

Allergan tells shareholders to reject Valeant deal

23 June 2014

Allergan, the maker of Botox, said Monday that Valeant Pharmaceuticals' hostile takeover bid for the company is "grossly inadequate" and that shareholders should reject it.

Allergan said the \$53 billion bid from Valeant undervalues the [company](#) and is not in the best interest of Allergan's shareholders.

Valeant, a Canadian drugmaker, first offered to buy Irvine, California-based Allergan Inc. in April, and has increased its original bid of about \$45.6 billion several times, only to be rejected. Valeant teamed up with activist investor Bill Ackman's Pershing Square Capital Management for the bid.

On Friday, Valeant said it was taking its deal directly to Allergan shareholders and allowing them to trade in their stock for 0.83 shares of Valeant and \$72 in cash, or another combination.

Allergan's CEO David E.I. Pyott said in a statement that the company can increase shareholder value more than Valeant's bid can.

Shares of Allergan slipped 31 cents to \$165.01 in morning trading Monday. Valeant Pharmaceuticals International Inc. shares fell \$1.26 to \$120.67 in morning trading.

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APA citation: Allergan tells shareholders to reject Valeant deal (2014, June 23) retrieved 2 May 2021 from <https://medicalxpress.com/news/2014-06-allergan-shareholders-valeant.html>

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