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

FY2018 Earnings Announcement

May 14th, 2019

Better Health, Brighter Future

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Financial information

Takeda's financial statements are prepared in accordance with International Financial Reporting Standards ("**IFRS**"). The financial statements of Shire plc ("**Shire**") are presented in accordance with accounting principles generally accepted in the United States ("**U.S. GAAP**"). Therefore, the respective financial information of Takeda and Shire are not directly comparable.

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

Furthermore, this presentation refers to Takeda's Adjusted EBITDA and Shire's Non-GAAP EBITDA. Takeda's Adjusted EBITDA is not a measure presented in accordance with IFRS, and Shire's Non-GAAP EBITDA is not a measure presented in accordance with U.S. GAAP. The most closely comparable measure presented in accordance with IFRS (for Takeda) is net profit for the year and in accordance with U.S. GAAP (for Shire) is net income. Please see slides 58 and 74 for a further description of Takeda's Adjusted EBITDA and Shire's Non-GAAP EBITDA and a reconciliation to the respective most closely comparable measures presented in accordance with IFRS and U.S. GAAP. Takeda's Adjusted EBITDA and Shire's Non-GAAP EBITDA are not directly comparable, because (1) Takeda's results are based on IFRS and Shire's results are based on U.S. GAAP and (2) Takeda's Adjusted EBITDA and Shire's Non-GAAP EBITDA are defined differently.

AGENDA

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

INTRODUCTION

Christophe Weber
President & Chief Executive Officer

CLEAR STRATEGIC PRIORITIES AS A COMPETITIVE, VALUES-BASED, R&D-DRIVEN, GLOBAL BIOPHARMACEUTICAL LEADER

BUSINESS AREA FOCUS

5 key business areas of GI, Rare Diseases, Plasma-Derived Therapies, Oncology, and Neuroscience

R&D ENGINE

Therapeutic Area focus, **partnership model**, and patient-centric, science-driven **culture of innovation**

FINANCIAL STRENGTH

Driving margin expansion and generating **substantial cash flow** to invest in the business, de-leverage rapidly, and return cash to shareholders

TAKEDA'S VALUES AND CULTURE

Patient-Trust-Reputation-Business
Best-in-class Employer

DELIVERING ON STRATEGIC PRIORITIES IN FY2018

BUSINESS AREA FOCUS

- Key growth products continued to deliver strong revenue momentum (e.g. ENTYVIO +34.8%, NINLARO +36.1%, TRINTELLIX +19.4%)
- Successful completion of Shire and TiGenix acquisitions
- Acquired 10 new plasma collection centers since Shire acquisition close
- Divested non-core assets Multilab and Techpool
- Entered into agreements to divest XIIDRA and TACHOSIL

R&D ENGINE

- ENTYVIO demonstrated superior efficacy vs adalimumab in UC head-to-head VARSITY study; submitted regulatory applications[*1] for subcutaneous formulation in the U.S. and EU
- Approvals: TAKHZYRO (U.S./EU), ALUNBRIG (EU); label expansions: ADCETRIS (EU/JP), TRINTELLIX (U.S.)
- 15 New Molecular Entity clinical stage-ups since April 2018
- 44 new collaborations with biotech/academia in FY18; announced 3 leading edge cell-therapy partnerships

FINANCIAL STRENGTH

- Legacy Takeda Underlying Core Earnings margin +540bps driven by business momentum & Global OPEX initiative
- Strong Legacy Takeda performance entirely absorbed Shire acquisition related costs
- Unlocked JPY 200.9 billion cash from sale of real estate, securities and non-core businesses
- Secured investment grade rating; net debt/adjusted EBITDA at 4.7x as of March 31, 2019

UC: Ulcerative colitis
*1. Biologics Licensing Application in the U.S.; Marketing Authorization Line Extension Application in the EU

BUSINESS MOMENTUM DELIVERING EXCELLENT FY2018 RESULTS & A STRONG BASE FOR FUTURE GROWTH

Excellent FY2018 results

LEGACY TAKEDA		CONSOLIDATED RESULTS[*1]	
Underlying Revenue	+5.3 %	Reported Revenue	+18.5 %
Underlying Core Earnings Margin	+540 bps	Core Earnings	+42.4 %
Underlying Core EPS	346 yen	Reported EPS	113 yen

impacted by non-cash costs related to the application of purchase accounting

- Excellent FY2018 results exceeded guidance, driven by key growth products and OPEX discipline
- Shire integration progressing as planned and at pace, with no loss of business momentum

Strong base for future growth

FY2019 to benefit from full year Legacy Shire contribution

- Momentum of key growth products in our 5 Key Business Areas expected to largely offset significant Loss of Exclusivity impact (e.g. VELCADE, FIRAZYR, ULORIC) and pricing headwinds
- Underlying Core Earnings margin of "mid-twenties %" and Underlying Core EPS guidance of 350-370 yen[*2] based on full year Shire contribution, cost synergies and OPEX discipline

Well positioned for future growth

- Top line growth will be driven by portfolio of 14 growing global brands
- Lean & innovative R&D engine to deliver sustainable pipeline
- Committed to margin expansion and deleveraging targets

*1. Includes Legacy Shire financials (from January 8, 2019 to March 31, 2019), costs incurred by Legacy Takeda and Legacy Shire related to the acquisition, and financial impact from purchase accounting
*2. Excluding any impact of divestitures

FY2019 BUSINESS MOMENTUM EXPECTED TO LARGELY OFFSET SIGNIFICANT LOSS OF EXCLUSIVITY HEADWINDS

- Momentum of key growth products in our 5 Key Business Areas is expected to largely offset Loss of Exclusivity of VELCADE, FIRAZYR, ULORIC & others
- Full year consolidation of Legacy Shire results, cost synergies and OPEX discipline expected to contribute to underlying Core EPS of 350-370 yen

FY2019 MANAGEMENT GUIDANCE (EXCLUDING ANY IMPACT OF DIVESTITURES)

UNDERLYING REVENUE GROWTH[*1,2]	Flat to slightly declining
UNDERLYING CORE EARNINGS MARGIN	Mid-twenties %
UNDERLYING CORE EPS	350-370 yen
ANNUAL DIVIDEND PER SHARE	180 yen

Financial assumption for VELCADE in the U.S. is for one additional non-therapeutically equivalent competitor with intravenous and subcutaneous administration launching in July 2019. If no additional competitor launches, pro-forma underlying revenue growth would be "flat to slightly increasing".

Note: FY2019 Management Guidance does not take into consideration the recently announced divestitures of XIIDRA and TACHOSIL.
However, Takeda does not expect these divestitures to have a meaningful impact on its management guidance.

*1. Constant Exchange Rate growth (applying FY2018 full year average foreign exchange rate)
*2. Compared to baseline of JPY 3,300 billion (pro-forma April 2018-March 2019 combined revenue of Legacy Takeda and Legacy Shire, converted at April 2018-March 2019 average exchange rate of 111 JPY/USD)

INTEGRATION PROGRESSING WELL; INCREASING COST SYNERGY TARGET TO ~US$2B

INTEGRATION HIGHLIGHTS

- Five months into integration, overall progress is on track
- Increasing annual recurring pre-tax cost synergy target to ~$2B by end of FY2021, with cumulative one-time implementation costs of $3B
- Executing on divestment strategy, with announced divestitures of XIIDRA and TACHOSIL

	PRE-CLOSE	POST-CLOSE
PEOPLE & CULTURE	• Appointed new Takeda Executive Team (TET) • Appointed "TET-1" layer of top 200 leaders	• First leadership meeting held 2 days after close • Identified "TET-2" and "TET-3" layers of management • Key policies harmonized
ORGANIZATION/ LOCATIONS	• Announced new operating model to leverage Takeda and Shire know-how, with 4 regional business units and 3 global specialty business units • Decision made to consolidate U.S. operations in Boston	• Zurich chosen as regional HQ in Europe • UK site consolidation announced • Reduced U.S. field-based employees; rolled out new footprint for primary care and neuroscience specialty salesforce
SYSTEMS/IT	• Extensive planning for seamless operations (e.g. emails) on Day 1	• Integrated platform to track OPEX and synergy targets, implementation costs, and FTEs for the whole company

DIVERSE AND EXPERIENCED TAKEDA EXECUTIVE TEAM

JAPAN

CHRISTOPHE WEBER
President & CEO

COSTA SAROUKOS
Chief Financial Officer

MASATO IWASAKI
President, Japan Pharma Business Unit

HARUHIKO HIRATE
Corporate Communications & Public Affairs Officer

YOSHIHIRO NAKAGAWA
Global General Counsel

PADMA THIRUVENGADAM
Chief Human Resources Officer

MILANO FURUTA
Corporate Strategy Officer & Chief of Staff

US

ANDY PLUMP
President, Research & Development

RAMONA SEQUEIRA
President, US Business Unit

TERESA BITETTI
President, Global Oncology Business Unit

RAJEEV VENKAYYA
President, Global Vaccine Business Unit

GERARD (JERRY) GRECO
Global Quality Officer

MARCELLO AGOSTI
Global Business Development Officer

HELEN GIZA
Chief Integration & Divestiture Management Officer

SWITZERLAND

GILES PLATFORD
President, Europe & Canada Business Unit

CAMILLA SOENDERBY
Chief Patient Value & Product Strategy Officer

JULIE KIM
President, Plasma-Derived Therapies Business Unit

THOMAS WOZNIEWSKI
Global Manufacturing & Supply Officer

MWANA LUGOGO
Chief Ethics & Compliance Officer

SINGAPORE

RICARDO MAREK
President, Growth & Emerging Markets Business Unit

BOARD COMPOSITION FOR BEST IN CLASS GOVERNANCE

INTERNAL DIRECTORS

Christophe Weber
Representative Director,
President & CEO

Masato Iwasaki
Director, President,
Japan Pharma Business Unit

Andrew Plump
Director, President,
Research & Development

INDEPENDENT DIRECTORS*1

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

Michel Orsinger
Independent Director

Toshiyuki Shiga
Independent Director
Chair of Compensation Committee

Emiko Higashi
Independent Director

Yoshiaki Fujimori
Independent Director

Ian Clark
Independent Director

Olivier Bohuon
Independent Director

Steven Gillis
Independent Director

AUDIT & SUPERVISORY COMMITTEE (A&SC)

Yasuhiko Yamanaka
Director,
A&SC member

Shiro Kuniya
Independent Director,
Chair A&SC

Koji Hatsukawa
Independent Director,
A&SC member

Jean-Luc Butel
Independent Director,
A&SC member

CB CHAIR OF THE BOARD MEETING
INDEPENDENT DIRECTOR
NC NOMINATION COMMITTEE
CC COMPENSATION COMMITTEE

*1 As defined by Tokyo Stock Exchange listing rules

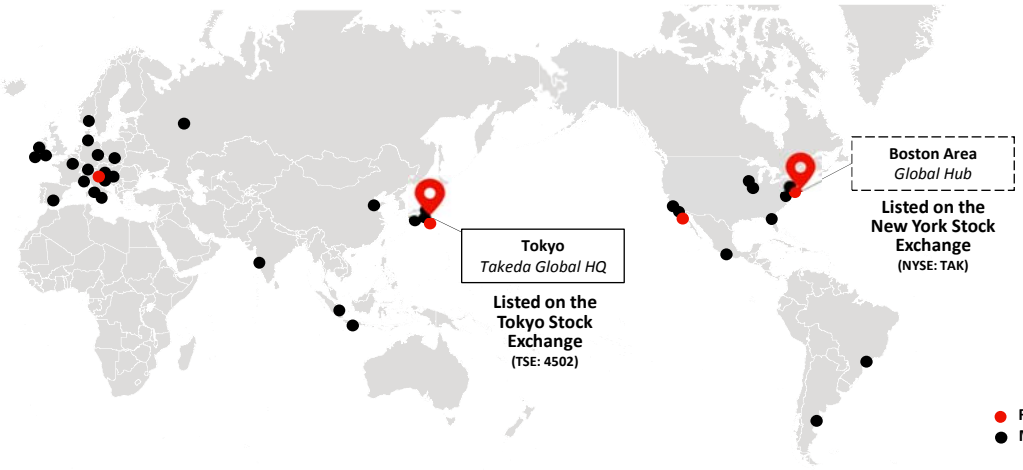
BUSINESS AREA FOCUS

Christophe Weber
President & Chief Executive Officer

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

~JPY 3.3T
~US$30B

PRO-FORMA REVENUE*1



APPROX. NET SALES BREAKDOWN BY REGION

*1. Pro-forma April 2018-March 2019 combined revenue of Legacy Takeda and Legacy Shire, converted at April 2018-March 2019 average exchange rate of 111 JPY/USD

5 KEY BUSINESS AREAS

Focused portfolio in 5 key business areas representing ~75% of total revenue*1

*1. Percentages on this slide refer to percentage of pro-forma April 2018-March 2019 combined revenue of Legacy Takeda and Legacy Shire, converted at April 2018-March 2019 average exchange rate of 111 JPY/USD
*2. ~11% excluding Plasma Derived Therapies in Hereditary Angioedema and Rare Hematology (Cinryze, Feiba, Immunate, Hemofil M, Immunine and Immuseven). ~14% includes these products.
*3. On May 8th 2019, Takeda announced agreement to divest XIIDRA

GI (~19% of total revenue)*1
- Entyvio (vedolizumab)
- Takecab
- ALOFISEL
- Gattex
- DEXILANT (dexlansoprazole)
- Lialda (mesalamine) 1.2g
- amitiza (lubiprostone)
- motegrity (prucalopride) tablets

RARE DISEASES (~21%)

RARE METABOLIC (~6%)
- elaprase (idursulfase)
- REPLAGAL
- VPRIV
- Natpara

RARE HEMATOLOGY (~11%)
- ADVATE [Antihemophilic Factor (Recombinant)]
- ADYNOVATE
- vonvendi [von Willebrand factor (Recombinant)]
- Obizur [Antihemophilic Factor (Recombinant), Porcine Sequence]
- RIXUBIS [COAGULATION FACTOR IX (RECOMBINANT)]
- AGRYLIN (anagrelide hydrochloride)
- FEIBA
- IMMUNATE
- HEMOFIL M
- IMMUNINE
- IMMUSEVEN

HEREDITARY ANGIOEDEMA (~4%)
- TAKHZYRO (lanadelumab-flyo) injection
- firazyr (icatibant)
- KALBITOR (ecallantide)
- CINRYZE (C1 inhibitor [human])

RARE IMMUNOLOGY

~14%*2

PLASMA-DERIVED THERAPIES (~11%)*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
- kenketu glovenin-I
- KENKETU NONTHRON
- KENKETU ALBUMIN

ONCOLOGY (~12%)
- NINLARO (ixazomib) capsules
- ALUNBRIG (brigatinib)
- VELCADE (bortezomib) for injection
- ADCETRIS (brentuximab vedotin)
- ICLUSIG

NEUROSCIENCE (~12%)
- Vyvanse
- Trintellix (vortioxetine)
- Mydayis
- AZILECT
- intuniv
- BUCCOLAM

OTHERS (~25%)
- AZILVA®
- Nesina (alogliptin)
- Uloric
- Colcrys (colchicine USP) tablets
- Neosaldina
- xiidra*3

Magnyl
Xefo
Ebrantil
...etc.

BALANCED PORTFOLIO OF KEY PRODUCTS INCLUDING 14 GLOBAL BRANDS EXPECTED TO CONTINUE TO DRIVE GROWTH OVER THE MID-TERM

		FY2018 REVENUE*1 (Bn JPY)	(MM USD)	versus PY	GLOBAL BRAND
GI	Entyvio vedolizumab	261.3	2,360	+34.8%	●
	Takecab	58.2	526	+20.1%	
	Gattex	52.0	470	+29.5%	●
	ALOFISEL	-	-	N/A (commercial launch August 2018)	●
RARE DISEASES	Natpara	27.6	250	+53.4%	●
	ADYNOVATE	54.7	494	+24.8%	●
	TAKHZYRO	16.7	151	N/A (commercial launch August 2018)	●
	elaprase (idursulfase)	72.2	652	+10.0%	●
	REPLAGAL	52.0	470	-3.4%	
	VPRIV	38.8	351	-2.5%	●

		FY2018 REVENUE*1 (Bn JPY)	(MM USD)	versus PY	GLOBAL BRAND
PLASMA-DERIVED THERAPIES	IMMUNOGLOBULIN	286.5	2,588	+8.6%	
	GAMMAGARD LIQUID / Kiovig			+3.6%	●
	HyQvia			+6.4%	●
	Cuvitru			+90.3%	●
	ALBUMIN/FLEXBUMIN	58.4	528	+2.1%	●
ONCOLOGY	NINLARO (ixazomib capsules)	60.2	544	+36.1%	●
	ADCETRIS (brentuximab vedotin)	45.3	410	+19.7%	
	ALUNBRIG	5.0	45	+85.1%	●
NEURO-SCIENCE	Vyvanse	246.4	2,226	+0.0%	
	Trintellix (vortioxetine)	54.5	493	+19.4%	

*1. Underlying Revenue shown for Legacy Takeda products. Pro-forma April 2018-March 2019 revenue shown for Legacy Shire products, converted at April 2018-March 2019 average exchange rate of 111 JPY/USD

GI

A GLOBAL LEADER IN INFLAMMATORY BOWEL DISEASE AND OTHER GI DISEASES

KEY GROWTH PRODUCTS

Entyvio vedolizumab

Ulcerative colitis, Crohn's disease

- Approved in 50+ countries, preparing to file in China
- Continue global roll out, positioning as first-line biologic option for patients who have failed conventional therapy
- Lifecycle management including subcutaneous formulation and GvHD
- Peak sales estimate US$4-5B*1

Takecab

Acid related diseases

- Launched in Japan*2 and several Asian markets
- Strong volume growth in Japan, driven by efficacy in reflux esophagitis and prevention of gastric ulcer recurrence during LDA administration

Gattex (Teduglutide [rDNA origin] for Injection)

Short bowel syndrome

- Approved in U.S. & EU and several other markets
- Continue launch activities in approved regions and raise awareness of product profile in this ultra-rare condition

ALOFISEL

Complex anal fistulas in adults with Crohn's disease

- Approved in EU in March 2018, first commercial use in August 2018; more than 50 patients treated to date
- Focus on establishing the brand, and identifying and training of centers of excellence in launching countries
- Patients dosed in Ph-3 ADMIRE-CD-II study to support global filings

GI PORTFOLIO REVENUE OUTLOOK OVER MID-TERM

~JPY 640B
~US$5.8B

FY2018 Revenue*3 (pro forma)

ENTYVIO TAKECAB GATTEX ALOFISEL OTHERS

INCREMENTAL GROWTH

GROWTH DRIVERS

- ⊕ Key Growth Products
- ⊕ New launches (e.g. TAK-721)

HEADWINDS

- ⊖ Loss of Exclusivity (AMITIZA, DEXILANT, PENTASA)
- ⊖ Erosion of LIALDA, pantoprazole

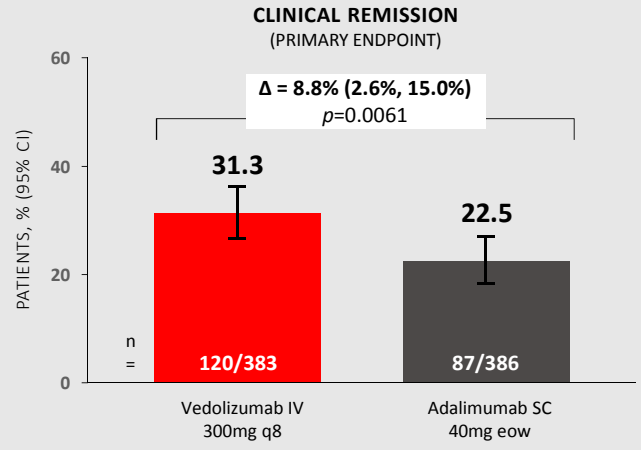
GvHD: Graft versus Host Disease; LDA: Low-dose aspirin
*1. Takeda internal estimate, Probability-to-success (PTS)-adjusted
*2. Co-promotion with Otsuka Pharmaceutical Co.

*3. Pro-forma April 2018-March 2019 combined revenue of Legacy Takeda and Legacy Shire products converted at April 2018-March 2019 average exchange rate of 111 JPY/USD

GI

ENTYVIO CONTINUES ON STRONG GROWTH TRACK 5 YEARS FROM LAUNCH; WE NOW ESTIMATE PEAK SALES OF $4-5B[*1]

ENTYVIO (VEDOLIZUMAB) SUPERIOR TO ADALIMUMAB IN ACHIEVING CLINICAL REMISSION[*2] AT WEEK 52 IN UC[*3]



Source: Schreiber S, et al. J Crohns Colitis 2019;13(Supplement_1):S612–3 (abst OP34). [Oral presentation]

SC: Subcutaneous; IV: Intravenous
CI: Confidence interval; q8: every 8 weeks; eow: every other week
UC: Ulcerative colitis; CD: Crohn's disease

CONTINUING TO GROW MARKET SHARE IN LAUNCHED COUNTRIES

- Increasing overall market share in the U.S. (UC 24.7%; CD 13.0%)[*4] and Europe & Canada (UC 21.1%; CD 12.1%)[*5], driven by continued penetration of the bio-naïve segment

GEOGRAPHIC EXPANSION STILL ONGOING

- Japan CD indication under review (launched for UC)
- Potential China submission in FY2020[*6]

MAXIMIZING VALUE THROUGH LIFECYCLE MANAGEMENT

- Data from the first head-to-head superiority trial of two biologics in UC (VARSITY Study) demonstrated vedolizumab superior to adalimumab in achieving clinical remission at Week 52
- Subcutaneous formulation filed in U.S. (UC) and Europe (UC and CD)
- GvHD prophylaxis Ph-3 study initiated with first patient dosed (March 2019)

*1. Takeda internal estimate, Probability-to-success (PTS)-adjusted
*2. Clinical remission: Complete Mayo score of ≤2 points and no individual subscore >1 point.
*3. Data from full analysis set, which includes all randomised patients who received at least 1 dose of study drug.
*4. Source: Patient shares estimated from projected patient counts from SHA Medical and Pharmacy Claims data, February 2019.
*5. Source: Internal data
*6. On Aug. 8th, 2018, the China Center for Drug Evaluation (CDE) selected a total of 48 products for which there is an urgent medical need but which are not currently approved for marketing in China. Pharmaceutical companies have been encouraged to submit NDAs for these products using data gathered outside of China (including data demonstrating a lack of ethnic differences), and such NDAs will be subject to a priority review/appeal process.

RARE DISEASES

RARE METABOLIC: MAINTAIN STABLE PORTFOLIO IN LYSOSOMAL STORAGE DISORDERS AND FOCUS ON NATPARA EXPANSION

KEY GROWTH PRODUCTS

Natpara

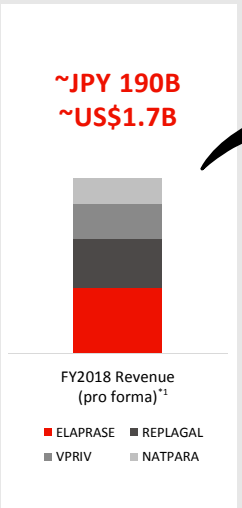
Hypoparathyroidism

- Approved in U.S. & EU
- Increasing awareness of the burden of illness in hypoparathyroid patients whose hypocalceimia is not adequately controlled, and establish NATPARA as the adjunctive treatment of choice for patients whose hypocalcemia cannot be controlled on standard therapy

STABLE PORTFOLIO FOR LYSOSOMAL STORAGE DISORDERS

elaprase (idursulfase)	REPLAGAL agalsidase alfa	VPRIV
Hunter syndrome	Fabry disease	Gaucher disease

RARE METABOLIC PORTFOLIO REVENUE OUTLOOK OVER MID-TERM



INCREMENTAL GROWTH

GROWTH DRIVERS

- ⊕ NATPARA growth
- ⊕ Stable portfolio for lysosomal storage disorders (ELAPRASE, REPLAGAL, VPRIV)

*1. Pro-forma April 2018-March 2019 revenue converted at April 2018-March 2019 average exchange rate of 111 JPY/USD

RARE DISEASES

RARE HEMATOLOGY: CONTINUE TO DELIVER SIGNIFICANT VALUE TO PATIENTS IN INCREASINGLY COMPETITIVE ENVIRONMENT

KEY GROWTH PRODUCTS

ADYNOVATE
Rurioctocog alfa pegol
(Recombinant Coagulation Factor VIII)

Hemophilia A

myPKFiT

- Approved in U.S., EU, Canada, Japan; continuing to roll-out launches in Europe and Emerging Markets
- Continue to focus on personalised Factor VIII replacement therapy with ADYNOVATE as the standard of care in patients with Hemophilia A

Differentiate personalised prophylaxis through ADYNOVATE with myPKFiT, with goal to reduce bleeds for optimal joint health, allowing patients to live more active lives. Optimizing factor VIII levels is an essential part of a personalized treatment approach

RARE HEMATOLOGY PORTFOLIO REVENUE OUTLOOK OVER MID-TERM

~JPY 380B
~US$3.5B

FY2018 Revenue (pro forma) *1

FEIBA ADVATE ADYNOVATE OTHERS

OVERALL DECLINE

GROWTH DRIVERS

⊕ ADYNOVATE growth

HEADWINDS

⊖ Competitive pressure, particularly on FEIBA and ADVATE

*1. Pro-forma April 2018-March 2019 revenue converted at April 2018-March 2019 average exchange rate of 111 JPY/USD

RARE DISEASES

HEREDITARY ANGIOEDEMA: EXPECTED STRONG GROWTH OF TAKHZYRO SHOULD ENSURE TAKEDA MAINTAINS LEADERSHIP POSITION IN HAE

KEY GROWTH PRODUCTS

TAKHZYRO
(lanadelumab-flyo) injection

Prevention of hereditary angioedema attacks

- Approved in the U.S., EU and Canada; under review in China
- Initial U.S. uptake comes from patients on existing prophylaxis therapies and those new to prophylaxis

Focusing on launch excellence with the goals of:

- Establishing prevention of HAE attacks as the standard of care, with zero attacks the treatment goal
- Positioning TAKHZYRO as first-line prevention treatment based on efficacy and safety profile, and subcutaneous self-administration
- Ensuring patient access to TAKHZYRO

HAE PORTFOLIO REVENUE OUTLOOK OVER THE MID-TERM

~JPY 130B
~US$1.2B

FY2018 Revenue (pro forma) *1

FIRAZYR CINRYZE KALBITOR TAKHZYRO

INCREMENTAL GROWTH

GROWTH DRIVERS

⊕ TAKHZYRO growth

HEADWINDS

⊖ Loss of exclusivity (FIRAZYR)

⊖ Cannibalization of CINRYZE by TAKHZYRO

*1. Pro-forma April 2018-March 2019 revenue converted at April 2018-March 2019 average exchange rate of 111 JPY/USD

PLASMA-DERIVED THERAPIES

OTHER PLASMA-DERIVED RARE IMMUNOLOGY PRODUCTS: MANAGING SUPPLY TO ENSURE STABLE GROWTH OF IG AND ALBUMIN

KEY GROWTH PRODUCTS

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

PID, MMN

Kiovig

PID, SID, other neuro-immunological indications

- Approved in 50+ countries (KIOVIG in EU)
- Continue to build on GAMMAGARD LIQUID's position as a highly recognized IVIG brand that is standard of care treatment for PID and MMN

HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase

Cuvitru [Immune Globulin Subcutaneous (Human)] 20%

PID
SID (EU)

- HYQVIA approved in the U.S., EU, LATAM, and Middle East; CUVITRU approved in the U.S. and EU
- Provides patients flexibility in their schedule of subcutaneous IG administration, whether monthly (HYQVIA) or more frequently (CUVITRU)
- Phase 3 study ongoing for CIPD indication (HYQVIA)

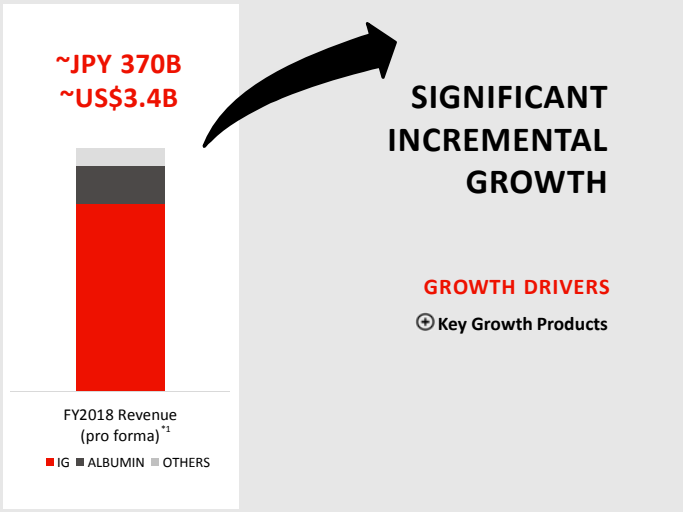
Flexbumin (Human Albumin)

HUMANALBUMIN

Hypovolemia, Hypoalbuminemia

- Approved in 40+ countries
- Maximize opportunity in China and other top priority markets including the U.S. and India
- FLEXBUMIN uses a closed system (collapsible bag) which is lightweight, aimed at reducing the risk of hospital infections, and allows minimal wastage

OTHER PLASMA-DERIVED RARE IMMUNOLOGY PORTFOLIO REVENUE OUTLOOK OVER THE MID-TERM



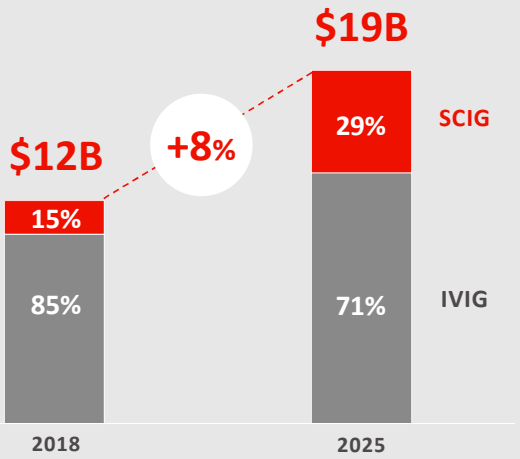
PID: Primary Immunodeficiency; SID: secondary immunodeficiency; MMN: Multifocal motor neuropathy; IVIG: Intravenous Immunoglobulin; CIDP: Chronic Inflammatory Demyelinating Polyradiculoneuropathy

*1. Pro-forma April 2018-March 2019 combined revenue of Legacy Takeda and Legacy Shire products converted at April 2018-March 2019 average exchange rate of 111 JPY/USD

PLASMA-DERIVED THERAPIES

MAKING THE RIGHT INVESTMENTS TO BUILD A COMPETITIVE LEADING POSITION

DEMAND CONTINUES TO DRIVE SIGNIFICANT MARKET GROWTH



ESTIMATED GLOBAL IG MARKET (US$B)*1

MANUFACTURING: RAMPING UP OPERATIONS AT COVINGTON

- Received US FDA approval to manufacture FLEXBUMIN in March 2019
- Ramp up to full production over next several years, with a focus on manufacturing the IG portfolio and Albumin, covering 1 million+ square feet with the opportunity to further expand with the aim of reducing the gap between demand and supply
- Additional internal capacity expansion under evaluation

SUPPLY: INVESTING IN PLASMA COLLECTION

Acquired 10 additional plasma collection centers since Shire acquisition close

- 1 center in Maryland, U.S.
- 2 centers in Austria
- 7 centers in Hungary

Current footprint of 105 centers in the US, and 30 ex-US

Intend to continue to invest in increasing plasma collection footprint, aiming for double-digit increase in number of new centers each year

SCIG: Subcutaneous Immunoglobulin; IVIG: Intravenous Immunoglobulin
*1. Market share by value, 2016 WW MRB Report, 2017 US MRB Report

ONCOLOGY

ASPIRATION TO BECOME A GLOBAL TOP 10 ONCOLOGY PLAYER

KEY GROWTH PRODUCTS

NINLARO (ixazomib) capsules

Relapsed/refractory multiple myeloma

- Approved in 60+ countries, FY2018 launches in China & France
- Continue global roll out and increase share in 2L+ MM based on profile of efficacy, convenience and tolerability
- Important data readout expected for transplant-ineligible MM maintenance (FY2019 H2)
- Peak sales estimate US$1.5-2.0B*1

ADCETRIS brentuximab vedotin

Malignant lymphomas

- Approved in 70+ countries*2
- Label expansion to include previously untreated Hodgkin lymphoma approved in Japan (Sept 2018) and EU (Feb 2019)
- Frontline PTCL data submitted to regulatory authorities in Japan (March 2019), with filing expected in EU in FY2019

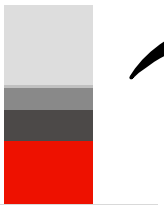
ALUNBRIG BRIGATINIB

ALK+ Non-Small Cell Lung Cancer (post-crizotinib)

- Approved in U.S. & EU, studies ongoing in Japan and China
- First-line NSCLC submission in U.S. planned for H2 FY2019 based on 2nd interim analysis of ALTA-1L study
- Second-line head-to-head study with alectinib ongoing
- Peak sales estimate US$1B*1

ONCOLOGY PORTFOLIO REVENUE OUTLOOK OVER MID-TERM

~JPY 400B
~US$3.6B



FY2018 Revenue (Underlying)

VELCADE NINLARO
ADCETRIS ALUNBRIG
OTHERS

INCREMENTAL GROWTH

GROWTH DRIVERS

⊕ Key Growth Products

⊕ New launches (e.g. niraparib, cabozantinib)

HEADWINDS

⊖ Loss of Exclusivity (VELCADE)

⊖ Erosion of leuprorelin

MM: Multiple Myeloma; PTCL: Peripheral T-cell Lymphoma, NSCLC: Non Small Cell Lung Cancer
*1. Takeda internal estimate, Probability-to-success (PTS)-adjusted
*2. ADCETRIS is in-licensed from Seattle Genetics; Takeda has marketing rights ex.-North America

NEUROSCIENCE

STRONG U.S. FRANCHISE WITH LEADERSHIP IN ADHD

KEY GROWTH PRODUCTS

Vyvanse

Attention deficit hyperactivity disorder

- Approved in 23 countries, with Japan approval in March 2019
- #1 branded ADHD medication in the U.S.
- Realize volume-driven U.S. growth over the mid-term by stabilizing market share in the pediatric population and expanding in adults

Trintellix vortioxetine

Major depressive disorder

- Marketed in the U.S.; under regulatory review in Japan*1
- #1 branded antidepressant in the U.S.
- Expanded label in the U.S. to include data on speed of processing (May 2018) and Treatment Emergent Sexual Dysfunction (October 2018)

NEUROSCIENCE PORTFOLIO REVENUE OUTLOOK OVER MID-TERM

~JPY 400B
~US$3.6B

FY2018 Revenue (pro forma)*2

VYVANSE TRINTELLIX
OTHERS

GROWTH UNTIL VYVANSE LOSS OF EXCLUSIVITY

GROWTH DRIVERS

⊕ Key Growth Products

HEADWINDS

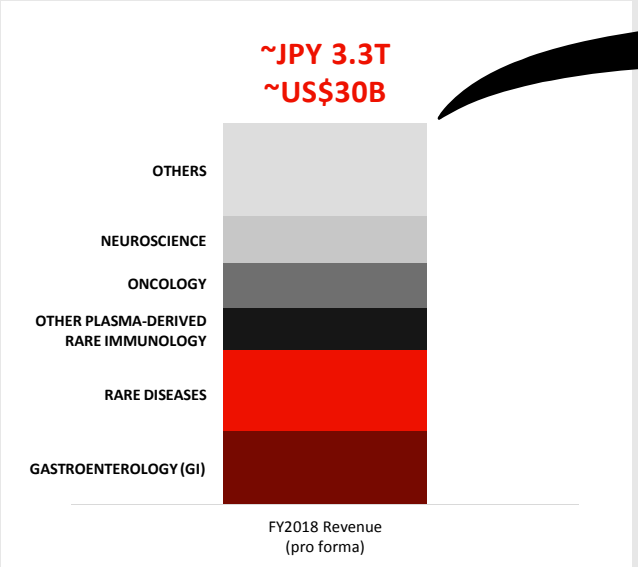
⊖ Loss of Exclusivity (ADDERALL XR, ROZEREM, MYDAYIS, VYVANSE)

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

*2. Pro-forma April 2018-March 2019 combined revenue of Legacy Takeda and Legacy Shire products converted at April 2018-March 2019 average exchange rate of 111 JPY/USD

BALANCED PORTFOLIO OF 14 GLOBAL BRANDS IN OUR KEY BUSINESS AREAS EXPECTED TO DRIVE REVENUE GROWTH IN THE MID-TERM WHILE THE R&D PIPELINE ADVANCES

TAKEDA TOTAL REVENUE OUTLOOK OVER MID-TERM



INCREMENTAL GROWTH

GROWTH DRIVERS

- ⊕Key Growth Products in 5 Key Business Areas
- ⊕New launches

HEADWINDS

- ⊖Loss of Exclusivity
- ⊖Competitive pressure
- ⊖Pricing pressure

*1. Pro-forma April 2018-March 2019 combined revenue of Legacy Takeda and Legacy Shire. Legacy Shire results converted at April 2018-March 2019 average rate of 111 JPY/USD.

R&D ENGINE

Andrew Plump

President,
Research & Development

A UNIQUE R&D ENGINE DRIVING INNOVATION

HIGHLY FOCUSED

THERAPEUTIC AREAS

- ONCOLOGY
- GI
- RARE DISEASES
- NEUROSCIENCE
- PLASMA DERIVED THERAPIES
- VACCINE

LEADING PARTNERSHIP MODEL | **CULTURE OF INNOVATION**

UNIQUE R&D ENGINE

Agile and lean organization, freeing up resources to be invested into pipeline development

Dynamic and sustainable research and early development engine with key capabilities

Transformative advances via reciprocally advantageous partnerships

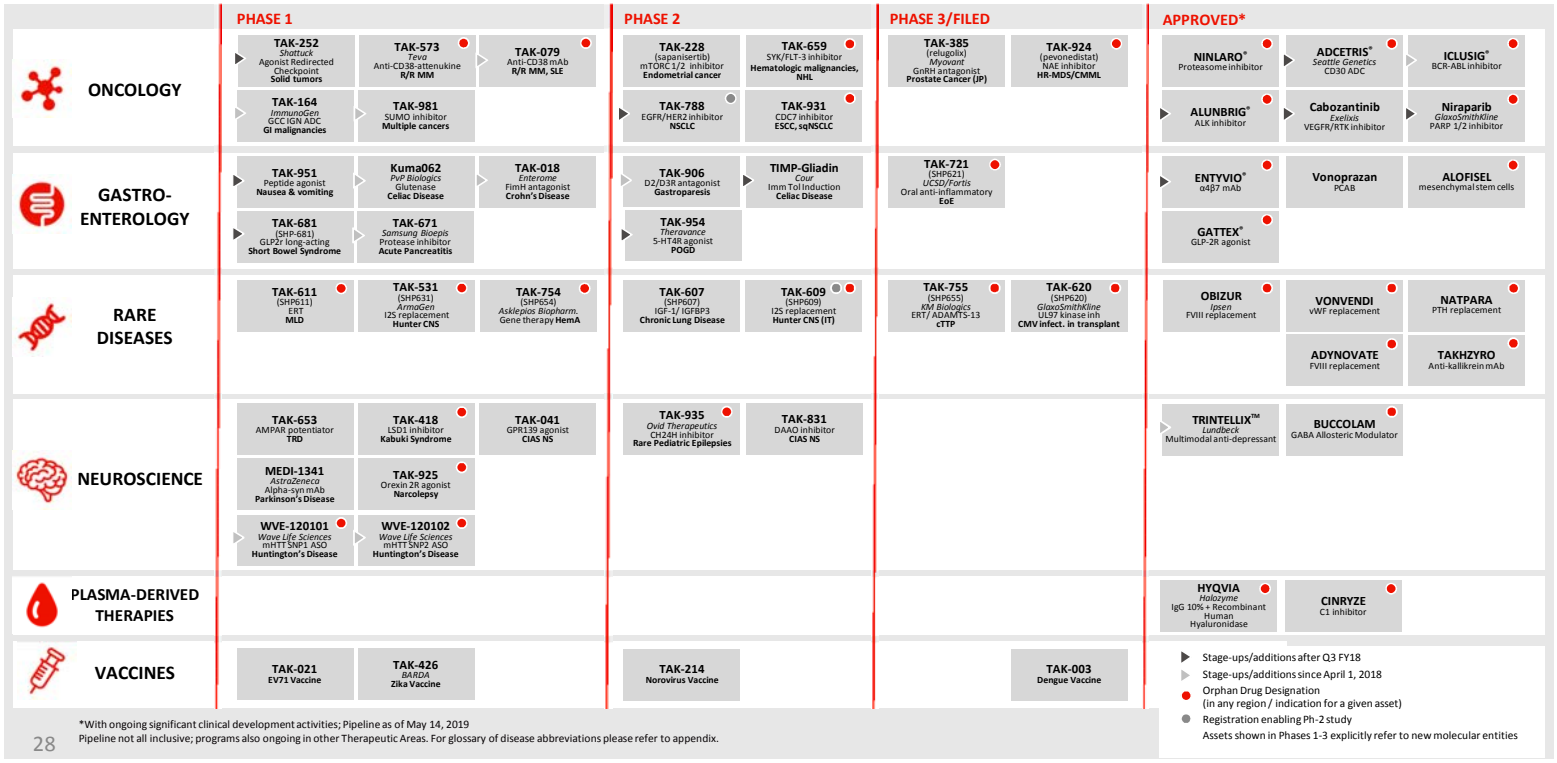
Laser-focused on purposeful execution

PERFORMANCE AGAINST IMPORTANT R&D MILESTONES IN FY2018

	COMPOUND	EXPECTED EVENT		Since FY18 Q3		
	ADCETRIS	Front-Line Hodgkin's Lymphoma EU approval decision	H2	✓	NEW	
		Front-Line Hodgkin's Lymphoma Japan approval decision	H2	✓		
	ALUNBRIG	ALTA-1L Front-line ALK+ NSCLC 1st Interim Analysis	H1	✓		
		2nd-line ALK+ NSCLC EU approval decision	H2	✓		
	Cabozantinib	Hepatocellular carcinoma Japan pivotal study start	H2	✓		
	ICLUSIG	Ph+ Acute Lymphoblastic Leukemia Global pivotal study start	H1	✓		
	NINLARO	Newly Diagnosed Multiple Myeloma 1st Interim Analysis	H1	→		Study continues to 2nd IA
		Multiple Myeloma Maintenance Post-Transplant 1st Interim Analysis	H1	→		The Multiple Myeloma Maintenance Post-Transplant study met its primary endpoint of progression free survival at the first IA in July 2018. This data was submitted to the FDA in November 2018, and after further discussion with the authorities, the decision has been made to withdraw the filing and to resubmit when more mature survival data are available. We will be reviewing the timing of future analyses and will work closely with the FDA on resubmission plans.
	Pevonedistat	HR-MDS/CMML/LB AML Ph-2 final analysis	H2	→		Move final analysis to FY2019 with potential filing from ongoing Phase 2 study
	TAK-788	First patient dosed in registration enabling Ph-2 NSCLC study	H2	✓	NEW	Upcoming presentation at scientific conference
	ENTYVIO	Crohn's Disease Japan submission	H1	✓		
		Ulcerative Colitis Japan approval decision	H1	✓		
		Subcutaneous administration Ulcerative Colitis U.S./EU submission	H2	✓	NEW	Also submitted for Crohn's disease in EU
	TAK-954	Enteral Feeding Intolerance Ph-2b study initiation	H1	✗		Discontinued due to patient recruitment challenges in evolving patient management practice
		Post-Operative Gastrointestinal Dysfunction Ph-2b initiation	H2	✓	NEW	
	TAK-906	Gastroparesis Ph-2b initiation	H2	✓		
	TAK-721 (SHP621)	Eosinophilic Esophagitis Ph 3 induction study (301) top line data	H2	✓	NEW	
	TRINTELLIX	Major Depressive Disorder Japan submission	H2	✓		
		TESD U.S. label update approval decision	H2	✓		
	TAK-925	Proof of concept in narcolepsy patients	H2	→		Program achieved early stage goals and is on track to advance
	TAK-003	Dengue Vaccine Ph-3 primary analysis	H2	✓		Publication forthcoming
	TAK-214	Norovirus Vaccine Ph-2b final analysis (in adults)	H1	✓		

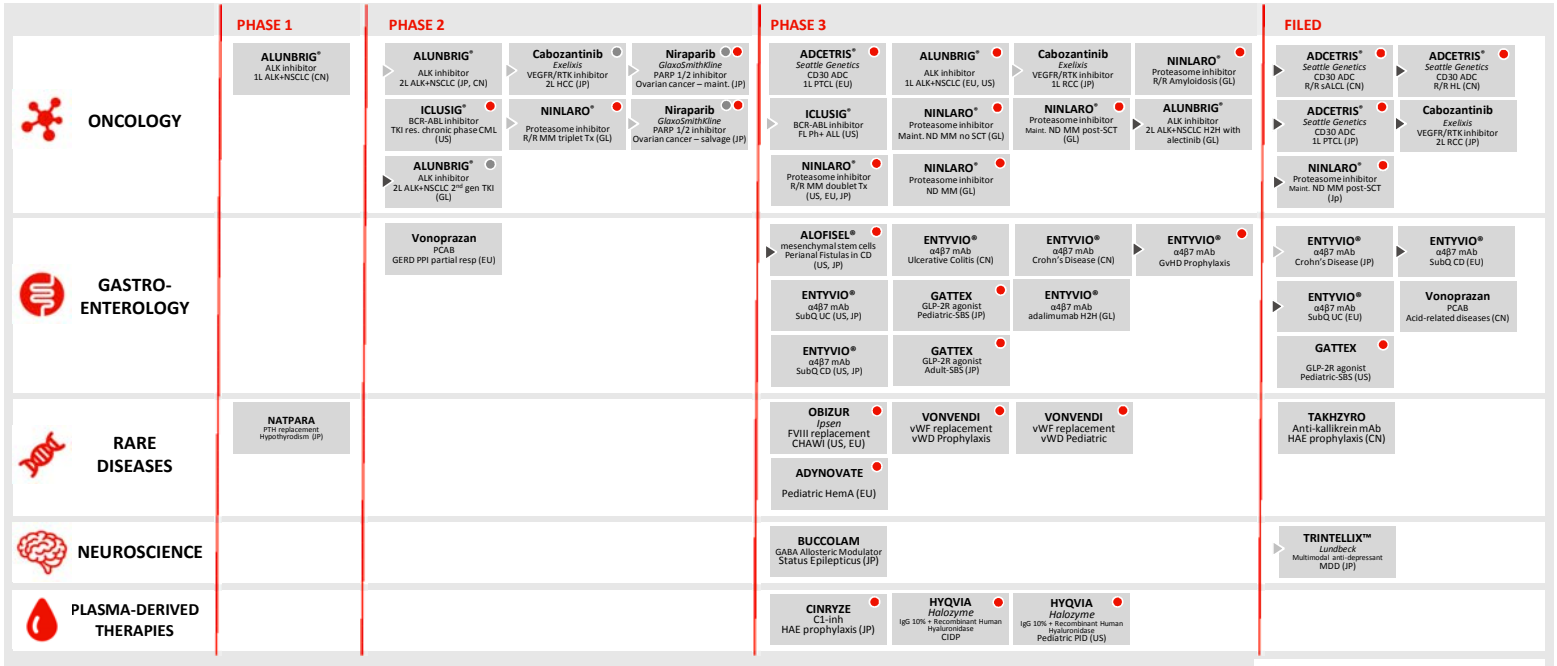
Table only shows select R&D milestones and is not comprehensive. All timelines are current assumptions and subject to change. For full glossary of disease abbreviations please refer to appendix.

INNOVATIVE PIPELINE HAS DELIVERED 15 NEW MOLECULAR ENTITY CLINICAL STAGE-UPS SINCE APRIL 2018



*With ongoing significant clinical development activities; Pipeline as of May 14, 2019
Pipeline not all inclusive; programs also ongoing in other Therapeutic Areas. For glossary of disease abbreviations please refer to appendix.

MAXIMIZING THE VALUE OF OUR APPROVED PROGRAMS



Pipeline as of May 14, 2019; region abbreviations: GL = global (USA, Europe, Japan, China). Pipeline not all inclusive; programs also ongoing in other Therapeutic Areas
For glossary of disease abbreviations please refer to appendix

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

		MOA	TAU /BU	EXPECTED EVENT	FY19
LATE PIPELINE ASSET	**TAK-924 (pevonedistat)**	NAE inhibitor	Oncology	Pivotal Ph-2 readout in myelodysplastic syndrome (MDS)	H1
	TAK-788	EGFR/HER2 inhibitor	Oncology	Ph-3 study start in treatment naïve non-small-cell lung carcinoma (NSCLC)	H1
	TAK-823 (alisertib)	Aurora A kinase inhibitor	Oncology	Ph-3 study start in front-line acute myeloid leukemia (AML)	H2
	TAK-755	ADAMTS-13	Rare Disease	Ph-3 study re-initiation in congenital thrombotic thrombocytopenic purpura (cTTP)	H2
	TAK-609	Iduronate-2-sulfatase (intrathecal)	Rare Disease	Ph-3 study data readout (2-year extension) for Hunter Syndrome and cognitive impairment	H1
	TAK-003	Dengue vaccine	Vaccine	Decision to submit Dengue vaccine	H2
EARLY PIPELINE ASSET	**TAK-573**	Anti-CD38 attenukine	Oncology	POC readout for relapsed / refractory multiple myeloma	H1
	TAK-676	STING agonist	Oncology	Ph-1 clinical start for systemic IV administration	H1
	Cell Therapy	TBN	Oncology	Progress at least one innovative I/O cell therapy program to FIH	H2
	TIMP-Glia / Kuma062	Immune Tol. Ind. / Glutenase	Gastroenterology	POC readout in Celiac Disease	H1
	TAK-748	FIX Gene Therapy	Rare Disease	Initiate Ph-1 study for Hemophilia B	H2
	TAK-925	Orexin2R agonist	Neuroscience	Update on the Orexin 2R agonist program at R&D Day	H2
	TAK-426	Zika vaccine	Vaccine	Early POC readout for Zika vaccine	H2

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

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

	COMPOUND	EXPECTED EVENT	FY19
	ADCETRIS	ECHELON-2 submission in EU for front-line PTCL	H1
	ALUNBRIG	2nd interim analysis of ALTA-1L front-line ALK+ NSCLC	H1
	Cabozantinib	1st approval decision in Japan for 2nd-line renal cell cancer (RCC)	H2
	NINLARO	Ph-3 readout in amyloidosis	H1
		Ph-3 readout in transplant ineligible maintenance in multiple myeloma (TOURMALINE MM4)	H2
	ALOFISEL	ADMIRE II pivotal study initiation in US for perianal fistulas in Crohn's disease	H1
	ENTYVIO	Approval decision in Japan for Crohn's disease	H1
		Submission in US for subcutaneous administration in Crohn's disease	H2
		Approval decision in US for subcutaneous administration in ulcerative colitis	H2
	GATTEX	Approval decision in US for short bowel syndrome (pediatric)	H1
	TAKHZYRO	Initiate study in bradykinin mediated angioedema	H2
	TRINTELLIX	Approval decision in Japan for major depressive disorder (MDD)	H1
	GLASSIA/ARALAST	Pivotal study start in emphysema patients with α1 anti-trypsin deficiency	H2

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

UPCOMING R&D INVESTOR DAYS (ESTIMATED TIMING)

NEW YORK R&D Day
Thursday, 14th November 2019*

TOKYO R&D Day
Thursday, 21st November 2019*

*** Invitations forthcoming upon confirmation of dates**

FINANCIAL STRENGTH

Costa Saroukos
Chief Financial Officer

FY2018 EXCELLENT RESULTS DRIVEN BY KEY GROWTH PRODUCTS AND STRICT OPEX DISCIPLINE

FY18 LEGACY TAKEDA RESULTS*1

GREATLY EXCEEDED ORIGINAL GUIDANCE

REPORTED RESULTS

- **REVENUE +1.0%** despite impact of divestitures and FX
- **OPERATING PROFIT +70.3%** driven by business momentum, with sale of real estate offsetting one-time FY17 gain on Wako divestiture

UNDERLYING RESULTS

- **REVENUE +5.3%** with significant contributions from ENTYVIO (+34.8%) & NINLARO (+36.1%)
- **CORE EARNINGS +38.7%** with margin expansion +540bps of which 3/4 driven by OPEX

FY18 CONSOLIDATED RESULTS*2

STRONG LEGACY TAKEDA ABSORBED DEAL COSTS

REPORTED RESULTS

- **REVENUE +18.5%** with one-time negative impact from applying Takeda distribution channel policies to Legacy Shire products
- **EPS -52.6% TO 113 YEN** strong Legacy Takeda performance absorbed acquisition-related costs; significant impact of non-cash purchase accounting expenses

CASH FLOW

- **FREE CASH FLOW +4.6%** unlocking cash through asset sales
- **NET DEBT/ADJ. EBITDA AT 4.7X** Secured investment grade rating; starting with lower than expected leverage ratio

*1. Excludes Legacy Shire financials (from January 8, 2019 to March 31, 2019), costs incurred by Legacy Takeda and Legacy Shire related to the acquisition, and financial impact from purchase accounting
*2. Includes Legacy Shire financials (from January 8, 2019 to March 31, 2019), costs incurred by Legacy Takeda and Legacy Shire related to the acquisition, and financial impact from purchase accounting

FY2018 STRONG LEGACY TAKEDA PERFORMANCE WITH OPERATING PROFIT +70.3%

FY2018 LEGACY TAKEDA*1 REPORTED RESULTS (VS. PY)

(BN YEN)	FY2017	FY2018	VS. PY
REVENUE	1,770.5	**1,788.0**	+1.0%
OPERATING PROFIT	241.8	**411.8**	+70.3%
NET PROFIT	186.9	**312.9**	+67.4%
EPS*2	239 yen	**399 yen**	+66.6%
JPY/USD	111 yen	**111 yen**	-0.4%
JPY/EUR	129 yen	**129 yen**	-0.4%
CORE EARNINGS	322.5	**393.3**	+21.9%
FREE CASH FLOW	361.5	**384.2**	+6.3%

Legacy Takeda Operating Profit increased +70.3% (JPY 170.0B) year-on-year mainly driven by business momentum; large one-time gains in FY2017 from Wako divesture and Teva JV product transfer were largely offset by sales of real estate in FY2018

*1. Excluding Legacy Shire financials (from January 8, 2019 to March 31, 2019), costs incurred by Legacy Takeda and Legacy Shire related to the acquisition, and financial impact from purchase accounting
*2. Number of shares used for FY2018 EPS calculation: 784,477,109 shares (as of Jan 7, 2019, the day before the completion of the Shire acquisition).

FY2018 STRONG LEGACY TAKEDA PERFORMANCE ENTIRELY ABSORBED SHIRE ACQUISITION RELATED COSTS INCURRED IN FY2018

FY2018 LEGACY TAKEDA (VS. FORECAST)

(BN YEN)	ORIGINAL FORECAST*1,2	LEGACY TAKEDA*2	VS. ORIGINAL FORECAST	
REVENUE	1,737.0	1,788.0	+51.0	+2.9%
OPERATING PROFIT	201.0	411.8	+210.8	+104.9%
PROFIT BEFORE TAX	183.0	357.4	**+174.4**	+95.3%
NET PROFIT	139.0	312.9	+173.9	+125.1%
EPS*4	178 yen	399 yen	+221 yen	+124.2%
CORE EARNINGS	309.5	393.3	+83.8	+27.1%

SHIRE ACQUISITION RELATED COSTS*3

(BN YEN)	
ACQUISITION COSTS, ETC.	-25.3
INTEGRATION COSTS	-59.6
FINANCIAL EXPENSES	-41.3
PROFIT BEFORE TAX IMPACT	**-126.3**
CORE EARNINGS IMPACT	—

Strong Legacy Takeda performance entirely absorbed Shire acquisition related costs incurred in FY2018; **+174.4 Bn yen vs. –126.3 Bn yen**

*1. Announced on May 14, 2018.
*2. Excludes Legacy Shire financials (from January 8, 2019 to March 31, 2019), costs incurred by Legacy Takeda and Legacy Shire related to the acquisition, and financial impact from purchase accounting
*3. Costs incurred by Legacy Takeda and Legacy Shire related to the acquisition.
*4. Number of shares used for FY2018 EPS calculation: 784,477,109 shares (as of Jan 7, 2019, the day before the completion of the Shire acquisition).

FY2018 CONSOLIDATED REPORTED RESULTS REFLECT 3-MONTHS LEGACY SHIRE CONTRIBUTION

FY2018 REPORTED RESULTS (VS. PY)

(BN YEN)	FY2017	FY2018*1	VS. PY
REVENUE	1,770.5	**2,097.2**	+18.5%
OPERATING PROFIT	241.8	**205.0**	-15.2%
NET PROFIT	186.9	**109.1**	-41.6%
EPS*2	239 yen	**113 yen**	-52.6%
CORE EARNINGS	322.5	**459.3**	+42.4%
CORE EARNINGS MARGIN	18.2%	**21.9%**	+3.7pp
CORE EPS	302 yen	**334 yen**	+36.4%
FREE CASH FLOW	361.5	**378.1**	+4.6%

*1. Includes Legacy Shire financials (from January 8, 2019 to March 31, 2019), costs incurred by Legacy Takeda and Legacy Shire related to the acquisition, and financial impact from purchase accounting
*2. Number of shares used for FY2018 EPS calculation: 961,476,993 shares (April 2018 - March 2019 average)

FY2018 REPORTED RESULTS BREAKDOWN; CONSOLIDATED EPS SIGNIFICANTLY IMPACTED BY NON-CASH PURCHASE ACCOUNTING EXPENSES

FY2018 REPORTED RESULTS (VS. PY)

(BN YEN)	FY2017	FY2018			FY2018			FY2018		
	LEGACY TAKEDA	LEGACY TAKEDA[*1] (A)	VS. PY		SHIRE ACQUISITION RELATED COSTS[*2] (B)	LEGACY SHIRE[*3] (C)	PURCHASE ACCOUNTING IMPACT (D)	CONSOLIDATED TOTAL (A)+(B)+(C)+(D)	VS. PY	
REVENUE	1,770.5	1,788.0	+17.5	+1.0%	-	309.2	-	2,097.2	+326.7	**+18.5%**
OPERATING PROFIT	241.8	411.8	+170.0	+70.3%	-85.0	59.8	-181.6	205.0	-36.8	-15.2%
NET PROFIT	186.9	312.9	+126.0	+67.4%	-100.2	38.1	-141.7	109.1	-77.8	-41.6%
EPS[*4]	239 yen	399 yen	+159 yen	+66.6%	-	-	-	113 yen	-126 yen	-52.6%
CORE EARNINGS	322.5	393.3	+70.8	+21.9%	-	66.0	-	459.3	+136.8	**+42.4%**

- Legacy Shire contributed 309.2 Bn yen in revenue and 66.0 Bn yen in Core Earnings, which includes one-time impact from applying Takeda distribution channel policies to Legacy Shire products resulting in significantly lower days-on-hand of commercial product at wholesalers
- Reported EPS -52.6% to 113 yen, impacted by significant non-cash purchase accounting expenses

*1. Excludes Legacy Shire financials (from January 8, 2019 to March 31, 2019), costs incurred by Legacy Takeda and Legacy Shire related to the acquisition, and financial impact from purchase accounting
*2. Costs incurred by Legacy Takeda and Legacy Shire related to the acquisition
*3. Legacy Shire financials (from January 8, 2019, to March 31, 2019) excluding acquisition related costs
*4. Number of shares used for FY2018 EPS calculation: Legacy Takeda 784,477,109 shares (as of Jan 7, 2019, the day before the completion of the Shire acquisition) and consolidated total 961,476,993 shares (April 2018 – March 2019 average)

FY2018 LEGACY TAKEDA UNDERLYING GROWTH GREATLY EXCEEDED ORIGINAL AND REVISED GUIDANCE

FY2018 LEGACY TAKEDA[*1] UNDERLYING GROWTH (VS. PY)

	ORIGINAL GUIDANCE MAY 14, 2018	REVISED GUIDANCE OCT 31, 2018	FY2018 ACTUAL
UNDERLYING REVENUE	Low single digit	Low single digit	**+5.3%** ☑
UNDERLYING CORE EARNINGS	High single digit	High teens	**+38.7%** ☑
UNDERLYING CORE EARNINGS MARGIN	Lower-end of +100-200bps	Higher-end of +100-200bps	**+540bps** ☑
UNDERLYING CORE EPS	Low teens	Mid twenties	**+29.0%** ☑

*1. Excludes Legacy Shire financials (from January 8, 2019 to March 31, 2019), costs incurred by Legacy Takeda and Legacy Shire related to the acquisition, and financial impact from purchase accounting
Note: This slide does not include the revised guidance published on April 25, 2019

UNDERLYING CORE EARNINGS MARGIN EXPANDED 960BPS IN 2 YEARS DRIVEN BY KEY GROWTH PRODUCTS AND EXECUTION OF THE GLOBAL OPEX INITIATIVE

LEGACY TAKEDA*1 UNDERLYING CORE EARNINGS MARGIN EXPANSION (VS. PY)

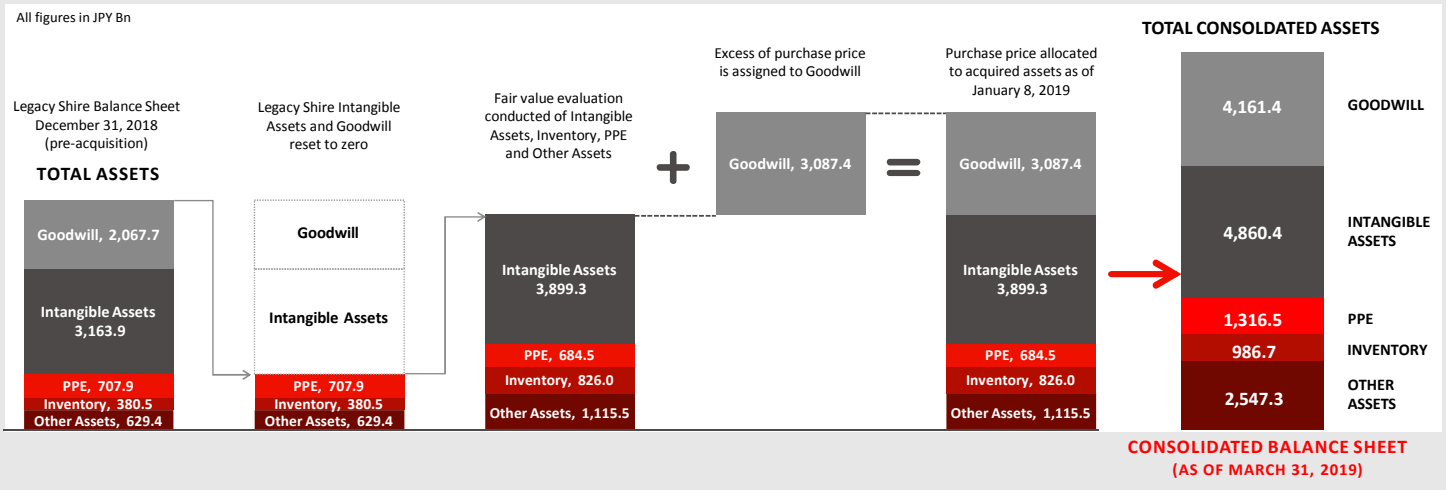
	FY2017	FY2018	2 YEAR TOTAL*4
GROSS PROFIT*2 AS % OF REVENUE	+280bps	+140bps	+420bps
OPEX*3 AS % OF REVENUE	+140bps	+400bps	+540bps
UNDERLYING CORE EARNINGS MARGIN	+420bps 16.9%	+540bps 22.3%	**+960bps**

Global Opex Initiative underpins margin improvement

- Fully integrated into how we work (KPIs, incentives, zero based budgeting, integrated systems)
- OPEX savings contributed 74% of improvement in FY2018 vs. prior year

*1. Excludes Legacy Shire financials (from January 8, 2019 to March 31, 2019)
*2. Calculated from COGS, less non-recurring items
*3. OPEX = SG&A + R&D expenses, less non-recurring items
*4. Simple addition of FY2017 and FY2018 improvement (vs. PY in bps)

PURCHASE PRICE ALLOCATION RESETS LEGACY SHIRE BALANCE SHEET; INTANGIBLES LOWER THAN PRE-CLOSE ESTIMATE DUE TO UPDATED SYNERGY ASSUMPTION



PURCHASE PRICE ALLOCATION OUTCOME SUMMARY

- Intangible assets on consolidated balance sheet (JPY 4.9T) lower than pre-close estimate (JPY 6.3-6.7T) due to lower final purchase price, higher synergies, and more synergies allocated to Takeda portfolio.
- Amount of goodwill in line with pre-close estimate, with allocation comparable to other large pharma deals.
- Inventory step-up will unwind over weighted average inventory turnover period of approx. 2 years (non-cash expense). FY2018: JPY 82.2B; FY2019: ~JPY 250B.
- Intangibles amortized over remaining economic life of each product (non-cash expense). Weighted average amortization period of intangibles from Shire acquisition is 10 years. FY19 amortization impact: Intangibles related to the Shire acquisition intangibles ~JPY 430B; Legacy Takeda intangibles ~JPY 100B.
- Low risk of significant impairment to goodwill and intangibles

Note: Adjustments possible to PPA through January 2020 (one year from deal close) as subsequent information becomes available.

FY2019 BUSINESS MOMENTUM EXPECTED TO LARGELY OFFSET SIGNIFICANT LOSS OF EXCLUSIVITY HEADWINDS

- Momentum of key growth products in our 5 Key Business Areas is expected to largely offset Loss of Exclusivity of VELCADE, FIRAZYR, ULORIC & others
- Full year consolidation of Legacy Shire results, cost synergies and OPEX discipline will contribute to underlying Core EPS of 350-370 yen

FY2019 MANAGEMENT GUIDANCE (EXCLUDING ANY IMPACT OF DIVESTITURES)

UNDERLYING REVENUE GROWTH*1,2	**Flat to slightly declining**
UNDERLYING CORE EARNINGS MARGIN	**Mid-twenties %**
UNDERLYING CORE EPS	**350-370 yen**
ANNUAL DIVIDEND PER SHARE	**180 yen**

Financial assumption for VELCADE in the U.S. is for one additional non-therapeutically equivalent competitor with intravenous and subcutaneous administration launching in July 2019. If no additional competitor launches, pro-forma underlying revenue growth would be "flat to slightly increasing".

Note: FY2019 Management Guidance does not take into consideration the recently announced divestitures of XIIDRA and TACHOSIL.
However, Takeda does not expect these divestitures to have a meaningful impact on its management guidance.

*1. Constant Exchange Rate growth (applying FY2018 full year average foreign exchange rate)
*2. Compared to baseline of JPY 3,300 billion (pro-forma April 2018-March 2019 combined revenue of Legacy Takeda and Legacy Shire, converted at April 2018-March 2019 average exchange rate of 111 JPY/USD)

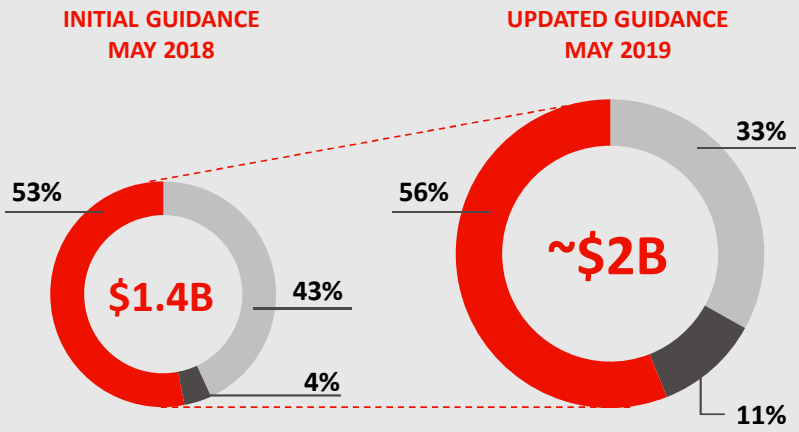
FY2019 REVENUE GUIDANCE FLAT TO SLIGHTLY DECLINING ASSUMING SIGNIFICANT LOSS OF EXCLUSIVITY IMPACT

	ANTICIPATED IMPACT ON TAKEDA REVENUE GROWTH (PERCENTAGE POINTS)
BUSINESS MOMENTUM	**+ 6.0 - 7.0 pp**
VELCADE LOSS OF EXCLUSIVITY*1	**- ~2.0 pp**
ADDITIONAL PRODUCTS' LOSS OF EXCLUSIVITY*2	**- ~5.0 pp**
UNDERLYING REVENUE GROWTH	**Flat to slightly declining**

If no additional VELCADE competitor launches in the U.S., pro-forma underlying revenue growth would be "flat to slightly increasing"

*1. VELCADE financial assumption for the U.S. is one additional therapeutically non-equivalent competitor with intravenous and subcutaneous administration launching in July 2019. Also anticipating lower ex-U.S. royalties in FY2019 due to generic pressure.
*2. Financial assumption is that the following products will also face loss of exclusivity in FY2019:
U.S.: FIRAZYR, ULORIC, ROZEREM, ADDERALL XR; Japan: ENBREL, Leuprorelin 12w, BENET monthly

INCREASING EXPECTED COST SYNERGY TARGET FROM US$1.4B TO ~US$2B AFTER DEEP DIVE BOTTOM-UP REVIEW



Recurring pre-tax cost synergies and breakdown by function (FY2021 run-rate)

US$2.4B	Implementation cost (cumulative to FY2021)	US$3.0B
1.7x	Total costs/ annual synergies	1.5x

SG&A

- Sales and marketing efficiencies
- Consolidation of overlapping office locations
- Elimination of duplicate IT systems
- Reduction of duplicate costs across central support functions

R&D

- Rationalizing ongoing research and early stage pipeline programs
- Reducing overlapping resources
- Procurement savings on clinical trial materials

Manufacturing & Supply

- Operational procurement spend efficiencies
- Operational efficiencies through productivity improvements
- Supply chain optimization
- Reducing overlapping resources and right-sizing organization

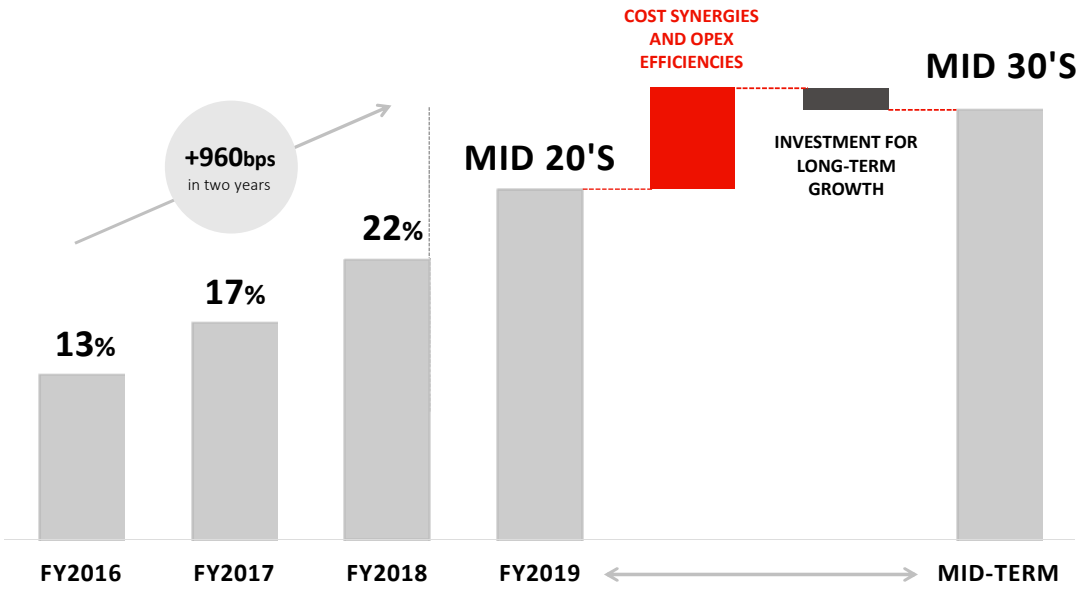
ROBUST TRACKING PLATFORM ALREADY OPERATIONAL TO ENSURE RELENTLESS EXECUTION AGAINST SYNERGY & OPEX TARGETS

SYNERGY PACKAGE OPERATIONAL KPI REPORTS

- Leverage Global OPEX Initiatives platform (e.g. system and processes), with synergy tracking fully integrated
- Tracking synergies monthly via key focused synergy cost packages (e.g. Compensation & Benefits, Travel, Meetings & Events, Facilities)
- Embedded targets into KPIs and incentives of all management
- Also tracking headcounts and implementation costs required to deliver synergies

COST SYNERGIES AND THE GLOBAL OPEX INITIATIVE EXPECTED TO CONTINUE TO DRIVE MARGIN IMPROVEMENT

TARGETING UNDERLYING CORE EARNINGS MARGIN COMPARABLE TO TOP-TIER INDUSTRY LEVELS DRIVEN BY COST SYNERGIES AND THE GLOBAL OPEX INITIATIVE



STRONG TRACK RECORD OF DISPOSING NON-CORE ASSETS TO GENERATE CASH AND FOCUS THE BUSINESS

	FY2017 BN YEN	FY2018 BN YEN
DIVESTITURE OF NON-CORE BUSINESSES	7 products to Teva JV **28.5** Wako Pure Chemical **84.5**	Multilab & Techpool **27.5**
DISPOSAL OF REAL ESTATE	**39.3**	**108.3**
DISPOSAL OF MARKETABLE SECURITIES	**40.6**	**65.0**

FY2019 TO DATE

Agreement to divest XIIDRA for **US$3.4B** upfront in cash and up to an additional **US$1.9B** in potential milestones

Agreement to divest TACHOSIL for **€358M** upfront plus on-going supply margin on long-term manufacturing arrangement

Note: Divestments of XIIDRA and TACHOSIL expected to close the second half of calendar year 2019, subject to customary closing conditions, including the satisfaction of legal, regulatory and, where applicable, local works council requirements.

SIMPLIFYING PORTFOLIO AND ACCELERATING DELEVERAGING WITH ANNOUNCEMENT OF AGREEMENTS FOR TWO DIVESTITURES

	XIIDRA (global rights)	TACHOSIL (global rights)
PRODUCT(S) IN SCOPE		
ANNUAL REVENUE	US$388M in fiscal year ended December 31, 2018	Approx. US$155M in the fiscal year ended March 31, 2018
BUYER	Novartis	Ethicon (Johnson & Johnson)
CONSIDERATION	US$3.4B upfront in cash and up to an additional US$1.9B in potential milestone payments	€358m (approx. US$400m USD) upfront purchase price
KEY DEAL ELEMENTS	• Approximately 400 employees to transfer to Novartis • Transaction expected to close in the 2nd half of calendar year 2019	• Takeda will maintain manufacturing at Linz, Austria facility and enter into long-term Manufacturing Services Agreement with the buyer • Approximately 80 employees to transfer to Ethicon • Transaction expected to close in the 2nd half of calendar year 2019

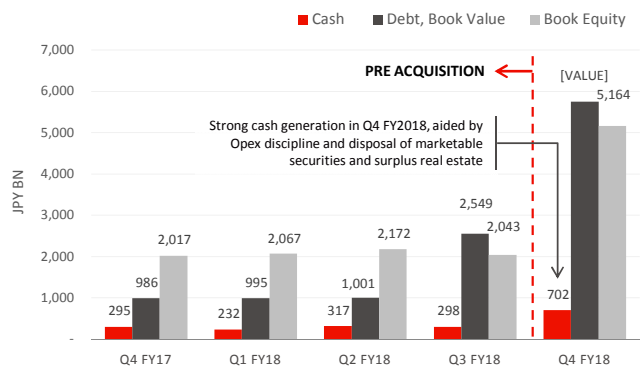
TAKEDA INTENDS TO USE THE PROCEEDS FROM THESE DIVESTITURES TO REDUCE DEBT AND ACCELERATE DELEVERAGING TOWARDS ITS TARGET OF 2.0X NET DEBT/ADJUSTED EBITDA IN THE MEDIUM TERM

Note: Divestments of XIIDRA and TACHOSIL expected to close the second half of calendar year 2019, subject to customary closing conditions, including the satisfaction of legal, regulatory and, where applicable, local works council requirements.

COMMITTED TO INVESTMENT GRADE CREDIT RATING AND RAPID DELEVERAGING

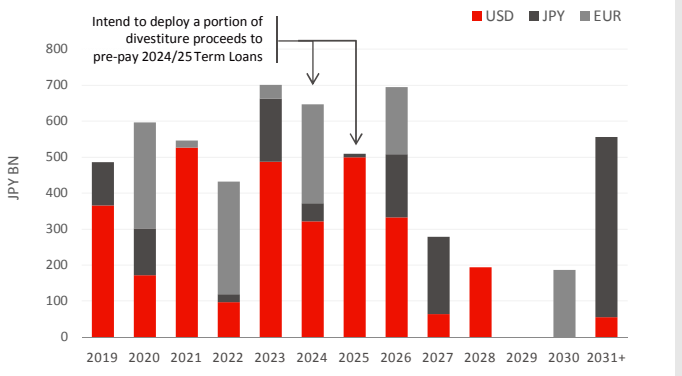
Starting FY2019 with lower than expected leverage ratio, well positioned for deleveraging to target 2.0x Net Debt/ Adj. EBITDA ratio in 3 to 5 years driven by strong cash flow & divestitures proceeds

CAPITALIZATION



	Q4 FY17	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18
Adj. EBITDA, (JPY BN)	378	389	405	433	1,078*1
Net Debt/ Adj EBITDA	1.8x	2.0x	1.7x	5.2x	4.7x

DEBT MATURITY PROFILE (CALENDAR YEAR)*2



- Front-weighted and pre-payable debt maturities allow for efficient deleveraging
- Total blended interest rate of ~2.3% (new deal debt ~2.5%)

Note: Net Debt is defined as debt (bonds and loans of current and non-current liabilities) minus cash and cash equivalents
*1. Pro forma adjusted EBITDA for April 2018 - March 2019 of both Legacy Takeda and Legacy Shire. Please refer to slide 74 for reconciliation details.
*2. 2031+ maturities include 500bn Hybrid Debt (60 year contractual maturity, callable at 5-6 years) which is scheduled to be issued in Q1 FY2019, and will replace an existing short dated Term Loan of equal amount. Timing and total amount of hybrid debt issued is subject to market conditions and other factors

CAPITAL ALLOCATION PRIORITIES

DE-LEVERAGE RAPIDLY

- Target 2.0x Net Debt / Adjusted EBITDA ratio in 3 to 5 years
- Committed to investment grade credit ratings

INVEST IN GROWTH DRIVERS

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

SHAREHOLDER RETURNS

- Intend to maintain well established dividend policy of 180 yen/share annually

FY2019 FORECAST: STRONG INCREASE IN CORE EARNINGS +92.2%; NET PROFIT EXCLUDING DEAL-RELATED COSTS AND PURCHASE ACCOUNTING IMPACT +17.7%

FY2019 REPORTED FORECAST (VS. PY)

(BN YEN)	FY2018 Actual CONSOLIDATED TOTAL	FY2019 Forecast CONSOLIDATED TOTAL (A)	VS. PY		FY2019 Forecast SHIRE ACQUISITION RELATED COSTS (B)	FY2019 Forecast PURCHASE ACCOUNTING IMPACT (C)	FY2018 Actual EXCL. SHIRE ACQUISITION RELATED COSTS AND PURCHASE ACCOUNTING IMPACT	FY2019 Forecast EXCL. SHIRE ACQUISITION RELATED COSTS AND PURCHASE ACCOUNTING IMPACT (A)-(B)-(C)	VS. PY	
REVENUE	2,097.2	3,300.0	+1,202.8	+57.4%	—	—	2,097.2	3,300.0	+1,202.8	+57.4%
OPERATING PROFIT	205.0	-193.0	-398.0	—	-154.0	-693.0	471.5	654.0	+182.5	+38.7%
NET PROFIT	109.1	-383.0	-492.1	—	-226.0	-570.0	351.0	413.0	+62.0	+17.7%
EPS	113 yen	-246 yen	-360 yen	—	-145 yen	-367 yen	365 yen	266 yen*1	-99 yen	-27.2%
CORE EARNINGS	459.3	883.0	+423.7	+92.2%	—	—	459.3	883.0	+423.7	+92.2%
ADJUSTED EPS							365 yen	430 yen*2	+65 yen	+17.7%

- Revenue up +57.4% vs. prior year due to full year consolidation of Legacy Shire results
- Operating Profit and EPS significantly impacted by Shire-related integration costs and purchase accounting impact
- Core Earnings strongly increasing +92.2% from Legacy Shire contribution, synergies and continued OPEX discipline
- Adjusted EPS +17.7% excluding Shire acquisition related costs and purchase accounting impact, adjusted to same baseline share count

Adjusted using same baseline number of shares outstanding
*1 Number of shares used for FY2019 EPS calculation: 1,554,780,063 shares (as of March 31, 2019)
*2 Adjusted FY2019 EPS when calculated as the same share count as FY2018, 961,476,993 shares (Apr 2018 – Mar 2019 average)

Note: It is not possible to give full reconciliations of non-IFRS forecasts on a quantitative basis because the Company cannot accurately predict the adjustments.
This FY2019 Reported Forecast does not take into consideration the recently announced divestitures of XIIDRA and TACHOSIL, but Takeda does not expect these divestitures to have a material impact.
The FY2019 Reported Forecast will be updated at a later date to reflect these divestitures once a reliable estimate of their impact can be made, which will depend upon the exact timing of transaction close.

SOLID DELIVERY AGAINST OUR FINANCIAL COMMITMENTS

FY2018

Deliver 100-200bps underlying Core Earnings margin improvement	☑ **+540bps**
Executing and improving the Global Opex Initiative	☑ **Embedded in systems, budgets, KPIs**
Maintain investment grade credit ratings	☑ **Confirmed**
Complete deal financing at competitive rates	☑ **2.5%** **Blended interest rate for new debt**
Unlock cash through disposal of non-core assets	☑ **JPY 200.9B** **asset sales in FY18**

FY2019 AND BEYOND

- Increasing annual cost synergy target from $1.4bn to ~$2bn by the end of FY2021
- Target top-tier margins in the mid-term through cost synergies and continued OPEX discipline
- Target 2.0x Net Debt / Adjusted EBITDA ratio in 3 to 5 years
- Pursue divestment of non-core assets to accelerate deleveraging and focus portfolio
- Intend to maintain well established dividend policy with 180 yen/share annually

CLOSING REMARKS

Christophe Weber

President & Chief Executive Officer

Better Health, Brighter Future

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

Q&A SESSION

Christophe Weber
President & Chief Executive Officer

Andrew Plump
President, Research & Development

Costa Saroukos
Chief Financial Officer

Masato Iwasaki
President, Japan Pharma Business Unit

Julie Kim
President, Plasma-Derived Therapies Business Unit

APPENDIX

Definition of Core and Underlying Growth

Takeda uses the concept of "Underlying Growth" for internal planning and performance evaluation purposes.
Underlying Growth compares two periods (quarters or years) of financial results under a common basis and is used by management to assess the business. These financial results are calculated on a constant currency basis and excluding the impact 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 Earnings 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.

Core Earnings represents net profit adjusted to exclude income tax expenses, our 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 intangible assets associated with products and other items that management believes are unrelated to our core operations, such as purchase accounting effects and transaction related costs.
Underlying Core Earnings represents Core Earnings based on a constant currency basis and further adjusted to exclude the impacts of divestitures occurred during the reporting periods presented.

Underlying Core EPS represents net income based on a constant currency basis, adjusted to exclude the impact of divestitures, items excluded in the calculation of Core Earnings 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 its ongoing operations and the tax effect of each of the adjustments, divided by the outstanding shares (excluding treasury shares) as of the end of the comparative period.

Definition of EBITDA/Adjusted EBITDA

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

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

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

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

The most closely comparable measure presented in accordance with IFRS is net profit for the year. Please see slides 74 for a reconciliation to the respective most closely comparable measures presented in accordance with IFRS.

FY2018 REPORTED RESULTS IN DETAIL

(BN YEN)	FY2017 LEGACY TAKEDA	FY2018 LEGACY TAKEDA*1 (A)	VS. PY		FY2018 SHIRE ACQUISITION RELATED COSTS*2 (B)	FY2018 LEGACY SHIRE*3 (C)	FY2018 PURCHASE ACCOUNTING IMPACT (D)	FY2018 CONSOLIDATED TOTAL (A)+(B)+(C)+(D)	VS. PY	
Revenue	1,770.5	1,788.0	+17.5	+1.0%	-	309.2	-	2,097.2	+326.7	+18.5%
Cost of sales	-495.9	-476.4	+19.6	+3.9%	-	-101.6	-81.7	-659.7	-163.8	-33.0%
Gross Profit	1,274.6	1,311.7	+37.1	+2.9%	-	207.6	-81.7	1,437.5	+162.9	+12.8%
% of revenue	72.0%	73.4%		+1.4pp	-	67.1%	-	68.5%		-3.4pp
SG&A expenses	-628.1	-594.7	+33.4	+5.3%	-23.8	-98.5	-0.6	-717.6	-89.5	-14.2%
R&D expenses	-325.4	-323.7	+1.7	+0.5%	-1.6	-43.0	-	-368.3	-42.9	-13.2%
Amortization of intangible assets	-126.1	-95.4	+30.7	+24.3%	-	0.0	-99.2	-194.7	-68.6	-54.4%
Impairment losses on intangible assets	4.0	-8.7	-12.7	-	-	-0.0	-	-8.7	-12.7	-
Other operating income	169.4	161.2	-8.2	-4.8%	-	-1.4	-	159.9	-9.5	-5.6%
Other operating expenses	-126.6	-38.6	+88.0	+69.5%	-59.6	-4.9	-	-103.2	+23.4	+18.5%
Operating profit	241.8	411.8	+170.0	+70.3%	-85.0	59.8	-181.6	205.0	-36.8	-15.2%
% of revenue	13.7%	23.0%		+9.4pp	-	19.3%	-	9.8%		-3.9pp
Finance income	39.5	16.6	-22.9	-57.9%	-	-0.0	0.2	16.8	-22.7	-57.4%
Finance expenses	-31.9	-27.1	+4.8	+15.1%	-41.3	-10.6	-4.2	-83.3	-51.4	-160.9%
Equity income/loss	-32.2	-43.9	-11.7	-36.4%	-	0.3	-	-43.6	-11.4	-35.5%
Profit before tax	217.2	357.4	+140.2	+64.5%	-126.3	49.4	-185.6	94.9	-122.3	-56.3%
Net profit	186.9	312.9	+126.0	+67.4%	-100.2	38.1	-141.7	109.1	-77.8	-41.6%
EPS (yen)*4	239 yen	399 yen	+159 yen	+66.6%	-	-	-	113 yen	-126 yen	-52.6%
Core Earnings	322.5	393.3	+70.8	+21.9%	-	66.0	-	459.3	+136.8	+42.4%
Core Earnings Margin	18.2%	22.0%		+3.8pp	-	21.4%	-	21.9%		+3.7pp
USD/JPY	111 yen	111 yen	-0 yen	-0.4%				111 yen	-0 yen	-0.4%
EUR/JPY	129 yen	129 yen	-1 yen	-0.4%				129 yen	-1 yen	-0.4%

*1. Excludes Legacy Shire financials (from January 8, 2019 to March 31, 2019), costs incurred by Legacy Takeda and Legacy Shire related to the acquisition, and financial impact from purchase accounting
*2. Costs incurred by Legacy Takeda and Legacy Shire related to the acquisition
*3. Legacy Shire financials (from January 8, 2019, to March 31, 2019) excluding acquisition related costs
*4. Number of shares used for FY2018 EPS calculation: Legacy Takeda 784,477,109 shares (as of Jan 7, 2019, the day before the completion of the Shire acquisition) and consolidated total 961,476,993 shares (April 2018 – March 2019 average)

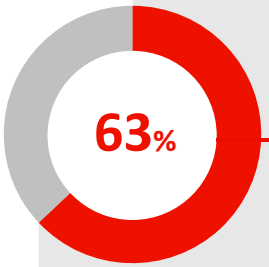
FY2018 LEGACY TAKEDA UNDERLYING RESULTS

FY2018 LEGACY TAKEDA*1 UNDERLYING RESULTS (VS. PY)

(Bn yen)	FY2017	FY2018	vs. PY
Revenue	1,673.2	1,762.3	+5.3%
Gross Profit	1,201.1	1,290.2	+7.4%
% of revenue	71.8%	73.2%	+1.4pp
OPEX	-917.9	-897.5	+2.2%
% of revenue	-54.9%	-50.9%	+4.0pp
Core Earnings	283.2	392.7	+38.7%
% of revenue	16.9%	22.3%	+5.4pp
Core Net Profit	209.7	270.6	+29.0%
Core EPS	268 yen	346 yen	+29.0%

*1. Excludes Legacy Shire financials (from January 8, 2019, to March 31, 2019).

FY2018 LEGACY TAKEDA'S GROWTH DRIVERS



TOTAL LEGACY TAKEDA REVENUE

FY2018 LEGACY TAKEDA*1 UNDERLYING RESULTS (VS. PY)

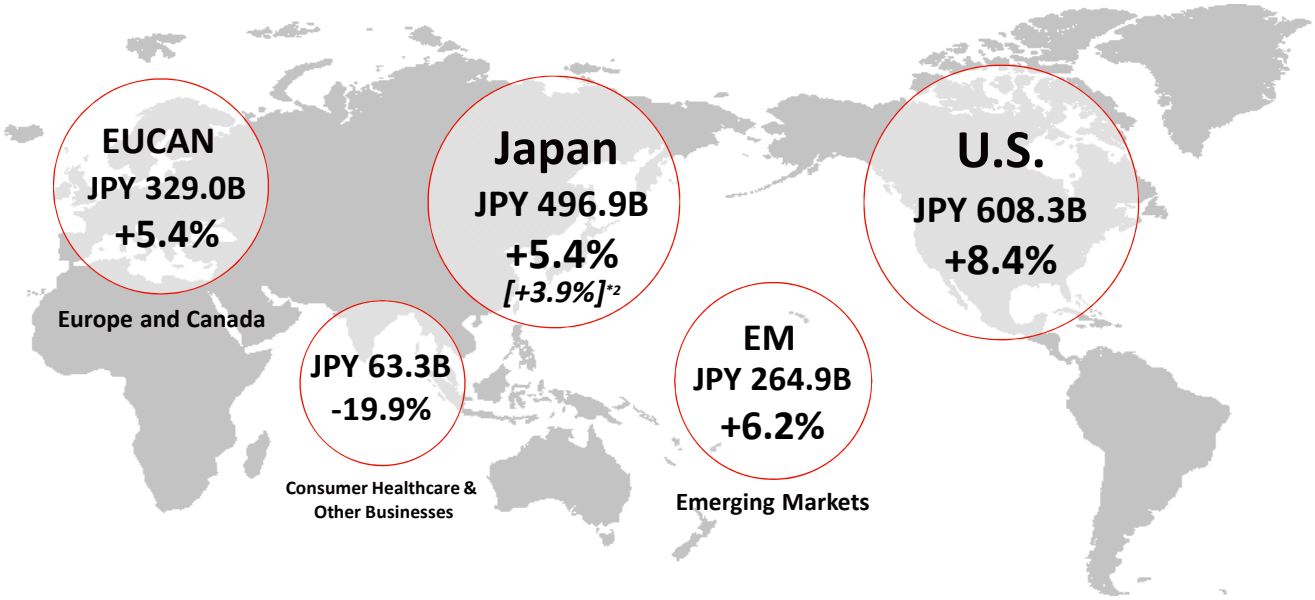
GROWTH DRIVERS

	FY2018
GASTROENTEROLOGY	+19.4%
ONCOLOGY	+7.3%
NEUROSCIENCE	+15.5%
EMERGING MARKETS	+6.2%
TOTAL	+11.1%

*1. Excludes Legacy Shire financials (from January 8, 2019, to March 31, 2019).

FY2018 LEGACY TAKEDA UNDERLYING REVENUE GROWTH BY REGION

FY2018 Legacy Takeda*1 Underlying Revenue: JPY 1,762.3B, +5.3%



*1. Excludes Legacy Shire financials (from January 8, 2019, to March 31, 2019).
*2. Excluding upfront payment received for product out-licensing in Japan: +3.9%

FY2018 RECONCILIATION FROM REPORTED TO CORE: CONSOLIDATED

(BN YEN)	REPORTED	REPORTED TO CORE ADJUSTMENTS								CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Shire purchase accounting adjustments	Teva JV purchase accounting adjustments	Other purchase accounting adjustments	Gains on sales of securities & properties	U.S. Tax Reform	Others	
Revenue	2,097.2										2,097.2
Cost of sales	-659.7				81.7						-578.0
Gross Profit	1,437.5				81.7						1,519.3
SG&A expenses	-717.6			23.8	0.6						-693.2
R&D expenses	-368.3			1.6							-366.8
Amortization of intangible assets	-194.7	95.4			99.2						-
Impairment losses on intangible assets	-8.7	8.7									-
Other operating income	159.9		-58.4					-88.6		-12.9	-
Other operating expenses	-103.2		41.4	59.6						2.1	-
Operating profit	205.0	104.1	-17.0	85.0	181.6			-88.6		-10.8	459.3 **Core Earnings**
Financial income/expenses	-66.4			18.1	4.0					2.3	-42.0
Equity income/loss	-43.6					53.5					9.8
Profit before tax	94.9	104.1	-17.0	103.1	185.6	53.5		-88.6		-8.5	427.2
Tax expense	14.1	-25.5	3.9	-20.5	-44.0	-16.4		30.2		-47.7	-105.9
Non-controlling interests	0.1										0.1
Net profit	109.1	78.6	-13.1	82.6	141.7	37.1		-58.4		-56.2	321.4 **Core net profit**
EPS (yen)	113										334 **Core EPS**
Number of shares (millions)	961										961

FY2017 RECONCILIATION FROM REPORTED TO CORE: CONSOLIDATED

(BN YEN)	REPORTED	REPORTED TO CORE ADJUSTMENTS								CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Shire purchase accounting adjustments	Teva JV purchase accounting adjustments	Other purchase accounting adjustments	Gains on sales of securities & properties	U.S. Tax Reform	Others	
Revenue	1,770.5										1,770.5
Cost of sales	-495.9						1.4				-494.5
Gross Profit	1,274.6						1.4				1,276.0
SG&A expenses	-628.1										-628.1
R&D expenses	-325.4										-325.4
Amortization of intangible assets	-126.1	126.1									-
Impairment losses on intangible assets	4.0	-4.0									-
Other operating income	169.4		-153.4					-16.0			-
Other operating expenses	-126.6		116.0							10.5	-
Operating profit	241.8	122.1	-37.4				1.4	-16.0		10.5	322.5 **Core Earnings**
Financial income/expenses	7.6							-30.3		7.6	-15.0
Equity income/loss	-32.2					40.0					7.8
Profit before tax	217.2	122.1	-37.4			40.0	1.4	-46.3		18.1	315.2
Tax expense	-30.5	-35.9	15.8			-12.2	-0.5	14.9	-27.5	-3.8	-79.8
Non-controlling interests	0.2										0.2
Net profit	186.9	86.2	-21.6			27.8	1.0	-31.4	-27.5	14.3	235.6 **Core net profit**
EPS (yen)	239										302 **Core EPS**
Number of shares (millions)	781										781

FY2018 REPORTED LEGACY TAKEDA WITH INCURRED SHIRE ACQUISITION RELATED COSTS

(Bn yen)	FY2018		
	Legacy Takeda*1 (A)	Takeda incurred Shire acquisition related costs (B)	Legacy Takeda incl. Shire acquisition related costs (A)+(B)
Revenue	1,788.0	-	1,788.0
Cost of sales	-476.4	-	-476.4
Gross Profit	1,311.7	-	1,311.7
SG&A expenses	-594.7	-23.8	-618.4
R&D expenses	-323.7	-	-323.7
Amortization of intangible assets	-95.4	-	-95.4
Impairment losses on intangible assets	-8.7	-	-8.7
Other operating income	161.2	-	161.2
Other operating expenses	-38.6	-35.5	-74.1
Operating profit	411.8	-59.3	352.5
Finance income/expenses	-10.5	-41.3	-51.8
Equity income/loss	-43.9	-	-43.9
Profit before tax	357.4	-100.6	256.8
Net profit	312.9	-79.1	233.7
EPS (yen)*2	399 yen	-	243 yen
Core Earnings	393.3	-	393.3
Core Earnings Margin	22.0%	-	22.0%

*1 Excludes costs incurred by Legacy Takeda related to the acquisition
*2 Number of shares used for FY2018 EPS calculation: Legacy Takeda 784,477,109 shares (as of Jan 7, 2019, the day before the completion of the Shire acquisition)

FY2018 RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE: LEGACY TAKEDA

(BN YEN)	REPORTED NOTE	REPORTED TO CORE ADJUSTMENTS									CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Shire purchase accounting adjustments	Teva JV purchase accounting adjustments	Other purchase accounting adjustments	Gains on sales of securities & properties	U.S. Tax Reform	Others		FX	Divestitures	
Revenue	1,788.0										1,788.0	-15.3	-10.4	1,762.3
Cost of sales	-476.4										-476.4	1.9	2.3	-472.2
Gross Profit	1,311.7										1,311.7	-13.4	-8.1	1,290.2
SG&A expenses	-618.4			23.8							-594.7	4.1	5.4	-585.2
R&D expenses	-323.7										-323.7	11.1	0.4	-312.3
Amortization of intangible assets	-95.4	95.4									-			-
Impairment losses on intangible assets	-8.7	8.7									-			-
Other operating income	161.2		-59.8					-88.6		-12.9	-			-
Other operating expenses	-74.1		36.5	35.5						2.1	-			-
Operating profit	352.5	104.1	-23.3	59.3				-88.6		-10.8	393.3	1.7	-2.3	392.7
											Core Earnings			Underlying Core Earnings
Financial income/expenses	-51.8			18.1						2.3	-31.4	3.1	0.3	-27.9
Equity income/loss	-43.9					53.5					9.6	0.1	-	9.7
Profit before tax	256.8	104.1	-23.3	77.4		53.5		-88.6		-8.5	371.4	5.0	-2.0	374.5
Tax expense	-23.1	-25.5	5.0	-15.7		-16.4		30.2		-57.2	-102.7	-1.7	0.8	-103.6
Non-controlling interests	0.1										0.1	-	-0.4	-0.3
Net profit	233.7	78.6	-18.3	61.6		37.1		-58.4		-65.7	268.8	3.3	-1.5	270.6
											Core net profit			Underlying Core net profit
EPS (yen)	243										280			346
											Core EPS			Underlying Core EPS
Number of shares (millions)	961										961			781

Note: Includes Shire acquisition related costs incurred at Legacy Takeda.

FY2017 RECONCILIATION FROM REPORTED TO CORE/UNDERLYING CORE: LEGACY TAKEDA

(BN YEN)	REPORTED	REPORTED TO CORE ADJUSTMENTS									CORE	CORE TO UNDERLYING CORE ADJ.		UNDERLYING CORE
		Amortization & impairment of intangible assets	Other operating income/ expense	Shire acquisition related costs	Shire purchase accounting adjustments	Teva JV purchase accounting adjustments	Other purchase accounting adjustments	Gains on sales of securities & properties	U.S. Tax Reform	Others		FX	Divestitures	
Revenue	1,770.5										1,770.5	-37.8	-59.5	1,673.2
Cost of sales	-495.9						1.4				-494.5	4.3	18.1	-472.1
Gross Profit	1,274.6						1.4				1,276.0	-33.5	-41.4	1,201.1
SG&A expenses	-628.1										-628.1	10.1	13.1	-604.8
R&D expenses	-325.4										-325.4	11.3	1.0	-313.1
Amortization of intangible assets	-126.1	126.1									-			-
Impairment losses on intangible assets	4.0	-4.0									-			-
Other operating income	169.4		-153.4					-16.0			-			-
Other operating expenses	-126.6		116.0							10.5	-			-
Operating profit	241.8	122.1	-37.4				1.4	-16.0		10.5	322.5	-12.1	-27.3	283.2
											Core Earnings			Underlying Core Earnings
Financial income/expenses	7.6							-30.3		7.6	-15.0	7.2	-0.2	-8.0
Equity income/loss	-32.2					40.0					7.8	-0.1	-	7.7
Profit before tax	217.2	122.1	-37.4			40.0	1.4	-46.3		18.1	315.2	-4.9	-27.4	282.9
Tax expense	-30.5	-35.9	15.8			-12.2	-0.5	14.9	-27.5	-3.8	-79.8	0.9	6.1	-72.7
Non-controlling interests	0.2										0.2	-0.0	-0.7	-0.5
Net profit	186.9	86.2	-21.6			27.8	1.0	-31.4	-27.5	14.3	235.6	-4.0	-21.9	209.7
											Core net profit			Underlying Core net profit
EPS (yen)	239										302			268
											Core EPS			Underlying Core EPS
Number of shares (millions)	781										781			781

BRIDGE FROM REPORTED REVENUE TO UNDERLYING REVENUE: LEGACY TAKEDA

(Bn yen)	Q4 FY2017	Q4 FY2018	Q4 vs. PY		Full Year FY2017	Full Year FY2018	Full Year vs. PY	
Revenue	**401.0**	**408.0**	**+7.0**	**+1.8%**	**1,770.5**	**1,788.0**	**+17.5**	**+1.0%**
FX effects*	-9.1	-0.7	+8.4	+2.2pp	-37.8	-15.3	+22.5	+1.3pp
Revenue excluding FX effects*	391.9	407.3	+15.4	+3.9%	1,732.7	1,772.7	+40.0	+2.3%
Divestitures**	-13.7	-2.4	+11.3	+3.1pp	-59.5	-10.4	+49.1	+3.0pp
LLPs sold to Teva JV	-0.1	-	+0.1	+0.3pp	-18.7	-	+18.7	+1.2pp
TAK-935	-	-	-	-	-3.5	-	+3.5	+0.2pp
Multilab	-1.2	-	+1.2	+3.3pp	-4.5	-1.1	+3.4	+0.2pp
Techpool	-4.8	-	+4.8	+13.4pp	-18.2	-6.6	+11.6	+0.7pp
Others	-7.6	-2.4	+5.2	+14.3pp	-14.5	-2.6	+11.9	+0.7pp
Underlying Revenue	**378.2**	**404.9**	**+26.7**	**+7.1%**	**1,673.2**	**1,762.3**	**+89.1**	**+5.3%**

* FX adjustment applies FY2018 plan rate to both years (1USD=105 yen, 1EUR=130 yen)
** Divestitures adjustments in FY2017, mainly include one-time gain from the 7 LLPs sold to the JV with Teva in May 2017, and in FY2018, mainly include Multilab and Techpool revenue.
Note: See reported to core, core to underlying reconciliation Excel sheet uploaded onto the website.

BRIDGE FROM OPERATING PROFIT TO UNDERLYING CORE EARNINGS : LEGACY TAKEDA

(Bn yen)	Q4 FY2017	Q4 FY2018 NOTE	Q4 vs. PY		Full Year FY2017	Full Year FY2018 NOTE	Full Year vs. PY	
Operating Profit	**-80.5**	**68.1**	**+148.6**	**-**	**241.8**	**352.5**	**+110.7**	**+45.8%**
Amortization and impairment of intangibles	35.8	24.7	-11.0	-	122.1	104.1	-18.0	-10.7pp
Shire integration costs (Other expenses)	-	21.4	+21.4	-	-	35.5	+35.5	+21.2pp
Other income/expenses	87.9	11.5	-76.4	-	-37.4	-25.8	+11.5	+6.9pp
Non-recurring items (Shire acquisition costs)	-	12.8	+12.8	-	-	23.8	+23.8	+14.2pp
Non-recurring items (Others)	-13.4	-89.8	-76.4	-	-4.1	-96.8	-92.8	-55.4pp
Core Earnings	**29.8**	**48.7**	**+18.9**	**+63.4%**	**322.5**	**393.3**	**+70.8**	**+21.9%**
FX effects*	-2.2	2.7	+4.8	+33.4pp	-12.1	1.7	+13.8	+6.0pp
Divestitures**	-4.3	-2.4	+1.8	+12.7pp	-27.3	-2.3	+24.9	+10.8pp
LLPs sold to Teva JV	-0.0	-	+0.0	+0.1pp	-16.9	-	+16.9	+7.3pp
TAK-935	-	-	-	+0.0pp	-3.5	-	+3.5	+1.5pp
Multilab	0.3	-0.0	-0.3	-1.8pp	0.9	-0.1	-1.1	-0.5pp
Techpool	-0.4	0.0	+0.4	+2.5pp	-0.9	0.5	+1.4	+0.6pp
Others	-4.2	-2.4	+1.7	+12.0pp	-6.9	-2.6	+4.3	+1.9pp
Underlying Core Earnings	**23.3**	**48.9**	**+25.6**	**+109.5%**	**283.2**	**392.7**	**+109.5**	**+38.7%**

* FX adjustment applies FY2018 plan rate to both years (1USD=105 yen, 1EUR=130 yen)
** Divestitures adjustments in FY2017, mainly include one-time gain from the 7 LLPs sold to the JV with Teva in May 2017, and in FY2018, mainly include Multilab and Techpool profits/losses.
Note: Includes Shire acquisition related costs incurred at Legacy Takeda. See reported to core, core to underlying reconciliation Excel sheet uploaded onto the website.

BRIDGE FROM NET PROFIT TO UNDERLYING CORE NET PROFIT : LEGACY TAKEDA

(Bn yen)	Q4 FY2017	Q4 FY2018 NOTE	Q4 vs. PY		Full Year FY2017	Full Year FY2018 NOTE	Full Year vs. PY	
Net Profit	**-54.0**	**69.3**	**+123.3**	**-**	**186.9**	**233.7**	**+46.9**	**+ 25.1%**
EPS	***- 69 yen***	***51 yen***	***+120 yen***	**-**	***239 yen***	***243 yen***	***+4 yen***	**+ 1.6%**
Amortization and impairment of intangibles	24.9	18.1	-6.8	-	86.2	78.7	-7.5	-6.1pp
Shire integration costs (Other expenses)	-	16.0	+16.0	-	-	27.0	+27.0	+21.7pp
Other income/expenses	65.0	11.1	-53.9	-	-21.6	-18.3	+3.3	+2.7pp
Shire acquisition costs	-	10.5	+10.5	-	-	21.5	+21.5	+17.3pp
Shire acquisition financial expenses	-	0.6	+0.6	-	-	13.2	+13.2	+10.6pp
Other exceptional gains and losses	-17.7	-119.7	-102.0	-	-15.9	-86.9	-71.1	-57.2pp
Core Net Profit	**18.2**	**5.9**	**-12.2**	**- 67.3%**	**235.6**	**268.8**	**+33.2**	**+ 14.1%**
FX effects*	-0.6	0.3	+0.9	+0.3pp	-4.0	3.3	+7.3	+3.9pp
Divestitures**	-6.7	-2.5	+4.2	+1.2pp	-21.9	-1.5	+20.4	+11.0pp
Underlying Core Net Profit	**10.8**	**3.7**	**-7.1**	**- 65.8%**	**209.7**	**270.6**	**+60.8**	**+ 29.0%**
Underlying Core EPS	***14 yen***	***5 yen***	***- 9 yen***	**- 65.8%**	***268 yen***	***346 yen***	***+78 yen***	**+ 29.0%**

* FX adjustment applies FY2018 plan rate to both years (1USD=105 yen, 1EUR=130 yen)
** Divestitures adjustments in FY2017, mainly include one-time gain from the 7 LLPs sold to the JV with Teva in May 2017, and in FY2018, mainly include Multilab and Techpool profits/losses.
Note: Includes Shire acquisition related costs incurred at Legacy Takeda. See reported to core, core to underlying reconciliation Excel sheet uploaded onto the website.

FREE CASH FLOW

(Bn yen)	FY2017	FY2018	vs. PY	
Net profit	186.7	109.0	-77.7	-41.6%
Depreciation, amortization and impairment loss	195.7	282.6	+86.9	
Decrease (increase) in trade working capital	19.9	28.9	+8.9	
Income taxes paid	-29.9	-44.9	-15.0	
Other	5.4	-47.1	-52.5	
Net cash from operating activities	377.9	328.5	-49.4	-13.1%
Acquisition of PP&E	-67.0	-77.7	-10.7	
Proceeds from sales of PP&E	3.0	50.7	+47.8	
Acquisition of intangible assets	-61.3	-56.4	+4.8	
Acquisition of investments	-16.9	-17.1	-0.2	
Proceeds from sales and redemption of investments	40.7	65.0	+24.3	
Proceeds from sales of business, net of cash and cash equivalents divested	85.1	85.1	+0.1	
Free Cash Flow	361.5	378.1	+16.7	+4.6%

OPERATING FREE CASH FLOW

(Bn yen)	FY2017	FY2018	vs. PY	
Net profit	186.7	109.0	-77.7	-41.6%
Depreciation, amortization and impairment loss	195.7	282.6	+86.9	
Decrease (increase) in trade working capital	19.9	28.9	+8.9	
Income taxes paid	-29.9	-44.9	-15.0	
Other[*1]	-21.4	-47.1	-25.7	
Net cash from operating activities	351.1	328.5	-22.6	-6.4%
Acquisition of PP&E	-63.6	-77.7	-14.1	
Acquisition of intangible assets[*2]	-44.6	-56.4	-11.8	
Operating Free Cash Flow	242.9	194.4	-48.5	-20.0%

- **Sale of real estate and marketable securities generated an additional 173.4 Bn yen**
- **Sale of non-core businesses Techpool and Multilab generated an additional 27.5 Bn yen**

The following items have been excluded from the above cash flow statement:
[*1] FY2017: 26.8 Bn yen of cash benefit with a payment from escrow regarding the Unipharm transaction (offset by an outflow entry in "investing activities").
[*2] FY2017: Payment of 16.6 Bn yen to buy back future royalties.

NET DEBT/ADJUSTED EBITDA

(Bn yen)	FY2017	FY2018	vs. PY		
Operating Free Cash Flow	242.9	194.4	-48.5	-20.0%	
Sale of Wako shares	84.5	-			
Sale of Techpool and Multilab shares	-	27.5	200.9		
Sale of other shareholdings[*1]	40.6	65.0			
Real estate disposals[*1]	39.3	108.3			
Payment into restricted deposit of TiGenix	-71.8	-			
Dividend	-141.9	-143.0			
Repayment of long term loans and bonds	-140.0	-			
Bridge and term loan facilities, etc. - Shire acquisition	-	-19.5			
Net of cash consideration - Shire acquisition	-	-2,891.9			
Proceeds from long-term loans and issuance of bonds - Shire acquisition	-	3,295.9			
Others	-78.6	-229.2			
Net increase (decrease) in cash	-24.9	407.6	+432.5	—	

(Bn yen)	FY2017	FY2018	vs. PY	
Cash and cash equivalents[*2]	294.5	702.1	+407.6	+138.4%
Debt[*3]	-985.7	-5,751.0	-4,765.3	-483.5%
Net cash (debt)	-691.1	-5,048.9	-4,357.7	-630.5%
Gross debt/Adjusted EBITDA ratio	2.6 x	10.7 x	+8.1	
Net debt/Adjusted EBITDA ratio	1.8 x	9.4 x	+7.6	
Net debt/Pro-forma Adjusted EBITDA ratio		4.7 x		
Adjusted EBITDA[*4]	377.7	536.4	+158.7	+42.0%
Pro-forma Adjusted EBITDA[*4]		1,077.7		

[*1] FY2018 disposal objective: ~110 Bn yen in total [*2] Includes short-term investments which mature or become due within one year from the reporting date [*3] Bonds and loans of current and non-current liabilities [4] Please see slides 74 for details.

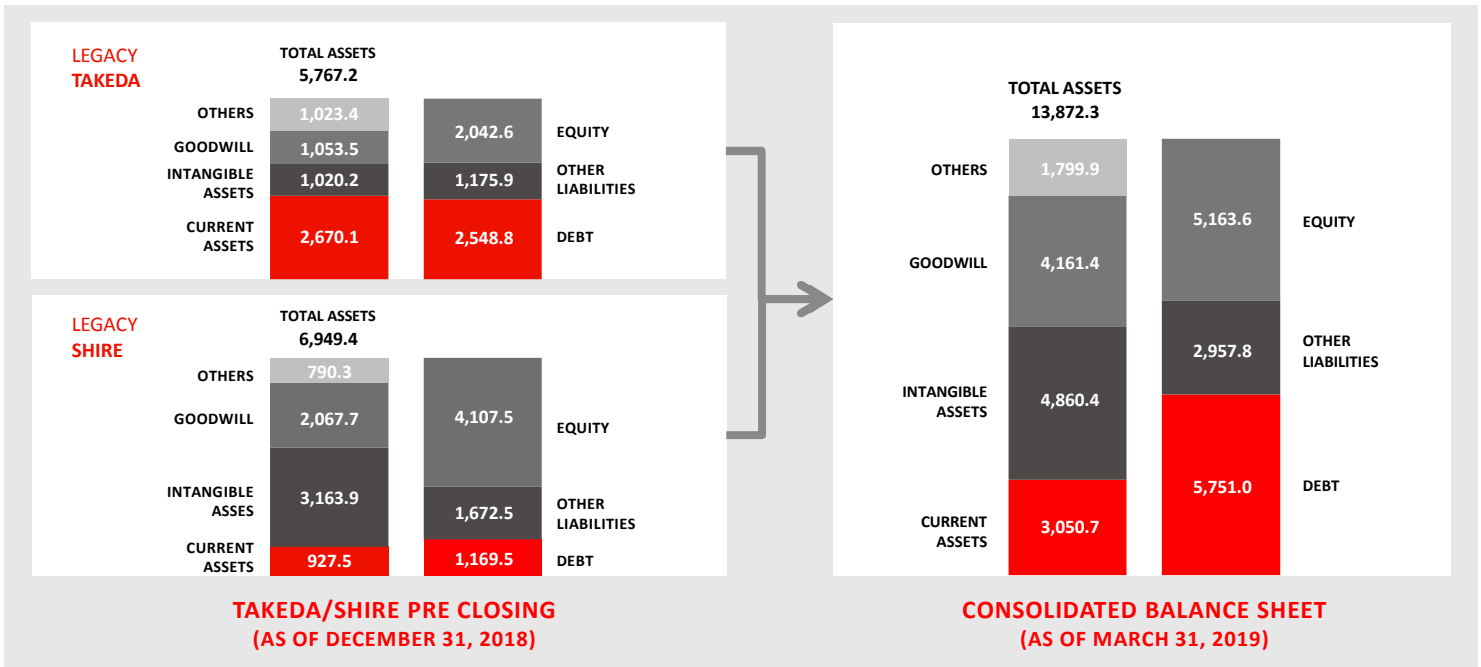
RECONCILIATION FROM NET PROFIT TO EBITDA/ADJUSTED EBITDA

(Bn yen)	Full year ended March 31		
	2017	2018	2019
Net profit for the year	115.5	186.7	109.0
Income tax expenses	27.8	30.5	-14.1
Depreciation and amortization	171.4	182.1	272.4
Interest expense, net	5.5	6.8	41.6
EBITDA	320.2	406.1	408.9
Impairment losses	51.4	13.5	10.1
Other operating expense (income), net, excluding depreciation and amortization	-78.3	-61.1	-58.6
Finance expense (income), net, excluding interest income and expense, net	5.4	-14.4	24.9
Share of loss on investments accounted for under the equity method	1.5	32.2	43.6
Other adjustments:			
Transaction costs related to the acquisition of ARIAD	3.2	-	-
Impact on profit related to fair value step up of inventory in ARIAD acquisition	-	1.4	-
Acquisition costs related to Shire	-	-	23.8
Other costs related to Shire	-	-	1.6
Impact on profit related to fair value step up of inventory in Shire acquisition	-	-	82.2
Adjusted EBITDA	303.4	377.7	536.4
Shire's Non GAAP EBITDA (Apr 2018 - Dec 2018)*	-	-	541.3
Pro-forma Adjusted EBITDA**	-	-	1,077.7

* Subtracted Shire Jan – Mar 2018 (3 months) Non GAAP EBITDA from Shire Jan – Dec 2018 (12 months) Non GAAP EBITDA and converted to JPY with average exchange rate of $:¥ of 1: 110.8 (Apr – Dec 2018).
** 12-month Apr 2018 – Mar 2019 combined Adjusted EBITDA of Takeda and Shire.
Note: Takeda's Adjusted EBITDA and Shire's Non-GAAP EBITDA are not directly comparable, because (1) Takeda's results are based on IFRS and Shire's results are based on U.S. GAAP and (2) Takeda's Adjusted EBITDA and Shire's Non-GAAP EBITDA are defined differently.

CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2019

(BN YEN)



FY2019 FORECAST

(Bn yen)	FY2018 Actual	FY2019 Forecast	vs. PY	
Revenue	2,097.2	3,300.0	+1,202.8	+57.4%
R&D expenses	-368.3	-491.0	-122.7	-33.3%
Amortization & impairment	-203.4	-659.0	-455.6	-224.0%
Other operating income	159.9	9.0	-150.9	-94.4%
Other operating expenses	-103.2	-172.0	-68.8	-66.7%
Operating profit	205.0	-193.0	-398.0	-
Profit before tax	94.9	-369.0	-463.9	-
Net profit	109.1	-383.0	-492.1	-
EPS (yen)	113 yen	-246 yen	-360 yen	-
Core Earnings	459.3	883.0	+423.7	+92.2%
USD/JPY	111 yen	111 yen	-0 yen	
EUR/JPY	129 yen	124 yen	-5 yen	

	FY2018 Actual	FY2019 Forecast	vs. PY	
	Excl. Shire acquisition related costs and purchase accounting impact			
Revenue	2,097.2	3,300.0	+1,202.8	+57.4%
R&D expenses	-366.7	-491.0	-124.3	-33.9%
Amortization & impairment	-104.1	-220.0	-115.9	-111.3%
Other operating income	159.9	9.0	-150.9	-94.4%
Other operating expenses	-43.5	-18.0	+25.5	+58.6%
Operating profit	471.5	654.0	+182.5	+38.7%
Profit before tax	406.8	581.0	+174.2	+42.8%
Net profit	351.0	413.0	+62.0	+17.7%
EPS (yen)	365 yen	266 yen	-99 yen	-27.2%
Core Earnings	459.3	883.0	+423.7	+92.2%

Shire acquisition related costs	FY2018	FY2019
SG&A and R&D expenses - acquisition costs, etc.	-25.3	-
Other operating expenses - integration costs	-59.6	-154.0
Financial expenses - Bridge loan fees, interests, etc.	-41.3	-87.0
Profit Before Tax impact	-126.3	-241.0
Purchase accounting impact (major items)		
Cost of sales - unwinding of inventories step-up	-82.2	-253.0
Amortization of intangible assets - Shire acquisition	-99.2	-439.0
Other non-cash items		
Amortization of intangible assets - Legacy Takeda	-95.4	-99.0
Impairment	-8.7	-121.0

Note: This FY2019 Reported Forecast does not take into consideration the recently announced divestitures of XIIDRA and TACHOSIL, but Takeda does not expect these divestitures to have a material impact. The FY2019 Reported Forecast will be updated at a later date to reflect these divestitures once a reliable estimate of their impact can be made, which will depend upon the exact timing of transaction close.

OUR ESG PROFILE: FOCUSED ON CREATING CORPORATE VALUE AND FOSTERING SUSTAINABILITY

OUR LEADERSHIP

COMMITMENT TO BUILDING A SUSTAINABLE SOCIETY

- Access to Medicines Strategy
- Global CSR Program in developing countries
- Environmental targets and proactive CO_2 reduction
- Safe Takeda Initiative
- Supply Chain and Compliance initiatives

Takeda aligns its Responsibility programs with the UN Sustainable Development Goals (SDGs)

OUR RECOGNITION

WORKING WITH LEADING ORGANIZATIONS TO ADVANCE SUSTAINABILITY

FTSE4Good

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

Asia Pacific Index

GLOBAL100

MSCI 2018 Constituent MSCI ESG Leaders Indexes

top EMPLOYER GLOBAL 2019

TAKEDA NOW RANKS FIFTH IN ACCESS TO MEDICINE INDEX

access to medicine index

GLOSSARY OF ABBREVIATIONS

AD	Alzheimer's disease
ADC	antibody drug conjugate
ADHD	attention deficit hyperactivity disorder
ALK	anaplastic lymphoma kinase
ALS	amyotrophic lateral sclerosis
AML	acute myeloid leukemia
AMR	antibody mediated rejection
ASCT	autologous stem cell transplant
ARD	acid-related diseases
BTK	Bruton's tyrosine kinase
BBB	blood brain barrier
BOS	budesonide oral suspension
CAR-T	Chimeric antigen receptor-T
CD	Crohn's disease
CHAWI	congenital hemophilia A with inhibitors
CIAS	cognitive impairment associated with schizophrenia
CIC	chronic idiopathic constipation
CIDP	chronic inflammatory demyelinating polyradiculoneuropathy
CML	chronic myeloid leukemia
CMML	chronic myelomonocytic leukemia
CSF	cerebrospinal fluid
CNS	central nervous system
CRL	complete response letter
CTCL	cutaneous T-cell lymphoma
CTTP	congenital thrombotic thrombocytopenic purpura
DAAO	D-amino acid oxidase
DED	dry eye disease
DLBCL	diffuse large B-cell lymphoma
DM	diabetes mellitus
DU	duodenal ulcer
Dx	diagnosis
EE H	erosive esophagitis healing
EE M	erosive esophagitis maintenance
EFI	enteral feeding intolerance
EGFR	epidermal growth factor receptor
EOE	eosinophilic esophagitis
ESCC	esophageal squamous-cell carcinoma
FL	front line
FLT-3	FMS-like tyrosine kinase 3
FSI	first subject in
GCC	guanylyl cyclase C
GERD	gastroesophageal reflux disease
GI	gastrointestinal
GnRH	gonadotropin-releasing hormone
GU	gastric ulcer
GvHD	graft versus host disease
HAE	hereditary angioedema
H2H	head to head
HCC	hepatocellular carcinoma
HemA	hemophilia A
HER2	human epidermal growth factor receptor 2
HL	Hodgkin's lymphoma
HR MDS	high-risk myelodysplastic syndromes
IBD	inflammatory bowel disease
IBS-C	irritable bowel syndrome with constipation
IND	investigational new drug
I/O	immuno-oncology
IV	intravenous
iPSC	induced pluripotent stem cells
LBD	Lewy body dementia
LB AML	low-blast acute myeloid leukemia
LSD1	Lysine specific demethylase 1
LCM	lifecycle management
mAb	monoclonal antibody
MAOB	monoamine oxidase B
MLD	metachromatic leukodystrophy
NAE	NEDD8 activating enzyme
NASH	non-alcoholic steatohepatitis
ND	newly diagnosed
NDA	new drug application
Neg	negative
NERD	non-erosive reflux disease
NF	new formulation
NK	natural killer
NME	new molecular entity
NSCLC	non-small cell lung cancer
NSCT	non stem cell transplant
NS	negative symptoms
OIC	opioid induced constipation
ORR	overall response rate
PARP	poly (ADP-ribose) polymerase
PBS	phosphate buffered saline
PCAB	potassium competitive acid blocker
PFIC	progressive familial intrahepatic cholestasis
Ph+ ALL	Philadelphia chromosome-positive acute lymphoblastic leukemia
PID	primary immunodeficiency
PPI	proton pump inhibitor
PK	pharmacokinetics
POC	proof of concept
POI	post-operative ileus
PTCL	peripheral T-cell lymphoma
R/R	relapsed/refractory
RA	rheumatoid arthritis
RCC	renal cell cancer
RTK	receptor tyrosine kinase
sALCL	systemic anaplastic large cell lymphoma
SBS	short bowel syndrome
SC	subcutaneous formulation
SCT	stem cell transplant
SCZ	schizophrenia
SLE	systemic lupus erythematosus
sq	squamous
SR	steroid refractory
SR-GvHD	steroid refractory acute graft vs host disease
STING	stimulator of interferon genes
SUMO	small ubiquitin-related modifier
SYK	spleen tyrosine kinase
TESD	treatment emergent sexual dysfunction