

AER Lingus Group plc

01:48 26 Jan 2015

Aer Lingus receives third bid from BA owner

British Airways owner IAG (LON:IAG) has made a third approach for Irish carrier Aer Lingus (LON:AERL).

IAG, which also owns Spanish airline Iberia, has pitched its latest offer at €2.55 per share – valuing the airline at €1.34bn (£1bn).

The improved bid follows the rejection of two earlier offers of €2.30 and €2.40 a share.

Success of the latest approach is likely to depend on whether Willie Walsh, IAG's chief executive, can persuade the Irish government to support the deal.

The Irish state owns 25.1% and Paschal Donohoe, the transport minister, is expected to brief the cabinet on any takeover proposal on Tuesday.

He has reportedly warned that the value of the government stake — about €325m based on IAG's latest offer — was not the only issue that would be considered.

"I and the government will take huge care in evaluating any proposal that comes in," he told state broadcaster RTE on Sunday.

IAG is said to be eyeing Aer Lingus's slots at Heathrow as the Dublin-based carrier is the third biggest airline at the airport.

It is thought that the deal may be blocked by the government if it does not include guarantees that Aer Lingus will continue to use its slots at London's Heathrow airport to fly to and from Ireland.

Ryanair (LON:RYA), which owns close to 30% of Aer Lingus, has indicated that it would be prepared to consider a bid between €2.50 and €2.70 a share.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that

Share Information

Code: AERL

Listing: AIM

Sector: Transport

Website: corporate.aerlingus.com

Company Synopsis:

Aer Lingus is a leading low-cost, low-fares Irish airline primarily providing passenger transportation services. Aer Lingus operates a single economy class service on its short-haul network, comprising services from Dublin, Cork, Shannon, Belfast and Gatwick to destinations in the United Kingdom and Continental Europe.

action@proactiveinvestors.com

contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.