

## SIA Q1 profit down 38.5pc to SD 451.7m

- A Monitor Report

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Singapore : Singapore Airlines reported a net profit of SD 451.7 million in the first quarter of this year, a 38.5 per cent drop from SD 734 million compared to the same period last year.

Weaker operating performance, a reduction in net interest income, lower surplus on disposal of aircrafts and spare engines and a lower share of profit from its associated companies contributed to the decline in net profit, said reports citing the group on July 31.

Revenue rose 5.3 per cent year on year to SD 4.7 billion in the three months ended Jun 30, SIA said, as per reports. Passenger flown revenue grew 4.1 per cent to SD 3.8 billion, supported by a 13.8 per cent increase in passengers carried and strong load factors.

Cargo flown revenue was marginally lower than a year before, declining 0.2 per cent to SD 541 million.

Reports cited SIA saying, "Overall air cargo demand remained buoyant, supported by strong e-commerce flows and increased demand for air freight driven by the Red Sea crisis and port congestion."

Group expenditure was up 14 per cent at SD 4.2 billion. Fuel expenditure rose 30.1 per cent to SD 1.4 billion, while non-fuel expenditure increased 7.7 per cent to SD 2.9 billion.

"Demand for travel remained robust in the first quarter and is expected to stay healthy in the upcoming months," SIA said, according to reports. The group will remain nimble and agile while seizing growth opportunities that may arise, it added.

However, passenger yields are expected to stay below the previous year's levels as more capacity enters the market, particularly in the Asia-Pacific region.