

Dufry to raise about US\$551m, gets private equity backing

Dufry is set to launch a capital increase to raise about SFr500 million (US\$551 million) and has gained the backing of private equity firm Advent International.

The proceeds will be used in part to fund the acquisition of all remaining shares in US operator Hudson.

The company's shareholders will meet on October 6 to approve the new share issue.

Advent International will buy shares worth up to CHF415 million (US\$457 million) at CHF28.50 (US\$31.40) each.

The company will buy the shares not acquired by existing shareholders, to whom the new shares will be offered first. The shares not bought by Advent may then be offered to other investors.

Advent will buy the shares at the agreed terms even if the shares are offered at a lower price. If the planned book-building process leads to a higher price, Advent will not be obliged to buy the shares.

"Advent International has confirmed that it currently has no intention to acquire a controlling stake in Dufry," the retailer said. Its stake will not exceed 19.99%.

As part of the deal, Advent will get a seat on Dufry's board, and shareholders will vote on the election of Ranjan Sen.