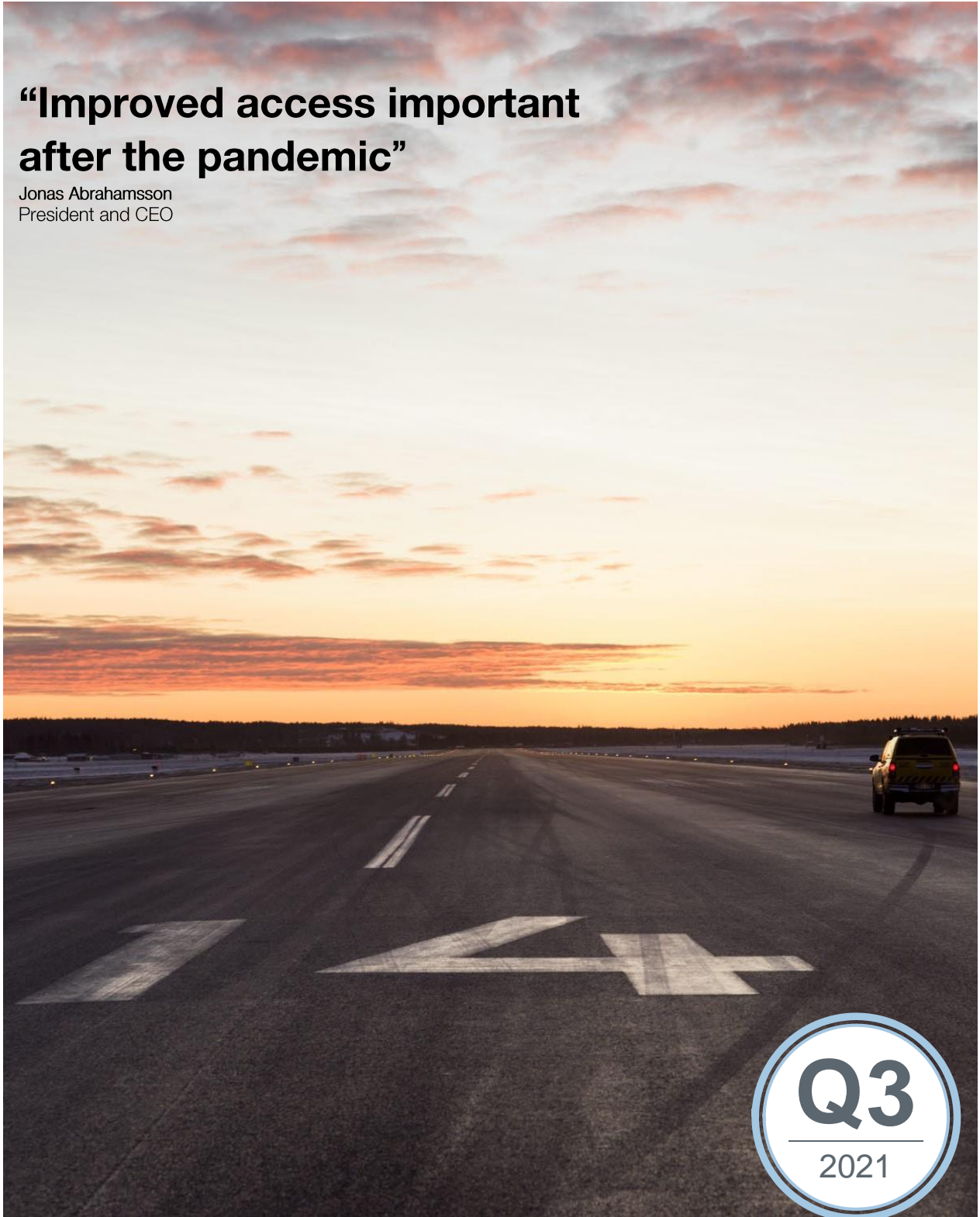


# Interim report

January – September 2021

**“Improved access important  
after the pandemic”**

Jonas Abrahamsson  
President and CEO



# Interim report

## January – September

### 2021

#### January – September 2021

- During the first nine months of the year, Swedavia's airports had 6.9 million (8.7)<sup>1</sup> passengers, which is a decrease of 21 per cent compared to 2020 and 78 per cent compared to 2019
- Net revenue totalled SEK 1,733 M (2,040)
- External costs and staff expenses totalled SEK 2,268 M (2,520)
- Operating profit was SEK -1,119 M (-717), the change in operating profit is largely explained by lower capital gains in the real estate segment
- Operating profit was positively affected by a capital gain of SEK 71 M from the sale of the company that owns the hotel property at the recently opened hotel Scandic Landvetter at Göteborg Landvetter Airport
- Profit for the period was SEK -905 M (-489)
- Cash flow from operating activities for the third quarter was positive, SEK 93 M (-422). For the first nine months of the year, cash flow from operating activities was SEK -535 M (-572).
- Investments for the Group totalled SEK 1,321 M (2,157), with the slower investment pace being an effect of the setting of new priorities in the investment portfolio

#### KEY FINANCIAL FIGURES, GROUP <sup>3</sup>

	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
SEK M, unless otherwise indicated					
Net revenue	793	460	1,733	2,040	2,494
Operating profit	-250	-341	-1,119	-717	-1,593
Operating profit excluding capital gains, impairment losses and disposals	-244	-320	-1,157	-1,098	-1,793
Operating margin, %	-31.5	-74.1	-64.6	-35.2	-63.9
Operating margin excluding capital gains, impairment losses and disposals, %	-30.8	-69.6	-66.8	-53.8	-71.9
Profit for the period	-206	-266	-905	-489	-1,282
Return on operating capital, %	-9.1	-3.4	-9.1	-3.4	-7.5
Return on operating capital excluding capital gains, impairment losses, and disposals, %	-8.4	-4.9	-8.4	-4.9	-8.5
Debt/equity ratio, times	1.2	1.4	1.2	1.4	1.0
Cash flow from operating activities	93	-422	-535	-572	-435
Capital spending	353	564	1,321	2,157	2,856
Average number of employees	2,303	2,715	2,303	2,715	2,600
Passengers, million	4.4	1.8	6.9	8.7	10.3
Operating costs per departing passenger, SEK <sup>2</sup>	328.9	755.3	649.2	584.0	677.5
Commercial revenues per departing passenger, SEK	76.4	93.8	84.6	103.1	98.0

<sup>1</sup> Figures in parentheses in this report are results for the corresponding period for the previous year, except for liquidity, financial position, and contingent liabilities and pledged assets, where the comparison is with the opening balance for the previous year

<sup>2</sup> This key metric is calculated excluding restructuring costs

<sup>3</sup> For definitions of key metrics, see pages 21–22

## Improved access important after the pandemic

During the third quarter, traffic at Swedavia's airports increased as restrictions in Sweden and around the world were eased. Many operators in the market are now positioning themselves to best be competitive in what will be a new normal situation after the pandemic.

The Covid-19 pandemic has entailed unprecedented economic challenges for many industries – in particular the aviation and tourism industries. But it has also raised questions about how we live our lives and what is truly important to us, both in our private lives and in the business world. For the aviation industry, these questions have perhaps mostly concerned what the needs for travel and physical meetings will actually look like going forward, when many people and companies have developed their capabilities to meet digitally or quite simply have different priorities than before. There are no answers yet. We are still in a pandemic, and people should be cautious about arriving at far-ranging conclusions in any direction. But if the recent trend of vaccinations for an ever-growing share of the world's population and the lifting of restrictions is any indication, people have been longing to meet one another.

During the third quarter, nearly 4.4 million passengers flew to or from one of Swedavia's airports. That is a major improvement compared to the same period last year, when there were 1.8 million passengers, and naturally is related to the implementation of vaccination programmes and easing of restrictions. Net revenue during the quarter totalled SEK 793 M (460), which is an increase of SEK 333 M compared to 2020. The increase in travel, together with continued cost control, had a positive impact on our earnings. For the first time since the start of the pandemic, we also saw positive cash flow from operating activities, excluding State aid, during the quarter. Despite this positive trend, the situation is still very uncertain, and passenger volume at our airports during the quarter was only about 40 per cent of pre-pandemic levels.

### A NEW NORMAL SITUATION

Although air travel is recovering, we are seeing the reshaping of the aviation. People's travel habits will probably look different, and airlines are positioning themselves to be competitive in a market with a new normal situation. Swedavia is doing that as well.

The Covid-19 pandemic made Sweden, which is entirely dependent on good links with the rest of the world, less accessible. In 2019, Stockholm Arlanda Airport had nearly 30 intercontinental direct air routes, ten of these to the US. That number was reduced to five as recently as this past summer, and none were to the US. So it is very gratifying that in recent months we have seen a number of investments from both new and existing airline customers at our airports and particularly at Stockholm Arlanda. SAS is resuming three long-haul routes from Arlanda to destinations in the US. Furthermore, Finnair is making a major investment in Sweden, setting up a new base at Arlanda and three new long-haul routes to both Asia and the US, all with non-stop service from Arlanda. Next year, Eurowings will also set up a base at Arlanda and will initially serve some twenty destinations across Europe. Ryanair announced a similar investment during the spring. All in all, this is very good news for Swedish access. A Sweden with better international air links is a better Sweden. Enhancing our international access will be a crucial task for Swedavia going forward as well.

Due to the increased traffic, we at Arlanda have also decided to re-open Terminal 2 for traffic starting in late October. Since the early stages of the pandemic, all traffic at Arlanda has been allocated to Terminal 5, but we see the need for further capacity – sooner than expected – as a gratifying sign of a positive trend.



### ACCELERATING OUR EFFORTS

Regardless of what the market looks like in the years ahead, I am convinced that air transport will be the backbone of the transport system that links Sweden together and with the rest of the world in the future as well. But the transport of the future has to be not only fast and efficient – it also needs to be environmentally sustainable. The world needs to rid itself of its dependence on fossil fuels, and that is also true of the aviation industry. And while many operators in the aviation industry are facing a difficult situation, this climate transition cannot wait. Reducing our climate impact – that goes for aviation as well as for the transport sector in general – is a question of survival and a necessary condition for the continued development of the aviation industry.

In August, the UN Intergovernmental Panel on Climate Change (IPCC) published its latest report, and while the content was not unexpected it was an important reminder that the climate change issue needs to be addressed now. The aviation industry's entire ecosystem needs to accelerate the work already under way. And there are tools available. Biofuel is a reality even today, but investments and supportive measures are needed both in terms of supply and demand. The development of electric aircraft is advancing quickly, and Swedavia has had the opportunity to welcome smaller electric aircraft to several of our airports over the past few years. This is a trend we will embrace and support, and we as an airport operator must at a minimum bear responsibility for modifying the infrastructure at our airports. Clear progress is also being made in hydrogen-powered aircraft, which will probably play a key role later on, for example in European traffic. In addition, there are good opportunities for the transport sector developing a more intermodal approach, where we do what we can to better link transport modes together and thus both reduce the climate impact of transport and make travel more efficient and seamless.

I have great confidence in technological development, and it is inspiring to follow what is happening in the aviation industry, with some solutions already available today while others are still a few years away. However, it is critical that we, together with our political decision-makers, act here and now and not wait for all the answers to be found. The best must not be the enemy of good.

### USING ALL OUR FORCES GOING FORWARD

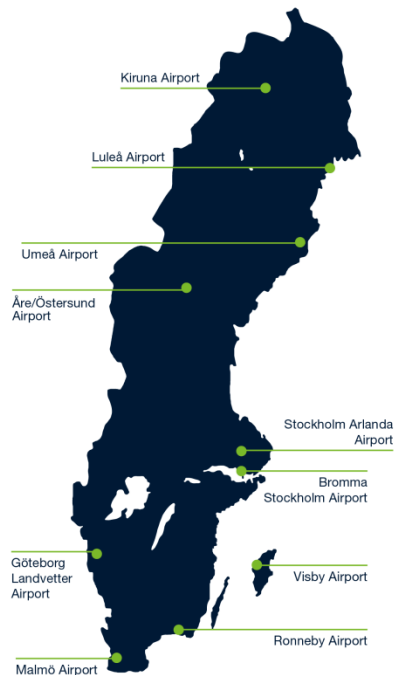
Earlier this spring, the Swedish government announced its intention to close Bromma Stockholm Airport ahead of time. In conjunction, a commissioner was appointed to investigate the conditions necessary for an early closure. On August 31, he submitted his conclusions to the government. Swedavia, like the commissioner, has noted that it would be advantageous to close Bromma ahead of time and invest long-term in developing Arlanda into a modern transport hub where different transport modes are connected as efficiently as possible. But a decision on the direction to be taken that has strong political support needs to be made in order to create stable conditions for all parties involved, and I can simply note that there is not any broad political agreement on Bromma at present. Swedavia will therefore focus fully on continuing to run our ten airports, including Bromma, going forward as well, using all our forces in order to best contribute to an accessible, vibrant and competitive Sweden.

Jonas Abrahamsson  
President and CEO

# About Swedavia

**Swedavia owns, operates and develops a network of ten airports in Sweden, from Kiruna in the north to Malmö in the south. The company was formed in 2010 and is wholly owned by the Swedish State.**

Swedavia operates in a competitive and international market. The company's role is to create the access Sweden needs to facilitate travel, business and meetings – in Sweden, elsewhere in Europe and the rest of the world. Swedavia's customers are passengers, airlines and tenants. At the same time, tenants and airlines are important partners in Swedavia's drive to create access and offer passengers – the mutual end-customer – a smooth, inspiring travel experience. In the work to attract airline investments, Swedavia competes with other airports. Safety, security and sustainable development with a focus on the customer are the basis of everything Swedavia does, both in its own operations and in society in general. Operations are run based on solid business principles, and the company shall build a long-term sustainable business through development, planning and operational efficiency. Engaged employees and a good workplace environment are crucial to Swedavia's operations. Swedavia shall continuously reduce its carbon footprint and help reduce the climate impact of the entire aviation industry.



## SUSTAINABLE DEVELOPMENT AS A STRATEGIC FOCUS

Swedavia's strategic focus is based on three sustainability dimensions – social development, economy and environmental concern – combined with a focus on the customer.



## OUR STRATEGIC GOALS FOR SUSTAINABLE VALUE CREATION

	Actual <sup>4</sup> Sep 30, 2021	Actual <sup>4</sup> Sep 30, 2020	Targets 2021	Targets 2025
Satisfied passengers, % <sup>5</sup>	82	n/a	76	85
Engaged leaders and employees, % <sup>6</sup>	76	n/a	77	75
Return on operating capital, %	-9.1	-3.4	6.0	6.0
Mixture of renewable jet fuel, % <sup>7</sup>	0.0	0.1	0.2	5.0

<sup>4</sup> The actual figure is for 12 rolling months

<sup>5</sup> Pertains to the passenger customer group at Stockholm Arlanda Airport and Göteborg Landvetter Airport. The method for calculating this key metric has been changed for 2021. The results for the

<sup>6</sup> The last measurement was carried out in 2018 using the Engaged Leaders & Employees method. A new measurement is planned to be implemented in 2021. Until further notice, the key indicator is reported based on pulse measurement results using another method

<sup>7</sup> The target is measured based on having 5 per cent of all aviation fuel used for refuelling in Sweden be renewable by 2025. The method for calculating this key metric has been changed for 2021

### Mission

Swedavia is a State-owned company that operates and develops Sweden's national basic infrastructure of airports – a network of airports that connects the whole country with the rest of the world. Our role is to create the access Sweden needs to facilitate travel, business and meetings.

### Objective

Together, we enable people to meet.

### Vision

We develop the airports of the future and create sustainable growth for Sweden.

### Business concept

Together with our partners, we shall create added value for our customers through attractive airports and access.

### Values

- Reliable
- Engaged
- Innovative
- Welcoming

# Important events

## January – September

### CLARIFICATION OF NATIONAL INTEREST FOR STOCKHOLM ARLANDA

In late March, the Swedish Transport Administration decided on a new clarification of national interest regarding Stockholm Arlanda Airport. This clarification of national interest constitutes a planning document that clarifies where construction may take place, for instance, based on what distances are required to satisfy maximum noise limits for housing construction. A more detailed description of the function of the national interest is given than was provided in the identification of national interests that the Stockholm County Administrative Board adopted in 2008.

Updating clarifications of national interest based on current conditions with respect to transport is part of the Swedish Transport Administration's long-term planning and shall be carried out if new information emerges that necessitates a different use of land. Such new information is the Swedish Ordinance 2015:216 on Traffic Noise Levels in Housing Construction from 2015. The Swedish Transport Administration notes how technological advances, with quieter and larger aircraft, have reduced the extent of land considered to be of national interest and how municipalities in the vicinity of the airport can now build housing on land previously protected by the national interest.

### TWO AMENDMENTS FOR AVIATION'S GREEN TRANSITION

The Swedish parliament adopted a reduction quota scheme for jet kerosene, to take effect on July 1, 2021. The aim is to reduce greenhouse gas emissions from aviation. The reduction quota scheme requires suppliers of jet kerosene to add biofuel to the mixture of fossil jet kerosene.

The parliament also adopted amendments on airport charges in the Swedish Act on Airport Charges and the Swedish Ordinance on Airport Charges. The amendment to the Act entitles Parliament to issue regulations to differentiate airport charges at the airports covered by the Act, currently Stockholm Arlanda Airport and Göteborg Landvetter Airport. The amendment to the Ordinance enables a differentiation in take-off and landing charges based on the climate impact of aircraft. As a result of the amendment, the Swedish Transport Agency is also entitled to issue regulations to enforce the Ordinance on Airport Charges.

The amendment to the Act enters into force on July 1, 2021. The amendment to the Ordinance takes effect on August 1, 2021, and these statutes will be consulted in the application of airport charges starting in 2022.

### GOVERNMENT ANNOUNCES IT WANTS TO CLOSE BROMMA STOCKHOLM AIRPORT

On April 21, the Swedish government announced that it will work for the early closure of Bromma Stockholm Airport and to ensure that the necessary capacity is available at Stockholm Arlanda Airport. A commission was appointed to investigate the conditions needed for a closure and reported its conclusions in late August. The formal consultation procedure is now under way, and no further decisions have been made on the matter. Swedavia's full focus until further notice is to continue operating Bromma Stockholm Airport as efficiently as possible.

### SALE OF AIRPORT PROPERTY

On June 14, 2021, Hotell 1 Landvetter AB, which owns the property on which the recently opened hotel Scandic Landvetter at Göteborg Landvetter Airport is built, was sold. The buyer is Midstar AB. Swedavia's capital gain was SEK 71 M, and the underlying property value was SEK 495 M. The sale is in line with Swedavia's strategy to create value by developing properties near its airports that can be reinvested in the airports' competitiveness.

### AGREEMENT TO SELL LAND AT GÖTEBORG LANDVETTER AIRPORT

On July 1, 2021, Swedavia entered an agreement to sell two companies that own land at Göteborg Landvetter Airport. The buyer is Zeppelin Sverige AB, which will set up its main offices and service facilities there.

The transfer of property is expected to take place at the latest during the fourth quarter of 2021. The capital gain from the sale is estimated to be about SEK 30 M, and the underlying property value is SEK 40 M. The sale is in line with Swedavia's strategy to create value by developing properties near its airports that can be reinvested in the airports' competitiveness.

### AGREEMENT TO SELL LOGISTICS PROPERTY

In September, Swedavia agreed to sell two land-owning companies with building rights in the logistics park at Göteborg Landvetter Airport to North Park Fastigheter AB. In an area covering nearly 14,000 square metres of land, North Park plans to establish a modern, efficient logistics facility with a gross area of about 6,500 square metres. The sale to North Park Fastigheter is expected to take place during the second quarter of 2022. The underlying property value is SEK 20 M, and the capital gain from the transaction is estimated to be about SEK 15 M.

## Events after the end of the period

### SALE OF LOGISTICS PROPERTY

On October 7, 2021, three land-owning companies with building rights in the logistic park at Göteborg Landvetter Airport were sold. The buyer is Nordiska Galleriet Properties. Nordiska Galleriet plans to set up a logistics facility for its operations in the region on the land as well as a property with premises for offices, services and warehousing for other tenants. The underlying property value is SEK 17 M, and the capital gain from the transaction is about SEK 13 M.

### AIRPORT CHARGES IN 2022

Following consultations with airlines and ground handling companies, Swedavia has decided to keep its airport charge levels unchanged, except for some structural adjustments. Alongside this, a CO<sub>2</sub> emission charge will be introduced in accordance with the bonus-malus principle in order to reduce the airport's climate impact.

### **SWEDAVIA'S CLIMATE TRANSITION WORK RECEIVES INTERNATIONAL AWARD**

In late October, the international trade organisation Airports Council International (ACI) Europe named Stockholm Arlanda Airport the winner of its Eco-Innovation Award 2021. In its rationale given for bestowing the honour, ACI Europe describes Swedavia as an international pioneer in the forefront of sustainable development through its climate transition work and by achieving its goal of zero fossil carbon dioxide emissions from its own airport operations in 2020.

# Passenger trends

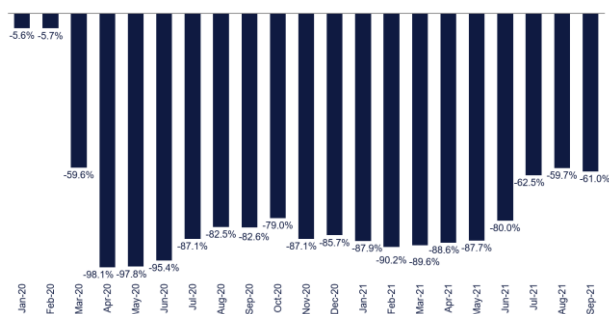
## January – September

The passenger trend during the period continued to be affected by the Covid-19 pandemic, with the start of the year dominated by the extensive spread of the virus, wide-ranging restrictions and government advisories against travel. Vaccinations were rolled out early in the year, and the number of people vaccinated has climbed steadily throughout the year. By the end of the second quarter, vaccination rates had reached sufficiently high levels so that authorities could begin easing restrictions and revising travel advisories. As a result, travel increased starting late in the second quarter, but mainly in the third quarter.

During the first nine months of 2021, a total of 6.9 million passengers flew to or from Swedavia's airports. Passenger volume decreased 21 per cent or by 1.8 million passengers compared to the first three quarters of 2020. Compared to 2019, the decrease was greater, 77.6 per cent, or 23.9 million fewer passengers.

### PASSENGER TREND BY MONTH (%) - SWEDAVIA

JANUARY 2020 - SEPTEMBER 2021 COMPARED TO 2019



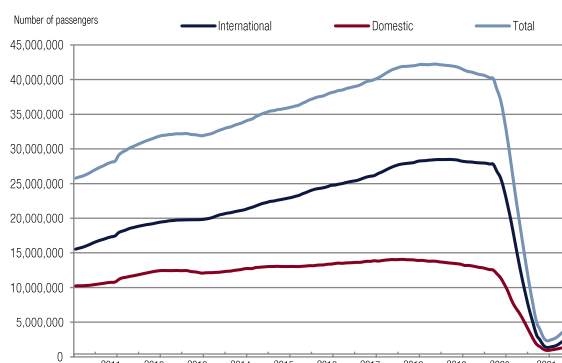
## July – September

During the third quarter, the increase in passengers that started in the second quarter continued. Vaccination rates increased to such a great extent that many of the previous restrictions and advisories against travel could be lifted.

During the quarter, 4.4 million passengers flew via Swedavia's airports, compared to 1.8 million for the same period in 2020, which corresponds to an upturn of 144.6 per cent. Compared to the same period in 2019, passenger volume increased 61.0 per cent or by 6.8 million passengers.

### PASSENGER TREND - SWEDAVIA

ROLLING TWELVE-MONTH TREND, APRIL 2010 - SEPTEMBER 2021



### PASSENGER VOLUMES

JAN-SEP 2021

Passengers	Number of passengers Jan-Sep			Number of passengers Jul-Sep		
	2021	2020	Per cent change	2021	2020	Per cent change
International	4,566,000	5,686,000	-19.7%	3,075,000	1,096,000	180.5%
Domestic	2,323,000	3,032,000	-23.4%	1,277,000	683,000	87.0%
<b>Total</b>	<b>6,889,000</b>	<b>8,718,000</b>	<b>-21.0%</b>	<b>4,353,000</b>	<b>1,779,000</b>	<b>144.6%</b>

# Economic overview for the Group

## Operating profit

### JANUARY-SEPTEMBER

Net revenue for the period was SEK 1,733 M (2,040), which was a decrease of SEK 307 M or 15 per cent compared to 2020.

In the Airport Operations segment, net revenue decreased SEK 308 M to SEK 1,735 M (2,043). Net revenue in the Real Estate segment was SEK 26 M (24).

Aviation Business revenue totalled SEK 1,057 M (1,225), which was a decrease of SEK 168 M or 14 per cent, mainly due to substantially lower passenger volumes and reduced traffic. However, revenue did not decrease as much as passenger volume did, mainly due to revenue from externally paid charges of SEK 389 M (413). Externally paid charges are not affected to the same extent as the decline in passenger volumes since revenue is based on costs that Swedavia incurs for security screening of passengers and baggage.

Revenue from Commercial Services totalled SEK 667 M (799), which was SEK 132 M or 17 per cent lower than for the same period last year. The decrease was lower than the decrease in passenger volume, which is largely explained by revenue from fixed agreements and agreements not directly related to the passenger trend. During the period, State rent relief of SEK 3 M (12) was recognised as income. Other operating revenue totalled SEK 297 M (596), with a capital gain of SEK 71 M from the sale of a hotel property at Göteborg Landvetter Airport and restructuring aid of SEK 208 M (150) recognised as income. Last year, a capital gain of SEK 422 M from the sale of a hotel property at Stockholm Arlanda Airport had a positive effect.

External costs and staff expenses totalled SEK 2,268 M (2,520), which was SEK 251 M lower compared to 2020 and was an effect of the volume decrease, organisational adjustments implemented and generally large-scale cost control. State aid for furloughs totalled SEK 81 M (148).

Depreciation, amortisation and impairment losses totalled SEK 1,001 M (959), with the increase mainly explained by shorter depreciation periods for some fixed assets, but also by higher scheduled depreciation for facilities placed in service during the year.

Consolidated operating profit was SEK -1,119 M (-717) and the consolidated operating margin was -64.6% (-35.2). Excluding restructuring costs, impairment losses and capital gains, operating profit was SEK -1,157 M (-1,098), which was SEK 59 M lower compared to 2020.

In the Airport Operations segment, operating profit was SEK -1,187 M (-1,132), with the decrease mainly due to the effects of Covid-19 on air traffic and passenger volumes.

In the Real Estate segment, the operating profit was SEK 58 M (408), with the lower operating profit due to lower capital gains for the first nine months of the year compared to the same period last year.

### JULY-SEPTEMBER

Net revenue for the third quarter totalled SEK 793 M (460), which was an increase of SEK 333 M or 72 per cent compared to 2020.

Net revenue in the Airport Operations segment increased SEK 338 M to SEK 801 M (463).

Net revenue in the Real Estate segment totalled SEK -2 M (8).

Aviation Business revenue totalled SEK 507 M (277), which was an increase of SEK 230 M or 83 per cent. Passenger- and aircraft-related revenue was SEK 321 M (113), an increase of SEK 208 M, which is due to increased air traffic and a rise in passenger volume. The increased air traffic also meant increased demand for services in Ground Handling and Ancillary Services, with revenue increasing SEK 18 M to SEK 49 M (31). Revenue from externally paid charges, which is based on costs that Swedavia incurs for security screening of passengers and baggage, was on a par with last year.

Revenue from Commercial Services totalled SEK 283 M (183), which was SEK 100 M or 55 per cent higher than for the same period last year. Revenue from retail and food & beverage, SEK 52 M (31), and from parking & entry, SEK 113 M (52), increased during the third quarter, due to the increased number of passengers. Revenue from retail and food & beverage did not increase as much as passenger volume due to expanded relief for customers. Revenue from real estate was SEK 98 M (72), SEK 25 M higher, mainly due to lower rental discounts provided during the third quarter compared to the same period last year.

Other operating revenue totalled SEK -26 M (158), which is due to an adjustment in restructuring aid previously recognised as income during the year. Restructuring aid for the third quarter totalled SEK 150 M.

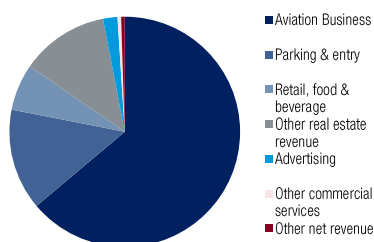
External costs and staff expenses totalled SEK 699 M (672), which was SEK 28 M higher compared to 2020. Excluding State aid for furloughs, a provision for expected customer credit losses and restructuring costs, external costs and staff expenses were SEK 32 M lower than for the same period last year due to organisational adjustments implemented and generally large-scale cost control. State aid for short-term furloughs totalled SEK 10 M (57).

Depreciation, amortisation and impairment losses totalled SEK 347 M (322), an increase of SEK 26 M compared to the same period last year, mainly due to shorter depreciation periods on some fixed assets, but also as a result of increased scheduled depreciation on facilities placed in service during the year.

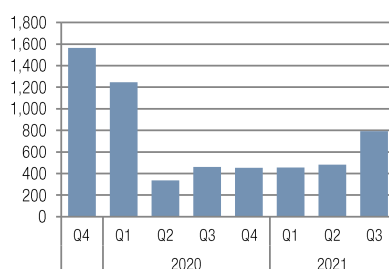
Consolidated operating profit was SEK -250 M (-341) and the consolidated operating margin was -31.5% (-74.1). Excluding

### BREAKDOWN, NET REVENUE

Quarter, July-September 2021

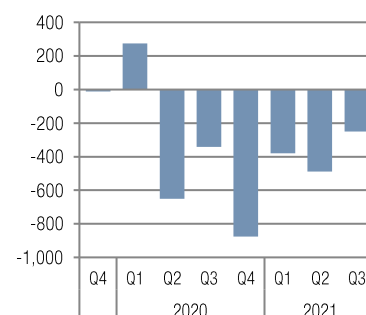


### NET REVENUE, SEK M



### OPERATING PROFIT, SEK M

(including capital gains)



restructuring costs, impairment losses and capital gains, operating profit was SEK -244 M (-320).

Operating profit in the Airport Operations segment totalled SEK -247 M (-339), mainly due to the effects of Covid-19 on air traffic and passenger volumes. Operating profit was SEK 92 M higher compared to the previous period, mainly due to the increase in passengers during the quarter. In the Real Estate segment, operating profit was SEK -9 M (-9).

## Financial items

Financial items for the first nine months of the year were a net expense of SEK 35 M (48), which was SEK 13 M lower than for the same period last year. The difference is mostly explained by an increase in income from holdings in associated companies, SEK 54 M (47). Net financial items for the third quarter totalled SEK -11 M (-14).

## Profit for the period

Profit before tax for the nine months of the year was SEK -1,154 M (-766) and profit for the period totalled SEK -905 M (-489). Profit before tax for the third quarter was SEK -261 M (-355) and profit for the period totalled SEK -206 M (-266).

## Investments

Investments through the third quarter totalled SEK 1,321 M (2,157), with investments in the airport segment representing SEK 1,257 M (1,917) of this. Most investments were made in the development programme at Stockholm Arlanda Airport.

Investments in Real Estate and property development totalled SEK 64 M (240) and pertained mostly to an investment in a hotel at Göteborg Landvetter Airport.

A lower investment volume compared to 2020 is an effect of reassigning priorities in the investment portfolio, including the pausing of the Pier G project at Stockholm Arlanda Airport. During the third quarter, investments totalled SEK 353 M (564).

## Cash flow

Cash flow from operating activities for the third quarter was positive and totalled SEK 93 M (-422). Cash flow for the third quarter was SEK 379 M (749).

Cash flow for the first nine months of the year was SEK 463 M (1,367). Cash flow from operating activities was negative and totalled SEK -535 M (-572), which was SEK 37 M higher compared to 2020. The improved cash flow is mainly explained by higher cash flow due to the change in operating capital. Net cash flow from the change in operating capital was positive and totalled SEK 114 M (-69).

Cash flow from investing activities was SEK -689 M (-897), which was SEK 208 M lower compared to the same period last year. Payments for investments totalled SEK 1,321 M (2,157). The sale of the subsidiary Hotell 1 Landvetter AB, which owns the hotel property at Göteborg Landvetter Airport on which the hotel Scandic Landvetter was built, generated a positive cash flow of SEK 470 M. Last year, proceeds from the sale of Swedavia's subsidiary Airport Hotel 2 AB had a positive effect of SEK 1,177 M. Through the third quarter, repayment of short-term investments generated a net positive cash flow of SEK 162 M (-).

Cash flow from financing activities was SEK 1,687 M (2,836). Increased medium-term notes of SEK 486 M and increased commercial paper borrowings of SEK 1,290 M generated a positive cash flow from loan financing of SEK 1,776 M. Payment of interest related to the hybrid bond resulted in a negative cash flow during the first nine months of SEK 11 M (12). Lease liabilities of SEK 78 M (78) were repaid.

## Liquidity and financial position

Consolidated equity at the end of the third quarter totalled SEK 9,743 M (10,533). Equity includes a hybrid bond of SEK 1,000 M issued in November 2019.

Swedavia's loan liabilities at the end of the period totalled SEK 11,509 M (9,734), which was an increase of SEK 1,776 M. Swedavia's loan liabilities are broken down into bank loans of SEK 3,200 M (3,200), medium-term notes of SEK 6,369 M (5,884) and commercial paper of SEK 1,940 M (650). At the end of the quarter, the average capital tie-up period, which includes the effect of interest rate derivatives, was 3.5 years (4.2) and the average interest rate lock-in period was 2.4 years (3.3). The average interest rate as of September 30 was 1.0 per cent (1.2). On the balance sheet date, the nominal total of interest rate derivatives was SEK 4,250 M (4,250).

Liquid assets increased SEK 463 M and at the end of the period totalled SEK 1,925 M (1,462). Net liabilities increased SEK 1,369 M from SEK 10,231 M to SEK 11,600 M.

The debt/equity ratio was 1.2 times (1.0).

At the end of the period, Swedavia had unused credit facilities totalling SEK 3,550 M (2,800).

On the balance sheet date, there were also unutilised framework loan agreements totalling SEK 1,000 M (1,000).

Return on operating capital, excluding restructuring costs, capital gains, impairment losses and disposals, at the end of the period was -8.4 per cent (-8.5).

## Employees

The average number of employees for the period October 1, 2020–September 30, 2021, was 2,303 (2,715). The reduction in the average number of employees is an effect of structural adjustments in the organisation and lower traffic volume.

### FINANCIAL TARGETS FOR SWEDAVIA'S OWNER

	Actual Sep 30, 2021	Target
Return on operating capital, %	-9.1	6.0
Debt/equity ratio, times	1.2	0.7-1.5
Dividend target, % <sup>7</sup>	-	10-50

### KEY FINANCIAL METRICS

	Actual Sep 30, 2021	Actual Sep 30, 2020	Actual Dec 31, 2020	Policy
Average interest rate, %	1.0	1.1	1.2	n/a
Average interest rate lock-in period, year	2.4	2.9	3.3	1-4
Average capital tie-up period, years	3.5	3.8	4.2	2-5

## Risks and uncertainty factors

Risk is defined here as an event that affects the Group's prospects of achieving its operational goals and implementing its strategies. Swedavia works continuously to map, monitor and manage risks in its operations. Risk reports are prepared and presented to the Board of Directors on a quarterly basis. Swedavia's significant risks are described in the Annual Report 2020 on pages 60–63 and in Note 47. In 2021, the Covid-19 pandemic has continued to affect Swedavia to a very great extent and is expected to affect the company for a long while. Swedavia's overall top risks consist of reduced air traffic and the risk that a decline in passengers will have a negative impact on Swedavia in the form of lower revenue. The Covid-19 pandemic has entailed lower passenger volumes, with a 78 per cent decrease during the first nine months of the year compared to same period in 2019, before the pandemic. Due to uncertainty about the spread of the pandemic, travel restrictions, vaccination efforts and the impact on the global economy, it is challenging at present to make any forecast about either a recovery in the short term or the future long-term passenger trend. However, Swedavia is working on an ongoing basis with different scenarios of possible future trends and is developing action plans based on them. Swedavia has a large number of customers, and it might have a major impact on Swedavia's operations if one of these were to have financial problems. The Covid-19 pandemic has had an enormous impact on all of Swedavia's airline customers and risks having a major negative economic impact on these companies. The economic challenges for the airlines could have a negative impact on Swedavia in the form of immediate customer credit losses and, in the longer term, a slower recovery in air traffic after the pandemic, which could mean a narrower range of routes and less capacity compared to before the pandemic. The decreased volume also entails a negative impact on Swedavia's commercial business. Many tenants and partners at the airports are directly affected in the form of sharply lower revenue or a total loss of revenue, which in turn means lower sales revenue-based rental income for Swedavia. Another effect as restrictions are gradually eased and traffic resumes is that authorities could introduce new regulations to limit the spread of infection at airports. This could entail changes in working methods, flows and processes for Swedavia. In 2020, Swedavia introduced measures at its airports to prevent the spread of infection and reassure customers about safety in consultation with the authorities.

There is also a risk of disruptions or interruptions in service in the airport's aviation and commercial operations as well as the risk of not being able to convert insights and customer needs quickly enough into new business opportunities.

Ongoing investments at the airports could affect tenants, who may have to relocate their premises.

A complaint was filed with the European Commission regarding the shareholder contribution received in 2020, which could affect the recognition of this shareholder contribution as well as some State aid that was applied for as a result of the Covid-19 pandemic.

Climate-related risks could affect Swedavia's operations both in the short and long term. Other external factors could also affect Swedavia's performance.

## Parent Company

### Net revenue and operating profit

The Parent Company's net revenue through the third quarter was SEK 1,679 M (1,991), which was a decrease of SEK 312 M. Operating profit, SEK 227 M (174), was positively affected by restructuring aid of SEK 208 M (150). Operating profit totalled SEK -1,341 M (-1,303) and the profit margin was -79.9 per cent (-65.5). Profit before tax was SEK -1,441 M (-1,390) and profit for the period was SEK -1,146 M (-1,071). Operating profit was negatively affected mainly by the impact of Covid-19. External costs and staff expenses together were SEK 263 M lower compared to 2020, mainly due to the decline in volume, cuts in non-business-critical activities and cost control. During the third quarter, net revenue for the Parent Company was SEK 783 M (451), which was an increase of SEK 332 M. Other operating profit, SEK -26 M (158), was negatively affected during the quarter by SEK 31 M previously recognised as income during the year. Last year, restructuring aid had a positive effect of SEK 150 M. Operating profit was SEK -303 M (-399) and the operating margin was -38.7 per cent (-88.5). Profit before tax for the third quarter was SEK -335 M (-433) and profit for the period was SEK -266 M (-329).

## Consolidated income statement

Amounts in SEK M	Note	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Net revenue	2,3	793	460	1,733	2,040	2,494
Other operating revenue	6	-26	158	297	596	700
Work performed by the company for its own use and capitalised		29	34	120	127	172
<b>Summa intäkter</b>		<b>796</b>	<b>652</b>	<b>2,150</b>	<b>2,763</b>	<b>3,366</b>
External costs		-387	-376	-1,189	-1,372	-1,932
Staff expenses		-312	-296	-1,080	-1,147	-1,550
Depreciation/amortisation and impairment losses on tangible fixed assets and intangible non-current assets		-347	-322	-1,001	-959	-1,456
		1	0	0	-2	-21
<b>Operating profit</b>		<b>-250</b>	<b>-341</b>	<b>-1,119</b>	<b>-717</b>	<b>-1,593</b>
<b>Income from financial items</b>						
Income from holdings in associated companies and joint ventures		21	18	54	47	54
Interest income and similar items		2	2	4	3	5
Interest expenses and similar items		-33	-33	-94	-99	-138
<b>Income after financial items</b>		<b>-261</b>	<b>-355</b>	<b>-1,154</b>	<b>-766</b>	<b>-1,672</b>
Tax		55	89	250	277	391
<b>Profit for the period</b>	2	<b>-206</b>	<b>-266</b>	<b>-905</b>	<b>-489</b>	<b>-1,282</b>
Earnings per share before and after dilution, SEK		-0.68	-0.23	-0.80	-0.75	-0.90
The total number of shares was 1,441,403,026 for all periods						

## Consolidated statement of comprehensive income

Amounts in SEK M	Note	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Profit for the period		-206	-266	-905	-489	-1,282
<b>Other comprehensive income:</b>						
<b>Items that can be reclassified to the income statement</b>						
Cash flow hedges						
Items reclassified to the income statement		27	0	3	0	-5
Change in fair value for the period		13	11	134	-111	-77
Tax		-8	-3	-28	22	17
Other comprehensive income from joint ventures, net after tax		-2	1	5	-9	-7
<b>Items that cannot be reclassified to the income statement</b>						
Revaluations of defined benefit pensions		-4	-77	15	-46	-48
Tax		1	17	-3	10	10
<b>Total other comprehensive income, net after tax</b>		<b>27</b>	<b>-52</b>	<b>126</b>	<b>-134</b>	<b>-110</b>
<b>Comprehensive income for the period</b>		<b>-178</b>	<b>-319</b>	<b>-779</b>	<b>-624</b>	<b>-1,392</b>

## Consolidated balance sheet, summary

Amounts in SEK M	Note	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
<b>ASSETS</b>	2			
NON-CURRENT ASSETS				
Intangible non-current assets		692	738	729
Tangible non-current assets		19,178	18,781	18,890
Right-of-use assets		1,111	1,210	1,184
Deferred tax asset		179	-	-
Non-current financial assets		1,189	1,163	1,130
<b>Total non-current assets</b>		<b>22,349</b>	<b>21,893</b>	<b>21,934</b>
CURRENT ASSETS				
Materials and supplies		61	59	57
Trade receivables	5	243	321	328
Receivables from associated companies		5	5	7
Other receivables		326	404	277
Prepaid expenses and accrued income		107	131	57
Derivative instruments		-	-	-
Short-term investments		13	-	175
Liquid assets		1,925	1,444	1,462
<b>Total current assets</b>		<b>2,679</b>	<b>2,365</b>	<b>2,364</b>
Assets held for sale	7	-	370	388
<b>TOTAL ASSETS</b>		<b>25,028</b>	<b>24,628</b>	<b>24,686</b>
<b>EQUITY AND LIABILITIES</b>	2			
EQUITY				
Share capital		1,441	1,441	1,441
Other paid-in capital		4,661	2,161	4,661
Hedge reserve		-32	-162	-141
Hybrid bond		1,000	1,000	1,000
Retained earnings		2,672	4,364	3,570
<b>Total equity</b>		<b>9,743</b>	<b>8,804</b>	<b>10,533</b>
NON-CURRENT LIABILITIES				
Provisions		1,082	1,062	1,122
Deferred tax liability		-	168	53
Interest-bearing liabilities		9,502	8,097	8,297
Derivative instruments	4	39	192	172
Lease liability		1,041	1,124	1,103
Other non-current liabilities		240	211	204
<b>Total non-current liabilities</b>		<b>11,903</b>	<b>10,855</b>	<b>10,951</b>
CURRENT LIABILITIES				
Provisions		81	142	89
Interest-bearing liabilities		2,008	3,419	1,437
Derivative instruments	4	6	8	7
Lease liability		124	131	129
Trade payables		457	478	591
Liabilities to associated companies		42	13	44
Other liabilities		122	62	249
Accrued expenses and prepaid income		542	703	654
<b>Total current liabilities</b>		<b>3,382</b>	<b>4,956</b>	<b>3,199</b>
Liabilities attributable to assets held for sale	7	-	13	3
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>25,028</b>	<b>24,628</b>	<b>24,686</b>

## Consolidated change in equity

Amounts in SEK M	Note	Sep 30, 2021	Sep 30 2020
<b>GROUP</b>			
Equity, opening balance		10,533	9,440
Hybrid bond interest costs		-11	-12
Profit for the period		-905	-489
Other comprehensive income		126	-134
<b>Other comprehensive income for the period</b>		<b>-779</b>	<b>-623</b>
<b>Equity, closing balance</b>		<b>9,743</b>	<b>8,804</b>

## Consolidated cash flow statement

Amounts in SEK M	Note	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
<b>Operating activities</b>						
Profit after financial items		-260	-355	-1,154	-766	-1,672
Adjustments for items not included in cash flow etc.		302	72	544	288	994
Tax paid		-10	-1	-40	-25	65
		<b>32</b>	<b>-284</b>	<b>-650</b>	<b>-503</b>	<b>-614</b>
<b>Cash flow from changes in working capital</b>						
Increase(-)/Decrease(+) in materials and supplies		-2	-3	-4	-5	-4
Increase(-)/Decrease(+) in operating receivables		144	-56	331	289	249
Increase(+)/Decrease(-) in operating liabilities		-82	-79	-213	-353	-67
<b>Cash flow from operating activities</b>		<b>93</b>	<b>-422</b>	<b>-535</b>	<b>-572</b>	<b>-435</b>
<b>Investing activities</b>						
Disposal of subsidiaries	6	-	-11	470	1,177	1,181
Sale of holdings in associated companies		-	83	-	83	83
Acquisitions of intangible non-current assets		-16	-2	-34	-29	-46
Acquisitions of tangible fixed assets		-337	-562	-1,287	-2,128	-2,810
Acquisitions short-term investments		-	-	-62	-	-275
Disposal short-term investments		-	-	225	-	100
Dividends from associated companies		-	-	-	-	72
<b>Cash flow from investing activities</b>		<b>-352</b>	<b>-492</b>	<b>-689</b>	<b>-897</b>	<b>-1,696</b>
<b>Financing activities</b>						
Hybrid bond, interest expenses		-4	-4	-11	-12	-16
Shareholder contribution		-	-	-	-	2,500
Borrowings raised		1,300	1,829	3,994	4,769	5,269
Borrowings repaid		-632	-127	-2,218	-1,837	-4,104
Repaid lease liabilities		-25	-27	-78	-78	-104
Increase(+)/Decrease(-) in other financial liabilities		-	-8	-	-6	-29
<b>Cash flow from financing activities</b>		<b>639</b>	<b>1,663</b>	<b>1,687</b>	<b>2,836</b>	<b>3,515</b>
<b>Cash flow for the period</b>		<b>379</b>	<b>749</b>	<b>463</b>	<b>1,367</b>	<b>1,385</b>
<b>Liquid assets at the beginning of the period</b>		<b>1,546</b>	<b>696</b>	<b>1,462</b>	<b>77</b>	<b>77</b>
<b>Liquid assets at the end of the period</b>		<b>1,925</b>	<b>1,444</b>	<b>1,925</b>	<b>1,444</b>	<b>1,462</b>

## Parent Company income statement

Amounts in SEK M	Note	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Net revenue		783	451	1,679	1,991	2,442
Other operating income		-26	158	227	174	272
Work performed by the company for its own use and capitalised		29	34	120	127	172
<b>Total revenue</b>		<b>786</b>	<b>642</b>	<b>2,026</b>	<b>2,291</b>	<b>2,886</b>
External expenses		-467	-456	-1,396	-1,584	-2,217
Staff expenses		-309	-295	-1,069	-1,144	-1,519
Depreciation and amortisation on tangible fixed assets and non-current intangible assets		-315	-290	-902	-865	-1,327
Other operating expenses		1	0	0	-2	-21
<b>Operating profit</b>		<b>-303</b>	<b>-399</b>	<b>-1,341</b>	<b>-1,303</b>	<b>-2,198</b>
<b>Income from financial items</b>						
Interest income and similar items		2	4	5	12	16
Interest expenses and similar items		-34	-39	-104	-99	-137
<b>Income from financial items</b>		<b>-335</b>	<b>-433</b>	<b>-1,441</b>	<b>-1,390</b>	<b>-2,319</b>
Appropriations		-	-	-	-	595
<b>Profit before tax</b>		<b>-335</b>	<b>-433</b>	<b>-1,441</b>	<b>-1,390</b>	<b>-1,724</b>
Tax		69	104	295	319	316
<b>Profit for the period</b>		<b>-266</b>	<b>-329</b>	<b>-1,146</b>	<b>-1,071</b>	<b>-1,409</b>

## Parent Company statement of comprehensive income

Amount in SEK M	Note	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
<b>Profit for the period</b>		<b>-266</b>	<b>-329</b>	<b>-1,146</b>	<b>-1,071</b>	<b>-1,409</b>
Other comprehensive income		-	-	-	-	-
<b>Comprehensive income for the period</b>		<b>-266</b>	<b>-329</b>	<b>-1,146</b>	<b>-1,071</b>	<b>-1,409</b>

## Parent Company balance sheet, summary

Amounts in SEK M	Note	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Intangible non-current assets		549	621	606
Tangible fixed assets		18,058	17,700	17,786
Total financial assets		1,728	1,413	1,434
<b>Non-current assets</b>		<b>20,335</b>	<b>19,734</b>	<b>19,825</b>
<b>CURRENT ASSETS</b>				
Materials and supplies		57	56	53
Current receivables		1,472	2,487	2,180
Short-term investments		13	-	175
Liquid assets		1,917	1,441	1,457
<b>Total current assets</b>		<b>3,459</b>	<b>3,983</b>	<b>3,865</b>
<b>Total assets</b>		<b>23,794</b>	<b>23,717</b>	<b>23,691</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
<b>Restricted equity</b>				
Share capital (1,441,403,026 shares)		1,441	1,441	1,441
Reserve for development expenditures		19	32	28
<b>Unrestricted equity</b>				
Share premium reserve		2,161	2,161	2,161
Hybrid bond		1,000	1,000	1,000
Retained earnings		3,919	2,829	5,328
Profit for the period		-1,146	-1,071	-1,409
<b>Total equity</b>		<b>7,395</b>	<b>6,393</b>	<b>8,551</b>
Untaxed reserves		1,575	2,050	1,575
Provisions		1,394	1,468	1,443
Non-current liabilities		9,732	8,286	8,491
Current liabilities		3,698	5,521	3,631
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>23,794</b>	<b>23,717</b>	<b>23,691</b>

# Notes

## NOTE 1. ACCOUNTING PRINCIPLES

### GENERAL

The Interim Report was prepared in conformity with IAS 34, "Interim Financial Reporting" and applicable standards of Sweden's Annual Accounts Act. Disclosure requirements stipulated in IAS 34 have been applied both in the notes and elsewhere in the Interim Report in accordance with the Annual Accounts Act Chapter 9, "Interim Reports". For the Group and Parent Company, the same accounting principles and bases for calculation have been applied as in the most recent annual report except for the changes in accounting principles described below.

The Group's reporting is in millions of Swedish kronor, SEK M, unless otherwise indicated. Rounding differences may occur.

### New and revised standards that enter into effect in 2021 or later

The effects on the Group's financial reports and position of amendments and standards that are mandatory for the financial year 2021 have not had any material impact on the Group's financial reports. For new and revised standards that enter into force in 2022 or later, the effects of these changes on the Group's financial reports still need to be assessed.

### Government grants

Swedavia receives grants from the Swedish State and the European Union, mostly concerning the following:

- Grant for furloughs from the Swedish State which was designed to support operations affected by the spread of Covid-19. The grant, provided by the Swedish Agency for Economic and Regional Growth, is recognised as a reduction in staff expenses in the income statement.
- Rent relief grant from the Swedish State. As a result of the grant, landlords that reduced the fixed rent of tenants in some vulnerable industries can apply for a grant in order to be paid compensation for some of the reduction. The grant, which is paid by the Swedish National Board of Housing, Building and Planning, is recognised as revenue in Commercial Services in the income statement.
- Grant from the EU's research and development operations. Swedavia takes part in such a programme, which is aimed at providing air navigation solutions (ANS) to support the provision of general or operational air traffic within the EU. The government grant awarded in the project, which is related to costs, is

recognised as a reduction in the corresponding cost in the income statement. Government grants awarded related to the funding of ongoing projects are recognised as a reduction in the carrying amount of the asset

- Restructuring aid from the Swedish State. Due to Covid-19, the Swedish State has introduced an adaptation grant that will enable companies to weather the acute crisis as well as transform their operations and adapt them to a new normal situation. The aid, which is received from the Swedish Tax Authority, is recognised as other operating revenue in the income statement.

### RELATED PARTY TRANSACTIONS

Related party transactions involve transactions with State-owned companies and enterprises as well as government agencies.

Related parties also include companies over which Swedavia can exercise a controlling interest. Costs arise mostly from meteorological services, fees to government authorities and air traffic management services, which are largely included in the costs reimbursed by the Swedish Transport Agency. The transactions are carried out at market prices and on standard commercial terms.

## NOTE 2. SEGMENT REPORTING

Swedavia's operations are organised and managed in two operating segments, Airport Operations and Real Estate. The highest executive decision-maker at Swedavia is identified as the president and CEO of the Parent Company. The basis of segment reporting is the Group's internal reporting.

- **Airport Operations** owns, operates and develops Swedavia's airports. Most revenue consists of passenger-related revenue
- **Real Estate** owns, develops and manages properties and developable land at and around Swedavia's airports. Most revenue consists of rental income
- **Eliminations and adjustments** - capitalisation of borrowing expenses in accordance with IAS 23, IFRS 16 "Leases", remeasurement of biological assets and financial instruments at fair value are not monitored at the segment level but instead handled at the Group level and are included in the elimination of intra-Group items in this column. The accounting principles otherwise conform to those applied in the consolidated financial reporting.

## SEGMENT REPORTING, INCOME STATEMENT

	Airport Operations		Real Estate		Eliminations/adjustments <sup>9</sup>		Group	
Income statement Jul-Sep Amounts in SEK M	2021	2020	2021	2020	2021	2020	2021	2020
<b>Net revenue</b>	801	463	-2	8	-6	-7	793	460
Other operating income	-26	158	-	0	-	-	-26	158
Work performed by the company for its own use and capitalised	29	34	-	-	-	-	29	34
<b>Total revenue</b>	<b>804</b>	<b>654</b>	<b>-2</b>	<b>8</b>	<b>-6</b>	<b>-7</b>	<b>796</b>	<b>652</b>
Operating expenses	-738	-706	-1	-11	40	45	-699	-672
Depreciation, amortisation and impairment losses	-313	-287	-6	-5	-28	-29	-347	-322
Other operating costs	1	0	0	0	-	-	1	0
<b>Operating profit</b>	<b>-247</b>	<b>-339</b>	<b>-9</b>	<b>-9</b>	<b>6</b>	<b>6</b>	<b>-250</b>	<b>-341</b>
Financial income	2	4	21	18	0	-3	22	20
Financial expenses	-36	-42	0	-3	3	11	-33	-33
<b>Profit before tax</b>	<b>-281</b>	<b>-376</b>	<b>11</b>	<b>7</b>	<b>9</b>	<b>15</b>	<b>-261</b>	<b>-355</b>
Tax	58	93	-1	-3	-2	-2	55	89
<b>Profit for the period</b>	<b>-223</b>	<b>-283</b>	<b>11</b>	<b>4</b>	<b>7</b>	<b>13</b>	<b>-206</b>	<b>-266</b>
<b>Other segment information</b>								
Profit from holdings in associated companies and joint ventures	-	-	21	18	-	-	21	18
Investments	348	508	5	56	-	-	353	564
Profit/loss from sale of shareholdings and operations	-	-	-	-	-	-	-	-
Restructuring costs	1	1	-	-	-	-	1	1
Impairment losses/disposals	5	20	-	-	-	-	5	20
	<b>Airport Operations</b>		<b>Real Estate</b>		<b>Eliminations/adjustments <sup>9</sup></b>		<b>Group</b>	
Income statement Jan-Sep Amounts in SEK M	2021	2020	2021	2020	2021	2020	2021	2020
<b>Net revenue</b>	1,735	2,043	26	24	-28	-27	1,733	2,040
Other operating income	227	174	80	434	-9	-12	297	596
Work performed by the company for its own use and capitalised	120	127	-	-	-	-	120	127
<b>Total revenue</b>	<b>2,081</b>	<b>2,343</b>	<b>106</b>	<b>458</b>	<b>-37</b>	<b>-38</b>	<b>2,150</b>	<b>2,763</b>
Operating expenses	-2,370	-2,618	-29	-33	131	131	-2,268	-2,520
Depreciation, amortisation and impairment losses	-898	-856	-19	-18	-84	-85	-1,001	-959
Other operating costs	0	-2	0	0	0	0	0	-2
<b>Operating profit</b>	<b>-1,187</b>	<b>-1,132</b>	<b>58</b>	<b>408</b>	<b>10</b>	<b>7</b>	<b>-1,119</b>	<b>-717</b>
Financial income	5	13	54	47	-1	-10	58	50
Financial expenses	-110	-109	-1	-10	17	20	-94	-99
<b>Profit before tax</b>	<b>-1,292</b>	<b>-1,228</b>	<b>111</b>	<b>445</b>	<b>26</b>	<b>18</b>	<b>-1,154</b>	<b>-766</b>
Tax	264	285	-9	-6	-5	-2	250	277
<b>Profit for the period</b>	<b>-1,028</b>	<b>-943</b>	<b>102</b>	<b>439</b>	<b>21</b>	<b>15</b>	<b>-905</b>	<b>-489</b>
<b>Other segment information</b>								
Profit from holdings in associated companies and joint ventures	-	-	54	47	-	-	54	47
Investments	1,257	1,917	64	240	-	-	1,321	2,157
Profit/loss from sale of shareholdings and operations	-2	-	80	434	-9	-12	69	422
Restructuring costs	16	20	-	-	-	-	16	20
Impairment losses/disposals	15	21	-	-	-	-	15	21

**SEGMENT REPORTING, BALANCE SHEET**

Balance sheet Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments *		Group	
	Sep 30, 2021	Sep 30, 2020	Sep 30, 2021	Sep 30, 2020	Sep 30, 2021	Sep 30, 2020	Sep 30, 2021	Sep 30, 2020
Non-current assets	20,079	19,575	1,719	2,092	551	226	22,349	21,893
Current assets	3,475	3,850	431	649	-1,226	-2,134	2,679	2,365
Assets held for sale	-	-	-	-	-	370	-	370
<b>Total assets</b>	<b>23,554</b>	<b>23,425</b>	<b>2,150</b>	<b>2,741</b>	<b>-675</b>	<b>-1,538</b>	<b>25,028</b>	<b>24,628</b>
Equity	9,103	8,483	1,316	1,156	-677	-835	9,743	8,804
Liabilities	14,451	14,942	834	1,585	1	-717	15,286	15,810
Liabilities related to assets held for sale	-	-	-	-	-	13	-	13
<b>Total equity and liabilities</b>	<b>23,554</b>	<b>23,425</b>	<b>2,150</b>	<b>2,741</b>	<b>-675</b>	<b>-1,538</b>	<b>25,028</b>	<b>24,628</b>

**NOTE 3. NET REVENUE**

Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2021 Jul-Sep	2020 Jul-Sep	2021 Jul-Sep	2020 Jul-Sep	2021 Jul-Sep	2020 Jul-Sep	2021 Jul-Sep	2020 Jul-Sep
Breakdown of net revenue								
<b>Aviation Business</b>								
Passenger-related revenue	213	62	-	-	-	-	213	62
Aircraft-related revenue	108	51	-	-	-	-	108	51
Externally regulated charges	137	133	-	-	-	-	137	133
Ground handling	27	16	-	-	-	-	27	16
Other ancillary services	22	16	-	-	-	-	22	16
<b>Total Aviation Business</b>	<b>507</b>	<b>277</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>507</b>	<b>277</b>
<b>Commercial Services</b>								
Parking & entry	113	52	-	-	-	-	113	52
Retail, food & beverage	52	31	-	-	-	-	52	31
Real estate revenue	93	70	8	7	-3	-5	98	72
Advertising	16	13	-	-	-	-	16	13
Other commercial services	16	16	-11	0	-1	-2	4	14
<b>Total Commercial Services</b>	<b>289</b>	<b>182</b>	<b>-3</b>	<b>8</b>	<b>-4</b>	<b>-7</b>	<b>282</b>	<b>183</b>
Other net revenue	5	3	1	-	-2	-3	4	1
<b>Total net revenue</b>	<b>801</b>	<b>463</b>	<b>-2</b>	<b>8</b>	<b>-6</b>	<b>-10</b>	<b>793</b>	<b>460</b>
Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2021 Jan-Sep	2020 Jan-Sep	2021 Jan-Sep	2020 Jan-Sep	2021 Jan-Sep	2020 Jan-Sep	2021 Jan-Sep	2020 Jan-Sep
Breakdown of net revenue								
<b>Aviation Business</b>								
Passenger-related revenue	329	386	-	-	-	-	329	386
Aircraft-related revenue	215	256	-	-	-	-	215	256
Externally regulated charges	389	413	-	-	-	-	389	413
Ground handling	65	91	-	-	-	-	65	91
Other ancillary services	59	79	-	-	-	-	59	79
<b>Total Aviation Business</b>	<b>1,057</b>	<b>1,225</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,057</b>	<b>1,225</b>
<b>Commercial Services</b>								
Parking & entry	201	246	-	-	-	-	201	246
Retail, food & beverage	90	190	-	-	-	-	90	190
Real estate revenue	276	250	24	21	-14	-12	287	259
Advertising	46	54	-	-	-	-	46	54
Other commercial services	50	56	1	3	-9	-9	43	50
<b>Total Commercial Services</b>	<b>664</b>	<b>797</b>	<b>25</b>	<b>23</b>	<b>-18</b>	<b>-21</b>	<b>667</b>	<b>799</b>
Other net revenue	14	21	1	0	-5	-6	9	15
<b>Total net revenue</b>	<b>1,735</b>	<b>2,043</b>	<b>26</b>	<b>24</b>	<b>-22</b>	<b>-26</b>	<b>1,733</b>	<b>2,040</b>

Swedavia's geographic market is Sweden. Swedavia's airports are run, consolidated and reported internally as a single airport system.

Through the third quarter, revenue from contracts with customers under IFRS 15 totalled SEK 1,477 M (1,709), which

pertains to total net revenue as of September 30 including revenue from retail, food and beverage of SEK 90 M (190) and rental revenue under IFRS 16 of SEK 165 M (141).

**NOTE 4. FINANCIAL INSTRUMENTS, FAIR VALUE****MEASUREMENT AT FAIR VALUE**

For current receivables and liabilities, such as trade receivables and trade payables, with a remaining life of less than six months, the recognised value is considered to reflect the fair value.

Fair value for interest-bearing liabilities is calculated by discounting the future cash flow of the amount of capital and interest discounted at the current market interest rate. All derivatives on the balance sheet date are classified under Level 2, which means prices for derivatives can be determined through

Group	Measurement under IFRS 9	Book value		Fair value	
		2021 Sep 30	2020 Dec 31	2021 Sep 30	2020 Dec 31
<b>Amounts in SEK M</b>					
Loan receivables and trade receivables	Amortised cost	2,697	2,423	2,697	2,423
Other financial liabilities	Amortised cost	-12,440	-10,716	-12,439	-10,739
Derivatives	Fair value	-45	-180	-45	-180
<b>Total</b>		<b>-9,788</b>	<b>-8,473</b>	<b>-9,787</b>	<b>-8,496</b>

**NOTE 5. TRADE RECEIVABLES**

In accordance with IFRS 9 "Financial instruments", on each balance sheet date Swedavia assesses whether there are objective indications that an impairment loss needs to be taken on a financial asset or group of financial assets even from the date of initial recognition. Impairment losses are calculated and recognised for financial assets valued at amortised cost and for financial assets valued at fair value through other comprehensive income. A provision for customer credit losses is calculated and recognised initially based on twelve months' expected credit losses. If the credit risk has increased significantly since initial recognition of the financial asset, a provision for credit losses is calculated and recognised based on expected credit losses. For trade receivables that do not include a significant financing component, a simplified method is applied and a provision for credit losses is calculated and recognised based on expected credit losses for the entire remaining life regardless of whether the credit risk has increased significantly or not. Swedavia applies the simplified method for calculating expected credit losses. The calculation of expected credit losses is based on a combination of historical data, based on customer type and due date, which are considered relative to future economic prospects. As a result of the major negative effects that the Covid-19 pandemic has had and will continue to have on Swedavia's customers in Aviation Business and Commercial Services, the assessment has been made that many customers – despite the relief measures decided and increased passenger volumes during the third quarter – will still have major economic problems so that they run a great risk of closing down operations or filing for bankruptcy. The provision for expected credit losses is calculated based on historical data and has been supplemented with an assessment of major customers' future ability to pay. The assessment was made based on future economic prospects based on market data, credit ratings and other financial information.

**NOTE 6. ACQUISITIONS AND SALES OF SUBSIDIARIES**

On June 14, 2021, the wholly-owned subsidiary Hotell 1 Landvetter AB, which owns the property on which the recently

directly or indirectly quoted prices based on observable market data.

The Group has entered ISDA agreements for derivatives, which allow set-off, for instance, against payments. There is no net accounting.

The Group's lease liabilities have not been measured at fair value. Lease liabilities at book value have not been included in the aggregated figures below.

opened hotel Scandic Landvetter at Göteborg Landvetter Airport was built, was sold. The buyer was Midstar AB. The underlying property value was SEK 495 M, the capital gain was SEK 71 M and the purchase price for the shares was SEK 160 M. The transaction generated a positive cash flow of SEK 470 M. The final statement of account and final capital gain will be determined during the fourth quarter of 2021.

On January 30, 2020, Airport Hotel 2 AB, which owns the hotel property with the newly opened Comfort Hotel at Stockholm Arlanda Airport, was sold. The buyer was Wenaasgruppen AS. The underlying property value was SEK 1,356 M and Swedavia's capital gain was SEK 422 M. The transaction generated a positive cash flow of SEK 1,181 M.

**NOTE 7. ASSETS HELD FOR SALE**

No assets were recognised as held for sale as of September 30, 2021.

On the balance sheet date December 31, 2020, assets held for sale pertained to the sale of the company Hotell 1 Landvetter AB, which was sold on June 14, 2021.

**NOTE 8. PLEDGED ASSETS AND CONTINGENT LIABILITIES**

Swedavia's pledged assets consist of shares and holdings in the joint ventures Swedish Airport Infrastructure KB and Swedish Airport Infrastructure AB, SEK 948 M (888), and pension obligations in endowment insurance owned by the company, SEK 12 M (11).

Swedavia also has obligations related to environmental requirements. In its operations, Swedavia handles chemical substances and products and is responsible for waste, atmospheric emissions, discharges to water, contamination and other environmental impacts at Swedavia's airports. Swedavia's obligations pertain to events after the company was formed.

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**NOTE 9. SUPPLEMENTARY INFORMATION FOR KEY FINANCIAL FIGURES****DEBT/EQUITY RATIO (LEVERAGE)**

Swedavia's debt/equity ratio is affected by the pension liability trend. The pension liability was SEK 864 M on September 30, 2021, and SEK 903 M on December 31, 2020.

**RETURN ON OPERATING CAPITAL EXCLUDING CAPITAL GAINS, IMPAIRMENT LOSSES, DISPOSALS AND RESTRUCTURING**

In calculating this key financial figure on September 30, 2021, operating profit for a rolling 12 months was adjusted for restructuring costs of SEK 32 M, impairment losses and disposals of SEK 185 M and capital gains of SEK 74 M. Operating profit on September 30, 2020, for a rolling 12 months was adjusted for restructuring costs of SEK 46 M, impairment losses and disposals of SEK 103 M and capital gains of SEK 450 M.

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**NOTE 10. EVENTS AFTER THE BALANCE SHEET DATE****SALE OF LOGISTICS PROPERTY**

On October 7, 2021, three land-owning companies with building rights in the logistic park at Göteborg Landvetter Airport were sold. The buyer is Nordiska Galleriet Properties. Nordiska Galleriet plans to set up a logistics facility for its operations in the region on the land as well as a property with premises for offices, services and warehousing for other tenants. The underlying property value is SEK 17 M, and the capital gain from the transaction is about SEK 13 M.

**AIRPORT CHARGES IN 2022**

Following consultations with airlines and ground handling companies, Swedavia has decided to keep its airport charge levels unchanged, except for some structural adjustments. Alongside this, a CO<sub>2</sub> emission charge will be introduced in accordance with the bonus-malus principle in order to reduce the airport's climate impact.

**SWEDAVIA'S CLIMATE TRANSITION WORK RECEIVES INTERNATIONAL AWARD**

In late October, the international trade organisation Airports Council International (ACI) Europe named Stockholm Arlanda Airport the winner of its Eco-Innovation Award 2021. In its rationale given for bestowing the honour, ACI Europe describes Swedavia as an international pioneer in the forefront of sustainable development through its climate transition work and by achieving its goal of zero fossil carbon dioxide emissions from its own airport operations in 2020.

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# Definitions

## **AIRPORT OPERATIONS**

Airport Operations is one of Swedavia's two operating segments. Owns, operates and develops Swedavia's airports.

## **AVERAGE NUMBER OF EMPLOYEES**

The average number of employees is calculated based on hours worked, restated as the total number of hours worked divided by the normal working time as defined by the Swedish Accounting Standards Board. Calculated on a rolling twelve-month basis.

## **AVERAGE OPERATING CAPITAL**

The closing balance of operating capital on the balance sheet date plus the closing balance of operating capital on the balance sheet date for the previous year divided by two.

## **AVIATION BUSINESS**

Infrastructure services aimed at airlines and ground handling companies, such as take-off and landing services and security screening.

## **CAPITAL TIE-UP PERIOD**

Volume-weighted average remaining maturity for interest-bearing liabilities with respect to interest rate derivatives at the end of the period. This metric tracks the Group's financial risk.

## **COMMERCIAL REVENUE PER DEPARTING PASSENGER**

Revenue from retail, food & beverage and parking & entry divided by the number of departing passengers for the same period. A metric that the Group considers crucial for monitoring changes in commercial revenue.

## **COMMERCIAL SERVICES**

Services connected to the airports such as leasing of premises for retail operations, offices, warehousing and logistics as well as land leases, parking operations and the leasing of advertising space.

## **DEBT-TO-EQUITY RATIO\***

Net liabilities divided by equity. This leverage or gearing ratio is what the owner uses as a capital structure target for the Group. The metric is considered to be directly related to the Group's actual funding and financial risk.

## **DIVIDEND PAY-OUT RATIO**

The normal dividend shall be between 10 and 50 per cent of profit after tax. Annual dividend decisions shall take into account the company's operations, implementation of the company's strategy and its financial position. In determining this, special consideration shall be given to the company's assessed ability to achieve its capital structure target (a debt/equity ratio of 0.7-1.5 times) going forward.

## **EARNINGS PER SHARE**

Earnings per share is calculated as profit for the period less costs related to the hybrid bond divided by the total number of shares.

## **EBITDA**

Earnings before interest, tax, depreciation and amortisation – in other words, operating profit excluding depreciation, amortisation and impairment losses.

## **INTEREST-BEARING LIABILITIES**

Interest-bearing liabilities on the balance sheet consist of liabilities to credit institutions, bonds, notes, commercial paper, liabilities to leasing companies and other liabilities.

## **INTEREST RATE LOCK-IN PERIOD**

Volume-weighted average interest rate lock-in period at the end of the period for interest-bearing liabilities as regards interest rate derivatives. The metric reflects the Group's interest rate risk.

## **INVESTMENTS\***

Swedavia's investments in fixed assets and long-term intangible assets including investment projects in progress.

## **NET LIABILITIES**

Interest-bearing liabilities plus pension liability minus liquid assets.

## **NET REVENUE**

Swedavia's net revenue includes revenue from Aviation Business and Commercial Services.

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# Definitions (cont.)

## **OPERATING CAPITAL**

Equity plus net liabilities.

## **OPERATING COSTS PER DEPARTING PASSENGER\***

Airport Operations' total external costs plus staff expenses minus restructuring costs (mainly due to staff changes) and own work capitalised divided by the number of departing passengers for the same period. A metric that Swedavia considers crucial for monitoring improvements in cost-effectiveness.

## **OPERATING MARGIN\***

Operating profit as a percentage of net revenue. For the operating margin excluding capital gains, see "Operating profit excluding capital gains".

## **OPERATING PROFIT\***

The difference between operating revenue and operating costs. A metric that is used to measure operating profitability.

## **OPERATING PROFIT EXCLUDING CAPITAL GAINS\***

Operating profit excluding capital gains from material transactions. This metric is crucial since Swedavia's management monitors operating profit excluding capital gains.

## **OPERATING PROFIT EXCLUDING RESTRUCTURING COSTS, CAPITAL GAINS, IMPAIRMENT LOSSES AND DISPOSALS\***

Operating profit excluding restructuring costs (mainly due to staff changes), capital gains, impairment losses and disposals. The metric is crucial since it is considered to provide a better understanding of the operating profit trend.

## **PASSENGER**

The term "passenger" refers to the statistical event in which a person has departed from or arrived at one of Swedavia's airports by air. The term "departing passenger" thus refers to a statistical event in which a person has departed from one of Swedavia's airports by air. The number of departing passengers is approximated by dividing the number of passengers by two.

## **REAL ESTATE**

Real Estate is the second of Swedavia's two operating segments. Owns, develops and manages developable land at and in the vicinity of Swedavia's airports.

## **RETURN ON OPERATING CAPITAL\***

Operating profit plus profit from holdings in associated companies for a rolling twelve-month period divided by average

operating capital. This financial ratio is the owner's metric for profitability at Swedavia and one of the Group's sustainability targets. This metric reflects the Group's cost of capital.

## **RETURN ON OPERATING CAPITAL EXCLUDING RESTRUCTURING COSTS, CAPITAL GAINS, IMPAIRMENT LOSSES AND DISPOSALS\***

Operating profit excluding restructuring costs (mainly due to staff changes), capital gains, impairment losses and disposals plus profit from holdings in associated companies for a rolling twelve-month period divided by average operating capital. This financial ratio for profitability is considered to provide a better understanding of the Group's cost of capital based on operating profit from operations.

## **SUSTAINABILITY TARGETS**

Swedavia's sustainability targets are monitored continuously based on the latest verified data for each target and in accordance with the same accounting principles described in the Annual and Sustainability Report 2020.

Alternative performance measures (APMs) as specified in the guidelines issued by the European Securities and Markets Authority (ESMA) are marked by an asterisk (\*).

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## Calendar

Year-End Report Jan-Dec 2021	February 15, 2022
Annual and Sustainability Report 2021	March 30, 2022
Interim report Jan-Mar 2022	April 25, 2022

Swedavia's financial reports are published on Swedavia's website [www.swedavia.se](http://www.swedavia.se).

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 persons below for publication on October 29, 2021, at 11:00 CEST.

This Interim Report was reviewed by Swedavia's auditors as per the Review Report on page 23.

## Contact people

### **JONAS ABRAHAMSSON**

President and CEO  
Telephone +46 10 109 01 00

### **MATS PÅHLSON**

CFO  
Telephone +46 10 109 01 00

On behalf of the Board of Directors, the President and CEO hereby submits the Interim Report for the period  
January-September 2021

Stockholm-Arlanda October 29, 2021

Jonas Abrahamsson  
President and CEO

Swedavia AB (publ)  
190 45 Stockholm-Arlanda Sweden  
Visiting address: Flygvägen 1  
Corporate identity no. 556797-0818  
Headquarters Municipality of Sigtuna

Tel: +46 10 109 00 00  
Fax: +46 10 109 05 00  
E-mail: [info@swedavia.se](mailto:info@swedavia.se)  
Coordinates: 59°39'14.06"N 17°56'21.51"O

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## Review report

Swedavia AB

Corporate identity number 556797-0818

### Introduction

We have reviewed the condensed interim report for Swedavia AB (publ) as at September 30, 2021 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of the review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, October 29, 2021

KPMG AB

Tomas Gerhardsson

Authorised public accountant