

New delay for Airbus A350 but EADS profits take off

PARIS: The launch of Airbus's new A350 plane has been put back to the second half of 2014, the manufacturer's parent company, EADS, announced on Friday, 27 July 2012.



The new widebody carrier had initially been scheduled to come into service in mid-2013, a target that subsequently slipped to the first half of 2014.

EADS said the latest delay, which it blamed on problems with the manufacturing process for the wings, would amount to around three months and has estimated the cost at 124 million euros (\$151 million), which it took as a charge against earnings for the first half of the year.

The announcement failed to prevent EADS shares rising sharply in response to the first-half results and the company's raised guidance for full-year figures.

Net profit for the first six months of the year was 594 million euros, up from 109 million a year earlier on sales which rose 14 percent to 24.9 billion euros.

EADS raised its earnings-per-share guidance for the full year from 1.85 to 1.95 euros and said it expected full-year sales to rise 10 percent, compared with a previous forecast of six percent.

The A350 is being launched as a rival to Boeing's Dreamliner in the market for mid-sized, fuel efficient carriers where demand, particularly in emerging markets, remains strong.

The problems with the manufacture of the A350 wings follow the emergence of cracks in the wings of several of Airbus's A380 superjumbos.

EADS chief executive Tom Enders said he expected deliveries of A380s next year to be less than the 30 that the company had been anticipating as a result of airlines putting orders on hold while Airbus deals with the cracks.

Source: AFP

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