

## Siemens to buy Oregon-based Mentor Graphics for \$4.5 billion

November 14 2016



In this June 24, 2016 file picture the logo of German industrial conglomerate Siemens is pictured prior to opening ceremony at the new headquarters in Munich, Germany. German industrial equipment maker Siemens AG says it has agreed to buy U.S.-based software firm Mentor Graphics Corp. for US \$4.5 billion. The companies said in a joint statement Monday Nov. 14, 2016 that Mentor's board recommended shareholders approve the deal. (AP Photo/Matthias Schrader,file)

German industrial equipment maker Siemens AG says it has agreed to



buy U.S.-based software firm Mentor Graphics Corp. for \$4.5 billion, broadening Siemens digital capabilities.

The companies said in a joint statement Monday that Mentor's board recommended shareholders approve the deal.

Siemens said it would pay \$37.25 a share in cash, or 21 percent more than Mentor's closing price on Friday.

Mentor, based in Wilsonville, Oregon just south of Portland, specializes in software used to design computer chips, technology with broad potential applications to smart and connected devices such as autonomous vehicles. It has customers in industries ranging from aerospace to consumer electronics and 5,700 employees in 32 countries. Mentor had revenues of \$1.2 billion in its last fiscal year.

Siemens CEO Joe Kaeser said in a statement that Mentor was "an established technology leader with a talented employee base that will allow us to supplement our world-class industrial software portfolio." Siemens' businesses include factory automation, power generation and transmission, medical scanners and trains.

Mentor CEO Walden C. Rhines said that "combining Mentor's technology leadership and deep customer relationships with Siemens' global scale and resources will better enable us to serve the growing needs of our customers, and unlock additional significant opportunities for our employees."

Mentor is to become part of the product life cycle management software business at Siemens' digital factory division. Product life cycle management software allows companies to manage the life-cycle of a product efficiently, from design and manufacture through service and disposal, using computer-aided design and manufacturing.



Siemens shares traded 1.4 percent higher at 109.60 euros in afternoon trading in Europe.

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