

Abu Dhabi's Etihad Airways posts \$758M in half-year losses

August 6 2020



In this Dec. 18, 2014 file photo, an Emirati man takes a selfie in front of a new Etihad Airways A380 in Abu Dhabi, United Arab Emirates. Abu Dhabi-based Etihad Airways said Thursday, Aug. 6, 2020, that its core operating losses amounted to \$758 million for the first half of the year, driven by a nearly 40% drop in revenue due in part to the impact of the coronavirus pandemic. (AP Photo/Kamran Jebreili, File)

Abu Dhabi's Etihad Airways said Thursday core operating losses amounted to \$758 million for the first half of the year, driven by a nearly 40% drop in revenue due in part to the impact of the coronavirus pandemic.

Etihad is one of the Middle East's top carriers, but it was wracked by financial losses even before the pandemic devastated the aviation industry worldwide. The United Arab Emirates-based airline had accumulated losses of \$586 million in the first half of 2019.

The airline, which competes with nearby Dubai's Emirates and Qatar Airways, said it carried 3.5 million passengers during the first six months of 2020, nearly 60% less than the same period last year.

Like other major carriers, Etihad cut salaries for staff starting in April and had reportedly laid off an unspecified number of employees to reduce costs.

Revenue for the first half of 2020 stood at \$1.7 billion compared to \$2.7 billion during the first six months of 2019, even with this year's 27% reduction in operating costs. The airline's cargo operations also saw some improvement during the [first quarter](#) this year.

Etihad Airways said it had started the year strong and ahead of target prior to the pandemic, but that the closure of international borders and the UAE's airports starting in March drove second quarter losses. Etihad said 70% of its fleet was grounded during the second quarter of the year, bringing a nearly complete halt to its passenger numbers with the exception of special repatriation flights.

Since 2016, Etihad has lost more than \$4.75 billion as its strategy of aggressively buying stakes in airlines from Europe to Australia exposed the company to major risks.

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