

Lufthansa soars to record profits in 2017

March 15 2018



Profits were further boosted by the full integration of Brussels Airlines into Lufthansa's business.

German airline giant Lufthansa reported record profits for 2017 Thursday, celebrating a year that saw it bury a smouldering dispute with pilots and gobble up parts of defunct rival Air Berlin.

Net profits at the group—which includes Lufthansa, Eurowings, Swiss,

Brussels Airlines and Austrian Airlines—added 33.1 percent to hit 2.36 billion euros (\$2.92 billion), higher than the 2.28 billion predicted by analysts.

"Our endeavours of the past few years are paying off... we are lowering our costs where this does not affect the customer, and are simultaneously further investing in our product and service quality," chief executive Carsten Spohr said in a statement.

The 51-year-old recently agreed a five-year extension of his contract at the head of the firm, to the end of 2023.

Settling a pay and pensions battle that had sparked multiple walkouts by the firm's 5,400 pilots bestowed a 582-million-[euro](#) one-off windfall on the 2017 accounts.

Meanwhile, profits were further boosted by the full integration of Brussels Airlines into Lufthansa's business after a final takeover in late 2016, the addition of aircraft belonging to now-bankrupt Air Berlin to the carrier's fleets, and a surge in the cargo business.

Revenues at the group grew 12.4 percent to reach 35.6 billion euros, for an operating profit adjusted for special items up 70 percent compared with 2016, at almost 3.0 billion euros.

Lufthansa said it will offer shareholders a dividend of 0.80 euros per share, some 60 percent higher than last year's.

Looking ahead to 2018, Lufthansa aims for an adjusted operating [profit](#) "slightly below" last year's level, pointing especially to a forecast increase in fuel costs of around 700 million euros.

Citation: Lufthansa soars to record profits in 2017 (2018, March 15) retrieved 1 May 2024 from <https://phys.org/news/2018-03-lufthansa-soars-profits.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.