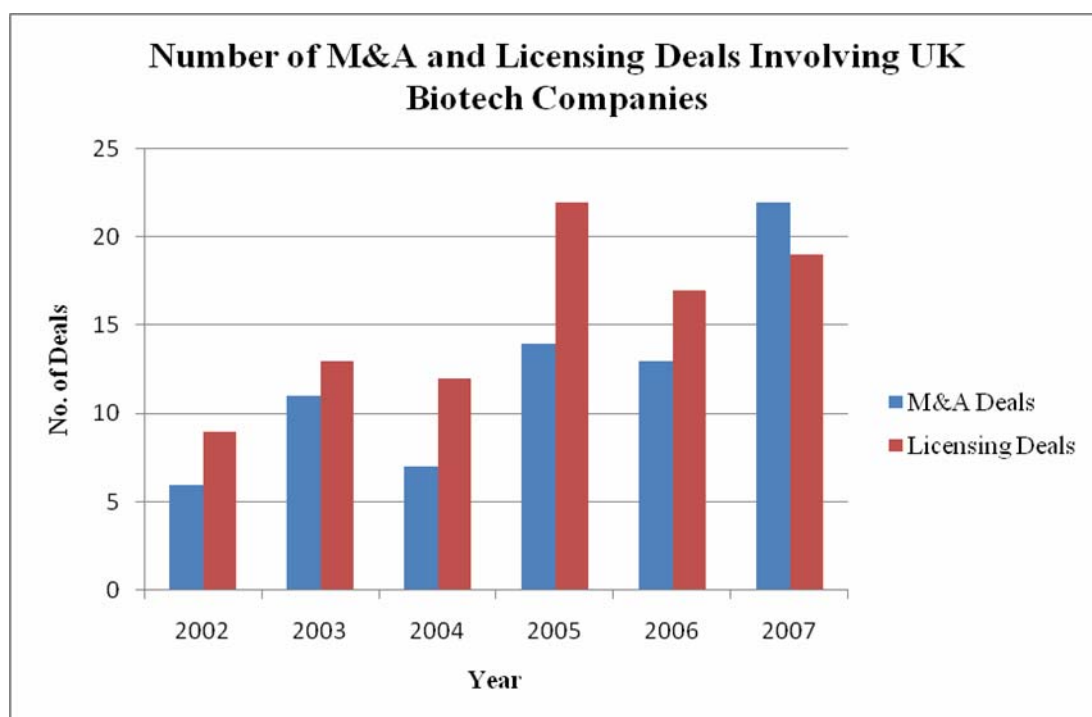


## Acquisitions of UK biotech companies overtake licensing deals for the first time in 2007

CAMBRIDGE, UK, 17 June 2008 - Cambridge Healthcare & Biotech Ltd (CH&B) today announced the findings of a study (*License or Buy? Current Trends in the Biotech Sector and Recommended Strategic Options: the UK Perspective*) which was carried out by Gigi Wong, an intern at CH&B, as part of her MPhil in Bioscience Enterprise program at the Institute of Biotechnology at University of Cambridge.

The study found that in 2007, the number of mergers and acquisition (M&A) deals involving UK biotech companies exceeded for the first time the total number of licensing deals. One of the reasons for this change in trend may be due to the value of licensing deals increasing to a point where the net present value (NPV) of these deals is valued higher than the biotech companies that own the products or technology of interest to the pharmaceutical companies.



The study shows that under the current economic climate, valuation of UK biotech have reached levels where acquisition is sometimes a better financial option than licensing for pharmaceutical companies interested in acquiring new technology or products to shore up their increasingly shrinking pipelines.

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## PRESS RELEASE



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Martyn Postle, Director and Founder of CH&B said, “It is a compliment to the quality of biomedical research in the UK, that many of the recent acquirers of UK biotech are overseas companies. However, it is a shame that the eventual commercialisation of this high quality IP will not benefit the UK economy in any way. It is also a shame that many of these acquisitions have led to job losses in the UK biotech community as acquirers seek to consolidate the new IP into their home base operations”.

The full study can be found at the following URL

[www.chandb.com/articles/License\\_or\\_Buy\\_June08.pdf](http://www.chandb.com/articles/License_or_Buy_June08.pdf)

*Cambridge Healthcare & Biotech is a knowledge-based consultancy serving all sectors of the healthcare industry. The company brings a unique perspective to solving client problems through an in-depth understanding of technology, product development, marketing, healthcare systems and corporate finance which is embedded in its project teams.*

*In particular, the track record of its team in commercial and technical due diligence is second to none, enabling its clients to maximise value and minimise risk in mergers, acquisitions, divestments and licensing transactions.*

**ENDS**

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