Lufthansa Group signs agreement to acquire 44.9 percent stake in TAP Air Portugal



Representatives mark the signing of an agreement for Lufthansa Group to acquire a 44.9 percent stake in TAP Air Portugal

Lufthansa Group and the Portuguese government have signed an agreement for the acquisition of an initial 44.9 percent stake in TAP Air Portugal, marking a milestone in the airline's privatization.

Signed at Humberto Delgado Airport in Lisbon on November 3, the agreement values the initial stake at €1.025 billion (US$1.15 billion), with the transaction subject to regulatory approval, including from the European Commission.

Lufthansa Group could increase its stake to 49.9 percent through the acquisition of shares initially offered to employees. Including a potential additional fee, the total purchase price could reach €1.2 billion (US$1.35 billion).

"Our networks complement each other ideally and open up new growth opportunities for us in Portugal and in particular in South America and Brazil," said Carsten Spohr, Chairman of the Executive Board and Chief Executive Officer, Deutsche Lufthansa AG, in a November 3 news release.

The investment forms part of Lufthansa Group's European expansion strategy, with plans to develop Lisbon into its seventh hub while preserving TAP's Portuguese identity.

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Central to the strategy is expanding TAP's connections between Portugal and Brazil, Portuguese-speaking Africa and North America.

Lufthansa Group estimates the acquisition would increase its combined market share on Europe-Latin America routes from approximately nine percent to 20 percent.

The Group also sees opportunities to strengthen TAP's competitiveness and expand its operations, with potential synergies valued at up to €450 million (US$506 million).

Beyond Lisbon, the growth strategy includes Porto, the Azores, Madeira and the Algarve.

Lufthansa Group has operated in Portugal for more than 70 years, currently offering 353 weekly flights to six destinations, an increase of 75 percent compared to 2019.

The Group employs more than 500 people in Portugal, with plans to increase direct employment to more than 1,000 by 2030.

This includes its new Lufthansa Technik facility in Santa Maria da Feira, near Porto, which broke ground in June and is expected to begin operations in 2028.

The transaction remains subject to all required regulatory approvals.

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