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Committed to Growth & Shareholder Returns

FY2023 Q3 Earnings Announcement

February 1st, 2024

Better Health, Brighter Future

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Exchange Rates

In this presentation, certain amounts presented in Japanese yen have been translated to US dollars solely for the convenience of the reader. Except where otherwise noted, these convenience translations have been made at an exchange rate of 1USD = 140.92 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on December 29, 2023. The rate and methodologies used for these convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of Takeda's consolidated financial statements. These translations should not be construed as a representation that the relevant Japanese yen amounts could be converted into U.S. dollars at this or any other rate.

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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 Q3 YTD Results: On Track Towards Management Guidance

Strong Momentum of Growth & Launch Products

- Growth & Launch products **+12.7% at CER[1]; ** represent 43% of sales
- Q3 YTD total company revenue **+0.0% at CER** despite significant Loss of Exclusivity impact including VYVANSE in the U.S.
- Core Operating Profit reflects Loss of Exclusivity of high margin products and investment in R&D and Data & Technology
- Reported Operating Profit and EPS also impacted by non-Core items including impairment of intangible assets mostly booked in Q2

No Change to Full-Year Management Guidance

- No change to full-year Management Guidance for CER change, reflecting significant Loss of Exclusivity impact and lower coronavirus vaccines revenue vs prior year, and investment in R&D and Data & Technology to secure long-term competitiveness

FY2023 Q3 YTD RESULTS SUMMARY

(BN YEN, except EPS)	REPORTED		CORE[2]		
	FY2023 Q3 YTD	ACTUAL % CHANGE	FY2023 Q3 YTD	ACTUAL % CHANGE	CER[1] % CHANGE
REVENUE	3,212.9	+4.6%	3,212.9	+4.6%	+0.0%
OPERATING PROFIT	224.1	-44.2%	865.6	-9.3%	-12.7%
EPS	94 yen	-48.9%	412 yen	-9.7%	-12.9%

FY2023 FULL-YEAR MANAGEMENT GUIDANCE

(UNCHANGED FROM MAY 2023)

	CORE CHANGE AT CER
REVENUE	Low-single-digit % decline
OPERATING PROFIT	Low-10s % decline
EPS (JPY)	Low-20s % decline

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-7 and A-9 for reconciliation.

Multiple Regulatory Approvals Since Q2 Including Two NMEs in the U.S.

TWO NEW MOLECULAR ENTITIES (NMEs) APPROVED BY U.S. FDA IN NOVEMBER 2023

Fruzaqla™ (fruquintinib) capsules

First and only targeted therapy approved for previously treated metastatic Colorectal Cancer (mCRC)[1] regardless of biomarker status in more than a decade

ADZYNMA ADAMTS13, recombinant-krhn

First and only recombinant ADAMTS13 enzyme replacement therapy for congenital Thrombotic Thrombocytopenic Purpura (cTTP), an ultra-rare blood clotting disorder

IMPORTANT LIFE-CYCLE MANAGEMENT APPROVALS FOR GROWTH & LAUNCH PRODUCTS

LIVTENCITY™ (maribavir) tablets 200mg

Approved in China for refractory post-transplant CMV

TAKHZYRO (lanadelumab-flyo) injection

Approved in EU for use in pediatric patients with HAE

HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase

Approved by U.S. FDA and European Commission for maintenance treatment of CIDP

GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10%

Approved by U.S. FDA for treatment of CIDP

EXPANDING LATE-STAGE PIPELINE THROUGH BUSINESS DEVELOPMENT

- Worldwide license and collaboration agreement with Protagonist Therapeutics for the development and commercialization of Rusfertide, in Ph3 for Polycythemia Vera (PV)

For full glossary of abbreviations please refer to appendix.

1. Approved for adults with mCRC who have been previously treated with fluoropyrimidine-, oxaliplatin-, and irinotecan-based chemotherapy, an anti-VEGF therapy, and, if *RAS* wild-type and medically appropriate, an anti-EGFR therapy

Focus on Launch Excellence for ENTYVIO Pen and QDENGA

Entyvio vedolizumab

Qdenga™ Dengue Tetravalent Vaccine (Live, Attenuated)

ENTYVIO: Maintaining #1 U.S. Market Position in IBD

- Q3 YTD revenue growth +7%, continuing to outperform IBD overall market
- Remains #1 brand in the U.S. in both IBD overall and IBD bio-naïve new starts
- ENTYVIO Pen in UC launched in the U.S. in Nov 2023
  - The only branded therapeutic with both IV and SC maintenance options
  - SC therapies estimated to represent approx. 35-40% of total U.S. IBD market
  - ENTYVIO Pen experiencing high level of interest and growing formulary access
  - Penetrates new physician and patient segments preferring SC administration
  - ENTYVIO Pen U.S. approval decision in Crohn's disease expected early FY24
- Continued mid-teen % patient growth in Europe

QDENGA: Positive Uptake in Endemic & Travel Markets

- Launched in Indonesia, Brazil, Thailand, and most recently Argentina, with strong initial demand in private markets
- The National Commission for the Incorporation of Health Technologies (CONITEC) recommended QDENGA for inclusion in Brazil National Immunization Program in December 2023
- Productive discussions ongoing with other governments in endemic markets towards inclusion in national immunization programs
- Available in 17 European countries; various travel recommendations issued to date support the use of QDENGA to help protect travelers to dengue endemic areas
- Pursuing private and public partnerships with governments, institutional businesses, NGOs and manufacturers to expand access

For full glossary of abbreviations please refer to appendix.

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 ~30 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**

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Introduction ..... Christophe Weber
President & CEO

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

Financials ..... Costa Saroukos
Chief Financial Officer

Q&A Session

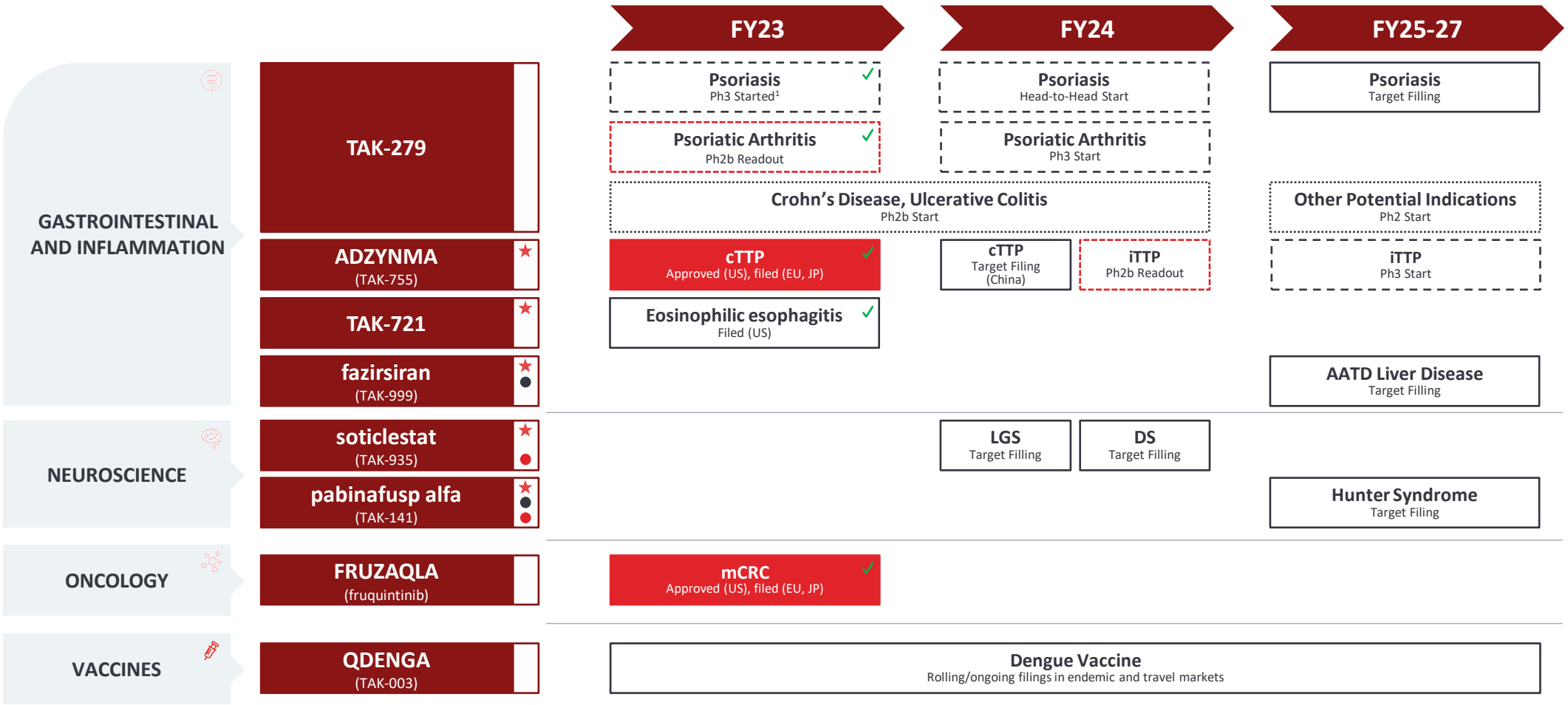
Major Updates to Our Pipeline Since Q2 FY23

PIPELINE	**ADZYNMA** (TAK-755, rADAMTS13)	• Approved in U.S. as the first and only enzyme replacement therapy for the treatment of congenital thrombotic thrombocytopenic purpura (cTTP)
	FRUZAQLA (fruquintinib)	• Approved in U.S. for patients with previously treated metastatic colorectal cancer (mCRC). First and only targeted therapy approved for previously treated mCRC[1] regardless of biomarker status in more than a decade.
	TAK-279	• LATITUDE Psoriasis program started: Two Phase 3 trials are recruiting • Positive Phase 2b data for active Psoriatic Arthritis presented at the American College of Rheumatology • Aligned with FDA on design of Phase 2b studies in Crohn's Disease and Ulcerative Colitis with higher doses
GROWTH & LAUNCH PRODUCTS	**HYQVIA GAMMAGARD CUVITRU**	• HYQVIA approved in U.S. and EU as maintenance therapy in adults with Chronic Inflammatory Demyelinating Polyneuropathy (CIDP), the only up to once monthly subcutaneous immunoglobulin (SCIG) infusion • GAMMAGARD LIQUID approved in U.S. for the treatment of adults with CIDP • CUVITRU approved by EU for secondary immune deficiency (SID)
	TAKHZYRO	• Approved by EU EMA for use in pediatric patients 2 years and older with HAE
	LIVTENCITY	• Approved in China as the first treatment for adults with refractory post-transplant CMV infection/disease • Submitted for approval in Japan for the treatment of patients with post-transplant CMV infection/disease
Business Development	**Rusfertide** (TAK-121/PTG-300)	• Worldwide license and collaboration agreement with Protagonist Therapeutics for the development and commercialization of Rusfertide, an investigational injectable hepcidin mimetic currently in a pivotal Phase 3 trial for the treatment of Polycythemia Vera (PV) • PV is a rare chronic blood disorder that affects as many as 160,000 patients in the U.S.

For full glossary of abbreviations please refer to appendix.

1. Approved for adults with mCRC who have been previously treated with fluoropyrimidine-, oxaliplatin-, and irinotecan-based chemotherapy, an anti-VEGF therapy, and, if *RAS* wild-type and medically appropriate, an anti-EGFR therapy

Developing Life Transforming Medicines for Rare and More Prevalent Diseases



★ 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 / Phase 3 start

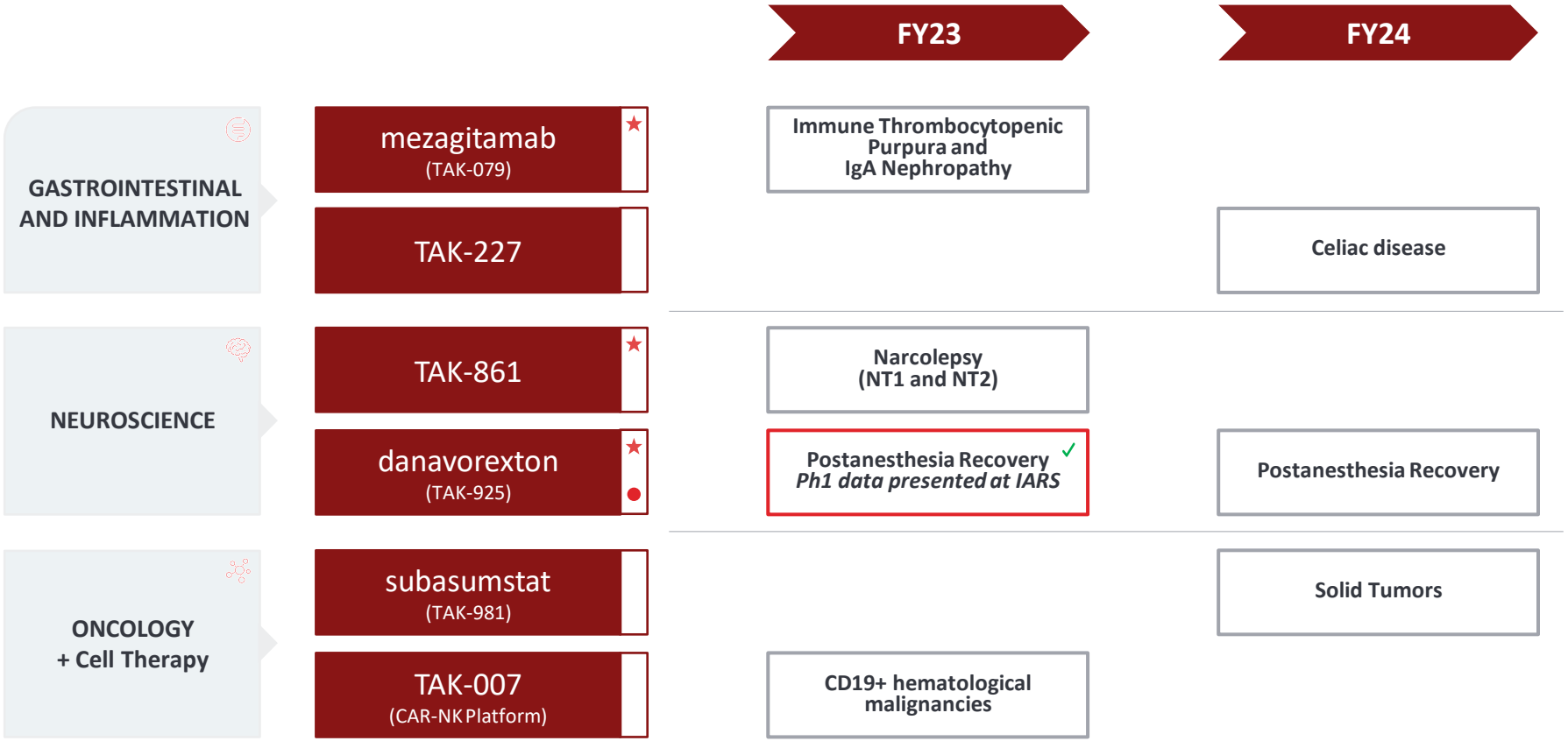
Target Filing, anticipated year of filing for regulatory approval

Approved

1. TAK-279 Phase 3 for Psoriasis on clinicaltrials.gov: NCT06088043, NCT06108544

All timelines are approximate estimates as of February 1st, 2024, 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.

Major Pipeline Readouts for Key Mid-stage Programs



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

All timelines are approximate estimates as of February 1st, 2024, 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]	✗ ✓
	ADZYNMA (TAK-755)	cTTP	U.S. approval	✓
	FRUZAQLA (fruquintinib)	mCRC	U.S. approval	✓
	TAK-721	Eosinophilic esophagitis	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)	✓ ✓

1. Filing voluntarily withdrawn in the U.S.
2. Approved in Argentina in April 2023, in Thailand in May 2023, and in Colombia in September 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, path for resubmission identified.

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.

✓ Milestone achieved
→ Milestone delayed
✗ Milestone not achieved

All timelines are approximate estimates as of February 1st, 2024, 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.

Continue Pipeline Momentum into 2024

	Q4 FY23	H1 FY24
Potential Approvals Phase 3 Readouts	**TAK-721 – EoE** Approval (US)	**ENTYVIO SC – CD** Approval (US)
	ICLUSIG – 1L Ph+ ALL[1] Approval (US)	**Soticlestat – DS** Phase 3 Readout[2]
		Soticlestat – LGS Phase 3 Readout[2]
TAK-279 Development	**Psoriasis** Phase 3 (x2) Enrollment	**Psoriasis** Head-to-Head Start vs deucravacitinib
	Crohn's Disease Phase 2b Start	**Psoriatic Arthritis** Phase 3 (x2) Start
		Ulcerative Colitis Phase 2b Start
Key Mid-Stage Inflections	**TAK-861 – NT1** Go/No-go to Phase 3	**Mezagitamab – ITP** Go/No-go to Phase 3
	TAK-861 – NT2 Go/No-go to Phase 3	**Mezagitamab – IgAN** Go/No-go to Phase 3
		TAK-360 – Next-Gen Orexin Phase 1 Start

1. ICLUSIG received FDA priority review for 1L Ph+ ALL
2. The soticlestat Phase 3 trials have completed enrollment for DS and LGS. Takeda will release the results of both phase 3 trials simultaneously to assure the integrity of both trials.

All timelines are approximate estimates as of February 1st, 2024, are subject to change and are subject to clinical and regulatory success. Slide only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

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Q&A Session

FY2023 Q3 YTD Results: On Track Towards Management Guidance

FY2023 Q3 YTD (APR-DEC)

TOPLINE

- **Revenue JPY 3,212.9B (USD 22.8B)[1] flat at +0.0% at CER[2]**, or +4.6% at actual exchange rates
- **Growth & Launch Products +12.7% at CER**, represent 43% of total revenue

PROFIT & MARGINS

- **Core Operating Profit JPY 865.6B (USD 6.1B)[1,3]** with Core Operating Profit margin 26.9%
- **Reported Operating Profit JPY 224.1B (USD 1.6B)[1]** impacted by non-core items mostly booked in Q2
- **Core EPS 412 yen** with reported EPS of 94 yen

CASH FLOW

- **Operating Cash Flow JPY 437.8B (USD 3.1B)[1]**
- **Free Cash Flow JPY 36.3B[4]** reflects JPY 285.5B cash out for acquisitions and in-licensing (incl. TAK-279, fruquintinib)
- **Average Interest Rates Improved from ~2% to 1.6%** driven by debt paydown of $1.5B in FY2023 Q3 YTD

FY2023 OUTLOOK

- **No change to full-year Management Guidance for Core CER change**
- **No change to full-year P&L forecasts; potential upside to revenue & Core Operating Profit if current FX rates continue[5]**

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-7 and A-9 for reconciliation.
4. Please refer to appendix slide A-1 for definition and slide A-11 for reconciliation
5. Please refer to appendix slide A-19 for FX sensitivity chart

FY2023 Q3 YTD Revenue Flat at CER Despite Significant LOE Impact; Reported Operating & Net Profit Impacted by Non-Core Items

FY2023 Q3 YTD (APR-DEC) FINANCIAL RESULTS (SUMMARY)

(BN YEN, except EPS)	REPORTED		CORE[1]		
	FY2023 Q3 YTD	ACTUAL % CHANGE	FY2023 Q3 YTD	ACTUAL % CHANGE	CER[2] % CHANGE
REVENUE	3,212.9	+4.6%	3,212.9	+4.6%	**+0.0%**
OPERATING PROFIT	224.1	-44.2%	865.6	-9.3%	**-12.7%**
Margin	*7.0%*	*-6.1pp*	*26.9%*	*-4.1pp*	
NET PROFIT	147.1	-48.6%	643.6	-9.0%	**-12.2%**
EPS (JPY)	94 yen	-48.9%	412 yen	-9.7%	**-12.9%**

OPERATING CASH FLOW	437.8	-36.0%
FREE CASH FLOW[3]	36.3	-93.8%

- Operating Cash Flow reflects working capital phasing and reduced cashflow resulting from Vyvanse LOE
- Free Cash Flow reflects JPY 285.5B cash out for acquisitions and in-licensing of intangible assets (incl. TAK-279, FRUZAQLA (fruquintinib))

LOE: Loss of Exclusivity
1. Please refer to appendix slide A-1 for definition of Core financial measures, and slides A-7 and A-9 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-11 for reconciliation

Growth & Launch Products +12.7% at CER; Represent 43% of Total Revenue

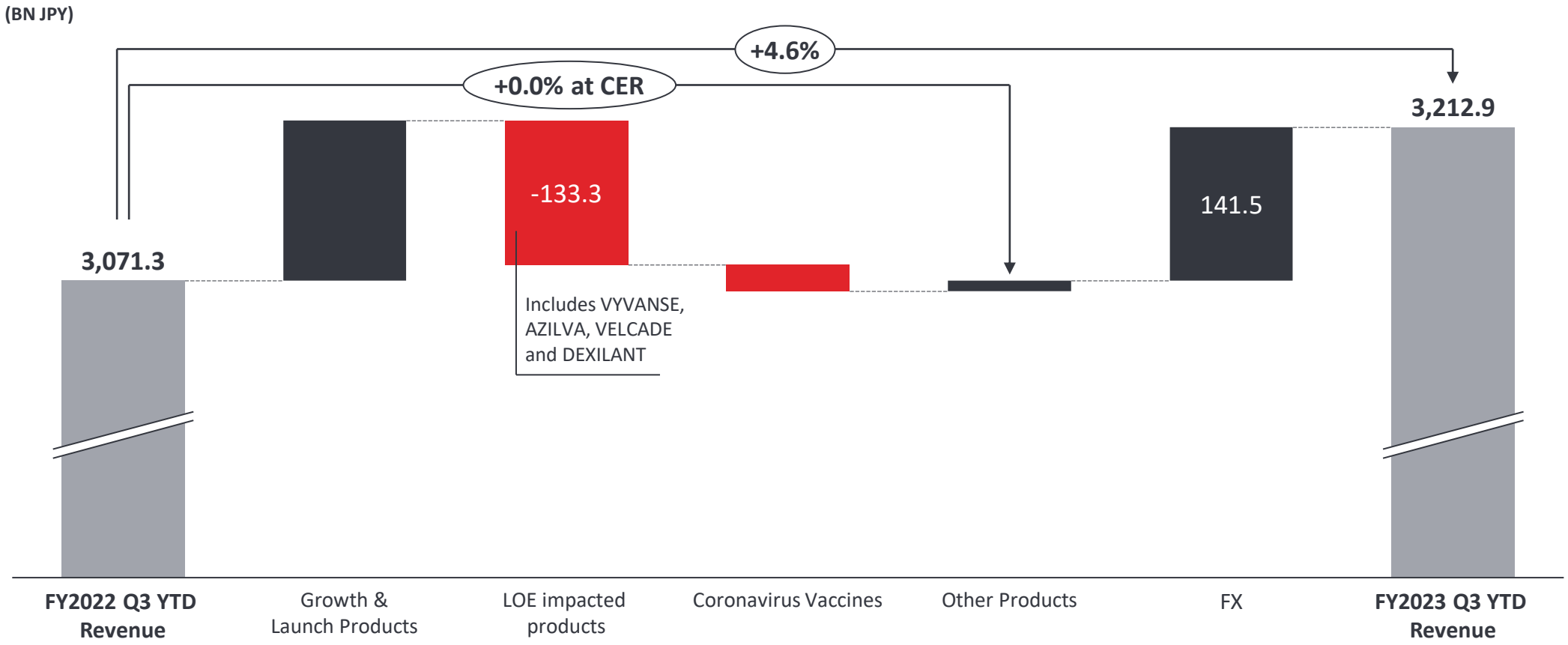
FY2023 Q3 YTD REVENUE	GI % of Sales: 29% Growth: +4%	RARE DISEASES % of Sales: 18% Growth: +3%	PLASMA-DERIVED THERAPIES (PDT) IMMUNOLOGY % of Sales: 19% Growth: +16%	ONCOLOGY % of Sales: 11% Growth: -2%	NEUROSCIENCE % of Sales: 15% Growth: -6%	OTHER % of Sales: 8% Growth: -28%
GROWTH & LAUNCH PRODUCTS	Entyvio vedolizumab +7% ALOFISEL +18%	TAKHZYRO (lanadelumab-flyo) injection +12% LIVTENCITY (maribavir) tablets 200mg +79% ADZYNMA ADAMTS13, recombinant-krhn New Launch	GAMMAGARD LIQUID, HyQvia, Cuvitru IMMUNOGLOBULIN +18% Flexbumin (Human Albumin), HUMANALBUMIN ALBUMIN +7%	ALUNBRIG BRIGATINIB +30% EXKIVITY mobocertinib +44% Fruzaqla (fruquintinib) capsules New Launch		Qdenga Dengue Tetravalent Vaccine (Live, Attenuated) New Launch
	Total JPY 1,384.7B (USD 9.8B[1]); year-over-year growth +JPY 216.6B (USD 1.5B[1])					
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)

All growth rates indicate FY2023 Q3 YTD revenue growth at Constant Exchange Rate rounded to the nearest whole number. Please refer to appendix slide A-1 for definition.

1. Please refer to disclaimer on Exchange Rates on slide 2
2. On October 2, 2023, Takeda announced that based on the outcome of the EXCLAIM-2 confirmatory trial, Takeda intends to initiate global voluntarily withdrawals of EXKIVITY

Q3 YTD Revenue Growth Flat at CER Despite Significant LOE Impact

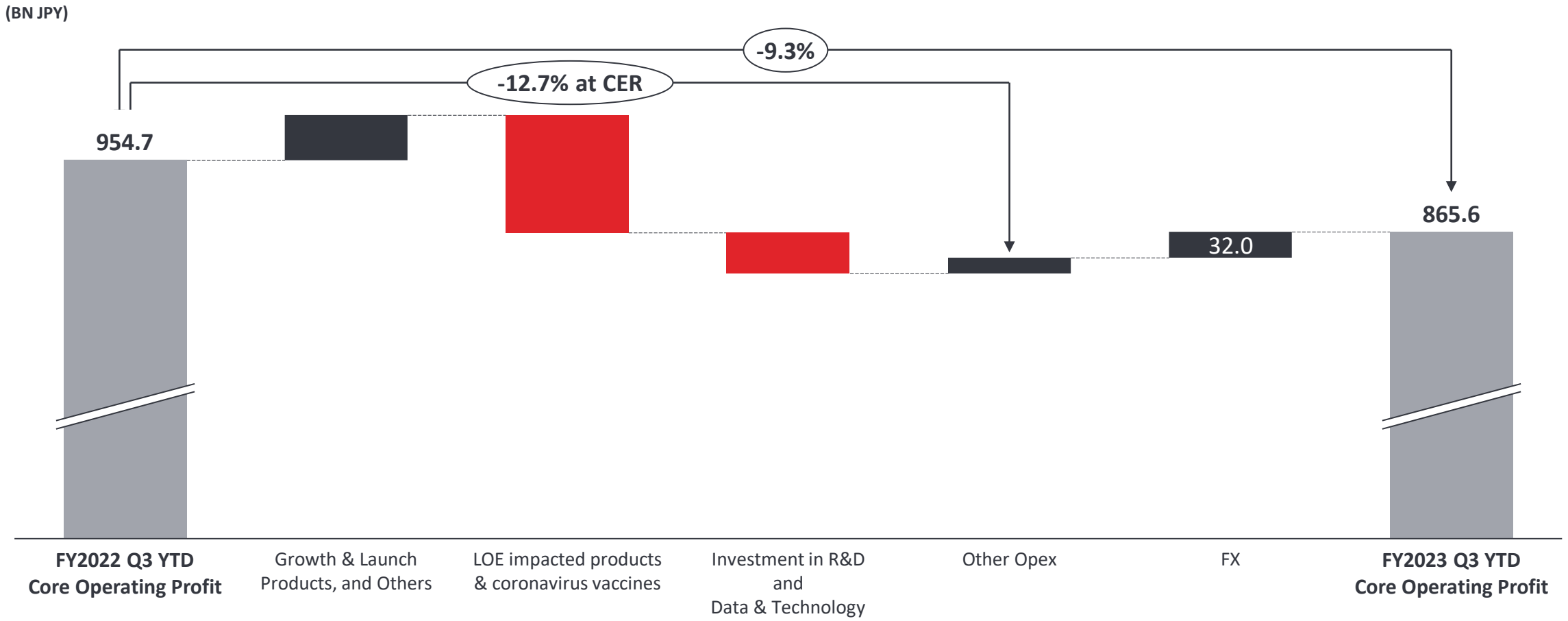
FY2023 Q3 YTD REVENUE VS PRIOR YEAR



Graphs are illustrative
LOE: Loss of Exclusivity
For FY2023 Q3 YTD versus FY2022 Q3 YTD comparison, Reported Revenue and Core Revenue are equivalent, as no Core adjustment was made to revenue in either year.

Core Operating Profit Impacted by LOE of Higher Margin Products, Decline in Coronavirus Vaccines Revenue, and Investment in R&D and Data & Technology

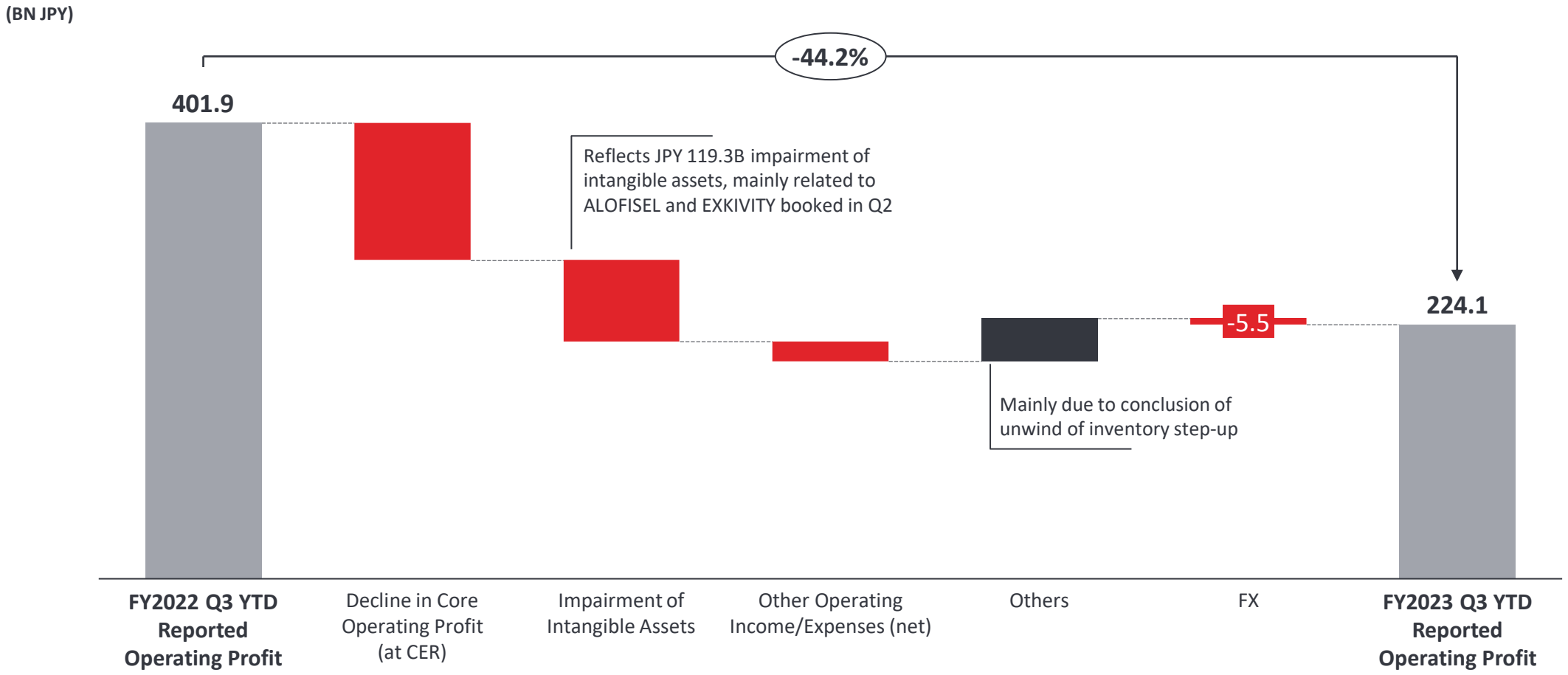
FY2023 Q3 YTD CORE OPERATING PROFIT VS PRIOR YEAR



Graphs are illustrative
LOE: Loss of Exclusivity
Note: Core Operating Profit is a non-IFRS metric. Please refer to appendix for definitions and reconciliations.

Reported Operating Profit Impacted by Non-Core Items Mostly Booked in Q2

FY2023 Q3 YTD REPORTED 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 Management Guidance or P&L Forecast

- **Management Guidance reflects significant Loss of Exclusivity impact and lower coronavirus vaccines revenue, and investment in R&D and Data & Technology to secure long-term competitiveness**
- **Core Operating Profit expected to exceed JPY 1trn**
- **Potential upside to revenue & Core Operating Profit if current FX rates continue**

(BN YEN, except per-share data)	REPORTED		CORE		CORE CHANGE AT CER
	FY2023 FORECAST	FORECAST VS. PRIOR YEAR	**FY2023 FORECAST**	FORECAST VS. PRIOR YEAR	**FY2023 MANAGEMENT GUIDANCE** (UNCHANGED FROM MAY 2023)
REVENUE	**3,980.0**	-1.2%	**3,980.0**	-1.2%	**Low-single-digit % decline**
OPERATING PROFIT	**225.0**	-54.1%	**1,015.0**	-14.6%	**Low-10s % decline**
EPS	**59 yen**	-70.9%	**447 yen**	-19.9%	**Low-20s % decline**

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

- FCF forecast reflects cash expenditures related to the acquisition of TAK-279 from Nimbus and in-licensing of FRUZAQLA (fruquintinib) from Hutchmed

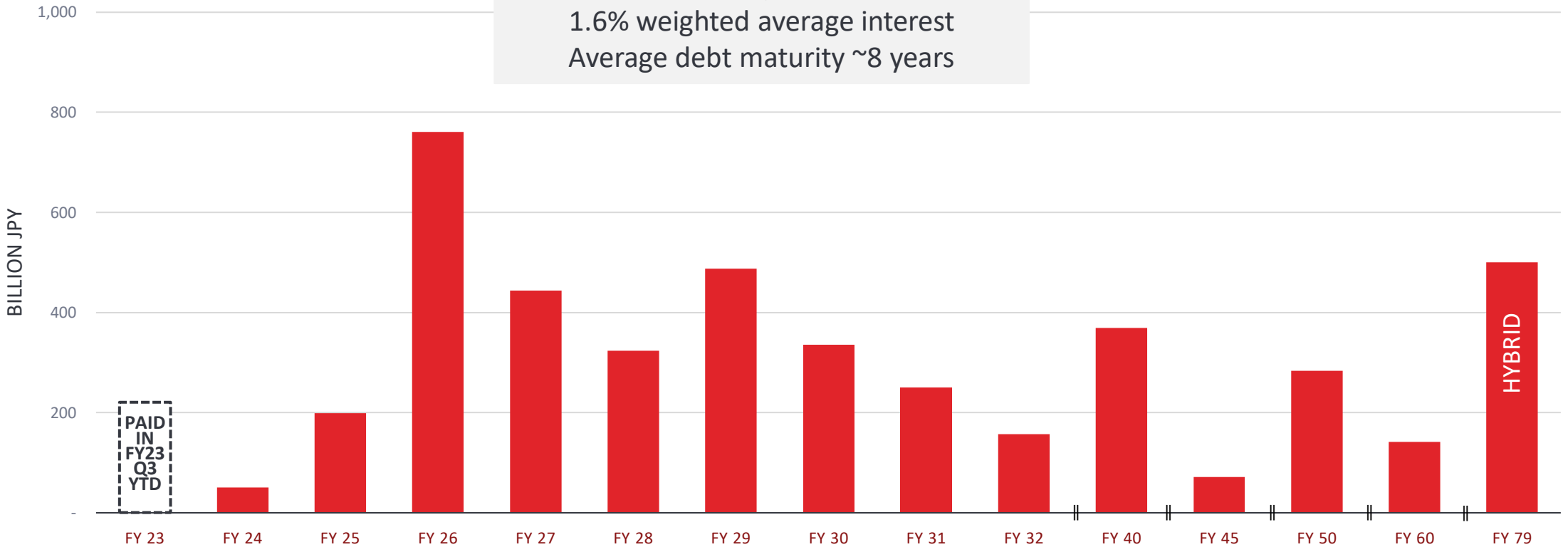
Key assumptions in FY2023 forecast:
- Forecast assumes 137 JPY/USD and 145 JPY/EUR. Please refer to appendix slide A-19 for more details on FX assumptions and sensitivity.

Note: Slide includes non-IFRS metrics. Please refer to appendix for definitions and reconciliations.
Please refer to appendix slide A-17 for more details of the FY2023 forecast

Average Interest Rates Improved from ~2% to 1.6% Driven by Debt Paydown

MATURITY LADDER AS OF 31 DECEMBER 2023

100% of outstanding debt at fixed rates
1.6% weighted average interest
Average debt maturity ~8 years



Non-JPY debt principal calculated as at end of December 2023 FX Rates (141.9 JPY/USD and 156.7 JPY/EUR). This reflects the actual conversion rate used for reporting purposes.

FY2023 Q3 YTD Results: On Track Towards Management Guidance

FY2023 Q3 YTD (APR-DEC)

TOPLINE

- **Revenue JPY 3,212.9B (USD 22.8B)[1] flat at +0.0% at CER[2]**, or +4.6% at actual exchange rates
- **Growth & Launch Products +12.7% at CER**, represent 43% of total revenue

PROFIT & MARGINS

- **Core Operating Profit JPY 865.6B (USD 6.1B)[1,3]** with Core Operating Profit margin 26.9%
- **Reported Operating Profit JPY 224.1B (USD 1.6B)[1]** impacted by non-core items mostly booked in Q2
- **Core EPS 412 yen** with reported EPS of 94 yen

CASH FLOW

- **Operating Cash Flow JPY 437.8B (USD 3.1B)[1]**
- **Free Cash Flow JPY 36.3B[4]** reflects JPY 285.5B cash out for acquisitions and in-licensing (incl. TAK-279, fruquintinib)
- **Average Interest Rates Improved from ~2% to 1.6%** driven by debt paydown of $1.5B in FY2023 Q3 YTD

FY2023 OUTLOOK

- **No change to full-year Management Guidance for Core CER change**
- **No change to full-year P&L forecasts; potential upside to revenue & Core Operating Profit if current FX rates continue[5]**

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-7 and A-9 for reconciliation.
4. Please refer to appendix slide A-1 for definition and slide A-11 for reconciliation
5. Please refer to appendix slide A-19 for FX sensitivity chart

Committed to Strategic Execution Through CFO Transition Period

- Costa Saroukos, CFO, has decided to leave Takeda to return to Australia to be closer to family. Costa will step down as CFO, effective April 1, 2024 and will remain with the company as a board director until June 28, 2024.
- Milano Furuta, currently President, Japan Pharma Business Unit, will succeed as CFO, effective April 1, 2024. As CFO, he will be proposed to the board of directors as a candidate for election to the board.
- Takeda remains committed to its capital allocation policy focused on investment for growth and shareholder returns, and the target to return to low-to-mid 30s% Core Operating Profit margin.

MILANO FURUTA

- Prior to joining Takeda in 2010, Milano worked as an equity research analyst at an investment management firm in the U.S. He began his career in 2000 in banking and private equity investment in Japan, where he was involved with several types of financial transactions, including leveraged buyouts and debt restructuring.
- Before becoming JPBU president, Milano served as corporate strategy officer and chief of staff at Takeda, and has held multiple leadership roles with the company around the world.
- Milano holds an MBA from The Wharton School of the University of Pennsylvania and a bachelor's degree in international affairs from Hitotsubashi University in Japan.

Q&A SESSION

CHRISTOPHE WEBER
Representative Director;
President & CEO

ANDY PLUMP
Director; President,
Research & Development

COSTA SAROUKOS
Director;
Chief Financial Officer

JULIE KIM
President,
US Business Unit

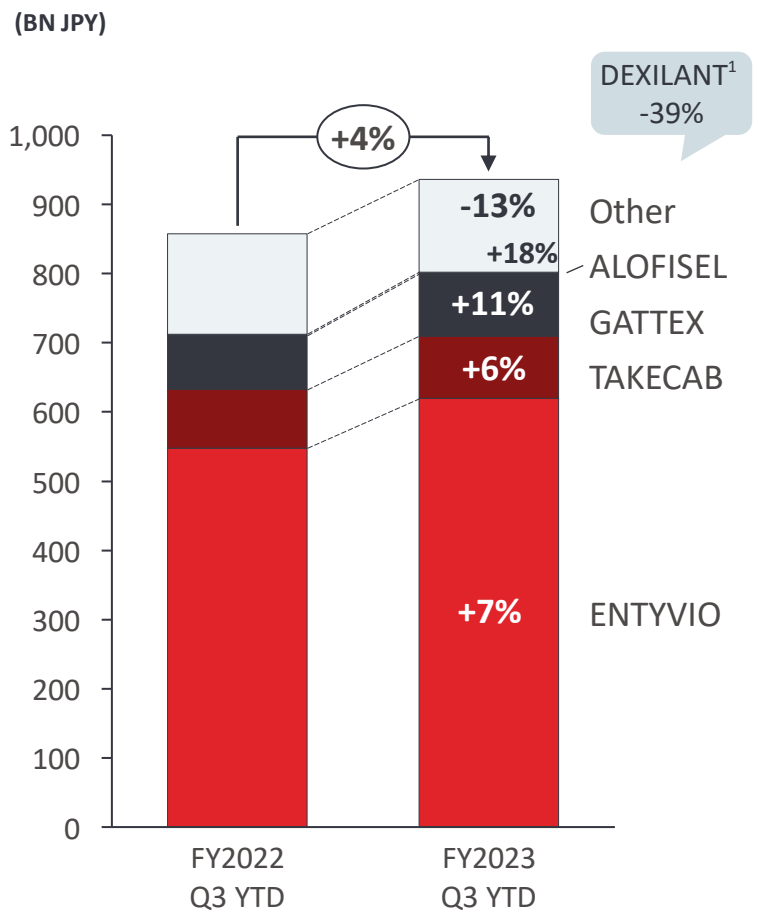
MILANO FURUTA
President, Japan
Pharma Business Unit

APPENDIX

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

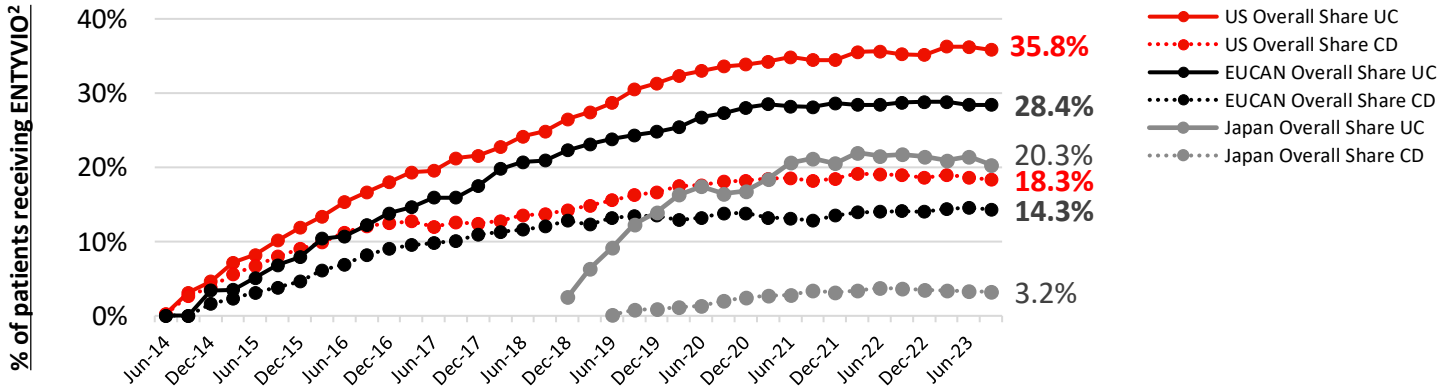
GI PORTFOLIO

FY2023 Q3 YTD REVENUE



Entyvio vedolizumab — FY2023 Q3 YTD Revenue JPY 619.3B (+6.6% growth)

- ENTYVIO growth continues to outperform the overall IBD market, despite increasing global competitive intensity, with recent launches mostly impacting later lines of therapy
  - ENTYVIO's leading safety and efficacy profile with ~10 years and >1.3 million patient years experience in IBD continues to be the benchmark for sustained, deep remission and high rates of persistence with its unique gut-selectivity
  - In the U.S., ENTYVIO remains the #1 brand in both IBD overall and IBD bio-naïve new starts. Entyvio Pen in UC launched November 2023, experiencing a high level of interest and now growing formulary access. Entyvio Pen penetrates new physician and patient segments preferring SC administration, making ENTYVIO the only branded therapeutic with both IV and SC maintenance options. Entyvio Pen U.S. approval decision in Crohn's disease expected early FY24
  - In Europe, despite continued pricing headwinds, ENTYVIO is out-performing the overall IBD advanced therapies market, with patient growth remaining strong in the mid-teens % supported by further SC penetration
  - Significant investment in both UC and CD studies to support targets of disease clearance and endoscopic healing, plus newly initiated studies supporting scientific community to investigate potential role of combination therapies to break efficacy ceiling with vedolizumab as backbone



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).

Continuing Evidence Generation and Indication Expansion

	PHASE 3	PHASE 4	PUBLISHED/ PRESENTED	FILED	APPROVED
Ulcerative colitis	ENTYVIO® IV Pediatric (Global)	ENTYVIO® IV (VERDICT) (US, CA)[3] NEW ENTYVIO® IV (EXIGEM) (US)[3]	ENTYVIO® IV (VARSITY) H2H vs. adalimumab[1]		ENTYVIO® IV (Global) ENTYVIO® SC (US, EU, JP)
Crohn's disease	ENTYVIO® IV Pediatric (Global)	NEW ENTYVIO® IV (EXPLORER 2) (Global)[3]		ENTYVIO® SC (US)	ENTYVIO® IV (Global) ENTYVIO® SC (EU, JP)
Pouchitis					ENTYVIO® IV (EU)
Graft-versus-host disease			ENTYVIO® IV (Global)[2] ★		
Flagship Evidence Generation Initiatives	Additional studies planned[3]				

Approved | Published/presented | Ongoing study or filing

★ Orphan Drug Designation potential | NEW Added to clinical development since last quarter

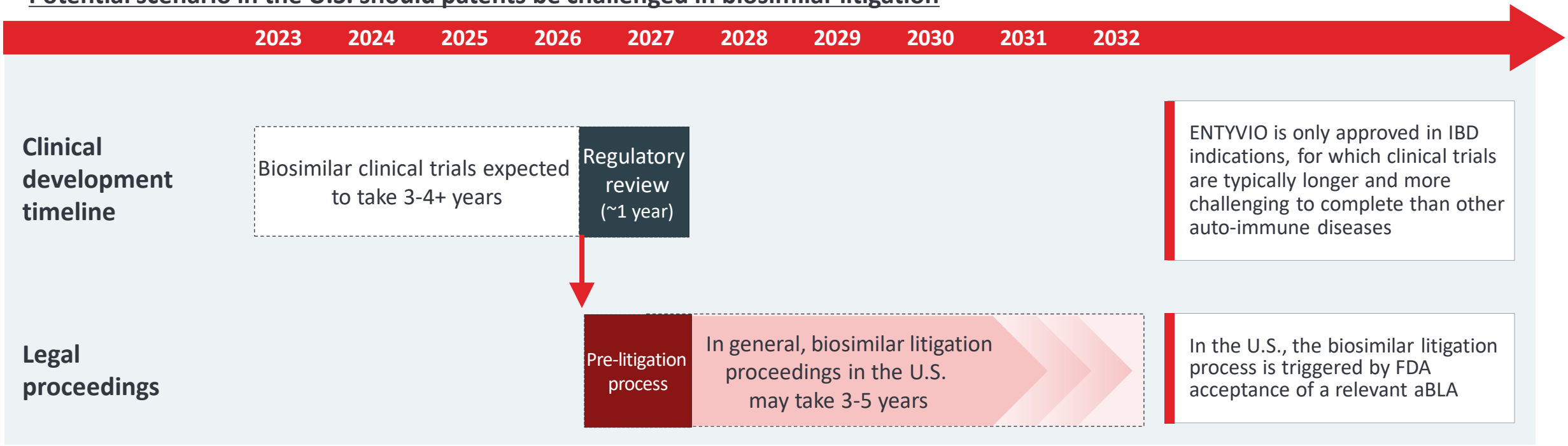
1. Sands BE et al. N Engl J Med 2019;381:1215-26.
2. Chen YB et al., presented at the Transplantation & Cellular Therapy Meetings of ASTCT and CIBMTR, February 18th, 2023
3. Not designed as label-enabling studies

All timelines are approximate estimates as of February 1st, 2024, 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.

Any Biosimilar That Seeks to Launch Prior to 2032 Would Need to Address Potential Infringement and/or the Validity of All Relevant Patents

- Takeda has granted patents that cover various aspects of ENTYVIO, including formulation, dosing regimens and process for manufacturing. These patents are expected to expire in 2032 in the U.S.

Potential scenario in the U.S. should patents be challenged in biosimilar litigation



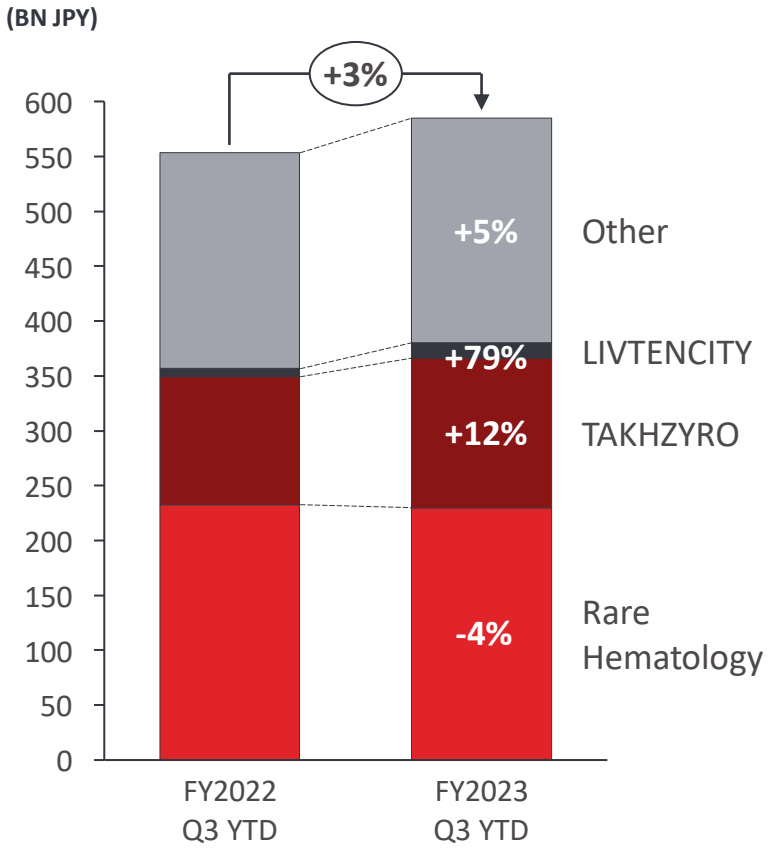
- The study design for the first vedolizumab biosimilar to enter Phase 3 appeared on clinicaltrials.gov in March 2023, and has not been updated since (still appears as “not yet recruiting”). The trial is sponsored by Polpharma Biologics, and the design is for a 54 week study enrolling approximately 750 patients, for which timelines are anticipated to be in-line with the scenario outlined above.

RARE DISEASES

TAKHZYRO Continues its Strong Growth Now Treating >5,000 Patients
LIVTENCITY Strong Market Penetration in U.S. & Rapid Geographical Expansion

RARE DISEASES PORTFOLIO

FY2023 Q3 YTD REVENUE



TAKHZYRO (lanadelumab-flyo) injection — FY2023 Q3 YTD Revenue JPY 136.4B (+11.5% growth)

- TAKHZYRO continues to be the #1 prescribed modern long-term prophylaxis – strong momentum driven by
  - Successful launches (commercial presence now in 50+ countries); strong patient uptakes and persistency
  - Sustained new patient demand based on compelling real-world evidence for >2 years on therapy with demonstrated improved Quality of Life (potential for zero attacks), rising HAE diagnosis, and prophylactic market growth
- TAKHZYRO received European Commission approval for routine prevention of recurrent HAE attacks in patients aged 2 years and older. TAKHZYRO is the first and only Long-Term Prophylactic HAE treatment available in the EU for patients under the age of six
- U.S. pediatric launch continues its positive progress with above-plan new starts

---

LIVTENCITY™ (maribavir) tablets 200mg — FY2023 Q3 YTD Revenue JPY 13.9B (+78.8% growth)

- LIVTENCITY continues to show strong launch performance – utilization driven by sustained uptake, increased depth of activated centers (gaining utilization across all departments) leading to growth in new patient starts, new prescribers and repeat prescribers as well as positive market access trends indicating high unmet needs
- Real world utilization at physicians' discretion has demonstrated highly individualized duration of treatment, with some patients being treated longer than the 8 week period studied in the SOLSTICE trial, and a potential broader patient base due to heterogeneity of definition of refractoriness and in utilization patterns in post-transplant CMV
- Rapid geographic expansion beyond the U.S. and EU:
  - China NMPA approval of LIVTENCITY for the treatment of adults with post-transplant CMV refractory to prior therapies received December 2023
  - Approvals in Australia, South Korea, Taiwan and Brazil; LIVTENCITY is commercially available with national or partial reimbursement including Individual Funding Requests in 20 countries across Europe

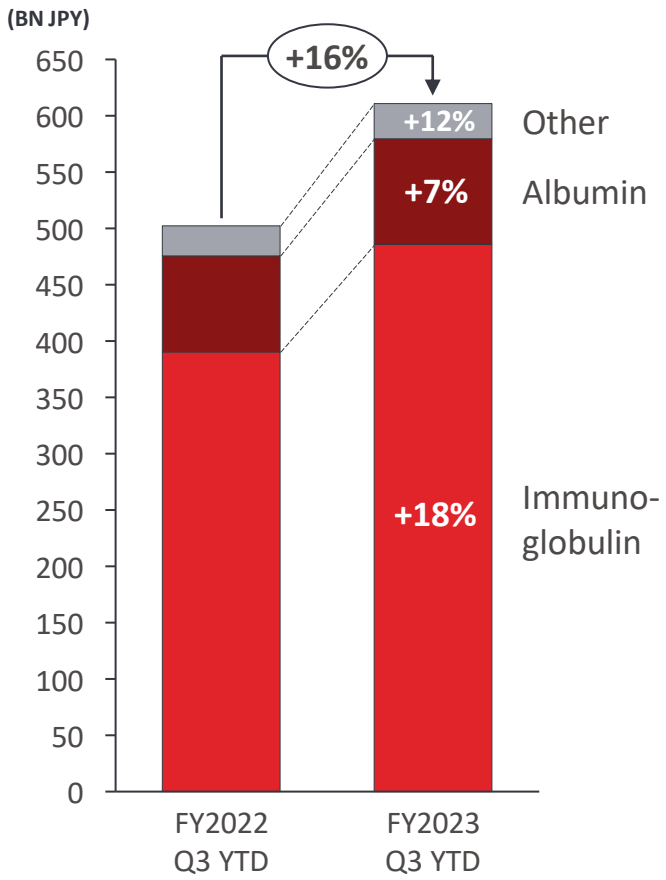
Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

PLASMA-DERIVED THERAPIES

PDT Portfolio Continues to Deliver Outstanding Growth

PDT IMMUNOLOGY PORTFOLIO

FY2023 Q3 YTD REVENUE



Immunoglobulin

FY23 Q3 YTD Revenue JPY 485.7B (+18.4% 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
  - HYQVIA approved in both U.S. and EU for CIDP maintenance in January 2024
  - CUVITRU approved in Japan for PID and SID; approved in EU for SID in January 2024

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

FY23 Q3 YTD Revenue JPY 94.3B (+6.9% growth)

- Growth is driven by strong demand for Albumin products in China
- FY2023 global growth expected to be at lower end of the guidance as production schedule accommodates manufacturing facility upgrades

Flexbumin (Human Albumin) · HUMANALBUMIN SOLUTION FOR INFUSION

CONTINUING TO INVEST IN PLASMA DONATION AND CENTERS

- On track to deliver 10 – 20 % plasma volume growth by end of FY2023
- Global plasma donation center footprint now more than 250 centers; on track to expand our network by >20 centers during FY2023
- Significant investment in data and digital helps attract and retain donors through the delivery of an exceptional, personalized, and differentiated donor experience
- Targeted investments across the manufacturing network to increase yield, expand capacity and create efficiencies, leveraging data, digital & technology capabilities

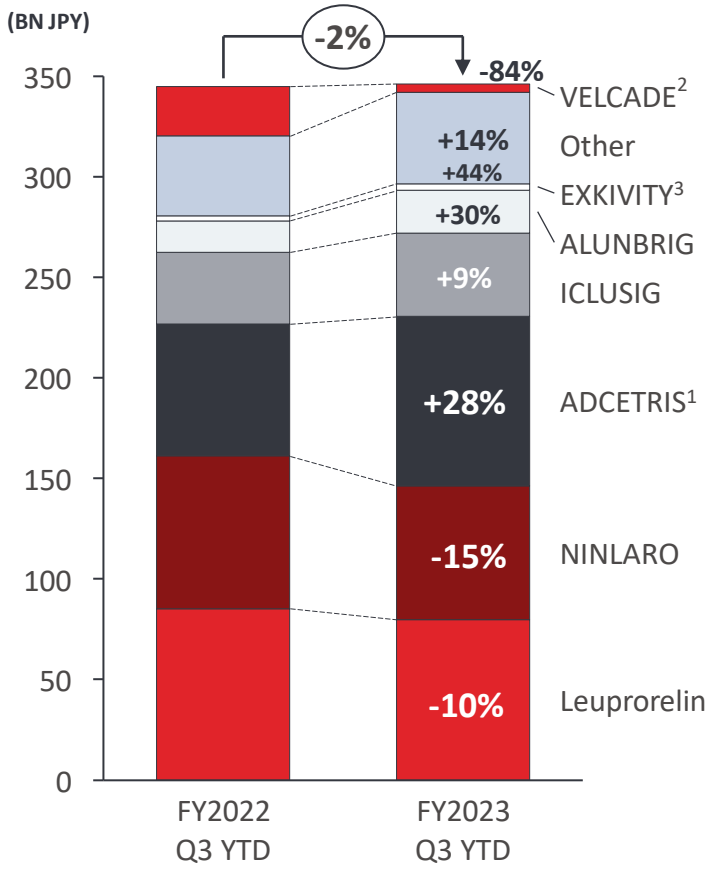
Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

ONCOLOGY

Promising Launch of New Medicine in U.S.; Growth Across Key Programs Largely Mitigates Impact of VELCADE Generics

ONCOLOGY PORTFOLIO

FY2023 Q3 YTD REVENUE



Fruzaqla™ (fruquintinib) capsules

- Strong uptake following U.S. FDA approval in November 2023 for metastatic colorectal cancer (mCRC) patients previously treated with certain anti-cancer medicines, with new patient starts exceeding expectations
- Additional regulatory applications progressing as expected; regulatory submissions in EU and Japan occurred in Q1 and Q2 FY23, respectively

ADCETRIS brentuximab vedotin

- Continue to see strong year-on-year growth in 1L Hodgkin lymphoma (HL) in Europe & Canada, Japan and GEM regions
- Growth in 1L HL is driven by 6-yr ECHELON-1 OS data and 1L HL Stage III label extension in EU

ALUNBRIG BRIGATINIB

- Achieved double-digit growth FY23 year-to-date

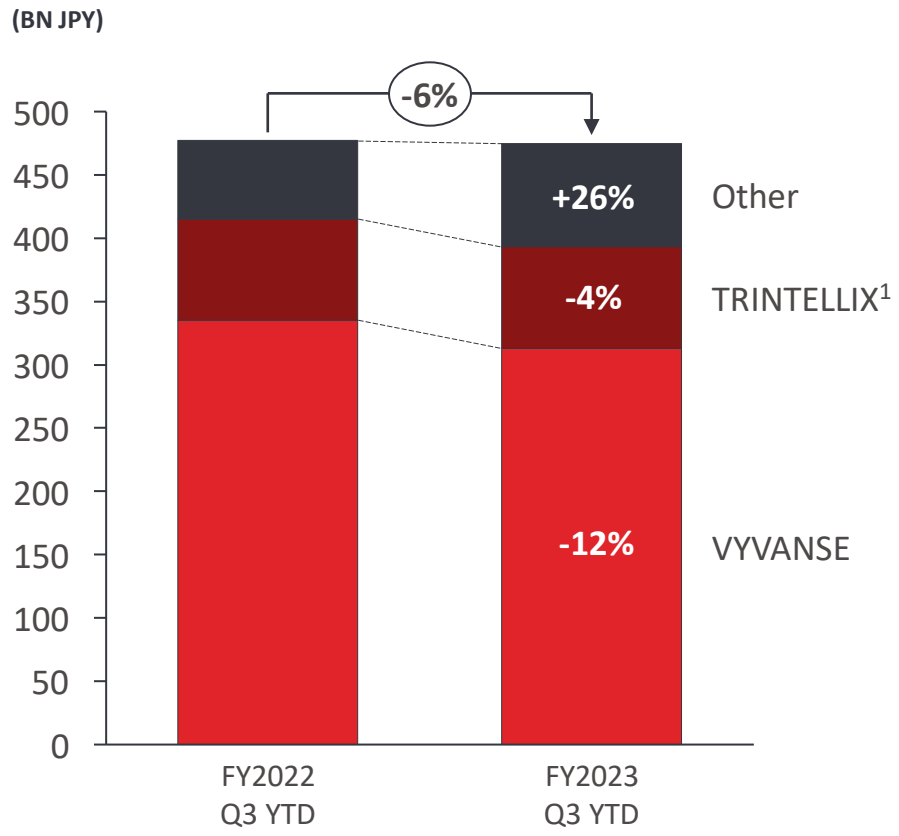
Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).
For full glossary of abbreviations please refer to appendix.

1. ADCETRIS is in-licensed from Pfizer Inc. (Seagen acquired by Pfizer in December 2023); 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. In October 2023, Takeda announced the intent to initiate global voluntary withdrawal of EXKIVITY for non-small cell lung cancer

VYVANSE U.S. Loss of Exclusivity Impacting from August as Expected

NEUROSCIENCE PORTFOLIO

FY2023 Q3 YTD REVENUE



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

FY2023 Q3 YTD Revenue JPY 312.9B (-12.1% change)

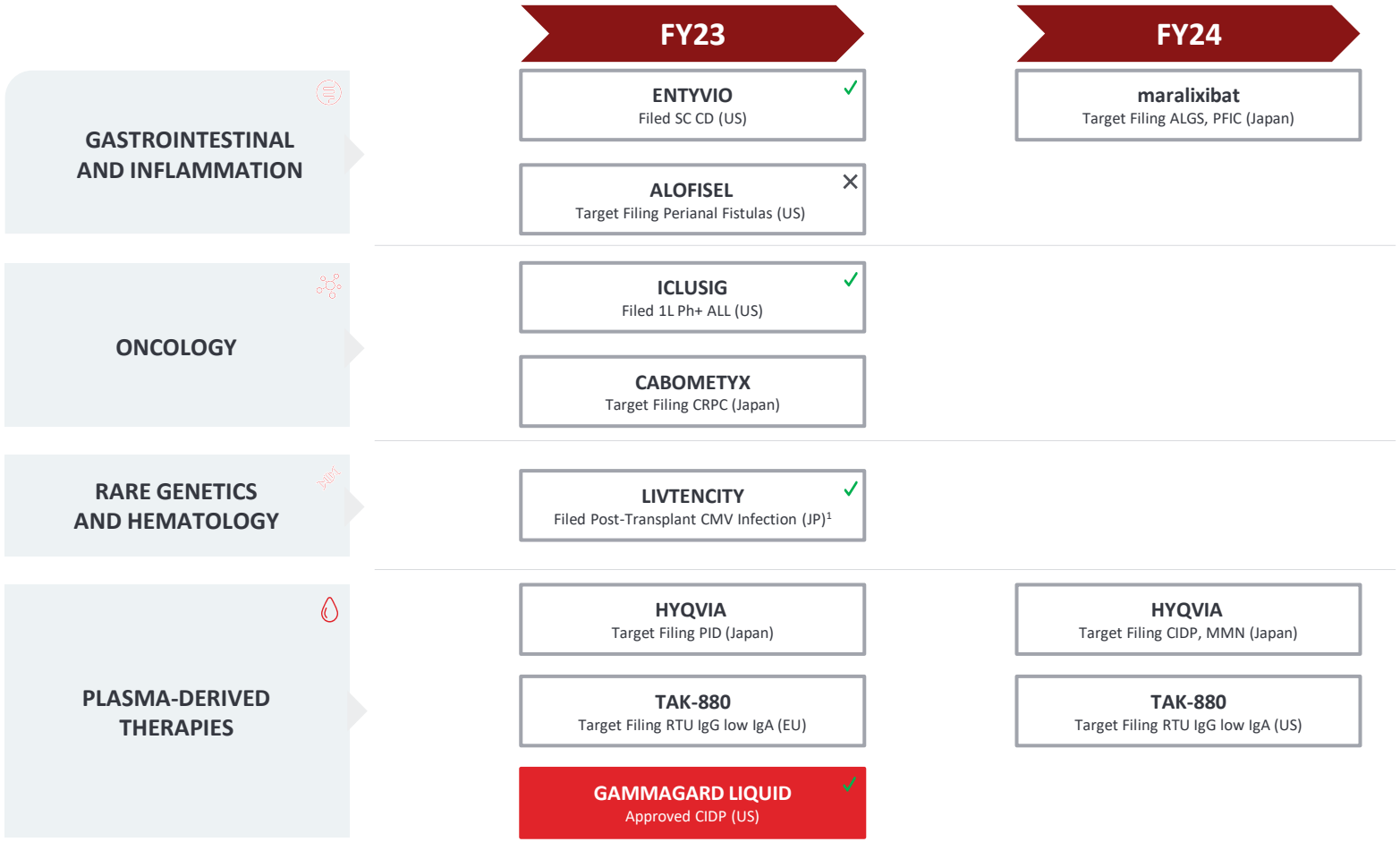
- Strong performance in April-August ahead of Loss of Exclusivity driven by expanding ADHD adult population and by lower U.S. supply of other ADHD medications
- Latest market intelligence indicates 9 generics have launched to date since LOE on August 24th
- VYVANSE brand share erosion in the U.S. has been slightly milder than initially anticipated due to constraints of generic supply, but we expect this situation will ease gradually towards the end of the fiscal year
- Continuing to deliver strong growth ex-U.S., including buy-back of marketing rights in Japan in April 2023

FY2023 Q3 YTD Revenue JPY 80.2B (-4.1% change)

- Year-over-year revenue decline driven primarily by higher utilization in government channels. Overall demand decline driven by the compounding impact of slower new patient starts
- In the U.S., strategic focus on TRINTELLIX efficacy, 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 improve new patient starts
- In Japan, FY23 Q3 YTD net sales shows continuously strong momentum with +33.3% growth. Market share of TRINTELLIX continues to grow with stronger positioning as a first-line treatment being established among psychiatrists

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

Target Filing | Milestone achieved
Approved | Milestone not achieved

 All timelines are approximate estimates as February 1st, 2024, 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.

Advancing TAK-279 In Parallel Across Multiple Indications

Latitude

	Phase 2 Start	Phase 2b Readout	Phase 3	Target Filing
Psoriasis		Ph2b March 2023 ✓	Ph3 Start FY23 ✓ Head-to-Head Start FY24	FY25-27
Psoriatic Arthritis		Ph2b September 2023 ✓	Ph3 Start FY24	
Crohn's Disease	Ph2b Start FY23/24			
Ulcerative Colitis	Ph2b Start FY23/24			
Others	Planned			

TAK-279 is a highly selective (TYK2 over JAKs ~1.5 M times) once daily pill

- TYK2, IL-23, IL-12 therapies active in many autoimmune diseases
- Genetic data: Loss of TYK2 function reduces risk in PsO, PsA, CD, UC, others
- Preclinical models support use

- **Strong clinical validation for mechanism across multiple autoimmune conditions: Promising for immunological disorders including IBD**
- **Best-in-class potential due to high selectivity, once daily oral administration**

Continuous Portfolio Prioritization and Data Driven Decisions Leading to Clinical Development Pipeline Changes in FY23

New To Phase 1

- **TAK-647** NASH
- **TAK-012** Acute myeloid leukemia

New To Phase 2

- **danavorexton** Postanesthesia recovery
- **dazostinag** Solid tumors[1]

New To Phase 3

- **TAK-279** Psoriasis
- **ADYNOVATE®** recombinant Factor VIII HemA (CN)
- **LIVTENCITY®** ★ Pediatric Post-transplant CMV infection
- **TAK-881** Immunodeficiencies

New Regulatory Filings

- **ADZYNMA®** ★ cTTP (EU, JP)
- **FRUZAQLA™** mCRC (EU, JP)
- **TAK-721** ★ Eosinophilic esophagitis (US)
- **ENTYVIO®** SC CD (US)
- **ADCETRIS®** ★ FL PTCL-NOS (EU)
- **ICLUSIG®** 1L Ph+ ALL (US)
- **LIVTENCITY®** ★ Post-transplant CMV infection (JP)
- **OBIZUR®** ★ Recomb antihemophilic factor porcine (JP)
- **CEPROTIN®** SCPCD (JP)

Removed From Phase 1

- **TAK-105** Nausea & vomiting
- **TAK-920** Alzheimer's Disease
- **modakafusp alfa** Solid tumors
- **TAK-102** Solid tumors
- **TAK-103** Solid tumors
- **TAK-940** CD19+ hematologic malignancies
- **TAK-426** Zika Vaccine

Removed From Phase 2

- **TAK-041** Anhedonia in MDD
- **TAK-071** Parkinson's Disease
- **TAK-611** MLD (intrathecal)
- **modakafusp alfa** R/R MM

Removed From Phase 3

- **EXKIVITY®** 1L NSCLC EGFR exon 20
- **ALOFISEL®** Perianal Fistulas in CD (US)
- **ZEJULA®** Breast cancer (JP)
- **VONVENDI®** vWD Adult Prophylaxis (CN)
- **Nuvaxovid®** COVID-19 Vaccine Booster (JP)[2]

New Regulatory Approvals

- **ADZYNMA®** ★ cTTP (US)
- **FRUZAQLA™** mCRC (US)
- **ENTYVIO®** SC CD (JP)
- **ENTYVIO®** SC UC (US)
- **VOCINTI®** *H. Pylori* (CN)
- **ADCETRIS®** FL HL Stage III (EU)
- **ADCETRIS®** ★ R/R CTCL (JP)
- **LIVTENCITY®** ★ R/R Post-transplant CMV infection (CN)
- **TAKHZYRO®** ★ Pediatric HAE (EU)
- **VEYVONDI®** ★ vWD Adult Prophylaxis (EU)
- **CUVITRU®** PID, SID (JP), SID (EU)
- **FEIBA®** STAR Extension (US, EU)
- **GAMMAGARD LIQUID®** CIDP (US)
- **HYQVIA®** ★ CIDP (US, EU)
- **HYQVIA®** ★ Pediatric PID (US)

1. Currently in phase 2 of a phase 1/2 trial.
2. Nuvaxovid booster Phase 3 trial completed.

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

APPROVED | NME | LCM

All timelines are approximate estimates as of February 1st, 2024, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. Only major regions (U.S., EU, Japan, China). For full glossary of abbreviations please refer to appendix.

Consolidated Development Pipeline by Phase

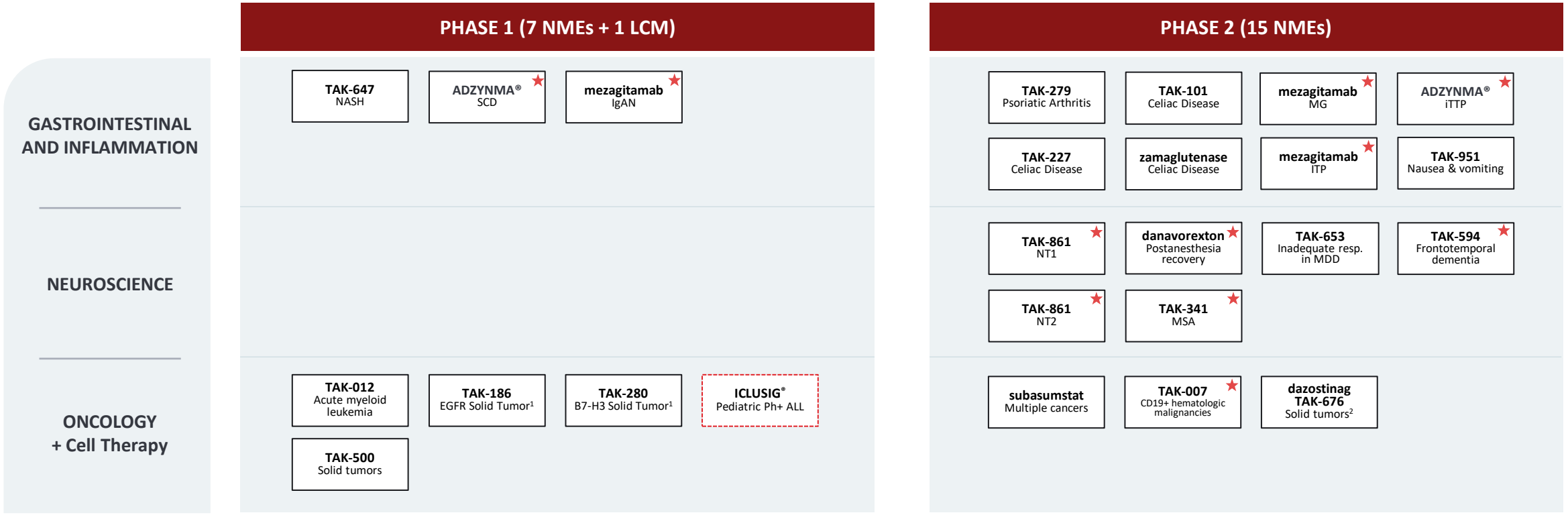
	PHASE 3 (6 NMEs + 19 LCMs)	FILED (3 NME + 22 LCMs)
GASTROINTESTINAL AND INFLAMMATION	TAK-279 Psoriasis fazirsiran AATD Liver Disease ★ ENTYVIO® Pediatric UC maralixibat ALGS (JP) ★ ALOFISEL® Pediatric perianal Fistulas in CD ★ ADZYNMA® cTTP (CN) ★ ENTYVIO® GvHD Prophylaxis ★ ENTYVIO® Pediatric CD maralixibat PFIC (JP) ★	ADZYNMA® cTTP (US) ★ ADZYNMA® cTTP (EU) ★ ENTYVIO® SC UC (US) VOCINTI® *H. Pylori* (CN) TAK-721 Eosinophilic esophagitis (US) ★ ADZYNMA® cTTP (JP) ★ ENTYVIO® SC CD (JP) ENTYVIO® SC CD (US)
NEUROSCIENCE	soticlestat DS ★ soticlestat LGS ★ pabinafusp alfa Hunter Syndrome ★	
ONCOLOGY + Cell Therapy	CABOMETYX® mCRPC combo w/atezolizumab (JP) NINLARO® Maint. ND MM post-SCT (US, EU) ★ relugolix Prostate cancer (JP, CN)	FRUZAQLA™ mCRC (US) FRUZAQLA™ mCRC (JP) ADCETRIS® FL HL Stage III (EU) ICLUSIG® 1L Ph+ ALL (US) FRUZAQLA™ mCRC (EU) ADCETRIS® FL PTCL-NOS (EU) ★ ADCETRIS® R/R CTCL (JP) ★
RARE GENETICS AND HEMATOLOGY	LIVTENCITY® Pediatric Post-transplant CMV infection ★ VONVENDI® vWD Pediatric On-demand & Surgery ★ ADYNOVATE® recombinant Factor VIII Pediatric HemA (EU) ADYNOVATE® recombinant Factor VIII HemA (CN)	LIVTENCITY® Post-transplant CMV infection (JP) ★ LIVTENCITY® R/R Post-transplant CMV infection (CN) ★ TAKHZYRO® Pediatric HAE (EU) ★ OBIZUR® Recomb antihemophilic factor porcine (JP) ★ OBIZUR® Recomb antihemophilic factor porcine (CN) ★ VEYVONDI® vWD Adult Prophylaxis (EU) ★ VONVENDI® vWD On-demand & Surgery (CN) ★
PLASMA-DERIVED THERAPIES	HYQVIA® CIDP, MMN (JP) ★ HYQVIA® PID, SID (JP) TAK-880 IgG – Low IgA (US, EU) TAK-881 Immunodeficiencies Prothromplex DOAC Reversal (US) Glovenin-I Autoimmune Encephalitis (JP) ★	HYQVIA® CIDP (US) ★ HYQVIA® Pediatric PID (US) ★ CUVITRU® PID, SID (JP), SID (EU) CEPROTIN® SCPCD (JP) HYQVIA® CIDP (EU) ★ GAMMAGARD LIQUID® CIDP (US) FEIBA® STAR Extension (US, EU)
VACCINES	QDENGA® Dengue Vaccine Booster	

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

APPROVED | NME | LCM

All timelines are approximate estimates as of February 1st, 2024, 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.

Consolidated Development Pipeline by Phase



1. Currently in phase 1 of a phase 1/2 trial
2. Currently in phase 2 of a phase 1/2 trial

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

NME | LCM

All timelines are approximate estimates as of February 1st, 2024, 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.

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
ACR	American College of Rheumatology
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
BID	bis in die, twice a day
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
DSQ	Dysphagia Symptom Questionnaire
EGFR	epidermal growth factor receptor
EMA	European Medicines Agency
EoE	eosinophilic esophagitis
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
IT	intrathecal
ITP	Immune thrombocytopenic purpura
iTTP	immune thrombotic thrombocytopenic purpura
IV	intravenous
JAK	Janus kinase
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, Free Cash Flow, and U.S. Dollar Convenience Translations

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.

U.S. Dollar Convenience Translations

In Financial Appendix, certain amounts presented in Japanese yen have been translated to U.S. dollars solely for the convenience of the reader at an exchange rate of 1USD = 140.92 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on December 29, 2023. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at this or any other rate.

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 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.

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 JPY 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 is 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 Q3 YTD Reported Results with CER % Change

(Billion JPY, except EPS)	FY2022 Q3 YTD	FY2023 Q3 YTD	vs. PY			(Million USD, except EPS) FY2023 Q3 YTD Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	3,071.3	3,212.9	141.6	4.6%	0.0%	22,799
Cost of sales	(934.3)	(1,044.2)	(109.9)	(11.8)%	(6.8)%	(7,410)
Gross profit	2,137.0	2,168.7	31.7	1.5%	(3.0)%	15,390
Margin	*69.6 %*	*67.5 %*		*(2.1) pp*	*(2.1) pp*	*67.5 %*
SG&A expenses	(742.5)	(768.6)	(26.1)	(3.5)%	1.3%	(5,454)
R&D expenses	(472.4)	(534.1)	(61.7)	(13.1)%	(7.3)%	(3,790)
Amortization of intangible assets associated with products	(370.6)	(387.7)	(17.1)	(4.6)%	1.4%	(2,751)
Impairment losses on intangible assets associated with products *1	(38.6)	(119.3)	(80.7)	(208.9)%	(186.0)%	(847)
Other operating income	16.7	10.8	(5.9)	(35.4)%	(35.7)%	76
Other operating expenses	(127.6)	(145.7)	(18.0)	(14.1)%	(9.1)%	(1,034)
Operating profit	401.9	224.1	(177.8)	(44.2)%	(42.9)%	1,591
Margin	*13.1 %*	*7.0 %*		*(6.1) pp*	*(5.6) pp*	*7.0 %*
Finance income	55.1	46.1	(9.0)	(16.4)%	(17.1)%	327
Finance expenses	(126.8)	(172.7)	(45.9)	(36.2)%	(36.6)%	(1,225)
Share of profit (loss) of investments accounted for using the equity method	(3.1)	2.7	5.9	—	—	19
Profit before tax	327.2	100.3	(226.9)	(69.3)%	(67.9)%	712
Income tax (expenses) benefit	(41.3)	46.9	88.2	—	—	333
Net profit for the period	285.9	147.2	(138.7)	(48.5)%	(50.1)%	1,045
Non-controlling interests	(0.0)	(0.1)	(0.1)	(449.6)%	(439.4)%	(1)
Net profit attributable to owners of the Company	285.9	147.1	(138.8)	(48.6)%	(50.1)%	1,044
Basic EPS (JPY or USD)	184.32	94.10	(90.22)	(48.9)%	(50.5)%	0.67

*1 Includes in-process R&D

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, Free Cash Flow, and U.S. Dollar Convenience Translations, 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 Q3 (Oct-Dec) Reported Results with CER % Change

(Billion JPY, except EPS)	FY2022 Q3 (Oct-Dec)	FY2023 Q3 (Oct-Dec)	vs. PY			(Million USD, except EPS) FY2023 Q3 (Oct-Dec) Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	1,096.6	1,111.2	14.6	1.3%	(2.6)%	7,885
Cost of sales	(336.0)	(379.5)	(43.5)	(13.0)%	(8.3)%	(2,693)
Gross profit	760.6	731.7	(28.9)	(3.8)%	(7.4)%	5,192
Margin	*69.4 %*	*65.8 %*		*(3.5) pp*	*(3.4) pp*	*65.8 %*
SG&A expenses	(262.3)	(267.5)	(5.2)	(2.0)%	2.1%	(1,898)
R&D expenses	(174.6)	(187.4)	(12.8)	(7.3)%	(3.2)%	(1,330)
Amortization of intangible assets associated with products	(129.8)	(133.8)	(4.0)	(3.1)%	1.1%	(949)
Impairment losses on intangible assets associated with products[*1]	(5.8)	(3.6)	2.2	38.6%	42.0%	(25)
Other operating income	3.2	0.9	(2.3)	(72.1)%	(70.0)%	6
Other operating expenses	(44.3)	(35.4)	8.8	20.0%	25.0%	(252)
Operating profit	147.0	104.9	(42.1)	(28.6)%	(29.5)%	744
Margin	*13.4 %*	*9.4 %*		*(4.0) pp*	*(3.7) pp*	*9.4 %*
Finance income	41.7	22.5	(19.1)	(45.9)%	(46.2)%	160
Finance expenses	(79.7)	(67.3)	12.4	15.6%	16.5%	(478)
Share of profit (loss) of investments accounted for using the equity method	(1.8)	1.1	2.9	—	—	8
Profit before tax	107.2	61.3	(45.9)	(42.8)%	(43.5)%	435
Income tax (expenses) benefit	12.0	44.5	32.5	270.9%	276.1%	316
Net profit for the period	119.1	105.8	(13.4)	(11.2)%	(11.3)%	750
Non-controlling interests	(0.0)	(0.0)	(0.0)	(61.1)%	(59.8)%	(0)
Net profit attributable to owners of the Company	119.1	105.7	(13.4)	(11.3)%	(11.3)%	750
Basic EPS (JPY or USD)	76.63	67.38	(9.25)	(12.1)%	(12.1)%	0.48

*1 Includes in-process R&D

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, Free Cash Flow, and U.S. Dollar Convenience Translations, 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 Q3 YTD Core Results with CER % Change

(Billion JPY, except EPS)	FY2022 Q3 YTD	FY2023 Q3 YTD	vs. PY			(Million USD, except EPS) FY2023 Q3 YTD Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	3,071.3	3,212.9	141.6	4.6%	0.0%	22,799
Cost of sales	(901.7)	(1,044.2)	(142.6)	(15.8)%	(10.7)%	(7,410)
Gross profit	2,169.6	2,168.7	(1.0)	(0.0)%	(4.4)%	15,389
Margin	*70.6 %*	*67.5 %*		*(3.1) pp*	*(3.1) pp*	*67.5 %*
SG&A expenses	(742.9)	(769.1)	(26.1)	(3.5)%	1.3%	(5,457)
R&D expenses	(472.1)	(534.1)	(62.0)	(13.1)%	(7.3)%	(3,790)
Operating profit	954.7	865.6	(89.1)	(9.3)%	(12.7)%	6,142
Margin	*31.1 %*	*26.9 %*		*(4.1) pp*	*(3.9) pp*	*26.9 %*
Finance income	9.2	45.6	36.4	398.2%	394.5%	324
Finance expenses	(114.2)	(152.9)	(38.7)	(33.9)%	(28.3)%	(1,085)
Share of profit (loss) of investments accounted for using the equity method	2.5	4.4	1.9	74.8%	74.9%	31
Profit before tax	852.1	762.6	(89.5)	(10.5)%	(13.5)%	5,412
Income tax (expenses) benefit	(144.9)	(118.9)	26.0	17.9%	20.0%	(844)
Net profit for the period	707.2	643.7	(63.5)	(9.0)%	(12.2)%	4,568
Non-controlling interests	(0.0)	(0.1)	(0.1)	(449.6)%	(439.4)%	(1)
Net profit attributable to owners of the Company	707.2	643.6	(63.6)	(9.0)%	(12.2)%	4,567
Basic EPS (JPY or USD)	456	412	(44)	(9.7)%	(12.9)%	2.92

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, Free Cash Flow, and U.S. Dollar Convenience Translations, 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 Q3 (Oct-Dec) Core Results with CER % Change

(Billion JPY, except EPS)	FY2022 Q3 (Oct-Dec)	FY2023 Q3 (Oct-Dec)	vs. PY			(Million USD, except EPS) FY2023 Q3 (Oct-Dec) Convenience USD Translation
			AER		CER	
			Amount of Change	% CHANGE	% CHANGE	
Revenue	1,096.6	1,111.2	14.6	1.3%	(2.6)%	7,885
Cost of sales	(330.1)	(379.4)	(49.3)	(14.9)%	(10.2)%	(2,692)
Gross profit	766.4	731.8	(34.6)	(4.5)%	(8.1)%	5,193
Margin	*69.9 %*	*65.9 %*		*(4.0) pp*	*(3.9) pp*	*65.9 %*
SG&A expenses	(262.4)	(267.6)	(5.2)	(2.0)%	2.1%	(1,899)
R&D expenses	(174.6)	(187.4)	(12.8)	(7.3)%	(3.3)%	(1,330)
Operating profit	329.5	276.8	(52.7)	(16.0)%	(18.8)%	1,964
Margin	*30.0 %*	*24.9 %*		*(5.1) pp*	*(5.0) pp*	*24.9 %*
Finance income	39.5	21.6	(17.9)	(45.3)%	(45.4)%	153
Finance expenses	(76.2)	(65.1)	11.2	14.6%	15.1%	(462)
Share of profit (loss) of investments accounted for using the equity method	(0.2)	2.1	2.2	—	—	15
Profit before tax	292.5	235.4	(57.1)	(19.5)%	(22.6)%	1,670
Income tax (expenses) benefit	(32.0)	0.5	32.6	—	—	4
Net profit for the period	260.5	235.9	(24.6)	(9.4)%	(9.5)%	1,674
Non-controlling interests	(0.0)	(0.0)	(0.0)	(61.1)%	(59.8)%	(0)
Net profit attributable to owners of the Company	260.5	235.9	(24.6)	(9.4)%	(9.5)%	1,674
Basic EPS (JPY or USD)	168	150	(17)	(10.3)%	(10.3)%	1.07

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, Free Cash Flow, and U.S. Dollar Convenience Translations, 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 Q3 YTD Reconciliation from Reported to Core

(Billion JPY, except EPS and number of shares)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	3,212.9					3,212.9
Cost of sales	(1,044.2)				(0.1)	(1,044.2)
Gross profit	2,168.7				(0.1)	2,168.7
SG&A expenses	(768.6)				(0.5)	(769.1)
R&D expenses	(534.1)				0.0	(534.1)
Amortization of intangible assets associated with products	(387.7)	387.7				—
Impairment losses on intangible assets associated with products[*1]	(119.3)		119.3			—
Other operating income	10.8			(10.8)		—
Other operating expenses	(145.7)			145.7		—
Operating profit	224.1	387.7	119.3	134.9	(0.5)	865.6
Margin	7.0 %					26.9 %
Finance income and (expenses), net	(126.6)				19.3	(107.3)
Share of profit (loss) of investments accounted for using the equity method	2.7				1.6	4.4
Profit before tax	100.3	387.7	119.3	134.9	20.4	762.6
Income tax (expenses) benefit	46.9	(82.5)	(26.4)	(31.8)	(25.1)	(118.9)
Non-controlling interests	(0.1)					(0.1)
Net profit attributable to owners of the Company	147.1	305.2	92.9	103.1	(4.7)	643.6
Basic EPS (JPY)	94					412
Number of shares (millions)	1,563					1,563

*1 Includes in-process R&D.

FY2023 Q3 (Oct-Dec) Reconciliation from Reported to Core

(Billion JPY, except EPS and number of shares)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	1,111.2					1,111.2
Cost of sales	(379.5)				0.1	(379.4)
Gross profit	731.7				0.1	731.8
SG&A expenses	(267.5)				(0.1)	(267.6)
R&D expenses	(187.4)				0.0	(187.4)
Amortization of intangible assets associated with products	(133.8)	133.8				—
Impairment losses on intangible assets associated with products*1	(3.6)		3.6			—
Other operating income	0.9			(0.9)		—
Other operating expenses	(35.4)			35.4		—
Operating profit	104.9	133.8	3.6	34.6	(0.0)	276.8
Margin	9.4 %					24.9 %
Finance income and (expenses), net	(44.8)				1.3	(43.5)
Share of profit (loss) of investments accounted for using the equity method	1.1				0.9	2.1
Profit before tax	61.3	133.8	3.6	34.6	2.2	235.4
Income tax (expenses) benefit	44.5	(28.4)	(0.8)	(15.3)	0.5	0.5
Non-controlling interests	(0.0)					(0.0)
Net profit attributable to owners of the Company	105.7	105.3	2.8	19.3	2.8	235.9
Basic EPS (JPY)	67					150
Number of shares (millions)	1,569					1,569

*1 Includes in-process R&D.

FY2022 Q3 YTD Reconciliation from Reported to Core

(Billion JPY, except EPS and number of shares)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	3,071.3					3,071.3
Cost of sales	(934.3)				32.6	(901.7)
Gross profit	2,137.0				32.6	2,169.6
SG&A expenses	(742.5)				(0.4)	(742.9)
R&D expenses	(472.4)				0.3	(472.1)
Amortization of intangible assets associated with products	(370.6)	370.6				—
Impairment losses on intangible assets associated with products*1	(38.6)		38.6			—
Other operating income	16.7			(16.7)		—
Other operating expenses	(127.6)			127.6		—
Operating profit	401.9	370.6	38.6	111.0	32.5	954.7
Margin	13.1 %					31.1 %
Finance income and (expenses), net	(71.6)				(33.4)	(105.0)
Share of profit (loss) of investments accounted for using the equity method	(3.1)				5.6	2.5
Profit before tax	327.2	370.6	38.6	111.0	4.8	852.1
Income tax (expenses) benefit	(41.3)	(79.4)	(8.2)	(24.1)	8.0	(144.9)
Non-controlling interests	(0.0)					(0.0)
Net profit attributable to owners of the Company	285.9	291.2	30.4	86.9	12.8	707.2
Basic EPS (JPY)	184					456
Number of shares (millions)	1,551					1,551

*1 Includes in-process R&D.

FY2022 Q3 (Oct-Dec) Reconciliation from Reported to Core

(Billion JPY, except EPS and number of shares)	REPORTED	REPORTED TO CORE ADJUSTMENTS				CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Others	
Revenue	1,096.6					1,096.6
Cost of sales	(336.0)				5.9	(330.1)
Gross profit	760.6				5.9	766.4
SG&A expenses	(262.3)				(0.1)	(262.4)
R&D expenses	(174.6)				0.1	(174.6)
Amortization of intangible assets associated with products	(129.8)	129.8				—
Impairment losses on intangible assets associated with products*1	(5.8)		5.8			—
Other operating income	3.2			(3.2)		—
Other operating expenses	(44.3)			44.3		—
Operating profit	147.0	129.8	5.8	41.1	5.8	329.5
Margin	13.4 %					30.0 %
Finance income and (expenses), net	(38.1)				1.3	(36.8)
Share of profit (loss) of investments accounted for using the equity method	(1.8)				1.6	(0.2)
Profit before tax	107.2	129.8	5.8	41.1	8.7	292.5
Income tax (expenses) benefit	12.0	(27.9)	(1.2)	(11.0)	(4.0)	(32.0)
Non-controlling interests	(0.0)					(0.0)
Net profit attributable to owners of the Company	119.1	101.9	4.6	30.1	4.7	260.5
Basic EPS (JPY)	77					168
Number of shares (millions)	1,555					1,555

*1 Includes in-process R&D.

FY2023 Q3 YTD Free Cash Flow

(Billion JPY)	FY2022 Q3 YTD	FY2023 Q3 YTD	vs. PY		(Million USD) FY2023 Q3 YTD Convenience USD Translation
Net profit	285.9	147.2	(138.7)	(48.5)%	1,045
Depreciation, amortization and impairment loss	545.0	675.5	130.6		4,794
Decrease (increase) in trade working capital	(172.4)	(166.7)	5.7		(1,183)
Income taxes paid	(173.4)	(179.3)	(5.9)		(1,272)
Tax refunds and interest on tax refunds received	8.3	13.0	4.7		92
Other	190.0	(52.0)	(242.0)		(369)
Net cash from operating activities (Operating Cash Flow)	683.5	437.8	(245.7)	(36.0)%	3,106
Adjustment for cash temporarily held by Takeda on behalf of third parties*1	76.2	9.6	(66.6)		68
Acquisition of PP&E	(104.9)	(130.9)	(26.0)		(929)
Proceeds from sales of PP&E	0.1	8.6	8.5		61
Acquisition of intangible assets	(84.7)	(285.5)	(200.8)		(2,026)
Acquisition of investments	(5.4)	(4.7)	0.7		(34)
Proceeds from sales and redemption of investments	20.6	1.1	(19.5)		8
Proceeds from sales of business, net of cash and cash equivalents divested	—	0.4	0.4		3
Free Cash Flow	585.2	36.3	(548.9)	(93.8)%	257

*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 Q3 YTD Net Debt to Adjusted EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(Billion JPY)	FY2023 Q3 YTD
Cash & cash equivalents and Level 1 debt investments *1	172.2
Book value debt on consolidated statements of financial position	(4,664.2)
Hybrid bond 50% equity credit	250.0
FX adjustment *2	53.0
Gross debt *3	(4,361.2)
Net cash (debt)	**(4,189.0)**
Net debt/Adjusted EBITDA ratio	**3.1x**
Adjusted EBITDA (LTM) *4	**1,358.9**

NET INCREASE (DECREASE) IN CASH

(Billion JPY)	FY2022 Q3 YTD	FY2023 Q3 YTD	vs. PY	
Net cash from operating activities	683.5	437.8	(245.7)	(36.0)%
Acquisition of PP&E	(104.9)	(130.9)		
Proceeds from sales of PP&E	0.1	8.6		
Acquisition of intangible assets	(84.7)	(285.5)		
Acquisition of investments	(5.4)	(4.7)		
Proceeds from sales and redemption of investments	20.6	1.1		
Proceeds from sales of business, net of cash and cash equivalents divested	—	0.4		
Net increase in short-term loans and commercial papers	—	280.0		
Proceeds from long-term loans	—	100.0		
Repayment of long-term loans	(0.1)	(100.3)		
Repayment of bonds	(281.5)	(220.5)		
Proceeds from the settlement of cross currency interest rate swaps related to bonds	—	60.1		
Purchase of treasury shares	(26.9)	(2.3)		
Interest paid	(86.6)	(78.7)		
Dividends paid	(269.0)	(278.1)		
Others	(32.7)	(47.7)		
Net increase (decrease) in cash	(187.7)	(260.8)	(73.1)	(39.0)%

*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. JPY 250.0 billion reduction in debt due to JPY 500.0 billion 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 LTM represents Last Twelve Months (January 2023 - December 2023). Calculated by subtracting FY2022 Q3 YTD from FY2022 Full Year and adding FY2023 Q3 YTD.

FY2022 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. JPY 250.0 billion reduction in debt due to JPY 500.0 billion 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 USD 4.0 billion upfront payment related to the acquisition of TAK-279 paid in February 2023 (such portion totaling USD 3.0 billion), 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 Q3 YTD Net Profit to Adjusted EBITDA Bridge

(Billion JPY)	FY2022 Q3 YTD	FY2023 Q3 YTD	vs. PY	
Net profit	285.9	147.2	(138.7)	(48.5)%
Income tax expenses	41.3	(46.9)		
Depreciation and amortization	503.0	541.3		
Interest expense, net	86.0	82.0		
EBITDA	916.2	723.6	(192.6)	(21.0)%
Impairment losses	42.0	134.3		
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	105.4	116.4		
Finance expense (income), net, excluding interest income and expense, net	(14.4)	44.6		
Share of profit (loss) of investments accounted for using the equity method	3.1	(2.7)		
Other adjustments:	77.2	50.5		
Non-core expense related to COVID-19	8.4	—		
Impact on profit related to fair value step up of inventory in Shire acquisition	24.9	—		
Other costs*1	43.9	50.5		
Adjusted EBITDA	1,129.5	1,066.6	(62.9)	(5.6)%

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

FY2023 Q3 YTD Net Profit to Adjusted EBITDA LTM Bridge

(Billion JPY)	FY2022 Full Year (Apr - Mar)	FY2022 Q3 YTD (Apr - Dec)	FY2023 Q3 YTD (Apr - Dec)	FY2023 Q3 LTM*1 (Jan - Dec)
Net profit	317.0	285.9	147.2	178.3
Income tax expenses	58.1	41.3	(46.9)	(30.1)
Depreciation and amortization	664.4	503.0	541.3	702.7
Interest expense, net	111.5	86.0	82.0	107.4
EBITDA	1,151.0	916.2	723.6	958.3
Impairment losses	64.4	42.0	134.3	156.7
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	109.0	105.4	116.4	120.0
Finance expense (income), net, excluding interest income and expense, net	(4.7)	(14.4)	44.6	54.3
Share of profit (loss) on investments accounted for using the equity method	8.6	3.1	(2.7)	2.8
Other adjustments:	93.5	77.2	50.5	66.8
Non-core expense related to COVID-19	9.9	8.4	—	1.6
Impact on profit related to fair value step up of inventory in Shire acquisition	24.9	24.9	—	—
Other costs*2	58.7	43.9	50.5	65.2
Adjusted EBITDA	1,421.8	1,129.5	1,066.6	1,358.9

*1 LTM represents Last Twelve Months (January 2023 - December 2023). Calculated by subtracting FY2022 Q3 YTD from FY2022 Full Year and adding FY2023 Q3 YTD.

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

FY2023 Q3 YTD CAPEX, Depreciation and Amortization and Impairment Losses

(Billion JPY)	FY2022 Q3 YTD	FY2023 Q3 YTD	vs. PY		FY2023 Latest Forecast
Capital expenditures*1	189.6	416.4	226.8	119.6 %	480.0 - 530.0*4
Tangible assets	104.9	130.9	26.0	24.8 %	
Intangible assets	84.7	285.5	200.8	237.0 %	
Depreciation and amortization	503.0	541.3	38.3	7.6 %	680.0
Depreciation of tangible assets*2 (A)	113.3	129.8	16.5	14.6 %	
Amortization of intangible assets (B)	389.7	411.4	21.8	5.6 %	
Of which Amortization associated with products (C)	370.6	387.7	17.1	4.6 %	500.0
Of which Amortization excluding intangible assets associated with products (D)	19.1	23.8	4.7	24.4 %	
Depreciation and amortization (excluding intangible assets associated with products) (A)+(D)	132.4	153.6	21.2	16.0 %	180.0
Impairment losses	42.0	134.3	92.3	220.0 %	
Impairment losses associated with products*3	38.6	119.3	80.7	208.9 %	120.0
Amortization and impairment losses on intangible assets associated with products	409.2	507.0	97.8	23.9 %	620.0

*1 Cash flow base

*2 Includes depreciation of investment properties

*3 Includes in-process R&D

*4 FY2023 Latest Forecast reflects expenditures related to the acquisition of TAK-279 from Nimbus and in-licensing of FRUZAQLA (fruquintinib) from HUTCHMED.

FY2023 Full Year Detailed Forecast (unchanged from October 26, 2023)

	(BN JPY)	FY2022 Actual	FY2023 Latest Forecast (Oct 26, 2023)	FY2023 Latest Forecast % change vs. PY
REPORTED	Revenue	4,027.5	3,980.0	(1.2)%
	R&D expenses	(633.3)	(680.0)	(7.4)%
	Amortization of intangible assets associated with products	(485.1)	(500.0)	(3.1)%
	Impairment losses on intangible assets associated with products*1	(57.3)	(120.0)	(109.3)%
	Other operating income	25.4	14.0	(44.9)%
	Other operating expenses	(145.2)	(180.0)	(23.9)%
	Operating profit	490.5	225.0	(54.1)%
	Finance income (expenses), net	(106.8)	(157.0)	(47.0)%
	Profit before tax	375.1	70.0	(81.3)%
	Net profit attributable to owners of the Company	317.0	93.0	(70.7)%
	Basic EPS (yen)	204	59	(70.9)%
	Core Revenue*2	4,027.5	3,980.0	(1.2)%
	Core Operating Profit*2	1,188.4	1,015.0	(14.6)%
	Core EPS (yen)	558	447	(19.9)%
	Free cash flow*3	446.2	400.0 to 500.0	
	CAPEX (cash flow base)*3	(633.7)	(480.0) to (530.0)	
	Depreciation and amortization (excl. intangible assets associated with products)	(179.3)	(180.0)	(0.4)%
	Cash tax rate on adjusted EBITDA (excl. divestitures)	~13%	Mid-teen %*4	
	USD/JPY	135	137	1.6 %
	EUR/JPY	141	145	3.1 %

*1 Includes in-process R&D.
*2 Please refer to A-1 Definition of Core Financial Measures, Constant Exchange Rate Change, Free Cash Flow, and U.S. Dollar Convenience Translations, for the definition and A-18 FY2023 Full Year Reconciliation from Reported Operating Profit to Core Operating Profit Forecast, for reconciliation.
*3 FY2023 Latest Forecast reflects expenditures related to the acquisition of TAK-279 from Nimbus and in-licensing of FRUZAQLA (fruquintinib) from HUTCHMED.
*4 Adjusted from “Mid-to-high teen %” to "Mid-teen %" (February 1, 2024).

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)	Others	
Revenue	3,980.0					3,980.0
Cost of sales						
Gross Profit						
SG&A and R&D expenses					4.0	
Amortization of intangible assets associated with products	(500.0)	500.0				—
Impairment losses on intangible assets associated with products*1	(120.0)		120.0			—
Other operating income	14.0			(14.0)		—
Other operating expenses	(180.0)			180.0		—
Operating profit	225.0	500.0	120.0	166.0	4.0	1,015.0

*1 Includes in-process R&D

FY2023 Full Year FX Rates Assumptions and Currency Sensitivity vs Forecast

Average Exchange Rates vs. JPY				Impact of depreciation of yen from April 2023 to March 2024 (100 million JPY)				
	FY2022 Q3 Actual (Apr-Dec)	FY2023 Q3 Actual (Apr-Dec)	FY2023 Assumption (Apr-Mar)		Revenue (IFRS)	Operating Profit (IFRS)	Net Profit (IFRS)	Core Operating Profit (non-IFRS)
USD	136	143	137	1% depreciation	207.0	15.4	5.8	65.1
				1 yen depreciation	151.1	11.2	4.2	47.5
EUR	140	155	145	1% depreciation	57.2	(37.4)	(32.5)	(30.3)
				1 yen depreciation	39.5	(25.8)	(22.4)	(20.9)
RUB	2.2	1.6	1.6	1% depreciation	4.4	2.6	2.0	3.0
CNY	19.8	20.0	19.8		17.3	10.1	7.8	10.1
BRL	26.5	28.9	28.5		10.9	7.0	5.4	7.1

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