

Etihad Airways posts USD 476m loss for 2021

A Monitor Report

Date: 16 March, 2022



Abu Dhabi : Etihad has announced its business results for 2021, which include financial losses of USD 476 million. Yet, despite the impact of Covid-19, the airline is focusing on its successes throughout 2021.

Despite continuing to lose money, Etihad has improved on its 2020 performance significantly. Results for 2021 show that the airline incurred losses of USD 476 million, which, although still leaving the airline in the red, shows a massive improvement over the loss of USD 1.70 billion incurred in 2020.

The airline also posted passenger revenues of USD 1.07 billion in 2021, down from USD 1.24 billion in 2020, representing a 14 per cent decrease. The airline puts this down to the Covid-19 pandemic dampening demand.

However, on the positive side, the airline saw its revenues recover during the year's final quarter, returning to 50 per cent of pre-pandemic levels during December 2021.

The airline carried 3.5 million passengers in 2021, down from 4.15 million in 2020. This represented an average seat load factor of just 39.6 per cent for the year, a decrease of 25 per cent over 2020.

However, on a more positive note, passenger loads doubled in the second half of the year, achieving 70.1 per cent in December as travel demand peaked during the winter holiday period.

The airline enjoyed a particularly strong surge in passenger volumes in the last

quarter of the year following the relaxation of mandatory quarantine periods in Abu Dhabi in September 2021.

Etihad's total passenger network capacity was reported to be 37.21 billion ASKs (Available Seat Kilometres) for the year. By the end of 2021, the airline connected Abu Dhabi to 71 passenger and cargo destinations across 47 countries.

It also commenced or restarted operations to 13 destinations in 2021, most notably of which was the introduction of scheduled services from Abu Dhabi (AUH) to Tel Aviv (TLV) following the normalization of relations between the UAE and Israel.

Etihad's sizable cargo operations performed impressively in an air cargo market where demand for capacity soared. The airline's cargo division carried 729,200 tonnes of freight during 2021, representing a 27 per cent increase over 2020.

The increase in cargo revenues was particularly eye-catching. Reaching USD 1.73 billion, this result represents an increase of 49 per cent over the previous year. Notably, the figure is also the highest ever reported by the airline in its history.

Etihad Cargo achieved remarkable growth in 2021, of 49 per cent. The carrier's tonnage increased by 27 per cent to reach the highest level since 2017 and resulted in 55 per cent of the group's entire revenue.