

Ryanair rebounds into profit as bookings soar

January 30 2023, by Roland JACKSON



Ryanair said it enjoyed 'strong Christmas/New Year traffic'

Ireland's Ryanair flew back into profit in the final three months of 2022 as travelers flocked to budget airlines during Europe's cost-of-living crisis.

Ryanair logged a [profit](#) after taxation of 211 million euros (\$229 million) for the third quarter of its financial year, or three months to the end of December.

That contrasted sharply with a [net loss](#) of 96 million euros last time around, it added in a results statement on Monday.

Passenger numbers soared by almost a quarter to 38.4 million passengers. That marked a seven percent increase compared with late 2019, just before the COVID pandemic ravaged demand for aviation.

The Dublin-based carrier enjoyed "strong Christmas/New Year traffic" in the reporting period, winning [market share](#) in key EU nations including Ireland, Italy, Poland and Spain.

Monday's news comes after British budget rival EasyJet last week hiked its annual profit forecast after record demand, as its customers also prioritized holidays and shrugged off sky-high inflation.

Yet it also follows the weekend collapse of regional UK airline Flybe, which on Saturday filed for bankruptcy for the second time in three years, faced with fierce competition.

Both EasyJet and Ryanair have urged Flybe staff to apply for roles.

'Strong position'

Britain, Ryanair's key market outside Ireland, is widely expected to fall into recession this year on the back of rocketing consumer prices.

However, budget carriers have thrived over the festive period.

"Ryanair has built on its strong position of having a low cost base, strong

liquidity and a ready workforce, substantially retained through the pandemic," independent aviation analyst John Strickland told AFP.

"All this translates into an ability to provide growing capacity to meet resurgent demand from customers focussed more than ever on value for money pricing.

"Ryanair has turned every crisis to its advantage over the last 20 years or so and this confirms the strength of the low cost business model."

Nevertheless, Ryanair cautioned Monday that it still expects to register a loss for the last quarter of its fiscal year, partly because Easter falls in April this year.

Earlier this month, the carrier predicted annual net profit of between 1.325 billion euros and 1.425 billion euros, upgrading prior guidance on solid festive bookings.

© 2023 AFP

Citation: Ryanair rebounds into profit as bookings soar (2023, January 30) retrieved 10 April 2024 from <https://techxplore.com/news/2023-01-ryanair-rebounds-profit-soar.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--