

EXPANDING RANGE

Mylan buys Famy Care's female health biz for \$750 million

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MUMBAI

US drugmaker Mylan Inc. has agreed to pay as much as \$800 million to acquire some women's healthcare businesses from Mumbai-based Famy Care Ltd as it seeks to expand its range of products targeted at female customers.

Mylan is making the acquisition through its Indian unit Mylan Laboratories Ltd for \$750 million in cash and an additional \$50 million in contingent payments, it said in a statement.

The announcement marks Mylan's second deal with an Indian drugmaker after it bought Bangalore-based Strides Arcolab Ltd's injectable drugs unit for \$1.6 billion in 2013.

Famy Care is a speciality women's healthcare company that makes generic oral contraceptive products. It sells a range of women's health products including oral and injectable contraceptives, intra-uterine devices and hormone replacement therapies.

Mylan said the acquisition will build on its existing partnerships with Famy Care in North America, Europe and Australia, and



India focus: The announcement marks Mylan's second deal with an Indian drugmaker after it bought Bangalore-based Strides Arcolab's injectable drugs unit for \$1.6 billion in 2013.

provide Mylan with an enhanced platform that will accelerate the company's growth in the global women's healthcare space.

Under the partnership, which dates back to 2008, Famy Care develops and supplies over-the-counter products to Mylan for sale in those markets.

Mylan agreed last year to acquire European assets from Abbott Laboratories and adopt a Dutch legal address, lowering its corporate tax rate. The pur-

chase of units from Famy Care will complement the Abbott deal, Mylan said on Monday.

"This transaction especially complements Mylan's pending acquisition of Abbott's non-US developed markets specialty and branded generics business, which also includes a women's healthcare portfolio and sales and marketing capabilities. Additionally, the acquisition of

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the Famy Care businesses will make Mylan a hormonal contraceptives leader in high-growth emerging markets around the world," it said in a statement.

The transaction is expected to close in the second half of 2015, subject to regulatory approvals and other conditions.

Under the proposed transaction structure, Famy Care will spin off its female healthcare businesses under a court-approved scheme of demerger. After the demerger, Mylan will acquire the shares of the resulting company.

"Famy Care brings us a broad portfolio, strong technical capa-

bilities and dedicated hormone manufacturing, which complement Mylan's powerful global commercial footprint and supply chain infrastructure," Mylan president Rajiv Malik said.

"In addition to the opportunities we see in North America and Europe, Famy Care's businesses will strengthen our position in emerging markets, where we can build upon and leverage our existing capabilities, including the strong presence we have established through our anti-retroviral business and our track record of success in competing for tenders in these markets," he added.

Sarabjit Nangra, an analyst at Angel Broking Pvt. Ltd, said

Mylan may be looking at expanding its India business and exports.

Oral contraceptives as a segment has sizeable potential for overseas shipments and a good brand can add value to its product portfolio, she said.

For Mylan, Centerview Partners and Goldman Sachs acted as the financial advisers while Cravath, Swaine and Moore Llp and Luthra and Luthra were legal advisers.

Credit Suisse was financial adviser to Famy Care and Covington and Burling Llp and AZB and Partners acted as the legal advisers.

Bloomberg and Reuters contributed to this story.

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