LUFTHANSA SAYS LOOKING TO BRING BRUSSELS AIRLINES INTO EUROWINGS

News / Airlines

Lufthansa is working on bringing part-owned Brussels Airlines into its low-cost airline Eurowings and will decide by the end of August whether to exercise a call option to allow for a full takeover, it said on Wednesday.

Lufthansa is back on the acquisition trail with a view to expanding Eurowings, with sources having said it is also eyeing partnerships or even takeovers of SAS and Condor, the German airline now owned by Thomas Cook Group.

Lufthansa sees Eurowings rivalling European budget carriers Ryanair and easyJet, which are encroaching on its home market of Germany.

Brussels Airlines is attractive to Lufthansa because of its routes to Africa, where Lufthansa does not offer many flights, and thanks to its busy Brussels hub with passenger from European institutions based there.

Lufthansa owns 45 percent of Brussels Airlines owner SN Airholding, which was created by a

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.

group of Belgian business and state investors in 2002 as the successor to collapsed Belgian national airline Sabena, and has a call option for the remaining 55 percent.

Lufthansa said it is due to make a decision on whether to exercise the option by the beginning of June, but this deadline has now been extended to the end of August while Brussels Airlines restores operations following the suicide bomb attacks at its hub in March.

“That is a major challenge under the current security provisions, and must now be the priority,” Lufthansa Chief Executive Carsten Spohr said in a statement.

“And in view of this, we have agreed with Brussels Airlines to give ourselves a further three months to conclude our negotiations on the acquisition terms and devise the migration concept required.”

Lufthansa is due to hold its annual shareholders meeting on Thursday and will report first quarter results next week.

28 APRIL 2016

SOURCE: REUTERS
ARTICLE LINK:
https://ids.50skyshades.com/news/airlines/lufthansa-says-looking-to-bring-brussels-airlines-into-eurowings

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.