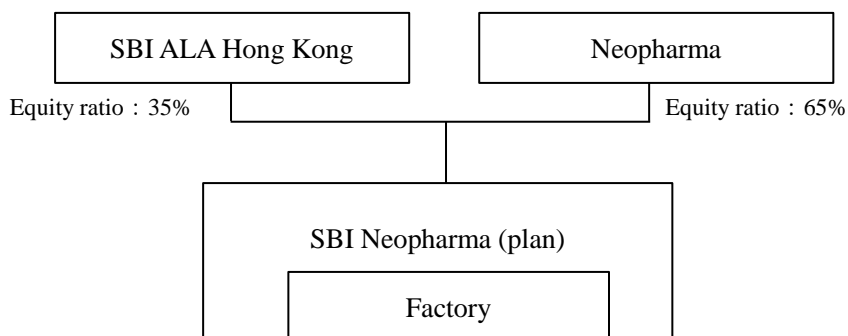


## Agreement in Principle for the Acquisition of Fukuroi Factory of API Corporation

SBI Holdings, Inc. (Head office: Minato-ku, Tokyo; Representative Director and CEO: Yoshitaka Kitao; hereinafter the “Company”), hereby announces that SBI ALA Hong Kong Co., Ltd. (hereinafter “SBI ALA Hong Kong”), a subsidiary of the Company and intermediate holding company for the business in research and development of pharmaceuticals, health foods and cosmetics using 5-aminolevulinic acid (“5-ALA”)\*1, has agreed in principle to acquire at the target date of August 1<sup>st</sup>, 2016, Fukuroi Factory (Location: Fukuroi-shi, Shizuoka; hereinafter the “Factory”) of API Corporation (Head office: Chiyoda-ku, Tokyo; Representative Director: Kiyoshi Kondo), a company under the umbrella of the Life Science Institute, Inc., engaged in contracted manufacture of active pharmaceutical ingredients, pharmaceutical intermediates and investigational new drugs. The Factory has been manufacturing so far some of investigational drugs containing 5-ALA, and the SBI group will expand the production of 5-ALA related products at the Factory hereafter.

SBI ALA Hong Kong and Neopharma LLC (Head office: Abu Dhabi, UAE; Chairman and CEO: B. R. Shetty; hereinafter “Neopharma”), an UAE-based manufacturer and marketer of pharmaceutical products, will jointly establish a new company (SBI Neopharma Co., Ltd. (plan); hereinafter “SBI Neopharma”) to oversee the manufacture of 5-ALA related products including pharmaceuticals, health foods and cosmetic. Then, SBI Neopharma will acquire the Factory by absorption-type company split.

### 【Structure after the acquisition of the Factory】



The SBI group hereafter will place the Factory as a global center of manufacture of active pharmaceutical ingredients and products related to 5-ALA and strongly promote the global expansion of 5-ALA business. At the same time, the SBI group, through close collaboration with Neopharma, will develop pharmaceutical and health supplement business in Middle East and North Africa.

\*1: 5-aminolevulinic acid (5-ALA)

An amino acid produced in mitochondria. It is an important substance that serves as a functional molecule related to energy production in the form of heme and cytochromes, and its productivity is known to decrease with age. 5-ALA is contained in food such as shochu lees, red wine and Asian ginseng. It is also known as a material forming chloroplasts in plants.

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For further information, please contact:

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