

Financial results for the year
ended March 31, 2020

<Supplement>

May 11, 2020

 **SHIONOGI & CO., LTD.**

Contents

- 1 Financial results and forecast
- 2 Sales of segments
- 3 Management index
- 4 Capital investments and depreciation cost
- 5 R&D expenses
- 6 Employees
- 7 Consolidated statements of income
- 8 Consolidated balance sheets
- 9 Quarterly trend for FY2018 and FY2019
- 10 Group companies
- 11 Pipeline(as of May 11, 2020)

1. Financial results and forecast

Results [JGAAP]

	<i>Billions of yen</i>		
	FY2018 Results	FY2019 Results	Change
Net Sales	363.7	335.0	(28.8)
<i>change %</i>	5.5	(7.9)	
Operating Income	138.5	125.2	(13.3)
<i>change %</i>	20.2	(9.6)	
Ordinary Income	166.6	151.8	(14.8)
<i>change %</i>	20.1	(8.9)	
Profit attributable to owners of parent	132.8	121.3	(11.5)
<i>change %</i>	21.9	(8.6)	

Note: Change % shows changes from the same period of the previous fiscal year

Forecast [IFRS]

	<i>Billions of yen</i>	
	FY2020 Forecast	FY2020 1H Forecast
Revenue	323.5	155.6
Operating profit	110.3	53.8
Profit before tax	136.3	61.6
Profit attributable to owners of parent	103.6	44.9

Note: Shionogi group will voluntarily adopt International Financial Reporting Standards (IFRS) starting with the consolidated financial statements in the annual Securities Report for the year ended March 31, 2020, and accordingly, the financial forecast for FY2020 is based on IFRS.

2. Sales of segments

Results [JGAAP]

Billions of yen

	FY2018 Results	FY2019 Results	Change
Prescription drugs	128.7	108.6	(20.1)
<i>change %</i>	<i>(7.6)</i>	<i>(15.6)</i>	
CYMBALTA	24.1	26.2	2.1
INTUNIV	5.3	10.6	5.3
VYVANSE	—	0.0	0.0
XOFLUZA	26.3	0.4	(25.9)
RAPIACTA	2.0	1.2	(0.9)
BRIGHTPOC Flu	1.2	0.9	(0.3)
Total of strategic products	58.9	39.3	(19.6)
OXYCONTIN Franchise	7.3	6.1	(1.2)
SYMPROIC	1.6	2.2	0.6
ACTAIR	0.2	0.3	0.1
MULPLETA	0.2	0.1	(0.0)
PIRESPA	5.7	6.8	1.1
Total of new products	73.8	54.7	(19.1)
CRESTOR	9.9	8.9	(1.0)
IRBETAN Franchise	5.4	4.4	(1.0)
Others	39.6	40.6	0.9
Overseas subsidiaries/Export	29.4	30.8	1.3
<i>change %</i>	<i>24.6</i>	<i>4.5</i>	
Shionogi Inc.	11.8	10.1	(1.7)
Mulpleta	0.1	0.5	0.5
C&O	11.5	13.1	1.6
Contract manufacturing	14.8	17.6	2.8
<i>change %</i>	<i>(12.8)</i>	<i>19.0</i>	
OTC and quasi-drugs	8.1	10.3	2.2
<i>change %</i>	<i>12.0</i>	<i>26.9</i>	
Royalty income	180.3	165.6	(14.7)
<i>change %</i>	<i>16.3</i>	<i>(8.2)</i>	
HIV Franchise	124.4	127.1	2.6
CRESTOR	22.0	22.0	0.1
Others	33.9	16.5	(17.4)
Others	2.5	2.2	(0.3)
<i>change %</i>	<i>(5.6)</i>	<i>(12.2)</i>	
Total	363.7	335.0	(28.8)
<i>change %</i>	<i>5.5</i>	<i>(7.9)</i>	

Notes: Change % shows changes from the same period of the previous fiscal year.

Sales of prescription drugs are shown on non-consolidated basis.

Forecast [IFRS]

Billions of yen

	FY2020 Forecast	FY2020 1H Forecast
Prescription drugs	123.9	53.1
CYMBALTA	28.6	13.9
INTUNIV	16.7	6.8
VYVANSE	0.8	0.2
Infectious disease drugs	26.5	7.1
OXYCONTIN Franchise	5.6	2.9
SYMPROIC	2.9	1.3
ACTAIR	0.3	0.2
MULPLETA	0.1	0.1
PIRESPA	4.9	2.9
Others	37.5	17.7
CRESTOR	8.3	4.2
IRBETAN Franchise	3.7	1.8
Overseas subsidiaries/Export	24.0	11.3
Shionogi Inc.	5.1	2.6
C&O	11.9	5.7
Contract manufacturing	15.4	7.9
OTC and quasi-drugs	10.4	4.9
Royalty income	148.3	77.8
HIV Franchise	126.3	64.2
CRESTOR	16.9	11.1
Others	5.2	2.5
Others	1.3	0.7
Total	323.5	155.6

Notes: Sales of prescription drugs are shown on non-consolidated basis.

Shionogi group will voluntarily adopt International Financial Reporting Standards (IFRS) starting with the consolidated financial statements in the annual Securities Report for the year ended March 31, 2020, and accordingly, the financial forecast for FY2020 is based on IFRS.

3. Management index

(Management index trend)

		FY2017	FY2018	FY2019
Return on equity (ROE)	%	19.4	20.9	18.0
Return on asset (ROA)	%	20.2	22.4	19.6
Ratio of operating income to net sales	%	33.4	38.1	37.4
Ratio of ordinary income to net sales	%	40.2	45.8	45.3
Ratio of net income to net sales	%	31.6	36.5	36.2
Total asset turnover		0.50	0.49	0.43
Equity ratio	%	84.5	85.7	88.3
Dividend payout ratio	%	23.9	22.2	26.2
Dividend on Equity (DOE)	%	4.6	4.6	4.7
Earnings per share	yen	342.71	424.31	392.80
Earnings per share (diluted)	yen	337.43	420.67	392.38

Note:Shionogi has adopted the “Partial Amendments to Accounting Standard for Tax-Effect Accounting” etc. April 1, 2018.

Figures for FY2017 has been restated to reflect this adoption.

4. Capital investments and depreciation cost

Billions of yen

	FY2018 Results	FY2019 Results	FY2020 Forecast	Change		FY2020 1H Forecast
				FY2019	FY2020	
Investment in equipments	7.9	10.0	10.0	2.1	—	4.0
Depreciation cost	16.5	16.7	14.1	0.2	—	7.0
Amortization of goodwill	2.7	1.8	—	(0.9)	—	—

Note: The forecasts for FY2020 and FY2020 1H are based on IFRS. Therefore, forecast changes from the amounts reported in FY2019, when Japanese generally accepted accounting principles (GAAP) were applied, are not shown.

5. R&D expenses

Billions of yen

	FY2018 Results	FY2019 Results	FY2020 Forecast	Change		FY2020 1H Forecast
				FY2019	FY2020	
R&D expenses	68.3	47.2	50.2	(21.1)	—	23.0
<i>change %</i>	<i>14.0</i>	<i>(30.9)</i>	—			—
% to net sales	18.8	14.1	15.5			14.8

Note: Change % shows changes from the same period of the previous fiscal year.

The forecasts for FY2020 and FY2020 1H are based on IFRS. Therefore, forecast changes from the amounts reported in FY2019, when Japanese generally accepted accounting principles (GAAP) were applied, are not shown.

6. Employees

	FY2018 Results	FY2019 Results	FY2020 Forecast	Change		FY2020 1H Forecast
				FY2019	FY2020	
Employees	5,233	5,222	5,322	△11	100	5,342

7. Consolidated statements of income

	<i>Millions of yen</i>			
	FY2018 Results	FY2019 Results	Change	
Net sales	363,721	334,958	(28,763)	Increase/(Decrease) in Prescription drugs: (20.1) billion yen Royalty income.: (14.7) billion yen
Cost of sales	54,880	56,685	1,804	
Gross profit	308,841	278,273	(30,568)	
Selling, general and administrative expenses	170,303	153,041	(17,262)	
Operating income	138,537	125,231	(13,305)	
Non-operating income	33,256	31,018	(2,237)	
Interest income	2,393	2,784	390	
Dividends income	29,934	27,634	(2,300)	Shionogi B.V. Dividends income from Viiv decreased.
Other	928	600	(328)	
Non-operating expenses	5,218	4,499	(719)	
Interest expenses	581	294	(286)	
Contribution	949	1,065	116	
Foreign exchange losses	692	868	176	
Litigation expenses	790	453	(337)	
Other	2,205	1,816	(388)	
Ordinary income	166,575	151,751	(14,823)	
Extraordinary income	20,854	9,048	(11,806)	
Gain on sales of investment securities	17,946	5,281	(12,664)	
Gain on sales of non-current assets	2,907	2,435	(472)	Sale of training center and rental property
Gain on step acquisitions	—	1,331	1,331	Acquisition of shares of UMN Pharma Inc.
Extraordinary losses	17,086	2,234	(14,851)	
Loss on valuation of investment securities	—	1,549	1,549	
Compensation expenses	—	684	684	Compensation for relocation of tenant companies of rental property due to redevelopment
Impairment loss	13,148	—	(13,148)	
Special retirement expenses	2,848	—	(2,848)	
Loss on disaster	823	—	(823)	
Loss on disposal of non-current assets	265	—	(265)	
Income before income taxes	170,343	158,564	(11,778)	
Income taxes-current	39,988	36,583	(3,405)	
Income taxes-deferred	(2,951)	771	3,722	
Profit	133,306	121,210	(12,095)	
Profit (loss) attributable to non-controlling interests	547	(85)	(632)	
Profit attributable to owners of parent	132,759	121,295	(11,463)	

8-1. Consolidated balance sheets (Assets)

	<i>Millions of yen</i>		
	As of Mar. 31 2019	As of Mar. 31 2020	Change
(Assets)			
Current assets			
Cash and deposits	193,549	228,908	35,358
Notes and accounts receivable-trade	65,918	46,191	(19,726)
Short-term investment securities	133,264	125,986	(7,277)
Merchandise and finished goods	18,741	14,831	(3,909)
Work in process	7,272	9,935	2,662
Raw materials and supplies	14,097	14,726	629
Other	28,942	45,423	16,481
Allowance for doubtful accounts	(43)	(71)	(28)
Total current assets	461,743	485,932	24,188
Non-current assets			
Property, plant and equipment	74,653	74,897	244
Intangible assets			
Goodwill	19,258	24,705	5,447
Sales rights	30,319	23,037	(7,281)
Other	5,191	6,735	1,543
Total intangible assets	54,769	54,479	(290)
Investments and other assets			
Investment securities	151,851	117,676	(34,175)
Net defined benefit asset	30,721	32,142	1,420
Deferred tax assets	1,792	5,258	3,466
Other	3,250	3,305	55
Allowance for doubtful accounts	(42)	(42)	—
Total investments and other assets	187,574	158,340	(29,233)
Total non-current assets	316,997	287,717	(29,279)
Total assets	778,741	773,650	(5,090)

Shionogi (20.8) billion yen

Increase in derivatives etc.

Increased / (decreased) by:
Purchase: 7.5 billion yen
Amortization: (1.8) billion yen
Exchange rate fluctuations: (0.3) billion yen

Increased / (decreased) by:
Purchase: 0.4 billion yen
Amortization: (7.4) billion yen
Exchange rate fluctuations: (0.2) billion yen

Increased / (decreased) by:
Drop stock prices: (13.6) billion yen
Purchase: 6.6 billion yen
Sale and redemption: (15.5) billion yen
Impairment loss: (1.6) billion yen
Exchange rate fluctuations: (4.4) billion yen

8-2. Consolidated balance sheets (Liabilities/Net Assets)

	<i>Millions of yen</i>		
	As of Mar. 31 2019	As of Mar. 31 2020	Change
(Liabilities)			
Current liabilities			
Notes and accounts payable-trade	9,442	10,763	1,320
Current portion of bonds	920	—	(920)
Income taxes payable	35,870	22,510	(13,360)
Provision for bonuses	9,058	8,418	(640)
Provision for sales returns	1,428	924	(504)
Other provision	166	60	(106)
Other	32,219	29,976	(2,243)
Total current liabilities	89,107	72,653	(16,453)
Non-current liabilities			
Deferred tax liabilities	124	319	194
Net defined benefit liability	11,930	11,904	(26)
Other	5,147	5,124	(23)
Total non-current liabilities	17,203	17,349	145
Total liabilities	106,311	90,002	(16,308)
(Net Assets)			
Shareholders' equity			
Capital stock	21,279	21,279	—
Capital surplus	20,512	21,298	786
Retained earnings	639,461	729,202	89,741
Treasury stock	(28,882)	(77,292)	(48,409)
Total shareholders' equity	652,371	694,489	42,117
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	28,927	14,022	(14,905)
Deferred gains or losses on hedges	747	4,287	3,540
Foreign currency translation adjustment	(18,370)	(32,220)	(13,850)
Remeasurements of defined benefit plans	3,826	2,537	(1,288)
Total accumulated other comprehensive income	15,130	(11,372)	(26,503)
Subscription rights to shares	527	438	(88)
Non-controlling interests	4,400	92	(4,307)
Total net assets	672,429	683,647	11,217
Total liabilities and net assets	778,741	773,650	(5,090)

Increased / (decreased) by:
Repurchase of treasury stock:
(50.0) billion yen
Conversion of convertible bonds:
1.2 billion yen

Increased / (decreased) by:
Drop in stock prices (10.2) billion yen
Sale (4.7) billion yen

9-1. Quarterly trend for FY2018 and FY2019 (Sales of segments)

Fiscal year ended March 31, 2019

(Billions of yen)

FY2018	FY2018 1Q actual	Y on Y change %	FY2018 2Q actual	Y on Y change %	FY2018 3Q actual	Y on Y change%	FY2018 4Q actual	Y on Y change%
Prescription drugs	25.4	(31.9)	24.6	(31.5)	38.3	8.8	40.4	31.0
CYMBALTA	6.1	6.1	5.8	(2.2)	6.7	2.1	5.5	4.2
INTUNIV	1.1	209.9	1.3	284.8	1.6	194.4	1.4	100.1
XOFLUZA	0.0	-	0.4	-	9.5	-	16.4	578.7
RAPIACTA	0.0	(76.4)	(0.0)	(131.8)	0.8	(33.9)	1.3	(39.9)
BRIGHTPOC Flu	0.0	(90.5)	0.2	168.5	0.3	(11.6)	0.6	(0.9)
OXYCONTIN Franchise	2.0	(15.2)	1.8	(16.8)	2.0	(18.7)	1.5	(11.6)
SYMPROIC	0.3	526.3	0.4	257.6	0.5	123.0	0.4	72.2
Total of strategic products	9.6	11.0	10.0	14.8	21.2	88.9	27.0	107.7
ACTAIR	0.0	47.4	0.0	63.3	0.1	61.0	0.0	51.4
MULPLETA	0.0	0.6	0.0	3.0	0.0	(2.2)	0.0	(21.6)
PIRESPA	1.4	(5.1)	1.5	(10.5)	1.6	(10.8)	1.2	(22.2)
Total of new products	11.0	8.8	11.6	10.8	23.0	74.7	28.2	93.6
CRESTOR	2.6	(78.1)	2.5	(74.6)	2.7	(38.1)	2.0	(31.9)
IRBETAN Franchise	1.9	(48.5)	1.1	(71.5)	1.3	(67.7)	1.0	(63.8)
Other	9.8	(13.8)	9.3	(18.6)	11.4	(16.7)	9.1	(13.4)
Overseas subsidiaries/Export	9.9	49.3	5.5	(1.1)	6.7	27.5	7.3	18.8
Shionogi Inc.	6.1	75.7	1.3	(49.7)	2.0	(14.6)	2.4	8.3
Ospheña	0.8	(32.7)	0.7	(21.4)	1.0	(0.1)	0.6	(17.6)
C&O	2.3	31.0	2.7	69.2	3.2	125.0	3.3	57.7
Contract manufacturing	2.8	(20.5)	2.9	(40.1)	3.4	2.7	5.6	8.3
OTC and quasi-drugs	1.6	1.3	2.2	21.9	2.5	7.1	1.8	18.8
Royalty income	48.3	89.7	43.9	(9.2)	45.3	2.3	42.8	15.7
HIV Franchise	24.5	31.4	32.6	18.2	32.8	18.1	34.5	17.3
CRESTOR	5.5	(4.3)	5.4	(3.9)	5.5	(1.4)	5.5	(1.9)
Others	18.3	-	5.9	(61.1)	6.9	(36.0)	2.7	43.6
Others	0.6	1.8	0.6	(14.5)	0.8	(0.5)	0.6	(9.1)
Total	88.5	18.0	79.7	(18.0)	97.0	6.4	98.5	21.1

Fiscal year ended March 31, 2020

FY2019	FY2019 1Q actual	Y on Y change%	FY2019 2Q actual	Y on Y change %	FY2019 3Q actual	Y on Y change%	FY2019 4Q actual	Y on Y change%
Prescription drugs	26.7	5.0	25.8	4.9	29.5	(23.0)	26.6	(34.0)
CYMBALTA	6.7	10.3	6.1	5.3	7.3	9.6	6.0	9.7
INTUNIV	1.8	65.6	2.6	105.0	2.6	68.6	3.6	161.4
VYVANSE	-	-	-	-	0.0	-	0.0	-
XOFLUZA	0.0	(100.0)	0.0	(99.7)	0.4	(96.0)	0.1	(99.7)
RAPIACTA	0.0	(89.4)	0.0	(263.2)	1.0	29.3	0.2	(85.9)
BRIGHTPOC Flu	0.0	97.7	0.3	31.0	0.5	31.3	0.1	(85.0)
Total of strategic products	8.6	18.1	9.1	16.8	11.7	(37.5)	9.9	(60.4)
OXYCONTIN Franchise	1.7	(15.5)	1.5	(17.8)	1.7	(14.8)	1.2	(20.8)
SYMPROIC	0.5	70.6	0.6	37.2	0.5	6.9	0.6	55.7
ACTAIR	0.1	42.1	0.1	37.8	0.1	21.3	0.1	92.6
MULPLETA	0.0	(31.2)	0.0	(2.5)	0.0	(10.8)	0.0	(16.7)
PIRESPA	1.7	26.2	1.7	14.8	1.5	(5.8)	1.8	51.1
Total of new products	12.6	14.4	12.9	11.9	15.6	(32.2)	13.6	(51.8)
CRESTOR	2.4	(7.8)	2.1	(15.4)	2.2	(16.4)	2.1	2.9
IRBETAN Franchise	1.2	(35.5)	1.0	(11.9)	1.1	(17.4)	1.0	5.7
Other	10.4	5.8	9.7	3.7	10.6	(6.5)	9.9	8.2
Overseas subsidiaries/Export	10.6	7.4	6.9	25.6	6.4	(4.2)	6.8	(7.2)
Shionogi Inc.	5.2	(14.0)	1.6	20.2	1.7	(16.7)	1.6	(32.2)
Mulpleta	0.2	-	0.2	-	0.1	392.6	0.1	85.8
C&O	3.8	61.1	3.4	26.6	3.0	(3.9)	2.9	(11.2)
Contract manufacturing	2.4	(12.1)	7.6	158.8	1.9	(44.8)	5.6	0.3
OTC and quasi-drugs	2.1	29.4	2.7	22.0	2.8	11.7	2.8	51.9
Royalty income	36.9	(23.6)	38.1	(13.3)	51.4	13.5	39.2	(8.4)
HIV Franchise	29.7	21.4	31.4	(3.7)	33.4	1.9	32.5	(5.8)
CRESTOR	5.6	1.1	5.5	1.8	5.5	(0.5)	5.5	(1.3)
Others	1.6	(91.0)	1.2	(80.1)	12.4	79.2	1.2	(55.4)
Others	0.5	(5.9)	0.6	6.7	0.6	(21.4)	0.4	(24.8)
Total	79.2	(10.5)	81.7	2.5	92.6	(4.5)	81.4	(17.3)

Note: Sales of prescription drugs are shown on non-consolidated basis.

9-2. Quarterly trend for FY2018 and FY2019 (Consolidated statements of income)

Fiscal year ended March 31, 2019

(Billions of yen)

FY2018	FY2018 1Q actual	Y on Y change %	FY2018 2Q actual	Y on Y change %	FY2018 3Q actual	Y on Y change %	FY2018 4Q actual	Y on Y change %
Net sales	88.5	18.0	79.7	(18.0)	97.0	6.4	98.5	21.1
Cost of sales	13.5 11.9		16.1 12.8		16.1 15.7		14.7 14.5	
Gross profit	76.6	39.0	66.9	(13.6)	81.4	9.8	84.0	31.0
SG & A expenses	55.3 49.0		46.7 37.2		42.5 41.3		43.5 42.9	
Selling & administrative expenses	24.3	9.7	23.3	(5.2)	26.9	10.9	27.5	11.6
R & D expenses	24.7	45.3	13.9	6.5	14.3	(7.4)	15.3	6.8
Operating income	31.2 27.6		37.2 29.7		41.3 40.1		41.7 41.1	
Non-operating income & expenses	10.3		2.5		5.5		9.8	
Ordinary income	42.9 37.9		40.3 32.1		47.0 45.6		51.7 50.9	
Extraordinary income & losses	2.1		(0.0)		0.7		1.0	
Income before income taxes	40.1		32.1		46.2		51.9	
Income taxes and etc.	8.2		6.1		9.8		13.5	
Profit attributable to owners of parent	36.0 31.9		32.6 26.0		37.6 36.4		39.0 38.4	
		99.2		(24.2)		24.0		31.8

Fiscal year ended March 31, 2020

FY2019	FY2019 1Q actual	Y on Y change %	FY2019 2Q actual	Y on Y change %	FY2019 3Q actual	Y on Y change %	FY2019 4Q actual	Y on Y change %
Net sales	79.2	(10.5)	81.7	2.5	92.6	(4.5)	81.4	(17.3)
Cost of sales	16.1 12.7		18.6 15.2		14.1 13.1		19.3 15.7	
Gross profit	66.5	(13.2)	66.5	(0.6)	79.5	(2.3)	65.8	(21.7)
SG & A expenses	47.4 37.5		45.7 37.3		41.5 38.5		48.8 39.8	
Selling & administrative expenses	25.7	5.8	26.2	12.5	26.9	(0.2)	27.1	(1.4)
R & D expenses	11.9	(51.9)	11.1	(20.4)	11.6	(19.2)	12.6	(17.6)
Operating income	36.6 29.0		35.8 29.2		44.4 41.1		31.9 26.0	
Non-operating income & expenses	3.4		3.7		8.5		10.9	
Ordinary income	40.9 32.4		40.3 32.9		53.5 49.6		45.2 36.9	
Extraordinary income & losses	(0.5)		2.6		2.5		2.3	
Income before income taxes	31.9		35.5		52.1		39.1	
Income taxes and etc.	7.5		8.3		12.8		8.7	
Profit attributable to owners of parent	30.8 24.4		33.3 27.2		42.3 39.2		37.4 30.5	
		(23.4)		4.6		7.6		(20.7)

10. Group companies

<Consolidated affiliated companies (as of March 31, 2020)>

№	Company name	Location	Common stock	Business status	Establish	Closing date	Ownership (%)
1	Shionogi Pharma Co., Ltd.	Osaka, Japan	JPY 90 million	Mfg. of pharmaceuticals and contract manufacturing, Contract testing and analysis on medicine	October 1, 2018	March 31	100
2	Shionogi Healthcare Co., Ltd.	Osaka, Japan	JPY 10 million	Mfg., and sale of OTC and quasi-drugs	January 15, 2016	March 31	100
3	Shionogi Techno Advance Research Co., Ltd.	Osaka, Japan	JPY 9 million	Contract support services for experimental research	September 8, 2010	March 31	100
4	Shionogi Administration Service Co., Ltd.	Osaka, Japan	JPY 10 million	Real estate rental and shared services	November 2, 1992	March 31	100
5	Shionogi Career Development Center Co., Ltd.	Hyogo, Japan	JPY 10 million	Career development support to the group companies	April 3, 2017	March 31	100
6	Shionogi Digital Science Co., Ltd.	Osaka, Japan	JPY 10 million	ICT solution service to the group companies	April 3, 2017	March 31	100
7	Shionogi Business Partner Co., Ltd.	Osaka, Japan	JPY 10 million	Insurance agency and shared services	April 3, 2017	March 31	100
8	Shionogi Pharmacovigilance Center Co., Ltd.	Osaka, Japan	JPY 10 million	Pharmacovigilance activity for the group companies	April 3, 2017	March 31	100
9	Shionogi Marketing Solutions Co., Ltd.	Osaka, Japan	JPY 10 million	Market research, Making of the sales promotion materials, Support of the sales department	April 3, 2017	March 31	100
10	UMN Pharma Inc.	Akita, Japan	JPY 1,037 million	Research, development, mfg. and marketing of biopharmaceuticals	April 20, 2004	December 31	83.51
11	Shionogi Inc.	New Jersey, U.S.A.	USD 12	Mfg., sale and development of pharmaceuticals	August 25, 2008	March 31	100
12	Shionogi B.V.	Amsterdam, Netherlands	GBP 630 thousand	Mfg., sale and development of pharmaceuticals	November 29, 2018	March 31	100
13	C&O Pharmaceutical Technology (Holdings) Limited	Shenzhen, China	HKD 165,840 thousand	Mfg., sale and development of pharmaceuticals	July 28, 2003	December 31	100
14	Taiwan Shionogi & Co., Ltd.	Taipei, Taiwan, R.O.C.	TWD 92 million	Mfg. and sale of pharmaceuticals	December 26, 1963	March 31	100
15	Beijing Shionogi Pharmaceutical Technology Limited	Beijing, China	JPY 30 million	Support services for sales	March 29, 2013	December 31	100
16	Shionogi Singapore Pte. Ltd.	Singapore	SGD 9 million	Development of pharmaceuticals	December 30, 2013	March 31	100

Note: Twenty-nine consolidated affiliated companies are not shown on this table as the scale of their business is very small.

11. Pipeline (as of May 11, 2020)

Areas	Code No. (Generic name) [Product name]	Mechanism of action (Administration)	Indication	Stage	Origin	Development
Infectious disease	S-649266 (Cefiderocol Tosilate Sulfate Hydrate) [US:Fetroja®] [EU:Fetroja®]	Cell-wall synthesis inhibition (injection)	USA: Complicated urinary tract infections, including pyelonephritis and nosocomial pneumonia with no or limited treatment options Europe: Infections due to aerobic gram-negative bacteria in adult patients with limited treatment options	Global: Phase III (pediatric) USA: Approval (cUTI) (Nov.2019), NDA submission (Nosocomial pneumonia) (Mar.2020) Europe: Approval (Apr.2020)	In-house	In-house
	S-033188 (baloxavir marboxil) [Japan:Xofluza®]	Cap-dependent endonuclease inhibition (oral, granule)	Influenza virus infection	Japan: Approval (body weight ≥20kg) (Sep.2018) Japan: NDA submission (body weight <20kg) (Aug.2018) Japan: Phase III (high dosage for children)	In-house	Shionogi/Roche (Switzerland)
	S-033188 (baloxavir marboxil) [Japan:Xofluza®]	Cap-dependent endonuclease inhibition (oral)	Influenza virus infection (prophylaxis)	Japan: NDA submission (Oct. 2019)	In-house	Shionogi/Roche (Switzerland)
	S-648414	Not disclosed (oral)	HIV infection	USA: Phase I	In-house	In-house
Pain/CNS	S-297995 (naldemedine tosilate) [US/Japan:Symproic®] [EU: Rizmoic®]	Peripheral opioid receptor antagonist (oral, granule)	Opioid-induced constipation(pediatric)	Europe: Phase I/II	In-house	In-house
	S-297995 (naldemedine tosilate)	Peripheral opioid receptor antagonist (oral,)	Postoperative ileus	USA: Phase II	In-house	In-house
	S-120083	Not disclosed (oral)	Inflammatory pain	Japan: Phase I USA: Phase II	Shionogi/Purdue Pharma L.P. (USA)	Shionogi/Purdue Pharma L.P.
	S-010887	Not disclosed (oral)	Neuropathic pain	Japan: Phase I	In-house	In-house
	S-117957	Not disclosed (oral)	Insomnia	USA: Phase I	Shionogi/Purdue Pharma L.P. (USA)	Shionogi/Purdue Pharma L.P.
	S-600918	P2X ₃ receptor antagonist (oral)	Neuropathic pain	Japan: Phase I	In-house	In-house
	S-600918	P2X ₃ receptor antagonist (oral)	Refractory/unexplained chronic cough	Global: Phase II	In-house	In-house
	S-600918	P2X ₃ receptor antagonist (oral)	Sleep Apnea Syndrome	Japan: Phase II	In-house	In-house
	S-637880	Not disclosed (oral)	Neuropathic pain	Japan: Phase I	In-house	In-house
	LY248686 (duloxetine hydrochloride) [Cymbalta®]	SNRI (Serotonin–norepinephrine reuptake inhibitors) (oral)	Depression (pediatric)	Japan: Phase III	Eli Lilly (USA)	Shionogi/Eli Lilly Japan K.K.
	S-812217 (Zuranolone)	GABAA receptor positive allosteric modulator (oral)	Depression	Japan: Phase II	Sage (USA)	Shionogi/Sage
	SDT-001	Treatment digital application based on cerebral mechanism	Inattention symptom in ADHD patients (pediatric)	Japan: Phase II	Akili (USA)	Shionogi/Akili

Areas	Code No. (Generic name) [Product name]	Mechanism of action (Administration)	Indication	Stage	Origin	Development
Metabolic disorder	S-237648	Neuropeptide Y Y5 receptor antagonist (oral)	Obesity	Japan: Phase II USA: Phase I	In-house	In-house
	S-707106	Insulin sensitizer (oral)	Type 2 diabetes	USA: Phase IIa	In-house	In-house
	ADR-001	Human mesenchymal stem cells (injection)	Decompensated liver cirrhosis	Japan: Phase I/II	Rohto	Shionogi/Rohto
Frontier	S-588410	Cancer peptide vaccine (injection)	Esophageal cancer	Japan: Phase III	OncoTherapy Science, Inc. (Japan)	In-house
	S-588410	Cancer peptide vaccine (injection)	Bladder cancer	Japan, Europe: Phase II	OncoTherapy Science, Inc. (Japan)	In-house
	S-488210	Cancer peptide vaccine (injection)	Head and neck squamous cell carcinoma	Europe: Phase I/II	OncoTherapy Science, Inc. (Japan)	In-house
	S-588210	Cancer peptide vaccine (injection)	Solid tumor	UK: Phase I	OncoTherapy Science, Inc. (Japan)	In-house
	S-222611 (epertinib)	HER2/EGFR dual inhibitor (oral)	Malignant tumor	Europe: Phase I/II	In-house	In-house
	S-770108	Antifibrotic (inhalation)	Idiopathic pulmonary fibrosis	Japan: Phase I	In-house	In-house
	SR-0379	Promote granulation formation (topical)	Cutaneous ulcer (Pressure ulcer, Diabetic ulcer)	Japan: Phase II	FunPep (Japan)	In-house
	S-005151 (Redasemtide Trifluoroacetate)	Mobilization of mesenchymal stem cells (MSCs) to peripheral blood (injection)	Stroke	Japan: Phase II	StemRIM (Japan)	In-house
	S-005151 (Redasemtide Trifluoroacetate)	Mobilization of mesenchymal stem cells (MSCs) to peripheral blood (injection)	Epidermolysis bullosa	Japan: Phase II	StemRIM (Japan)	In-house

<Out-Licensing Activity>

Code No. (Generic name) [Product name]	Mechanism of action (Administration)	Indication	Stage	Origin	Development
S/GSK1349572 (dolutegravir)	Integrase inhibitor (oral)	For the treatment of HIV infection	(DTG ^{*1} /3TC ^{*2} 2-drug fixed dose combination tablet) USA: Approval (naïve patients) (Apr.2019) Europe: Approval (naïve and switch patients) (Jul.2019) Japan: Approval (naïve patients) (Jan. 2020) Global: Phase III (switch patients)	Shionogi-ViiV Healthcare LLC	ViiV Healthcare Ltd. (UK)
S/GSK1265744 LAP ^{*3} (cabotegravir)	Integrase inhibitor (injection)	For the treatment and prevention for HIV infection	(CAB ^{*4} LAP+RPV ^{*5} LAP 2-drug regimen for treatment) Canada: Approval (Mar.2020) USA: NDA submission (Apr.2019) Europe: MAA submission (Jul.2019) (CAB LAP for prevention) Global: Phase III	Shionogi-ViiV Healthcare LLC	ViiV Healthcare Ltd. (UK) for treatment Collaboration among ViiV, HPTN, NIAID and Gilead Sciences, Inc. (USA) for prevention
S-0373	Non-peptide mimetic of TRH (oral)	Spinocerebellar ataxia	Japan: Phase III	In-house	Kissei Pharmaceutical Co., Ltd. (Japan)
S-033188 (baloxavir marboxil) [USA: Xofluza™]	Cap-dependent endonuclease inhibition (oral)	Influenza virus infection	USA: Approval (Oct.2018) USA: Approval (high risk patients) (Oct.2019) USA: NDA submission (pediatric) (Mar.2020) USA:NDA submission (Granule) (Mar.2020) USA:NDA submission (Phophylaxis) (Mar.2020) Europe: MAA submission (Nov.2019) Global: Phase III (severe influenza virus infection) Global: Phase III (transmission)	In-house	Shionogi/Roche (Switzerland)

*1 Dolutegravir, *2 Lamivudine, *3 Long acting parenteral formulation, *4 Cabotegravir, *5 Rilpivirine

<Drugs to acquire new indication requested by the Ministry of Health, Labour and Welfare>

Generic name [Product name]	Mechanism of action (Administration)	Indication	Stage	Origin	Development
Oxycodone hydrochloride hydrate [OxyContin®]	Natural opium alkaloids (oral)	For the treatment of moderate to severe chronic pain	Japan; NDA re-submission (May.2019)	Napp Pharmaceuticals Limited (UK)	In-house

Since Feb 3, 2020

Change of phase	S-649266 (Pnuemonia) : USA : Global : Phase III → NDA submission (Mar.2020)
	S-649266 (Infections due to aerobic gram-negative bacteria in adult patients with limited treatment options) : Europe : MAA submission → Approval (Apr.2020)
	S-812217 : Japan : Phase I → Phase II
	S/GSK1265744(LAP) : Canada : NDA submission → Approval (Mar.2020)
Compound added to the list	S-033188(pediatric, Granule, Phophylaxis) : Global Phase III → USA : NDA submission (Mar.2020)
	S-600918(Sleep Apnea Syndrome) : Japan : Phase II