

Anticipated acquisition of Air Europa by International Consolidated Airlines Group, S.A.

Decision on relevant merger situation

ME/6977/21

1. On 4 November 2019 International Consolidated Airlines Group, S.A (**IAG**) entered into an agreement with Globalia Corporación Empresarial, S.A (**Globalia**) for the sale and purchase of the whole of the issued share capital of Air Europa Líneas Aéreas, S.A.U., Aeronova S.L.U. and León Activos Aeronáuticos S.L.U (together, **Air Europa**)¹ (the **Original Agreement**) (the **Merger**).
2. On the 19 January 2021 Globalia and IAG entered into a second agreement to amend the Original Agreement, which was further amended and extended pursuant to certain letters between the same parties dated 31 March, 28 June and 29 October 2021 (the **Addendum**). On 19 November 2021, the CMA announced the launch of its inquiry by notice to the parties.
3. On 16 December 2021 Globalia and IAG signed an agreement to terminate the Original Agreement and the Addendum pursuant to clause 13.1.1 of the Original Agreement (the **Termination Agreement**). The Termination Agreement irrevocably and unconditionally terminates in full and definitively the Original Agreement and the Addendum.
4. Accordingly, on the basis of the information available to it, the CMA does not believe that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation.
5. The CMA does not therefore have a duty to refer the Merger under section 33 of the Enterprise Act 2002.

¹ The entities comprising Air Europa are subsidiaries of Globalia.

Eleni Gouliou

**Director, Mergers
Competition and Markets Authority
12 January 2021**