

Pfizer defends 'powerhouse' Astra deal

REUTERS

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Pfizer defended the business case behind its plan to acquire AstraZeneca on Monday and questioned the UK drugmaker's ability to stand alone for much longer as the New York-based group's CEO prepared for a grilling from British lawmakers.

Aiming to douse questions about its commitments to British jobs, Pfizer also said its agreement to complete AstraZeneca's new research centre in Cambridge, retain a factory in northwest England and put a fifth of its research

staff in Britain if the deal goes ahead were legally binding.

The comments are Pfizer's latest counter to critics of its proposed \$106 billion deal, which would be the largest foreign takeover of a British firm and is opposed by many scientists and politicians — as well as AstraZeneca itself.

With its bid now the subject of heated debate in Britain's Houses of Parliament and across the country's news channels, the US drugmaker took a harder line on Monday, saying the merger would create "a UK-based scientific powerhouse".



It also took a swipe at AstraZeneca's go-it-alone strategy by arguing that Britain's second biggest pharmaceuticals business lacked the financial muscle to make the most of its experimental medicines.

"Looming patent expiries and near-term revenue losses jeopardize its ability to deliver

on its very promising pipeline," Pfizer said in a written submission to a parliamentary committee.

Pfizer's Scottish-born Chief Executive Ian Read faces tough questions from British lawmakers on Tuesday about his plans to acquire AstraZeneca — a deal driven in large part by Pfizer's wish to cut its tax bill.

Lawmakers will also interrogate AstraZeneca's French CEO Pascal Soriot and business minister Vince Cable on Tuesday. Then a second parliamentary committee on May 14 will question both CEOs again, along

with British science minister David Willetts, about the science aspects of the deal.

In response to worries about safeguarding the British company's research, Pfizer's R&D head Mikael Dolsten posted a video on Pfizer's website saying he had been through five different mergers which did not disrupt drug research.

"We must stay laser-focused on our important projects. And that's, of course, true for Pfizer scientists and AZ scientists and will be true also if we can make a potential combination come together."

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