



RYANAIR TO PARTNER WITH NIKI LAUDA TO DEVELOP LAUDAMOTION AIRLINE IN AUSTRIA

News / Airlines



Ryanair Holdings Plc today (20 Mar) announced that it has entered into a binding agreement with Mr Niki Lauda to support his plan to develop and grow LaudaMotion GmbH, an Austrian Airline based in Vienna.

LaudaMotion is an Austrian AOC holder owned by Niki Lauda, which has recently acquired many of the assets, including A320 aircraft, of the former Niki Airline, and will shortly start a range of scheduled and charter services from Germany, Austria and Switzerland primarily to Mediterranean leisure destinations.

Under this agreement Ryanair will acquire an initial 24.9% stake in LaudaMotion and this will rise as soon as possible to 75% subject to EU Competition approval. Niki Lauda will chair the Board of the airline and oversee the implementation of his strategy to build a successful Austrian low fares airline. Ryanair will provide financial and management support to LaudaMotion as well as 6 wet-lease aircraft for S2018 to enable LaudaMotion to complete an extensive 21 aircraft flying program.

The cost of this 75% investment in LaudaMotion (if approved by the EU) will be less than €50m although Ryanair will provide an additional €50m for year 1 start up and operating

costs. Both Mr Lauda and Ryanair will work with the existing management team of LaudaMotion and expect the airline to reach profitability by year 3 of operations if their plan to grow the business to a fleet of at least 30 Airbus aircraft is successful.

This partnership provides job security, career opportunities and growth in employment in all activities of LaudaMotion, such as cockpit and cabin crew, maintenance and administration, and will allow consumers and visitors to benefit from strong competition, leading to more choices and lower fares.

Ryanair's Michael O'Leary said:

"We look forward to working in partnership with Niki Lauda to successfully develop his vision for a successful Austrian low fares airline to service the schedule and charter markets. The LaudaMotion AOC will support a fleet of Airbus aircraft which is something we have hoped to develop within the Ryanair Group for some years.

LaudaMotion will benefit from this partnership between Niki Lauda and Ryanair. With access to the Ryanair fleet and financial resources, LaudaMotion will now grow more rapidly, as it seeks to compete in a market which is dominated by Lufthansa's high airfares with its Swiss and Austrian subsidiaries.

This LaudaMotion partnership is good news for Austrian and German consumers/visitors who can now look forward to real competition, more choice and lower fares. It is also great news for LaudaMotion's people who can look forward to improved job security and more promotional opportunities in Vienna and other bases as we work with Niki Lauda and his team to accelerate growth of LaudaMotion – Austria's low fares airline."

Niki Lauda, Chairman of LaudaMotion said:

"I have always stood up for competition and have opposed monopolies. Therefore I am thrilled that in the partnership with Ryanair, LaudaMotion will be able to establish itself as a strong competitor and to grow quickly and sustainably. A new player in the aviation market is born and I am looking forward to offering our passengers an extensive route portfolio at competitive air fares."

Image result for Ryanair To Partner With Niki Lauda To Develop LaudaMotion Airline In Austria

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