RYANAIR SAYS PROFIT GUIDANCE UNCHANGED DESPITE WEAKER FARES

News / Airlines, Finance

Ryanair does not plan to change its profit guidance despite seeing weaker than expected average fares over the summer months, the airline said on Friday after a briefing for industry analysts.

Average fares in the six months to the end of September are likely to have fallen between 8 and 9 percent from a year earlier, worse than the fall of between 6 and 8 percent that was forecast in July.

But this has been balanced by better than expected cost savings and a lower average rate of empty seats on flights, a spokesman said.

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"Softer yields have been offset by costs being better and load factors being better, so the guidance remains the same," the spokesman said.

In July Ryanair said it expected profit for the year to the end of March 2017 to climb 13 percent to between 1.38 billion euros ($1.55 billion) and 1.43 billion euros.

Forecasts for average fares in the second half of the year are unchanged with a fall of between 10 percent and 12 percent expected, he said.

"It's a very competitive market so we will continue to ... be very aggressive on fares," he said.

($1 = 0.8913 euros)

Image result for Ryanair

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28 AUGUST 2016

SOURCE: REUTERS
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