



SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

First three quarters results for the fiscal year ending March 31, 2006

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

Takeda Pharmaceutical Company Limited

January 31, 2006

TSE Code: 4502

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1. Information relating to the preparation of quarterly financial statements

1) Adoption of simplified accounting treatments:

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

2) Differences in accounting treatments applied compared to previous consolidated fiscal year:

Method of allocating operating expenses to business segments has been changed. For details, refer to "3. Business Segment Information."

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

Consolidated (Excluded) 3 companies

Equity method (Excluded) 2 companies

2. First Three Quarters Consolidated Financial Results (April 1, 2005 to December 31, 2005) for the Fiscal Year ending March 31, 2006

1) Consolidated Operating Results

Millions of yen, rounded to the nearest million

	Nine months ended December 31, 2005		Nine months ended December 31, 2004		Fiscal year ended March 31, 2005
		Change %		Change %	
Net sales.....	935,213	7.4	871,038	3.1	1,122,960
Operating income.....	346,584	2.1	339,574	9.1	385,278
Ordinary income.....	418,898	9.3	383,286	4.8	442,111
Net income	281,142	14.4	245,680	4.0	277,438
Earnings per share (¥).....	¥317.60		¥277.53		¥313.01
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 December 31, 2005	As of March 31, 2005
Total assets	2,949,791	2,545,435
Shareholders' equity	2,309,245	2,001,414
Shareholders' equity / total assets (%).....	78.3	78.6
Shareholders' equity per share (¥).....	¥2,608.72	¥2,260.52

3. Consolidated forecasts for the Fiscal Year Ending March 31, 2006 (April 1, 2005 to March 31, 2006)

Millions of yen

	Fiscal year ending March 31, 2006
Net sales.....	1,195,000
Ordinary income.....	465,000
Net income.....	310,000

Notes: 1. Net income per share forecast for the fiscal year ending March 31, 2006: ¥349.81

2. Forecasts are unchanged from those announced in November 2005.



[Descriptive information on consolidated 9-month results]

1. OVERVIEW OF CONSOLIDATED 9-MONTH OPERATING RESULTS

[Consolidated net sales]

Consolidated net sales for the 9-month period ended December 31, 2005 increased ¥64.2 billion (7.4%) to ¥935.2 billion from the same period of the previous year.

- The increase in net sales was supported by the sales growth of in-house ethical drugs, which made up for a decrease in sales of Life-Environment business products resulting from the transfer of subsidiaries' and affiliated companies' stocks in that business in April 2005.
- 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 international strategic products:

Drug for treatment of prostate cancer and endometriosis Leuprorelin (Japan product name: Leuplin)	¥95.4 billion	Up ¥5.8 billion (6.4%) from the same period last year
Drug for treatment of peptic ulcers Lansoprazole (Japan product name: Takepron)	¥127.5 billion	Up ¥0.6 billion (0.5%) from the same period last year
Drug for treatment of hypertension Candesartan (Japan product name: Blopress)	¥148.7 billion	Up ¥32.6 billion (28.0%) from the same period last year
Drug for treatment of diabetes Pioglitazone (Product name: Actos)	¥177.1 billion	Up ¥31.4 billion (21.6%) from the same period last year

[Gross profit]

Gross profit increased ¥60.3 billion (9.2%) from the same period last year to ¥716.7 billion.

- The gross profit margin ratio improved 1.3 points to 76.6%, supported by an increase in sales of ethical drugs that have high gross profit ratios, and the impact of the discontinuance of consolidation of sales of Life-Environment Business products that have a low gross profit ratio.

[Operating income]

Operating income increased ¥7.0 billion (2.1%) from the same period last year to ¥346.6 billion.

- Operating income increased due to the increase in gross profit, which more than offset the increase in selling, general and administrative expenses by ¥53.3 billion from the same period last year to ¥370.1 billion.
- R&D expenses included in these selling, general and administrative expenses increased by ¥30.6 billion to ¥116.1 billion, mainly due to progress in development activities, in-licensing and alliance activities, and R&D expenditures in Takeda San Diego, Inc. (hereinafter "TSD"), a consolidated subsidiary acquired in March 2005.
- At Takeda Pharmaceuticals North America, Inc., a US consolidated subsidiary (hereinafter "TPNA"), the expenses for launching ROZEREM for treatment of insomnia and Actoplus Met for Type II diabetes (a fixed combination of Actos and metformin) incurred.

[Ordinary income]

Ordinary income increased ¥35.6 billion (9.3%) from the same period last year to ¥418.9 billion.

- Net non-operating income increased ¥28.6 billion to ¥72.3 billion, contributing to the increase in ordinary income.
- Equity in earnings of affiliated companies increased ¥9.5 billion (27.5%) to ¥44.1 billion, including those from TAP Pharmaceutical Products Inc. (hereinafter "TAP"), a US affiliated company of which equity in earnings increased by ¥8.6 billion (27.0%) to ¥40.2 billion.
- Other net non-operating income increased ¥19.1 billion compared to the same period last year, mainly due to the increase in interest income.

[Consolidated net income]

Consolidated net income increased ¥35.5 billion (14.4%) from the same period last year to ¥281.1 billion.

- Extraordinary income totaled ¥32.6 billion.

Extraordinary income includes a gain from the returning of a substituted portion of the retirement pension fund (Welfare Pension Fund) to the Japanese government, a gain from the transfer of stocks of subsidiaries and affiliated companies engaged in the Life-Environment business, and a gain from the partial transfer of stocks of Wyeth K.K. and Takeda-Kirin Foods Corporation.

- Earnings per share for the 9 months ended December 31, 2005 increased ¥40.07 to ¥317.60 from the same period last year.



2. QUARTERLY RESULTS BY SEGMENT

The following table shows sales and operating income of 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	¥832.6 billion	Up ¥75.9 billion	¥339.2 billion	Up ¥4.1 billion
Ethical drugs	¥788.6 billion	Up ¥75.7 billion		
<Japan>	<¥389.2 billion>	<Up ¥33.7 billion>		
<Overseas>	<¥399.4 billion>	<Up ¥42.0 billion>		
Consumer healthcare	¥44.1 billion	Up ¥0.2 billion		
Other	¥102.6 billion	Down ¥11.7 billion	¥7.5 billion	Up ¥2.8 billion

Note: From the current interim period, handling of that portion of costs and expenses not allocatable to specific business segments, which portion was previously included in "Eliminations/Corporate" category, was changed. (For details, refer to Attachment 3: Business Segment Information on Page 8.)

In response to this change, figures for the previous year are restated in accordance with the new method.

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

[Pharmaceuticals]

Consolidated net sales by the pharmaceuticals segment increased ¥75.9 billion (10.0%) from the same period last year to ¥832.6 billion.

Operating income increased ¥4.1 billion (1.2%) to ¥339.2 billion.

-Sales by the Ethical drugs business increased ¥75.7 billion (10.6%) to ¥788.6 billion.

Sales of ethical drugs in the Japanese market increased ¥33.7 billion (9.5%) to ¥389.2 billion, supported by sales growth of major products shown at the following table:

Blopress	¥96.5 billion	Up ¥16.1 billion (20.0%) compared with the same period last year
Actos	¥18.3 billion	Up ¥6.5 billion (55.8%) compared with the same period last year
Takepron	¥43.6 billion	Up ¥6.2 billion (16.5%) compared with the same period last year
Basen (drug for treatment of postprandial hyperglycemia)	¥52.0 billion	Up ¥3.4 billion (7.0%) compared with the same period last year

Sales of ethical drugs in overseas markets increased ¥42.0 billion (11.8%) to ¥399.4 billion.

Although royalty income from TAP in the U.S. decreased, the impact of this negative factor was offset by higher sales of Actos for treatment of diabetes by TPNA (up US\$153 million to US\$1,301 million), and by higher sales in Europe of international strategic products, including Leuprorelin and Actos.

- Sales by the Consumer healthcare business increased ¥0.2 billion (0.5%) to ¥44.1 billion. Sales of Actage AN Jo, Nicorette and other products increased, while sales of Alinamin drinks decreased.

[Other]

Sales by other businesses segment decreased ¥11.7 billion (10.3%) from the same period last year to ¥102.6 billion. Operating income increased ¥2.8 billion (61.5%) to ¥7.5 billion.

-The sharp decline in net sales was due to the discontinuance of sales of Life-Environment business products, resulting from the transfer of subsidiaries' and affiliated companies' stocks in that business in April 2005.



3. Research & Development

Takeda is focusing on strengthening research activities in the selected core therapeutic areas, including lifestyle-related diseases, reinforcing its ability to identify drug discovery targets using genomic information etc. and accelerating development projects.

Takeda also actively pursues maximization of international strategic product added value by adding new indications and formulations, and conducts in-licensing and alliance activities.

Major results of R&D activities during the nine months ended December 31, 2005 are:

[In-house R&D]

- In July 2005, the U.S. Food and Drug Administration (FDA) approved the marketing of ROZEREM, a new product following on from Actos; it was launched by TPNA in September 2005.
- In July 2005, "Fast Track Designation" was granted from the U.S. FDA for TAK-242, a drug for severe sepsis. This designation is expected to facilitate quick implementation of the R&D examination. Moreover, if good results are obtained from clinical trials, the product may be designated for another "Fast Track Designation" for review of the New Drug Application (NDA), which means that the product can be approved in six months from the date of the NDA submission.
Now the global Phase III trials are under way concurrently in Japan, the U.S. and Europe, without conducting Phase II trials.
- In July 2005, Takeda signed an agreement with Pharmaceutical Product Development, Inc. (PPD) to take over the latter's rights with regard to joint development and marketing of Dipeptidylpeptidase IV inhibitor (DPP IV), a therapeutic agent for diabetes, invented by TSD. In January 2006, it was decided to start Phase III trials for this drug in the U.S and in Europe.
- In the U.S., TAP is now conducting Phase III trials for TAK-390MR, a peptic ulcer treatment created by Takeda, in accordance with the approval received from the FDA to conduct Phase III trials without Phase II trials.

[Maximization of international strategic products' added value]

<Candesartan>

- In the United States, the FDA approved an additional indication for chronic heart failure: the February 2005 approval was for monotherapy in patients intolerant of ACE inhibitor. This was followed by additional approval in May 2005 for combined use with ACE inhibitor.
- With regard to Blopress tablets 2, 4 and 8mg, Takeda received approval for the indication for chronic heart failure as the first angiotensin II receptor blocker in Japan from the Ministry of Health, Labor and Welfare in October 2005.

<Actos>

- In June 2005, in the United States, Takeda Global Research & Development Center, Inc. (hereinafter "TGR&D") submitted to the U.S. FDA a new drug application for the marketing of a fixed combination of Actos with glimepiride (sulfonylurea). In addition, a new drug application was also submitted to the European Medicines Agency through European Union's Centralized Procedures in July 2005.
- In August 2005, TGR&D received approval from FDA for marketing Actoplus Met, a fixed combination of Actos with metoformin, in the United States. Upon receipt of this approval, TPNA started marketing this drug in November 2005.
- In September 2005, the results of PROactive Study (a randomized, double blind, placebo-controlled outcome study to determine the effects of ACTOS on mortality and morbidity associated with cardiovascular disease progression in high risk patients with type 2 diabetes) were announced. This is the first study in the world to prospectively show that a specific oral glucose-lowering medication, Actos, can significantly improve cardiovascular outcome by helping delay or reduce heart attack, stroke and death in high-risk patients.

<Leuprorelin>

- In August 2005, regarding Leuplin SR Injection Kit 11.25, one of the formulations of Leuplin, Takeda received an approval for indication for premenopausal breast cancer from the Ministry of Health, Labour and Welfare. This approval also paved the way for the use of Leuplin 3.75 for Injection and Leuplin Injection Kit 3.75 as adjuvant postoperative therapy for premenopausal breast cancer.

[In-licensing and alliance activities]

- In June 2005, Takeda reached an agreement with Paradigm Therapeutics, a British biotechnological



pharmaceutical company, in connection with joint research in the central nervous system therapeutic area. Under this agreement, for the next three years Takeda is entitled to exclusive access, including evaluation and purchase, to proprietary drug targets created by Paradigm in defined CNS fields.

- In July 2005, Takeda entered into an agreement with Santhera Pharmaceuticals Ltd., a Swiss biotechnological pharmaceutical company, in connection with joint development in the U.S. and Europe, and sales by Takeda in Europe of Idebenone, a proprietary drug created by Takeda as a therapeutic agent for Friedreich's ataxia.
- In September 2005, Takeda and Merck KGaA of Germany reached an agreement on the joint development and sale in the U.S., Japan, Europe and some Asian countries, of Matuzumab, the humanized antibody (invented by Merck) against epidermal growth factor receptor, which is responsible for the production and progression of cancer.
- In November 2005, Takeda reached a license agreement with Pronova Biocare AS, a Norwegian pharmaceutical company, with respect to Omacor, a drug for hypertriglyceridemia developed by Pronova. Under this agreement, Takeda acquired an exclusive license to develop and market the drug in Japan.
- In January 2006, Takeda determined to start Phase II trials in Japan for ATL-962, a drug for obesity created by Alyzime plc., a UK bioventure company.



[Consolidated Financial Statements and the Related Information]

1. Consolidated Statements of Income (summary)

	Nine months ended December 31, 2005		Nine months ended December 31, 2004		Increase (decrease)	For reference: FY ended March 31, 2005	
Net sales*	935,213	100.0%	871,038	100.0%	64,175	1,122,960	100.0%
Cost of sales	218,531	23.4	214,689	24.6	3,842	279,179	24.9
Selling, general and administrative expenses.....	370,098	39.6	316,775	36.4	53,323	458,503	40.8
[R&D expenses].....	[116,056]		[85,429]		[30,627]	[141,453]	
Operating income	346,584	37.1	339,574	39.0	7,010	385,278	34.3
Non-operating income	80,173	8.6	52,015	6.0	28,158	74,803	6.7
Interest income	20,969		9,962		11,007	14,980	
Dividend income	3,500		2,777		723	3,118	
Equity in earnings of affiliates	44,147		34,622		9,525	45,431	
Other non-operating income	11,557		4,654		6,903	11,274	
Non-operating expenses	7,860	0.8	8,303	1.0	(443)	17,970	1.6
Ordinary income	418,898	44.8	383,286	44.0	35,612	442,111	39.4
Extraordinary income	32,577	3.5	982	0.1	31,595	1,070	0.1
Extraordinary loss.....	-	-	2,088	0.2	(2,088)	2,079	0.2
Income before income taxes and minority interests	451,474	48.3	382,180	43.9	69,294	441,102	39.3
Net income	281,142	30.1	245,680	28.2	35,462	277,438	24.7
Royalty income included on net sales	41,937	4.5	43,919	5.0	(1,982)	50,290	4.5

Note: Percentage represents ratio to net sales.

<For Reference> Breakdown of Quarterly Results

	Nine months ended December 31, 2005		Three months ended June 30, 2005		Three months ended September 30, 2005		Three months ended December 31, 2005	
Net sales*	935,213	7.4%	313,447	5.6%	286,395	6.1%	335,371	10.2%
Operating income	346,584	2.1	131,776	7.7	83,470	(13.7)	131,338	9.0
Ordinary income	418,898	9.3	155,558	10.0	103,869	(8.4)	159,471	24.0
Net income	281,142	14.4	115,246	28.3	66,028	(10.1)	99,868	21.1
Royalty income included on net sales	41,937	(4.5)	16,128	(18.3)	7,442	15.1	18,367	3.7
R&D expenses.....	116,056	35.9	34,508	41.6	47,769	62.7	33,779	6.6

Note: Percentages represent changes over previous comparable period.



2. Consolidated Balance Sheets (summary)

ASSETS

Millions of yen

	As of December 31, 2005		As of March 31, 2005		Increase (decrease)
Current assets	2,294,173	77.8%	1,969,915	77.4%	324,258
Cash and deposits	462,300		429,530		32,770
Notes and accounts receivable	296,145		225,413		70,732
Marketable securities	1,265,799		1,092,590		173,209
Inventories	96,978		94,565		2,413
Fixed assets	655,618	22.2	575,520	22.6	80,098
Tangible fixed assets	218,047		220,133		(2,086)
Intangible fixed assets	6,553		8,092		(1,539)
Investments and other assets	431,018		347,296		83,722
Investment securities	371,229		302,404		68,825
Total assets	2,949,791	100.0	2,545,435	100.0	404,356

LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY

Millions of yen

	As of December 31, 2005		As of March 31, 2005		Increase (decrease)
Liabilities	594,040	20.1	499,185	19.6	94,855
Current liabilities	433,213		365,500		67,713
Long-term liabilities	160,828		133,684		27,144
Minority interests	46,505	1.6	44,836	1.8	1,669
Shareholders' equity	2,309,245	78.3	2,001,414	78.6	307,831
Retained earnings	2,030,054		1,834,931		195,123
Unrealized gain on securities	161,532		125,342		36,190
Foreign currency translation adjustment	7,552		(69,130)		76,682
Total liabilities, minority interests and shareholders' equity	2,949,791	100.0	2,545,435	100.0	404,356



3. Business Segment information

First three quarters (April 1, 2005 – December 31, 2005) of fiscal year ending March 31, 2006

	Millions of yen				
	Pharmaceuticals	Other	Total	Eliminations / corporate	Consolidated
Net sales	832,641	102,573	935,213	--	935,213
Operating income	339,170	7,455	346,625	(40)	346,584

First three quarters (April 1, 2004 – December 31, 2004) of fiscal year ended March 31, 2005

	Millions of yen				
	Pharmaceuticals	Other	Total	Eliminations / corporate	Consolidated
Net sales	756,727	114,311	871,038	--	871,038
Operating income	335,092	4,617	339,709	(135)	339,574

Notes:

- Sales figures refer to sales to outside customers.
- Change in the operating expenses allocation method

The Takeda Pharmaceutical Group divides its business into two business segments: Pharmaceuticals and Other. Of operating expenses, common expenses spent for administrating both segments, such as expenses spent by the head office were previously included in "Elimination or Corporate." For the current fiscal year, following the completion of business restructuring by transfer of the shares of the four consolidated subsidiaries and affiliates of life-environmental business, Takeda reviewed business management so that the headquarter functions shall concentrate operations into pharmaceutical business. Consequently, it was determined that such operating expenses shall be stated mainly under the category "Pharmaceuticals" from this current period. In response to this change, figures for the same period of the previous year are restated in accordance with the new method.

Sales to outside customers

	Millions of yen				
	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Increase (decrease) in percent	FY ended March 31, 2005	
Ethical drugs	788,554	712,879	10.6	914,794	
Domestic.....	389,173	355,508	9.5	451,890	
Pharmaceuticals	399,381	357,371	11.8	462,903	
Overseas.....	44,086	43,848	0.5	55,683	
Consumer healthcare					
Subtotal	832,641	756,727	10.0	970,477	
Other	102,573	114,311	(10.3)	152,483	
Total	935,213	871,038	7.4	1,122,960	

Note: 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, health foods, beverages, inorganic industrial chemicals (activated carbon ^{*1} , wood preservatives ^{*1} animal health products ^{*2})	

*1 With regard to Life Environment business, in April 2005, four of Takeda's consolidated subsidiaries and equity method-applied affiliates were transferred to Osaka Gas Chemicals Co., Ltd., a subsidiary of Osaka Gas Co., Ltd. These four companies deal mainly in activated carbon and wood preservatives

*2. In June 2005, all Takeda's shares in Takeda Schering-Plough Animal Health K.K. (engaged in animal drug business) were transferred to Schering-Plough K.K.



4. Sales of international strategic products

Consolidated sales of international strategic products (ethical pharmaceuticals)

Billions of yen

	Three months ended December 31, 2005	Three months ended December 31, 2004	Increase (decrease) in percent	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Increase (decrease) in percent
Leuprorelin	33.2	31.6	5.2	95.4	89.7	6.4
Lansoprazole	41.5	41.3	0.4	127.5	126.9	0.5
Candesartan	55.6	41.0	35.5	148.7	116.1	28.0
Pioglitazone	65.8	52.8	24.5	177.1	145.7	21.6

Foreign exchange rate

Yen

	Three months ended December 31, 2005	Three months ended December 31, 2004	Nine months ended December 31, 2005	Nine months ended December 31, 2004
US\$ quarterly average October – December	117	106	112	109
Euro quarterly average October – December	139	137	137	135

For reference: Sales of in-house ethical products*¹

Billions of yen

	Three months ended June 30, 2005	Three months ended June 30, 2004	Increase (decrease) in percent	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Increase (decrease) in percent
Overseas sales						
Including affiliated companies	199.5	155.7	28.1	564.6	521.6	8.2
Americas	154.1	117.9	30.7	431.9	404.5	6.8
Europe.....	41.1	34.6	18.6	120.6	107.2	12.5
Asia	4.3	3.2	34.4	12.1	10.0	20.7
Domestic sales [unconsolidated]	108.5	99.3	9.3	290.9	263.8	10.3
Total sales	308.0	255.0	20.8	855.6	785.4	8.9
Ratio of overseas sales	64.8%	61.1%		66.0	66.4	

*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

	Three months ended December 31, 2005	Three months ended December 31, 2004	Increase (decrease) in percent	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Increase (decrease) in percent
Leuprorelin						
Worldwide sales	49.5	49.8	(0.5)	139.8	138.8	0.7
Japan	18.1	17.7	2.7	49.5	47.2	4.7
Americas	21.0	22.6	(7.4)	59.7	64.7	(7.8)
Europe	9.8	8.9	9.3	28.8	25.2	14.0
Asia	0.7	0.5	26.3	1.9	1.6	19.8
Lansoprazole						
Worldwide sales	103.0	78.6	31.0	296.2	289.6	2.3
Japan	16.6	14.5	14.3	43.6	37.4	16.5
Americas	74.3	49.7	49.4	214.5	208.0	3.1
Europe	11.3	13.8	(17.9)	35.9	42.2	(14.9)
Asia	0.8	0.6	25.8	2.2	2.0	11.4
Candesartan*²						
Worldwide sales	55.7	41.1	35.7	149.0	116.3	28.1
Japan	36.2	31.9	13.4	96.5	80.4	20.0
Americas/Europe/ Asia	19.5	9.1	114.0	52.5	35.9	46.3
Pioglitazone						
Worldwide sales	65.9	52.9	24.5	177.4	145.9	21.6
Japan	7.3	4.7	57.2	18.3	11.7	55.8
Americas	53.7	44.9	19.7	145.9	124.6	17.1
Europe	4.2	2.9	43.7	11.6	8.2	41.4
Asia	0.6	0.4	39.9	1.7	1.3	25.9

*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.

*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	Three months ended December 31, 2005	Three months ended December 31, 2004	Increase (decrease) in percent	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Increase (decrease) in percent
1	Blopress	6/99	A II-receptor antagonist	36.2	31.9	13.4	96.5	80.4	20.0
2	Basen	9/94	-glucosidase inhibitor	19.2	18.4	4.3	52.0	48.6	7.0
3	Leuplin	9/92	LH-RH antagonist	18.1	17.7	2.7	49.5	47.2	4.7
4	Takepron	12/92	Proton pump inhibitor	16.6	14.5	14.3	43.6	37.4	16.5
5	Actos	12/99	Insulin sensitizer	7.3	4.7	57.2	18.3	11.7	55.8
6	Benet	5/02	Bone resorption inhibitor	4.6	4.2	10.7	12.4	10.9	13.8
7	Seltouch	9/93	Topical NSAID	3.9	3.8	1.1	11.1	11.0	1.6
8	Pansporin	2/81	Antibiotics	3.7	3.9	(4.4)	10.2	10.7	(4.4)
9	Isovorin	10/99	Cytostatics	3.8	3.0	25.9	9.8	8.2	19.7
10	Glovenin	11/91	Immuno-globulin	2.6	2.4	6.5	6.8	6.4	6.2
11	Dasen	11/68	Anti-inflammatory enzyme	2.7	2.7	(0.6)	6.5	6.4	0.5
12	Calslot	9/90	Calcium channel blocker	2.2	2.5	(13.2)	6.1	7.1	(14.9)
13	Firstcin	8/95	Antibiotics	2.2	2.3	(4.9)	6.0	6.2	(3.9)
14	Leucovorin 25	9/03	Anti-neoplastic adjuvant	2.1	1.3	59.6	5.3	2.8	91.9
15	Rheumatrex	8/99	Antifolic	2.0	1.9	4.5	5.3	5.0	5.6

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

Billions of yen

Rank	Product name	Three months ended December 31, 2005	Three months ended December 31, 2004	Increase (decrease) in percent	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Increase (decrease) in percent
1	Alinamin tablets	4.0	4.7	(15.2)	12.7	12.6	1.1
2	Alinamin drinks	3.2	3.4	(4.3)	10.3	11.0	(5.8)
3	Benza (excluding drinks)	2.2	2.4	(8.7)	6.4	6.4	0.2
4	Biofermin	1.6	1.6	(0.2)	4.8	4.5	5.2
5	Borraginol	1.3	1.3	(0.7)	3.3	3.3	(0.4)

Development activities

New compounds

Development code <generic name>	Drug Class	Indications	Country region	Stage	In-house / In-license	Note
SPI-0211 < lubiprostone >	Chloride channel opener	Chronic constipation	U.S.	Filed (05/3)	In-license (Sucampo Pharmaceuticals, Inc.)	Development is conducted by Sucampo
		Constipation-predominant Irritable Bowel Syndrome	U.S.	P-III		
TAK-242 < Not decided yet >	TLR4 signal transduction inhibitor	Severe sepsis	Jpn	P-III	In-house	Fast Track
			U.S.	P-III		
TAK-375 < rimeleon >	MT1/MT2 receptor agonist	Insomnia	Jpn	P-III	In-house	Brand name: Rozerem (U.S.) Launched in Sep 05
		Circadian rhythm sleep disorder (CRSD)	EU	P-III		
TAK-475 < Not decided yet >	Squalene synthase inhibitor	Hyperlipidemia	U.S.	P-III	In-house	
			EU	P-III		
TAK-390MR < Not decided yet >	Proton pump inhibitor	Erosive esophagitis and non-erosive gastro- esophageal reflux disease	Jpn	P-I	In-house	
			U.S.	P-III		
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-I		
SYR-322 < Not decided yet >	DPPIV inhibitor	Diabetes mellitus	U.S.	P-III	In-house	
			EU	P-III		
TAK-428 < Not decided yet >	Neurotrophic factor production accelerator	Diabetic neuropathy	U.S.	P-II	In-house	
			EU	P-II		
TAK-654 < Not decided yet >	Insulin resistance-improving drug	Diabetes mellitus	Jpn	P-II	In-house	
			U.S.	P-II		
TAK-536 < Not decided yet >	Angiotensin II receptor antagonist	Hypertension	U.S.	P-II	In-house	
			EU	P-II		
TAK-715 < Not decided yet >	p38 MAPkinase inhibitor	Rheumatoid arthritis	U.S.	P-II	In-house	
			EU	P-II		
LY333531 < ruboxistaurin >	PKC β inhibitor	Diabetic maculopathy	Jpn	P-II	In-license (Eli Lilly)	Co-development
			U.S.	P-II		
TAK-128 < Not decided yet >	Myelin formation accelerator	Diabetic neuropathy	U.S.	P-II	In-license (Mitsubishi Pharma Corporation)	Fast Track
			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	In-license (Merck KGaA)	Co-development
			EU	P-II		
ATL-962 < cetilistat >	Lipase inhibitor	Obesity	Jpn	P-I	In-license (Alizyme)	
			U.S.	P-II		

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
AG-1749 < lansoprazole > Takepron (Jpn, Asia) Prevacid (U.S., Asia) Ogast, Agopton, Lansox, etc. (EU)	Proton pump inhibitor	Injectable formulation Symptomatic-GERD	Jpn Jpn	Filed (Feb 04) Filed (Sep 04)	In-house
TAP-144-SR < leuprorelin acetate > Leuplin (Jpn) Lupron Depot (U.S.) Enantone etc. (EU, Asia)	LH-RH agonist	6-month depot/prostate cancer	EU	Filed (Jun 05)	In-house
TCV-116 < candesartan cilexetil > Blopess (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 Jpn EU Jpn	Filed (Dec 02) P-III P-III P-II	In-house
AD-4833 < pioglitazone hydrochloride > Actos (Jpn, U.S., EU, Asia)	Insulin resistance-improving drug	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 Concomitant therapy with metformin	EU U.S. EU EU U.S. Jpn	Filed (Feb 05) Filed (Jun 05) Filed (Jul 05) Filed (Dec 05) P-III P-III	In-house
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	Jpn	Filed (Dec 04)	In-licensed (Ajinomoto)

Current progress in stage (Oct - Dec 2005)

Development code	Indications or formulations	Brand name (country/region)	Progress in stage
AD-4833	Reduction of the risk of macrovascular events in patients with type 2 diabetes mellitus and pre-existing macrovascular disease	Actos (EU)	P-III Filed (Dec 05)
SYR-322	Diabetes mellitus	< Not decided yet > (U.S., EU)	P-II P-III
ATL-962	Obesity	< Not decided yet > (Jpn)	P-I P-II
TAK-390MR	Erosive esophagitis and non-erosive gastro-esophageal reflux disease	< Not decided yet > (Jpn)	P-I

Note

Dec 2005, Takeda acquired all rights and information about a novel target which was validated by the collaboration with Evotec Neurosciences.