



STADA Arzneimittel AG · Stadastraße 2–18 · 61118 Bad Vilbel · Germany

August 9, 2017

Letter from the STADA Advisory Board on the takeover offer from Bain Capital and Cinven

Ladies and Gentlemen,
Dear Colleagues,

“Is doing nothing an option? No!” As Chairman of the Advisory Board and his Deputy Chairman, we were able to personally see for ourselves in an open dialog with the Executive Board and Bain Capital and Cinven that the bidders are financially strong and reliable partners with extensive experience in the health and pharmaceutical sectors, that they are relying on the stability and continuity of our STADA and that they have a convincing concept for the company’s future.

The failure of the takeover would be the much worse option! The substantial changes to the shareholder structure shaped by short-term oriented hedge funds with unclear intentions are reasons for concern that in the case of a failure, it is exactly this stability that would be endangered and even the break-up of the company could not be ruled out. Now, more than ever, STADA needs a clear ownership structure and, with it, dependability so that it can move forward at its own pace and focus on the growth path with its innovative products away from the turbulence of the stock market. Only in this way a continuation of the already more than 120-year-old successful history of our STADA in an increasingly tough global competition can be sustainably secured: one STADA that was founded with an innovative concept from a German pharmacists cooperative as “STAndard-Präparate Deutscher Apotheker” (*Standard compounds of German pharmacists*).

Let us continue STADA’s successful history. As shareholders of STADA, you have a decisive contribution to make by accepting the offer submitted by Bain Capital and Cinven. Because it can only be successful at the attractive offer price of Euro 66.25 per share if 63 percent of all STADA shares are tendered into the offer by Wednesday, August 16, 2017 at the latest (possibly earlier for some banks).

STADA Arzneimittel AG

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Engelbert Coster Tjeenk Willink (Chairman)
Dr. Bernhard Düttmann
Dr. Barthold Piening

Chairman of the Supervisory Board:
Carl Ferdinand Oetker (Chairman)

Banking account:

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IBAN: DE13 5007 0010 0096 0120 00
BIC: DEUTDEFF

Postbank AG, 60288 Frankfurt am Main
IBAN: DE36 5001 0060 0009 2186 07
BIC: PBNKDEFF

Place of business:
Bad Vilbel, Germany

District court:
Frankfurt am Main HRB 71290

VAT-ID: DE 112589604
Tax no.: 0202252706

Create the foundation for a secure future of our STADA now. STADA will then celebrate its 125th anniversary in 2020 as an even stronger, successful company!

Sincerely,

A handwritten signature in blue ink, appearing to read "Thomas Meyer".

Dr. rer. nat. Thomas Meyer
Certified Specialist for Pharm. Analysis
Chairman of the Advisory Board STADA AG

A handwritten signature in black ink, appearing to read "Frank-R. Leu".

Dr. med. Frank-R. Leu
Certified Specialist for Psychiatry
Deputy Chairman of the Advisory Board STADA AG