



The Riyadh Group of British Businessmen

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Aviation Sub-Group

Newsletter

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Rolls-Royce Unveils \$2 billion Farnborough Orders

British Airways ordered 59 firm aircraft and took options on 129 more V2500 powered A320 aircraft. The first ever BA order for Airbus was also the largest single order for International Aero Engines which has chalked up a \$2 billion order in South America.

Rolls-Royce has a 30% interest in IAE and this BA order has potential value at \$830 million.

The most dramatic announcement came after the show with BA choosing the Trent 895 to power up to 32 new Boeing B777s. The 100th Trent engine was delivered in the first half of 1998 and Trent engines will power 30% of B777 deliveries in 1998, rising to 45% in 1999.

Corsair, airline of France's biggest tour operator Nouvelles Frontieres, will fit Trent 700s to its two new Airbus A330-200s.

The Trent 700 which powers the Airbus 330 has a 60% market share of firm engine orders and will power 40% of new A330s delivered in 1999.

Allison also won an order from American Eagle to supply AE3007 engines for up to 150 Embraer 145 aircraft.

The Rolls-Royce order book stands at \$14 billion.

Rolls-Royce is to build a £41m manufacturing extension in Derby, UK. The facility will employ 250 manufacturing advanced turbine blades.

Middle East News

Saudia has introduced an economy seat with extra legroom on its new Boeing 777 and 747-400 aircraft flying long distance routes. At 34 inches, the legroom is three inches greater than industry standard. The seat is also wider than average, with lumbar support and moveable headrest.



Airbus Business

A record breaking \$9 billion order for Airbus regional jets for British Airways at the end of August was just the start of a steady stream of announcements at Farnborough. It included an Emirates order for six firm and ten optional new A340-50 aircraft and ILFC in California taking ten of these new A340s.

US Airways has confirmed an order for up to 30 A330s to replace transatlantic Boeing 767-200s from the end of next year. The first of seven firm orders will be delivered in October 1999.

Flight testing has begun on the A320 development aircraft equipped with a new vertical tailfin incorporating laminar flow technology to reduce air friction and significantly reduce fuel consumption.

Military News

The Eurofighter agencies have signed fixed-price agreements covering production of the first batch of 148 EF2000 fighters and 363 engines.

An EJ200 Eurofighter engine with vectored thrust, called EJ230, is being offered by Eurojet for the Saab/BAe Gripen.

BAe has won a contract worth more than £100m from the RAF to upgrade Rolls-Royce Adour turbofans for their Jaguar strike aircraft. The contract will provide the RAF with the Mk106 standard engines. Development will be carried out at Warton, with modification work handled by RAF St Athan.

The British Airports Authority's expertise in airport retailing has won a 15 year contract from the Port of New York Authority to introduce its AirMall project, which at Pittsburgh has trebled revenue per passenger, now over \$8. BAA is already in business at New York JFK and La Guardia, Indianapolis, Naples and Melbourne.