

# Financial Results for FY2012

## DATA BOOK

**Takeda Pharmaceutical Company Limited** (TSE code 4502)

Contact: Corporate Communications Dept.

TEL: +81-3-3278-2037

FAX: +81-3-3278-2741

<http://www.takeda.com/>

Financial News

<http://www.takeda.com/financial/index.html>

## Takeda-ism

We, the members of the Takeda Group, pledge to act with integrity at all times, especially when facing difficulties or challenges. “Integrity” refers to our compliance with the highest ethical standards, our fairness and honesty in conducting every activity, and our perseverance in pursuing the ideal forms for our operations and management. Through the demonstration of these qualities, we show our commitment to building trust and confidence in all the people around us, and our determination to continue to expand the business. These empower our progress in our global endeavors to fulfill our mission to “strive towards better health for people worldwide through leading innovation in medicine.”

## Vision 2020

### Better Health, Brighter Future

For more than 230 years, we have been serving society with innovative medicines and helping patients reclaim valuable moments of life from illness. Now, with new healthcare solutions from prevention to care and cure, we are determined to help even more people enjoy their lives to the fullest.

We continue to transform the future of healthcare by unifying our strengths as “Global One Takeda.” We are a diverse organization committed to working with local communities to fully understand their needs and deliver industry-leading solutions with a sense of urgency, dedication and unparalleled efficiency.

Our passion for healthcare and commitment to improving lives will enable us to make the next 230 years healthier and brighter for people around the world.

- **Our Business: Committed to Improving Health**

With countless people in desperate need of new healthcare solutions, there’s no time to wait. That’s why we pursue innovative medicines as well as high-quality branded generics, life-saving vaccines, and OTC medicines – to help as many people as we can, as soon as we can.

- **Our Organization: Strength from Diversity**

A common set of values, Takeda-ism, unites us as one. Using our diverse skills and ideas, we develop fresh solutions to meet the needs of people around the world. Each one of us is empowered to act swiftly and decisively in our quest to improve quality of life.

- **Our People: Powered by Passion**

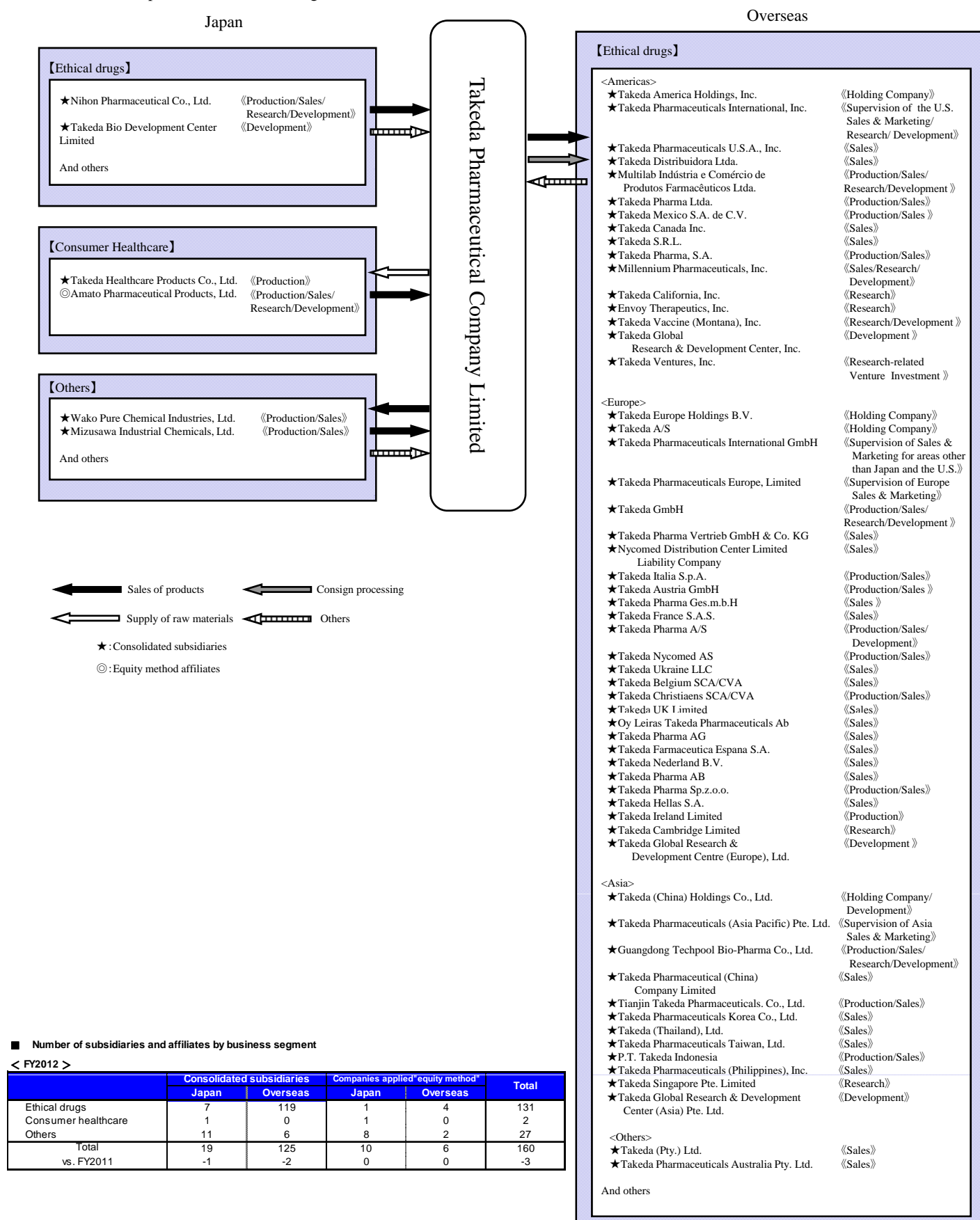
Our people are our greatest asset. Driven by passion to learn and contribute more, we embrace new challenges with confidence and open minds. We are determined to lead the change for a better world.

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# I. Overview of subsidiaries and affiliates

The Takeda Group consists of 161 companies, including the parent company submitting these consolidated financial statements, 144 consolidated subsidiaries and 16 equity method affiliates. The following chart shows the main business areas of the Takeda Group, the position of the companies that make up the Group within their respective areas of business, and relationships with each business segment.



## II . Financial highlights (more detail will be available in Page 4 and onward)

Sales and earnings (Billions of Yen)	FY09	FY10	FY11	FY12	vs. FY11	increase/ decrease	Estimate FY13	FY13 1st half (E)	Estimate FY13 (IFRS)
Net Sales	1,466.0	1,419.4	1,508.9	1,557.3	48.3	3.2%	1,590.0	780.0	1,590.0
Operating Income	420.2	367.1	265.0	122.5	-142.5	-53.8%	140.0	70.0	155.0
<% of net sales>	<28.7%>	<25.9%>	<17.6%>	<7.9%>	<-9.7pt>		<8.8%>	<9.0%>	<9.7%>
Ordinary Income	415.8	371.6	270.3	113.2	-157.2	-58.1%	125.0	65.0	
<% of net sales>	<28.4%>	<26.2%>	<17.9%>	<7.3%>	<-10.6pt>		<7.9%>	<8.3%>	
Net Income	297.7	247.9	124.2	131.2	7.1	5.7%	95.0	45.0	115.0
<% of net sales>	<20.3%>	<17.5%>	<8.2%>	<8.4%>	<0.2pt>		<6.0%>	<5.8%>	<7.2%>
EBITDA	532.1	484.1	422.6	323.9	-98.8	-23.4%	340.0	170.0	370.0
<% of net sales>	<36.3%>	<34.1%>	<28.0%>	<20.8%>	<-7.2pt>		<21.4%>	<21.8%>	<23.3%>
Core Earnings *									280.0
<% of net sales>									<17.6%>

\* Profit from regular business excluding temporary factors that impact IFRS GAAP-base operating income (such as impairment loss and amortization of intangible fixed assets resulting from acquisitions and licensing deals).

R&D Expenses	296.4	288.9	281.9	324.3	42.4	15.0%	325.0	160.0	335.0
<% of net sales>	<20.2%>	<20.4%>	<18.7%>	<20.8%>	<2.1pt>		<20.4%>	<20.5%>	<21.1%>
Overseas Sales	777.0	698.1	775.5	822.8	47.3	6.1%	850.0	415.0	
<% of net sales>	<53.0%>	<49.2%>	<51.4%>	<52.8%>	<1.4pt>		<53.5%>	<53.2%>	
Net Sales of Ethical drugs segment	1,317.7	1,267.4	1,358.8	1,401.7	42.9	3.2%	1,450.0	710.0	

Business segment * (Billions of Yen)	FY09	FY10	FY11	FY12	vs. FY11	increase/ decrease
Net Sales	1,466.0	1,419.4	1,508.9	1,557.3	48.3	3.2%
Ethical drugs	1,317.7	1,267.4	1,358.8	1,401.7	42.9	3.2%
Japan	548.9	578.5	592.2	588.4	-3.8	-0.6%
Overseas	768.9	689.0	766.6	813.3	46.8	6.1%
Consumer Healthcare	58.2	60.3	61.7	66.9	5.2	8.4%
Others	94.8	96.3	93.1	93.1	0.0	0.0%
Adjustments	-4.8	-4.6	-4.6	-4.4	0.2	
Operating Income	420.2	367.1	265.0	122.5	-142.5	-53.8%
Ethical drugs	400.6	346.0	243.8	99.0	-144.7	-59.4%
Consumer Healthcare	11.0	12.2	11.8	13.2	1.3	11.4%
Others	10.8	11.0	11.7	12.4	0.7	6.0%
Adjustments	-2.2	-2.2	-2.2	-2.1	0.2	

\* Effective from the FY10, the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information has been adopted. The figures for "FY09" are calculated and indicated after applying said accounting standard.

ROE•EPS•Dividend (Yen)	FY09	FY10	FY11	FY12	vs. FY11	Estimate FY13
ROE (Return on equity)	14.4%	11.8%	6.1%	6.3%	0.2pt	4.4%
EPS (Earnings per share)	377.19	314.01	157.29	166.25	8.96	120.34
Pro Forma EPS (Earnings per share) *	448.81	373.57	314.38	233.78	-80.60	234.34
Annual dividends per share	180.00	180.00	180.00	180.00	-	180.00
Payout ratio	47.7%	57.3%	114.4%	108.3%	-6.2pt	149.6%

\* Excluding extraordinary income/loss and special factors related to corporate acquisitions and others.

Balance sheets (Billions of Yen)	FY09	FY10	FY11	FY12	vs. FY11
Current assets	1,572.9	1,586.3	1,279.0	<b>1,455.1</b>	176.1
Tangible fixed assets	318.9	407.5	488.7	<b>511.1</b>	22.4
Intangible fixed assets	639.9	517.4	1,516.2	<b>1,689.7</b>	173.5
Investment and other assets	291.6	275.2	293.1	<b>299.7</b>	6.6
Total assets	2,823.3	2,786.4	3,577.0	<b>3,955.6</b>	378.6
Current liabilities	428.5	436.6	751.7	<b>613.6</b>	-138.1
Long-term liabilities	230.1	213.2	753.4	<b>1,118.6</b>	365.2
Total liabilities	658.5	649.7	1,505.2	<b>1,732.2</b>	227.1
Net assets	2,164.7	2,136.7	2,071.9	<b>2,223.4</b>	151.5
Shareholders' equity	2,278.5	2,384.2	2,366.4	<b>2,345.4</b>	-21.0
Accumulated other comprehensive income <sup>(*)</sup>	-157.3	-292.6	-354.6	<b>-186.4</b>	168.2
Stock acquisition right	0.2	0.3	0.5	<b>0.9</b>	0.4
Minority interests	43.4	44.7	59.5	<b>63.4</b>	3.9

(\*) The amounts of "Valuation and translation adjustments" in the previous years are shown as "Accumulated other comprehensive income" from FY10.

Shareholder's Equity Ratio (%)	75.1%	75.1%	56.2%	<b>54.6%</b>	-1.7pt
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Treasury Stock (Billions of Yen)	1.0	1.0	0.8	<b>0.6</b>	-0.2
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Shares	FY09	FY10	FY11	FY12
Number of shares outstanding (1,000)	789,666	789,666	789,666	<b>789,666</b>
(Treasury Stock (1,000))	(286)	(295)	(252)	<b>(206)</b>
Stock price at year-end (Yen)	4,115	3,880	3,645	<b>5,030</b>
Total market value (Billions of Yen)	3,249.5	3,063.9	2,878.3	<b>3,972.0</b>

Number of employees (**)	FY09	FY10	FY11	FY12	vs. FY11
Consolidated	19,585	18,498	30,305	<b>30,481</b>	176
(Unconsolidated)	(6,334)	(6,471)	(6,565)	<b>(6,544)</b>	(-21)

(\*\*) Employees working in Takeda Pharmaceutical Company Limited and its consolidated subsidiaries. From FY10, the numbers are indicated on the full time equivalent basis. For fair comparison, the numbers of "FY09" are modified according to the new basis.

Exchange rate(Yen)	FY09	FY10	FY11	FY12	Estimate for FY13
US\$ Average (Apr.-Mar.)	93	86	79	<b>82</b>	<b>90</b>
Euro Average (Apr.-Mar.)	131	113	109	<b>106</b>	<b>120</b>

### III. Statements of Income

#### 1. Statements of Income

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs. FY11	increase/ decrease	Estimate FY13	FY13 1st half (E)
<b>Net Sales</b>	1,466.0	1,419.4	1,508.9	<b>1,557.3</b>	48.3	3.2%	<b>1,590.0</b>	<b>780.0</b>
<Royalty income>	<45.4>	<41.4>	<42.5>	<b>&lt;45.2&gt;</b>	<2.7>	<6.4%>		
Ethical drugs	1,317.7	1,267.4	1,358.8	<b>1,401.7</b>	42.9	3.2%	<b>1,450.0</b>	<b>710.0</b>
Consumer Healthcare	58.2	60.3	61.7	<b>66.9</b>	5.2	8.4%		
Others	94.8	96.3	93.1	<b>93.1</b>	0.0	0.0%		
Adjustments	-4.8	-4.6	-4.6	<b>-4.4</b>	0.2			
<b>Cost of sales</b>	285.1	317.6	433.2	<b>447.6</b>	14.4	3.3%		
<% of net sales>	<19.4%>	<22.4%>	<28.7%>	<b>&lt;28.7%&gt;</b>	<0.0pt>			
<b>Gross Profit</b>	1,180.9	1,101.8	1,075.7	<b>1,109.6</b>	33.9	3.2%		
<% of net sales>	<80.6%>	<77.6%>	<71.3%>	<b>&lt;71.3%&gt;</b>	<-0.0pt>			
<b>SG&amp;A expenses</b>	760.7	734.7	810.7	<b>987.1</b>	176.4	21.8%		
<% of net sales>	<51.9%>	<51.8%>	<53.7%>	<b>&lt;63.4%&gt;</b>	<9.7pt>			
<R&D expenses>	<296.4>	<288.9>	<281.9>	<b>&lt;324.3&gt;</b>	<42.4>	<15.0%>	<b>&lt;325.0&gt;</b>	<b>&lt;160.0&gt;</b>
<b>Operating income</b>	420.2	367.1	265.0	<b>122.5</b>	-142.5	-53.8%	<b>140.0</b>	<b>70.0</b>
<% of net sales>	<28.7%>	<25.9%>	<17.6%>	<b>&lt;7.9%&gt;</b>	<-9.7pt>		<b>&lt;8.8%&gt;</b>	<b>&lt;9.0%&gt;</b>
Ethical drugs	400.6	346.0	243.8	<b>99.0</b>	-144.7	-59.4%		
<% of Ethical drugs sales>	<30.4%>	<27.3%>	<17.9%>	<b>&lt;7.1%&gt;</b>	<-10.9pt>			
Consumer Healthcare	11.0	12.2	11.8	<b>13.2</b>	1.3	11.4%		
<% of Consumer healthcare sales>	<19.0%>	<20.3%>	<19.2%>	<b>&lt;19.7%&gt;</b>	<0.5pt>			
Others	10.8	11.0	11.7	<b>12.4</b>	0.7	6.0%		
<% of others sales>	<11.4%>	<11.4%>	<12.6%>	<b>&lt;13.3%&gt;</b>	<0.8pt>			
Adjustments	-2.2	-2.2	-2.2	<b>-2.1</b>	0.2			
<b>Non-operating income / expenses</b>	-4.4	4.5	5.3	<b>-9.3</b>	-14.6	-	<b>-15.0</b>	<b>-5.0</b>
<b>Non-operating income</b>	25.2	30.4	23.4	<b>23.6</b>	0.2	0.8%		
Interest income	2.0	1.7	1.9	<b>1.2</b>	-0.7	-35.9%		
Dividend income	4.2	4.5	4.4	<b>4.0</b>	-0.4	-9.6%		
Equity in earnings of unconsolidated subsidiaries and affiliates	0.8	0.5	0.3	<b>0.9</b>	0.6	187.1%		
Other non-operating income	18.2	23.8	16.8	<b>17.5</b>	0.7	4.4%		
<b>Non-operating expenses</b>	29.6	25.9	18.1	<b>32.9</b>	14.8	82.1%		
Interest expenses	1.4	1.3	1.9	<b>3.3</b>	1.4	76.5%		
Fair value adjustment of contingent consideration	-	-	-	<b>6.3</b>	6.3	-		
Other non-operating expenses	28.2	24.6	16.2	<b>23.3</b>	7.1	44.1%		
<b>Ordinary income</b>	415.8	371.6	270.3	<b>113.2</b>	-157.2	-58.1%	<b>125.0</b>	<b>65.0</b>
<% of net sales>	<28.4%>	<26.2%>	<17.9%>	<b>&lt;7.3%&gt;</b>	<-10.6pt>		<b>&lt;7.9%&gt;</b>	<b>&lt;8.3%&gt;</b>
<b>Extraordinary income and loss</b>	-	-	-17.9	<b>16.5</b>	34.4			
<b>Income before income tax and minority interests</b>	415.8	371.6	252.5	<b>129.7</b>	-122.8	-48.6%		
Income taxes	115.7	121.3	125.2	<b>-3.9</b>	-129.1	-		
Minority interests	2.4	2.4	3.1	<b>2.3</b>	-0.8	-24.6%		
<b>Net income</b>	297.7	247.9	124.2	<b>131.2</b>	7.1	5.7%	<b>95.0</b>	<b>45.0</b>
<% of net sales>	<20.3%>	<17.5%>	<8.2%>	<b>&lt;8.4%&gt;</b>	<0.2pt>		<b>&lt;6.0%&gt;</b>	<b>&lt;5.8%&gt;</b>
<b>Comprehensive income &lt;incl. minority interests&gt;</b>	255.8	114.5	65.4	<b>304.1</b>	238.7	-		
<b>Effective tax rate</b>								
Japanese statutory tax rate	40.9%	40.9%	40.6%	<b>38.0%</b>	-2.6pt			
Effective tax rate	27.8%	32.7%	49.6%	<b>-3.0%</b>	-52.6pt			

\* Effective from the FY10, the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information has been adopted. The figures for "FY09" are calculated and indicated after applying the accounting standard.

## 2. Sales

### ◆ Sales by Regions

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs FY11	increase/ decrease
<b>Total consolidated sales</b>	1,466.0	1,419.4	1,508.9	<b>1,557.3</b>	48.3	3.2%
Domestic	688.9	721.3	733.4	<b>734.5</b>	1.1	0.1%
Overseas	777.0	698.1	775.5	<b>822.8</b>	47.3	6.1%
<% of consolidated net sales>	<53.0%>	<49.2%>	<51.4%>	<b>&lt;52.8%&gt;</b>	<1.4pt>	
Americas	561.8	496.4	464.4	<b>423.5</b>	-40.9	-8.8%
<% of consolidated net sales>	<38.3%>	<35.0%>	<30.8%>	<b>&lt;27.2%&gt;</b>	<-3.6pt>	
[U.S.]	[544.5]	[483.4]	[419.5]	<b>[344.0]</b>	[-75.5]	[-18.0%]
[Latin America]			[30.2]	<b>[62.9]</b>	[32.7]	[108.3%]
Europe	189.1	172.9	258.0	<b>314.8</b>	56.8	22.0%
<% of consolidated net sales>	<12.9%>	<12.2%>	<17.1%>	<b>&lt;20.2%&gt;</b>	<3.1pt>	
[Russia/CIS]			[31.0]	<b>[68.3]</b>	[37.4]	[120.8%]
Asia and other regions	26.1	28.7				
<% of consolidated net sales>	<1.8%>	<2.0%>				
Asia			38.1	<b>60.1</b>	22.0	57.9%
<% of consolidated net sales>			<2.5%>	<b>&lt;3.9%&gt;</b>	<1.3pt>	
Other			15.0	<b>24.3</b>	9.3	61.7%
<% of consolidated net sales>			<1.0%>	<b>&lt;1.6%&gt;</b>	<0.6pt>	
Royalty income	45.4	41.4	42.5	<b>45.2</b>	2.7	6.4%
Ethical drugs	45.1	41.0	42.2	<b>44.9</b>	2.8	6.6%
Domestic	0.1	0.7	0.4	<b>0.4</b>	0.0	11.4%
Overseas	44.9	40.3	41.8	<b>44.5</b>	2.7	6.5%

\* Effective from the FY10, the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information has been adopted.

The figures for "FY09" are calculated and indicated after applying said accounting standard.

\*\* Effective from the FY12, the Company changed the classification of region for the purpose of providing more detailed sales information (previous "Asia and other regions" was divided into "Asia" and "Other"). In addition, two regions ("Latin America" in "Americas" and "Russia/CIS" in "Europe") were newly added. For fair comparison, the amounts reported in the FY11 are modified according to the new classification. In addition, the regional category of some countries in other than Americas was also changed as this reclassification.

\*\*\* "Other" region includes Middle East, Oceania and Africa.

### ◆ Ethical Drugs Sales [Consolidated basis]

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs FY11	increase/ decrease
<b>Domestic sales</b>	551.7	580.5	594.4	<b>590.1</b>	-4.3	-0.7%
<b>Overseas sales</b>	719.1	645.5	720.0	<b>763.8</b>	43.8	6.1%
Americas	535.2	475.4	447.1	<b>405.5</b>	-41.5	-9.3%
[U.S.]			[407.3]	<b>[326.8]</b>	[-80.4]	[-19.7%]
[Latin America]			[29.9]	<b>[62.3]</b>	[32.4]	[108.6%]
Europe	163.4	146.7	225.7	<b>279.9</b>	54.2	24.0%
[Russia/CIS]			[30.9]	<b>[68.3]</b>	[37.4]	[121.2%]
Asia and other regions	20.5	23.4				
Asia			33.6	<b>55.5</b>	21.8	64.9%
Other			13.6	<b>22.9</b>	9.3	68.7%
<b>Royalty income and service income</b>	50.2	44.5	47.7	<b>50.9</b>	3.2	6.8%
Domestic	0.6	1.0	1.0	<b>1.3</b>	0.3	27.2%
Overseas	49.6	43.5	46.6	<b>49.5</b>	2.9	6.3%
<b>Total sales</b>	1,321.1	1,270.5	1,362.0	<b>1,404.7</b>	42.7	3.1%
<b>Ratio of overseas sales</b>	58.2%	54.2%	56.3%	<b>57.9%</b>	1.6pt	

\* Sales amount includes intersegment sales.

\*\* Effective from the FY10, the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information has been adopted.

The figures for "FY09" are calculated and indicated after applying said accounting standard.

\*\*\* Effective from the FY12, the Company changed the classification of region for the purpose of providing more detailed sales information (previous "Asia and other regions" was divided into "Asia" and "Other"). In addition, two regions ("Latin America" in "Americas" and "Russia/CIS" in "Europe") were newly added. For fair comparison, the amounts reported in the FY11 are modified according to the new classification. In addition, the regional category of some countries in other than Americas was also changed as this reclassification.

\*\*\*\* "Other" region includes Middle East, Oceania and Africa.

### ◆ Subsidiaries and Affiliates (\*)

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs FY11	increase/ decrease
Takeda Pharmaceuticals U.S.A., Inc.	460.9	400.2	328.5	<b>234.9</b>	-93.6	-28.5%
[Millions of US\$]	[4,966]	[4,668]	[4,154]	<b>[2,856]</b>	[-1,298]	[-31.3%]
Millennium Pharmaceuticals, Inc.	71.4	74.7	87.3	<b>108.4</b>	21.1	24.2%
[Millions of US\$]	[769]	[872]	[1,104]	<b>[1,318]</b>	[214]	[19.4%]
Wako Pure Chemical Industries, Ltd.	69.4	70.0	60.2	<b>60.3</b>	0.1	0.2%

(\*) Sales amounts for TPC group's intercompany transaction are subtracted.



◆ Ethical drugs Sales (Consolidated basis)  
(Major items and regional basis)

(Billions of Yen)

Product	Launched	FY09	FY10	FY11	FY12	vs. FY11	increase/ decrease	FY13 Estimate
<b>Leuporelin</b>								
Worldwide sales		120.4	116.4	120.7	<b>116.5</b>	-4.2	-3.5%	<b>122.0</b>
Japan	(92. 9)	65.3	65.9	67.8	<b>66.0</b>	-1.8	-2.6%	<b>66.5</b>
Americas	(85. 5)	15.8	14.7	16.1	<b>14.9</b>	-1.2	-7.2%	<b>14.5</b>
Europe	(89. 4)	35.6	31.0	30.5	<b>27.8</b>	-2.7	-8.9%	<b>33.0</b>
Asia / Other	(91. 7)	3.7	4.8	6.3	<b>7.8</b>	1.5	23.4%	<b>8.0</b>
<b>Lansoprazole</b>								
Worldwide sales		216.1	133.6	122.1	<b>110.2</b>	-11.9	-9.7%	<b>102.0</b>
Japan	(92.12)	72.3	70.9	76.5	<b>69.1</b>	-7.4	-9.7%	<b>68.5</b>
Americas	(95. 6)	119.0	42.8	24.3	<b>24.5</b>	0.2	0.8%	<b>15.0</b>
Europe	(91.12)	21.4	16.4	16.8	<b>10.5</b>	-6.3	-37.5%	<b>11.0</b>
Asia / Other	(94. 8)	3.4	3.6	4.5	<b>6.1</b>	1.7	36.9%	<b>7.5</b>
<b>Candesartan</b>								
Worldwide sales *		218.3	218.0	216.3	<b>169.6</b>	-46.7	-21.6%	<b>148.0</b>
Japan	(99. 6)	132.6	138.0	142.7	<b>134.0</b>	-8.7	-6.1%	<b>121.0</b>
Americas, Europe, Asia / Other	Americas (98.10) Europe (97.12) Asia / Other (99. 1)	85.8	80.0	73.7	<b>35.6</b>	-38.0	-51.7%	<b>27.0</b>
<b>Pioglitazone</b>								
Worldwide sales		383.3	387.9	296.2	<b>122.9</b>	-173.3	-58.5%	<b>44.0</b>
Japan	(99.12)	51.2	47.9	31.8	<b>19.1</b>	-12.7	-39.8%	<b>17.0</b>
Americas	(99. 8)	297.4	306.2	244.5	<b>90.9</b>	-153.6	-62.8%	<b>14.0</b>
Europe	(00.10)	31.3	29.5	15.8	<b>8.2</b>	-7.6	-48.3%	<b>7.0</b>
Asia / Other	(00. 7)	3.3	4.2	4.1	<b>4.7</b>	0.6	13.9%	<b>6.0</b>

\* Worldwide sales of Candesartan are divided into only two segments, because export sales of this product to licensee are recorded under a single route.

\*\* Effective from the FY10, a portion of the pricing system for individual products (selling prices to wholesalers) has been revised in Japan. The figures for "FY09" are indicated after adjustment by applying said new pricing system.

\*\*\* Effective from the FY10, the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information has been adopted. The figures for "FY09" are calculated and indicated after applying the accounting standard.

\*\*\*\* Effective from the FY12, the regional category of some countries in other than Americas was changed. For fair comparison, the amounts reported in the FY11 are modified according to the new classification.

◆ Sales of products outside Japan

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs. FY11	increase/ decrease	FY13 Estimate
<b>Pantoprazole</b>	-	-	38.7	<b>78.0</b>	39.3	101.7%	<b>86.5</b>
<b>Velcade</b>	46.2	50.8	58.1	<b>72.9</b>	14.8	25.4%	<b>80.5</b>
<b>Colcrys</b>	-	-	-	<b>33.6</b>	33.6	0.0%	<b>50.0</b>
<b>Dexilant</b>	8.5	18.1	24.2	<b>32.7</b>	8.5	35.3%	<b>46.0</b>
<b>Amitiza</b>	19.8	18.6	18.7	<b>22.3</b>	3.6	19.4%	<b>25.5</b>
<b>Actovegin</b>	-	-	9.8	<b>19.6</b>	9.8	99.9%	<b>25.5</b>
<b>Uloric</b>	4.4	9.1	12.9	<b>17.7</b>	4.8	37.3%	<b>29.0</b>
<b>Calcium</b>	-	-	8.2	<b>15.4</b>	7.2	87.9%	<b>18.5</b>
<b>Tachosil</b>	-	-	6.8	<b>13.2</b>	6.4	93.5%	<b>16.0</b>
<b>Daxas</b>	-	-	1.3	<b>3.0</b>	1.7	134.6%	<b>5.5</b>

◆ Ethical drugs: Major products domestic sales

(Billions of Yen)

Product	Launched	Therapeutic Class	FY09	FY10	FY11	FY12	vs. FY11	increase/decrease	FY13 Estimate
Blopress	(99. 6)	Hypertension	132.6	138.0	142.7	<b>134.0</b>	-8.7	-6.1%	<b>121.0</b>
<Ecard>	(09. 3)	Hypertension	0.7	10.4	13.0	<b>12.4</b>	-0.5	-4.1%	<b>14.0</b>
<Unisia>	(10. 6)	Hypertension	-	4.7	17.7	<b>22.3</b>	4.6	26.2%	<b>24.0</b>
Takepron	(92.12)	Peptic ulcers	72.3	70.9	76.5	<b>69.1</b>	-7.4	-9.7%	<b>68.5</b>
Leuplin	(92. 9)	Prostate cancer, breast cancer and endometriosis	65.3	65.9	67.8	<b>66.0</b>	-1.8	-2.6%	<b>66.5</b>
Enbrel	(05. 3)	Rheumatoid arthritis	32.3	38.4	41.4	<b>43.2</b>	1.8	4.3%	
Nesina	(10. 6)	Diabetes	-	1.6	15.5	<b>37.8</b>	22.2	143.4%	<b>48.5</b>
<Liovel>	(11. 9)	Diabetes	-	-	1.0	<b>5.4</b>	4.4	-	<b>6.5</b>
Basen	(94. 9)	Diabetes	41.9	32.2	25.9	<b>19.3</b>	-6.6	-25.5%	<b>17.0</b>
Actos	(99.12)	Diabetes	51.2	47.9	31.8	<b>19.1</b>	-12.7	-39.8%	<b>17.0</b>
Vectibix	(10. 6)	Colorectal cancer	-	9.4	17.2	<b>18.8</b>	1.6	9.5%	<b>20.5</b>
Benet	(02. 5)	Osteoporosis	17.4	17.6	16.5	<b>13.3</b>	-3.3	-19.7%	<b>14.0</b>
Reminyl	(11. 3)	Alzheimer-type dementia	-	0.5	2.7	<b>8.4</b>	5.7	-	
Rozerem	(10. 7)	Insomnia	-	1.0	2.5	<b>4.5</b>	2.0	79.1%	<b>7.5</b>
Azilva	(12. 5)	Hypertension	-	-	-	<b>3.4</b>	3.4	-	<b>32.0</b>
Lotriga	(13. 1)	Hyperlipidemia	-	-	-	<b>1.1</b>	1.1	-	<b>3.0</b>

\* Effective from the FY10, a portion of the pricing system for individual products (selling prices to wholesalers) has been revised in Japan. The figures for "FY09" are indicated after adjustment by applying said new pricing system.

\*\* The figures for "FY13 Estimate" are partially undisclosed due to disclosure policy of alliance partners.

◆ Consumer Healthcare: Major products sales

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs. FY11	increase/decrease	FY13 Estimate
Alinamin tablet	14.6	14.0	14.7	<b>15.7</b>	1.0	6.7%	<b>15.8</b>
Alinamin drink	12.2	12.7	13.0	<b>14.3</b>	1.4	10.5%	<b>14.8</b>
Benza	7.8	8.7	9.2	<b>9.7</b>	0.5	5.3%	<b>10.1</b>
Biofermin	6.6	7.0	7.5	<b>8.1</b>	0.6	8.1%	<b>8.1</b>
Borriginol	4.0	4.2	4.3	<b>4.3</b>	0.0	0.5%	<b>4.3</b>

### 3. Selling, General and Administrative expenses

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs FY11	increase/ decrease
<b>SG &amp; A expenses</b>	760.7	734.7	810.7	<b>987.1</b>	176.4	21.8%
<% of net sales>	<51.9%>	<51.8%>	<53.7%>	<b>&lt;63.4%&gt;</b>	<9.7pt>	
Selling expenses	94.0	94.5	125.2	<b>175.5</b>	50.3	40.2%
Advertising expenses	19.3	24.7	27.1	<b>25.2</b>	-1.9	-7.0%
Sales promotion expenses	41.7	43.3	53.1	<b>61.1</b>	7.9	15.0%
Transportation and custody expenses	8.5	8.5	11.7	<b>16.4</b>	4.6	39.5%
Personnel expenses	174.2	171.8	169.4	<b>209.6</b>	40.2	23.7%
Other expenses	196.0	179.6	234.2	<b>277.7</b>	43.5	18.6%
<b>R&amp;D expenses</b>	296.4	288.9	281.9	<b>324.3</b>	42.4	15.0%
<% of net sales>	<20.2%>	<20.4%>	<18.7%>	<b>&lt;20.8%&gt;</b>	<2.1pt>	
<b>R&amp;D expenses for ethical drugs</b>	291.6	283.9	276.9	<b>318.4</b>	41.5	15.0%
<% of ethical drugs sales>	<22.1%>	<22.3%>	<20.3%>	<b>&lt;22.7%&gt;</b>	<2.3pt>	
<b>SG &amp; A expenses except R&amp;D expenses</b>	464.3	445.8	528.8	<b>662.8</b>	134.0	25.3%
<% of net sales>	<31.7%>	<31.4%>	<35.0%>	<b>&lt;42.6%&gt;</b>	<7.5pt>	

### 4. Non-operating income and expenses

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs FY11	increase/ decrease
<b>Non-operating income and expenses</b>	-4.4	4.5	5.3	<b>-9.3</b>	-14.6	-
<b>Non-operating income</b>	25.2	30.4	23.4	<b>23.6</b>	0.2	0.8%
Interest income	2.0	1.7	1.9	<b>1.2</b>	-0.7	-35.9%
Dividend income	4.2	4.5	4.4	<b>4.0</b>	-0.4	-9.6%
Equity in earnings of affiliates	0.8	0.5	0.3	<b>0.9</b>	0.6	187.1%
Other non-operating income	18.2	23.8	16.8	<b>17.5</b>	0.7	4.4%
<b>Non-operating expenses</b>	29.6	25.9	18.1	<b>32.9</b>	14.8	82.1%
Interest expenses	1.4	1.3	1.9	<b>3.3</b>	1.4	76.5%
Loss on inventories	0.0	0.3	0.2	<b>0.0</b>	-0.2	-94.1%
Loss on marketable securities	0.5	0.3	0.1	<b>0.8</b>	0.7	-
Loss on fixed assets	2.2	0.9	0.7	<b>2.6</b>	1.8	-
Contributions	5.5	4.4	5.3	<b>4.1</b>	-1.2	-22.2%
Fair value adjustment of contingent consideration	-	-	-	<b>6.3</b>	6.3	-
Other non-operating expenses	20.0	18.7	9.9	<b>15.8</b>	5.9	59.8%

### 5. Extraordinary income and loss

(Billions of Yen)

	FY09	FY10	FY11	FY12
<b>Extraordinary income and loss</b>	-	-	-17.9	<b>16.5</b>
<b>Extraordinary income</b>	-	-	17.6	<b>95.0</b>
Gain on sales of investment securities	-	-	-	<b>53.1</b>
Gain on sales of noncurrent assets	-	-	17.6	<b>4.0</b>
Government subsidy	-	-	-	<b>22.8</b>
Interest on tax refund	-	-	-	<b>15.1</b>
<b>Extraordinary loss</b>	-	-	35.5	<b>78.5</b>
Impairment loss	-	-	-	<b>43.6</b>
Restructuring costs	-	-	35.5	<b>25.2</b>
Loss on voluntary recall of products	-	-	-	<b>9.6</b>

#### IV. Statement of cash flows

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs. FY11
<b>Net cash provided by operating activities</b>	381.2	326.9	336.6	<b>307.7</b>	-28.9
Income before income taxes and minority interests	415.8	371.6	252.5	<b>129.7</b>	-122.8
Depreciation	99.8	92.6	128.0	<b>166.7</b>	38.7
Impairment loss	—	4.5	0.2	<b>43.6</b>	43.4
Loss on voluntary recall of products	—	—	—	<b>4.3</b>	4.3
Amortization of goodwill	15.1	14.1	22.2	<b>34.4</b>	12.2
Interest and dividend income	-6.2	-6.2	-6.3	<b>-5.2</b>	1.1
Interest expenses	1.4	1.3	1.9	<b>3.3</b>	1.4
Equity in losses (earnings) of affiliates	0.0	-0.4	0.8	<b>-0.7</b>	-1.5
Loss (gain) on sales and disposals of property, plant and equipment	1.4	0.9	-16.8	<b>-1.5</b>	15.3
Loss (gain) on sales of investment securities	-0.1	-1.1	-0.1	<b>-53.1</b>	-52.9
Interest on tax refund	—	—	—	<b>-15.1</b>	-15.1
Working capital	14.1	-9.2	64.7	<b>12.3</b>	-52.4
Decrease (increase) in notes and accounts receivable	16.7	-20.3	13.8	<b>16.6</b>	2.8
Decrease (increase) in inventory	-7.4	-0.6	49.3	<b>-14.9</b>	-64.2
Decrease (increase) in notes and accounts payable	4.8	11.7	1.6	<b>10.7</b>	9.0
Interest and dividends received	6.1	6.1	6.3	<b>5.1</b>	-1.2
Interest paid	-1.4	-1.3	-1.9	<b>-3.2</b>	-1.4
Income taxes paid	-138.7	-141.8	-152.1	<b>-22.7</b>	129.4
Tax refund and Interest on tax refund received	—	—	—	<b>57.2</b>	57.2
Other	-26.2	-4.2	37.1	<b>-47.6</b>	-84.7
<b>Net cash used in investing activities</b>	-117.5	-99.3	-1,094.0	<b>-111.4</b>	982.6
Net increase in marketable securities	-9.2	13.1	0.3	<b>-0.0</b>	-0.3
Net increase in time deposits	-17.0	15.9	0.4	<b>-1.5</b>	-1.9
Payments for purchases of property, plant and equipment	-87.0	-124.2	-61.9	<b>-78.2</b>	-16.3
Proceeds from sales of property, plant and equipment	0.8	0.7	21.1	<b>8.1</b>	-13.0
Payments for purchase of intangible assets	-4.1	-12.3	-9.1	<b>-17.6</b>	-8.4
Net increase in investment securities	5.4	3.8	-0.4	<b>58.3</b>	58.7
Payment for acquisition of shares of subsidiaries with subsequent change of consolidation range	-6.9	—	-1,040.0	<b>-86.3</b>	953.8
Proceeds from sales of shares of subsidiaries with subsequent change of consolidation range	—	3.4	—	<b>5.4</b>	5.4
Other	0.5	0.4	-4.3	<b>0.3</b>	4.6
<b>Net cash used in financing activities</b>	-148.0	-146.5	393.8	<b>-150.6</b>	-544.3
Net increase in short-term loans	-1.1	-0.7	239.8	<b>-242.9</b>	-482.7
Proceeds from issuance of long-term debt	—	1.3	110.0	<b>0.3</b>	-109.7
Repayment of long-term debt	—	-1.3	-0.1	<b>-0.2</b>	-0.1
Proceeds from issuance of bonds	—	—	189.6	<b>238.0</b>	48.4
Payment for purchases of treasury stock	-0.0	-0.1	-0.0	<b>-0.0</b>	-0.0
Dividends paid	-143.6	-142.1	-142.0	<b>-142.1</b>	-0.1
Other	-3.3	-3.8	-3.5	<b>-3.6</b>	-0.1
Effect of exchange rate changes	-21.2	-60.9	-54.9	<b>45.6</b>	100.4
<b>Net increase in cash and cash equivalents</b>	94.4	20.2	-418.5	<b>91.3</b>	509.8
Cash and cash equivalents, beginning of year	758.1	852.5	872.7	<b>454.2</b>	-418.5
<b>Cash and cash equivalents, end of year</b>	852.5	872.7	454.2	<b>545.6</b>	91.3

## V. Balance Sheets

<Assets>

(Billions of Yen)

	FY09	FY10	FY11	FY12	% of Total	vs. FY11
<b>Current assets</b>	1,572.9	1,586.3	1,279.0	<b>1,455.1</b>	36.8%	176.1
Cash and time deposits	266.5	217.9	214.9	<b>289.6</b>	7.3%	74.7
Securities	616.7	656.3	240.7	<b>258.1</b>	6.5%	17.4
Notes and accounts receivable	280.6	294.0	344.7	<b>345.5</b>	8.7%	0.9
Inventories	137.7	137.1	195.0	<b>229.5</b>	5.8%	34.5
Deferred income taxes	236.2	229.9	221.2	<b>240.1</b>	6.1%	18.9
Other current assets	36.0	51.9	65.3	<b>95.3</b>	2.4%	30.0
Allowance for doubtful receivables	-0.9	-0.9	-2.9	<b>-3.2</b>	-0.1%	-0.3
<b>Fixed assets</b>	1,250.4	1,200.1	2,298.0	<b>2,500.5</b>	63.2%	202.5
Tangible fixed assets	318.9	407.5	488.7	<b>511.1</b>	12.9%	22.4
Acquisition value	758.2	856.4	1,015.0	<b>1,073.5</b>		58.5
Accumulated depreciation	-439.3	-449.0	-526.3	<b>-562.4</b>		-36.1
Intangible fixed assets	639.9	517.4	1,516.2	<b>1,689.7</b>	42.7%	173.5
Goodwill	256.1	217.1	582.3	<b>675.4</b>		93.1
Patents	376.0	291.1	322.5	<b>363.1</b>		40.5
Sales rights	-	2.0	570.2	<b>582.9</b>		12.7
Other intangible fixed assets	7.8	7.2	41.3	<b>68.5</b>		27.2
Investment and other assets	291.6	275.2	293.1	<b>299.7</b>	7.6%	6.6
Investment securities	197.8	165.0	186.7	<b>176.7</b>		-10.0
Long-term loans	0.4	0.4	1.0	<b>1.0</b>		0.0
Prepaid pension costs	37.7	32.6	27.0	<b>28.8</b>		1.8
Real estates for lease	20.2	19.6	19.1	<b>18.1</b>		-1.0
Deferred income taxes	6.6	26.6	20.2	<b>21.2</b>		1.0
Others	29.0	31.3	39.1	<b>53.9</b>		14.7
Allowance for doubtful receivables	-0.2	-0.2	-0.1	<b>-0.1</b>		0.1
<b>Total assets</b>	2,823.3	2,786.4	3,577.0	<b>3,955.6</b>	100.0%	378.6

<Liabilities and net assets>

(Billions of Yen)

	FY09	FY10	FY11	FY12	% of Total	vs. FY11
<b>Total liabilities</b>	658.5	649.7	1,505.2	<b>1,732.2</b>	43.8%	227.1
<b>Current liabilities</b>	428.5	436.6	751.7	<b>613.6</b>	15.5%	-138.1
Notes and accounts payable	72.8	83.1	101.9	<b>118.7</b>	3.0%	16.7
Short-term loans	3.3	1.3	241.4	<b>1.8</b>	0.0%	-239.6
Income taxes payable	48.9	42.0	24.1	<b>113.4</b>	2.9%	89.3
Allowances and reserves	52.7	53.0	47.2	<b>83.3</b>	2.1%	36.1
Other current liabilities	250.8	257.2	337.1	<b>296.4</b>	7.5%	-40.7
<b>Long-term liabilities</b>	230.1	213.2	753.4	<b>1,118.6</b>	28.3%	365.2
Bond	0.0	-	190.0	<b>428.8</b>	10.8%	238.8
Long-term loans	-	1.3	111.4	<b>111.3</b>	2.8%	-0.1
Reserve for retirement benefits	18.0	16.8	54.4	<b>60.2</b>	1.5%	5.7
Reserve for directors' retirement	0.6	1.1	1.3	<b>1.5</b>	0.0%	0.2
Deferred income taxes	141.7	112.3	301.8	<b>322.1</b>	8.1%	20.4
Other long term liabilities	69.7	81.7	94.6	<b>194.7</b>	4.9%	100.1
<b>Net assets</b>	2,164.7	2,136.7	2,071.9	<b>2,223.4</b>	56.2%	151.5
Shareholders' equity	2,278.5	2,384.2	2,366.4	<b>2,345.4</b>		-21.0
〈Paid-in capital〉	< 63.5>	< 63.5>	< 63.5>	<b>&lt; 63.5&gt;</b>		< - >
〈Additional paid-in capital〉	< 49.6>	< 49.6>	< 49.6>	<b>&lt; 39.4&gt;</b>		< -10.3>
〈Retained earnings〉	< 2,166.3>	< 2,272.1>	< 2,254.1>	<b>&lt; 2,243.1&gt;</b>		< -11.0>
〈Treasury Stock〉	< -1.0>	< -1.0>	< -0.8>	<b>&lt; -0.6&gt;</b>		< 0.2>
Accumulated other comprehensive income <sup>(*)</sup>	-157.3	-292.6	-354.6	<b>-186.4</b>		168.2
〈Unrealized gain on available-for-sales securities〉	< 91.0>	< 73.9>	< 87.0>	<b>&lt; 78.0&gt;</b>		< -9.1>
〈Deferred hedge gains/losses〉	< 0.2>	< 0.0>	< 0.0>	<b>&lt; - &gt;</b>		< -0.0>
〈Foreign currency translation adjustment〉	< -248.5>	< -366.6>	< -441.7>	<b>&lt; -264.4&gt;</b>		< 177.3>
Stock acquisition right	0.2	0.3	0.5	<b>0.9</b>		0.4
Minority interests	43.4	44.7	59.5	<b>63.4</b>		3.9
<b>Total liabilities and net assets</b>	2,823.3	2,786.4	3,577.0	<b>3,955.6</b>	100.0%	378.6

(\*) The amounts of "Valuation and translation adjustments" in the previous years are shown as "Accumulated other comprehensive income" from FY10.

## VI. Segment Information \*

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs. FY11	increase/ decrease
<b>Net Sales</b>	1,466.0	1,419.4	1,508.9	<b>1,557.3</b>	48.3	3.2%
Ethical drugs	1,317.7	1,267.4	1,358.8	<b>1,401.7</b>	42.9	3.2%
Japan	548.9	578.5	592.2	<b>588.4</b>	-3.8	-0.6%
Overseas	768.9	689.0	766.6	<b>813.3</b>	46.8	6.1%
Consumer healthcare	58.2	60.3	61.7	<b>66.9</b>	5.2	8.4%
Others	94.8	96.3	93.1	<b>93.1</b>	0.0	0.0%
Adjustments	-4.8	-4.6	-4.6	<b>-4.4</b>	0.2	
<b>Operating Income</b>	420.2	367.1	265.0	<b>122.5</b>	-142.5	-53.8%
Ethical drugs	400.6	346.0	243.8	<b>99.0</b>	-144.7	-59.4%
Consumer healthcare	11.0	12.2	11.8	<b>13.2</b>	1.3	11.4%
Others	10.8	11.0	11.7	<b>12.4</b>	0.7	6.0%
Adjustments	-2.2	-2.2	-2.2	<b>-2.1</b>	0.2	

(Billions of Yen)

	FY09	FY10	FY11	FY12	vs. FY11	increase/ decrease
<b>Capital expenditures</b>	114.5	148.9	1,255.2	<b>283.3</b>	-971.9	-77.4%
Ethical drugs	110.6	144.7	** 1,249.1	<b>*** 275.6</b>	-973.5	-77.9%
Consumer healthcare	0.5	0.4	0.7	<b>0.7</b>	0.0	1.0%
Others	3.4	3.7	5.4	<b>7.0</b>	1.7	30.8%
Adjustment	-	-	-	-	-	

\*\* Including increase of intangible assets and goodwill due to acquisition of Nycomed.

\*\*\* Including increase of intangible assets and goodwill due to acquisition of URL Pharma, Multilab, LigoCyte and Envoy.

<b>Depreciation</b>	98.7	91.5	126.9	<b>165.5</b>	38.7	30.5%
Ethical drugs	93.0	86.1	121.7	<b>160.1</b>	38.4	31.5%
Consumer healthcare	0.8	0.8	0.8	<b>0.8</b>	-0.0	-4.2%
Others	5.6	5.2	4.9	<b>5.2</b>	0.3	5.7%
Adjustment	-0.7	-0.6	-0.6	<b>-0.5</b>	0.0	

<b>Amortization of goodwill</b>	15.1	14.1	22.2	<b>34.4</b>	12.2	55.0%
Ethical drugs	14.6	13.7	22.1	<b>34.4</b>	12.3	55.8%
Consumer healthcare	-	-	-	-	-	-
Others	0.5	0.5	0.1	<b>0.0</b>	-0.1	-95.8%
Adjustment	-	-	-	-	-	

\* Effective from the FY10, the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information has been adopted. The figures for "FY09" are calculated and indicated after applying the accounting standard.

## VII. Number of employees

	FY09	FY10	FY11	FY12	% of total	vs. FY11
<b>Total (①－②)＋③</b>	19,585	18,498	30,305	<b>30,481</b>	100.0%	176
< Overseas >	<10,280>	<9,031>	<20,775>	<b>&lt;20,956&gt;</b>	<68.8%>	<181>
Ethical drugs	17,125	16,035	27,844	<b>27,947</b>	91.7%	103
Consumer healthcare	443	435	440	<b>450</b>	1.5%	10
Others	2,016	2,028	2,021	<b>2,084</b>	6.8%	64
Takeda Pharmaceutical Company Limited ①	6,566	6,673	6,740	<b>6,671</b>		–69
<Temporarily transferred employees & Temporarily accepted employees (net)> ②	232	202	175	<b>127</b>		–48
Employees working in Takeda Pharmaceutical Company Limited ①－②	6,334	6,471	6,565	<b>6,544</b>	21.5%	–21
Consolidated subsidiaries ③	13,251	12,027	23,740	<b>23,937</b>	78.5%	197
Affiliates (applied "equity method")	899	772	762	<b>639</b>		–123

\* Employees working in Takeda Pharmaceutical Company Limited and its consolidated subsidiaries. From “FY10”, the numbers are indicated on the full time equivalent basis. For fair comparison, the numbers of “FY09” are modified according to the new basis.



## VIII. Shareholders

### 【By ownership】

		FY09	FY10	FY11	FY12	vs. FY11
<b>Financial Institutions</b>	No. of shareholders	352	335	333	<b>311</b>	-22
	No. of shares(1000)	266,658	260,811	252,393	<b>250,440</b>	-1,954
	% of shares outstanding	33.77	33.03	31.96	<b>31.71</b>	-0.25
<b>Registered Financial Instruments Firms</b>	No. of shareholders	55	68	82	<b>59</b>	-23
	No. of shares(1000)	27,327	39,030	41,967	<b>37,273</b>	-4,695
	% of shares outstanding	3.46	4.94	5.32	<b>4.72</b>	-0.59
<b>Other institutions</b>	No. of shareholders	1,663	1,726	1,937	<b>1,772</b>	-165
	No. of shares(1000)	39,787	40,939	42,270	<b>41,596</b>	-673
	% of shares outstanding	5.04	5.18	5.35	<b>5.27</b>	-0.09
<b>Foreign investors</b>	No. of shareholders	914	929	849	<b>861</b>	12
	No. of shares(1000)	256,760	232,926	196,313	<b>221,281</b>	24,968
	% of shares outstanding	32.51	29.50	24.86	<b>28.02</b>	3.16
<b>Private investors and others</b>	No. of shareholders	233,494	253,232	301,426	<b>275,841</b>	-25,585
	No. of shares(1000)	198,931	215,747	256,553	<b>238,953</b>	-17,600
	% of shares outstanding	25.19	27.32	32.49	<b>30.26</b>	-2.23
<b>Takeda</b>	No. of shares(1000)	204	213	170	<b>123</b>	-47
	% of shares outstanding	0.03	0.03	0.02	<b>0.02</b>	-0.01

### 【By number of shares held each】

		FY09	FY10	FY11	FY12	vs. FY11
<b>5,000,000~</b>	No. of shareholders	26	24	24	<b>25</b>	1
	No. of shares(1000)	303,940	297,487	289,885	<b>300,172</b>	10,287
	% of shares outstanding	38.49	37.67	36.71	<b>38.01</b>	1.30
<b>1,000,000~ 4,999,999</b>	No. of shareholders	91	84	74	<b>79</b>	5
	No. of shares(1000)	208,208	198,059	175,690	<b>176,679</b>	989
	% of shares outstanding	26.37	25.08	22.25	<b>22.37</b>	0.13
<b>100,000~ 999,999</b>	No. of shareholders	294	297	275	<b>288</b>	13
	No. of shares(1000)	97,018	96,821	85,621	<b>92,399</b>	6,779
	% of shares outstanding	12.28	12.26	10.84	<b>11.70</b>	0.86
<b>10,000~ 99,999</b>	No. of shareholders	2,007	2,146	2,516	<b>2,373</b>	-143
	No. of shares(1000)	44,075	46,007	52,587	<b>49,309</b>	-3,278
	% of shares outstanding	5.58	5.83	6.66	<b>6.25</b>	-0.42
<b>1,000~ 9,999</b>	No. of shareholders	48,020	53,397	65,273	<b>60,392</b>	-4,881
	No. of shares(1000)	95,520	105,897	129,691	<b>120,618</b>	-9,074
	% of shares outstanding	12.10	13.41	16.42	<b>15.28</b>	-1.15
<b>100~ 999</b>	No. of shareholders	176,833	190,886	226,498	<b>206,147</b>	-20,351
	No. of shares(1000)	40,643	45,134	55,921	<b>50,234</b>	-5,687
	% of shares outstanding	5.15	5.72	7.08	<b>6.36</b>	-0.72
<b>Less than 99</b>	No. of shareholders	9,209	9,457	9,968	<b>9,541</b>	-427
	No. of shares(1000)	261	261	271	<b>255</b>	-16
	% of shares outstanding	0.03	0.03	0.04	<b>0.03</b>	-0.00
<b>Total</b>		236,480	256,291	304,628	278,845	-25,783
		789,666	789,666	789,666	789,666	-

### 【10 largest shareholders】

Shareholders		March 31, 2013		Change from March 31, 2012	
		No. of shares held (1000)	% of shares outstanding	No. of shares increase/decrease	Previous ranking
1	Nippon Life Insurance Company	<b>56,400</b>	<b>7.14</b>	-	<1>
2	Japan Trustee Services Bank, Ltd. (Trust account)	<b>34,736</b>	<b>4.40</b>	-4,670	<2>
3	The Master Trust Bank of Japan, Ltd. (Trust account)	<b>33,852</b>	<b>4.29</b>	5,370	<3>
4	Takeda Science Foundation	<b>17,912</b>	<b>2.27</b>	-	<4>
5	SSBT OD05 OMNIBUS ACCOUNT-TREATY CLIENTS	<b>16,690</b>	<b>2.11</b>	-907	<5>
6	Barclays Securities Japan Limited	<b>12,000</b>	<b>1.52</b>	-2,654	<6>
7	State Street Trust & Banking Co., Ltd. 505225	<b>10,468</b>	<b>1.33</b>	1,473	<7>
8	Japan Trustee Services Bank, Ltd. (Trust account 9)	<b>8,323</b>	<b>1.05</b>	10	<8>
9	The Chase Manhattan N.A. London S. L. Omnibus Account	<b>8,116</b>	<b>1.03</b>	6,317	<69>
10	Sumitomo Mitsui Banking Corporation	<b>7,839</b>	<b>0.99</b>	-	<10>

## IX. Financial ratios

	FY09	FY10	FY11	FY12
<b>[Growth rates]</b>				
Net sales (%)	-4.7	-3.2	6.3	<b>3.2</b>
Operating income (%)	37.1	-12.6	-27.8	<b>-53.8</b>
Ordinary income (%)	27.1	-10.6	-27.2	<b>-58.1</b>
Net income (%)	27.0	-16.8	-49.9	<b>5.7</b>
<b>[Profitability ratios]</b>				
Gross Profit margin (%)	80.6	77.6	71.3	<b>71.3</b>
Operating margin (%)	28.7	25.9	17.6	<b>7.9</b>
Ordinary margin (%)	28.4	26.2	17.9	<b>7.3</b>
Net margin (%)	20.3	17.5	8.2	<b>8.4</b>
Ordinary income to total assets (%)	14.9	13.2	8.5	<b>3.0</b>
Return on assets (%)	10.7	8.8	3.9	<b>3.5</b>
ROE (Return on equity) (%)	14.4	11.8	6.1	<b>6.3</b>
<b>[Stability ratios]</b>				
Equity to assets (%)	75.1	75.1	56.2	<b>54.6</b>
Current ratio (%)	367.1	363.3	170.1	<b>237.1</b>
Fixed assets to long-term capital (%)	53.2	52.1	83.1	<b>76.3</b>
<b>[Efficiency ratios]</b>				
Asset turnover (times)	0.52	0.51	0.42	<b>0.39</b>
Fixed-asset turnover (times)	1.17	1.18	0.66	<b>0.62</b>
Notes and accounts receivable turnover (times) *	5.22	4.83	4.38	<b>4.51</b>
<b>[Other ratios]</b>				
R&D expenses to net sales (%)	20.2	20.4	18.7	<b>20.8</b>
BPS (Book value of equity per share) (Yen)	2,687	2,650	2,549	<b>2,735</b>
EPS (Earnings per share) (Yen)	377.19	314.01	157.29	<b>166.25</b>
Pro Forma EPS (Earnings per share) **	448.81	373.57	314.38	<b>233.78</b>
Growth Rate of EPS (%)	30.1	-16.8	-49.9	<b>5.7</b>
Growth Rate of Pro Forma EPS (%) **	-4.6	-16.8	-15.8	<b>-25.6</b>
Payout ratio (%)	47.7	57.3	114.4	<b>108.3</b>
DOE (Dividend on equity) (%)	6.9	6.7	6.9	<b>6.8</b>

\* After adjustment of outstanding balance at each fiscal year end and/or 1st half of fiscal year if the ending day falls on weekend or holiday, and to be paid on the beginning day of the following fiscal term.

\*\* Excluding extraordinary income/loss and special factors related to corporate acquisitions and others.

## **X. Pipeline**

### **Development Activities**

- Compounds
- Additional indications/formulations of compounds
- Recent progress in stage
- Discontinued project
- Revised collaboration agreement
- Fillings and Approvals in Regions other than US/EU/Jpn
- Characteristics of projects
- Other alliance projects
- Clinical study protocol summaries
- Outcome studies

### **Research Activities**

- Main joint research activities

## (5) Development activities

### ■ US/EU/Jpn

Development code/product name <generic name>	Drug Class (administration route)	Indications	Stage		In-house/ In-license
<b>SYR-322</b> <alogliptin>	DPP-4 inhibitor (oral)	Diabetes mellitus	US	Approved (Jan 13)	In-house
			EU	Filed (May 12)	
		Diabetes mellitus (Fixed-dose combination with pioglitazone)	US	Approved (Jan 13)	
			EU	Filed (Jun 12)	
<b>SYR-322</b> <alogliptin>	DPP-4 inhibitor (oral)	Diabetes mellitus (Fixed-dose combination with metformin)	US	Approved (Jan 13)	In-house
			EU	Filed (Jun 12)	
			US	Approved (Jan 13)	
			EU	Filed (Jun 12)	
<b>Feraheme® / Rienso®</b> <ferumoxytol>	IV iron (injection)	Iron deficiency anaemia in adult patients with chronic kidney disease	EU	Approved (Jun 12)	In-license (AMAG)
<b>Lotriga®</b> <omega-3-acid ethyl esters 90>	EPA/DHA agent (oral)	Hyperlipidemia	Jpn	Approved (Sep 12)	In-license (Pronova)
<b>SGN-35</b> <brentuximab vedotin>	CD30 monoclonal antibody-drug conjugate (injection)	Relapsed or refractory Hodgkin lymphoma	EU	Approved (Oct 12)	In-license (Seattle Genetics)
			Jpn	Filed (Mar 13)	
		Relapsed or refractory systemic anaplastic large cell lymphoma	EU	Approved (Oct 12)	
			Jpn	Filed (Mar 13)	
		Relapsed cutaneous T-cell lymphoma	EU	P-III	
		Post-ASCT Hodgkin lymphoma	EU	P-III	
<b>SGN-35</b> <brentuximab vedotin>	CD30 monoclonal antibody-drug conjugate (injection)	Front line Hodgkin lymphoma	EU	P-III	In-license (Seattle Genetics)
			EU	P-III	
		Front line mature T-cell lymphoma	EU	P-III	
			EU	P-III	
<b>TAK-390MR</b> <dexlansoprazole>	Proton pump inhibitor (oral)	Erosive esophagitis (healing and maintenance) and non-erosive gastro-esophageal reflux disease	EU	Filed (Mar 12)	In-house
			Jpn	P-II	
<b>MLN0002</b> <vedolizumab>	Humanized monoclonal antibody against α4β7 integrin (injection)	Ulcerative colitis	EU	Filed (Mar 13)	In-house
			US	P-III	
			Jpn	P-I	
		Crohn's disease	EU	Filed (Mar 13)	
			US	P-III	
<b>TAK-536</b> <azilsartan>	Angiotensin II receptor blocker (oral)	Hypertension (Fixed-dose combination with amlodipine besilate)	Jpn	Filed (Apr 13)	In-house
<b>OMONTYS®</b> <peginesatide>	Synthetic, peptide-based erythropoiesis-stimulating agent (injection)	Anemia due to chronic kidney disease in adult patients on dialysis	EU	Filed (Feb 12)	In-license (Affymax)
<b>&lt;lurasidone hydrochloride&gt;</b>	Atypical antipsychotic agent (oral)	Schizophrenia	EU	Filed (Sep 12)	In-license (Dainippon Sumitomo)
		Bipolar disorder	EU	P-III	
<b>BRINTELLIX®</b> <vortioxetine>	Multimodal anti-depressant (oral)	Major depressive disorder	US	Filed (Oct 12)	In-license (Lundbeck)
			Jpn	P-III	
		Generalized anxiety disorder	US	P-III	
<b>ATL-962</b> <cetlistat>	Lipase inhibitor (oral)	Obesity	Jpn	Filed (Oct 12)	In-license (Norgine BV)* <sup>1</sup>
<b>BLB-750</b>	Influenza vaccine (injection)	Prevention of pandemic influenza	Jpn	Filed (Mar 13)	In-license (Baxter)
<b>Contrave®</b> <naltrexone SR /bupropion SR>	Mu-opioid receptor antagonist and dopamine/norepinephrine re-uptake inhibitor (oral)	Obesity	US	FDA Complete Response Letter (Jan 11)* <sup>2</sup>	In-license (Orexigen)
<b>TAK-875</b> <fasiglifam>	GPR40 agonist (oral)	Diabetes mellitus	US	P-III	In-house
			EU	P-III	
			Jpn	P-III	
<b>TAK-700</b> <orteronel>	Non-steroidal androgen synthesis inhibitor (oral)	Prostate cancer	US	P-III	In-house
			EU	P-III	
			Jpn	P-III	

\*1 Alizyme assigned ATL-962 (cetlistat) business to Norgine BV on 15 October, 2009

\*2 CV study currently ongoing to support re-submission

Development code/product name <generic name>	Drug Class (administration route)	Indications	Stage		In-house/ In-license
<b>MLN9708</b> <ixazomib citrate>	Proteasome inhibitor (oral)	Multiple myeloma	US	P-III	In-house
			EU	P-III	
			Jpn	P-I	
		Relapsed or refractory primary (AL) amyloidosis	US	P-III	
<b>MLN8237</b> <alisertib>	Aurora A kinase inhibitor (oral)		EU	P-III	In-house
			US	P-II	
		Diffuse large B-cell lymphoma, Non-small cell lung cancer, Small cell lung cancer, Gastroesophageal cancer, Head and neck cancer, Breast cancer, Ovarian cancer	EU	P-II	
		Non-Hodgkin lymphoma	Jpn	P-I	
		Solid tumors	Jpn	P-I	
<b>SYR-472</b> <trelagliptin>	DPP-4 inhibitor (oral)	Diabetes mellitus	Jpn	P-III	In-house
			US	P-II	
			EU	P-II	
<b>TAK-491</b> <azilsartan medoxomil>	Angiotensin II receptor blocker (oral)	Hypertension (Fixed-dose combination with chlorthalidone)	EU	P-III	In-house
<b>TAK-438</b> <vonoprazan>	Potassium-competitive acid blocker (oral)	Acid-related diseases (GERD, Peptic ulcer, etc.)	Jpn	P-III	In-house
<b>TAK-375SL</b> <ramelteon>	MT <sub>1</sub> /MT <sub>2</sub> receptor agonist (sublingual)	Bipolar disorder	US	P-III	In-house
<b>&lt;motesanib diphosphate&gt;</b>	VEGFR1-3, PDGFR, c-Kit inhibitor (oral)	Advanced non-squamous non-small cell lung cancer	Jpn	P-III	In-license (Amgen)
<b>AMG 386</b> <trebananib>	Anti-angiopoietin peptibody (injection)	Ovarian cancer	Jpn	P-III	In-license (Amgen)
<b>AMG 479</b> <ganitumab>	Human monoclonal antibody against human type 1 insulin-like growth factor receptor (IGF-1R) (injection)	Metastatic pancreas cancer	Jpn	P-III	In-license (Amgen)
<b>Sovrima®</b> <idebenone>	Mitochondria targeted anti-oxidant (oral)	Friedreich's ataxia	EU	P-III <sup>*3</sup>	In-license (Santhera)
		Duchenne muscular dystrophy	EU	P-III	
<b>TAK-816</b> < - >	Hib vaccine (injection)	Prevention of infectious disease caused by Haemophilus influenza Type b (Hib)	Jpn	P-III	In-license (Novartis)
<b>TAK-428</b> < - >	Neurotrophic factor production accelerator (oral)	Diabetic neuropathy	US	P-II	In-house
			EU	P-II	
<b>TAK-385</b> <relugolix>	LH-RH antagonist (oral)	Endometriosis, Uterine fibroids	Jpn	P-II	In-house
		Prostate Cancer	-	P-I	
<b>-</b> <veltuzumab>	CD20 monoclonal antibody (injection)	Systemic lupus erythematosus	US	P-II	In-license (Immunomedics)
			EU	P-II	
<b>TAK-361S</b> < - >	Quadruple vaccine (injection)	Prevention of infectious disease caused by Diphtheria, Pertussis, Tetanus, Polio	Jpn	P-II	In-license (Japan Polio)
<b>Norovirus vaccine</b>	Norovirus vaccine (injection)	Prevention of acute gastroenteritis (AGE) caused by norovirus	-	P-I/II	In-house
<b>TAK-329</b> < - >	Glucokinase activator (oral)	Diabetes mellitus	-	P-I	In-house
<b>TAK-733</b> < - >	MEK inhibitor (oral)	Solid tumors	-	P-I	In-house
<b>TAK-272</b> < - >	Direct renin inhibitor (oral)	Hypertension	-	P-I	In-house

\*3 Re-submission subject to data analysis

Development code /product name <generic name>	Drug Class (administration route)	Indications	Stage		In-house/ In-license
<b>TAK-063</b> < - >	PDE10A inhibitor (oral)	Schizophrenia	-	P-I	In-house
<b>MLN4924</b> < - >	NEDD 8 activating enzyme inhibitor (injection)	Advanced malignancies	-	P-I	In-house
<b>MLN0128</b> <sup>*4</sup> < - >	mTORC1/2 inhibitor (oral)	Multiple myeloma, Waldenstrom's macroglobulinemia, Solid tumors	-	P-I	In-house
<b>MLN1117</b> <sup>*5</sup> < - >	PI3Kα isoform inhibitor (oral)	Solid tumors	-	P-I	In-house
<b>MLN0264</b> < - >	Antibody-Drug Conjugate targeting GCC (injection)	Advanced gastrointestinal malignancies	-	P-I	In-house
<b>MLN2480</b> < - >	pan-Raf kinase inhibitor (oral)	Solid tumors	-	P-I	In-license (Sunesis)
<b>MT203</b> <namilumab>	GM-CSF monoclonal antibody (injection)	Rheumatoid arthritis	EU	P-I	In-license (Amgen)* <sup>6</sup>
<b>Lu AA24530</b> < - >	Multimodal anti-depressant (oral)	Major depressive and generalized anxiety disorders	US Jpn	P-I <sup>*7</sup> P-I	In-license (Lundbeck)
<b>AMG 403</b> <fulranumab>	Human monoclonal antibody against human Nerve Growth Factor (NGF) (injection)	Pain	Jpn	P-I	In-license (Amgen)
<b>ITI-214</b> < - >	PDE1 inhibitor (oral)	Cognitive impairment associated with schizophrenia	-	P-I	In-license (Intra-Cellular)

\*4 MLN0128 used to be INK128

\*5 MLN1117 used to be INK1117

\*6 Deal made with Micromet; on Mar 7<sup>th</sup>, 2012, Micromet became a wholly owned subsidiary of Amgen

\*7 To be prepared for P-III in the US

## ■ Additional indications/formulations of compounds

Development code/product name <generic name> Brand name (country / region)	Drug Class	Indications or formulations	Stage		In-house/ In-license
<b>AG-1749</b> <lansoprazole> Takepron <sup>®</sup> (Jpn) Prevacid <sup>®</sup> (US) Ogast <sup>®</sup> , etc. (EU)	Proton pump inhibitor	Helicobacter pylori eradication by concomitant therapy with amoxicillin hydrate and either clarithromycin or metronidazole	Jpn	Approved (Feb 13)	In-house
		Fixed-dose combination with low-dose aspirin	Jpn	Filed (Mar 13)	
<b>NE-58095</b> <risedronate> Benet <sup>®</sup> (Jpn)	Bone resorption inhibitor	Osteoporosis (Once-monthly formulation)	Jpn	Approved (Dec 12)	In-license (Ajinomoto)
<b>AMITIZA<sup>®</sup></b> <lubiprostone>	Chloride channel activator	Opioid-induced constipation	US	Approved (Apr 13)	In-license (Sucampo)
<b>TAP-144-SR</b> <leuprorelin acetate> Leuplin <sup>®</sup> (Jpn) Lupron Depot <sup>®</sup> (US) Enantone <sup>®</sup> , etc. (EU)	LH-RH agonist	Prostate cancer, Premenopausal breast cancer (6-month formulation)	Jpn	P-III	In-house
<b>VELCADE<sup>®</sup></b> <bortezomib>	Proteasome inhibitor	Front line mantle cell lymphoma	US	P-III	In-house
		Relapsed diffuse large B cell lymphoma	US	P-II	
<b>AD4833/TOMM40</b>	Insulin sensitizer/ Biomarker assay	Alzheimer's disease prevention	-	P-I	In-license (Zinfandel)

■ **Recent progress in stage** Progress in stage since release of FY2011 results (May 11, 2012)

Development code	Indications	Country/Region	Progress in stage
<b>Feraheme® / Rienso®</b>	Iron deficiency anaemia in adult patients with chronic kidney disease	EU	Approved (Jun 12)
<b>Lotriga®</b>	Hyperlipidemia	Jpn	Approved (Sep 12)
<b>SGN-35</b>	Relapsed or refractory Hodgkin lymphoma	EU	Approved (Oct 12)
<b>SGN-35</b>	Relapsed or refractory systemic anaplastic large cell lymphoma	EU	Approved (Oct 12)
<b>NE-58095</b>	Osteoporosis (Once monthly formulation)	Jpn	Approved (Dec 12)
<b>SYR-322</b>	Diabetes mellitus	US	Approved (Jan 13)
<b>SYR-322</b>	Diabetes mellitus (Fixed-dose combination with pioglitazone)	US	Approved (Jan 13)
<b>SYR-322</b>	Diabetes mellitus (Fixed-dose combination with metformin)	US	Approved (Jan 13)
<b>SYR-322</b>	Diabetes mellitus	EU	Filed (May 12)
<b>SYR-322</b>	Diabetes mellitus (Fixed-dose combination with pioglitazone)	EU	Filed (Jun 12)
<b>SYR-322</b>	Diabetes mellitus (Fixed-dose combination with metformin)	EU	Filed (Jun 12)
<b>lurasidone hydrochloride</b>	Schizophrenia	EU	Filed (Sep 12)
<b>Lu AA21004</b>	Major depressive disorder	US	Filed (Oct 12)
<b>ATL-962</b>	Obesity	Jpn	Filed (Oct 12)
<b>MLN9708</b>	Multiple myeloma	US, EU	P-III
<b>TAK-375SL</b>	Bipolar disorder	US	P-III
<b>MLN9708</b>	Relapsed or refractory primary (AL) amyloidosis	US, EU	P-III
<b>SGN-35</b>	Front line Hodgkin lymphoma	EU	P-III
<b>SGN-35</b>	Front line mature T-cell lymphoma	EU	P-III
<b>TAK-063</b>	Schizophrenia	-	P-I
<b>MLN0264</b>	Advanced gastrointestinal malignancies	-	P-I
<b>ITI-214</b>	Cognitive Impairment Associated with Schizophrenia	-	P-I
<b>AG-1749</b>	Helicobacter pylori eradication by concomitant therapy with amoxicillin hydrate and either clarithromycin or metronidazole	Jpn	Approved (Feb 13)
<b>lubiprostone</b>	Opioid-induced constipation	US	Approved (Apr 13)
<b>MLN0002</b>	Ulcerative colitis	EU	Filed (Mar 13)
<b>MLN0002</b>	Crohn's disease	EU	Filed (Mar 13)
<b>AG-1749</b>	Fixed-dose combination with low-dose aspirin	Jpn	Filed (Mar 13)
<b>BLB-750</b>	Prevention of pandemic influenza	Jpn	Filed (Mar 13)
<b>SGN-35</b>	Relapsed or refractory Hodgkin lymphoma	Jpn	Filed (Mar 13)
<b>SGN-35</b>	Relapsed or refractory systemic anaplastic large cell lymphoma	Jpn	Filed (Mar 13)
<b>TAK-536</b>	Hypertension (Fixed-dose combination with amlodipine besilate)	Jpn	Filed (Apr 13)

Progress in stage since the announcement of FY2012 3Q results (February 4<sup>th</sup>, 2013) are listed under the bold dividing line

■ **Discontinued projects** Discontinued since release of FY2011 results (May 11, 2012)

Development code	Indications (Stage)	Reason
<b>TAK-701</b>	Advanced malignancies (P-I)	The decision to discontinue development was made because it no longer fits in the product development portfolio of Takeda
<b>TAK-591</b>	Hypertension (P-I)	As TAK-536 has been launched, there is no need to keep TAK-591
<b>MLN0518</b>	Glioblastoma (US P-II)	Clinical data from both single agent and a combination study did not warrant further development in glioblastoma
<b>motesanib diphosphate</b>	Advanced non-squamous non-small cell lung cancer (US, EU P-III)	MONET1 pivotal phase III trial did not meet its primary objective of demonstrating a statistically significant improvement in overall survival, and did not warrant further development in US and EU
<b>motesanib diphosphate</b>	Breast cancer (US P-I/II)	Currently, the focus of motesanib diphosphate development is front line NSCLC in Japan and additional Asian countries
<b>Vectibix®</b>	Squamous cell carcinoma of head and neck (Jpn P-III)	The phase III study did not meet the primary endpoint of statistically significant improvement in overall survival. Amgen and Takeda do not plan an additional pivotal study
<b>TAK-259</b>	Overactive bladder (P-I)	Failed to meet the target safety profile at the therapeutic dose
<b>TAK-448</b>	Prostate cancer (P-I)	The decision to discontinue development was made because of R&D project prioritization
<b>TAK-960</b>	Solid tumors (P-I)	The decision to discontinue development was made because of R&D project prioritization
<b>TAK-441</b>	Solid tumors (P-I)	The decision to discontinue development was made because of R&D project prioritization
<b>MLN8237</b>	Acute myelogenous leukemia (P-II)	Clinical data from a single agent study (C14005) did not warrant further development in this indication
<b>MLN8237</b>	High-risk myelodysplastic syndrome (P-II)	Clinical data from a single agent study (C14005) did not warrant further development in this indication
<b>TAK-357</b>	Alzheimer's disease (P-I)	The decision to discontinue development was made because of R&D project prioritization
<b>veltuzumab</b>	Rheumatoid arthritis (P-II)	The decision to discontinue development in Rheumatoid Arthritis was made due to a reassessment of the target indication

Projects discontinued since the announcement of FY2012 3Q results (February 4<sup>th</sup>, 2013) are listed under the bold dividing line

■ **Revised collaboration agreement** Revised since release of FY2011 results (May 11, 2012)

Development code	Indications (Stage)	Reason
<b>teduglutide</b>	Short bowel syndrome (EU Approved)	Takeda and NPS revised their agreement and NPS re-gained full worldwide rights to teduglutide. NPS is a specialist in orphan and specialty diseases, and is best suited to maximize the value of the compound.



## ■ Filings and Approvals in Regions other than US/EU/Jpn

Region	Country	Development code / product name (stage)
Americas Ex. US	Argentina	TAK-390MR (Approved Jan 13), TAK-491 (Filed Oct 12)
	Brazil	SYR-322 (Filed Aug 11), TAK-491 (Filed Nov 11), SYR-322/metformin (Filed Jun 12), TAK-491/chlorthalidone (Filed Jun 12)
	Colombia	DAXAS <sup>*7</sup> (Filed Aug 11), TAK-491 (Filed Aug 12), SYR-322 (Filed Sep 12), TAK-491/chlorthalidone (Filed Dec 12), TAK-390MR (Filed Dec 12)
	Venezuela	DAXAS (Filed Jan 10)
Europe Ex. EU	Albania	DAXAS (Approved Feb 13)
	Kosovo	DAXAS (Approved May 12)
	Macedonia	DAXAS (Approved Jan 13)
	Montenegro	DAXAS (Filed Jun 11)
	Switzerland	TAK-491 (Approved Aug 12), Rienso (Approved Sep 12), SGN-35 (Approved Mar 13), lurasidone hydrochloride (Filed Mar 12 for schizophrenia), SYR-322 (Filed Jul 12), SYR-322/metformin (Filed Jul 12), SYR-322/pioglitazone (Filed Aug 12), TAK-390MR (Filed Sep 12), TAK-491/chlorthalidone (Filed Jan 13)
Russia/CIS	Armenia	DAXAS (Approved Oct 12)
	Kazakhstan	TAK-491 (Filed Jan 13),
	Ukraine	TAK-491 (Filed Dec 12)
	Uzbekistan	DAXAS (Approved Jun 12)
Asia Ex. Jpn	China	DAXAS (Filed Dec 11), SYR-322 (Filed Mar 12)
	Hong Kong	TAK-390MR (Approved Aug 12), TAK-491 (Approved Mar 13), TAK-491/chlorthalidone (Filed Mar 13)
	Indonesia	DAXAS (Approved Nov 12), SYR-322 (Filed Jan 11), TAK-491 (Filed Feb 12), TAK-491/chlorthalidone (Filed Jul 12), TCV-116 <sup>*8</sup> /amlodipine besilate (Filed Oct 12), TAK-390MR (Filed Oct 12)
	Macau	TAK-390MR (Approved Nov 12)
	Malaysia	TAK-390MR (Filed Sep 12), TAK-491 (Filed Jan 13)
	Philippines	TAK-491 (Approved Dec 12), TAK-390MR (Approved Dec 12), TCV-116/amlodipine besilate (Approved Jan 13)
	Singapore	TAK-390MR (Filed Oct 12), TAK-491 (Filed Dec 12), TAK-491/chlorthalidone (Filed Mar 13)
	S. Korea	MEPACT <sup>*9</sup> (Approved Jun 12), TAK-390MR (Approved Oct 12), SYR-322 (Filed Mar 12)
	Taiwan	TAK-375 (Approved Nov 12), TAK-390MR (Approved Dec 12), SYR-322 (Filed Mar 11), TAK-491 (Filed Aug 11), TAK-491/chlorthalidone (Filed May 12), TCV-116/amlodipine besilate (Filed Nov 12)
	Thailand	DAXAS (Approved Feb 13), TAK-491 (Approved Mar 13), TAK-390MR (Filed Aug 11), TAK-491/chlorthalidone (Filed Jun 12), TCV-116/amlodipine besilate (Filed Aug 12), SYR-322/pioglitazone (Filed Mar 13)
	Vietnam	DAXAS (Filed Dec 10)
Others	Australia	SYR-322 (Filed Aug 12), SYR-322/metformin (Filed Nov 12)
	Botswana	DAXAS (Filed Dec 11)
	Egypt	DAXAS (Filed Jan 12)
	Israel	DAXAS (Approved Nov 12)
	Kenya	DAXAS (Filed Jul 12)
	Mauritius	DAXAS (Filed Mar 11)
	Saudi Arabia	DAXAS (Filed May 12)
	South Africa	DAXAS (Approved Oct 12)
	Tanzania	DAXAS (Filed Sep 11)
	Uganda	DAXAS (Filed Apr 11)
	Zambia	DAXAS (Filed Feb 12)

\*7 DAXAS® <roflumilast> PDE4 inhibitor (oral) for the treatment of Chronic Obstructive Pulmonary Disease

\*8 TCV-116 <candesartan cilexetil> Angiotensin II receptor blocker (oral) for the treatment of Hypertension

\*9 MEPACT® <mifamurtide> Immunostimulant (injection) for the treatment of Non-metastatic osteosarcoma

## ■ Characteristics of projects

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>SYR-322</b>	DPP-4 inhibitor	Diabetes mellitus	alogliptin	NESINA®(Jpn, US)	Oral
<p>[Mode of action / Supplemental]</p> <p>SYR-322 is a DPP-4 inhibitor, taken orally once a day. DPP-4 inhibitors work by blocking Glucagon Like Peptide-1 (GLP-1) degradation to maintain its blood concentration for a longer period of time. GLP-1, which is secreted within the digestive tract, stimulates pancreatic beta cells to increase the secretion of insulin, and GLP-1 has the potential to improve beta cell function itself. Alogliptin was approved in Japan in April 2010 and in the US in January 2013, and clinical/registration activities are currently ongoing in other regions to support the approval of alogliptin globally. Alogliptin has also been approved in fixed-dose combinations with pioglitazone (in Japan as LIOVEL® and in the US as OSENT®), and metformin (in the US as KAZANO®).</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>Feraheme® / Rienso®</b>	IV iron	Iron deficiency anaemia in adult patients with chronic kidney disease	ferumoxytol	FERAHEME® (Canada) RIENSO® (EU)	Injection
<p>[Mode of action / Supplemental]</p> <p>Treatment with Feraheme/Rienso provides the following benefits: rapid repletion of iron stores in anaemic CKD patients; greater flexibility in the amount of iron that can be given to a patient in a single administration; fewer physician visits required for the administration of 1g of iron; and more rapid administration (IV vs. infusion) compared to existing formulations of IV iron. Ferumoxytol was approved in the EU in June 2012 as RIENSO, and is also approved in the US, where it is marketed by AMAG as FERAHEME.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-085</b>	EPA/DHA agent	Hyperlipidemia	omega-3-acid ethyl esters 90	LOTTRIGA® (Jpn)	Oral
<p>[Mode of action / Supplemental]</p> <p>TAK-085, marketed ex-Japan by Pronova, is a triglyceride lowering agent made from fish oil. It consists of purified EPA (eicosapentaenoic acid) and DHA (docosahexaenoic acid). This drug was approved in Japan in September 2012 for the treatment of hyperlipidemia, and it is marketed for the indication of high triglyceridemia in the US and the indication of high triglyceridaemia and adjuvant treatment in secondary prevention after myocardial infarction in some countries in the EU such as Italy, Germany and the UK. The mechanism of action is yet to be fully clarified, however, it is thought to inhibit triglyceride synthesis in the liver.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>SGN-35</b>	CD30 monoclonal antibody-drug conjugate	Relapsed or refractory Hodgkin lymphoma, Front line Hodgkin lymphoma, Post-ASCT Hodgkin lymphoma, Relapsed or refractory systemic anaplastic large cell lymphoma, Front line mature T-cell lymphoma, Relapsed cutaneous T-cell lymphoma	brentuximab vedotin	ADCETRIS® (EU)	Injection
<p>[Mode of action / Supplemental]</p> <p>Brentuximab vedotin (ADCETRIS) is an antibody-drug conjugate (ADC) comprising an anti-CD30 monoclonal antibody attached by an enzyme cleavable linker to a potent, synthetic drug, monomethyl auristatin E (MMAE) utilizing Seattle Genetics' proprietary technology. The ADC employs a novel linker system that is designed to be stable in the bloodstream but to release MMAE upon internalization into CD30-expressing tumor cells. This approach is intended to spare non-targeted cells and thus may help minimize the potential toxic effects of traditional chemotherapy while allowing for the selective targeting of CD30-expressing cancer cells, thus potentially enhancing the antitumor activity.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-390MR</b>	Proton pump inhibitor	Erosive esophagitis (healing and maintenance) and non-erosive gastro-esophageal reflux disease	dexlansoprazole	DEXILANT™ (US, Canada) DEXIVANT™ (Mexico)	Oral
<p>[Mode of action / Supplemental]</p> <p>DEXILANT, which was originally developed by Takeda and is marketed by Takeda in the US, Canada and Mexico, is taken once-daily, and employs a new modified release technology on an enantiomer of lansoprazole. DEXILANT is the first proton pump inhibitor with a Dual Delayed Release™ formulation designed to provide two separate releases of medication in order to maintain its gastric antisecretory activity.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>MLN0002</b>	Humanized monoclonal antibody against $\alpha 4\beta 7$ integrin	Ulcerative colitis, Crohn's disease	vedolizumab	Not decided yet	Injection
<p>[Mode of action / Supplemental]</p> <p>MLN0002 is a humanized antibody that selectively binds to <math>\alpha 4\beta 7</math> integrin, which inhibits the binding between <math>\alpha 4\beta 7</math> integrin and MAdCAM-1 (mucosal adhesion molecule 1) existing mainly in the intestinal mucosa. Integrins are a type of cell surface protein; their main roles are cellular binding to the extracellular matrix and signal transduction from the extracellular matrix. In the P-II studies (POC) involving 400 patients with Ulcerative Colitis and Crohn's disease, the rate of mucosal healing and the rate of remission of symptoms including diarrhea frequently observed in patients with inflammatory bowel disease were significantly higher in the treatment group than in the placebo administration group. In these studies, the safety profile was also evaluated with satisfactory results. In March 2013, Takeda filed a Marketing Authorisation Application in the EU for the treatment of ulcerative colitis and Crohn's disease.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-536</b>	Angiotensin II receptor blocker	Hypertension	azilsartan	AZILVA® (Jpn)	Oral
<p>[Mode of action / Supplemental]</p> <p>The P-III trial in comparison with candesartan (BLOPRESS®) showed TAK-536 was statistically superior to candesartan in lowering the change from baseline in sitting diastolic blood pressure, which was the primary endpoint. In addition, TAK-536 was also statistically superior to candesartan in lowering the change from baseline in sitting systolic blood pressure and in lowering the mean diastolic blood pressure and systolic blood pressure in 24 hours, daytime and night time measured by Ambulatory Blood Pressure Monitoring (ABPM), which were secondary endpoints. TAK-536 was safe and well tolerated, with the safety profile comparable to candesartan. A fixed dose combination of TAK-536 and amlodipine was filed in Japan in April 2013.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
-	Synthetic, peptide-based erythropoiesis-stimulating agent	Anemia due to chronic kidney disease in adult patients on dialysis	peginesatide	OMONTYS® (US)	Injection
<p>[Mode of action / Supplemental]</p> <p>Peginesatide, a synthetic, peptide-based erythropoiesis-stimulating agent (ESA), is designed to stimulate the production of red blood cells. As PEGylation allows maintenance of blood concentration, peginesatide is administered once every four weeks either intravenously or subcutaneously. Peginesatide is approved in the US and filed in the EU for the treatment of anemia due to Chronic Kidney Disease in adult patients on dialysis. In February 2013, Takeda and Affymax announced a nationwide voluntary recall of all lots of OMONTYS in the US.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
-	Atypical antipsychotic agent	Schizophrenia, Bipolar disorder	lurasidone hydrochloride	Not decided yet	Oral
<p>[Mode of action / Supplemental]</p> <p>Lurasidone is an atypical antipsychotic agent, developed originally by Dainippon Sumitomo Pharma Co., Ltd. with an affinity for dopamine D2, serotonin 5-HT<sub>2A</sub> and serotonin 5-HT<sub>7</sub> receptors where it has antagonist effects. In addition, lurasidone is a partial agonist at the serotonin 5-HT<sub>1A</sub> receptor and has no appreciable affinity for histamine or muscarinic receptors. In September 2012, Takeda filed a Marketing Authorisation Application in the EU for the treatment of schizophrenia.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>Lu AA21004</b>	Multimodal anti-depressant	Major depressive disorder, Generalized anxiety disorder	vortioxetine	BRINTELLIX® (US)	Oral
<p>[Mode of action / Supplemental]</p> <p>In vitro studies indicate that Lu AA21004 is a 5-HT<sub>3</sub> and 5-HT<sub>7</sub> receptor antagonist, 5-HT<sub>1B</sub> receptor partial agonist, 5-HT<sub>1A</sub> receptor agonist and inhibitor of the serotonin transporter (SERT). In vivo nonclinical studies have demonstrated that Lu AA21004 enhances levels of the neurotransmitters serotonin, noradrenaline, dopamine, acetylcholine and histamine in specific areas of the brain. In October 2012, Takeda filed a New Drug Application to the FDA in the US for the treatment of Major Depressive Disorder.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>ATL-962</b>	Lipase inhibitor	Obesity	cetilistat	Not decided yet	Oral
<p>[Mode of action / Supplemental]</p> <p>ATL-962 is a gastro-intestinal lipase inhibitor. It is designed to decrease weight by reducing the digestion and thus the absorption of fat from the diet. According to the results of P-II conducted by Alizyme, cetilistat (80mg and 120mg) caused statistically significant weight loss and reductions in HbA1c compared with placebo. Treatment discontinuations due to gastro-intestinal adverse events in the cetilistat groups were lower than those in the orlistat groups. In October 2012, Takeda filed a New Drug Application to the Japanese Ministry of Health, Labor and Welfare.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>BLB-750</b>	Influenza vaccine	Prevention of pandemic influenza	-	Not decided yet	Injection
[Mode of action / Supplemental] BLB-750 is a cell culture-based pandemic influenza vaccine (H5N1 and prototype) to prevent infection in the case of a pandemic influenza. Obtaining the prototype approval will facilitate the registration of a vaccine in the event of a pandemic caused by an influenza strain other than H5N1.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
-	Mu-opioid receptor antagonist and dopamine/norepinephrine re-uptake inhibitor	Obesity	naltrexone SR /bupropion SR	CONTRAVE®	Oral
[Mode of action / Supplemental] The two components of CONTRAVE act in a complementary manner in the central nervous system. The central pathways targeted by this treatment are involved in controlling the balance of food intake and metabolism, and regulating reward-based eating behavior. In clinical trials, CONTRAVE was shown to help obese patients initiate and sustain significant weight loss, improve important markers of cardiometabolic risk and increase the ability to control eating.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-875</b>	GPR40 agonist	Diabetes mellitus	fasiglifam	Not decided yet	Oral
[Mode of action / Supplemental] TAK-875 is a novel, highly selective agonist of GPR40, one of the G-protein-coupled receptors that is expressed in pancreatic islet cells. Through its novel mechanism of action, TAK-875 has potential as a safe and effective treatment for Type 2 diabetes by selectively improving glucose-dependent insulin secretion with a low risk of inducing hypoglycemia and pancreatic exhaustion, unlike sulfonylurea or glinides.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-700</b>	Non-steroidal androgen synthesis inhibitor	Prostate cancer	orteronel	Not decided yet	Oral
[Mode of action / Supplemental] TAK-700 is an oral non-steroidal selective androgen synthesis inhibitor which targets 17,20 lyase, a key enzyme in the production of steroidal hormones. The 17,20 lyase enzyme is a key enzyme in the production of the common precursor molecules for male and female sex steroid hormones, which in men are synthesized in both the testes and the adrenal glands. This inhibitory activity makes TAK-700 a good candidate for development as a therapeutic agent for the treatment of castration-resistant prostate cancer where persistent extra-gonadal synthesis of androgens results in progression of PSA and metastases.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>MLN9708</b>	Proteasome inhibitor	Multiple Myeloma, Relapsed or refractory primary (AL) amyloidosis, Solid tumors	ixazomib citrate	Not decided yet	Oral
[Mode of action / Supplemental] MLN9708 is a proteasome inhibitor, which constitutes a unique approach to targeted therapy. Inhibition of the proteasome prevents the degradation of numerous regulatory proteins, affecting multiple signaling cascades within the cell. In vitro, non-clinical studies have shown that proteasome inhibition can be cytotoxic to a variety of cancer cell types.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>MLN8237</b>	Aurora A kinase inhibitor	Relapsed or refractory peripheral T-cell lymphoma Diffuse large B-cell lymphoma, Non-small cell lung cancer, Small cell lung cancer, Gastroesophageal cancer, Head and neck cancer, Breast cancer, Ovarian cancer, Non-Hodgkin lymphoma, Solid tumors	alisertib	Not decided yet	Oral
[Mode of action / Supplemental] MLN8237 is an oral highly-specific small molecule Aurora A kinase inhibitor. Both Aurora A kinase and Aurora B kinase play important roles in cell mitosis, but they have different distributions in the cell and different roles in the process of mitosis. Aurora A kinase is a serine/threonine kinase that exists in the centrosome and spindle poles and is known to play an important role in the formation of spindles at the time of mitosis.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>SYR-472</b>	DPP-4 inhibitor	Diabetes mellitus	trelagliptin	Not decided yet	Oral
[Mode of action / Supplemental] SYR-472 is a DPP-4 inhibitor, taken orally once weekly, that works by blocking Glucagon Like Peptide-1 (GLP-1) degradation to keep its concentration for a longer period of time. GLP-1, which is secreted within the digestive tract, stimulates pancreatic beta cells to increase the secretion of insulin, and GLP-1 has the potential to improve beta cell function itself.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-491</b>	Angiotensin II receptor blocker	Hypertension	azilsartan medoxomil	EDARBI® (US, EU)	Oral
[Mode of action / Supplemental] TAK-491 is an angiotensin II receptor blocker, indicated for the treatment of hypertension, either alone or in combination with other antihypertensive agents. Pivotal P-III studies of monotherapy showed EDARBI 80mg was statistically superior to placebo and the highest approved doses of olmesartan medoxomil (40mg) and valsartan (320mg), in lowering both clinic and 24-hour mean blood pressure measurements.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-438</b>	Potassium-competitive acid blocker	Acid-related diseases (GERD, Peptic ulcer, etc.)	vonoprazan	Not decided yet	Oral
[Mode of action / Supplemental] TAK-438 is a potassium-competitive acid blocker that suppresses gastric acid secretion by inhibiting the binding of potassium iron (K <sup>+</sup> ) to H <sup>+</sup> , K <sup>+</sup> -ATPase. It is anticipated to have a more potent inhibitory effect on gastric acid secretion, a faster onset of action, and a longer lasting effect than PPIs.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-375SL</b>	MT <sub>1</sub> /MT <sub>2</sub> receptor agonist	Bipolar disorder	ramelteon	-	Sublingual
[Mode of action / Supplemental] TAK-375SL is highly specific to the MT <sub>1</sub> /MT <sub>2</sub> receptor. Abnormalities on circadian rhythms are prominent features of bipolar I disorder. Normalization or resynchronization of circadian rhythms with exogenous melatonin agonists is expected to become a treatment for either acute bipolar episodes or to prevent recurrence.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
-	VEGFR1-3, PDGFR, c-Kit inhibitor	Advanced non-squamous non-small cell lung cancer	motesanib diphosphate	Not decided yet	Oral
[Mode of action / Supplemental] Motesanib is an orally administered inhibitor targeting vascular endothelial growth factor (VEGF) receptor 1,2 and 3, platelet derived growth factor (PDGF) receptor and c-kit (Stem Cell Factor) receptors intending to inhibit angiogenesis and tumor growth.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>AMG 386</b>	Anti-angiopoietin peptibody	Ovarian cancer	trebananib	Not decided yet	Injection
[Mode of action / Supplemental] AMG 386 is a peptibody (Fc-peptide fusion protein) which binds to and inhibit Angiopoietin 1 and 2. Angiopoietins are known to be one of the cytokines which stimulate angiogenesis of vascular endothelial cells related to tumor growth and metastasis through different pathways from vascular endothelial growth factors. AMG386 inhibits vascular angiogenesis through binding to angiopoietins.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>AMG 479</b>	Human monoclonal antibody against human type 1 insulin-like growth factor receptor (IGF-1R)	Metastatic pancreas cancer	ganitumab	Not decided yet	Injection
[Mode of action / Supplemental] AMG 479 is a human monoclonal antibody antagonist of insulin like growth factor receptor type 1 (IGF-1R). The signaling, which is created by ligand's binding to IGF-1R, stimulates cell survival pathway, and leads to tumor growth and survival. AMG479 inhibits the binding of IGF-1 to its receptor (IGF-1R), and thus, it is considered to suppress the tumor cell growth and invasion.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
-	Mitochondria targeted anti-oxidant	Friedreich's ataxia, Duchenne muscular dystrophy	idebenone	SOVRIMA®	Oral

[Mode of action / Supplemental]

Idebenone is a small molecule optimized to facilitate the transport of electrons within mitochondria, which is necessary for the production of cellular energy. Santhera is conducting the clinical development of idebenone for the treatment of Friedreich's Ataxia, which results from impaired energy production in mitochondria, the cells' energy production centers, and elevated oxidative stress. It was found that the neurological and cardiac outcome was improved by idebenone.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-816</b>	Hib vaccine	Prevention of infectious disease caused by Haemophilus influenzae Type b (Hib)	Not decided yet	Not decided yet	Injection

[Mode of action / Supplemental]

TAK-816 is a vaccine to prevent infection caused by Haemophilus Influenzae Type B (Hib). Hib vaccine is developed by combining it with detoxified diphtheria toxin in order to increase immunogenicity, assuring the potential to induce the production of antibodies in infants.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-428</b>	Neurotrophic factor production accelerator	Diabetic neuropathy	Not decided yet	Not decided yet	Oral

[Mode of action / Supplemental]

TAK-428 is a new concept drug for diabetic neuropathy treatment. It repairs and regenerates the peripheral nerve tissues damaged by diabetes mellitus through increasing neurotrophic factors. It is expected to be a new treatment for diabetic neuropathy because of its different mechanism of actions from those of aldose reductase inhibitors and PKC inhibitors.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-385</b>	LH-RH antagonist	Endometriosis, Uterine fibroids, Prostate cancer	relugolix	Not decided yet	Oral

[Mode of action / Supplemental]

TAK-385 is a nonpeptidic oral LH-RH antagonist. It antagonizes LH-RH in the LH-RH receptor that exists in the anterior pituitary basophil (secretory cell), and lowers blood concentration of sex hormones by inhibiting secretion of LH and FSH caused by the stimulation of LH-RH. It is expected to become a treatment for sex hormone-dependent diseases such as endometriosis and uterine fibroids.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
-	CD20 monoclonal antibody	Systemic lupus erythematosus	veltuzumab	Not decided yet	Injection

[Mode of action / Supplemental]

Veltuzumab is a subcutaneously administered humanized monoclonal antibody targeting CD20 receptors on B lymphocytes. B cells play a crucial role in SLE pathogenesis through the presentation of self-antigens, T cell activation, and through the production of autoantibodies and cytokines. All of the above provide the rationale for the use of B cell directed therapy in SLE treatment.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-361S</b>	Quadruple vaccine	Prevention of infectious disease caused by Diphtheria, Pertussis, Tetanus, Polio	Not decided yet	Not decided yet	Injection

[Mode of action / Supplemental]

TAK-361S is a combined vaccine with a Diphtheria-Tetanus-acellular Pertussis (DTaP) vaccine and Sabin inactivated polio vaccine (sIPV). sIPV is an inactivated poliovirus vaccine (IPV) derived from the Sabin strains poliovirus (attenuated poliovirus). Compared to the inactive poliovirus vaccine produced from wild-type poliovirus that is used in many countries, sIPV does not require an advanced safe management site for its production.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>Norovirus vaccine</b>	Norovirus vaccine	Prevention of acute gastroenteritis (AGE) caused by norovirus	Not decided yet	Not decided yet	Injection

[Mode of action / Supplemental]

This product is the only clinical-stage vaccine against norovirus in the world, and is currently in P-I/II trials. The norovirus vaccine is administered by the intramuscular route.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-329</b>	Glucokinase activator	Diabetes mellitus	Not decided yet	Not decided yet	Oral
[Mode of action / Supplemental] TAK-329 is a glucokinase activator being developed for treatment of diabetes. It is expected to have a hypoglycemic action by enhancing both glucose uptake in the liver and insulin secretion from the pancreas. Glucokinase is one of the enzymes which are essential when converting ingested glucose into the energy that is necessary for organisms. It also adjusts insulin secretion in pancreatic beta-cells according to the glucose level.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-733</b>	MEK inhibitor	Solid tumors	Not decided yet	Not decided yet	Oral
[Mode of action / Supplemental] TAK-733 is a highly selective, allosteric, non-ATP competitive inhibitor of MEK kinase. MEK signaling plays an essential role in regulating both mitogenic and survival signals within tumor cells. This pathway is activated in 50 percent of human cancers, including colon, lung, breast, pancreas, melanoma, ovary and kidney. Inhibition of MEK by TAK-733 as a single agent and in combination with other drugs has a significant effect on the progression of tumor growth in pre-clinical models.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-272</b>	Direct renin inhibitor	Hypertension	Not decided yet	Not decided yet	Oral
[Mode of action / Supplemental] TAK-272 is a direct renin inhibitor (DRI), which is at the top of the enzymatic cascade of renin-angiotensin system (RAS). Non-clinical pharmacology studies have shown that TAK-272 selectively inhibited human renin and efficiently lowered blood pressure. Additionally TAK-272 has shown strong organ protective effects.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAK-063</b>	PDE10A inhibitor	Schizophrenia	Not decided yet	Not decided yet	Oral
[Mode of action / Supplemental] TAK-063 is a PDE10A inhibitor. An alternative approach to treating schizophrenia may be to selectively inhibit the enzyme PDE10A, thereby modulating the dopaminergic and glutamatergic second messenger pathways in the striatum. Inhibition of PDE10A in vivo has been reported to be associated with behavioral effects consistent with antipsychotic activity. Based on the potential effects of TAK-063 on striatal function, the initial nonclinical and clinical programs for TAK-063 are focused on the treatment of schizophrenia.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>MLN4924</b>	NEDD 8 activating enzyme inhibitor	Advanced malignancies	Not decided yet	Not decided yet	Injection
[Mode of action / Supplemental] MLN4924 is a first-in-class small molecule inhibitor of a Millennium-discovered target, NEDD 8 activating enzyme (NAE). MLN4924 inhibits NAE, which controls key components of the ubiquitin proteasome pathway that are important for cancer cell growth and survival. In pre-clinical models, MLN4924 suppresses cancer cell growth leading to cell death. MLN4924 is currently being studied in patients with solid tumors and hematologic malignancies.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>MLN0128</b>	mTORC1/2 inhibitor	Multiple myeloma, Waldenstrom's macroglobulinemia, Solid tumors	Not decided yet	Not decided yet	Oral
[Mode of action / Supplemental] MLN0128, a novel mTORC1/2 inhibitor, has generated encouraging data in multiple P-I studies and is expected to enter P-II studies in 2012.					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>MLN1117</b>	PI3Kalpha isoform inhibitor	Solid tumors	Not decided yet	Not decided yet	Oral
[Mode of action / Supplemental] MLN1117, a novel and selective inhibitor of the PI3Kalpha isoform, entered human clinical testing in September 2011. A P-I dose escalation study is underway to evaluate the safety, tolerability and pharmacokinetics of single-agent MLN1117 in patients with advanced solid malignancies who have tumors characterized by the presence of a PIK3CA mutation.					



Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>MLN0264</b>	Antibody-drug conjugate targeting GCC	Advanced gastrointestinal malignancies	Not decided yet	Not decided yet	Injection
<p>[Mode of action / Supplemental]</p> <p>MLN0264 is a novel, first in class antibody drug conjugate (ADC) that selectively binds Guanylate Cyclase C (GCC) and kills GCC-expressing cells at sub-nanomolar concentrations. Its toxic payload, monomethyl auristatin E (MMAE; a very potent microtubulin inhibitor) is linked to a target specific monoclonal antibody, which was originated by Millennium, via a cleavable linker, utilizing proprietary technology licensed from Seattle Genetics.</p> <p>GCC is a transmembrane receptor localized to the apical, but not the basolateral, membrane of epithelial tissues primarily in the colon. Malignant transformation results in loss of this anatomically privileged GCC expression profile and tumor, but not normal, tissue becomes accessible to systemically administered agents targeting GCC.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>MLN2480</b>	pan-Raf kinase inhibitor	Solid tumors	Not decided yet	Not decided yet	Oral
<p>[Mode of action / Supplemental]</p> <p>MLN2480 is a selective pan-Raf kinase inhibitor. The Raf kinases (A-Raf, B-Raf and C-Raf) are key regulators of cell proliferation and survival within the mitogen-activated protein kinase (MAPK) pathway. The MAPK pathway is frequently dysregulated in human cancers, often via activating mutations of Ras or Raf. Following treatment with MLN2480, significant antitumor activity was observed in both tumor xenograft models that had B-Raf<sup>V600E/D</sup> mutations or were wild type for B-Raf. MLN2480 exhibited a promising preclinical profile and has potential to be a therapeutic agent for solid tumors.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>MT203</b>	GM-CSF monoclonal antibody	Rheumatoid arthritis	namilumab	Not decided yet	Injection
<p>[Mode of action / Supplemental]</p> <p>MT203 works by neutralizing GM-CSF (is a fully human monoclonal antibody neutralising Granulocyte macrophage colony-stimulating factor) signaling by binding the soluble cytokine. GM-CSF, a pro-inflammatory cytokine, has been shown to play a significant role in various autoimmune and inflammatory disease and supports development of MT203 for the treatment of moderate to severe rheumatoid arthritis (RA). Preclinical studies support the further investigation of MT203 in RA, and MT203 is currently in clinical P-I development</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>Lu AA24530</b>	Multimodal anti-depressant	Major depressive and generalized anxiety disorders	Not decided yet	Not decided yet	Oral
<p>[Mode of action / Supplemental]</p> <p>In pre-clinical studies, Lu AA24530 has demonstrated activities as a multi-modal enhancer with reuptake inhibition at monoamine transporters, and antagonist activity at 5-HT<sub>3</sub> and 5-HT<sub>2c</sub> receptors. In vivo rat studies have demonstrated that treatment with Lu AA24530 leads to increases in acetylcholine, noradrenaline, dopamine and 5-HT levels in brain regions that play a key role in the regulation of mood.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>AMG 403</b>	Human monoclonal antibody against human Nerve Growth Factor (NGF)	Pain	fulranumab	Not decided yet	Injection
<p>[Mode of action / Supplemental]</p> <p>AMG403 is a human monoclonal antibody that has the specific capacity to neutralize the biologic actions of human NGF. NGF has been shown to contribute to persistent pain in a variety of animal models of inflammatory and neuropathic pain, and is known to be elevated in the knee joints of humans with chronic arthritis and possibly other chronic painful conditions in humans.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>ITI-214</b>	PDE1 inhibitor	Cognitive impairment associated with schizophrenia	Not decided yet	Not decided yet	Oral
<p>[Mode of action / Supplemental]</p> <p>ITI-214 potently inhibits the phosphodiesterase1 (PDE1) enzyme. The PDE1 inhibitor mechanism amplifies dopamine D1 receptor signaling in the prefrontal cortex of the brain, leading to improvement of cognition, and is unique compared to typical drugs for schizophrenia, most of which directly work on blocking dopamine receptors. PDE1 inhibitors including ITI-214 have been shown to enhance cognition in preclinical models.</p>					



Development code	Drug Class	Indications	Generic name	Brand name	Administration
-	PDE-4 inhibitor	COPD	roflumilast	DAXAS® (global) DALIRESP™, LIBERTEK® (EU)	Oral

[Mode of action / Supplemental]

DAXAS is a first-in-class, once-daily orally administered selective phosphodiesterase 4 (PDE4) inhibitor. It is a non-steroid, anti-inflammatory agent designed to target both the systemic and pulmonary inflammation associated with COPD. The mechanism of action is the inhibition of PDE4, a major cyclic adenosine monophosphate (cAMP)-metabolising enzyme found in structural and inflammatory cells important to the pathogenesis of COPD. Inhibition of PDE4 increases intracellular cAMP and typically leads to an anti-inflammatory effect.

In clinical trials, roflumilast reduced exacerbations in patients with severe to very severe COPD independent of underlying treatment with long-acting bronchodilators or inhaled corticosteroids (ICS) and improved lung function (forced expiratory volume in one second [FEV1]) in a broad patient population. Roflumilast was first approved in the EU in July 2010. In the US, roflumilast was approved in February 2011 and is marketed by Forest Laboratories under the brand name DALIRESP.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
TCV-116	Angiotensin II receptor blocker	Hypertension	candesartan cilexetil	BLOPRESS® (Jpn, EU, Asia), ATACAND® (US), AMIAS® (UK), KENZEN® (Fr), etc.	Oral

[Mode of action / Supplemental]

TCV-116 lowers blood pressure by suppressing the effect of angiotensin II (A II), a hypertensive hormone, at the receptor level.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
MEPACT	Immunostimulant	Non-metastatic osteosarcoma	mifamurtide	MEPACT®	Injection

[Mode of action / Supplemental]

MEPACT is a first-in-class synthetic analog of muramyl dipeptide (MDP). MEPACT is a liposomal formulation specifically designed for in vivo targeting to macrophages by intravenous infusion.

[Additional indications/formulations]

Development code	Drug Class	Indications or formulations	Generic name	Brand name	Administration
AG-1749	Proton pump inhibitor	Helicobacter pylori eradication by concomitant therapy with amoxicillin hydrate and either clarithromycin or metronidazole, Fixed-dose combination with low-dose aspirin	lansoprazole	TAKEPRON® (Jpn), PREVACID® (US), OGAST® (EU)	Oral/Injection

[Mode of action / Supplemental]

AG-1749 is a proton pump inhibitor having a potent inhibitory action on gastric secretion. It suppresses gastric acid secretion by inhibiting the proton pump within the gastric wall cells and exhibits an antiulcer action. The drug has already been launched as a therapeutic agent for peptic ulcers in approximately 90 countries worldwide.

Development code	Drug Class	Indications or formulations	Generic name	Brand name	Administration
NE-58095	Bone resorption inhibitor	Osteoporosis (Once-monthly formulation)	risedronate	BENET® (Jpn)	Oral

[Mode of action / Supplemental]

Benet inhibits bone resorption by suppressing the function of osteoclastic cells. The once-monthly formulation is expected to enhance the convenience of administration for patients compared to a once-daily or a once-weekly formulation.

Development code	Drug Class	Indications or formulations	Generic name	Brand name	Administration
-	Chloride channel activator	Opioid-Induced Constipation (OIC)	lubiprostone	AMITIZA® (US)	Oral

[Mode of action / Supplemental]

Amitiza has a novel mechanism of action as a chloride channel activator, which causes an increase in intestinal fluid, and thereby increasing the passage of the stool and improving symptoms associated with chronic idiopathic constipation.

Development code	Drug Class	Indications	Generic name	Brand name	Administration
<b>TAP-144-SR</b>	LH-RH agonist	Prostate cancer, Premenopausal breast cancer (6-month formulation)	leuprorelin acetate	LEUPLIN (Jpn), LUPRON (US), ENANTONE, etc. (EU, Asia)	Injection
<p>[Mode of action / Supplemental]</p> <p>TAP-144-SR is a long-acting LH-RH agonist product, and is marketed in over 80 countries world-wide. It is a standard treatment of prostate cancer. With one injection it is possible to provide treatment from one to six months in the EU. A 3-month formulation was authorized in Japan for prostate cancer in Aug 02 and for premenopausal breast cancer in Aug 05. A 6-month formulation was approved in EU and has entered P-III in Japan.</p>					

Development code	Drug Class	Indications	Generic name	Brand name	Administration
-	Proteasome inhibitor	Front line mantle cell lymphoma, Relapsed diffuse large B cell lymphoma	bortezomib	VELCADE®	Injection
<p>[Mode of action / Supplemental]</p> <p>VELCADE blocks the activity of proteasomes, which are enzymes found inside all human cells and necessary for their growth and survival. By inhibiting proteasomes activity, VELCADE causes a buildup of proteins, thereby inducing apoptosis/cell death. Proteasomes break down the resultant proteins which are created through the division and growth of cancer cells as well as other misfolded intracellular proteins. Proteasomes also break down the proteins that are responsible for angiogenesis and cell proliferation.</p>					

Development code	Drug Class	Indications or formulations	Generic name	Brand name	Administration
<b>AD4833/TOMM40</b>	Insulin sensitizer/ Biomarker assay	Alzheimer's disease prevention	-	-	Oral
<p>[Mode of action / Supplemental]</p> <p>The TOMM40 biomarker, discovered by Zinfandel, is being developed to identify older adults at high risk of developing Alzheimer's disease within the subsequent five years. Takeda and Zinfandel will attempt to prospectively validate the TOMM40 biomarker as a test of individual risk, and will study pioglitazone in connection with the TOMM40 biomarker in the prevention of Alzheimer's disease.</p>					

## ■ Other alliance projects

TAK-799/TRM-1	Licensed from: Human Genome Sciences, Inc.	Agreed:	Aug 2002	
		Stage:	Under preparation for clinical trials (Japan)	Territory: Japan
A complete human antibody relevant to TRAIL-R1 discovered by Human Genome Sciences, Inc. HGS is conducting P-II studies for multiple myeloma and non-squamous non-small cell lung cancer in the US.				

Kanda HPV vaccine	Licensed from: The Japan Health Sciences Foundation	Agreed:	October 2010	
		Stage:	Under preparation for clinical trials	Territory : Worldwide
Kanda human papillomavirus (HPV) vaccine has the potential to be effective against all high-risk HPV that are highly likely to cause cervical cancer. Since the coverage of high-risk HPV by conventional vaccines is not yet sufficient, Kanda HPV has the potential to become a universal vaccine. So far, it has been confirmed that the Kanda HPV vaccine has neutralizing activity against six variations of high-risk HPV that are often identified in cervical cancer patients.				

ITI-002	Licensed from: Intra-Cellular Therapies, Inc.	Agreed:	February 2011	
		Stage:	ITI-214 has commenced Phase 1, and other assets are under preparation for clinical trials	Territory : Worldwide
Phosphodiesterase type 1 (PDE1) inhibitors discovered by Intra-Cellular Therapies for the treatment of cognitive impairment associated with schizophrenia. It has been shown that orally available, small molecule inhibitors of PDE1 restore dopamine signaling in neurons and enhance cognition in preclinical models. These compounds have potential to be treatments for a variety of psychiatric and neurological diseases.				

Fomepizole	Licensed from:	Agreed:	May 2011	
	Paladin Labs Inc.	Stage:	Under preparation for clinical trials	Territory : Japan
Fomepizole is an alcohol dehydrogenase inhibitor. By inhibiting alcohol dehydrogenase, the ethylene glycol- or methanol-metabolizing enzyme, the drug controls the metabolism of the two substances, thereby preventing the production of poison-causing toxic metabolites. Based on its high affinity with alcohol dehydrogenase, fomepizole is used as standard treatment for ethylene glycol and methanol poisonings.				

## ■ Clinical study protocol summaries

All clinical study protocol summaries are disclosed on the English-language web-site (<http://www.takeda.com/c-t/>) and all clinical study protocol information in the Japanese-language is disclosed on the Japanese-language web-site (<http://www.takeda.co.jp/c-t/>).

We anticipate that this disclosure assure transparency of information on the clinical trials for the benefit of healthcare professionals, their patients and other stakeholders, which we believe will contribute to the appropriate use of Takeda's products worldwide.

## ■ Outcome studies

### AD-4833 (1)

Study title	PROactive (PROspective pioglitAZone Clinical Trial In macroVascular Events)		
Outline	This is a study to investigate the preventive effects on the progression of macrovascular disease in type 2 diabetes patients. AD-4833 or placebo will be added to conventional oral anti-diabetic drugs for comparative purpose. Primary endpoints are cardiovascular events (death, heart attack, stroke, and below-knee amputation).		
Place	19 countries in Europe	Total population	5,238 patients
Status	<p>Landmark data from the PROactive Study, presented at the 41st meeting of the European Association for the Study of Diabetes (EASD) in Athens (Sep 05) demonstrated that ACTOS® (pioglitazone HCl) significantly reduces the combined risk of heart attacks, strokes and death by 16% in high risk patients with type 2 diabetes. This study focused on two key endpoints: a primary combination endpoint of seven different macrovascular events of varying clinical importance; and a principal secondary combination endpoint of life-threatening events including death, heart attack and stroke. The study results were published in The Lancet in October 2005.</p> <p>The primary endpoint was reduced by 10% but had not reached statistical significance by study end (P=0.095). The principal secondary endpoint of life-threatening events showed that pioglitazone significantly reduced the risk of heart attacks, strokes and death by 16% (P=0.027).</p> <p>Results of new analyses found that ACTOS (pioglitazone HCl) significantly reduced the risk of recurrent stroke in high-risk patients with type 2 diabetes at the World Congress of Cardiology in Barcelona. According to the results, there were statistically significant benefits of ACTOS in patients who had suffered a prior stroke. The incidence of recurrent stroke was reduced by 47 percent (P=0.008) and the combined risk of death, MI or stroke was reduced by 28 percent (P&lt;0.05).</p> <p>There was no effect of ACTOS on subsequent strokes in patients who had never experienced a stroke.</p>		

### AD-4833 (2)

Study title	CHICAGO (Carotid intima-media thickness in Atherosclerosis using pioGlitazOne)		
Outline	CHICAGO is the largest and longest study to examine the effects of ACTOS on measures of the atherosclerotic disease process in patients with type 2 diabetes, by carotid intima-media thickness, or CIMT, that is defined as the thickness of the inner lining of a patient's carotid, or neck artery.		
Place	US	Total population	462 patients
Status	<p>Results from the clinical trial, CHICAGO were part of a late-breaker presentation at the American Heart Association's Scientific Sessions 2006. The study results were published in the JAMA (the Journal of the American Medical Association) in November 2006.</p> <p>The analysis demonstrated a statistically significant relative reduction in the progression of CIMT with ACTOS. According to the results, patients in the ACTOS arm showed a -0.001 mm change in arterial thickness from baseline versus an increase of 0.012 mm in the glimepiride arm, a total difference of 0.013 mm between the two arms (P=0.017). The results also showed a highly significant relative change in the maximum CIMT values, commonly considered a more indicative measure of overall treatment impact. The glimepiride-treated group showed a 0.026 increase, compared to a 0.002 increase in the ACTOS-treated group, resulting in a treatment difference of 0.024 (P=0.008).</p> <p>ACTOS provided significantly better glycemic control based on reductions in A1c levels, which in the ACTOS-treated group decreased by 0.33 percent versus the glimepiride group that saw a decrease of 0.01 percent, resulting in a -0.32 percent (P=0.002) difference between the two arms.</p> <p>Adjudicated cardiac events, composite endpoints of non-fatal myocardial infarction (MI), non-fatal stroke and death, showed no events in the ACTOS arm (n=230) and 2 events in the glimepiride arm (n=228).</p> <p>ACTOS decreased triglyceride levels by 13.5 percent versus an increase of 2.1 percent with glimepiride (P=0.001), and increased HDL-C levels by 12.8 percent versus a decrease of 1.1 percent with glimepiride (P=0.001). Both treatment arms increased in LDL-C levels: 5.8 percent with ACTOS compared to 1 percent with glimepiride (P=0.12).</p>		

### AD-4833 (3)

Study title	PERISCOPE (Pioglitazone Effect on Regression of Intravascular Sonographic Coronary Obstruction Prospective Evaluation)		
Outline	PERISCOPE is the first clinical trial to examine the effects of an oral antidiabetic medication on the development of coronary atherosclerosis in patients with type 2 diabetes using IVUS technology.		
Place	US, Canada, Latin America	Total population	543 patients
Status	<p>The PERISCOPE trial was presented as a late breaker at the 57th Annual Scientific Session of the American College of Cardiology in Chicago in 2008. This trial demonstrated that ACTOS slows progression and reductions in atheroma volume which is a marker of coronary atherosclerosis. This trial adds to the body of cardiovascular data for ACTOS. ACTOS studies, conducted over the past 10 years in more than 16,000 patients, including short- and long-term trials, as well as prospective and observational studies, have shown no evidence that ACTOS is associated with an increased risk of heart attack, stroke, or death. The study results were published in the JAMA (the Journal of the American Medical Association) in March 2008.</p> <p>The analysis demonstrated a statistically significant difference in percent change in coronary artery atheroma volume in favor of ACTOS treatment compared to glimepiride treatment. The data showed that patients treated with glimepiride, a sulfonylurea and commonly used diabetes medication, exhibited progression of coronary atherosclerosis. In contrast, the ACTOS arm showed no progression of coronary atherosclerosis over the 18-month period from the initial baseline measurement.</p> <p>Cardiovascular safety data was collected by looking at macrovascular events and episodes of congestive heart failure (CHF). The number of episodes of a common cardiovascular endpoint of cardiovascular mortality, non-fatal MI, or non-fatal stroke was 6 (2.2%) in glimepiride patients and 5 (1.9%) in ACTOS-treated patients. The number of hospitalizations due to CHF were equivalent in both arms. In the ACTOS-treated group, more patients were experienced a bone fracture than in glimepiride-treated group and in glimepiride there could be seen more patients with hypoglycemia and angina than in the ACTOS-treated group.</p>		

## TCV-116 (1)

Study title	<b>CHARM (Candesartan in Heart failure Assessment of Reduction in Mortality)</b>		
Outline	This study was conducted to evaluate the clinical benefits of candesartan in patients with heart failure.		
Place	Around 26 countries	Total population	7,601 patients
Status	<p>Data presented at the European Society of Cardiology (ESC) annual meeting in August 2003 demonstrated that candesartan could reduce both cardiovascular deaths as well as hospital admissions for heart failure, across a broad spectrum of patients with chronic heart failure. CHARM consists of following three studies.</p> <p><b>CHARM-Alternative:</b> (Candesartan vs. Placebo) Patients: LVEF <math>\leq</math>40% or lower, intolerance to ACE-I</p> <p>In patients who were not taking ACE-inhibitors due to previous intolerance, candesartan significantly reduced the risk of cardiovascular death or hospital admissions for chronic heart failure, with an overall risk reduction of 23% (<math>p &lt; 0.0004</math>).</p> <p><b>CHARM-Added:</b> (Candesartan + conventional therapy vs. Conventional therapy) Patients: LVEF 40% or lower</p> <p>In patients that were prescribed conventional therapy for chronic heart failure including an ACE inhibitor, candesartan demonstrated additional mortality and morbidity benefits. Candesartan significantly reduced the risk of cardiovascular death or hospital admissions for chronic heart failure by 15% (<math>P = 0.011</math>).</p> <p><b>CHARM-Preserved:</b> (Candesartan vs. Placebo) Patients: LVEF higher than 40%</p> <p>The results showed that 11% risk reduction in favor of candesartan (<math>P = 0.118</math>). There was also a significant 40% reduction in the number of patients diagnosed with new onset diabetes (47 vs. 77; <math>P = 0.005</math>).</p> <p>Pooled analysis of the three studies showed that candesartan provided a significant reduction in cardiovascular death (<math>P = 0.012</math>) and also demonstrated a positive trend in the overall reduction in all cause mortality (<math>P = 0.055</math>). Interestingly, it also demonstrated a significant 22% reduction in onset of new diabetes, with 163 new cases of diabetes on candesartan compared with 202 on placebo.</p> <p>*LVEF: Left Ventricular Ejection Fraction. LVEF is a clinical indicator to evaluate degree of heart failure (Normal 60%-70%)</p> <p>*Cardiovascular death: death of stroke, myocardial infarction</p>		

## TCV-116 (2)

Study title	<b>DIRECT (DIabetic RETinopathy Candesartan Trial)</b>		
Outline	The world's first large scale clinical study to investigate prevention/treatment efficacy on diabetic retinopathy (candesartan vs. placebo)		
Place	30 countries	Total population	5,231 patients
Status	<p>Data from the DIRECT Programme, the first large-scale study programme assessing the effect of treatment with an angiotensin receptor blocker (ARB) on the incidence and progression of diabetic eye complications, was presented at the European Association of the Study of Diabetes (EASD) congress in Rome in September 2008. The data show a strong trend in favour of treatment with candesartan 32mg in reducing the incidence of diabetic retinopathy in Type 1 diabetes patients, although not statistically significant, and a significant increase in regression of diabetic retinopathy in Type 2 diabetes patients.</p> <p>Study 1 'DIRECT-Prevent 1' (<math>n = 1,421</math>) studied the effect of candesartan on the incidence of retinopathy (primary endpoint) in normotensive, normoalbuminuric Type 1 diabetes patients.</p> <p>In Type 1 patients with no signs of diabetic retinopathy at baseline, candesartan caused an 18% reduction in the incidence of diabetic retinopathy as measured by 2-step change on the Early Treatment of Diabetic Retinopathy Study (ETDRS) scale (primary endpoint, <math>p = 0.0508</math>), but a 35% reduction for 3-step change (post-hoc analysis, <math>p = 0.003</math>).</p> <p>Study 2 'DIRECT-Protect 1' (<math>n = 1,905</math>) studied the effect of candesartan on the progression of retinopathy (primary endpoint) in normotensive, normoalbuminuric Type 1 diabetes patients already affected by retinopathy.</p> <p>In the Type 1 diabetic patients with retinopathy at baseline there were no differences in the results in progression of retinopathy between the two treatment groups (<math>p = 0.85</math>).</p> <p>Study 3 'DIRECT-Protect 2' (<math>n = 1,905</math>) studied the effect of candesartan on the progression of retinopathy (primary endpoint) in normoalbuminuric, normotensive or treated hypertensive, Type 2 diabetes patients with retinopathy.</p> <p>Treatment with candesartan also reduced the risk of progression of retinopathy by 13% over placebo in Type 2 diabetes patients, primary endpoint, <math>p = 0.2</math>. However, in these Type 2 diabetes patients with relatively early signs of diabetic retinopathy, candesartan increased the probability of regression of retinopathy by 34% compared with placebo (pre-defined secondary endpoint, <math>p = 0.009</math>).</p>		

## TCV-116 (3)

Study title	<b>CASE-J (Candesartan Antihypertensive Survival Evaluation in Japan)</b>		
Outline	Large scale clinical study of high-risk hypertensive patients in Japan		
Place	Japan	Total population	4,728 patients
Status	<p>This is the first large-scale outcome study in Japan comparing BLOPRESS<sup>®</sup>, (generic name: candesartan cilexetil), angiotensin receptor blocker and amlodipine, a calcium antagonist, both of which are the most frequently prescribed medicines in Japan in each class. In the study, the incidences of cardiovascular (CV) events in 4,728 Japanese patients with high-risk hypertension were compared in the two treatment groups for 3 years or longer.</p> <p>BLOPRESS reduced all-cause mortality by 15% compared with amlodipine, although this difference was not statistically significant. In obese patients with hypertension, in particular, BLOPRESS significantly reduced all-cause mortality by 49% compared to amlodipine (<math>P = 0.045</math>). &lt;Secondary endpoint&gt;</p> <p>BLOPRESS significantly reduced new onset of diabetes by 36% compared to amlodipine (<math>P = 0.030</math>). Stratified analysis revealed that this effect was conspicuous, particularly in obese patients with higher body mass index.</p>		

## TCV-116 (4)

Study title	<b>HIJ-CREATE (The Heart Institute of Japan-Candesartan Randomized trial for Evaluation in Coronary Artery Disease)</b>		
Outline	Large-scaled outcome study with coronary artery disease patients with hypertension		
Place	Japan	Total population	2,049 patients
Status	<p>During the American Heart Association's Scientific Session 2007, held at Orlando, Miami, the results of the HIJ-CREATE study ("CREATE study") were presented in late-breaking clinical trials session.</p> <p>This is a large-scaled outcome study with coronary artery disease patients with hypertension in Japan, comparing the reduction of incidence of major adverse cardiovascular events ("MACE") between therapy with BLOPRESS and that with non-ARB standard therapy, and the total number of patients is 2,049.</p> <ul style="list-style-type: none"> <li>Reduction of incidence of MACE in patients with impaired renal function</li> </ul> <p>BLOPRESS showed 21% reduction in incidence of MACE as compared to the non-ARB standard therapy. (<math>P = 0.039</math>)</p> <ul style="list-style-type: none"> <li>The new onset rates of diabetes mellitus</li> </ul> <p>The new onset rate with BLOPRESS and non-ARB standard therapy are 1.1% and 2.9% respectively. (<math>P = 0.027</math>)</p>		

## Research Activities

### ■ Main joint research activities

#### (1) Joint researches with domestic research organizations and companies

Partner	Research subject	Schedule
Kirin Brewery Company Ltd. (Now Kyowa Hakko Kirin Ltd.)	Licensing-in of the human antibody technology	2003/7-
Kyoto University	Research collaboration for basic and clinical research project of discovering treatments for obesity and schizophrenia based on CNS control	2011/1-2016/3
Osaka University	Joint research on development of platform for practical application and commercialization of nano-particle vaccines	2012/2-2015/1

#### (2) Joint research with overseas research organizations and companies

Partner	Country	Research subject	Schedule
Oxford Centre for Diabetes, Endocrinology and Metabolism	UK	Partnership with Oxford Diabetes Centre	2002/4-
XOMA Ltd.	US	Joint research on discovery, development and production technologies of monoclonal antibody	2006/11-
LG Life Sciences	S. Korea	Joint collaboration on anti-obesity drugs	2007/3-2012/8
Alnylam Pharmaceuticals, Inc.	US	Collaboration for Discovery and Development of RNAi Therapeutics	2008/5-2013/5
Seattle Genetics	US	Research collaboration on Antibody-Drug Conjugate	2009/3-
University of Washington	US	Joint collaboration on anti-obesity drugs	2009/3-2013/3
CellCentric	UK	Exclusive licensing of one of the CellCentric's epigenetics projects for the development and commercialization in oncology field	2010/2-
Dimerix	Australia	Research collaboration on searching of GPCR for development of products	2010/3-
BC Cancer Agency	Canada	Research collaboration for discovery of novel candidate targets for cancer treatment	2010/3-2013/3
University College London	UK	Research collaboration on development of novel cancer treatment	2010/3-2014/3
University College London	UK	Research collaboration in ophthalmologic disease	2010/3-2013/3
Metabolex, Inc.	US	Research collaboration on evaluation and validation of protein targets for development of biological products	2010/4-2013/3
Sage Bionetworks	US	Research collaboration on discovering effective therapeutic targets for Central Nervous System (CNS) disease	2010/11-2014/11
Florida Hospital, Sanford-Burnham Medical Research Institute	US	Research collaboration to target obesity	2010/12-2015/2
Zinfandel Pharmaceuticals	US	Licensing Agreement for Alzheimer's Disease Biomarker TOMM40 for the risk of Alzheimer's disease	2010/12-
Heptares Therapeutics	UK	Drug discovery collaboration focused on GPCR linked to CNS disorders	2011/4-2013/3
Samyang Corporation	S. Korea	Joint research on novel DDS platform technology for RNAi therapeutics	2011/4-2013/3
Structural Genomics Consortium	Canada	Participation in consortium to advance basic research on selected drug targets based on three-dimensional structures of human proteins	2011/7-2015/6 *Takeda joined 2012/4
BC Cancer Agency	Canada	Research collaboration to explore new drug targets based on gene analysis	2012/8-2015/7
Advinus Therapeutics	India	Discovery collaboration focused on novel targets for major therapeutic areas, including Inflammation, CNS, and Metabolic diseases	2012/10-2015/9
Resolve Therapeutics	US	Collaboration to develop compounds for the treatment of Systemic Lupus Erythematosus (SLE)	2013/2-

## XI. News Releases

Major news releases during October 2012 - March 2013 are as below.

Please refer to our web site for details (<http://www.takeda.com/>).

Date	Summary
2-Oct-12	Takeda and Lundbeck Announce the U.S. Submission of a New Drug Application for Vortioxetine, an Investigational Drug for the Treatment of Major Depressive Disorder
3-Oct-12	Takeda and Advinus Initiate Multi-year Drug Discovery Collaboration
5-Oct-12	Takeda to Acquire LigoCyte Pharmaceuticals, Inc.
25-Oct-12	DSP and Takeda Announce the Acceptance of the European Medicines Agency Submission of an Atypical Antipsychotic Agent Lurasidone
30-Oct-12	Takeda Submits a New Drug Application for Cetilistat (Development Code: ATL-962) in Japan for the Treatment of Obesity with Complications
31-Oct-12	Takeda and Millennium Announce European Conditional Marketing Authorisation for ADCETRIS® (Brentuximab Vedotin)
6-Nov-12	Takeda to Acquire Envoy Therapeutics, Inc.
10-Dec-12	Once a Week Oral Proteasome Inhibitor MLN9708-Based Therapy Showed High Response Rates in Front-Line Multiple Myeloma Phase 1 / 2 study
11-Dec-12	Millennium and Takeda Report Data from Phase I Trial of ADCETRIS® (Brentuximab Vedotin) in Newly Diagnosed Hodgkin Lymphoma at ASH Annual Meeting
18-Dec-12	Takeda to Sell Non-Colcrys URL Pharma, Inc. Generic Business to Sun Pharmaceutical
25-Dec-12	Takeda Announces Mutual Termination of Amylin / Takeda Worldwide Agreement to Co-Develop and Commercialize Compounds for Obesity
10-Jan-13	Lotriga® 2g Now Available for a Treatment of Hyperlipidemia in Japan
22-Jan-13	Takeda Establishes New Trading Company and Reinforces Business Structure in China
26-Jan-13	Takeda Receives FDA Approval for Three New Type 2 Diabetes Therapies, NESINA (alogliptin) and Fixed-Dose Combinations OSENI (alogliptin and pioglitazone) and KAZANO (alogliptin and metformin HCl)
28-Jan-13	Data From Post-Marketing Survey of Vectibix® for the Treatment of Colorectal Cancer Reported at American Society of Clinical Oncology, 2013 Gastrointestinal Cancers Symposium
13-Feb-13	Administrative Sanction Related to Voluntary Recall of ALINAMIN®-F5 Injection in Japan
21-Feb-13	Helicobacter pylori Gastritis Approved as Additional Indication in Japan for Helicobacter pylori Eradication by Triple Therapy with Proton Pump Inhibitor
24-Feb-13	Affymax and Takeda Announce a Nationwide Voluntary Recall of All Lots of OMONTYS® (peginesatide) Injection
28-Feb-13	BENET® Tablets 75 mg, a Once-Monthly Formulation of an Antiosteoporotic Agent Now Available in Japan
28-Feb-13	Takeda and Resolve Therapeutics Enter Autoimmune Partnership
8-Mar-13	Takeda Submits Marketing Authorisation Application for Vedolizumab in Moderately to Severely Active Ulcerative Colitis and Crohn's Disease in the European Union
19-Mar-13	NPS Pharmaceuticals and Takeda Revise Agreements and NPS Re-Gains Full Worldwide Rights to Teduglutide and Recombinant Human Parathyroid Hormone 1-84
22-Mar-13	Takeda Submits New Drug Application for Brentuximab Vedotin in Japan
25-Mar-13	Takeda Receives a Decision by the President of National Tax Tribunal Relating to the Correction Notice on Transfer Pricing
27-Mar-13	Takeda Submits a New Drug Application for the Fixed-Dose Combination of Takepron and Low-Dose Aspirin in Japan
27-Mar-13	Takeda Submits New Drug Applications in Japan for Cell Culture-Based Pandemic Influenza Vaccines with its Hikari Plant



**Takeda Pharmaceutical Company Limited**