Teva to Acquire Labrys Biologics

Teva Pharmaceutical Industries and Labrys Biologics, a privately-held development stage biotechnology company focused on treatments for chronic migraine and episodic migraine, today announced that Teva has entered into a definitive agreement to acquire Labrys, broadening Teva's array of biotechnology assets and capabilities.

Teva will acquire Labrys for $200 million in upfront payment in cash at closing as well as up to $625 million in contingent payments upon achievement of certain pre-launch milestones. Potential peak sales for LBR-101 are estimated to reach $2 to $3 billion.

With the goal of becoming a global leader in pain by 2020, the Labrys acquisition adds a significant migraine prophylaxis dimension to Teva's extensive pain care franchise, which includes a range of investigational, approved and marketed treatments for migraine, cancer pain and chronic pain.

Labrys is developing LBR-101, a fully humanized monoclonal antibody that binds to calcitonin gene-related peptide (CGRP) currently in Phase IIb clinical trials for prevention of chronic and episodic migraine. Teva's acquisition of the LBR-101 program targeting high frequency episodic and chronic migraine clearly complements the recent addition of Zecuity, an innovative therapy for the acute treatment of migraine, obtained through the acquisition of NuPathe. This ability to treat both acute and chronic migraine builds on Teva's broader pain portfolio, which was recently further strengthened by positive pivotal Phase III results achieved by Teva's potential abuse-deterrent extended release hydrocodone. The results gave a clear indication, in a clinical setting, of the promise of Teva's proprietary technology with potential abuse-deterrent properties in a range of opioid medications.

"More than 8.5 million people in the US, EU and Japan (G7) suffer from episodic or chronic migraine requiring preventative treatment, a condition that can destroy their quality of life," said Michael Hayden, Teva's President of Global R&D and Chief Scientific Officer. "CGRP is a well-validated target in migraine, and Labrys has progressed the development of LBR-101 with scientific rigor and excellence. With its long half-life, target specificity and favorable pharmacokinetic profile allowing for infrequent, and convenient, subcutaneous administration, LBR-101 represents a very exciting biologic product candidate, and much needed option, for the management of this truly debilitating condition."

"Teva is the ideal company to continue Labrys' efforts to rapidly advance the LBR-101 program and bring a much needed product to market," said Steven P. James, Labrys' President and Chief Executive Officer. "Since closing a Series A investment round in 2013, Labrys has made remarkable strides advancing LBR-101 in a robust Phase 2 development program and attracting a high caliber company in Teva to complete clinical development."

The closing of this transaction is subject to antitrust clearance and satisfaction of other conditions.