

Danaher to buy Cepheid for \$4 billion

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Danaher Corporation has entered into a definitive merger agreement with Cepheid pursuant to which Danaher will acquire all of the outstanding shares of Cepheid for \$53.00 per share in cash, or a total enterprise value of approximately \$4 billion including indebtedness and net of acquired cash.

Cepheid is a leading and innovative global molecular diagnostics company that develops, manufactures, and markets accurate and easy to use molecular systems and tests. Headquartered in Sunnyvale, California, Cepheid will become part of Danaher's \$5 billion Diagnostics segment, joining the Company's Beckman Coulter, Leica Biosystems and Radiometer businesses.

Danaher's President and CEO, Thomas P. Joyce, Jr., said, "We expect Cepheid to be an excellent complement to our existing Diagnostics businesses and to expand our runway for growth across the platform. Cepheid's extensive installed base, test menu and innovative product offering contribute to its market leadership in molecular diagnostics and we expect it to strengthen our position in this high-growth segment."

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Joyce continued, "By applying the Danaher Business System and combining Cepheid with our existing \$5 billion revenue position in the diagnostics industry, we believe that Cepheid will be well-positioned to improve operational efficiencies, significantly expand margins and drive long-term growth. We look forward to welcoming the Cepheid team to Danaher."

The acquisition has been unanimously approved by the Board of Directors of each company, and the Cepheid Board of Directors has unanimously recommended that Cepheid shareholders approve the transaction. The offer is subject to

customary conditions, including approval by Cepheid's shareholders and receipt of applicable regulatory approvals. The transaction is expected to be completed around the end of calendar year 2016.

Danaher expects to finance the transaction with available cash and proceeds from the issuance of debt.