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Press release

Swedavia's January-June 2020 interim report: Towards a new normal

The Covid-19 pandemic had a tremendous impact on air travel during the first six months of 2020 – internationally and in Sweden. The trend was particularly dramatic during the second quarter, when 321,000 passengers (10.7 million) flew to or from Swedavia's airports. That is a decrease of 97 per cent. As a result, the company's net revenue decreased about 1.3 billion Swedish kronor. In June, Swedavia's owner – the Swedish State – decided to provide a 3.15 billion kronor capital injection, and during the last few weeks of the quarter, the aviation market showed signs that a recovery had begun. Meanwhile, there are many indicators that the market is moving towards a new normal with new conditions following the pandemic.

Swedavia's interim report for the period January-June 2020 was published on Friday. The report is dominated by the Covid-19 pandemic, which swept the world during the spring. The pandemic has had a tremendous impact on people's lives and health as well as on economies and markets.

The aviation industry was hit early and very hard due to restrictions on meetings and travel that were introduced primarily in March and April. The sharp decrease in the number of aircraft movements and passengers, especially during the second quarter, resulted in a steep fall in revenue from airport charges and car parking & passenger drop-off/pick up facilities and in rental income from retail, food & beverage.

"Swedavia entered the crisis in a very good financial position. However, our operations are entirely dependent on variable revenue from our customers, and the crisis entailed lost revenue for Swedavia of almost 500 million kronor a month during the quarter. The 3.15 billion kronor capital injection decided by Swedavia's owner, the Swedish State, on June 23 has thus been vital to the company's ability to create long-term value and to safeguard critical Swedish infrastructure," writes Swedavia's president and CEO, **Jonas Abrahamsson**, in the report.

For the period January-June, Swedavia reported net revenue of 1.58 billion kronor (3.072) and a negative operating profit of -793 million kronor (362), which was 1.155 billion kronor lower than last year. During the period, 6,938,000 passengers (19,603,000) flew to or from Swedavia's airports.

During the spring, Swedavia took forceful measures to counter the decline in air travel, and all in all it is expected that these measures will cut the company's costs by about one billion kronor and reduce investments by the same amount in 2020.

"Many factors indicate that we will see an aviation market with a new normal once this acute crisis is over, and right now we are analysing what the market might look like in the long term. In the short term, Swedavia's view is that the aviation market in both 2020 and 2021 will be strongly affected, which will have consequences both for access and for the companies that operate in this market. For Swedavia, it means that short-term cost-savings measures now need to be supplemented with further efficiency improvements and long-term sustainable measures," writes **Jonas Abrahamsson**.

“Unfortunately, among other moves, it means that we need to carry out a major part of the redundancies of 800 full-time positions that we announced in March, during the second half of the year. This is a difficult but necessary decision that no one could have imagined we would need to make when we started the year. The changed market situation also means that we are now giving priority in our investment portfolio to projects and measures that increase efficiency, flexibility and service rather than to capacity,” writes **Jonas Abrahamsson**.

The complete interim report is available on Swedavia’s website: [About Swedavia - Financial information](#).

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The Swedavia Group owns, operates and develops ten airports across Sweden. Our role is to create the access 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. The Group has annual revenue of more than 6.2 billion Swedish kronor and some 3,000 employees