



News Release

Notice of the Revised Forecast of Consolidated Financials for FY2020 (IFRS)

Osaka, Japan, July 31, 2020 - Takeda Pharmaceutical Company Limited ([TSE:4502/NYSE:TAK](https://www.takeda.com/stock)) (“Takeda”) announced today, the revised forecast of the full year consolidated financials for the fiscal year ending March 31, 2021, as below.

1. Revised Forecast for Full Year Consolidated Financials for the Fiscal Year Ending March 31, 2021

(millions of yen)

	Revenue	Core Operating Profit	Operating profit	Profit before income taxes	Net profit attributable to owners of the Company	Basic earnings per share	Core EPS
Previous Forecast (A)*	3,250,000	984,000	355,000	200,000	60,000	38.52 yen	420 yen
Revised Forecast (B)	3,250,000	984,000	395,000	230,000	92,000	58.91 yen	420 yen
Discrepancy (B-A)	—	—	+40,000	+10,000	+32,000	—	—
Change %	—	—	+11.3%	+15.0%	+53.3%	—	—

* Announced on May 13, 2020.

2. Reasons for Revision

The revenue forecast has not been changed at 3,250.0 billion JPY.

The Operating Profit forecast has been increased by 40.0 billion JPY, or 11.3%, to 395.0 billion JPY. This reflects a net positive effect of one-time items recognized during the first quarter of FY2020: an approximately 60.0 billion JPY profit due to an update to previously recognized liabilities for SHP647 to reflect a change in expected future costs, such as program termination costs, as a result of the European Commission’s decision to release Takeda from the obligation to divest SHP647; and an approximately 20.0 billion JPY loss due to the remeasurement of contingent consideration assets at fair value as a result of Novartis’ withdrawal of the Marketing Authorisation Application in Europe for XIIDRA.

The profit before tax forecast has been increased by 30.0 billion JPY, or 15.0%, to 230.0 billion JPY. This reflects an approximately 10.0 billion JPY loss of associates accounted for using the equity method recognized during the first quarter of FY2020, mainly due to an impairment charge on certain assets recognized by Teva Takeda Pharma Ltd.

The forecast for net profit for the period attributable to owners of the Company has been increased by 32.0 billion JPY, or 53.3%, to 92.0 billion JPY, due to the factors explained above and associated tax benefits.

The forecasts for Core Operating Profit and Core EPS remain unchanged as the factors explained above are unusual, non-recurring items and unrelated to our ongoing operations.

3. Management Guidance

There are no changes in the Management Guidance.

	Previous Guidance (May 13, 2020)	Revised Guidance (July 31, 2020)
Underlying Revenue Growth	Low-single-digit growth	Low-single-digit growth
Underlying Core Operating Profit Growth	High-single-digit growth	High-single-digit growth
Underlying Core Operating Profit Margin	Low-30s%	Low-30s%
Underlying Core EPS Growth	Low-teen growth	Low-teen growth

About Takeda Pharmaceutical Company Limited

Takeda Pharmaceutical Company Limited ([TSE:4502/NYSE:TAK](https://www.tse.or.jp/eng/stock/4502)) is a global, values-based, R&D-driven biopharmaceutical leader headquartered in Japan, committed to bringing Better Health and a Brighter Future to patients by translating science into highly-innovative medicines. Takeda focuses its R&D efforts on four therapeutic areas: Oncology, Rare Diseases, Neuroscience, and Gastroenterology (GI). We also make targeted R&D investments in Plasma-Derived Therapies and Vaccines. We are focusing on developing highly innovative medicines that contribute to making a difference in people's lives by advancing the frontier of new treatment options and leveraging our enhanced collaborative R&D engine and capabilities to create a robust, modality-diverse pipeline. Our employees are committed to improving quality of life for patients and to working with our partners in health care in approximately 80 countries.

For more information, visit <https://www.takeda.com>.

Contacts:

Investor Relations

Takashi Okubo, +81-(0)3-3278-2306
takeda.ir.contact@takeda.com

Media Relations

Kazumi Kobayashi, +81 (0)3-3278-2095
kazumi.kobayashi@takeda.com

Important Notice

For the purposes of this notice, “press release” means this document, any oral presentation, any question and answer session and any written or oral material discussed or distributed by Takeda Pharmaceutical Company Limited (“Takeda”) regarding this release. This press release (including any oral briefing and any question-and-answer in connection with it) is not intended to, and does not constitute, represent or form part of any offer, invitation or solicitation of any offer to purchase, otherwise acquire, subscribe for, exchange, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction. No shares or other securities are being offered to the public by means of this press release. No offering of securities shall be made in the United States except pursuant to registration under the U.S. Securities Act of 1933, as amended, or an exemption therefrom. This press release is being given (together with any further information which may be provided to the recipient) on the condition that it is for use by the recipient for information purposes only (and not for the evaluation of any investment, acquisition, disposal or any other transaction). Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The companies in which Takeda directly and indirectly owns investments are separate entities. In this press release, “Takeda” is sometimes used for convenience where references are made to Takeda and its subsidiaries in general. Likewise, the words “we”, “us” and “our” are also used to refer to subsidiaries in general or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies.

Forward-Looking Statements

This press release and any materials distributed in connection with this press release may contain forward-looking statements, beliefs or opinions regarding Takeda’s future business, future position and results of operations, including estimates, forecasts, targets and plans for Takeda. Without limitation, forward-looking statements often include words such as “targets”, “plans”, “believes”, “hopes”, “continues”, “expects”, “aims”, “intends”, “ensures”, “will”, “may”, “should”, “would”, “could” “anticipates”, “estimates”, “projects” or similar expressions or the negative thereof. These forward-looking statements are based on assumptions about many important factors, including the following, which could cause actual results to differ materially from those expressed or implied by the forward-looking statements: the economic circumstances surrounding Takeda’s global business, including general economic conditions in Japan and the United States; competitive pressures and developments; changes to applicable laws and regulations; the success of or failure of product development programs; decisions of regulatory authorities and the timing thereof; fluctuations in interest and currency exchange rates; claims or concerns regarding the safety or efficacy of marketed products or product candidates; the impact of health crises, like the novel coronavirus pandemic, on Takeda and its customers and suppliers, including foreign governments in countries in which Takeda operates, or on other facets of its business; the timing and impact of post-merger integration efforts with acquired companies; the ability to divest assets that are not core to Takeda’s operations and the timing of any such divestment(s); and other factors identified in Takeda’s most recent Annual Report on Form 20-F and Takeda’s other reports filed with the U.S. Securities and Exchange Commission, available on Takeda’s website at:

<https://www.takeda.com/investors/reports/sec-filings/> or at www.sec.gov. Takeda does not undertake to update any of the forward-looking statements contained in this press release or any other forward-looking statements it may make, except as required by law or stock exchange rule. Past performance is not an indicator of future results and the results or statements of Takeda in this press release may not be indicative of, and are not an estimate, forecast, guarantee or projection of Takeda’s future results.

###