Better Health, Brighter Future

Takeda Quarterly Financial Report

For the Quarter Ended June 30, 2024

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Financial Highlights

Selected Financial Results

Takeda uses certain non-IFRS measures to supplement the analysis of results of operations under International Financial Reporting Standards ("IFRS"). Refer to "Financial Appendix" for the definition and reconciliations of non-IFRS Measures.

Results of Operation

	Three-month period ended June 30,		Change versus the same period of the previous fiscal year		
			AER*		CER*
(JPY millions)	2023	2024	Amount of Change	% Change	% Change
Revenue	1,058,618	1,207,990	149,372	14.1 %	2.1 %
Operating profit	168,571	166,329	(2,242)	(1.3)%	(12.0)%
Profit before tax	135,033	136,604	1,570	1.2 %	(11.1)%
Net profit for the period	89,406	95,299	5,893	6.6 %	(9.2)%
Net profit for the period attributable to owners of the Company	89,395	95,248	5,853	6.5 %	(9.3)%
Basic earnings per share (JPY)	57.51	60.71	3.20	5.6 %	(10.1)%

* Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS) and Constant Exchange Rate is presented in “CER” (which is a non-IFRS measure).

Core Results

Results of Core Operations

	Three-month period ended June 30,		Change versus the same period of the previous fiscal year		
			AER*		CER*
(JPY billions)	2023	2024	Amount of Change	% Change	% Change
Core revenue	1,058.6	1,208.0	149.4	14.1 %	2.1 %
Core operating profit	326.3	382.3	55.9	17.1 %	4.5 %
Core net profit for the period	233.4	276.9	43.5	18.6 %	3.9 %
Core net profit for the period attributable to owners of the Company	233.4	276.8	43.4	18.6 %	3.9 %
Core EPS (JPY)	150	176	26	17.5 %	2.9 %

* Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS) and Constant Exchange Rate is presented in “CER” (which is a non-IFRS measure). Refer to “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix for the definition.

Leverage

	As of	
(JPY billions)	March 31, 2024	June 30, 2024
Adjusted Net debt	(4,091.3)	(4,275.7)
Adjusted EBITDA	1,319.9	1,382.4
Adjusted Net debt/Adjusted EBITDA ratio	3.1 x	3.1 x

Consolidated Cash Flows

	Three-month period ended June 30,		Change versus the same period of the previous fiscal year	
(JPY millions)	2023	2024	JPY	%
Cash flows from (used in) operating activities	92,400	170,304	77,904	84.3 %
Cash flows from (used in) investing activities	(266,530)	(156,693)	109,837	41.2 %
Cash flows from (used in) financing activities	(57,778)	316,381	374,159	—

Adjusted Free Cash Flow

	Three-month period ended June 30,		Change versus the same period of the previous fiscal year	
(JPY billions)	2023	2024	JPY	%
Adjusted Free Cash Flow	(207.5)	23.7	231.2	—

Consolidated Financial Position

(JPY millions)	As of March 31, 2024	As of June 30, 2024	Change versus the previous fiscal year-end JPY	Change versus the previous fiscal year-end %
Non-current Assets	12,550,212	13,120,151	569,938	4.5 %
Current Assets	2,558,580	3,107,532	548,952	21.5 %
Total Assets	**15,108,792**	**16,227,683**	**1,118,891**	**7.4 %**
Non-current Liabilities	5,521,684	5,963,249	441,564	8.0 %
Current Liabilities	2,313,103	2,465,202	152,099	6.6 %
Total Liabilities	**7,834,788**	**8,428,451**	**593,663**	**7.6 %**
Equity	**7,274,005**	**7,799,232**	**525,228**	**7.2 %**
Total liabilities and equity	**15,108,792**	**16,227,683**	**1,118,891**	**7.4 %**

Forecast and Management Guidance

*Forecast**

(JPY billions)	FY2023 Actual Results	FY2024 Forecast	Change versus the previous year	
Revenue	4,263.8	4,350.0	86.2	2.0 %
Gross Profit	2,837.1	2,850.0	12.9	0.5 %
Operating profit	214.1	225.0	10.9	5.1 %
Profit before tax	52.8	55.0	2.2	4.2 %
Net profit for the year (attributable to owners of the Company)	144.1	58.0	(86.1)	(59.7)%
EPS (JPY)	92.09	36.70	(55.39)	(60.1)%
Non-IFRS Measures				
Core Revenue	4,263.8	4,350.0	86.2	2.0 %
Core Operating Profit	1,054.9	1,000.0	(54.9)	(5.2)%
Core EPS (JPY)	484	431	(53)	(10.9)%
Dividends per share (JPY)	188	196	8	4.3 %

*Refer to Analysis of Results of Operations, Financial Position, and Cash Flow "Outlook for the Fiscal Year Ending March 31, 2025" for details.

Management Guidance

Takeda uses change in Core Revenue, Core Operating Profit and Core EPS at Constant Exchange Rate (CER) basis as its Management Guidance.

	FY2024 Management Guidance CER % Change*4
Core Revenue	Flat to slightly declining
Core Operating Profit	Approx 10% decline
Core EPS	Mid-10s% decline

*Refer to "Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations" in the Financial Appendix for the definition" in the Financial Appendix for the definition.

Revenue by Region

		JPY (millions) Three-month period ended June 30,							
		Japan	United States	Europe and Canada	Asia (excluding Japan)	Latin America	Russia/CIS	Other	Total
	2023	124,823	554,390	224,338	60,827	43,717	17,364	33,159	1,058,618
	2024	102,942	636,652	269,799	63,903	72,210	23,739	38,745	1,207,990
Change versus the previous year	JPY	(21,882)	82,262	45,461	3,076	28,493	6,376	5,586	149,372
	%	(17.5)%	14.8 %	20.3 %	5.1 %	65.2 %	36.7 %	16.8 %	14.1 %

"Other" includes the Middle East, Oceania and Africa. This disaggregation provides revenue attributable to countries or regions based on the customer location.

Recent Developments

Pipeline and R&D Activities

Research and development expenses for the three-month period ended June 30, 2024 were JPY 168.5 billion. Takeda does not report disaggregated R&D expenses, including by therapeutic area or clinical trial stage, as our R&D budget is determined on a company-wide basis and specific expenditures may be subject to re-allocation depending on development results and priorities.

Takeda's R&D engine is focused on translating science into highly innovative, life-transforming medicines that make a critical difference to patients. Takeda supports dedicated R&D efforts across three areas: Innovative Biopharma, Plasma-Derived Therapies and Vaccines. The R&D engine for Innovative Biopharma is the largest component of our R&D investment and has produced exciting new molecular entities ("NMEs") that represent potential best-in-class and/or first-in-class medicines in areas of high unmet medical need, both in rare and more prevalent conditions, across our core therapeutic areas (Gastrointestinal and inflammation, neuroscience, and oncology). Takeda is committed to rare diseases, and many of the life-transforming medicines we are pursuing will treat rare diseases in our core therapeutic areas as well as in PDT. We are working to harness the potential of cell and gene therapies by investing in new capabilities and next-generation platforms internally and through a network of partnerships. We are embracing data and digital technologies to improve the quality of innovation and accelerate execution.

Takeda's pipeline is positioned to support both the near-term and long-term sustained growth of the company. Once first approval of a product is achieved, Takeda R&D is equipped to support geographic expansions of such approval and approvals in additional indications, as well as post-marketing commitment and potential additional formulation work. Takeda's R&D team works closely with the commercial functions to maximize the value of marketed products and reflect commercial insights in its R&D strategies and portfolio.

Major progress on R&D events since April 2024 are listed as follows:

R&D pipeline

Gastrointestinal and Inflammation

In Gastrointestinal and Inflammation, Takeda focuses on delivering innovative, life-changing therapeutics for patients with gastrointestinal diseases (including those of the liver) as well as immune-mediated inflammatory diseases. Takeda is maximizing the potential of our inflammatory bowel disease (IBD) franchise around ENTYVIO, including the introduction of a subcutaneous formulation and running real-world evidence generation studies that demonstrate ENTYVIO's place as a backbone therapy in the IBD treatment paradigm and further our understanding of how to improve outcomes for patients. . Zasocitinib (TAK-279) is a next generation oral tyrosine kinase 2 (TYK2) inhibitor with potential to treat multiple immune-mediated inflammatory diseases. Fazirsiran (TAK-999) is a potential first-in-class RNAi treatment for alpha-1 antitrypsin-deficiency associated liver disease in late-stage development. Furthermore, Takeda is progressing a pipeline built through in-house discovery, partnerships and business development, which explores opportunities in inflammatory diseases (specifically in gastric, dermatological and rheumatic disorders, along with select rare hematological disorders (ADZYNMA (TAK-755), mezagitamab (TAK-079), rusfertide (TAK-121)), liver diseases, and neurogastric disorders.

ENTYVIO / Generic name: vedolizumab

- In April 2024, Takeda announced that the U.S. Food and Drug Administration (FDA) approved ENTYVIO SC administration for maintenance therapy in adults with moderately to severely active Crohn's disease after induction therapy with ENTYVIO IV. The approval is based on the VISIBLE 2 Study (SC CD Trial), a Phase 3, randomized, double-blind, placebo-controlled trial, which assessed the safety and efficacy of an SC formulation of ENTYVIO as maintenance therapy in total 409 adult patients with moderately to severely active Crohn's disease who had clinical response at week 6 following two doses of open-label ENTYVIO intravenous therapy at weeks 0 and 2. A statistically significant proportion of patients receiving ENTYVIO SC 108 mg maintenance therapy administered every 2 weeks achieved long-term clinical remission compared to patients receiving placebo (ENTYVIO SC: 48% vs. Placebo: 34%; $p<0.01$) at week 52. In clinical studies, the ENTYVIO SC safety profile was generally consistent with the known safety profile of ENTYVIO IV, with the addition of injection site reactions (including injection site erythema, rash, pruritus, swelling, bruising, hematoma, pain, urticaria and edema) as an adverse reaction for ENTYVIO SC.

ADZYNMA / Generic name: apadamtase alfa/cinaxadamtase alfa (recombinant) (Development code: TAK-755)

- In May 2024, Takeda announced that the European Medicines Agency's (EMA)'s Committee for Medicinal Products for Human Use (CHMP) recommended the approval, under exceptional circumstances, of TAK-755 for the treatment of ADAMTS13 deficiency in children and adult patients with congenital thrombotic thrombocytopenic purpura (cTTP). The Committee's positive opinion was supported by the totality of evidence including the interim analysis of efficacy,

pharmacokinetic, safety and tolerability data from the first randomized, controlled open-label, crossover Phase 3 trial in cTTP.

Development code: TAK-079 / Generic name: mezagitamab

– In June 2024, Takeda presented positive results from its Phase 2b, randomized, double-blind, placebo-controlled study (TAK-079-1004 trial) evaluating the safety, tolerability and efficacy of mezagitamab in patients with persistent or chronic primary immune thrombocytopenia (ITP) at the oral Late-Breakthrough Session of the 32nd Congress of the International Society on Thrombosis and Haemostasis (ISTH). The TAK-079-1004 trial evaluated three different doses of subcutaneous mezagitamab (100mg, 300mg and 600mg) versus placebo, given once weekly for eight weeks in patients with chronic or persistent primary ITP, followed by >8 weeks of safety follow-up. The primary endpoint is the percentage of patients with at least one Grade 3 or higher treatment emergent adverse events (TEAEs), serious adverse events (SAEs), and adverse events (AEs) leading to mezagitamab discontinuation. Secondary endpoints included platelet response, complete platelet response, clinically meaningful platelet response, and hemostatic platelet response. The Phase 2b trial results demonstrated that mezagitamab treatment improved platelet response compared to placebo, across all three dose levels of mezagitamab tested. Patients treated with mezagitamab showed rapid and sustained increases in platelet counts (above the 50,000/μL therapeutic threshold), that persisted eight weeks after the last dose through to Week 16, illustrating the rapid and post-therapy effects of mezagitamab on platelet response. In this study, mezagitamab had a favorable safety/tolerability profile in patients with ITP, with no new safety signals and a safety profile consistent with prior studies of mezagitamab. Takeda plans to initiate a global Phase 3 trial of mezagitamab in patients with ITP in the second half of FY2024. Mezagitamab previously received Orphan Drug Designation for the treatment of ITP from the U.S. Food and Drug Administration (FDA) and the program received Fast Track Designation.

Development code: TAK-625 / Generic name: maralixibat

– In June 2024, Takeda announced that it submitted a New Drug Application (NDA) to the Japanese Ministry of Health, Labour and Welfare (MHLW) for maralixibat for the treatment of Alagille Syndrome (ALGS) and Progressive Familial Intrahepatic Cholestasis (PFIC). The application is based on the results of Phase III clinical trials (TAK-625-3001 and TAK-625-3002) conducted in Japan for the treatment of ALGS and PFIC, as well as multiple clinical trials conducted outside of Japan.

Neuroscience

In Neuroscience, Takeda is focusing its R&D investments on potentially transformative treatments for neurological and neuromuscular diseases of high unmet need and building its pipeline through a combination of in-house expertise and partnerships. By harnessing advances in disease biology understanding, translational tools, and innovative modalities, Takeda is primarily focusing on rare neurology, in particular, on potential investigative therapies for sleep-wake disorders such as narcolepsy and idiopathic hypersomnia with a franchise of orexin-2 receptor agonists (e.g., TAK-861, danavorexton (TAK-925), TAK-360), and rare epilepsies with soticlestat (TAK-935). Additionally, Takeda makes targeted investments to investigate well-defined segments of neuromuscular diseases, neurodegenerative diseases and movement disorders.

Development Code: TAK-861

– In June 2024, Takeda presented positive results from its Phase 2b trial of TAK-861 in Narcolepsy Type 1 (NT1) at SLEEP 2024, the 38th annual meeting of the American Academy of Sleep Medicine and the Sleep Research Society. The randomized, double-blind, placebo-controlled, multiple dose trial, TAK-861-2001, in 112 patients with NT1 demonstrated statistically significant and clinically meaningful improvements across primary and secondary endpoints, with efficacy sustained over 8 weeks of treatment. The primary endpoint demonstrated statistically significant and clinically meaningful increased sleep latency on the Maintenance of Wakefulness Test (MWT) versus placebo across all doses (LS mean difference versus placebo all $p \leq 0.001$). Consistent results were achieved in the key secondary endpoints including the Epworth Sleepiness Scale (ESS) and Weekly Cataplexy Rate (WCR), demonstrating significantly improved subjective measures of sleepiness and cataplexy (sudden loss of muscle tone) frequency versus placebo. The majority of the participants who completed the trial enrolled in the long-term extension (LTE) study with some patients reaching one year of treatment. The dataset showed that TAK-861 was generally safe and well tolerated during the study, with no treatment-related serious treatment-emergent adverse events (TEAEs) or discontinuations due to TEAEs. No cases of hepatotoxicity or visual disturbances were reported in the Phase 2b trial or in the ongoing LTE study. The most common TEAEs were insomnia, urinary urgency and frequency, and salivary hypersecretion. Most TEAEs were mild to moderate in severity, and most started within 1-2 days of treatment and were transient. The Phase 2b data also supported the recent Breakthrough Therapy designation for TAK-861 for the treatment of excessive daytime sleepiness (EDS) in NT1 from the U.S. Food and Drug Administration (FDA).

Development code: TAK-935 / Generic name: soticlestat

– In June 2024, Takeda announced topline data for soticlestat from its SKYLINE and SKYWAY studies. SKYLINE (TAK-935-3001) was a multicenter, randomized, double-blind Phase 3 study that evaluated soticlestat plus standard of care versus placebo plus standard of care in patients with refractory Dravet syndrome (DS). Soticlestat narrowly missed the primary endpoint of reduction from baseline in convulsive seizure frequency as compared to placebo (p-value = 0.06). Among the six key secondary endpoints, soticlestat showed clinically meaningful and nominally significant results in the responder rate, measures of caregiver and clinician global impression of improvement, and seizure intensity and duration scales over the 16-week treatment period (all p-values ≤ 0.008). SKYWAY (TAK-935-3002) was a multicenter, randomized, double-blind Phase 3 study that evaluated soticlestat plus standard of care versus placebo plus standard of care in patients with refractory Lennox-Gastaut syndrome (LGS). Soticlestat missed the novel primary endpoint of reduction from baseline in Major Motor Drop (MMD) seizure frequency as compared to placebo. In SKYLINE and SKYWAY, some pre-specified subgroups of patients also showed nominally significant treatment effects on the primary and secondary efficacy endpoints of caregiver and clinician global impression of improvement, and seizure intensity and duration scales over the 16-week treatment period. Soticlestat was generally well tolerated in both SKYLINE and SKYWAY studies and demonstrated a safety profile consistent with the findings of previous studies. Takeda will engage with regulatory authorities to discuss the totality of the data generated by SKYLINE, SKYWAY and the Phase 2 ELEKTRA study to determine next steps. Takeda will also plan to present results of both Phase 3 studies at an upcoming scientific congress.

Oncology

In Oncology, we aspire to cure cancer, with inspiration from patients and innovation from everywhere. We are focused on: (1) building on our legacy in hematologic malignancies with marketed products (e.g., NINLARO, ADCETRIS, and ICLUSIG); (2) growing a solid tumor portfolio with marketed products (ALUNBRIG and FRUZAQLA [marketed in the U.S. and the EU, development in other regions outside of mainland China, Hong Kong and Macau ongoing]); and (3) advancing a cutting-edge pipeline of highly innovative assets and platforms.

ADCETRIS / Generic name: brentuximab vedotin

– In June 2024, Takeda and Pfizer announced that the German Hodgkin Study Group (GHSG) will present positive results from the Phase 3 HD21 trial evaluating ADCETRIS in combination with chemotherapy as a late-breaking oral presentation at the 60th American Society of Clinical Oncology (ASCO) Annual Meeting and at the 29th European Hematology Association (EHA) Annual Meeting. The four-year analysis presented by the GHSG showed superior progression-free survival (PFS) and improved tolerability compared to a current standard of care regimen used in Europe in this setting. The HD21 study is a Phase 3, randomized, multi-country, prospective, open-label study, designed to evaluate ADCETRIS in combination with etoposide, cyclophosphamide, doxorubicin, dacarbazine and dexamethasone (BrECADD) in comparison to a standard of care treatment – escalated doses of bleomycin, etoposide, doxorubicin, cyclophosphamide, vincristine, procarbazine, prednisone (eBEACOPP) – in patients with newly diagnosed Stage IIb/III/IV classical Hodgkin lymphoma. The ASCO presentation provides details of a four-year PFS analysis of the HD21 study conducted by GHSG. After 48 months, BrECADD showed superior efficacy to BEACOPP (94.3% PFS for BrECADD and 90.9% PFS for eBEACOPP; hazard ratio "HR": 0.66 [95% CI:88.7-93.1]; p<0.035). As previously reported in the three-year analysis, treatment with BrECADD was also associated with a significant reduction in the incidence of treatment-related morbidity (TRMB) compared with BEACOPP (n=738; 42% vs 59%; p<0.001), as well as clinically meaningful reductions in adverse events (AEs). The safety profile of ADCETRIS in patients receiving BrECADD remained consistent with other approved ADCETRIS combination regimens, and no new safety signals were identified.

FRUZAQLA / Generic name: fruquintinib

– In June 2024, Takeda announced that the European Commission approved FRUZAQLA as a monotherapy indicated for the treatment of adult patients with metastatic colorectal cancer (mCRC) who have been previously treated with available standard therapies, including fluoropyrimidine-, oxaliplatin-, and irinotecan-based chemotherapies, anti-VEGF agents, and anti-EGFR agents, and who have progressed on or are intolerant to treatment with either trifluridine-tipiracil or regorafenib. The approval is based on results from the Phase 3 multi-regional FRESCO-2 trial.

Other Rare Diseases programs

Takeda's R&D engine is focused on areas of high unmet medical need, both in rare and more prevalent conditions, across three core therapeutic areas (gastrointestinal and inflammation, neuroscience, and oncology). In other Rare Diseases programs, Takeda focuses on several areas of high unmet medical need, on top of marketed products such as TAKHZYRO in hereditary angioedema. In rare hematology, Takeda focuses on addressing today's needs in the treatment of bleeding disorders, including through ADVATE and ADYNOVATE/ADYNOVI. In addition, Takeda aims to redefine the management of post-transplant cytomegalovirus (CMV) infection/disease with LIVTENCITY. Takeda commits to fulfilling our vision to deliver life-transforming medicines to patients with rare diseases. Takeda will continue to explore late-stage business development that may leverage our rare diseases capabilities as well as bolster our commitment and leadership in rare diseases.

LIVTENCITY / Generic name: maribavir

– In June 2024, Takeda announced that LIVTENCITY 200mg tablets has been approved by the Japanese Ministry of Health, Labour and Welfare (MHLW) for post-transplant cytomegalovirus (CMV) infection/disease that is refractory to existing anti-CMV therapies. The approval is primarily based on the results of the Phase 3 SOLSTICE trial conducted outside of Japan, which evaluated the safety and efficacy of LIVTENCITY versus alternative antiviral treatments for patients with CMV infection/disease refractory to prior therapies who underwent hematopoietic stem cell transplant (HSCT) or solid organ transplant (SOT), and the Japanese Phase 3 open-label study in patients with CMV infection, including those with refractory CMV infection who underwent HSCT or SOT.

Plasma-Derived Therapies (PDT)

Takeda has created a dedicated PDT business unit with a focus on managing the business end-to-end, from plasma donation to manufacturing, R&D, and commercialization. In PDT, we aspire to develop life-saving plasma derived therapies, which are essential for patients with a variety of rare and complex chronic diseases. The dedicated R&D organization within PDT is charged with maximizing the value of existing therapies, identifying new targeted therapies, and optimizing efficiencies across the PDT value chain, from plasma donation to product manufacturing. Near-term, our priority is focused on delivering value from our broad immunoglobulin portfolio (HYQVIA, CUVITRU, GAMMAGARD LIQUID and GAMMAGARD S/D) through the pursuit of new indications, geographic expansions, and enhanced patient experience through integrated healthcare technologies. In our hematology and specialty care portfolio, our priority is pursuing new indication and formulation development opportunities for PROTHROMPLEX (4F-PCC), FEIBA and CEPROTIN. Additionally, we are developing next generation immunoglobulin products with 20% fSCIg (TAK-881) and liquid low IgA IG (TAK-880) and are pursuing other early stage opportunities (e.g. hypersialylated Immunoglobulin (hsIgG)) that would add to our diversified commercial portfolio of more than 20 therapeutic products distributed worldwide.

HYQVIA / Generic name: Immunoglobulin (IG) Infusion 10% (Human) w/ Recombinant Human Hyaluronidase for subcutaneous administration (Development code: TAK-771)

– In June 2024, Takeda announced data from the Phase 3 ADVANCE-CIDP 3 clinical trial, a long-term extension study evaluating the safety and efficacy of HYQVIA in patients chronic inflammatory demyelinating polyneuropathy (CIDP). Results showed favorable long-term safety and tolerability of HYQVIA, and a low relapse rate, supporting its use as maintenance treatment for CIDP. These findings will be presented in a poster session at the Peripheral Nerve Society (PNS) Annual Meeting. The ADVANCE-CIDP 3 clinical trial is the longest extension study ever performed within context of a clinical trial in CIDP to date. The study, which enrolled 85 patients from the ADVANCE-CIDP 1 clinical trial, evaluated the safety/tolerability and immunogenicity of HYQVIA as the primary outcome measure. The median duration of HYQVIA treatment was 33 months (0 to 77 months) with a cumulative overall follow-up time of 220 patient years. The findings were consistent with the known safety and tolerability profile of HYQVIA and no new safety concerns were observed.

Vaccine

In Vaccines, Takeda is applying innovation to tackle some of the world's most challenging infectious diseases such as dengue (QDENGA (development code: TAK-003)), and COVID-19 (NUVAXOVID). To support the expansion of our pipeline and the development of our programs, we have entered into partnerships with government organizations in Japan, and leading global institutions. Such partnerships have been essential in building the critical capabilities that will be necessary to deliver on our programs and realize their full potential.

Building a sustainable research platform / Enhancing R&D collaboration

In addition to our concentrated efforts to increase our in-house R&D capabilities, external partnerships with third-party partners are a key component of our strategy for enhancing our R&D pipeline. Our strategy to expand and diversify our external partnerships allows us to take part in research of a wide variety of new products and increases the chances that we will be able to take part in a major research-related breakthrough.

- In April 2024, Takeda and Japanese Foundation for Cancer Research (JFCR) announced that the signing of a partnership agreement with the goal to advance research and development in the field of oncology. Under the terms of this agreement, Takeda and JFCR will engage in mutual exchange utilizing each other's strengths for the purpose of advancing global early clinical trials and facilitating translational research based on this agreement. This will include necessary information exchanging and consultation regarding ongoing drug development. The partnership seeks to expedite the development of groundbreaking anti-cancer therapies and facilitate swift delivery to cancer patients and their families.
- In April 2024, Takeda, Astellas Pharma Inc. (Astellas), and Sumitomo Mitsui Banking Corporation announced that three companies signed a master agreement to establish a joint venture company. The new company will be dedicated to the incubation of early drug discovery programs originating from Japan and toward the creation of innovative therapeutics. In addition to establishing the joint venture company, Takeda and Astellas will provide support to the joint venture company leveraging their expertise gained from global drug discovery research and development, aiming to accelerate open innovation in early-stage drug discovery, and toward the creation of start-up companies for the benefit of society. The joint venture company, once established, plans to begin incubation activities by collaboratively working with academia, pharmaceutical companies, and start-up companies across Japan to enable access to potentially transformative early drug discovery programs.
- In May 2024, Takeda and AC Immune SA (AC Immune) announced an exclusive, worldwide option and license agreement for AC Immune’s active immunotherapies targeting toxic forms of amyloid beta (Abeta), including ACI-24.060 for the treatment of Alzheimer’s disease. ACI-24.060 is an anti-Abeta active immunotherapy candidate designed to induce a robust antibody response against the toxic forms of Abeta believed to drive plaque formation and Alzheimer’s disease progression. By inducing plaque clearance and efficiently inhibiting plaque formation in the brain, ACI-24.060 has the potential to delay or slow Alzheimer’s disease progression. ACI-24.060 is being investigated in the ongoing ABATE randomized, double-blind, placebo-controlled Phase 1b/2 trial to assess the safety, tolerability, immunogenicity and pharmacodynamic effects of the investigational immunotherapy in subjects with prodromal Alzheimer’s disease and in adults with Down syndrome. AC Immune will be responsible for completing the ABATE trial. Following option exercise, Takeda would conduct and fund all further clinical development and be responsible for all global regulatory activities as well as worldwide commercialization.
- In June 2024, Takeda announced the signing of an option agreement with Ascentage Pharma to enter into an exclusive license agreement for olverembatinib, an oral, potentially best-in-class, third-generation BCR-ABL tyrosine kinase inhibitor (TKI), which is currently in development for chronic myeloid leukemia (CML) and other hematological cancers. If exercised, the option would allow Takeda to license global rights to develop and commercialize olverembatinib in all territories outside of mainland China, Hong Kong, Macau, Taiwan and Russia. As part of the agreement, Ascentage Pharma will continue to be solely responsible for all clinical development of olverembatinib prior to potential exercise of the option to license. Olverembatinib is currently approved and marketed in China for the treatment of adult patients with TKI-resistant chronic-phase CML (CP-CML) or accelerated-phase CML (AP-CML) harboring the T315I mutation and in adult patients with CP-CML resistant to and/or intolerant of first- and second-generation TKIs.

Analysis of Results of Operations, Financial Position, and Cash Flow

Consolidated Financial Results

Billion JPY or percentage

	FY2023 Q1	FY2024 Q1	Change versus the same period of the previous fiscal year		
			AER		CER
			Amount of Change	% Change	% Change
Revenue	1,058.6	1,208.0	149.4	14.1 %	2.1 %
Cost of sales	(321.1)	(387.0)	(65.8)	20.5 %	8.1 %
Selling, general and administrative expenses	(248.1)	(270.0)	(21.9)	8.8 %	(2.4)%
Research and development expenses	(162.7)	(168.5)	(5.7)	3.5 %	(7.7)%
Amortization and impairment losses on intangible assets associated with products	(129.4)	(162.8)	(33.4)	25.8 %	12.9 %
Other operating income	4.3	10.9	6.6	155.7 %	135.4 %
Other operating expenses	(32.9)	(64.3)	(31.3)	95.3 %	72.8 %
Operating profit	168.6	166.3	(2.2)	(1.3)%	(12.0)%
Finance income and (expenses), net	(33.1)	(29.0)	4.1	(12.4)%	(16.6)%
Share of loss of investments accounted for using the equity method	(0.4)	(0.7)	(0.3)	70.3 %	60.3 %
Profit before tax	135.0	136.6	1.6	1.2 %	(11.1)%
Income tax expenses	(45.6)	(41.3)	4.3	(9.5)%	(14.8)%
Net profit for the period	89.4	95.3	5.9	6.6 %	(9.2)%
Net profit for the period attributable to owners of the Company	89.4	95.2	5.9	6.5 %	(9.3)%

In this section, when comparing results to the same period of the previous fiscal year, the amount of change and percentage change based on Actual Exchange Rates are presented in “AER” (which is presented in accordance with IFRS) and percentage change based on Constant Exchange Rate (which is a non-IFRS measure) is presented in “CER”. For additional information on CER change, see “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix

Revenue

Revenue for the three-month period ended June 30, 2024 was JPY 1,208.0 billion (JPY +149.4 billion and +14.1% AER, +2.1% CER). The increase is attributable to favorable foreign exchange rates and growth from business momentum of Plasma-Derived Therapies (“PDT”), Gastroenterology (“GI”), Oncology, Rare Diseases and Vaccines. The increase of these business areas was offset in part by a decrease in Neuroscience. The decrease in Neuroscience, which was partially mitigated by favorable foreign exchange rates, was largely attributable to continued generic erosion of sales of VYVANSE (for attention deficit hyperactivity disorder (“ADHD”)) in the U.S., which began following loss of exclusivity in August 2023. In addition, revenue outside of our six key business areas decreased mainly due to the decline in sales of AZILVA (for hypertension), which were JPY 3.2 billion (JPY -15.4 billion and -82.6% AER, -82.6% CER) following the entry of generic competitors in Japan beginning in June 2023.

Revenue by Geographic Region

The following shows revenue by geographic region:

Billion JPY or percentage

Revenue:	FY2023 Q1	FY2024 Q1	Change versus the same period of the previous fiscal year		
			AER		CER
			Amount of Change	% Change	% Change
Japan	124.8	102.9	(21.9)	(17.5)%	(17.8)%
United States	554.4	636.7	82.3	14.8 %	1.0 %
Europe and Canada	224.3	269.8	45.5	20.3 %	6.1 %
Asia (excluding Japan)	60.8	63.9	3.1	5.1 %	(4.2)%
Latin America	43.7	72.2	28.5	65.2 %	45.6 %
Russia/CIS	17.4	23.7	6.4	36.7 %	33.0 %
Other*1	33.2	38.7	5.6	16.8 %	6.5 %
Total	1,058.6	1,208.0	149.4	14.1 %	2.1 %

*1 Other includes the Middle East, Oceania and Africa.

Revenue by Business Area

The following shows revenue by business area:

Billion JPY or percentage

Revenue:	FY2023 Q1	FY2024 Q1	Change versus the same period of the previous fiscal year		
			AER		CER
			Amount of Change	% Change	% Change
GI	293.5	348.5	54.9	18.7 %	6.0 %
Rare Diseases	170.8	199.5	28.7	16.8 %	4.4 %
PDT	209.2	271.4	62.2	29.7 %	14.7 %
Oncology	110.5	142.1	31.6	28.6 %	17.2 %
Vaccines	10.5	12.5	2.0	18.7 %	9.7 %
Neuroscience	177.0	169.1	(8.0)	(4.5)%	(15.0)%
Other	87.0	64.9	(22.0)	(25.3)%	(31.1)%
Total	1,058.6	1,208.0	149.4	14.1 %	2.1 %

Year-on-year change in revenue for this three-month period in each of our business areas was primarily attributable to the following products:

GI

In GI, revenue was JPY 348.5 billion (JPY +54.9 billion and +18.7% AER, +6.0% CER).

Sales of ENTYVIO (for ulcerative colitis (“UC”) and Crohn’s disease (“CD”)) were JPY 234.4 billion (JPY +42.4 billion and +22.1% AER, +7.6% CER). Sales in the U.S. were JPY 162.9 billion (JPY +28.6 billion and +21.3% AER). The increase was due to favorable foreign exchange rates, demand in the first line biologic inflammatory bowel disease (“IBD”) population primarily in UC and initial patient gains after the launch of the subcutaneous formulation. Sales in Europe and Canada were JPY 54.8 billion (JPY +10.8 billion and +24.6% AER). The increase was primarily due to favorable foreign exchange rates and new patient gains by an increased use of the subcutaneous formulation.

Sales of GATTEX/REVESTIVE (for short bowel syndrome) were JPY 36.8 billion (JPY +9.7 billion and +36.0% AER, +21.6% CER). The increase was primarily due to increased demand in the U.S., expansion activities (infant indication label expansion), and favorable exchange rates.

Rare Diseases

In Rare Diseases, revenue was JPY 199.5 billion (JPY +28.7 billion and +16.8% AER, +4.4% CER).

Sales of TAKHZYRO (for hereditary angioedema) were JPY 56.0 billion (JPY +14.7 billion and +35.6% AER, +19.8% CER). The increase was primarily due to the higher demand in the U.S., Europe and Canada, and favorable foreign exchange rates.

Sales of enzyme replacement therapy ELAPRASE (for hunter syndrome) were JPY 28.0 billion (JPY +5.1 billion and +22.4% AER, +10.2% CER) The increase was primarily due to strong demand in Growth and Emerging Markets, and favorable foreign exchange rates.

Sales of LIVTENCITY (for post-transplant cytomegalovirus ("CMV") infection/disease) were JPY 7.6 billion (JPY +3.6 billion and +88.2% AER, +65.9% CER). The increase was primarily attributable to strong market penetration and successful launch performance in the U.S., complemented by continued geographical expansion in Europe and Growth and Emerging Markets.

Sales of enzyme replacement therapy REPLAGAL (for fabry disease) were JPY 21.4 billion (JPY +3.4 billion and +19.1% AER, +8.0% CER). The increase was due to the increased demand in Growth and Emerging Markets, complemented by favorable foreign exchange rates.

PDT

In PDT, revenue was JPY 271.4 billion (JPY +62.2 billion and +29.7% AER, +14.7% CER).

Aggregate sales of immunoglobulin products were JPY 201.5 billion (JPY +55.9 billion and +38.4% AER, +21.9% CER). Sales of each of our three global immunoglobulin brands experienced double digit percentage sales growth, due to continued strong demand globally and growing supply, as well as favorable foreign exchange rates. Those include GAMMAGARD LIQUID/KIOVIG (for the treatment of primary immunodeficiency ("PID") and multifocal motor neuropathy ("MMN")), and subcutaneous immunoglobulin therapies (CUVITRU and HYQVIA) which are growing due to their benefit to patients and convenience in administration compared to intravenous therapies.

Aggregate sales of albumin products including HUMAN ALBUMIN and FLEXBUMIN (both primarily used for hypovolemia and hypoalbuminemia) were JPY 29.4 billion (JPY -1.4 billion and -4.5% AER, -14.2% CER). The decrease was primarily due to supply timing in China, partially mitigated by favorable foreign exchange rates.

Oncology

In Oncology, revenue was JPY 142.1 billion (JPY +31.6 billion and +28.6% AER, +17.2% CER).

Sales of FRUZAQLA (for colorectal cancer), which was newly launched in November 2023 in the U.S., were JPY 11.9 billion.

Sales of ADCETRIS (for malignant lymphomas) were JPY 34.5 billion (JPY +7.4 billion and +27.2% AER, +14.1% CER). The increase was led by strong demand in Growth and Emerging Markets, Europe and Canada, as well as favorable foreign exchange rates.

Sales of LEUPLIN/ENANTONE (for endometriosis, uterine fibroids, premenopausal breast cancer, prostate cancer, etc.) were JPY 29.4 billion (JPY +4.8 billion and +19.6% AER, +12.7% CER). The increase was due to the sales increase in the U.S, and favorable foreign exchange rates.

Sales of ICLUSIG (for leukemia) were JPY 16.8 billion (JPY +4.2 billion and +33.3% AER, +17.2% CER). The increase was due to steady growth in the U.S., complemented by U.S. regulatory approval of a new indication of newly diagnosed Philadelphia chromosome-positive acute lymphoblastic leukemia (Ph+ ALL) in combination with chemotherapy, as well as favorable foreign exchange rates.

Vaccines

In Vaccines, revenue was JPY 12.5 billion (JPY +2.0 billion and +18.7% AER,+9.7% CER).

Sales of QDENGA (for dengue) were JPY 9.5 billion (JPY +8.8 billion and +1,231.5% AER, +1,098.6% CER). The increase was due to the expansion of QDENGA availability in endemic countries, now reaching over 20 countries including non-endemic countries.

Sales of other vaccine products in aggregate decreased year-on-year, mainly due to lower revenue contribution from COVID-19 vaccines in Japan.

Neuroscience

In Neuroscience, revenue was JPY 169.1 billion (JPY -8.0 billion and -4.5% AER, -15.0% CER).

Sales of VYVANSE/ELVANSE (for ADHD) were JPY 114.6 billion (JPY -8.5 billion and -6.9% AER, -17.9% CER). The decrease was due to the multiple generic entrants in the U.S. starting from August 2023, while the growth of the adult market in Europe and favorable foreign exchange rates partially offset the negative impacts.

Sales of TRINTELLIX (for major depressive disorder ("MDD")) were JPY 31.0 billion (JPY +6.7 billion, and +27.6% AER, +13.6% CER). The increase was due to the sales increase in the U.S..

Sales of ADDERALL XR (for ADHD) were JPY 7.7 billion (JPY -5.8 billion and -42.8% AER, -49.6% CER). The decrease was primarily due to an increase in the availability of generic versions of the instant release formulation marketed by competitors in the U.S., which negatively impacted ADDERALL XR.

Cost of Sales

Cost of Sales was JPY 387.0 billion (JPY +65.8 billion and +20.5% AER, +8.1% CER). The increase was primarily due to the depreciation of the Japanese yen and revenue growth in our six key business area with a change in product mix as compared to the same period of the previous fiscal year.

Selling, General and Administrative (SG&A) expenses

SG&A expenses were JPY 270.0 billion (JPY +21.9 billion and +8.8% AER, -2.4% CER). The increase was mainly due to the depreciation of the Japanese yen partially offset by various cost efficiencies.

Research and Development (R&D) expenses

R&D expenses were JPY 168.5 billion (JPY +5.7 billion and +3.5% AER, -7.7% CER). The increase was mainly due to the depreciation of the Japanese yen, partially offset by lower expenses due to termination of development programs such as modakafusp alfa (TAK-573) and EXKIVITY (for non-small cell lung cancer) compared to the same period of the previous fiscal year.

Amortization and Impairment Losses on Intangible Assets Associated with Products

Amortization and Impairment Losses on Intangible Assets Associated with Products was JPY 162.8 billion (JPY +33.4 billion and +25.8% AER, +12.9% CER). Amortization expenses increased by JPY 15.4 billion mainly due to the depreciation of the Japanese yen. Impairment losses increased by JPY 18.0 billion primarily due to a full impairment of intangible assets for soticlestat (TAK-935) amounting to JPY 21.5 billion following the results of the phase 3 studies in the current period.

Other Operating Income

Other Operating Income was JPY 10.9 billion (JPY +6.6 billion and +155.7% AER, +135.4% CER). The increase was primarily due to a JPY 6.1 billion gain on completion of the TACHOSIL (fibrin sealant patch) related business divestiture, which includes a manufacturing facility, in the current period.

Other Operating Expenses

Other Operating Expenses were JPY 64.3 billion (JPY +31.3 billion and +95.3% AER, +72.8% CER). The increase mainly resulted from an increase of restructuring expense by JPY 27.4 billion due to the enterprise-wide efficiency program in the current period.

Operating Profit

As a result of the above factors, Operating Profit was JPY 166.3 billion (JPY -2.2 billion and -1.3% AER, -12.0% CER).

Net Finance Expenses

Net Finance Expenses were JPY 29.0 billion (JPY -4.1 billion and -12.4% AER, -16.6% CER). The decrease of Net Finance Expenses compared to the same period of the previous fiscal year was primarily due to lower foreign exchange loss compared with the same period of the previous fiscal year.

Share of Loss of Investments Accounted for Using the Equity Method

Share of Loss of Investments Accounted for Using the Equity Method was JPY 0.7 billion (JPY +0.3 billion and +70.3% AER, +60.3% CER).

Income Tax Expenses

Income Tax Expenses was JPY 41.3 billion (JPY -4.3 billion and -9.5% AER, -14.8% CER).

Net Profit for the Period

As a result of the above factors, Net Profit for the Period was JPY 95.3 billion (JPY +5.9 billion and +6.6% AER, -9.2% CER) and Net Profit for the Period Attributable to Owners of the Company was JPY 95.2 billion (JPY +5.9 billion and +6.5% AER, -9.3% CER)

Results of Core Financial Measures

Definition of Core financial measures and Constant Exchange Rate change

Takeda uses the concept of Core financial measures for measuring financial performance. These measures are not defined by International Financial Reporting Standards (IFRS). See "Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations" in the Financial Appendix for additional information.

Results of Core Operations

Billion JPY or percentage

	FY2023 Q1	FY2024 Q1	Change versus the same period of the previous fiscal year		
			AER		CER
			Amount of Change	% Change	% Change
Core revenue	1,058.6	1,208.0	149.4	14.1 %	2.1 %
Core operating profit	326.3	382.3	55.9	17.1 %	4.5 %
Core net profit for the year	233.4	276.9	43.5	18.6 %	3.9 %
Core net profit for the period attributable to owners of the Company	233.4	276.8	43.4	18.6 %	3.9 %
Core EPS (yen)	150	176	26	17.5 %	2.9 %

Core Revenue

Core Revenue for the three-month period ended June 30, 2024 was JPY 1,208.0 billion (JPY +149.4 billion and +14.1% AER, +2.1% CER). The increase is attributable to favorable foreign exchange rates and growth from business momentum primarily led by Takeda's Growth and Launch Products* which totaled JPY 561.7 billion (JPY +140.6 billion and +33.4% AER, +17.8% CER), partially offset by lower sales of VYVANSE in the U.S. and AZILVA in Japan which were impacted by generic competition following loss of exclusivities.

* Takeda's Growth and Launch Products

GI:	ENTYVIO, EOHILIA
Rare Diseases:	TAKHZYRO, LIVTENCITY, ADZYNMA
PDT:	Immunoglobulin products including GAMMAGARD LIQUID/KIOVIG, HYQVIA, and CUVITRU, Albumin products including HUMAN ALBUMIN and FLEXBUMIN
Oncology:	ALUNBRIG, FRUZAQLA
Vaccines:	QDENGA

Core Operating Profit

Core Operating Profit for the current period was JPY 382.3 billion (JPY +55.9 billion and +17.1% AER, +4.5% CER). The components of Core Operating Profit are as below:

Billion JPY or percentage

	FY2023 Q1	FY2024 Q1	Change versus the same period of the previous fiscal year		
			AER		CER
			Amount of Change	% Change	% Change
Core revenue	1,058.6	1,208.0	149.4	14.1 %	2.1 %
Core cost of sales	(321.2)	(387.1)	(65.8)	20.5 %	8.1 %
Core selling, general and administrative (SG&A) expenses	(248.3)	(270.2)	(21.8)	8.8 %	(2.5)%
Core research and development (R&D) expenses	(162.7)	(168.5)	(5.8)	3.5 %	(7.7)%
Core operating profit	326.3	382.3	55.9	17.1 %	4.5 %

During the periods presented, these items fluctuated as follows:

Core Cost of Sales

Core Cost of Sales was JPY 387.1 billion (JPY +65.8 billion and +20.5% AER, +8.1% CER). The increase was primarily due to the depreciation of Japanese yen and revenue growth in our six key business area with a change in product mix as compared to the same period of the previous fiscal year.

Core Selling, General and Administrative (SG&A) Expenses

Core SG&A expenses were JPY 270.2 billion (JPY +21.8 billion and +8.8% AER, -2.5% CER). The increase was mainly due to the depreciation of Japanese yen partially offset by various cost efficiencies.

Core Research and Development (R&D) Expenses

Core R&D expenses were JPY 168.5 billion (JPY +5.8 billion and +3.5% AER, -7.7% CER). The increase was mainly due to the depreciation of Japanese yen, partially offset by lower expenses due to termination of development programs such as modakafusp alfa (TAK-573) and EXKIVITY (for non-small cell lung cancer) compared to the same period of the previous fiscal year.

Core Net Profit for the Period

Core Net Profit for the Period was JPY 276.9 billion (JPY +43.5 billion and +18.6% AER, +3.9% CER) and Core Net Profit Attributable to Owners of the Company was JPY 276.8 billion (JPY +43.4 billion and +18.6% AER, +3.9% CER) and are calculated from Core Operating Profit as below:

Billion JPY or percentage

	FY2023 Q1	FY2024 Q1	Change versus the same period of the previous fiscal year		
			AER		CER
			Amount of Change	% Change	% Change
Core operating profit	326.3	382.3	55.9	17.1 %	4.5 %
Core finance income and (expenses), net	(28.5)	(30.1)	(1.5)	5.3 %	0.9 %
Core share of profit of investments accounted for using the equity method	0.8	0.4	(0.4)	(48.8)%	(57.6)%
Core profit before tax	298.6	352.6	54.0	18.1 %	4.7 %
Core income tax expenses	(65.2)	(75.7)	(10.6)	16.2 %	7.5 %
Core net profit for the period	233.4	276.9	43.5	18.6 %	3.9 %
Core net profit for the period attributable to owners of the Company	233.4	276.8	43.4	18.6 %	3.9 %

During the periods presented, these items fluctuated as follows:

Core Net Finance Expenses

Core Net Finance Expenses were JPY 30.1 billion (JPY +1.5 billion and +5.3% AER, +0.9% CER).

Core Share of Profit of Investments Accounted for Using the Equity Method

Core Share of Profit of Investments Accounted for Using the Equity Method was JPY 0.4 billion (JPY -0.4 billion and -48.8% AER, -57.6% CER).

Core Profit Before Tax

Core Profit Before Tax was JPY 352.6 billion (JPY +54.0 billion and +18.1% AER, +4.7% CER).

Core Income Tax Expenses

Core Income Tax Expenses were JPY 75.7 billion (JPY +10.6 billion and +16.2% AER, +7.5% CER). The increase was mainly due to higher core pretax earnings.

Core EPS

Core EPS was JPY 176 (JPY +26 and +17.5% AER, +2.9% CER).

Consolidated Financial Position

Billion JPY

	As of March 31, 2024	As of June 30, 2024	Change versus the previous fiscal year
Total Assets	15,108.8	16,227.7	1,118.9
Total Liabilities	7,834.8	8,428.5	593.7
Total Equity	7,274.0	7,799.2	525.2

Assets

Total Assets as of June 30, 2024 were JPY 16,227.7 billion (JPY +1,118.9 billion). In addition to an increase of Cash and Cash Equivalents (JPY +346.5 billion), Goodwill, Property, Plant and Equipment, Intangible Assets, and Trade and Other Receivables increased (JPY +323.6 billion, JPY +95.6 billion, JPY +91.5 billion, and JPY +87.0 billion, respectively) mainly due to the effect of foreign currency translation.

Liabilities

Total Liabilities as of June 30, 2024 were JPY 8,428.5 billion (JPY +593.7 billion). Total Bonds and Loans were JPY 5,481.0 billion* (JPY +637.2 billion), which increased primarily due to the issuance of Hybrid bonds and the effect of foreign currency translation.

* The carrying amount of Bonds was JPY 4,716.0 billion and Loans was JPY 765.0 billion as of June 30, 2024. Breakdown of Bonds and Loans' carrying amount is as follows.

Bonds:

Name of Bond (Face Value if Denominated in Foreign Currency)	Issuance	Maturity	Carrying Amount (Billion JPY)
Unsecured US dollar denominated senior notes (USD 1,301 million)	June 2015	June 2025 ~ June 2045	210.6
Unsecured US dollar denominated senior notes (USD 3,000 million)	September 2016	September 2026	468.6
Unsecured Euro denominated senior notes (EUR 3,000 million)	November 2018	November 2026 ~ November 2030	514.1
Unsecured US dollar denominated senior notes (USD 1,750 million)	November 2018	November 2028	280.2
Hybrid bonds (subordinated bonds)	June 2019	June 2079	499.8
Unsecured US dollar denominated senior notes (USD 7,000 million)	July 2020	March 2030 ~ July 2060	1,119.5
Unsecured Euro denominated senior notes (EUR 3,600 million)	July 2020	July 2027 ~ July 2040	616.1
Unsecured JPY denominated senior bonds	October 2021	October 2031	249.5
Hybrid bonds (subordinated bonds)	June 2024	June 2084	457.6
Commercial paper	May 2024 ~ June 2024	July 2024	300.0
Total			4,716.0

Loans:

Name of Loan (Face Value if Denominated in Foreign Currency)	Execution	Maturity	Carrying Amount (Billion JPY)
Syndicated loans	April 2016	April 2026	100.0
Syndicated loans	April 2017	April 2027	113.5
Syndicated loans (USD 1,500 million)	April 2017	April 2027	241.2
Syndicated loans	April 2023	April 2030	100.0
Bilateral loans	March 2016 ~ April 2024	April 2025 ~ April 2031	210.0
Other			0.3
Total			765.0

On April 25, 2024, Takeda repaid JPY 50.0 billion in Bilateral Loans falling due and on the same day entered into new Bilateral Loans of JPY 50.0 billion maturing on April 25, 2031. Following this, on June 25, 2024, Takeda issued 60-year unsecured Hybrid bonds with an aggregate principal amount of JPY 460.0 billion and a maturity date of June 25, 2084. Takeda had short term commercial paper drawings outstanding of JPY 300.0 billion as of June 30, 2024.

Equity

Total Equity as of June 30, 2024 was JPY 7,799.2 billion (JPY +525.2 billion). The increase of Other Components of Equity (JPY +565.4 billion) was mainly due to fluctuation in currency translation adjustments reflecting the depreciation of the Japanese yen. This increase was partially offset by a decrease in Retained Earnings (JPY -53.0 billion) mainly due to the decrease of JPY 147.7 billion related to dividend payments while Net Profit for the Period increased.

Consolidated Cash Flows

			Billion JPY
	FY2023 Q1	FY2024 Q1	Change versus the same period of the previous fiscal year
Net cash from (used in) operating activities	92.4	170.3	77.9
Net cash from (used in) investing activities	(266.5)	(156.7)	109.8
Net cash from (used in) financing activities	(57.8)	316.4	374.2
Net increase (decrease) in cash and cash equivalents	(231.9)	330.0	561.9
Cash and cash equivalents at the beginning of the year	533.5	457.8	(75.7)
Effects of exchange rate changes on cash and cash equivalents	14.8	17.2	2.5
Cash and cash equivalents reclassified to assets held for sale	—	(0.7)	(0.7)
Cash and cash equivalents at the end of the period (Condensed interim consolidated statements of financial position)	316.4	804.3	487.9

Net Cash from Operating Activities

Net Cash from Operating Activities was JPY 170.3 billion (JPY +77.9 billion). The increase was mainly due to favorable impacts from Changes in Assets and Liabilities, primarily driven by changes in Trade and Other Receivables and Provisions, and favorable impacts from a higher net profit for the period adjusted for non-cash items and other adjustments, which was partially offset by Other, Net.

Net Cash used in Investing Activities

Net Cash used in Investing Activities was JPY 156.7 billion (JPY -109.8 billion). The decrease was mainly due to a decrease in Acquisition of Intangible Assets.

Net Cash from Financing Activities

Net Cash from Financing Activities was JPY 316.4 billion (JPY +374.2 billion). The increase was mainly due to the issuance of Hybrid bonds. This increase was partially offset by a net decrease in commercial paper drawings.

Outlook for the Fiscal Year Ending March 31, 2025

Based on Takeda's financial results through the three-month period ended June 30, 2024, and considering higher expenses expected to be incurred and further accelerations of generic erosion of VYVANSE in the U.S. during the remaining nine-month period of the fiscal year ending March 31, 2025 (FY2024), the full year consolidated forecast for FY2024 has not been revised from the forecast announced at the FY2023 financial results announcement on May 9, 2024.

Consolidated Forecast for the Fiscal Year Ending March 31, 2025 (FY2024)

Billion JPY or percentage

	FY2023 Actual Results	FY2024 Forecast	Change vs. FY2023 Actual Results	
Revenue	4,263.8	4,350.0	86.2	2.0 %
Gross Profit	2,837.1	2,850.0	12.9	0.5 %
Operating profit	214.1	225.0	10.9	5.1 %
Profit before tax	52.8	55.0	2.2	4.2 %
Net profit for the year (attributable to owners of the Company)	144.1	58.0	(86.1)	(59.7)%
EPS (JPY)	92.09	36.70	(55.39)	(60.1)%
Core Revenue*1	4,263.8	4,350.0	86.2	2.0 %
Core Operating Profit*1	1,054.9	1,000.0	(54.9)	(5.2)%
Core EPS (JPY)*1	484	431	(53)	(10.9)%

*1 Please refer to “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix for the definition.

Major assumptions used in preparing the FY2024 Forecast

Billion JPY or percentage

	FY2023 Actual Results	FY2024 Forecast
FX rates (JPY)	USD/JPY 144 EUR/JPY 156 RUB/JPY 1.6 CNY/JPY 20.1 BRL/JPY 29.1	USD/JPY 150 EUR/JPY 160 RUB/JPY 1.6 CNY/JPY 20.9 BRL/JPY 30.4
Cost of Sales	(1,426.7)	(1,500.0)
SG&A Expenses	(1,053.8)	(1,080.0)
R&D expenses	(729.9)	(770.0)
Amortization of intangible assets associated with products	(521.5)	(540.0)
Impairment of intangible assets associated with products*2	(130.6)	(50.0)
Other operating income	19.4	15.0
Other operating expenses*3	(206.5)	(200.0)
Other Core Operating Profit adjustments	(1.5)	—
Finance income and (expenses), net	(167.8)	(172.0)
Adjusted Free Cash Flow*1	283.4	350.0 - 450.0
Capital expenditures (cash flow base)	(480.7)	(380.0 - 420.0)
Depreciation and amortization (excluding intangible assets associated with products)	(206.5)	(205.0)
Cash tax rate on Adjusted EBITDA (excluding divestitures)*1	~15%	Mid teen %

*2 Includes in-process R&D.

*3 JPY 140.0 billion of restructuring expense which is primarily related to the enterprise-wide efficiency program is included in FY2024 Forecast.

Management Guidance

Takeda uses change in Core Revenue, Core Operating Profit and Core EPS at Constant Exchange Rate (CER) basis as its Management Guidance. The full year management guidance for the fiscal year ending March 31, 2025 (FY2024) has not been changed from the management guidance announced at the FY2023 financial results announcement on May 9, 2024.

	FY2024 Management Guidance CER % Change*1
Core Revenue	Flat to slightly declining
Core Operating Profit	Approx 10% decline
Core EPS	Mid-10s% decline

Other assumptions used in preparing the FY2024 Forecast and the Management Guidance

The FY2024 forecast and the management guidance assume global VYVANSE/ELVANSE sales of JPY 225.0 billion, a year-on-year decline of JPY 198.2 billion (49% decline at CER).

Forward looking statements

All forecasts in this document are based on information and assumptions currently available to management, and do not represent a promise or guarantee to achieve these forecasts. Various uncertain factors could cause actual results to differ, such as changes in the business environment and fluctuations in foreign exchange rates. Should any significant event occur which requires the forecast to be revised, Takeda will disclose it in a timely manner.

Condensed Interim Consolidated Financial Statements [IFRS]

(1) Condensed Interim Consolidated Statements of Profit or Loss

	JPY (millions, except per share data)		USD (millions)(*)
	Three-month Period Ended June 30,		Three-month Period Ended June 30,
	2023	2024	2024
Revenue	¥ 1,058,618	¥ 1,207,990	$ 7,509
Cost of sales	(321,114)	(386,954)	(2,405)
Selling, general and administrative expenses	(248,113)	(270,030)	(1,678)
Research and development expenses	(162,741)	(168,463)	(1,047)
Amortization and impairment losses on intangible assets associated with products	(129,423)	(162,831)	(1,012)
Other operating income	4,251	10,868	68
Other operating expenses	(32,907)	(64,252)	(399)
Operating profit	168,571	166,329	1,034
Finance income	26,455	30,677	191
Finance expenses	(59,575)	(59,691)	(371)
Share of loss of investments accounted for using the equity method	(418)	(712)	(4)
Profit before tax	135,033	136,604	849
Income tax expenses	(45,627)	(41,304)	(257)
Net profit for the period	89,406	95,299	592
Attributable to:			
Owners of the Company	89,395	95,248	592
Non-controlling interests	11	51	0
Net profit for the period	89,406	95,299	592
Earnings per share (JPY or USD)			
Basic earnings per share	57.51	60.71	0.38
Diluted earnings per share	57.12	59.94	0.37

(*) Condensed interim consolidated statements of profit or loss have been translated solely for the convenience of the reader at an exchange rate of 1USD = 160.88 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 28, 2024. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(2) Condensed Interim Consolidated Statements of Comprehensive Income

	JPY (millions)		USD (millions)(*)
	Three-month Period Ended June 30,		Three-month Period Ended June 30,
	2023	2024	2024
Net profit for the period	¥ 89,406	¥ 95,299	$ 592
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss:			
Changes in fair value of financial assets measured at fair value through other comprehensive income	14,192	(5,077)	(32)
Remeasurement of defined benefit pension plans	(310)	1,916	12
	13,881	(3,160)	(20)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	593,939	563,483	3,503
Cash flow hedges	(11,021)	(3,271)	(20)
Hedging cost	7,859	6,908	43
Share of other comprehensive income (loss) of investments accounted for using the equity method	(191)	864	5
	590,586	567,983	3,530
Other comprehensive income for the period, net of tax	604,467	564,823	3,511
Total comprehensive income for the period	693,874	660,122	4,103
Attributable to:			
Owners of the Company	693,816	660,048	4,103
Non-controlling interests	58	74	0
Total comprehensive income for the period	693,874	660,122	4,103

(*) Condensed interim consolidated statements of comprehensive income have been translated solely for the convenience of the reader at an exchange rate of 1USD = 160.88 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 28, 2024. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(3) Condensed Interim Consolidated Statements of Financial Position

	JPY (millions)		USD (millions)(*)
	As of March 31, 2024	As of June 30, 2024	As of June 30, 2024
ASSETS			
Non-current assets:			
Property, plant and equipment	¥ 1,989,777	¥ 2,085,382	$ 12,962
Goodwill	5,410,067	5,733,710	35,640
Intangible assets	4,274,682	4,366,147	27,139
Investments accounted for using the equity method	89,831	87,688	545
Other financial assets	340,777	359,493	2,235
Other non-current assets	51,214	106,098	659
Deferred tax assets	393,865	381,632	2,372
Total non-current assets	12,550,212	13,120,151	81,552
Current assets:			
Inventories	1,209,869	1,276,739	7,936
Trade and other receivables	668,403	755,425	4,696
Other financial assets	15,089	53,386	332
Income taxes receivable	29,207	16,942	105
Other current assets	168,875	197,010	1,225
Cash and cash equivalents	457,800	804,272	4,999
Assets held for sale	9,337	3,759	23
Total current assets	2,558,580	3,107,532	19,316
Total assets	15,108,792	16,227,683	100,868
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities:			
Bonds and loans	4,476,501	5,042,242	31,342
Other financial liabilities	687,833	616,388	3,831
Net defined benefit liabilities	143,882	148,677	924
Income taxes payable	4,381	—	—
Provisions	14,373	12,698	79
Other non-current liabilities	80,938	87,733	545
Deferred tax liabilities	113,777	55,510	345
Total non-current liabilities	5,521,684	5,963,249	37,066
Current liabilities:			
Bonds and loans	367,251	438,743	2,727
Trade and other payables	547,521	468,882	2,914
Other financial liabilities	143,421	264,438	1,644
Income taxes payable	109,906	162,201	1,008
Provisions	524,420	565,124	3,513
Other current liabilities	619,174	564,382	3,508
Liabilities held for sale	1,410	1,433	9
Total current liabilities	2,313,103	2,465,202	15,323
Total liabilities	7,834,788	8,428,451	52,390

	JPY (millions)		USD (millions)(*)
	As of March 31, 2024	As of June 30, 2024	As of June 30, 2024
EQUITY			
Share capital	1,676,596	1,676,596	10,421
Share premium	1,747,414	1,759,813	10,939
Treasury shares	(51,259)	(50,897)	(316)
Retained earnings	1,391,203	1,338,192	8,318
Other components of equity	2,509,310	3,074,714	19,112
Equity attributable to owners of the Company	7,273,264	7,798,417	48,474
Non-controlling interests	741	815	5
Total equity	7,274,005	7,799,232	48,479
Total liabilities and equity	15,108,792	16,227,683	100,868

(*) Condensed interim consolidated statements of financial position have been translated solely for the convenience of the reader at an exchange rate of 1USD = 160.88 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 28, 2024. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(4) Condensed Interim Consolidated Statements of Changes in Equity

Three-month period ended June 30, 2023 (From April 1 to June 30, 2023)

	JPY (millions)					
	Equity attributable to owners of the Company					
					Other components of equity	
	Share capital	Share premium	Treasury shares	Retained earnings	Exchange differences on translation of foreign operations	Changes in fair value of financial assets measured at fair value through other comprehensive income
As of April 1, 2023	1,676,345	1,728,830	(100,317)	1,541,146	1,606,128	12,470
Net profit for the period				89,395		
Other comprehensive income (loss)					593,692	14,201
Comprehensive income (loss) for the period	—	—	—	89,395	593,692	14,201
Transactions with owners:						
Issuance of new shares	66	66				
Acquisition of treasury shares			(2,350)			
Disposal of treasury shares		0	0			
Dividends				(140,122)		
Changes in ownership						
Transfers from other components of equity				(322)		12
Share-based compensation		15,467				
Exercise of share-based awards		(2,425)	2,412			
Total transactions with owners	66	13,108	62	(140,444)	—	12
As of June 30, 2023	1,676,411	1,741,937	(100,255)	1,490,097	2,199,820	26,682

	Equity attributable to owners of the Company						
	Other components of equity						
	Cash flow hedges	Hedging cost	Remeasurements of defined benefit pension plans	Total other components of equity	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
As of April 1, 2023	(87,352)	(23,127)	—	1,508,119	6,354,122	549	6,354,672
Net profit for the period				—	89,395	11	89,406
Other comprehensive income (loss)	(11,021)	7,859	(310)	604,421	604,421	47	604,467
Comprehensive income (loss) for the period	(11,021)	7,859	(310)	604,421	693,816	58	693,874
Transactions with owners:							
Issuance of new shares				—	132		132
Acquisition of treasury shares				—	(2,350)		(2,350)
Disposal of treasury shares				—	0		0
Dividends				—	(140,122)		(140,122)
Changes in ownership				—	—	9	9
Transfers from other components of equity			310	322	—		—
Share-based compensation				—	15,467		15,467
Exercise of share-based awards				—	(13)		(13)
Total transactions with owners	—	—	310	322	(126,886)	9	(126,877)
As of June 30, 2023	(98,373)	(15,268)	—	2,112,861	6,921,052	617	6,921,668

Three-month period ended June 30, 2024 (From April 1 to June 30, 2024)

	JPY (millions)					
	Equity attributable to owners of the Company					
					Other components of equity	
	Share capital	Share premium	Treasury shares	Retained earnings	Exchange differences on translation of foreign operations	Changes in fair value of financial assets measured at fair value through other comprehensive income
As of April 1, 2024	1,676,596	1,747,414	(51,259)	1,391,203	2,573,407	15,729
Net profit for the period				95,248		
Other comprehensive income (loss)					564,327	(5,080)
Comprehensive income (loss) for the period	—	—	—	95,248	564,327	(5,080)
Transactions with owners:						
Acquisition of treasury shares			(1,913)			
Disposal of treasury shares		0	0			
Dividends				(147,655)		
Transfers from other components of equity				(603)		2,520
Share-based compensation		14,673				
Exercise of share-based awards		(2,274)	2,274			
Total transactions with owners	—	12,399	361	(148,258)	—	2,520
As of June 30, 2024	1,676,596	1,759,813	(50,897)	1,338,192	3,137,735	13,169

	Equity attributable to owners of the Company						
	Other components of equity						
	Cash flow hedges	Hedging cost	Remeasurements of defined benefit pension plans	Total other components of equity	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
As of April 1, 2024	(63,896)	(15,930)	—	2,509,310	7,273,264	741	7,274,005
Net profit for the period				—	95,248	51	95,299
Other comprehensive income (loss)	(3,271)	6,908	1,916	564,800	564,800	23	564,823
Comprehensive income (loss) for the period	(3,271)	6,908	1,916	564,800	660,048	74	660,122
Transactions with owners:							
Acquisition of treasury shares				—	(1,913)		(1,913)
Disposal of treasury shares				—	0		0
Dividends				—	(147,655)		(147,655)
Transfers from other components of equity			(1,916)	603	—		—
Share-based compensation				—	14,673		14,673
Exercise of share-based awards				—	—		—
Total transactions with owners	—	—	(1,916)	603	(134,895)	—	(134,895)
As of June 30, 2024	(67,167)	(9,022)	—	3,074,714	7,798,417	815	7,799,232

(5) Condensed Interim Consolidated Statements of Cash Flows

	JPY (millions)		USD (millions)(*)
	Three-month Period Ended June 30,		Three-month Period Ended June 30,
	2023	2024	2024
Cash flows from operating activities:			
Net profit for the period	¥ 89,406	¥ 95,299	$ 592
Depreciation and amortization	171,501	192,220	1,195
Impairment losses	7,829	26,000	162
Equity-settled share-based compensation	15,442	15,386	96
Loss on sales and disposal of property, plant and equipment	326	2,088	13
Gain on divestment of business and subsidiaries	(147)	(6,229)	(39)
Change in fair value of financial assets and liabilities associated with contingent consideration arrangements, net	44	(12)	(0)
Finance (income) and expenses, net	33,120	29,014	180
Share of loss of investments accounted for using the equity method	418	712	4
Income tax expenses	45,627	41,304	257
Changes in assets and liabilities:			
Increase in trade and other receivables	(90,373)	(47,744)	(297)
Increase in inventories	(28,589)	(10,079)	(63)
Decrease in trade and other payables	(34,656)	(37,455)	(233)
Increase (decrease) in provisions	(22,583)	6,120	38
Increase in other financial liabilities	25,254	8,964	56
Other, net	(67,640)	(109,785)	(682)
Cash generated from operations	144,980	205,805	1,279
Income taxes paid	(55,907)	(37,811)	(235)
Tax refunds and interest on tax refunds received	3,327	2,310	14
Net cash from operating activities	92,400	170,304	1,059
Cash flows from investing activities:			
Interest received	2,322	4,331	27
Dividends received	147	206	1
Acquisition of property, plant and equipment	(45,957)	(57,441)	(357)
Proceeds from sales of property, plant and equipment	11	9	0
Acquisition of intangible assets	(223,280)	(80,357)	(499)
Acquisition of option to license	—	(15,693)	(98)
Acquisition of investments	(674)	(12,980)	(81)
Proceeds from sales and redemption of investments	543	5,317	33
Proceeds from sales of business, net of cash and cash equivalents divested	372	2,941	18
Payments for the settlement of forward exchange contracts designated as net investment hedges	—	(2,999)	(19)
Other, net	(15)	(28)	(0)
Net cash used in investing activities	(266,530)	(156,693)	(974)

	JPY (millions)		USD (millions)(*)
	Three-month Period Ended June 30,		Three-month Period Ended June 30,
	2023	2024	2024
Cash flows from financing activities:			
Net increase (decrease) in short-term loans and commercial papers	110,000	(17,000)	(106)
Proceeds from issuance of bonds and long-term loans	100,000	507,638	3,155
Repayments of bonds and long-term loans	(100,088)	(50,109)	(311)
Proceeds from the settlement of cross currency interest rate swaps related to bonds and loans	—	46,880	291
Acquisition of treasury shares	(2,326)	(1,882)	(12)
Interest paid	(19,815)	(15,466)	(96)
Dividends paid	(130,746)	(138,110)	(858)
Repayments of lease liabilities	(10,546)	(10,916)	(68)
Other, net	(4,257)	(4,654)	(29)
Net cash from (used in) financing activities	(57,778)	316,381	1,967
Net increase (decrease) in cash and cash equivalents	(231,908)	329,991	2,051
Cash and cash equivalents at the beginning of the year	533,530	457,800	2,846
Effects of exchange rate changes on cash and cash equivalents	14,759	17,220	107
Cash and cash equivalents at the end of the period	316,380	805,012	5,004
Cash and cash equivalents reclassified to assets held for sale	—	(740)	(5)
Cash and cash equivalents at the end of the period (Condensed interim consolidated statements of financial position)	316,380	804,272	4,999

(*) Condensed interim consolidated statements of cash flows have been translated solely for the convenience of the reader at an exchange rate of 1USD = 160.88 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 28, 2024. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(6) Other Information

(Significant Subsequent Events)

On July 5, 2024, Takeda issued USD 3,000 million in unsecured U.S. dollar-denominated senior notes (the "Notes") with maturity dates and coupon rates ranging from July 5, 2034 to July 5, 2064 and 5.300%-5.800% per annum, respectively. On July 12, 2024, the proceeds of the Notes were fully used to fund a tender offer to redeem USD 1,500 million in unsecured senior notes in advance of their original maturity in September 2026, in addition to the reduction of commercial paper drawings during the month of July 2024. The impact from these redemptions on the consolidated statements of profit or loss was not material.

On July 9, 2024, Takeda provided a call notice of redemption effective October 6, 2024 to the holders of JPY 500,000 million in Hybrid subordinated bonds that were issued in June 2019, in advance of their original maturity in June 2079. The impact from the accelerated debt prepayment on the consolidated statements of profit or loss is not expected to be material.

Supplementary Information

1. Pipeline

I. Clinical Development Activities

- Except as otherwise noted, the following tables list the pipeline assets that we (i) are clinically developing ourselves or with partners, or (ii) hold contractual rights to potentially clinically develop and/or commercialize in the future, as of July 31, 2024 (the date of our earnings release for the first quarter ended June 30, 2024), but may not be comprehensive. The assets in our pipeline are in various stages of development, and the contents of the pipeline may change as therapeutic candidates currently under development drop out and new therapeutic candidates are introduced. Whether the therapeutic candidates listed below are ever successfully released as products depends on various factors, including the results of pre-clinical and clinical trials, market conditions for various drugs and regulatory approvals.
- This table primarily shows the indications for which we are actively pursuing regulatory approval and those regulatory approvals granted during fiscal year 2024. We are also conducting additional studies of certain assets to examine their potential for use in further indications and in additional formulations.
- The listings in this table are limited to the U.S., EU and Japan and China, but we are also actively conducting development activities in other regions, including in Emerging Markets. Country/region column denotes where a pivotal clinical study is ongoing or a filing has been made with our specific intention to pursue approval in any of the U.S., EU, Japan or China. 'Global' refers to U.S., EU, Japan and China.
- Brand name and country/region indicate the brand name and country in which the specific asset has already been approved for any indication in any of the U.S., EU, Japan or China and Takeda has commercialization rights for such asset.
- Stage-ups are recognized in the table upon achievement of First Subject In, unless otherwise specified.
- Modality of our pipeline assets in the following table is classified into either of the following categories: ‘small molecule’, ‘peptide/oligonucleotide’, ‘cell and gene therapy’ or ‘biologic and other.’

Gastrointestinal and Inflammation Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
MLN0002 <vedolizumab> *ENTYVIO* (Global)	Humanized monoclonal antibody against α4β7 integrin (injection)	Biologic and other	Crohn's disease (subcutaneous formulation)	U.S.	Approved (Apr 2024)
			Graft-versus-Host Disease prophylaxis in patients undergoing allogeneic hematopoietic stem cell transplantation (intravenous formulation)	EU Japan	P-III P-III
			Pediatrics Study (intravenous formulation for ulcerative colitis, Crohn’s disease)	Global	P-III
TAK-755[1] <apadamtase alfa/ cinaxadamtase alfa> *ADZYNMA* (U.S., Japan)	ADAMTS13 enzyme replacement therapy (injection)	Biologic and other	Congenital Thrombotic Thrombocytopenic Purpura	EU China	Filed (May 2023)[2] P-III
			Immune Thrombotic Thrombocytopenic Purpura	U.S. EU	P-II (b) P-II (b)
TAK-625[3] <maralixibat>	IBAT inhibitor (oral)	Small molecule	Alagille syndrome	Japan	Filed (Jun 2024)
			Progressive Familial Intrahepatic Cholestasis	Japan	Filed (Jun 2024)
Cx601 <darvadstrocel> *ALOFISEL* (EU, Japan)	A suspension of allogeneic expanded adipose-derived stem cells (injection)	Biologic and other	Pediatric indication for refractory complex perianal fistulas in patients with Crohn’s disease	EU Japan	P-III P-III
TAK-999[4] <fazirsiran>	GalNAc based RNA interference (RNAi) (injection)	Peptide/ Oligo-nucleotide	Alpha-1 antitrypsin-deficiency associated liver disease	U.S. EU	P-III P-III
TAK-121[5] <rusfertide>	Hepcidin mimetic peptide (injection)	Peptide/oligo nucleotide	Polycythemia vera	U.S.	P-III

TAK-279 <zasocitinib>	TYK2 inhibitor (oral)	Small molecule	Psoriasis	Global	P-III
			Psoriatic Arthritis	-	P-II (b)
			Crohn's disease	-	P-II (b)
			Ulcerative colitis	-	P-II (b)
TAK-227/ZED1227[6]	Transglutaminase 2 inhibitor (oral)	Small molecule	Celiac disease	-	P-II (b)
TAK-062 <zamaglutenase>	Glutenase (oral)	Biologic and other	Celiac disease	-	P-II
TAK-101[7]	Tolerizing Immune Modifying nanoParticle (TIMP) (injection)	Biologic and other	Celiac disease	-	P-II
TAK-079 <mezagitamab>	Anti-CD38 monoclonal antibody (injection)	Biologic and other	Immune thrombocytopenia	-	P-II
			Immunoglobulin A nephropathy	-	P-I

1. Partnership with KM Biologics.
2. In May 2024, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicine Agency (EMA) recommended the approval, under exceptional circumstances, of TAK-755 for the treatment of ADAMTS13 deficiency in children and adult patients with cTTP.
3. Partnership with Mirum Pharmaceuticals.
4. Partnership with Arrowhead Pharmaceuticals
5. Partnership with Protagonist Therapeutics. Protagonist leads development
6. Partnership with Zedira and Dr. Falk Pharma. Dr. Falk Pharma leads development.
7. Partnership with COUR Pharmaceuticals.

Additions since FY2023 Q4: None
Removals since FY2023 Q4: None

Neuroscience Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-935 <soticlestat>	CH24H inhibitor (oral)	Small molecule	Dravet syndrome[1]	Global	P-III
TAK-861	Orexin 2R agonist (oral)	Small molecule	Narcolepsy type 1	Global	P-III
TAK-653/ NBI-1065845[2]	AMPA receptor potentiator (oral)	Small molecule	Inadequate response to treatment in major depressive disorder (MDD)	-	P-II
TAK-341/MEDI1341[3]	Alpha-synuclein antibody (injection)	Biologic and other	Multiple System Atrophy (MSA)	-	P-II
TAK-594/DNL593[4]	Brain-penetrant progranulin fusion protein (injection)	Biologic and other	Frontotemporal dementia	-	P-II
TAK-925 <danavorexton>	Orexin 2R agonist (injection)	Small molecule	Postanesthesia Recovery	-	P-II
			Narcolepsy	-	P-I
TAK-360	Orexin 2R agonist (oral)	Small molecule	Narcolepsy type 2 / Idiopathic hypersomnia	-	P-I

1. Soticlestat Dravet syndrome totality of Phase 3 data suggests potential clinically meaningful benefit despite missing primary endpoint. Next step discuss potential filing with FDA.
2. Partnership with Neurocrine Biosciences. Neurocrine leads development.
3. Partnership with AstraZeneca.
4. Partnership with Denali Therapeutics. Denali leads development.

Additions since FY2023 Q4: None
Removals since FY2023 Q4: TAK-935 for Lennox-Gastaut syndrome (Global, P-III, discontinued)

Oncology Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-113[1] <fruquintinib> *FRUZAQLA* (U.S., EU)	VEGFR inhibitor (oral)	Small molecule	Previously treated metastatic Colorectal Cancer (mCRC)	EU Japan	Approved (Jun 2024) Filed (Sep 2023)
SGN-35[2] <brentuximab vedotin> *ADCETRIS* (EU, Japan, China)	CD30 monoclonal antibody-drug conjugate (injection)	Biologic and other	Front line Hodgkin's lymphoma – BrECADD regimen (brentuximab vedotin, etoposide, cyclophosphamide, doxorubicin, dacarbazine, dexamethasone) [3]	EU	Filed (Apr 2024)
<cabozantinib>[4] *CABOMETYX* (Japan)	Multi-targeted kinase inhibitor (oral)	Small molecule	Metastatic Castration-Resistant Prostate Cancer in combination with atezolizumab [5]	Japan	P-III
TAK-676 <dazostinag>	STING agonist (injection)	Small molecule	Solid tumors	-	P-II
TAK-186	T Cell Engager (injection)	Biologic and other	EGFR expressing solid tumors	-	P-II
TAK-500	STING agonist antibody drug conjugate (injection)	Biologic and other	Solid tumors	-	P-I
TAK-280	T Cell Engager (injection)	Biologic and other	B7-H3 expressing solid tumors	-	P-I
TAK-012	Variable delta 1 (Vδ1) gamma delta (γδ) T cells (injection)	Cell and gene therapy	Relapsed/refractory Acute Myeloid Leukemia	-	P-I
TAK-853[6] <mirvetuximab soravtansine-gynx>	Antibody-drug conjugate targeting folate receptor α (FRα) (injection)	Biologic	Platinum-resistant ovarian cancer	Japan	P-I

1. Partnership with HUTCHMED
2. Partnership with Pfizer Inc.
3. Submission based on data from German Hodgkin Study Group HD21 trial.
4. Partnership with Exelixis, Inc.
5. Partnership with Chugai Pharmaceutical. Takeda operates P-III development.
6. Partnership with AbbVie.

Additions since FY2023 Q4: TAK-853 for platinum-resistant ovarian cancer (Japan, P-I)
Removals since FY2023 Q4: ICLUSIG Pediatric indication for Philadelphia chromosome positive Acute Lymphoblastic Leukemia (P-I, discontinued)

Other Rare Diseases Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-620[1] <maribavir> *LIVTENCITY* (U.S., EU)	Benzimidazole riboside inhibitor (oral)	Small molecule	Treatment of refractory Post Transplantation (Including HSCT) CMV Infection/disease	Japan	Approved (Jun 2024)
			Treatment of children and teenage transplant recipients with CMV infection	EU	P-III
TAK-577 *VONVENDI* (U.S., Japan) *VEYVONDI* (EU)	von Willebrand factor [recombinant] (injection)	Biologic and other	Adult on-demand and surgery treatment of von Willebrand disease	China	Filed (Jan 2023)
			Pediatric on-demand and surgery treatment of von Willebrand disease	Global	P-III
TAK-660 *ADYNOVATE* (U.S., Japan) *ADYNOVI* (EU)	Antihemophilic factor [recombinant], PEGylated (injection)	Biologic and other	Pediatric Hemophilia A	EU	P-III
			Hemophilia A	China	P-III

1. Partnership with GSK

Additions since FY2023 Q4: None
Removals since FY2023 Q4: None

Plasma-Derived Therapies Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-771[1] <IG Infusion 10% (Human) w/ Recombinant Human Hyaluronidase> *HYQVIA* (U.S., EU)	Immunoglobulin (IgG) + recombinant hyaluronidase replacement therapy (subcutaneous infusion)	Biologic and other	Primary Immunodeficiencies and Secondary Immunodeficiencies	Japan	Filed (Feb 2024)
			Chronic inflammatory demyelinating polyradiculoneuropathy and Multifocal Motor Neuropathy	Japan	P-III
TAK-880 <10% IVIG (Low IgA)>	Immunoglobulin (10%) [human] (injection) (Low IgA)	Biologic and other	Primary Immunodeficiencies and Multifocal Motor Neuropathy	EU U.S.	Filed (Mar 2024) Filing in preparation
TAK-330 *PROTHROMPLEX TOTAL* (EU)	Four-factor prothrombin complex concentrate [human] (injection)	Biologic and other	Coagulation Disorder, Direct Oral Anticoagulants (DOAC) reversal in surgical situations	U.S.	P-III
TAK-961 <5% IVIG> *GLOVENIN-I* (Japan)	Immunoglobulin (5%) [human] (injection)	Biologic and other	Autoimmune Encephalitis (AE)	Japan	P-III
TAK-881 <Facilitated 20% SCIG>	Immunoglobulin (20%) [human] + recombinant hyaluronidase replacement therapy (injection)	Biologic and other	Primary Immunodeficiencies	U.S. EU	P-III P-III

1. Partnership with Halozyme

Additions since FY2023 Q4: None
Removals since FY2023 Q4: None

Vaccines Pipeline

Development code Brand name (country/region)	Type of vaccine (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-003 *QDENGA* (Global)	Tetravalent dengue vaccine (injection)	Biologic and other	For the prevention of dengue fever of any severity, due to any serotype, in individuals aged 4 and older (booster extension)	-	P-III

Additions since FY2023 Q4: None
Removals since FY2023 Q4: TAK-003 for the prevention of dengue fever of any severity, due to any serotype, in individuals aged 4 and older (US, filing withdrawn).

Select Options: Other Selected Assets That Takeda Holds Contractual Rights to Potentially Clinically Develop and/or Commercialize in the Future

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
HQP1351[1] <olverembatinib>	BCR-ABL tyrosine kinase inhibitor (TKI) (oral)	Small molecule	Chronic phase-chronic myeloid leukemia	U.S. EU Japan	P-III
ACI-24.060[2]	Abeta active immunotherapy	Biologic and other	Alzheimer's disease	-	P-II

1. Olverembatinib/HQP1351 is included for reference only. Ascentage Pharma retains ownership of this asset and is solely responsible for its clinical development prior to Takeda's potential exercise of its option to exclusively license certain rights, which is subject to customary conditions including antitrust approval.
2. ACI-24.060 is included for reference only. AC Immune retains ownership of this asset and is solely responsible for its clinical development prior to Takeda's potential exercise of its option to exclusively license certain rights, which is subject to customary conditions including antitrust approval.

II. Recent Pipeline Progress in stage [Progress in stage since April 1st, 2024]

Development code <generic name>	Indications / additional formulations	Country/ Region	Progress in stage
MLN0002 <vedolizumab>	Subcutaneous formulation for Crohn's disease	U.S.	Approved (Apr 2024)
TAK-113 <fruquintinib>	Previously treated metastatic Colorectal Cancer (mCRC)	EU	Approved (Jun 2024)
TAK-620 <maribavir>	Treatment of refractory Post Transplantation (Including HSCT) CMV Infection/disease	Japan	Approved (Jun 2024)
SGN-35 <brentuximab vedotin>	Front line Hodgkin's lymphoma – BrECADD regimen (brentuximab vedotin, etoposide, cyclophosphamide, doxorubicin, dacarbazine, dexamethasone)	EU	Filed (Apr 2024)
TAK-625 <maralixibat>	Alagille syndrome	Japan	Filed (Jun 2024)
TAK-625 <maralixibat>	Progressive Familial Intrahepatic Cholestasis	Japan	Filed (Jun 2024)
TAK-861	Narcolepsy type 1	Global	P-III
TAK-279 <zasocitinib>	Ulcerative colitis	-	P-II (b)
TAK-186	EGFR expressing solid tumors	-	P-II
TAK-360	Narcolepsy type 2 and Idiopathic hypersomnia	-	P-I
TAK-853	Platinum-resistant ovarian cancer	Japan	P-I

III. Discontinued projects [Projects removed from pipeline] [Update since April 1st, 2024]

Development code <generic name>	Indications (Region/Country, Stage)	Reason
TAK-141/JR-141 <pabinafusp alfa>	Hunter syndrome (CNS and somatic symptoms) (EU, P-III)	Takeda and JCR entered into an agreement ending the geographically-focused exclusive collaboration and license agreement to commercialize pabinafusp alfa (JR-141; TAK-141) in Hunter syndrome, following Takeda's strategic assessment of the alliance. JCR has been and remains the study sponsor for JR-141, and JCR plans to continue the Phase 3 trial for participating patients.
TAK-935 <soticlestat>	Lennox-Gastaut syndrome (Global, P-III)	Trial did not meet primary endpoint.
<ponatinib>	Pediatric indication for Philadelphia chromosome-positive Acute Lymphoblastic Leukemia (P-I)	Trial closed due to dose-limiting toxicities.

IV. Research & Development collaborations/partnering

– The following tables describe research & development collaborations/partnering and externalization projects entered into by Takeda, but do not represent a comprehensive list of all Takeda R&D collaborations. All of the "subject" descriptions listed below are as of the date of execution of the relevant agreement unless otherwise noted.

– ‡ shows collaborations/partnering and ♦ shows externalization project that have been executed since April 1, 2024.

Gastrointestinal and Inflammation

Partner	Country of incorporation	Subject
Arrowhead Pharmaceuticals	U.S.	Collaboration and licensing agreement to develop fazirsiran (TAK-999; ARO-AAT), an investigational RNA interference (RNAi) therapy in development to treat alpha-1 antitrypsin-associated liver disease (AATLD). ARO-AAT is a potential first-in-class therapy designed to reduce the production of mutant alpha-1 antitrypsin protein, the cause of AATLD progression.
COUR Pharmaceuticals	U.S.	Takeda has acquired an exclusive global license to develop and commercialize the investigational medicine TIMP-GLIA (TAK-101), an immune modifying nanoparticle containing gliadin proteins.
Engitix	U.K.	Collaboration and licensing agreement to utilize Engitix's unique extracellular matrix discovery platform to identify and develop novel therapeutics for liver fibrosis and fibrostenotic inflammatory bowel disease, including Crohn's disease and ulcerative colitis.
Genevant Sciences Corporation	U.S.	Collaboration and License Agreements to leverage Genevant's hepatic stellate cell-partitioning LNP platform to deliver Takeda-designed RNAi oligonucleotides intended to halt or reverse the progression of liver fibrosis.
KM Biologics	Japan	Collaboration and license agreement for the development of therapeutic uses of rADAMTS13 (TAK-755), including but not limited to TTP.
Mirum Pharmaceuticals	U.S.	Exclusive licensing agreement for the development and commercialization of maralixibat (TAK-625) in Japan for Alagille syndrome (ALGS), progressive familial intrahepatic cholestasis (PFIC), and biliary atresia (BA).
Pfizer	U.S.	2016 exclusive licensing agreement for development and commercialization of TAK-647 worldwide. Takeda decided to discontinue further development of TAK-647 in MASH based on portfolio prioritization.
Protagonist Therapeutics	U.S.	Worldwide license and collaboration agreement for the development and commercialization of rusfertide (TAK-121), an investigational injectable hepcidin mimetic peptide of the natural hormone hepcidin for treatment of polycythemia vera.
Sosei Heptares	U.K.	Collaboration and License agreement to leverage Sosei Heptares's StaR® technology and structural biology expertise with GPCRs to enable structure based drug discovery to advance novel therapeutics for gastroenterology diseases.
UCSD/Fortis Advisors	U.S.	Technology license for the development of oral budesonide formulation (TAK-721) for treatment of eosinophilic esophagitis.
Zedira/Dr. Falk Pharma	Germany	Collaboration and license agreement to develop and commercialize a potential first-in-class therapy TAK-227/ZED1227, a tissue transglutaminase 2 (TG2) inhibitor, designed to prevent the immune response to gluten in celiac disease. Takeda has exclusive rights in the US and other territories outside of Europe, Canada, Australia and China.

Neuroscience

Partner	Country of incorporation	Subject
AC Immune‡	Switzerland	Exclusive, worldwide option and license agreement for AC Immune's active immunotherapies targeting toxic forms of amyloid beta (Abeta), including ACI-24.060 for the treatment of Alzheimer's disease.
AcuraStem	U.S.	Exclusive worldwide license agreement to develop and commercialize AcuraStem's PIKFYVE targeted therapeutics for the treatment of Amyotrophic Lateral Sclerosis (ALS).
Anima Biotech	U.S.	Strategic collaboration to discover and develop mRNA translation modulators for genetically-defined neurological diseases.
AstraZeneca	U.K.	Agreement for the joint development and commercialization of MEDI1341/TAK-341, an alpha-synuclein antibody currently in development as a potential treatment for Multiple System Atrophy (MSA) and Parkinson's disease.
BioMarin	U.S.	Agreement for the in-license of enabling technology for the exogenous replacement of Arylsulfatase A enzyme with intrathecal (IT) administration directly into the central nervous system for the long-term treatment of patients with metachromatic leukodystrophy (MLD), a rapidly-progressive and ultimately fatal neuro-degenerative rare disease (TAK-611).
BridGene Biosciences	U.S.	Research collaboration to discover small molecule drugs for "undruggable" targets using BridGene's chemoproteomics platform.
Denali Therapeutics	U.S.	Strategic option and collaboration agreement to develop and commercialize up to three specified therapeutic product candidates for neurodegenerative diseases, incorporating Denali's transport vehicle (TV) platform for increased exposure of biotherapeutic products in the brain; options exercised on DNL593/TAK-594 and DNL919/TAK-920 in Q3 FY2021. DNL919/TAK-920 molecule was discontinued in Q2 FY2023, and exploration for ATV:TREM2 backup is ongoing.
Lundbeck	Denmark	Collaboration agreement to develop and commercialize vortioxetine.
Luxna Biotech	Japan	Exclusive worldwide license agreement for the use of Luxna's breakthrough xeno nucleic acid technology for multiple undisclosed target genes in the area of neurological diseases.
Neurocrine Biosciences	U.S.	Collaboration to develop and commercialize 7 compounds in Takeda's early-to-mid stage neuroscience pipeline, including TAK-041/NBI-1065846, TAK-653/NBI-1065845 and TAK-831/NBI-1065844 (luvadaxistat). Takeda will be entitled to certain development milestones, commercial milestones and royalties on net sales and will, at certain development events, be able opt in or out of a 50:50 profit share on all clinical programs on an asset-by-asset basis. In June 2021, Takeda decided not to cost share further TAK-831/NBI-1065844 (luvadaxistat) development; Takeda maintains its right to receive milestones and royalties regarding TAK-831/NBI-1065844 (luvadaxistat). In Nov 2023, Neurocrine announced that TAK-041/NBI-1065846 Phase 2 trial results did not meet primary and secondary endpoints, which does not support further development of the asset.
PeptiDream	Japan	Collaborative research and exclusive license agreement to create peptide-drug conjugates (PDCs) for neuromuscular and neurodegenerative diseases.
Wave Life Sciences	Singapore	Multi-program option agreement to co-develop and co-commercialize antisense oligonucleotides for a range of neurological diseases.

Oncology

Partner	Country of incorporation	Subject
AbbVie	U.S.	Exclusive licensing agreement to develop and commercialize mirvetuximab soravtansine-gynx in Japan for folate receptor-alpha (FRa) positive ovarian cancer.
Adimab	U.S.	Agreement for the discovery, development and commercialization of three mAbs and three CD3 Bi-Specific antibodies for oncology indications.
Ascentage Pharma‡	China	Option agreement to enter into an exclusive license agreement for olverembatinib/HQP1351, a BCR-ABL tyrosine kinase inhibitor (TKI), currently in development for chronic myeloid leukemia (CML) and other hematological cancers. If exercised, the option would allow Takeda to license global rights to develop and commercialize olverembatinib in all territories outside of mainland China, Hong Kong, Macau, Taiwan and Russia.
Crescendo Biologics	U.K.	Collaboration and licensing agreement for the discovery, development and commercialization of Humabody®-based therapeutics for cancer indications.
Egle Therapeutics	France	Identify novel tumor-specific regulatory T cell targets and develop unique anti-suppressor-based immunotherapies.
Exelixis, Inc.	U.S.	Exclusive licensing agreement to commercialize and develop novel cancer therapy cabozantinib and all potential future cabozantinib indications in Japan, including advanced renal cell carcinoma and hepatocellular carcinoma.
F-star	U.K.	Discovery collaboration and worldwide, exclusive royalty-bearing license to Takeda to research, develop, and commercialize a bispecific antibody directed towards an undisclosed immuno-oncology target using F-star's proprietary Fcab™ and mAb2 ™ platforms. Takeda will be responsible for all research, development and commercialization activities under the agreement.
GSK	U.K.	Exclusive licensing agreement to develop and commercialize novel cancer therapy niraparib for the treatment of all tumor types in Japan, and all tumor types excluding prostate cancer in South Korea and Taiwan.
Heidelberg Pharma	Germany	Antibody-Drug-Conjugate (ADC) research collaboration on 2 targets and licensing agreement (α-amanitin payload and proprietary linker).
HUTCHMED	China	Exclusive licensing agreement with HUTCHMED (China) Limited and its subsidiary HUTCHMED Limited for the further development and commercialization of fruquintinib (TAK-113) in all indications, including metastatic colorectal cancer, outside of mainland China, Hong Kong and Macau.
KSQ Therapeutics	U.S.	Strategic collaboration to research, develop and commercialize novel immune-based therapies for cancer using KSQ's CRISPRomics® technology.
Kumquat Biosciences‡	U.S.	Strategic and exclusive collaboration to develop and commercialize a novel immuno-oncology small molecule inhibitor as a mono- and/or combination-therapy.
MD Anderson Cancer Center (MDACC)	U.S.	Exclusive license and research agreement to utilize MDACC's platform and expertise, and to leverage Takeda's development, manufacturing and commercialization capabilities to bring patients cord blood-derived chimeric antigen receptor-directed natural killer (CAR-NK) cell therapies for the treatment of B cell malignancies and other cancers. Takeda made a data-driven decision to discontinue the clinical development of TAK-007 for relapsed/refractory B cell malignancies.
Memorial Sloan Kettering Cancer Center	U.S.	Strategic research collaboration and license to develop novel chimeric antigen receptor T cell (CAR-T) products for the treatment of multiple myeloma, acute myeloid leukemia and additional solid tumor indications. The collaboration is co-led by Michel Sadelain, who is currently head of the Center for Cell Engineering at Memorial Sloan Kettering. Takeda decided to terminate further development of TAK-940 due to the pipeline prioritization considerations and Takeda's strategic focus on developing allogeneic cell therapies.
Pfizer	U.S.	Agreement for the joint development of ADCETRIS, an ADC technology which targets CD30 for the treatment of HL. Approved in more than 80 countries with ongoing clinical trials for additional indications.
Teva Pharmaceutical Industries	Israel	Agreement for worldwide license to multi-target discovery collaboration accessing Teva's Attenukine™ platform.

Plasma Derived Therapies

Partner	Country of incorporation	Subject
Halozyme	U.S.	Agreement for the in-license of Halozyme's proprietary ENHANZE™ platform technology to increase dispersion and absorption of HYQVIA.
Kamada	Israel	In-license agreement to develop and commercialize IV Alpha-1 proteinase inhibitor (GLASSIA); Exclusive supply and distribution of GLASSIA in the U.S., Canada, Australia and New Zealand; work on post market commitments ongoing.
Johnson & Johnson/Momenta Pharmaceuticals	U.S.	In-licensing agreement with Momenta Pharmaceuticals, Inc. which was acquired by Johnson & Johnson for an investigational hypersialylated immunoglobulin (hsIgG) candidate.
PreviPharma	EU	Research collaboration and option agreement to develop new targeted proteins

Vaccines

Partner	Country of incorporation	Subject
U.S. Government - The Biomedical Advanced Research and Development Authority (BARDA)	U.S.	Partnership to develop TAK-426, a Zika vaccine candidate, for the U.S. with the option to use data generated for filing also in affected regions around the world. Takeda decided to terminate further development of TAK-426.
Novavax	U.S.	Partnership for the development, manufacturing and commercialization of Nuvaxovid Intramuscular Injection, Novavax's COVID 19 vaccine in Japan, which is being funded by the Government of Japan's Ministry of Health, Labour and Welfare (MHLW) and Agency for Medical Research and Development (AMED). In April 2024, Takeda submitted a New Drug Application (NDA) to the MHLW for 2 dose vial of Nuvaxovid in Japan. In June 2024, Takeda announced it plans to supply Nuvaxovid for the JN.1 strain, pending MHLW approval of the NDA.

Other / Multiple Therapeutic Area

Partner	Country of incorporation	Subject
Asklepios Biopharmaceuticals	U.S.	Agreement for multiple research and development collaborations using FVIII Gene Therapy for the treatment of Hemophilia A and B.
Bridge Medicines	U.S.	Partnership with Sanders Tri-Institutional Therapeutics Discovery Institute, Bay City Capital and Deerfield Management in the establishment of Bridge Medicines. Bridge Medicines will give financial, operational and managerial support to move projects seamlessly from a validating, proof-of-concept study to an in-human clinical trial.
Center for iPS Cell Research Application, Kyoto University (CiRA)	Japan	Collaboration agreement for clinical applications of iPS cells in Takeda strategic areas including applications in neuroscience, oncology and gastroenterology as well as discovery efforts in additional areas of compelling iPSC translational science.
Charles River Laboratories	U.S.	Collaboration on multiple integrated programs across Takeda's core therapeutic areas using Charles River Laboratories' end-to-end drug discovery and safety assessment platform to progress these programs towards candidate status.
Code Bio	U.S.	Collaboration and license agreement for Takeda and Code Bio to design and develop a targeted gene therapy leveraging Code Bio's 3DNA platform for a liver-directed rare disease program, plus conduct additional studies for central nervous system-directed rare disease programs. Takeda has the right to exercise options for an exclusive license for four programs.
Evozyne	U.S.	Research collaboration and license agreement with Takeda to research and develop proteins that could be incorporated into next-generation gene therapies for up to four rare disease targets.
GSK	U.K.	In-license agreement between GSK and University of Michigan for TAK-620 (maribavir) in the treatment of human cytomegalovirus.
IPSEN	France	Purchase agreement for the development of Obizur for the treatment of Acquired Hemophilia A including for patients with Congenital Hemophilia A with inhibitors indication in elective or emergency surgery.
Massachusetts Institute of Technology	U.S.	MIT-Takeda Program to fuel the development and application of artificial intelligence (AI) capabilities to benefit human health and drug development. Centered within the Abdul Latif Jameel Clinic for Machine Learning in Health (J-Clinic), the new program will leverage the combined expertise of both organizations, and is supported by Takeda's investment.
Schrödinger	U.S.	Agreement for the multi-target research collaboration combining Schrödinger's in silico platform-driven drug discovery capabilities with Takeda's deep therapeutic area knowledge and expertise in structural biology.

Completed Partnerships [Update since April 1st, 2024]

Partner	Country of incorporation	Subject
JCR Pharmaceuticals	Japan	In June 2024, Takeda and JCR entered into an agreement ending the geographically-focused exclusive collaboration and license agreement to commercialize pabinafusp alfa (JR-141; TAK-141) in Hunter syndrome, following Takeda's strategic assessment of the alliance. JCR has been and remains the study sponsor for JR-141, and JCR plans to continue the Phase 3 trial for participating patients.
Codexis, Inc.	U.S.	Strategic collaboration and license for the research and development of novel gene therapies for certain disease indications, including the treatment of lysosomal storage disorders and blood factor deficiencies.
Noile-Immune Biotech	Japan	Collaboration agreement for the development of next generation CAR-T cell therapy, developed by Professor Koji Tamada at Yamaguchi University. Takeda has exclusive options to obtain licensing rights for the development and commercialization of Noile-Immune Biotech's pipeline and products resulting from this partnership. Due to the success of the collaboration, Takeda licensed NIB-102 and NIB-103. In December 2023, Takeda decided to terminate the further development of TAK-102 and TAK-103 due to the pipeline prioritization considerations and Takeda's strategic focus on developing allogeneic cell therapies. Termination discussion was completed in Jun, 2024. Takeda and Noile-Immune Biotech will maintain the ongoing business relationship in the field of cell therapy technology licensing other than TAK-102 and TAK-103.

■ Clinical study protocol summaries

Clinical study protocol summaries are disclosed on the English-language web-site (https://clinicaltrials.takeda.com/) and clinical study protocol information in the Japanese-language is disclosed on the Japanese-language web-site (https://www.takeda.com/ja-jp/who-we-are/research/clinical-trial/).

We anticipate that this disclosure will assure transparency of information on Takeda's 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.

2. Supplementary Revenue Information

Revenue by region
Year to date

(Bn JPY)	Reported[*1] FY23Q1	Reported[*1] FY24Q1	AER[*2] Amount of Change	AER[*2] % Change	Core[*1*3] CER[*3] % Change
Total revenue	1,058.6	1,208.0	149.4	14.1 %	2.1 %
Japan	124.8	102.9	(21.9)	(17.5)%	(17.8)%
% of revenue	11.8%	8.5%	(3.3)pt		
United States	554.4	636.7	82.3	14.8 %	1.0 %
% of revenue	52.4%	52.7%	0.3pt		
Europe and Canada	224.3	269.8	45.5	20.3 %	6.1 %
% of revenue	21.2%	22.3%	1.1pt		
Growth and Emerging Markets[*4]	155.1	198.6	43.5	28.1 %	16.3 %
% of revenue	14.6%	16.4%	1.8pt		
Asia (excluding Japan)	60.8	63.9	3.1	5.1 %	(4.2)%
% of revenue	5.7%	5.3%	(0.5)pt		
Latin America	43.7	72.2	28.5	65.2 %	45.6 %
% of revenue	4.1%	6.0%	1.8pt		
Russia/CIS	17.4	23.7	6.4	36.7 %	33.0 %
% of revenue	1.6%	2.0%	0.3pt		
Other[*5]	33.2	38.7	5.6	16.8 %	6.5 %
% of revenue	3.1%	3.2%	0.1pt		
Of which royalty / service income	24.8	18.2	(6.7)	(26.8)%	(32.3)%

*1 Revenue amount is classified into countries or regions based on the customer location.

*2 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

*3 Refer to “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix for the definition.

*4 GEM: Growth and Emerging Markets, which include Asia (excluding Japan), Latin America, Russia/CIS, Middle East, Oceania and Africa.

*5 Other region includes Middle East, Oceania and Africa.

Quarterly

(Bn JPY)	Reported [*1]											
	FY23				FY24							
	Q1	Q2	Q3	Q4	Q1	AER[*2] % Change	Q2	AER[*2] % Change	Q3	AER[*2] % Change	Q4	AER[*2] % Change
Total revenue	1,058.6	1,043.1	1,111.2	1,050.9	1,208.0	14.1%						
Japan	124.8	103.7	114.1	108.7	102.9	(17.5)%						
% of revenue	11.8%	9.9%	10.3%	10.3%	8.5%							
United States	554.4	550.4	580.7	510.2	636.7	14.8%						
% of revenue	52.4%	52.8%	52.3%	48.6%	52.7%							
Europe and Canada	224.3	235.6	261.6	245.3	269.8	20.3%						
% of revenue	21.2%	22.6%	23.5%	23.3%	22.3%							
Growth and Emerging Markets [*3]	155.1	153.4	154.8	186.6	198.6	28.1%						
% of revenue	14.6%	14.7%	13.9%	17.8%	16.4%							
Asia (excluding Japan)	60.8	62.4	65.5	72.4	63.9	5.1%						
% of revenue	5.7%	6.0%	5.9%	6.9%	5.3%							
Latin America	43.7	48.4	46.3	59.7	72.2	65.2%						
% of revenue	4.1%	4.6%	4.2%	5.7%	6.0%							
Russia/CIS	17.4	13.7	14.3	27.2	23.7	36.7 %						
% of revenue	1.6%	1.3%	1.3%	2.6%	2.0%							
Other [*4]	33.2	28.9	28.7	27.2	38.7	16.8%						
% of revenue	3.1%	2.8%	2.6%	2.6%	3.2%							
Of which royalty / service income	24.8	16.2	22.1	37.0	18.2	(26.8)%						

*1 Revenue amount is classified into countries or regions based on the customer location.

*2 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

*3 GEM: Growth and Emerging Markets, which include Asia (excluding Japan), Latin America, Russia/CIS, Middle East, Oceania and Africa.

*4 Other region includes Middle East, Oceania and Africa.

Product Sales Analysis (vs PY Reported Actual) (Sales amount includes royalty income and service income)

- *Year to date*

(Bn JPY)	Reported													
	FY23Q1	FY24Q1	AER[*1] % change	US	AER[*1] % change	Japan	AER[*1] % change	EUCAN	AER[*1] % change	GEM[*2]	AER[*1] % change	Ex-US	AER[*1] % change
GI	**293.5**	**348.5**	**18.7 %**	**203.2**	**19.8 %**	**32.2**	**5.9 %**	**74.1**	**19.8 %**	**32.8**	**27.2 %**	**6.1**	**3.5 %**
ENTYVIO	192.0	234.4	22.1 %	162.9	21.3 %	4.1	12.4 %	54.8	24.6 %	12.5	24.9 %		
GATTEX/REVESTIVE	27.1	36.8	36.0 %	27.2	37.5 %	2.3	19.6 %	4.9	23.2 %	2.5	71.9 %		
TAKECAB/VOCINTI [*3]	29.8	33.2	11.2 %	0.1	-	25.6	4.3 %	—	-	7.5	40.6 %		
PANTOLOC/CONTROLOC[*4]	11.2	10.9	(1.9) %	0.3	(55.7) %	—	-	7.6	2.7 %	3.0	(1.3) %		
DEXILANT	12.0	11.9	(1.4) %	2.6	(40.0) %	—	-	3.9	10.3 %	5.4	28.4 %		
LIALDA/MEZAVANT[*5]	7.5	6.6	(10.9) %	0.5	(66.8) %							6.1	3.5 %
RESOLOR/MOTEGRITY	4.7	5.5	17.7 %	5.1	20.1 %	—	-	0.4	(4.2) %	—	-		
EOHILIA	—	0.9	-	0.9	-	—	-	—	-	—	-		
Others	9.3	8.2	(11.4) %	3.6	(23.6) %	0.2	(30.7) %	2.4	(1.0) %	2.0	10.1 %		
Rare Diseases	**170.8**	**199.5**	**16.8 %**	**89.8**	**12.0 %**	**10.1**	**1.2 %**	**54.5**	**18.8 %**	**45.1**	**29.6 %**		
TAKHZYRO	41.3	56.0	35.6 %	38.0	32.8 %	0.8	18.7 %	13.4	41.0 %	3.8	51.7 %		
ADVATE	33.8	31.9	(5.8) %	14.9	(12.2) %	0.7	(22.5) %	4.7	(5.3) %	11.5	5.4 %		
ADYNOVATE/ADYNOVI	17.4	17.6	1.5 %	6.3	(10.7) %	3.6	1.1 %	4.9	7.1 %	2.9	29.3 %		
ELAPRASE	22.8	28.0	22.4 %	6.5	(0.7) %	0.2	(63.4) %	8.5	18.4 %	12.8	48.1 %		
REPLAGAL	18.0	21.4	19.1 %	—	-	2.1	(6.4) %	11.4	16.0 %	7.9	34.0 %		
VPRIV	11.9	13.7	14.9 %	5.2	3.3 %	0.3	(5.6) %	4.7	16.2 %	3.5	38.6 %		
FIRAZYR	5.5	5.0	(8.7) %	2.9	(17.2) %	0.5	(3.9) %	0.7	(8.7) %	0.9	28.9 %		
LIVTENCITY	4.1	7.6	88.2 %	5.3	62.3 %	—	-	2.0	151.2 %	0.4	2,175.4 %		
VONVENDI	3.8	5.3	41.2 %	3.6	45.0 %	0.2	29.1 %	1.5	34.5 %	0.0	11.1 %		
RECOMBINATE	3.0	2.7	(10.6) %	2.6	(10.8) %	—	-	0.1	(28.0) %	0.0	900.8 %		
ADZYNMA	—	1.1	-	0.8	-	0.3	-	—	-	—	-		
Others	9.2	9.2	(0.8) %	3.7	(2.2) %	1.4	32.2 %	2.7	(12.3) %	1.4	4.0 %		
PDT	**209.2**	**271.4**	**29.7 %**	**172.7**	**35.3 %**	**0.1**	**(53.5)%**	**5.6**	**31.8 %**	**14.5**	**74.4 %**	**78.6**	**14.2 %**
Immunoglobulin	145.6	201.5	38.4 %	148.8	39.9 %							52.7	34.4 %
Albumin	30.8	29.4	(4.5) %	8.1	49.6 %							21.3	(16.0) %
FEIBA	11.9	13.9	17.7 %	2.9	(19.4) %	0.1	(53.5) %	2.9	21.9 %	8.0	43.5 %		
HEMOFIL/IMMUNATE/IMMUNINE	4.2	8.7	106.6 %	0.7	(21.9) %	—	-	1.9	84.0 %	6.1	170.2 %		
CINRYZE	4.5	4.3	(4.6) %	3.1	(2.5) %	—	-	0.9	(1.8) %	0.3	(24.5) %		
Others[*6]	12.3	13.6	10.8 %	9.1	12.1 %							4.6	8.4 %

*1 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

*2 GEM: Growth and Emerging Markets, which include Asia (excluding Japan), Latin America, Russia/CIS, Middle East, Oceania and Africa

*3 The figures include the amounts of fixed dose combinations, blister packs and oral disintegrated tablets.

*4 Generic name: pantoprazole

*5 License-out product : Regional breakdown is not available due to contract.

*6 Others in PDT include GLASSIA and ARALAST.

(Bn JPY)	Reported													
	FY23Q1	FY24Q1	AER*1 % change	US	AER*1 % change	Japan	AER*1 % change	EUCAN	AER*1 % change	GEM*2	AER*1 % change	Ex-US	AER*1 % change
Oncology	**110.5**	**142.1**	**28.6 %**	**51.8**	**59.7 %**	**24.6**	**(2.4)%**	**28.8**	**15.1 %**	**35.0**	**33.4 %**	**2.0**	**21.4 %**
ADCETRIS	27.1	34.5	27.2 %			2.9	(11.0)%	12.8	27.8 %	18.8	35.9 %		
LEUPLIN/ENANTONE	24.6	29.4	19.6 %	5.1	166.7 %	7.1	(0.4)%	10.0	(1.2)%	7.2	32.4 %		
NINLARO	21.0	23.9	13.6 %	14.2	5.4 %	1.7	(0.6)%	3.0	18.1 %	4.9	51.8 %		
ICLUSIG *3	12.6	16.8	33.3 %	14.8	35.0 %							2.0	21.4 %
ALUNBRIG	6.6	9.4	41.6 %	2.9	26.9 %	0.7	11.6 %	2.6	36.2 %	3.2	75.1 %		
VECTIBIX	6.8	6.6	(3.7)%	—	-	6.6	(3.7)%	—	-	—	-		
ZEJULA	3.8	3.7	(1.0)%	—	-	3.0	(3.0)%	—	-	0.7	9.1 %		
FRUZAQLA	—	11.9	-	11.9	-	—	-	—	-	0.0	-		
CABOMETYX	2.2	2.3	3.8 %	—	-	2.3	3.8 %	—	-	—	-		
Others	5.7	3.6	(37.0)%	2.8	(26.2)%	0.2	(5.8)%	0.4	(6.3)%	0.2	(82.0)%		
Neuroscience	**177.0**	**169.1**	**(4.5)%**	**112.1**	**(17.8)%**	**13.3**	**21.4 %**	**33.4**	**36.6 %**	**10.2**	**93.7 %**		
VYVANSE/ELVANSE	123.2	114.6	(6.9)%	75.4	(22.7)%	0.7	95.8 %	28.7	41.4 %	9.9	99.3 %		
TRINTELLIX	24.3	31.0	27.6 %	27.9	28.2 %	3.2	22.8 %	—	-	—	-		
ADDERALL XR	13.5	7.7	(42.8)%	7.2	(43.6)%	—	-	0.5	(25.6)%	—	-		
INTUNIV	7.9	10.2	29.4 %	0.1	(73.2)%	6.7	39.8 %	3.0	28.2 %	0.3	12.2 %		
Others	8.2	5.5	(33.2)%	1.5	(60.2)%	2.8	(15.1)%	1.2	2.2 %	0.0	(30.8)%		
Vaccines	**10.5**	**12.5**	**18.7 %**	**—**	**-**	**3.0**	**(69.4)%**	**1.2**	**306.8 %**	**8.3**	**1,859.1 %**		
QDENGA	0.7	9.5	1,231.5 %	—	-	—	-	1.2	306.8 %	8.3	1,859.1 %		
Others	9.8	3.0	(69.4)%	—	-	3.0	(69.4)%	—	-	—	-		
Others	**87.0**	**64.9**	**(25.3)%**										
AZILVA*4	18.7	3.2	(82.6)%	—	-	3.2	(82.6)%	—	-	—	-		
FOSRENOL*3	4.2	1.8	(58.0)%	0.1	(69.4)%							1.6	(56.4)%

*1 Actual Exchange Rate is presented in "AER" (which is presented in accordance with IFRS).

*2 GEM: Growth and Emerging Markets, which include Asia (excluding Japan), Latin America, Russia/CIS, Middle East, Oceania and Africa

*3 License-out product : Regional breakdown is not available due to contract.

*4 The figures include the amounts of fixed dose combinations.

Product Sales Analysis (Reported AER & Core CER Change)

(Bn JPY)	FY23 Reported				FY24 Reported AER[*1] & Core CER Change[*2]												
	Q1	Q2	Q3	Q4	Q1	@AER (QTD)	@CER (QTD)	Q2	@AER (QTD)	@CER (QTD)	@CER (YTD)	Q3	@AER (QTD)	@CER (QTD)	@CER (YTD)	Q4	@AER (QTD)	@CER (QTD)	@CER (YTD)
GI	**293.5**	**303.3**	**339.2**	**280.2**	**348.5**	**18.7 %**	**6.0 %**												
ENTYVIO	192.0	199.7	227.6	181.6	234.4	22.1 %	7.6 %												
GATTEX/REVESTIVE	27.1	31.8	31.1	29.3	36.8	36.0 %	21.6 %												
TAKECAB/VOCINTI[*3]	29.8	28.9	31.5	28.2	33.2	11.2 %	8.9 %												
PANTOLOC/ CONTROLOC[*4]	11.2	11.7	12.6	11.0	10.9	(1.9) %	(13.1) %												
DEXILANT	12.0	11.1	13.0	9.2	11.9	(1.4) %	(13.6) %												
LIALDA/MEZAVANT	7.5	6.0	8.2	7.4	6.6	(10.9) %	(20.7) %												
RESOLOR/MOTEGRITY	4.7	5.4	5.5	5.3	5.5	17.7 %	3.4 %												
EOHILIA	—	—	—	0.2	0.9	-	-												
Others	9.3	8.6	9.7	8.0	8.2	(11.4) %	(20.4) %												
Rare Diseases	**170.8**	**170.1**	**183.4**	**164.1**	**199.5**	**16.8 %**	**4.4 %**												
TAKHZYRO	41.3	45.8	49.3	42.2	56.0	35.6 %	19.8 %												
ADVATE	33.8	28.9	31.2	29.0	31.9	(5.8) %	(15.8) %												
ADYNOVATE/ADYNOVI	17.4	16.1	17.8	15.1	17.6	1.5 %	(7.5) %												
ELAPRASE	22.8	22.8	24.3	21.6	28.0	22.4 %	10.2 %												
REPLAGAL	18.0	18.2	18.9	18.5	21.4	19.1 %	8.0 %												
VPRIV	11.9	12.4	14.6	12.3	13.7	14.9 %	2.3 %												
FIRAZYR	5.5	6.2	5.5	4.0	5.0	(8.7) %	(18.3) %												
LIVTENCITY	4.1	4.3	5.6	5.1	7.6	88.2 %	65.9 %												
VONVENDI	3.8	3.7	4.6	4.2	5.3	41.2 %	24.6 %												
RECOMBINATE	3.0	3.0	3.0	3.1	2.7	(10.6) %	(21.3) %												
ADZYNMA	—	—	0.0	0.4	1.1	-	-												
Others	9.2	8.7	8.6	8.6	9.2	(0.8) %	(10.2) %												
PDT	**209.2**	**220.8**	**244.3**	**229.2**	**271.4**	**29.7 %**	**14.7 %**												
Immunoglobulin	145.6	163.6	176.5	158.9	201.5	38.4 %	21.9 %												
Albumin	30.8	28.2	35.3	39.7	29.4	(4.5) %	(14.2) %												
FEIBA	11.9	8.0	9.1	11.6	13.9	17.7 %	4.5 %												
HEMOFIL/IMMUNATE/ IMMUNINE	4.2	5.1	5.2	5.0	8.7	106.6 %	82.5 %												
CINRYZE	4.5	3.9	5.0	3.7	4.3	(4.6) %	(15.9) %												
Others[*5]	12.3	12.1	13.1	10.3	13.6	10.8 %	(1.6) %												

*1 Actual Exchange Rate is presented in "AER" (which is presented in accordance with IFRS).

*2 Refer to "Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations" in the Financial Appendix for the definition.

*3 The figures include the amounts of fixed dose combinations, blister packs and oral disintegrated tablets.

*4 Generic name: pantoprazole

*5 Others in PDT include GLASSIA and ARALAST.

(Bn JPY)	FY23 Reported				FY24 Reported AER[*1] & Core CER Change[*2]													
	Q1	Q2	Q3	Q4	Q1	@AER (QTD)	@CER (QTD)	Q2	@AER (QTD)	@CER (QTD)	@CER (YTD)	Q3	@AER (QTD)	@CER (QTD)	@CER (YTD)	Q4	@AER (QTD)	@CER (QTD)	@CER (YTD)
Oncology	**110.5**	**114.7**	**121.1**	**116.1**	**142.1**	**28.6 %**	**17.2 %**												
ADCETRIS	27.1	27.2	30.0	25.2	34.5	27.2 %	14.1 %												
LEUPLIN/ENANTONE	24.6	24.2	30.9	27.7	29.4	19.6 %	12.7 %												
NINLARO	21.0	25.3	20.4	20.6	23.9	13.6 %	1.5 %												
ICLUSIG	12.6	14.4	14.4	13.2	16.8	33.3 %	17.2 %												
ALUNBRIG	6.6	7.1	7.4	7.4	9.4	41.6 %	27.4 %												
VECTIBIX	6.8	6.8	6.9	5.9	6.6	(3.7) %	(3.7) %												
ZEJULA	3.8	3.6	3.7	3.1	3.7	(1.0) %	(2.5) %												
FRUZAQLA	—	—	2.2	7.8	11.9	-	-												
CABOMETYX	2.2	2.0	2.3	1.9	2.3	3.8 %	3.8 %												
Others	5.7	4.1	2.9	3.3	3.6	(37.0) %	(44.1) %												
Neuroscience	**177.0**	**153.7**	**144.2**	**152.1**	**169.1**	**(4.5)%**	**(15.0)%**												
VYVANSE/ELVANSE	123.2	103.1	86.6	110.3	114.6	(6.9) %	(17.9) %												
TRINTELLIX	24.3	26.6	29.3	24.6	31.0	27.6 %	13.6 %												
ADDERALL XR	13.5	9.1	12.6	6.5	7.7	(42.8) %	(49.6) %												
INTUNIV	7.9	8.3	9.2	8.1	10.2	29.4 %	24.2 %												
Others	8.2	6.4	6.5	2.6	5.5	(33.2) %	(37.3) %												
Vaccines	**10.5**	**7.3**	**11.7**	**20.8**	**12.5**	**18.7 %**	**9.7 %**												
QDENGA	0.7	1.2	3.8	3.8	9.5	1,231.5 %	1,098.6 %												
Others	9.8	6.0	7.9	17.1	3.0	(69.4) %	(69.4) %												
Others	**87.0**	**73.3**	**67.3**	**88.4**	**64.9**	**(25.3)%**	**(31.1)%**												
AZILVA[*3]	18.7	5.0	5.4	4.6	3.2	(82.6) %	(82.6) %												
FOSRENOL	4.2	4.0	3.0	2.4	1.8	(58.0) %	(62.6) %												

*1 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

*2 Refer to “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix for the definition.

*3 The figures include the amounts of fixed dose combinations.

Product Forecasts

(Bn JPY)	FY23 Reported	Disclosed on May 9, 2024			
		FY24 Reported Forecasts			FY24 Forecasts at CER[*1]
	Annual	Annual	Amount of Change	% Change	% Change
GI	**1,216.2**			**Mid-10s % growth**	**Low-10s % growth**
ENTYVIO	800.9	964.0	163.1	20 %	16 %
GATTEX/REVESTIVE	119.3	133.0	13.7	12 %	8 %
TAKECAB/VOCINTI [*2]	118.5	133.0	14.5	12 %	12 %
PANTOLOC/CONTROLOC[*3]	46.5	45.0	(1.5)	(3)%	(7)%
DEXILANT	45.3	41.0	(4.3)	(9)%	(14)%
LIALDA/MEZAVANT	29.1	23.0	(6.1)	(21)%	(22)%
RESOLOR/MOTEGRITY	20.9	23.0	2.1	10 %	7 %
EOHILIA	0.2			>5,000%	>5,000%
Others	35.6			(10)% to (15)%	(10)% to (15)%
Rare Diseases	**688.4**			**Mid-single-digit % growth**	**Low-single-digit % growth**
TAKHZYRO	178.7	205.0	26.3	15 %	10 %
ADVATE	122.9	182.0	(7.2)	(4)%	0 %
ADYNOVATE/ADYNOVI	66.3				
ELAPRASE	91.6	90.0	(1.6)	(2)%	(5)%
REPLAGAL	73.6	75.0	1.4	2 %	0 %
VPRIV	51.3	53.0	1.7	3 %	(1)%
FIRAZYR	21.2	17.0	(4.2)	(20)%	(21)%
LIVTENCITY	19.1	30.0	10.9	57 %	54 %
VONVENDI	16.2	20.0	3.8	24 %	19 %
RECOMBINATE	12.1	10.0	(2.1)	(17)%	(20)%
Others	35.6			0% to 5%	0% to (5)%

*1 Refer to “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix for the definition.

*2 The figures include the amounts of fixed dose combinations, blister packs and oral disintegrated tablets.

*3 Generic name: pantoprazole

Average FX rates for FY23 actual: 1 USD = 144 JPY, 1 Euro = 156 JPY, 1 RUB = 1.6 JPY, 1 BRL = 29.1 JPY, 1 CNY = 20.1 JPY

Assumption of FX rates for FY24 Reported Forecasts : 1 USD = 150 JPY, 1 Euro = 160 JPY, 1 RUB = 1.6 JPY, 1 BRL = 30.4 JPY, 1 CNY = 20.9 JPY

(Bn JPY)	FY23 Reported Annual	Disclosed on May 9, 2024 FY24 Reported Forecasts Annual	Amount of Change	% Change	FY24 Forecasts at CER[*1] % Change
PDT	**903.7**			**Low-10s % growth**	**High-single-digit % growth**
immunoglobulin	644.6			10% to 20%	5% to 15%
albumin	134.0			Single-digit % growth	Single-digit % growth
FEIBA	40.5	41.0	0.5	1 %	(2)%
HEMOFIL/IMMUNATE/IMMUNINE	19.5	22.0	2.5	13 %	15 %
CINRYZE	17.1	15.0	(2.1)	(12)%	(12)%
Others[*2]	48.0			0% to 10%	0% to 10%
Oncology	**462.4**			**High-single-digit % growth**	**Mid-single-digit % growth**
ADCETRIS	109.4	116.0	6.6	6 %	2 %
LEUPLIN/ENANTONE	107.4	111.0	3.6	3 %	2 %
NINLARO	87.4	84.0	(3.4)	(4)%	(7)%
ICLUSIG	54.7	63.0	8.3	15 %	11 %
ALUNBRIG	28.5	40.0	11.5	40 %	37 %
VECTIBIX	26.4	28.0	1.6	6 %	6 %
ZEJULA	14.2	15.0	0.8	6 %	4 %
FRUZAQLA	10.1			>100%	>100%
CABOMETYX	8.4	9.0	0.6	8 %	8 %
Others	16.0			(10)% to (15)%	(15)% to (20)%
Neuroscience	**627.0**			**Low-30s % decline**	**Mid-30s % decline**
VYVANSE/ELVANSE	423.2	225.0	(198.2)	(47)%	(49)%
TRINTELLIX	104.8	124.0	19.2	18 %	14 %
ADDERALL XR	41.8	19.0	(22.8)	(54)%	(56)%
INTUNIV	33.6	36.0	2.4	7 %	8 %
Others	23.7			(20)% to (30)%	(20)% to (30)%
Vaccines	**50.4**			**High-single-digit % growth**	**High-single-digit % growth**
QDENGA	9.6			>200%	>200%
Others	40.8			>(30)%	>(30)%
Others	**315.7**			**>(30)%**	**>(30)%**
AZILVA[*3]	33.6	10.0	(23.6)	(70)%	(70)%
FOSRENOL	13.5	10.0	(3.5)	(26)%	(26)%

*1 Refer to “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix. for the definition.

*2 Others in PDT Immunology include GLASSIA and ARALAST.

*3 The figures include the amounts of fixed dose combinations.

Average FX rates for FY23 actual: 1 USD = 144 JPY, 1 Euro = 156 JPY, 1 RUB = 1.6 JPY, 1 BRL = 29.1 JPY, 1 CNY = 20.1 JPY

Assumption of FX rates for FY24 Reported Forecasts : 1 USD = 150 JPY, 1 Euro = 160 JPY, 1 RUB = 1.6 JPY, 1 BRL = 30.4 JPY, 1 CNY = 20.9 JPY

FINANCIAL APPENDIX

Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations

Core Financial Measures

Takeda's Core Financial Measures, particularly Core Revenue, Core Operating Profit, Core Net Profit for the Year attributable to owners of the Company and Core EPS, exclude revenue from divestments, amortization and impairment losses on intangible assets associated with products (includes in-process R&D) and other impacts unrelated to the underlying trends and business performance of Takeda's core operations, such as non-recurring items, purchase accounting effects and transaction related costs. **Core Revenue** represents revenue adjusted to exclude significant revenue items unrelated to the underlying trends and business performance of Takeda's core operations. **Core Operating Profit** represents operating profit adjusted to exclude other operating expenses and income, amortization and impairment losses on intangible assets associated with products (includes in-process R&D) and non-cash items or items unrelated to the underlying trends and business performance of Takeda's core operations. **Core EPS** represents net profit for the year attributable to owners of the Company, adjusted to exclude the impact of items excluded in the calculation of Core Operating Profit, and other non-operating items (e.g. amongst other items, fair value adjustments and the imputed financial charge related to contingent consideration) that are unusual, non-recurring in nature or unrelated to the underlying trends and business performance of Takeda's ongoing operations and the tax effect of each of the adjustments, divided by the average outstanding shares (excluding treasury shares) of the reporting periods presented.

Takeda presents its Core Financial Measures because Takeda believes that these measures are useful to understanding its business without the effect of items that Takeda considers to be unrelated to the underlying trends and business performance of its core operations, including items (i) which may vary significantly from year-to-year or may not occur in each year, or (ii) whose recognition Takeda believes is largely uncorrelated to trends in the underlying performance of our core business. Takeda believes that similar measures are frequently used by other companies in its industry, and that providing these measures helps investors evaluate Takeda's performance against not only its performance in prior years but on a similar basis as its competitors. Takeda also presents Core Financial Measures because these measures are used by Takeda for budgetary planning and compensation purposes (i.e., certain targets for the purposes of Takeda's Short-Term Incentive and Long-Term Incentive compensation programs, including incentive compensation of the CEO and CFO, are set in relation to the results of Takeda's Core Financial Measures).

Constant Exchange Rate ("CER") Change

Constant Exchange Rate (CER) change eliminates the effect of foreign exchange rates from year-over-year comparisons by translating financial results in accordance with IFRS or Core (non-IFRS) financial measures for the current period using corresponding exchange rates in the same period of the previous fiscal year.

Takeda presents CER change because we believe that this measure is useful to investors to better understand the effect of exchange rates on our business, and to understand how our results of operations might have changed from year to year without the effect of fluctuations in exchange rates. These are the primary ways in which our management uses these measures to evaluate our results of operations. We also believe that this is a useful measure for investors as similar performance measures are frequently used by securities analysts, investors and other interested parties in the evaluation of the results of operations of other companies in our industry (many of whom similarly present measures that adjust for the effect of exchange rates).

The usefulness of this presentation has significant limitations including, but not limited to, that while CER change is calculated using the same exchange rates used to calculate financial results as presented under IFRS for the previous fiscal year, this does not necessarily mean that the transactions entered into during the relevant fiscal year could have been entered into or would have been recorded at the same exchange rates. Moreover, other companies in our industry using similarly titled measures may define and calculate those measures differently than we do, and therefore such measures may not be directly comparable. Accordingly, CER change at constant exchange rates should not be considered in isolation and is not, and should not be viewed as, a substitute for change in financial results as prepared and presented in accordance with IFRS. Starting from the quarter ended June 30, 2024, we ceased adjustments for CER change for the results of operations of subsidiaries in countries experiencing hyperinflation and for which IAS29, Financial Reporting in Hyperinflation Economies, is applied, because of the increased impacts of hyperinflation in the calculation of CER change using corresponding exchange rates in the same period of the previous fiscal year, effectively keeping CER change for these subsidiaries unchanged from those reported with IAS29.

Free Cash Flow and Adjusted Free Cash Flow

Takeda defines **Free Cash Flow** as cash flows from operating activities less acquisition of property, plant and equipment ("PP&E"). Takeda defines **Adjusted Free Cash Flow** as cash flows from operating activities, subtracting payments for acquisition of PP&E, intangible assets, investments and businesses, net of cash and cash equivalents acquired, and other transactional payments deemed related or similar in substance thereto as well as adding proceeds from sales of PP&E, investments (including redemptions where relevant) and businesses, net of cash and cash equivalents acquired and divested, and further adjusting for the movement of any other cash that is not available to Takeda's immediate or general business use.

Takeda presents Free Cash Flow and Adjusted Free Cash Flow because Takeda believes that these measures are useful to investors as similar measures of liquidity are frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in our industry. Adjusted Free Cash Flow is also used by our management to evaluate our liquidity and our cash flows, particularly as they relate to our ability to meet our liquidity requirements and to support our capital allocation policies. Takeda also believes that Free Cash Flow and Adjusted Free Cash Flow are helpful to investors in understanding how our strategic acquisitions and divestitures of businesses contribute to our cash flows and liquidity.

The usefulness of Free Cash Flow and Adjusted Free Cash Flow to investors has significant limitations including, but not limited to, (i) they may not be comparable to similarly titled measures used by other companies, including those in our industry, (ii) they do not reflect the effect of our current and future contractual and other commitments requiring the use or allocation of capital and (iii) the addition of proceeds from sales and redemption of investments and the proceeds from sales of business, net of cash and cash equivalents divested do not represent cash received from our core ongoing operations. Free Cash Flow and Adjusted Free Cash Flow should not be considered in isolation and are not, and should not be viewed as, substitutes for cash flows from operating activities or any other measure of liquidity presented in accordance with IFRS. The most directly comparable measure under IFRS for Free Cash Flow and Adjusted Free Cash Flow is net cash from operating activities. Starting from the quarter ended June 30, 2024, we i) changed the title of Free Cash Flow as previously represented to "Adjusted Free Cash Flow" and ii) began reporting "Free Cash Flow" as cash flows from operating activities less acquisition of PP&E. This change is intended to enhance the comparability of our Free Cash Flow disclosures to those of our peers and to better describe the nature of these measures as presented by Takeda.

EBITDA and Adjusted EBITDA

Takeda defines **EBITDA** as consolidated net profit before income tax expenses, depreciation and amortization and net interest expense. Takeda defines **Adjusted EBITDA** as EBITDA further adjusted to exclude impairment losses, other operating income and expenses (excluding depreciation and amortization), finance income and expenses (excluding net interest expense), our share of loss from investments accounted for under the equity method and other items that management believes are unrelated to our core operations such as purchase accounting effects and transaction related costs.

Takeda presents EBITDA and Adjusted EBITDA because Takeda believes that these measures are useful to investors as they are frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in our industry. Primarily, Adjusted EBITDA is used by Takeda for the purposes of monitoring its financial leverage. Takeda further believes that Adjusted EBITDA is helpful to investors in identifying trends in its business that could otherwise be obscured by certain items unrelated to ongoing operations because they are highly variable, difficult to predict, may substantially impact our results of operations and may limit the ability to evaluate our performance from one period to another on a consistent basis.

The usefulness of EBITDA and Adjusted EBITDA to investors has significant limitations including, but not limited to, (i) they may not be comparable to similarly titled measures used by other companies, including those in the pharmaceutical industry, (ii) they exclude financial information and events, such as the effects of an acquisition, or amortization of intangible assets, that some may consider important in evaluating Takeda's performance, value or prospects for the future, (iii) they exclude items or types of items that may continue to occur from period to period in the future and (iv) they may not include all items which investors may consider important to an understanding of our results of operations, or exclude all items which investors may not consider to be so. EBITDA and Adjusted EBITDA should not be considered in isolation and are not, and should not be viewed as, substitutes for operating income, net profit for the year or any other measure of performance presented in accordance with IFRS. The most closely comparable measure presented in accordance with IFRS is net profit for the period.

Net Debt and Adjusted Net Debt

Takeda defines **Net Debt** as the book value of bonds and loans on consolidated statements of financial position adjusted only for cash and cash equivalents, and **Adjusted Net Debt** first by calculating the sum of the current and non-current portions of bonds and loans as shown on our consolidated statement of financial position, which is then adjusted to reflect (i) the use of prior 12-month average exchange rates for non-JPY debt outstanding at the beginning of the period and the use of relevant spot rates for new non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period, which reflects the methodology our management uses to monitor our leverage, and (ii) the “equity credit” applied to Takeda’s “hybrid” subordinated indebtedness by S&P Global Rating Japan in recognition of the equity-like features of those instruments pursuant to such agency’s ratings methodology. To calculate Adjusted Net Debt, Takeda deducts from this figure cash and cash equivalents, excluding cash temporarily held by Takeda on behalf of third parties related to vaccine operations and to the trade receivables sales program, and debt investments classified as Level 1 in the fair value hierarchy being recorded as Other Financial Assets.

Takeda presents Net Debt and Adjusted Net Debt because Takeda believes that these measures are useful to investors in that our management uses it to monitor and evaluate our indebtedness, net of cash and cash equivalents, and, in conjunction with Adjusted EBITDA, to monitor our financial leverage (for the avoidance of doubt, Adjusted Net Debt and the ratio of Adjusted Net Debt to Adjusted EBITDA are not intended to be indicators of Takeda’s liquidity). Takeda also believes that similar measures of indebtedness are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. Particularly following the acquisition of Shire, investors, analysts and, in particular, ratings agencies, have closely monitored Takeda’s leverage, as represented by the ratio of its Adjusted Net Debt to Adjusted EBITDA. In light of the weight given by ratings agencies in particular to this ratio, Takeda believes that such information is useful to investors to help understand not only Takeda’s financial leverage, but also how ratings agencies evaluate the level of financial leverage in evaluating Takeda’s quality of credit. Accordingly, as described below, Takeda includes an adjustment to its Adjusted Net Debt to reflect the “equity credit” afforded to certain of its subordinated indebtedness by ratings agencies (such indebtedness does not qualify for treatment as equity under IFRS).

The usefulness of Adjusted Net Debt to investors has significant limitations including, but not limited to, (i) it may not be comparable to similarly titled measures used by other companies, including those in the pharmaceutical industry, (ii) it does not reflect the amounts of interest payments to be paid on Takeda’s indebtedness, (iii) it does not reflect any restrictions on Takeda’s ability to prepay or redeem any of our indebtedness, (iv) it does not reflect any fees, costs or other expenses that Takeda may incur in converting cash equivalents to cash, in converting cash from one currency into another or in moving cash within our consolidated group, (v) it applies to gross debt an adjustment for average foreign exchange rates which, although consistent with Takeda’s financing agreements, does not reflect the actual rates at which Takeda would be able to convert one currency into another and (vi) it reflects an equity credit despite the fact that Takeda’s subordinated bonds are not eligible for equity treatment under IFRS, although Takeda believes this adjustment to be reasonable and useful to investors. Adjusted Net Debt should not be considered in isolation and is not, and should not be viewed as, a substitute for bonds and loans or any other measure of indebtedness presented in accordance with IFRS. The most directly comparable measures under IFRS for Net Debt is bonds and loans. Starting from the quarter ended June 30, 2024, we i) changed the title of Net Debt as previously represented to "Adjusted Net Debt" and ii) began reporting “Net Debt” as the book value of bonds and loans on consolidated statements of financial position adjusted only for cash and cash equivalents. This change is intended to enhance the comparability of our Net Debt disclosures to those of our peers and to better describe the nature of these measures as presented by Takeda.

U.S. Dollar Convenience Translations

In the Financial Appendix, certain amounts presented in Japanese yen have been translated to U.S. dollars solely for the convenience of the reader at an exchange rate of 1USD = 160.88 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 28, 2024. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at this or any other rate.

FY2024 Q1 Reported Results with CER % Change

(Billion JPY, except EPS)	FY2023 Q1	FY2024 Q1	vs. PY			(Million USD, except EPS) FY2024 Q1 Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	1,058.6	1,208.0	149.4	14.1%	2.1%	7,509
Cost of sales	(321.1)	(387.0)	(65.8)	(20.5)%	(8.1)%	(2,405)
Gross profit	737.5	821.0	83.5	11.3%	(0.5)%	5,103
Margin	*69.7 %*	*68.0 %*		*(1.7) pp*	*(1.8) pp*	*68.0 %*
SG&A expenses	(248.1)	(270.0)	(21.9)	(8.8)%	2.4%	(1,678)
R&D expenses	(162.7)	(168.5)	(5.7)	(3.5)%	7.7%	(1,047)
Amortization of intangible assets associated with products	(123.2)	(138.6)	(15.4)	(12.5)%	0.8%	(862)
Impairment losses on intangible assets associated with products*1	(6.2)	(24.2)	(18.0)	(288.8)%	(284.1)%	(151)
Other operating income	4.3	10.9	6.6	155.7%	135.4%	68
Other operating expenses	(32.9)	(64.3)	(31.3)	(95.3)%	(72.8)%	(399)
Operating profit	168.6	166.3	(2.2)	(1.3)%	(12.0)%	1,034
Margin	*15.9 %*	*13.8 %*		*(2.2) pp*	*(2.2) pp*	*13.8 %*
Finance income	26.5	30.7	4.2	16.0%	14.5%	191
Finance expenses	(59.6)	(59.7)	(0.1)	(0.2)%	2.8%	(371)
Share of profit (loss) of investments accounted for using the equity method	(0.4)	(0.7)	(0.3)	(70.3)%	(60.3)%	(4)
Profit before tax	135.0	136.6	1.6	1.2%	(11.1)%	849
Income tax (expenses) benefit	(45.6)	(41.3)	4.3	9.5%	14.8%	(257)
Net profit for the period	89.4	95.3	5.9	6.6%	(9.2)%	592
Non-controlling interests	(0.0)	(0.1)	(0.0)	(351.2)%	(331.8)%	(0)
Net profit attributable to owners of the Company	89.4	95.2	5.9	6.5%	(9.3)%	592
Basic EPS (JPY or USD)	57.51	60.71	3.20	5.6%	(10.1)%	0.38

*1 Includes in-process R&D

When comparing results to the same period of the previous fiscal year, the amount of change and percentage change based on Actual Exchange Rates are presented in “AER” (which is presented in accordance with IFRS) and percentage change based on Constant Exchange Rate (which is a non-IFRS measure) is presented in “CER”. Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations*, for the definition of the “Constant Exchange Rate change”.

% change versus the same period of the previous fiscal year is presented as positive when favorable to profits, and negative when unfavorable to profits.

FY2024 Q1 Core Results with CER % Change

(Billion JPY, except EPS)	FY2023 Q1	FY2024 Q1	vs. PY			(Million USD, except EPS) FY2024 Q1 Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	1,058.6	1,208.0	149.4	14.1%	2.1%	7,509
Cost of sales	(321.2)	(387.1)	(65.8)	(20.5)%	(8.1)%	(2,406)
Gross profit	737.4	820.9	83.5	11.3%	(0.5)%	5,103
Margin	*69.7 %*	*68.0 %*		*(1.7) pp*	*(1.8) pp*	*68.0 %*
SG&A expenses	(248.3)	(270.2)	(21.8)	(8.8)%	2.5%	(1,679)
R&D expenses	(162.7)	(168.5)	(5.8)	(3.5)%	7.7%	(1,047)
Operating profit	326.3	382.3	55.9	17.1%	4.5%	2,376
Margin	*30.8 %*	*31.6 %*		*0.8 pp*	*0.7 pp*	*31.6 %*
Finance income	26.3	25.0	(1.3)	(4.8)%	(6.2)%	156
Finance expenses	(54.8)	(55.1)	(0.3)	(0.5)%	2.5%	(342)
Share of profit (loss) of investments accounted for using the equity method	0.8	0.4	(0.4)	(48.8)%	(57.6)%	2
Profit before tax	298.6	352.6	54.0	18.1%	4.7%	2,192
Income tax (expenses) benefit	(65.2)	(75.7)	(10.6)	(16.2)%	(7.5)%	(471)
Net profit for the period	233.4	276.9	43.5	18.6%	3.9%	1,721
Non-controlling interests	(0.0)	(0.1)	(0.0)	(351.2)%	(331.8)%	(0)
Net profit attributable to owners of the Company	233.4	276.8	43.4	18.6%	3.9%	1,721
Basic EPS (JPY or USD)	150	176	26	17.5%	2.9%	1.10

When comparing results to the same period of the previous fiscal year, the amount of change and percentage change based on Actual Exchange Rates are presented in "AER" (which is presented in accordance with IFRS) and percentage change based on Constant Exchange Rate (which is a non-IFRS measure) is presented in "CER". Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations*, for the definition of the "Constant Exchange Rate change".

% change versus the same period of the previous fiscal year is presented as positive when favorable to profits, and negative when unfavorable to profits.

FY2024 Q1 Reconciliation from Reported to Core

(Billion JPY, except EPS and number of shares)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	1,208.0					1,208.0
Cost of sales	(387.0)				(0.1)	(387.1)
Gross profit	821.0				(0.1)	820.9
SG&A expenses	(270.0)				(0.1)	(270.2)
R&D expenses	(168.5)				(0.0)	(168.5)
Amortization of intangible assets associated with products	(138.6)	138.6				—
Impairment losses on intangible assets associated with products*1	(24.2)		24.2			—
Other operating income	10.9			(10.9)		—
Other operating expenses	(64.3)			64.3		—
Operating profit	166.3	138.6	24.2	53.4	(0.3)	382.3
Margin	13.8 %					31.6 %
Finance income and (expenses), net	(29.0)				(1.0)	(30.1)
Share of profit (loss) of investments accounted for using the equity method	(0.7)				1.1	0.4
Profit before tax	136.6	138.6	24.2	53.4	(0.2)	352.6
Income tax (expenses) benefit	(41.3)	(29.0)	(7.2)	(11.4)	13.2	(75.7)
Non-controlling interests	(0.1)					(0.1)
Net profit attributable to owners of the Company	95.2	109.6	17.0	42.0	13.0	276.8
Basic EPS (JPY)	61					176
Number of shares (millions)	1,569					1,569

*1 Includes in-process R&D.

FY2023 Q1 Reconciliation from Reported to Core

(Billion JPY, except EPS and number of shares)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	1,058.6					1,058.6
Cost of sales	(321.1)				(0.1)	(321.2)
Gross profit	737.5				(0.1)	737.4
SG&A expenses	(248.1)				(0.2)	(248.3)
R&D expenses	(162.7)				(0.0)	(162.7)
Amortization of intangible assets associated with products	(123.2)	123.2				—
Impairment losses on intangible assets associated with products*1	(6.2)		6.2			—
Other operating income	4.3			(4.3)		—
Other operating expenses	(32.9)			32.9		—
Operating profit	168.6	123.2	6.2	28.7	(0.3)	326.3
Margin	15.9 %					30.8 %
Finance income and (expenses), net	(33.1)				4.6	(28.5)
Share of profit (loss) of investments accounted for using the equity method	(0.4)				1.2	0.8
Profit before tax	135.0	123.2	6.2	28.7	5.4	298.6
Income tax (expenses) benefit	(45.6)	(26.2)	(1.4)	(6.4)	14.5	(65.2)
Non-controlling interests	(0.0)					(0.0)
Net profit attributable to owners of the Company	89.4	97.0	4.9	22.2	19.9	233.4
Basic EPS (JPY)	58					150
Number of shares (millions)	1,554					1,554

*1 Includes in-process R&D.

FY2024 Q1 Adjusted Free Cash Flow

(Billion JPY)	FY2023 Q1	FY2024 Q1	vs. PY		(Million USD) FY2024 Q1 Convenience USD Translation
Net profit	89.4	95.3	5.9	6.6 %	592
Depreciation, amortization and impairment loss	179.3	218.2	38.9		1,356
Decrease (increase) in trade working capital	(153.6)	(95.3)	58.3		(592)
Income taxes paid	(55.9)	(37.8)	18.1		(235)
Tax refunds and interest on tax refunds received	3.3	2.3	(1.0)		14
Other	29.9	(12.4)	(42.3)		(77)
Net cash from operating activities (Operating Cash Flow)	92.4	170.3	77.9	84.3 %	1,059
Acquisition of PP&E	(46.0)	(57.4)	(11.5)		(357)
Free Cash Flow*1	46.4	112.9	66.4	143.0 %	702
Adjustment for cash temporarily held by Takeda on behalf of third parties*2	(30.9)	11.6	42.5		72
Proceeds from sales of PP&E	0.0	0.0	(0.0)		0
Acquisition of intangible assets*3	(223.3)	(80.4)	142.9		(499)
Acquisition of option to license	—	(15.7)	(15.7)		(98)
Acquisition of investments	(0.7)	(13.0)	(12.3)		(81)
Proceeds from sales and redemption of investments	0.5	5.3	4.8		33
Proceeds from sales of business, net of cash and cash equivalents divested	0.4	2.9	2.6		18
Adjusted Free Cash Flow*1	(207.5)	23.7	231.2	—	147

*1 Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations* for additional information on change in the titles and definitions of Free Cash Flow and Adjusted Free Cash Flow from FY2024.

*2 Adjustment for cash temporarily held by Takeda on behalf of third parties refers to changes in cash balances that are temporarily held by Takeda on behalf of third parties related to vaccine operations and the trade receivables sales program, which are not available to Takeda's immediate or general business use.

*3 Proceeds from sale of intangible assets are separately adjusted as they are recorded within operating cash flows, except certain immaterial transactions.

FY2024 Q1 Adjusted Net Debt to Adjusted EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2024 Q1
Book value of bonds and loans on consolidated statements of financial position	(5,481.0)
Cash & cash equivalents	804.3
Net Debt[*1]	(4,676.7)
Application of equity credit[*2]	250.0
FX adjustment[*3]	247.3
Cash temporarily held by Takeda on behalf of third parties[*4]	(96.2)
Level 1 debt investments[*4]	—
Adjusted Net Debt[*1]	(4,275.7)
Adjusted EBITDA (LTM)[*5]	1,382.4
Adjusted Net Debt/Adjusted EBITDA ratio	3.1x
Book value of bonds and loans on consolidated statements of financial position	(5,481.0)
Application of equity credit[*2]	250.0
FX adjustment[*3]	247.3
Adjusted Gross Debt	(4,983.7)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(Billion JPY)	FY2023 Q1	FY2024 Q1	vs. PY	
Net cash from operating activities (Operating Cash Flow)	92.4	170.3	77.9	84.3 %
Acquisition of PP&E	(46.0)	(57.4)		
Proceeds from sales of PP&E	0.0	0.0		
Acquisition of intangible assets	(223.3)	(80.4)		
Acquisition of option to license	—	(15.7)		
Acquisition of investments	(0.7)	(13.0)		
Proceeds from sales and redemption of investments	0.5	5.3		
Proceeds from sales of business, net of cash and cash equivalents divested	0.4	2.9		
Payments for the settlement of forward exchange contracts designated as net investment hedges	—	(3.0)		
Net increase (decrease) in short-term loans and commercial papers	110.0	(17.0)		
Proceeds from long-term loans	100.0	50.0		
Repayment of long-term loans	(100.1)	(50.1)		
Proceeds from issuance of bonds	—	457.6		
Proceeds from the settlement of cross currency interest rate swaps related to bonds and loans	—	46.9		
Acquisition of treasury shares	(2.3)	(1.9)		
Interest paid	(19.8)	(15.5)		
Dividends paid	(130.7)	(138.1)		
Others	(12.3)	(11.1)		
Net increase (decrease) in cash and cash equivalents	(231.9)	330.0	561.9	—

*1 Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations* for additional information on change in the titles and definitions of Net Debt and Adjusted Net Debt from FY2024.

*2 Application of equity credit includes JPY 250.0 billion reduction in debt due to a 50% equity credit applied to JPY 500.0 billion principal amount of our hybrid (subordinated) bonds and loans by S&P Global Rating Japan, given that those instruments qualify for certain equity credit for leverage purposes.

*3 FX adjustment refers to change from month-end rate to average rate used for non-JPY debt calculation outstanding at the beginning of the period to match with adjusted EBITDA (which is calculated based on average rates). New non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period are translated to JPY at relevant spot rates as of the relevant date.

*4 Adjustments related to cash temporarily held by Takeda on behalf of third parties related to vaccine operations and to the trade receivables sales program, which is not available to Takeda's immediate or general business use, and debt investments classified as Level 1 in the fair value hierarchy being recorded as Other Financial Assets.

*5 LTM represents Last Twelve Months (July 2023 - June 2024). Calculated by subtracting FY2023 Q1 from FY2023 Full Year and adding FY2024 Q1.

FY2023 Adjusted Net Debt to Adjusted EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2023
Book value of bonds and loans on consolidated statements of financial position	(4,843.8)
Cash & cash equivalents	457.8
Net Debt[*1]	(4,386.0)
Application of equity credit[*2]	250.0
FX adjustment[*3]	152.5
Cash temporarily held by Takeda on behalf of third parties[*4]	(107.8)
Level 1 debt investments[*4]	—
Adjusted Net Debt[*1]	(4,091.3)
Adjusted EBITDA	1,319.9
Adjusted Net Debt/Adjusted EBITDA ratio	3.1x
Book value of bonds and loans on consolidated statements of financial position	(4,843.8)
Application of equity credit[*2]	250.0
FX adjustment[*3]	152.5
Adjusted Gross Debt	(4,441.2)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(Billion JPY)	FY2022	FY2023	vs. PY	
Net cash from operating activities (Operating Cash Flow)	977.2	716.3	(260.8)	(26.7)%
Acquisition of PP&E	(140.7)	(175.4)		
Proceeds from sales of PP&E	1.0	8.6		
Acquisition of intangible assets	(493.0)	(305.3)		
Acquisition of investments	(10.2)	(6.8)		
Proceeds from sales and redemption of investments	22.3	8.0		
Proceeds from sales of business, net of cash and cash equivalents divested	8.0	20.0		
Net increase in short-term loans and commercial papers	40.0	277.0		
Proceeds from long-term loans	75.0	100.0		
Repayment of long-term loans	(75.2)	(100.4)		
Repayment of bonds	(281.5)	(220.5)		
Proceeds from the settlement of cross currency interest rate swaps related to bonds	—	60.1		
Purchase of treasury shares	(26.9)	(2.3)		
Interest paid	(108.6)	(100.4)		
Dividends paid	(279.4)	(287.2)		
Others	(47.0)	(93.6)		
Net increase (decrease) in cash and cash equivalents	(339.1)	(101.9)	237.2	69.9 %

*1 The FY2023 presentation included herein has been adjusted for new definitions applied starting from the quarter ended June 30, 2024; please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations* for additional information on change in the titles and definitions of Net Debt and Adjusted Net Debt from FY2024.

*2 Application of equity credit includes JPY 250.0 billion reduction in debt due to a 50% equity credit applied to JPY 500.0 billion principal amount of our hybrid (subordinated) bonds and loans by S&P Global Rating Japan, given that those instruments qualify for certain equity credit for leverage purposes.

*3 FX adjustment refers to change from month-end rate to average rate used for non-JPY debt calculation outstanding at the beginning of the period to match with adjusted EBITDA (which is calculated based on average rates). New non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period are translated to JPY at relevant spot rates as of the relevant date.

*4 Adjustments related to cash temporarily held by Takeda on behalf of third parties related to vaccine operations and to the trade receivables sales program, which is not available to Takeda's immediate or general business use, and debt investments classified as Level 1 in the fair value hierarchy being recorded as Other Financial Assets.

FY2024 Q1 Net Profit to Adjusted EBITDA Bridge

(Billion JPY)	FY2023 Q1	FY2024 Q1	vs. PY	
Net profit	89.4	95.3	5.9	6.6 %
Income tax (expenses) benefit	45.6	41.3		
Depreciation and amortization	171.5	192.2		
Interest expense, net	26.6	26.6		
EBITDA	333.2	355.4	22.2	6.7 %
Impairment losses	7.8	26.0		
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	25.7	50.7		
Finance expense (income), net, excluding interest expense, net	6.5	2.4		
Share of loss on investments accounted for under the equity method	0.4	0.7		
Other costs*1	14.6	14.9		
Adjusted EBITDA	388.2	450.1	61.9	16.0 %

*1 Includes adjustments for non-cash equity-based compensation expense and other one time non-cash expense.

FY2024 Q1 Net Profit to Adjusted EBITDA LTM Bridge

(Billion JPY)	FY2023 Full Year (Apr - Mar)	FY2023 Q1 (Apr - Jun)	FY2024 Q1 (Apr - Jun)	FY2024 Q1 LTM*1 (Jul - Jun)
Net profit	144.2	89.4	95.3	150.1
Income tax (expenses) benefit	(91.4)	45.6	41.3	(95.7)
Depreciation and amortization	728.0	171.5	192.2	748.7
Interest expense, net	108.2	26.6	26.6	108.2
EBITDA	889.0	333.2	355.4	911.3
Impairment losses	150.0	7.8	26.0	168.2
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	162.2	25.7	50.7	187.2
Finance expense (income), net, excluding interest expense, net	59.5	6.5	2.4	55.5
Share of profit (loss) on investments accounted for using the equity method	(6.5)	0.4	0.7	(6.2)
Other costs*2	69.9	14.6	14.9	70.1
Adjusted EBITDA	1,324.1	388.2	450.1	1,386.0
EBITDA from divested products*3	(4.2)			(3.6)
Adjusted EBITDA (LTM)	1,319.9			1,382.4

*1 LTM represents Last Twelve Months (July 2023 - June 2024). Calculated by subtracting FY2023 Q1 from FY2023 Full Year and adding FY2024 Q1.

*2 Includes adjustments for non-cash equity-based compensation expense and other one time non-cash expense.

*3 Represents adjustments for EBITDA from divested products which are removed as part of LTM Adjusted EBITDA.

FY2024 Q1 CAPEX, Depreciation and Amortization and Impairment Losses

(Billion JPY)	FY2023 Q1	FY2024 Q1	vs. PY		FY2024 Forecast
Capital expenditures*1	269.2	137.8	(131.4)	(48.8)%	380.0 - 420.0
Tangible assets	46.0	57.4	11.5	25.0 %	
Intangible assets	223.3	80.4	(142.9)	(64.0)%	
Depreciation and amortization	171.5	192.2	20.7	12.1 %	745.0
Depreciation of tangible assets*2 (A)	41.1	43.9	2.9	7.0 %	
Amortization of intangible assets (B)	130.4	148.3	17.9	13.7 %	
Of which Amortization associated with products (C)	123.2	138.6	15.4	12.5 %	540.0
Of which Amortization excluding intangible assets associated with products (D)	7.2	9.7	2.4	33.6 %	
Depreciation and amortization (excluding intangible assets associated with products) (A)+(D)	48.3	53.6	5.3	11.0 %	205.0
Impairment losses	7.8	26.0	18.2	232.1 %	
Impairment losses on intangible assets associated with products*3	6.2	24.2	18.0	288.8 %	50.0
Amortization and impairment losses on intangible assets associated with products	129.4	162.8	33.4	25.8 %	590.0

*1 Cash flow base

*2 Includes depreciation of investment properties

*3 Includes in-process R&D

FY2024 Full Year Detailed Forecast

	(BN JPY)	FY2023 Actual	FY2024 Forecast (May 9, 2024)	vs. PY		Variances
REPORTED	Revenue	4,263.8	4,350.0	86.2	2.0 %	Momentum of Growth & Launch products and FX benefit largely offset by LOE impact (mainly VYVANSE)
	Cost of sales	(1,426.7)	(1,500.0)	(73.3)	(5.1)%	
	Gross Profit	2,837.1	2,850.0	12.9	0.5 %	Reflects revenue growth; Gross margin negatively impacted by LOE of VYVANSE
	SG&A expenses	(1,053.8)	(1,080.0)	(26.2)	(2.5)%	Increased DD&T investment and FX headwind, partially offset by efficiency gains
	R&D expenses	(729.9)	(770.0)	(40.1)	(5.5)%	Increased investment in late-stage assets and FX headwind; Low-single-digit increase on CER basis
	Amortization of intangible assets associated with products	(521.5)	(540.0)	(18.5)	(3.5)%	Mainly FX impact
	Impairment losses on intangible assets associated with products[*1]	(130.6)	(50.0)	80.6	61.7 %	FY2023 Actual includes impairment of ALOFISEL, EXKIVITY etc.; FY2024 based on historical trends
	Other operating income	19.4	15.0	(4.4)	(22.6)%	
	Other operating expenses	(206.5)	(200.0)	6.5	3.2 %	FY2023 includes litigation expense and revaluation of contingent consideration; FY2024 includes restructuring expenses of JPY 140B
	Operating profit	214.1	225.0	10.9	5.1 %	
	Finance income (expenses), net	(167.8)	(172.0)	(4.2)	(2.5)%	
	Profit before tax	52.8	55.0	2.2	4.2 %	
	Net profit attributable to owners of the Company	144.1	58.0	(86.1)	(59.7)%	FY2023 inlcudes impact from Irish Revenue settlement; FY2024 positive tax mainly due to earnings mix
	Basic EPS (yen)	92	37	(55)	(60.1)%	
	Core Revenue[*2]	4,263.8	4,350.0	86.2	2.0 %	Momentum of Growth & Launch products and FX benefit largely offset by LOE impact (mainly VYVANSE)
	Core Operating Profit[*2]	1,054.9	1,000.0	(54.9)	(5.2)%	Product mix impact and R&D and DD&T investment, partially offset by efficiency gains and FX benefit
	Core EPS (yen)[*2]	484	431	(53)	(10.9)%	Normalization of core tax rate following lower tax rate in FY2023
	Adjusted Free Cash Flow[*2]	283.4	350.0 to 450.0			FY2024 reflects VYVANSE decline, cash impact of restructuring, and CAPEX budget for targeted licensing deals
	CAPEX (cash flow base)	(480.7)	(380.0) to (420.0)			
	Depreciation and amortization (excl. intangible assets associated with products)	(206.5)	(205.0)	1.5	0.7 %	
	Cash tax rate on Adjusted EBITDA (excl. divestitures)[*2]	~15%	Mid teen %			
	USD/JPY	144	150	6	4.1 %	
	EUR/JPY	156	160	4	2.4 %	

*1 Includes in-process R&D.

*2 Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations*, for the definition of Non-IFRS Measures and *FY2024 Full Year Reconciliation from Reported Operating Profit to Core Operating Profit Forecast*.

FY2024 Full Year Reconciliation from Reported Operating Profit to Core Operating Profit Forecast

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS			CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income (expenses) and other adjustments	
Revenue	4,350.0				4,350.0
Cost of sales	(1,500.0)				(3,350.0)
Gross Profit	2,850.0				
SG&A expenses	(1,080.0)				
R&D expenses	(770.0)				
Amortization of intangible assets associated with products	(540.0)	540.0			—
Impairment losses on intangible assets associated with products*1	(50.0)		50.0		—
Other operating income	15.0			(15.0)	—
Other operating expenses	(200.0)			200.0	—
Operating profit	225.0	540.0	50.0	185.0	1,000.0

*1 Includes in-process R&D

FY2024 Full Year FX Rates Assumptions and Currency Sensitivity vs. Forecast

Average Exchange Rates vs. JPY				Impact of depreciation of yen from April 2024 to March 2025 (100 million JPY)				
	FY2023 Actual (Apr-Jun)	FY2024 Actual (Apr-Jun)	FY2024 Assumption (Apr-Mar)		Revenue (IFRS)	Operating Profit (IFRS)	Net Profit (IFRS)	Core Operating Profit (non-IFRS)
USD	136	155	150	1% depreciation	225.6	15.0	5.0	67.2
				1 yen depreciation	150.4	10.0	3.3	44.8
EUR	148	167	160	1% depreciation	63.8	(49.4)	(41.4)	(37.5)
				1 yen depreciation	39.9	(30.9)	(25.9)	(23.5)
RUB	1.7	1.7	1.6	1% depreciation	4.5	2.6	2.1	3.1
CNY	19.6	21.4	20.9		19.9	12.2	9.8	12.2
BRL	27.1	30.4	30.4		12.6	8.7	6.9	8.8

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