

March 5, 2021

Sumitomo Dainippon Pharma Co., Ltd.

Sumitomo Dainippon Pharma Announces Posting of Impairment Loss

Sumitomo Dainippon Pharma Co., Ltd. (Head Office: Osaka, Japan; Representative Director, President and CEO: Hiroshi Nomura; Securities Code: 4506, First Section of TSE) announced today that it will post an impairment loss for the fiscal year ending March 31, 2021 as detailed below.

1. About the impairment loss

Following a failure to meet the primary endpoints in the analysis results of the Phase 3 study of investigational anticancer agent napabucasin for colorectal cancer as announced on February 9, it has been decided to discontinue all of its Phase 1 and Phase 2 studies currently underway. As a result, we will write off all of the in-process research and development for napabucasin and report an impairment loss in the amount of 26.9 billion yen (254 million U.S. dollars). With the discontinued development of napabucasin, we will post a reversal of expenses under changes in the fair value of contingent consideration in the amount of 17.5 billion yen (165 million U.S. dollars).

2. Future outlook

The impact of the above-mentioned impairment loss has already been factored into the forecasts of our consolidated financial results for the year ending March 31, 2021, which were announced on February 12, 2021.

Contact:

Corporate Communications

Sumitomo Dainippon Pharma Co., Ltd.

TEL: +81-6-6203-1407 (Osaka); +81-3-5159-3300 (Tokyo)