

Announcement about the Adjustment of the Conversion Value for Euro-Yen Denominated Convertible Bonds Maturing in 2019

OSAKA, Japan, June 20, 2018 - Shionogi & Co., Ltd. (Head Office: Osaka, Japan; President and CEO: Isao Teshirogi, Ph.D.; hereafter "Shionogi") announced today that it has decided to adjust the conversion value for Euro-yen denominated convertible bonds issued by our company which are set to mature in 2019.

1. Adjustment of the conversion value

| Name of the issue | Conversion value before adjustment | Conversion value after adjustment |
|---|------------------------------------|-----------------------------------|
| Euro-yen denominated convertible bonds maturing in 2019 | ¥4,150.9 | ¥4,127.3 |

2. Date of application: On or after April 1, 2018

3. Reason for the adjustment

The proposal for the dividend, which sets the end-of-period dividend at 44 yen per share, was approved and voted for at the 153rd annual general meeting of shareholders which was held on June 20, 2018, and it has been decided that the annual dividend for the period ended March 2018 amounts to 82 yen per share. In connection with this, we are adjusting the conversion value in question, according to the provision related to adjustment of the conversion value in the corporate bond guidebook for Euro-yen denominated convertible bonds maturing in 2019.

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.

Press Release



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