

Airbus profits plunge, blames scrapping of A380

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European aerospace giant Airbus announced Tuesday its net profit fell sharply in the first quarter, blaming in part its decision to stop building the loss-making A380 super-jumbo.

It said profits were down 86 percent from the same period in 2018 to 40 million euros (\$45 million).

It blamed "adjustments" including 190 million euros for "the prolonged suspension of defence export licences to Saudi Arabia by the German government," a further "83 million euros relating to the dollar pre-delivery payment mismatch and balance sheet revaluation" and "a negative 61 million euros related to A380 programme cost."

Airbus said in February it would stop building the A380 superjumbo, the double-decker jet which earned plaudits from passengers but failed to win over enough airlines to justify its massive costs.

The programme's future had been in doubt for years as Airbus slowed production, and the company acknowledged last year that the A380 would be scrapped if no new orders came in.

Consolidated revenues increased 24 percent to 12.5 billion euros "reflecting the higher commercial aircraft deliveries as the production ramp-up continued."

"The [first quarter](#) underlying financials mainly reflect our commercial aircraft ramp-up and delivery phasing," said CEO Guillaume Faury.

"The commercial aircraft market remains robust and we continue to see good prospects in the helicopters and defence and space businesses. The new management team is in place and focused on delivering on our commitments."

Faury took over earlier this month, replacing Tom Enders, who stepped down after five years.

Earnings before interest (EBIT) were down nine percent at 181 million

euros.

In the first quarter, Airbus recorded 62 gross commercial aircraft orders compared with 68 during the same period in 2018. These included 38 A350 XWBs, the latest of its large aircraft.

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