

Better Health, Brighter Future



142nd Ordinary General Meeting of Shareholders

Christophe Weber

President & CEO

June 28, 2018

Important Notice



Forward-Looking Statements

This presentation contains forward-looking statements regarding Takeda's future business, financial position and results of operations, including estimates, forecasts, targets and plans. These forward-looking statements may be identified by the use of forward-looking words such as "aim," "anticipate," "assume," "believe," "continue," "endeavor," "estimate," "expect," "forecast," "initiative," "intend," "may," "outlook," "plan," "potential," "probability," "pro-forma," "project," "risk," "seek," "should," "strive," "target," "will" or similar words, or expressions of the negative thereof, or by discussions of strategy, plans or intentions.

Any forward-looking statements in this document are based on the current assumptions and beliefs of Takeda in light of the information currently available to it. Such forward-looking statements do not represent any guarantee by Takeda or its management of future performance and involve known and unknown risks, uncertainties and other factors, including but not limited to: the economic circumstances surrounding Takeda's business, including general economic conditions in Japan, the United States and worldwide; competitive pressures and developments; applicable laws and regulations; the success or failure of product development programs; decisions of regulatory authorities and the timing thereof; changes in exchange rates; claims or concerns regarding the safety or efficacy of marketed products or product candidates; and post-merger integration with acquired companies, any of which may cause Takeda's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by such forward-looking statements. Neither Takeda nor its management gives any assurances that the expectations expressed in these forward-looking statements will turn out to be correct, and actual results, performance or achievements could materially differ from expectations.

Any forward looking statements herein speak only as of the date of this document, and Takeda and its management undertake no obligation to update or revise any forward-looking statements or other information contained in this presentation, whether as a result of new information, future events or otherwise.

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 drug including the ones under development.

Profit Forecast for Takeda for the year ending March 31, 2019

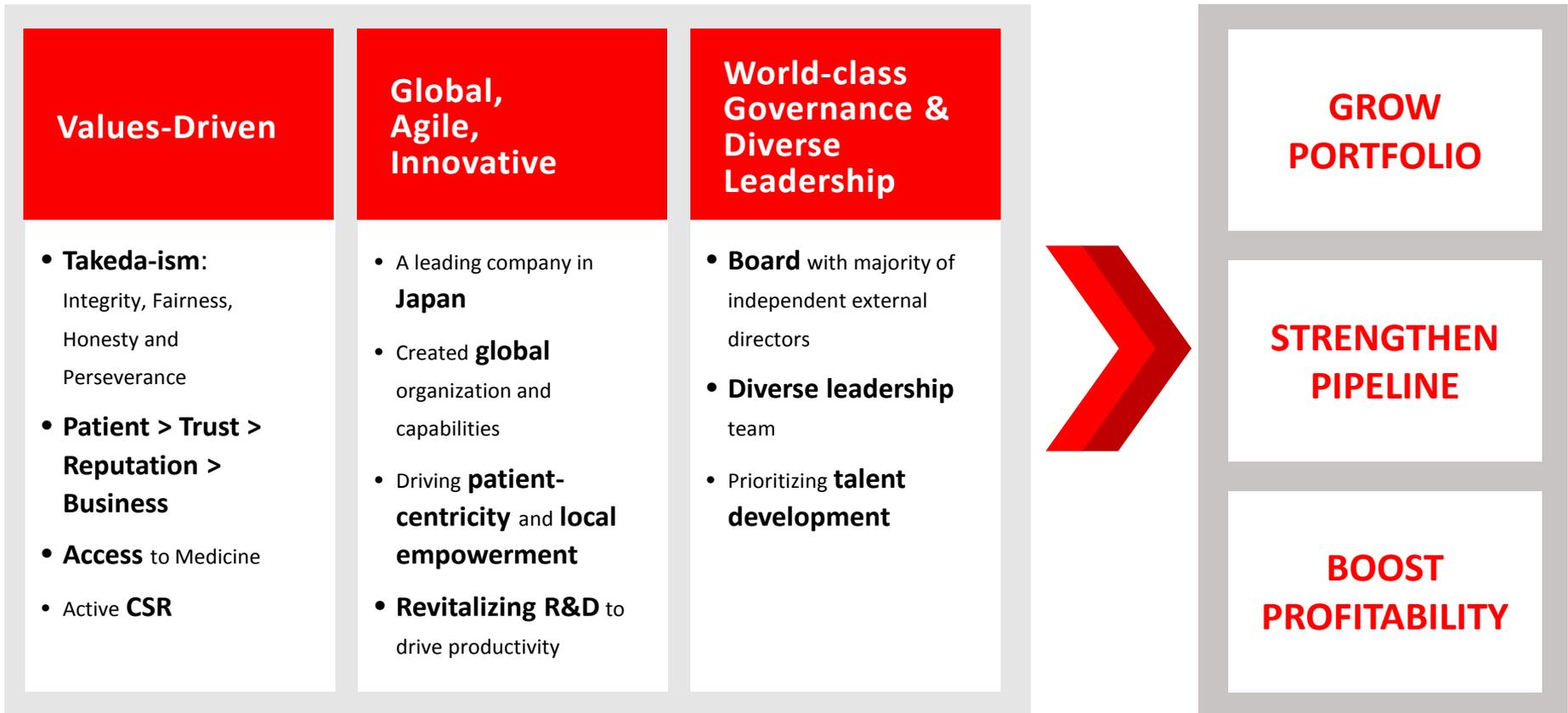
Takeda is currently in an offer period (as defined in the City Code on Takeovers and Mergers (the "Code")) with respect to Shire plc. Pursuant to Rule 28 of the Code, statements made regarding Takeda's guidance for FY2018 (including statements regarding forecasts for FY2018 revenue, Core Earnings, Operating profit, Profit before income taxes, Net profit attributable to owners of the Company, Basic earnings per share, R&D expenses, Amortisation and impairment and other income/expense, Underlying Revenue, Underlying Core Earnings and Underlying Core EPS) constitute a profit forecast for the year ending March 31, 2019 (the "Takeda Profit Forecast"). For additional information regarding the Takeda Profit Forecast and the required statement by its Directors that such profit forecast is valid and has been properly compiled on the basis of the assumptions stated and that the basis of accounting used is consistent with Takeda's accounting policies, please see page 21 of Takeda's Financial Results (Tanshin) for the Fiscal Year Ended March 31, 2018, dated May 14, 2018.

Takeda's Transformation Journey



Takeda was founded in 1781

Takeda is well-positioned to deliver innovative and transformative care to patients around the world



VALUES



We take action and make decisions by focusing on our four priorities, in order of:

1

**Putting the patient
at the center**

2

**Building trust
with society**

3

**Reinforcing
our reputation**

4

**Developing
the business**

Board of Directors for Best-in-Class Governance



INTERNAL DIRECTORS



NC

Christophe Weber

Representative Director,
President & CEO



Masato Iwasaki

Director,
JPBU President



Andrew Plump

Director, Chief Medical
& Scientific Officer



Compensation
Committee



Nomination
Committee



Independent
External Director

EXTERNAL DIRECTORS



NC

Masahiro Sakane

Independent Director
Chair of the Board meeting
Chair of Nomination Committee



Michel Orsinger

Independent Director



CC

Toshiyuki Shiga

Independent Director
Chair of Compensation
Committee



NC

Emiko Higashi

Independent Director



CC

Yoshiaki Fujimori

Independent Director

DIRECTORS ON THE AUDIT & SUPERVISORY COMMITTEE (A&SC)



CC

Yasuhiko Yamanaka

Director,
A&SC member



NC

Shiro Kuniya

Independent Director,
Chair A&SC



Koji Hatsukawa

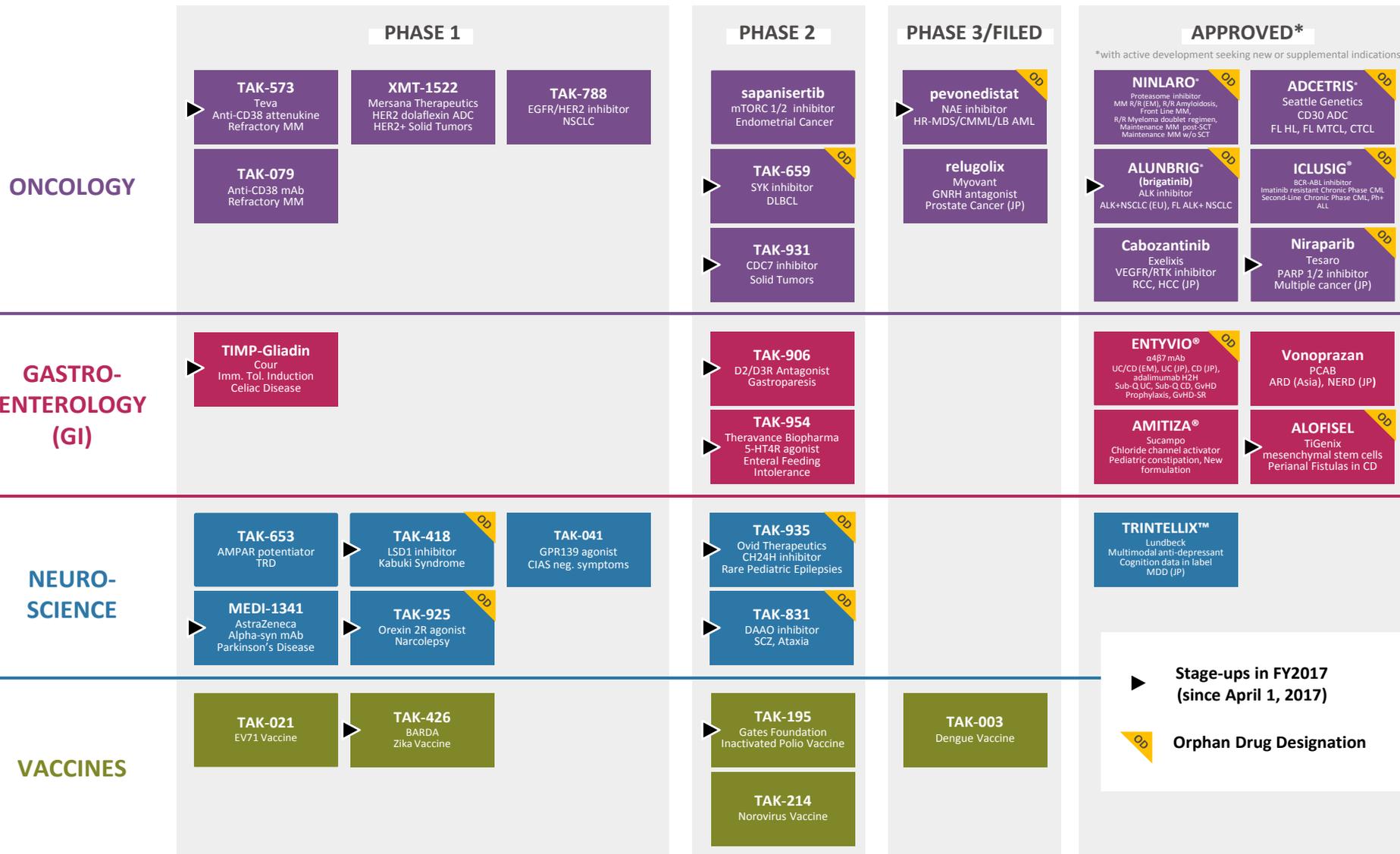
Independent Director,
A&SC member



Jean-Luc Butel

Independent Director,
A&SC member

Significant Progress in FY2017 with 17 NME Stage-ups, Compared with 5 in the Same Period Last Year



Revitalizing R&D to Improve Productivity



RESEARCH SITE LOCATION



EXTERNAL PARTNERSHIP

THERAPEUTIC AREAS

	THERAPEUTIC AREAS		
ONCOLOGY 7 new partnerships			
GI 12 new deals / partnerships			
NEUROSCIENCE 5 new partnerships			

CAPABILITIES

	CAPABILITIES	
Value Creation Through Externalization 5 products externalized		
		TAKcelerator <i>Rare disease engine</i>
		2 rare disease initiatives
		Academic Alliances
		2 new strategic academic alliances
8 NewCos launched (entrepreneurship venture program)		
		Takeda Ventures
		1 new investment initiated

2017

FY2017 Results



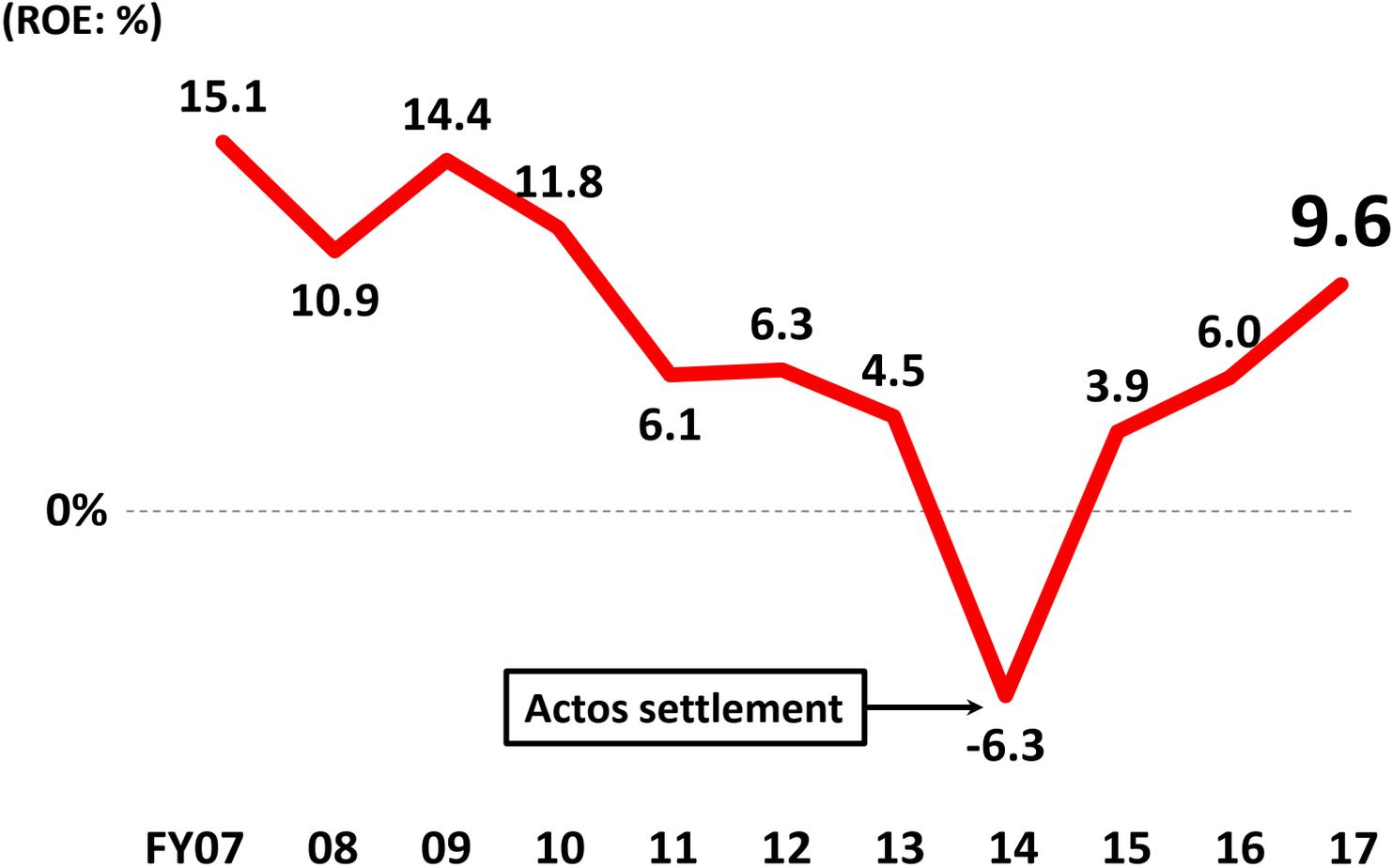
	ACTUAL
Underlying Revenue	+ 5.5 %
Underlying Core Earnings	+ 40.2%
Underlying Core EPS	+ 44.8 %

Note:

"Underlying growth" excludes the impact of foreign exchange and exceptional items

"Core Earnings" is calculated from operating profit by excluding the impact of exceptional items

ROE Performance is Recovering



2018

Revenue and Earnings Growth Momentum Maintained in FY2018 Despite Velcade Decline



FY2018 GUIDANCE (GROWTH, %)

	FY2018 Management Guidance
Underlying Revenue	Low single digit growth (%)
Underlying Core Earnings	High single digit growth (%)
Underlying Core EPS	Low-teens growth (%)

Annual Dividend per Share 180 yen for FY2018



Takeda to Acquire Shire: **Accelerating Takeda's Transformation to Deliver More for Patients**

Pharmaceutical Market Growth Driven by US and EM



	1994 (% in WW)	2017 (% in WW)	2025 (% in WW)	CAGR '17-'25
Worldwide	252	1,157	1,657	5%
U.S.	80 (32%)	465 (40%)	703 (42%)	5%
EU5	50 (20%)	167 (14%)	210 (13%)	3%
Japan	53 (21%)	84 (7%)	77 (5%)	-1%
EM & Others	70 (28%)	441 (38%)	667 (40%)	5%

(USD, Billion)

* CAGR: Compound Annual Growth Rate
Source: Market Prognosis Global Long Term Forecast (as of May 22nd 2018)

Acquisition of Shire will Accelerate Takeda's Transformation



**Commitment to putting patients first, building trust with society,
reinforcing the reputation of Takeda, and delivering superior business performance**



STRATEGIC FIT



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PIPELINES**



**ATTRACTIVE
FOOTPRINT**



**FINANCIAL
STRENGTH**

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STRATEGIC FIT

- Strengthens 2 of Our 3 Core TAs - GI and Neuroscience.
- Provides Leading Positions in Rare Diseases and Plasma - Derived Therapies to Complement Strength in Oncology and Focused Efforts in Vaccines



	ONCOLOGY	GI	NEUROSCIENCE	RARE DISEASES			PLASMA DERIVED THERAPIES	OTHERS (example of key products)
				LYSOSOMAL STORAGE DISORDERS	HAE ²	HEMATOLOGY		
TAKEDA KEY PRODUCTS	 	 					 	
SHIRE KEY PRODUCTS		 	 	 	 	 	 	

~75%

of Total Sales¹

Source: Shire plc Annual Report 2017, Takeda Consolidated Financial statements for the Fiscal Year Ended March 31, 2017
Notes: Percentage calculated using (a) the amount for the 12 month period ending on March 31, 2017 and converted using the \$/¥ of 111.43 as at that date (in the case of Takeda) and (b) the amount for the 12 month period ending on December 31 2017 and converted using the \$/¥ of 112.65 as at that date. 1Management Data. 2Hereditary Angioedema



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A Robust, Modality-Diverse Pipeline



■ Takeda

■ Shire

■ Orphan Drug Designation

	PHASE 1	PHASE 2	PHASE 3/FILED	APPROVED*	
ONCOLOGY	<p>TAK-573 Teva Anti-CD38-antennukine Refractory MM</p> <p>TAK-079 Anti-CD38 mAb Refractory MM</p>	<p>XMT-1522 Mersana Therapeutics HER2 dotatate ADC HER2 + solid tumors</p> <p>TAK-788 EGFR/HER2 inh NSCLC</p>	<p>sapanisertib mTORC 1/2 inhibitor Breast cancer</p> <p>TAK-659 SYK inhibitor DLBCL</p>	<p>relugolix Myovant GNRH antagonist Prostate Cancer (JP)</p> <p>pevonedistat NAE inhibitor HR MDS</p>	<p>NINLARO[®] Proteasome inhibitor MM w/ R (EV), w/ R Amyloidosis, Front-Line MM w/ R Myeloma Maintenance MM w/ R SCT Maintenance MM w/ R SCT</p> <p>ADCETRIS[®] Seattle Genetics CD30 ADC FL HL, FL MTCL, CTCL</p> <p>ICLUSIG[®] BCR-ABL inhibitor Imatinib resistant Chronic Phase CML Second-Line Chronic Phase CML, Phr ALL</p>
GI	<p>TIMP-Gliadin Cour Imm Tol Induction Celiac Disease</p>	<p>TAK-906 D2/D3R Antagonist Gastroparesis</p> <p>SHP625 ASBTI PFC, Alagille's</p>	<p>TAK-954 Theravance Biopharma 5-HT4R ag Enteral Feeding Intolerance</p> <p>SHP626 ASBTI NASH</p>	<p>SHP621 BOS EoE</p> <p>SHP647 MadCAM-1 mAb IBD</p> <p>ENTYVIO[®] s497 mAb UC/CD (EM), UC (JP), CD (JP), adalmumab R2H Sub-Q, Sub-Q, CD, GVHD Prophylaxis, GVHD SR, IO Colitis</p> <p>Vonoprazan PCAB ARD (Asia), NERD (JP) PPI Partial Responder</p> <p>AMITIZA[®] Sucampo Chloride channel activator Pediatric constipation, New formulation</p>	
NEURO-SCIENCE	<p>TAK-653 AMPA potentiator FRD</p> <p>MEDI-1341 Astra Zeneca Alpha-syn mAb Parkinson's Disease</p> <p>SHP680 Neurologic Conditions</p>	<p>TAK-418 LSD1 inhibitor Kabuki Syndrome</p> <p>TAK-925 Orexin 2R agonist Narcolepsy</p> <p>TAK-041 GPR139 agonist CIAS neg. symptoms</p>	<p>TAK-935 Ovid Therapeutics CH24H inhibitor Rare Pediatric Epilepsies</p> <p>TAK-831 DAAO inhibitor SCZ, Ataxia</p>	<p>TRINTELLIX[™] Lundbeck Multimodal anti-depressant Cognition data in label (CRL received) MDD (JP)</p> <p>BUCCOLAM seizures</p> <p>MYDAYIS ADHD</p> <p>VYVANSE ADHD</p>	
RARE DISEASES	<p>SHP611 ERT MLD</p> <p>SHP654 Gene therapy HemA</p>	<p>SHP631 ERT Hunter CNS</p> <p>SHP607 IGF-1/IGFBP3 Chronic Lung Disease</p>	<p>Lanadelumab Anit-kallikrein mAb HAE</p> <p>SHP609 Hunter (IT)</p>	<p>SHP620 CMV infection in transplant patients</p> <p>SHP655 ERT/ ADAMTS-13 CTTP</p> <p>FIRAZYR HAE</p> <p>VONVENDI vWD</p> <p>CINRYZE HAE, AMR</p>	
PLASMA-DERIVED THERAPIES				<p>HYQVIA Pediatric PID, CIDP</p>	
VACCINES	<p>TAK-021 EV71 Vaccine</p> <p>TAK-426 BARDA Zika Vaccine</p>	<p>TAK-195 Gates Foundation Inactivated Polio Vaccine</p> <p>TAK-214 Norovirus Vaccine</p>	<p>TAK-003 Dengue Vaccine</p>		
OPHTHALMOLOGY	<p>SHP639 Glaucoma</p>	<p>SHP659 DED</p>	<p>SHP640 Infectious conjunctivitis</p>	<p>XIIDRA DED</p>	



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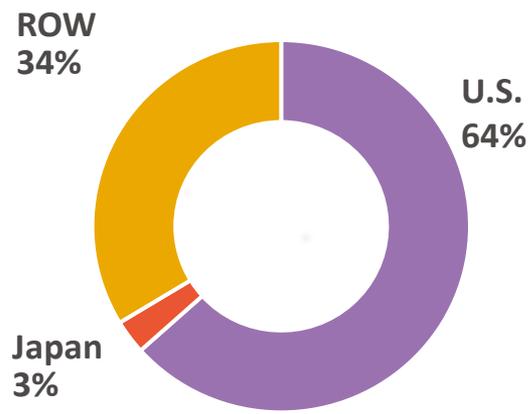
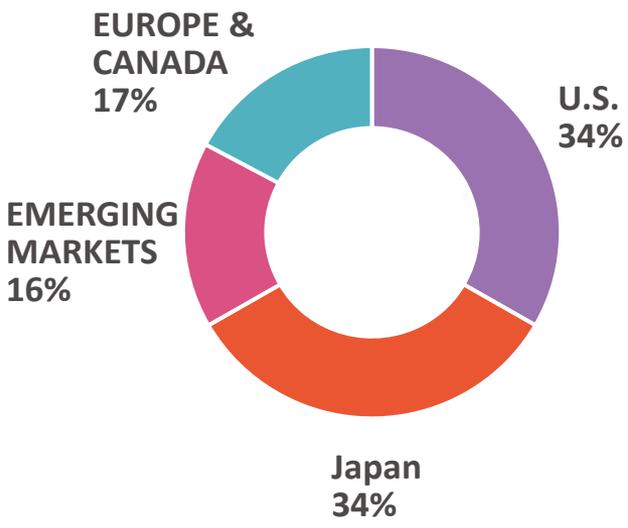


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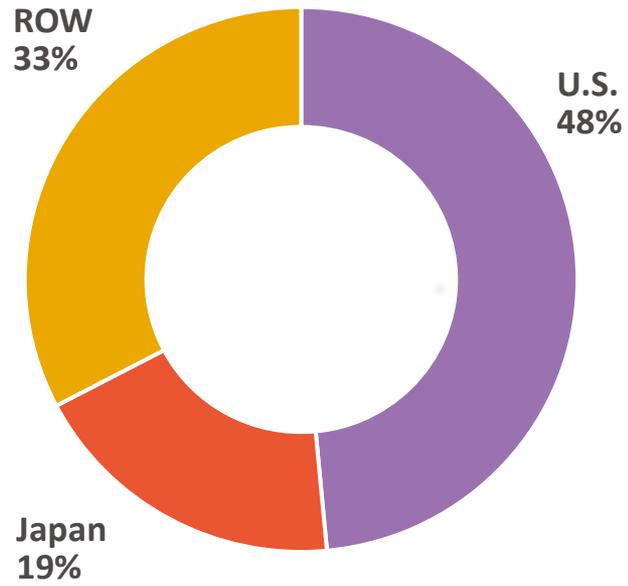


**FINANCIAL
STRENGTH**

Attractive Footprint Aligned with Market Opportunity



COMBINED
Historical Pro-Forma



Source: Shire plc Annual Report 2017 and management information, Takeda Consolidated Financial statements for the Fiscal Year Ended March 31, 2017, Takeda Consolidated Financial statements for the Nine Month Period Ended December 31, 2017
 Notes: Percentages calculated using (1) the revenue by geography for the 12 month period ending on December 31, 2017 (the final quarter of FY2016 and the first three quarters of F2017) and converted using the \$:¥ of 1:112.65 as at that date (in the case of Takeda) and (2) the revenue by geography for the 12 month period ending on December 31, 2017 (in the case of Shire). Percentages for the combined group are calculated by aggregating the revenue by geography for Takeda and Shire.



STRATEGIC FIT



**COMPLEMENTARY
PIPELINES**



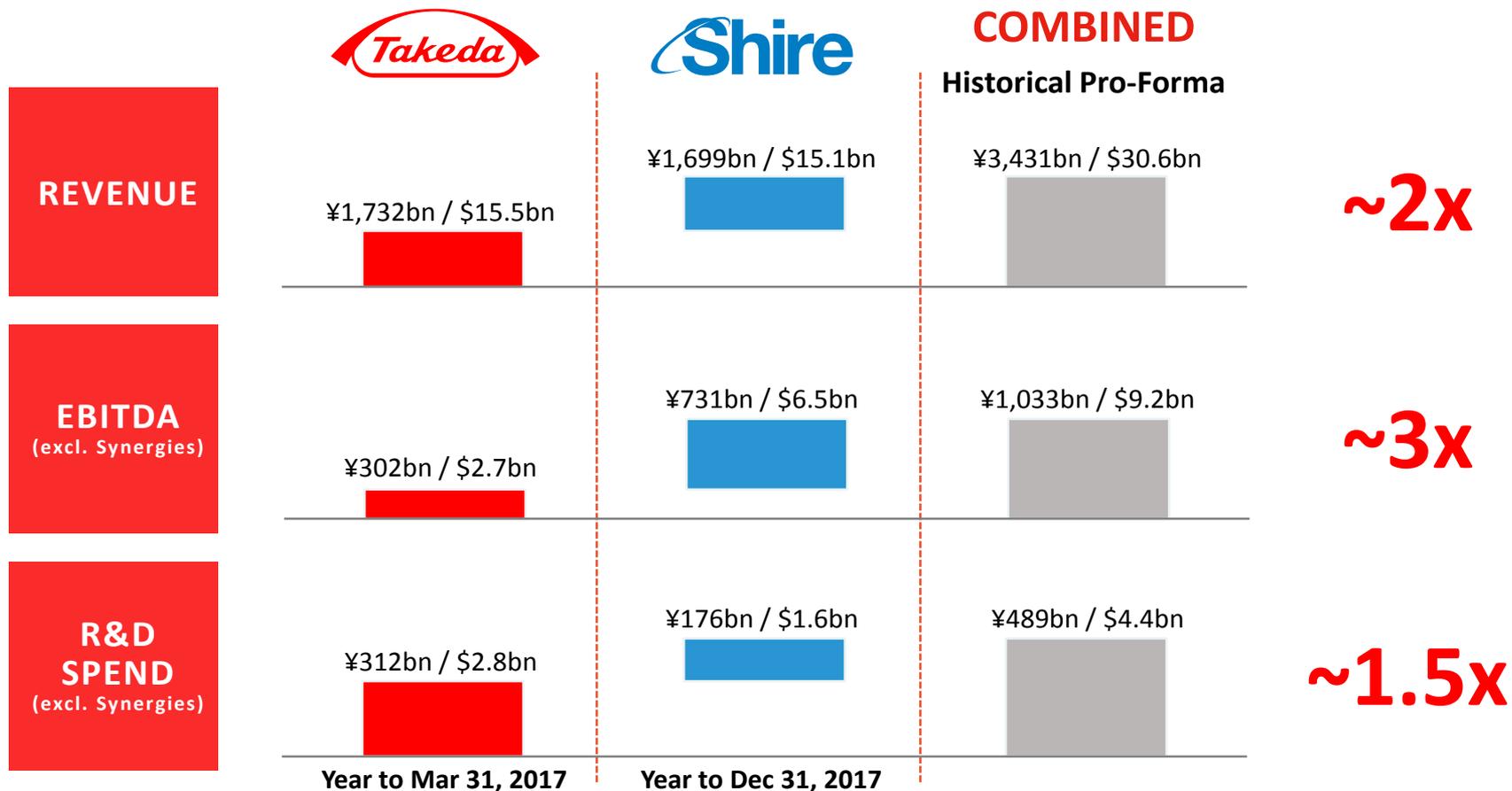
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**FINANCIAL
STRENGTH**



Significant EBITDA Expansion (pre synergies)



Source: Shire plc Annual Report 2017, Takeda Consolidated Financial statements for the Fiscal Year Ended March 31, 2017, Historical FX rates sourced from FactSet.

Notes: The historical revenue, EBITDA and R&D figures of the combined group represent the aggregate consolidated revenue, EBITDA and R&D of (a) the amount for the 12 month period ending on March 31, 2017 and converted using the \$/¥ of 1:111.43 as at that date (in the case of Takeda) and (b) the amount for the 12 month period ending on 31 December 2017 and converted using the \$/¥ of 1:112.65 as at that date (in the case of Shire). These results are historic and do not take into account any divestitures or other events that may have occurred since these dates. The aggregate revenue figure comprises the aggregate of Takeda's reported revenue and Shire's Non GAAP revenue. The aggregate EBITDA figure comprises the aggregate of Takeda's EBITDA (Operating Profit adjusted for other operating income and expenses, D&A and impairment losses; including deductions for impairments of PPE, goodwill, intangibles and investment property depreciation in other operating expenses) and Shire's Non GAAP EBITDA. The aggregate R&D figure comprises the aggregate of Takeda's reported R&D spend and Shire's Non GAAP R&D spend.



Highly Accretive Transaction Strong Ability to Deleverage



- The recurring pre-tax cost synergies for the combined group are expected to reach a run-rate of at least ¥153bn / \$1.4bn per annum by the end of the third fiscal year following completion¹
- The number of issued Takeda shares will essentially double but EBITDA is approximately three times larger on a historical combined basis²
- Takeda's well-established dividend policy remains as a key component of our shareholder return
- The acquisition will be significantly EPS accretive³
- The transaction's Return on Invested Capital (ROIC) is expected to exceed Takeda's weighted average cost of capital (WACC) within the first full fiscal year following completion

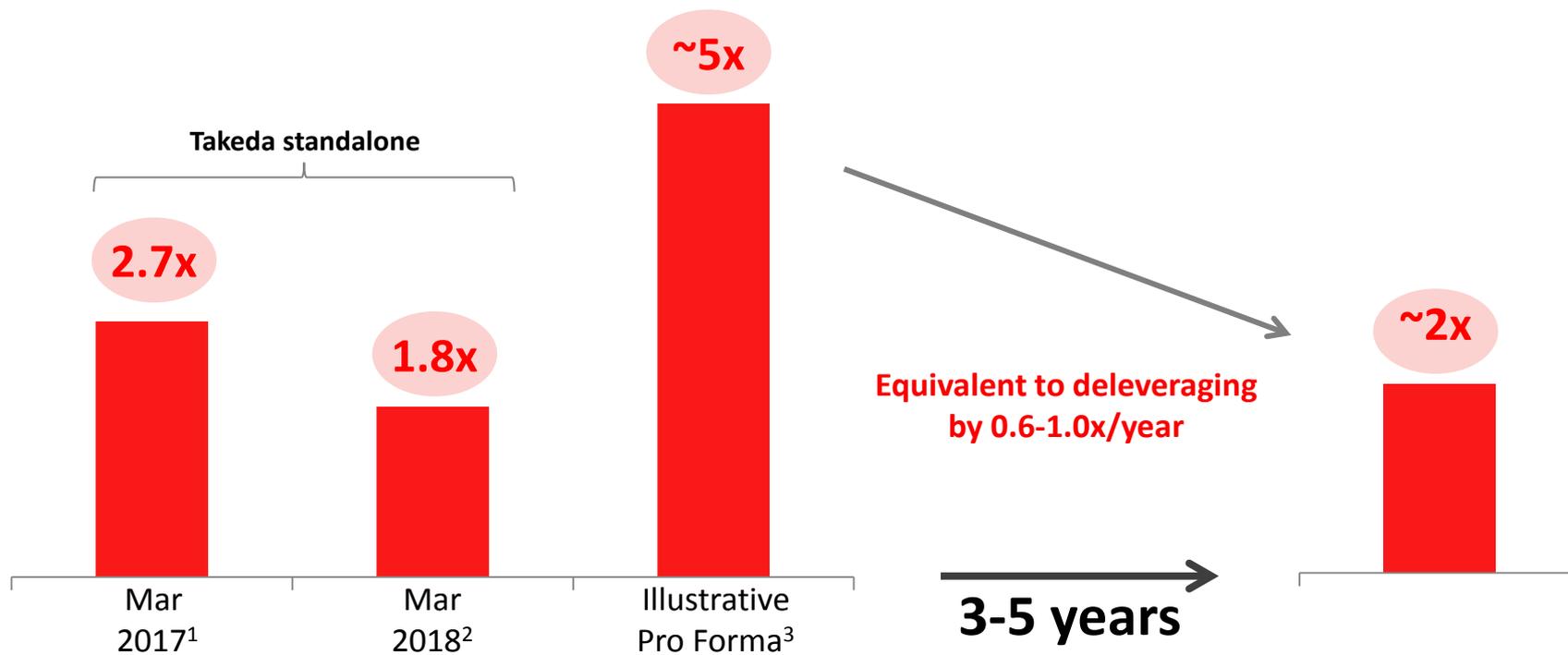
Notes: 1 The Takeda Directors expect recurring pre-tax cost synergies for the Combined Group to reach a run - rate of at least \$1.4 billion per annum by the end of the third fiscal year following completion of the Acquisition (\$/¥ of 1:108.97 as at May 8, 2018). Reported under Rule 28.1 of the Takeover Code; related reports can be found in the Rule 2.7 Announcement made by Takeda on May 8, 2018, as well as information regarding the method of calculation of the synergies and the costs to achieve such synergies. 2 The historical pro-forma EBITDA figure comprises Takeda's EBITDA (Operating Profit adjusted for other operating income and expenses, intangible amortization & impairment, software amortization, PP&E depreciation & impairment and other non-recurring items) for the Fiscal Year Ended March 31, 2018 based on the exchange rates of \$:¥ of 1:108.97 as at May 4, 2018 and Shire's EBITDA for the 12 month period ending on Mar 31, 2018 (the final three quarters of FY2017 and the first quarter of FY2018). 3 The statement that the Acquisition is underlying earnings accretive is not intended as a profit forecast and should not be construed as such, and is therefore not subject to the requirements of Rule 28 of the Takeover Code. The statement should not be interpreted to mean that the earnings per share in any future fiscal period will necessarily match or be greater than those for the relevant preceding financial period.



Deleveraging to Enhance Takeda Equity Value



NET DEBT TO EBITDA RATIO EVOLUTION



Takeda has a strong track record in deleveraging and portfolio rationalisation

Notes: 1 Consolidated Financial statements for the Fiscal Year Ended March 31, 2017; 2 Consolidated Financial statements for the Fiscal Year Ended March 31, 2018; 3 Illustrative pro forma net debt / EBITDA of ~5x calculated using the illustrative pro forma net debt of \$52,610mm calculated by adding: i) Shire net debt of \$18,203mm as per Q1 Report 2018; ii) Takeda net debt of \$6,343mm as per Consolidated Financial statements for the Fiscal Year Ended March 31, 2018 based on the exchange rate of \$:¥ of 1:108.97 as at May 8, 2018; and iii) the total cash consideration pursuant to the offer calculated as the cash consideration of \$30.33 per Shire share multiplied by the 937,925,528 issued and to be issued Shire share capital as disclosed in the Rule 2.7 Announcement made by Takeda on May 8, 2018 (the "Rule 2.7 Announcement"). The illustrative pro forma EBITDA is calculated by adding: i) Takeda's EBITDA (Operating Profit adjusted for other operating income and expenses, intangible amortisation & impairment, software amortisation, PP&E depreciation & impairment and other non-recurring items) of \$3,466mm as per Consolidated Financial statements for the Fiscal Year Ended March 31, 2018 based on the exchange rates of \$:¥ of 1:108.97 as at May 4, 2018; ii) Shire EBITDA of \$6,523mm for the 12 month period ending on Mar 31, 2018 (the final three quarters of FY2017 and the first quarter of FY2018); and iii) the expected annual cost synergies of at least \$1,400mm reported under Rule 28.1 of the Takeover Code; related reports can be found in the Rule 2.7 Announcement, as well as information regarding the method of calculation of the synergies and the costs to achieve such synergies.

Fully Confident in the Successful Integration of Shire



Takeda-ism and Patient – Trust – Reputation – Business will drive the culture of the combined company



More competitive, R&D-Driven Biopharmaceutical Company Headquartered in Japan

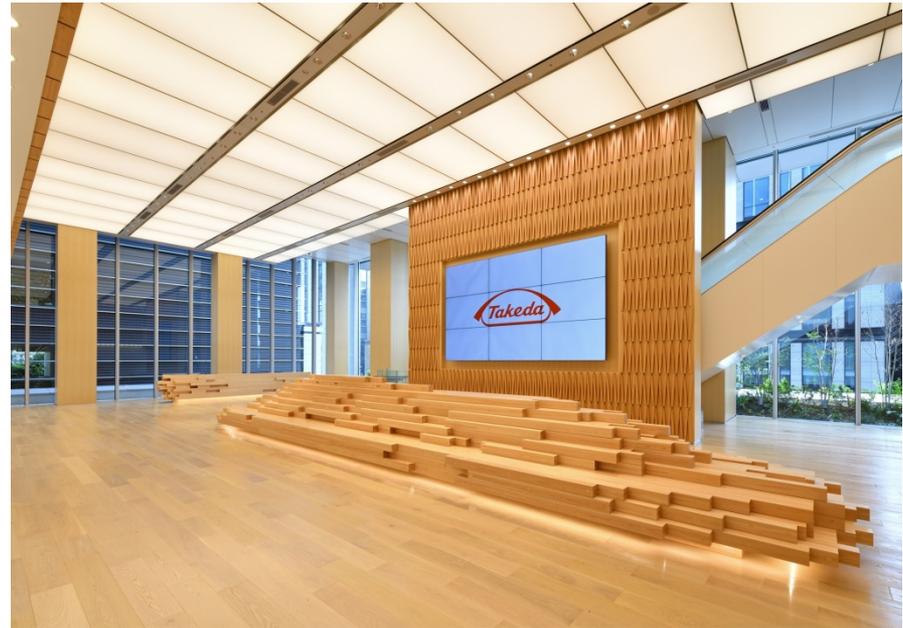


Listed on TSE with ADS's listed on NYSE



Acceleration of transformation leveraging Takeda and Shire employees' knowledge and expertise

Our New Global Headquarters





Better Health, Brighter Future



Takeda Pharmaceutical Company Limited