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J&J agrees to sell LifeScan unit for $2.1B

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Johnson & Johnson accepted Platinum Equity's $2.1 billion offer for LifeScan, the company's blood glucose monitoring unit known for its OneTouch brand of glucose meters and insulin pumps.

Singapore- The New Brunswick, NJ-based company recently reported that it has accepted Platinum Equity's $2.1 billion offer for J&J's LifeScan business.

LifeScan is known to diabetes patients worldwide for its OneTouch brand of glucose meters, insulin pumps, and related products. J&J said the deal is expected to close by the end of the year, assuming it clears regulatory requirements and other customary closing conditions. LifeScan earned $1.5 billion in revenue in 2017.

Platinum Equity and J&J noted in March when the offer was first announced that LifeScan President Valerie Asbury would continue to lead the business following the change in ownership.

So far, this is the largest deal in the medical device and diagnostics industry in 2018.

Last October, J&J announced that it was dropping out of the insulin pump business and immediately shutting down its Animas unit, citing increasing competition in the space. That decision left about 90,000 patients looking for a new insulin pump, and those patients were given the option to transfer to Medtronic pumps.

In recent announcement, however, J&J made a point to assure diabetes patients that the company will continue to serve those impacted by the disease through products, services, and solutions from its medical device, pharmaceuticals, and consumer businesses.

Johnson & Johnson also is considering a $2.7 billion offer for its sterilization business, which is part of its Ethicon division.