Collaboration Agreement with H. LUNDBECK A/S

Tatsuo Higuchi

President and Representative Director, CEO
Otsuka Holdings Co., Ltd.
Established 1915
Headquarters Copenhagen, Denmark
Business Pharmaceuticals focused on CNS
Employees 5,866
No. of Reps. ca. 2,000 (55 countries)

Cipralex® ($1.082M) + Lexapro® ($2,745M) = Global sales ($3.827M)
Source: Estimated by Otsuka Pharmaceutical by IMS Medical World Review 2011

Sales by area
- EU 54%
- USA 26%
- Others 20%

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

About LUNDBECK

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

Main Product | Compound | Indication | Sales (¥ bn)
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Cipralex® | Escitalopram | Depression/anxiety | 83.6
Lexapro® | Escitalopram | Depression/anxiety | 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

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

*Source: Estimated by Otsuka Pharmaceutical by IMS Medical World Review 2011
## Contractual Terms

<table>
<thead>
<tr>
<th>Total Milestone (1+2)</th>
<th>IM Depot (Up to $1,800M)</th>
<th>OPC-34712 (Up to $1,375M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Upfront + Development milestone</td>
<td>Up to $1,800M</td>
<td>Up to $1,375M</td>
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<tr>
<td>A) Upfront</td>
<td>$200M</td>
<td>N/A</td>
</tr>
<tr>
<td>B) Development milestone</td>
<td>N/A</td>
<td>$600M</td>
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<tr>
<td>C) Approval milestone</td>
<td>$275M</td>
<td>$300M</td>
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</tbody>
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### 2. Sales Milestone
- Payment by Lundbeck based on sales achievement

#### R&D cost (Otsuka’s Share)
- US: 80%
- EU: 50%
- Otsuka to cover up to a certain amount and 50/50 thereafter

#### Sales & Profits (Otsuka’s Share)
- US: 80%, EU: 50%
- US: 55%, EU: 50%

### Territory
- **Collaborative**
  - US, Canada, EU major 5 countries, Nordic 4 countries
- **Otsuka**
  - 11 Asian countries including Japan, China and others
- **Lundbeck**
  - Other countries

### Formulation & Substance Patents
- 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**
  - Contract revised: Abilify (2009)
  - Alliance extended to oncology

### Capital Participation

- **MicroPort**
  - 40% Investment: Abilify (2002)
  - Business collaboration
  - Listed in Hong Kong Stock Market (2010)

### M&A

- **Pharmavite**
  - Acquisition: Abilify (1988)
  - Business restructuring
  - Grown to be NC business core base in US

- **Nutrition & Sante**
  - Acquisition from P.E. firms (2009)
  - NC business base in EU
  - Mutual product marketing

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With the best partner by the best approach, flexible approach and respect for partners have created Win-Win relationships.