


COMMITTED TO BRINGING BETTER HEALTH AND A BRIGHTER FUTURE TO PEOPLE WORLDWIDE

FY2020 Q2 Earnings Announcement

October 29, 2020

Takeda

Better Health, Brighter Future

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This presentation and materials distributed in connection with this presentation include certain financial measures not presented in accordance with International Financial Reporting Standards ("IFRS"), such as Underlying Revenue, Core Operating Profit, Underlying Core Operating Profit, Core Net Profit, Underlying Core EPS, Net Debt, EBITDA, Adjusted EBITDA and Free Cash Flow. Takeda's management evaluates results and makes operating and investment decisions using both IFRS and non-IFRS measures included in this presentation. These non-IFRS measures exclude certain income, cost and cash flow items which are included in, or are calculated differently from, the most closely comparable measures presented in accordance with IFRS. By including these non-IFRS measures, management intends to provide investors with additional information to further analyze Takeda's performance, core results and underlying trends. Takeda's non-IFRS measures are not prepared in accordance with IFRS and such non-IFRS measures should be considered a supplement to, and not a substitute for, measures prepared in accordance with IFRS (which we sometimes refer to as "reported" measures). Investors are encouraged to review the reconciliation of non-IFRS financial measures to their most directly comparable IFRS measures, which are on slides 54-61 and 66.

Medical information

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Financial information

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

The revenue of Shire plc ("Shire"), which was historically presented by Shire in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"), has been conformed to IFRS, without material difference.

The Shire acquisition closed on January 8, 2019, and our consolidated results for the fiscal year ended March 31, 2019 include Shire's results from January 8, 2019 to March 31, 2019. References to "Legacy Takeda" businesses are to our businesses held prior to our acquisition of Shire. References to "Legacy Shire" businesses are to those businesses acquired through the Shire acquisition.

This presentation includes certain pro forma information giving effect to the Shire acquisition as if it had occurred on April 1, 2018. This pro forma information has not been prepared in accordance with Article 11 of Regulation S-X. This pro forma information is presented for illustrative purposes and is based on certain assumptions and judgments based on information available to us as of the date hereof, which may not necessarily have been applicable if the Shire acquisition had actually happened as of April 1, 2018. Moreover, this pro forma information gives effect to certain transactions and other events which are not directly attributable to the Shire acquisition and/or which happened subsequently to the Shire acquisition, such as divestitures and the effects of the purchase price allocation for the Shire acquisition, and therefore may not accurately reflect the effect on our financial condition and results of operations if the Shire acquisition had actually been completed on April 1, 2018. Therefore, undue reliance should not be placed on the pro forma information included herein.

AGENDA

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

02. **R&D Engine** — **Andrew Plump**, President, R&D

03. **Financial Strength** — **Costa Saroukos**, Chief Financial Officer

04. **Q&A Session**

INTRODUCTION

Christophe Weber
President & Chief Executive Officer

01.
Introduction

02.
R&D
Engine

03.
Financial
Strength

04.
Q&A
Session

EXECUTING STRATEGY TO DELIVER LONG-TERM VALUE

EXECUTING STRATEGY AS ONE TAKEDA

- FY2020 H1 results demonstrate resilience of Takeda's portfolio
- R&D progress towards 7 potential Wave 1 NME filings within the next twelve months
- Confirming full-year management guidance with acceleration of growth expected in H2
- Raising forecasts for Free Cash Flow, reported Operating Profit and reported EPS

DELIVERING LONG-TERM VALUE TO PATIENTS, SOCIETY & SHAREHOLDERS

- Patient-centric, values-based company with commitment to ESG
- Balanced geographic footprint with scale to be competitive in key markets
- 5 key business areas, 14 global brands and 12 Wave 1 pipeline assets to drive revenue growth
- R&D engine focused on delivering next generation of potentially transformative therapies
- Financial resilience with $12B+ liquidity[1], outlook for top-tier margins & robust cash flow

1. Defined as cash and cash equivalents as of September 30, 2020 (JPY 630.9B), plus undrawn committed line of credit (JPY 700B). USD provided for reference calculated at JPY/USD of 105.6 yen
NME: New Molecular Entity; ESG: Environment, Social, Governance

H1 RESULTS DEMONSTRATE RESILIENCE OF TAKEDA'S PORTFOLIO

Resilient H1 performance driven by +15% underlying revenue growth of 14 Global Brands

- H1 Reported Revenue JPY 1,590.8 (~USD 15.1B)[1] declined -4.2% mainly due to FX; Underlying Revenue growth +0.5%[2]
- Normalization of certain COVID-19 related prescription trends to pre-COVID-19 levels towards the end of Q2
- Some decline in plasma donations due to COVID-19 but no revenue impact expected in FY2020

R&D Engine advances Wave 1 pipeline and expands cell therapy capabilities

- Completed rolling NDA submission for BTD-designated TAK-721[3]; Enrolled first patients in CoVIg-19 and I-SPY COVID-19 trials
- Collaboration with Arrowhead to co-develop TAK-999, a potential first-in-class RNAi for Alpha-1 Antitrypsin-Associated Liver Disease
- Opened new R&D cell therapy manufacturing facility to support next-generation clinical programs including TAK-007

Confirming full-year management guidance, raising forecast for cash flow & reported EPS

- H1 Reported Operating Profit JPY 215.6B (~USD 2.0B)[1] grew +97.7% reflecting lower PPA and integration costs
- H1 Core Operating Profit JPY 507.6B (~USD 4.8B)[1,4], Underlying Core OP margin 31.6%[4] driven by cost synergies and OPEX efficiencies
- H1 Robust Free Cash Flow of JPY 425.5B[5] (~USD 4.0B)[1]; Announced divestiture deals worth up to ~$11.3B, exceeding target

- Accelerating digital transformation with Accenture and AWS collaboration to move 80% of Takeda applications to the cloud
- Clear path to resolve issues identified during FDA inspection of Hikari manufacturing plant; supply disruption of leuprorelin in certain regions but impact is not material to Takeda group revenue

1. USD included for reference, calculated at JPY/USD of 105.6
2. Please refer to slides 54 for reconciliation
3. NDA submitted; awaiting acceptance by FDA
4. Please refer to slide 48 for its definition and slide 56 for reconciliation.
5. Please refer to slide 62 for reconciliation..

NDA: New Drug Application; BTD: Breakthrough Designation; PPA: Purchase Price Allocation
For glossary of disease abbreviations please refer to appendix.

COVID-19 RESPONSE PRIORITIZES EMPLOYEES, PATIENTS AND GLOBAL HEALTH

As a patient-centric, values-based biopharmaceutical company,
Takeda has been focused on three priorities during the COVID-19 outbreak:

1. 

Safeguarding employees and their families, and reducing impact on the healthcare system

2. 

Maintaining business continuity, to secure the supply of Takeda medicines to patients

3. 

Developing potential therapies to treat or prevent COVID-19

As we look to the post-COVID-19 future, Takeda is taking a holistic and science-driven approach to the work environment, and aims to create a leading hybrid working model (in-person & virtual) to maximize agility, collaboration, and productivity

TAKEDA HAS A MULTI-PRONGED APPROACH TO FIGHT COVID-19

Approach	Candidate	Mechanism	Current status
Vaccines	NVX-CoV2373 (with Novavax)	Recombinant COVID-19 vaccine candidate adjuvanted with Matrix-M	• License agreement and manufacturing technology transfer for the development, manufacturing and commercialization of Novavax' COVID-19 vaccine candidate in Japan
	mRNA-1273 (with Moderna)	mRNA vaccine candidate against SARS-CoV-2	• Three-way agreement amongst Takeda, Moderna and the Government of Japan's Ministry of Health Labour and Welfare (MHLW) to import and distribute Moderna's COVID-19 vaccine candidate in Japan
Hyperimmune globulin	CoVIg-19 (with CoVIg-19 Plasma Alliance)	Anti-SARS-CoV-2 hyperimmune globulin	• First patient dosed in the Inpatient Treatment with Anti-Coronavirus Immunoglobulin (ITAC) clinical study sponsored by NIAID; plan to enroll 500 patients in the U.S., Mexico and 16 other countries on five continents (ClinicalTrials.gov NCT04546581) • Promoting convalescent plasma donations with "The Fight Is In Us" campaign
Evaluating repositioning of internal therapies[1,2]	FIRAZYR (icatibant)	Bradykinin B2 receptor antagonist	• I-SPY COVID-19 platform trial initiated and first patient dosed • Clinical publication in JAMA from Netherlands[3]
	TAKHZYRO (lanadelumab)	Plasma kallikrein inhibitor	• Takeda study underway to support lanadelumab IV administration • Entry with IV formulation into a platform trial (adaptive trial design) to test multiple medicines simultaneously

NIAID: National Institute of Allergy and Infectious Diseases, part of the National Institutes of Health (NIH).

1. Discontinued enrollment for two pipeline programs, TAK-671 and TAK-981 due to slow patient recruitment for early stage investigational medicines outside of platform trials
2. Preclinical research activities for COVID-19 not listed.
3. Published August 13, 2020. doi:10.1001/jamanetworkopen.2020.17708

R&D ENGINE

Andrew Plump
President,
Research & Development

01. Introduction

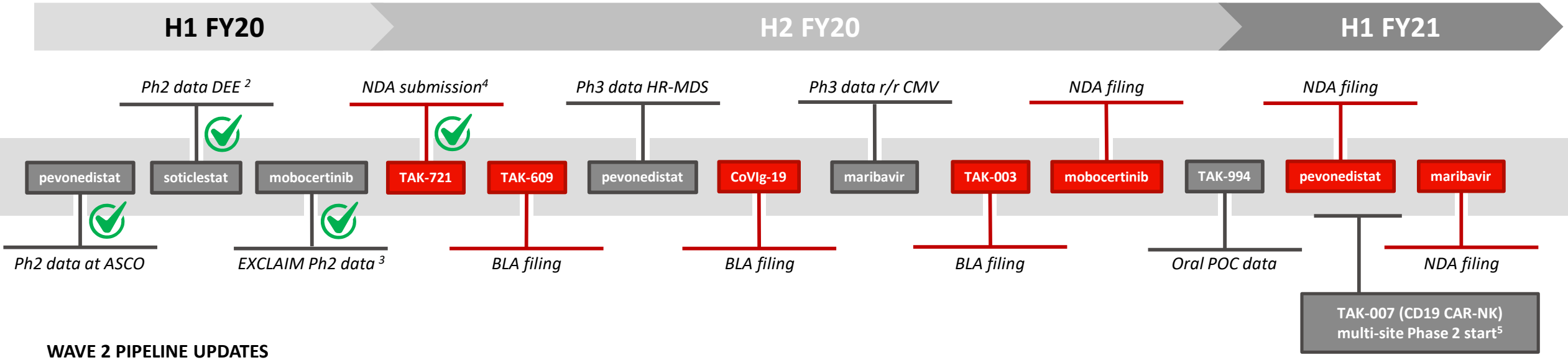
02. R&D Engine

03. Financial Strength

04. Q&A Session

SEVEN POTENTIAL WAVE 1 NME FILINGS WITHIN THE NEXT TWELVE MONTHS, ASPIRING FOR FIVE FILINGS IN FY2020

NEAR-TERM WAVE 1 NME MILESTONES[1]



WAVE 2 PIPELINE UPDATES

NEW I-O CLINICAL PHASE 1 STUDY STARTS DURING Q2FY20
TAK-605[6] (ONC): oncolytic virus FLT3L/mbIL12/anti-CTLA4 for multiple cancers
TAK-676 (ONC): systemically delivered STING agonist for solid tumors
TAK-102[6] (ONC): GPC3-directed, armored CAR-T cell therapy for multiple cancers
TAK-940[6] (ONC): CD19-1XX CAR-T cell therapy for hematologic malignancies
TAK-981 (ONC): sumoylation inhibitor expansion into additional cancer indications

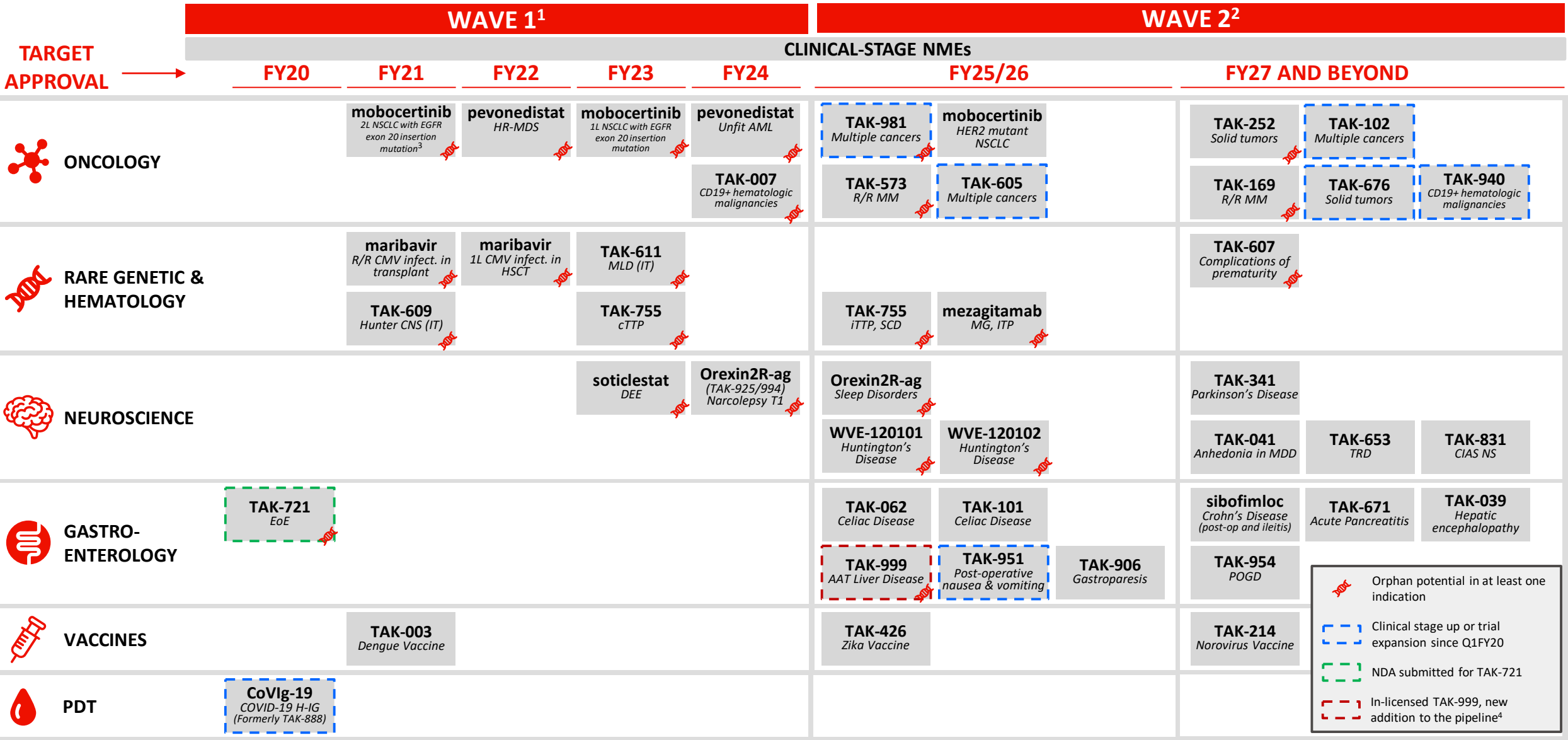
DATA DRIVEN PROGRAM DECISIONS DURING Q2FY20
TAK-754 (Ph 1/2 RD): HemA gene therapy, suspended enrollment, assessing most appropriate path forward for this program
TAK-748 (preclinical RD): HemB gene therapy, suspended screening, assessing most appropriate path forward for this program

Note: Wave 1 programs are NMEs projected to launch through FY2024; Wave 2 programs are NMEs projected to launch after FY2024

1. Select Wave 1 milestones with approximate dates during half-fiscal years; Wave 2 programs not represented; projected milestones depend on achievement of data read-outs and are subject to change
2. DEE data readouts from trials ELEKTRA and ARCADE
3. Interim data from EXCLAIM Ph2 pivotal study are being analyzed and a meeting with regulatory authorities is scheduled
4. NDA submitted; awaiting acceptance by FDA
5. TAK-007 cryo-persevered formulation identified
6. Partner-led clinical study

For glossary of disease abbreviations please refer to appendix.

MOMENTUM IN OUR DYNAMIC PIPELINE BASED ON EMERGING DATA



1. Projected approval dates depend on data read-outs; some Wave 1 target approval dates assume accelerated approval
2. Potential for data driven acceleration of some Wave 2 programs into Wave 1
3. Approval date assumes filing on Phase 2 data
4. Pending deal close

All timelines are approximate estimates as of October 29, 2020.

For glossary of disease abbreviations please refer to appendix.

CONTINUE TO DRIVE AGAINST OUR KEY DELIVERABLES IN FY2020 MEETING THE FY20 H1 OBJECTIVES DURING THE PANDEMIC

	MOA	TAU /BU	EXPECTED EVENT[1]	FY20	COMMENTS
soticlestat (TAK-935)	CH24H inhibitor	Neuroscience	Proof-of-concept data in Lennox-Gastaut syndrome for ELEKTRA study	H1 ✓	
			Proof-of-concept data in Dravet syndrome for ELEKTRA	H1 ✓	
			Proof-of-concept data in complex regional pain syndrome (CRPS)	H1 ➡	Interim data are being analyzed
TAK-721	Muco-adherent topical corticosteroid	Gastroenterology	US NDA submission for eosinophilic esophagitis	H1 ✓	Awaiting filing decision by FDA
TAK-676	STING agonist	Oncology	Ph-1 start for systemic IV administration	H1 ✓	
TAK-605	Oncolytic virus	Oncology	Ph-1 start for intra-tumoral administration	H1 ✓	
TAK-102	GPC3 CAR-T	Oncology	Ph-1 start	H1 ✓	
TAK-940	CD19-1XX CAR-T	Oncology	Ph-1 start	H1 ✓	
CoVIg-19	Hyperimmune globulin	Plasma Derived Therapies	Registration enabling study start in patients with COVID-19	H1 ✓	
			First major regulatory approval of CoVIg-19 as a COVID-19 therapy	H2	
mobocertinib (TAK-788)	EGFR / HER2 tyrosine kinase inhibitor	Oncology	US NDA submission for NSCLC patients with EGFR exon 20 insertion mutations	H2	
TAK-007	CD19 CAR-NK	Oncology	Treat first patient with off-the-shelf cryopreserved formulation at MDACC	H2	
maribavir (TAK-620)	CMV protein kinase inhibitor	Rare Genetic & Hematology	Ph-3 study 303 readout in resistant/refractory CMV infection for transplant patients	H2	
TAK-609	Iduronate-2-sulfatase (intrathecal)	Rare Genetic & Hematology	US NDA submission for Hunter Syndrome with cognitive impairment	H2	
TAK-994	Orexin 2 receptor agonist	Neuroscience	Proof-of-concept for TAK-994 with oral administration in Narcolepsy T1	H2	
TAK-003	Dengue vaccine	Vaccine	Regulatory filing for Dengue vaccine in endemic region	H2	
GDX012	γδ T cell therapy	Oncology	Ph-1 start	H2	
TAK-062	Glutenase	Gastroenterology	Phase 2 start in celiac disease	H2	

1. All timelines are approximate estimates as of October 29, 2020 and are subject to change. Timelines may be impacted by COVID-19 or other factors including change in strategy, data readouts, regulatory updates, etc.
Table only shows select R&D milestones and is not comprehensive.
For full glossary of disease abbreviations please refer to appendix.

SELECT PIPELINE EVENTS FOR APPROVED THERAPIES EXPECTED IN FY2020

	COMPOUND	EXPECTED EVENT[1]	FY20	Comments
ONCOLOGY	ICLUSIG	Submission in US of OPTIC data for CP-CML	H1 ✓	Priority review designation granted from FDA
	ALUNBRIG	Approval decision in US for 1L ALK+ NSCLC	H1 ✓	
		Submission in US and EU for 2L post 2nd generation TKI in ALK+ NSCLC	H2	
RARE GENETIC & HEMATOLOGY	TAKHZYRO	Registration enabling study start for bradykinin mediated angioedema	H1 ✓	
	VONVENDI	Submission in US for prophylaxis therapy in Von Willebrand Disease	H2	
	NATPARA	Update on U.S. future resupply plan and timing	H2	
GASTRO-ENTEROLOGY	ENTYVIO	Approval decision in EU for subcutaneous administration in ulcerative colitis and Crohn's disease	H1 ✓	
		Path forward agreed by FDA regarding CRL for subcutaneous administration	H1 ➡	Clear understanding of path forward with a plan for US approval and launch in 2022
	ALOFISEL	Registration enabling study start in Complex Cryptoglandular Fistulas	H2	
	GATTEX	Submission in JP for short bowel syndrome	H2 ✓	
PLANNED REGULATORY ACTIVITIES IN CHINA	ADCETRIS	Approval decision for R/R HL and ALCL	H1 ✓	
	REPLAGAL	Approval decision for Fabry Disease	H2 ✓	
	VPRIV	Approval decision for Gaucher Disease	H2	
	TAKHZYRO	Approval decision for hereditary angioedema	H2	
	ALUNBRIG	Submission for 1L ALK+ NSCLC	H2	

1. All timelines are approximate estimates as of October 29, 2020 and are subject to change. Timelines may be impacted by COVID-19 or other factors including change in strategy, data readouts, regulatory updates, etc.
Table only shows select R&D milestones and is not comprehensive.
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HIGHLY ENCOURAGING POC DATA FOR SOTICLESTAT IN CHILDREN WITH DRAVET SYNDROME (DS) OR LENNOX-GASTAUT SYNDROME (LGS)

soticlestat (TAK-935)

FIRST-IN-CLASS INHIBITOR OF CHOLESTEROL 24-HYDROXYLASE (CH24H) ENZYME TO IMPROVE SEIZURE CONTROL IN RARE EPILEPTIC SYNDROMES

UNMET NEED

- Over 50% of patients suffer from treatment-resistant seizures that can manifest in developmental and/or cognitive delays, communication and behavioral challenges and risk of SUDEP[1]

PROGRAM BACKGROUND

- Co-development partnership with Ovid Therapeutics[2]
- Differentiated and unique mechanism of action
- Program has FDA Orphan Drug Designation for DS and LGS
- Strong efficacy in DS and a positive trend in LGS

MARKET OPPORTUNITY

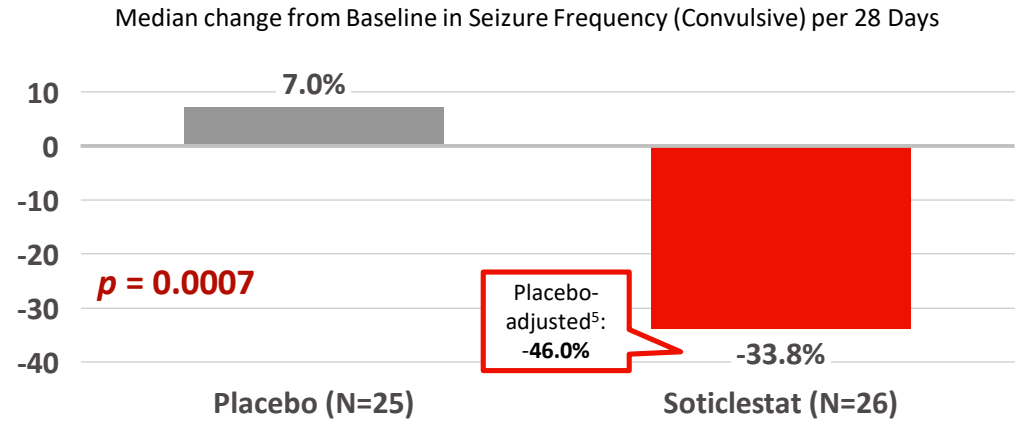
- ~50 K addressable DEE[3] patients in the US
- ~70-90 K addressable DEE patients in major global markets

NEXT STEPS

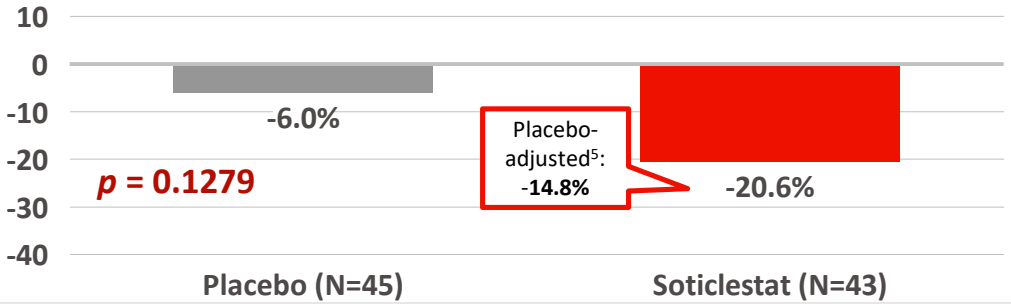
- Meet with regulatory agencies and initiate Phase 3 studies in DS and LGS

REDUCTION IN SEIZURE FREQUENCY OVER 20 WEEKS OF FULL TREATMENT PERIOD (mITT[4])

Statistically significant reduction in convulsive seizure frequency in DS cohort



Numerical reduction in drop seizure frequency in LGS cohort



1. SUDEP: Sudden unexpected death in epilepsy
2. Takeda and Ovid are sharing in the development and commercialization costs of soticlestat and, if successful, will share in the profits on a 50/50 basis
3. DEE: Developmental and epileptic encephalopathies
4. mITT: modified intent-to-treat
5. Based on Hodges-Lehmann estimation of the median of differences in % change between the two arms

TAK-999 IS A FIRST-IN-CLASS GalNAc BASED RNAi FOR THE TREATMENT OF ALPHA-1 ANTITRYPSIN DEFICIENCY ASSOCIATED LIVER DISEASE (AATLD)

TAK-999 (ARO-AAT)

FIRST-IN-CLASS RNAi THAT SILENCES HEPATOCYTE PRODUCTION OF MUTANT ALPHA-1 ANTITRYPSIN

UNMET NEED

- AATLD is a genetic condition with high unmet medical need and no approved therapies that causes progressive liver disease

PROGRAM BACKGROUND

- Co-development partnership with Arrowhead Pharmaceuticals[1]
- Potential 1L treatment to halt, reverse, prevent onset, or slow progression of liver fibrosis
- Most common Z-mutant results in improper protein folding and accumulation in hepatocytes leading to liver injury and fibrosis

MARKET OPPORTUNITY

- PiZZ AATD[2] prevalence: ~100 K in US; ~130 K in EU
- Of these[3,4], ~35% of adults develop clinically significant liver fibrosis and ~10-20% of children develop severe liver fibrosis

NEXT STEPS

- Engage with regulatory agencies to assess best path forward.
- Pivotal trial start 2021 or early 2022.

TAK-999 Results in Rapid & Sustained Reduction in Serum Z-AAT

Interim 24-week liver biopsy results in four patients from the Phase 2 AROAAT2002 open-label clinical study demonstrate:

	N = 4	Description
Serum Z-AAT	Decrease in all patients	Up to 93%
Total Intrahepatic Z-AAT	Decrease in all patients	Up to 95%
Intrahepatic Z-AAT Polymer	3 patients have reduction from baseline	Maximum reduction 97%
ALT, GGT	Marker of liver injury reduced in all patients	Maximum reduction of 58%, 66%, respectively
FibroScan	Improvement in all patients	3 patients improved >20%

2020 AASLD late-breaker abstract[5] has been accepted and the poster presentation will be available November 13th.

1. Closing of the transaction is contingent on completion of review under antitrust laws, including the Hart-Scott-Rodino Antitrust Improvements Act of 1976 in the US
2. PiZZ AATD: Severe AATD or alpha-1 antitrypsin deficiency (low or no AAT in the blood) is a hereditary condition most commonly caused by homozygosity for the mutant Z allele of AAT
3. Source: Alpha-1 Foundation; Blanco et al, International Journal of COPD 2017;12:561–569
4. Source: Clark et al, Journal of Hepatology 2018;69(6):1357–1364
5. AASLD late-breaker abstracts will be available to the public electronically on the AASLD website November 1, 2020

ADVANCING KEY NEXT-GENERATION CELL THERAPIES AND EXPANDING THEIR PLATFORM POTENTIAL TO A BROADER RANGE OF CANCERS

CELL THERAPY MANUFACTURING FACILITY

- Opened 24,000 square-foot manufacturing facility at R&D headquarters in Boston
- cGMP facility bolsters Takeda's capabilities in cell therapy, allowing for the production of clinical-grade material to enable agile clinical development through pivotal Ph 2b
- Designed to meet all US, EU and Japanese regulatory requirements
- End-to-end research and development capabilities with initial focus on Oncology and potential to expand into other therapeutic areas

ADVANCING MULTIPLE NEXT-GENERATION ONCOLOGY CELL THERAPY PLATFORMS

CLINICAL STAGE CELL THERAPIES

TAK-007

MD Anderson Cancer Center

Potential for best-in-class allogeneic product with off-the-shelf use in NHL and CLL patients

Obtained the exclusive rights to develop and commercialize TAK-007 in China from MD Anderson Cancer Center

FY20: validate cryo-preserved material → **FY21:** initiate multi-site Phase 2 trial

CAR NK Platform

Expand allogeneic platform to other hematologic malignancies and aspiring for solid tumors

TAK-102

NOILE-IMMUNE BIOTECH

Cytokine and chemokine armored CAR-T to treat GPC3-expressing advanced solid tumors with high unmet medical need

Initiated clinical study in Q2FY20

Platform In Solid Tumors

Expand cytokine/chemokine platform to other solid tumor targets

TAK-940

Memorial Sloan Kettering Cancer Center

Next-generation CAR-T signaling domain to treat relapsed/refractory B-cell cancers

Initiated clinical study in Q2FY20

POC FOR OREXIN 2 RECEPTOR AGONISTS HAS BEEN ESTABLISHED IN MULTIPLE INDICATIONS[1] GUIDING OREXIN FRANCHISE DEVELOPMENT

TAK-994

FIRST-IN-CLASS ORAL SMALL MOLECULE OREXIN 2 RECEPTOR AGONIST ADDRESSING THE UNDERLYING DEFICIENCY IN NARCOLEPSY TYPE I (NT1)

UNMET NEED

- Despite treatment >90% experience EDS[2] and 50% have daily cataplexy making functioning at home, school and work problematic[3]

KEY DATA

- No cataplexy on TAK-925: Patients on TAK-925, an IV orexin 2 receptor agonist (OX2R), showed no cataplexy attacks during the infusion period[4]
- In addition, benefits were seen in the MWT[5] over 7-days in NT1 and NT2[6] patients

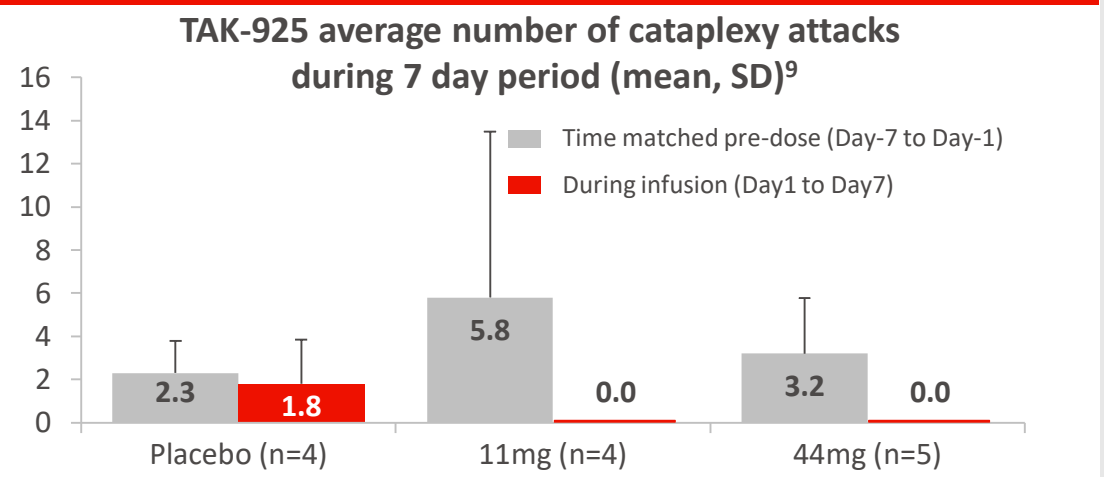
AGILE DEVELOPMENT PLAN

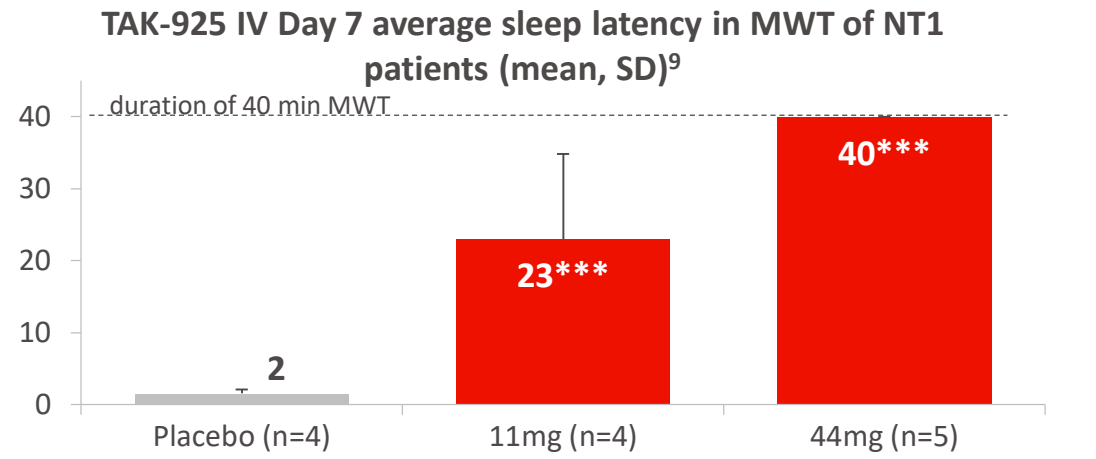
- TAK-994, the first oral OX2R agonist in Ph 2 is enrolling NT1 and NT2 patients. Final data targeted 2H FY21
- TAK-861, a second oral OX2R agonist will begin clinical testing in 2H FY20
- TAK-925 has published POC data in NT1, NT2, shift work sleep disorder. Data for IH[7] and OSA[7] will be disclosed in the future.

MARKET OPPORTUNITY

- NT1 Addressable Population: ~70 K US[8]; ~300 K - 1.2 M WW
- Estimated diagnosis rate ~30-50% across US/EU/JP and 6% in China. Diagnosis typically 5-15 years delayed

POC NT1: 7-day Repeated Dosing Study[4]





1. TAK-925 has demonstrated POC in multiple sleep disorder indications. It is an IV formulation and front-runner of oral TAK-994
2. EDS: Excessive daytime sleepiness
3. Maski, K et al. 2017. J Clin Sleep Med. Mar 15; 13(3): 419-425
4. Presented at the European Sleep Research Society 2020 Virtual Congress, September 22-24, 2020
5. MWT: Maintenance of Wakefulness Test
6. NT2: Narcolepsy Type 2
7. IH: Idiopathic hypersomnia. OSA: Obstructive sleep apnea.
8. US prevalence ~140 K
9. Observed mean and standard deviation shown. ***: p-value <0.001 comparing to placebo

TAK-981 BIOLOGY DRIVES A NUMBER OF THERAPEUTIC HYPOTHESES WHICH WE ARE EXPLORING IN >10 EXPANSION COHORTS PLANNED

TAK-981

FIRST-IN-CLASS SMALL MOLECULE INHIBITOR OF SUMOYLATION THAT ACTIVATES TYPE I INTERFERON SIGNALING AND LYMPHOCYTE ACTIVATION

HYPOTHESIS

- Potentiates innate immunity to drive anti-tumor response with potential to combine with therapeutic antibodies and checkpoint inhibitors addressing a broad range of tumor types with high unmet need.

EMERGING DATA

- Well tolerated with no significant safety signals to date
- Responses seen in single-agent dose-escalation in solid tumors and in combination with rituximab in NHL[1]

AGILE DEVELOPMENT PLAN

- Adaptative 2-stage design implemented to enable gated-investments and robust data-driven decision making framework
- Studies designed to support expedited market entry followed by indication expansion and full approval
- Indications selected based on pre-clinical evidence, mechanistic rationale, unmet need and the competitive landscape while exploring activity in different immune environments

COLD-TO-HOT (IO COMBINATIONS & MONOTHERAPY)

Hot Tumors	Warm Tumors (Immune Excluded)	Cold Tumors
Non-squamous NSCLC[2] (post CPI[3])	Cervical (CPI naïve)	MSS CRC[4] (CPI naïve)

Example Tumor Types

mAB SYNERGY STREAM (COMBINATION WITH mABs)

TAK-981 + rituximab	TAK-981 + other mAB combinations	
DLBLC[5] post-CAR-T	Combinations Heme Malignancies	Combinations Solid Tumors

1. NHL: Non-Hodgkin's Lymphoma
2. NSCLC: Non-small cell lung cancer
3. CPI: Checkpoint inhibitor
4. MSS CRC: Microsatellite Stable colorectal cancer
5. DLBCL: Diffuse large B-cell lymphoma

LIFE-SAVING COMPASSIONATE USE IN A NEWBORN TREATED WITH TAK-755 SUGGESTIVE OF EFFICACY

TAK-755

REPLACES ADAMTS13 WHICH DIRECTLY ADDRESSES THE UNDERLYING CAUSE OF TTP

UNMET NEED

- Insufficient replacement of ADAMTS13 with plasma infusions, current SOC, due to volume constraints leads to patients still experiencing ischemic injury in the brain, kidney, and heart and poor long-term outcomes

EMERGING DATA

- Well tolerated to date with no significant safety signals. No anti-ADAMTS13 antibodies detected in Phase I trial of cTTP patients.
- Replacement of missing ADAMTS13 enzyme provides strong rationale. Compassionate use results have been supportive.

MARKET OPPORTUNITY

- cTTP: ~500 US; ~2,000 – 6,000 WW
- iTTP: ~2000 US; ~5,000 – 18,000 WW

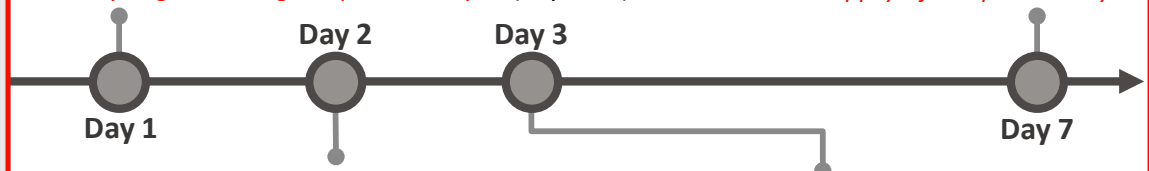
NEXT STEPS

- Phase 2 iTTP data readout expected FY 2021.
- Phase 3 cTTP data readout in FY 2022.

DOCTOR'S REQUEST FOR COMPASSIONATE USE IN A FAMILY WITH A HISTORY OF TWO PERINATAL DEATHS DUE TO cTTP

"Dear all we have a newborn – 14 hours old with congenital TTP and acute disease. Probably know the answer ... but I have to ask if we can either put her into the study or get the drug compassionately." (Physician)

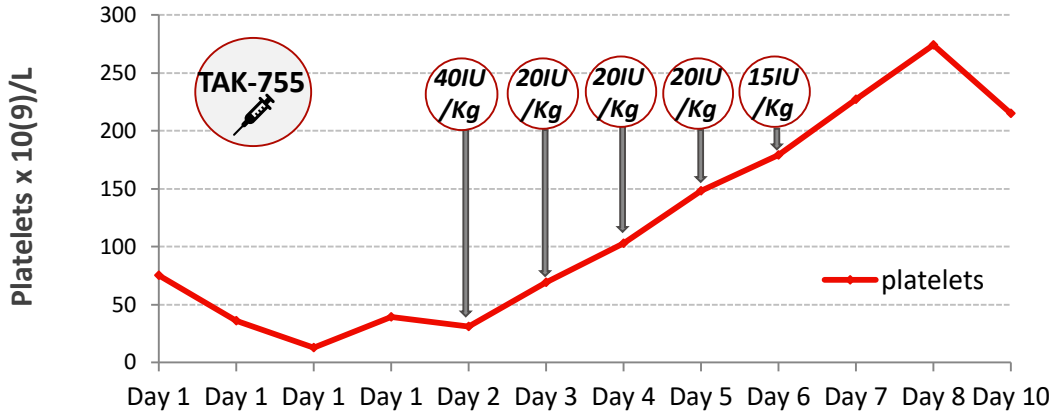
Platelets and other labs quickly improved and normalized 4 days after initiation of TAK-755. Family happily left hospital on Day 7



Under compassionate use policy, baby dosed with TAK-755 early afternoon

"Baby is doing brilliantly ... A far cry from 48 hours ago. She would have died, So thank you." (Physician)

PLATELETS IN NEWBORN BABY WITH cTTP



For full glossary of disease abbreviations please refer to appendix.

FINANCIAL STRENGTH

Costa Saroukos

Chief Financial Officer

01. Introduction

02. R&D Engine

03. Financial Strength

04. Q&A Session

RESILIENT H1 PERFORMANCE WHILE DELIVERING ON FINANCIAL COMMITMENTS

RESILIENT FY2020 H1 RESULTS

- Underlying Revenue growth +0.5%[1] driven by 14 Global Brands; Reported revenue -4.2%
- Underlying Core Operating Profit margin 31.6%[2] driven by synergies and OPEX efficiencies
- Reported Operating Profit growth +97.7% reflecting lower PPA and integration costs
- Operating Cash Flow +14.9%, with robust Free Cash Flow of JPY 425.5B[3] (~USD 4.0B)[4]

CONFIRMING FULL-YEAR MANAGEMENT GUIDANCE

- Confirming management guidance for FY2020 with acceleration of growth expected in H2
- Raising reported Operating Profit and reported EPS forecasts, despite FX challenges
- Upgrading Free Cash Flow forecast to reflect additional non-core asset sales

DELIVERING ON FINANCIAL COMMITMENTS

- Exceeded $10B non-core asset divestiture target with announced deals worth up to ~$11.3B
- On track to reach mid-30s% margins and Net debt/adj EBITDA[5] target of 2x within FY21-FY23

1. Please refer to slides 54 for reconciliation
2. Please refer to slide 48 for its definition and slide 56 for reconciliation.
3. Please refer to slide 62 for reconciliation.
4. USD included for reference, calculated at JPY/USD of 105.6
5. Please refer to slide 49 for its definition and slides 63-64 for reconciliation

PPA：Purchase Price Allocation

H1 REPORTED OPERATING PROFIT GROWTH +98% REFLECTING LOWER PPA AND INTEGRATION COSTS; STRONG MARGINS & CASHFLOW DEMONSTRATE TAKEDA'S FINANCIAL RESILIENCE

FY2020 H1 FINANCIAL RESULTS (SUMMARY)

(BN YEN)	REPORTED		CORE*1		UNDERLYING*2
	FY2020 H1	VS. PRIOR YEAR	FY2020 H1	VS. PRIOR YEAR	
REVENUE	1,590.8	-4.2%	1,590.8	-4.2%	*+0.5%*
OPERATING PROFIT	215.6	+97.7%	507.6	-6.3%	*+1.9%*
Margin	*13.6%*	*+7.0pp*	*31.9%*	*-0.7pp*	*31.6%*
NET PROFIT	86.5	+15.8%	345.5	-9.2%	
EPS (JPY)	55 yen	+7 yen	221 yen	-23 yen	*-0.4%*

OPERATING CASH FLOW	392.0	+14.9%
FREE CASH FLOW*3	425.5	-37.1%

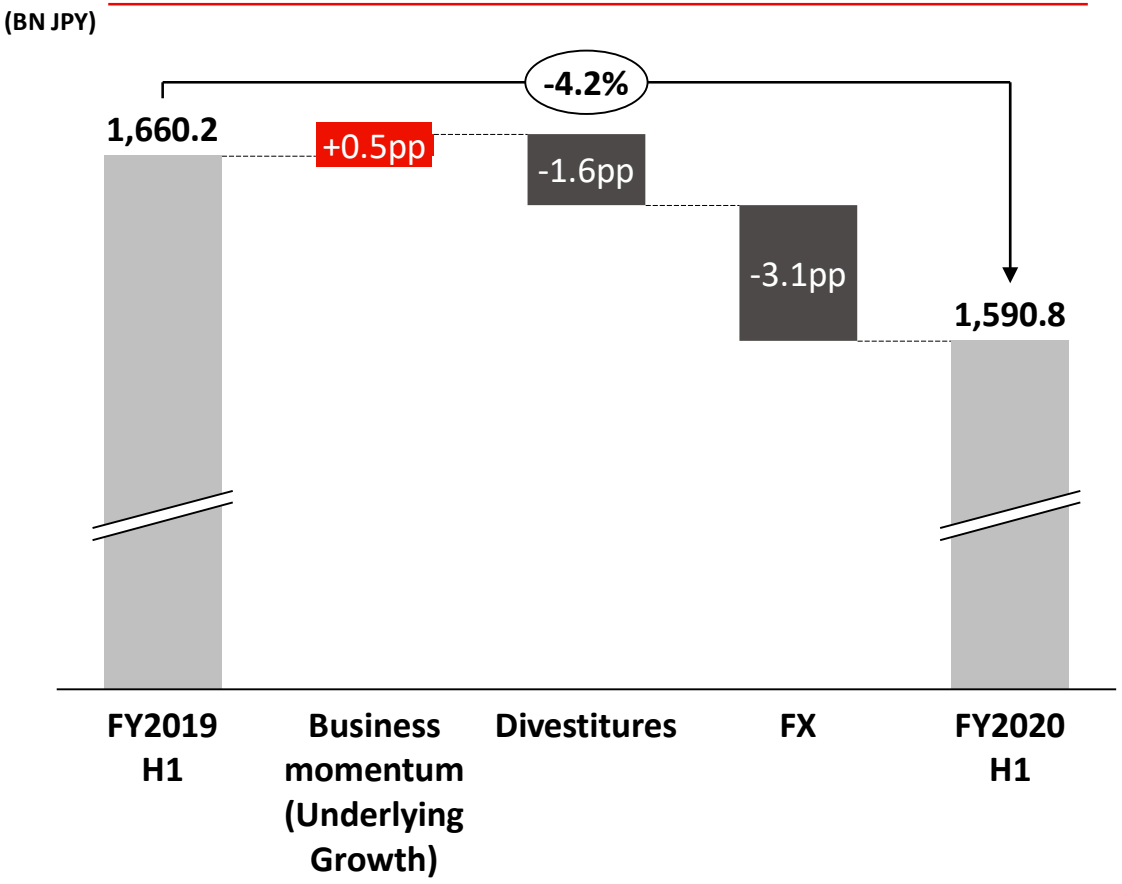
Growth rate impacted by ~JPY 375.5B cash received in July 2019 for XIIDRA

1. Please refer to slide 48 for definition and slides 56 and 58 for reconciliation
2. Please refer to slide 48 for definition and slide 56 for reconciliation
3. Please refer to slide 62 for reconciliation.

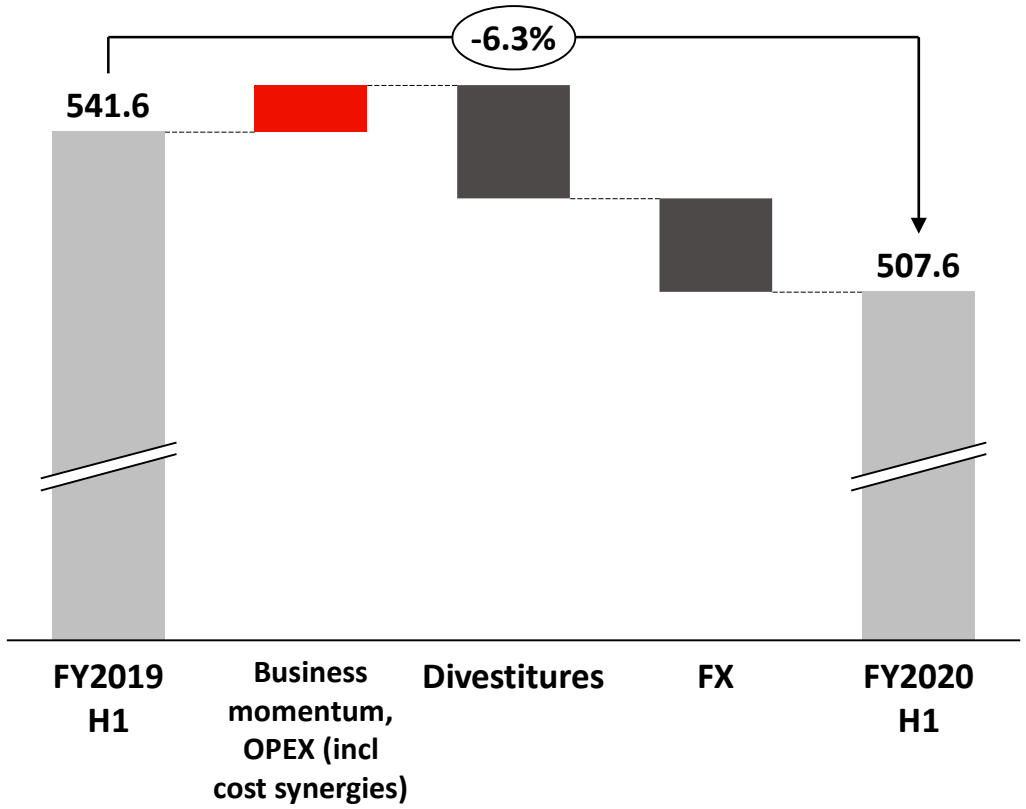
PPA: Purchase Price Allocation

REPORTED REVENUE AND CORE OPERATING PROFIT IMPACTED BY FX HEADWINDS

Reported Revenue vs FY2019 H1



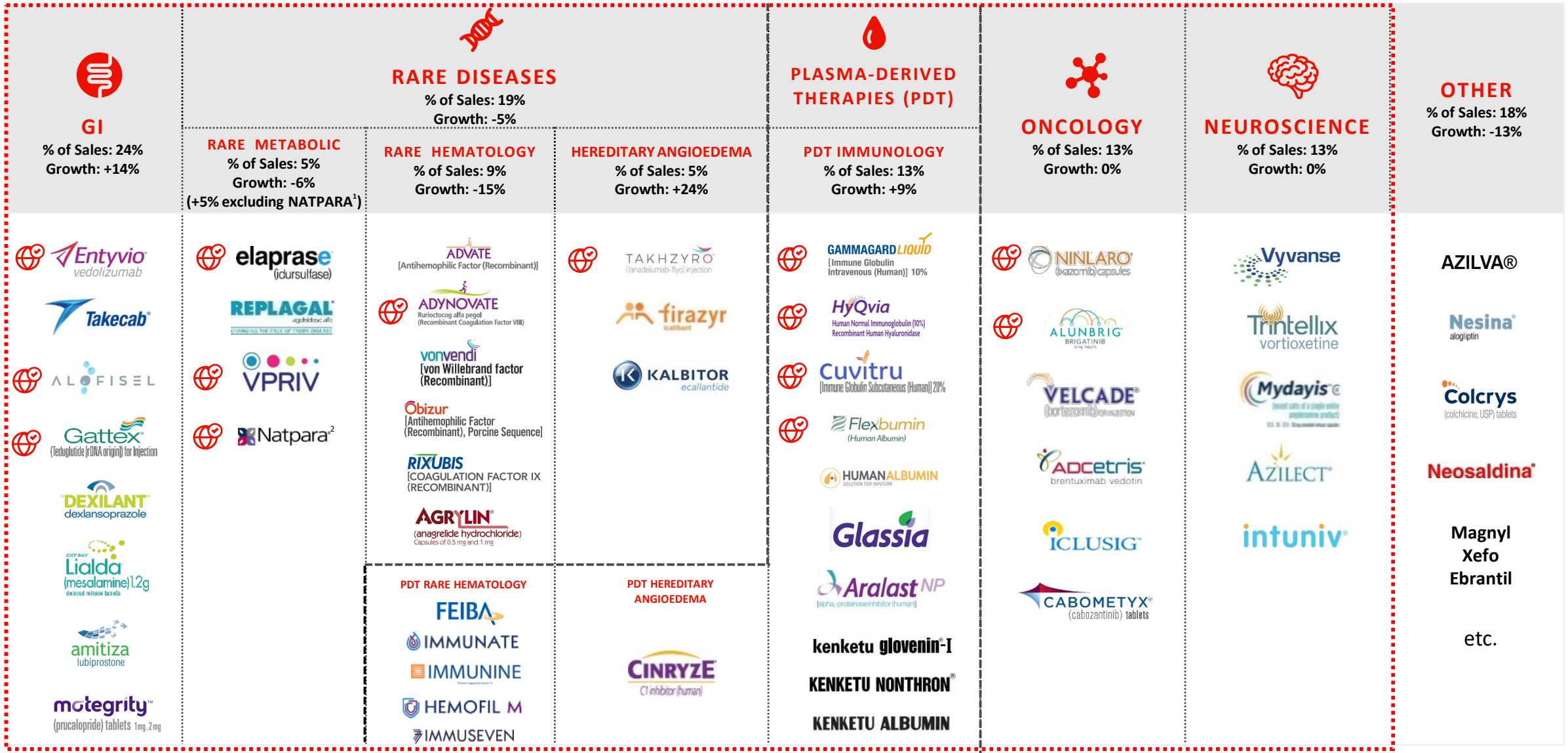
Core Operating Profit vs FY2019 H1[1]



Graph is illustrative

1. Please refer to slide 48 for definition and slides 56 and 58 for reconciliation

UNDERLYING REVENUE GROWTH +0.5%[1] DRIVEN BY 5 KEY BUSINESS AREAS +4%; REPRESENTING ~82% OF H1 REVENUE



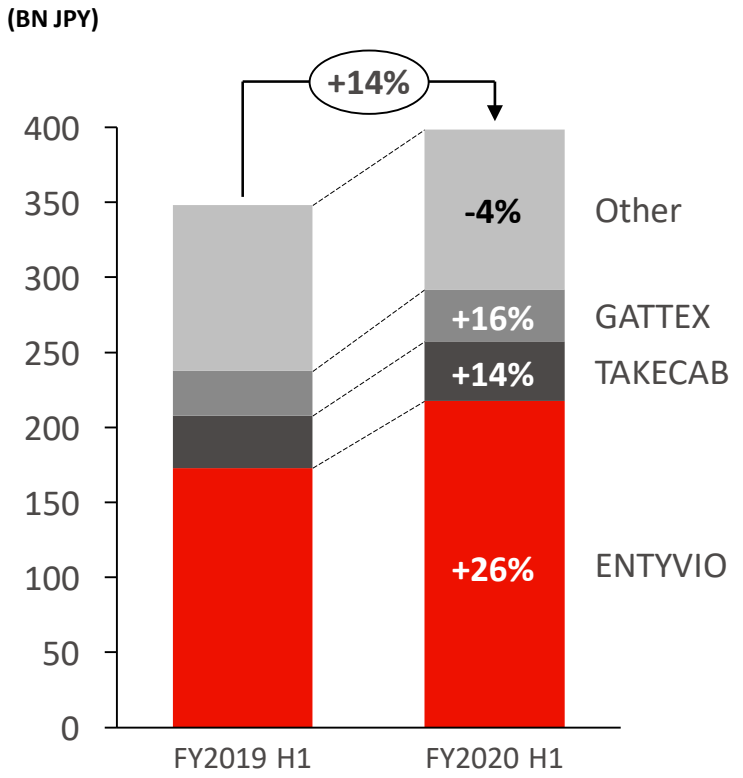
Global Brands

Note: % of sales are reported basis; Year-on-year growth rates are underlying revenue. 1. Please refer to slide 54 for reconciliation

2. Takeda is working closely with the FDA on a proposed plan to resupply NATPARA in the U.S., however, it is anticipated that the required device modifications and product testing will likely delay availability beyond 2020. As a result, Takeda expects zero U.S. revenue for NATPARA to be recognized in FY2020.

EXCEPTIONAL GROWTH OF GI FRANCHISE SPEARHEADED BY GUT-SELECTIVE ENTYVIO®

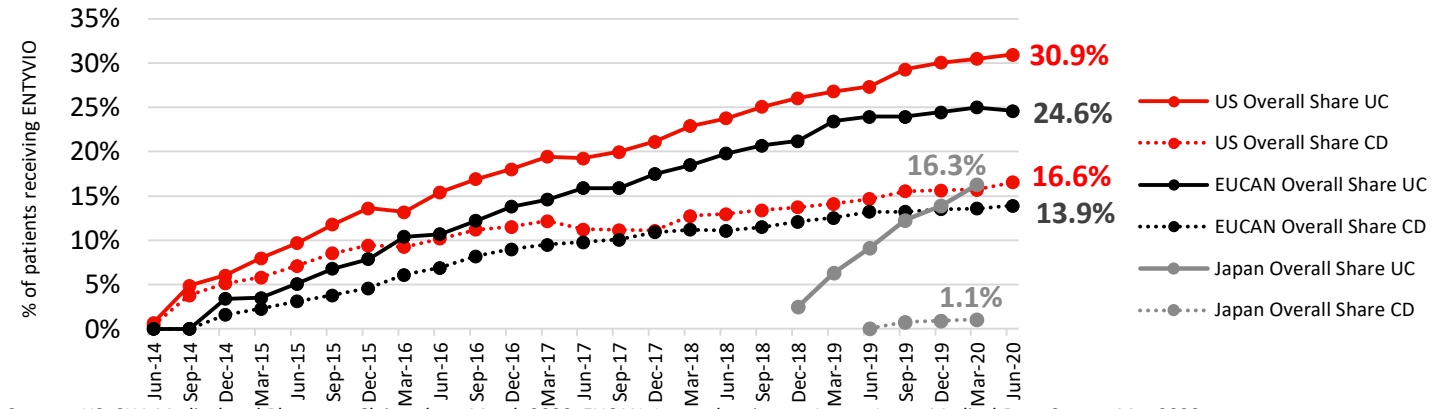
GI PORTFOLIO
FY2020 H1, UNDERLYING REVENUE GROWTH



Entyvio vedolizumab

EXPANDING PATIENT SHARE IN THE U.S., EU AND JAPAN

- The only gut-selective IBD therapy, provides early control, with superior long-term, multi-layered remission and because of its unique data package (including H2H superiority, real world evidence, endoscopic, histologic, transmural outcomes), has future potential of disease modification.
- Subcutaneous formulation:
  - EU: Approval in UC and CD received in May 2020
  - Canada: Approval in UC received in April 2020
  - U.S.: Complete Response Letter received in December 2019; in August 2020, Takeda had a productive meeting with the FDA wherein we gained clarity on data needs for the device required to support approval. Continued testing of the device will take time, and as a result, we expect to potentially launch in UC in 2022, pending FDA approval



Source: US: SHA Medical and Pharmacy Claims data, March 2020; EUCAN: Internal estimate; Japan: Japan Medical Data Center, Mar 2020

Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth.
NEJM: New England Journal of Medicine; EMA: European Medicines Agency; CHMP: Committee for Medicinal Products for Human Use; CRL: Complete Response Letter. For glossary of disease abbreviations please refer to appendix.

RARE DISEASES

HEREDITARY ANGIOEDEMA (HAE) PORTFOLIO GROWS DOUBLE DIGIT DRIVEN BY CONTINUED EXCELLENT PERFORMANCE FROM TAKHZYRO®

TAKHZYRO IS EXPANDING THE HEREDITARY ANGIOEDEMA PROPHYLAXIS MARKET

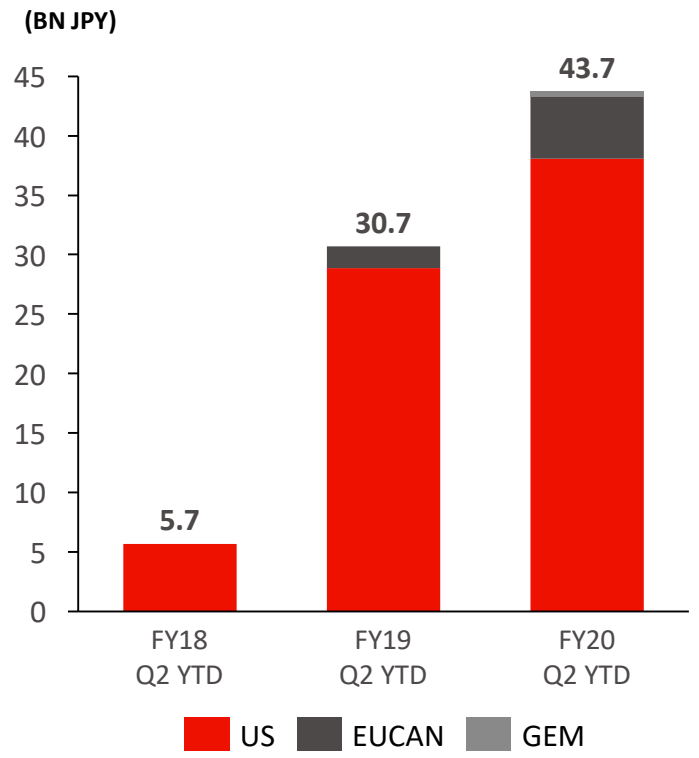
U.S.:

- TAKHZYRO is market leader, driven mainly by efficacy profile
- TAKHZYRO is expanding the use of prophylactic treatment in HAE, from 50% of all treated patients in 2018 to 57% of all treated patients in 2019[1]
- TAKHZYRO is increasing new patients to Takeda; over 50% of patient growth is derived from patients not previously on a Takeda therapy[1]

Other regions:

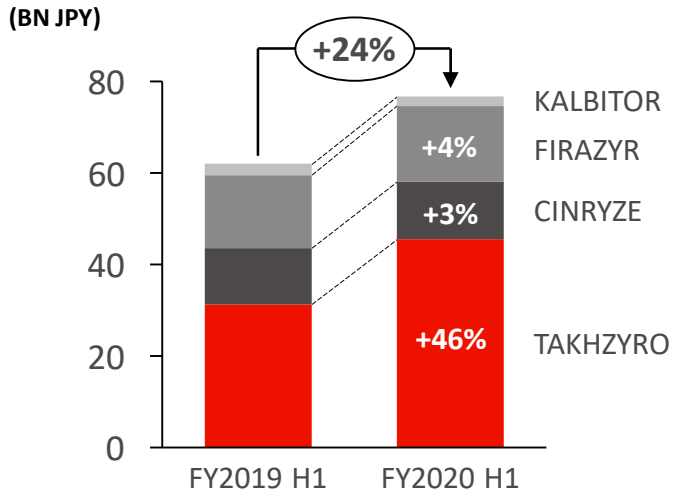
- Strong launches in Germany, Italy, Austria, UK, Denmark, Brazil, Israel and UAE. Initial access schemes in place in many EU countries as well as Canada, Australia and Kuwait
- Over 20 launches are planned in FY2020
- Pre-filled syringe, designed to enhance treatment administration experience for HAE patients, launched in Germany in September

TAKHZYRO Global Revenue Since Launch[2]



HEREDITARY ANGIOEDEMA

FY2020 H1, UNDERLYING REVENUE GROWTH



- TAKHZYRO performance fueled by successful launches with strong patient uptake
- Successful co positioning of CINRYZE/FIRAZYR within the HAE portfolio

1. Source: internal data.
2. FY2018 Q2, and Q3 revenue was pre-acquisition of Shire, converted from USD at the rate of $1 = 111 JPY (average FX rate for FY2018), and converted from US GAAP to IFRS with no material differences.

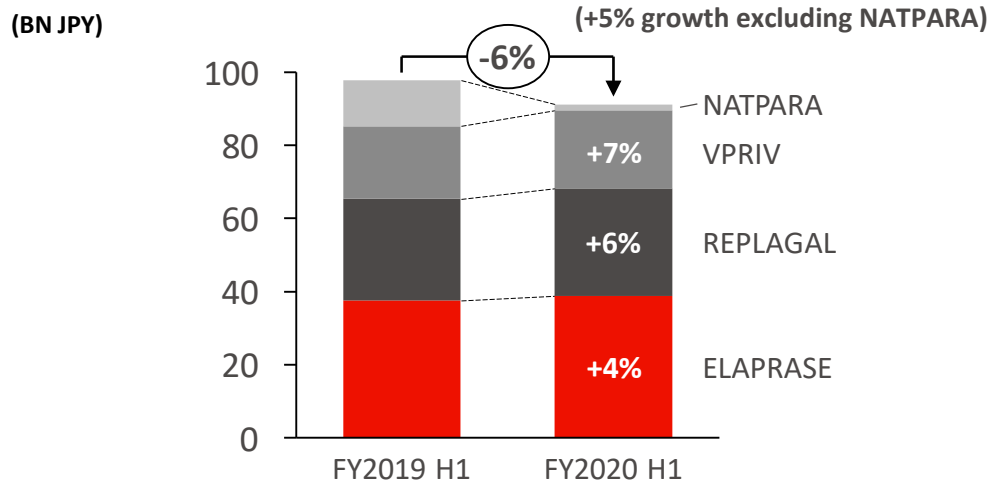
Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth.

RARE DISEASES

RARE METABOLIC SUSTAINED GROWTH EXCEPT FOR NATPARA® U.S. RECALL; RARE HEMATOLOGY COMPETITIVE LANDSCAPE IN LINE WITH EXPECTATIONS

RARE METABOLIC

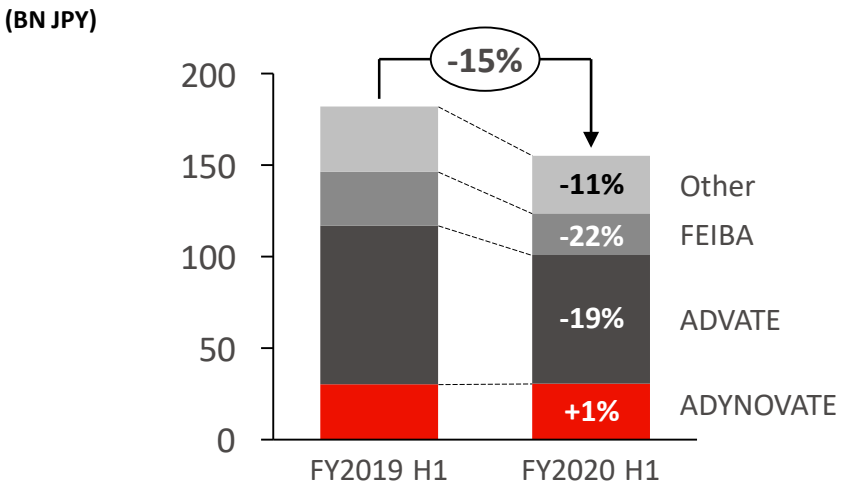
FY2020 H1, UNDERLYING REVENUE GROWTH



- Rare Metabolic portfolio excluding NATPARA continues to grow 5% driven by good performance of VPRIV and REPLAGAL. NATPARA revenue impacted negatively by no recorded revenue in the U.S. due to recall in September 2019
- NATPARA Special Use Program is in place to provide NATPARA for no charge to patients who are at extreme risk of life-threatening complications as a result of discontinued treatment
- Takeda is working closely with the FDA on a proposed plan to resupply NATPARA in the U.S., however, it is anticipated that the required device modifications and product testing will likely delay availability beyond 2020. As a result, Takeda expects zero U.S. revenue for NATPARA to be recognized in FY2020

RARE HEMATOLOGY

FY2020 H1, UNDERLYING REVENUE GROWTH



- ADYNOVATE now available in 35 countries; PROPEL study data reinforces the importance of personalized prophylaxis
- ADVATE decline partially driven by ADYNOVATE and competitive uptake with increasing price pressure in standard half-life segment
- Impact of competition on ADVATE/ADYNOVATE differing by country
- FEIBA stable in the U.S., with decline in Q2 impacted by shipment phasing in Growth & Emerging Markets

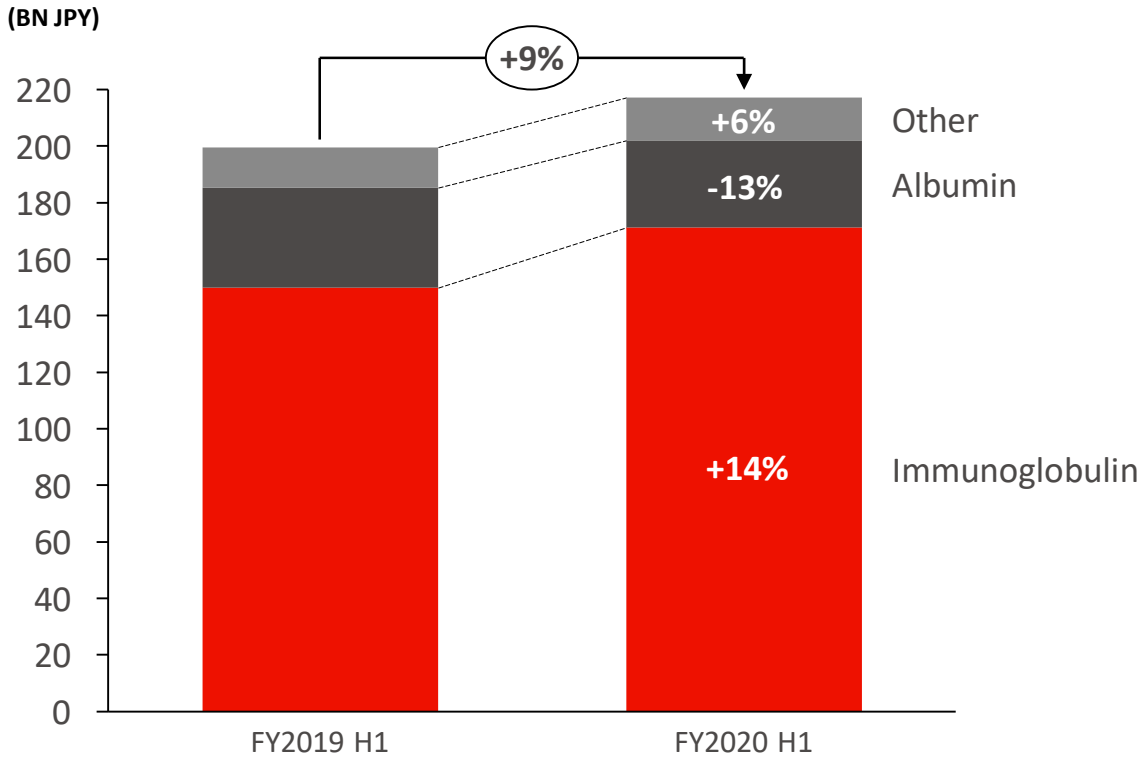
Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth.

PLASMA-DERIVED THERAPIES

PDT IMMUNOLOGY GROWTH DRIVEN BY GAMMAGARD LIQUID & SCIG, ALBUMIN IMPACTED BY PHASING WITH REBOUND EXPECTED IN H2

PDT IMMUNOLOGY PORTFOLIO

FY2020 H1, UNDERLYING REVENUE GROWTH



GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10%

Kiovig Human Normal Immunoglobulin (IVIg), 10% Solution

HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase

Cuvitru [Immune Globulin Subcutaneous (Human)] 20%

- Immunoglobulin products growth (+14%) driven by strong demand for Gammagard Liquid in the U.S. as well as continuous expansion of subcutaneous IG (SCIG) supported by increased production capacity
- Albumin sales decreased versus H1 last year (-13%) due to phasing and high FY19 H1 sales as a result of supply dynamics in China following blackout period. Recovery expected in H2 driven by demand and capacity expansion

CONTINUING TO INVEST IN PLASMA COLLECTION

- Current footprint of 132 centers in the US and 33 ex-US, an increase of 11 centers in FY20 YTD (9 US, 2 Austria)
- Execution against strategy to invest in new centers plus operational excellence to increase plasma supply and manufacturing capacity by >65% by 2024[1] is on track
  - COVID dynamics may shift timing of plasma supply growth but overall target remains unchanged

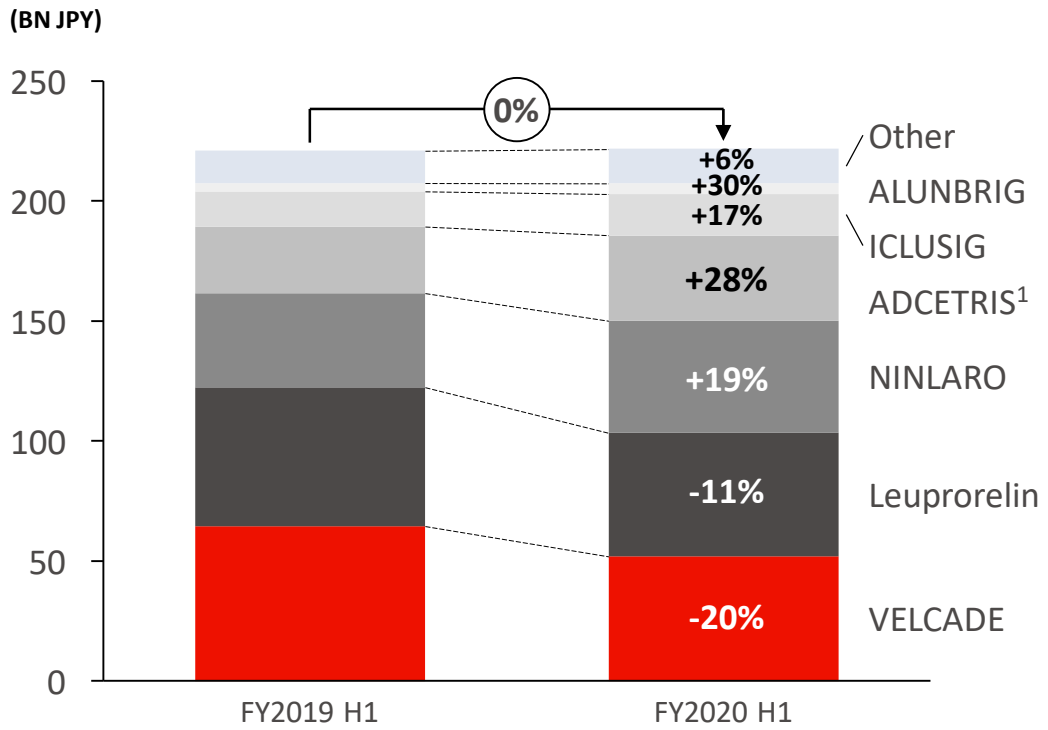
1. Versus 2018 baseline

Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth.

ONCOLOGY GROWTH BRANDS OFFSET DECLINE OF OLDER PORTFOLIO

ONCOLOGY PORTFOLIO

FY2020 H1, UNDERLYING REVENUE GROWTH



ENTERED INTO DIAGNOSTIC AGREEMENT

- Takeda and Foundation Medicine announced a collaboration agreement to develop companion diagnostics for ALUNBRIG to identify patients with ALK+ mNSCLC, as well as investigational mobocertinib to identify patients with EGFR Exon20 insertion mNSCLC

AN IMPORTANT TREATMENT OPTION FOR PATIENTS

- Strong growth year-to-date due to all-oral, efficacious and tolerable regimen for myeloma patients with at least one prior therapy

- **ICLUSIG**: FDA has granted priority review for sNDA to update the label in the U.S. based on interim data from the OPTIC trial in CML patients and adjudicated data from the PACE trial in CML and Ph+ ALL patients. Decision expected in FY20.
- **ZEJULA**: Approved September 2020 in Japan as the only once-daily PARP inhibitor monotherapy for advanced ovarian cancer regardless of biomarker in first-line and recurrent maintenance treatment settings, as well as late-line primary treatment settings for HRD positive and platinum sensitive ovarian cancer
- **Leuprorelin**: Production stoppages have led to supply disruption of leuprorelin in certain regions

1. ADCETRIS is in-licensed from Seagen Inc.; Takeda has development and marketing rights outside of the U.S. and Canada

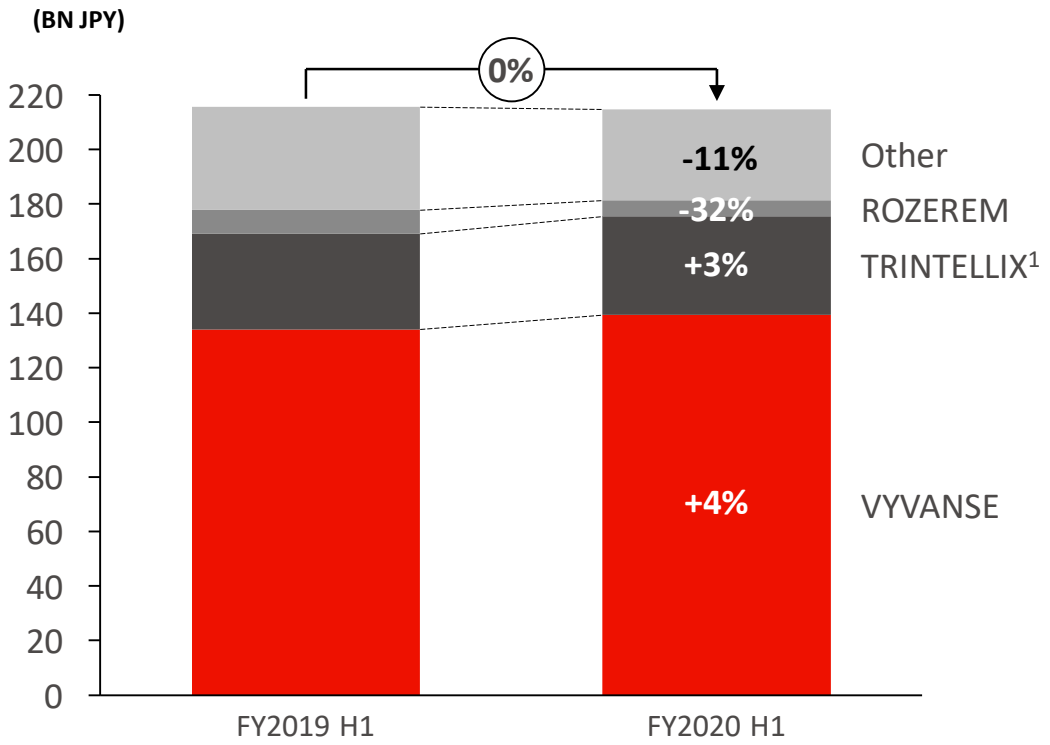
Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth. For glossary of disease abbreviations please refer to appendix.

NEUROSCIENCE

NEUROSCIENCE RECOVERING FROM COVID-19 IMPACT IN Q1, WITH PRESCRIBING TRENDS NORMALIZING TOWARDS PRE-COVID LEVELS

NEUROSCIENCE PORTFOLIO

FY2020 H1, UNDERLYING REVENUE GROWTH



Vyvanse

- COVID-19 related stay-at-home restrictions significantly reduced patient visits, subsequent diagnoses and created opportunities for children to temporarily discontinue medication through the summer months; however, new therapy starts have begun to rebound for Adults and Children returning to school
- Uptick in patients diagnosed in the EU and increased patient uptake in Canada

Trintellix vortioxetine

- COVID-19 related stay-at-home restrictions significantly reduced patient visits, with some rebound observed towards the end of Q2

1. TRINTELLIX is in-licensed from Lundbeck; Takeda has co-marketing rights in the U.S. and Japan.
Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth.

14 GLOBAL BRANDS UNDERLYING REVENUE GROWTH OF +15.4%

FY2020 H1 REVENUE

	(as reported)	(BN JPY)	(MM USD)	versus PY (underlying)	GLOBAL BRAND
GI	Entyvio vedolizumab	207.0	1,960	+25.8%	●
	Takecab	40.0	378	+14.4%	
	Gattex (Teduglutide [rDNA origin]) for Injection	33.2	315	+16.0%	●
	ALOFISEL	0.3	3	N/A (commercial launch August 2018)	●
RARE DISEASES	TAKHZYRO (lanadelumab-flyo) injection	43.7	414	+45.5%	●
	ADYNOVATE Rurioctocog alfa pegol (Recombinant Coagulation Factor VIII)	29.5	279	+1.2%	●
	Natpara	1.5	14	-87.1%	●
	elaprase (idursulfase)	34.3	325	+4.1%	●
	REPLAGAL agalsidase alfa CHANGING THE FACE OF FABRY DISEASE	25.0	236	+6.1%	
	VPRIV	18.8	178	+7.1%	●

FY2020 H1 REVENUE

		(BN JPY)	(MM USD)	versus PY (underlying)	GLOBAL BRAND
PDT IMMUNOLOGY	IMMUNOGLOBULIN	162.7	1,541	+14.2%	
	GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10% / Kiovig Human Normal Immunoglobulin (IVIg), 10% Solution			+17.4%	●
	HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase			+6.6%	●
	Cuvitru [Immune Globulin Subcutaneous (Human)] 20%			+33.0%	●
	ALBUMIN/FLEXBUMIN[1]	28.6	271	-13.0%	●
ONCOLOGY	NINLARO (ixazomib) capsules	44.4	420	+19.2%	●
	ADCETRIS brentuximab vedotin	30.6	290	+28.1%	
	ALUNBRIG BRIGATINIB	4.3	40	+30.2%	●
NEURO-SCIENCE	Vyvanse	132.6	1,256	+3.9%	
	Trintellix vortioxetine	35.0	331	+3.1%	

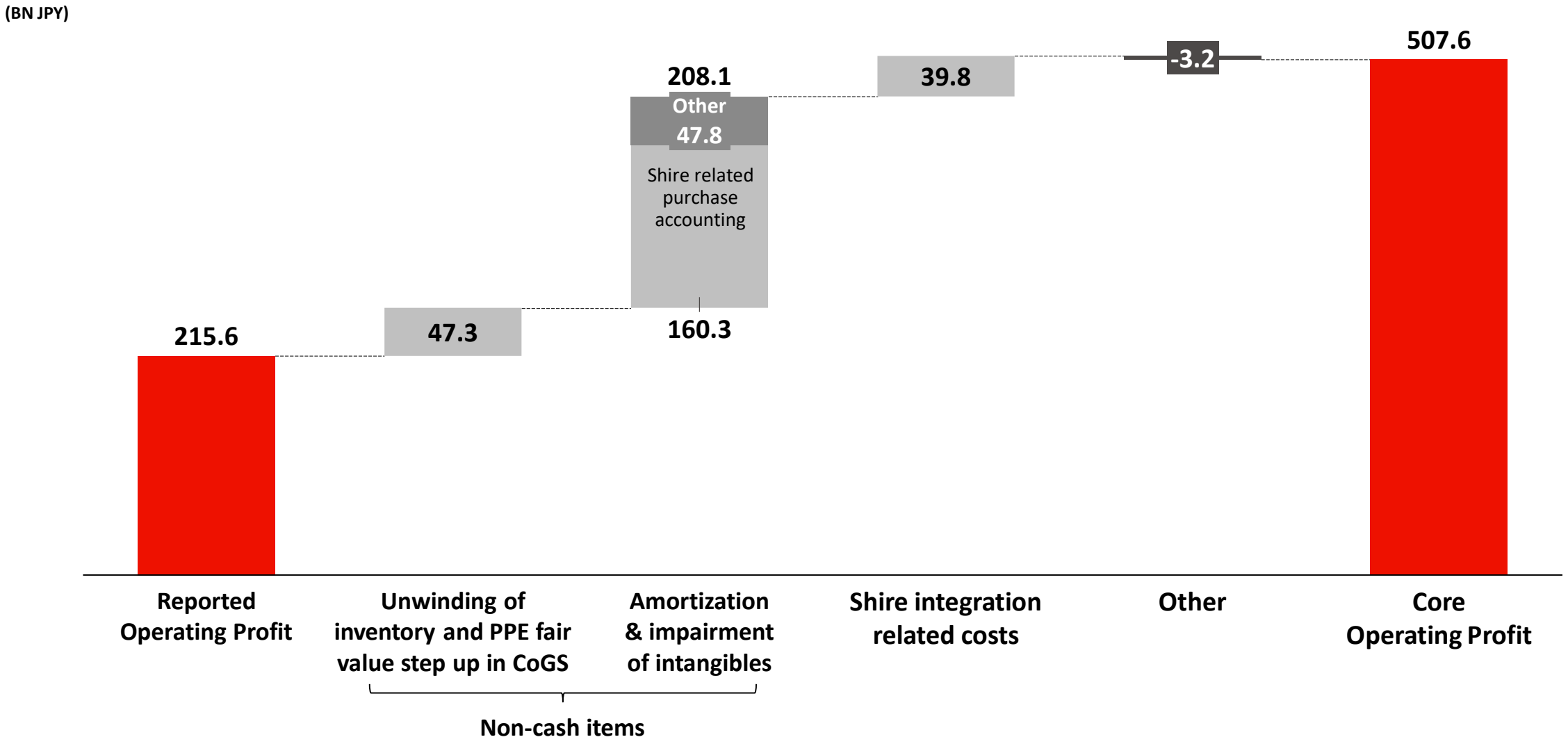
14 GLOBAL BRANDS FY2020 H1 TOTAL: JPY 595.9B (US$5.6B[2]) (+15.4% UNDERLYING GROWTH)

1. Total includes Albumin Glass, Flexbumin and Kenketsu Albumin.
2. USD included for reference calculated at JPY/USD of 105.6 yen.

Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth.

H1 CORE OPERATING PROFIT ADJUSTS FOR ITEMS INCLUDING NON-CASH PURCHASE ACCOUNTING EXPENSES AND OTHER ACQUISITION-RELATED COSTS

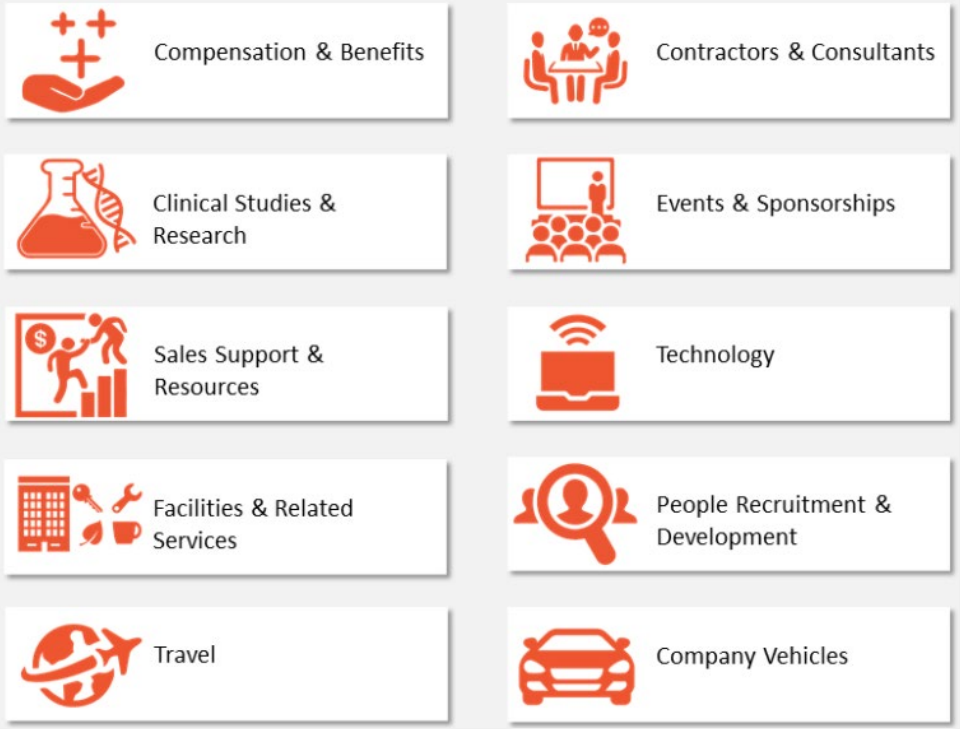
BRIDGE FROM FY2020 H1 REPORTED TO CORE OPERATING PROFIT[1]



1. Please refer to slide 48 for definition and slide 56 for reconciliation.

OPEX TRACKING PLATFORM TO DRIVE FURTHER COST EFFICIENCIES

SYNERGY PACKAGE OPERATIONAL KPI REPORTS



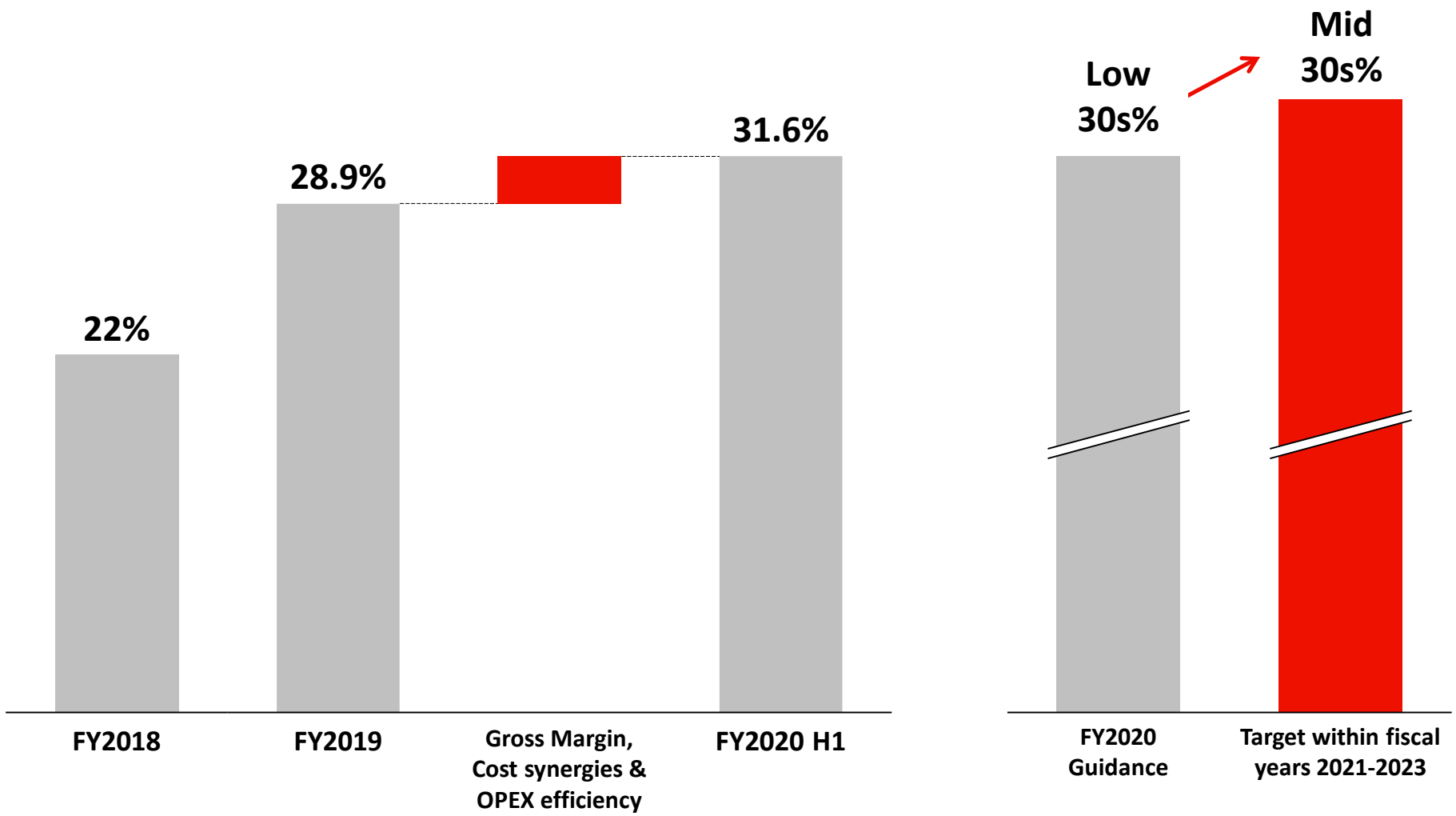
TECHNOLOGY: ACCELERATING TAKEDA'S DIGITAL TRANSFORMATION

- Collaboration with Accenture and AWS will move 80% of Takeda applications to the cloud, leveraging data to respond with greater speed, agility, and insight across the value chain to drive significant IT synergy savings.
  - Collaboration will leverage cloud and data-driven insights to accelerate drug development, increase operational agility, reduce technology costs and develop the workforce of the future

- Takeda Business Solutions (TBS) is leveraging scale and driving automation to enable efficiencies in SG&A
  - Continued expansion of the Robotic Process Automation (RPA) program to 115 bots, enabled by the TBS Intelligent Automation Center of Excellence
  - Thousands of hours of repetitive work freed-up for higher value add activities
  - We are providing development and training opportunities - Analytics, Machine Learning, and RPA
  - This approach is driving adoption of data and digital capabilities in Finance with 85+ trained Digital Champions, and 80+ in progress
  - Our commitment to automation has been recognized with a recent award from the Shared Service & Outsourcing Network for CFOinUrPocket

STRONG H1 UNDERLYING CORE EARNINGS MARGIN OF 31.6%; ON TRACK TO FULL-YEAR AND MID-TERM MARGIN TARGETS

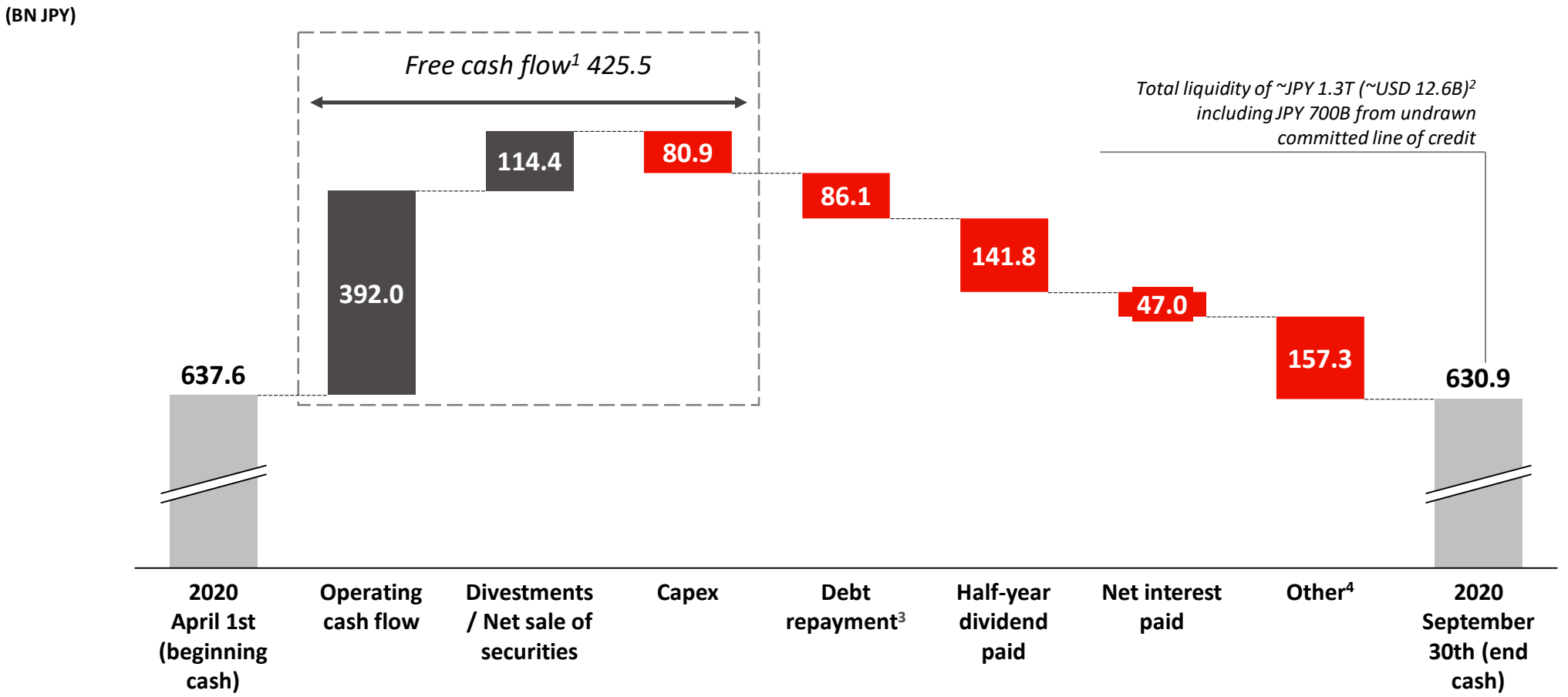
UNDERLYING CORE OPERATING PROFIT MARGIN EVOLUTION[1]



Graph is illustrative

1. Please refer to slide 48 for definition and slides 56, 60-61 for reconciliation.

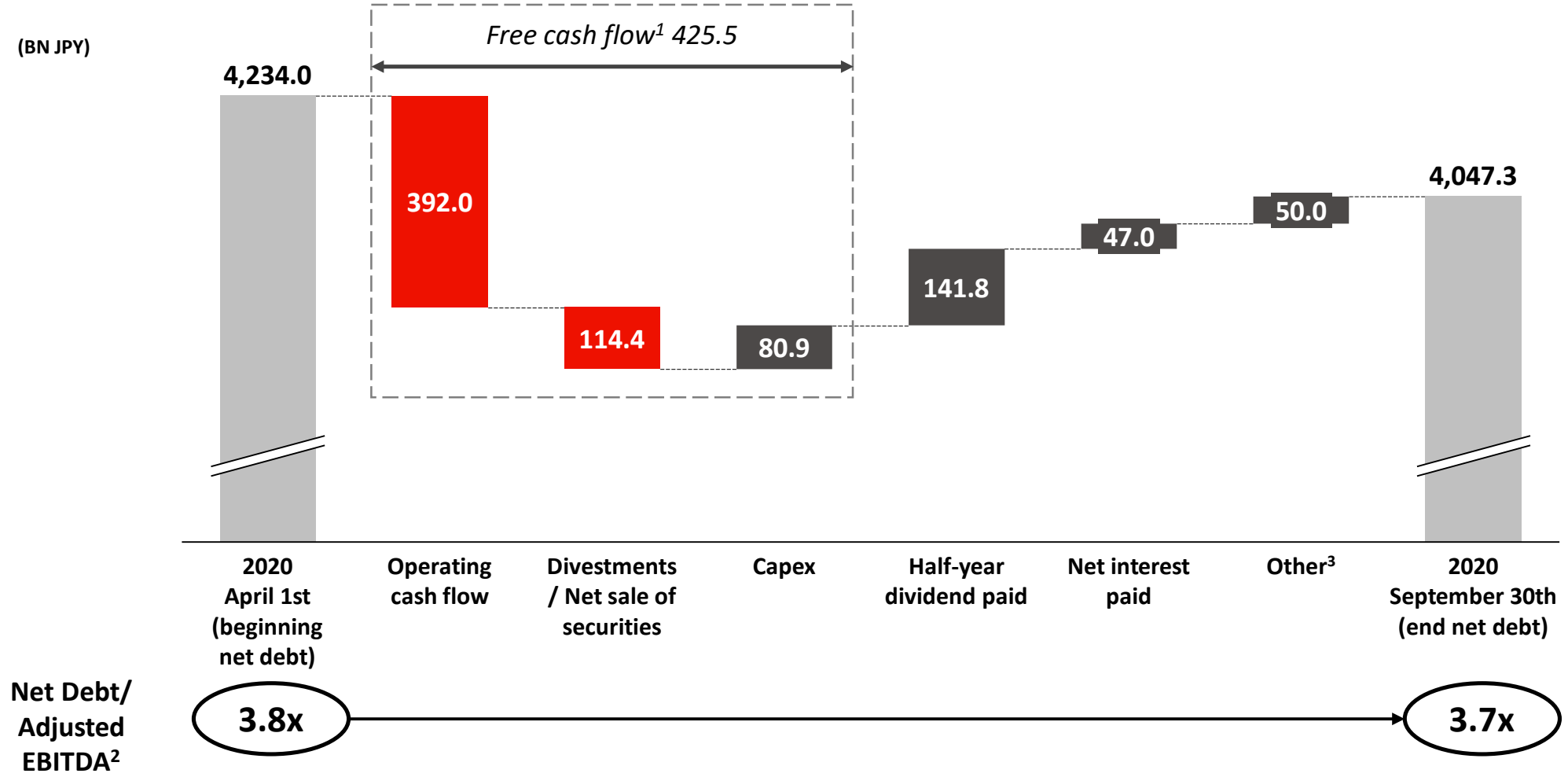
H1 OPERATING CASH FLOW +14.9% VERSUS PRIOR YEAR; FREE CASH FLOW COMFORTABLY COVERED HALF-YEAR DIVIDEND, DEBT REPAYMENT & INTEREST



1. Please refer to slide 62 for reconciliation.
2. Defined as cash and cash equivalents as of September 30, 2020 (JPY 630.9B), plus undrawn committed line of credit (JPY 700B). USD provided for reference calculated at JPY/USD of 105.6 yen.
3. "Debt Repayment" represents Net Debt Proceeds, which comprises JPY 1,179.5B of USD 7B and EUR 3.6B Net Proceeds from Bonds issued in July 2020, as offset by JPY 712.6B of USD/EUR Term Loan pre-payment in July, JPY 413.1B of SAIIDAC USD and TPC EUR Bonds pre-payment in August and JPY 140.0B of Mandatory Debt payment.
4. "Other" indicates items such as FX impact on cash, lease obligations, acquisition of investments, net proceeds from short term debt and contingent considerations payments.

STEADY NET DEBT REDUCTION WITH NET DEBT/ADJUSTED EBITDA AT 3.7x

CHANGE IN NET DEBT



1. Please refer to slide 62 for reconciliation.
2. "Adjusted EBITDA" mainly adjusts for non cash items and one time expenses. Please refer to slide 49 for definition, and slides 63-64 for reconciliation. Beginning and Ending net debt is calculated based on 12 months average FX rate.
3. Includes cash and non cash adjustments to debt book-value. Non cash adjustments include changes due to debt amortization, FX impact from converting non-JPY debt into JPY.

EXCEEDED $10B NON-CORE ASSET DIVESTITURES TARGET & INCREMENTAL TARGET FOR REAL ESTATE & MARKETABLE SECURITIES

NON-CORE ASSET DIVESTITURES
(ANNOUNCED SINCE JANUARY 2019)

Portfolios of select non-core & OTC products

		DEAL CLOSED
XIIDRA	up to **$5.3B**	☑
NEMEA	**$200M**	☑
RUSSIA/CIS	**$660M**	☑
LATAM	**$825M**	
EUROPE	up to **$670M**	
APAC	up to **$278M**	
Japan OTC	**$2.3B**	
Europe Rx	**$562M**	
Buccolam	up to **$95M**	☑
TachoSil	**$415M**	
TARGET	***$10B***	
TOTAL TO DATE	up to **$11.3B**	

Total revenue contribution of these assets in FY2020 forecast is ~$1.3B; this revenue is not expected to be booked in FY2021

SALE OF REAL ESTATE & MARKETABLE SECURITIES[1]
(EXPECTED IN FY2020)

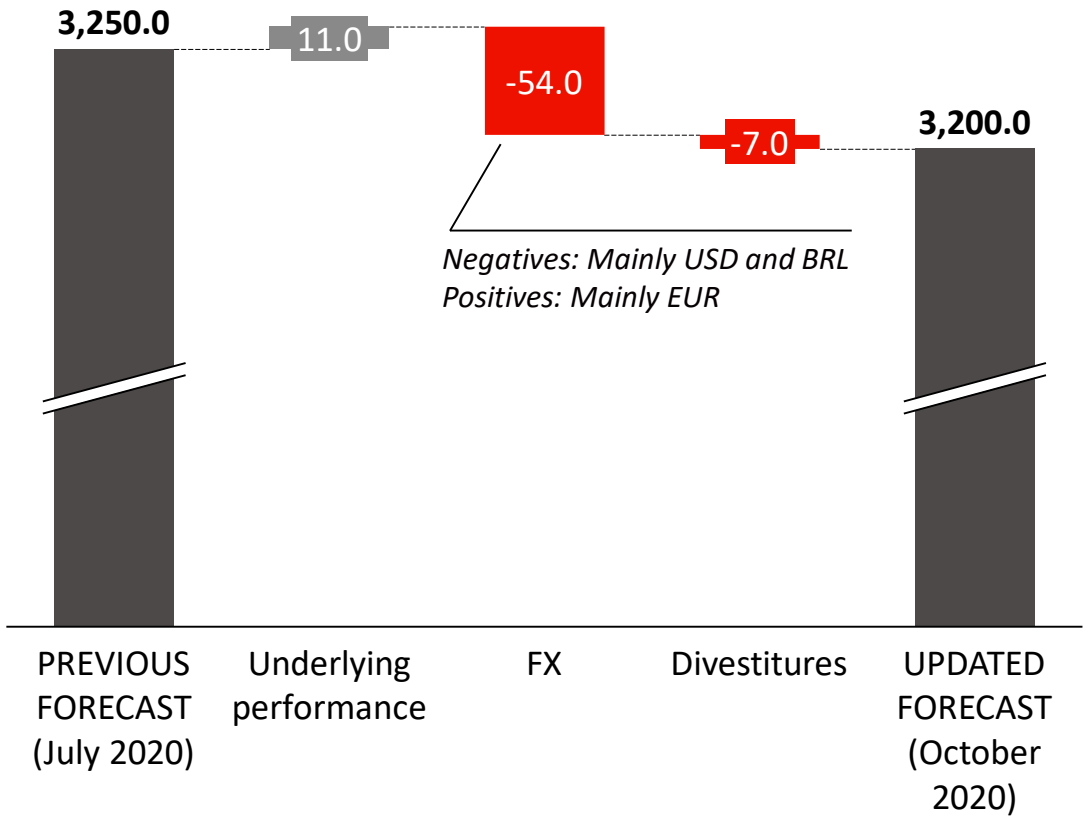
		CASH RECEIVED
MARKETABLE SECURITIES	**~$470M**	☑
REAL ESTATE	**~$650M**	☑
TARGET	***$700M***	
TOTAL TO DATE	**$1.1B+**	

1. USD calculated at 105.6 JPY/USD. OTC: Over-the-counter

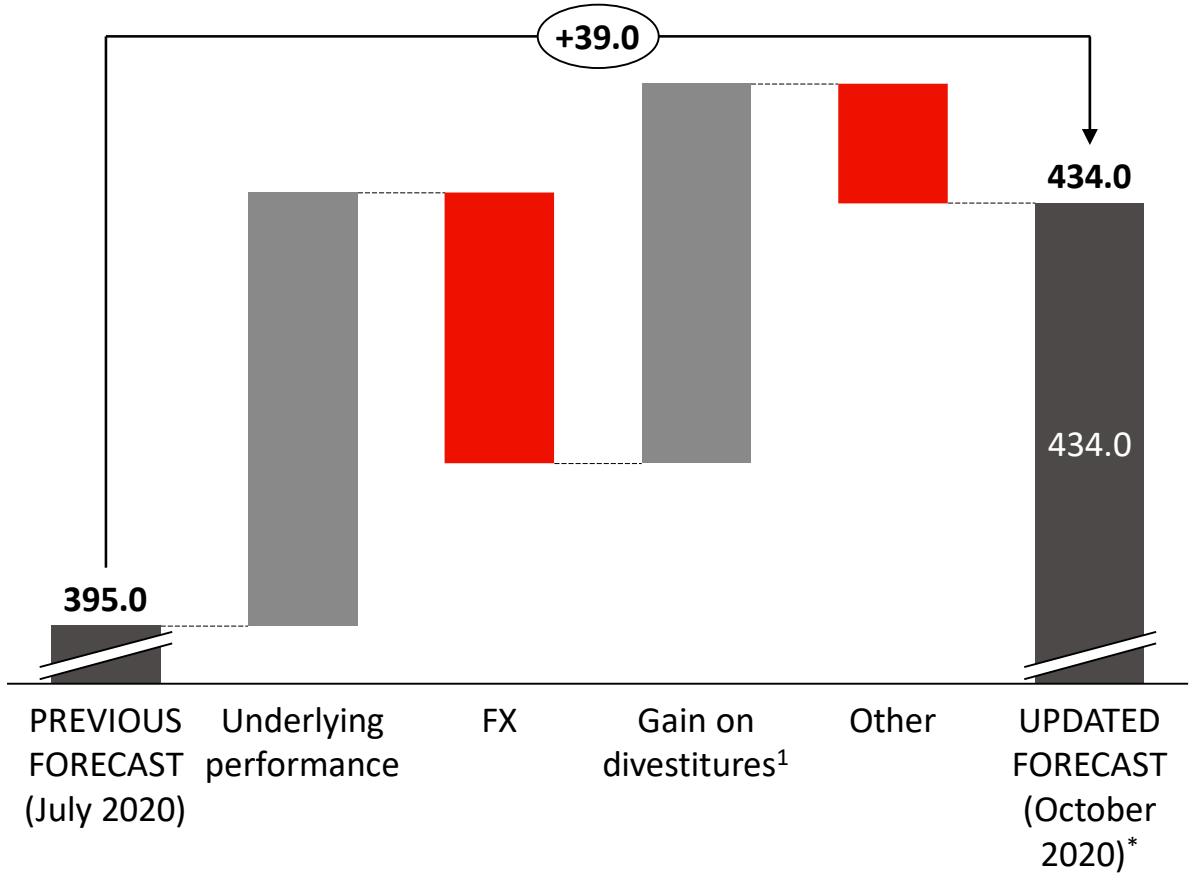
REPORTED OPERATING PROFIT FORECAST UPGRADED DESPITE FX CHALLENGES

(BN JPY)

FY2020 Reported Revenue Forecast



FY2020 Reported Operating Profit Forecast



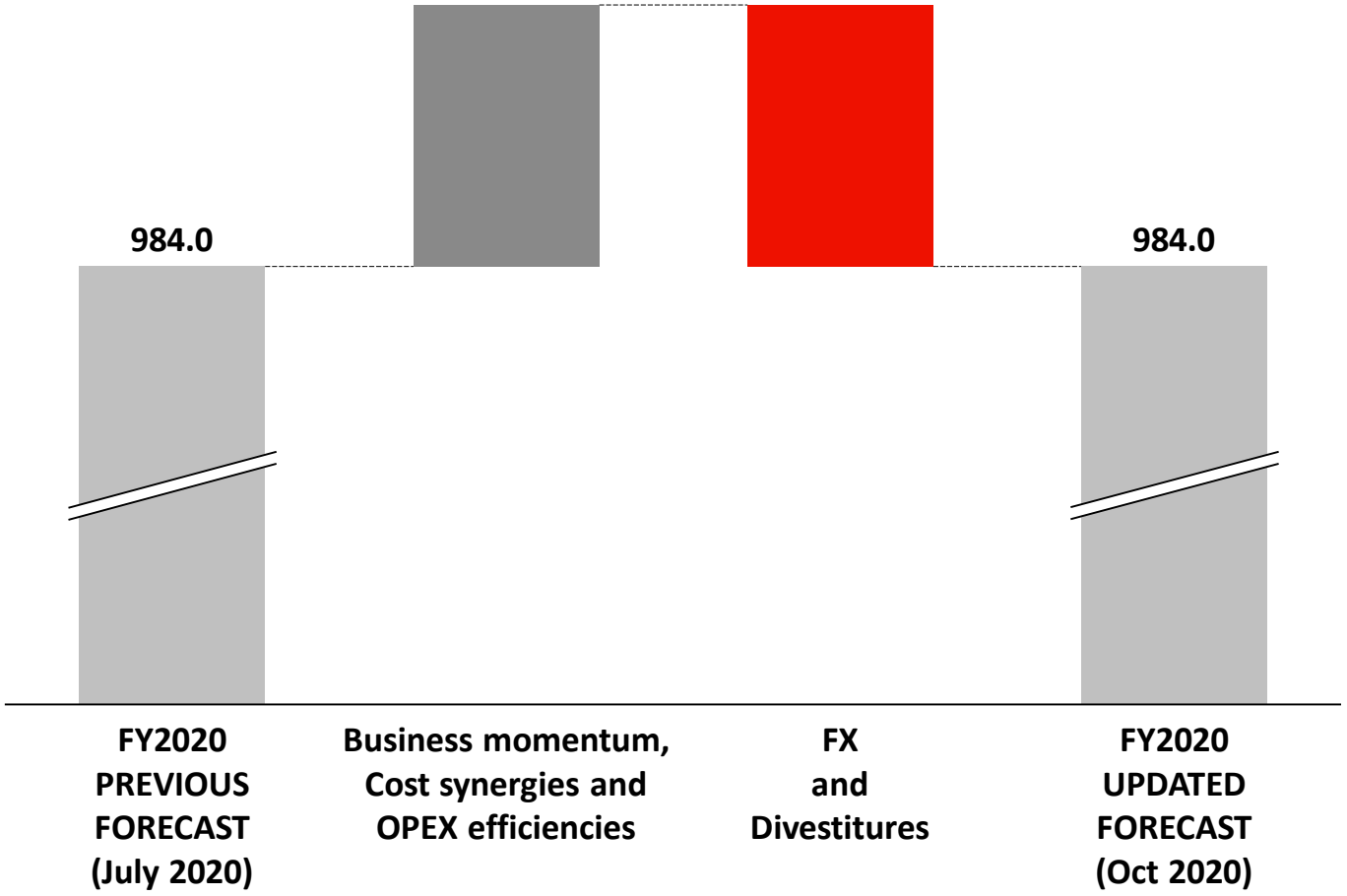
Approximately JPY140.0B upside to Reported Operating Profit should Takeda Consumer Healthcare divestiture close by March 31st 2021 not included

1. Include gains on announced divestitures with the exception of Takeda Consumer Healthcare Company.

CORE OPERATING PROFIT FORECAST MAINTAINED WITH BUSINESS MOMENTUM & COST MANAGEMENT EXPECTED TO ABSORB FX IMPACT

(BN JPY)

FY2020 Core Operating Profit[1] Forecast

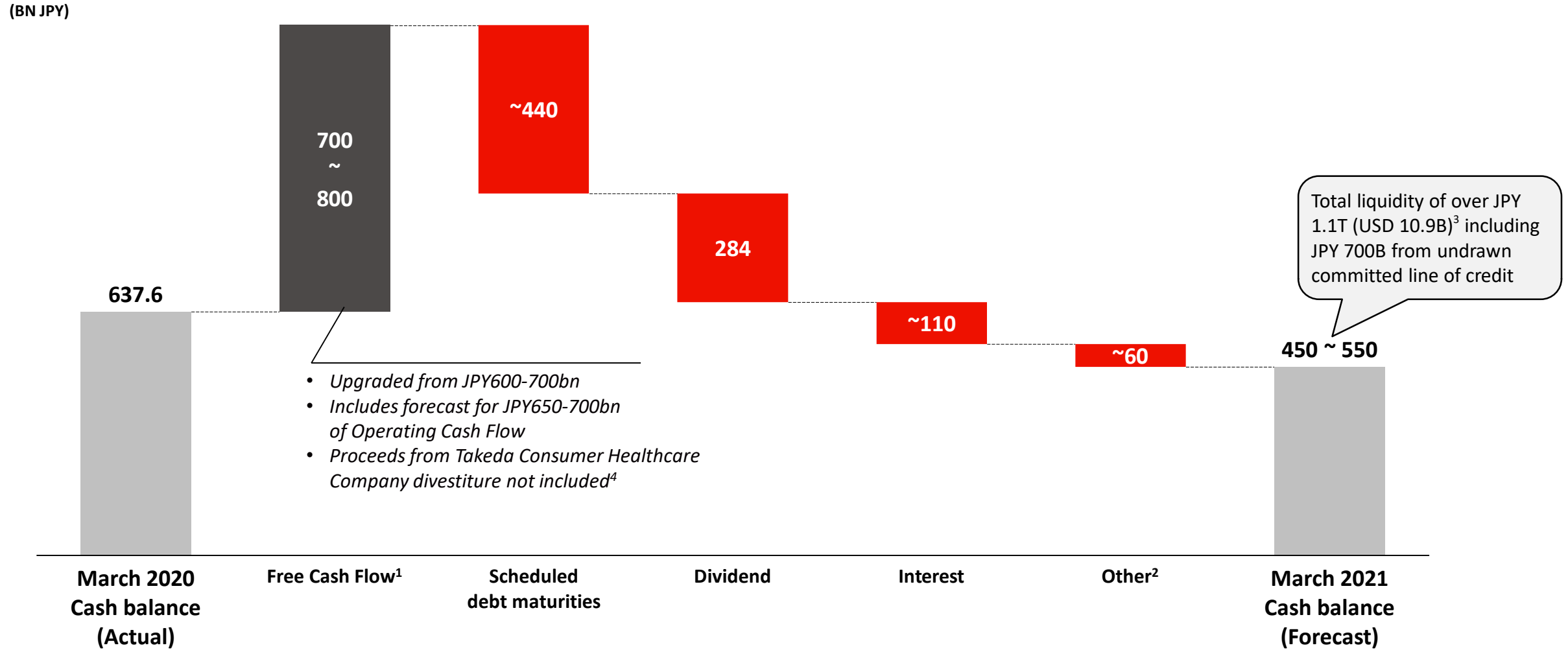


Graph is illustrative

1. Please refer to slide 48 for definition and slide 66 for reconciliation.

FY2020 CASH FLOW FORECAST UPGRADED TO REFLECT ASSET SALES; MAINTAINING STRONG LIQUIDITY PROFILE

FY2020 UPDATED CASHFLOW FORECAST



1. Free Cash Flow = Cash flows from operating activities + (Announced) Divestiture Proceeds – CAPEX.
   Cashflow forecast does not include the impact of any potential further divestitures beyond what has already been disclosed by Takeda
2. "Other" includes contingent payments, lease obligations, FX impact on cash etc.
3. USD provided for reference calculated at JPY/USD of 105.6 yen
4. Gross proceeds from Takeda Consumer Healthcare Company deal would be ~JPY230bn

CONFIRMING FULL-YEAR MANAGEMENT GUIDANCE, UPGRADING CASH FLOW & RAISING FORECAST FOR REPORTED OPERATING PROFIT AND EPS

(BN YEN)	FY2020 PREVIOUS FORECAST (July 2020)	FY2020 UPDATED FORECAST (October 2020)	CHANGE	UNDERLYING[2] MANAGEMENT GUIDANCE
REVENUE	3,250.0	3,200.0	-50.0	**Low-single-digit growth**
REPORTED OPERATING PROFIT	395.0	434.0	+39.0	
CORE OPERATING PROFIT[1]	984.0	984.0	-	**High-single-digit growth**
CORE OPERATING PROFIT[1] MARGIN	*30.3%*	*30.8%*	*+0.5pp*	**Low-30s%**
REPORTED EPS (YEN)	59	79	+20	
CORE EPS (YEN)	420	420	-	**Low-teen growth**
FREE CASH FLOW	600-700	700-800	+100.0	
ANNUAL DIVIDEND PER SHARE (YEN)	180	180	-	

Key assumptions in FY2020 forecast:

- 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), despite the various effects on its operations as detailed elsewhere herein. Based on currently available information, Takeda believes that its financial results for FY2020 will not be materially affected by COVID-19 and, accordingly, Takeda's FY2020 forecast reflects this belief. However, the situation surrounding COVID-19 remains highly fluid, and future COVID-19-related developments in FY2020, 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 FY2020 forecast.
- Takeda does not expect any additional 505(b)2 competitor for subcutaneous VELCADE to launch in the U.S. within FY2020;
- The FY2020 updated forecast includes the impact of divestitures disclosed by Takeda as of October 29, 2020, with the exception of the divestment of Takeda Consumer Healthcare Company.

Note: Please refer to slides 65-66 for details on the updated FY2020 forecast.

1. Please refer to slide 48 for its definition, and slide 66 for FY2020 forecast reconciliation.
2. Underlying growth adjusts for divestitures (assets divested in FY2019 and disclosed divestitures expected to close in FY2020) and applies a constant exchange rate (FY2019 full year average FX rate). Please refer to slide 48 for definition of underlying growth. Underlying measures are also the basis for calculating management KPIs.

FY2020 DETAILED FORECAST[1]

	(BN JPY)	FY2020 Previous Forecast (July 31, 2020)	FY2020 Revised Forecast (October 29, 2020)	vs. Previous Forecast		Variances
Reported	Revenue	3,250.0	3,200.0	-50.0	-1.5 %	• Business momentum offset by divestitures and foreign exchange impact
	Cost of sales	N/D[2]	N/D[2]			
	R&D expenses	-447.0	-448.0	-1.0	-0.2 %	
	Amortization of intangible assets	-407.0	-403.0	+4.0	+1.0 %	
	Impairment of intangible assets	-50.0	-50.0	—	— %	
	Other operating income	118.0	163.4	+45.4	+38.5 %	• Includes gains from announced divestitures except Takeda Consumer Healthcare Company
	Other operating expenses	-163.0	-180.0	-17.0	-10.4 %	• Driven by higher expenses related to additional divestitures
	Operating profit	395.0	434.0	+39.0	+9.9 %	
	Finance expenses	-153.0	-166.0	-13.0	-8.5 %	• Higher one-time, non-cash FX loss resulting from Legal Entity Optimization transactions
	Profit before tax	230.0	258.0	+28.0	+12.2 %	
	Net profit	92.0	124.0	+32.0	+34.8 %	• Reflects a better reported tax rate
	EPS (yen)	59	79	+20	+34.8 %	
	Core Operating Profit[3]	984.0	984.0	—	— %	• Business momentum, cost efficiency, and synergies offset by foreign exchange and divestitures
	Core EPS (yen)	420	420	—	— %	
	USD/JPY	109	106	-3		
	EUR/JPY	120	122	+3		

1. Please refer to slide 65 for other key assumptions
2. Not Disclosed.
3. Please refer to slide 66 for reconciliation

STRONG MARGINS & CASHFLOW REINFORCE CONFIDENCE TO MEET FINANCIAL TARGETS

	FY2020 H1 ACTUAL	FY2020 OUTLOOK	FINANCIAL TARGET
UNDERLYING REVENUE GROWTH[1]	+0.5%	LOW-SINGLE-DIGIT	ACCELERATING IN MID-TERM
UNDERLYING CORE OP MARGIN[2]	31.6%	LOW-30s%	MID-30s% (WITHIN FY2021-2023)
FREE CASH FLOW[3]	JPY 425.5 B	JPY 700-800 B	
	AS OF FY2020 H1		
DIVESTITURES	UP TO ~$11.3B TEN DEALS ANNOUNCED SINCE JANUARY 2019		$10B
DE-LEVERAGING	3.7x NET DEBT / ADJ. EBITDA[4]		2x (WITHIN FY2021-2023)

1. Please refer to slide 48 for definition and slide 54 for reconciliation
2. Please refer to slide 48 for definition and slide 56 for reconciliation
3. Please refer to slide 62 for reconciliation
4. Please refer to slide 49 for definition and slides 63-64 for reconciliation

UPCOMING INVESTOR EVENTS

WAVE 1 PIPELINE MARKET OPPORTUNITY CALL	**DECEMBER 8TH, 2020,** TUESDAY 5-7pm (ET)
FY2020 Q3 EARNINGS CONFERENCE CALL	**FEBRUARY 4TH, 2021,** THURSDAY (TIME TO BE CONFIRMED)
GROWTH & EMERGING MARKET UPDATE CALL	**MARCH 11TH, 2021,** THURSDAY (TIME TO BE CONFIRMED)

CLOSING REMARKS

Christophe Weber
President & Chief Executive Officer

Q&A SESSION

Christophe Weber

President & Chief Executive Officer

Andrew Plump

President, Research & Development

Costa Saroukos

Chief Financial Officer

Masato Iwasaki

President, Japan Pharma Business Unit

Julie Kim

President, Plasma-Derived Therapies Business Unit

APPENDIX

TAKEDA'S DISCLOSURE METRICS

"REPORTED"

Financial results recorded and prepared in accordance with International Financial Reporting Standards (IFRS)

"CORE"

From Reported Results, adjust for:

1. Amortization and impairment expenses for intangible assets associated with products
2. Impacts of purchase accounting
3. Restructuring costs
4. Other material or non-recurring items that do not represent our on-going core operations (e.g. one-time expenses & income)

Intended to be similar to 'Non-GAAP' or 'Core' results reported by our peers

"UNDERLYING"

From Core Results, further adjust for:

1. Impact of foreign exchange
2. Impact of divestitures(divested assets removed from both prior and current year)

GAAP Reporting (IFRS)

Non-GAAP Reporting (Non-IFRS)

Note: Please refer to slides 48, 56-61 and 66 for a more detailed definition of Core and Underlying measures, and for reconciliation tables.

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 reporting 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.

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.

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 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 outstanding shares (excluding treasury shares) as of the end of the comparative period.

DEFINITION OF EBITDA/ADJUSTED EBITDA

We present EBITDA and Adjusted EBITDA because we believe that these measures are useful to investors as they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. We further believe that Adjusted EBITDA is helpful to investors in identifying trends in its business that could otherwise be obscured by certain items unrelated to ongoing operations because they are highly variable, difficult to predict, may substantially impact our results of operations and may limit the ability to evaluate our performance from one period to another on a consistent basis.

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

The usefulness of EBITDA and Adjusted EBITDA to investors has limitations including, but not limited to, (i) they may not be comparable to similarly titled measures used by other companies, including those in our industry, (ii) they exclude financial information and events, such as the effects of an acquisition or amortization of intangible assets, that some may consider important in evaluating our performance, value or prospects for the future, (iii) they exclude items or types of items that may continue to occur from period to period in the future and (iv) they may not exclude all items which investors may consider to be unrelated to our long-term operations, such as the results of businesses divested during a period. These non-IFRS measures are not, and should not be viewed as, substitutes for IFRS reported net income (loss). We encourage investors to review our historical financial statements in their entirety and caution investors to IFRS measures as the primary means of evaluating our performance, value and prospects for the future, and EBITDA and Adjusted EBITDA as supplemental measures.

EBITDA and Adjusted EBITDA

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

The most closely comparable measure presented in accordance with IFRS is net profit for the year. Please refer to slide 64 for a reconciliation to the respective most closely comparable measures presented in accordance with IFRS.

FY2020 H1 (Apr-Sep) REPORTED RESULTS

(BN JPY)	FY2019 H1*[1]	FY2020 H1	vs. PY	
Revenue	1,660.2	1,590.8	-69.4	-4.2%
Cost of sales	-562.0	-487.7	+74.3	+13.2%
Gross Profit	1,098.2	1,103.1	+4.9	+0.4%
Margin	*66.1%*	*69.3%*		*+3.2pp*
SG&A expenses	-462.5	-418.6	+43.8	+9.5%
R&D expenses	-230.4	-225.0	+5.4	+2.3%
Amortization of intangible assets	-207.9	-206.0	+1.9	+0.9%
Impairment losses on intangible assets	-17.3	-2.1	+15.2	+87.7%
Other operating income	11.3	69.5	+58.1	+513.8%
Other operating expenses	-82.4	-105.2	-22.8	-27.7%
Operating profit	109.0	215.6	+106.6	+97.7%
Margin	*6.6%*	*13.6%*		*+7.0pp*
Finance income	17.4	29.6	+12.3	+70.6%
Finance expenses	-99.3	-110.7	-11.5	-11.5%
Equity income/loss	4.0	-8.9	-13.0	-
Profit before tax	31.2	125.6	+94.4	+302.9%
Net profit attributable to owners of the Company	74.7	86.5	+11.8	+15.8%
Non-controlling interests	0.1	0.0	-0.1	-57.3%
Net profit for the period	74.8	86.6	+11.8	+15.7%
Basic EPS (yen)	48	55	+7	+15.5%

*1 During FY2019, Takeda completed the purchase price allocation for the assets acquired and the liabilities assumed as part of the Shire acquisition. Accordingly, PL statements for FY2019 H1 were retrospectively adjusted.

FY2020 Q2 (Jul-Sep) REPORTED RESULTS

(BN JPY)	FY2019 Q2[*1] (Jul-Sep)	FY2020 Q2 (Jul-Sep)	vs. PY	
Revenue	811.0	788.9	-22.1	-2.7%
Cost of sales	-270.2	-249.6	+20.6	+7.6%
Gross Profit	540.8	539.3	-1.5	-0.3%
Margin	*66.7%*	*68.4%*		*+1.7pp*
SG&A expenses	-223.3	-216.3	+7.0	+3.1%
R&D expenses	-113.5	-118.2	-4.7	-4.1%
Amortization of intangible assets	-102.3	-103.6	-1.4	-1.3%
Impairment losses on intangible assets	-1.2	-0.2	+1.0	+82.3%
Other operating income	4.7	5.7	+1.1	+23.2%
Other operating expenses	-41.4	-58.5	-17.1	-41.2%
Operating profit	63.9	48.3	-15.6	-24.4%
Margin	*7.9%*	*6.1%*		*-1.8pp*
Finance income	8.7	10.0	+1.3	+15.1%
Finance expenses	-53.2	-63.9	-10.7	-20.1%
Equity income/loss	1.7	0.8	-0.9	-51.2%
Profit before tax	21.1	-4.7	-25.8	-
Net profit attributable to owners of the Company	67.7	4.0	-63.7	-94.0%
Non-controlling interests	0.1	0.0	-0.0	-54.2%
Net profit for the period	67.8	4.1	-63.7	-94.0%
Basic EPS (yen)	43	3	-41	-94.1%

*1 During FY2019, Takeda completed the purchase price allocation for the assets acquired and the liabilities assumed as part of the Shire acquisition. Accordingly, PL statements for FY2019 Q2 were retrospectively adjusted.

FY2020 H1 (Apr-Sep) CORE RESULTS

(BN JPY)	FY2019 H1	FY2020 H1	vs. PY
Revenue	**1,660.2**	**1,590.8**	**-4.2%**
Gross Margin	*73.8%*	*72.3%*	*-1.5pp*
Operating expenses	-684.1	-642.8	+6.0%
% of Revenue	*41.2%*	*40.4%*	*-0.8pp*
Core Operating profit[1]	**541.6**	**507.6**	**-6.3%**
Margin	*32.6%*	*31.9%*	*-0.7pp*
Core tax rate	*-20.2%*	*-22.5%*	*-2.3pp*
Core Net profit	**380.4**	**345.5**	**-9.2%**
Core EPS (yen)	**244**	**221**	**-9.4%**

1. Please refer to slides 56 and 58 for reconciliation.

FY2020 Q2 (Jul-Sep) CORE RESULTS

(BN JPY)	FY2019 Q2 (Jul-Sep)	FY2020 Q2 (Jul-Sep)	vs. PY
Revenue	**811.0**	**788.9**	**-2.7%**
Gross Margin	*73.1%*	*71.0%*	*-2.1pp*
Operating expenses	-334.0	-333.3	+0.2%
% of Revenue	*41.2%*	*42.2%*	*1.1pp*
Core Operating profit[1]	**258.6**	**226.7**	**-12.3%**
Margin	*31.9%*	*28.7%*	*-3.2pp*
Core tax rate	*-18.4%*	*-19.5%*	*-1.1pp*
Core Net profit	**182.0**	**154.9**	**-14.9%**
Core EPS (yen)	**117**	**99**	**-15.2%**

1. Please refer to slides 57 and 59 for reconciliation.

RECONCILIATION FROM REPORTED REVENUE TO UNDERLYING REVENUE FY2020 H1 (Apr-Sep) vs. PY

(BN JPY)	FY2019 H1	FY2020 H1	vs. PY	
Revenue	**1,660.2**	**1,590.8**	**-69.4**	**-4.2%**
Fx effects[*1]				+3.1pp
Divestitures[*2]				+1.6pp
XIIDRA				+0.5pp
NEMEA & Russia/CIS				+1.0pp
TACHOSIL				+0.1pp
Others				+0.0pp
Underlying Revenue Growth				**+0.5%**

[*1] FX adjustment applies FY2019 plan rate to both periods (1USD=111JPY, 1EUR=129JPY).

[*2] Major adjustments are as follow;

- Net sales from XIIDRA, a treatment for dry eye disease, the divestiture of which was completed in July 2019, are excluded from FY2019 H1.
- 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 H1 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 H1 as the divestiture was completed in March 2020.
- Net sales from TACHOSIL are excluded from both FY2020 H1 and FY2019 H1.
- Net sales of products related to divestiture agreements that were publicly announced and expected to complete within the calendar year 2020 are also excluded from both FY2020 H1 and FY2019 H1.

RECONCILIATION FROM REPORTED REVENUE TO UNDERLYING REVENUE FY2020 Q2 (Jul-Sep) vs. PY

(BN JPY)	FY2019 Q2 (Jul-Sep)	FY2020 Q2 (Jul-Sep)	vs. PY	
Revenue	**811.0**	**788.9**	**-22.1**	**-2.7%**
Fx effects[*1]				+1.7pp
Divestitures[*2]				+1.2pp
XIIDRA				-0.1pp
NEMEA & Russia/CIS				+1.1pp
TACHOSIL				+0.0pp
Others				+0.1pp
Underlying Revenue Growth				**+0.1%**

[*1] FX adjustment applies FY2019 plan rate to both periods (1USD=111JPY, 1EUR=129JPY).

[*2] Major adjustments are as follow;

- Net sales from XIIDRA, a treatment for dry eye disease, the divestiture of which was completed in July 2019, are excluded from FY2019 Q2.
- 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 Q2 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 Q2 as the divestiture was completed in March 2020.
- Net sales from TACHOSIL are excluded from both FY2020 Q2 and FY2019 Q2.
- Net sales of products related to divestiture agreements that were publicly announced and expected to complete within the calendar year 2020 are also excluded from both FY2020 Q2 and FY2019 Q2.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2020 H1 (Apr-Sep)

(BN 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	Swiss Tax Reform	Others		FX	Divestitures	
Revenue	1,590.8								1,590.8	95.1	-33.2	**+0.5 %**
Cost of sales	-487.7				47.3				-440.4	-25.9	9.7	
Gross Profit	1,103.1				47.3				1,150.4	69.2	-23.5	
SG&A expenses	-418.6			0.0	-0.6				-419.2	-22.9		
R&D expenses	-225.0			-0.2	-0.1			1.7	-223.6	-8.1		
Amortization of intangible assets	-206.0	45.7			160.3				—			
Impairment losses on intangible assets	-2.1	2.1							—			
Other operating income	69.5		-8.6		-60.2	-0.7			—			
Other operating expenses	-105.2		46.7	40.0				18.6	—			
Operating profit	215.6	47.8	38.1	39.8	146.7	-0.7		20.3	507.6	38.2	-23.5	**+1.9 %**
Margin	13.6 %								31.9 %			**31.6 %***
Financial income/expenses	-81.1			7.9	8.8			0.5	-63.9	2.7		
Equity income/loss	-8.9					11.0			2.1	-0.1		
Profit before tax	125.6	47.8	38.1	47.7	155.5	10.3		20.8	445.8	40.8	-23.5	
Tax expense	-39.0	-11.5	-5.9	-8.5	-27.1	-3.2		-5.1	-100.2	-4.6	5.5	
Non-controlling interests	-0.0								-0.0	0.0		
Net profit	86.5	36.3	32.2	39.1	128.4	7.2		15.7	345.5	36.2	-18.0	
EPS (yen)	55								221	24	-12	**-0.4 %**
Number of shares (millions)	1,561								1,561			1,558

* Underlying Core Operating Profit Margin.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2020 Q2 (Jul-Sep)

(BN 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	Swiss Tax Reform	Others		FX	Divestitures	
Revenue	788.9								788.9	45.9	-15.9	**+0.1 %**
Cost of sales	-249.6				20.7				-228.9	-12.3	4.6	
Gross Profit	539.3				20.7				560.0	33.6	-11.4	
SG&A expenses	-216.3			0.0	-0.3				-216.6	-11.5		
R&D expenses	-118.2			-0.1	-0.2			1.7	-116.7	-4.6		
Amortization of intangible assets	-103.6	23.2			80.5				—			
Impairment losses on intangible assets	-0.2	0.2							—			
Other operating income	5.7		-5.4			-0.4			—			
Other operating expenses	-58.5		39.3	19.2					—			
Operating profit	48.3	23.4	33.9	19.1	100.7	-0.4		1.7	226.7	17.5	-11.4	**-7.7 %**
Margin	6.1 %								28.7 %			**28.4 %***
Financial income/expenses	-53.9			7.9	6.1			4.3	-35.6	3.6		
Equity income/loss	0.8					0.5			1.3	-0.0		
Profit before tax	-4.7	23.4	33.9	26.9	106.8	0.1		6.0	192.4	21.1	-11.4	
Tax expense	8.8	-5.6	-6.9	-5.0	-23.8	-0.0		-5.1	-37.5	-1.9	2.7	
Non-controlling interests	-0.0								-0.0	-0.0		
Net profit	4.0	17.8	27.1	22.0	83.0	0.1		0.9	154.9	19.2	-8.7	
EPS (yen)	3								99	13	-6	**-9.6 %**
Number of shares (millions)	1,563								1,563			1,558

* Underlying Core Operating Profit Margin.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2019 H1 (Apr-Sep)

(BN JPY)	REPORTED *1	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 *1 purchase accounting adjustments	Teva JV related accounting adjustments	Swiss Tax Reform	Others		FX	Divestitures	
Revenue	1,660.2								1,660.2	44.2	-60.0	
Cost of sales	-562.0				127.5				-434.5	-11.0	12.5	
Gross Profit	1,098.2				127.5				1,225.7	33.1	-47.5	
SG&A expenses	-462.5			1.4	2.3				-458.8	-11.9		
R&D expenses	-230.4			5.2	-0.1				-225.3	-3.0		
Amortization of intangible assets	-207.9	45.0			162.9				—			
Impairment losses on intangible assets	-17.3	17.3							—			
Other operating income	11.3		-9.9			-1.4			—			
Other operating expenses	-82.4		23.6	58.8					—			
Operating profit	109.0	62.3	13.8	65.3	292.6	-1.4			541.6	18.3	-47.5	
Margin	6.6%								32.6%			**31.2%**
Financial income/expenses	-81.9			3.5	8.4			-0.4	-70.3	4.2		
Equity income/loss	4.0					1.2			5.3	0.0		
Profit before tax	31.2	62.3	13.8	68.8	301.1	-0.1		-0.4	476.5	22.5	-47.5	
Tax expense	43.7	-11.1	1.2	-13.1	-51.0	0.0	-56.3	-9.5	-96.1	-1.4	11.4	
Non-controlling interests	-0.1								-0.1	-0.0		
Net profit	74.7	51.3	15.0	55.7	250.1	-0.1	-56.3	-9.9	380.4	21.1	-36.1	
EPS (yen)	48								244	13	-23	**235**
Number of shares (millions)	1,557								1,557			1,558

*1 During FY2019, Takeda completed the purchase price allocation for the assets acquired and the liabilities assumed as part of the Shire acquisition. Accordingly, PL statements for FY2019 H1 were retrospectively adjusted.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2019 Q2 (Jul-Sep)

(BN JPY)	REPORTED *1	REPORTED TO CORE ADJUSTMENTS							CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire integration costs	Shire *1 purchase accounting adjustments	Teva JV related accounting adjustments	Swiss Tax Reform	Others		FX	Divestitures	
Revenue	811.0								811.0	32.5	-25.4	
Cost of sales	-270.2				51.8				-218.4	-8.0	6.0	
Gross Profit	540.8				51.8				592.7	24.5	-19.4	
SG&A expenses	-223.3			0.6	1.2				-221.4	-8.9		
R&D expenses	-113.5			0.8	0.1				-112.6	-2.4		
Amortization of intangible assets	-102.3	22.0			80.3				—			
Impairment losses on intangible assets	-1.2	1.2							—			
Other operating income	4.7		-3.9			-0.7			—			
Other operating expenses	-41.4		14.2	27.2					—			
Operating profit	63.9	23.2	10.4	28.6	133.4	-0.7			258.6	13.1	-19.4	
Margin	7.9 %								31.9 %			**30.8 %**
Financial income/expenses	-44.5			3.5	3.9			-0.6	-37.7	3.1		
Equity income/loss	1.7					0.6			2.3	0.1		
Profit before tax	21.1	23.2	10.4	32.1	137.3	-0.1		-0.6	223.2	16.2	-19.4	
Tax expense	46.8	-3.9	9.3	-6.2	-21.3	0.0	-56.3	-9.5	-41.1	-0.4	4.6	
Non-controlling interests	-0.1								-0.1	0.0		
Net profit	67.7	19.3	19.7	25.9	116.0	-0.0	-56.3	-10.1	182.0	15.8	-14.8	
EPS (yen)	43								117	10	-10	**117**
Number of shares (millions)	1,558								1,558			1,558

*1 During FY2019, Takeda completed the purchase price allocation for the assets acquired and the liabilities assumed as part of the Shire acquisition. Accordingly, PL statements for FY2019 Q2 were retrospectively adjusted.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2019 FULL YEAR

(BN 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	Swiss Tax Reform	Teva JV related accounting adjustments	Others		FX	Divestitures	
Revenue	3,291.2								3,291.2	102.4	-30.5	
Cost of sales	-1,089.8				199.5				-890.3	-27.9	5.0	
Gross Profit	2,201.4				199.5				2,400.9	74.4	-25.5	
SG&A expenses	-964.7			5.5	2.4				-956.8	-29.0		
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 ssets	-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	-25.5	
Margin	3.1 %								29.2 %			**28.9 %**
Financial income/expenses	-137.2			7.1	14.4			-20.1	-135.7	5.3		
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	-25.5	
Tax expense	105.0	-31.7	-10.8	-29.2	-98.2	-94.6	-5.5	-67.5	-232.4	-10.0	5.9	
Non-controlling interests	-0.0								-0.0			
Net profit	44.2	98.7	56.5	129.1	443.4	-94.6	12.5	-87.6	602.2	31.8	-19.6	
EPS (yen)	28								387	21	-13	**395**
Number of shares (millions)	1,557								1,557			1,555

Note: FY2019 Underlying Core results reflect divestiture adjustments applied in FY2019 Underlying calculation which was disclosed on May 13, 2020.

RECONCILIATION FROM REPORTED TO CORE
FY2018 FULL YEAR

(BN JPY)	REPORTED *1	REPORTED TO CORE ADJUSTMENTS							CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Shire *1 purchase accounting adjustments	Teva JV related accounting adjustments	Gains on Sales of Securities & Properties	Others	
Revenue	2,097.2								2,097.2
Cost of sales	-651.7				73.8				-578.0
Gross Profit	1,445.5				73.8				1,519.3
SG&A expenses	-717.6			23.8	0.6				-693.2
R&D expenses	-368.3			1.6					-366.7
Amortization of intangible assets	-170.0	95.5			74.5				—
Impairment losses on intangible assets	-8.6	8.6							—
Other operating income	159.9		-40.9			-30.4	-88.6		—
Other operating expenses	-103.2		43.5	59.6					—
Operating profit	237.7	104.1	2.6	85.0	148.9	-30.4	-88.6		459.3
Margin	11.3 %								21.9 %
Financial income/expenses	-66.4			18.1	4.0			2.3	-42.0
Equity income/loss	-43.6					53.5			9.8
Profit before tax	127.6	104.1	2.6	103.1	152.9	23.1	-88.6	2.3	427.2
Tax expense	7.5	-25.5	-4.0	-12.3	-37.3	-7.1	30.2	-57.5	-105.9
Non-controlling interests	0.1								0.1
Net profit	135.2	78.6	-1.4	90.8	115.6	16.0	-58.4	-55.2	321.4
EPS (yen)	141								334
Number of shares (millions)	961								961

*1 During FY2019, Takeda completed the purchase price allocation for the assets acquired and the liabilities assumed as part of the Shire acquisition. Accordingly, PL statements for FY2018 were retrospectively adjusted.

FREE CASH FLOW

(BN JPY)	FY2019 H1[*1]	FY2020 H1	vs. PY	
Net profit	74.8	86.6	+11.8	+15.7 %
Depreciation, amortization and impairment loss	311.7	288.8	-22.8	
Decrease (increase) in trade working capital	-34.3	-24.9	+9.4	
Income taxes paid	-90.6	-80.1	+10.5	
Other	79.5	121.6	+42.1	
Net cash from operating activities	341.1	392.0	+50.9	+14.9%
Acquisition of PP&E	-55.1	-50.5	+4.6	
Proceeds from sales of PP&E	0.1	38.5	+38.5	
Acquisition of intangible assets	-21.4	-30.4	-9.1	
Acquisition of investments	-3.9	-6.2	-2.3	
Proceeds from sales and redemption of investments	40.6	50.6	+10.1	
Proceeds from sales of business, net of cash and cash equivalents divested	375.5	31.4	-344.1	
Free Cash Flow	676.9	425.5	-251.4	-37.1 %

[*1] During FY2019, Takeda completed the purchase price allocation for the assets acquired and the liabilities assumed as part of the Shire acquisition. Accordingly, PL statements for FY2019 H1 were retrospectively adjusted.

NET DEBT/ADJUSTED EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(BN JPY)	FY2020 H1
Cash and cash equivalents*1	630.9
Book value debt on the balance sheet	-4,908.0
Hybrid bond 50% equity credit	250.0
FX adjustment*2	-20.1
Gross debt*3	-4,678.1
Net cash (debt)	**-4,047.3**
Net debt/Adjusted EBITDA ratio	**3.7 x**
Adjusted EBITDA	**1,102.2**

NET INCREASE (DECREASE) IN CASH

(BN JPY)	FY2019 H1	FY2020 H1	vs. PY	
Net cash from operating activities	341.1	392.0	+50.9	+14.9%
Acquisition of PP&E	-55.1	-50.5		
Proceeds from sales of PP&E	0.1	38.5		
Acquisition of intangible assets	-21.4	-30.4		
Acquisition of investments	-3.9	-6.2		
Proceeds from sales and redemption of investments	40.6	50.6		
Acquisition of business, net of cash and cash equivalents acquired	-4.6	—		
Proceeds from sales of business, net of cash and cash equivalents divested	375.5	31.4		
Net increase (decrease) in short-term loans and commercial papers	-461.4	-89.9		
Repayment of long-term loans	-60.0	-792.5		
Proceeds from issuance of bonds	496.2	1,179.5		
Repayment of bonds	-563.1	-473.1		
Interest paid	-61.0	-47.6		
Dividends paid	-140.8	-141.8		
Others	-22.3	-58.1		
Net increase (decrease) in cash	-140.2	2.0	+142.2	—

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

RECONCILIATION FROM NET PROFIT TO EBITDA/ADJUSTED EBITDA

(BN JPY)	FY2019 H1[*1]	FY2020 H1	FY2020 LTM[*2]
Net profit for the year	74.8	86.6	56.1
Income tax expenses	-43.7	39.0	-22.4
Depreciation and amortization	293.1	280.5	571.1
Interest expense, net	71.0	68.2	135.0
EBITDA	395.3	474.3	739.7
Impairment losses	18.6	8.3	91.6
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	69.7	27.5	81.9
Finance expense (income), net, excluding interest income and expense, net	10.9	12.9	1.4
Share of loss on investments accounted for under the equity method	-4.0	8.9	37.0
Other adjustments:			
Impact on profit related to fair value step up of inventory in Shire acquisition	122.3	46.6	115.3
Acquisition costs related to Shire	1.2	0.0	4.2
Other costs[*3]	19.0	18.5	31.2
Adjusted EBITDA	632.9	597.1	1,102.2

[*1] During FY2019, Takeda completed the purchase price allocation for the assets acquired and the liabilities assumed as part of the Shire acquisition. Accordingly, PL statements for FY2019 H1 were retrospectively adjusted.
[*2] LTM represents Last Twelve Months (October 2019 – September 2020).
[*3] Includes adjustments for non-cash equity-based compensation expense, non-recurring wind-down costs related to pipeline de-prioritization after Shire acquisition and EBITDA for divested products.

FY2020 CORE OPERATING PROFIT ADJUSTMENT ITEMS, CASH FLOW GUIDANCE & OTHER KEY ASSUMPTIONS

CORE OPERATING PROFIT ADJUSTMENT ITEMS

(BN JPY)	FY2020 H1	FY2020 Revised Forecast (October 29, 2020)
Shire integration costs		
SG&A and R&D expenses - R&D program termination costs, etc.	0.2	—
Other operating expenses - restructuring costs	-40.0	-90.0
	-39.8	-90.0
Shire purchase accounting adjustments		
Cost of sales - unwind of inventories step-up	-46.6	-79.1
Cost of sales - depreciation of PPE step-up	-0.7	-2.0
SG&A and R&D expenses	0.7	0.7
Amortization of intangible assets - Shire acquisition	-160.3	-319.0
Other operating income - release of obligation to divest SHP647	60.2	60.0
	-146.7	-339.4
Other non-cash items		
Amortization of intangible assets - Legacy Takeda	-45.7	-84.0
Impairment of intangible assets	-2.1	-50.0
	-47.8	-134.0
Other operating income/expenses		
Other operating income - excl. release of obligation to divest SHP647	9.3	103.4
Other operating expenses - excl. Shire integration related	-65.3	-90.0
	-56.0	13.4

CASH FLOW GUIDANCE

(BN JPY)	FY2020 H1	FY2020 Revised Forecast (October 29, 2020)
Free cash flow (including announced divestitures)	425.5	700.0 - 800.0
CAPEX (cash flow base)	-80.9	-180.0 - -230.0
Depreciation and amortization (excluding intangible assets associated with products)	-74.5	-150.0
Cash tax rate on adjusted EBITDA (excluding divestitures)	N/A	mid-high teen %

OTHER KEY ASSUMPTIONS

(BN JPY)	FY2020 H1	FY2020 Revised Forecast (October 29, 2020)
Finance expenses		
Interests	-69.2	-131.0
Others	-41.5	-35.0
	-110.7	-166.0

RECONCILIATION FROM REPORTED OPERATING PROFIT TO CORE OPERATING PROFIT – FY2020 REVISED FORECAST

(BN JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS					CORE
		Amortization of intangible assets (Takeda)	Impairment of intangible assets	Other operating income/ expense	Shire integration costs	Shire purchase accounting adjustments	
Revenue	3,200.0						3,200.0
Cost of sales — Unwind of inventories step-up						79.1	
Cost of sales — Depreciation of PPE step-up						2.0	
Gross Profit						81.1	
SG&A and R&D expenses						-0.7	
Amortization of intangible assets	-403.0	84.0				319.0	—
Impairment losses on intangible assets	-50.0		50.0				—
Other operating income	163.4			-103.4		-60.0	—
Other operating expenses	-180.0			90.0	90.0		—
Operating profit	434.0	84.0	50.0	-13.4	90.0	339.4	984.0

FX RATES AND FY2020 CURRENCY SENSITIVITY

	Average Exchange Rates vs. JPY			Impact of 1% depreciation of yen from October 2020 to March 2021 (100 million JPY)			
	FY2019 H1 (Apr-Sep)	FY2020 H1 (Apr-Sep)	FY2020 Assumption (Apr-Mar)	Revenue	Core Operating Profit	Operating Profit	Net Profit
USD	109	107	106	+67.1	+26.9	+8.0	+3.3
EUR	122	121	122	+18.5	-8.4	-13.6	-10.0
RUB	1.7	1.5	1.4	+1.6	+1.0	+0.9	+0.6
CNY	15.9	15.2	15.3	+4.8	+2.8	+2.7	+1.9
BRL	27.7	20.1	19.4	+2.3	+1.2	+1.2	+0.8

MAXIMIZING THE VALUE OF OUR APPROVED PROGRAMS

	PHASE 1 & 2	PHASE 3	FILED
ONCOLOGY	**NINLARO®** Proteasome inhibitor R/R MM triplet Tx (US, EU) **ALUNBRIG®** ALK inhibitor 2L ALK+NSCLC 2nd gen TKI (GL) **NINLARO®** Proteasome inhibitor R/R MM doublet Tx (US, EU)	**ALUNBRIG®** ALK inhibitor 1L ALK+NSCLC (CN) **NINLARO®** Proteasome inhibitor Maint. ND MM post-SCT (US, EU) **ICLUSIG®** BCR-ABL inhibitor FL Ph+ ALL (US) **NINLARO®** Proteasome inhibitor Maint. ND MM no SCT (US, EU, CN) **ALUNBRIG®** ALK inhibitor 2L ALK+NSCLC H2H with alectinib (GL)	**NINLARO®** Proteasome inhibitor Maint. ND MM no SCT (JP) **ALUNBRIG®** ALK inhibitor 1L & 2L ALK+NSCLC (JP) **ADCETRIS®** *Seattle Genetics* CD30 ADC CTCL (CN) **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor 2L HCC (JP) **ICLUSIG®** BCR-ABL inhibitor TKI res. chronic phase CML (US) **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor 1L RCC combo w/nivolumab (JP) **Niraparib** *GlaxoSmithKline* PARP 1/2 inhibitor Ovarian cancer – maint. (JP) **Niraparib** *GlaxoSmithKline* PARP 1/2 inhibitor Ovarian cancer – salvage (JP)
RARE GENETIC & HEMATOLOGY	**NATPARA** PTH replacement Hypothyrodism (JP)	**TAKHZYRO** Anti-kallikrein mAb HAE pediatric (GL) **OBIZUR** *Ipsen* FVIII replacement CHAWI (US, EU) **VONVENDI** vWF replacement vWD Adult Prophylaxis (GL) **TAKHZYRO** Anti-kallikrein mAb HAE (JP) **TAKHZYRO** Anti-kallikrein mAb BMA (GL) **VONVENDI** vWF replacement vWD Pediatric on-demand (GL) **ADYNOVATE** Pediatric HemA (EU)	**TAKHZYRO** Anti-kallikrein mAb HAE prophylaxis (CN)
NEUROSCIENCE			**BUCCOLAM**[1] GABA Allosteric Modulator Status Epilepticus (JP)
GASTRO-ENTEROLOGY	**ENTYVIO®** α4β7 mAb Pediatric UC/CD (GL)	**ALOFISEL®** mesenchymal stem cells Perianal Fistulas in CD (US, JP) **Vonoprazan** PCAB Oral disintegrated tablet formulation (JP) **ENTYVIO®** α4β7 mAb GvHD Prophylaxis (EU, JP) **ENTYVIO®** α4β7 mAb SubQ CD (US, JP) **Vonoprazan** PCAB H. Pylori (CN)	**ENTYVIO®** α4β7 mAb SubQ UC (US, JP) **Vonoprazan** PCAB Reflex Esophagitis Maintenance (CN) **GATTEX** GLP-2R agonist Pediatric-SBS (JP) **Vonoprazan** PCAB Duodenal ulcer (CN) **GATTEX** GLP-2R agonist Adult-SBS (JP)
PLASMA-DERIVED THERAPIES		**CUVITRU** IgG 20% (human) subcutaneous PID (JP) **HYQVIA** *Halozyme* IgG 10% + Recombinant Human Hyaluronidase CIDP (US, EU) **HYQVIA** *Halozyme* IgG 10% + Recombinant Human Hyaluronidase Pediatric PID (US)	**HYQVIA** *Halozyme* IgG 10% + Recombinant Human Hyaluronidase SID (EU)

- Orphan Drug Designation (in any region / indication for a given asset)
- Potential for registration enabling Ph-2 study
- Clinical stage up since Q1 FY20
- Approved since Q1 FY20

Pipeline as of October 29, 2020; region abbreviations: GL = global (USA, Europe, Japan, China). Pipeline not all inclusive; programs also ongoing in other Therapeutic Areas

1. 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/

FOLLOWING THROUGH ON OUR FY2019 COMMITMENTS AND PLANNING FOR ROBUST WAVE 1 NEAR-TERM GROWTH

FY20		
TAK-721		EoE
CoVIg-19		COVID-19
VPRIV		Gaucher; CN
TAKHZYRO		HAE; CN
ENTYVIO SC	✓	CD SC; EU
		UC SC; JP
	✓	UC SC; EU
ALUNBRIG	✓	1L ALK+ NSCLC; EU,US
		1L ALK+ NSCLC; JP
		2L ALK+ NSCLC; JP
HYQVIA	✓	SID; EU
REPLAGAL	✓	Fabry; CN
niraparib	✓	1L Ovarian Cancer; JP
	✓	2L Ovarian Cancer; JP
	✓	Salvage Ovarian Cancer; JP
ICLUSIG		CML; US
cabozantinib		HCC; JP
BUCCOLAM	✓	Status epilepticus; JP
ADCETRIS	✓	1L PTCL; EU
	✓	r/r HL & r/r ALCL; CN

FY21	
mobocertinib TAK-788	2L NSCLC exon 20
TAK-609	Hunter CNS (IT)
TAK-003	Dengue vaccine
maribavir TAK-620	r/r CMV transplant
ALOFISEL	CPF; JP
ALUNBRIG	1L & 2L ALK+ NSCLC; CN
	H2H Alectinib NSCLC; EU
	Post-2Gen NSCLC; US
GATTEX	SBS; JP
NINLARO	NDMM nSCT; JP
ADCETRIS	CTCL; CN
VONVENDI	VWD Prophy; US
cabozantinib	1L RCC; JP
vonoprazan	Erosive Esophagitis mt; CN
vonoprazan OD	ARD; JP

FY22	
pevonedistat TAK-924	HR-MDS/CMML
maribavir TAK-620	1L CMV transplant
ALUNBRIG	H2H Alectinib NSCLC; US
	Post-2Gen NSCLC; EU
ENTYVIO SC	CD SC; JP, US
	UC SC; US
GATTEX	SBS Peds; JP
ADYNOVATE	HemA; CN
TAKHZYRO	HAE; JP
	HAE Peds; EU, US
ICLUSIG	1L Ph+ ALL; EU,JP,US
OBIZUR	AHA; JP, CN
	CHAWI; EU
TAK-880 LOW IGA	PID Low IgA; US
VONVENDI	VWD; CN
	VWD Prophy; EU, JP
relugolix	Prostate; JP
vonoprazan	Duodenal ulcer ; CN

FY23	
mobocertinib TAK-788	1L NSCLC exon 20
soticlestat TAK-935	DS & LGS
TAK-007	Hematologic malignancies
TAK-755	cTTP
TAK-611	MLD (IT)
NATPARA	HPT; JP
ALOFISEL	CPF; US
ENTYVIO	GvHD; EU
HYQVIA	CIDP; EU, US
NINLARO	NDMM nSCT; CN, EU, US
	NDMM SCT; EU, US
ADCETRIS	CTCL; JP
niraparib	CRPC; JP
OBIZUR	CHAWI; US
TAK-880 LOW IGA	PID Low IgA; EU
VONVENDI	VWD Peds; EU, JP, US
cabozantinib	mCRPC; JP
	NSCLC; JP
relugolix	Prostate; CN
vonoparazan	H.pylori; CN

FY24	
TAK-994	Narcolepsy T1
pevonedistat TAK-924	AML
TAKHZYRO	BMA; US
VPRIV	Gaucher; EU
VONVENDI	VWD Peds Pro; EU,JP,US

- Potential approval of New Molecular Entities
- Potential extensions to global brands
- Potential extensions to regional brands

1. US approval for sc UC dependent on timeline to resolve CRL
2. CD submission and subsequent approval timing depends on UC approval

✓ Achieved approvals in FY20. Future target dates are estimates based on current data and are subject to change, as of October 29, 2020

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/

ADDRESSABLE POPULATION OF PIPELINE ASSETS WITH CLINICAL VALIDATION

POTENTIAL FIRST-IN-CLASS OR BEST-IN-CLASS NMEs

	PRODUCT	MECHANISM	INDICATION	ADDRESSABLE POPULATION (IN US)[1]	ADDRESSABLE POPULATION (WW)[1,2]
ONCOLOGY	●● **mobocertinib (TAK-788)**	EGFR / HER2 tyrosine kinase inhibitor	Exon 20 NSCLC 1L / 2L HER2 mutant NSCLC 2L+ / HER2 mutant solid tumors	~4k ~2.6k / *under evaluation*	~20-30k ~8k / ~8k[3]
	●● **pevonedistat (TAK-924)**	NAE inhibitor	Higher risk-MDS / AML	~7k / ~12k	15-20k / 20-25k
	TAK-007	CD19 CAR-NK	Hematologic malignancies	~9k	~15-25k
RARE GENETIC & HEMATOLOGY	● **TAK-609**	ERT / I2S replacement	Hunter CNS (intrathecal)	~250	~1-1.5k
	●● **maribavir (TAK-620)**	UL97 kinase inh	CMV infection in transplant patients (R/R & 1L)	~7-15k	~25-45k
	TAK-611	ERT / arylsulfatase A	MLD (intrathecal)	~350	~1-2k
	● **TAK-755**	ERT/ ADAMTS-13	cTTP / iTTP	~500 / ~2k	2 - 6k / 5-18k
	TAK-607	IGF-1/IGFBP3	Complications of prematurity	~25k	~80-90k
NEUROSCIENCE	**Orexin programs**	Orexin 2R agonist	Narcolepsy type 1 Narcolepsy type 2	~70k[4] ~30k	~300k-1.2M ~250k-900k
	soticlestat (TAK-935)	CH24H inhibitor	Developmental and Epileptic Encephalopathies	~50k	~70-90k
GASTRO-ENTEROLOGY	● **TAK-721**	Oral anti-inflammatory	Eosinophilic Esophagitis	~150k	*Under evaluation*
	TAK-101 / TAK-062	Toler. immune Tx / Glutenase	Severe and/or refractory celiac disease despite adherence to Gluten Free Diet (GFD)	350k	700k[5]
VACCINES	● **TAK-003**	Vaccine	Dengue	~32M	~1.8B

1. Estimated number of patients projected to be eligible for treatment in markets where the product is anticipated to be commercialized, subject to regulatory approval
2. For TAK-788, TAK-924, TAK-007, TAK-607 and TAK-620 the addressable population represent annual incidence
3. Incidence in G7 countries
4. Refined forecast for addressable patient population; prevalence ~140k
5. For EUCAN only. Worldwide addressable patient population is under evaluation

● Currently in pivotal study or potential for registration enabling Ph-2 study

DIVERSE AND EXPERIENCED TAKEDA EXECUTIVE TEAM

JAPAN

CHRISTOPHE WEBER
President & CEO

COSTA SAROUKOS
Chief Financial Officer

MASATO IWASAKI
President, Japan Pharma Business Unit

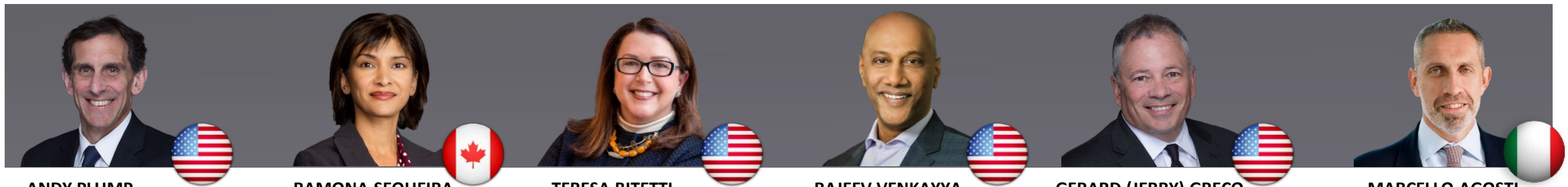
TAKAKO OHYABU
Chief Global Corporate Affairs Officer

YOSHIHIRO NAKAGAWA
Global General Counsel

PADMA THIRUVENGADAM
Chief Human Resources Officer

MILANO FURUTA
Corporate Strategy Officer & Chief of Staff

US



ANDY PLUMP
President, Research & Development

RAMONA SEQUEIRA
President, USBU & Global Portfolio Commercialization

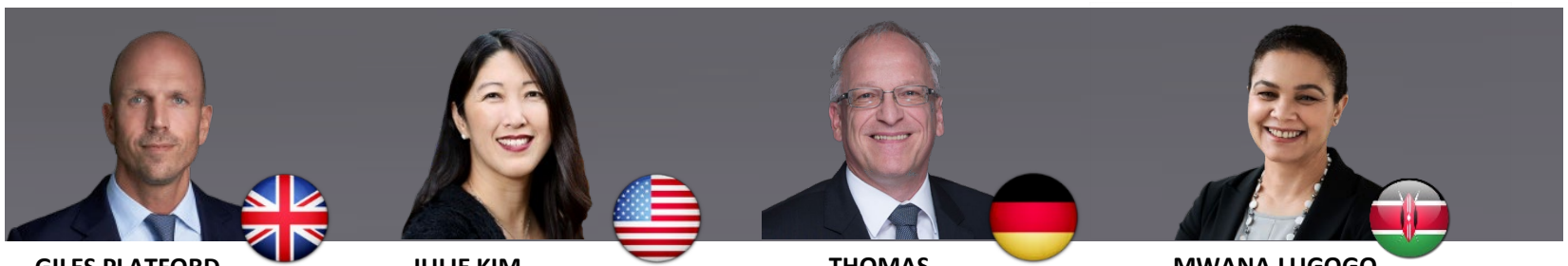
TERESA BITETTI
President, Global Oncology Business Unit

RAJEEV VENKAYYA
President, Global Vaccine Business Unit

GERARD (JERRY) GRECO
Global Quality Officer

MARCELLO AGOSTI
Global Business Development Officer

SWITZERLAND



GILES PLATFORD
President, Europe & Canada Business Unit

JULIE KIM
President, Plasma-Derived Therapies Business Unit

THOMAS WOZNIEWSKI
Global Manufacturing & Supply Officer

MWANA LUGOGO
Chief Ethics & Compliance Officer

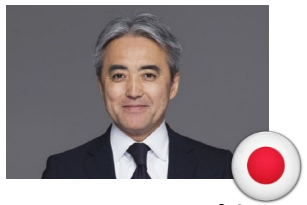
SINGAPORE

RICARDO MAREK
President, Growth & Emerging Markets Business Unit

DIVERSE & EXPERIENCED BOARD WITH ~70% INDEPENDENT DIRECTORS & THREE COMMITTEES

INTERNAL DIRECTORS

Christophe Weber
Representative Director,
President & CEO

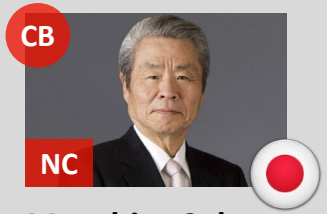


Masato Iwasaki
Director, President,
Japan Pharma Business Unit

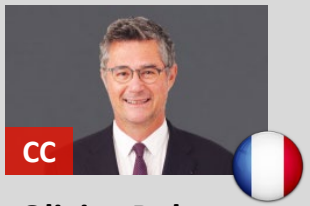
Andrew Plump
Director, President,
Research & Development

Costa Saroukos
Director,
Chief Financial Officer

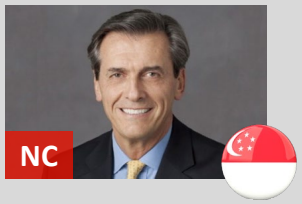
INDEPENDENT DIRECTORS[1]



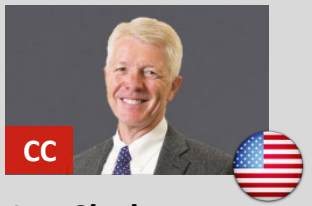
Masahiro Sakane
Independent Director
Chair of the Board meeting
Chair of Nomination Committee



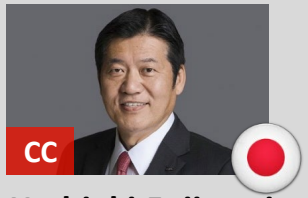
Olivier Bohuon
Independent Director



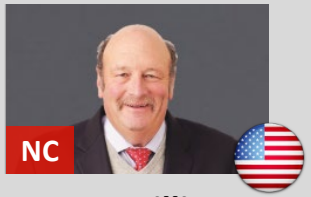
Jean-Luc Butel
Independent Director



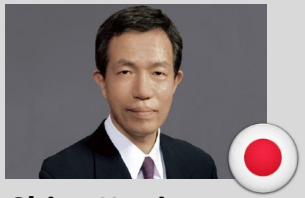
Ian Clark
Independent Director



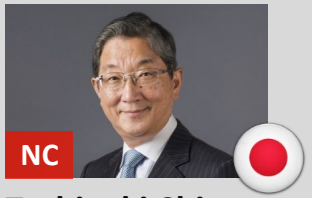
Yoshiaki Fujimori
Independent Director



Steven Gillis
Independent Director

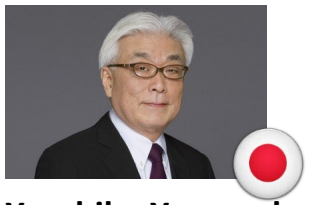


Shiro Kuniya
Independent Director



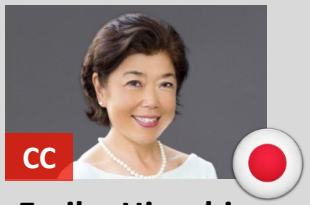
Toshiyuki Shiga
Independent Director

AUDIT & SUPERVISORY COMMITTEE (A&SC)

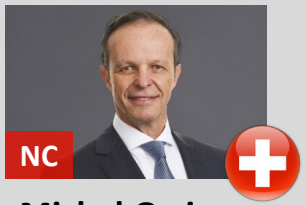


Yasuhiko Yamanaka
Director,
A&SC member

Koji Hatsukawa
Independent Director,
Chair of A&SC



Emiko Higashi
Independent Director
A&SC member
Chair of Compensation Committee



Michel Orsinger
Independent Director
A&SC Member

CB CHAIR OF THE BOARD MEETING

INDEPENDENT DIRECTOR[1]

NC NOMINATION COMMITTEE[2]

CC COMPENSATION COMMITTEE

1. As defined by Tokyo Stock Exchange listing rules
2. Christophe Weber participates in the Nomination Committee as an observer

CAPITAL ALLOCATION TO MAXIMIZE VALUE FOR PATIENTS & SHAREHOLDERS

- Takeda is delivering on its financial commitments, and with a strong cash flow outlook driven by business momentum, cost synergies, and non-core asset divestures, we will allocate capital to maximize value for patients & shareholders

DE-LEVERAGE RAPIDLY

- 2x Net Debt / Adjusted EBITDA[1] ratio within fiscal years ending March 2022 – March 2024
- Committed to maintaining investment grade credit ratings

INVEST IN GROWTH DRIVERS

- Strategic investment in R&D (in-house and partnerships)
- New product launches, including in China
- Expanding presence in Plasma-Derived Therapies

SHAREHOLDER RETURNS

- Growth momentum expected to continue in FY2020 and accelerate in the mid-term
- Maintain well-established dividend policy of 180 yen per share annually

1. Please refer to slide 49 for definition, and slides 63-64 for reconciliation

GLOSSARY OF ABBREVIATIONS

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

AD	Alzheimer's disease
ADC	antibody drug conjugate
ADHD	attention deficit hyperactivity disorder
AHA	acquired hemophilia A
ALK	anaplastic lymphoma kinase
ALCL	anaplastic large-cell lymphoma
AML	acute myeloid leukemia
ASCT	autologous stem cell transplant
ARD	acid-related diseases
BLA	biologics license application
BBB	blood brain barrier
BMA	bradykinin mediated angioedema
BTK	Bruton's tyrosine kinase
BOS	budesonide oral suspension
CAR-T	Chimeric antigen receptor-T
CD	Crohn's disease
CHAWI	congenital hemophilia A with inhibitors
CIAS	cognitive impairment associated with schizophrenia
CIDP	chronic inflammatory demyelinating polyradiculoneuropathy
CLL	Chronic lymphocytic leukemia
CML	chronic myeloid leukemia
CMML	chronic myelomonocytic leukemia
CMV	Cytomegalovirus
CSF	cerebrospinal fluid
CNS	central nervous system
CPF	Complex perianal fistulas
CRL	complete response letter
CRPS	complex regional pain syndrome
CTCL	cutaneous T-cell lymphoma
cTTP	congenital thrombotic thrombocytopenic purpura
DAAO	D-amino acid oxidase
DEE	developmental and epileptic encephalopathies
DLBCL	diffuse large B-cell lymphoma
DU	duodenal ulcer
Dx	diagnosis
EDS	excessive daytime sleepiness
EE H	erosive esophagitis healing
EE M	erosive esophagitis maintenance
EFI	enteral feeding intolerance
EGFR	epidermal growth factor receptor
EOE	eosinophilic esophagitis
ESCC	esophageal squamous-cell carcinoma
FL	front line
FSI	first subject in
GCC	guanylyl cyclase C
GERD	gastroesophageal reflux disease
GI	gastrointestinal
GnRH	gonadotropin-releasing hormone
GU	gastric ulcer
GvHD	graft versus host disease
HAE	hereditary angioedema
H2H	head to head
HCC	hepatocellular carcinoma
HemA	hemophilia A
HER2	human epidermal growth factor receptor 2
HL	Hodgkin's lymphoma
HR MDS	higher-risk myelodysplastic syndromes
IBD	inflammatory bowel disease
IND	investigational new drug
iNHL	Indolent non-Hodgkin's lymphoma
I/O	immuno-oncology
iTTP	immune thrombotic thrombocytopenic purpura
IV	intravenous
iPSC	induced pluripotent stem cells
L-ASA	low dose aspirin
LBD	Lewy body dementia
LB AML	low-blast acute myeloid leukemia
LSD1	Lysine specific demethylase 1
LCM	lifecycle management
mAb	monoclonal antibody
MAOB	monoamine oxidase B
MG	myesthenia gravis
MLD	metachromatic leukodystrophy
MM	multiple myeloma
NAE	NEDD8 activating enzyme
ND	newly diagnosed
NDA	new drug application
Neg	negative
NERD	non-erosive reflux disease
NHL	non-Hodgkin's lymphoma
NK	natural killer
NME	new molecular entity
NSCLC	non-small cell lung cancer
NSCT	non stem cell transplant
NS	negative symptoms
NT1	Narcolepsy Type 1
ORR	overall response rate
PARP	poly (ADP-ribose) polymerase
PBS	phosphate buffered saline
PCAB	potassium competitive acid blocker
Ph+ ALL	Philadelphia chromosome-positive acute lymphoblastic leukemia
PID	primary immunodeficiency
PK	pharmacokinetics
POC	proof of concept
POGD	post-operative gastrointestinal dysfunction
POI	post-operative ileus
PTCL	peripheral T-cell lymphoma
PTH	parathyroid hormone
R/R	relapsed/refractory
RCC	renal cell cancer
RTK	receptor tyrosine kinase
sALCL	systemic anaplastic large cell lymphoma
SBS	short bowel syndrome
SC	subcutaneous formulation
SCD	sickle cell disease
SCT	stem cell transplant
SCZ	schizophrenia
SID	secondary immunodeficiency
SLE	systemic lupus erythematosus
sq	squamous
STING	stimulator of interferon genes
SUMO	small ubiquitin-related modifier
TESD	treatment emergent sexual dysfunction
TKI	tyrosine kinase inhibitor
TRD	treatment resistant depression
UC	ulcerative colitis
vWD	von Willebrand disease