

Etihad, Sanad ink \$408m strategic deal

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Abu Dhabi, UAE: Sanad, a leading global aerospace engineering firm, has officially completed a significant \$408 million transaction with Etihad Airways, focusing on the purchase and leaseback of jet engines.

This strategic move marks a major expansion of the partnership between the two companies.

Under the terms of the agreement, Sanad will purchase a fleet of General Electric (GE) and Rolls-Royce engines currently used across Etihad Airways' passenger and cargo aircraft. These engines will be leased back to Etihad through long-term contracts, providing the airline with essential liquidity while mitigating risks associated with asset depreciation.

This collaboration aligns with Sanad's broader mission to establish Abu Dhabi as a leading hub for aviation and aerospace innovation,

supporting the region's industrial and technological advancements.

Etihad Airways has a history of engaging in similar sale-and-leaseback transactions to optimize its financial structure while ensuring operational stability. This latest deal highlights the strong strategic relationship between the two companies, especially as the aviation sector navigates economic challenges and continues to seek effective fleet management solutions.

Sanad's CEO, Mansoor Janahi, emphasized the importance of this agreement in strengthening Abu Dhabi's presence in the global aerospace market. The deal also reflects Etihad's commitment to maintaining financial prudence while continuing to invest in long-term growth initiatives.

For Etihad, this deal aligns with broader efforts to maintain financial stability and enhance fleet efficiency. By selling the engines to Sanad, the airline can utilize immediate capital to address other operational and strategic goals, while retaining the ability to use the engines via leaseback arrangements. This move is particularly important as Etihad continues to navigate fluctuating market conditions and strives for sustainable growth.

Etihad Airways, meanwhile, remains focused on achieving financial resilience while continuing its global expansion. The airline has consistently employed innovative financing methods like sale-and-leaseback agreements to optimize its balance sheet. With this transaction, Etihad is expected to enhance its liquidity position, allowing it to reinvest in other areas, such as expanding its route network, improving customer experience, and bolstering its sustainability efforts.

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