BioSpectrum
the business of Bio & Health Sciences
ASIA EDITION

Otsuka acquires Visterra for $430 M

July 13, 2018 | News

Otsuka's research areas are in psychiatric and neurological diseases, hematological cancers, and kidney, cardiovascular, and infectious diseases.



Otsuka Pharmaceutical Co., Ltd. and Visterra, Inc. have announced that they have entered into a definitive merger agreement pursuant to which Otsuka will acquire Visterra for approximately USD 430 million in an all-cash transaction. The Otsuka and Visterra boards of directors have approved the transaction. Subject to customary closing conditions, including expiration or termination of the waiting period under U.S. antitrust laws, the transaction is expected to close in the third quarter of 2018.

Visterra’s Hierotope platform, comprised of novel computational and experimental technologies, enables the design and engineering of precision antibody-based therapies that specifically bind to, and modulate, disease targets that are not adequately addressed by current technologies in antibody therapeutics. Visterra’s pipeline includes programs targeting IgA nephropathy and other kidney diseases, cancer, chronic pain and infectious diseases.

Otsuka’s research areas are in psychiatric and neurological diseases, hematological cancers, and kidney, cardiovascular, and infectious diseases. The company is placing emphasis on proprietary drug discovery and development platforms, including antibody development platforms, as a means to increase the efficiency of drug discovery across its programs and as an addition to conventional R&D processes.

Tatsuo Higuchi, president and representative director of Otsuka Pharmaceutical Co., Ltd. commented, “I am highly gratified that Visterra's exceptional antibody platform technology, promising pipeline and talented researchers will join up with Otsuka. By collaborating and reinforcing each other's culture, human ingenuity and technology, we hope to help fulfill Visterra’s promise as a powerful new drug creation engine and expand Otsuka’s research horizons.”

“This transaction affirms the power of Visterra’s novel technology platform, the promise of our product candidates, and the value our employees and shareholders have created. Our two companies share a common culture of creativity and innovation, and commitment to patients with kidney diseases, cancer and other hard-to-treat diseases. Joining forces with Otsuka will provide Visterra the resources, support and commitment to accelerate development of our pipeline and fully realize the potential of our technology platform,” said Brian J. G. Pereira, MD, CEO of Visterra in a release.

The extensive overlap in disease areas prioritized by both companies reflects a shared, deeper commitment to tackle the most difficult treatment challenges through innovative approaches.

Following completion of the acquisition, Visterra will be a wholly owned subsidiary of Otsuka America, Inc., which is a U.S. holding company and a wholly owned subsidiary of Otsuka Pharmaceutical Co., Ltd. of Japan. Visterra will continue to operate its business and develop its pipeline as a member of the Otsuka family of companies, retaining its talent and its location in Waltham, Massachusetts.