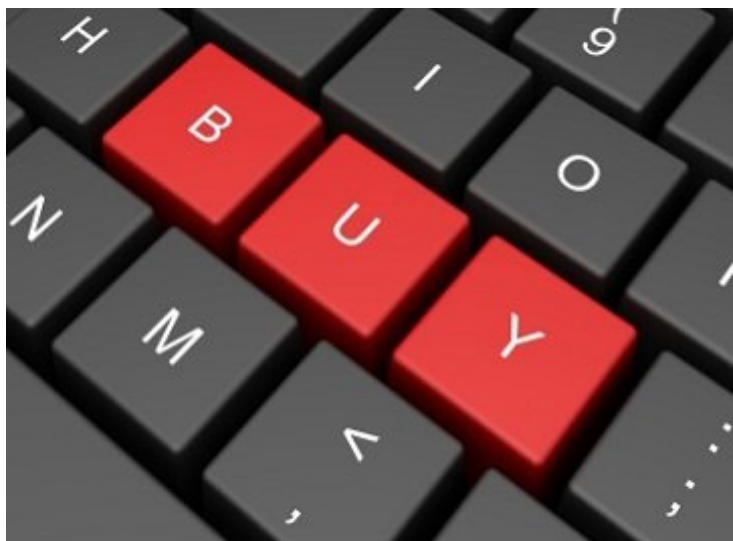


Japan's Meiji Seika Pharma buys Medreich

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Singapore: Japan's Meiji Seika Pharma is set to acquire Bangalore-based generic drug maker Medreich for \$290 million. The nine-decade-old company has acquired a 75 percent stake held by Medreich's three promoters and the rest 25 percent from private equity investor Temasek. Medreich will become a subsidiary of Meiji Seika Pharma but retain its name.

Medreich has six manufacturing facilities, built to comply with standards stipulated by International Regulatory bodies. The facilities has been validated through successful inspections by various regulatory bodies, resulting in cGMP accreditations by the same.

Medreich is a contract manufacturing and development company that sells generic drugs focused on Europe, Asia, Australia and New Zealand, and Africa. Major pharmaceutical companies like GlaxoSmithKline, Adcock Ingram, Pfizer, Sanofi, Novartis and Mylan are major customers of Medreich. It is involved in the manufacturing and marketing of a range of pharmaceutical products in various dosage forms, catering to diverse therapeutic categories including anti-infectives, multivitamins, analgesics and anti-histamines.

In order to achieve sustained growth of pharmaceuticals business, Meiji Seika is striving to further grow its generic drugs market and actively expand its international business with a focus on Asia and other emerging markets.

According to Meiji's spokesperson, generic drugs market is rapidly expanding due to the government policy of reducing medical expenditures. In Asia and other emerging countries, the demand for affordable pharmaceutical products is expected to remain strong. Therefore, there is a need to expand cost-competitive production capacity to meet such increase in demand. Furthermore, as outsourcing for cost reduction is increasing in the pharma industry, sustainable growth of the contract manufacturing business is expected globally.