



Nok Air eked out a first-quarter profit of 1.79 million baht as losses at budget long-haul carrier NokScoot weighed on results. Without losses from NokScoot, Nok Air by itself posted a net profit of 55.6 million baht, up by 35.9% year-on-year.

Subsidiaries hamstring Nok Air

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Losses from subsidiaries, mainly beleaguered start-up NokScoot, diminished otherwise-solid first-quarter results for Nok Air.

The SET-listed budget airline was only able to declare a net profit of 1.79 million baht in the January-March period, although that was still better than flat growth a year ago.

The meagre profit was attributed largely to recognition of 53.9 million baht in losses from subsidiaries, with long-haul low-cost carrier NokScoot Airlines contributing the greater part, chief financial officer Nuanwan Bhuprasert said.

The launch of NokScoot, a joint venture

between Nok Air and Singapore Airlines' no-frills Scoot, has been delayed for various reasons since last year, inflicting a considerable financial toll.

Without losses from NokScoot, Nok Air by itself posted a net profit of 55.6 million baht, up by 35.9% year-on-year.

Subsidiary losses dulled benefits stemming from improved operating results, a recovery in tourism demand and lower fuel prices.

Nok Air showed the smallest profit among major Thai airlines announcing first-quarter results.

Thai Airways International posted a net profit of 4.54 billion baht (compared with a 2.61-billion-baht loss in last year's first quarter), Bangkok Airways 1.08 billion (up

by 107%) and Thai AirAsia 923 million (up by 277%).

Nok Air's first-quarter revenue grew by 11.7% to 3.64 billion baht on an 11.1% increase in passenger revenue and a 31.1% rise in passenger volume that outpaced the industry's growth rate during the period.

The airline carried 2.32 million passengers with 24 aeroplanes operating, up from 17 aeroplanes a year earlier.

Cabin factor rose to 84.7% from 79.9% a year ago.

Continuous drops in jet fuel prices cut Nok Air's cost to 60 satang per seat per kilometre from 87 satang.

NOK shares closed yesterday on the SET at 10.60 baht, down 90 satang, in trade worth 194 million baht.