

Revisions of Consolidated Financial Forecasts and Introduction of Core Basis in Financial Results

Osaka, Japan, October 31, 2024 - Ono Pharmaceutical Co., Ltd. (Osaka, Japan; President, Toichi Takino; “the Company”) today announced that it has revised its consolidated financial forecasts for the full-year period ending March 2025 disclosed at the announcement of financial results ended March 2024, made on May 9, 2024, as follows:

1. Revisions to the Full-Year Consolidated Financial Forecasts Ending March 2025 (April 1, 2024 – March 31, 2025)

(Units: Millions of yen, except basic earnings per share)

	Revenue	Operating profit	Core operating profit	Profit before tax	Profit for the year	Profit for the year attributable to the parent	Core profit for the year	Basic earnings per share (yen)
Previous forecast (A)	450,000	122,000	-	123,000	91,200	91,000	-	193.76
Revised forecast (B)	485,000	82,000	110,000	81,500	58,100	58,000	81,000	123.49
Change (B-A)	35,000	-40,000	-	-41,500	-33,100	-33,000	-	-
Change (%)	7.8%	-32.8%	-	-33.7%	-36.3%	-36.3%	-	-
(Reference) Consolidated result of FY2023	502,672	159,935	-	163,734	128,040	127,977	-	266.61

2. Reasons for the revisions

Revenue is forecasted to be ¥485.0 billion, an upward revision of ¥35.0 billion from the previously announced forecast. This increase is mainly due to several factors: expected sales of FORXIGA Tablets are forecasted to be ¥89.0 billion, an upward revision of ¥6.0 billion from the previously announced forecast; the expected sales of QINLOCK, a gastrointestinal stromal tumor treatment acquired through the acquisition of Deciphera Pharmaceuticals, Inc., are forecasted to be ¥23.5 billion; and royalty income from Bristol Myers Squibb is expected to exceed the previously announced forecast due to the impact of yen depreciation.

Operating profit is forecasted to be ¥82.0 billion, a decrease of ¥40.0 billion year on year, mainly due to the inclusion of the cost of sales, research and development costs, and selling, general and administrative expenses related to the acquisition of Deciphera Pharmaceuticals, Inc., as well as the costs associated with the licensing agreement with LigaChem Biosciences, Inc., etc. Research and development costs are forecasted to be ¥147.0 billion, an increase of ¥35.0 billion compared to the previously announced forecast, and selling, general, and administrative expenses are forecasted to be ¥123.0 billion, an increase of ¥23.0 billion compared to the previously announced forecast.

As a result, profit before tax is forecasted to decrease by ¥41.5 billion to ¥81.5 billion. Profit for the year is forecasted to decrease by ¥33.1 billion to ¥58.1 billion, and profit attributable to owners of the Company is forecasted to decrease by ¥33.0 billion to ¥58.0 billion.

3. Introduction of Core Basis in Financial Results

Previously, our IFRS full-basis financial results have included the impact of transactions that are not related to our core business or are temporary in nature. Additionally, due to the acquisition of Deciphera Pharmaceuticals, Inc., the Company anticipates amortization expenses for intangible assets acquired through the acquisition in the future.

Therefore, starting from the fiscal year 2024, the Company will disclose financial results on a core basis to present our performance in our core business. Core operating profit is forecasted to be ¥110.0 billion, after adjusting full-basis operating profit for the amortization of intangible assets related to QINLOCK (cost of sales), acquired through the acquisition of Deciphera Pharmaceuticals, Inc., and the impairment losses on intangible assets related to development compounds (research and development expenses). Core profit for the year is forecasted to be ¥81.0 billion.

Note: The above financial forecasts are prepared based on information that is available as of the date the announcement is made. Actual results may differ from those set forth in the announcements due to various uncertain factors.

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