

## Notice of Revisions to Dividend Forecasts

**Osaka, Japan, April 24, 2017** - Shionogi & Co., Ltd. (Head Office: Osaka; President & CEO: Isao Teshirogi, Ph.D.; hereafter “Shionogi”) today announced that it has made the following revisions to its dividend forecasts for the fiscal year ending March 31, 2017 (April 1, 2016 – March 31, 2017). The dividend forecasts were originally announced on May 11, 2016.

### 1. Revisions to Dividend Forecasts

Revisions to dividend forecasts for the fiscal year ending March 31, 2017

	Dividends per share (yen)		
	End of second quarter	Year end	Annual
Previous forecast (May 11, 2016)		34.00	68.00
Revised forecast		38.00	72.00
Current fiscal year (ending March 31, 2017)	34.00		
Previous fiscal year (ended March 31, 2016)	28.00	34.00	62.00

### 2. Reasons for Revisions to Dividend Forecasts

Shionogi maintains its intention to return profits to its shareholders and to maximize its enterprise value by continuously strengthening its business operations and operational fundamentals, while investing appropriately in R&D and strategic alliances for future growth. Consistent with that intention, the Company plans to stably increase its consolidated dividends.

Shionogi is a shareholder of ViiV Healthcare (hereafter “ViiV”), the UK-based global specialist HIV company, and the royalty payment from ViiV to Shionogi has consistently increased because the sales of the relevant anti-HIV drugs have grown steadily. Shionogi also received an interim dividend in addition to the annual dividend from ViiV this year. In addition to income from ViiV, Shionogi increased sales of its new products and made good progress in its R&D activities, and the Company increased its business forecasts as described in the announcement of financial results for the second quarter of this fiscal year. Shionogi also acquired its own shares (6,802,100 shares, total value of shares acquired was about 35 billion yen) and canceled treasury shares (2,200 shares, 6.27% of total outstanding shares before cancellation) in order to increase shareholder return and capital efficiency by following a flexible capital policy, aligning with strong business progress in accordance with its medium-term business plan SGS2020, to maximize its enterprise value.

Based on our current earnings forecasts and financial condition and the continuing positive trends described above, Shionogi plans to increase its year-end cash dividend by four yen per share,

revising the previously announced dividend of 34 yen to 38 yen per share. Together with the interim cash dividend, Shionogi will therefore pay annual cash dividends of 72 yen per share, an increase of 10 yen per share from the prior fiscal year.

**Forward-looking Statements**

*This announcement contains forward-looking statements. These statements are based on expectations in light of the information currently available, assumptions that are subject to risks and uncertainties which could cause actual results to differ materially from these statements. Risks and uncertainties include general domestic and international economic conditions such as general industry and market conditions, and changes of interest rate and currency exchange rate. These risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited to, completion and discontinuation of clinical trials; obtaining regulatory approvals; claims and concerns about product safety and efficacy; technological advances; adverse outcome of important litigation; domestic and foreign healthcare reforms and changes of laws and regulations. Also for existing products, there are manufacturing and marketing risks, which include, but are not limited to, inability to build production capacity to meet demand, unavailability of raw materials and entry of competitive products. The company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.*

**For further information, contact:**

Corporate Communications Department

Shionogi & Co., Ltd.

Telephone: +81-6-6209-7885

Fax: +81-6-6229-9596