

Airbus gets Lion's share

PARIS, FRANCE: European aerospace giant Airbus signed an agreement that will see Indonesia's Lion Air ordering more than 200 A320 medium-haul jets, business daily *Les Echos* reported.



The deal is worth more than US\$20bn as each standard A320 is priced at US\$91.5m. Its newer and more fuel-efficient NEO plane has a price tag of more than \$100m.

French President Francois Hollande's office said that he would host the chief executive of Airbus, Fabrice Bregier, to celebrate the signing of "the major industrial agreement," but both the plane manufacturer and the French presidency declined further comment.

The government said the deal with the Asian budget airline was signed as France's *Industry Week* starts, but declined to give more details on the nature of the agreement with Airbus.

The news comes just days after Airbus received an order worth about US\$15.5bn from Turkish airlines for up 117 planes.

That order also centred on Airbus's A320 medium-haul family. Lion Air is Indonesia's largest privately-run airline and would be a new client for Airbus as it has previously been equipped almost exclusively with Boeing aircraft.

In 2011, the Indonesian carrier signed a record US\$22.4bn deal to buy 230 Boeing 737 airliners.

With some 240m people, Indonesia is the world's fourth most populous nation and most far-flung archipelago with more than 17,000 islands scattered across 33 provinces. Air travel has grown sharply in recent years with the emergence of budget carriers like Lion Air, as well as rising incomes thanks to steady economic growth.

As France battles with rising unemployment, Airbus is one of the few companies that continues to recruit heavily. In January, Bregier said the company would hire 3,000 people worldwide in 2013.

Source: *AFP* via I-Net Bridge

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