



Press Release

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Daiichi Sankyo Announces Share Split, Partial Amendment to the Articles of Incorporation, and Forecast of Annual Dividend per Share for the Year Ending March 31, 2021

Tokyo, Japan (April 27, 2020) – Daiichi Sankyo Company, Limited (hereafter “Daiichi Sankyo”) announced that Daiichi Sankyo has resolved, at the Board of Directors meeting held today, a share split, a partial amendment to the articles of incorporation, and the forecast of annual dividend per share for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021).

1. Purpose of the share split

The share split aims to increase the liquidity of the shares by reducing the investment unit price for Daiichi Sankyo's share, and to further expand the investor base.

2. Outline of the share split

(1) Method

Fixing Wednesday, September 30, 2020 as the record date, Daiichi Sankyo will split its ordinary shares, owned by the shareholders listed or recorded in the shareholder registry, three-for-one.

(2) Number of shares to be increased by the share split

① Total number of shares issued before the share split	709,011,343
② Increase in the number of shares upon the share split	1,418,022,686
③ Total number of shares issued after the share split	2,127,034,029
④ Total number of shares issuable after the share split	8,400,000,000

(3) Schedule

① Announcement of record date	Friday, September 11, 2020
② Record date	Wednesday, September 30, 2020
③ Effective date	Thursday, October 1, 2020

(4) Others

The share split will not change the amount of stated capital

3. Partial amendment to the articles of incorporation

(1) Reason for the amendment

In line with the share split, pursuant to the Article 184.2 of the Companies Act of Japan, Daiichi Sankyo will amend, as of Thursday, October 1, 2020, the total number of shares issuable set by Article 6 in the Articles of Incorporation of Daiichi Sankyo.

(2) Details of the amendment to the articles of incorporation

Details are as follows.

(Underlined points indicate changes)

Before the amendment	After the amendment
(Total Number of Shares Issuable) Article 6. The total number of shares issuable by the Company shall be <u>2.8 billion shares</u> .	(Total Number of Shares Issuable) Article 6. The total number of shares issuable by the Company shall be <u>8.4 billion shares</u> .

(3) Schedule for the amendment to the articles of incorporation

Date resolved at the Board of Directors meeting : Monday, April 27, 2020

Effective date of the amendment to the articles of incorporation: Thursday, October 1, 2020

4. Forecast of annual dividend per share for the year ending March 31, 2021

In order to secure sustainable growth in corporate value, one of the fundamental business policies for Daiichi Sankyo is to decide profit distribution based on comprehensive consideration around the investments essential for implementing its growth strategies, and returning profits to its shareholders.

In the current 5-year Business Plan, Daiichi Sankyo introduced a total return ratio* of 100% or more from fiscal year 2016 to fiscal year 2022, and in terms of dividend payments, to distribute annual dividend per share of 70 yen or more.

Now, Daiichi Sankyo has decided to increase the forecast of annual dividend per share for the year ending March 31, 2021 in order to further strengthen shareholder return.

As stated above, since Daiichi Sankyo will carry out a share split at a ratio of three-for-one on Thursday, October 1, 2020 as the effective date, the forecast of annual dividend per share for the year ending March 31, 2021 is 40.50 yen per ordinary share before the split at the end of second quarter, and 13.50 yen per ordinary share after the split at fiscal year-end.

The forecast of annual dividend per share shows the pre-split amount since it cannot be simply compared with the fiscal year which ended on March 31, 2020 due to the implementation of the share split and the end of second quarter dividend will be 40.50 yen per share. Therefore, the annual dividend per share is forecasted to be 81 yen (pre-split standard).

As a result, the annual dividend per share (pre-split standard) is expected to practically increase by 11 yen.

* Total return ratio = (Total amount of dividend + Total acquisition cost of treasury shares) / Profit attributable to owners of the Company

(Record date)	Annual dividend per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2020	—	35.00 (Before split)	—	35.00 (Before split)	70.00 (Before split)
Year ending March 31, 2021 (Forecast)	—	40.50 (Before split)	—	13.50 (After split)	—

Note: The annual dividend per share (Forecast) is totally 81.00 yen for the year ending March 31, 2021.