



**PRESS RELEASE:**

**Kenya Airways Releases FY 2020 Results**

*Kenya Airways releases results for the financial year 2020*

**Nairobi, 23 March 2021** – National carrier Kenya Airways PLC (KQ) has released its full year financial results for the financial year ended 31 December 2020 at a virtual investor briefing held this morning. The year 2020 marked the worst year in the history of aviation with airline passenger traffic reducing to levels last seen in 1999 resulting in 21 years of airline passenger traffic growth being wiped out in just one year.

The Group's total revenue during the period reduced by 59 % to Kshs. 52,805 million. This was as a result of reduced flight capacity caused by the unparalleled global downturn in commercial aviation. During the year, the airline operated a few repatriation flights and ramped up its cargo operations.

This was greatly contributed by the shutdown of the scheduled network operations from April-August 2020 following the Kenya Government directive to suspend all scheduled passenger services into and out of the country in a bid to curb the spread of the Corona virus.

The Group saw a decline of 39% in total operating costs, mainly driven by the reduced operations for the year. Of the total operating costs, direct operating costs declined by 62% whereas fixed costs declined by 3.1%. Based on the above revenue and cost dynamics, the Group recorded an Operating Loss Margin of 51% representing 50 points below the same period last year.

Kenya Airways Board Chairman Michael Joseph says, "The year 2020 was an extremely challenging for the airline due to the effects of the COVID-19 pandemic, which severely impacted the aviation industry. While nobody could have predicted the Covid-19 outbreak in 2020, its continued prevalence globally, and the fact that the industry projects demand to remain at levels lower than 2019, Kenya Airways emphasises its commitment to an efficient network, improvement of service quality and delivery. We have taken bold measures to protect our people and our guests as we restructure our business to position for recovery.

"It has been a tough year where we have faced unprecedented challenges. The situation continues to be difficult even as we gradually resume our operations, mainly due to the depressed demand for air travel, with recovery to 2019 levels expected to take between 3 to 4 years. The scale of this challenge requires substantial change so we are in a competitive and resilient position to address the impact of COVID-19, withstand any longer-term reductions in customer demand and any economic shocks or events that could affect the airline" said Allan Kilavuka, Kenya Airways - Group Managing Director & Chief Executive Officer.

Kenya Airways officially resumed domestic flights on 15<sup>th</sup> July 2020 and international flights on 1<sup>st</sup> August 2020 after four months of suspended operations. In order to instil confidence and guarantee the safety of customers and staff, the airline has collaborated with key stakeholders in the aviation industry - Kenya Airports Authority, the Ministry of Health among others to put in place various safety protocols and measures.

"The global economic and geopolitical context remains uncertain due to the pandemic. Many airlines have grounded their aircraft while others have instituted other drastic measures to survive. The



opportunity for Kenya Airways is to recalibrate and reset our business to adopt and thrive in this new and unexpected reality moving forward. Restoring customer confidence for business and leisure travel will be key to growing demand, as well as creating an agile, nimble, and re-energized organization that is responsive to the customer's needs. As we look ahead, we know that we can continue to be the pride of Africa, if we make and follow through on the right strategic calls now without undue interference as we prioritise the financial viability and long term survival of the airline" said Michael Joseph - Chairman Kenya Airways Board.

Despite the challenges in the first half of the year in review, KQ continued to reunite families mounting over 30 special repatriation flights to more than 16 destinations across the world. KQ cargo also played a vital role in delivering critical supplies such as medical equipment, personal protective equipment, and food supplies. In addition, Kenya Airways stepped in to support the Kenyan exporters flying on average 6 flights to Europe to carry flowers, fruits, herbs, and vegetables weekly, accounting for over 800 metric tonnes of cargo a week and a total of 22,451 metric tonnes through the period.

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*Kenya Airways, a member of the Sky Team Alliance, is a leading African airline flying to 54 destinations worldwide, 41 of which are in Africa and transports over four million passengers annually. It continues to modernize its fleet with its 34 aircrafts being amongst the youngest in Africa. This includes its flagship B787 Dreamliner aircraft. The on-board service is renowned and the lie-flat business class seat on the wide-body aircraft is consistently voted among the world's top 10. Kenya Airways takes pride for being in the forefront of connecting Africa to the World and the World to Africa through its hub at the new ultra-modern Terminal 1A at the Jomo Kenyatta International Airport in Nairobi. Kenya Airways celebrated 43 years of operation in January 2020 and was named Africa Leading Airline 2019 by the World Travel Awards. For more information, please visit [www.kenya-airways.com](http://www.kenya-airways.com) or call our 24HR Contact Center: +254 20 327 4747, Twitter: @KenyaAirways, Facebook: Kenya Airways, Instagram: OfficialKenyaAirways*

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