

Johnson & Johnson Buys Micrus For \$480 Million

NEW YORK (AP) — Johnson & Johnson said Monday it will pay \$480 million for medical device maker Micrus Endovascular, adding a range of treatments for stroke and brain aneurysms.

Johnson & Johnson said it will pay \$23.40 per share, marking a 5.5 percent premium to Micrus' closing price on Friday. Both companies boards approved the deal, though it still needs shareholder approval. It is expected to close during the second half of 2010.

Micrus, based in San Jose, Calif., makes a range of devices aimed at treating ischemic stroke and aneurysms. Johnson & Johnson makes a wide range of pharmaceuticals and medical devices. Its Codman & Shurtleff business makes a range of devices also aimed at treating brain aneurysms and neurovascular problems.

Johnson & Johnson of New Brunswick, N.J., said the buyout could be slightly dilutive to earnings per share.

The announcement comes as drug and medical device maker Covidien moves closer to buying the endovascular device maker ev3. Covidien said in June it would pay \$2.6 billion for the company and recently completed its tender offer for the stock.

In premarket trading, Micrus shares rose 5.1 percent to \$23.33. Over the past year the stock has traded between \$7.80 and \$22.50.

Johnson & Johnson shares edged lower by 42 cents to \$60.12.

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