

PRESS RELEASE

New financing model: Pilot training possible with personal contribution of only € 10,000

- **Financial entry barrier at the European Flight Academy significantly lowered together with financing partner Brain Capital**
- **Improved conditions through involvement of Lufthansa Group**
- **Price adjustment dictated by inflation for the two-year training at the European Flight Academy for courses starting from November 1st**

Munich, July 16th, 2024

The financial entry barrier for the training at the European Flight Academy (EFA), the Lufthansa Group's flight school, will be lowered significantly with immediate effect: With a personal contribution of only € 10,000, everyone will be able to afford the training to become an airline transport pilot in the future, regardless of the individual financial circumstances.

What is required in order to take advantage of the offer of the financing partner Brain Capital is a valid training contract with EFA. No further financial securities, such as guarantees provided by family members, are necessary to be eligible for financing.

It was possible to significantly improve the financing conditions because Lufthansa Group participated as an investor in the new sponsoring company of the aviation education fund for the European Flight Academy.

Innovative financing model

Financing is provided via a downstream income-related model – what is called an income share agreement. This means that former student pilots pay back a fixed percentage of their income once they have taken up employment. In this context, the specific, individual repayment amount is contingent upon the income level – the higher the salary, the higher the amount to be paid will be, and vice versa.

The main framework conditions of the new financing model are as follows:

- Prerequisite: **equity** in the amount of **€ 10,000**
- The remaining **training costs of € 110,000 will be provided** by the sponsoring company for the training. In case more equity is available, the total amount to be financed can be reduced.

- After completion of the training at EFA, regular **payments to the sponsoring company** will commence only once a yearly **gross minimum income** of **€ 30,000** is reached.
- **Over the course of 11 years**, former flight students will then pay a **fixed percentage of the gross income** (in the case of the maximum amount having been financed, such percentage is 11%).
- The payment amount is also capped: In relation to alternative financing via a traditional student loan, this financing model will not exceed an **interest rate of 8.0%**, provided the former student pilots accept a **job in the cockpit of a Lufthansa Group airline**. This means that the total financing costs are limited even if the former student has a very high income as a pilot.

Price for the training adjusted to € 120,000

The European Flight Academy has never compromised on the high standards and quality of training and will not do so in the future. Due to significant increases in operating costs dictated by inflation, the training costs for the German training program will be raised to € 120,000 (previously: € 110,000). The new price applies to all courses starting from November 2024. In the financing conditions with our partner Brain Capital described above, this adjustment has already been taken into account. Due to the reduced personal contribution in the context of the financing model from previously € 30,000 to now € 10,000 as well as the changed payment modalities, a large number of future student pilots will benefit from the new conditions – despite the necessary price adjustment.

Raymund Obst, EFA Head of Pilot Schools : “Flight school training is time-consuming and expensive. We know that only very few people can afford to pay for the training to become an airline transport pilot out of their own resources. At EFA, it is our goal that career prospects are not determined by the size of the parents’ wallet. Turning this goal into reality is facilitated to a great degree through the significantly improved financing model with our partner Brain Capital: Anyone who signed a training contract with us and has equity in the amount of € 10,000 can start their dream of flying with us. In this way, we also contribute to diversity within the Lufthansa Group.”

Highest standards and unique job prospects

The training at the European Flight Academy will result in obtaining an ATP license. This license opens up a variety of opportunities for a job entry within Lufthansa Group and outside it. Additionally, almost every airline worldwide requires this license and the corresponding training.

The theoretical part of the roughly 24-month training takes place in Bremen or Zurich/CH; practical training will be conducted at locations in Goodyear/USA, Grenchen/CH, and Rostock-Laage, respectively. In order to safeguard the highest standards of quality and safety, the practical training in Europe will be performed in a modern, standardized training fleet with aircraft by the manufacturer Diamond. In the USA, a modern fleet of Cirrus SR20 training aircraft will be used.

The advantages of the European Flight Academy training include the unique prospects of making it into the cockpit of a Lufthansa Group airline: In the framework of a campus model, graduates will be provided support in applying for new cockpit jobs with Lufthansa Group after completion of the training;

they will also be granted priority access to these jobs vis-à-vis applicants with other training backgrounds.

Interested parties can find comprehensive information around the European Flight Academy and the main topics of training, application, costs, and financing on the website www.european-flight-academy.com.

About Lufthansa Aviation Training

With its competencies in training and further educating cockpit and cabin crews at ten training locations worldwide, Lufthansa Aviation Training GmbH (LAT) is among the world leaders in the field of flight training. The company is headquartered at Munich Airport and employs around 700 people at all its locations. Its client portfolio includes more than 250 nationally and internationally renowned airlines, among them the Lufthansa Group airlines. Lufthansa Aviation Training is equipped with close to 200 training devices. Among them are training aircraft for the pilot training, flight simulators for all common types of aircraft for the pilot training, as well as emergency and service mock-ups for the basic and further training of cabin crews.

Lufthansa Aviation Training combines the flight schools of Lufthansa Group under the brand European Flight Academy (EFA).

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