



DATE: JANUARY 11, 2019

SUBJECT: TAK1 OPTIONS - EXPIRATION PRICING CONSIDERATION

TAK1 (adjusted Shire plc options) will be subject to special pricing consideration in expiration processing on January 11, 2019. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of TAK1 as indicated below. These options will continue to be subject to normal exercise based on customary exercise thresholds in OCC's Ex-by-Ex processing.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

TAK1

TAK1 options are adjusted Shire plc options, adjusted January 8, 2019, (see OCC Information Memo #44370). The deliverable of TAK1 options is:

NEW DELIVERABLE

PER CONTRACT:

- 1) 503 Takeda Pharmaceutical Company Limited (TAK) American Depositary Shares
- 2) Cash in lieu of 0.4 fractional TAK ADSs
- 3) \$9,099.00 Cash (\$90.99 x 100)

As of January 11, 2019, the SHPG Exchange Agent has not determined the price to be used to calculate the cash in lieu amount.

For purposes of calculating a TAK1 price for use in expiration processing, OCC will use the following formula:

$$\text{TAK1} = 5.034 (\text{TAK}) + 90.99$$

For example, if TAK closes at 19.13, the TAK1 price would be:

$$\text{TAK1} = 5.034 (19.13) + 90.99 = 187.29$$

This formula includes an estimate for the value of the cash in lieu amount and not the actual amount applicable in the merger.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.