

October 21, 2016

Sumitomo Dainippon Pharma Co., Ltd.

## **Sumitomo Dainippon Pharma Announces Revisions to Its Financial Forecasts for the Half-Year Ended September 30, 2016**

Osaka, Japan, October 21, 2016 --- Sumitomo Dainippon Pharma Co., Ltd. (Head Office: Osaka, Japan; President: Masayo Tada; Securities Codes: 4506, First Section of TSE) announced today that it has revised its financial forecasts for the half-year ended September 30, 2016 as summarized below, from those announced on May 11, 2016.

### 1. Revisions to the Forecasts of Consolidated Financial Results for the Half-year ended September 30, 2016 (April 1, 2016 to September 30, 2016)

(Amounts in Japanese yen million)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share
Previous Forecasts (A)	199,000	16,000	16,000	8,000	¥20.14
Revised Forecasts (B)	198,000	26,700	23,800	10,900	¥27.44
Variance in amount (B)–(A)	(1,000)	10,700	7,800	2,900	
Variance in percent (%)	(0.5)	66.9	48.8	36.3	
[Reference] Year-on-year (Half-Year ended September 30, 2015)	198,926	16,847	17,502	13,214	¥33.26

### 2. Reasons for the revisions

Net sales remain firm, but are expected to register a slight decrease, as the yen has grown stronger than the previous forecast. SG&A expenses are expected to be lower than the forecast due to some delays in executing the budget and the yen's appreciation. Non-operating income and expenses are estimated to deteriorate as a result of the recording of foreign exchange losses. The Company is also set to report gain on sales of investment securities under extraordinary income and business structure improvement expenses under extraordinary loss as per a separate announcement released today ("Sumitomo Dainippon Pharma Announces the Results of Its Early Retirement Program Offer for Japanese Employees").

Consequently, the Company now forecasts that net sales for the first half of fiscal year 2016 will decrease by 1,000 million yen to 198,000 million yen, operating income will increase by 10,700 million yen to 26,700 million yen, ordinary income will increase by 7,800 million yen to 23,800 million yen, and net income attributable to owners of the parent will increase by 2,900 million yen to 10,900 million yen, all in comparison to the previously announced respective forecasts.

The forecasts of consolidated financial results for the full year ending March 31, 2017 are currently under review and will be presented at the time of announcement of the half-year financial results scheduled for October 27, 2016.

Cautionary statement:

Forecasts shown above are based on management's assumptions and beliefs in light of the information currently available, and involve risks and uncertainties. Actual financial results may differ materially depending on a number of factors, including economic conditions.

Contact:

Public Relations / Investor Relations

Sumitomo Dainippon Pharma Co., Ltd.

TEL: +81-6-6203-1407 (Osaka); +81-3-5159-3300 (Tokyo)