

Takeda sells Xiidra to Novartis

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Takeda has announced the completion of its sale of its Xiidra (lifitegrast ophthalmic solution) 5% product to Novartis for \$3.4 billion upfront in cash and up to an additional \$1.9 billion in potential milestone payments.

“The completion of this transaction marks an important step in executing Takeda’s strategy, which is focused on optimizing our portfolio around the key business areas that are core to our long-term growth and creating the most value for our patients and shareholders,” said Christophe Weber, President and Chief Executive Officer of Takeda. “We are making solid progress on our commitment to simplify our portfolio and meet our deleveraging targets, while continuing to deliver highly-innovative medicines and transformative care to patients around the world and enhance long-term shareholder value. We are proud of the benefits Xiidra has created for patients as part of Takeda, and confident that Novartis will be a strong steward of this innovative therapeutic.”

Takeda intends to use the proceeds from the sale to reduce its debt and accelerate deleveraging toward its target of 2x net debt/adjusted EBITDA in the medium term following closing of the Shire acquisition. As of March 31, 2019, Takeda has 5,048.9 billion yen in net debt outstanding and its net debt/adjusted EBITDA ratio is 4.7x. Takeda continues to target a net debt/adjusted EBITDA ratio of 2x within 3 to 5 years.

Xiidra is the first and only prescription treatment approved by the U.S. Food and Drug Administration for both signs and symptoms of dry eye disease, with a mechanism of action that targets inflammation.

Takeda is a global, values-based, R&D-driven biopharmaceutical leader headquartered in Japan, committed to bringing Better Health and a Brighter Future to patients by translating science into highly-innovative medicines. Takeda focuses its R&D efforts on four therapeutic areas: Oncology, Gastroenterology (GI), Rare Diseases, and Neuroscience. We also make targeted R&D investments in Plasma-Derived Therapies and Vaccines. We are focusing on developing highly innovative medicines that contribute to making a difference in people's lives by advancing the frontier of new treatment options and leveraging our enhanced collaborative R&D engine and capabilities to create a robust, modality-diverse pipeline. Our employees are committed to improving quality of life for patients and to working with our partners in health care in approximately 80 countries and regions.