

Takeda's U.S. Pricing Methodology



	CY 2015-2016 ^{1,2}	CY 2016-2017 ^{1,2}	CY 2017-2018 ^{1,2}	CY 2018-2019 ^{2,7}
Average list price change³ across portfolio	8.9%	5.8%	5.5%	2.4%
Average net price change⁴ across portfolio	2.6%	2.9%	-0.3%	-1.6%
Average discount^{5,6} across portfolio	37%	37%	39%	40%

- 1) U.S. Product Portfolio includes branded oral and infusion products marketed by Takeda in the United States as of December 2018, excluding all products acquired by Takeda during the calendar year. The U.S. Product Portfolio is composed of products marketed in the U.S. by the U.S. Business Unit and the Oncology Business Unit.
- 2) Annual percent change vs. prior calendar year was calculated at a product level and weighted across Takeda's U.S. Product Portfolio.
- 3) Average List Price Change represents the year-over-year change in the wholesale acquisition cost (WAC), as a weighted average across all products in the U.S. product portfolio.
- 4) Average Net Price Change represents the year-over-year change in average net price, which is WAC less rebates, discounts, and channel fees
- 5) The amount of rebates, discounts, and channel fees represents an estimate by the company based upon internal analyses.
- 6) Discounts extended through patient savings card programs are included in these calculations; however, the value of free products donated through patient assistance programs is excluded and represents additional value provided to patients.
- 7) U.S. Product Portfolio includes branded oral and infusion products marketed by Takeda in the United States as of December 2019, including the products acquired by Takeda through the Shire acquisition but excluding products divested during the calendar year. The U.S. Product Portfolio is composed of products marketed in the U.S. by the U.S. Business Unit and the Oncology Business Unit. Adjustments were made to the calculation methodology for CY 2018-2019 to better reflect pricing and discounts across the diverse, expanded portfolio.