

Air Canada lifts Q2 earnings despite 737 MAX grounding

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Profits at Air Canada beat expectations in the second quarter thanks to higher travel volumes and rising business class income, the airline said

Tuesday.

The positive earnings came despite the grounding of the company's fleet of 24 Boeing 737 MAX aircraft following two recent deadly crashes involving other carriers in Africa and Asia.

Other airlines have taken major hits to earnings due to the MAX grounding.

Canada's largest airline posted net income of Can\$343 million (\$260.4 million) for the [second quarter](#), the company said in a statement.

That was up from a loss of Can\$102 million in the same period a year ago.

Adjusted earnings amounted Can\$0.88 per share, higher than the Can\$0.75 analysts had been expecting.

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Second-quarter revenues were Can\$4.8 billion, up from Can\$4.3 billion in the same period last year.

Calin Rovinescu, the airline's president and chief executive, said the 737 MAX crisis had hit year-over-year pre-tax earnings growth, even though it had surpassed expectations.

"Our management team and all employees involved with this complex issue did an incredible job implementing creative solutions for our fleet, schedule, network and operations to get passengers to their destinations during the quarter," Rovinescu said in a statement.

The company does not expect to return its MAX planes to service before January 8, 2020.

The aircraft had been carrying between 9,000 and 12,000 passengers per day, according to the [company](#).

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