


BETTER HEALTH FOR PEOPLE, BRIGHTER FUTURE FOR THE WORLD

FY2020 Q3 Earnings Announcement

February 4, 2021

Better Health, Brighter Future

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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 Q3 YTD results demonstrate continued resilience of Takeda's portfolio
- R&D progress with submission of TAK-721, the first of 7 potential NME filings in next 12 months
- Confirming full-year management guidance with further growth acceleration expected in Q4

DELIVERING LONG-TERM VALUE TO PATIENTS, SOCIETY & SHAREHOLDERS

- Patient-centric, values-based company committed to purpose-led sustainability
- Balanced geographic footprint with scale to be competitive in key markets
- 14 global brands and 12 Wave 1 pipeline assets expected to drive revenue growth
- R&D engine focused on delivering next generation of potentially transformative therapies
- Financial resilience with ~$13B liquidity[1], outlook for top-tier margins & robust cash flow

NME: New Molecular Entity
1. Defined as cash and cash equivalents as of December 31, 2020 (JPY 617.6B), plus undrawn committed line of credit (JPY 700B). USD provided for reference calculated at JPY/USD of 103.19 yen

FY20 Q3 RESULTS DEMONSTRATE CONTINUED RESILIENCE OF PORTFOLIO

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

- Underlying Revenue growth +1.1%[1] with strong momentum of ENTYVIO, TAKHZYRO, and IG portfolio
- Reported Revenue JPY 2,427.5B (~USD 23.5B)[2] declined -3.6% due to FX and divestitures
- Some decline in plasma donations due to COVID-19 but no revenue impact expected in FY2020

R&D Engine continues to advance Wave 1 pipeline and expand China approvals

- Takeda #1 company in number of NDA approvals in China in 2020, with 4 approvals (ENTYVIO, ADCETRIS, REPLAGAL, TAKHZYRO)
- EOHILIA (TAK-721) granted priority review by the FDA for the treatment of Eosinophilic Esophagitis
- TAK-003 NDA submission expected Q4 FY20 with 3 years of follow up data to be presented at a medical conference in 2021
- Mobocertinib pivotal Ph2 data presented at the World Conference on Lung Cancer; NDA submission expected Q4 FY20
- Maribavir Ph3 data showed superiority in the treatment of R/R CMV infection post-transplant, data to be presented at TCT and EBMT
- Takeda licensed TAK-919 (Moderna) and TAK-019 (Novavax) COVID-19 vaccines for Japan, approvals expected FY21

Acceleration of growth in Q3 confirms confidence in full-year management guidance

- Reported Operating Profit JPY 358.7B (~USD 3.5B)[2] grew +120.7% reflecting lower PPA and integration costs
- Core Operating Profit JPY 780.6B (~USD 7.6B)[2,3], Underlying Core OP margin 32.1%[3] driven by cost synergies and OPEX efficiencies
- Robust Free Cash Flow of JPY 717.5B[4] (~USD 7.0B)[2]; Announced divestitures worth up to ~$11.6B, exceeding target

- Achieved carbon neutrality in 2020, a significant milestone in Takeda's commitment to become carbon zero in operations by 2040
- Named Global Top Employer for fourth consecutive year by Top Employers Institute
- Ranked 6th (out of 20 companies) in the 2021 Access to Medicines Index, securing #1 in 'Governance of Access' and ranking highly in all 3 technical areas evaluated
- Hikari Warning Letter: Takeda has taken extensive actions to address FDA's concerns and we are engaged with FDA to request that they review our progress

1. Please refer to slide 40 for definition and slide 47 for reconciliation
2. USD included for reference, calculated at JPY/USD of 103.19
3. Please refer to slide 40 for definition and slide 49 for reconciliation.
4. Please refer to slide 41 for definition and slide 55 for reconciliation.

NDA: New Drug Application; PPA: Purchase Price Allocation
TCT: Transplantation & Cellular Therapy Meetings; EBMT: European Society for Blood and Marrow Transplantation
For glossary of disease abbreviations please refer to appendix.

PROGRESS ACROSS MULTI-PRONGED APPROACH TO FIGHT COVID-19

Approach	Candidate	Mechanism	Current status
Vaccines	TAK-019 (in-license from Novavax)	Recombinant s-protein vaccine candidate against SARS-CoV-2 adjuvanted with Matrix-M	• Partnership with Novavax for the manufacturing technology transfer, development, and commercialization of their COVID-19 vaccine candidate in Japan • Clinical Phase 1/2 study in Japan to begin near the end of February 2021
	TAK-919 (in-license from Moderna)	mRNA vaccine candidate against SARS-CoV-2	• Three-way agreement among 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 • Clinical Phase 1/2 study in Japan began January 21, 2021
Hyperimmune globulin	CoVIg-19 (with CoVIg-19 Plasma Alliance)	Anti-SARS-CoV-2 hyperimmune globulin	• Enrollment more than halfway complete 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 • Promoting convalescent plasma donations with "The Fight Is In Us" campaign
Evaluating repositioning of internal therapies[1]	FIRAZYR (icatibant)	Bradykinin B2 receptor antagonist	• I-SPY COVID-19 platform trial in critically ill, hospitalized patients is enrolling well. Initial safety hurdles were cleared. Accrual to n = 50 achieved, interim analysis complete, and decision to continue enrollment made December 2020. • Final analysis expected H1 FY21.
	Lanadelumab IV administration	Plasma kallikrein inhibitor	• The COMMUNITY study, a phase 2/3 adaptive design platform trial designed to test multiple medicines simultaneously (including lanadelumab IV) is under way. • Interim analysis expected H1 FY21.

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

1. Preclinical research activities for COVID-19 not listed.

R&D ENGINE

Andrew Plump
President,
Research & Development

01. Introduction

02. R&D Engine

03. Financial Strength

04. Q&A Session

TAKEDA'S R&D ENGINE WITH POTENTIAL TO DELIVER A SERIES OF LIFE-TRANSFORMING MEDICINES

12

WAVE 1 pipeline assets with potential approval by FY2024

- 12 NMEs with best-in-class / first-in-class potential in areas of high unmet need
- 10 target orphan patient populations; 6 have Breakthrough and/or Fast Track Designations
- All 12 Wave 1 pipeline assets have near-term pivotal milestones

FY2021 expected to be an inflection year for the pipeline

- *Up to 7 regulatory submissions anticipated by year-end FY21, with potential for 6 approvals*
- *Expect 7 programs in pivotal studies across 10 indications by year-end FY21, including TAK-994, a novel oral Orexin agonist and lead candidate in our pioneering Orexin franchise*

~30

WAVE 2 programs with transformative or curative potential to support sustainable growth from FY2025.
TAK-999 and TAK-981 are on the cusp of Wave 1 with potential to accelerate[1]

15+

Innovative medicines with potential to be approved in China by FY2024, with 6 approvals already received in the past 3 years

1.Potential to accelerate into Wave 1 depending on future data readouts.

MOMENTUM IN OUR DYNAMIC PIPELINE BASED ON EMERGING DATA

CLINICAL-STAGE NMEs

TARGET APPROVAL	FY20	FY21	FY22	FY23	FY24	FY25/26		FY27 AND BEYOND		
		WAVE 1[1]				**WAVE 2**[2]				
ONCOLOGY		**mobocertinib** *2L NSCLC with EGFR exon 20 insertion mutation*[3]	**pevonedistat** *HR-MDS*	**mobocertinib** *1L NSCLC with EGFR exon 20 insertion mutation*	**pevonedistat** *Unfit AML* **TAK-007** *CD19+ hematologic malignancies*	**TAK-981** *Multiple cancers* **TAK-573** *R/R MM*	**TAK-605** *Multiple cancers*	**TAK-252** *Solid tumors* **TAK-169** *R/R MM*	**TAK-102** *Multiple cancers* **TAK-676** *Solid tumors*	**TAK-940** *CD19+ hematologic malignancies*
RARE GENETIC & HEMATOLOGY		**maribavir** *R/R CMV infect. in transplant* **TAK-609** *Hunter CNS (IT)*	**maribavir** *1L CMV infect. in HSCT*	**TAK-611** *MLD (IT)* **TAK-755** *cTTP*		**TAK-755** *iTTP, SCD*	**mezagitamab** *MG, ITP*	**TAK-607** *Complications of prematurity*		
NEUROSCIENCE				**soticlestat** *DEE*	**Orexin2R-ag** *(TAK-925/994) Narcolepsy T1*	**Orexin2R-ag** *Sleep Disorders* **WVE-120101** *Huntington's Disease*	**WVE-120102** *Huntington's Disease*	**TAK-341** *Parkinson's Disease* **TAK-041** *Anhedonia in MDD*	**TAK-071** *Parkinson's Disease* **TAK-653** *TRD*	**TAK-831** *CIAS NS*
GASTRO-ENTEROLOGY	**TAK-721**[4] *EoE*					**TAK-062** *Celiac Disease* **TAK-999** *AAT Liver Disease*	**TAK-101** *Celiac Disease* **TAK-951** *Nausea & vomiting*	**sibofimloc** *Crohn's Disease (post-op and ileitis)* **TAK-954** *POGD*	**TAK-671** *Acute Pancreatitis*	**TAK-039** *Hepatic encephalopathy*
VACCINES		**TAK-003** *Dengue Vaccine*				**TAK-426** *Zika Vaccine*		**TAK-214** *Norovirus Vaccine*		
PDT	**CoVIg-19**[5] *COVID-19 H-IG (Formerly TAK-888)*									

Orphan potential in at least one indication ● Breakthrough and/or Fast Track Designations ● China Breakthrough and/or Japan SAKIGAKE Designation ▭ New addition to the pipeline

1. Projected approval dates depend on data read-outs; some Wave 1 target approval dates assume accelerated approval
2. Certain Wave 2 programs may be accelerated into Wave 1 depending on future data read outs
3. Approval date assumes filing on Phase 2 data
4. Approval expected Q4 FY20 or early Q1 FY21
5. The National Institute of Allergy and Infectious Diseases (NIAID) at the National Institutes of Health (NIH) is sponsor of the study and manages execution of the trial. Timing of potential regulatory filing and approval is dependent on the study enrollment rate and successful completion of the clinical trial, and is subject to change.

Takeda's Fiscal Year ends March 31 of the following year; e.g."FY20" refers to the twelve month period ending March 31, 2021.
All timelines are approximate estimates of February 4, 2021.
For glossary of disease abbreviations please refer to appendix.

CONTINUE TO DRIVE AGAINST OUR KEY DELIVERABLES IN FY2020

		MOA	TAU /BU	EXPECTED EVENT[1]	FY20		COMMENTS
Wave 1	**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 analysis completed, under review
	TAK-721	Muco-adherent topical corticosteroid	Gastroenterology	US NDA submission for eosinophilic esophagitis	H1	✓	Accepted by FDA with priority review designation
	CoVIg-19	Hyperimmune globulin	Plasma Derived Therapies	Pivotal 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	➡	IND delayed to Q1, expect to treat first patient H1 FY21
	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	H2		
	TAK-003	Dengue vaccine	Vaccine	Regulatory filing for Dengue vaccine in 1st wave endemic countries and EU	H2		
Wave 2	**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	✓	
	GDX012	γδ T cell therapy	Oncology	Ph-1 start	H2	➡	IND delayed, Phase 1 start expected H1 FY21
	TAK-062	Glutenase	Gastroenterology	Phase 2 start in celiac disease	H2	➡	Start delayed to H1 FY21 due to manufacturing delay

1. All timelines are approximate estimates as of February 4, 2021 and are subject to change. Green tick mark indicates that milestone has been achieved
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	✓	Approval obtained from FDA in Dec 2020
	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	Pivotal study start for bradykinin mediated angioedema	H1	✓	
	VONVENDI	Submission in US for prophylaxis therapy in Von Willebrand Disease	H2		
	NATPARA	Update on discussions with FDA on 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	Pivotal study start in Complex Cryptoglandular Fistulas	H2	✖	Pause to conduct further research to inform future clinical development plan
	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 February 4, 2021 and are subject to change. Green tick mark indicates that milestone has been achieved
Table only shows select R&D milestones and is not comprehensive.
For full glossary of disease abbreviations please refer to appendix.

ALL WAVE 1 MEDICINES HAVE NEAR-TERM PIVOTAL MILESTONES

DEVELOPMENT STAGE	PROGRAM	INDICATION	NEXT MILESTONE	EXPECTED TIMING
Regulatory Milestones	TAK-721	Eosinophilic esophagitis	Approval	Q4FY20[1]
	TAK-003	Prevention of dengue fever	Submission	Q4FY20
	TAK-609	Hunter syndrome CNS	Submission	Q4FY20
	mobocertinib	NSCLC exon 20 insertion mutation (2L)	Submission	Q4FY20
Pivotal Data Readout	maribavir	Cytomegalovirus infection in transplant	Phase 3 readout	Q3FY20 ✓
	CoVIg-19	Treatment of COVID-19	Phase 3 readout	Q4FY20
	pevonedistat	Higher-risk myelodysplastic syndromes	Phase 3 readout	Q4FY20[2]
	TAK-755	Congenital thrombotic thrombocytopenic purpura	Phase 3 readout	H1FY22
	TAK-611	Metachromatic leukodystrophy	Phase 2[3] readout	H2FY22
Pivotal Study Starts	soticlestat	Developmental and epileptic encephalopathies	Phase 3 start	Q1FY21
	TAK-007	CD19+ hematologic malignancies	Phase 2[3] start	H1FY21
	TAK-994	Narcolepsy	Pivotal study starts	H2FY21

Green tick mark indicates that milestone has been achieved

1. Approval expected Q4 FY20 or early Q1 FY21
2. The primary endpoint EFS (Event Free Survival) is event driven. Changes in event rate can lead to a change in the timing of the Phase 3 readout.
3. Potential pivotal study

MOBOCERTINIB: KEY TAKEAWAYS FROM WCLC[1]

- Mobocertinib is a **first-in-class oral TKI specifically designed to selectively target EGFR Exon20 insertions** in patients with mNSCLC, who currently have **no approved targeted options available**.
- In previously treated patients with EGFR Exon20 insertions, current treatment options provide **limited clinical benefit**.
- Mobocertinib has shown **clinically meaningful and durable responses** in these patients.
  - ORR of 35% per investigator and 28% per IRC
  - Median PFS of 7.3 months
  - DoR of 17.5 months per IRC
- Mobocertinib has a **manageable safety profile** consistent with existing EGFR TKI targeted therapies.
- Takeda looks forward to **submitting these data to the U.S. FDA** and other regulatory agencies around the globe.

1. WCLC: World Conference on Lung Cancer meeting held January 28-31, 2021.
Refer to page 65 in the appendix for more details on Mobocertinib at WCLC

MARIBAVIR SUPERIOR IN THE TREATMENT OF RESISTANT OR REFRACTORY CMV[1] INFECTION FOLLOWING STEM CELL AND ORGAN TRANSPLANT

- Maribavir is a **first-in-class oral UL97 kinase inhibitor. Other existing CMV[1] therapies target UL54.**
- **No approved options for Resistant or Refractory CMV.**
- Maribavir has shown **superior efficacy** vs. Investigator-assigned Antiviral Therapy (IAT[2]) in these patients at week 8.
  - Confirmed CMV clearance 55.7% vs. 23.9%; P<0.001
  - Results consistent independent of transplant type (SOT[3] or HCT[4])
- Maribavir has an **improved safety profile.**
  - Related TEAE[5,6] Neutropenia: Maribavir 1.7% vs. IAT 13.8%
  - Related TEAE Acute Kidney Injury: Maribavir 1.7% vs. IAT 7.8%
- Phase 3 data will be presented at TCT February 12 and EBMT March 14-17. **Phase 3 1L CMV trial (Study 302) >80% enrolled.**

1. CMV: Cytomegalovirus
2. IAT: Investigator-assigned antiviral therapy (valganciclovir/ganciclovir, foscarmet, cidofovir, or foscarmet + valganciclovir/ganciclovir) for 8 weeks with 12 weeks of follow up
3. SOT: Solid organ transplant
4. HCT: Hematopoietic cell transplant
5. TEASs: Treatment Emergent Adverse Events
6. Related TEAEs: Subset of adverse events that are deemed by the investigator to be related to study treatment.

FINANCIAL STRENGTH

Costa Saroukos

Chief Financial Officer

01. Introduction

02. R&D Engine

03. Financial Strength

04. Q&A Session

ACCELERATION OF GROWTH IN Q3 CONFIRMS CONFIDENCE IN FULL-YEAR MANAGEMENT GUIDANCE

RESILIENT FY20 Q3 YTD RESULTS

- Underlying Revenue growth +1.1%[1] driven by 14 Global Brands; Reported revenue -3.6%
- Underlying Core Operating Profit margin 32.1%[2] driven by synergies and OPEX efficiencies
- Reported Operating Profit growth +120.7% reflecting lower PPA and integration costs
- Operating Cash Flow +25.9%, with abundant Free Cash Flow of JPY 717.5B[3] (~USD 7.0B)[4]

CONFIRMING FULL-YEAR MANAGEMENT GUIDANCE

- Confirming management guidance for FY2020; further acceleration of growth expected in Q4
- Reported EPS forecast upgrade on more favorable tax rate assumption
- Free Cash Flow forecast increased to JPY 750-850B reflecting additional sale of securities

DELIVERING ON FINANCIAL COMMITMENTS

- Exceeded $10B non-core asset divestiture target with announced deals worth up to ~$11.6B
- On track to reach mid-30s% margins and Net debt/adj EBITDA[5] target of 2x within FY21-FY23

1. Please refer to slide 40 for definition and slide 47 for reconciliation
2. Please refer to slide 40 for definition and slide 49 for reconciliation
3. Please refer to slide 41 for definition and slide 55 for reconciliation
4. USD included for reference, calculated at JPY/USD of 103.19
5. Please refer to slide 42 for its definition and slides 56-57 for reconciliation

PPA：Purchase Price Allocation

Q3 REPORTED OPERATING PROFIT GROWTH +121% REFLECTING LOWER PPA & INTEGRATION COSTS; STRONG MARGINS & CASHFLOW DEMONSTRATE TAKEDA'S FINANCIAL RESILIENCE

FY2020 Q3 YTD FINANCIAL RESULTS (SUMMARY)

(BN YEN)	REPORTED		CORE*1		UNDERLYING*2
	FY2020 Q3 YTD	VS. PRIOR YEAR	FY2020 Q3 YTD	VS. PRIOR YEAR	
REVENUE	2,427.5	-3.6%	2,427.5	-3.6%	*+1.1%*
OPERATING PROFIT	358.7	+120.7%	780.6	-1.5%	*+8.5%*
Margin	*14.8%*	*+8.3pp*	*32.2%*	*+0.7pp*	*32.1%*
NET PROFIT	178.9	+320.8%	519.8	-7.2%	
EPS (JPY)	115 yen	+87 yen	333 yen	-27 yen	*+4.5%*

OPERATING CASH FLOW	610.0	+25.9%
FREE CASH FLOW*3	717.5	-3.8%

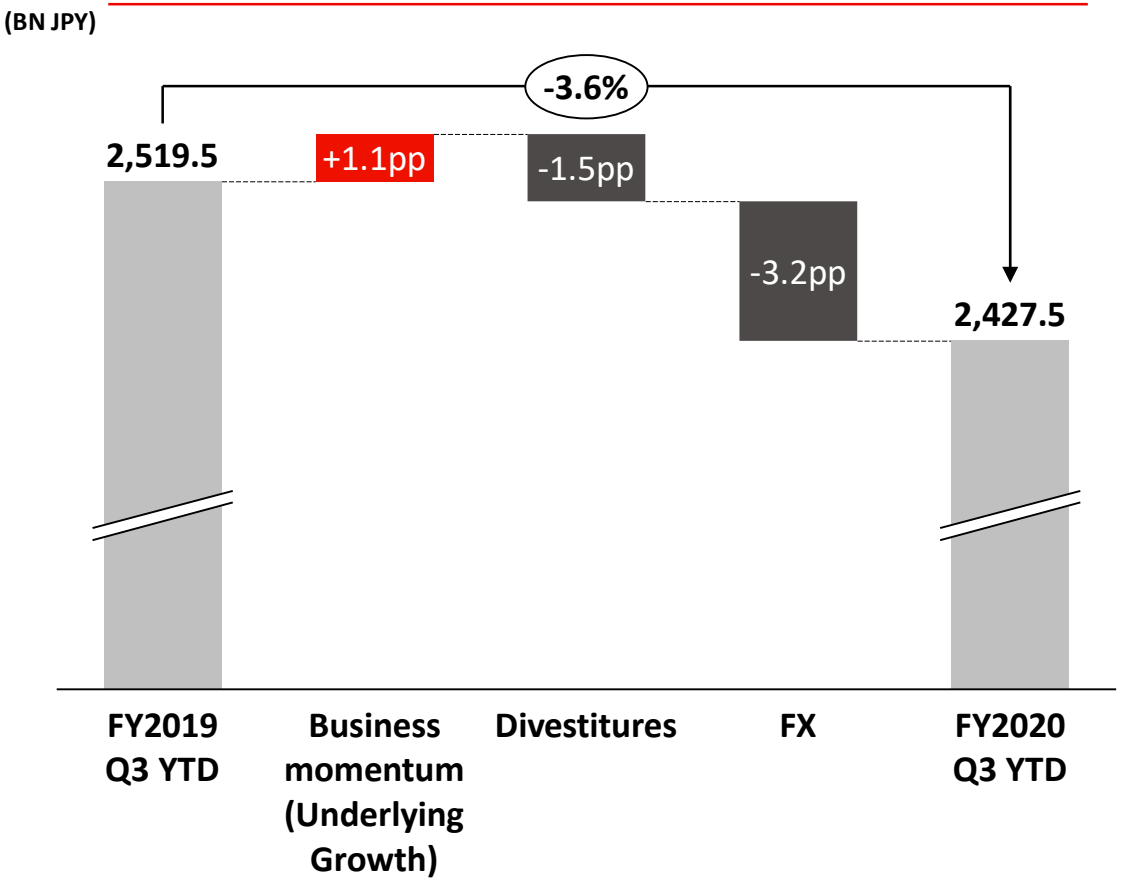
Growth rate impacted by ~JPY 375.5B cash received in July 2019 for XIIDRA

1. Please refer to slide 40 for definition and slide 49 for reconciliation
2. Please refer to slide 40 for definition and slide 49 for reconciliation
3. Please refer to slide 41 for definition and slide 55 for reconciliation

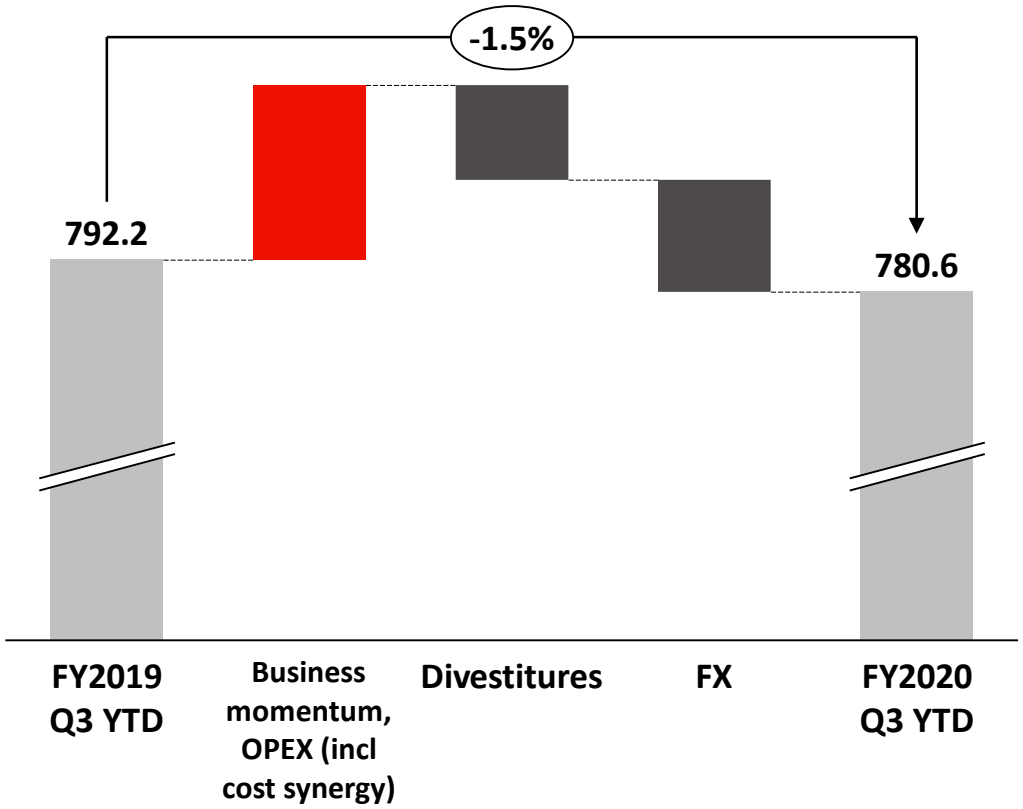
PPA: Purchase Price Allocation

REPORTED REVENUE AND CORE OPERATING PROFIT IMPACTED BY FX HEADWINDS

Reported Revenue vs FY2019 Q3 YTD



Core Operating Profit vs FY2019 Q3 YTD[1]



Graph is illustrative

1. Please refer to slide 40 for definition and slides 49 and 51 for reconciliation

UNDERLYING REVENUE GROWTH +1.1%[1] DRIVEN BY 5 KEY BUSINESS AREAS +4%, REPRESENTING ~82% OF FY2020 Q3 YTD REVENUE

GI
% of Sales: 24%
Growth: +14%

- Entyvio vedolizumab
- Takecab
- ALOFISEL
- Gattex (Teduglutide [rDNA origin]) for Injection
- DEXILANT dexlansoprazole
- Lialda (mesalamine) 1.2g delayed release tablets
- amitiza lubiprostone
- motegrity (prucalopride) tablets 1mg, 2mg

RARE DISEASES
% of Sales: 18%
Growth: -3%

RARE METABOLIC
% of Sales: 5%
Growth: -1%
(+7% excluding NATPARA[1])

- elaprase (idursulfase)
- REPLAGAL
- VPRIV
- Natpara[2]

RARE HEMATOLOGY
% of Sales: 9%
Growth: -11%

- ADVATE [Antihemophilic Factor (Recombinant)]
- ADYNOVATE Rurioctocog alfa pegol (Recombinant Coagulation Factor VIII)
- vonvendi [von Willebrand factor (Recombinant)]
- Obizur [Antihemophilic Factor (Recombinant), Porcine Sequence]
- RIXUBIS [COAGULATION FACTOR IX (RECOMBINANT)]
- AGRYLIN (anagrelide hydrochloride) Capsules of 0.5 mg and 1 mg

HEREDITARY ANGIOEDEMA
% of Sales: 4%
Growth: +16%

- TAKHZYRO (lanadelumab-flyo) injection
- firazyr icatibant
- KALBITOR ecallantide

PDT RARE HEMATOLOGY
- FEIBA
- IMMUNATE
- IMMUNINE
- HEMOFIL M
- IMMUSEVEN

PDT HEREDITARY ANGIOEDEMA
- CINRYZE C1 inhibitor (human)

PLASMA-DERIVED THERAPIES (PDT)

PDT IMMUNOLOGY
% of Sales: 13%
Growth: +9%

- GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10%
- HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase
- Cuvitru [Immune Globulin Subcutaneous (Human)] 20%
- Flexbumin (Human Albumin)
- HUMANALBUMIN SOLUTION FOR INFUSION
- Glassia
- Aralast NP (alpha-proteinase inhibitor (human))
- kenketu glovenin-I
- KENKETU NONTHRON
- KENKETU ALBUMIN

ONCOLOGY
% of Sales: 13%
Growth: +3%

- NINLARO (ixazomib) capsules
- ALUNBRIG BRIGATINIB
- VELCADE (bortezomib)
- ADCETRIS brentuximab vedotin
- ICLUSIG
- CABOMETYX (cabozantinib) tablets

NEUROSCIENCE
% of Sales: 13%
Growth: -2%

- Vyvanse
- Trintellix vortioxetine
- Mydayis
- AZILECT
- intuniv

OTHER
% of Sales: 18%
Growth: -13%

- AZILVA®
- Nesina alogliptin
- Colcrys (colchicine, USP) tablets
- Neosaldina
- Magnyl
- Xefo
- Ebrantil
- etc.

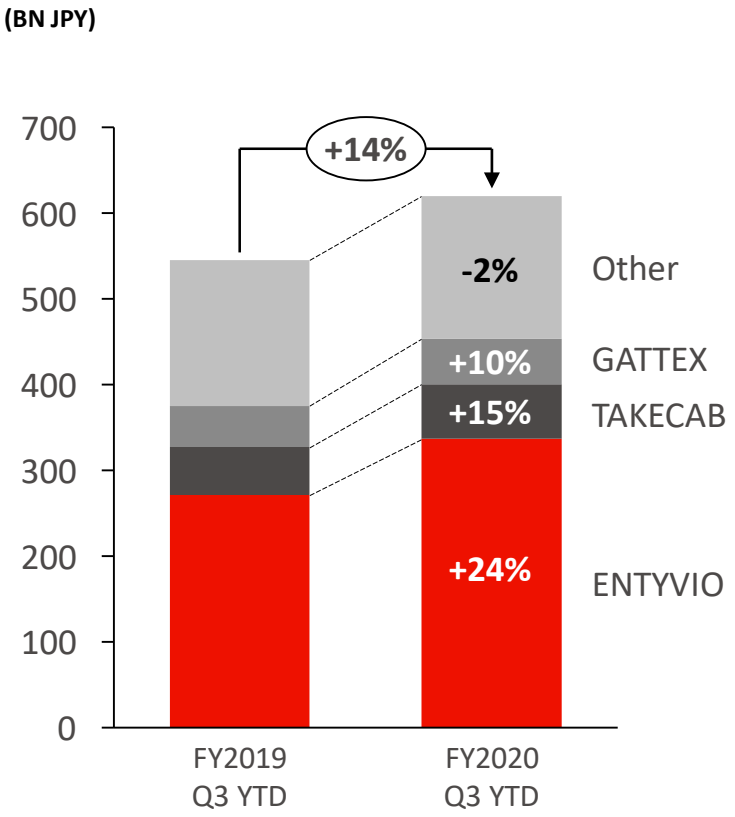
Global Brands

Note: % of sales are reported basis; Year-on-year growth rates are underlying revenue. 1. Please refer to slide 40 for definition and slide 47 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 the end of FY2020. 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 Q3 YTD, UNDERLYING REVENUE GROWTH

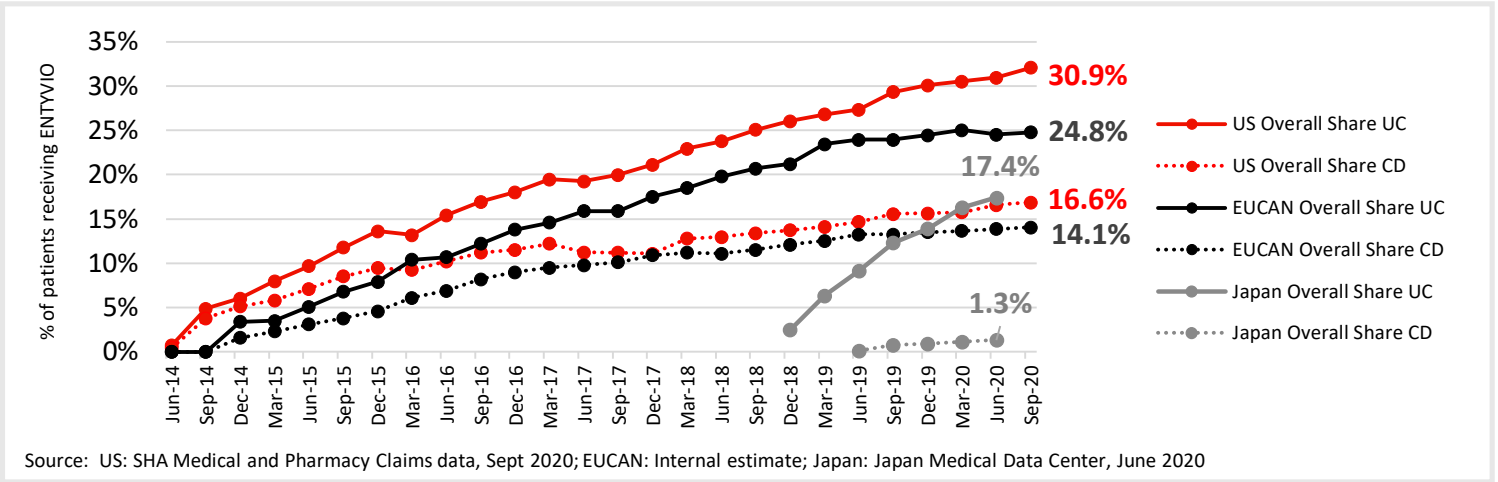


Entyvio vedolizumab

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

The only gut-selective IBD therapy, ENTYVIO 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

- **Intravenous formulation:** Launch of Entyvio IV in China in November 2020 with Patient access program and accelerated national reimbursement through inclusion in the National Reimbursement Drug List (NRDL).
- **Subcutaneous formulation:**
  - EU: Approval in UC and CD received in May 2020, commercially available in UK, Germany, The Netherlands, Denmark, Austria, Sweden, Norway, Luxemburg, Finland
  - Canada: Approval received in UC in April 2020 and in CD in December 2020, and commercially available
  - 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, Sept 2020; EUCAN: Internal estimate; Japan: Japan Medical Data Center, June 2020

Note: Year-on-year changes are underlying growth.
CRL: Complete Response Letter. For glossary of disease abbreviations please refer to appendix.

RARE DISEASES

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

TAKHZYRO IS EXPANDING THE HEREDITARY ANGIOEDEMA PROPHYLAXIS MARKET

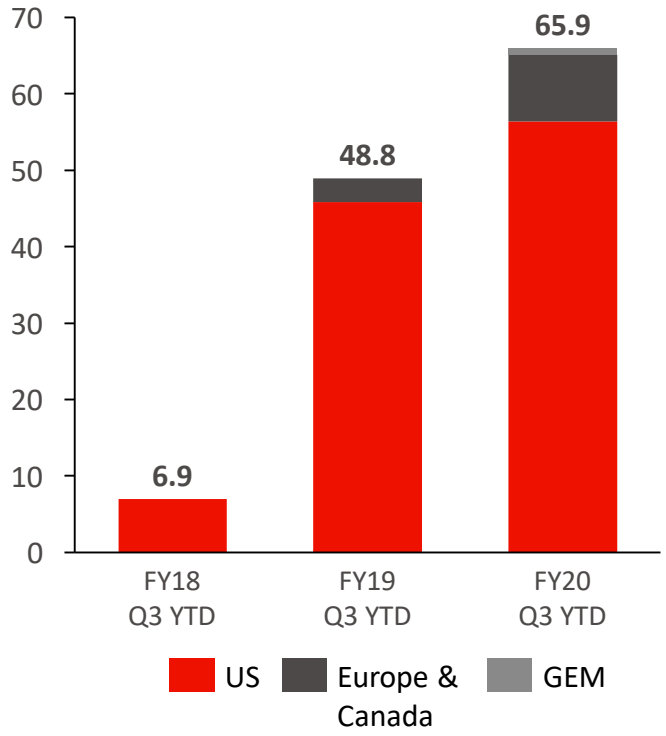
U.S.:

- 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 59% of all treated patients in 2020[1]
- TAKHZYRO is increasing new HAE patients to Takeda; over 50% of patient growth Q3 YTD is derived from patients not previously on a Takeda therapy[1]

Other regions:

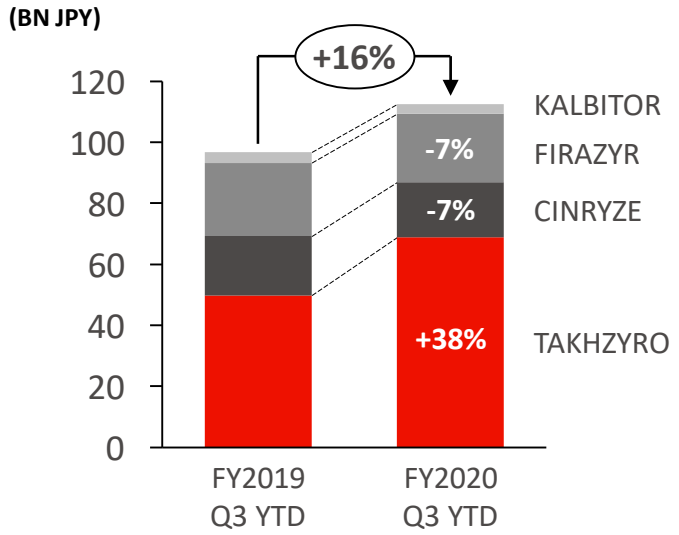
- TAKHZYRO available in 24 countries, with strong launches in key European countries, as well as LATAM & Asia
- Growth driven by patients on both former prophylaxis and acute therapies, TAKHZYRO continues to increase prophylaxis share
- Pre-filled syringe, designed to enhance treatment administration experience for HAE launched available in 9 countries to date

TAKHZYRO Global Revenue Since Launch[2]



HEREDITARY ANGIOEDEMA

FY2020 Q3 YTD, UNDERLYING REVENUE GROWTH



- TAKHZYRO performance fueled by successful launches with strong patient uptake
- Success of comprehensive HAE portfolio of products, including CINRYZE/FIRAZYR, which continue to attract significant patient numbers

1. Based on assessment of internal data
2. FY2018 Q3YTD 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.

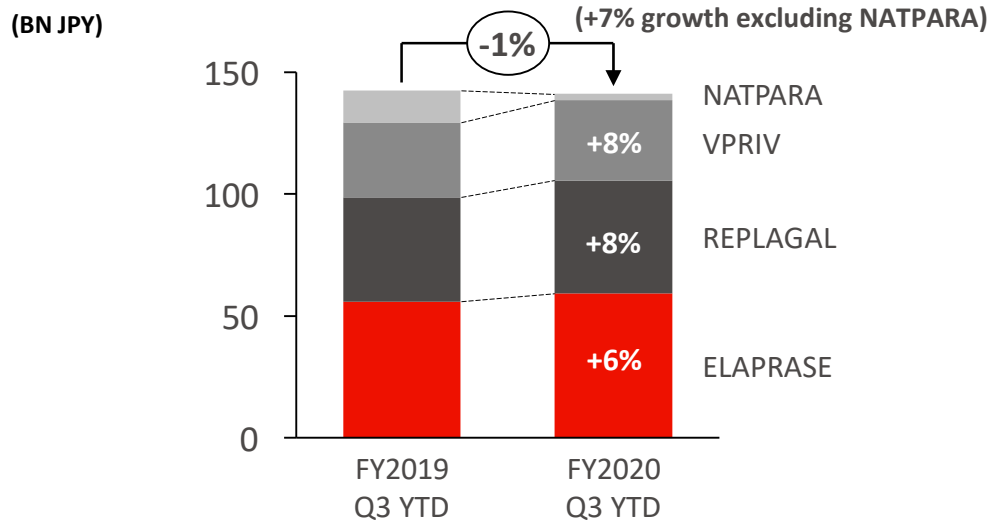
Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth.

RARE DISEASES

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

RARE METABOLIC

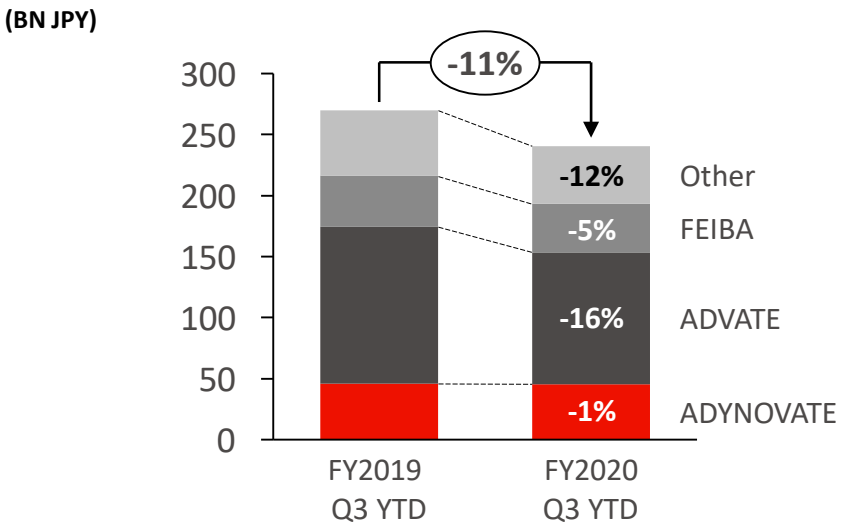
FY2020 Q3 YTD, UNDERLYING REVENUE GROWTH



- Rare Metabolic portfolio excluding NATPARA continues to grow 7% 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 free of 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 the end of FY2020. As a result, Takeda expects zero U.S. revenue for NATPARA to be recognized in FY2020

RARE HEMATOLOGY

FY2020 Q3 YTD, UNDERLYING REVENUE GROWTH



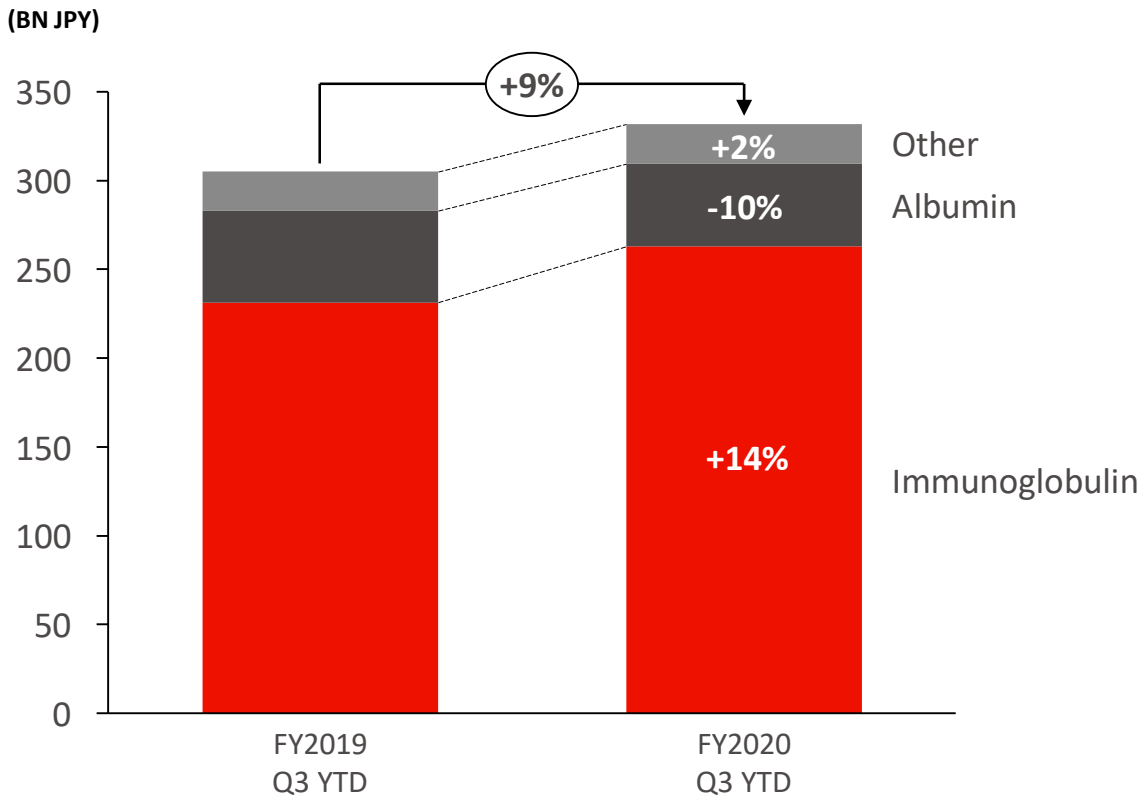
- ADYNOVATE now available in 37 countries; PROPEL study data reinforces the importance of personalized prophylaxis
- ADVATE decline partially driven by ADYNOVATE and competitive uptake with increasing price pressure in standard half-life segment
- Impact of competition on ADVATE/ADYNOVATE differing by country

Note: Year-on-year changes are underlying growth.

PDT GROWTH DRIVEN BY GAMMAGARD LIQUID, CUVITRU & HYQVIA

PDT IMMUNOLOGY PORTFOLIO

FY2020 Q3 YTD, 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 underlying 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 declined -10% versus Q3 YTD 2019, partially due to phasing and supply dynamics in China in 2019 and in some part due to a temporary interruption in submitting batches of Albumin Glass for release in China in Q3, for which we expect a resolution soon. Full-year Albumin growth is now expected to be 0%~10% decline.

CONTINUING TO INVEST IN PLASMA COLLECTION

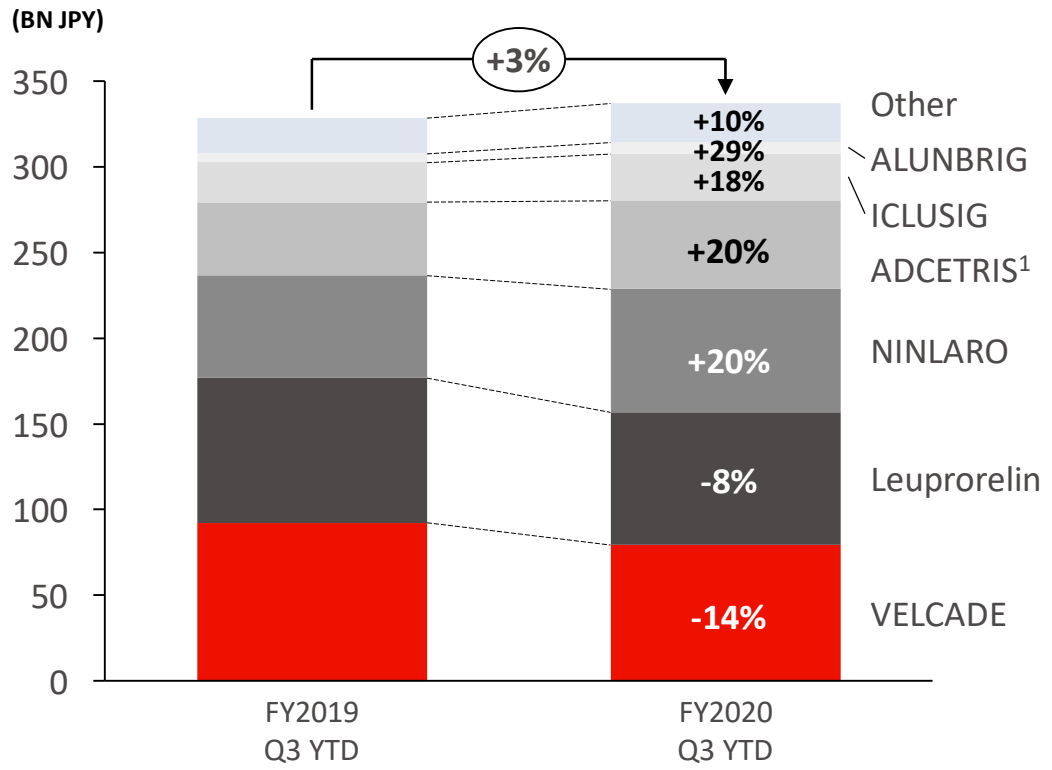
- As of December 31st, footprint of 139 centers in the US and 33 ex-US, an increase of 16 centers in FY20 YTD
- Execution against strategy to invest in new centers plus operational excellence to increase plasma supply and manufacturing capacity by >65% by 2024[1] is on track
  - COVID dynamics may shift timing of plasma supply growth but overall target remains unchanged

1. Versus 2018 baseline
Note: Year-on-year changes are underlying growth.

STRONG ONCOLOGY PORTFOLIO CONTINUES TO EXPAND INDICATIONS

ONCOLOGY PORTFOLIO

FY2020 Q3 YTD, 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

UPDATED U.S. LABEL WITH EXPANDED INDICATION

- U.S. sNDA approved in December 2020 for adult patients with CP-CML with resistance or intolerance to at least two prior TKIs. The updated label includes a new dosing regimen for CP-CML that optimizes benefit-risk profile, providing efficacy and improving safety

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

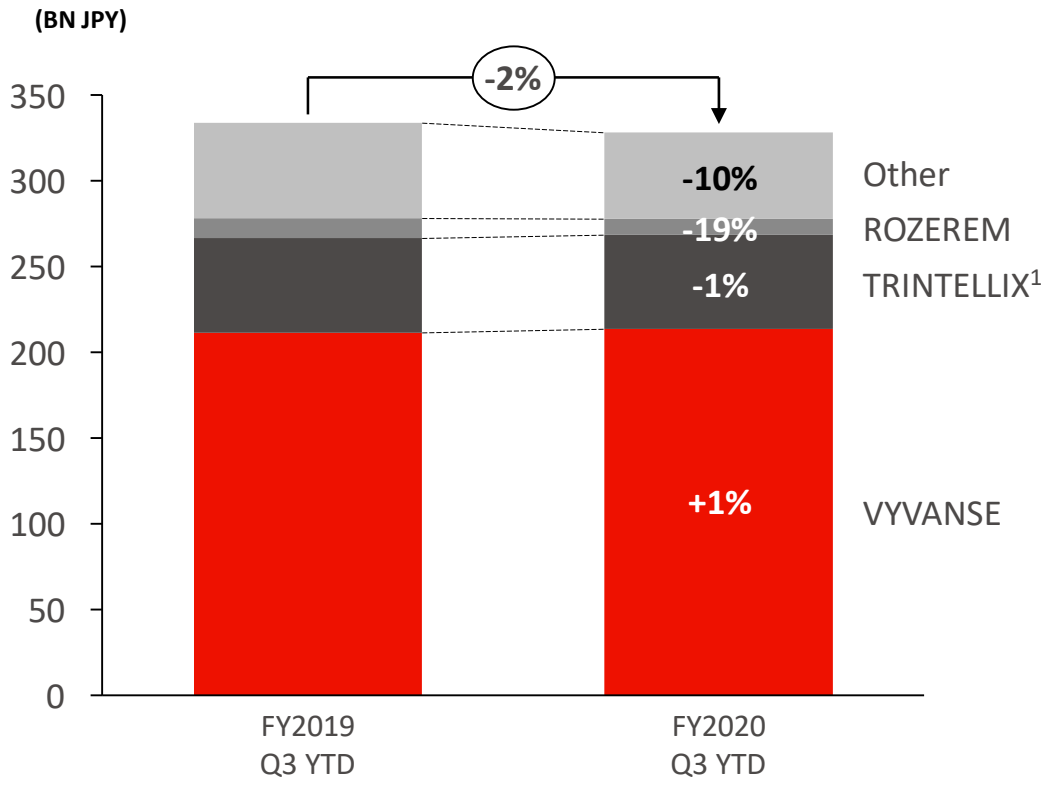
Note: Year-on-year changes are underlying growth. For glossary of disease abbreviations please refer to appendix.

NEUROSCIENCE

NEUROSCIENCE PORTFOLIO EXPERIENCING SOME IMPACT FROM COVID-19; NEW PATIENT STARTS RECOVERING BUT NOT YET BACK TO PRE-COVID LEVELS

NEUROSCIENCE PORTFOLIO

FY2020 Q3 YTD, 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 and continuing patient prescriptions have begun to rebound for Adults and as a result of 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. Through Q3, overall patient visits have recovered, though not yet to pre-COVID levels, which has led to a decrease in new patient starts for Major Depressive Disorder

1. TRINTELLIX is in-licensed from Lundbeck; Takeda has co-marketing rights in the U.S. and Japan.
Note: Year-on-year changes are underlying growth.

14 GLOBAL BRANDS UNDERLYING REVENUE GROWTH OF +15.4%

FY2020 Q3 YTD REVENUE

		(BN JPY)	(MM USD)	versus PY (underlying)	GLOBAL BRAND
GI	Entyvio vedolizumab	319.3	3,094	+24.0%	✓
	Takecab	64.1	622	+15.3%	
	Gattex (Teduglutide [rDNA origin]) for Injection	50.1	486	+9.6%	✓
	ALOFISEL	0.6	5	+192.1%	✓
RARE DISEASES	TAKHZYRO (lanadelumab-flyo) injection	65.9	639	+38.1%	✓
	ADYNOVATE Rurioctocog alfa pegol (Recombinant Coagulation Factor VIII)	43.8	424	-0.5%	✓
	Natpara	2.5	24	-79.9%	✓
	elaprase (idursulfase)	51.5	499	+5.8%	✓
	REPLAGAL agalsidase alfa CHANGING THE FACE OF FABRY DISEASE	38.9	377	+8.4%	
	VPRIV	28.9	280	+7.5%	✓

FY2020 Q3 YTD REVENUE

		(BN JPY)	(MM USD)	versus PY (underlying)	GLOBAL BRAND
PDT IMMUNOLOGY	IMMUNOGLOBULIN	248.0	2,404	+13.7%	
	GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10% / Kiovig Human Normal Immunoglobulin (IVIg), 10% Solution			+17.5%	✓
	HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase			+8.1%	✓
	Cuvitru [Immune Globulin Subcutaneous (Human)] 20%			+27.2%	✓
	ALBUMIN/FLEXBUMIN[1]	43.6	423	-9.8%	✓
ONCOLOGY	NINLARO (ixazomib) capsules	67.9	658	+20.4%	✓
	ADCETRIS brentuximab vedotin	44.4	430	+20.4%	
	ALUNBRIG BRIGATINIB	6.5	63	+29.2%	✓
NEURO-SCIENCE	Vyvanse	202.4	1,962	+1.0%	
	Trintellix vortioxetine	52.7	511	-0.6%	

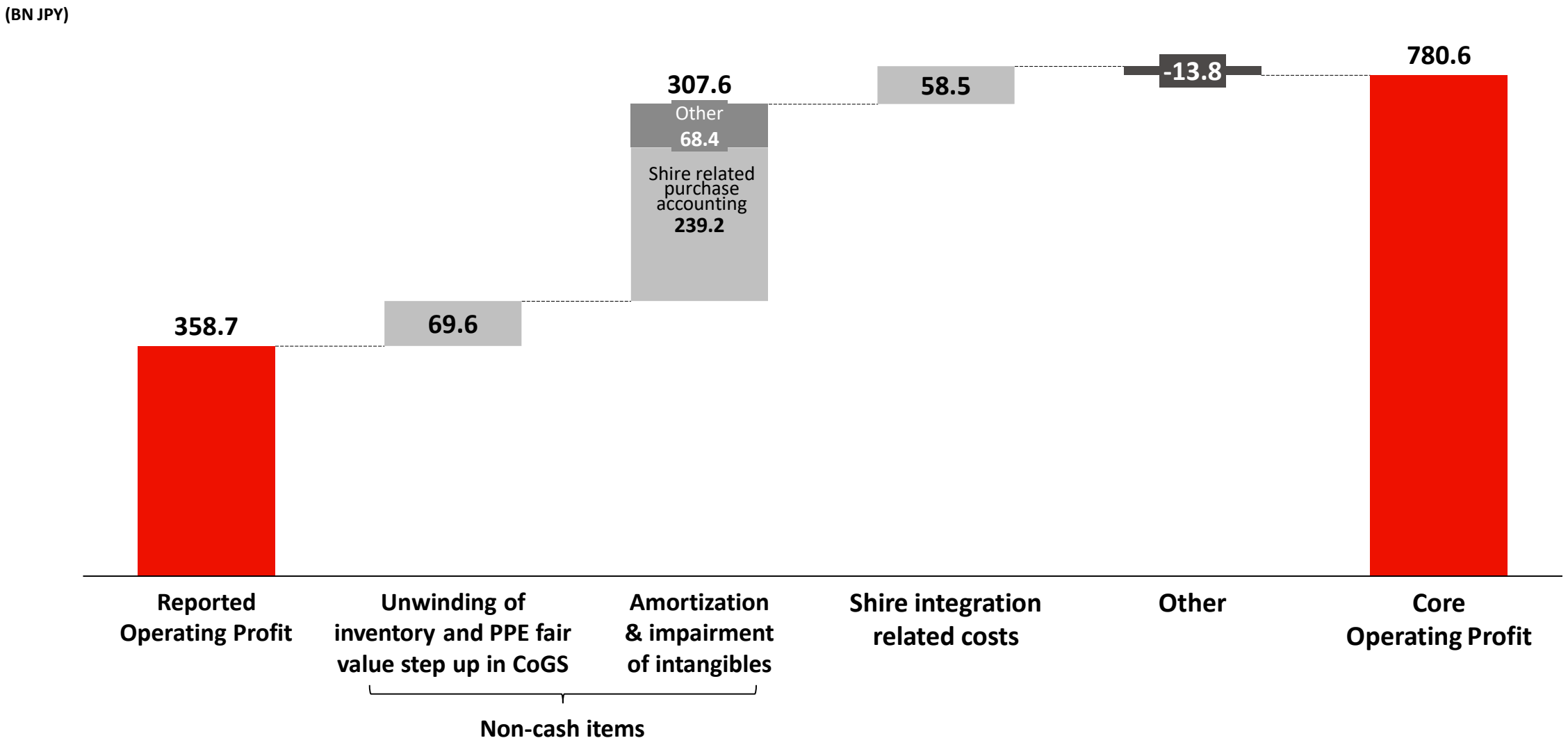
14 GLOBAL BRANDS FY2020 Q3 YTD TOTAL: JPY 910.3B (US$ 8.8B[2]) (+15.4% UNDERLYING GROWTH)

1. Total includes Albumin Glass, Flexbumin and Kenketsu Albumin.
2. USD included for reference calculated at JPY/USD of 103.19 yen.

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

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

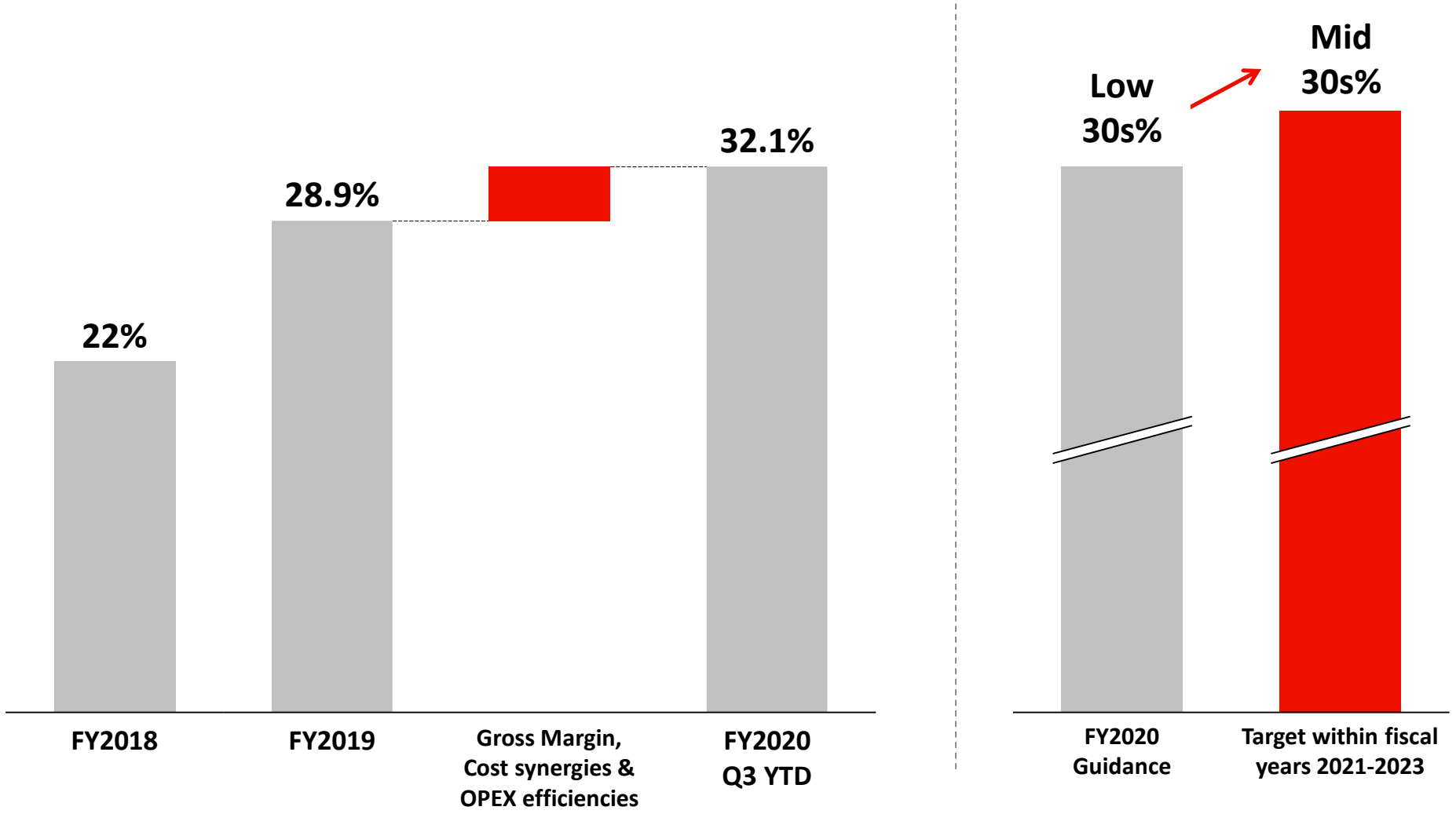
BRIDGE FROM FY2020 Q3 YTD REPORTED TO CORE OPERATING PROFIT[1]



1. Please refer to slide 40 for definition and slide 49 for reconciliation.

STRONG Q3 YTD UNDERLYING CORE EARNINGS MARGIN OF 32.1%; ON TRACK TO FULL-YEAR AND MID-TERM MARGIN TARGETS

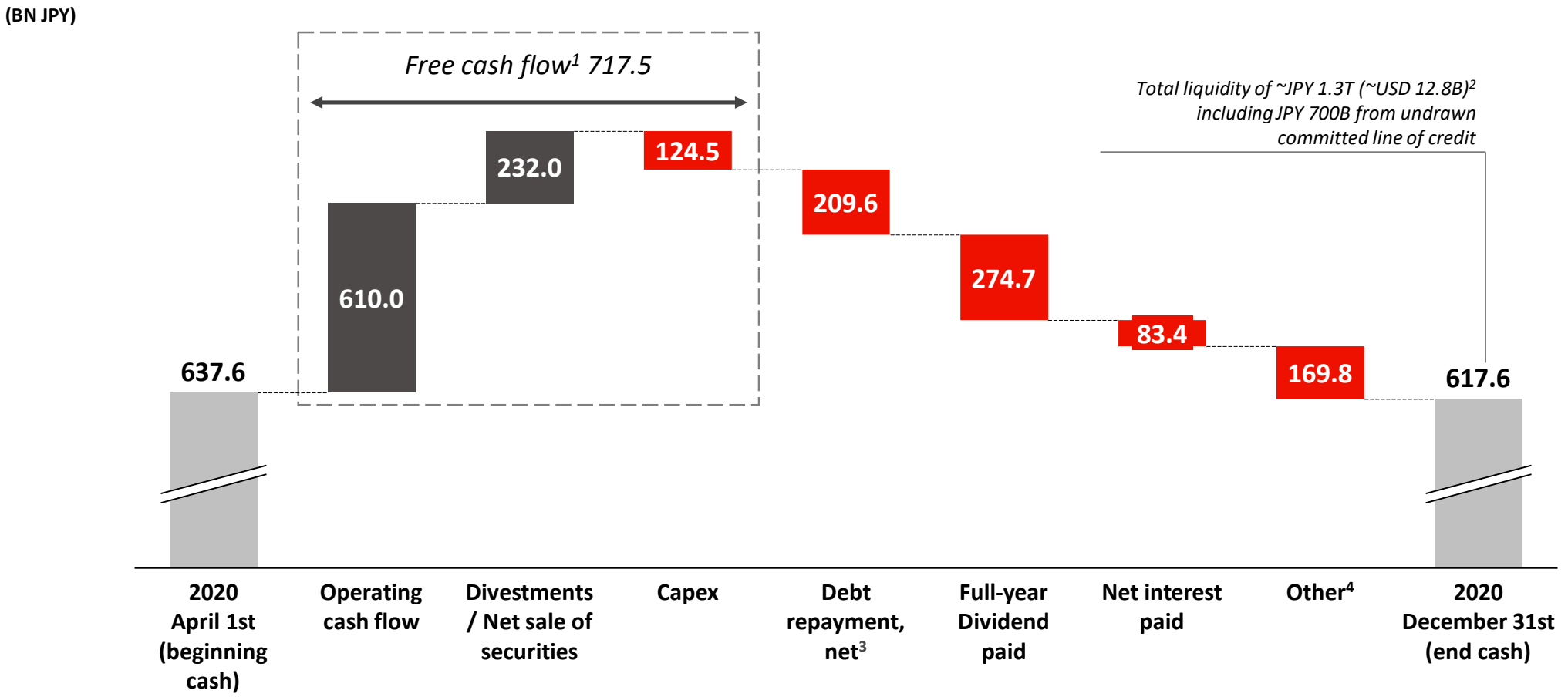
UNDERLYING CORE OPERATING PROFIT MARGIN EVOLUTION[1]



Graph is illustrative

1. Please refer to slide 40 for definition and slides 49, 53-54 for reconciliation.

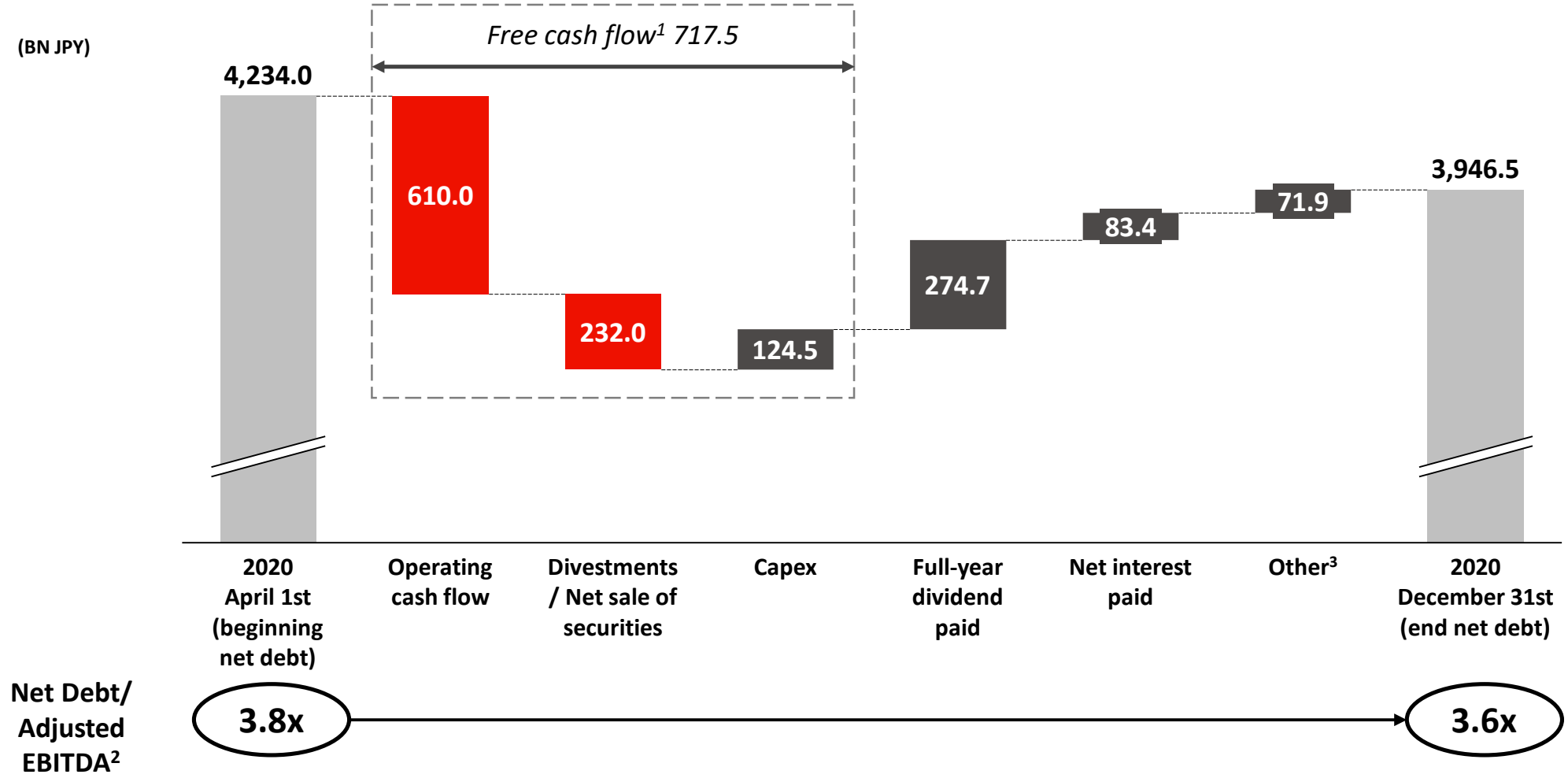
Q3 YTD OPERATING CASH FLOW COMFORTABLY COVERED FULL YEAR DIVIDEND, DEBT REPAYMENT & INTEREST



1. Please refer to slide 41 for definition and slide 55 for reconciliation.
2. Defined as cash and cash equivalents as of December 31, 2020 (JPY 617.6B) plus undrawn committed line of credit (JPY 700B). USD provided for reference calculated at JPY/USD of 103.19 yen
3. "Debt repayment, net" 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 263.5B of Mandatory Debt payment.
4. "Other" indicates items such as FX impact on cash, lease obligations, acquisition of investments and net short-term debt paid (85 bn yen).

NET DEBT/ADJUSTED EBITDA AT 3.6x EVEN AFTER FULL-YEAR DIVIDEND

CHANGE IN NET DEBT



1. Please refer to slide 41 for definition and slide 55 for reconciliation.
2. "Adjusted EBITDA" mainly adjusts for non cash items and one time expenses. Please refer to slide 42 for definition, and slides 56-57 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**	☑ JUN '19
NEMEA	**$200M**	☑ MAR '20
RUSSIA/CIS	**$660M**	☑ MAR '20
LATAM	**$825M**	☑ JAN '21
EUROPE	up to **$670M**	
APAC	up to **$278M**	☑ NOV '20
Japan OTC	**$2.3B**	
EUROPE Rx	**$562M**	☑ DEC '20
China	**$322M**	
Buccolam	up to **$95M**	☑ OCT '20
TachoSil	**$415M**	☑ JAN '21
TARGET	***$10B***	
TOTAL TO DATE	up to **$11.6B** (PRE-TAX)	

Total revenue contribution of these assets in FY2020 forecast is ~$1.4B; this revenue is not expected to be booked in FY2021

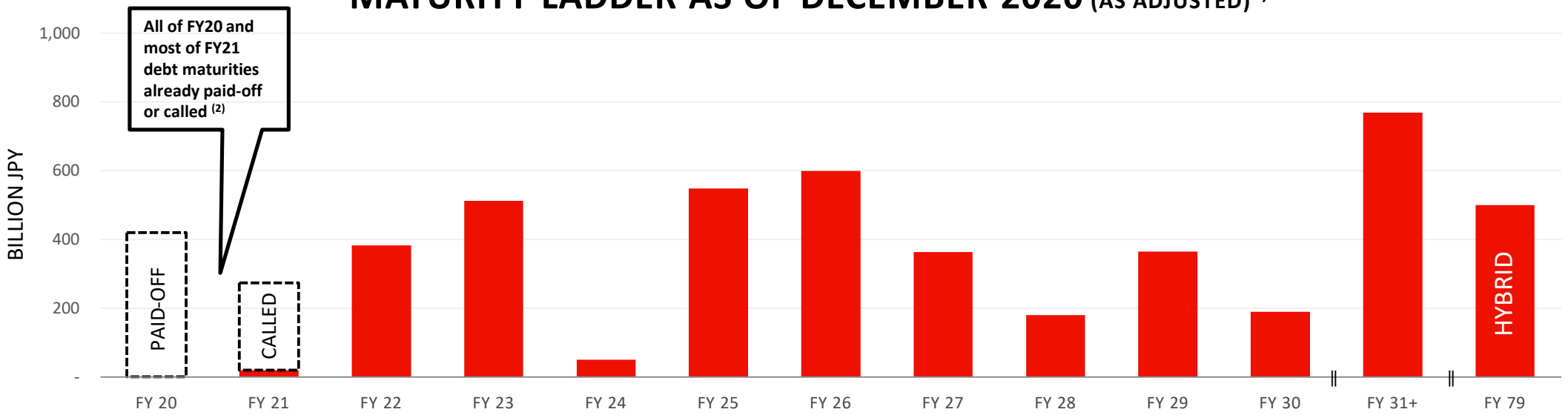
SALE OF REAL ESTATE & MARKETABLE SECURITIES[1]
(IN FY2020)

	CASH RECEIVED	
MARKETABLE SECURITIES	**~$700M**	☑
REAL ESTATE	**~$650M**	☑
INITIAL TARGET	***$700M+***	
TOTAL TO DATE	**~$1.4B**	

1. USD calculated at 103.19 JPY/USD. OTC: Over-the-counter

ABUNDANT CASHFLOW PAYS DOWN FY2020 DEBT AND ENABLES US TO CALL MOST OF FY2021 DEBT MATURITIES

MATURITY LADDER AS OF DECEMBER 2020 (AS ADJUSTED)[1,2]



Weighted Average Interest Coupon: ~2%; Weighted Average Maturity: ~14y

Paid down 1B EUR Bonds at debt maturity in FY20 Q3, and announced calls to pre-pay 2.45B USD Bonds maturing in FY2021

December 2020 (AS ADJUSTED)[2] represents a ~1.3 trillion yen (~$12.5B)[2] reduction in principal since March 31st 2019

1. Debt Maturity Profile for non-JPY debt calculated as at end of Dec 2020 FX Rates 103.19 JPY/USD and 126.51 JPY/EUR
2. December 2020 debt profile assumes completion of ongoing make-whole calls on 1.25B 2021 USD, 0.9B 2021 USD and 0.3B 2022 USD (completion scheduled for FY 2020 Q4).

CONFIRMING FULL-YEAR MANAGEMENT GUIDANCE
REPORTED EPS UPGRADE ON MORE FAVORABLE TAX RATE ASSUMPTION

(BN YEN)	FY2020 PREVIOUS FORECAST (October 2020)	FY2020 UPDATED FORECAST (February 2021)	CHANGE	UNDERLYING[2] MANAGEMENT GUIDANCE
REVENUE	3,200.0	3,200.0	-	**Low-single-digit growth**
REPORTED OPERATING PROFIT	434.0	434.0	-	
CORE OPERATING PROFIT[1]	984.0	984.0	-	**High-single-digit growth**
CORE OPERATING PROFIT[1] MARGIN	*30.8%*	*30.8%*	-	**Low-30s%**
REPORTED EPS (YEN)	79	116	+36	
CORE EPS (YEN)	420	420	-	**Low-teen growth**
FREE CASH FLOW	700-800	750-850	+50	
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 forecast includes the impact of divestitures disclosed by Takeda as of February 4, 2021, with the exception of the divestments of Takeda Consumer Healthcare Company and non-core assets in China.

Note: Please refer to slides 59-60 for details on the updated FY2020 forecast.

1. Please refer to slide 40 for its definition, and slide 60 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. Please refer to slide 40 for definition of underlying growth. Underlying measures are also the basis for calculating management KPIs.

STRONG MARGINS & CASHFLOW REINFORCE CONFIDENCE TO MEET FINANCIAL TARGETS

	FY2020 Q3 YTD ACTUAL	FY2020 OUTLOOK	FINANCIAL TARGET
UNDERLYING REVENUE GROWTH[1]	+1.1%	LOW-SINGLE-DIGIT	ACCELERATING IN MID-TERM
UNDERLYING CORE OP MARGIN[2]	32.1%	LOW-30s%	MID-30s% (WITHIN FY2021-2023)
FREE CASH FLOW[3]	JPY 717.5 B	JPY 750-850 B	
	AS OF FY2020 Q3		
DIVESTITURES	UP TO ~$11.6B ELEVEN DEALS ANNOUNCED SINCE JANUARY 2019		$10B
DE-LEVERAGING	3.6x NET DEBT / ADJ. EBITDA[4]		2x (WITHIN FY2021-2023)

1. Please refer to slide 40 for definition and slide 47 for reconciliation
2. Please refer to slide 40 for definition and slide 49 for reconciliation
3. Please refer to slide 41 for definition and slide 55 for reconciliation
4. Please refer to slide 42 for definition and slides 56-57 for reconciliation

UPCOMING INVESTOR EVENTS

GROWTH & EMERGING MARKETS STRATEGIC UPDATE CALL	**MARCH 11TH, 2021,** THURSDAY (6:30 A.M. EST / 8:30 P.M. JST)
WAVE 1 PIPELINE MARKET OPPORTUNITY CALL (PART 2)	**APRIL 6TH, 2021,** TUESDAY (TIME TO BE CONFIRMED)
FY2020 Q4 EARNINGS CONFERENCE CALL	**MAY 11TH, 2021,** TUESDAY (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

Ramona Sequeira

President, U.S. Business Unit & Global Portfolio Commercialization

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 40, 49-54 and 60 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 to the right) on a constant currency basis and further adjusted to exclude the impacts of divestitures that occurred during the reporting periods presented.

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

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

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

DEFINITION OF FREE CASH FLOW

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

We define Free Cash Flow as cash flows from operating activities, excluding acquisition of property, plant and equipment, and including proceeds from sales of property, plant and equipment, as further adjusted to exclude the acquisition of intangible assets and the acquisition of investments, and to include the proceeds from sales and redemption of investments and proceeds from sales of business, net of cash and cash equivalents divested.

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

DEFINITION OF EBITDA/ADJUSTED EBITDA AND NET DEBT

EBITDA and 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.

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 57 for a reconciliation to the respective most closely comparable measures presented in accordance with IFRS.

Net Debt

We present Net Debt because we believe that it is useful to investors in that our management uses it to monitor and evaluate our indebtedness, net of cash and cash equivalents, and, in conjunction with Adjusted EBITDA, to monitor our leverage. We also believe that similar measures of indebtedness are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

We define Net Debt first by calculating the sum of the current and non-current portions of bonds and loans as shown on our consolidated statement of financial position, which is then adjusted to reflect (i) the use of period-average, rather than period-end, exchange rates, which reflects the methodology for calculating our leverage ratios as contained in our term loans and revolving credit financing agreement, and which is the methodology which our management uses to monitor our leverage and (ii) a 50% equity credit applied to our aggregate principal amount of ¥500.0 billion hybrid (subordinated) bonds issued in June 2019 by S&P Global Rating Japan in recognition of the equity-like features of those bonds pursuant to such agency's ratings methodology. From this figure, we deduct cash and cash equivalents to calculate Net Debt.

The usefulness of Net Debt to investors has significant limitations including, but not limited to, (i) it may not be comparable to similarly titled measures used by other companies, including those in our industry, (ii) it does not reflect the amounts of interest payments to be paid on our indebtedness, (iii) it does not reflect any restrictions on our ability to prepay or redeem any of our indebtedness, (iv) it does not reflect any fees, costs or other expenses that we may incur in converting cash equivalents to cash, in converting cash from one currency into another or in moving cash within our consolidated group, (v) it applies to gross debt an adjustment for average foreign exchange rates which, although consistent with our financing agreements, does not reflect the actual rates at which we would be able to convert one currency into another and (vi) it reflects an equity credit due to the fact that the amounts of our subordinated bonds, although we believe it to be reasonable, do not affect the status of those instruments as indebtedness. Net Debt should not be considered in isolation and are not, and should not be viewed as, a substitute for bonds and loans or any other measure of indebtedness presented in accordance with IFRS.

The most directly comparable measures under IFRS for Net Debt is bonds and loans. Please refer to slide 56 for a reconciliation to this measure.

FY2020 Q3 YTD REPORTED RESULTS

(BN JPY)	FY2019 Q3 YTD	FY2020 Q3 YTD	vs. PY	
Revenue	2,519.5	2,427.5	-91.9	-3.6%
Cost of sales	-841.6	-740.9	+100.7	+12.0%
Gross Profit	1,677.9	1,686.7	+8.8	+0.5%
Margin	*66.6%*	*69.5%*		*+2.9pp*
SG&A expenses	-711.7	-641.3	+70.4	+9.9%
R&D expenses	-353.1	-342.5	+10.5	+3.0%
Amortization of intangible assets	-309.9	-304.6	+5.4	+1.7%
Impairment losses on intangible assets	-19.2	-3.0	+16.2	+84.3%
Other operating income	29.8	118.5	+88.7	+297.8%
Other operating expenses	-151.3	-155.1	-3.8	-2.5%
Operating profit	162.5	358.7	+196.2	+120.7%
Margin	*6.5%*	*14.8%*		*+8.3pp*
Finance income	32.5	58.0	+25.5	+78.5%
Finance expenses	-124.0	-173.4	-49.4	-39.9%
Equity income/loss	-15.1	-8.0	+7.1	+46.9%
Profit before tax	56.0	235.4	+179.3	+320.2%
Net profit attributable to owners of the Company	42.5	178.9	+136.4	+320.8%
Non-controlling interests	0.2	0.1	-0.1	-43.4%
Net profit for the period	42.7	179.0	+136.3	+319.0%
Basic EPS (yen)	27	115	+87	+317.5%

FY2020 Q3 (Oct-Dec) REPORTED RESULTS

(BN JPY)	FY2019 Q3 (Oct-Dec)	FY2020 Q3 (Oct-Dec)	vs. PY	
Revenue	859.3	836.8	-22.6	-2.6%
Cost of sales	-279.6	-253.1	+26.4	+9.5%
Gross Profit	579.7	583.6	+3.9	+0.7%
Margin	*67.5%*	*69.7%*		*+2.3pp*
SG&A expenses	-249.2	-222.6	+26.6	+10.7%
R&D expenses	-122.7	-117.6	+5.1	+4.2%
Amortization of intangible assets	-102.0	-98.6	+3.5	+3.4%
Impairment losses on intangible assets	-1.9	-0.9	+1.0	+52.4%
Other operating income	18.5	49.1	+30.6	+165.6%
Other operating expenses	-68.9	-49.9	+19.0	+27.6%
Operating profit	53.5	143.1	+89.6	+167.5%
Margin	*6.2%*	*17.1%*		*+10.9pp*
Finance income	34.2	28.4	-5.8	-16.9%
Finance expenses	-43.7	-62.7	-18.9	-43.3%
Equity income/loss	-19.1	0.9	+20.1	-
Profit before tax	24.8	109.8	+85.0	+342.0%
Net profit attributable to owners of the Company	-32.2	92.4	+124.6	-
Non-controlling interests	0.1	0.1	-0.0	-32.1%
Net profit for the period	-32.1	92.4	+124.5	-
Basic EPS (yen)	-21	59	+80	-

FY2020 Q3 YTD CORE RESULTS

(BN JPY)	FY2019 Q3 YTD	FY2020 Q3 YTD	vs. PY
Revenue	**2,519.5**	**2,427.5**	**-3.6%**
Gross Margin	*73.3%*	*72.5%*	*-0.8pp*
Operating expenses	-1,054.7	-979.9	+7.1%
% of Revenue	*41.9%*	*40.4%*	*-1.5pp*
Core Operating profit[1]	**792.2**	**780.6**	**-1.5%**
Margin	*31.4%*	*32.2%*	*+0.7pp*
Core tax rate	-19.8%	-24.1%	*-4.3pp*
Core Net profit	**560.2**	**519.8**	**-7.2%**
Core EPS (yen)	**360**	**333**	**-7.5%**

1. Please refer to slides 49 and 51 for reconciliation.

FY2020 Q3 (Oct-Dec) CORE RESULTS

(BN JPY)	FY2019 Q3 (Oct-Dec)	FY2020 Q3 (Oct-Dec)	vs. PY
Revenue	**859.3**	**836.8**	**-2.6%**
Gross Margin	*72.3%*	*72.9%*	*+0.6pp*
Operating expenses	-370.6	-337.1	+9.0%
% of Revenue	*43.1%*	*40.3%*	*-2.8pp*
Core Operating profit[1]	**250.5**	**273.1**	**+9.0%**
Margin	*29.2%*	*32.6%*	*+3.5pp*
Core tax rate	-19.2%	-27.2%	*-8.1pp*
Core Net profit	**179.8**	**174.3**	**-3.0%**
Core EPS (yen)	**115**	**111**	**-3.4%**

1. Please refer to slides 50 and 52 for reconciliation.

RECONCILIATION FROM REPORTED REVENUE TO UNDERLYING REVENUE
FY2020 Q3 YTD vs. PY

(BN JPY)	FY2019 Q3 YTD	FY2020 Q3 YTD	vs. PY	
Revenue	**2,519.5**	**2,427.5**	**-91.9**	**-3.6%**
Fx effects[*1]				+3.2pp
Divestitures[*2]				+1.5pp
XIIDRA				+0.4pp
Regional portofolio				+1.0pp
TACHOSIL				+0.1pp
Others				+0.2pp
Underlying Revenue Growth				**+ 1.1%**

[*1] FX adjustment applies plan rate to both periods.
[*2] Major adjustments are as follow;
- Net sales of XIIDRA, a treatment for dry eye disease, the divestiture of which was completed in July 2019, are excluded from FY2019 Q3 YTD.
- 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 Q3 YTD 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 Q3 YTD as the divestiture was completed in March 2020.
- Revenue of select over-the-counter and non-core products in Asia Pacific, is excluded from both FY2020 Q3 YTD and FY2019 Q3 YTD. The divestiture was completed in November 2020.
- Revenue of select over-the-counter and non-core products in Latin America, is excluded from both FY2020 Q3 YTD and FY2019 Q3 YTD, as the divestiture had been expected to complete within the calendar year 2020. The divestiture was completed in January 2021.
- Net sales from TACHOSIL, a surgical patch, are excluded from both FY2020 Q3 YTD and FY2019 Q3 YTD. The divestiture was completed in January 2021.
- Net sales of products related to other divestiture agreements that were publicly announced and completed or had been expected to complete within the calendar year 2020 are also excluded from both FY2020 Q3 YTD and FY2019 Q3 YTD.

RECONCILIATION FROM REPORTED REVENUE TO UNDERLYING REVENUE FY2020 Q3 (Oct-Dec) vs. PY

(BN JPY)	FY2019 Q3 (Oct-Dec)	FY2020 Q3 (Oct-Dec)	vs. PY	
Revenue	**859.3**	**836.8**	**-22.6**	**-2.6%**
Fx effects[*1]				+3.4pp
Divestitures[*2]				+1.4pp
Regional portofolio				+1.2pp
TACHOSIL				+0.0pp
Others				+0.1pp
Underlying Revenue Growth				**+ 2.1%**

[*1] FX adjustment applies plan rate to both periods.
[*2] Major adjustments are as follow;
- 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 Q3 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 Q3 as the divestiture was completed in March 2020.
- Revenue of select over-the-counter and non-core products in Asia Pacific, is excluded from both FY2020 Q3 and FY2019 Q3. The divestiture was completed in November 2020.
- Revenue of select over-the-counter and non-core products in Latin America, is excluded from both FY2020 Q3 and FY2019 Q3, as the divestiture had been expected to complete within the calendar year 2020. The divestiture was completed in January 2021.
- Net sales from TACHOSIL, a surgical patch, are excluded from both FY2020 Q3 and FY2019 Q3. The divestiture was completed in January 2021.
- Net sales of products related to other divestiture agreements that were publicly announced and completed or had been expected to complete within the calendar year 2020 are also excluded from both FY2020 Q3 and FY2019 Q3.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2020 Q3 YTD

(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	2,427.5								2,427.5	155.6	-47.6	**+1.1 %**
Cost of sales	-740.9				69.6			4.2	-667.0	-40.3	14.4	
Gross Profit	1,686.7				69.6			4.2	1,760.5	115.2	-33.2	
SG&A expenses	-641.3			0.0	-0.4			0.1	-641.5	-36.4		
R&D expenses	-342.5			-0.4	0.0			4.5	-338.4	-12.9		
Amortization of intangible assets	-304.6	65.4			239.2				—			
Impairment losses on intangible assets	-3.0	3.0							—			
Other operating income	118.5		-57.3		-60.2	-1.1			—			
Other operating expenses	-155.1		77.6	58.8				18.7	—			
Operating profit	358.7	68.4	20.3	58.5	248.3	-1.1		27.5	780.6	65.8	-33.2	**+8.5 %**
Margin	14.8%								32.2%			**32.1 %***
Financial income/expenses	-115.4			7.9	10.5			-1.2	-98.2	4.5		
Equity income/loss	-8.0					16.2		-5.2	3.0	-0.1		
Profit before tax	235.4	68.4	20.3	66.4	258.8	15.1		21.1	685.5	70.2	-33.2	
Tax expense	-56.3	-16.6	-1.5	-13.6	-50.2	-4.6		-22.8	-165.5	-16.9	8.0	
Non-controlling interests	-0.1								-0.1	0.0		
Net profit	178.9	51.8	18.8	52.8	208.7	10.5		-1.7	519.8	53.2	-25.2	
EPS (yen)	115								333	35	-16	**+4.5 %**
Number of shares (millions)	1,562								1,562			1,558

* Underlying Core Operating Profit Margin.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2020 Q3 (Oct-Dec)

(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	836.8								836.8	60.4	-15.2	**+2.1 %**
Cost of sales	-253.1				22.3			4.2	-226.6	-14.4	4.8	
Gross Profit	583.6				22.3			4.2	610.2	46.0	-10.5	
SG&A expenses	-222.6			0.0	0.3			0.1	-222.3	-13.6		
R&D expenses	-117.6			-0.2	0.1			2.8	-114.8	-4.8		
Amortization of intangible assets	-98.6	19.7			78.9				—			
Impairment losses on intangible assets	-0.9	0.9							—			
Other operating income	49.1		-48.7			-0.4			—			
Other operating expenses	-49.9		30.9	18.9				0.1	—			
Operating profit	143.1	20.6	-17.8	18.7	101.6	-0.4		7.2	273.1	27.6	-10.5	**+22.6 %**
Margin	17.1%								32.6%			**32.9 %***
Financial income/expenses	-34.3				1.7			-1.8	-34.3	1.8		
Equity income/loss	0.9					5.2		-5.2	0.9	-0.1		
Profit before tax	109.8	20.6	-17.8	18.7	103.3	4.8		0.2	239.7	29.4	-10.5	
Tax expense	-17.4	-5.1	4.4	-5.0	-23.1	-1.5		-17.7	-65.3	62.8	2.5	
Non-controlling interests	-0.1								-0.1	0.0		
Net profit	92.4	15.5	-13.4	13.7	80.3	3.4		-17.4	174.3	92.1	-8.0	
EPS (yen)	59								111	60	-5	**+62.8 %**
Number of shares (millions)	1,563								1,563			1,558

* Underlying Core Operating Profit Margin.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2019 Q3 YTD

(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	Teva JV related accounting adjustments	Swiss Tax Reform	Others		FX	Divestitures	
Revenue	2,519.5								2,519.5	75.2	-86.5	
Cost of sales	-841.6				168.9				-672.7	-23.2	18.9	
Gross Profit	1,677.9				168.9				1,846.8	52.1	-67.6	
SG&A expenses	-711.7			1.6	3.3				-706.8	-21.4		
R&D expenses	-353.1			5.1	0.1				-347.9	-5.7		
Amortization of intangible assets	-309.9	66.1			243.9				—			
Impairment losses on intangible assets	-19.2	19.2							—			
Other operating income	29.8		-19.0			-10.8			—			
Other operating expenses	-151.3		62.9	88.3					—			
Operating profit	162.5	85.3	44.0	95.0	416.2	-10.8			792.2	25.0	-67.6	
Margin	6.5%								31.4%			**29.9%**
Financial income/expenses	-91.4			4.6	11.4			-24.3	-99.7	2.4		
Equity income/loss	-15.1					21.8			6.7	-0.0		
Profit before tax	56.0	85.3	44.0	99.6	427.7	10.9		-24.3	699.2	27.4	-67.6	
Tax expense	-13.3	-20.4	-2.6	-18.5	-66.2	-3.3	-66.6	52.2	-138.8	-11.7	16.2	
Non-controlling interests	-0.2								-0.2	-0.0		
Net profit	42.5	64.9	41.4	81.1	361.4	7.6	-66.6	27.9	560.2	15.7	-51.4	
EPS (yen)	27								360	10	-33	**337**
Number of shares (millions)	1,557								1,557			1,558

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2019 Q3 (Oct-Dec)

(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 integration costs	Shire purchase accounting adjustments	Teva JV related accounting adjustments	Swiss Tax Reform	Others		FX	Divestitures	
Revenue	859.3								859.3	31.0	-26.9	
Cost of sales	-279.6				41.4				-238.2	-12.1	6.4	
Gross Profit	579.7				41.4				621.2	18.9	-20.5	
SG&A expenses	-249.2			0.2	1.0				-248.0	-9.5		
R&D expenses	-122.7			-0.1	0.2				-122.6	-2.7		
Amortization of intangible assets	-102.0	21.1			81.0				—			
Impairment losses on intangible assets	-1.9	1.9							—			
Other operating income	18.5		-9.0			-9.4			—			
Other operating expenses	-68.9		39.3	29.6					—			
Operating profit	53.5	22.9	30.3	29.7	123.6	-9.4			250.5	6.7	-20.5	
Margin	6.2%								29.2%			**27.4%**
Financial income/expenses	-9.5			1.1	3.0			-23.9	-29.3	-1.8		
Equity income/loss	-19.1					20.5			1.4	-0.0		
Profit before tax	24.8	22.9	30.3	30.8	126.6	11.1		-23.9	222.6	4.9	-20.5	
Tax expense	-56.9	-9.3	-3.8	-5.4	-15.3	-3.4	-10.3	61.7	-42.7	-10.3	4.9	
Non-controlling interests	-0.1								-0.1	0.0		
Net profit	-32.2	13.6	26.5	25.4	111.3	7.7	-10.3	37.7	179.8	-5.4	-15.6	
EPS (yen)	-21								115	-3	-10	**102**
Number of shares (millions)	1,558								1,558			1,558

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 Q3 YTD	FY2020 Q3 YTD	vs. PY	
Net profit	42.7	179.0	+136.3	+319.0 %
Depreciation, amortization and impairment loss	472.9	430.4	-42.5	
Decrease (increase) in trade working capital	-15.4	-48.9	-33.6	
Income taxes paid	-203.2	-146.3	+56.9	
Other	187.3	195.8	+8.5	
Net cash from operating activities	484.3	610.0	+125.7	+25.9%
Acquisition of PP&E	-89.8	-75.0	+14.8	
Proceeds from sales of PP&E	0.3	42.8	+42.6	
Acquisition of intangible assets	-65.0	-49.5	+15.5	
Acquisition of investments	-7.3	-9.5	-2.2	
Proceeds from sales and redemption of investments	47.8	73.7	+25.9	
Proceeds from sales of business, net of cash and cash equivalents divested	375.5	125.0	-250.6	
Free Cash Flow	745.7	717.5	-28.3	-3.8 %

NET DEBT/ADJUSTED EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(BN JPY)	FY2020 Q3 YTD
Cash and cash equivalents*1	602.9
Book value debt on the balance sheet	-4,751.0
Hybrid bond 50% equity credit	250.0
FX adjustment*2	-48.4
Gross debt*3	-4,549.4
Net cash (debt)	**-3,946.5**
Net debt/Adjusted EBITDA ratio	**3.6 x**
Adjusted EBITDA	**1,103.4**

NET INCREASE (DECREASE) IN CASH

(BN JPY)	FY2019 Q3 YTD	FY2020 Q3 YTD	vs. PY	
Net cash from operating activities	484.3	610.0	+125.7	+25.9%
Acquisition of PP&E	-89.8	-75.0		
Proceeds from sales of PP&E	0.3	42.8		
Acquisition of intangible assets	-65.0	-49.5		
Acquisition of investments	-7.3	-9.5		
Proceeds from sales and redemption of investments	47.8	73.7		
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	125.0		
Net increase (decrease) in short-term loans and commercial papers	-325.2	-85.0		
Repayment of long-term loans	-60.0	-792.5		
Proceeds from issuance of bonds	496.2	1,179.5		
Repayment of bonds	-563.1	-596.6		
Interest paid	-105.2	-84.2		
Dividends paid	-274.3	-274.7		
Others	-30.6	-72.1		
Net increase (decrease) in cash	-121.1	-8.1	+113.0	+93.3%

*1 Includes short-term investments which mature or become due within one year from the reporting date and excludes the government subsidy for the development of Moderna's COVID-19 vaccine in Japan.
*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.

FY2020 Q3 YTD NET PROFIT TO ADJUSTED EBITDA BRIDGE

(BN JPY)	FY2019 Q3 YTD	FY2020 Q3 YTD	vs. PY	
Net profit	42.7	179.0	+136.3	+319.0%
Income tax expenses	13.3	56.3		
Depreciation and amortization	437.9	420.3		
Interest expense, net	104.8	99.7		
EBITDA	598.7	755.3	+156.6	+26.2%
Impairment losses	35.0	10.1		
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	103.6	26.4		
Finance expense (income), net, excluding interest income and expense, net	-13.3	15.7		
Share of loss on investments accounted for under the equity method	15.1	8.0		
Non-core expense related to COVID-19	—	8.8		
Other adjustments:				
Impact on profit related to fair value step up of inventory in Shire acquisition	161.8	68.0		
Acquisition costs related to Shire	1.4	0.0		
Other costs[*1]	25.4	25.5		
Adjusted EBITDA	927.6	917.9	-9.8	-1.1%

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

FY2020 Q3 LTM NET PROFIT TO ADJUSTED EBITDA BRIDGE

(BN JPY)	FY2019 Q4 (Jan-Mar)	FY2020 Q3 YTD	FY2020 LTM[*1]
Net profit	1.6	179.0	180.6
Income tax expenses	-118.3	56.3	-62.0
Depreciation and amortization	145.7	420.3	566.0
Interest expense, net	33.0	99.7	132.7
EBITDA	62.0	755.3	817.3
Impairment losses	66.9	10.1	77.0
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	20.5	26.4	46.8
Finance expense (income), net, excluding interest income and expense, net	12.7	15.7	28.4
Share of loss on investments accounted for under the equity method	8.9	8.0	16.9
Non-core expense related to COVID-19	—	8.8	8.8
Other adjustments:			
Impact on profit related to fair value step up of inventory in Shire acquisition	29.2	68.0	97.2
Acquisition costs related to Shire	3.9	0.0	3.9
Other costs[*2]	12.5	25.5	38.0
EBITDA from divested products[*3]			-31.1
Adjusted EBITDA	216.6	917.9	1,103.4

[*1] LTM represents Last Twelve Months (January 2020 – December 2020).
[*2] Includes adjustments for non-cash equity-based compensation expense and non-recurring wind-down costs related to pipeline de-prioritization after Shire acquisition
[*3] Represents adjustments for EBITDA from divested products which are removed as part of LTM Adjusted EBITDA.

FY2020 REVISED FORECAST (DETAIL)

	(BN JPY)	FY2020 Previous Forecast (October 29, 2020)	FY2020 Revised Forecast (February 4, 2021)	vs. Previous Forecast		Variances
Reported	Revenue	3,200.0	3,200.0	—	—	
	Cost of sales	N/D[1]	N/D[1]			
	R&D expenses	-448.0	-448.0	—	—	
	Amortization of intangible assets	-403.0	-403.0	—	—	
	Impairment of intangible assets	-50.0	-50.0	—	—	
	Other operating income	163.4	163.4	—	—	
	Other operating expenses	-180.0	-180.0	—	—	
	Operating profit	434.0	434.0	—	—	
	Finance expenses	-166.0	-166.0	—	—	
	Profit before tax	258.0	258.0	—	—	
	Net profit	124.0	180.5	+56.5	+45.6 %	Updated tax rate assumptions reflecting lower tax costs associated with on-going integration and optimization of the legal entities within our organizational structure
	EPS (yen)	79	116	+36	+45.6 %	
	Core Operating Profit[2]	984.0	984.0	—	—	
	Core EPS (yen)	420	420	—	—	
	USD/JPY	106	106	—		
	EUR/JPY	122	122	—		

1. Not Disclosed.
2. Please refer to slide 60 for reconciliation.

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

CORE OPERATING PROFIT ADJUSTMENT ITEMS

(BN JPY)	FY2020 Q3 YTD	FY2020 Revised Forecast (February 4, 2021)
Shire integration costs		
SG&A and R&D expenses - R&D program termination costs, etc.	0.3	—
Other operating expenses - restructuring costs	-58.8	-90.0
	-58.5	-90.0
Shire purchase accounting adjustments		
Cost of sales - unwind of inventories step-up	-68.0	-79.1
Cost of sales - depreciation of PPE step-up	-1.6	-2.0
SG&A and R&D expenses	0.3	0.7
Amortization of intangible assets - Shire acquisition	-239.2	-319.0
Other operating income - release of obligation to divest SHP647	60.2	60.0
	-248.3	-339.4
Other non-cash items		
Amortization of intangible assets - Legacy Takeda	-65.4	-84.0
Impairment of intangible assets	-3.0	-50.0
	-68.4	-134.0
Other operating income/expenses		
Other operating income - excl. release of obligation to divest SHP647	58.4	103.4
Other operating expenses - excl. Shire integration related	-96.3	-90.0
	-37.9	13.4

CASH FLOW GUIDANCE

(BN JPY)	FY2020 Q3 YTD	FY2020 Revised Forecast (February 4, 2021)
Free cash flow (including announced divestitures)	717.5	750.0 - 850.0 *1
CAPEX (cash flow base)	-124.5	-180.0 - -230.0
Depreciation and amortization (excluding intangible assets associated with products)	-114.8	-150.0
Cash tax rate on adjusted EBITDA (excluding divestitures)	N/A	mid-high teen %

OTHER KEY ASSUMPTIONS

(BN JPY)	FY2020 Q3 YTD	FY2020 Revised Forecast (February 4, 2021)
Finance expenses		
Interests	-101.0	-131.0
Others	-72.4	-35.0
	-173.4	-166.0

Note: Items that have been updated since the FY2020 forecast on October 29, 2020 are marked with an asterisk. Those without an asterisk are unchanged.
*1 October 2020 assumption: 700.0 – 800.0, February 2021 assumption: 750.0 – 850.0 (+JPY 50.0B, reflecting increased proceeds from sales of marketable securities).

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 Q3 YTD (Apr-Dec)	FY2020 Q3 YTD (Apr-Dec)	FY2020 Assumption (Apr-Mar)	Revenue	Core Operating Profit	Operating Profit	Net Profit
USD	109	106	106	+67.1	+26.9	+8.0	+3.3
EUR	121	122	122	+18.5	-8.4	-13.6	-10.0
RUB	1.7	1.4	1.4	+1.6	+1.0	+0.9	+0.6
CNY	15.7	15.3	15.3	+4.8	+2.8	+2.7	+1.9
BRL	27.3	19.7	19.4	+2.3	+1.2	+1.2	+0.8

MAXIMIZING THE VALUE OF OUR APPROVED AND REGIONAL THERAPIES

	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 no SCT (US, EU, CN)	● **NINLARO®** Proteasome inhibitor Maint. ND MM post-SCT (US, EU) ● **ALUNBRIG®** ALK inhibitor 2L ALK+NSCLC H2H with alectinib (GL)	● **ICLUSIG®** BCR-ABL inhibitor FL Ph+ ALL (US) ▶ **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor 2L mNSCLC combo w/atezolizumab (JP)	▶ **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor mCRPC combo w/atezolizumab (JP)	● **NINLARO®** Proteasome inhibitor Maint. ND MM no SCT (JP) ● **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor 2L HCC (JP)	✓ **ALUNBRIG®** ALK inhibitor 1L & 2L ALK+NSCLC (JP) ✓ ● **ICLUSIG®** BCR-ABL inhibitor TKI res. chronic phase CML (US)	● **ADCETRIS®** *Seattle Genetics* CD30 ADC CTCL (CN) **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor 1L RCC combo w/nivolumab (JP)
RARE GENETIC & HEMATOLOGY		**NATPARA®** PTH replacement Hypothyrodism (JP)	**TAKHZYRO®** Anti-kallikrein mAb HAE pediatric (GL) **TAKHZYRO®** Anti-kallikrein mAb HAE (JP)	X ● **OBIZUR®** *Ipsen* FVIII replacement CHAWI (US, EU) **TAKHZYRO®** Anti-kallikrein mAb BMA (GL)	● **VONVENDI®** vWF replacement vWD Adult Prophylaxis (GL) ● **VONVENDI®** vWF replacement vWD Pediatric on-demand (GL)	**ADYNOVATE®** Pediatric HemA (EU)	✓ **TAKHZYRO®** Anti-kallikrein mAb HAE prophylaxis (CN)		
NEUROSCIENCE									
GASTRO-ENTEROLOGY		**ENTYVIO®** α4β7 mAb Pediatric UC/CD (GL)	● **ENTYVIO®** α4β7 mAb GvHD Prophylaxis (EU, JP)	● **ALOFISEL®** mesenchymal stem cells Perianal Fistulas in CD (US, JP) **ENTYVIO®** α4β7 mAb SubQ CD (US, JP)	**Vonoprazan** PCAB Oral disintegrated tablet formulation (JP) **Vonoprazan** PCAB H. Pylori (CN)		**ENTYVIO®** α4β7 mAb SubQ UC (US, JP)	**Vonoprazan** PCAB Reflex Esophagitis Maintenance (CN) **Vonoprazan** PCAB Duodenal ulcer (CN)	● **GATTEX®** GLP-2R agonist Pediatric-SBS (JP) ● **GATTEX®** GLP-2R agonist Adult-SBS (JP)
VACCINES	**TAK-919** *Moderna* COVID-19 Vaccine (JP)	**TAK-019**[1] *Novavax* COVID-19 Vaccine (JP)							
PDT			**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)				

● Orphan Drug Designation (in any region / indication for a given asset)
New regional addition to the pipeline
● Pivotal Ph-2 study
X Discontinued/deprioritized
▶ Clinical stage up since Q2 FY20
✓ Approved since Q2 FY20

Pipeline as of February 4, 2021; region abbreviations: GL = global (USA, Europe, Japan, China). Pipeline not all inclusive; programs also ongoing in other Therapeutic Areas 1. Pending first subject in

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

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

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	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

pevonedistat TAK-924	HR-MDS/CMML
maribavir TAK-620	1L CMV transplant
ALUNBRIG	1L & 2L ALK+ NSCLC; CN
	H2H Alectinib NSCLC; US, EU
	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
TAK-880 LOW IGA	PID Low IgA; US
VONVENDI	VWD; CN
	VWD Prophy; JP
vonoprazan	Duodenal ulcer ; CN

mobocertinib TAK-788	1L NSCLC exon 20
soticlestat TAK-935	DS & LGS
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
TAK-880 LOW IGA	PID Low IgA; EU
VONVENDI	VWD Peds; EU, JP, US
cabozantinib	mCRPC; JP
	NSCLC; JP
relugolix	Prostate; JP
vonoparazan	H.pylori; CN

TAK-994	Narcolepsy T1
pevonedistat TAK-924	AML
TAK-007	Hematologic malignancies
TAKHZYRO	BMA; US
VPRIV	Gaucher; EU
niraparib	CRPC; JP
VONVENDI	VWD Peds Pro; EU,JP,US
relugolix	Prostate; CN

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

FY20 FY21 FY22 FY23 FY24

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 February 4, 2021

MOBOCERTINIB IS A FIRST-IN-CLASS ORAL THERAPY THAT HAS SHOWN CLINICAL BENEFIT IN PLATINUM PRETREATED EGFR EXON20 PATIENTS

mobocertinib (TAK-788)

Potential New Standard Of Care For NSCLC Patients With EGFR Exon20 Insertion Mutations

MECHANISM RESULTS

- EGFR TKI[1] specifically designed for Exon20 insertion mutations
- November 2020 data for the Platinum Pretreated Patient Cohort[2] with EGFR Exon20 insertion mutations form the basis for mobocertinib submission to the FDA
- The PFS[3] and Median Duration of Response demonstrate meaningful improvement
- Clinically meaningful improvement in core lung cancer symptoms seen. Manageable safety consistent with EGFR TKIs.

DEVELOPMENT PLAN

- Submit to FDA for Platinum Pretreated Patients with EGFR Exon20 insertion mutations 4QFY20
- Phase 3 Exclaim 2 study ongoing with futility analysis pending. Chemotherapy combination evaluation ongoing for front-line. Phase 3 study commitment to be determined based on most promising patient value proposition.
- Companion diagnostic tests in development in partnership with ThermoFisher and Foundation Medicine; ThermoFisher's Concomine Dx Target Test being developed with goal of approval with the US NDA.

Parameter	Platinum Pretreated Patient Cohort *(N=114)*
Confirmed ORR per investigator, n (%) [95% CI]	40 (35%) [26%–45%]
Confirmed ORR[5] per IRC, n (%) [95% CI]	32 (28%) [20%–37%]
Median Duration of Response per IRC [95% CI]	17.5 mo [7.4 – 20.3]
Median PFS per IRC[4] [95% CI]	7.3 mo [5.5 – 9.2]
DCR[6] per IRC, n (%) [95% CI]	89 (78%) [69%–85%]

n (%)[7]	Platinum Pretreated Patient Cohort *(N=114)*
Any treatment-related AE	113 (99%)
Grade ≥3 treatment-related AE	53 (46%)
Serious treatment-emergent AEs	52 (46%)
AEs leading to dosage reduction	28 (25%)
AEs leading to treatment discontinuation	19 (17%)
Treatment-related AEs leading to death	1 (1%)

1. EGFR TKI: Epidermal growth factor receptor tyrosine kinase inhibitor
2. Patients with prior platinum-based chemotherapy. Includes 86 (of 96) patients in the EXCLAIM Cohort + 22 patients from Cohort 1 + 6 patients from the dose escalation phase of the trail.
3. PFS: Progression free survival
4. IRC: Independent review committee
5. ORR: Objective response rate = complete response (CR) + partial response (PR)
6. DCR: Disease control rate = CR + PR + stable disease (SD)
7. Safety data as of May 2020. Safety data update November 2020 consistent with May.

MARIBAVIR SUPERIOR IN THE TREATMENT OF RESISTANT OR REFRACTORY CMV[1] INFECTION FOLLOWING STEM CELL AND ORGAN TRANSPLANT

maribavir (TAK-620)

Potential 1st Approved Treatment For Patients With Post-Transplant CMV Infection In Over 10 Years

MECHANISM

- Oral UL97 kinase inhibitor[2]

PHASE 3 RESULTS

- 55.7% cleared CMV viremia at week 8 vs. 23.9% for IAT, p<0.001
- Maribavir maintained a significant difference over IAT[3] in clearance of viremia AND symptom control through week 16
- Results were consistent independent of transplant type (SOT[4] and HCT[5]) and in other important subgroups
- Maribavir had a favorable safety profile with a lower incidence of neutropenia and renal toxicities vs. ganciclovir and foscarnet
- Phase 3 data in Resistant or Refractory (R/R) CMV to be presented at TCT February 12, and EBMT March 14-17

DEVELOPMENT PLAN

- US filing for R/R (2L) CMV: H1 FY21
- EU filing for R/R (2L) CMV : H1 FY21
- Phase 3 1L CMV trial (Study 302) >80% enrolled

Superior Efficacy	Maribavir	IAT
Primary Endpoint Confirmed CMV clearance Week 8 (P<0.001)	55.7%	23.9%
Solid Organ Transplant	55.6%	26.1%
Hematopoietic Cell Transplant	55.9%	20.8%
Low CMV Viral Load Baseline	62.1%	24.7%
Intermediate / High CMV Viral Load Baseline	43.9%	21.9%

Improved Safety Profile	Maribavir	IAT
TEAEs[6] leading to drug discontinuation	13.2%	31.9%
Neutropenia (Related TEAEs[7])	1.7%	13.8%
Acute Kidney Injury (Related TEAEs)	1.7%	7.8%

1. CMV: Cytomegalovirus
2. Other existing therapies treating CMV target UL54
3. IAT: Investigator-assigned antiviral therapy (valganciclovir/ganciclovir, foscarmet, cidofovir, or foscarmet + valganciclovir/ganciclovir) for 8 weeks with 12 weeks of follow up
4. SOT: Solid organ transplant
5. HCT: Hematopoietic cell transplant
6. TEASs: Treatment Emergent Adverse Events
7. Related TEAEs: Subset of adverse events that are deemed by the investigator to be related to study treatment.

DIVERSE AND EXPERIENCED TAKEDA EXECUTIVE TEAM

JAPAN

CHRISTOPHE WEBER
President & CEO

COSTA SAROUKOS
Chief Financial Officer

MASATO IWASAKI
President, Japan Pharma Business Unit

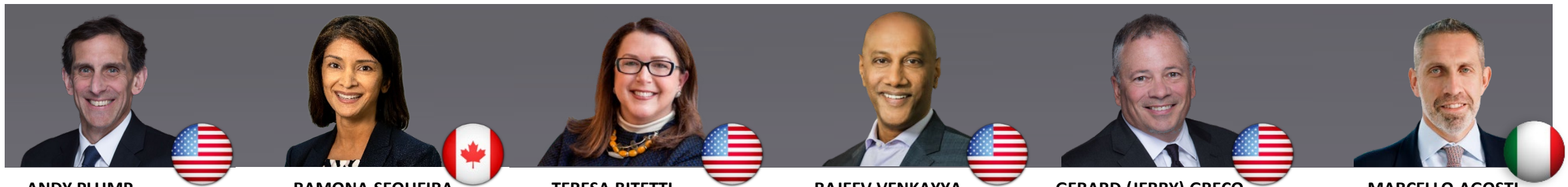
TAKAKO OHYABU
Chief Global Corporate Affairs Officer

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

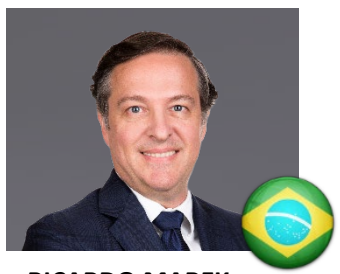
GILES PLATFORD
President, Europe & Canada Business Unit

JULIE KIM
President, Plasma-Derived Therapies Business Unit

THOMAS WOZNIEWSKI
Global Manufacturing & Supply Officer

MWANA LUGOGO
Chief Ethics & Compliance Officer

SINGAPORE

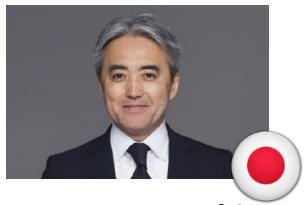


RICARDO MAREK
President, Growth & Emerging Markets Business Unit

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

INTERNAL DIRECTORS

Christophe Weber
Representative Director,
President & CEO

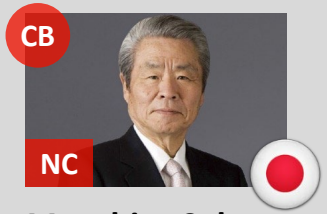


Masato Iwasaki
Director, President,
Japan Pharma Business Unit

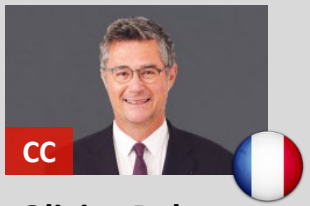
Andrew Plump
Director, President,
Research & Development

Costa Saroukos
Director,
Chief Financial Officer

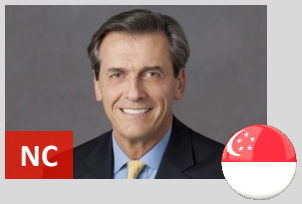
INDEPENDENT DIRECTORS[1]



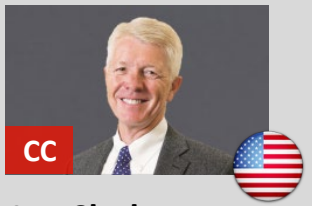
Masahiro Sakane
Independent Director
Chair of the Board meeting
Chair of Nomination Committee



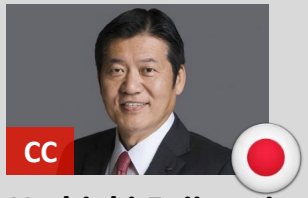
Olivier Bohuon
Independent Director



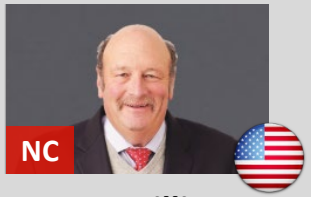
Jean-Luc Butel
Independent Director



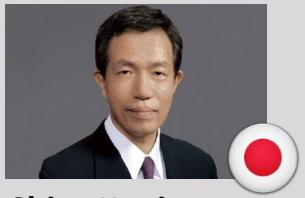
Ian Clark
Independent Director



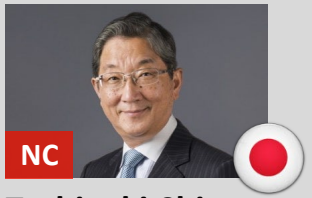
Yoshiaki Fujimori
Independent Director



Steven Gillis
Independent Director



Shiro Kuniya
Independent Director

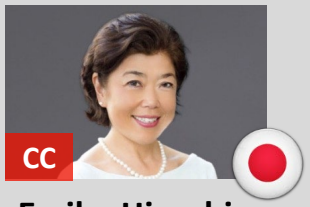


Toshiyuki Shiga
Independent Director

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 2021-2023
- 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 42 for definition, and slides 56-57 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	objective 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