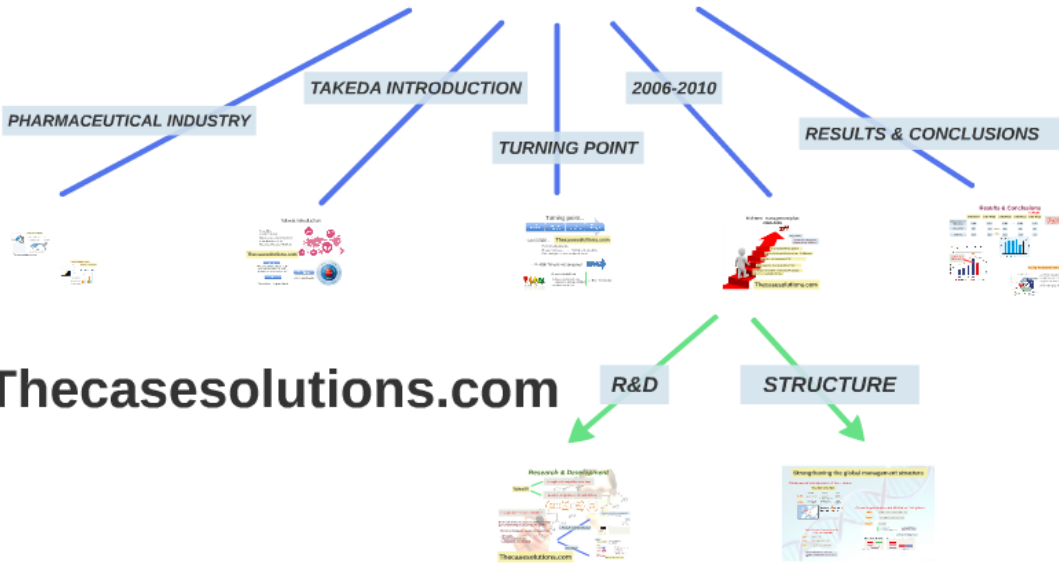


# Takeda Pharmaceutical Company: Becoming a Global Company A



A world-class pharmaceutical company with Japanese origin



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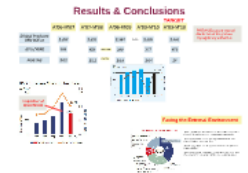
TAKEDA INTRODUCTION

2006-2010

PHARMACEUTICAL INDUSTRY

TURNING POINT

RESULTS & CONCLUSIONS



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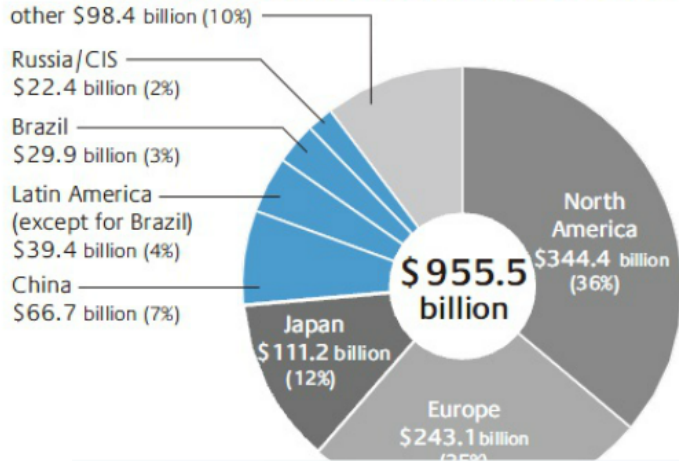
R&D

STRUCTURE



## The Pharmaceutical World Market

Global Pharmaceutical Market Sales (Fiscal 2011)



- USA, Europe and Japan → 73%

- Brazil, China and India → Rapid Growth

Emerging Markets (17 countries)



- Increasing Pharmaceutical Market

Global Pharmaceutical Market Estimate



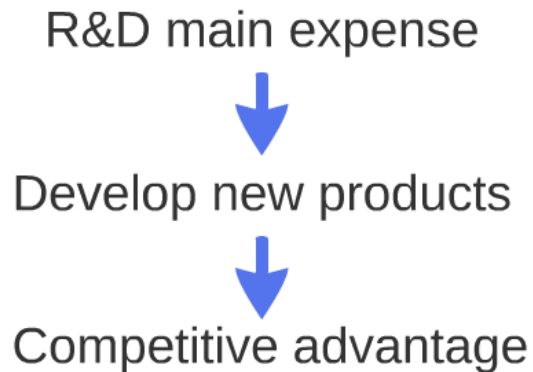
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# The Pharmaceutical Industry

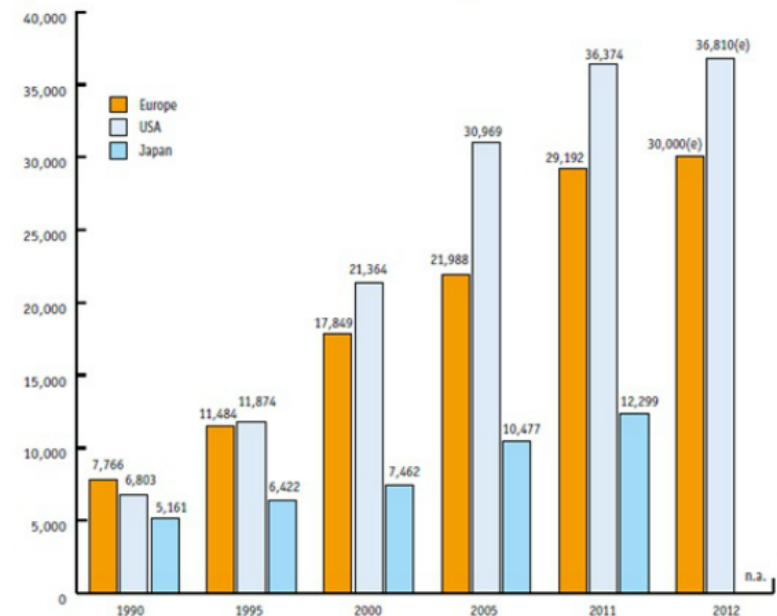
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2012 Rank	2012 Sales (US\$Mn)	
1	NOVARTIS	50,761
2	PFIZER	46,930
3	MERCK & CO	40,115
4	SANOFI	37,780
5	ROCHE	35,069
6	GLAXOSMITHKLINE	32,714
7	ASTRAZENECA	31,983
8	JOHNSON & JOHNSON	27,933
9	ABBOTT	26,715
10	TEVA	24,846
11	LILLY	21,981
12	AMGEN	17,211
13	BOEHRINGER INGEL	17,145
14	BAYER	16,214
15	TAKEDA	15,961
Global Market		856,086

Europe **7**  
**6** USA  
 Japan **1**  
**1** Israel



PHARMACEUTICAL R&D EXPENDITURE IN EUROPE, USA AND JAPAN (MILLION OF NATIONAL CURRENCY UNITS\*), 1990-2012

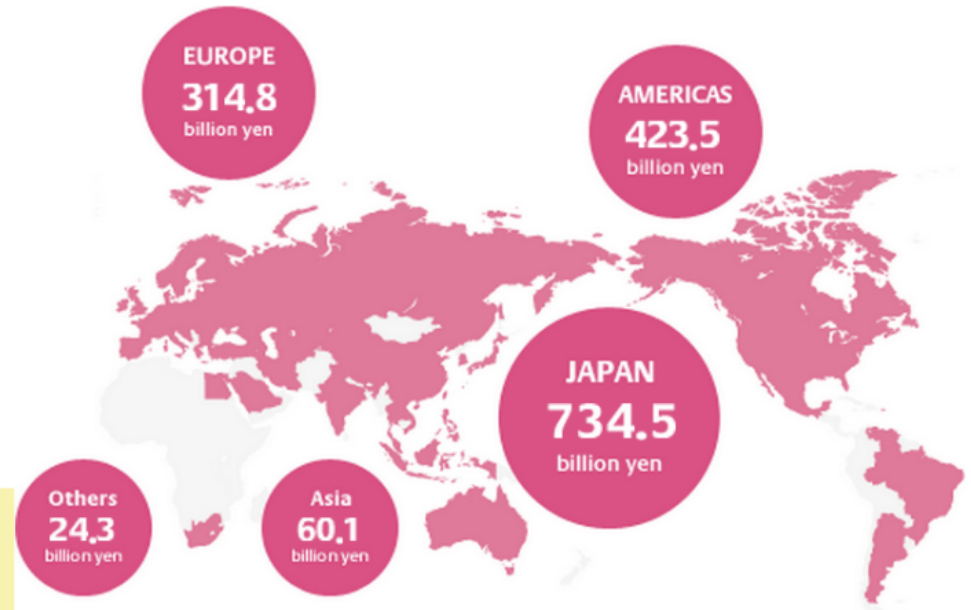


\* Note: Europe: € million; USA: \$ million; Japan: ¥ million x 100  
 (e): estimate

Source: EFPIA member associations, PhRMA, JPMA

# Takeda introduction

- 70 countries
- 30,481 employees
- R&D expenses of up to ¥300 billion
- 6 core therapeutic areas
- Fiscal 2012 Net Sales: ¥1,557.3bn



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## Mission

“We strive towards better health for people worldwide through leading innovation in medicine”

## Vision

“Better Health - Brighter Future”

## Takeda-ism

Corporate philosophy



# Turning point...



- Until 2006...

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- Four international products
- Expansion overseas → Reinforcing infrastructures
- Restructuring of non-pharmaceutical business

... In 2006 Takeda was prepared



- Ensure IN-HOUSE R&D
- Increase presence overseas
  - Cooperative strategy and M&A
- Corporate Governance

2 trillion Yen On 2015

# Mid-term management plan 2006-2010

2010

Way paved...

...to become a top global  
pharmaceutical company

Takeda

- Enhancement of R&D pipeline

- Sales of in-house ethical products: 1'4 trillion yen

- Market share: Increase by 2.5%

- R&D expenses: increase by 20% of sales

- Earning per share (EPS) increase by 7% annually

- Return on equity (ROE): 14 %

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# Research & Development

**TARGET**

Strengthen its competitive advantage

Enhance the pipeline of potential products

Lifestyle-related diseases

Oncology & urological diseases

Central nervous system diseases

Gastro-enterological diseases

**TIKARAKOBU RESEARCH STRATEGY**

Devote all of the resources to achieve the final goal of launching products into the market

Prioritize therapeutic categories depending:

- Strengths
- Future market trends
- Competitive environment

**Lifestyle related disease**

**Oncology**

**Lifestyle related disease products**

Company's main strength

Performance in the U.S.



ACTOS (diabetes medicine)  
69% of the sales

BLOPRESS (Anti-hypertension)

26% of the sales

Performance in Japan



**Oncology**

- High market potential

- Leading cause of death worldwide: 7.6 millions in 2006 (13% of death)
- In USA 13 millions suffer cancer
- The trend is increasing

- Action

Acquisition

MILLENNIUM  
TILICICLONICACALY COMPANY

Licensing

AMGEN

- R&D potential
- Rapid enhancement of the oncology pipeline
- Acquisition of outstanding professional personnel
- Amgen's patent
- Millennium's VELCADE
- Widely accepted cure for bone cancer
- \$ 83.5 millions sales in USA (2006)

Pursuing:

- In advance research state
- Fundamental technologies
- Late-stage of development

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