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Johnson & Johnson buys Abiomed for $16.6 B to strengthen medtech biz

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Expected to enhance Johnson & Johnsonâ??s near- and long-term sales and earnings growth; accretive to adjusted earnings beginning in 2024



Johnson & Johnson and Abiomed have entered into a definitive agreement under which Johnson & Johnson will acquire through a tender offer all outstanding shares of Abiomed, for an upfront payment of $380.00 per share in cash, corresponding to an enterprise value of approximately $16.6 billion which includes cash acquired.

Abiomed shareholders will also receive a non-tradeable contingent value right (CVR) entitling the holder to receive up to $35.00 per share in cash if certain commercial and clinical milestones are achieved. The transaction was unanimously approved by both companies' boards of directors.

The transaction broadens Johnson & Johnson MedTech's (JJMT) position as a growing cardiovascular innovator, advancing the standard of care in one of healthcare's largest unmet need disease states: heart failure and recovery.

Abiomed is a leading, first-to-market provider of cardiovascular medical technology with a first-in-kind portfolio for the treatment of coronary artery disease and heart failure, an extensive innovation pipeline of life-saving technologies, and an 18-year track record of profitable growth. Abiomed operates in one of the fastest growing medtech segments with significant expansion opportunities in indication, geography, and product.