

China  
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# THE OTSUKA WHAT'S & WHOS

Otsuka  
people creating  
new products  
for better health  
worldwide

## 1st Foreign Joint Venture With China, Over 30 Years of Success



China Otsuka Pharmaceutical Co., Ltd., Tianjin, China



### China Otsuka Pharmaceutical Factory Celebrated its 30<sup>th</sup> Birthday

China Otsuka Pharmaceutical Co., Ltd. (COP) was established as the first foreign joint venture after China's reform and opening-up policies were implemented in 1978. The aim was to contribute to the development of localized medical services, which upheld Otsuka Pharmaceutical Co., Ltd. Chairman Akihiko Otsuka's philosophy of contributing to medical fields at a local level.

30<sup>th</sup> Anniversary Celebration on May 16<sup>th</sup>, 2014, screen with Otsuka Pharmaceutical Co., Ltd. Chairman Akihiko Otsuka on the far left slide

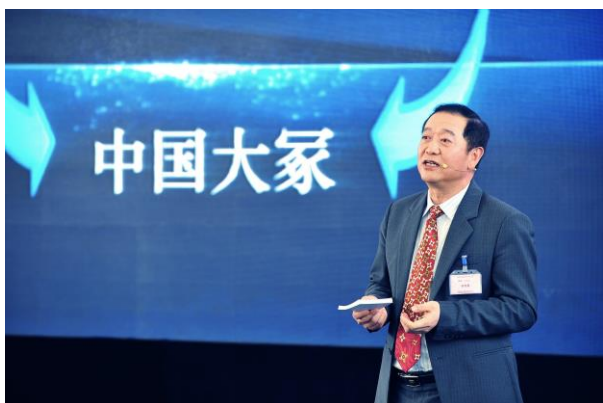
### In every challenge, you contribute with a focus on patients

At the celebration in Tianjin, China, on May 16<sup>th</sup> 2014, Otsuka Holdings Co., Ltd. Vice President Ichiro Otsuka's speech was especially encouraging. "To be honest, I feel the relationship between China and Japan is not so good. However, I think we should focus on the patients with the same mindset that we use to contribute to the advancement of medical care in China. Hopefully, the company could become one of the bridges to improve Japan-China relations in the future. Recently, when I think about how things will be in the 22<sup>nd</sup> century, people may ask 'which healthcare



Ichiro Otsuka, Otsuka Holdings Co., Ltd. vice president

maker most contributed to the 21st century?’ I hope to hear the answer, ‘Isn’t it the Otsuka group?’ I hope for the same in China, I hope China Otsuka Pharmaceutical will be the company with the most contributions to the clinical nutrition of China. I heard that you will challenge various fields, not limited to only IV, so I hope that in every challenge, you contribute with a focus on patients.”



*Haichun Gao, China Otsuka Pharmaceutical Co., Ltd. president*

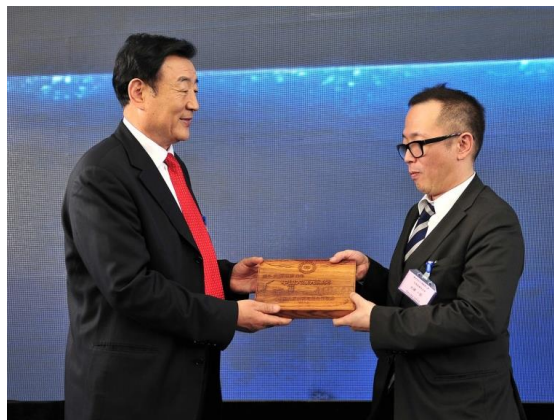
## **China Otsuka Pharmaceutical Co., Ltd. (COP) has led profound changes in China’s IV industry**

COP president Mr. Haichun Gao gave a presentation to guests showing the development of the company over the last 30 years, describing the four aspects of company history, social values, social responsibility, and his future vision. Whether it is production quality, technology, or marketing strategy, when it comes to the idea of safe IV products, COP has led profound changes in China’s IV industry. President Gao expressed thanks for the effort and support from the government, shareholders, the Otsuka group, and all employees.

## **Award of Founding Fathers**

COP chairman Mr. Zhixin Li issued the “Award of Founding Fathers” to Mr. Akihiko Otsuka which was accepted by his son, Mr. Ichiro Otsuka on his behalf.

Understanding the present by reviewing the past (温故知新) in an age of complex Japan-China relations, we need to review the message from Mr. Akihiko Otsuka in 1986: “Without lasting peace, there can be no future. All citizens must consider this issue together. Every citizen should do their best to develop a deep, mutual understanding with the people of other countries. We should help the Chinese understand the Japanese through China Otsuka’s business. The success of China Otsuka will encourage more Japanese companies to invest in China, and then we will have more chances for mutual understanding to contribute to lasting peace.”



Nearly 300 people attended the celebration in Tianjin, China, including board members and Old Boys who witnessed the development of the company, as well as the presidents of Otsuka affiliates in China. The list of guests included Mr. Ichiro Otsuka; Mr. Megumi Kajiwara, executive managing director of Otsuka Pharmaceutical Factory; Mr. Takaharu Imai, senior managing director of Otsuka International Asia & Arab; Mr. Dae-sik Eom, senior managing director of Otsuka International Asia & Arab.

*(Left to right) Mr. Yi Zhang, chairman of Otsuka China Investment; Mr. Zenghe Dong, Vice President of Sinopharm and also board member of COP; Mr. Ichiro Otsuka; Mr. Zhixin Li; Mr. Jianjin Zhang, president of Tianjin pharmaceutical; Mr. Haichun Gao*



The ceremony was held in the lecture hall of the multifunction building and led by Mr. Zhixin Li. The Vice President of Sinopharm (a major stakeholder) Mr. Zenghe Dong said in his speech to the audience, “China Otsuka Pharmaceutical contributed to medical service in China over the years to have enhanced overall levels of China IV by its high quality products.” Chairman of Tianjin Pharmaceutical (another major stakeholder) Mr. Jianjin Zhang also affirmed a strong sense of social values and the good momentum of corporate development.

## History

Reports of intravenous fluid supplies breaking in their glass bottles on the way to aid those affected by the Tangshan Earthquake of 1976 moved Mr. Akihiko Otsuka deeply, which led him to respond the Tianjin government’s approach which was seeking an overseas partner for the manufacture of IV fluids at the time. After several visits and discussions, Otsuka Pharmaceutical and China Pharmaceutical Industry Company signed a joint venture contract officially in 1980, establishing the first Sino-Japanese joint venture after diplomatic relations were restored in 1978.



*IV product produced in 1984 when the factory started operation*



China Otsuka Pharmaceutical Co., Ltd. held its first Founder’s general assembly during its first board meeting in February 1981. After 4 years of construction and preparation, the Tianjin factory was completed and began operations in April 1984. Three decades have passed in a seemingly short span for COP. Its 30<sup>th</sup> anniversary was a proud and memorable moment for the company.

*(right) Scissors used in inauguration of the factory in 1984*