



MARKETING

Takeda's mission is to provide satisfaction for the people of the world with trustworthy pharmaceutical products and information.

Takeda's Marketing Division in Japan, Takeda's U.S. subsidiary Takeda Pharmaceuticals North America, Inc. (TPNA), and European marketing companies in France, the United Kingdom, Italy, Germany, Austria, and Switzerland all handle Takeda's ethical drugs. In fiscal 2004, consolidated net sales of ethical drugs increased ¥37.7 billion, or 4.3%, over the prior fiscal year to ¥914.8 billion.

JAPAN

FOR THE BENEFIT OF ALL HEALTHCARE PROFESSIONALS AND ALL PATIENTS

Based on Takeda's management mission, the Company continues to pursue promotional activities in line with its commitment to providing "the best medicine and information to all healthcare professionals and all patients."

In fiscal 2004, Takeda pursued further growth of its mainstay products, amid increasingly fierce competition in each therapeutic area, and the influence of revisions to National Health Insurance (NHI) drug prices, by continuing to deliver high-quality information through its promotional activities. These efforts paid off, with Takeda products—primarily, in-house drugs—achieving sales results that outstripped the growth of the market overall.

TAKEDA'S SOLID PRODUCT LINEUP IN THE FIELD OF LIFESTYLE-RELATED DISEASES

In fiscal 2004, one of Takeda's mainstay products in the field of lifestyle-related diseases, the antihypertensive *Blopress*, backed by its product profile presenting abundant clinical evidence supporting its efficacy and safety, achieved sales topping ¥100 billion, making it the leading angiotensin II receptor blocker (ARB) in Japan. With its extensive lineup of diabetic drugs with varying mechanisms of action, including the postprandial hyperglycemia treatment *Basen*, the insulin sensitizer *Actos*, and the short-acting insulin secretagogue *Glufast*, Takeda is continuing to further enhance its presence in the field of diabetes by offering a variety of treatment options, so that the optimal therapy can be selected in accordance with each physician's treatment strategy, and the pathology of each individual patient. Takeda has also launched *Basen OD Tablets*, an orally disintegrating tablet formulation, alongside the original formulation *Basen Tablets*.



Takeda Pharmaceutical Company Limited, Yokohama MRs
(from left) Maiko Itou/Yasuhiro Saitou/Masayuki Inaba/Katsutoshi Takai/Ichirou Miura/Naho Asano/Tokuo Tanaka/Naoko Hotta/Shin Ooshima/Emi Yoshida/
Kuniaki Nagashima

Takeda's prostate cancer, breast cancer and endometriosis treatment *Leuplin* commands over 60% of Japan's domestic market share for LH-RH analogues. *Leuplin* is expected to continue growing as the market expands.

By providing more convenience to patients with new indications and formulations, Takeda is striving to make its peptic ulcer treatment *Takepron*, which is the number one proton pump inhibitor (PPI), the standard therapy among all treatments for suppressing gastric acid secretion.

In the area of bone and joint diseases, the osteoporosis treatment *Benet* is capturing a top share among bisphosphonate agents, due to ongoing promotional activities and abundant clinical evidence showing prevention of fractures. In March 2005, Takeda launched the rheumatoid arthritis treatment *Enbrel*, the only fully human, soluble anti-TNF receptor.



The rheumatoid arthritis treatment *Enbrel*

DEVELOPING PROMOTIONAL STRATEGIES THAT MEET USER NEEDS

In order to ensure that Takeda's superior pharmaceutical products are chosen in clinical practices, it is indispensable for the Company to conduct high-quality promotional activities based on an accurate understanding of the feedback from physicians, pharmacists, and patients. In addition to the direct face-to-face interactions afforded by Takeda medical representatives (MRs), the Company offers information for a variety of users on its website, including the *Diabetes Prep School*, a site for healthcare professionals relatively less-experienced in diabetes treatment; *Information on lifestyle-related diseases* for the general public; and *All about Immunization and Vaccination*, a site for parents with babies and infants. Moreover, Takeda is continuing to expand the base of information that is useful to MRs in their daily activities, including the IT system *Knowledge Force*, which allows MRs to share best practices; *e-Learning*, a tool for improving one's scientific knowledge; and *Home & Navi*, a support tool that contains information essential to MR activities.

TAKEDA MRs: HIGHLY REGARDED BY THE MEDICAL COMMUNITY

For the fourth straight year Takeda has topped the rankings on the Pharmaceutical Company Corporate Image Survey, a poll conducted by Nikkei Business Publications, Inc. on 10,000 practicing physicians. In addition to



Takeda Pharmaceuticals North America, Inc. MRs (from left) Kim Gorlinski/Tangee Johnson/Jason Van Hoof/Valerie Turner

winning high corporate evaluations, including praise for Takeda's many outstanding products and reliability, Takeda MRs received soaring praise for quick feedback that was useful for physicians, enthusiasm for the job, and provision of useful scientific information.

UNITED STATES

TAKEDA PHARMACEUTICALS NORTH AMERICA, INC. (TPNA): CONTINUALLY GROWING

Since the launch in 1999 of Takeda's anti-diabetic drug *Actos*, TPNA has steadily continued to achieve a high rate of growth, driven by *Actos*' effective control of blood glucose levels, coupled with its recognized positive effect on lipid metabolism. In fiscal 2004, *Actos* grew 12% compared with the previous fiscal year. In the future, such marketing activities including emphasizing

the excellent lipid metabolism data obtained in the GLAI Study—a direct comparison study of an *Actos*' competitor—are expected to contribute to further sales growth.

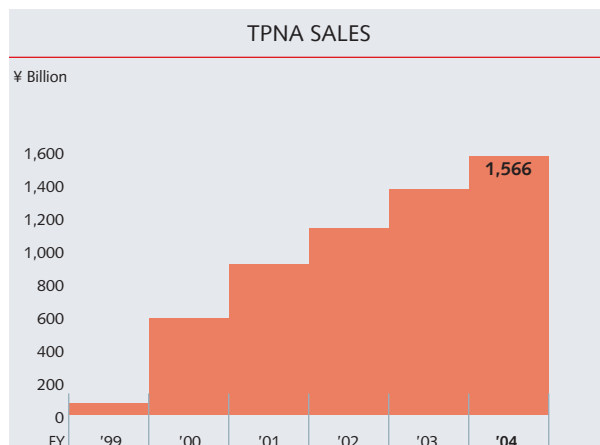
PROVIDING NEW TREATMENT OPTIONS

Takeda is managing the lifecycle of *Actos* with new formulations and additional indications. With the large-scale clinical trials of the CHICAGO study and PERISCOPE study, which are being conducted in the United States, Takeda is to establish the efficacy profile of *Actos* for prevention of arteriosclerosis in patients with type 2 diabetes. In terms of new formulations, Takeda submitted new drug applications to the U.S. Food and Drug Administration (FDA) for *Actoplus Met*, a combination drug made up of *Actos* and metformin, and another combination of *Actos* and sulfonyleurea (SU), in October 2004 and June 2005, respectively. In the future, Takeda will continue working to provide evidence-based treatment options that meet patients' needs.

EXPECTATIONS FOR NEW DRUGS

In July 2005, Takeda received approval from the FDA to sell an insomnia treatment, *Rozerem* (generic name: ramelteon), the second in-house compound for TPNA. *Rozerem*, a selective MT₁/MT₂ receptor agonist, induces a physiological sleep that is more natural than that with existing products.

In March 2005, Sucampo Pharmaceuticals, Inc. submitted a new drug application to the FDA for lubiprostone, a





Takeda Italia Farmaceutici S.p.A. MRs
(from left) Silvia De Pellegrin/Vincenzo Muscolo/Laura Castania/Giancarlo Serra/Alessandra Di Paolo/Pasquale Cristiani/Alessandra Semproni

treatment for chronic idiopathic constipation, for which Takeda was granted the marketing rights. Lubiprostone is currently in phase III clinical trials for constipation-predominant Irritable Bowel Syndrome (c-IBS) as well. The chemoprotective drug dimesna, in-licensed from BioNumerik Pharmaceuticals, Inc., the anti-hyperlipemia drug TAK-475, and the severe sepsis treatment TAK-242 are also in phase III clinical trials. Takeda will continue to expand its pipeline by accelerating the development of new drugs in the United States, enhancing the in-licensing of products and cutting-edge technology through strengthened alliances, and managing product lifecycles, all of which will translate into market launches of new products.

PIPELINE IN THE UNITED STATES			
Code	In-house / licensed	Indication	Stage
Ramelteon	In-house	Insomnia / CRSD	Approved (05.7) P-II
Lubiprostone	Sucampo	Chronic constipation c-IBS	Filed (05.3) P-III
Dimesna	BioNumerik	Chemoprotective agent	P-III
TAK-475	In-house	Hyperlipemia	P-III
TAK-242	In-house	Severe sepsis	P-III
TAK-428	In-house	Diabetic neuropathy	P-II
TAK-654	In-house	Diabetes	P-II
TAK-536	In-house	Hypertension	P-II
TAK-715	In-house	Rheumatoid arthritis	P-II
TAK-128	Mitsubishi Pharma	Diabetic neuropathy	P-II
SYR-322	In-house	Diabetes	P-II
R851	3M	Human papillomavirus (HPV) infection	P- I

EUROPE

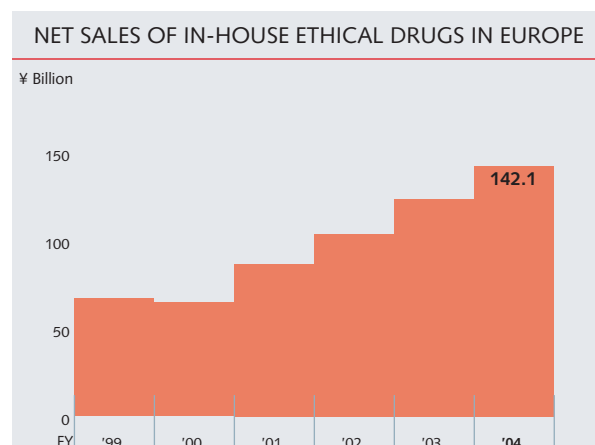
TAKEDA STRATEGIC PRODUCTS: CONTINUING TO PENETRATE THE EUROPEAN MARKET

Marketing companies in Europe are recording robust sales of lansoprazole (*Ogast**¹), candesartan cilexetil (*Blopress**²), pioglitazone hydrochloride (*Actos*), and others. In fiscal 2004, sales of Takeda’s in-house ethical drugs in Europe, including sales to licensees, increased 15% over the previous fiscal year to ¥142.1 billion.

*1 Also currently marketed under the names *Agopton* and *Lansox*.
*2 Also currently marketed under the names *Kenzen* and *Amias*.

BLOPRESS AND ACTOS: PURSUING ADDED VALUE

Sales of *Blopress*, which is expected to become a mainstay product in Europe, are continuing to increase steadily. In August 2004, Germany, Italy, and other



International Strategic Products (Ethical Drugs)

LEUPROLIDE ACETATE

-For prostate cancer and endometriosis



Brand Names:

Leuplin (Japan)*Lupron Depot* (United States)*Enantone* (Europe, Asia)

Drug delivery system (DDS) research has resulted in the formulation of leuprolide acetate in sustained-release formulation for the treatment of prostate cancer and endometriosis. The sustained-release formulation, *Lupron Depot*, which is available in dosages of up to once every four months, contributes significantly to improving the quality of life of patients. Leuprolide acetate is marketed in over 80 countries and is considered a gold standard therapy for prostate cancer.

LANSOPRAZOLE

-For peptic ulcers



Brand Names:

Takepron (Japan, Asia)*Prevacid* (United States, Asia)*Ogast, Lansox, Agopton* (Europe)

Once-daily dosing with lansoprazole, a proton pump* inhibitor (PPI) developed by Takeda, provides fast symptom relief for gastric and duodenal ulcers, and achieves high healing rates. Supported by this excellent profile, lansoprazole is marketed in around 100 countries and is recognized as the top brand in major countries. In addition to capsule formulations, the drug is available as an orally disintegrating tablet, small capsule (Japan), and injection (U.S.).

*Proton pump: An enzyme that functions in the final stages of acid secretion in gastric parietal cells.

European countries approved a higher dosage administration of 32mg, and also a new formulation of a single tablet containing 32mg. In November 2004, the EU approved an additional indication of chronic heart failure. The outcome study DIRECT (Diabetic REtinopathy Candesartan Trial) is being conducted to evaluate the efficacy of *Blopress* for preventing onset and progression of diabetic retinopathy.

Sales of *Actos* are continuing to grow in Europe, with the easing of regulations in some European countries and continuing market penetration in Germany, the United Kingdom, and other parts of Europe. Takeda applied for approval for an *Actos*-metformin combination drug and also for an *Actos*-sulfonylurea combination drug. The outcome study PROactive (PROspective pioglitAzone Clinical Trial In macroVascular Events) was conducted to evaluate the efficacy of *Actos* for reducing the incidence of macrovascular events in patients with type 2 diabetes.

Leading OTC Drugs and Quasi-Drugs

STRIVING FOR LIFELONG BRAND LOYALTY

Takeda's consumer healthcare business, which is responsible for the development and marketing of consumer healthcare (over-the-counter) drugs and quasi-drugs, is continuing to pursue a strategy of cultivating lifelong brand loyalty to its product brands by winning the trust of customers of all ages.

The *Alinamin* brand, a series of products containing a vitamin B₁ derivative, *fursultiamine* (thiamin tetrahydrofurfuryl disulfide; TTFD), includes tablet dosage forms *Alinamin EX* and *Shin Alinamin A*; and health tonic drinks *Alinamin V*, *Alinamin V&V NEW*, *Alinamin 7*, and *Alinamin 7 GOLD*. *Alinamin EX* is a treatment for symptoms such as eyestrain, stiff neck and shoulders, and lower back pain while *Shin Alinamin A* is being posi-

CANDESARTAN CILEXETIL
-For hypertension



Brand Names:
Blopess (Japan, Europe, Asia)
Amias, Kenzen (Europe)

Candesartan cilexetil is an angiotensin II receptor antagonist*, a class of agents that is revolutionizing hypertension treatment. In over 70 countries, the medical profession relies on candesartan, as once-daily dosing provides patients with gradual and steady hypotensive action that lasts many hours, with a lesser degree of adverse reactions. Based on the results of the large-scale clinical trials of the CHARM study, Takeda received approval for an additional indication of chronic heart failure for *Blopess* in Europe in November 2004, and in the United States in February 2005.

*Angiotensin II receptor antagonist: Inhibits angiotensin II, a hormone that increases blood pressure.

PIOGLITAZONE HYDROCHLORIDE
-For diabetes



Brand Name:
Actos (Japan, United States, Europe, Asia)

Pioglitazone hydrochloride offers a new mechanism for treating type 2 diabetes. Once-daily dosing with pioglitazone improves insulin resistance and reduces blood sugar levels, without placing an additional burden on the pancreas. The drug is marketed in over 60 countries and is valued by physicians for use with patients where strict blood sugar level control is required. Takeda has filed applications in Europe and the United States for two combination drugs, one a combination of *Actos* and metformin, and the other a combination of *Actos* and sulfonylurea (SU).



(from left)
Alinamin EX / Shin Alinamin A / Alinamin V / Alinamin V&V NEW / Alinamin 7 / Alinamin 7 GOLD / Benza Block S / Benza Block L / Benza Block IP / Actage AN Jo

tioned as a product that promotes daily good health.
Within the *Benza* brand, in September 2004 Takeda launched *Benza Block S* and *Benza Block S Jo* in a yellow package positioned for colds that start with nasal symptoms such as nasal congestion and runny nose, and *Benza Block L* and *Benza Block L Jo* in a silver package for colds that start with throat symptoms. Together with *Benza Block IP* and *Benza Block IP Jo* in a blue package for colds that start with fever, these new products complete Takeda's lineup of the *Benza Block*

brand common cold remedies. In December 2004, Takeda launched *Benza Bien Yaku α* (*ichinichi nikai*; twice-a-day type) and *Benza Bien Spray*, which are effective against nasal symptoms such as allergic rhinitis caused by pollen and house dust.
Takeda is promoting *Actage AN Jo* as an oral pharmaceutical preparation that offers alternative means for relief of joint and nerve pain, which has traditionally been treated with topical dosage forms such as ointments and patches.