

Notice of Revisions to Dividend Forecasts

OSAKA, Japan, April 22, 2019 - Shionogi & Co., Ltd. (Head Office: Osaka, Japan; President and CEO: Isao Teshirogi, Ph.D.; hereafter "Shionogi") announced today that it has made the following revisions to its dividend forecasts for the fiscal year ending March 31, 2019 (April 1, 2018 – March 31, 2019). The dividend forecasts were originally announced on May 9, 2018.

1. Revisions to Dividend Forecasts

Revisions to dividend forecasts for the fiscal year ending March 31, 2019

	Dividends per share (yen)		
	End of second quarter	Year end	Annual
Previous forecast (May 9, 2018)		44.00	88.00
Revised forecast		50.00	94.00
Current fiscal year (ending March 31, 2019)	44.00		
Previous fiscal year (ended March 31, 2018)	38.00	44.00	82.00

2. Reasons for Revisions to Dividend Forecasts

Shionogi maintains its intention to return profits to its shareholders and to maximize its enterprise value in the mid-to-long term 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 Ltd. (hereafter "ViiV"), the UK-based global specialist HIV company, and the royalty payment and dividend from ViiV to Shionogi has consistently increased as the sales of the relevant anti-HIV drugs have steadily grown. The sales growth of prioritized new products is also contributing to the consolidated revenue.

As in the 2017 fiscal year, in 2018 Shionogi also acquired its own shares (7,350,400 shares, total value of shares acquired was about 50 billion yen) and canceled treasury shares (7,350,000 shares, 2.3% of total outstanding shares before cancellation) in order to increase shareholder return and capital efficiency, following a flexible capital policy, aligned with strong business progress.

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

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revising the previously announced dividend of 44 yen to 50 yen per share. Together with the interim cash dividend, Shionogi will therefore pay annual cash dividends of 94 yen per share, an increase of 12 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.

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