



Recommended offer for Shire plc by Takeda Pharmaceutical Company Limited

Impact on Shire UK Sharesaves: Frequently Asked Questions

20 November 2018

IMPORTANT INFORMATION: *In the event of any differences between this document and the relevant Share Plan letter, the relevant plan rules or the applicable legislation, the relevant Share Plan letter, the rules or the applicable legislation (as appropriate) will prevail. References to taxation are for guidance only and do not contain a full description of all circumstances in which a taxation liability may occur.*

If you are in any doubt about the contents of this Frequently Asked Questions document or the accompanying Share Plan letter, or as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

This document is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this presentation or otherwise. The statements contained in this document are not to be construed as legal, business, financial or tax advice.

What's happening?

On 8 May 2018, Shire plc (“**Shire**”) and Takeda Pharmaceutical Company Limited (“**Takeda**”) announced that they had reached agreement on the terms of a recommended offer by Takeda for the entire issued and to be issued share capital of Shire (the “**Acquisition**”). The Acquisition will be effected by means of a scheme of arrangement under Article 125 of the Companies (Jersey) Law 1991 (as amended) (the “**Scheme**”).

You can read about the Acquisition on Shire’s website <http://investors.shire.com/takeda>. You should also refer to the Scheme Document sent to Shire’s shareholders on 12 November 2018 (a copy of which is also contained on Shire’s website) (the “**Scheme Document**”).

Any share options that you hold under the UK Sharesaves at the time of completion of the Acquisition will be impacted.

You should have received the very important Share Plan letter for the Shire UK Sharesave(s) under which you currently hold share options. In the event of any differences between this document and the Share Plan letters, share plan rules or the applicable legislation, the Share Plan letters, the rules or the applicable legislation (as appropriate) will prevail. Unless otherwise defined, capitalised terms in this document have the meaning given to them in the Scheme Document or Share Plan letter as relevant. References to taxation are for guidance only and do not contain a full description of all circumstances in which a taxation liability may occur. If you are in any doubt as to your tax position or if you are not resident and domiciled in the United Kingdom or were not so resident and domiciled at the date of grant of your Sharesave Options, you should consult an appropriate professional adviser. You should also remember that tax law can and often does change and you should not necessarily assume the current tax position will continue.

Please read this brochure and the Share Plan letter carefully. You should also refer to the Scheme Document sent to Shire’s shareholders on 12 November 2018.

This document is also available on the Shire website at <http://investors.shire.com/takeda> and on the Takeda website at <https://www.takeda.com/investors/offer-for-shire/offer-for-shire-details/>

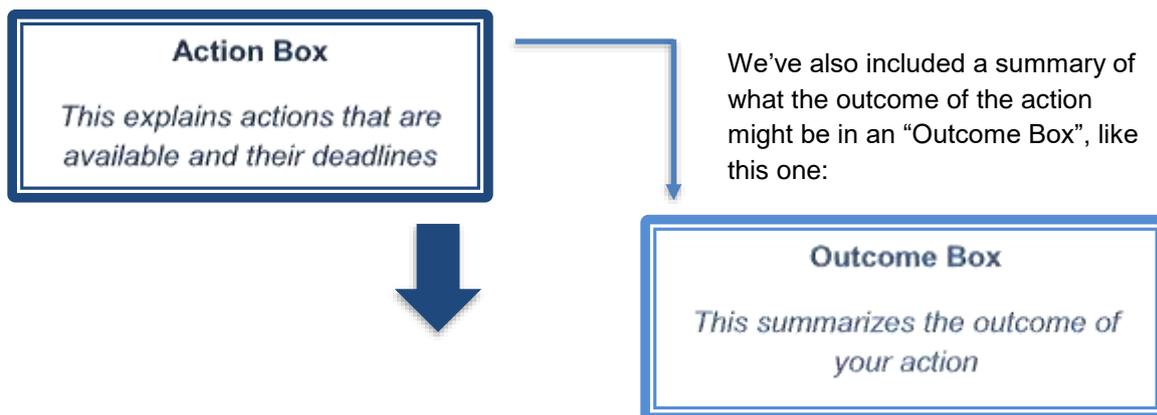
What is the purpose of this document?

- The purpose of this document is to help you understand the information in the very important Share Plan letter you have received in respect of the Sharesave Options you hold.
- There is no new information in this document about the Acquisition and its impact on your Sharesave Options that is not in your Share Plan letter.

This document relates only to options under the Shire UK Sharesaves and is not relevant to any Shire shares that you own in your personal capacity. Information about the impact of the Acquisition on Shire shares has been sent to you and/or potentially your bank, broker and/or nominee separately and you should read the Scheme Document sent on 12 November 2018 (which can also be found on the Shire website at <http://investors.shire.com/takeda> and on the Takeda website at <https://www.takeda.com/investors/offer-for-shire/offer-for-shire-details/>).

Taking actions

You will have an opportunity to take an action in respect of the Sharesave Options you hold. The action available and the deadline to take action will be clearly indicated in an “Action Box”, like this one:



What should I do now?

Please read the Share Plan letter and the relevant information in this document for the UK Sharesave Options that you currently hold. You are also encouraged to read the Scheme Document sent to Shire's shareholders on 12 November 2018.

Please make sure you are clear about the actions available to you and take note of the deadlines before making any decisions.

As a reminder, neither Shire nor Takeda can give you any advice about any decisions you can make. You should consult a suitably qualified and independent financial advisor if you require any advice relating to your Sharesave Options.

Further help

If you have not received a Share Plan letter about your Sharesave Options, please refer to your Link SAYE account where you will find the applicable letter posted.

Please remember that the Share Plan letter is also available on the Shire website at <http://investors.shire.com/takeda> and on the Takeda website at <https://www.takeda.com/investors/offer-for-shire/offer-for-shire-details/>.

If, after reading this document, you have any questions you can call or email the designated Equity Helpline.

The Equity Helpline can provide clarification on the details in the Share Plan letter and this FAQ document about the impact of the Acquisition on your share awards. The helpline cannot provide you with any personal tax, financial or investment advice.

The Equity Helpline

The Equity Helpline opens on 20 November 2018.

Please call +44 (0) 20 7804 2255 or email shire.helpline@uk.pwc.com. This helpline is open Monday to Friday (excluding public holidays) between 9.00 a.m. to 5.00 p.m. (UK time). This is a UK telephone number and calls will be charged at the standard geographic rate and will vary by provider.

We anticipate that the Equity Helpline will be open until the end of January 2019.

Contents

This document is divided into a number of sections. The sections that will be relevant for you will depend on which Sharesave Options you currently hold. The contents list below helps you work out which sections will be relevant for you to read. If you click on the links for the relevant section, you will be taken straight to that section of this document.

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Section 1: Overview of the UK Shire Sharesaves

We remind you about the UK Sharesave plans

1.1 Can you remind me about the details of the Shire share plans?

Shire operates Sharesaves for employees in the UK. In normal circumstances, participants in the Sharesaves have the opportunity to acquire Shire ordinary shares ("**Shire shares**").

The following Shire Sharesaves are covered in this document:

Plan	Types of share awards
The Shire Sharesave Scheme 2008, and the Shire UK Sharesave Plan 2015 (UK Sharesaves)	Sharesave Options

Section 2: Checking what you should have received

Find out what information you should have received about the Acquisition and how you can check which Sharesave Options you hold

2.1 What documents should I have received?

You should have received a Share Plan letter relevant to the UK Sharesave. This letter holds very important information about the impact of the Acquisition on the Sharesave Options you hold.

2.2 How can I check which Shire Sharesave Options I hold?

You should have only received a Share Plan letter for the Shire Sharesave that is relevant to you. However, to check the details of your current outstanding Sharesave Options you should log onto the Link SAYE portal (see below).

If you participate in other Shire share plans you should have also received Share Plan letters about the impact of the Acquisition on your other share awards. Please read those letters carefully.

If you believe you have not received the correct letters, please refer to your Link SAYE account, your EquatePlus account and / or your E*TRADE account (as relevant) where you will find the applicable letter(s) posted.

Portal access information:

	Link SAYE
<i>Online</i>	<ul style="list-style-type: none"> • https://www.shire-shareplans.com • Email: ShireSharesave@linkgroup.co.uk
<i>Phone</i>	Link Sharesave Scheme Helpline: <ul style="list-style-type: none"> • +44 (0) 371 664 0330

Section 3: At a glance: actions you may need to take

Find out where you have an opportunity to take action

Please read this section carefully so that you do not miss any opportunity to realize value from your Sharesave Options

3.1 What actions do I need to consider?

The table below summarizes the actions that are available to you to realize value for the Sharesave Options you hold.

There is a link in the table below to where you can find more information in this document about each opportunity. You will be contacted if any deadlines change.

Share plan	Award type	Opportunity to take action?	Where can I find more information?
UK Sharesaves	Sharesave Options	<p>Action available to you:</p> <ul style="list-style-type: none"> If your Sharesave Option reaches its maturity date before the Effective Date, you can choose to exercise it before the Effective Date. Any Shire shares received and not subsequently sold by you will be acquired by Takeda on completion of the Acquisition and you will receive the deal consideration (as described in the Scheme Document). Alternatively, you can sell your shares in the normal way prior to the Acquisition and receive sale proceeds (Choice A); or You can choose to make a pre-election to exercise on the Effective Date (Choice B). <p>Deadline for action is 24 December 2018</p> <p>Alternatively, provided that your Sharesave Option has not reached its maturity, you may continue to save after the Effective Date during the applicable exercise period. You may choose to exercise your Sharesave Option during this period, to the extent of your savings on the date of exercise (Choice C). You can also, if your Sharesave Option has reached maturity prior to the Effective Date, choose to wait and exercise after the Effective Date until the date on which your Sharesave Option is due to lapse (or the date falling six months from the Effective Date, if earlier).</p> <p>Deadline for action is the end of the applicable exercise period for your Sharesave Option</p>	See here
UK Sharesaves	Sharesave Options	<p>Action available to you:</p> <ul style="list-style-type: none"> You can choose not to exercise your Sharesave Options and request your cash savings back at any time (Choice D). <p>There is no specific deadline for this action -you can make this request to Link Asset Services at anytime</p>	See here

Section 4: Overview of the Acquisition

Find out more about the Acquisition

4.1 The Acquisition – what do I need to know?

Full details of the Acquisition are set out in the Scheme Document dated 12 November 2018 sent to Shire shareholders on 12 November 2018.

In this section we have provided you with a brief summary of the key information about the Acquisition, to provide you with context. If you own Shire shares, while you may find the below to be a useful summary, you should read the Scheme Document referred to above and any information provided to you by your bank, broker and/or nominee for further details.

4.2 What will happen to Shire as a result of the Acquisition?

The Acquisition will result in Shire and its subsidiaries becoming wholly-owned subsidiaries of Takeda. As a result, Shire will be part of the Takeda group and will cease to be listed. Any Shire shares that you own will be acquired by Takeda when the Acquisition completes.

4.3 How will the Acquisition take place?

The Acquisition will take place through a legal procedure called a “scheme of arrangement” (the “**Scheme**”). This is a procedure that has to be approved by Shire shareholders and the Royal Court of Jersey. Further information on the Scheme is set out in the Scheme Document dated 12 November 2018 sent to Shire shareholders on 12 November 2018. Copies of the Scheme Document are available on the Shire website at <http://investors.shire.com/takeda> and the Takeda website at <https://www.takeda.com/investors/offer-for-shire/offer-for-shire-details/>.

4.4 What does Court Sanction mean?

As part of the Acquisition, the Court has to approve the Scheme on a date known as **Court Sanction**. This date is not the date on which the Acquisition will be completed. The Acquisition is currently due to be finalized a few days after “Court Sanction” on what is called the **Effective Date**. Sometimes the Effective Date is referred to as “close”.

4.5 What are the terms of the Acquisition?

The terms of the Acquisition are set out in full in the Scheme Document. In summary, for each Shire share a Shire shareholder will be entitled to receive:

- **\$30.33 in cash**; and
- either **0.839 New Takeda Shares** OR **1.678 Takeda ADSs**

4.6 What are “New Takeda Shares”?

These are newly issued ordinary shares in Takeda which are proposed to be issued in connection with the Acquisition to certain Shire shareholders.

4.7 When is the Acquisition likely to take place?

The Acquisition is currently expected to become effective on 8 January 2019. The expected timeline is set out in section 5.

4.8 How does the Acquisition affect my outstanding Sharesave Options?

The impact of the Acquisition depends on the type of Shire Sharesave Options that you hold. You should read the information in Section 6 of this document.

4.9 Is the impact different if I own Shire shares?

Yes. If you are currently a Shire shareholder, those Shire shares will be subject to the terms of the Acquisition (if you continue to hold them at the relevant record time for the Scheme). Information about the impact of the Acquisition on any Shire shares you hold has been sent to you and/or potentially your bank, broker and/or your nominee separately. This document relates only to Shire equity awards (i.e., it does not relate to actual shares held by Shire shareholders). You should ensure that you read the Scheme Document if you are a current Shire shareholder.

Section 5: Key dates

The key dates you need to be aware of in respect of the Acquisition are set out below together with any actions you need to take.

Please be aware that the timetable and deadlines below reflect the current expected timetable and are indicative only. They are subject to change and you will be contacted if any deadlines for any actions you may wish to take change.

Date	Event
24 November 2018	Date by or on which Link Asset Services will distribute or otherwise make available the Sharesave Pre-Election Form.
5 December 2018	Shire Shareholder meetings to approve the Scheme; and Takeda Shareholder meetings to approve the issue of shares in connection with the Acquisition.
11.59 p.m. (UK time), 24 December 2018	<p>If you wish to exercise your Sharesave Option prior to Court Sanction, last date on which exercises will be accepted (Choice A).</p> <p>If you wish to pre-elect to exercise on the Effective Date, last date for receipt of your Sharesave Pre-Election Form (Choice B).</p> <p>Please note that no Sharesave Options can be exercised between Court Sanction and the Effective Date.</p>
24 December 2018 to 13 January 2019	Blackout period. During this time, you will be restricted from taking certain actions such as exercising Sharesave Options.
3 January 2019 (the expected Court Sanction)	Date on which the Court sanctions the Scheme.
8 January 2019 (the expected Effective Date)	Scheme becomes effective and the Acquisition completes as a consequence. Pre-election exercises take effect. All Sharesave Options, to the extent not already exercisable, become exercisable.

<p>19 March 2019</p>	<p>Last date by which the Sharesave Share Cash Consideration and, if applicable, the Compensation Payment will be paid through payroll, less any necessary deductions for tax and National Insurance contributions, if you exercised on the Effective Date.</p>
<p>8 July 2019 (six months after the Effective Date)</p>	<p>Date on which unexercised UK Sharesave Options which have not previously lapsed, will lapse.</p>

Section 6: UK Sharesaves - the Shire Sharesave Scheme 2008 and the Shire UK Sharesave Plan 2015

Read this section if you participate in the UK Sharesaves

Find out what happens to your Sharesave Options and the choices available to you

Actions are available to you in respect of your Sharesave Options

Choice A: Exercise **before** the Effective Date

If you wish to exercise your options before the Effective Date you will need to exercise them after their maturity date and before **11.59 p.m. UK time on 24 December 2018**

(Only available if your Sharesave Options reach their maturity before 24 December 2018 i.e. 5 year options granted in 2013 and 3 year options granted in 2015)

Choice B: Pre-elect to exercise **on** the Effective Date

If you wish to pre-elect to exercise your options on the Effective Date you will need to take action before **11.59 p.m. UK time on 24 December 2018**

Choice C: Exercise **after** the Effective Date

If you wish to exercise your options after the Effective Date (and, if you want to and are able to, continue to save up until such exercise date) you will need to take action **before the expiry of the applicable exercise period**

Choice D: If you wish to receive your savings back you will need to take action by contacting Link Asset Services at anytime

Outcome

This will depend on the choice you make. In summary:

Choice A: You receive Shire shares. If these are not subsequently sold by you, they will be acquired by Takeda for the Deal Consideration (see A4 below)

Choice B: You receive cash in exchange for your Shire shares. The amount you receive depends on the Takeda share price on the Effective Date

Choice C: Your shares will be automatically purchased by Takeda and you will receive cash in exchange for your Shire shares. The amount you receive depends on the Takeda share price at the time of issue of Shire shares

Choice D: You receive your savings back (in cash)

Full details of each choice and the outcome are set out below.

Shire operates two UK Sharesaves as follows:

- the Shire Sharesave Scheme 2008; and
- the Shire UK Sharesave Plan 2015

Sharesave Options have been granted under each of the Sharesaves. The Sharesaves are UK Her Majesty's Revenue and Customs (HMRC) tax-advantaged plans.

6.1 What is the treatment of my Sharesave Options as a result of the Acquisition?

You may currently hold Sharesave Options that have a maturity date before the Effective Date (for instance, if your Sharesave Options mature in December 2018). You will normally have six months from the relevant maturity date of your Sharesave Option to exercise it.

You may also hold Sharesave Options which will not reach their maturity date before the Effective Date. These Sharesave Options will become exercisable on the Effective Date (expected to be 8 January 2019) and you will have 6 months from this date to exercise them after which they will lapse. You can continue to save during this exercise period and may exercise your Sharesave Options at any time in this period (subject to the blackout period around Court Sanction and the Effective Date).

You have a number of choices you can make in relation to your Sharesave Options which will determine when and how you realize value from your Sharesave Options. Your choices are explained in more detail below.

6.2 What choices do I have in relation to my Sharesave Options?

You have 3 choices in respect of most Sharesave Options but if you hold 2013 (5 year) or 2015 (3 year) Sharesave Options then you have an extra choice as you can exercise your Sharesave Options before the Effective Date (subject to the blackout period).

These choices are summarized below:

<u>CHOICE A</u> (only available for 2013 (5 year) and 2015 (3 year) options)	<u>CHOICE B</u>	<u>CHOICE C</u>	<u>CHOICE D</u>
Exercise your options after maturity date (if this is before 24 December 2018) and before the Effective Date	Pre-elect to exercise on the Effective Date	Continue to save if you want to, or, if your options have matured prior to the Effective Date, wait, and exercise after the Effective Date up until the end of the exercise period (subject to the blackout period)	Do not exercise your Sharesave Options and request the return of your cash savings. Your Sharesave Options will be cancelled
You will receive Shire shares and, if these are not subsequently sold by you, Takeda will acquire them in exchange for the Deal Consideration (see A4 below)	You will receive cash in exchange for your Shire shares, part of which is based on the Takeda share price on the Effective Date	You will receive cash in exchange for your Shire shares, part of which is based on the Takeda share price at the time of issue of Shire shares	Action required: Request the return of your savings before 8 July 2019 (or 1 June 2019 for 2013 (5 year) and 2015 (3 year) options)*
Action required: Exercise before 24 December 2018	Action required: Pre-elect before 24 December 2018	Action required: Exercise before 8 July 2019 (or 1 June 2019 for 2013 (5 year) and 2015 (3 year) options)	

*If your Sharesave Options are not exercised before the end of the relevant exercise period they will expire and you will need to request your savings to be returned to you through the normal process from Link Asset Services.

6.3 What is the blackout period?

The blackout period is a window of time during which you cannot submit an exercise request in respect of your Sharesave Options.

So if you want to exercise your Sharesave Options prior to the Effective Date (Choice A) you must submit your exercise instruction via the Links SAYE portal (www.shire-shareplans.com) in the usual way no later than 11.59 p.m. UK time on 24 December 2018 (or such later deadline as may be notified to you). The blackout period starts after this time.

The blackout period will continue beyond Court Sanction and the Effective Date and is currently expected to end on 13 January 2019. So from 14 January 2019 (assuming the blackout ends on 13 January 2019) you can submit exercise requests for any Sharesave Options you still hold at that time. You will be contacted with details on how to do this if you do not exercise prior to the Effective Date and do not make a pre-election.

CHOICE A: Exercise before the Effective Date
Only applicable to 2013 (5 year) and 2015 (3 year) Sharesave Options

An action is available to you in respect of any Sharesave Options that have reached maturity prior to 24 December 2018 if you wish to receive **Shire shares**

You can exercise your Sharesave Options before **11.59 p.m. UK time on 24 December 2018**



You will receive Shire shares

You can sell these prior to the Effective Date

If you hold them on the record time for the Scheme, Takeda will acquire your Shire shares for the Deal Consideration on the Effective Date

A1. Which Sharesave Options can I make this choice for?

If you hold 2013 (5yr) Sharesave Options or 2015 (3yr) Sharesave Options, these are expected to mature on 1 December 2018 and you will have 6 months from this date to exercise your Sharesave Options.

So you can choose to exercise these in the normal way before the Effective Date (subject to the blackout period).

A2. What happens if I exercise my Sharesave Options before the Effective Date?

If you do this, you will acquire Shire shares in the normal way.

A3. What can I do following the exercise of my Sharesave Options?

You can choose to sell your Shire shares before Court Sanction in the normal way.

If you choose to exercise your Sharesave Options before 24 December 2018 (or such later deadline as may be notified to you) but you do not sell your Shire shares, you will be treated like any other Shire shareholder on the Effective Date. This means that Takeda will acquire your Shire shares on completion of the Acquisition for the **Deal Consideration**. You should read the Scheme Document for further details.

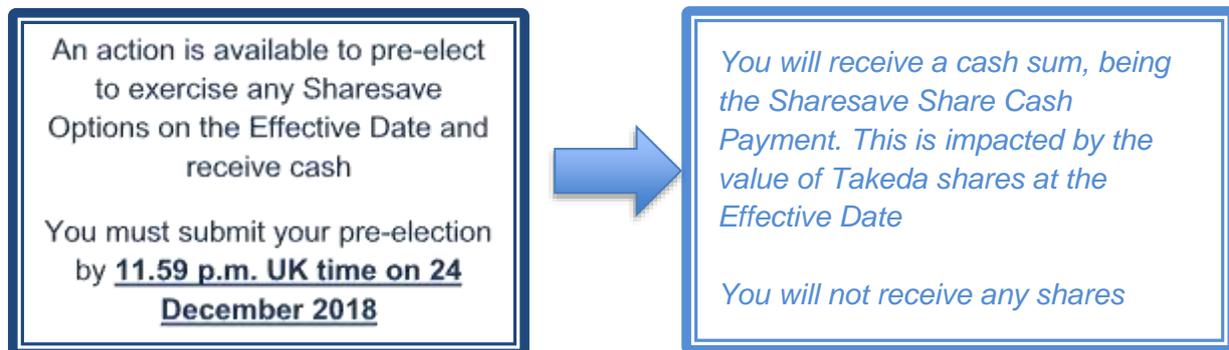
A4. What is the Deal Consideration?

The Deal Consideration relevant to you for your purposes is \$30.33 in cash; and 0.839 New Takeda Shares OR 1.678 Takeda ADSs as your Sharesave Options are over Shire shares.

A5. How do I exercise my Sharesave Options before the Effective Date?

You can exercise your Sharesave Options in the usual way by logging onto www.shire-shareplans.com. You have until 11.59 p.m. UK time on 24 December 2018 (or such later deadline as may be notified to you) to submit your exercise request if you want to exercise before the Effective Date.

CHOICE B: Pre-election to exercise on the Effective Date



B1. Which Sharesave Options can I make a pre-election for?

You can make the pre-election for any of your Sharesave Options, provided they do not lapse before the Effective Date.

You must make this pre-election separately for each Sharesave grant that you hold. So if you hold 2015 and 2016 Sharesave Options, for example, you can pre-elect for both, none or only one of these.

B2. What do you mean by “pre-election to exercise” my Sharesave Option?

The pre-election is a process for you to choose, in advance, to use your savings as at the Effective Date to automatically exercise your Sharesave Option on that date.

B3. What is the deadline for making the pre-election?

You can submit a pre-election any time up until **11.59 p.m. on 24 December 2018** (or such later deadline as may be notified to you) by completing and returning the Sharesave Pre-Election Form (to be distributed or otherwise made available to you by or on 24 November 2018 by Link) to the address specified within the Form.

Once submitted, your pre-election decision can be changed up until the deadline of 24 December 2018. Details on how to make changes will be included in the Sharesave Pre-Election Form. If you are able to and do exercise your Sharesave Option in the normal course before 24 December 2018, and you made a pre-election, your pre-election will not be processed.

B4. What do I receive if I pre-elect to exercise my Sharesave Options on the Effective Date?

If you exercise your Sharesave Options on the Effective Date (expected to be 8 January 2019), you will receive a cash sum for the Shire shares issued to you on exercise. Takeda will automatically acquire your Shire shares so you do not need to take any action in this respect.

For each Shire share subject to the Sharesave Options you exercise, you will receive a cash amount equal to \$30.33 in cash and the value of 0.839 New Takeda Shares (using the market value of New Takeda Shares at the date of issue of the corresponding Shire shares), being the cash equivalent of the consideration that Shire shareholders will receive on the Acquisition. This payment is referred to as the **Sharesave Share Cash Payment**.

Unlike shareholders who will receive cash and Takeda shares/ADSs under the terms of the Acquisition, you will receive the whole value in cash. This is because all shares issued by Shire after the Effective Date (which your shares will be) will automatically be exchanged for the cash value described above.

You may also be entitled to receive the **Compensation Payment** – see 6.5 below.

B5. What happens if my Sharesave Option is underwater on the Effective Date?

If your Sharesave Option has an exercise price that is equal to, or greater than, the value of the underlying Shire shares on the date of exercise, that Sharesave Option is considered to be “underwater”. This means that you would potentially receive less than you paid for the Shire shares, which may result in a loss.

If you make a pre-election to exercise your Sharesave Option on the Effective Date, you can decide in the Sharesave Pre-Election Form whether you would like your exercise request to be withdrawn if, on the Effective Date, your Sharesave Options are underwater. If you choose to withdraw, your Sharesave Options will not be exercised but you will be able to exercise at a later date, before the end of the relevant exercise period.

If you choose to proceed with your election if your Sharesave Option is underwater at exercise, your Sharesave Options will be exercised and you may suffer a loss.

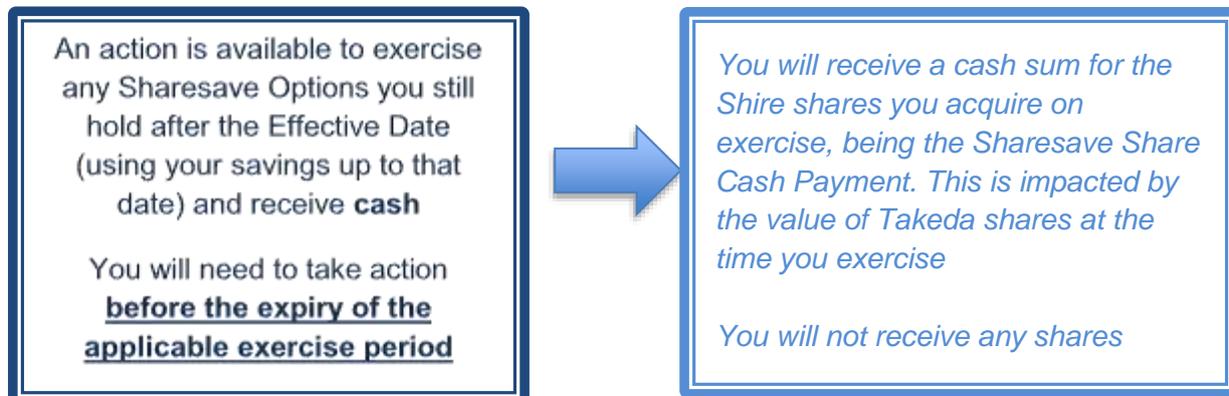
B6. When and how will I be paid my cash amount after the exchange of my Shire shares?

The cash amount will be paid to you through payroll within 45 Business Days (as defined in the Scheme Document) of the Effective Date.

B7. What currency will I receive my cash amount?

The Sharesave Share Cash Payment will be paid in GBP.

CHOICE C: Continue saving (if you want to)/wait and exercise after the Effective Date



C1. Which Sharesave Options can I exercise after the Effective Date?

For all of your Sharesave Options you still hold, you can choose to continue to save, if you want to and are able to, or otherwise wait (if your Sharesave Options have matured prior to the Effective Date) and exercise them after the Effective Date, using your savings as at the exercise date (subject to the blackout period (see 6.3 above)). So from 14 January 2019 (assuming the blackout period ends on 13 January 2019) you can submit exercise requests for any Sharesave Options you still hold at that time.

You will be contacted with details of how to do this if you did not pick Choice A or Choice B.

C2. Can I continue saving after the Effective Date?

[2013 \(5 year\) and 2015 \(3 year\) Sharesave Options](#)

No. If you hold 2013 (5 year) or 2015 (3 year) Sharesave Options these will mature on 1 December 2018. Therefore the savings period for these Sharesave Options will have ended on this date.

[All other Sharesave Options](#)

Yes. If you do not exercise your Sharesave Option before or on the Effective Date you may continue to save during the applicable exercise period, but you can decide not to save any further after the Effective Date. You may choose to exercise your Sharesave Option during this period, to the extent of your savings on the date of exercise.

C3. How will my savings be collected from me after the Effective Date?

If you continue to save after the Effective Date, your savings will be made in the normal way through monthly payroll deductions.

However, if you are no longer a Shire employee and you are able to continue saving, any such savings would need to be made on a self-pay basis directly to Link Asset Services.

C4. How long is the exercise period for my Sharesave Options?

The normal exercise period is 6 months from the maturity date of the Sharesave Options.

If your Sharesave Option matures on the Effective Date (which will be the case for most of the Sharesave Options), this 6 month period starts from the Effective Date, currently expected to be 8 January 2019. So you will have until 8 July 2019 to exercise your Sharesave Options, otherwise they will lapse. In this case, you would need to request that your savings be returned to you through Link Asset Services.

For the 2013 Sharesave (5 year) and 2015 Sharesave (3 year) options, the exercise period will end 6 months after the maturity date (not 6 months after the Effective Date).

There may be an impact on your exercise period if you leave employment with Shire – refer to 6.7 and 6.8 below.

C5. What do I receive if I exercise my Sharesave Options after the Effective Date?

If you exercise your Sharesave Options after the Effective Date, your Shire shares will automatically be exchanged for the **Sharesave Share Cash Payment**.

Unlike shareholders who hold shares at the scheme record time and who will receive cash and Takeda shares/ADSs for their shares under the terms of the Acquisition, you will receive the whole value in cash. This is because all shares issued by Shire after the Effective Date will automatically be acquired by Takeda in exchange for the cash value described above.

You may also be entitled to receive the **Compensation Payment** – see 6.5 below.

<p>Sharesave Share Cash Payment is a cash amount equal to \$30.33 in cash and the value of 0.839 New Takeda Shares (using the market value of New Takeda Shares at the date of issue of the corresponding Shire shares)</p>
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C6. When and how will I be paid my cash amount after the exchange of my Shire shares?

The cash amount will be paid to you through payroll within 45 Business Days (as defined in the Scheme Document) of the issue of your Shire shares.

C7. In what currency will I receive my cash amount?

The Sharesave Share Cash Payment will be paid in GBP.

C8. What happens after the end of the applicable exercise period?

Any Sharesave Options not exercised by the end of the applicable exercise period will lapse. In this case you would need to request your savings to be returned to you through Link Asset Services.

C9. How do I submit an exercise request after the Effective Date?

There will be a paper exercise form for you to complete and submit. You will be contacted with details of how to do this if you did not pick Choice A or Choice B.

CHOICE D: Request your savings back/Do nothing

You can choose not to exercise your Sharesave Options and request to receive your cash savings back at any time through the normal process from Link Asset Services by logging onto www.shire-shareplans.com

Important reminder: Regardless of when your Sharesave Option becomes exercisable, if you do not exercise your Sharesave Options, they will lapse on the earlier of the date of lapse previously communicated to you and the date falling 6 months from the Effective Date. You can request your savings to be returned to you through the normal process from Link Asset Services by logging onto www.shire-shareplans.com.

Additional information (not specific to one particular choice)

6.4 What is the tax treatment on exercise of my Sharesave Options?

The tax information below assumes that you are and have been domiciled and resident in the UK for tax purposes at all relevant times and is based on current legislation and HMRC practice at the date of this document, which is subject to change in the future.

If you have held your Sharesave Options for over three years at the time of exercise, you will not be subject to income tax on exercise. You may be subject to capital gains tax when you dispose of your Shire shares (either in the normal way before 24 December 2018 or immediately following exercise when they are automatically acquired by Takeda as a result of the Acquisition).

It is currently expected that you should not incur an income tax charge if you pre-elect to exercise your Sharesave Option or if you exercise your Sharesave Option after the Effective Date (even if you have not held your Sharesave Options for at least three years at the time of exercise). You may be subject to capital gains tax when you dispose of your Shire shares immediately following exercise (i.e. when they are automatically acquired by Takeda as a result of the Acquisition).

Capital gains tax is complex and the position on any disposal of your Shire shares will depend on your own personal circumstances. You are advised to seek your own independent tax advice if you are unsure about your own position.

In the unlikely event that you incur an income tax charge in relation to your Sharesave Option exercise (under Choice B or C), you will be entitled to receive the Compensation Payment from Takeda (see details below).

6.5 What is the Compensation Payment and will I receive it?

As set out above, it is currently expected that you will not incur a charge to income tax on exercise (irrespective of whether the exercise is less than or more than three years from grant). In the unlikely event that you incur, as a result of the Acquisition, an income tax charge when you exercise your Sharesave Options on or after the Effective Date (Choice B or C) Takeda has agreed to compensate you for this charge. If relevant, a cash lump sum payment equal to the income tax that you incurred on exercise of your Sharesave Option will be paid to you through payroll. This is known as the **Compensation Payment** and will be paid on a grossed-up basis to fully compensate you.

If it becomes necessary for Takeda to make the Compensation Payment to you, you will be notified of when such payment will be made.

Where, at the time of exercise, Shire and Takeda reasonably believe such an income tax liability has arisen, the Compensation Payment will be made to you within 45 Business Days of the date of issue of your Shire Shares.

6.6 What will happen if the Acquisition does not go ahead?

If the Acquisition does not happen for any reason, your Sharesave Options will continue as normal subject to the rules of the 2008 Sharesave and/or 2015 Sharesave. This means that they will mature according to the information provided to you at grant.

However, if you exercise any Sharesave Options that mature prior to the Effective Date (for instance, the 2013 Sharesave (5 year) and 2015 Sharesave (3 year) options) this will be irrevocable and the exercises will remain effective.

6.7 If I am a current employee of Shire but I leave employment with Shire before the Effective Date, what will happen?

If you cease employment with Shire or another member of the Shire Group before the Effective Date the leaver provisions under the 2008 Sharesave and/or 2015 Sharesave rules will apply in the normal way.

This means that if you leave and are considered a “good leaver”, your Sharesave Options will mature on the date your employment ceases and usually you will have 6 months from that date to exercise your Sharesave Options, after which they will lapse. You can continue to save during this period and if you do choose to exercise, you can exercise your Sharesave Options to the extent of your savings at the relevant exercise date. Please be aware that different rules may apply in the case of death. So subject to when your Sharesave Options expire, you will have Choices A to D available to you in respect of your Sharesave Options.

Who is a “good leaver”?

A “good leaver” is defined in the Sharesave rules. Examples include someone who leaves because of redundancy, disability or retirement, or in the case of the 2015 Sharesave, if you have held your Sharesave Option for longer than 3 years and not left due to misconduct

If you leave and are not considered a “good leaver” (for example, your employment is terminated due to misconduct or you resign and you have held your Sharesave Option for less than three years) all your unvested Sharesave Options (i.e. all your Sharesave Options which have not matured) will lapse on the date your employment ends. You will be entitled to have your savings returned. You will not be entitled to exercise your Sharesave Options.

6.8 If I am a current employee of Shire but I leave employment after the Effective Date, what will happen?

If you leave Shire after the Effective Date, your Sharesave Options will not be affected if you have already exercised them.

If you leave after the Effective Date and have not exercised your Sharesave Options, these may lapse if you are not considered a “good leaver”. If your Sharesave Options lapse, you will be entitled to have your savings returned to you.

If you are a “good leaver” your Sharesave Options will, if they do not lapse earlier, lapse on the date falling 6 months from the Effective Date. You can continue to save during this period up until the lapse date and if you do choose to exercise, you can exercise your Sharesave Options to the extent of your savings at the relevant exercise date.

Section 7: Who should I contact if I have any questions?

Equity Helpline

The Equity Helpline can provide clarification on the details in the Share Plan letter and this FAQ document about the impact of the Acquisition on your share awards. The helpline cannot provide you with any personal tax, financial or investment advice.

The Equity Helpline
<p>The Equity Helpline opens on 20 November 2018.</p> <p>Please call +44 (0) 20 7804 2255 or email shire.helpline@uk.pwc.com. This helpline is open Monday to Friday (excluding public holidays) between 9.00 a.m. to 5.00 p.m. (UK time). This is a UK telephone number and calls will be charged at the standard geographic rate and will vary by provider.</p> <p>We anticipate that the Equity Helpline will be open until the end of January 2019.</p>

Portal information

	Link SAYE
<i>Online</i>	<ul style="list-style-type: none"> • https://www.shire-shareplans.com • Email: ShireSharesave@linkgroup.co.uk
<i>Phone</i>	<p>Link Sharesave Scheme Helpline:</p> <ul style="list-style-type: none"> • 0371 664 0330

The directors of Shire (who are listed below) accept responsibility for the information contained in this Frequently Asked Questions document. To the best of the knowledge and belief of the directors (who have taken all reasonable care to ensure that such is the case), the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of Shire are as follows:

*Susan Kilsby
 Flemming Ornskov
 Thomas Dittrich
 Olivier Bohuon
 Ian Clark*

Gail Fosler
Steven Gillis
David Ginsburg
Sara Mathew
Albert Stroucken

This document has been prepared by Shire for the benefit of holders of awards under the Shire Sharesave Scheme 2008, and the Shire UK Sharesave Plan 2015. This document should not be copied or relied upon by anyone who is not a holder of awards under the Shire Sharesave Scheme 2008, or the Shire UK Sharesave Plan 2015.

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A copy of this document is also available on the Shire website at <http://investors.shire.com/takeda> and on the Takeda website at <https://www.takeda.com/investors/offer-for-shire/offer-for-shire-details/>.