

Shionogi Establishes New Manufacturing Subsidiary in Japan

OSAKA, Japan, April 23, 2018 - Shionogi & Co., Ltd. (Head Office: Osaka, Japan; President and CEO: Isao Teshirogi, Ph.D.; hereafter "Shionogi") announced that it has decided to establish a new wholly-owned subsidiary (hereinafter referred to as the "new manufacturing subsidiary") on October 1, 2018, which will be in charge of manufacturing functions in the Shionogi group.

The new manufacturing subsidiary, positioned at the core of Shionogi manufacturing value chain, will promote the innovative development of manufacturing technology. The new subsidiary will manufacture the high-quality, innovative medicines that Shionogi creates, making them available to patients around the world in a cost-competitive and reliable manner.

In addition, the new manufacturing subsidiary will contribute to the growth of the pharmaceutical industry in Japan, by developing contract businesses including manufacture of investigational drug products, analytical testing, pharmaceutical engineering, as well as commercial contract pharmaceutical manufacturing, all of which will benefit from the deep experience and extensive expertise resident in the new company.

Operation of the new manufacturing subsidiary will start on April 1, 2019. Further details are provided below. As further plans for the new subsidiary are elucidated, Shionogi will disclose this additional information in a timely manner.

<Outline of the subsidiary to be established>

Company Name:	To be determined (TBD)
Date of Establishment:	October 1, 2018 (Planned)
Date of Commencement of Operations:	April 1, 2019 (Planned)
Location of Head office:	Settsu, Osaka (Planned)
Manufacturing Sites:	Settsu Plant (Settsu, Osaka), Kanegasaki Plant (Isawa-gun, Iwate), Tokushima Plant (Tokushima, Tokushima), Amagasaki Site (Amagasaki, Hyogo)
Representative:	TBD
Capital:	TBD
Total Assets:	TBD
Number of Employees:	TBD
Business Description:	Manufacturing of pharmaceutical products, contract manufacturing of investigational drug product, analytical testing, and pharmaceutical engineering

Press Release



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