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J&J gets US regulatory nod for Synthes acquisition

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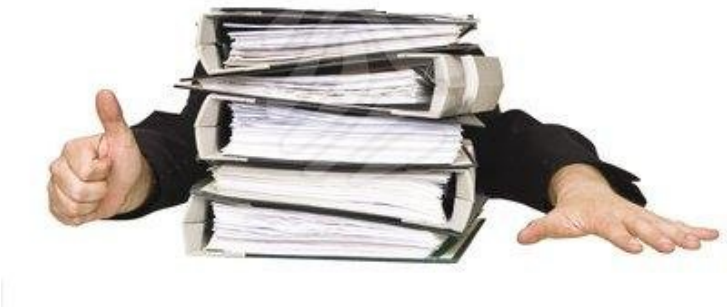

Singapore: Johnson & Johnson received US regulatory clearance for its proposed acquisition of Synthes. This completes all regulatory approvals required to close the transaction. Johnson & Johnson is expecting to close the transaction with Synthes on June 14, 2012, subject to the satisfaction of customary closing conditions on that date. The total purchase price is estimated to be approximately $19.7 billion in cash and stock.

Based on a June 14, 2012, closing date, each outstanding share of Synthes common stock will be converted into the right to receive CHF 55.65 in cash and 1.7170 shares of Johnson & Johnson common stock (subject to the payment of cash in lieu of fractional shares).

The exchange ratio was calculated based on the average of the volume weighted average trading prices of Johnson & Johnson common stock on the New York Stock Exchange (NYSE) on each of the 10 consecutive trading days ending two trading days prior to the effective time of the merger, as converted into CHF on each day during this valuation period (beginning May 30, 2012 and ending, June 12, 2012).

Johnson & Johnson previously received several approvals from various regulatory organizations. The European Commission granted its antitrust approval for the transaction on April 19, 2012. On June 11, 2012, the Federal Trade Commission (FTC) granted early termination of the requisite waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.