

Aeroflot logs heavy 2020 loss

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Russia's flagship airline Aeroflot announced Wednesday heavy losses for 2020 as coronavirus-related restrictions grounded planes around the world.

The state-controlled airline recorded a [net loss](#) of 123.2 billion rubles (\$1.6 billion) for last year, after 13.5 billion rubles net profit in 2019.

"The persistence of large-scale restrictions on international flights and closed borders due to the pandemic are significant negative factors that continue to have a decisive impact on the [aviation industry](#) in general and on Aeroflot Group in particular," said deputy CEO for commerce and finance Andrey Chikhanchin.

Revenue fell more than 55 percent to 302.2 billion rubles in 2020.

Last year, Aeroflot Group carried 30.2 million passengers, more than 50 percent down year-on-year, a company statement said.

Although significant, Aeroflot's losses are still less massive than those of major European airlines including Air France-KLM which posted a 7.1 billion euro net loss for 2020 or Lufthansa which reported a 6.7 billion euro loss last year.

Russia has held back on reimposing lockdowns seen in other European countries and instead relied on a nationwide vaccine rollout.

Aeroflot said that in the third and fourth quarters domestic traffic showed a "significant recovery" and [international flights](#) were resumed to a series of destinations.

Aeroflot also hailed the "outstanding" success of its low-cost airline Pobeda, saying it increased [passenger traffic](#) by 7.6 percent in the second half of the year.

"Despite complete suspension of operations in April and May, as well as (a) decrease in average fares aimed at stimulating demand, the company was profitable on annual accounts," said Chikhanchin.

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