

Covidien to Sell Confluent Surgical Product Line to Integra LifeSciences

Covidien, a leading global provider of healthcare products, announced today that it has entered into a definitive agreement with Integra LifeSciences Corporation to sell its Confluent Surgical product line. The transaction is expected to close by March 31, 2014, subject to receipt of regulatory approvals.

Under the terms of the agreement, Covidien will receive an initial cash payment of \$235 million from Integra upon the closing of the transaction. Additionally, Covidien may receive up to \$30 million, contingent upon the achievement of certain performance measures related to the transition of the Confluent Surgical business to Integra.

"This transaction allows Covidien to better focus on its global strategic priorities," said Bryan Hanson, Group President, Medical Devices & U.S., Covidien. "Based on Integra's presence in neurosurgery and spine surgery combined with a strong portfolio of clinical evidence, we believe these products will thrive under Integra's ownership. We express our sincere gratitude to our dedicated employees and the clinicians who have partnered with us throughout the years."

Confluent Surgical products include: DuraSeal, DuraSeal Exact/Xact, VascuSeal and SprayShield. These products are part of the soft tissue repair category of Covidien's Medical Devices business and generated approximately \$65 million in sales in fiscal 2012.

Assuming a closing on or before March 31, 2014, Covidien expects the transaction to be several cents dilutive to fiscal 2014 earnings per share; however, the underlying strength of Covidien's existing businesses is expected to offset this dilution. As a result, Covidien does not anticipate this transaction will have a material impact on its fiscal 2014 outlook.

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