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## Press Release

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April 28, 2023

Sumitomo Pharma Co., Ltd.

### **Sumitomo Pharma Announces Revisions to Its Financial Forecasts**

Sumitomo Pharma Co., Ltd. (Head Office: Osaka, Japan; Representative Director, President and CEO: Hiroshi Nomura; Securities Code: 4506, Prime Market of TSE) announced today that it has revised the consolidated financial forecasts that were announced on January 31, 2023 for the year ended March 31, 2023 (fiscal 2022), as summarized below, taking the Group's recent business performance trends into consideration.

#### 1. Revisions to the Forecasts of Consolidated Financial Results for the Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Revenue	Core operating profit	Operating profit	Net profit attributable to owners of the parent	Basic earnings per share
Previous Forecasts (A)	563,000	34,000	(27,000)	(35,000)	¥(88.10)
Revised Forecasts (B)	555,500	16,400	(77,000)	(74,500)	¥(187.55)
Variance in amount (B-A)	(7,500)	(17,600)	(50,000)	(39,500)	—
Variance in percent (%)	(1.3)	(51.8)	—	—	—
[Reference] Previous year (Year ended March 31, 2022)	560,035	58,509	60,234	56,413	¥141.99

Note: Core operating profit is calculated by deducting from operating profit any gains and losses resulting from nonrecurring factors, including changes in fair value of contingent consideration, impairment losses, and business structure improvement expenses.

#### 2. Reasons for the Revisions

The Company has revised its previous revenue forecasts to 555.5 billion yen (down by 7.5 billion yen), primarily owing to the expected downward revision in sales of LATUDA® in the North America segment.

Gross profit is expected to decrease by a larger margin than revenue owing to the decrease in revenue and the difference in the product mix.

On the other hand, selling, general and administrative expenses are expected to decrease, now that part of the expenses, including those associated with making Myovant Sciences Ltd. into a wholly owned subsidiary, is expected to be recorded

under R&D expenses, etc. This being the case, the sum of selling, general and administrative expenses and R&D expenses is expected to increase, partly owing to the expenses associated with the study of the combination of Group companies in the U.S., scheduled for this July.

As a result, core operating profit has been revised to 16.4 billion yen, down by 17.6 billion yen from the previous forecasts.

Operating profit has been revised to negative 77.0 billion yen, down by 50.0 billion yen from the previous forecasts, as the Company now expects to record an impairment loss of 20.6 billion yen on TP-0903 (dubermatinib)\* and provisions for business structure improvement expenses associated with the combination of Group companies in the U.S., etc.

Net profit attributable to owners of the parent has been revised to negative 74.5 billion yen, down by 39.5 billion yen from the previous forecasts, due to the significant impact of the widening operating loss, although financial income is expected to increase as the yen depreciated more than the Company assumed at the end of fiscal 2022.

\* Please note that a relevant release titled "Announcement on Impairment Loss and Revision of Dividend Forecast" was disclosed on March 3, 2023.

<https://www.sumitomo-pharma.com/news/20230303.html>

#### Disclaimer Regarding Forward-looking Statements

The statements made in this press release contain forward-looking statements based on management's assumptions and beliefs in light of information available as of the day of this release, which involve both known and unknown risks and uncertainties. Actual results of those matters covered in the forward-looking statements including financial forecast may differ materially from those contained in this release, due to a number of factors.

Contact:  
Corporate Communications  
Sumitomo Pharma Co., Ltd.  
TEL: +81-6-6203-5321