

Delta reports another loss but sees jump in leisure travel

April 15 2021



Delta reported another quarterly loss but signaled it could return to profitability later in 2021

Delta Air Lines reported another quarterly loss Thursday, but pointed to an expected return to profitability later in 2021 amid quickly rising travel demand.

The big US carrier was cashflow positive in March for the first time since the coronavirus pandemic hit a year earlier as more newly-vaccinated Americans booked vacations.

"We are now seeing more normal booking behavior as customers make plans for spring and summer [travel](#)," Delta Chief Executive Ed Bastian said in a conference call, adding that 75 percent of customers expect to be vaccinated by Memorial Day.

The company reported a loss of \$1.2 billion in the [first quarter](#), compared with \$730 million in profits in the comparable period of 2020. Revenues were down 60 percent at \$4.2 billion.

Delta expects a smaller loss in the [second quarter](#) "and we see a path to returning to profitability in the September quarter," Bastian said.

Delta plans to resume booking its middle seats in May, which will boost revenues at a time of rising demand and broadening deployment of COVID-19 vaccines.

Company officials said they already are seeing a strong recovery in vacation bookings, with leisure travel now 85 percent recovered compared to 2019 levels.

But the comeback in corporate travel has been far more tepid, and volumes last month stood at 20 percent recovered, compared with 15 percent at the end of 2020.

Delta executives said they had yet to see airport crowding problems at popular travel spots and have not experienced the labor shortages seen elsewhere in hospitality.

But if the industry recovery continues to accelerate, Delta may start

hiring additional pilots or [flight attendants](#) by the end of the year, executives said.

Shares of the airline fell 3.9 percent in afternoon trading.

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