

American Airlines 1Q profits hit by higher fuel costs

26 April 2018



Airways.

"American's team members continue to deliver solid results, including record first quarter revenue performance" chief executive Doug Parker said. "Higher fuel prices led to a decline in year-over-year earnings, but we are excited about the future."

Shares fell 3.8 percent to \$43.60 in pre-market trading.

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American Airlines saw stronger revenues as demand for air travel remains strong, notably in Latin America

American Airlines reported a drop in first-quarter profits Thursday in part due to higher fuel costs, but said consumer demand for air travel remained robust.

Net income fell 45.2 percent to \$186 million, as revenues rose 5.9 percent to a record \$10.4 billion.

The airlines cited Latin America as an especially vibrant market, but said all its regions saw gains in a closely-watched benchmark of [revenue](#) per available seat miles.

US carriers have described the global air market as robust amid the strongest global economy since the 2008 financial crisis.

American's results were hit by a nearly 10 percent rise in operating expenses, driven by much higher fuel [costs](#).

The company also booked \$195 million in one-time costs associated with restructuring and with integration processes following the merger with US

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