



Takeda Quarterly Financial Report

For the Quarter Ended September 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

(JPY millions)	Six-month Period Ended September 30,		AER*		CER*
	2023	2024	Amount of Change	% Change	% Change
Revenue	2,101,707	2,384,028	282,321	13.4 %	5.0 %
Operating profit	119,230	350,576	231,346	194.0 %	173.1 %
Profit before tax	39,053	255,976	216,923	555.5 %	500.1 %
Net profit for the period	41,436	187,406	145,971	352.3 %	306.2 %
Net profit for the period attributable to owners of the Company	41,365	187,294	145,929	352.8 %	306.6 %
Basic earnings per share (JPY)	26.51	118.85	92.34	348.4 %	302.7 %

* 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

(JPY billions)	Six-month Period Ended September 30,		AER*		CER*
	2023	2024	Amount of Change	% Change	% Change
Core revenue	2,101.7	2,384.0	282.3	13.4 %	5.0 %
Core operating profit	588.8	719.9	131.2	22.3 %	12.9 %
Core net profit for the period	407.8	489.2	81.4	20.0 %	8.9 %
Core net profit for the period attributable to owners of the Company	407.7	489.1	81.4	20.0 %	8.9 %
Core EPS (JPY)	261	310	49	18.8 %	7.9 %

* 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

(JPY billions)	As of	
	March 31, 2024	September 30, 2024
Adjusted Net debt	(4,091.3)	(4,195.1)
Adjusted EBITDA	1,319.9	1,459.2
Adjusted Net debt/Adjusted EBITDA ratio	3.1 x	2.9 x

Consolidated Cash Flows

(JPY millions)	Six-month Period Ended September 30,		Change versus the same period of the previous fiscal year	
	2023	2024	JPY	%
Cash flows from (used in) operating activities	291,305	451,267	159,962	54.9 %
Cash flows from (used in) investing activities	(327,109)	(231,824)	95,285	29.1 %
Cash flows from (used in) financing activities	(198,433)	206,336	404,768	—

Adjusted Free Cash Flow

(JPY billions)	Six-month Period Ended September 30,		Change versus the same period of the previous fiscal year	
	2023	2024	JPY	%
Adjusted Free Cash Flow	(71.1)	247.5	318.7	—

Consolidated Financial Position

(JPY millions)	As of		Change versus the previous fiscal year-end	
	March 31, 2024	September 30, 2024	JPY	%
Non-current Assets	12,550,212	11,518,988	(1,031,224)	(8.2) %
Current Assets	2,558,580	3,054,013	495,432	19.4 %
Total Assets	15,108,792	14,573,000	(535,792)	(3.5)%
Non-current Liabilities	5,521,684	5,264,166	(257,518)	(4.7) %
Current Liabilities	2,313,103	2,387,237	74,134	3.2 %
Total Liabilities	7,834,788	7,651,403	(183,385)	(2.3)%
Equity	7,274,005	6,921,597	(352,407)	(4.8)%
Total liabilities and equity	15,108,792	14,573,000	(535,792)	(3.5)%

Forecast and Management Guidance

Forecast*

(JPY billions)	Original Forecast (May 9, 2024)	Revised Forecast (October 31, 2024)	Change vs. Original Forecast	
Revenue	4,350.0	4,480.0	130.0	3.0 %
Gross Profit	2,850.0	2,925.0	75.0	2.6 %
Operating profit	225.0	265.0	40.0	17.8 %
Profit before tax	55.0	93.0	38.0	69.1 %
Net profit for the year (attributable to owners of the Company)	58.0	68.0	10.0	17.2 %
EPS (JPY)	36.70	43.03	6.33	17.2 %
Non-IFRS Measures				
Core Revenue	4,350.0	4,480.0	130.0	3.0 %
Core Operating Profit	1,000.0	1,050.0	50.0	5.0 %
Core EPS (JPY)	431	456	26	5.9 %
Dividends per share (JPY)	196	196	—	—

*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.

CER % Change *

	Original Management Guidance (May 9, 2024)	Revised Management Guidance (October 31, 2024)
Core Revenue	Flat to slightly declining	Flat to slightly increasing
Core Operating Profit	Approx 10% decline	Mid-single-digit % decline
Core EPS	Mid-10s% decline	Approx 10% 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)						
		Six-month Period Ended September 30,						
	Japan	United States	Europe and Canada	Asia (excluding Japan)	Latin America	Russia/CIS	Other	Total
2023	228,528	1,104,762	459,968	123,276	92,069	31,090	62,014	2,101,707
2024	216,355	1,247,559	533,004	140,005	132,536	42,951	71,618	2,384,028
Change versus the previous year	JPY (12,173)	142,797	73,035	16,729	40,467	11,861	9,604	282,321
	% (5.3)%	12.9 %	15.9 %	13.6 %	44.0 %	38.2 %	15.5 %	13.4 %

"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 six-month period ended September 30, 2024 were JPY 344.0 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 (PDT) 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. Zascotinib (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, 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)

- In August 2024, Takeda announced that the European Commission (EC) approved ADZYNMA for the treatment of ADAMTS13 deficiency in children and adult patients with congenital thrombotic thrombocytopenic purpura (cTTP). This

approval includes confirmation of orphan medicinal product designation and follows a positive opinion from the Committee for Medicinal Products for Human Use (CHMP), as announced in May 2024. The EC approval was supported by the totality of evidence provided by the interim analysis of efficacy, pharmacokinetic, safety and tolerability data from the first randomized, controlled open-label, crossover Phase 3 trial in cTTP, as well as safety and efficacy data from the continuation trial. Data from the Phase 3 trial were published in *The New England Journal of Medicine* in May 2024.

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/ μ L 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); 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 global FRESCO-2 trial.
- In September 2024, Takeda announced that it received approval from the Japanese Ministry of Health, Labour and Welfare (MHLW) to manufacture and market FRUZAQLA Capsules 1mg/5mg, a selective oral inhibitor of vascular endothelial growth factor receptor (VEGFR) -1, -2 and -3, for the treatment of advanced or recurrent colorectal cancer (CRC) that is

neither curable nor resectable and that has progressed after chemotherapy. The approval is based primarily on the results of the global Phase 3 FRESCO-2 trial.

NINLARO / Generic name: ixazomib

- In August 2024, Takeda announced that it received manufacturing and marketing approval from the Japanese Ministry of Health, Labour and Welfare (MHLW) for NINLARO Capsule 0.5 mg as an additional dosage form. The new formulation will provide patients with a novel treatment option (1.5 mg dose (3 x 0.5 mg capsules)) for maintenance therapy in cases of multiple myeloma with a lower dose formulation of NINLARO, allowing for more appropriate dosage adjustments in line with the patient's condition by enabling smaller dose adjustments than were previously possible. The approval is based primarily on the results of the global Phase 3 TOURMALINE-MM3 and TOURMALINE-MM4 clinical trials.

CABOMETYX / Generic name: cabozantinib

- In September 2024, Takeda announced detailed final overall survival (OS) results from CONTACT-02, a Phase 3 study led by Exelixis, evaluating cabozantinib in combination with atezolizumab, an immune checkpoint inhibitor, compared with a second novel hormonal therapy (NHT) in patients with metastatic castration-resistant prostate cancer (mCRPC) and measurable extra-pelvic soft tissue disease who have progressed on one prior NHT. These data were presented at the 2024 European Society for Medical Oncology Congress (ESMO 2024). The dual primary endpoints for CONTACT-02 were progression-free survival (PFS) and OS. At a median follow-up of 24.0 months, the final analysis of OS showed a numerical but not statistically significant improvement favoring cabozantinib in combination with atezolizumab (hazard ratio: 0.89; 95% confidence interval: 0.72-1.10; p=0.296). An improvement in OS was observed in multiple subgroups, notably in patients with bone or liver metastases.

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.
- In August 2024, Takeda announced that it submitted an application to the Japanese Ministry of Health, Labour and Welfare (MHLW) for manufacturing and marketing approval of immunoglobulin (IG) infusion 10% (human) w/ recombinant human hyaluronidase for subcutaneous administration (TAK-771) for the expected indications of slowing of progression of motor weakness in CIDP (including multifocal motor neuropathy (MMN)). The application is based on a Phase 3 study in Japanese patients with CIDP and MMN as well as two Phase 3 studies in patients with CIDP conducted outside of Japan.

Vaccines

In Vaccines, Takeda is applying innovation to tackle some of the world's most challenging infectious diseases such as dengue (QDenga (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.

NUVAXOVID Intramuscular Injection / Generic name: Recombinant coronavirus (SARS-CoV-2) vaccine

- In September 2024, Takeda announced that the Japanese Ministry of Health, Labour and Welfare (MHLW) granted manufacturing and marketing approval for the recombinant coronavirus (SARS-CoV-2) vaccine NUVAXOVID Intramuscular Injection 1 mL for the prevention of infectious disease caused by SARS-CoV-2 for which a New Drug Application was submitted in April 2024. It is a monovalent vaccine for the Omicron JN.1 variant. Unlike the special temporary vaccination program in response to the emergency to prevent the spread during the pandemic, NUVAXOVID Intramuscular Injection 1 mL is a one vial formulation containing two 0.5mL doses that is suitable for distribution and use when it is not expected that a large number of people will be vaccinated in one day. The approval was based on clinical and quality data related to change of antigen strain, as well as non-clinical data in which NUVAXOVID demonstrated induction of neutralizing antibodies against the JN.1 variant and its subvariants including KP.2 and KP.3.

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 H1	FY2024 H1	AER		CER
			Amount of Change	% Change	% Change
Revenue	2,101.7	2,384.0	282.3	13.4 %	5.0 %
Cost of sales	(664.7)	(781.3)	(116.6)	17.5 %	9.2 %
Selling, general and administrative expenses	(501.1)	(538.3)	(37.2)	7.4 %	(0.4)%
Research and development expenses	(346.7)	(344.0)	2.7	(0.8)%	(8.3)%
Amortization and impairment losses on intangible assets associated with products	(369.7)	(305.2)	64.4	(17.4)%	(23.9)%
Other operating income	9.9	13.9	4.1	41.1 %	32.9 %
Other operating expenses	(110.2)	(78.5)	31.7	(28.8)%	(35.2)%
Operating profit	119.2	350.6	231.3	194.0 %	173.1 %
Finance income and (expenses), net	(81.8)	(93.4)	(11.6)	14.1 %	10.3 %
Share of profit (loss) of investments accounted for using the equity method	1.6	(1.2)	(2.9)	—	—
Profit before tax	39.1	256.0	216.9	555.5 %	500.1 %
Income tax (expenses) benefit	2.4	(68.6)	(71.0)	—	—
Net profit for the period	41.4	187.4	146.0	352.3 %	306.2 %
Net profit for the period attributable to owners of the Company	41.4	187.3	145.9	352.8 %	306.6 %

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 six-month period ended September 30, 2024 was JPY 2,384.0 billion (JPY +282.3 billion and +13.4% AER, +5.0% 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 5.8 billion (JPY -17.8 billion and -75.4% AER, -75.4% CER) following the entry of generic competitors in Japan beginning in June 2023.

Revenue by Geographic Region

The following shows revenue by geographic region:

Revenue:	Billion JPY or percentage				
	FY2023 H1	FY2024 H1	AER		CER
			Amount of Change	% Change	% Change
Japan	228.5	216.4	(12.2)	(5.3)%	(5.6)%
United States	1,104.8	1,247.6	142.8	12.9 %	3.1 %
Europe and Canada	460.0	533.0	73.0	15.9 %	6.1 %
Asia (excluding Japan)	123.3	140.0	16.7	13.6 %	6.4 %
Latin America	92.1	132.5	40.5	44.0 %	36.4 %
Russia/CIS	31.1	43.0	11.9	38.2 %	31.1 %
Other* ¹	62.0	71.6	9.6	15.5 %	7.8 %
Total	2,101.7	2,384.0	282.3	13.4 %	5.0 %

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

Revenue by Business Area

The following shows revenue by business area:

Revenue:	Billion JPY or percentage				
	FY2023 H1	FY2024 H1	AER		CER
			Amount of Change	% Change	% Change
GI	596.9	695.2	98.3	16.5 %	7.6 %
Rare Diseases	340.9	388.7	47.8	14.0 %	5.3 %
PDT	430.2	535.7	105.5	24.5 %	14.3 %
Oncology	225.2	285.0	59.8	26.6 %	18.7 %
Vaccines	17.8	38.1	20.3	114.0 %	107.0 %
Neuroscience	330.7	314.6	(16.1)	(4.9)%	(12.3)%
Other	160.1	126.8	(33.2)	(20.8)%	(24.9)%
Total	2,101.7	2,384.0	282.3	13.4 %	5.0 %

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

GI

In GI, revenue was JPY 695.2 billion (JPY +98.3 billion and +16.5% AER, +7.6% CER).

Sales of ENTYVIO (for ulcerative colitis (“UC”) and Crohn’s disease (“CD”)) were JPY 473.2 billion (JPY +81.5 billion and +20.8% AER, +10.7% CER). Sales in the U.S. were JPY 326.6 billion (JPY +55.5 billion and +20.5% AER). The increase was due to favorable foreign exchange rates, increased demand in the first line biologic inflammatory bowel disease (“IBD”) population and initial patient gains after the launch of the subcutaneous formulation. Sales in Europe and Canada were JPY 112.5 billion (JPY +20.5 billion and +22.3% AER). The increase was primarily due to new patient gains by an increased use of the subcutaneous formulation and favorable foreign exchange rates.

Sales of GATTEX/REVESTIVE (for short bowel syndrome) were JPY 73.3 billion (JPY +14.4 billion and +24.4% AER, +14.6% CER). The increase was primarily due to increased demand in the U.S., expansion activities (pediatric indication label expansion), and favorable exchange rates.

Rare Diseases

In Rare Diseases, revenue was JPY 388.7 billion (JPY +47.8 billion and +14.0% AER, +5.3% CER).

Sales of TAKHZYRO (for hereditary angioedema) were JPY 111.0 billion (JPY +24.0 billion and +27.5% AER, +16.7% CER). The increase was primarily due to 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 53.1 billion (JPY +7.4 billion and +16.3% AER, +8.0% CER). The increase was primarily due to favorable foreign exchange rates, and strong demand in the Growth and Emerging Markets.

Sales of LIVTENCITY (for post-transplant cytomegalovirus (“CMV”) infection/disease) were JPY 15.5 billion (JPY +7.2 billion and +86.2% AER, +70.5% 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 the Growth and Emerging Markets.

Sales of enzyme replacement therapy REPLAGAL (for Fabry disease) were JPY 41.3 billion (JPY +5.1 billion and +14.1% AER, +6.9% CER). The increase was due to increased demand in the Growth and Emerging Markets, complemented by favorable foreign exchange rates.

PDT

In PDT, revenue was JPY 535.7 billion (JPY +105.5 billion and +24.5% AER, +14.3% CER).

Aggregate sales of immunoglobulin products were JPY 391.0 billion (JPY +81.9 billion and +26.5% AER, +15.9% 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 70.3 billion (JPY +11.4 billion and +19.3% AER, 11.0% CER). The increase was primarily driven by strong albumin demand in China, complemented by favorable foreign exchange rates.

Oncology

In Oncology, revenue was JPY 285.0 billion (JPY +59.8 billion and +26.6% AER, +18.7% CER).

Sales of FRUZAQLA (for colorectal cancer), which was first launched in the U.S. in November 2023, followed by several other countries, were JPY 23.1 billion.

Sales of ADCETRIS (for malignant lymphomas) were JPY 68.2 billion (JPY +14.0 billion and +25.7% AER, +17.4% CER). The increase was led by strong demand in the 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 60.4 billion (JPY +11.7 billion and +23.9% AER, +18.7% 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 35.4 billion (JPY +8.4 billion and +30.9% AER, +19.9% 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 in March 2024, as well as favorable foreign exchange rates.

Vaccines

In Vaccines, revenue was JPY 38.1 billion (JPY +20.3 billion and +114.0% AER, +107.0% CER).

Sales of QDENG A (for dengue) were JPY 19.9 billion (JPY +17.9 billion and +927.6% AER, +863.1% CER). The increase was due to the expansion of QDENG A availability in endemic countries, now reaching over 20 countries including non-endemic countries.

Sales of other vaccine products in aggregate increased primarily due to the approval of NUVAXOVID, a COVID-19 vaccine for the Omicron JN.1 variant, in Japan in September 2024.

Neuroscience

In Neuroscience, revenue was JPY 314.6 billion (JPY -16.1 billion and -4.9% AER, -12.3% CER).

Sales of VYVANSE/ELVANSE (for ADHD) were JPY 203.2 billion (JPY -23.1 billion and -10.2% 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 64.1 billion (JPY +13.2 billion, and +25.8% AER, +16.1% CER). The increase was due to the sales increase in the U.S.

Sales of ADDERALL XR (for ADHD) were JPY 16.8 billion (JPY -5.8 billion and -25.6% AER, -31.5% 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., after many months of supply disruptions, which negatively impacted ADDERALL XR.

Cost of Sales

Cost of Sales was JPY 781.3 billion (JPY +116.6 billion and +17.5% AER, +9.2% CER). The increase was primarily due to the depreciation of the Japanese yen and revenue growth in our six key business areas with a change in product mix as compared to the six-month period ended September 30, 2023.

Selling, General and Administrative (SG&A) expenses

SG&A expenses were JPY 538.3 billion (JPY +37.2 billion and +7.4% AER, -0.4% 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 344.0 billion (JPY -2.7 billion and -0.8% AER, -8.3% CER). The decrease was mainly due to lower expenses attributable to termination of development programs such as modakafusp alfa (TAK-573) and EXKIVITY (for non-small cell lung cancer) partially offset by the depreciation of the Japanese yen.

Amortization and Impairment Losses on Intangible Assets Associated with Products

Amortization and Impairment Losses on Intangible Assets Associated with Products was JPY 305.2 billion (JPY -64.4 billion and -17.4% AER, -23.9% CER). Amortization expenses increased by JPY 23.6 billion mainly due to the depreciation of the Japanese yen. Impairment losses decreased by JPY 88.0 billion primarily due to higher impairment losses recorded for the six-month period ended September 30, 2023, including JPY 74.0 billion impairment charges for ALOFISEL (for complex Crohn's perianal fistulas) and JPY 28.5 billion for EXKIVITY (for non-small cell lung cancer). Impairment losses recorded for the six-month period ended September 30, 2024 includes a full impairment of intangible assets for soticlestat (TAK-935) amounting to JPY 21.5 billion following the results of the phase 3 studies.

Other Operating Income

Other Operating Income was JPY 13.9 billion (JPY +4.1 billion and +41.1% AER, +32.9% CER). The increase was mainly due to a JPY 6.1 billion gain recognized on completion of the sale of TACHOSIL (fibrin sealant patch), including a related manufacturing facility, during the six-month period ended September 30, 2024.

Other Operating Expenses

Other Operating Expenses were JPY 78.5 billion (JPY -31.7 billion and -28.8% AER, -35.2% CER). The decrease was primarily due to higher reserve and provisions for legal proceedings during the six-month period ended September 30, 2023, including those recorded for the supply agreement litigation of AbbVie, Inc. (AbbVie), and favorable impact from reversal of valuation reserve for pre-launch inventories during the six-month period ended September 30, 2024. These decreases were partially offset by an increase in restructuring expenses of JPY 23.1 billion mainly due to the enterprise-wide efficiency program during the six-month period ended September 30, 2024.

Operating Profit

As a result of the above factors, Operating Profit was JPY 350.6 billion (JPY +231.3 billion and +194.0% AER, +173.1% CER).

Net Finance Expenses

Net Finance Expenses were JPY 93.4 billion (JPY +11.6 billion and +14.1% AER, +10.3% CER). The increase of Net Finance Expenses was primarily due to an impairment loss of JPY 18.3 billion as a result of the classification of Teva Takeda Pharma Ltd. shares to the assets held for sale for the six-month period ended September 30, 2024, partially offset by an increase in interest income.

Share of Loss of Investments Accounted for Using the Equity Method

Share of Loss of Investments Accounted for Using the Equity Method was JPY 1.2 billion (JPY -2.9 billion, compared to Share of Profit of Investments Accounting for Using the Equity Method of JPY 1.6 billion for the six-month period ended September 30, 2023).

Income Tax (Expenses) Benefit

Income Tax Expenses was JPY 68.6 billion (JPY +71.0 billion, compared to Income Tax Benefit of JPY 2.4 billion for the six-month period ended September 30, 2023). The increase was primarily due to a tax expense reduction of JPY 63.5 billion recorded during the six-month period ended September 30, 2023 resulting from the reversal of the income taxes payable in

excess of the settlement with Irish Revenue Commissioners with respect to a tax assessment related to the treatment of an acquisition break fee Shire received from AbbVie in 2014 as well as higher pretax earnings during the six-month period ended September 30, 2024. These increases were partially offset by a decrease in tax expenses from the increase in tax credit recognized during the six-month period ended September 30, 2024.

Net Profit for the Period

As a result of the above factors, Net Profit for the Period was JPY 187.4 billion (JPY +146.0 billion and +352.3% AER, +306.2% CER) and Net Profit for the Period attributable to owners of the Company was JPY 187.3 billion (JPY +145.9 billion and +352.8% AER, +306.6% CER).

Results of Core Financial Measures

Definition and Explanation 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

	FY2023 H1	FY2024 H1	Billion JPY or percentage		
			AER		CER
			Amount of Change	% Change	% Change
Core revenue	2,101.7	2,384.0	282.3	13.4 %	5.0 %
Core operating profit	588.8	719.9	131.2	22.3 %	12.9 %
Core net profit for the year	407.8	489.2	81.4	20.0 %	8.9 %
Core net profit for the period attributable to owners of the Company	407.7	489.1	81.4	20.0 %	8.9 %
Core EPS (yen)	261	310	49	18.8 %	7.9 %

Core Revenue

Core Revenue for the six-month period ended September 30, 2024 was JPY 2,384.0 billion (JPY +282.3 billion and +13.4% AER, +5.0% 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 1,127.0 billion (JPY +256.1 billion and +29.4% AER, +18.7% 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: QDENG A

Core Operating Profit

Core Operating Profit for the six-month period ended September 30, 2024 was JPY 719.9 billion (JPY +131.2 billion and +22.3% AER, +12.9% CER). The components of Core Operating Profit are as below:

	FY2023 H1	FY2024 H1	Billion JPY or percentage		
			AER		CER
			Amount of Change	% Change	% Change
Core revenue	2,101.7	2,384.0	282.3	13.4 %	5.0 %
Core cost of sales	(664.8)	(781.5)	(116.6)	17.5 %	9.2 %
Core selling, general and administrative (SG&A) expenses	(501.4)	(538.5)	(37.1)	7.4 %	(0.5)%
Core research and development (R&D) expenses	(346.7)	(344.1)	2.6	(0.7)%	(8.3)%
Core operating profit	588.8	719.9	131.2	22.3 %	12.9 %

During the periods presented, these items fluctuated as follows:

Core Cost of Sales

Core Cost of Sales was JPY 781.5 billion (JPY +116.6 billion and +17.5% AER, +9.2% CER). The increase was primarily due to the depreciation of the Japanese yen and revenue growth in our six key business areas with a change in product mix as compared to the six-month period ended September 30, 2023.

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

Core SG&A expenses were JPY 538.5 billion (JPY +37.1 billion and +7.4% AER, -0.5% CER). The increase was mainly due to the depreciation of the Japanese yen partially offset by various cost efficiencies.

Core Research and Development (R&D) Expenses

Core R&D expenses were JPY 344.1 billion (JPY -2.6 billion and -0.7% AER, -8.3% CER). The decrease was mainly due to lower expenses attributable to termination of development programs such as modakafusp alfa (TAK-573) and EXKIVITY (for non-small cell lung cancer) partially offset by the depreciation of the Japanese yen.

Core Net Profit for the Period

Core Net Profit for the Period was JPY 489.2 billion (JPY +81.4 billion and +20.0% AER, +8.9% CER) and Core Net Profit attributable to owners of the Company was JPY 489.1 billion (JPY +81.4 billion and +20.0% AER, +8.9% CER) and are calculated from Core Operating Profit as below:

	FY2023 H1	FY2024 H1	Billion JPY or percentage		
			AER		CER
			Amount of Change	% Change	% Change
Core operating profit	588.8	719.9	131.2	22.3 %	12.9 %
Core finance income and (expenses), net	(63.8)	(73.3)	(9.5)	14.8 %	10.1 %
Core share of profit of investments accounted for using the equity method	2.3	1.6	(0.6)	(27.7)%	(30.7)%
Core profit before tax	527.2	648.3	121.1	23.0 %	13.0 %
Core income tax expenses	(119.4)	(159.1)	(39.6)	33.2 %	27.1 %
Core net profit for the period	407.8	489.2	81.4	20.0 %	8.9 %
Core net profit for the period attributable to owners of the Company	407.7	489.1	81.4	20.0 %	8.9 %

During the periods presented, these items fluctuated as follows:

Core Net Finance Expenses

Core Net Finance Expenses were JPY 73.3 billion (JPY +9.5 billion and +14.8% AER, +10.1% 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 1.6 billion (JPY -0.6 billion and -27.7% AER, -30.7% CER).

Core Profit Before Tax

Core Profit Before Tax was JPY 648.3 billion (JPY +121.1 billion and +23.0% AER, +13.0% CER).

Core Income Tax Expenses

Core Income Tax Expenses were JPY 159.1 billion (JPY +39.6 billion and +33.2% AER, +27.1% CER). The increase was due to higher core tax charges including those from the write-down of deferred tax assets, partially offset by a decrease in core tax expenses from an increase in tax credits recognized during the six-month period ended September 30, 2024.

Core EPS

Core EPS was JPY 310 (JPY +49 and +18.8% AER, +7.9% CER).

Consolidated Financial Position

	Billion JPY		
	As of		Change
	March 31, 2024	September 30, 2024	
Total Assets	15,108.8	14,573.0	(535.8)
Total Liabilities	7,834.8	7,651.4	(183.4)
Total Equity	7,274.0	6,921.6	(352.4)

Assets

Total Assets as of September 30, 2024 were JPY 14,573.0 billion (JPY -535.8 billion). Mainly due to amortization and the effect of foreign currency translation, Intangible Assets decreased (JPY -504.1 billion). In addition, mainly due to the effect of foreign currency translation, Goodwill and Property, Plant and Equipment decreased (JPY -250.0 billion and JPY -102.2 billion). These decreases were partially offset by the increase of Cash and Cash Equivalents (JPY +401.2 billion).

Liabilities

Total Liabilities as of September 30, 2024 were JPY 7,651.4 billion (JPY -183.4 billion). Mainly due to various payments including the upfront payment to Protagonist Therapeutics, Inc., Trade and Other Payables decreased (JPY -134.2 billion). Due to decreased accrued expenses, Other Current Liabilities decreased (JPY -120.0 billion). Mainly due to the effect of foreign currency translation over the lease liabilities in the U.S., total Other Financial Liabilities decreased (JPY -70.9 billion). Mainly due to amortization of intangible assets and other decreases in deferred tax liabilities in the U.S., Deferred Tax Liabilities decreased (JPY -67.2 billion). Total Bonds and Loans were JPY 5,051.2 billion* (JPY +207.4 billion), which increased primarily due to the issuance of hybrid bonds and unsecured U.S. dollar-denominated senior notes partially offset by the redemption of unsecured senior notes and commercial paper during the six-month period ended September 30, 2024.

* The carrying amount of Bonds was JPY 4,313.8 billion and Loans was JPY 737.4 billion as of September 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	186.6
Unsecured US dollar denominated senior notes (USD 1,500 million)	September 2016	September 2026	208.2
Unsecured Euro denominated senior notes (EUR 3,000 million)	November 2018	November 2026 ~ November 2030	477.1
Unsecured US dollar denominated senior notes (USD 1,750 million)	November 2018	November 2028	248.3
Hybrid bonds (subordinated bonds)	June 2019	June 2079	500.0
Unsecured US dollar denominated senior notes (USD 7,000 million)	July 2020	March 2030 ~ July 2060	991.8
Unsecured Euro denominated senior notes (EUR 3,600 million)	July 2020	July 2027 ~ July 2040	571.7
Unsecured JPY denominated senior bonds	October 2021	October 2031	249.5
Hybrid bonds (subordinated bonds)	June 2024	June 2084	457.8
Unsecured US dollar denominated senior notes (USD 3,000 million)	July 2024	July 2034 ~ July 2064	422.9
Total			4,313.8

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	213.7
Syndicated loans	April 2023	April 2030	100.0
Bilateral loans	March 2016 ~ April 2024	April 2025 ~ April 2031	210.0
Other			0.2
Total			737.4

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.

On July 5, 2024, Takeda issued USD 3,000 million in unsecured U.S. dollar-denominated senior notes with maturity dates ranging from July 5, 2034 to July 5, 2064. The proceeds of the USD bond issuance were efficiently deployed to fund a tender offer to redeem USD 1,500 million in unsecured senior notes on July 12, 2024 in advance of their original maturity in September 2026, with the balance of proceeds deployed towards the reduction of commercial paper drawings in July 2024.

Equity

Total Equity as of September 30, 2024 was JPY 6,921.6 billion (JPY -352.4 billion). Mainly due to fluctuation in currency translation adjustments reflecting the appreciation of the Japanese yen, Other Components of Equity decreased (JPY -428.2 billion). This decrease was partially offset by the increase in Retained Earnings (JPY +40.5 billion) mainly due to the contribution from Net Profit for the Period while the decrease of JPY 147.7 billion related to dividend payments was recorded.

Consolidated Cash Flows

	Billion JPY		
	FY2023 H1	FY2024 H1	Change
Net cash from operating activities	291.3	451.3	160.0
Net cash used in investing activities	(327.1)	(231.8)	95.3
Net cash from (used in) financing activities	(198.4)	206.3	404.8
Net increase (decrease) in cash and cash equivalents	(234.2)	425.8	660.0
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	18.8	(24.6)	(43.3)
Cash and cash equivalents at the end of the period (Condensed interim consolidated statements of financial position)	318.1	859.0	541.0

Net Cash from Operating Activities

Net Cash from Operating Activities was JPY 451.3 billion (JPY +160.0 billion). The increase was mainly due to favorable impacts from a higher net profit for the period adjusted for non-cash items and other adjustments.

Net Cash used in Investing Activities

Net Cash used in Investing Activities was JPY 231.8 billion (JPY -95.3 billion). The decrease was mainly due to a decrease in Acquisition of Intangible Assets, which was partially offset by other investing activities including the upfront payment to AC Immune SA and a minority equity investment in and acquisition of licensing options from Ascentage Pharma Group International.

Net Cash from Financing Activities

Net Cash from Financing Activities was JPY 206.3 billion (JPY +404.8 billion). The increase was mainly due to the issuance of hybrid bonds and unsecured U.S. dollar-denominated senior notes. This increase was partially offset by the redemption in full of outstanding commercial papers.

Outlook for the Fiscal Year Ending March 31, 2025

The full year consolidated forecast for the fiscal year ending March 31, 2025 (FY2024) has been revised from the original forecast (announced on May 9, 2024), as follows:

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

	Original Forecast (May 9, 2024)	Revised Forecast (October 31, 2024)	Billion JPY or percentage	
			Change vs. Original Forecast	
Revenue	4,350.0	4,480.0	130.0	3.0 %
Gross Profit	2,850.0	2,925.0	75.0	2.6 %
Operating profit	225.0	265.0	40.0	17.8 %
Profit before tax	55.0	93.0	38.0	69.1 %
Net profit for the year (attributable to owners of the Company)	58.0	68.0	10.0	17.2 %
EPS (JPY)	36.70	43.03	6.33	17.2 %
Core Revenue* ¹	4,350.0	4,480.0	130.0	3.0 %
Core Operating Profit* ¹	1,000.0	1,050.0	50.0	5.0 %
Core EPS (JPY)* ¹	431	456	26	5.9 %

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

[Revenue]

Takeda expects FY2024 revenue to be JPY 4,480.0 billion, an increase of JPY 130.0 billion, or 3.0%, from the original forecast. This is primarily attributable to milder than anticipated generic erosion of VYVANSE after the loss of exclusivity in the U.S. and other business momentum as well as favorable overall changes in the assumptions of foreign exchange rates. The Core Revenue forecast has been revised in the same way as the Revenue forecast.

[Operating Profit]

Operating Profit is expected to increase by JPY 40.0 billion, or 17.8%, from the original forecast to JPY 265.0 billion, reflecting the positive impact from VYVANSE due to milder than anticipated generic erosion in the U.S. This increase is partially offset by unfavorable impacts from other products, incremental operating expenses and foreign currency exchanges.

Core Operating Profit, which excludes impacts unrelated to the underlying trends and business performance of Takeda's core operations, is expected to be JPY 1,050.0 billion, an increase of JPY 50.0 billion, or 5.0%.

[Net profit for the year (attributable to owners of the Company)]

Net profit for the year (attributable to owners of the Company) is expected to be JPY 68.0 billion JPY, an increase of JPY 10.0 billion, or 17.2%, from the original forecast. Profit Before Tax is expected to increase by JPY 38.0 billion, or 69.1%, to JPY 93.0 billion, mainly reflecting the increase in Operating Profit. This increase in Profit Before Tax is expected to be partially offset by higher tax charges, mainly due to the write-down of deferred tax assets, resulting in an assumed effective tax rate of approximately 27%.

Reported EPS is expected to be JPY 43.03, an increase of JPY 6.33, or 17.2%, and Core EPS is expected to be JPY 456, an increase of JPY 26, or 5.9%.

Major assumptions used in preparing the FY2024 Forecast

	Original Forecast (May 9, 2024)		Billion JPY or percentage Revised Forecast (October 31, 2024)		
		Full Year		Full Year	H2
FX rates (JPY)	USD/JPY	150	USD/JPY	150	146
	EUR/JPY	160	EUR/JPY	165	164
	RUB/JPY	1.6	RUB/JPY	1.7	1.7
	CNY/JPY	20.9	CNY/JPY	21.2	21.1
	BRL/JPY	30.4	BRL/JPY	28.6	28.4
Cost of sales		(1,500.0)		(1,555.0)	
SG&A expenses		(1,080.0)		(1,105.0)	
R&D expenses		(770.0)		(770.0)	
Amortization of intangible assets associated with products		(540.0)		(541.0)	
Impairment of intangible assets associated with products*2		(50.0)		(50.0)	
Other operating income		15.0		19.0	
Other operating expenses*3		(200.0)		(213.0)	
Finance income and (expenses), net		(172.0)		(168.0)	
Adjusted Free Cash Flow*1		350.0 - 450.0		400.0 - 500.0	
Capital expenditures (cash flow base)		(380.0 - 420.0)		(380.0 - 420.0)	
Depreciation and amortization (excluding intangible assets associated with products)		(205.0)		(215.0)	
Cash tax rate on Adjusted EBITDA (excluding divestitures)*1		Mid teen %		Mid teen %	

*2 Includes in-process R&D.

*3 In the Revised Forecast, there is no change in the JPY 140.0 billion restructuring expense, which is primarily related to the enterprise-wide efficiency program.

Management Guidance for the Fiscal Year Ending March 31, 2025 (FY2024)

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 been revised from the original management guidance announced on May 9, 2024, as follows:

	Original Management Guidance (May 9, 2024)	Revised Management Guidance (October 31, 2024)	CER % Change*1
Core Revenue	Flat to slightly declining	Flat to slightly increasing	
Core Operating Profit	Approx 10% decline	Mid-single-digit % decline	
Core EPS	Mid-10s% decline	Approx 10% decline	

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

The FY2024 Revised Forecast and the Revised Management Guidance assume global VYVANSE/ELVANSE sales of JPY 309.0 billion, a year-on-year decline of JPY 114.2 billion (31% decline at CER).

Forward looking statements

All forecasts and management guidance 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 forecasts or guidance to be revised, Takeda will disclose it in a timely manner.

Interim Dividend for Fiscal 2024

Takeda maintains its annual dividend projection of JPY 196 per share.

For the six-month period ended September 30, 2024, Takeda's Board of Directors approved the payment of an interim dividend of JPY 98 per share. The dividend will be paid from December 2, 2024.

Condensed Interim Consolidated Financial Statements [IFRS]

(1) Condensed Interim Consolidated Statements of Profit or Loss

	JPY (millions, except per share data)		USD (millions) ^(*)
	Six-month Period Ended September 30,		Six-month Period Ended September 30,
	2023	2024	2024
Revenue	¥ 2,101,707	¥ 2,384,028	\$ 16,642
Cost of sales	(664,696)	(781,265)	(5,454)
Selling, general and administrative expenses	(501,065)	(538,312)	(3,758)
Research and development expenses	(346,687)	(344,027)	(2,402)
Amortization and impairment losses on intangible assets associated with products	(369,665)	(305,245)	(2,131)
Other operating income	9,874	13,933	97
Other operating expenses	(110,240)	(78,537)	(548)
Operating profit	119,230	350,576	2,447
Finance income	24,312	34,793	243
Finance expenses	(106,095)	(128,145)	(895)
Share of profit (loss) of investments accounted for using the equity method	1,607	(1,247)	(9)
Profit before tax	39,053	255,976	1,787
Income tax (expenses) benefit	2,382	(68,570)	(479)
Net profit for the period	41,436	187,406	1,308
Attributable to:			
Owners of the Company	41,365	187,294	1,307
Non-controlling interests	71	112	1
Net profit for the period	41,436	187,406	1,308
Earnings per share (JPY or USD)			
Basic earnings per share	26.51	118.85	0.83
Diluted earnings per share	26.29	117.11	0.82

(*) Condensed interim consolidated statements of profit or loss have been translated solely for the convenience of the reader at an exchange rate of 1USD = 143.25 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on September 30, 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) ^(*)
	Six-month Period Ended September 30,		Six-month Period Ended September 30,
	2023	2024	2024
Net profit for the period	¥ 41,436	¥ 187,406	\$ 1,308
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	6,537	(7,514)	(52)
Remeasurement of defined benefit pension plans	2,644	703	5
	9,181	(6,811)	(48)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	779,220	(452,433)	(3,158)
Cash flow hedges	(2,015)	26,304	184
Hedging cost	(2,579)	5,656	39
Share of other comprehensive loss of investments accounted for using the equity method	(279)	(101)	(1)
	774,347	(420,574)	(2,936)
Other comprehensive income (loss) for the period, net of tax	783,528	(427,385)	(2,983)
Total comprehensive income (loss) for the period	824,964	(239,979)	(1,675)
Attributable to:			
Owners of the Company	824,843	(240,081)	(1,676)
Non-controlling interests	121	102	1
Total comprehensive income (loss) for the period	824,964	(239,979)	(1,675)

(*) Condensed interim consolidated statements of comprehensive income have been translated solely for the convenience of the reader at an exchange rate of 1USD = 143.25 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on September 30, 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 September 30, 2024	As of September 30, 2024
ASSETS			
Non-current assets:			
Property, plant and equipment	¥ 1,989,777	¥ 1,887,620	\$ 13,177
Goodwill	5,410,067	5,160,112	36,022
Intangible assets	4,274,682	3,770,620	26,322
Investments accounted for using the equity method	89,831	15,628	109
Other financial assets	340,777	261,686	1,827
Other non-current assets	51,214	85,016	593
Deferred tax assets	393,865	338,304	2,362
Total non-current assets	12,550,212	11,518,988	80,412
Current assets:			
Inventories	1,209,869	1,206,431	8,422
Trade and other receivables	668,403	700,537	4,890
Other financial assets	15,089	47,200	329
Income taxes receivable	29,207	20,519	143
Other current assets	168,875	161,204	1,125
Cash and cash equivalents	457,800	859,015	5,997
Assets held for sale	9,337	59,106	413
Total current assets	2,558,580	3,054,013	21,319
Total assets	15,108,792	14,573,000	101,731
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities:			
Bonds and loans	4,476,501	4,427,092	30,905
Other financial liabilities	687,833	558,201	3,897
Net defined benefit liabilities	143,882	135,887	949
Income taxes payable	4,381	—	—
Provisions	14,373	15,258	107
Other non-current liabilities	80,938	81,110	566
Deferred tax liabilities	113,777	46,619	325
Total non-current liabilities	5,521,684	5,264,166	36,748
Current liabilities:			
Bonds and loans	367,251	624,101	4,357
Trade and other payables	547,521	413,335	2,885
Other financial liabilities	143,421	202,156	1,411
Income taxes payable	109,906	141,439	987
Provisions	524,420	507,013	3,539
Other current liabilities	619,174	499,192	3,485
Liabilities held for sale	1,410	—	—
Total current liabilities	2,313,103	2,387,237	16,665
Total liabilities	7,834,788	7,651,403	53,413

	JPY (millions)		USD (millions) ^(*)
	As of March 31, 2024	As of September 30, 2024	As of September 30, 2024
EQUITY			
Share capital	1,676,596	1,694,660	11,830
Share premium	1,747,414	1,738,145	12,134
Treasury shares	(51,259)	(24,829)	(173)
Retained earnings	1,391,203	1,431,684	9,994
Other components of equity	2,509,310	2,081,095	14,528
Equity attributable to owners of the Company	7,273,264	6,920,754	48,312
Non-controlling interests	741	843	6
Total equity	7,274,005	6,921,597	48,318
Total liabilities and equity	15,108,792	14,573,000	101,731

(*) Condensed interim consolidated statements of financial position have been translated solely for the convenience of the reader at an exchange rate of 1USD = 143.25 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on September 30, 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

Six-month period ended September 30, 2023 (From April 1 to September 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				41,365		
Other comprehensive income (loss)					778,851	6,577
Comprehensive income (loss) for the period				41,365	778,851	6,577
Transactions with owners:						
Issuance of new shares	158	158				
Acquisition of treasury shares			(2,355)			
Disposal of treasury shares		0	0			
Dividends				(140,121)		
Changes in ownership						
Transfers from other components of equity				3,628		(985)
Share-based compensation		33,606				
Exercise of share-based awards		(51,485)	51,426			
Total transactions with owners	158	(17,721)	49,071	(136,493)		(985)
As of September 30, 2023	1,676,503	1,711,109	(51,246)	1,446,018	2,384,979	18,062

	Equity attributable to owners of the Company						
	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				—	41,365	71	41,436
Other comprehensive income (loss)	(2,015)	(2,579)	2,644	783,478	783,478	50	783,528
Comprehensive income (loss) for the period	(2,015)	(2,579)	2,644	783,478	824,843	121	824,964
Transactions with owners:							
Issuance of new shares				—	315		315
Acquisition of treasury shares				—	(2,355)		(2,355)
Disposal of treasury shares				—	0		0
Dividends				—	(140,121)		(140,121)
Changes in ownership				—	—	3	3
Transfers from other components of equity			(2,644)	(3,628)	—		—
Share-based compensation				—	33,606		33,606
Exercise of share-based awards				—	(60)		(60)
Total transactions with owners			(2,644)	(3,628)	(108,613)	3	(108,611)
As of September 30, 2023	(89,367)	(25,706)	—	2,287,969	7,070,352	673	7,071,024

Six-month period ended September 30, 2024 (From April 1 to September 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				187,294		
Other comprehensive income (loss)					(452,523)	(7,514)
Comprehensive income (loss) for the period	—	—	—	187,294	(452,523)	(7,514)
Transactions with owners:						
Issuance of new shares	18,064	18,064				
Acquisition of treasury shares			(1,918)			
Disposal of treasury shares		0	0			
Dividends				(147,653)		
Transfers from other components of equity				840		(137)
Share-based compensation		37,143				
Exercise of share-based awards		(64,476)	28,348			
Total transactions with owners	18,064	(9,269)	26,430	(146,813)	—	(137)
As of September 30, 2024	1,694,660	1,738,145	(24,829)	1,431,684	2,120,884	8,077

	Equity attributable to owners of the Company						
	Other components of equity				Total equity attributable to owners of the Company	Non-controlling interests	Total equity
	Cash flow hedges	Hedging cost	Remeasurements of defined benefit pension plans	Total other components of 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				—	187,294	112	187,406
Other comprehensive income (loss)	26,304	5,656	703	(427,375)	(427,375)	(10)	(427,385)
Comprehensive income (loss) for the period	26,304	5,656	703	(427,375)	(240,081)	102	(239,979)
Transactions with owners:							
Issuance of new shares				—	36,128		36,128
Acquisition of treasury shares				—	(1,918)		(1,918)
Disposal of treasury shares				—	0		0
Dividends				—	(147,653)		(147,653)
Transfers from other components of equity			(703)	(840)	—		—
Share-based compensation				—	37,143		37,143
Exercise of share-based awards				—	(36,129)		(36,129)
Total transactions with owners	—	—	(703)	(840)	(112,428)	—	(112,428)
As of September 30, 2024	(37,592)	(10,274)	—	2,081,095	6,920,754	843	6,921,597

(5) Condensed Interim Consolidated Statements of Cash Flows

	JPY (millions)		USD (millions)(*)
	Six-month Period Ended September 30,		Six-month Period Ended September 30,
	2023	2024	2024
Cash flows from operating activities:			
Net profit for the period	¥ 41,436	¥ 187,406	\$ 1,308
Depreciation and amortization	354,197	384,672	2,685
Impairment losses	126,703	36,065	252
Equity-settled share-based compensation	33,977	36,940	258
Loss on sales and disposal of property, plant and equipment	304	2,457	17
Gain on divestment of business and subsidiaries	(294)	(6,376)	(45)
Change in fair value of financial assets and liabilities associated with contingent consideration arrangements, net	(150)	2,172	15
Finance (income) and expenses, net	81,783	93,352	652
Share of loss (profit) of investments accounted for using the equity method	(1,607)	1,247	9
Income tax expenses (benefit)	(2,382)	68,570	479
Changes in assets and liabilities:			
Increase in trade and other receivables	(73,081)	(57,779)	(403)
Increase in inventories	(77,938)	(51,218)	(358)
Decrease in trade and other payables	(49,679)	(37,079)	(259)
Increase in provisions	17,163	12,527	87
Increase (decrease) in other financial liabilities	34,178	(17,455)	(122)
Other, net	(74,375)	(119,427)	(834)
Cash generated from operations	410,234	536,076	3,742
Income taxes paid	(129,040)	(89,081)	(622)
Tax refunds and interest on tax refunds received	10,111	4,272	30
Net cash from operating activities	291,305	451,267	3,150
Cash flows from investing activities:			
Interest received	5,102	9,198	64
Dividends received	147	207	1
Acquisition of property, plant and equipment	(83,804)	(106,914)	(746)
Proceeds from sales of property, plant and equipment	8,337	38	0
Acquisition of intangible assets	(255,476)	(91,552)	(639)
Acquisition of option to license	—	(31,784)	(222)
Acquisition of investments	(2,264)	(27,734)	(194)
Proceeds from sales and redemption of investments	631	23,115	161
Proceeds from sales of business, net of cash and cash equivalents divested	365	8,330	58
Payments for the settlement of forward exchange contracts designated as net investment hedges	—	(13,990)	(98)
Other, net	(148)	(738)	(5)
Net cash used in investing activities	(327,109)	(231,824)	(1,618)

	JPY (millions)		USD (millions)(*)
	Six-month Period Ended September 30,		Six-month Period Ended September 30,
	2023	2024	2024
Cash flows from financing activities:			
Net increase (decrease) in short-term loans and commercial papers	110,000	(317,000)	(2,213)
Proceeds from issuance of bonds and long-term loans	100,000	984,460	6,872
Repayments of bonds and long-term loans	(246,091)	(284,019)	(1,983)
Proceeds from the settlement of cross currency interest rate swaps related to bonds and loans	60,063	46,880	327
Acquisition of treasury shares	(2,326)	(1,882)	(13)
Interest paid	(49,711)	(42,298)	(295)
Dividends paid	(139,811)	(147,309)	(1,028)
Repayments of lease liabilities	(21,613)	(23,375)	(163)
Other, net	(8,943)	(9,120)	(64)
Net cash from (used in) financing activities	(198,433)	206,336	1,440
Net increase (decrease) in cash and cash equivalents	(234,237)	425,779	2,972
Cash and cash equivalents at the beginning of the year	533,530	457,800	3,196
Effects of exchange rate changes on cash and cash equivalents	18,759	(24,564)	(171)
Cash and cash equivalents at the end of the period (Condensed interim consolidated statements of financial position)	318,051	859,015	5,997

(*) Condensed interim consolidated statements of cash flows have been translated solely for the convenience of the reader at an exchange rate of 1USD = 143.25 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on September 30, 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 October 6, 2024, Takeda redeemed JPY 500,000 million in Hybrid subordinated bonds that were issued in June 2019, in advance of their original maturity of June 2079. The redemption was funded using the proceeds of the JPY 460,000 million Hybrid Bond issued on June 25, 2024 together with a JPY 40,000 million Syndicated Hybrid Loan drawn down on October 3, 2024. The impact from the accelerated debt repayment on the condensed interim consolidated statements of profit or loss was not material.

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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 October 31, 2024 (the date of our earnings release for the quarter ended September 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> <i>ENTYVIO</i> (Global)	Humanized monoclonal antibody against $\alpha 4\beta 7$ 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> <i>ADZYNMA</i> (U.S., EU, Japan)	ADAMTS13 enzyme replacement therapy (injection)	Biologic and other	Congenital Thrombotic Thrombocytopenic Purpura	EU China	Approved (Aug 2024) P-III
			Immune Thrombotic Thrombocytopenic Purpura	U.S. EU	P-II (b) P-II (b)
TAK-625 ² <maralixibat>	IBAT inhibitor (oral)	Small molecule	Alagille syndrome	Japan	Filed (Jun 2024)
			Progressive Familial Intrahepatic Cholestasis	Japan	Filed (Jun 2024)
Cx601 <darvadstrocel> <i>ALOFISEL</i> (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 ³ <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 ⁴ <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 ⁵	Transglutaminase 2 inhibitor (oral)	Small molecule	Celiac disease	-	P-II (b)
TAK-062 <zamaglutinase>	Glutenase (oral)	Biologic and other	Celiac disease	-	P-II
TAK-101 ⁶	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. Partnership with Mirum Pharmaceuticals.
3. Partnership with Arrowhead Pharmaceuticals
4. Partnership with Protagonist Therapeutics. Protagonist leads development
5. Partnership with Zedira and Dr. Falk Pharma. Dr. Falk Pharma leads development.
6. Partnership with COUR Pharmaceuticals.

Additions since FY2024 Q1: None

Removals since FY2024 Q1: 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 <soficicostat>	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	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 is to 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 FY2024 Q1: None

Removals since FY2024 Q1: TAK-925 for Postanesthesia Recovery (P-II, 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> <i>FRUZAQLA</i> (U.S., EU, Japan)	VEGFR inhibitor (oral)	Small molecule	Previously treated metastatic Colorectal Cancer (mCRC)	EU	Approved (Jun 2024)
			Treatment of unresectable advanced or recurrent Colorectal Cancer (CRC) that has progressed after chemotherapy	Japan	Approved (Sep 2024)
SGN-35 ² <brentuximab vedotin> <i>ADCTETRIS</i> (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 <i>CABOMETYX</i> (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-853 ⁶ <mirvetuximab soravtansine-gynx>	Antibody-drug conjugate targeting folate receptor α (FR α) (injection)	Biologic and other	Platinum-resistant ovarian cancer	Japan	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 (V δ 1) gamma delta ($\gamma\delta$) T cells (injection)	Cell and gene therapy	Relapsed/refractory Acute Myeloid Leukemia	-	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 FY2024 Q1: None

Removals since FY2024 Q1: None

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> <i>LIVTENCITY</i> (Global)	Benzimidazole riboside inhibitor (oral)	Small molecule	Post-transplant cytomegalovirus (CMV) infection/disease that is refractory to existing anti-CMV therapies	Japan	Approved (Jun 2024)
			Treatment of children and teenage transplant recipients with CMV infection	Global	P-III
TAK-577 <i>VONVENDI</i> (U.S., Japan, China) <i>VEYVONDI</i> (EU)	von Willebrand factor [recombinant] (injection)	Biologic and other	Adult on-demand and surgery treatment of von Willebrand disease	China	Approved (Aug 2024)
			Pediatric on-demand and surgery treatment of von Willebrand disease	Global	P-III
TAK-660 <i>ADYNOVATE</i> (U.S., Japan) <i>ADYNOVI</i> (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 FY2024 Q1: None

Removals since FY2024 Q1: 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> <i>HYQVIA</i> (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	Filed (Aug 2024)
TAK-880 <10% IVIG (Low IgA)>	Immunoglobulin (10%) [human] (injection) (Low IgA)	Biologic and other	Primary Immunodeficiencies	EU U.S.	Filed (Mar 2024) Filed (Aug 2024)
TAK-330 <i>PROTHROMPLEX</i> <i>TOTAL</i> (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> <i>GLOVENIN-I</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 Japan	P-III P-III P-III

1. Partnership with Halozyme

Additions since FY2024 Q1: None

Removals since FY2024 Q1: None

Vaccines Pipeline

Development code Brand name (country/region)	Type of vaccine (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-019 ¹ <i>NUVAXOVID</i> <i>Intramuscular</i> <i>Injection</i> (Japan)	Recombinant coronavirus (SARS- CoV-2) vaccine (intramuscular injection)	Biologic and other	For the prevention of infectious disease caused by SARS-CoV-2 (monovalent vaccine based on Omicron JN.1 variant)	Japan	Approved (Sep 2024)
TAK-003 <i>QDENG A</i> (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

1. Partnership with Novavax, Inc.

Additions since FY2024 Q1: TAK-019 for prevention of SARS-CoV-2 infections (Japan, approved)

Removals since FY2024 Q1: None

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>	Post-transplant cytomegalovirus (CMV) infection/disease that is refractory to existing anti-CMV therapies	Japan	Approved (Jun 2024)
TAK-577 <vonicog alfa>	Adult on-demand and surgery treatment of von Willebrand disease	China	Approved (Aug 2024)
TAK-755 <apadamtase alfa/ cinaxadamtase alfa>	Congenital Thrombotic Thrombocytopenic Purpura	EU	Approved (Aug 2024)
TAK-019 <recombinant coronavirus (SARS-CoV-2) vaccine >	For the prevention of infectious disease caused by SARS-CoV-2 (monovalent vaccine based on Omicron JN.1 variant)	Japan	Approved (Sep 2024)
TAK-113 <fruquintinib>	Treatment of Unresectable Advanced or Recurrent Colorectal Cancer (CRC) that has progressed after chemotherapy	Japan	Approved (Sep 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-771 <IG Infusion 10% (Human) w/ Recombinant Human Hyaluronidase>	Chronic inflammatory demyelinating polyradiculoneuropathy and Multifocal Motor Neuropathy	Japan	Filed (Aug 2024)
TAK-880 <10% IVIG (Low IgA)>	Primary Immunodeficiencies	U.S.	Filed (Aug 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-853 <mirvetuximab soravtansine-gynx>	Platinum-resistant ovarian cancer	Japan	P-II
TAK-360	Narcolepsy type 2 and Idiopathic hypersomnia	-	P-I

III. 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.
TAK-925 <danavorexton>	Postanesthesia Recovery (P-II)	Trial closed due to enrollment challenges

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).
Nxera (formerly Sosei Heptares)	U.K.	Collaboration and License agreement to leverage Nxera’s StaR [®] technology and structural biology expertise with GPCRs to enable structure based drug discovery to advance novel therapeutics for gastroenterology diseases.
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.
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.

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	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 (hslgG) candidate.
PreviPharma	EU	Research collaboration and option agreement to develop new targeted proteins

Vaccines

Partner	Country of incorporation	Subject
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 September 2024, Takeda announced that the MHLW granted manufacturing and marketing approval for the 2 dose NUVAXOVID Intramuscular Injection 1 mL for the prevention of infectious disease caused by the SARS-CoV-2 Omicron JN.1 variant.

Other / Multiple Therapeutic Area

Partner	Country of incorporation	Subject
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 June, 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.
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.
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 discontinue further development of TAK-426 and the partnership formally ended in September 2024.
Asklepios Biopharmaceuticals	U.S.	Agreement for multiple research and development collaborations using FVIII Gene Therapy for the treatment of Hemophilia A and B.
Wave Life Sciences	Singapore	Multi-program option agreement to co-develop and co-commercialize antisense oligonucleotides for a range of neurological diseases. In October 2024, Takeda made the decision not to exercise its option to co-develop and co-commercialize WVE-003. As a result of this decision, the collaboration with Wave has completed.

■ 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				Core* ^{1,3}
	FY23H1	FY24H1	AER* ²		CER* ³
			Amount of Change	% Change	% Change
Total revenue	2,101.7	2,384.0	282.3	13.4 %	5.0 %
Japan	228.5	216.4	(12.2)	(5.3)%	(5.6)%
% of revenue	10.9%	9.1%	(1.8)pt		
United States	1,104.8	1,247.6	142.8	12.9 %	3.1 %
% of revenue	52.6%	52.3%	(0.2)pt		
Europe and Canada	460.0	533.0	73.0	15.9 %	6.1 %
% of revenue	21.9%	22.4%	0.5pt		
Growth and Emerging Markets* ⁴	308.4	387.1	78.7	25.5 %	18.1 %
% of revenue	14.7%	16.2%	1.6pt		
Asia (excluding Japan)	123.3	140.0	16.7	13.6 %	6.4 %
% of revenue	5.9%	5.9%	0.0pt		
Latin America	92.1	132.5	40.5	44.0 %	36.4 %
% of revenue	4.4%	5.6%	1.2pt		
Russia/CIS	31.1	43.0	11.9	38.2 %	31.1 %
% of revenue	1.5%	1.8%	0.3pt		
Other* ⁵	62.0	71.6	9.6	15.5 %	7.8 %
% of revenue	3.0%	3.0%	0.1pt		
Of which royalty / service income	41.0	37.6	(3.4)	(8.4)%	(13.7)%

*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%	1,176.0	12.7%				
Japan	124.8	103.7	114.1	108.7	102.9	(17.5)%	113.4	9.4 %				
% of revenue	11.8%	9.9%	10.3%	10.3%	8.5%		9.6%					
United States	554.4	550.4	580.7	510.2	636.7	14.8%	610.9	11.0%				
% of revenue	52.4%	52.8%	52.3%	48.6%	52.7%		51.9 %					
Europe and Canada	224.3	235.6	261.6	245.3	269.8	20.3%	263.2	11.7%				
% of revenue	21.2%	22.6%	23.5%	23.3%	22.3%		22.4 %					
Growth and Emerging Markets ^{*3}	155.1	153.4	154.8	186.6	198.6	28.1%	188.5	22.9%				
% of revenue	14.6%	14.7%	13.9%	17.8%	16.4%		16.0 %					
Asia (excluding Japan)	60.8	62.4	65.5	72.4	63.9	5.1%	76.1	21.9%				
% of revenue	5.7%	6.0%	5.9%	6.9%	5.3%		6.5 %					
Latin America	43.7	48.4	46.3	59.7	72.2	65.2%	60.3	24.8%				
% of revenue	4.1%	4.6%	4.2%	5.7%	6.0%		5.1 %					
Russia/CIS	17.4	13.7	14.3	27.2	23.7	36.7 %	19.2	40.0 %				
% of revenue	1.6%	1.3%	1.3%	2.6%	2.0%		1.6 %					
Other ^{*4}	33.2	28.9	28.7	27.2	38.7	16.8%	32.9	13.9%				
% of revenue	3.1%	2.8%	2.6%	2.6%	3.2%		2.8 %					
Of which royalty / service income	24.8	16.2	22.1	37.0	18.2	(26.8)%	19.4	19.8 %				

*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												
	FY23H1	FY24H1	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	596.9	695.2	16.5 %	405.6	17.7 %	63.2	4.3 %	148.9	16.9 %	65.5	23.5 %	12.0	5.1 %
ENTYVIO	391.7	473.2	20.8 %	326.6	20.5 %	8.6	15.0 %	112.5	22.3 %	25.6	21.0 %		
GATTEX/REVESTIVE	58.9	73.3	24.4 %	53.3	19.9 %	4.6	15.1 %	9.9	21.7 %	5.5	135.9 %		
TAKECAB/VOCINTI ^{*3}	58.8	64.3	9.4 %	0.4	-	49.4	1.9 %	—	-	14.5	41.3 %		
PANTOLOC/CONTROLOC ^{*4}	22.9	22.5	(1.5)%	0.8	(48.1)%	—	-	15.4	2.7 %	6.3	0.4 %		
DEXILANT	23.2	19.8	(14.4)%	4.4	(37.0)%	—	-	5.8	(16.3)%	9.7	3.9 %		
LIALDA/MEZAVANT ^{*5}	13.5	13.4	(0.4)%	1.4	(31.7)%							12.0	5.1 %
RESOLOR/MOTTEGRITY	10.1	11.3	11.6 %	10.3	12.9 %	—	-	1.0	(0.7)%	—	-		
EOHILIA	—	2.3	-	2.3	-	—	-	—	-	—	-		
Others	17.9	15.1	(15.7)%	6.2	(33.2)%	0.6	(3.6)%	4.4	1.1 %	3.9	6.4 %		
Rare Diseases	340.9	388.7	14.0 %	176.8	9.8 %	19.5	1.8 %	107.0	16.1 %	85.3	24.4 %		
TAKHZYRO	87.1	111.0	27.5 %	75.5	22.7 %	1.7	20.3 %	26.7	38.8 %	7.3	45.5 %		
ADVATE	62.7	58.8	(6.3)%	27.7	(11.6)%	1.5	(21.4)%	9.4	2.2 %	20.2	(0.5)%		
ADYNOVATE/ADYNOVI	33.5	34.5	3.0 %	12.0	(6.1)%	7.1	0.7 %	9.7	5.6 %	5.7	27.3 %		
ELAPRASE	45.7	53.1	16.3 %	14.1	6.1 %	(0.1)	-	16.8	12.4 %	22.2	31.4 %		
REPLAGAL	36.2	41.3	14.1 %	—	-	4.3	(3.5) %	21.0	5.8 %	16.1	34.4 %		
VPRIV	24.3	27.0	10.9 %	10.8	4.9 %	0.6	(4.2)%	8.8	9.3 %	6.7	26.7 %		
FIRAZYR	11.7	9.8	(16.2)%	5.7	(27.3)%	1.0	(6.4) %	1.4	5.8 %	1.7	15.5 %		
LIVTENCITY	8.3	15.5	86.2 %	10.4	58.8 %	0.1	-	4.3	148.8 %	0.7	1,256.8 %		
VONVENDI	7.4	10.4	39.8 %	6.7	38.4 %	0.4	22.7 %	3.2	45.8 %	0.0	11.1 %		
RECOMBIMATE	6.0	5.2	(13.1)%	5.0	(12.8)%	—	-	0.2	(35.2)%	0.1	211.6 %		
ADZYNMA	—	2.4	-	1.9	-	0.5	-	0.0	-	—	-		
Others	18.0	19.6	9.2 %	6.8	2.7 %	2.5	28.2 %	5.6	(10.0)%	4.7	50.1 %		
PDT	430.2	535.7	24.5 %	336.4	24.0 %	0.2	(43.8)%	10.8	22.0 %	22.6	54.5 %	165.7	22.6 %
Immunoglobulin	309.2	391.0	26.5 %	289.5	25.8 %							101.5	28.3 %
Albumin	58.9	70.3	19.3 %	15.6	39.3 %							54.7	14.6 %
FEIBA	19.8	23.6	19.4 %	5.5	(9.7)%	0.2	(43.8)%	5.1	8.4 %	12.8	48.9 %		
HEMOFIL/IMMUNATE/IMMUNINE	9.3	14.6	56.2 %	1.3	(12.1)%	—	-	4.0	63.7 %	9.2	71.5 %		
CINRYZE	8.4	8.2	(2.9)%	6.0	(2.1)%	—	-	1.7	(0.9)%	0.5	(16.1)%		
Others ^{*6}	24.5	27.9	13.8 %	18.5	13.5 %							9.4	14.3 %

*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												
	FY23H1	FY24H1	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	225.2	285.0	26.6 %	101.6	50.3 %	48.7	(2.3)%	62.5	25.8 %	68.3	25.4 %	3.9	9.3 %
ADCETRIS	54.3	68.2	25.7 %			5.9	(12.4)%	28.2	35.7 %	34.1	27.6 %		
LEUPLIN/ENANTONE	48.8	60.4	23.9 %	10.4	150.0 %	14.0	(0.7)%	21.2	14.8 %	14.9	23.0 %		
NINLARO	46.3	47.4	2.3 %	26.4	(7.6)%	3.3	(3.1)%	6.2	11.0 %	11.6	30.9 %		
ICLUSIG *3	27.0	35.4	30.9 %	31.5	34.2 %							3.9	9.3 %
ALUNBRIG	13.7	18.2	32.8 %	5.9	22.8 %	1.3	8.4 %	5.1	27.8 %	5.9	59.5 %		
VECTIBIX	13.6	13.5	(1.0)%	—	-	13.5	(1.0)%	—	-	—	-		
ZEJULA	7.4	7.2	(2.2)%	—	-	5.8	(4.5)%	—	-	1.4	8.6 %		
FRUZAQLA	—	23.1	-	22.0	-	—	-	1.0	-	0.0	-		
CABOMETYX	4.2	4.4	4.1 %	—	-	4.4	4.1 %	—	-	—	-		
Others	9.8	7.1	(27.0)%	5.4	(18.7)%	0.5	8.4 %	0.8	(5.2)%	0.5	(75.3)%		
Neuroscience	330.7	314.6	(4.9)%	212.1	(14.0)%	25.9	14.9 %	60.4	22.5 %	16.2	32.9 %		
VYVANSE/ELVANSE	226.3	203.2	(10.2)%	135.1	(21.7)%	1.4	82.3 %	51.1	24.3 %	15.5	32.5 %		
TRINTELLIX	51.0	64.1	25.8 %	57.9	26.5 %	6.3	20.1 %	—	-	—	-		
ADDERALL XR	22.6	16.8	(25.6)%	15.9	(25.7)%	—	-	0.9	(24.1)%	—	-		
INTUNIV	16.2	19.8	22.2 %	0.2	(66.2)%	13.0	24.5 %	5.8	27.3 %	0.7	46.4 %		
Others	14.7	10.7	(27.4)%	3.0	(52.5)%	5.2	(14.4)%	2.4	5.9 %	0.0	(12.3)%		
Vaccines	17.8	38.1	114.0 %	—	-	18.2	14.9 %	2.3	171.4 %	17.6	1,525.8 %		
QDENGGA	1.9	19.9	927.6 %	—	-	—	-	2.3	171.4 %	17.6	1,525.8 %		
Others	15.9	18.2	14.9 %	—	-	18.2	14.9 %	—	-	—	-		
Others	160.1	126.8	(20.8)%										
AZILVA*4	23.7	5.8	(75.4)%	—	-	5.8	(75.4)%	—	-	—	-		
FOSRENOL*3	8.1	3.9	(51.5)%	0.5	(45.2)%							3.5	(52.3)%

*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.

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(Bn JPY)	Reported												
	FY23 Q2	FY24 Q2	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	303.3	346.7	14.3 %	202.4	15.7 %	31.0	2.8 %	74.8	14.2 %	32.6	20.0 %	5.9	6.8 %
ENTYVIO	199.7	238.9	19.6 %	163.7	19.6 %	4.5	17.5 %	57.6	20.1 %	13.1	17.5 %		
GATTEX/REVESTIVE	31.8	36.4	14.6 %	26.1	5.9 %	2.3	10.8 %	5.0	20.3 %	3.0	241.1 %		
TAKECAB/VOCINTI ^{*3}	28.9	31.1	7.6 %	0.2	-	23.9	(0.5)%	—	-	7.0	42.2 %		
PANTOLOC/CONTROLOC ^{*4}	11.7	11.6	(1.0)%	0.5	(42.5)%	—	-	7.8	2.8 %	3.3	2.0 %		
DEXILANT	11.1	8.0	(28.4)%	1.8	(32.1)%	—	-	1.9	(44.6)%	4.3	(15.9)%		
LIALDA/MEZAVANT ^{*5}	6.0	6.8	12.8 %	0.9	85.6 %							5.9	6.8 %
RESOLOR/MOTTEGRITY	5.4	5.8	6.3 %	5.3	6.7 %	—	-	0.5	2.6 %	—	-		
EOHILIA	—	1.3	-	1.3	-	—	-	—	-	—	-		
Others	8.6	6.8	(20.4)%	2.5	(43.3)%	0.4	25.5 %	2.0	3.7 %	1.9	2.7 %		
Rare Diseases	170.1	189.2	11.2 %	87.0	7.7 %	9.4	2.5 %	52.5	13.6 %	40.2	18.9 %		
TAKHZYRO	45.8	55.0	20.2 %	37.4	13.9 %	0.8	22.0 %	13.3	36.6 %	3.5	39.2 %		
ADVATE	28.9	26.9	(6.9)%	12.8	(10.9)%	0.7	(20.2)%	4.6	11.2 %	8.7	(7.5)%		
ADYNOVATE/ADYNOVI	16.1	16.9	4.5 %	5.8	(0.6)%	3.5	0.3 %	4.8	4.1 %	2.8	25.4 %		
ELAPRASE	22.8	25.1	10.2 %	7.6	12.8 %	(0.2)	-	8.4	7.0 %	9.4	14.0 %		
REPLAGAL	18.2	19.9	9.2 %	—	-	2.1	(0.5) %	9.6	(4.2)%	8.2	34.7 %		
VPRIV	12.4	13.3	7.0 %	5.6	6.4 %	0.3	(2.7)%	4.2	2.4 %	3.2	15.8 %		
FIRAZYR	6.2	4.8	(22.9)%	2.8	(35.6)%	0.5	(8.9) %	0.7	23.8 %	0.8	2.5 %		
LIVTENCITY	4.3	7.9	84.3 %	5.1	55.3 %	0.1	-	2.3	146.7 %	0.3	852.4 %		
VONVENDI	3.7	5.1	38.5 %	3.1	31.6 %	0.2	17.8 %	1.7	57.4 %	—	-		
RECOMBINATE	3.0	2.5	(15.6)%	2.4	(15.0)%	—	-	0.1	(38.9)%	0.0	113.8 %		
ADZYNMA	—	1.4	-	1.1	-	0.2	-	0.0	-	—	-		
Others	8.7	10.5	19.9 %	3.2	8.9 %	1.1	23.5 %	2.9	(7.7)%	3.3	85.0 %		
PDT	221.0	264.2	19.6 %	163.7	14.0 %	0.1	(26.9)%	5.2	12.9 %	8.1	28.4 %	87.1	31.4 %
Immunoglobulin	163.6	189.6	15.9 %	140.7	13.8 %							48.8	22.4 %
Albumin	28.2	40.9	45.4 %	7.5	29.7 %							33.4	49.5 %
FEIBA	8.0	9.7	21.9 %	2.6	4.7 %	0.1	(26.9)%	2.2	(5.5)%	4.9	58.7 %		
HEMOFIL/IMMUNATE/IMMUNINE	5.1	5.8	14.4 %	0.6	5.1 %	—	-	2.2	49.5 %	3.1	(0.2)%		
CINRYZE	3.9	3.9	(1.0)%	2.9	(1.7)%	—	-	0.8	0.0 %	0.2	7.6 %		
Others ^{*6}	12.2	14.3	16.8 %	9.4	14.9 %							4.9	20.6 %

*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.

■ Q2

(Bn JPY)	Reported												
	FY23 Q2	FY24 Q2	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	114.7	142.9	24.6 %	49.8	41.6 %	24.1	(2.1)%	33.7	36.7 %	33.3	18.0 %	2.0	(0.6)%
ADCETRIS	27.2	33.7	24.2 %			3.0	(13.7)%	15.4	43.0 %	15.4	18.7 %		
LEUPLIN/ENANTONE	24.2	31.0	28.3 %	5.3	135.7 %	6.9	(0.9)%	11.1	34.4 %	7.7	15.4 %		
NINLARO	25.3	23.5	(7.0)%	12.1	(19.3)%	1.5	(5.9)%	3.2	5.1 %	6.7	18.9 %		
ICLUSIG *3	14.4	18.6	28.8 %	16.6	33.5 %							2.0	(0.6)%
ALUNBRIG	7.1	8.8	24.7 %	3.0	19.2 %	0.6	4.9 %	2.6	20.3 %	2.6	43.8 %		
VECTIBIX	6.8	6.9	1.8 %	—	-	6.9	1.8 %	—	-	—	-		
ZEJULA	3.6	3.5	(3.4)%	—	-	2.8	(6.0)%	—	-	0.7	8.1 %		
FRUZAQLA	—	11.1	-	10.1	-	—	-	1.0	-	0.0	-		
CABOMETYX	2.0	2.1	4.3 %	—	-	2.1	4.3 %	—	-	—	-		
Others	4.1	3.6	(13.1)%	2.7	(9.0)%	0.3	21.1 %	0.4	(4.2)%	0.2	(58.3)%		
Neuroscience	153.7	145.5	(5.3)%	99.9	(9.4)%	12.6	8.7 %	27.0	8.7 %	6.0	(13.3)%		
VYVANSE/ELVANSE	103.1	88.5	(14.1)%	59.7	(20.5)%	0.7	71.1 %	22.5	7.7 %	5.6	(16.5)%		
TRINTELLIX	26.6	33.1	24.2 %	30.0	24.9 %	3.1	17.4 %	—	-	—	-		
ADDERALL XR	9.1	9.1	(0.4)%	8.6	1.3 %	—	-	0.5	(22.7)%	—	-		
INTUNIV	8.3	9.6	15.5 %	0.1	(54.6)%	6.3	11.4 %	2.8	26.5 %	0.4	106.0 %		
Others	6.4	5.2	(19.8)%	1.5	(40.7)%	2.5	(13.6)%	1.2	9.9 %	0.0	12.2 %		
Vaccines	7.3	25.6	252.3 %	—	-	15.2	151.8 %	1.1	102.2 %	9.2	1,309.3 %		
QDENG A	1.2	10.4	749.8 %	—	-	—	-	1.1	102.2 %	9.2	1,309.3 %		
Others	6.0	15.2	151.8 %	—	-	15.2	151.8 %	—	-	—	-		
Others	73.1	61.9	(15.3)%										
AZILVA*4	5.0	2.6	(48.3)%	—	-	2.6	(48.3)%	—	-	—	-		
FOSRENOL*3	4.0	2.2	(44.7)%	0.3	(15.2)%							1.9	(48.0)%

*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 %	346.7	14.3 %	9.2 %	7.6 %								
ENTYVIO	192.0	199.7	227.6	181.6	234.4	22.1 %	7.6 %	238.9	19.6 %	13.7 %	10.7 %								
GATTEX/REVESTIVE	27.1	31.8	31.1	29.3	36.8	36.0 %	21.6 %	36.4	14.6 %	8.7 %	14.6 %								
TAKECAB/VOCINTI ^{*3}	29.8	28.9	31.5	28.2	33.2	11.2 %	8.9 %	31.1	7.6 %	7.2 %	8.0 %								
PANTOLOC/ CONTROLOC ^{*4}	11.2	11.7	12.6	11.0	10.9	(1.9)%	(13.1)%	11.6	(1.0)%	(5.6)%	(9.2)%								
DEXILANT	12.0	11.1	13.0	9.2	11.9	(1.4)%	(13.6)%	8.0	(28.4)%	(28.6)%	(20.8)%								
LIALDA/MEZAVANT	7.5	6.0	8.2	7.4	6.6	(10.9)%	(20.7)%	6.8	12.8 %	7.8 %	(8.0)%								
RESOLOR/MOTTEGRITY	4.7	5.4	5.5	5.3	5.5	17.7 %	3.4 %	5.8	6.3 %	0.4 %	1.8 %								
EOHILIA	—	—	—	0.2	0.9	-	-	1.3	-	-	-								
Others	9.3	8.6	9.7	8.0	8.2	(11.4)%	(20.4)%	6.8	(20.4)%	(23.9)%	(22.1)%								
Rare Diseases	170.8	170.1	183.4	164.1	199.5	16.8 %	4.4 %	189.2	11.2 %	6.2 %	5.3 %								
TAKHZYRO	41.3	45.8	49.3	42.2	56.0	35.6 %	19.8 %	55.0	20.2 %	13.9 %	16.7 %								
ADVATE	33.8	28.9	31.2	29.0	31.9	(5.8)%	(15.8)%	26.9	(6.9)%	(11.3)%	(13.7)%								
ADYNOVATE/ADYNOVI	17.4	16.1	17.8	15.1	17.6	1.5 %	(7.5)%	16.9	4.5 %	0.9 %	(3.4)%								
ELAPRASE	22.8	22.8	24.3	21.6	28.0	22.4 %	10.2 %	25.1	10.2 %	5.8 %	8.0 %								
REPLAGAL	18.0	18.2	18.9	18.5	21.4	19.1 %	8.0 %	19.9	9.2 %	5.8 %	6.9 %								
VPRIV	11.9	12.4	14.6	12.3	13.7	14.9 %	2.3 %	13.3	7.0 %	1.7 %	2.0 %								
FIRAZYR	5.5	6.2	5.5	4.0	5.0	(8.7)%	(18.3)%	4.8	(22.9)%	(25.7)%	(22.2)%								
LIVTENCITY	4.1	4.3	5.6	5.1	7.6	88.2 %	65.9 %	7.9	84.3 %	74.9 %	70.5 %								
VONVENDI	3.8	3.7	4.6	4.2	5.3	41.2 %	24.6 %	5.1	38.5 %	31.9 %	28.2 %								
RECOMBINATE	3.0	3.0	3.0	3.1	2.7	(10.6)%	(21.3)%	2.5	(15.6)%	(19.7)%	(20.6)%								
ADZYNMA	—	—	0.0	0.4	1.1	-	-	1.4	-	-	-								
Others	9.2	8.7	8.6	8.6	9.2	(0.8)%	(10.2)%	10.5	19.9 %	13.7 %	1.4 %								
PDT	209.2	221.0	244.3	229.2	271.4	29.7 %	14.7 %	264.2	19.6 %	14.0 %	14.3 %								
Immunoglobulin	145.6	163.6	176.5	158.9	201.5	38.4 %	21.9 %	189.6	15.9 %	10.6 %	15.9 %								
Albumin	30.8	28.2	35.3	39.7	29.4	(4.5)%	(14.2)%	40.9	45.4 %	38.5 %	11.0 %								
FEIBA	11.9	8.0	9.1	11.6	13.9	17.7 %	4.5 %	9.7	21.9 %	17.2 %	9.6 %								
HEMOFIL/IMMUNATE/ IMMUNINE	4.2	5.1	5.2	5.0	8.7	106.6 %	82.5 %	5.8	14.4 %	8.8 %	42.2 %								
CINRYZE	4.5	3.9	5.0	3.7	4.3	(4.6)%	(15.9)%	3.9	(1.0)%	(6.5)%	(11.5)%								
Others ^{*5}	12.3	12.2	13.1	10.3	13.6	10.8 %	(1.6)%	14.3	16.8 %	11.1 %	4.8 %								

*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.

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(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 %	142.9	24.6 %	20.2 %	18.7 %								
ADCETRIS	27.1	27.2	30.0	25.2	34.5	27.2 %	14.1 %	33.7	24.2 %	20.6 %	17.4 %								
LEUPLIN/ENANTONE	24.6	24.2	30.9	27.7	29.4	19.6 %	12.7 %	31.0	28.3 %	24.8 %	18.7 %								
NINLARO	21.0	25.3	20.4	20.6	23.9	13.6 %	1.5 %	23.5	(7.0)%	(11.5)%	(5.6)%								
ICLUSIG	12.6	14.4	14.4	13.2	16.8	33.3 %	17.2 %	18.6	28.8 %	22.2 %	19.9 %								
ALUNBRIG	6.6	7.1	7.4	7.4	9.4	41.6 %	27.4 %	8.8	24.7 %	19.8 %	23.5 %								
VECTIBIX	6.8	6.8	6.9	5.9	6.6	(3.7)%	(3.7)%	6.9	1.8 %	1.8 %	(1.0)%								
ZEJULA	3.8	3.6	3.7	3.1	3.7	(1.0)%	(2.5)%	3.5	(3.4)%	(3.6)%	(3.1)%								
FRUZAQLA	—	—	2.2	7.8	11.9	-	-	11.1	-	-	-								
CABOMETYX	2.2	2.0	2.3	1.9	2.3	3.8 %	3.8 %	2.1	4.3 %	4.3 %	4.1 %								
Others	5.7	4.1	2.9	3.3	3.6	(37.0)%	(44.1)%	3.6	(13.1)%	(17.0)%	(32.7)%								
Neuroscience	177.0	153.7	144.2	152.1	169.1	(4.5)%	(15.0)%	145.5	(5.3)%	(9.3)%	(12.3)%								
VYVANSE/ELVANSE	123.2	103.1	86.6	110.3	114.6	(6.9)%	(17.9)%	88.5	(14.1)%	(17.9)%	(17.9)%								
TRINTELLIX	24.3	26.6	29.3	24.6	31.0	27.6 %	13.6 %	33.1	24.2 %	18.5 %	16.1 %								
ADDERALL XR	13.5	9.1	12.6	6.5	7.7	(42.8)%	(49.6)%	9.1	(0.4)%	(4.8)%	(31.5)%								
INTUNIV	7.9	8.3	9.2	8.1	10.2	29.4 %	24.2 %	9.6	15.5 %	13.5 %	18.7 %								
Others	8.2	6.4	6.5	2.6	5.5	(33.2)%	(37.3)%	5.2	(19.8)%	(21.9)%	(30.6)%								
Vaccines	10.5	7.3	11.7	20.8	12.5	18.7 %	9.7 %	25.6	252.3 %	248.1 %	107.0 %								
QDENG A	0.7	1.2	3.8	3.8	9.5	1,231.5 %	1,098.6 %	10.4	749.8 %	725.2 %	863.1 %								
Others	9.8	6.0	7.9	17.1	3.0	(69.4)%	(69.4)%	15.2	151.8 %	151.8 %	14.9 %								
Others	87.0	73.1	67.3	88.3	64.9	(25.3)%	(31.1)%	61.9	(15.3)%	(17.6)%	(24.9)%								
AZILVA * ³	18.7	5.0	5.4	4.6	3.2	(82.6)%	(82.6)%	2.6	(48.3)%	(48.3)%	(75.4)%								
FOSRENOL	4.2	4.0	3.0	2.4	1.8	(58.0)%	(62.6)%	2.2	(44.7)%	(47.3)%	(55.1)%								

*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				Disclosed on October 31, 2024			
		FY24 Reported Forecasts		FY24 Forecasts at CER*1		FY24 Reported Forecasts		FY24 Forecasts at CER*1	
		Annual	Amount of Change	% Change	% Change	Annual	Amount of Change	% Change	% Change
GI	1,216.2	Mid-10s % growth		Low-10s % growth		Low-10s % growth		High-single-digit % growth	
ENTYVIO	800.9	964.0	163.1	20 %	16 %	930.0	129.1	16 %	11 %
GATTEX/REVESTIVE	119.3	133.0	13.7	12 %	8 %	139.0	19.7	17 %	11 %
TAKECAB/VOCINTI *2	118.5	133.0	14.5	12 %	12 %	131.0	12.5	11 %	10 %
PANTOLOC/CONTROLOC*3	46.5	45.0	(1.5)	(3)%	(7)%	44.0	(2.5)	(5)%	(9)%
DEXILANT	45.3	41.0	(4.3)	(9)%	(14)%	37.0	(8.3)	(18)%	(22)%
LIALDA/MEZAVANT	29.1	23.0	(6.1)	(21)%	(22)%	25.0	(4.1)	(14)%	(17)%
RESOLOR/MOTTEGRITY	20.9	23.0	2.1	10 %	7 %	23.0	2.1	10 %	7 %
EOHILIA	0.2			>5,000%	>5,000%			>4,000%	>4,000%
Others	35.6			(10)% to (15)%	(10)% to (15)%			(10)% to (15)%	(10)% to (15)%
Rare Diseases	688.4	Mid-single-digit % growth		Low-single-digit % growth		High-single-digit % growth		Low-single-digit % growth	
TAKHZYRO	178.7	205.0	26.3	15 %	10 %	211.0	32.3	18 %	13 %
ADVATE	122.9	182.0	(7.2)	(4)%	0 %	177.0	(12.2)	(6)%	(10)%
ADYNOVATE/ADYNOVI	66.3								
ELAPRASE	91.6	90.0	(1.6)	(2)%	(5)%	96.0	4.4	5 %	0 %
REPLAGAL	73.6	75.0	1.4	2 %	0 %	83.0	9.4	13 %	10 %
VPRIV	51.3	53.0	1.7	3 %	(1)%	55.0	3.7	7 %	2 %
FIRAZYR	21.2	17.0	(4.2)	(20)%	(21)%	17.0	(4.2)	(20)%	(20)%
LIVTENCITY	19.1	30.0	10.9	57 %	54 %	31.0	11.9	62 %	57 %
VONVENDI	16.2	20.0	3.8	24 %	19 %	20.0	3.8	24 %	19 %
RECOMBINATE	12.1	10.0	(2.1)	(17)%	(20)%	10.0	(2.1)	(17)%	(20)%
Others	35.6			0% to 5%	0% to (5)%			10% to 15%	0% to 10%

*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 (Disclosed on May 9, 2024) : 1 USD = 150 JPY, 1 Euro = 160 JPY, 1 RUB = 1.6 JPY, 1 BRL = 30.4 JPY, 1 CNY = 20.9 JPY

Assumption of FX rates for FY24 Reported Forecasts (Disclosed on October 31, 2024) : 1 USD = 150 JPY, 1 Euro = 165 JPY, 1 RUB = 1.7 JPY, 1 BRL = 28.6 JPY, 1 CNY = 21.2 JPY

(Bn JPY)	FY23 Reported Annual	Disclosed on May 9, 2024				Disclosed on October 31, 2024			
		FY24 Reported Forecasts		FY24 Forecasts at CER*1		FY24 Reported Forecasts		FY24 Forecasts at CER*1	
		Annual	Amount of Change	% Change	% Change	Annual	Amount of Change	% Change	% Change
PDT	903.7	Low-10s % growth		High-single-digit % growth		Mid-10s % growth		High-single-digit % growth	
Immunoglobulin	644.6	10% to 20%		5% to 15%		10% to 20%		5% to 15%	
Albumin	134.0	Single-digit % growth		Single-digit % growth		Single-digit % growth		Single-digit % growth	
FEIBA	40.5	41.0	0.5	1 %	(2)%	42.0	1.5	4 %	(2)%
HEMOPIL/IMMUNATE/ IMMUNINE	19.5	22.0	2.5	13 %	15 %	25.0	5.5	28 %	23 %
CINRYZE	17.1	15.0	(2.1)	(12)%	(12)%	15.0	(2.1)	(12)%	(11)%
Others *2	48.0	0% to 10%		0% to 10%		10% to 15%		0% to 10%	
Oncology	462.4	High-single-digit % growth		Mid-single-digit % growth		High-10s % growth		Mid-10s % growth	
ADCETRIS	109.4	116.0	6.6	6 %	2 %	131.0	21.6	20 %	15 %
LEUPLIN/ENANTONE	107.4	111.0	3.6	3 %	2 %	117.0	9.6	9 %	6 %
NINLARO	87.4	84.0	(3.4)	(4)%	(7)%	85.0	(2.4)	(3)%	(7)%
ICLUSIG	54.7	63.0	8.3	15 %	11 %	66.0	11.3	21 %	14 %
ALUNBRIG	28.5	40.0	11.5	40 %	37 %	37.0	8.5	30 %	28 %
VECTIBIX	26.4	28.0	1.6	6 %	6 %	27.0	0.6	2 %	2 %
ZEJULA	14.2	15.0	0.8	6 %	4 %	15.0	0.8	6 %	4 %
FRUZAQLA	10.1	>100%		>100%		>300%		>300%	
CABOMETYX	8.4	9.0	0.6	8 %	8 %	9.0	0.6	8 %	8 %
Others	16.0	(10)% to (15)%		(15)% to (20)%		(20) to (30)%		(20)% to (30)%	
Neuroscience	627.0	Low-30s % decline		Mid-30s % decline		High-10s% decline		Low-20s % decline	
VYVANSE/ELVANSE	423.2	225.0	(198.2)	(47)%	(49)%	309.0	(114.2)	(27)%	(31)%
TRINTELLIX	104.8	124.0	19.2	18 %	14 %	123.0	18.2	17 %	14 %
ADDERALL XR	41.8	19.0	(22.8)	(54)%	(56)%	23.0	(18.8)	(45)%	(48)%
INTUNIV	33.6	36.0	2.4	7 %	8 %	38.0	4.4	13 %	13 %
Others	23.7	(20)% to (30)%		(20)% to (30)%		(20)% to (30)%		(20)% to (30)%	
Vaccines	50.4	High-single-digit % growth		High-single-digit % growth		High-10s % growth		High-10s % growth	
QDENG A	9.6	>200%		>200%		>250%		>250%	
Others	40.8	>(30)%		>(30)%		>(40)%		>(40)%	
Others	315.7	>(30)%		>(30)%		>(30)%		>(30)%	
AZILVA*3	33.6	10.0	(23.6)	(70)%	(70)%	10.0	(23.6)	(70)%	(70)%
FOSRENOL	13.5	10.0	(3.5)	(26)%	(26)%	8.0	(5.5)	(41)%	(42)%

*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 (Disclosed on May 9, 2024) : 1 USD = 150 JPY, 1 Euro = 160 JPY, 1 RUB = 1.6 JPY, 1 BRL = 30.4 JPY, 1 CNY = 20.9 JPY

Assumption of FX rates for FY24 Reported Forecasts (Disclosed on October 31, 2024) : 1 USD = 150 JPY, 1 Euro = 165 JPY, 1 RUB = 1.7 JPY, 1 BRL = 28.6 JPY, 1 CNY = 21.2 JPY

FINANCIAL APPENDIX



Definition of Non-IFRS Measures

Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations [A-1](#)

Reconciliations and Other Financial Information

FY2024 H1 Reported Results with CER % Change [A-4](#)
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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 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 (excluding debt investments classified as Level 1 in the fair value hierarchy) 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, sales and redemption of investments (excluding debt investments classified as Level 1 in the fair value hierarchy) and sales of businesses, net of cash and cash equivalents 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 = 143.25 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on September 30, 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 H1 Reported Results with CER % Change

(Billion JPY, except EPS)	FY2023 H1	FY2024 H1	vs. PY			(Million USD, except EPS) FY2024 H1 Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	2,101.7	2,384.0	282.3	13.4%	5.0%	16,642
Cost of sales	(664.7)	(781.3)	(116.6)	(17.5)%	(9.2)%	(5,454)
Gross profit	1,437.0	1,602.8	165.8	11.5%	3.1%	11,189
<i>Margin</i>	68.4 %	67.2 %		(1.1) pp	(1.2) pp	67.2 %
SG&A expenses	(501.1)	(538.3)	(37.2)	(7.4)%	0.4%	(3,758)
R&D expenses	(346.7)	(344.0)	2.7	0.8%	8.3%	(2,402)
Amortization of intangible assets associated with products	(253.9)	(277.5)	(23.6)	(9.3)%	(0.0)%	(1,937)
Impairment losses on intangible assets associated with products ^{*1}	(115.8)	(27.8)	88.0	76.0%	76.5%	(194)
Other operating income	9.9	13.9	4.1	41.1%	32.9%	97
Other operating expenses	(110.2)	(78.5)	31.7	28.8%	35.2%	(548)
Operating profit	119.2	350.6	231.3	194.0%	173.1%	2,447
<i>Margin</i>	5.7 %	14.7 %		9.0 pp	9.1 pp	14.7 %
Finance income	24.3	34.8	10.5	43.1%	40.8%	243
Finance expenses	(106.1)	(128.1)	(22.1)	(20.8)%	(17.3)%	(895)
Share of profit (loss) of investments accounted for using the equity method	1.6	(1.2)	(2.9)	—	—	(9)
Profit before tax	39.1	256.0	216.9	555.5%	500.1%	1,787
Income tax (expenses) benefit	2.4	(68.6)	(71.0)	—	—	(479)
Net profit for the period	41.4	187.4	146.0	352.3%	306.2%	1,308
Non-controlling interests	(0.1)	(0.1)	(0.0)	(58.8)%	(58.6)%	(1)
Net profit attributable to owners of the Company	41.4	187.3	145.9	352.8%	306.6%	1,307
Basic EPS (JPY or USD)	26.51	118.85	92.34	348.4%	302.7%	0.83

*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 Q2 (Jul-Sep) Reported Results with CER % Change

(Billion JPY, except EPS)	FY2023 Q2 (Jul-Sep)	FY2024 Q2 (Jul-Sep)	vs. PY			(Million USD, except EPS) FY2024 Q2 (Jul-Sep) Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	1,043.1	1,176.0	132.9	12.7%	8.0%	8,210
Cost of sales	(343.6)	(394.3)	(50.7)	(14.8)%	(10.1)%	(2,753)
Gross profit	699.5	781.7	82.2	11.8%	7.0%	5,457
<i>Margin</i>	67.1 %	66.5 %		(0.6) pp	(0.6) pp	66.5 %
SG&A expenses	(253.0)	(268.3)	(15.3)	(6.1)%	(1.5)%	(1,873)
R&D expenses	(183.9)	(175.6)	8.4	4.6%	8.8%	(1,226)
Amortization of intangible assets associated with products	(130.7)	(138.9)	(8.1)	(6.2)%	(0.8)%	(969)
Impairment losses on intangible assets associated with products ^{*1}	(109.5)	(3.5)	106.0	96.8%	97.0%	(25)
Other operating income	5.7	3.1	(2.6)	(45.9)%	(45.1)%	21
Other operating expenses	(77.4)	(14.3)	63.1	81.5%	81.2%	(100)
Operating profit	(49.3)	184.2	233.6	—	—	1,286
<i>Margin</i>	(4.7)%	15.7 %		20.4 pp	20.5 pp	15.7 %
Finance income	9.4	6.5	(2.8)	(30.2)%	(32.1)%	46
Finance expenses	(58.0)	(70.9)	(12.9)	(22.1)%	(18.8)%	(495)
Share of profit (loss) of investments accounted for using the equity method	2.0	(0.5)	(2.6)	—	—	(4)
Profit before tax	(96.0)	119.4	215.4	—	—	833
Income tax (expenses) benefit	48.0	(27.3)	(75.3)	—	—	(190)
Net profit for the period	(48.0)	92.1	140.1	—	—	643
Non-controlling interests	(0.1)	(0.1)	(0.0)	(2.7)%	(6.2)%	(0)
Net profit attributable to owners of the Company	(48.0)	92.0	140.1	—	—	643
Basic EPS (JPY or USD)	(30.68)	58.21	88.90	—	—	0.41

*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 H1 Core Results with CER % Change

(Billion JPY, except EPS)	FY2023 H1	FY2024 H1	vs. PY			(Million USD, except EPS) FY2024 H1 Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	2,101.7	2,384.0	282.3	13.4%	5.0%	16,642
Cost of sales	(664.8)	(781.5)	(116.6)	(17.5)%	(9.2)%	(5,455)
Gross profit	1,436.9	1,602.6	165.7	11.5%	3.1%	11,187
<i>Margin</i>	68.4 %	67.2 %		(1.1) pp	(1.2) pp	67.2 %
SG&A expenses	(501.4)	(538.5)	(37.1)	(7.4)%	0.5%	(3,759)
R&D expenses	(346.7)	(344.1)	2.6	0.7%	8.3%	(2,402)
Operating profit	588.8	719.9	131.2	22.3%	12.9%	5,026
<i>Margin</i>	28.0 %	30.2 %		2.2 pp	2.1 pp	30.2 %
Finance income	24.0	28.8	4.8	19.8%	17.9%	201
Finance expenses	(87.8)	(102.0)	(14.2)	(16.2)%	(12.3)%	(712)
Share of profit (loss) of investments accounted for using the equity method	2.3	1.6	(0.6)	(27.7)%	(30.7)%	12
Profit before tax	527.2	648.3	121.1	23.0%	13.0%	4,525
Income tax (expenses) benefit	(119.4)	(159.1)	(39.6)	(33.2)%	(27.1)%	(1,111)
Net profit for the period	407.8	489.2	81.4	20.0%	8.9%	3,415
Non-controlling interests	(0.1)	(0.1)	(0.0)	(58.8)%	(58.6)%	(1)
Net profit attributable to owners of the Company	407.7	489.1	81.4	20.0%	8.9%	3,414
Basic EPS (JPY or USD)	261	310	49	18.8%	7.9%	2.17

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 Q2 (Jul-Sep) Core Results with CER % Change

(Billion JPY, except EPS)	FY2023 Q2 (Jul-Sep)	FY2024 Q2 (Jul-Sep)	vs. PY			(Million USD, except EPS) FY2024 Q2 (Jul-Sep) Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	1,043.1	1,176.0	132.9	12.7%	8.0%	8,210
Cost of sales	(343.6)	(394.4)	(50.8)	(14.8)%	(10.2)%	(2,753)
Gross profit	699.5	781.7	82.2	11.7%	7.0%	5,457
<i>Margin</i>	67.1 %	66.5 %		(0.6) pp	(0.7) pp	66.5 %
SG&A expenses	(253.1)	(268.4)	(15.3)	(6.0)%	(1.5)%	(1,874)
R&D expenses	(183.9)	(175.6)	8.3	4.5%	8.8%	(1,226)
Operating profit	262.4	337.7	75.2	28.7%	23.3%	2,357
<i>Margin</i>	25.2 %	28.7 %		3.6 pp	3.6 pp	28.7 %
Finance income	9.2	6.1	(3.1)	(33.2)%	(34.3)%	43
Finance expenses	(44.5)	(49.4)	(4.9)	(11.0)%	(6.9)%	(345)
Share of profit (loss) of investments accounted for using the equity method	1.5	1.3	(0.3)	(16.8)%	(16.8)%	9
Profit before tax	228.7	295.7	67.0	29.3%	23.9%	2,064
Income tax (expenses) benefit	(54.3)	(83.3)	(29.1)	(53.6)%	(50.6)%	(582)
Net profit for the period	174.4	212.3	37.9	21.8%	15.6%	1,482
Non-controlling interests	(0.1)	(0.1)	(0.0)	(2.7)%	(6.2)%	(0)
Net profit attributable to owners of the Company	174.3	212.3	37.9	21.8%	15.6%	1,482
Basic EPS (JPY or USD)	111	134	23	20.5%	14.5%	0.94

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 H1 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	Teva JV related adjustment ^{*2}	Other operating income/expenses	Others	
Revenue	2,384.0						2,384.0
Cost of sales	(781.3)					(0.2)	(781.5)
Gross profit	1,602.8					(0.2)	1,602.6
SG&A expenses	(538.3)					(0.2)	(538.5)
R&D expenses	(344.0)					(0.1)	(344.1)
Amortization of intangible assets associated with products	(277.5)	277.5					—
Impairment losses on intangible assets associated with products ^{*1}	(27.8)		27.8				—
Other operating income	13.9				(13.9)		—
Other operating expenses	(78.5)				78.5		—
Operating profit	350.6	277.5	27.8		64.6	(0.5)	719.9
Margin	14.7 %						30.2 %
Finance income and (expenses), net	(93.4)			18.3		1.7	(73.3)
Share of profit (loss) of investments accounted for using the equity method	(1.2)					2.9	1.6
Profit before tax	256.0	277.5	27.8	18.3	64.6	4.1	648.3
Income tax (expenses) benefit	(68.6)	(58.1)	(8.0)	(5.6)	(14.7)	(4.1)	(159.1)
Non-controlling interests	(0.1)						(0.1)
Net profit attributable to owners of the Company	187.3	219.4	19.8	12.7	49.9	(0.0)	489.1
Basic EPS (JPY)	119						310
Number of shares (millions)	1,576						1,576

*1 Includes in-process R&D.

*2 An impairment loss of JPY 18.3 billion as a result of the classification of Teva Takeda Pharma Ltd. shares to the assets held for sale for the six-month period ended September 30, 2024.



FY2024 Q2 (Jul-Sep) 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	Teva JV related adjustment ^{*2}	Other operating income/expenses	Others	
Revenue	1,176.0						1,176.0
Cost of sales	(394.3)					(0.1)	(394.4)
Gross profit	781.7					(0.1)	781.7
SG&A expenses	(268.3)					(0.1)	(268.4)
R&D expenses	(175.6)					(0.0)	(175.6)
Amortization of intangible assets associated with products	(138.9)	138.9					—
Impairment losses on intangible assets associated with products ^{*1}	(3.5)		3.5				—
Other operating income	3.1				(3.1)		—
Other operating expenses	(14.3)				14.3		—
Operating profit	184.2	138.9	3.5		11.2	(0.2)	337.7
Margin	15.7 %						28.7 %
Finance income and (expenses), net	(64.3)			18.3		2.8	(43.2)
Share of profit (loss) of investments accounted for using the equity method	(0.5)					1.8	1.3
Profit before tax	119.4	138.9	3.5	18.3	11.2	4.3	295.7
Income tax (expenses) benefit	(27.3)	(29.1)	(0.8)	(5.6)	(3.3)	(17.3)	(83.3)
Non-controlling interests	(0.1)						(0.1)
Net profit attributable to owners of the Company	92.0	109.8	2.8	12.7	7.9	(13.0)	212.3
Basic EPS (JPY)	58						134
Number of shares (millions)	1,581						1,581

*1 Includes in-process R&D.

*2 An impairment loss of JPY 18.3 billion as a result of the classification of Teva Takeda Pharma Ltd. shares to the assets held for sale for the quarter ended September 30, 2024.



FY2023 H1 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	2,101.7					2,101.7
Cost of sales	(664.7)				(0.1)	(664.8)
Gross profit	1,437.0				(0.1)	1,436.9
SG&A expenses	(501.1)				(0.3)	(501.4)
R&D expenses	(346.7)				0.0	(346.7)
Amortization of intangible assets associated with products	(253.9)	253.9				—
Impairment losses on intangible assets associated with products*1	(115.8)		115.8			—
Other operating income	9.9			(9.9)		—
Other operating expenses	(110.2)			110.2		—
Operating profit	119.2	253.9	115.8	100.4	(0.5)	588.8
Margin	5.7 %					28.0 %
Finance income and (expenses), net	(81.8)				18.0	(63.8)
Share of profit (loss) of investments accounted for using the equity method	1.6				0.7	2.3
Profit before tax	39.1	253.9	115.8	100.4	18.1	527.2
Income tax (expenses) benefit	2.4	(54.1)	(25.6)	(16.5)	(25.6)	(119.4)
Non-controlling interests	(0.1)					(0.1)
Net profit attributable to owners of the Company	41.4	199.8	90.1	83.8	(7.5)	407.7
Basic EPS (JPY)	27					261
Number of shares (millions)	1,561					1,561

*1 Includes in-process R&D.



FY2023 Q2 (Jul-Sep) 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	1,043.1					1,043.1
Cost of sales	(343.6)				(0.0)	(343.6)
Gross profit	699.5				(0.0)	699.5
SG&A expenses	(253.0)				(0.2)	(253.1)
R&D expenses	(183.9)				0.0	(183.9)
Amortization of intangible assets associated with products	(130.7)	130.7				—
Impairment losses on intangible assets associated with products*1	(109.5)		109.5			—
Other operating income	5.6			(5.6)		—
Other operating expenses	(77.3)			77.3		—
Operating profit	(49.3)	130.7	109.5	71.7	(0.2)	262.4
Margin	(4.7)%					25.2 %
Finance income and (expenses), net	(48.7)				13.4	(35.3)
Share of profit (loss) of investments accounted for using the equity method	2.0				(0.5)	1.5
Profit before tax	(96.0)	130.7	109.5	71.7	12.7	228.7
Income tax (expenses) benefit	48.0	(27.8)	(24.3)	(10.1)	(40.1)	(54.3)
Non-controlling interests	(0.1)					(0.1)
Net profit attributable to owners of the Company	(48.0)	102.9	85.3	61.6	(27.4)	174.3
Basic EPS (JPY)	(31)					111
Number of shares (millions)	1,565					1,565

*1 Includes in-process R&D.



FY2024 H1 Adjusted Free Cash Flow

(Billion JPY)	FY2023 H1	FY2024 H1	vs. PY		(Million USD) FY2024 H1 Convenience USD Translation
Net profit	41.4	187.4	146.0	352.3 %	1,308
Depreciation, amortization and impairment loss	480.9	420.7	(60.2)		2,937
Decrease (increase) in trade working capital	(200.7)	(146.1)	54.6		(1,020)
Income taxes paid	(129.0)	(89.1)	40.0		(622)
Tax refunds and interest on tax refunds received	10.1	4.3	(5.8)		30
Other	88.6	74.0	(14.6)		517
Net cash from operating activities (Operating Cash Flow)	291.3	451.3	160.0	54.9 %	3,150
Acquisition of PP&E	(83.8)	(106.9)	(23.1)		(746)
Free Cash Flow ^{*1}	207.5	344.4	136.9	66.0 %	2,404
Adjustment for cash temporarily held by Takeda on behalf of third parties ^{*2}	(30.2)	8.5	38.7		59
Proceeds from sales of PP&E	8.3	0.0	(8.3)		0
Acquisition of intangible assets ^{*3}	(255.5)	(91.6)	163.9		(639)
Acquisition of option to license	—	(31.8)	(31.8)		(222)
Acquisition of investments ^{*4}	(2.3)	(13.5)	(11.2)		(94)
Proceeds from sales and redemption of investments	0.6	23.1	22.5		161
Proceeds from sales of business, net of cash and cash equivalents divested	0.4	8.3	8.0		58
Adjusted Free Cash Flow ^{*1}	(71.1)	247.5	318.7	—	1,728

*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.

*4 Acquisition of JPY 14.3 billion debt investments classified as Level 1 in the fair value hierarchy is excluded for the six-month period ended September 30, 2024.

FY2024 H1 Adjusted Net Debt to Adjusted EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2024 H1
Book value of bonds and loans on consolidated statements of financial position	(5,051.2)
Cash & cash equivalents	859.0
Net Debt ^{*1}	(4,192.2)
Application of equity credit ^{*2}	250.0
FX adjustment ^{*3}	(167.9)
Cash temporarily held by Takeda on behalf of third parties ^{*4}	(99.3)
Level 1 debt investments ^{*4}	14.3
Adjusted Net Debt ^{*1}	(4,195.1)
Adjusted EBITDA (LTM) ^{*5}	1,459.2
Adjusted Net Debt/Adjusted EBITDA ratio	2.9x
Book value of bonds and loans on consolidated statements of financial position	(5,051.2)
Application of equity credit ^{*2}	250.0
FX adjustment ^{*3}	(167.9)
Adjusted Gross Debt	(4,969.1)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(Billion JPY)	FY2023 H1	FY2024 H1	vs. PY	
Net cash from operating activities (Operating Cash Flow)	291.3	451.3	160.0	54.9 %
Acquisition of PP&E	(83.8)	(106.9)		
Proceeds from sales of PP&E	8.3	0.0		
Acquisition of intangible assets	(255.5)	(91.6)		
Acquisition of option to license	—	(31.8)		
Acquisition of investments	(2.3)	(27.7)		
Proceeds from sales and redemption of investments	0.6	23.1		
Proceeds from sales of business, net of cash and cash equivalents divested	0.4	8.3		
Payments for the settlement of forward exchange contracts designated as net investment hedges	—	(14.0)		
Net increase (decrease) in short-term loans and commercial papers	110.0	(317.0)		
Proceeds from long-term loans	100.0	50.0		
Repayment of long-term loans	(100.2)	(50.2)		
Proceeds from issuance of bonds	—	934.5		
Repayment of bonds	(145.9)	(233.8)		
Proceeds from the settlement of cross currency interest rate swaps related to bonds and loans	60.1	46.9		
Acquisition of treasury shares	(2.3)	(1.9)		
Interest paid	(49.7)	(42.3)		
Dividends paid	(139.8)	(147.3)		
Others	(25.5)	(23.8)		
Net increase (decrease) in cash and cash equivalents	(234.2)	425.8	660.0	—

*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 (October 2023 - September 2024). Calculated by subtracting FY2023 H1 from FY2023 Full Year and adding FY2024 H1.

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 H1 Net Profit to Adjusted EBITDA Bridge

(Billion JPY)	FY2023 H1	FY2024 H1	vs. PY	
Net profit	41.4	187.4	146.0	352.3 %
Income tax expenses (benefit)	(2.4)	68.6		
Depreciation and amortization	354.2	384.7		
Interest expense, net	54.0	58.3		
EBITDA	447.2	699.0	251.8	56.3 %
Impairment losses	126.7	36.1		
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	89.6	54.2		
Finance expense (income), net, excluding interest expense, net	27.8	35.0		
Share of loss (profit) on investments accounted for under the equity method	(1.6)	1.2		
Other costs ^{*1}	32.5	34.2		
Adjusted EBITDA	722.2	859.8	137.5	19.0 %

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



FY2024 H1 Net Profit to Adjusted EBITDA LTM Bridge

(Billion JPY)	FY2023 Full Year (Apr - Mar)	FY2023 H1 (Apr - Sep)	FY2024 H1 (Apr - Sep)	FY2024 H1 LTM ^{*1} (Oct - Sep)
Net profit	144.2	41.4	187.4	290.2
Income tax expenses (benefit)	(91.4)	(2.4)	68.6	(20.5)
Depreciation and amortization	728.0	354.2	384.7	758.5
Interest expense, net	108.2	54.0	58.3	112.6
EBITDA	889.0	447.2	699.0	1,140.8
Impairment losses	150.0	126.7	36.1	59.4
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	162.2	89.6	54.2	126.8
Finance expense (income), net, excluding interest expense, net	59.5	27.8	35.0	66.7
Share of loss (profit) on investments accounted for under the equity method	(6.5)	(1.6)	1.2	(3.6)
Other costs ^{*2}	69.9	32.5	34.2	71.6
Adjusted EBITDA	1,324.1	722.2	859.8	1,461.7
EBITDA from divested products ^{*3}	(4.2)			(2.4)
Adjusted EBITDA (LTM)	1,319.9			1,459.2

*1 LTM represents Last Twelve Months (October 2023 - September 2024). Calculated by subtracting FY2023 H1 from FY2023 Full Year and adding FY2024 H1.

*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 H1 CAPEX, Depreciation and Amortization and Impairment Losses

(Billion JPY)	FY2023 H1	FY2024 H1	vs. PY		FY2024 Revised Forecast (October 31, 2024)
Capital expenditures ^{*1}	339.3	198.5	(140.8)	(41.5)%	380.0 - 420.0
Tangible assets	83.8	106.9	23.1	27.6 %	
Intangible assets	255.5	91.6	(163.9)	(64.2)%	
Depreciation and amortization	354.2	384.7	30.5	8.6 %	756.0
Depreciation of tangible assets ^{*2} (A)	84.8	87.6	2.8	3.3 %	
Amortization of intangible assets (B)	269.4	297.1	27.7	10.3 %	
Of which Amortization associated with products (C)	253.9	277.5	23.6	9.3 %	541.0
Of which Amortization excluding intangible assets associated with products (D)	15.5	19.6	4.1	26.6 %	
Depreciation and amortization (excluding intangible assets associated with products) (A)+(D)	100.3	107.2	6.9	6.9 %	215.0
Impairment losses	126.7	36.1	(90.6)	(71.5)%	
Impairment losses on intangible assets associated with products ^{*3}	115.8	27.8	(88.0)	(76.0)%	50.0
Amortization and impairment losses on intangible assets associated with products	369.7	305.2	(64.4)	(17.4)%	591.0

*1 Cash flow base

*2 Includes depreciation of investment properties

*3 Includes in-process R&D



FY2024 Full Year Detailed Forecast

(BN JPY)	Original Forecast (May 9, 2024)	Revised Forecast (October 31, 2024)	vs. Original Forecast		Variations
Revenue	4,350.0	4,480.0	130.0	3.0 %	Business momentum including Vyvanse and FX benefit
Cost of sales	(1,500.0)	(1,555.0)	(55.0)	(3.7)%	
Gross Profit	2,850.0	2,925.0	75.0	2.6 %	Reflects revenue growth; Gross margin negatively impacted by FX
SG&A expenses	(1,080.0)	(1,105.0)	(25.0)	(2.3)%	Mainly FX impact
R&D expenses	(770.0)	(770.0)	—	—	
Amortization of intangible assets associated with products	(540.0)	(541.0)	(1.0)	(0.2)%	Mainly FX impact
Impairment losses on intangible assets associated with products ^{*1}	(50.0)	(50.0)	—	—	
Other operating income	15.0	19.0	4.0	26.7 %	Divestiture related income and legal settlement income
Other operating expenses	(200.0)	(213.0)	(13.0)	(6.5)%	Asset write-off for option right and FX impact
Operating profit	225.0	265.0	40.0	17.8 %	
Finance income (expenses), net	(172.0)	(168.0)	4.0	2.3 %	
Profit before tax	55.0	93.0	38.0	69.1 %	
Net profit attributable to owners of the Company	58.0	68.0	10.0	17.2 %	Higher tax charges, mainly due to the write-down of deferred tax assets
Basic EPS (yen)	37	43	6	17.2 %	
Core Revenue ^{*2}	4,350.0	4,480.0	130.0	3.0 %	Business momentum including Vyvanse and FX benefit
Core Operating Profit ^{*2}	1,000.0	1,050.0	50.0	5.0 %	Business momentum including Vyvanse and FX benefit
Core EPS (yen) ^{*2}	431	456	26	5.9 %	
Adjusted Free Cash Flow ^{*2}	350.0 to 450.0	400.0 to 500.0			Reflects upgrade to Core Operating Profit forecast
CAPEX (cash flow base)	(380.0) to (420.0)	(380.0) to (420.0)			
Depreciation and amortization (excl. intangible assets associated with products)	(205.0)	(215.0)	(10.0)	(4.9)%	Mainly FX impact
Cash tax rate on Adjusted EBITDA (excl. divestitures) ^{*2}	Mid teen %	Mid teen %			
USD/JPY	150	150	—	—	
EUR/JPY	160	165	5	3.1 %	

*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	4,480.0				4,480.0
Cost of sales	(1,555.0)				
Gross Profit	2,925.0				(3,430.0)
SG&A expenses	(1,105.0)				
R&D expenses	(770.0)				
Amortization of intangible assets associated with products	(541.0)	541.0			—
Impairment losses on intangible assets associated with products* ¹	(50.0)		50.0		—
Other operating income	19.0			(19.0)	—
Other operating expenses	(213.0)			213.0	—
Operating profit	265.0	541.0	50.0	194.0	1,050.0

*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 October 2024 to March 2025 (100 million JPY)					
	FY2023 H1 Actual (Apr-Sep)	FY2024 H1 Actual (Apr-Sep)	FY2024 Full Year Assumption (Apr-Mar)	FY2024 H2 Assumption (Oct-Mar)		Revenue (IFRS)	Operating Profit (IFRS)	Net Profit (IFRS)	Core Operating Profit (non-IFRS)
USD	140	154	150	146	1% depreciation	86.4	(6.7)	(8.5)	16.4
					1 yen depreciation	57.6	(4.5)	(5.7)	10.9
EUR	153	166	165	164	1% depreciation	27.9	(22.8)	(19.0)	(17.3)
					1 yen depreciation	16.9	(13.8)	(11.5)	(10.5)
RUB	1.6	1.7	1.7	1.7	1% depreciation	1.7	0.9	0.7	1.1
CNY	19.8	21.3	21.2	21.1		10.0	6.5	5.2	6.5
BRL	28.5	28.9	28.6	28.4		4.1	2.6	2.0	2.6

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Forward-Looking Statements

This report and any materials distributed in connection with this report 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 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 Non-IFRS Measures

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

This report and materials distributed in connection with this report include certain financial measures not presented in accordance with IFRS, such as Core Revenue, Core Operating Profit, Core Net Profit for the year attributable to owners of the Company, Core EPS, Constant Exchange Rate ("CER") change, Net Debt, Adjusted Net Debt, EBITDA, Adjusted EBITDA, Free Cash Flow and Adjusted 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 measures to their most directly comparable IFRS measures. Beginning in the quarter ended June 30, 2024, Takeda (i) changed 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, (ii) re-named Free Cash Flow as previously calculated as "Adjusted Free Cash Flow" (with "Free Cash Flow" to be reported as Operating Cash Flow less Property, Plant and Equipment), and (iii) re-named Net Debt as previously calculated as "Adjusted Net Debt" (with "Net Debt" to be reported as the book value of bonds and loans less cash and cash equivalents).

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.

Medical Information

This report 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.