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Brazil's Iguatemi Shopping Centers Plans BRL300M Debenture Sale

-By Jeff Fick

RIO DE JANEIRO (Dow Jones)--Brazilian shopping center administrator Iguatemi Empresa de Shopping Center SA (IGTA3.BR) said late Friday that it plans to tap credit markets with a five-year debenture sale.

In a filing with securities regulators, Iguatemi said that it planned to sell 300 million Brazilian reais (\$178 million) worth of debentures.

Proceeds from the sale of non-convertible debentures will be used to beef up the company's on-hand cash and could be used for possible acquisitions, including stakes in shopping centers or other real estate, the company said in a preliminary prospectus. Iguatemi said it was evaluating opportunities but did not have any definitive targets.

Banco Itau (ITUB, ITUB45.BR) is lead coordinator of the operation, Iguatemi said.

In 2007, Iguatemi raised \$228 million in an initial public offering on the Brazilian Stock Exchange, or Bovespa.

The company is based in Sao Paulo and administers 11 shopping centers across Brazil, including the traditional and high-profile Shopping Center Iguatemi based in the city of Sao Paulo. The shopping center was founded in 1966 and has some of the world's most famous retailers, such as Bulgari, Calvin Klein, Emporio Armani and H.Stern.