



## News Release

### **Takeda Announces Third-Quarter FY2023 Results; On-Track Towards Full-Year Management Guidance With Strong Momentum in Growth & Launch Products**

- *Two New U.S. FDA Approvals in FY2023 Q3: FRUZAQLA for Adults With Previously Treated Metastatic Colorectal Cancer and ADZYNMA for Ultra-Rare Blood Clotting Disorder cTTP*
- *Strong Commercial Execution Maximizing Value of Existing Portfolio:*
  - *ENTYVIO® Pen Launched in U.S. for Ulcerative Colitis; U.S. FDA Approval Decision on Crohn's Disease Filing Expected in early FY2024*
  - *QDENGGA® Dengue Vaccine Now Launched in 21 Countries*
  - *LIVTENCITY® Approved in China for Refractory Post-Transplant CMV*
- *Revenue Growth of +4.6% at Actual Exchange Rate (AER); Flat at Constant Exchange Rate (CER)*
- *Core Operating Profit Change of -12.7% at CER, Reflecting Generic Impact, Lower Coronavirus Vaccines Revenue and Increased Investment in R&D and Data, Digital & Technology*
- *Life-Cycle Management Approvals for HYQVIA® and GAMMAGARD LIQUID® in January Support Forward Momentum of Growth & Launch Products*
- *Confirms Full-Year Management Guidance*

**OSAKA, Japan, and CAMBRIDGE, Massachusetts, February 1, 2024** – Takeda (TSE:4502/NYSE:TAK) today announced financial results for the third quarter of fiscal year 2023 (period ended December 31, 2023). With year-to-date strong momentum in its Growth & Launch Products (+12.7% at CER) offsetting the significant revenue impact of generic entrants, Takeda remains on track towards its full-year Management Guidance.

**Takeda chief financial officer, Costa Saroukos, commented:**

“In FY2023 Q3 we made further progress in our vision to discover and deliver life-transforming treatments, receiving two new U.S. FDA approvals and broadening the reach of our existing portfolio with multiple life-cycle management approvals for our Growth & Launch Products.

“We remain on track towards our full-year Management Guidance at CER, reflecting significant generic impact, lower coronavirus vaccines revenue and investment in R&D and data, digital and technology to secure our long-term competitiveness, as well as continued strong momentum in our Growth & Launch Products.

“We continue to improve our debt profile with 100% of our debt now at fixed interest rates averaging 1.6%, and our financial foundation remains strong as we enter the fourth quarter of FY2023.”

## FINANCIAL HIGHLIGHTS

### Results for FY2023 Q3 YTD Ended December 31, 2023

(Billion yen, except percentages and per share amounts)	REPORTED		CORE <sup>(c)</sup> (Non-IFRS) <sup>(a)</sup>		
	FY2023 Q3 YTD	vs. PRIOR YEAR (Actual % change)	FY2023 Q3 YTD	vs. PRIOR YEAR (Actual % change)	vs. PRIOR YEAR (CER % change <sup>(d)</sup> )
Revenue	3,212.9	+4.6%	3,212.9	+4.6%	+0.0%
Operating Profit	224.1	-44.2%	865.6	-9.3%	-12.7%
Margin	7.0%	-6.1pp	26.9%	-4.1pp	
Net Profit	147.1	-48.6%	643.6	-9.0%	-12.2%
EPS (yen)	94	-48.9%	412	-9.7%	-12.9%
Operating Cash Flow	437.8	-36.0%			
Free Cash Flow (Non-IFRS) <sup>(a)(b)</sup>	36.3	-93.8%			

(a) Further information regarding certain of Takeda’s Non-IFRS measures is posted on Takeda’s investor relations website at <https://www.takeda.com/investors/financial-results/quarterly-results/>.

(b) We define Free Cash Flow as cash flows from operating activities, subtracting acquisition of property, plant and equipment (“PP&E”), intangible assets and investments as well as removing any other cash that is not available to Takeda’s immediate or general business use, and adding proceeds from sales of PP&E, as well as from sales of investments and businesses, net of cash and cash equivalents divested.

(c) Core results adjust our reported results calculated and presented pursuant to IFRS to exclude the effect of items unrelated to Takeda’s core operations, such as, to the extent applicable for each line item, non-recurring items, purchase accounting effects and transaction related costs, as well as amortization and impairment of intangible assets and other operating income and expenses.

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

## FY2023 OUTLOOK

### On track towards full-year FY2023 Management Guidance

(Billion yen except per share amounts)	<b>FY2023 FORECAST</b> <i>(Unchanged from October 2023)</i>	<b>FY2023 MANAGEMENT GUIDANCE</b> <b>Core Change at CER (Non-IFRS)</b> <i>(Unchanged from May 2023)</i>
Revenue	3,980.0	
Core Revenue	3,980.0	Low-single-digit % decline
Reported Operating Profit	225.0	
Core Operating Profit	1,015.0	Low-10s % decline
Reported Net Profit	93.0	
Reported EPS (yen)	59	
Core EPS (yen)	447	Low-20s % decline
Free Cash Flow*	400.0-500.0	
Annual Dividend per Share (yen)	188	

\*Free Cash Flow forecast reflects expenditures related to the acquisition of TAK-279 from Nimbus and in-licensing of FRUZAQLA (fruquintinib) from HUTCHMED.

### Additional Information About Takeda's FY2023 Q3 Earnings Results

For more details on Takeda's FY2023 Q3 results and other financial information, including key assumptions in FY2023 forecast and management guidance, please visit:  
<https://www.takeda.com/investors/financial-results/quarterly-results/>

For more information on Takeda's commercial progress across the five key business areas and pipeline updates, please visit: [https://takeda.info/qr2023\\_q3\\_qfr\\_en](https://takeda.info/qr2023_q3_qfr_en)

## 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](http://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.

The product names appearing in this document are trademarks or registered trademarks owned by Takeda, or their respective owners.

## **Forward-Looking Statements**

This press release and any materials distributed in connection with this press release may contain forward-looking statements, beliefs or opinions regarding Takeda's future business, future position and results of operations, including estimates, forecasts, targets and plans for Takeda. Without limitation, forward-looking statements often include words such as "targets", "plans", "believes", "hopes", "continues", "expects", "aims", "intends", "ensures", "will", "may", "should", "would", "could", "anticipates", "estimates", "projects" or similar expressions or the negative thereof. These forward-looking statements are based on assumptions about many important factors, including the following, which could cause actual results to differ materially from those expressed or implied by the forward-looking statements: the economic circumstances surrounding Takeda's global business, including general economic conditions in Japan and the United States; competitive pressures and developments; changes to applicable laws and regulations, including global health care reforms; challenges inherent in new product development, including uncertainty of clinical success and decisions of regulatory authorities and the timing thereof; uncertainty of commercial success for new and existing products; manufacturing difficulties or delays; fluctuations in interest and currency exchange rates; claims or concerns regarding the safety or efficacy of marketed products or product candidates; the impact of health crises, like the novel coronavirus pandemic, on Takeda and its customers and suppliers, including foreign governments in countries in which Takeda operates, or on other facets of its business; the timing and impact of post-merger integration efforts with acquired companies; the ability to divest assets that are not core to Takeda's operations and the timing of any such divestment(s); the extent to which our internal energy conservation measures and future advancements in renewable energy or low carbon energy technology will enable us to reduce our greenhouse gas emissions; and other factors identified in Takeda's most recent Annual Report on Form 20-F and Takeda's other reports filed with the U.S. Securities and Exchange Commission, available on Takeda's website at: <https://www.takeda.com/investors/sec-filings-and-security-reports/> or at [www.sec.gov](http://www.sec.gov). Takeda does not undertake to update any of the forward-looking statements contained in this report or any other forward-looking statements it may make, except as required by law or stock exchange rule. Past performance is not an indicator of future results and the results or statements of Takeda in this report may not be indicative of, and are not an estimate, forecast, guarantee or projection of Takeda's future results.

## **Financial information and Certain Non-IFRS Financial Measures**

Takeda's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

This press release and materials distributed in connection with this press release include certain financial measures not presented in accordance with IFRS, such as Core Revenue, Core Operating Profit, Core Net Profit, Core EPS, Constant Exchange Rate ("CER") change, Net Debt, EBITDA, Adjusted EBITDA and Free Cash Flow. Takeda's management evaluates results and makes operating and investment decisions using both IFRS and non-IFRS measures included in this presentation. These non-IFRS measures exclude certain income, cost and cash flow items which are included in, or are calculated differently from, the most closely comparable measures presented in accordance with IFRS. By including these non-IFRS measures, management intends to provide investors with additional information to further analyze Takeda's performance and core results, including when controlling for the effect of fluctuations in exchange rates. Takeda's non-IFRS measures are not prepared in accordance with IFRS and such non-

IFRS measures should be considered a supplement to, and not a substitute for, measures prepared in accordance with IFRS (which we sometimes refer to as “reported” measures). Investors are encouraged to review the definitions and reconciliations of non-IFRS financial measures to their most directly comparable IFRS measures, which are in the financial appendix at the end of Takeda's FY2023 Q3 investor presentation (available at [takeda.com/investors/financial-results/quarterly-results/](https://www.takeda.com/investors/financial-results/quarterly-results/)).

### **Medical information**

This press release contains information about products that may not be available in all countries, or may be available under different trademarks, for different indications, in different dosages, or in different strengths. Nothing contained herein should be considered a solicitation, promotion or advertisement for any prescription drugs including the ones under development.

Please refer to slide 17 of Takeda’s FY2023 Q3 investor presentation (available at [takeda.com/investors/financial-results/quarterly-results/](https://www.takeda.com/investors/financial-results/quarterly-results/)) for the definition of Growth & Launch Products.

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