GLOBAL FINANCE INVESTOR DAY

- Creating a best-in-class Finance organization by leveraging the power of data and digital

July 12, 7pm Eastern / July 13, 2021, 8am JST
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This presentation and materials distributed in connection with this presentation include certain financial measures not presented in accordance with International Financial Reporting Standards ("IFRS"), such as Underlying Revenue, Core Operating Profit, Underlying Core Operating Profit, Core Net Profit, Underlying Core EPS, Net Debt, EBITDA, Adjusted EBITDA and Free Cash Flow. Takeda's management evaluates results and makes operating and investment decisions using both IFRS and non-IFRS measures included in this presentation. These non-IFRS measures exclude certain income, cost and cash flow items which are included in, or are calculated differently from, the most closely comparable measures presented in accordance with IFRS. By including these non-IFRS measures, management intends to provide investors with additional information to further analyze Takeda's performance, core results and underlying trends. Takeda's non-IFRS measures are not prepared in accordance with IFRS and such non-IFRS measures should be considered a supplement to, and not a substitute for, measures prepared in accordance with IFRS (which we sometimes refer to as "reported" measures). Investors are encouraged to review the definitions and reconciliations of non-IFRS financial measures to their most directly comparable IFRS measures, which are on slides 58-64.

Medical information

This presentation contains information about products that may not be available in all countries, or may be available under different trademarks, for different indications, in different dosages, or in different strengths. Nothing contained herein should be considered a solicitation, promotion or advertisement for any prescription drugs including the ones under development.

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 5-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.
Better health for people, Brighter future for the world

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

PATIENTS

PEOPLE

PLANET

& BY UNLEASHING THE POWER OF DATA AND DIGITAL
Takeda’s corporate transformation into a global values-based R&D-driven biopharmaceutical company

Accelerating Growth & Patient Impact

We Are One Takeda

Strategic Evolution

FROM 2014

Globalization
R&D Transformation

TODAY

Global Values-based, R&D-driven Biopharmaceutical Company
5 Key Business Areas & 14 Global Brands
11 NMEs in Wave 1 Pipeline

NEXT 10 YEARS

Translating Science Into Life-transforming Medicines
Wave 1 And Wave 2 Pipeline Growth Opportunities

FROM 2014

FY2014

REPORTED REVENUE
JPY 1,777.8B

UNDERLYING CORE PROFIT 1 MARGIN
17.1%

FY2020

REPORTED REVENUE
JPY 3,197.8B

UNDERLYING CORE PROFIT 1 MARGIN
30.2%

LONG TERM

GLOBAL PATIENT IMPACT

ACCELERATING GROWTH

REVENUE GOAL
JPY 5T2

BY FY2030

1. Underlying Core Operating Profit. Please refer to slide 58 for definition and slides 60-64 for reconciliations
2. Includes incremental revenue not adjusted for Probability of Technical Success (PTS) and is not a "forecast" or "target" figure. PTS applies to the probability that a given clinical trial/study will be successful based on pre-defined endpoints, feasibility and other factors and regulatory bodies will grant approval. Actual future net sales achieved by our commercialized products and pipelines will be different, perhaps materially so, as there is a range of possible outcomes from clinical development, driven by a number of variables, including safety, efficacy and product labelling. If a product is approved, the effect of commercial factors including the patient population, the competitive environment, pricing and reimbursement is also uncertain.
Pivoting from integration to accelerating topline & pipeline

<table>
<thead>
<tr>
<th>FY2018-FY2020</th>
<th>FY2021 AND BEYOND</th>
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</thead>
<tbody>
<tr>
<td><strong>FINANCIALS</strong></td>
<td>Delivered management guidance each year through integration &amp; pandemic</td>
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<td></td>
<td><strong>SYNERGIES</strong></td>
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<tr>
<td></td>
<td>$2.3B Achieved one year ahead of plan and exceeding original $1.4B target</td>
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<tr>
<td></td>
<td><strong>MARGINS</strong></td>
</tr>
<tr>
<td></td>
<td>30.2% Underlying Core OP margin in FY20 vs 22% in FY18¹</td>
</tr>
<tr>
<td></td>
<td><strong>DIVESTITURES</strong></td>
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<tr>
<td></td>
<td>~$12.9B² announced non-core asset sales exceeding $10B target</td>
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<td></td>
<td><strong>DELEVERAGING</strong></td>
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<td></td>
<td>3.2x in Mar ’21 vs 4.7x in Mar ’19 driven by robust cash flow</td>
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<td></td>
<td><strong>ACCELERATION OF</strong></td>
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<td></td>
<td><strong>TOPLINE GROWTH</strong></td>
</tr>
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<td></td>
<td><strong>TOCUS</strong> on mid-single digit underlying revenue growth guidance in FY2021</td>
</tr>
<tr>
<td></td>
<td><strong>TOPLINE GROWTH MENTUM</strong> expected to continue in the mid-term, driven by 14 Global Brands and Wave 1 Pipeline launches</td>
</tr>
<tr>
<td></td>
<td><strong>FINANCIALS</strong></td>
</tr>
<tr>
<td></td>
<td>Target 2x (i.e. “low-twos”) Net Debt / Adjusted EBITDA³ ratio in FY21-23</td>
</tr>
</tbody>
</table>

¹ Please refer to slide 58 for definition and slides 63 for FY2020 reconciliation
² Announced deals. Includes transactions yet to close and the full value of milestones and other contingent payments not guaranteed to be made
³ Please refer to slide 59 for definition and slides 61-62 for FY2020 reconciliation
<table>
<thead>
<tr>
<th>EASTERN TIME</th>
<th>JST</th>
<th>AGENDA</th>
<th>PRESENTERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>19:00 – 19:10</td>
<td>08:00 – 08:10</td>
<td>Introduction</td>
<td>Costa Saroukos&lt;br&gt;Chief Financial Officer</td>
</tr>
<tr>
<td>19:10 – 19:30</td>
<td>08:10 – 08:30</td>
<td>Unleash the Power of Data and Digital</td>
<td>Karl Hick&lt;br&gt;Chief Digital and Information Officer</td>
</tr>
<tr>
<td>19:30 – 19:50</td>
<td>08:30 – 08:50</td>
<td>Takeda Business Solutions</td>
<td>Sanjay Patel&lt;br&gt;Head of Takeda Business Solutions</td>
</tr>
<tr>
<td>19:50 – 20:05</td>
<td>08:50 – 09:05</td>
<td>Global Real Estate, Facilities, and Procurement</td>
<td>Jill Zunshine&lt;br&gt;Head of Global Real Estate, Facilities, and Procurement</td>
</tr>
<tr>
<td>20:05 – 20:20</td>
<td>09:05 – 09:20</td>
<td>Treasury</td>
<td>Amit Singh&lt;br&gt;Head of Treasury</td>
</tr>
<tr>
<td>20:20 – 21:00</td>
<td>09:20 – 10:00</td>
<td>Panel Q&amp;A Session</td>
<td></td>
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</table>
Unleash The Power of Data and Digital

Karl Hick, Chief Digital and Information Officer
UNLEASH THE POWER OF DATA AND DIGITAL
Executed strategic integration, optimizing opportunities to accelerate data and digital transformation

Accelerated completion of 20 essential integration programs and synergy delivery from 3 to 2 years

HARMONIZED GLOBAL PLATFORMS AND PROCESSES

<table>
<thead>
<tr>
<th>Clinical Trials</th>
<th>Plasma Donation</th>
<th>Commercial Sales</th>
<th>Human Resources</th>
<th>Financial Mgmt</th>
<th>Enterprise Data</th>
<th>Divestitures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scalable end-to-end clinical supply chain</td>
<td>180+ plasma donor centers in 4 countries</td>
<td>CRM, tender mgmt. and pricing in 102 countries</td>
<td>One global HR experience, 150+ data connectors</td>
<td>One global ERP, ~47k colleagues in 66 countries</td>
<td>Enterprise Data Backbone, 1PB+ data, 1,500 assets</td>
<td>‘Factory’ model improved transaction speed</td>
</tr>
</tbody>
</table>

- Provides real-time supply capability for 170+ clinical R&D trials
- Donor experience transformation and efficiencies, empowering 8k+ PDT colleagues
- 60% virtual HCP visits within 30 days of pandemic; first virtual Takeda product launch
- New, advanced analytics to better engage & manage integrated ~47k global workforce
- Integrated financial processes and reporting for 8 workstreams across value chain
- Acceleration of external research partnerships that can leverage AI & ML capabilities
- Enabled 12 divestitures, generating up to 12.9B USD
Unleashing the power of data and digital to deliver strategic priorities

1. A CLEAR VISION AND IMPERATIVE
   - Better health for people, brighter future for the world
   - Our vision is to discover and deliver life-transforming treatments, guided by our commitment to:
     - **PATIENTS**
     - **PEOPLE**
     - **PLANET**
   - & BY UNLEASHING THE POWER OF DATA AND DIGITAL

2. A COHESIVE, COMPREHENSIVE STRATEGY
   - TO DELIVER ON KEY STRATEGIC PRIORITIES
     - Support inline brands and pipeline assets
     - Enable the workplace and workforce of the future
     - Enhance profitability and efficiency

3. AN ACCELERATION FRAMEWORK
   - DATA & DIGITAL VISION AND PRIORITIES
     - **DIGITAL CULTURE & ENGAGEMENT**
     - **TALENT & CAPABILITY BUILD**
     - **ENTERPRISE DATA & DIGITAL PLATFORMS**
     - **OPERATION MODEL & NEW WAYS OF WORKING**
DATA AND DIGITAL STRATEGY

IS BEING ACTIVATED ACROSS MULTIPLE DIMENSIONS
**Digital Advisory Board**

**Distributed Innovation Engine**

**Scaling via Digital Solutions Center**

**Global Data Council**

**Enterprise Data Backbone**

**Patient engagement, Real-world data platforms, etc.**

**Optimized for Artificial Intelligence and Machine Learning**

**AWS + Accenture Strategic Partnership**

**Secure, Modernized and Scalable applications in cloud**
ENABLERS
- Enterprise-level orchestration
- Democratizing technology
- Data and digital learning pathways
- Innovative mindsets and behaviors
- Insourcing differentiating skills

ECOSYSTEM
- Strategic partnerships
- Commercial collaborations
- Health-tech investments
- Academic institutions
MIT-TAKEDA PROGRAM
USING AI TO SOLVE SPECIFIC BUSINESS CHALLENGES, ACCESSING MIT LEARNING PROGRAMS

MIT-Takeda Program
Collaboration with Massachusetts Institute of Technology, part of the Abdul Latif Jameel Clinic for Machine Learning in Health

AI VS HUMAN INSPECTION OF TAK-003 VIALS

**MACHINE LEARNING (ML) TO IDENTIFY NON-RESPONDERS TO CONVENTIONAL TREATMENT IN ULCERATIVE COLITIS**

ML: Machine Learning
PLASMA-DERIVED THERAPIES
Plasma Derived Therapies are building a data and digital first business, activating all aspects of Takeda’s data and digital strategy

+1M PERSONALIZED DONOR MESSAGES A WEEK
ENGAGED 90M TIMES WITH DONORS IN FY20
YEARS OF HISTORICAL DATA CENTRALIZED AND MADE AVAILABLE FOR USE ACROSS PDT GLOBALLY

“Despite the pandemic, digital process improvements & operational excellence initiatives limited volume decline to -11% in FY20 v. FY19 (-5% at US centers)”

Source: Takeda’s Q4 FY20 Earnings
UNLEASH THE POWER OF DATA AND DIGITAL
Takeda Business Solutions (TBS)
Sanjay Patel, Head of Takeda Business Solutions
**Takeda Business Solutions (TBS)**

Our mission is to partner with the business by building simplified and innovative solutions that deliver exceptional experiences.

<table>
<thead>
<tr>
<th>GLOBAL PRESENCE</th>
<th>EMPOWERED &amp; DIVERSE TEAM</th>
<th>DELIVERING GLOBAL SOLUTIONS</th>
<th>DRIVING PROCESS EXCELLENCE</th>
<th>OPTIMIZED FOR SUCCESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>With Close Proximity to Our Partners</td>
<td>Fostering an Environment of Inclusivity, Equity &amp; Belonging</td>
<td>Including Finance, Procurement &amp; HR</td>
<td>To Enable Best-In-Class Finance Organization</td>
<td>Scaled to Drive Efficiencies</td>
</tr>
<tr>
<td>8 Solution Centers</td>
<td>Female 63% / Male 37%</td>
<td>Supporting ~47K Employees</td>
<td>Via Lean Six Sigma, Design Thinking, Robotic Process Automation, Artificial Intelligence &amp; Machine Learning</td>
<td>~1.3x Productivity</td>
</tr>
</tbody>
</table>
We execute end-to-end operational activities and provide scalability to facilitate future growth

We take on work that is ...
- HIGH VOLUME
- RULE-BASED
- REPETITIVE

And we ...
- CONSOLIDATE
- OPTIMIZE
- DIGITALIZE

**FINANCE**
- CASH COLLECTION
- CLOSING OF ‘BOOKS’
- REPORTING ..

**PROCUREMENT**
- SUPPLIER ENROLLMENT
- INVOICE PROCESSING
- INVOICE PAYMENT ..

**HUMAN RESOURCES**
- EMPLOYEE DATA ADMIN
- HR TECHNOLOGY MGMT
- PAYROLL OPERATIONS ..

**OTHER TAKEDA FUNCTIONS**
- HIGH VOLUME
- RULE-BASED
- REPETITIVE
Our investments in advanced technology, in-house expertise & new process solutions have enabled an acceleration of our journey over the last 12 months.

- **ZERO** Service Disruptions
- **5.0 DAYS** Faster Consolidated Pre-Tax Close (vs. FY19)
- **130K** Support Requests Managed
- **12** Divestitures Supported
- **17%** Scale-up Over Last 12 Months
- **LOW** Employee Attrition Vs. Peers
Re-imagining captive shared services as a solutions partner for the business.

Takeda Business Solutions

Fragmented Service Provider
Traditional Back-Office
Single Function Only

Focused on .. ‘Efficiency’

2014-2018

Shared Services

Business Partner
Value Creation
Multi-Functional
Digital Capabilities
Analytics Driven

2019 Onwards ..

Focused on .. ‘Outcomes’ & ‘Experiences’

UNLEASH THE POWER OF DATA & DIGITAL

CREATE EXCEPTIONAL PEOPLE EXPERIENCES

Underpinned by ..
A Sense of Purpose &
Clear Line of Sight to the Patient
We are embedding a digital culture through our Innovation Hub and Automation Digital Champion program
**Rapid democratization and scale-up of intelligent automation across Takeda, driving efficiencies.**

| EMPLOYEES TRAINED | 1,700+ |
| AUTOMATION BOTS DEVELOPED | 360+ |
| HOURS OF PRODUCTIVITY GAINED | 385,000+ |

**UNLEASH THE POWER OF DATA & DIGITAL**
We are embedding a digital culture through our Innovation Hub and Automation Digital Champion program.

**RIKONA**

An Investor Relations Solution transforming **investor and regulatory disclosure reporting**, enabling end-to-end automation.

*The Rikona Solution...*
We are embedding a digital culture through our Innovation Hub and Automation Digital Champion program

DINO
This Supply Chain Bot speeds-up optimization of product allocation ensuring supply consistency for our patients.

Enter ‘Dino’... the Stock Allocation Bot

UNLEASH THE POWER OF DATA & DIGITAL

IMPACT
95% FASTER
OPTIMIZED DISTRIBUTION
SCALEABLE
Our award-winning, in-house developed financial data solution delivers decision-ready insights

CFO in Ur pocket

ONE VERSION OF THE TRUTH
FULLY AUTOMATED
DRILL-DOWN FUNCTIONALITY
INSIGHT GENERATOR
SAVINGS ENABLER
Our simplified and innovative solutions are creating exceptional & engaging experiences for our Takeda colleagues & suppliers ...

Freeing up their time for moments that truly matter.

**SELF-SERVE 24/7** mobile-enabled user support via the Takeda Solutions Employee & Supplier portals

**TOUCHLESS** invoice processing via digital invoice management

**ARTIFICIAL INTELLIGENCE ENABLED** on-the-go expense management solution

**AUTOMATED & FASTER**, financial close-process (-5 Days FY20 vs. FY19; targeting further -5 Days by FY22)
Takeda Business Solutions will continue to partner with the business by building simplified and innovative solutions that deliver exceptional experiences.
Global Real Estate, Facilities, and Procurement (GREFP)

Jill Zunshine, Head of Global Real Estate, Facilities, and Procurement
Takeda established the Global Real Estate, Facilities, and Procurement (GREFP) organization in 2018 to drive value and create impact.

Empowering Takeda with vital and innovative solutions to do its best work in transforming patients’ lives.
Before the Shire deal closed, Global Real Estate, Facilities, and Procurement worked with both teams to create our location strategy and real estate consolidation plans.

**FIVE KEY LEVERS**

1) Site consolidation by country
2) Site consolidations by city
3) Sales office consolidation
4) Implementation of uniform workplace standards
5) Third party contract/lease renegotiation

- **Properties**: 681
- **Countries**: 70
- **Square Feet**: 31M

**Synergies delivered:**
- Site Consolidation: $110M

**Unlocking cash:**
- Real Estate Sales: ~$2B
Before day 1 as a combined company, we also crystalized our integration approach for third party spend

10 LEVERS

- Direct Negotiations
- Demand Mgmt
- Term Harmonization
- Operating Model Alignment
- Best Practice Sharing
- Compliance/ Tail Spend Mgmt
- Specification Improvement
- Joint Process Improvement
- Strategic Sourcing
- Enterprise-Wide Supplier

**225+** Potential Projects Identified

**$400-700M** Savings Opportunity

**APPLICATION OF LEVERS**

- Quick Wins
- Savings Projects
- Partner Value Summit

Synergy targets were incorporated into KPIs at key decision-making levels. Performance vs the KPI tracked from Day 1.

KPI: Key Performance Indicator
Takeda’s Partner Value Summit 1.0 was a key supplier conference designed to accelerate cost savings, improve working capital, & drive agility & innovation

**SUPPLIERS**
200+ supplier representatives attended, working for 43 of Takeda’s top suppliers

**BUSINESS**
50+ Takeda business stakeholders attended, spanning 10+ organizations

**PROCUREMENT**
50+ Takeda procurement leaders attended, specializing in 7+ spend categories

~$200M TOTAL SAVINGS
We organized a Partner Value Summit (PVS) 2.0 version which pivoted to fully virtual in the early stages of the COVID-19 pandemic.

~$100M TOTAL SAVINGS

Takeda and suppliers navigated virtual meetings and workshops in an engaging conference experience.

“This was very impressive and a gold standard for how a virtual summit should be run.”

– Takeda Supplier
We collaborated, took a strategic approach, and unlocked value quickly, contributing to Takeda’s delivery of 3-year synergy targets in 2 years

### Contributions to Synergy Delivery

<table>
<thead>
<tr>
<th>Contribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement: Cost Savings</td>
<td>$716M</td>
</tr>
<tr>
<td>Real Estate: Site Consolidation</td>
<td>$110M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$826M</strong></td>
</tr>
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### Contributions to Cash

<table>
<thead>
<tr>
<th>Contribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate Sales, TOTAL:</td>
<td>~$2B</td>
</tr>
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</table>
Building open-innovation into PVS 2.0 generated many ideas that support Takeda’s business objectives.

PVS GENERATED

185 INNOVATION IDEAS

Working with patients, suppliers, partners, and other stakeholders.

36 PATIENTS

67 PEOPLE

6 DATA & DIGITAL

76 PLANET
PVS: Virtual Clinical Trial Design and e-Clinical Trial Platforms

We partnered with our suppliers to innovate

Piloting 10 Virtual Clinical Trials:

- Patients participate from home
- Allows access to patients in diverse geographies
- Reduces patient burden
- Streamlines data collection
- Provides flexibility for patients to increase retention
- Holistic monitoring of patients
Meetings and Travel Center of Excellence

Takeda, Delta Airlines and United Airlines support cleaner travel with agreements on use of sustainable aviation fuel (SAF) that will cover frequently flown routes.
Global Real Estate, Facilities, and Procurement is unlocking additional value through Purpose-Led Sustainability and ESG
Global Real Estate, Facilities, and Procurement will continue to drive value and create impact to accelerate pipeline development.

SUMMARY POINTS

Building New Function
Integration
Savings and Synergy
Patient
Planet

Empowering Takeda with vital and innovative solutions to do its best work in transforming patients’ lives.
Treasury

Amit Singh, Head of Treasury
Shire acquisition transformed Takeda’s balance sheet...

SHIRE ACQUISITION FINANCING\(^1\)
(FY 2018)

- JPY Hybrid\(^2\)
- EUR Term Loan
- USD JBIC Loan
- USD Bonds
- USD Term Loans
- EUR Bonds

~¥3,330B (~$30B)

CAPITALIZATION

<table>
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<tr>
<th></th>
<th>Q2 2018</th>
<th>Q4 2018</th>
<th>Q4 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt</td>
<td>2,172.0 ($20B)</td>
<td>5,097.9 (~$46B)</td>
<td>5,177.2 (~$47B)</td>
</tr>
<tr>
<td>Book Equity</td>
<td>684.0 (~$6B)</td>
<td>5,162.4 (~$47B)</td>
<td>3,429.4 (~$31B)</td>
</tr>
</tbody>
</table>

Adj. EBITDA

- Q2 2018: 405 (~$3.7B)
- Q4 2018: 1,078 (~$9.8B)
- Q4 2020: 1,084 (~$9.8B)

LEVERAGE RATIO

- Q2 2018: 1.7x
- Q4 2018: 4.7X
- Q4 2020: 3.2X

---

1) Non-JPY debt calculated as at end of March 2021 FX Rates 110.54 JPY/USD and 129.84 JPY/EUR
2) JPY 500 Bn Hybrid Debt issued in FY2019 which replaced then existing short dated Term Loan of equal amount.
FY19 & FY20: Business has generated strong steady cash flows
Supplemented by non-core asset divestitures...

(*) Divestiture proceeds shown here do not include proceeds (~133B yen) from diabetes portfolio divestiture in Japan as this deal closed in Q1 FY21.
...and unlocking of idle assets on balance sheet

Total: ~3.0 Tr. Yen (~$27B) Cash Generated Since Shire Acquisition In Jan 2019

(*) Divestiture proceeds shown here do not include proceeds (~133B yen) from diabetes portfolio divestiture in Japan as this deal closed in Q1 FY21
We also re-aligned our debt maturities

Leverage Neutral Re-Financing In July 2020¹...

• USD 20Y #1 Lowest Ever BBB Corp. Coupon²
• USD 40Y #1 Lowest Ever BBB Corp. Coupon²
• USD 10Y #2 Lowest Ever BBB Corp. Coupon²

...Positioned Our Debt Maturities Comfortably

- Weighted average coupon ~2% (~90% fixed rate)
- Targeting pre-paying 450B yen in FY21 (including debt shown as “called” above)

¹) Non-JPY debt calculated as at end of March 2021 FX Rates 110.54 JPY/USD and 129.84 JPY/EUR
²) According to bond underwriters’ research
We are deploying data and digital solutions to enhance global cash visibility...

Cash in Local Markets

Best-in-Class Solution for Visualizing Local Market Cash to Centralize it and to Help Manage its FX and Credit Risks
Cash in Ur pocket
...Which is allowing us to reduce idle cash and to use it towards deleveraging
...All these efforts are leading us in the right direction

Credit outlook upgrades (June 2021):
1. S&P: BBB+ negative outlook to BBB+ Stable
2. R&I: A Stable to A Positive
TAKEDA GLOBAL FINANCE

- Creating a best-in-class Finance organization by leveraging the power of data and digital
Our team is being recognized globally as best-in-class

Institutional Investor 2021:
- #1 Best CEO (Christophe Weber)
- #1 Best CFO (Costa Saroukos)
- #1 Best Investor Relations Program
- #1 Best Investor Relations Professional (Christopher O’Reilly)
- #1 Best Environmental, Social and Corporate Governance
Q&A

Costa Saroukos
Chief Financial Officer

Karl Hick
Chief Digital and Information Officer

Sanjay Patel
Head of Takeda Business Solutions

Jill Zunshine
Head of Global Real Estate, Facilities, and Procurement

Amit Singh
Head of Treasury
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 58, 60, 63, 64 for a more detailed definition of Core and Underlying measures, and for reconciliation tables.
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 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 62 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 the 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, excluding cash that is not available to Takeda’s immediate or general business use, 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 and (v) 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 61 for a reconciliation to this measure.
### Reconciliation from reported to core/underlying core FY2020

<table>
<thead>
<tr>
<th>(BN JPY)</th>
<th>REPORTED</th>
<th>REPORTED TO CORE ADJUSTMENTS</th>
<th>CORE</th>
<th>CORE TO UNDERLYING CORE ADJ.</th>
<th>UNDERLYING GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Amortization&amp; impairment of intangible assets</td>
<td>Other operating income/expense</td>
<td>Shire integration costs</td>
<td>Shire purchase accounting adjustments</td>
</tr>
<tr>
<td>Revenue</td>
<td>3,197.8</td>
<td>3,197.8</td>
<td>199.5</td>
<td>-70.1</td>
<td>+2.2 %</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-994.3</td>
<td>81.2</td>
<td>6.2</td>
<td>-906.9</td>
<td>-47.0</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>2,203.5</td>
<td>81.2</td>
<td>6.2</td>
<td>2,290.9</td>
<td>152.5</td>
</tr>
<tr>
<td>SG&amp;A expenses</td>
<td>-875.7</td>
<td>1.9</td>
<td>-0.3</td>
<td>1.4</td>
<td>-872.6</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>-455.8</td>
<td>85.8</td>
<td>0.0</td>
<td>5.7</td>
<td>-450.4</td>
</tr>
<tr>
<td>Impairment losses on intangible assets</td>
<td>-405.3</td>
<td>-116.9</td>
<td>319.5</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Other operating income</td>
<td>318.0</td>
<td>-60.2</td>
<td>-1.5</td>
<td>-139.5</td>
<td>—</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-258.9</td>
<td>78.1</td>
<td>73.6</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Operating profit</td>
<td>509.3</td>
<td>102.4</td>
<td>-9.7</td>
<td>79.6</td>
<td>340.2</td>
</tr>
<tr>
<td>Margin</td>
<td>15.9%</td>
<td>30.3%</td>
<td>-4.0</td>
<td>-126.3</td>
<td>3.6</td>
</tr>
<tr>
<td>Financial income/expenses</td>
<td>-143.1</td>
<td>7.9</td>
<td>12.9</td>
<td>-4.0</td>
<td>-126.3</td>
</tr>
<tr>
<td>Equity income/loss</td>
<td>0.1</td>
<td>16.6</td>
<td>-13.1</td>
<td>3.5</td>
<td>-0.3</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>366.2</td>
<td>102.4</td>
<td>-9.7</td>
<td>87.5</td>
<td>353.2</td>
</tr>
<tr>
<td>Tax expense</td>
<td>9.9</td>
<td>-25.6</td>
<td>8.1</td>
<td>-18.6</td>
<td>-88.7</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>-0.2</td>
<td>-0.2</td>
<td>0.0</td>
<td>-0.2</td>
<td>-0.0</td>
</tr>
<tr>
<td>Net profit</td>
<td>376.0</td>
<td>76.8</td>
<td>-1.6</td>
<td>69.0</td>
<td>264.5</td>
</tr>
<tr>
<td>EPS (yen)</td>
<td>241</td>
<td>420</td>
<td>46</td>
<td>-23</td>
<td>-139.5</td>
</tr>
<tr>
<td>Number of shares (millions)</td>
<td>1,562</td>
<td>1,562</td>
<td>1,558</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

** Underlying Core Operating Profit Margin.
## Net debt/adjusted EBITDA

### NET DEBT/ADJUSTED EBITDA RATIO (BN JPY)

<table>
<thead>
<tr>
<th></th>
<th>FY2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents*¹</td>
<td>790.7</td>
</tr>
<tr>
<td>Book value debt on the balance sheet</td>
<td>-4,635.4</td>
</tr>
<tr>
<td>Hybrid bond 50% equity credit</td>
<td>250.0</td>
</tr>
<tr>
<td>FX adjustment*²</td>
<td>165.2</td>
</tr>
<tr>
<td>Gross debt*³</td>
<td>-4,220.2</td>
</tr>
<tr>
<td><strong>Net cash (debt)</strong></td>
<td><strong>-3,429.4</strong></td>
</tr>
</tbody>
</table>

### NET INCREASE (DECREASE) IN CASH (BN JPY)

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

### Notes:

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

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

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

<table>
<thead>
<tr>
<th>(BN JPY)</th>
<th>FY2019 LTM¹</th>
<th>FY2020 LTM¹</th>
<th>vs. PY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net profit</strong></td>
<td>44.3</td>
<td>376.2</td>
<td>+331.9</td>
</tr>
<tr>
<td><strong>Income tax expenses</strong></td>
<td>-105.0</td>
<td>-9.9</td>
<td></td>
</tr>
<tr>
<td><strong>Depreciation and amortization</strong></td>
<td>583.6</td>
<td>559.7</td>
<td></td>
</tr>
<tr>
<td><strong>Interest expense, net</strong></td>
<td>137.8</td>
<td>129.0</td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>660.7</td>
<td>1,054.9</td>
<td>+394.2</td>
</tr>
<tr>
<td><strong>Impairment losses</strong></td>
<td>101.9</td>
<td>25.5</td>
<td></td>
</tr>
<tr>
<td><strong>Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)</strong></td>
<td>124.1</td>
<td>-74.5</td>
<td></td>
</tr>
<tr>
<td><strong>Finance expense (income), net, excluding interest income and expense, net</strong></td>
<td>-0.6</td>
<td>14.1</td>
<td></td>
</tr>
<tr>
<td><strong>Share of loss on investments accounted for under the equity method</strong></td>
<td>24.0</td>
<td>-0.1</td>
<td></td>
</tr>
<tr>
<td><strong>Non-core expense related to COVID-19</strong></td>
<td>—</td>
<td>14.0</td>
<td></td>
</tr>
<tr>
<td><strong>Other adjustments:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Impact on profit related to fair value step up of inventory in Shire acquisition</strong></td>
<td>191.0</td>
<td>79.4</td>
<td></td>
</tr>
<tr>
<td><strong>Acquisition costs related to Shire</strong></td>
<td>5.3</td>
<td>1.9</td>
<td></td>
</tr>
<tr>
<td><strong>Other costs</strong></td>
<td>37.9</td>
<td>36.1</td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA from divested products</strong></td>
<td>-18.4</td>
<td>-67.8</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>1,125.9</td>
<td>1,083.5</td>
<td>-42.4</td>
</tr>
</tbody>
</table>

---

*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.
# Reconciliation from reported to core FY2018 full year

<table>
<thead>
<tr>
<th>(BN JPY)</th>
<th>REPORTED*1</th>
<th>REPORTED TO CORE ADJUSTMENTS</th>
<th>CORE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amortization &amp; impairment of intangible assets</td>
<td>Other operating income/expense</td>
<td>Shire acquisition related costs</td>
</tr>
<tr>
<td>Revenue</td>
<td>2,097.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-651.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Profit</td>
<td>1,445.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SG&amp;A expenses</td>
<td>-717.6</td>
<td></td>
<td>23.8</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>-368.3</td>
<td></td>
<td>1.6</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>-170.0</td>
<td>95.5</td>
<td></td>
</tr>
<tr>
<td>Impairment losses on intangible assets</td>
<td>-8.6</td>
<td>8.6</td>
<td></td>
</tr>
<tr>
<td>Other operating income</td>
<td>159.9</td>
<td>-40.9</td>
<td></td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-103.2</td>
<td>43.5</td>
<td>59.6</td>
</tr>
<tr>
<td>Operating profit</td>
<td>237.7</td>
<td>104.1</td>
<td>2.6</td>
</tr>
<tr>
<td>Margin</td>
<td>11.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial income/expenses</td>
<td>-66.4</td>
<td></td>
<td>18.1</td>
</tr>
<tr>
<td>Equity income/loss</td>
<td>-43.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>127.6</td>
<td>104.1</td>
<td>2.6</td>
</tr>
<tr>
<td>Tax expense</td>
<td>7.5</td>
<td>-25.5</td>
<td>-4.0</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>0.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit</td>
<td>135.2</td>
<td>78.6</td>
<td>-1.4</td>
</tr>
<tr>
<td>EPS (yen)</td>
<td>141</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of shares (millions)</td>
<td>961</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*1 During FY2018, 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.
Reconciliation from reported to core/underlying core FY2014 full year

<table>
<thead>
<tr>
<th>Billion yen</th>
<th>FY2013</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,691.7</td>
<td>1,777.8</td>
</tr>
<tr>
<td>Fx effects</td>
<td>6.0</td>
<td>(40.0)</td>
</tr>
<tr>
<td>Divestments</td>
<td>(22.1)</td>
<td>(16.0)</td>
</tr>
<tr>
<td><strong>Underlying Revenue</strong></td>
<td>1,675.7</td>
<td>1,721.9</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>139.3</td>
<td>-129.3</td>
</tr>
<tr>
<td>Actos one off</td>
<td></td>
<td>274.1</td>
</tr>
<tr>
<td>Amortization of intangibles</td>
<td>119.7</td>
<td>123.8</td>
</tr>
<tr>
<td>Impairment of intangibles</td>
<td>23.1</td>
<td>63.5</td>
</tr>
<tr>
<td>Disposal of unused property</td>
<td>(6.7)</td>
<td>(32.8)</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>21.7</td>
<td>31.2</td>
</tr>
<tr>
<td>Contingent consideration</td>
<td>5.6</td>
<td>(51.3)</td>
</tr>
<tr>
<td>Litigation costs, etc.</td>
<td>11.6</td>
<td>9.2</td>
</tr>
<tr>
<td><strong>Core Earnings</strong></td>
<td>314.2</td>
<td>288.3</td>
</tr>
<tr>
<td>Fx effects</td>
<td>3.0</td>
<td>13.8</td>
</tr>
<tr>
<td>Divestments and other</td>
<td>(16.1)</td>
<td>(7.3)</td>
</tr>
<tr>
<td><strong>Underlying Core Earnings</strong></td>
<td>301.1</td>
<td>294.9</td>
</tr>
<tr>
<td>Underlying Core Earnings margin</td>
<td>18.0%</td>
<td>17.1%</td>
</tr>
</tbody>
</table>