

Easyjet warns of another annual loss

October 13 2022



EasyJet said the strong dollar was making a return to profit more difficult.

British airline EasyJet on Thursday warned of a third annual loss in a row, as sector-wide disruption and a strong dollar offset a recovery from the pandemic.

Pre-tax losses are expected to be between £170 million and £190 million

(\$190 million and \$210 million) for its financial year that just ended, EasyJet said in an update.

That would however mark a significant improvement after the carrier had plunged deeper into the red in 2020 and 2021 on COVID fallout.

EasyJet on Thursday flagged a £75-million hit on costs "from operational issues experienced across the industry" in its financial year to the end of September.

The carrier also highlighted a £64-million charge on foreign exchange movements.

Nevertheless, EasyJet enjoyed a fourth-quarter summer bounceback with operating profit of up to £545 million.

It also stressed resilient demand for its current first quarter, despite Britain's cost-of-living crisis.

The group expects demand during October and Christmas to return to pre-pandemic levels.

"Demand is continuing," chief executive Johan Lundgren told reporters on a conference call.

"Despite the difficulties that households will have, we still know that holidays and travel is on the top of the list when people prioritise what they want to do with their [disposable income](#)."

EasyJet, based in Luton north of London, releases full annual results on November 29.

The COVID pandemic ravaged global aviation, grounding planes

worldwide and forcing airlines to slash thousands of jobs in 2020.

Demand has recovered sharply after most lockdowns were lifted. However, airlines and airports are struggling to recruit sufficient staff after having had axed so many positions.

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