

THE EXECUTIVE SUITE

The CEOs, presidents, and executive management teams of some of the industry's top publicly traded pharmaceutical and biotechnology companies share their vision and strategies for meeting the challenges of business in the coming years.

STRATEGICALLY PREPARED FOR THE HEALTHCARE MARKET OF THE COMING DECADE

David E.I. Pyott, CBE
Chairman of the Board and CEO
Allergan Inc.

With healthcare reform legislation being implemented in the United States as well as increasing efforts by governments all around the world to rein in the rising costs of reimbursed healthcare, driven by an aging population, and the availability of advanced medical technologies, both the pharmaceutical and medical-device industries are entering a new era that will ask the very best of us in terms of innovation to bring meaningful medicines and therapies to physi-

cians and patients worldwide.

Governments' ability to pay for healthcare will be a continuing pressure and felt more acutely during a period of lower tax receipts. At the same time, this pressure will be accompanied by demands for increased value.

In the new world of healthcare, including increasing regulatory requirements in the United States and overseas, new skills are necessary. Increasing expertise is required in medical affairs, regulatory affairs, pharmacovigilance, and pharmacoeconomics.

Clearly, traditional selling models are in evolution with ever-tighter compliance rules governing the interaction with medical professionals and doctors that leave less time to see and listen to pharmaceutical and medical device representatives. While changes in selling models have already been dramatic in the general practitioner channel, we are applying these insights to adapt sales and marketing models in our specialist fields.

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SALES EXPANSION AND SUSTAINABILITY ARE THE STRATEGIES GOING FORWARD

Masafumi Nogimori
President and CEO
Astellas

The business philosophy of Astellas states that our *raison d'être* is to contribute toward improving the health of people around the world through the provision of innovative and reliable ethical pharmaceutical products.

To help realize this business philosophy, we formulated "Vision 2015" to define the direction we must take, the company that we want Astellas to be in 2015, and the policies and strategies needed to accomplish this goal.

The principal aim under this business vision is to establish Astellas as a global category leader (GCL) by supplying high-value-added drugs on a worldwide basis in various highly specialized fields where there is a high degree of unmet medical needs.

We aim to build a competitive presence to make Astellas a global leader within each of these categories. Rather than simply gaining scale through sales

expansion, our aim is to generate sustainable growth in enterprise value by developing the GCL business model so that we can maximize the value added to the lives of patients and everyone seeking a life of health.

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portfolio and strong financials. Our entire organization is focused on a single mission: to discover, develop, and deliver innovative medicines that help patients prevail over serious diseases.

As we have become more focused, leaner, and more agile, we are better able to deliver our mission and adapt quickly and effectively to changes that face the industry.

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PUTTING THE PATIENT IN THE CENTER OF PHARMA AND IMPROVING OUTCOMES



Joe Jimenez
CEO
Novartis AG

In the wake of today's dramatically changing healthcare market, the ability to adapt will be critical to our success. As we look to the future, we are sustaining our focus on innovation as a top priority.

We are continuing to invest heavily in R&D to develop and deliver new therapies and fill unmet need. Gilenya, our breakthrough oral therapy for relapsing multiple sclerosis, was just approved in the United States and is a great example

of our commitment to patients by transforming treatment standards and improving the quality of life for MS patients.

At the same time, we are also working to adapt our approach to better meet the needs of customers and patients in today's changing environment. We are shifting our focus from the traditional transaction-based approach of selling medicines toward putting the patient at the center of our thinking and concentrating our activities on improved health outcomes.

We're also working to tailor our commercial models and learning to partner with customers, physicians, large payers, and governments to meet the specific needs of patients and customers in each unique market.

We also strive to extend access to medicines to all patients in need, including those who cannot afford treatment.

Since 2001, Novartis has provided more than 300 million treatments of our antimalarial drug Coartem without profit, helping to save an estimated 750,000 lives.

Focusing on sustainable growth, innovation, and productivity enables us to achieve our mission of making a difference in patients' lives.

TAKEDA'S TRANSFORMATION



Yasuchika Hasegawa
President and CEO
Takeda

Takeda will celebrate its 230th anniversary in 2011. Throughout this long history, Takeda has grown while overcoming countless challenges. Takeda now approaches a period of unprecedented challenge in its history because of upcoming patent expirations for several major products. However, we face this period covered by the 2010-2012 mid-range plan (MRP) as a time of transformation.

The MRP will help ensure Takeda's sustained growth and flexibility as the business environment continues to change.

It positions us to move beyond our past successes and transform into a new Takeda. Through the adoption of a new management policy referred to as the Vision, Takeda is focusing on innovation, culture, and growth as the key concepts of our transformation — all of which is firmly rooted in our unwavering commitment to significantly improving the lives of patients.

Takeda will concentrate its investment in the following therapeutic areas: metabolic and CV (obesity, diabetes, and atherosclerosis), oncology, and CNS diseases (depression, schizophrenia, and Alzheimer's disease). To bring new products to market, we plan to steadily conduct clinical studies of products in late-stage development. We will also build a balanced pipeline, across therapeutic areas, in each stage of development and in multiple geographies. Innovative drugs will come through our own research and development, as well as actively pursuing mergers, acquisitions, and licensing activities. A recent partnership example that illustrates our commitment to bringing new treatment options to patients is with Orexigen Therapeutics Inc. to develop and commercialize Contrave (naltrexone SR/bupropion SR), Orexigen's investigational drug for the treatment of obesity, in the United States, Mexico, and Canada. Contrave expands our cardiovascular and metabolic franchise and advances Takeda on its path of sustainable growth during the MRP.

By fiscal year ending March 2016, we aim to restore earnings to the same level as in the latest fiscal year, which ended March 2010, and lay a solid foundation for sustainable growth. We plan to accelerate expansion into emerging markets where high growth is expected, and we anticipate covering about 90% of the global market by fiscal 2012, including our announced business expansion to India, one of the fastest growing pharmaceutical markets.

As Takeda transforms, we will continue to base our activities on a resolute dedication to achieving our mission of striving toward better health for patients worldwide through leading innovation in medicine. ♦