

Temasek Invests \$800M In Alphabet's Verily Life Sciences

By **Matthew Perlman**

Law360, New York (January 26, 2017, 3:58 PM EST) -- Verily Life Sciences LLC, a unit of Google parent company Alphabet Inc., on Thursday said that Singapore's state-owned investment company Temasek Holdings Pte. Ltd. will take a minority stake in the research and engineering outfit through an \$800 million investment.

A majority of the investment will be funded in the coming days, with the rest slated for the second half of this year, according to a statement announcing the agreement. Temasek will nominate one director to Verily's board as part of the deal, the statement said. Further financial terms were not disclosed.

Verily, formerly known as Google Life Sciences, focuses on research and development aimed at applying scientific and technological advances to problems in health and biology. The company said it will partner with Temasek as it looks to commercialize health care solutions for markets outside the U.S. Verily CEO Andrew Conrad said that the investment company brings a lot to the table.

"Temasek has a history of thoughtful and enduring capital investments, including in life sciences and health care, and this commitment to a long-term collaboration with Verily is a meaningful affirmation of our strategy," Conrad said in Thursday's statement. "With a substantial network and insights into the economies in Asia, Temasek will provide valuable guidance as we look to ex-U.S. markets with our development partners."

Last year, Verily teamed up with U.K. pharmaceutical giant GlaxoSmithKline PLC, with the companies agreeing to invest a total of up to £540 million (\$711.7 million) over seven years in a joint venture to focus on the creation of implantable medical devices that use electrical signals. The venture, Galvani Bioelectrics, is looking to commercialize bioelectronic treatments for inflammatory, metabolic and endocrine disorders.

It also partnered with French drugmaker Sanofi SA last year to launch a diabetes-focused joint venture named Onduo, which is developing devices, software, medicine and professional care to help manage the disease.

Temasek, which has a portfolio valued at \$180 billion, recently opened an office in San Francisco and said it will step up its focus on North American technology ventures, including health care technology, according to Verily's statement.

In October, Temasek poured \$250 million into a joint venture with Columbia Pacific Management, a developer and operator of hospitals and clinics across Asia, to help the company expand its operations in China.

Its life sciences portfolio also includes interests in biologics company Celltrion Inc., biopharmaceutical company Gilead Sciences Inc. and biotechnology giant Thermo Fisher Scientific Inc., according to its website.

Representatives for Temasek did not immediately respond to a request for comment on Thursday.

Verily is represented in the partnership with Temasek by Sullivan & Cromwell LLP, with a team including Alison S. Ressler, Jason T. Anderson, Anel Loubser, Marc Trevino, Jeannette E. Braun, Nader A. Mousavi, RuiHui Yu, Andrew S. Mason and Alexander P. Apostolopoulos.

Temasek is represented by Morrison & Foerster LLP, with a team led by Susan Mac Cormac and Alfredo Silva, and including Robert Townsend, James Mullen, Paul Jahn, Bernie Pistillo, Christine Lyon, Cara Ann Marr Rydbeck, Can Cui, Kelly Lowenberg, Amanda Hines Gold, Ali Nardali, Shouvik Biswas, Jesse Finrock, Jonathan O'Connell, Melissa Crespo and Ben Fox.

Alphabet is represented by Cleary Gottlieb Steen & Hamilton LLP, with a team including Ethan Klingsberg, Aaron Meyers, Charlie Allen, Jason Factor, Corey Goodman, Rebecca Reeb, Caroline Hayday and Arthur Kohn.

--Additional reporting by Fola Akinnibi and Chelsea Naso. Editing by Stephen Berg.