

October 23, 2018

To Whom It May Concern,

Company Name: Taisho Pharmaceutical Holdings Co., Ltd.
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Notice of Revision of Half-Year Forecasts for the Fiscal Year Ending March 31, 2019

Taisho Pharmaceutical Holdings Co., Ltd. (“the Company”) has decided to revise its half-year forecasts of its consolidated operating results for fiscal 2018, the year ending March 31, 2019, which were announced on May 14, 2018. These revisions were made in light of recent business performance and other factors. Details are as follows.

1. Revised Half-Year Operating Results for Fiscal 2018 (April 1, 2018 to September 30, 2018)

(Millions of yen, unless otherwise stated)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share (yen)
Previous forecast (A)	132,000	14,000	16,500	39,000	488.10
Revised forecast (B)	129,500	17,000	22,700	42,400	531.62
Change (B-A)	-2,500	+3,000	+6,200	+3,400	—
Change (%)	-1.9	+21.4	+37.6	+8.7	—
(Reference) Fiscal 2017 half-year consolidated operating results	138,630	15,178	17,850	12,016	150.38

2. Reasons for Revisions

Net sales are projected to be lower than the previous forecast in the domestic component of the Self-Medication Operation Group and the Prescription Pharmaceutical Operation Group.

In profits, operating profit, ordinary profit, and profit attributable to owners of parent are expected to exceed the previous forecast, mainly because the recording period for a certain portion of selling, general and administration expenses, especially R&D expenses and advertisement expenses, has been changed to the third quarter or later, and equity in earnings of entities accounted for using equity method and foreign exchange gains are projected to be higher than initially anticipated.

At the current stage, the full-year forecast of consolidated operating results remains unchanged from the forecast announced on May 14, 2018. The Company takes into account such factors as its half-year consolidated operating results and future performance trends. If it becomes necessary to revise its forecast, the Company will announce this as soon as possible.

Note: The forecast statements shown in these materials are based on the information available at the time of preparation and certain assumptions that the Company deems rational. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially from these forecasts due to various factors.