

EasyJet flies into first annual loss

October 8 2020



EasyJet grounded its entire fleet for more than two months due to the coronavirus pandemic

EasyJet expects a pre-tax loss of up to £845 million for its fiscal year just ended as coronavirus travel restrictions slam passenger demand, the British no-frills airline said Thursday.

It forecast a loss for the year to September 30 of between £815 million and £845 million (\$1.04 billion and \$1.08 billion), adding that its flight capacity should reach only about 25 percent in the final three months of 2020.

Updating on EasyJet's first ever annual loss, chief executive Johan Lundgren urged the UK government to do more to support the country's ailing [aviation sector](#).

"At the beginning of this year, no one could have imagined the impact the pandemic has had on the industry," Lundgren said in Thursday's trading update.

"Aviation continues to face the most severe threat in its history and the UK government urgently needs to step up with a bespoke package of measures to ensure airlines are able to support [economic recovery](#) when it comes."

Lundgren added of the 25-year-old airline: "This year will be the first time in its history that EasyJet has ever made a full year loss."

The carrier grounded its entire fleet on March 30 as Britain went into a lockdown, returning to the skies with only a very limited schedule in the middle of June.

As a result, EasyJet is axing up to 4,500 jobs, or almost one third of its staff, mirroring moves by airlines worldwide.

"Removing cost from the business is a key management priority and will position EasyJet to emerge from the pandemic in an even more competitive position for the long term," it said Thursday.

"At this stage, given the continued level of short-term uncertainty, it

would not be appropriate to provide any financial guidance for the 2021 financial year," it added.

EasyJet said passenger numbers for the financial year just ended slumped by half to 48 million.

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