

Botox maker Allergan adds 'double-chin' drug with \$2.1B deal

June 17 2015

Botox maker Allergan Plc. is buying Kythera Biopharmaceuticals for about \$2.1 billion, adding a drug that destroys fat cells and eliminates the cosmetic condition referred to as "double chin".

The Dublin drugmaker will pay \$75 per share in a cash-and-stock deal for Kythera, based in Westlake Village, California. The deal marks a 25.5 percent premium over Kythera's closing stock price Tuesday.

Kythera Biopharmaceuticals Inc. is preparing to launch its double chin treatment Kybella in the U.S., and the company is seeking approval in foreign markets as well. It treats fat located below the chin by destroying fat cells.

The treatments take about 20 minutes and patients experience visible results in two to four treatments, according to Kythera. The company has said that it expects annual revenue from the drug to top \$500 million.

Kybella would fit comfortably in Allergan's line of cosmetic injections. Botox is used cosmetically to prevent wrinkles, as is Juvederm. Latisse promotes eyelash growth.

Kythera's pipeline of experimental products includes setipiprant, aimed at preventing male pattern baldness.

Allergan was bought by Actavis for about \$70.5 billion earlier this year. After completing the buyout, it opted to name the new combined

company Allergan.

Kythera shares rose \$13.42, or 22 percent, to \$74.14 in morning trading Wednesday. Its shares have doubled over the past year.

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Citation: Botox maker Allergan adds 'double-chin' drug with \$2.1B deal (2015, June 17)
retrieved 27 April 2024 from
<https://medicalxpress.com/news/2015-06-botox-maker-allergan-double-chin-drug.html>

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