

Perrigo to acquire a portfolio of OTC brands from GSK

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Perrigo has announced that it has entered into an agreement to acquire a portfolio of well-established over-the-counter (OTC) brands from GlaxoSmithKline Consumer Healthcare (GSK). This is in connection with GSK's commitments to the European Commission and other regulators to divest these businesses in the context of the formation of a consumer health joint venture between GSK and Novartis International.

Perrigo will acquire the GSK's NiQuitin nicotine replacement therapy (NRT) business, primarily in the European Economic Area (EEA) and Brazil, and Novartis's legacy Australian NRT business, including the Nicotinell brand; Several assorted OTC brands including Coldrex (cold and flu treatment) across the EEA, and Panodil (pain relief), Nezeril (nasal decongestant), and Nasin (nasal decongestant) in Sweden; and Novartis's legacy cold sore management products primarily in the EEA, marketed under the brand names Vectavir, Pencivir, Fenivir, Fenlips and Vectatone. The company will acquire these in an all-cash transaction in which the purchase price was not disclosed.

"This acquisition demonstrates Perrigo's ability to execute on our 'Base Plus Plus Plus' strategy, in which we make selective, accretive transactions to expand our durable base business. We are building on the global platform we established with the Omega Pharma acquisition to capture an even greater share of the \$30 billion European OTC market opportunity with several well-established, complementary brands that bolster our OTC product portfolio. We are committed to making investments in these brands to grow their market positions in key geographies, by following Omega Pharma's proven approach to brand building," said Mr Joseph C Papa, chairman, president and CEO, Perrigo.

He added, "Perrigo is uniquely positioned to maximize the potential of these brands by leveraging Omega Pharma's leading European commercial infrastructure, pan-European distribution network, strong brand-building capabilities, and exceptional management team. This announcement comes on the heels of our recent acquisition of European OTC dermatological product, Vitasil, which recently closed. With our global platform in place and our robust balance sheet, we are ideally positioned to execute immediately accretive deals, such as this one, that will have a multiplier effect on our growth."

The acquisition is expected to be immediately accretive to Perrigo's calendar 2015 adjusted earnings per share, excluding estimated intangible amortization and transaction-related costs. The transaction has been unanimously approved by the Boards of Directors of Perrigo and GSK, and is expected to close in the third quarter of 2015, pending approval by the European Commission, the Australian Competition and Consumer Commission, and Brazil's Council for Economic Defense, as well as the satisfaction of customary closing conditions.