

With a strong sense of mission and high ethical standards; we are striving to establish a good relationship with society.

TAKEDA'S BASIC STANCE TOWARD SOCIAL CONTRIBUTIONS

Throughout a history of more than 220 years "creating medicine," Takeda has developed a strong sense of mission and high ethical standards. During this long history, Takeda sees social action programs as an "investment in society," having been addressing various efforts.

Based on increasing recognition of "corporate social responsibilities" associated with progress of globalization of society, in 2005, Takeda systematically organized a number of previous activities and placed them into statutory form, such as "Basic Policy on Social Contribution." This policy is shared among the global Takeda group and we have been implementing activities at a global level, centering on four priority areas. Since corporate activities would never be realized without the sustained progress of society, social action programs can be positioned as one of the important company activities. Actually, this concept is nothing new to Japanese, given the long-held philosophy of "Sanpo-yoshi (Where all three parties are happy)." This term means "Seller is happy, Buyer is happy and Society is happy," used among the old "merchants of Omi*." This is based on the following concept: "when conducting business, you should consider the benefit of buyers and the society surrounding you, as well as your own." This concept is deeply entwined in our gene.

The Takeda group is addressing, with integrity, the challenges faced by global society all over the world. On this occasion, we will report on such activities in each region.

* Those merchants with high expertise based in Omi (currently Shiga Prefecture) engaged in commercial activities nationwide

CONTRIBUTION TO SOCIETY: FOUR PRIORITY AREAS

1. The area directly related to the Mission: "we strive toward better health for individuals and progress in medicine by developing superior pharmaceutical products"
2. The area concerning "the aim to live an affluent life with body and mind in good health," as well as "eliminating any obstacles to such a goal" based on the Mission
3. Contributions toward developing a bright and dream-inspiring future
4. The projects to be inherited and further developing the accumulated expertise that was previously converted into tangible form by our fore fathers, based on Takeda-ism

IN JAPAN

In 1963, the Takeda Science Foundation was established with an endowment from Takeda. Since then, it has continued to expand with the spirit of "Intokuyouhou*," a Buddhist teaching. The current major operations of the foundation and achievements in fiscal 2006 are as follows:

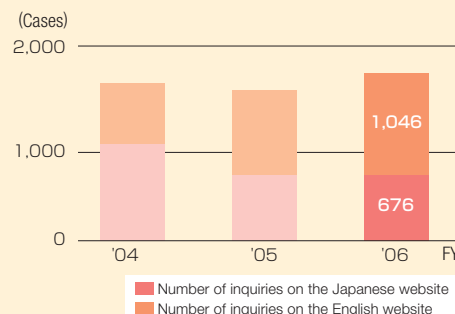
1. Providing financial incentives for research centers and researchers of scientific technology (Research grant totaling ¥990.5 million were provided for 235 projects.)
2. Providing scholarship grants to foreign students (¥79.63 million for 37 international students)
3. Providing an incentive award: the "Takeda Medicine Award," for a remarkable research achievement of scientific technology (In fiscal 2006: Dr. Soichro Kitamura, President, National Cardiovascular Center, Dr. Chihiro Sasakawa, Professor, The Institute of Medical Science, the University of Tokyo)
4. Publishing literature regarding the promotion of scientific technology
5. Storing, maintaining and exhibiting Oriental books and other documents
6. Necessary operations to accomplish promotional activities in terms of scientific technology

In addition, the "Takeda Medical Award," as described in No. 3 above, was established in 1954, as part of Takeda's 170th anniversary celebrations and inherited by the Takeda Science Foundation to this day. In fiscal 2006, the Takeda Medical Award marks its 53rd anniversary and the accumulated number of award winners reached a 101 people.

*Intokuyouhou: based on the concept "what is done by night appears by day."

REPLY TO INQUIRY ON THE WEBSITE

To enhance the bilateral communication between domestic and overseas stakeholders, Takeda developed the capability to accept such feedback via its website. The total number of inquiries in fiscal 2006 reached 676 on the Japanese website (decreased by 3 cases compared with the previous fiscal year) and 1,046 on the English website (increased by 178 cases compared with previous fiscal year).



Widely increase our sincere activities based on Takeda-ism ; from Japan to the world.

IN JAPAN

●Takeda continues to support the NPO "Family House," which provides accommodation for sick children and their families. In fiscal 2006, Takeda provided ¥1 million worth of beverages as a complimentary welcome drink at seven accommodation sites run



Beverages provided to the NPO "Family House"

by the Family house, as well as making a donation of ¥500,000. In addition, our employees proactively participate in volunteer activities that recruit participants on a regular basis.

●In March 2007, Philan-net Takeda (PINT) was launched on the intranet website, aiming to provide information on social contribution, as well as volunteer activities. PINT provides a variety of information, including notice for regional volunteer activities, Takeda's social action programs and the introduction of NPOs. Aiming to bridge social needs and the employees' aspirations toward society and cast them into shapes in mind, we will transmit abundant information via PINT.



Philan-net Takeda

●Takeda continues to make donations to the United Nations World Food Programme (WFP), which is a non-profit organiza-

tion striving to abolish starvation and poverty.

●As for its approach to infectious disease issues, Takeda made a donation in support of the "emergency precautions supporting efforts to combat malaria" by the Japan Association for the UNHCR (United Nations High Commissioner for Refugees), which is a non-profit organization, and is engaging in fund-raising and public relations for the world's refugees for humanitarian reasons.

●As for the support for sports events, Takeda sponsored the 2006 Hokkaido Marathon in August 2006 with 4,208 runners - a record-high.

●Shoshisha has its roots in the event, Chobei Takeda V began supporting poor students using his own money in 1923 and his initiative was followed by successors. In 1960, based on their commitments, the Shoshisha Foundation for scholarship programs was established. A supporters' association has been organized by mainly Takeda employee volunteers, and in fiscal 2006, the foundation granted scholarships to 32 students, increasing the total number of scholarships awarded to 531.

●Kyoto Herbal Garden was launched in 1933 under the name of Kyoto Takeda Herbal Garden. Currently, the garden grows more than 2,400 species of invaluable plants from all over the world, including 78 extinct and threatened species, and welcomed 2,800 visitors in fiscal 2006.



Kyoto Herbal Garden

EFFORTS OF THE LABOR UNION

The Takeda Labor Union has also been proactively participating in social action programs, including volunteer activities and support for victims of natural disasters at respective chapters, as well as various fund-raising campaigns, based on the proceeds from charity bazaars and donations. Furthermore, the union has also been implementing international support activities for Mongolia on an annual basis for ten years, contributing toward assistance for local children by visiting schools to make donations of stationery products and sanitary items, as well as cultural exchange.

IN THE UNITED STATES

Takeda Pharmaceuticals North America, Inc. (TPNA), a wholly owned subsidiary of Takeda Pharmaceutical Company Limited, has been dedicating itself in a wide range of volunteer and philanthropy activities including contributions to local communities, support for patients and donations to academic societies, etc. as a "good corporate citizen" in the community.

- TPNA awards scholarships to students pursuing degrees in science-related fields including engineering and medicine at Chicago-area universities, as well as high school students who wish to major such field in future at universities, in collaboration with the Achievement Rewards for College Scientists (ARCS) Foundation.



TPNA employees participating in the activities organized by "Rebuilding Together"

- TPNA and its employees proactively participate in repairing old buildings in collaboration with Rebuilding Together, an organization dedicated to rehabilitating buildings and houses in low-income communities.

- TPNA contributed \$300,000 to A Safe Place, a haven for battered women and their families based in suburban Chicago, as part of a greater initiative to support an underserved area in Illinois. In April 2006, a new crisis center opened with the help of Takeda's grant to provide affordable housing, counseling and supportive service for women and children in the Chicago land area who have fled abusive relationships.

- Since 2000, TPNA has a PAP (Patient Assistant Program) to provide TPNA's products to patients who are under insured or uninsured. Through this program, about \$395 million worth of pharmaceutical products have been delivered to the low-income patients.

- In fiscal 2006, TPNA made donations to more than 200 organizations in the U.S., including the American Diabetes Association (ADA) and the American College of Cardiology (ACC), etc.



TPNA employees packing presents into boxes for children living at the home

- On the occasion of the annual National Sales Meeting, TPNA also interacts with people in the locality around the meeting venue. In June 2007, TPNA employees packed presents into boxes and delivered them to the children at St. Jude's Ranch for Children (a home for abused, abandoned, and neglected children).

- In support of the Mission: "We strive toward better health for individuals and progress in medicine by developing superior pharmaceutical products," in 2006, Takeda became an official sponsor of The LaSalle Bank Chicago Marathon, which is known as the world's largest marathon with more than 40,000 general citizen participants, celebrating its 29th annual race. In that race, more than forty people, including Takeda employees and their friends, participated as "Team Takeda." Support for The LaSalle Bank Chicago Marathon, which takes place at the same area where the base of the U.S. operations of the Takeda group is located, represents the concrete realization of Takeda's wish to develop alongside the local community.



The "Team Takeda" members participated in the LaSalle Bank Chicago Marathon

Toward a bright and affluent future, healthy in body and mind: Takeda will implement global activities, hoping to accomplish such aspirations.

IN EUROPE

● In France, Laboratories Takeda (LT) has developed their social responsibility to support patients associations, especially the French association of the Friedreich Ataxia (AFAF), which regroups the patients who have this rare neurological genetic disease. Friedreich ataxia, a rare inherited neurological genetic disorder causes gait disorder and speech problems. Currently, there is no ultimate mode of therapy and in most cases, treatment to reduce symptoms have been applied. Since 2005, LT, in cooperation with AFAF, has been following educational activities



The "Friedreich Ataxia" Seminar

directed towards health professionals, patients and their families by continuing to develop two programs: a biannual scientific newsletter and a book called "Living with Friedreich's ataxia." For the first time, LT set up a program of voluntary work in 2006. During two days, voluntary employees, wearing an orange T-shirt, looked after patients and their families by helping them to eat, move and shared strong human exchanges. Towards the end of their experience, the volunteers were able to understand not only the disease itself but also the problems met by the patients and their families, while accompanying them with care and affection. LT is looking forward to setting up a similar voluntary program next year in collaboration with AFAF.

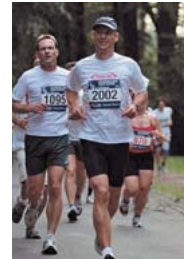
● Takeda Pharma GmbH (TP) produced a huge model of prostate and implemented a campaign in the major cities of Germany as part of an educational campaign to raise awareness of prostate cancer. As well as focusing on sports and cultural support, TP also acts as one of the sponsors, supporting a professional football team: "Alemannia Aachen." In 2006, TP donated two AED* devices to the team. In addition, TP also supports the sports events of Aachen University - one of Germany's largest technical universities,



The professional football team: "Alemannia Aachen" to whom TP donated the AED devices

and 2,000 people participated in the 5,000-meter marathon sponsored by TP. Aachen is also known as a city of art and TP serves as a sponsor of the Aachen Theater, which is home to the famous Aachen Symphony Orchestra.

* An Automated External Defibrillator is a medical device to help people suffering from the condition of ventricular fibrillation, which is a disorder affecting the heart's blood pumping function, by delivering an electrical shock to make the pumping rhythm revert to normal.

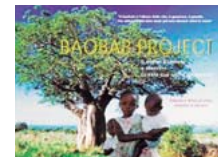


5,000-meter marathon - a sport event held by Aachen University

● Takeda Italia Farmaceutici S.p.A. (TIF) has been focusing on disease prevention, as well as medical support to developing countries, employing "health" as a keyword. Disease prevention campaigns, including the "Takeda Check-Heart" and "Diabetes in Piazza" sponsored by TIF, have been conducted in various places in Italy, making a great contribution to the prevention of diseases such as "coronary artery disease" and "metabolic syndrome." In addition, TIF also implements the "Baobab Project" together with an NGO. This is a program established with the aim of implementing medical examinations and education by dispatching medical doctors to the Baobab Medical Center set up in Ghana. Moreover, TIF is proactively supporting various programs, including "Bambini Cardiopaticinel Mendo Onlus" and "Operation Smile Italia Onlus," to provide medical treatment to patients in developing countries.



"Takeda Check-Heart" campaign



A brochure of "Baobab Project"

TAKEDA SPONSORING CONCERTS BY THE LONDON SYMPHONY ORCHESTRA

Aiming to contribute to and promote international cultural exchange, Takeda has sponsored concerts by the London Symphony Orchestra (LSO) since 1989.

The seventh "Takeda Global Concert" sees twelve concerts scheduled for Europe, six concerts in the U.S. and eight concerts in Japan from 2006 to 2008.

IN ASIA

Takeda supports the NPO "People's Hope Japan (PHJ)," which provides medical support programs in Asia. In fiscal 2006, Takeda partnered with PHJ again to support a program for prevention of cervical cancer in Thailand (contributions were equivalent to ¥1 million). This program was implemented to enhance the capability of cytotechnologists whereby the accomplishment of such efforts has been highly evaluated.

In addition, Takeda com-



Opening ceremony at the "AIDS Prevention Education Center"

menced an approach toward the prevention of an infectious disease, especially HIV/AIDS. Being aware of prevention education is highly effective as a preventive measure, Takeda thus made the decision to support the AIDS Prevention Education Center established in Chiang Mai in 2007 (with contributions equivalent to ¥1 million). The program provided by this center is called "peer education" and features its unique method used to educate a group of adolescents of roughly similar age in series. The issue of infectious disease in developing countries is not just a problem of the local area, and Takeda will continue its efforts regarding the infectious disease issue.

The History of Takeda, which has been contributing to society by developing superior pharmaceutical products



Founder, Chobei Takeda I

The history of Takeda dates back to the year 1781, when Chobei Takeda I started a business selling traditional Japanese and Chinese medicines in Doshomachi, Osaka, which was the center of the Japanese medicine trade. Takeda was among the first to focus attention on Western medicine at the beginning of the Meiji era (1868-1912);

forming a cooperative union with other medicine retailers to purchase Western medicines from foreign commercial houses in Japan. Eighteen kinds of Western medicines were imported in the initial period, which included quinine, an anti-malaria drug, and phenol, an anti-cholera drug, then increasing to 146 over the following decade.

In 1895, Takeda took a first step as a pharmaceutical manufacturer by establishing its own factory in Osaka. In 1943, Takeda began launching a series of its own products such as *Calmotin* (an analgesic), *Lodinin* (an injection of D-glucose) and *Novoroforn* (an analgesic). In 1946, just after World War II, the Company opened the Hikari Plant- currently playing the role of our core manufacturing plant, and was engaged in manufacturing vaccines which were widely demanded in society at the time. In 1950, Takeda launched *Panvitan*, the first multivitamin product in Japan. Since then, Takeda dramatically grew to become a leading pharmaceutical company, dealing mainly with vitamins and antibiotic drugs in Japan. Along with the history of our business, in 1940 the

company creed "Nori" in written form was set up which represents the philosophy - "making contributions to society is the most basic and important thing for corporate management having the public nature of business in mind."

Takeda stepped up its entry into the global market in the 1960s. Since the establishment of a manufacturing and marketing company in Taiwan in 1962, Takeda made progress in building a solid footing in Asia. In 1978, Takeda created a joint venture to distribute its pharmaceutical products in France, aiming to make inroads into the European market. Subsequently, in the 1980s, Takeda established a business base in the United States and made the giant leap to become a global company.

Takeda is continuing further challenges to accomplish our mission: "striving toward better health for individuals of the world - Japan, North America, Europe and Asia - and progress in medicine, optimally exploiting the wisdom cultivated over its 220-year history as a "world-class pharmaceutical company with Japanese origin."



Upper: "Heister, Laurentius, Chirurgie" Third edition (Nuremberg, in 1731)

Lower: "Youishinsyo" (in 1825) (Owned by Kyou Shooku, Takeda Science Foundation)