Medical Xpress

Perrigo takes 3Q loss, says it won't take Mylan's $29B bid

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Irish drug and over-the-counter ingredients maker Perrigo Co. said Tuesday it took a loss in its fiscal third quarter as it prepared to buy a Belgian competitor.

The company also rejected a $29 billion buyout offer from Dutch generics maker Mylan.

Perrigo's fiscal third quarter ended on March 28, and the company closed its $4.48 billion purchase of Omega Pharma on March 30. Perrigo said that deal made it one of the largest OTC product companies in Europe and in the world.

Mylan NV offered to buy Perrigo for $205 per share, or $28.86 billion in cash and stock, on April 8. Perrigo said Tuesday that that offer is too low because it doesn't account for some of the benefits of the Omega deal and for Perrigo's product pipeline.

Separately, Israeli generics maker Teva Pharmaceutical Industries Ltd. made its own bid for Mylan. That offer values Mylan at $82 per share, or $40.1 billion. Teva's offer is contingent on Mylan not completing the purchase of Perrigo.

Perrigo said Tuesday it lost $94.9 million, or 67 cents per share, in the fiscal third quarter. However the company said it turned a profit of $1.85 per share if charges related to debt and equity issuances connected to the Omega deal are excluded. Perrigo's revenue grew 4 percent to

$1.05 billion.

Analysts expected net income of $1.80 per share on $1.05 billion in revenue, according to Zacks Investment Research.

Perrigo shares fell 2.7 percent to $192.82 Tuesday before the earnings report and were up 78 cents to $193.60 in extended trading. The stock is up 17 percent since April 7, the day before Mylan went public with its offer.