

EasyJet's first-half net loss widens as virus bites

May 20 2021, by Roland Jackson



EasyJet's losses widened but the airline says it is "encouraged by the reopening of travel across much of Europe".

British airline EasyJet revealed Thursday that first-half net losses deepened as the pandemic ravaged demand, but expressed optimism over the reopening of travel in Europe.

The group faced a loss after taxation of £549 million (637 million euros, \$777 million) in the six months to the end of March compared with a loss of £324 million a year earlier.

Passenger numbers tumbled by almost 90 percent to 4.1 million, EasyJet said in a results statement published after the UK partially lifted international air [travel](#) on Monday.

The airline, which is based in Luton north of London, added more than 150,000 seats on flights after the British government announced so-called green list countries—from which UK passengers will not need to quarantine upon their return home.

The UK green list currently comprises a handful of nations and territories including EasyJet destinations Gibraltar, Iceland and Portugal.

"EasyJet is encouraged by the reopening of travel across much of Europe and will maximise opportunities for European flying," the carrier said.

"EasyJet is the largest operator from the UK to green list countries and is looking forward to taking customers on a long-awaited holiday this summer."

The airline will fly only 15 percent of its 2019 capacity levels in the third quarter, or three months to the end of June, but this is expected to be ramped up thereafter.

It also logged a first-half pre-tax loss of £701 million, widening from £193 million last time around, but this was at the lower end of guidance.

Leisure travel taking off

"With leisure travel taking off in the UK again earlier this week ... and

with so many European governments easing restrictions to open up travel again, we are ready to significantly ramp up our flying for the summer with a view to maximising the opportunities we see in Europe," noted EasyJet chief executive Johan Lundgren.

"We have the ability to flex up quickly to operate 90 percent of our current fleet over the peak summer period to match demand," he added.

Meanwhile, headline costs excluding fuel were slashed by nearly 60 percent to £844 million on the back of capacity cutbacks and its efficiency drive.

The results come after its Irish low-cost rival Ryanair posted Monday an annual net loss of 1.0 billion euros but also added that a recovery was underway.

In a separate development this week, EU member states agreed Wednesday to reopen the bloc's borders to travellers who have been fully vaccinated against the coronavirus, according to European sources.

Diplomats, meeting in Brussels, also agreed to increase the level of new cases a country can hit before being declared unsafe—a measure that would open up travel into the EU from more places.

The recommendations will be adopted by EU ministers on Friday, the sources said.

Non-essential travel into the 27-member European Union has been banned since March 2020, apart from a small number of countries deemed safe because of their low COVID case rate.

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