

Returning to Growth through Innovation

Christophe Weber

Representative Director, President & CEO

June 26th, 2024 | 148th Ordinary General Meeting of Shareholders

Better Health, Brighter Future

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This presentation and any materials distributed in connection with this presentation 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", "forecasts", "outlook" 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; 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; the success of our environmental sustainability efforts, in enabling us to reduce our greenhouse gas emissions or meet our other environmental goals; the extent to which our efforts to increase efficiency, productivity or cost-savings, such as the integration of digital technologies, including artificial intelligence, in our business or other initiatives to restructure our operations will lead to the expected benefits; 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. Takeda does not undertake to update any of the forward-looking statements contained in this presentation 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 presentation 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 presentation and materials distributed in connection with this presentation 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. 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 appearing at the end of this presentation. Beginning in the first quarter of FY24, Takeda will (i) change its methodology for CER adjustments to results of subsidiaries in hyperinflation countries to present those results in a manner consistent with IAS 29, Financial Reporting in Hyperinflation Economies, and (ii) re-name Free Cash Flow as currently calculated as "Adjusted Free Cash Flow" (with "Free Cash Flow" to be reported as Operating Cash Flow less Property, Plant and Equipment). For more information about the changes, including how the new methodology would have impacted Takeda's FY23 results, refer to the Financial Appendix.

The usefulness of Core Financial Measures to investors has significant limitations including, but not limited to, (i) they are not necessarily identical 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 non-cash expenses such as dispositions 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 (however, it is Takeda's policy not to adjust out normal, recurring cash operating expenses necessary to operate our business) 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.

Exchange Rates

In this presentation, certain amounts presented in Japanese yen have been translated to US dollars solely for the convenience of the reader. Except where otherwise noted, these convenience translations have been made at an exchange rate of 1USD = 151.22 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on March 29, 2024. The rate and methodologies used for these convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of Takeda's consolidated financial statements. These translations should not be construed as a representation that the relevant Japanese yen amounts could be converted into U.S. dollars at this or any other rate.

Medical information

This presentation 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.

A Global Biopharmaceutical Company

GLOBAL HEADQUARTERS
TOKYO, JAPAN

GLOBAL HUB
BOSTON, MA, USA

~25 NEW MOLECULAR ENTITY CLINICAL STAGE ASSETS

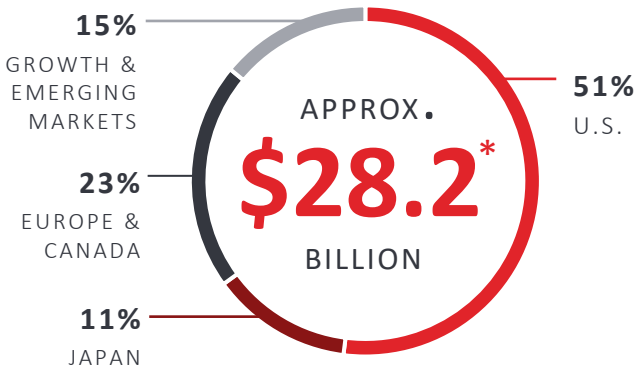
PRESENCE: APPROX. IN
80 COUNTRIES & REGIONS

25+ MANUFACTURING SITES

2 RESEARCH SITES

180+
PARTNERSHIPS TO HELP US BRING INNOVATION TO PATIENTS

FY23 REVENUE



* Convenience translation of reported JPY figures into USD at an average rate of 151.22 JPY/USD.
FY2023 revenue amount as of March 31, 2024.

FOUNDED IN
1781
OSAKA, JAPAN

OUR PEOPLE

TOP EMPLOYER® IN
24
COUNTRIES & 3 REGIONS

NUMBERS AS OF JUNE 2024
(Unless otherwise noted)

Evolving to be Fit for the Future

HEADWINDS

Underfinanced
health care systems

Increasing
pricing pressure

Geopolitical
Fragmentation

OPPORTUNITIES

Significant advances
in scientific innovation

Acceleration of data &
technology in health care

Health care prioritization
in China

Better Health for People, Brighter Future for the World

Our vision is to discover and deliver life-transforming treatments, guided by our commitment to:

PATIENT

- Responsibly translate science into highly innovative, life-changing medicines and vaccines
- Accelerate access to improve lives worldwide

PEOPLE

- Create an exceptional people experience

PLANET

- Protect our planet

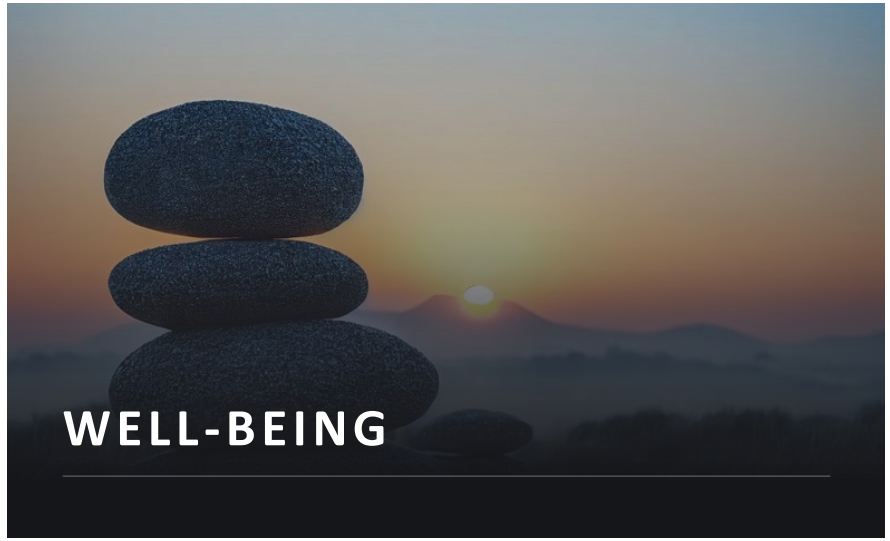
…AND BY UNLEASHING THE POWER OF DATA AND DIGITAL

- We strive to transform Takeda into the most trusted, science-driven, digital biopharmaceutical company

We are guided by our values of Takeda-ism which incorporate **Integrity**, **Fairness**, **Honesty**, and **Perseverance**, with Integrity at the core. They are brought to life through actions based on **Patient-Trust-Reputation-Business**, in that order.

Dedicated to Caring Leadership

top EMPLOYER GLOBAL 2024
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS



Diverse and Experienced Takeda Executive Team

CHRISTOPHE WEBER
Representative Director; President & CEO

AKIKO AMAKAWA
Corporate Strategy Officer, CEO Chief of Staff

ANDY PLUMP
Director; President, Research & Development

ASUKA MIYABASHIRA
President, Japan Pharma Business Unit

ELAINE SHANNON
Global Quality Officer

GABRIELE RICCI
Chief Data & Technology Officer

GILES PLATFORD
President, Plasma-Derived Therapies Business Unit

NATIONALITIES
9

JULIE KIM
President, US Business Unit

LAUREN DUPREY
Chief Human Resources Officer

MARCELLO AGOSTI
Global Business Development Officer

MILANO FURUTA
Chief Financial Officer

MWANA LUGOGO
Chief Ethics & Compliance Officer

RAMONA SEQUEIRA
President, Global Portfolio Division

WOMEN
53%

TAKAKO OHYABU
Chief Global Corporate Affairs & Sustainability Officer

TERESA BITETTI
President, Global Oncology Business Unit

THOMAS WOZNIEWSKI
Global Manufacturing & Supply Officer

YOSHIHIRO NAKAGAWA
Global General Counsel

Robust Corporate Governance Led by a Diverse Board of Directors

New Board Subject to Shareholders' Approval

3 Internal Directors

CHRISTOPHE WEBER
Representative Director,
President & CEO

MILANO FURUTA
Director,
Chief Financial Officer

ANDY PLUMP
Director, President,
Research & Development

11 Independent External Directors

MASAMI IIJIMA
External Director
Chair of the Board meeting

IAN CLARK
External Director

STEVEN GILLIS
External Director

JOHN MARAGANORE
External Director

MICHEL ORSINGER
External Director

MIKI TSUSAKA
External Director

EMIKO HIGASHI
External Director

Audit & Supervisory Committee (A&SC)

KOJI HATSUKAWA
External Director

YOSHIAKI FUJIMORI
External Director

KIMBERLY A. REED
External Director

JEAN-LUC BUTEL
External Director

COMMITTEE CHAIR & MEMBERS

CB Chair of the Board meeting

Audit & Supervisory Committee Members (FY24-FY26)

Chair, Head of A&SC, Membership of Nomination Committee and Compensation Committee will be appointed after Annual General Shareholders Meeting in June

Delivering on Our Planet Commitments

HIGHLIGHTS IN FY2023 TOWARDS NET ZERO GOALS

53% *

Reduction of scope 1 and 2 GHG emissions (40% target by FY2025) **

56% *

Suppliers with science-based climate targets (67% target by FY2024)

Committed to Nature Disclosures

* Third-party assurance currently validating and finalizing data

** Our near-term reduction target, which was set in 2020, is to reduce absolute scope 1 and 2 GHG emissions 40% by FY2025 from 2016 base year

FY2023 Results: A Tough but Well-Managed Year

Strong Momentum of Growth & Launch Products

- Revenue growth **+1.5% at CER**[1] with Loss of Exclusivity (LOE) impact mitigated by Growth & Launch products **+12.8% at CER**
- Core Operating Profit decline in-line with guidance; reflects LOE of high margin products and investment in R&D and DD&T

FY2023 RESULTS VS MANAGEMENT GUIDANCE[2]

	FY2023 GUIDANCE CHANGE AT CER	FY2023 RESULTS	
CORE REVENUE	Low-single-digit % decline	**+1.5%** at CER	☑
CORE OPERATING PROFIT	Low-10s % decline	**-13.3%** at CER	☑
CORE EPS	Low-20s % decline	**-15.7%** at CER	☑

Important Evolution of our Innovative Pipeline

- Three new U.S. product approvals (**FRUZAQLA**, **ADZYNMA**, **EOHILIA**)
- Important lifecycle management milestones including:
  - **ENTYVIO PEN** approval in the U.S.
  - **HYQVIA** and **GAMMAGARD LIQUID** approvals in CIDP
  - Further endemic country approvals of **QDENGA**
- **Zasocitinib (TAK-279)** progress into Ph3 in psoriasis and Ph2b in ulcerative colitis and Crohn's disease; Ph3 in psoriatic arthritis to commence soon
- **TAK-861** met primary and key secondary endpoints in Ph2b trial in narcolepsy type 1; Ph3 trials to start in H1 of FY24
- Data-driven decisions to not pursue regulatory filing of ALOFISEL in the U.S., to voluntarily withdraw EXKIVITY globally, and to discontinue development of three Ph2 pipeline programs in oncology (modakafusp alfa, subasumstat, TAK-007)

DD&T: Data, Digital, and Technology
1. Constant Exchange Rate. Please refer to appendix slide 24 for definition.
2. Please refer to appendix slide 24 for definition of Core financial measures and slides 25 and 26 for reconciliation

FY2024 Outlook: Expected to be Final Year of Significant Impact from VYVANSE Decline in the U.S.; Investing for Growth While Driving Efficiency to Deliver JPY 1 Trn Core Op Profit

(BN YEN, except EPS)	Reported		Core		Core change at CER
	FY2024 FORECAST	VS. PRIOR YEAR	FY2024 FORECAST	VS. PRIOR YEAR	FY2024 MANAGEMENT GUIDANCE
REVENUE	4,350.0	+2.0%	4,350.0	+2.0%	**Flat to slightly declining**
OPERATING PROFIT	225.0	+5.1%	1,000.0	-5.2%	**Approx 10% decline**
EPS	37 yen	-60.1%	431 yen	-10.9%	**Mid-10s% decline**

ADJUSTED FREE CASH FLOW	350.0 – 450.0
ANNUAL DIVIDEND PER SHARE	196 yen

1. Please refer to appendix slide 24 for definition of Core financial measures and slide 27 for reconciliation
2. From FY2024, we will re-name Free Cash Flow as currently calculated as “Adjusted Free Cash Flow” (with “Free Cash Flow” to be reported as Operating Cash Flow less Property, Plant and Equipment). See slide 24 for definition.

Positioned for Return to Revenue & Profit Growth from FY2025

Return to Sustainable Revenue Growth

Growth & Launch Products expected to represent **~50% of revenue** in FY2024 with **double-digit %** growth at CER

Advance Pipeline with Rigorous Prioritization

Prioritizing pipeline to invest in **6** late-stage assets with potential to generate significant value

Drive Efficiencies to Improve Margins

Deliver **100-250bps** Core Operating Profit margin improvement each year from FY2025 towards **low-to-mid 30s%** target

Deliver Attractive Returns to Shareholders

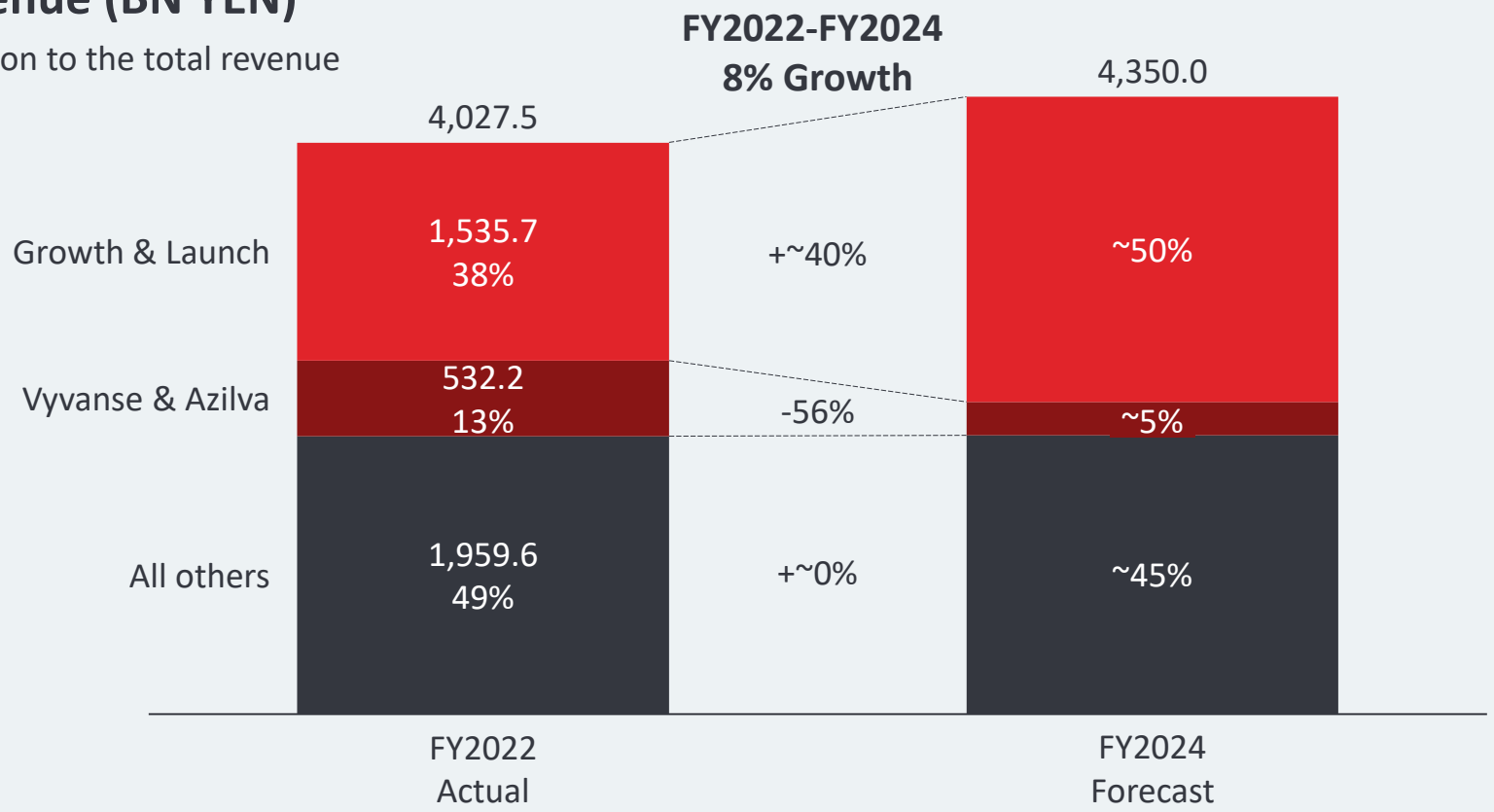
Strong cashflow outlook underpins proposed dividend increase to **196 yen per share in FY2024**

Note: Margin improvement target assumes constant FX rate

Forecasting a Return to Growth from FY2025 Following Significant Generic Exposure in FY2023 & FY2024

Reported Revenue (BN YEN)

% denotes contribution to the total revenue



Major products expected to face generic/biosimilar competition between FY2024-2029 total less than 10% of FY2023 revenue

Growth & Launch Products Expected to Represent ~50% of Total Revenue in FY2024 with Double-digit Growth Outlook at CER

Balanced Portfolio Across Six Key Business Areas

FY2024 REVENUE FORECASTS AT CER	GI	RARE DISEASES	PLASMA-DERIVED THERAPIES (PDT)	ONCOLOGY	VACCINES	NEUROSCIENCE
GROWTH & LAUNCH PRODUCTS	Entyvio® vedolizumab +16% Eohilia™ (budesonide oral suspension) 2mg *New Launch*	TAKHZYRO® (lanadelumab-flyo) injection +10% LIVTENCITY™ (maribavir) tablets 200mg +54% ADZYNMA® ADAMTS13, recombinant-krhn *New Launch*	GAMMAGARD LIQUID, HyQvia, Cuvitru IMMUNOGLOBULIN +5~15% Flexbumin, HUMANALBUMIN ALBUMIN Single-digit % growth	ALUNBRIG® BRIGATINIB +37% Fruzaqla® (fruquintinib) capsules *New Launch*	Qdenga™ Dengue Tetravalent Vaccine (Live, Attenuated) >200%	

PATIENT

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Six Key Late-Stage Programs Together have the Potential to Generate Significant Value for Patients and Takeda

Soticlestat*
(TAK-935)

Lennox-Gastaut Syndrome
Dravet Syndrome

☆

Zasocitinib
(TAK-279)

Psoriasis: Target filing FY26/27
Psoriatic Arthritis: Ph3 start FY24
*Ulcerative Colitis and Crohn's: Ph2

Fazirsiran
(TAK-999)

Alpha-1 Antitrypsin Deficiency Liver Disease: Target filing FY26/27

☆

TAK-861

Narcolepsy Type 1:
Target filing FY26/27

☆

Rusfertide
(TAK-121)

Polycythemia Vera:
Target filing FY25

☆

Mezagitamab
(TAK-079)

Immune Thrombocytopenia:
Ph3 start FY24
*Considering additional indications

☆

☆ Orphan Drug Designation potential (in any region / indication for a given asset)

*On June 17th, 2024, Takeda announced Phase 3 topline results for soticlestat. SKYLINE Study in Dravet syndrome narrowly missed its primary endpoint of reduction in convulsive seizure frequency and showed clinically meaningful and nominally significant effects in multiple key secondary efficacy endpoints. SKYWAY Study in Lennox-Gastaut syndrome missed its primary endpoint of reduction in major motor drop seizures. Soticlestat showed a consistent and favorable safety and tolerability profile in both studies. Takeda will engage with regulatory authorities to discuss the totality of the data generated by these studies to determine next steps.

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Note: Margin improvement target assumes constant FX rate

Enterprise-wide Program to Drive Efficiencies and Deliver 100-250bps of Core Operating Profit Margin Improvement Each Year from FY2025

Organizational Agility

Focus on agility and organizational simplicity, reducing layers, broadening spans, and refining operating models

Procurement Savings

Optimizing external spend through procurement-led initiatives

Data, Digital & Technology

Targeting increased productivity and efficiency across the whole enterprise through digital, automation, & AI

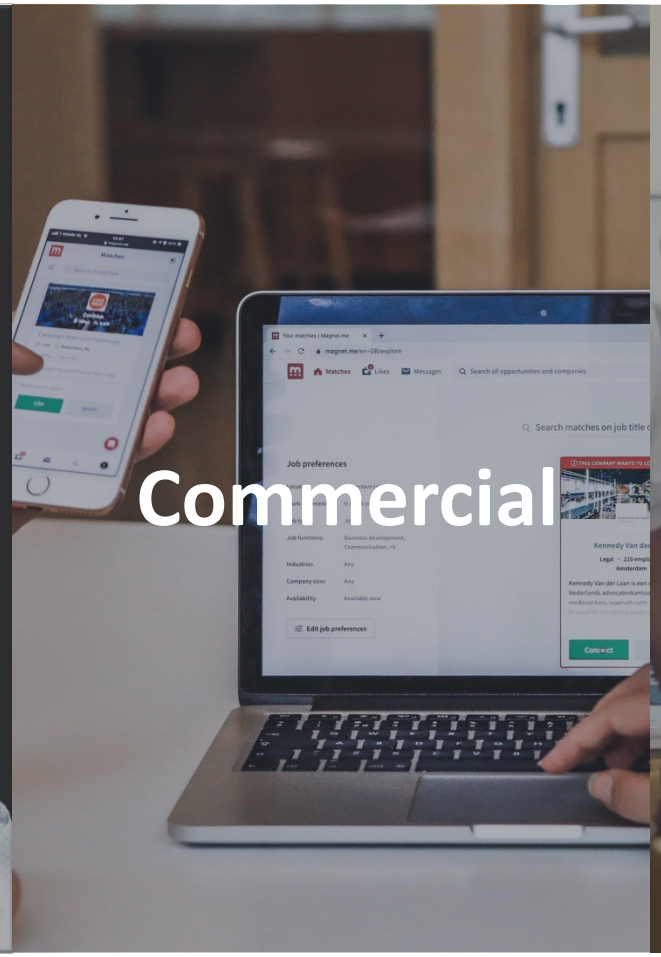
Freeing up resources to:

- Advance prioritized pipeline
- Execute new product launches
- Continue building DD&T capabilities
- Offset inflation headwinds

While aiming to deliver 100-250bps of Core Operating Profit Margin improvement each year from FY2025 towards low-to-mid 30s% target

Note: Margin improvement target assumes constant FX rate

Accelerating Our Use of Data, Technology and AI to Become the Most Trusted, Digital Biopharmaceutical Companies



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Committed to Growth & Shareholder Returns

Guided by our vision to discover and deliver life-transforming treatments, and with a focus on maintaining solid investment grade credit ratings, we will allocate capital to deliver sustainable value to patients and attractive returns to our shareholders.

INVEST IN GROWTH DRIVERS

- Strategic investment in internal & external opportunities to enhance the pipeline
- New product launches
- Plasma-Derived Therapies

SHAREHOLDER RETURNS

- Progressive dividend policy of increasing or maintaining the dividend each year
  - » Proposed increase to 196 yen in FY2024
- Share buybacks when appropriate

2024 Annual Integrated Report

Explore how we position ourselves for long-term sustainable growth, innovation and resilience, which outlines Takeda's FY2023 financial and non-financial results.

Publication scheduled on July 1, 2024.

APPENDIX

Definition of Core Financial Measures, Constant Exchange Rate Change, Free Cash Flow, and U.S. Dollar Convenience Translations

Core Financial Measures

We present our Core Financial Measures, particularly Core Revenue, Core Operating Profit, Core Net Profit for the Year and Core EPS because we believe that these measures are useful to understanding our business without the effect of items that we consider to be unrelated to the underlying trends and business performance of our core operations, including items (i) which may vary significantly from year-to-year or may not occur in each year, or (ii) whose recognition we believe is largely uncorrelated to trends in the underlying performance of our core business. We believe that similar measures are frequently used by other companies in our 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. We also present 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).

Takeda's Core Financial Measures exclude revenue from divestments, amortization and impairment losses on acquired intangible assets 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 acquired intangible assets and other non-cash items or items unrelated to the underlying trends and business performance of Takeda's core operations. **Core EPS** represents net profit 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.

Constant Exchange Rate (CER) 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. Starting from the quarter ending June 30, 2024, we will cease 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.

We present **Free Cash Flow** because we believe that this measure is 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. 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. We also believe that Free Cash Flow is helpful to investors in understanding how our strategic acquisitions and divestitures of businesses contribute to the cash flows and liquidity.

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.

The usefulness of Free Cash Flow 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 our industry, (ii) it does 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 should not be considered in isolation and is not, and should not be viewed as, a substitute 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 is net cash from operating activities. Starting from the quarter ending June 30, 2024, we will i) change the title of Free Cash Flow as currently represented to "Adjusted Free Cash Flow" and ii) report "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.

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 = 151.22 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on March 29, 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 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.

FY2023 Core Results with CER % Change

(Billion JPY, except EPS)	FY2022	FY2023	vs. PY			(Million USD, except EPS) FY2023 Convenience USD Translation
			AER		CER*1	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	4,027.5	4,263.8	236.3	5.9%	1.5%	28,196
Cost of sales	(1,208.4)	(1,426.3)	(217.9)	(18.0)%	(13.0)%	(9,432)
Gross profit	2,819.1	2,837.5	18.4	0.7%	(3.5)%	18,764
Margin	*70.0 %*	*66.5 %*		*(3.4) pp*	*(3.4) pp*	*66.5 %*
SG&A expenses	(997.3)	(1,053.0)	(55.6)	(5.6)%	(0.8)%	(6,963)
R&D expenses	(633.4)	(729.6)	(96.3)	(15.2)%	(8.3)%	(4,825)
Operating profit	1,188.4	1,054.9	(133.5)	(11.2)%	(13.3)%	6,976
Margin	*29.5 %*	*24.7 %*		*(4.8) pp*	*(4.3) pp*	*24.7 %*
Finance income	16.9	51.5	34.6	204.7%	201.2%	341
Finance expenses	(143.5)	(193.5)	(50.0)	(34.9)%	(36.0)%	(1,280)
Share of profit (loss) of investments accounted for using the equity method	0.2	5.9	5.7	3,174.0%	3,163.8%	39
Profit before tax	1,062.0	918.8	(143.2)	(13.5)%	(16.0)%	6,076
Income tax (expenses) benefit	(195.6)	(161.9)	33.7	17.2%	20.2%	(1,071)
Net profit for the year	866.4	756.9	(109.5)	(12.6)%	(15.0)%	5,005
Non-controlling interests	(0.0)	(0.1)	(0.1)	(509.7)%	(492.2)%	(1)
Net profit attributable to owners of the Company	866.4	756.8	(109.6)	(12.6)%	(15.0)%	5,005
Basic EPS (JPY or USD)	558	484	(75)	(13.4)%	(15.7)%	3.20

*1 Starting from the quarter ending June 30, 2024, we will cease 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. Had the methodology been used for FY2023 Core Results with CER % change, CER changes for core revenue, core operating profit and core net profit would have been (0.3)%, (16.0)% and (17.0)%, respectively.

When comparing results to 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 A-1 Definition of Core Financial Measures, Constant Exchange Rate Change, Free Cash Flow, and U.S. Dollar Convenience Translations, for the definition of the “Constant Exchange Rate change”.

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

FY2023 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	4,263.8					4,263.8
Cost of sales	(1,426.7)				0.4	(1,426.3)
Gross profit	2,837.1				0.4	2,837.5
SG&A expenses	(1,053.8)				0.9	(1,053.0)
R&D expenses	(729.9)				0.3	(729.6)
Amortization of intangible assets associated with products	(521.5)	521.5				—
Impairment losses on intangible assets associated with products*1	(130.6)		130.6			—
Other operating income	19.4			(19.4)		—
Other operating expenses	(206.5)			206.5		—
Operating profit	214.1	521.5	130.6	187.1	1.5	1,054.9
Margin	5.0 %					24.7 %
Finance income and (expenses), net	(167.8)				25.8	(142.0)
Share of profit (loss) of investments accounted for using the equity method	6.5				(0.5)	5.9
Profit before tax	52.8	521.5	130.6	187.1	26.8	918.8
Income tax (expenses) benefit	91.4	(108.7)	(28.6)	(43.1)	(73.0)	(161.9)
Non-controlling interests	(0.1)					(0.1)
Net profit attributable to owners of the Company	144.1	412.8	102.0	144.1	(46.2)	756.8
Basic EPS (JPY)	92					484
Number of shares (millions)	1,564					1,564

*1 Includes in-process R&D.

FY2024 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

Glossary of Abbreviations

Regional Abbreviations:
CN: China; EU: Europe; JP: Japan; UK: United Kingdom; U.S.: United States of America

AAD	American Academy of Dermatology
AATD	α1-antitrypsin deficiency
AATD LD	α1-antitrypsin deficiency associated liver disease
ACR	American College of Rheumatology
ADAMTS13	a disintegrin-like and metalloproteinase with a thrombospondin type 1 motifs 13
ADHD	attention deficit hyperactivity disorder
ALGS	Alagille syndrome
ALK	anaplastic lymphoma kinase
ALL	acute lymphocytic leukemia
AVA	Advanced Vial Access
BID	bis in die, twice a day
BLA	biologics license application
BTD	breakthrough therapy designation
CAR NK	chimeric antigen receptor natural killer cell
CHMP	Committee for Medicinal Products for Human Use
CIDP	chronic inflammatory demyelinating polyradiculoneuropathy
CML	chronic myeloid leukemia
CMV	cytomegalovirus
CPF	complex perianal fistulas
CRC	colorectal cancer
CRL	complete response letter
CRPC	castrate-resistant prostate cancer
CTCL	cutaneous T-cell lymphoma
cTTP	congenital thrombotic thrombocytopenic purpura
DOAC	direct oral anti-coagulation
DS	Dravet syndrome
DSQ	Dysphagia Symptom Questionnaire
EGFR	epidermal growth factor receptor
EMA	European Medicines Agency
EoE	eosinophilic esophagitis
ESS	Epworth Sleepiness Scale
FDA	U.S. Food & Drug Administration
FL	front line
FSI	first subject in
FY	fiscal year
GI	gastrointestinal
GvHD	graft versus host disease
H2H	head-to-head
HAE	hereditary angioedema
HemA	hemophilia A
HL	Hodgkin lymphoma
IARS	International Anesthesia Research Society
IBD	inflammatory bowel disease
IgA	immunoglobulin A
IgAN	immunoglobulin A nephropathy
IgG	immunoglobulin G
IH	idiopathic hypersomnia
IND	investigational new drug
INN	international non-proprietary name
IT	intrathecal
ITP	immune thrombocytopenia
iTTP	immune thrombotic thrombocytopenic purpura
IV	intravenous
JAK	Janus kinase
LCM	lifecycle management
LGS	Lennox-Gastaut syndrome
mCRC	metastatic colorectal cancer
mCRPC	metastatic castrate-resistant prostate cancer
MDD	major depressive disorder
MG	myasthenia gravis
MLD	metachromatic leukodystrophy
MM	multiple myeloma
MMN	multifocal motor neuropathy
MSA	multiple system atrophy
MWT	maintenance of wakefulness test
NASH	non-alcoholic steatohepatitis
ND	newly diagnosed
NDA	new drug application
NEJM	New England Journal of Medicine
NK	natural killer
NME	new molecular entity
NMPA	(China's) National Medical Products Administration
NSCLC	non-small cell lung cancer
NT1 or 2	narcolepsy type 1 or 2
PASI	psoriasis area and severity index
PFIC	progressive familial intrahepatic cholestasis
Ph+ ALL	Philadelphia chromosome-positive acute lymphoblastic leukemia
PID	primary immunodeficiency
PK	pharmacokinetics
PMDA	Japan's Pharmaceuticals and Medical Devices Agency
POC	proof of concept
PRIME	Priority medicines scheme by EMA
PTCL-NOS	peripheral T-cell lymphoma not otherwise specified
QD	quaque die, every day
R/R	relapsed/refractory
RTU	ready to use
SC	subcutaneous formulation
SCD	sickle cell disease
SCPCD	severe congenital protein C deficiency
SCT	stem cell transplant
SID	secondary immunodeficiency
SLE	systemic lupus erythematosus
SOC	standard of care
TEAE	treatment emergent adverse event
TKI	tyrosine kinase inhibitor
TTP	thrombotic thrombocytopenic purpura
TYK2	tyrosine kinase 2
UC	ulcerative colitis
VEGFR	vascular endothelial growth factor receptors
vWD	von Willebrand disease
WCR	weekly cataplexy rate
WW	Worldwide

Better Health, Brighter Future