



News Release

Execution of Bridge Loan Agreement for Shire plc Acquisition

Osaka, Japan, May 8, 2018 --- Takeda Pharmaceutical Company Limited (Head Office: Chuo-ku, Osaka, the “Company” or “Takeda”) announces that it has entered into a “364-Day Bridge Credit Agreement” (the “Bridge Credit Agreement”) for an aggregate principal amount of up to 30.85 billion U.S. dollars to finance funds necessary for the acquisition of Shire plc (“Shire”) as follows today. Takeda, as announced in “Agreement on Commencement of a Friendly Acquisition Procedure to Make Shire plc a Wholly-owned Subsidiary” dated today, has reached agreement with Shire on the terms of a recommended offer pursuant to which Takeda will acquire the entire issued and to be issued ordinary share capital of Shire (the “Acquisition”). It is proposed that the Acquisition will be effected by means of a scheme of arrangement under Article 125 of the Jersey Companies Law (the “Scheme”).

1. Details of Bridge Credit Agreement

(a) Borrower	Takeda
(b) Administrative Agent	JP Morgan Chase Bank, N.A.
(c) Initial Lenders	JP Morgan Chase Bank, N.A. Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd.
(d) Execution date of agreement	May 8, 2018
(e) Total borrowing limit	30.85 billion U.S. dollars (breakdown) First tranche: 15.35 billion U.S. dollars Second tranche: 4.5 billion U.S. dollars Third tranche: 7.5 billion U.S. dollars Fourth tranche: 3.5 billion U.S. dollars
(f) Interest rate	Adjusted LIBO rate plus the applicable margin based public debt rating

(g) Use of proceeds	Payment of the Acquisition cash consideration and related fees, costs and expenses incurred by Takeda Refinancing of certain existing indebtedness of Shire and/or its subsidiaries
(h) Tenor	First tranche through third tranche: the date that is 364 days following the closing date of borrowing Fourth tranche: the date that is 90 days following the closing date of borrowing
(i) Pledge	None
(j) Security	None
(k) Governing Law	New York

2. Business Outlook

It is currently contemplated that the commitments under the Bridge Credit Agreement will be reduced or refinanced with the proceeds of other financing, a portion of which may be completed prior to the effective date of the Acquisition.

3. Impact on the financial results for the fiscal year ending March 2019

We will announce the impact of the Bridge Credit Agreement on our business performance promptly after we estimate it.

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