

Financial results for the year
ended March 31, 2019

<Supplement>

May 9, 2019

 **SHIONOGI & CO., LTD.**

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1. Financial results and forecast

Billions of yen

	FY2017 Results	FY2018 Results	FY2019 Forecast	Change		FY2019 1H Forecast
				FY2018	FY2019	
Net Sales	344.7	363.7	365.5	19.1	1.8	159.0
<i>change %</i>	<i>1.7</i>	<i>5.5</i>	<i>0.5</i>			<i>(5.5)</i>
Operating Income	115.2	138.5	147.0	23.3	8.5	52.0
<i>change %</i>	<i>6.5</i>	<i>20.2</i>	<i>6.1</i>			<i>(9.3)</i>
Ordinary Income	138.7	166.6	170.5	27.9	3.9	63.0
<i>change %</i>	<i>12.7</i>	<i>20.1</i>	<i>2.4</i>			<i>(10.1)</i>
Profit attributable to owners of parent	108.9	132.8	133.0	23.9	0.2	49.0
<i>change %</i>	<i>29.8</i>	<i>21.9</i>	<i>0.2</i>			<i>(15.4)</i>

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

2. Sales of segments

Results

Billions of yen

	FY2017 Results	FY2018 Results	Change
Prescription drugs	139.2	128.7	(10.5)
<i>change %</i>	<i>(11.9)</i>	<i>(7.6)</i>	
CYMBALTA	23.5	24.1	0.6
INTUNIV	1.9	5.3	3.4
XOFLUZA	2.4	26.3	23.9
RAPIACTA	3.3	2.0	(1.3)
BRIGHTPOC Flu	1.1	1.2	0.0
OXYCONTIN Franchise	8.7	7.3	(1.4)
SYMPROIC	0.6	1.6	1.0
Total of strategic products	41.6	67.8	26.2
ACTAIR	0.1	0.2	0.1
MULPLETA	0.2	0.2	(0.0)
PIRESPA	6.5	5.7	(0.8)
Total of new products	48.3	73.8	25.5
CRESTOR	29.3	9.9	(19.4)
IRBETAN Franchise	14.6	5.4	(9.2)
Other	47.0	39.6	(7.4)
Overseas subsidiaries/Export	23.6	29.4	5.8
<i>change %</i>	<i>(19.1)</i>	<i>24.6</i>	
Shionogi Inc.	10.6	11.8	1.2
Osphena	3.7	3.0	(0.7)
C&O	6.9	11.5	4.6
Contract manufacturing	16.9	14.8	(2.2)
<i>change %</i>	<i>39.8</i>	<i>(12.8)</i>	
OTC and quasi-drugs	7.2	8.1	0.9
<i>change %</i>	<i>6.7</i>	<i>12.0</i>	
Royalty income	155.0	180.3	25.2
<i>change %</i>	<i>34.0</i>	<i>16.3</i>	
HIV Franchise	103.5	124.4	21.0
CRESTOR	22.6	22.0	(0.7)
Others	29.0	33.9	4.9
Others	2.6	2.5	(0.1)
<i>change %</i>	<i>(84.8)</i>	<i>(5.6)</i>	
Total	344.7	363.7	19.1
<i>change %</i>	<i>1.7</i>	<i>5.5</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

Billions of yen

	FY2018 Results	FY2019 Forecast	Change	FY2019 1H Forecast
Prescription drugs	128.7	144.1	15.4	53.7
<i>change %</i>	<i>(7.6)</i>	<i>12.0</i>		<i>7.5</i>
CYMBALTA	24.1	29.3	5.2	13.0
INTUNIV	5.3	13.6	8.3	4.6
XOFLUZA	26.3	28.0	1.7	0.3
RAPIACTA	2.0	2.6	0.6	0.1
BRIGHTPOC Flu	1.2	1.8	0.7	0.2
Total of strategic products	58.9	75.7	16.8	18.2
OXYCONTIN Franchise	7.3	6.7	(0.5)	3.6
SYMPROIC	1.6	2.3	0.7	1.1
ACTAIR	0.2	0.3	0.1	0.1
MULPLETA	0.2	0.3	0.2	0.2
PIRESPA	5.7	6.9	1.2	3.5
Total of new products	73.8	92.2	18.4	26.7
CRESTOR	9.9	10.0	0.1	5.2
IRBETAN Franchise	5.4	4.9	(0.4)	2.6
Other	39.6	36.9	(2.7)	19.2
Overseas subsidiaries/Export	29.4	31.4	2.0	16.0
<i>change %</i>	<i>24.6</i>	<i>6.6</i>		<i>4.3</i>
Shionogi Inc.	11.8	9.9	(1.9)	6.3
Mulpleta	0.1	1.0	0.9	0.3
C&O	11.5	14.6	3.1	6.8
Contract manufacturing	14.8	14.3	(0.4)	9.1
<i>change %</i>	<i>(12.8)</i>	<i>(3.0)</i>		<i>58.4</i>
OTC and quasi-drugs	8.1	9.7	1.6	4.6
<i>change %</i>	<i>12.0</i>	<i>19.7</i>		<i>22.3</i>
Royalty income	180.3	163.6	(16.7)	74.3
<i>change %</i>	<i>16.3</i>	<i>(9.2)</i>		<i>(19.4)</i>
HIV Franchise	124.4	126.5	2.0	61.3
CRESTOR	22.0	22.0	0.0	11.0
Others	33.9	15.1	(18.8)	2.1
Others	2.5	2.4	(0.1)	1.2
<i>change %</i>	<i>(5.6)</i>	<i>(3.2)</i>		<i>5.9</i>
Total	363.7	365.5	1.8	159.0
<i>change %</i>	<i>5.5</i>	<i>0.5</i>		<i>(5.5)</i>

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

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

3. Management index

(Management index trend)

		FY2016	FY2017	FY2018
Return on equity (ROE)	%	16.3	19.4	20.9
Return on asset (ROA)	%	19.0	20.2	22.4
Ratio of operating income to net sales	%	31.9	33.4	38.1
Ratio of ordinary income to net sales	%	36.3	40.2	45.8
Ratio of net income to net sales	%	24.8	31.6	36.5
Total asset turnover		0.52	0.50	0.49
Equity ratio	%	79.0	84.5	85.7
Dividend payout ratio	%	27.7	23.9	22.2
Dividend on Equity (DOE)	%	4.5	4.6	4.6
Earnings per share	yen	259.88	342.71	424.31
Earnings per share (diluted)	yen	255.87	337.43	420.67

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

Figures for FY2016 and FY2017 have been restated to reflect this adoption.

4. Capital investments and depreciation cost

Billions of yen

	FY2017 Results	FY2018 Results	FY2019 Forecast	Change		FY2019 1H Forecast
				FY2018	FY2019	
Investment in equipments	5.7	7.9	10.1	2.2	2.2	5.7
Depreciation cost	16.0	16.5	17.8	0.5	1.3	8.7
Amortization of goodwill	3.0	2.7	1.8	(0.3)	(0.9)	0.9

5. R&D expenses

Billions of yen

	FY2017 Results	FY2018 Results	FY2019 Forecast	Change		FY2019 1H Forecast
				FY2018	FY2019	
R&D expenses	59.9	68.3	49.5	8.4	(18.8)	25.1
<i>change %</i>	<i>0.1</i>	<i>14.0</i>	<i>(27.6)</i>			<i>(35.1)</i>
% to net sales	17.4	18.8	13.5			15.8

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

6. Employees

	FY2017 Results	FY2018 Results	FY2019 Forecast	Change		FY2019 1H Forecast
				FY2018	FY2019	
Employees	5,120	5,233	5,416	113	183	5,426

7. Consolidated statements of income

<i>Millions of yen</i>				
	FY2017 Results	FY2018 Results	Change	
Net sales	344,667	363,721	19,054	Increase/(Decrease) in Prescription drugs: (10.5) billion yen Royalty income.: 25.2 billion yen
Cost of sales	73,911	54,880	(19,030)	
Gross profit	270,756	308,841	38,084	
Selling, general and administrative expenses	155,537	170,303	14,766	Increasing in R&D expenses by strategic business investments
Operating income	115,219	138,537	23,318	
Non-operating income	28,326	33,256	4,930	
Interest income	1,167	2,393	1,225	
Dividends income	26,535	29,934	3,399	Shionogi B.V. Dividends income from ViiV
Other	623	928	305	
Non-operating expenses	4,852	5,218	365	
Interest expenses	557	581	23	
Loss on retirement of non-current assets	577	1,098	521	
Contribution	1,020	949	(71)	
Litigation expenses	534	790	256	
Foreign exchange losses	1,415	692	(723)	
Other	747	1,106	359	
Ordinary income	138,692	166,575	27,882	
Extraordinary income	—	20,854	20,854	
Gain on sales of investment securities	—	17,946	17,946	C&O Nanjing factory in China Shionogi Company dormitory in Omori, Tokyo, etc.
Gain on sales of non-current assets	—	2,907	2,907	
Extraordinary losses	1,314	17,086	15,772	
Impairment loss	519	13,148	12,628	FY 2017: Shionogi Sales rights, land and buildings, etc. FY 2018: Shionogi Inc. Goodwill, Shionogi B.V. Sales rights Shionogi Settsu Plant, Bldg. 301
Special retirement expenses	—	2,848	2,848	Transfer to Shionogi subsidiary 2.5 billion yen Shionogi B.V. 0.3 billion yen
Loss on disaster	—	823	823	North Osaka earthquake
Loss on disposal of non-current assets	—	265	265	
Loss on valuation of investment securities	794	—	(794)	Shionogi Settsu Plant, Bldg. 301
Income before income taxes	137,378	170,343	32,965	
Income taxes-current	30,152	39,988	9,836	
Income taxes-deferred	(1,562)	(2,951)	(1,388)	
Profit	108,788	133,306	24,517	
Profit (loss) attributable to non-controlling interests	(78)	547	625	
Profit attributable to owners of parent	108,866	132,759	23,892	

8-1. Consolidated balance sheets (Assets)

	<i>Millions of yen</i>		
	As of Mar. 31 2018	As of Mar. 31 2019	Change
(Assets)			
Current assets			
Cash and deposits	140,106	193,549	53,443
Notes and accounts receivable-trade	53,240	65,918	12,678
Short-term investment securities	124,300	133,264	8,964
Merchandise and finished goods	14,716	18,741	4,024
Work in process	6,993	7,272	279
Raw materials and supplies	12,926	14,097	1,170
Other	27,257	28,942	1,685
Allowance for doubtful accounts	(36)	(43)	(6)
Total current assets	379,504	461,743	82,239
Non-current assets			
Property, plant and equipment	75,956	74,653	(1,302)
Intangible assets			
Goodwill	32,852	19,258	(13,594)
Sales rights	38,073	30,319	(7,753)
Other	4,134	5,191	1,057
Total intangible assets	75,060	54,769	(20,291)
Investments and other assets			
Investment securities	155,675	151,851	(3,823)
Net defined benefit asset	21,735	30,721	8,986
Deferred tax assets	738	1,792	1,054
Other	2,835	3,250	415
Allowance for doubtful accounts	(42)	(42)	(0)
Total investments and other assets	180,942	187,574	6,632
Total non-current assets	331,959	316,997	(14,961)
Total assets	711,463	778,741	67,277

Receipt of the dividend from ViV
Proceeds from sale of investment securities
Shionogi 11.6 billion yen
Surplus funds management

Increased / (decreased) by:	
Impairment loss:	(11.9) billion yen
Amortization:	(2.7) billion yen
Exchange rate fluctuations:	0.9 billion yen
Increased / (decreased) by:	
Impairment loss:	(0.5) billion yen
Amortization:	(7.8) billion yen
Exchange rate fluctuations:	0.5 billion yen

Increased / (decreased) by:	
Rising in stock prices:	4.2 billion yen
Exchange rate fluctuations:	(1.4) billion yen
Purchase:	3.9 billion yen
Sale:	(14.5) billion yen

Note: Shionogi has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" as of the beginning of the fiscal year ended March 31, 2019. Accordingly, Shionogi now classifies deferred tax assets under investments and other assets, and deferred tax liabilities under non-current liabilities. This accounting standard has been retrospectively applied to figures for the end of March 2018.

9-1. Quarterly trend for FY2017 and FY2018 (Sales of segments)

Fiscal year ended March 31, 2018

(Billions of yen)

FY2017	FY2017 1Q actual	Y on Y change %	FY2017 2Q actual	Y on Y change %	FY2017 3Q actual	Y on Y change %	FY2017 4Q actual	Y on Y change %
Prescription drugs	37.3	(6.6)	35.9	(8.6)	35.2	(16.3)	30.8	(16.2)
CYMBALTA	5.8	30.6	6.0	32.9	6.5	23.8	5.3	8.7
INTUNIV	0.4	-	0.3	-	0.5	-	0.7	-
SYMPROIC	0.0	-	0.1	-	0.2	-	0.2	-
XOFLUZA	-	-	-	-	-	-	2.4	-
Total of strategic products	6.2	39.9	6.4	42.8	7.3	37.9	8.6	77.1
ACTAIR	0.0	131.4	0.0	50.9	0.0	48.7	0.0	45.0
MULPLETA	0.0	41.4	0.0	33.8	0.0	38.8	0.0	(3.2)
PIRESPA	1.4	(11.6)	1.7	20.8	1.8	18.6	1.5	17.3
OXYCONTIN Franchise	2.4	(8.2)	2.2	(10.5)	2.4	(8.9)	1.7	(14.5)
RAPIACTA	0.1	(57.5)	0.0	(417.7)	1.2	2.3	2.1	30.8
BRIGHTPOC Flu	0.0	3.9	0.1	86.5	0.4	(14.8)	0.6	38.4
GLASHVISTA	0.1	(40.3)	0.1	(78.3)	0.0	(53.8)	0.1	198.5
Total of new products	10.2	14.0	10.5	21.1	13.2	17.5	14.7	43.2
CRESTOR	12.1	5.6	9.9	(5.7)	4.3	(61.3)	3.0	(70.1)
IRBETAN Franchise	3.7	(11.8)	4.0	12.6	4.1	3.2	2.7	(22.2)
Other	11.3	(26.3)	11.4	(30.7)	13.6	(13.4)	10.5	(19.7)
Overseas subsidiaries/Export	6.6	1.2	5.6	(36.1)	5.3	(30.9)	6.2	(2.3)
Shionogi Inc.	3.5	(3.9)	2.6	(53.1)	2.3	(51.0)	2.2	(44.6)
Osphena	1.1	(5.6)	0.9	6.4	1.0	(24.9)	0.7	(49.9)
C&O	1.8	20.3	1.6	(1.7)	1.4	12.4	2.1	42.9
Contract manufacturing	3.5	35.4	4.9	75.2	3.4	(1.4)	5.2	55.7
OTC and quasi-drugs	1.6	(7.8)	1.8	4.8	2.3	12.1	1.5	19.6
Royalty income	25.5	16.9	48.3	67.5	44.3	42.6	37.0	8.7
HIV Franchise	18.6	82.3	27.6	49.7	27.8	34.9	29.4	22.5
CRESTOR	5.7	(45.6)	5.6	(17.1)	5.6	(27.8)	5.6	(29.0)
Others	0.6	(8.4)	0.7	11.3	0.8	(95.0)	0.6	(5.8)
Total	75.0	2.5	97.1	18.6	91.2	(10.1)	81.3	(1.3)

Fiscal year ended March 31, 2019

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
Osphena	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

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

9-2. Quarterly trend for FY2017 and FY2018 (Consolidated statements of income)

Fiscal year ended March 31, 2018

(Billions of yen)

FY2017	FY2017 1Q actual	Y on Y change %	FY2017 2Q actual	Y on Y change %	FY2017 3Q actual	Y on Y change %	FY2017 4Q actual	Y on Y change %
Net sales	75.0	2.5	97.1	18.6	91.2	(10.1)	81.3	(1.3)
Cost of sales	26.5 19.9	0.5	20.3 19.8	4.6	18.7 17.1	(18.6)	21.1 17.2	(5.1)
Gross profit	55.1	3.3	77.4	22.8	74.1	(7.9)	64.1	(0.2)
SG & A expenses	52.1 39.1	10.8	38.7 37.6	2.3	43.6 39.8	7.3	48.0 39.0	(10.9)
Selling & administrative expenses	22.1	(2.6)	24.5	7.8	24.3	3.8	24.7	2.0
R & D expenses	17.0	34.8	13.1	(6.8)	15.5	13.4	14.4	(26.7)
Operating income	21.3 16.0	(11.4)	40.9 39.8	51.5	37.7 34.4	(20.9)	30.9 25.1	22.7
Non-operating income & expenses	5.1		4.8		5.5		8.1	
Ordinary income	28.1 21.1	26.3	45.8 44.5	74.9	43.7 39.9	(18.3)	40.9 33.2	3.6
Extraordinary income & losses	(0.5)		(0.2)		(0.4)		(0.2)	
Income before income taxes	20.5		44.4		39.5		33.0	
Income taxes and etc.	4.5		10.0		10.1		3.8	
Profit attributable to owners of parent	21.3 16.0	27.7	35.3 34.3	83.9	32.2 29.4	(19.1)	35.8 29.1	78.4

Fiscal year ended March 31, 2019

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	(40.2)	16.1 12.8	(35.1)	16.1 15.7	(8.2)	14.7 14.5	(15.6)
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	25.2	46.7 37.2	(1.1)	42.5 41.3	3.8	43.5 42.9	9.8
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	72.9	37.2 29.7	(25.4)	41.3 40.1	16.7	41.7 41.1	63.8
Non-operating income & expenses	10.3		2.5		5.5		9.8	
Ordinary income	42.9 37.9	80.1	40.3 32.1	(27.8)	47.0 45.6	14.3	51.7 50.9	53.3
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	99.2	32.6 26.0	(24.2)	37.6 36.4	24.0	39.0 38.4	31.8

10. Group companies

<Consolidated affiliated companies (as of March 31, 2019)>

№	Company name	Location	Common stock	Business status	Establish	Closing date	Ownership (%)
1	Shionogi Healthcare Co., Ltd.	Osaka, Japan	JPY 10 million	Mfg. and sale of OTC and quasi-drugs	January 15, 2016	March 31	85
2	Shionogi Pharma Chemicals Co., Ltd.	Tokushima, Japan	JPY 200 million	Mfg. of pharmaceutical raw materials	August 24, 1976	March 31	100
3	Shionogi Analysis Center Co., Ltd.	Osaka, Japan	JPY 10 million	Contract testing and analysis on medicine	December 21, 2007	March 31	100
4	Shionogi Pharma Co., Ltd.	Osaka, Japan	JPY 10 million	Mfg. of pharmaceuticals and contract manufacturing	October 1, 2018	March 31	100
5	Shionogi Techno Advance Research Co., Ltd.	Osaka, Japan	JPY 9 million	Contract support services for experimental research	September 8, 2010	March 31	100
6	Shionogi Administration Service Co., Ltd.	Osaka, Japan	JPY 10 million	Real estate rental and shared services	November 2, 1992	March 31	100
7	Shionogi Career Development Center Co., Ltd.	Osaka, Japan	JPY 10 million	Career development support to the group companies	April 3, 2017	March 31	100
8	Shionogi Digital Science Co., Ltd.	Osaka, Japan	JPY 10 million	ICT solution service to the group companies	April 3, 2017	March 31	100
9	Shionogi Business Partner Co., Ltd.	Osaka, Japan	JPY 10 million	Insurance agency and shared services	April 3, 2017	March 31	100
10	Shionogi Pharmacovigilance Center Co., Ltd.	Osaka, Japan	JPY 10 million	Pharmacovigilance activity for the group companies	April 3, 2017	March 31	100
11	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
12	Shionogi Inc.	New Jersey, U.S.A.	USD 12	Mfg., sale and development of pharmaceuticals	August 25, 2008	March 31	100
13	Shionogi B.V.	Amsterdam, Netherlands	GBP 630 thousand	Mfg., sale and development of pharmaceuticals	November 29, 2018	March 31	100
14	C&O Pharmaceutical Technology (Holdings) Limited	Shenzhen, China	HKD 165,840 thousand	Mfg., sale and development of pharmaceuticals	July 28, 2003	December 31	71
15	Taiwan Shionogi & Co., Ltd.	Taipei, Taiwan, R.O.C.	TWD 92 million	Mfg. and sale of pharmaceuticals	December 26, 1963	March 31	100
16	Beijing Shionogi Pharmaceutical Technology Limited	Beijing, China	JPY 30 million	Support services for sales	March 29, 2013	December 31	100
17	Shionogi Singapore Pte. Ltd.	Singapore	SGD 9 million	Development of pharmaceuticals	December 30, 2013	March 31	100

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

On April 1, 2019, Shionogi Pharma completed an absorption-type merger with Shionogi Pharma Chemicals Co., Ltd. and Shionogi Analysis Center Co., Ltd.

11. Pipeline (as of May 9, 2019)

Areas	Code No. (Generic name) [Product name]	Category (Administration)	Indication	Stage	Origin	Development
Infectious disease	S-649266 (Cefiderocol Tosilate Sulfate Hydrate)	Cephem antibiotic (injection)	USA: Complicated urinary tract infections, including pyelonephritis Europe: Multidrug-resistant gram-negative bacterial infections	Global: Phase III USA: NDA submission (Dec.2018) Europe: MAA submission (Mar.2019)	In-house	In-house
	S-033188 (baloxavir marboxil) [Japan:Xofluza®]	Anti-influenza virus infection (oral)	Influenza virus infection	Japan: Approval (Feb.2018) Taiwan: NDA submission (Jun.2018)	In-house	Shionogi/Roche (Switzerland)
	S-033188 (baloxavir marboxil) [Japan:Xofluza®]	Anti-influenza virus infection (oral, granule)	Influenza virus infection	Japan: Approval (body weight ≥20kg) (Sep.2018) Japan: NDA submission (body weight <20kg) (Aug.2018) Japan: Phase III (new dosage for children)	In-house	Shionogi/Roche (Switzerland)
	S-033188 (baloxavir marboxil) [Japan:Xofluza®]	Anti-influenza virus infection (oral)	Influenza virus infection (prophylaxis)	Japan: Phase III	In-house	Shionogi/Roche (Switzerland)
Pain/CNS	S-297995 (naldemedine tosilate) [US/Japan:Symproic®] [EU: Rizmoic®]	Peripheral opioid receptor antagonist (oral)	Opioid-induced constipation	USA, Japan: Approval (Mar.2017) Europe: Approval (Feb.2019)	In-house	In-house
	S-297995 (naldemedine tosilate) [US/Japan:Symproic®] [EU: Rizmoic®]	Peripheral opioid receptor antagonist (oral, granule)	Opioid-induced constipation(pediatric)	Japan: Phase I	In-house	In-house
	S-877489 (lisdexamfetamine mesilate)	DA and NE reuptake inhibitor/releaser of DA, NE (oral)	ADHD (pediatric)	Japan:Approval (Mar.2019)	Shire (Ireland)	Shionogi/Shire
	S-877503 (guanfacine hydrochloride) [Intuniv®]	Alpha-2A-adrenergic receptor agonist (oral)	ADHD (adult)	Japan: NDA submission (Aug.2018)	Shire (Ireland)	Shionogi/Shire
	S-120083	Analgesic agent for inflammatory pain (oral)	Inflammatory pain	Japan: Phase I USA: Phase II	Shionogi/Purdue Pharma L.P. (USA)	Shionogi/Purdue Pharma L.P.
	S-010887	Analgesic agent for neuropathic pain (oral)	Neuropathic pain	Japan: Phase I	In-house	In-house
	S-117957	Agent for insomnia (oral)	Insomnia	USA: Phase I	Shionogi/Purdue Pharma L.P. (USA)	Shionogi/Purdue Pharma L.P.
	S-600918	Analgesic agent for neuropathic pain (oral)	Neuropathic pain	Japan: Phase I	In-house	In-house
	S-600918	Antitussive agent (oral)	Refractory/unexplained chronic cough	Japan: Phase II	In-house	In-house
	S-637880	Analgesic agent for neuropathic pain (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	GABAA receptor positive allosteric modulator (oral)	Depression	Japan: Phase I	Sage (USA)	Shionogi/Sage

Areas	Code No. (Generic name) [Product name]	Category (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
Frontier	S-888711 (lusutrombopag) [US/Japan:Mulpleta®]	Thrombopoetin (TPO) receptor agonist (oral)	Thrombocytopenia associated with chronic liver disease	Japan: Approval (Sep.2015) USA: Approval (Jul.2018) Europe:Approval (Feb.2019)	In-house	In-house
	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-525606	Sublingual tablet of Japanese cedar allergen extracts for immunotherapy (sublingual)	Allergic rhinitis caused by Japanese cedar allergen	Japan: Phase II	Stallergenes (France)	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	Anti-fibrosis (inhalation)	Idiopathic pulmonary fibrosis	Japan: Phase I	In-house	In-house
	SR-0379	Cutaneous ulcer (topical)	Cutaneous ulcer (Pressure ulcer, Diabetic ulcer)	Japan: Phase II	FunPep (Japan)	In-house
	S-005151	Stroke (injection)	Stroke	Japan: Phase II	StemRIM (Japan)	In-house

<Out-Licensing Activity>

Code No. (Generic name) [Product name]	Category (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 for naïve patients) Europe: MAA submission (Sep.2018) USA: Approval (Apr.2019) (DTG+3TC 2-drug fixed dose combination tablet for maintenance therapy) Global: Phase III	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) USA: NDA submission (Apr.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™]	Anti-influenza virus infection (oral)	Influenza virus infection	USA: Approval (Oct.2018) USA: sNDA submission acceptance (high risk patients, Mar.2019) Global: Phase III (severe influenza virus infection) Global: Phase III (pediatric)	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]	Category (Administration)	Indication	Stage	Origin	Development
Oxycodone hydrochloride hydrate [OxyContin®]	Natural opium alkaloids (oral)	For the treatment of moderate to severe chronic pain	Japan;NDA submission (Nov.2016) Japan: Phase III	Napp Pharmaceuticals Limited (UK)	In-house

Since January 31, 2019

Change of phase	S-649266 : USA: NDA submission(in preparation)→USA: NDA submission(Dec.2018), Europe: MAA submission (Mar.2019)
	S-297995 : Europe:MAA submission (Mar.2017)→Approval (Feb.2019) Product name added: [EU: Rizmoic®]
	S-877489 : Japan: NDA submission(Apr.2017)→Approval (Mar.2019)
	S-888711 : Europe:MAA submission (Jan.2018)→Approval (Feb.2019)
	S-005151 : Japan: Phase I→Phase II
	S/GSK1349572(DTG/3TC 2-drug fixed dose combination tablet for naïve patients): USA: NDA submission (Oct.2018)→Approval (Apr.2019)
	S/GSK1265744 LAP(CAB LAP+RPV LAP 2-drug regimen for treatment): Global: Phase III→USA: NDA submission (Apr.2019)
S-033188: USA: sNDA submission acceptance (high risk patients, Mar.2019)	
Pipeline added to the list	S-297995(pediatric): Japan: Phase I
Pipeline erased from the list	Ospemifene[USA: Osphena®]: USA: Approval (Jan.2019)