

Endo to buy Par Pharmaceutical for \$8.05 bn

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Endo International will buy Par Pharmaceutical Holdings in a \$8.05 billion deal that will strengthen Endo's generic drugs business, the companies said Monday.

Two months after losing its bid to buy Salix to Canadian rival Valeant, Endo will pay \$6.50 billion in cash and 18 million Endo shares valued at \$1.55 billion to private equity firm TPG Capital for Par, and assume the US company's debt.

Endo said the acquisition adds a portfolio of nearly 100 products and a pipeline of more than 200 new drug applications.

"This transaction with Par builds upon our generics growth, adding a strong portfolio of high barrier-to-entry and attractive gross margin products while also transforming Endo, creating a powerful corporate platform for future growth and strategic M&A," said Rajiv De Silva, Endo president and chief executive, in a statement.

The combined company was expected to generate \$175 million in savings within 12 months after the transaction is completed and help to drive long-term double-digit revenue growth.

Par CEO Paul Campanelli will join Endo as the head of the company's generics business, which will rank among the top five as measured by US sales.

The boards of directors of both companies had approved the transaction

and no further shareholder approvals were needed. The deal is expected to close in the second half of 2015, subject to regulatory approval.

Endo is based in Dublin, Ireland. Its US headquarters are in Malvern, Pennsylvania, where it develops and produces branded products, such as painkillers Percocet and Percodan. Par is based in Chestnut Ridge, New York.

The merger comes amid a wave of consolidation in the global pharmaceutical sector.

In March, Valeant outbid Dublin-based Endo for Salix, a US developer of treatments for gastrointestinal diseases, in a \$15.8 billion deal.

Shares in Endo plummeted 2.9 percent to \$82.84 in opening trade.

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