

Novartis plans for Alcon spin-off on April 9, 2019

27 March 2019 | News

Alcon has secured debt financing of USD 3.5 billion through a group of banks



Novartis confirmed that certain important conditions precedent for the 100% spin-off of the Alcon eye care business have been met, including receipt of certain necessary authorizations and rulings. Completion of the transaction, by way of a distribution of a dividend in kind to Novartis shareholders and ADR (American Depositary Receipt) holders, is expected to be on April 9, 2019. In the distribution, each Novartis shareholder will receive 1 Alcon share for every 5 Novartis shares/ADRs they hold on April 8, 2019, close of business.

Approval has been given, subject to customary conditions, by the SIX Exchange Regulation for the listing of the shares of Alcon Inc. on the SIX Swiss Exchange (SIX) pursuant to the International Reporting Standard. Authorization has also been received for the listing of shares in Alcon Inc. on the New York Stock Exchange (NYSE).

Alcon will seek effectiveness of the Alcon Inc. Form 20-F registration statement from the US Securities and Exchange Commission (SEC).

Shares in Alcon Inc. are expected to be listed and traded from April 9, 2019 on the SIX and the NYSE under the ticker symbol "ALC". Alcon will also be included in both the Swiss Market Index (SMI®) and Swiss Performance Index (SPI®) from the first day of trading, as recently announced by the SIX.

Alcon has secured debt financing of USD 3.5 billion through a group of banks. The Alcon credit rating will be investment grade following the spin-off. Moody's Investor Service and S&P Global Ratings have rated Alcon at Baa2 and BBB, respectively, with a stable outlook.

Bank of America Merrill Lynch and UBS AG are advising Novartis on the transaction.