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Takeda announces results for first quarter of fiscal 2020

August 3, 2020 | News

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Japan-based Takeda Pharmaceutical Company Limited (Takeda) recently announced financial results for the first quarter of fiscal 2020.

Based on the results of the first quarter, the company confirms the management's forecasts and increases the reported operating profit and the reported net profit for the full year.

The company also announced recent updates to its R&D pipeline and underlined its R&D momentum with seven potential new drug approval applications planned for the next 12 months.

- The underlying sales growth was 0.9% compared to the previous year. Takeda's five main businesses achieved an underlying sales growth of 6%, and its 14 global brands with total sales of JPY 308.0 billion reported an underlying sales growth of 20%.
- Reported sales were JPY 801.9 billion, with foreign currency effects and divestitures dropping 5.6% year over year.
- Core operating profit was 280.9 billion yen, with the core operating profit margin thanks to cost synergies and OPEX efficiency was 35.0%.
- Reported operating profit increased significantly, by 270% to JPY 167.3 billion due to lower acquisition and integration accounting expenses.
- Reported operating cash flow increased 21% to JPY 145.9 billion; free cash flow of JPY 146.3 billion represents an increase of 64% over the previous year
- Robust cash generation enabled a further debt reduction to 3.7 times net debt / adjusted EBITDA, which is a significant improvement over 4.7 times at the end of March 2019
- Takeda increased its guidance for FY2020 operating profit from JPY 355 billion to JPY 395 billion, net profit from JPY 60 billion to JPY 92 billion.