

June 26, 2020

Sumitomo Dainippon Pharma Co., Ltd.

## **Sumitomo Dainippon Pharma Announces Transfer of a Fixed Asset**

Sumitomo Dainippon Pharma Co., Ltd. (Head Office: Osaka, Japan; Representative Director, President and CEO: Hiroshi Nomura) announced that in its meeting held today that the Board of Directors voted in favor of transferring the following fixed asset.

### 1. The Reason for the Transfer

To effectively utilize its management resources and improve its financial structure, the company has decided to transfer part of its fixed assets which are idle.

### 2. The asset to be transferred

Name and location of the asset	Gain on transfer	Current situation
Ibaraki Plant (1-53 Kurakakiuchi, Ibaraki, Osaka) Land area 64,509.91m <sup>2</sup> (19,514.25 tsubo)	16,700 million yen	The asset is idle

\* The transfer price of the asset will not be disclosed at the request of the transferee. However, the asset will be transferred at a fair price that reflects market prices, based on a competitive bidding process. The gain from the transfer is approximately the transfer price minus the book value and other expenses.

### 3. Transfer Schedule

1) Board of directors resolution	June 26, 2020
2) Contract conclusion	Early July 2020 (planned)
3) Asset transfer	Early October 2020 (planned)

### 4. Profile of the transferee

Details of the transferee will not be disclosed at their request.

However, there is no capital, personal, or transactional relationship between the transferee and the company, and it is not considered a related party.

### 5. Future Outlook

The sale of the fixed asset for the amount of 16,700 million yen is expected to be recorded as other operating income for the third quarter of the fiscal year ending March 2021, and has already been taken into consideration for the financial forecast for the fiscal year ending March 2021.

Reference

**About the Ibaraki Plant**

The Ibaraki Plant began as a new two-story reinforced concrete plant that incorporated the latest technology of that time when it started operations in 1962, and was owned by Sumitomo Chemical Co., Ltd. Thereafter, the company had utilized as an important base for the production of pharmaceutical products. In April 2019, the company had transferred the productive functions of the Ibaraki Plant into the Suzuka Plant (Suzuka, Mie) and closed the Ibaraki Plant.

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