

Mallinckrodt buying Cadence Pharma for \$1.21B

February 11 2014

Health care products company Mallinckrodt is buying Cadence Pharmaceuticals Inc. for about \$1.21 billion to help enhance its specialty pharmaceuticals segment.

San Diego-based Cadence is a [biopharmaceutical company](#) that concentrates on commercializing products most for use at hospitals.

Ireland's Mallinckrodt PLC will pay \$14 per [share](#), a 27 percent premium to Cadence's Monday closing price of \$1107. The companies put the [deal](#)'s value at about \$1.3 billion.

Cadence has approximately 86.1 million outstanding shares, according to FactSet.

Both companies' boards unanimously approved the transaction.

Cadence will become a Mallinckrodt subsidiary.

Mallinckrodt said Tuesday that it expects the acquisition to immediately add to its fiscal 2014 adjusted earnings per share and significantly add to its fiscal 2015 adjusted earnings per share.

The deal is targeted to close in mid- to late-March.

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