

MEDA Acquires Alaven Pharmaceutical LLC, A US Specialty Pharma Company For 350M USD

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STOCKHOLM--(BUSINESS WIRE)--Meda has signed an agreement to acquire the US specialty pharmaceutical company Alaven. The acquisition will significantly enhance Meda's marketing capabilities in the US and expand the therapeutic focus to include both gastroenterology and women's health; areas that Meda already operates in outside of the US.

In addition, Alaven has a strategic OTC platform that accounts for approximately 25% of sales. The OTC business will further diversify Meda's revenue base in the US, as well as serve as a platform for commercializing strategic pipeline opportunities.

Since its founding, Alaven has demonstrated steady increases in sales by combining acquisition of strategic assets, organic growth on current products and efficient line extensions. Annual sales are approximately 800 MSEK with EBITDA margins that are similar to Meda's. Alaven has approximately 180 employees, of which 150 are dedicated to marketing and sales. All manufacturing is outsourced to third parties.

Alaven's diversified product portfolio consists of several well known brands. The largest product, Proctofoam (rectal inflammation), has an annual turnover of about 25 MUSD. Other significant products include Cortifoam (ulcerative proctitis), Epifoam (primarily indicated for pain from episiotomy), Levsin (antispasmodic agent, adjunctive therapy in treatment of peptic ulcers), Rowasa (distal ulcerative colitis), TriLyte (colonoscopy preparation) and the Prefera brand of prenatal vitamins. In addition, Alaven has several development opportunities which are expected to launch over the next three years.

"Alaven's products and business model are very similar to Meda's and we look forward to integrating their proven capabilities. The acquisition of Alaven enables our operations in the US to become stronger and more profitable by taking advantage of cost and marketing synergies. It is not easy to find US specialty pharma companies of this caliber, therefore we are very pleased," said Meda CEO Anders Lönner.

Meda will pay 350 MUSD on a cash and debt free basis. Net debt is estimated to 63 MUSD. The acquisition of Alaven is expected to be accretive to Meda's earnings per share already during 2011. The transaction is fully financed by Meda's existing credit facilities. Closing of the transaction is subject to

standard closing requirements and antitrust clearance from the US Federal Trade Commission. The acquisition of Alaven is expected to be completed by early October.

MEDA AB (publ) is a leading international specialty pharma company. Meda's products are sold in 120 countries worldwide and the company is represented by its own organizations in 50 countries. The Meda share is listed under Large Cap on the Nasdaq OMX Nordic Stock Exchange in Stockholm. Find out more, visit www.meda.se.

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