SHIONOGI & CO., LTD.

Notification Regarding Share Repurchase

Through the Off-auction Own Share Repurchase Transaction (ToSTNeT-3) System

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Osaka, Japan, November 7, 2016 - Shionogi & Co., Ltd. (Head Office: Osaka; President & CEO: Isao Teshirogi, Ph.D.; hereafter "Shionogi") today announced the determination of the specific method of its planned share repurchase, with reference to the resolution previously approved at the meeting of the Board of Directors held on October 31, 2016, pursuant to provisions of Article 156 of the Companies Act as applied by replacing certain terms under provisions of Article 165, Paragraph 3 of the same Act.

1. Method of purchase

The commission of repurchases at today's closing price of ¥5,092 will take place on the ToSTNeT-3 system, at 8:45 a.m. on November 8, 2016 (with no other changes made to the trading system or time). Purchase orders shall be limited to orders made only within the applicable trading time.

2. Details of matters pertaining to the acquisition of own shares

(1) Class of shares to be acquired — Common stock of the Company

(2) Total number of shares to be acquired — 6,873,500 shares

(Note 1) No changes will be made to the number of abovementioned shares. In addition, a portion or all of these shares may not be repurchased due to market trends or other factors.

(Note 2) Repurchases will be made with sell orders corresponding to the number of shares to be purchased.

3. Announcement of the results of purchase

The results of the share repurchase will be announced following the completion of the trade at 8:45 a.m. on November 8, 2016.

(Reference) Details pertaining to the share repurchase resolved at the meeting of the Board of Directors held on October 31, 2016.

(1) Class of shares to be acquired — Common stock of the Company

(2) Total number of shares to be acquired — 7,000,000 shares (maximum)
(2.15% of total outstanding shares [excluding treasury stock])

(3) Total amount of acquisition cost — 35 billion yen (maximum)

(4) Period of acquisition — November 1, 2016 to December 30, 2016

Forward-looking Statements

This announcement contains forward-looking statements. These statements are based on expectations in light of the information currently available, assumptions that are subject to risks and uncertainties which could cause actual results to differ materially from these statements. Risks and uncertainties include general domestic and international economic conditions such as general industry and market conditions, and changes of interest rate and currency exchange rate. These risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited to, completion and discontinuation of clinical trials; obtaining regulatory approvals; claims and concerns about product safety and efficacy; technological advances; adverse outcome of important litigation; domestic and foreign healthcare reforms and changes of laws and regulations. Also for existing products, there are manufacturing and marketing risks, which include, but are not limited to, inability to build production capacity to meet demand, unavailability of raw materials and entry of competitive products. The company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

For further information, contact:

Corporate Communications Department
Shionogi & Co., Ltd.
Telephone: +81-6-6209-7885 Fax: +81-6-6229-9596