

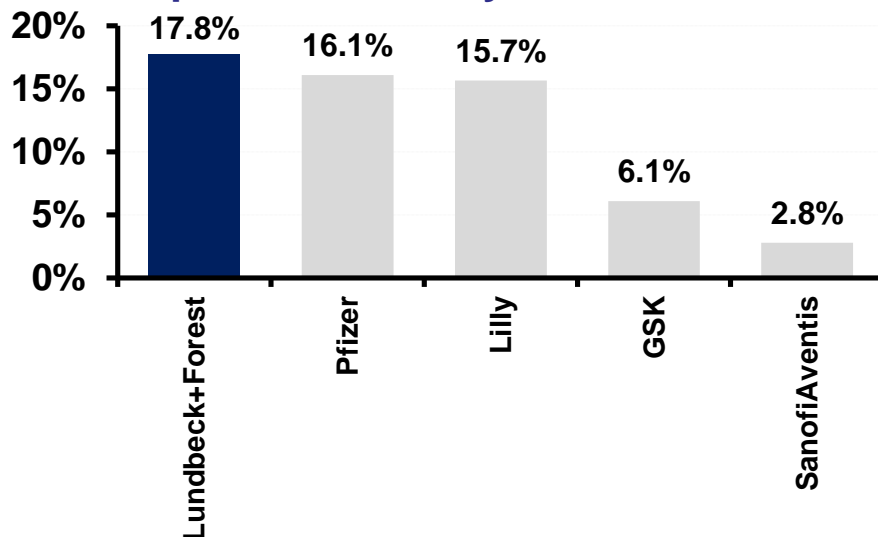
# **Collaboration Agreement with H. LUNDBECK A/S**

**Tatsuo Higuchi**

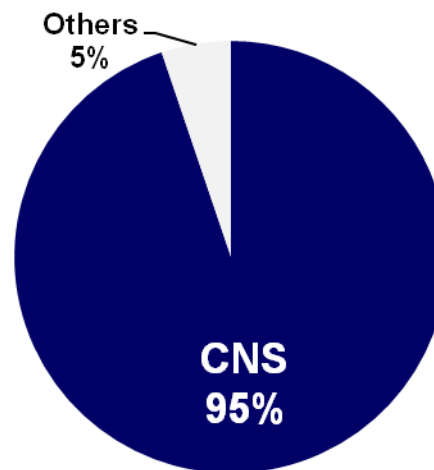
**President and Representative Director, CEO  
Otsuka Holdings Co., Ltd.**

# About LUNDBECK

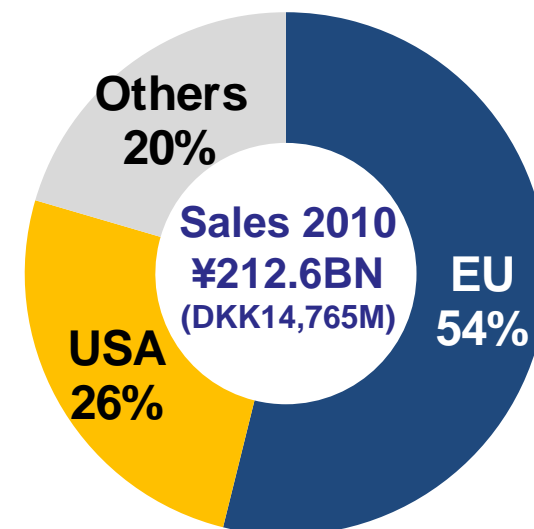
## No.1 share in global market of depression/anxiety disorder



## Sales by therapeutic area



## Sales by area



Source: Lundbeck Annual Report  
Other areas: South America, Canada, Asia, Australia, Middle East, South Africa

\*Cipralex (\$1,082M) + Lexapro (\$2,745M) = Global sales (\$3,827M)

Source: Estimated by Otsuka Pharmaceutical by IMS Medical World Review 2011

Established	1915
Headquarters	Copenhagen, Denmark
Business	Pharmaceuticals focused on CNS
Employees	5,866
No. of Reps.	ca. 2,000 (55 countries)

\*Cipralex: Brand name of Lundbeck

\*\*Lexapro: Marketed by Forest Labs. US sales in 2010: \$2,745Mil

Main Product	Compound	Indication	Sales (¥ bn)
Cipralex ®*	Escitalopram	Depression/anxiety	83.6
Lexapro ®**			35.2
Ebixa ®	Memantine	Alzheimer's disease	34.6
Azilect ®	Rasagiline	Parkinson's disease	14.8
Xenazine ®	Tetrabenazine	Huntington's disease	8.8
Sabril ®	Vigabatrin	Epilepsy	4.3

# Contractual Terms

		IM Depot	OPC-34712
<b>Total Milestone ( 1+ 2 )</b>		<b>Up to \$1,800M</b>	
<b>1 Upfront + Development milestone</b>		<b>Up to \$1,375M</b>	
A) Upfront		<b>\$200M</b>	
B) Development milestone		<b>N/A</b>	<b>\$600M</b>
C) Approval milestone		<b>\$275M</b>	<b>\$300M</b>
<b>2. Sales Milestone</b>		Payment by Lundbeck based on sales achievement	
<b>R&amp;D cost (Otsuka's Share)</b>		<ul style="list-style-type: none"> <li>• US: 80%</li> <li>• EU: 50%</li> </ul>	<ul style="list-style-type: none"> <li>• Otsuka to cover up to a certain amount and 50/50 thereafter</li> </ul>
<b>Sales &amp; Profits (Otsuka's Share)</b>		<ul style="list-style-type: none"> <li>• US: 80%, EU: 50%</li> </ul>	<ul style="list-style-type: none"> <li>• US: 55%, EU: 50%</li> </ul>
<b>Territory</b>	<b>Collaborative</b>	<ul style="list-style-type: none"> <li>• US, Canada, EU major 5 countries, Nordic 4 countries</li> </ul>	
	<b>Otsuka</b>	<ul style="list-style-type: none"> <li>• 11 Asian countries including Japan, China and others</li> </ul>	
	<b>Lundbeck</b>	<ul style="list-style-type: none"> <li>• Other countries</li> </ul>	
<b>Formulation &amp; Substance Patents</b>		October, 2024	April, 2026 (without extension)

# New Alliance Partner: Lundbeck

## Geographic Strategy

- Otsuka's strong presence in JPN, US and Asia
- Lundbeck's strong presence in EU, South America and emerging countries
- Share Global experience (clinical development, RA, commercialization, price negotiations etc.) for further business expansion

## Research Strategy

- Otsuka – acquired knowledge of antipsychotic area
- Lundbeck – expertise in anti-depressant & anxiolytic areas
- Partnership allows us to further enhance existing values and to take on new challenges to new areas in an unconventional manner.

## CNS Strategy

- Otsuka – has a robust portfolio of next generation CNS drugs
- Lundbeck- covers wide range of CNS diseases from schizophrenia to Alzheimer's

## Similar Corporate Culture

- Share the philosophy to create the best environment for success
- Respect each other's tradition and share the common goal

# Alliance Track Records of Otsuka

- With the Best Partner by the Best Approach
- Flexible approach and respect for partners have created Win-Win relationships.

## Alliance



**Bristol-Myers Squibb**  
Together we can prevail.®

Co-promotion  
Abilify (2002)

Contract  
revised  
Abilify (2009)

Alliance  
extended to  
oncology

## Capital Participation



40%  
Investment  
(2004)

Business  
collaboration

Listed in Hong  
Kong Stock  
Market (2010)

PHARMAVITE

M&A



Acquisition  
(1988)

Business  
restructuring

Grown to be  
NC business  
core base in  
US

Acquisition  
from P. E.  
firms (2009)

NC business  
base in EU

Mutual  
product  
marketing