

Cathay Pacific to buy 60 Airbus aircraft at USD 11b

- A Monitor Report

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Hong Kong : Cathay Pacific will be buying up to 60 Airbus A330-900 aircraft, in an effort to build on a post-covid recovery as passenger numbers reach pre-pandemic levels, said the Hong Kong-based airline on August 7.

The carrier said it had received "significant price concessions" on the basic value of approximately HKD 85.8 billion (USD 11 billion) from the European planemaker.

"(Cathay Pacific) has agreed to purchase and Airbus SAS has agreed to sell 30 Airbus A330-900 aircraft," said the airline in a filing with the Hong Kong Stock Exchange, as per reports.

The airline has also "secured the right to acquire 30 additional Airbus A330-900 aircraft," added the reports citing the filing. Cathay already has a fleet of more than 230 mostly passenger aircraft.

The new planes are expected to be delivered by the end of 2031 and "will progressively replace the airline's existing fleet of midsize widebody aircraft and enable future growth," further mentioned the filing.

The purchase would also account for "the largest portion" of a HKD 100 billion (USD 12.83 billion) investment pledge over the next seven years, said reports citing the airline's Chief Financial Officer Rebecca Sharpe.

However, the carrier reported a drop in profit in the first half of 2024, for the first time in four years. Profit attributable to shareholders slipped 15 per cent year over year to USD 463 million in the first half.

However, total revenue in the period increased nearly 14 per cent to USD 6.4 billion. Cathay also announced that its passenger count had reached 80 per cent of its pre-pandemic levels and was "on track to reach 100 per cent" within the first quarter of 2025.