

Itaú, Brazil's Second Largest Bank, Takes Over LatAm's BankBoston

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Bank of America Corporation, the second largest United States bank announced Tuesday, May 2, it had agreed to exchange its BankBoston operation in Brazil for US\$ 2.2 billion in shares from Brazil's second strongest private financial institution, Banco Itaú.

The agreement is also extensive to BankBoston assets in Chile and Uruguay and other operations in Latinamerica.

In exchange for BankBoston assets, Itaú bank will issue US\$ 2.2 billion in shares which will be handed to Bank of America, representing 68.5 million shares equivalent to 5.8% of the Brazilian bank's capital.

BankBoston has in Brazil over 140 branches, 4.800 employees and 8.8 billion US dollars in assets.

Itaú Bank will also have exclusive rights to acquire BankBoston operations in Chile and Uruguay, plus other financial assets belonging to Latinamerican clients, reported the US bank in an official release of the operation.

In Chile and Uruguay, BankBoston has assets totalling US\$ 3.3 billion, 2.200 employees and over 80 branches plus Uruguay's main credit card.

"This operation guarantees Itaú leadership among private institutions in the management of resources and custody of assets from big corporations and high income individuals plus the opportunity to expand operations into new Latinamerican markets".

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