

Airbus and Boeing announce deals at Farnborough Airshow

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Farnborough, England : More aircraft orders flowed in at the Farnborough Airshow on Tuesday despite supply chain pressures on jetmakers and complaints from airlines about delivery delays.

Boeing (BA.N), opens new tab announced deals with Qatar Airways and Macquarie Airfinance, while Airbus (AIR.PA), opens new tab secured orders from Japan Airlines and Virgin Atlantic - although much of the business had already been flagged.

Qatar Airways also held out the prospect of a "sizeable" order for wide-body jets around the turn of the year, and flydubai told Reuters it was in early stage talks with Airbus and Boeing for its largest ever order.

Delegates have been expecting limited deal-making at this year's showcase aviation industry event, with Airbus and Boeing both sold out for several years of production and struggling to ramp up output amid supply chain problems.

Delays in plane deliveries have limited some airlines' ability to take advantage of a post-pandemic travel boom which some say is starting to fade.

Boeing in particular had to scale back production as it came under legal and regulatory scrutiny after a panel blew off mid-air on a near-new 737 MAX 9 in January.

"So in March, we were told your 12 aircraft is now going to be eight. So now in July, just last week, we were told, out of the eight, we've already received four and we're not going to receive anything more," said Ghaith al-Ghaith, the CEO of flydubai, which complained on Monday about delays at Boeing.

"From our point of view, this is where there is frustration, and we felt like we had to say something."

Ihssane Mounir, senior vice president for global supply chain and fabrication at Boeing, told a panel it was "a fair sentiment on the part of the supply base and the airlines to say that we failed our commitments to them in terms of the timeline," adding the company was working to win back trust.

Despite the problems, many airlines are keen to lock in deals for more fuel efficient aircraft amid forecasts for strong growth in air travel for years to come.

Qatar Airways said it had ordered 20 more Boeing 777-9 planes, expanding its order book for the U.S. manufacturer's 777X family of jets to almost 100.

The deal, worth almost \$4 billion according to Cirium Ascend estimates, was already listed in Boeing's order book as an unidentified customer.

Boeing also bagged an order for 20 737 MAX-8 planes from Macquarie Airfinance, worth about an estimated \$1 billion.

Japan Airlines, meanwhile, finalised an order for 20 Airbus A350-900 and 11 A321neo jets, worth just over \$3 billion in total, according to Cirium Ascend data. And Virgin Airlines ordered seven Airbus A330-900s worth an estimated \$800 million.

In a sign of confidence in the future, al-Ghaith said flydubai was in early-

stage talks for its largest ever plane order.

"The last order we did was 175 and this (next one) is going to be the biggest, I'm sure," he said in an interview. Flydubai announced the purchase of 175 Boeing 737 MAX airplanes in 2017.

Meanwhile, Qatar Airways CEO Badr al Meer said his airline would decide on a "sizeable" new order of wide-body jets around the end of this year or in the first quarter of 2025.

He added the company had also decided to extend the service life of its Airbus A380 jets and would carry out upgrades including new wifi.

Airlines are increasingly looking to run existing planes for longer as jetmakers struggle with their order backlogs.

Consultancy Bain said in a report last week that airlines faced their longest ever waits for engine maintenance amid the shortfall in new aircraft, adding to their costs.

British Airways CEO Sean Doyle said at the air show that his airline was being "very vigilant" on new plane deliveries, but that at the moment "our planes are broadly coming in the timelines that we need them to come".

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