

# Ryanair profits up 10% despite cancellations crisis

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Ryanair's flight cancellation crisis led to at least 20,000 flights being axed

Irish budget carrier Ryanair said Monday its net profit had risen 10 percent in 2017-2018 despite the cancellation of thousands of flights, but forecast a fall this year due to higher oil prices.

Spurred by a nine percent increase in passengers, net [profit](#) soared to 1.45 billion euros (\$1.7 billion) in the year to March 31, a statement said, identifying Germany, Italy and Spain as the three largest growth markets.

This was despite "a three percent cut in air fares, during a year of overcapacity in Europe, leading to a weaker fare environment, rising fuel [prices](#), and the recovery from our September 2017 rostering management failure," Ryanair CEO Michael O'Leary said.

The crisis led to the cancellation of 20,000 flights so far.

The airline however said it expected profit after tax to fall to between 1.25 and 1.35 billion euros in the current financial year due to a rise in petrol prices.

"Fuel will be a major cost headwind for the next 24 months," it said.

"Air fares tend to follow oil prices (as they have downwards over the last three years) but with a lag of up to 12 months before higher oil prices feed through to higher air fares. Accordingly, we expect unit costs over the next year to rise by nine percent."

However the company said it expected to "grow traffic by seven percent to 139 million."

Since recognising unions, Ryanair has reached agreements with pilots in Britain and Italy but is still working towards deals with unions in other major centres such as Ireland and Spain.

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