Swedavia Airports

Press release

Swedavia's interim report for January–June 2023: Improved cash flow, increased airport investments and strong air connectivity

Swedavia's second quarter was dominated by the continued recovery in air travel, and revenue of more than 1.5 billion Swedish kronor for the period was the single highest quarterly figure since the start of the pandemic. Cash flow from operating activities improved both on a quarterly and half-year basis, and operating income excluding items affecting comparability was 64 million kronor for the quarter. Investments in the airports continue, and during the second quarter the new central security checkpoint at Stockholm Arlanda Airport was successfully placed in service. The range of destinations and routes available at Swedavia's airports has been enhanced.

During the second quarter, Swedavia's airports had nearly 9 million passengers, an increase of almost 14 per cent compared to the same period last year. For the six-month period, the number of passengers totalled nearly 16 million, an increase of 32 per cent compared to the same period in 2022. The growth in passengers is mostly a result of increased international travel within Europe.

"The quarter was characterised by a high level of business activity, increased revenue, a strong cash flow and a positive earnings trend in our Airport Operations segment. Meanwhile, the costs for adjusting operations to growing passenger volumes as planned increased to assure quality in our delivery and improve the passenger experience especially during the busy summer travel season. We continue to invest in the development of the airports, and the successful placement in service of Arlanda's new security checkpoint during the quarter is an important milestone in the airport's development," says **Jonas Abrahamsson**, Swedavia's president and CEO.

Swedavia's net revenue for the second quarter was 1,539 million kronor (1,303). Operating income totalled 5 million kronor (67), while operating income excluding items that affect comparability such as capital gains and impairment losses totalled 64 million kronor (71). Cash flow from operating activities improved on both a quarterly and half-year basis, to 164 million kronor and 145 million kronor respectively.

In conjunction with this year's summer traffic programme, which started early in the quarter, the range of destinations and routes on offer was further enhanced with the addition of new routes, including from Arlanda to Amman, Tunis and New York as well as from Göteborg Landvetter to New York, Rome and Barcelona. In all, Swedavia offers nearly 300 destinations this summer, and at Arlanda the offering is now basically back to the pre-pandemic level.

The summer travel season entails greater travel intensity at Swedavia's airports, and Swedavia's ten airports across Sweden welcomed nearly 100,000 passengers a day, with the majority of them at Arlanda.

"During the quarter, we had some of the year's most intense travel days, and our operational capabilities have so far been good, particularly with regard to the new security checkpoint at Arlanda. However, the aviation industry in general continues to be characterised by common challenges at European airports, in the form of strikes, capacity challenges for airlines and ground handling companies, and crowding in European airspace, which can have consequences during the intense summer travel season and affect punctuality at our airports," says **Jonas Abrahamsson**.

During the quarter, Swedavia continued to invest in and develop the airports' range of services for passengers. Investments increased to more than 500 million kronor for the quarter and to nearly 1 billion kronor for the first half of the year. At Arlanda, the new central security checkpoint was placed in service in June. Göteborg Landvetter Airport was upgraded with new store premises, and the range of food and beverages available at Luleå Airport was refreshed.

"The new security checkpoint together with the upcoming opening of the marketplace are important milestones in the development of Sweden's biggest airport and will contribute to a significantly improved passenger experience. The response from passengers, who have had a faster start to their journey, and from employees, who now have a significantly improved workplace environment, has so far been very positive. We now look forward to the next phase, when we open up the first part of Arlanda's marketplace with 11,000 square metres of space after the summer with a considerably improved commercial offering of shopping, food and beverages," says **Jonas Abrahamsson**.

The complete report is available on Swedavia's website: About Swedavia – Financial information: https://www.swedavia.com/about-swedavia/financial-information.

Swedavia AB (publ) is required to disclose the information in this Interim Report under the EU Market Abuse Regulation and the Securities Market Act. The information was provided by the contact person below for publication on July 20, 2023, 3:00 CEST.

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The Swedavia Group owns, operates and develops ten airports across Sweden. Our role is to create the connectivity Sweden needs to facilitate travel, business and meetings. Safe, satisfied passengers are the foundation of Swedavia's business. Swedavia is a world leader in developing airports with the least possible environmental impact. Swedavia's own airport operations at all of its ten airports have been fossil-free since 2020. In 2022, the Group had annual revenue of about 4.8 billion Swedish kronor and nearly 2,400 employees.