

Etihad posts strong financial performance for 2023

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Abu Dhabi: Etihad Airways reported its best-ever annual results on Wednesday after it posted an annual profit of \$143 million for the full year 2023 - a massive 472pc increase on the profit it made in 2022 and a complete turnaround from the mammoth \$1.87 billion record loss the airline posted in 2016.

After years of opaque financial reporting, the Abu Dhabi-based carrier now says it is preparing to become a lot more transparent with its accounting as it prepares for a potential 'Initial Public Offering' to make the airline publicly listed.

For the full year 2023, Etihad said it raked in \$1.1 billion in passenger revenues while continuing to cut non-fuel costs by as much as 7pc. Revenues were helped by a 40% increase in passenger numbers to 14 million passengers in 2023.

In July 2022, Etihad reported a core operating profit of US \$296 million for the first six months of the year, but after excluding pandemic-era government grants, the airline revealed for the first time that its annual profit for 2022 was, in fact, just \$25 million.

This is the first time that Etihad has reported its annual results for 2022, but CEO Antonio Neves now says the airline will publish a full annual report in April for the first time ever.

Abu Dhabi's government-controlled sovereign wealth fund ADQ took full control of Etihad in late 2022, and any decision to publicly list the airline will rest with ADQ.

After years of shrinking and cost-cutting, ADQ has given Neves the mandate to significantly grow the airline, and the carrier now has ambitious plans to expand and rebuild its fleet and network.

"Etihad's strong performance in 2023 follows a successful reorganisation of its business, sharpening its focus on the core airline offering by divesting from ancillary support services and businesses," the airline explained in a statement on Wednesday.

"Looking forward, we will continue to deliver on the mandate of our shareholder, which is to be a financially viable airline delivering extraordinary customer experiences," Neves commented.

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