

Abbott to spend \$2.9B on Latin American drugmaker

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(AP)—Abbott Laboratories will spend about \$2.9 billion to broaden its reach in Latin America with the acquisition of branded generic drugmaker CFR Pharmaceuticals.

Abbott makes [infant formula](#) like Similac as well as [medical devices](#) and drugs. The North Chicago, Illinois, company said Friday the [deal](#) will expand its presence in several fast-growing markets, especially with branded generic drugs.

An Abbott spokesman said generic drugs with [brand names](#) are preferred in many developing markets due to their reputation for quality and consistent supply.

CFR Pharmaceuticals, which is based in Chile, sells more than 1,000 products in 15 Latin American markets. Abbott expects the deal to add about \$900 million in revenue in 2015, the first full year after it is completed.

Abbott will buy the holding company that indirectly owns about 73 percent of CFR and then will conduct a cash tender offer for the remaining shares. The deal value tops \$3 billion when counting about \$430 million in debt.

Abbott will use cash to pay for the deal, which will have no impact on its 2014 earnings forecast. The drugmaker expects to close the acquisition by the end of the third quarter.

Shares of Abbott closed at \$39.24 on Thursday, which puts them up about 2 percent so far this year. The stock had advanced 31 cents to \$39.55 Friday about 45 minutes before markets opened.

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