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GSK completes transaction with Pfizer to form new Consumer Healthcare Joint Venture

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GlaxoSmithKline plc has announced that it has completed its transaction with Pfizer to combine their consumer healthcare businesses into a world-leading Joint Venture.

The Joint Venture brings together two highly complementary portfolios of consumer health brands, including GSK's Sensodyne, Voltaren and Panadol and Pfizer's Advil, Centrum and Caltrate.

The Joint Venture will focus on completing the integration of the two businesses, which is expected to realise annual cost savings of £0.5bn by 2022 for expected total cash costs of £0.9 billion and non-cash charges of £0.3 billion. Up to 25% of the cost savings are intended to be reinvested in the business to support innovation and other growth opportunities.

Brian McNamara, Chief Executive Officer, GSK Consumer Healthcare said, "Now the deal has closed, our focus will be on completing the integration of these two businesses and leveraging their combined strength. With our portfolio of brilliant, science-based brands and strong talent and capabilities, we are well-positioned to create a world-leading consumer healthcare business with stronger sales, cash flow and contribution to earnings."

Emma Walmsley, Chief Executive Officer, GSK and Chair of the Joint Venture said, "The completion of the joint venture with Pfizer marks the beginning of the next phase of our transformation of GSK. This is an important moment for the Group, laying the foundation for two great companies, one in Pharmaceuticals and Vaccines and one in Consumer Health."

As previously announced, GSK intends to demerge the Joint Venture from the company within three years and to list the GSK Consumer Healthcare business on the UK equity market.