

Israeli generic drug giant Teva to buy Cephalon

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Teva Pharmaceutical Industries, the world's largest generic drug maker, will buy US biopharma firm Cephalon in a \$6.8 billion deal, the companies said in a joint statement Monday.

Teva, headquartered in [Israel](#), said the acquisition would help to expand and diversify its products, including into new areas such as [pain management](#).

The friendly takeover comes after Cephalon last month rejected a hostile \$5.7 billion bid from Canadian firm Valeant.

Teva offered \$81.50 in cash for all of Cephalon's shares outstanding, representing a 39 percent premium on Cephalon's share value at the end of March, before Valeant launched its [takeover bid](#).

The Teva offer values Cephalon at \$6.8 billion, including debt.

Both companies' board of directors unanimously agreed to the deal.

Teva said the acquisition was not conditioned on obtaining financing and was expected to be completed in the third quarter of 2011.

"The transaction reinforces Teva's long-term strategy of building out its branded and specialty pharmaceuticals business through diversification and expansion of the company's product portfolio and pipeline," the Israeli group said.

The combined company will become "a leader in specialty pharma" and will have a "sizable" branded portfolio that represents about \$7 billion in sales, it said.

Founded in 1987, Cephalon had \$2.8 billion in revenue in 2010. The company employs 4,000 people worldwide and specializes in cancer and pain treatments.

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