AIRBUS RAISES $2.69 BLN FROM DASSAULT STAKE SALE

News / Finance, Manufacturer



Airbus Group SE Friday said it raised EUR2.38 billion ($2.69 billion) through the sale of its remaining 23.6% stake in French Rafale combat jet maker Dassault Aviation SA.

For over a year Airbus has been reducing its stake in Dassault Aviation, which it held as part of the formation of the European plane maker. It began the gradual disposal in 2014 and sold an 18.75% holding last year, leaving it with a 23.6% stake in the French company, which also makes Falcon business jets. Airbus officials said at the time they planned to unload the rest.

Rather than continue with a piecemeal sales process, Airbus opted to exit the remaining holding at once.

"Through this transaction, we have successfully achieved our objective to monetize fully our financial investment in Dassault Aviation as we focus on our core businesses and strategy," Airbus Group head of strategy Marwan Lahoud said. Toulouse, France-based Airbus said it would use the money for general corporate purposes.

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Airbus said it sold 830,000 shares to institutional investors for EUR784 million, with settlement to occur on June 14. Dassault Aviation bought 502.282 shares at the same time. Both transactions were at a price of EUR950 a share. Dassault Aviation's stock closed Thursday at EUR970 a share.

Airbus said it would place bonds for about EUR1.1 billion. The bonds are exchangeable into Dassault Aviation shares at a 37.5% premium over the equity placement price, the European plane maker said. Until the bonds are exchanged, Airbus will continue to hold a 9% stake in Dassault Aviation and 11.7% of voting rights.

The zero-coupon bonds with a 5 year maturity are exchangeable from July 25 until just before the maturity date in 2021

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