

Name of the listed company: NIPPON SHINYAKU CO., LTD.

Representative: Shigenobu Maekawa, President and Representative Director

(Code No.: 4516, Listing stock exchange: Tokyo)

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Revision of Performance Projection and Dividend Forecast

At the board meeting held on April 23, 2019, Nippon Shinyaku has passed resolutions revising the performance projection for the fiscal year ended March 31, 2019 and the dividend forecast which were released on May 9, 2018.

1. Revision of the performance projection

(1) Revision of the consolidated performance projection for the fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Initial projection (A) (May 9, 2018)	¥ million 108,000	¥ million 18,500	¥ million 19,000	¥ million 14,000	¥ 207.86
Revised projection (B)	114,000	20,000	21,000	16,000	237.55
Change (B - A)	6,000	1,500	2,000	2,000	
Rate of Change (%)	5.6	8.1	10.5	14.3	
Actual results of the fiscal year ended March 31, 2018	101,448	17,079	17,451	12,953	192.31

(2) Reasons for revision

Domestic sales of pharmaceutical products and royalty revenue from overseas sales of our original product Upravi[®] have contributed to the sales, and Net sales will exceed the initial projection by 6,000 million yen to 114,000 million yen.

Although R&D expenses including upfront payments under license agreements will be higher than the initial projection, due to the increased revenue, Operating income will be 20,000 million yen, Ordinary income will be 21,000 million yen, and Net income will be 16,000 million yen.

2. Revision of the dividend forecast

(1) Details of revision of the dividend forecast

Record date	Dividend per share (yen)		
	Second quarter-end	Fiscal year-end	Total
Initial forecast (May 9, 2018)		¥29.00	¥58.00
Revised forecast		¥41.00	¥70.00
Dividend actually paid (Fiscal year ended March 31, 2019)	¥29.00		
Dividend actually paid (Fiscal year ended March 31, 2018)	¥26.00	¥26.00	¥52.00

(2) Reasons for revision

Our basic policy on returning profits is to issue dividends linked to earnings and maintain a consolidated payout ratio of around 30%. As mentioned above, since Net income attributable to owners of the parent will exceed the initial projection, the year-end dividend is revised up by 12 yen to 41 yen per share, and the annual dividend forecast is revised up by 12 yen to 70 yen per share.

Note: These projection and forecast are based on the information available as of the date of release of this document. Actual results may differ from the above forecasts due to various factors.