Better Health, Brighter Future

Takeda Quarterly Financial Report

For the Quarter Ended June 30, 2026

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Financial Highlights

Selected Financial Results

Takeda uses certain non-IFRS measures to supplement the analysis of results of operations under International Financial Reporting Standards ("IFRS"). Refer to "Financial Appendix" for the definition and reconciliations of non-IFRS Measures.

Financial Results

	Three-month Period Ended June 30,		AER*		CER*
(JPY millions)	2025	2026	JPY Change	% Change	% Change
Revenue	1,106,685	1,219,900	113,215	10.2 %	(0.5)%
Operating profit	184,566	201,417	16,851	9.1 %	(3.1)%
Profit before tax	150,630	162,718	12,088	8.0 %	(6.8)%
Net profit for the period	124,279	113,256	(11,023)	(8.9)%	(23.5)%
Net profit for the period attributable to owners of the Company	124,243	113,197	(11,046)	(8.9)%	(23.5)%
Basic earnings per share (JPY)	79.40	71.65	(7.76)	(9.8)%	(24.2)%

* Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS) and Constant Exchange Rate is presented in “CER” (which is a non-IFRS measure).

Core Financial Results

Results of Core Operations

	Three-month Period Ended June 30,		AER*		CER*
(JPY billions)	2025	2026	JPY Change	% Change	% Change
Core revenue	1,106.7	1,219.9	113.2	10.2 %	(0.5)%
Core operating profit	321.8	358.9	37.1	11.5 %	(0.5)%
Core net profit for the period	237.1	242.9	5.9	2.5 %	(10.9)%
Core net profit for the period attributable to owners of the Company	237.0	242.9	5.8	2.5 %	(10.9)%
Core EPS (JPY)	151	154	2	1.5 %	(11.8)%

* Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS) and Constant Exchange Rate is presented in “CER” (which is a non-IFRS measure). Refer to “Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations” in the Financial Appendix for the definition.

Leverage

	As of	
(JPY billions)	March 31, 2026	June 30, 2026
Adjusted Net debt	(3,817.6)	(4,012.6)
Adjusted EBITDA	1,457.2	1,503.8
Adjusted Net debt/Adjusted EBITDA ratio	2.6 x	2.7 x

Cash Flows

	Three-month Period Ended June 30,		Change	
(JPY millions)	2025	2026	JPY	%
Cash flows from (used in) operating activities	215,423	127,623	(87,799)	(40.8)%
Cash flows from (used in) investing activities	(33,193)	(87,703)	(54,510)	(164.2)%
Cash flows from (used in) financing activities	(214,900)	(180,348)	34,553	16.1 %

Adjusted Free Cash Flow

	Three-month Period Ended June 30,		Change	
(JPY billions)	2025	2026	JPY	%
Adjusted Free Cash Flow	190.1	68.6	(121.5)	(63.9)%

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Financial Position

(JPY millions)	As of March 31, 2026	As of June 30, 2026	Change JPY	Change %
Non-current Assets	12,421,004	12,513,001	91,998	0.7 %
Current Assets	3,090,503	3,150,269	59,766	1.9 %
Total Assets	**15,511,506**	**15,663,271**	**151,764**	**1.0 %**
Non-current Liabilities	5,248,784	5,339,847	91,063	1.7 %
Current Liabilities	2,832,074	2,764,547	(67,527)	(2.4)%
Total Liabilities	**8,080,858**	**8,104,394**	**23,537**	**0.3 %**
Equity	**7,430,649**	**7,558,876**	**128,228**	**1.7 %**
Total liabilities and equity	**15,511,506**	**15,663,271**	**151,764**	**1.0 %**

Forecast and Management Guidance

Forecast

(JPY billions)	FY2025 Actual Results	FY2026 Forecast	JPY Change	% Change
Revenue	4,505.7	4,640.0	134.3	3.0 %
Operating profit	6.2	420.0	413.8	—
Profit (loss) before tax	(142.4)	252.0	394.4	—
Net profit (loss) for the year (attributable to owners of the Company)	(152.4)	166.0	318.4	—
EPS (JPY)	(96.75)	104.26	201.01	—
Non-IFRS Measures				
Core revenue*	4,505.7	4,640.0	134.3	3.0 %
Core operating profit*	1,172.5	1,160.0	(12.5)	(1.1)%
Core EPS (JPY)*	517	472	(45)	(8.7)%
Dividends per share (JPY)	200	204	4	2.0 %

*Refer to "Forecast and Management Guidance" for details.

Management Guidance

Takeda uses change in Core Revenue, Core Operating Profit and Core EPS at Constant Exchange Rate (CER) basis as its Management Guidance.

	FY2026 Management Guidance CER % Change*
Core revenue	Low-single digit % decline
Core operating profit	5% to 8% decline
Core EPS	Mid-teens % decline

*Refer to "Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations" in the Financial Appendix for the definition" in the Financial Appendix for the definition.

Revenue by Region

(JPY millions)

	Three-month Period Ended June 30,								
	Japan	United States	Europe*2	Latin America	China	Asia (excluding Japan & China)	Russia/CIS	Other*1,2	Total
2025	107,981	546,657	236,937	57,579	43,218	23,016	28,936	62,361	1,106,685
2026	103,862	568,854	282,077	74,210	52,312	26,562	35,368	76,655	1,219,900
Change JPY	(4,119)	22,197	45,140	16,630	9,093	3,545	6,433	14,295	113,215
Change %	(3.8)%	4.1 %	19.1 %	28.9 %	21.0 %	15.4 %	22.2 %	22.9 %	10.2 %

*1 "Other" include Canada, the Middle East, Oceania and Africa. This disaggregation provides revenue attributable to countries or regions based on the customer location.

*2 Following the implementation of a new organizational structure, the geographical classification previously presented as "Europe and Canada" through the prior fiscal year has been revised to "Europe" from the current fiscal year, and revenue attributable to Canada is now included in "Other. Accordingly, revenue for FY2025 Q1 in the above has been reclassified to conform to the FY2026 Q1 presentation.

Recent Developments

Pipeline and R&D Activities

Research and development expenses for the three-month period ended June 30, 2026 were JPY 167.4 billion. Takeda does not report disaggregated R&D expenses, including by therapeutic area or clinical trial stage, as our R&D budget is determined on a company-wide basis and specific expenditures may be subject to re-allocation depending on development results and priorities.

Takeda's R&D engine is focused on translating science into highly innovative, life-transforming medicines that make a critical difference to patients. Our R&D efforts focus on three core therapeutic areas: Gastrointestinal and Inflammation, Neuroscience, and Oncology. We also make targeted R&D investments in PDT. The R&D engine for our three core therapeutic areas are the largest component of our R&D investment and has produced exciting new molecular entities ("NMEs") that represent potential best-in-class and/or first-in-class medicines in areas of high unmet medical need across our core therapeutic areas (Gastrointestinal and Inflammation, Neuroscience, and Oncology). Takeda is committed to developing therapies for both rare and more prevalent diseases, and many of the life-transforming medicines we are pursuing will treat rare diseases in our core therapeutic areas as well as in PDT. We are embracing data and digital technologies with the aim of improving the quality of innovation and accelerating execution. We seek to achieve a foundational shift that embeds AI into every stage of drug discovery, redesigning workflows to include automated, data-driven, predictive processes that accelerate innovation.

Takeda's pipeline is positioned to support both the near-term and long-term sustained growth of the company. Once first approval of a product is achieved, Takeda R&D is equipped to support geographic expansions of such approval and approvals in additional indications, as well as post-marketing commitment and potential additional formulation work. Takeda's R&D team works closely with the commercial functions to maximize the value of marketed products and reflect commercial insights in its R&D strategies and portfolio.

Major progress on R&D events since April 2026 are listed as follows:

R&D pipeline

Gastrointestinal and Inflammation

In Gastrointestinal and Inflammation, Takeda focuses on delivering innovative, life-changing therapeutics for patients with gastrointestinal diseases (including those of the liver) as well as immune-mediated inflammatory diseases. Takeda is maximizing the potential of our inflammatory bowel disease (IBD) franchise around ENTYVIO, including the introduction of a subcutaneous formulation and running real-world evidence generation studies that demonstrate ENTYVIO's place as a backbone therapy in the IBD treatment paradigm and further our understanding of how to improve outcomes for patients. Zasocitinib (TAK-279) is a next generation oral tyrosine kinase 2 (TYK2) inhibitor with potential to treat multiple immune-mediated inflammatory diseases. Fazirsiran (TAK-999) is a potential first-in-class RNAi treatment for alpha-1 antitrypsin-deficiency associated liver disease in late-stage development. Mezagitamab (TAK-079) is a potential best-in-class anti-CD38 antibody with disease modifying potential for multiple immune-mediated diseases like immune thrombocytopenia (ITP) and IgA nephropathy (IgAN). Furthermore, Takeda is making progress on its pipeline built through in-house discovery, partnerships and business development, which explores opportunities in inflammatory diseases (specifically in gastric, dermatological and rheumatic disorders), along with select rare hematological and renal disorders (ADZYNMA, mezagitamab (TAK-079)), liver diseases, and neurogastric disorders.

ENTYVIO / Generic name: vedolizumab

- In June 2026, Takeda announced that the U.S. Food and Drug Administration (FDA) accepted for review its supplemental Biologics License Application (sBLA) for intravenous (IV) ENTYVIO for the treatment of moderately to severely active ulcerative colitis (UC) and Crohn's disease in pediatric patients ages 2 years and older. The FDA has set a Prescription Drug User Fee Act (PDUFA) goal date in the first quarter of calendar year 2027. Takeda also submitted a marketing authorization application (MAA) to the European Medicines Agency for ENTYVIO IV for the treatment of moderately to severely active UC and Crohn's disease in pediatric patients ages 2 years and older. The sBLA and MAA are supported by data from two Phase 3 pediatric trials, the KEPLER study in UC and the ongoing WEBB study in Crohn's disease.
- In July 2026, Takeda announced that it submitted an application to the Japanese Ministry of Health, Labour and Welfare (MHLW) for a partial change to the manufacturing and marketing approval of ENTYVIO IV. The application seeks approval for an additional dosing regimen allowing a shortened dosing interval from every eight weeks to every four weeks in adult patients who have experienced a decrease in their response during maintenance therapy, and an expansion of the dosage

and administration for pediatric patients with moderate to severe UC and active Crohn's disease. Vedolizumab received Orphan Drug Designation in Japan in June 2026, for pediatric patients with ulcerative colitis and Crohn's disease. The application for every-four-week dosing in adult patients is based on data from the Phase 3 Vedolizumab-3039 study conducted in Japan. The pediatric indication expansion is supported by data from the global Phase 3 KEPLER study in UC and WEBB study in Crohn's disease.

Development code: TAK-279 / Generic name: zasocitinib

- In June 2026, Takeda announced positive topline results for the Phase 3 study comparing zasocitinib (TAK-279) to deucravacitinib in adults with moderate-to-severe psoriasis (PsO). In the LATITUDE Atlas (TAK-279-PsO-3004) head-to-head study, zasocitinib demonstrated statistical superiority over deucravacitinib for the primary endpoint, PASI 100 response rate at week 16, with more than 35% of zasocitinib-treated patients achieving Psoriasis Area and Severity Index (PASI) 100. The study also demonstrated statistical superiority over deucravacitinib for all key secondary endpoints, including PASI 90 response and Static Physician's Global Assessment (sPGA) 0 at week 16. Zasocitinib was generally well tolerated with a consistent safety and tolerability profile and no new safety signals identified.
- In July 2026, Takeda announced new data from the two pivotal Phase 3 studies (LATITUDE PsO 3001 and 3002 studies) of zasocitinib in adults with moderate-to-severe PsO. Presented at the 2026 American Academy of Dermatology (AAD) Innovation Academy, these secondary endpoint data show that zasocitinib demonstrated consistent and high rates of skin clearance across hard-to-treat, high-impact sites, including the scalp, nails, palms and soles, compared with placebo.

Neuroscience

In Neuroscience, Takeda is focusing its R&D investments on potentially transformative treatments for neurological and neuromuscular diseases of high unmet need building its innovative pipeline by leveraging internal expertise and external collaborations. Takeda Neuroscience's core focus is orexin biology, rare neurology and neurodegeneration diseases. We are advancing a portfolio of tailored therapies designed to unlock the full power of orexin (i.e., ORZEYFUL (oveporexton), TAK-360, TAK-495) to redefine the standard of care for people living with rare sleep-wake disorders and other conditions where orexin biology is implicated. Across our portfolio, we are harnessing advances in disease biology understanding, translational tools, innovative modalities and digital innovation to accelerate development and patient access.

VYVANSE / Generic name: lisdexamfetamine

- In June 2026, Takeda announced that it received notification from the Japanese Ministry of Health, Labour and Welfare (MHLW) regarding the partial lifting of certain approval conditions applied to VYVANSE. The partial lifting of the approval conditions is based on the MHLW's assessment that the necessary measures associated with the relevant approval condition have been appropriately implemented, based on data submitted by Takeda, including results from post-marketing surveillance studies and initiatives to ensure appropriate use.

  Lifted approval condition: "Measures ensuring that VYVANSE would be used only in cases where other attention-deficit/ hyperactivity disorder (ADHD) treatments are insufficient, until evaluation of abuse and dependence under actual use conditions has been completed."

ORZEYFUL / Generic name: oveporexton

- In June 2026, Takeda presented additional results from two pivotal studies at SLEEP 2026 showing oveporexton improved daily functioning as well as cognitive and sleep-related symptoms associated with narcolepsy type 1 (NT1). The presentations highlighted results from secondary and exploratory endpoints from the FirstLight and the RadiantLight including functioning, cognition, and nighttime sleep. At all doses, oveporexton significantly improved daily functioning at week 12 compared to placebo ($p<0.001$) across the six domains of the Functional Impacts of Narcolepsy Instrument (FINI). Oveporexton improved cognitive symptoms associated with NT1 compared to placebo, as measured using objective neuropsychological tests of attention, executive function and memory along with patient-reported measures. Exploratory endpoints demonstrated that oveporexton improved quality of sleep across both studies.
- In July 2026, Takeda announced that the National Medical Products Administration (NMPA) of China approved the use of ORZEYFUL (oveporexton) for the treatment of NT1 in adolescents aged 16 years and older and adults. Oveporexton is the first oral orexin receptor 2 (OX2R)-selective agonist approved in China and is the only approved medicine to treat NT1. The approval is based on the comprehensive clinical program including the global Phase 3 FirstLight and RadiantLight studies.

Oncology

In Oncology, we are advancing a pipeline of potential therapies across thoracic, gastrointestinal, and hematologic malignancies. In thoracic and gastrointestinal cancers, TAK-928 (IBI363) and arcotatug tavatecan (TAK-921/IBI343) are being evaluated across multiple indications. In hematologic cancers, we are growing a portfolio focused on myeloid malignancies, including rusfertide (TAK-121) and elritercept (TAK-226). Our deep internal expertise, global footprint and strong network of strategic collaborators underpin our ability to drive innovation and long-term value creation. We aspire to cure cancer, with inspiration from patients and innovation from everywhere.

Other Rare Diseases programs

Takeda's R&D engine is focused on areas of high unmet medical need, both in rare and more prevalent conditions, across three core therapeutic areas (Gastrointestinal and Inflammation, Neuroscience, and Oncology). In other Rare Diseases programs, Takeda focuses on several areas of high unmet medical need, on top of marketed products such as TAKHZYRO in hereditary angioedema. In rare hematology, Takeda focuses on addressing today's needs in the treatment of bleeding disorders, including through ADVATE and ADYNOVATE/ADYNOVI. In addition, Takeda aims to redefine the management of post-transplant cytomegalovirus (CMV) infection/disease with LIVTENCITY. Takeda commits to fulfilling our vision to deliver life-transforming medicines to patients with rare diseases. Takeda will continue to explore late-stage business development that may leverage our rare diseases capabilities as well as bolster our commitment and leadership in rare diseases.

Plasma-Derived Therapies (PDT)

Takeda has created a dedicated PDT business unit with a focus on managing the business end-to-end, from plasma donation to manufacturing, R&D, and commercialization. In PDT, we aspire to develop life-saving plasma-derived therapies, which are essential for patients with a variety of rare and complex chronic diseases. The dedicated R&D organization within PDT is charged with maximizing the value of existing therapies, identifying new targeted therapies, and optimizing efficiencies across the PDT value chain, from plasma donation to product manufacturing. Near-term, our priority is focused on delivering value from our broad immunoglobulin portfolio (HYQVIA, CUVITRU, GAMMAGARD LIQUID and GAMMAGARD LIQUID ERC) through the pursuit of new indications, geographic expansions, and enhanced patient experience through integrated healthcare technologies. Additionally, we are developing next generation immunoglobulin product with 20% facilitated SCIG (TAK-881) and are pursuing other early-stage opportunities (e.g. TAK-411: hypersialylated Immunoglobulin (hsIgG)) that would add to our diversified commercial portfolio of more than 20 therapeutic products distributed worldwide.

KENKETU GLOVENIN-I / Generic name: Immunoglobulin (IG) Infusion (Human) for intravenous administration

- In June 2026, Takeda announced that the Japanese Ministry of Health, Labour and Welfare (MHLW) approved a partial change to the manufacturing and marketing authorization for an additional indication of KENKETU GLOVENIN-I 10% Intravenous Injection, derived from plasma collected in Japan, and GLOVENIN-I 10% Intravenous Injection, derived from plasma collected outside of Japan, for the treatment of autoimmune encephalitis (AE). Both products received Orphan Drug Designation for AE in August 2025.

Development code: TAK-881 / Generic name: Immunoglobulin (IG) Infusion 20% (Human) w/ Recombinant Human Hyaluronidase for subcutaneous administration

- In May 2026, Takeda announced that TAK-881-3001, a pivotal Phase 2/3 clinical trial in patients with Primary Immunodeficiency Disease (PID), met its primary endpoint, which demonstrated pharmacokinetic (PK) comparability between the investigational TAK-881 and HYQVIA. Additionally, secondary endpoints showed that TAK-881, a SCIG 20% facilitated with hyaluronidase, demonstrated safety, efficacy and tolerability profiles comparable to HYQVIA, an established SCIG 10% facilitated with hyaluronidase. These findings support the potential of TAK-881 to deliver the required immunoglobulin (IG) dose for PID patients in half the volume of HYQVIA, reducing infusion duration while maintaining flexible, up to once-monthly dosing for patients (every three or four weeks for PID).

Vaccines

In Vaccines, Takeda is applying innovation to tackle infectious diseases such as dengue (QDENGA), and COVID-19 (NUVAXOVID). To support the expansion of our pipeline and the development of our programs, we have entered into partnerships with government organizations in Japan, and leading global institutions including WHO (World Health Organization), PAHO (Pan American Health Organization) and Gavi (Global Alliance for Vaccines and Immunization), among others. These partnerships have been essential in building the critical capabilities that will be necessary to deliver on our programs and realize their full potential.

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

– In June 2026, Takeda announced that it filed a partial change to the manufacturing and marketing authorization to the Japanese Ministry of Health, Labour and Welfare (MHLW) for NUVAXOVID formulated to target Omicron XFG lineage. The application is based on quality data related to change of antigen strain, as well as non-clinical data in which NUVAXOVID was shown to induce neutralizing antibodies against SARS-CoV-2 antigens (XFG, JN.1, LP.8.1, NB.1.8.1 and XFG.3.4.1).

Building a sustainable research platform / Enhancing R&D collaboration

In addition to our concentrated efforts to increase our in-house R&D capabilities, external partnerships with third-party partners are a key component of our strategy for enhancing our R&D pipeline. Our strategy to expand and diversify our external partnerships allows us to take part in research of a wide variety of new products and increases the chances that we will be able to take part in a major research-related breakthrough.

Analysis of Results of Operations, Financial Position, and Cash Flows

Results of Operations

(1) Financial Results

Billion JPY or percentage

	FY2025 Q1	FY2026 Q1	AER		CER
			JPY Change	% Change	% Change
Revenue	1,106.7	1,219.9	113.2	10.2 %	(0.5)%
Cost of sales	(384.7)	(406.7)	(22.0)	5.7 %	(4.5)%
Selling, general and administrative expenses	(255.9)	(286.5)	(30.6)	12.0 %	1.6 %
Research and development expenses	(143.9)	(167.4)	(23.5)	16.3 %	6.8 %
Amortization and impairment losses on intangible assets associated with products	(131.6)	(110.9)	20.7	(15.7)%	(23.3)%
Other operating income	22.0	8.3	(13.8)	(62.5)%	(64.3)%
Other operating expenses	(28.1)	(55.2)	(27.2)	96.8 %	73.4 %
Operating profit	184.6	201.4	16.9	9.1 %	(3.1)%
Finance income and (expenses), net	(33.4)	(39.2)	(5.8)	17.5 %	17.1 %
Share of profit (loss) of investments accounted for using the equity method	(0.5)	0.5	1.1	—	—
Profit before tax	150.6	162.7	12.1	8.0 %	(6.8)%
Income tax expenses	(26.4)	(49.5)	(23.1)	87.7 %	71.7 %
Net profit for the period	124.3	113.3	(11.0)	(8.9)%	(23.5)%
Net profit for the period attributable to owners of the Company	124.2	113.2	(11.0)	(8.9)%	(23.5)%

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 three-month period ended June 30, 2026 was JPY 1,219.9 billion (JPY +113.2 billion and +10.2% AER, -0.5% CER). The increase compared to the same period of the previous fiscal year was primarily attributable to foreign exchange impacts from the depreciation of the Japanese yen.

Revenue of our key business areas was JPY 1,169.2 billion (JPY +113.8 billion, +10.8% AER, +0.1% CER). Revenue outside of our key business areas was JPY 50.7 billion (JPY -0.6 billion and -1.1% AER, -11.8% CER).

Revenue by Geographic Region

The following shows revenue by geographic region:

Billion JPY or percentage

	FY2025 Q1	FY2026 Q1	AER		CER
Revenue:			JPY Change	% Change	% Change
Japan	108.0	103.9	(4.1)	(3.8)%	(4.2)%
United States	546.7	568.9	22.2	4.1 %	(5.2)%
Europe*2	236.9	282.1	45.1	19.1 %	4.9 %
Latin America	57.6	74.2	16.6	28.9 %	10.1 %
China	43.2	52.3	9.1	21.0 %	4.3 %
Asia (excluding Japan & China)	23.0	26.6	3.5	15.4 %	7.6 %
Russia/CIS	28.9	35.4	6.4	22.2 %	5.3 %
Other*1, 2	62.4	76.7	14.3	22.9 %	8.5 %
Total	1,106.7	1,219.9	113.2	10.2 %	(0.5)%

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

*2 Following the implementation of a new organizational structure, the geographical classification previously presented as “Europe and Canada” through the prior fiscal year has been revised to “Europe” from the current fiscal year, and revenue attributable to Canada is now included in “Other“. Accordingly, revenue for FY2025 Q1 in the above has been reclassified to conform to the FY2026 Q1 presentation. Revenue by geographic region for FY2025 Q1 previously presented under “Europe and Canada” and “Other” amounted to JPY 262.3 billion and JPY 37.0 billion, respectively.

Revenue by Business Area

The following shows revenue by business area:

Billion JPY or percentage

Revenue:	FY2025 Q1	FY2026 Q1	AER		CER
			JPY Change	% Change	% Change
GI	339.3	386.1	46.8	13.8 %	3.1 %
Rare Diseases	196.4	206.0	9.6	4.9 %	(5.8)%
PDT	260.9	283.9	23.1	8.8 %	(2.1)%
Oncology	138.8	165.6	26.9	19.4 %	8.2 %
Vaccines	11.5	14.0	2.5	21.8 %	10.1 %
Neuroscience	108.6	113.6	5.0	4.6 %	(4.8)%
Other	51.2	50.7	(0.6)	(1.1)%	(11.8)%
Total	1,106.7	1,219.9	113.2	10.2 %	(0.5)%

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

GI

In GI, revenue was JPY 386.1 billion (JPY +46.8 billion and +13.8% AER, +3.1% CER).

Sales of ENTYVIO (for ulcerative colitis and Crohn's disease) were JPY 268.3 billion (JPY +35.7 billion and +15.4% AER, +3.8% CER). Sales in the U.S. were JPY 169.5 billion (JPY +13.2 billion and +8.4% AER). The increase was driven by favorable foreign exchange rates against the U.S. dollar, accompanied by growth of the subcutaneous formulation. Sales in Europe were JPY 63.5 billion (JPY +11.1 billion and +21.2% AER). The increase was due to favorable foreign exchange rates against the Euro, complemented by continued patient gains through an increased use of the subcutaneous formulation.

Sales of GATTEX/REVESTIVE (for short bowel syndrome) were JPY 41.4 billion (JPY +6.6 billion and +19.0% AER, +8.4% CER). The increase was primarily due to favorable foreign exchange rates, accompanied by a sales increase in the U.S. driven by stable demand.

Rare Diseases

In Rare Diseases, revenue was JPY 206.0 billion (JPY +9.6 billion and +4.9% AER, -5.8% CER).

Sales of TAKHZYRO (for hereditary angioedema) were JPY 59.9 billion (JPY +4.8 billion and +8.7% AER, -2.2% CER). The increase was primarily due to favorable foreign exchange rates, partially offset by a sales decline in the U.S. due to increased competition.

Sales of LIVTENCITY (for post-transplant cytomegalovirus infection/disease) were JPY 14.1 billion (JPY +3.5 billion and +33.7% AER, +20.8% CER). The increase was primarily attributable to continued performance in the U.S. market reflecting strong market penetration, accompanied by favorable foreign exchange rates.

Sales of VONVENDI (for von Willebrand Disease) were JPY 7.6 billion (JPY +2.1 billion and +37.6% AER, +24.2% CER). The increase was due to the expanded indication of VONVENDI, enabling prophylactic use for adult populations, complemented by favorable foreign exchange rates.

Sales of ADZYNMA (for congenital thrombotic thrombocytopenic purpura) were JPY 4.1 billion (JPY +1.7 billion and +69.4% AER, +52.2% CER). The increase was due to post-launch growth in Europe, reflecting an unmet need for treatment of an ultra-rare patient population.

Sales of ADVATE (for hemophilia A) were JPY 25.8 billion (JPY -2.2 billion and -7.7% AER, -17.8% CER). The decrease was primarily due to competitive pressure in the U.S., partially offset by favorable foreign exchange rates.

PDT

In PDT, revenue was JPY 283.9 billion (JPY +23.1 billion and +8.8% AER, -2.1% CER).

Aggregate sales of immunoglobulin products, mainly used for the treatment of primary immunodeficiency, chronic inflammatory demyelinating polyneuropathy, and multifocal motor neuropathy, were JPY 213.9 billion (JPY +19.8 billion and +10.2% AER, -0.6% CER). Sales of CUVITRU and HYQVIA, which are subcutaneous immunoglobulin therapies, experienced double digit percentage sales growth, due to continued strong demand globally and growing supply, accompanied by favorable foreign exchange rates. Sale of GAMMAGARD LIQUID/KIOVIG, which are intravenous immunoglobulin therapies, slightly increased, primarily due to favorable foreign exchange rates.

Aggregate sales of albumin products including HUMAN ALBUMIN and FLEXBUMIN (both primarily used for hypovolemia and hypoalbuminemia) were JPY 34.6 billion (JPY +2.4 billion and +7.5% AER, -5.0% CER). The increase was primarily attributable to favorable foreign exchange rates, which was partially offset by a sales decline in the U.S.

Oncology

In Oncology, revenue was JPY 165.6 billion (JPY +26.9 billion and +19.4% AER, +8.2% CER).

Sales of ADCETRIS (for malignant lymphomas) were JPY 48.5 billion (JPY +11.3 billion and +30.3% AER, +14.4% CER). The increase was led by strong demand mainly in Latin America, as well as favorable foreign exchange rates against the Euro.

Sales of FRUZAQLA (for colorectal cancer) were JPY 17.1 billion (JPY +4.8 billion and +38.9% AER, +26.8% CER). The increase was primarily attributable to continued performance in Europe, as FRUZAQLA is addressing a need for new treatment options in metastatic colorectal cancer.

Sales of LEUPLIN/ENANTONE (for endometriosis, uterine fibroids, premenopausal breast cancer, prostate cancer, and other certain indications) were JPY 31.7 billion (JPY +4.3 billion and +15.8% AER, +8.0% CER). The increase was due to a sales increase in the U.S., as well as favorable foreign exchange rates.

Sales of NINLARO (for multiple myeloma) were JPY 24.0 billion (JPY +3.1 billion and +14.9% AER, +2.6% CER). The increase was primarily attributable to favorable foreign exchange rates.

Vaccines

In Vaccines, revenue was JPY 14.0 billion (JPY +2.5 billion and +21.8% AER, +10.1% CER).

Sales of QDENGA (for prevention of dengue) were JPY 11.5 billion (JPY +2.7 billion and +30.5% AER, +15.2% CER). The increase was due to post-launch growth in Latin America, as well as favorable foreign exchange rates.

Neuroscience

In Neuroscience, revenue was JPY 113.6 billion (JPY +5.0 billion and +4.6% AER, -4.8% CER).

Sales of TRINTELLIX (for major depressive disorder) were JPY 37.0 billion (JPY +8.9 billion, and +31.6% AER, +21.2% CER). The increase was due to lower sales in the same period of the previous year in the U.S. due to changes in the distribution model of a major customer, accompanied by favorable foreign exchange rates.

Sales of VYVANSE/ELVANSE (for attention deficit hyperactivity disorder) were JPY 54.1 billion (JPY -3.8 billion and -6.5% AER, -17.0% CER). The decrease was due to the continued impact of generic erosion mainly in the U.S., partially offset by favorable foreign exchange rates.

Cost of Sales

Cost of Sales was JPY 406.7 billion (JPY +22.0 billion and +5.7% AER, -4.5% CER). The increase was primarily due to foreign exchange impacts from the depreciation of the Japanese yen partially offset by an improvement in the cost ratio due to favorable product mix.

Selling, General and Administrative (SG&A) Expenses

SG&A Expenses were JPY 286.5 billion (JPY +30.6 billion and +12.0% AER, +1.6% CER). The increase was mainly due to foreign exchange impacts from the depreciation of the Japanese yen.

Research and Development (R&D) Expenses

R&D Expenses were JPY 167.4 billion (JPY +23.5 billion and +16.3% AER, +6.8% CER). The increase was mainly attributable to foreign exchange impacts from the depreciation of the Japanese yen and increased expenses related to late-stage pipeline programs, including elritercept, TAK-928, and TAK-921.

Amortization and Impairment Losses on Intangible Assets Associated with Products

Amortization and Impairment Losses on Intangible Assets Associated with Products were JPY 110.9 billion (JPY -20.7 billion and -15.7% AER, -23.3% CER). The decrease was due to lower amortization expenses (JPY -23.8 billion), mainly reflecting the completion of amortization of intangible assets related to VYVANSE/ELVANSE, partially offset by foreign exchange impacts from the depreciation of the Japanese yen. Impairment Losses increased (JPY +3.1 billion) in the three-month period ended June 30, 2026, reflecting the decision to terminate a development program in celiac disease.

Other Operating Income

Other Operating Income was JPY 8.3 billion (JPY -13.8 billion and -62.5% AER, -64.3% CER). The decrease was mainly due to lower divestiture gains. Gains of JPY 6.2 billion were recognized on the completion of the divestiture of RIOPAN, a non-core gastric acidity management agent, primarily marketed in Europe in the three-month period ended June 30, 2026, while gains of JPY 17.9 billion were recognized on the completion of the divestiture of non-core products and MEPACT mainly in Europe and the Middle East and North Africa regions in the three-month period ended June 30, 2025.

Other Operating Expenses

Other Operating Expenses were JPY 55.2 billion (JPY +27.2 billion and +96.8% AER, +73.4% CER). The increase was primarily attributable to a JPY 35.8 billion increase in restructuring expenses, reflecting ongoing implementation of the transformation program in the three-month period ended June 30, 2026. This increase was partially offset by a decrease in expenses related to pre-launch inventories compared to the three-month period ended June 30, 2025.

Operating Profit

As a result of the above factors, Operating Profit was JPY 201.4 billion (JPY +16.9 billion and +9.1% AER, -3.1% CER).

Net Finance Expenses

Net Finance Expenses were JPY 39.2 billion (JPY +5.8 billion and +17.5% AER, +17.1% CER). The increase was mainly attributable to interest expense relating to the unsecured U.S. dollar-denominated senior guaranteed notes issued on July 2, 2025.

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

Share of Profit of Investments Accounted for Using the Equity Method was JPY 0.5 billion (JPY +1.1 billion, compared to Share of Loss of Investments Accounted for Using the Equity Method of JPY 0.5 billion in the three-month period ended June 30, 2025).

Profit Before Tax

As a result of the above factors, Profit Before Tax was JPY 162.7 billion (JPY +12.1 billion and +8.0% AER, -6.8% CER).

Income Tax Expenses

Income Tax Expenses were JPY 49.5 billion (JPY +23.1 billion and +87.7% AER, +71.7% CER). The increase was primarily attributable to higher tax expense recognized in connection with the reassessment of the recoverability of Deferred Tax Assets, lower tax credits and higher U.S. international tax provisions in the three-month period ended June 30, 2026.

Net Profit for the Period

As a result of the above factors, Net Profit for the Period was JPY 113.3 billion (JPY -11.0 billion and -8.9% AER, -23.5% CER) and Net Profit for the Period attributable to owners of the Company was JPY 113.2 billion (JPY -11.0 billion and -8.9% AER, -23.5% CER).

(2) Core Financial Results

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.

Billion JPY or percentage

	FY2025 Q1	FY2026 Q1	AER		CER
			JPY Change	% Change	% Change
Core revenue	1,106.7	1,219.9	113.2	10.2 %	(0.5)%
Core operating profit	321.8	358.9	37.1	11.5 %	(0.5)%
Core net profit for the period	237.1	242.9	5.9	2.5 %	(10.9)%
Core net profit for the period attributable to owners of the Company	237.0	242.9	5.8	2.5 %	(10.9)%
Core EPS (yen)	151	154	2	1.5 %	(11.8)%

Core Revenue

Core Revenue for the three-month period ended June 30, 2026 was JPY 1,219.9 billion (JPY +113.2 billion and +10.2% AER, -0.5% CER). The increase compared to the same period of the previous fiscal year was primarily attributable to foreign exchange impacts from the depreciation of the Japanese yen.

Excluding the foreign exchange impacts, Core Revenue was broadly flat, with steady growth of Core In-line Brands[*1] and New Launches[*2] offset by a decrease in loss of exclusivity-impacted and mature products.

*1 Core In-line Brands refers to select products launched 6 or more years ago that generate over JPY 100.0 billion in annual revenue and are actively promoted (ENTYVIO, GATTEX/REVESTIVE, TAKECAB/VOCINTI, TAKHZYRO, immunoglobulin products, albumin products, ADCETRIS). In the three-month period ended June 30, 2026, these products represented 58% of Core Revenue and grew by 2.3% at CER.

*2 New Launches refers to select products launched within past 5 years (EOHILIA, LIVTENCITY, ADZYNMA, FRUZAQLA, QDENGA) and upcoming launch products ORZEYFUL (oveporexton), rusfertide, and zasocitinib. In the three-month period ended June 30, 2026, these products represented 4% of Core Revenue and grew by 22.6% at CER.

Core Operating Profit

Core Operating Profit was JPY 358.9 billion (JPY +37.1 billion and +11.5% AER, -0.5% CER). The components of Core Operating Profit are as follows:

Billion JPY or percentage

	FY2025 Q1	FY2026 Q1	AER		CER
			JPY Change	% Change	% Change
Core revenue	1,106.7	1,219.9	113.2	10.2 %	(0.5)%
Core cost of sales	(384.9)	(407.0)	(22.1)	5.7 %	(4.5)%
Core selling, general and administrative (SG&A) expenses	(256.0)	(286.6)	(30.6)	11.9 %	1.6 %
Core research and development (R&D) expenses	(143.9)	(167.4)	(23.5)	16.3 %	6.8 %
Core operating profit	321.8	358.9	37.1	11.5 %	(0.5)%

During the periods presented, these items fluctuated as follows:

Core Cost of Sales

Core Cost of Sales was JPY 407.0 billion (JPY +22.1 billion and +5.7% AER, -4.5% CER). The increase was primarily due to foreign exchange impacts from the depreciation of the Japanese yen partially offset by an improvement in the cost ratio due to favorable product mix.

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

Core SG&A Expenses were JPY 286.6 billion (JPY +30.6 billion and +11.9% AER, +1.6% CER). The increase was mainly due to foreign exchange impacts from the depreciation of the Japanese yen.

Core Research and Development (R&D) Expenses

Core R&D Expenses were JPY 167.4 billion (JPY +23.5 billion and +16.3% AER, +6.8% CER). The increase was mainly attributable to foreign exchange impacts from the depreciation of the Japanese yen and increased expenses related to late-stage pipeline programs, including elritercept, TAK-928, and TAK-921.

Core Net Profit for the Period

Core Net Profit for the Period was JPY 242.9 billion (JPY +5.9 billion and +2.5% AER, -10.9% CER) and Core Net Profit for the Period attributable to owners of the Company was JPY 242.9 billion (JPY +5.8 billion and +2.5% AER, -10.9% CER). Core Net Profit for the Period is calculated from Core Operating Profit as follows:

Billion JPY or percentage

	FY2025 Q1	**FY2026 Q1**	AER		CER
			JPY Change	% Change	% Change
Core operating profit	321.8	358.9	37.1	11.5 %	(0.5)%
Core finance income and (expenses), net	(31.3)	(37.2)	(6.0)	19.0 %	18.9 %
Core share of profit (loss) of investments accounted for using the equity method	(0.1)	0.5	0.7	—	—
Core profit before tax	290.4	322.2	31.8	10.9 %	(2.4)%
Core income tax expenses	(53.3)	(79.3)	(25.9)	48.6 %	35.5 %
Core net profit for the period	237.1	242.9	5.9	2.5 %	(10.9)%
Core net profit for the period attributable to owners of the Company	237.0	242.9	5.8	2.5 %	(10.9)%

During the periods presented, these items fluctuated as follows:

Core Net Finance Expenses

Core Net Finance Expenses were JPY 37.2 billion (JPY +6.0 billion and +19.0% AER, +18.9% CER). The increase was mainly attributable to interest expense relating to the unsecured U.S. dollar-denominated senior guaranteed notes issued on July 2, 2025.

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 0.5 billion (JPY +0.7 billion, compared to Core Share of Loss of Investments Accounted for Using the Equity Method of JPY 0.1 billion in the three-month period ended June 30, 2025).

Core Profit Before Tax

Core Profit Before Tax was JPY 322.2 billion (JPY +31.8 billion and +10.9% AER, -2.4% CER).

Core Income Tax Expenses

Core Income Tax Expenses were JPY 79.3 billion (JPY +25.9 billion and +48.6% AER, +35.5% CER). The increase was primarily attributable to higher tax expense recognized in connection with the reassessment of the recoverability of Deferred Tax Assets, lower tax credits and higher U.S. international tax provisions in the three-month period ended June 30, 2026.

Core EPS

Core EPS was JPY 154 (JPY +2 and +1.5% AER, -11.8% CER).

Financial Position

Billion JPY

	As of March 31, 2026	June 30, 2026	Change
Total Assets	15,511.5	15,663.3	151.8
Total Liabilities	8,080.9	8,104.4	23.5
Total Equity	7,430.6	7,558.9	128.2

Assets

Total Assets as of June 30, 2026 were JPY 15,663.3 billion (JPY +151.8 billion). Trade and Other Receivables increased (JPY +86.1 billion), primarily due to higher receivables resulting from an increase in sales and the timing of cash collections, as well as the effect of foreign currency translation. Goodwill increased (JPY +77.9 billion), mainly due to the effect of foreign currency translation. Inventories increased (JPY +50.6 billion), primarily driven by higher work-in-process related to PDT products and ENTYVIO, as well as the effect of foreign currency translation. These increases were partially offset by the decrease of Cash and Cash Equivalents (JPY -134.1 billion).

Liabilities

Total Liabilities as of June 30, 2026 were JPY 8,104.4 billion (JPY +23.5 billion). Total Bonds and Loans were JPY 4,940.0 billion*, which increased (JPY +58.1 billion), mainly due to the effect of foreign currency effects. Trade and Other Payables decreased (JPY -44.6 billion), mainly due to a reduction in payables related to capital expenditure in the U.S., as well as lower trade payables.

* The carrying amount of Bonds was JPY 4,715.0 billion and that of Loans was JPY 225.0 billion as of June 30, 2026. 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	82.7
Unsecured US Dollar Denominated Senior Notes (USD 1,500 million)	September 2016	September 2026	242.7
Unsecured Euro Denominated Senior Notes (EUR 3,000 million)	November 2018	November 2026 ~ November 2030	553.4
Unsecured US Dollar Denominated Senior Notes (USD 1,750 million)	November 2018	November 2028	283.3
Unsecured US Dollar Denominated Senior Notes (USD 7,000 million)	July 2020	March 2030 ~ July 2060	1,130.3
Unsecured Euro Denominated Senior Notes (EUR 3,600 million)	July 2020	July 2027 ~ July 2040	662.8
Unsecured JPY Denominated Senior Bonds	October 2021	October 2031	249.6
Hybrid Bonds (Subordinated Bonds)	June 2024	June 2084	458.6
Unsecured US Dollar Denominated Senior Notes (USD 3,000 million)	July 2024	July 2034 ~ July 2064	482.0
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	386.0
Total			4,715.0

Loans:

Name of Loan	Execution	Maturity	Carrying Amount (Billion JPY)
Bilateral Loans	March 2023 ~ March 2026	March 2029 ~ March 2034	185.0
Syndicated Hybrid Loans (Subordinated Loans)	October 2024	October 2084	40.0
Other			0.0
Total			225.0

Equity

Total Equity as of June 30, 2026 was JPY 7,558.9 billion (JPY +128.2 billion). The increase of Other Components of Equity (JPY +166.7 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 -45.4 billion), driven by the decrease of JPY 158.2 billion related to dividend payments, offset by the increase of JPY 113.2 billion from Net Profit for the Period.

Cash Flows

Billion JPY

	FY2025 Q1	FY2026 Q1	Change
Net cash from operating activities	215.4	127.6	(87.8)
Net cash used in investing activities	(33.2)	(87.7)	(54.5)
Net cash used in financing activities	(214.9)	(180.3)	34.6
Net decrease in cash and cash equivalents	(32.7)	(140.4)	(107.8)
Cash and cash equivalents at the beginning of the year	385.1	595.1	209.9
Effects of exchange rate changes on cash and cash equivalents	(2.4)	6.4	8.8
Cash and cash equivalents at the end of the period	350.0	461.0	111.0

Net Cash from Operating Activities

Net Cash from Operating Activities was JPY 127.6 billion (JPY -87.8 billion). The decrease was mainly due to changes in working capital primarily resulting from an increase in Trade and Other Receivables. The decrease was partially offset by lower Income Taxes Paid and other changes.

Net Cash used in Investing Activities

Net Cash used in Investing Activities was JPY 87.7 billion (JPY +54.5 billion). The increase was mainly due to an increase in cash used in Acquisition of Intangible Assets and a decrease in Proceeds from Sales of Business, Net of Cash and Cash Equivalents Divested.

Net Cash used in Financing Activities

Net Cash used in Financing Activities was JPY 180.3 billion (JPY -34.6 billion). The decrease was mainly due to lower cash used in Purchase of Treasury Shares. The decrease was partially offset by decreased net cash from the issuance and repayments of bonds and loans due to no issuance or repayments during the three-month period ended June 30, 2026 as compared to net issuance during the three-month period ended June 30, 2025.

Forecast and Management Guidance

The full year consolidated forecast for the fiscal year ending March 31, 2027 (FY2026) has not been revised from the forecast announced at the FY2025 financial results announcement on May 13, 2026.

Consolidated Forecast for the Fiscal Year Ending March 31, 2027 (FY2026)

Billion JPY or percentage

	FY2025 Actual Results	FY2026 Forecast	JPY Change	% Change
Revenue	4,505.7	4,640.0	134.3	3.0 %
Operating profit	6.2	420.0	413.8	—
Profit (loss) before tax	(142.4)	252.0	394.4	—
Net profit (loss) for the year (attributable to owners of the Company)	(152.4)	166.0	318.4	—
EPS (JPY)	(96.75)	104.26	201.01	—
Core revenue*	4,505.7	4,640.0	134.3	3.0 %
Core operating profit*	1,172.5	1,160.0	(12.5)	(1.1)%
Core EPS (JPY)*	517	472	(45)	(8.7)%

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

Major assumptions used in preparing the FY2026 Forecast

Billion JPY or percentage

	FY2025 Actual Results	FY2026 Forecast
FX rates	1 USD = 150 JPY 1 EUR = 174 JPY 1 RUB = 1.9 JPY 1 CNY = 21.1 JPY 1 BRL = 27.6 JPY	1 USD = 156 JPY 1 EUR = 182 JPY 1 RUB = 2.0 JPY 1 CNY = 22.4 JPY 1 BRL = 29.5 JPY
Cost of sales	(1,571.6)	(1,625.0)
SG&A expenses	(1,084.2)	(1,093.0)
R&D expenses	(675.9)	(762.0)
Amortization of intangible assets associated with products	(504.3)	(413.5)
Impairment of intangible assets associated with products*2	(129.3)	(100.0)
Other operating income	24.7	2.5
Other operating expenses*3	(559.0)	(229.0)
Finance income and (expenses), net	(146.4)	(170.0)
Adjusted free cash flow*1, 4	684.5	650.0 to 750.0
Capital expenditures (cash flow base)*4	(410.9)	(330.0) to (380.0)
Depreciation and amortization (excluding intangible assets associated with products)	(216.8)	(235.0)
Cash tax rate on adjusted EBITDA (excluding divestitures)*1	~12%	Low 10s%

*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 the recognition of provisions for legal proceedings following the jury verdict in the AMITIZA antitrust litigation of JPY 403.5 billion in FY2025 actual results, and restructuring expense primarily related to the enterprise-wide efficiency program of JPY 70.8 billion in FY2025 actual results and the transformation program of JPY 170.0 billion in FY2026 forecast.

*4 Includes JPY 184.7 billion upfront payment to Innovent Biologics Inc in FY2025 actual results.

Management Guidance for the Fiscal Year Ending March 31, 2027 (FY2026)

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, 2027 (FY2026) has not been revised from the management guidance announced at the FY2025 financial results announcement on May 13, 2026.

	FY2026 Management Guidance CER % Change*
Core revenue	Low-single digit % decline
Core operating profit	5% to 8% decline
Core EPS	Mid-teens % decline

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

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.

Condensed Interim Consolidated Financial Statements [IFRS]

(1) Condensed Interim Consolidated Statements of Profit or Loss

	JPY (millions, except per share data)		USD (millions)*
	Three-month Period Ended June 30,		Three-month Period Ended June 30,
	2025	2026	2026
Revenue	¥ 1,106,685	¥ 1,219,900	$ 7,502
Cost of sales	(384,675)	(406,676)	(2,501)
Selling, general and administrative expenses	(255,885)	(286,513)	(1,762)
Research and development expenses	(143,891)	(167,395)	(1,029)
Amortization and impairment losses on intangible assets associated with products	(131,638)	(110,928)	(682)
Other operating income	22,030	8,258	51
Other operating expenses	(28,061)	(55,229)	(340)
Operating profit	184,566	201,417	1,239
Finance income	73,758	24,608	151
Finance expenses	(107,158)	(63,845)	(393)
Share of profit (loss) of investments accounted for using the equity method	(536)	538	3
Profit before tax	150,630	162,718	1,001
Income tax expenses	(26,351)	(49,462)	(304)
Net profit for the period	124,279	113,256	696
Attributable to:			
Owners of the Company	124,243	113,197	696
Non-controlling interests	36	60	0
Net profit for the period	124,279	113,256	696
Earnings per share (JPY or USD)			
Basic earnings per share	79.40	71.65	0.44
Diluted earnings per share	78.23	70.54	0.43

(*) Condensed interim consolidated statements of profit or loss have been translated solely for the convenience of the reader at an exchange rate of 1USD = 162.61 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 30, 2026. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(2) Condensed Interim Consolidated Statements of Comprehensive Income

	JPY (millions)		USD (millions)*
	Three-month Period Ended June 30,		Three-month Period Ended June 30,
	2025	2026	2026
Net profit for the period	¥ 124,279	¥ 113,256	$ 696
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	9,437	(7,887)	(49)
Remeasurement of defined benefit pension plans	(397)	(485)	(3)
	9,040	(8,371)	(51)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	(19,647)	163,296	1,004
Cash flow hedges	3,655	525	3
Hedging cost	1,892	3,029	19
Share of other comprehensive loss of investments accounted for using the equity method	(119)	(434)	(3)
	(14,218)	166,415	1,023
Other comprehensive income (loss) for the period, net of tax	(5,178)	158,044	972
Total comprehensive income for the period	119,101	271,301	1,668
Attributable to:			
Owners of the Company	119,076	271,277	1,668
Non-controlling interests	25	23	0
Total comprehensive income for the period	119,101	271,301	1,668

(*) Condensed interim consolidated statements of comprehensive income have been translated solely for the convenience of the reader at an exchange rate of 1USD = 162.61 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 30, 2026. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(3) Condensed Interim Consolidated Statements of Financial Position

	JPY (millions)		USD (millions)*
	As of March 31, 2026	As of June 30, 2026	As of June 30, 2026
ASSETS			
Non-current assets:			
Property, plant and equipment	¥ 2,120,639	¥ 2,142,280	$ 13,174
Goodwill	5,809,010	5,886,905	36,203
Intangible assets	3,419,348	3,391,152	20,855
Investments accounted for using the equity method	8,796	10,078	62
Other financial assets	439,941	463,140	2,848
Other non-current assets	77,010	80,301	494
Deferred tax assets	546,260	539,145	3,316
Total non-current assets	12,421,004	12,513,001	76,951
Current assets:			
Inventories	1,396,620	1,447,259	8,900
Trade and other receivables	844,312	930,377	5,722
Other financial assets	41,888	66,600	410
Income taxes receivable	32,036	25,763	158
Other current assets	162,638	188,778	1,161
Cash and cash equivalents	595,054	460,982	2,835
Assets held for sale	17,955	30,511	188
Total current assets	3,090,503	3,150,269	19,373
Total assets	15,511,506	15,663,271	96,324

	JPY (millions)		USD (millions)*
	As of March 31, 2026	As of June 30, 2026	As of June 30, 2026
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities:			
Bonds and loans	4,369,681	4,419,998	27,182
Other financial liabilities	571,248	596,531	3,668
Net defined benefit liabilities	143,683	141,790	872
Provisions	37,550	37,932	233
Other non-current liabilities	99,818	116,557	717
Deferred tax liabilities	26,804	27,039	166
Total non-current liabilities	5,248,784	5,339,847	32,838
Current liabilities:			
Bonds and loans	512,157	519,970	3,198
Trade and other payables	491,345	446,784	2,748
Other financial liabilities	141,220	110,115	677
Income taxes payable	97,880	117,931	725
Provisions	998,501	995,053	6,119
Other current liabilities	590,152	572,325	3,520
Liabilities held for sale	818	2,369	15
Total current liabilities	2,832,074	2,764,547	17,001
Total liabilities	8,080,858	8,104,394	49,839
EQUITY			
Share capital	1,695,277	1,695,376	10,426
Share premium	1,776,352	1,789,905	11,007
Treasury shares	(49,128)	(47,440)	(292)
Retained earnings	712,381	667,007	4,102
Other components of equity	3,297,407	3,464,093	21,303
Other comprehensive income associated with assets held for sale	(2,848)	(11,055)	(68)
Equity attributable to owners of the Company	7,429,441	7,557,887	46,479
Non-controlling interests	1,208	989	6
Total equity	7,430,649	7,558,876	46,485
Total liabilities and equity	15,511,506	15,663,271	96,324

(*) Condensed interim consolidated statements of financial position have been translated solely for the convenience of the reader at an exchange rate of 1USD = 162.61 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 30, 2026. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(4) Condensed Interim Consolidated Statements of Changes in Equity

Three-month period ended June 30, 2025 (From April 1 to June 30, 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	Changes in fair value of financial assets measured at fair value through other comprehensive income
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				124,243		
Other comprehensive income (loss)					(19,755)	9,437
Comprehensive income (loss) for the period	—	—	—	124,243	(19,755)	9,437
Transactions with owners:						
Issuance of new shares	27	27				
Acquisition of treasury shares		(20)	(51,605)			
Dividends				(154,413)		
Transfers from other components of equity				(724)		327
Share-based compensation		17,084				
Exercise of share-based awards		(2,296)	2,296			
Total transactions with owners	27	14,795	(49,309)	(155,137)	—	327
As of June 30, 2025	1,694,711	1,790,509	(124,124)	1,156,692	2,400,223	14,521

	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	Non-controlling interests	Total equity
As of April 1, 2025	(64,852)	(7,967)	—	2,351,915	—	6,935,084	895	6,935,979
Net profit for the period				—		124,243	36	124,279
Other comprehensive income (loss)	3,655	1,892	(397)	(5,168)		(5,168)	(11)	(5,178)
Comprehensive income (loss) for the period	3,655	1,892	(397)	(5,168)	—	119,076	25	119,101
Transactions with owners:								
Issuance of new shares				—		53		53
Acquisition of treasury shares				—		(51,625)		(51,625)
Dividends				—		(154,413)		(154,413)
Transfers from other components of equity			397	724		—		—
Share-based compensation				—		17,084		17,084
Exercise of share-based awards				—		—		—
Total transactions with owners	—	—	397	724	—	(188,901)	—	(188,901)
As of June 30, 2025	(61,197)	(6,075)	—	2,347,471	—	6,865,259	921	6,866,179

Three-month period ended June 30, 2026 (From April 1 to June 30, 2026)

	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, 2026	1,695,277	1,776,352	(49,128)	712,381	3,326,132	11,986
Net profit for the period				113,197		
Other comprehensive income (loss)					162,898	(7,887)
Comprehensive income (loss) for the period	—	—	—	113,197	162,898	(7,887)
Transactions with owners:						
Issuance of new shares	99	99				
Acquisition of treasury shares			(1,010)			
Dividends				(158,172)		
Transfers from other components of equity				(399)		(86)
Share-based compensation		16,153				
Exercise of share-based awards		(2,699)	2,699			
Transfer to other comprehensive income associated with assets held for sale					8,207	
Total transactions with owners	99	13,553	1,689	(158,570)	8,207	(86)
As of June 30, 2026	1,695,376	1,789,905	(47,440)	667,007	3,497,237	4,013

	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	Non-controlling interests	Total equity
As of April 1, 2026	(35,903)	(4,808)	—	3,297,407	(2,848)	7,429,441	1,208	7,430,649
Net profit for the period				—		113,197	60	113,256
Other comprehensive income (loss)	525	3,029	(485)	158,080		158,080	(36)	158,044
Comprehensive income (loss) for the period	525	3,029	(485)	158,080	—	271,277	23	271,301
Transactions with owners:								
Issuance of new shares				—		198		198
Acquisition of treasury shares				—		(1,010)		(1,010)
Dividends				—		(158,172)	(242)	(158,414)
Transfers from other components of equity			485	399		—		—
Share-based compensation				—		16,153		16,153
Exercise of share-based awards				—		—		—
Transfer to other comprehensive income associated with assets held for sale				8,207	(8,207)	—		—
Total transactions with owners	—	—	485	8,606	(8,207)	(142,831)	(242)	(143,073)
As of June 30, 2026	(35,378)	(1,779)	—	3,464,093	(11,055)	7,557,887	989	7,558,876

(5) Condensed Interim Consolidated Statements of Cash Flows

	JPY (millions)		USD (millions)*
	Three-month Period Ended June 30,		Three-month Period Ended June 30,
	2025	2026	2026
Cash flows from operating activities:			
Net profit for the period	¥ 124,279	¥ 113,256	$ 696
Depreciation and amortization	181,636	163,042	1,003
Impairment losses	2,357	29,997	184
Equity-settled share-based compensation	16,531	18,190	112
Loss on sales and disposal of property, plant and equipment	584	194	1
Gain on divestment of business and subsidiaries	(17,900)	(6,196)	(38)
Change in fair value of financial assets and liabilities associated with contingent consideration arrangements, net	764	8	0
Finance (income) and expenses, net	33,400	39,237	241
Share of loss (profit) of investments accounted for using the equity method	536	(538)	(3)
Income tax expenses	26,351	49,462	304
Changes in assets and liabilities:			
Decrease (increase) in trade and other receivables	48,083	(70,970)	(436)
Increase in inventories	(13,069)	(33,405)	(205)
Decrease in trade and other payables	(27,780)	(22,910)	(141)
Decrease in provisions	(23,404)	(19,381)	(119)
Decrease in other financial liabilities	(17,531)	(34,906)	(215)
Settlement of forward exchange contracts, net	19,364	(4,759)	(29)
Other, net	(105,784)	(79,235)	(487)
Cash generated from operations	248,418	141,085	868
Income taxes paid	(36,653)	(16,900)	(104)
Tax refunds and interest on tax refunds received	3,658	3,438	21
Net cash from operating activities	215,423	127,623	785
Cash flows from investing activities:			
Interest received	4,850	4,741	29
Dividends received	250	225	1
Acquisition of property, plant and equipment	(47,913)	(53,811)	(331)
Proceeds from sales of property, plant and equipment	6,385	1,096	7
Acquisition of intangible assets	(27,155)	(49,425)	(304)
Acquisition of investments	(215)	(1,122)	(7)
Proceeds from sales and redemption of investments	1,128	375	2
Proceeds from sales of business, net of cash and cash equivalents divested	29,291	10,462	64
Other, net	186	(243)	(1)
Net cash used in investing activities	(33,193)	(87,703)	(539)

	JPY (millions)		USD (millions)*
	Three-month Period Ended June 30,		Three-month Period Ended June 30,
	2025	2026	2026
Cash flows from financing activities:			
Net decrease in short-term loans and commercial papers	(46,032)	—	—
Proceeds from issuance of bonds and long-term loans	183,555	—	—
Repayments of bonds and long-term loans	(125,296)	(25)	(0)
Acquisition of treasury shares	(51,603)	(1,007)	(6)
Interest paid	(16,692)	(15,576)	(96)
Dividends paid	(145,295)	(150,131)	(923)
Repayments of lease liabilities	(12,205)	(11,262)	(69)
Other, net	(1,332)	(2,347)	(14)
Net cash used in financing activities	(214,900)	(180,348)	(1,109)
Net decrease in cash and cash equivalents	(32,670)	(140,427)	(864)
Cash and cash equivalents at the beginning of the year	385,113	595,054	3,659
Effects of exchange rate changes on cash and cash equivalents	(2,435)	6,355	39
Cash and cash equivalents at the end of the period	350,008	460,982	2,835

(*) Condensed interim consolidated statements of cash flows have been translated solely for the convenience of the reader at an exchange rate of 1USD = 162.61 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 30, 2026. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(6) Other Information

(Significant Subsequent Events)

Not applicable.

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Supplementary Information

1. Pipeline

I. Clinical Development Activities

– Except as otherwise noted, the following tables list the pipeline assets that we (i) are clinically developing ourselves or with partners, or (ii) hold contractual rights to potentially clinically develop and/or commercialize in the future, as of July 30, 2026 (the date of our earnings release for the quarter ended June 30, 2026), but may not be comprehensive. The assets in our pipeline are in various stages of development, and the contents of the pipeline may change as therapeutic candidates currently under development drop out and new therapeutic candidates are introduced. Whether the therapeutic candidates listed below are ever successfully released as products depends on various factors, including the results of pre-clinical and clinical trials, market conditions for various drugs and regulatory approvals.

– This table primarily shows the indications for which we are actively pursuing regulatory approval and those regulatory approvals granted during fiscal year 2026. We are also conducting additional studies of certain assets to examine their potential for use in further indications and in additional formulations.

– The listings in this table are limited to the U.S., EU and Japan and China, but we are also actively conducting development activities in other regions, including in Emerging Markets. Country/region column denotes where a pivotal clinical study is ongoing or a filing has been made with our specific intention to pursue approval in any of the U.S., EU, Japan or China. 'Global' refers to at least three regions or key countries.

– Brand name and country/region indicate the brand name and country in which the specific asset has already been approved for any indication in any of the U.S., EU, Japan or China and Takeda has commercialization rights for such asset.

– Stage-ups are recognized in the table upon achievement of First Subject In, unless otherwise specified.

– "Modality" of our pipeline assets in the following table is classified into either of the following categories: 'small molecule', 'peptide/oligonucleotide', or 'biologic and other.'

Gastrointestinal and Inflammation Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-755[*1] <rADAMTS13> *ADZYNMA* (U.S., EU, Japan)	Recombinant ADAMTS13 therapy (injection)	Biologic and other	Congenital Thrombotic Thrombocytopenic Purpura	China	Approved (Jun 2026)
MLN0002 <vedolizumab> *ENTYVIO* (Global)	Humanized monoclonal antibody against α4β7 integrin (injection)	Biologic and other	Pediatric Study (intravenous formulation for ulcerative colitis, Crohn's disease)	U.S. EU Japan	Filed (Jun 2026) Filed (Jun 2026) Filed (Jul 2026)
			Pediatric Study (subcutaneous formulation for ulcerative colitis, Crohn's disease)	Global	P-III
TAK-999[*2] <fazirsiran>	GalNAc based RNA interference (RNAi) (injection)	Peptide/oligo-nucleotide	Alpha-1 antitrypsin-deficiency associated liver disease	U.S. EU	P-III P-III
TAK-279 <zasocitinib>	TYK2 inhibitor (oral)	Small molecule	Psoriasis	Global	P-III
			Pediatric psoriasis	Global	P-III
			Psoriatic arthritis	Global	P-III
			Crohn's disease	-	P-II (b)
			Ulcerative colitis	-	P-II (b)
			Vitiligo	-	P-II (b)
			Hidradenitis suppurativa	-	P-II (a)

TAK-079 <mezagitamab>	Anti-CD38 monoclonal antibody (injection)	Biologic and other	Immune thrombocytopenia	Global	P-III
			Immunoglobulin A nephropathy	Global	P-III
TAK-227 / ZED1227*3	Transglutaminase 2 inhibitor (oral)	Small molecule	Celiac disease	-	P-II (b)
TAK-781	GalNAc siRNA targeting CYP7A1 (injection)	Peptide/oligo-nucleotide	Primary sclerosing cholangitis	-	P-I

*1 Partnership with KM Biologics.

*2 Partnership with Arrowhead Pharmaceuticals

*3 Partnership with Zedira and Dr. Falk Pharma. Dr. Falk Pharma leads development.

Neuroscience Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-861 <oveporexton> *ORZEYFUL* (China)	Orexin 2R agonist (oral)	Small molecule	Narcolepsy type 1	China Japan U.S. EU	Approved (Jul 2026) Filed (Mar 2026) Filed (Feb 2026) P-III
TAK-755*1 <rADAMTS13>	Recombinant ADAMTS13 therapy (injection)	Biologic and other	Acute ischemic stroke	-	P-II
TAK-360	Orexin 2R agonist (oral)	Small molecule	Idiopathic hypersomnia	-	P-II
			Narcolepsy type 2	-	P-II
			Narcolepsy type 1	-	P-II
TAK-495	Orexin 2R agonist (oral)	Small molecule	-	-	P-I

*1 Partnership with KM Biologics.

Oncology Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-121*1 <rusfertide>	Hepcidin mimetic peptide (injection)	Peptide/oligo-nucleotide	Polycythemia vera	U.S.	Filed (Feb 2026)
TAK-853*2 <mirvetuximab soravtansine-gynx>	Antibody-drug conjugate targeting folate receptor α (FRα) (injection)	Biologic and other	Platinum-resistant ovarian cancer	Japan	Filed (Jan 2026)
			Platinum-sensitive ovarian cancer	Japan	P-III
TAK-226*3 <elritercept>	Activin A/B ligand trap (injection)	Biologic and other	2L anemia-associated Myelodysplastic Syndrome	Global	P-III
			1L anemia-associated Myelodysplastic Syndrome	Global	P-III
			Anemia-associated Myelofibrosis	-	P-II
TAK-928 / IBI363*4	PD-1/IL-2 α-biased bispecific antibody fusion protein (injection)	Biologic and other	2L squamous Non-Small Cell Lung Cancer	Global	P-III
			Solid Tumors	-	P-II
TAK-921 / IBI343*4 <arcotatug tavatecan>	Antibody-drug conjugate targeting Claudin 18.2 (injection)	Biologic and other	3L Gastric Cancer	Japan China	P-III
			Solid Tumors	-	P-I
TAK-168 / KQB168*5	Immune modulator (oral)	Small molecule	Solid Tumors	-	P-I
TAK-188	Antibody-drug conjugate targeting CCR8 (injection)	Biologic and other	Solid Tumors	-	P-I
TAK-505	PD-L1 x Vd1 bispecific gamma delta T-cell engager (injection)	Biologic and other	Solid Tumors	-	P-1

*1 Partnership with Protagonist Therapeutics.

*2 Partnership with AbbVie. Global P-III trial in platinum-sensitive ovarian cancer is led by AbbVie.

*3 Partnership with Keros Therapeutics, Inc.

*4 Partnership with Innovent Biologics.

*5 Partnership with Kumquat Biosciences Inc. Kumquat leads P-I development.

Other Rare Diseases Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-660 *ADYNOVATE* (U.S., Japan) *ADYNOVI* (EU)	Antihemophilic factor [recombinant], PEGylated (injection)	Biologic and other	Hemophilia A	China	Filed (July 2025)
			Pediatric Hemophilia A	EU	P-III
TAK-577 *VONVENDI* (U.S., Japan, China) *VEYVONDI* (EU)	von Willebrand factor [recombinant] (injection)	Biologic and other	Pediatric on-demand and surgery treatment of von Willebrand disease	EU	P-III (surgery)
			Pediatric prophylactic treatment of von Willebrand disease	Global	P-III
TAK-620[*1] <maribavir> *LIVTENCITY* (Global)	Benzimidazole riboside inhibitor (oral)	Small molecule	Treatment of children and teenage transplant recipients with CMV infection	Global	P-III

*1 Partnership with GSK

Plasma-Derived Therapies Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
TAK-961 <IVIG> *KENKETU GLOVENIN-I* (Japan)	Immunoglobulin (10%) [human] (injection)	Biologic and other	Autoimmune Encephalitis (AE)	Japan	Approved (Jun 2026)
TAK-339 <IVIG> *GLOVENIN-I* (Japan) *GAMMAGARD LIQUID* (U.S.)	Immunoglobulin (10%) [human] (injection)	Biologic and other	Autoimmune Encephalitis (AE)	Japan	Approved (Jun 2026)
			Secondary Immunodeficiencies	U.S.	P-III
TAK-330 *PROTHROMPLEX TOTAL* (EU)	Four-factor prothrombin complex concentrate [human] (injection)	Biologic and other	Coagulation Disorder, Direct Oral Anticoagulants (DOAC) reversal in surgical situations	U.S.	P-III
TAK-881 <Facilitated 20% SCIG>	Immunoglobulin (20%) [human] + recombinant hyaluronidase replacement therapy (injection)	Biologic and other	Primary Immunodeficiencies	U.S. EU Japan	P-III P-III P-III
			Chronic inflammatory demyelinating polyradiculoneuropathy	U.S. EU Japan	P-III P-III P-III
TAK-411	Hypersialylated Immunoglobulin [human] (injection)	Biologic and other	Chronic inflammatory demyelinating polyradiculoneuropathy	-	P-II

Select Options: Other Selected Assets That Takeda Holds Contractual Rights to Potentially Clinically Develop and/or Commercialize in the Future

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Country/ Region	Stage
HQP1351*1 <olverembatinib>	BCR-ABL tyrosine kinase inhibitor (TKI) (oral)	Small molecule	Chronic phase-chronic myeloid leukemia	U.S. EU Japan	P-III
ACI-24.060*2	Abeta active immunotherapy (injection)	Biologic and other	Alzheimer's disease	-	P-II
IBI3001*3	Antibody-drug conjugate targeting EGFR and B7H3 (injection)	Biologic and other	Solid tumors	-	P-I

*1 Olverembatinib/HQP1351 is included for reference only. Ascentage Pharma retains ownership of this asset and is solely responsible for its clinical development prior to Takeda's potential exercise of its option to exclusively license certain rights, which is subject to customary conditions including regulatory approval.

*2 ACI-24.060 is included for reference only. AC Immune retains ownership of this asset and is solely responsible for its clinical development prior to Takeda's potential exercise of its option to exclusively license certain rights, which is subject to customary conditions including regulatory approval.

*3 IBI3001 is included for reference only. Innovent Biologics retains ownership of this asset and is solely responsible for its clinical development prior to Takeda's potential exercise of its option to exclusively license certain rights, which is subject to customary conditions including regulatory approval.

II. Recent Pipeline Progress in stage [Progress in stage since April 1st, 2026]

Development code <generic name>	Indications / additional formulations	Country/ Region	Progress in stage
TAK-861 <oveporexton>	Narcolepsy Type 1	China	Approved (Jul 2026) *1
TAK-755 <rADAMTS13>	Congenital Thrombotic Thrombocytopenic Purpura	China	Approved (Jun 2026)
TAK-961 <IVIG>	Autoimmune Encephalitis (AE)	Japan	Approved (Jun 2026)
TAK-339 <IVIG>	Autoimmune Encephalitis (AE)	Japan	Approved (Jun 2026)
MLN0002 <vedolizumab>	Pediatric Study (intravenous formulation for ulcerative colitis, Crohn's disease)	U.S. EU Japan	Filed (Jun 2026) Filed (Jun 2026) Filed (Jul 2026)*1
TAK-226 <elritercept>	1L anemia-associated Myelodysplastic Syndrome	Global	P-III
TAK-755 <rADMTS13>	Acute ischemic stroke	-	P-II
TAK-360	Narcolepsy type 1	-	P-II
TAK-505	Solid Tumors	-	P-1

*1 Event occurred after the end of the Q1 reporting period: Update after July 1, 2026

III. Projects removed from pipeline [Update since April 1st, 2026]

Development code <generic name>	Indications (Region/Country, Stage)	Reason
TAK-004	Nausea and vomiting (P-I)	Development of TAK-004 was discontinued due to strategic consideration
TAK-101	Celiac disease (P-II)	Discontinued development of TAK-101 based on an assessment of the program and available information.

IV. Research & Development collaborations/partnering

– The following tables describe research & development collaborations/partnering and externalization projects entered into by Takeda, but do not represent a comprehensive list of all Takeda R&D collaborations. All of the "subject" descriptions listed below are as of the date of execution of the relevant agreement unless otherwise noted.

– ‡ shows collaborations/partnering and ♦ shows externalization project that have been executed since April 1, 2026.

Gastrointestinal and Inflammation

Partner	Country of incorporation	Subject
Arrowhead Pharmaceuticals	U.S.	Collaboration and licensing agreement to develop fazirsiran (TAK-999; ARO-AAT), an investigational RNA interference (RNAi) therapy in development to treat alpha-1 antitrypsin-associated liver disease (AATLD). ARO-AAT is a potential first-in-class therapy designed to reduce the production of mutant alpha-1 antitrypsin protein, the cause of AATLD progression.
COUR Pharmaceuticals	U.S.	Takeda has acquired an exclusive global license to develop and commercialize the investigational medicine TIMP-GLIA (TAK-101), an immune modifying nanoparticle containing gliadin proteins.
Engitix	U.K.	Collaboration and licensing agreement to utilize Engitix's unique extracellular matrix discovery platform to identify and develop novel therapeutics for liver fibrosis and fibrostenotic inflammatory bowel disease, including Crohn's disease and ulcerative colitis.
Halozyme	U.S.	Collaboration and license agreement granting Takeda exclusive access to Halozyme's proprietary ENHANZE® drug delivery technology for use with vedolizumab.
Mirum Pharmaceuticals	U.S.	Exclusive licensing agreement for the development and commercialization of LIVMARLI (maralixibat, TAK-625) in Japan for Alagille syndrome (ALGS), progressive familial intrahepatic cholestasis (PFIC), and biliary atresia (BA).
UCSD/Fortis Advisors	U.S.	Technology license for the development of EOHILIA (oral budesonide formulation, TAK-721) for treatment of eosinophilic esophagitis.
Zedira/Dr. Falk Pharma	Germany	Collaboration and license agreement to develop and commercialize a potential first-in-class therapy TAK-227/ZED1227, a tissue transglutaminase 2 (TG2) inhibitor, designed to prevent the immune response to gluten in celiac disease. Takeda has exclusive rights in the U.S. and other territories outside of Europe, Canada, Australia and China.

Neuroscience

Partner	Country of incorporation	Subject
AC Immune	Switzerland	Exclusive, worldwide option and license agreement for AC Immune's active immunotherapies targeting toxic forms of amyloid beta (Abeta), including ACI-24.060 for the treatment of Alzheimer's disease.
AcuraStem	U.S.	Exclusive worldwide license agreement to develop and commercialize AcuraStem's PIKFYVE targeted therapeutics for the treatment of Amyotrophic Lateral Sclerosis (ALS).
Anima Biotech	U.S.	Strategic collaboration to discover and develop mRNA translation modulators for genetically-defined neurological diseases.
BioMarin	U.S.	Agreement for the in-license of enabling technology for the exogenous replacement of Arylsulfatase A enzyme with intrathecal (IT) administration directly into the central nervous system for the long-term treatment of patients with metachromatic leukodystrophy (MLD), a rapidly-progressive and ultimately fatal neuro-degenerative rare disease (TAK-611).
Lundbeck	Denmark	Collaboration agreement to develop and commercialize TRINTELLIX (vortioxetine).
Luxna Biotech	Japan	Exclusive worldwide license agreement for the use of Luxna's breakthrough xeno nucleic acid technology for multiple undisclosed target genes in the area of neurological diseases.
Neurocrine Biosciences	U.S.	Collaboration to develop and commercialize 7 compounds in Takeda's early-to-mid stage neuroscience pipeline, including TAK-041/NBI-1065846, TAK-653/NBI-1065845 and TAK-831/NBI-1065844 (luvadaxistat). Takeda will be entitled to certain development milestones, commercial milestones and royalties on net sales and will, at certain development events, be able to opt in or out of a 50:50 profit share on all clinical programs on an asset-by-asset basis. Takeda received notices from Neurocrine announcing the termination of TAK-041 and TAK-831 development which took effect in March 2025. In January 2025, the Takeda/Neurocrine agreement was amended for TAK-653. Takeda re-acquired exclusive rights in Japan and is eligible to receive milestone payments and royalties from commercialization in other regions. Takeda will be responsible for the development costs in Japan; Neurocrine will be responsible for the development costs worldwide ex-Japan and is eligible to receive royalties for sales in Japan.
PeptiDream	Japan	Collaborative research and exclusive license agreement to create peptide-drug conjugates (PDCs) for neuromuscular and neurodegenerative diseases.

Oncology

Partner	Country of incorporation	Subject
AbbVie	U.S.	Exclusive licensing agreement to develop and commercialize mirvetuximab soravtansine-gynx in Japan for folate receptor-alpha (FRa) positive ovarian cancer.
Adimab	U.S.	Agreement for the discovery, development and commercialization of three mAbs and three CD3 Bi-Specific antibodies for oncology indications.
Ascentage Pharma	China	Option agreement to enter into an exclusive license agreement for olverembatinib/HQP1351, a BCR-ABL tyrosine kinase inhibitor (TKI), currently in development for chronic myeloid leukemia (CML) and other hematological cancers. If exercised, the option would allow Takeda to license global rights to develop and commercialize olverembatinib in all territories outside of mainland China, Hong Kong, Macau, Taiwan and Russia.
Crescendo Biologics	U.K.	Collaboration and licensing agreement for the discovery, development and commercialization of Humabody®-based therapeutics for cancer indications.
Exelixis	U.S.	Exclusive licensing agreement to commercialize and develop CABOMETYX (cabozantinib) and its all potential future indications in Japan, including advanced renal cell carcinoma and hepatocellular carcinoma.
F-star	U.K.	Worldwide exclusive royalty-bearing license to Takeda to research, develop, and commercialize a bispecific antibody directed towards an undisclosed immuno-oncology target using F-star's proprietary Fcab™ and mAb2 ™ platforms. Takeda will be responsible for all research, development and commercialization activities under the agreement.
GSK	U.K.	Exclusive licensing agreement to develop and commercialize ZEJULA (niraparib) for the treatment of all tumor types in Japan, and all tumor types excluding prostate cancer in South Korea and Taiwan.
Heidelberg Pharma	Germany	Antibody-Drug-Conjugate (ADC) research collaboration on 2 targets and licensing agreement (α-amanitin payload and proprietary linker).
HUTCHMED	China	Exclusive licensing agreement with HUTCHMED (China) Limited and its subsidiary HUTCHMED Limited for the further development and commercialization of FRUZAQLA (fruquintinib, TAK-113) in all indications, including metastatic colorectal cancer, outside of mainland China, Hong Kong and Macau.
Innovent Biologics	China	Exclusive license, option and collaboration agreement with Innovent Biologics to advance next-generation immuno-oncology and antibody-drug conjugate (ADC) cancer therapies including: a collaboration on TAK-928 (IBI363), a first-in-class PD-1/ IL-2 α-biased bispecific antibody fusion protein, including global co-development, U.S. co-commercialize, and exclusive commercialization rights outside the U.S. and Greater China; an exclusive license to further develop and commercialize TAK-921 (IBI343), an ADC targeting Claudin 18.2, outside of Greater China; and an exclusive option to license global development, manufacturing, and commercialization rights for IBI3001 (EGFR/B7H3 ADC) outside of Greater China.
Keros Therapeutics	U.S.	Exclusive licensing agreement with Keros Therapeutics, Inc. to further develop, manufacture and commercialize elritercept (TAK-226) worldwide outside of mainland China, Hong Kong and Macau.
Kumquat Biosciences	U.S.	Strategic and exclusive collaboration to develop and commercialize a novel immuno-oncology small molecule inhibitor as a mono- and/or combination-therapy.
Pfizer	U.S.	Agreement for the joint development of ADCETRIS (brentuximab vedotin), an ADC technology which targets CD30 for the treatment of HL. Approved in more than 80 countries with ongoing clinical trials for additional indications.
Protagonist Therapeutics	U.S.	Worldwide license and collaboration agreement for the development and commercialization of rusfertide (TAK-121), an investigational injectable hepcidin mimetic peptide of the natural hormone hepcidin for treatment of polycythemia vera.

Plasma Derived Therapies

Partner	Country of incorporation	Subject
Halozyme	U.S.	Agreement for the in-license of Halozyme's proprietary ENHANZE® platform technology to increase dispersion and absorption of HYQVIA.
Kamada	Israel	In-license agreement to develop and commercialize IV Alpha-1 proteinase inhibitor (GLASSIA); Exclusive supply and distribution of GLASSIA in the U.S., Canada, Australia and New Zealand; work on post market commitments ongoing.
Johnson & Johnson/Momenta Pharmaceuticals	U.S.	In-licensing agreement with Momenta Pharmaceuticals, Inc. which was acquired by Johnson & Johnson for an investigational hypersialylated immunoglobulin (hsIgG) candidate.
PreviPharma	Germany	Research collaboration and option agreement to develop new targeted proteins.

Vaccines

Partner	Country of incorporation	Subject
Novavax	U.S.	Partnership for the development, manufacturing and commercialization of NUVAXOVID® Intramuscular Injection, Novavax's COVID-19 vaccine in Japan, which is being funded by the Government of Japan's Ministry of Health, Labour and Welfare (MHLW) and Agency for Medical Research and Development (AMED).

Other / Multiple Therapeutic Area

Partner	Country of incorporation	Subject
BridGene Biosciences	U.S.	Research collaboration to discover small molecule drugs for "undruggable" targets using BridGene's chemoproteomics platform.
Charles River Laboratories	U.S.	Collaboration on multiple integrated programs across Takeda's core therapeutic areas using Charles River Laboratories' end-to-end drug discovery and safety assessment platform to progress these programs towards candidate status.
GSK	U.K.	In-license agreement between GSK and University of Michigan for LIVTENCITY (maribavir, TAK-620) in the treatment of human cytomegalovirus.
Iambic Therapeutics	U.S.	Cross-therapeutic area discovery research alliance to leverage Iambic's computational-driven discovery engine to accelerate delivery of high-quality small molecule candidate for first-in-class and best-in-class programs.
Insilico Medicine‡	U.S.	Strategic collaboration agreement with Insilico using its proprietary end-to-end platform, Pharma.AI, to advance drug candidates across Takeda's therapeutic areas.
Ipsen	France	Purchase agreement for the development of OBIZUR for the treatment of Acquired Hemophilia A including for patients with Congenital Hemophilia A with inhibitors indication in elective or emergency surgery.
KM Biologics	Japan	Collaboration and license agreement for the development of therapeutic uses of ADZYNMA (rADAMTS13, TAK-755), including but not limited to TTP.
Massachusetts Institute of Technology	U.S.	MIT-Takeda Program to fuel the development and application of artificial intelligence (AI) capabilities to benefit human health and drug development. Centered within the Abdul Latif Jameel Clinic for Machine Learning in Health (J-Clinic), the new program will leverage the combined expertise of both organizations and is supported by Takeda's investment.
Nabla Bio	U.S.	Research collaboration to discover novel protein sequences with Nabla's AI and experimental technologies for drug design.

Completed Partnerships [Update since April 1st, 2026]

Partner	Country of incorporation	Subject
Pfizer	U.S.	2016 exclusive licensing agreement for development and commercialization of TAK-647 worldwide. Takeda decided to discontinue further development of TAK-647 in MASH based on portfolio prioritization. The collaboration concluded in April 2026.
Denali Therapeutics	U.S.	Strategic option and collaboration agreement to develop and commercialize up to three specified therapeutic product candidates for neurodegenerative diseases, incorporating Denali's transport vehicle (TV) platform for increased exposure of biotherapeutic products in the brain. The collaboration concluded in June 2026.

■ Clinical study protocol summaries

Clinical study protocol summaries are disclosed on the English-language web-site (https://clinicaltrials.takeda.com/) and clinical study protocol information in the Japanese-language is disclosed on the Japanese-language web-site (https://www.takeda.com/ja-jp/who-we-are/research/clinical-trial/).

We anticipate that this disclosure will assure transparency of information on Takeda's clinical trials for the benefit of healthcare professionals, their patients and other stakeholders, which we believe will contribute to the appropriate use of Takeda's products worldwide.

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2. Supplementary Revenue Information

Revenue by region
Year to date

(Bn JPY)	Reported[*1] FY25Q1	Reported[*1] FY26Q1	AER[*2] JPY Change	AER[*2] % Change	Core[*1, 3] CER[*3] % Change
Total revenue	1,106.7	1,219.9	113.2	10.2 %	(0.5)%
Japan	108.0	103.9	(4.1)	(3.8)%	(4.2)%
% of revenue	9.8%	8.5%	(1.2)pt		
United States	546.7	568.9	22.2	4.1 %	(5.2)%
% of revenue	49.4%	46.6%	(2.8)pt		
Europe[*5]	236.9	282.1	45.1	19.1 %	4.9 %
% of revenue	21.4%	23.1%	1.7pt		
Other	215.1	265.1	50.0	23.2 %	7.6 %
% of revenue	19.4%	21.7%	2.3pt		
Latin America	57.6	74.2	16.6	28.9 %	10.1 %
% of revenue	5.2%	6.1%	0.9pt		
China	43.2	52.3	9.1	21.0 %	4.3 %
% of revenue	3.9%	4.3%	0.4pt		
Asia (excluding Japan & China)	23.0	26.6	3.5	15.4 %	7.6 %
% of revenue	2.1%	2.2%	0.1pt		
Russia/CIS	28.9	35.4	6.4	22.2 %	5.3 %
% of revenue	2.6%	2.9%	0.3pt		
Other[*4, 5]	62.4	76.7	14.3	22.9 %	8.5 %
% of revenue	5.6%	6.3%	0.6pt		
Of which royalty / service income	14.8	24.6	9.8	66.2 %	51.4 %

*1 Revenue amount is classified into countries or regions based on the customer location.

*2 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

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

*4 Other region includes Canada, Middle East, Oceania and Africa.

*5 Following the implementation of a new organizational structure, the geographical classification previously presented as “Europe and Canada” through the prior fiscal year has been revised to “Europe” from the current fiscal year, and revenue attributable to Canada is now included in “Other". Accordingly, revenue for FY2025 Q1 in the above has been reclassified to conform to the FY2026 Q1 presentation.

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Quarterly

	Reported [*1]											
	FY25				FY26							
(Bn JPY)	Q1	Q2	Q3	Q4	Q1	AER[*2] % Change	Q2	AER[*2] % Change	Q3	AER[*2] % Change	Q4	AER[*2] % Change
Total revenue	1,106.7	1,112.8	1,191.7	1,094.5	1,219.9	10.2 %						
Japan	108.0	111.1	120.4	93.7	103.9	(3.8)%						
% of revenue	9.8 %	10.0 %	10.1 %	8.6 %	8.5 %							
United States	546.7	545.2	582.2	490.7	568.9	4.1 %						
% of revenue	49.4 %	49.0 %	48.9 %	44.8 %	46.6 %							
Europe[*4]	236.9	245.2	267.2	283.5	282.1	19.1 %						
% of revenue	21.4 %	22.0 %	22.4 %	25.9 %	23.1 %							
Other	215.1	211.3	221.9	226.6	265.1	23.2 %						
% of revenue	19.4 %	19.0 %	18.6 %	20.7 %	21.7 %							
Latin America	57.6	60.9	72.9	62.8	74.2	28.9 %						
% of revenue	5.2 %	5.5 %	6.1 %	5.7 %	6.1 %							
China	43.2	49.4	48.4	54.0	52.3	21.0 %						
% of revenue	3.9 %	4.4 %	4.1 %	4.9 %	4.3 %							
Asia (excluding Japan & China)	23.0	24.8	25.1	25.7	26.6	15.4 %						
% of revenue	2.1 %	2.2 %	2.1 %	2.4 %	2.2 %							
Russia/CIS	28.9	14.3	17.3	19.2	35.4	22.2 %						
% of revenue	2.6 %	1.3 %	1.5 %	1.8 %	2.9 %							
Other[*3, 4]	62.4	61.9	58.1	64.9	76.7	22.9 %						
% of revenue	5.6 %	5.6 %	4.9 %	5.9 %	6.3 %							
Of which royalty / service income	14.8	21.2	22.3	24.3	24.6	66.2 %						

*1 Revenue amount is classified into countries or regions based on the customer location.

*2 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

*3 Other region includes Canada, Middle East, Oceania and Africa.

*4 Following the implementation of a new organizational structure, the geographical classification previously presented as “Europe and Canada” through the prior fiscal year has been revised to “Europe” from the current fiscal year, and revenue attributable to Canada is now included in “Other”. Accordingly, revenue for FY2025 in the above has been reclassified to conform to the FY2026 Q1 presentation.

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Product Sales Analysis (vs PY Reported Actual) (Sales amount includes royalty income and service income)

- *Year to date*

(Bn JPY)	Reported													
	FY25Q1	FY26Q1	AER*3 % change	US	AER*3 % change	Japan	AER*3 % change	Europe*8	AER*3 % change	Other	AER*3 % change	Ex-US	AER*3 % change
GI	**339.3**	**386.1**	**13.8 %**	**210.3**	**8.7 %**	**36.4**	**5.2 %**	**79.5**	**18.0 %**	**52.6**	**37.5 %**	**7.3**	**30.8 %**
ENTYVIO *1	232.5	268.3	15.4 %	169.5	8.4 %	5.3	10.0 %	63.5	21.2 %	30.0	57.6 %		
GATTEX/REVESTIVE *1	34.8	41.4	19.0 %	30.7	19.1 %	2.5	5.6 %	5.8	19.7 %	2.4	31.9 %		
TAKECAB/VOCINTI *1, 4	35.0	37.4	6.7 %	0.9	62.7 %	27.5	2.5 %	—	-	8.9	16.9 %		
PANTOLOC/CONTROLOC*5	10.3	10.2	(1.2)%	0.4	27.9 %	—	-	6.7	(7.0)%	3.0	10.8 %		
DEXILANT	8.3	8.8	5.9 %	1.4	(39.5)%	—	-	1.1	45.8 %	6.3	20.7 %		
LIALDA/MEZAVANT*6	6.3	7.9	26.3 %	0.6	(11.5)%							7.3	30.8 %
EOHILIA *2	2.0	2.3	12.6 %	2.3	12.6 %	—	-	—	-	—	-		
Others	10.0	9.8	(1.6)%	4.5	(18.3)%	1.1	86.4 %	2.4	10.0 %	1.8	6.3 %		
Rare Diseases	**196.4**	**206.0**	**4.9 %**	**82.6**	**0.3 %**	**10.5**	**1.1 %**	**53.1**	**7.0 %**	**59.8**	**10.8 %**		
TAKHZYRO *1	55.1	59.9	8.7 %	36.1	2.8 %	0.9	(1.4)%	14.0	13.2 %	8.9	33.1 %		
ADVATE	28.0	25.8	(7.7)%	9.6	(20.7)%	0.6	(8.7)%	2.2	(37.7)%	13.4	15.2 %		
ADYNOVATE/ADYNOVI	14.1	13.8	(1.9)%	3.5	(10.3)%	3.0	(7.8)%	3.7	(8.4)%	3.5	26.9 %		
ELAPRASE	28.0	27.7	(1.3)%	8.5	7.5 %	0.2	(8.8)%	7.8	(2.1)%	11.2	(6.5)%		
REPLAGAL	20.2	21.7	7.2 %	—	-	1.9	(6.7)%	10.1	4.0 %	9.6	14.3 %		
VPRIV	15.3	16.8	10.3 %	6.1	15.4 %	0.4	7.8 %	5.4	19.0 %	5.0	(2.2)%		
LIVTENCITY *2	10.5	14.1	33.7 %	7.1	19.1 %	1.1	106.2 %	3.5	23.4 %	2.3	98.9 %		
VONVENDI	5.5	7.6	37.6 %	4.1	30.5 %	0.2	(17.6)%	3.3	57.5 %	0.0	(79.1)%		
FIRAZYR	4.5	3.5	(22.2)%	1.7	(38.6)%	0.5	(11.1)%	0.4	16.3 %	0.9	4.0 %		
ADZYNMA *2	2.4	4.1	69.4 %	2.1	34.9 %	0.4	(8.1)%	1.3	236.5 %	0.3	-		
Others	12.8	11.1	(13.2)%	3.9	(17.0)%	1.2	12.4 %	1.4	(20.5)%	4.6	(12.5)%		
PDT	**260.9**	**283.9**	**8.8 %**	**170.5**	**4.2 %**	**0.1**	**(41.4)%**	**4.9**	**36.5 %**	**9.1**	**(20.3)%**	**99.4**	**21.0 %**
Immunoglobulin *1	194.0	213.9	10.2 %	149.3	5.3 %							64.6	23.7 %
Albumin *1	32.2	34.6	7.5 %	6.1	(19.7)%							28.5	15.9 %
FEIBA	9.7	9.1	(6.5)%	2.8	6.9 %	0.1	(41.4)%	1.6	8.3 %	4.6	(16.0)%		
HEMOFIL/IMMUNATE/IMMUNINE	7.6	6.9	(9.9)%	0.1	(81.8)%	—	-	2.7	100.4 %	4.1	(27.2)%		
CINRYZE	3.8	3.4	(10.7)%	2.4	(13.5)%	—	-	0.7	(18.0)%	0.3	54.2 %		
Others*7	13.5	16.1	19.1 %	9.8	19.2 %							6.3	18.8 %

*1 Core In-line Brands refers to select products launched 6 or more years ago that generate over JPY 100.0 billion in annual revenue and are actively promoted (ENTYVIO, GATTEX/REVESTIVE,TAKECAB/VOCINTI, TAKHZYRO, immunoglobulin products, albumin products, ADCETRIS).

*2 New Launches refers to select products launched within past 5 years (EOHILIA, LIVTENCITY, ADZYNMA, FRUZAQLA, QDENGA) and upcoming launch products ORZEYFUL (oveporexton), rusfertide, and zasocitinib. Revenue from upcoming launches subject to regulatory approvals.

*3 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

*4 The figures include the amounts of fixed dose combinations, blister packs and oral disintegrated tablets.

*5 Generic name: pantoprazole

*6 License-out product : Regional breakdown is not available due to contract.

*7 Others in PDT include GLASSIA and ARALAST.

*8 Following the implementation of a new organizational structure, the geographical classification previously presented as “Europe and Canada” through the prior fiscal year, has been revised to “Europe” from the current fiscal year, and revenue attributable to Canada is now included in “Other". Accordingly, revenue for FY2025 Q1 in the above has been reclassified to conform to the FY2026 Q1 presentation.

(Bn JPY)	Reported													
	FY25Q1	FY26Q1	AER*3 % change	US	AER*3 % change	Japan	AER*3 % change	Europe*6	AER*3 % change	Other	AER*3 % change	Ex-US	AER*3 % change
Oncology	**138.8**	**165.6**	**19.4 %**	**50.2**	**20.8 %**	**23.2**	**(11.2)%**	**37.0**	**21.6 %**	**52.6**	**36.6 %**	**2.6**	**23.8 %**
ADCETRIS *1	37.2	48.5	30.3 %			3.0	(3.6)%	15.8	15.2 %	29.7	45.8 %		
LEUPLIN/ENANTONE	27.3	31.7	15.8 %	5.0	47.6 %	6.2	(13.2)%	12.1	23.1 %	8.3	20.3 %		
NINLARO	20.9	24.0	14.9 %	10.3	13.7 %	1.5	(10.2)%	2.8	3.5 %	9.4	26.0 %		
ICLUSIG *4	15.9	18.7	17.7 %	16.1	16.8 %							2.6	23.8 %
FRUZAQLA *2	12.3	17.1	38.9 %	10.8	15.9 %	1.8	61.8 %	3.8	136.6 %	0.7	156.0 %		
ALUNBRIG	8.2	9.7	19.5 %	3.1	16.9 %	0.6	(3.4)%	2.5	7.2 %	3.6	38.1 %		
VECTIBIX	6.9	5.0	(26.5)%	—	-	5.0	(26.5)%	—	-	—	-		
ZEJULA	3.7	3.7	0.2 %	—	-	2.8	(5.4)%	—	-	0.9	21.8 %		
CABOMETYX	2.3	2.2	(6.2)%	—	-	2.2	(6.2)%	—	-	—	-		
Others	4.0	5.0	22.5 %	4.9	45.6 %	—	(100.0)%	0.0	(90.6)%	0.0	(95.9)%		
Neuroscience	**108.6**	**113.6**	**4.6 %**	**51.9**	**(18.7)%**	**17.2**	**14.2 %**	**32.0**	**48.3 %**	**12.5**	**54.0 %**		
VYVANSE/ELVANSE	57.9	54.1	(6.5)%	14.2	(56.9)%	1.4	58.7 %	28.2	59.6 %	10.4	60.7 %		
TRINTELLIX	28.1	37.0	31.6 %	32.8	34.0 %	4.1	15.4 %	—	-	—	-		
INTUNIV	11.7	12.7	9.1 %	0.1	(0.2)%	9.0	17.0 %	2.5	(15.3)%	1.1	22.7 %		
ADDERALL XR	6.1	5.1	(16.7)%	4.0	(24.1)%	—	-	—	-	1.0	35.3 %		
Others	4.9	4.7	(3.8)%	0.8	(28.1)%	2.6	(8.3)%	1.3	37.0 %	(0.0)	-		
Vaccines	**11.5**	**14.0**	**21.8 %**	**—**	**-**	**2.5**	**(6.7)%**	**1.0**	**23.3 %**	**10.4**	**31.2 %**		
QDENGA *2	8.8	11.5	30.5 %	—	-	—	-	1.0	23.3 %	10.4	31.2 %		
Others	2.7	2.5	(6.7)%	—	-	2.5	(6.7)%	—	-	—	-		
Others	**51.2**	**50.7**	**(1.1)%**										
FOSRENOL*4	2.5	1.6	(35.7)%	0.1	(64.5)%							1.5	(31.8)%
AZILVA*5	1.5	0.9	(40.5)%	—	-	0.9	(40.5)%	—	-	—	-		

*1 Core In-line Brands refers to select products launched 6 or more years ago that generate over JPY 100.0 billion in annual revenue and are actively promoted (ENTYVIO, GATTEX/REVESTIVE,TAKECAB/VOCINTI, TAKHZYRO, immunoglobulin products, albumin products, ADCETRIS).

*2 New Launches refers to select products launched within past 5 years (EOHILIA, LIVTENCITY, ADZYNMA, FRUZAQLA, QDENGA) and upcoming launch products ORZEYFUL (oveporexton), rusfertide, and zasocitinib. Revenue from upcoming launches subject to regulatory approvals.

*3 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

*4 License-out product : Regional breakdown is not available due to contract.

*5 The figures include the amounts of fixed dose combinations.

*6 Following the implementation of a new organizational structure, the geographical classification previously presented as “Europe and Canada” through the prior fiscal year, has been revised to “Europe” from the current fiscal year, and revenue attributable to Canada is now included in “Other". Accordingly, revenue for FY2025 Q1 in the above has been reclassified to conform to the FY2026 Q1 presentation.

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Product Sales Analysis (Reported AER & Core CER Change)

(Bn JPY)	FY25 Reported				FY26 AER[*3] & Core CER Change[*4]												
	Q1	Q2	Q3	Q4	Q1	@AER (QTD)	@CER (QTD)	Q2	@AER (QTD)	@CER (QTD)	@CER (YTD)	Q3	@AER (QTD)	@CER (QTD)	@CER (YTD)	Q4	@AER (QTD)	@CER (QTD)	@CER (YTD)
GI	**339.3**	**353.5**	**385.8**	**328.8**	**386.1**	**13.8 %**	**3.1 %**												
ENTYVIO [*1]	232.5	246.7	265.3	213.5	268.3	15.4 %	3.8 %												
GATTEX/REVESTIVE [*1]	34.8	36.8	38.1	35.9	41.4	19.0 %	8.4 %												
TAKECAB/VOCINTI [*1, 5]	35.0	33.9	39.5	35.3	37.4	6.7 %	2.9 %												
PANTOLOC/CONTROLOC[*6]	10.3	10.9	11.3	12.0	10.2	(1.2)%	(13.2)%												
DEXILANT	8.3	8.0	9.0	11.9	8.8	5.9 %	(7.8)%												
LIALDA/MEZAVANT	6.3	7.5	7.8	7.5	7.9	26.3 %	11.8 %												
EOHILIA [*2]	2.0	2.2	2.6	1.9	2.3	12.6 %	2.5 %												
Others	10.0	7.4	12.2	11.0	9.8	(1.6)%	(9.6)%												
Rare Diseases	**196.4**	**184.1**	**194.0**	**188.2**	**206.0**	**4.9 %**	**(5.8)%**												
TAKHZYRO [*1]	55.1	58.2	57.4	53.3	59.9	8.7 %	(2.2)%												
ADVATE	28.0	25.6	25.7	26.2	25.8	(7.7)%	(17.8)%												
ADYNOVATE/ADYNOVI	14.1	14.7	14.9	13.0	13.8	(1.9)%	(9.4)%												
ELAPRASE	28.0	21.0	25.1	26.3	27.7	(1.3)%	(12.2)%												
REPLAGAL	20.2	18.5	20.2	21.6	21.7	7.2 %	(3.8)%												
VPRIV	15.3	13.1	14.5	14.4	16.8	10.3 %	(2.1)%												
LIVTENCITY [*2]	10.5	11.6	12.8	12.0	14.1	33.7 %	20.8 %												
VONVENDI	5.5	5.9	6.9	7.0	7.6	37.6 %	24.2 %												
FIRAZYR	4.5	4.1	4.5	2.9	3.5	(22.2)%	(28.9)%												
ADZYNMA [*2]	2.4	2.4	3.5	3.6	4.1	69.4 %	52.2 %												
Others	12.8	9.0	8.5	8.0	11.1	(13.2)%	(21.4)%												
PDT	**260.9**	**256.6**	**273.1**	**267.0**	**283.9**	**8.8 %**	**(2.1)%**												
Immunoglobulin [*1]	194.0	193.0	206.6	196.9	213.9	10.2 %	(0.6)%												
Albumin [*1]	32.2	33.9	35.5	38.7	34.6	7.5 %	(5.0)%												
FEIBA	9.7	7.7	7.7	7.7	9.1	(6.5)%	(15.7)%												
HEMOFIL/IMMUNATE/ IMMUNINE	7.6	5.0	5.1	7.7	6.9	(9.9)%	(20.3)%												
CINRYZE	3.8	3.4	3.3	2.8	3.4	(10.7)%	(19.0)%												
Others[*7]	13.5	13.4	14.9	13.1	16.1	19.1 %	7.6 %												

*1 Core In-line Brands refers to select products launched 6 or more years ago that generate over JPY 100.0 billion in annual revenue and are actively promoted (ENTYVIO, GATTEX/REVESTIVE,TAKECAB/VOCINTI, TAKHZYRO, immunoglobulin products, albumin products, ADCETRIS)

*2 New Launches refers to select products launched within past 5 years (EOHILIA, LIVTENCITY, ADZYNMA, FRUZAQLA, QDENGA) and upcoming launch products ORZEYFUL (oveporexton), rusfertide, and zasocitinib. Revenue from upcoming launches subject to regulatory approvals.

*3 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

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

*5 The figures include the amounts of fixed dose combinations, blister packs and oral disintegrated tablets.

*6 Generic name: pantoprazole

*7 Others in PDT include GLASSIA and ARALAST.

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(Bn JPY)	FY25 Reported				FY26 AER[*3] & Core CER Change[*4]													
	Q1	Q2	Q3	Q4	Q1	@AER (QTD)	@CER (QTD)	Q2	@AER (QTD)	@CER (QTD)	@CER (YTD)	Q3	@AER (QTD)	@CER (QTD)	@CER (YTD)	Q4	@AER (QTD)	@CER (QTD)	@CER (YTD)
Oncology	**138.8**	**149.1**	**148.8**	**143.5**	**165.6**	**19.4 %**	**8.2 %**												
ADCETRIS [*1]	37.2	37.3	32.2	33.4	48.5	30.3 %	14.4 %												
LEUPLIN/ENANTONE	27.3	31.3	31.6	30.5	31.7	15.8 %	8.0 %												
NINLARO	20.9	20.6	19.5	21.1	24.0	14.9 %	2.6 %												
ICLUSIG	15.9	18.6	21.1	19.4	18.7	17.7 %	6.5 %												
FRUZAQLA [*2]	12.3	14.9	15.7	12.2	17.1	38.9 %	26.8 %												
ALUNBRIG	8.2	9.6	9.2	10.0	9.7	19.5 %	7.3 %												
VECTIBIX	6.9	6.7	7.3	5.5	5.0	(26.5)%	(26.5)%												
ZEJULA	3.7	3.5	3.7	3.3	3.7	0.2 %	(0.9)%												
CABOMETYX	2.3	2.0	2.2	1.6	2.2	(6.2)%	(6.2)%												
Others	4.0	4.5	6.2	6.4	5.0	22.5 %	8.4 %												
Neuroscience	**108.6**	**97.5**	**108.4**	**99.8**	**113.6**	**4.6 %**	**(4.8)%**												
VYVANSE/ELVANSE	57.9	48.7	48.6	48.1	54.1	(6.5)%	(17.0)%												
TRINTELLIX	28.1	28.9	34.4	30.5	37.0	31.6 %	21.2 %												
INTUNIV	11.7	11.4	12.5	10.7	12.7	9.1 %	5.1 %												
ADDERALL XR	6.1	4.5	7.8	6.4	5.1	(16.7)%	(24.6)%												
Others	4.9	4.1	5.1	4.2	4.7	(3.8)%	(8.3)%												
Vaccines	**11.5**	**20.2**	**23.3**	**4.6**	**14.0**	**21.8 %**	**10.1 %**												
QDENGA [*2]	8.8	12.3	16.7	3.0	11.5	30.5 %	15.2 %												
Others	2.7	7.9	6.7	1.6	2.5	(6.7)%	(6.7)%												
Others	**51.2**	**51.9**	**58.3**	**62.6**	**50.7**	**(1.1)%**	**(11.8)%**												
FOSRENOL	2.5	2.3	1.9	2.1	1.6	(35.7)%	(43.4)%												
AZILVA[*5]	1.5	1.0	1.8	2.8	0.9	(40.5)%	(40.5)%												

*1 Core In-line Brands refers to select products launched 6 or more years ago that generate over JPY 100.0 billion in annual revenue and are actively promoted (ENTYVIO, GATTEX/REVESTIVE,TAKECAB/VOCINTI, TAKHZYRO, immunoglobulin products, albumin products, ADCETRIS)

*2 New Launches refers to select products launched within past 5 years (EOHILIA, LIVTENCITY, ADZYNMA, FRUZAQLA, QDENGA) and upcoming launch products ORZEYFUL (oveporexton), rusfertide, and zasocitinib. Revenue from upcoming launches subject to regulatory approvals.

*3 Actual Exchange Rate is presented in “AER” (which is presented in accordance with IFRS).

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

*5 The figures include the amounts of fixed dose combinations.

Product Forecasts

The product forecasts for FY2026 have not been revised from the forecasts announced at the FY2025 financial results announcement on May 13, 2026.

	FY25 Reported	FY26 Reported Forecasts			FY26 Core Forecasts at CER*3
(Bn JPY)	Annual	Annual	JPY Change	% Change	% Change
GI	**1,407.5**			**High-single-digit % growth**	**Low-single-digit % growth**
ENTYVIO *1	958.0	1,046.0	88.0	9 %	4 %
GATTEX/REVESTIVE *1	145.7	154.0	8.3	6 %	1 %
TAKECAB/VOCINTI *1, 4	143.7	151.0	7.3	5 %	4 %
PANTOLOC/CONTROLOC*5	44.5	40.0	(4.5)	(10)%	(13)%
DEXILANT	37.3	36.0	(1.3)	(3)%	(9)%
LIALDA/MEZAVANT	29.1	31.0	1.9	7 %	3 %
EOHILIA *2	8.8	12.0	3.2	37 %	31 %
Others	40.5			(5)% to (10)%	(10)% to (15)%
Rare Diseases	**762.7**			**Low-single-digit % growth**	**Mid-single-digit % decline**
TAKHZYRO *1	223.9	239.0	15.1	7 %	0 %
ADVATE	105.5	146.0	(16.2)	(10)%	(15)%
ADYNOVATE/ADYNOVI	56.7				
ELAPRASE	100.5	99.0	(1.5)	(1)%	(9)%
REPLAGAL	80.4	84.0	3.6	4 %	(5)%
VPRIV	57.2	60.0	2.8	5 %	(4)%
LIVTENCITY *2	46.9	61.0	14.1	30 %	24 %
VONVENDI	25.3	30.0	4.7	19 %	14 %
FIRAZYR	16.0	12.0	(4.0)	(25)%	(34)%
ADZYNMA *2	12.0	15.0	3.0	25 %	24 %
Others	38.3			(15)% to (20)%	(20)% to (25)%

*1 Core In-line Brands refers to select products launched 6 or more years ago that generate over JPY 100.0 billion in annual revenue and are actively promoted (ENTYVIO, GATTEX/REVESTIVE,TAKECAB/VOCINTI, TAKHZYRO, immunoglobulin products, albumin products, ADCETRIS).

*2 New Launches refers to select products launched within past 5 years (EOHILIA, LIVTENCITY, ADZYNMA, FRUZAQLA, QDENGA) and upcoming launch products ORZEYFUL (oveporexton), rusfertide, and zasocitinib. Revenue from upcoming launches subject to regulatory approvals.

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

*4 The figures include the amounts of fixed dose combinations, blister packs and oral disintegrated tablets.

*5 Generic name: pantoprazole

Average FX rates for FY25 actual: 1 USD = 150 JPY, 1 Euro = 174 JPY, 1 RUB= 1.9 JPY, 1 BRL = 27.6 JPY, 1 CNY = 21.1 JPY

Assumption of FX rates for FY26 Reported Forecasts : 1 USD = 156 JPY, 1 Euro = 182 JPY, 1 RUB = 2.0 JPY, 1 BRL = 29.5 JPY, 1 CNY = 22.4 JPY

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(Bn JPY)	FY25 Reported Annual	FY26 Reported Forecasts Annual	JPY Change	% Change	FY26 Core Forecasts at CER*3 % Change
PDT	**1,057.5**			**Mid-to-high single digit % growth**	**Low-to-mid single digit % growth**
Immunoglobulin *1	790.6			Approx. 10% growth	Mid-single-digit % growth
Albumin *1	140.3			Mid-single-digit % growth	Broadly flat
FEIBA	32.9	30.0	(2.9)	(9)%	(13)%
HEMOFIL/IMMUNATE/ IMMUNINE	25.4	23.0	(2.4)	(9)%	(17)%
CINRYZE	13.3	12.0	(1.3)	(10)%	(17)%
Others *4	55.1			5% to 10%	0% to 5%
Oncology *6	**580.1**			**Mid-single-digit % growth**	**Low-single-digit % growth**
ADCETRIS *1	140.2	150.0	9.8	7 %	(2)%
LEUPLIN/ENANTONE	120.8	129.0	8.2	7 %	4 %
NINLARO	82.1	83.0	0.9	1 %	(4)%
ICLUSIG	75.0	75.0	(0.0)	(0)%	(3)%
FRUZAQLA *2	55.1	72.0	16.9	31 %	25 %
ALUNBRIG	36.9	39.0	2.1	6 %	1 %
VECTIBIX	26.3	19.0	(7.3)	(28)%	(28)%
ZEJULA	14.3	15.0	0.7	5 %	2 %
CABOMETYX	8.2	8.0	(0.2)	(2)%	(2)%
Others	21.1			5% to 10%	5% to 10%
Neuroscience *7	**414.3**			**Mid-10s % decline**	**High-10s % decline**
VYVANSE/ELVANSE	203.2	179.0	(24.2)	(12)%	(16)%
TRINTELLIX	121.8	95.0	(26.8)	(22)%	(25)%
INTUNIV	46.2	39.0	(7.2)	(16)%	(17)%
ADDERALL XR	24.7	20.0	(4.7)	(19)%	(22)%
Others	18.3			(5)% to (10)%	(5)% to (10)%
Vaccines	**59.6**			**Low-60s % growth**	**Low-50s % growth**
QDENGA *2	40.8	73.0	32.2	79 %	65 %
Others	18.8			20% to 25%	20% to 25%
Others	**224.0**			**>(40)%**	**>(40)%**
FOSRENOL	8.8	6.0	(2.8)	(32)%	(43)%
AZILVA *5	7.1	2.0	(5.1)	(72)%	(72)%

*1 Core In-line Brands refers to select products launched 6 or more years ago that generate over JPY 100.0 billion in annual revenue and are actively promoted (ENTYVIO, GATTEX/REVESTIVE,TAKECAB/VOCINTI, TAKHZYRO, immunoglobulin products, albumin products, ADCETRIS).

*2 New Launches refers to select products launched within past 5 years (EOHILIA, LIVTENCITY, ADZYNMA, FRUZAQLA, QDENGA) and upcoming launch products ORZEYFUL (oveporexton), rusfertide, and zasocitinib. Revenue from upcoming launches subject to regulatory approvals.

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

*4 Others in PDT include GLASSIA and ARALAST.

*5 The figures include the amounts of fixed dose combinations.

*6 Forecast for rusfertide is not included.

*7 Forecast for ORZEYFUL (oveporexton) is not included.

Average FX rates for FY25 actual: 1 USD = 150 JPY, 1 Euro = 174 JPY, 1 RUB= 1.9 JPY, 1 BRL = 27.6 JPY, 1 CNY = 21.1 JPY

Assumption of FX rates for FY26 Reported Forecasts : 1 USD = 156 JPY, 1 Euro = 182 JPY, 1 RUB = 2.0 JPY, 1 BRL = 29.5 JPY, 1 CNY = 22.4 JPY

FINANCIAL APPENDIX

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, 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 foreign exchange gains and losses arising directly from, or economically attributable to items excluded from the Core financial Measures. Core Net Profit for the Year attributable to owners of the Company is also adjusted to eliminate the tax effect associated with each of these 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 current quarter and the use of relevant spot rates for new non-JPY debt incurred and existing non-JPY debt redeemed during the current quarter, 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 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 = 162.61 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 30, 2026. 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.

FY2026 Q1 Reported Results with CER % Change

(Billion JPY, except EPS)	FY2025 Q1	FY2026 Q1	AER		CER	(Million USD, except EPS) FY2026 Q1 Convenience USD Translation
			JPY Change	% Change	% Change	
Revenue	1,106.7	1,219.9	113.2	10.2 %	(0.5) %	7,502
Cost of sales	(384.7)	(406.7)	(22.0)	(5.7) %	4.5 %	(2,501)
Gross profit	722.0	813.2	91.2	12.6 %	1.7 %	5,001
Margin	*65.2 %*	*66.7 %*		*1.4 pp*	*1.4 pp*	*66.7 %*
SG&A expenses	(255.9)	(286.5)	(30.6)	(12.0) %	(1.6) %	(1,762)
R&D expenses	(143.9)	(167.4)	(23.5)	(16.3) %	(6.8) %	(1,029)
Amortization of intangible assets associated with products	(129.3)	(105.5)	23.8	18.4 %	26.2 %	(649)
Impairment losses on intangible assets associated with products*	(2.3)	(5.4)	(3.1)	(136.1) %	(135.7) %	(33)
Other operating income	22.0	8.3	(13.8)	(62.5) %	(64.3) %	51
Other operating expenses	(28.1)	(55.2)	(27.2)	(96.8) %	(73.4) %	(340)
Operating profit	184.6	201.4	16.9	9.1 %	(3.1) %	1,239
Margin	*16.7 %*	*16.5 %*		*(0.2) pp*	*(0.4) pp*	*16.5 %*
Finance income	73.8	24.6	(49.2)	(66.6) %	(70.4) %	151
Finance expenses	(107.2)	(63.8)	43.3	40.4 %	43.1 %	(393)
Share of profit (loss) of investments accounted for using the equity method	(0.5)	0.5	1.1	—	—	3
Profit (loss) before tax	150.6	162.7	12.1	8.0 %	(6.8) %	1,001
Income tax (expenses) benefit	(26.4)	(49.5)	(23.1)	(87.7) %	(71.7) %	(304)
Net profit for the period	124.3	113.3	(11.0)	(8.9) %	(23.5) %	696
Non-controlling interests	(0.0)	(0.1)	(0.0)	(65.1) %	(55.8) %	(0)
Net profit (loss) attributable to owners of the Company	124.2	113.2	(11.0)	(8.9) %	(23.5) %	696
Basic EPS (JPY or USD)	79.40	71.65	(7.76)	(9.8) %	(24.2) %	0.44

* 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.

FY2026 Q1 Core Results with CER % Change

(Billion JPY, except EPS)	FY2025 Q1	FY2026 Q1	AER		CER	(Million USD, except EPS) FY2026 Q1 Convenience USD Translation
			JPY Change	% Change	% Change	
Revenue	1,106.7	1,219.9	113.2	10.2 %	(0.5) %	7,502
Cost of sales	(384.9)	(407.0)	(22.1)	(5.7) %	4.5 %	(2,503)
Gross profit	721.8	812.9	91.1	12.6 %	1.7 %	4,999
Margin	*65.2 %*	*66.6 %*		*1.4 pp*	*1.4 pp*	*66.6 %*
SG&A expenses	(256.0)	(286.6)	(30.6)	(11.9) %	(1.6) %	(1,763)
R&D expenses	(143.9)	(167.4)	(23.5)	(16.3) %	(6.8) %	(1,029)
Operating profit	321.8	358.9	37.1	11.5 %	(0.5) %	2,207
Margin	*29.1 %*	*29.4 %*		*0.3 pp*	*(0.0) pp*	*29.4 %*
Finance income	73.0	24.5	(48.5)	(66.4) %	(70.2) %	151
Finance expenses	(104.3)	(61.8)	42.6	40.8 %	43.5 %	(380)
Share of profit (loss) of investments accounted for using the equity method	(0.1)	0.5	0.7	—	—	3
Profit before tax	290.4	322.2	31.8	10.9 %	(2.4) %	1,981
Income tax (expenses) benefit	(53.3)	(79.3)	(25.9)	(48.6) %	(35.5) %	(487)
Net profit for the period	237.1	242.9	5.9	2.5 %	(10.9) %	1,494
Non-controlling interests	(0.0)	(0.1)	(0.0)	(65.1) %	(55.8) %	(0)
Net profit attributable to owners of the Company	237.0	242.9	5.8	2.5 %	(10.9) %	1,493
Basic EPS (JPY or USD)	151	154	2	1.5 %	(11.8) %	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.

FY2026 Q1 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	1,219.9					1,219.9
Cost of sales	(406.7)				(0.4)	(407.0)
Gross profit	813.2				(0.4)	812.9
SG&A expenses	(286.5)				(0.1)	(286.6)
R&D expenses	(167.4)				0.0	(167.4)
Amortization of intangible assets associated with products	(105.5)	105.5				—
Impairment losses on intangible assets associated with products*	(5.4)		5.4			—
Other operating income	8.3			(8.3)		—
Other operating expenses	(55.2)			55.2		—
Operating profit	201.4	105.5	5.4	47.0	(0.4)	358.9
Margin	16.5 %					29.4 %
Finance income and (expenses), net	(39.2)				2.0	(37.2)
Share of profit (loss) of investments accounted for using the equity method	0.5					0.5
Profit before tax	162.7	105.5	5.4	47.0	1.6	322.2
Income tax (expenses) benefit	(49.5)	(22.4)	(1.7)	(9.7)	4.1	(79.3)
Non-controlling interests	(0.1)					(0.1)
Net profit attributable to owners of the Company	113.2	83.1	3.7	37.2	5.6	242.9
Basic EPS (JPY)	72					154
Number of shares (millions)	1,580					1,580

* Includes in-process R&D.

FY2025 Q1 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	1,106.7					1,106.7
Cost of sales	(384.7)				(0.2)	(384.9)
Gross profit	722.0				(0.2)	721.8
SG&A expenses	(255.9)				(0.1)	(256.0)
R&D expenses	(143.9)				(0.0)	(143.9)
Amortization of intangible assets associated with products	(129.3)	129.3				—
Impairment losses on intangible assets associated with products*	(2.3)		2.3			—
Other operating income	22.0			(22.0)		—
Other operating expenses	(28.1)			28.1		—
Operating profit	184.6	129.3	2.3	6.0	(0.4)	321.8
Margin	16.7 %					29.1 %
Finance income and (expenses), net	(33.4)				2.1	(31.3)
Share of profit (loss) of investments accounted for using the equity method	(0.5)				0.4	(0.1)
Profit before tax	150.6	129.3	2.3	6.0	2.1	290.4
Income tax (expenses) benefit	(26.4)	(27.5)	(0.5)	1.9	(0.9)	(53.3)
Non-controlling interests	(0.0)					(0.0)
Net profit attributable to owners of the Company	124.2	101.8	1.8	7.9	1.2	237.0
Basic EPS (JPY)	79					151
Number of shares (millions)	1,565					1,565

* Includes in-process R&D.

FY2026 Q1 Adjusted Free Cash Flow

(Billion JPY)	FY2025 Q1	FY2026 Q1	JPY Change	% Change	(Million USD) FY2026 Q1 Convenience USD Translation
Net profit	124.3	113.3	(11.0)	(8.9)%	696
Depreciation, amortization and impairment losses	184.0	193.0	9.0		1,187
Decrease (increase) in trade working capital	7.2	(127.3)	(134.5)		(783)
Income taxes paid	(36.7)	(16.9)	19.8		(104)
Tax refunds and interest on tax refunds received	3.7	3.4	(0.2)		21
Settlement of forward exchange contracts, net	19.4	(4.8)	(24.1)		(29)
Other	(86.5)	(33.2)	53.3		(204)
Net cash from operating activities (Operating Cash Flow)	215.4	127.6	(87.8)	(40.8)%	785
Acquisition of PP&E	(47.9)	(53.8)	(5.9)		(331)
Free Cash Flow*1	167.5	73.8	(93.7)	(55.9)%	454
Adjustment for cash temporarily held by Takeda on behalf of third parties*2	13.2	33.4	20.2		205
Proceeds from sales of PP&E	6.4	1.1	(5.3)		7
Acquisition of intangible assets*3	(27.2)	(49.4)	(22.3)		(304)
Acquisition of investments	(0.2)	(1.1)	(0.9)		(7)
Proceeds from sales and redemption of investments	1.1	0.4	(0.8)		2
Proceeds from sales of business, net of cash and cash equivalents divested	29.3	10.5	(18.8)		64
Adjusted Free Cash Flow*1	190.1	68.6	(121.5)	(63.9)%	422

*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.

FY2026 Q1 Adjusted Net Debt to Adjusted EBITDA

ADJUSTED NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2026 Q1
Book value of bonds and loans on consolidated statement of financial position	(4,940.0)
Cash & cash equivalents	461.0
Net Debt*1	(4,479.0)
Application of equity credit*2	250.0
FX adjustment*3	176.1
Cash temporarily held by Takeda on behalf of third parties*4	(45.8)
Level 1 debt investments*4	86.1
Adjusted Net Debt*1	(4,012.6)
Adjusted EBITDA (LTM)*5	1,503.8
Adjusted Net Debt/Adjusted EBITDA ratio	2.7x
Book value of bonds and loans on consolidated statement of financial position	(4,940.0)
Application of equity credit*2	250.0
FX adjustment*3	176.1
Adjusted Gross Debt	(4,513.9)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(Billion JPY)	FY2025 Q1	FY2026 Q1	JPY Change	% Change
Net cash from operating activities (Operating Cash Flow)	215.4	127.6	(87.8)	(40.8)%
Acquisition of PP&E	(47.9)	(53.8)		
Proceeds from sales of PP&E	6.4	1.1		
Acquisition of intangible assets	(27.2)	(49.4)		
Acquisition of investments	(0.2)	(1.1)		
Proceeds from sales and redemption of investments	1.1	0.4		
Proceeds from sales of business, net of cash and cash equivalents divested	29.3	10.5		
Net increase (decrease) in short-term loans and commercial papers	(46.0)	—		
Repayment of long-term loans	(10.0)	(0.0)		
Proceeds from issuance of bonds	183.6	—		
Repayment of bonds	(115.3)	—		
Acquisition of treasury shares	(51.6)	(1.0)		
Interest paid	(16.7)	(15.6)		
Dividends paid	(145.3)	(150.1)		
Others	(8.3)	(8.9)		
Net increase (decrease) in cash and cash equivalents	(32.7)	(140.4)	(107.8)	(329.8)%

*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 current quarter 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 current quarter 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 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 (July 2025 - June 2026). Calculated by subtracting FY2025 Q1 from FY2025 Full Year and adding FY2026 Q1.

FY2025 Adjusted Net Debt to Adjusted EBITDA

ADJUSTED NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2025
Book value of bonds and loans on consolidated statement of financial position	(4,881.8)
Cash & cash equivalents	595.1
Net Debt*1	(4,286.8)
Application of equity credit*2	250.0
FX adjustment*3	213.2
Cash temporarily held by Takeda on behalf of third parties*4	(79.2)
Level 1 debt investments*4	85.1
Adjusted Net Debt*1	(3,817.6)
Adjusted EBITDA	1,457.2
Adjusted Net Debt/Adjusted EBITDA ratio	2.6x
Book value of bonds and loans on consolidated statement of financial position	(4,881.8)
Application of equity credit*2	250.0
FX adjustment*3	213.2
Adjusted Gross Debt	(4,418.7)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(Billion JPY)	FY2024	FY2025	JPY Change	% Change
Net cash from operating activities (Operating Cash Flow)	1,057.2	1,041.4	(15.8)	(1.5)%
Acquisition of PP&E	(200.8)	(176.0)		
Proceeds from sales of PP&E	0.1	6.5		
Acquisition of intangible assets	(147.0)	(234.9)		
Acquisition of option to license	(31.8)	(3.7)		
Acquisition of investments	(97.5)	(15.9)		
Proceeds from sales and redemption of investments	29.4	7.0		
Acquisition of shares in associates	(1.0)	(0.6)		
Proceeds from sales of shares in associates	57.7	0.9		
Proceeds from sales of business, net of cash and cash equivalents divested	20.6	33.3		
Settlement of forward exchange contracts designated as net investment hedges, net	(13.8)	(1.5)		
Net increase (decrease) in short-term loans and commercial papers	27.5	(341.8)		
Proceeds from long-term loans	90.0	60.0		
Repayment of long-term loans	(587.2)	(85.1)		
Proceeds from issuance of bonds	934.5	526.1		
Repayment of bonds	(733.8)	(115.3)		
Settlement of cross currency interest rate swaps related to bonds and loans	46.9	—		
Acquisition of treasury shares	(51.9)	(51.6)		
Interest paid	(113.0)	(121.4)		
Dividends paid	(302.5)	(311.9)		
Others	(44.6)	(39.9)		
Net increase (decrease) in cash and cash equivalents	(61.3)	175.5	236.8	—

*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 current quarter 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 current quarter 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 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.

FY2026 Q1 Net Profit to Adjusted EBITDA Bridge

(Billion JPY)	FY2025 Q1	FY2026 Q1	JPY Change	% Change
Net profit	124.3	113.3	(11.0)	(8.9)%
Income tax expenses (benefit)	26.4	49.5		
Depreciation and amortization	181.6	163.0		
Interest expense, net	29.2	35.7		
EBITDA	361.5	361.4	(0.0)	(0.0)%
Impairment losses	2.4	30.0		
Other operating expenses (income), net, excluding depreciation and amortization, and impairment losses	4.3	21.7		
Finance expenses (income), net, excluding interest expense, net	4.2	3.6		
Share of loss (profit) of investments accounted for using the equity method	0.5	(0.5)		
Other costs*	15.7	17.2		
Adjusted EBITDA	388.6	433.4	44.8	11.5 %

* 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.

FY2026 Q1 Net Profit to Adjusted EBITDA LTM Bridge

(Billion JPY)	FY2025 Full Year (Apr - Mar)	FY2025 Q1 (Apr - Jun)	FY2026 Q1 (Apr - Jun)	FY2026 Q1 LTM*1 (Jul - Jun)
Net profit	(152.1)	124.3	113.3	(163.1)
Income tax expenses (benefit)	9.8	26.4	49.5	32.9
Depreciation and amortization	721.1	181.6	163.0	702.5
Interest expense, net	131.2	29.2	35.7	137.7
EBITDA	710.0	361.5	361.4	710.0
Impairment losses	145.7	2.4	30.0	173.4
Other operating expenses (income), net, excluding depreciation and amortization, and impairment losses	516.7	4.3	21.7	534.1
Finance expenses (income), net, excluding interest expense, net	15.1	4.2	3.6	14.5
Share of loss (profit) of investments accounted for using the equity method	2.2	0.5	(0.5)	1.1
Other costs*2	69.6	15.7	17.2	71.1
Adjusted EBITDA	1,459.4	388.6	433.4	1,504.1
EBITDA from divested products*3	(2.1)			(0.4)
Adjusted EBITDA (LTM)*1	1,457.2			1,503.8

*1 LTM represents Last Twelve Months (July 2025 - June 2026). Calculated by subtracting FY2025 Q1 YTD from FY2025 Full Year and adding FY2026 Q1 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.

FY2026 Q1 CAPEX, Depreciation and Amortization and Impairment Losses

(Billion JPY)	FY2025 Q1	FY2026 Q1	JPY Change	% Change	2026 Forecast
Capital expenditures*1	75.1	103.2	28.2	37.5 %	330.0 - 380.0
Tangible assets	47.9	53.8	5.9	12.3 %	
Intangible assets	27.2	49.4	22.3	82.0 %	
Depreciation and amortization (A)+(B)	181.6	163.0	(18.6)	(10.2)%	648.5
Depreciation of tangible assets*2 (A)	42.6	45.7	3.1	7.4 %	
Amortization of intangible assets (B)=(C)+(D)	139.1	117.3	(21.7)	(15.6)%	
Of which Amortization on intangible assets associated with products (C)	129.3	105.5	(23.8)	(18.4)%	413.5
Of which Amortization excluding intangible assets associated with products (D)	9.7	11.8	2.1	21.6 %	
Depreciation and amortization (excluding intangible assets associated with products) (A)+(D)	52.3	57.5	5.2	10.0 %	235.0
Impairment losses	2.4	30.0	27.6	—	
Impairment losses on intangible assets associated with products*3 (E)	2.3	5.4	3.1	136.1 %	100.0
Amortization and impairment losses on intangible assets associated with products (C)+(E)	131.6	110.9	(20.7)	(15.7)%	513.5

*1 Cash flow base

*2 Includes depreciation of investment properties

*3 Includes in-process R&D

FY2026 Full Year Detailed Forecast

	(BN JPY)	FY2025 Actual	FY2026 Forecast (May 13, 2026)	JPY Change	% Change	Variances
REPORTED	Revenue	4,505.7	4,640.0	134.3	3.0%	FX tailwinds and contributions from newly launched products more than offset the negative impact from LOE products
	Cost of sales	(1,571.6)	(1,625.0)	(53.4)	(3.4)%	
	Gross Profit	2,934.1	3,015.0	80.9	2.8%	
	SG&A expenses	(1,084.2)	(1,093.0)	(8.8)	(0.8)%	Cost savings from the transformation program largely offset launch costs for new products and adverse FX impacts
	R&D expenses	(675.9)	(762.0)	(86.1)	(12.7)%	Increased expenses related to late-stage pipeline programs and adverse FX impacts partially offset by transformation program savings
	Amortization of intangible assets associated with products	(504.3)	(413.5)	90.8	18.0%	Amortization of VYVANSE concluded in January 2026
	Impairment losses on intangible assets associated with products*1	(129.3)	(100.0)	29.3	22.6%	
	Other operating income	24.7	2.5	(22.2)	(89.9)%	Lower gains from divestitures
	Other operating expenses	(559.0)	(229.0)	330.0	59.0%	Provision for AMITIZA Antitrust Litigation: FY25 JPY 403.5 B. Higher restructuring expenses (FY25 actual: JPY 70.8 B vs. FY26 forecast: JPY 170.0 B)
	Operating profit	6.2	420.0	413.8	-	
	Finance income (expenses), net	(146.4)	(170.0)	(23.6)	(16.1)%	Increase/decrease of gains and losses on foreign currency exchange and derivative financial assets related to foreign currency exchange
	Profit (loss) before tax	(142.4)	252.0	394.4	-	
	Net profit (loss) attributable to owners of the Company	(152.4)	166.0	318.4	-	Tax benefit on provision for AMITIZA Antitrust Litigation: FY25 JPY 58.6 B
	Basic EPS (yen)	(97)	104	201	-	
	Core Revenue*2	4,505.7	4,640.0	134.3	3.0%	FX tailwinds and contributions from newly launched products more than offset the negative impact from LOE products
	Core Operating Profit*2	1,172.5	1,160.0	(12.5)	(1.1)%	Revenue growth expected, but higher OPEX
	Core EPS (yen)*2	517	472	(45)	(8.7)%	Lower effective tax rate in FY25 driven by the reassessment of deferred tax asset recoverability
	Adjusted Free Cash Flow*2	684.5	650.0 to 750.0			Broadly in line with FY25. Core OP is expected to be flat year-on-year, with higher FY26 restructuring expenses offset by lower CAPEX
	CAPEX (cash flow base)	(410.9)	(330.0) to (380.0)			FY25 actuals include USD 1.2 B upfront payment under the strategic global partnership agreement with Innovent Biologics. Up to USD 400 million in payments to Protagonist Therapeutics, associated with its exercise of the opt out right from the 50/50 U.S. profit and loss share structure, are included in FY26.
	Depreciation and amortization (excl. intangible assets associated with products)	(216.8)	(235.0)	(18.2)	(8.4)%	
	Cash tax rate on Adjusted EBITDA (excl. divestitures)*2	~12%	Low 10s%			
	USD/JPY	150	156	6	3.9%	
	EUR/JPY	174	182	8	4.8%	

*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 FY2026 Full Year Reconciliation from Reported Operating Profit to Core Operating Profit Forecast.

FY2026 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	4,640.0				4,640.0
Cost of sales	(1,625.0)				
Gross Profit	3,015.0				
SG&A expenses	(1,093.0)				(3,480.0)
R&D expenses	(762.0)				
Amortization of intangible assets associated with products	(413.5)	413.5			—
Impairment losses on intangible assets associated with products*1	(100.0)		100.0		—
Other operating income	2.5			(2.5)	—
Other operating expenses	(229.0)			229.0	—
Operating profit	420.0	413.5	100.0	226.5	1,160.0

*1 Includes in-process R&D

FY2026 Full Year FX Rates Assumptions and Currency Sensitivity vs. Forecast

Average Exchange Rates vs. JPY				Impact of depreciation of yen from April 2026 to March 2027 (100 million JPY)				
	FY2025 Actual (Apr-Jun)	FY2026 Actual (Apr-Jun)	FY2026 Full Year Assumption (Apr-Mar)		Revenue (IFRS)	Operating Profit (IFRS)	Net Profit (IFRS)	Core Operating Profit (non-IFRS)
USD	145	159	156	1% depreciation	206.1	4.2	(3.4)	37.3
				1 yen depreciation	132.1	2.7	(2.2)	23.9
EUR	162	185	182	1% depreciation	69.2	(28.4)	(20.6)	(17.7)
				1 yen depreciation	38.0	(15.6)	(11.3)	(9.7)
RUB	1.8	2.1	2.0	1% depreciation	4.5	2.7	1.8	2.9
CNY	20.1	23.3	22.4		19.9	12.2	8.2	12.2
BRL	25.6	31.3	29.5		14.2	11.5	7.7	11.6

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