



Roche buys insulin pump developer Medingo: The sale price is for \$160 million and up to \$40 million in milestone payments

APR 13, 2010 (GLOBES - MCCLATCHY-TRIBUNE INFORMATION SERVICES VIA COMTEX) -- Roche AG (SWX: RO) has acquired insulin pump developer Medingo Ltd. from Elron Electronic Industries Ltd. (Pink Sheets: ELRNF | [Quote](#) | [Chart](#) | [News](#) | [PowerRating](#); TASE: ELRN) and its partners for \$160 million as well as up to \$40 million in milestone payments.

Medingo will become part of Roche Diabetes Care. Medingo's insulin pump is not yet marketed, and Roche said that the next step is to scale-up production capacity for a global launch, planned by 2012. The insulin pump has two parts: a semi-disposable insulin dispensing patch and a remote control, which allows for discreet insulin delivery.

Roche added that, in 2009, the insulin delivery system global market was estimated at CHF 1.6 billion. While the whole market is growing rapidly, the expectations for the growth of the patch pump segment are even higher.

Nochi Dankner-controlled IDB Holding Corp. Ltd. (TASE:IDBH) high-tech investment arm Elron owns Medingo both directly and through Rafael Development Corporation (RDC), its joint technology transfer venture with Rafael Advanced Defense Systems Ltd.. A third investor in Medingo is Radius Ventures.

Yokne'am-based Medingo was founded in 2005 by CTO Dr Ofer Yodfat at RDC.

Roche Diagnostics COO Daniel O'Day said, "Diabetes has become a real epidemic that affects more than 285 million people worldwide. Roche Diabetes Care, a global leader in blood glucose monitoring and insulin delivery systems, is committed to improving the quality of life for people with diabetes. With this acquisition we will broaden our portfolio of innovative insulin delivery technologies and strengthen our position as a leading player in the diabetes care business."

Medingo general manager David Vidan said, "As we share the same vision of providing integrated diabetes management solutions for insulin pump users, Roche to us was the partner of choice to bring our technology to life."

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