

Source: Travel Daily, 27 August 2008

\$24m profit result for Rex

REGIONAL Express has managed to hold the line, today reporting a 3% increase in after-tax profit despite trading conditions during the year which it described as an “annus horribilis”.

Overall revenue was up 15.7% to \$260.5m and the net profit figure was \$24.3m despite fuel costs increasing by 19.3% to \$38.9m for the year.

The carrier said that during the year it experienced a massive pilot attrition rate of 50% which led to a corresponding six-fold increase in cancellations as well as forcing a range of capacity reductions and suspensions.

Regional Express carried 1.49m passengers, up 5.6% on 06/07 at an unchanged average fare of \$141.30 including fuel levies.

Rex said current volatility meant it's difficult to forecast profit for 08/09 but said that at current fuel prices and exchange rates and with a pilot attrition rate of under 25% it should be able to “maintain its current level of profitability” this year.