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Abbvie to acquire Allergan in a deal worth $63B

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Transaction delivers significant and immediate accretion and provides an attractive return on invested capital



AbbVie and Allergan has announced that the companies have entered into a definitive transaction agreement under which AbbVie will acquire Allergan in a cash and stock transaction for a transaction equity value of approximately $63 billion, based on the closing price of AbbVie's common stock of $78.45 on June 24, 2019.

"This is a transformational transaction for both companies and achieves unique and complementary strategic objectives," said Richard A. Gonzalez, chairman and chief executive officer, AbbVie.

"The combination of AbbVie and Allergan increases our ability to continue to deliver on our mission to patients and shareholders. With our enhanced growth platform to fuel industry-leading growth, this strategy allows us to diversify AbbVie's business while sustaining our focus on innovative science and the advancement of our industry-leading pipeline well into the future." "This acquisition creates compelling value for Allergan's stakeholders, including our customers, patients and shareholders. With 2019 annual combined revenue of approximately $48 billion, scale in more than 175 countries, an industry-leading R&D pipeline and robust cash flows, our combined company will have the opportunity to make even bigger contributions to global health than either can alone," said Brent Saunders, chairman and chief executive officer, Allergan.

"Our fast-growing therapeutic areas, including our world-class medical aesthetics, eye care, CNS and gastrointestinal businesses, will enhance AbbVie's strong growth platform and create substantial value for shareholders of both companies."

Major highlights:

- Provides immediate scale and profitability to AbbVie's growth platform, excluding Humira, significantly expanding and diversifying its revenue base with new therapeutic areas, including Allergan's leading medical aesthetic business
- Enhances long-term R&D funding capacity, allowing for continued investment and sustained focus on innovative science and advancement of an industry-leading pipeline
- Increases global commercial scale to further maximize the value of Allergan's attractive portfolio of fastgrowing products ï?· Combined company will produce robust cash flow to support continued dividend growth, further investment in the pipeline and reduction of debt levels
- Transaction delivers significant and immediate accretion and provides an attractive return on invested capital
- Creates substantial value for shareholders of both companies and is expected to close in early 2020
- Allergan Shareholders will receive 0.8660 AbbVie Shares and $120.30 in cash for each Allergan Share, for a total consideration of $188.24 per Allergan Share ï?· Transaction equity value of approximately $63 billion