

January 5, 2018

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Company Name: TAIYO HOLDINGS CO., LTD
Representative: Eiji Sato, President and CEO
(Code: 4626, Listed on First Section of
Tokyo Stock Exchange)
Contact: Shuichi Omi, Executive Officer, General
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Notice Concerning Execution of Asset Transfer of 13 Long-Term Listed Products from Chugai to Taiyo Pharma

With regard to the agreement disclosed by Chugai Pharmaceutical Co., Ltd. (hereinafter "Chugai") and TAIYO HOLDINGS CO., LTD. (hereinafter "Taiyo Holdings") titled "Marketing and Manufacturing Right Transfer of 13 Long-Term Listed Products from Chugai to Taiyo Pharma" on November 14, 2017, both parties announced today that the transfer of assets except inventories has been executed upon the fulfillment of the relevant closing conditions and completion of payment of 21,280 million yen by Taiyo Pharma Co., Ltd. (hereinafter "Taiyo Pharma") on January 5, 2018. The above-mentioned agreement concluded that Chugai and F. Hoffmann-La Roche, Ltd. (hereinafter "Roche") agreed to transfer the marketing authorizations, including marketing and manufacturing rights, of 13 long-term listed products manufactured and marketed in Japan by Chugai (hereinafter "Products") to TAIYO Pharma.

The transfers of marketing authorizations including marketing and manufacturing rights will be carried out sequentially starting from April 2018 and scheduled to be completed by the end of December 2018. The inventories will be transferred upon the respective completion of the transfers. Chugai and Taiyo Pharma will immediately undertake proceedings such as transfer of manufacturing sites and technology, and cooperate closely to achieve a smooth and efficient transfer of marketing authorizations to ensure uninterrupted supply of high quality Products.

The transfer of Products is not expected to have a material impact on the consolidated financials of Chugai for the fiscal year ending December 2017. The impact on the consolidated financials for the fiscal year ending December 2018 will be announced on the release of the financial results for the fiscal year ending December 2017 scheduled in February 2018.

Taiyo Holdings is currently reviewing the impact from the transfer of Products on the consolidated financials for the fiscal year ending March 2018. If the announcement of the revision of the financial forecast is required after the impact is determined, it will be announced promptly.

The 13 Products covered by the agreement

All formulations of the Products listed below are subject to transfer under this agreement.

	Brand Name	Therapeutic Category
1	BACTRAMIN [®]	Synthetic Antibacterial Agent / Agent for the treatment of Pneumocystis Pneumonia
2	DIGOSIN [®]	Digitalis Glycoside
3	EUGLUCON [®]	Oral Hypoglycemic Agent
4	FURTULON [®]	Anti-Tumor Agent
5	GLYCEOL [®]	Drug for the treatment of Intracranial Hypertension and Intracranial Edema / Ocular Hypotensive Agent
6	KYTRIL [®]	5-HT ₃ receptor antagonist for the treatment of Nausea and Vomiting
7	MADOPAR [®]	Agent for the treatment of Parkinson's disease
8	PROCARBAZINE HYDROCHLORIDE	Anti-Tumor Agent
9	PYDOXAL [®]	Active Form of Vitamin B ₆
10	RESPLEN [®]	Antitussive and Mucolytic Agent
11	RIVOTRIL [®]	Anti-epileptic Agent
12	ROCEPHIN [®]	Cephalosporin Antibiotic
13	TIGASON [®]	Agent for the treatment of Hyperkeratosis

Trademarks used or mentioned in this release are protected by law.

Reference

Information regarding the agreement announced on November 14, 2017.

- Marketing and Manufacturing Rights Transfer of 13 Long-Term Listed Products
http://www.taiyo-hd.co.jp/_cms/wp-content/uploads/2017/11/20171114_02_02.pdf
- Marketing and Manufacturing Right Transfer of 13 Long-Term Listed Products from Chugai to Taiyo Pharma
<https://www.chugai-pharm.co.jp/english/news/detail/20171114190000.html>
http://www.taiyo-hd.co.jp/_cms/wp-content/uploads/2017/11/20171114_03_02.pdf

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