

Qatar Airways reports \$639-mn loss as boycott bites

September 18 2019



A Qatar Airways A380-800 aircraft prepares to land at London Heathrow Airport

Qatar Airways hit turbulence on Wednesday posting a net loss for the year to March 2019 of \$639 million which the airline blamed on key

markets closing their airspace to Doha.

The United Arab Emirates, which was a key market for the Gulf carrier, along with Saudi Arabia, Bahrain and Egypt, have enforced an economic boycott of Qatar since June 2017.

They accuse Doha of links to [extremist groups](#) and being too close to Iran, Riyadh's regional arch-rival—charges Qatar denies—and have closed their airspace, borders and markets to Doha.

The year to March 2019 was "a challenging year and while it is disappointing that (Qatar Airways Group) has registered a [net loss](#) of 2.3 billion Qatari riyals (\$639 million)—attributable to the loss of mature routes, higher fuel costs and foreign exchange fluctuations—the underlying fundamentals of our business remain extremely robust," the airline said in a statement.

The flag carrier said it had added 31 new destinations "since the start of the illegal blockade", both making use of aircraft formerly used on its popular regional routes as well as new planes.

"The airline's fleet grew by 25 aircraft to a point where it welcomed its 250th aircraft in March 2019," said the statement.

The tiny Gulf emirate's national airline lost only \$69 million in the same period a year earlier.

That came after a bumper period in the financial year prior to the crisis when it posted a 22-percent rise in net profits for 2016-2017.

Losses for the latest period came despite a 14-percent rise in overall revenues to \$13.2 billion.

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Citation: Qatar Airways reports \$639-mn loss as boycott bites (2019, September 18) retrieved 31 May 2023 from <https://techxplore.com/news/2019-09-qatar-airways-mn-loss-boycott.html>

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