

UK budget carrier FlyBe says for sale

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Struggling British no-frills airline FlyBe has put itself up for sale in face of challenging market conditions.

Struggling British no-frills airline FlyBe on Wednesday put itself up for sale, adding it was in talks with potential buyers in the face of a challenging market.

"The board of Flybe Group Plc announces today that it is undertaking a comprehensive review of the various strategic options open to it to address the current challenges facing the airline industry and maximise value for shareholders," it said in a statement.

"These options include further capacity and cost saving measures, initiatives to strengthen the balance sheet and preserve cash resources, as well as a potential sale of the company through the commencement of a formal sale process."

The regional carrier added that it was "in discussions with a number of strategic operators about a potential sale of the company".

The news comes weeks after Flybe had issued a profits warning on weak demand and alongside a £29-million hit from rising fuel costs and the weak pound.

The group's share price has slumped by three quarters in value since September amid intense investor doubts over its future.

FlyBe also posted its first-half results.

Underlying pre-tax profits rose 7.6 percent to £9.9 million on cost-cutting in the six months to September from a year earlier, but revenues fell 2.4 percent to £409.2 million.

Chief executive Christine Ourmieres-Widener warned of ongoing "headwinds" in the sector.

"There has been a recent softening in growth in the short-haul market, as well as continued headwinds from higher fuel and currency [costs](#)," she said in a statement.

"We are responding to this by reviewing every aspect of our business, especially further capacity reduction, cash management and cost savings."

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