Suntory Buying Beam for $13.62B

This Oct. 3, 2012, file photo, shows the Jim Beam visitors center at its central distillery in Clermont, Ky. Beam, the maker of Jim Beam and Maker's Mark alcohol brands, has agreed to be acquired by Japan's Suntory Holdings Ltd. for approximately $13.62 billion. **(AP Photo/Bruce Schreiner, File)**

DEERFIELD, Ill. (AP) — Beam, the maker of Jim Beam and Maker's Mark bourbons along with other liquor brands, has agreed to be acquired by Japan's Suntory Holdings Ltd. for approximately $13.62 billion.

Shares of the spirits maker jumped in Monday premarket trading.

Suntory has a portfolio of spirits, with whiskies including Yamazaki and Hakushu as well as Midori liqueur and other beverages. It already distributes Beam's products in Japan. Beam distributes Suntory's products in Singapore and other Asian markets.

Suntory President and Chairman Nobutada Saji said in a statement that the acquisition will help Suntory further its global growth.

The combined company is expected to have annual sales of spirits products of more than $4.3 billion.

Beam President and CEO Matt Shattock and the Deerfield, Ill., company's current management will continue to run the business.

Suntory will pay $83.50 per share, a 25 percent premium to Beam's Friday closing price of $66.97. The companies put the deal's value at about $16 billion, including debt.

Suntory plans to fund the deal with available cash and fully committed financing from The Bank of Tokyo-Mitsubishi UFJ.

Both companies' boards unanimously approved the transaction, which is targeted to close in the second quarter.

The deal needs approval from Beam Inc. stockholders.

Beam's stock gained $17.40, or 26 percent, to $84.37 in premarket trading about 90 minutes before the market open.

Source URL (retrieved on *09/18/2014 - 12:50pm*):
http://www.foodmanufacturing.com/news/2014/01/suntory-buying-beam-1362b