


A COMPETITIVE, VALUES-BASED, R&D-DRIVEN, GLOBAL BIOPHARMACEUTICAL LEADER

FY2019 Q2 Earnings Announcement

October 31st, 2019

Takeda

Better Health, Brighter Future

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This presentation and materials distributed in connection with this presentation include certain IFRS financial measures not presented in accordance with International Financial Reporting Standards ("IFRS"), such as Underlying Revenue, Core Operating Profit, Underlying Core Operating Profit, Core Net Profit, Underlying Core EPS, Net Debt, EBITDA, Adjusted EBITDA and Free Cash Flow. Takeda's management evaluates results and makes operating and investment decisions using both IFRS and non-IFRS measures included in this presentation. These non-IFRS measures exclude certain income, cost and cash flow items which are included in, or are calculated differently from, the most closely comparable measures presented in accordance with IFRS. By including these non-IFRS measures, management intends to provide investors with additional information to further analyze Takeda's performance, core results and underlying trends. Takeda's non-IFRS measures are not prepared in accordance with IFRS and such non-IFRS measures should be considered a supplement to, and not a substitute for, measures prepared in accordance with IFRS (which we sometimes refer to as "reported" measures). Investors are encouraged to review the reconciliation of non-IFRS financial measures to their most directly comparable IFRS measures, which are on slides 49-58 and 60.

Medical information

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Financial information

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

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

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

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

AGENDA

01.	Introduction	**Christophe Weber** President & CEO	
02.	Business Area Focus		
03.	R&D Engine	**Andrew Plump** President, R&D	
04.	Financial Strength	**Costa Saroukos** Chief Financial Officer	
05.	Closing Remarks	**Christophe Weber** President & CEO	
06.	Q&A Session		

INTRODUCTION

Christophe Weber

President & Chief Executive Officer

TAKEDA IS DELIVERING ON ITS STRATEGIC PRIORITIES

- Integration progressing on track while maintaining strong business momentum
- Solid H1 financial performance driven by 14 global brands, synergies and OPEX
- Raising full-year profit and margin guidance
- R&D engine delivering pipeline to support long-term revenue growth

FY2019 Q2 KEY TAKE-AWAYS

BUSINESS AREA FOCUS

- 14 global brands' underlying growth +21%, driving strong performance across the business
- Steady execution of divestitures to optimize portfolio and accelerate de-leveraging; announced agreement to divest a portfolio of select OTC and non-core assets in NEMEA
- Working closely with U.S. FDA to resume NATPARA supply as soon as possible

R&D ENGINE

- 8 potential best-in-class or first-in-class NMEs in pivotal studies
- Data at World Sleep Congress demonstrate early evidence of efficacy for TAK-925 in Narcolepsy T1
- ENTYVIO head-to-head study and TAK-620 Ph-2 data in *New England Journal of Medicine*
- TRINTELLIX approved in Japan for the treatment of depression and depressed state

FINANCIAL STRENGTH

- FY2019 H1 Reported Revenue +88.5%; Underlying Revenue (pro forma[1]) -0.2%
- FY2019 H1 Core Operating Profit[2] JPY 541.6B; Underlying Core OP margin 32.2%
- De-levered to 3.9x Net debt/adj EBITDA[3]; paid down JPY 584.5B of debt in Q2
- Raising full-year profit and margin guidance with business momentum expected to more than offset NATPARA recall and significant FX impact

1. Year-on-year underlying pro-forma revenue growth. The FY2018 H1 pro-forma baseline represents the sum of Takeda revenue for FY2018 H1 (Apr-Sep) plus Shire revenue for the same period, both adjusted to remove the revenue from divested assets, converted to JPY at the rate of $1 = 111 JPY (average FX rate for FY2018), and converted from US GAAP to IFRS with no material differences. Please refer slide 49 for reconciliation.
2. Previously called Core Earnings (no change in definition). Please refer slide 42 for its definition.
3. Please refer to slides 56-57 for reconciliation.

OTC: Over-the-counter products; NEMEA: Near East, Middle East & Africa; FDA: Food & Drug Administration; NME: New Molecular Entity

BUSINESS AREA FOCUS

Christophe Weber

President & Chief Executive Officer

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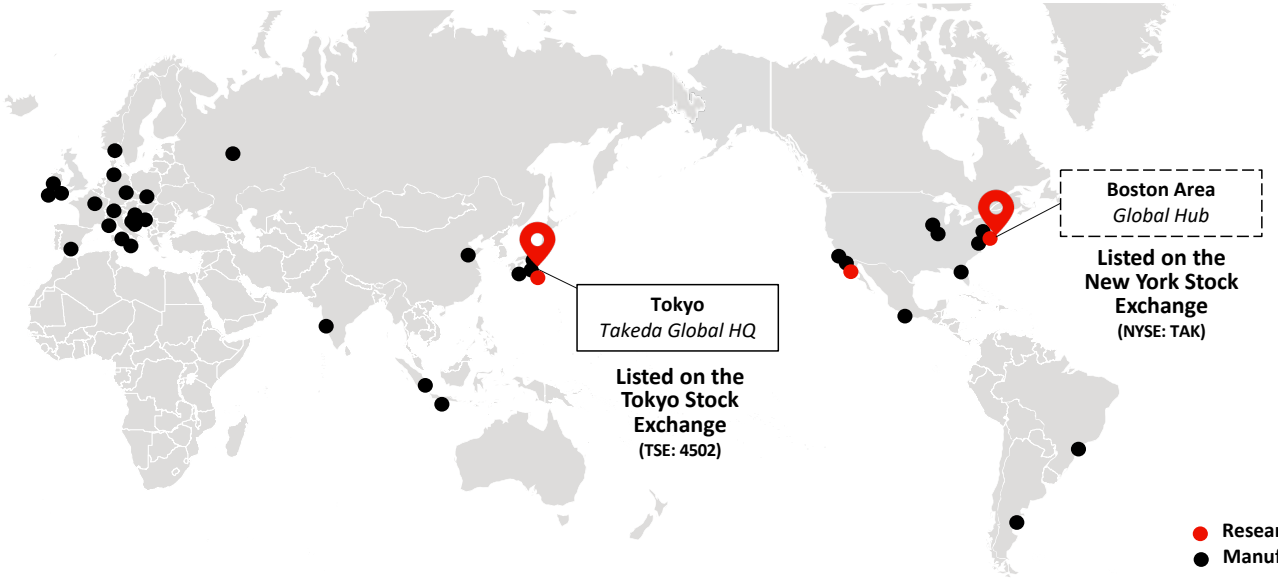
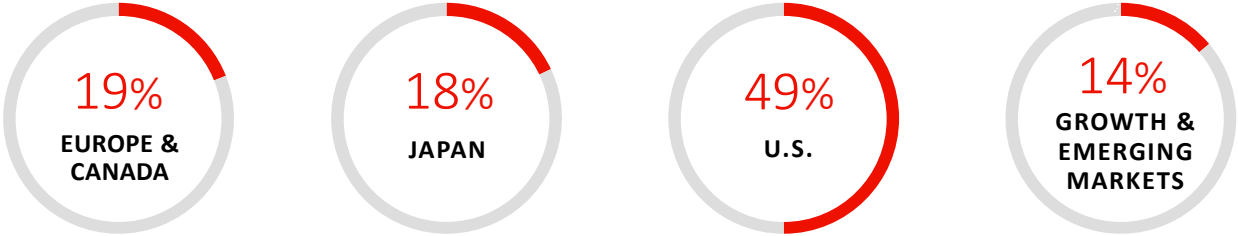
JPY 1.660T
(USD 15.2B)[1]

FY2019 H1 REPORTED REVENUE

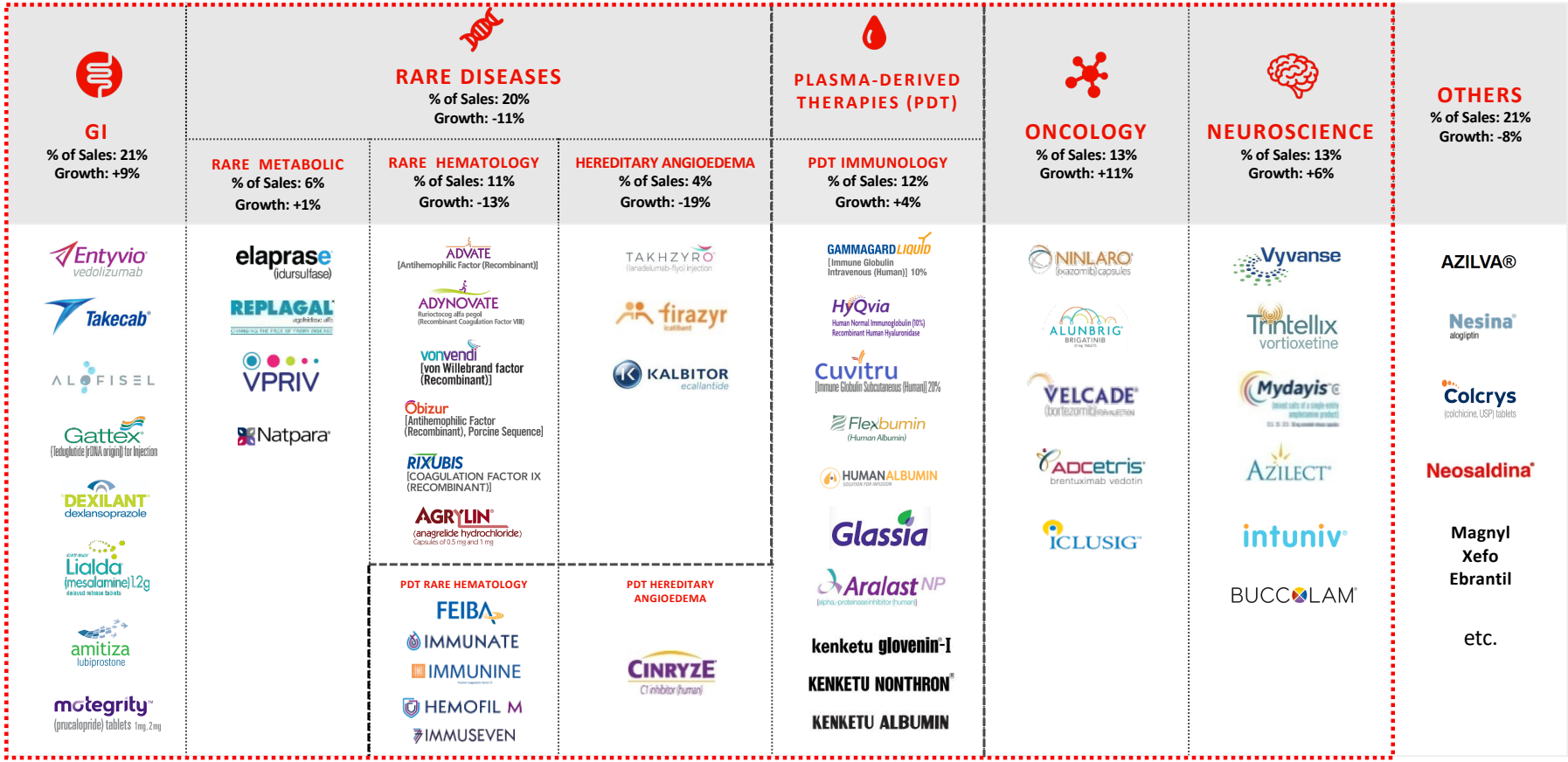


FY2019 H1 REVENUE BREAKDOWN BY REGION



1: USD included for reference calculated at JPY/USD of 109 yen.

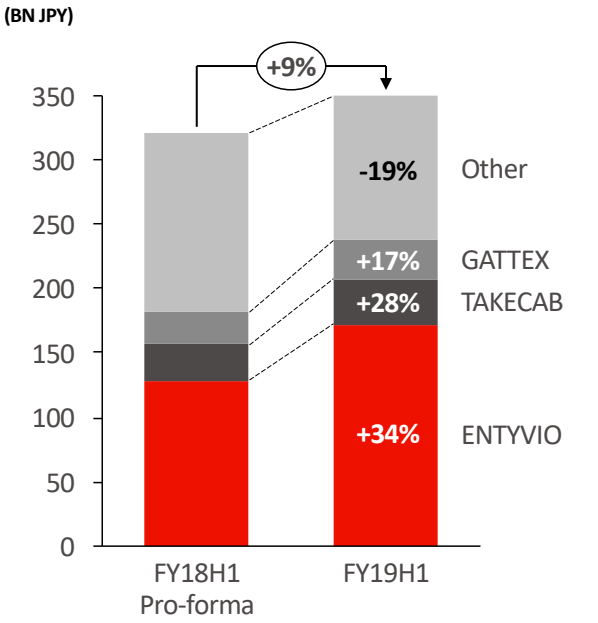
5 KEY BUSINESS AREAS REPRESENT ~79% OF FY2019 H1 REVENUE



Note: Year-on-year changes are underlying pro-forma growth. The FY2018 H1 pro-forma baseline represents the sum of Takeda revenue for FY2018 H1 (Apr-Sep) plus Shire revenue for the same period, both adjusted to remove the revenue from divested assets, converted to JPY at the rate of $1 = 111 JPY (average FX rate for FY2018), and converted from US GAAP to IFRS with no material differences.

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

GI PORTFOLIO
H1 UNDERLYING REVENUE GROWTH



Gattex® (Teduglutide [rDNA origin]) for Injection

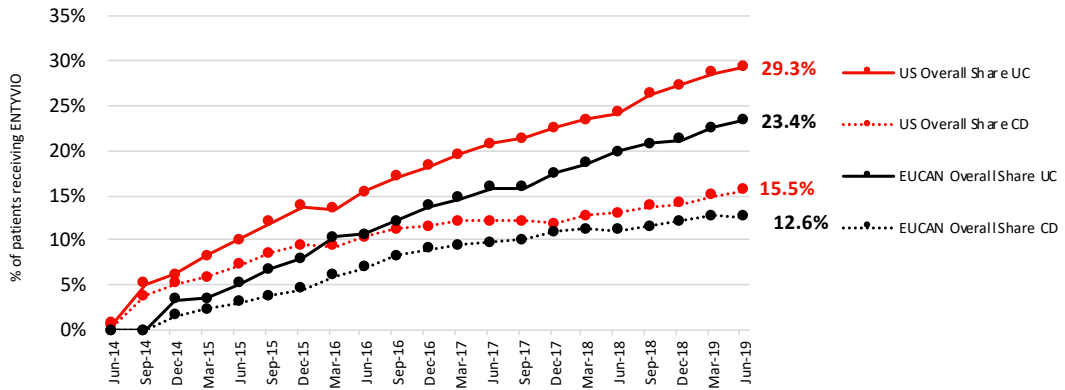
FURTHER REINFORCES OUR LEADERSHIP PRESENCE IN GI

- U.S. approval for pediatric Short Bowel Syndrome in May 2019

Entyvio® vedolizumab

EXPANDING PATIENT SHARE IN BOTH THE U.S. AND EU

- First and only head-to-head data versus adalimumab in UC published in *NEJM*
- Subcutaneous formulation under review in U.S., EU, and Japan[1]
- Significant double-digit underlying revenue growth in the U.S., Europe & Canada, and Emerging Markets



Source: US: SHA Medical and Pharmacy Claims data, Jul 2019, reporting through FY2019 Q1; EUCAN: Internal estimate

Note: Absolute values are presented on an IFRS (reported) basis; year-on-year changes are underlying pro-forma growth. The FY2018 H1 pro-forma baseline represents the sum of Takeda revenue for FY2018 H1 (Apr-Sep) plus Shire revenue for the same period, both adjusted to remove the revenue from divested assets, converted to JPY at the rate of $1 = 111 JPY (average FX rate for FY2018), and converted from US GAAP to IFRS with no material differences.
UC: Ulcerative colitis; CD: Crohn's disease; NDA: New Drug Application; NEJM: New England Journal of Medicine; EUCAN: Europe & Canada.

1. Submission in Europe is for both UC and CD indications. Submission in U.S. and Japan is for UC only (CD submission planned).

TAKHZYRO® EXPANDING THE HEREDETARY ANGIOEDEMA PROPHYLAXIS MARKET

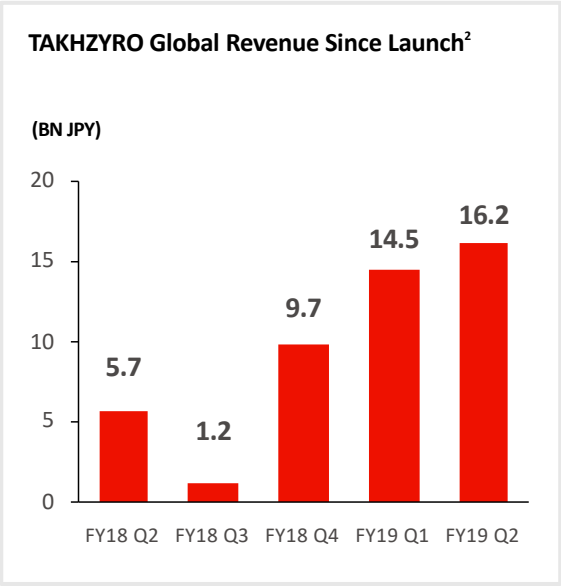
CONTINUED STRONG LAUNCH WITH >1,700 PATIENTS RECEIVING TAKHZYRO GLOBALLY

U.S.:

- TAKHZYRO is driving growth of the HAE prophylaxis market
- Strong uptake across all prescribers; particularly among KOLs
- Diversified adoption:
  ~1/3 patients are new to prophylaxis,
  ~1/3 patients are upgrading prophylaxis, and
  ~1/3 patients are new to Takeda

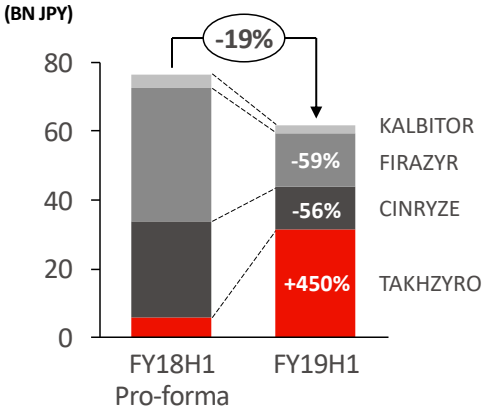
Other regions:

- Strong launches in Germany, Austria and Greece. Preparing for launch in Finland, Norway and Sweden, Switzerland and the UK
- Reimbursement negotiations ongoing; NICE issued a positive recommendation in England
- ATU[1] in France with over 100 patients enrolled



HEREDETARY ANGIOEDEMA

H1 UNDERLYING REVENUE GROWTH



- Decline of FIRAZYR and CINRYZE due to effect of stocking in FY18 Q1, fewer patients on CINRYZE, and loss of exclusivity of FIRAZYR

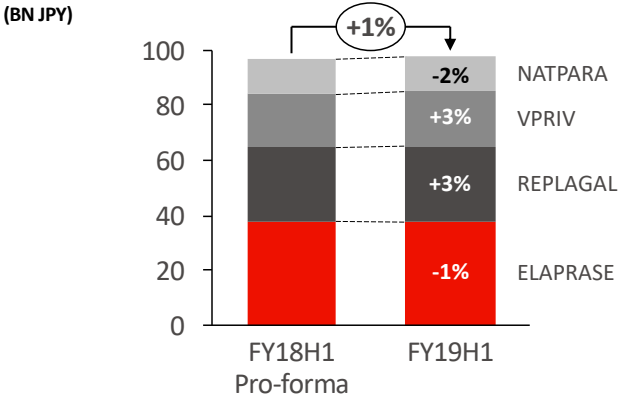
1. Temporary Authorization for Use (ATU) allows early access to medicines that are not covered by a marketing authorization in France, when there is an unmet need.
2. FY18 Q2 and Q3 revenue was pre-acquisition of Shire, converted from USD at the rate of $1 = 111 JPY (average FX rate for FY2018), and converted from US GAAP to IFRS with no material differences.

Note: Absolute values are presented on an IFRS (reported) basis; year-on-year changes are underlying pro-forma growth. The FY2018 H1 pro-forma baseline represents the sum of Takeda revenue for FY2018 H1 (Apr-Sep) plus Shire revenue for the same period, both adjusted to remove the revenue from divested assets, converted to JPY at the rate of $1 = 111 JPY, and converted from US GAAP to IFRS with no material differences.

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

RARE METABOLIC

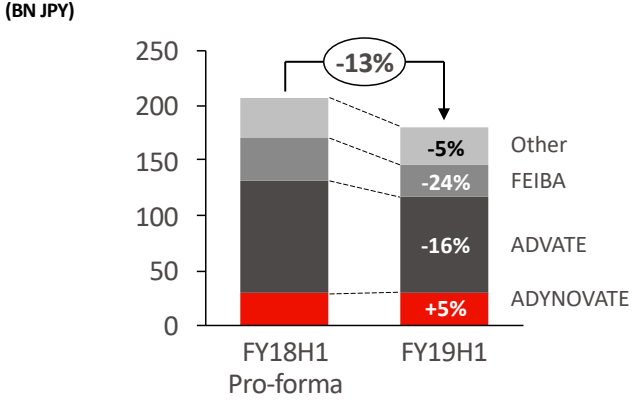
H1 UNDERLYING REVENUE GROWTH



- Continued stable performance of lysosomal storage disorders portfolio
- NATPARA decline resulting from recall in the U.S.;
  Takeda is working closely with the U.S. FDA to resolve the issue and resume supply as soon as possible

RARE HEMATOLOGY

H1 UNDERLYING REVENUE GROWTH

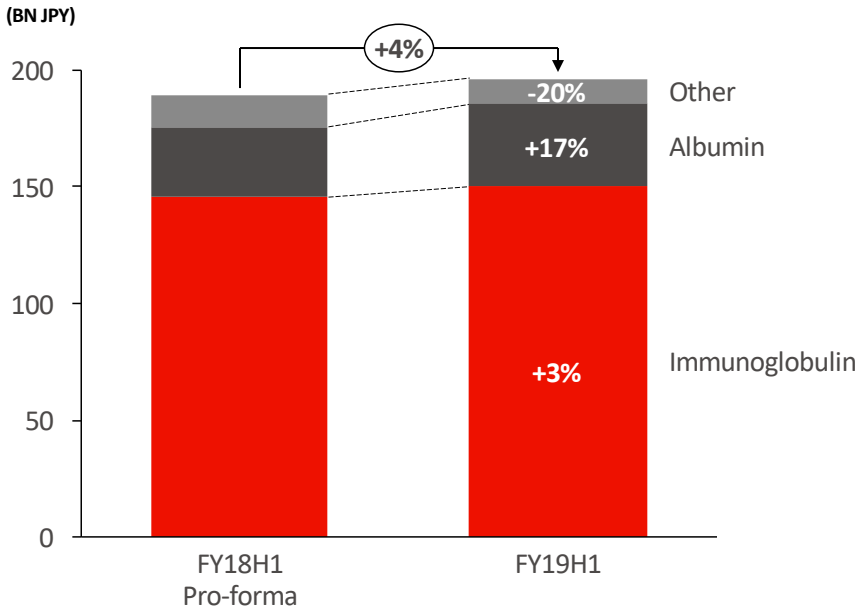


- Global growth of ADYNOVATE driven by new launches (now available in 25 countries ex.-U.S.); PROPEL study data reinforces the importance of personalized prophylaxis
- ADVATE decline partially driven by ADYNOVATE and competitive uptake with increasing price pressure in standard half-life segment
- Impact of competition on ADVATE/ADYNOVATE differing by country
- FEIBA decline driven by erosion of prophylaxis segment to competition

Note: Absolute values are presented on an IFRS (reported) basis; year-on-year changes are underlying pro-forma growth. The FY2018 H1 pro-forma baseline represents the sum of Takeda revenue for FY2018 H1 (Apr-Sep) plus Shire revenue for the same period, both adjusted to remove the revenue from divested assets, converted to JPY at the rate of $1 = 111 JPY (average FX rate for FY2018), and converted from US GAAP to IFRS with no material differences.

PDT IMMUNOLOGY GROWTH DRIVEN BY SUBCUTANEOUS IG AND ALBUMIN

PDT IMMUNOLOGY PORTFOLIO
H1 UNDERLYING REVENUE GROWTH



GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10%
Kiovig Human Normal Immunoglobulin (IVIg), 10% Solution
HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase
Cuvitru [Immune Globulin Subcutaneous (Human)] 20%

- Immunoglobulin products growing +3% driven by continued growth in subcutaneous IG (SCIG), partly offset by phasing in intravenous IG (IVIG)
- In Q2, immunoglobulin revenue returned to growth of +8%
- Expect to deliver high single-digit underlying revenue growth for remainder of the year

CONTINUING TO INVEST IN PLASMA COLLECTION

- Current footprint of 115 centers in the U.S. and 30 ex-U.S., an increase of 23 centers since close of Shire acquisition
- Intend to continue to invest in increasing plasma collection footprint, aiming for double-digit increase in number of new centers each year for the foreseeable future

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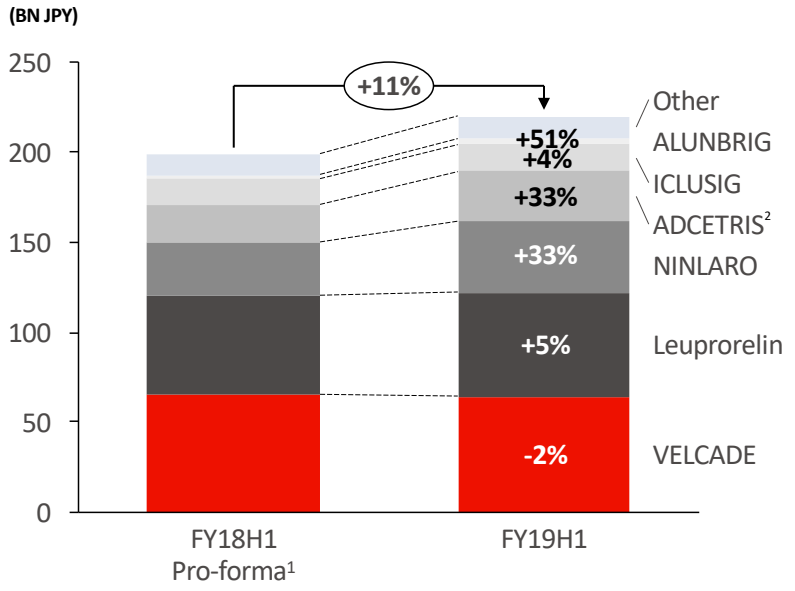
SOLID GROWTH OF ONCOLOGY PORTFOLIO LED BY NINLARO®

ONCOLOGY PORTFOLIO

H1 UNDERLYING REVENUE GROWTH*[1]



CONTINUED GLOBAL GROWTH & ANTICIPATED DATA READOUTS

- Maintenance in MM SCT-ineligible pts (TOURMALINE-MM4) data expected in FY19 Q3; Newly diagnosed MM (TOURMALINE-MM2) data expected in FY20
- MAA submitted in Japan for post-SCT MM maintenance (TOURMALINE-MM3)
- Real world evidence data (INSIGHT MM) confirming NRd benefit/risk in relapsed/refractory setting in routine clinical practice

EXPANSION INTO NEW INDICATIONS

- Review underway in Europe, Japan and other markets for newly diagnosed CD30+ PTCL
- Now approved for front line Hodgkin Lymphoma in 40+ countries

LOOKING AHEAD TO ALTA-1L SECOND INTERIM ANALYSIS DATA

- Now commercially available in 11 European countries
- Frontline ALK+ NSCLC (ALTA-1L) second interim analysis data has been received and the analysis is underway; data expected to be presented at an upcoming medical meeting in FY19 H2

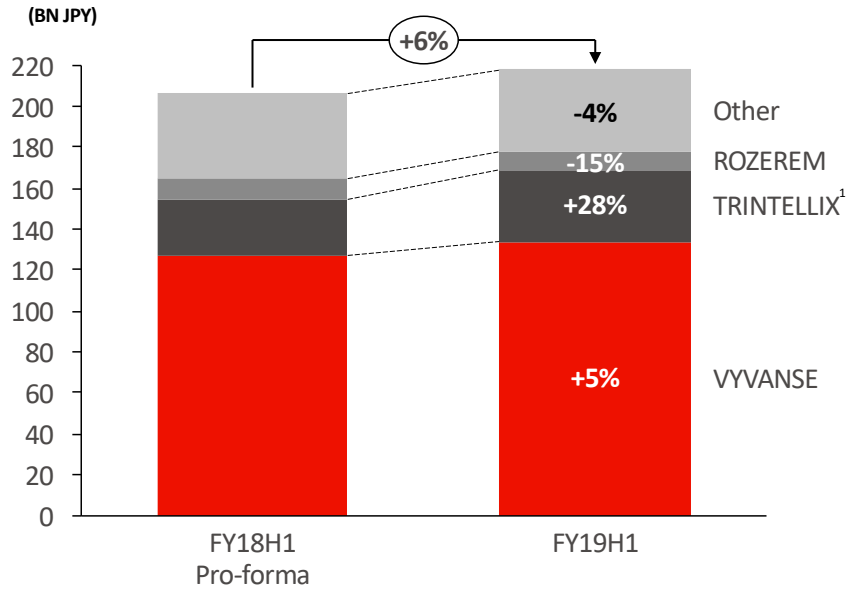
Note: Absolute values are presented on an IFRS (reported) basis; year-on-year changes are underlying growth
1. Legacy Shire's oncology revenue excluded
2. ADCETRIS is in-licensed from Seattle Genetics; Takeda has development and marketing rights outside of the U.S. and Canada

MAA: Marketing Authorization Application; NRd: Ninlaro, lenalidomide, dexamethasone
For glossary of disease abbreviations please refer to appendix.

NEUROSCIENCE GROWTH DRIVEN BY REINFORCED U.S. BUSINESS UNIT

NEUROSCIENCE PORTFOLIO

H1 UNDERLYING REVENUE GROWTH



Vyvanse

PROMOTIONAL OPTIMIZATION DRIVING GREATER DEMAND IN THE GROWING ADULT MARKET

- In U.S., new sales force structure provides improved customer coverage, and improved media investment focused on adult segment
- Additional growth from Canada and launch of ELVANSE Adult in Germany

Trintellix vortioxetine

>20% GROWTH DRIVEN BY INCREASE IN MARKET SHARE

- U.S. DTC campaign optimization continues to mobilize new patients
- Growth in patient support program enrollment increasing TRINTELLIX average length of therapy in the U.S.
- Approved in Japan in September 2019 for the treatment of depression and depressed state

1. TRINTELLIX is in-licensed from Lundbeck; Takeda has co-marketing rights in the U.S. and Japan.

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DTC: Direct to Consumer

14 GLOBAL BRANDS DRIVING TAKEDA'S STRONG PERFORMANCE

FY2019 H1 REVENUE

	(as reported)	(BN JPY)	(MM USD)	versus PY (underlying)	GLOBAL BRAND
GI	Entyvio vedolizumab	168.4	1,544	+33.9%	✓
	Takecab	35.0	321	+28.3%	
	Gattex (Teduglutide [rDNA origin]) for Injection	29.3	268	+17.0%	✓
	ALOFISEL	0.1	1	N/A (commercial launch August 2018)	✓
RARE DISEASES	TAKHZYRO (lanadelumab-flyo) injection	30.7	281	+450%	✓
	ADYNOVATE Rurioctocog alfa pegol (Recombinant Coagulation Factor VIII)	29.8	273	+5.4%	✓
	Natpara	12.4	114	-2.2%	✓
	elaprase (idursulfase)	35.5	326	-0.6%	✓
	REPLAGAL agalsidase alfa CHANGING THE FACE OF FABRY DISEASE	25.5	233	+3.1%	
	VPRIV	18.7	171	+3.1%	✓

FY2019 H1 REVENUE

		(BN JPY)	(MM USD)	versus PY (underlying)	GLOBAL BRAND
PDT IMMUNOLOGY	IMMUNOGLOBULIN	146.5	1,343	+3.0%	
	GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10% / Kiovig			-2.2%	✓
	HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase			+23.9%	✓
	Cuvitru [Immune Globulin Subcutaneous (Human)] 20%			+4.9%	✓
	ALBUMIN/FLEXBUMIN[1]	34.1	312	+16.9%	✓
ONCOLOGY	NINLARO (ixazomib) capsules	38.3	351	+32.7%	✓
	ADCETRIS brentuximab vedotin	25.8	236	+32.7%	
	ALUNBRIG BRIGATINIB	3.4	31	+50.7%	✓
NEURO-SCIENCE	Vyvanse	131.5	1,205	+5.4%	
	Trintellix vortioxetine	34.6	317	+28.1%	

14 GLOBAL BRANDS H1 TOTAL: JPY 547.0 B (US$5.0B) (+21% GROWTH)

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1. Includes Albumin Glass, Flexbumin and Kenketsu Albumin.

R&D ENGINE

Andrew Plump

President,
Research & Development

NEXT WAVE OF INNOVATION: SELECTED EVENTS EXPECTED IN FY2019 FOR NEW MOLECULAR ENTITY PIPELINE

		MOA	TAU /BU	EXPECTED EVENT	FY19		COMMENTS
LATE PIPELINE ASSET	**TAK-924 (pevonedistat)**	NAE inhibitor	Oncology	Pivotal Ph-2 readout in myelodysplastic syndrome (MDS)	H1	✓	Data readout achieved and presentation expected at upcoming scientific meeting
	TAK-788	EGFR/HER2 inhibitor	Oncology	Ph-3 study start in treatment naïve non-small-cell lung carcinoma (NSCLC)	H1	→	Ph 3 study expected to start in Q3
	TAK-823 (alisertib)	Aurora A kinase inhibitor	Oncology	Ph-3 study start in front-line acute myeloid leukemia (AML)	H2	→	Explore external value creation
	TAK-721	Muco-adherent topical corticosteroid	Gastroenterology	Ph-3 study data presentation for eosinophilic esophagitis	H2	NEW ✓	12-week, Ph 3 induction study presented at American College of Gastroenterology
	TAK-755	ADAMTS-13	Rare Disease	Ph-3 study re-initiation in congenital thrombotic thrombocytopenic purpura (cTTP)	H2	✓	Achieved First-Patient-In for additional indications in iTTP (Ph-2 study), and sickle cell disease (Ph-1/2 study)
	TAK-609	Iduronate-2-sulfatase (intrathecal)	Rare Disease	Ph-3 study data readout (2-year extension) for Hunter Syndrome and cognitive impairment	H1	→	Additional analysis ongoing on the 2 year extension study, data expected to be available H2 of the fiscal year
	TAK-003	Dengue vaccine	Vaccine	Decision to submit Dengue vaccine	H2		Data from Parts 1 and 2 of the Ph-3 study to be presented at ASTMH in November 2019
EARLY PIPELINE ASSET	**TAK-573**	Anti-CD38 attenukine	Oncology	POC readout for relapsed / refractory multiple myeloma	H1	→	Pharmacodynamic data confirms novel IO mechanism, POC analysis in progress. Start MM combination trial 1H 20, Ph1 solid tumor trial 2H FY19.
	TAK-676	STING agonist	Oncology	Ph-1 clinical start for systemic IV administration	H1	→	Optimized clinical study design and moved Ph-1 clinical start region. Expected start Q1 FY20.
	Cell Therapy	TBN	Oncology	Progress at least one innovative I/O cell therapy program to First-In-Human	H2		
	TIMP-Glia (TAK-101) / Kuma062	Immune Tol. Ind. / Glutenase	Gastroenterology	POC readout in Celiac Disease	H1	✓	TIMP-Glia and Kuma062 achieved POC. TIMP-Glia data presented at conference UEG Week 2019; Takeda executed option to global license.
	TAK-748	FIX Gene Therapy	Rare Disease	Initiate Ph-1 study for Hemophilia B	H2		
	TAK-925	Orexin2R agonist	Neuroscience	Update on the Orexin 2R agonist program at R&D Day	H2		
	TAK-426	Zika vaccine	Vaccine	Early POC readout for Zika vaccine	H2		

Table only shows select R&D milestones and is not comprehensive. All timelines are current assumptions and subject to change.
TBN : to be named; POC : Proof of Concept; for full glossary of disease abbreviations please refer to appendix.

SELECT R&D PIPELINE EVENTS FOR APPROVED THERAPIES EXPECTED IN FY2019

	COMPOUND	EXPECTED EVENT	FY19	COMMENTS
	ADCETRIS	ECHELON-2 submission in EU for front-line PTCL	H1 ✓	
	ALUNBRIG	2nd interim analysis of ALTA-1L front-line ALK+ NSCLC	H1 ✓	Data of Interim Analysis 2 received and analysis is underway; expect presentation at upcoming medical meeting in 2H FY19
	Cabozantinib	1st approval decision in Japan for 2nd-line renal cell cancer (RCC)	H2	
	NINLARO	Ph-3 readout in amyloidosis	H1 →	Failed primary endpoint; encouraging secondary endpoint data will be submitted for presentation at an upcoming scientific meeting
		Ph-3 readout in transplant ineligible maintenance in multiple myeloma (TOURMALINE MM4)	H2	
	ALOFISEL	ADMIRE II pivotal study initiation in US for perianal fistulas in Crohn's disease	H1 ✓	
	ENTYVIO	Approval decision in Japan for Crohn's disease	H1 ✓	
		Submission in US for subcutaneous administration in Crohn's disease	H2	
		Approval decision in US for subcutaneous administration in ulcerative colitis	H2	
	GATTEX	Approval decision in US for short bowel syndrome (pediatric)	H1 ✓	
	TAKHZYRO	Initiate pivotal study in bradykinin mediated angioedema	H2	
	TRINTELLIX	Approval decision in Japan for major depressive disorder (MDD)	H1 ✓	
	GLASSIA/ARALAST	Pivotal study start in emphysema patients with α1 anti-trypsin deficiency	H2	

Table only shows select R&D milestones, and is not comprehensive. All timelines are current assumptions and subject to change.
For full glossary of disease abbreviations please refer to appendix.

WE HAVE A RICH PIPELINE OF INNOVATIVE NEW MOLECULAR ENTITIES

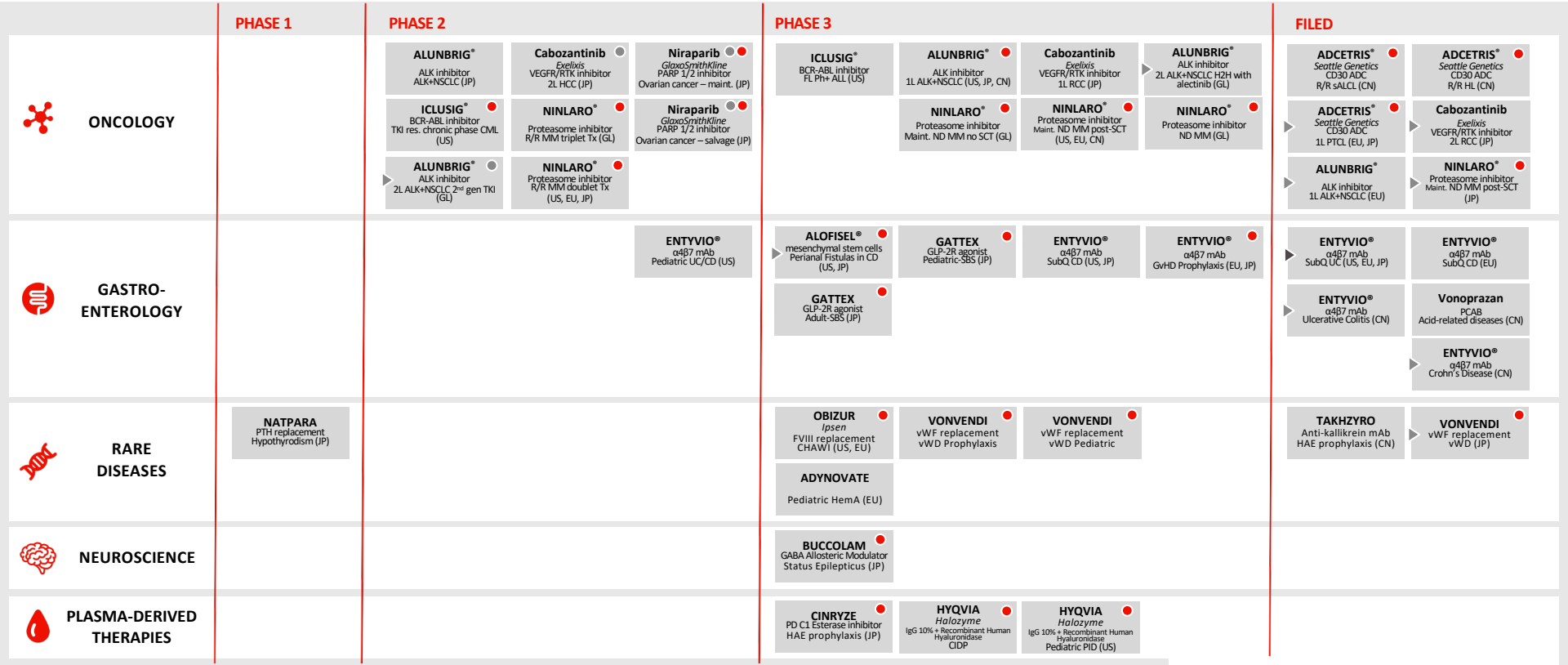
	PHASE 1	PHASE 2	PHASE 3/FILED	APPROVED*
ONCOLOGY	**TAK-252** *Shattuck* Agonist Redirected Checkpoint **Solid tumors** **TAK-573** *Teva* Anti-CD38-attenukine **R/R MM** **TAK-981** SUMO inhibitor **Multiple cancers** **TAK-164** *ImmunoGen* GCC IGN ADC **GI malignancies** **TAK-079** Anti-CD38 mAb **R/R MM, SLE**	**TAK-931** CDC7 inhibitor **ESCC, sqNSCLC** **TAK-788** EGFR/HER2 inhibitor **NSCLC**	**TAK-385** (relugolix) *Myovant* GnRH antagonist **Prostate Cancer (JP)** **TAK-924** (pevonedistat) NAE inhibitor **HR-MDS/CMML**	**NINLARO®** Proteasome inhibitor **ADCETRIS®** *Seattle Genetics* CD30 ADC **ICLUSIG®** BCR-ABL inhibitor **ALUNBRIG®** ALK inhibitor **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor **Niraparib** *GlaxoSmithKline* PARP 1/2 inhibitor
GASTRO-ENTEROLOGY	**TAK-951** Peptide agonist **Nausea & vomiting** **Kuma062** *PvP Biologics* Glutenase **Celiac Disease** **TAK-681** (SHP-681) GLP2r long-acting **Short Bowel Syndrome** **TAK-671** *Samsung Bioepis* Protease inhibitor **Acute Pancreatitis** **TAK-018** *Enterome* FimH antagonist **Crohn's Disease (post-op and ileitis)**	**TAK-906** D2/D3R antagonist **Gastroparesis** **TAK-101** *Cour* Imm Tol Induction **Celiac Disease** **TAK-954** *Theravance* 5-HT4R agonist **POGD**	**TAK-721** *UCSD/Fortis* Oral anti-inflammatory **EoE**	**ENTYVIO®** α4β7 mAb **Vonoprazan** PCAB **ALOFISEL** mesenchymal stem cells **GATTEX®** GLP-2R agonist
RARE DISEASES	**TAK-531** *ArmaGen* I2S replacement **Hunter CNS** **TAK-754** *Asklepios Biopharm.* Gene therapy **HemA**	**TAK-607** IGF-1/ IGFBP3 **Chronic Lung Disease** **TAK-609** I2S replacement **Hunter CNS (IT)** **TAK-611** Enzyme replacement **MLD**	**TAK-755** *KM Biologics* ERT/ ADAMTS-13 **cTTP, iTTP, SCD** **TAK-620** *GlaxoSmithKline* UL97 kinase inh **CMV infect. in transplant**	**OBIZUR** *Ipsen* FVIII replacement **VONVENDI** vWF replacement **NATPARA** PTH replacement **ADYNOVATE** FVIII replacement **TAKHZYRO** Anti-kallikrein mAb
NEUROSCIENCE	**TAK-653** AMPAR potentiator **TRD** **TAK-418** LSD1 inhibitor **Kabuki Syndrome** **TAK-041** GPR139 agonist **CIAS NS** **TAK-341** *AstraZeneca* Alpha-syn mAb **Parkinson's Disease** **TAK-925** Orexin 2R agonist **Narcolepsy** **TAK-994** Orexin 2R agonist **Narcolepsy** **WVE-120101** *Wave Life Sciences* mHTT SNP1 ASO **Huntington's Disease** **WVE-120102** *Wave Life Sciences* mHTT SNP2 ASO **Huntington's Disease**	**TAK-935** (soticlestat) *Ovid Therapeutics* CH24H inhibitor **Rare Pediatric Epilepsies** **TAK-831** DAAO inhibitor **CIAS NS**		**BUCCOLAM** GABA Allosteric Modulator
PLASMA-DERIVED THERAPIES				**HYQVIA** *Halozyme* IgG 10% + Recombinant Human Hyaluronidase **CINRYZE** PD C1 Esterase inhibitor
VACCINES	**TAK-021** EV71 Vaccine **TAK-426** *BARDA* **Zika Vaccine**	**TAK-214** Norovirus Vaccine	**TAK-003** Dengue Vaccine	

- Stage-ups since earnings announcement July 31, 2019
- Stage-ups/additions since April 1, 2019
- Orphan Drug Designation (in any region / indication for a given asset)
- Potential for registration enabling Ph-2 study

Assets shown in Phases 1-3 explicitly refer to new molecular entities

*With ongoing significant clinical development activities; Pipeline as of October 31, 2019
Pipeline not all inclusive; programs also ongoing in other Therapeutic Areas. For glossary of disease abbreviations please refer to appendix.

MAXIMIZING THE VALUE OF OUR APPROVED PROGRAMS



Pipeline as of October 31, 2019; region abbreviations: GL = global (USA, Europe, Japan, China). Pipeline not all inclusive; programs also ongoing in other Therapeutic Areas
For glossary of disease abbreviations please refer to appendix

FINANCIAL STRENGTH

Costa Saroukos

Chief Financial Officer

RAISING FULL-YEAR GUIDANCE AFTER SOLID H1 PERFORMANCE

- Raising full-year profit and margin guidance with strong business momentum more than offsetting NATPARA recall and significant FX impact
- H1 Underlying Core Operating Profit[1] margin 32.2%[2] driven by cost synergies, OPEX discipline, and improved product mix
- Paid down JPY 584.5B ($5.5B) of debt & de-levered from 4.7x to 3.9x Net debt/adj EBITDA[3]
- Announced three divestitures to date, totaling ~$4.0B upfront and up to $1.9B in potential milestones

1. Previously called Underlying Core Earnings (no change in definition). Please refer slide 42 for its definition.
2. Please refer slide 51 for reconciliation.
3. Please refer slide 56-57 for reconciliation.

DELIVERED STRONG MARGINS AND CASH FLOW IN H1

FY2019 H1 FINANCIAL RESULTS (SUMMARY)

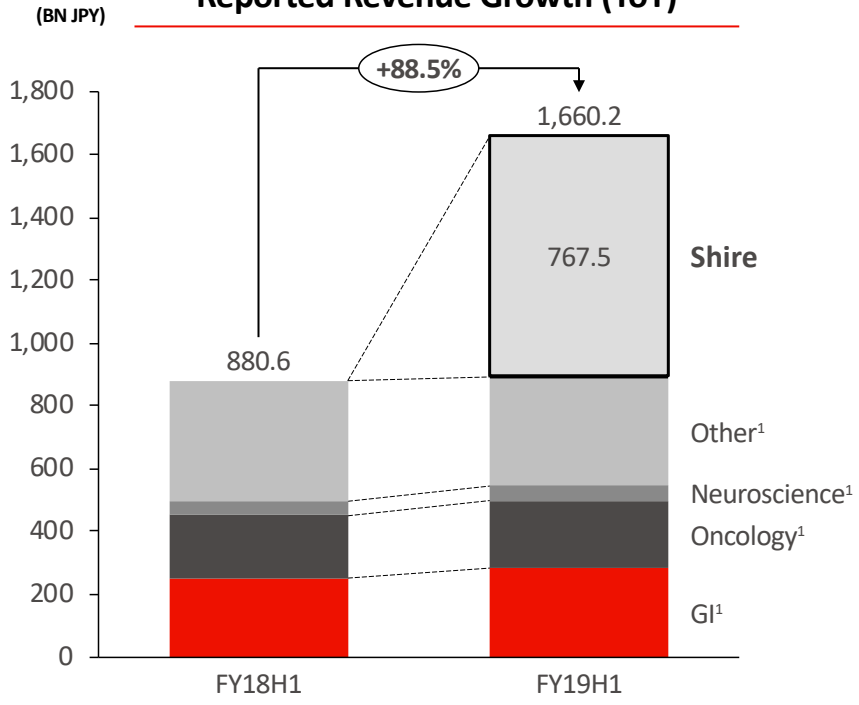
(BN YEN)	REPORTED		CORE[2]		UNDERLYING
	FY2019 H1	VS. PRIOR YEAR	FY2019 H1	VS. PRIOR YEAR	
REVENUE	1,660.2	+88.5%	1,660.2	+88.5%	*-0.2%* *(YoY pro-forma)*[1]
OPERATING PROFIT	50.3	-70.7%	541.6	+155.5%	
Margin	*3.0%*	*-16.5pp*	*32.6%*	*+8.6pp*	*32.2%*
NET PROFIT	33.2	-73.8%	380.4	+130.3%	
EPS (JPY)	21 yen	-140 yen	244 yen	+33 yen	249 yen

FREE CASH FLOW[3]	676.9	+461.5%

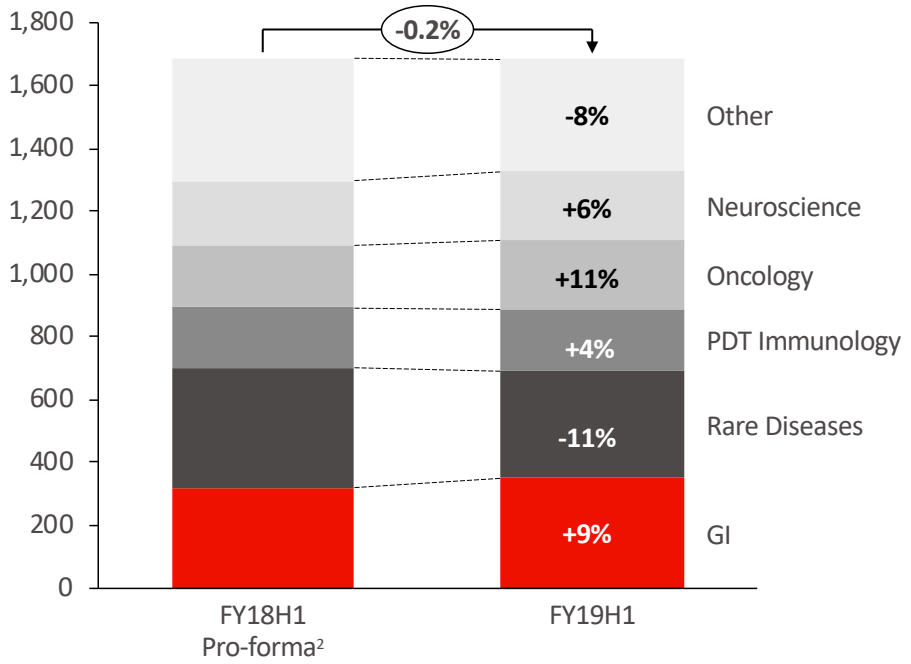
1. Represents change in underlying revenue between FY2018 Apr-Sep (on a pro-forma basis) and FY2019 Apr-Sep. The FY2018 H1 pro-forma baseline represents the sum of Takeda revenue for FY2018 H1 (Apr-Sep) plus Shire revenue for the same period, both adjusted to remove the revenue from divested assets, converted to JPY at the rate of $1 = 111 JPY (average FX rate for FY2018), and converted from US GAAP to IFRS with no material differences. Please refer slide 49 for reconciliation.
2. Please refer slide 51-54 for reconciliation.
3. Please refer slide 55 for reconciliation.

REPORTED REVENUE +88.5% WITH CONSOLIDATION OF SHIRE; UNDERLYING PRO-FORMA -0.2% WITH KEY BUSINESS AREAS OFFSET BY 'OTHER'

Reported Revenue Growth (YoY)



Underlying Revenue Growth (YoY pro-forma*²)



1. These categories show revenue for Legacy Takeda products only, and do not include products obtained through the acquisition of Shire

Note: Absolute values are presented on an IFRS (reported) basis; year-on-year changes are underlying pro-forma growth
2. The FY2018 H1 pro-forma baseline represents the sum of Takeda revenue for FY2018 H1 (Apr-Sep) plus Shire revenue for the same period, both adjusted to remove the revenue from divested assets, converted to JPY at the rate of $1 = 111 JPY (average FX rate for FY2018), and converted from US GAAP to IFRS with no material differences. Please refer slide 49 for reconciliation.

REPORTED EPS POSITIVE; IMPACTED BY SIGNIFICANT ONE-TIME & NON-CASH ITEMS

FY2019 H1 FINANCIAL RESULTS (REPORTED)

(BN YEN)	FY2018 H1	FY2019 H1	VS. PRIOR YEAR
REVENUE	**880.6**	**1,660.2**	**+88.5%**
Gross Margin	*73.7%*	*65.5%*	*-8.2pp*
OPERATING EXPENSES	-445.2	-692.8	-55.6%
% of Revenue	*50.6%*	*41.7%*	*-8.8pp*
AMORTIZATION & IMPAIRMENT	-48.3	-273.7	-466.7%
OTHER OPERATING INCOME/EXPENSE (NET)	16.2	-71.1	N/M[1]
OPERATING PROFIT	**172.0**	**50.3**	-70.7%
Operating Profit Margin	*19.5%*	*3.0%*	*-16.5pp*
TAX RATE	21.3%	N/M[1]	N/M[1]
NET PROFIT	**126.7**	**33.2**	-73.8%
EPS (JPY)	**162 yen**	**21 yen**	**-140 yen**

1. Not Meaningful

COST SYNERGIES AND OPEX EFFICENCY BOOST CORE OPERATING PROFIT MARGIN

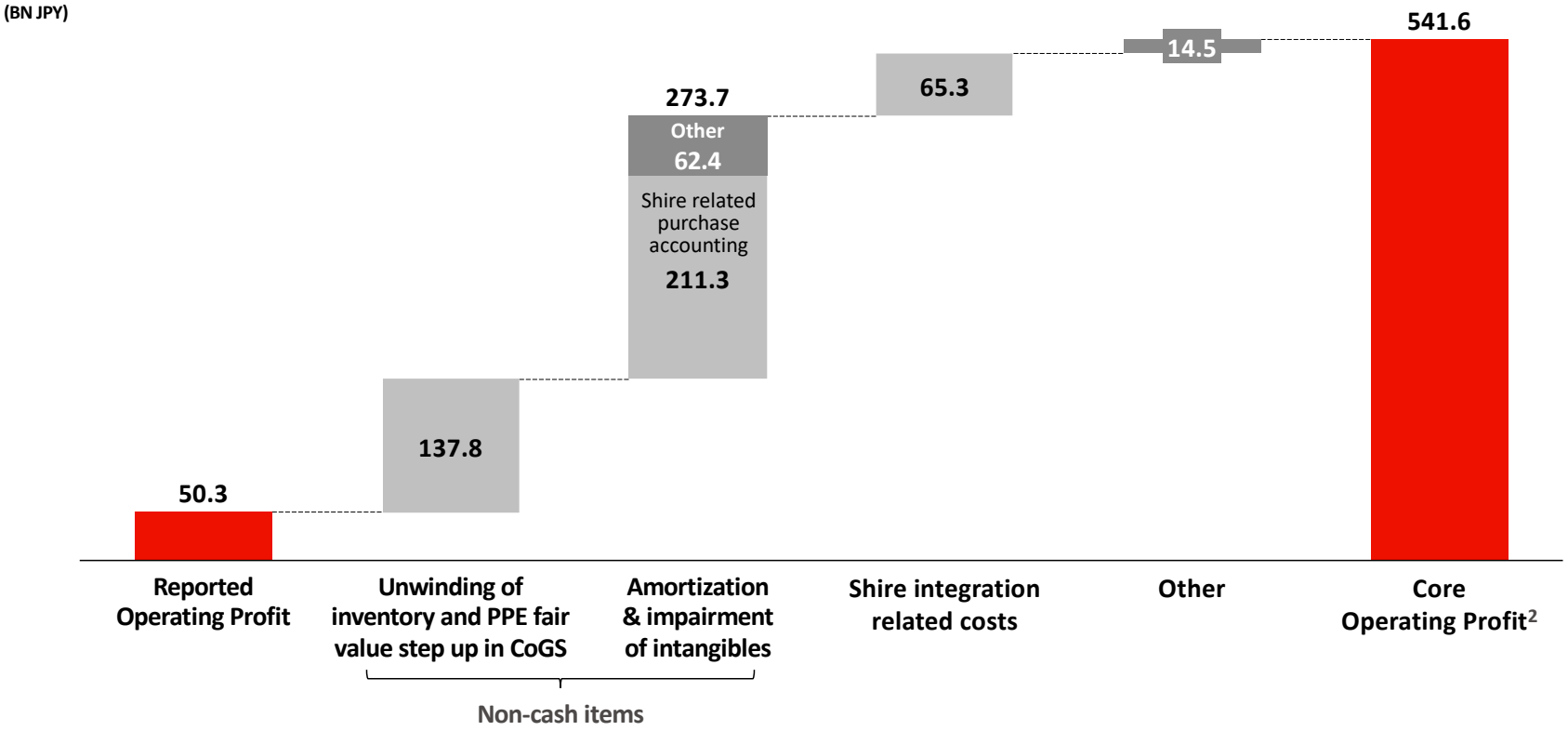
FY2019 H1 FINANCIAL RESULTS (CORE)[1]

(BN YEN)	FY2018 H1	FY2019 H1	VS. PRIOR YEAR
REVENUE	**880.6**	**1,660.2**	**+88.5%**
Gross Margin	*73.7%*	*73.8%*	*+0.1pp*
OPERATING EXPENSES	-437.3	-684.1	-56.4%
% of Revenue	*49.7%*	*41.2%*	*-8.5pp*
CORE OPERATING PROFIT[2]	**212.0**	**541.6**	**+155.5%**
Core Operating Profit Margin	*24.1%*	*32.6%*	*+8.6pp*
TAX RATE	22.4%	20.2%	-2.2pp
CORE NET PROFIT	**165.2**	**380.4**	**+130.3%**
CORE EPS (JPY)	**211 yen**	**244 yen**	**+33 yen**

1. Please refer slide 51 for reconciliation.
2. Previously called Core Earnings (no change in definition). Please refer slide 42 for its definition.

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

BRIDGE FROM FY2019 H1 REPORTED TO CORE OPERATING PROFIT[1]



1. Please refer slide 51 for reconciliation.
2. Previously called Core Earnings (no change in definition). Please refer slide 42 for its definition.

INTEGRATION ON TRACK WHILE MAINTAINING STRONG BUSINESS MOMENTUM

INTEGRATION PROGRESS TOWARDS OPERATIONAL STEADY STATE

- Talent selection completed for ~94% of all employees, with minimal turnover in nominated employees
- Strong participation in second employee integration survey (July), with 78% of employees believing the combined company will better serve patients' needs

CONTINUE TO PURSUE NON-CORE DIVESTITURES UP TO US$10B

- Completed divestiture of XIIDRA
- Announced agreements to divest TACHOSIL & select OTC and non-core assets in NEMEA
- Negotiations ongoing for further potential divestments

CONFIRMING ANNUAL RECURRING PRE-TAX COST SYNERGY TARGET OF ~$2B BY END OF FY2021

- Executing against targets in synergy & OPEX tracking platform

EXECUTING AGAINST TARGETS IN SYNERGY & OPEX TRACKING PLATFORM

SYNERGY PACKAGE OPERATIONAL KPI REPORTS

FACILITIES & RELATED SERVICES

- 85% of commercial office location decisions made across 67 countries (123 / 145 sites)

TECHNOLOGY

- Identified 19 cornerstone IT programs to support global standard processes and systems (e.g. global ERP processes, one integrated Human Resources platform)

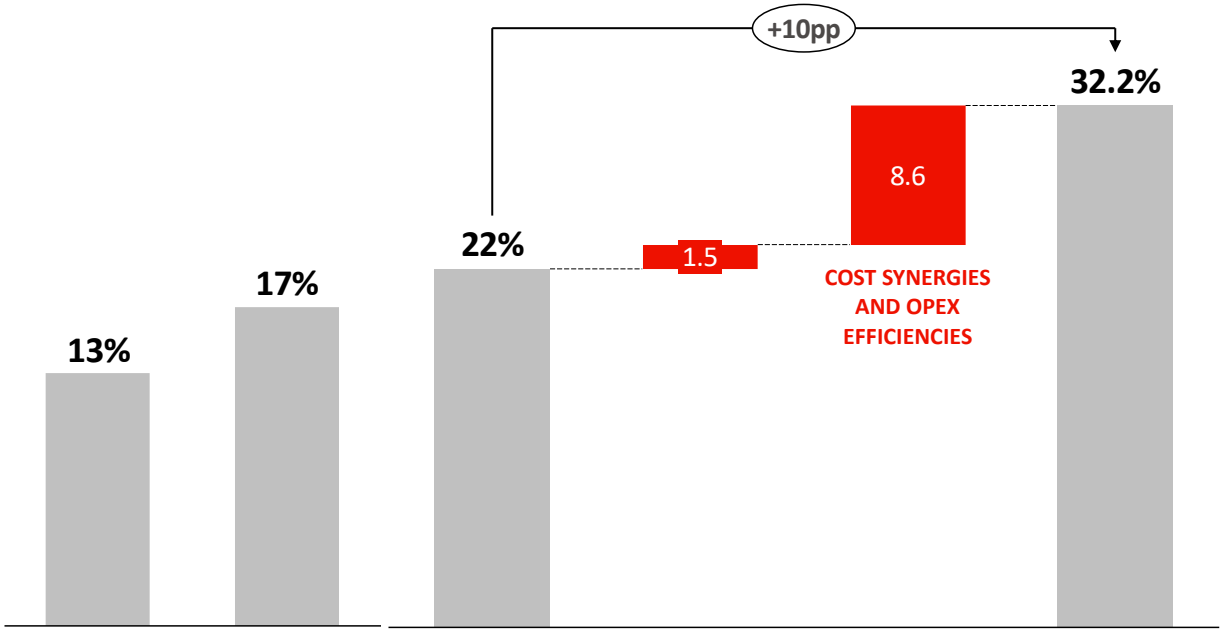
TAKEDA BUSINESS SOLUTIONS

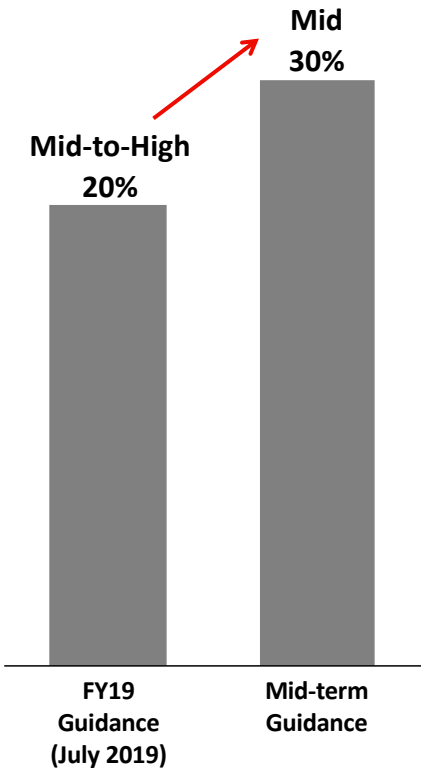
INSTRUMENTAL IN SYNERGY AND OPEX STRATEGY

- Fully functioning Business Solutions team supporting Finance, Procurement, Tax, Treasury, Human Resources, and Master Data
- Leveraging scale, consolidating regional hubs to deliver cost optimal services
- Value creation through business insights & analytics, process automation, and working capital improvements

COST SYNERGIES & OPEX EFFICIENCIES DRIVING MARGINS TOWARDS TARGET

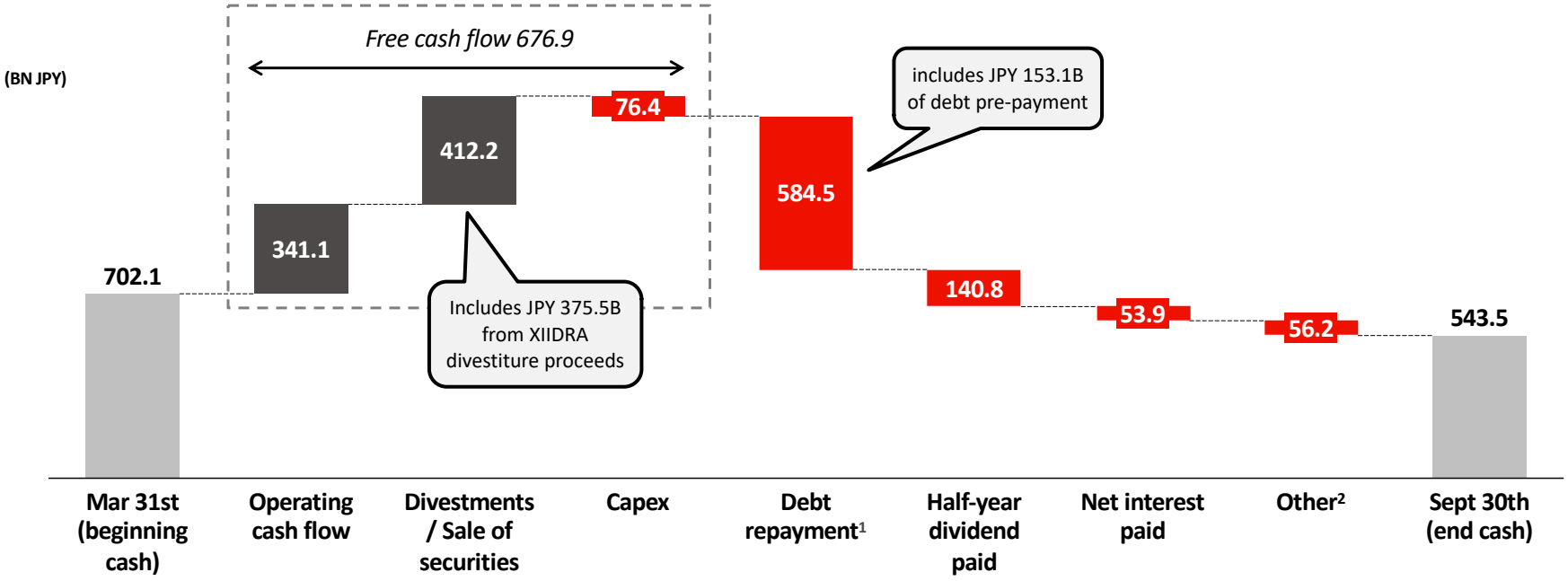
UNDERLYING CORE OPERATING PROFIT[1] MARGIN EVOLUTION[2]





1. Previously called Core Earnings (no change in definition). Please refer slide 42 for its definition.
2. Please refer slide 51 for reconciliation.

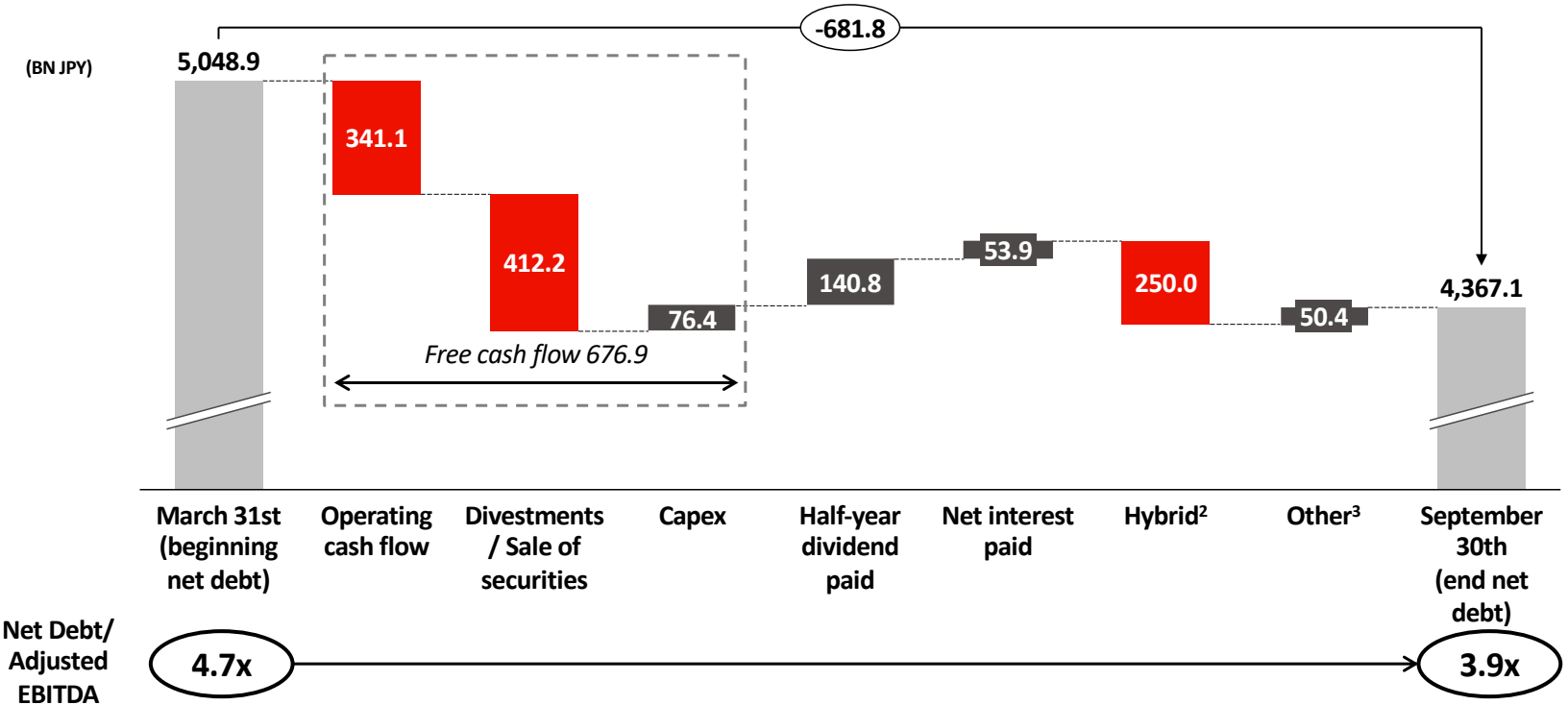
ABUNDANT CASH FLOW ENABLED JPY 584.5B OF DEBT PAY DOWN IN H1



All maturing debt for 2019 paid in FY2019 H1; No more maturities in FY2019 H2

1. Debt repayment represents cash paid.
2. Other indicates FX impact on cash, lease obligations, acquisition of investments and contingent considerations.

RAPID DE-LEVERAGING FROM 4.7x TO 3.9x NET DEBT/ADJUSTED EBITDA[1]



1. Please refer to slides 56-57 for reconciliation.
2. In June 2019, Takeda issued JPY 500B of hybrid bonds to replace its existing Senior Short-Term Loan, completing the permanent financing process for the Shire acquisition. Net debt includes a 50% equity credit for these bonds (JPY 250B), reflecting the equity credit assigned to them by the ratings agencies.
3. Includes cash and non cash adjustments to debt book-value. Non cash adjustments include changes due to debt amortization, FX impact from converting non-JPY debt into JPY.

Note: Please refer to slides 56-57 for adjusted EBITDA and debt reconciliation.

UPGRADING FY2019 MANAGEMENT GUIDANCE FOR MARGIN AND PROFIT

Raising full-year profit and margin guidance with business momentum expected to more than offset NATPARA recall

	MANAGEMENT GUIDANCE (July 31, 2019)	FY2019 H1 RESULTS	MANAGEMENT GUIDANCE (October 31, 2019)
UNDERLYING REVENUE GROWTH[1]	Flat to slightly increasing	-0.2%	Flat to slightly increasing
UNDERLYING CORE OPERATING PROFIT[2] MARGIN[3]	Mid-to-high-twenties %	32.2%	High-twenties %
UNDERLYING CORE EPS[3]	360-380 yen	249 yen	370-390 yen
ANNUAL DIVIDEND PER SHARE	180 yen		180 yen

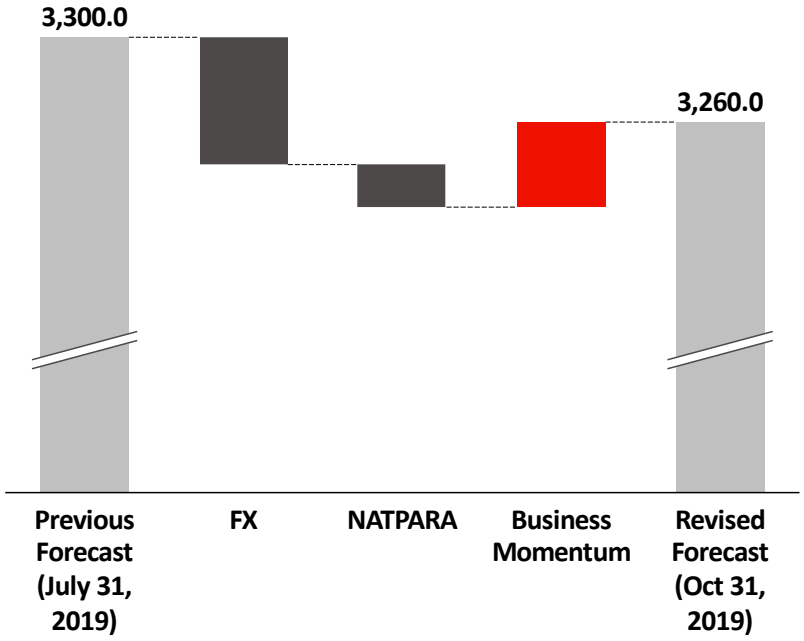
Note: FY2019 Updated Management Guidance does not take into consideration any further divestitures beyond what has already been disclosed

1. Constant Exchange Rate growth (applying FY2018 full year average foreign exchange rate of 111 JPY/USD) compared to baseline of JPY 3,300 billion (Rounded pro-forma April 2018-March 2019 combined revenue of Legacy Takeda and Legacy Shire, converted at April 2018-March 2019 average exchange rate of 111 JPY/USD; also adjusted to remove the revenue from divested assets such as Techpool, Multilab, and TACHOSIL from Legacy Takeda, and the oncology portfolio and XIIDRA from Legacy Shire) and converted from US GAAP to IFRS with no material differences.
2. Previously called Core Earnings (no change in definition). Please refer slide 42 for its definition.
3. Please refer slide 51 for reconciliation.

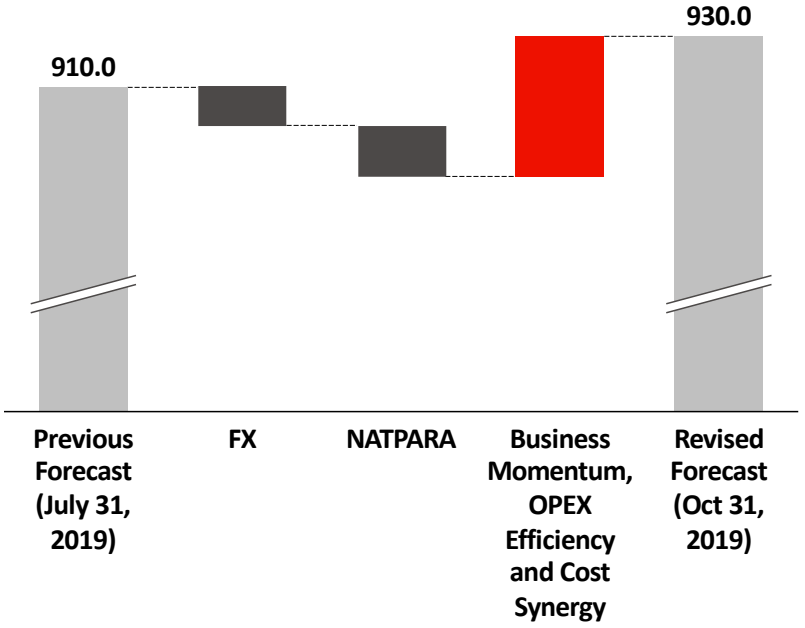
RAISING FULL-YEAR CORE OPERATING PROFIT FORECAST TO JPY 930.0 B

(BN JPY)

FY2019 Reported Revenue Forecast



FY2019 Core Operating Profit[1] Forecast[2]



Note: Graphs are illustrative
1. Previously called Core Earnings (no change in definition). Please refer slide 42 for its definition.
2. Please refer slide 60 for reconciliation

CAPITAL ALLOCATION TO CREATE VALUE FOR PATIENTS AND SHAREHOLDERS

DE-LEVERAGE RAPIDLY

- Target 2x Net Debt / Adjusted EBITDA ratio in 3 to 5 years
- Committed to investment grade credit ratings

INVEST IN GROWTH DRIVERS

- Strategic internal investment in R&D and product launches
- Disciplined and focused R&D partnerships

SHAREHOLDER RETURNS

- Well established dividend policy of 180 yen/share annually

UPCOMING INVESTOR EVENTS

R&D DAY	**NOVEMBER 14TH,** THURSDAY	**NEW YORK**
PLASMA-DERIVED THERAPIES DAY	**NOVEMBER 15TH,** FRIDAY	**COVINGTON, GA**
R&D AND PLASMA-DERIVED THERAPIES DAY	**NOVEMBER 21ST,** THURSDAY	**TOKYO**
FY2019 Q3 EARNINGS CALL	**FEBRUARY 4TH, 2020,** TUESDAY	**CONF. CALL**

To receive an invitation please contact takeda.ir.contact@takeda.com

CLOSING REMARKS

Christophe Weber

President & Chief Executive Officer

TAKEDA IS DELIVERING ON ITS STRATEGIC PRIORITIES

- Integration progressing on track while maintaining strong business momentum
- Solid H1 financial performance driven by 14 global brands, synergies and OPEX
- Raising full-year profit and margin guidance
- R&D engine delivering pipeline to support long-term revenue growth

Better Health, Brighter Future

A Global, Values-Based, R&D-Driven Biopharmaceuticals Leader

Q&A SESSION

Christophe Weber

President & Chief Executive Officer

Andrew Plump

President, Research & Development

Costa Saroukos

Chief Financial Officer

Masato Iwasaki

President, Japan Pharma Business Unit

APPENDIX

DEFINITION OF CORE AND UNDERLYING GROWTH

Takeda uses the concept of Underlying Growth for internal planning and performance evaluation purposes.

Underlying Growth compares two periods (fiscal quarters or years) of financial results under a common basis and is used by management to assess the business. These financial results are calculated on a constant currency basis 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* on a constant currency basis and further adjusted to exclude the impacts of divestitures that occurred during the reporting periods presented.

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

* From FY2019 Q1, Takeda renamed "Core Earnings" to "Core Operating Profit". Its definition has not changed as described above.

Underlying Core EPS represents net profit based on a constant currency basis, adjusted to exclude the impact of divestitures, items excluded in the calculation of Core Operating Profit, and other non-operating items (e.g. amongst other items, fair value adjustments and the imputed financial charge related to contingent consideration) that are unusual, non-recurring in nature or unrelated to Takeda's ongoing operations and the tax effect of each of the adjustments, divided by the outstanding shares (excluding treasury shares) as of the end of the comparative period.

DEFINITION OF EBITDA/ADJUSTED EBITDA

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

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

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

EBITDA and Adjusted EBITDA

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

The most closely comparable measure presented in accordance with IFRS is net profit for the year. Please see slide 57 for a reconciliation to the respective most closely comparable measures presented in accordance with IFRS.

TAKEDA'S DISCLOSURE METRICS (DEFINITIONS UNCHANGED)

"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)

Largely comparable 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 42, 49-54 and 60 for a more detailed definition of Core and Underlying measures, and for reconciliation tables.

FY2019 Q2 FINANCIAL RESULTS (REPORTED)

Reported profit impacted by significant non-cash purchase accounting expenses

(BN YEN)	FY2018 Q2	FY2019 Q2	VS. PRIOR YEAR
REVENUE	**430.8**	**811.0**	**+88.3%**
Gross Margin	*74.3%*	*66.5%*	*-7.8pp*
OPERATING EXPENSES	-228.2	-336.8	-47.6%
% of Revenue	*53.0%*	*41.5%*	*-11.5pp*
AMORTIZATION & IMPAIRMENT	-24.3	-125.4	-416.7%
OTHER OPERATING INCOME/EXPENSE	5.5	-36.7	N/M[1]
OPERATING PROFIT	**73.1**	**40.4**	**-44.7%**
Operating Profit Margin	*17.0%*	*5.0%*	*-12.0pp*
TAX RATE	27.7%	N/M[1]	N/M[1]
NET PROFIT	**48.4**	**53.8**	**+11.2%**
EPS (JPY)	**62 yen**	**35 yen**	**-27 yen**

1. Not Meaningful

FY2019 Q2 FINANCIAL RESULTS (CORE)[1]

Core Operating Profit margin improved +9.8pp, demonstrating the strong earnings power of Takeda after the Shire acquisition

(BN YEN)	FY2018 Q2	FY2019 Q2	VS. PRIOR YEAR
REVENUE	**430.8**	**811.0**	**+88.3%**
Gross Margin	*74.3%*	*73.1%*	*-1.2pp*
OPERATING EXPENSES	-224.9	-334.0	-48.5%
% of Revenue	*52.2%*	*41.2%*	*-11.0pp*
CORE OPERATING PROFIT[2]	**95.1**	**258.6**	**+171.8%**
Core Operating Profit Margin	*22.1%*	*31.9%*	*+9.8pp*
TAX RATE	27.7%	18.4%	-9.3pp
CORE NET PROFIT	**67.5**	**182.0**	**+169.8%**
CORE EPS (JPY)	**86 yen**	**117 yen**	**+31 yen**

1. Please refer slide 52 and 54 for reconciliation.
2. Previously called Core Earnings (no change in definition). Please refer slide 42 for its definition.

FY2019 H1 REPORTED RESULTS

(BN YEN)	FY2018 H1	FY2019 H1	vs. PY	
Revenue	880.6	1,660.2	+779.6	+88.5%
Cost of sales	-231.3	-572.3	-341.0	-147.4%
Gross Profit	649.3	1,087.9	+438.6	+67.6%
Margin	*73.7%*	*65.5%*		*-8.2pp*
SG&A expenses	-293.8	-462.5	-168.7	-57.4%
R&D expenses	-151.4	-230.4	-78.9	-52.1%
Amortization of intangible assets	-47.6	-256.3	-208.7	-438.0%
Impairment losses on intangible assets	-0.6	-17.3	-16.7	-
Other operating income	32.3	11.3	-21.0	-65.0%
Other operating expenses	-16.1	-82.4	-66.2	-410.4%
Operating profit	172.0	50.3	-121.6	-70.7%
Margin	*19.5%*	*3.0%*		*-16.5pp*
Finance income	4.4	17.4	+13.0	+293.8%
Finance expenses	-19.6	-99.3	-79.6	-406.0%
Equity income/loss	4.0	4.0	+0.0	+0.0%
Profit before tax	160.8	-27.6	-188.3	-
Net profit attributable to owners of the Company	126.7	33.2	-93.5	-73.8%
Non-controlling interests	-0.2	0.1	+0.3	-
Net profit for the period	126.5	33.3	-93.2	-73.7%
Basic EPS (yen)	162 yen	21 yen	-140 yen	-86.8%

FY2019 Q2 REPORTED RESULTS

(BN YEN)	FY2018 Q2	FY2019 Q2	vs. PY	
Revenue	430.8	811.0	+380.3	+88.3%
Cost of sales	-110.8	-271.7	-161.0	-145.3%
Gross Profit	320.0	539.3	+219.3	+68.5%
Margin	*74.3%*	*66.5%*		*-7.8pp*
SG&A expenses	-148.8	-223.3	-74.5	-50.1%
R&D expenses	-79.5	-113.5	-34.0	-42.8%
Amortization of intangible assets	-24.0	-124.2	-100.2	-418.0%
Impairment losses on intangible assets	-0.3	-1.2	-0.9	-315.8%
Other operating income	23.0	4.6	-18.4	-79.8%
Other operating expenses	-17.5	-41.4	-23.9	-136.6%
Operating profit	73.1	40.4	-32.6	-44.7%
Margin	*17.0%*	*5.0%*		*-12.0pp*
Finance income	-1.8	8.7	+10.5	-
Finance expenses	-4.8	-53.2	-48.4	-
Equity income/loss	0.5	1.7	+1.2	+258.3%
Profit before tax	66.9	-2.4	-69.3	-
Net profit attributable to owners of the Company	48.4	53.8	+5.4	+11.2%
Non-controlling interests	-0.0	0.1	+0.1	-
Net profit for the period	48.4	53.9	+5.5	+11.4%
Basic EPS (yen)	62 yen	35 yen	-27 yen	-44.0%

RECONCILIATION FROM REPORTED REVENUE TO UNDERLYING REVENUE FY2019 H1 vs. PY

(BN YEN)	FY2018 H1 [*1]	FY2019 H1	vs. PY	
Revenue	**880.6**	**1,660.2**	**+779.6**	**+88.5%**
Shire Revenue	848.9	-		
Pro-forma Revenue	**1,729.5**	**1,660.2**	**-69.3**	**-4.0%**
FX effects [*2]				+2.8pp
Divestitures [*3]				+1.0pp
Techpool & Multilab				+0.4pp
XIIDRA & TACHOSIL				+0.7pp
Others				-0.1pp
Underlying Revenue Growth				**-0.2%**

[*1] FY2018 H1 revenue is a pro-forma which adds Legacy Shire's 6 month (April - September 2018) revenue previously reported under US GAAP and converted to IFRS without material differences, excluding Legacy Shire's oncology business, which was sold in August 2018, and converted to JPY using FY2018 actual rate for the period.

[*2] FX adjustment applies constant FY2018 actual full year average rate to both years (1USD=111 yen, 1EUR=129 yen).

[*3] Major adjustments are the exclusion of FY2018 H1 revenue of former subsidiaries, Guangdong Techpool Bio-Pharma Co., Ltd., and Multilab Indústria e Comércio de Produtos Farmacêuticos Ltda., both divested in FY2018, and FY2018 H1 and FY2019 H1 revenue of XIIDRA which was divested in July 2019 and TACHOSIL as Takeda agreed in May 2019 to divest this product, with completion of divestiture expected to occur within FY2019.

RECONCILIATION FROM REPORTED REVENUE TO UNDERLYING REVENUE FY2019 Q2 vs. PY

(BN YEN)	FY2018[*1] Q2	FY2019 Q2	vs. PY	
Revenue	**430.8**	**811.0**	**+380.3**	**+88.3%**
Shire Revenue	427.2	-		
Pro-forma Revenue	**858.0**	**811.0**	**-46.9**	**-5.5%**
FX effects[*2]				+4.2pp
Divestitures[*3]				+1.6pp
Techpool & Multilab				+0.3pp
XIIDRA & TACHOSIL				+1.3pp
Others				+0.1pp
Underlying Revenue Growth				**+0.3%**

[*1] FY2018 Q2 revenue is a pro-forma which adds Legacy Shire's 3 month (July - September 2018) revenue previously reported under US GAAP and converted to IFRS without material differences, excluding Legacy Shire's oncology business, which was sold in August 2018, and converted to JPY using FY2018 actual rate for the period.

[*2] FX adjustment applies constant FY2018 actual full year average rate to both years (1USD=111 yen, 1EUR=129 yen).

[*3] Major adjustments are the exclusion of FY2018 Q2 revenue of former subsidiary, Guangdong Techpool Bio-Pharma Co., Ltd., divested in August 2018, and FY2018 Q2 and FY2019 Q2 revenue of TACHOSIL as Takeda agreed in May 2019 to divest this product, with completion of divestiture expected to occur within FY2019. FY2018 Q2 revenue of Multilab Indústria e Comércio de Produtos Farmacêuticos Ltda. and FY2019 Q2 revenue of XIIDRA are not adjusted as both divestitures completed at the beginning of each period and that no revenue was recorded.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE FY2019 H1

(BN YEN)	REPORTED	REPORTED TO CORE ADJUSTMENTS						CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Shire purchase accounting adjustments	Swiss Tax Reform	Others		FX	Divestitures	
Revenue	1,660.2							1,660.2	44.2	-21.2	
Cost of sales	-572.3				137.8			-434.5	-11.0	3.0	
Gross Profit	1,087.9				137.8			1,225.7	33.1	-18.2	
SG&A expenses	-462.5			1.4	2.3			-458.8	-11.9		
R&D expenses	-230.4			5.2	-0.1			-225.3	-3.0		
Amortization of intangible assets	-256.3	45.0			211.3			-			
Impairment losses on intangible assets	-17.3	17.3						-			
Other operating income	11.3		-11.3					-			
Other operating expenses	-82.4		23.6	58.8				-			
Operating profit Margin	50.3 3.0%	62.3	12.3	65.3	351.4			541.6 32.6%	18.2	-18.2	**32.2%**
Financial income/expenses	-81.9			3.5	8.4		-0.4	-70.3	4.2		
Equity income/loss	4.0						1.2	5.3	0.0		
Profit before tax	-27.6	62.3	12.3	68.8	359.8		0.9	476.5	22.4	-18.2	
Tax expense	60.8	-11.1	1.6	-13.1	-68.1	-56.3	-9.9	-96.1	-1.4	4.3	
Non-controlling interests	-0.1							-0.1	-0.0		
Net profit	33.2	51.3	14.0	55.7	291.6	-56.3	-9.0	380.4	21.0	-13.9	
EPS (yen)	21							244	14	-9	**249**
Number of shares (millions)	1,557							1,557			1,555

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE FY2019 Q2

(BN YEN)	REPORTED	REPORTED TO CORE ADJUSTMENTS						CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Shire purchase accounting adjustments	Swiss Tax Reform	Others		FX	Divestitures	
Revenue	811.0							811.0	32.5	-4.0	
Cost of sales	-271.7				53.3			-218.4	-8.0	0.9	
Gross Profit	539.3				53.3			592.7	24.5	-3.1	
SG&A expenses	-223.3			0.6	1.2			-221.4	-9.0		
R&D expenses	-113.5			0.8	0.1			-112.6	-2.4		
Amortization of intangible assets	-124.2	22.0			102.2			-			
Impairment losses on intangible assets	-1.2	1.2						-			
Other operating income	4.6		-4.6					-			
Other operating expenses	-41.4		14.2	27.2				-			
Operating profit Margin	40.4 5.0%	23.2	9.6	28.6	156.8			258.6 31.9%	13.1	-3.1	**32.0%**
Financial income/expenses	-44.5			3.5	3.9		-1.2	-38.3	3.7		
Equity income/loss	1.7						1.2	2.9	-0.6		
Profit before tax	-2.4	23.2	9.6	32.1	160.7		-0.0	223.2	16.2	-3.1	
Tax expense	56.3	-3.9	9.5	-6.2	-30.9	-56.3	-9.7	-41.1	-0.4	0.7	
Non-controlling interests	-0.1							-0.1	-0.0		
Net profit	53.8	19.3	19.1	25.9	129.9	-56.3	-9.7	182.0	15.8	-2.4	
EPS (yen)	35							117	10	-2	**126**
Number of shares (millions)	1,558							1,558			1,555

RECONCILIATION FROM REPORTED TO CORE
FY2018 H1

(BN YEN)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Others	
Revenue	880.6					880.6
Cost of sales	-231.3					-231.3
Gross Profit	649.3					649.3
SG&A expenses	-293.8			7.9		-285.9
R&D expenses	-151.4					-151.4
Amortization of intangible assets	-47.6	47.6				-
Impairment losses on intangible assets	-0.6	0.6				-
Other operating income	32.3		-32.3			-
Other operating expenses	-16.1		13.0	3.2		-
Operating profit Margin	172.0 19.5%	48.3	-19.3	11.1		212.0 24.1%
Financial income/expenses	-15.2			8.8	1.4	-5.1
Equity income/loss	4.0				1.8	5.8
Profit before tax	160.8	48.3	-19.3	19.8	3.1	212.7
Tax expense	-34.3	-11.6	2.1	-3.4	-0.6	-47.7
Non-controlling interests	0.2					0.2
Net profit	126.7	36.7	-17.2	16.5	2.6	165.2
EPS (yen)	162					211
Number of shares (millions)	783					783

RECONCILIATION FROM REPORTED TO CORE
FY2018 Q2

(BN YEN)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Others	
Revenue	430.8					430.8
Cost of sales	-110.8					-110.8
Gross Profit	320.0					320.0
SG&A expenses	-148.8			3.3		-145.4
R&D expenses	-79.5					-79.5
Amortization of intangible assets	-24.0	24.0				-
Impairment losses on intangible assets	-0.3	0.3				-
Other operating income	23.0		-23.0			-
Other operating expenses	-17.5		14.4	3.1		-
Operating profit Margin	73.1 17.0%	24.3	-8.7	6.5		95.1 22.1%
Financial income/expenses	-6.6			2.8	0.7	-3.2
Equity income/loss	0.5				0.9	1.4
Profit before tax	66.9	24.3	-8.7	9.2	1.6	93.3
Tax expense	-18.5	-5.8	-1.1	-1.3	0.8	-25.9
Non-controlling interests	0.0					0.0
Net profit	48.4	18.4	-9.7	8.0	2.4	67.5
EPS (yen)	62					86
Number of shares (millions)	783					783

FREE CASH FLOW

(BN YEN)	FY2018 H1	FY2019 H1	vs. PY	
Net profit	126.5	33.3	-93.2	-73.7%
Depreciation, amortization and impairment loss	78.7	360.5	+281.9	
Decrease (increase) in trade working capital	-66.4	-24.4	+42.0	
Income taxes paid	-18.8	-90.6	-71.7	
Other	-2.0	62.3	+64.3	
Net cash from operating activities	117.8	341.1	+223.3	+189.5%
Acquisition of PP&E	-37.3	-55.1	-17.8	
Proceeds from sales of PP&E	6.1	0.1	-6.0	
Acquisition of intangible assets	-21.1	-21.4	-0.2	
Acquisition of investments	-10.3	-3.9	+6.4	
Proceeds from sales and redemption of investments	38.2	40.6	+2.4	
Proceeds from sales of business, net of cash and cash equivalents divested	27.2	375.5	+348.3	
Free Cash Flow	120.5	676.9	+556.3	+461.5%

NET DEBT/ADJUSTED EBITDA

NET DEBT/PRO-FORMA ADJUSTED EBITDA RATIO

(BN YEN)	FY2019 H1
Cash and cash equivalents[*1]	543.5
Book value debt on the balance sheet	-5,024.6
Hybrid bond 50% equity credit	250.0
FX adjustment[*2]	-136.0
Gross debt[*3]	-4,910.6
Net cash (debt)	**-4,367.1**
Net debt/Pro-forma Adjusted EBITDA ratio	**3.9 x**
Adjusted EBITDA	939.1
Pro-forma Adjusted EBITDA	**1,131.2**

NET INCREASE (DECREASE) IN CASH

(BN YEN)	FY2018 H1	FY2019 H1	vs. PY	
Net cash from operating activities	117.8	341.1	+223.3	+189.5%
Acquisition of PP&E	-37.3	-55.1		
Proceeds from sales of PP&E	6.1	0.1		
Acquisition of intangible assets	-21.1	-21.4		
Acquisition of investments	-10.3	-3.9		
Proceeds from sales and redemption of investments	38.2	40.6		
Acquisition of business, net of cash and cash equivalents acquired	27.2	375.5		
Net increase (decrease) in short-term loans	-0.4	-461.4		
Repayment of long-term loans	-	-60.0		
Proceeds from issuance of bonds	-	496.2		
Repayment of bonds	-	-563.1		
Dividends paid	-71.4	-140.8		
Others	-30.2	-87.9		
Net increase (decrease) in cash	18.5	-140.2	-158.7	—

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

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

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

RECONCILIATION FROM NET PROFIT TO EBITDA/ADJUSTED EBITDA

(BN JPY)	FY2019 H1	FY2019 LTM[*1]
Net profit for the year	33.3	15.8
Income tax expenses	-60.8	-109.2
Depreciation and amortization	342.0	536.4
Interest expense, net	71.0	109.1
EBITDA	385.4	552.1
Impairment losses	18.6	28.0
Other operating expense (income), net, excluding depreciation and amortization	69.7	28.7
Finance expense (income), net, excluding interest income and expense, net	10.9	24.0
Share of loss on investments accounted for under the equity method	-4.0	43.6
Other adjustments:		
Impact on profit related to fair value step up of inventory in Shire acquisition	132.1	214.3
Acquisition costs related to Shire	1.2	17.1
Other costs[*2]	19.0	31.3
Adjusted EBITDA	632.9	939.1
Legacy Shire's Adjusted EBITDA[*3]	-	192.1
Pro-forma Adjusted EBITDA	632.9	1,131.2

[*1] LTM represents Last Twelve Months (October 2018 – September 2019).
[*2] Includes adjustment for non-cash equity based compensation expense starting from FY2019 Q1.
[*3] Represents Legacy Shire's adjusted EBITDA based on its financial information converted to IFRS for the corresponding period. There was no significant difference in the definition of and methodology for adjusted EBITDA between Legacy Takeda and Legacy Shire.

FY2019 REVISED FORECAST

Reported

(BN YEN)	FY2018 Actual	FY2019 Previous Forecast (July 31, 2019)	FY2019 Revised Forecast (October 31, 2019)	vs. PY		vs. Previous Forecast	
Revenue	2,097.2	3,300.0	3,260.0	+1,162.8	+55.4%	-40.0	-1.2%
R&D expenses	-368.3	-491.0	-484.0	-115.7	-33.3%	+7.0	+1.4%
Amortization & impairment	-203.4	-659.0	-637.0	-433.6	-224.0%	+22.0	+3.3%
Other operating income	159.9	9.0	24.0	-135.9	-85.0%	+15.0	+166.7%
Other operating expenses	-103.2	-172.0	-199.0	-95.8	-66.7%	-27.0	-15.7%
Operating profit	205.0	-166.0	-110.0	-315.0	-	+56.0	+33.7%
Finance expenses	-83.3	-175.0	-172.0	-88.7	-110.1%	+3.0	+1.7%
Profit before tax	94.9	-342.0	-290.0	-384.9	-	+52.0	+15.2%
Net profit	109.1	-367.7	-273.0	-382.1	-	+94.7	+25.8%
EPS (yen)	114 yen	-236 yen	-175 yen	-289 yen	-	+61 yen	+25.7%
Core Operating Profit	459.3	910.0	930.0	+470.7	+102.5%	+20.0	+2.2%
USD/JPY	111 yen	111 yen	109 yen	-2 yen		-2 yen	
EUR/JPY	129 yen	124 yen	121 yen	-8 yen		-3 yen	

Shire acquisition related costs	FY2019 Previous Forecast (July 31, 2019)	FY2019 Revised Forecast (October 31, 2019)
SG&A and R&D expenses - acquisition costs, etc.	-	-7.0
Other operating expenses - integration costs	-154.0	-146.0
Financial expenses - Bridge loan fees, interests, etc.	-87.0	-80.0
Profit Before Tax impact	-241.0	-233.0
Purchase accounting impact (major items)		
Cost of sales - unwinding of inventories step-up	-253.0	-211.0
Amortization of intangible assets - Shire acquisition	-439.0	-423.0
Other non-cash items		
Amortization of intangible assets - Legacy Takeda	-99.0	-93.0
Impairment	-121.0	-121.0

OTHER FY2019 KEY FINANCIAL ASSUMPTIONS

(BN YEN)	FY2019 H1	FY2019 Previous Forecast	FY2019 Revised Forecast
Unwinding of inventories step-up (Cost of sales)	-132.1	-253.0	-211.0
R&D expenses	-230.4	-491.0	-484.0
Amortization of intangible assets - Shire acquisition	-211.3	-439.0	-423.0
Amortization of intangible assets - Legacy Takeda	-45.0	-99.0	-93.0
Impairment of intangible assets	-17.3	-121.0	-121.0
Integration costs - Shire (Other operating expenses)	-58.8	-154.0	-146.0
Financial expenses - total	-99.3	-175.0	-172.0
CAPEX	N/A	-180.0 to -230.0	-180.0 to -230.0
Depreciation and amortization (excluding intangible assets associated with products)	-85.6	N/A	-150.0
Cash tax rate on adjusted EBITDA (excluding divestitures)	N/A	~20-23%	~20-23%

RECONCILIATION FROM REPORTED TO CORE – FY2019 REVISED FORECAST

(BN YEN)	REPORTED	REPORTED TO CORE ADJUSTMENTS					CORE
		Amortization of intangible assets (Takeda)	Impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Shire purchase accounting adjustments	
Revenue	3,260.0						3,260.0
Cost of sales – Unwinding of inventories step-up						211.0	
Cost of sales – Depreciation of PPE step-up						6.0	
Gross Profit						217.0	
SG&A and R&D expenses					7.0	4.0	
Amortization of intangible assets	-516.0	93.0				423.0	-
Impairment losses on intangible assets	-121.0		121.0				-
Other operating income	24.0			-24.0			-
Other operating expenses	-199.0			53.0	146.0		-
Operating profit	-110.0	93.0	121.0	29.0	153.0	644.0	930.0

DIVERSE AND EXPERIENCED TAKEDA EXECUTIVE TEAM

JAPAN

CHRISTOPHE WEBER
President & CEO

COSTA SAROUKOS
Chief Financial Officer

MASATO IWASAKI
President, Japan Pharma Business Unit

HARUHIKO HIRATE
Corporate Communications & Public Affairs Officer

YOSHIHIRO NAKAGAWA
Global General Counsel

PADMA THIRUVENGADAM
Chief Human Resources Officer

MILANO FURUTA
Corporate Strategy Officer & Chief of Staff

US

ANDY PLUMP
President, Research & Development

RAMONA SEQUEIRA
President, US Business Unit

TERESA BITETTI
President, Global Oncology Business Unit

RAJEEV VENKAYYA
President, Global Vaccine Business Unit

GERARD (JERRY) GRECO
Global Quality Officer

MARCELLO AGOSTI
Global Business Development Officer

SWITZERLAND

GILES PLATFORD
President, Europe & Canada Business Unit

CAMILLA SOENDERBY
Chief Patient Value & Product Strategy Officer

JULIE KIM
President, Plasma-Derived Therapies Business Unit

THOMAS WOZNIEWSKI
Global Manufacturing & Supply Officer

MWANA LUGOGO
Chief Ethics & Compliance Officer

SINGAPORE

RICARDO MAREK
President, Growth & Emerging Markets Business Unit

BOARD COMPOSITION FOR BEST IN CLASS GOVERNANCE

INTERNAL DIRECTORS

Christophe Weber
Representative Director,
President & CEO

Masato Iwasaki
Director, President,
Japan Pharma Business Unit

Andrew Plump
Director, President,
Research & Development

Costa Saroukos
Director,
Chief Financial Officer

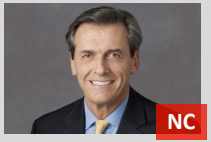
AUDIT & SUPERVISORY COMMITTEE (A&SC)

Yasuhiko Yamanaka
Director,
A&SC member

INDEPENDENT DIRECTORS[1]

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

Olivier Bohuon
Independent Director



Jean-Luc Butel
Independent Director

Ian Clark
Independent Director

Yoshiaki Fujimori
Independent Director

Steven Gillis
Independent Director

Shiro Kuniya
Independent Director

Toshiyuki Shiga
Independent Director

Koji Hatsukawa
Independent Director,
Chair of A&SC

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

Michel Orsinger
Independent Director
A&SC Member

CB CHAIR OF THE BOARD MEETING

INDEPENDENT DIRECTOR

NC NOMINATION COMMITTEE[2]

CC COMPENSATION COMMITTEE

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

GLOSSARY OF ABBREVIATIONS

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