Better health for people,
Brighter future for the world.

FY2021 Q1 EARNINGS ANNOUNCEMENT

July 30, 2021

Better Health, Brighter Future

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AGENDA

01. **Introduction** — **Christophe Weber**, President & CEO

02. **R&D Engine** — **Andy Plump**, President, R&D

03. **Financial Strength** — **Costa Saroukos**, Chief Financial Officer

04. **Q&A Session**

PIVOTING FROM INTEGRATION TO ACCELERATING TOPLINE & PIPELINE

FY2021

A Year of Inflection With Momentum on Topline & Pipeline

- **Acceleration of topline growth**
  - Topline momentum with Q1 reported revenue +18.4% and underlying revenue growth +3.8%[1] driven by 14 Global Brands
  - Distribution underway in Japan for Moderna's COVID-19 Vaccine (COVID-19 Vaccine Moderna Intramuscular Injection), with agreement to import and distribute 100 million doses (increased from initial agreement for 50 million doses)
  - On track towards full-year forecast of +5.4% reported revenue and "mid-single-digit" Underlying Revenue growth guidance
- **An inflection year for the pipeline**
  - Ramping up R&D investment to support innovative pipeline
  - Anticipate 5 to 6 Wave 1 pipeline regulatory submissions completed by end of FY2021, with potential for 5 approvals by end of H1 FY2022
  - Expect 7 New Molecular Entities in pivotal studies by fiscal year-end
  - Dosing complete for Novavax's COVID-19 vaccine (TAK-019) clinical study in Japan with potential approval in H2 FY2021
  - Takeda to focus its global vaccines efforts on Dengue, COVID-19, pandemic influenza and Zika; collaboration with Frazier Healthcare Partners to launch HilleVax, Inc., a biopharmaceutical company to develop and commercialize Takeda's norovirus vaccine candidate

- Read about Takeda's approach to sustainability in our recently published Annual Integrated Report (https://air.takeda.com/)
- Hikari Warning Letter Update: The scheduled on-site re-inspection by the FDA of the Hikari site recently concluded. We are awaiting the final outcome of this re-inspection.

1. Please refer to slide 28 for definition and slides 38 & 39 for reconciliation

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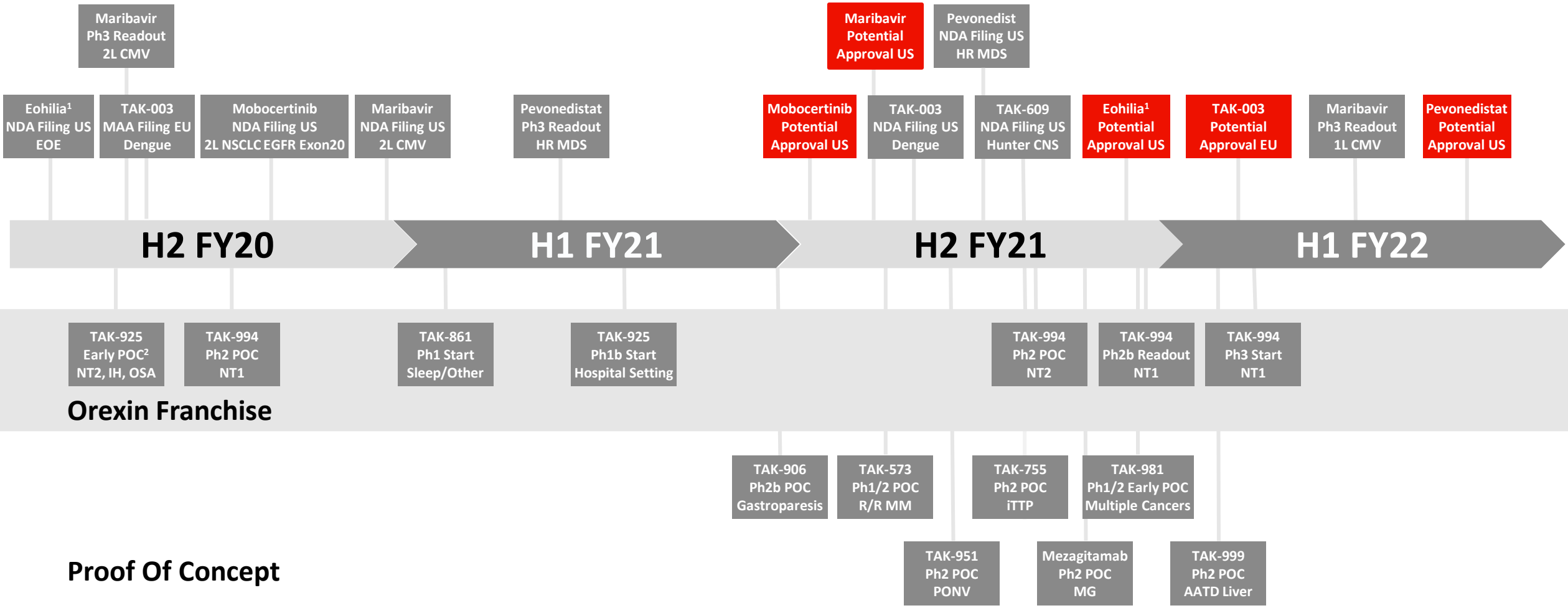
MAJOR NEAR-TERM MILESTONES FOR OUR NME PIPELINE INCLUDING FIVE POTENTIAL APPROVALS

Approvals/Filings/Pivotal Data



1. In active discussions with the FDA. Potential approval subject to outcome of discussions.
2. TAK-925 POC in NT2 published September 2020, POC in OSA published April 2021, and POC in IH is recognized internally and pending publication.
All timelines are approximate estimates as of July 30, 2021 and are subject to change.
Table only shows selected R&D milestones and is not comprehensive. For full glossary of disease abbreviations please refer to appendix.

FY2021 IS AN INFLECTION YEAR

		MOA	TAU /BU	EXPECTED EVENT[1]	FY21		COMMENTS
WAVE 1	Eohilia TAK-721	Muco-adherent topical corticosteroid	Gastroenterology	**US NDA approval for Eosinophilic Esophagitis**	TBD		In active discussions with the FDA. Potential approval subject to outcome of discussions
	TAK-007	CD19 CAR-NK	Oncology	Treat first patient in Takeda-sponsored Phase 2 study	H1		
	Soticlestat TAK-935	CH24H inhibitor	Neuroscience	Phase 3 Pivotal study start in Dravet syndrome	H1		
				Phase 3 Pivotal study start in Lennox-Gastaut syndrome	H1		
	Mobocertinib TAK-788	EGFR tyrosine kinase inhibitor	Oncology	Regulatory filing in China for 2L NSCLC with EGFR exon 20 insertion mutations	H1	✓	
				US NDA approval for NSCLC patients with EGFR exon 20 insertion mutations who have previously received platinum-based chemotherapy	H2		FDA granted priority review
	Pevonedistat TAK-924	NAE inhibitor	Oncology	Pivotal study read out in Phase 3 PANTHER study in 1L HR-MDS	H1		
				US NDA submission for patients with HR-MDS	H2		
	TAK-994	Orexin 2 receptor agonist	Neuroscience	Proof-of-concept in Narcolepsy Type 2	H2		
				Phase 2b readout in Narcolepsy Type 1	H2		
				Regulatory alignment for Narcolepsy Type 1 Phase 3 development	H2		
	Maribavir TAK-620	CMV protein kinase inhibitor	Rare Genetics & Hematology	**US NDA approval for post-transplant CMV infection R/R to prior therapy**	H2		FDA granted priority review
	TAK-003	Dengue vaccine	Vaccine	**Regulatory approval for Dengue vaccine in EU, and start of regulatory approvals for endemic countries**	H2	➡	Potential CHMP Opinion expected H2 FY21. Potential EU approval early FY22[2] and start of approvals for endemic countries
WAVE 2	TAK-906	D2/D3 receptor antagonist	Gastroenterology	Phase 2b read out in Gastroparesis	H1		
	TAK-755	ADAMTS13	Rare Genetics & Hematology	Phase 2 readout in Immune Thrombotic Thrombocytopenic Purpura (iTTP)	H2		Phase 2 read out moved from H1 to H2 FY21
	TAK-951	Peptide agonist	Gastroenterology	Proof-of-concept in PONV	H2		
	TAK-573	Anti-CD38-attenukine	Oncology	Proof-of-concept in R/R MM	H2		
	TAK-981	SUMO inhibitor	Oncology	Early proof-of-concept in multiple cancers	H2		

1. All timelines are approximate estimates as of July 30, 2021 and are subject to change and subject to regulatory approval. *Green tick mark indicates that milestone has been achieved.*
2. Accelerated assessment (AA) reverted to standard assessment (SA). About 50% of those applications granted AA are reverted to SA by the CHMP. (Source: EMA Industry Stakeholder Meeting, Dec 2020)

Table only shows selected R&D milestones and is not comprehensive.
For full glossary of disease abbreviations please refer to appendix.

UPDATES TO OUR PIPELINE IN FY2021 TO DATE

REGULATORY UPDATES

GLOBAL AND REGIONAL BRANDS

MODERNA COVID-19 VACCINE[1]	Approved in JP for adults and adolescents 12+ years
OTHER APPROVALS	Japan: Ninlaro MM maintenance therapy after 1L; Gattex/Revestive SBS China: Adcetris CTCL; Firazyr HAE
ENTYVIO	Validation of filing for Antibiotic-Refractory Pouchitis in EU

WAVE 1 PIPELINE

MARIBAVIR	Filing and acceptance US and EU, FDA granted priority review
MOBOCERTINIB	Filing under review in US, China and other countries[2]
TAK-003 (DENGUE VACCINE)	EMA reverts to standard assessment[3], CHMP Opinion expected FY21
TAK-994	Breakthrough Therapy Designation (BTD) granted by FDA for Narcolepsy Type 1
TAK-999	Breakthrough Therapy Designation granted by FDA for AATD[4] Liver Disease

FOCUSING OUR PIPELINE

TAK-831	Neurocrine to develop for CIAS,[5,6] Takeda will receive milestones and royalties
TAK-671 (PANCREATITIS)	Takeda opted out based on a business decision, and the right to continue developing the asset falls under Samsung Bioepis.
TAK-214 (NOROVIRUS VACCINE)	Launching HilleVax (newco) with Frazier Healthcare Partners to develop and commercialize globally (ex-JP) for upfront consideration, cash milestones and royalties on net sales. Takeda will commercialize in Japan (if approved).

1. COVID-19 Vaccine Moderna Intramuscular Injection
2. Project Orbis is an initiative of the FDA Oncology Center of Excellence's providing a framework for concurrent submission and review of oncology drugs among international regulatory agency partners like the UK, Brazil and Australia.
3. EMA Accelerated Assessment (AA) reverted to Standard Assessment (SA). About 50% of those applications granted AA are reverted to SA by the CHMP. (Source: EMA Industry Stakeholder Meeting, Dec 2020).
4. AATD = Alpha-1 antitrypsin deficiency
5. CIAS: cognitive impairment associated with schizophrenia.
6. For TAK-831, Takeda decided not to co-fund a supplemental study with Neurocrine, which resulted in TAK-831 remaining a Royalty Bearing Product.

ENTYVIO DEMONSTRATED SUPERIOR CLINCIALLY RELEVANT REMISSION VS PLACEBO IN PATIENTS WITH ANTIBIOTIC-REFRACTORY POUCHITIS

ENTYVIO (vedolizumab): ***Potential 1st Approved Treatment for Patients with Antibiotic-Refractory Pouchitis***

Disease Background

- 10-15% of ulcerative colitis patients will undergo proctocolectomy and formation of a pouch
- ~50% of patients with a pouch will develop pouchitis and be treated with antibiotics[1]
- ~10-15% will develop chronic antibiotic-refractory pouchitis[2]

Unmet Need

No drug therapy is currently approved for treatment of antibiotic-refractory pouchitis in the EU

Regulatory Plan

- Filing validated in EU June/July 2021
- Potential EU approval decision Q1 FY22

EARNEST STUDY

- Phase 4 randomized, double-blind, placebo-controlled, multi-center trial
- Study population: Adult subjects with chronic or recurrent pouchitis, mPDAI[3] score ≥ 5 at screening

Efficacy[4]	ENTYVIO N=51	Placebo N=51
Primary Endpoint Clinical remission (mPDAI[3]) at Week 14	31.4%	9.8%
	p-value = 0.013	

No new safety signals have been identified

Full data to be presented at a future medical meeting

1. Koike Y, et al. J Pediatr Surg 2019;54(9):1788.; Shen B. Clin Gastroenterol Hepatol 2013;11(12):1538-49.
2. Gionchetti P, et al. Expert Rev Gastroenterol Hepatol 2015;9(9):1175-81.; Sedano R, et al. Arq Gastroenterol 2020;57(1):100-6.
3. mPDAI: modified Pouchitis Disease Activity Index
4. https://clinicaltrials.gov/ct2/show/NCT02790138

OUR PIPELINE IS STARTING TO DELIVER VALUE

WAVE 1[1] — CLINICAL-STAGE NMEs — WAVE 2[2]

POTENTIAL APPROVAL	FY21	FY22	FY23	FY24	FY25 and Beyond			
ONCOLOGY	**mobocertinib** *2L NSCLC with EGFR exon 20 insertion mutation*	**pevonedistat** *HR-MDS*	**mobocertinib** *1L NSCLC with EGFR exon 20 insertion mutation*	**pevonedistat** *Unfit AML* **TAK-007** *CD19+ hematologic malignancies*	**TAK-981** *Multiple cancers* **TAK-573** *R/R MM*	**TAK-676** *Solid tumors* **TAK-605** *Multiple cancers*	**TAK-252** *Solid tumors* **TAK-186** *EGFR Solid Tumor*	**TAK-102** *Multiple cancers* **TAK-940** *CD19+ hematologic malignancies*
RARE GENETICS & HEMATOLOGY	**maribavir** *R/R CMV infect. in transplant*	**TAK-609** *Hunter CNS (IT)[4]*	**maribavir** *1L CMV infect. in HSCT* **TAK-755** *cTTP*	**TAK-611** *MLD (IT)*	**TAK-755** *iTTP, SCD*	**mezagitamab** *MG, ITP*	**TAK-607** *Complications of prematurity*	
NEUROSCIENCE			**soticlestat** *DS* **soticlestat** *LGS*	**Orexin 2R-ag** *TAK-994* *Narcolepsy T1*	**Orexin 2R-ag** *(TAK-994/TAK-861/TAK-925)* *NT2, IH, Additional Indications* **TAK-071** *Parkinson's Disease*	**TAK-341** *Parkinson's Disease*	**TAK-653[5]** *Inadequate resp. in MDD* **TAK-041[5]** *Anhedonia in MDD*	
GASTRO-ENTEROLOGY	**Eohilia[3]** *EoE* *Approval date TBD*				**TAK-999** *AATD Liver Disease* **TAK-906** *Gastroparesis*	**TAK-062** *Celiac Disease* **TAK-954** *POGD*	**TAK-101** *Celiac Disease* **TAK-951** *Nausea & vomiting*	**sibofimloc** *Crohn's Disease (post-op and ileitis)* **TAK-039** *Hepatic encephalopathy* **TAK-510** *Nausea & vomiting*
VACCINES	**TAK-019** *Novavax COVID-19 Vaccine (JP)* **COVID-19 Vaccine** *Moderna Intramuscular Injection (JP)*	**TAK-003** *Dengue Vaccine[6]*			**TAK-426** *Zika Vaccine*			

● U.S. Breakthrough and/or Fast Track Designations
● China Breakthrough and/or Japan SAKIGAKE Designation
Orphan potential in at least one indication
Orexin franchise
APPROVED

1. Potential approval dates depend on data read-outs; some WAVE 1 target approval dates assume accelerated approval
2. Certain WAVE 2 programs may be accelerated into WAVE 1 depending on future data read outs
3. In active discussions with the FDA. Potential approval subject to outcome of discussions
4. Filing of TAK-609 is subject to feedback from FDA on the ongoing extension trial and may change
5. Partnership with Neurocrine Biosciences
6. Timeline change: TAK-003 (FY22), expect CHMP Opinion in FY21

Removed from NME pipeline: TAK-831, TAK-671, TAK-214. Details of partnership updates in slide 8 and Quarterly Financial Report.

Takeda's Fiscal Year ends March 31 of the following year; e.g.,"FY21" refers to the twelve-month period ending March 31, 2022.
All timelines are approximate estimates of July 30, 2021. For glossary of disease abbreviations please refer to appendix.

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ACCELERATION OF TOPLINE GROWTH: ON TRACK TO FULL-YEAR "MID-SINGLE DIGIT" UNDERLYING GROWTH GUIDANCE[1]

FY2021 Q1 (APR-JUN)

TOPLINE

- **Reported Revenue JPY 949.6B (USD 8.6B)[2]** with growth of +18.4% versus prior year as sale of diabetes portfolio in Japan, business momentum and favorable FX more than offset divestiture headwinds
- **Underlying Revenue growth +3.8%[3]** driven by 14 Global Brands +6.8% despite some quarterly phasing headwinds; China an important growth driver benefitting from recent innovative product launches

MARGINS

- **Reported Operating Profit JPY 248.6B (USD 2.2B)[2]** with growth of +48.6% benefitting from gain on sale of diabetes portfolio in Japan as well as lower purchase price accounting and integration costs
- **Core Operating Profit JPY 248.9B (USD 2.2B)[2,3]** declining -11.4% due to divestitures and increase in R&D investment, with Core OP margin 30.5%. Underlying Core Operating Profit -2.1%, expected to recover to "mid-single digit" growth for full year

CASH FLOW

- **Free Cash Flow JPY 129.9B (USD 1.2B)[2,4]** on track to full year target of JPY 600-700B
- **Net debt / Adjusted EBITDA[5] 3.3x** reflecting half-year dividend paid and cash-out for Maverick acquisition. Total of JPY 242.9B (USD 2.2B)[2] for debt pre-payment in Q1 FY2021, including all debt maturing in FY2021

Solid start to the year & on track towards full-year FY2021 guidance

1. Please refer to slide 23 for full year FY2021 guidance
2. USD included for reference, calculated at JPY/USD of 111.05
3. Please refer to slide 28 for definition and slides 38 & 39 for reconciliation
4. Please refer to slide 29 for definition and slide 42 for reconciliation
5. Please refer to slide 30 for definition and slides 43-45 for reconciliation

Q1 DELIVERED TOPLINE GROWTH & LOW-30s CORE MARGINS

FY2021 Q1 (APR-JUN) FINANCIAL RESULTS (SUMMARY)

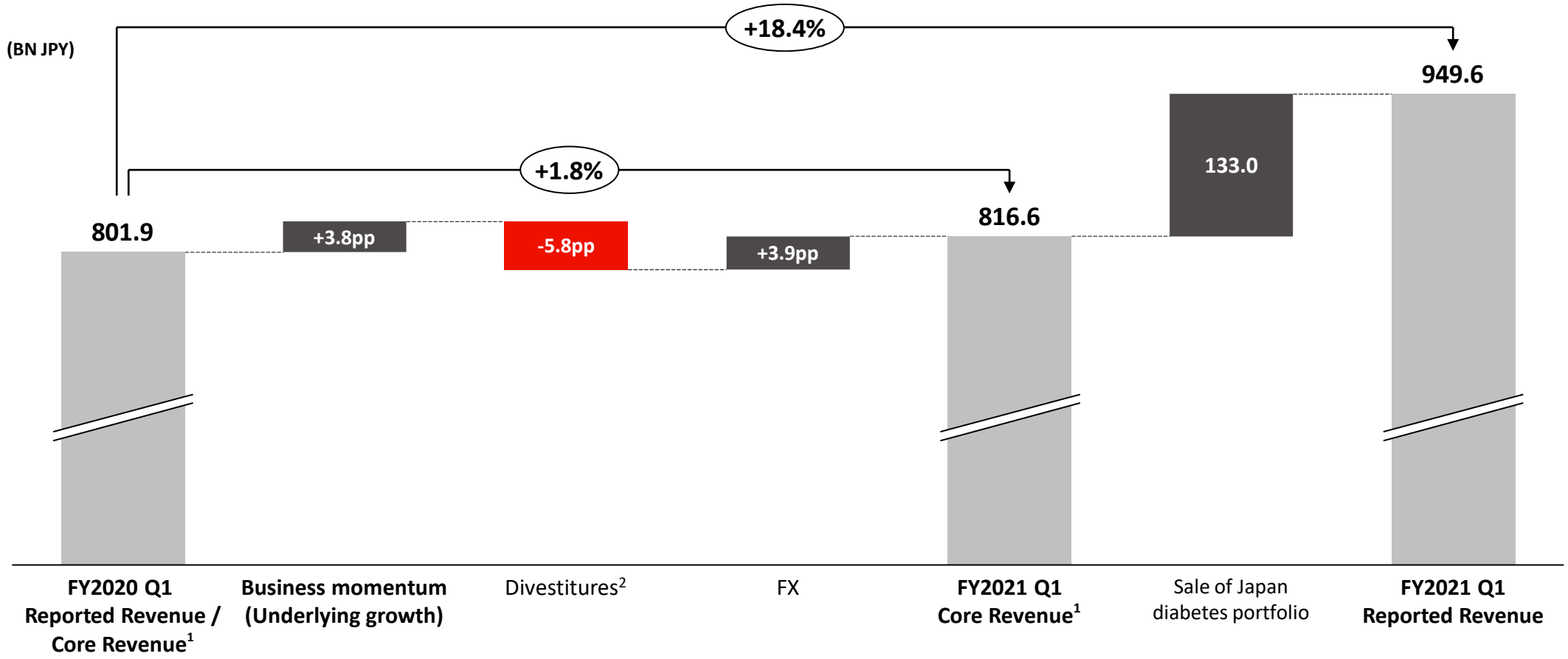
(BN YEN)	REPORTED		CORE[1]		UNDERLYING[2]
	FY2021 Q1	VS. PRIOR YEAR	FY2021 Q1	VS. PRIOR YEAR	
REVENUE	949.6	+18.4%	816.6	+1.8%	*+3.8%*
OPERATING PROFIT	248.6	+48.6%	248.9	-11.4%	*-2.1%*
Margin	*26.2%*	*+5.3pp*	*30.5%*	*-4.5pp*	*30.5%*
NET PROFIT	200.4	+142.8%	176.6	-7.4%	
EPS (JPY)	128 yen	+141.9%	113 yen	-7.7%	*+3.9%*

OPERATING CASH FLOW	166.9	+14.4%
FREE CASH FLOW[3]	129.9	-11.2%

1. Please refer to slide 28 for definition and slide 39 for reconciliation. Core revenue is adjusted to remove JPY 133.0B booked as revenue for the sale of the diabetes portfolio in Japan.
2. Please refer to slide 28 for definition and slides 38 & 39 for reconciliation
3. Please refer to slide 29 for definition and slide 42 for reconciliation

UNDERLYING REVENUE MOMENTUM DRIVEN BY 14 GLOBAL BRANDS; REPORTED REVENUE BENEFITTING FROM SALE OF DIABETES PORTFOLIO

FY2021 Q1 REVENUE VS PRIOR YEAR



Graphs are illustrative

1. Please refer to slide 28 for definition and slides 39 & 40 for reconciliation
2. Refers to revenue from divested businesses, excluding the sale of Japan diabetes portfolio recorded in reported revenue

5 KEY BUSINESS AREAS REPRESENT ~87% OF FY2021 Q1 CORE REVENUE[1]

GI
% of Sales: 26%
Growth: +8%

- Entyvio vedolizumab
- Takecab
- Gattex (Teduglutide [rDNA origin]) for Injection
- ALOFISEL
- DEXILANT dexlansoprazole
- Lialda (mesalamine) 1.2g delayed release tablets
- amitiza lubiprostone
- motegrity (prucalopride) tablets 1mg, 2mg

RARE DISEASES
% of Sales: 19%
Growth: -3%

RARE METABOLIC
% of Sales: 5%
Growth: +7%

- elaprase (idursulfase)
- REPLAGAL
- VPRIV
- Natpara[2]

RARE HEMATOLOGY
% of Sales: 9%
Growth: -9%

- ADVATE [Antihemophilic Factor (Recombinant)]
- ADYNOVATE Rurioctocog alfa pegol (Recombinant Coagulation Factor VIII)
- vonvendi [von Willebrand factor (Recombinant)]
- Obizur [Antihemophilic Factor (Recombinant), Porcine Sequence]
- RIXUBIS [COAGULATION FACTOR IX (RECOMBINANT)]
- AGRYLIN (anagrelide hydrochloride) Capsules of 0.5 mg and 1 mg

HEREDITARY ANGIOEDEMA
% of Sales: 5%
Growth: -2%

- TAKHZYRO (lanadelumab-flyo) injection
- firazyr icatibant
- KALBITOR ecallantide

PDT RARE HEMATOLOGY

- FEIBA
- IMMUNATE
- IMMUNINE
- HEMOFIL M
- IMMUSEVEN

PDT HEREDITARY ANGIOEDEMA

- CINRYZE C1 inhibitor (human)

PLASMA-DERIVED THERAPIES (PDT)

PDT IMMUNOLOGY
% of Sales: 13%
Growth: -2%

- GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10%
- HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase
- Cuvitru [Immune Globulin Subcutaneous (Human)] 20%
- Flexbumin (Human Albumin)
- HUMANALBUMIN
- Glassia
- Aralast NP (alpha-proteinase inhibitor (human))
- kenketu glovenin-I
- KENKETU NONTHRON
- KENKETU ALBUMIN

ONCOLOGY
% of Sales: 15%
Growth: +9%

- NINLARO (ixazomib) capsules
- ALUNBRIG BRIGATINIB
- VELCADE (bortezomib)
- ADCETRIS brentuximab vedotin
- ICLUSIG
- CABOMETYX (cabozantinib) tablets
- Zejula

NEUROSCIENCE
% of Sales: 14%
Growth: +3%

- Vyvanse
- Trintellix vortioxetine
- Mydayis
- AZILECT
- intuniv

OTHER
% of Sales: 13%
Growth: +9%

- Azilva®
- Lotriga®
- Actovegin®
- COVID-19 Vaccine Moderna Intramuscular Injection
- etc.

Global Brands

1. Percentage of sales are based on Core revenue; adjusted to remove JPY 133.0B from sale of Japan diabetes portfolio recorded in revenue. Year-on-year growth rates are underlying revenue.
2. Takeda is working closely with the FDA on a proposed plan to resupply NATPARA in the U.S., however, at this time we do not expect a return to the U.S. commercial market before March 31, 2022

14 GLOBAL BRANDS UNDERLYING REVENUE GROWTH OF +6.8% DESPITE QUARTERLY PHASING HEADWINDS FOR TAKHZYRO AND IG

FY2021 Q1 REVENUE

		(BN JPY)	(MM USD)	versus PY (underlying)	GLOBAL BRAND
GI	Entyvio vedolizumab	125.4	1,129	+18.2%	●
	Takecab	24.3	219	+19.5%	
	Gattex (Teduglutide [rDNA origin]) for Injection	18.1	163	+0.3%	●
	ALOFISEL	0.4	3	>1,000%	●
RARE DISEASES	TAKHZYRO (lanadelumab-flyo) injection	25.5	229	+6.0%	●
	ADYNOVATE Rurioctocog alfa pegol (Recombinant Coagulation Factor VIII)	15.4	138	-3.3%	●
	Natpara	1.2	10	+39.1%	●
	elaprase (idursulfase)	18.6	167	+2.5%	●
	REPLAGAL agalsidase alfa CHANGING THE FACE OF FABRY DISEASE	14.1	127	+10.2%	
	VPRIV	10.5	94	+6.9%	●

FY2021 Q1 REVENUE

		(BN JPY)	(MM USD)	versus PY (underlying)	GLOBAL BRAND
PDT IMMUNOLOGY	IMMUNOGLOBULIN	81.6	735	-6.9%	
	GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10% / Kiovig Human Normal Immunoglobulin (IVIg), 10% Solution			-11.9%	●
	HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase			-2.4%	●
	Cuvitru [Immune Globulin Subcutaneous (Human)] 20%			+18.9%	●
	ALBUMIN/FLEXBUMIN[1]	17.8	160	+26.4%	●
ONCOLOGY	NINLARO (ixazomib) capsules	24.4	219	+2.0%	●
	ADCETRIS brentuximab vedotin	17.2	155	+8.8%	
	ALUNBRIG BRIGATINIB	3.1	28	+47.3%	●
NEURO-SCIENCE	Vyvanse	79.2	713	+15.6%	
	Trintellix vortioxetine	17.9	161	+4.0%	

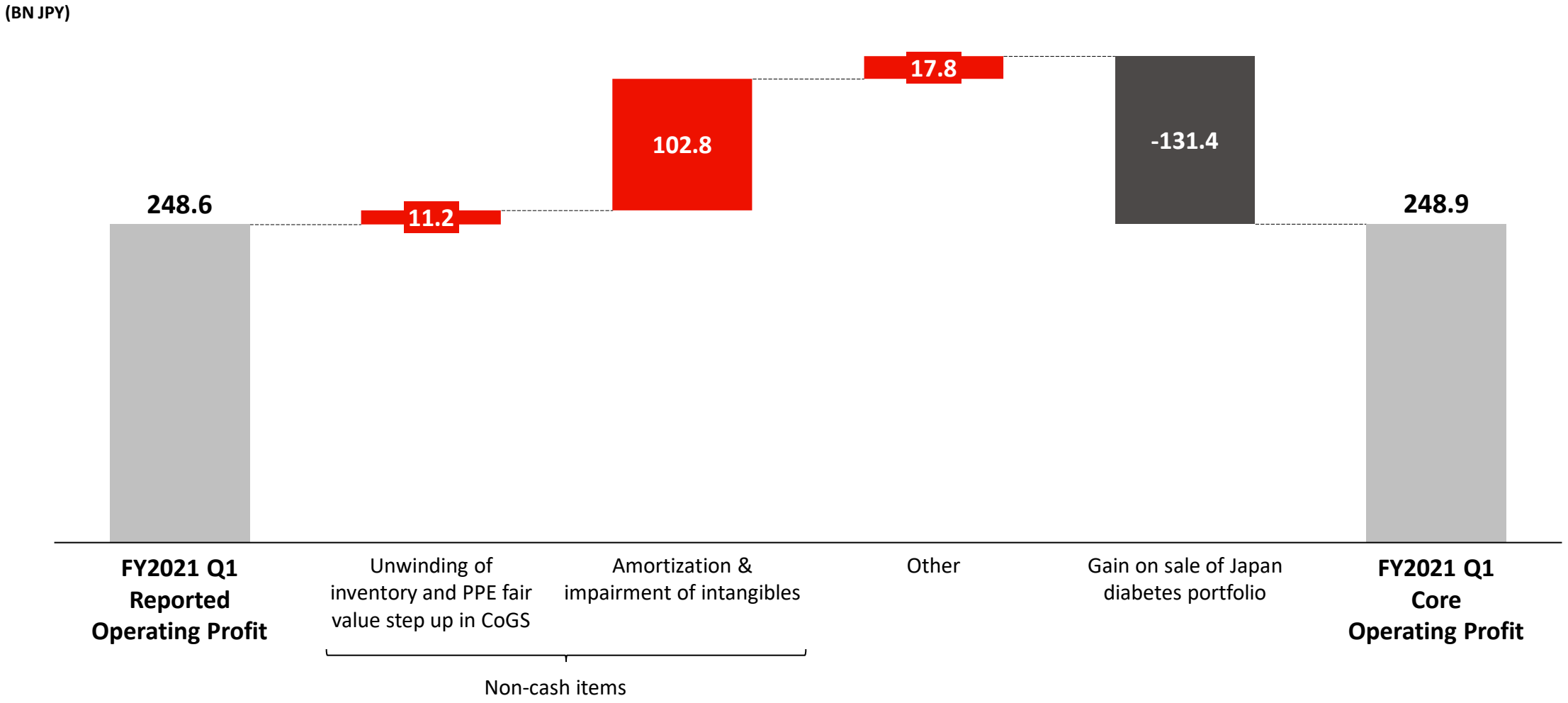
14 GLOBAL BRANDS FY2021 Q1 TOTAL: JPY 335.6B (US$3.0B[2]) (+6.8% UNDERLYING GROWTH)

1. Total includes Albumin Glass, Flexbumin and Kenketsu Albumin.
2. USD included for reference calculated at JPY/USD of 111.05 yen.

Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth.

REPORTED OPERATING PROFIT REFLECTS GAIN ON SALE OF DIABETES PORTFOLIO AND DECLINING PPA & INTEGRATION COSTS, WHICH ARE ADJUSTED OUT OF CORE

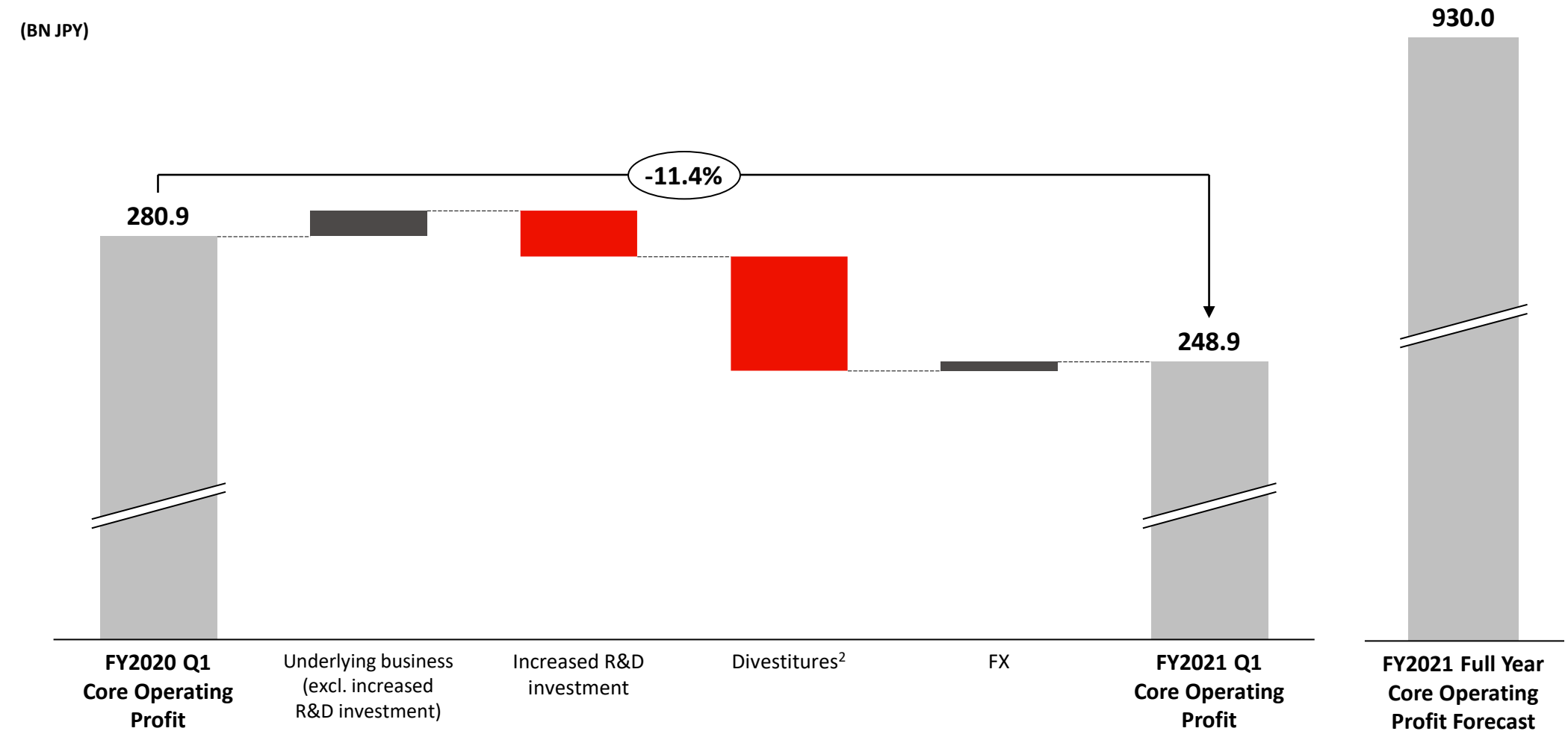
BRIDGE FROM FY2021 Q1 REPORTED TO CORE OPERATING PROFIT[1]



PPA: Purchase Price Accounting
1. Please refer to slide 28 for definition and slide 39 for reconciliation.

CORE OPERATING PROFIT REFLECTS INCREASE IN R&D INVESTMENT & DIVESTITURE IMPACT; ON TRACK TO FULL YEAR FORECAST OF JPY 930B

FY2021 Q1 CORE OPERATING PROFIT[1]

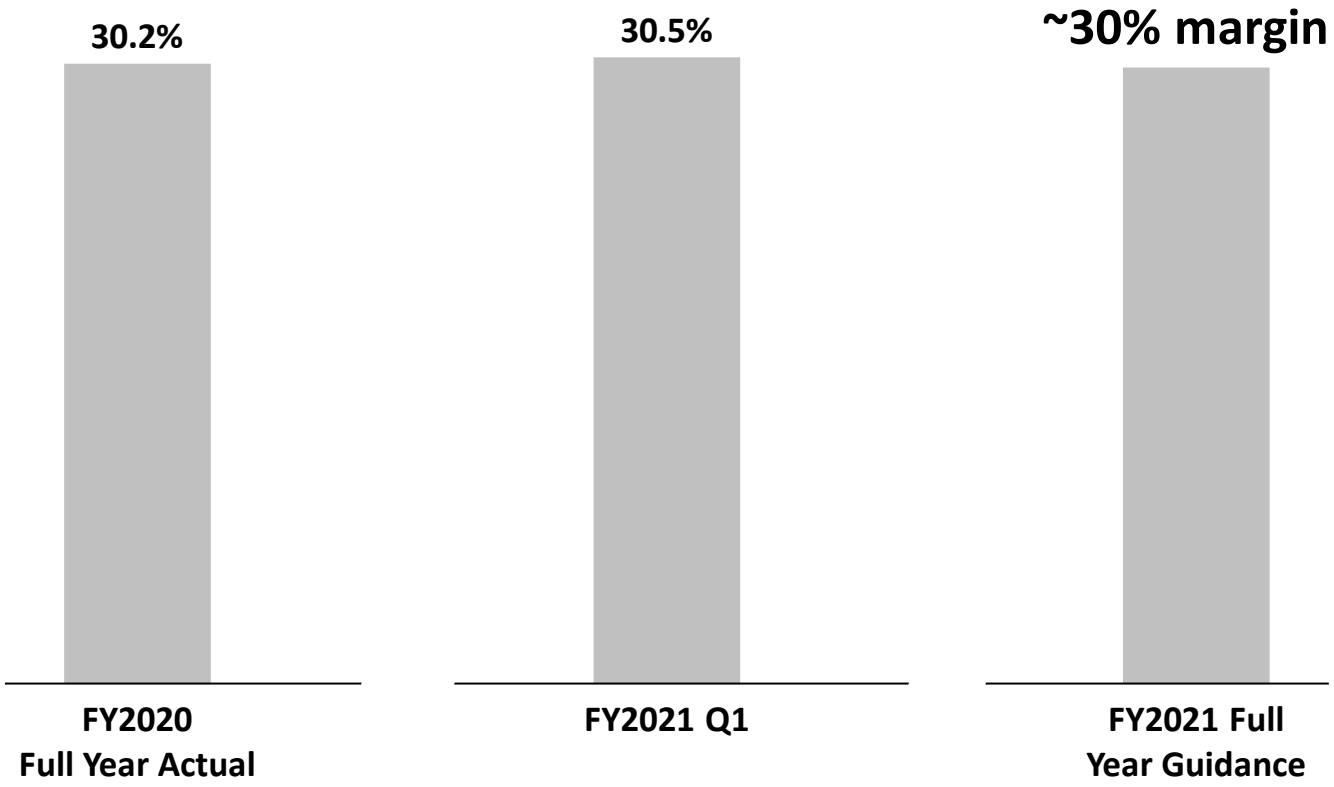


Graphs are illustrative

1. Please refer to slide 28 for definition and slides 39 & 40 for reconciliation
2. Refers to Operating Profit attributable to divested businesses; does not include gain on divestitures, which is adjusted out of Core Operating Profit

ON TRACK TO FULL-YEAR TARGET OF UNDERLYING CORE OPERATING PROFIT MARGIN OF APPROXIMATELY 30%, DESPITE INCREASE IN R&D INVESTMENT

UNDERLYING CORE OPERATING PROFIT[1] MARGIN



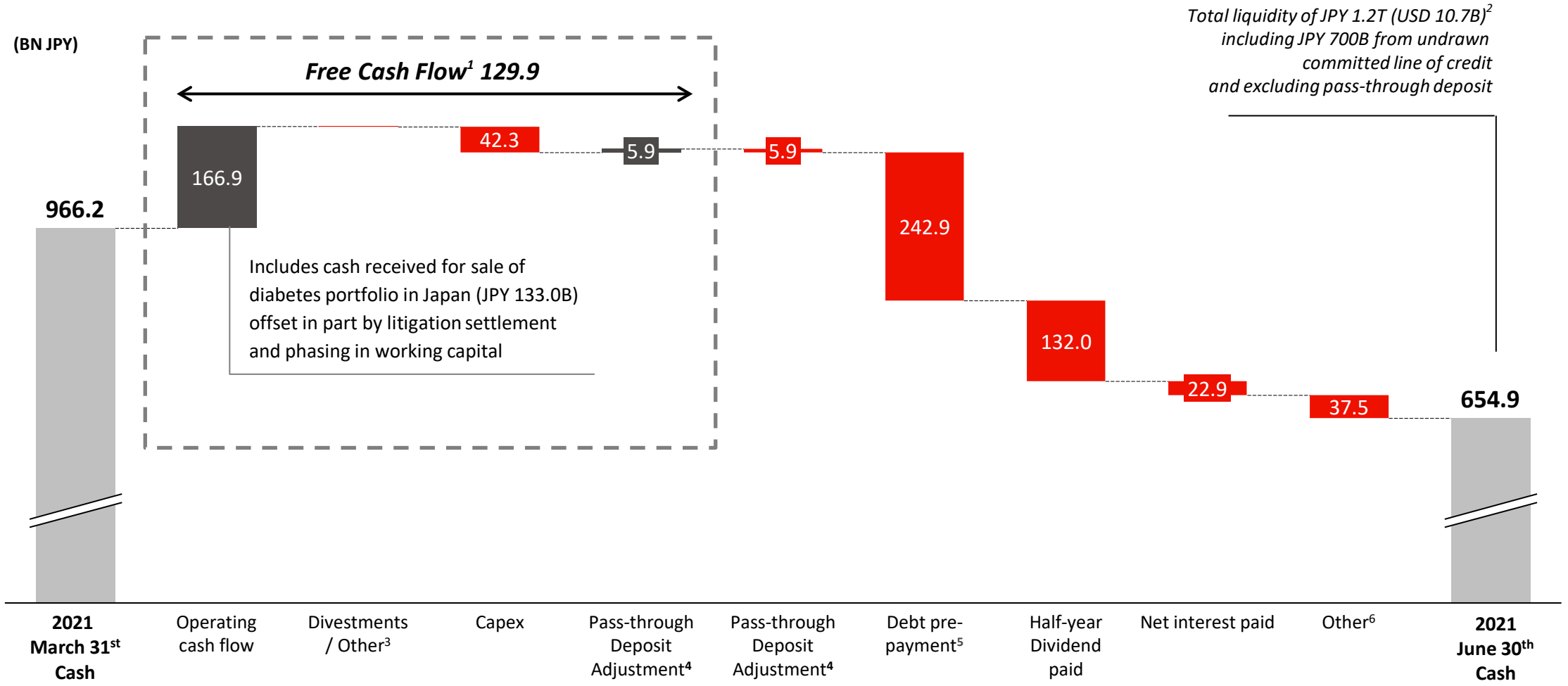
FY21-23 MARGIN TARGET
Low-to-mid 30%s

KEY OPPORTUNITIES TO FY2023

- Revenue growth driven by high-margin 14 Global Brands
- PDT margins improving over time
- Disciplined SG&A control

Graph is illustrative
1. Please refer to slide 28 for definition and slides 39 and 41 for reconciliation.

FY2021 Q1 CASHFLOW REFLECTS SIGNIFICANT DEBT PRE-PAYMENT



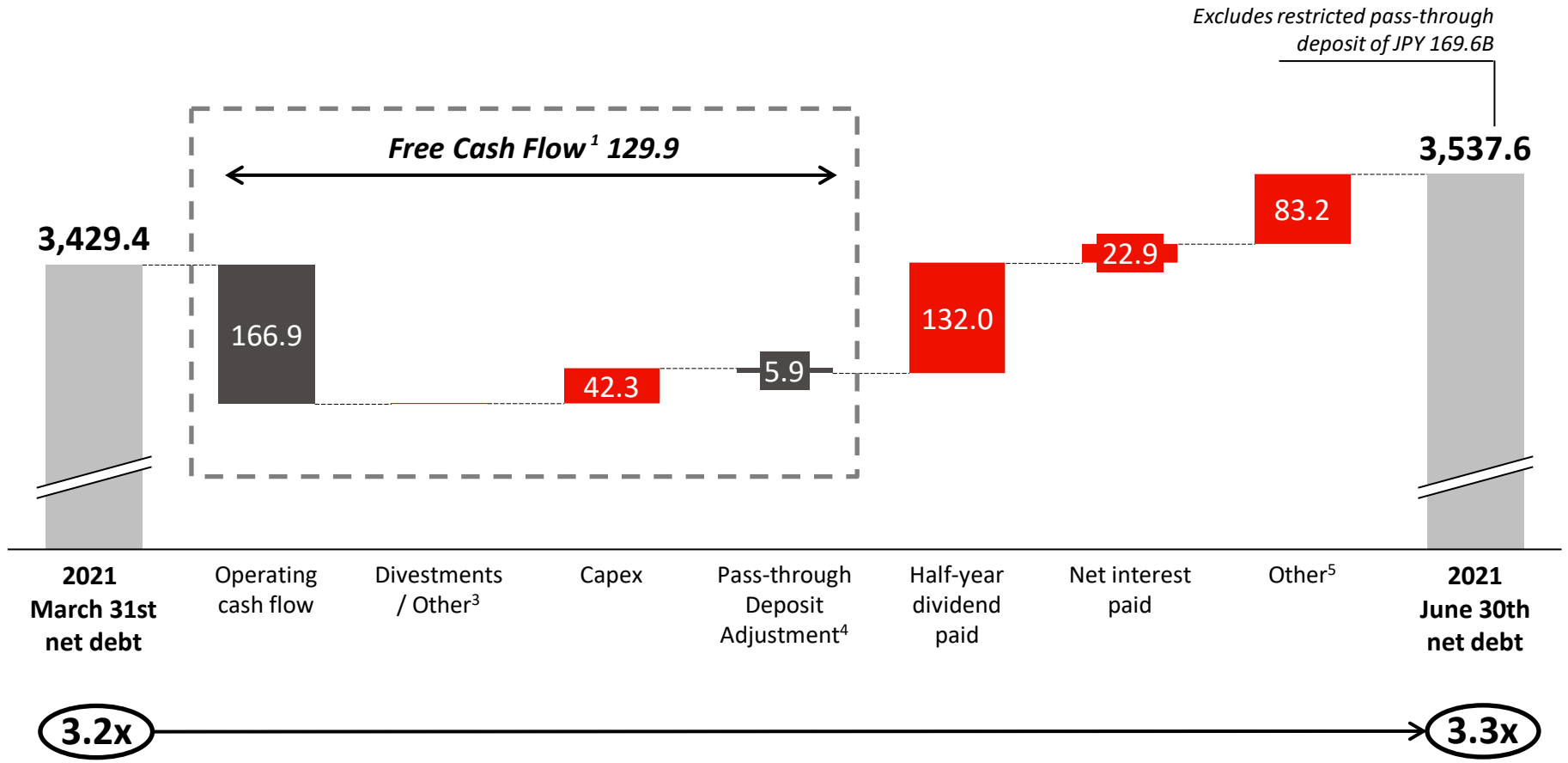
1. Please refer to slide 29 for definition.
2. USD provided for reference calculated at JPY/USD of 111.05 yen
3. Proceeds from Divestments are net of non-equity method of investments
4. Pass-through Deposit Adjustment refers to deposits restricted to certain vaccine operations included in Operating Cash Flow but removed from Free Cash Flow because this cash is not available for Takeda's immediate or general business use.
5. "Debt Repayment" comprises debt pre-payment of JPY 220.1B (USD 2B) JBIC Loan pre-payment and JPY 22.8B (USD 0.2B) USD Bonds pre-payment
6. "Other" indicates items such as FX impact on cash, lease obligations, equity method investments and contingent considerations payments.

JBIC: Japan Bank for International Cooperation

NET DEBT/ADJUSTED EBITDA AT 3.3x REFLECTING HALF-YEAR DIVIDEND PAID, AND CASH-OUT FOR MAVERICK ACQUISITION

CHANGE IN NET DEBT

(BN JPY)

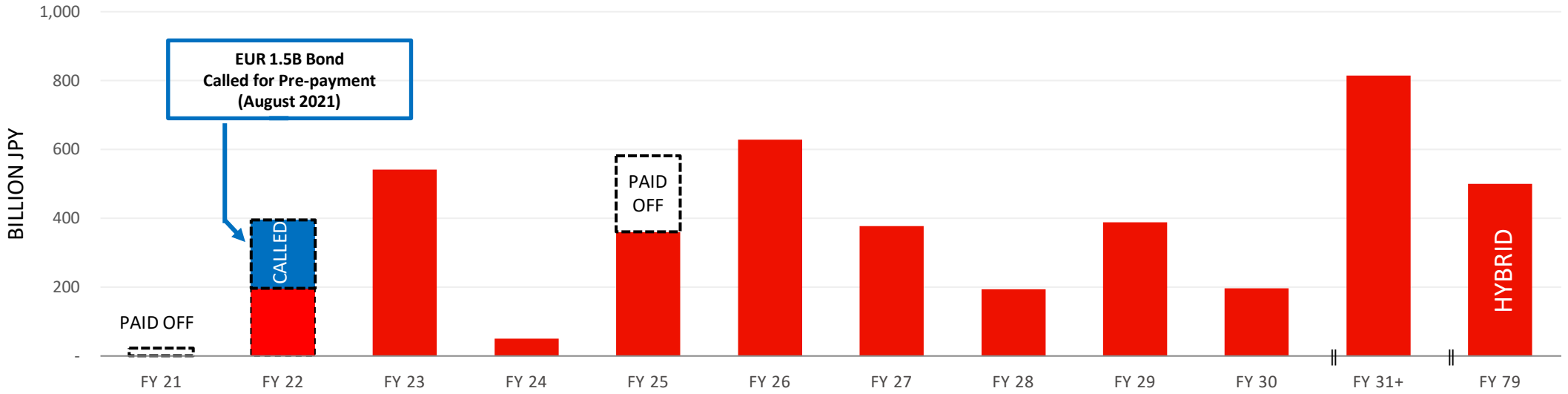


Graph is illustrative

1. Please refer to slide 29 for definition.
2. "Adjusted EBITDA" mainly adjusts for non cash items and one-time expenses. Please refer to slide 30 for definition and slides 43-45 for reconciliation. Starting from the quarter ended June 30, 2021, new non-JPY debt incurred and existing non-JPY debt redeemed during the quarter are translated at relevant spot rates to better reflect the changes in net debt taking place during the reporting period, while outstanding non-JPY debts during the quarter continue to be translated at prior 12-month average exchange rates as before. Had the same methodology been used for March 31, 2021, net debt would not have been changed significantly and net debt to adjusted EBITDA would have remained unchanged from 3.2x.
3. Proceeds from Divestments are net of non-equity method investments
4. Pass-through Deposit Adjustment refers to deposits restricted to certain vaccine operations included in Operating Cash Flow but removed from Free Cash Flow and net debt because this cash is not available for Takeda's immediate or general business use.
5. Includes cash and non cash adjustments to debt book-value and equity method investments. Non cash adjustments include changes due to debt amortization, FX impact from converting non-JPY debt into JPY.

CONTINUED PROGRESS WITH DEBT PRE-PAYMENT; APPROX USD 4.1B PAID OFF OR CALLED IN FY2021 INCLUDING ALL REMAINING FY2021 MATURITIES

MATURITY LADDER AS OF 30 JUNE 2021 (AS ADJUSTED)[1]



Weighted Average Interest Coupon: ~2%

Q1 FY2021: Takeda pre-paid $2.0B of December 2025 JBIC loan and remaining $0.2B of 2.45% January 2022 USD Bond

FY2021: Takeda expects to pre-pay approx. JPY 450 B (~ $4.1B) of debt. This includes the debt listed above that was paid and called in Q1 2021

JBIC: Japan Bank for International Cooperation
1. Debt Maturity Profile for non-JPY debt calculated as at end of June 2021 FX Rates 110.46 JPY/USD and 131.30 JPY/EUR

ON TRACK TOWARDS FULL-YEAR FY2021 GUIDANCE (UNCHANGED FROM MAY 2021)

(BN YEN)	FY2021 FORECAST	UNDERLYING[2] (MANAGEMENT GUIDANCE)
REPORTED REVENUE	3,370.0	**Mid-single-digit growth**
R&D EXPENSES	-522.0	
REPORTED OPERATING PROFIT	488.0	
CORE OPERATING PROFIT[1]	930.0	**Mid-single-digit growth ~30% margin**
REPORTED EPS (YEN)	160	
CORE EPS (YEN)	394	**Mid-single-digit growth**
FREE CASH FLOW	600-700	
ANNUAL DIVIDEND PER SHARE (YEN)	180	

Key assumptions in FY2021 forecast:
(1) To date, Takeda has not experienced a material effect on its financial results as a result of the global spread of the novel coronavirus infectious disease (COVID-19). Based on currently available information, Takeda believes that its financial results for FY2021 will not be materially affected by COVID-19 and, accordingly, Takeda's FY2021 forecast reflects this belief. However, the situation surrounding COVID-19 remains highly fluid, and future COVID-19-related developments in FY2021, including new or additional COVID-19 outbreaks and additional or extended lockdowns, shelter-in-place orders or other government action in major markets, could result in further or more serious disruptions to Takeda's business, such as slowdowns in demand for Takeda's products, supply chain related issues or significant delays in its clinical trial programs. These events, if they occur, could result in an additional impact on Takeda's business, results of operations or financial condition, as well as result in significant deviations from Takeda's FY2021 forecast.
(2) Takeda expects at least one 505(b)2 competitor for subcutaneous VELCADE to launch in the U.S. around mid FY2021
(3) Takeda does not expect to restart sales of Natpara in the U.S. market in FY2021
(4) FY2021 guidance does not include the impact of any potential further divestitures beyond what has already been disclosed by Takeda

1. Please refer to slide 28 for definition and slide 48 for FY2021 forecast reconciliation.
2. Underlying growth adjusts for divestitures (assets divested in FY2020 and disclosed divestitures expected to close in FY2021) and applies the FY2020 full year average FX rate. Please refer to slide 28 for definition.

ACCELERATION OF TOPLINE GROWTH: ON TRACK TO FULL-YEAR "MID-SINGLE DIGIT" UNDERLYING GROWTH GUIDANCE[1]

	FY2021 Q1 (APR-JUN)	FY2021 AND BEYOND
TOPLINE	Underlying Revenue growth +3.8%[2]	• Confident in "mid-single digit" full-year FY2021 underlying revenue growth guidance with acceleration due to quarterly phasing of 14 Global Brands and continued roll-out of COVID-19 vaccines in Japan • Momentum expected to continue over the mid-term driven by 14 Global Brands and Wave 1 Pipeline launches
MARGINS	Core Operating Profit[2] JPY 248.9B Underlying Core OP[2] margin 30.5%	• Tracking well towards full-year FY2021 Core Operating Profit forecast of JPY 930.0B[3] and full-year margin guidance despite ramp-up of R&D investment in an inflection year for the pipeline • Target "low-to-mid thirties" margins in FY21-23
CASH FLOW	Free Cash Flow[4] JPY 129.9B Net Debt/Adjusted EBITDA[5] 3.3x	• On track to full year Free Cash Flow[4] target of JPY 600-700B • Continued focus on cash generation and debt paydown • Target 2x ("low twos") Net debt / Adjusted EBITDA[5] ratio in FY21-23

1. Please refer to slide 23 for full year FY2021 guidance
2. Please refer to slide 28 for definition and slides 38 & 39 for reconciliation
3. Please refer to slide 28 for definition and slide 48 for reconciliation
4. Please refer to slide 29 for definition and slide 42 for reconciliation
5. Please refer to slide 30 for definition and slides 43-45 for reconciliation

Q&A SESSION

Christophe Weber

President & Chief Executive Officer

Andy Plump

President, Research & Development

Costa Saroukos

Chief Financial Officer

Masato Iwasaki

Japan General Affairs

Ramona Sequeira

President, U.S. Business Unit & Global Portfolio Commercialization

Julie Kim

President, Plasma-Derived Therapies Business Unit

APPENDIX

TAKEDA'S DISCLOSURE METRICS

"REPORTED"

Financial results recorded and prepared in accordance with International Financial Reporting Standards (IFRS)

"CORE"

From Reported Results, adjust for:

1. Amortization and impairment expenses for intangible assets associated with products
2. Impacts of purchase accounting
3. Restructuring costs
4. Other material or non-recurring items that do not represent our on-going core operations (e.g. one-time expenses & income)

Intended to be similar to 'Non-GAAP' or 'Core' results reported by our peers

"UNDERLYING"

From Core Results, further adjust for:

1. Impact of foreign exchange
2. Impact of divestitures(divested assets removed from both prior and current year)

GAAP Reporting (IFRS)

Non-GAAP Reporting (Non-IFRS)

Note: Please refer to slides 28-30, 38-45, and 48 for a more detailed definition of Core and Underlying measures, and for reconciliation tables.

DEFINITION OF CORE AND UNDERLYING GROWTH

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

Underlying Growth compares two periods (fiscal quarters or years) of financial results under a common basis and is used by management to assess the business. These financial results are calculated on a constant currency basis using a full year plan rate and exclude the impacts of divestitures and other amounts that are unusual, non-recurring items or unrelated to our ongoing operations. Although these are not measures defined by IFRS, Takeda believes Underlying Growth is useful to investors as it provides a consistent measure of our performance.

Takeda uses "**Underlying Revenue Growth**", "**Underlying Core Operating Profit Growth**", and "**Underlying Core EPS Growth**" as key financial metrics.

Underlying Revenue represents revenue on a constant currency basis and excluding non-recurring items and the impact of divestitures that occurred during the reporting periods presented.

Underlying Core Operating Profit represents Core Operating Profit (as defined to the right) on a constant currency basis and further adjusted to exclude the impacts of divestitures that occurred during the reporting periods presented.

Underlying Core EPS represents net profit based on a constant currency basis, adjusted to exclude the impact of divestitures and items excluded in the calculation of Core EPS (as defined to the right), divided by the outstanding shares (excluding treasury shares) as of the end of the comparative period.

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.

DEFINITION OF FREE CASH FLOW

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, excluding acquisition of property, plant and equipment, intangible assets and investments, and any other cash that is not available to Takeda's immediate or general business use, and including proceeds from sales of property, plant, sales and redemption 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 inclusion of proceeds from sales and redemption of investments and the proceeds from sales of business, net of cash and cash equivalents divested, although they reflect the execution of our current strategy of divesting non-core assets, 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

EBITDA and Adjusted EBITDA

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

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

The usefulness of EBITDA and Adjusted EBITDA to investors has limitations including, but not limited to, (i) they may not be comparable to similarly titled measures used by other companies, including those in our industry, (ii) they exclude financial information and events, such as the effects of an acquisition or amortization of intangible assets, that some may consider important in evaluating our performance, value or prospects for the future, (iii) they exclude items or types of items that may continue to occur from period to period in the future and (iv) they may not exclude all items which investors may consider to be unrelated to our long-term operations, such as the results of businesses divested during a period. These non-IFRS measures are not, and should not be viewed as, substitutes for IFRS reported net income (loss). We encourage investors to review our historical financial statements in their entirety and caution investors to 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 net profit before income tax expenses, depreciation and amortization and net interest expense. We define Adjusted EBITDA as EBITDA further adjusted to exclude impairment losses, other operating expenses and income (excluding depreciation and amortization), finance expenses and income (excluding net interest expense), our share of loss from investments accounted for under the equity method and other items that management believes are unrelated to our core operations such as purchase accounting effects and transaction related costs.

The most closely comparable measure presented in accordance with IFRS is net profit for the year. Please refer to slides 44-45 for a reconciliation to the respective most closely comparable measures presented in accordance with IFRS.

Net Debt

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.

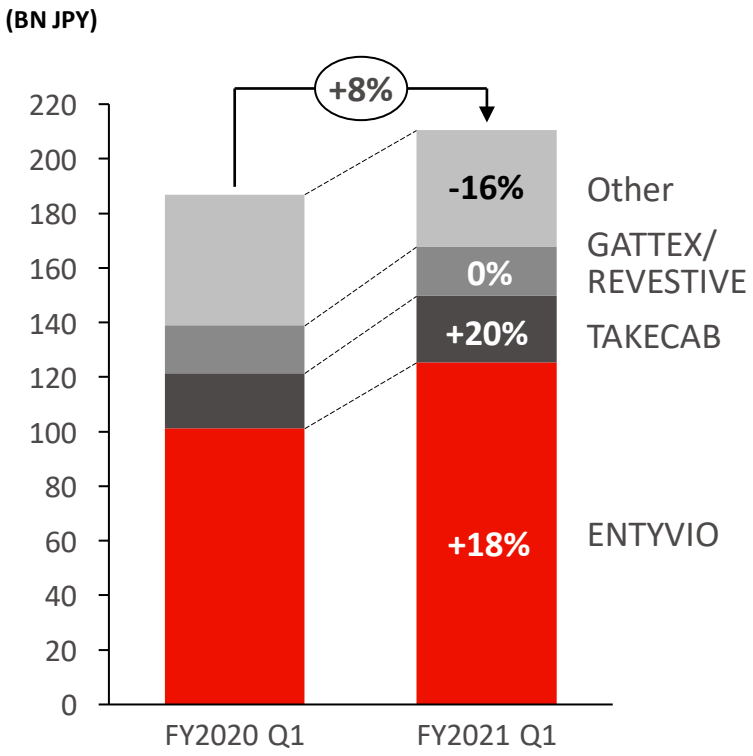
We define Net Debt first by calculating the sum of the current and non-current portions of bonds and loans as shown on our consolidated statement of financial position, which is then adjusted to reflect (i) the use of prior 12-month average exchange rates for non-JPY debt outstanding at the beginning 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. From this figure, we deduct cash and cash equivalents, excluding cash that is not available to Takeda's immediate or general business use, to calculate Net Debt.

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 slide 43 for a reconciliation to this measure.

GROWTH OF GI FRANCHISE SPEARHEADED BY ENTYVIO

GI PORTFOLIO
FY2021 Q1 REVENUE



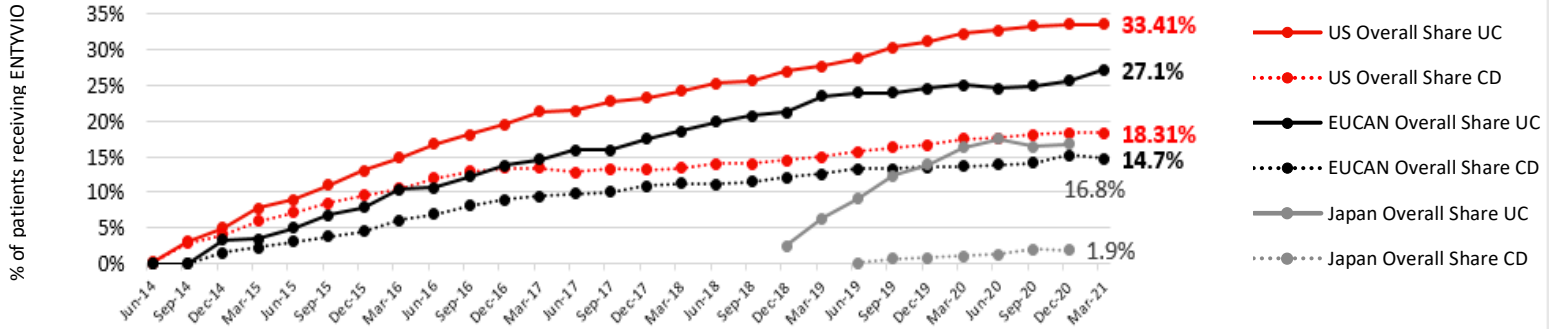
Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are underlying growth[1].

Revestive®

- Approved in Japan in June 2021

Entyvio® vedolizumab

- Entyvio has a gut-selective mechanism of action, and is capturing patient share supported by its unique data package demonstrating efficacy and safety profile (including H2H superiority, real world evidence, endoscopic, histologic, transmural outcomes)
- Subcutaneous formulation:
  - EU: Steady uptake since approval in May 2020, with higher than expected new-to-product patients versus IV switches
  - U.S.: Complete Response Letter received December 2019; in August 2020, Takeda had a productive meeting with the FDA wherein we gained clarity on data needs for the device required to support approval. Continued testing of the device will take time, and as a result, we expect to potentially launch in UC in FY2022, pending FDA approval.



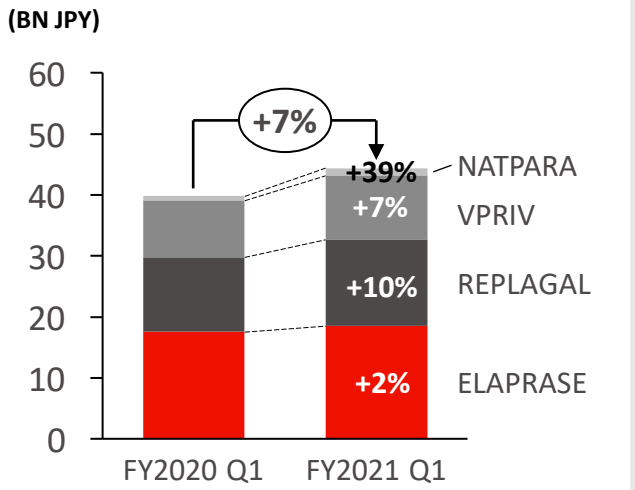
Source: US: SHA Medical and Pharmacy Claims data, March 2021; EUCAN: Internal estimate; Japan: Japan Medical Data Center, Dec 2020

1. For definition please refer to slide 28.
For glossary of disease abbreviations please refer to appendix.

RARE DISEASES REVENUE IN LINE WITH PLAN; HAE EXPECTED TO RECOVER

RARE METABOLIC

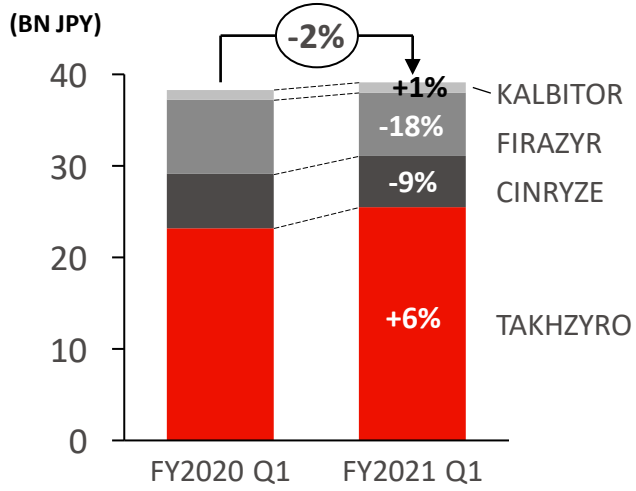
FY2021 Q1 REVENUE



- Steady performance of ELAPRASE, REPLAGAL and VPRIV
- NATPARA growth coming from expansion in Europe. While we have made progress on the original issue that led to the U.S. recall of NATPARA, we have not yet reached a resolution. We expect to submit a PAS[1] to FDA in FY2021 to address the recall. At this time we do not expect a return to the US market before March 31, 2022.

HEREDITARY ANGIOEDEMA

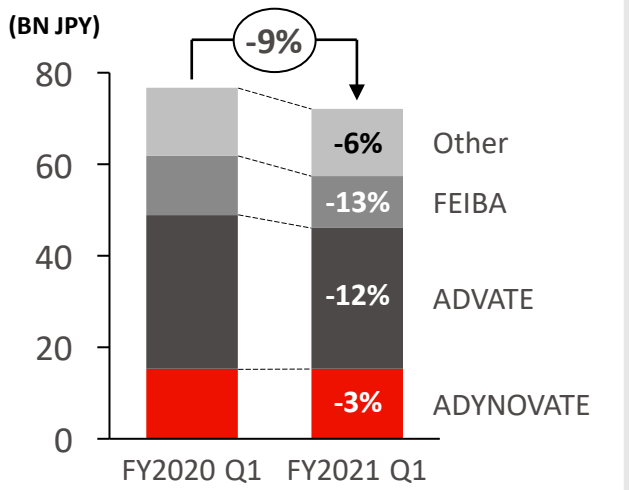
FY2021 Q1 REVENUE



- TAKHZYRO Q1 growth rate impacted by shipment timing; remain on track toward full year forecast of 20-30% underlying growth.
  - U.S. market leader, driven by combination of strong efficacy, long-term safety profile and reduced treatment burden.
  - Now available in 27 countries worldwide, with strong launches in key EU countries, LATAM & Asia. Launched in China in June 2021

RARE HEMATOLOGY

FY2021 Q1 REVENUE



- Rare hematology competitive landscape continues to be in line with expectations
- China NMPA accepted New Drug Application of ADYNOVATE in June 2021

Note: Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth (for definition please refer to slide 28).

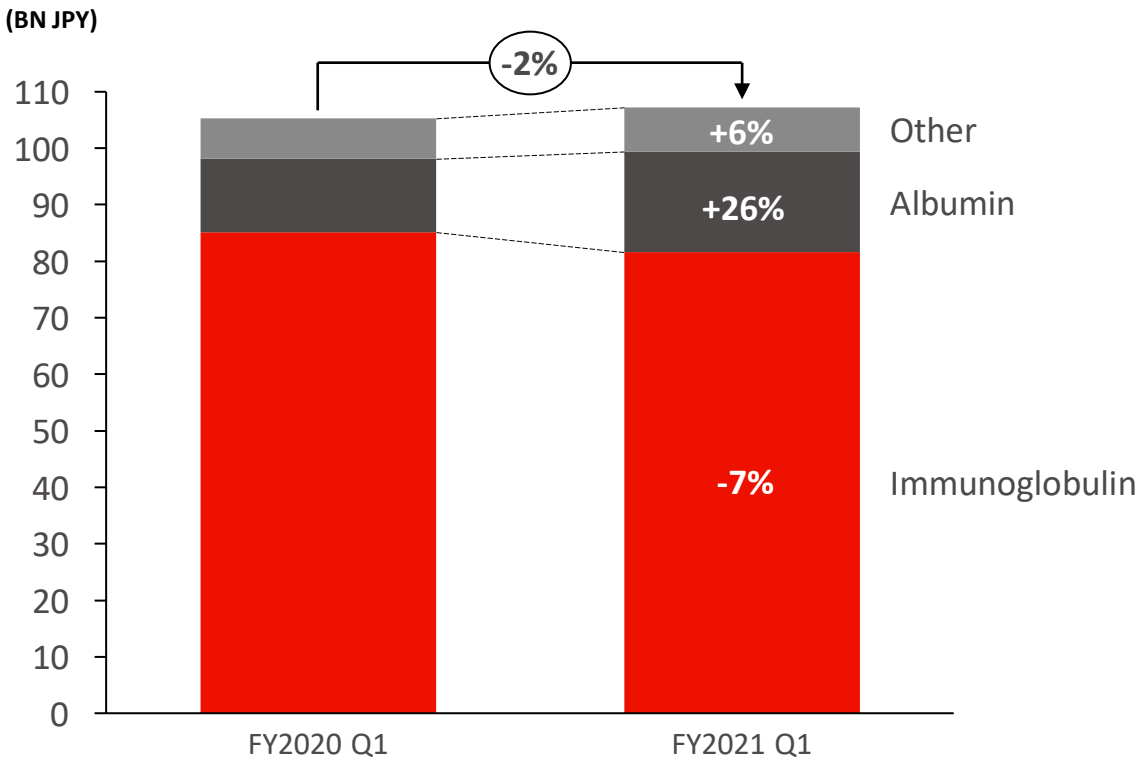
1. PAS: Prior Approval Supplement is a filing with the FDA to gain approval of a change which must be approved before distribution of the changed drug product. NMPA: National Medical Products Administration

PLASMA-DERIVED THERAPIES

PDT GROWTH IMPACTED BY QUARTERLY PHASING OF IGs; FULL-YEAR OUTLOOK UNCHANGED

PDT IMMUNOLOGY PORTFOLIO

FY2021 Q1 REVENUE



Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth[1]

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

Kiovig Human Normal Immunoglobulin (IVIg), 10% Solution

HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase

Cuvitru [Immune Globulin Subcutaneous (Human)] 20%

- Immunoglobulin products underlying growth -7% due to quarter-on-quarter fluctuations and high Q1 FY2020; we remain confident in full-year forecast of 5-10% growth
- Albumin portfolio exhibited strong growth, up +26%, supported by resolution of the temporary supply interruption in China that affected the second half of FY2020

CONTINUING TO INVEST IN PLASMA COLLECTION

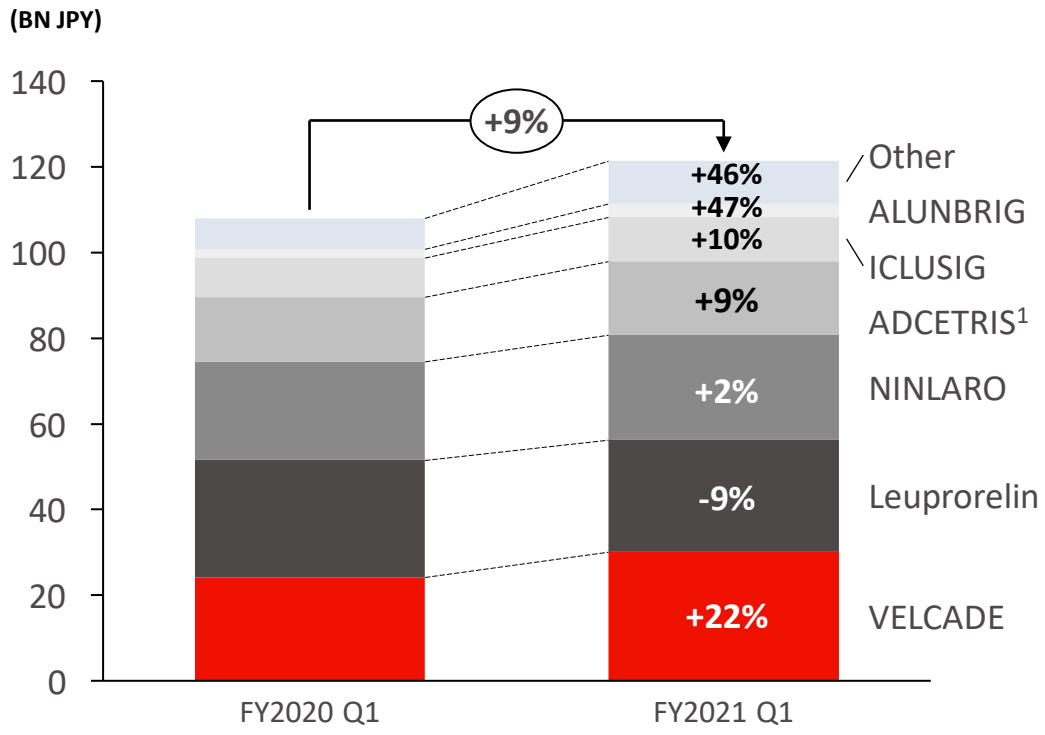
- As of June 30th, our current footprint is 188 centers (153 centers in the US and 33 ex-US) which represents an increase of 5 centers to date in FY2021
- Execution against strategy to invest in new centers plus operational excellence to increase plasma supply and manufacturing capacity by >65% by 2024[2] is on track

1. For definition please refer to slide 28.
2. Versus 2018 baseline

STRONG ONCOLOGY PORTFOLIO CONTINUES TO EXPAND INDICATIONS

ONCOLOGY PORTFOLIO

FY2021 Q1 REVENUE



Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth[2]

ALUNBRIG® BRIGATINIB 30 mg TABLETS

- Launched ALUNBRIG in Japan in April 2021 for first and second-line treatment of patients with unresectable, advanced or recurrent ALK fusion gene-positive non-small cell lung cancer, following approval in January 2021

NINLARO® (ixazomib) capsules 4mg | 3mg | 2.3mg

- Received manufacturing and marketing approval in Japan in May 2021 to expand indication as a maintenance therapy after first-line treatment for multiple myeloma without prior stem cell transplantation

ICLUSIG® (ponatinib) tablets 45mg / 30mg / 15mg / 10mg

- Continued growth supported by U.S. sNDA approval in December 2020 for adult patients with CP-CML with resistance or intolerance to at least two prior TKIs. The updated label includes a new response-based dosing strategy for CP-CML that optimizes benefit-risk profile, providing efficacy and improving safety

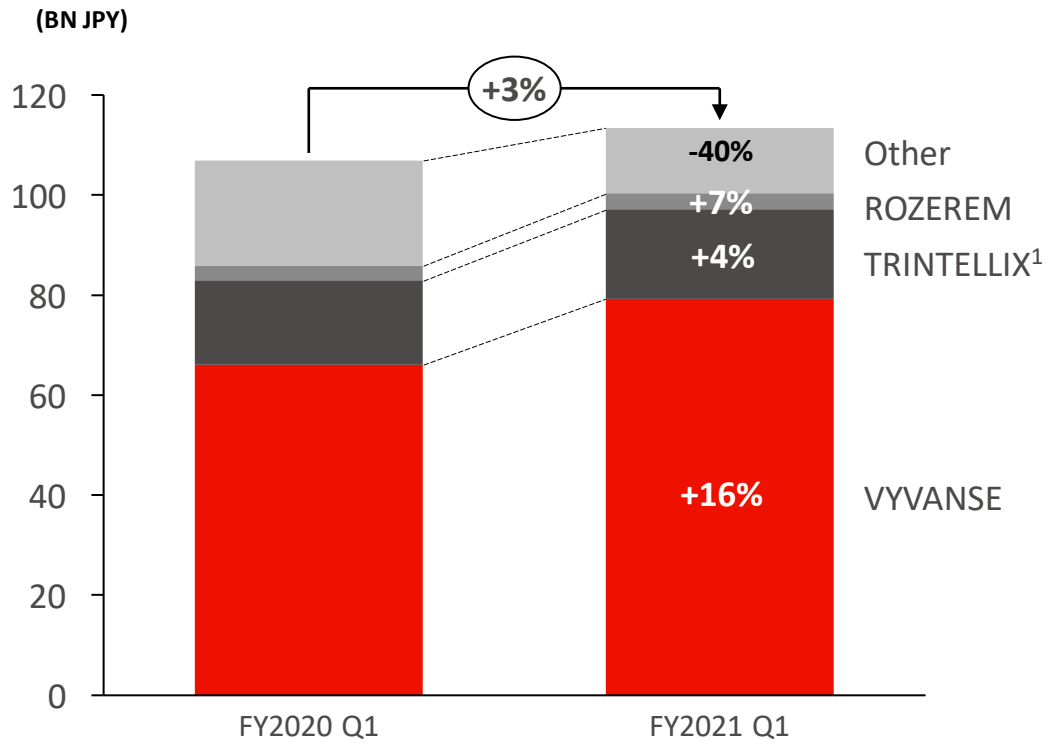
1. ADCETRIS is in-licensed from Seagen Inc.; Takeda has development and marketing rights outside of the U.S. and Canada
2. For definition please refer to slide 28.

For glossary of disease abbreviations please refer to appendix.

VYVANSE REBOUNDING FROM COVID-19 IMPACT IN PRIOR YEAR

NEUROSCIENCE PORTFOLIO

FY2021 Q1 REVENUE



Absolute values are presented on an IFRS (reported) basis; Year-on-year changes are underlying growth[2]

Vyvanse

- Strong growth in Q1 reflects investments made in the adult consumer space in late 2020, capitalizing on the timing and promotional sensitivity with the new adult campaign
- The ADHD adult market is recovering as stay-at home restrictions are lifted and we expect Vyvanse adult demand to continue trending towards pre-COVID levels in FY2021 as a first-line treatment option

Trintellix vortioxetine

- As patient flow and the MDD market return to pre-COVID levels, we expect promotional effectiveness to increase over time as we re-engage and help navigate shifts in prescribing habits: expect return to pre-COVID growth rates in FY2022

1. TRINTELLIX is in-licensed from Lundbeck; Takeda has co-marketing rights in the U.S. and Japan.
2. For definition please refer to slide 28.

FY2021 Q1 (Apr-Jun) REPORTED RESULTS

(BN JPY)	FY2020 Q1 (Apr-Jun)	FY2021 Q1 (Apr-Jun)	vs. PY	
Revenue	801.9	949.6	+147.8	+18.4%
Cost of sales	-238.1	-241.3	-3.2	-1.3%
Gross Profit	563.8	708.3	+144.6	+25.6%
Margin	*70.3%*	*74.6%*		*+4.3pp*
SG&A expenses	-202.4	-219.8	-17.5	-8.6%
R&D expenses	-106.8	-122.5	-15.7	-14.7%
Amortization of intangible assets	-102.3	-102.8	-0.5	-0.5%
Impairment losses on intangible assets	-1.9	—	+1.9	+100.0%
Other operating income	63.7	11.1	-52.6	-82.6%
Other operating expenses	-46.8	-25.8	+21.0	+44.9%
Operating profit	167.3	248.6	+81.3	+48.6%
Margin	*20.9%*	*26.2%*		*+5.3pp*
Finance income	19.6	45.9	+26.2	+133.8%
Finance expenses	-46.8	-71.1	-24.2	-51.7%
Equity income/loss	-9.8	-0.4	+9.4	+96.3%
Profit before tax	130.3	223.0	+92.7	+71.1%
Net profit attributable to owners of the Company	82.5	200.4	+117.9	+142.8%
Non-controlling interests	0.0	0.0	+0.0	+406.5%
Net profit for the period	82.5	200.4	+117.9	+142.9%
Basic EPS (yen)	53	128	+75	+141.9%

FY2021 Q1 (Apr-Jun) CORE RESULTS[1]

(BN JPY)	FY2020 Q1 (Apr-Jun)	FY2021 Q1 (Apr-Jun)	vs. PY
Revenue	**801.9**	**816.6**	**+1.8%**
Gross Margin	*73.6%*	*72.1%*	*-1.5pp*
Operating expenses	-309.4	-339.8	-9.8%
% of Revenue	*-38.6%*	*-41.6%*	*-3.0pp*
Core Operating profit	**280.9**	**248.9**	**-11.4%**
Margin	*35.0%*	*30.5%*	*-4.5pp*
Core tax rate	-24.8%	-20.9%	*+3.9pp*
Core Net profit	**190.6**	**176.6**	**-7.4%**
Core EPS (yen)	**122**	**113**	**-7.7%**

1. Please refer to slides 39 & 40 for reconciliation.

RECONCILIATION FROM REPORTED REVENUE TO CORE/UNDERLYING REVENUE FY2021 Q1 (Apr-Jun) VERSUS PRIOR YEAR

(BN JPY)	FY2020 Q1 (Apr-Jun)	FY2021 Q1 (Apr-Jun)	vs. PY	
Reported Revenue	**801.9**	**949.6**	**+147.8**	**+ 18.4%**
Sale of Japan diabetes portfolio*2	—	-133.0	-133.0	-16.6pp
Core Revenue	**801.9**	**816.6**	**+14.7**	**+ 1.8%**
FX effects*1				-3.9pp
Divestitures*2				+5.8pp
Regional portfolio				+1.6pp
Japan diabetes portfolio				+1.1pp
TACHOSIL				+0.4pp
Others				+2.8pp
Underlying Revenue Growth				**+ 3.8%**

*1 FX adjustment applies plan rate to both periods.
*2 Major adjustments are as follow;

- Revenue of select over-the-counter and non-core products in Asia Pacific is excluded from FY2020 Q1 as the divestiture was completed in November 2020.
- Revenue of select non-core prescription pharmaceutical products predominantly in Europe is excluded from FY2020 Q1 as the divestiture was completed in December 2020.
- Revenue of select over-the-counter and non-core products in Latin America is excluded from FY2020 Q1 as the divestiture was completed in January 2021.
- Net sales from TACHOSIL, a surgical patch, are excluded from FY2020 Q1 as the divestiture was completed in January 2021.
- Revenue of select over-the-counter and non-core products predominantly in Europe is excluded from FY2020 Q1 as the divestiture was completed in March 2021.
- Revenue of the former subsidiary, Takeda Consumer Healthcare Company Limited is excluded from FY2020 Q1 as the divestiture was completed in March 2021.
- Net sales from a portfolio of diabetes products in Japan (NESINA, LIOVEL, INISYNC and ZAFATEK) are excluded from FY2020 Q1 as the divestiture was completed at the beginning of April 2021. In addition, the non-recurring item of the 133.0 billion JPY selling price as the result of the completion of the divestiture is excluded from FY2021 Q1.
- Revenue of select non-core prescription pharmaceutical products in China is excluded from both FY2021 Q1 and FY2020 Q1 as the divestiture was publicly announced and is expected to complete within FY2021 H1.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2021 Q1 (Apr-Jun)

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS					CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING GROWTH
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expense	Sale of Japan diabetes portfolio	Others		FX	Divestitures	
Revenue	949.6				-133.0		816.6	-31.5	-3.9	**+3.8 %**
Cost of sales	-241.3				0.6	12.8	-227.9	10.6	1.4	
Gross Profit	708.3				-132.4	12.8	588.7	-20.9	-2.5	
SG&A expenses	-219.8				1.0	0.9	-218.0	8.7		
R&D expenses	-122.5					0.7	-121.8	4.1		
Amortization of intangible assets	-102.8	102.8					—			
Impairment losses on intangible assets	—						—			
Other operating income	11.1			-10.8		-0.4	—			
Other operating expenses	-25.8			25.1		0.7	—			
Operating profit	248.6	102.8		14.3	-131.4	14.7	248.9	-8.1	-2.5	**-2.1 %**
Margin	26.2 %						30.5 %			**30.5 %***
Financial income/expenses	-25.2					-2.5	-27.7	1.3		
Equity income/loss	-0.4					2.3	2.0	0.1		
Profit before tax	223.0	102.8		14.3	-131.4	14.5	223.2	-6.7	-2.5	
Tax expenses	-22.6	-22.9		-4.8	40.2	-36.5	-46.6	1.4	0.8	
Non-controlling interests	-0.0						-0.0	0.0		
Net profit	200.4	79.9		9.5	-91.2	-22.0	176.6	-5.3	-1.7	
EPS (yen)	128						113	-3	-1	**+3.9 %**
Number of shares (millions)	1,565						1,565			1,563

* Underlying Core Operating Profit Margin.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE
FY2020 Q1 (Apr-Jun)

(Billion JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS					CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING GROWTH
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expense	TEVA JV related accounting adjustments	Others		FX	Divestitures	
Revenue	801.9						801.9	-0.7	-48.7	**+0.9%**
Cost of sales	-238.1					26.6	-211.5	-6.5	13.5	
Gross Profit	563.8					26.6	590.3	-7.1	-35.2	
SG&A expenses	-202.4			0.0		-0.3	-202.6	0.5	3.5	
R&D expenses	-106.8			-0.1		0.1	-106.8	0.8	0.2	
Amortization of intangible assets	-102.3	102.3					—			
Impairment losses on intangible assets	-1.9		1.9				—			
Other operating income	63.7			-3.2	-0.4	-60.2	—			
Other operating expenses	-46.8			28.2		18.6	—			
Operating profit	167.3	102.3	1.9	24.9	-0.4	-15.2	280.9	-5.9	-31.5	**+11.2%**
Margin	20.9%						35.0 %			**32.4 %***
Financial income/expenses	-27.2					-1.1	-28.3	-0.4	-0.0	
Equity income/loss	-9.8				10.6		0.8	0.0		
Profit before tax	130.3	102.3	1.9	24.9	10.2	-16.3	253.4	-6.2	-31.5	
Tax expenses	-47.8	-19.7	-0.3	-2.6	-3.1	10.8	-62.7	1.6	8.8	
Non-controlling interests	-0.0						-0.0	-0.0		
Net profit	82.5	82.6	1.6	22.3	7.1	-5.5	190.6	-4.7	-22.7	
EPS (yen)	53						122	-0.3	-1.5	**+8.7%**
Number of shares (millions)	1,559						1,559			1,558

* Underlying Core Operating Profit Margin.

RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE FY2020 (Apr-Mar)

(BN JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS								CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING GROWTH
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire integration costs	Shire purchase accounting adjustments	Teva JV related accounting adjustments	TCHC divestiture*	Swiss Tax Reform	Others		FX	Divestitures	
Revenue	3,197.8									3,197.8	199.5	-70.1	**+2.2 %**
Cost of sales	-994.3				81.2				6.2	-906.9	-47.0	21.0	
Gross Profit	2,203.5				81.2				6.2	2,290.9	152.5	-49.2	
SG&A expenses	-875.7			1.9	-0.3				1.4	-872.6	-47.0		
R&D expenses	-455.8			-0.3	0.0				5.7	-450.4	-18.3		
Amortization of intangible assets	-405.3	85.8			319.5					—			
Impairment losses on intangible assets	-16.6	16.6								—			
Other operating income	318.0		-116.9		-60.2	-1.5	-139.5			—			
Other operating expenses	-258.9		107.2	78.1					73.6	—			
Operating profit	509.3	102.4	-9.7	79.6	340.2	-1.5	-139.5		87.0	967.9	87.1	-49.2	**+13.0 %**
Margin	15.9 %									30.3%			**30.2 %****
Financial income/expenses	-143.1			7.9	12.9				-4.0	-126.3	3.6		
Equity income/loss	0.1					16.6			-13.1	3.5	-0.3		
Profit before tax	366.2	102.4	-9.7	87.5	353.2	15.1	-139.5		69.8	845.1	90.4	-49.2	
Tax expense	9.9	-25.6	8.1	-18.6	-88.7	-4.6			-70.0	-189.4	-20.3	12.8	
Non-controlling interests	-0.2									-0.2	-0.0		
Net profit	376.0	76.8	-1.6	69.0	264.5	10.5	-139.5		-0.2	655.5	70.2	-36.4	
EPS (yen)	241									420	46	-23	**+24.6 %**
Number of shares (millions)	1,562									1,562			1,558

* On March 31, 2021, Takeda completed the sale of Takeda Consumer Healthcare Company Limited ("TCHC"), a wholly-owned subsidiary of Takeda primarily focused on the consumer healthcare market in Japan, to The Blackstone Group Inc.
** Underlying Core Operating Profit Margin.

FREE CASH FLOW

(BN JPY)	FY2020 Q1 (Apr-Jun)	FY2021 Q1 (Apr-Jun)	vs. PY	
Net profit	82.5	200.4	+117.9	+142.9 %
Depreciation, amortization and impairment loss	149.0	143.0	-6.0	
Decrease (increase) in trade working capital	-53.4	-87.7	-34.3	
Income taxes paid	-51.5	-35.9	+15.6	
Other	19.1	-53.0	-72.1	
Net cash from operating activities	145.9	166.9	+21.0	+14.4 %
Adjustment for deposits restricted to certain vaccines operations	—	5.9	+5.9	
Acquisition of PP&E	-23.1	-29.8	-6.7	
Proceeds from sales of PP&E	0.0	0.1	+0.1	
Acquisition of intangible assets	-17.3	-12.5	+4.9	
Acquisition of investments	-3.5	-3.3	+0.3	
Proceeds from sales and redemption of investments	44.4	0.5	-44.0	
Proceeds from sales of business, net of cash and cash equivalents divested	—	2.1	+2.1	
Free Cash Flow	146.3	129.9	-16.4	-11.2 %

NET DEBT/ADJUSTED EBITDA

NET DEBT/ADJUSTED EBITDA RATIO

(BN JPY)	FY2021 Q1 (Jun End)
Cash and cash equivalents*1	485.4
Book value debt on the balance sheet	-4,405.9
Hybrid bond 50% equity credit	250.0
FX adjustment*2	132.9
Gross debt*3	-4,023.0
Net cash (debt)	**-3,537.6**
Net debt/Adjusted EBITDA ratio	**3.3 x**
Adjusted EBITDA	**1,057.1**

NET INCREASE (DECREASE) IN CASH

(BN JPY)	FY2020 Q1 (Apr-Jun)	FY2021 Q1 (Apr-Jun)	vs. PY	
Net cash from operating activities	145.9	166.9	+21.0	+14.4%
Acquisition of PP&E	-23.1	-29.8		
Proceeds from sales of PP&E	0.0	0.1		
Acquisition of intangible assets	-17.3	-12.5		
Acquisition of investments	-3.5	-3.3		
Proceeds from sales and redemption of investments	44.4	0.5		
Acquisition of business, net of cash and cash equivalents acquired	—	-27.5		
Proceeds from sales of business, net of cash and cash equivalents divested	—	2.1		
Net increase (decrease) in short-term loans and commercial papers	-10.0	0.0		
Repayment of long-term loans	-10.0	-220.1		
Repayment of bonds	—	-22.8		
Interest paid	-30.2	-23.2		
Dividends paid	-133.1	-132.0		
Others	-9.3	-12.9		
Net increase (decrease) in cash	-46.2	-314.6	-268.4	-580.4%

*1 Includes short-term investments which mature or become due within one year from the reporting date and excludes deposits restricted to certain vaccines operations.
*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. 250Bn yen reduction in debt due to 500Bn yen hybrid bond issuance in June 2019, given that the hybrid bond qualifies for 50% equity credit for leverage purposes. Includes cash and non cash adjustments to debt book-value. Non cash adjustments include changes dues to debt amortization and FX impact.

NET PROFIT TO ADJUSTED EBITDA BRIDGE
FY2021 Q1 (Apr-Jun) VERSUS PRIOR YEAR

(BN JPY)	FY2020 Q1 (Apr-Jun)	FY2021 Q1 (Apr-Jun)	vs. PY	
Net profit	82.5	200.4	+117.9	+142.9%
Income tax expenses	47.8	22.6		
Depreciation and amortization	141.6	142.9		
Interest expense, net	30.7	29.9		
EBITDA	302.6	395.9	+93.3	+30.8%
Impairment losses	7.5	0.1		
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	-24.4	12.6		
Finance expense (income), net, excluding interest income and expense, net	-3.5	-4.7		
Share of loss on investments accounted for under the equity method	9.8	0.4		
Other adjustments:	35.7	-108.6		
Non-core expense related to COVID-19	—	3.4		
Sale of Japan diabetes portfolio	—	-131.4		
Impact on profit related to fair value step up of inventory in Shire acquisition	26.5	10.8		
Acquisition costs related to Shire	0.0	—		
Other costs*1	9.2	8.7		
Adjusted EBITDA	327.6	295.6	-32.1	-9.8%

*1 Includes adjustments for non-cash equity-based compensation expense and non-recurring wind-down costs related to pipeline de-prioritization after Shire acquisition.

NET PROFIT TO ADJUSTED EBITDA LTM BRIDGE

(BN JPY)	FY2020 Full Year (Apr-Mar)	FY2020 Q1 (Apr-Jun)	FY2021 Q1 (Apr-Jun)	FY2021 Q1 LTM*1 (Jul-Jun)
Net profit	376.2	82.5	200.4	494.1
Income tax expenses	-9.9	47.8	22.6	-35.1
Depreciation and amortization	559.7	141.6	142.9	561.0
Interest expense, net	129.0	30.7	29.9	128.2
EBITDA	1,054.9	302.6	395.9	1,148.2
Impairment losses	25.5	7.5	0.1	18.0
Other operating expense (income), net, excluding depreciation and amortization and other miscellaneous expenses (non-cash item)	-74.5	-24.4	12.6	-37.5
Finance expense (income), net, excluding interest income and expense, net	14.1	-3.5	-4.7	12.9
Share of loss on investments accounted for under the equity method	-0.1	9.8	0.4	-9.5
Other adjustments:	131.4	35.7	-108.6	-12.9
Non-core expense related to COVID-19	14.0	—	3.4	17.4
Sale of Japan diabetes portfolio	—	—	-131.4	-131.4
Impact on profit related to fair value step up of inventory in Shire acquisition	79.4	26.5	10.8	63.7
Acquisition costs related to Shire	1.9	0.0	—	1.9
Other costs*2	36.1	9.2	8.7	35.6
Adjusted EBITDA	1,151.3	327.6	295.6	1,119.2
EBITDA from divested products*3				-62.2
Adjusted EBITDA (LTM)				1,057.1

*1 LTM represents Last Twelve Months (July 2020 - June 2021). Calculated by subtracting FY2020 Q1 from FY2020 Full Year and adding FY2021 Q1.
*2 Includes adjustments for non-cash equity-based compensation expense and non-recurring wind-down costs related to pipeline de-prioritization after Shire acquisition.
*3 Represents adjustments for EBITDA from divested products which are removed as part of LTM Adjusted EBITDA.

FY2021 DETAILED FORECAST (UNCHANGED FROM MAY 11)

	(BN JPY)	FY2020 Actual	FY2021 Forecast	vs. PY		Variances
Reported	Revenue	3,197.8	3,370.0	+172.2	+5.4%	Underlying business momentum growth with additional benefit of FX and selling price of Japan diabetes portfolio (+133.0 vs. PY), partially offset by divestitures
	Cost of sales	-994.3	N/D[1]			Lower unwind of inventory step up (-79.4 in FY2020 to -31.1 in FY2021)
	R&D expenses	-455.8	-522.0	-66.2	-14.5%	Increasing investment in R&D for Wave 1 & Wave 2 pipeline
	Amortization of intangible assets	-405.3	-406.0	-0.7	-0.2%	
	Impairment of intangible assets	-16.6	-50.0	-33.4	-201.3%	
	Other operating income	318.0	23.0	-295.0	-92.8%	Large gain in FY2020 on sale of Takeda Consumer Healthcare Company and other divestitures (-228.9 vs. PY)
	Other operating expenses	-258.9	-100.0	+158.9	+61.4%	Valuation loss in FY2020 from XIIDRA contingent consideration (+72.9 vs. PY) and lower Shire integration costs in FY2021
	Operating profit	509.3	488.0	-21.3	-4.2%	
	Finance expenses	-143.1	-130.0	+13.1	+9.2%	
	Profit before tax	366.2	352.0	-14.2	-3.9%	
	Net profit	376.0	250.0	-126.0	-33.5%	Increase of tax rate due to absence of additional deferred tax assets and restructuring loss benefit in FY2020
	EPS (yen)	241	160	-81	-33.6%	
	Core Operating Profit[2]	967.9	930.0	-37.9	-3.9%	Business momentum more than offsets divestitures, with decline driven by additional R&D spend
	Core EPS (yen)	420	394	-26	-6.2%	
	USD/JPY	106	108	+2		
	EUR/JPY	123	131	+8		

1. Not Disclosed.
2. Please refer to slide 48 for reconciliation.

FY2021 CORE OPERATING PROFIT ADJUSTMENT ITEMS & CASH FLOW FORECAST VERSUS ACTUALS

CORE OPERATING PROFIT ADJUSTMENT ITEMS

(BN JPY)	FY2021 Q1 (Apr-Jun)	FY2021 Forecast (May 11, 2021)
Amortization of intangible assets	102.8	406.0
Of which Shire-acquisition related	*83.1*	*328.0*
Impairment of intangible assets	—	50.0
Other operating income	-10.8	-23.0
Other operating expenses	25.1	100.0
Japan diabetes portfolio divestiture gain - net of revenue and expenses	-131.4	-130.0
Other Core Operating Profit adjustments	14.7	39.0
Of which Shire-acquisition related to unwind of inventories step-up	*10.8*	*31.1*
Total core operating profit adjustments	0.4	442.0

CASH FLOW GUIDANCE

(BN JPY)	FY2021 Q1 (Apr-Jun)	FY2021 Forecast (May 11, 2021)
Free cash flow (including announced divestitures)	129.9	600.0 to 700.0
CAPEX (cash flow base)	-42.3	-210.0 to -260.0
Depreciation and amortization (excluding intangible assets associated with products)	-39.2	-150.0
Cash tax rate on adjusted EBITDA (excluding divestitures)	N/A	mid-teen %

RECONCILIATION FROM REPORTED OPERATING PROFIT TO CORE OPERATING PROFIT – FY2021 FORECAST (UNCHANGED FROM MAY 11)

(BN JPY)	REPORTED	REPORTED TO CORE ADJUSTMENTS					CORE
		Amortization of intangible assets	Impairment of intangible assets	Other operating income/ expenses	Sale of Japan diabetes portfolio	Others	
Revenue	3,370.0				-133.0		3,237.0
Cost of sales					3.0	35.0	
Gross Profit					-130.0	35.0	
SG&A and R&D expenses						4.0	
Amortization of intangible assets	-406.0	406.0					—
Impairment losses on intangible assets	-50.0		50.0				—
Other operating income	23.0			-23.0			—
Other operating expenses	-100.0			100.0			—
Operating profit	488.0	406.0	50.0	77.0	-130.0	39.0	930.0

FX RATES AND FY2021 CURRENCY SENSITIVITY

	Average Exchange Rates vs. JPY			Impact of 1% depreciation of yen from April 2021 to March 2022 (100 million JPY)			
	FY2020 Actual (Apr-Jun)	FY2021 Actual (Apr-Jun)	FY2021 Assumption (Apr-Mar)	Revenue (IFRS)	Operating Profit (IFRS)	Net Profit (IFRS)	Core Operating Profit (non-IFRS)
USD	107	110	108	+170.7	+29.4	+16.7	+69.2
EUR	118	132	131	+45.0	-31.4	-27.0	-19.5
RUB	1.5	1.5	1.4	+3.7	+2.1	+1.7	+2.5
CNY	15.1	17.0	16.8	+10.7	+5.9	+4.4	+6.0
BRL	20.2	20.2	19.9	+5.8	+3.7	+2.5	+3.8

CONTINUED GLOBAL AND REGIONAL BRAND EXPANSION IN FY2021

	COMPOUND	EXPECTED EVENT[1]	FY21		Comments
ONCOLOGY	ADCETRIS	Approval decision for CTCL in China	H1	✓	
	NINLARO	Approval decision in JP for maintenance therapy in patients with newly diagnosed Multiple Myeloma not treated with stem cell transplant	H1	✓	
	ICLUSIG	Submission in US for front line Ph+ Acute Lymphoblastic Leukemia	H2	➡	Submission in FY22, based on upcoming final analysis
RARE GENETICS & HEMATOLOGY	TAKHZYRO	Approval decision in JP for hereditary angioedema	H2		
	FIRAZYR	Approval decision for hereditary angioedema in China	H1	✓	
	VONVENDI	Approval decision in US for prophylaxis therapy in Von Willebrand Disease	H2		
GASTRO-ENTEROLOGY	GATTEX/ REVESTIVE	Approval decision in JP for short bowel syndrome	H1	✓	
	ALOFISEL	Approval decision in JP for refractory complex perianal fistulas in patients with Crohn's disease	H2		
	ENTYVIO	Pivotal study start in needle-free jet injector	H2		
	TAKECAB/ VOCINTI	Approval decision in JP for oral disintegrated tablet formulation	H2		
		Approval decision for acid related diseases (Reflex Esophagitis Maintenance) in China	H2		
VACCINES	COVID-19 Vaccine Moderna IM	Approval decision in JP for prevention of COVID-19 (TAK-919)	H1	✓	
	TAK-019	Approval decision in JP for prevention of COVID-19 (partner Novavax)	H2		

1. All timelines are approximate estimates as of July 30, 2021 and are subject to change. *Green tick mark indicates that milestone has been achieved.*
Table only shows selected R&D milestones and is not comprehensive.
For full glossary of disease abbreviations please refer to appendix.

MAXIMIZING THE VALUE OF OUR GLOBAL AND REGIONAL BRANDS

	PHASE 1 & 2	PHASE 3	FILED
ONCOLOGY		**NINLARO®** Proteasome inhibitor Maint. ND MM post-SCT (US, EU) **NINLARO®** Proteasome inhibitor Maint. ND MM no SCT (US, EU, CN) **ICLUSIG®** BCR-ABL inhibitor FL Ph+ ALL (US) **ALUNBRIG®** ALK inhibitor 2L ALK+NSCLC H2H with alectinib (GL) **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor mCRPC combo w/atezolizumab (JP) **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor 2L mNSCLC combo w/atezolizumab (JP)	**ALUNBRIG®** ALK inhibitor 1L & 2L ALK+NSCLC (CN) **NINLARO®** Proteasome inhibitor Maint. ND MM no SCT (JP) **ADCETRIS®** *Seattle Genetics* CD30 ADC CTCL (CN) **Cabozantinib** *Exelixis* VEGFR/RTK inhibitor 1L RCC combo w/nivolumab (JP)
RARE GENETICS & HEMATOLOGY	**NATPARA®** PTH replacement Hypothyrodism (JP)	**TAKHZYRO®** Anti-kallikrein mAb HAE pediatric (GL) **TAKHZYRO®** Anti-kallikrein mAb BMA (GL) **ADYNOVATE®** recombinant Factor VIII Pediatric HemA (EU) **VONVENDI®** vWF replacement vWD Pediatric on-demand & surgery(GL)	**TAKHZYRO®** Anti-kallikrein mAb HAE (JP) **VONVENDI®** vWF replacement vWD Adult Prophylaxis (GL)
NEUROSCIENCE			
GASTRO-ENTEROLOGY	**ENTYVIO®** α4β7 mAb Pediatric UC/CD (GL)	**ENTYVIO®** α4β7 mAb SubQ CD (US, JP) **ENTYVIO®** α4β7 mAb GvHD Prophylaxis (EU, JP) **Vonoprazan** PCAB H. Pylori (CN) **ALOFISEL®** mesenchymal stem cells Perianal Fistulas in CD (US)	**ENTYVIO®** α4β7 mAb SubQ UC (US, JP) **ENTYVIO®** α4β7 mAb Antibiotic-refractory Pouchitis (EU) **Vonoprazan** PCAB Reflex Esophagitis Maintenance (CN) **Vonoprazan** PCAB Oral disintegrated tablet formulation (JP) **GATTEX®** GLP-2R agonist Pediatric-SBS (JP) **GATTEX®** GLP-2R agonist Adult-SBS (JP) **ALOFISEL®** mesenchymal stem cells Perianal Fistulas in CD (JP)
VACCINES			
PDT		**CUVITRU®** IgG 20% (human) subcutaneous PID (JP) **HYQVIA®** *Halozyme* IgG 10% + Recombinant Human Hyaluronidase CIDP (US, EU) **HYQVIA®** *Halozyme* IgG 10% + Recombinant Human Hyaluronidase Pediatric PID (US) **HYQVIA®** *Halozyme* IgG 10% + Recombinant Human Hyaluronidase HyHub Device (US)	

● Orphan Drug Designation (in any region / indication for a given asset) ✓ Approved since Q4 FY20

Status as of July 30, 2021; GL = global (USA, Europe, Japan, China). Pipeline not all inclusive; programs also ongoing in other Therapeutic Areas

R&D ENGINE DRIVING WAVE 1 APPROVALS AND EXPANSION OF GLOBAL AND REGIONAL BRANDS

mobocertinib TAK-788		2L NSCLC EXON 20
maribavir TAK-620		R/R CMV Transplant
Eohilia TAK-721[1]		EoE
TAKHZYRO		HAE; JP
NINLARO	✓	NDMM nSCT; JP
ALOFISEL		CPF; JP
GATTEX	✓	SBS; JP
HYQVIA HyHub		US
Vonvendi		VWD Prophy; US
vonoprazan OD		ARD; JP
vonoprazen		EE maint; CN
cabozantinib		1L RCC; JP
ADCETRIS	✓	CTCL; CN
TAK-919	✓	COVID-19
TAK-019		COVID-19

idursulfase IT TAK-609	MPSII CNS
pevonedistat TAK-924	HR-MDS
TAK-003	Dengue vaccine
ALUNBRIG	1L ALK+ NSCLC; CN 2L ALK+ NSCLC; CN
ENTYVIO	AB-refract pouchitis; EU
ENTYVIO SC	UC SC; JP,US
HYQVIA HyHub Duo	EU, US
Vonvendi	VWD Prophy; JP
ICLUSIG	1L Ph+ ALL; EU

TAK-755	cTTP
mobocertinib TAK-788	1L NSCLC EXON 20
maribavir TAK-620	1L CMV Transplant
soticlestat TAK-935	DS LGS
TAKHZYRO	BMA; US HAE Peds; EU,US
ALOFISEL	CPF; US
ALUNBRIG	H2H Alectinib NSCLC; EU,US
ADYNOVATE	HemA; CN
Cuvitru	PID, SID; JP
HYQVIA	CIDP; EU,US
ENTYVIO SC	CD SC; JP,US CD/UC Jet; US
NINLARO	NDMM nSCT; EU,US NDMM SCT; EU,US
Ceprotin	PCD; JP
Vonvendi	VWD; CN
ADCETRIS	CTCL; JP
ICLUSIG	1L Ph+ ALL; EM,US
TAK-880	PID Low IgA; US
cabozantinib	mCRPC; JP NSCLC; JP
relugolix	Prostate; JP
Obizur	AHA; JP,CN

TAK-994	Narcolepsy T1
TAK-007	Hematological malignancies
pevonedistat	AML
arylsulfatase A TAK-611	MLD (IT)
Natpara	HPT; JP
ENTYVIO SC	CD/UC Jet; EU
GATTEX	SBS; CN
HYQVIA	PID; JP
NINLARO	NDMM nSCT; EM NDMM nSCT (CN); CN
Vonvendi	VWD Prophy; EU
vonoprazan	H.pylori; CN
Niraparib	CRPC; JP
TAK-880	PID Low IgA; EU
relugolix	PC; CN

FY21 FY22 FY23 FY24

Milestone: Potential approval

- Potential approval of New Molecular Entities
- Potential extensions to global brands
- Potential extensions to regional brands

1. In active discussions with the FDA. Projected approval subject to outcome of discussions.
All timelines are approximate estimates as of July 30, 2021 and are subject to change.
Table only shows selected R&D milestones and is not comprehensive. For full glossary of disease abbreviations please refer to appendix.

✓ Achieved approvals.

FY2021 MANAGEMENT KPIs

FY2021 Short-Term Incentive

Metric	Rationale	Weight	Measurement	Threshold	Target	Maximum
Underlying Revenue	• Key indicator of growth, including pipeline delivery • Important measure of success within the industry	45%	Performance Goal as a % of Target	97%	100%	105%
			STI Payout as a % of Target	40%	100%	200%
14 Global Brands + New Product Incremental Revenue	• 14 Global Brands: Emphasis on subset of revenue that is the key driver of future revenue growth • New Product Revenue: Key indicator of driving pipeline growth and commercial revenue success	15%	Performance Goal as a % of Target	80%	100%	120%
			STI Payout as a % of Target	40%	100%	200%
Underlying Core Operating Profit	• Measure of margin achievement while ensuring expense discipline • Reflects synergy capture • Communicated to shareholders as a key measure of Takeda success post Shire acquisition	40%	Performance Goal as a % of Target	95%	100%	115%
			STI Payout as a % of Target	50%	100%	200%

FY2021 Long-Term Incentive (Performance Share Units)

Metric	Rationale	Weight	Measurement	Threshold	Target	Maximum
3-year Accumulated Underlying Revenue	• Aligns with investor expectations • Focuses participants on continued growth and pipeline delivery • Important measure of success within the industry	25%	Performance Goal as a % of Target	96%	100%	105%
			PSU Payout as a % of Target	50%	100%	200%
Aggregated FY21-23 Underlying Core Operating Profit Margin[1]	• Measures quality of the earnings over the performance period • High shareholder expectation for strong earnings growth	25%	Performance Goal as a % of Target	94%	100%	109%
			PSU Payout as a % of Target	50%	100%	200%
3-year Accumulated Free Cash Flow	• Focuses participants on cash generation and paying down debt following the Shire acquisition	25%	Performance Goal as a % of Target	90%	100%	115%
			PSU Payout as a % of Target	50%	100%	200%
Approvals	• Reflects our objective of driving commercial revenue success, driving innovation, and ultimate replenishment of pipeline • Ultimately drives revenue growth from new products	15%	PSU Payout as a % of Target	0%	100%	200%
Pivotal Study Start	• Reflects future strength of Takeda's overall performance through delivery of innovative research and development programs • Underscores our commitment to patients	10%	PSU Payout as a % of Target	0%	100%	200%
3-year Relative TSR[2]	• Aligns payout from our performance share plan with the shareholder experience • Only applies if absolute TSR is positive	Modifier +/-20%				

1. KPI updated at Board of Directors Meeting of July 30th, 2021 to "Aggregated FY21-23 Underlying Core Operating Profit Margin" margin.
2. After measuring performance under the financial and non-financial metrics outlined above, Takeda will assess the Total Shareholder Return ("TSR") performance relative to our Fiscal Year 2021 Takeda Peer Group. Relative TSR can modify the final LTI payout (up or down) by 20 percentage points. If absolute TSR performance is negative but Takeda outperforms our peers, a positive adjustment would not be made to the performance share payout factor. The TSR peer group for the Fiscal Year 2021-2023 performance cycle is as follows: AbbVie, Amgen, Astellas, AstraZeneca, Bristol-Myers Squibb, Eli Lilly, Gilead Sciences, GlaxoSmithKline, Johnson & Johnson, Merck & Co, Merck Group, Novartis, Pfizer, Roche, Sanofi.

GLOSSARY OF ABBREVIATIONS

Regional Abbreviations:
CN: China; EU: Europe; JP: Japan; US: United States of America

AATD	α1-antitrypsin deficiency
AD	Alzheimer's disease
ADC	antibody drug conjugate
ADHD	attention deficit hyperactivity disorder
AHA	acquired hemophilia A
ALK	anaplastic lymphoma kinase
ALCL	anaplastic large-cell lymphoma
AML	acute myeloid leukemia
ASCT	autologous stem cell transplant
ARD	acid-related diseases
AVA	Advanced Vial Access
BBB	blood brain barrier
BLA	biologics license application
BMA	bradykinin mediated angioedema
BTD	breakthrough therapy designation
BTK	Bruton's tyrosine kinase
BOS	budesonide oral suspension
CAR-T	chimeric antigen receptor-T
CD	Crohn's disease
CHAWI	congenital hemophilia A with inhibitors
CHMP	Committee for Medicinal Products for Human Use
CIAS	cognitive impairment associated with schizophrenia
CIDP	chronic inflammatory demyelinating polyradiculoneuropathy
CLL	chronic lymphocytic leukemia
CML	chronic myeloid leukemia
CMML	chronic myelomonocytic leukemia
CMV	cytomegalovirus
CSF	cerebrospinal fluid
CNS	central nervous system
CPF	complex perianal fistulas
CRL	complete response letter
CRPS	complex regional pain syndrome
CTCL	cutaneous T-cell lymphoma
cTTP	congenital thrombotic thrombocytopenic purpura
DAAO	D-amino acid oxidase
DEE	developmental and epileptic encephalopathies
DLBCL	diffuse large B-cell lymphoma
DS	Dravet syndrome
DU	duodenal ulcer
Dx	diagnosis
EDS	excessive daytime sleepiness
EE H	erosive esophagitis healing
EE M	erosive esophagitis maintenance
EFI	enteral feeding intolerance
EGFR	epidermal growth factor receptor
EMA	European Medicines Agency
EOE	eosinophilic esophagitis
ESCC	esophageal squamous-cell carcinoma
FDA	the U.S. Food & Drug Administration
FL	front line
FSI	first subject in
GCC	guanylyl cyclase C
GERD	gastroesophageal reflux disease
GI	gastrointestinal
GnRH	gonadotropin-releasing hormone
GU	gastric ulcer
GvHD	graft versus host disease
HAE	hereditary angioedema
H2H	head-to-head
HCC	hepatocellular carcinoma
HemA	hemophilia A
HER2	human epidermal growth factor receptor 2
HL	Hodgkin lymphoma
HR MDS	higher-risk myelodysplastic syndromes
HSCT	hematopoietic stem cell transplant
IBD	inflammatory bowel disease
IH	idiopathic hypersomnia
IND	investigational new drug
iNHL	Indolent non-Hodgkin's lymphoma
I/O	immuno-oncology
iTTP	immune thrombotic thrombocytopenic purpura
IV	intravenous
iPSC	induced pluripotent stem cells
L-ASA	low dose aspirin
LBD	Lewy body dementia
LB AML	low-blast acute myeloid leukemia
LSD	lysosomal storage disorder
LCM	lifecycle management
LGS	Lennox-Gastaut syndrome
mAb	monoclonal antibody
MAOB	monoamine oxidase B
MDD	major depressive disorder
MG	myasthenia gravis
MLD	metachromatic leukodystrophy
MM	multiple myeloma
NAE	NEDD8 activating enzyme
ND	newly diagnosed
NDA	new drug application
Neg	Negative
NERD	non-erosive reflux disease
NHL	non-Hodgkin's lymphoma
NK	natural killer
NME	new molecular entity
NMPA	National Medical Products Administration
NSCLC	non-small cell lung cancer
NSCT	non stem cell transplant
NS	negative symptoms
NT1 or 2	narcolepsy Type 1 or 2
ORR	overall response rate
OSA	obstructive sleep apnea
PARP	poly (ADP-ribose) polymerase
PAS	prior approval supplement
PBS	phosphate buffered saline
PCAB	potassium competitive acid blocker
Ph+ ALL	Philadelphia chromosome-positive acute lymphoblastic leukemia
PID	primary immunodeficiency
PK	pharmacokinetics
POC	proof of concept
POGD	post-operative gastrointestinal dysfunction
POI	post-operative ileus
PTCL	peripheral T-cell lymphoma
PTH	parathyroid hormone
R/R	relapsed/refractory
RCC	renal cell cancer
RTK	receptor tyrosine kinase
sALCL	systemic anaplastic large cell lymphoma
SBS	short bowel syndrome
SC	subcutaneous formulation
SCD	sickle cell disease
SCT	stem cell transplant
SCZ	schizophrenia
SID	secondary immunodeficiency
SLE	systemic lupus erythematosus
sq	squamous
STING	stimulator of interferon genes
SUMO	small ubiquitin-related modifier
TESD	treatment emergent sexual dysfunction
TKI	tyrosine kinase inhibitor
TRD	treatment resistNMPAant depression
UC	ulcerative colitis
vWD	von Willebrand disease

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