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### **American posts higher than expected third quarter loss**



AMR, parent of American Airlines, has reported a higher than expected loss for the three months ended September, blaming the adverse impact of rising fuel costs and foreign exchange rates.

The corporation posted a deficit of \$162 million, reversing the year ago profit of \$143 million, and higher than the loss predicted by analysts of approximately \$130 million. Consolidated revenues rose 9.1 per cent, year-on-year, to \$6.4 billion.

“While the third quarter was challenging for American Airlines, we are taking aggressive actions to improve the Company's performance and strengthen its foundation for long-term success,” said AMR's Chairman and CEO, Gerard Arpey. “We have put in place many of the critical building blocks for a successful future, including a strong network and alliance partnerships, accelerated fleet renewal plans and innovative products and services to enhance our customers' experience. At this point, our immediate top priority is to address the key remaining foundational issue, which is our cost structure, so that we can change the competitive dynamics and move our company forward on the path to profitability”.

### **Largest order yet for China's C919 airliner**



COMAC, the Commercial Aircraft Corporation of China, has signed a deal with ICBC Leasing of China for the supply of 45 C919 narrow body airliners, the largest order so far for the aircraft.

The company has already received 100 firm commitments for the C919, the first flight of which is expected to take place in 2014, with deliveries scheduled to begin two years later.

### Another cancellation for the Dreamliner ?



China Southern may join China Eastern in cancelling its B787 Dreamliner orders. According to a report in Bloomberg, the Guangzhou based carrier is considering adjusting its orders for 10 of the type after delivery of the first aircraft was put back from the end of the year until July 2012, allegedly because of “certification issues”. The airline’s Chief Financial Officer Xu Jiebo was quoted as saying that it would not rule out the possibility of cancellation “if there is a huge gap between the plane’s functionality or delivery date and our requirements”.

### Hawaiian sees third quarter profit dip 16 per cent



Hawaiian Airlines has seen its third quarter net profit fall 16 per cent to \$25.6 million, compared to the year ago profit of \$30.5 million. Operating revenue rose by 29.5 per cent, to \$455.9 million, however operating expenses also grew 26 per cent to \$394.9 million. Despite the rise in expenses, particularly due to the increasing cost of fuel, the company managed an operating profit of \$60.9 million, up 55 per cent.

Mark Dunkerley, Hawaiian’s President and CEO, commented that “Despite the drumbeat of depressing news about consumer confidence, we have not seen a waning in forward bookings. If these bookings continue to hold and if the price of oil does not rise in the remaining months of 2011, we expect the second half of the year to look considerably better than the first half.”

### Wizz Air completes sale and lease back transaction with Avolon



Hungarian budget carrier, Wizz Air has announced that it has completed a sale and lease back deal with Avolon, for three A320s. Delivery of the new aircraft is expected to be completed during the first six months of 2012. Dublin based lessor Avolon will take ownership of the aircraft upon delivery from Airbus and Wizz Air will then lease them back for a minimum seven years.

### Piece of Aviation History for October 20



**1961** – IFATCA, the International Federation of Air Traffic Controllers’ Associations is formed during a conference in Amsterdam. The conference had originally been set up for the foundation of the European Federation of Air Traffic Controllers but during the two day event it was made known that at least 20 other national organisations had expressed interest in joining the federation.

### Quote of the Day

Glory is fleeting, but obscurity is forever. Napoleon Bonaparte (1769 - 1821)

### A Bit of Light Relief

The definition of a software upgrade: Take old bugs out, put new ones in.