

ASIAN HEALTH NEWSLETTER

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A Quarterly newsletter of developments in the pharmaceutical, medical and healthcare industries

We hope that you find the Asian Health Newsletter informative.

Business Development Asia LLC (“BDA”) is an investment banking firm which specializes in executing cross-border transactions involving Asia, including acquisitions, divestments, JVs and restructurings. 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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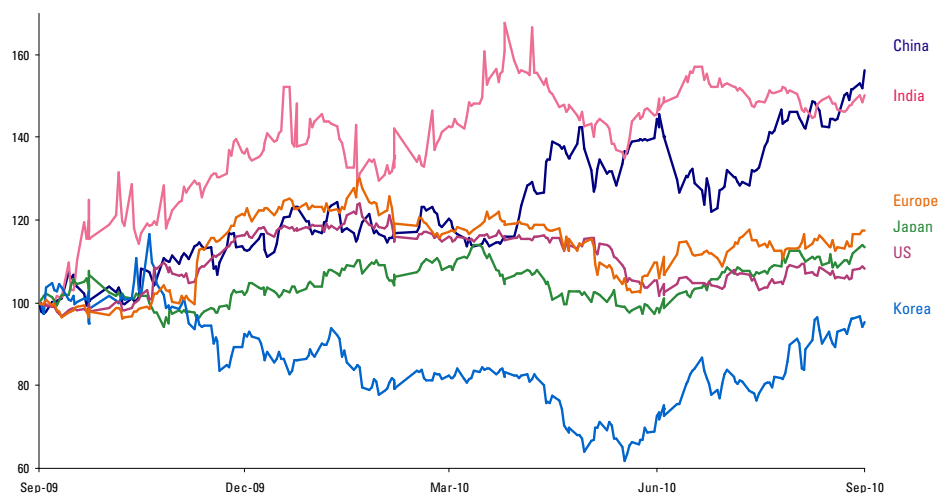
Australia

Carlyle Group and **TPG Capital**, the US private equity firms, have agreed to jointly acquire **Healthscope Ltd**, a listed Australian hospitals operator, for US\$2.3bn. *July 19, 2010*

Ceva Sante Animale, a French producer of pharmaceutical animal health products and a portfolio company of French private equity firms **Sagard Private Equity Partners, N.I. Partners** and **iXEN Partners**, has acquired **Nature Vet**, an Australian developer of animal health products, for an undisclosed amount. *July 12, 2010*

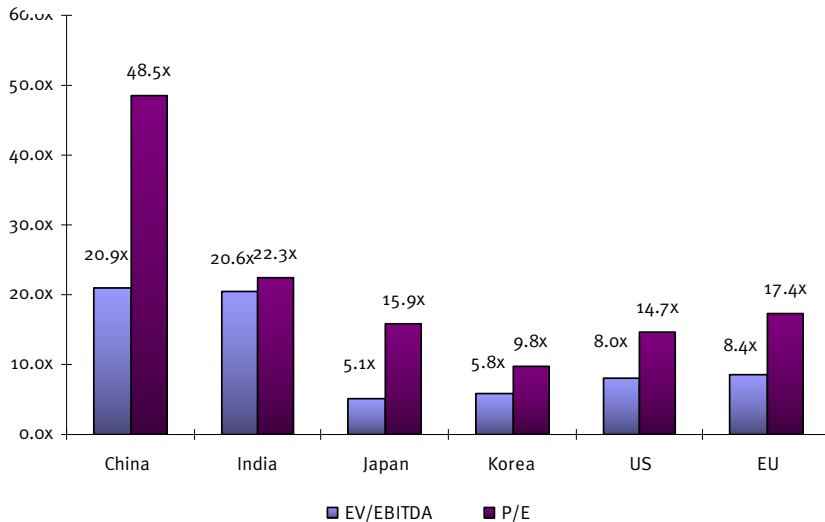
Nipro Australia, a wholesaler of diabetes supplier and wholly-owned unit of **Nipro Corp** of Japan, has acquired the diabetes testing supplies and distribution business of the **Australian Diabetes Council**, an Australian charitable organization, for US\$1m. *August 31, 2010*

Healthcare Stock Indices for Selected Countries (12 months ending



Source: Thomson Reuters, BDA

Healthcare Trading Multiples for Selected Countries (15Sep10)



Source: Thomson Reuters, BDA

VWR International, a US distributor of lab supplies and equipment to the industrial, pharma, educational and government markets, has agreed to acquire three lab products suppliers, two in Australia (**Crown Scientific** and **Quantum Scientific**) and one in New Zealand (**Global Science & Technology**), from **EBOS Group**, a listed New Zealand supplier of medical, surgical, retail, dental and scientific products, for an undisclosed amount. *August 5, 2010*

China

Blackstone Group, the US private equity firm, plans to acquire bonds convertible into an undisclosed minority stake in **China Animal Healthcare**, a manufacturer and wholesaler of animal drugs, for US\$40m. *July 2, 2010*

Charles River Laboratories International, a US provider of research models and laboratory animal services, and **Wuxi PharmaTech**, a Chinese pharma manufacturing, biotech and medical R&D outsourcing company, ended their merger

agreement following opposition from investors and proxy advisors. Charles River will pay a US\$30m breakup fee to Wuxi. In April 2010, Charles River agreed to acquire Wuxi for US\$1.6bn to expand its presence in China, but faced opposition from large Charles River investors such as **JANA Partners** and **Neuberger Berman**. *July 30, 2010*

China Biotechnology Group, a subsidiary of **China Pharmaceutical Group**, a Hong Kong listed producer of intermediates and bulk drugs, has acquired 41% of **Beijing Weigu Biomedical**, a Chinese manufacturer and wholesaler of pharmaceuticals, for US\$13m. The acquisition brings China Biotechnology Group's total ownership to 80%. *August 3, 2010*

China Shineway Pharmaceutical Group, a listed Chinese researcher, manufacturer and marketer of Chinese pharmaceutical products, has agreed to acquire **Zhangjiakou Changcheng Pharmaceutical** a Chinese pharma manufacturer, for US\$8m. *June 18, 2010*

Concord Medical Services Holdings, a NASDAQ-listed operator of radiology centers in mainland China, has acquired 52% of **Xian**

Wan Jie Hua Xiang Medical Technology Development an owner and operator of cancer treatment center, for US\$15m. *July 1, 2010*

FD(H) Investments Ltd, a Chinese investment holding company and a subsidiary of **China Bio-Med Regeneration Technology**, a listed Hong Kong holding company, has acquired 37% of **Shaanxi Aierfu Activtissue Engineering**, a Chinese tissue engineering products manufacturer, from **Shanghai Shijin International Freight**, a Chinese transport company, and a consortium of ten private shareholders, for US\$13m. *July 15, 2010*

Jade Pharmaceuticals, a subsidiary of **Radiant Pharmaceuticals Corp**, a Chinese producer of oncology drugs, has signed a letter of intent to acquire **Shanxi BaoTai Pharmaceutical**, a rival producer of cancer treatment pharma products, through a non-taxable merger of business assets. The transaction is expected to close in November 2010. *July 28, 2010*

Jiangsu Kanion Pharmaceutical, a Shanghai-listed researcher, producer and retailer of pharmaceutical products, has agreed to acquire 33% of **Jiangsu Nanxing Pharmaceutical**, a Chinese producer of pharma preparations, from **Lianyungang Jindian Technology Development** and **Jiangsu Jinglue Industrial Development**, two Chinese investment companies, for US\$12m. *June 22, 2010*

Jiangsu Ninghua, a Chinese investment company, has announced it will acquire 99% of **Shenzhen Han's Medical Devices**, a Chinese manufacturer and wholesaler of laser medical equipment, from **Han's Laser Technology**, for US\$12m. *August 28, 2010*

Merck, the global pharmaceutical manufacturer, and **Sinopharm**, a Chinese state-owned pharmaceutical company, are

reportedly negotiating the details of a new vaccine JV. *July 29, 2010*

Philips, the Dutch consumer, healthcare and technology company, has acquired **Shanghai Apex Electronics Technology**, a Chinese manufacturer of ultrasonic transducers for medical applications, for an undisclosed consideration. Apex is expected to strengthen Philips' transducer business portfolio in emerging markets. *July 28, 2010*

Sichuan Kelun Pharmaceutical, a listed Chinese pharma company, has agreed to acquire 90% of **Anyang Dazhou Pharmaceutical**, a Chinese producer of large volume IV solution and small volume injection products, for US\$14m. *August 12, 2010*

Sincere Pharmaceutical Group, a listed Chinese generics company, has agreed to acquire a further 39.2% of **Boda Pharmaceutical**, a Chinese generics company, for an undisclosed amount. The acquisition takes Sincere's holding in Boda to 90%. *June 7, 2010*

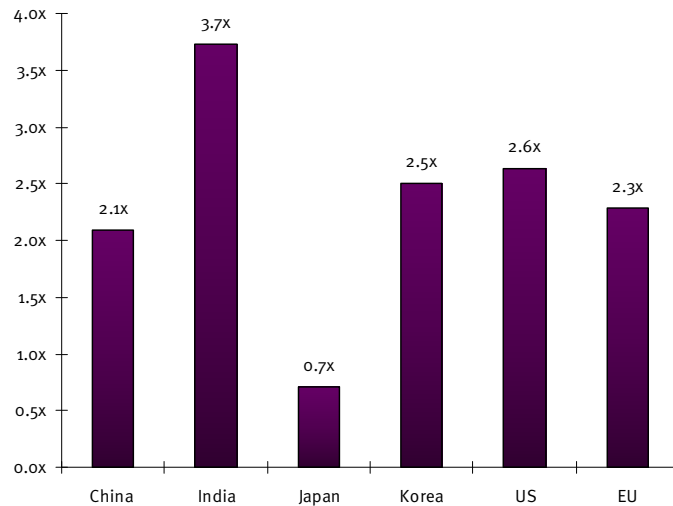
Sinovo Growth Capital Management, a Chinese fund management company, has acquired **San Meditech (Huzhou)**, a Chinese researcher, developer and marketer of glucose monitoring systems, for an undisclosed amount. *May 25, 2010*

Zimmer Holdings, a listed US producer of orthopedic implants and artificial joints, has acquired **Beijing Montagne Medical Device**, a Chinese artificial joints manufacturer, for US\$49m. *July 22, 2010*

Hong Kong

Bibby Scientific, a UK based producer of laboratory products, has agreed to acquire the remaining 50% of **Bibby Scientific (Hong Kong) Ltd**, a manufacturer of scientific

Healthcare EV/Revenue for Selected Countries (15Sep10)



Source: Thomson Reuters, BDA

equipment, from its JV partner **Techcomp Holdings**, for US\$1m. *July 22, 2010*

India

Cipla, a listed Indian pharmaceutical company, has agreed to acquire **Meditab Specialties**, a rival Indian pharmaceutical company, for US\$28m. *August 25, 2010*

Colorcon, a US producer of formulated coatings and excipients for the pharmaceutical industry, has acquired **Pharmaceutical Coatings Pvt**, an Indian producer of excipients and pharmaceutical coatings, for an undisclosed amount. The acquisition includes Pharmaceutical Coatings' full product portfolio and a new facility in Goa that is nearing completion. *July 26, 2010*

Marksans Pharma, a listed Indian manufacturer of APIs and formulations, has sold its API division to **Kores**, an Indian producer of APIs and pharmaceutical intermediates, for an undisclosed amount. The transaction will allow Marksans to focus on its growing formulations business.

July 28, 2010

Super Religare Laboratories, an Indian pathology testing service provider, has agreed to acquire **Piramal Diagnostic Services**, an Indian provider of pathology and radiology diagnostic services, from **Piramal Healthcare**, a listed Indian pharmaceutical and healthcare company, for US\$128m.

July 14, 2010

Warburg Pincus, the US private equity firm, has agreed to acquire an undisclosed stake in **Metropolis Healthcare Services**, an Indian chain of diagnostic laboratories and research centers in South Asia and the MENA region, from **ICICI Venture Funds Management Company**, for US\$85m.

June 24, 2010

Japan

Alfresa Holdings, a listed Japanese manufacturer of pharmaceuticals, diagnostic reagents, medical devices and equipment, has agreed to acquire 93% of **Tanpei Nakata**, a Japanese wholesaler of general medicines and milk products for infants, for US\$40m. *August 4, 2010*

Gene Techno Science, a Japanese researcher of gene and protein functionalities, has sold an undisclosed minority stake to a consortium of financial buyers composed of **HVC Inc**, **Daiwa Securities Group Inc**, **Ant Capital Partners**, **JAFCO**, **Sapporo Hokuyo Holdings**, **Nippon Venture Capital**, **Collabo Sangakukan** and **Nagase & Co**, for US\$6m. *July 7, 2010*

Japan Tissue Engineering, a listed manufacturer of tissue-engineered medical products, has agreed to be acquired by **FUJIFILM Holdings**, a Japanese producer of photographic equipment, film and digital cameras, for US\$47m. *August 30, 2010*

Relations Inc, a Japanese business consultancy and a subsidiary of **Noritsu Koki**, a listed Japanese producer of photo processing equipment, has agreed to acquire 45.4% of **Doctor NET**, a Japanese online medical diagnosis services provider, from **Toshihiko Sato**, a Japanese private investor, for an undisclosed consideration. *May 20, 2010*

Sanofi Pasteur, the vaccine division of **Sanofi-Aventis**, has agreed to acquire the remaining 50% of **Sanofi Pasteur-Daiichi Sankyo Vaccines**, a Japanese developer of pediatric vaccines, held by its JV partner, **Daiichi Sankyo**. Terms of the transaction were not disclosed. *July 30, 2010*

Sawai Pharmaceutical, a Japanese manufacturer of pharmaceutical products and health care foods, has agreed to acquire the 30% stake which it does not own in **Medisa Shinyaku**, a Japanese producer of generic pharmaceuticals, from **Sumitomo Corp**. Terms of the transaction were not disclosed. *June 24, 2010*

Sosei Group, a listed Japanese pharmaceuticals developer, has agreed to acquire **Activus Pharma**, a Japanese company engaged in R&D for pharma,

agricultural, cosmetics and health foods, for US\$17m. *July 21, 2010*

Taiyo Pacific Partners, a Japanese private equity firm, has acquired 5% of **CMIC**, a Japanese operator of clinical tests for pharmaceuticals, for US\$12m. *August 2, 2010*

Korea

Fresenius Medical Care (FMC), a German renal care and kidney dialysis company, and **Nikkiso Co**, a listed Japanese company provider of pumps, industrial solutions, aerospace products, and medical equipment, will exchange subsidiaries located in Japan and Korea. Fresenius will transfer its Japanese dialysis products sales and distribution business, while Nikkiso will transfer its dialysis-related sales to FMC Korea. *July 23, 2010*

GemVax & Kael, a listed Korean cancer vaccines developer, has acquired 14% of **Korea Stem Cell Bank (KSCB)**, an adult stem cells storage services company, for US\$3m. The acquisition brings GemVax & Kael's ownership in KSCB to 44%. *August 16, 2010*

Geo Young Corp, a Korean agricultural additives manufacturer, has acquired **Daedong Pharma**, a Korean pharmaceutical formulations producer, for an undisclosed consideration. *July 6, 2010*

Neptune Inc, a subsidiary of **IMM Rose Gold**, a Korean private equity firm, has acquired 18% of **Celltrion Pharm**, a Korean producer of hepatonics, analgesics, anti pyretics, anti inflammatories and other drugs, for US\$26m. *August 17, 2010*

Samsung Electronics, the Korean manufacturer of consumer electronics, has acquired a 68% stake in **Ray Co**, a Korean producer of X-ray products, Micro CT and

dental CT equipment, for an undisclosed amount. *August 31, 2010*

Stemscience, a listed Korean bio-diesel products manufacturer, has acquired **Kyunghee Pharmaceutical**, a Korean pharma manufacturer, for US\$4m. The transaction is the third pharma acquisition for Stemscience in 2010, following its acquisition in February of 51% of **INNOMEDISYS**, a Korean producer of immune-cell therapy products, and 88% of **SH Pharma**, a Korean developer of drugs for dementia, Parkinson's disease and depression. *July 1, 2010*

Vatech, a listed Korean medical and dental imaging equipment manufacturer, will acquire **E-Woo Dental**, a Korean dental equipment manufacturer, for US\$47m. *May 26, 2010*

Malaysia

Boustead Holdings, a Malaysian diversified conglomerate, has agreed to acquire 87% of **Pharmaniaga**, an Indonesian pharmaceuticals, medical devices and hospital equipment company, from **UEM Group**, a Malaysian infrastructure conglomerate, for US\$160m. *June 10, 2010*

Khazanah Holdings, the Malaysian sovereign-wealth fund, will acquire the 76% stake it does not already own in **Parkway Health** of Singapore, the largest listed hospital operator in Asia, for US\$2.6bn. *July 27, 2010*

New Zealand

White Cloud Capital, a UK based venture capital investment firm, will acquire 50% of

Atlantis Healthcare, a New Zealand provider of personalized medical services, for US\$14m. *July 20, 2010*

Singapore



Eu Yan Sang International, a Singaporean traditional Chinese medicine company, has acquired 15% of **Healthzone**, an Australian producer of health products, for US\$3m.

July 30, 2010

Luye Biotech, a subsidiary of **Luye Pharma Group**, has agreed to acquire 80% of **A-Bio Pharma**, a pharm company, from **Biomedical Sciences Investment Fund**, for US\$7m. Luye Biotech will have an option to acquire remaining 20%. *July 30, 2010*

Vietnam



Le Van Manh acquired 9% of **Hatay Pharmaceutical JSC**, a listed Vietnamese pharma manufacturer, for US\$1m. *July 1, 2010*

Asian Healthcare Transactions with Multiples for Selected Countries (12 months ending in 27May10)

Announce Date	Target Name	Target Country	Acquirer Name	Acquirer Country	Deal Value	Acquisition Type	EV / EBITDA	EV / Revenue	P/E
27-May-10	Parkway Holdings	Singapore	Integrated Healthcare Holdings	Malaysia	\$2,379.7	69.6%	26.9x	5.1x	37.7x
20-May-10	Kyorinkai Inc	Japan	Medical Co LTA	Japan	\$24.7	99.7%	-	0.3x	26.0x
14-May-10	Kawamura Cycle	Japan	Max	Japan	\$11.3	41.0%	6.0x	0.7x	32.1x
11-May-10	Nihon Pharmaceutical	Japan	Nippon Chemiphar Co Ltd	Japan	\$12.1	-	-	1.0x	9.4x
10-May-10	Nihon Spindle Manufacturing	Japan	Sumitomo Heavy Industries Ltd	Japan	\$69.0	-	7.0x	0.4x	82.3x
8-Apr-10	Tongjitang Chinese Medicines	China	Investor Group	British Virgin	\$20.2	-	54.4x	1.7x	-
1-Apr-10	Beijing Tcmag Pharm Co Ltd	China	Tianjin Chase Sun Pharma Co	China	\$8.6	-	-	2.4x	13.8x
19-Mar-10	JCR Pharmaceuticals Co Ltd	Japan	Glaxo Group Ltd	UK	\$11.3	6.1%	6.9x	1.3x	10.8x
16-Mar-10	Ascent Pharmahealth Ltd	Australia	Strides Arcolab Ltd	India	\$34.6	-	7.3x	0.9x	9.5x
11-Mar-10	Parkway Holdings	Singapore	Fortis Healthcare	India	\$685.3	23.9%	26.3x	4.8x	33.7x
26-Feb-10	Nectar Lifesciences	India	NSR Direct PE Mauritius LLC	Mauritius	\$35.0	20.5%	8.4x	1.7x	10.1x
26-Feb-10	Hwajin Medical Co Ltd	Korea	Mecca Forum Co Ltd	Korea	\$3.1	100.0%	-	0.6x	11.5x
23-Feb-10	Shanghai Pharm Co Ltd	China	Shanghai Shengrui Investment	China	\$298.8	8.6%	-	1.3x	177.6x
22-Feb-10	SH Pharma Co Ltd	Korea	Stemscience Co Ltd	Korea	\$4.2	88.5%	-	2.1x	-
17-Feb-10	Solvay Pharma India	India	Abbott Capital India	United Kingdom	\$66.8	20.0%	25.1x	6.2x	38.5x
11-Feb-10	Twilight Litaka Pharma	India	Investor Group	India	\$6.5	-	10.3x	1.0x	9.7x
10-Feb-10	SSP	Japan	Boehringer Ingelheim JP	Japan	\$301.6	33.0%	9.1x	1.2x	45.9x
9-Feb-10	Hans Biomed Corp	Korea	Hanmi Medicare Inc	Korea	\$5.8	-	16.0x	3.0x	17.8x
8-Feb-10	Japan Lifeline	Japan	MT Shokai	Japan	\$19.0	26.6%	3.1x	0.2x	10.3x
28-Jan-10	Trident Medical Corp	Taiwan	Investor Group	Taiwan	\$8.8	62.9%	7.4x	0.6x	9.0x
27-Jan-10	Zhejiang Jingxin Pharm	China	Lv Gang	China	\$6.6	49.9%	-	2.3x	-
18-Dec-09	JCR Pharmaceuticals	Japan	Glaxo Group	UK	\$31.0	-	10.7x	1.7x	22.3x
8-Dec-09	Nihon Pharmaceutical Ind	Japan	Nippon Chemiphar	Japan	\$18.1	50.0%	-	1.0x	14.2x
10-Nov-09	Bionime Corp	Taiwan	Hua Eng Wire & Cable	Taiwan	\$15.8	17.0%	28.5x	3.4x	42.4x
20-Oct-09	Kuribara Medical Instruments	Japan	Kyowa Medical Holdings	Japan	\$15.4	100.0%	-	0.0x	-
15-Oct-09	Shanghai Zhongxi Pharm	China	Shanghai Pharm	China	\$369.3	100.0%	-	7.9x	73.7x
15-Oct-09	Shanghai Indl Pharm Invest Co	China	Shanghai Pharm	China	\$1,056.7	100.0%	-	1.6x	13.5x
25-Sep-09	Global Green Tech Group	Hong Kong	Double Chance Investments	Hong Kong	\$10.4	26.2%	1.5x	0.3x	23.9x
16-Sep-09	Bristol-Myers Squibb	Indonesia	Taisho Pharmaceutical	Japan	\$310.0	98.0%	16.4x	7.3x	24.4x
12-Sep-09	Yunnan Baiyao Grp	China	Chen Fa Shu	China	\$323.3	-	23.8x	2.4x	33.7x
				Median	\$19.6	49.9%	10.3x	1.5x	23.1x

Source: Thomson Reuters, BDA

The stock indices and trading multiples graphs shown in this newsletter represent the ten largest publicly traded healthcare companies (by market capitalization) in China, India, Japan, Korea, the EU and the US.

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

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