

## Deal of the Week: Mylan to Buy Meda for \$7.2B

Announcement Date	<ul style="list-style-type: none"> <li>February 10, 2016</li> </ul>	
Acquirer	<ul style="list-style-type: none"> <li>Mylan N.V. (NASDAQ: MYL)</li> </ul>	
Acquirer Description	<ul style="list-style-type: none"> <li>Develops, licenses, manufactures, markets, and distributes generic, branded generic, and specialty pharmaceuticals worldwide</li> <li>Founded in 1961 and headquartered in Potters Bar, United Kingdom</li> </ul>	
Acquirer Financial Statistics	<ul style="list-style-type: none"> <li>Mkt Cap: \$20.6 billion</li> <li>EV: \$25.6 billion</li> <li>LTM Revenue: \$9.4 billion</li> </ul>	<ul style="list-style-type: none"> <li>LTM EBITDA: \$2.7 billion</li> <li>LTM EV / Revenue: 2.7x</li> <li>LTM EV / EBITDA: 9.4x</li> </ul>
Target Company	<ul style="list-style-type: none"> <li>Meda AB (Stockholm: MEDA-A.ST)</li> </ul>	
Target Description	<ul style="list-style-type: none"> <li>Operates as a specialty pharmaceutical company worldwide</li> <li>Founded in 1995 and headquartered in Solna, Sweden</li> </ul>	
Target Financial Statistics	<ul style="list-style-type: none"> <li>Mkt Cap: \$6.2 billion</li> <li>EV: \$8.8 billion</li> <li>LTM Revenue: \$2.3 billion</li> </ul>	<ul style="list-style-type: none"> <li>LTM EBITDA: \$738.8 million</li> <li>LTM EV / Revenue: 3.8x</li> <li>LTM EV / EBITDA: 11.9x</li> </ul>
Acquirer Advisor	<ul style="list-style-type: none"> <li>Centerview Partners</li> </ul>	
Target Advisor	<ul style="list-style-type: none"> <li>Rothschild</li> </ul>	
Price / Consideration	<ul style="list-style-type: none"> <li>Price: \$7.2 billion</li> </ul>	<ul style="list-style-type: none"> <li>Consideration: Cash and stock</li> </ul>
Rationale	<ul style="list-style-type: none"> <li>“Meda brings us greater scale, breadth and diversity across products, geographies and sales channels,” Heather Bresch, Mylan’s chief executive, said in a statement</li> <li>Mylan said the acquisition was immediately accretive to its earnings, increasing to 35 cents to 40 cents a share in 2017. The transaction also could create about \$350 million in annual pretax synergies by the fourth year after the deal, the companies said</li> <li>Among the motivations for the deal was Mylan’s desire to provide greater exposure to over-the-counter products, which represent 40% of Meda’s product sales, and entry into emerging markets</li> </ul>	
Deal Points	<ul style="list-style-type: none"> <li>Mylan said that it would acquire Meda for cash and stock worth 165 Swedish krona a share, or a 92% premium to where the stock closed on the Nasdaq Stockholm on Feb. 10</li> <li>Including Meda’s debt, the deal is valued at \$9.9 billion</li> <li>Deutsche Bank and Goldman Sachs are providing financing to Mylan via a bridge credit facility for the cash portion of the deal</li> </ul>	
Of Note	<ul style="list-style-type: none"> <li>The deal comes three months after Mylan’s hostile bid for Perrigo fell short of collecting the shareholder votes needed for the transaction to take place</li> <li>Meda’s two largest shareholders, Stena and Fidim, representing 30% of the company’s shares outstanding, have already accepted the offer</li> </ul>	