

**Position and Policies Concerning the Reduction
of the Minimum Investment Unit**

1. Position Concerning Reduction of the Number of Shares in An Investment Unit

Shionogi & Co., Ltd. (Head Office: Osaka; President: Isao Teshirogi) recognizes that reducing the number of shares in its investment unit is a useful measure for increasing stock liquidity to broaden its investor base while stimulating the stock market.

2. Policy for Reduction of the Number of Shares in An Investment Unit

Shionogi will comprehensively consider a reduction in the number of shares in its investment unit in relation to the Company's share price level and demand conditions, as well as the effect of such a reduction on cost-benefit performance and introduction of Electronic Share Certificate System.

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