

Hong Kong Airlines places \$3.8bn Airbus A380 orde

Written by Administrator

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Hong Kong Airlines (HKA) has placed an order for 10 Airbus A380 aircraft worth about \$3.8bn (Ã,Â£2.5bn) at list prices.

The contract will be a relief for the European planemaker, as the order risked being derailed by a dispute between the European Union and China.

Beijing opposes an EU plan that international airlines comply with a scheme to tackle carbon emissions.

But Kenneth Thong, HKA's corporate governance head, told a television interview the order would go ahead.

The carrier, which has ambitious expansion plans, is likely to have got a big discount on the order for the super-jumbo aircraft.

Mr Thong said the aircraft were needed to help boost the airline's growth, particularly in the development of business class services with Europe.

HKA has previously ordered Airbus A330s, which will be used for services between Hong Kong and several European cities.

Mr Thong told Bloomberg television in Hong Kong: "We think the business connection between Asia and Europe is going to be very exciting for the next couple of years, after the current (economic) crisis is over. We are planning for the aftermath."

It had been expected that HKA would announce a large A380 order last year.

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But the Financial Times newspaper reported that this was held up over the China's opposition to the EU's carbon emissions trading scheme, which would involve airlines paying additional costs.

The US also has concerns about the scheme.

The contract will take Airbus's order backlog to 188. Airbus reportedly declined to comment ahead of a formal announcement of the contract on 17 January.

Source :bbc.co.uk