

Germany's Merck to buy Sigma-Aldrich for \$17 billion

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GERMAN drug company Merck says it has agreed to buy St Louis-based chemical firm Sigma-Aldrich Corp for \$17 billion in a deal Merck says will strengthen its business in chemicals and laboratory equipment.

Merck said on Monday it is paying \$140 per share in cash for all of Sigma-Aldrich's shares — a premium of 37 percent over Friday's closing price of \$102.37.

Sigma-Aldrich has over 9,000 employees in 40 countries and supplies chemicals and laboratory equipment to government and commercial facilities.

It said its board of directors has unanimously approved the deal, which is expected to close next year, subject to regulators' approval.

Sigma-Aldrich CEO Rakesh Sachdev said the deal was a "very positive outcome" for shareholders due to the price premium and for employees, "who will benefit from enhanced opportunities as part of a larger, more global organization." Merck said it would expand the reach of its EMD-Millipore chemical and equipment division, based in Billerica, Massachusetts.

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