

Press Release

Attn.: Members of Osaka Economic Press Club

**Portuguese pharmaceutical company Hovione establishes a new office in Osaka
(Second European pharmaceutical investment in O-BIC achievement after 6 years support)**

[Contact]

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- On June 1, Hovione FarmaCiencia SA (hereinafter referred to as "Hovione") from Portugal established a new sales and customer support office in Osaka in a bid to increase its market share in Japan. The investment by Hovione landed in Osaka after six years of wooing by the Osaka Business & Investment Center (O-BIC) jointly established and operated by the Osaka Prefectural Government, the Osaka City Government, and the Osaka Chamber of Commerce and Industry as the O-BIC Secretariat.
 - Since its founding in 1959, the Lisbon-based pharmaceutical company has over 50 years of history in the development and manufacturing of compounds for making active pharmaceutical ingredients and drug products. Hovione has grown to a global company with roughly 1,200 employees through sales of their original products underpinned by R&D efforts, as well as contract manufacturing services by mobilizing their technological capability. In addition to the manufacturing plants in Portugal, United States, Macau, and Ireland, Hovione's global reach continues to expand through other hubs in, for example, Switzerland, Hong Kong, and India.
 - Hovione began doing business in Japan in the 1960s. Based in the new office in Osaka, the company aims to expand its market share in Japan by acquiring new customers and building a closer business relationship with manufacturers of new and generic drugs, and trading companies and manufacturers dealing with chemicals in Greater Osaka area. Toward this end, Hovione intends to make the most of the local Kansai branch of the Pharmaceutical and Medical Devices Agency* (PMDA), whose function will be expanded on June 16. With joint research with universities in Greater Osaka in mind, the company will pursue a new business strategy revolving around this key Asian hub (See Attachment 1 for more details).
- * PMDA provides guidance on necessary testing and clinical trials for commercial application of innovative drugs and medical devices from the initial stage of their development, followed up by counseling, reviews (for approval), and safety measures once commercial sales of these products begin.
- O-BIC has been actively attracting foreign investments with particular emphasis on the life sciences industry through activities both in Japan and abroad. The first contact with Hovione was started in 2010 at "BIO-Europe," one of the world's largest biotechnology and pharmaceutical trade shows organized in Germany. Ever since, O-BIC has been encouraging Hovione to expand its business to Osaka through joint efforts with the Osaka Prefectural Government and Japan External Trade Organization (JETRO). O-BIC provided consultation services regarding incorporation, as well as support in recruitment and public relations. JETRO, led by its Invest Japan Business Support Center (IBSC) in Osaka, individually invited the company to Osaka and provided consultation services regarding establishing a Japanese business hub, human resources management, accounting and tax affairs. The strong support encouraged Hovione to set up its Osaka Office.

<Attachments>

[1] Hovione's Company Profile

Hovione's Company Profile

Hovione is a global pharmaceutical company with roughly 1,200 employees having its headquarters in the Portuguese capital of Lisbon, where it was established in 1959. The initial research and development of antibiotics and anti-inflammatory agents led the company to later success in selling their products to drug companies and providing services with their original technologies.

Hovione began doing business in Japan in the 1960s. In 1987, the company developed and patented dexamethasone*1, which became a bestseller. In 2010, an inhalation device designed and developed by Hovione was licensed for anti-influenza drugs.

In addition to the first manufacturing plant built in the suburb of Lisbon in 1969, Hovione today has manufacturing plants in the United States, Macau, and Ireland. The development center in Portugal and the United States engage in developing and manufacturing innovative drugs and active pharmaceutical ingredients of high quality that comply with pertinent regulations. In particular, Hovione has a unique capacity to provide comprehensive services related to inhalants extending from chemical synthesis, formulation, to device development. The pioneering company led other companies in research, development, and commercial application of granularity design of active pharmaceutical ingredients by means of spray draying*2.

*1 A type of steroid with anti-inflammatory effect

*2 Technology that provides advantages of better compression moldability, powderization of active pharmaceutical ingredients in liquid form, and enhanced drug stability

Headquarters in Portugal

Name: Hovione FarmaCiencia SA
Representative: Guy Villax, CEO and Member of the Board
Address: Sete Casas, 2674-506 Loures, Portugal
Established in: 1959
Annual sales: ca. 25 billion yen
URL: <http://www.hovione.com/>

● Contact regarding the Japanese office of Hovione

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Opening date: Wednesday, June 1, 2016
Remarks: The future incorporation of the office is being discussed.