



March 30, 2011

Company name: Dainippon Sumitomo Pharma Co., Ltd.

Representative: Masayo Tada, President

(Securities Codes: 4506, 1st Section of TSE and OSE)

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Revision of Financial Forecasts for the Year Ending March 31, 2011

Dainippon Sumitomo Pharma Co., Ltd. (“DSP”) announces revisions of its financial forecasts for the year ending March 31, 2011, which reflects changes in the Company’s business performances since the previous forecasts announced on February 3, 2011.

(Millions of yen)

1. Revision of Consolidated Financial Forecasts for the Year Ending March 31, 2011

	Net sales	Operating income	Ordinary income	Net income	Earnings per share
Previous Forecasts (A)	365,000	22,000	19,500	11,000	¥27.69
New forecasts (B)	379,000	29,000	26,500	15,000	¥37.75
(B) – (A)	14,000	7,000	7,000	4,000	
Change (%)	3.8	31.8	35.9	36.4	
(Reference) Results for the year ended March 31, 2010	296,261	35,624	33,837	20,958	¥52.75

2. Reason for revision

As announced today, based on the conclusion of the development and commercialization agreement for the atypical antipsychotic agent "lurasidone HCL" (generic name) in Europe with Takeda Pharmaceutical Company Limited. (“Takeda”), an upfront payment of 10.0 billion yen will be added to net sales and operating income this fiscal year. In addition, expenses such as an upfront payment of 500 million yen under the licensing agreement for a cephem antibiotic with Takeda and an upfront payment of 15 million US dollars under the licensing agreement with Intercept Pharmaceuticals, Inc., etc. will be recorded this fiscal year. Also, the sales forecast from the pharmaceutical business is expected to exceed the previous forecasts.

Consequently, in the revised consolidated financial forecasts for the year ending March 31, 2011, the Company anticipates that net sales increases 14.0 billion yen to 379.0 billion yen, operating income increases 7.0 billion yen to 29.0 billion yen, ordinary income increases 7.0 billion yen to 26.5 billion yen and net income increases 4.0 billion yen to 15.0 billion yen compared to the previous forecasts dated February 3, 2011.

In regard to the impact of the Tohoku Earthquake upon business performance, the effect has been partly incorporated, however some parts still remain unclear. DSP will quickly disclose pertinent information should it discover that its earnings are likely to be significantly impacted.

Note: Forecasts shown above are based on management's assumptions and beliefs in light of the information currently available, and involves risks and uncertainties. Actual financial results may differ materially depending on a number of factors, including economic conditions.