

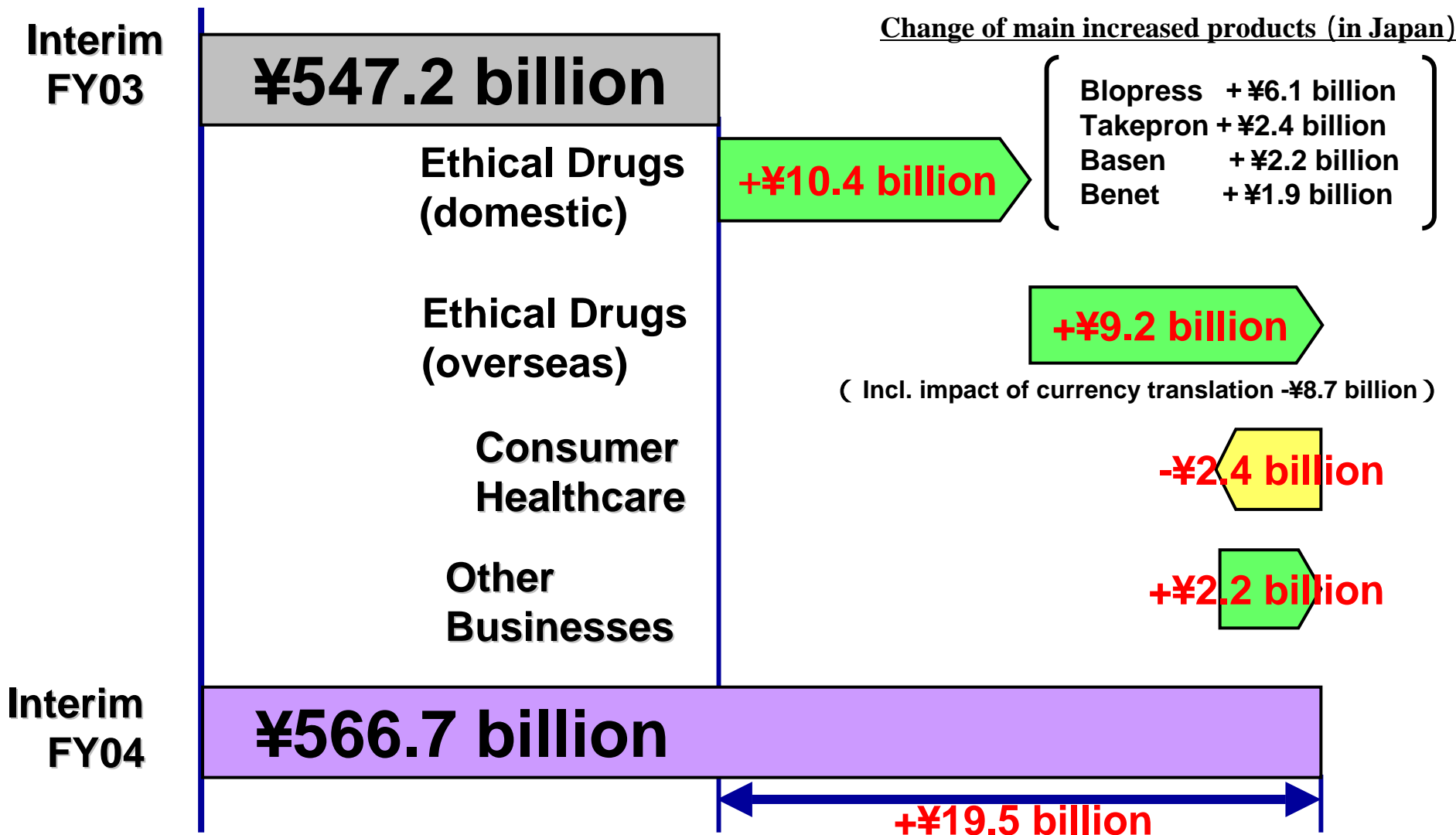
***Summary of Interim Consolidated
Results for FY2004
and
Projection for FY2004***

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General Manager,
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Summary of FY2004 Interim Results

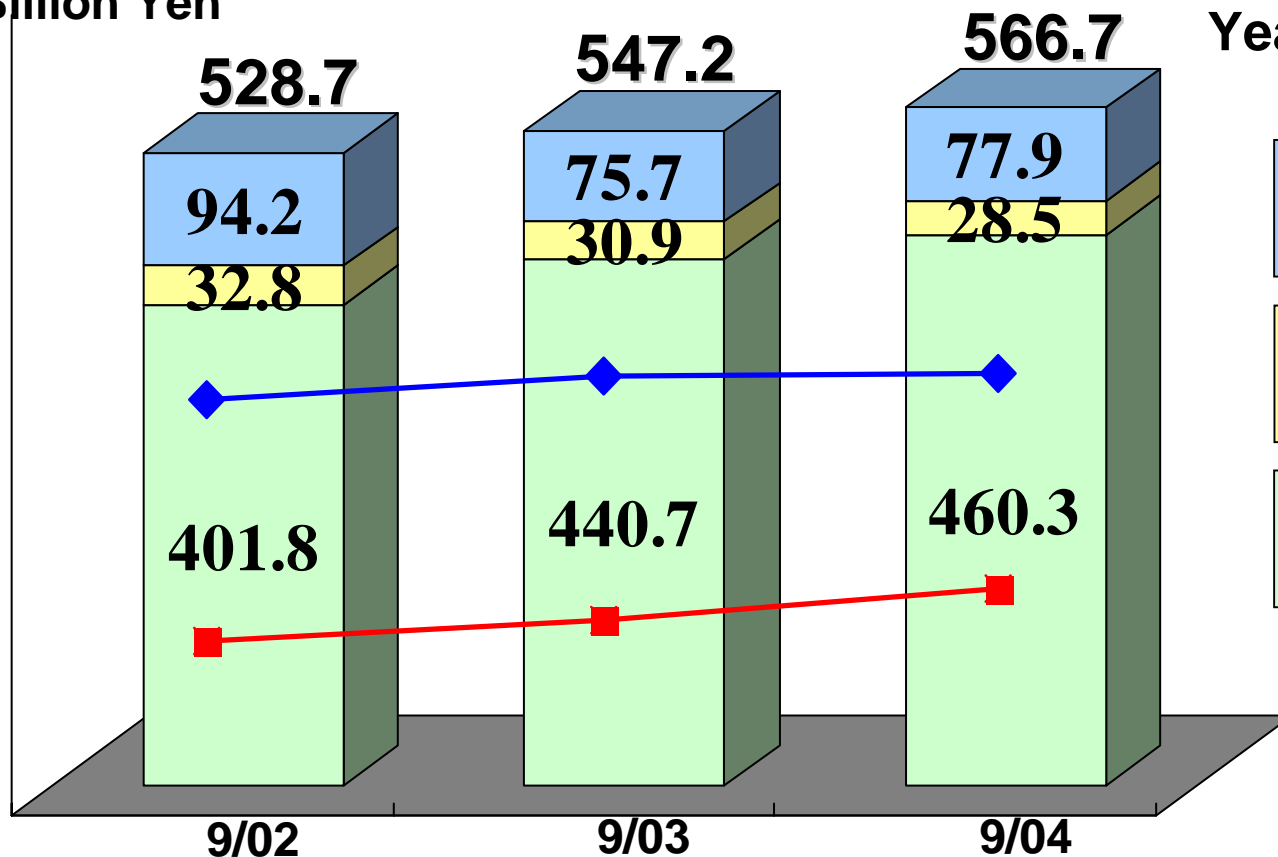
	FY2003	FY2004	Increase/Decrease	
	Interim	Interim		
	Billion Yen	Billion Yen	Amount	(%)
Net sales	547.2	566.7	19.5	(+3.6%)
Operating income	183.6	219.1	35.4	(+19.3%)
Ordinary income	218.0	254.7	36.7	(+16.8%)
[Extraordinary gain (net)]	[0.6]	[(0.8)]	[(1.4)]	
Net income	140.5	163.2	22.7	(+16.1%)
E P S (Yen)	158.8	184.4	25.6	(+16.2%)
R O E	17.2%	17.6%	0.4%	

Breakdown of Increases/Decreases in FY2004 Interim Consolidated Net Sales



Breakdown of Net Sales by Business

Billion Yen



Year-on-year change (%)

+ ¥19.5 billion(+3.6%)

Others
+ ¥2.2 billion(+2.9%)

Consumer Healthcare
- ¥2.4 billion(- 7.7%)

Ethical Drugs
+¥19.6 billion (+4.5%)

Others
Consumer Healthcare
Ethical drugs

Operating margin
Gross margin

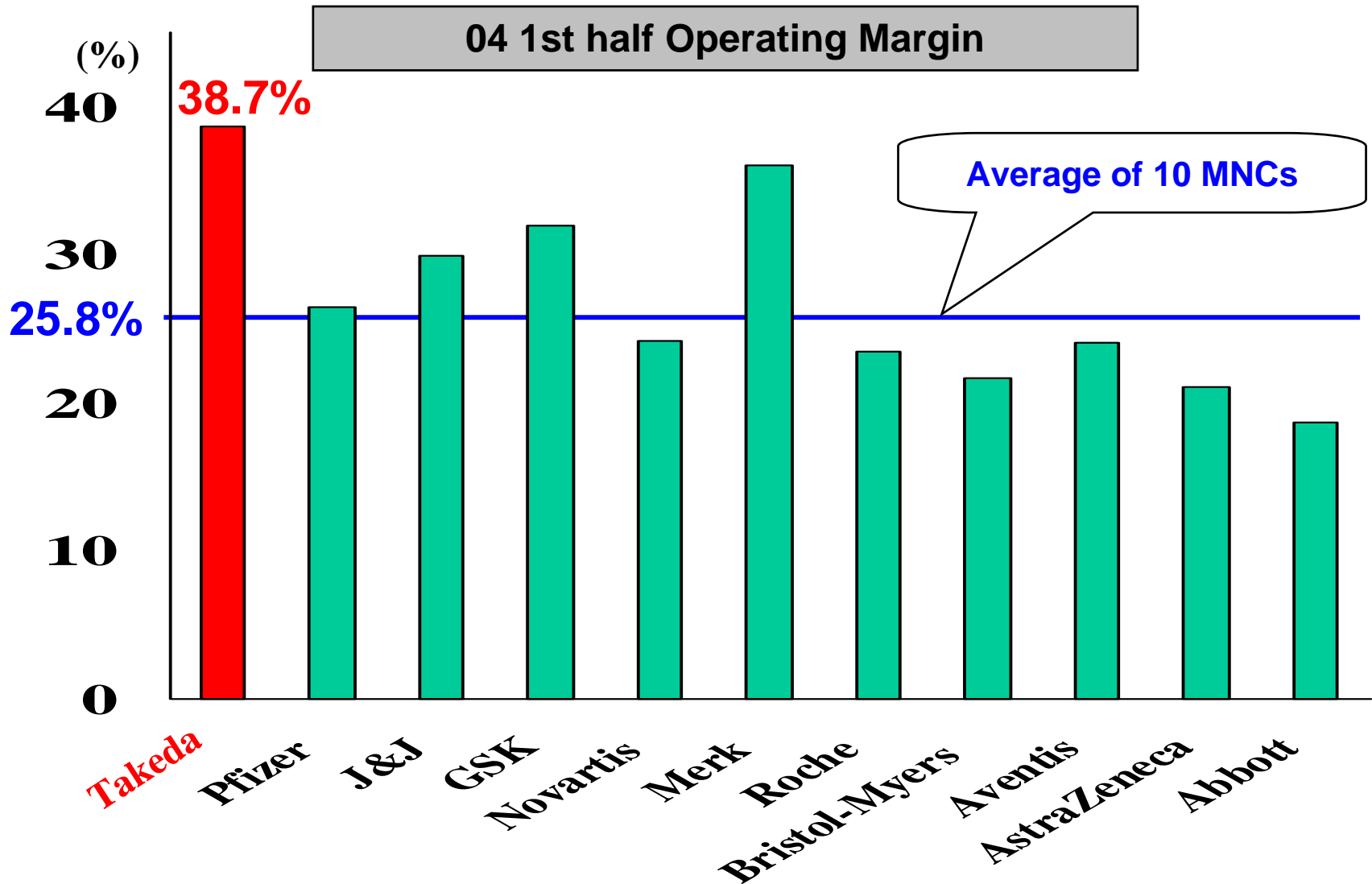
Pharmaceuticals % of Total	9/02	9/03	9/04
	82.2%	86.2%	86.3%

Gross margin	70.5%	74.6%	75.0% (+0.4 points)
Operating margin	29.8%	33.6%	38.7% (+5.1 points)
(Pharmaceutical	36.2%	39.8%	47.0%)
(Others	7.7%	9.8%	8.9%)

Change of product mix
+0.7% (Increase of sales of ethical drugs)

Impact of currency translation -0.3%

Comparison of Operating Margin (Takeda vs. MNCs)



Net Sales of In-House Ethical Drugs by Region (worldwide sales including affiliates)

(Billion yen)

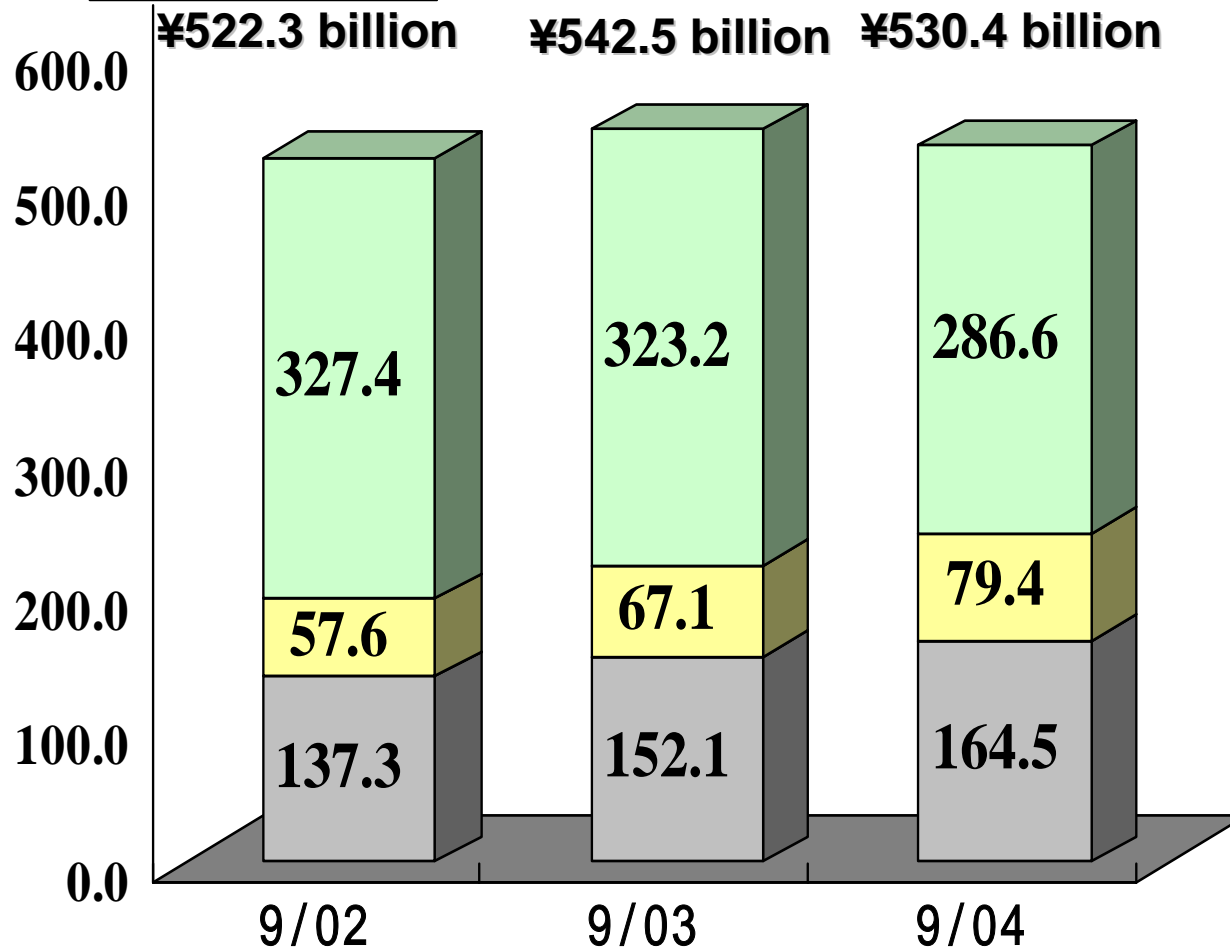


Year-on-year change (%)

(incl. - ¥21.8 billion currency translation effect)

- ¥12.1 billion

(- 2.2%)



Americas

(incl. - ¥22.5 billion currency translation effect)

- ¥36.7 billion

(- 11.3%)

Europe & Asia

(incl. + ¥0.7 billion currency translation effect)

+ ¥12.3 billion

(18.3%)

Japan

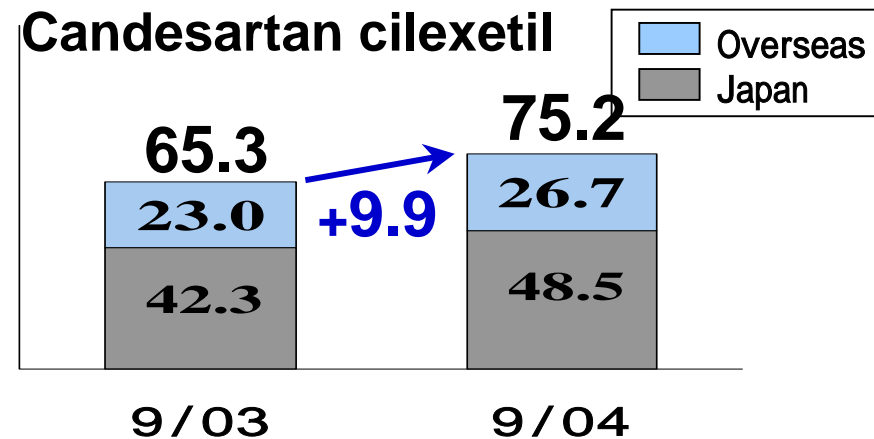
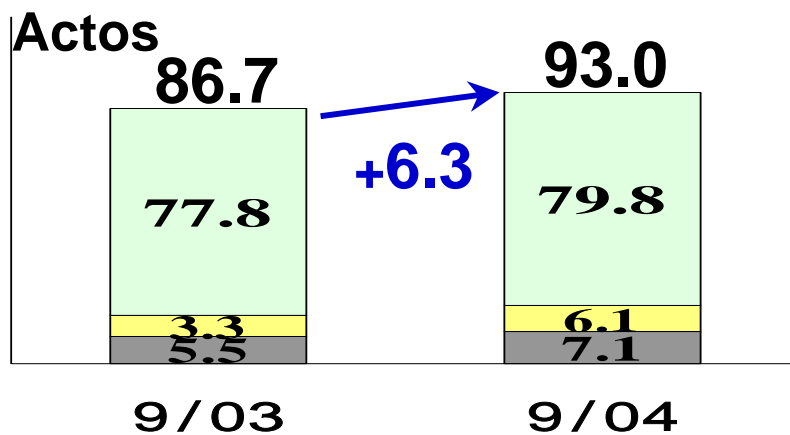
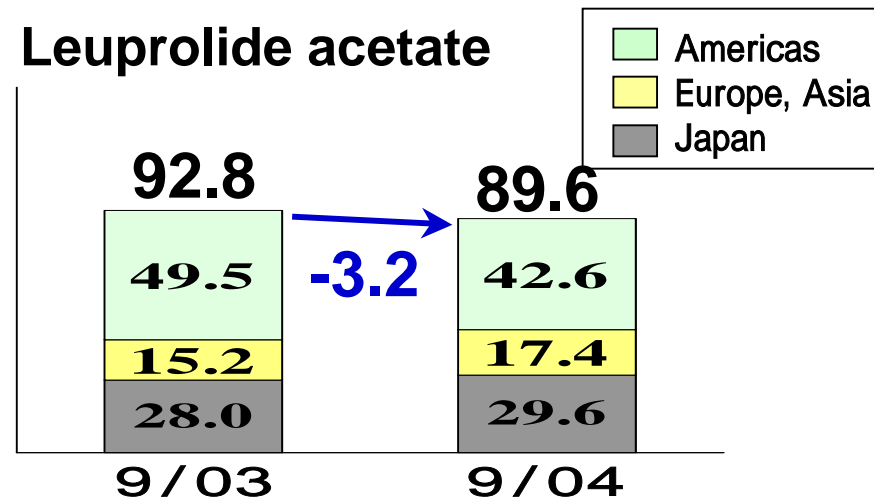
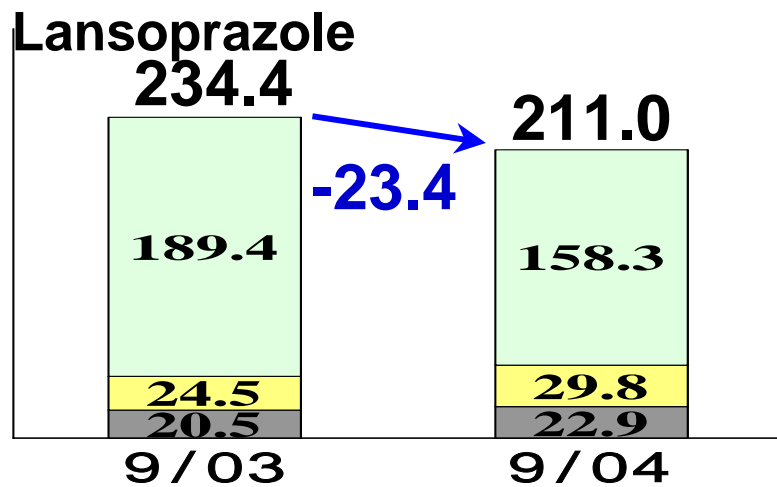
+ ¥12.3 billion

(+ 8.1%)

International Strategic Products

(Billion Yen)

*Worldwide net sales including affiliates



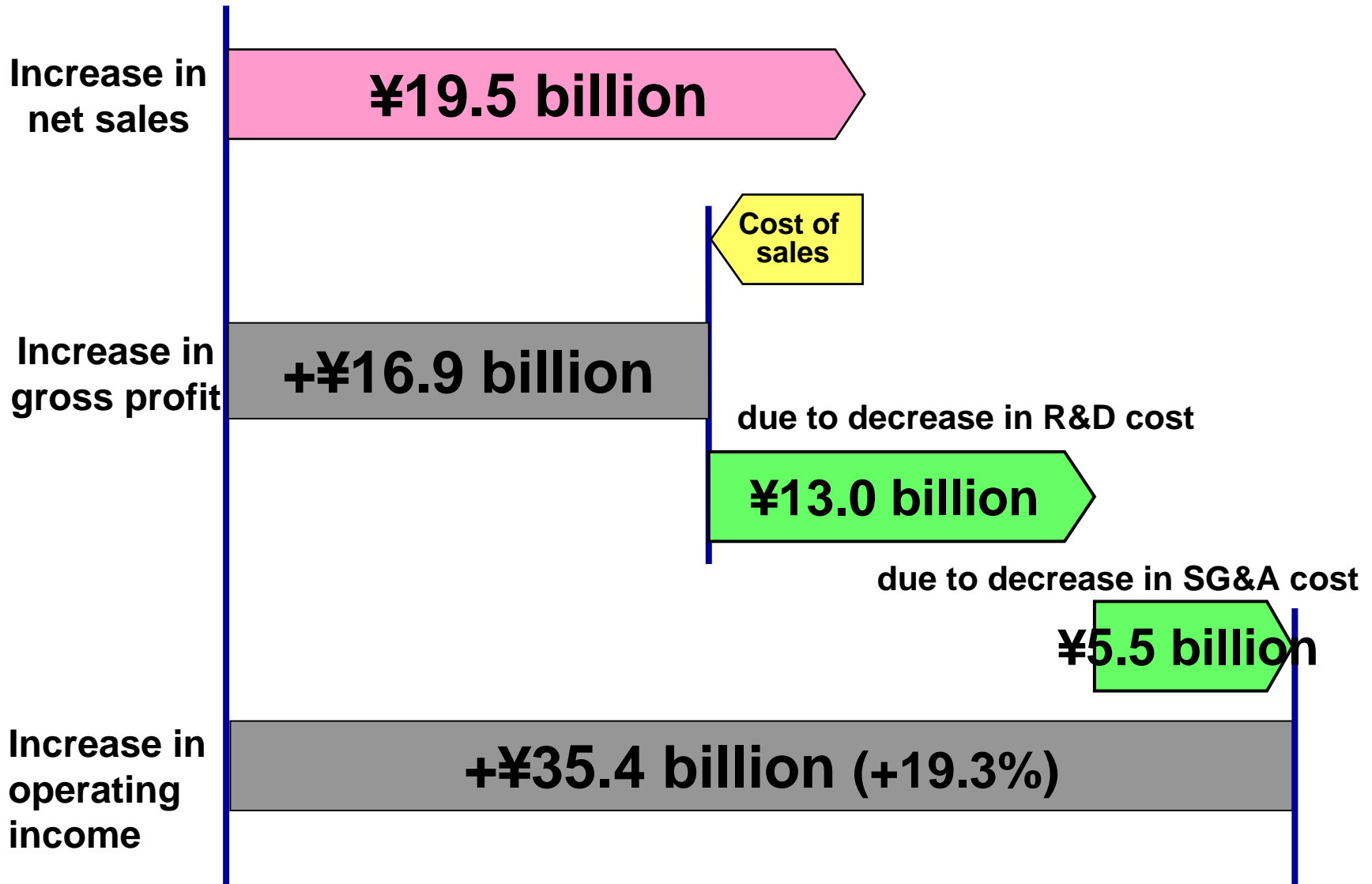
Combined sales of
4 products

Interim FY03
¥479.1 billion

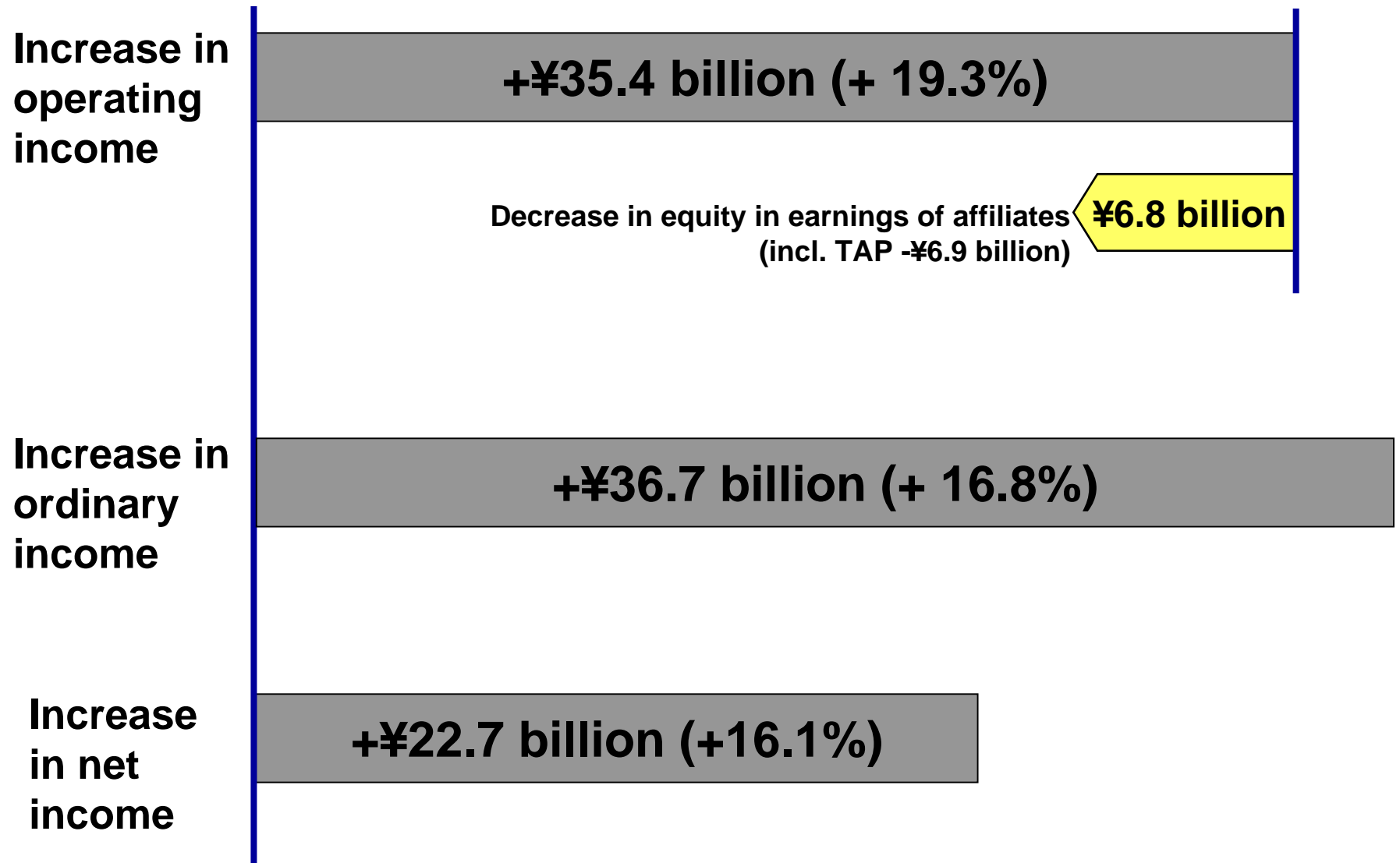
Interim FY04
¥468.7 billion

YoY Change (%)
-10.4 billion (-2.2%)

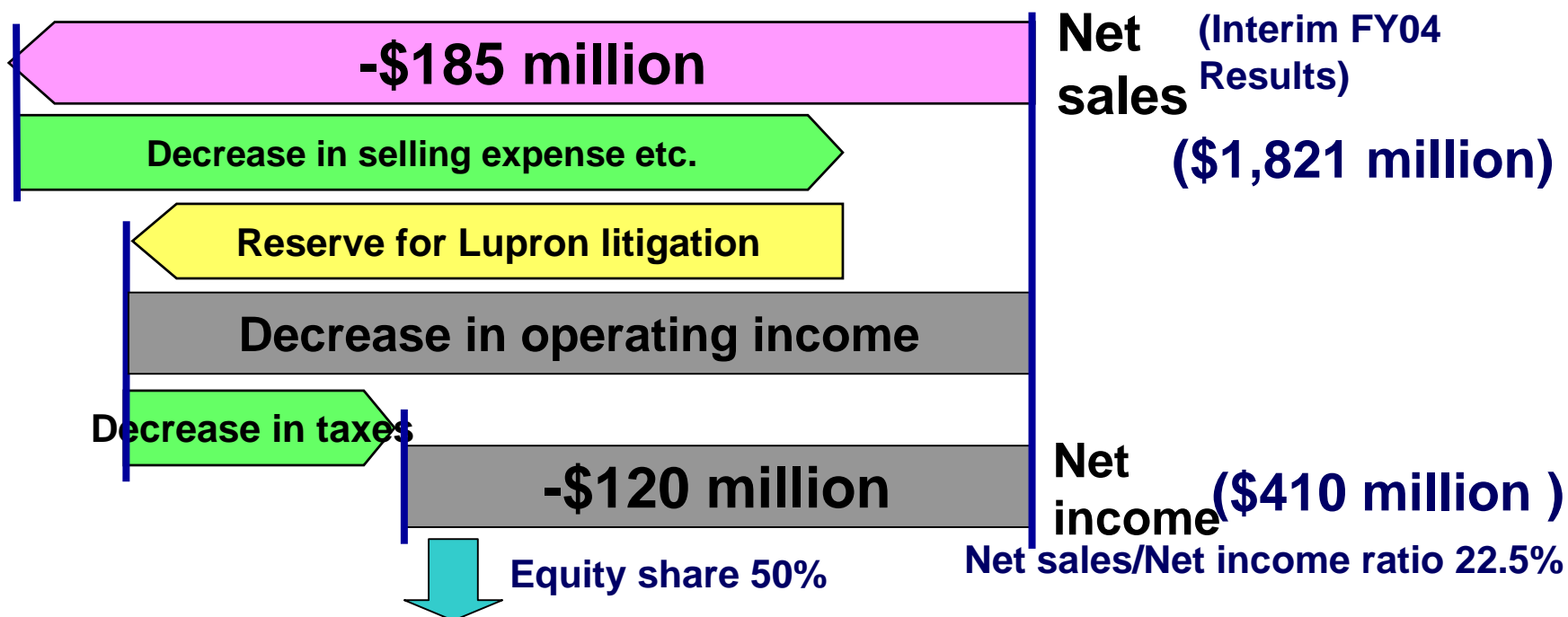
Major Factors in Increase in Interim Consolidated Operating Income for FY2004



Major Factors in Increase in Interim Consolidated Net Income for FY2004



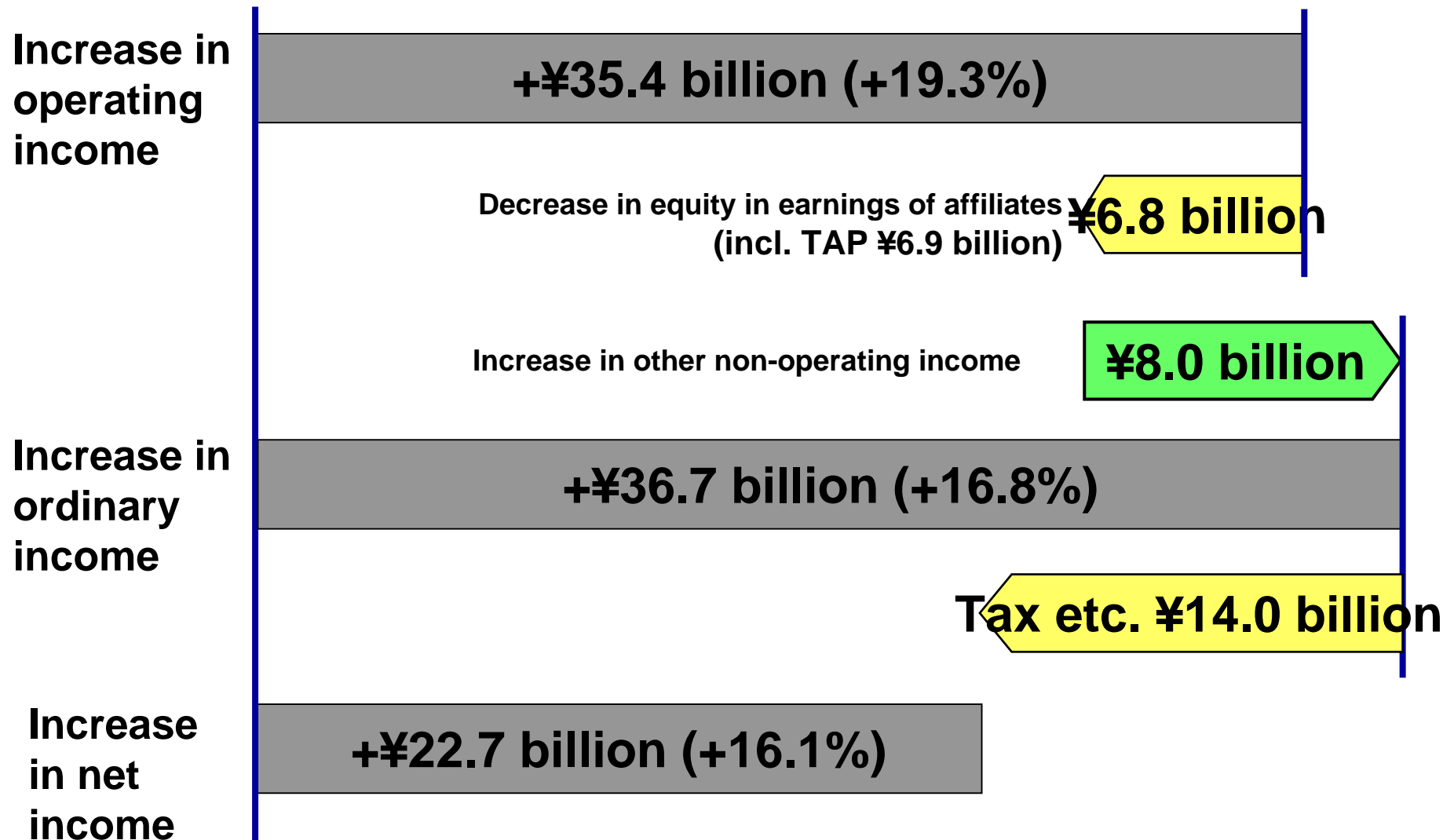
TAP Interim FY2004 Results



-\$60 million (Including US\$40 million reserve for civil litigation regarding Lupron, a part of which was recorded in Takeda's consolidation in the previous year.)

<u>Impact on equity in earnings of affiliates</u>	<u>- ¥6.9 billion)</u>
(Breakdown) Business	<u>- ¥2.2 billion</u>
Lupron civil litigation	<u>- ¥2.5 billion</u>
{ Reserve by TAP	<u>- ¥4.5 billion</u> }
{ Reversing entry of the previous year	<u>+ ¥2.0 billion</u> }
Currency translation effect	<u>- ¥2.2 billion</u>

Major Factors in Increase in Interim Consolidated Net Income for FY2004



Projections for FY2004

	FY2003	FY2004	Increase/Decrease	
	(Actual)	(Est.)	Amount	(%)
	Billion Yen		Billion Yen	
Net sales	1086.4	1110.0	23.6	(+2.2%)
Operating income	371.6	390.0	18.4	(+4.9%)
Ordinary income	446.1	450.0	3.9	(+0.9%)
Net income	285.3	290.0	4.7	(+1.7%)
R&D costs	129.7	130.0	0.3	(+0.3%)
EPS (Yen)	321.9	327.2	+5.4	(+1.7%)
Payout ratio	24%	27%		

Projected Consolidated Net Sales for FY2004

FY2003

¥1,086.4 billion

Expansion of pharm. business (domestic/overseas)

Effect of
exchange
rates

Assumed exchange rate for second half of
FY04 (Impact by change of ¥1)

\$1=¥105 (Net sales ¥1 billion,
Net income ¥0.5 billion)

1 euro=¥130 (Net sales ¥0.4 billion,
Net income ¥0.04 billion)

FY2004

Projection

1,110.0 billion

+¥23.6 billion

Projected Consolidated Net Income for FY2004

