

October 27, 2016 Sumitomo Dainippon Pharma Co., Ltd.

Sumitomo Dainippon Pharma Announces the Establishment of a Subsidiary for Promotion of Authorized Generics and others

Sumitomo Dainippon Pharma Co., Ltd. (Head Office: Osaka, Japan; President: Masayo Tada; hereinafter "Sumitomo Dainippon Pharma") announced today that it would establish a subsidiary (DS Pharma Promo Co., Ltd.; the "new subsidiary") with a view toward promoting authorized generics ("AG") and some other products in Japan.

The new subsidiary will be established in mid-November 2016 and is set to commence business on December 1, 2016.

Purpose of establishing the new subsidiary

In the Japanese pharmaceutical market, needs for drugs have been diversifying, as can be witnessed in the rising demand for generic drugs in response to the government's initiatives to curb healthcare costs. As one option to address the changes in the business environment, Sumitomo Dainippon Pharma has decided to launch its AG business by establishing the new subsidiary.

The new subsidiary will contribute to the betterment of healthcare widely, together with Sumitomo Dainippon Pharma, to provide medical professionals with information on AG drugs to be launched and METGLUCO[®] to promote proper usage.

Corporate data of the new subsidiary

- (1) Name: DS Pharma Promo Co., Ltd.
- (2) Head Office: 33-94, Enoki-cho, Suita, Osaka
- (3) Representative Director: Susumu Nakajima
- (4) Employees: Approx. 40
- (5) Capital: 0.1 billion yen
- (6) Ownership structure: Wholly-owned subsidiary of Sumitomo Dainippon Pharma
- (7) Fiscal year-end: March 31
- (8) Main products: AG (to be launched) and METGLUCO®

References

Authorized generics (AG) collectively refer to generic drugs that have been authorized by brand-name pharmaceutical companies and manufactured using active pharmaceutical ingredients, additives, manufacturing methods, etc. that are identical to those of brand-name drugs, and to generic drugs that are marketed prior to other generic drugs with a patent license

from brand-name pharmaceutical companies.

Contact:

Public Relations / Investor Relations Sumitomo Dainippon Pharma Co., Ltd. Tel: +81-6-6203-1407 (Osaka); +81-3-5159-3300 (Tokyo)