Bard Announces Agreement to Acquire Medafor, Inc.

Business Wire

C. R. Bard, Inc. has announced that it has entered into a definitive agreement to acquire privately-held Medafor, Inc., a leading developer and supplier of plant based hemostatic agents for the purchase price of $200 million paid at closing, expected to occur later this year, and future contingent payments up to an additional $80 million based on specific revenue-based milestones through June 30, 2015. The transaction is structured as a merger and has been approved by both companies' boards of directors, and is subject to an approval by Medafor's shareholders and customary regulatory review. This acquisition is expected to expand the business opportunities for Bard surgical specialties in its Davol subsidiary.

Medafor markets the Arista® MPH Hemostat, which is indicated as an adjunctive hemostatic agent to control bleeding when conventional means are ineffective or impractical. The Arista platform is a plant-based Microporous Polysaccharide Hemospheres technology that has been shown to be safe, effective and easy to use in a variety of surgical procedures. In addition, Medafor has a robust pipeline of potential future products that we expect will expand the use of this clinically proven and effective hemostat to control bleeding. Surgical hemostats are used in a wide variety of procedures to control bleeding intraoperatively in order to reduce hemorrhage. In addition, these products help provide greater visibility of the surgical site and help reduce postoperative complications and the potential for costly transfusions. The existing global market for surgical hemostats is over $1.4 billion and this acquisition will provide Bard with a proprietary technology platform to expand its participation in this dynamic market.

Timothy M. Ring, Bard's chairman and CEO, commented, "With the acquisition of Medafor, we continue to shift the mix of the portfolio to improve the organic growth profile of the business for the longer term. With its safety and ease of use profile, the Arista® hemostat provides a great alternative to other commercially available hemostats while providing strong synergy with our Progel® Sealant technology and sales channel. This technology platform represents an important building block for our surgical specialty product offering and provides a global footprint for continued expansion." The company expects this acquisition to add approximately 1% to revenue growth in 2014, and be a few cents dilutive to adjusted earnings per share in 2013 and neutral to 2014.

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