

April 23, 2021

Sumitomo Dainippon Pharma Co., Ltd.

Sumitomo Dainippon Pharma Announces Revisions to Its Financial Forecasts

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 has revised the consolidated financial forecasts that were announced on February 12, 2021 for the year ended March 31, 2021 (fiscal 2020), as summarized below, taking the Group's recent business performance trends into consideration.

1. Revisions to the Forecasts of Consolidated Financial Results for the Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Millions of yen)

	Revenue	Core operating profit	Operating profit	Net profit	Net profit attributable to owners of the parent	Basic earnings per share
Previous Forecasts (A)	515,000	63,000	49,000	9,000	27,000	¥67.96
Revised Forecasts (B)	516,000	69,600	71,200	36,800	56,200	¥141.46
Variance in amount (B – A)	1,000	6,600	22,200	27,800	29,200	
Variance in percent (%)	0.2	10.5	45.3	308.9	108.1	
[Reference] Previous year (Year ended March 31, 2020)	482,732	71,982	83,239	35,918	40,753	¥102.58

Note: Core operating profit is calculated by deducting from operating profit any gains and losses resulting from nonrecurring factors, including changes in fair value of contingent consideration, impairment losses, and business structure improvement expenses.

2. Reasons for the revisions

Revenue is now expected to be 516.0 billion yen, up by 1.0 billion yen from the previous forecasts, as we fared strongly overall on a consolidated basis.

Core operating profit is now expected to be 69.6 billion yen, up by 6.6 billion yen from the previous forecasts. This is a result of an expected increase in gross profit due to revenue growth and an expected decrease in R&D and other expenses on the core basis.

Operating profit has been revised to 71.2 billion yen, up by 22.2 billion yen from the previous forecasts. This is mainly because of the impairment losses that were factored in the previous forecasts. We no longer expect part of such losses concerning the in-progress research and development of TP-0903, an investigational anti-cancer agent, following the review of its development plan.

With regard to finance income and costs, we anticipated forex losses due to the yen's appreciation in the previous forecasts. As the yen began to depreciate towards the end of the term, however, we now expect to record forex gains. Accordingly, we have revised net profit to

36.8 billion yen, up by 27.8 billion yen, and net profit attributable to owners of the parent to 56.2 billion yen, up by 29.2 billion yen from the previous forecasts.

Disclaimer Regarding Forward-looking Statements

The statements made in this press release contain forward-looking statements based on management's assumptions and beliefs in light of information available as of the day of this release, which involve both known and unknown risks and uncertainties. Actual results of those matters covered in the forward-looking statements including financial forecast may differ materially from those contained in this release, due to a number of factors.

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