

**DEAL PROFILE**

AMERISOURCEBERGEN | H.D. SMITH

**VALUES**

**\$815mm**

**8% - 11%**

**4% - 7%**

**TRANSACTION VALUE**

**2018 EXPECTED REVENUE GROWTH**

**2018 EXPECTED OPERATING INCOME GROWTH**



**AMERISOURCEBERGEN CORPORATION (NYSE: ABC)**

AmerisourceBergen Corporation (“AmerisourceBergen”) sources and distributes pharmaceutical products in the U.S. and internationally. The company provides services to healthcare providers, and pharmaceutical and biotech manufacturers. AmerisourceBergen was founded in 1985 and is headquartered in Chesterbrook, Pennsylvania.

**IEV: \$19.5bn**

**LTM EBITDA: \$2.44bn**

**LTM Revenue: \$153.14bn**



**H.D. SMITH, LLC (PRIVATE COMPANY)**

H.D. Smith, LLC (“H.D. Smith”) distributes and supplies healthcare products and business solutions to healthcare providers and manufacturers in the United States. The company serves retail pharmacies, alternate care facilities, institutions, and trading partners. H. D. Smith was founded in 1954 and is based in Springfield, Illinois with distribution centers in California, Florida, Illinois, Kentucky, New England, New York, and Texas.

**IEV: \$815mm**

**LTM EBITDA: N/A**

**LTM Revenue: N/A**

**BOURNE PARTNERS MARKET RESEARCH**

**Bourne Partners provides strategic and financial advisory services to clients throughout the business evolution life cycle. In order to provide the highest level of service, we routinely analyze relevant industry trends and transactions. These materials are available to our clients and partners and provide detailed insight into the pharma, pharma services, OTC, consumer health, and biotechnology sectors.**

**OVERVIEW**

On November 20, 2017 AmerisourceBergen signed a definitive agreement to acquire H.D. Smith for approximately \$815 million in cash. AmerisourceBergen plans to fund the transaction through the issuance of new long-term debt. The transaction is expected to be accretive to adjusted diluted earnings per share (EPS) in fiscal year 2018, with full run-rate synergy achievements in 2021 showing an accretion of approximately \$0.15 to the company’s adjusted EPS.

**HIGHLIGHTS**

AmerisourceBergen views the transaction as an opportunity to strengthen their core business and enhance the scale of their pharmaceutical distribution capabilities in the United States. Update: the transaction closed on January 2, 2018.