

Better Health, Brighter Future

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News Release

Takeda Selected as Recipient of Supplemental Government Subsidy in Japan to Expand Production Capacity for Cell-Culture Pandemic Influenza Vaccine

Osaka, Japan, April 25, 2014 –Takeda Pharmaceutical Company Limited ("Takeda") announced today its selection as a recipient of a supplemental subsidy from the Japanese Government for approximately 7.2 billion yen. Takeda applied for this subsidy in February to expand production capacity for pandemic influenza vaccines at its Hikari Plant (Hikari City, Yamaguchi Prefecture). In return for the subsidy, Takeda will enhance its commercial vaccine production facilities to supply vaccine to the Japanese Government for an additional 8 million people (for a total of 33 million people) in the event of an influenza pandemic.

In 2009, Takeda was selected as a recipient of a public subsidy for approximately 2.4 billion yen, which the Japanese government offered under its primary supplementary budget to support investments associated with the development and production of pandemic influenza vaccines. In 2011, Takeda was also selected as a recipient of a public subsidy for approximately 23.9 billion yen, which the Japanese government offered under its secondary supplementary budget to advance commercial production facilities of pandemic influenza vaccines. Takeda used these funds, along with its own resources, to establish a state-of-the-art cell-culture influenza vaccine manufacturing facility at Hikari.

In 2010, Takeda and Baxter International Inc. (Headquarters: Deerfield, Illinois, U.S.A., "Baxter") entered into a development, license and technology transfer agreement in which Baxter licensed exclusive rights to its proprietary cell-culture pandemic influenza vaccine technology for the Japanese market. Under the agreement, Takeda and Baxter conducted joint development activities and constructed manufacturing facilities to establish a supply source in Japan. In March, 2014, Takeda received the New Drug Application approval from the Japanese Ministry of Health, Labour and Welfare for a cell-culture influenza vaccine (H5N1 and prototype) to be manufactured at Hikari.

"We are pleased that Takeda was selected as a recipient of the latest subsidy, and believe this is a validation of the company's performance under the previous subsidy programs," said Rajeev Venkayya, M.D., Head of Takeda's Vaccine Business Division. "With a history of supplying important vaccines in Japan for over sixty years, we remain committed to using our experience and capabilities to support domestic pandemic preparedness."

Takeda's consolidated forecasts for fiscal 2014 will be announced on May 8, 2014.