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Committed to Growth & Shareholder Returns

FY2022 Earnings Announcement

May 11th, 2023

Better Health, Brighter Future

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

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Exchange Rates

In this presentation, certain amounts presented in Japanese yen have been translated to US dollars solely for the convenience of the reader. Except where otherwise noted, these convenience translations have been made at an exchange rate of 1USD = 132.75 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on March 31, 2023. The rate and methodologies used for these convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of Takeda's consolidated financial statements. These translations should not be construed as a representation that the relevant Japanese yen amounts could be converted into U.S. dollars at this or any other rate.

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AGENDA

Introduction — **Christophe Weber**, President & CEO

Pipeline Update — **Andy Plump**, President, R&D

Financials — **Costa Saroukos**, Chief Financial Officer

Q&A Session

Better Health for People, Brighter Future for the World

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

PATIENT

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

PEOPLE

- Create an exceptional people experience

PLANET

- Protect our planet

…AND BY UNLEASHING THE POWER OF DATA AND DIGITAL

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

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

FY2022 Business Highlights: Executing Strategy & Delivering Results

Delivered or Exceeded Management Guidance Driven by Growth & Launch Products

- Core Revenue growth **+3.5% at CER**[1,2]
- Growth & Launch products sales **+19% at CER**
  now represent 40% of total revenue
- Core Operating Profit growth **+9.1% at CER**
- Core EPS of 558 yen; **+13.9% at CER**
- Net debt/Adj EBITDA[3] at 2.6x, or **2.3x excl. Nimbus upfront payment**[4]

FY2022 RESULTS SUMMARY

(BN YEN, except EPS)	REPORTED		CORE[1]		
	FY2022	ACTUAL % CHANGE	FY2022	ACTUAL % CHANGE	CER[2] % CHANGE
REVENUE	**4,027.5**	+12.8%	**4,027.5**	+17.7%	**+3.5%**
OPERATING PROFIT	**490.5**	+6.4%	**1,188.4**	+24.4%	**+9.1%**
EPS	**204 yen**	+38.8%	**558 yen**	+31.5%	**+13.9%**

Advances in Innovative Pipeline Build Confidence in Long-Term Growth Profile

- First approvals for dengue vaccine QDENGA
- Positive late-stage clinical trial data readouts including TAK-755 in cTTP and TAK-999 (fazirsiran) in AATD-LD
- Progressing orexin franchise with TAK-861 advancing to Ph2 studies and new Ph1 data presented for TAK-925
- Bolstering pipeline through external opportunities:
  - TAK-279 for immune-mediated diseases
  - fruquintinib for colorectal cancer
  - TAK-227 for celiac disease

1. Please refer to appendix slide A-1 for definition of core financial measures, and slides A-7 and A-9 for reconciliation.
2. Constant Exchange Rate. Please refer to appendix slide A-1 for definition.
3. Please refer to appendix slide A-2 for definition and slides A-12 and A-14 for reconciliation
4. Net debt adjusted for the portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 paid in February 2023 (such portion totaling 3.0 billion USD). Remaining 1.0B USD to be paid in FY2023.

For full glossary of abbreviations please refer to appendix.

FY2023 Outlook: Dividend Increase Reflects Deleveraging Progress & Underscores Confidence in Future Growth Profile

Growth & Launch Product Momentum Expected to Largely Offset LOE Impact on Revenue

- Core Revenue expected to decline by low-single-digit % at CER due to significant Loss of Exclusivity impact (incl. VYVANSE and AZILVA) and lower expectations for coronavirus vaccines
- OPEX discipline to limit margin impact while investing in R&D and Data & Technology to secure long-term competitiveness
- Updating capital allocation policy to focus on growth investment and shareholder returns; Adopting progressive dividend policy with forecast of 188 yen per share in FY2023

FY2023 OUTLOOK SUMMARY

(BN YEN)	REPORTED FORECAST	CORE[1] FORECAST	CORE CHANGE AT CER[2] MANAGEMENT GUIDANCE
REVENUE	3,840.0	3,840.0	Low-single-digit % decline
OPERATING PROFIT	349.0	1,015.0	Low-10s % decline
EPS (JPY)	91 yen	434 yen	Low-20s % decline

Anticipated Pipeline Milestones Including Significant Lifecycle Extensions

- Important Lifecycle Management milestones including:
  - Potential U.S. approvals of ENTYVIO subcutaneous formulation for UC and HYQVIA/Gammagard Liquid for CIDP
  - Ph3 readout for ALOFISEL ADMIRE-CD II study, with the potential to support U.S. regulatory submission
- Further QDENGA regional approval decisions, including U.S.
- TAK-755 approval decision for cTTP expected in U.S.
- TAK-279 expected to read-out Ph2b data in psoriatic arthritis, and start Ph3 in psoriasis

LOE: Loss of Exclusivity. For full glossary of abbreviations please refer to appendix.

1. Please refer to appendix slide A-1 for definition of core financial measures, and slide A-18 for reconciliation.
2. Constant Exchange Rate. Please refer to appendix slide A-1 for definition.

Committed to Growth & Shareholder Returns

Near-term *(FY2024-2025)*

Medium-term *(FY2026 - early 2030s)*

Long-term *(FY2030s and beyond)*

Return to sales, profit & margin growth

Continued expansion of Growth & Launch Products

Further launches from innovative late-stage pipeline

Limited Loss of Exclusivity exposure until Entyvio biosimilars launch

Additional contribution from robust R&D strategy, including clinical pipeline of ~40 NMEs

- **Returning to low-to-mid 30% Core Operating Profit margins**
- **Increasing productivity enabled by Data, Digital & Technology**
- **Continuing to pursue asset-specific business development to enhance pipeline**
- **Progressive dividend policy of increasing or maintaining dividend each year**

AGENDA

Introduction ..... Christophe Weber
President & CEO

Pipeline Update ..... **Andy Plump**
President, R&D

Financials ..... Costa Saroukos
Chief Financial Officer

Q&A Session

Continued Forward Momentum In FY2022

GROWTH & LAUNCH PRODUCTS	ENTYVIO SC	• Filed for Ulcerative Colitis (UC) in the U.S.; Approved for UC in Japan
	TAKHZYRO	• Approved for HAE patients 2 years and older in the U.S.; Filed for Pediatric expansion in EU
	LIVTENCITY	• After review with regulatory bodies, will not pursue 1L HSCT
	HYQVIA	• Filed for CIDP in U.S. and EU; Positive Ph3 read-out in CIDP
	China approvals	• Takeda has the most NME approvals of multi-national pharmaceutical companies 2020-2022[1]
PIPELINE	QDENGA	• Approved: EU[2], Indonesia, Brazil, other endemic countries for use regardless of prior dengue exposure
	TAK-755	• Filing on-track for cTTP in the U.S.; Positive Ph3 read-out in cTTP
	Fazirsiran	• Ph3 Start in AATD Liver Disease; Positive Ph2 and Ph2b read-out
	TAK-861	• Ph2b Start in NT1 and NT2; Met prespecified criteria to advance to Ph2
	TAK-925	• TAK-925 (danavorexton) Ph1 data presented at International Anesthesia Research Society[3]
BUSINESS DEVELOPMENT	TAK-279	• Acquired after positive Ph2b; Data presented at American Academy of Dermatology March 2023[4]
	Fruquintinib	• Filed for previously treated metastatic colorectal cancer in the U.S.; worldwide license acquired (ex-China)
	TAK-227	• Ph2b continues to enroll; rights acquired for U.S. and other territories outside of EU, Canada, Australia, China

1. Based on data from the Center for Drug Evaluation, China
2. QDENGA's approval was recommended through the EU-M4all process
3. Wu et al., presented at IARS AUA SOCCA Annual Meetings 2023, April 13-16, 2023
4. Armstrong et al., presentation at AAD, March 15th, 2023

For full glossary of abbreviations please refer to appendix.

…Driven By Disciplined Decision Making And Pipeline Prioritization

Pipeline Changes In FY22[1]

New To Phase 1

- **TAK-647** NASH[2]
- **TAK-920** Alzheimer's Disease
- **TAK-280** B7-H3 Solid Tumor
- **TAK-500** Solid tumors
- ★ **mezagitamab** IgAN

New To Phase 2

- **TAK-227** Celiac Disease
- **TAK-279** Psoriasis
- **TAK-279** Psoriatic Arthritis
- **zamaglutenase TAK-062** Celiac Disease
- ★ **TAK-341** MSA
- ★ **TAK-594** Frontotemporal dementia
- ★ **TAK-861** NT1
- ★ **TAK-861** NT2
- ★ **modakafusp alfa** R/R MM
- ★ **TAK-007** CD19+ hematologic malignancies

New To Phase 3

- ★ **fazirsiran** AATD Liver Disease
- ★ **maralixibat** ALGS (JP)
- ★ **maralixibat** PFIC (JP)
- **fruquintinib** mCRC (EU, JP)
- ★ **LIVTENCITY®** Post-transplant CMV infection (JP)
- ★ **TAK-755** cTTP (JP, CN)
- ★ **Glovenin-I** Autoimmune Encephalitis (JP)
- **Prothromplex** DOAC Reversal (US)
- **Nuvaxovid®** COVID-19 Vaccine Booster (JP)
- **QDENGA®** Dengue Vaccine Booster

New Regulatory Filings

- **ENTYVIO®** SC CD (JP)
- **ENTYVIO®** SC UC (US)
- **VOCINTI®** *H. pylori* (CN)
- ★ **ADCETRIS®** CTCL (JP)
- **ADCETRIS®** FL HL Stage III (EU)
- **fruquintinib** mCRC (US)
- ★ **LIVTENCITY®** R/R CMV infect. in transplant (CN)
- ★ **OBIZUR®** Recomb antihemophilic factor porcine (CN)
- ★ **TAK-755** cTTP (US)[3]
- ★ **TAKHZYRO®** Pediatric HAE (EU)
- ★ **VONVENDI®** vWD Adult Prophylaxis (EU)
- ★ **VONVENDI®** vWD On-demand & Surgery (CN)
- ★ **CUVITRU®** PID, SID (JP)
- ★ **HYQVIA®** CIDP (US, EU)
- **TAK-880** IgG – Low IgA (US)
- **QDENGA®** Dengue Vaccine (US)

Removed From Phase 1

- **sibofimloc** Luminal Crohn's Disease
- **TAK-039** Hepatic encephalopathy
- **TAK-510** Nausea & vomiting
- **TAK-605** Multiple cancers
- **NATPARA®** Hypoparathyrodism (JP)

Removed From Phase 2

- **sibofimloc** Crohn's Disease (Post-op Ileitis)
- **TAK-954** POGD
- **TAK-994** NT1, NT2, IH

Removed From Phase 3

- **ALUNBRIG®** 2L ALK+ NSCLC H2H with alectinib in 2L
- **CABOMETYX®** 2L mNSCLC combo w/atezolizumab (JP)
- **NINLARO®** Maint. ND MM no SCT[4]
- **LIVTENCITY®** 1L CMV infect. in HSCT
- **TAKHZYRO®** BMA

New Regulatory Approvals

- **ENTYVIO®** SC UC (JP)
- ★ **EXKIVITY®** 2L NSCLC EGFR exon 20 (CN)
- ★ **LIVTENCITY®** R/R CMV infect. in transplant (EU)
- ★ **TAKHZYRO®** Pediatric HAE (US)
- **CEPROTIN®** Long-term prophy SCPCD (EU)
- ★ **HYQVIA®** Pediatric PID (US)
- **Nuvaxovid®** COVID-19 Vaccine (JP)
- **QDENGA®** Dengue Vaccine (EU + endemic countries)

Discontinuation of Discovery and Pre-Clinical Efforts in AAV Gene Therapy

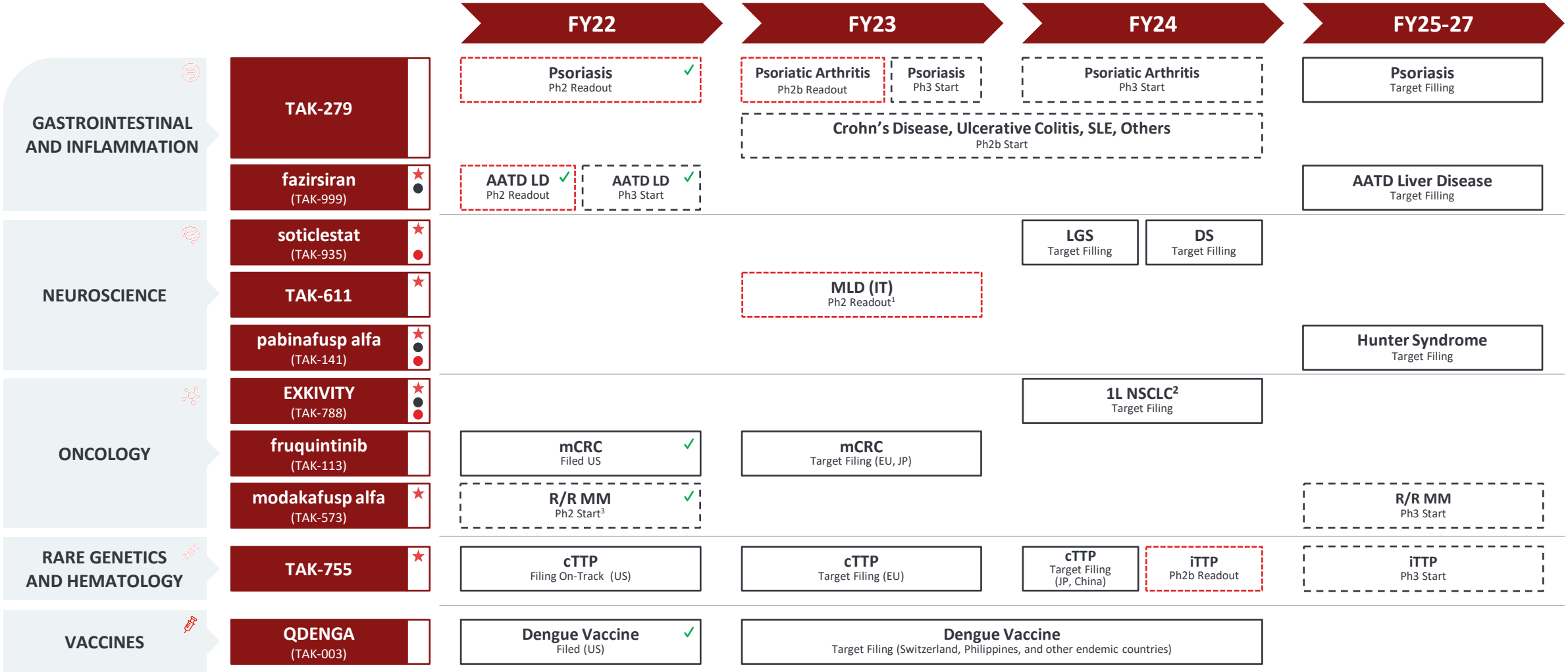
1. Pipeline changes reflect stage-ups or removals in FY22 and early FY23 as of May 11, 2023
2. Study actively recruiting
3. Filing on-track
4. Ongoing discussions with regulatory bodies WW; Takeda will not pursue indication in US and EU; maintenance indication approved in Japan, South Korea, Thailand, Taiwan, Brazil.

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

APPROVED | NME | LCM

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. Only major regions (U.S., EU, Japan, China). For full glossary of abbreviations please refer to appendix.

Promising Late-stage Development Programs With Upcoming Inflections



1. Single arm Phase 2, timelines and filing plans will follow the data
2. Non-small cell lung cancer with EGFR exon 20 insertion mutations
3. Phase 1/2 studies started, incl. single agent and multiple combination studies in R/R MM

★ Orphan drug designations in at least one indication

● US Breakthrough and/or EU PRIME designations in at least one indication

● Japan SAKIGAKE and/or China Breakthrough designations in at least one indication

Late-stage program: Program in or expected to be in potential pivotal trial or having achieved proof-of-concept.

Approved

Proof-of-concept/Ph2 study readout

✓ Milestone achieved

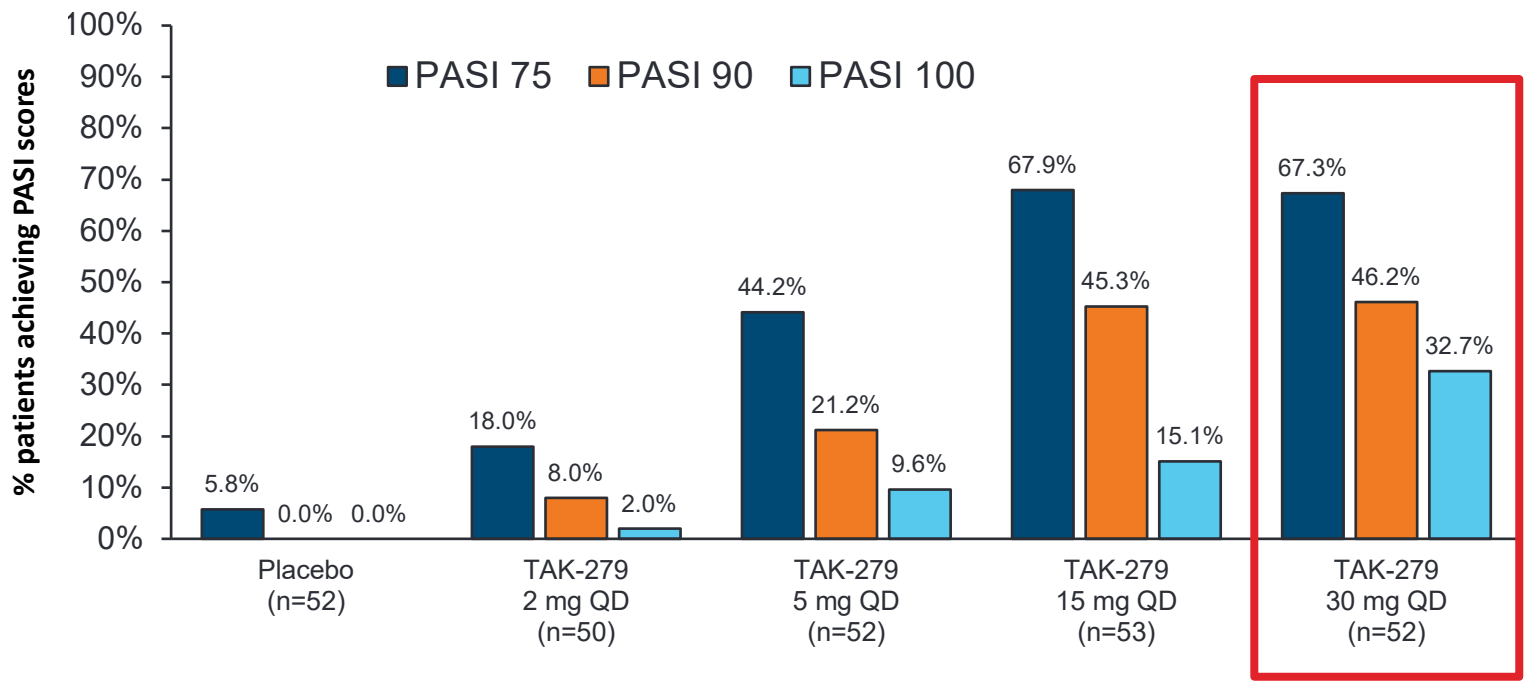
Study start

Target Filing, anticipated year of filing for regulatory approval

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

TAK-279: Phase 2B Indicates Potential For Best-in-class Oral Treatment Option For Psoriasis

Patients achieving PASI 75, 90 or 100 at Week 12[1]



Summary

- Robust efficacy: 33% of patients on 30mg achieving clear skin at 12 weeks (PASI 100)
- Generally low rates of TEAEs
  - Most common: COVID-19, acne, acneiform dermatitis and diarrhea
- High selectivity for TYK2 over JAKs
  - >1.4 million times
  - Well tolerated, once daily oral dosing

Estimated market size in 2028[2]

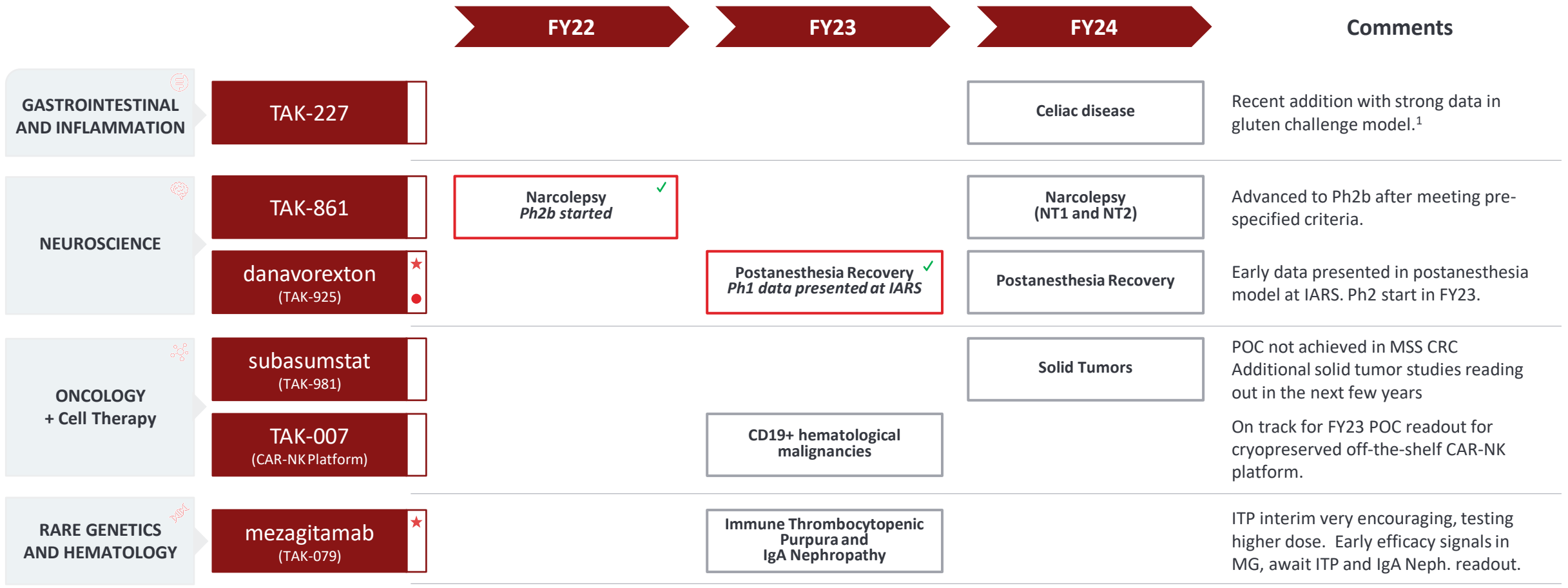
- Psoriasis $30B
- IBD $30B
- Psoriatic arthritis $7B

NEXT STEPS

FY23	FY24	FY25-27
Psoriasis - Ph3 Start X 2	Psoriatic Arthritis - Ph3 Start	Psoriasis Target Filing
Psoriatic Arthritis - Ph2b Readout	Psoriasis Head-to -Head - Ph3 Start	
Crohn's Disease - Ph2b Start	Ulcerative Colitis - Ph2b Start	
SLE - Ph2b Start	Others - Ph2 Start	

1. Armstrong et al., presentation at AAD, March 15th, 2023
2. Evaluate Pharma

Data-driven Decisions Will Further Inform Mid-stage Pipeline Development



Proof-of-concept (POC): Achieving proof-of-concept means obtaining clinical data sufficient to initiate pivotal trials or late-stage development. A "readout(s)" for a clinical trial occurs when Takeda has (1) received the relevant clinical data, (2) completed any necessary analysis and review of such clinical data, and (3) in instances where it is required or otherwise common convention or practice, consulted with applicable regulatory authorities regarding such clinical data. Where a readout is indicated for a class of related indications (e.g., solid tumors) involving multiple POC clinical trials, such readout occurs upon the earlier of (1) the first achievement of POC in an indication in such class, or (2) the conclusion of all of the POC clinical trials in such class.

1. Schuppan et al. N Engl J Med 2021;385:35-45

- Key early-stage milestone
- Target proof-of-concept readout
- ★ Orphan drug designations in at least one indication
- ● Japan SAKIGAKE and/or China Breakthrough designations in at least one indication
- ✓ Milestone achieved

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

Important Near-Term LCM Expansions Represent Significant Growth Opportunities

1. ENTYVIO SC for UC in the US is a resubmission after receiving FDA CRL in 2019
2. Post-transplant CMV infection/disease
3. TAKHZYRO pediatric HAE approved in the US, filed in the EU

Approved | Target Filing | Milestone achieved

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

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President & CEO

Pipeline Update ..... **Andy Plump**
President, R&D

Financials ..... **Costa Saroukos**
Chief Financial Officer

Q&A Session

Excellent FY22 Results with Record Core OP of 1.19trn; Raising Dividend in FY23

FY2022 (APR-MAR)

TOPLINE

- **Core Revenue JPY 4,027.5B (USD 30.3B)[1,2] grew +3.5% at CER[3]** driven by Growth & Launch Products +19%
- **Reported Revenue grew +12.8%** as FX and business momentum more than offset sale of diabetes portfolio in prior year

MARGINS

- **Core Operating Profit JPY 1,188.4B (USD 9.0B)[1,2] grew +9.1% at CER;** Core Operating Profit margin 29.5%
- **Reported Operating Profit JPY 490.5B;** growth of +6.4%, despite gain on sale of diabetes portfolio in prior year

CASH FLOW

- **Free Cash Flow JPY 446.2B (USD 3.4B)[2,4]**; excluding Nimbus upfront payment it would be JPY 837.3B (USD 6.3B)[2,4]
- **Net Debt/Adjusted EBITDA[5] at 2.6x, or 2.3x excl. Nimbus upfront payment[6]** achieving "low-twos" target; well-balanced debt maturity profile with 100% of debt at fixed interest rates and average interest coupon of ~2%

FY2023 OUTLOOK

- Growth & Launch products momentum expected to largely offset Loss of Exclusivity revenue impact (e.g. VYVANSE in U.S., AZILVA in Japan)
- Year-on-year revenue and profit growth also impacted by lower expectations for coronavirus vaccines (FY2022 revenue JPY 58.9B)
- OPEX discipline to limit margin impact while still investing in R&D and Data & Technology to secure long-term competitiveness
- Updating capital allocation policy; dividend increase reflects deleveraging progress & underscores confidence in future growth profile

1. Please refer to appendix slide A-1 for definition of core financial measures, and slides A-7 and A-9 for reconciliation.
2. Please refer to disclaimer on Exchange Rates on slide 2
3. Constant Exchange Rate. Please refer to appendix slide A-1 for definition.
4. Please refer to appendix slide A-1 for definition and slide A-11 for reconciliation
5. Please refer to appendix slide A-2 for definition and slides A-12 and A-14 for reconciliation
6. Net debt adjusted for the portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 paid in February 2023 (such portion totaling 3.0 billion USD). Remaining 1.0B USD to be paid in FY2023.

FY2022: Delivered or Exceeded Management Guidance for Growth

	FY2022 GUIDANCE GROWTH AT CER	FY2022 RESULTS	
CORE REVENUE	Low-single-digit % growth	**+3.5%** at CER	Strong topline performance driven by Growth & Launch Products, more than offsetting impact of VELCADE generics
CORE OPERATING PROFIT	High-single-digit % growth	**+9.1%** at CER	Growth driven by operating leverage, generated from revenue of high-margin products and OPEX discipline to reduce SG&A at CER
CORE EPS	High-single-digit % growth	**+13.9%** at CER	Exceeded guidance on strong business performance and lower than expected tax rate
FREE CASH FLOW	JPY 650-750B	**446.2B** **837.3B** (Excluding Nimbus upfront payment[1])	Payment of JPY 391.1B[1] for acquisition of TAK-279 from Nimbus in Q4 was not included in the FY2022 Free Cash Flow forecast

Note: Slide includes non-IFRS metrics. Please refer to appendix for definitions and reconciliations.

1. In February 2023, Takeda paid a portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 (such portion totaling 3.0 billion USD, or JPY 391.1B when converted to JPY using the JPY/USD exchange rate of 130.38 applied to this transaction in the consolidated statements of cash flows).

Business Momentum Driving Strong Core Profit Growth and Margin Expansion

FY2022 FINANCIAL RESULTS (SUMMARY)

(BN YEN, except EPS)	REPORTED		CORE		
	FY2022	ACTUAL % CHANGE	FY2022	ACTUAL % CHANGE	CER % CHANGE
REVENUE	4,027.5	+12.8%	4,027.5	+17.7%	**+3.5%**
OPERATING PROFIT	490.5	+6.4%	1,188.4	+24.4%	**+9.1%**
Margin	*12.2%*	*-0.7pp*	*29.5%*	*+1.6pp*	
NET PROFIT	317.0	+37.8%	866.4	+30.5%	**+13.1%**
EPS	204 yen	+38.8%	558 yen	+31.5%	**+13.9%**

OPERATING CASH FLOW	977.2	-13.0%
FREE CASH FLOW	446.2	-52.7%

- Year-on-year cash flow impacted by JPY 131.4B cash from sale of Japan diabetes portfolio received in FY2021 Q1
- Free Cash Flow reflects payment of JPY 391.1B[1] for acquisition of TAK-279 from Nimbus in FY2022 Q4

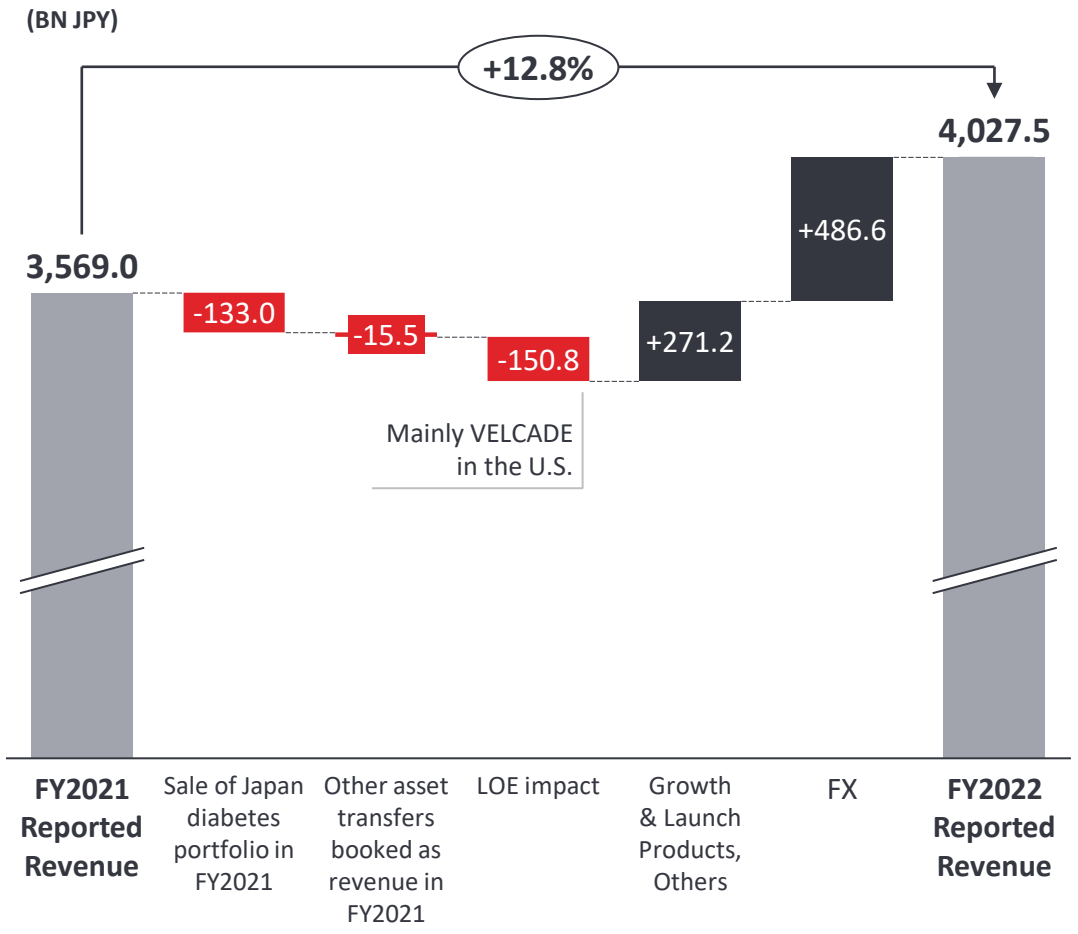
Note: Slide includes non-IFRS metrics. Please refer to appendix for definitions and reconciliations.

1. In February 2023, Takeda paid a portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 (such portion totaling 3.0 billion USD, or JPY 391.1B when converted to JPY using the JPY/USD exchange rate of 130.38 applied to this transaction in the consolidated statements of cash flows).

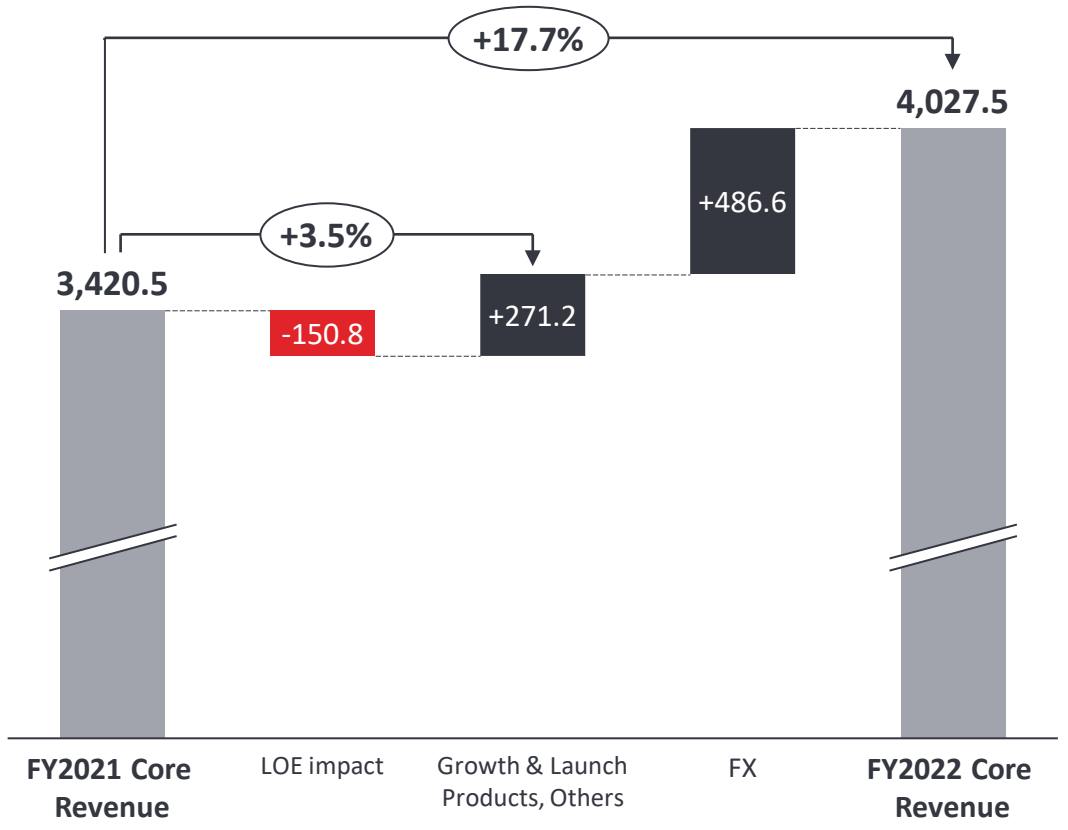
Core Revenue Growth +3.5% at CER Driven by Growth & Launch Products

FY2022 REVENUE VS PRIOR YEAR

REPORTED REVENUE



CORE REVENUE



Graphs are illustrative

Note: Slide includes non-IFRS metrics. Please refer to appendix for definitions and reconciliations.

Growth & Launch Products Grew +19% at CER in FY2022

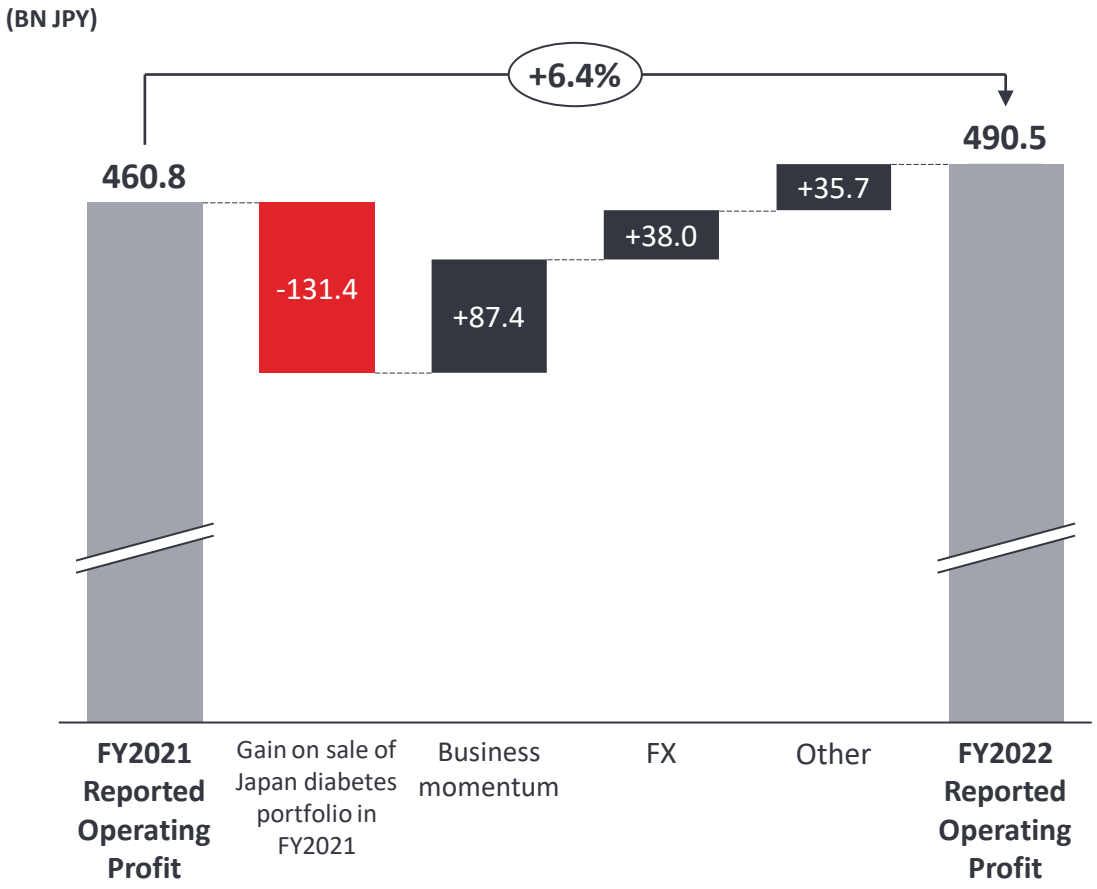
FY2022 REVENUE	GI % of Sales: 27% Growth: +9%	RARE DISEASES % of Sales: 18% Growth: +5%	PLASMA-DERIVED THERAPIES (PDT) IMMUNOLOGY % of Sales: 17% Growth: +15%	ONCOLOGY % of Sales: 11% Growth: -14%	NEUROSCIENCE % of Sales: 16% Growth: +12%	OTHER % of Sales: 11% Growth: -11%
GROWTH & LAUNCH PRODUCTS	Entyvio vedolizumab +15% ALOFISEL +36%	TAKHZYRO (lanadelumab-flyo) injection +25% LIVTENCITY (maribavir) tablets 200mg New Launch	GAMMAGARD LIQUID, HyQvia, Cuvitru IMMUNOGLOBULIN +16% Flexbumin, HUMANALBUMIN ALBUMIN +19%	ALUNBRIG BRIGATINIB +35% EXKIVITY mobocertinib 40 mg capsules New Launch		Qdenga Dengue Tetravalent Vaccine (Live, Attenuated) New Launch COVID-19 Vaccine spikevax Suspension for Intramuscular Injection (JP) ヌバキソビッド筋注 Nuvaxovid® (JP)
	Total JPY 1,594.8B (USD 12.0B[1]); incremental JPY +435.8B (USD 3.3B[1])					
OTHER KEY PRODUCTS	Takecab/Vocinti® Gattex/Revestive®	Advate® Adynovate/Adynovi® Vonvendi® Elaprase® Vpriv® Replagal®(EU,JP)	Glassia® Aralast®	Ninlaro® Iclusig® Adcetris® (ex-N. America) Leuprorelin Zejula®(JP) Cabometyx®(JP) Vectibix®(JP)	Vyvanse® Trintellix®(US,JP)	Azilva® (JP)

Note: Due to a change in assumptions for coronavirus vaccine revenue, from FY2023, SPIKEVAX and NUVAXOVID will no longer be classified as Growth & Launch Products.
Excluding SPIKEVAX and NUVAXOVID, FY2022 Growth & Launch product total revenue was JPY 1,535.9B (USD 11.6B), with growth of +18% at CER.
All growth rates indicate FY2022 revenue growth at Constant Exchange Rate. Please refer to appendix slide A-1 for definition.
1. Please refer to disclaimer on Exchange Rates on slide 2

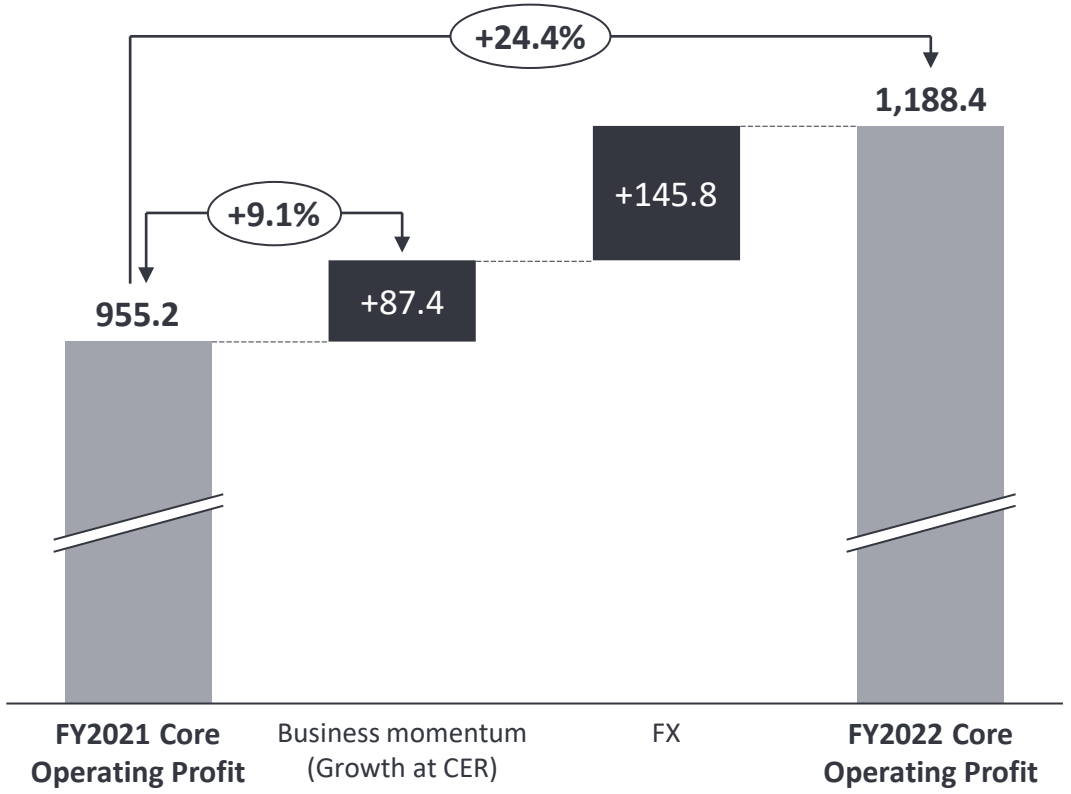
Core Operating Profit Growth +9.1% at CER, Reflecting OPEX Discipline

FY2022 OPERATING PROFIT VS PRIOR YEAR

REPORTED OPERATING PROFIT



CORE OPERATING PROFIT



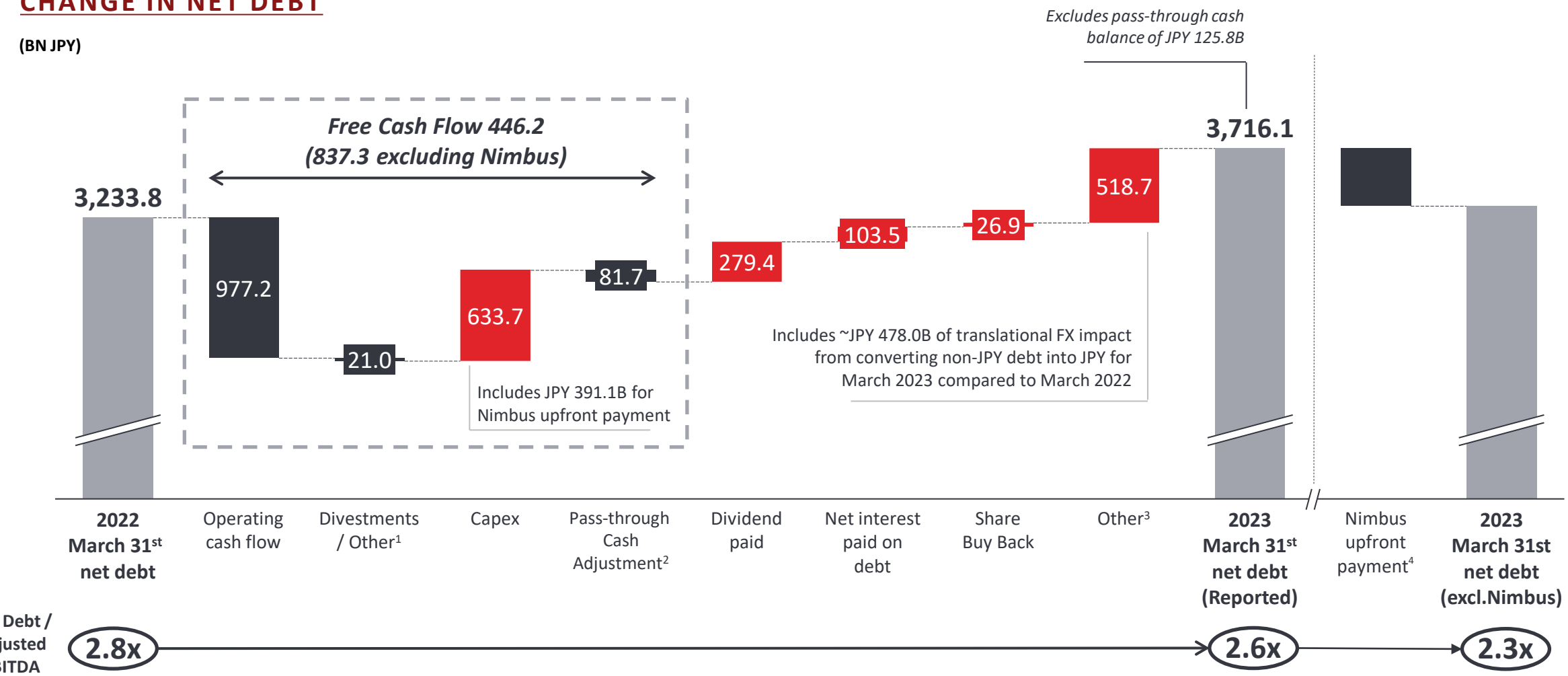
Graphs are illustrative

Note: Slide includes non-IFRS metrics. Please refer to appendix for definitions and reconciliations.

Net Debt/Adjusted EBITDA at Low 2x Excluding Nimbus Impact

CHANGE IN NET DEBT

(BN JPY)

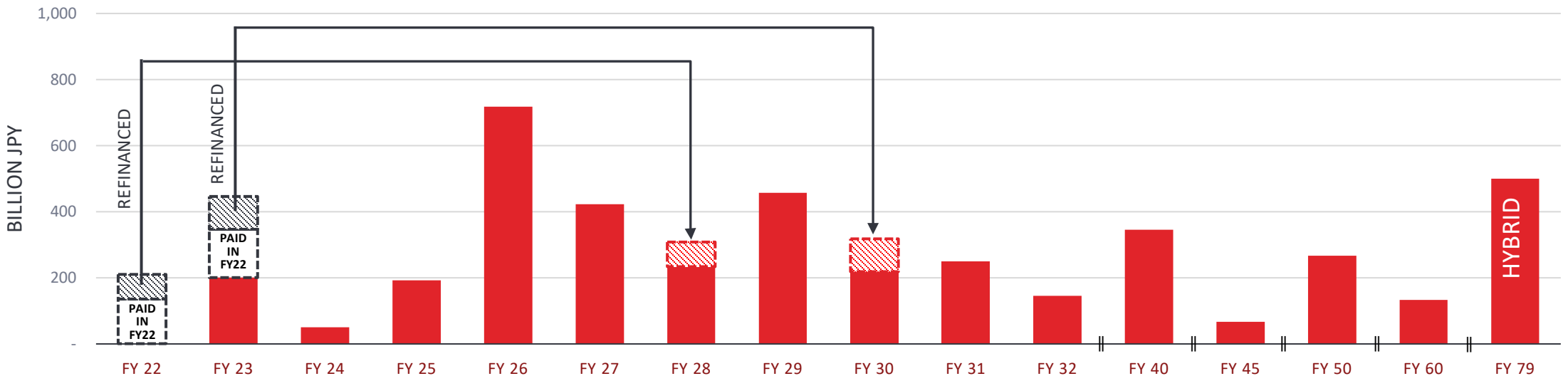


Note: Slide includes non-IFRS metrics. Please refer to appendix for definitions and reconciliations.

1. "Divestments / Other" includes proceeds from sale of securities net of certain investments.
2. "Pass-through cash adjustment" refers to changes in cash balance that is temporarily held by Takeda on behalf of third parties related to vaccine operations and the trade receivables sales program. This Adjustment ensures that Free Cash Flow is not impacted by any change in Pass-through cash during the current reporting period.
3. Includes cash and non-cash adjustments to debt book-value, lease obligations and certain investments. Non-cash adjustments include changes due to debt amortization and FX impact from converting non-JPY debt into JPY.
4. This represents the portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 paid in February 2023 (such portion totaling 3.0 billion USD). Please refer to slide A-12 for reconciliation.

100% of Debt at Fixed-Rate with ~2% Weighted Average Interest

MATURITY LADDER AS OF 31 MARCH 2023 (AS ADJUSTED)[1]



Weighted Average Interest Coupon: ~2% (100% fixed rate debt)

In FY2022 Paid JPY 281.7B of cash to repay the following long-term debt :

- $219M of 3.6% June 2022 USD Bonds
- €750M of Floating Rate (3M EURIBOR+110bps) November 2022 EUR Bonds
- $1.0B of 4.4% November 2023 USD Bonds (Pre-paid)

March 2023: Refinanced JPY 75B of Bank Loans Due FY2022 to FY2028
April 2023: Refinanced JPY 100B of Bank Loans Due FY2023 to FY2030

1. Debt Maturity Profile of outstanding principal values as of March 31, 2023, as adjusted for debt paid/refinanced.
Non-JPY debt principal calculated as at end of March 2023 FX Rates (133.5 JPY/USD and 145.3 JPY/EUR). This reflects the actual conversion rate used for reporting purposes.

FY2023 Outlook: Core Operating Profit >JPY 1trn Despite LOE and Coronavirus Vaccines Impact; Dividend Increase to Underscore Confidence in Future Growth Profile

- Growth & Launch products momentum expected to largely offset Loss of Exclusivity revenue impact
- Year-on-year revenue and profit growth also impacted by lower expectations for coronavirus vaccines
- OPEX discipline to limit margin impact while still investing in R&D and Data & Technology to secure long-term competitiveness
- Reported EPS growth impacted by higher restructuring costs & pre-launch inventory, lower financial income, and normalization of tax rate
- Dividend increase reflects deleveraging progress & underscores confidence in future growth profile

(BN YEN)	REPORTED		CORE		CORE CHANGE AT CER
	FY2023 FORECAST	VS. PRIOR YEAR	FY2023 FORECAST	VS. PRIOR YEAR	FY2023 MANAGEMENT GUIDANCE
REVENUE	3,840.0	-4.7%	3,840.0	-4.7%	Low-single-digit % decline
OPERATING PROFIT	349.0	-28.8%	1,015.0	-14.6%	Low-10s % decline
EPS (JPY)	91 yen	-55.6%	434 yen	-22.2%	Low-20s % decline

FREE CASH FLOW	400.0 – 500.0
ANNUAL DIVIDEND PER SHARE	188 yen

- FCF guidance reflects ~JPY 180B of CAPEX related to acquisition of TAK-279 from Nimbus (USD $1B)[1] and in-licensing of fruquintinib from Hutchmed (USD $400M)

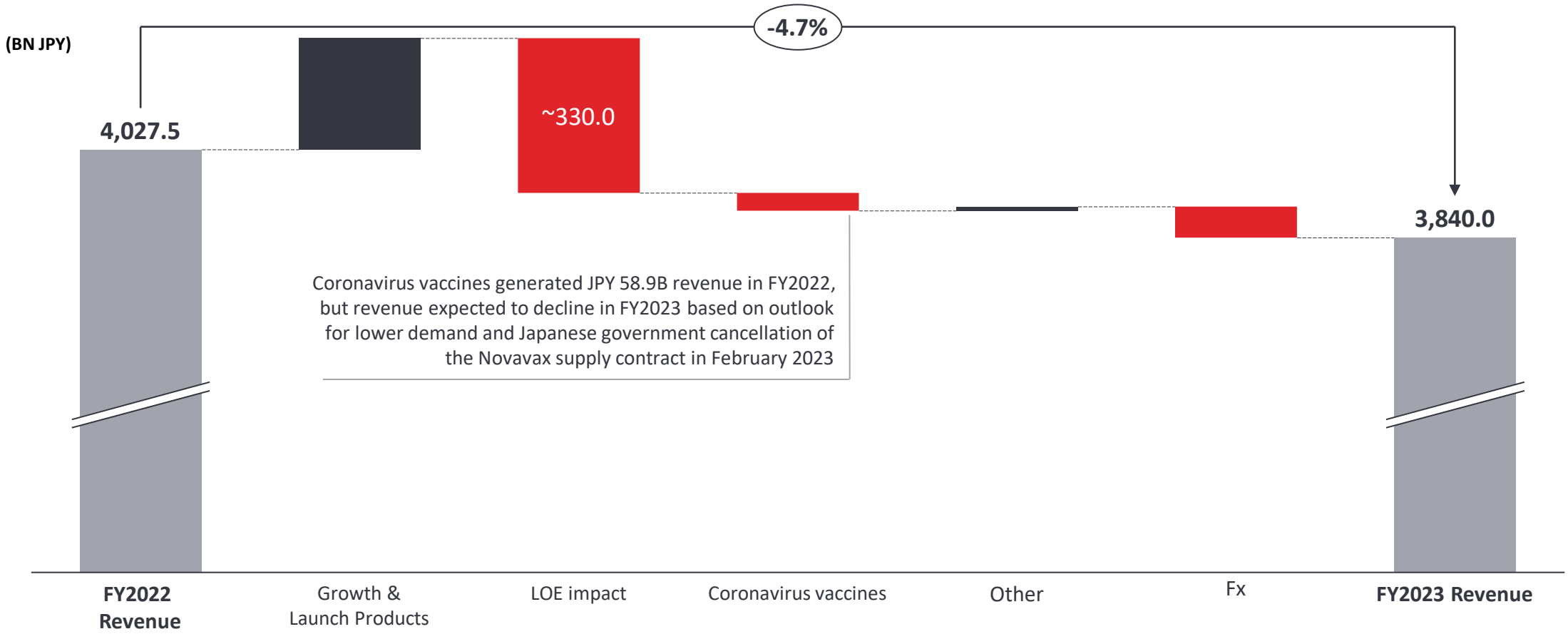
Key assumptions in FY2023 forecast:

- Forecast assumes ~JPY 330B revenue loss from Loss of Exclusivities (on a CER basis), including AZILVA in Japan in June 2023, and VYVANSE in the U.S. in August 2023
- Forecast assumes 131 JPY/USD and 141 JPY/EUR. Please refer to appendix slide A-19 for more details on FX assumptions and sensitivity.

Note: Slide includes non-IFRS metrics. Please refer to appendix for definitions and reconciliations.
Please refer to appendix slide A-17 for more details of the FY2023 forecast
1. This represents the portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 paid in April 2023 (0.9 billion USD), and scheduled to be paid in August 2023 (0.1 billion USD).

Expansion of Growth & Launch Products Expected to Largely Offset LOE Impact; Additional Headwinds from Lower Coronavirus Vaccines Expectations & FX

FY2023 REVENUE FORECAST

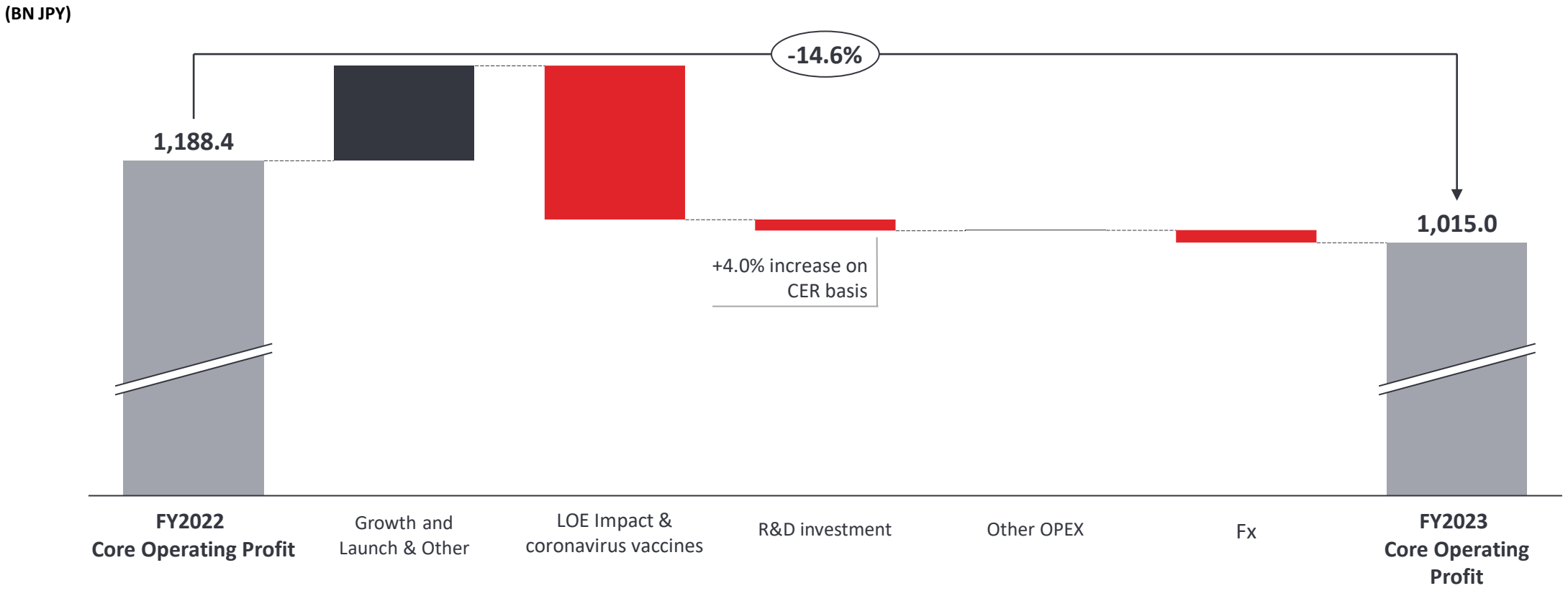


Graphs are illustrative

Note: Due to a change in assumptions for coronavirus vaccine revenue, in FY2023, SPIKEVAX and NUVAXOVID will no longer be classified as Growth & Launch Products.

Revenue Headwinds Also Impacting Core Operating Profit Outlook; OPEX Discipline to Limit Margin Impact While Still Investing for Growth

FY2023 CORE OPERATING PROFIT FORECAST



Graphs are illustrative

Note: Due to a change in assumptions for coronavirus vaccine revenue, in FY2023, SPIKEVAX and NUVAXOVID will no longer be classified as Growth & Launch Products.

Updating Capital Allocation Policy to Reflect Deleveraging Achievement

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

INVEST IN GROWTH DRIVERS

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

SHAREHOLDER RETURNS

- Progressive dividend policy of increasing or maintaining the dividend each year
- Share buybacks when appropriate

Committed to Growth & Shareholder Returns

Near-term *(FY2024-2025)*

Medium-term *(FY2026 - early 2030s)*

Long-term *(FY2030s and beyond)*

Return to sales, profit & margin growth

Continued expansion of Growth & Launch Products

Further launches from innovative late-stage pipeline

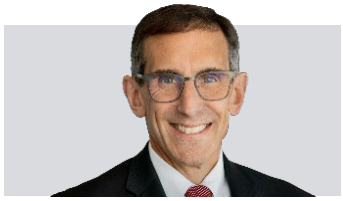
Limited Loss of Exclusivity exposure until Entyvio biosimilars launch

Additional contribution from robust R&D strategy, including clinical pipeline of ~40 NMEs

- **Returning to low-to-mid 30% Core Operating Profit margins**
- **Increasing productivity enabled by Data, Digital & Technology**
- **Continuing to pursue asset-specific business development to enhance pipeline**
- **Progressive dividend policy of increasing or maintaining dividend each year**

Q&A SESSION

CHRISTOPHE WEBER
Representative Director;
President & CEO



ANDY PLUMP
Director; President,
Research & Development

COSTA SAROUKOS
Director;
Chief Financial Officer

RAMONA SEQUEIRA
President,
Global Portfolio Division

JULIE KIM
President,
US Business Unit

MILANO FURUTA
President, Japan
Pharma Business Unit

GILES PLATFORD
President, Plasma-Derived
Therapies Business Unit

TERESA BITETTI
President, Global Oncology
Business Unit

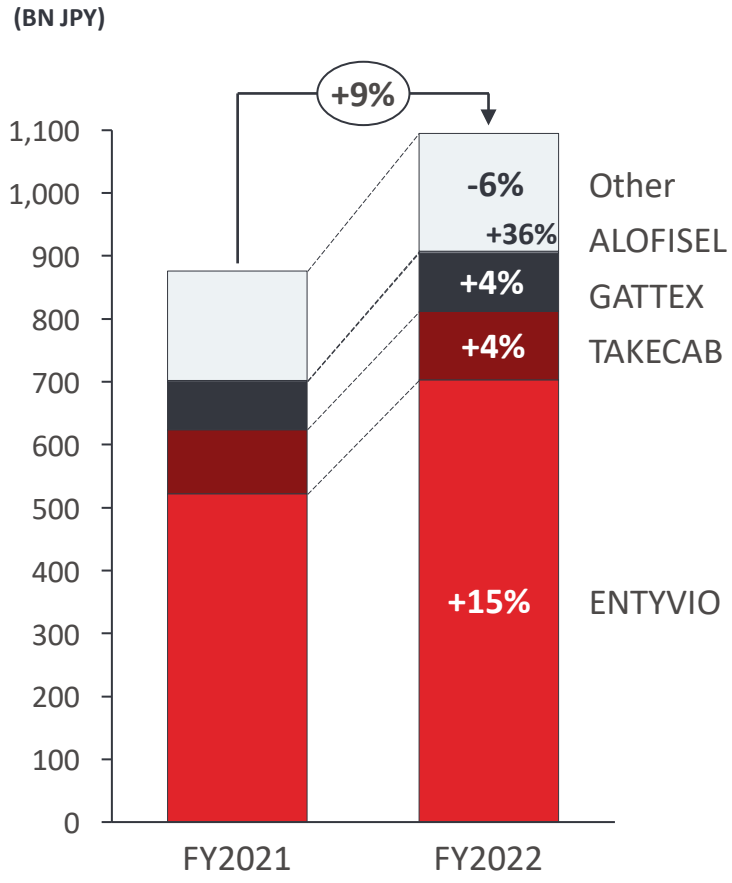
APPENDIX

GASTROENTEROLOGY (GI)

ENTYVIO Growth Continues to Drive Expansion of GI Franchise

GI PORTFOLIO

FY2022 REVENUE

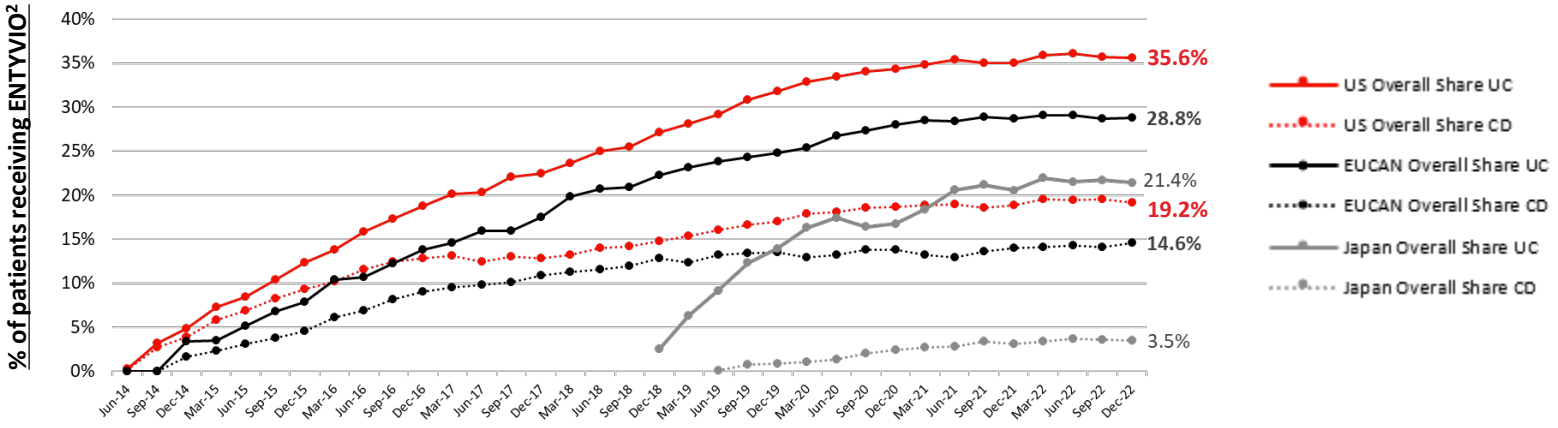


Entyvio vedolizumab

FY2022 Revenue JPY 702.7B (+15% growth)

FY2023 Forecast JPY 788.0B (+15% growth)

- Growth across all markets driven by continued patient growth in bio-naïve, amid softness of overall biologic market growth due to COVID-19 pandemic
- In the U.S., ENTYVIO became the #1 prescribed biologic in IBD[1]
- Subcutaneous formulation presents further growth opportunity – launched in Europe; approved in Japan in March 2023; regulatory filing accepted in U.S. in April 2023
- Lifecycle Management strategy building on robust evidence generation plan, including recent publication demonstrating efficacy in chronic pouchitis



EUCAN: Europe & Canada

1. UC and CD combined; supported by quarterly share data that better accounts for differences in dosing schedules
2. Source: US: SHA Medical and Pharmacy Claims data, January 2023; EUCAN: Internal estimate; Japan: Japan Medical Data Center, December 2022

Note: Methodology for calculating EUCAN market share has been updated since prior quarters to more accurately reflect patient split across UC/ CD indications

Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

ENTYVIO: Continuing Evidence Generation And Indication Expansion

	PHASE 3	PUBLISHED/PRESENTED	FILED	APPROVED
Ulcerative colitis	ENTYVIO® IV, Pediatric (Global)	ENTYVIO® IV, H2H vs. adalimumab (VARSITY)[1]	ENTYVIO® SC (US)	ENTYVIO® IV (Global) ENTYVIO® SC (EU, JP)
Crohn's disease	ENTYVIO® SC (US) ENTYVIO® IV, Pediatric (Global)		ENTYVIO® SC (JP)	ENTYVIO® IV (Global) ENTYVIO® SC (EU)
Pouchitis			ENTYVIO® IV (AU, KR, CA, CH)[2]	ENTYVIO® IV (EU)
Graft-versus-host disease		ENTYVIO® IV (Global)[3] ★		

Additional Ph2/Ph3 evidence generation planned

Approved | Published/presented | Ongoing study or filing

★ Orphan Drug Designation potential

1. Sands BE et al. N Engl J Med 2019;381:1215-26.
2. Travis S et al. N Engl J Med 2023; 388:1191-1200
3. Chen YB et al., presented at the Transplantation & Cellular Therapy Meetings of ASTCT and CIBMTR, February 18th, 2023

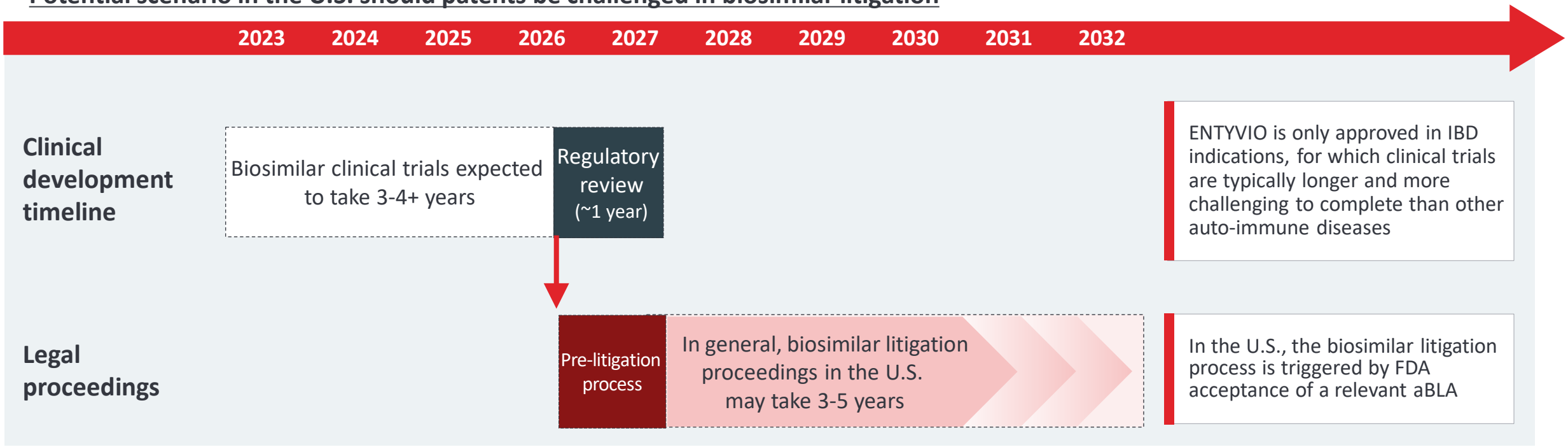
AU – Australia; KR - South Korea; EU – Europe; CA – Canada; CH – Switzerland; JP – Japan; US - United States

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. For full glossary of abbreviations please refer to appendix.

Any Biosimilar That Seeks to Launch Prior to 2032 Would Need to Address Potential Infringement and/or the Validity of All Relevant Patents

- Takeda has granted patents that cover various aspects of ENTYVIO, including formulation, dosing regimens and process for manufacturing. These patents are expected to expire in 2032 in the U.S.

Potential scenario in the U.S. should patents be challenged in biosimilar litigation



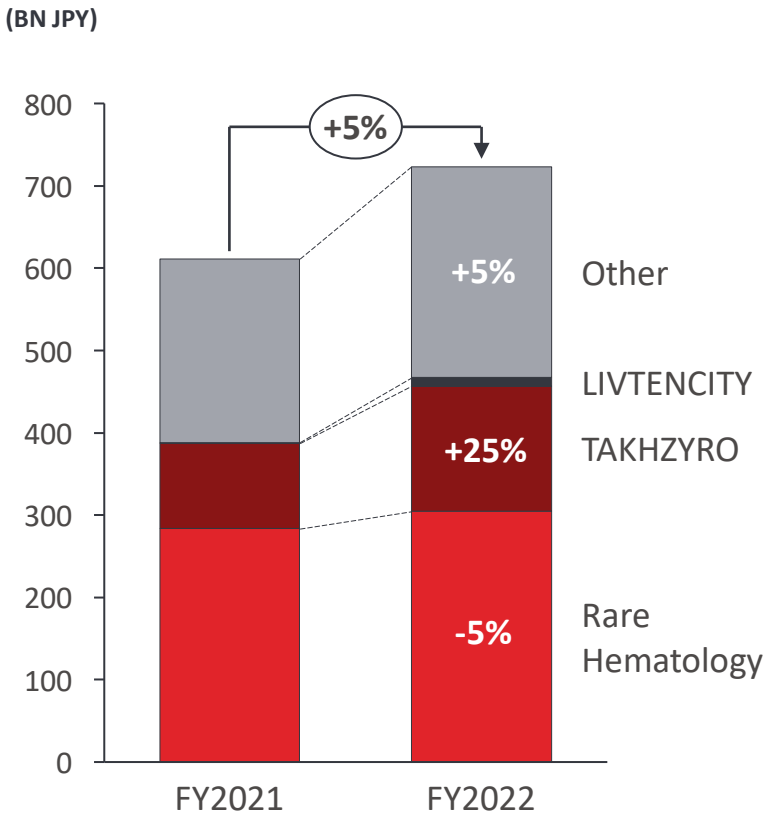
- According to publicly disclosed information, the first vedolizumab biosimilar Phase 3 study is expected to begin in May 2023. This development is consistent with our timeline assumptions as previously discussed and illustrated above.

RARE DISEASES

Now Treating Over 4,000 Patients Globally with TAKHZYRO; LIVTENCITY Strong Launch Performance in U.S. & Rapid Geographical Expansion

RARE DISEASES PORTFOLIO

FY2022 REVENUE



TAKHZYRO (lanadelumab-flyo) injection

FY2022 Revenue JPY 151.8B (+25% growth)
FY2023 Forecast JPY 158.0B (+7% growth)

- TAKHZYRO growth fueled by successful launches in 49 countries and U.S. demand even in the 5th year of launch
- Approved in children >2 years old in U.S. in February 2023
- Inclusion in National Reimbursement Drug List (NRDL) in China from March 2023; positive commercial momentum building
- Ph3 study in angioedema patients with normal C1 inhibitor did not meet its primary endpoint. There were no new safety signals and the safety profile of TAKHZYRO remains unchanged. We do not expect the results to impact current TAKHZYRO label, business, or future growth.

LIVTENCITY™ (maribavir) tablets 200mg

FY2022 Revenue JPY 10.5B
FY2023 Forecast +120-150% growth

- LIVTENCITY continuously shows strong launch performance in U.S. driven by fast uptake, breadth of activated centers (98% of U.S. transplant centers have initiated therapy for at least one patient) and positive market access trends indicating high unmet needs
- Real world physician utilization at physicians' discretion in the U.S. has demonstrated substantially longer duration of treatment than initially anticipated*, and a potential broader patient base due to heterogeneity in utilization patterns in post-transplant CMV. *(*Takeda internal data – Outpatient setting through specialty pharmacy)*
- Rapid geographic expansion ongoing with the European Commission granting approval in November 2022 and >10 countries anticipated to launch in FY23. Early performance indicators in Germany show strong initial momentum.
- Despite acknowledging the clinical meaningfulness of the data of the Ph3 1L AURORA (TAK-620-302) study, the U.S. FDA confirms that the data did not meet the regulatory standard for approval due to missed Primary Endpoint. Takeda has decided not to pursue filing for a 1L indication.

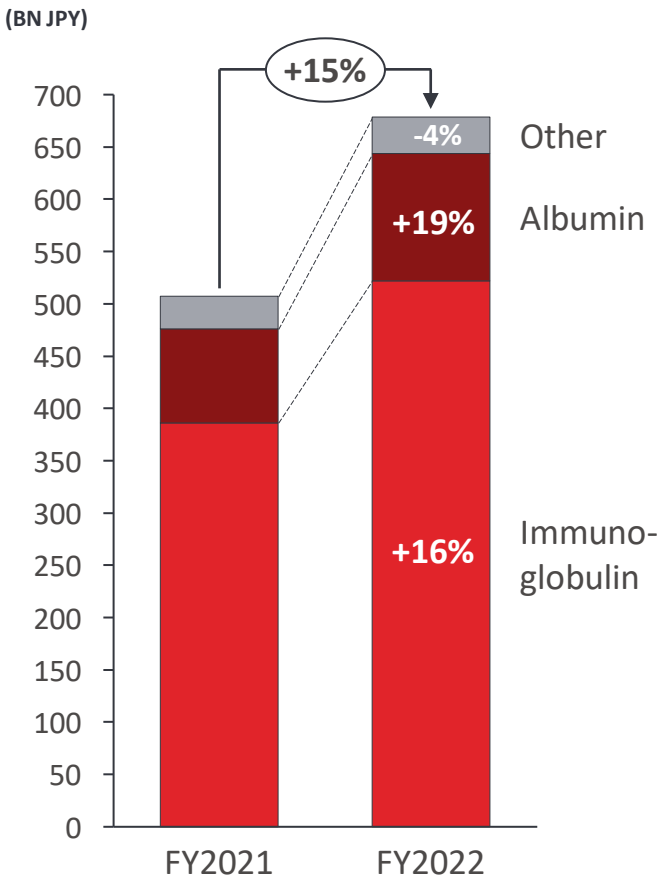
Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

PLASMA-DERIVED THERAPIES

PDT Portfolio Continues to Deliver Outstanding Growth

PDT IMMUNOLOGY PORTFOLIO

FY2022 REVENUE



Immunoglobulin

FY2022 Revenue JPY 522.2B (+16% growth)

FY2023 Forecast +10-20% growth

- Strong demand globally, especially in the U.S., coupled with steady and growing supply
- Continued expansion of SCIG portfolio; double-digit percentage revenue growth
- HYQVIA now approved in the U.S. to treat PID in children >2 yrs

GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10% · Kiovig Human Normal Immunoglobulin (IVIg) · HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase · Cuvitru [Immune Globulin Subcutaneous (Human)] 20%

Albumin

FY2022 Revenue JPY 121.4B (+19% growth)

FY2023 Forecast +5-15% growth

- Solid growth building on last year's momentum, with particularly strong demand for our differentiated product, Flexbumin, in both China and the U.S.

Flexbumin (Human Albumin) · HUMANALBUMIN SOLUTION FOR INFUSION

ACHIEVED FIVE YEAR >65% CAPACITY INCREASE TARGET ONE YEAR AHEAD OF PLAN
FY2023 EXPECTED TO DELIVER SUSTAINABLE GROWTH

- Delivered >65% increase in supply and manufacturing capacity vs 2018 baseline, one year ahead of plan
- Continuing to make investments in capacity expansion across the value chain:
  - Global plasma donation center footprint now 233 centers, an increase of 29 in FY2022, as planned, with intent to increase by >20 new centers by end of FY2023
  - FY2022 plasma donations growth of +9%, coupled with data & technology driven improvements in yield and efficiency, enables projection for strong revenue growth in FY2023
  - Plasma volumes expected to grow 10-20% in FY2023, meeting patient supply needs while further calibrating donor compensation
  - Targeted investments across the manufacturing network to expand capacity, including a new end-to-end facility in Japan

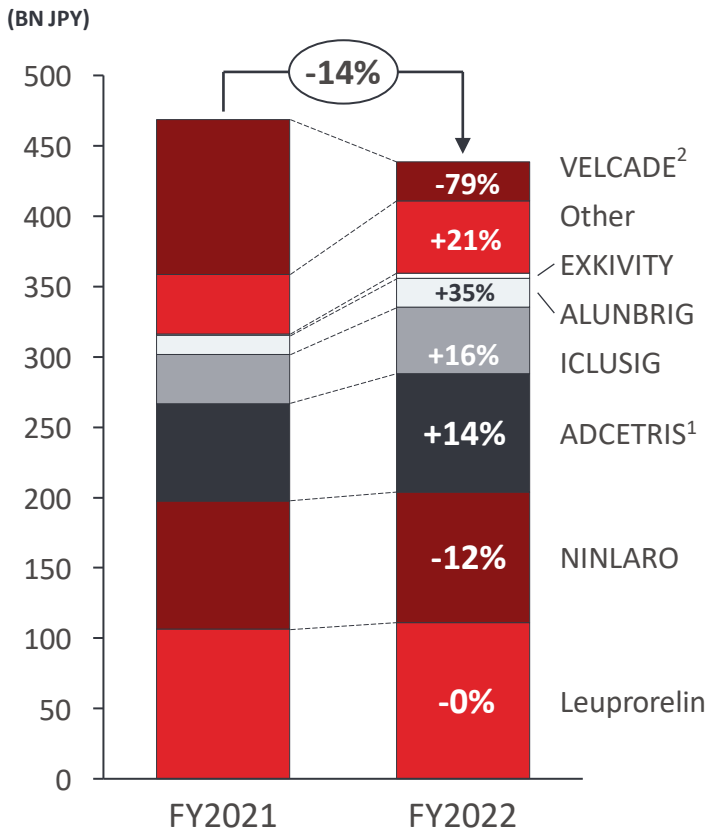
Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

ONCOLOGY

Oncology Growth Impacted by VELCADE Generics; Portfolio Excluding VELCADE Grew +5% at CER

ONCOLOGY PORTFOLIO

FY2022 REVENUE



EXKIVITY® mobocertinib 40 mg capsules

- U.S. continues to have approximately 50% class share in 2L+ NSCLC with Exon20 insertion mutations; 1L study on track for FY2024 readout
- China launch in March 2023 with strong new patient starts in first 4 weeks

ALUNBRIG® BRIGATINIB 30 mg TABLETS

- Inclusion in National Reimbursement Drug List (NRDL) in China from March 2023
- Europe & Canada had a 40% increase in new patient starts in FY22 vs FY21

ICLUSIG® (ponatinib) tablets 45mg / 30mg / 15mg / 10mg

- Delivering +16% year-on-year growth at CER
- Phase 3 PhALLCON trial met primary endpoint in Ph+ALL, data presented in oral session at ASCO Plenary

ADCETRIS® brentuximab vedotin

- Increased use in 1L HL driven by ECHELON-1 Overall Survival data
- Inclusion in NRDL in China from March 2023

1. ADCETRIS is in-licensed from Seagen Inc.; Takeda has global co-development and marketing rights outside of the U.S. and Canada.
2. Generic entrants into U.S. market began May 2022.

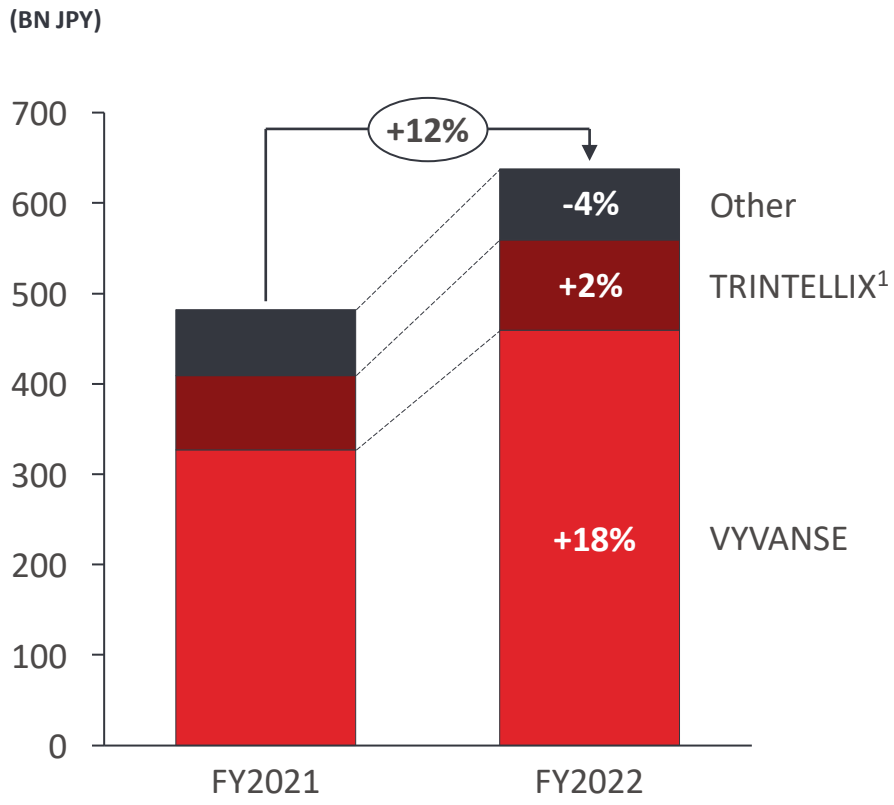
Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

For full glossary of abbreviations please refer to appendix.

Neuroscience Franchise Showing Strong Growth

NEUROSCIENCE PORTFOLIO

FY2022 REVENUE



Vyvanse® (lisdexamfetamine dimesylate) ONCE-DAILY 10 • 20 • 30 • 40 • 50 • 60 • 70 mg capsules 10 • 20 • 30 • 40 • 50 • 60 mg chewable tablets

FY2022 Revenue JPY 459.3B (+18% growth)
FY2023 Forecast JPY 283.0B (-38% decline)

- U.S. growth in FY2022 driven by the expanding ADHD adult population and by lower U.S. supply of other ADHD medications.
- U.S. loss of exclusivity impact anticipated in August 2023

Trintellix vortioxetine

FY2022 Revenue JPY 100.1B (+2% growth)
FY2023 Forecast JPY 108.0B (+11% growth)

- Growth in the U.S. Anti-Depressant market has returned to traditional levels (~1-2%) with affordable generic options driving market trajectory (owning ~99% share).
- Strategic repositioning focused on TRINTELLIX efficacy story, inclusive of Speed of Processing (an aspect of cognition that may be impaired in MDD), along with field force and omnichannel execution, is expected to drive new patient starts and overall demand growth over the near-to-medium term.
- In Japan, the market share of TRINTELLIX continues to grow with stronger positioning as a first-line treatment being established among psychiatrists.

1. TRINTELLIX is in-licensed from Lundbeck; Takeda has co-marketing rights in the U.S. and Japan.

Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

FY2023: Multiple Potential Approvals For NMEs And Indication Expansions

KEY POTENTIAL REGULATORY APPROVALS	ENTYVIO SC	UC CD	U.S. approval Japan approval	
	QDENGA	Dengue vaccine	U.S. approval Endemic countries	
	TAK-755	cTTP	U.S. approval	
	fruquintinib	mCRC	U.S. approval	
	TAKHZYRO	Pediatric HAE	EU approval	
	HYQVIA	CIDP	U.S. approval EU approval	
	HYQVIA	HyHub AVA[1] device	U.S. clearance	
	HYQVIA	Pediatric PID	U.S. approved	✓
	Gammagard Liquid	CIDP	U.S. approval	
KEY PHASE 3 / PIVOTAL READOUTS	ALOFISEL	Complex Perianal Fistulas	Phase 3 (U.S.)	
	maralixibat	Alagille syndrome (ALGS) Progressive familial intrahepatic cholestasis (PFIC)	Phase 3 (Japan) Phase 3 (Japan)	

1. HyHub: Advanced vial access or sterile, single-use, medical device that simplifies preparation & delivery of HYQVIA from vials to subcutaneous tissue.

✓ Milestone achieved

A "readout(s)" for a clinical trial occurs when Takeda has (1) received the relevant clinical data, (2) completed any necessary analysis and review of such clinical data, and (3) in instances where it is required or otherwise common convention or practice, consulted with applicable regulatory authorities regarding such clinical data.

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

Consolidated Development Pipeline by Phase

	PHASE 1 (15 NMEs + 1 LCM)	PHASE 2 (17 NMEs + 1 LCM)
GASTROINTESTINAL AND INFLAMMATION	**TAK-105** Nausea & vomiting **TAK-647** NASH[1]	**TAK-279** Psoriasis **TAK-101** Celiac Disease **TAK-951** Nausea & vomiting **TAK-279** Psoriatic Arthritis **TAK-227** Celiac Disease **zamaglutenase TAK-062** Celiac Disease
NEUROSCIENCE	**danavorexton TAK-925** ★ Postanesthesia recovery **TAK-920** Alzheimer's Disease	**TAK-861** ★ NT1 **TAK-071** Parkinson's Disease **TAK-041** Anhedonia in MDD **TAK-653** Inadequate resp. in MDD **TAK-861** ★ NT2 **TAK-341** ★ MSA **TAK-594** ★ Frontotemporal dementia **TAK-611** ★ MLD (intrathecal)
ONCOLOGY + Cell Therapy	**TAK-102** Solid tumors **TAK-103** Solid tumors **TAK-186** EGFR Solid Tumor[2] **TAK-940** CD19+ hematologic malignancies **modakafusp alfa** ★ Solid tumors **TAK-500** Solid tumors **TAK-676** Solid tumors **TAK-280** B7-H3 Solid Tumor[2] **ICLUSIG®** Pediatric Ph+ ALL	**modakafusp alfa** ★ R/R MM **subasumstat** ★ Multiple cancers **TAK-007** ★ CD19+ hematologic malignancies
RARE GENETICS AND HEMATOLOGY	**TAK-755** ★ SCD **mezagitamab** ★ IgAN	**mezagitamab** ★ MG **mezagitamab** ★ ITP **TAK-755** ★ iTTP
PLASMA-DERIVED THERAPIES		**TAK-881** Immunodeficiencies
VACCINES	**TAK-426** Zika Vaccine	

1. Study actively recruiting
2. Currently in phase 1 of a phase 1/2 trial

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

NME | LCM

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. For full glossary of abbreviations please refer to appendix.

Consolidated Development Pipeline by Phase

	PHASE 3 (7 NMEs + 23 LCMs)	FILED (3 NME + 17 LCMs)
GASTROINTESTINAL AND INFLAMMATION	fazirsiran AATD Liver Disease ★ ENTYVIO® SC CD (US) ENTYVIO® Pediatric UC ENTYVIO® Pediatric CD ENTYVIO® GvHD Prophylaxis ★ ALOFISEL® Pediatric perianal Fistulas in CD ★ ALOFISEL® Perianal Fistulas in CD (US) ★ maralixibat PFIC (JP) ★ maralixibat ALGS (JP) ★	ENTYVIO® SC UC (US) VOCINTI® *H. Pylori* (CN) ENTYVIO® SC UC (JP) ★ ENTYVIO® SC CD (JP)
NEUROSCIENCE	soticlestat DS ★ soticlestat LGS ★ pabinafusp alfa Hunter Syndrome ★	
ONCOLOGY + Cell Therapy	EXKIVITY® 1L NSCLC EGFR exon 20 ★ NINLARO® Maint. ND MM post-SCT (US, EU) ★ fruquintinib mCRC (EU, JP) relugolix Prostate cancer (JP, CN) ICLUSIG® 1L Ph+ ALL (US) CABOMETYX® mCRPC combo w/atezolizumab (JP)	fruquintinib mCRC (US) ADCETRIS® FL HL Stage III (EU) ADCETRIS® R/R CTCL (JP) ★
RARE GENETICS AND HEMATOLOGY	TAK-755 cTTP (EU, JP, CN) ★ VONVENDI® vWD Adult Prophylaxis (CN) ★ LIVTENCITY® Post-transplant CMV infection (JP) ★ VONVENDI® vWD Pediatric On-demand & Surgery ★ OBIZUR® Recomb antihemophilic factor porcine (JP) ★ ADYNOVATE® recombinant Factor VIII Pediatric HemA (EU) ★	TAK-755 cTTP (US)[1] ★ TAKHZYRO® Pediatric HAE (US, EU)[2] ★ VONVENDI® vWD On-demand & Surgery (CN) ★ OBIZUR® Recomb antihemophilic factor porcine (CN) ★ VONVENDI® vWD Adult Prophylaxis (EU) ★
PLASMA-DERIVED THERAPIES	HYQVIA® CIDP, MMN (JP) ★ TAK-880 IgG – Low IgA (EU) HYQVIA® PID (JP) Glovenin-I Autoimmune Encephalitis (JP) ★ Prothrombplex DOAC Reversal (US)	HYQVIA® HyHub AVA Device (US) HYQVIA® Pediatric PID (US) ★ HYQVIA® CIDP (US, EU) ★ CEPROTIN® Long-term prophy SCPCD (EU) CUVITRU® PID, SID (JP) CEPROTIN® SCPCD (JP) TAK-880 IgG – Low IgA (US)
VACCINES	Nuvaxovid® COVID-19 Vaccine Booster (JP) QDENGA® Dengue Vaccine Booster	QDENGA® Dengue Vaccine (EU + endemic countries) QDENGA® Dengue Vaccine (US)

1. Filing on-track
2. TAKHZYRO pediatric HAE approved in the US, filed in the EU

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

APPROVED | NME | LCM

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. For full glossary of abbreviations please refer to appendix.

Clinical Development Pipeline Changes Since Q3

New To Phase 1

- **TAK-647** NASH[1]

New To Phase 2

- **TAK-279** Psoriasis
- **TAK-279** Psoriatic Arthritis
- **TAK-594** Frontotemporal dementia ★

New To Phase 3

- **fazirsiran** AATD Liver Disease ★
- **maralixibat** ALGS (JP) ★
- **maralixibat** PFIC (JP) ★
- **fruquintinib** mCRC (EU, JP)

New Regulatory Filings

- **ENTYVIO®** SC UC (US)
- **ADCETRIS®** FL HL Stage III (EU)
- **ADCETRIS®** CTCL (JP) ★
- **fruquintinib** mCRC (US)
- **VONVENDI®** vWD Adult Prophylaxis (EU) ★
- **TAK-755** cTTP (US)[2] ★
- **CEPROTIN®** SCPCD (JP)
- **HYQVIA®** CIDP (US, EU) ★

Removed From Phase 1

- **sibofimloc** Luminal Crohn's Disease

Removed From Phase 2

- **sibofimloc** Crohn's Disease (Post-op Ileitis)
- **TAK-954** POGD

Removed From Phase 3

- **NINLARO®** Maint. ND MM no SCT[3]
- **ZEJULA®** Breast cancer (JP)
- **LIVTENCITY®** 1L CMV infect. in HSCT
- **TAKHZYRO®** BMA

New Regulatory Approvals

- **ENTYVIO®** SC UC (JP)
- **TAKHZYRO®** Pediatric HAE (US) ★
- **HYQVIA®** Pediatric PID (US) ★

Discontinuation of Discovery and Pre-Clinical Efforts in AAV Gene Therapy

1. Study actively recruiting
2. Filing on-track
3. Ongoing discussions with regulatory bodies WW; Takeda will not pursue indication in US and EU; maintenance indication approved in Japan, South Korea, Thailand, Taiwan, Brazil.

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

APPROVED | NME | LCM

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. Only major regions (U.S., EU, Japan, China). For full glossary of abbreviations please refer to appendix.

Key Regulatory Decisions And Phase 3 Readouts In FY22

KEY POTENTIAL REGULATORY APPROVALS	QDENGA	Dengue vaccine	EU approval[1] ✓ Endemic country approval[1] ✓
	LIVTENCITY	Post-transplant R/R CMV	EU approval ✓
	EXKIVITY	2L EGFR exon20 insertion+ mNSCLC (post-platinum chemo)	Regional approvals[2] ✓ EU filing withdrawn ✗
	HYQVIA	HyHub AVA[3] device	US clearance[4] →
KEY PHASE 3 / PIVOTAL READOUTS	LIVTENCITY	1L CMV infection in HSCT	Phase 3 ✓
	TAK-755	cTTP	Phase 3 ✓
	ICLUSIG	1L Ph+ ALL	Phase 3 ✓
	HYQVIA	CIDP	Phase 3 ✓

1. QDENGA has been approved in Indonesia, the EU, Iceland, Norway, the UK, Brazil, Argentina, and Thailand
2. Switzerland, Australia, South Korea, China, Argentina, Brazil
3. HyHub: Advanced vial access or sterile, single-use, medical device that simplifies preparation & delivery of HYQVIA from vials to subcutaneous tissue.
4. Regulatory discussions are on-going and anticipate a decision by the FDA in the first half FY2023.

✓ Milestone achieved in FY22

A "readout(s)" for a clinical trial occurs when Takeda has (1) received the relevant clinical data, (2) completed any necessary analysis and review of such clinical data, and (3) in instances where it is required or otherwise common convention or practice, consulted with applicable regulatory authorities regarding such clinical data.

All timelines are approximate estimates as of May 11, 2023, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

Glossary of Abbreviations

Regional Abbreviations:
CN: China; EU: Europe; JP: Japan; US: United States of America

AAD	American Academy of Dermatology
AATD	α1-antitrypsin deficiency
AATD LD	α1-antitrypsin deficiency associated liver disease
ADAMTS13	a disintegrin-like and metalloproteinase with a thrombospondin type 1 motifs 13
ADHD	attention deficit hyperactivity disorder
ALGS	Alagille syndrome
ALK	anaplastic lymphoma kinase
ALL	acute lymphocytic leukemia
AVA	Advanced Vial Access
BLA	biologics license application
BMA	bradykinin mediated angioedema
BTD	breakthrough therapy designation
CAR NK	chimeric antigen receptor natural killer cell
CD	Crohn's disease
CHMP	Committee for Medicinal Products for Human Use
CIDP	chronic inflammatory demyelinating polyradiculoneuropathy
CML	chronic myeloid leukemia
CMV	cytomegalovirus
CPF	complex perianal fistulas
CRC	colorectal cancer
CRL	complete response letter
CRPC	castrate-resistant prostate cancer
CTCL	cutaneous T-cell lymphoma
cTTP	congenital thrombotic thrombocytopenic purpura
DOAC	direct oral anti-coagulation
DS	Dravet syndrome
EGFR	epidermal growth factor receptor
EMA	European Medicines Agency
EU-M4all	EU-Medicines for all
FDA	U.S. Food & Drug Administration
FL	front line
FSI	first subject in
FY	fiscal year
GI	gastrointestinal
GvHD	graft versus host disease
H2H	head-to-head
HAE	hereditary angioedema
HemA	hemophilia A
HL	Hodgkin lymphoma
HSCT	hematopoietic stem cell transplant
IARS	International Anesthesia Research Society
IBD	inflammatory bowel disease
IgA	immunoglobulin A
IgAN	immunoglobulin A nephropathy
IgG	immunoglobulin G
IND	investigational new drug
ITP	Immune thrombocytopenic purpura
iTTP	immune thrombotic thrombocytopenic purpura
JAK	Janus kinase
IV	intravenous
iPSC	induced pluripotent stem cells
LCM	lifecycle management
LD	liver disease
LGS	Lennox-Gastaut syndrome
mCRC	metastatic colorectal cancer
mCRPC	metastatic castrate-resistant prostate cancer
MDD	major depressive disorder
MG	myasthenia gravis
MLD	metachromatic leukodystrophy
MM	multiple myeloma
MMN	multifocal motor neuropathy
mNSCLC	metastatic non-small cell lung cancer
MSA	multiple system atrophy
MSS	microsatellite stable
NASH	non-alcoholic steatohepatitis
ND	newly diagnosed
NDA	new drug application
NEJM	New England Journal of Medicine
NK	natural killer
NME	new molecular entity
NMPA	(China's) National Medical Products Administration
NSCLC	non-small cell lung cancer
NT1 or 2	narcolepsy type 1 or 2
ORR	overall response rate
PASI	psoriasis area and severity index
PCD	protein C deficiency
PEX	plasma exchange
PFIC	progressive familial intrahepatic cholestasis
Ph+ ALL	Philadelphia chromosome-positive acute lymphoblastic leukemia
PID	primary immunodeficiency
PK	pharmacokinetics
PMDA	Japan's Pharmaceuticals and Medical Devices Agency
POC	proof of concept
POGD	post-operative gastrointestinal dysfunction
PRIME	Priority medicines scheme by EMA
PTH	parathyroid hormone
QD	quaque die, every day
R/R	relapsed/refractory
RTU	ready to use
SC	subcutaneous formulation
SCD	sickle cell disease
SCPCD	severe congenital protein C deficiency
SCT	stem cell transplant
SID	secondary immunodeficiency
SLE	systemic lupus erythematosus
SOC	standard of care
STING	stimulator of interferon genes
SUMO	small ubiquitin-related modifier
TCE	T-cell engager
TEAE	treatment emergent adverse event
TKI	tyrosine kinase inhibitor
TREM2	triggering receptor expressed on myeloid cells 2
TTP	thrombotic thrombocytopenic purpura
TYK2	tyrosine kinase 2
UC	ulcerative colitis
VEGFR	vascular endothelial growth factor receptors
vWD	von Willebrand disease
vWF	von Willebrand factor
WW	Worldwide

FINANCIAL APPENDIX

Definition of Core Financial Measures, Constant Exchange Rate change, and Free Cash Flow

Core Revenue represents revenue adjusted to exclude significant items unrelated to Takeda's core operations.

Core Operating Profit represents net profit adjusted to exclude income tax expenses, the share of profit or loss of investments accounted for using the equity method, finance expenses and income, other operating expenses and income, amortization and impairment losses on acquired intangible assets and other items unrelated to Takeda's core operations, such as non-recurring items, purchase accounting effects and transaction related costs.

Core EPS represents net profit adjusted to exclude the impact of items excluded in the calculation of Core Operating Profit, and other non-operating items (e.g. amongst other items, fair value adjustments and the imputed financial charge related to contingent consideration) that are unusual, non-recurring in nature or unrelated to Takeda's ongoing operations and the tax effect of each of the adjustments, divided by the average outstanding shares (excluding treasury shares) of the reporting periods presented.

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

We present **Free Cash Flow** because we believe that this measure is useful to investors as similar measures of liquidity are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. Free Cash Flow is also used by our management to evaluate our liquidity and our cash flows, particularly as they relate to our ability to meet our liquidity requirements and to support our capital allocation policies. We also believe that Free Cash Flow is helpful to investors in understanding how our strategic divestitures of non-core businesses and of portions of our investment portfolio contribute to the cash flows and liquidity available to us.

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

The usefulness of Free Cash Flow to investors has significant limitations including, but not limited to, (i) it may not be comparable to similarly titled measures used by other companies, including those in our industry, (ii) it does not reflect the effect of our current and future contractual and other commitments requiring the use or allocation of capital and (iii) the addition of proceeds from sales and redemption of investments and the proceeds from sales of business, net of cash and cash equivalents divested do not reflect cash received from our core ongoing operations. Free Cash Flow should not be considered in isolation and is not, and should not be viewed as, a substitute for cash flows from operating activities or any other measure of liquidity presented in accordance with IFRS. The most directly comparable measure under IFRS for Free Cash Flow is net cash from operating activities.

Definition of EBITDA/Adjusted EBITDA and Net Debt

We present **EBITDA and Adjusted EBITDA** because we believe 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. We further believe 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.

EBITDA and Adjusted EBITDA should not be considered in isolation or construed as alternatives to operating income, net profit for the year or any other measure of performance presented in accordance with IFRS. These non-IFRS measures may not be comparable to similarly-titled measures presented by other companies.

The usefulness of EBITDA and Adjusted EBITDA to investors has 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 exclude financial information and events, such as the effects of an acquisition or amortization of intangible assets, that some may consider important in evaluating our 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 exclude all items which investors may consider to be unrelated to our long-term operations. These non-IFRS measures are not, and should not be viewed as, substitutes for IFRS reported net income (loss). We encourage investors to review our historical financial statements in their entirety and caution investors to IFRS measures as the primary means of evaluating our performance, value and prospects for the future, and EBITDA and Adjusted EBITDA as supplemental measures.

We define EBITDA as consolidated net profit before income tax expenses, depreciation and amortization and net interest expense. We define Adjusted EBITDA as EBITDA further adjusted to exclude impairment losses, other operating income and expenses (excluding depreciation and amortization), finance income and expenses (excluding net interest expense), our share of loss from investments accounted for under the equity method and other items that management believes are unrelated to our core operations such as purchase accounting effects and transaction related costs.

The most closely comparable measure presented in accordance with IFRS is net profit for the period. Please refer to Net Profit to Adjusted EBITDA Bridge for a reconciliation to the respective most closely comparable measures presented in accordance with IFRS.

We present **Net Debt** because we believe that it is 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 leverage. We also believe that similar measures of indebtedness are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

We define Net Debt first by calculating the sum of the current and non-current portions of bonds and loans as shown on our consolidated statement of financial position, which is then adjusted to reflect (i) the use of prior 12-month average exchange rates for non-JPY debt outstanding at the beginning of the period and the use of relevant spot rates for new non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period, which reflects the methodology our management uses to monitor our leverage, and (ii) a 50% equity credit applied to our aggregate principal amount of 500.0 billion hybrid (subordinated) bonds issued in June 2019 by S&P Global Rating Japan in recognition of the equity-like features of those bonds pursuant to such agency's ratings methodology. From this figure, we deduct cash and cash equivalents, excluding cash that is temporarily held by Takeda on behalf of third parties related to vaccine operations and the trade receivables sales program, to calculate Net Debt.

The usefulness of 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 our industry, (ii) it does not reflect the amounts of interest payments to be paid on our indebtedness, (iii) it does not reflect any restrictions on our ability to prepay or redeem any of our indebtedness, (iv) it does not reflect any fees, costs or other expenses that we 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 our financing agreements, does not reflect the actual rates at which we would be able to convert one currency into another and (vi) it reflects an equity credit due to the fact that the amounts of our subordinated bonds, although we believe it to be reasonable, do not affect the status of those instruments as indebtedness. Net Debt should not be considered in isolation and are 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. Please refer to Net Debt to Adjusted EBITDA for a reconciliation to this measure.

FY2022 Reported Results with Actual and CER % Change

(Billion JPY)	FY2021	FY2022		vs. PY	
				ACTUAL % CHANGE	CER % CHANGE*1
Revenue	3,569.0	4,027.5	458.5	12.8%	(0.8)%
Cost of sales	(1,106.8)	(1,244.1)	(137.2)	(12.4)%	0.1%
Gross profit	2,462.2	2,783.4	321.2	13.0%	(1.1)%
Margin	*69.0 %*	*69.1 %*		*0.1 pp*	*(0.2) pp*
SG&A expenses	(886.4)	(997.3)	(110.9)	(12.5)%	0.9%
R&D expenses	(526.1)	(633.3)	(107.2)	(20.4)%	(3.5)%
Amortization of intangible assets associated with products	(418.8)	(485.1)	(66.3)	(15.8)%	2.0%
Impairment losses on intangible assets associated with products	(54.1)	(57.3)	(3.2)	(5.9)%	12.7%
Other operating income	43.1	25.4	(17.7)	(41.0)%	(44.2)%
Other operating expenses	(159.1)	(145.2)	13.8	8.7%	21.1%
Operating profit	460.8	490.5	29.7	6.4%	(1.8)%
Margin	*12.9 %*	*12.2 %*		*(0.7) pp*	*(0.1) pp*
Finance income	23.7	62.9	39.2	165.5%	144.6%
Finance expenses	(166.6)	(169.7)	(3.1)	(1.9)%	4.2%
Share of profit (loss) of investments accounted for using the equity method	(15.4)	(8.6)	6.7	43.8%	50.6%
Profit before tax	302.6	375.1	72.5	24.0%	13.4%
Income tax expenses	(72.4)	(58.1)	14.4	19.8%	18.0%
Net profit for the year	230.2	317.0	86.9	37.7%	23.3%
Non-controlling interests	(0.1)	(0.0)	0.1	80.1%	83.9%
Net profit attributable to owners of the Company	230.1	317.0	87.0	37.8%	23.4%
Basic EPS (yen)	147.14	204.29	57.15	38.8%	24.3%

*1 Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate change, and Free Cash Flow, for the definition.

Note: % change versus prior year is presented as positive when favorable to profits, and negative when unfavorable to profits.

FY2022 Q4 (Jan-Mar) Reported Results with Actual and CER % Change

(Billion JPY)	FY2021 Q4 (Jan-Mar)	FY2022 Q4 (Jan-Mar)	vs. PY		
				ACTUAL % CHANGE	CER % CHANGE*1
Revenue	873.3	956.2	82.9	9.5%	(1.2)%
Cost of sales	(308.4)	(309.8)	(1.4)	(0.5)%	8.9%
Gross profit	564.9	646.4	81.5	14.4%	3.1%
Margin	*64.7 %*	*67.6 %*		*2.9 pp*	*2.8 pp*
SG&A expenses	(223.4)	(254.8)	(31.4)	(14.0)%	(3.1)%
R&D expenses	(143.6)	(160.9)	(17.3)	(12.1)%	0.3%
Amortization of intangible assets associated with products	(109.7)	(114.5)	(4.8)	(4.3)%	8.7%
Impairment losses on intangible assets associated with products	(39.5)	(18.7)	20.8	52.7%	58.7%
Other operating income	8.9	8.7	(0.1)	(1.2)%	(4.8)%
Other operating expenses	(59.0)	(17.6)	41.4	70.2%	71.4%
Operating profit	(1.6)	88.6	90.2	—	—
Margin	*(0.2)%*	*9.3 %*		*9.4 pp*	*9.9 pp*
Finance income	20.0	14.0	(6.0)	(30.0)%	(28.9)%
Finance expenses	(62.3)	(49.2)	13.2	21.1%	24.4%
Share of profit (loss) of investments accounted for using the equity method	(10.1)	(5.5)	4.6	45.6%	46.7%
Profit before tax	(54.0)	47.9	102.0	—	—
Income tax expenses	42.7	(16.8)	(59.5)	—	—
Net profit for the period	(11.4)	31.1	42.5	—	—
Non-controlling interests	0.0	(0.0)	(0.0)	—	—
Net profit attributable to owners of the Company	(11.4)	31.1	42.5	—	—
Basic EPS (yen)	(7.31)	20.03	27.34	—	—

*1 Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate change, and Free Cash Flow, for the definition.

Note: % change versus prior year is presented as positive when favorable to profits, and negative when unfavorable to profits.

FY2022 Core Results with Actual and CER % Change

(Billion JPY)	FY2021	FY2022		vs. PY	
				ACTUAL % CHANGE	CER % CHANGE*1
Revenue	3,420.5	4,027.5	606.9	17.7%	3.5%
Cost of sales	(1,060.6)	(1,208.4)	(147.8)	(13.9)%	(1.4)%
Gross profit	2,359.9	2,819.1	459.2	19.5%	4.5%
Margin	*69.0 %*	*70.0 %*		*1.0 pp*	*0.6 pp*
SG&A expenses	(880.2)	(997.3)	(117.1)	(13.3)%	0.2%
R&D expenses	(524.5)	(633.4)	(108.9)	(20.8)%	(3.8)%
Operating profit	955.2	1,188.4	233.2	24.4%	9.1%
Margin	*27.9 %*	*29.5 %*		*1.6 pp*	*1.5 pp*
Finance income	2.6	16.9	14.3	554.3%	486.3%
Finance expenses	(124.4)	(143.5)	(19.0)	(15.3)%	(4.7)%
Share of profit (loss) of investments accounted for using the equity method	3.7	0.2	(3.5)	(95.1)%	(85.8)%
Profit before tax	837.0	1,062.0	224.9	26.9%	10.9%
Income tax expenses	(173.2)	(195.6)	(22.4)	(12.9)%	(2.4)%
Net profit for the year	663.8	866.4	202.6	30.5%	13.1%
Non-controlling interests	(0.1)	(0.0)	0.1	80.1%	83.9%
Net profit attributable to owners of the Company	663.7	866.4	202.6	30.5%	13.1%
Basic EPS (yen)	425	558	134	31.5%	13.9%

*1 Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate change, and Free Cash Flow, for the definition.

Note: % change versus prior year is presented as positive when favorable to profits, and negative when unfavorable to profits.

FY2022 Q4 (Jan-Mar) Core Results with Actual and CER % Change

(Billion JPY)	FY2021 Q4 (Jan-Mar)	FY2022 Q4 (Jan-Mar)		vs. PY	
				ACTUAL % CHANGE	CER % CHANGE*1
Revenue	857.9	956.2	98.3	11.5%	0.6%
Cost of sales	(295.9)	(306.7)	(10.8)	(3.7)%	6.0%
Gross profit	561.9	649.4	87.5	15.6%	4.1%
Margin	*65.5 %*	*67.9 %*		*2.4 pp*	*2.3 pp*
SG&A expenses	(221.1)	(254.4)	(33.3)	(15.1)%	(4.0)%
R&D expenses	(143.6)	(161.3)	(17.7)	(12.3)%	0.1%
Operating profit	197.3	233.7	36.5	18.5%	7.2%
Margin	*23.0 %*	*24.4 %*		*1.4 pp*	*1.5 pp*
Finance income	22.9	13.3	(9.5)	(41.7)%	(38.1)%
Finance expenses	(55.7)	(34.9)	20.8	37.4%	49.2%
Share of profit (loss) of investments accounted for using the equity method	(0.1)	(2.3)	(2.2)	(3,763.0)%	(3,466.8)%
Profit before tax	164.4	209.9	45.5	27.7%	18.7%
Income tax expenses	(22.1)	(50.6)	(28.5)	(129.2)%	(122.5)%
Net profit for the period	142.3	159.2	17.0	11.9%	2.6%
Non-controlling interests	0.0	(0.0)	(0.0)	—	—
Net profit attributable to owners of the Company	142.3	159.2	16.9	11.9%	2.6%
Basic EPS (yen)	92	102	11	11.9%	2.5%

*1 Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate change, and Free Cash Flow, for the definition.

Note: % change versus prior year is presented as positive when favorable to profits, and negative when unfavorable to profits.

FY2022 Reconciliation from Reported to Core

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	4,027.5					4,027.5
Cost of sales	(1,244.1)				35.7	(1,208.4)
Gross profit	2,783.4				35.7	2,819.1
SG&A expenses	(997.3)				(0.0)	(997.3)
R&D expenses	(633.3)				(0.0)	(633.4)
Amortization of intangible assets associated with products	(485.1)	485.1				—
Impairment losses on intangible assets associated with products	(57.3)		57.3			—
Other operating income	25.4			(25.4)		—
Other operating expenses	(145.2)			145.2		—
Operating profit	490.5	485.1	57.3	119.8	35.6	1,188.4
Margin	12.2 %					29.5%
Finance income and (expenses), net	(106.8)				(19.8)	(126.6)
Share of profit (loss) of investments accounted for using the equity method	(8.6)				8.8	0.2
Profit before tax	375.1	485.1	57.3	119.8	24.6	1,062.0
Tax expenses	(58.1)	(103.5)	(12.5)	(25.5)	3.9	(195.6)
Non-controlling interests	(0.0)					(0.0)
Net profit attributable to owners of the Company	317.0	381.6	44.9	94.4	28.5	866.4
EPS (yen)	204					558
Number of shares (millions)	1,552					1,552

FY2022 Q4 (Jan-Mar) Reconciliation from Reported to Core

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	956.2					956.2
Cost of sales	(309.8)				3.0	(306.7)
Gross profit	646.4				3.0	649.4
SG&A expenses	(254.8)				0.4	(254.4)
R&D expenses	(160.9)				(0.3)	(161.3)
Amortization of intangible assets associated with products	(114.5)	114.5				—
Impairment losses on intangible assets associated with products	(18.7)		18.7			—
Other operating income	8.7			(8.7)		—
Other operating expenses	(17.6)			17.6		—
Operating profit	88.6	114.5	18.7	8.9	3.1	233.7
Margin	9.3 %					24.4%
Finance income and (expenses), net	(35.2)				13.6	(21.5)
Share of profit (loss) of investments accounted for using the equity method	(5.5)				3.2	(2.3)
Profit before tax	47.9	114.5	18.7	8.9	19.9	209.9
Tax expenses	(16.8)	(24.1)	(4.3)	(1.4)	(4.1)	(50.6)
Non-controlling interests	(0.0)					(0.0)
Net profit attributable to owners of the Company	31.1	90.4	14.5	7.5	15.8	159.2
EPS (yen)	20					102
Number of shares (millions)	1,555					1,555

FY2021 Reconciliation from Reported to Core

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS							CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Sale of Japan diabetes portfolio	Irish Tax Assessment *1	TEVA JV related accounting adjustments	Others	
Revenue	3,569.0				(133.0)		(0.8)	(14.6)	3,420.5
Cost of sales	(1,106.8)				0.6			45.6	(1,060.6)
Gross profit	2,462.2				(132.4)		(0.8)	31.0	2,359.9
SG&A expenses	(886.4)				1.0			5.1	(880.2)
R&D expenses	(526.1)							1.6	(524.5)
Amortization of intangible assets associated with products	(418.8)	418.8							—
Impairment losses on intangible assets associated with products	(54.1)		54.1						—
Other operating income	43.1			(41.7)			(1.4)		—
Other operating expenses	(159.1)			159.1					—
Operating profit	460.8	418.8	54.1	117.4	(131.4)		(2.2)	37.7	955.2
Margin	12.9 %								27.9%
Finance income and (expenses), net	(142.9)							21.0	(121.9)
Share of profit (loss) of investments accounted for using the equity method	(15.4)						7.3	11.8	3.7
Profit before tax	302.6	418.8	54.1	117.4	(131.4)		5.1	70.5	837.0
Tax expenses	(72.4)	(89.7)	(15.2)	(26.1)	40.2	65.4	(1.6)	(73.8)	(173.2)
Non-controlling interests	(0.1)								(0.1)
Net profit attributable to owners of the Company	230.1	329.1	38.9	91.2	(91.2)	65.4	3.5	(3.2)	663.7
EPS (yen)	147								425
Number of shares (millions)	1,564								1,564

*1 Tax charges of 65.4 billion JPY arising from the tax assessment involving Irish taxation of the break fee Shire received from AbbVie in connection with the terminated offer to acquire Shire made by AbbVie in 2014, net of 0.5 billion JPY of associated tax benefit.

FY2021 Q4 (Jan-Mar) Reconciliation from Reported to Core

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS							CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Sale of Japan diabetes portfolio	Irish Tax Assessment *1	TEVA JV related accounting adjustments	Others	
Revenue	873.3						(0.8)	(14.6)	857.9
Cost of sales	(308.4)							12.5	(295.9)
Gross profit	564.9						(0.8)	(2.1)	561.9
SG&A expenses	(223.4)							2.3	(221.1)
R&D expenses	(143.6)							0.0	(143.6)
Amortization of intangible assets associated with products	(109.7)	109.7							—
Impairment losses on intangible assets associated with products	(39.5)		39.5						—
Other operating income	8.9			(8.5)			(0.3)		—
Other operating expenses	(59.0)			59.0					—
Operating profit	(1.6)	109.7	39.5	50.5			(1.1)	0.2	197.3
Margin	(0.2)%								23.0%
Finance income and (expenses), net	(42.3)							9.5	(32.8)
Share of profit (loss) of investments accounted for using the equity method	(10.1)						0.7	9.4	(0.1)
Profit before tax	(54.0)	109.7	39.5	50.5			(0.5)	19.1	164.4
Tax expenses	42.7	(20.8)	(11.6)	(8.6)		0.8	0.1	(24.6)	(22.1)
Non-controlling interests	0.0								0.0
Net profit attributable to owners of the Company	(11.4)	88.9	28.0	41.9		0.8	(0.3)	(5.6)	142.3
EPS (yen)	(7)								92
Number of shares (millions)	1,554								1,554

*1 Interest on tax charges arising from the tax assessment involving Irish taxation of the break fee Shire received from AbbVie in connection with the terminated offer to acquire Shire made by AbbVie in 2014.

Free Cash Flow

(Billion JPY)	FY2021	FY2022	Change versus the previous year	
Net profit	230.2	317.0	86.9	37.7%
Depreciation, amortization and impairment loss	637.7	728.8	91.1	
Decrease (increase) in trade working capital	206.3	(88.8)	(295.1)	
Income taxes paid	(147.7)	(198.4)	(50.7)	
Tax refunds and interest on tax refunds received	7.3	12.5	5.2	
Other	189.4	206.1	16.7	
Net cash from operating activities	1,123.1	977.2	(145.9)	(13.0)%
Adjustment for cash temporarily held by Takeda on behalf of third parties*1	(32.0)	81.7	113.7	
Acquisition of PP&E	(123.3)	(140.7)	(17.4)	
Proceeds from sales of PP&E	1.8	1.0	(0.9)	
Acquisition of intangible assets	(62.8)	(493.0)	(430.2)	
Acquisition of investments	(8.3)	(10.2)	(1.8)	
Proceeds from sales and redemption of investments	16.9	22.3	5.3	
Proceeds from sales of business, net of cash and cash equivalents divested	28.2	8.0	(20.2)	
Free Cash Flow	943.7	446.2	(497.5)	(52.7)%
Upfront payment related to the acquisition of TAK-279*2	—	391.1	391.1	
Free Cash Flow excluding upfront payment related to the acquisition of TAK-279	943.7	837.3	(106.3)	(11.3)%

*1 Adjustment refers to changes in cash balance that is temporarily held by Takeda on behalf of third parties related to vaccine operations and the trade receivables sales program.

*2 This represents the portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 paid in February 2023 (such portion totaling 3.0 billion USD), converted to JPY using the Japanese yen – U.S. dollar exchange rate of 130.38 applied to this transaction in the consolidated statements of cash flows. This payment is mainly included in the net cash used in investing activities as Acquisition of intangible assets in the consolidated statements of cash flow.

FY2022 Net Debt to Adjusted EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2022
Cash and cash equivalents *1	407.7
Book value debt on consolidated statements of financial position	(4,382.3)
Hybrid bond 50% equity credit	250.0
FX adjustment *2	8.5
Gross debt *3	(4,123.9)
Net cash (debt)	**(3,716.1)**
Upfront payment related to the acquisition of TAK-279 *4	400.4
Net cash (debt) excluding upfront payment related to the acquisition of TAK-279	**(3,315.7)**
Net debt/Adjusted EBITDA ratio	**2.6 x**
Net debt/Adjusted EBITDA ratio excluding upfront payment related to the acquisition of TAK-279	**2.3 x**
Adjusted EBITDA	**1,421.8**

NET INCREASE (DECREASE) IN CASH

(Billion JPY)	FY2021	FY2022	Change versus the previous year	
Net cash from operating activities	1,123.1	977.2	(145.9)	(13.0)%
Acquisition of PP&E	(123.3)	(140.7)		
Proceeds from sales of PP&E	1.8	1.0		
Acquisition of intangible assets	(62.8)	(493.0)		
Acquisition of investments	(8.3)	(10.2)		
Proceeds from sales and redemption of investments	16.9	22.3		
Acquisition of business, net of cash and cash equivalents acquired	(49.7)	—		
Proceeds from sales of business, net of cash and cash equivalents divested	28.2	8.0		
Net decrease in short-term loans and commercial papers	(0.0)	40.0		
Proceeds from long-term loans	—	75.0		
Repayment of long-term loans	(414.1)	(75.2)		
Proceeds from issuance of bonds	249.3	—		
Repayment of bonds	(396.0)	(281.5)		
Purchase of treasury shares	(77.5)	(26.9)		
Interest paid	(108.2)	(108.6)		
Dividends paid	(283.7)	(279.4)		
Others	(41.1)	(47.0)		
Net increase (decrease) in cash	(145.3)	(339.1)	(193.8)	(133.4)%

*1 Includes short-term investments which mature or become due within one year from the reporting date and excludes cash temporarily held by Takeda on behalf of third parties related to vaccine operations and the trade receivables sales program.

*2 FX adjustment refers to change from month-end rate to average rate used for non-JPY debt calculation outstanding at the beginning of the period to match with adjusted EBITDA (which is calculated based on average rates). New non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period are translated to JPY at relevant spot rates as of the relevant date.

*3 Bonds and loans of current and non-current liabilities. 250.0 billion JPY reduction in debt due to 500.0 billion JPY hybrid bond issuance in June 2019, given that the hybrid bond qualifies for 50% equity credit for leverage purposes. Includes non-cash adjustments related to debt amortization and FX impact.

*4 This represents the portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 paid in February 2023 (such portion totaling 3.0 billion USD), converted to JPY using the Japanese yen – U.S. dollar exchange rate of 133.48, which is applicable to translation of foreign currency denominated cash as of March 31, 2023.

FY2021 Net Debt to Adjusted EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2021
Cash and cash equivalents[*1]	642.2
Book value debt on consolidated statements of financial position	(4,345.4)
Hybrid bond 50% equity credit	250.0
FX adjustment[*2]	219.4
Gross debt[*3]	(3,876.0)
Net cash (debt)	**(3,233.8)**
Net debt/Adjusted EBITDA ratio	**2.8 x**
Adjusted EBITDA	**1,168.0**

NET INCREASE (DECREASE) IN CASH

(Billion JPY)	FY2020	FY2021	vs. PY	
Net cash from operating activities	1,010.9	1,123.1	112.2	11.1 %
Acquisition of PP&E	(111.2)	(123.3)		
Proceeds from sales of PP&E	46.5	1.8		
Acquisition of intangible assets	(125.3)	(62.8)		
Acquisition of investments	(12.6)	(8.3)		
Proceeds from sales and redemption of investments	74.6	16.9		
Acquisition of business, net of cash and cash equivalents acquired	—	(49.7)		
Proceeds from sales of business, net of cash and cash equivalents divested	530.4	28.2		
Net increase (decrease) in short-term loans and commercial papers	(149.0)	(0.0)		
Repayment of long-term loans	(792.5)	(414.1)		
Proceeds from issuance of bonds	1,179.5	249.3		
Repayment of bonds	(859.2)	(396.0)		
Purchase of treasury shares	(2.1)	(77.5)		
Interest paid	(107.3)	(108.2)		
Dividends paid	(283.4)	(283.7)		
Others	(83.1)	(41.1)		
Net increase (decrease) in cash	316.1	(145.3)	(461.4)	-

*1 Includes short-term investments which mature or become due within one year from the reporting date and excludes cash temporarily held by Takeda on behalf of third parties related to vaccine operations and the trade receivables sales program.

*2 FX adjustment refers to change from month-end rate to average rate used for non-JPY debt calculation outstanding at the beginning of the period to match with adjusted EBITDA (which is calculated based on average rates). New non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period are translated to JPY at relevant spot rates as of the relevant date.

*3 Bonds and loans of current and non-current liabilities. 250.0 billion JPY reduction in debt due to 500.0 billion JPY hybrid bond issuance in June 2019, given that the hybrid bond qualifies for 50% equity credit for leverage purposes. Includes non-cash adjustments related to debt amortization and FX impact.

FY2022 and FY2021 Net Profit to Adjusted EBITDA Bridge

(Billion JPY)	FY2021	FY2022	Change versus the previous year	
Net profit	230.2	317.0	86.9	37.7%
Income tax expenses	72.4	58.1		
Depreciation and amortization	583.2	664.4		
Interest expense, net	117.8	111.5		
EBITDA	1,003.6	1,151.0	147.4	14.7%
Impairment losses	54.5	64.4		
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	106.3	109.0		
Finance expense (income), net, excluding interest income and expense, net	25.1	(4.7)		
Share of loss on investments accounted for under the equity method	15.4	8.6		
Other adjustments:	(30.2)	93.5		
Non-core expense related to COVID-19	10.4	9.9		
Sales of Japan diabetes portfolio and other non-core product divestitures	(144.8)	—		
Impact on profit related to fair value step up of inventory in Shire acquisition	31.9	24.9		
Other costs*1	72.4	58.7		
EBITDA from divested products*2	(6.6)	—		
Adjusted EBITDA	1,168.0	1,421.8	253.8	21.7%

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

*2 Represents adjustments for EBITDA from divested products which are removed as part of Adjusted EBITDA

CAPEX, Depreciation and Amortization and Impairment Losses

(Billion JPY)	FY2021	FY2022	vs. PY		FY2023 Forecast
Capital expenditures*1	186.0	633.7	447.7	240.6%	480.0 - 530.0*3
Tangible assets	123.3	140.7	17.4	14.1%	
Intangible assets	62.8	493.0	430.2	685.3%	
Depreciation and amortization	583.2	664.4	81.2	13.9%	650.0
Depreciation of tangible assets*2 (A)	135.8	153.7	18.0	13.2%	
Amortization of intangible assets (B)	447.4	510.7	63.3	14.1%	
Of which Amortization associated with products (C)	418.8	485.1	66.3	15.8%	480.0
Of which Amortization excluding intangible assets associated with products (D)	28.6	25.6	(3.0)	(10.5)%	
Depreciation and amortization (excluding intangible assets associated with products) (A)+(D)	164.4	179.3	14.9	9.1%	170.0
Impairment losses	54.5	64.4	9.9	18.1%	
Impairment losses associated with products	54.1	57.3	3.2	5.9%	50.0
Amortization and impairment losses on intangible assets associated with products	472.9	542.4	69.5	14.7%	530.0

*1 Cash flow base

*2 Including depreciation of investment properties

*3 FY2023 Forecast reflects approximately 180.0 billion JPY of expenditures related to the acquisition of TAK-279 from Nimbus (1.0 billion USD) and in-licensing of fruquintinib from HUTCHMED (400 million USD). The 1.0 billion USD payment related to the acquisition of TAK-279 represents the portion of the 4.0 billion USD upfront payment paid in April 2023 (0.9 billion USD), and scheduled to be paid in August 2023 (0.1 billion USD).

FY2022 Results vs. Forecast (Oct. 2022)

	(BN JPY)	FY2022 Forecast (October 27, 2022)	FY2022 Actual	vs. Forecast		Variances
REPORTED	Revenue	3,930.0	4,027.5	97.5	2.5 %	Business momentum and FX benefit
	R&D expenses	(620.0)	(633.3)	(13.3)	(2.1)%	Mainly due to FX
	Amortization of intangible assets associated with products	(480.0)	(485.1)	(5.1)	(1.1)%	Mainly due to FX
	Impairment losses on intangible assets associated with products	(50.0)	(57.3)	(7.3)	(14.7)%	FX impact, plus termination of early-stage partnered programs (e.g. TAK-018, TAK-954)
	Other operating income	13.0	25.4	12.4	95.6 %	FY2022 Actual includes liability release related to SHP647 and accelerated realization of deferred income
	Other operating expenses	(100.0)	(145.2)	(45.2)	(45.2)%	FY2022 Actual includes restructuring costs and higher than anticipated pre-launch inventory
	Operating profit	530.0	490.5	(39.5)	(7.5)%	
	Finance income (expenses), net	(105.0)	(106.8)	(1.8)	(1.7)%	
	Profit before tax	426.0	375.1	(50.9)	(12.0)%	FY2022 Actual includes (8.6) BN JPY equity method loss, mainly due to JV impairment
	Net profit attributable to owners of the Company	307.0	317.0	10.0	3.3 %	Lower than anticipated tax rate due to recognition of previously unrecognized tax losses
	Basic EPS (yen)	198	204	6	3.3 %	
	Core Revenue[*1]	3,930.0	4,027.5	97.5	2.5 %	Business momentum and FX benefit
	Core Operating Profit[*1]	1,180.0	1,188.4	8.4	0.7 %	Business momentum and FX benefit
	Core EPS (yen)	525	558	33	6.4 %	Lower than anticipated tax rate due to recognition of previously unrecognized tax losses
	Free cash flow	650.0 to 750.0	446.2			FY2022 Actual includes the 3.0 billion USD portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 paid in February 2023.
	CAPEX (cash flow base)	(260.0) to (310.0)	(633.7)			
	Depreciation and amortization (excl. intangible assets associated with products)	(160.0)	(179.3)	(19.3)	(12.1)%	Mainly due to FX
	Cash tax rate on adjusted EBITDA (excl. divestitures)	mid-teen %	~13%			
	USD/JPY (yen)	132	135	2	1.9 %	
	EUR/JPY (yen)	138	141	2	1.7 %	

*1 Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate change, and Free Cash Flow, for the definition and A-7 FY2022 Reconciliation from Reported to Core, for reconciliation.

FY2023 Detailed Forecast

	(BN JPY)	FY2022 Actual	FY2023 Forecast (May 11, 2023)	vs. PY		Variances
REPORTED	Revenue	4,027.5	3,840.0	(187.5)	(4.7)%	Growth & Launch Products momentum largely offsetting LOE impact (e.g. VYVANSE, AZILVA), with additional headwinds from lower coronavirus vaccines revenue and FX
	R&D expenses	(633.3)	(643.0)	(9.7)	(1.5)%	Increase would be (4.0%) vs. PY on a CER basis
	Amortization of intangible assets associated with products	(485.1)	(480.0)	5.1	1.1 %	
	Impairment losses on intangible assets associated with products	(57.3)	(50.0)	7.3	12.8 %	
	Other operating income	25.4	14.0	(11.4)	(44.9)%	Fewer one-time gains anticipated in FY2023
	Other operating expenses	(145.2)	(150.0)	(4.8)	(3.3)%	Includes expectations for higher restructuring costs and additional pre-launch inventory
	Operating profit	490.5	349.0	(141.5)	(28.8)%	
	Finance income (expenses), net	(106.8)	(165.0)	(58.2)	(54.5)%	Lower financial income due to one-time revaluation gains booked in FY2022
	Profit before tax	375.1	185.0	(190.1)	(50.7)%	
	Net profit attributable to owners of the Company	317.0	142.0	(175.0)	(55.2)%	
	Basic EPS (yen)	204	91	(114)	(55.6)%	
	Core Revenue*1	4,027.5	3,840.0	(187.5)	(4.7)%	Growth & Launch Products momentum largely offsetting LOE impact (e.g. VYVANSE, AZILVA), with additional headwinds from lower coronavirus vaccines revenue and FX
	Core Operating Profit*1	1,188.4	1,015.0	(173.4)	(14.6)%	
	Core EPS (yen)	558	434	(124)	(22.2)%	Normalization of core tax rate following tax benefit in FY2022
	Free cash flow	446.2	400.0 to 500.0			FY2023 Forecast reflects approximately 180.0 BN JPY of expenditures related to the acquisition of TAK-279 from Nimbus (1.0 BN USD) and in-licensing of fruquintinib from HUTCHMED (400 MM USD).
	CAPEX (cash flow base)	(633.7)	(480.0) to (530.0)			
	Depreciation and amortization (excl. intangible assets associated with products)	(179.3)	(170.0)	9.3	5.2 %	
	Cash tax rate on adjusted EBITDA (excl. divestitures)	~13%	Mid-to-high teen %			
	USD/JPY (yen)	135	131	(4)	(2.9)%	
	EUR/JPY (yen)	141	141	0	0.3 %	

*1 Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate change, and Free Cash Flow, for the definition and A-18 FY2023 Reconciliation from Reported Operating Profit to Core Operating Profit Forecast, for reconciliation.

FY2023 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	3,840.0				3,840.0
Cost of sales					
Gross Profit					
SG&A and R&D expenses					
Amortization of intangible assets associated with products	(480.0)	480.0			—
Impairment losses on intangible assets associated with products	(50.0)		50.0		—
Other operating income	14.0			(14.0)	—
Other operating expenses	(150.0)			150.0	—
Operating profit	349.0	480.0	50.0	136.0	1,015.0

FX Rates and FY2023 Currency Sensitivity

Average Exchange Rates vs. JPY				Impact of depreciation of yen from April 2023 to March 2024 (100 million JPY)				
	FY2021 Actual (Apr-Mar)	FY2022 Actual (Apr-Mar)	FY2023 Assumption (Apr-Mar)		Revenue (IFRS)	Operating Profit (IFRS)	Net Profit (IFRS)	Core Operating Profit (non-IFRS)
USD	112	135	131	1% depreciation	195.9	17.0	6.7	61.5
				1 yen depreciation	149.6	13.0	5.1	47.0
EUR	131	141	141	1% depreciation	53.5	(39.1)	(31.6)	(30.1)
				1 yen depreciation	37.9	(27.8)	(22.4)	(21.3)
RUB	1.5	2.1	1.9	1% depreciation	5.6	3.2	2.5	3.8
CNY	17.5	19.7	19.5		18.8	11.1	8.5	11.1
BRL	20.9	26.3	25.9		10.0	6.3	4.9	6.4

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