

Abbott to sell branded generics business to Mylan

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Singapore: Global pharmaceutical firm Abbott is planning to sell its developed markets branded generics pharmaceuticals business to Mylan in approximately \$5.3 billion.

Abbott will retain its branded generics pharmaceuticals business and products in emerging markets. Under the terms of the agreement, Abbott will sell its developed markets branded generics pharmaceuticals business to Mylan for 105 million shares or approximately 21 percent, on a fully diluted basis, of a newly formed entity that will combine Mylan's existing business and Abbott's developed markets pharmaceuticals business, and will be a publicly traded company.

"This transaction provides Abbott with additional strategic flexibility as we continue to actively manage and shape our portfolio, reflecting our commitment to long-term, durable growth," said Mr Miles D White, chairman and chief executive officer, Abbott. "Our branded generics pharmaceuticals business will focus on emerging markets, where demographic changes and increasing access to healthcare are expected to drive sustainable growth."

Following the closing of the transaction, Abbott's branded generics pharmaceuticals business will focus in emerging geographies where demographics and growing healthcare systems are combining to create an increased rate of patient access to healthcare and where the majority of healthcare products are paid for by the consumer. The branded generics business that will remain with Abbott generated 2013 sales of \$2.9 billion and is expected to have a sales growth rate in the upper-single to double digits.