



Background Context to Eurocentric Deals

Discussion Materials

October 2011

1Q10-2Q11 Eurocentric M&A and Partnering Transactions with Terms: Europe – Europe (Part 1 of 2)

4 M&A Transactions with European Buyers: \$1.3B

<i>USD in Millions</i>					
Date	Target	Headquarters	European Buyer	Headquarters	Total
3/3/2010	Novexel	France	AstraZeneca	UK	505
10/7/2010	PregLem	Switzerland	Gedeon Richter	Hungary	462
4/21/2011	Antula	Sweden	Meda	Sweden	281
2/26/2010*	BioXell	Italy	Cosmo Pharmaceuticals	Italy	41

25 Corporate Partnering Transactions with European Innovators: \$6.3B+

<i>USD in Millions European</i>						
Date	Innovator/Source	Partner	Area of Interest	Upfront	Milestone	Total
11/22/2010	f-star	Boehringer Ingelheim	Bispecific mAb2 products	NA	NA	1,723
10/12/2010	Synosia Therapeutics	UCB	Parkinson's disease, restless leg syndrome	NA	NA	745
9/7/2010	reMYND	Roche	Parkinson's and Alzheimer's disease	NA	644	644
6/16/2011	Zealand Pharma	Boehringer Ingelheim (BI)	Type II diabetes, obesity	53	539	598
5/12/2011	Grunenthal	STADA Arzneimittel	Pain	NA	NA	516
4/7/2011	Novartis	Meda	Atopic dermatitis	420	NA	420
9/24/2010	Novartis	Warner Chilcott	Overactive bladder	400	20	420
2/3/2010*	APEIRON Biologics	GlaxoSmithKline	Acute respiratory distress syndrome	17	317	334
4/18/2011	Active Biotech	Ipsen	Cancer/s (prostate)	36	253	289

*Estimate deal value, Source: Medtrack, Thomson One

1Q10-2Q11 Eurocentric M&A and Partnering Transactions with Terms: Europe – Europe (Part 2 of 2)

Corporate Partnering Transactions with European Innovators: \$6.3B+

<i>USD in Millions</i>	<i>European</i>					
Date	Innovator/Source	Partner	Area of Interest	Upfront	Milestone	Total
1/18/2010	Priaxon	Boehringer Ingelheim	Cancer	NA	124	124
1/6/2011	Immutep	GlaxoSmithKline	Autoimmune diseases	NA	100	100
11/11/2010	Norgine	Meda	Ear drops, muscle spasm, mouth ulcer pain	NA	NA	80
2/24/2011	Elan Pharma	Celgene	Cancer, cardiovascular diseases	78	NA	78
4/6/2010	BioAlliance Pharma	Therabel Group	Nausea, oropharyngeal candidiasis infection	9	45	65
2/15/2010	Medivir	Meda	Herpes simplex virus infection	5	NA	60
8/2/2010	Osteologix	Les Laboratoires Servier	Osteoporosis, osteoarthritis	NA	16	55
11/1/2010	Shield Therapeutics	AOP Orphan	Iron deficiency anemia	2	2	37
9/23/2010	BioPhausia	Meda	Acidity, constipation, stomach ulcers	NA	NA	28
4/15/2010	Pharming Group	Swedish Orphan Biovitrum	Acute hereditary angioedema	NA	NA	7
6/23/2010	Medivir	GlaxoSmithKline	Herpes labialis	NA	NA	4
1/13/2011	MediGene	Laboratoires Expanscience	Genital warts	NA	3	3
4/1/2010	MediGene	Meditrina Pharmaceuticals	Genital warts	NA	2	2
3/4/2010	Camurus	IS Pharma	Mucositis	NA	NA	2
1/27/2010	Imperial Innovations	Novartis	Meningitis B, vaccines	NA	NA	2
10/14/2010	Lincoln Medical	Allergy Therapeutics	Allergy	NA	NA	1
TOTAL				1,019	2,063	6,335

Source: Medtrack, Thomson One

1Q10-2Q11 Eurocentric M&A and Partnering Transactions with Terms: Europe - Asia

2 M&A Asian Transactions with European Buyers: \$164M

<i>USD in Millions</i>					
Date	Target	Headquarters	European Buyer	Headquarters	Total
3/22/2011*	Zhejiang Tianyuan	China	Novartis	Switzerland	125
6/14/2011	Shenzhen GSK-Neptunus Biologicals	China	GlaxoSmithKline	UK	39

Novartis acquired 85% of Zhejiang Tianyuan

GSK acquired the remaining 51% equity interest in the joint venture

6 Corporate Partnering Transactions from Asia with European Innovators: \$1.2B+

<i>USD in Millions</i>						
Date	European Innovator/Source	Partner	Area of Interest	Upfront	Milestone	Total
2/24/2010	Basilea Pharmaceutica	Astellas Pharma	Invasive fungal infections, <i>Aspergillus</i>	69	443	512
4/12/2011	Pieris	Daiichi Sankyo	Anticalins	10	NA	299
4/14/2011	4SC	Yakult Honsha	Liver cancer, colorectal cancer	9	184	193
4/11/2011	Heptares Therapeutics	Takeda Pharmaceutical	Central nervous system disorders	7	99	107
1/28/2011	ALK-Abello	Torii Pharmaceutical	Allergic Asthma, allergies	41	41	82
5/11/2011	BioAlliance Pharma	Sosei	Oropharyngeal candidiasis	3	19	22
TOTAL				140	786	1,214

**Estimate deal value, Source: Medtrack, Thomson One*

1Q10-2Q11 Eurocentric M&A and Partnering Transactions with Terms: Europe – North America (Part 1 of 2)

7 M&A North American Transactions with European Buyers: \$30.1B

<i>USD in Millions</i>						
Date	Target	Headquarters	European Buyer	Headquarters	Total	
4/8/2011	Genzyme	US	Sanofi	France	23,900	
6/3/2011	Talecris Biotherapeutics	US	Grifols	Spain	3,400	
6/28/2011	Advanced BioHealing	US	Shire	UK	750	
2/3/2010	Corthera	US	Novartis	Switzerland	620	
7/30/2010	TargeGen	US	Sanofi	France	560	
2/24/2011	BMP Sunstone	US	Sanofi	France	521	
10/4/2010	Alaven Pharmaceutical	US	Meda	Sweden	350	

15 Corporate Partnering Transactions from North America with European Innovators: \$2.3B

<i>USD in Millions</i>						
Date	Innovator/Source	Partner	Area of Interest	Upfront	Milestone	Total
6/21/2011	Biotest	Abbott Laboratories	Rheumatoid arthritis, Psoriasis	85	395	480
5/4/2011	Molecular Partners	Allergan	Wet AMD, diabetic Macular Edema	45	375	420
2/2/2010	Topotarget	Spectrum Pharmaceuticals	Peripheral T-cell lymphoma	30	320	350
1/26/2010	Novartis	Prometheus Laboratories	Metastatic melanoma, metastatic kidney cancer	185	123	308
4/7/2011	Meda	Valeant	Atopic dermatitis, herpes simplex virus infection	76	NA	206
3/3/2010	NicOx	Bausch & Lomb	Glaucoma and ocular hypertension	10	170	180

Source: Medtrack, Thomson One

1Q10-2Q11 Eurocentric M&A and Partnering Transactions with Terms: Europe – North America (Part 2 of 2)

15 Corporate Partnering Transactions from North America with European Innovators: \$2.3B

<i>USD in Millions</i>	<i>European</i>					
Date	Innovator/Source	Partner	Area of Interest	Upfront	Milestone	Total
5/2/2011	WILEX	Prometheus Laboratories	Non-metastatic clear cell renal cell carcinoma	19	NA	145
3/12/2010	Ipsen	Rhythm Pharmaceuticals	Gastrointestinal disorders, obesity	NA	80	80
2/1/2010	Laboratoires Pierre Fabre	Abbott Laboratories	Cancer monoclonal antibodies	25	NA	25
9/13/2010	Pharming Group	Santarus	Hereditary angioedema, transplant rejection	15	5	20
12/16/2010	PregLem	Watson Laboratories	Uterine fibroids	NA	NA	17
3/14/2011	Chroma Therapeutics	Cell Therapeutics	Blood related cancers, solid tumors	5	5	10
8/10/2010	NsGene	Biogen Idec	Neuropathic pain	6	NA	8
4/23/2010	Helion Biotech	Omeros Corporation	Antibodies, inflammation	1	7	8
4/19/2011	MediGene	Triton Pharma	Genital Warts	NA	3	3
TOTAL				502	1,483	2,259

Source: Medtrack, Thomson One

Largest Pharma/Biotech M&A Transactions in 1H11

- Deal activity was strong, both in the US and in Europe, during 1H11, 18 US pharma & biotech companies were sold for \$31.8B, and Europe showed record numbers with 14 companies sold for \$19.9B. Since a low point in 2H08, transaction volumes and number of deals have shown outstanding recovery
- Upfront deal values for North American and European biopharma trade sales reached \$51.6B in 1H11 compared with \$67.0B for 2010
 - At least 18 companies (eight of which were private) sold for an upfront consideration of at least \$200.0M. 2H06 was the last period to see this many deals of this size
- The largest M&A transaction for a public company during 1H11 was the acquisition of Genzyme by Sanofi for \$20.1B upfront
- The sale, also in 1H11, of private-equity backed Swiss pharma company Nycomed to Takeda (for an enterprise value of \$13.7B) marked the largest M&A transaction since 2005 for a private biopharma

<i>USD in Millions</i>		Private/	VC/PE				
Target	Headquarters	Public	Backed	Buyer	Headquarters	Upfront	Total
Genzyme	US	Public		Sanofi	France	20,100	23,900
Nycomed	Switzerland	Private	PE	Takeda	Japan	13,680	13,680
Talecris Biotherapeutics	US	Public		Grifols	Spain	3,400	3,400
Cruceel	Netherlands	Public		J&J	US	2,300	2,300
Advanced BioHealing	US	Private	VC	Shire	UK	750	750
Eurand	Netherlands	Public		Axcan	Canada	587	587
Specifar	Greece	Private		Watson	US	562	562
Pharmaswiss	Switzerland	Private	PE	Valeant	Canada	478	518
Prostrakan	UK	Public		Kyowa Hakko Kirin	Japan	475	475
Antula	Sweden	Private		Meda	Sweden	281	281

Source: HBM Pharma/Biotech M&A Survey 2005 – 1H11