

To whom it may concern

May 10, 2017

**Production Capacity Expansion for Fluralaner,
the Active Ingredient of a Veterinary Pharmaceutical**

Nissan Chemical Industries, Ltd. (head office: Chiyoda-ku, Tokyo; president: Kojiro Kinoshita) announces that the company has added production locations for fluralaner, the active ingredient of a veterinary pharmaceutical, and commenced the manufacture of the product at two outsourced factories in March 2017.

Fluralaner is the active ingredient of Bravecto, a veterinary pharmaceutical distributed by MSD Animal Health, the animal health division of Merck & Co. Bravecto is an ectoparasiticide for companion animals with remarkable characteristics: it acts rapidly against major species of fleas and ticks and has a longer insecticidal effect than existing products that are usually used monthly. The effect of Bravecto lasts for 12 weeks per dose. In 2014, chewable tablets were launched in the European Union, the United States and other regions, and are currently available in more than 80 countries including Japan. The chewable tablets were limited to use in dogs. In addition to this, "spot-on" products marketing license for use in both cats and dogs had been approved in EU and USA, and the product for use in cats were launched in EU and USA in 2016.

The demand for Bravecto is expected to increase. To meet this demand, Nissan Chemical Industries will seek to ensure a consistent supply of fluralaner by appointing new outsourcing contractors and expanding its production capacity.

[Reference] About MSD Animal Health

MSD Animal Health (head office: New Jersey, USA) is the global animal health division of Merck & Co., Inc., a company that has led the world in health management for 125 years. In more than 150 countries, MSD Animal Health provides information and services concerning numerous different veterinary pharmaceuticals, vaccines and animal health management to veterinarians, farm operators, pet owners, public offices and other clients.

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