EASYJET CAMPAIGNED HARD AGAINST BREXIT

News / Airlines

EasyJet, the UK's biggest budget airline by sales, has suffered from its first sharp fall in annual profits in six years and signalled earnings will remain under pressure from Britain's decision to leave the EU for some time to come.

The airline has been grappling with a combination of economic uncertainty following June's shock referendum result, a string of terrorists attacks across Europe and traffic disruptions that have driven down fares and profits.

The company is the only major airline to record its results in sterling and was consequently hit the hardest as a result of the fall in the value of the pound after Britain's Brexit vote.

easyJet posted a 28 per cent tumble in pre-tax profits to £495m for the year to 30 September, compared to £686m the previous year, after the plunging pound cost it £88m.

The company, confirmed it will set up a separate airline operation in continental Europe in case it

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is unable to keep its current flying arrangements once the UK leaves the EU.

However, Carolyn McCall, the airline's chief executive, said the company has no plans to shift its headquarters from the UK. She said the company's performance was "resilient" in a difficult market for all airlines.

"There are no surprises in these numbers. We have had a very resilient year and a very good year when you think of the external shocks that have affected all airlines. Of course there was the devaluation of the pound against the dollar, in which we buy our fuel, and against the euro," Ms McCall told Bloomberg.

Despite the disappointing results, the airline carried a record number of passengers in the period.

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