

ASIAN HEALTH NEWSLETTER

JUNE 2009, ISSUE 59

A Quarterly newsletter of developments in the health industries

We hope that you find the Asian Health Newsletter informative.

Business Development Asia (“BDA”) is an investment banking firm specializing in executing cross-border transactions involving Asia, including acquisitions, divestments, JVs, capital raising and restructuring. We have offices and professional staff throughout Asia, the Middle East, Europe, and the US. If you would like to learn more about how BDA is positioned to help your business

grow through acquisitions, or to achieve maximum value in a divestment or fund raising exercise, please contact us at any one of our offices.

Paul DiGiacomo, Managing Director
pdigiacomobd@bdallc.com

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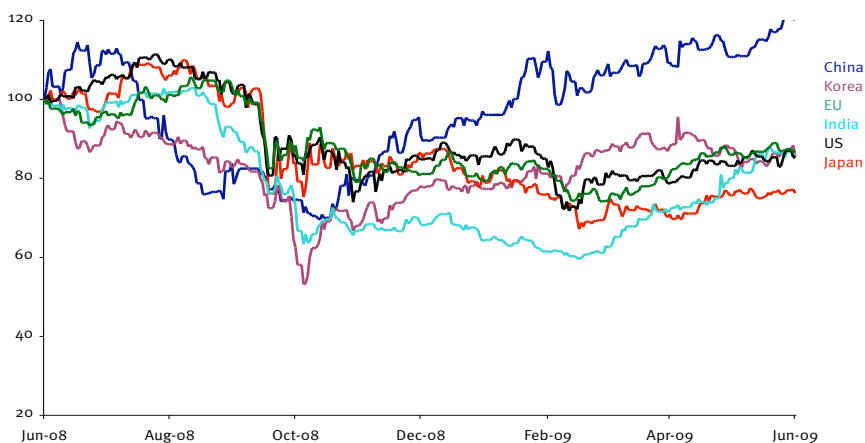
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Australia

Polartech Ltd (“Polartech”), an Australian-listed manufacturer of cancer products, is acquiring **Fermiscan Holdings Ltd** (“Fermiscan”) from **Rellcain Pty Ltd** and other shareholders for US\$22m. Polartech will offer three of its ordinary shares for every two Fermiscan ordinary shares. The merged group will change its name to **Novus Diagnostics Ltd** and focus on women’s health diagnostic services. *April 17, 2009*

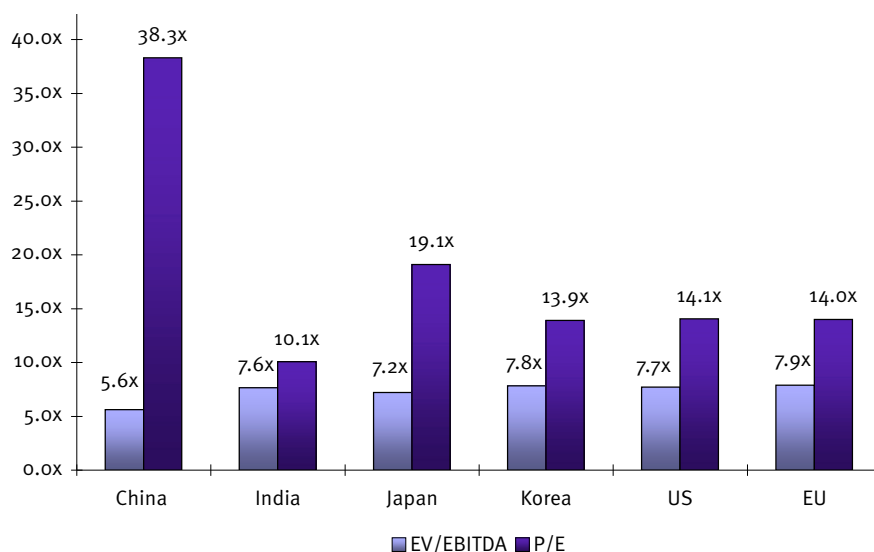
Thermo Fisher Scientific, a NYSE-listed manufacturer of analytical instruments, lab equipment and industrial equipment, has entered into an agreement to acquire **Biolab Ltd**, Australasia’s largest provider of scientific instruments and consumables, from **Alesco Corp Ltd** for US\$144m. *April 27, 2009*

Healthcare Stock Indices in Selected Countries (12 months ending 23Jun09)



Source: Bloomberg, BDA

Healthcare Trading Multiples for Selected Countries (23Jun09)



Source: Bloomberg, BDA

China

Beijing SL Pharmaceutical Co, a Shenzhen-listed company, has signed a share transfer agreement to acquire 45% of **Beijing Purenhong Pharmaceutical Co** from **Hainan Sihuan Pharmaceutical Co**, a Chinese cardiocerebral vascular drug player, for US\$15m. *March 24, 2009*

Bio-Bridge Science, a US and Chinese vaccine development company, has signed a JV agreement with **JR Scientific Inc**, a California maker of classical and custom cell culture medium and sera products. The JV will produce cell culture medium in a Beijing facility. The new JV will be capitalized with US\$1.5m. Bio-Bridge Science will contribute US\$746,000 for a 51% share of the JV; JRS will provide technology in return for

a 15% stake; and other investors will add the remaining capital. *June 11, 2009*

China Pharmaceutical Group Ltd (“China Pharmaceutical”), a Chinese manufacturer of intermediaries and bulk drugs, has entered into an agreement to acquire **Hebei Hong Yuan Chemical Co** from **CSPC Pharmaceutical Group Ltd** for US\$16m. Hebei Hong Yuan Chemical manufactures chemical products, including parahydroxyphenylglycine dane salt and phenylglycine dane salt. China Pharmaceutical will sell **Shijiazhuang Pharma Group NBP Pharmaceutical Co** to CSPC Pharmaceutical Group Ltd as part of the transaction. Shijiazhuang Pharma is a maker of NBP soft capsules. *May 29, 2009*

Chongqing Yaoyou Pharmaceutical Co, a generic manufacturer of antibiotics and

cancer medication, has entered into an agreement to acquire **Chongqing Carelife Pharmaceutical Co**, a leading Active Pharmaceutical Ingredients (“API”) manufacturer in China, from **Shanghai Fosun Pharmaceutical (Group) Co** for US\$17m. *June 11, 2009*

Commonwealth Biotechnologies Inc, a US pharmaceutical and biotechnology company, has agreed to acquire privately-owned **GL Biochem Ltd.**, a Shanghai-based manufacturer of peptide products and reagents, in a reverse takeover transaction. In an all-stock deal, CBI will issue 6.56 million shares to owners of GL Biochem, which will give them a 51% ownership of CBI. *June 14, 2009*

BioPharm Asia Inc has opened 360 new drugstores in Jilin and Liaoning Provinces, through its subsidiary **Tonghua Shengtang Medical & Pharmacy Company Limited**. A majority of the 360 chain drugstores are strategically located in the following areas: Tonghua, Jilin, Changchun, Siping and Yanji in Jilin Province, as well as Dalian in Liaoning Province. *June 12, 2009*

GlaxoSmithKline (“GSK”) has formed a vaccine JV with **Shenzhen Neptunus Interlong Bio-Technique Co Ltd**, a Chinese company specializing in gene engineering drugs and preventive biological products. The JV will produce flu vaccines for the China market. *June 9, 2009*

HD Global Ltd, a wholly-owned subsidiary of **Mingyuan Medicare Development Co**, which offers medical diagnostic and detection products and related

services, is acquiring the remaining 95% shareholding that it does not own in **Genetel Pharmaceuticals (Shenzhen) Co** for US\$30m. *April 16, 2009*

NeoStem Inc, a US-based provider which is pioneering the pre-disease collection, processing and long-term storage of adult stem cells for future medical needs, announced that it has signed an exclusive 10-year agreement with **Enhance BioMedical Holdings Limited**, a Shanghai corporation, to develop a Stem Cell Collection and Treatment Network using NeoStem's proprietary adult stem cell technologies in Shanghai and Taiwan as well as the Chinese provinces of Jiangsu, Zhejiang, Fujian, Anhui and Jiangxi. *June 15, 2009*

Real estate developer, **Shanghai Kaidi Enterprise Group Co**, has agreed to acquire **Wuhan National Pharmaceutical Technology Company Ltd**, a producer of biological and medical products, from **Wuhan New Generation Science and Technology Co** and other equity holders in a reverse merger transaction. Wuhan National will issue 600 million new shares valued at US\$450m as part of the transaction. *May 13, 2009*

Shenzhen Neptunus Interlong Bio-Technique Co, a Chinese company specializing in gene engineering drugs and preventive biological products, has submitted a letter of intent to acquire 80% of **Fuzhou Neptunus Fuyao Pharmaceutical Co**, an injections and tablets manufacturer and wholesaler, from **Shenzhen Neptunus Bioengineering Co** and **Shenzhen Neptunus Pharmaceutical**

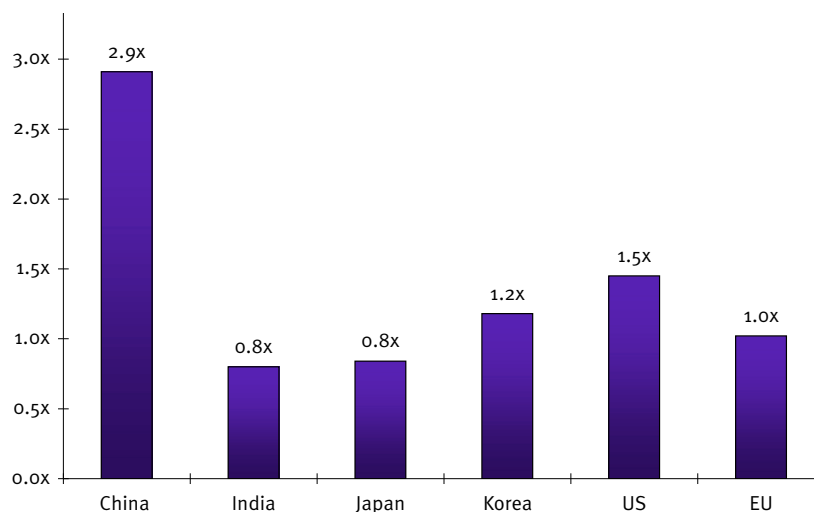
Company Ltd. *March 30, 2009*

Sincere Pharmaceutical Group, a NYSE-listed manufacturer and supplier of branded generics, is acquiring 37.5% of **Jiangsu Yanshen Biological Technology StockCo** ("Jiangsu Yanshen"), a developer and manufacturer of vaccines, from existing shareholders for US\$29m. Jiangsu Yanshen's products include influenza and rabies vaccines. *May 26, 2009*

Sincere Pharmaceutical Group has also bid US\$21m to acquire 35.1% of Shanghai-based **Celgen Bio-Pharmaceutical Co**, which specialises in R&D for therapeutic antibodies and possesses an antibody manufacturing facility in Shanghai. *May 26, 2009*

Tongjitang Chinese Medicines Co, a NYSE-listed manufacturer of modernized

Healthcare Trading P/R Multiples for Selected Countries (23Jun09)



Source: Bloomberg, BDA

traditional Chinese medicine for the Chinese market, has acquired **Anhui Jingfang Pharmaceutical Co**, a manufacturer of Western and Chinese traditional medicines, for US\$10m. *April 2, 2009*

India

ICICI Venture Funds Management, an Indian private equity fund, has sold Indian pharmaceutical company **RFCL Ltd.**'s animal healthcare division **Vetnex Animal Health** to **Pfizer Animal Health**. All of RFCL Ltd.'s shareholders, including ICICI Ventures which holds the majority stake, have sold their shares in Vetnex in a transaction estimated to be US\$80m in value. *June 8, 2009*

GSK, the listed British drug maker, is

reportedly in discussions with **Merieux Alliance**, a French company specializing in in vitro diagnostics, to acquire Merieux's majority stake in **Shantha Biotech** ("Shanta"), an Indian biotech company. Shanta is focused on generic biologicals, novel therapeutic antibodies, proteins and vaccines. *May 29, 2009*

Lupin Ltd, a BSE-listed company that focuses on non-steroidal anti-inflammatory drugs, bacterial infections and cardiovascular, has acquired 51% of **Multicare Pharmaceuticals Philippines Inc**, a Philippines-based premium branded generics company, from the founder **Romeo Sy**. Financial terms of the transaction were not disclosed. The transaction reflects an expansion by Lupin, which had revenues of US\$700m in 2008, into the ASEAN region. *March 26, 2009*

Mylan Inc, a NASDAQ-listed manufacturer of generic and branded pharma products, has agreed to acquire the remaining 28.8% stake it does not own in the BSE-listed **Matrix Laboratories Ltd** ("Matrix") for US\$133m. Mylan previously purchased a controlling stake in Matrix for US\$736m. Matrix manufactures APIs and solid oral dosage forms. *March 26, 2009*

Novartis AG has made a tender offer to acquire an additional 39% stake in **Novartis India Ltd** for US\$118m. Novartis had initially proposed to acquire 12.5 million shares at Rup351 (US\$7.4) per share. Subsequent to this offer, Novartis has recently revised its bid to Rup450 per share (US\$9.5). The bid would see the

parent company's stake increase from 51% to 90%. *May 28, 2009*

Pfizer Inc has made a tender offer to acquire an additional 33.8% stake in **Pfizer India Ltd**, a Mumbai-based manufacturer of pharmaceuticals, for US\$137m. The transaction would increase the parent company's stake to 75%. *April 12, 2009*

Wockhardt Ltd, an Indian pharma and biotechnology company, is reportedly in discussions with **Eli Lilly, Roche, Sandoz, Pfizer** and **Sanofi-Aventis**, over the possible sale of a 50% stake in its biosimilar business, or a partnership which could bring further product development and new market access. Pfizer is in an advanced stage of talks with Wockhardt Ltd, which is undergoing debt restructuring, to acquire part of the business of the embattled Indian pharmaceutical firm, according to three people familiar with the development. In a potentially complex transaction, Wockhardt will likely spin off the for-sale units, which include its biotechnology and veterinary divisions, into separate companies before the transaction, said an executive in the healthcare sector. *June 15, 2009*

Indonesia

PT Kalbe Farma Tbk, an Indonesian pharmaceutical firm, plans to hold a tender offer for 31.8% percent of the shares in its trading unit **PT Enseval Putera Megatrading Tbk**. It had set a tender offer price US\$0.84 per share for 725,239,000 shares in Enseval,

representing an 11.5% premium from the previous day's closing price of US\$0.75. *June 19, 2009*

Japan

Asahi Kasei Corp, a diversified Japanese group with interests in chemicals and material sciences, has acquired 60% of **Evaheart Medical USA Inc**, formerly a wholly owned subsidiary of Sun Medical, for US\$7.5m, transforming **Evaheart Medical USA Inc** into a JV, with Sun Medical Technology Research holding the remaining 40% stake in Evaheart Medical. *April 1, 2009*

Olympus Corp, a TSE-listed manufacturer of precision machineries and instruments, has signed an agreement to acquire **Iwaken Co**, a Tokyo-based wholesaler and repairer of medical equipment, from **Kiyohara Iwasaki, Kiyotaka Iwasaki, Yuko Hattori, Seisei Medical Co, Yoshinobu Hattori** and other shareholders for US\$48m in stock. *April 10, 2009*

A consortium of investors comprising **Veron International Ltd, Japan Asia Investment Co**, and **ITX International Equity Corp** has sold its stake in **Chestnut Medical Technologies Inc** to **ev3 Inc**, a medical device company. Chestnut Medical Technologies is a developer of minimally invasive therapies for interventional neuroradiology. Both ev3 and Chestnut Medical Technologies are based in the US. ev3 has acquired 100% of Chestnut

Medical Technologies for US\$75m. *June 25, 2009*

Sanofi-Aventis, the global pharma company that specializes in therapeutic solutions, has signed a licensing agreement to acquire for US\$315m the rights to the anti-light antibodies from **Kyowa Hakko Kirin Co**, a Japanese pharma company focused on biotechnology and listed on the TSE. Sanofi-Aventis will have development rights worldwide except for Japan and Asia where the two parties have agreed to jointly develop the product. Kyowa Hakko Kirin will reserve the right to market the products in Asia while Sanofi-Aventis will hold the right to market and sell for the rest of the world. *May 14, 2009*

Sciele Pharma Inc, a US-based pharma company that focuses on branded prescription products and which is owned by Japan's **Shionogi**, has agreed to acquire **Victory Pharma Inc**, a privately-held US-based pharma company focused on the acquisition, development and marketing of pain treatment products, for US\$150m. *May 18, 2009*

Taiyo Yakuin Co, a Japanese pharma manufacturer, has signed an agreement to acquire **Schering-Plough's Kasukabe Plant**, for an undisclosed consideration. *April 14, 2009.*

Takeda, a Japanese drugmaker, and US based **IDM Pharma, Inc** today announced that **Takeda America Holdings Inc**, a wholly-owned subsidiary of **Takeda America**, and **IDM Pharma** have entered into an agreement for Takeda America

to acquire **IDM Pharma**. Under the agreement, Takeda America will purchase all of **IDM Pharma's** outstanding shares for US\$2.64 per share in an all cash tender offer followed by a merger. The total value of the transaction is reported to be US\$75m. *May 18, 2009*

Korea

Echo Therapeutics Inc, a US-based medical device and specialty pharmaceutical company, has signed a license agreement with **Handok Pharmaceuticals Co** ("Handok"), the largest Korean diabetes care-focused pharmaceutical company, under which Echo granted Handok rights to develop, market, sell and distribute Echo's *Symphony*(TM) tCGM System ("Symphony") for painless, needle-free, transdermal, continuous glucose monitoring ("tCGM") in medical facilities and by diabetics in Korea. *June 17, 2009*

Sanofi-Aventis, a French multinational pharmaceutical company, will invest US\$55m in Korea's pharmaceutical R&D field over the next five years. The fourth-largest global pharmaceutical company has signed an MOU with Korea's Health Ministry to invest in the country's biotechnology industry by supporting clinical tests that seek to develop new drugs. *June 26, 2009*

Kuwait

Medsol laboratories, a unit of

Gulf Healthcare International that provides pathology testing services via independent and hospital laboratories across the Middle East and Africa, has announced significant regional expansion with the acquisition of new laboratories in UAE and Kuwait, just five months after the company's launch. In the UAE, Medsol has acquired the **Al Khaleej Lab** (Al Ain), **Lab Tech** (Sharjah), **Mediplus** (Sharjah) and **Al Abbar laboratories** (Dubai). In Kuwait, Medsol has acquired the laboratory department of **Specialised Clinic Center**. The new acquisitions take Medsol's network to 14 operational laboratories - eight in the UAE, five in Kuwait and one in Saudi Arabia. *June 23, 2009*

Singapore

Alcon, a Swiss medical company specializing in eye care products, has broken ground in Singapore's Tuas Biomedical Park to build its first pharmaceutical manufacturing plant in Asia. Alcon expects the 330,000 sq. ft plant, which will manufacture ophthalmic pharmaceuticals for Asian markets, to be completed in 2012 and to create 150 new jobs. *June 4, 2009*

ICON plc, an Irish global provider of outsourced development services to the pharmaceutical, biotechnology and medical device industries, announced that it has moved its Singapore central laboratory to a new, larger facility located at Loyang Way, Eastern Singapore. The new laboratory

meets the growth in demand for ICON Central Laboratories' services in Singapore, which has increased by 149% over the past six months. The larger facility also enables ICON Central Laboratories to expand its test menu offerings in the region to include increased esoteric testing as well as flow cytometry, molecular diagnostics and biomarkers, to complement the services of ICON's other wholly-owned central laboratories in Europe, India and the US. *June 26, 2009*

To submit stories to future editions of this newsletter, please contact Mr. Marc Liu in New York on 212-265-5300 or email mliu@bdallc.com.

Selected Asian Healthcare Transactions with Multiples (12 months ending in 23Jun09)

Announce Date	Target Name	Target Country	Acquirer Name	Acquirer Country	Deal Value	Acquisition Type	EV / EBITDA	EV / Revenue	P/E
8-Jun-09	Vetnax Animal Health	IN	Pfizer Animal Health	US	\$52.5	100% ACQ	-	-	-
15-May-09	Central Uni	JP	GHS	JP	\$38.0	46% ACQ	4.0x	0.1x	20.3x
27-Feb-09	Arana Therapeutics	AU	Cephalon Inc	US	\$59.0	100% ACQ	12.5x	N.A.	3.3x
10-Oct-08	Alfresa Holdings Corp	JP	Mediceo Paltac Holdings	JP	\$1,323.0	100% ACQ	4.4x	0.1x	13.5x
10-Sep-08	Sciele Pharma Inc	JP	Shionogi & Co Ltd	US	\$1,204.0	Merger	11.4x	3.2x	24.8x
7-Jul-08	Health Trends Medical	SI	Albedo	SI	\$294.0	100% ACQ	-	10.2x	-
30-Jun-08	Taro Pharmaceutical	IN	Alkaloida Chemical	IN	\$185.0	65.6% ACQ	-	0.9x	13.4x
11-Jun-08	Ranbaxy Laboratories	IN	Daiichi Sankyo Company	JP	\$4,625.0	60.6% ACQ	30.4x	6.3x	59.8x
5-Jun-08	Core Healthcare Investment	HK	Hong Kong Health Check and Laboratory Holdings	HK	\$125.0	88.7% ACQ	-	-	-
30-May-08	Braden Partners LP	US	Teijin Limited	JP	\$114.0	100% ACQ	-	0.9x	-
23-May-08	Chugai Pharmaceutical Co	JP	Roche Pharm Holding	Netherlands	\$922.0	9.8% ACQ	11.9x	2.8x	25.5x
14-May-08	Wah Cheong Development	HK	Famestep Investment	BVI	\$60.0	100% ACQ	-	14.2x	14.3x
30-Apr-08	Parkway Holdings Ltd	SI	Khazanah Nasional	Malaysia	\$390.0	16.4% ACQ	9.3x	4.0x	-
10-Apr-08	Millennium Pharmaceuticals	JP	Takeda Pharmaceutical	US	\$7,659.0	100% ACQ	223.0x	14.5x	500.0x
4-Apr-08	Draxis Health Inc	CA	Jubilant Organosys	IN	\$229.0	100% ACQ	28.7x	2.9x	150.0x
31-Mar-08	Bremer Pharma	GE	RFCL Limited	IN	\$75.0	100% ACQ	-	7.5x	-
11-Mar-08	The Goodwill Group Inc	JP	Promontoria Investment	US	\$194.0	16.5% ACQ	21.8x	0.7x	-
25-Feb-08	Criticare Systems	US	Packer Acquisition	IN	\$62.0	100% ACQ	143.3x	2.0x	183.3x
12-Feb-08	Biofermin Pharmaceutical	JP	Taisho Pharmaceutical	JP	\$175.0	56.9% ACQ	15.8x	4.3x	36.6x
19-Dec-07	Qi Jie Yuan Medicine	HK	China Healthcare Inc	CH	\$72.0	69% ACQ	-	-	23.9x
18-Dec-07	Weigao Group Medical Polymer Co	CH	Medtronic Inc	US	\$221.0	15% ACQ	\$44.9	14.5x	61.8x
10-Dec-07	MGI Pharma Inc	US	Eisai Co Ltd	JP	\$3,403.0	100% ACQ	-	9.9x	-

Source: Bloomberg

Business Development Asia is an investment banking firm which assists multinational companies in expanding their businesses in Asia through JVs, acquisitions, divestments and capital raising. For further information on BDA's services or on any of the articles in this newsletter, please contact the offices listed.

Paul DiGiacomo
Managing Director
pdigiacom@bdallc.com

Jonathan Aiken
Associate
jaiken@bdallc.com

www.bdallc.com
newsletter@bdallc.com

NEW YORK

Euan Rellie, erellie@bdallc.com
Charles Maynard, cmaynard@bdallc.com
Business Development Asia LLC
The Economist Building, 11th Floor
111 West 57th St, New York, NY 10019
T (212) 265-5300
F (212) 265-4300

BAHRAIN

Tamer Makary, tmakary@bdallc.com
Business Development Asia
Building #2572, Road #2833, 4th Floor
Office #42, Block #428
PO Box 30295, Seef District
Manama, Bahrain
T (973) 17581336
F (973) 17581483

HONG KONG

Paul DiGiacomo, pdigiacom@bdallc.com
Business Development Asia (HK)
#1206 Lippo Centre, Tower 1
89 Queensway, Hong Kong
T (852) 2537-9565
F (852) 2537-4406

SEOUL

Heejun Yang, hyang@bdallc.com
Business Development Asia
#1201, Gwanghwamun Officia
163 Sinmunno 1-Ga, Jongno-Gu
Seoul 110-999, Korea
T (82) 2-3276-3150
F (82) 2-3276-3155

LONDON

Andrew Huntley, ahuntley@bdallc.com
Business Development Asia Ltd
33 Cavendish Square
London W1G 0PW
United Kingdom
T (44) 2071824518
F (44) 2071824100

MUMBAI

Rohit Singh, rsingh@bdallc.com
Business Development Asia
898 Notan Plaza, Suite 4A
Turner Road, Bandra (West)
Mumbai 400050, India
T (91) 22-2643-0290
F (91) 22-2643-0291

SHANGHAI

Jeffrey Wang, jwang@bdallc.com
Business Development Asia Co Ltd
The Center, #1602, 989 Changle Road
Shanghai 200031, China
T (86) 21-5407-5580
F (86) 21-5407-5680

TOKYO

Jeff Acton, jacton@bdallc.com
Business Development Asia K.K.
4F, T3 Gates
3-8-25 Toranomon, Minato-ku
Tokyo 105-0001, Japan
T (81) 3-3433-5803
F (81) 3-3433-5269