

PRESS RELEASE

PHARMAVITE ACQUIRES WHOLE FOOD SUPPLEMENT INNOVATOR FOODSTATE

FoodState Acquisition Extends Pharmavite Footprint into the Natural Product and Whole Food Supplements Market

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December 17, 2014 (Northridge, CA) – Pharmavite LLC, one of the largest U.S. manufacturers of high-quality vitamins, minerals and dietary supplements, under the Nature Made® brand, announced today it has acquired FoodState Inc, makers of whole food supplements, sold under the MegaFood and Innate Response brands. FoodState will operate as a wholly owned subsidiary of Pharmavite.

The Pharmavite acquisition of FoodState brings together two highly complementary companies, each recognized leaders and innovators in the vitamin, minerals and supplement (VMS) industry in their respective sales channels. Through the acquisition, FoodState will benefit from Pharmavite’s 40+ years of experience and scale in manufacturing, research and product development, by sharing best practices; and Pharmavite enters the natural and practitioner channels via FoodState’s fast-growing brands, which align with Pharmavite’s values of high quality and integrity and are well positioned for continued growth.

“Joining Pharmavite allows us to continue to fulfill our mission of improving lives by creating high-quality supplements made with farm fresh whole foods right in our New Hampshire facilities,” said Robert Craven, FoodState CEO. “FoodState will maintain its existing executive and organization structure and will operate very much as it has been, reporting to Pharmavite through a newly formed Board of Directors. We’re excited by the opportunity to grow with a company that shares our values.

FoodState is recognized for high-quality products, strong brands in the natural and health

practitioner channels and an admired management team. The Company's flagship brand, MegaFood, has experienced exponential growth in recent years—a testament to FoodState's commitment to quality products.

“Pharmavite's decision to acquire FoodState was heavily influenced by its values-based culture and dedication to its nutrition-focused mission, in addition to both companies' business strengths,” said Connie Barry, Pharmavite CEO and Board Chair. “Pharmavite and our parent company, Otsuka, are driven by a vision to improve the lives of people through science and nutrition. The FoodState acquisition represents a natural extension of that vision. Our shared values, vision and mission truly provide a solid foundation for Pharmavite and FoodState's future success.”

FoodState's MegaFood is a pioneer in the natural products industry as the first brand to hand craft vitamins made with farm fresh whole foods, in their own plant in New Hampshire. MegaFood is the only supplement company to manufacture over 36 individual nutrients (FoodState Nutrients™) and sourcing fresh and local foods from family-owned farms. Since 1973, the company has produced some of the most effective and award-winning supplements in the industry like Blood Builder, Baby & Me and Women's One Daily.

Pharmavite has been a trusted leader in the wellness industry for more than 40 years. The Company manufactures Nature Made®, the #1 Pharmacist recommended brand in eight key vitamin and supplement segments, and all-natural, gluten-free SOYJOY® snack bars. Through the Nature Made brand, Pharmavite strives to ensure superior quality for each of the more than 170 products the brand makes. Nature Made also adheres to strict manufacturing standards and was the first National vitamin brand to obtain the United States Pharmacopeia (USP) Verified Mark for many of its products—verification that products meet stringent quality criteria for purity and potency.

About FoodState

Founded in 1973, FoodState produces and distributes the premium supplement brands MegaFood and Innate Response for the retail and professional health industries, respectively. The company, located in New Hampshire, purchases ingredients from a network of Farm Fresh Partners, sells a wide variety of dietary supplements for various health needs and continues to innovate by manufacturing more than 36 nutrients in its own facilities, using its proprietary Slow-Food Process™. The company also supports a number of community outreach missions that promote healthy lifestyles and build awareness of healthy and sustainable living. For more information, visit www.foodstate.com, www.megafood.com or www.innateresponse.com.

About Pharmavite

For more than 40 years, Pharmavite LLC has earned and maintained the trust of healthcare professionals, consumers, and retailers by manufacturing high-quality vitamins, minerals and other dietary supplements, and all-natural foods under our Nature Made® and SOYJOY® brand names. Based in Northridge, California, Pharmavite LLC operates as a subsidiary of

Otsuka Pharmaceutical Co., Ltd. For more information, please visit
<http://www.pharmavite.com>.

Houlihan Lokey served as the exclusive financial advisor to Pharmavite, LLC and assisted in structuring and negotiating the transaction on their behalf.

¹Based on 2014 US News & World Report - Pharmacy Times Survey for Letter Vitamins, CoQ10, Omega-3/Fish Oil, Flax Seed Oil, Herbal Supplements, Diabetic Multivitamins, Garlic Supplements and Cholesterol Management - Natural