

Air France-KLM sells Amadeus stake for 467 mln euros

March 1 2012

Air France-KLM sold half its stake in Spanish group Amadeus, a technology provider for the airline and travel industries, but will keep the rest for at least three months, the Franco-Dutch carrier said on Thursday.

"Air France-KLM launched the sale of a block of shares representing 7.5 percent of (Amadeus) capital," an spokesman from the airline said.

The transaction was worth 467 million euros (\$621 million), a statement issued by the group said later.

The operation will align Air France-KLM's participation in Amadeus with other shareholders, the spokesman said.

Air France-KLM is to retain 7.72 percent of Amadeus for at least 90 days, while the German airline [Lufthansa](#) owns 7.61 percent and Spanish carrier Iberia owns 7.50 percent.

The French carrier can use the money to trim its debt of 6.5 billion euros.

It is expected to post an operating loss when 2011 earnings are released next week, with a forecast compiled by Bloomberg News putting the loss at 241.5 million euros.

Shares in Amadeus gained 1.29 percent to 14.485 euros in afternoon

trading on the Madrid stock exchange, while the Ibex-35 index was 0.86 percent higher overall.

In Paris, Air France-KLM was off by 0.79 percent at 4.40 euros while the main CAC 40 index had gained 1.07 percent.

The Franco-Dutch airline is struggling with competition from low-cost carriers and airlines based in the Gulf region.

In January, Air France-KLM managers unveiled a restructuring plan aimed at saving two billion euros over three years.

The [Air France](#) division is considered to be the biggest sources of loss at present.

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