

TAP Air Portugal's privatization cost is \$817 million!

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The Portuguese government has set a price of US\$817.7 million for a 44.9% minority stake in TAP Air Portugal (TP) as part of its efforts to privatize the airline.

An additional 5% of shares will be reserved for employees. According to [airinsight.com](https://www.airinsight.com), the Portuguese government will retain the remaining stake, reflecting its broader intention to maintain majority control of the airline.

European Airline Giants Eye TAP Shares

Potential buyers include some of Europe's largest airline groups, including International Airlines Group (IAG), Air

France-KLM (AF-LK), and Lufthansa Group (LH). All three companies have publicly expressed interest in acquiring a stake in the Portuguese carrier.

Of particular interest is TP's strong transatlantic network, which gives Lisbon a major role as a hub connecting Europe with Brazil, Portuguese-speaking Africa and North America.

For IAG, AF-KL or LH, taking a stake would not only expand their own route maps but also prevent rivals from taking control of a strategically located airline with valuable long-haul traffic across the Atlantic.

Why Privatize a Profitable Airline?

Privatization of state-owned airlines typically occurs for reasons that put pressure on governments, such as persistent losses, inefficiencies, rising debt, or the need for significant capital injections. However, TAP Air Portugal (TP) presents a different situation. The airline is profitable and growing steadily, but the government has decided to proceed with privatization anyway.

According to Portugal's Finance Minister , the goal isn't just to raise funds, but also to bring in aviation experts who can make TP more efficient and globally competitive against other major airlines. At the same time, the government has chosen to retain a majority stake to maintain control and protect national interests.

The Portuguese government aims to complete the privatization process in early 2026.

