Swedavia Airports

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Press release

Swedavia's Year-End Report 2019: Stable results despite fewer passengers

In 2019, more than 40 million passengers flew to or from Swedavia's airports. Net revenue for the period increased to more than 6.2 billion Swedish kronor and operating profit increased to more than 700 million kronor. The year was marked by investments to improve efficiency, develop the airports and help bring about the aviation industry's transformation in the face of climate change.

With volume of more than 40 million passengers, that means a decrease of more than 4 per cent compared to 2018, which is the first year since 2009 that passenger volume has decreased. This is in contrast to the trend for Europe as a whole, where passenger volume has instead continued to increase, though at a slower pace than in 2018.

"Economic growth, Sweden's national aviation tax, and the krona's exchange rate affect travel, while 2019 was probably also the year when the climate discussion had a greater impact on actual travel behaviour than previously," says **Jonas Abrahamsson**, Swedavia's president and CEO. "A number of airlines began to reduce seating capacity, and discontinuations were announced or carried out for a number of important intercontinental direct routes from Sweden. Reduced access means lower attractiveness and productivity for Sweden, which is a serious matter."

For the full-year 2019, Swedavia reported net revenue of 6,235 million kronor (5,922) and operating profit of 709 million kronor (682). In the fourth quarter, net revenue increased to 1,564 million kronor (1,498) while operating profit decreased to -12 million kronor (16).

Investments to ensure airport capacity and for an improved passenger experience, property development and sustainability remain high, totalling 3,460 million kronor (3,195). After a number of years of reductions, Swedavia raised airport charges in 2019 as an important part of its funding for long-term infrastructure development at the airports.

"Despite fewer passengers and continued investments in our development programmes, return was on a par with the previous year," says **Jonas Abrahamsson**. "Profit for the full year was positively affected by adjusted airport charges and increased commercial revenue combined with the efficiency improvement programme's effect on the cost trend and capital gains in our property development operations."

Profit was affected by restructuring costs of 81 million kronor related to the cost reduction and change programme decided in December 2018. Changes have been carried out to ensure competitiveness in the long and short term and in order to meet a changing market in the best way possible.

"In 2019, a new Group structure and organisation were implemented while cost savings were realised, and we are continuing our change work to be even more process-oriented and customer-focused," says **Jonas Abrahamsson**.

Passenger satisfaction for the full year was 76 per cent, which is an increase of 2 percentage points compared to 2018.

In the Group's climate adaptation work, three of Swedavia's airports have already achieved the target of zero emissions of fossil carbon dioxide from their own operations, a target that all ten airports will have achieved by the end of 2020.

Swedavia also supports the aviation industry's climate change adaptation through various measures. In conjunction with its pricing decision for 2020, Swedavia decided to give a discount to airlines that choose to refuel using renewable jet fuel through an incentive programme. Swedavia carries out a public tender each year for renewable jet fuel equivalent to the amount employees use on flights for business purposes, and in the 2019 public tender for the company's 2020 delivery, the national emergency assistance company SOS Alarm, the alcohol retailer Systembolaget and the Swedish coalition for decarbonisation the 2030 Secretariat also took part. In 2019, Swedavia also launched the innovation cluster Fossil-Free Aviation 2045 together with other stakeholders, including the Swedish research institute RISE.

The full Year-End Report is available on Swedavia's website: About Swedavia – Financial information.

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