

Profits down 31.9% for Japan Airlines

TOKYO, JAPAN: Japan Airlines (JAL) announced on Wednesday (31 July) that its net profit in the April to June quarter dropped 31.9% to ¥18.33bn (US\$187m), after rival All Nippon Airways reported a loss, which it attributed to rising fuel costs.



JAL, which re-listed its shares in Tokyo last year after a high-profile bankruptcy restructuring, reported sales of ¥294.1bn, up 2.6% year-on-year.

While the carrier did not give specific reasons for the weaker profit, a sharp decline in the yen has pushed up the price of dollar-denominated fuel, which is a major expense for airlines.

The four-month grounding of Boeing's Dreamliner also hit Japan's two biggest airlines hard, with ANA saying on Tuesday (30 July) that the crisis had helped drag it to a ¥6.6bn loss for the three months to June.

For the fiscal year to March next year JAL kept its previous forecast unchanged, at a predicted net profit of ¥118bn on sales of ¥1.272trn.

Source: AFP via I-Net Bridge