

Emirates airline on 'recovery path' as losses cut by half

November 10 2021, by Talek Harris



Emirates says there is "still some way to go" before it restores its operations to pre-pandemic levels as it posts a first half loss of \$1.6 billion.

Emirates airline said it was on the path to recovery from the Covid pandemic on Wednesday as six-month losses dropped by more than a half from a year earlier.

The Dubai-based carrier posted an April-September loss of \$1.6 billion, compared with \$3.4 billion during the same period in 2020.

"Across the group, we saw operations and demand pick up as countries started to ease travel restrictions," CEO Sheikh Ahmed bin Saeed Al Maktoum said in a statement.

"This momentum accelerated over the summer and continues to grow steadily into the winter season and beyond."

Revenue was up 86 percent year-on-year and passenger numbers rose 319 percent to 6.1 million, Emirates said, adding that cargo volumes had recovered to 90 percent of pre-pandemic levels.

The airline also received a \$681 capital injection from its owner, the Dubai government, following a \$3.1 billion payment announced earlier.

In June, Emirates announced its first annual loss in more than three decades after the coronavirus crisis forced it to suspend operations and slash staff last year.

"While there's still some way to go before we restore our operations to pre-pandemic levels and return to profitability, we are well on the recovery path," Sheikh Ahmed said.

Like other major carriers, Emirates began announcing heavy layoffs when its fleet of A380 superjumbos and Boeing 777s was grounded last year.

On Wednesday, it said the overall group workforce has shrunk again by 2.0 percent to 73,571, but a recruitment drive is underway prioritising employees who were furloughed or made redundant.

'Return of passenger demand'

By the end of September, Emirates was operating passenger and [cargo flights](#) to 139 airports, using its entire fleet of Boeing 777s and 37 Airbus A380s. It launched services to Miami, a new destination, in July.

"The strong revenue recovery reflects quick return of passenger demand wherever flight and [travel restrictions](#) were eased around the world," the Emirates statement said.

Operating costs rose 22 percent against overall capacity growth of 66 percent, with fuel costs more than doubling, partly because of higher oil prices.

The [financial results](#) come ahead of next week's Dubai Air Show, where Emirates is expected to discuss its delayed 777X order with Boeing.

The airline has repeatedly complained about the delivery of the long-haul jet, whose launch has been set back by a series of safety and [technical problems](#).

Emirates announced an order of 150 777Xs at the 2013 Dubai Air Show and later revised the deal. In May, Emirates president Tim Clark was quoted as saying he feared a delay until 2025.

"There will be a discussion before and during the air show," Sheikh Ahmed told journalists last week.

After an initial strict lockdown, life in the Gulf emirate—one of the first destinations to welcome visitors again last July—has largely returned to normal, with restaurants and hotels up and running and beaches open to the public.

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