

Singapore Airlines Q3 profit soars to record USD 628m

A Monitor Report

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Singapore : Singapore Airlines (SIA) posted record profits in its latest business update, thanks to strong air travel demand and a reopening of international borders. The airline group posted a net profit of USD 628 million for the third quarter of its financial year ending March 30, 2023, adding up to a record USD 1.56 billion net profit for the nine months between April and December 2022.

The figures were 12.7 per cent up from the previous year's third-quarter profit of USD 557 million, and a reversal from the USD 752 million loss in the period from April to September 2021.

This came on the back of an 8 per cent year-on-year rise in third-quarter revenue to USD 4.85 billion, adding up to topline growth of 158 per cent to USD 13.26 billion for the nine months.

All this came on the back of robust demand and record passenger load factors across all cabin classes and routes.

As at Dec 31, SIA's route network, which includes that of its low-cost airline Scoot, comprised 111 destinations in 36 countries and territories including Singapore, versus 137 destinations in 37 countries and territories before the pandemic. The two carriers flew 7.4 million passengers in the third quarter, up 17 per cent from the second quarter. For the nine months ending December 2022, the group carried 18.8 million passengers, a ninefold rise from a year earlier.

During the October-December third quarter, the SIA Group reinstated services to destinations in China and Indonesia, and added frequency to Hong Kong, Seoul, Taipei and points in Japan.

Looking ahead, SIA said the momentum of passenger sales for the fourth quarter (January to March 2023) remains strong.

After posting load factors of well over 80 per cent during the third quarter, the airline reported a record 85.9 per cent load factor for January.

While the passenger side was robust, SIA Cargo's performance moderated slightly due to softening demand, as well as an increase in bellyhold capacity as more passenger aircraft returned to service globally. But while yields were weaker quarter on quarter, they remained elevated - almost double compared with pre-Covid-19 levels - the company revealed.