

July 2, 2019

To Whom It May Concern:

Company Name: Taisho Pharmaceutical Holdings Co., Ltd.
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Taisho Completed Procedures for the Acquisition of UPSA SAS, A French Pharmaceutical Manufacturer, and its Business Assets, Previously Owned by Bristol-Myers Squibb Company

As announced “Taisho Agreed To Acquire UPSA SAS, A French Pharmaceutical Manufacturer, and its Business Assets, Owned by Bristol-Myers Squibb Company” dated December 19, 2018, Taisho Pharmaceutical Holdings Co., Ltd. [Headquarters: Toshima-ku, Tokyo, CEO: Akira Uehara] (“Taisho HD”) has executed the Stock and Asset Purchase Agreement with Bristol-Myers Squibb Company [Headquarters: New York, United States of America, CEO: Giovanni Caforio, NYSE: BMY] (“Bristol-Myers Squibb” or “Seller”) on April 26, 2019 to acquire all of the shares of UPSA SAS, a French pharmaceutical manufacturer, and its business assets (together with UPSA SAS, “UPSA”) (the “Transaction”) following completion of relevant legal proceedings including works council consultation. Upon satisfaction of conditions precedent, Taisho HD completed all of the procedures for the Transaction on July 1, 2019 (Time in France). As a result of the Transaction, UPSA has become a wholly-owned subsidiary of Taisho Pharmaceutical Co., Ltd (“Taisho”), a subsidiary of Taisho HD.

1. Purpose of the Transaction

The mission and philosophy of Taisho Pharmaceutical Group (“Taisho Group”) is to contribute to society by creating and offering superior pharmaceuticals and health-related products as well as healthcare-related information and services in socially responsible ways. Through its products and services, Taisho Group seeks to enrich people’s lives by improving health and beauty. In order to accomplish this mission, Taisho Group continues to build the size and scale of its business as well as re-invest in its people and assets to maintain top-line and earnings growth, even in the face of global competition. As part of our efforts to strengthen our overseas business in self-medication, Taisho Group has been targeting Asian markets for expansion opportunities, where growth is supported by increasing populations and economic development.

In 2009, Taisho Group entered certain over-the-counter (“OTC”) pharmaceuticals markets in Asia through its acquisition from Bristol-Myers Squibb of PT Bristol-Myers Squibb Indonesia Tbk (now known as PT Taisho Pharmaceutical Indonesia Tbk) including OTC trademarks and related assets. Today, Taisho Group has been successful in further expanding into Indonesia, Thailand, Malaysia, Philippines, and Vietnam as well as Mexico. In addition to those markets, Taisho Group continues to drive growth of the self-medication franchise in markets where consumer awareness of the therapeutic benefits of self-medication continues to widen.

As a result of the contemplated acquisition of UPSA, Taisho Group now holds Dafalgan and Efferalgan (pain relief) and Fervex (cold and flu), among other top brands, and shall be honored to build upon UPSA’s approximately 80-year tradition and history of creating and promoting widely-known and valued brands; and across Europe including France and East Europe, will benefit from established and growing lines of business in self-medication and other therapeutic classes.

Both UPSA (with sales in Europe) and Taisho (with sales in Japan and Southeast Asia) have geographic complementarity with one another, and together aim to achieve sustainable growth by leveraging and investing in existing teams, assets and resources, including both entities’ strengths in product & brand development and marketing know-how.

2. Overview of UPSA

(1)	Company name	UPSA SAS	
(2)	Headquarters	3 rue Joseph Monier 92500, Rueil Malmaison, France	
(3)	Title and name of representative	President : DUPLAIX François	
(4)	Business description	Development, production, marketing, distribution and sales of over-the-counter pharmaceutical products	
(5)	Establishment	1935	
(6)	Major shareholders and shareholding ratio	Taisho Pharmaceutical Co., Ltd. : 100%	
(7)	Relationship between Taisho and UPSA	Capital relationship	Taisho holds 852,102,814 shares (100% of the total number of issued shares) of UPSA and makes UPSA a wholly-owned subsidiary.
		Personal relationship	Jun Kuroda, Member of the Board, Senior Executive Officer of Taisho is currently serving as an officer of UPSA.

(8) Business results and financial position over the last three fiscal years (※1)(※2)			
Fiscal year	FY2016 (Dec)	FY2017 (Dec)	FY2018 (Dec)
Consolidated net assets	654.8mil USD	756.6mil USD	735.0mil USD
Consolidated total assets	820.6mil USD	945.4mil USD	913.6mil USD
Consolidated shareholders' equity per share (Approximate amount)	0.77 USD (※3)	0.89 USD (※3)	0.89 USD (※3)
Consolidated net sales	436.0mil USD	481.1mil USD	479.3mil USD
Consolidated operating profit	64.7mil USD	88.5mil USD	74.9mil USD
Profit attributable to shareholders	66.7mil USD	66.3mil USD	55.0mil USD
Consolidated net earnings per share (Approximate amount)	0.08 USD (※3)	0.08 USD (※3)	0.06 USD (※3)

(※1) The numbers are based on USGAAP. The numbers include 30.0 million USD in FY2016, 24.4 million USD in FY2017 and 22.4 million USD in FY2018 respectively as cost for operational supports provided by Bristol-Myers Squibb.

(※2) Consolidated total assets include the amount of goodwill occurred as a result of Bristol-Myers Squibb's acquisition of controlling interest in UPSA (503.6 million USD in FY2016, 571.6 million USD in FY2017 and 548.7 million USD in FY2018).

(※3) The numbers are rounded off to two decimal places.

3. Number of shares acquired, acquisition price and state of share-holding before and after acquisition

(1) Number of shares held before the Transaction	0 (Number and ratio of voting right : 0.0%)
(2) Number of shares acquired	852,102,814 shares
(3) Acquisition price	Acquisition Price of all issued shares and business assets of UPSA (Approximate amount) : 1.55 Billion USD purchase prices (167.4 Billion JPY) (※1)(※2)
(4) Number of shares held after the Transaction	852,102,814 shares (Number and ratio of voting right : 100%)

(※1)TTM Rate: 1USD=108.25 JPY on July 1, 2019

(※2)Purchase price including advisory fees (Approximate amount): 1.57 Billion USD (169.5 Billion JPY)

4. Future Outlook

Taisho plans to incorporate UPSA into the Taisho Group's consolidated business results from the 3rd quarter of the fiscal year ending March 2020. The impact of the Transaction on the Group's business results is currently under review, and further announcement shall be made immediately if there is a matter to be disclosed.