

Shionogi contributes to the second phase of the Global Health Innovative Technology Fund

Osaka, Japan (June 1, 2017) - Shionogi & Co., Ltd. (Head Office: Osaka; President & CEO: Isao Teshirogi, Ph.D.; hereafter “Shionogi”) today announced that it decided to contribute to the second phase of the Global Health Innovative Technology Fund ¹(hereafter “GHIT Fund”) as one of the full partners cooperating with the funding contributors² during the 5 years from 2018 to 2022. The total amount of the commitment by the GHIT Fund partners including Shionogi is expected to be more than \$200 million.

GHIT Fund was established in 2013 for the purpose of developing medicines, vaccines, and diagnostics using Japanese technologies, knowledges and innovations aiming to control infectious diseases that hurt people especially in developing countries, for example HIV/AIDS, tuberculosis, malaria, Neglected Tropical Diseases³ etc. It is the first public-private partnership of its kind for global health research and development (R&D), the Government of Japan, private companies, the Bill & Melinda Gates Foundation⁴, the Wellcome Trust⁵, United Nations development project. Throughout its first five years GHIT Fund has invested about \$100 million toward 61 projects, from basic researches to clinical trials in South America and Africa. GHIT Fund aimed to make use of Japanese drug discovery technologies, know-hows and wisdom directly and effectively in global health.

Shionogi aims to create therapeutic drugs against multidrug-resistant tuberculosis bacteria, “New anti-TB drug candidates compound screening program (2013: collaborate with The Global Alliance for TB Drug Development)”, “Hit-to-Lead Development of anti-TB Phenotypic Screening Hits (2015: collaborate with the TB Research Institute for Tuberculosis and The Global Alliance for TB Drug Development)”. Also, in the neglected tropical diseases area, in order to create therapeutic drugs against Chagas disease and Leishmaniasis, Shionogi participated in the consortium Neglected Tropical Diseases “Drug Discovery Booster (2014), Drug Discovery Booster II (2016)” led by Drugs for Neglected Diseases initiative.

About Shionogi

Shionogi & Co., Ltd. is a major research-driven pharmaceutical company dedicated to bringing benefits to patients based on its corporate philosophy of "supplying the best possible medicine to protect the health and well-being of the patients we serve." Shionogi's research and development currently target two therapeutic areas: infectious diseases, and pain/CNS disorders. For over 50 years, Shionogi has developed and commercialized innovative oral and parenteral anti-infectives. In addition, Shionogi is engaged in new research areas, such as obesity/geriatric metabolic disease and oncology/immunology. Contributing to the health and quality of life of patients around the world through development in these therapeutic areas is Shionogi's primary goal. For more details, please visit www.shionogi.co.jp/en/. For more information on Shionogi Inc., the U.S.-based subsidiary of Shionogi & Co., Ltd., headquartered in Florham Park, NJ, USA, please visit www.shionogi.com. For more information on Shionogi Ltd., the UK-based subsidiary of Shionogi & Co. Ltd., headquartered in London, England, please visit www.shionogi.eu.

1. Global Health Innovative Technology Fund

The first of its kind in Japan, the GHIT Fund is a public-private partnership between the Japanese government, multiple pharmaceutical companies, the Bill & Melinda Gates Foundation, the Wellcome Trust, and UNDP. Launched in April 2013 with an initial commitment of more than \$100 million and now with capital of \$145 million, the organization taps Japanese research and development (R&D) to fight neglected diseases. GHIT Fund invests and manages a portfolio of development partnerships aimed at neglected diseases that afflict the world's poorest people. GHIT Fund mobilizes Japanese pharmaceutical companies and academic and research organizations to engage in the effort to get new medicines, vaccines, and diagnostic tools to people who need them most, with Japan quickly becoming a game-changer in global health. www.ghitfund.org

2. About Funding Partners for GHIT Fund's Second Phase (FY2018 – FY2022)

Full Partners: Government of Japan (Ministry of Foreign Affairs and Ministry of Health, Labour and Welfare), Bill & Melinda Gates Foundation, Wellcome Trust, Astellas Pharma Inc., Chugai Pharmaceutical Co., Ltd., Daiichi Sankyo Company, Limited, Eisai Co., Ltd., Fujifilm Corporation, Shionogi & Co., Ltd., Takeda Pharmaceutical Company Limited

Associate Partners: Otsuka Pharmaceutical Co., Ltd., Sysmex Corporation

Affiliate Partners: GlaxoSmithKline K.K., Johnson & Johnson, Kyowa Hakko Kirin Co., Ltd., Merck KGaA, Mitsubishi Tanabe Pharma Corporation, Sumitomo Dainippon Pharma Co., Ltd.

3. About Neglected Tropical Diseases (NTDs)

According to the World Health Organization, Neglected Tropical Diseases (NTDs) are a diverse group of communicable diseases that prevail in tropical and subtropical conditions in 149 countries and affect more than one billion people, costing developing economies billions of dollars every year. They mainly affect populations living in poverty, without adequate sanitation and in close contact with infectious vectors and domestic animals and livestock. NTDs are a group of 18 infectious diseases – Buruli ulcer, Chagas disease, Dengue/Chikungunya, Dracunculiasis (guinea-worm disease), Echinococcosis, Foodborne trematodiasis, Human African trypanosomiasis (sleeping sickness), Leishmaniasis, Leprosy (Hansen's disease), Lymphatic filariasis, Mycetoma, Onchocerciasis (river blindness), Rabies, Schistosomiasis, Soil-transmitted helminthiasis, Taeniasis/Cysticercosis, Trachoma, Yaws (Endemic treponematoses).

4. About the Bill & Melinda Gates Foundation

Guided by the belief that every life has equal value, the Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people's health and giving them the chance to lift themselves out of hunger and extreme poverty. In the United States, it seeks to ensure that all people—especially those with the fewest resources—have access to the opportunities they need to succeed in school and life. Based in Seattle, Washington, the foundation is led by CEO Sue Desmond-Hellmann and Co-chair William H. Gates Sr., under the direction of Bill and Melinda Gates and Warren Buffett. www.gatesfoundation.org

5. About Wellcome Trust

The Wellcome Trust is a global charitable foundation dedicated to improving health. They support bright minds in science, the humanities and the social sciences, as well as education, public engagement and the application of research to medicine. Their investment portfolio gives them the independence to support such transformative work as the sequencing and understanding of the human genome, research that established front-line drugs for malaria and Wellcome Collection, their free venue for the incurably curious that explores medicine, life and art. www.wellcome.ac.uk

Forward Looking Statement

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.

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