

## **Annual Flash Report (unaudited)**

**Fiscal Year ended March 31, 2018**

### **Basic policy for profit distribution and dividends for the fiscal year under review and the following fiscal year**

Distribution of profits to all our shareholders is one of our key management policies. We place great importance on the maintenance of stable dividends and profit sharing according to our business performance for the corresponding fiscal year.

As for the dividend for the fiscal year ended March 31, 2018, we expect to make a year-end dividend of 20 yen per share. With the payment of the second quarter dividend of 25 yen per share including the 300th anniversary commemorative dividend of 5 yen per share, the annual dividend is expected to be 45 yen per share. Also, the annual dividend for the following fiscal year ending March 31, 2019 is expected to be 45 yen per share.

We actively utilize retained earnings for the future business development including research and development of new innovative drugs in Japan and abroad, alliance with bio-venture companies, and in-license of new drug candidate compounds for development risk reduction.