

Virus-hit Singapore Airlines suffers \$800 mln Q1 loss

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Singapore Airlines suffered a net loss of more than US\$800 million in the first quarter of 2020 as coronavirus hammered air travel

Singapore Airlines (SIA) reported a first-quarter net loss of more than US\$800 million Wednesday, the latest carrier to take a massive hit as a

result of the coronavirus pandemic.

Passenger traffic was reduced to almost zero in the three months to June, SIA said, leading to the Asian carrier's biggest-ever quarterly net loss of Sg\$1.12 billion (\$816.58 million).

The numbers extended the flag-carrier's financial bloodletting after losing Sg\$732 million in the 2019 [fourth quarter](#) ended March 31, leading to its first-ever annual loss.

"Demand for [air travel](#) evaporated as travel restrictions and border controls were imposed around the world to contain the spread of the virus," SIA said.

Earnings from [cargo flights](#) were not enough to offset the massive decline in passenger numbers, and group revenue plunged 79.3 percent year-on-year, it said.

Shukor Yusof, an analyst with aviation consultancy Endau Analytics, described SIA's first-quarter earnings as "grotesque", reflecting the severity of coronavirus on the global industry.

"Unfortunately there will be more losses in the coming quarters and which will require SIA to sadly lay-off staff," he told AFP.

It was also unlikely that the bulk of the airline's 19 Airbus A380s would return to service as there would be overcapacity, he said.

Wholly dependent on international routes, the airline was particularly hard-hit by the virus and cut passenger services by 96 percent from April to June—grounding most of its fleet.

The International Air Transport Association (IATA) estimates that

airlines operating in the Asia-Pacific region stand to lose a combined \$27.8 billion this year.

On Tuesday IATA said global air traffic is unlikely to return to pre-coronavirus levels until at least 2024—a year later than previously projected.

Among the reasons for this "more pessimistic" outlook is the slow virus containment in the United States and other developed economies, it said.

SIA said it has raised a total Sg\$11 billion in fresh funds to help it weather the crisis, including Sg\$8.8 billion from a rights issue backed by its majority shareholder, state investment fund Temasek,

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