Covidien Announces Definitive Agreement to Acquire Oridion Systems Ltd.

Dublin, Ireland – Covidien [1], a leading global provider of healthcare products and recognized innovator in patient monitoring and respiratory care devices, today announced a definitive agreement to acquire Oridion Systems Ltd [2].
Oridion Systems, based in Jerusalem, Israel, had 2011 sales of $64 million. The Boards of Directors of both companies have unanimously approved the transaction, pursuant to which a wholly owned subsidiary of Covidien will pay $23.00 in cash per Oridion share for a total of approximately $300 million, net of cash acquired. The transaction, structured as a merger, will be subject to the approval of Oridion's shareholders, customary closing conditions and receipt of certain regulatory approvals. The companies expect to complete the merger in the second calendar quarter of 2012.

Oridion develops Microstream® capnography monitors and modules, in conjunction with specialized algorithms, as well as etCO2 breath sampling lines. Together, these products monitor adequacy of ventilation and provide an early indication of airway compromise to make patient care safer and easier.

"The acquisition of Oridion Systems adds a key monitoring technology to the Covidien portfolio," said Robert J. White, President, Respiratory & Monitoring Solutions, Covidien. "Oridion's products and etCO2 technology are excellent complements to the Company's current portfolio of pulse oximeters and monitoring products, enabling us to offer a complete portfolio of solutions to monitor respiratory function for patients around the world."

Assuming a closing in the second calendar quarter of 2012, Covidien does not expect this transaction to have a material impact on its fiscal 2012 sales, operating margin or earnings per share.

Once the transaction has been completed, Covidien will report the Oridion Systems business as part of its Oximetry & Monitoring product line in the Medical Devices segment.

Supporting materials are now available on the Investor Relations section of Covidien's website: http://investor.covidien.com [3].

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Links:

[1] http://www.covidien.com/
[2] http://www.oridion.com/
[3] http://investor.covidien.com/