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Swedavia Airports

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Press release

Swedavia's Q3 2021 report: Positive cash flow thanks to increased travel and good cost control

During the third quarter, traffic at Swedavia's airports increased as countries have opened up and travel restrictions have been eased. Net revenue totalled 793 million Swedish kronor, more than 70 per cent higher compared to a year ago, and cash flow from operating activities, excluding State aid, was positive for the first time since the start of the pandemic. Despite these positive signs, the market situation remains uncertain, and Swedavia reported a loss for the sixth straight quarter, with an operating loss of 250 million kronor.

During the third quarter, nearly 4.4 million passengers flew to or from Swedavia's airports. That is more than double the number compared to the same period last year, when there were 1.8 million passengers, and reflects the implementation of vaccine programmes and the easing of restrictions. However, passenger volume is still only 40 per cent of pre-pandemic levels.

"The recovery continued in the third quarter, and we are pleased about the investments our airline customers are now making at our airports in general and at Stockholm Arlanda in particular. The pandemic has had a severe impact on Sweden's international connectivity, and more non-stop routes from Sweden to the rest of the world are vital as countries open up and economies recover. However, we must not forget that we are still far from a normal situation and the passenger levels we saw before the pandemic. There is still great uncertainty in the market," says **Jonas Abrahamsson**, president and CEO of Swedavia.

Swedavia's net revenue during the third quarter was 793 million kronor (460), which is an increase of 333 million kronor compared to the same period last year. Operating profit for the third quarter was -250 million kronor (-341). For the full report period January-September, net revenue was 1,733 million kronor (2,040). Operating profit was -1,119 million kronor (-717).

"Increasing traffic, together with continued good cost control, had a positive effect on Swedavia's profit during the third quarter. Now, for the first time since the start of the pandemic, we also had positive cash flow from operating activities, excluding State aid," says **Jonas Abrahamsson**.

During the quarter, Swedavia continued to work to develop air connectivity within as well as to and from Sweden, in the recovery in air travel now under way. In the past few months, a number of investments by both existing and new customers were launched at the company's airports. SAS is resuming service on three long-haul routes from Arlanda to destinations in the US. Finnair is also making a major investment in Sweden, with the establishment of a new base at Arlanda and a number of new long-haul routes to both Asia and the US, which will all have direct service from Arlanda. The German carrier Eurowings will also set up a base at Arlanda next year and initially serve some twenty destinations across Europe. Ryanair announced a similar move during the spring. New routes are also being established at other airports. Among others, the recently launched low cost carrier PLAY announced a new route between Gothenburg and Reykjavik, with service starting next spring.

"This is an aviation market that is now being reshaped. The result will be a new normal situation in the market compared to the years before the pandemic, and many operators are now positioning themselves to be competitive under the new conditions that will prevail," says **Jonas Abrahamsson**.

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

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