

# Air France-KLM more than doubles profits in 2018 despite strikes

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Strikes and higher fuel costs couldn't keep Air France-KLM's profits on the ground

Air France-KLM, which was badly hit last year by strikes and management upheaval, reported on Wednesday that its annual net profits

rose by 150 percent to 409 million euros (\$463 million).

"The strong performance of our front-line teams and continued cost control helped partly offset the impact of strikes at Air France in the first half of the year, as well as significant fuel headwinds," Benjamin Smith, the company's new chief executive, said in a statement.

The Canadian businessman took over in September following Jean-Marc Janailac's sudden exit in a bitter dispute over salaries in the group's French wing.

Fifteen days of strike cost the company 335 million euros, Air France said.

On Tuesday, Air France pilots voted by 85 percent in favour of a new pay deal, concluding a series of long employee-management negotiations.

Revenue growth last year was up in all business segments, with operating earnings coming in at of 1.3 billion euros, the Franco-Dutch airline group reported.

The group said it had carried more than 100 million passengers last year, making it the leading European airline for long-haul traffic.

Transavia, a low-cost subsidiary, carried 15.8 million passengers last year, an increase of 7.1 percent on 2017.

Full year 2018 capacity increased by 2.1 percent, mainly driven by the South American, North Atlantic and Asian networks, with respective growth of 8.6 percent, 3.0 percent and 2.1 percent, Air France-KLM said.

In 2019, the group will concentrate on "operational efficiency", financial director Frederic Gagey told reporters.

"We can make a lot more money compared to last year," he said, adding that Air France-KLM would also be looking to renewing its fleet to replace some of its more fuel-guzzling planes.

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