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Committed to Growth & Shareholder Returns

FY2023 Q1 Earnings Announcement

July 27th, 2023

Better Health, Brighter Future

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Exchange Rates

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AGENDA

Introduction ..... **Christophe Weber**
President & CEO

Pipeline Update ..... **Andy Plump**
President, R&D

Financials ..... **Costa Saroukos**
Chief Financial Officer

Q&A Session

FY2023 Q1 Highlights: Executing Strategy for Long-Term Growth

Strong Start to the Fiscal Year with Growth & Launch Products +16% at CER

- Revenue growth **+3.7% at CER**[1]
- Growth & Launch products revenue **+16.2% at CER** (represent 40% of total revenue)
- No change to full-year management guidance

FY2023 Q1 RESULTS SUMMARY

(BN YEN, except EPS)	REPORTED		CORE[2]		
	FY2023 Q1	ACTUAL % CHANGE	FY2023 Q1	ACTUAL % CHANGE	CER[1] % CHANGE
REVENUE	**1,058.6**	+8.9%	**1,058.6**	+8.9%	**+3.7%**
OPERATING PROFIT	**168.6**	+12.0%	**326.3**	+2.3%	**-2.0%**
EPS	**58 yen**	-15.4%	**150 yen**	+3.5%	**+0.3%**

Advances in Innovative Pipeline Build Confidence in Long-Term Growth Profile

- QDENGA approvals in Argentina & Thailand underscore positive clinical data and high unmet need for a dengue vaccine; U.S. BLA voluntarily withdrawn after discussions with the FDA
- GAMMAGARD LIQUID filed for treatment of CIDP in U.S.
- Fruquintinib granted Priority Review in U.S. and MAA accepted in Europe for treatment of previously treated mCRC
- TAK-755 granted Priority Review in U.S. for treatment of cTTP
- TAK-994 data from terminated study published in *New England Journal of Medicine*[3] demonstrates unprecedented efficacy of orexin agonist; enrollment of TAK-861 Ph2b study progressing on track

1. Constant Exchange Rate. Please refer to appendix slide A-1 for definition.
2. Please refer to appendix slide A-1 for definition of core financial measures, and slides A-5 and A-6 for reconciliation.
3. Dauvilliers Y, et al. New England Journal of Medicine. 2023. Hepatotoxicity led to the early termination of the trial.

BLA: Biologics Licensing Application; MAA: Marketing Authorisation Application.
For full glossary of abbreviations please refer to appendix.

Positive Momentum for QDENGA with Strong Initial Demand in Endemic and Travel Markets

Peak Sales Forecast $1.6-2B

Endemic markets continue to be our highest priority, making up ~80-85% of projected peak sales

BRAZIL

BBC NEWS

New dengue vaccine approved in Brazil represents the end of a historic epidemic?[1]

ARGENTINA

Buenos Aires Herald

Regulator approves dengue vaccine in Argentina[2]

INDONESIA

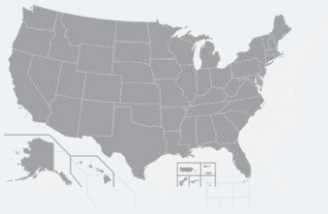
THAILAND

Strong launch in travel markets led by the EU with setback in U.S. unfortunate but minimal commercial impact

EUROPE

Available in Germany, Austria, Belgium, Nordics, UK, Ireland, Czech Republic, Luxembourg, Netherlands, Portugal and Spain

US



Withdrew filing due to FDA requests for additional data including data that was not part of the previously agreed upon protocol, and which cannot be addressed within the current review cycle

- Ongoing interactions with recommending bodies and supranational organizations (World Health Organization, PAHO)
- New drug substance building opened in Singen, Germany
- Partnering for additional capacity

1. https://www.bbc.com/portuguese/articles/c97xey0v4g9o
2. https://buenosairesherald.com/society/health/regulator-approves-dengue-vaccine-in-argentina

QDENGA Launched QDENGA Approved

Committed to Growth & Shareholder Returns

Near-term *(FY2024-2025)*

Medium-term *(FY2026 - early 2030s)*

Long-term *(FY2030s and beyond)*

Return to sales, profit & margin growth

Continued expansion of Growth & Launch Products

Further launches from innovative late-stage pipeline

Limited Loss of Exclusivity exposure until Entyvio biosimilars launch

Additional contribution from robust R&D strategy, including clinical pipeline of ~40 NMEs

- **Returning to low-to-mid 30% Core Operating Profit margins**
- **Increasing productivity enabled by Data, Digital & Technology**
- **Continuing to pursue asset-specific business development to enhance pipeline**
- **Progressive dividend policy of increasing or maintaining dividend each year**

AGENDA

Introduction ..... Christophe Weber
President & CEO

Pipeline Update ..... **Andy Plump**
President, R&D

Financials ..... Costa Saroukos
Chief Financial Officer

Q&A Session

Major Updates To Our Pipeline Since Q4 FY22

GROWTH & LAUNCH PRODUCTS	HYQVIA	• Ph3 ADVANCE-CIDP-1 data in Chronic Inflammatory Demyelinating Polyradiculoneuropathy published in JPNS[1]
	GAMMAGARD	• **GAMMAGARD LIQUID** filed for treatment of CIDP in the U.S.
	EXKIVITY	• Ph3 EXCLAIM-2 trial[2] stopped for futility; discussions with global regulatory authorities ongoing
	QDENGA	• Approved in Argentina & Thailand; Commercially available in Brazil, Indonesia and EU countries • U.S. BLA voluntarily withdrawn due to FDA requests for additional data including data that was not part of the previously agreed upon protocol, and which cannot be addressed within the current review cycle
PIPELINE	fruquintinib	• Filed for previously treated metastatic colorectal cancer (mCRC) in the U.S. and EU. FDA granted priority review. • Ph3 FRESCO-2 data in mCRC published in *The Lancet*.[3]
	TAK-755	• Filed for congenital thrombotic thrombocytopenic purpura (cTTP) in the U.S. and EU. FDA granted priority review. • Ph3 data in cTTP presented at the ISTH congress[4]
	fazirsiran	• Ph2b trial data in alpha-1 antitrypsin deficiency associated liver disease presented at the EASL congress[5]
	TAK-611	• Ph2 trial topline results in metachromatic leukodystrophy did not meet primary and secondary endpoints
	Orexin Receptor 2 Agonist	• **TAK-994**: Ph2b data for the first oral orexin receptor 2 agonist published in NEJM[6] demonstrates unprecedented efficacy in Narcolepsy Type 1 (NT1) patients. Hepatotoxicity led to the early termination of the trial. • **TAK-861**: Long-term extension study started April 2023. On track for Ph2b read out in H1 FY24. • **Danavorexton** (**TAK-925**): Ph2 start in patients with obstructive sleep apnea after general anesthesia.

1. Bril V, et al. J Peripher Nerv Syst. 2023; 1-14.
2. EXCLAIM-2 trial in first-line non-small cell lung cancer with EGFR exon 20 insertion mutations
3. Dasari NA, et al. Lancet 2023; 402: 41–53.
4. Scully M, et al. Oral presentation OC 14.1. International Society on Thrombosis and Haemostasis (ISTH) Congress, Montreal (25th June 2023).
5. Clark V, et al. Oral presentation OS-120. European Association for the Study of the Liver (EASL) Congress, Vienna (24th June 2023)
6. Dauvilliers Y, et al. N Engl J Med 2023; 389:309-21

For full glossary of abbreviations please refer to appendix.

First Oral Orexin Receptor 2 Agonist in Patients with Narcolepsy Type 1 Shows Significant Improvement in Daytime Wakefulness; Cataplexy Reduced or Abolished vs. Placebo[1]

TAK-994 Phase 2b Trial

- Patients were randomly assigned to twice-daily 30mg, 90mg, 180mg, or placebo.
- Primary endpoint: change in mean sleep latency on Maintenance of Wakefulness Test (MWT) from baseline to week 8. Secondary endpoints included change in Epworth Sleepiness Scale (ESS), weekly cataplexy rate (WCR), and treatment-emergent adverse events.

Results/ Conclusion

- TAK-994 resulted in a greater improvement on measures of sleepiness and cataplexy than placebo in the phase 2b and extension trial but was associated with hepatotoxic effects.
- Orexin receptor 2 is a promising, novel biologic target for future development to treat NT1, other sleep wake disorders
- 44 of 56 patients (79%) receiving drug had adverse events, most commonly urinary urgency or frequency.
- Clinically important elevations in liver-enzymes levels occurred in 5 patients, and drug induced liver injury meeting Hy's law criteria occurred in 3 patients (two with 180mg, one with 90mg).

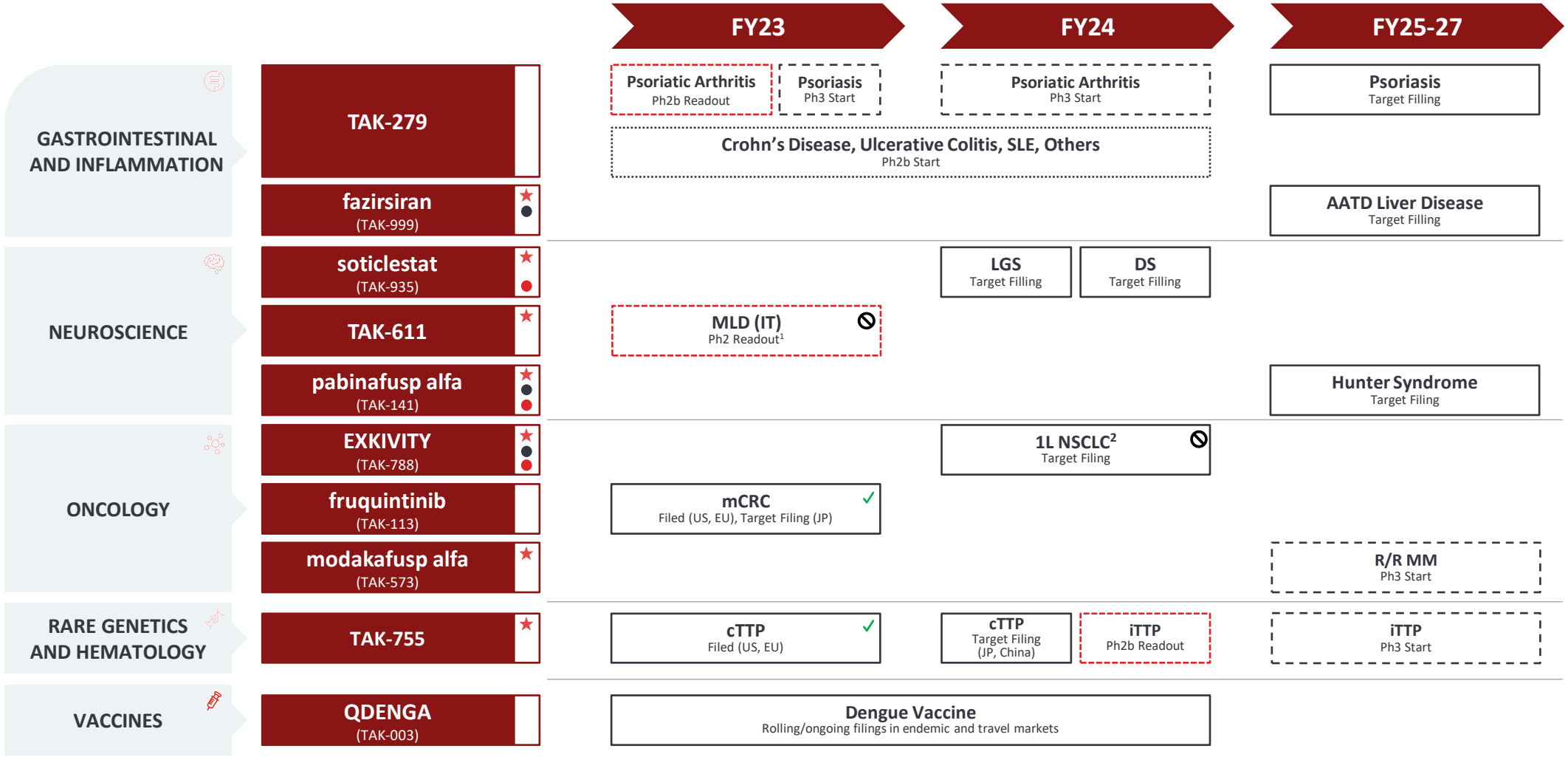
TAK-994 Phase 2b Results (Week 8)	Placebo Twice daily	30 mg Twice daily	90 mg Twice daily	180 mg Twice daily
Change from baseline in sleep latency from MWT Placebo-adjusted change from baseline	-2.5	23.9 Δ = 26.4 P < 0.001	27.4 Δ = 29.9 P < 0.001	32.6 Δ = 35.0 P < 0.001
Change from baseline in ESS Placebo-adjusted change from baseline	-2.1	-12.2 Δ = -10.1 P < 0.001	-13.5 Δ = -11.4 P < 0.001	-15.1 Δ = -13.0 P < 0.001
Weekly cataplexy rate Incidence rate ratio (IRR) vs. placebo	5.83	0.27 IRR = 0.05 P = 0.002	1.14 IRR = 0.20 P = 0.02	0.88 IRR = 0.15 P = 0.001

MWT: Maintenance of Wakefulness Test range 0-40 minutes; normal values ≥ 20 minutes
Patients who completed 8-week Ph2b were eligible for an 8-week extension trial
73 patients were enrolled; primary endpoint data was available for 41 patients due to early termination.

TAK-861	TAK-925 (danavorexton)	Next generation oral
Oral orexin agonist NT1/2, other sleep/wake disorders	IV orexin agonist for post anesthesia recovery	
H1 FY24: Expect Ph2b/POC read out; Ph3 go/no-go	**FY24: Expect Ph2/POC read out; Ph3 go/no-go**	**FY23: Target filing IND**

1. Dauvilliers Y, et al. N Engl J Med 2023; 389:309-21

Promising Late-stage Development Programs With Upcoming Inflections



1. Single arm Phase 2, timelines and filing plans will follow the data
2. Non-small cell lung cancer with EGFR exon 20 insertion mutations

⊘ Study did not meet primary endpoint. Further analysis ongoing

★ Orphan drug designations in at least one indication

● US Breakthrough and/or EU PRIME designations in at least one indication

● Japan SAKIGAKE and/or China Breakthrough designations in at least one indication

Late-stage program: Program in or expected to be in potential pivotal trial or having achieved proof-of-concept.

✓ Milestone achieved

Phase 2 study start

Proof-of-concept/Dose ranging Phase 2 study readout

Targeted pivotal study start

Target Filing, anticipated year of filing for regulatory approval

Approved

All timelines are approximate estimates as of July 27, 2023, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

AGENDA

Introduction — Christophe Weber, President & CEO

Pipeline Update — Andy Plump, President, R&D

Financials — **Costa Saroukos**, Chief Financial Officer

Q&A Session

Strong Start to the Fiscal Year; No Change to Full-Year Outlook

FY2023 Q1 (APR-JUN)

TOPLINE

- **Revenue JPY 1,058.6B (USD 7.3B)[1] grew +3.7% at CER[2]**, or +8.9% at actual exchange rates
- **Growth & Launch Products +16.2% at CER**, represent 40% of total revenue

PROFIT & MARGINS

- **Core Operating Profit JPY 326.3B (USD 2.3B)[1,3]** Core Operating Profit margin 30.8%
- **Reported Operating Profit JPY 168.6B**

CASH FLOW

- **Operating Cash Flow JPY 92.4B, up +9.7%; Free Cash Flow JPY -207.5B (USD -1.4B)[1,4]**
  Free Cash Flow reflects JPY 223.3B cash out for acquisitions/in-licensing (incl. TAK-279, fruquintinib);
  No change to full-year free cash flow forecast of JPY 400-500B
- **Moody's upgrade** of credit rating to Baa1, reflecting strength of financial foundation

FY2023 OUTLOOK

- No change to full-year management guidance, which reflects generic entries of AZILVA in Japan (June) and VYVANSE in U.S. (expected August)
- No change to reported & core forecasts, but potential upside if current FX rates continue

1. Please refer to disclaimer on Exchange Rates on slide 2
2. Constant Exchange Rate. Please refer to appendix slide A-1 for definition.
3. Please refer to appendix slide A-1 for definition of core financial measures, and slides A-5 and A-6 for reconciliation.
4. Please refer to appendix slide A-1 for definition and slide A-7 for reconciliation

Growth & Launch Products Driving Q1 Revenue Growth of +3.7% at CER; Delivering Core Operating Profit Margin of 30.8%

FY2023 Q1 (APR-JUN) FINANCIAL RESULTS (SUMMARY)

(BN YEN, except EPS)	REPORTED		CORE[1]		
	FY2023 Q1	ACTUAL % CHANGE	FY2023 Q1	ACTUAL % CHANGE	CER % CHANGE[2]
REVENUE	1,058.6	+8.9%	1,058.6	+8.9%	**+3.7%**
OPERATING PROFIT	168.6	+12.0%	326.3	+2.3%	**-2.0%**
Margin	*15.9%*	*+0.4pp*	*30.8%*	*-2.0pp*	
NET PROFIT	89.4	-14.9%	233.4	+4.1%	**+0.9%**
EPS (JPY)	58 yen	-15.4%	150 yen	+3.5%	**+0.3%**
OPERATING CASH FLOW	92.4	+9.7%			
FREE CASH FLOW[3]	-207.5	NA			

- Free Cash Flow reflects JPY 223.3B cash out for acquisitions/in-licensing (incl. TAK-279, fruquintinib); no change to full-year free cash flow forecast of JPY 400-500B

1. Please refer to appendix slide A-1 for definition of core financial measures, and slides A-5 and A-6 for reconciliation.
2. Constant Exchange Rate. Please refer to appendix slide A-1 for definition
3. Please refer to appendix slide A-1 for definition and slide A-7 for reconciliation

Growth & Launch Products +16.2% at CER; Represent 40% of Total Revenue

FY2023 Q1 REVENUE	GI % of Sales: 28% Growth: +3%	RARE DISEASES % of Sales: 18% Growth: +2%	PLASMA-DERIVED THERAPIES (PDT) IMMUNOLOGY % of Sales: 18% Growth: +24%	ONCOLOGY % of Sales: 10% Growth: -9%	NEUROSCIENCE % of Sales: 17% Growth: +17%	OTHER % of Sales: 9% Growth: -20%
GROWTH & LAUNCH PRODUCTS	Entyvio vedolizumab +7% ALOFISEL +31%	TAKHZYRO (lanadelumab-flyo) injection +15% LIVTENCITY (maribavir) tablets 200mg +71%	GAMMAGARD LIQUID, HyQvia, Cuvitru IMMUNOGLOBULIN +23% Flexbumin, HUMANALBUMIN ALBUMIN +36%	ALUNBRIG BRIGATINIB +41% EXKIVITY mobocertinib 40 mg capsules +192%		Qdenga Dengue Tetravalent Vaccine (Live, Attenuated) *New Launch*
OTHER KEY PRODUCTS	Takecab/Vocinti® Gattex/Revestive®	Advate® Adynovate/Adynovi® Vonvendi® Elaprase® Vpriv® Replagal®(EU,JP)	Glassia® Aralast®	Ninlaro® Iclusig® Adcetris® (ex-N. America) Leuprorelin Zejula®(JP) Cabometyx®(JP) Vectibix®(JP)	Vyvanse® Trintellix®(US,JP)	Azilva® (JP) Spikevax® (JP) Nuvaxovid® (JP)

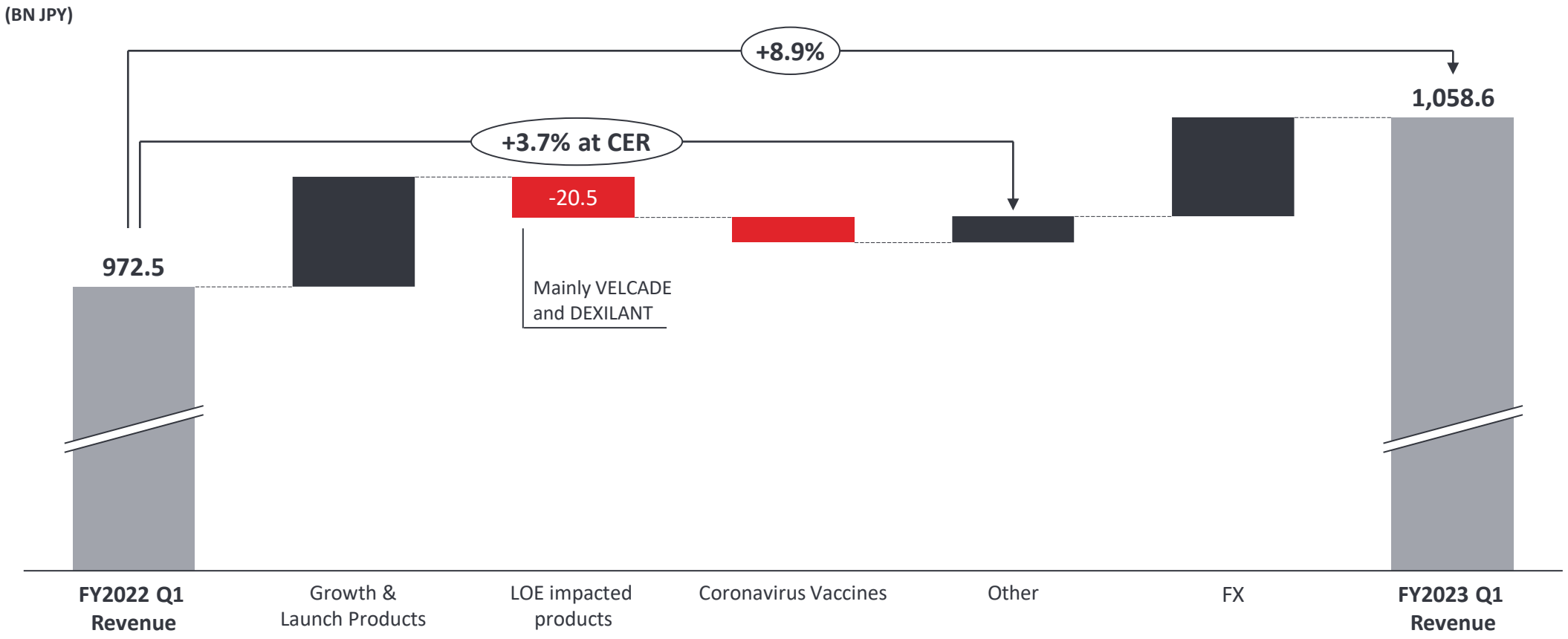
Total JPY 424.1B (USD 2.9B[1]); year-over-year growth +JPY 79.9B (USD 0.6B[1])

All growth rates indicate FY2023 Q1 revenue growth at Constant Exchange Rate. Please refer to appendix slide A-1 for definition.

1. Please refer to disclaimer on Exchange Rates on slide 2

Delivered Q1 Topline Growth of +3.7% at CER or +8.9% incl. FX Tailwind

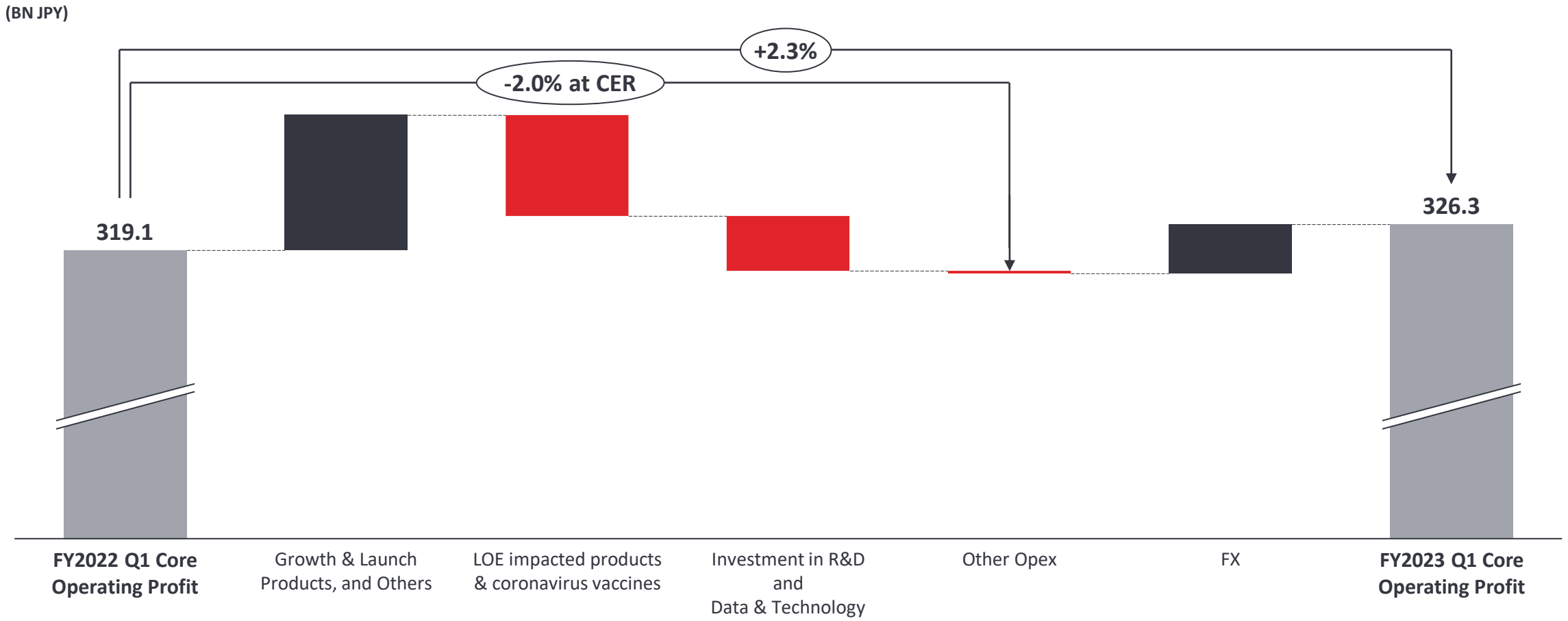
FY2023 Q1 REVENUE VS PRIOR YEAR



Graphs are illustrative
For FY2023 Q1 versus FY2022 Q1 comparison, Reported Revenue and Core Revenue equivalent, as no Core adjustment was made to revenue in either year.

Core O.P. Impacted by Product Mix, Investment in R&D and Data & Technology

FY2023 Q1 CORE OPERATING PROFIT VS PRIOR YEAR



Graphs are illustrative

Note: Core Operating Profit is a non-IFRS metric. Please refer to appendix for definitions and reconciliations.

No Change to Full-year FY2023 Forecasts or Management Guidance

- **Core Operating Profit Expected to Exceed JPY 1trn Despite Loss of Exclusivity and Coronavirus Vaccines Impact**
- **Potential Upside to Reported & Core Forecasts if Current FX Rates Continue**

(BN YEN)	REPORTED		CORE		CORE CHANGE AT CER
	FY2023 FORECAST	VS. PRIOR YEAR	FY2023 FORECAST	VS. PRIOR YEAR	FY2023 MANAGEMENT GUIDANCE
REVENUE	3,840.0	-4.7%	3,840.0	-4.7%	**Low-single-digit % decline**
OPERATING PROFIT	349.0	-28.8%	1,015.0	-14.6%	**Low-10s % decline**
EPS (JPY)	91 yen	-55.6%	434 yen	-22.2%	**Low-20s % decline**

FREE CASH FLOW	400.0 – 500.0
ANNUAL DIVIDEND PER SHARE	188 yen

- FCF forecast reflects expenditures related to acquisition of TAK-279 from Nimbus (USD $1B)[1] and in-licensing of fruquintinib from Hutchmed (USD $400M)

Key assumptions in FY2023 forecast:

- Forecast assumes ~JPY 330B revenue loss from Loss of Exclusivities (on a CER basis), including AZILVA in Japan in June 2023, and VYVANSE in the U.S. in August 2023
- Forecast assumes 131 JPY/USD and 141 JPY/EUR. Please refer to appendix slide A-15 for more details on FX assumptions and sensitivity.

Note: Slide includes non-IFRS metrics. Please refer to appendix for definitions and reconciliations.
Please refer to appendix slide A-13 for more details of the FY2023 forecast
1. This represents the portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 paid in April 2023 (0.9 billion USD), and scheduled to be paid in August 2023 (0.1 billion USD).

Q&A SESSION

CHRISTOPHE WEBER
Representative Director;
President & CEO

ANDY PLUMP
Director; President,
Research & Development

COSTA SAROUKOS
Director;
Chief Financial Officer

RAMONA SEQUEIRA
President,
Global Portfolio Division

JULIE KIM
President,
US Business Unit

GILES PLATFORD
President, Plasma-Derived
Therapies Business Unit

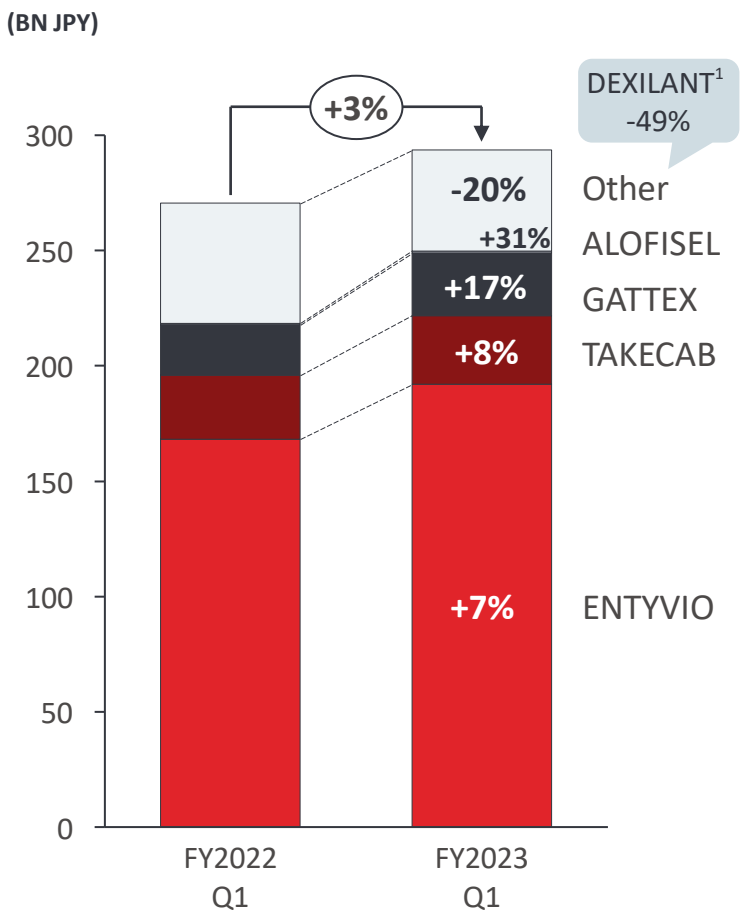
APPENDIX

GASTROENTEROLOGY (GI)

ENTYVIO Growth Continues to Drive Expansion of GI Franchise Despite DEXILANT Loss of Exclusivity Headwind

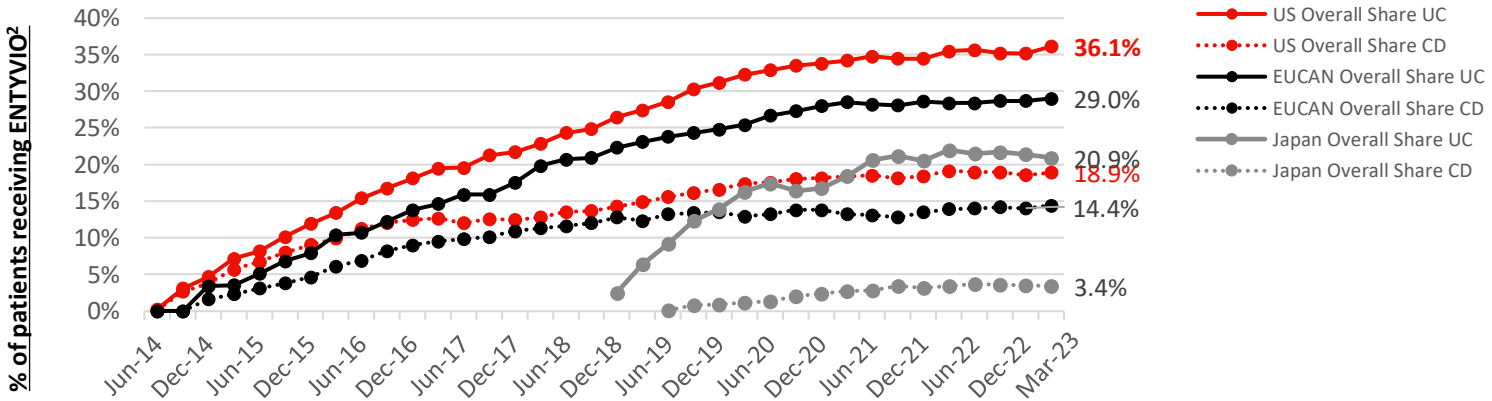
GI PORTFOLIO

FY2023 Q1 REVENUE



Entyvio vedolizumab — FY2023 Q1 Revenue JPY 192.0B (+7.1% growth)

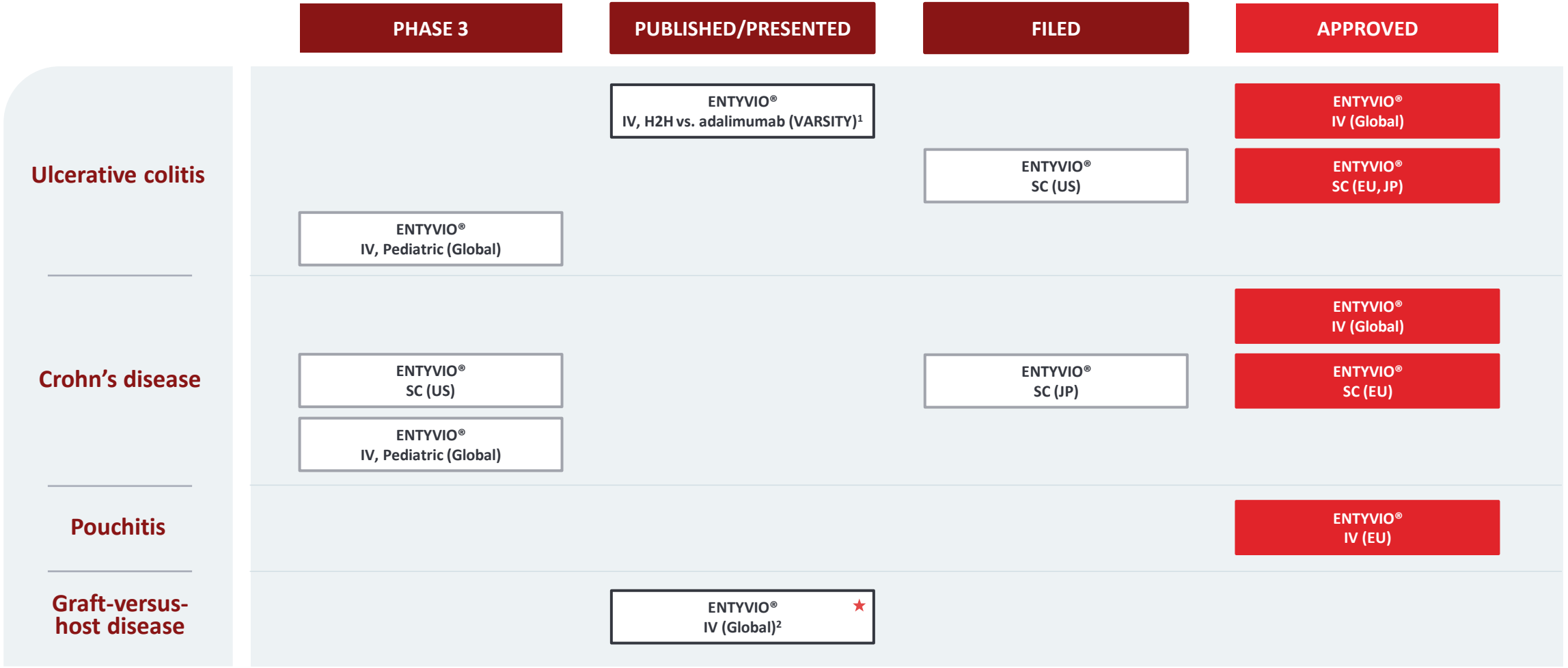
- FY23 Q1 net sales were +7.1% with single-digit market growth, impact of shipment timing in the U.S. in prior year, increasing global competitive intensity, and pricing headwinds in EUCAN.
  - In the U.S., Entyvio maintains the lead as #1 in both IBD overall as well as IBD bio-naïve new starts
  - In EUCAN, Entyvio volume growth remains strong and patient growth continues at greater than 15% out-performing the overall IBD advanced therapies market
- Subcutaneous formulation – driving growth since launch in EU; now launched in Japan as of June 2023 with first patients treated day of launch; regulatory filing accepted in U.S. in April 2023
- Investing in LCM studies evaluating key clinical questions such as the possible role of vedolizumab as a backbone in combination therapy approaches, as well as exploring treatment targets and sequencing, aiming to transform patient outcomes, changing the course of the disease



EUCAN: Europe & Canada
1. Generic entrants into U.S. market began January 2023.
2. Source: US: SHA Medical and Pharmacy Claims data; EUCAN: Internal estimate; Japan: Japan Medical Data Center
Note: Methodology for calculating EUCAN market share has been updated since prior quarters to more accurately reflect patient split across UC/CD indications.

Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

Entyvio: Continuing Evidence Generation And Indication Expansion



Additional evidence generation planned

Approved | Published/presented | Ongoing study or filing

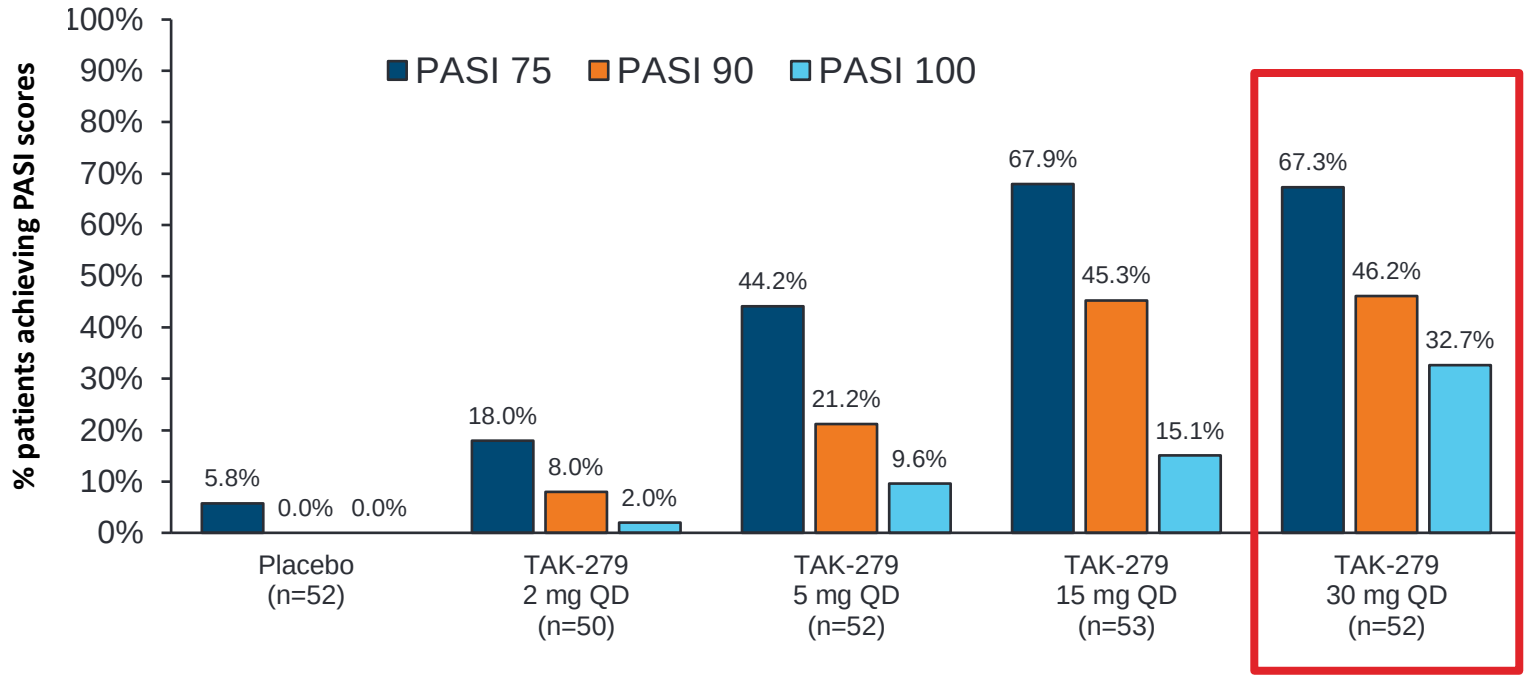
★ Orphan Drug Designation potential

1. Sands BE et al. N Engl J Med 2019;381:1215-26.
2. Chen YB et al., presented at the Transplantation & Cellular Therapy Meetings of ASTCT and CIBMTR, February 18th, 2023

All timelines are approximate estimates as of July 27, 2023, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. For full glossary of abbreviations please refer to appendix.

TAK-279: Phase 2B Indicates Potential For Best-in-class Oral Treatment Option For Psoriasis

Patients achieving PASI 75, 90 or 100 at Week 12[1]



Summary

- Robust efficacy: 33% of patients on 30mg achieving clear skin at 12 weeks (PASI 100)
- Generally low rates of TEAEs
  - Most common: COVID-19, acne, acneiform dermatitis and diarrhea
- High selectivity for TYK2 over JAKs
  - ~1.5 million times
  - Well tolerated, once daily oral dosing

Estimated market size in 2028[2]

- Psoriasis $30B
- IBD $30B
- Psoriatic arthritis $7B

NEXT STEPS

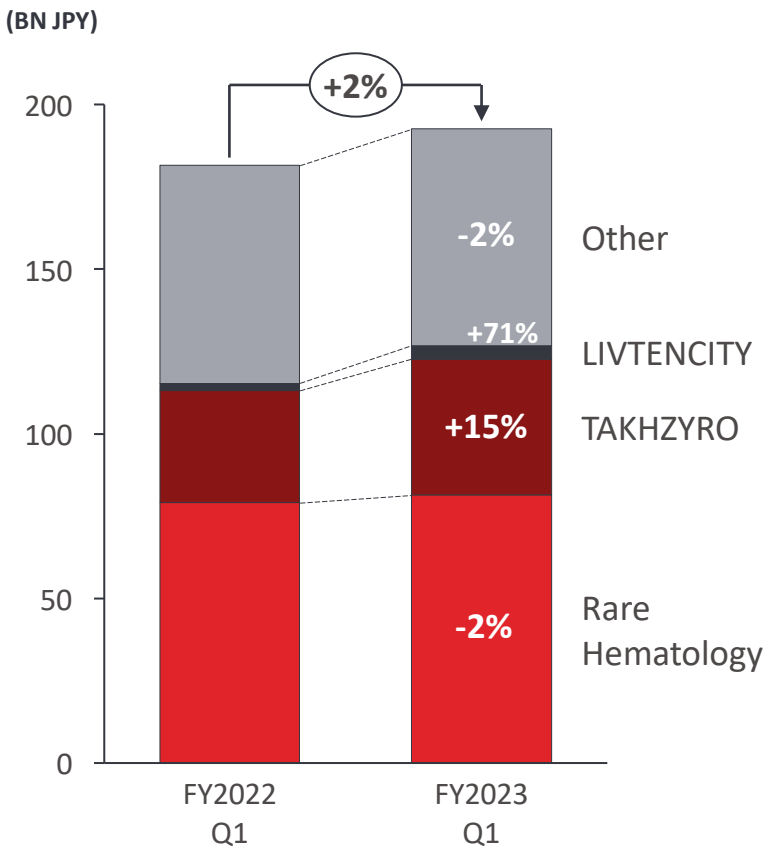
FY23	FY24	FY25-27
Psoriasis - Ph3 Start X 2	Psoriatic Arthritis - Ph3 Start	Psoriasis Target Filing
Psoriatic Arthritis - Ph2b Readout	Psoriasis Head-to -Head - Ph3 Start	
Crohn's Disease - Ph2b Start	Ulcerative Colitis - Ph2b Start	
SLE - Ph2b Start	Others - Ph2 Start	

1. Armstrong et al., presentation at AAD, March 15th, 2023
2. Evaluate Pharma

TAKHZYRO Continues its Strong Momentum; LIVTENCITY Strong Market Penetration in U.S. & Rapid Geographical Expansion

RARE DISEASES PORTFOLIO

FY2023 Q1 REVENUE



TAKHZYRO (lanadelumab-flyo) injection

FY2023 Q1 Revenue JPY 41.3B (+14.7% growth)

- TAKHZYRO growth continues its strong FY2022 momentum, fueled by successful launches in 56 countries and sustained U.S. demand
- U.S. completed successful pediatric TAKHZYRO launch, making it the first prophylactic HAE product indicated for children ≥2 years old
- Long-term prescription restriction lifted in Japan with continued growth in the market
- Robust real-world evidence >2 years for reduction of attacks, consistent safety, and improvement in Quality of Life from EMPOWER and ENABLE, consistent with HELP and HELP-OLE

LIVTENCITY (maribavir) tablets 200mg

FY2023 Q1 Revenue JPY 4.1B (+70.7% growth)

- LIVTENCITY continuously shows strong launch performance driven by fast uptake, breadth of transplant centers having initiated therapy, focus on depth of activated centers (gaining utilization across all departments) and positive market access trends indicating high unmet needs
- Real world physician utilization at physicians' discretion in the U.S. has demonstrated substantially longer duration of treatment than initially anticipated*, and a potential broader patient base due to heterogeneity in utilization patterns in post-transplant CMV.
- Rapid geographic expansion ongoing with the European Commission granting approval in November 2022; LIVTENCITY is commercially available with national or partial reimbursement including Individual Funding Requests in 15 countries across Europe

Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

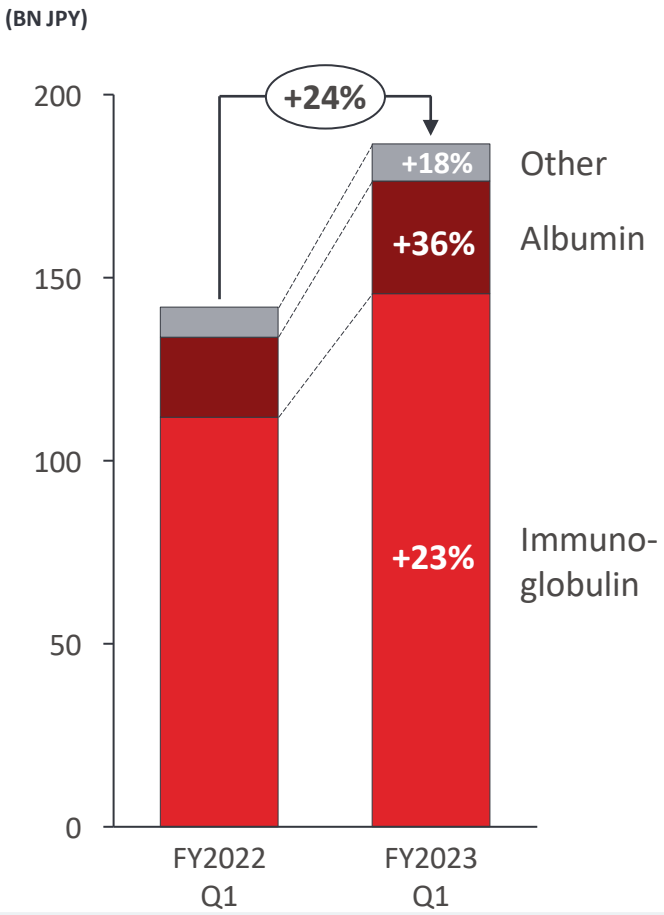
*Takeda internal data – Outpatient setting through specialty pharmacy

PLASMA-DERIVED THERAPIES

PDT Portfolio Continues to Deliver Outstanding Growth

PDT IMMUNOLOGY PORTFOLIO

FY2023 Q1 REVENUE



Immunoglobulin

FY2023 Q1 Revenue JPY 145.6B (+22.5% growth)

- Strong demand globally, especially in the U.S., coupled with steady and growing supply
- Continued expansion of SCIG portfolio; double-digit percentage revenue growth

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

Albumin

FY2023 Q1 Revenue JPY 30.8B (+36.0% growth)

- Solid growth building on last year's momentum, with particularly strong demand for albumin products in China
- Q1 growth driven by China sales recovery following lower sales during lockdown in Q1 FY22. Full year FY23 growth expected to level down to be in line with guidance (+5-15% growth at CER)

Flexbumin (Human Albumin)
HUMANALBUMIN SOLUTION FOR INFUSION

CONTINUING TO MAKE INVESTMENTS IN CAPACITY EXPANSION ACROSS THE VALUE CHAIN

- Global plasma donation center footprint now 236 centers, an increase of 3 in Q1 FY2023, with intent to increase by total of >20 new centers by end of FY2023
- On track to deliver 10 – 20 % plasma volume growth by end of FY2023
- Donor compensation continuing on a downward trend since FY2022, after significant increases during the pandemic
- Targeted investments across the manufacturing network to increase yield, expand capacity and create efficiencies, leveraging data, digital & technology capabilities

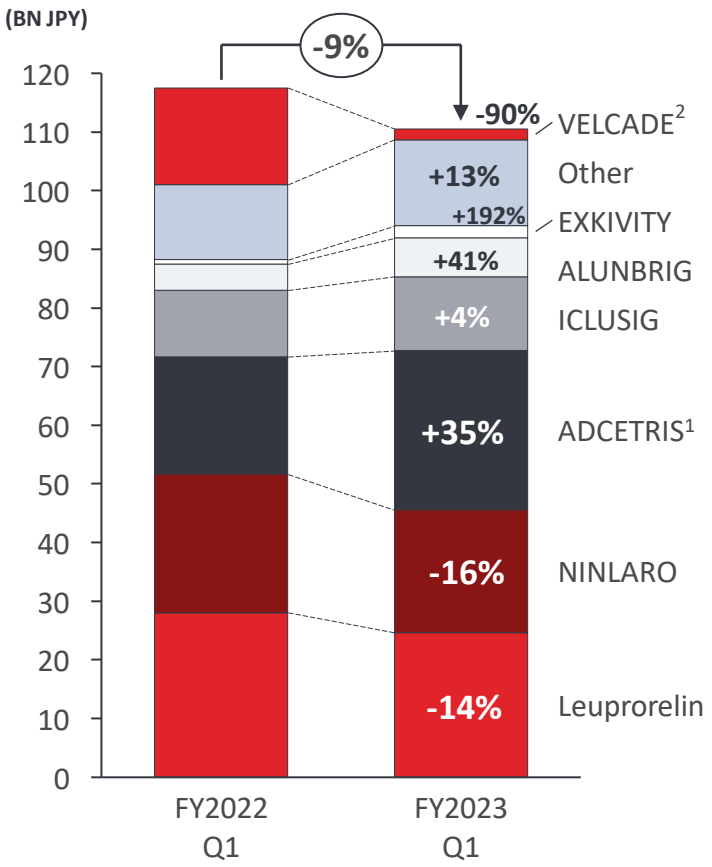
Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

ONCOLOGY

Oncology Growth Impacted by VELCADE Generics; Portfolio Excluding VELCADE Grew +5% at CER

ONCOLOGY PORTFOLIO

FY2023 Q1 REVENUE



- 40 markets are now reimbursed in 1L globally, including China National Reimbursement Drug List (NRDL)
- Considerable 1L EU New Patient Starts (NPS) share growth over the past year, with ALUNBRIG capturing over 1/3 of NPS

- Continue to see strong growth in 1L Hodgkin lymphoma following 6-yr ECHELON-1 OS data (Germany, Spain, Italy) and in R/R HL (China)

- Oral session at ASCO for triple wild type sub-analysis of PARADIGM Ph3 study demonstrating statistically significant improvement among metastatic CRC RAS-wild type patients

- Phase 3 EXCLAIM-2 trial stopped for futility; discussions with global regulatory authorities ongoing

Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).
For full glossary of abbreviations please refer to appendix.

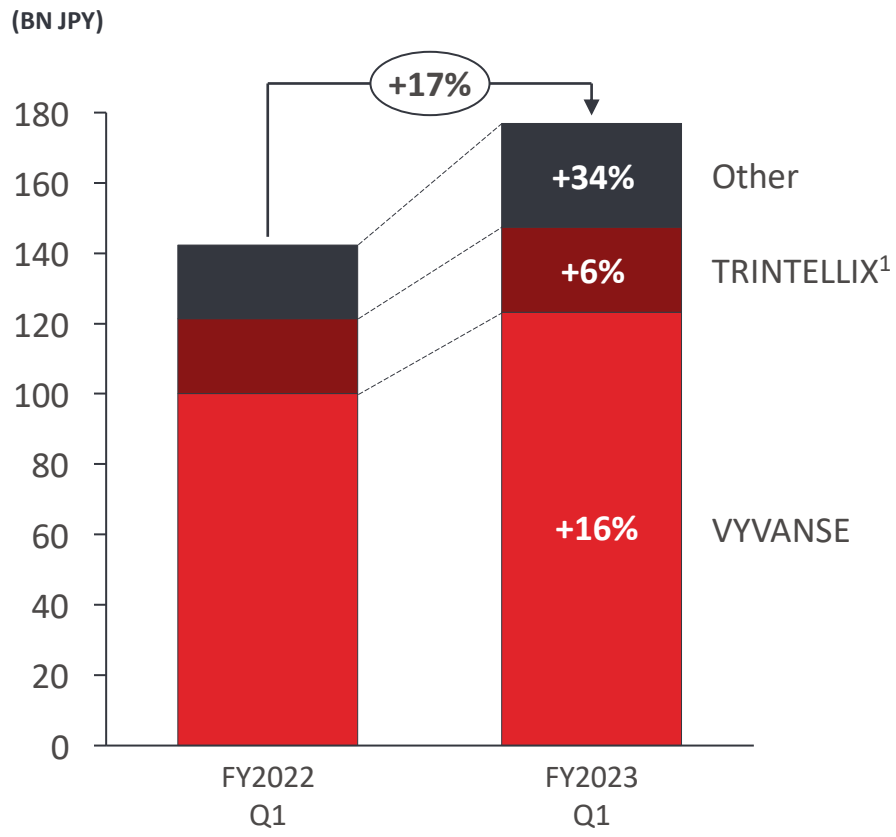
1. ADCETRIS is in-licensed from Seagen Inc.; Takeda has global co-development and marketing rights outside of the U.S. and Canada.
2. Generic entrants into U.S. market began May 2022.
3. VECTIBIX is in-licensed from Amgen; Takeda has marketing rights in Japan.

NEUROSCIENCE

Neuroscience Franchise Showing Strong Growth Ahead of Anticipated VYVANSE Loss of Exclusivity in August

NEUROSCIENCE PORTFOLIO

FY2023 Q1 REVENUE



Vyvanse® (lisdexamfetamine dimesylate) ONCE-DAILY
10 • 20 • 30 • 40 • 50 • 60 • 70 mg capsules
10 • 20 • 30 • 40 • 50 • 60 mg chewable tablets

FY2023 Q1 Revenue JPY 123.2B (+16.0% growth)

- U.S. growth in Q1 driven by the expanding ADHD adult population and by lower U.S. supply of other ADHD medications.
- U.S. loss of exclusivity impact anticipated from late August, 2023

Trintellix® vortioxetine

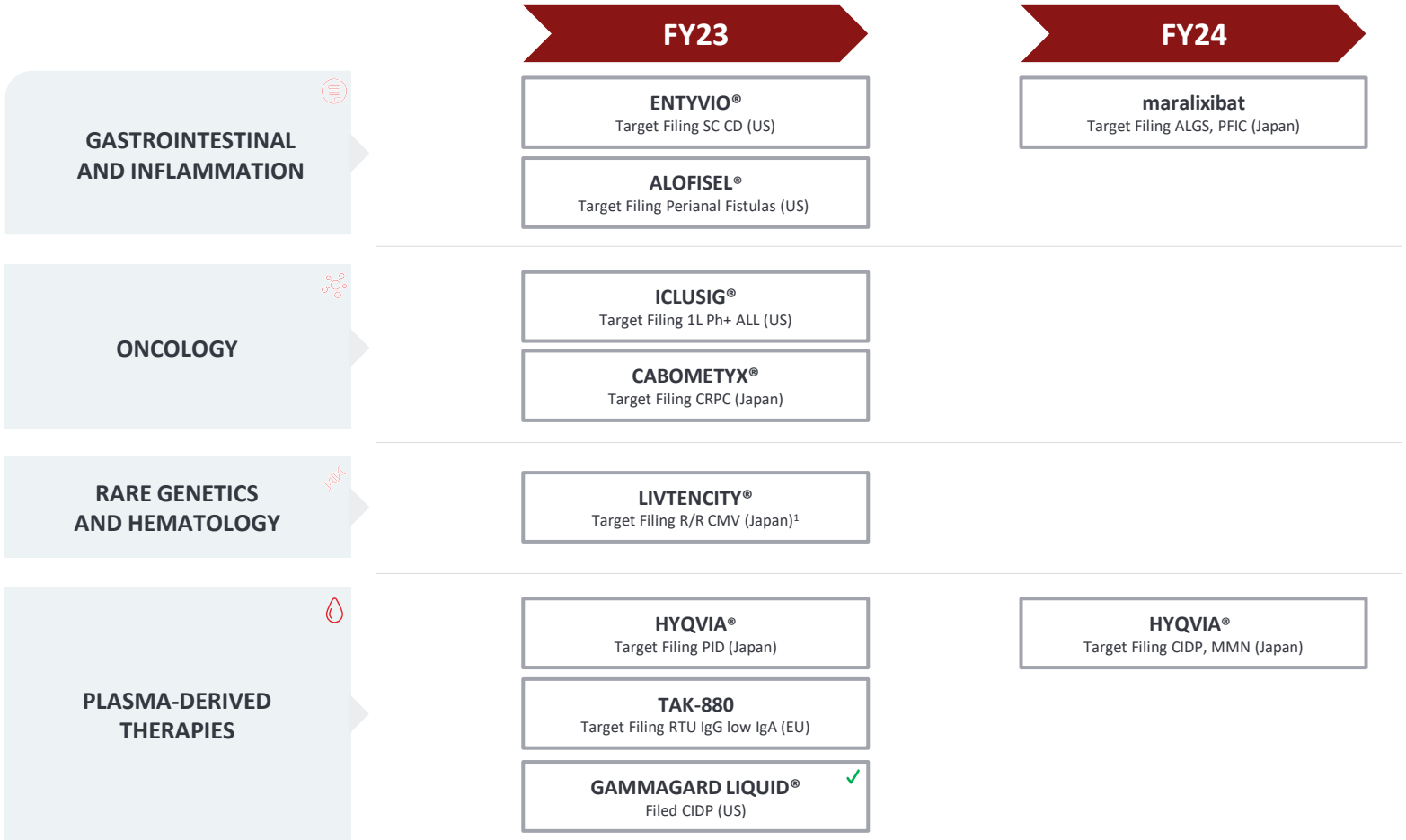
FY2023 Q1 Revenue JPY 24.3B (+6.3% growth)

- Growth in the U.S. Anti-Depressant market has returned to traditional levels (~1-2%) with affordable generic options driving market trajectory (owning ~99% share).
- In the U.S., strategic repositioning focused on TRINTELLIX efficacy story, inclusive of Speed of Processing (an aspect of cognition that may be impaired in MDD), along with field force and omnichannel execution, is expected to drive new patient starts and overall demand growth over the near-to-medium term.
- In Japan, the market share of TRINTELLIX continues to grow with stronger positioning as a first-line treatment being established among psychiatrists.

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

Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

Important Near-Term LCM Expansions Represent Significant Growth Opportunities



1. Post-transplant CMV infection/disease

Approved | Target Filing | ✓ Milestone achieved

 All timelines are approximate estimates as of July 27, 2023, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

FY2023: Multiple Potential Approvals For NMEs And Indication Expansions

KEY POTENTIAL REGULATORY APPROVALS	ENTYVIO SC	UC CD	U.S. approval Japan approval	
	QDENGA	Dengue vaccine	U.S. approval[1] Endemic countries[2]	✗ ✓
	TAK-755	cTTP	U.S. approval	
	fruquintinib	mCRC	U.S. approval	
	TAKHZYRO	Pediatric HAE	EU approval	
	HYQVIA	CIDP	U.S. approval EU approval	
	HYQVIA	HyHub AVA[3] device	U.S. clearance[4]	→
	HYQVIA	Pediatric PID	U.S. approved	✓
	GAMMAGARD LIQUID	CIDP	U.S. approval	
KEY PHASE 3 / PIVOTAL READOUTS	ALOFISEL	Complex Perianal Fistulas	Phase 3 (U.S.)	
	maralixibat	Alagille syndrome (ALGS) Progressive familial intrahepatic cholestasis (PFIC)	Phase 3 (Japan) Phase 3 (Japan)	

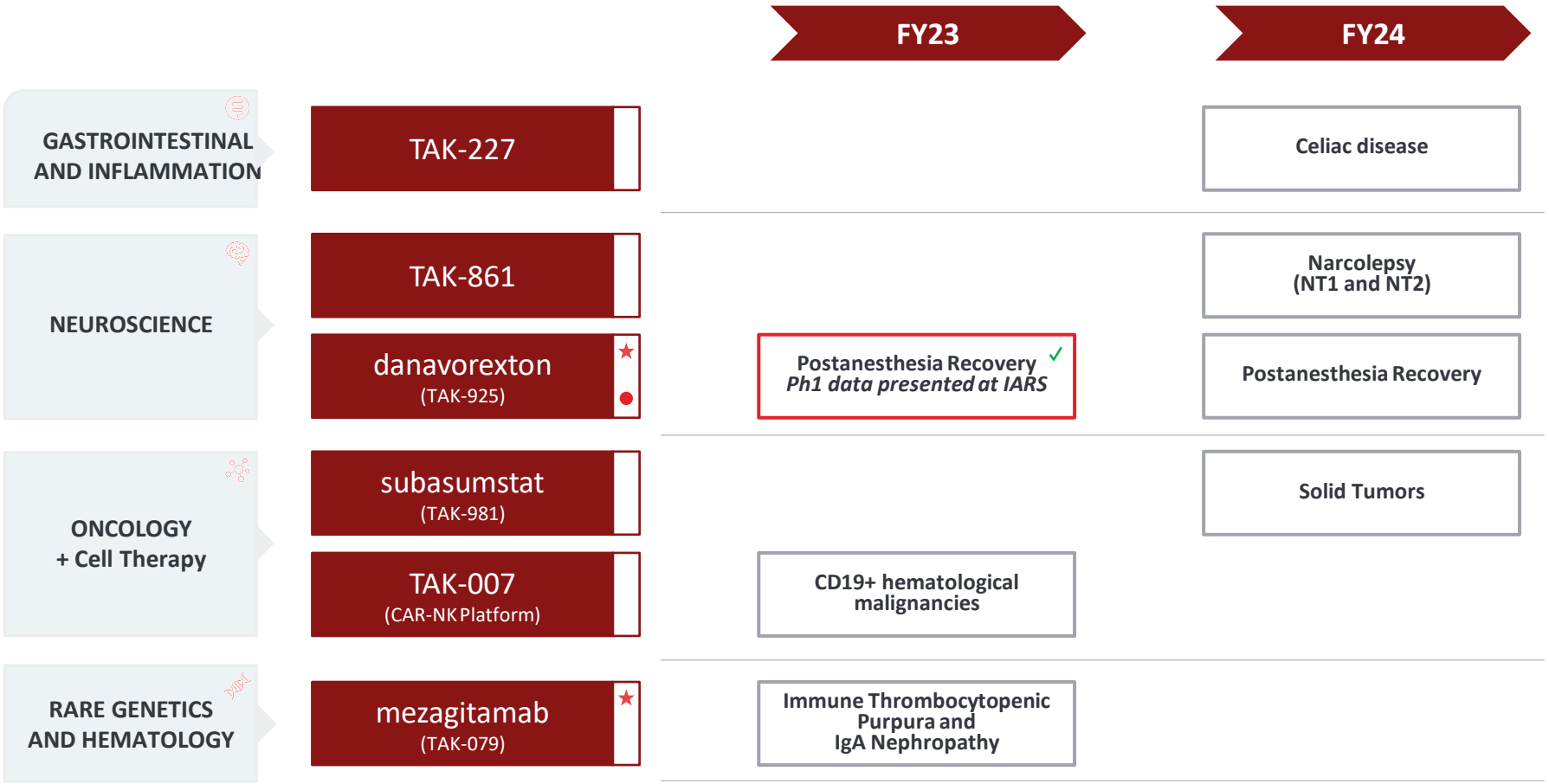
✓ Milestone achieved
→ Milestone delayed
✗ Milestone not achieved

1. Filing voluntarily withdrawn in the U.S.
2. Approved in Argentina in April 2023 & Thailand in May 2023.
3. HyHub: Advanced vial access for sterile, single-use, medical device that simplifies preparation & delivery of HYQVIA from vials to subcutaneous tissue.
4. Application withdrawn, re-submission timing under evaluation.

A "readout(s)" for a clinical trial occurs when Takeda has (1) received the relevant clinical data, (2) completed any necessary analysis and review of such clinical data, and (3) in instances where it is required or otherwise common convention or practice, consulted with applicable regulatory authorities regarding such clinical data.

All timelines are approximate estimates as of July 27, 2023, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

Data-driven Decisions Will Further Inform Mid-stage Pipeline Development



Proof-of-concept (POC): Achieving proof-of-concept means obtaining clinical data sufficient to initiate pivotal trials or late-stage development. A "readout(s)" for a clinical trial occurs when Takeda has (1) received the relevant clinical data, (2) completed any necessary analysis and review of such clinical data, and (3) in instances where it is required or otherwise common convention or practice, consulted with applicable regulatory authorities regarding such clinical data. Where a readout is indicated for a class of related indications (e.g., solid tumors) involving multiple POC clinical trials, such readout occurs upon the earlier of (1) the first achievement of POC in an indication in such class, or (2) the conclusion of all of the POC clinical trials in such class.

- Key early-stage milestone
- Target proof-of-concept readout
- ★ Orphan drug designations in at least one indication
- ● Japan SAKIGAKE and/or China Breakthrough designations in at least one indication
- ✓ Milestone achieved

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Consolidated Development Pipeline By Phase

	PHASE 1 (14 NMEs + 1 LCM)	PHASE 2 (18 NMEs + 1 LCM)
GASTROINTESTINAL AND INFLAMMATION	**TAK-647** NASH[1]	**TAK-279** Psoriasis; **TAK-101** Celiac Disease; **TAK-951** Nausea & vomiting; **TAK-279** Psoriatic Arthritis; **TAK-227** Celiac Disease; **zamaglutenase**[2] Celiac Disease
NEUROSCIENCE	**TAK-920** Alzheimer's Disease	**TAK-861** ★ NT1; **TAK-611** MLD (intrathecal); **TAK-041** Anhedonia in MDD; **TAK-653** Inadequate resp. in MDD; **TAK-071** Parkinson's Disease; **TAK-861** ★ NT2; **danavorexton**[3] ★ Postanesthesia recovery; **TAK-341** ★ MSA; **TAK-594** ★ Frontotemporal dementia
ONCOLOGY + Cell Therapy	**TAK-012** Acute myeloid leukemia[1]; **TAK-102** Solid tumors; **TAK-103** Solid tumors; **TAK-186** EGFR Solid Tumor[4]; **modakafusp alfa** ★ Solid tumors; **TAK-940** CD19+ hematologic malignancies; **TAK-500** Solid tumors; **TAK-676** Solid tumors; **TAK-280** B7-H3 Solid Tumor[4]; **ICLUSIG**® Pediatric Ph+ ALL	**modakafusp alfa** ★ R/R MM; **subasumstat** ★ Multiple cancers; **TAK-007** ★ CD19+ hematologic malignancies
RARE GENETICS AND HEMATOLOGY	**TAK-755** ★ SCD; **mezagitamab** ★ IgAN	**mezagitamab** ★ MG; **mezagitamab** ★ ITP; **TAK-755** ★ iTTP
PLASMA-DERIVED THERAPIES		**TAK-881** Immunodeficiencies
VACCINES	**TAK-426** Zika Vaccine	

1. Study actively recruiting
2. Zamaglutenase is the INN for TAK-062
3. Danavorexton is the INN for TAK-925
4. Currently in phase 1 of a phase 1/2 trial

★ Orphan Drug Designation potential (in any region / indication for a given asset)

NME LCM

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Consolidated Development Pipeline by Phase

	PHASE 3 (7 NMEs + 23 LCMs)	FILED (2 NME + 16 LCMs)
GASTROINTESTINAL AND INFLAMMATION	fazirsiran ★ AATD Liver Disease ENTYVIO® SC CD (US) ENTYVIO® Pediatric UC ENTYVIO® Pediatric CD ENTYVIO® ★ GvHD Prophylaxis ALOFISEL® ★ Pediatric perianal Fistulas in CD ALOFISEL® ★ Perianal Fistulas in CD (US) maralixibat PFIC (JP) maralixibat ★ ALGS (JP)	ENTYVIO® SC UC (US) ENTYVIO® SC CD (JP) VOCINTI® *H. Pylori* (CN)
NEUROSCIENCE	soticlestat ★ DS soticlestat ★ LGS pabinafusp alfa ★ Hunter Syndrome	
ONCOLOGY + Cell Therapy	EXKIVITY® ★ 1L NSCLC EGFR exon 20 NINLARO® ★ Maint. ND MM post-SCT (US, EU) fruquintinib mCRC (JP) relugolix Prostate cancer (JP, CN) ICLUSIG® 1L Ph+ ALL (US) CABOMETYX® mCRPC combo w/atezolizumab (JP)	fruquintinib mCRC (US) fruquintinib mCRC (EU) ADCETRIS® FL HL Stage III (EU) ADCETRIS® ★ FL PTCL-NOS (EU) ADCETRIS® ★ R/R CTCL (JP)
RARE GENETICS AND HEMATOLOGY	TAK-755 ★ cTTP (JP, CN) VONVENDI® ★ vWD Adult Prophylaxis (CN) LIVTENCITY® ★ Post-transplant CMV infection (JP) VONVENDI® ★ vWD Pediatric On-demand & Surgery ADYNOVATE® recombinant Factor VIII HemA (CN) ADYNOVATE® recombinant Factor VIII Pediatric HemA (EU)	TAK-755 ★ cTTP (US) TAK-755 ★ cTTP (EU) OBIZUR® ★ Recomb antihemophilic factor porcine (JP) OBIZUR® ★ Recomb antihemophilic factor porcine (CN) VONVENDI® ★ vWD On-demand & Surgery (CN) VONVENDI® ★ vWD Adult Prophylaxis (EU) TAKHZYRO® ★ Pediatric HAE (EU)
PLASMA-DERIVED THERAPIES	HYQVIA® ★ CIDP, MMN (JP) TAK-880 IgG – Low IgA (EU)[1] HYQVIA® PID (JP) Glovenin-I ★ Autoimmune Encephalitis (JP) Prothrombplex DOAC Reversal (US)	HYQVIA® ★ CIDP (US) HYQVIA® ★ CIDP (EU) CUVITRU® PID, SID (JP) CEPROTIN® SCPCD (JP) GAMMAGARD LIQUID® CIDP (US)
VACCINES	Nuvaxovid® COVID-19 Vaccine Booster (JP) QDENGA® Dengue Vaccine Booster	

1. In the U.S., TAK-880 received a CRL from the FDA, re-submission timing under evaluation.

★ Orphan Drug Designation potential (in any region / indication for a given asset)

APPROVED | NME | LCM

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Glossary of Abbreviations

Regional Abbreviations:
CN: China; EU: Europe; JP: Japan; UK: United Kingdom; U.S.: United States of America

AAD	American Academy of Dermatology
AATD	α1-antitrypsin deficiency
AATD LD	α1-antitrypsin deficiency associated liver disease
ADAMTS13	a disintegrin-like and metalloproteinase with a thrombospondin type 1 motifs 13
ADHD	attention deficit hyperactivity disorder
ALGS	Alagille syndrome
ALK	anaplastic lymphoma kinase
ALL	acute lymphocytic leukemia
AVA	Advanced Vial Access
BLA	biologics license application
BTD	breakthrough therapy designation
CAR NK	chimeric antigen receptor natural killer cell
CD	Crohn's disease
CHMP	Committee for Medicinal Products for Human Use
CIDP	chronic inflammatory demyelinating polyradiculoneuropathy
CML	chronic myeloid leukemia
CMV	cytomegalovirus
CPF	complex perianal fistulas
CRC	colorectal cancer
CRL	complete response letter
CRPC	castrate-resistant prostate cancer
CTCL	cutaneous T-cell lymphoma
cTTP	congenital thrombotic thrombocytopenic purpura
DOAC	direct oral anti-coagulation
DS	Dravet syndrome
EASL	European Association for the Study of the Liver
EGFR	epidermal growth factor receptor
EMA	European Medicines Agency
ESS	Epworth Sleepiness Scale
FDA	U.S. Food & Drug Administration
FL	front line
FSI	first subject in
FY	fiscal year
GI	gastrointestinal
GvHD	graft versus host disease
H2H	head-to-head
HAE	hereditary angioedema
HemA	hemophilia A
HL	Hodgkin lymphoma
IARS	International Anesthesia Research Society
IBD	inflammatory bowel disease
IgA	immunoglobulin A
IgAN	immunoglobulin A nephropathy
IgG	immunoglobulin G
IND	investigational new drug
INN	international non-proprietary name
IRR	incidence rate ratio
ISTH	International Society on Thrombosis and Haemostasis
IT	intrathecal
ITP	Immune thrombocytopenic purpura
iTTP	immune thrombotic thrombocytopenic purpura
IV	intravenous
JAK	Janus kinase
JPNS	Journal of the Peripheral Nervous System
LCM	lifecycle management
LGS	Lennox-Gastaut syndrome
mCRC	metastatic colorectal cancer
mCRPC	metastatic castrate-resistant prostate cancer
MDD	major depressive disorder
MG	myasthenia gravis
MLD	metachromatic leukodystrophy
MM	multiple myeloma
MMN	multifocal motor neuropathy
MSA	multiple system atrophy
MWT	maintenance of wakefulness test
NASH	non-alcoholic steatohepatitis
ND	newly diagnosed
NDA	new drug application
NEJM	New England Journal of Medicine
NK	natural killer
NME	new molecular entity
NMPA	(China's) National Medical Products Administration
NSCLC	non-small cell lung cancer
NT1 or 2	narcolepsy type 1 or 2
PASI	psoriasis area and severity index
PFIC	progressive familial intrahepatic cholestasis
Ph+ ALL	Philadelphia chromosome-positive acute lymphoblastic leukemia
PID	primary immunodeficiency
PK	pharmacokinetics
PMDA	Japan's Pharmaceuticals and Medical Devices Agency
POC	proof of concept
PRIME	Priority medicines scheme by EMA
PTCL-NOS	peripheral T-cell lymphoma not otherwise specified
QD	quaque die, every day
R/R	relapsed/refractory
RTU	ready to use
SC	subcutaneous formulation
SCD	sickle cell disease
SCPCD	severe congenital protein C deficiency
SCT	stem cell transplant
SID	secondary immunodeficiency
SLE	systemic lupus erythematosus
SOC	standard of care
TEAE	treatment emergent adverse event
TKI	tyrosine kinase inhibitor
TTP	thrombotic thrombocytopenic purpura
TYK2	tyrosine kinase 2
UC	ulcerative colitis
VEGFR	vascular endothelial growth factor receptors
vWD	von Willebrand disease
WCR	weekly cataplexy rate
WW	Worldwide

FINANCIAL APPENDIX

Definition of Core Financial Measures, Constant Exchange Rate Change, and Free Cash Flow

Core Revenue represents revenue adjusted to exclude significant items unrelated to Takeda's core operations.

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 non-recurring items, purchase accounting effects and transaction related costs.

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

Constant Exchange Rate (CER) change eliminates the effect of foreign exchange rates from year-over-year comparisons by translating Reported or Core results for the current period using corresponding exchange rates in the same period of the previous fiscal year.

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

We define Free Cash Flow as cash flows from operating activities, subtracting acquisition of property, plant and equipment ("PP&E"), intangible assets and investments as well as removing any other cash that is not available to Takeda's immediate or general business use, and adding proceeds from sales of PP&E, as well as from sales of investments and businesses, net of cash and cash equivalents divested.

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

Definition of EBITDA/Adjusted EBITDA and Net Debt

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. These non-IFRS measures are not, and should not be viewed as, substitutes for IFRS reported net income (loss). We encourage investors to review our historical financial statements in their entirety and caution investors to IFRS measures as the primary means of evaluating our performance, value and prospects for the future, and EBITDA and Adjusted EBITDA as supplemental measures.

We define EBITDA as consolidated 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 income and expenses (excluding depreciation and amortization), finance income and expenses (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 period. Please refer to Net Profit to Adjusted EBITDA Bridge for a reconciliation to the respective most closely comparable measures presented in accordance with IFRS.

We present **Net Debt** because we believe that it is useful to investors in that our management uses it to monitor and evaluate our indebtedness, net of cash and cash equivalents, and, in conjunction with Adjusted EBITDA, to monitor our leverage. We also believe that similar measures of indebtedness are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry.
We define Net Debt first by calculating the sum of the current and non-current portions of bonds and loans as shown on our consolidated statement of financial position, which is then adjusted to reflect (i) the use of prior 12-month average exchange rates for non-JPY debt outstanding at the beginning of the period and the use of relevant spot rates for new non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period, which reflects the methodology our management uses to monitor our leverage, and (ii) a 50% equity credit applied to our aggregate principal amount of 500.0 billion hybrid (subordinated) bonds issued in June 2019 by S&P Global Rating Japan in recognition of the equity-like features of those bonds pursuant to such agency's ratings methodology. To calculate Net Debt, we deduct from this figure cash & cash equivalents, excluding cash temporarily held by Takeda on behalf of third parties related to vaccine operations and to the trade receivables sales program, and debt investments classified as Level 1 in the fair value hierarchy being recorded as Other Financial Assets.

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

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

FY2023 Q1 Reported Results with CER % Change

(Billion JPY)	FY2022 Q1	FY2023 Q1	vs. PY		
			AER		CER
			Amount of Change	% CHANGE	% CHANGE
Revenue	972.5	1,058.6	86.2	8.9%	3.7%
Cost of sales	(292.9)	(321.1)	(28.2)	(9.6)%	(4.6)%
Gross profit	679.6	737.5	57.9	8.5%	3.3%
Margin	*69.9 %*	*69.7 %*		*(0.2) pp*	*(0.3) pp*
SG&A expenses	(231.5)	(248.1)	(16.6)	(7.2)%	(1.9)%
R&D expenses	(143.6)	(162.7)	(19.1)	(13.3)%	(6.6)%
Amortization of intangible assets associated with products	(117.0)	(123.2)	(6.2)	(5.3)%	2.0%
Impairment losses on intangible assets associated with products	(14.2)	(6.2)	8.0	56.3%	58.2%
Other operating income	5.5	4.3	(1.2)	(22.4)%	(22.0)%
Other operating expenses	(28.2)	(32.9)	(4.7)	(16.8)%	(10.0)%
Operating profit	150.5	168.6	18.1	12.0%	10.0%
Margin	*15.5 %*	*15.9 %*		*0.4 pp*	*1.0 pp*
Finance income	60.9	26.5	(34.5)	(56.6)%	(56.9)%
Finance expenses	(55.5)	(59.6)	(4.1)	(7.4)%	(4.6)%
Share of profit (loss) of investments accounted for using the equity method	(0.5)	(0.4)	0.1	15.9%	51.6%
Profit before tax	155.5	135.0	(20.4)	(13.1)%	(14.0)%
Income tax expenses	(50.5)	(45.6)	4.8	9.6%	11.2%
Net profit for the period	105.0	89.4	(15.6)	(14.9)%	(15.4)%
Non-controlling interests	(0.0)	(0.0)	(0.0)	(57.0)%	(70.2)%
Net profit attributable to owners of the Company	105.0	89.4	(15.6)	(14.9)%	(15.4)%
Basic EPS (JPY)	67.94	57.51	(10.43)	(15.4)%	(15.9)%

When comparing results to the same period of the previous fiscal year, the amount of change and percentage change based on Actual Exchange Rates are presented in “AER” (which is presented in accordance with IFRS) and percentage change based on Constant Exchange Rate (which is a non-IFRS measure) is presented in “CER”. Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate Change, and Free Cash Flow, for the definition of the “Constant Exchange Rate change”.

% change versus prior year is presented as positive when favorable to profits, and negative when unfavorable to profits.

FY2023 Q1 Core Results with CER % Change

(Billion JPY)	FY2022 Q1	FY2023 Q1	vs. PY		
			AER		CER
			Amount of Change	% CHANGE	% CHANGE
Revenue	972.5	1,058.6	86.2	8.9%	3.7%
Cost of sales	(278.2)	(321.2)	(43.0)	(15.5)%	(10.2)%
Gross profit	694.3	737.4	43.1	6.2%	1.1%
Margin	*71.4 %*	*69.7 %*		*(1.7) pp*	*(1.8) pp*
SG&A expenses	(231.7)	(248.3)	(16.6)	(7.2)%	(1.9)%
R&D expenses	(143.5)	(162.7)	(19.3)	(13.4)%	(6.7)%
Operating profit	319.1	326.3	7.3	2.3%	(2.0)%
Margin	*32.8 %*	*30.8 %*		*(2.0) pp*	*(1.8) pp*
Finance income	23.7	26.3	2.6	11.1%	10.4%
Finance expenses	(50.8)	(54.8)	(4.0)	(8.0)%	(1.0)%
Share of profit (loss) of investments accounted for using the equity method	1.0	0.8	(0.2)	(19.5)%	(18.1)%
Profit before tax	292.9	298.6	5.7	1.9%	(1.6)%
Income tax expenses	(68.7)	(65.2)	3.6	5.2%	9.5%
Net profit for the period	224.2	233.4	9.2	4.1%	0.9%
Non-controlling interests	(0.0)	(0.0)	(0.0)	(57.0)%	(70.2)%
Net profit attributable to owners of the Company	224.1	233.4	9.2	4.1%	0.9%
Basic EPS (JPY)	145	150	5	3.5%	0.3%

When comparing results to the same period of the previous fiscal year, the amount of change and percentage change based on Actual Exchange Rates are presented in “AER” (which is presented in accordance with IFRS) and percentage change based on Constant Exchange Rate (which is a non-IFRS measure) is presented in “CER”. Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate Change, and Free Cash Flow, for the definition of the “Constant Exchange Rate change”.

% change versus prior year is presented as positive when favorable to profits, and negative when unfavorable to profits.

FY2023 Q1 Reconciliation from Reported to Core

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	1,058.6					1,058.6
Cost of sales	(321.1)				(0.1)	(321.2)
Gross profit	737.5				(0.1)	737.4
SG&A expenses	(248.1)				(0.2)	(248.3)
R&D expenses	(162.7)				(0.0)	(162.7)
Amortization of intangible assets associated with products	(123.2)	123.2				—
Impairment losses on intangible assets associated with products	(6.2)		6.2			—
Other operating income	4.3			(4.3)		—
Other operating expenses	(32.9)			32.9		—
Operating profit	168.6	123.2	6.2	28.7	(0.3)	326.3
Margin	15.9 %					30.8%
Finance income and (expenses), net	(33.1)				4.6	(28.5)
Share of profit (loss) of investments accounted for using the equity method	(0.4)				1.2	0.8
Profit before tax	135.0	123.2	6.2	28.7	5.4	298.6
Tax expenses	(45.6)	(26.2)	(1.4)	(6.4)	14.5	(65.2)
Non-controlling interests	(0.0)					(0.0)
Net profit attributable to owners of the Company	89.4	97.0	4.9	22.2	19.9	233.4
EPS (JPY)	58					150
Number of shares (millions)	1,554					1,554

FY2022 Q1 Reconciliation from Reported to Core

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	972.5					972.5
Cost of sales	(292.9)				14.7	(278.2)
Gross profit	679.6				14.7	694.3
SG&A expenses	(231.5)				(0.2)	(231.7)
R&D expenses	(143.6)				0.1	(143.5)
Amortization of intangible assets associated with products	(117.0)	117.0				—
Impairment losses on intangible assets associated with products	(14.2)		14.2			—
Other operating income	5.5			(5.5)		—
Other operating expenses	(28.2)			28.2		—
Operating profit	150.5	117.0	14.2	22.7	14.6	319.1
Margin	15.5 %					32.8%
Finance income and (expenses), net	5.5				(32.6)	(27.1)
Share of profit (loss) of investments accounted for using the equity method	(0.5)				1.5	1.0
Profit before tax	155.5	117.0	14.2	22.7	(16.6)	292.9
Tax expenses	(50.5)	(25.1)	(3.1)	(3.9)	13.8	(68.7)
Non-controlling interests	(0.0)					(0.0)
Net profit attributable to owners of the Company	105.0	92.0	11.1	18.8	(2.7)	224.1
EPS (JPY)	68					145
Number of shares (millions)	1,546					1,546

FY2023 Q1 Free Cash Flow

(Billion JPY)	FY2022 Q1	FY2023 Q1	vs. PY	
Net profit	105.0	89.4	(15.6)	(14.9)%
Depreciation, amortization and impairment loss	172.5	179.3	6.8	
Decrease (increase) in trade working capital	(124.2)	(153.6)	(29.4)	
Income taxes paid	(24.9)	(55.9)	(31.0)	
Tax refunds and interest on tax refunds received	4.1	3.3	(0.8)	
Other	(48.2)	29.9	78.1	
Net cash from operating activities (Operating Cash Flow)	84.2	92.4	8.2	9.7%
Adjustment for cash temporarily held by Takeda on behalf of third parties*1	53.5	(30.9)	(84.4)	
Acquisition of PP&E	(42.1)	(46.0)	(3.8)	
Proceeds from sales of PP&E	0.0	0.0	(0.0)	
Acquisition of intangible assets	(56.3)	(223.3)	(167.0)	
Acquisition of investments	(2.9)	(0.7)	2.3	
Proceeds from sales and redemption of investments	6.2	0.5	(5.6)	
Proceeds from sales of business, net of cash and cash equivalents divested	—	0.4	0.4	
Free Cash Flow	42.6	(207.5)	(250.1)	—%

*1 Adjustment refers to changes in cash balance that is temporarily held by Takeda on behalf of third parties related to vaccine operations and the trade receivables sales program.

FY2023 Q1 Net Debt to Adjusted EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2023 Q1
Cash & cash equivalents and Level 1 debt investments *1	159.7
Book value debt on consolidated statements of financial position	(4,747.1)
Hybrid bond 50% equity credit	250.0
FX adjustment *2	205.0
Gross debt *3	(4,292.2)
Net cash (debt)	**(4,132.5)**
Net debt/Adjusted EBITDA ratio	**2.9x**
Adjusted EBITDA	**1,438.8**

NET INCREASE (DECREASE) IN CASH

(Billion JPY)	FY2022 Q1	FY2023 Q1	vs. PY	
Net cash from operating activities	84.2	92.4	8.2	9.7 %
Acquisition of PP&E	(42.1)	(46.0)		
Proceeds from sales of PP&E	0.0	0.0		
Acquisition of intangible assets	(56.3)	(223.3)		
Acquisition of investments	(2.9)	(0.7)		
Proceeds from sales and redemption of investments	6.2	0.5		
Proceeds from sales of business, net of cash and cash equivalents divested	—	0.4		
Net increase in short-term loans and commercial papers	—	110.0		
Proceeds from long-term loans	—	100.0		
Repayment of long-term loans	—	(100.1)		
Repayment of bonds	(26.8)	—		
Purchase of treasury shares	(26.9)	(2.3)		
Interest paid	(22.8)	(19.8)		
Dividends paid	(128.9)	(130.7)		
Others	(10.0)	(12.3)		
Net increase (decrease) in cash	(226.2)	(231.9)	(5.7)	(2.5)%

*1 Represents cash & cash equivalents, excluding cash temporarily held by Takeda on behalf of third parties related to vaccine operations and to the trade receivables sales program, and debt investments classified as Level 1 in the fair value hierarchy being recorded as Other Financial Assets.
For the calculation of net debt, starting from the quarter ended June 30, 2023, debt investments classified as Level 1 in the fair value hierarchy being recorded as Other Financial Assets are included in the items deducted from gross debt. Had the same methodology been used for the calculation of net debt as of March 31, 2023 and prior periods, net debt would have remained unchanged.

*2 FX adjustment refers to change from month-end rate to average rate used for non-JPY debt calculation outstanding at the beginning of the period to match with adjusted EBITDA (which is calculated based on average rates). New non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period are translated to JPY at relevant spot rates as of the relevant date.

*3 Bonds and loans of current and non-current liabilities. 250.0 billion JPY reduction in debt due to 500.0 billion JPY hybrid bond issuance in June 2019, given that the hybrid bond qualifies for 50% equity credit for leverage purposes. Includes non-cash adjustments related to debt amortization and FX impact.

FY2022 Q4 Net Debt to Adjusted EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2022
Cash and cash equivalents[*1]	407.7
Book value debt on consolidated statements of financial position	(4,382.3)
Hybrid bond 50% equity credit	250.0
FX adjustment[*2]	8.5
Gross debt[*3]	(4,123.9)
Net cash (debt)	**(3,716.1)**
Upfront payment related to the acquisition of TAK-279[*4]	400.4
Net cash (debt) excluding upfront payment related to the acquisition of TAK-279	**(3,315.7)**
Net debt/Adjusted EBITDA ratio	**2.6 x**
Net debt/Adjusted EBITDA ratio excluding upfront payment related to the acquisition of TAK-279	**2.3 x**
Adjusted EBITDA	**1,421.8**

NET INCREASE (DECREASE) IN CASH

(Billion JPY)	FY2021	FY2022	vs. PY	
Net cash from operating activities	1,123.1	977.2	(145.9)	(13.0)%
Acquisition of PP&E	(123.3)	(140.7)		
Proceeds from sales of PP&E	1.8	1.0		
Acquisition of intangible assets	(62.8)	(493.0)		
Acquisition of investments	(8.3)	(10.2)		
Proceeds from sales and redemption of investments	16.9	22.3		
Acquisition of business, net of cash and cash equivalents acquired	(49.7)	—		
Proceeds from sales of business, net of cash and cash equivalents divested	28.2	8.0		
Net decrease in short-term loans and commercial papers	(0.0)	40.0		
Proceeds from long-term loans	—	75.0		
Repayment of long-term loans	(414.1)	(75.2)		
Proceeds from issuance of bonds	249.3	—		
Repayment of bonds	(396.0)	(281.5)		
Purchase of treasury shares	(77.5)	(26.9)		
Interest paid	(108.2)	(108.6)		
Dividends paid	(283.7)	(279.4)		
Others	(41.1)	(47.0)		
Net increase (decrease) in cash	(145.3)	(339.1)	(193.8)	(133.4)%

*1 Includes short-term investments which mature or become due within one year from the reporting date and excludes cash temporarily held by Takeda on behalf of third parties related to vaccine operations and the trade receivables sales program.

*2 FX adjustment refers to change from month-end rate to average rate used for non-JPY debt calculation outstanding at the beginning of the period to match with adjusted EBITDA (which is calculated based on average rates). New non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period are translated to JPY at relevant spot rates as of the relevant date.

*3 Bonds and loans of current and non-current liabilities. 250.0 billion JPY reduction in debt due to 500.0 billion JPY hybrid bond issuance in June 2019, given that the hybrid bond qualifies for 50% equity credit for leverage purposes. Includes non-cash adjustments related to debt amortization and FX impact.

*4 This represents the portion of the 4.0 billion USD upfront payment related to the acquisition of TAK-279 paid in February 2023 (such portion totaling 3.0 billion USD), converted to JPY using the Japanese yen – U.S. dollar exchange rate of 133.48, which is applicable to translation of foreign currency denominated cash as of March 31, 2023.

FY2023 Q1 Net Profit to Adjusted EBITDA Bridge

(Billion JPY)	FY2022 Q1	FY2023 Q1	vs. PY	
Net profit	105.0	89.4	(15.6)	(14.9)%
Income tax expenses	50.5	45.6		
Depreciation and amortization	158.3	171.5		
Interest expense, net	28.5	26.6		
EBITDA	342.3	333.2	(9.1)	(2.7)%
Impairment losses	14.2	7.8		
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	21.5	25.7		
Finance expense (income), net, excluding interest income and expense, net	(34.0)	6.5		
Share of loss on investments accounted for under the equity method	0.5	0.4		
Other adjustments:	26.7	14.6		
Non-core expense related to COVID-19	2.7	—		
Impact on profit related to fair value step up of inventory in Shire acquisition	12.4	—		
Other costs*1	11.6	14.6		
Adjusted EBITDA	371.2	388.2	17.0	4.6%

*1 Includes adjustments for non-cash equity-based compensation expense and other one time non-cash expense.

FY2023 Q1 Net Profit to Adjusted EBITDA LTM Bridge

(Billion JPY)	FY2022 Full Year (Apr - Mar)	FY2022 Q1 (Apr - Jun)	FY2023 Q1 (Apr - Jun)	FY2023 Q1 LTM*1 (Jul - Jun)
Net profit	317.0	105.0	89.4	301.4
Income tax expenses	58.1	50.5	45.6	53.2
Depreciation and amortization	664.4	158.3	171.5	677.6
Interest expense, net	111.5	28.5	26.6	109.6
EBITDA	1,151.0	342.3	333.2	1,141.9
Impairment losses	64.4	14.2	7.8	58.0
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	109.0	21.5	25.7	113.2
Finance expense (income), net, excluding interest income and expense, net	(4.7)	(34.0)	6.5	35.8
Share of loss on investments accounted for under the equity method	8.6	0.5	0.4	8.6
Other adjustments:	93.5	26.7	14.6	81.4
Non-core expense related to COVID-19	9.9	2.7	—	7.3
Impact on profit related to fair value step up of inventory in Shire acquisition	24.9	12.4	—	12.5
Other costs*2	58.7	11.6	14.6	61.7
Adjusted EBITDA	1,421.8	371.2	388.2	1,438.8

*1 LTM represents Last Twelve Months (July 2022 - June 2023). Calculated by subtracting FY2022 Q1 from FY2022 Full Year and adding FY2023 Q1.

*2 Includes adjustments for non-cash equity-based compensation expense and other one time non-cash expense.

FY2023 Q1 CAPEX, Depreciation and Amortization and Impairment Losses

(Billion JPY)	FY2022 Q1	FY2023 Q1	vs. PY		FY2023 Forecast
Capital expenditures*1	98.4	269.2	170.9	173.7%	480.0 - 530.0*3
Tangible assets	42.1	46.0	3.8	9.1%	
Intangible assets	56.3	223.3	167.0	296.9%	
Depreciation and amortization	158.3	171.5	13.2	8.4%	650.0
Depreciation of tangible assets*2 (A)	35.5	41.1	5.6	15.7%	
Amortization of intangible assets (B)	122.8	130.4	7.6	6.2%	
Of which Amortization associated with products (C)	117.0	123.2	6.2	5.3%	480.0
Of which Amortization excluding intangible assets associated with products (D)	5.8	7.2	1.5	25.9%	
Depreciation and amortization (excluding intangible assets associated with products) (A)+(D)	41.2	48.3	7.1	17.1%	170.0
Impairment losses	14.2	7.8	(6.4)	(45.0)%	
Impairment losses associated with products	14.2	6.2	(8.0)	(56.3)%	50.0
Amortization and impairment losses on intangible assets associated with products	131.3	129.4	(1.9)	(1.4)%	530.0

*1 Cash flow base

*2 Including depreciation of investment properties

*3 FY2023 Forecast reflects expenditures related to the acquisition of TAK-279 from Nimbus (USD 1.0 billion) and in-licensing of fruquintinib from HUTCHMED (USD 400 million). In FY2022, Takeda paid USD 3.0 billion out of USD 4.0 billion upfront payment related to the acquisition of TAK-279. For the remaining USD 1.0 billion payment, Takeda paid USD 0.9 billion in April 2023, with USD 0.1 billion to be paid in August 2023.

FY2023 Full Year Detailed Forecast

	(BN JPY)	FY2022 Actual	FY2023 Forecast (May 11, 2023)	vs. PY		Variances
REPORTED	Revenue	4,027.5	3,840.0	(187.5)	(4.7)%	Growth & Launch Products momentum largely offsetting LOE impact (e.g. VYVANSE, AZILVA), with additional headwinds from lower coronavirus vaccines revenue and FX
	R&D expenses	(633.3)	(643.0)	(9.7)	(1.5)%	Increase would be (4.0)% vs. PY on a CER basis
	Amortization of intangible assets associated with products	(485.1)	(480.0)	5.1	1.1 %	
	Impairment losses on intangible assets associated with products	(57.3)	(50.0)	7.3	12.8 %	
	Other operating income	25.4	14.0	(11.4)	(44.9)%	Fewer one-time gains anticipated in FY2023
	Other operating expenses	(145.2)	(150.0)	(4.8)	(3.3)%	Includes expectations for higher restructuring costs and additional pre-launch inventory
	Operating profit	490.5	349.0	(141.5)	(28.8)%	
	Finance income (expenses), net	(106.8)	(165.0)	(58.2)	(54.5)%	Lower financial income due to one-time revaluation gains booked in FY2022
	Profit before tax	375.1	185.0	(190.1)	(50.7)%	
	Net profit attributable to owners of the Company	317.0	142.0	(175.0)	(55.2)%	
	Basic EPS (JPY)	204	91	(114)	(55.6)%	
	Core Revenue*1	4,027.5	3,840.0	(187.5)	(4.7)%	Growth & Launch Products momentum largely offsetting LOE impact (e.g. VYVANSE, AZILVA), with additional headwinds from lower coronavirus vaccines revenue and FX
	Core Operating Profit*1	1,188.4	1,015.0	(173.4)	(14.6)%	
	Core EPS (JPY)	558	434	(124)	(22.2)%	Normalization of core tax rate following tax benefit in FY2022
	Free cash flow	446.2	400.0 to 500.0			FY2023 Forecast reflects expenditures related to the acquisition of TAK-279 from Nimbus (USD 1.0 BN) and in-licensing of fruquintinib from HUTCHMED (USD 400 MM).
	CAPEX (cash flow base)	(633.7)	(480.0) to (530.0)			
	Depreciation and amortization (excl. intangible assets associated with products)	(179.3)	(170.0)	9.3	5.2 %	
	Cash tax rate on adjusted EBITDA (excl. divestitures)	~13%	Mid-to-high teen %			
	USD/JPY	135	131	(4)	(2.9)%	
	EUR/JPY	141	141	0	0.3 %	

*1 Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate change, and Free Cash Flow, for the definition and A-14 FY2023 Full Year Reconciliation from Reported Operating Profit to Core Operating Profit Forecast, for reconciliation.

FY2023 Full Year Reconciliation from Reported Operating Profit to Core Operating Profit Forecast

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS			CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income (expenses)	
Revenue	3,840.0				3,840.0
Cost of sales					
Gross Profit					
SG&A and R&D expenses					
Amortization of intangible assets associated with products	(480.0)	480.0			—
Impairment losses on intangible assets associated with products	(50.0)		50.0		—
Other operating income	14.0			(14.0)	—
Other operating expenses	(150.0)			150.0	—
Operating profit	349.0	480.0	50.0	136.0	1,015.0

FY2023 Full Year FX Rates Assumptions and Currency Sensitivity

Average Exchange Rates vs. JPY				Impact of depreciation of yen from April 2023 to March 2024 (100 million JPY)				
	FY2022 Q1 Actual (Apr-Jun)	FY2023 Q1 Actual (Apr-Jun)	FY2023 Assumption (Apr-Mar)		Revenue (IFRS)	Operating Profit (IFRS)	Net Profit (IFRS)	Core Operating Profit (non-IFRS)
USD	127	136	131	1% depreciation	195.9	17.0	6.7	61.5
				1 yen depreciation	149.6	13.0	5.1	47.0
EUR	137	148	141	1% depreciation	53.5	(39.1)	(31.6)	(30.1)
				1 yen depreciation	37.9	(27.8)	(22.4)	(21.3)
RUB	1.8	1.7	1.9	1% depreciation	5.6	3.2	2.5	3.8
CNY	19.4	19.6	19.5		18.8	11.1	8.5	11.1
BRL	26.3	27.1	25.9		10.0	6.3	4.9	6.4

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