncology and urologic diseases (including gynecology); central-nervous system disease (including bone and joint diseases); and gastroenterology diseases, through the three strategic pillars of in-house research and development, maximization of product added value and in-licensing and alliances. Major results of R&D activities during the current quarter are:

[In-house R&D]

- In July 2006, we started the Phase II trials for TAK-491, a drug for treating hypertension, in Europe and the U.S. Compared with the angiotensin II receptor blockers currently available on the market, TAK-491 is expected to have stronger anti-hypertensive action, and improve the insulin resistance and decrease proteinuria.

[Maximization of Product Added Value]

<Lansoprazole> (Japan product name: *Takepron*)

- In June 2006, for 15mg capsules and OD 15mg tablets of *Takepron*, an antiulcer drug, Takeda received approval for indication of "non-erosive reflux disease" from the Ministry of Health, Labor and Welfare.

<Candesartan> (Japan product name: *Blopress*)

- In July 2006, sub-analysis data was published in the July issue of the medical journal "American Heart Journal" indicating that Candesartan significantly reduced the incidence of atrial fibrillation in patients with chronic heart failure.

<Pioglitazone> (Product name: *Actos*)

- In June 2006, the Committee for Medicinal Products for Human Use (CHMP) in Europe issued a positive opinion recommending to grant a marketing authorization for *Competact*, a drug for treatment of Type II diabetes that is a fixed combination of *Actos* 15mg and *Metformin* 850mg.
- In June 2006, at the 66th convention of the American Diabetes Association (ADA), we presented additional analysis results for the PROactive Study (a randomized, double blind, placebo-controlled outcome study to look at the effect of ACTOS in reducing the mortality and morbidity associated with macrovascular disease progression in high-risk patients with type 2 diabetes). Study results showed that *Actos* significantly reduced the occurrence of major adverse cardiovascular events (MACE) such as heart attacks (excluding silent heart attacks), nonfatal stroke, acute coronary syndrome (ACS) and cardiovascular death in high-risk patients with type 2 diabetes and significantly decreased the progression to permanent insulin use.
- In June 2006, at the 66th convention of the American Diabetes Association (ADA), we announced the outline of trial designs of CHICAGO study. The CHICAGO study is to examine the effects of ACTOS on measures of the atherosclerotic disease process in patients with type 2 diabetes. There are 493 patients with Type II diabetes in the Chicago area now enrolled in this clinical trial.
- In July 2006, we commenced Phase III trials in the U.S. for a fixed combination of *Actos* and *TAK-536*, a novel angiotensin II receptor blocker created by Takeda for the treatment of hypertension.
- In July 2006, FDA approval was granted for marketing of *Duetact*, a fixed combination of *Actos* and *Glymepirid (sulfonylurea)*, in the United States.

<Ramelteon> (US product name: *Rozerem*)

- In April 2006, Phase II trials were started in the U.S. for Alzheimer's disease patients with sleep disorder.

[In-licensing and alliance activities]

- In June 2006, Takeda concluded a license agreement with Affymax Inc. in the U.S., under which Takeda acquired an exclusive right to market HEMATIDE, a drug developed by Affymax for chronic kidney disease/cancer related anemia, in overseas markets. Takeda and Affymax had already concluded a license agreement for the Japan market in February 2006. With the conclusion of this agreement, Takeda now has an exclusive right to develop and market HEMATIDE worldwide.
- In July 2006, Takeda concluded a license agreement with Galaxy Biotech, LLC. in the U.S. for HuL2G7, a humanized anti-Hepatocyte Growth Factor (HGF) antibody developed by Galaxy Biotech, under which Takeda acquired an exclusive right to develop, manufacture and market HuL2G7 worldwide.



Consolidated Financial Statements and the Related Information

1. Consolidated Statements of Income (summary)

Millions of yen

	Three months ended June 30, 2006		Three months ended June 30, 2005		Increase (decrease)	For reference: FY ended March 31, 2006	
Net sales*	334,308	100.0%	313,447	100.0%	20,861	1,212,207	100.0%
Cost of sales	69,786	20.9	70,217	22.4	(431)	282,102	23.3
Selling, general and administrative expenses	132,439	39.6	111,454	35.6	20,985	527,296	43.5
[R&D expenses]	50,563		34,508		16,055	169,645	
Operating income	132,083	39.5	131,776	42.0	307	402,809	33.2
Non-operating income	32,729	9.8	25,744	8.2	6,985	103,867	8.6
Interest income	10,977		5,692		5,285	30,710	
Dividend income	2,165		2,051		114	3,501	
Equity in earnings of affiliates.....	17,252		12,655		4,597	54,184	
Other non-operating income.....	2,335		5,345		(3,010)	15,472	
Non-operating expenses	2,253	0.7	1,961	0.6	292	21,322	1.8
Ordinary income	162,559	48.6	155,558	49.6	7,001	485,354	40.0
Extraordinary income	38,234	11.4	32,488	10.4	5,746	32,604	2.7
Income before income taxes and minority interests.....	200,794	60.1	188,046	60.0	12,748	517,957	42.7
Net income.....	124,635	37.3	115,246	36.8	9,389	313,249	25.8
(*) Revenues relating to intellectual property rights included in net sales	17,585	5.3	16,128	5.1	1,457	50,768	4.2

(Note) Percentage represents ratio to net sales.



2. Consolidated Balance Sheets (summary)

ASSETS

Millions of yen

	As of June 30, 2006		As of March 31, 2006		Increase (decrease)
Current assets	2,311,745	78.1%	2,371,970	78.0	(60,225)
Cash and deposits.....	542,121		450,709		91,412
Notes and accounts receivable	277,107		236,680		40,427
Marketable securities	1,209,922		1,405,811		(195,889)
Inventories.....	97,796		98,258		(462)
Fixed assets	649,643	21.9	670,324	22.0	(20,681)
Tangible fixed assets.....	229,685		215,670		14,015
Intangible fixed assets.....	6,969		5,330		1,639
Investments and other assets	412,990		449,325		(36,335)
(Investment securities).....	353,064		387,964		(34,900)
Total assets	2,961,389	100.0	3,042,294	100.0	(80,905)

LIABILITIES AND NET ASSETS (MINORITY INTERESTS AND SHAREHOLDERS' EQUITY)

Millions of yen

	As of June 30, 2006		As of March 31, 2006		Increase (decrease)
Liabilities	576,619	19.5	646,671	21.2	(70,053)
Current liabilities.....	423,498		488,227		(64,729)
Long-term liabilities	153,121		158,444		(5,323)
Minority interests	—		47,193	1.6	—
Shareholders' equity	—		2,348,429	77.2	—
(Retained earnings)	—		2,062,226		—
(Unrealized gain on securities)	—		171,844		—
(Foreign currency translation adjustment)	—		4,224		—
Net assets	2,384,769	80.5	—		—
Shareholder's equity	2,190,647		—		—
Variance from evaluation/ translation	155,499		—		—
(Unrealized gain on securities)	165,750		—		—
(Foreign currency translation adjustment)	(10,171)		—		—
Minority interests	38,623		—		—
Liabilities And Net Assets (Minority Interests And Shareholders' Equity) Total	2,961,389	100.0	3,042,294	100.0	(80,905)



3. Business Segment information

First quarter (April 1, 2006 – June 30, 2006) of fiscal year ending March 31, 2007

Millions of yen

	Pharmaceuticals	Other	Total	Eliminations / corporate	Consolidated
Net sales	310,046	24,262	334,308	--	334,308
Operating income	128,357	3,688	132,045	39	132,083

First quarter (April 1, 2005 – June 30, 2005) of fiscal year ended March 31, 2006

Millions of yen

	Pharmaceuticals	Other	Total	Eliminations / corporate	Consolidated
Net sales	279,915	33,531	313,447	--	313,447
Operating income	129,004	3,345	132,349	(574)	131,776

(For reference) Fiscal Year ended March 31, 2006 (4/1/2005 - 3/31/2006)

Millions of yen

	Pharmaceuticals	Other	Total	Eliminations / corporate	Consolidated
Net sales	1,074,519	137,688	1,212,207	--	1,212,207
Operating income	388,068	14,720	402,788	21	402,809

Note 1: Sales figures refer to sales to outside customers.

Sales to outside customers

Millions of yen

	First quarter of FY ending March 31, 2007	First quarter of FY ended March 31, 2006	Increase (decrease) in percent	(For reference) FY ended March 31, 2006
Ethical drugs	296,579	266,340	11.4	1,019,074
Domestic	135,574	129,054	5.1	493,493
Overseas	161,005	137,286	17.3	525,582
Pharmaceuticals	310,046	279,915	10.8	1,074,519
Consumer healthcare	13,467	13,576	(0.8)	55,445
Subtotal	310,046	279,915	10.8	1,074,519
Other	24,262	33,531	(27.6)	137,688
Total	334,308	313,447	6.7	1,212,207

Note 2: Main products of each business segment are as follows

Business segment	Business division	Main products
Pharmaceuticals	Ethical drugs	Ethical pharmaceuticals
	Consumer healthcare	OTC pharmaceutical products and quasi-drugs
Other	Bulk vitamins, reagents, clinical diagnostics, photographic film chemicals, inorganic industrial chemicals (health foods, beverages)* ¹	

*1. In April 2006 beverage and food business of Takeda Food Products, Ltd. was transferred to House Wellness Foods Corporation, a joint venture between Takeda and House Foods Corp.



4. Sales of international strategic products

Consolidated sales of international strategic products (ethical pharmaceuticals)

Billions of yen

	First quarter of FY ending March 31, 2007	First quarter of FY ended March 31, 2006	Increase (decrease) in percent
Leuprorelin	32.7	32.4	1.1
Lansoprazole.....	40.2	46.6	(13.8)
Candesartan.....	52.3	49.2	6.2
Pioglitazone.....	84.0	55.5	51.5

Foreign exchange rate

Yen

	First quarter of FY ending March 31, 2007	First quarter of FY ended March 31, 2006	Increase (decrease)
US\$ quarterly average April – June ..	115	108	7
Euro quarterly average April – June..	144	136	8

For reference: Sales of in-house ethical products¹

Billions of yen

	First quarter of FY ending March 31, 2007	First quarter of FY ended March 31, 2006	Increase (decrease) in percent
Overseas sales			
Including affiliated companies	212.4	187.0	13.6
Americas	165.2	140.5	17.6
Europe.....	42.6	42.6	0.1
Asia	4.6	3.9	17.1
Domestic sales [unconsolidated].....	99.3	96.3	3.1
Total sales	311.7	283.3	10.0
Ratio of overseas sales	68.1%	66.0%	

Note 1: Figures include sales by companies accounted for by the equity method (i.e., companies in which Takeda owns 50% or less of the shares, such as TAP). Accordingly, simple summations of these figures do not agree with figures stated in consolidated financial statements.



For reference:

Worldwide sales of international strategic products including affiliated companies*¹

Billions of yen

	First quarter of FY ending March 31, 2007	First quarter of FY ended March 31, 2006	Increase (decrease) in percent
Leuprorelin			
Worldwide sales	47.4	45.9	3.2
Japan	16.5	16.2	2.1
Americas	19.8	19.0	4.2
Europe.....	10.5	10.2	3.6
Asia	0.6	0.6	(1.8)
Lansoprazole			
Worldwide sales	96.8	100.6	(3.7)
Japan	14.9	14.2	4.8
Americas	70.1	71.9	(2.5)
Europe.....	11.0	13.7	(19.6)
Asia	0.8	0.7	8.4
Candesartan*²			
Worldwide sales	52.4	49.3	6.4
Japan	33.5	31.5	6.4
Americas/Europe/Asia	18.9	17.8	6.2
Pioglitazone			
Worldwide sales	84.2	55.6	51.6
Japan	8.5	5.6	52.1
Americas	70.0	46.0	52.2
Europe.....	5.1	3.6	42.1
Asia	0.7	0.5	51.9

Note 1: Figures include sales by companies accounted for by the equity method (i.e., companies in which Takeda owns 50% or less of the shares, such as TAP). Accordingly, simple summations of these figures do not agree with figures stated in consolidated financial statements.

Note 2: Because export sales of *Candesartan* to licensees are recorded under a single route, worldwide sales of this product are divided into only two segments (Japan and Americas/Europe/Asia).



5. Top 15 domestic ethical drugs by sales

Billions of yen

Rank	Product name	Launched Month/Year	Category	First quarter of FY ending March 31, 2007	First quarter of FY ended March 31, 2006	Increase (decrease) in percent
1	Blopress	6/99	All-receptor antagonist	33.5	31.5	6.4
2	Leuplin	9/92	LH-RH antagonist	16.5	16.2	2.1
3	Basen	9/94	-glucosidase inhibitor	15.4	17.8	(13.3)
4	Takepron	12/92	Proton pump inhibitor	14.9	14.2	4.8
5	Actos	12/99	Insulin sensitizer	8.5	5.6	52.1
6	Benet	5/02	Bone resorption inhibitor	4.6	4.1	14.5
7	Isovorin	10/99	Cytostatics	3.6	3.0	17.4
8	Seltouch	9/93	Topical NSAID	3.4	3.8	(8.7)
9	Pansporin	2/81	Antibiotics	3.0	3.4	(12.1)
10	Glovenin	11/91	Immuno-globulin	2.2	2.2	0.7
11	Dasen	11/68	Anti-inflammatory enzyme	2.2	2.2	0.3
12	Leucovorin 25	9/03	Anti-neoplastic adjuvant	2.0	1.7	18.9
13	Calslot	9/90	Calcium channel blocker	1.9	2.2	(12.9)
14	Firstcin	8/95	Antibiotics	1.8	2.0	(8.9)
15	Rheumatrex	8/99	Antifolic	1.8	1.7	4.5

6. Top 5 consumer healthcare and non-pharmaceutical products by sales

Billions of yen

Rank	Product name	First quarter of FY ending March 31, 2007	First quarter of FY ended March 31, 2006	Increase (decrease) in percent
1	Alinamin tablets	3.5	4.2	(17.2)
2	Alinamin health tonics	3.2	3.6	(12.0)
3	Biofermin	1.5	1.5	(1.0)
4	Nicorette	1.2	1.1	11.9
5	Borraginol	1.0	1.0	(3.1)

Development activities

New compounds

Development code <generic name>	Drug Class	Indications	Country region	Stage	In-house / In-license	Note
SPL-0211 < lubiprostone >	Chloride channel opener	Constipation-predominant Irritable Bowel Syndrome	U.S.	P-III	In-license (Sucampo Pharmaceuticals Inc.)	Brand name: AMITIZATM™(U.S.) Development is conducted by Sucampo Launched in U.S. (Apr 06)
TAK-242 < Not decided yet >	TLR4 signal transduction inhibitor	Severe sepsis	Jpn	P-III		
			U.S.	P-III	In-house	Fast Track
			EU	P-III		
TAK-375 < ramelteon >	MT ₁ /MT ₂ receptor agonist	Insomnia	Jpn	P-III		
		Alzheimer's sleep / wake disturbance	EU	P-III	In-house	Brand name: ROZEREM™(U.S) Launched in U.S. (Sep 05)
		Circadian rhythm sleep disorder (CRSD)	U.S.	P-II		
TAK-475 < Not decided yet >	Squalene synthase inhibitor	Hyperlipidemia	U.S.	P-III		
			EU	P-III	In-house	
			Jpn	P-I		
TAK-390MR < Not decided yet >	Proton pump inhibitor	Erosive esophagitis and non-erosive gastro- esophageal reflux disease	U.S.	P-III		
			Jpn	P-I	In-house	
BNP7787 * < dimesna >	Chemotherapy supportive care drug	Prevention or reduction of neurotoxicity induced by anti cancer	U.S.	P-III	In-license (BioNumerik Pharmaceuticals, Inc)	Brand name: Tavocept™(U.S.) Development is conducted by BioNumerik Fast Track
			Jpn	P-III		
SYR-322 < Not decided yet >	DPP-4 inhibitor	Diabetes mellitus	U.S.	P-III		
			EU	P-III	In-house	
			Jpn	P-I		
TAK-428 < Not decided yet >	Neurotrophic factor production accelerator	Diabetic neuropathy	U.S.	P-II		
			EU	P-II	In-house	
			Jpn	P-II		
TAK-654 < sipoglitazar >	Insulin resistance-improving drug	Diabetes mellitus	U.S.	P-II		
			EU	P-II	In-house	
TAK-536 < Not decided yet >	Angiotensin II receptor antagonist	Hypertension	U.S.	P-II		
			EU	P-II	In-house	
AF37702 < Not decided yet >	Synthetic, peptide-based erythropoiesis-stimulating agent	Chronic kidney disease (CKD) / cancer-related anemia	U.S.	P-II		
			EU	P-II	In-license (Affymax)	Brand name: Hematide™(U.S.)
			Jpn	P-I		
TAK-583 < Not decided yet >	Neuropathic pain-improving drug	Post-herpetic neuralgia	U.S.	P-II		
			EU	P-II	In-house	
			Jpn	P-I		
LY333531 < ruboxistaurin >	PKCβ inhibitor	Diabetic maculopathy	Jpn	P-II	In-license (Eli Lilly)	Co-development
TAK-128 < Not decided yet >	Myelin formation accelerator	Diabetic neuropathy	U.S.	P-II		Fast Track(U.S.)
			EU	P-II	In-license (Mitsubishi Pharma Corporation)	
			Jpn	P-II		
R-851 < Not decided yet >	Immune response modifier	Human papillomavirus (HPV) infection	U.S.	P-II	In-license (3M)	Development is conducted by 3M
EMD72000 < matuzumab >	Humanized, monoclonal antibody (MAb) against the human EGFR	Gastric cancer, non-small cell lung cancer (NSLC), colorectal cancer	U.S.	P-II		
			EU	P-II	In-license (Merck KGaA)	Co-development
			Jpn	P-II		
ATL-962 < cetilistat >	Lipase inhibitor	Obesity	Jpn	P-II	In-license (Alizyme)	
TAK-491 < Not decided yet >	Angiotensin II receptor antagonist	Hypertension	U.S.	P-II		
			EU	P-II	In-house	

* Based on the results of two Phase III Trials for Tavocept™ conducted in the United States, Russia, Ukraine, Eastern and Western Europe, Takeda and BioNumerik are continuing to discuss the data from the trials as well as considerations regarding the alliance agreement and the future development of Tavocept™ considering possible termination of the existing Tavocept License and Development Alliance Agreement between Takeda and BioNumerik for the United States and Canada.

Additional indications / new formulations

Development code <generic name> Brand name (country/region)	Drug Class	Indications or formulations	Country/ region	Stage of development	In-house / In-license
TAP-144-SR < leuprorelin acetate > Leuplin (Jpn) Lupron Depot (U.S.) Enantone etc. (EU , Asia)	LH-RH agonist	6-month depot/prostate cancer	EU (Germany)	Filed (Jun 05)	In-house
			EU (Italy)	Filed (Oct 05)	
			EU (France)	Filed (Nov 05)	
AG-1749 < lansoprazole > Takepron (Jpn , Asia) Prevacid (U.S. , Asia) Ogast , Agopton , Lansox , etc. (EU)	Proton pump inhibitor	Injectable formulation Non-erosive reflux disease	Jpn	Filed (Feb 04)	In-house
			Jpn	Approved (Jun 06)	
TCV-116 < candesartan cilexetil > Blopress (Jpn, EU, Asia) Amias, Kenzen, etc. (EU)	Angiotensin II receptor antagonist	Fixed combination with diuretic High dose Outcome study, DIRECT (Diabetic REtinopathy Candesartan Trial) Diabetic nephropathy	Jpn	Filed (Dec 02)	In-house
			EU	P-III	
			Jpn	P-III	
			EU	P-III	
			Jpn	P-II	
AD-4833 < pioglitazone hydrochloride > Actos (Jpn , U.S., EU , Asia)	Insulin resistance-improving drug	Combination drug of Actos / Metformin XT Combination drug of Actos / Metformin Combination drug of Actos / SU Reduction of the risk of macrovascular events in patients with type 2 diabetes mellitus and pre-existing macrovascular disease Delay in progression of Atherosclerosis Combination drug of Actos / TAK-536 Concomitant therapy with metformin	U.S.	Filed (Mar 06)	In-house
			EU	Filed (Feb 05)	
			U.S.	Approved (Jul 06)	
			EU	Filed (Jul 05)	
			EU	Filed (Dec 05)	
			U.S.	P-III	
			U.S.	P-III	
			Jpn	P-III	
AO-128 < voglibose > Basen (Jpn , Asia)	α-glucosidase inhibitor	Impaired glucose tolerance (IGT)	Jpn	P-III	In-house
NE-58095 < risedronate >	Bone resorption inhibitor	Once-a-week formulation Paget's disease	Jpn	Filed (Dec 04)	In-license (Ajinomoto)
			Jpn	P-III	

Current progress in stage (since Apr 2006)

Development code	Indications or formulations	Brand name (country/region)	Progress in stage
AG-1749	Non-erosive reflux disease	Takepron (Jpn)	Filed Approved (Jun 06)
AD-4833SU	Combination drug of Actos / SU	Duetact (U.S.)	Filed Approved (Jul 06)
AD-4833-536	Combination drug of Actos / TAK-536	< Not decided yet > (U.S.)	P-III
TCV-116	Fixed combination with diuretic	Blopress,Amias, Kenzen (EU)	P-III
AF37702	Chronic kidney disease (CKD) / cancer-related anemia	Hematide™ (U.S. , EU/ Jpn)	P-II / P-I
TAK-491	Hypertension	< Not decided yet > (U.S.,EU)	P-II
EMD72000	Gastric cancer, non-small cell lung cancer (NSLC), colorectal cancer	< Not decided yet > (Jpn)	P-II

Discontinuance (since Apr 2006)

Development code	Indications / Stage of development	Reason
TAK-715	Rheumatoid arthritis / P-II	This drug did not satisfy our criteria.