

November 13, 2024

Otsuka Pharmaceutical Factory and ICU Medical Announce the Establishment of Joint Venture

Otsuka Pharmaceutical Factory America, Inc. (Head office : Schaumburg, Illinois; President and Representative Director: Shuichi Takagi; “OPFA”), the US subsidiary of Otsuka Pharmaceutical Factory, Inc. (Head office: Naruto, Tokushima; President and Representative Director: Shuichi Takagi; “OPF”), and ICU Medical, Inc. (Head office: San Clemente, CA; Chairman of the Board and CEO : Vivek Jain; “ICU Medical”) have agreed to the capital participation of OPFA in the IV solution company newly established by the joint venture between Otsuka Pharmaceutical Factory and ICU Medical. The agreement was signed in Japan November 12, 2024.

ICU Medical is involved in the development, manufacture and sale of innovative medical products in infusion therapy, vascular access and vital care applications, and has one of the largest manufacturing plants of basic IV solutions in North America. ICU Medical will transfer its IV solution business to the newly established company. The new company will begin operations in early Q2 2025. OPFA will obtain 60% shares of the new company, which will then become a subsidiary of OPFA, inaugurating OPFA’s foray into the North American IV solution business.

The North American IV solution market is one of the world’s largest and is growing annually. Currently, the US is experiencing a temporary shortage of IV solutions caused by Hurricane Helene. The formation of the new joint venture company, which combines Japan’s largest IV solution manufacturer OPF and ICU Medical, a major North American comprehensive IV solutions corporation, will not only help strengthen and stabilize the IV solution supply chain in North America, but will also accelerate the technological innovation of IV solution products.

OPF will strive to consistently provide safe and high-quality IV solution products that will contribute to the health of people in North America and worldwide. Based on the corporate philosophy “Otsuka-people creating new products for better health worldwide”, OPF will continue to contribute to the health of people around the world by actively pursuing global business expansion.

[Comments from company representatives]

Vivek Jain, Chairman of the Board and CEO, ICU Medical, Inc.

“Otsuka’s scale, experience with U.S. partnerships, and demonstrated long-term investment horizon made them the ideal partner. Their financial strength and dedication to portfolio expansion will provide the stability and choice the North American market needs. Through this joint venture, we’re committed to delivering clinical and economic value for ICU Medical stakeholders and giving this critical product category the innovation and attention it deserves.”

Shuichi Takagi, President and Representative Director, Otsuka Pharmaceutical Factory, Inc.

“Entering the North American market has always been part of our long-term ambition and this joint venture with ICU Medical is the perfect way to accomplish that. It will allow us to bring our products based on innovative technologies to a market with an established customer base.”

Company Summaries

1. JV Company

(1)	Company Name	TBD
(2)	Head Office	3900 W Howard Ln, Austin, TX 78728, United States
(3)	Representatives	TBD
(4)	Business Details	Focusing on basic IV and clinical nutrition pharmaceutical products, and the manufacturing, import and sales of medical devices
(5)	Capital	TBD
(6)	Date of Establishment	Early Q2 2025 (planned)
(7)	Major Shareholders	Otsuka Pharmaceutical Factory America, Inc.: 60% ICU Medical, Inc.: 40%
(8)	Start of Business	Early Q2 2025 (planned)

2. Otsuka Pharmaceutical Factory, Inc.

(1)	Company Name	Otsuka Pharmaceutical Factory, Inc.
(2)	Head Office	772-8601 115 Aza Kuguhara, Tateiwa, Muya-cho, Naruto, Tokushima
(3)	Representative and Title	Shuichi Takagi, Representative Director and President
(4)	Business Details	Clinical nutrition-based pharmaceuticals, medical devices, and the manufacture, sale and export of functional foods
(5)	Capital	80M yen

3. Otsuka Pharmaceutical Factory America, Inc.

(1)	Company Name	Otsuka Pharmaceutical Factory America, Inc.
(2)	Head Office	10 N. Martingale Road, suite 400 Schaumburg, Illinois 60173
(3)	Representative and Title	Shuichi Takagi, Representative Director and President
(4)	Business Details	<ul style="list-style-type: none"> • Pharmaceuticals, medical devices, and research, development, technology transfer, manufacture, sale and import of function foods • Management of US subsidiary • Any business related to incidentals of preceding items
(5)	Capital	USD1

4. ICU Medical, Inc.

(1)	Company Name	ICU Medical, Inc.		
(2)	Head Office	951 Calle Amanecer, San Clemente, California 92673		
(3)	Representative	Vivek Jain, Chairman of the Board and CEO		
(4)	Business Details	IV sets, IV pumps, vital care (including basic IV solutions)		
(5)	Capital	USD2.45 M*		
(6)	Establishment	1984		
(7)	Relationship with Listed Company	Capital	No particulars to note	
		Human Relations	No particulars to note	
		Business	No particulars to note	
(8)	Operating Results and Financial Position of Most Recent 3 Business Years			
	Fiscal Period	2021/12	2022/12	2023/12
	Total Assets	USD1.88B	USD4.52B	USD4.38B
	Net Assets	USD1.62B	USD2.09B	USD2.12B
	Net Assets Per Share	USD75.9	USD87.1	USD88.0
	Sales	USD1.32B	USD2.28B	USD2.26B
	Adjusted Operating Income	USD193.5M	USD268.4M	USD285.6M
	Adjusted Net Income	USD160.6M	USD158.0M	USD164.8M
	Adjusted Net Income Per Share	USD7.39	USD6.51	USD6.75
	Dividend Per Share	USD0.00	USD0.00	USD0.00

*Revised in April 2025