EASYJET PLACES $3.6B AIRBUS ORDER AS PROFITS SURGE

News / Airlines

British no-frills airline **Easyjet** on Tuesday **ordered** 36 **Airbus** A320 jets worth **$3.8 billion** (Dh13.95 billion) at catalogue prices, after posting record annual profits on keen demand.

Easyjet said in a results statement it will purchase 30 next-generation fuel-efficient A320neo aircraft, converting options that had been announced back in 2013, and has added another six firm orders for current-generation A320s.

The 36 popular single-aisle Airbus airplanes, which have 186 seats, are for delivery between 2018 and 2021.

Easyjet, which is based in Luton north of London, added that it would take more options for 30

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A320neo aircraft, taking its total number of options to 100.

“Due to our continued robust trading, high demand for easyJet flights and the number of profitable opportunities we see in our markets, we are pleased to have secured an agreement with Airbus to take delivery of an additional 36 A320 aircraft,” the airline said in the statement.

“These aircraft will offer increased flexibility in fleet planning, including the faster replacement of some of our A319 aircraft, lower overall unit costs and ensure Easyjet can continue to grow past 2019 to support increasing total shareholder returns.”

Easyjet’s vast Airbus order was unveiled alongside news of soaring annual profits.

Pre-tax profit leapt 18 per cent to a record £686 million ($1.04 billion, or Dh3.83 billion), buoyed by keen demand for city break holidays, business travel and lower fuel costs.

Pre-tax earnings, which rose for the fifth year in a row, were in the middle of the group’s forecast range.

“Our outlook for the longer term is positive,” said chief executive Carolyn McCall.

“We expect demand in our markets to be sustained and for Easyjet to continue to be a winner in its markets.”

She added: “We continue to invest in profitable growth, ensuring our digital advantage and giving our customer good value fares.”

Net profits meanwhile rallied 22 per cent to £548 million in the year to the end of September, compared with 2013/2014.

Passenger numbers rose six per cent to 68.6 million people, and revenues swelled 3.5 per cent to £4.686 billion.

“Our markets are strong, with favourable economic and consumer trends,” the airline said in the statement.

“Our core leisure customer is part of a market that is growing strongly every year as people take more holidays and city breaks, complemented by a business travel market that prizes both flexibility and value.”

The single aisle A320neo is designed to produce fuel savings of some 20 per cent per seat compared with current generation jetliners and they have greater range.

17 NOVEMBER 2015

SOURCE: GULFNEWS
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https://50skyshades.com/index.php/news/airlines/easyjet-places-36b-airbus-order-as-profits-surge

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