



PRESS RELEASE

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Lufthansa Group reaches agreement on the acquisition of 41 per cent stake in ITA Airways

- **Italian Ministry of Economy and Finance and Deutsche Lufthansa AG agree on a minority stake in ITA Airways**
- **Deutsche Lufthansa AG will acquire 41 percent stake in ITA Airways through a capital increase of EUR 325m – with the option to acquire all remaining shares at a later date**
- **Growth opportunity for Lufthansa Group and broader access to important Italian aviation market**
- **A stronger ITA will enhance competition in the Italian market and improve connections between Europe and other international markets**
- **Carsten Spohr: “Today’s agreement will lead to a win-win situation for Italy, ITA Airways and Lufthansa Group”**

Today, Deutsche Lufthansa AG reached an agreement with the Italian Ministry of Economy and Finance (Ministero dell’Economia e delle Finanze, MEF) to acquire a minority stake in the Italian national carrier ITA Airways (Italia Trasporto Aereo S.p.A.). Lufthansa will obtain a 41 percent stake in ITA for EUR 325m through a capital increase.

The capital contribution thus directly benefits the company. As part of the agreement, the MEF has also committed to a capital increase of EUR 250m into ITA. In addition, the MEF and Lufthansa agreed on options to enable a potential acquisition of the remaining shares by Lufthansa at a later date. The purchase price for the remaining shares will be based on the business development of ITA Airways.

The contractual finalization of the agreement is expected to be completed shortly. The acquisition of the minority stake is subject to approval by the relevant authorities. Upon closing of this transaction, ITA Airways and Lufthansa Group are expected to immediately start their cooperation at a commercial and operational

level. As a network airline, ITA will closely cooperate with Lufthansa Group to benefit from group synergies.

ITA Airways will become the fifth network carrier in Lufthansa Group's multi-brand and multi-hub system. Italy represents the most important market outside the Group's home base countries and the United States. Italy is the third-largest economy in the EU in terms of gross domestic product, with a strong export-oriented economy. This is one among many reasons why business travel to and from Italy is important. For private travelers, the Mediterranean country is one of the most popular leisure destinations in the world.

Carsten Spohr, Chief Executive Officer of Deutsche Lufthansa AG says:

"Today's agreement will lead to a win-win situation for Italy, ITA Airways and Lufthansa Group. And it is good news for Italian consumers and for Europe, because a stronger ITA will invigorate competition in the Italian market. As a young company with a modern fleet, and with its efficient and expanding hub in Rome, ITA is a perfect fit for Lufthansa Group. In Milan, ITA serves a strong catchment area which also offers potential for growth. As part of the Lufthansa Group family, ITA can develop into a sustainable and profitable airline, connecting Italy with Europe and the world. At the same time, this investment will enable us to continue our growth in one of our most important markets."

ITA Airways was founded in November 2020 and has approximately 4,000 employees today. Headquartered in Rome, the airline welcomes more than 10 million passengers per year and is running a modern fleet of 66 Airbus aircraft. The hub in Rome is ideally situated to further diversify ITA's network towards Africa and Latin America, offering its customers an improved connectivity to the Southern hemisphere. Currently, ITA serves 64 destinations: 21 domestic, 33 international and 10 intercontinental routes.

As part of Lufthansa Group, ITA will remain a standalone airline with its own management and a strong brand identity - in line with Lufthansa Group's successful multi-hub, multi-brand and multi-AOC strategy. At the same time, ITA can benefit from synergies of the Group, such as access to the partner network, central revenue management and the use of Lufthansa Group's global sales and marketing channels.

To ensure that ITA's growth is sustainable, Lufthansa Group intends to extend the intermodal transport for feeder traffic within Italy. For this purpose, Lufthansa

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Group has signed a Memorandum of Understanding with the Italian state railroad company Ferrovie dello Stato Italiane S.p.A. last February. The aim of the partnership is to increasingly transport passengers in Italy with rail connections to and from their respective flight connections at various Italian airports. Lufthansa Group already operates similar intermodal cooperation programs in its home markets, including Deutsche Bahn, Austrian ÖBB and Swiss Federal Railways.

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