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Otsuka Pharmaceutical Completes Acquisition of Daiya

Otsuka Holdings Co., Ltd. (“Otsuka Holdings”) announced today that its wholly-owned subsidiary, Otsuka Pharmaceutical Co., Ltd. (“Otsuka Pharmaceutical”), completed the acquisition^{*1} of Daiya Foods Inc. (“Daiya”) through approvals of court and Daiya’s shareholders, and Daiya has become a wholly owned subsidiary of Otsuka Pharmaceutical.

1: [The agreement for the acquisition was announced on July 27, 2017 “Otsuka Pharmaceutical to Acquire Daiya, a Rapidly Growing Plant-Based Food Company in North America”](#)

Founded in 2008 in Vancouver, Canada, Daiya is a rapidly growing plant-based food platform in the US and Canada. The brand has broad consumer appeal and high brand elasticity, offering a growing portfolio of delicious, plant-based foods. Its portfolio includes cheese alternative products, yogurt alternatives, dressings and desserts. Daiya’s products attract a wide range of consumers, appealing to those with high health consciousness, as well as vegans, vegetarians and consumers with food allergies and intolerances. Daiya is experiencing tremendous success with existing and new retailers across channels in North America. Daiya tripled its sales in the last three years (2013-2016) and generated net sales of approximately CAD 90 million over the last twelve months, deriving most of its revenue from the large U.S. market.

Otsuka Pharmaceutical operates under the corporate philosophy of “Otsuka – people creating new products for better health worldwide.” We, as a total healthcare company, aim to care for people’s overall health not only by treating illness, but also by sustaining and improving day-to-day well-being. The acquisition of Daiya enables us to widen our nutraceutical^{*2} product portfolio by entering a new category of plant-based products, and to expand our nutraceutical footprint in North America. Furthermore, Otsuka Pharmaceutical and Daiya will share their expertise in R&D and manufacturing to accelerate mutual growth. In addition, Otsuka Pharmaceutical will actively seek ways to expand Daiya's sales into other markets that we distribute in, such as Europe and Asia. Partnering with Daiya, Otsuka Pharmaceutical will continue to expand our global nutraceutical business to contribute to the health of people all over the world with innovative products.

2: nutrition + pharmaceutical

The consolidated business forecast of fiscal year 2017 will not be changed.