

October 30, 2013

Dainippon Sumitomo Pharma Co., Ltd.

<u>Dainippon Sumitomo Pharma Announces</u> <u>Posting of Extraordinary Loss (Impairment Loss)</u>

Osaka, Japan, October 30, 2013 – Dainippon Sumitomo Pharma Co., Ltd. (Head Office: Osaka, Japan; President: Masayo Tada; Securities Codes: 4506, First Section of TSE) announces today that it has posted an extraordinary loss in its financial results for the half-year ended September 30, 2013 as detailed below.

1. Extraordinary loss

Sunovion Pharmaceuticals Inc., a U.S. subsidiary of the Company, revised its development plan for "SUN-101," a therapeutic agent for chronic obstructive pulmonary disease (COPD). In this connection, the in-process research and development it recognized upon its acquisition of Elevation Pharmaceuticals, Inc. (now called Sunovion Respiratory Development Inc.) was reevaluated. As a result, an impairment loss in the amount of 4.2 billion yen was posted as an extraordinary loss.

2. Future outlook

The above-mentioned extraordinary loss has been reflected in the two financial disclosures the Company made today under the headings of "Dainippon Sumitomo Pharma Announces Variances between its Financial Forecasts and the Actual Results for the Half-Year Ended September 30, 2013 and Revisions to its Financial Forecasts for the Full Fiscal Year" and "Summary of Consolidated Financial Results for the Second Quarter of the Year Ending March 31, 2014."

[Reference information]

The acquisition of Elevation Pharmaceuticals by Sunovion Pharmaceuticals was disclosed in the Company's news release dated August 31, 2012.

Contact:

Corporate Communications
Dainippon Sumitomo Pharma
TEL: +81-6-6203-1407 (Osaka)

+81-3-5159-3300 (Tokyo)