

UK budget airline Flybe says investors back takeover

March 4 2019



Flybe said its takeover by a consortium led by Virgin Atlantic was expected to be sealed by March 11

Britain's troubled no-frills airline Flybe announced Monday that its shareholders have overwhelmingly approved a takeover from a

consortium led by Virgin Atlantic.

Flybe said in a statement that 83 percent of its investors have voted in favour of the deal, which was launched in January and pitched at just one pence per share.

The Connect Airways consortium, including infrastructure specialist Stobart and investment firm Cyrus Capital, offered £2.2 million (\$2.8 million, 2.4 million euros).

Flybe added Monday that the takeover was now expected to be sealed on March 11, when its stock will be delisted from the London Stock Exchange.

The carrier, which put itself up for sale in November, had rejected a counterbid last month from a group comprising US airline Mesa Air and New York-based investment group Bateleur Capital.

The news comes amid troubled times for smaller airlines, which are more exposed to volatile fuel costs, a struggling pound and Brexit uncertainty than their larger rivals.

Last month, flybmi ceased operations and collapsed into administration, a process in which outside accountants are brought in to try and find a buyer for all or part of a troubled company.

And travel firm Thomas Cook, which offers package holidays to northern Europeans looking for summer sunshine, has launched a review of its airline division.

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