

For Immediate Release

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Notice concerning Change of the Dividend Policy and the Revision of the Cash Dividend Forecast

SANKYO Co., Ltd. today announced that a change of the dividend policy and the revision of the cash dividends forecast were decided at a meeting of the board of directors of the Company held on March 12, 2008.

The Company also today issued another press release titled "Notice concerning Revision of the Forecast of Financial Results for Fiscal 2008".

1. Change of the dividend policy

The Company regards the return of profits to shareholders as one of the most important management priorities. The Company's dividend policy has been to aim to continuously increase dividends under a guideline for profit distribution at a payout ratio of 20% of consolidated net income. With a view to further clarifying the Company's emphasis on the returning of profits to shareholders, a decision was made to set a payout ratio of 25% of consolidated net income as the new guideline for profit distribution from the current fiscal year onward.

2. Revision of the forecast of cash dividends for the year ending March 31, 2008 (fiscal 2008)

As reported in the Notice concerning Revision of the Forecast of Financial Results for Fiscal 2008, the Company's financial performance during fiscal 2008 (43rd term) has been robust so far, exceeding the initial forecast. Taking into consideration the above-mentioned dividend policy and the performance so far, the Company intends to propose, at the 43rd general meeting of shareholders to be held in June 2008, payment of a cash dividend of 150 yen per share for the full year, which represents an increase of 50 yen in the common dividend compared with the previous period.

3. Directors and Officers after the introduction of the Operating Officer System (effective date: April 1, 2008)

(Millions of yen)					
(Base date)	Cash dividend per share			Consolidated net income per share	Consolidated dividend payout ratio
	Interim	Year-end	Full Year		
	Yen	Yen	Yen	Yen	%
Previous forecast *1	50.00 *2	50.00	100.00	410.54	24.4
Revised forecast	50.00 *2	100.00	150.00	451.61	33.2
FY2007	50.00	50.00	100.00	365.26	27.4
FY2006	35.00	65.00	100.00	463.77	21.6

Notes

1. The previous forecast was announced on May 17, 2007, at the time of announcement of the closing of accounts for fiscal 2007.
2. The interim dividend (50.00 yen) has already been paid.

The above forecast is based on information currently available to management. Actual results may differ from the forecast owing to various factors.