Better Health, Brighter Future

Takeda Quarterly Financial Report

For the Fiscal Year Ended March 31, 2021

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Financial Highlights

Selected Financial Results

Results of Operation

(JPY millions)	Fiscal Year Ended March 31, 2020	Fiscal Year Ended March 31, 2021	Change versus the previous year JPY	Change versus the previous year %
Revenue	3,291,188	3,197,812	(93,376)	(2.8) %
Operating profit	100,408	509,269	408,861	407.2 %
Profit before tax	(60,754)	366,235	426,989	—
Net profit for the period	44,290	376,171	331,881	749.3 %
Net profit attributable to owners of the Company	44,241	376,005	331,764	749.9 %
Earnings per share (JPY)				
Basic earnings per share	28.41	240.72	212.31	747.3 %
Diluted earnings per share	28.25	238.96	210.71	745.9 %

Non-IFRS Measures

Results of Operations

(JPY billions)	Fiscal Year Ended March 31, 2020	Fiscal Year Ended March 31, 2021	Change versus the previous year JPY	Change versus the previous year %
Underlying:				
Revenue Growth	1.6 %	2.2 %		
Core operating profit margin	27.3 %	30.2 %		
Core Operating Profit	962.2	967.9	5.7	0.6 %
Core EPS (yen)	387	420	33	8.5 %
Free Cash Flow	968.0	1,237.8	269.8	+27.9%

Leverage

(JPY billions)	As of March 31, 2020	As of March 31, 2021
Net debt	(4,234.0)	(3,429.4)
Adjusted EBITDA (Last 12 months)	1,125.9	1,083.5
Net debt/Adjusted EBITDA ratio	3.8 x	3.2 x

Takeda uses certain non-IFRS measures to supplement the analysis of results of operations under International Financial Reporting Standards ("IFRS"). Refer to *Supplementary Information "3. Reconciliation"* for reconciliations of non-IFRS Measures.

Consolidated Cash Flows

(JPY millions)	Fiscal Year Ended March 31, 2020	Fiscal Year Ended March 31, 2021	Change versus the previous year JPY	Change versus the previous year %
Cash flows from (used in) operating activities	669,752	1,010,931	341,179	50.9 %
Cash flows from (used in) investing activities	292,119	393,530	101,411	34.7 %
Cash flows from (used in) financing activities	(1,005,213)	(1,088,354)	(83,141)	8.3 %

Consolidated Financial Position

(JPY millions)	As of March 31, 2020	As of March 31, 2021	Change versus the previous year JPY	Change versus the previous year %
Non-current Assets	10,351,662	10,199,400	(152,262)	(1.5) %
Current Assets	2,469,432	2,712,893	243,461	9.9 %
Total Assets	**12,821,094**	**12,912,293**	**91,199**	**0.7 %**
Non-current Liabilities	5,917,710	5,961,940	44,230	0.7 %
Current Liabilities	2,175,898	1,773,176	(402,722)	(18.5) %
Total Liabilities	**8,093,608**	**7,735,116**	**(358,492)**	**(4.4)%**
Equity	**4,727,486**	**5,177,177**	**449,691**	**9.5 %**
Total liabilities and equity	**12,821,094**	**12,912,293**	**91,199**	**0.7 %**

Forecast and Management Guidance

*Forecast**

(JPY billions)	FY2020	FY2021	Change over the previous year	
Reported:				
Revenue	3,197.8	3,370.0	172.2	5.4 %
Operating profit	509.3	488.0	(21.3)	(4.2)%
Profit before tax	366.2	352.0	(14.2)	(3.9)%
Net profit for the year (attributable to owners of the Company)	376.0	250.0	(126.0)	(33.5)%
EPS (JPY)	240.72	159.91	(80.81)	(33.6)%
Non-IFRS Measures				
Core Operating Profit	967.9	930.0	(37.9)	(3.9)
Core EPS (JPY)	420	394	(26)	(6.2)
Free Cash Flow	1,237.8	600.0-700.0		
Dividends per share (Yen)	180	180	—	—

*Refer to *Analysis of Results of Operations, Financial Position, and Cash Flow "Outlook for the Fiscal Year Ending March 31, 2022"* for details.

*Management Guidance**

	FY2021
Underlying Revenue Growth	Mid-single-digit growth
Underlying Core Operating Profit Growth	Mid-single-digit growth
Underlying Core Operating Profit Margin	~30% margin
Underlying Core EPS Growth	Mid-single-digit growth

*Underlying growth adjusts for divestitures (assets divested in FY2020 and disclosed divestitures expected to close in FY2021) and applies a constant exchange rate. Please refer to *Analysis of Results of Operations, Financial Position, and Cash Flow "Results of Operations (Underlying)"* for definition of underlying growth.

Revenue by Region

		JPY (millions) Fiscal Year Ended March 31,							
		Japan	U.S.	Europe and Canada	Russia/ CIS	Latin America	Asia (excluding Japan)	Other	Total
	2020	592,786	1,595,922	645,528	76,835	143,456	165,401	71,260	3,291,188
	2021	559,748	1,567,931	666,177	57,560	121,638	156,240	68,518	3,197,812
Change versus the previous year	JPY	(33,038)	(27,991)	20,649	(19,275)	(21,818)	(9,161)	(2,742)	(93,376)
	%	(5.6)%	(1.8)%	3.2 %	(25.1)%	(15.2)%	(5.5)%	(3.8)%	(2.8)%

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

Revenue by Therapeutic Area and Product

	JPY (millions)			
	Fiscal Year Ended March 31,		Change versus the previous year	
	2020	2021	JPY	%
Gastroenterology:				
Entyvio	347,196	429,281	82,085	23.6 %
Takecab-F[(1)]	72,713	84,822	12,109	16.7 %
Dexilant	62,797	55,572	(7,225)	(11.5)%
Gattex/Revestive	61,812	64,564	2,752	4.5 %
Pantoprazole	49,463	43,120	(6,343)	(12.8)%
Alofisel	373	784	411	110.2 %
Others	103,542	99,657	(3,885)	(3.8)%
Total Gastroenterology	**697,896**	**777,800**	**79,904**	**11.4 %**
Rare Diseases:				
Rare Metabolic:				
Elaprase	67,924	68,786	862	1.3 %
Replagal	51,253	51,764	511	1.0 %
Vpriv	38,013	38,518	505	1.3 %
Natpara	13,635	3,552	(10,083)	(73.9)%
Total Rare Metabolic	170,825	162,620	(8,205)	(4.8)%
Rare Hematology:				
Advate	157,856	128,535	(29,321)	(18.6)%
Adynovate	58,672	58,070	(602)	(1.0)%
FEIBA	51,508	44,495	(7,013)	(13.6)%
Recombinate	17,089	13,389	(3,700)	(21.7)%
Others	49,115	45,310	(3,805)	(7.7)%
Total Rare Hematology	334,240	289,799	(44,441)	(13.3)%
Hereditary Angioedema:				
Takhzyro	68,271	86,718	18,447	27.0 %
Firazyr	32,662	26,824	(5,838)	(17.9)%
Cinryze	24,346	21,869	(2,477)	(10.2)%
Kalbitor	4,544	3,916	(628)	(13.8)%
Total Hereditary Angioedema	129,823	139,327	9,504	7.3 %
Total Rare Diseases	**634,888**	**591,746**	**(43,142)**	**(6.8)%**
PDT Immunology:				
Immunoglobulin	298,697	334,874	36,177	12.1 %
Albumin	67,215	57,580	(9,635)	(14.3)%
Others	28,253	27,935	(318)	(1.1)%
Total PDT Immunology	**394,165**	**420,389**	**26,224**	**6.7 %**
Oncology:				
Velcade	118,321	101,112	(17,209)	(14.5)%
Leuprorelin	109,048	95,365	(13,683)	(12.5)%
Ninlaro	77,555	87,396	9,841	12.7 %
Adcetris	52,672	59,432	6,760	12.8 %
Iclusig	31,815	34,193	2,378	7.5 %
Alunbrig	7,237	8,806	1,569	21.7 %
Others	24,308	30,208	5,900	24.3 %

JPY (millions)

	Fiscal Year Ended March 31,		Change versus the previous year	
	2020	**2021**	**JPY**	**%**
Total Oncology	**420,956**	**416,512**	**(4,444)**	**(1.1)%**
Neuroscience:				
Vyvanse	274,077	271,531	(2,546)	(0.9) %
Trintellix	70,666	68,869	(1,797)	(2.5) %
Adderall XR	24,305	17,773	(6,532)	(26.9) %
Others	93,777	76,897	(16,880)	(18.0) %
Total Neuroscience	**438,520**	**417,297**	**(21,223)**	**(4.8)%**
Other:				
Azilva-F[(1)]	76,749	82,205	5,456	7.1 %
Nesina-F[(1)]	57,958	57,670	(288)	(0.5) %
Lotriga	31,752	31,765	13	0.0 %
Others	538,304	402,429	(135,875)	(25.2) %
Total Other	**704,763**	**574,069**	**(130,694)**	**(18.5)%**
Total Revenue by Product	**3,291,188**	**3,197,813**	**(93,375)**	**(2.8)%**

[(1)] The figures include the amounts of fixed dose combinations and blister packs.

Recent Developments

Business Development

During the fiscal year ended March 31, 2021 and up to the issuance of its Consolidated Financial Statements on May 11, 2021, Takeda Pharmaceutical Company Limited ("Takeda", or the "Company") divested a number of businesses and assets in non-core areas as part of its efforts to deleverage toward its target of 2x net debt/adjusted EBITDA within March 2022 - March 2024. Major divestment activities during the period are as follows:

- In November 2020, we completed the sale of a portfolio of select non-core over-the-counter and prescription pharmaceutical products sold exclusively in Asia Pacific to Celltrion Inc., for a total value of 278 million USD, or 26.8 billion JPY, inclusive of milestone payments.
- In December 2020, we completed the sale of a portfolio of select non-core prescription pharmaceutical products sold predominantly in Europe and Canada to Cheplapharm for a total value of 562 million USD or 59.4 billion JPY.
- In December 2020, we announced that we have entered into an agreement to divest a portfolio of non-core prescription pharmaceutical products sold in China to Hasten Biopharmaceutic Co., Ltd. (China) for 322 million USD or 35.6 billion JPY(1), subject to customary legal and regulatory closing conditions.
- In January 2021, we completed the sale of a portfolio of select products sold in Latin America to Hypera S.A. for a total value of 825 million USD or 82.5 billion JPY.
- In January 2021, we completed the sale of TachoSil® Fibrin Sealant Patch to Corza Health, Inc. for 350 million EUR or 42.9 billion JPY.
- In March 2021, we completed the sale of a portfolio of select products to Orifarm Group for a sales price of 505 million USD or 55.8 billion JPY in cash at closing and approximately 70 million USD or 7.7 billion JPY(1) in non-contingent cash to be paid within four years post-closing. In addition, we may receive up to an additional 95 million USD or 10.5 billion JPY(1) in potential milestone receipts.
- In March 2021, we completed the sale of Takeda Consumer Healthcare Company Limited to Oscar A-Co KK, a company controlled by funds managed by The Blackstone Group Inc. and its affiliates for a total value of 242.0 billion JPY.
- In April 2021, we completed the asset transfer associated with a portfolio of select non-core products in Japan to Teijin Pharma Limited for a total value of 133.0 billion JPY.

Note:
(1) Calculated using the Japanese yen—U.S. dollar exchange rate of 110.5 JPY and Euro exchange rate of 129.8 JPY.

Pipeline and R&D Activities

Research and development expenses for the year ended March 31, 2021 were 455.8 billion JPY.

The research and development (R&D) of pharmaceutical products is a lengthy and expensive process that can span more than 10 years. The process includes multiple studies to evaluate a product’s efficacy and safety, followed by submission to regulatory authorities who review the data and decide whether to grant marketing approval. Only a small number of compounds pass such rigorous investigation and become available for use in clinical treatment. Once approved, there is ongoing R&D support for marketed products, including medical affairs and other investments.

Clinical trials, which must comply with regional and international regulatory guidelines, generally take five to seven years or longer, and require substantial expenditures. In general, clinical trials are performed in accordance with the guidelines set by the International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use. The relevant regional regulatory authorities are the Ministry of Health, Labour and Welfare (MHLW) for Japan, the Food and Drug Administration (FDA) for the United States, the European Medicines Agency (EMA) for the EU and National Medical Products Administration (NMPA) for China.

The three phases of human clinical trials, which may overlap with each other, are as follows:

Phase 1 (“P-1”) clinical trials
Conducted using a small group of healthy adult volunteers in order to evaluate safety and absorption, distribution, metabolism and excretion of the drug.

Phase 2 (“P-2”) clinical trials
Conducted using a small group of patient volunteers in order to evaluate safety, efficacy, dosage and administration methods. P-2 clinical trials may be divided into two sub- categories, P-2a and P-2b. P-2a are usually pilot studies designed to demonstrate clinical efficacy or biological activity. P-2b studies look to find the optimum dose at which the drug shows biological activity with minimal side-effects.

Phase 3 (“P-3”) clinical trials
Conducted using a large number of patient volunteers in order to evaluate safety and efficacy in comparison to other medications already available or placebo.

Of these three phases, Phase 3 requires the largest expenditures and thus the decision to proceed with Phase 3 testing is a critical business decision in the drug development process. For those drug candidates that pass Phase 3 clinical trials, a New Drug Application ("NDA") or a Marketing Authorization Application (“MAA”) is submitted to the relevant governmental authorities for approval, which if granted permits the subsequent launch of the drug. The preparation of an NDA or MAA submission involves considerable data collection, verification, analysis and expense. Even after the launch of the product, health authorities require post-marketing surveillance of adverse events, and they may request a post-marketing study to provide additional information regarding the risks and benefits of the product.

Takeda’s R&D engine is focused on translating science into highly innovative, life-changing medicines that make a critical difference to patients. Takeda supports dedicated R&D efforts across three areas: Innovative Biopharma, Plasma-Derived Therapies (PDT) and Vaccines. The R&D engine for Innovative Biopharma is the largest component of our R&D investment and has produced exciting new molecular entities (NMEs) that represent potential best-in-class and/or first-in-class medicines in areas of high unmet medical need across our core Therapeutic Areas (oncology, rare genetics and hematology, neuroscience, and gastroenterology (GI)). Over the past several years, and more recently bolstered by our acquisition of Shire, we have also harnessed the potential of cell and gene therapies by investing in new capabilities and next-generation platforms internally and through a network of partnerships.

Our key in-house R&D facilities include:

- *Shonan Heath Innovation Park* : Located in Fujisawa and Kamakura in Kanagawa Prefecture in Japan, the Shonan Health Innovation Park ("Shonan iPark") was established in 2011 as the Shonan Research Center and is our primary location for neuroscience research. In April 2018, we launched Shonan iPark to enhance scientific innovation and establish a life science ecosystem with diverse external parties. To attract more diverse partners and to further the success of the Shonan iPark, in April 2020 Takeda transferred ownership rights of Shonan iPark to a trustee and Takeda, as a flagship tenant, has signed a 20-year lease agreement with the trustee and is committed to invigorating life science research in Japan.
- *Greater Boston Area Research and Development Site* : Our Boston R&D site is located in Cambridge, Massachusetts in the United States. It is the center of our global oncology, gastroenterology (GI), and rare genetics and hematology R&D, and also supports R&D in other areas including plasma-derived therapies and vaccines, as well as research in immunomodulation and biologics. The site is home to the Takeda Cell Therapy engine with a recently opened state-of-the-art cell therapy manufacturing facility.
- *San Diego Research and Development Site* : Our R&D site located in San Diego, California in the United States supports R&D in the GI and neuroscience areas. The San Diego research center operates as a “biotech-like” site and leverages internal capabilities such as structural biology and biophysics to catalyze research internally and externally.
- *Vienna, Austria Research and Development Site* : Our R&D sites, located in Vienna and nearby Orth, Austria, support R&D in PDT and Gene Therapy. The research centers contain manufacturing sites for plasma derived products and gene therapy products which have the opportunity to develop innovative drugs for patients around the world.

Major progress on R&D events since April 2020 are listed as follows:

R&D pipeline

Oncology

In oncology, Takeda endeavors to deliver novel medicines to patients with cancer worldwide through a commitment to breakthrough innovation and a passion for improving the lives of patients. Takeda focuses on three key areas in oncology: (1) building on its foundational expertise in hematologic malignancies through continued investment in lifecycle management programs for marketed products NINLARO, ADCETRIS, and ICLUSIG, as well as in pipeline assets in Multiple Myeloma, Acute Myeloid Leukemia, Myelodysplastic Syndromes, and other blood cancers; (2) further developing its portfolio in lung

cancer with the marketed product ALUNBRIG and development programs in targeted lung cancer populations; and (3) pursuing novel immuno-oncology targets and next-generation platforms with external partners as well as exploring innovative cell therapies.

NINLARO / Generic name: ixazomib

- In May 2020, Takeda announced that it submitted an application to the Japanese Ministry of Health, Labour and Welfare (MHLW) for a partial change to the manufacturing and marketing approval for NINLARO regarding the additional indication as a first-line maintenance therapy in adult patients diagnosed with multiple myeloma who have not been treated with stem cell transplantation in Japan. This application is based primarily on the results of the TOURMALINE-MM4 trial, a randomized, placebo-controlled, double-blind, multicenter, international Phase III trial.
- In June 2020, Takeda announced it orally presented the results of two studies at the 25th Congress of the European Hematology Association (EHA). Presentations included positive results from TOURMALINE-MM4, a Phase 3, randomized clinical trial evaluating the effect of single-agent oral NINLARO as a first-line maintenance therapy in adult patients diagnosed with multiple myeloma who had not been treated with stem cell transplantation. Takeda also presented key insights from the US MM-6 trial, which investigates the effectiveness and safety of an in-class transition to oral NINLARO in combination with lenalidomide and dexamethasone in newly diagnosed multiple myeloma patients who have previously received a parenteral bortezomib-based triplet induction therapy.
- In September 2020, Takeda announced results from the Phase 3 TOURMALINE-MM2 trial evaluating the addition of NINLARO to lenalidomide and dexamethasone versus lenalidomide and dexamethasone plus placebo in newly diagnosed multiple myeloma patients not eligible for autologous stem cell transplant. These data were presented at the virtual scientific meeting of the Society of Hematologic Oncology (SOHO). The study found the addition of NINLARO to lenalidomide and dexamethasone resulted in a 13.5 month increase in median progression-free survival (PFS) (35.3 months in the NINLARO arm, compared to 21.8 months in the placebo arm; hazard ratio [HR] 0.830; p=0.073). The trial did not meet the threshold for statistical significance and the primary endpoint of PFS was not met.

ICLUSIG / Generic name: ponatinib

- In May 2020, Takeda presented interim analysis data from the Phase II OPTIC (Optimizing Ponatinib Treatment In CML) trial during an oral session at the virtual 56th American Society of Clinical Oncology (ASCO) Annual Meeting. The OPTIC trial is an ongoing, randomized, open-label study prospectively evaluating response-based dosing regimens of ICLUSIG over a range of three starting doses (45-, 30-, or 15-mg) with the aim of optimizing its efficacy and safety in patients with chronic-phase chronic myeloid leukemia (CP-CML) who are resistant or intolerant to prior tyrosine kinase inhibitor (TKI) therapy.
- In December 2020, Takeda announced that the U.S. Food and Drug Administration (FDA) approved the supplemental New Drug Application (sNDA) for ICLUSIG for adult patients with chronic-phase (CP) chronic myeloid leukemia (CML) with resistance or intolerance to at least two prior kinase inhibitors. The updated label includes an optimized, response-based ICLUSIG dosing regimen in CP-CML with a daily starting dose of 45 mg and, upon achieving ≤1% BCR-ABL1IS, dose reduction to 15 mg. This dosing regimen aims to maximize benefit-risk by providing efficacy and decreasing the risk of adverse events (AEs), including arterial occlusive events (AOEs).

ALUNBRIG / Generic name: brigatinib

- In May 2020, Takeda announced that the U.S. Food and Drug Administration (FDA) approved ALUNBRIG for adult patients with anaplastic lymphoma kinase-positive (ALK+) metastatic non-small cell lung cancer (NSCLC) as detected by an FDA-approved test. This approval expands ALUNBRIG's current indication to include the first-line setting.
- In September 2020, Takeda presented the sub-analysis data of ALUNBRIG at the virtual European Society for Medical Oncology (ESMO) conference. The sub-analyses of the Phase 3 ALTA 1L study reinforce both the compelling evidence of intracranial efficacy with ALUNBRIG as a first-line treatment for patients with anaplastic lymphoma kinase-positive (ALK+) non-small cell lung cancer (NSCLC) as well as associated quality of life (QoL) data.
- In January 2021, Takeda announced that it obtained approval from the Japanese Ministry of Health, Labour and Welfare （MHLW）to manufacture and market ALUNBRIG as a first and second-line therapy for the treatment of

patients with unresectable, advanced or recurrent ALK fusion gene-positive non-small cell lung cancer (ALK+ NSCLC). The approval was granted mainly based on the results of Brigatinib-2001 (J-ALTA), a Phase 2 clinical trial conducted in Japan involving 72 ALK+ patients with unresectable advanced or recurrent NSCLC who progressed after treatment with an ALK tyrosine kinase inhibitor, as well as the AP26113-13-301 (ALTA-1L) global Phase 3 clinical trial focused on ALK+ patients with unresectable advanced or recurrent NSCLC who had not been treated with an ALK tyrosine kinase inhibitor.

ADCETRIS / Generic name: brentuximab vedotin

- In May 2020, Takeda announced that the European Commission (EC) extended the current conditional marketing authorization of ADCETRIS to include treatment of adult patients with previously untreated systemic anaplastic large cell lymphoma (sALCL), in combination with CHP (cyclophosphamide, doxorubicin, prednisone). Systemic anaplastic large cell lymphoma is a subtype of peripheral T-cell lymphoma (PTCL).
- In May 2020, Takeda announced that ADCETRIS was approved by China's National Medical Products Administration (NMPA) for use in adult patients with relapsed or refractory systemic Anaplastic Large Cell Lymphoma (sALCL) or CD30-positive Hodgkin Lymphoma.

CABOMETYX / Generic name: cabozantinib

- In April 2020, Takeda announced the top-line result from CheckMate -9ER, a global, multi-center, randomized, open-label Phase III study evaluating Ono Pharmaceutical (Ono) 's Opdivo (nivolumab), a human anti-human PD-1 (programmed cell death-1) monoclonal antibody, and CABOMETYX in patients with previously untreated advanced or metastatic renal cell carcinoma (RCC). In this study, OPDIVO and CABOMETYX combination treatment demonstrated a significant benefit in its primary endpoint of progression-free survival (PFS) at final analysis, compared to sunitinib, as well as its secondary endpoints of overall survival (OS) at a pre-specified interim analysis, and objective response rate (ORR). In October 2020, based on the result from CheckMate -9ER, Takeda and Ono announced that the companies submitted a supplemental application for combination therapy of OPDIVO and CABOMETYX to expand the use for the combination therapy for the treatment of unresectable, advanced or metastatic RCC to the Japanese Ministry of Health, Labour and Welfare (MHLW), for a partial change in approved items of the manufacturing and marketing approval in Japan.
- In September 2020, Takeda and Chugai Pharmaceutical Co., Ltd. (Chugai) announced that they have decided to study the combination of Tecentriq (atezolizumab), an engineered anti-PD-L1 monoclonal antibody and CABOMETYX, a tyrosine kinase inhibitor, in Japan. Subsequent to a joint clinical research agreement between Roche and Exelixis and in conjunction with certain rights granted in Japan, Chugai and Takeda will study atezolizumab and cabozantinib combination therapy in Japan. The three global phase III CONTACT studies are ongoing to investigate the combination of atezolizumab and cabozantinib as a potential new treatment option in multiple tumor types, and Chugai and Takeda are planning to support these studies in Japan.
- In September 2020, the first presentation of results from the pivotal Phase 3 CheckMate -9ER trial was announced by Bristol Myers Squibb and Exelixis, Inc., in which Opdivo (nivolumab) in combination with CABOMETYX showed superior overall survival (OS) and doubled median progression-free survival (PFS) and objective response rate (ORR) with a favorable safety profile vs. sunitinib in patients with previously untreated advanced or metastatic RCC. Opdivo in combination with CABOMETYX reduced the risk of death by 40% vs. sunitinib (Hazard Ratio [HR] 0.60; 98.89% Confidence Interval [CI]: 0.40 to 0.89; p=0.0010; median OS not reached in either arm). In patients receiving Opdivo in combination with CABOMETYX, median progression-free survival (PFS), the trial's primary endpoint, was doubled compared to those receiving sunitinib alone: 16.6 months vs. 8.3 months, respectively (HR 0.51; 95% CI: 0.41 to 0.64; p<0.0001). These results were featured as a Proffered Paper during a Presidential Symposium at the European Society for Medical Oncology (ESMO) Virtual Congress 2020. The trial is sponsored by Bristol Myers Squibb and Ono Pharmaceutical Co and co-funded by Exelixis, Ipsen and Takeda.
- In November 2020, Takeda announced that it received approval from the Japanese Ministry of Health, Labour and Welfare (MHLW) for a partial change to its manufacturing and marketing approval for CABOMETYX in the treatment of unresectable hepatocellular carcinoma (HCC) that has progressed after prior systemic therapy. This approval was granted based mainly on the results of a global, randomized, placebo-controlled, double-blind, Phase 3 CELESTIAL trial, which showed statistically significant improvement in efficacy over placebo and confirmed safety

profile of CABOMETYX when used as second- or later line therapy in patients with advanced HCC, and the Cabozantinib-2003 trial, an open-label, single-arm, Phase 2 clinical trial in Japan testing efficacy and safety in Japanese patients with previously treated HCC.

ZEJULA/ Generic name: niraparib

- In September 2020, Takeda announced it received approval from the Japanese Ministry of Health, Labour and Welfare (MHLW) to manufacture and market the oral poly (ADP-ribose) polymerase (PARP) inhibitor ZEJULA capsule 100 mg as a maintenance treatment of patients with ovarian cancer after first-line chemotherapy, a maintenance treatment of patients with platinum-sensitive relapsed ovarian cancer, and a treatment of homologous recombination deficient platinum-sensitive relapsed ovarian cancer. This approval was granted based on the results of the global, clinical, phase III PRIMA trial, the global, clinical, phase III NOVA trial, the global, clinical, phase II QUADRA trial, as well as a Japanese, clinical, phase II Niraparib-2001 trial being investigations of the safety of niraparib in Japanese patients with ovarian cancer, and a Japanese, clinical, phase II Niraparib-2002 trial being investigations of the efficacy and safety of niraparib in Japanese patients with ovarian cancer.
- In November 2020, Takeda announced that it submitted an approval to the Japanese Ministry of Health, Labour and Welfare (MHLW) to manufacture and market an additional formulation of Zejula tablet 100mg for Zejula capsule 100 mg. The application is based on the results of a human bioequivalence study (3000-01-004 study) and a dissolution study that confirmed the equivalence of Zejula capsules and Zejula tablets. Zejula capsules require refrigerated storage, however the Zejula tablets for which the current application was filed can be stored at room temperature, potentially making them more convenient for medical personnel and patients.

Development code: TAK-924 / Generic name: pevonedistat

- In May 2020, Takeda announced the results of the Phase 2 Pevonedistat-2001 trial was presented during oral sessions at the virtual 56th American Society of Clinical Oncology (ASCO) Annual Meeting. The study evaluated pevonedistat plus azacitidine versus azacitidine alone in patients with rare leukemias, including higher-risk myelodysplastic syndromes (HR-MDS). These results show that the combination of pevonedistat and azacitidine is a highly active, promising therapeutic approach and suggest benefit in the HR-MDS subgroup across multiple clinically meaningful endpoints, including overall survival (OS), event-free survival (EFS), complete remission (CR) and transfusion independence, with a safety profile similar to azacitidine alone.
- In July 2020, Takeda announced that the U.S. Food and Drug Administration (FDA) granted Breakthrough Therapy Designation for its investigational drug pevonedistat for the treatment of patients with higher-risk myelodysplastic syndromes (HR-MDS).

Development code: TAK-788 / Generic name: mobocertinib

- In April 2020, Takeda announced that the U.S. Food and Drug Administration (FDA) granted Breakthrough Therapy Designation for its investigational drug mobocertinib for the treatment of patients with metastatic non-small cell lung cancer (NSCLC) with epidermal growth factor receptor (EGFR) exon 20 insertion mutations whose disease has progressed on or after platinum-based chemotherapy.
- In September 2020, Takeda presented an updated 10-month follow-up results from the Phase 1/2 trial of mobocertinib at the virtual European Society for Medical Oncology (ESMO) conference, demonstrating mobocertinib achieved a duration of response (DoR) of more than one year in the trial's study population of patients with epidermal growth factor receptor (EGFR) Exon20 insertion+ metastatic NSCLC (mNSCLC).
- In January 2021, Takeda announced new data from the Phase 1/2 trial of mobocertinib in previously treated patients with epidermal growth factor receptor (EGFR) Exon20 insertion+ metastatic non-small cell lung cancer (mNSCLC) was presented as a late-breaking oral session at the International Association for the Study of Lung Cancer (IASLC) 2020 World Conference on Lung Cancer (WCLC). Mobocertinib, an oral targeted therapy, demonstrated clinically meaningful responses, with a confirmed objective response rate of 35% as assessed by investigator and 28% as assessed by an independent review committee (IRC). Responses shown with mobocertinib were durable, with a median duration of response of 17.5 months as assessed by IRC. The safety profile observed was manageable. The safety profile from the November (2020) data cutoff was consistent with that of the May (2020) data cutoff.

- In April 2021, Takeda announced that the U.S. Food and Drug Administration (FDA) granted priority review for the New Drug Application (NDA) of mobocertinib for the treatment of adult patients with epidermal growth factor receptor (EGFR) Exon20 insertion mutation-positive (insertion+) metastatic non-small cell lung cancer (mNSCLC), as detected by an FDA-approved test, who have received prior platinum-based chemotherapy. Mobocertinib is the first oral therapy specifically designed to selectively target EGFR Exon20 insertion mutations. The NDA for mobocertinib is primarily based on results from the Phase 1/2 trial, which is evaluating the safety and efficacy of oral mobocertinib in patients with mNSCLC. The application was submitted under the FDA's accelerated approval program. Prescription Drug User Fee Act (PDUFA) target action date is set for October 26, 2021.

Rare Genetics & Hematology

In rare genetics & hematology, Takeda focuses on hereditary angioedema to transform the treatment paradigm including through recently launched TAKHZYRO; going forward the focus will be on rare hematology and rare metabolic diseases, with the aim to deliver functional cures in a select group of diseases using novel modalities and platforms.

TAKHZYRO / Generic name: lanadelumab-flyo

- In May 2020, Takeda announced that the European Medicines Agency's (EMA) Committee for Medicinal Products for Human Use (CHMP) has adopted a positive opinion on a Type II Variation regulatory application and recommended the approval of a pre-filled syringe presentation of TAKHZYRO. TAKHZYRO is a subcutaneous injectable prescription medication approved in Europe for routine prevention of recurrent attacks of hereditary angioedema (HAE) in patients aged 12 years and older.
- In June 2020, Takeda announced findings from two new interim analyses of data from the Phase 3 HELP (Hereditary Angioedema Long-term Prophylaxis) Study™ Open-label Extension (OLE). The analyses suggest that TAKHZYRO is well-tolerated and can prevent hereditary angioedema (HAE) attacks over an extended treatment period, with sustained and consistent reduction in monthly attack rate across a range of different patient subgroups. The data were presented at the 2020 European Academy of Allergy and Clinical Immunology (EAACI) Digital Congress.
- In November 2020, Takeda announced the final results from the Phase 3 HELP (Hereditary Angioedema Long-term Prophylaxis) Study™ Open-label Extension (OLE) showing that TAKHZYRO helped prevent and reduce the frequency of hereditary angioedema (HAE) attacks long term in patients 12 years of age and older who received treatment for a mean (standard deviation) duration of 29.6 (8.2) months. Results were consistent with the safety and efficacy of TAKHZYRO in the pivotal trial. The mean (min, max) HAE attack rate was reduced by 87.4% (-100; 852.8) overall versus baseline (n=212) and in a pre-specified exploratory endpoint, nearly 70% (68.9%) of patients treated with TAKHZYRO 300 mg every two weeks experienced an attack-free period of more than 12 months (n=209). The data were presented at the 2020 American College of Allergy, Asthma and Immunology (ACAAI) Virtual Annual Scientific Meeting and were also published in the November issue of ACAAI's journal Annals of Allergy, Asthma & Immunology.
- In December 2020, Takeda announced that China's National Medical Products Administration (NMPA) approved TAKHZYRO subcutaneous injection for prophylaxis to prevent attacks of hereditary angioedema (HAE) in patients 12 years and older.
- In March 2021, Takeda announced that it has submitted a New Drug Application (NDA) to the Ministry of Health, Labour and Welfare (MHLW) in Japan for lanadelumab subcutaneous injection, a monoclonal antibody therapy for prophylaxis against attacks of hereditary angioedema (HAE). The submission of the New Drug Application in Japan is primarily based on results of the global Phase 3 HELP (Hereditary Angioedema Long-term Prophylaxis) Study™ and the Phase 3 HELP Study Open-label Extension (OLE), in addition to interim results of a Phase 3 study evaluating the efficacy and safety of lanadelumab in Japanese subjects. Combined, these studies have demonstrated the efficacy and safety profile of lanadelumab as a preventive treatment for HAE attacks.

ADVATE / Generic name: antihemophilic factor (recombinant), rAHF
ADYNOVATE/ADYNOVI / Generic name: antihemophilic factor (recombinant), PEGylated

- In June 2020, Takeda announced a scientific update from the AHEAD real-world study investigating the long-term outcomes associated with ADVATE in patients with hemophilia A, presented as an oral presentation at the World Federation of Hemophilia Virtual Summit 2020 (WFH 2020). Interim analysis results from the AHEAD real-world

outcomes study demonstrate that the number of hemophilia A patients who were able to achieve zero bleeds increased over the years by receiving rAHF. For those receiving prophylaxis, the number of patients with zero bleeds increased from 34% in year 1 to 53% in year 6. For those receiving on-demand treatment, it increased from 28% in year 1 to 38% in year 6. The Antihemophilic factor (recombinant) (rAHF) Hemophilia A outcome Database (AHEAD) study evaluates long-term effectiveness and safety outcomes in patients with hemophilia A receiving rAHF in routine clinical practice.

- In February 2021, Takeda announced a scientific update of seven year AHEAD study data at the European Association for Haemophilia and Allied Disorders Congress (EAHAD 2021). The data showed that prophylactic ADVATE achieved lower annualized bleeding rates (ABRs) and annualized joint bleeding rates (AJBRs) than on-demand treatment in all patients with severe hemophilia A. Adverse events occurred in 59% of patients (serious AEs in 20%). 12 patients developed de novo FVIII inhibitors. A separate analysis of patients with moderate or severe hemophilia A and target joints showed that prophylactic ADVATE maintained lower bleed rates than on-demand treatment over seven years. A further retrospective study investigated the impact of switching patients with moderate or severe hemophilia A in US clinical practice (without inhibitors) from ADVATE prophylaxis to ADYNOVATE or emicizumab. Results showed that there were no statistically significant differences in prophylactic effectiveness between treatments.

Development code: TAK-620 / Generic name: maribavir

- In December 2020, Takeda announced top-line results from the Phase 3 clinical trial evaluating the efficacy and safety of the investigational drug maribavir, in the treatment of transplant recipients with refractory/resistant cytomegalovirus (CMV) infection. The TAK-620-303 (SOLSTICE) trial is a multicenter, randomized, open-label, active-controlled trial comparing eight weeks of treatment with either maribavir or investigator assigned treatment (IAT) in transplant recipients with CMV infection refractory or resistant to existing antiviral treatments (i.e., one or a combination of ganciclovir, valganciclovir, foscarnet or cidofovir). The SOLSTICE trial met its primary endpoint, defined as the proportion of patients who achieved confirmed CMV viremia clearance compared to IAT at the end of Study week 8. In addition, the SOLSTICE trial met its key secondary endpoint, defined as achievement of CMV viremia clearance and symptom control at end of week 8, and maintained through week 16. No new safety signals were identified and maribavir was associated with lower incidence of neutropenia compared to IAT.
- In February 2021, Takeda announced, at the 2021 Transplantation & Cellular Therapy (TCT) Meetings Digital Experience, new, late-breaking Phase 3 data from the TAK-620-303 (SOLSTICE) trial, for the investigational drug maribavir which met its primary endpoint of superiority compared to conventional antiviral therapies (investigator assigned treatment, [IAT], one or a combination of ganciclovir, valganciclovir, foscarnet or cidofovir) in transplant recipients with refractory, with or without resistance (R/R), cytomegalovirus (CMV) infection/disease. Overall, more than twice as many (55.7%; n=131/235) transplant recipients with R/R CMV infection/disease treated with maribavir achieved confirmed CMV viremia clearance at Study Week 8 (end of treatment phase), the study's primary endpoint, as compared to 23.9% (n=28/117) of those on conventional antiviral therapies (95% CI: 32.8%, 22.8–42.7; p<0.001). The study's key secondary endpoint was met by demonstrating maribavir's improvement over conventional therapies in clearance of CMV viremia and associated symptom control maintained through Study Week 16.
- In March 2021, Takeda announced the results from a subgroup analysis of the Phase 3 TAK-620-303 (SOLSTICE) trial, for the investigational drug maribavir, which supported the efficacy results from the overall randomized population, during the Presidential Symposium at the 47th Annual Meeting of the European Society for Blood and Marrow Transplantation (EBMT). More than three times as many (62.8%; 76/121) transplant recipients with confirmed genotypic resistant CMV infection at baseline treated with maribavir achieved confirmed CMV viremia clearance at Study Week 8 (end of treatment phase) compared to those treated with conventional antiviral therapies (20.3%, 14/69) (investigator assigned treatment; IAT consists of one or a combination of ganciclovir, valganciclovir, foscarnet or cidofovir) (adjusted difference [95% CI]: 44.1% [31.3, 56.9]).

Neuroscience

In neuroscience, Takeda is focusing its R&D investments on potentially transformative treatments for neurological and neuromuscular diseases of high unmet need, and building its pipeline through a combination of in-house expertise and partnerships. By harnessing advances in disease biology understanding, translational tools, and innovative modalities, Takeda is primarily focusing on rare neurology (e.g., narcolepsy, Amyotrophic Lateral Sclerosis, Huntington's disease and other ataxias), as well as making targeted investments to potentially address well-defined segments of neurodegenerative diseases (e.g., Parkinson's Disease).

BUCCOLAM / Generic name: midazolam

- In September 2020, Takeda announced that it has obtained a New Drug Application Approval from the Japanese Ministry of Health, Labour and Welfare (MHLW) for BUCCOLAM for the treatment of status epilepticus. The approval this time is based on results from two Phase 3 multicenter joint intervention non-randomized open-label trials in Japan in which patients under the age of 18 and suffering from convulsive status epilepticus conditions were buccally administered the drug. BUCCOLAM is the first buccally administered formulation for status epilepticus in Japan, and can even be administered in homes or other locations outside of medical facilities under the guidance of a doctor. In October 2020, Takeda completed the sale of BUCCOLAM to a subsidiary of Neuraxpharm Group (Neuraxpharm). For a defined period, Takeda will continue to provide certain services to Neuraxpharm, including serving as the Japanese marketing authorization holder.

Development code: TAK-935 / OV935 / Generic name: Soticlestat

- In August 2020, Takeda and Ovid Therapeutics Inc. (Ovid) announced positive topline results from the randomized Phase 2 ELEKTRA study of soticlestat in children with Dravet syndrome (DS) or Lennox-Gastaut syndrome (LGS). The ELEKTRA study achieved its primary endpoint with high statistical significance in the combined DS and LGS study population, demonstrating a 27.8% median reduction from baseline in convulsive seizure (DS) and drop seizure (LGS) frequency compared to a 3.1% median increase in patients taking placebo during the 12-week maintenance period (median placebo-adjusted reduction=30.5%; p=0.0007, based on the efficacy analysis set of 120 patients with seizure data in the maintenance period). In addition, DS and LGS patients treated with soticlestat demonstrated a 29.8% median reduction in convulsive seizure (DS) and drop seizure (LGS) frequency compared to 0.0% change in median seizure frequency in patients taking placebo during the full 20-week treatment period (titration plus maintenance) of the ELEKTRA study (placebo-adjusted reduction=25.1%; p=0.0024). Soticlestat was well-tolerated and demonstrated a safety profile consistent with the findings of previous studies, with no new safety signals identified.
- In March 2021, Takeda and Ovid announced that Takeda has entered into an exclusive agreement under which Takeda secures global rights at closing from Ovid to develop and commercialize soticlestat for the treatment of developmental and epileptic encephalopathies, including Dravet syndrome (DS) and Lennox-Gastaut syndrome (LGS). Under the new exclusive agreement, all global rights to soticlestat have been secured by Takeda from Ovid, and Takeda assumes sole responsibility for further worldwide development and commercialization.

Gastroenterology

In gastroenterology (GI), Takeda focuses on delivering innovative, life-changing therapeutics for patients with GI and liver diseases. Takeda is maximizing the potential of our inflammatory bowel disease (IBD) franchise around ENTYVIO and ALOFISEL, expanding our position in specialty GI with GATTEX / REVESTIVE and progressing a pipeline built through partnerships exploring opportunities in motility disorders, celiac disease, and select liver diseases.

ENTYVIO / Generic name: vedolizumab

- In April 2020, Takeda announced that a self-injectable formulation of ENTYVIO was approved in Canada for at-home maintenance treatment of adult patients 18 years or older with moderately to severely active ulcerative colitis (UC) who have had an inadequate response, loss of response to, or were intolerant to either conventional therapy or infliximab, a tumor necrosis factor-alpha (TNFα) antagonist. The approval of a self-injectable formulation of ENTYVIO is based on the VISIBLE 1 randomized, double-blind, placebo-controlled clinical study evaluating the

efficacy and safety of subcutaneous ENTYVIO as maintenance therapy for adult patients with moderately to severely active ulcerative colitis.

- In May 2020, Takeda announced that the European Commission has granted a Marketing Authorization for the subcutaneous (SC) formulation of ENTYVIO, as maintenance therapy in adults with moderately to severely active ulcerative colitis (UC) or Crohn's disease (CD). Entyvio SC will be made available in both a pre-filled syringe and a pre-filled pen.
- In September 2020, Takeda announced the update on the U.S. development program for the investigational Subcutaneous Formulation (SC) of ENTYVIO as a Maintenance Therapy in adults with moderate to severe Ulcerative Colitis (UC). In August, Takeda had a productive meeting with the FDA to review the Company's latest data and to seek guidance on additional data needs required to support the approval of Entyvio SC. During the meeting, Takeda gained clarity on data needs for the device, and has begun moving forward to address them. Continued testing of the device will take time, and as a result, Takeda anticipates launching Entyvio SC for moderate to severe UC in the United States in 2022, pending FDA approval.
- In October 2020, Takeda announced interim results from the VISIBLE open-label extension (OLE) study on the long-term safety and efficacy of maintenance treatment with the subcutaneous (SC) formulation of Entyvio in patients with moderately to severely active ulcerative colitis (UC). In evaluating the primary safety endpoint of the trial, interim data of the UC patient population showed that following two years of maintenance therapy with vedolizumab SC, long-term safety findings were consistent with the known safety profile of vedolizumab. Patients also continued to demonstrate clinical benefit from treatment, through maintenance of clinical remission* and corticosteroid-free clinical remission** rates, the clinical efficacy outcomes of the trial. These data were announced in an oral presentation at the UEG Week Virtual 2020 congress.

* Clinical remission is defined as a partial Mayo score of ≤2 with no individual subscore >1 point.
** Corticosteroid-free clinical remission is defined as patients using oral corticosteroids at baseline (week 0).

GATTEX / REVESTIVE / Generic name: teduglutide

- In October 2020, Takeda announced that it submitted a New Drug Application to the Japanese Ministry of Health, Labour and Welfare to manufacture and market teduglutide (recombined DNA) for the treatment of Short Bowel Syndrome. The application is based on the results of a phase III clinical trial in adult and pediatric patients conducted in Japan as well as a trial conducted overseas. The trials confirmed the efficacy of Teduglutide and no major safety issues were observed.

ALOFISEL / Generic name: darvadstrocel

- In February 2021, Takeda announced that it has submitted a New Drug Application to the Japanese Ministry of Health, Labour and Welfare (MHLW) to manufacture and market darvadstrocel for the treatment of complex perianal fistulas in adult patients with non-active/mildly active luminal Crohn's disease (CD). The application filing included data from two trials, the Japanese Study Darvadstrocel-3002 and the ADMIRE-CD trial, conducted in Europe and Israel. Study Darvadstrocel-3002 is a Phase 3, multicenter, open-label, uncontrolled study investigating the efficacy and safety of darvadstrocel for the treatment of complex perianal fistulas in 22 Japanese adult patients with non-active/mildly active luminal CD. Results from Study Darvadstrocel-3002 will be presented at a scientific meeting in the near future. ADMIRE-CD was a randomized, double-blind, controlled, Phase 3 trial investigating the efficacy and safety of darvadstrocel for the treatment of complex perianal fistulas in 212 adult patients with non-active/mildly active luminal CD.

TAKECAB / Generic name: vonoprazan

- In March 2021, Takeda announced that Takeda submitted a New Drug Application to the Japanese Ministry of Health, Labour, and Welfare (MHLW) for approval to manufacture and market TAKECAB OD 10 mg and TAKECAB OD 20 mg, orally disintegrated tablets, as additional formulations of TAKECAB 10 mg and TAKECAB 20 mg, developed by Takeda for treating acid-related disease. The application for approval is based on a human bioequivalence study conducted in Japan (TAK-438ODT-1001) and dissolution tests.

Development code: TAK-721 / Generic name: budesonide oral suspension

- In December 2020, Takeda announced that the U.S. Food and Drug Administration (FDA) accepted for review the Company's New Drug Application (NDA) and granted Priority Review for the investigational therapy budesonide oral suspension, TAK-721, which has been designed specifically for eosinophilic esophagitis (EoE). If approved, TAK-721 will be the first FDA-approved treatment for EOE, and Takeda plans to use the trade name Eohilia. TAK-721 previously received both Breakthrough Therapy designation and Orphan Drug designation from the FDA.

Plasma-Derived Therapies

Takeda created a dedicated plasma-derived therapy business unit with a focus to manage the business end-to-end, from plasma collection to manufacturing and commercialization. In plasma-derived therapies, we maximize the therapeutic value of plasma-derived therapies for patients with rare and complex diseases through innovation across the product life cycle. The dedicated R&D organization in PDT is charged with identifying new targeted therapies and optimizing efficiencies of current product manufacturing. PDT focuses on developing products which are essential for effectively treating patients with a variety of rare, life-threatening, chronic and genetic diseases across the world.

Development code: CoVIg-19 (previously TAK-888) / Generic name: anti-SARS-CoV-2 polyclonal hyperimmune immunoglobulin

- In April 2020, Takeda announced that Biotest, BPL, LFB, and Octapharma joined the CoVIg-19 Plasma Alliance formed by CSL Behring and Takeda to develop a potential plasma-derived therapy for treating COVID-19. The alliance begins immediately with the investigational development of one, unbranded anti-SARS-CoV-2 polyclonal hyperimmune immunoglobulin medicine with the potential to treat individuals with serious complications from COVID-19.
- In May 2020, the CoVIg-19 Plasma Alliance announced that it has expanded globally to include 10 plasma companies, and also includes global organizations from outside the plasma industry who are providing vital support to encourage more people who recovered from COVID-19 to donate plasma. In addition to those announced at its inception - Biotest, BPL, CSL Behring, LFB, Octapharma and Takeda - the Alliance welcomes new industry members ADMA Biologics, BioPharma Plasma, GC Pharma, and Sanquin. Together, these organizations will contribute specialist advisory expertise, technical guidance and/or in-kind support to contribute to the Alliance goal of accelerating development and distribution of a potential treatment option for COVID-19.
- In October 2020, the CoVIg-19 Plasma Alliance announced that patients are now being enrolled in the Inpatient Treatment with Anti-Coronavirus Immunoglobulin (ITAC) Phase 3 clinical trial sponsored by the National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institutes of Health (NIH). The trial will evaluate the safety, tolerability and efficacy of an investigational anti-coronavirus hyperimmune intravenous immunoglobulin (H-Ig) medicine for treating hospitalized adults at risk for serious complications of COVID-19 disease. The global multi-center, double-blind, placebo-controlled, randomized trial will enroll 500 adult patients at up to 58 sites in the United States, Mexico and 16 other countries on five continents utilizing the NIH's International Network of Strategic Initiatives in Global HIV Trials (INSIGHT) Network).
- In April 2021, The CoVIg-19 Plasma Alliance announced that the Phase 3 Inpatient Treatment with Anti-Coronavirus Immunoglobulin (ITAC) clinical trial sponsored and funded by the National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institutes of Health (NIH), did not meet its endpoints. No serious safety signals were raised in the trial. The study aimed to determine whether an investigational anti-coronavirus hyperimmune intravenous immunoglobulin (H-Ig) medicine could reduce the risk of disease progression when added to standard of care treatment including remdesivir in hospitalized adult patients at risk for serious complications. Analyses remain ongoing and NIAID and the INSIGHT Network intend to publish the full results of the trial soon. Following the outcome of the ITAC trial, the CoVIg-19 Plasma Alliance's work now concludes.

Vaccine

In vaccines, Takeda is applying innovation to tackle some of the world's most challenging infectious diseases such as dengue, COVID-19, zika, and norovirus. To support the expansion of our pipeline and the development of our programs, we have entered into partnerships with government organizations in Japan and the U.S., and leading global institutions. Such partnerships have been essential in building the critical capabilities that will be necessary to deliver on our programs and realize their full potential.

Development code: NVX-CoV2373 (Japanese development code: TAK-019) / Generic name: COVID-19 vaccine

- In August 2020, Takeda and Novavax, Inc. (Novavax) announced a partnership for the development, manufacturing and commercialization of NVX CoV2373, Novavax' COVID-19 vaccine candidate, in Japan. NVX-CoV2373 is a stable, prefusion protein made using Novavax' recombinant protein nanoparticle technology and includes Novavax' proprietary Matrix-MTM adjuvant. Takeda and Novavax are partnering on manufacturing, clinical development and regulatory activities in Japan. Novavax will license and transfer manufacturing technologies to enable Takeda to manufacture the vaccine antigen and will supply the Matrix-M adjuvant to Takeda. Takeda will be responsible for regulatory submission to the Japanese Ministry of Health, Labour and Welfare (MHLW) and will produce and distribute NVX-CoV2373 in Japan. Takeda will receive funding from MHLW to support the technology transfer, establishment of infrastructure and scale-up of manufacturing. Takeda anticipates the capacity to manufacture over 250 million doses of the COVID-19 vaccine per year.
- In February 2021, Takeda announced that the first subject was dosed in its Phase 1/2 immunogenicity and safety study of Novavax' COVID-19 vaccine candidate (TAK-019) in Japan. Takeda will receive a manufacturing technology transfer from Novavax and will be responsible for the development and commercialization based on manufacturing capacity of over 250 million doses of TAK-019. Results from the TAK-019 study are expected in the second half of 2021. Once available, the study results will be submitted to the Japan Pharmaceuticals and Medical Devices Agency (PMDA) as part of the NDA filing process. Pending regulatory approval, Takeda aims to start distributing TAK-019 in late 2021.

Development code: mRNA-1273 (Japanese development code: TAK-919)/ Generic name: COVID-19 vaccine

- In October 2020, Takeda announced that it will import and distribute 50 million doses of Moderna, Inc.'s (Moderna) COVID-19 vaccine candidate, mRNA-1273, starting in the first half of 2021, pending licensure in Japan. This effort is part of a three-way agreement among Takeda, Moderna and the Japanese Ministry of Health, Labour and Welfare (MHLW). Under the terms of the new agreement with the MHLW and Moderna, Takeda will be responsible for securing the necessary regulatory approvals prior to distributing 50 million doses of Moderna's COVID-19 vaccine candidate in Japan. Moderna will provide finished product and will support Takeda with its development and regulatory efforts.
- In January 2021, Takeda announced that it initiated a clinical phase 1/2 study in Japan of TAK-919. This study is a placebo-controlled study to evaluate the safety and immunogenicity of the mRNA-1273 vaccine in 200 adult subjects.
- In February 2021, Takeda announced that it has completed enrollment in the Company's Phase 1/2 immunogenicity and safety study of Moderna's COVID-19 vaccine candidate (TAK-919) in Japan.
- In March 2021, Takeda announced that it has submitted a New Drug Application to the Government of Japan's Ministry of Health, Labour and Welfare (MHLW) to import and distribute Moderna's mRNA COVID-19 vaccine candidate (TAK-919). Takeda is currently conducting a Phase 1/2 immunogenicity and safety trial studying two vaccinations of TAK-919 given 28 days apart versus placebo in 200 healthy Japanese adults. Study results are expected to be available in May, at which point they will be submitted to the Japan Pharmaceuticals and Medical Devices Agency (PMDA). The submission at this point included safety and efficacy results from Moderna's pivotal Phase 3 COVE trial conducted in the US. Pending regulatory approval, Takeda intends to start distributing TAK-919 in the first half of 2021.
- In May 2021, Takeda announced positive interim results from the ongoing Phase 1/2 immunogenicity and safety clinical trial of TAK-919 in Japan have been submitted to the Japan Pharmaceuticals and Medical Devices Agency (PMDA). Takeda currently has a three-way agreement with Moderna and the Government of Japan's Ministry of

Health Labour and Welfare (MHLW) to import and distribute 50 million doses of TAK-919 in Japan. This interim analysis showed binding antibody and neutralizing antibody titres were elevated at 28 days after the second dose in 100% of people vaccinated with two 0.5ml doses of TAK-919 given 28 days apart. The vaccine candidate was generally well-tolerated with no significant safety concerns reported. The study results were submitted to the Japan Pharmaceuticals and Medical Devices Agency (PMDA) to be evaluated as part of the New Drug Application submitted in March 2021, which also includes safety and efficacy results from Moderna's pivotal Phase 3 COVE trial conducted in the U.S. Takeda aims to begin distribution of TAK-919 immediately following regulatory approval, should it be granted.

Development code: TAK-003 / Generic name: Dengue vaccine

- In March 2021, Takeda announced that the European Medicines Agency (EMA) has accepted the Company's filing packages for its dengue vaccine candidate (TAK-003) which is being investigated for the prevention of dengue due to any dengue virus serotype in individuals ages four to 60. Regulatory submissions for TAK-003 include long-term safety and efficacy data through 36 months from the ongoing pivotal Phase 3 Tetravalent Immunization against Dengue Efficacy Study (TIDES) trial. Takeda intends to present and publish details of the 36-month data at a scientific meeting and in a peer-reviewed journal this year. Takeda is participating in the EMA's first-ever parallel assessment of a medicinal product for use in the European Union (EU), and through the EU-M4all (previously Article 58) procedure for countries outside of the EU. Along with the scientific opinion issued by the Committee for Medicinal Products for Human Use (CHMP), national regulators in countries participating in the EU-M4all procedure will conduct their own assessments to determine if national marketing authorizations for TAK-003 are granted. Takeda is also seeking approval of TAK-003 in dengue-endemic countries that are not participating in the EU-M4all procedure.

Building a sustainable research platform / Enhancing R&D collaboration

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

- In June 2020, Takeda and Neurocrine Biosciences, Inc. announced a strategic collaboration to develop and commercialize compounds in Takeda's early-to-mid-stage psychiatry pipeline. Specifically, Takeda granted an exclusive license to Neurocrine Biosciences for seven pipeline programs, including three clinical stage assets for schizophrenia, treatment-resistant depression and anhedonia.
- In June 2020, Takeda and Carmine Therapeutics signed a research collaboration agreement to discover, develop and commercialize transformative non-viral gene therapies for two rare disease targets using Carmine's REGENT(TM) technology, based on red blood cell extracellular vesicles.
- In August 2020, members of the COVID R&D Alliance, Takeda, AbbVie, Inc. and Amgen Inc. (Amgen) announced the first patients enrolled in the I-SPY COVID Trial (Investigation of Serial Studies to Predict Your COVID Therapeutic Response with Biomarker Integration and Adaptive Learning) clinical trial. The I-SPY COVID Trial will evaluate the efficacy of cenicriviroc, a chemokine (CCR2 and CCR5) dual-receptor antagonist, Otezla (apremilast), a PDE4 inhibitor, and Firazyr (icatibant injection), a bradykinin B2 receptor antagonist in severely ill, hospitalized COVID-19 patients who require high-flow oxygen. The I-SPY COVID Trial utilizes Quantum Leap Healthcare Collaborative's adaptive platform trial design, which is intended to increase trial efficiency by minimizing the number of participants and time required to evaluate potential treatments. In April 2021, the icatibant arm of the I-SPY COVID trial has concluded since it reached the predefined futility criterion.
- In September 2020, Takeda announced the expansion of its cell therapy manufacturing capabilities with the opening of a new 24,000 square-foot R&D cell therapy manufacturing facility at its R&D headquarters in Boston, Massachusetts. The facility provides end-to-end research and development capabilities and will accelerate Takeda's efforts to develop next-generation cell therapies, initially focused on oncology with potential to expand into other therapeutic areas.
- In October 2020, Takeda and Arrowhead Pharmaceuticals Inc. (Arrowhead) announced a collaboration and licensing agreement to develop ARO-AAT/TAK-999, a Phase 2 investigational RNA interference (RNAi) therapy in development to treat alpha-1 antitrypsin-associated liver disease (AATLD). ARO-AAT/TAK-999 is a potential first-

in-class therapy designed to reduce the production of mutant alpha-1 antitrypsin protein, the cause of AATLD progression. Under the terms of the agreement, Takeda and Arrowhead will co-develop ARO-AAT/TAK-999 which, if approved, will be co-commercialized in the United States under a 50/50 profit-sharing structure. Outside the U.S., Takeda will lead the global commercialization strategy and receive an exclusive license to commercialize ARO-AAT/ TAK-999.

- In December 2020, PeptiDream Inc. (PeptiDream) and Takeda announced that they agreed to a collaborative research and exclusive license agreement to create peptide-drug conjugates (PDCs) for neuromuscular diseases. Despite advances in the understanding of neuromuscular diseases, the broad biodistribution required to target key tissues throughout the body that contribute to disease remains a key challenge for drug development. The agreement aims to address these challenges by conjugating peptides developed by PeptiDream and JCR Pharmaceuticals Co., Ltd. that bind to the transferrin receptor to specific drug payloads selected by Takeda to improve their profile of tissue distribution for treating neuromuscular diseases.
- In December 2020, three members of the COVID R&D Alliance - Takeda, Amgen and UCB, Inc. (UCB) - announced the first patient enrolled in the COMMUNITY Trial (COVID-19 Multiple Agents and Modulators Unified Industry Members), a randomized, double-blind, placebo-controlled, adaptive platform trial that enables an array of therapeutic candidates to be studied in hospitalized COVID-19 patients. Uncontrolled vascular and immune inflammatory responses have proven to be hallmark symptoms in patients facing severe COVID-19 infections. These patients may face increased risk of acute respiratory distress syndrome (ARDS), stroke and death. Initial therapies entering into COMMUNITY were selected based upon their potential to suppress or control the immune response or the resulting inflammation. These include: Amgen's OTEZLA (apremilast), which may suppress immune response inflammation; Takeda's investigational intravenous administration of lanadelumab, which modulates the kallikrein-kinin system and suppresses production of bradykinin, potentially lessening inflammation; UCB's zilucoplan, an investigational medicine that may reduce overactivation of the immune system that contributes to ARDS. In May 2021, new patient enrollment has been stopped in the investigational IV lanadelumab arm of the COMMUNITY study due to administration challenges with the IV infusion. These challenges impacted the ability to collect consistent data. There were no safety concerns associated with lanadelumab in the study. Participation in the study will be completed and patients will be followed. The administration challenges are unique to the IV infusion and are not associated with the subcutaneous injection formula of lanadelumab.
- In March 2021, Takeda announced the exercise of its option to acquire Maverick Therapeutics, Inc. (Maverick) a private biopharmaceutical company pioneering conditionally active bispecific T-cell targeted immunotherapies. Under the agreement, Takeda will obtain Maverick's T-cell engager COBRA™ platform and a broad development portfolio, including Maverick's lead development candidate TAK-186 (MVC-101) currently in a Phase 1/2 study for the treatment of EGFR-expressing solid tumors, and TAK-280 (MVC-280), which is anticipated to enter the clinic in the second half of Takeda's fiscal year 2021 for the treatment of patients with B7H3-expressing solid tumors. After closing of the transaction in April 2021, Maverick employees, including its team of talented scientists, joined Takeda's Research & Development organization.

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

Results of Operations (Reported)

Consolidated Financial Results (April 1, 2020 to March 31, 2021)

Billion JPY or percentage

	For the fiscal year ended March 31,		Change versus the previous year	
	2020	2021		
Revenue	3,291.2	3,197.8	(93.4)	(2.8)%
Cost of sales	(1,089.8)	(994.3)	95.5	(8.8)%
Selling, general and administrative expenses	(964.7)	(875.7)	89.1	(9.2)%
Research and development expenses	(492.4)	(455.8)	36.5	(7.4)%
Amortization and impairment losses on intangible assets associated with products	(455.4)	(421.9)	33.6	(7.4)%
Other operating income	60.2	318.0	257.8	428.2 %
Other operating expenses	(248.7)	(258.9)	(10.2)	4.1 %
Operating profit	100.4	509.3	408.9	407.2 %
Finance income	27.8	105.5	77.7	279.1 %
Finance expenses	(165.0)	(248.6)	(83.6)	50.7 %
Share of profit (loss) of investments accounted for using the equity method	(24.0)	0.1	24.1	—
Profit (loss) before tax	(60.8)	366.2	427.0	—
Income tax benefit	105.0	9.9	(95.1)	(90.5)%
Net profit for the year	44.3	376.2	331.9	749.3 %

Revenue. Revenue for the fiscal year ended March 31, 2021 was 3,197.8 billion JPY, a decrease of 93.4 billion JPY, or 2.8%, compared to the previous fiscal year. Excluding the impact from fluctuations in foreign exchange rates, which was calculated by translating revenue of the fiscal year ended March 31, 2021, using corresponding exchange rates in the previous fiscal year, the decrease in revenue was 0.5%.

Within our core therapeutic areas, Gastroenterology (GI) and Plasma-Derived Therapies (PDT) Immunology contributed to positive revenue growth; however, this was offset by intensified competition and generic erosion in Rare Diseases and the negative impact across the portfolio from changes in foreign exchange rates. Overall, while the global spread of COVID-19 did not have a material effect on our revenue for the fiscal year ended March 31, 2021, there were adverse effects due to COVID-19 observed in certain therapeutic areas, especially Neuroscience in which stay-at-home restrictions continued to reduce patient visits to medical care providers. This trend fluctuated throughout the fiscal year. These adverse impacts have been partially offset by benefits from prescribing trends during the pandemic, such as an expansion of certain products with a more convenient administration profile that was observed in the early phase of the outbreak.

Revenue outside of our core therapeutic areas decreased by 130.7 billion JPY, or 18.5%, mainly due to the effect of several divestitures, as well as a decline in sales of off-patented products such as ULORIC (for hyperuricemia) and COLCRYS (for gout).

Year-on-year change in revenue for this fiscal year in each of our main therapeutic areas was primarily attributable to the following products:

- *GI.* In Gastroenterology, revenue was 777.8 billion JPY, a year-on-year increase of 79.9 billion JPY, or 11.4%. Growth was driven by Takeda's top-selling product ENTYVIO (for ulcerative colitis (UC) and Crohn’s disease (CD)), with sales of 429.3 billion JPY, a year-on-year increase of 82.1 billion JPY, or 23.6%. Sales in the U.S. increased by 55.0 billion JPY, or 23.0%, to 294.3 billion JPY and sales in Europe and Canada increased by 21.0 billion JPY, or 23.9%, versus the previous fiscal year to 108.9 billion JPY, respectively, due to an increase in demand. In Japan, the increase in sales was primarily driven by the UC indication. Sales of TAKECAB (for acid-related diseases) were 84.8 billion JPY, an increase of 12.1 billion JPY, or 16.7%, versus the previous fiscal year. This increase was driven by the expansion of new prescriptions in the Japanese market due to TAKECAB's efficacy in reflux esophagitis and the prevention of recurrence of gastric and

duodenal ulcers during low-dose aspirin administration. Sales of RESOLOR/MOTEGRITY (for chronic idiopathic constipation), increased by 4.7 billion JPY, or 71.2%, versus the previous fiscal year to 11.2 billion JPY, driven by further penetration into the U.S. market. Sales of GATTEX/REVESTIVE (for short bowel syndrome) increased by 2.8 billion JPY, or 4.5%, versus the previous fiscal year to 64.6 billion JPY, primarily due to increased average length of time on therapy for the adult population and increased volume of pediatric patients on therapy. Growth of ENTYVIO, TAKECAB, RESOLOR/MOTEGRITY and GATTEX/REVESTIVE fully absorbed the net decrease of other GI products such as off-patented PANTOLOC/CONTROLOC (generic name: pantoprazole) (for peptic ulcer), which declined by 6.3 billion JPY, as well as declines of DEXILANT (for acid reflux disease) by 7.2 billion JPY and AMITIZA (for chronic constipation) by 6.9 billion JPY primarily due to intensified competition coupled with the negative impact of the appreciation of the yen.

- *Rare Diseases*. In Rare Diseases, revenue decreased by 43.1 billion JPY, or 6.8%, to 591.7 billion JPY. Revenue in Rare Hematology decreased by 44.4 billion JPY, or 13.3%, to 289.8 billion JPY. Sales of ADVATE decreased by 29.3 billion JPY, or 18.6%, to 128.5 billion JPY and sales of ADYNOVATE decreased by 0.6 billion JPY, or 1.0%, to 58.1 billion JPY, respectively, primarily driven by the competitive landscape in the hemophilia A non-inhibitors market in the U.S. FEIBA sales decreased by 7.0 billion JPY, or 13.6%, to 44.5 billion JPY mainly due to competitive pressure in the prophylaxis segment of the inhibitors market in Europe. Revenue in Rare Metabolic decreased by 8.2 billion JPY, or 4.8%, to 162.6 billion JPY primarily due to the product recall of NATPARA (for hypoparathyroidism) in the U.S. in September 2019, which resulted in a decline of NATPARA/NATPAR sales of 10.1 billion JPY, or 74.0%, to 3.6 billion JPY. Revenue in Hereditary Angioedema (HAE) was 139.3 billion JPY, a year-on-year increase of 9.5 billion JPY, or 7.3%, driven by TAKHZYRO launches with strong patient uptake partially offset by the decreases in sales of FIRAZYR and CINRYZE. Sales of TAKHZYRO were 86.7 billion JPY, an increase of 18.4 billion JPY, or 27.0%, versus the previous fiscal year. Sales of FIRAZYR decreased by 5.8 billion JPY, or 17.9%, to 26.8 billion JPY, due to the continued impact of generic entrants and patient switches to TAKHZYRO. Sales of CINRYZE decreased by 2.5 billion JPY, or 10.2%, to 21.9 billion JPY, mainly due to patient switches to TAKHZYRO.

- *PDT Immunology*. In Plasma-Derived Therapies (PDT) Immunology, revenue increased by 26.2 billion JPY, or 6.7%, to 420.4 billion JPY. Aggregate sales of immunoglobulin products were 334.9 billion JPY, an increase of 36.2 billion JPY, or 12.1%, fueled by strong demand and growing supply capabilities. In particular, GAMMAGARD LIQUID (for the treatment of primary immunodeficiency (PID) and multifocal motor neuropathy (MMN)) continued to build its position as a highly recognized IVIG (intravenous immunoglobulin) therapy that is the standard of care treatment for PID and MMN in the U.S. CUVITRU and HYQVIA, SCIG (subcutaneous immunoglobulin) therapies also marked double digit growth. Aggregate sales of albumin products including HUMAN ALBUMIN and FLEXBUMIN (primarily used for hypovolemia and hypoalbuminemia) were 57.6 billion JPY, a decrease of 9.6 billion JPY, or 14.3%, versus the previous fiscal year. The decline was partially due to the timing of shipments in China (higher sales in China during the first six-months of the previous fiscal year resulting from a supply phasing from the fiscal year prior to that) and partially due to a temporary interruption in submitting batches of HUMAN ALBUMIN for release in China which impacted sales during the second half of the fiscal year.

- *Oncology*. In Oncology, revenue was 416.5 billion JPY, a year-on-year decrease of 4.4 billion JPY, or 1.1%. Sales of NINLARO (for multiple myeloma) were 87.4 billion JPY, an increase of 9.8 billion JPY, or 12.7%, versus the previous fiscal year, reflecting strong growth in global sales particularly in the U.S. and China, driven in part by its oral administration profile that is more attractive or convenient in light of the spread of COVID-19 beginning in the first few months of the fiscal year. NINLARO is a once-weekly oral tablet that can be taken at home, which may reduce some of the logistical burden for patients as its administration does not require an infusion or injection at a hospital, clinic or physician’s office. Sales of ADCETRIS (for malignant lymphomas) increased by 6.8 billion JPY, or 12.8% to 59.4 billion JPY versus the previous fiscal year, reflecting strong growth in sales particularly in Japan where it has progressively expanded its approved indications in recent years. Sales of ICLUSIG (for leukemia) increased by 2.4 billion JPY, or 7.5%, versus the previous fiscal year to 34.2 billion JPY, benefiting from a new omni-channel promotion approach in the U.S. and from geographic expansion outside the U.S. Sales of ALUNBRIG (for non-small cell lung cancer) increased by 1.6 billion JPY, or 21.7%, versus the previous fiscal year to 8.8 billion JPY, as it continues to launch in European and emerging countries. Sales of VELCADE (for multiple myeloma) decreased by 17.2 billion JPY, or 14.5% to 101.1 billion JPY. This included royalty income of 4.8 billion JPY outside the U.S., a significant year-on-year decrease of 4.7 billion JPY, or 49.4%, due to generic entrants in Europe and China in 2019. Sales in the U.S. decreased by 12.5 billion JPY, or 11.5%, to 96.3 billion JPY versus the previous fiscal year, reflecting fewer new patient starts in first-line therapy. We believe this was a consequence of patients refraining from visiting medical care providers due to COVID-19 as well as the launch of a competitor's subcutaneous formulation at the beginning of May 2020 in the U.S. Sales of LEUPLIN/ ENANTONE (generic name: leuprorelin) (for endometriosis, uterine fibroids, premenopausal breast cancer, prostatic cancer, etc.), an off-patented product, decreased by 13.7 billion JPY, or 12.5%, versus the previous fiscal year to 95.4 billion JPY. This is in relation to production stoppages initiated at our manufacturing facility in Japan to enhance overall compliance in alignment with Takeda standards.

- *Neuroscience.* In Neuroscience, revenue was 417.3 billion JPY, a year-on-year decrease of 21.2 billion JPY, or 4.8%. This decrease was partially attributable to REMINYL (for Alzheimer's disease), which faced the introduction of generic competitors in Japan in June 2020, and sales of which decreased by 10.1 billion JPY, or 58.3%, to 7.2 billion JPY. Sales of ROZEREM (for insomnia) decreased by 2.5 billion JPY, or 17.0%, to 12.0 billion JPY that was also negatively impacted by the loss of exclusivity in the U.S. in July 2019. Sales of ADDERALL XR (for attention deficit hyperactivity disorder (ADHD)) were 17.8 billion JPY, a decrease of 6.5 billion JPY, or 26.9%, primarily due to the continued impact of competition from generic entrants in the period. Sales of VYVANSE (for ADHD) were 271.5 billion JPY, a decrease of 2.5 billion JPY, or 0.9%, versus the previous fiscal year. Sales of TRINTELLIX (for major depressive disorder (MDD)) were 68.9 billion JPY, a decrease of 1.8 billion JPY, or 2.5%, versus the previous fiscal year. Sales of VYVANSE and TRINTELLIX have been negatively affected by COVID-19 most notably during periods when stay-at-home restrictions were in place reducing patient visits, subsequent diagnoses and creating temporary discontinuation of medication. The trend temporarily normalized to pre-COVID-19 levels, but has been affected again in the latest six-month period as transmission has increased in countries where Takeda markets these products. The decrease of these products was partially offset by the increase of INTUNIV (for ADHD) with its sales increased by 5.8 billion JPY, or 39.5%, to 20.4 billion JPY versus the previous fiscal year, primarily due to an increase in Japan driven by strong growth in demand coupled with stock-building by the licensee due to COVID-19.

Revenue by Geographic Region:

Billion JPY; percentages are portion of total revenue

	For the fiscal year ended March 31,			
Revenue:	2020		2021	
Japan	592.8	18.0 %	559.7	17.5 %
United States	1,595.9	48.5 %	1,567.9	49.0 %
Europe and Canada	645.5	19.6 %	666.2	20.8 %
Russia/CIS	76.8	2.3 %	57.6	1.8 %
Latin America	143.5	4.4 %	121.6	3.8 %
Asia (excluding Japan)	165.4	5.0 %	156.2	4.9 %
Other*	71.3	2.2 %	68.5	2.1 %
Total	3,291.2	100.0 %	3,197.8	100.0 %

* Other includes the Middle East, Oceania and Africa.

Cost of Sales. Cost of Sales decreased by 95.5 billion JPY, or 8.8%, to 994.3 billion JPY and the Cost of Sales Ratio decreased by 2.0 pp to 31.1% for the fiscal year ended March 31, 2021. This was primarily caused by 118.3 billion JPY decrease in non-cash charges related to the unwind of the fair value step up on acquired inventory recognized in connection with the Shire Acquisition. These effects were partially offset by an increase in remaining Cost of Sales due to decline in high-margin products sales including off-patent products such as COLCRYS and VELCADE.

Selling, General and Administrative (SG&A) expenses. SG&A expenses decreased by 89.1 billion JPY, or 9.2%, to 875.7 billion JPY for the fiscal year ended March 31, 2021, primarily due to the favorable impact from cost efficiencies and synergies from the integration of Shire and lower spend resulting from COVID-19 such as less travel and fewer commercial events.

Research and Development (R&D) expenses. R&D expenses decreased by 36.5 billion JPY, or 7.4%, to 455.8 billion JPY, mainly due to lower costs related to pipeline prioritization and travel expenses resulting from COVID-19 partially offset by an increase in expenditures on certain R&D program including new candidates in preclinical studies.

Amortization and Impairment Losses on Intangible Assets Associated with Products. Amortization and Impairment Losses on Intangible Assets Associated with Products decreased by 33.6 billion JPY, or 7.4%, to 421.9 billion JPY for the fiscal year ended March 31, 2021. This decrease is primarily attributable to an impairment charge of intangible assets related to in-process research and development recognized in the previous fiscal year, including TAK-616 AMR, triggered by our decision to terminate the program following the interim readout in May 2019, and TAK-607, due to a change in study design in March 2020.

Other Operating Income. Other Operating Income increased by 257.8 billion JPY, or 428.2%, to 318.0 billion JPY for the fiscal year ended March 31, 2021, predominantly driven by a 228.9 billion JPY divestiture gain from 139.5 billion JPY gain on

sale of shares and relevant assets of Takeda Consumer Healthcare Company Ltd. and other non-core assets amounting to 89.4 billion JPY recorded in the current fiscal year. In addition, a 60.2 billion JPY revaluation gain triggered by an update to previously recognized liabilities for pipeline compound SHP647 and certain associated rights ("SHP647") to reflect management's decision to terminate the clinical trial program related to SHP647 upon the European Commission's decision in May 2020 to release Takeda's obligation to divest SHP647. The increase was partially offset by 12.7 billion JPY decrease in deferred gain due to an impairment of intangible assets related to long-listed products business transferred to Teva Takeda Pharma Ltd, a business venture of Takeda and Teva Pharmaceutical Industries Ltd, recorded in the previous fiscal year.

Other Operating Expenses. Other Operating Expenses were 258.9 billion JPY, an increase of 10.2 billion JPY, or 4.1%, for the fiscal year ended March 31, 2021. The increase mainly includes a 72.9 billion JPY loss recognized for the current fiscal year from changes in the fair value of contingent consideration assets from the previous sale of XIIDRA, and a 65.2 billion JPY decrease in restructuring expenses mainly comprised of Shire integration costs as an offset of the increase. The change in the fair value of the assets associated with contingent consideration arrangements is driven by changes in assumptions related to the future sales of XIIDRA, including the impact from Novartis' withdrawal of the Marketing Authorisation Application in Europe.

Operating Profit. As a result of the above factors, Operating Profit increased by 408.9 billion JPY, or 407.2% for the fiscal year ended March 31, 2021 to 509.3 billion JPY.

Net Finance Expenses. Net Finance Expenses was 143.1 billion JPY in the current year, an increase of 5.9 billion JPY compared to the previous fiscal year. This increase was due primarily to 11.0 billion JPY lower derivative gain in financial income recognized on the warrant to purchase stocks of a company that went public in October 2019 compared to the previous fiscal year partially offset by decrease in net interest expense.

Share of Profit of Associates Accounted for Using the Equity Method. Share of Profit of Associates Accounted for Using the Equity Method was 0.1 billion JPY, an increase of 24.1 billion JPY compared to Share of Loss of Associates Accounted for Using the Equity Method of 24.0 billion JPY for the previous fiscal year, mainly due to a decrease of loss related to Takeda's shareholding ratio of impairment loss recognized by Teva Takeda Pharma Ltd. and a gain on equity investment held by Takeda Ventures, Inc. recorded for the current fiscal year. The impairment loss recognized by Teva Takeda Pharma Ltd. for the current fiscal year was recorded resulting from the reassessment of the recoverable amount of relevant assets triggered by the decision made to divest a part of its generics business and a manufacturing plant, as well as by a revision of forecast in the long-listed drug business.

Income Tax Benefit. Income tax benefit was 9.9 billion JPY for the fiscal year ended March 31, 2021, compared to income tax benefit of 105.0 billion JPY for the previous fiscal year. This was mainly due to higher pretax earnings in the current fiscal year, the recognition of a non-cash deferred tax benefit of 94.6 billion JPY as a result of the enactment of a new taxing regime in Switzerland (Swiss Tax Reform) in the previous fiscal year, and the tax impacts of divestitures. These unfavorable changes were partially offset by favorable mix of statutory earnings, tax benefits from the recognition of previously unrecognized deferred tax assets, and favorable audit settlements in the current fiscal year.

Net Profit for the Year. Net Profit for the Year increased by 331.9 billion JPY, or 749.3% for the fiscal year ended March 31, 2021 to 376.2 billion JPY.

Results of Operations (Underlying) (April 1, 2020 to March 31, 2021)

Definition of Core and Underlying Growth

Takeda uses the concept of Underlying Growth for internal planning and performance evaluation purposes.

Underlying Growth compares two periods (fiscal quarters or years) of financial results under a common basis and is used by management to assess the business. These financial results are calculated on a constant currency basis using a full year plan rate and exclude the impacts of divestitures and other amounts that are unusual, non-recurring items or unrelated to our ongoing operations. Although these are not measures defined by IFRS, Takeda believes Underlying Growth is useful to investors as it provides a consistent measure of our performance.

Takeda uses "Underlying Revenue Growth", "Underlying Core Operating Profit Growth", and "Underlying Core EPS Growth" as key financial metrics.

Underlying Revenue represents revenue on a constant currency basis and excluding non-recurring items and the impact of divestitures that occurred during the reported periods presented.

Underlying Core Operating Profit represents Core Operating Profit (as defined below) on a constant currency basis and further adjusted to exclude the impacts of divestitures that occurred during the reporting periods presented.

Underlying Core EPS represents net profit based on a constant currency basis, adjusted to exclude the impact of divestitures, items excluded in the calculation of Core EPS (as defined below), divided by the outstanding shares (excluding treasury shares) as of the end of the comparative period.

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 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.

Underlying Results

For the fiscal year ended March 31, 2021	
Underlying Revenue Growth	+2.2%
Underlying Core Operating Profit Growth	+13.0%
Underlying Core Operating Profit Margin	30.2%
Underlying Core EPS Growth	+24.6%

Underlying Revenue Growth was 2.2% compared to the previous fiscal year. Underlying revenue attributable to Takeda's 14 global brands* grew by 16.0%, despite negative impacts such as the NATPARA recall in the U.S. and a decline of off-patented products.

* Takeda's 14 global brands
GI: ENTYVIO, GATTEX/REVESTIVE, ALOFISEL
Rare Diseases: NATPARA/NATPAR, ADYNOVATE/ADYNOVI, TAKHZYRO, ELAPRASE, VPRIV
PDT Immunology: GAMMAGARD LIQUID/KIOVIG, HYQVIA, CUVITRU, HUMAN ALUBUMIN/FLEXBUMIN
Oncology: NINLARO, ALUNBRIG

Underlying Revenue Growth by Therapeutic Area

GI	+14.4%
Rare Diseases	-2.3%
Rare Metabolic	+1.5%
Rare Hematology	-9.0%
Hereditary Angioedema	+10.1%
PDT Immunology	+9.8%
Oncology	+1.2%
Neuroscience	-1.8%
Other	-9.1%
Total	+2.2%

(Note) Underlying Revenue represents revenue on a constant currency basis and excluding non-recurring items and the impact of divestitures. Please refer to 1. Financial Highlights for the Fiscal Year Ended March 31, 2021, (1) Business Performance, (ii) Consolidated Financial Results (April 1, 2020 to March 31, 2021), Revenue, for the revenue of each core therapeutic areas and sales of major products before underlying adjustments.

The impact of major non-recurring items and divestitures excluded to calculate Underlying Revenue:

- Net sales of XIIDRA, a treatment for dry eye disease, the divestiture of which was completed in July 2019, are excluded from the previous fiscal year.
- Revenue of select over-the-counter and non-core products in a number of Near East, Middle East and Africa countries is excluded from the previous fiscal year as the divestiture was completed in March 2020.
- Revenue of select over-the-counter and non-core products in Russia, Georgia, and a number of countries from within the Commonwealth of Independent States is excluded from the previous fiscal year as the divestiture was completed in March 2020.
- Revenue of select over-the-counter and non-core products in Asia Pacific is excluded from both the current fiscal year and the previous fiscal year as the divestiture was completed in November 2020.
- Revenue of select non-core products predominantly in Europe is excluded from both the current fiscal year and the previous fiscal year as the divestiture was completed in December 2020.
- Revenue of select over-the-counter and non-core products in Latin America is excluded from both the current fiscal year and the previous fiscal year as the divestiture was completed in January 2021.
- Net sales from TACHOSIL, a surgical patch, are excluded from both the current fiscal year and the previous fiscal year as the divestiture was completed in January 2021.

Underlying Core Operating Profit Growth was 13.0% compared to the previous fiscal year, reflecting cost synergies and lower spend from impacts of COVID-19 partially offset by lower Gross Profit due to decline in high-margin products sales including off-patent products.

Core Operating Profit for the current fiscal year, which excludes items unrelated to Takeda's core operations such as the integration of Shire related costs and non-cash expenses from purchase accounting, was 967.9 billion JPY.

Underlying Core Operating Profit Margin for the current fiscal year was 30.2%, an increase of 2.9 pp compared to the previous fiscal year.

Underlying Core EPS Growth was 24.6% compared to the previous fiscal year.

Consolidated Financial Position

Assets. Total Assets as of March 31, 2021 were 12,912.3 billion JPY, reflecting an increase of 91.2 billion JPY compared to the previous fiscal year-end. Cash and Cash Equivalents as well as Property, Plant and Equipment increased by 328.6 billion JPY and 67.5 billion JPY, respectively. These increases were partially offset by a decrease in Intangible Assets of 262.3 billion JPY mainly due to amortization and a decrease in Assets Held for Sale of 136.6 billion JPY mainly resulting from completing the divestitures in the current fiscal year.

Liabilities. Total Liabilities as of March 31, 2021 were 7,735.1 billion JPY, reflecting a decrease of 358.5 billion JPY compared to the previous fiscal year-end. Bonds and Loans decreased by 457.9 billion JPY to 4,635.4 billion JPY* primarily as a result of the repayment of loans, the redemption of bonds and the reduction in commercial paper drawings. This decrease was partially offset by an increase in Other Financial Liabilities (Current) of 152.3 billion JPY.

* The carrying amount of Bonds was 3,532.2 billion JPY and Loans was 1,103.2 billion JPY as of March 31, 2021. Breakdown of Bonds and Loans carrying amount is as follows.

Bonds:

Name of Bond (Face Value if Denominated in Foreign Currency)	Issuance	Maturity	Carrying Amount (Billion JPY)
Unsecured US dollar denominated senior notes (1,520 million USD)	June 2015	June 2022 ~ June 2045	168.0
Unsecured US dollar denominated senior notes (5,500 million USD)	September 2016	September 2023 ~ September 2026	577.4
Unsecured US dollar denominated senior notes (200 million USD)	July 2017	January 2022	22.1
Unsecured Euro denominated senior notes (5,250 million EUR)	November 2018	November 2022 ~ November 2030	678.0
Unsecured US dollar denominated senior notes (3,250 million USD)	November 2018	November 2023 ~ November 2028	357.3
Hybrid bonds (subordinated bonds)	June 2019	June 2079	497.5
Unsecured US dollar denominated senior notes (7,000 million USD)	July 2020	March 2030 ~ July 2060	768.1
Unsecured Euro denominated senior notes (3,600 million EUR)	July 2020	July 2027 ~ July 2040	463.8
Total			3,532.2

Loans:

Name of Loan (Face Value if Denominated in Foreign Currency)	Execution	Maturity	Carrying Amount (Billion JPY)
Syndicated loans	April 2016	April 2023 ~ April 2026	200.0
Syndicated loans	April 2017	April 2027	113.5
Syndicated loans (1,500 million USD)	April 2017	April 2027	165.5
Japan Bank for International Cooperation (3,700 million USD)	January 2019	December 2025	409.0
Bilateral loans	March 2016 ~ April 2017	March 2023 ~ March 2026	210.0
Other			5.2
Total			1,103.2

In April 2020, the mandatory repayment of 10 billion JPY was made on USD and EUR syndicated loans in accordance with the underlying loan agreements. Following this, on July 9, 2020, Takeda issued unsecured U.S. dollar-denominated senior notes with an aggregate principal amount of 7,000 million USD and unsecured Euro-denominated senior notes with an aggregate principal amount of 3,600 million EUR. The proceeds from the offerings of these notes were efficiently deployed towards accelerating the repayment of syndicated loans of 3,250 million USD and 3,019 million EUR on July 10, 2020, together with the early redemption of unsecured senior notes with face values of 2,400 million USD and 1,250 million EUR on August 3, 2020 in advance of their original maturities of September 2021 and November 2020, respectively. In July 2020, 130 billion JPY in mandatory repayments of debt issued in July 2013 were made comprising 70 billion JPY in loans and 60 billion JPY in unsecured straight bonds. Additionally, in November 2020, a mandatory repayment of 1,000 million EUR in unsecured floating rate senior notes was made, the notes having been incurred in connection with the Shire Acquisition. Takeda further executed the early redemption of unsecured senior notes with face values of 2,450 million USD, comprising 1,250 million USD on February 26, 2021, 900 million USD on January 22, 2021, and 300 million USD on February 25, 2021 in advance of their original maturities of November 2021, September 2021 and January 2022, respectively. There was also a decrease of 144.0 billion JPY in commercial paper drawings in the year ended March 31, 2021.

Equity. Total Equity as of March 31, 2021 was 5,177.2 billion JPY, an increase of 449.7 billion JPY compared to the previous fiscal year-end. This was mainly due to an increase of 273.6 billion JPY in Other Components of Equity mainly due to fluctuation in currency translation adjustments reflecting the depreciation of yen as well as an increase of 139.9 billion JPY in Retained Earnings resulting from Net Profit for the Year partially offset by dividends payment of 283.7 billion JPY.

Consolidated Cash Flow

Billion JPY

	For the fiscal year ended March 31,	
	2020	2021
Net cash from operating activities	669.8	1,010.9
Net cash from (used in) investing activities	292.1	393.5
Net cash from (used in) financing activities	(1,005.2)	(1,088.4)
Net increase (decrease) in cash and cash equivalents	(43.3)	316.1
Cash and cash equivalents at the beginning of the year	702.1	637.6
Effects of exchange rate changes on cash and cash equivalents	(21.8)	12.5
Net increase (decrease) in cash and cash equivalents resulting from a transfer to assets held for sale	0.6	—
Cash and cash equivalents at the end of the year	637.6	966.2

Net cash from operating activities was 1,010.9 billion JPY for the fiscal year ended March 31, 2021 compared to 669.8 billion JPY for the fiscal year ended March 31, 2020. The increase of 341.2 billion JPY was mainly due to a 331.9 billion JPY increase in net profit for the year. In addition, there was an increase in other financial liabilities of 166.2 billion JPY primarily attributable to an increase of deposits restricted to certain vaccines operations, and an increase of other favorable adjustments including a 95.1 billion JPY decrease in income tax benefit mainly due to an increase in deferred tax which is a non-cash expense. These increases were partially offset by an increase of unfavorable adjustments including a 213.2 billion JPY increase in gain on divestment of business and subsidiaries as well as an unfavorable impact of 111.5 billion JPY from decrease in inventories in the current fiscal year due to a decrease of the unwind of the fair value step up on acquired inventory recorded in relation to the Shire Acquisition.

Net cash from investing activities was 393.5 billion JPY for the fiscal year ended March 31, 2021 compared to 292.1 billion JPY for the fiscal year ended March 31, 2020. This increase of 101.4 billion JPY was mainly due to an increase in proceeds from sales of business of 68.8 billion JPY reflecting the sale of shares of Takeda Consumer Healthcare Company Ltd. and other non-core assets in the current fiscal year compared to the sale of XIIDRA in the previous fiscal year. There were also an increase in proceeds from sales and redemption of investments of 25.2 billion JPY and an increase in proceeds from sales of property, plant and equipment of 33.9 billion JPY. These increases were partially offset by other decreases including 34.6 billion JPY decrease due to an increase of acquisition of intangible assets.

Net cash used in financing activities was 1,088.4 billion JPY for the fiscal year ended March 31, 2021 compared to 1,005.2 billion JPY for the fiscal year ended March 31, 2020. This increase in net cash used of 83.1 billion JPY was mainly due to an increase in repayments of bonds and long-term loans of 950.6 billion JPY primarily resulting from early redemptions and repayments in the current fiscal year. The increase in net cash used were partially offset by an increase in proceeds from issuance of bonds and long-term loans of 683.3 billion JPY as a result of issuance of U.S. dollar-denominated senior notes 7,000 million USD and Euro-denominated senior notes 3,600 million EUR in the current fiscal year compared to 500.0 billion JPY issuance of hybrid bonds in the previous fiscal year. In addition, there was a favorable impact from short-term loans and commercial papers of 202.2 billion JPY primarily due to repayment of the short-term syndicated loans 500.0 billion JPY in June 2019, partially offset by a decrease in commercial paper drawings.

Management Policy

This discussion and analysis contains forward-looking statements based on the current assumptions as of March 31, 2021.

(1) Basic Management Policy

Purpose

Takeda exists to create “better health for people, brighter future for the world.”

Values

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

Vision

Our vision is to “discover and deliver life-transforming treatments, guided by our commitment to patients, our people and the planet.”

Imperatives

We honor our responsibility to patients, colleagues and other stakeholders as well as the communities where we operate. Our imperatives help us realize our vision and purpose.

Patient

- We responsibly translate science into highly innovative, life-changing medicines and vaccines, and accelerate access to improve lives worldwide.

People

- We create an exceptional people experience.

Planet

- We protect our planet.

Data and Digital

- Unleash the power of data and digital.

(2) Business Environment, Mid- to Long-Term Business Strategy and Issues to Be Addressed

In the global pharmaceutical industry, the pace of innovation is quicker than ever, with the recent introduction of a number of new medical technologies such as immunotherapies in oncology, and cell and gene therapy. While such medical innovation has improved healthcare outcomes, escalating research and development ("R&D") costs associated with developing innovative biopharmaceuticals, combined with rapidly aging populations, has posed financial challenges to healthcare systems around the world. Consequently, payers are becoming increasingly selective in determining which treatments will be reimbursed. National governments are promoting generic and biosimilar alternatives, and are increasing downward pressure on drug prices. On the other hand, many unmet medical needs still exist. The roles expected of R&D-driven pharmaceutical companies are expanding to include improving the affordability of medicines for patients and maintaining sustainable healthcare systems.

Amid such a business environment, Takeda has been on a transformation journey, focused on becoming an agile, values-based, R&D-driven global biopharmaceutical company well positioned to deliver innovative medicines and transformative care to patients around the world. With the Shire Acquisition completed in January 2019, we have taken a major step in this transformation. The Shire Acquisition enhanced Takeda’s competitiveness among the leading global pharmaceutical companies, creating a combined company with an improved balance of geographic footprint and the scale to be competitive in key markets such as the U.S. Revenue in the U.S. has increased to almost half of the consolidated revenue. It also strengthened Takeda’s presence in the areas of gastroenterology ("GI") and neuroscience, and provided leading positions in rare diseases and plasma-derived therapies. It also contributed to a highly complementary, robust, modality-diverse pipeline and a strengthened R&D engine focused on innovation. In terms of financial benefits, the Shire Acquisition enhanced Takeda’s cash flow profile, increasing our capacity to invest in rapidly advancing medical technologies, while reinforcing our commitment to deliver returns to shareholders.

The integration of Shire has been essentially completed and in a manner consistent with Takeda’s core values, led by a diverse and experienced management team. We are now operating as "One Takeda," focused on delivering long-term value to patients, society, and shareholders.

In order to manage the execution of our strategy in each region, Takeda has organized its operations into four regional business units: the United States, Japan, Europe & Canada, and a Growth and Emerging Markets region comprised of China, Latin

America, the Middle East and Africa, Asia Pacific, and Russia and the Commonwealth of Independent States. This local-centricity within the global organization gives Takeda the agility to respond to the needs of each region, such as access and affordability of our medicines. In addition to the four regional business units, Takeda also has specialty business units in Oncology, Vaccines, and Plasma-Derived Therapies, which are responsible for the end-to-end management of these highly specialized business areas.

Takeda will continue to engage in the following three strategic priorities to drive sustainable mid- to long-term growth.

1) Business Area Focus

A focus on five key business areas: GI, rare diseases, plasma-derived therapies, oncology, and neuroscience.

2) R&D Engine

As a patient-focused and science-driven company, Takeda strives to translate science into highly innovative life-changing medicines. We have built an R&D engine based on therapeutic area focus, a leading partnership model, and investment in novel mechanisms and capabilities. We focus our efforts on four therapeutic areas within innovative biopharma: oncology, rare genetics and hematology, neuroscience and gastroenterology. We also make targeted R&D investment in plasma-derived therapies and vaccines.

Fiscal year 2021 is a year of inflection for Takeda's pipeline as we begin to see the fruits of our R&D transformation efforts. Up to 6 new molecular entity (NME) regulatory submissions are anticipated by the end of the fiscal year 2021, with potential for 4 approvals. Takeda also expects 7 NMEs to be in pivotal studies across 10 indications by the end of the fiscal year 2021. We have made significant progress in transforming the pipeline in recent years, and we are raising our investment in fiscal year 2021 in order to maximize the potential in the pipeline.

3) Financial Strength

Takeda's financial strength involves a focus on driving margin expansion in the mid-to long-term and generating cash flow to invest in the business, deleverage rapidly, and return cash to shareholders.

We are targeting a 2x (i.e. "low-twos") net debt/adjusted EBITDA ratio within the fiscal years ending March 2022 to March 2024. To accelerate our progress towards this target, we have been pursuing and executing select disposals, with a target of divesting approximately $10 billion of non-core assets. Takeda has announced 12 deals since January 2019 and completed most sales with the goal of $10 billion achieved.

When tracking its financial performance for internal planning and performance evaluation purposes, Takeda uses the concept of Underlying Growth. Underlying Growth compares two periods of financial results which are calculated by excluding the impacts of divestitures and other amounts or those unrelated to our ongoing operations, using a constant currency basis. Takeda believes including Underlying Growth can provide investors with additional information as it compares performance of business activities under a common basis.

In addition to the above-mentioned strategic priorities, our top priority during the outbreak of COVID-19 is to do all we can to protect the health of our employees, those who work alongside them, their families and our communities, while making sure our medicines and services continue to reach patients who rely on them. For the details of Takeda's initiatives, please refer to *Analysis of Results of Operations, Financial Position, and Cash Flow "Impact of the Spread of the Novel Coronavirus Infectious Disease (COVID-19) and Takeda's Initiatives in Response."*

Takeda is also committed to purpose-led sustainability. As one of the global biopharmaceutical companies, Takeda fully understands its responsibilities to patients, employees, shareholders, payers, regulators and governments, as well as the communities where we operate. We can only earn the acceptance, respect and trust of society if we take these Environmental, Social and Governance (ESG) responsibilities seriously.

We conducted a comprehensive materiality assessment in FY2019 to identify which nonfinancial issues are strategically important to our company and stakeholders. We incorporated the results of this assessment into our corporate philosophy. Embedding material topics into our overall business operations and strategy ensures that we allocate resources and make choices to contribute solutions to meeting global challenges.

For example, as part of Takeda's commitment to environmental stewardship Takeda announced it will achieve carbon neutrality across its value chain by 2040 by eliminating all greenhouse gas (GHG) emissions from its operations (Scope 1 and Scope 2),

working with its suppliers to significantly reduce their emissions (Scope 3), and addressing any remaining Scope 3 emissions through verified carbon offsets. Takeda achieved carbon neutrality across its value chain for FY19 through continuous focus on internal energy conservation measures, procurement of green energy and investment in renewable energy certificates and high-quality, verified carbon offsets.

Additionally, Takeda is committed to having a workforce as diverse as the communities and patients it serves. Takeda believes that diversity, equity and inclusion (DE&I) are nonnegotiable – not only within the company, but also in the communities where we operate and serve patients. Our ambition is to drive positive change by promoting and improving diversity, equity and inclusion. Globally, we launched our first ever Global DE&I Council, led by members of the Takeda executive team, and also have an interview series with Takeda leaders on unconscious bias and opportunities to help ensure more diverse, equitable and inclusive workplaces.

Takeda's ESG commitment – including its Access to Medicines strategy and Global Corporate Social Responsibility Program – is evident through recognition by many benchmark ESG indices. For instance, Takeda has earned an industry-leading position within the 2021 Access to Medicine (AtM) Index published in January 2021. Takeda achieved notable, high scores in all three technical areas evaluated by the Index, including being ranked first in Governance of Access. Takeda also demonstrated strong performance in the areas of health system strengthening, compliance and R&D capacity building.

Impact of the Spread of the Novel Coronavirus Infectious Disease (COVID-19) and Takeda's Initiatives in Response

(i) Impact of COVID-19 on Takeda's Operations and Financial Condition

It has now been more than a year since the COVID-19 pandemic began, and Takeda continues to respond and provide industry support in a number of ways. While vaccines are becoming more broadly available, we continue to strictly adhere to local public health guidance across our geographies in addition to the existing protocols we have had in place over the past year, and monitor any potential impacts of effects of COVID-19 on our business activities.

In monitoring demand for our products, we have seen limited impact to date as many of our medicines are for severe chronic or life-threatening diseases, without the requirement of a hospital elective procedure. In terms of our global supply chain, based on current assessments, we have not yet seen, nor do we anticipate, any material potential supply distribution issues due to the COVID-19 outbreak.

During the year, we have continued voluntary suspensions of certain business activities, including business travel, attending industry events, and holding company-sponsored events.

In the early stages of the global pandemic, we placed a temporary pause on the initiation of new clinical trial studies, with the exception of CoVIg-19, the investigational plasma-derived therapy for COVID-19. At the same time, for studies already ongoing, we temporarily paused the activation of new study sites and new patient enrollment with a small number of exceptions. This was a short-term action and we have now resumed most of our trial activities.

While we do anticipate some delays on some studies, we anticipate that we will regain this time as studies restart. We are closely monitoring the situation on a per-study level, down to each country and site in the event that we need to temporarily pause studies again due to the impact of COVID-19.

As we continue to monitor developments in the financial markets, we currently do not anticipate any material liquidity or funding-related issues.

(ii) Takeda's Initiatives to Mitigate the Impact of COVID-19

Guided by our values, Takeda's response to COVID-19 continues to focus on protecting the health and safety of our employees, our ability to ensure our medicines are available to patients who rely on them and playing our part to reduce transmission and support the communities where our employees live and work.

In order to address the issues relating to COVID-19, in January 2020 we activated a Global Crisis Management Committee (GCMC), who along with the support of internal and external experts has guided Takeda's response to the pandemic. This includes the development of employee guidance, support resources, and implementing enhanced infection control and workplace case management protocols across our essential operations. The GCMC have also developed comprehensive workplace readiness checklists to support a safe and gradual return to office workplaces where this is possible.

With regards to measures to safeguard employees, we continue to enforce work from home policies and provide enhanced technology to support such initiatives. We have applied our telework guidance broadly to our global employees including as many of our customer-facing employees as possible, especially those who interact with health care professionals. For our employees who are required to continue to work on-site in our manufacturing, laboratory, and BioLife plasma donation facilities, we have implemented enhanced safety measures to mitigate the spread of the virus.

Our GCMC and a dedicated Return to the Workplace Team developed guidance on how to configure our "new workplace" to limit the introduction and transmission of the COVID-19 virus while maintaining and even strengthening our operations. Plans have been tailored to each country and are based on the science, epidemiology, and relevant local public health context, but also follow common principles and requirements such as compliance with local government and public health regulations; workplace readiness including necessary infection prevention measures like face coverings and physical distancing; reduced population density; enhanced infection control protocols; employee-specific circumstances; and a careful, stepwise approach.

In terms of our post-COVID workplace strategy, we do not intend to have one single strategy or policy. Instead, we have created core principles, designed guidance and toolkits to help Takeda leaders determine and implement the best working environment strategy for their teams.

We have continued to suspend all non-essential international travel and large external meetings until further notice, while monitoring the situation on an ongoing basis.

Our field force are resuming a small number of face-to-face engagements with customers, with the majority of all interactions still virtual. Where we are engaging face-to-face, it is only with the agreement of healthcare providers and employees follow strict infection prevention protocols set out by both Takeda and any additional public health and customer requirements.

Takeda has aided the COVID-19 response through donations, including approximately US$25 million to non-profit organizations including the Red Cross and United Nations-led organizations (World Food Programme (WFP), United Nations Population Fund (UNFPA), and International Atomic Energy Agency (IAEA)), while also providing in-kind donations and matching employee donations.

In order to maintain business continuity, we are managing levels of inventory, including assessing alternative suppliers for the production of our medicines, to secure product supply continuity for patients. This strategy is generally applied across our global supply chain for key starting materials, excipients, raw materials, APIs, and finished products. We are tracking the situation as it evolves and will take all necessary actions in an effort to ensure supply continuity for the people we serve.

In R&D, where possible, Takeda has implemented solutions such as direct-to-patient delivery of study medicines and the re-evaluation of trial design to account for potential disruptions. We continue to assess and build out digital technologies to enable remote monitoring of patients enrolled in clinical trials.

The CoVIg-19 Plasma Alliance is one example of Takeda's initiatives to develop potential therapies to combat COVID-19. In April 2020, Takeda and CSL Behring co-founded the Alliance with other leading global and regional manufacturers of plasma-derived therapies. Together, the Alliance members collaborated to develop and manufacture an investigational non-branded plasma-derived hyperimmune globulin (H-Ig) medicine, referred to as CoVIg-19 for adults hospitalized with COVID-19 at risk for serious complications. The H-Ig was evaluated in a multi-national Phase 3 clinical trial funded by the National Institute of Allergy and Infectious Disease (NIAID) of the U.S. National Institutes of Health (NIH) that was completed in March 2021. While the clinical trial did not meet its endpoints, the program may contribute to a growing understanding of this challenging virus and strategies for patient care. Following the outcome of the trial, the CoVIg-19 Plasma Alliance's work now concludes.

In addition to the CoVIg-19 Plasma Alliance, Takeda has undertaken a number of efforts to help the world respond to COVID-19, including the evaluation of a number of our marketed products and pipeline compounds for efficacy against the COVID-19 virus and participation in global research collaborations.

Takeda has also announced two partnerships to bring COVID-19 vaccines to Japan. The first partnership is with Novavax, for the development, manufacturing and commercialization of its COVID-19 vaccine candidate NVX CoV2373 (development code in Japan: TAK-019) in Japan. The second partnership is with Moderna and the Government of Japan's Ministry of Health Labour & Welfare (MHLW) to import and distribute its COVID-19 vaccine candidate mRNA-1273 (development code in Japan: TAK-919) in Japan. In May 2021, Takeda announced positive interim results from the phase 1/2 immunogenicity and safety clinical trial of TAK-919 in Japan have been submitted to the Japan Pharmaceuticals and Medical Devices Agency (PMDA). Additionally, Takeda has also announced a mutual agreement with IDT Biologika GmbH (IDT) to utilize capacity at IDT previously reserved for Takeda's dengue vaccine candidate to manufacture the single-shot COVID-19 vaccine developed by Janssen Pharmaceutical Companies of Johnson & Johnson.

(iii) Business risks associated with the continued global spread of COVID-19

Depending on the severity and duration of the impacts resulting from COVID-19 pandemic, and despite our various efforts, we may experience further adverse effects on our business including, but not limited to, disruptions to our ability to procure raw materials or to supply products, additional disruptions to our clinical trial programs, or disruptions to our ability to observe regulations applicable to us. Many regions worldwide are still experiencing waves of the COVID-19 pandemic, and it remains unclear how long the pandemic and measures intended to stop or slow its spread will last. In addition, vaccine availability continues to roll out in phases across the globe. Even if the global spread of COVID-19 is slowed or halted, the effects may continue to affect our business, financial condition and results of our operations for a potentially extended period of time. It is unclear what the medium-term financial implications of the COVID-19 pandemic will be, particularly with respect to those which may arise from issues such as rising unemployment, changes in payer mix, and the possibility of the introduction of government initiatives to reduce healthcare spending.

We will continue to closely monitor the situation and take necessary measures to minimize any future business risks.

(iv) FY2020 financial impact from COVID-19

While the overall impact of the global spread of COVID-19 on Takeda's consolidated financial results for the fiscal year ended March 31, 2021 was not material, there were adverse effects on the revenue due to COVID-19 observed in certain therapeutic areas, especially Neuroscience in which stay-at-home restrictions reduced patient visits to medical care providers. This trend fluctuated throughout the fiscal year. These adverse impacts have been partially offset by benefits from prescribing trends during the pandemic, such as an expansion of certain products with a more convenient administration profile that was observed in the early phase of the outbreak. With regard to operating expenses, voluntary suspension of certain business activities such as business travel and events in response to COVID-19 led to lower spending. As a result of these factors, the impact of the global spread of COVID-19 on Takeda's profit was immaterial.

(v) FY2021 anticipated financial impact from COVID-19 and assumptions used for the financial forecast

Please refer to *Analysis of Results of Operations, Financial Position, and Cash Flow "Outlook for the Fiscal Year Ending March 31, 2022"* for details.

Outlook for the Fiscal Year Ending March 31, 2022

The full year consolidated reported forecast for fiscal 2021 is as below:

Full Year Reported Forecast for the Fiscal Year Ending March 31, 2022 (FY2021)

Billion JPY or percentage

	FY2020	FY2021	Change over the previous year	
Revenue	3,197.8	3,370.0	+172.2	+5.4 %
Operating profit	509.3	488.0	(21.3)	(4.2)%
Profit before tax	366.2	352.0	(14.2)	(3.9)%
Net profit for the year (attributable to owners of the Company)	376.0	250.0	(126.0)	(33.5)%
EPS (JPY)	240.72	159.91	(80.81)	(33.6)%
Core Operating Profit	967.9	930.0	(37.9)	(3.9)%
Core EPS (JPY)	420	394	(26)	(6.2)%

[Revenue]

Takeda expects FY2021 revenue to be 3,370.0 billion JPY, an increase of 172.2 billion JPY or +5.4% from FY2020, with business momentum of Takeda's 14 global brands and the one-time gain from the sale of a portfolio of diabetes products in Japan* fully offsetting impacts from divestitures. Within Takeda's five key business areas, we expect continued growth from products such as ENTYVIO and GATTEX/REVESTIVE in Gastroenterology, NINLARO, ADCETRIS and ALUNBRIG in Oncology, and VYVANSE and TRINTELLIX in Neuroscience. In the Rare Disease business area, we expect TAKHZYRO to further expand as a prophylaxis treatment for Hereditary Angioedema, and in PDT Immunology we expect both immunoglobulin and albumin products to contribute with strong growth.

* In April 2021, Takeda completed the sale of diabetes portfolio in Japan to Teijin Pharma Limited for 133.0 billion JPY. This one-time gain will be recorded as revenue, however, as it relates to the divestiture of non-core assets, there will be no impact on Core Operating Profit or Core EPS.

[Operating Profit & Core Operating Profit]

Core Operating Profit is expected to decrease by 37.9 billion JPY, or 3.9%, to 930.0 billion JPY, reflecting a significant increase in R&D expenses to support Takeda's innovative pipeline.

Operating Profit is expected to be 488.0 billion JPY, a decrease of 21.3 billion JPY, or 4.2% broadly due to the same reason as Core Operating Profit decline, resulting from incremental R&D spend. In FY2020, Takeda recorded one-time divestiture gains in the aggregate amount of 228.9 billion JPY, but the impact on year-on-year growth is expected to be offset by lower purchase accounting expenses and integration costs, and recognition of one-time divestiture gains in FY2021.

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

Net profit for the year (attributable to owners of the Company) is expected to be 250.0 billion JPY, a decrease of 126.0 billion JPY, or 33.5%. We anticipate the effective tax rate to increase by approximately 32%, mainly due to Japan restructuring loss benefits we had in FY2020, that are not expected to be incurred in FY2021.

Major assumptions used in preparing the FY2021 Reported Forecast

		Billion JPY or percentage
	FY2020	**FY2021**
FX rates	1 USD = 106 JPY 1 Euro = 123 JPY 1 RUB = 1.4 JPY 1 BRL = 19.6 JPY 1 CNY = 15.5 JPY	1 USD = 108 JPY 1 Euro = 131 JPY 1 RUB = 1.4 JPY 1 BRL = 19.9 JPY 1 CNY = 16.8 JPY
R&D expenses	(455.8)	(522.0)
Amortization of intangible assets associated with products	(405.3)	(406.0)
Of which Shire acquisition related	(319.5)	(328.0)
Impairment of intangible assets associated with products	(16.6)	(50.0)
Other operating income	318.0	23.0
Other operating expenses	(258.9)	(100.0)
Japan diabetes portfolio divestiture gain	—	130.0
Other Core Operating Profit adjustments	(95.9)	(39.0)
Of which Shire acquisition related to unwind of inventories step-up	(79.4)	(31.1)
Finance income/expenses	(143.1)	(130.0)
Free cash flow (including announced divestitures)	1,237.8	600.0-700.0
Capital expenditures (cash flow base)	(236.5)	(210.0 - 260.0)
Depreciation and amortization (excluding intangible assets associated with products)	(152.6)	(150.0)
Cash tax rate on adjusted EBITDA (excluding divestitures)	~16 %	Mid-teen%

Management Guidance*

We expect business momentum to continue into FY2021, with an outlook for strong underlying growth.

	FY2021
Underlying Revenue Growth	Mid-single-digit growth
Underlying Core Operating Profit Growth	Mid-single-digit growth
Underlying Core Operating Profit Margin	~30% margin
Underlying Core EPS Growth	Mid-single-digit growth

* Please refer to *Analysis of Results of Operations, Financial Position, and Cash Flow "Results of Operations (Underlying Results) (April 1, 2020 to March 31, 2021)"*, Definition of Core and Underlying Growth.

Other assumptions used in preparing the FY2021 Reported Forecast and the Management Guidance

- To date, Takeda has not experienced a material effect on its financial results as a result of the global spread of the novel coronavirus infectious disease (COVID-19). Based on currently available information, Takeda believes that its financial results for FY2021 will not be materially affected by COVID-19 and, accordingly, Takeda's FY2021 forecast reflects this belief. However, the situation surrounding COVID-19 remains highly fluid, and future COVID-19-related developments in FY2021, including new or additional COVID-19 outbreaks and additional or extended lockdowns, shelter-in-place orders or other government action in major markets, could result in further or more serious disruptions to Takeda's business, such as slowdowns in demand for Takeda's products, supply chain related issues or significant delays in its clinical trial programs. These events, if they occur, could result in an additional impact on Takeda's business, results of operations or financial condition, as well as result in significant deviations from Takeda's FY2021 forecast.
- Takeda expects at least one 505(b)2 competitor for subcutaneous VELCADE to launch in the U.S. around mid FY2021.
- Takeda does not expect to restart sales of NATPARA in the U.S. market in FY2021.
- The forecast and the guidance do not include the impact of any potential further divestitures beyond what has already been disclosed by Takeda.

Forward looking statements

All forecasts in this document are based on information currently available to management, and do not represent a promise or guarantee to achieve these forecasts. Various uncertain factors could cause actual results to differ, such as changes in the business environment and fluctuations in foreign exchange rates. Should any significant event occur which requires the forecast to be revised, the Company will disclose it in a timely manner.

Capital Allocation Policy and Dividends for the Fiscal Year Ended March 31, 2021 and Ending March 31, 2022

(i) Capital Allocation Policy

Takeda is delivering on its financial commitments and has a strong cash flow outlook driven by business momentum, cost synergies, and non-core asset divestitures. Guided by our values and our commitment to Patients, People and Planet, we will allocate capital to maximize value for patients and shareholders.

Takeda's policy in the allocation of capital is as follows:

- Invest in growth drivers;
- Deleverage rapidly; and
- Shareholder returns.

In respect of "Invest in growth drivers", Takeda makes disciplined and focused investments in value-creating business opportunities including R&D, new product launches, including in China, and plasma-derived therapies. With regards to "Deleverage rapidly", Takeda is targeting a 2x (i.e. “low-twos”) net debt/adjusted EBITDA ratio within fiscal years ending March 2022 - March 2024 and has committed to maintaining solid investment grade credit ratings. In respect of "Shareholder returns", Takeda maintains its well-established dividend policy of 180 yen per share annually. We expect underlying growth momentum to continue over the mid-term.

(ii) Dividend

Takeda is strongly committed to shareholder returns with the dividend as a key component.

[FY2020] 180 yen per share
Year-end dividend per share: 90 yen
Together with the interim dividend of 90 yen per share, the annual dividend will be 180 yen per share.

[FY2021 guidance] 180 yen per share

Consolidated Financial Statements [IFRS]

(1) Consolidated Statements of Profit or Loss

	JPY (millions)		USD (millions)(*)
	For the year ended March 31,		For the year ended March 31,
	2020	2021	2021
Revenue	3,291,188	3,197,812	28,911
Cost of sales	(1,089,764)	(994,308)	(8,989)
Selling, general and administrative expenses	(964,737)	(875,663)	(7,917)
Research and development expenses	(492,381)	(455,833)	(4,121)
Amortization and impairment losses on intangible assets associated with products	(455,420)	(421,864)	(3,814)
Other operating income	60,213	318,020	2,875
Other operating expenses	(248,691)	(258,895)	(2,341)
Operating profit	100,408	509,269	4,604
Finance income	27,831	105,521	954
Finance expenses	(165,006)	(248,631)	(2,248)
Share of profit (loss) of investments accounted for using the equity method	(23,987)	76	1
Profit (loss) before tax	(60,754)	366,235	3,311
Income tax benefit	105,044	9,936	90
Net profit for the year	44,290	376,171	3,401
Attributable to:			
Owners of the Company	44,241	376,005	3,399
Non-controlling interests	49	166	2
Net profit for the year	44,290	376,171	3,401
Earnings per share (JPY)			
Basic earnings per share	28.41	240.72	2.18
Diluted earnings per share	28.25	238.96	2.16

(*) Consolidated statements of profit or loss have been translated solely for the convenience of the reader at an exchange rate of 1USD = 110.61 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on March 31, 2021. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(2) Consolidated Statements of Comprehensive Income

	JPY (millions)		USD (millions)(*)
	For the year ended March 31,		For the year ended March 31,
	2020	2021	2021
Net profit for the year	44,290	376,171	3,401
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss:			
Changes in fair value of financial assets measured at fair value through other comprehensive income	(3,512)	61,866	559
Remeasurement of defined benefit pension plans	(6,398)	4,866	44
	(9,910)	66,732	603
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	(207,072)	309,304	2,796
Cash flow hedges	(25,689)	(45,345)	(410)
Hedging cost	(857)	(9,147)	(83)
Share of other comprehensive loss of investments accounted for using the equity method	(181)	(299)	(3)
	(233,799)	254,513	2,301
Other comprehensive income (loss) for the year, net of tax	(243,709)	321,245	2,904
Total comprehensive income (loss) for the year	(199,419)	697,416	6,305
Attributable to:			
Owners of the Company	(199,569)	697,202	6,303
Non-controlling interests	150	214	2
Total comprehensive income (loss) for the year	(199,419)	697,416	6,305

(*) Consolidated statements of comprehensive income have been translated solely for the convenience of the reader at an exchange rate of 1USD = 110.61 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on March 31, 2021. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(3) Consolidated Statements of Financial Position

	JPY (millions)		USD (millions)(*)
	As of March 31, 2020	As of March 31, 2021	As of March 31, 2021
ASSETS			
Non-current assets:			
Property, plant and equipment	1,386,370	1,453,917	13,145
Goodwill	4,012,528	4,033,917	36,470
Intangible assets	4,171,361	3,909,106	35,341
Investments accounted for using the equity method	107,334	112,468	1,017
Other financial assets	262,121	235,882	2,133
Other non-current assets	103,846	100,341	907
Deferred tax assets	308,102	353,769	3,198
Total non-current assets	10,351,662	10,199,400	92,210
Current assets:			
Inventories	759,599	753,881	6,816
Trade and other receivables	757,005	783,091	7,080
Other financial assets	15,822	36,598	331
Income taxes receivable	27,916	29,623	268
Other current assets	114,196	122,789	1,110
Cash and cash equivalents	637,614	966,222	8,735
Assets held for sale	157,280	20,689	187
Total current assets	2,469,432	2,712,893	24,527
Total assets	12,821,094	12,912,293	116,737
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities:			
Bonds and loans	4,506,487	4,613,218	41,707
Other financial liabilities	399,129	517,677	4,680
Net defined benefit liabilities	156,617	158,857	1,436
Income taxes payable	54,932	33,690	305
Provisions	37,605	38,748	350
Other non-current liabilities	52,793	56,898	514
Deferred tax liabilities	710,147	542,852	4,908
Total non-current liabilities	5,917,710	5,961,940	53,901
Current liabilities:			
Bonds and loans	586,817	22,153	200
Trade and other payables	318,816	343,838	3,109
Other financial liabilities	95,706	248,053	2,243
Income taxes payable	182,738	145,203	1,313
Provisions	405,245	471,278	4,261
Other current liabilities	499,386	542,651	4,906
Liabilities held for sale	87,190	—	—
Total current liabilities	2,175,898	1,773,176	16,031
Total liabilities	8,093,608	7,735,116	69,931

	JPY (millions)		USD (millions)(*)
	As of March 31, 2020	As of March 31, 2021	As of March 31, 2021
EQUITY			
Share capital	1,668,123	1,668,145	15,081
Share premium	1,680,287	1,688,424	15,265
Treasury shares	(87,463)	(59,552)	(538)
Retained earnings	1,369,972	1,509,906	13,651
Other components of equity	92,564	366,114	3,310
Equity attributable to owners of the company	4,723,483	5,173,037	46,768
Non-controlling interests	4,003	4,140	37
Total equity	4,727,486	5,177,177	46,806
Total liabilities and equity	12,821,094	12,912,293	116,737

(*) Consolidated statements of financial position have been translated solely for the convenience of the reader at an exchange rate of 1USD = 110.61 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on March 31, 2021. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(4) Consolidated Statements of Changes in Equity

	JPY (millions)					
	Equity attributable to owners of the Company					
					Other components of equity	
	Share capital	Share premium	Treasury shares	Retained earnings	Exchange differences on translation of foreign operations	Changes in fair value of financial assets measured at fair value through other comprehensive income
As of April 1, 2019	1,643,585	1,650,232	(57,142)	1,595,431	299,128	46,380
Cumulative effects of changes in accounting policies				(512)		
Restated opening balance	1,643,585	1,650,232	(57,142)	1,594,919	299,128	46,380
Net profit for the year				44,241		
Other comprehensive income (loss)					(207,280)	(3,586)
Comprehensive income (loss) for the year	—	—	—	44,241	(207,280)	(3,586)
Transactions with owners:						
Issuance of new shares	24,538	24,538				
Acquisition of treasury shares			(52,750)			
Disposal of treasury shares		(0)	1			
Dividends				(282,693)		
Transfers from other components of equity				13,505		(19,903)
Share-based compensation		29,122				
Exercise of share-based awards		(23,605)	22,428			
Total transactions with owners	24,538	30,055	(30,321)	(269,188)	—	(19,903)
As of March 31, 2020	1,668,123	1,680,287	(87,463)	1,369,972	91,848	22,891

	Equity attributable to owners of the Company						
	Other components of equity						
	Cash flow hedges	Hedging cost	Remeasurements of defined benefit pension plans	Total	Total	Non-controlling interests	Total equity
As of April 1, 2019	2,959	1,412	—	349,879	5,181,985	4,006	5,185,991
Cumulative effects of changes in accounting policies				—	(512)		(512)
Restated opening balance	2,959	1,412	—	349,879	5,181,473	4,006	5,185,479
Net profit for the year				—	44,241	49	44,290
Other comprehensive income (loss)	(25,689)	(857)	(6,398)	(243,810)	(243,810)	101	(243,709)
Comprehensive income (loss) for the year	(25,689)	(857)	(6,398)	(243,810)	(199,569)	150	(199,419)
Transactions with owners:							
Issuance of new shares				—	49,076		49,076
Acquisition of treasury shares				—	(52,750)		(52,750)
Disposal of treasury shares				—	1		1
Dividends				—	(282,693)	(153)	(282,846)
Transfers from other components of equity			6,398	(13,505)	—		—
Share-based compensation				—	29,122		29,122
Exercise of share-based awards				—	(1,177)		(1,177)
Total transactions with owners	—	—	6,398	(13,505)	(258,421)	(153)	(258,574)
As of March 31, 2020	(22,730)	555	—	92,564	4,723,483	4,003	4,727,486

	JPY (millions)					
	Equity attributable to owners of the Company					
					Other components of equity	
	Share capital	Share premium	Treasury shares	Retained earnings	Exchange differences on translation of foreign operations	Changes in fair value of financial assets measured at fair value through other comprehensive income
As of April 1, 2020	1,668,123	1,680,287	(87,463)	1,369,972	91,848	22,891
Net profit for the year				376,005		
Other comprehensive income (loss)					308,950	61,873
Comprehensive income (loss) for the year	—	—	—	376,005	308,950	61,873
Transactions with owners:						
Issuance of new shares	22	22				
Acquisition of treasury shares			(2,141)			
Disposal of treasury shares		(0)	2			
Dividends				(283,718)		
Transfers from other components of equity				47,647		(42,781)
Share-based compensation		37,663				
Exercise of share-based awards		(29,548)	30,050			
Total transactions with owners	22	8,137	27,911	(236,071)	—	(42,781)
As of March 31, 2021	1,668,145	1,688,424	(59,552)	1,509,906	400,798	41,983

	Equity attributable to owners of the Company						
	Other components of equity						
	Cash flow hedges	Hedging cost	Remeasurements of defined benefit pension plans	Total	Total	Non-controlling interests	Total equity
As of April 1, 2020	(22,730)	555	—	92,564	4,723,483	4,003	4,727,486
Net profit for the year				—	376,005	166	376,171
Other comprehensive income (loss)	(45,345)	(9,147)	4,866	321,197	321,197	48	321,245
Comprehensive income (loss) for the year	(45,345)	(9,147)	4,866	321,197	697,202	214	697,416
Transactions with owners:							
Issuance of new shares				—	44		44
Acquisition of treasury shares				—	(2,141)		(2,141)
Disposal of treasury shares				—	2		2
Dividends				—	(283,718)	(77)	(283,795)
Transfers from other components of equity			(4,866)	(47,647)	—		—
Share-based compensation				—	37,663		37,663
Exercise of share-based awards				—	502		502
Total transactions with owners	—	—	(4,866)	(47,647)	(247,648)	(77)	(247,725)
As of March 31, 2021	(68,075)	(8,592)	—	366,114	5,173,037	4,140	5,177,177

(5) Consolidated Statements of Cash Flows

	JPY (millions)		USD (millions)(*)
	For the year ended March 31,		For the year ended March 31,
	2020	2021	2020
Cash flows from operating activities:			
Net profit for the year	44,290	376,171	3,401
Depreciation and amortization	583,649	559,671	5,060
Impairment losses	101,882	25,452	230
Equity-settled share-based compensation	29,122	37,663	341
Change in estimate of liabilities related to SHP647	—	(60,179)	(544)
Gain on sales and disposal of property, plant and equipment	(990)	(2,109)	(19)
Gain on divestment of business and subsidiaries	(16,755)	(229,993)	(2,079)
Loss on liquidation of foreign operations	399	—	—
Change in fair value of financial assets and liabilities associated with contingent consideration arrangements, net	(18,387)	59,277	536
Finance (income) and expenses, net	137,175	143,110	1,294
Share of loss (profit) of investments accounted for using the equity method	23,987	(76)	(1)
Income tax benefit	(105,044)	(9,936)	(90)
Changes in assets and liabilities:			—
Increase in trade and other receivables	(34,826)	(9,316)	(84)
Decrease in inventories	137,492	25,978	235
Increase (decrease) in trade and other payables	(29,932)	36,620	331
Increase in provisions	21,938	49,099	444
Increase in other financial liabilities	7,158	173,400	1,568
Other, net	15,362	37,786	342
Cash generated from operations	896,520	1,212,618	10,963
Income taxes paid	(234,612)	(235,801)	(2,132)
Tax refunds and interest on tax refunds received	7,844	34,114	308
Net cash from operating activities	669,752	1,010,931	9,140
Cash flows from investing activities:			
Interest received	11,487	1,105	10
Dividends received	1,382	387	3
Acquisition of property, plant and equipment	(127,082)	(111,206)	(1,005)
Proceeds from sales of property, plant and equipment	12,578	46,453	420
Acquisition of intangible assets	(90,628)	(125,262)	(1,132)
Acquisition of investments	(7,551)	(12,596)	(114)
Proceeds from sales and redemption of investments	49,402	74,604	674
Acquisition of businesses, net of cash and cash equivalents acquired	(4,890)	—	—
Proceeds from sales of business, net of cash and cash equivalents divested	461,546	530,388	4,795
Other, net	(14,125)	(10,343)	(94)
Net cash from investing activities	292,119	393,530	3,558

	JPY (millions)		USD (millions)(*)
	For the year ended March 31,		For the year ended March 31,
	2020	2021	2021
Cash flows from financing activities:			
Net decrease in short-term loans and commercial papers	(351,223)	(149,043)	(1,347)
Proceeds from issuance of bonds and long-term loans	496,190	1,179,515	10,664
Repayments of bonds and long-term loans	(701,057)	(1,651,706)	(14,933)
Payments for settlement of forward rate agreement related to bonds	—	(34,830)	(315)
Acquisition of treasury shares	(3,737)	(2,141)	(19)
Interest paid	(127,211)	(107,350)	(971)
Dividends paid	(282,582)	(283,357)	(2,562)
Acquisition of non-controlling interests	(1,700)	—	—
Repayments of lease liabilities	(30,000)	(39,270)	(355)
Other, net	(3,893)	(172)	(2)
Net cash used in financing activities	(1,005,213)	(1,088,354)	(9,840)
Net increase (decrease) in cash and cash equivalents	(43,342)	316,107	2,858
Cash and cash equivalents at the beginning of the year			
(Consolidated statements of financial position)	702,093	637,614	5,765
Cash and cash equivalents reclassified back from assets held for sale	629	—	—
Cash and cash equivalents at the beginning of the year	702,722	637,614	5,765
Effects of exchange rate changes on cash and cash equivalents	(21,766)	12,501	113
Cash and cash equivalents at the end of the year			
(Consolidated statements of financial position)	637,614	966,222	8,735

(*) Consolidated statements of cash flows have been translated solely for the convenience of the reader at an exchange rate of 1USD = 110.61 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on March 31, 2021. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

(6) Other Information

(Significant Subsequent Events)

On April 1, 2021, Takeda provided a notice of prepayment to the lenders of the JBIC Loan in respect of 2,000 million USD of the outstanding loan amount of 3,700 million USD that has an original maturity date of December 11, 2025. The prepayment of the JBIC Loan will be made on June 11, 2021.

On April 16, 2021, Takeda provided a notice of redemption to the holders of the remaining 200 million USD of unsecured U.S. dollar-denominated senior notes issued in July 2017 in advance of their original maturity date of January 18, 2022. The redemption date of the unsecured U.S. dollar-denominated senior notes will be May 17, 2021.

The impact from the accelerated debt prepayments on the consolidated statements of profit or loss is not expected to be material.

Supplementary Information

1. Pipeline

I. Clinical Development Activities

- The following table lists the pipeline assets that we are developing as of May 11, 2021. The assets in our pipeline are in various stages of development, and the contents of the pipeline may change as compounds currently under development drop out and new compounds are introduced. Whether the compounds listed below are ever successfully released as products depends on various factors, including the results of pre-clinical and clinical trials, market conditions for various drugs and regulatory approvals.
- This table primarily shows the indications for which we will actively pursue approval. We are also conducting additional studies of certain assets to examine their potential for use in further indications and in additional formulations.
- The listings in this table are limited to the U.S., EU and Japan and China, but we are also actively conducting development activities in other regions, including in Emerging Markets. Country/region in the "Stage" column denote where a clinical study is ongoing or a filing has been made with our specific intention to pursue approval in any of the U.S., EU, Japan or China. 'Global' refers to U.S., EU, Japan and China.
- Brand name and country/region indicate the brand name and country in which the specific asset has already been approved for any indication in any of the U.S., EU, Japan or China and Takeda has commercialization rights for such asset.
- Stage-ups are recognized in the table upon achievement of First Subject In.
- Modality of our pipeline assets in the following table is classified into either of the following categories: ‘small molecule’, ‘peptide/ oligonucleotide’, ‘cell and gene therapy’, ‘microbiome’ or ‘biologic and other.’
- Change since FY2020 Q3 : The following table for each therapeutic area keeps listing programs which were approved in FY2020 until the end of the fiscal year.

– Oncology Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Stage	
SGN-35*[1] <brentuximab vedotin> *ADCETRIS* (EU, Japan, China)	CD30 monoclonal antibody-drug conjugate (injection)	Biologic and other	Previously untreated systemic Anaplastic Large Cell Lymphoma	EU	Approved (May 2020)
			Relapsed / refractory Hodgkin Lymphoma	China	Approved (May 2020)
			Relapsed / refractory systemic Anaplastic Large Cell Lymphoma	China	Approved (May 2020)
			Cutaneous T cell lymphoma	China	Approved (Apr 2021)
<brigatinib> *ALUNBRIG* (Global)	ALK inhibitor (oral)	Small molecule	1L ALK-positive Non-Small Cell Lung Cancer	U.S.	Approved (May 2020)
			1L ALK-positive Non-Small Cell Lung Cancer	Japan	Approved (Jan 2021)
			2L ALK-positive Non-Small Cell Lung Cancer in patients previously treated with ALK inhibitors	Japan	Approved (Jan 2021)
			1L & 2L ALK-positive Non-Small Cell Lung Cancer	China	Filed (Dec 2020)
			2L ALK-positive Non-Small Cell Lung Cancer (head-to-head with alectinib)	Global	P-III
MLN9708 <ixazomib> *NINLARO* (Global)	Proteasome inhibitor (oral)	Small molecule	Maintenance therapy in patients with newly diagnosed Multiple Myeloma not treated with stem cell transplant	Japan U.S. EU China	Filed (May 2020) P-III P-III P-III
			Maintenance therapy in patients with newly diagnosed Multiple Myeloma following autologous stem cell transplant	U.S. EU	P-III P-III
<cabozantinib>*[2] *CABOMETYX* (Japan)	Multi-targeted kinase inhibitor (oral)	Small molecule	2L Hepatocellular carcinoma	Japan	Approved (Nov 2020)
			1L Renal cell carcinoma in combination with nivolumab	Japan	Filed (October 2020)
			2L metastatic Non-Small Cell Lung Cancer in combination with atezolizumab[3]	Japan	P-III
			Metastatic Castration-Resistant Prostate Cancer in combination with atezolizumab[4]	Japan	P-III
<niraparib>*[5] *ZEJULA* (Japan)	PARP1/2 inhibitor (oral)	Small molecule	Ovarian cancer maintenance following 1L or 2L, salvage	Japan	Approved (Sep 2020)

<ponatinib> *ICLUSIG* (U.S.)	BCR-ABL inhibitor (oral)	Small molecule	Label update for the treatment of patients with Chronic Myeloid Leukemia and Philadelphia chromosome-positive Acute Lymphoblastic Leukemia based on the interim analysis of the OPTIC trial in CML patients and adjudicated data from PACE trial in CML and Ph+ ALL patients	U.S.	Approved (Dec 2020)
			Front line Philadelphia chromosome-positive Acute Lymphoblastic Leukemia	U.S.	P-III
TAK-924 **<pevonedistat>**	NEDD 8 activating enzyme inhibitor (injection)	Small molecule	High-risk Myelodysplastic Syndrome	Global	P-III
			Unfit Acute Myelogenous Leukemia	Global	P-III
TAK-788 **<mobocertinib>**	EGFR/HER2 exon 20 inhibitor (oral)	Small molecule	Treatment Naïve Non-Small Cell Lung Cancer with Exon-20 insertion	Global	P-III
			Previously treated Non-Small Cell Lung Cancer with Exon-20 insertion	U.S. Japan EU China	Filed (Apr 2021) P-III P-III P-III
TAK-385 **<relugolix>**	LH-RH antagonist (oral)	Small molecule	Prostate cancer	Japan China	P-III P-III
TAK-007[*6]	CD19 CAR-NK (injection)	Cell and gene therapy	Relapsed/refractory B-cell malignancies	-	P-I/II
TAK-102[*7]	GPC3 CAR-T (injection)	Cell and gene therapy	Solid tumors	-	P-I
TAK-573*[8]	CD38-targeted IgG4 genetically fused with an attenuated IFNα (injection)	Biologic and other	Relapsed/refractory Multiple Myeloma	-	P-I
TAK-605[*9]	Oncolytic virus (intra-tumoral administration)	Biologic and other	Solid tumors	-	P-I
TAK-676	STING agonist (injection)	Small molecule	Solid tumors	-	P-I
TAK-940[*10]	CD19 1XX CAR-T (injection)	Cell and gene therapy	Relapsed/refractory B-cell malignancies	-	P-I
TAK-981	SUMO inhibitor (injection)	Small molecule	Multiple cancers	-	P-I
TAK-252 / SL-279252*[11]	PD-1-Fc-OX40L (injection)	Biologic and other	Solid tumors or lymphomas	-	P-I
TAK-186	T-Cell Engager	Biologic and other	EGFR expressing solid tumors	-	P-I

*1 Partnership with Seagen, Inc.
*2 Partnership with Exelixis, Inc.
*3 Partnership with Chugai Pharmaceutical. Chugai operates Phase 3 development
*4 Partnership with Chugai Pharmaceutical. Takeda operates Phase 3 development
*5 Partnership with GlaxoSmithKline
*6 Partnership with The University of Texas MD Anderson Cancer Center
*75 Partnership with Noile-Immune Biotech, Inc.
*8 Partnership with Teva Pharmaceutical Industries Ltd.
*9 Partnerhip with Turnstone Biologics
*10 Partnership with Memorial Sloan Kettering Cancer Center
*11 Partnership with Shattuck Labs, Inc.

Additions since FY2020 Q3: TAK-186 for EGFR expressing solid tumors (P-I)
Removals since FY2020 Q3: brigatinib for 2L ALK-positive Non-Small Cell Lung Cancer in patients progressed on 2nd generation Tyrosine Kinase Inhibitors (P-II)
ixazomib for Relapsed/refractory Multiple Myeloma (doublet regimen, triplet regimen) (P-II)
TAK-169 for relapsed/refractory multiple myeloma (P-I, discontinued)

– Rare Genetics and Hematology Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Stage	
TAK-743 <lanadelumab> *TAKHZYRO* (U.S., EU, China)	Plasma kallikrein inhibitor (injection)	Biologic and other	Hereditary Angioedema	China	Approved (Dec 2020)
			Hereditary Angioedema	Japan	Filed (Mar 2021)
			Pediatric Hereditary Angioedema	Global	P-III
			Bradykinin-Mediated Angioedema	Global	P-III
TAK-577 *VONVENDI* (U.S., Japan), *VEYVONDI* (EU)	von Willebrand factor [recombinant] (injection)	Biologic and other	Adult prophylactic treatment of von Willebrand disease	U.S. Japan EU China	Submission on track P-III P-III P-III
			Pediatric on-demand and surgery treatment of von Willebrand disease	Global	P-III
TAK-660 *ADYNOVATE* (U.S., Japan), *ADYNOVI* (EU)	Antihemophilic factor [recombinant], PEGylated (injection)	Biologic and other	Pediatric Hemophilia A	EU	P-III
TAK-755[*1]	Replacement of the deficient-ADAMTS13 enzyme (injection)	Biologic and other	Congenital Thrombotic Thrombocytopenic Purpura	U.S. EU	P-III P-III
			Immune Thrombotic Thrombocytopenic Purpura	U.S. EU	P-II P-II
			Sickle cell disease	U.S.	P-I/II
TAK-620[*2] **<maribavir>**	Benzimidazole riboside inhibitor (oral	Small molecule	Cytomegalovirus infection in transplant patients	U.S. EU	Submission on track P-III
TAK-607	Insulin-like Growth Factor / IGF Binding Protein (injection)	Biologic and other	Complications of prematurity	-	P-II
TAK-609	Recombinant human iduronate-2-sulfatase for intrathecal administration (injection	Biologic and other	Hunter syndrome CNS	U.S. EU	P-II P-II
TAK-611	Recombinant human arylsulfatase A for intrathecal administration (injection	Biologic and other	Metachromatic leukodystrophy	-	P-II
TAK-079[*3] **<mezagitamab>**	Anti-CD38 monoclonal antibody (injection	Biologic and other	Myasthenia gravis	-	P-II
			Immune thrombocytopenic purpura	-	P-II
			Systemic lupus erythematosus	-	P-I/II
TAK-834 *NATPARA* (U.S.), *NATPAR* (EU)	Parathyroid hormone (injection)	Biologic and other	Hypoparathyroidism	Japan	P-I*[4]

*1 Partnership with KM Biologics for coexclusive license for commercialization in Japan only
*2 Partnership with GlaxoSmithKline
*3 Relapsed/refractory Multiple Myeloma will continue until trial completion.
*4 P-I study in Japan completed; P-III study start timing under review.

– Neuroscience Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Stage	
TAK-815 <midazolam> *BUCCOLUAM (JP)*	GABA Allosteric Modulator (oromucosal)	Small molecule	Status epilepticus (seizures)	Japan	Approved (Sep 2020)
TAK-935 <soticlestat>	CH24H inhibitor (oral)	Small molecule	Dravet Syndrome, Lennox-Gastaut syndrome	-	P-II
			15q duplication syndrome, CDKL5 deficiency disorder	-	P-II
TAK-994	Orexin 2R agonist (oral)	Small molecule	Narcolepsy	-	P-II
TAK-831[*1] **<luvadaxistat>**	D-amino acid oxidase (DAAO) inhibitor (oral)	Small molecule	Negative symptoms and/or cognitive impairment associated with schizophrenia	-	P-II(a)
TAK-071	M1 positive allosteric modulator (M1PAM) (oral)	Small molecule	Parkinson's disease	-	P-II
TAK-041[*2]	GPR139 agonist (oral)	Small molecule	Anhedonia in major depressive disorder (MDD)	-	P-I
TAK-341/MEDI1341[*3]	Alpha-synuclein antibody (injection)	Biologic and other	Parkinson's disease	-	P-I
TAK-653[*2]	AMPA receptor potentiator (oral)	Small molecule	Treatment resistant depression	-	P-I
TAK-861	Orexin 2R agonist (oral)	Small molecule	Narcolepsy	-	P-I
TAK-925	Orexin 2R agonist (injection)	Small molecule	Narcolepsy, other sleep disorders	-	P-I

*1 50:50 co-development and co-commercialization option with Neurocrine
*2 50:50 co-development and co-commercialization with Neurocrine
*3 Partnership with AstraZeneca. AstraZeneca leads Phase 1 development

Additions since FY2020 Q3: TAK-861 for Narcolepcy (P-I)
Removals since FY2020 Q3: TAK-935 for Complex Regional Pain Syndrome (P-II, discontinued)
WVE-120101 and WVE-120102 for Huntington's disease (P-I/II, discontinued)

– GI Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Stage	
MLN0002 <vedolizumab> *ENTYVIO* (Global)	Humanized monoclonal antibody against α4β7 integrin (injection)	Biologic and other	Subcutaneous formulation for ulcerative colitis	U.S. Japan	CRL received (Dec 2019)*[10] Filed (Aug 2019)
			Subcutaneous formulation for Crohn's disease	U.S. Japan	P-III P-III
			Graft-versus-Host Disease prophylaxis in patients undergoing allogeneic hematopoietic stem cell transplantation	EU Japan	P-III P-III
			Pediatrics Study (ulcerative coltis, Crohn's disease)	Global	P-II
TAK-438 <vonoprazan> ***TAKECAB* (Japan)** *VOCINTI* (China)	Potassium-competitive acid blocker (oral)	Small molecule	Acid related diseases (Reflex Esophagitis Maintenance)	China	Filed (Mar 2020)
			Acid related diseases (Duodenal Ulcer)	China	Filed (Apr 2020)
			Oral disintegrated tablet formulation	Japan	Filed (Mar 2021)
			Acid related diseases (adjunct to Helicobacter pylori eradication)	China	P-III
TAK-633 <teduglutide> *GATTEX* (U.S.) *REVESTIVE* (EU)	GLP-2 analogue (injection)	Peptide/ Oligo-nucleotide	Short bowel syndrome (pediatric indication)	Japan	Filed (Oct 2020)
			Short bowel syndrome (in adults)	Japan	Filed (Oct 2020)
TAK-721*[1] <budesonide>	Glucocorticosteroid (oral)	Small molecule	Eosinophilic esophagitis	U.S.	Filed (Dec 2020)
Cx601 <darvadstrocel> *ALOFISEL* (EU)	A suspension of allogeneic expanded adipose-derived stem cells (injection)	Biologic and other	Refractory complex perianal fistulas in patients with Crohn's disease	U.S. Japan	P-III Filed (Feb 2021)
TAK-906	Dopamine D2/D3 receptor antagonist (oral)	Small molecule	Gastroparesis	-	P-II (b)
TAK-954*[2]	5-HT_4 - hydroxytryptamine receptor agonist (injection)	Small molecule	Post-operative gastrointestinal dysfunction	-	P-II (b)
TAK-999*[3]	GalNAc based RNA interference (RNAi) (injection)	Peptide/ Oligo-nucleotide	Alpha-1 antitrypsin-associated liver disease	U.S. EU	P-II (b) P-II (b)
TAK-101*[4]	Tolerizing Immune Modifying nanoParticle (TIMP) (injection)	Biologic and other	Celiac disease	-	P-II (a)
TAK-018/EB8018*[5] <sibofimloc>	FimH antagonist (oral)	Small molecule	Crohn's disease (post-operative and ileitis)	-	P-II (a)
TAK-951	Peptide agonist (sub-cutaneous)	Peptide/ Oligo-nucleotide	Nausea and vomiting	-	P-II
TAK-510	Peptide agonist (sub-cutaneous)	Peptide/ Oligo-nucleotide	Nausea and vomiting	-	P-I
TAK-671*[6]	Protease inhibitor (injection)	Biologic and other	Acute pancreatitis	-	P-I
TAK-062*[7]	Glutenase (oral)	Biologic and other	Celiac disease	-	P-I
TAK-039*[8]	Bacterial consortium (oral)	Microbiome	Clostridium difficile infections*[9]	-	P-I

*1 Partnership with UCSD and Fortis Advisors
*2 Partnership with Theravance Biopharma, Inc.
*3 Partnership with Arrowhead Pharmaceuticals, Inc.
*4 Acquired license for TAK-101 from Cour Pharmaceutical Development Company. Previously known as TIMP-GLIA.
*5 Partnership with Enterome Bioscience SA
*6 Partnership with Samsung Bioepis

*7 Acquired PvP Biologics, Inc. including TAK-062. Previously known as Kuma062.
*8 Partnership with with NuBiyota
*9 Phase 1 study in clostridium difficile infections completed; strategic intention is to take the program forward in hepatic encephalopathy.
*10 Complete Response Letter (CRL) is unrelated to the clinical safety and efficacy data, and included queries related to the design and labelling of the SC device. In August 2020, Takeda had a productive meeting with the FDA to review the Company's latest data and to seek guidance on additional data needs required to support the approval of vedolizumab SC. During the meeting, Takeda gained clarity on data needs for the device, and is moving forward to address them. Continued testing of the device will take time, and as a result, Takeda expects to potentially launch vedolizumab SC for moderate to severe ulcerative colitis in the U.S. in 2022, pending FDA approval.

Additions since FY2020 Q3: TAK-510 for nausea and vomiting (P-I)

– Plasma-Derived Therapies Pipeline

Development code <generic name> Brand name (country/region)	Type of Drug (administration route)	Modality	Indications / additional formulations	Stage	
TAK-664 *CUVITRU* (U.S., EU)	Immunoglobulin 20% [human] (subcutaneous)	Biologic and other	Primary immunodeficiencies	Japan	P-III
TAK-771*1 <IG Infusion 10% (Human) w/ Recombinant Human Hyaluronidase> *HYQVIA* (U.S., EU)	Immunoglobulin (IgG) + recombinant hyaluronidase replacement therapy (injection)	Biologic and other	Secondary immunodeficiencies	EU	Approved (Sep 2020)
			Pediatric indication for primary immunodeficiency	U.S.	P-III
			Chronic inflammatory demyelinating polyradiculoneuropathy	U.S. EU	P-III P-III

*1 Partnership with Halozyme

Removals since FY2020 Q3: CoVIg-19 for treatment of adult hosptilized patients at onset of clinical progression of COVID-19 (P-III, discontinued)

– Vaccines Pipeline

Development code Brand name (country/region)	Type of vaccine (administration route)	Modality	Indications / additional formulations	Stage	
TAK-003	Tetravalent dengue vaccine (injection)	Biologic and other	For the prevention of dengue fever of any severity, due to any serotype, in individuals aged 4 up to 60 years of age	EU and EU-M4all -	Filed (Mar 2021)*4 P-III
TAK-919/mRNA-1273*1	COVID-19 vaccine (injection)	Biologic and other	Active immunization for the prevention of COVID-19	Japan	Filed (Mar 2021)
TAK-019/ NVX-CoV2373*2	COVID-19 vaccine (injection)	Biologic and other	Active immunization for the prevention of COVID-19	Japan	P-I/II
TAK-214	Norovirus vaccine (injection)	Biologic and other	Active immunization for the prevention of acute gastroenteritis caused by norovirus	-	P-II (b)
TAK-426*3	Zika vaccine (injection)	Biologic and other	Active immunization for the prevention of disease caused by Zika virus	-	P-I

*1 Partnership with Moderna and MHLW to bring Moderna's COVID-19 vaccine candidate to Japan
*2 Partnership with Novavax, Inc. to bring Novavax' COVID-19 vaccine candidate to Japan with funding from the Government of Japan's Ministry of Health, Labour and Welfare (MHLW) and Agency for Medical Research and Development (AMED)
*3 Partnership with The Biomedical Advanced Research and Development Authority (BARDA) - U.S. Government
*4 In addition to filing in the EU and through the EU-M4all (previously Article 58) procedure for countries outside of the EU, filings began in dengue endemic countries in Latin America and Asia that are not participating in the EU-M4all procedure.

II. Recent Progress in stage [Progress in stage disclosed since release of FY2019 results (May 13th, 2020)]

Development code <generic name>	Indications / additional formulations	Country/Region	Progress in stage
<brigatinib>	1L ALK-positive Non-Small Cell Lung Cancer	U.S.	Approved (May 2020)
SGN-35 <brentuximab vedotin>	Previously untreated systemic Anaplastic Large Cell Lymphoma	EU	Approved (May 2020)
SGN-35 <brentuximab vedotin>	Relapsed / refractory Hodgkin Lymphoma	China	Approved (May 2020)
SGN-35 <brentuximab vedotin>	Relapsed / refractory systemic Anaplastic Large Cell Lymphoma	China	Approved (May 2020)
<niraparib>	Ovarian cancer maintenance following 1L or 2L, salvage	Japan	Approved (Sep 2020)
TAK-815 <midazolam>	Status epilepticus (seizures)	Japan	Approved (Sep 2020)
TAK-771 <IG Infusion 10% (Human) w/ Recombinant Human Hyaluronidase>	Secondary immunodeficiencies	EU	Approved (Sep 2020)
<cabozantinib>	2L Hepatocellular carcinoma	Japan	Approved (Nov 2020)
<ponatinib>	Label update for the treatment of patients with Chronic Myeloid Leukemia and Philadelphia chromosome-positive Acute Lymphoblastic Leukemia based on the interim analysis of the OPTIC trial in CML patients and adjudicated data from PACE trial in CML and Ph+ ALL patients	U.S.	Approved (Dec 2020)
TAK-743 <lanadelumab>	Hereditary angioedema	China	Approved (Dec 2020)
<brigatinib>	1L ALK-positive Non-Small Cell Lung Cancer	Japan	Approved (Jan 2021)
<brigatinib>	2L ALK-positive Non-Small Cell Lung Cancer in patients previously treated with ALK inhibitors	Japan	Approved (Jan 2021)
TAK-438 <vonoprazan>	Acid related diseases (Duodenal Ulcer)	China	Filed (Apr 2020)
MLN9708 <ixazomib>	Maintenance therapy in patients with newly diagnosed Multiple Myeloma not treated with stem cell transplant	Japan	Filed (May 2020)
<cabozantinib>	1L Renal cell carcinoma in combination with nivolumab	Japan	Filed (Oct 2020)
TAK-633 <teduglutide>	Short bowel syndrome (pediatric indication)	Japan	Filed (Oct 2020)
TAK-633 <teduglutide>	Short bowel syndrome (in adults)	Japan	Filed (Oct 2020)
TAK-721 <budesonide>	Eosinophilic esophagitis	U.S.	Filed (Dec 2020)
TAK-438 <vonoprazan>	Acid related diseases adjunct to Helicobacter pylori eradication	China	P-III
TAK-664 <Immunoglobulin 20% [human]>	Primary immunodeficiencies	Japan	P-III
TAK-743 <lanadelumab>	Bradykinin-Mediated Angioedema	Global	P-III
<cabozantinib>	2L metastatic Non-Small Cell Lung Cancer in combination with atezolizumab	Japan	P-III
<cabozantinib>	Metastatic Castration-Resistant Prostate Cancer in combination with atezolizumab	Japan	P-III
TAK-924 <pevonedistat>	High-risk Myelodysplastic Syndromes, Chronic Myelomonocytic Leukemia, Low-blast Acute Myelogenous Leukemia	China	P-III
TAK-999	Alpha-1 antitrypsin-associated liver disease	U.S. EU	P-II(b) P-II(b)
TAK-994	Narcolepsy	-	P-II
TAK-951	Nausea and vomiting	-	P-II
TAK-071	Parkinson's Disease	-	P-II
TAK-079 <mezagitamab>	Myasthenia gravis	-	P-II
TAK-079 <mezagitamab>	Immune thrombocytopenic purpura	-	P-II
TAK-019/NVX-CoV2373	Active immunization for the prevention of COVID-19	Japan	P-I/II
TAK-102	Solid tumors	-	P-I

TAK-605	Solid tumors	-	P-I
TAK-676	Solid tumors	-	P-I
TAK-940	Relapsed/refractory B-cell malignancies	-	P-I
SGN-35 <brentuximab vedotin>	Cutaneous T cell lymphoma	China	Approved (Apr 2021)
<brigatinib>	1L & 2L ALK-positive Non-Small Cell Lung Cancer	China	Filed (Dec 2020)
TAK-743 <lanadelumab>	Hereditary Angioedema	Japan	Filed (Mar 2021)
TAK-003	For the prevention of dengue fever of any severity, due to any serotype, in individuals aged 4 up to 60 years of age	EU and EU-M4all	Filed (Mar 2021)
TAK-919/mRNA-1273	Active immunization for the prevention of COVID-19	Japan	Filed (Mar 2021)
TAK-788 <mobocertinib>	Previously treated Non-Small Cell Lung Cancer with Exon-20 insertion	U.S.	Filed (Apr2021)
TAK-186	EGFR expressing solid tumors	-	P-I
TAK-861	Narcolepsy	-	P-I
TAK-510	Nausea and vomiting	-	P-I

Progress in stage disclosed since the announcement of FY2020 Q3 results (February 4, 2021) are listed under the bold dividing line

III. Discontinued projects [Update disclosed since release of FY2019 results (May 13th, 2020)]

Development code <generic name>	Indications (Stage)	Reason
TAK-418	Kabuki syndrome (P-I)	Clinical data do not justify further development
TAK-021	Prevention of hand, foot and mouth disease caused by enterovirus 71 (P-I)	Strategic decision to externalize development. Program discontinued until partner identified.
TAK-616	Hereditary angioedema (Japan, P-III)	Termination based on the withdrawal of orphan drug designation by the Japanese Ministry of Health Labour and Welfare
TAK-754	Hemophilia A	Suspended enrollment and team is assessing most appropriate path forward for this program
TAK-672	Congenital hemophilia A with inhibitors (CHAWI) during surgery (U.S., EU, P-III)	Clinical data do not justify further development in CHAWI indication
TAK-169	Relapse/refractory multiple myeloma (P-I)	Takeda has communicated its decision to turn over full rights of TAK-169 to Molecular Templates
TAK-935	Complex Regional Pain Syndrome (P-II)	Data did not support further progression.
WVE-120101 WVE-120102	Huntington's disease (P-I/II)	Wave Life Sciences provided an update in March 2021 that clinical data do not justify further development.
CoVIg-19	Treatment of adult hospitalized patients at onset of clinical progression of COVID-19 (U.S., EU, Japan, P-III)	Phase 3 Inpatient Treatment with Anti-Coronavirus Immunoglobulin (ITAC) clinical trial sponsored and funded by the National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institutes of Health (NIH), did not meet its endpoints.

Updates disclosed since the announcement of FY2020 Q3 results (February 4, 2021) are listed under the bold dividing line

IV. Main Research & Development collaborations*

- **Oncology**

Partner	Country	Subject
Adimab	U.S.	Agreement for the discovery, development and commercialization of three mAbs and three CD3 Bi-Specific antibodies for oncology indications.
Centre d'Immunologie de Marseille-Luminy	France	Collaboration agreement to bring together expertise and knowledge in innate biology with Takeda's BacTrap capabilities to identify novel targets and pathways in myeloid cells.
ASKA Pharmaceutical Co., Ltd	Japan	Takeda granted exclusive commercialization rights for uterine fibroids and exclusive development and commercialization rights for endometriosis for Japan to maximize the product value of relugolix (TAK-385).
Crescendo Biologics	U.K	Collaboration and licensing agreement for the discovery, development and commercialization of Humabody®-based therapeutics for cancer indications.
Egle Therapeutics‡	France	Identify novel tumor-specific regulatory T-cell targets and develop unique anti-suppressor-based immunotherapies.
Exelixis, Inc.	U.S.	Exclusive licensing agreement to commercialize and develop novel cancer therapy cabozantinib and all potential future cabozantinib indications in Japan, including advanced renal cell carcinoma and hepatocellular carcinoma.
GammaDelta Therapeutics	U.K.	Collaboration agreement to discover and develop new immunotherapies in oncology using GammaDelta Therapeutics' novel T cell platform based on the unique properties of gamma delta T cells derived from human tissues.
GlaxoSmithKline	U.K.	Exclusive licensing agreement to develop and commercialize novel cancer therapy niraparib for the treatment of all tumor types in Japan, and all tumor types excluding prostate cancer in South Korea, Taiwan, Russia and Australia.
Heidelberg Pharma	Germany	Antibody-Drug-Conjugate (ADC) research collaboration on 2 targets and licensing agreement (α-amanitin payload and proprietary linker).
KSQ Therapeutics‡	U.S.	Strategic collaboration to research, develop and commercialize novel immune-based therapies for cancer using KSQ's CRISPRomics® technology
MD Anderson Cancer Center	U.S.	Exclusive license and research agreement to develop cord blood-derived chimeric antigen receptor-directed natural killer (CAR NK)-cell therapies, 'armored' with IL-15, for the treatment of B-cell malignancies and other cancers
Memorial Sloan Kettering Cancer Center	U.S.	Strategic research collaboration and license to develop novel chimeric antigen receptor T-cell (CAR-T) products for the treatment of multiple myeloma, acute myeloid leukemia and additional solid tumor indications. The collaboration is co-led by Michel Sadelain, who is currently head of the Center for Cell Engineering at Memorial Sloan Kettering
Molecular Templates	U.S.	Molecular Templates will continue to develop TAK-169 and Takeda will maintain its equity stake in Molecular Templates.
Myovant Sciences	Switzerland	Takeda granted Myovant an exclusive, worldwide licen se (excluding Japan and certain other Asian countries) to relugolix (TAK-385) and an exclusive, worldwide license to MVT-602 (TAK-448).
National Cancer Center of Japan	Japan	Partnership agreement to develop basic research to clinical development by promoting exchanges among researchers, physicians, and others engaged in anti-cancer drug discovery and cancer biology research.
Noile-Immune Biotech	Japan	Collaboration agreement for the development of next generation CAR-T cell therapy, developed by Professor Koji Tamada at Yamaguchi University. Takeda has exclusive options to obtain licensing rights for the development and commercialization of Noile-Immune Biotech's pipeline and products resulting from this partnership. Due to the success of the collaboration, Takeda licensed NIB-102 and NIB-103.
Presage Biosciences‡	U.S.	Research collaboration and license for multiple programs using Presage's proprietary platform CIVO to evaluate patients' unique responses to microdoses of cancer drugs.
Seagen	U.S.	Agreement for the joint development of ADCETRIS, an ADC technology which targets CD30 for the treatment of HL. Approved in 67 countries with ongoing clinical trials for additional indications.
Shattuck Labs	U.S.	Collaboration agreement to explore and develop checkpoint fusion proteins utilizing Shattuck's unique Agonist Redirected Checkpoint (ARC)™ platform which enables combination immunotherapy with a single product. Takeda will have the option to take an exclusive license to further develop and commercialize TAK-252/SL-279252
Teva	Israel	Agreement for worldwide License to TEV-48573 (TAK-573) (CD38-Attenukine) and multi-target discovery collaboration accessing Teva's attenukine platform.
Turnstone Biologics	U.S.	Collaboration to co-develop TAK-605 (RIVAL-01) (novel oncolytic virus expressing aCTLA4, IL12-mb, flt3L) via a worldwide partnership and also conduct collaborative discovery efforts to identify additional novel product candidates based on a Turnstone's vaccinia virus platform.

‡ Executed since April 1, 2020

* List is not inclusive of all Takeda R&D collaborations.

- **Rare Genetics and Hematology**

Partner	Country	Subject
Asklepios Biopharmaceuticals	U.S.	Agreement for multiple research and development collaborations using FVIII Gene Therapy for the treatment of Hemophilia A and B.
BioMarin	U.S.	Agreement for the in-license of enabling technology for the exogenous replacement of iduronate-2-sulfatase with Idursulfase-IT in patients via direct delivery to the CNS for the long-term treatment of Hunter Syndrome in patients with cognitive impairment in order to slow progression of cognitive impairment (TAK-609).
Carmine Therapeutics‡	Singapore	Research collaboration agreement to discover, develop and commercialize transformative non-viral gene therapies for two rare disease targets using Carmine's REGENT(TM) technology, based on red blood cell extracellular vesicles.
Codexis, Inc.	U.S.	Strategic collaboration and license for the research and development of novel gene therapies for certain disease indications, including the treatment of lysosomal storage disorders and blood factor deficiencies.
Ensoma‡	U.S.	Research collaboration and license provides Takeda with an exclusive worldwide license to Ensoma's Engenious™ vectors for up to five rare disease indication,
Evox Therapeutics	U.K.	Collaboration for developing novel protein replacement and mRNA therapies and targeted delivery using Evox's proprietary exosome technology. Partnership for up to five rare disease targets with Takeda assuming responsibility for its clinical development
GlaxoSmithKline	U.K.	In-license agreement between GSK and University of Michigan for TAK-620 (marabivir) in the treatment of human cytomegalovirus.
IPSEN	France	Purchase agreement for the development of Obizur for the treatment of Acquired Hemophilia A including for patients with Congenital Hemophilia A with inhibitors indication in elective or emergency surgery.
KM Biologics	Japan	Agreement for the development collaboration of TAK-755 to overcome the ADAMTS13 deficiency in TTP.
Rani Therapeutics	U.S.	Research collaboration agreement to evaluate a micro tablet pill technology for oral delivery of FVIII therapy in hemophilia
Xenetic Biosciences	U.S.	Exclusive R&D license agreement for PolyXen delivery technology for hemophilia factors VII, VIII, IX, X.

‡ Executed since April 1, 2020

- **Neuroscience**

Partner	Country	Subject
Anima Biotech‡	U.S.	Strategic collaboration to discover and develop mRNA translation modulators for genetically-defined neurological diseases
AstraZeneca	UK	Agreement for the joint development and commercialization of MEDI1341, an alpha-synuclein antibody currently in development as a potential treatment for Parkinson's disease.
Bridgene‡	U.S.	Research collaboration to discover small molecule drugs for "undruggable" targets using Bridgene's chemoproteomics platform
Denali Therapeutics	U.S.	Strategic option and collaboration agreement to develop and commercialize up to three specified therapeutic product candidates for neurodegenerative diseases, incorporating Denali's ATV platform for increased exposure of biotherapeutic products in the brain.
Lundbeck	Denmark	Collaboration agreement to develop and commercialize vortioxetine.
Neurocrine Biosciences‡	U.S.	Collaboration to develop and commercialize compounds in Takeda's early-to-mid stage neuroscience pipeline, including TAK-041, TAK-653 and TAK-831. Takeda will be entitled to certain development milestones, commercial milestones and royalties on net sales. At certain development events, Takeda may elect to opt in or out of a 50:50 profit share on all clinical programs on an asset-by-asset basis. For any asset in which Takeda is participating in a 50:50 profit share arrangement, Takeda will not be eligible to receive development or commercial milestones.
PeptiDream ‡	Japan	Collaborative research and exclusive license agreement to create peptide-drug conjugates (PDCs) for neuromuscular diseases
Skyhawk Therapeutics	U.S.	Collaboration and licensing agreement to develop and commercialize RNA modulation therapies targeting neurodegenerative diseases.
StrideBio	U.S.	Collaboration and license agreement to develop *in vivo* AAV based therapies for Friedreich's Ataxia (FA) and two additional undisclosed targets.
Wave Life Sciences	Singapore	Research, development and commercial collaboration and multi-program option agreement to develop antisense oligonucleotides for a range of neurological diseases.

‡ Executed since April 1, 2020

- **Gastroenterology**

Partner	Country	Subject
Ambys Medicines	U.S.	Collaboration agreement for the application of novel modalities, including cell and gene therapy and gain-of-function drug therapy, to meet the urgent need for treatments that restore liver function and prevent the progression to liver failure across multiple liver diseases. Under the terms of the agreement, Takeda has an option to ex-U.S. commercialization rights for the first 4 products that reach an investigational new drug application.
Arcturus	U.S.	Collaboration agreement to develop RNA-based therapeutics for the treatment of non-alcoholic steatohepatitis and other gastrointestinal related disorders using Arcturus' wholly-owned LUNAR™ lipid-mediated delivery systems and UNA Oligomer chemistry.
Arrowhead Pharmaceuticals‡	U.S.	Collaboration and licensing agreement to develop TAK-999 (ARO-AAT), a Phase 2 investigational RNA interference (RNAi) therapy in development to treat alpha-1 antitrypsin-associated liver disease (AATLD). ARO-AAT is a potential first-in-class therapy designed to reduce the production of mutant alpha-1 antitrypsin protein, the cause of AATLD progression.
Beacon Discovery	U.S.	Collaboration agreement for the G-protein coupled receptor drug discovery and development program to identify drug candidates for a range of gastrointestinal disorders. The agreement grants Takeda worldwide rights to develop, manufacture and commercialize products resulting from the collaboration.
Cerevance	U.S.	Multi-year research alliance to identify novel target proteins expressed in the central nervous system and to develop new therapies against them for certain GI disorders. Goal of the collaboration is to select, confirm and validate targets from gene expression data sets generated by Cerevance's NETSseq technology.
Cour Pharmaceutical Development Company	U.S.	Takeda has acquired an exclusive global license to develop and commercialize the investigational medicine TIMP-GLIA (TAK-101), an immune modifying nanoparticle containing gliadin proteins.
Engitix ‡	U.K.	Collaboration and licensing agreement to utilize Engitix's liver fibrosis platform to conduct research activities and to nominate, confirm, and validate potential targets against which Takeda may advance new therapeutic programs.
Enterome	France	Collaboration agreement to research and develop microbiome targets thought to play crucial roles in gastrointestinal disorders, including inflammatory bowel diseases (e.g. ulcerative colitis). The agreement includes a global license and co-development of EB8018/TAK-018 in Crohn's disease.
Finch Therapeutics	U.S.	Global agreement to develop FIN-524, a live biotherapeutic product composed of cultured bacterial strains linked to favorable clinical outcomes in studies of microbiota transplantations in inflammatory bowel disease. Under the terms of the agreement, Takeda obtains the exclusive worldwide rights to develop and commercialize FIN-524 and rights to follow-on products in inflammatory bowel diseases.
Genevant Sciences Corporation‡	U.S.	Collaboration and License Agreement to leverage Genevant's hepatic stellate cell-partitioning LNP platform to deliver Takeda-designed RNAi oligonucleotides intended to halt or reverse the progression of liver fibrosis.
Hemoshear Therapeutics	U.S.	Collaboration agreement for novel target and therapeutic development for liver diseases, using Hemoshear's proprietary REVEAL-Tx drug discovery platform.
NuBiyota	Canada	Agreement for the development of Microbial Ecosystem Therapeutic products for gastroenterology indications.
Phathom Pharmaceuticals	U.S.	Takeda has granted a license to Phathom Pharmaceuticals for the development and exclusive commercialization rights to vonoprazan in the U.S., Europe and Canada in exchange for upfront cash and equity, as well as future cash milestones and royalties on net sales.
Samsung Bioepis	Korea	Strategic collaboration agreement to jointly fund and co-develop multiple novel biologic therapies in unmet disease areas. The program's first therapeutic candidate is TAK-671, which is intended to treat severe acute pancreatitis.
Silence Therapeutics	U.K.	Technology Evaluation Agreement with Silence Therapeutics to access their GalNAc-siRNA technology platform. The objective of the evaluation is to identify a GalNAc-conjugated siRNA that inhibits expression of a proprietary Takeda target.
Theravance Biopharma	U.S.	Global license, development and commercialization agreement for TAK-954, a selective 5-HT4 receptor agonist for motility disorders.
UCSD/Fortis Advisors	U.S.	Technology license for the development of oral budesonide formulation (TAK-721) for treatment of eosinophilic esophagitis.

‡ Executed since April 1, 2020

- **Plasma Derived Therapies**

Partner	Country	Subject
Halozyme	U.S.	Agreement for the in-license of Halozyme's proprietary ENHANZE™ platform technology to increase dispersion and absorption of HyQvia. Ongoing development work for a U.S. pediatric indication to treat primary immunodeficiencies and a Phase 3 indication in Chronic Inflammatory Demyelinating Polyradiculoneuropathy.

Kamada	Israel	In-license agreement to develop and commercialize IV Alpha-1 proteinase inhibitor (Glassia); Exclusive supply and distribution of Glassia in the U.S., Canada, Australia and New Zealand; work on post market commitments ongoing.
ProThera Biologics‡	U.S.	Global licensing agreement to develop a novel plasma-derived Inter-alpha Inhibitor Proteins (IAIP) therapy for the treatment of acute inflammatory conditions.

‡ Executed since April 1, 2020

- **Vaccines**

Partner	Country	Subject
Biological E. Limited	India	Takeda agreed to transfer existing measles and acellular pertussis vaccine bulk production technology to develop low-cost combination vaccines for India, China and low- and middle-income countries.
U.S. Government - The Biomedical Advanced Research and Development Authority (BARDA)	U.S.	Partnership to develop TAK-426, a Zika vaccine candidate, for the U.S. with the option to use data generated for filing also in affected regions around the world.
Novavax‡	U.S.	Partnership for the development, manufacturing and commercialization of over 250 million doses per year of TAK-019 (NVX-CoV2373), Novavax' COVID-19 vaccine candidate, in Japan, which is being funded by the Government of Japan's Ministry of Health, Labour and Welfare.(MHLW) and Agency for Medical Research and Development (AMED).
Moderna‡	U.S.	Three-way agreement with Moderna and the Government of Japan's Ministry of Health Labour & Welfare (MHLW) to import and distribute 50 million doses of TAK-919 (mRNA-1273) Moderna's COVID-19 vaccine candidate, in Japan from the first half of 2021.

‡ Executed since April 1, 2020

- **Other / Multiple Therapeutic Area**

Partner	Country	Subject
Bridge Medicines	U.S.	Partnership with Tri-Institutional Therapeutics Discovery Institute, Bay City Capital and Deerfield Management in the establishment of Bridge Medicines. Bridge Medicines will give financial, operational and managerial support to move projects seamlessly from a validating, proof-of-concept study to an in-human clinical trial.
Center for iPS Cell Research Application, Kyoto University	Japan	Collaboration agreement for clinical applications of iPS cells in Takeda strategic areas including applications in neurosciences, oncology and GI as well as discovery efforts in additional areas of compelling iPSC translational science.
Charles River Laboratories	U.S.	Collaboration on multiple integrated programs across Takeda's core therapeutic areas using Charles River Laboratories' end-to-end drug discovery and safety assessment platform to progress these programs towards candidate status.
Evotec GT‡	Germany	Research alliance to support Takeda's growing number of research stage gene therapy discovery programms.
HiFiBio	U.S.	Collaboration agreement for functional therapeutics high-throughput antibody discovery platform that enables identification of antibodies for rare events for discovery of therapeutic antibodies for Oncology therapeutic areas.
Massachusetts Institute of Technology	U.S.	MIT-Takeda Program to fuel the development and application of artificial intelligence (AI) capabilities to benefit human health and drug development. Centered within the Abdul Latif Jameel Clinic for Machine Learning in Health (J-Clinic), the new program will leverage the combined expertise of both organizations, and is supported by Takeda's three-year investment (with the potential for a two-year extension).
Portal Instruments	U.S.	Agreement for the development and commercialization of Portal's jet injector drug delivery device for potential use with Takeda's investigational or approved biologic medicines.
Schrödinger	U.S.	Agreement for the multi-target research collaboration combining Schrödinger's in silico platform-driven drug discovery capabilities with Takeda's deep therapeutic area knowledge and expertise in structural biology.
Seattle Collaboration	U.S.	Agreement for SPRInT (Seattle Partnership for Research on Innovative Therapies) to accelerate the translation of Fred Hutchinson Cancer Research Center's and University of Washington's cutting-edge discoveries into treatments for human disease (focusing on Oncology, GI and Neuroscience).
Stanford University	U.S.	Collaboration agreement with Stanford University to form the Stanford Alliance for Innovative Medicines to more effectively develop innovative treatments and therapies.
Tri-Institutional Therapeutics Discovery Institute (Tri-I TDI)	U.S.	Agreement for the collaboration of academic institutions and industry to more effectively develop innovative treatments and therapies.
Twist Bioscience‡	U.S.	Agreement and license for Takeda to access Tiwst's "Library of Libraries," a panel of synthetic antibody phage display libraries derived only from sequences that exist in the human body. Together, the companies will work to discover, validate and optimize new antibody candidates.

‡ Executed since April 1, 2020

- **Completed Partnerships [Update disclosed since release of FY2019 results (May 13th, 2020)]**

Partner	Country	Subject
ImmunoGen, Inc.	U.S.	Licensing agreement for rights to use ImmunoGen's Inc. ADC technology to develop and commercialize targeted anticancer therapeutics (TAK-164).
CuraDev	U.K.	Curadev has licensed its novel lead small molecule Stimulator of Interferon Genes (STING) agonist (referred to by Curadev as CRD5500) and associated patents to Takeda.
Haemalogix	Australia	Research collaboration and licensing agreement for the development of new therapeutics to novel antigens in multiple myeloma.
Nektar Therapeutics	U.S.	Research collaboration agreement to explore combination cancer therapy with five Takeda oncology compounds and Nektar's lead immuno-oncology candidate, the CD122-biased agonist NKTR-214.
Ultragenyx	U.S.	Collaboration agreement to develop and commercialize therapies for rare genetic diseases.
Zydus Cadila	India	Partnership to develop TAK-507, a Chikungunya vaccine candidate, to tackle an emerging and neglected infectious disease in the world.
Maverick Therapeutics	U.S.	Collaboration agreement for the development of Maverick Therapeutics' T-cell engagement platform created specifically to improve the utility of T-cell redirection therapy for the treatment of cancer. Under the agreement, Takeda has the exclusive option to acquire Maverick Therapeutics 5 years after partnership initiation in 2017 which has been excecised April 2021.
CoVig-19 Plasma Alliance	-	Alliance formed by Takeda and CSL Behring to develop a potential plasma-derived therapy for treating COVID-19. The alliance goal is the development of a non-branded hyperimmune globulin medicine (CoVIg-19) with the potential to treat hospitalized adult patients with COVID-19.
AB Biosciences	U.S.	Research collaboration agreement to potentially develop assets for rare disease with pan-receptor interacting molecules targeted for specific immunological conditions with a focus on autoimmune modulated inflammatory diseases
Harrington Discovery Institute at University Hospitals in Cleveland, Ohio	U.S.	Collaboration agreement for the advancement of medicines for rare diseases.
NanoMedSyn	France	Pre-clinical research collaboration agreement to evaluate a potential enzyme replacement therapy using NanoMedSyn's proprietary synthetic derivatives named AMFA
Novimmune	Switzerland	Agreement for the exclusive worldwide rights to develop and commercialize an innovative, bi-specific antibody in pre-clinical development for the treatment of hemophilia A
Mindstrong Health	U.S.	Agreement to explore development of digital biomarkers for selected mental health conditions, in particular schizophrenia and treatment-resistant depression.
Ovid Therapeutics	U.S.	Agreement for the development of TAK-935, an oral CH24H inhibitor for rare pediatric epilepsies. Takeda and Ovid Therapeutics will share in the development and commercialization costs of TAK-935 on a 50:50 basis and, if successful, share in the profits on a 50/50 basis.
HitGen	China	Agreement that HitGen will apply its advanced technology platform, based on DNA-encoded library design, synthesis and screening, to discover novel leads which will be licensed exclusively to Takeda.
Recursion Pharmaceuticals	U.S.	Agreement to provide pre-clinical candidates for Takeda's TAK-celerator™ development pipeline.

■ Clinical study protocol summaries

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

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

2. Supplementary Financial Information

Revenue by region

Year to date

(Bn JPY)	Reported				Underlying
	FY19	FY20	YOY		YOY
Total Revenue	3,291.2	3,197.8	-93.4	-2.8%	2.2%
Japan	592.8	559.7	-33.0	-5.6%	-5.0%
% of revenue	18.0%	17.5%	-0.5pt		
United States	1,595.9	1,567.9	-28.0	-1.8%	1.6%
% of revenue	48.5%	49.0%	0.5pt		
Europe and Canada	645.5	666.2	20.6	3.2%	5.1%
% of revenue	19.6%	20.8%	1.2pt		
Growth and Emerging Markets	457.0	404.0	-53.0	-11.6%	9.9%
% of revenue	13.9%	12.6%	-1.3pt		
Russia/CIS	76.8	57.6	-19.3	-25.1%	22.2%
% of revenue	2.3%	1.8%	-0.5pt		
Latin America	143.5	121.6	-21.8	-15.2%	15.8%
% of revenue	4.4%	3.8%	-0.6pt		
Asia	165.4	156.2	-9.1	-5.5%	-1.2%
% of revenue	5.0%	4.9%	-0.1pt		
Other	71.3	68.5	-2.8	-3.9%	13.4%
% of revenue	2.2%	2.1%	0.0pt		
Of which royalty / service income	87.0	92.4	5.4	6.2%	

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

*2 GEM: Growth and Emerging Markets, which include Russia/CIS, Latin America, Asia, Middle East, Oceania and Africa

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

Quarterly

	Reported											
	FY19				FY20							
(Bn JPY)	Q1	Q2	Q3	Q4	Q1	YOY	Q2	YOY	Q3	YOY	Q4	YOY
Total revenue	849.1	811.0	859.3	771.7	801.9	-5.6%	788.9	-2.7%	836.8	-2.6%	770.3	-0.2%
Japan	152.3	147.1	168.0	125.4	144.0	-5.4%	138.3	-6.0%	152.7	-9.1%	124.6	-0.6%
% of revenue	17.9%	18.1%	19.5%	16.2%	18.0%		17.5%		18.3%		16.2%	
United States	415.7	390.2	409.8	380.3	402.6	-3.1%	383.5	-1.7%	402.8	-1.7%	379.0	-0.3%
% of revenue	49.0 %	48.1 %	47.7 %	49.3 %	50.2 %		48.6 %		48.1 %		49.2 %	
Europe and Canada	165.2	156.6	161.7	162.0	157.6	-4.6%	169.6	8.3%	172.8	6.9%	166.2	2.6%
% of revenue	19.5 %	19.3 %	18.8 %	21.0 %	19.6 %		21.5 %		20.7 %		21.6 %	
Growth and Emerging Markets	115.9	117.2	119.8	104.1	97.6	-15.7%	97.5	-16.8%	108.4	-9.5%	100.5	-3.5%
% of revenue	13.6 %	14.4 %	13.9 %	13.5 %	12.2 %		12.4 %		13.0 %		13.0 %	
Russia/CIS	19.0	17.9	22.4	17.6	13.0	-31.4%	8.6	-51.8%	17.1	-23.8%	18.8	7.2%
% of revenue	2.2 %	2.2 %	2.6 %	2.3 %	1.6 %		1.1 %		2.0 %		2.4 %	
Latin America	37.4	38.4	35.9	31.7	30.8	-17.7%	28.2	-26.6%	36.4	1.4%	26.2	-17.3%
% of revenue	4.4 %	4.7 %	4.2 %	4.1 %	3.8 %		3.6 %		4.4 %		3.4 %	
Asia	41.0	42.9	43.4	38.1	36.9	-10.0%	41.4	-3.5%	40.9	-5.8%	37.1	-2.7%
% of revenue	4.8 %	5.3 %	5.1 %	4.9 %	4.6 %		5.2 %		4.9 %		4.8 %	
Other	18.5	18.0	18.1	16.7	16.9	-8.4%	19.3	6.9%	14.0	-22.6%	18.3	9.5%
% of revenue	2.2 %	2.2 %	2.1 %	2.2 %	2.1 %		2.4 %		1.7 %		2.4 %	
Of which royalty / service income	27.1	20.0	19.0	20.9	18.1	-33.4%	28.2	40.8%	22.8	19.7%	23.4	12.1%

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

*2 GEM: Growth and Emerging Markets, which include Russia/CIS, Latin America, Asia, Middle East, Oceania and Africa.

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

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

- Year to date

(Bn JPY)	Reported FY19	Reported FY20	Reported YOY	US	YOY	Japan	YOY	EUCAN	YOY	GEM*4	YOY	Ex-US	YOY
GI	**697.9**	**777.8**	**11.4%**	**451.8**	**10.7%**	**93.0**	**17.2%**	**159.2**	**17.5%**	**58.4**	**-2.8%**	**15.3**	**3.8%**
ENTYVIO	347.2	429.3	23.6%	294.3	23.0%	8.9	45.8%	108.9	23.9%	17.2	23.2%		
DEXILANT	62.8	55.6	-11.5%	34.1	-20.0%	—	—	8.7	11.8%	12.8	3.0%		
PANTOLOC/CONTROLOC*1	49.5	43.1	-12.8%	2.1	-28.5%	—	—	23.4	0.1%	17.6	-23.9%		
TAKECAB-F *4	72.7	84.8	16.7%	—	—	83.3	15.5%	—	—	1.5	159.3%		
GATTEX/REVESTIVE	61.8	64.6	4.5%	54.8	3.1%	—	—	8.8	9.0%	1.0	71.2%		
PENTASA	25.6	23.1	-9.6%	23.1	-9.6%	—	—	—	—	—	—		
LIALDA/MEZAVANT *2	23.4	25.5	8.9%	10.1	17.6%							15.3	3.8%
AMITIZA	28.1	21.2	-24.6%	20.8	-25.3%			—	-100.0%	0.4	41.3%		
RESOLOR/MOTEGRITY	6.6	11.2	71.2%	7.9	136.2%	—	—	3.3	9.0%	—	-99.7%		
Other	20.2	19.4	-4.2%	4.6	-4.2%	0.8	-25.1%	6.0	14.0%	7.9	-12.3%		
Rare Diseases	**634.9**	**591.7**	**-6.8%**	**263.4**	**-9.7%**	**29.6**	**-3.7%**	**139.2**	**-5.6%**	**107.7**	**-5.2%**	**51.8**	**1.0%**
Rare Metabolic	**170.8**	**162.6**	**-4.8%**	**34.8**	**-25.9%**	**2.7**	**-10.6%**	**43.3**	**1.9%**	**30.0**	**11.0%**	**51.8**	**1.0%**
ELAPRASE	67.9	68.8	1.3%	19.4	-3.1%	1.6	-0.4%	25.1	-0.3%	22.8	7.4%		
REPLAGAL *2	51.3	51.8	1.0%	—	—							51.8	1.0%
VPRIV	38.0	38.5	1.3%	15.7	-3.8%	1.2	-21.4%	14.5	0.1%	7.2	24.9%		
NATPARA/NATPAR	13.6	3.6	-74.0%	-0.2	—	—	—	3.7	30.3%	0.1	-28.8%		
Rare Hematology	**334.2**	**289.8**	**-13.3%**	**121.1**	**-13.7%**	**25.5**	**-4.9%**	**70.0**	**-16.4%**	**73.2**	**-12.2%**		
ADVATE	157.9	128.5	-18.6%	60.0	-14.5%	6.4	-9.7%	30.9	-28.4%	31.3	-16.7%		
ADYNOVATE/ADYNOVI *6	58.6	58.1	-1.0%	25.9	-11.8%	15.0	1.5%	13.2	15.9%	4.0	27.0%		
FEIBA *3	51.5	44.5	-13.6%	10.1	-5.8%	0.9	-45.5%	10.9	-21.1%	22.6	-10.8%		
HEMOFIL/IMMUNATE/ IMMUNINE*3	22.3	18.7	-16.5%	3.4	-23.4%	—	—	4.6	-19.1%	10.7	-12.7%		
Other PDT Products *3 *6	3.7	3.5	-6.0%	-0.0	—	—	—	2.9	-5.7%	0.5	-7.5%		
Other	40.2	36.6	-9.0%	21.8	-15.2%	3.2	-3.2%	7.5	11.7%	4.0	-8.4%		
Hereditary Angioedema	**129.8**	**139.3**	**7.3%**	**107.5**	**2.8%**	**1.4**	**59.8%**	**26.0**	**22.5%**	**4.5**	**38.5%**		
FIRAZYR	32.7	26.8	-17.9%	14.5	-26.0%	1.4	59.8%	8.2	-12.4%	2.9	-3.7%		
TAKHZYRO	68.3	86.7	27.0%	73.1	15.5%	—	—	12.3	151.4%	1.3	1,898.6%		
KALBITOR	4.5	3.9	-13.8%	3.9	-13.8%	—	—	—	-100.0%	—	—		
CINRYZE *3	24.3	21.9	-10.2%	16.0	-6.6%	—	—	5.5	-21.3%	0.4	59.6%		

*1 Generic name: pantoplazole

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

*3 PDT products

*4 The figures include the amounts of fixed dose combinations and blister packs.

*5 GEM: Growth and Emerging Markets, which include Russia/CIS, Latin America, Asia, Middle East, Oceania and Africa

*6 From FY2020, the classification of therapeutic area for product sales has been reviewed . For comparison, the classification of certain products has been changed from the previous fiscal year (FY2019).

Other PDT products in Rare Hematology include BEBULIN, PROTHROMPLEX and FACTOR VII.

Other in Rare Hematology include VONVENDI, OBIZUR, RIXUBIS, AGRYLIN/XAGRID, RECOMBINATE, Other Hemophilia.

(Bn JPY)	Reported FY19	Reported FY20	Reported YOY	US	YOY	Japan	YOY	EUCAN	YOY	GEM*4	YOY	Ex-US	YOY
PDT Immunology	**394.2**	**420.4**	**6.7%**	**289.6**	**11.2%**							**130.8**	**-2.1%**
immunoglobulin *2	298.7	334.9	12.1%	253.8	13.1%							81.0	9.2%
albumin *2	67.2	57.6	-14.3%	14.3	-0.5%							43.3	-18.1%
Other *2 *6	28.2	27.9	-1.1%	21.5	-0.7%							6.4	-2.4%
Oncology	**421.0**	**416.5**	**-1.1%**	**201.3**	**-7.6%**	**79.1**	**3.9%**	**72.9**	**7.0%**	**53.5**	**17.8%**	**9.8**	**-27.3%**
VELCADE *1	118.3	101.1	-14.5%	96.3	-11.5%							4.8	-49.4%
LEUPLIN/ENANTONE	109.0	95.4	-12.5%	12.9	-41.9%	35.1	-13.9%	30.5	3.7%	16.9	1.1%		
NINLARO	77.6	87.4	12.7%	57.0	7.1%	5.0	4.4%	13.5	13.2%	11.9	56.5%		
ADCETRIS	52.7	59.4	12.8%			11.0	37.5%	25.6	6.5%	22.8	13.6%		
ICLUSIG *1	31.8	34.2	7.5%	29.2	4.9%							5.0	25.7%
ALUNBRIG	7.2	8.8	21.7%	5.9	12.1%	—	—	2.1	35.4%	0.8	87.8%		
VECTIBIX	22.5	23.8	5.6%	—	—	23.8	5.6%						
Other	1.8	6.4	263.3%	—		4.1		1.2	-1.3%	1.1	88.4%		
Neuroscience	**438.5**	**417.3**	**-4.8%**	**321.1**	**-6.6%**	**38.3**	**-5.6%**	**50.7**	**6.8%**	**7.2**	**8.6%**		
VYVANSE/ELVANSE	274.1	271.5	-0.9%	229.6	-2.7%	—	-98.4 %	35.4	12.7%	6.5	4.1%		
TRINTELLIX	70.7	68.9	-2.5%	66.8	-4.8%	2.0	368.8%			0.0	—		
ADDERALL XR	24.3	17.8	-26.9%	16.2	-28.6%	—	—	1.6	-3.6%	—	—		
ROZEREM	14.5	12.0	-17.0%	0.3	-92.5%	11.7	7.0%	—	—	0.0	-51.6%		
REMINYL *5	17.3	7.2	-58.3%	—	—	7.2	-58.4%	0.0	-11.9%	—	—		
INTUNIV	14.6	20.4	39.5%	0.8	1.2%	10.7	72.4%	8.4	12.0%	0.6	182.7%		
Other	23.1	19.5	-15.5%	7.4	-31.6%	6.7	26.8%	5.4	-22.5%	0.0	-80.7%		
Other	**704.8**	**574.1**	**-18.5%**										
AZILVA-F *3	76.7	82.2	7.1%	—	—	82.2	7.1%	—	—	—	—		
NESINA/VIPIDIA-F *3	58.0	57.7	-0.5%	9.1	35.4%	27.6	-0.8%	11.9	5.9%	9.1	-25.4%		
ULORIC	16.9	2.5	-85.0%	1.8	-88.6%			0.2	-58.2%	0.5	7.5%		
COLCRYS	22.5	5.0	-77.6%	5.0	-77.6%	—	—	—	—	0.0	—		
LOTRIGA	31.8	31.8	—%	—	—	31.8	—%	—	—	—	—		

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

*2 PDT products

*3 The figures include the amounts of fixed dose combinations and blister packs.

*4 GEM: Growth and Emerging Markets, which include Russia/CIS, Latin America, Asia, Middle East, Oceania and Africa

*5 Reminyl sales in Japan include royalty income from the partner.

*6 From FY2020, the classification of therapeutic area for product sales has been reviewed . For comparison, the classification of certain products has been changed from the previous fiscal year (FY2019).

Other in PDT Immunology include ARALAST, GLASSIA, CEPROTIN, ANTITHROMBIN III, KENKTSU-NONTHRON and others.

Other in Neuroscience include COPAXONE,AZILECT, MYDAYIS, BUCCOLAM, EQUASYM and CARBATROL

- Quarterly
- Q1

(Bn JPY)	Reported FY19Q1	Reported FY20Q1	Reported YOY	US	YOY	Japan	YOY	EUCAN	YOY	GEM*4	YOY	Ex-US	YOY
GI	**171.6**	**186.9**	**8.9%**	**113.8**	**12.3%**	**22.1**	**11.3%**	**34.6**	**8.5%**	**13.0**	**-11.8%**	**3.5**	**-10.0%**
ENTYVIO	83.9	101.2	20.7%	71.5	21.0%	2.0	96.4%	24.1	17.3%	3.6	12.5%		
DEXILANT	15.8	13.6	-14.0%	8.8	-19.4%	—	—	1.9	2.7%	3.0	-5.0%		
PANTOLOC/CONTROLOC*1	11.6	9.2	-20.9%	0.5	58.8%	—	—	4.9	-8.2%	3.8	-36.0%		
TAKECAB-F *4	18.3	20.2	10.6%	—	—	19.9	9.4%	—	—	0.3	271.5%		
GATTEX/REVESTIVE	15.1	17.5	15.5%	15.4	18.5%	—	—	1.9	-7.8%	0.2	74.9%		
PENTASA	6.5	6.2	-5.6%	6.2	-5.6%	—	—	—	—	—	—		
LIALDA/MEZAVANT *2	5.6	5.5	-0.8%	2.0	21.1%							3.5	-10.0%
AMITIZA	7.8	6.3	-19.6%	6.2	-19.6%			—	-100.0%	0.1	-12.6%		
RESOLOR/MOTEGRITY	1.4	2.7	100.4%	2.0	274.0%	—	—	0.7	-13.8%	0.0	-9.6%		
Other	5.6	4.5	-19.8%	1.2	-21.7%	0.2	-72.5%	1.2	-14.2%	1.9	-5.9%		
Rare Diseases	**168.8**	**155.0**	**-8.2%**	**74.1**	**-5.6%**	**7.7**	**-4.5%**	**34.5**	**-11.1%**	**26.5**	**-13.3%**	**12.2**	**-5.4%**
Rare Metabolic	**48.9**	**39.9**	**-18.3%**	**8.9**	**-44.5%**	**0.8**	**-4.4%**	**10.1**	**-8.0%**	**8.0**	**-2.5%**	**12.2**	**-5.4%**
ELAPRASE	18.8	17.6	-6.4%	5.0	2.3%	0.4	7.3%	5.9	**-9.2%**	6.3	-10.7%		
REPLAGAL *2	12.9	12.2	-5.4%	—	—							12.2	-5.4%
VPRIV	9.3	9.3	1.0%	3.9	-2.7%	0.3	-17.1%	3.5	-8.0%	1.7	49.4%		
NATPARA/NATPAR	7.9	0.7	-90.7%	0.0	-99.9%	—	—	0.7	2.8%	0.0	-49.4%		
Rare Hematology	**88.1**	**76.8**	**-12.9%**	**33.4**	**-7.8%**	**6.6**	**-7.3%**	**19.1**	**-17.2%**	**17.7**	**-18.6%**		
ADVATE	42.7	33.7	-21.3%	17.0	-4.1%	1.7	-18.4%	8.1	-35.0%	6.9	-34.3%		
ADYNOVATE/ADYNOVI *6	14.5	15.3	5.7%	7.2	-4.3%	3.8	0.1%	3.4	38.0%	0.8	36.4%		
FEIBA *3	13.1	12.9	-1.5%	2.4	-10.5%	0.3	-42.1%	3.3	-19.8%	6.9	18.5%		
HEMOFIL/IMMUNATE/IMMUNINE*3	6.6	4.4	-32.5%	0.8	-41.4%	—	—	1.6	-6.9%	2.0	-41.8%		
Other PDT Products *3 *6	1.0	0.9	-11.5%	-0.0	—	—	—	0.7	-8.7%	0.2	-18.0%		
Other	10.3	9.7	-6.2%	6.0	-13.4%	0.8	5.6%	2.0	32.2%	0.8	-22.9%		
Hereditary Angioedema	**31.9**	**38.3**	**20.2%**	**31.8**	**21.1%**	**0.3**	**130.6%**	**5.4**	**10.9%**	**0.9**	**27.8%**		
FIRAZYR	9.0	8.1	-9.8%	5.2	-10.3%	0.3	130.6%	1.9	-18.6%	0.6	-5.1%		
TAKHZYRO	14.5	23.2	60.7%	21.1	54.3%	—	—	2.1	158.1%	0.1	—		
KALBITOR	1.1	1.1	-4.4%	1.1	-4.4%	—	—	—	—	—	—		
CINRYZE *3	7.3	5.9	-19.2%	4.3	-22.1%	—	—	1.4	-17.1%	0.1	521.0%		

*1 Generic name: pantoplazole

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

*3 PDT products

*4 The figures include the amounts of fixed dose combinations and blister packs.

*5 GEM: Growth and Emerging Markets, which include Russia/CIS, Latin America, Asia, Middle East, Oceania and Africa

*6 From FY2020, the classification of therapeutic area for product sales has been reviewed . For comparison, the classification of certain products has been changed from the previous fiscal year (FY2019).

Other PDT products in Rare Hematology include BEBULIN, PROTHROMPLEX and FACTOR VII.

Other in Rare Hematology include VONVENDI, OBIZUR, RIXUBIS, AGRYLIN/XAGRID, RECOMBINATE, Other Hemophilia.

■ Q1

(Bn JPY)	Reported FY19Q1	Reported FY20Q1	Reported YOY	US	YOY	Japan	YOY	EUCAN	YOY	GEM*4	YOY	Ex-US	YOY
PDT Immunology	**91.7**	**105.3**	**14.8%**	**74.3**	**28.2%**							**30.9**	**-8.4%**
immunoglobulin *2	68.0	85.1	25.2%	66.1	37.7%							19.0	-5.0%
albumin *2	16.1	13.0	-19.6%	2.6	-38.5%							10.4	-12.8%
Other *2 *6	7.6	7.2	-5.5%	5.6	-2.0%							1.6	-16.0%
Oncology	**106.5**	**108.0**	**1.4%**	**50.1**	**-7.1%**	**23.6**	**18.8%**	**18.4**	**9.8%**	**13.4**	**18.6%**	**2.5**	**-46.6%**
VELCADE *1	31.7	24.2	-23.7%	23.1	-17.8%							1.1	-69.5%
LEUPLIN/ENANTONE	28.4	27.4	-3.4%	2.1	-60.4%	12.8	15.6%	8.2	5.7%	4.3	1.8%		
NINLARO	18.3	22.9	25.4%	15.6	23.5%	1.2	-6.0%	3.3	23.2%	2.8	68.2%		
ADCETRIS	12.7	15.1	18.4%			2.9	49.4%	6.1	10.1%	6.1	15.8%		
ICLUSIG *1	7.6	9.2	20.7%	7.9	17.7%							1.3	42.0%
ALUNBRIG	1.7	2.0	21.9%	1.4	19.2%	—	—	0.4	10.4%	0.2	145.0%		
VECTIBIX	5.6	6.2	10.6%			6.2	10.6%						
Other	0.4	0.9	110.9%	—	-100.0%	0.5	—	0.2	-14.2%	0.2	-5.8%		
Neuroscience	**111.9**	**106.9**	**-4.5%**	**80.3**	**-8.4%**	**12.5**	**19.8%**	**11.6**	**-2.2%**	**2.5**	**24.0%**		
VYVANSE/ELVANSE	68.8	66.0	-4.1%	55.9	-5.2%	—	—	7.8	-2.1%	2.4	23.2%		
TRINTELLIX	17.4	16.9	-3.1%	16.6	-4.8%	0.3	—			—	—		
ADDERALL XR	5.7	5.3	-7.7%	4.8	-9.4%	—	—	0.4	18.1%	—	—		
ROZEREM	5.1	3.0	-40.8%	0.0	-99.3%	3.0	5.3%	—	—	0.0	180.2%		
REMINYL *5	4.8	4.2	-11.9%	—	—	4.2	-11.9%	0.0	-26.0%	—	—		
INTUNIV	4.1	5.6	38.8%	0.4	-38.0%	3.3	107.8%	1.9	2.3%	0.1	89.7%		
Other	6.0	5.8	-3.6%	2.6	-15.4%	1.7	38.0%	1.5	-11.8%	0.0	-77.5%		
Other	**198.6**	**139.8**	**-29.6%**										
AZILVA-F *3	20.5	20.9	1.9%	—	—	20.9	1.9%	—	—	—	—		
NESINA/VIPIDIA-F *3	14.6	15.5	6.1%	2.4	48.8%	7.4	-2.4%	2.8	5.3%	2.9	5.6%		
ULORIC	12.2	0.9	-92.8%	0.7	-93.7%	—	—	0.1	-69.3%	0.1	-54.2%		
COLCRYS	7.2	3.2	-55.9%	3.2	-55.9%	—	—	—	—	—	—		
LOTRIGA	8.8	8.1	-7.9%	—	—	8.1	-7.9%	—	—	—	—		

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

*2 PDT products

*3 The figures include the amounts of fixed dose combinations and blister packs.

*4 GEM: Growth and Emerging Markets, which include Russia/CIS, Latin America, Asia, Middle East, Oceania and Africa

*5 Reminyl sales in Japan include royalty income from the partner.

*6 From FY2020, the classification of therapeutic area for product sales has been reviewed . For comparison, the classification of certain products has been changed from the previous fiscal year (FY2019).

Other in PDT Immunology include ARALAST, GLASSIA, CEPROTIN, ANTITHROMBIN III, KENKTSU-NONTHRON and others.

Other in Neuroscience include COPAXONE,AZILECT, MYDAYIS, BUCCOLAM, EQUASYM and CARBATROL

■ Q2

(Bn JPY)	Reported FY19Q2	Reported FY20Q2	Reported YOY	US	YOY	Japan	YOY	EUCAN	YOY	GEM*5	YOY	Ex-US	YOY
GI	**169.9**	**192.9**	**13.5%**	**110.7**	**11.3%**	**21.6**	**18.2%**	**41.1**	**25.2%**	**15.9**	**3.0%**	**3.7**	**-8.8%**
ENTYVIO	84.5	105.7	25.1%	71.6	22.3%	2.0	33.8%	27.4	29.9%	4.7	39.4%		
DEXILANT	15.3	14.8	-3.1%	9.1	-8.1%	—	—	2.3	20.8%	3.4	-2.2%		
PANTOLOC/CONTROLOC * 1	12.8	12.3	-4.2%	0.6	-42.9%	—	—	6.5	10.9%	5.2	-12.6%		
TAKECAB-F *4	16.7	19.7	18.3%	—	—	19.4	17.2%	—	—	0.3	142.9%		
GATTEX/REVESTIVE	14.1	15.7	11.4%	13.2	9.4%	—	—	2.3	16.8%	0.2	207.0%		
PENTASA	6.5	5.5	-14.9%	5.5	-14.9%	—	—	—	—	—	—		
LIALDA/MEZAVANT *2	6.7	6.1	-8.7%	2.4	-8.4%							3.7	-8.8%
AMITIZA	7.3	6.2	-15.6%	6.0	-16.8%			—	-100.0%	0.1	108.9%		
RESOLOR/MOTEGRITY	1.3	2.2	70.6%	1.4	159.4%	—	—	0.8	8.8%	0.0	-41.7%		
Other	4.7	4.6	-2.5%	0.8	-19.4%	0.2	-20.1%	1.8	42.9%	1.8	-18.9%		
Rare Diseases	**158.9**	**140.4**	**-11.7%**	**63.4**	**-11.0%**	**8.0**	**2.8%**	**34.6**	**-4.8%**	**21.6**	**-30.2%**	**12.8**	**1.7%**
Rare Metabolic	**43.2**	**39.7**	**-8.1%**	**9.0**	**-29.2%**	**0.7**	**-5.2%**	**10.7**	**5.2%**	**6.6**	**-7.0%**	**12.8**	**1.7%**
ELAPRASE	16.7	16.7	-0.1%	5.2	8.4%	0.3	5.1%	6.3	2.6%	4.9	-10.9%		
REPLAGAL *2	12.6	12.8	1.7%	—	—							12.8	1.7%
VPRIV	9.4	9.5	0.5%	3.9	-2.7%	0.3	-13.7%	3.5	3.0%	1.7	7.0%		
NATPARA/NATPAR	4.5	0.8	-82.9%	-0.2		—	—	0.9	41.1%	0.0	-41.4%		
Rare Hematology	**87.2**	**66.1**	**-24.3%**	**28.1**	**-22.2%**	**6.9**	**0.1%**	**17.2**	**-19.2%**	**13.8**	**-39.6%**		
ADVATE	40.5	29.8	-26.5%	13.9	-22.9%	1.7	-15.1%	8.2	-24.8%	6.0	-37.8%		
ADYNOVATE/ADYNOVI *6	15.2	14.2	-6.6%	5.8	-27.6%	4.1	10.4%	3.3	20.7%	1.0	38.6%		
FEIBA *3	14.8	7.7	-47.9%	2.6	12.6%	0.2	-56.3%	2.0	-43.3%	2.9	-65.6%		
HEMOFIL/IMMUNATE/IMMUNINE*3	5.6	4.9	-11.5%	1.0	-13.7%	—	—	1.0	-35.0%	2.9	1.5%		
Other PDT Products *3 *6	0.8	0.8	1.7%	-0.0	99.8%	—	—	0.7	2.4%	0.1	-22.6%		
Other	10.3	8.6	-16.8%	4.8	-27.7%	0.9	27.2%	2.0	5.0%	1.0	-16.8%		
Hereditary Angioedema	**28.5**	**34.6**	**21.6%**	**26.3**	**17.2%**	**0.4**	**147.8%**	**6.7**	**36.9%**	**1.2**	**24.8%**		
FIRAZYR	6.3	7.1	12.2%	3.9	27.8%	0.4	147.8%	2.1	-8.9%	0.7	-13.9%		
TAKHZYRO	16.2	20.5	26.5%	17.0	11.5%	—	—	3.2	230.3%	0.3	4,451.0%		
KALBITOR	1.3	0.9	-25.9%	0.9	-25.8%	—	—	—	-100.0%	—	—		
CINRYZE *3	4.7	6.1	30.2%	4.6	54.6%	—	—	1.4	-14.2%	0.1	39.9%		

*1 Generic name: pantoplazole

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

*3 PDT products

*4 The figures include the amounts of fixed dose combinations and blister packs.

*5 GEM: Growth and Emerging Markets, which include Russia/CIS, Latin America, Asia, Middle East, Oceania and Africa

*6 From FY2020, the classification of therapeutic area for product sales has been reviewed . For comparison, the classification of certain products has been changed from the previous fiscal year (FY2019).

Other PDT products in Rare Hematology include BEBULIN, PROTHROMPLEX and FACTOR VII.

Other in Rare Hematology include VONVENDI, OBIZUR, RIXUBIS, AGRYLIN/XAGRID, RECOMBINATE, Other Hemophilia.

■ Q2

(Bn JPY)	Reported FY19Q2	Reported FY20Q2	Reported YOY	US	YOY	Japan	YOY	EUCAN	YOY	GEM*4	YOY	Ex-US	YOY
PDT Immunology	**102.9**	**100.6**	**-2.2%**	**67.4**	**-4.1%**							**33.3**	**1.9%**
immunoglobulin *2	78.5	77.6	-1.2%	57.9	-6.1%							19.7	16.8%
albumin *2	17.9	15.6	-13.0%	3.7	0.6%							11.9	-16.4%
Other *2 *6	6.5	7.5	14.6%	5.8	16.7%							1.7	7.7%
Oncology	**108.4**	**102.1**	**-5.8%**	**50.6**	**-12.4%**	**17.9**	**-5.2%**	**18.3**	**9.0%**	**13.0**	**15.3%**	**2.3**	**-37.4%**
VELCADE *1	31.9	25.8	-19.0%	24.5	-15.7%							1.3	-53.7%
LEUPLIN/ENANTONE	28.3	22.5	-20.6%	3.8	-46.6%	7.5	-22.2%	7.2	-0.7%	4.0	-7.8%		
NINLARO	20.0	21.4	7.2%	14.2	2.0%	1.2	-2.0%	3.1	11.4%	2.9	41.8%		
ADCETRIS	13.0	15.5	19.0%			2.8	38.1%	7.1	17.9%	5.6	21.9%		
ICLUSIG *1	7.0	7.6	8.3%	6.6	7.3%							1.0	15.0%
ALUNBRIG	1.7	2.3	32.7%	1.5	25.6%	—	—	0.5	37.9%	0.2	99.1%		
VECTIBIX	6.0	5.7	-4.8%			5.7	-4.8%						
Other	0.5	1.3	180.5%	—	-100.0%	0.7	—	0.3	4.1%	0.2	62.6%		
Neuroscience	**102.0**	**100.9**	**-1.0%**	**79.9**	**0.5%**	**7.0**	**-31.2%**	**13.0**	**17.8%**	**1.1**	**-18.5%**		
VYVANSE/ELVANSE	62.7	66.6	6.2%	57.1	5.3%	—	—	8.6	19.1%	0.9	-27.4%		
TRINTELLIX	17.2	18.1	5.0%	17.7	3.0%	0.3	—			0.0	—		
ADDERALL XR	4.9	3.7	-24.5%	3.3	-25.0%	—	—	0.4	-20.2%	—	—		
ROZEREM	3.6	2.9	-18.3%	0.1	-88.1%	2.8	2.1%	—	—	0.0	164.0%		
REMINYL *5	4.2	1.3	-68.9%	—	—	1.3	-69.1%	0.0	-12.6%	—	—		
INTUNIV	4.0	3.3	-15.7%	0.1	-36.0%	1.0	-51.5%	2.1	22.9%	0.1	375.9%		
Other	5.3	5.0	-7.4%	1.4	-43.0%	1.6	32.3%	2.0	18.0%	0.0	-70.4%		
Other	**168.9**	**152.0**	**-10.0%**										
AZILVA-F *3	18.2	19.1	4.5%	—	—	19.1	4.5%	—	—	—	—		
NESINA/VIPIDIA-F *3	14.0	13.6	-3.5%	1.8	15.1%	6.6	-1.5%	2.5	-4.1%	2.6	-16.6%		
ULORIC	1.8	0.5	-72.2%	0.4	-72.6%			0.1	-60.5%	0.0	-79.6%		
COLCRYS	6.0	1.1	-81.4%	1.1	-81.4%	—	—	—	—	0.0	—		
LOTRIGA	7.2	7.6	5.3%	—	—	7.6	5.3%	—	—	—	—		

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■ Q3

(Bn JPY)	Reported FY19Q3	Reported FY20Q3	Reported YOY	US	YOY	Japan	YOY	EUCAN	YOY	GEM*3	YOY	Ex-US	YOY
GI	**191.6**	**209.0**	**9.1%**	**121.5**	**6.4%**	**26.5**	**17.7%**	**41.7**	**19.3%**	**15.5**	**-7.7%**	**3.8**	**19.0%**
ENTYVIO	95.1	112.3	18.1%	76.1	13.8%	2.5	35.4%	29.0	28.7%	4.7	23.0%		
DEXILANT	16.9	15.1	-11.1%	9.5	-18.2%	—	—	2.0	-0.7%	3.5	7.6%		
PANTOLOC/CONTROLOC *1	13.9	10.9	-21.6%	0.5	-43.2%	—	—	5.9	-5.7%	4.5	-33.2%		
TAKECAB-F *4	20.7	24.2	16.9%	—	—	23.8	15.9%	—	—	0.4	118.0%		
GATTEX/REVESTIVE	17.7	16.9	-4.2%	14.3	-7.4%	—	—	2.3	13.9%	0.3	60.0%		
PENTASA	7.2	6.2	-14.4%	6.2	-14.4%	—	—	—	—	—	—		
LIALDA/MEZAVANT *2	6.0	7.1	19.0%	3.3	18.9%							3.8	19.0%
AMITIZA	7.0	6.4	-9.0%	6.3	-9.4%	—	—	—	—	0.1	30.3%		
RESOLOR/MOTEGRITY	2.0	3.6	78.3%	2.7	126.8%	—	—	1.0	22.0%	-0.1	—		
Other	5.1	6.4	24.9%	2.7	120.4%	0.2	42.6%	1.5	15.4%	2.0	-18.8%		
Rare Diseases	**158**	**151**	**-4.0%**	**64.2**	**-10.9%**	**7.3**	**-10.0%**	**34.3**	**-5.4%**	**31.6**	**11.9%**	**13.9**	**6.4%**
Rare Metabolic	**40.2**	**42.2**	**4.8%**	**8.5**	**-7.9%**	**0.3**	**-67.6%**	**11.1**	**7.0%**	**8.4**	**26.3%**	**13.9**	**6.4%**
ELAPRASE	16.8	17.2	2.3%	4.5	-11.5%	0.1	-84.6%	6.3	2.0%	6.3	25.0%		
REPLAGAL *2	13.1	13.9	6.4%	—	—							13.9	6.4%
VPRIV	9.7	10.0	3.6%	4.0	-4.7%	0.2	-49.0%	3.8	8.2%	2.1	30.2%		
NATPARA/NATPAR	0.6	1.0	60.6%	0.0	62.4%	—	—	1.0	44.1%	0.0	36.9%		
Rare Hematology	**83.8**	**75.8**	**-9.6%**	**30.8**	**-13.8%**	**6.6**	**-3.3%**	**16.2**	**-21.3%**	**22.1**	**7.2%**		
ADVATE	39.9	33.7	-15.5%	14.8	-18.8%	1.7	-2.5%	7.4	-25.4%	9.8	-1.7%		
ADYNOVATE/ADYNOVI *6	15.1	14.3	-5.6%	6.5	-9.6%	3.8	-2.0%	2.7	-8.3%	1.2	16.6%		
FEIBA *3	11.7	13.7	16.4%	3.1	7.0%	0.3	-40.8%	2.7	-24.9%	7.6	57.7%		
HEMOFIL/IMMUNATE/IMMUNINE*3	5.8	3.9	-33.4%	0.8	-15.7%	—	—	1.0	-32.6%	2.1	-38.3%		
Other PDT Products *3 *6	1.1	0.9	-19.3%	—	—	—	—	0.7	-19.2%	0.1	-13.1%		
Other	10.2	9.4	-8.3%	5.7	-13.4%	0.8	9.2%	1.7	-4.8%	1.2	3.2%		
Hereditary Angioedema	**33.7**	**33.4**	**-0.7%**	**25.0**	**-8.0%**	**0.3**	**15.1%**	**7.0**	**32.9%**	**1.1**	**14.4%**		
FIRAZYR	7.5	5.0	-33.7%	1.8	-53.8%	0.3	15.1%	2.1	-9.9%	0.7	-24.2%		
TAKHZYRO	18.2	22.1	21.9%	18.3	8.4%	—	—	3.5	169.8%	0.4	7,393.3%		
KALBITOR	1.1	1.1	-4.1%	1.1	-4.2%	—	—	—	—	—	—		
CINRYZE *3	6.9	5.2	-0.2%	3.8	-27.3%	—	—	1.4	-14.7%	0.1	10.0%		

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*3 PDT products

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■ Q3

(Bn JPY)	Reported FY19Q3	Reported FY20Q3	Reported YOY	US	YOY	Japan	YOY	EUCAN	YOY	GEM*3	YOY	Ex-US	YOY
PDT Immunology	**101.9**	**107.1**	**5.2%**	**73.3**	**6.9%**							**33.8**	**1.5%**
immunoglobulin *2	78.9	85.4	8.2%	64.3	7.4%							21.1	10.9%
albumin *2	15.7	15.0	-4.1%	4.0	33.6%							11.0	-12.9%
Other *2 *6	7.3	6.7	-8.1%	5.0	-11.8%							1.7	4.4%
Oncology	**103.1**	**108.4**	**5.2%**	**52.7**	**6.6%**	**20.7**	**0.3%**	**18.6**	**7.9%**	**13.7**	**5.9%**	**2.7**	**-4.0%**
VELCADE *1	27.2	25.9	-4.8%	24.6	-2.7%							1.3	-32.0%
LEUPLIN/ENANTONE	26.0	25.4	-2.5%	3.8	36.4%	8.9	-21.5%	8.3	17.1%	4.4	-9.1%		
NINLARO	19.8	23.5	18.9%	15.0	16.4%	1.4	9.7%	3.7	15.5%	3.4	42.1%		
ADCETRIS	13.7	13.8	0.8%	—	—	2.8	43.8%	5.6	-9.5%	5.4	-2.8%		
ICLUSIG *1	8.2	9.4	15.3%	8.0	10.3%							1.4	56.3%
ALUNBRIG	1.8	2.2	24.5%	1.4	7.2%	—	—	0.6	64.5%	0.2	102.5%		
VECTIBIX	6.0	6.5	7.4%	—	—	6.5	7.4%	—	—	—	—		
Other	0.4	1.7	314.0%	—	-100.0%	1.1	—	0.3	4.9%	0.3	214.9%		
Neuroscience	**116.7**	**107.3**	**-8.0%**	**82.3**	**-10.2%**	**10.5**	**-0.1%**	**12.9**	**2.2%**	**1.7**	**-12.6%**		
VYVANSE/ELVANSE	75.3	69.8	-7.3%	58.8	-9.8%	—	—	9.5	14.6%	1.6	-15.8 %		
TRINTELLIX	19.7	17.7	-9.9%	17.1	-12.2%	0.6	197.8%			—	—		
ADDERALL XR	4.4	4.4	0.2%	4.0	0.5%	—	—	0.4	-2.8%	—	—		
ROZEREM	3.1	3.6	16.5%	0.3	98.1%	3.3	12.7%	—	—	—	-30.5%		
REMINYL *5	4.9	1.0	-79.0%	—	—	1.0	-79.2%	0.0	-15.6%	—			
INTUNIV	2.9	5.9	99.0%	0.1	—	3.6	278.7%	2.1	3.7%	0.1	164.6%		
Other	6.5	5.0	-23.3%	2.1	-30.6%	2.0	25.0%	0.9	-51.7%	—	—		
Other	**188.4**	**153.5**	**-18.5%**										
AZILVA-F *3	20.4	22.9	12.0%	—	—	22.9	12.0%	—	—	—	—		
NESINA/VIPIDIA-F *3	15.5	15.5	0.6%	2.3	7.5%	7.6	0.6%	3.5	30.4%	2.1	-30.7%		
ULORIC	1.4	0.6	-53.7%	0.4	-69.2%	—	—	—	-50.6%	0.2	122.8%		
COLCRYS	6.6	-0.2	—	-0.2	—	—	—	—	—	—	—		
LOTRIGA	8.8	8.8	0.1%	—	—	8.8	0.1%	—	—	—	—		

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*2 PDT products

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Other in Neuroscience include COPAXONE,AZILECT, MYDAYIS, BUCCOLAM, EQUASYM and CARBATROL

■ Q4

(Bn JPY)	Reported FY19Q4	Reported FY20Q4	Reported YOY	US	US YOY	Japan	Japan YOY	EUCAN	EUCAN YOY	GEM*5	GEM*5 YOY	Ex-US	Ex-US YOY
GI	**164.7**	**189.0**	**14.7%**	**105.9**	**13.5%**	**22.8**	**22.1%**	**41.9**	**16.7%**	**14.1**	**6.5%**	**4.4**	**19.6%**
ENTYVIO	83.7	110.0	31.5%	75.0	37.2%	2.4	37.5%	28.4	19.9%	4.2	17.4%		
DEXILANT	14.8	12.1	-17.9%	6.7	-34.2%	—	—	2.5	23.9%	2.9	14.3%		
PANTOLOC/CONTROLOC *1	11.1	10.7	-3.3%	0.5	-25.2%	—	—	6.2	2.8%	4.0	-8.2%		
TAKECAB-F *4	17.1	20.7	21.3%	—	—	20.2	19.7%	—	—	0.5	163.8%		
GATTEX/REVESTIVE	14.9	14.4	-3.0%	11.9	-6.0%	—	—	2.3	13.4%	0.2	26.4%		
PENTASA	5.4	5.3	-1.8%	5.3	-1.8%	—	—	—	—	—	—		
LIALDA/MEZAVANT *2	5.2	6.8	30.5%	2.4	56.3%							4.4	19.6%
AMITIZA	6.0	2.4	-60.2%	2.3	-61.7%	—	—	—	—	0.1	43.7%		
RESOLOR/MOTEGRITY	1.9	2.7	43.2%	1.8	66.0%	—	—	0.9	19.3%	—	-100.0%		
Other	4.8	3.9	-18.6%	-0.1		0.3	126.2%	1.5	14.9%	2.2	-4.6%		
Rare Diseases	**149**	**145**	**-2.9%**	**61.8**	**-11.8%**	**6.7**	**-2.8%**	**35.7**	**-0.5%**	**27.9**	**17.4%**	**12.9**	**1.3%**
Rare Metabolic	**38.5**	**40.8**	**6.0%**	**8.5**	**-6.6%**	**1.0**	**59.6%**	**11.4**	**3.9%**	**7.1**	**37.8%**	**12.9**	**1.3%**
ELAPRASE	15.6	17.3	10.9%	4.7	-10.5%	0.7	100.4%	6.6	3.6%	5.3	45.4%		
REPLAGAL *2	12.7	12.9	1.3%	—	—							12.9	1.3%
VPRIV	9.6	9.7	0.2%	3.9	-5.0%	0.3	6.4%	3.8	-1.9%	1.7	19.6%		
NATPARA/NATPAR	0.6	1.0	66.0%	-0.1	70.5%	—	—	1.1	33.2%	0.0	-25.4%		
Rare Hematology	**75.0**	**71.2**	**-5.1%**	**28.9**	**-10.5%**	**5.4**	**-9.8%**	**17.4**	**-7.1%**	**19.5**	**8.4%**		
ADVATE	34.8	31.4	-9.6%	14.3	-11.6%	1.4	2.5%	7.1	-26.9%	8.6	14.8%		
ADYNOVATE/ADYNOVI *6	13.9	14.3	3.3%	6.3	-3.3%	3.2	-2.8%	3.8	17.6%	1.0	23.5%		
FEIBA *3	11.9	10.3	-13.9%	2.1	-28.4%	0.2	-39.4%	2.9	13.5%	5.1	-17.2%		
HEMOFIL/IMMUNATE/IMMUNINE*3	4.4	5.4	23.2%	0.9	-18.5%	—	—	1.0	2.0%	3.5	51.0%		
Other PDT Products *3 *6	0.8	0.9	11.4%	—	-7471.8%	—	—	0.7	7.6%	0.2	34.7%		
Other	9.3	8.9	-4.0%	5.3	-5.0%	0.7	-38.6%	1.9	18.4%	1.1	2.5%		
Hereditary Angioedema	**35.8**	**33.0**	**-8.0%**	**24.4**	**-14.9%**	**0.3**	**8.5%**	**6.9**	**11.3%**	**1.4**	**105.7%**		
FIRAZYR	9.9	6.7	-32.4%	3.6	-47.4%	0.3	8.5%	2.1	-12.2%	0.8	49.0%		
TAKHZYRO	19.4	20.8	7.2%	16.8	-4.4%	—	—	3.6	93.7%	0.5	860.5%		
KALBITOR	1.0	0.8	-19.8%	0.8	-19.8%	—	—	—	—	—	—		
CINRYZE *3	5.4	4.6	-0.2%	3.3	-2.8%	—	—	1.3	-35.9%	—	-30.3%		

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■ Q4

(Bn JPY)	Reported FY19Q4	Reported FY20Q4	Reported YOY	US	US YOY	Japan	Japan YOY	EUCAN	EUCAN YOY	GEM*4	GEM*4 YOY	Ex-US	Ex-US YOY
PDT Immunology	**97.6**	**107.3**	**10.0%**	**74.6**	**17.1%**							**32.7**	**-3.3%**
immunoglobulin *2	73.3	86.8	18.4%	65.5	19.2%							21.3	16.2%
albumin *2	17.5	14.0	-20.0%	4.0	15.7%							10.0	-28.9%
Other *2 *6	6.8	6.5	-3.8%	5.1	-4.0%							1.4	-3.0%
Oncology	**103.0**	**98.0**	**-4.8%**	**47.8**	**-15.6%**	**16.9**	**0.7%**	**17.6**	**1.5%**	**13.3**	**35.5%**	**2.3**	**-2.3%**
VELCADE *1	27.5	25.2	-8.4%	24.1	-8.6%							1.1	-3.5%
LEUPLIN/ENANTONE	26.4	20.1	-23.7%	3.2	-53.8%	6.0	-32.1%	6.7	-7.4%	4.2	26.6%		
NINLARO	19.5	19.5	0.1%	12.2	-11.5%	1.2	18.9%	3.3	4.0%	2.8	86.6%		
ADCETRIS	13.2	15.0	13.9%	—	-100.0%	2.6	20.5%	6.7	8.3%	5.7	22.5%		
ICLUSIG *1	9.0	7.9	-11.6%	6.7	-13.3%							1.2	-1.1%
ALUNBRIG	2.1	2.3	10.3%	1.5	-0.1%	—	—	0.6	33.0%	0.2	45.8%		
VECTIBIX	4.9	5.4	10.7%	—	—	5.4	10.7%	—	—	—	—		
Other	0.4	2.4	456.9%	—		1.8	—	0.3	-0.9%	0.3	125.7%		
Neuroscience	**108.0**	**102.2**	**-5.4%**	**78.6**	**-7.6%**	**8.4**	**-12.1%**	**13.2**	**10.7%**	**1.9**	**41.1%**		
VYVANSE/ELVANSE	67.3	69.1	2.7%	57.8	0.4%	—	-99.1%	9.6	19.6%	1.7	37.1 %		
TRINTELLIX	16.4	16.2	-1.0%	15.4	-4.3%	0.7	242.8%			—	—		
ADDERALL XR	9.3	4.4	-52.6%	4.0	-54.7%	—	—	0.4	-4.8%	—	—		
ROZEREM	2.7	2.5	-8.0%	-0.1		2.7	7.5%	—	—	—			
REMINYL *5	3.5	0.7	-80.4%	—	—	0.7	-80.6%	0.0	16.2%	—			
INTUNIV	3.7	5.6	52.1%	0.2	822.4%	2.9	70.2%	2.3	21.0%	0.3	205.6%		
Other	5.2	3.7	-28.2%	1.3	-42.1%	1.4	12.6%	1.0	-40.5%	—	-100.0 %		
Other	**149.0**	**128.7**	**-13.6%**										
AZILVA-F *3	17.6	19.4	10.1%	—	—	19.4	10.1%	—	—	—	—		
NESINA/VIPIDIA-F *3	13.9	13.1	-5.6%	2.6	87.3%	6.0	0.2%	3.1	-5.6%	1.5	-54.2%		
ULORIC	1.4	0.5	-64.3%	0.3	-78.5%	—	—	—	-17.2%	0.2	72.8%		
COLCRYS	2.7	0.9	-65.5%	0.9	-65.5%	—	—	—	—	—	—		
LOTRIGA	7.0	7.3	4.5%	—	—	7.3	4.5%	—	—	—	—		

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Product Sales Analysis (Reported & Underlying Growth)

(Bn JPY)	FY19 Reported				FY20 Reported & Underlying Growth													
					YOY			YOY				YOY				YOY			
	Q1	Q2	Q3	Q4	Q1	Reported	Underlying	Q2	Reported	Underlying	YTD Underlying	Q3	Reported	Underlying	YTD Underlying	Q4	Reported	Underlying	YTD Underlying
GI	171.6	169.9	191.6	164.7	186.9	8.9%	13.6%	192.9	13.5%	15.3%	14.5%	209.0	9.1%	12.3%	13.7%	189.0	14.7%	16.6%	14.4%
ENTYVIO	83.9	84.5	95.1	83.7	101.2	20.7%	25.5%	105.7	25.1%	26.1%	25.8%	112.3	18.1%	20.9%	24.0%	110.0	31.5%	33.1%	26.2%
DEXILANT	15.8	15.3	16.9	14.8	13.6	-14.0%	-7.2%	14.8	-3.1%	2.5%	-2.4%	15.1	-11.1%	-5.0%	-3.3%	12.1	-17.9%	-14.1%	-5.9%
PANTOLOC/CONTROLOC*1	11.6	12.8	13.9	11.1	9.2	-20.9%	-9.8%	12.3	-4.2%	2.4%	-3.3%	10.9	-21.6%	-14.8%	-7.5%	10.7	-3.3%	0.4%	-5.7%
TAKECAB-F *3	18.3	16.7	20.7	17.1	20.2	10.6%	10.7%	19.7	18.3%	18.4%	14.4%	24.2	16.9%	17.0%	15.3%	20.7	21.3%	21.4%	16.8%
GATTEX/REVESTIVE	15.1	14.1	17.7	14.9	17.5	15.5%	19.2%	15.7	11.4%	12.7%	16.0%	16.9	-4.2%	-1.0%	9.6%	14.4	-3.0%	0.3%	7.3%
PENTASA	6.5	6.5	7.2	5.4	6.2	-5.6%	-3.0%	5.5	-14.9%	-13.6%	-8.3%	6.2	-14.4%	-11.2%	-9.4%	5.3	-1.8%	1.9%	-7.0%
LIALDA/MEZAVANT	5.6	6.7	6.0	5.2	5.5	-0.8%	3.6%	6.1	-8.7%	-8.3%	-3.0%	7.1	19.0%	22.4%	5.4%	6.8	30.5%	29.2%	10.7%
AMITIZA	7.8	7.3	7.0	6.0	6.3	-19.6%	-17.2%	6.2	-15.6%	-14.1%	-15.6%	6.4	-9.0%	-5.3%	-12.4%	2.4	-60.2%	-58.5%	-22.2%
RESOLOR/MOTEGRITY	1.4	1.3	2.0	1.9	2.7	100.4%	105.3%	2.2	70.6%	68.6%	87.1%	3.6	78.3%	81.6%	84.7%	2.7	43.2%	44.5%	73.1%
Other	5.6	4.7	5.1	4.8	4.5	-19.8%	-16.3%	4.6	-2.5%	-2.7%	-10.0%	6.4	24.9%	26.0%	2.0%	3.9	-18.6%	-20.2%	-3.3%
Rare Diseases	**168.8**	**158.9**	**157.7**	**149.4**	**155.0**	**-8.2%**	**-2.0%**	**140.4**	**-11.7%**	**-8.8%**	**-5.3%**	**151.3**	**-4.0%**	**1.8%**	**-3.0%**	**145.0**	**-2.9%**	**—%**	**-2.3%**
Rare Metabolic	**48.9**	**43.2**	**40.2**	**38.5**	**39.9**	**-18.3%**	**-9.9%**	**39.7**	**-8.1%**	**-2.7%**	**-6.4%**	**42.2**	**4.8%**	**11.0%**	**-1.0%**	**40.8**	**6.0%**	**10.0%**	**1.5%**
ELAPRASE	18.8	16.7	16.8	15.6	17.6	-6.4%	1.2%	16.7	-0.1%	7.2%	4.1%	17.2	2.3%	9.5%	5.8%	17.3	10.9%	16.5%	8.3%
REPLAGAL	12.9	12.6	13.1	12.7	12.2	-5.4%	6.5%	12.8	1.7%	5.6%	6.1%	13.9	6.4%	12.6%	8.4%	12.9	1.3%	4.9%	7.5%
VPRIV	9.3	9.4	9.7	9.6	9.3	1.0%	9.5%	9.5	0.5%	4.8%	7.1%	10.0	3.6%	8.4%	7.5%	9.7	0.2%	3.4%	6.5%
NATPARA/NATPAR	7.9	4.5	0.6	0.6	0.7	-90.7%	-89.8%	0.8	-82.9%	-82.5%	-87.1%	1.0	60.6%	55.5%	-79.9%	1.0	66.0%	54.1%	-73.2%
Rare Hematology	**88.1**	**87.2**	**83.8**	**75.0**	**76.8**	**-12.9%**	**-7.0%**	**66.1**	**-24.3%**	**-22.2%**	**-14.7%**	**75.8**	**-9.6%**	**-3.1%**	**-10.9%**	**71.2**	**-5.1%**	**-2.5%**	**-9.0%**
ADVATE	42.7	40.5	39.9	34.8	33.7	-21.3%	-14.5%	29.8	-26.5%	-23.7%	-19.0%	33.7	-15.5%	-10.2%	-16.1%	31.4	-9.6%	-5.1%	-13.7%
ADYNOVATE/ADYNOVI *4	14.5	15.2	15.1	13.9	15.3	5.7%	9.4%	14.2	-6.6%	-6.5%	1.2%	14.3	-5.6%	-3.9%	-0.5%	14.3	3.3%	4.0%	0.5%
FEIBA *2	13.1	14.8	11.7	11.9	12.9	-1.5%	5.4%	7.7	-47.9%	-46.3%	-22.5%	13.7	16.4%	37.3%	-4.6%	10.3	-13.9%	-12.2%	-6.4%
HEMOFIL/IMMUNATE/ IMMUNINE*2	6.6	5.6	5.8	4.4	4.4	-32.5%	-26.1%	4.9	-11.5%	-3.6%	-15.6%	3.9	-33.4%	-25.8%	-19.0%	5.4	23.2%	22.4%	-10.6%
Other PDT Products *2*4	1.0	0.8	1.1	0.8	0.9	-11.5%	-5.0%	0.8	1.7%	-0.6%	-3.0%	0.9	-19.3%	-21.3%	-10.0%	0.9	11.4%	4.5%	-6.9%
Other	10.3	10.3	10.2	9.3	9.7	-6.2%	-2.5%	8.6	-16.8%	-16.1%	-9.4%	9.4	-8.3%	-6.1%	-8.3%	8.9	-4.0%	-2.8%	-7.0%
Hereditary Angioedema	**31.9**	**28.5**	**33.7**	**35.8**	**38.3**	**20.2%**	**24.5%**	**34.6**	**21.6%**	**23.1%**	**23.8%**	**33.4**	**-0.7%**	**2.7%**	**16.2%**	**33.0**	**-8.0%**	**-5.9%**	**10.1%**
FIRAZYR	9.0	6.3	7.5	9.9	8.1	-9.8%	-4.7%	7.1	12.2%	15.4%	3.8%	5.0	-33.7%	-27.8%	-6.7%	6.7	-32.4%	-29.6%	-13.7%
TAKHZYRO	14.5	16.2	18.2	19.4	23.2	60.7%	65.8%	20.5	26.5%	27.9%	45.5%	22.1	21.9%	25.7%	38.1%	20.8	7.2%	9.7%	30.0%
KALBITOR	1.1	1.3	1.1	1.0	1.1	-4.4%	-1.6%	0.9	-25.9%	-25.0%	-14.3%	1.1	-4.1%	-0.6%	-9.8%	0.8	-19.8%	-16.8%	-11.4%
CINRYZE *2	7.3	4.7	6.9	5.4	5.9	-19.2%	-16.0%	6.1	30.2%	30.4%	2.5%	5.2	-24.0%	-22.5%	-6.6%	4.6	-15.4%	-14.3%	-8.4%

*1 Generic name: pantoplazole

*2 PDT products

*3 The figures include the amounts of fixed dose combinations and blister packs.

*4 From FY2020, the classification of therapeutic area for product sales has been reviewed . For comparison, the classification of certain products has been changed from the previous fiscal year (FY2019).

Other PDT products in Rare Hematology include BEBULIN, PROTHROMPLEX and Factor VII.

Other in Rare Hematology include VONVENDI, OBIZUR, RIXUBIS, AGRYLIN/XAGRID, RECOMBINATE, Other Hemophilia.

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(Bn JPY)	FY19 Reported				FY20 Reported & Underlying Growth														
					YOY			YOY				YOY				YOY			
	Q1	Q2	Q3	Q4	Q1	Reported	Underlying	Q2	Reported	Underlying	YTD Underlying	Q3	Reported	Underlying	YTD Underlying	Q4	Reported	Underlying	YTD Underlying
PDT Immunology	**91.7**	**102.9**	**101.9**	**97.6**	**105.3**	**14.8%**	**19.4%**	**100.6**	**-2.2%**	**-0.4%**	**8.8%**	**107.1**	**5.2%**	**8.9%**	**8.8%**	**107.3**	**10.0%**	**12.6%**	**9.8%**
immunoglobulin *1	68.0	78.5	78.9	73.3	85.1	25.2%	29.8%	77.6	-1.2%	0.9%	14.2%	85.4	8.2%	12.7%	13.7%	86.8	18.4%	21.9%	15.7%
albumin *1	16.1	17.9	15.7	17.5	13.0	-19.6%	-14.3%	15.6	-13.0%	-11.8%	-13.0%	15.0	-4.1%	-3.1%	-9.8%	14.0	-20.0%	-20.4%	-12.6%
Other *1 *3	7.6	6.5	7.3	6.8	7.2	-5.5%	-2.7%	7.5	14.6%	16.1%	6.1%	6.7	-8.1%	-5.2%	2.2%	6.5	-3.8%	-1.1%	1.4%
Oncology	**106.5**	**108.4**	**103.1**	**103.0**	**108.0**	**1.4%**	**5.4%**	**102.1**	**-5.8%**	**-4.5%**	**0.3%**	**108.4**	**5.2%**	**7.3%**	**2.6%**	**98.0**	**-4.8%**	**-3.0%**	**1.2%**
VELCADE	31.7	31.9	27.2	27.5	24.2	-23.7%	-21.4%	25.8	-19.0%	-17.9%	-19.6%	25.9	-4.8%	-1.2%	-14.1%	25.2	-8.4%	-5.0%	-12.0%
LEUPLIN/ENANTONE	28.4	28.3	26.0	26.4	27.4	-3.4%	-1.1%	22.5	-20.6%	-20.6%	-10.9%	25.4	-2.5%	-3.2%	-8.5%	20.1	-23.7%	-24.3%	-12.3%
NINLARO	18.3	20.0	19.8	19.5	22.9	25.4%	31.0%	21.4	7.2%	8.8%	19.2%	23.5	18.9%	22.6%	20.4%	19.5	0.1%	2.7%	15.9%
ADCETRIS	12.7	13.0	13.7	13.2	15.1	18.4%	31.1%	15.5	19.0%	25.2%	28.1%	13.8	0.8%	6.6%	20.4%	15.0	13.9%	19.5%	20.2%
ICLUSIG	7.6	7.0	8.2	9.0	9.2	20.7%	24.2%	7.6	8.3%	9.8%	17.2%	9.4	15.3%	19.5%	18.0%	7.9	-11.6%	-8.5%	10.5%
ALUNBRIG	1.7	1.7	1.8	2.1	2.0	21.9%	26.4%	2.3	32.7%	33.7%	30.2%	2.2	24.5%	27.5%	29.2%	2.3	10.3%	12.6%	24.4%
VECTIBIX	5.6	6.0	6.0	4.9	6.2	10.6%	10.6%	5.7	-4.8%	-4.8%	2.6%	6.5	7.4%	7.4%	4.2%	5.4	10.7%	10.7%	5.6%
Other	0.4	0.5	0.4	0.4	0.9	110.9%	14.7%	1.3	180.5%	36.3%	26.1%	1.7	314.0%	81.2%	45.6%	2.4	456.9%	122.0%	66.9%
Neuroscience	**111.9**	**102.0**	**116.7**	**108.0**	**106.9**	**-4.5%**	**-0.8%**	**100.9**	**-1.0%**	**0.1%**	**-0.4%**	**107.3**	**-8.0%**	**-4.1%**	**-1.7%**	**102.2**	**-5.4%**	**-1.9%**	**-1.8%**
VYVANSE/ELVANSE	68.8	62.7	75.3	67.3	66.0	-4.1%	0.3%	66.6	6.2%	7.7%	3.9%	69.8	-7.3%	-3.9%	1.0%	69.1	2.7%	5.9%	2.2%
TRINTELLIX	17.4	17.2	19.7	16.4	16.9	-3.1%	-0.3%	18.1	5.0%	6.4%	3.1%	17.7	-9.9%	-6.9%	-0.6%	16.2	-1.0%	2.6%	0.2%
ADDERALL XR	5.7	4.9	4.4	9.3	5.3	-7.7%	-4.4%	3.7	-24.5%	-23.1%	-13.2%	4.4	0.2%	4.1%	-8.1%	4.4	-52.6%	-51.3%	-24.7%
ROZEREM	5.1	3.6	3.1	2.7	3.0	-40.8%	-40.8%	2.9	-18.3%	-18.6%	-31.7%	3.6	16.5%	17.1%	-19.0%	2.5	-8.0%	-8.3%	-17.0%
REMINYL	4.8	4.2	4.9	3.5	4.2	-11.9%	-11.5%	1.3	-68.9%	-68.5%	-38.3%	1.0	-79.0%	-79.0%	-52.6%	0.7	-80.4%	-80.4%	-58.2%
INTUNIV	4.1	4.0	2.9	3.7	5.6	38.8%	46.1%	3.3	-15.7%	-16.4%	14.9%	5.9	99.0%	95.1%	36.7%	5.6	52.1%	45.6%	39.0%
Other	6.0	5.3	6.5	5.2	5.8	-3.6%	-2.3%	5.0	-7.4%	-12.7%	-7.1%	5.0	-23.3%	-6.9%	-7.0%	3.7	-28.2%	-12.0%	-8.1%
Other	**198.6**	**168.9**	**188.4**	**149.0**	**139.8**	**-29.6%**	**-21.0%**	**152.0**	**-10.0%**	**-3.7%**	**-12.8%**	**153.5**	**-18.5%**	**-12.9%**	**-12.8%**	**128.7**	**-13.6%**	**4.8%**	**-9.1%**
AZILVA-F *2	20.5	18.2	20.4	17.6	20.9	1.9%	1.9%	19.1	4.5%	4.5%	3.2%	22.9	12.0%	12.0%	6.2%	19.4	10.1%	10.1%	7.1%
NESINA/VIPIDIA-F *2	14.6	14.0	15.5	13.9	15.5	6.1%	8.5%	13.6	-3.5%	1.2%	5.0%	15.5	0.6%	11.1%	7.1%	13.1	-5.6%	17.6%	9.5%
ULORIC	12.2	1.8	1.4	1.4	0.9	-92.8%	-93.1%	0.5	-72.2%	-71.5%	-90.4%	0.6	-53.7%	-67.0%	-88.4%	0.5	-64.3%	-59.1%	-86.0%
COLCRYS	7.2	6.0	6.6	2.7	3.2	-55.9%	-54.6%	1.1	-81.4%	-81.1%	-66.8%	(0.2)	—	—	-78.9%	0.9	-65.5%	-64.3%	-77.1%
LOTRIGA	8.8	7.2	8.8	7.0	8.1	-7.9%	-7.9%	7.6	5.3%	5.3%	-1.9%	8.8	0.1%	0.1%	-1.2%	7.3	4.5%	4.5%	—%

*1 PDT products

*2 The figures include the amounts of fixed dose combinations and blister packs.

*3 From FY2020, the classification of therapeutic area for product sales has been reviewed . For comparison, the classification of certain products has been changed from the previous fiscal year (FY2019).

Other in PDT Immunology include ARALAST, GLASSIA, CEPROTIN, ANTITHROMBIN III, KENKTSU-NONTHRON and others.

Other in Neuroscience include COPAXONE,AZILECT, MYDAYIS, BUCCOLAM, EQUASYM and CARBATROL

Product Forecasts

(Bn JPY)	FY20 Reported Actual Annual	FY21 Reported Forecasts Annual	YOY		FY21 Underlying Growth Forecasts YOY
GI	**777.8**	**878.0**	**100.2**	**13 %**	**10 %**
ENTYVIO	429.3	538.0	108.7	25 %	22 %
TAKECAB-F *2	84.8	94.0	9.2	11 %	11 %
GATTEX/REVESTIVE	64.6	79.0	14.4	22 %	20 %
DEXILANT	55.6	54.0	-1.6	-3 %	-6 %
PANTOLOC/CONTROLOC*1	43.1	37.0	-6.1	-14 %	-19 %
LIALDA/MEZAVANT	25.5	19.0	-6.5	-25 %	-25 %
PENTASA	23.1	19.0	-4.1	-18 %	-20 %
AMITIZA	21.2	5.0	-16.2	-76 %	-79 %
RESOLOR/MOTEGRITY	11.2	12.0	0.8	7 %	-1 %
ALOFISEL	0.8	3.0	2.2	283 %	238 %
Other	18.6	18.0	-0.6	-3 %	-8 %
Rare Diseases	**591.7**				
Rare Metabolic	**162.6**	**173.0**	**10.4**	**6 %**	**2 %**
ELAPRASE	68.8	71.0	2.2	3 %	-1 %
REPLAGAL	51.8	56.0	4.2	8 %	3 %
VPRIV	38.5	41.0	2.5	6 %	5 %
NATPARA/NATPAR	3.6	5.0	1.4	41 %	38 %
Rare Hematology	**289.8**	**273.0**	**-16.8**	**-6 %**	**-10 %**
ADVATE	128.5	176.0	-10.6	-6 %	-10 %
ADYNOVATE/ADYNOVI	58.1				
FEIBA *3	44.5	35.0	-9.5	-21 %	-26 %
RECOMBINATE	13.4	12.0	-1.4	-10 %	-10 %
HEMOFIL/IMMUNATE/ IMMUNINE*3	18.7	17.0	-1.7	-9 %	-13 %
Other PDT Products *3	3.5	5.0	1.5	44 %	41 %
Other	23.2	28.0	4.8	21 %	15 %
Hereditary Angioedema	**139.3**			**0% to +10%**	**0% to +10%**
TAKHZYRO	86.7			+20% to +30%	+20% to +30%
FIRAZYR	26.8	15.0	-11.8	-44 %	(46.2)%
CINRYZE *3	21.9	17.0	-4.9	-22 %	-23 %
KALBITOR	3.9	2.0	-1.9	-49 %	-40 %

*1 Generic name: pantoprazole

*2 The figures include the amounts of fixed dose combinations and blister packs.

*3 PDT products

Other PDT products in Rare Hematology include BEBULIN, PROTHROMPLEX and Factor VII.

Other in Rare Hematology include VONVENDI, OBIZUR, RIXUBIS, AGRYLIN/XAGRID, OCTOFACTOR, COAGIL-VII, INNONAFACTOR, and Other Hemophilia.

Average FX rates for FY2020: 1 USD = 106 JPY, 1 Euro = 123 JPY, 1 RUB = 1.4 JPY, 1 BRL = 19.6 JPY, 1 CNY = 15.5 JPY

Assumption of FX rates for FY2021 Reported Forecasts: 1 USD = 108 JPY, 1 Euro = 131 JPY, 1 RUB = 1.4 JPY, 1 BRL = 19.9 JPY, 1 CNY = 16.8 JPY

Assumption of FX rates for FY2021 Underlying Forecasts: 1 USD = 106 JPY, 1 Euro = 123 JPY, 1 RUB = 1.4 JPY, 1 BRL = 19.6 JPY, 1 CNY = 15.5 JPY

(Bn JPY)	FY20 Reported Actual Annual	FY21 Reported Forecasts Annual	FY21 Reported Forecasts YOY		FY21 Underlying Growth Forecasts YOY
PDT Immunology	**420.4**			+10% to +20%	+10% to +20%
immunoglobulin *1	334.9			+5% to +10%	+5% to +10%
albumin *1	57.6			+>30%	+>30%
Other *1	27.9			0% to +10%	0% to +10%
Oncology	**416.5**	**455.0**	**38.5**	**9%**	**7%**
VELCADE	101.1	83.0	-18.1	-18%	-20%
LEUPLIN/ENANTONE	95.4	104.0	8.6	9%	7%
NINLARO	87.4	97.0	9.6	11%	8%
ADCETRIS	59.4	70.0	10.6	18%	14%
ICLUSIG	34.2	39.0	4.8	14%	11%
VECTIBIX	23.8	22.0	-1.8	-8%	-7%
ALUNBRIG	8.8	16.0	7.2	82%	80%
Other	6.4	24.0	17.6	276%	256%
Neuroscience	**417.3**	**434.0**	**16.7**	**4%**	**2%**
VYVANSE/ELVANSE	271.5	293.0	21.5	8%	5%
TRINTELLIX	68.9	82.0	13.1	19%	17%
INTUNIV	20.4	17.0	-3.4	-17%	-20%
ADDERALL XR	17.8	10.0	-7.8	-44%	-45%
ROZEREM	12.0	11.0	-1.0	-8%	-3%
Other	26.7	21.0	-5.7	-21%	-17%
Other	**574.1**			**-10% to 0%**	**-10% to 0%**
AZILVA-F *2	82.2	68.0	-14.2	-17%	-16%
LOTRIGA	31.8	29.0	-2.8	-9%	-8%
AIPHAGAN	15.9	12.0	-3.9	-25%	-22%
FOSRENOL	13.5	11.0	-2.5	-18%	-17%
ACTOVEGIN	10.7	11.0	0.3	3%	7%

*1 PDT products

*2 The figures include the amounts of fixed dose combinations and blister packs.

Other in PDT Immunology include ARALAST, GLASSIA, CEPROTIN, ANTITHROMBIN III, KENKTSU-NONTHRON and others

Other in Neuroscience include REMINYL, COPAXONE, AZILECT, MYDAYIS, BUCCOLAM, EQUASYM and CARBATROL

Average FX rates for FY2020: 1 USD = 106 JPY, 1 Euro = 123 JPY, 1 RUB = 1.4 JPY, 1 BRL = 19.6 JPY, 1 CNY = 15.5 JPY

Assumption of FX rates for FY2021 Reported Forecasts: 1 USD = 108 JPY, 1 Euro = 131 JPY, 1 RUB = 1.4 JPY, 1 BRL = 19.9 JPY, 1 CNY = 16.8 JPY

Assumption of FX rates for FY2021 Underlying Forecasts: 1 USD = 106 JPY, 1 Euro = 123 JPY, 1 RUB = 1.4 JPY, 1 BRL = 19.6 JPY, 1 CNY = 15.5 JPY

Exchange Rate

(yen)

CURRENCY	Average Exchange Rates vs. JPY FY19 (Apr-Mar)	FY20 (Apr-Mar)	FY21 Assumption (Apr-Mar)
USD	109	106	108
EUR	121	123	131
RUB	1.7	1.4	1.4
CNY	15.7	15.5	16.8
BRL	26.9	19.6	19.9

(100 million yen)

Impact of 1% depreciation of yen from April 2021 to March 2022 Revenue	Core Operating Profit	Operating Profit	Net Profit
+170.7	+69.2	+29.4	+16.7
+45.0	-19.5	-31.4	-27.0
+3.7	+2.5	+2.1	+1.7
+10.7	+6.0	+5.9	+4.4
+5.8	+3.8	+3.7	+2.5

CAPEX, depreciation and amortization and impairment losses

(Bn JPY)

	FY19	FY20	YOY		FY21 Forecasts
Capital expenditures*	217.7	236.5	18.8	8.6%	210.0 -260.0
Tangible assets	127.1	111.2	-15.9	-12.5%	
Intangible assets	90.6	125.3	34.6	38.2%	
* Cash flow base					
Depreciation and amortization	583.6	557.8	-25.8	-4.4%	556.0
Depreciation of tangible assets* (A)	156.0	124.4	-31.6	-20.3%	
Amortization of intangible assets (B)	427.6	433.4	5.8	1.4%	
Of which Amortization associated with products (C)	412.1	405.3	-6.8	-1.7%	406.0
Of which Amortization excluding intagible assets associated with products (D)	15.5	28.2	12.6	81.3%	
* Excluding depreciation for investment assets.					
Depreciation and amortization (excluding intangible assets associated with products) (A)+(D)	171.6	152.6	-19.0	-11.1%	150.0
Impairment losses	101.9	25.5	-76.4	-75.0%	
Impairment losses associated with products	43.3	16.6	-26.7	-61.7%	50.0
Amortization and impairment losses on intangible assets associated with products	455.4	421.9	-33.6	-7.4%	456.0

3. Reconciliation

FY2020 Full Year Reconciliation from Reported Revenue to Underlying Revenue

(BN YEN)	FY2019	FY2020	Change versus the previous year	
Revenue	**3,291.2**	**3,197.8**	**(93.4)**	**-2.8%**
FX effects*1				+3.0pp
Divestitures*2				+2.1pp
XIIDRA				+0.3pp
Regional portfolio				+1.2pp
TACHOSIL				+0.1pp
Others				+0.4pp
Underlying Revenue Growth				**+ 2.2%**

*1 FX adjustment applies plan rate to both periods.

*2 Major adjustments are as follow;

- Net sales of XIIDRA, a treatment for dry eye disease, the divestiture of which was completed in July 2019, are excluded from FY2019.
- Revenue of select over-the-counter and non-core products in a number of Near East, Middle East and Africa countries is excluded from FY2019 as the divestiture was completed in March 2020.
- Revenue of select over-the-counter and non-core products in Russia, Georgia, and a number of countries from within the Commonwealth of Independent States is excluded from FY2019 as the divestiture was completed in March 2020.
- Revenue of select over-the-counter and non-core products in Asia Pacific is excluded from both FY2020 and FY2019 as the divestiture was completed in November 2020.
- Revenue of select non-core products predominantly in Europe is excluded from both FY2020 and FY2019 as the divestiture was completed in December 2020.
- Revenue of select over-the-counter and non-core products in Latin America is excluded from both FY2020 and FY2019 as the divestiture was completed in January 2021.
- Net sales from TACHOSIL, a surgical patch are excluded from both FY2020 and FY2019 as the divestiture was completed in January 2021.

FY2019 Full Year Reconciliation from Reported Revenue to Underlying Revenue

(BN YEN)	FY2018[*1]	FY2019	vs. PY	
Revenue	**2,097.2**	**3,291.2**	**+1,194.0**	**+ 56.9%**
Shire Revenue	1,301.8	—		
Pro-forma Revenue	3,399.0	3,291.2	(107.9)	- 3.2%
FX effects[*2]				+3.6pp
Divestitures[*3]				+1.2pp
Techpool & Multilab				+0.2pp
XIIDRA & TACHOSIL				+1.0pp
Others				-0.0pp
Underlying Revenue Growth				**+ 1.6%**

[*1] FY2018 revenue is a pro-forma which adds Legacy Shire's revenue from April 2018 through the acquisition date previously reported under US GAAP and conformed to IFRS without material differences, excluding Legacy Shire's oncology business, which was sold in August 2018, and converted to JPY using FY2018 actual rate for the period.

[*2] FX adjustment applies constant FY2018 actual full year average rate to both years (1USD=111 yen, 1EUR=129 yen).

[*3] Major adjustments are the exclusion of FY2018 revenue of former subsidiaries Guangdong Techpool Bio-Pharma Co., Ltd. and Multilab Indstria e Comrcio de Produtos Farmacuticos Ltda., both divested in FY2018; FY2018 and FY2019 revenue of XIIDRA which was divested in July 2019; and TACHOSIL (Takeda agreed in May 2019 to divest TACHOSIL, and although the agreement to divest the product to Ethicon was terminated in April 2020, it is still adjusted as Takeda continues to explore opportunities to divest TACHOSIL as part of its ongoing divestiture and deleveraging strategy. Assets and liabilities related to TACHOSIL continue to be classified as being held for sale on the consolidated statements of financial position).

FY2020 Full Year Reconciliation from Reported to Core/Underlying Core

FY2020

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS								CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING GROWTH
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire integration costs	Shire purchase accounting adjustments	TEVA JV related accounting adjustments	TCHC Divestiture*1	Swiss tax reform	Others		FX	Divestitures	
Revenue	3,197.8									3,197.8	199.5	(70.1)	2.2 %
Cost of sales	(994.3)				81.2				6.2	(906.9)	(47.0)	21.0	
Gross Profit	2,203.5				81.2				6.2	2,290.9	152.5	(49.2)	
SG&A expenses	(875.7)			1.9	(0.3)				1.4	(872.6)	(47.0)		
R&D expenses	(455.8)			(0.3)	0.0				5.7	(450.4)	(18.3)		
Amortization of intangible assets	(405.3)	85.8			319.5					—			
Impairment losses on intangible assets	(16.6)	16.6								—			
Other operating income	318.0		(116.9)		(60.2)	(1.5)	(139.5)			—			
Other operating expenses	(258.9)		107.2	78.1					73.6	—			
Operating profit	509.3	102.4	(9.7)	79.6	340.2	(1.5)	(139.5)		87.0	967.9	87.1	(49.2)	13.0 %
Margin	15.9 %									30.3 %			30.2 %
Financial income/ expenses	(143.1)			7.9	12.9				(4.0)	(126.3)	3.6		
Equity income/loss	0.1					16.6			(13.1)	3.5	(0.3)		
Profit before tax	366.2	102.4	(9.7)	87.5	353.2	15.1	(139.5)		69.8	845.1	90.4	(49.2)	
Tax expenses	9.9	(25.6)	8.1	(18.6)	(88.7)	(4.6)			(70.0)	(189.4)	(20.3)	12.8	
Non-controlling interests	(0.2)									(0.2)	0.0		
Net profit	376.0	76.8	(1.6)	69.0	264.5	10.5	(139.5)		(0.2)	655.5	70.2	(36.4)	
EPS (yen)	241									420	46	(23)	24.6 %
Number of shares (millions)	1,562									1,562			1,558

*1 On March 31, 2021, Takeda completed the sale of Takeda Consumer Healthcare Company Limited (“TCHC”), a wholly-owned subsidiary of Takeda primarily focused on the consumer healthcare market in Japan, to The Blackstone Group Inc.

*2 Underlying Core Operating Profit Margin.

FY2019 Full Year Reconciliation from Reported to Core/ Underlying Core

FY2019

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS							CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Shire purchase accounting adjustments	Teva JV related accounting adjustments	Swiss tax reform	Others		FX	Divestitures	
Revenue	3,291.2								3,291.2	102.4	(137.4)	
Cost of sales	(1,089.8)				199.5				(890.3)	(27.9)	29.3	
Gross Profit	2,201.4				199.5				2,400.9	74.4	(108.2)	
SG&A expenses	(964.7)			5.5	2.4				(956.8)	(29.1)		
R&D expenses	(492.4)			10.4	0.1				(481.9)	(8.9)		
Amortization of intangible assets	(412.1)	87.0			325.1							
Impairment losses on intangible assets	(43.3)	43.3										
Other operating income	60.2		(46.0)			(14.2)						
Other operating expenses	(248.7)		113.3	135.4								
Operating profit	100.4	130.3	67.3	151.2	527.1	(14.2)			962.2	36.5	(108.2)	
Margin	3.1 %								29.2 %			27.3 %
Financial income/expenses	(137.2)			7.1	14.4			(20.1)	(135.7)	5.332		
Equity income/loss	(24.0)					32.2			8.2	0.0		
Profit before tax	(60.8)	130.3	67.3	158.3	541.6	18.0		(20.1)	834.7	41.8	(108.2)	
Tax expenses	105.0	(31.7)	(10.8)	(29.2)	(98.2)	(5.5)	(94.6)	(67.5)	(232.4)	(10.0)	27.2	
Non-controlling interests	—								—			
Net profit	44.2	98.7	56.5	129.1	443.4	12.5	(94.6)	(87.6)	602.2	31.8	(81.0)	
EPS (yen)	28								387	20	(52)	355
Number of shares (millions)	1,557								1,557			1,558

Note: FY2019 Underlying Core results reflect divestiture adjustments applied in FY2020 Underlying calculation.

Free Cash Flow

(BN JPY)	FY2019	FY2020	vs. PY	
Net profit	**44.3**	**376.2**	**+331.9**	**+749.3%**
Depreciation, amortization and impairment loss	685.5	585.1	-100.4	
Decrease (increase) in trade working capital	72.7	53.3	-19.5	
Income taxes paid	-226.8	-201.7	+25.1	
Other	94.0	198.0	+104.1	
Net cash from operating activities	**669.8**	**1,010.9**	**+341.2**	**+50.9%**
Adjustment for deposits restricted to certain vaccines operations	—	-175.5	-175.5	
Acquisition of PP&E	-127.1	-111.2	+15.9	
Proceeds from sales of PP&E	12.6	46.5	+33.9	
Acquisition of intangible assets	-90.6	-125.3	-34.6	
Acquisition of investments	-7.6	-12.6	-5.0	
Proceeds from sales and redemption of investments	49.4	74.6	+25.2	
Proceeds from sales of business, net of cash and cash equivalents divested	461.5	530.4	+68.8	
Free Cash Flow	**968.0**	**1,237.8**	**+269.8**	**+27.9%**

FY2020 NET PROFIT TO ADJUSTED EBITDA BRIDGE

(BN JPY)	FY2019 LTM*1	FY2020 LTM*1	vs. PY	
Net profit	**44.3**	**376.2**	**+331.9**	**+749.3%**
Income tax expenses	-105.0	-9.9		
Depreciation and amortization	583.6	559.7		
Interest expense, net	137.8	129.0		
EBITDA	**660.7**	**1,054.9**	**+394.2**	**+59.7%**
Impairment losses	101.9	25.5		
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	124.1	-74.5		
Finance expense (income), net, excluding interest income and expense, net	-0.6	14.1		
Share of loss on investments accounted for under the equity method	24.0	-0.1		
Non-core expense related to COVID-19	—	14.0		
Other adjustments:				
Impact on profit related to fair value step up of inventory in Shire acquisition	191.0	79.4		
Acquisition costs related to Shire	5.3	1.9		
Other costs*2	37.9	36.1		
EBITDA from divested products*3	-18.4	-67.8		
Adjusted EBITDA	**1,125.9**	**1,083.5**	**-42.4**	**-3.8%**

*1 LTM represents Last Twelve Months (FY2019: April 2019 - March 2020, FY2020: April 2020 - March 2021).

*2 Includes adjustments for non-cash equity-based compensation expense and non-recurring wind-down costs related to pipeline de-prioritization after Shire acquisition.

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

Net Debt to Adjusted EBITDA

FY2020 Q4 (Full Year)

NET DEBT/ADJUSTED EBITDA RATIO

(BN JPY)	FY2020
Cash and cash equivalents*1	790.7
Book value debt on the balance sheet	-4,635.4
Hybrid bond 50% equity credit	250.0
FX adjustment*2	165.2
Gross debt*3	-4,220.2
Net cash (debt)	**-3,429.4**
Net debt/Adjusted EBITDA ratio	**3.2 x**
Adjusted EBITDA	**1,083.5**

NET INCREASE (DECREASE) IN CASH

(BN JPY)	FY2019	FY2020	vs. PY	
Net cash from operating activities	669.8	1,010.9	+341.2	+50.9%
Acquisition of PP&E	-127.1	-111.2		
Proceeds from sales of PP&E	12.6	46.5		
Acquisition of intangible assets	-90.6	-125.3		
Acquisition of investments	-7.6	-12.6		
Proceeds from sales and redemption of investments	49.4	74.6		
Acquisition of business, net of cash and cash equivalents acquired	-4.9	—		
Proceeds from sales of business, net of cash and cash equivalents divested	461.5	530.4		
Net increase (decrease) in short-term loans and commercial papers	-351.2	-149.0		
Repayment of long-term loans	-137.4	-792.5		
Proceeds from issuance of bonds	496.2	1,179.5		
Repayment of bonds	-563.6	-859.2		
Interest paid	-127.2	-107.3		
Dividends paid	-282.6	-283.4		
Others	-40.6	-85.3		
Net increase (decrease) in cash	-43.3	316.1	+359.4	-

*1 Includes short-term investments which mature or become due within one year from the reporting date and excludes deposits restricted to certain vaccines operations.

*2 FX adjustment refers to change from month-end rate to average rate used for non-JPY debt calculation, to match with adjusted EBITDA calculation.

*3 Bonds and loans of current and non-current liabilities. 250Bn yen reduction in debt due to 500Bn yen hybrid bond issuance in June 2019, given that the hybrid bond qualifies for 50% equity credit for leverage purposes. Includes cash and non cash adjustments to debt book-value. Non cash adjustments include changes dues to debt amortization and FX impact.

Net Debt to Adjusted EBITDA

FY2019 Q4 (Full year)

NET DEBT/ADJUSTED EBITDA RATIO

(BN YEN)	FY2019
Cash and cash equivalents[*1]	637.6
Book value debt on the balance sheet	-5,093.3
Hybrid bond 50% equity credit	250.0
FX adjustment[*2]	-28.3
Gross debt[*3]	-4,871.6
Net cash (debt)	**-4,234.0**
Net debt/Adjusted EBITDA ratio	**3.8 x**
Adjusted EBITDA	**1,125.9**

NET INCREASE (DECREASE) IN CASH

(BN YEN)	FY2018	FY2019	vs. PY	
Net cash from operating activities	328.5	669.8	341.3	103.9 %
Acquisition of PP&E	-77.7	-127.1		
Proceeds from sales of PP&E	50.7	12.6		
Acquisition of intangible assets	-56.4	-90.6		
Acquisition of investments	-17.1	-7.6		
Proceeds from sales and redemption of investments	65.0	49.4		
Acquisition of business, net of cash and cash equivalents acquired	-2,958.7	-4.9		
Proceeds from sales of business, net of cash and cash equivalents divested	85.1	461.5		
Proceeds from withdrawal of restricted deposit	71.8	—		
Net increase (decrease) in short-term loans	367.3	-351.2		
Proceeds from long-term loans	1,215.5	—		
Repayment of long-term loans	—	-137.4		
Proceeds from issuance of bonds	1,580.4	496.2		
Repayment of bonds	—	-563.6		
Interest paid	-34.9	-127.2		
Dividends paid	-143.0	-282.6		
Others	-37.7	-40.6		
Net increase (decrease) in cash	439.0	-43.3	-482.4	—

[*1] Includes short-term investments which mature or become due within one year from the reporting date.

[*2] FX adjustments refers to change from month-end rate to average rate used for non-JPY debt calculation, to match with adjusted EBITDA calculation.

[*3] Bonds and loans of current and non-current liabilities. 250Bn yen reduction in debt due to 500Bn yen hybrid bond issuance in June 2019, given that the hybrid bond qualifies for 50% equity credit for leverage purposes. Includes cash and non cash adjustments to debt book-value. Non cash adjustments include changes dues to debt amortization and FX impact.

Reconciliation from Reported Operating Profit to Core Operating Profit - FY2021 Forecast

(BN JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS					CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Japan diabetes portfolio divestiture	Others	
Revenue	**3,370.0**				**-133.0**		**3,237.0**
Cost of sales					3.0	35.0	
Gross Profit					**-130.0**	**35.0**	
SG&A and R&D expenses						4.0	
Amortization of intangible assets	-406.0	406.0					—
Impairment losses on intangible assets	-50.0		50.0				—
Other operating income	23.0			-23.0			—
Other operating expenses	-100.0			100.0			—
Operating profit	**488.0**	**406.0**	**50.0**	**77.0**	**-130.0**	**39.0**	**930.0**

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