

Airbus posts record profit, eyes more deliveries in 2022

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Airbus is targeting 720 commercial aircraft deliveries in 2022.

European aircraft giant Airbus posted record profits in 2021 after two years of losses as it cruises past the pandemic-induced crisis in the travel industry, company results showed Thursday.

Net profit surged to 4.2 billion euros (\$4.8 billion) with deliveries of aircraft rising eight percent to 611 planes, Airbus said in an earnings statement.

Signalling its optimistic outlook for the future, the company is targeting 720 commercial aircraft deliveries in 2022, an 18 percent increase.

"2021 was a year of transition, where our attention shifted from navigating the pandemic towards recovery and growth," Airbus chief executive Guillaume Faury said in the earning statement.

"Thanks to the resilience and efforts of our teams, customers and suppliers, we delivered remarkable full-year results," he said.

The good results were due to the higher number of deliveries, good performance of the company's helicopter, defence and space businesses, and efforts to contain costs, Faury said.

Deliveries are an important gauge of profitability in the aviation industry as clients pay most of their bills when they receive their orders.

In its guidance for 2022, Airbus said it "assumes no further disruptions to the world economy, [air traffic](#), the Company's internal operations, and its ability to deliver products and services," Airbus said.

Airbus will return profits to shareholders with plans to offer a dividend payment of 1.50 euros per share. No dividends were paid in the past two years.

Its rival, US aerospace giant Boeing, has not fared as well as it fell into a third straight annual loss in 2021, with mounting costs connected to delayed delivers of its widebody 787 aircraft and costlier production processes.

Production ramped up

The air travel industry collapsed in 2020 as the emergence of Covid-19 prompted countries to close borders.

Airbus drastically reduced production and cut nearly 10,000 jobs when Covid spread around the world in 2020.

The group, which employs more than 126,000, plans to recruit 6,000 people this year.

The company has ramped up production again, making 45 single-aisle A320 planes per month late last year after the pace had fallen to 40 in 2020.

It plans to produce 65 A320 planes per month in 2023.

Revenue rose four percent to 52.1 billion euros last year thanks to the higher number of commercial aircraft deliveries.

Its adjusted operating profit reached 477 million euros as the company abandoned its A380 jumbo jet programme.

The company also fielded 507 net orders, almost double from 2020, including the first orders of its new A350 freighter.

While air traffic remained low last year and should only return to pre-Covid levels in 2023 for domestic travel and 2025 for long-haul flights, "it has become clear that people want to fly again and do so as soon as travel restrictions are lifted," Faury said at a news conference.

Global air traffic is expected to double compared to its pre-crisis level by 2050.

Airlines still struggled with [travel restrictions](#) last year, especially in Asia where China has maintained strict border measures.

Air France-KLM on Thursday posted another net loss in 2021, though it was more than half less than in 2020 at 3.3 billion euros.

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