

IAG buys Austrian Airline Niki plus airport slots for \$24m

The International Airlines Group has agreed to pay €20m (\$24m) to acquire the assets of the Austrian Airline Niki from its Air Berlin administrators.

IAGs acquisition of Niki will add airport locations at Zurich (above), Düsseldorf, Munich, Palma and Vienna Airport for IAGs Vueling.

The acquisition will include taking on some 740 staff, 25 Airbus A320 aircraft, plus valuable European airport landing rights at Düsseldorf, Munich, Palma, Vienna and Zurich.

As part of the agreement, IAG says it will pump €16.5m (\$19.7m) into the new venture, which will operate as an Austrian subsidiary of IAG's Spanish low-cost airline Vueling.

IAG: NIKI - A GREAT FIT WITH VEULING

In a statement, IAG CEO Willie Walsh commented: "Niki was the most financially viable part of Air Berlin and its focus on leisure travel means it's a great fit with Vueling. This deal will enable Vueling to increase its presence in Austria, Germany and Switzerland."



IAG CEO Willie Walsh said he is pleased with the deal.

Niki was technically bankrupt just over two weeks ago after the European Commission refused to approve Lufthansa's takeover through its Eurowings subsidiary on competition grounds.

Niki ceased flying two weeks ago after Lufthansa dropped its offer to buy the airline from its insolvent parent Air Berlin. The German flag carrier said it had become apparent the European competition authorities would not approve Niki's integration into Lufthansa low-cost unit Eurowings.

An auction was then held, with IAG the final sole bidder, after the other three parties all pulled out.