

MAHB Set New Shares at RM7.90 per Placement Share

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KUALA LUMPUR, March 4 (Bernama) -- Malaysia Airports Holdings Bhd (MAHB) has fixed the issue price of 124.05 million new shares at RM7.90 per placement share, to raise gross proceeds of RM979.995 million.

In a filing to Bursa Malaysia Tuesday, MAHB said the issue price represents a discount of approximately 4.3 per cent to the 5-day volume weighted average price of MAHB shares up to and including March 3, 2014 of RM8.26 and a discount of approximately 5.7 per cent to the closing market price of RM8.38 yesterday.

CIMB, JP Morgan Securities (Malaysia) Sdn Bhd and Credit Suisse (Singapore) Limited acted as Joint Placement Agents for the private placement.

Earlier, it was reported that MAHB will issue a private placement to acquire a 40 per cent equity stake in each of two Turkish companies worth over RM1 billion collectively.

Meanwhile, in a statement issued today, MAHB said the placement was well subscribed, with the demand being 2.7 times in excess of the 124 million new shares available on offer.

"Furthermore, the placement attracted interest from a broad base of both domestic and foreign institutional investors, as well as new institutional investors.

"The deal also saw a healthy mix of reputable long-only and hedge funds, with foreign institutional demand coming in for approximately half of the deal," it said.

The company said the proceeds raised will be utilised to fund the acquisition of 40 per cent stakes in Istanbul Sabiha Gokcen International Airport and LGM Havalimani Isletmeleri Ticaret Ve Turizm A.S. respectively.

"MAHB is delighted by investors' overwhelming response to the private placement and their show of support.

"With the proceeds raised, MAHB will be able to increase its stake in the Istanbul Sabiha Gokcen International Airport to 60 per cent, making it the single-largest shareholder in one of the fastest growing airport in the world.

"MAHB is raising its stake in the airport to diversify its earnings and sees long-term prospects in the airport," it said, adding that the new shares are scheduled to be listed on March 12, 2014.

Analysts are upbeat on MAHB's move to increase its stake in the Istanbul Sabiha Gokcen International Airport, as the Turkish airport is seen as a strong asset for the company and the move would benefit it in the long run.

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