INVESTMENT INTO VISTAJET VALUES THE BUSINESS IN EXCESS OF $2.5 BILLION

News / Business aviation, Finance

VistaJet today announces that it has signed a ground breaking transaction with investment funds affiliated with Rhône Capital, which have invested $150 million of cash into the business. Together with secondary acquisitions, Rhône will have a $200 million stake in VistaJet, in a transaction valuing VistaJet's equity on a post-money basis in excess of $2.5 billion. The investment is another key milestone in VistaJet's growth story and a major vote of confidence in the Company's strategy and business model.

VistaJet is one of the leading players in global private aviation, flying more customers to more global destinations than anyone else, with a level of service that its competitors cannot match.

Commenting on today's announcement, VistaJet's Founder and Chairman, Thomas Flohr stated, "With the investment announced today, the equity valuation in excess of $2.5 billion and our fully scalable technology driven business model, VistaJet is ideally placed to take advantage of the opportunities to shape the market as it further develops in the years to come."

Image result for thomas flohr vistajet

As a result of 13 years of investment and development, VistaJet believes that its operations and

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capabilities are now more sophisticated and efficient than anything else available in the market. With an industry leading operations hub in Malta and main sales offices in London, Dubai, New York, Los Angeles, Hong Kong, Shanghai and Beijing, VistaJet has built a fleet of over 70 wholly-owned super midsized and ultra-long range aircraft, all with identical livery and design. Its proprietary end-to-end internally developed technology platform makes VistaJet one of the most technologically integrated companies in business aviation. It also constantly reviews and improves its product offer. This year, the company introduced VistaJet Direct, a new digital membership that gives customers priority access to available one-way and empty leg flights via the company's app and website. VistaJet Direct is the first app membership in the industry able to offer a fully integrated service to its customers.

The positive effects of this work are visible in VistaJet's trading performance. In the first half of 2017, VistaJet's EBITDA rose by 32% year-on-year. The company saw a 51% growth in the total number of Subscription Program Hours sold year-on-year in the second quarter of 2017, and Program Membership revenue reached a record high of 63% of total revenue, up from 55% in the previous quarter. It also recorded a market-leading customer retention rate of 91% in the first half of 2017.

VistaJet is one of the most operationally advanced companies in the sector, with a unique subscription business model. It has flown over 250,000 passengers to over 1,600 airports in 187 countries, or 96% of the world, making it the only truly global player in the market. With these strong foundations and the investment announced today, it is ideally placed for continued significant growth.

Flohr added, "Thanks to the hard work we have done over the past decade, we believe that VistaJet delivers the best service levels in the sector and in the most efficient manner. The integrated technology platform we have built fueled by data, algorithms and digital channels is, we believe, unique in the industry. Today's announcement is further confirmation of VistaJet's leading status in the market, and represents a real vote of confidence in our strategy and vision. I am excited to partner with the Rhône team and to have Steven Langman, Co-Founder of Rhône, join VistaJet's board of directors. Rhône fully endorses our philosophy and approach, and will be a valued partner in the next stage of the VistaJet journey. Together, we will continue to focus on expanding our global market share. With the investment announced today, we are ideally placed to take advantage of market consolidation, and to build on our position in the sector."

Steven Langman of Rhône Capital said: "We seek to invest in the leaders in any sector, and with VistaJet we have invested in the best. We have closely followed Thomas and VistaJet for some time, and we are convinced that the Company's business model and global strategy give it a superior advantage in the marketplace. We share management's vision to significantly grow the business, both organically and by acquisition, and we are prepared to make further investments, if needed, to achieve these goals. We are pleased to have invested in this dynamic industry pioneer."

Jefferies LLC acted as the financial advisor to VistaJet in connection with the transaction. Linklaters provided legal representation to VistaJet and the Company's Founder.

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