



News Release

Notice of the Revised Forecast of Consolidated Financials for FY2023 (IFRS)

OSAKA, Japan, October 26, 2023 - Takeda ([TSE:4502/NYSE:TAK](https://www.takeda.com/stock)) today announced the revised forecast of the full year consolidated financials for the fiscal year ending March 31, 2024, as below.

1. Revised Forecast for Full Year Consolidated Financials for the Fiscal Year Ending March 31, 2024

(millions JPY)

	Revenue	Operating profit	Profit before income taxes	Net profit attributable to owners of the Company	Basic earnings per share
Original Forecast (A)*	3,840,000	349,000	185,000	142,000	90.75 JPY
Revised Forecast (B)	3,980,000	225,000	70,000	93,000	59.45 JPY
Discrepancy (B-A)	140,000	(124,000)	(115,000)	(49,000)	—
Change %	3.6%	(35.5)%	(62.2)%	(34.5)%	—

* Announced on May 11, 2023.

(millions JPY)

	Core Revenue	Core Operating Profit	Core EPS
Original Forecast (A)*	3,840,000	1,015,000	434 JPY
Revised Forecast (B)	3,980,000	1,015,000	447 JPY
Discrepancy (B-A)	140,000	—	—
Change %	3.6%	—	—

* Announced on May 11, 2023.

2. Reasons for Revision

Takeda expects FY2023 revenue to be JPY 3,980.0 billion, an increase of JPY 140.0 billion, or 3.6%, from the original forecast. This is predominantly due to changes in the assumptions of foreign exchange rates reflecting the trend towards depreciation of the yen.

Operating Profit forecast has been decreased by JPY 124.0 billion, or 35.5%, to JPY 225.0 billion. This is mainly due to a revised assumption of impairment losses on intangible assets associated with products, reflecting the FY2023 H1 actual results in which Takeda recorded impairment losses for ALOFISEL[®] and EXKIVITY[®]. Other Operating Expenses has also been updated to include the effect of provisions recorded in FY2023 H1 not known at the time of and therefore not included in the original forecast.

Core Operating Profit, adjusted to exclude items unrelated to Takeda's core operations, remains unchanged from the original forecast of JPY 1,015.0 billion.

Net profit for the year (attributable to owners of the Company) forecast has been decreased by JPY 49.0 billion, or 34.5%, to JPY 93.0 billion. An impact of the decrease of profit before tax is expected to be mostly offset by the tax expense reduction recorded in FY2023 H1 for the amount of JPY 63.5 billion, which resulted from a settlement with the Irish Revenue Commissioners over the tax assessment of an acquisition break fee Shire received in 2014.

Reported EPS is expected to be JPY 59.45, a decrease of 34.5%, and Core EPS is expected to be JPY 447, an increase of 3.1%.

3. Management Guidance

Takeda uses changes 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, 2024 (FY2023) has not been changed from the management guidance announced at the FY2022 financial results announcement on May 11, 2023.

	FY2023 Management Guidance CER % Change
Core Revenue	Low-single-digit % decline
Core Operating Profit	Low-10s % decline
Core EPS	Low-20s % decline

About Takeda

Takeda is focused on creating better health for people and a brighter future for the world. We aim to discover and deliver life-transforming treatments in our core therapeutic and business areas, including gastrointestinal and inflammation, rare diseases, plasma-derived therapies, oncology, neuroscience and vaccines. Together with our partners, we aim to improve the patient experience and advance a new frontier of treatment options through our dynamic and diverse pipeline. As a leading values-based, R&D-driven biopharmaceutical company headquartered in Japan, we are guided by our commitment to patients, our people and the planet. Our employees in approximately 80 countries and regions are driven by our purpose and are grounded in the values that have defined us for more than two centuries. For more information, visit www.takeda.com.

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The companies in which Takeda directly and indirectly owns investments are separate entities. In this press release, “Takeda” is sometimes used for convenience where references are made to Takeda and its subsidiaries in general. Likewise, the words “we”, “us” and “our” are also used to refer to subsidiaries in general or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies.

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