

January 30, 2018

Sumitomo Dainippon Pharma Co., Ltd.

Sumitomo Dainippon Pharma Announces Revision to its Dividend Forecast for the Year Ending March 2018

Sumitomo Dainippon Pharma Co., Ltd. (hereinafter referred to as the “Company”) announced today that it has revised its dividend forecast for the year ending March 31, 2018 (FY2017), as indicated below.

1. Reasons for the Revision

The allocation of the Company’s profits in a customarily appropriate manner to its shareholders is one of the Company’s fundamental management policies. In addition to stressing the distribution of surplus in an appropriate manner that reflects the Company’s performance, the Company intends to make decisions on dividends from a comprehensive standpoint, while, among others, actively investing in its future growth, ensuring a solid management base and enhancing its financial condition to further increase its enterprise value. The Company aims to give consideration so that profits will continue to be allocated to its shareholders in a consistent manner.

For the current fiscal year (FY2017), the Company now expects operating income of 72.0 billion yen, which surpasses the 50.0-billion-yen target for that period laid out in the 3rd Mid-Term Business Plan, owing primarily to the sales growth of LATUDA[®], which began in the previous year and appears to be sustaining its earnings momentum.

Given the abovementioned basic policy on profit distribution to shareholders and FY2017 earnings results, the Company has decided to increase the special dividend from 2 yen to 10 yen, raising the year-end dividend per share from 11 yen to 19 yen (with the ordinary dividend remaining unchanged at 9 yen per share). With this action, the Company now expects its annual dividend to be 28 yen per share.

2. Details of the Revision

	Dividend per share		
	Interim	Year-end	Full Year
Previous Forecast (announced on October 30, 2017)	¥9.00	¥11.00 (ordinary dividend of ¥9.00) (special dividend of ¥2.00)	¥20.00
Revised Forecast	—	¥19.00 (ordinary dividend of ¥9.00) (special dividend of ¥10.00)	¥28.00
Actual amount for the current fiscal year	¥9.00	—	—
Actual amount for the previous fiscal year (year ended March, 2017)	¥9.00	¥11.00 (ordinary dividend of ¥9.00) (special dividend of ¥2.00)	¥20.00

Contact:

Public Relations/Investor Relations

Sumitomo Dainippon Pharma Co., Ltd.

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