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Teva increases offering and pricing size to $2.1 B

November 21, 2019 | News

Teva will provide notice of partial redemption of the 0.375% Senior Notes due 2020 to the holders of such notes called for redemption

Israeli company Teva Pharmaceutical Industries Limited (“Teva”) announced that it successfully upsized and priced approximately $2.1 billion (equivalent) of its senior notes (the “Notes”). The principal amount of the offering was increased from the previously announced offering size of $1.5 billion (equivalent).

Teva expects to use the net proceeds from the offerings, together with cash on hand, to (i) fund the announced tender offer to purchase, for cash, its 2.200% Senior Notes due 2021, its 3.650% Senior Notes due 2021 and its 3.650% Senior Notes due 2021 (the “Tendered Notes”) for a maximum combined aggregate purchase price (exclusive of accrued and unpaid interest but inclusive of tender premium) of up to $1.5 billion, (ii) to partially redeem €650,000,000 of the currently outstanding €1,660,154,000 aggregate principal amount of its 0.375% Senior Notes due 2020, (iii) to pay fees and expenses in connection therewith and (iv) to the extent of any remaining proceeds, for general corporate purposes, which may include the repayment of outstanding debt.

“We are very pleased with the outcome of this transaction. The solid demand we got from both the U.S. and European markets clearly demonstrates the confidence our investors have in Teva’s strategy and financial prospects. With this transaction and the tender offer and bond redemption, we have aligned our maturity profile for the coming years with our core operational performance, as we continue to focus on delivering our business objectives and long term goals,” said Kåre Schultz, Teva’s President and Chief Executive Officer.

The Notes consist of (i) $1.0 billion aggregate principal amount of 7.125% USD-denominated senior notes maturing in 2025 and (ii) €1.0 billion aggregate principal amount of 6.000% EUR-denominated senior notes maturing in 2025, and will be issued by special purpose finance subsidiaries of Teva (the “Issuers”).

The Notes will be sold at a price of 100% of the principal amount thereof. The Issuers and Teva expect to enter into registration rights agreements with respect to the Notes. The settlement of the Notes is expected to occur on or about November 25, 2019, subject to customary closing conditions.

Teva will provide notice of partial redemption of the 0.375% Senior Notes due 2020 to the holders of such notes called for redemption. Redemption of these notes is expected to be completed during the fourth quarter of 2019.

The Notes will be unsecured senior obligations of the Issuers and will be unconditionally guaranteed on a senior basis by Teva. The Notes were offered and sold (i) in the U.S. to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and (ii) to non-U.S. persons in offshore transactions outside the U.S. pursuant to Regulation S under the Securities Act.

The Notes and the related guarantees have not been registered under the Securities Act or the laws of any state and may not be offered or sold in the U.S. or to, or for the benefit of, any U.S. persons absent registration under or an applicable exemption from the registration requirements under the Securities Act and applicable state securities laws.