
Press Release

October 30, 2024

Sumitomo Pharma Co., Ltd.

Sumitomo Pharma Announces the Results of Its Early Retirement Program Offer to Employees in Japan for Business Structural Reform

Sumitomo Pharma Co., Ltd. (Head Office: Osaka, Japan; Representative Director, President and CEO: Toru Kimura; Securities Code: 4506, Prime Market of TSE) announced today that as announced on July 31, 2024, the Company has offered an early retirement program to its employees in Japan for business structural reform. The results of its offer and future outlook are detailed below.

1. Scope of the program for early retirement

- (1) Eligibility: Employees aged 40 and older with at least five years' continuous service as of November 30, 2024 (with certain exemptions)
- (2) Number of applications sought: Approx. 700
- (3) Application period: From September 17 to October 11, 2024
- (4) Effective date of retirement: November 30, 2024
- (5) Preferential conditions: A special retirement benefit will be paid in addition to the normal retirement benefit. Re-employment support services will also be provided on request.

2. Results of the early retirement program offer

Number of applications received: 604

3. Future outlook

(1) Personnel structure

As of December 1, 2024, it is anticipated that the workforce will consist of approximately 2,000 employees (non-consolidated, full-time employees) as originally projected.

(2) Financial impact on business performance

The payment for special retirement benefits and re-employment support service expenses arising from the results of its offer is approximately 5.4 billion yen. Of this amount, 4.2 billion yen finalized by the end of September 2024 was recorded in the financial results for the second quarter of the fiscal year ending March 31, 2025, and the remaining 1.2 billion yen will be recorded in the financial results for the third quarter of the fiscal year ending March 31, 2025 as business structure improvement expenses in cost of sales (non-core), selling, general and administrative expenses (non-core), and research and development expenses (non-core).

The above business structure improvement expenses are not factored into the consolidated financial forecasts for the year ending March 31, 2025, which were announced on May 14, 2024.

*The following press release has been issued in relation to this announcement

- Sumitomo Pharma Announces Offering an Early Retirement Program to Employees in Japan for Business Structural Reform (July 31, 2024)

<https://www.sumitomo-pharma.com/news/20240731-2.html>

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