



Press Release

STADA supports voluntary public tender offer by Bain Capital and Cinven

- Following the conclusion of the structured bidding process, STADA received two transaction offers for voluntary public tender offers only subject to the approval of the Executive Board
- Following a careful review, the Executive Board and Supervisory Board have decided in the best interest of the Company to support the offer by Bain Capital and Cinven
- The Executive Board, acting with the approval of the Supervisory Board, has decided to forgo the existing standstill agreements with Bain Capital and Cinven
- Bain Capital and Cinven are offering Euro 65.28 plus a dividend of Euro 0.72 per STADA share
- The offer by Bain Capital and Cinven corresponds to an approximate 48.9 percent premium in relation to STADA's unaffected share price and an approximately 19.6 percent premium in relation to STADA's volume-weighted average share price over the last three months
- STADA, Bain Capital and Cinven have signed an investor agreement with extensive protection provisions for employees and production sites as well as the corporate strategy
- The Executive and Supervisory Boards will review the offer document upon its publication. From today's vantage point, both boards expect to be able to recommend the offer for acceptance to the shareholders.

Bad Vilbel, April 10, 2017 – Following thorough talks with all interested parties and an open, multistage and transparently structured process for all potential bidders, the Executive Board and the Supervisory Board of STADA Arzneimittel AG received legally binding transaction offers from two consortia for a public tender offer only subject to the approval of the Executive Board for all outstanding shares of STADA Arzneimittel AG.

Both transaction offers provide for the conclusion of an investor agreement that was worked out as part of the structured bidding process between STADA and each potential bidder. Among other things, this agreement would include extensive protection provisions for employees, production sites and the corporate strategy.

Members of the Executive Board: Dr. Matthias Wiedenfels (Chairman), Helmut Kraft, Dr. Barthold Piening
Chairman of the Supervisory Board : Carl Ferdinand Oetker



With a total value of Euro 66.00 per STADA share, consisting of the offer price of Euro 65.28 plus an expected dividend of Euro 0.72 to be paid by STADA during the offer period, Bain Capital and Cinven have presented the most financially appealing offer. The offer corresponds to an approximate 48.9 percent premium in relation to the share price on December 9, 2016, the price reached before the first specific rumors about a takeover surfaced, and an approximate 19.6 percent premium on the volume-weighted average share price over the past three months. The offer estimates STADA'S equity value at approximately Euro 4.109 billion and the company's value at about Euro 5.318 billion. Bain Capital and Cinven envision a minimum acceptance threshold of 75 percent, further usual conditions, and an offer period of six weeks.

After carefully reviewing both transaction offers, the Executive Board and Supervisory Board of STADA have reached the conclusion that it would be in the best interest of the Company and in the interest of the shareholders and other stakeholders of STADA to support the bid by Bain Capital and Cinven. The Executive Board, acting with the approval of the Supervisory Board has decided to forgo the existing standstill agreements with Bain Capital and Cinven.

STADA, Bain Capital and Cinven therefore signed an investor agreement today. In the agreement, Bain Capital and Cinven commit themselves to extensive protection provisions for the employees, production sites and the corporate strategy. Among other things, a contractual agreement was reached to the effect that Bain Capital and Cinven would strengthen STADA'S position as a globally active pharmaceutical company, support its growth strategy and thus contribute to a long-term increase in the company's value. Moreover, Bain Capital and Cinven have agreed to provide both financial and strategic support for possible acquisitions to expand the product portfolio and tap new growth markets. Furthermore, the location of STADA'S headquarters and of the sites of key business units is to remain unchanged. In addition, Bain Capital and Cinven acknowledge the rights of the employees and works councils of STADA as well as of the trade unions. Bain Capital and Cinven will continue and further strengthen constructive dialog with the employees. Existing works and wage agreements will be upheld. Additionally Bain Capital and Cinven have stated their willingness to broadly refrain from business-related layoffs further than those already incorporated in the current business plans for four years.

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“Our negotiating strategy over the last few weeks was very successful: We are very pleased that we have been able to increase the transaction value from approximately Euro 4.7 billion to more than Euro 5.3 billion by Euro 7.28 per share and have now reached the best offer for our shareholders”, said Ferdinand Oetker, Chairman of the Supervisory Board of STADA Arzneimittel AG. “The offer of Bain Capital and Cinven contains the most attractive overall combination. In addition to the highest price we were able to reach comprehensive protection provisions especially for our employees and to initiate a future-oriented growth strategy.”

“Over the past months, we have carried out a structured bidding process and achieved a significant improvement in the bids through joint, trustful negotiations with the bidding consortia. We have thus created approximately Euro 750 million in additional value for our shareholders since the beginning of the process,” said Dr. Matthias Wiedenfels, Chief Executive Officer of STADA Arzneimittel AG. “After a careful review, the Executive Board and Supervisory Board of STADA reached the conclusion that the transaction offer of Bain Capital and Cinven was in the company’s best interest. Subject to a careful review of the offer document to be published by the bidder, the Executive Board and Supervisory Board of STADA are expected to recommend to the shareholders to accept the offer submitted by Bain Capital and Cinven. With this combination, we will create a foundation for tapping the great potential of STADA together with Bain Capital and Cinven and continuing to grow profitably.”

Pursuant to the provisions of the German Securities Acquisition and Transfer Act (WpÜG), the offer document will be released at a later time by Bain Capital and Cinven following approval by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht). The Executive Board and the Supervisory Board will carefully review the offer document following its release and issue a reasoned opinion on it pursuant to Section 27 of the WpÜG. From today’s vantage point, the Executive Board and Supervisory Board of STADA assume that both boards will recommend to the shareholders to accept the offer.

About STADA Arzneimittel AG:

STADA Arzneimittel AG is a publicly-listed company with headquarters in Bad Vilbel, Germany. STADA consistently focuses on a multi-pillar strategy of generics and branded products (OTC) with an increasingly international market orientation. The Group is the only independent generics producer in Germany. Worldwide, STADA is represented in

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more than 30 countries with more than 50 subsidiaries. Branded products such as Grippostad and Ladival are among the highest selling in their product category in Germany. In financial year 2016, STADA achieved adjusted Group sales of Euro 2,167.2 million, adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) of Euro 398 million and adjusted net income of Euro 177.3 million. As of December 31, 2016, STADA employed about 10.900 people worldwide.

Additional information for journalists:

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