

ASIAN HEALTH NEWSLETTER

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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.

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Australia

Qiagen NV, the Dutch molecular assays company, will acquire 83% of **Corbett Life Science Pty Ltd**, the Australian designer, manufacturer and distributor of instrumentation systems for polymerase chain reaction (“PCR”), for US\$66m in cash and US\$4m in restricted stock. Qiagen will hold a call option on the remaining 17%. The addition of PCR technology to Qiagen’s molecular testing portfolio will strengthen its overall diagnostic capabilities and product offerings. *July 1, 2008*

Sanofi-Aventis SA, the listed French pharmaceutical group will acquire **Symbion CP Holdings Pty Ltd**, Australia’s largest distributor of vitamin supplements, from **Primary Health Care**

Ltd, an Australian operator of medical and diagnostics services, for a cash consideration of A\$560m (US\$547m). Primary Health Care will retain the pathology and X-ray labs businesses.

July 21, 2008

China

California-based **AMDL Inc**, through its subsidiary **Jade Pharmaceutical Inc**, has signed an LOI to acquire 100% of **Sichuan ZhiTong Pharmaceutical Ltd**, a privately-held Chinese pharmaceutical distribution company that produces traditional Chinese medicines, health foods, medical equipment and generic pharmaceuticals. *July 1, 2008*

Bayer HealthCare has completed its

acquisition of **Topsun Science and Technology Co**, the Chinese prescribed and over-the-counter (“OTC”) pharmaceuticals company, for US\$176m after receiving regulatory approval. Bayer will use the acquisition to expand its presence in the OTC market in China.

July 3, 2008

Biomagnetics Diagnostics, an advanced medical device and biotechnology company, has formed a JV with **Dr. Hai Shiene Chen** and **ACGT DNA Technologies**, a Canada-based provider of DNA sequencing and synthesis related services. *September 8, 2008*

China Healthcare Acquisition Corp, the US-listed acquisition vehicle, will acquire 100% of **Europe Asia Huadu Environment Holding Pte Ltd**, a private

Singaporean manufacturer of water treatment and purification technology, in exchange for 10.5 million restricted shares of common stock of China Healthcare valuing the transaction at US\$60m. *August 7, 2008*

Guilin Sanjin Pharmaceutical Co, a Guangxi-based privately owned pharmaceuticals company, has received approval from the China Securities Regulatory Commission to proceed with an IPO of an 11% float on the Shenzhen Stock Exchange. The sale is expected to raise US\$92m. *June 21, 2008*

Johnson & Johnson, the US-listed consumer health care company, will acquire **Beijing Dabao Cosmetics Co**, the Chinese producer of herbal and cosmetic products, for US\$300m. *July 30, 2008*

New Sanjiu Holdings, the Chinese pharmaceutical company, will acquire 71% of **Sanjiu Medical & Pharmaceutical Co**, the listed Chinese pharmaceutical company from **Sanjiu Enterprise Group** and **Shenzhen Sanjiu Pharmaceutical Co** for RMB11.1bn (US\$1.6bn). *June 20, 2008*

Ningbo Tech-Bank Co ("Tech-Bank"), the listed Chinese retailer and wholesaler of aquatic feeds, ruminant feeds, pre-mixed feeds and biological vaccines, will acquire 80% of **Chengdu Jinghua Biological Product Co**, the Chinese pharmaceutical company, for US\$14m. Tech-Bank plans to invest US\$13m. in the target after the acquisition. Tech-Bank will use its IPO proceeds of

US\$11m to consummate the transaction. *July 2, 2008*

Ping An Life, a subsidiary of **Ping An Insurance**, a Guangdong-based listed Chinese insurance company, has announced plans to buy up to 10% of pharmaceutical firm **Yunnan Baiyao Group ("YBG")** for US\$260m. The investment will be used to relocate YBG's factory to Chenghongon on the outskirts of Kunming. *August 5, 2008*

Schering-Plough Corp, the US listed global healthcare company, will acquire 100% of its current JV, **Shanghai Schering-Plough Pharmaceutical Co**, which markets and distributes skincare and allergy products, by acquiring the 45% held by its current partners **Shanghai Pharmaceutical Industry Co** and **Shanghai Pharmaceutical Group Co**. *August 25, 2008*

Hong Kong

Golden Meditech Company Ltd, which focuses on medical devices and Chinese traditional medicine, will acquire 70% of the **Daopei Hospitals Group** and 60% of **Topshine Hospital Management Company Ltd** for US\$106m. Daopei and Topshine are the largest private hematology hospitals in China and are located in Beijing and Shanghai. *June 24, 2008*

Hua Han Bio-Pharmaceutical, the Hong Kong-listed company which produces healthcare products in mainland China, has signed an agreement in

which its wholly-owned **Guizhou Hanfang Medicine Manufacture Co ("GHMM")** will acquire 80% of **Guilin Gu Jin Pharmaceutical Technology**, a Chinese bio-pharmaceutical medicine development firm, for US\$28m. *July 2, 2008*

Sparkle View Enterprises Ltd, a HK subsidiary of **China Chief Cable TV Group Ltd** the listed media and television services group, will acquire **Hong Kong New Success International Group Investment Limited ("New Success")**, a Hong Kong holding company with interests in biotechnology products for US\$15m. New Success owns 100% of **Quanzhou Liangxin Biological Technology Development Co** and 72% of **Fujian Tianxin Biological Technology Co**. *September 2, 2008*

Zuellig Australia Pharmacy Services Pty Ltd, a subsidiary of the **Zuellig Group Inc**, the Hong Kong-based investment group, will acquire **Symbion Health Ltd**, the Australian healthcare and services company, from **Primary Health Care Ltd** for US\$438m. The pharmacy division provides the majority of revenues for Symbion, which had sales of US\$3.3bn in 2007. *August 19, 2008*

India

Alkaloida Chemical Company Exclusive Group Ltd, a subsidiary of **Sun Pharmaceutical Industries Ltd**, the Indian pharmaceuticals company, has extended the expiration date of its initial tender offer to acquire the outstanding

shares of **Taro Pharmaceutical Industries Ltd**, a US manufacturer and developer of generic and branded pharmaceuticals, to 3 October 2008. The previous offer was rejected by Taro's board of directors and contested in court. *September 3, 2008*

Air Liquide SA, the French supplier of medical gases, will acquire the **Pure Helium Group**, an Indian supplier of diving gases and liquid helium, for an undisclosed consideration. Helium is used in MRIs, medical and surgical treatments and other sectors. Pure Helium operates a variety of subsidiaries including **Pure Helium Egypt Ltd**, **Pure Helium Gulf Ltd**, **Pure Helium India Pvt Ltd** and **Pure Helium Saudi Ltd**. Air Liquide operates in Egypt, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, and United Arab Emirates and intends to invest US\$1bn in the region in the next five years. *July 15, 2008*

Arch Pharmalabs Ltd ("Arch"), the Indian manufacturer of active pharmaceutical ingredients ("API") and intermediates, has acquired 70% of **Benzochem Lifesciences Pvt Ltd**, the Indian drug development firm, for a consideration of US\$23m. Arch intends to use Benzochem's specialty in API manufacturing for oncology and anti-malarial drugs. *June 9, 2008*

BUPA Asia-Pacific is forming a US\$23m JV, **Max BUPA Health Insurance Ltd**, with **Max India Ltd**, to provide a range of health and wellness products in the Indian private health insurance market, which is expected to reach US\$8bn by

2015. BUPA will hold 26%, the maximum allowed under Indian foreign investment law. *July 14, 2008*

Cadila Healthcare Ltd, India's fourth largest drug manufacturer, will acquire 70% of **Simayla Pharmaceuticals**, the South African generic and OTC drug producer. Founded in 2007, Simayla produces gastro-intestinal anti-infective, cardio vascular and musculo-skeletal drugs. *June 10, 2008*

Fresenius Kabi, a leading German healthcare conglomerate, has acquired the remaining 26.7% of Indian cancer drug maker **Dabur Pharmaceutical Ltd** after acquiring 73.3% in April 2008. Fresenius will also invest US\$45m in Dabur's Kolkata plant to double the production of APIs. *August 13, 2008*

Glenmark Pharmaceuticals Ltd, the Indian pharmaceuticals company, has signed an agreement with the Icelandic pharmaceuticals company **Actavis** to acquire seven pharmaceutical brands in Poland, mainly generic drugs used for treating conditions of the central nervous system. The brands are valued at US\$15m. *July 3, 2008*

Jacob Ballas Capital India Pvt Ltd, which advises three investment funds and is sponsored by US financial services firm **New York Life International**, has acquired a minority stake in Indian drug manufacturer and drug delivery systems company **Themis Laboratories** for US\$21m. *July 7, 2008*

Lupin Ltd, the Indian drug manufacturer,

has acquired **Hormosan Pharmaceutical GmbH** of Germany for an undisclosed amount. Hormosan develops and markets a variety of generics in Germany and specialises in products for the central nervous system. *July 31, 2008*

MeadWestvaco Corp, the US-listed company that specializes in packaging for healthcare, pharmaceutical and consumer goods, and **Bilcare Ltd**, the Indian medical packaging company, have announced that they will jointly acquire **International Labs**. The acquisition will pool expertise in supply chain management and global distribution of adherence-promoting packaging for pharmaceutical products. *August 9, 2008*

MedPlus Health Services Pvt Ltd, a chain of retail pharmacies based in Hyderabad, has received a capital injection of US\$25m from two investors, **NEA-IndoUS Ventures**, a VC fund based in California and another unnamed investor. *August 28, 2008*

Siemens Healthcare Diagnostics Ltd of Germany acquired Delhi-based **Dade Behring Diagnostics India Pvt Ltd**. The acquisition, announced on 1 August 2008, was made for US\$10m. *September 10, 2008*

Strides Arcolab Ltd, an Indian generic and speciality medicines manufacturer, has acquired 50% of **Ascent Pharmahealth Ltd**, previously **Genepharma Australia Ltd**, an Australian listed generic drug producer. *August 4, 2008*

Indonesia

PT Kimia Farma Tbk, the Indonesian state-owned pharmaceuticals company, may merge with **PT Indofarma Tbk**, the Indonesian healthcare and pharmaceuticals company, which has indicated that it plans to expand its product portfolio by acquiring Korean and Chinese companies with the US\$33m it has set aside for geographic expansion. *July 10, 2008*

PT Kimia Farma Tbk will sign a 51% JV with **Shijiazhuang Pharmaceutical Co**, a Chinese state-owned pharmaceuticals company. The new JV will invest US\$21m in developing a new factory to produce penicillin. *July 3, 2008*

Japan

Cytochroma Inc, the Canadian clinical stage specialty pharmaceuticals company, has signed an agreement with **Mitsubishi Tanabe Pharmaceutical Corp (“MTPC”)**, the Japanese pharmaceuticals company, to continue to develop a new vitamin D compound named CTA018, a drug for secondary hyperparathyroidism. MTPC will pay up to US\$103m to Cytochroma, in order to jointly hold the rights to develop and commercialize the compound in the US. MTPC will exclusively hold these rights in Japan and other Asian countries. *July 30, 2008*

Daiichi Sankyo Co, the Japanese pharmaceutical company engaged, has

been cleared by market regulators to increase its stake in India’s **Ranbaxy Laboratories** to 50.1%, following its acquisition of a 34.8% stake from the Singh family. Total consideration for the stake is US\$4.6bn. Daiichi, the third largest drug maker in Japan, has been building a sales network in India to promote its anti-hypertensive agent **Benitec**, known in Japan as **Olmotec**. *August 4, 2008*

Roche, the Swiss pharmaceuticals and diagnosis giant, has increased its ownership of **Chugai Pharmaceutical Co**, a Japanese biotech and pharmaceutical company, from 50.1% to 59.9%. After an initial alliance in October 2002, Roche has exercised its option to expand its ownership for a total consideration of US\$879m. *July 7, 2008*

Kowa Co, a Japanese manufacturing and trading company, will acquire 78% of **ProEthic Pharmaceuticals**, a US pharmaceuticals company that specialises in pain abatement and triglyceride reducing medication, for US\$20m. Proethic’s company name will change to **Kowa Pharmaceuticals America**. *August 4, 2008*

Mitsui & Co USA Inc, the US subsidiary of **Mitsui & Co**, will acquire 47% of Pennsylvania-based **MED3000 Group Inc**, the healthcare management and technology company, for US\$61m. *July 3, 2008*

Otsuka Chemical Co, part of the **Otsuka Group** which develops drugs, IV solutions and other health care

products, will acquire **Ito Life Sciences Inc**, the pharmaceuticals and functional foods company, from **Itoham Foods Inc**, the listed meat products company, for US\$16m. Itoham Foods has decided to focus on food products and to divest non-core lines. Otsuka Chemical will also acquire **American Peptide Company Inc**, an American company that provides peptide and protein R&D services. *July 22, 2008*

Otsuka Pharmaceutical Co, the Japanese pharmaceutical company, has acquired **Interpharma**, the Czech pharmaceutical and fine chemicals producer. Otsuka operates in Asia and the US and is seeking to increase its presence in European markets. *August 5, 2008*

Korea

Genexel Sein Inc, the listed Korean medical equipment maker, has acquired 67% of **Chung Gei Pharmaceutical Co**, the Korean pharmaceutical company, for a cash consideration of US\$6m. *August 16, 2008*

Singapore

Albedo Ltd, the listed Singapore metal manufacturer, will acquire **HealthTrends Medical Investments Pte Ltd**, the Singapore primary, specialist and chiropractic health care services provider, in a reverse-takeover for US\$294m, from **BH Investments Ltd**, **Health**

Network Alliance Pte Ltd, Singapore Medicine International Ltd, Pentvest Investments Ltd, BH Investments Ltd, Redwood International Pte Ltd, Singapore Medicine International Ltd and other shareholders. Albedo will issue 1.12bn shares at US\$0.18 per share for US\$206m with a second tranche of US\$88m to be determined by the financial performance of the company. *July 7, 2008*

Taiwan

Nobel Biocare Holding AG (“Nobel”), the Swiss listed dental group has acquired **Implant Master**, the Taiwanese dental company, for an undisclosed consideration. The local implant market is US\$50m. Nobel has 2,400 employees and both Nobel and Implant hold 30% market share in Taiwan. *June 27, 2008*

To submit stories to future editions of this newsletter, please contact Paul DiGiacomo in Hong Kong on (852) 9186-4170 or email pdigiacomo@bdallc.com.

Business Development Asia is an investment bank 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 below

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