

IP Rights in Life Science

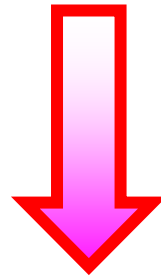
~For Successful Collaboration~

May 29, 2007
Pan Pacific Hotel, Yokohama

Hiroshi Akimoto, Ph.D.
Managing Director, Member of the Board
Takeda Pharmaceutical Company, Ltd.

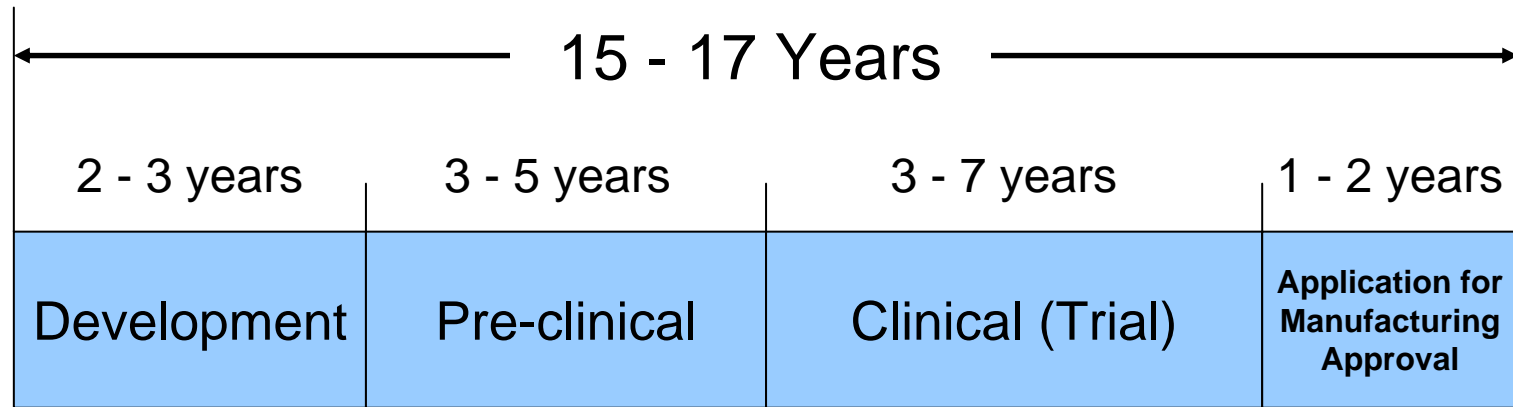
May 29, 2008

Creation of Innovative Drug is the Key Factor



- Discovery of seed- and lead- compounds is extremely difficult
- Requires an extended period for the R&D process
- Needs a large advance investment for the R&D
- Probability of successful product in market is extremely low

Example of an R&D Process for pharmaceutical products



1/30,000

1/6,000

Translational Research

1

Valley of Death, Darwinian Sea

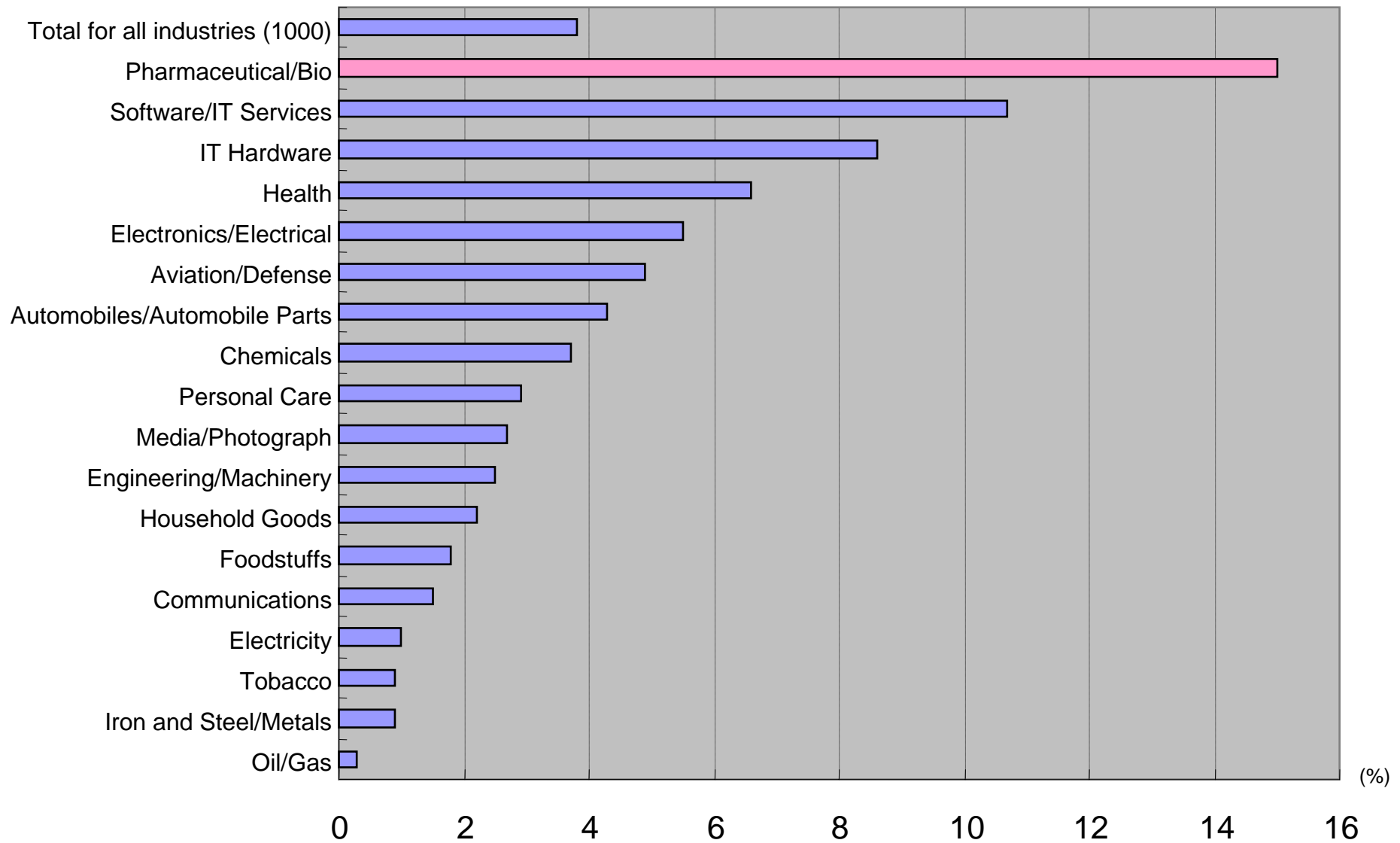
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R&D Cost: 20 - 50 - 100 billion yen

Japan Pharmaceutical Manufacturers Association
(Examples from 18 domestic companies: 1995 - 99 results)

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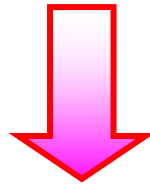
Distinctly High Ratio of Sales vs. R&D Costs (World)



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Source: UK DTI R&D Scoreboard 2005

Recovery of Investments in New Drug's R&D Cost



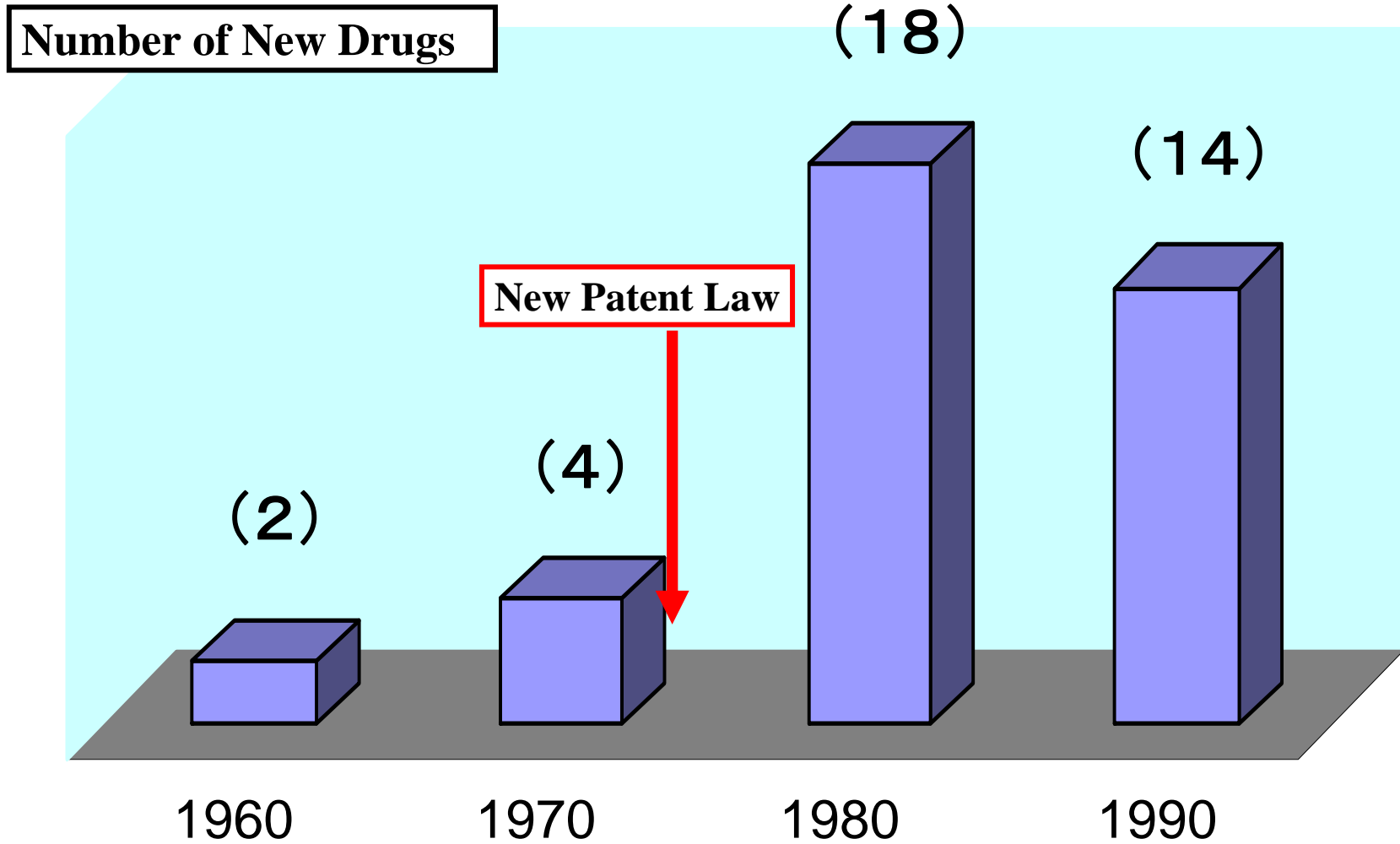
When large investments are made in R&D for new drugs, there must be opportunities for these investments to be recovered by protection of *IPRs*. Unless there is systematic infrastructure for investment recovery, any R&D-oriented pharmaceutical industry will not be alive, any nation will not be able to develop new drugs, and this may lead to impairment of the public health of the people.

Experience of the Japanese Pharmaceutical Industry

~ From Domestic to International Success ~

Successful domestic drugs, developed under *Japanese new patent law* since 1976, triggered the great progress in pharmaceutical industry, followed by global expansion. The Japanese pharmaceutical industry still continues to grow and grow over the world even today.

Dramatic Change in New Drugs Developed in Japan



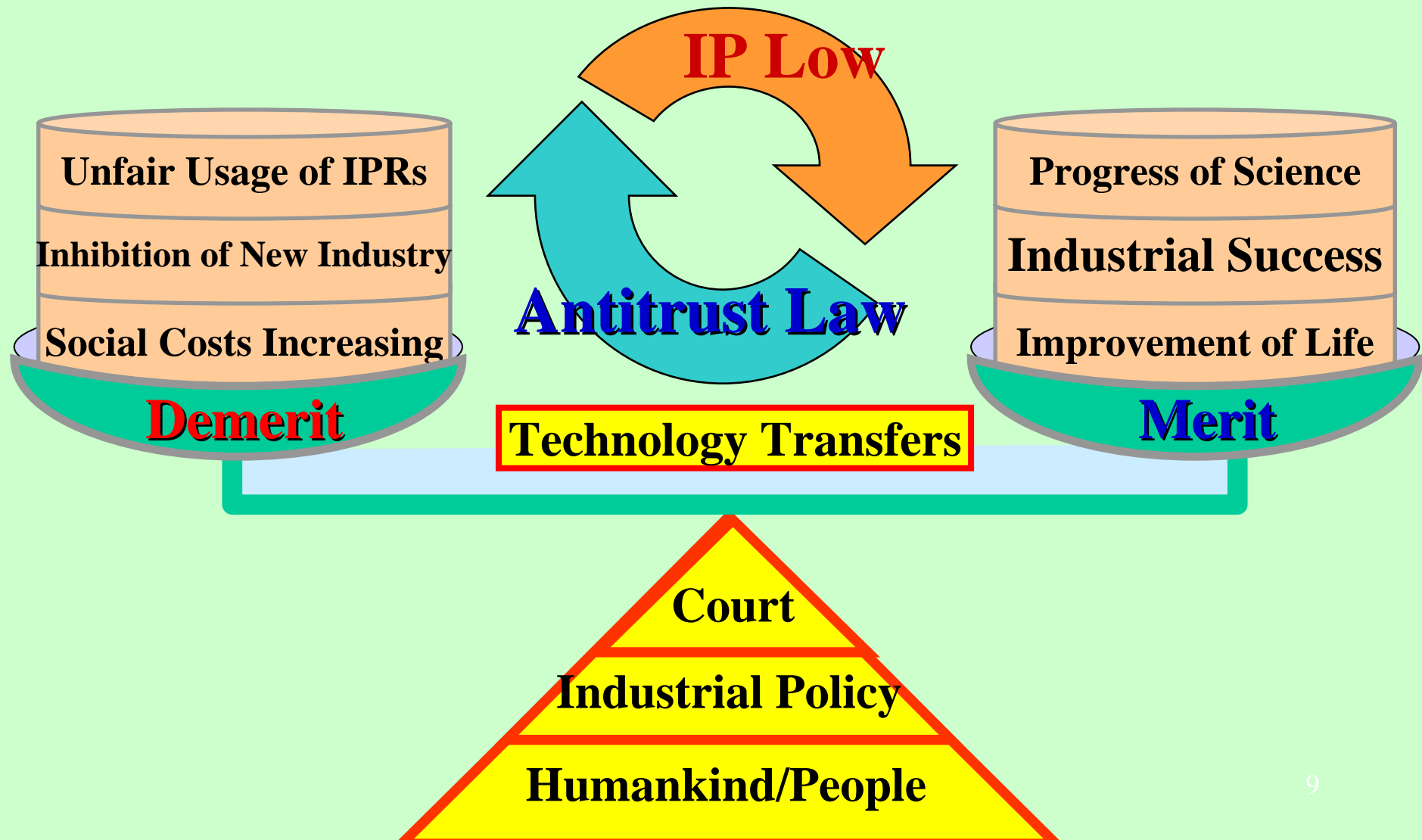
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Dramatic Change in Overseas Sales



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Balance of Intellectual Property Rights between Developed and Developing Countries



*Thank you
for your attention*

May 29, 2008