

# Roche in talks to buy Chugai in \$10b deal

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LONDON: Roche Holding is in talks to buy the almost 40 per cent of Chugai Pharmaceutical that it doesn't already own to gain full control of its Japanese partner for oncology and arthritis drugs, according to people familiar with the matter.

Roche, the world's biggest maker of cancer drugs, plans to pay about \$10 billion to buy the remaining stake in Tokyo-based Chugai, the people said, asking not to be identified because the plans are private. The deal may be announced as early as next week, though no final decision has been made, one of the people said.

Shares in Roche slipped about 1 per cent in Swiss trading yesterday. Chugai, which seldom trades outside of Japan rose as high as €29.70 in Frankfurt. Before that, the last time it had changed hands was August 13 at €23.81.

Chugai's shares in Japan have climbed 43 per cent this year and ended trading ahead of the news of Roche's interest at 3,315 yen, or about €24.17, valuing the whole company at about \$18 billion.

Representatives for Basel, Switzerland-based Roche declined to comment.

E-mail and phone messages left with representatives for Chugai after regular business hours weren't immediately returned.

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## Cancer care

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Osamu Nagayama, chairman and chief executive officer of Chugai Pharmaceutical.

"Last month, Roche agreed to buy Seragon Pharmaceuticals for as much as \$1.7 billion to gain a new generation of experimental treatments for breast tumors. The company is still seeking "targeted" acquisitions amid a pharmaceutical and biotechnology deals environment in which valuations are high", chief executive officer Severin Schwan said on July 24.

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