

Bayer launches 1.9-bn-euro bid for Norway's Algeta

December 19 2013

German pharmaceuticals giant Bayer said Thursday it has launched a 1.9-billion-euro (\$2.6-billion) bid to buy Norwegian cancer treatment specialist Algeta.

"The Bayer group plans to further strengthen its oncology portfolio with the acquisition of Norwegian pharmaceutical company Algeta," the German group said in a statement.

"Bayer has reached an agreement with Algeta's board of directors to make a recommended voluntary public takeover offer to Algeta's shareholders, and is offering them 362 kronor per share in cash," the statement said.

The offer implied an equity value of 17.6 billion kronor or 2.1 billion euros and an enterprise value of 16.2 billion kronor or 1.9 billion euros.

The offer price represented a premium of 37 percent over the closing price on November 25, the day before Algeta confirmed that it had received a preliminary, non-binding acquisition proposal from Bayer.

Bayer said Algeta's board of directors had "unanimously decided to recommend acceptance of the offer to its shareholders."

"We have already successfully collaborated with Algeta to develop and commercialize the cancer drug Xofigo. The planned acquisition would give us full control over Xofigo. We are absolutely convinced of the

potential of this drug," said Bayer chief executive Marijn Dekkers.

© 2013 AFP

Citation: Bayer launches 1.9-bn-euro bid for Norway's Algeta (2013, December 19) retrieved 25 April 2024 from <https://medicalxpress.com/news/2013-12-bayer-bn-euro-norway-algeta.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.