

# Earnings Report (Kessan Tanshin) for the Nine-month Period Ended December 31, 2025 (IFRS, Consolidated)

January 29, 2026

## Takeda Pharmaceutical Company Limited

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Scheduled date of dividend payment commencement: -

Supplementary materials for the financial statements: Yes

Presentation to explain the financial statements: Yes

(Million JPY, rounded to the nearest million)

## 1. Consolidated Financial Results for the Nine-month Period Ended December 31, 2025 (April 1 to December 31, 2025)

### (1) Consolidated Operating Results (year to date)

(Percentage figures represent changes over the same period of the previous year)

	Revenue (Million JPY)	Revenue (%)	Operating profit (Million JPY)	Operating profit (%)	Profit before tax (Million JPY)	Profit before tax (%)	Net profit for the period (Million JPY)	Net profit for the period (%)
Nine-month Period Ended December 31, 2025	3,411,179	(3.3)	422,382	1.2	312,668	10.7	216,283	2.4
Nine-month Period Ended December 31, 2024	3,528,152	9.8	417,518	86.3	282,383	181.5	211,241	43.5
(Percentage figures represent changes over the same period of the previous year)								
	Net profit attributable to owners of the Company (Million JPY)	Net profit attributable to owners of the Company (%)	Total comprehensive income for the period (Million JPY)	Total comprehensive income for the period (%)	Basic earnings per share (JPY)		Diluted earnings per share (JPY)	
Nine-month Period Ended December 31, 2025	216,081	2.4	1,018,673	157.7	137.31		135.13	
Nine-month Period Ended December 31, 2024	211,083	43.5	395,293	(36.8)	133.71		131.69	
(Percentage figures represent changes over the same period of the previous year)								
	Core Operating Profit (Billion JPY)	Core Operating Profit (%)	Core EPS (JPY)					
Nine-month Period Ended December 31, 2025	971.6	(3.4)	428					
Nine-month Period Ended December 31, 2024	1,006.3	16.3	443					

### (2) Consolidated Financial Position

	Total assets (Million JPY)	Total equity (Million JPY)	Equity attributable to owners of the Company (Million JPY)	Ratio of equity attributable to owners of the Company to total assets (%)	Equity attributable to owners of the Company per share (JPY)
As of December 31, 2025	15,408,774	7,644,091	7,642,943	49.6	4,838.54
As of March 31, 2025	14,248,344	6,935,979	6,935,084	48.7	4,407.01

## 2. Dividends

	Annual dividends per share (JPY)					Total
	1st quarter end	2nd quarter end	3rd quarter end	Year-end		
For the Fiscal Year Ended March 31, 2025	—	98.00	—	98.00	98.00	196.00
For the Fiscal Year Ending March 31, 2026	—	100.00	—	—	—	—
For the Fiscal Year Ending March 31, 2026 (Projection)	—	—	—	100.00	100.00	200.00

(Note) Modifications in the dividend projection from the latest announcement: None

## 3. Forecasts for Consolidated Operating Results (Actual Exchange Rate basis) for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentage figures represent changes from the previous fiscal year)

	Revenue (Million JPY)	(%)	Operating profit (Million JPY)	(%)	Profit before taxes (Million JPY)	(%)	Net profit attributable to owners of the Company (Million JPY)	(%)	Basic earnings per share (JPY)
For the Fiscal Year Ending March 31, 2026	4,530,000	(1.1)	410,000	19.7	245,000	39.9	154,000	42.7	97.78

(Note) Modifications in forecasts of consolidated operating results from the latest announcement: Yes

Forecasts for Core financial measures are shown below.

(Percentage figures represent changes from the previous fiscal year)

	Core Revenue (Million JPY)	(%)	Core Operating Profit (Million JPY)	(%)	Core EPS (JPY)
For the Fiscal Year Ending March 31, 2026	4,530,000	(1.1)	1,150,000	(1.1)	486

(Note) Modifications in forecasts of consolidated operating results from the latest announcement: Yes

The definition of Core financial measures is stated in “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix.

## 4. Management Guidance (Constant Exchange Rate basis) for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

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, 2026 (FY2025) has been revised from the management guidance announced on October 30, 2025.

	Core Revenue Growth (%)	Core Operating Profit Growth (%)	Core EPS Growth (%)
For the Fiscal Year Ending March 31, 2026	Low-single-digit % decline	Low-single-digit % decline	Low-single-digit % decline

The definition of Constant Exchange Rate change is stated in “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix.

▪ **Additional Information**

(1) Significant changes in the scope of consolidation during the period	: No
(2) Changes in accounting policies and changes in accounting estimates	
1) Changes in accounting policies required by IFRS	: No
2) Changes in accounting policies other than 1)	: No
3) Changes in accounting estimates	: No
(3) Number of shares outstanding (common stock)	
1) Number of shares outstanding (including treasury stock) at period end:	
December 31, 2025	1,590,987,809 shares
March 31, 2025	1,590,949,609 shares
2) Number of shares of treasury stock at period end:	
December 31, 2025	11,391,398 shares
March 31, 2025	17,299,963 shares
3) Average number of outstanding shares (for the nine-month period ended December 31):	
December 31, 2025	1,573,647,243 shares
December 31, 2024	1,578,670,992 shares

▪ **Review of the attached condensed interim consolidated financial statements by certified public accountants or an audit firm: No**

▪ **Note to ensure appropriate use of forecasts and guidance, and other noteworthy items**

- Takeda applies International Financial Reporting Standards (IFRS), and the disclosure information in this document is based on IFRS.
- 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.
- For details of the forecasts for consolidated operating results and the management guidance, please refer to "1. Financial Highlights for the Nine-month Period Ended December 31, 2025 (4) Outlook for the Fiscal Year Ending March 31, 2026" on page 12.
- Supplementary materials for the financial statements including the Quarterly Financial Report and Earnings Presentation of the conference call on January 29, 2026, and its audio will be promptly posted on Takeda's website.

(Takeda Website):  
<https://www.takeda.com/investors/financial-results/quarterly-results/>

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[Financial Appendix]

## 1. Financial Highlights for the Nine-month Period Ended December 31, 2025

### (1) Business Performance

#### (i) Consolidated Financial Results (April 1 to December 31, 2025)

	FY2024 Q3	FY2025 Q3	Billion JPY or percentage		
			AER	CER	CER
			JPY Change	% Change	% Change
Revenue	3,528.2	3,411.2	(117.0)	(3.3)%	(2.8)%
Cost of sales	(1,198.1)	(1,165.9)	32.3	(2.7)%	(2.4)%
Selling, general and administrative expenses	(808.9)	(792.2)	16.7	(2.1)%	(1.3)%
Research and development expenses	(514.2)	(480.6)	33.6	(6.5)%	(5.1)%
Amortization and impairment losses on intangible assets associated with products	(440.2)	(478.7)	(38.5)	8.8 %	9.7 %
Other operating income	16.2	22.7	6.4	39.7 %	40.3 %
Other operating expenses	(165.4)	(94.0)	71.4	(43.2)%	(42.8)%
Operating profit	417.5	422.4	4.9	1.2 %	0.1 %
Finance income and (expenses), net	(131.9)	(107.9)	24.0	(18.2)%	(14.8)%
Share of loss of investments accounted for using the equity method	(3.2)	(1.8)	1.4	(43.2)%	(53.5)%
Profit before tax	282.4	312.7	30.3	10.7 %	7.7 %
Income tax expenses	(71.1)	(96.4)	(25.2)	35.5 %	26.4 %
Net profit for the period	211.2	216.3	5.0	2.4 %	1.4 %
Net profit for the period attributable to owners of the Company	211.1	216.1	5.0	2.4 %	1.4 %

In this section, 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 nine-month period ended December 31, 2025 was JPY 3,411.2 billion (JPY -117.0 billion and -3.3% AER, -2.8% CER). The decline compared to the same period of the previous fiscal year was primarily attributable to a decrease in revenue in Neuroscience, one of our six key business areas. The decrease in Neuroscience was largely attributable to the continued impact from generic erosion of VYVANSE (for attention deficit hyperactivity disorder (“ADHD”)) in the U.S. Revenue steadily increased in our key business areas of Gastroenterology (“GI”), Plasma-Derived Therapies (“PDT”), Oncology and Vaccines, with a slight decline in revenue for Rare Diseases. Certain products faced headwinds due to the impact of the Medicare Part D redesign and 340B program expansion in the U.S., while there was stable demand in other regions and for other products. Revenue outside of our six key business areas was JPY 161.4 billion (JPY -29.5 billion and -15.4% AER, -16.6% CER).

### Revenue by Geographic Region

The following shows revenue by geographic region:

Revenue:	Billion JPY or percentage				
	FY2024 Q3	FY2025 Q3	AER	CER	
		JPY Change	% Change	% Change	
Japan	324.7	339.5	14.7	4.5 %	4.5 %
United States	1,841.4	1,674.1	(167.3)	(9.1)%	(6.9)%
Europe and Canada	795.6	832.6	37.0	4.7 %	1.9 %
Latin America	191.2	191.4	0.1	0.1 %	0.5 %
China	133.8	141.1	7.3	5.4 %	7.4 %
Asia (excluding Japan & China)	75.4	72.9	(2.4)	(3.2)%	(1.3)%
Russia/CIS	61.9	60.5	(1.4)	(2.3)%	(8.8)%
Other*	104.1	99.1	(5.0)	(4.8)%	(5.3)%
<b>Total</b>	<b>3,528.2</b>	<b>3,411.2</b>	<b>(117.0)</b>	<b>(3.3)%</b>	<b>(2.8)%</b>

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

### Revenue by Business Area

The following shows revenue by business area:

Revenue:	Billion JPY or percentage				
	FY2024 Q3	FY2025 Q3	AER	CER	
		JPY Change	% Change	% Change	
GI	1,039.3	1,078.6	39.3	3.8 %	4.6 %
Rare Diseases	579.0	574.5	(4.6)	(0.8)%	(0.6)%
PDT	784.2	790.5	6.3	0.8 %	1.9 %
Oncology	428.4	436.6	8.2	1.9 %	2.0 %
Vaccines	49.9	55.0	5.1	10.2 %	8.0 %
Neuroscience	456.5	314.5	(142.0)	(31.1)%	(30.4)%
Other	190.9	161.4	(29.5)	(15.4)%	(16.6)%
<b>Total</b>	<b>3,528.2</b>	<b>3,411.2</b>	<b>(117.0)</b>	<b>(3.3)%</b>	<b>(2.8)%</b>

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

#### **GI**

In GI, revenue was JPY 1,078.6 billion (JPY +39.3 billion and +3.8% AER, +4.6% CER).

Sales of ENTYVIO (for ulcerative colitis (“UC”) and Crohn’s disease (“CD”)) were JPY 744.5 billion (JPY +45.5 billion and +6.5% AER, +7.4% CER). Sales in the U.S. were JPY 494.8 billion (JPY +18.8 billion and +4.0% AER). The increase was due to growth of the subcutaneous formulation, partially offset by unfavorable foreign exchange rates against the U.S. dollar. Sales in Europe and Canada were JPY 188.3 billion (JPY +18.5 billion and +10.9% AER). The increase was primarily due to continued patient gains through an increased use of the subcutaneous formulation, accompanied by favorable foreign exchange rates against the Euro.

Sales of RESOLOR/MOTEGRITY (for chronic idiopathic constipation) were JPY 5.7 billion (JPY -11.3 billion and -66.2% AER, -65.8% CER). The decrease was primarily due to the impact of multiple generic entrants in the U.S. beginning in January 2025.

#### **Rare Diseases**

In Rare Diseases, revenue was JPY 574.5 billion (JPY -4.6 billion and -0.8% AER, -0.6% CER).

Sales of ADVATE (for hemophilia A) were JPY 79.3 billion (JPY -7.6 billion and -8.7% AER, -8.4% CER). The decrease was primarily due to competitive pressure in the U.S.

Sales of ADYNOVATE/ADYNOVI (for hemophilia A) were JPY 43.7 billion (JPY -6.6 billion and -13.2% AER, -12.9% CER). The decrease was primarily due to competitive pressure in the U.S.

Sales of ELAPRASE (for Hunter syndrome) were JPY 74.2 billion (JPY -3.0 billion and -3.8% AER, -4.1% CER). The decrease was primarily due to a sales decrease in the Growth and Emerging Markets.

Sales of LIVTENCITY (for post-transplant cytomegalovirus (“CMV”) infection/disease) were JPY 34.9 billion (JPY +10.5 billion and +42.7% AER, +43.6% CER). The increase was primarily attributable to continued performance in the U.S. market reflecting strong market penetration, complemented by continued geographical expansion in Europe and the Growth and Emerging Markets.

Sales of TAKHZYRO (for hereditary angioedema) were JPY 170.7 billion (JPY +2.6 billion and +1.6% AER, +2.4% CER). The increase was primarily due to higher sales in the Growth and Emerging Markets and Europe, supported by patient persistency and prophylactic market growth, partially offset by unfavorable foreign exchange rates against the U.S. dollar. The demand growth was modest in the U.S., offset by heightened pricing pressure from factors such as the Medicare Part D redesign.

#### **PDT**

In PDT, revenue was JPY 790.5 billion (JPY +6.3 billion and +0.8% AER, +1.9% CER).

Aggregate sales of immunoglobulin products, mainly used for the treatment of primary immunodeficiency (“PID”), chronic inflammatory demyelinating polyneuropathy (“CIDP”), and multifocal motor neuropathy (“MMN”), were JPY 593.6 billion (JPY +17.6 billion and +3.1% AER, +4.3% CER). The increase was driven by growth in subcutaneous immunoglobulin therapies, CUVITRU and HYQVIA. Sales of GAMMAGARD LIQUID/KIOVIG, which are intravenous immunoglobulin therapies, decreased primarily due to unfavorable foreign exchange rates against the U.S. dollar and the impact of the Medicare Part D redesign in the U.S.

Sales of FEIBA (for hemophilia A and B) were JPY 25.1 billion (JPY -7.8 billion and -23.6% AER, -23.1% CER). The decrease was driven by competitive pressure from recombinant therapies globally.

Aggregate sales of HEMOFIL (for hemophilia A), IMMUNATE (for hemophilia A), and IMMUNINE (for hemophilia B) were JPY 17.7 billion (JPY -3.7 billion and -17.2% AER, -18.0% CER). The decrease was primarily due to a sales decline in the Growth and Emerging Markets and Europe.

#### **Oncology**

In Oncology, revenue was JPY 436.6 billion (JPY +8.2 billion and +1.9% AER, +2.0% CER).

Sales of ADCETRIS (for malignant lymphomas) were JPY 106.8 billion (JPY +7.2 billion and +7.2% AER, +6.2% CER). The increase was led by strong demand in the Growth and Emerging Markets and Europe, accompanied by favorable foreign exchange rates against the Euro.

Sales of FRUZAQLA (for colorectal cancer) were JPY 42.9 billion (JPY +6.8 billion and +19.0% AER, +19.9% CER). The increase was primarily due to the successful launch in Europe, Canada and Japan, as it addressed a need for new treatment options in metastatic colorectal cancer. The increase was partially offset by a sales decrease in the U.S., impacted by the Medicare Part D redesign.

Sales of LEUPLIN/ENANTONE (for endometriosis, uterine fibroids, premenopausal breast cancer, prostate cancer, and other certain indications) were JPY 90.3 billion (JPY +1.1 billion and +1.2% AER, +0.8% CER). The increase was primarily due to a sales increase in Europe, accompanied by favorable foreign exchange rates against the Euro.

Sales of NINLARO (for multiple myeloma) were JPY 61.0 billion (JPY -10.5 billion and -14.6% AER, -13.7% CER). The decrease was primarily due to intensified competition and decreased demand mainly in the U.S., partially offset by a sales increase in the Growth and Emerging Markets.

#### **Vaccines**

In Vaccines, revenue was JPY 55.0 billion (JPY +5.1 billion and +10.2% AER, +8.0% CER).

Sales of QDENGA (for prevention of dengue) were JPY 37.7 billion (JPY +7.8 billion and +25.9% AER, +22.1% CER). The increase was due to post-launch growth in the Growth and Emerging Markets, driven by higher demand.

Sales of other vaccine products in aggregate decreased primarily due to the temporary suspension of shipments of MR vaccine (for prevention of measles and rubella) in Japan.

#### **Neuroscience**

In Neuroscience, revenue was JPY 314.5 billion (JPY -142.0 billion and -31.1% AER, -30.4% CER).

Sales of VYVANSE/ELVANSE (for ADHD) were JPY 155.1 billion (JPY -132.4 billion and -46.0% AER, -45.7% CER). The decrease was due to the continued impact of generic erosion mainly in the U.S.

### ***Cost of Sales***

Cost of Sales was JPY 1,165.9 billion (JPY -32.3 billion and -2.7% AER, -2.4% CER). The decrease was primarily driven by an adjustment to Cost of Sales recorded in the nine-month period ended December 31, 2024, resulting from the implementation of accounting process to recognize accumulated foreign currency impacts of inventories, as well as lower revenue. The decrease was partially offset by higher costs resulting from changes in product mix, mainly reflecting the continued impact of generic erosion, particularly for VYVANSE in the U.S.

### ***Selling, General and Administrative (SG&A) Expenses***

SG&A Expenses were JPY 792.2 billion (JPY -16.7 billion and -2.1% AER, -1.3% CER). The decrease was primarily due to cost savings under the enterprise-wide efficiency program, particularly reductions in personnel expenses, as well as the appreciation of the Japanese yen against the U.S. dollar.

### ***Research and Development (R&D) Expenses***

R&D Expenses were JPY 480.6 billion (JPY -33.6 billion and -6.5% AER, -5.1% CER). The decrease was mainly due to cost reductions from the termination of certain development programs and cost savings under the enterprise-wide efficiency program. This decrease was partially offset by incremental investments in late-stage pipelines.

### ***Amortization and Impairment Losses on Intangible Assets Associated with Products***

Amortization and Impairment Losses on Intangible Assets Associated with Products were JPY 478.7 billion (JPY +38.5 billion and +8.8% AER, +9.7% CER). Amortization Expenses decreased (JPY -14.7 billion) primarily reflecting lower amortizable intangible assets and the appreciation of the Japanese yen against the U.S. dollar. Impairment Losses increased (JPY +53.3 billion) due to the larger impairment charges recorded in the nine-month period ended December 31, 2025, compared with those recorded in the nine-month period ended December 31, 2024. The impairment charges recognized in the nine-month period ended December 31, 2025 primarily include JPY 58.2 billion of impairment charges related to the gamma delta T-cell therapy platform and associated Oncology program, and impairment charges for certain other in-process R&D assets, which were recorded in large part reflecting the decision to discontinue the related research and development activities. The impairment charges in the nine-month period ended December 31, 2024 include JPY 21.5 billion impairment charge for soticlestat (TAK-935), following the failure of the Phase 3 studies to meet their primary endpoints.

### ***Other Operating Income***

Other Operating Income was JPY 22.7 billion (JPY +6.4 billion and +39.7% AER, +40.3% CER). The increase was mainly due to higher gains from Divestment of Business in the nine-month period ended December 31, 2025. Gains of JPY 17.9 billion were recognized on the completion of the sales of non-core products and MEPACT mainly in Europe and the Middle East & North Africa regions in the nine-month period ended December 31, 2025, while a gain of JPY 6.1 billion was recognized on the completion of the transfer of the manufacturing operation of TACHOSIL in the nine-month period ended December 31, 2024.

### ***Other Operating Expenses***

Other Operating Expenses were JPY 94.0 billion (JPY -71.4 billion and -43.2% AER, -42.8% CER). The decrease was primarily attributable to a JPY 68.6 billion reduction in restructuring expenses, reflecting lower costs under the enterprise-wide efficiency program for the nine-month period ended December 31, 2025. It also reflected the absence of one-time expenses related to post-trial access for terminated clinical trials, which had been recorded in the nine-month period ended December 31, 2024 as well as lower asset impairment losses. This decrease was partially offset by higher valuation reserves for pre-launch inventories.

### ***Operating Profit***

As a result of the above factors, Operating Profit was JPY 422.4 billion (JPY +4.9 billion and +1.2% AER, +0.1% CER).

### ***Net Finance Expenses***

Net Finance Expenses were JPY 107.9 billion (JPY -24.0 billion and -18.2% AER, -14.8% CER). The decrease is primarily attributable to JPY 19.4 billion impairment loss recognized in the nine-month period ended December 31, 2024, upon classification of Teva Takeda Pharma Ltd. shares to the Assets Held for Sale.

### ***Share of Loss of Investments Accounted for Using the Equity Method***

Share of Loss of Investments Accounted for Using the Equity Method was JPY 1.8 billion (JPY -1.4 billion and -43.2% AER, -53.5% CER).

***Profit Before Tax***

As a result of the above factors, Profit Before Tax was JPY 312.7 billion (JPY +30.3 billion and +10.7% AER, +7.7% CER).

***Income Tax Expenses***

Income Tax Expenses were JPY 96.4 billion (JPY +25.2 billion and +35.5% AER, +26.4% CER). The increase was primarily attributable to higher Profit Before Tax and lower tax credits, partially offset by lower tax expense recognized in connection with the reassessment of the recoverability of Deferred Tax Assets in the nine-month period ended December 31, 2025.

***Net Profit for the Period***

As a result of the above factors, Net Profit for the Period was JPY 216.3 billion (JPY +5.0 billion and +2.4% AER, +1.4% CER) and Net Profit for the Period attributable to owners of the Company was JPY 216.1 billion (JPY +5.0 billion and +2.4% AER, +1.4% CER).

## (ii) Results of Core Financial Measures (April 1 to December 31, 2025)

### **Definition and Explanation of Core Financial Measures and Constant Exchange Rate Change**

In addition to the financial statements in accordance with IFRS, 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**

	FY2024 Q3	FY2025 Q3	Billion JPY or percentage		
			AER	CER	% Change
Core revenue	3,528.2	3,411.2	(117.0)	(3.3)%	(2.8)%
Core operating profit	1,006.3	971.6	(34.7)	(3.4)%	(3.4)%
Core net profit for the period	699.1	673.8	(25.3)	(3.6)%	(3.4)%
Core net profit for the period attributable to owners of the Company	698.9	673.6	(25.3)	(3.6)%	(3.4)%
Core EPS (yen)	443	428	(15)	(3.3)%	(3.1)%

### **Core Revenue**

Core Revenue was JPY 3,411.2 billion (JPY -117.0 billion and -3.3% AER, -2.8% CER). The decrease was primarily attributable to a decrease in revenue in Neuroscience, largely attributable to the continued impact from generic erosion of VYVANSE in the U.S.

Takeda's Growth and Launch Products\* totaled JPY 1,768.3 billion (JPY +97.2 billion and +5.8% AER, +6.7% CER).

- \* Takeda's Growth and Launch Products
- GI: ENTYVIO, EOHILIA
- Rare Diseases: TAKHZYRO, LIVTENCITY, ADZYNMA
- PDT: Immunoglobulin products including GAMMAGARD LIQUID/KIOVIG, HYQVIA, and CUVITRU, Albumin products including HUMAN ALBUMIN and FLEXBUMIN
- Oncology: ALUNBRIG, FRUZAQLA
- Vaccines: QDENGA

### **Core Operating Profit**

Core Operating Profit was JPY 971.6 billion (JPY -34.7 billion and -3.4% AER, -3.4% CER). The components of Core Operating Profit are as below:

	FY2024 Q3	FY2025 Q3	Billion JPY or percentage		
			AER	CER	% Change
Core revenue	3,528.2	3,411.2	(117.0)	(3.3)%	(2.8)%
Core cost of sales	(1,198.3)	(1,166.4)	32.0	(2.7)%	(2.4)%
Core selling, general and administrative (SG&A) expenses	(809.2)	(792.5)	16.7	(2.1)%	(1.3)%
Core research and development (R&D) expenses	(514.3)	(480.7)	33.6	(6.5)%	(5.1)%
Core operating profit	1,006.3	971.6	(34.7)	(3.4)%	(3.4)%

During the periods presented, these items fluctuated as follows:

### **Core Cost of Sales**

Core Cost of Sales was JPY 1,166.4 billion (JPY -32.0 billion and -2.7% AER, -2.4% CER). The decrease was primarily driven by an adjustment to Cost of Sales recorded in the nine-month period ended December 31, 2024 resulting from the implementation of accounting process to recognize accumulated foreign currency impacts of inventories, as well as lower revenue. The decrease was partially offset by higher costs resulting from changes in product mix, mainly reflecting the continued impact of generic erosion, particularly for VYVANSE in the U.S.

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

Core SG&A expenses were JPY 792.5 billion (JPY -16.7 billion and -2.1% AER, -1.3% CER). The decrease was primarily due to cost savings under the enterprise-wide efficiency program, particularly reductions in personnel expenses, as well as the appreciation of the Japanese yen against the U.S. dollar.

### **Core Research and Development (R&D) Expenses**

Core R&D expenses were JPY 480.7 billion (JPY -33.6 billion and -6.5% AER, -5.1% CER). The decrease was mainly due to cost reductions from the termination of certain development programs and cost savings under the enterprise-wide efficiency program. This decrease was partially offset by incremental investments in late-stage pipelines.

### **Core Net Profit for the Period**

Core Net Profit for the Period was JPY 673.8 billion (JPY -25.3 billion and -3.6% AER, -3.4% CER) and Core Net Profit attributable to owners of the Company was JPY 673.6 billion (JPY -25.3 billion and -3.6% AER, -3.4% CER) and are calculated from Core Operating Profit as below:

	<b>Billion JPY or percentage</b>				
	<b>FY2024 Q3</b>	<b>FY2025 Q3</b>	<b>AER</b>	<b>CER</b>	
			<b>JPY Change</b>	<b>% Change</b>	<b>% Change</b>
Core operating profit	1,006.3	971.6	(34.7)	(3.4)%	(3.4)%
Core finance income and (expenses), net	(106.2)	(98.9)	7.2	(6.8)%	(2.5)%
Core share of profit (loss) of investments accounted for using the equity method	1.5	0.2	(1.3)	(86.1)%	(61.1)%
Core profit before tax	901.6	872.9	(28.8)	(3.2)%	(3.6)%
Core income tax expenses	(202.6)	(199.1)	3.5	(1.7)%	(4.5)%
Core net profit for the period	699.1	673.8	(25.3)	(3.6)%	(3.4)%
Core net profit for the period attributable to owners of the Company	698.9	673.6	(25.3)	(3.6)%	(3.4)%

During the periods presented, these items fluctuated as follows:

### **Core Net Finance Expenses**

Core Net Finance Expenses were JPY 98.9 billion (JPY -7.2 billion and -6.8% AER, -2.5% CER).

### **Core Share of Profit (Loss) of Investments Accounted for Using the Equity Method**

Core Share of Profit of Investments Accounted for Using the Equity Method was JPY 0.2 billion (JPY -1.3 billion and -86.1% AER, -61.1% CER ).

### **Core Profit Before Tax**

Core Profit Before Tax was JPY 872.9 billion (JPY -28.8 billion and -3.2% AER, -3.6% CER).

### **Core Income Tax Expenses**

Core Income Tax Expenses were JPY 199.1 billion (JPY -3.5 billion and -1.7% AER, -4.5% CER). The decrease was primarily due to a reduction in Core Profit Before Tax for the nine-month period ended December 31, 2025.

### **Core EPS**

Core EPS was JPY 428 (JPY -15 and -3.3% AER, -3.1% CER).

## (2) Consolidated Financial Position

	Billion JPY		
	As of		
	March 31, 2025	December 31, 2025	Change
Total Assets	14,248.3	15,408.8	1,160.4
Total Liabilities	7,312.4	7,764.7	452.3
Total Equity	6,936.0	7,644.1	708.1

### Assets

Total Assets as of December 31, 2025 were JPY 15,408.8 billion (JPY +1,160.4 billion). Goodwill and Property, Plant and Equipment increased (JPY +428.8 billion and JPY +115.8 billion, respectively) mainly due to the effect of foreign currency translation. Cash and Cash Equivalents increased (JPY +269.8 billion). Inventories increased (JPY +189.8 billion) primarily driven by the effect of foreign currency translation, as well as higher finished goods related to PDT products. Total Other Financial Assets increased (JPY +159.4 billion) mainly due to changes in fair value for cross currency interest rate swaps and forward exchange contracts in Japan. These increases were partially offset by the decrease of Intangible Assets (JPY -115.9 billion) mainly due to amortization.

### Liabilities

Total Liabilities as of December 31, 2025 were JPY 7,764.7 billion (JPY +452.3 billion). Total Bonds and Loans were JPY 4,853.3 billion\*, which increased (JPY +338.1 billion) mainly due to the effect of foreign currency and the issuances of unsecured JPY denominated senior bonds and unsecured U.S. dollar-denominated senior guaranteed notes, offset by redemption and repayment of bonds and loans. Total Other Financial Liabilities increased (JPY +69.0 billion) primarily due to changes in fair value for forward exchange contracts.

\* The carrying amount of Bonds was JPY 4,613.3 billion and that of Loans was JPY 240.0 billion as of December 31, 2025. The 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 500 million)	June 2015	June 2045	79.8
Unsecured US Dollar Denominated Senior Notes (USD 1,500 million)	September 2016	September 2026	232.6
Unsecured Euro Denominated Senior Notes (EUR 3,000 million)	November 2018	November 2026 ~ November 2030	549.8
Unsecured US Dollar Denominated Senior Notes (USD 1,750 million)	November 2018	November 2028	273.2
Unsecured US Dollar Denominated Senior Notes (USD 7,000 million)	July 2020	March 2030 ~ July 2060	1,090.4
Unsecured Euro Denominated Senior Notes (EUR 3,600 million)	July 2020	July 2027 ~ July 2040	658.6
Unsecured JPY Denominated Senior Bonds	October 2021	October 2031	249.6
Hybrid Bonds (Subordinated Bonds)	June 2024	June 2084	458.3
Unsecured US Dollar Denominated Senior Notes (USD 3,000 million)	July 2024	July 2034 ~ July 2064	464.9
Unsecured JPY Denominated Senior Bonds	June 2025	June 2030 ~ June 2035	183.6
Unsecured US Dollar Denominated Senior Notes (USD 2,400 million)	July 2025	July 2035 ~ July 2055	372.3
Total			<u>4,613.3</u>

Loans:

Name of Loan (Face Value if Denominated in Foreign Currency)	Execution	Maturity	Carrying Amount (Billion JPY)
Bilateral Loans	March 2016 ~ April 2024	March 2026 ~ April 2031	200.0
Syndicated Hybrid Loans (Subordinated Loans)	October 2024	October 2084	40.0
Other			0.0
Total			<u><u>240.0</u></u>

On April 25, 2025, Takeda repaid JPY 10.0 billion in Bilateral Loans falling due. On June 12, 2025, Takeda issued JPY 184.0 billion in unsecured JPY denominated senior bonds ("JPY Bonds") with maturity dates ranging from June 12, 2030, to June 12, 2035. The proceeds of the JPY Bonds were used to redeem commercial paper. Following this, on June 23, 2025, Takeda redeemed USD 800 million of unsecured U.S. dollar-denominated senior notes on their maturity date. Takeda has also rolled over USD 500 million Bilateral Loan, which was originally drawn down on March 31, 2025, on a monthly basis until July 3, 2025.

On July 2, 2025, Takeda issued unsecured U.S. dollar-denominated senior guaranteed notes (the "USD Notes") in an aggregate principal amount of USD 2,400 million with maturity dates of July 7, 2035 and July 7, 2055, through its indirect wholly owned finance subsidiary Takeda U.S. Financing, Inc. The proceeds of the USD Notes were primarily used to repay USD 500 million Bilateral Loan on July 3, 2025, and redeem commercial paper drawings in July 2025.

\*Amounts presented in the above explanation for Bonds and Loans are based on the principal amount.

**Equity**

Total Equity as of December 31, 2025 was JPY 7,644.1 billion (JPY +708.1 billion). The increase of Other Components of Equity (JPY +800.8 billion) was mainly due to a change in currency translation adjustments reflecting the depreciation of the Japanese yen. This increase was partially offset by the decrease in Retained Earnings (JPY -91.9 billion), driven by the decrease of JPY 312.5 billion related to dividend payments, offset by the increase of JPY 216.1 billion from Net Profit for the Period.

### (3) Consolidated Cash Flows

	Billion JPY		
	FY2024 Q3	FY2025 Q3	Change
Net cash from operating activities	835.0	966.9	131.9
Net cash used in investing activities	(347.4)	(311.1)	36.3
Net cash used in financing activities	(449.6)	(419.3)	30.3
Net increase in cash and cash equivalents	38.0	236.5	198.4
Cash and cash equivalents at the beginning of the year	457.8	385.1	(72.7)
Effects of exchange rate changes on cash and cash equivalents	(1.7)	33.4	35.1
Cash and cash equivalents at the end of the period	<u>494.1</u>	<u>654.9</u>	<u>160.8</u>

#### ***Net Cash from Operating Activities***

Net Cash from Operating Activities was JPY 966.9 billion (JPY +131.9 billion). The increase was mainly due to favorable impacts from Changes in Assets and Liabilities primarily driven by changes in Trade and Other Receivables, favorable impacts resulting from Net Profit for the Period adjusted for non-cash items and other adjustments, and an increase of Other, net.

#### ***Net Cash used in Investing Activities***

Net Cash used in Investing Activities was JPY 311.1 billion (JPY -36.3 billion). The decrease was mainly due to a decrease in cash outflow used in Acquisition of Investments, Acquisition of Option to License and Acquisition of Property, Plant and Equipment as well as an increase in Proceeds from Sales of Business, Net of Cash and Cash Equivalents Divested. This decrease was offset by higher cash outflows from Acquisition of Intangible Assets, as well as decrease of cash inflow from Proceeds from Sales and Redemption of Investments.

#### ***Net Cash used in Financing Activities***

Net Cash used in Financing Activities was JPY 419.3 billion (JPY -30.3 billion). The decrease was mainly due to higher net cash inflows from the Issuance and Repayments of Bonds and Long-term Loans. This decrease was partially offset by an increase in Acquisition of Treasury Shares during the nine-month period ended December 31, 2025, and Proceeds from the Settlement of Cross Currency Interest Rate Swaps related to Bonds and Loans recorded during the nine-month period ended December 31, 2024.

#### (4) Outlook for the Fiscal Year Ending March 31, 2026

The full year consolidated forecast for the fiscal year ending March 31, 2026 (FY2025) has been revised from the previous forecast announced on October 30, 2025 as follows:

##### Consolidated Forecast for the Fiscal Year Ending March 31, 2026 (FY2025)

	Previous Forecast (October 30, 2025)	Revised Forecast (January 29, 2026)	Billion JPY or percentage	
			JPY Change	% Change
Revenue	4,500.0	4,530.0	30.0	0.7 %
Operating profit	400.0	410.0	10.0	2.5 %
Profit before tax	243.0	245.0	2.0	0.8 %
Net profit for the year (attributable to owners of the Company)	153.0	154.0	1.0	0.7 %
EPS (JPY)	97.14	97.78	0.63	0.7 %
Core revenue*	4,500.0	4,530.0	30.0	0.7 %
Core operating profit*	1,130.0	1,150.0	20.0	1.8 %
Core EPS (JPY)*	479	486	7	1.5 %

\* 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 FY2025 revenue to be JPY 4,530.0 billion, an increase of JPY 30.0 billion, or 0.7%, from the previous forecast, primarily attributable to favorable changes in the assumptions of foreign exchange rates. This favorability more than offset product sales headwinds, including a stronger than anticipated generic erosion of VYVANSE in the U.S., as well as lower sales of plasma-derived therapies, TAKHZYRO and others.

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 10.0 billion, or 2.5%, from the previous forecast to JPY 410.0 billion, mainly driven by higher revenue and change in the product mix, largely offset by higher amortization of intangible assets associated with products due to the changes in the assumption of foreign exchange rates to reflect a depreciated yen. Although operating expenses are also negatively affected by these foreign exchange rate changes, the impact is expected to be largely offset by incremental cost savings, including those from the enterprise-wide efficiency program, resulting in operating expenses remaining broadly flat compared to the previous forecast.

Core Operating Profit is expected to be JPY 1,150.0 billion, an increase of JPY 20.0 billion, or 1.8%.

##### [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 154.0 billion, an increase of JPY 1.0 billion, or 0.7%, from the previous forecast. Profit Before Tax is expected to increase by JPY 2.0 billion, or 0.8%, to JPY 245.0 billion, primarily reflecting the increase in Operating Profit and the increase in net finance expenses, which are expected to increase by JPY 7.0 billion, or 4.5%, to JPY 163.0 billion due to the impact of foreign exchange rate changes. The tax expense is expected to increase as a result of higher Profit Before Tax, assuming the effective tax rate remains unchanged at approximately 37%.

Reported EPS is expected to be JPY 97.78, an increase of JPY 0.63, or 0.7%, and Core EPS is expected to be JPY 486, an increase of JPY 7, or 1.5%.

### Major assumptions used in preparing the FY2025 Forecast

	Previous Forecast (October 30, 2025)		Billion JPY or percentage Revised Forecast (January 29, 2026)	
	Full Year	H2	Full Year	Q4
FX rates				
USD/JPY	147 JPY	148 JPY	150 JPY	157 JPY
EUR/JPY	170 JPY	174 JPY	174 JPY	184 JPY
RUB/JPY	1.8 JPY	1.8 JPY	1.9 JPY	1.9 JPY
CNY/JPY	20.5 JPY	20.8 JPY	21.1 JPY	22.4 JPY
BRL/JPY	27.0 JPY	27.8 JPY	27.4 JPY	28.6 JPY
Cost of sales			(1,590.0)	(1,595.0)
SG&A expenses			(1,095.0)	(1,098.0)
R&D expenses			(685.0)	(687.0)
Amortization of intangible assets associated with products			(497.0)	(507.0)
Impairment of intangible assets associated with products <sup>*2</sup>			(110.0)	(110.0)
Other operating income			27.0	27.0
Other operating expenses <sup>*3</sup>			(150.0)	(150.0)
Finance income and (expenses), net			(156.0)	(163.0)
Adjusted free cash flow <sup>*1, 4</sup>		600.0 to 700.0		650.0 to 750.0
Capital expenditures (cash flow base) <sup>*4</sup>		(400.0) to (450.0)		(400.0) to (450.0)
Depreciation and amortization (excluding intangible assets associated with products)			(220.0)	(220.0)
Cash tax rate on adjusted EBITDA (excluding divestitures) <sup>*1</sup>		Mid teen%		Low-teen%

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

\*2 Includes in-process R&D.

\*3 Includes restructuring expense of JPY 56.0 billion which was disclosed in the Previous Forecast on October 30, 2025, and has not been changed in the Revised Forecast.

\*4 Includes JPY 184.7 billion upfront payment to Innovent Biologics Inc in the Revised Forecast.

### Management Guidance for the Fiscal Year Ending March 31, 2026 (FY2025)

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, 2026 (FY2025) has been revised from the management guidance announced on October 30, 2025.

	Previous Management Guidance (October 30, 2025)	CER % Change* Revised Management Guidance (January 29, 2026)
Core revenue	Broadly Flat	Low-single-digit % decline
Core operating profit	Low-single-digit % decline	Low-single-digit % decline
Core EPS	Low-single-digit % decline	Low-single-digit % decline

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

### Other assumptions used in preparing the FY2025 Revised Forecast and the Management Guidance

- Reflect Takeda’s latest assumptions for the impact of tariffs, such as a 15% tariff on pharmaceutical products being imported into the U.S. from the European Union (EU) and Japan, as well as certain mitigation strategies including inventory management which Takeda is taking to minimize the impact. The impact from these tariff-related assumptions is expected to be immaterial.

**Forward looking statements**

All forecasts in this document are based on information 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. See “Important Notice—Forward-Looking Statements” in the Financial Appendix, including the documents mentioned therein. Should any significant event occur which requires the forecast to be revised, the Company will disclose it in a timely manner.

## 2. Condensed Interim Consolidated Financial Statements [IFRS] and Major Notes

### (1) Condensed Interim Consolidated Statements of Profit or Loss

	JPY (millions, except per share data)	
	Nine-month Period Ended December 31,	
	2024	2025
Revenue	3,528,152	3,411,179
Cost of sales	(1,198,139)	(1,165,884)
Selling, general and administrative expenses	(808,900)	(792,219)
Research and development expenses	(514,220)	(480,604)
Amortization and impairment losses on intangible assets associated with products	(440,158)	(478,707)
Other operating income	16,227	22,667
Other operating expenses	(165,444)	(94,049)
Operating profit	417,518	422,382
Finance income	27,805	206,025
Finance expenses	(159,741)	(313,923)
Share of loss of investments accounted for using the equity method	(3,199)	(1,816)
Profit before tax	282,383	312,668
Income tax expenses	(71,142)	(96,385)
Net profit for the period	211,241	216,283
Attributable to:		
Owners of the Company	211,083	216,081
Non-controlling interests	158	202
Net profit for the period	211,241	216,283
Earnings per share (JPY)		
Basic earnings per share	133.71	137.31
Diluted earnings per share	131.69	135.13

**(2) Condensed Interim Consolidated Statements of Comprehensive Income**

	<b>JPY (millions)</b>	
	<b>Nine-month Period Ended December 31,</b>	
	<b>2024</b>	<b>2025</b>
Net profit for the period	211,241	216,283
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	(13,115)	11,978
Remeasurement of defined benefit pension plans	(2,940)	2,169
	<u>(16,056)</u>	<u>14,146</u>
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	186,025	763,063
Cash flow hedges	5,043	21,993
Hedging cost	9,147	3,511
Share of other comprehensive loss of investments accounted for using the equity method	(108)	(323)
	<u>200,107</u>	<u>788,244</u>
Other comprehensive income for the period, net of tax	184,051	802,390
Total comprehensive income for the period	<u>395,293</u>	<u>1,018,673</u>
Attributable to:		
Owners of the Company	395,116	1,018,421
Non-controlling interests	176	252
Total comprehensive income for the period	<u>395,293</u>	<u>1,018,673</u>

**(3) Condensed Interim Consolidated Statements of Financial Position**

	JPY (millions)	
	As of March 31, 2025	As of December 31, 2025
<b>ASSETS</b>		
Non-current assets:		
Property, plant and equipment	1,968,209	2,083,981
Goodwill	5,324,430	5,753,268
Intangible assets	3,631,560	3,515,628
Investments accounted for using the equity method	10,802	10,189
Other financial assets	351,124	423,979
Other non-current assets	70,282	77,798
Deferred tax assets	370,745	427,490
Total non-current assets	<u>11,727,152</u>	<u>12,292,334</u>
Current assets:		
Inventories	1,217,349	1,407,192
Trade and other receivables	709,465	736,464
Other financial assets	20,476	107,004
Income taxes receivable	15,789	21,457
Other current assets	159,603	175,785
Cash and cash equivalents	385,113	654,937
Assets held for sale	13,397	13,602
Total current assets	<u>2,521,192</u>	<u>3,116,439</u>
Total assets	<u><u>14,248,344</u></u>	<u><u>15,408,774</u></u>

	<b>JPY (millions)</b>	
	<b>As of March 31, 2025</b>	<b>As of December 31, 2025</b>
<b><u>LIABILITIES AND EQUITY</u></b>		
<b>LIABILITIES</b>		
Non-current liabilities:		
Bonds and loans	3,966,326	4,270,174
Other financial liabilities	550,900	568,644
Net defined benefit liabilities	135,429	150,595
Income taxes payable	317	3,271
Provisions	35,177	34,061
Other non-current liabilities	82,542	96,473
Deferred tax liabilities	35,153	31,282
Total non-current liabilities	<u>4,805,844</u>	<u>5,154,500</u>
Current liabilities:		
Bonds and loans	548,939	583,147
Trade and other payables	475,541	467,594
Other financial liabilities	219,120	270,333
Income taxes payable	133,497	148,336
Provisions	533,140	572,131
Other current liabilities	596,283	567,858
Liabilities held for sale	—	784
Total current liabilities	<u>2,506,521</u>	<u>2,610,183</u>
Total liabilities	<u>7,312,365</u>	<u>7,764,683</u>
<b>EQUITY</b>		
Share capital	1,694,685	1,694,763
Share premium	1,775,713	1,751,906
Treasury shares	(74,815)	(49,124)
Retained earnings	1,187,586	1,095,662
Other components of equity	2,351,915	3,152,680
Other comprehensive income associated with assets held for sale	—	(2,943)
Equity attributable to owners of the Company	<u>6,935,084</u>	<u>7,642,943</u>
Non-controlling interests	895	1,147
Total equity	<u>6,935,979</u>	<u>7,644,091</u>
Total liabilities and equity	<u><u>14,248,344</u></u>	<u><u>15,408,774</u></u>

#### (4) Condensed Interim Consolidated Statements of Changes in Equity

Nine-month period ended December 31, 2024 (From April 1 to December 31, 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				211,083		
Other comprehensive income (loss)					185,899	(13,115)
Comprehensive income (loss) for the period	—	—	—	211,083	185,899	(13,115)
Transactions with owners:						
Issuance of new shares	18,064	18,064				
Acquisition of treasury shares				(1,924)		
Disposal of treasury shares		0	0			
Dividends					(303,179)	
Transfers from other components of equity					(8,158)	5,218
Share-based compensation		54,997				
Exercise of share-based awards		(64,476)	28,348			
Total transactions with owners	18,064	8,585	26,424	(311,338)	—	5,218
As of December 31, 2024	1,694,660	1,755,999	(24,835)	1,290,948	2,759,307	7,832
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	Other comprehensive income related to assets held for sale	Total equity attributable to owners of the Company
As of April 1, 2024	(63,896)	(15,930)	—	2,509,310	—	7,273,264
Net profit for the period				—	211,083	158
Other comprehensive income (loss)	5,043	9,147	(2,940)	184,033	184,033	18
Comprehensive income (loss) for the period	5,043	9,147	(2,940)	184,033	—	395,116
Transactions with owners:						
Issuance of new shares				—	36,128	36,128
Acquisition of treasury shares				—	(1,924)	(1,924)
Disposal of treasury shares				—	0	0
Dividends				—	(303,179)	(303,179)
Transfers from other components of equity		2,940	8,158		—	—
Share-based compensation			—		54,997	54,997
Exercise of share-based awards			—		(36,129)	(36,129)
Total transactions with owners	—	—	2,940	8,158	—	(250,106)
As of December 31, 2024	(58,854)	(6,783)	—	2,701,502	—	7,418,274
						917
						7,419,191

Nine-month period ended December 31, 2025 (From April 1 to December 31, 2025)

	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	
As of April 1, 2025	1,694,685	1,775,713	(74,815)	1,187,586	2,419,978	4,757
Net profit for the period				216,081		
Other comprehensive income (loss)					762,690	11,978
Comprehensive income (loss) for the period	—	—	—	216,081	762,690	11,978
Transactions with owners:						
Issuance of new shares	78	78				
Acquisition of treasury shares		(20)	(51,614)			
Dividends					(312,524)	
Transfers from other components of equity					4,519	(2,350)
Share-based compensation		53,439				
Exercise of share-based awards		(77,305)	77,305			
Transfer to other comprehensive income associated with assets held for sale					2,943	
Total transactions with owners	78	(23,808)	25,692	(308,005)	2,943	(2,350)
As of December 31, 2025	1,694,763	1,751,906	(49,124)	1,095,662	3,185,611	14,385
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	Other comprehensive income related to assets held for sale	Total equity attributable to owners of the Company
As of April 1, 2025	(64,852)	(7,967)	—	2,351,915	—	6,935,084
Net profit for the period					216,081	202
Other comprehensive income (loss)	21,993	3,511	2,169	802,340	802,340	50
Comprehensive income (loss) for the period	21,993	3,511	2,169	802,340	—	1,018,421
Transactions with owners:						
Issuance of new shares				—	157	157
Acquisition of treasury shares				—	(51,634)	(51,634)
Dividends				—	(312,524)	(312,524)
Transfers from other components of equity		(2,169)	(4,519)		—	—
Share-based compensation				—	53,439	53,439
Exercise of share-based awards				—	—	—
Transfer to other comprehensive income associated with assets held for sale				2,943	(2,943)	—
Total transactions with owners	—	—	(2,169)	(1,575)	(2,943)	(310,562)
As of December 31, 2025	(42,860)	(4,456)	—	3,152,680	(2,943)	7,642,943
	1,147					7,644,091

**(5) Condensed Interim Consolidated Statements of Cash Flows**

	JPY (millions)	
	Nine-month Period Ended December 31,	
	2024	2025
<b>Cash flows from operating activities:</b>		
Net profit for the period	211,241	216,283
Depreciation and amortization	571,627	557,257
Impairment losses	38,227	94,790
Equity-settled share-based compensation	55,240	53,064
Loss on sales and disposal of property, plant and equipment	3,059	1,274
Gain on divestment of business and subsidiaries	(6,376)	(17,929)
Change in fair value of financial assets and liabilities associated with contingent consideration arrangements, net	2,253	1,057
Finance (income) and expenses, net	131,936	107,898
Share of loss of investments accounted for using the equity method	3,199	1,816
Income tax expenses	71,142	96,385
<b>Changes in assets and liabilities:</b>		
Decrease (increase) in trade and other receivables	(45,105)	27,350
Increase in inventories	(29,981)	(79,993)
Decrease in trade and other payables	(17,448)	(7,949)
Increase (decrease) in provisions	39,885	(5,261)
Increase (decrease) in other financial liabilities	(9,596)	14,759
Other, net	(82,164)	14,544
<b>Cash generated from operations</b>	<b>937,140</b>	<b>1,075,345</b>
Income taxes paid	(120,349)	(115,928)
Tax refunds and interest on tax refunds received	18,231	7,485
<b>Net cash from operating activities</b>	<b>835,023</b>	<b>966,903</b>
<b>Cash flows from investing activities:</b>		
Interest received	13,324	12,866
Dividends received	604	656
Acquisition of property, plant and equipment	(152,002)	(129,641)
Proceeds from sales of property, plant and equipment	46	6,400
Acquisition of intangible assets	(103,115)	(218,003)
Acquisition of option to license	(31,784)	(2,622)
Acquisition of investments	(95,364)	(15,157)
Proceeds from sales and redemption of investments	26,678	5,570
Acquisition of shares in associates	—	(623)
Proceeds from sales of shares in associates	—	880
Proceeds from sales of business, net of cash and cash equivalents divested	9,590	32,810
Payments for the settlement of forward exchange contracts designated as net investment hedges	(13,933)	(1,536)
Other, net	(1,423)	(2,724)
<b>Net cash used in investing activities</b>	<b>(347,379)</b>	<b>(311,124)</b>

	<b>JPY (millions)</b>	
	<b>Nine-month Period Ended December 31,</b>	
	<b>2024</b>	<b>2025</b>
<b>Cash flows from financing activities:</b>		
Net decrease in short-term loans and commercial papers	(317,000)	(341,780)
Proceeds from issuance of bonds and long-term loans	1,024,460	526,060
Repayments of bonds and long-term loans	(784,079)	(125,408)
Proceeds from the settlement of cross currency interest rate swaps related to bonds and loans	46,880	—
Acquisition of treasury shares	(1,882)	(51,603)
Interest paid	(78,106)	(82,082)
Dividends paid	(292,760)	(303,114)
Repayments of lease liabilities	(34,193)	(32,181)
Other, net	(12,953)	(9,219)
Net cash used in financing activities	<u>(449,633)</u>	<u>(419,328)</u>
Net increase in cash and cash equivalents	38,010	236,451
Cash and cash equivalents at the beginning of the year	457,800	385,113
Effects of exchange rate changes on cash and cash equivalents	(1,685)	33,373
Cash and cash equivalents at the end of the period	<u>494,126</u>	<u>654,937</u>

## **(6) Notes to Condensed Interim Consolidated Financial Statements**

(Significant Uncertainty Regarding Going Concern Assumption)

Not applicable.

(Material Accounting Policies)

Material accounting policies adopted for the condensed interim consolidated financial statements are the same as those adopted for the consolidated financial statements as of and for the fiscal year ended March 31, 2025.

Takeda calculated income tax expenses for the nine-month period ended December 31, 2025, based on the estimated average annual effective tax rate.

(Operating Segment Information)

Takeda comprises a single operating segment and is engaged in the research, development, manufacturing, marketing and out-licensing of pharmaceutical products. This is consistent with how the financial information is viewed in allocating resources, measuring performance, and forecasting future periods by the CEO who is Takeda's Chief Operating Decision Maker.

(Significant Subsequent Events)

Not applicable.

# FINANCIAL APPENDIX



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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 (including 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 (primarily revenue or related adjustments associated with divestments and liquidations). **Core Operating Profit** represents operating profit adjusted to exclude other operating expenses and income, amortization and impairment losses on intangible assets associated with products (including in-process R&D) and non-cash items or items unrelated to the underlying trends and business performance of Takeda's core operations. **Core Net Profit for the Year attributable to owners of the Company** represents net profit for the year attributable to owners of the Company, adjusted to eliminate 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. **Core EPS** is calculated by dividing Core Net Profit for the Year attributable to owners of the Company 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

**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, provided, however, that the results of operations of subsidiaries in countries experiencing hyperinflation, and for which IAS 29, Financial Reporting in Hyperinflationary Economies, is applied, are not adjusted for CER Change, and instead are calculated in accordance with IAS 29.

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 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.



## 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), shares in associates 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), sales of shares in associates 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.

## 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, as well as impairment losses), finance income and expenses (excluding net interest expense), our share of profit or loss of investments accounted for using the equity method, other non-cash items such as non-cash equity-based compensation expense, and other items that management believes are unrelated to our core operations, including EBITDA from divested products, 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 may not exclude all items which investors may not consider important for such understanding. 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 year.



### 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.

### 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 = 156.80 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on December 31, 2025. 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.



## FY2025 Q3 YTD Reported Results with CER % Change

(Billion JPY, except EPS)	FY2024 Q3 YTD	FY2025 Q3 YTD	AER		CER	(Million USD, except EPS) FY2025 Q3 YTD Convenience USD Translation
			JPY Change	% Change		
Revenue	3,528.2	3,411.2	(117.0)	(3.3) %	(2.8) %	21,755
Cost of sales	(1,198.1)	(1,165.9)	32.3	2.7 %	2.4 %	(7,435)
Gross profit	2,330.0	2,245.3	(84.7)	(3.6) %	(3.0) %	14,319
Margin	66.0 %	65.8 %		(0.2) pp	(0.2) pp	65.8 %
SG&A expenses	(808.9)	(792.2)	16.7	2.1 %	1.3 %	(5,052)
R&D expenses	(514.2)	(480.6)	33.6	6.5 %	5.1 %	(3,065)
Amortization of intangible assets associated with products	(411.7)	(396.9)	14.7	3.6 %	2.3 %	(2,531)
Impairment losses on intangible assets associated with products*	(28.5)	(81.8)	(53.3)	(186.9) %	(182.2) %	(522)
Other operating income	16.2	22.7	6.4	39.7 %	40.3 %	145
Other operating expenses	(165.4)	(94.0)	71.4	43.2 %	42.8 %	(600)
Operating profit	417.5	422.4	4.9	1.2 %	0.1 %	2,694
Margin	11.8 %	12.4 %		0.5 pp	0.4 pp	12.4 %
Finance income	27.8	206.0	178.2	641.0 %	642.1 %	1,314
Finance expenses	(159.7)	(313.9)	(154.2)	(96.5) %	(99.6) %	(2,002)
Share of profit (loss) of investments accounted for using the equity method	(3.2)	(1.8)	1.4	43.2 %	53.5 %	(12)
Profit before tax	282.4	312.7	30.3	10.7 %	7.7 %	1,994
Income tax (expenses) benefit	(71.1)	(96.4)	(25.2)	(35.5) %	(26.4) %	(615)
Net profit for the period	211.2	216.3	5.0	2.4 %	1.4 %	1,379
Non-controlling interests	(0.2)	(0.2)	(0.0)	(27.3) %	(35.9) %	(1)
Net profit attributable to owners of the Company	211.1	216.1	5.0	2.4 %	1.4 %	1,378
Basic EPS (JPY or USD)	133.71	137.31	3.60	2.7 %	1.7 %	0.88

\* Includes in-process R&D

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 is presented as positive when favorable to profits, and negative when unfavorable to profits.



## FY2025 Q3 (Oct-Dec) Reported Results with CER % Change

(Billion JPY, except EPS)	FY2024 Q3 (Oct-Dec)	FY2025 Q3 (Oct-Dec)	AER		CER	(Million USD, except EPS)
			JPY Change	% Change		
Revenue	1,144.1	1,191.7	47.6	4.2 %	(0.6) %	7,600
Cost of sales	(416.9)	(401.1)	15.7	3.8 %	8.5 %	(2,558)
Gross profit	727.3	790.6	63.3	8.7 %	3.9 %	5,042
Margin	63.6 %	66.3 %		2.8 pp	2.9 pp	66.3 %
SG&A expenses	(270.6)	(282.8)	(12.2)	(4.5) %	(0.1) %	(1,803)
R&D expenses	(170.2)	(175.2)	(5.0)	(3.0) %	0.2 %	(1,118)
Amortization of intangible assets associated with products	(134.2)	(136.2)	(2.0)	(1.5) %	2.7 %	(868)
Impairment losses on intangible assets associated with products*	(0.7)	(5.8)	(5.0)	(671.6) %	(642.6) %	(37)
Other operating income	2.4	(0.9)	(3.2)	—	—	(5)
Other operating expenses	(87.0)	(20.9)	66.0	75.9 %	77.0 %	(134)
Operating profit	66.9	168.8	101.9	152.2 %	136.7 %	1,077
Margin	5.9 %	14.2 %		8.3 pp	8.1 pp	14.2 %
Finance income	25.2	88.3	63.1	250.5 %	250.1 %	563
Finance expenses	(63.8)	(124.1)	(60.3)	(94.6) %	(100.0) %	(791)
Share of profit (loss) of investments accounted for using the equity method	(2.0)	0.8	2.8	—	—	5
Profit before tax	26.4	133.9	107.5	406.9 %	354.4 %	854
Income tax (expenses) benefit	(2.6)	(30.1)	(27.6)	(1,071.4) %	(913.5) %	(192)
Net profit for the period	23.8	103.7	79.9	335.2 %	294.1 %	662
Non-controlling interests	(0.0)	(0.1)	(0.0)	(103.1) %	(114.5) %	(1)
Net profit attributable to owners of the Company	23.8	103.6	79.9	335.7 %	294.4 %	661
Basic EPS (JPY or USD)	15.01	65.61	50.60	337.2 %	295.8 %	0.42

\* Includes in-process R&D

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 is presented as positive when favorable to profits, and negative when unfavorable to profits.



## FY2025 Q3 YTD Core Results with CER % Change

(Billion JPY, except EPS)	FY2024 Q3 YTD	FY2025 Q3 YTD	AER		CER	(Million USD, except EPS) FY2025 Q3 YTD Convenience USD Translation
			JPY Change	% Change		
Revenue	3,528.2	3,411.2	(117.0)	(3.3) %	(2.8) %	21,755
Cost of sales	(1,198.3)	(1,166.4)	32.0	2.7 %	2.4 %	(7,438)
Gross profit	2,329.8	2,244.8	(85.0)	(3.6) %	(3.0) %	14,316
Margin	66.0 %	65.8 %		(0.2) pp	(0.2) pp	65.8 %
SG&A expenses	(809.2)	(792.5)	16.7	2.1 %	1.3 %	(5,054)
R&D expenses	(514.3)	(480.7)	33.6	6.5 %	5.1 %	(3,066)
Operating profit	1,006.3	971.6	(34.7)	(3.4) %	(3.4) %	6,196
Margin	28.5 %	28.5 %		(0.0) pp	(0.2) pp	28.5 %
Finance income	21.4	205.9	184.4	859.9 %	861.2 %	1,313
Finance expenses	(127.6)	(304.8)	(177.2)	(138.9) %	(142.7) %	(1,944)
Share of profit (loss) of investments accounted for using the equity method	1.5	0.2	(1.3)	(86.1) %	(61.1) %	1
Profit before tax	901.6	872.9	(28.8)	(3.2) %	(3.6) %	5,567
Income tax (expenses) benefit	(202.6)	(199.1)	3.5	1.7 %	4.5 %	(1,270)
Net profit for the period	699.1	673.8	(25.3)	(3.6) %	(3.4) %	4,297
Non-controlling interests	(0.2)	(0.2)	(0.0)	(27.3) %	(35.9) %	(1)
Net profit attributable to owners of the Company	698.9	673.6	(25.3)	(3.6) %	(3.4) %	4,296
Basic EPS (JPY or USD)	443	428	(15)	(3.3) %	(3.1) %	2.73

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 is presented as positive when favorable to profits, and negative when unfavorable to profits.



## FY2025 Q3 (Oct-Dec) Core Results with CER % Change

(Billion JPY, except EPS)	FY2024 Q3 (Oct-Dec)	FY2025 Q3 (Oct-Dec)	AER		CER	(Million USD, except EPS) FY2025 Q3 (Oct-Dec) Convenience USD Translation	
			JPY Change	% Change			
Revenue	1,144.1	1,191.7	47.6	4.2 %	(0.6) %	7,600	
Cost of sales	(416.9)	(401.2)	15.7	3.8 %	8.5 %	(2,559)	
Gross profit	727.2	790.5	63.3	8.7 %	3.9 %	5,041	
Margin	63.6 %	66.3 %			2.8 pp	2.9 pp	66.3 %
SG&A expenses	(270.7)	(282.8)	(12.2)	(4.5) %	(0.1) %	(1,804)	
R&D expenses	(170.2)	(175.2)	(5.0)	(2.9) %	0.2 %	(1,118)	
Operating profit	286.4	332.4	46.1	16.1 %	10.1 %	2,120	
Margin	25.0 %	27.9 %			2.9 pp	2.7 pp	27.9 %
Finance income	23.8	88.7	64.9	273.4 %	272.9 %	566	
Finance expenses	(56.6)	(120.5)	(63.9)	(112.9) %	(119.1) %	(769)	
Share of profit (loss) of investments accounted for using the equity method	(0.1)	0.8	0.9	—	—	5	
Profit before tax	253.4	301.4	48.0	19.0 %	10.7 %	1,922	
Income tax (expenses) benefit	(43.5)	(66.3)	(22.8)	(52.5) %	(38.1) %	(423)	
Net profit for the period	209.9	235.1	25.2	12.0 %	5.1 %	1,499	
Non-controlling interests	(0.0)	(0.1)	(0.0)	(103.1) %	(114.5) %	(1)	
Net profit attributable to owners of the Company	209.8	235.0	25.1	12.0 %	5.1 %	1,498	
Basic EPS (JPY or USD)	132	149	16	12.4 %	5.4 %	0.95	

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 is presented as positive when favorable to profits, and negative when unfavorable to profits.



## FY2025 Q3 YTD 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	3,411.2					3,411.2
Cost of sales	(1,165.9)				(0.5)	(1,166.4)
Gross profit	2,245.3				(0.5)	2,244.8
SG&A expenses	(792.2)				(0.3)	(792.5)
R&D expenses	(480.6)				(0.1)	(480.7)
Amortization of intangible assets associated with products	(396.9)	396.9				—
Impairment losses on intangible assets associated with products*	(81.8)		81.8			—
Other operating income	22.7			(22.7)		—
Other operating expenses	(94.0)			94.0		—
Operating profit	422.4	396.9	81.8	71.4	(0.9)	971.6
<i>Margin</i>	<i>12.4 %</i>					<i>28.5 %</i>
Finance income and (expenses), net	(107.9)				8.9	(98.9)
Share of profit (loss) of investments accounted for using the equity method	(1.8)				2.0	0.2
Profit before tax	312.7	396.9	81.8	71.4	10.1	872.9
Income tax (expenses) benefit	(96.4)	(79.9)	(6.2)	(12.8)	(3.8)	(199.1)
Non-controlling interests	(0.2)					(0.2)
Net profit attributable to owners of the Company	216.1	317.0	75.6	58.6	6.3	673.6
Basic EPS (JPY)	137					428
Number of shares (millions)	1,574					1,574

\* Includes in-process R&D.

## FY2025 Q3 (Oct-Dec) 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	1,191.7					1,191.7
Cost of sales	(401.1)				(0.1)	(401.2)
Gross profit	790.6				(0.1)	790.5
SG&A expenses	(282.8)				(0.1)	(282.8)
R&D expenses	(175.2)				(0.0)	(175.2)
Amortization of intangible assets associated with products	(136.2)	136.2				—
Impairment losses on intangible assets associated with products*	(5.8)		5.8			—
Other operating income	(0.9)			0.9		—
Other operating expenses	(20.9)			20.9		—
Operating profit	168.8	136.2	5.8	21.8	(0.1)	332.4
<i>Margin</i>	14.2 %					27.9 %
Finance income and (expenses), net	(35.8)				3.9	(31.8)
Share of profit (loss) of investments accounted for using the equity method	0.8				(0.0)	0.8
Profit before tax	133.9	136.2	5.8	21.8	3.8	301.4
Income tax (expenses) benefit	(30.1)	(27.5)	(1.2)	(5.1)	(2.4)	(66.3)
Non-controlling interests	(0.1)					(0.1)
Net profit attributable to owners of the Company	103.6	108.7	4.5	16.7	1.4	235.0
Basic EPS (JPY)	66					149
Number of shares (millions)	1,580					1,580

\* Includes in-process R&D.



## FY2024 Q3 YTD 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* <sup>2</sup>	Other operating income/expenses	Others	
Revenue	3,528.2						3,528.2
Cost of sales	(1,198.1)					(0.2)	(1,198.3)
Gross profit	2,330.0					(0.2)	2,329.8
SG&A expenses	(808.9)					(0.3)	(809.2)
R&D expenses	(514.2)					(0.1)	(514.3)
Amortization of intangible assets associated with products	(411.7)	411.7					—
Impairment losses on intangible assets associated with products* <sup>1</sup>	(28.5)		28.5				—
Other operating income	16.2				(16.2)		—
Other operating expenses	(165.4)				165.4		—
Operating profit	417.5	411.7	28.5		149.2	(0.6)	1,006.3
Margin	11.8 %						28.5 %
Finance income and (expenses), net	(131.9)			19.4		6.4	(106.2)
Share of profit (loss) of investments accounted for using the equity method	(3.2)					4.7	1.5
Profit before tax	282.4	411.7	28.5	19.4	149.2	10.5	901.6
Income tax (expenses) benefit	(71.1)	(86.2)	(8.2)	(5.9)	(36.5)	5.3	(202.6)
Non-controlling interests	(0.2)						(0.2)
Net profit attributable to owners of the Company	211.1	325.5	20.3	13.4	112.7	15.9	698.9
Basic EPS (JPY)	134						443
Number of shares (millions)	1,579						1,579

\*1 Includes in-process R&D.

\*2 An impairment loss of JPY 19.4 billion recorded as a result of the classification of Teva Takeda Pharma Ltd. shares as assets held for sale for the nine-month period ended December 31, 2024.



## FY2024 Q3 (Oct-Dec) 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* <sup>2</sup>	Other operating income/expenses	Others	
Revenue	1,144.1						1,144.1
Cost of sales	(416.9)						(416.9)
Gross profit	727.3						727.2
SG&A expenses	(270.6)						(270.7)
R&D expenses	(170.2)						(170.2)
Amortization of intangible assets associated with products	(134.2)	134.2					—
Impairment losses on intangible assets associated with products* <sup>1</sup>	(0.7)		0.7				—
Other operating income	2.4					(2.4)	—
Other operating expenses	(87.0)					87.0	—
Operating profit	66.9	134.2	0.7			84.6	(0.1) 286.4
Margin	5.9 %						25.0 %
Finance income and (expenses), net	(38.6)			1.0			4.7 (32.9)
Share of profit (loss) of investments accounted for using the equity method	(2.0)						1.8 (0.1)
Profit before tax	26.4	134.2	0.7	1.0		84.6	6.4 253.4
Income tax (expenses) benefit	(2.6)	(28.1)	(0.2)	(0.3)		(21.8)	9.5 (43.5)
Non-controlling interests	(0.0)						(0.0)
Net profit attributable to owners of the Company	23.8	106.1	0.5	0.7		62.8	15.9 209.8
Basic EPS (JPY)	15						132
Number of shares (millions)	1,585						1,585

\*1 Includes in-process R&D.

\*2 An impairment loss of JPY 1.0 billion recorded as a result of the classification of Teva Takeda Pharma Ltd. shares as assets held for sale for the quarter ended December 31, 2024.



## FY2025 Q3 YTD Adjusted Free Cash Flow

(Billion JPY)	FY2024 Q3 YTD	FY2025 Q3 YTD	JPY Change	% Change	(Million USD) FY2025 Q3 YTD Convenience USD Translation
Net profit	211.2	216.3	5.0	2.4 %	1,379
Depreciation, amortization and impairment losses	609.9	652.0	42.2		4,158
Decrease (increase) in trade working capital	(92.5)	(60.6)	31.9		(386)
Income taxes paid	(120.3)	(115.9)	4.4		(739)
Tax refunds and interest on tax refunds received	18.2	7.5	(10.7)		48
Other	208.6	267.6	59.0		1,707
Net cash from operating activities (Operating Cash Flow)	835.0	966.9	131.9	15.8 %	6,166
Acquisition of PP&E	(152.0)	(129.6)	22.4		(827)
Free Cash Flow <sup>*1</sup>	683.0	837.3	154.2	22.6 %	5,340
Adjustment for cash temporarily held by Takeda on behalf of third parties <sup>*2</sup>	(0.9)	(20.6)	(19.7)		(131)
Proceeds from sales of PP&E	0.0	6.4	6.4		41
Acquisition of intangible assets <sup>*3</sup>	(103.1)	(218.0)	(114.9)		(1,390)
Acquisition of option to license	(31.8)	(2.6)	29.2		(17)
Acquisition of investments <sup>*4</sup>	(15.2)	(15.2)	0.1		(97)
Proceeds from sales and redemption of investments	26.7	5.6	(21.1)		36
Acquisition of shares in associates	—	(0.6)	(0.6)		(4)
Proceeds from sales of shares in associates	—	0.9	0.9		6
Proceeds from sales of business, net of cash and cash equivalents divested	9.6	32.8	23.2		209
Adjusted Free Cash Flow <sup>*1</sup>	568.3	625.9	57.6	10.1 %	3,992

\*1 Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations* for the definitions of Free Cash Flow and Adjusted Free Cash Flow.

\*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 sales of intangible assets are included in cash flow from operating activities, except certain immaterial transactions.

\*4 Acquisition of JPY 80.1 billion debt investments classified as Level 1 in the fair value hierarchy is excluded for the nine-month period ended December 31, 2024.

## FY2025 Q3 YTD Adjusted Net Debt to Adjusted EBITDA

### ADJUSTED NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2025 Q3 YTD
Book value of bonds and loans on consolidated statement of financial position	(4,853.3)
Cash & cash equivalents	654.9
<b>Net Debt<sup>*1</sup></b>	<b>(4,198.4)</b>
Application of equity credit <sup>*2</sup>	250.0
FX adjustment <sup>*3</sup>	217.4
Cash temporarily held by Takeda on behalf of third parties <sup>*4</sup>	(126.3)
Level 1 debt investments <sup>*4</sup>	83.8
<b>Adjusted Net Debt<sup>*1</sup></b>	<b>(3,773.6)</b>
 Adjusted EBITDA (LTM) <sup>*5</sup>	 1,404.5
 Adjusted Net Debt/Adjusted EBITDA ratio	 2.7x
 Book value of bonds and loans on consolidated statement of financial position	 (4,853.3)
Application of equity credit <sup>*2</sup>	250.0
FX adjustment <sup>*3</sup>	217.4
<b>Adjusted Gross Debt</b>	<b>(4,385.9)</b>

### NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(Billion JPY)	FY2024 Q3 YTD	FY2025 Q3 YTD	JPY Change	% Change
Net cash from operating activities (Operating Cash Flow)	835.0	966.9	131.9	15.8 %
Acquisition of PP&E	(152.0)	(129.6)		
Proceeds from sales of PP&E	0.0	6.4		
Acquisition of intangible assets	(103.1)	(218.0)		
Acquisition of option to license	(31.8)	(2.6)		
Acquisition of investments	(95.4)	(15.2)		
Proceeds from sales and redemption of investments	26.7	5.6		
Acquisition of shares in associates	—	(0.6)		
Proceeds from sales of shares in associates	—	0.9		
Proceeds from sales of business, net of cash and cash equivalents divested	9.6	32.8		
Payments for the settlement of forward exchange contracts designated as net investment hedges	(13.9)	(1.5)		
Net increase (decrease) in short-term loans and commercial papers	(317.0)	(341.8)		
Proceeds from long-term loans	90.0	—		
Repayment of long-term loans	(50.2)	(10.1)		
Proceeds from issuance of bonds	934.5	526.1		
Repayment of bonds	(733.8)	(115.3)		
Proceeds from the settlement of cross currency interest rate swaps related to bonds and loans	46.9	—		
Acquisition of treasury shares	(1.9)	(51.6)		
Interest paid	(78.1)	(82.1)		
Dividends paid	(292.8)	(303.1)		
Others	(34.6)	(30.6)		
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>38.0</b>	<b>236.5</b>	<b>198.4</b>	<b>522.1 %</b>

\*1 Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations* for the definitions of Net Debt and Adjusted Net Debt.

\*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 (January 2025 - December 2025). Calculated by subtracting FY2024 Q3 YTD from FY2024 Full Year and adding FY2025 Q3 YTD.

## FY2024 Adjusted Net Debt to Adjusted EBITDA

### ADJUSTED NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2024
Book value of bonds and loans on consolidated statement of financial position	(4,515.3)
Cash & cash equivalents	385.1
<b>Net Debt<sup>*1</sup></b>	<b>(4,130.2)</b>
Application of equity credit <sup>*2</sup>	250.0
FX adjustment <sup>*3</sup>	(68.9)
Cash temporarily held by Takeda on behalf of third parties <sup>*4</sup>	(105.8)
Level 1 debt investments <sup>*4</sup>	79.3
<b>Adjusted Net Debt<sup>*1</sup></b>	<b>(3,975.5)</b>
 Adjusted EBITDA	 1,441.0
 Adjusted Net Debt/Adjusted EBITDA ratio	 2.8x
 Book value of bonds and loans on consolidated statement of financial position	 (4,515.3)
Application of equity credit <sup>*2</sup>	250.0
FX adjustment <sup>*3</sup>	(68.9)
<b>Adjusted Gross Debt</b>	<b>(4,334.2)</b>

### NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(Billion JPY)	FY2023	FY2024	JPY Change	% Change
Net cash from operating activities (Operating Cash Flow)	716.3	1,057.2	340.8	47.6 %
Acquisition of PP&E	(175.4)	(200.8)		
Proceeds from sales of PP&E	8.6	0.1		
Acquisition of intangible assets	(305.3)	(147.0)		
Acquisition of option to license	—	(31.8)		
Acquisition of investments	(6.8)	(97.5)		
Proceeds from sales and redemption of investments	8.0	29.4		
Acquisition of shares in associates	—	(1.0)		
Proceeds from sales of shares in associates	—	57.7		
Proceeds from sales of business, net of cash and cash equivalents divested	20.0	20.6		
Payments for the settlement of forward exchange contracts designated as net investment hedges	(33.3)	(13.8)		
Net increase (decrease) in short-term loans and commercial papers	277.0	27.5		
Proceeds from long-term loans	100.0	90.0		
Repayment of long-term loans	(100.4)	(587.2)		
Proceeds from issuance of bonds	—	934.5		
Repayment of bonds	(220.5)	(733.8)		
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)	(51.9)		
Interest paid	(100.4)	(113.0)		
Dividends paid	(287.2)	(302.5)		
Others	(60.3)	(44.6)		
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(101.9)</b>	<b>(61.3)</b>	<b>40.6</b>	<b>39.9 %</b>

\*1 Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations* for the definitions of Net Debt and Adjusted Net Debt.

\*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.



## FY2025 Q3 YTD Net Profit to Adjusted EBITDA Bridge

(Billion JPY)	FY2024 Q3 YTD	FY2025 Q3 YTD	JPY Change	% Change
Net profit	211.2	216.3	5.0	2.4 %
Income tax expenses (benefit)	71.1	96.4		
Depreciation and amortization	571.6	557.3		
Interest expense, net	87.8	97.3		
EBITDA	941.8	967.2	25.4	2.7 %
Impairment losses	38.2	94.8		
Other operating expenses (income), net, excluding depreciation and amortization, and impairment losses	135.2	57.1		
Finance expenses (income), net, excluding interest expense, net	44.2	10.6		
Share of loss (profit) of investments accounted for using the equity method	3.2	1.8		
Other costs*	51.8	51.1		
Adjusted EBITDA	1,214.4	1,182.7	(31.8)	(2.6)%

\* Includes adjustments for non-cash items such as non-cash equity-based compensation expense, and other items that management believes are unrelated to our core operations, including purchase accounting effects and transaction related costs.



## FY2025 Q3 YTD Net Profit to Adjusted EBITDA LTM Bridge

(Billion JPY)	FY2024 Full Year (Apr - Mar)	FY2024 Q3 YTD (Apr - Dec)	FY2025 Q3 YTD (Apr - Dec)	FY2025 Q3 LTM <sup>*1</sup> (Jan - Dec)
Net profit	108.1	211.2	216.3	113.2
Income tax expenses (benefit)	66.9	71.1	96.4	92.2
Depreciation and amortization	761.4	571.6	557.3	747.0
Interest expense, net	117.7	87.8	97.3	127.2
EBITDA	1,054.2	941.8	967.2	1,079.6
Impairment losses	106.5	38.2	94.8	163.1
Other operating expenses (income), net, excluding depreciation and amortization, and impairment losses	163.2	135.2	57.1	85.1
Finance expenses (income), net, excluding interest expense, net	45.8	44.2	10.6	12.3
Share of loss (profit) of investments accounted for using the equity method	4.0	3.2	1.8	2.6
Other costs <sup>*2</sup>	67.4	51.8	51.1	66.7
Adjusted EBITDA	1,441.2	1,214.4	1,182.7	1,409.4
EBITDA from divested products <sup>*3</sup>	(0.2)			(4.9)
Adjusted EBITDA (LTM)	1,441.0			1,404.5

\*1 LTM represents Last Twelve Months (January 2025 - December 2025). Calculated by subtracting FY2024 Q3 YTD from FY2024 Full Year and adding FY2025 Q3 YTD.

\*2 Includes adjustments for non-cash items such as non-cash equity-based compensation expense, and other items that management believes are unrelated to our core operations, including purchase accounting effects and transaction related costs.

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

## FY2025 Q3 YTD CAPEX, Depreciation and Amortization and Impairment Losses

(Billion JPY)	FY2024 Q3 YTD	FY2025 Q3 YTD	JPY Change	% Change	Revised Forecast (January 29, 2026)
Capital expenditures* <sup>1</sup>	255.1	347.6	92.5	36.3 %	400.0 - 450.0
Tangible assets	152.0	129.6	(22.4)	(14.7)%	
Intangible assets	103.1	218.0	114.9	111.4 %	
Depreciation and amortization	571.6	557.3	(14.4)	(2.5)%	727.0
Depreciation of tangible assets* <sup>2</sup> (A)	130.7	129.7	(1.0)	(0.8)%	
Amortization of intangible assets (B)	441.0	427.6	(13.3)	(3.0)%	
Of which Amortization on intangible assets associated with products (C)	411.7	396.9	(14.7)	(3.6)%	507.0
Of which Amortization excluding intangible assets associated with products (D)	29.3	30.7	1.4	4.7 %	
Depreciation and amortization (excluding intangible assets associated with products) (A)+(D)	160.0	160.3	0.4	0.2 %	220.0
Impairment losses	38.2	94.8	56.6	148.0 %	
Impairment losses on intangible assets associated with products* <sup>3</sup>	28.5	81.8	53.3	186.9 %	110.0
Amortization and impairment losses on intangible assets associated with products	440.2	478.7	38.5	8.8 %	617.0

\*1 Cash flow base

\*2 Includes depreciation of investment properties

\*3 Includes in-process R&D



# FY2025 Full Year Detailed Forecast

(BN JPY)	Previous Forecast (October 30, 2025)	Revised Forecast (January 29, 2026)	JPY Change	% Change	Variances
Revenue	4,500.0	4,530.0	30.0	0.7%	FX benefits more than offset downward revisions to revenue outlooks for VYVANSE and other products including plasma derived therapies, TAKHZYRO, and others
Cost of sales	(1,590.0)	(1,595.0)	(5.0)	(0.3)%	FX headwinds partially offset by changes in product mix
Gross Profit	2,910.0	2,935.0	25.0	0.9%	Increase in revenue forecast, as well as favorable product mix
SG&A expenses	(1,095.0)	(1,098.0)	(3.0)	(0.3)%	FX headwinds largely offset by incremental cost savings, including those from the enterprise-wide efficiency program
R&D expenses	(685.0)	(687.0)	(2.0)	(0.3)%	FX headwinds largely offset by incremental cost savings, including pipeline prioritization and the enterprise-wide efficiency program
Amortization of intangible assets associated with products	(497.0)	(507.0)	(10.0)	(2.0)%	Mainly due to FX
Impairment losses on intangible assets associated with products <sup>*1</sup>	(110.0)	(110.0)	—	—	
Other operating income	27.0	27.0	—	—	
Other operating expenses	(150.0)	(150.0)	—	—	
Operating profit	400.0	410.0	10.0	2.5%	
Finance income (expenses), net	(156.0)	(163.0)	(7.0)	(4.5)%	Mainly due to FX
Profit before tax	243.0	245.0	2.0	0.8%	
Net profit attributable to owners of the Company	153.0	154.0	1.0	0.7%	
Basic EPS (yen)	97	98	1	0.7%	
Core Revenue <sup>*2</sup>	4,500.0	4,530.0	30.0	0.7%	FX benefits more than offset downward revisions to revenue outlooks for VYVANSE and other products including plasma derived therapies, TAKHZYRO, and others
Core Operating Profit <sup>*2</sup>	1,130.0	1,150.0	20.0	1.8%	Revised revenue outlooks for products largely offset by OPEX savings, plus FX benefits
Core EPS (yen) <sup>*2</sup>	479	486	7	1.5%	
Adjusted Free Cash Flow <sup>*2</sup>	600.0 to 700.0	650.0 to 750.0			Reflects the upward revision to Core OP and improvements in working capital
CAPEX (cash flow base)	(400.0) to (450.0)	(400.0) to (450.0)			
Depreciation and amortization (excl. intangible assets associated with products)	(220.0)	(220.0)	—	—	
Cash tax rate on Adjusted EBITDA (excl. divestitures) <sup>*2</sup>	Mid teen%	Low-teen%			Reflects an expected reduction in cash taxes driven by the acceleration of U.S. R&D deductions under recent tax reform.
USD/JPY	147	150	3	2.3%	
EUR/JPY	170	174	3	2.0%	

\*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 FY2025 Full Year Reconciliation from Reported Operating Profit to Core Operating Profit Forecast.

# FY2025 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)	
Revenue	4,530.0				4,530.0
Cost of sales	(1,595.0)				
Gross Profit	2,935.0				(3,380.0)
SG&A expenses	(1,098.0)				
R&D expenses	(687.0)				
Amortization of intangible assets associated with products	(507.0)	507.0			—
Impairment losses on intangible assets associated with products* <sup>1</sup>	(110.0)		110.0		—
Other operating income	27.0			(27.0)	—
Other operating expenses	(150.0)			150.0	—
Operating profit	410.0	507.0	110.0	123.0	1,150.0

\*1 Includes in-process R&D



## FY2025 Full Year FX Rates Assumptions and Currency Sensitivity vs. Forecast

Average Exchange Rates vs. JPY				Impact of depreciation of yen from January 2026 to March 2026 (100 million JPY)					
	FY2024 Q3 Actual (Apr-Dec)	FY2025 Q3 Actual (Apr-Dec)	FY2025 Full Year Assumption (Apr-Mar)	FY2025 Q4 Assumption (Jan-Mar)		Revenue (IFRS)	Operating Profit (IFRS)	Net Profit (IFRS)	Core Operating Profit (non-IFRS)
USD	152	148	150	157	1% depreciation	40.1	(0.2)	(1.3)	5.8
					1 yen depreciation	25.6	(0.1)	(0.8)	3.7
EUR	165	170	174	184	1% depreciation	12.6	(5.4)	(3.7)	(3.5)
					1 yen depreciation	6.9	(2.9)	(2.0)	(1.9)
RUB	1.6	1.8	1.9	1.9	1% depreciation	0.6	0.2	0.1	0.3
CNY	21.1	20.7	21.1	22.4		3.7	2.2	1.4	2.2
BRL	27.9	27.0	27.4	28.6		2.0	1.3	0.8	1.4

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