

Virgin Galactic value falls back to Earth despite successful flight – as share sale plan revealed

Sir Richard Branson's Virgin Galactic saw more than \$1bn wiped off its value the day after it completed a successful crewed test flight – as it revealed plans to sell up to \$500m in shares.

[The New York-listed company](#) had been trading sharply higher in pre-market deals following [Sunday's trip](#) – with billionaire founder [Sir Richard](#) on board.

But it crashed back to earth after the details of the sale, representing a big chunk of its outstanding shares, were disclosed in a stock market filing.

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Branson: 'Everyone would love to go to space'

The share price was down by as much as 12% in Monday trading.

Danni Hewson, financial analyst at AJ Bell, said: "The story might well make its own blockbuster, but Richard Branson's space odyssey came back to Earth with a bump as the company announced a whip round.

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"Virgin Galactic said the fundraising is to enable more successful space flights and the timing of the announcement was carefully managed to take full advantage of the excitement generated by the launch and safe return."

Sir Richard's journey upstaged [Blue Origin](#), a rival space tourism venture founded by former Amazon chief executive [Jeff Bezos](#).

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Mr Bezos is due to go into space with his brother Mark next week.

The ventures are underpinned by optimism that technological advancements and falling costs will help grow the market for space travel.



Image:

The flight took place on Sunday

Investment bank UBS estimates that it could be worth \$3bn a year by 2030.

Virgin Galactic's share price has surged by more than 80% so far this year and the company was valued at just below \$12bn prior to Monday's market opening.

It has said that it plans at least two further test flights in the months ahead before beginning regular commercial operations in 2022.

Ultimately the company aims to be operating multiple space tourism flights a year, and already has more than 600 customers for the \$250,000 (£180,000) seats – including Justin Bieber and Leonardo DiCaprio.