

Mylan rebuffs Teva again; calls bid low, insincere

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Generic drug company Mylan rejected for the second time Monday a \$40.1 billion takeover offer from Israeli pharmaceutical power Teva, just days after Mylan's own bid for rival Perrigo was rebuffed.

Mylan's board said Teva's unsolicited offer "grossly undervalues" the company and does not fit its own business strategy.

The Teva proposal first announced on April 21 and reiterated Friday "would require Mylan's shareholders to accept what we believe are low-quality Teva shares in exchange for their high-quality Mylan shares, in a transaction that lacks industrial logic and carries significant global antitrust risk," the board said.

It also raised doubts about Teva management, saying its leadership team has "a poor record of delivering sustainable shareholder value."

"We believe that this is only a mere attempt by Teva to frustrate and distract Mylan from its business plan and strategy," the Mylan board said.

Mylan itself was criticized by smaller generic and over-the-counter drug maker Perrigo on Friday for its hostile \$32.6 billion cash-and-shares offer.

Perrigo's board encouraged shareholders to reject the revised offer as much too low and continued to reject overtures from Mylan to enter

talks.

A Teva-Mylan deal would form a \$28 billion company that Teva said could generate \$2 billion in annual savings, while expanding its specialty pharmaceutical business.

But Mylan says it believes antitrust regulators would block or stall the deal, disadvantaging shareholders.

A Mylan-Perrigo tie-up would create a company with more than \$15 billion in annual sales and generate \$800 million in annual savings from operational synergies, according to Mylan.

Mylan shares fell 3.7 percent in opening trade and Teva lost 2.0 percent while Perrigo gained 0.8 percent.

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