

Amazon will pay 15% less for iRobot as the robot vacuum maker takes on new debt

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An Amazon company logo is seen on the facade of a company's building in Schoenefeld near Berlin, Germany, on March 18, 2022. Amazon is going to pay roughly 15% less to acquire iRobot after the robot vacuum maker incurred new debt. Both companies said Monday, July 25, 2023, Amazon will now pay \$51.75 per share, revised down from \$61.00 per share or the \$1.7 billion that was agreed on last year. Credit: AP Photo/Michael Sohn, File

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The companies said this week that the Seattle-based tech giant will pay \$51.75 per share, revised down from \$61.00 per share, or \$1.7 billion, that was agreed on last year.

iRobot, based in Massachusetts, took on a \$200 million loan to fund ongoing operations, the companies said.

For Amazon, the lower acquisition price is expected to be offset by the planned increase in iRobot's net debt, the companies said.

The announcement comes as iRobot is struggling to sell more of its home cleaning robots. The company said revenue declined by 45% in the first three months of this year as stores and distributors recorded a decline in demand from consumers. It also attributed the decline to a "scheduled shift" with a customer on certain orders, which are expected to ship in the [second quarter](#).

The iRobot acquisition still faces scrutiny in the U.S. by the Federal Trade Commission amid worries about Amazon's growing market power. It's also under scrutiny by regulators in the U.K. and the European Union. The companies said they're working with regulators in their review.

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