

Easyjet eyes summer boom as losses top £500million

by *Archie Mitchell*

EASYJET is pinning its hopes on a summer holiday boom, having lost more than £500m in the first half of the year.

The low-cost carrier, which along with rivals including British Airways has cancelled hundreds of flights due to staff shortages, said bookings are ahead of pre-pandemic levels despite the chaos at airports.

The surge follows the end of travel restrictions in the UK and is a welcome boost for an industry reeling from the pandemic.

Easyjet expects to lose between £535m and £565m in the six months to the end of March, though that is less than the £701m loss in the same period a year ago.

But summer travel chaos looms. Easyjet chief executive Johan Lundgren said: 'Since travel restrictions were removed, Easyjet has seen a strong recovery in trading which has been sustained, resulting in a positive outlook for Easter and beyond, with daily booking volumes for

summer tracking ahead of those at the same time in 2019. We remain confident in our plans which will see us reaching near 2019 flying levels for this summer and emerge as one of the winners in the recovery.'

The end of restrictions on January 24 led to a booking surge, and Easyjet jumped from flying at 50pc of pre-pandemic in January to 80pc in March. It expects this to rise to 90pc over the next three months and to around pre-pandemic levels thereafter.

It said travellers are set to release pent-up demand after years stuck at home, and in the last six weeks bookings for the summer have been ahead of 2019.

But staff absences are causing increased cancellations.

The industry has been blasted for being wrong-footed by the surge in holidays, which critics think should have been expected. A shortage of staff has led to hundreds of flights being cancelled.

Easyjet has cancelled 6pc of flights over the last week, or around 630. Lundgren said cancellations were because of high

...levels of staff absences with Covid, which he said at times has seen as many as one in five unable to work. He said Easyjet is waiting for accreditation for staff as it ramps up hiring ahead of the summer.

He said: 'There is a backlog there and we're currently waiting for about 100 cabin crew to get their IDs.'

The UK's busiest airport Heathrow is racing to recruit 12,000 staff to handle a 'very busy' summer after weeks of chaos.

Easyjet said holidaymakers are planning to flock to destinations such as the Greek islands, and that it was confident it will manage the demand.

The airline said in the six months to the end of March sales were around £1.5bn, up from around £235m a year earlier.

Hargreaves Lansdown analyst Susannah Streeter said: 'Easyjet's bookings may be climbing, but it's still going to be a rocky ride for passengers who look likely to have to navigate long queues at terminals through the spring and summer. There is a risk pent-up demand for a break in the sun will turn into pent-up anger if problems continue to escalate.'

The airline's shares rose 1.8pc, or 9.8p, to 552.4p.

'A rocky ride for passengers'

