Press Release

Notice Regarding Acquisition of Own Shares and Cancellation of Treasury Shares

(Acquisition of own shares pursuant to the provisions of Article 165, paragraph 2 of the Companies Act and cancellation of treasury stocks pursuant to the provisions of Article 178 of the Companies Act)

Osaka, Japan, September 30, 2019 - Shionogi & Co., Ltd. (Head Office: Osaka; President & CEO: Isao Teshirogi, Ph.D.; hereafter "Shionogi") today announced that it has resolved at a meeting of the Board of Directors held today, to acquire own shares pursuant to the provisions of Article 156 of the Companies Act, applied by replacing terms pursuant to the provisions of Article 165, paragraph 3 of said Act, and has resolved to cancel treasury shares pursuant to the provisions of Article 178 of the Companies Act, as described below.

1. Reasons for the acquisition of own shares and cancellation of treasury shares

Shionogi will acquire own shares in order to increase shareholder return and capital efficiency by following a flexible capital policy, aligning with strong business progress in accordance with its medium-term business plan SGS2020, to increase corporate value.

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

Class of shares to be acquired	Common stock of the Company
Total number of shares to be acquired	8,350,000 shares (maximum) (2.7% of total outstanding shares [excluding treasury stock])
Total amount of acquisition cost	50 billion yen (maximum)
(1) Period of acquisition	October 1, 2019 to February 28, 2020
(2) Method of acquisition	Acquire in the open market through discretionary trading in Tokyo Stock Exchange * Acquired shares will be cancelled.

3. Details of matters pertaining to the cancellation of treasury shares

(1) Class of shares to be cancelled	Common stock of the Company
(2) Number of shares to be cancelled	All of the shares acquired as stated in 2 above
(3) Scheduled date of cancellation	March 13, 2020 (planned)

(Reference) Treasury stockholding as of August 31, 2019

Total number of shares issued (excluding treasury stock)	311,373,039 shares
Number of shares of treasury stock	5,413,126 shares

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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, inavailability 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.

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