

JAL logs \$885 million quarterly loss on pandemic

3 August 2020

Japan Airlines on Monday said it suffered a deep quarterly net loss of \$885 million as the coronavirus pandemic halted air travel around the world.

The air carrier said its net loss for April-June came to 93.7 billion yen, plummeting from a quarterly profit of 12.9 billion yen seen a year ago.

The company changed its accounting method starting this quarter.

But the latest data registered as the biggest loss, under a different accounting method, since the company was relisted on the Tokyo Stock Exchange in 2012, after it filed for bankruptcy in 2010.

Quarterly sales dived 78.1 percent to 76.4 billion yen, JAL said.

The company did not issue annual forecasts, citing deep uncertainty surrounding the pandemic.

"The worldwide spread of COVID-19 infection has imposed severe restrictions on international travel globally, causing international passenger demand to almost disappear," the company said in a statement.

It added that passenger traffic for its international segment collapsed 98.6 percent on-year, while domestic [passenger traffic](#) fell 86.7 percent.

"Upon the declaration of the state of emergency on April 7 in Japan, domestic passenger demand also fell rapidly and in an unprecedented manner as inter-prefecture travel was strongly discouraged by the government," it said.

JAL said the pickup of international travel remained "unforeseeable".

The lifting of Japan's emergency declaration and

the nation's recent push to promote domestic [travel](#) have improved domestic demand a bit, the company said.

However, the [company](#) said: "Japanese society is still struggling to work out how to resume [economic activities](#) with infection prevention measures, thus it is expected it will take more time for domestic passenger demand to make a full recovery."

JAL's announcement came only days after its chief domestic rival ANA Holdings said it saw a record net loss of 108.8 billion yen and an operating loss of 159.0 billion yen for the April-June quarter.

© 2020 AFP

APA citation: JAL logs \$885 million quarterly loss on pandemic (2020, August 3) retrieved 17 October 2021 from <https://techxplore.com/news/2020-08-jal-million-quarterly-loss-pandemic.html>

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.