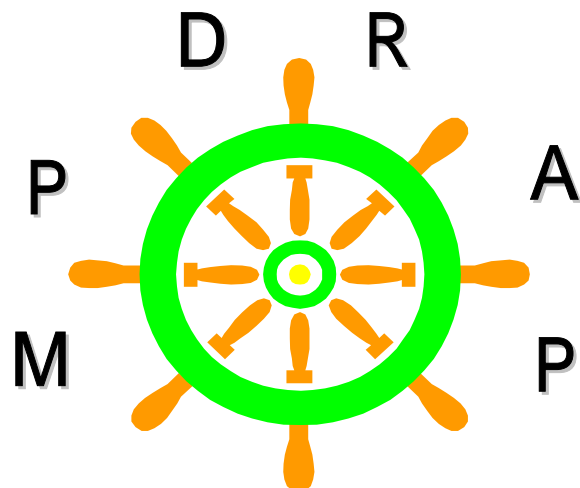


R&D pipeline Update

First half in Fiscal 2005



Strategic Product Planning Dept.

Core Therapeutic Areas

- **Franchise I: Life style-related diseases**
- **Franchise II :Oncology & Urology diseases**
- **Franchise III: CNS, bone/joint diseases**
- **Franchise IV :Gastroenterology diseases LCM**

Franchise I : Life style-related diseases (1)

First half in FY05

Project	Indications or formulations	Ph	Ph	NDA	Approval
TCV-116	Chronic heart failure (Jpn)				→
AD-4833MET (Actoplus Met)	Fixed Combination drug of ACTOS/Metformin (US)				→
AD-4833MET	Fixed Combination drug of ACTOS/Metformin (EU)				
AD-4833SU	Fixed Combination drug of ACTOS/SU (US)			→	
AD-4833SU	Fixed Combination drug of ACTOS/SU (EU)			→	
TCV-116	Fixed combination with diuretic (Jpn)				
TAK-475	Hyperlipidemia (US, EU)				
TCV-116	High dose (Jpn)				
TCV-116 DIRECT	Diabetic Retinopathy (EU)				
AO-128	Impaired Glucose Tolerance (Jpn)				

→ Stage up in 2Q in FY05

→ Stage up in 1Q in FY05

Projects in P-II or later stages are listed ³

Franchise I : Life style-related diseases (2)

First half in FY05

Project	Indications or formulations	Ph	Ph	NDA	Approval
AD-4833 PROactive	Secondary prevention of macrovascular event (EU)				
AD-4833	Delay in progression of Atherosclerosis (US)				
AD-4833	Combination therapy with Metformin (Jpn)▶			
TAK-654	Diabetes mellitus (US, EU, Jpn)				
SYR-322	Diabetes mellitus (US)				
TAK-128	Diabetic neuropathy (US, Jpn)	→	Fast track		
TAK-428	Diabetic neuropathy (US, EU)				
TCV-116	Diabetic nephropathy (Jpn)				
TAK-536	Hypertension (US, EU)				
LY333531	Diabetic maculopathy (Jpn)				

→ Stage up in 2Q in FY05

.....▶ Stage up in 1Q in FY05

Projects in P-II or later stages are listed

Franchise II : Oncology & Urology diseases

First half in FY05

Project	Indications or formulations	Ph	Ph	NDA	Approval
TAP-144SR(3M) (Leuplin SR Kit 11.25™)	Premenopausal breast cancer (Jpn)				→
TAK-453-SR	Morphine hydrochloride sustained release capsule (Jpn)				→
TAP-144SR(6M)	Prostate cancer (EU)	▶		
TAP-144SR(6M)	Prostate cancer (US)				
BNP7787 (dimesna)	Reduction of neurotoxicity caused by chemotherapy (US)			Fast track	
R-851	Cervical high-risk HPV infection and cervical dysplasia (US)		→		
EMD72000 (matuzumab)	Gastric cancer, NSCLC, colorectal cancer (US, EU)				

→ Stage up in 2Q in FY05

.....▶ Stage up in 1Q in FY05

Projects in P-II or later stages are listed

Franchise III: CNS diseases, bone/joint diseases

First half in FY05

Project	Indications or formulations	Ph	Ph	NDA	Approval
TAK-375 (Rozerem™)	Insomnia (US)				→
TAK-375	Insomnia (EU)				
TAK-375	Insomnia (Jpn)				
TAK-375	Circadian rhythm sleep disorder (US)	○			

NE-58095 (Benet™)	Once a week formulation (Jpn)				
TAK-715	Rheumatoid arthritis (US, EU)				

→ Stage up in 2Q in FY05

Projects in P-II or later stages are listed

Franchise IV : Gastroenterology diseases product life-cycle management

First half in FY05

Project	Indications or formulations	Ph	Ph	NDA	Approval
SPI-0211 (Lubiprostone)	Chronic idiopathic constipation (US)				
AG-1749	Injectable formulation (Jpn)				
AG-1749	Symptomatic-GERD (Jpn)				
SPI-0211 (Lubiprostone)	Constipation IBS (US)	▶		
TAK-390MR	GERD (US)		————▶		

TAK-242	Severe sepsis (US, EU, Jpn)▶		Fast track	
TMR	Prevention of measles and rubella (Jpn)				————▶

————▶ Stage up in 2Q in FY05

.....▶ Stage up in 1Q in FY05

Projects in P-II or later stages are listed

TAK-390MR

TAK-390MR is a new modified release (MR) formulation of an enantiomer of lansoprazole*.

FDA granted a permission to conduct phase III clinical studies without going through phase II based on the findings from the phase I results.

TAP is accelerating the development of TAK-390MR

*;Lansoprazole is a proton pump inhibitor originally developed by Takeda and is marketed as Prevacid® by TAP in the United States. It is also marketed by Takeda and its licensees in approximately 100 countries worldwide, being recognized as the leading brand in major countries.

EMD72000 (matuzumab)

Licenser : Merck KGaA

Licensing structure : Co-development, co-promotion for world's major markets

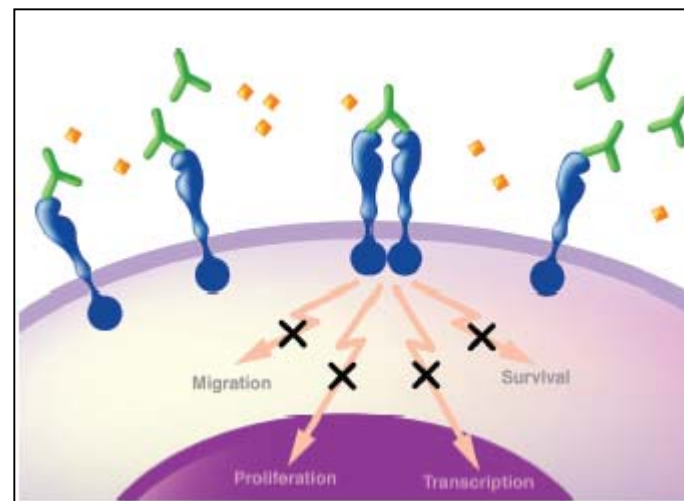
Indications : Non-small cell lung cancer, colorectal cancer and gastric cancer, etc.

Stage : Phase II

Mode of Action : Humanized anti-EGFR* antibody

EGFR* : Epidermal Growth Factor Receptor.

Matuzumab combined to EGFR results in a block of signal on tumor growth.



Omacor

Licensor : Pronova Biocare AS

Business Structure : Exclusive development, marketing and distribution right in Japan

Indication : Hypertriglyceridaemia

**Development Stage : launched in US and EU
preparation for clinical trials in Japan**

Mode of Action : Eicosapentaenoic acid (EPA)/ docosahexaenoic acid (DHA)

The FDA announced the availability of a qualified health claim for reduced risk of coronary heart disease (CHD) on conventional foods that contain acid EPA and DHA omega-3 fatty acids.

Omacor

Current status in abroad

Hypertriglyceridaemia

**Europe (Approved in 25 countries and launch in 19 countries),
US (Launch: October 2005), Korea (Approved)**

Adjuvant treatment in secondary prevention of myocardial infarction

**Europe (Approved in 25 countries and launch in 19 countries),
Korea (Approved)**

Outcome Study

GISSI-Prevention (The Lancet 1999; 354:447-55)

The long-term (3.5 yrs) treatment of 1g of n-3 PUFA (Polyunsaturated Fatty Acids) improves significantly the prognosis of patients of post MI. The benefit is 10-15% relative reduction of the events included in the primary end-point (deaths and non-fatal cardiovascular events).