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Takeda transfers assets of select diabetes products to Teijin Pharma

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Japanese firm Takeda Pharmaceutical Company Limited has announced that it has entered into an agreement to transfer the assets, marketing rights and, eventually, marketing authorisation associated with a portfolio of select non-core products in Japan to Teijin Pharma Limited, a Tokyo-based pharmaceutical company, for JPY 133.0 billion, subject to customary legal and regulatory closing conditions.

The portfolio to be divested to Teijin Pharma is comprised of four non-core type 2 diabetes products (Nesina®, Liovel®, Inisync® and Zafatek®) sold in Japan, which generated total sales of approximately JPY 30.8 billion in FY2019. While the products included in the asset transfer continue to play important roles in meeting patient needs in the country, they are outside of Takeda's chosen business areas – gastroenterology (GI), rare diseases, plasma-derived therapies, oncology, and neuroscience – core to its global long-term growth strategy.

"Today's transaction enables us to sharpen our focus in Japan on developing and delivering highly-innovative products within Takeda's five key business areas," said Masato Iwasaki, President, Japan Pharma Business Unit, Takeda. "We look forward to maintaining our seamless collaboration with Teijin Pharma as we continue to manufacture and supply these valued products on their behalf, and to making even greater contributions to our purpose of achieving better health and a brighter future for people in Japan and around the world.

Costa Saroukos, Chief Financial Officer, Takeda, said, "This announcement builds on the continued execution of Takeda's operational and financial commitments of optimising our portfolio for growth and paying down long-term debt, while delivering life-transforming treatments to patients worldwide. With longstanding expertise in type 2 diabetes, we are confident that Teijin Pharma is the right partner to maximise the value of these trusted products and ensure uninterrupted patient access in Japan."

Takeda intends to use the proceeds from the sale to reduce its debt and accelerate deleveraging towards its target of 2x net debt/adjusted EBITDA within FY2021 – FY2023.

Takeda has sustained momentum in its divestiture strategy and has exceeded its $10 billion non-core asset divestiture target. Including this transaction, Takeda has announced 12 deals since January 2019, for a total aggregate value of up to

approximately $12.9 billion.