Oshkosh Rejects Icahn Buyout Offer

The Associated Press

OSHKOSH, Wis. (AP) — Oshkosh rejected a buyout offer from billionaire investor Carl Icahn Friday.

The Wisconsin truck maker said that Icahn's tender offer of $32.50 per share undervalued the company and was not in the best interest of shareholders.

Shares in Oshkosh Corp. rose up 17 cents to $29.91 in morning trading.

The company's board unanimously recommended stockholders reject Icahn's offer and not tender any of their shares.

"If Mr. Icahn had proposed an alternative that created greater value than the company's current strategy, the board would have been open to exploring that alternative," said Oshkosh Chairman Richard Donnelly. "However, he has failed to do so,"

Earlier this month Icahn said he planned an unsolicited bid that valued Oshkosh at almost $3 billion, and said he would nominate a competing slate of directors in a bid for control of the company. Icahn is Oshkosh's largest stakeholder and also nominated his own directors to the board in 2011.

Oshkosh also reported Friday that its fiscal fourth-quarter net income more than doubled to $78.9 million, or 86 cents per share, compared with $37.5 million, or 41 cents per share, a year earlier.

Excluding restructuring charges and other items, earnings from continuing operations were 65 cents per share.

Revenue for the three months ended Sept. 30 slipped 2 percent to $2.06 billion from $2.11 billion on lower sales in the defense segment.

Analysts polled by FactSet forecast earnings of 46 cents per share on revenue of $1.97 billion.

The company still expects to approximately double its adjusted earnings from continuing operations from fiscal 2012 to $4 to $4.50 per share by fiscal 2015.

Source URL (retrieved on *07/26/2014 - 4:19pm*):
http://www.impomag.com/news/2012/10/oshkosh-rejects-icahn-buyout-offer