

PRESS RELEASE

WestJet and Lufthansa Technik sign multi-billion-dollar agreement for world-class aircraft engine maintenance services; new repair facility to be established in Calgary

WestJet's historic contract award will strengthen Western Canada aerospace hub, Lufthansa Technik's new engine repair shop and test cell will drive job creation and long-term economic benefits

Calgary, ALTA; [February 13, 2025] – WestJet and Lufthansa Technik announced today that they have signed an exclusive agreement, in which Lufthansa Technik will provide engine maintenance services for the CFM International* LEAP-1B engines that power the airline's Boeing 737 fleet. The 15-year, multi-billion-dollar contract, is the largest in WestJet's 30-year history and followed a rigorous competitive global sourcing process. As a world leader in aircraft maintenance, repair and overhaul (MRO), Lufthansa Technik will establish a new engine repair station dedicated to servicing LEAP-1B engines for near-wing and quick-turn work. The facility will feature a modern test cell, the first-of-its-kind in Canada, for next generation engines and drive job creation in the region. Operations are set to begin in 2027, with WestJet as the launch customer.

Alexis von Hoensbroech, WestJet Group Chief Executive Officer, said: "WestJet was founded on the idea of improving air travel and making it affordable for Canadians. This historic contract award will allow us to bring critical engine repair operations home to Canada and provide greater efficiency and cost certainty to a critical part of our operations, all while demonstrating our commitment to improving our competitiveness and supporting the Alberta economy. We are proud to partner with Lufthansa Technik. This is an extraordinary moment for WestJet, our guests, WestJetters, Western Canada's communities and our suppliers."

Under the framework of the agreement, Lufthansa Technik will provide WestJet, Canada's largest 737 MAX operator, with a broad range of services, such as quick turn shop visits, on-wing repairs and full performance restorations. The partnership encompasses WestJet's current fleet of more than 50 Boeing 737 MAX aircraft (of 200 total aircraft), a number that is expected to grow to over 130 before the end of the decade based on the airline's current order book. The CFM LEAP-1B engine repair operations for WestJet will be offered by Lufthansa Technik through its expansive global network. While overhauls will continue to take place at the main facility in Hamburg, Germany, and the company's joint venture near Wrocław, Poland, Lufthansa Technik aims to introduce quick turn shop visits at the newly created repair station in Calgary, Canada.

Soeren Stark, Chief Executive Officer of Lufthansa Technik, said: "This agreement represents one of the largest awards ever granted to any MRO provider for CFM LEAP engines worldwide. It's a contract that underlines Lufthansa Technik's leading position in the support of new generation engine types. We greatly value WestJet's strong confidence in our extensive expertise and our ability to serve as a trusted long-term partner. At the same time, we are grateful for the strong support from our local allies in Canada, which is essential in advancing the creation of a new engine repair shop and test cell facility in Calgary."

CFM International, the developer and manufacturer of the LEAP-1B engines, has established an open MRO ecosystem for its LEAP engine family. As a CFM Premier MRO partner, Lufthansa Technik is licensed to deliver full MRO services for these engines. The company was the first independent MRO provider recognized by CFM to service both LEAP-1A and LEAP-1B engines and has completed over 60 maintenance events, including the world's first LEAP-1A (Airbus version of the engine) performance restoration shop visit (PRSV).

Partnering to grow a world-class aviation hub in Western Canada

The creation of Lufthansa Technik Canada's future facility is made possible through collaboration and funding from partners including the Government of Canada, the Government of Alberta, Opportunity Calgary Investment Fund (OCIF), Calgary Economic Development, Calgary International Airport and the Canada Infrastructure Bank. These partners have been vital in fostering the growth of Calgary's aviation cluster to date.

The Calgary Airport Authority (The Authority) is proud to have signed a long-term lease agreement with Lufthansa Technik for an engine maintenance and test cell facility that will serve, amongst others, WestJet as a cornerstone customer. This \$120-million investment has been secured with the support of the Government of Alberta, the Canada Infrastructure Bank, PrairiesCan and OCIF, in collaboration with Calgary Economic Development. The Authority will oversee the financing, planning, construction, and deployment phases of the related buildings, which will occupy nine acres of prime airport real estate, integrated seamlessly with Calgary International Airport's strategic growth plans. The facility will boost regional economic development and reinforce Calgary's role as a gateway for international aviation innovation and excellence, while providing airlines access to world-class facilities to ensure reliable, efficient and lower cost maintenance services.

The Government of Canada, through PrairiesCan, is investing \$8 million for the Calgary Airport Authority to construct, fit out and equip the new 150,000 square foot aircraft engine maintenance and test facility at the Calgary International Airport.

The Government of Alberta is providing the Lufthansa Technik engine test cell and maintenance facility with a total support amount of \$7.45 million through a combination of \$3 million from the Investment and Growth Fund and \$4.45 million from the Aerospace Workforce Development Grant. The Investment and Growth Fund is a deal closing incentive program that helps Alberta support high value, private sector, job-creating investments. The Aerospace Workforce Development Grant is aimed to provide training and workforce development support that attract investment, drive innovation and spur transformative economic development in Alberta's aerospace sector.

OCIF is investing up to \$2.5 million over four years to support Lufthansa Technik in establishing its Western Canada headquarters in Calgary including its MRO repair facility and test cell. The facility will work on more sustainable fuel and next generation engines. This initiative targets expansion of the region's talent pool, while providing hands-on training, and positions Calgary as a leader in aerospace development.

Calgary Economic Development (CED) played a key role in Lufthansa Technik's expansion to Calgary by connecting its leadership with key stakeholders and showcasing the city's competitive business

environment and thriving aviation sector. CED also highlighted Calgary's skilled talent pool through detailed projections, post-secondary partnerships, and technical expertise.

The wholly owned Canadian subsidiary of Lufthansa Technik plans to create up to 160 new jobs in Calgary by 2030. Construction of the engine maintenance facility is scheduled to begin mid-2025 and is expected to take about two years. Once completed, it will allow for a range of engine maintenance functions and work that has been historically performed outside Canada. To prepare for operations, a dedicated training centre will open this year to equip new employees with the necessary skills. Recruitment for various positions will begin soon.

Lufthansa Technik's expansion into Western Canada supports its "Ambition 2030" strategy, focusing on investments in core operations and global growth. A key part of this is enhancing MRO capabilities to meet growing demand, especially for the CFM LEAP-1B engine. The aircraft powerplant of the Boeing 737 MAX is becoming the leading engine in the Americas region. This presents significant opportunities for Lufthansa Technik to grow business with various North American airlines. To capitalize on this growth, the company plans to significantly scale up its quick-turn capacities and bolster its footprint in the region.

WestJet's focus on regional development is evident in its global aviation hub in Calgary. As a result of strategic investments, the city has become the most connected mid-sized hub in North America. WestJet's ongoing commitment to building a world-class aerospace cluster in Calgary contributes to economic growth and creating new job opportunities. This next phase of WestJet's growth will not only strengthen Calgary's position in the global aviation landscape but also enhance the economic prosperity of the region. The multi-billion-dollar contract and partnership between WestJet and Lufthansa Technik builds on the foundational WestJet-Government of Alberta Memorandum of Understanding to stimulate economies, create sustainable employment and build infrastructure for continued expansion.

Additional Quotes:

"Alberta's government is proud to welcome Lufthansa Technik Canada to Calgary. This major project will have a far-reaching impact on our economy and it serves as a testament to the strong levels of investor confidence in our province. Alberta is a place where you can grow your business and thrive into the future. With our low corporate tax rate and highly educated workforce, Alberta continues to be one of the most business-friendly jurisdictions in North America. Today's investment is further proof of Alberta's national and international reputation as a leading aerospace and aviation hub." - **Danielle Smith, Premier of Alberta**

"This new, state-of-the-art facility is a major step toward making Calgary and Alberta global leaders in aviation innovation. Our government is proud to partner with the Calgary Airport Authority, industry leaders, and all levels of government to strengthen Canada's aviation sector. We beat out strong competition to secure this opportunity, showcasing our region's innovative spirit and commitment to reducing emissions. Together, we're developing and adopting cutting-edge technologies that will boost the competitiveness of small and medium-sized businesses across the aviation supply chain." - **The Honourable Terry Duguid, Minister for PrairiesCan**

"Lufthansa Technik Canada's investment is the latest addition to our growing aviation and aerospace sector. Alberta continues to attract world-class companies like Lufthansa Technik because of its pro-

business policies, low taxes, and innovative talent. This investment will create hundreds of jobs for hard-working Albertans and further diversify our economy.” - **Matt Jones, Minister of Jobs, Economy and Trade**

“This investment strengthens Calgary’s role as a hub for aerospace innovation and advanced aviation technologies. By attracting industry leaders like Lufthansa Technik, we are ensuring our city remains a beacon for forward-thinking talent and groundbreaking technological advancements.” - **Mayor Jyoti Gondek**

“We are proud to commit \$172 million in financing towards infrastructure that supports aviation services at the Calgary International Airport. Our collaboration with the Calgary Airport Authority moves their project from the planning stage into shovels in the ground. The world-class facilities will strengthen Canada’s aviation infrastructure, bring long-term, high-quality jobs and economic growth to the region.” - **Ehren Cory, CEO, Canada Infrastructure Bank**

“With the support of OCIF, Calgary continues to cement itself as a destination for innovators and blue-sky thinkers. This new facility builds on previous investments as part of our strategy to support talent development, scale companies and position Calgary as an aerospace innovation hub — creating jobs and strengthening economic resilience for our city and for future generations.” - **Brad Parry, CEO, Opportunity Calgary Investment Fund**

“This project is a remarkable example of what can be achieved when our aviation ecosystem and all levels of government come together - Lufthansa Technik as the premier supplier, WestJet as a vital cornerstone customer, critical support from Calgary Economic Development and the Government of Alberta through the Ministry of Jobs, Economy and Trade along with the Calgary Airport Authority, the Canada Infrastructure Bank, Prairies Economic Development Canada and Opportunity Calgary Investment Fund. By building this cutting-edge facility in Calgary, we ensure that WestJet and all Canadian airlines will have access to reliable, cost-effective and efficient maintenance services while building essential infrastructure in engineering, training and enterprise to make Calgary and Alberta a centre of aviation excellence within North America.” – **Chris Dinsdale, President and CEO, Calgary Airport Authority.**

“After years of hard work and collaboration to showcase our city and build connections with industry partners, we are excited to see Lufthansa Technik land in the Blue Sky City. Calgary’s competitive business environment and deep talent pool position us for future growth, and the establishment of Lufthansa Technik’s Western Canada hub in our city proves what’s possible as we continue to establish ourselves as a global aerospace leader.” - **Brad Parry, President and CEO, Calgary Economic Development**

** Lufthansa Technik is an authorized LEAP-1A and LEAP-1B Service Provider licensed by CFM International*

** CFM International is a 50/50 joint company between GE Aerospace and Safran Aircraft Engines*

** CFM LEAP Premier MRO shops are part of an open MRO ecosystem in which CFM, Premier MRO providers, and third-party shops compete for MRO work. Premier MRO licensees retain the highest level of training and support from CFM, as well as increased access to proprietary overhaul and repair technology. Because the open MRO ecosystem fosters competition, it allows operators to optimize costs, secure induction slots and turnaround times to meet their schedule work scope needs and supports higher engine residual value as seen with CFM56 engines today.*



About WestJet

WestJet took to the skies in 1996 with just over 200 employees and three aircraft operating service to five destinations. Since then, WestJet has pioneered low-cost travel in Canada, cutting airfares in half, and increasing the flying population in Canada by more than 50 per cent. Following integration with Sunwing in 2025, more than 14,000 WestJetters support nearly 200 aircraft and connect guests to more than 100 destinations across North America, Central America, the Caribbean, Europe and Asia.

As a major Canadian employer that includes WestJet Airlines, Sunwing Vacations Group and WestJet Cargo, the WestJet Group is Canada's leading low-cost airline and largest vacation provider, with a united purpose of providing affordable and accessible air and vacation travel to Canadians.

Learn more about WestJet at westjet.com/en-ca/who-we-are (also available in French)

Follow WestJet on Facebook at facebook.com/westjet
Follow WestJet on X at x.com/westjet and x.com/WestJetNews
Follow WestJet on Instagram at instagram.com/westjet/
Subscribe to WestJet on YouTube at youtube.com/westjet

Email WestJet media relations at media@westjet.com

About Lufthansa Technik

The Lufthansa Technik Group is one of the leading providers of technical aircraft services in the world. Certified internationally as maintenance, production and design organization, the company employs more than 24,000 people in dozens of locations around the globe. Lufthansa Technik offers the full range of services for commercial, VIP and special mission aircraft. The portfolio includes maintenance, repair, overhaul and modification of airframes, engines, components and landing gears, as well as the manufacture of innovative cabin products and digital fleet support.

Learn more about Lufthansa Technik at lufthansa-technik.com

Follow Lufthansa Technik on LinkedIn: Lufthansa Technik AG
Follow Lufthansa Technik on Facebook at facebook.com/LufthansaTechnikGroup
Follow Lufthansa Technik on X at x.com/LHTechnik
Follow Lufthansa Technik on Instagram at instagram.com/LHTechnik
Subscribe to WestJet on YouTube at youtube.com/c/LufthansaTechnikGroup

Email Lufthansa Technik media relations at press.pr@lht.dlh.de

##

For more information, please contact:

Jennifer Booth
WestJet
Senior Manager, Media and Public Relations



Jennifer.booth@westjet.com

Lea Klinge
Lufthansa Technik
Spokesperson
lea.klinge@lht.dlh.de



Lufthansa Technik

February 13, 2025

BACKGROUNDER

Today's announcement marks a milestone in Alberta's aviation sector: Bringing specialized engine maintenance operations to Canada. It signals exciting growth and innovation, and unites governments, businesses and partners to build a stronger economy and a sustainable, long-term future for Alberta's aviation industry.

WestJet's continued investment in its global hub of operations in Calgary, together with Lufthansa Technik's creation of a cutting-edge engine repair station and modern engine test cell for CFM LEAP-1B aircraft engines, advance Calgary's position as a world-class aviation centre.

The multi-billion-dollar contract and partnership between WestJet and Lufthansa Technik builds on the foundational WestJet-Government of Alberta Memorandum of Understanding to stimulate economies, create sustainable employment and build infrastructure for continued expansion. It is supported by key partners, including PrairiesCan, Canada Infrastructure Bank, Government of Alberta, Opportunities Calgary Investment Fund, Calgary Economic Development, and YYC Airport.

There will be up to 160 new skilled job opportunities directly created by Lufthansa Technik by 2030, and up to 170 temporary construction jobs related to the development of the facility, plus further economic spin-offs. The collaboration will also strengthen both national and international investment.

PARTNER INVOLVEMENT AND CONTRIBUTIONS

WestJet

After a rigorous global sourcing process, WestJet awarded a 15-year multi-billion-dollar agreement to Lufthansa Technik—the largest service contract in WestJet's nearly 30-year history. This agreement secures extensive maintenance services for the airline's Boeing 737 MAX LEAP-1B engines. As Canada's largest operator of the Boeing 737 MAX, this contract will enhance operational efficiency and improve competitiveness.

Through the RFP, WestJet will be Lufthansa Technik's first customer at the newly created engine maintenance facility, underscoring the partnership's confidence in local expertise and innovation.

Lufthansa Technik

As a global leader in aircraft maintenance, repair, and overhaul (MRO), Lufthansa Technik secured its largest-ever engine maintenance contract for next-generation aircraft engines and will build a new engine repair station and a modern, first-in Canada test cell for

servicing LEAP-1B aircraft engines. Lufthansa Technik will provide WestJet and other customers with on- and near-wing repair services, such as quick turn shop visits as well as modern simulation and diagnostics in Calgary.

The expansion into Western Canada is a key part of Lufthansa Technik's "Ambition 2030" strategy, further strengthening its capabilities in the US and Canada and reshaping the North American market for specialized aircraft engine work.

Federal Government (PrairiesCan)

Prairies Economic Development Canada (PrairiesCan) is investing \$8 million for the Calgary Airport Authority to construct, fit out and equip the new 150,000 square foot aircraft engine maintenance and test facility at the Calgary International Airport (YYC). PrairiesCan is the federal department that supports economic growth in Alberta, Saskatchewan and Manitoba. PrairiesCan funding is allocated through its Community Economic Development and Diversification (CEDD) program, which supports initiatives that contribute to the economic growth and diversification of communities across the Prairie provinces.

Canada Infrastructure Bank

The Canada Infrastructure Bank (CIB) invests in revenue-generating infrastructure which benefits Canadians and attracts private capital. The CIB is a catalyst for private investment in projects that support economic growth. The CIB is working on investment opportunities, from coast to coast to coast, which reflect priority sectors for investment—green infrastructure, clean power, public transit, trade and transportation and broadband infrastructure.

Government of Alberta

The Government of Alberta is providing the Lufthansa Technik engine test cell and maintenance facility with a total support amount of \$7.45 million through a combination of \$3 million from the Investment and Growth Fund and \$4.45 million from the Aerospace Workforce Development Grant. The Investment and Growth Fund is a deal closing incentive program that helps Alberta support high-value, private sector, job-creating investments. The Aerospace Workforce Development Grant aims to provide training and workforce development support that attracts investment, drives innovation and spurs transformative economic development in Alberta's aerospace sector.

Opportunity Calgary Investment Fund (OCIF)

The Opportunity Calgary Investment Fund (OCIF) is investing up to \$2.5 million over the next four years to Lufthansa Technik to establish Calgary as a leader in Western Canada's aerospace ecosystem. The investment will establish Lufthansa Technik's Canadian headquarters, featuring an aviation maintenance and repair facility that will expand the sector's talent pool, facilitate testing of new fuel types and next-generation engine models.

Calgary Economic Development

Calgary Economic Development (CED) supported the expansion of Lufthansa Technik to our city by fostering connections between Lufthansa Technik leadership with key stakeholders while highlighting the city's competitive business environment and growing aviation ecosystem. CED's team also showcased the city's dynamic talent pool with detailed projections, post-secondary introductions, and technical skills and expertise.

Calgary International Airport

The Calgary Airport Authority has signed a long-term lease with Lufthansa Technik, and will plan, design, construct and deploy the maintenance and repair facility and first-in-Canada test cell on nine acres of land at YYC Calgary International Airport. This \$120-million investment was secured with financing from the Canada Infrastructure Bank and PrairiesCan. The facility will integrate seamlessly with YYC's future growth plans and is expected to attract investment in the aviation ecosystem, creating a critical mass that will provide reliable and efficient services for airlines and air transportation operators from across Canada.

CFM International – *Original Engine Manufacturer (OEM)*

CFM International, the developer and manufacturer of the LEAP-1B engines, has established an open MRO ecosystem for its LEAP engine family. As a CFM Premier MRO partner, Lufthansa Technik is licensed to deliver full MRO services for these engines. The company was the first independent MRO provider recognized by CFM to service both LEAP-1A (Airbus) and LEAP-1B (Boeing) engines and has completed over 60 maintenance events, including the world's first LEAP-1A performance restoration shop visit (PRSV).

ADDITIONAL INFORMATION

Scheduled to break ground in mid-2025, the new engine repair facility located at Calgary International Airport will bolster Canada's reputation for cutting-edge aviation infrastructure, enhance domestic capabilities, and reduce reliance on maintenance operations outside of Canada.