



Takeda's Answer

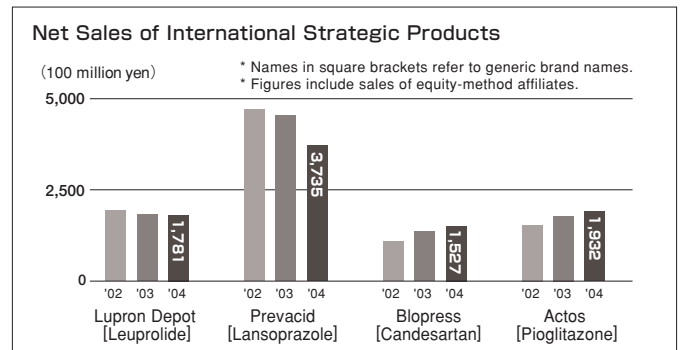
A Takeda undertakes global research and development; aiming to create new drugs that are both medically and socially meaningful.

Promoting Patient-Focused Research

Takeda acknowledges that the Company is responsible for providing patients with superior pharmaceutical products. To fulfill this responsibility, Takeda, via an MPDRAP* system for strategic products, which is designed to accurately understand patient needs and maximize knowledge in R&D activities, allocates a major portion of its development resources to the four core therapeutic areas for priority R&D. Those areas include "lifestyle-related diseases," "cancer and urological diseases," "central nervous system (CNS) diseases" and "life-cycle management of drugs for digestive system diseases." Raising the success rate in drug discovery research and producing candidate compounds both effectively and on a huge scale, which have a high potential to be adopted in the subsequent phase of development, are the key to a R&D-driven pharmaceutical company. With research in mind, in March 2005, Takeda acquired Syrrx, Inc., a bio-venture company in the U.S. with the world's most advanced drug discovery technology and an excellent R&D pipeline with future potential, and changed its name to Takeda San Diego, Inc. (TSD). Takeda works to maximize the number of high quality compounds produced within the global research structure; benefiting from the synergy between the newly joined TSD and existing domestic two

research bases, from which the four international strategic products, including Lansoprazole, were created. Product development is promptly promoted via effective coordination between the research centers in Japan, Takeda Global Research & Development (TGRD) Center Inc. and Takeda Global Research & Development Centre (Europe), Ltd.(EUR&D).

* Enables rapid decision-making by sharing information across each of our marketing, production, development, research, alliance and patent (MPDRAP) divisions.



Stakeholders' Question



What kinds of pharmaceutical products are Takeda developing for the future?

New drugs eagerly anticipated by many patients

There are numerous challenges faced by pharmaceutical companies. Among them is meeting currently unmet needs.

In the U.S., for example, the potential number of insomnia^{**} patients is estimated to be more than 60 million, and more than half of the population is said to have had sleepless nights. As the number of potential insomnia patients in the U.S. has increased, an insomnia treatment with high efficacy and safety has been eagerly anticipated. In July 2005, Takeda received market approval from the U.S. Food and Drug Administration (FDA) for ROZEREM™ (TAK-375, generic name: ramelteon), 8 mg tablets for the treatment of insomnia and launched ROZEREM into market in September. ROZEREM is the first and only prescription insomnia medication which has not been designated as a controlled substance by the U.S. Drug Enforcement Administration (DEA). Unlike existing insomnia medications, ROZEREM's mechanism of action involves binding MT1/MT2 receptors, which control the sleep-wake cycle. MT1/MT2 receptors, located in the suprachiasmatic nucleus in the brain, are known as the body's "master clock." ROZEREM triggers physiological sleep close to natural sleep by specifically acting on these receptors. ROZEREM is also currently undergoing phase III clinical trials on insomniac patients in Japan and Europe. Takeda is advancing the development of ROZEREM with the aim of making it available as quickly as possible to patients in these regions suffering from insomnia.

*Insomnia: Insomnia is defined in terms of dissatisfaction with the amount and/or quality of sleep, including difficulty in initiating or maintaining sleep, or early awakening with the inability to fall asleep again, and is associated with adverse daytime consequences. (American Psychiatric Association)

Providing Information on Diseases

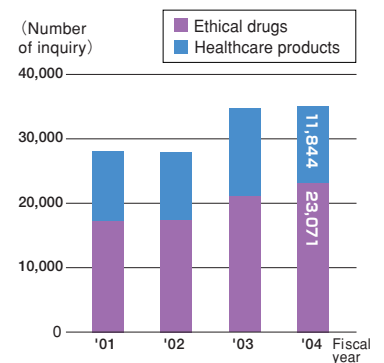
Since 1999, Takeda has held seminars on lifestyle-related diseases in Japan on an ongoing basis. Under the theme of "multicare for lifestyle-related diseases," the seminars aim to disseminate a wide range of information on lifestyle-related diseases. Since 2000, Takeda has held multicare forums on lifestyle-related diseases to communicate the importance of total care and the latest information to the medical profession. The Company also utilizes its web site to provide information on various diseases, featuring pages such as "Diabetes Pres School," with a popular following among healthcare professionals, "Information on Lifestyle-related Diseases" designed for the general public and "Stories of Immunization Program and Vaccines" for parents with babies. In response to the newly issued guideline for the disclosure of clinical trial information by pharmaceutical industry associations in Japan, the U.S. and Europe, Takeda added a new page for disclosing information on clinical trials in July 2005.



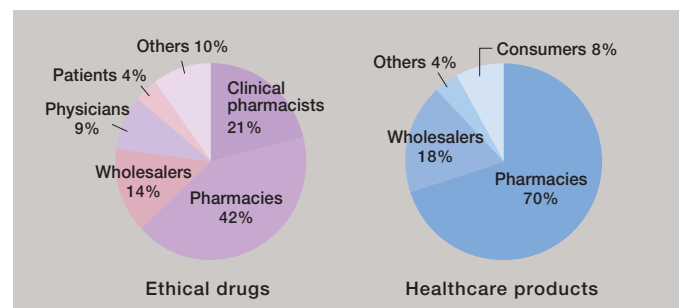
Reply to Inquiry

It is vital that pharmacists receive accurate information about usage, dosage levels and potential interactions, and that patients also be well-informed about how to use medications. Takeda responds to telephone or electronic mail inquiries through the "Medicine Consultation Desk" for ethical drugs and the "Customer Service Desk - Healthcare Company" for consumer healthcare products respectively. The total number of inquiries reached 35,000 in Fiscal 2004.

Inquiry Trends



Breakdown of inquiries



Takeda continues striving to create better drugs by sincerely addressing these requests and proposals and troubleshooting wherever necessary.

Case examples of improvements in response to inquires

Improved product identification	<ul style="list-style-type: none"> ● In response to the comment that the direct printing on ampules was unclear, it was replaced by labels. ● As for the products for which the English names resembled each other - for example, DASEN and BASEN, Japanese names were adopted on their packages for sales purposes. ● Pictures of tablets of healthcare products were adopted.
Improved usability	<ul style="list-style-type: none"> ● In response to the comment that the capsule of Prevacid was too large to ingest, it was replaced by a smaller one. ● In response to the comment that the cap of Benza Block Cough Syrup was causing dripping, the design was improved to prevent dripping.

For detailed information on the development pipelines and alliance initiatives, please see the Takeda Annual Report.