Roper Industries Buys Sunquest for $1.42B

AP

SARASOTA, Fla. (AP) — Medical and industrial equipment maker Roper Industries Inc. is buying hospital software company Sunquest Information Systems Inc. for approximately $1.42 billion.

Sunquest, based in Tucson, Ariz., provides diagnostic and laboratory software to more than 1,700 hospitals globally.

"Sunquest meets all of Roper's key acquisition criteria and is an ideal fit with both our medical and software platforms," Roper Chairman, President and CEO Brian Jellison said in a statement Monday.

Roper says Sunquest will continue to operate under its own name and market products and services under their current brand names.

Privately held Sunquest is owned by a group that includes Huntsman Gay Global Capital and Vista Equity Partners. Sunquest President and CEO Richard Atkin says that the deal will supply the company with the finances and strategic resources needed to bolster its product offerings and expand into new areas.

The buyout is expected to close within 30 days.

Roper, based in Sarasota, Fla., also reported on Monday that its earnings rose 8 percent to $114.8 million, or $1.15 per share, from $106.3 million, or $1.08 per share, in the prior-year period. This met the expectations of analysts polled by FactSet.

Revenue for the three months ended June 30 climbed 4 percent to $724.9 million from $699.9 million. The results fell short of Wall Street's estimate of $746.9 million.

Roper also raised its full-year adjusted earnings outlook to a range of $4.84 to $5 per share from $4.75 to $4.91 per share, which accounts for the Sunquest deal and the stronger dollar. Wall Street expected $4.84 per share.

The company said that the forecast excludes acquisition-related expenses, debt extinguishment charges and the impact of any future acquisitions.

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