

December 22, 2017

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Notice Regarding Status of SP-01 and Revision to Financial Forecasts

Solasia Pharma K.K. (hereafter “the Company”) hereby announces the status of SP-01, and the revision to the consolidated financial forecasts for the fiscal year ending December 31, 2017. The details are described below.

1. Status of SP-01

- SP-01 has filed NDA in China in June 2014 and currently SP-01 is under review by the Chinese authority.
- The inspections for the manufacturing site and the clinical study sites have been completed by the Chinese authority.
- Due to the delay of the review process, Solasia changes the Chinese approval timeline from ‘in FY2017’ to ‘by 1st half of FY2018’.

2. Revision to Financial Forecasts

The Consolidated Financial forecasts for the fiscal year ending December 31, 2017 (under IFRS) (from January 1, 2017 to December 31, 2017)

| | Revenue | Operating profit | Profit before tax | Net Profit | Profit attributable to owners of parent | Basic earnings per share |
|--|-----------------|------------------|-------------------|-----------------|---|--------------------------|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen | Millions of yen | Yen |
| Previous Forecasts (A) (Announced on March 24, 2017) | 423 | (1,787) | (1,793) | (1,798) | (1,798) | (23.36) |
| Revised Forecasts (B) | 410 | (1,100) | (1,100) | (1,100) | (1,100) | (13.37) |
| Amount Change (B)-(A) | (13) | 687 | 693 | 698 | 698 | |
| Percentage Change (%) | (3.1) | — | — | — | — | |
| (Reference) Actual results of the corresponding period of the previous fiscal year (FY 2016) | 501 | (462) | (494) | (474) | (474) | (18.46) |

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【Reasons for the revision】

Revenue numbers

- By realizing milestone from approval of SP-03 (episil) in Japan, forecasted revenue has almost achieved. But the forecasted milestone from SP-01 (Sancuso) will not be realized in FY2017 due to the delay of approval in China.

Loss numbers

- Due to the delay of SP-01 (Sancuso) approval, China sales & marketing organization cost, marketing cost and development cost in FY2017 will not be counted in this latest forecast.
- Considering the above situation, Solasia updates the FY2017 forecast for Operating loss, Loss before tax, Net Loss, Loss attributable to owners of parent, Basic earnings per share.

(Note) The above forecast are based on information currently available to the Company, and assumptions determined as rational. Actual performance may significantly differ from these forecasts due to various factors in the future.