

FINANCIAL PERFORMANCE

Guided by our commitment to patients, our people and the planet, in FY2021 we executed our growth strategy delivering topline growth, competitive margins and strong cash flow. The decisions and investments we have made position us to deliver continued topline growth in FY2022 and over the medium-to-long term.



Takeda's FY2021 Financial Performance

Despite ongoing uncertainty caused by the COVID-19 pandemic and disruptions in the global supply chain, we have delivered positive financial outcomes for FY2021. This is an ongoing testament to our resilient product portfolio, and relentless pursuit of advancing science for patients and building sustainable value for our stakeholders. Our five key business areas represented approximately 86% of our FY2021 revenue and strength across our portfolio was key to our delivering 7.4% of underlying revenue growth.¹

FY2021 REVENUE

FY21 Revenue (JPY)	3,569.0B
FY21 Revenue (USD)	29.4B
● U.S.	48%
● Japan	18%
● Europe & Canada	21%
● Growth and Emerging Markets	13%



5 Key Business Areas

(% of FY2021 Core Revenue^{1,2})

GI	25%
Rare Diseases	18%
PDT Immunology	15%
Oncology	14%
Neuroscience	14%
Other	14%

¹ Takeda uses certain non-IFRS measures to supplement the analysis of results of operations under International Financial Reporting Standards ("IFRS"). Please refer to appendix pages for definitions, explanations and reconciliations of non-IFRS measures.

² Core Revenue is adjusted to remove JPY 133.0B for the sale of the diabetes portfolio in Japan, and other non-core asset transfers booked as revenue.

Results of Operations

(JPY billions)	Fiscal Year Ending March 31,		Change versus the previous year	
	2021	2022		%
Revenue	3,197.8	3,569.0	371.2	11.6%
Operating profit	509.3	460.8	-48.4	-9.5%
Profit (loss) before tax	366.2	302.6	-63.7	-17.4%
Net profit for the period	376.2	230.2	-146.0	-38.8%
Net profit attributable to owners of the Company	376.0	230.1	-145.9	-38.8%

Non-IFRS Measures¹

Results of Operations

(JPY billions)	Fiscal Year Ending March 31,		Change versus the previous year	
	2021	2022		%
Core revenue	3,197.8	3,420.5	222.7	7.0%
Underlying:				
Revenue growth	2.2%	7.4%		
Core operating profit margin	30.2%	28.0%		
Core operating profit	967.9	955.2	-12.7	-1.3%
Core EPS (yen)	420	425	5	1.2%
Free cash flow	1,237.8	943.7	-294.2	-23.8%









Leverage

(JPY billions)	As of	
	March 31, 2021	March 31, 2022
Net debt (cash)	3,429.4	3,233.8
Adjusted EBITDA (Last 12 months)	1,083.5	1,168.0
Net debt/Adjusted EBITDA ratio	3.2x	2.8x

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Growth and Launch Products

Our FY2021 revenue growth was largely driven by our growth and launch products, which generated one third of our total revenue and underlying revenue growth¹ of +19%.

BUSINESS AREA	GROWTH PRODUCT	INDICATION	REVENUE (BN JPY)	UNDERLYING REVENUE GROWTH ¹
Gastroenterology (GI)	 Entyvio[®] vedolizumab	Moderate to severe ulcerative colitis or Crohn's disease	521.8	14.5%
	 ALOFISEL	Refractory complex perianal fistulas with Crohn's disease	1.8	121.7%
Rare Diseases	 TAKHZYRO (lanadelumab-flyo) injection	Prevention of hereditary angioedema attacks	103.2	12.4%
	 LIVTENCITY[™] (maribavir) tablets 200mg	Post-transplant CMV infection (refractory, with or without resistance)	1.3	—
PDT Immunology	 Immunoglobulin GAMMAGARD LIQUID (Immune Globulin Intravenous (Human)) 10% HyQvia (Human Normal Immunoglobulin (10% Recombinant Human Hyaluronidase)) Cuvitru (Immune Globulin Subcutaneous (Human)) 20%	Primary and secondary immunodeficiencies and multifocal motor neuropathy	385.9	9.4%
	 Albumin Flexbumin (Human Albumin) HUMAN ALBUMIN (Human Albumin)	Hypovolemia, hypoalbuminemia, for use during cardiopulmonary bypass surgery, and hemolytic disease of the newborn	90.0	42.3
Oncology	 ALUNBRIG BRIGATINIB	ALK-positive non-small cell lung cancer	13.6	46.9%
	 EXKIVITY[™] mobocertinib 40 mg Capsules	Previously treated Non-Small Cell Lung Cancer with EGFR exon 20 insertion	1.0	—
Other	Spikevax[™]	Active immunization for the prevention of COVID-19 (primary and booster)	Undisclosed	Undisclosed
	Nuvaxovid[®]	Active immunization for the prevention of COVID-19 (primary and booster)	—	—

Further growth is expected moving forward from launch products EXKIVITY[®] and LIVTENCITY[®], both approved in FY2021 in the United States, and also from our COVID-19 vaccines rollout in Japan with additional SPIKEVAX[™] doses and the launch of NUVAOXVID[®], approved in Japan in April 2022.

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Positioned for growth over the mid- and long-term

Takeda is well positioned to deliver topline growth over the medium-to-long term.

Our growth and launch products are projected to continue driving topline growth in the near-term, through continued market penetration, geographic expansion, improving access and life cycle management.

In addition, we've built a deep and highly innovative pipeline through our R&D transformation, with approximately 40 new molecular entities in the clinical stage, several of which have sales potential over \$1 billion. We will continue to actively enrich the pipeline through our in-house R&D capabilities, external partnerships and targeted business development that align with our core therapeutic areas.

In addition to growing the topline, we continue to focus on delivering a competitive core operating profit margin. Our strong margins will continue to drive abundant cashflow, which will allow us to invest in our growth drivers, while also paying down debt toward our target of "low twos" net debt to adjusted EBITDA¹ by the end of fiscal year 2023.

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10 of our clinical programs are in Phase 3 or pivotal trials with an aggregate peak potential sales of more than \$10 billion².

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² On a Probability of Technical and Regulatory Success (PTRS)-adjusted basis more than \$5 billion.

FY2022 Forecast

(JPY billions)	FY2021 (Actual)	FY2022 (Forecast)	Change over the previous year	
Reported:				
Revenue	3,569.0	3,690.0	121.0	3.4%
R&D expenses	-526.1	-570.0	-43.9	-8.3%
Operating profit	460.8	520.0	59.2	12.8%
Profit before tax	302.6	411.0	108.4	35.8%
Net profit attributed to owners of the Company	230.1	292.0	61.9	26.9%
EPS (yen)	147	188	41	27.9%

Non-IFRS Measures¹

Core revenue	3,420.5	3,690.0	269.5	7.9%
Core operating profit	955.2	1,100.0	144.8	15.2%
Core EPS (yen)	425	484	60	14.0%
Free cash flow	943.7	600.0–700.0		
Dividend per share (yen)	180	180	—	—

Management Guidance

	CORE GROWTH AT CER³
CORE REVENUE	Low-single-digit growth
CORE OPERATING PROFIT	High-single-digit growth
CORE EPS (yen)	High-single-digit growth

Refer to Summary of Financial Statements for the Fiscal Year Ended March 31, 2022 (IFRS, Consolidated) released on May 11, 2022, for further detail of FY2022 forecast and management guidance.

³ CER (Constant Exchange Rate) eliminates the effect of foreign exchange rates by translating results of operations using corresponding exchange rates in the same period of the previous fiscal year.