



Interim Report January–September 2023

January–September 2023

- During the first nine months of the year, Swedavia's airports had 24.6 million (20.3)¹ passengers, which is an increase of 21.4 per cent compared with the same period last year. Passenger volume during the first nine months of the year was 80 per cent of the figure for the same period in 2019, before the Covid-19 pandemic
- Net revenue was SEK 4,442 M (3,496)
- Operating income was SEK –53 M (–183). A capital gain of SEK 44 M related to real estate operations had a positive effect on operating income in 2022
- Operating income excluding restructuring, capital gains, impairment losses and disposals was positive and totalled SEK 61 M (–221)
- Net income for the period was SEK –101 M (–166)
- Cash flow from operating activities for the first nine months of the year was positive at SEK 479 M (306), an improvement of SEK 173 M compared with the same period last year
- Investments for the Group totalled SEK 1,522 M (1,293). The rate of investment over the past two years is principally the result of the development programme at Stockholm Arlanda Airport.

Key metrics, Group³

SEK M, unless otherwise indicated	2023	2022	2023	2022	Full-year
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec
Net revenue	1,613	1,311	4,442	3,496	4,846
Operating income	157	75	-53	-183	-783
Operating income excluding capital gains,	213	76	61	-221	-799
Operating margin, %	9.8	5.7	-1.2	-5.2	-16.2
Operating margin excluding capital gains,	13.2	5.8	1.4	-6.3	-16.5
Net income for the period	70	46	-101	-166	-709
Return on operating capital, %	-2.6	-1.8	-2.6	-1.8	-3.3
Return on operating capital excluding capital gains,	-2.0	-1.9	-2.0	-1.9	-3.3
Debt/equity ratio, times	1.2	0.8	1.2	0.8	1.0
Cash flow from operating activities	334	322	479	306	541
Investments	542	402	1,522	1,293	1,814
Average number of employees	2,550	2,307	2,550	2,307	2,364
Passenger, million	9.2	8.5	24.6	20.3	27.6
Operating costs per departing passenger, SEK	236.8	229.3	277.1	284.0	291.4
Commercial revenues per departing passenger, SEK	97.6	84.9	93.6	87.7	88.1

¹ 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

² This key metric is calculated excluding restructuring costs

³ For definitions of key metrics, see page 21

We are improving the commercial offering at our airports

Swedavia's airports are continuing to experience an increase in travel and we are pleased to see a sustained post-pandemic recovery. We have also taken important steps during the period to improve the commercial offering at our airports.

9.2 million passengers flew to or from Swedavia's airports during the third quarter. This represents an increase of 9 per cent compared with last year. So far this year, 24.6 million passengers have travelled from our airports, a 21-per-cent increase compared with 2022. Travel has increased in spite of high inflation, rising interest costs and a generally strained financial situation for many households. A lot of people are prioritising travel over other consumption, which is helping to maintain the post-pandemic recovery. This, in turn, is good for Swedish connectivity and for Swedavia. Significant uncertainties still remain, however, as we move forward.

The increase in passenger volume during the third quarter meant net income for the period was positive at SEK 70 M. In addition, both net revenue and operating income for both the quarter and the period as a whole improved compared with the previous year. Commercial revenue per passenger has also increased thanks to smoother flows at our airports, which have resulted in more satisfied passengers. Favourable and improved concession contracts have also contributed to this.



Sweden needs a strong SAS

In early October, SAS announced that it had secured additional capital through a new consortium of owners. This represents a significant milestone and is fundamentally a very positive development. Sweden needs a strong SAS. There is a risk, however, that SAS will prioritise Copenhagen over Stockholm Arlanda Airport to an even greater extent in the future. It is therefore even more important for both Swedavia and Sweden to do all they can to further enhance their competitiveness and so improve the ability to attract the routes we need. From this perspective, there is a greater necessity than ever before for a review of national policy instruments such as the Swedish aviation tax, which directly reduces competitiveness in relation to Copenhagen, for example.

A new marketplace has now opened

An appealing commercial offering is a key element of the airport experience. At our major airports in particular, our passengers expect a diverse and affordable range of food, drink and shopping in an

environment that provides inspiration for the journeys that lie ahead of them.

In September, we opened the first phase of the Marketplace at Arlanda, containing several new shops and restaurants. The Marketplace will continue to open gradually until the end of 2024, but the opening of the first phase has already given the airport a fantastic boost and the feedback we are receiving from our customers is very positive.

Our focus in the many new investments we are making in our commercial offering is that there should be a varied range and price categories that provide something for everyone. We are also promoting better value for money by ensuring that there is competition between the different commercial operators at the airport and that the price points do not differ significantly from equivalent offerings in the cities that are local to the airports.

Along with the new security control that came into operation in Terminal 5 during the summer, this means we have taken two extremely important steps in the modernisation of Arlanda. Through efficient flows that provide greater security, a pleasant environment and an increasingly attractive commercial offering, we can give our passengers a better experience than ever before at Sweden's largest airport.

Swedavia is a company that operates on a commercial basis. The revenues we receive from commercial operations at our airports are vital to allow us to remain competitive in the fees we charge airlines and to enable continued investment in our infrastructure. For this reason, an improved commercial offering at our airports will also benefit our business and, by extension, Sweden's connectivity. Our new commercial strategy also involves

major improvements to the range of services offered at other airports, in particular Göteborg Landvetter Airport.

Regional connectivity

Arlanda is the Swedish airport system hub and Swedavia operates a further nine airports across the country, providing both national and international connectivity. Together, our airports form a network that provides Sweden's national basic infrastructure.

We are seeing fantastic commitment to our airports all over the country. Earlier this autumn, Swedavia's Board of Directors and I visited Kiruna and its airport. The commitment and interest shown by both local politicians and the business community is, if anything, a sign of just how important our airports are in a vast country such as Sweden. The issue is also particularly relevant in the north, given the green re-industrialisation we are seeing in many places. Alongside access to fossil-free electricity supply, having efficient flight connections that secure access to skills will be vital for this exciting development.

Driving climate transition

We are pleased to see considerable interest among decision-makers around the country in the absolutely essential climate transition of the aviation industry. Given the major importance of aviation for this country, there is simply no justification for not making a long-term environmentally sustainable transition, just as is the case with the rest of the transport sector.

Swedavia is increasingly being seen as a driving force in the transition of the aviation industry. This is gratifying, as it is the result of many years of ambitious

work on these issues. It is also a trust that must continuously be earned.

We want our airports to be completely fossil-free by 2025 and we will therefore be helping our tenants and partners to make the same journey to fossil-free operation that we have already undertaken. At the same time, we will also be continuing our work to support the airlines in their transition. We will do this partly by planning for an infrastructure that allows electric and hydrogen-powered aircraft, for example, to use our airports, and partly by continuing our work to promote the large-scale transition to bio-based aviation fuels here and now.

Our most important resource

Swedavia is on an incredibly exciting journey. The post-pandemic recovery is continuing, despite economic turmoil. We have worked hard to strengthen confidence in Swedavia and we are now seeing that this is paying off.

Throughout the pandemic and also during the dramatic increase in travel last spring, our employees have had to work extremely hard over a long period of time. It is therefore very pleasing to see that our employees feel significantly better today than when things were at their toughest last year. This, of course, is absolutely vital, because it is all our fantastic employees who enable us to deliver the product that our customers expect, and it is our employees who will take Swedavia into the future. They are quite simply priceless and I am both proud and grateful to be able to work with each and every one of them.

Jonas Abrahamsson
President and CEO

About Swedavia

Swedavia's mission is to own*, operate and develop 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 connectivity Sweden needs to facilitate travel, business and meetings – in Sweden, elsewhere in Europe and the rest of the world. The company shall be actively involved in the development of the transport sector and help to achieve the transport policy goals adopted by the Swedish parliament. Swedavia's customers are passengers, airlines and tenants. At the same time, tenants and airlines are important partners in Swedavia's drive to establish connectivity and to offer passengers – the mutual end-customer – a smooth and inspiring travel experience. Swedavia is in competition with other airports to attract airline investments. Safety, security and sustainable development with a focus on the customer are the basis

of everything that Swedavia does, both in its own operations and in society in general. Operations are run on the basis of 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 is and shall continue to work to be a world leader in operating airports with the least possible environmental impact. Its own airport operations have been fossil-free since 2020, and other sources of emissions at its airports will be phased out in the years ahead through incentives and partnerships. Swedavia is driving the large-scale transition to sustainable aviation fuel (SAF), and the airports of the future are being prepared for electric aircraft, hydrogen gas and other new technology.

In the net-zero airports of the future, transport modes will be linked together to make it easier for people to book their journey door to door.

* Swedavia's operations at Luleå Airport and Ronneby Airport are run by the Swedish Armed Forces' airports. The other eight airports are owned in their entirety by Swedavia.



Mission

Swedavia's mission is to own, operate and develop the airports in Sweden's national basic infrastructure. Swedavia shall also actively help to achieve the transport policy goals adopted by the Swedish parliament based on sound business practices.

Objective

Together, we enable people to meet.

Vision

Swedavia develops the airports of the future and creates sustainable growth for Sweden.

Business

Together with our partners, Swedavia creates added value for customers by offering attractive airports and connectivity that provide smooth, inspiring travel experiences. Swedavia's airports shall be the most important meeting places in the Nordic region. The company shall be an international role model in sustainability and a growth engine for all of Sweden.

Values

- Reliable
- Engaged
- Innovative
- Welcoming

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 ⁴ Sep 30, 2023	Actual ⁴ Sep 30, 2022	Target 2023	Target 2030
Customer experience, % ⁵	69.0	n/a	73.0	85.0
Engaged leaders and employees, %	64.0	60.0	65.0	75.0
Return on operating capital, %	-2.6	-1.8	6.0	6.0
Mixture of sustainable aviation fuel (SAF), % ⁶	0.3	0.4	1.0	n/a

⁴ Actual figures are for 12 rolling months.

⁵ Actual figures for 2023 and targets for 2023 include all customer groups: passengers, airlines and tenants. The actual figure for the previous year, which amounted to 77, related to only one customer group, passengers, and is therefore not comparable with the actual figure for this year.

⁶ The target is no fossil carbon dioxide emissions from Swedish domestic air travel by 2030, and the actual figure is currently measured by the mixture of sustainable aviation fuel (SAF).

Important events

January–September

Swedavia appoints Kristina Ferenius to be new CFO

On February 2, 2023, Swedavia appointed Kristina Ferenius to be the new CFO. She will also be a member of Swedavia's Group management. She has worked most recently as the CFO of Sveaskog and took over the position on July 1. The former CFO, Mats Pålson, chose to step down from his position at Swedavia and left the company on June 15, 2023.

Airport report submitted to Swedish government

On May 30, 2022, the previous Swedish government appointed a commission tasked with preparing proposals for a long-term sustainable approach regarding the State's responsibility for the airports in Sweden. This is in order to meet the needs for essential connectivity for citizens, businesses and aviation vital to communities throughout the country.

The commission report was presented on February 15, 2023. Some conclusions in the report were that aviation plays an important role in Sweden's connectivity, that the State needs a broader mandate on the country's system of airports, and that some adjustments should be made in the national basic infrastructure of airports.

Swedavia submitted its consultation response to the commission report to the Swedish Ministry of Rural Affairs and Infrastructure on May 23, 2023.

New Board member elected at AGM

At Swedavia's Annual General Meeting on April 28, 2023, Tor Clausen, Nina Linander, Lars Mydland, Eva Nygren, Per Sjödel, Lottie Svedenstedt, Åke Svensson and Annica Ånäs were re-elected as Board members. Peter Blomqvist was elected as a new Board member and Lotta Mellström stepped down from the Board.

Events after the end of the period

Airline customer applies for corporate restructuring

On October 19, the airline BRA applied for corporate restructuring. BRA has announced that it intends to continue its day-to-day operations as normal while the restructuring takes place. Swedavia has made an initial assessment of the impact of this and will be continuously monitoring the process.

Passenger trends

January–September

During the first nine months of the year, 24.6 million passengers flew via Swedavia’s airports. This is 4.3 million more passengers compared with the same period last year, which corresponds to an increase of 21.4 per cent.

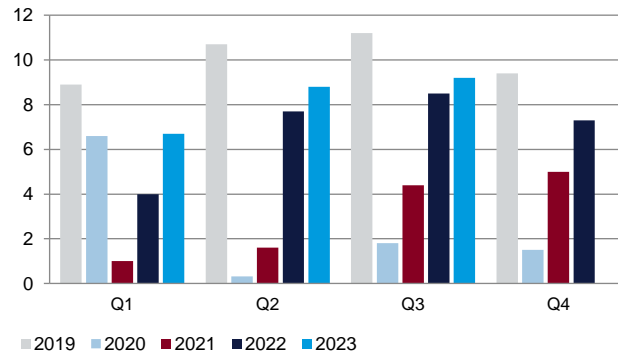
The comparison with last year’s figures is affected by the passenger trend during the first quarter of 2022, which was strongly impacted by restrictions imposed as a result of the increased spread of Covid. Passenger volume was 80 per cent of the level during the period January to September 2019, with international traffic seeing a faster recovery rate than domestic traffic. The range of destinations and departures on offer gradually increased during the first nine months of the year compared with the same period in 2022, but levels are still lower than in 2019. This is particularly the case for direct intercontinental routes.

July–September

During the third quarter, 9.2 million passengers flew via Swedavia’s airports. This is 0.7 million more passengers compared with the same period last year, which corresponds to an increase of 8.6 per cent. Passenger volume was 82 per cent of the level during the third quarter of 2019. Passenger volume during the third quarter of 2023 was the highest for a single quarter since the start of the Covid pandemic.

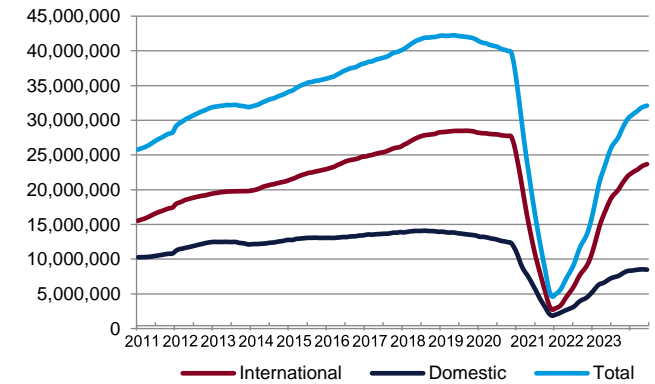
Passenger volume – Swedavia

Quarterly passenger volume, 2019–2023 (in millions)



Passenger trends – Swedavia

Number of passengers, rolling 12-month figures April 2010 – September 2023



Passenger volume

Passengers	Number of passengers Jan-Sep			Number of passengers Jul-Sep		
	2023	2022	Per cent change	2023	2022	Per cent change
International	18,342,000	14,861,000	23.4%	7,238,000	6,487,000	11.6%
Domestic	6,259,000	5,396,000	16.0%	1,951,000	1,978,000	-1.3%
Total	24,601,000	20,257,000	21.4%	9,190,000	8,465,000	8.6%



Economic overview, Group

Operating income

January–September

Net revenue increased by SEK 946 M, or 27 per cent, compared with the same period last year and amounted to SEK 4,442 M (3,496). In the Airport Operations segment, net revenue was SEK 4,434 M (3,491), an increase of SEK 944 M. Net revenue in the Real Estate segment totalled SEK 27 M (33).

Revenue from Aviation Business totalled SEK 2,784 M (2,159), which is 29 per cent higher compared with the same period last year. Revenue from Aviation Business increased more than the upturn in passenger volume, due mainly to price effects and an increased cost base for security control, which resulted in higher revenues from externally regulated charges. Revenue from Ground Handling and Other ancillary services exceeded the previous year, due to increased demand for de-icing service and VIP/CIP services.

Revenue from Commercial Services totalled SEK 1 643 M (1,328), an increase of SEK 314 M compared with the same period last year. The increase in passenger volume resulted in higher revenue from Parking & Entry as well as from Retail, Food & Beverage (RFB), which combined was 30 per cent higher compared with the same period last year, at SEK 1,156 M (886). Revenue from RFB increased more than the upturn in passenger volume due to higher average revenue per departing passenger in Retail. State aid for rent relief received of SEK 8 M had a positive effect on last year's figure. Real Estate revenue was also higher compared with the same period last year, mainly due to increased revenue from the resale of electricity and higher rental income.

Other operating revenue was SEK 58 M lower and totalled SEK 22 M (80), mainly due to restructuring aid of SEK 20 M and capital gains of SEK 44 M received last year. The current period was positively affected by state aid received for electricity of SEK 10 M.

External costs and staff expenses, including capitalised work for the company's own account,

totalled SEK –3,341 M (–2,764), with external costs increasing SEK 392 M and staff expenses increasing SEK 182 M. Higher costs are largely explained by the adjustment of operations to higher passenger volumes. Costs for IT, electricity and winter activities as well as inflation effects resulted in higher costs compared with the same period last year.

Depreciation, amortisation and impairment losses totalled SEK –1,063 M (–993), with the increase due to the larger volume of facilities placed in service.

Other operating costs totalled SEK –112 M (–2), due to disposals of older fixed assets related to completed development projects and facilities placed in service to increase capacity and improve the offering at Stockholm Arlanda Airport.

Consolidated operating income totalled SEK –53 M (–183) and the consolidated operating margin was –1.2% (–5.2).

Excluding restructuring costs, impairment losses, disposals and capital gains, operating income was positive at SEK 61 M (–221).

Operating income in the Airport Operations segment was SEK 181 M higher compared with the same period last year at SEK –40 M (–221). The improved operating income was mostly due to the increase in passenger volumes.

In the Real Estate segment, operating income was SEK –28 M (21), with operating income for the same period last year positively affected by capital gains of SEK 44 M.

July–September

Net revenue for the third quarter was SEK 1,613 M (1,311), which is an increase of SEK 303 M or 23 per cent compared with the same period last year. In the Airport Operations segment, net revenue increased SEK 301 M to SEK 1,610 M (1,309). Net revenue in the Real Estate segment totalled SEK 9 M (16).

Revenue from Aviation Business totalled SEK 1,008 M (810), which is 24 per cent higher compared with the same period last year, mostly due to higher passenger volumes, price effects and greater revenues from externally regulated charges as a result of an increased cost base for security control.

Revenue from Commercial Services totalled SEK 600 M (498), an increase of 21 per cent compared with the same period last year. Revenues from Parking & Entry as well as from Retail, Food & Beverage (RFB) increased more than the upturn in passenger volume, mainly due to higher average revenue per departing passenger in Retail. Real Estate revenue was also higher compared with the same period last year, mainly due to higher rental income.

Other operating revenue totalled SEK 12 M (7) and was SEK 6 M higher compared with the same period last year, mainly due to state aid received for electricity of SEK 10 M.

External costs and staff expenses, including capitalised work for the company's own account, totalled SEK –1,054 M (–912), with external costs increasing SEK 86 M and staff costs increasing SEK 55 M compared with the same period last year. Higher costs are largely explained by the adjustment of operations to higher passenger volume, which increased nearly 9 per cent compared with the same period last year. Inflationary effects also resulted in higher costs.

Depreciation, amortisation and impairment losses totalled SEK –363 M (–329), with the increase largely due to the larger volume of facilities placed in service.

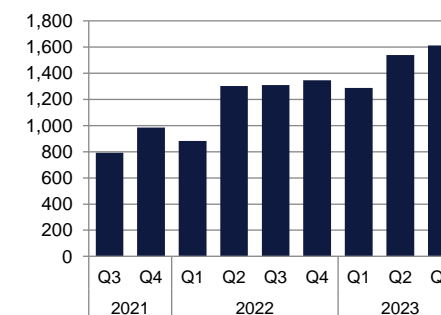
Other operating costs totalled SEK –52 M (–2), due to disposals of older fixed assets at Stockholm Arlanda Airport during the third quarter. Consolidated operating income was positive at SEK 157 M (75), and the consolidated operating margin was 9.8% (5.7).

Excluding restructuring costs, impairment losses, disposals and capital gains, operating income was SEK 213 M (76).

Operating income in the Airport Operations segment was SEK 83 M higher compared with the same period last year at SEK 159 M (76).

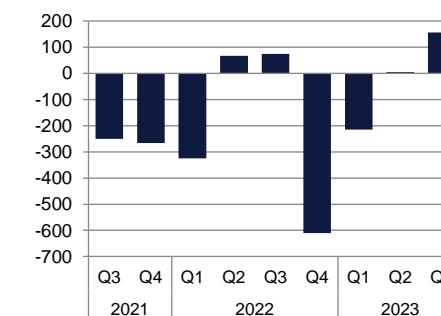
In the Real Estate segment, operating income was SEK –7 M (–7).

Net revenue, SEK M



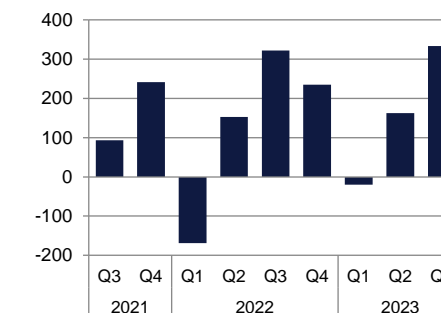
Operating income¹, SEK M

(Including capital gains)



¹ A reserve of SEK 441 M was charged to operating income for the fourth quarter of 2022 for the possible repayment of restructuring aid.

Cash flow from operating activities, SEK M



Financial items

Financial items for the first nine months of the year were a net expense of SEK –131 M (–58), which is SEK 73 M higher than for the same period last year. The difference is explained by higher financial costs of SEK 168 M (80), mostly due to the cost of increased borrowing and a higher average interest rate. Reduced income from holdings in associate companies of SEK 36 M (51) also had a negative impact, while higher interest income of SEK 49 M (9) had a positive impact.

Net financial items for the third quarter totalled SEK –68 M (–18).

Net income for the period

Net income before tax for the period January to September totalled SEK –183 M (–241) and net income for the period totalled SEK –101 M (–166). Net income before tax for the third quarter totalled SEK 90 M (57) and net income for the third quarter totalled SEK 70 M (46).

Investments

Investments up to the end of third quarter totalled SEK 1,522 M (1,293), with investments in the Airport Operations segment totalling SEK 1,497 M (1,287). Most investments were made in the development programme at Stockholm Arlanda Airport to increase capacity and improve the range of services available.

Investments in Real Estate and property development totalled SEK 25 M (6).

During the third quarter, investments totalled SEK 542 M (402).

Cash flow

Cash flow to the end of the third quarter totalled SEK –414 M (624). Cash flow from operating activities for the period was positive at SEK 479 M, which is SEK 173 M better compared with the same period last year. The improved cash flow is due to higher cash flow from operating activities before changes in working capital. Cash flow from changes in working capital was negative due to seasonal fluctuations and totalled SEK –321 M (–141).

Cash flow from investing activities totalled SEK –1,302 M (–1,283). Payments made for investments totalled SEK 1,522 M (1,293).

The sale of subsidiaries during the same period last year generated a positive cash flow of SEK 64 M. During the period, reduced short-term investments resulted in a net cash flow of SEK 220 million (–53). Cash flow from financing activities totalled SEK 409 M (1,601). Interest paid on hybrid bonds had a negative effect of SEK 122 M (49) on cash flow. Lease liabilities totalling SEK 78 M (79) were repaid.

Cash flow from operating activities for the third quarter was positive and totalled SEK 334 M (322), while cash flow for the quarter totalled SEK –313 M (614).

Liquidity and financial position

At the end of the third quarter, equity totalled SEK 10,780 M (11,084). The decrease is mainly explained by comprehensive income for the period, which totalled SEK –181 M. Interest paid on hybrid bonds also had a negative effect of SEK –122 M.

Swedavia's loan liabilities at the end of the quarter totalled SEK 11,750 M (11,144), which is an increase of SEK 606 M. Swedavia's loan liabilities are broken down into bank loans of SEK 4,800 M (4,200), bonds of SEK 6,359 M (6,050) and commercial papers of SEK 591 M (893). At the end of the third quarter, the average capital tie-up period, which includes the effect of interest rate derivatives, was 3.7 years (3.6) and the average interest rate lock-in period was 4.2 years (4.2). The average interest rate on September 30 was 2.9 per cent (2.2). On September 30, the nominal total of interest rate derivatives was SEK 6,850 M (7,100).

Liquid assets decreased SEK 414 M to SEK 846 M (1,260) at the end of the quarter. Short-term investments decreased SEK 220 M by the end of the third quarter, from SEK 392 M to SEK 172 M. Net liabilities increased SEK 1,290 M from SEK 11,157 M to SEK 12,447 M.

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

At the end of the third quarter, Swedavia had unused credit facilities of SEK 4,050 M (3,550).

Return on operating capital, excluding restructuring costs, capital gains, impairment losses and disposals, was –2.0 per cent (–3.3) at the end of the quarter.

Swedavia's financial targets

	Actual Sep 30, 2023	Target
Return on operating capital, %	-2.6	6.0
Debt/equity ratio, times	1.2	0,7-1,5
Dividend target, %	-	10-50

Key financial metrics

	Actual Sep 30, 2023	Actual Sep 30, 2022	Actual Dec 31, 2022	Policy
Average interest rate, %	2.9	1.7	2.2	n/a
Average interest rate lock-in period, year	4.2	3.9	4.2	1-5
Average capital tie-up period, years	3.7	3.4	3.6	2-5

Employees

The average number of employees for the period October 1, 2022–September 30, 2023, totalled 2,550 (2,307). The average number of employees increased during the period to meet the higher demand.

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 and Sustainability Report for 2022 on pages 82–87 and in Note 43.

Swedavia's biggest risks are related to the air traffic trend. Passenger volume during the third quarter of 2023 was 82 per cent of the pre-pandemic level. The risks that can have a negative impact on operations are a deterioration in the global situation, higher inflation and interest rates, and price increases for energy, fuels and materials. These developments have had a negative impact on global economic growth, which in turn affects the trend in the aviation industry. Swedavia works on a continuous basis with different scenarios of potential future trends and develops action plans based on these. Swedavia has a large number of customers, and it may have a major impact on Swedavia's operations if one of these were to have financial problems.

Potential financial challenges for airlines could have a negative impact on Swedavia through immediate customer credit losses as well as poorer connectivity in the form of a decrease in air traffic, a smaller range of routes available and lower capacity. Should passenger volume fall, there is a risk of negative impact on Swedavia's commercial business. Many tenants and partners at the airports are affected by lower passenger volume, which in turn means lower sales-based rental income for Swedavia.

If demand for air travel rises, there is a risk of capacity challenges at times when there is a lot of traffic, which has a negative effect on quality and customer satisfaction.

There is also a risk of disruptions or interruptions in service in the airport's aviation and commercial operations as a result of a cyberattack or other external events. There is furthermore a 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. During the second quarter of 2020, Swedavia was sued in court over a rental dispute at Stockholm Arlanda Airport. Swedavia has contested the claim in full, but the amount involved is significant. The District Court issued a ruling on the case on March 24, 2022, in Swedavia's favour. This ruling has been appealed and the case was heard in September in the Court of Appeal, which will announce its ruling on November 1, 2023.

Following a complaint to the European Commission, the Swedish Legal, Financial and Administrative Services Agency decided in 2022 to recover some of the capital contribution that Swedavia received in 2020. This may, in turn, affect the restructuring aid Swedavia received on account of the Covid-19 pandemic. In 2022, Swedavia therefore repaid SEK 879 M of the capital contribution and set aside a reserve in its annual accounts for 2022 to repay restructuring aid of SEK 441 M in line with the recovery made by the Swedish Legal, Financial and Administrative Services Agency. The European Commission has not yet issued a final decision on the complaint and there is therefore some uncertainty concerning possible further repayment of the capital contribution, as well as the amount of restructuring aid to be repaid.

Climate-related risks may affect Swedavia's operations in both the short term and the long term in relation to the valuation of its assets, as well as its future earnings trend.

Other external factors may also affect Swedavia's performance.

Parent Company

Net revenue and operating income

Net revenue for the first nine months of the year totalled SEK 4,434 M (3,479), which is an increase of SEK 955 M compared with the same period last year, mainly due to increased passenger volumes. Other operating income of SEK 22 M (36) was positively affected during the period by state aid received for electricity of SEK 10 M and in the previous year by restructuring aid of SEK 20 M. Operating income for the period was positive at SEK 47 M (–315) and the operating margin was 1.1 per cent (–9.0). Net income before tax for the period totalled SEK –93 M (282). Net income for the period was SEK –20 M (386). Net income for the period was positively affected by dividends of SEK 25 M (700) received from subsidiaries.

Net income before tax for the third quarter totalled SEK 186 M (7) and net income for the quarter totalled SEK 147 M (5).

Consolidated income statement

Amounts in SEK M	Note	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Net revenue	2, 3	1,613	1,311	4,442	3,496	4,846
Other operating revenue	6	13	7	22	80	-349
Total revenue		1,626	1,317	4,464	3,576	4,497
Work performed by the company for its own use and capitalised		23	24	87	90	121
External costs		-643	-558	-2,049	-1,656	-2,370
Staff expenses		-433	-378	-1,380	-1,198	-1,664
Depreciation/amortisation and impairment losses on fixed assets and intangible assets		-363	-329	-1,063	-993	-1,363
Other operating expenses		-52	-2	-112	-2	-5
Operating income		157	75	-53	-183	-783
Income from financial items						
Income from holdings in associate companies		12	23	36	51	72
Interest income and similar items		9	5	49	9	24
Interest expenses and similar items		-88	-46	-216	-118	-182
Income after financial items		90	57	-183	-241	-870
Tax		-20	-11	82	75	161
Net income for the period	2	70	46	-101	-166	-709
Earnings per share before and after dilution, SEK		0.02	0.02	-0.16	-0.15	-0.55
The total number of shares was 1,441,403,026 for all						

Consolidated statement of comprehensive income

Amounts in SEK M	Note	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Net income for the period		70	46	-101	-166	-709
Other comprehensive income						
Items that can be reclassified to the income statement						
Cash flow hedges:						
Items reclassified to the income statement		2	6	2	7	35
Change in fair value for the period		7	219	-90	860	629
Tax		-2	-46	18	-179	-137
Other comprehensive income from joint ventures, net after tax		-1	11	-2	41	39
Items that cannot be reclassified to the income statement						
Revaluations of defined benefit pensions		24	90	-10	297	271
Tax		-5	-19	2	-61	-56
Total other comprehensive income, net after tax		25	262	-80	965	782
Comprehensive income for the period		94	308	-181	799	73

Consolidated balance sheet, summary

Amounts in SEK M	Note	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
Assets	2			
Non-current assets				
Intangible assets		658	661	695
Fixed assets		20,340	19,641	19,810
Right of use assets		1,060	1,054	1,031
Deferred tax assets		243	17	138
Derivative instruments		582	870	665
Non-current financial assets		1,556	1,378	1,439
Total non-current assets		24,438	23,621	23,778
Current assets				
Materials and supplies		88	70	78
Trade receivables	5	515	422	489
Receivables from associate companies		5	7	11
Other receivables		196	163	126
Prepaid expenses and accrued income		223	156	146
Derivative instruments		2	5	7
Short-term investments		172	350	392
Liquid assets		846	2,724	1,260
Total current assets		2,048	3,898	2,509
Total assets		26,486	27,518	26,288

Amounts in SEK M	Note	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
Equity and liabilities	2			
Equity				
Share capital		1,441	1,441	1,441
Other paid-in capital		3,783	3,782	3,783
Hedge reserve		463	695	533
Hybrid bonds		3,500	3,500	3,500
Retained earnings (including net income for the period)		1,593	2,424	1,827
Total equity		10,780	11,843	11,084
Non-current liabilities				
Provisions		934	834	915
Interest-bearing liabilities		9,950	8,251	8,800
Derivative instruments	4	2	2	2
Lease liabilities		993	991	972
Other non-current liabilities		13	57	13
Total non-current liabilities		11,892	10,135	10,700
Current liabilities				
Provisions		48	91	49
Interest-bearing liabilities		1,800	3,149	2,344
Derivative instruments	4	4	4	4
Lease liabilities		132	123	122
Trade payables		446	485	613
Liabilities to associate companies		7	29	33
Other liabilities		607	1,008	629
Accrued expenses and prepaid income		769	651	710
Total current liabilities		3,814	5,541	4,503
Total equity and liabilities		26,486	27,518	26,288

Consolidated changes in equity

Amounts in SEK M	Note	Sep 30, 2023	Sep 30, 2022
Equity, opening balance		11,084	11,990
Hybrid bond interest		-122	-49
Repayment of unconditional shareholder contribution plus interest		-	-898
Total transactions with owner and others		-122	-947
Net income for the period		-101	-166
Other comprehensive income		-80	965
Other comprehensive income for the period		-181	799
Equity, closing balance		10,780	11,843

Consolidated cash flow statement

Amounts in SEK M	Note	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Operating activities						
Income after financial items		90	57	-183	-241	-870
Adjustments for items not included in cash flow etc.		376	259	1,013	773	1,524
Tax paid		-17	-15	-29	-83	-57
		449	300	800	448	597
Cash flow from changes in working capital						
Increase(-)/Decrease(+) in materials and supplies		-1	-1	-10	-7	-16
Increase(-)/Decrease(+) in operating receivables		-93	39	-234	68	-92
Increase(+)/Decrease(-) in operating liabilities		-21	-16	-77	-202	52
Cash flow from operating activities		334	322	479	306	541
Investing activities						
Disposal of subsidiaries	6	-	-	-	64	64
Acquisitions/disposal of intangible assets		-7	-6	-25	-28	-56
Acquisitions/disposal of fixed assets		-535	-397	-1,497	-1,266	-1,758
Acquisitions short-term investments		-172	-299	-1,021	-1,433	-2,199
Disposal short-term investments		223	644	1,241	1,380	2,104
Dividends from associate companies		-	-	-	-	79
Cash flow from investing activities		-491	-58	-1,302	-1,283	-1,767
Financing activities						
Hybrid bonds interest		-47	-20	-122	-49	-81
Repayment of unconditional shareholder contribution plus interest		-	-	-	-	-898
Borrowings raised		492	697	4,533	2,297	3,694
Borrowings repaid		-575	-300	-3,924	-568	-2,223
Repayment of lease liabilities		-26	-27	-78	-79	-107
Cash flow from financing activities		-156	350	409	1,601	385
Cash flow for the period		-313	614	-414	624	-840
Liquid assets at the beginning of the period		1,158	2,110	1,260	2,100	2,100
Liquid assets at the end of the period		846	2,724	846	2,724	1,260

Parent Company income statement

Amounts in SEK M	Note	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Net revenue		1,610	1,304	4,434	3,479	4,824
Other operating revenue		13	7	22	36	-392
Total revenue		1,623	1,310	4,457	3,515	4,431
Work performed by the company for its own use and capitalised		23	24	87	90	121
External costs		-673	-609	-2,133	-1,806	-2,486
Staff expenses		-321	-381	-1,274	-1,208	-1,701
Depreciation on fixed assets and amortisation on intangible assets		-334	-297	-977	-903	-1,251
Other operating expenses		-52	-2	-112	-2	-5
Operating income		265	44	47	-315	-890
Income from financial items						
Income from holdings in Group companies		-	-	25	700	700
Interest income and similar items		14	9	73	14	35
Interest expenses and similar items		-94	-47	-238	-118	-186
Income after financial items		186	7	-93	282	-340
Appropriations		-	-	-	-	157
Income before tax		186	7	-93	282	-183
Tax		-38	-2	73	105	158
Net income for the period		147	5	-20	386	-25

Parent Company statement of comprehensive income

Amounts in SEK M	Note	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Net income for the period		147	5	-20	386	-25
Other comprehensive income		-	-	-	-	-
Comprehensive income for the period		147	5	-20	386	-25

Parent Company balance sheet, summary

Amounts in SEK M	Note	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
Assets				
Non-current assets				
Intangible fixed assets		467	495	523
Fixed assets		19,347	18,681	18,858
Non-current financial assets		2,177	1,846	2,022
Total non-current assets		21,991	21,021	21,402
Current assets				
Materials and supplies		88	69	78
Current receivables		2,047	1,865	1,826
Short-term investments		172	350	392
Liquid assets		846	2,724	1,260
Total current assets		3,153	5,008	3,557
Total assets		25,144	26,029	24,959

Amounts in SEK M	Note	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
Equity and liabilities				
Equity				
Restricted equity				
Share capital (1,441,403,026 shares)		1,441	1,441	1,441
Reserve for development expenditures		8	10	9
Unrestricted equity				
Share premium reserve		2,161	2,161	2,161
Hybrid bonds		3,500	3,500	3,500
Retained earnings		2,017	2,144	2,162
Net income for the period		-20	386	-25
Total equity		9,107	9,644	9,249
Untaxed reserves		988	1,083	988
Provisions		1,375	1,454	1,491
Non-current liabilities		9,950	8,298	8,800
Current liabilities		3,724	5,551	4,431
Total equity and liabilities		25,144	26,029	24,959

Notes

NOTE 1 Accounting principles

General

This Interim Report was prepared in conformity with IAS 34, “Interim Financial Reporting”, and applicable standards in Sweden’s Annual Accounts Act. Disclosure requirements set out in IAS 34 and in the Annual Accounts Act, Chapter 9 “Interim Reports” have been applied both in the notes and elsewhere in the Interim Report. 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 accounting principles for 2023

None of the new and revised standards and interpretations that came into effect on January 1, 2023, has had a material effect on Swedavia’s financial reports.

New and revised standards and interpretations that enter into effect in 2024 or later

The effects on the Group’s financial reports and position of amendments that are mandatory for the financial year 2024 are being assessed but are not expected to have any material impact on the Group’s future financial reports. For new and revised standards that enter into force in 2025 or later, the effects of these changes on the Group’s financial reports still need to be assessed.

State aid

Swedavia receives support from both the Swedish government and the EU, relating mainly to the following:

- Electricity support for companies from the Swedish government, which relates to future electricity costs but is calculated on the basis of Swedavia’s electricity consumption between October 1, 2021, and September 30, 2022, in electricity areas 3 and 4. Swedavia has applied for and received the maximum support of SEK 20 M from the Swedish Tax Agency. As this support relates to both Swedavia’s own consumption and its resale to customers and tenants, the support will be divided equally between Swedavia and eligible customers based on consumption volumes. The state aid relating to Swedavia’s own consumption totals SEK 10 M and has been reported as other operating income in

the income statement. The remaining SEK 10 M is reported on the balance sheet as a current liability to eligible customers.

- Grant from EU research and development funding programmes. Swedavia participates in research and development programmes relating to the provision of Air Navigation Services (ANS) to support the operation of commercial or chartered traffic within the EU. State aid received through the project in relation to costs is reported as a reduction of the corresponding cost in the income statement. State aid received in relation to the financing of ongoing projects is reported as a reduction in the carrying amount of the asset.

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 the purchase of meteorological services, fees to government authorities and Air Traffic Services, which are largely included in the costs reimbursed by the Swedish Transport Agency. The transactions take place at market prices and are based 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 segment level but are instead handled at 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.

Income statement Jul-Sep Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2023	2022	2023	2022	2023	2022	2023	2022
Net revenue	1,610	1,309	9	16	-6	-14	1,613	1,311
Other operating revenue	13	7	-	-	-	-	13	7
Total revenue	1,623	1,316	9	16	-6	-14	1,626	1,317
Work performed by the company for its own use and capitalised	23	24	-	-	-	-	23	24
Operating expenses	-1,106	-968	-10	-17	40	50	-1,077	-936
Depreciation, amortisation and impairment losses	-328	-293	-6	-6	-29	-30	-363	-329
Other operating costs	-52	-2	-	-	-	-	-52	-2
Operating income	159	76	-7	-7	5	5	157	75
Income from holdings in subsidiaries	-	-	-	-	-	-	-	-
Financial income	14	9	12	23	-5	-4	21	28
Financial expenses	-100	-50	-5	-3	17	7	-88	-46
Income before tax	74	36	-1	13	17	8	90	57
Tax	-15	-8	-1	-1	-3	-2	-20	-11
Net income for the period	59	28	-2	12	13	7	70	46
Other segment information								
Income from holdings in associate companies and joint ventures	-	-	12	23	-	-	12	23
Investments	535	402	7	-	-	-	542	402
Restructuring costs	1	0	-	-	-	-	1	0
Impairment losses/disposals	55	1	-	-	-	-	55	1

Segment reporting, cont.

Income statement Jan-Sep Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2023	2022	2023	2022	2023	2022	2023	2022
Net revenue	4,434	3,491	27	33	-19	-27	4,442	3,496
Other operating revenue	22	36	-	44	-	-	22	80
Total revenue	4,457	3,527	27	77	-19	-27	4,464	3,576
Work performed by the company for its own use and capitalised	87	90	-	-	-	-	87	90
Operating expenses	-3,513	-2,946	-38	-39	122	131	-3,429	-2,855
Depreciation, amortisation and impairment losses	-959	-890	-18	-17	-87	-87	-1,063	-993
Other operating costs	-112	-2	-	-	-	-	-112	-2
Operating income	-40	-221	-28	21	16	17	-53	-183
Income from holdings in subsidiaries	25	700	-	-	-25	-700	-	-
Financial income	73	14	36	51	-24	-5	85	60
Financial expenses	-256	-128	-15	-5	56	16	-216	-118
Income before tax	-198	365	-8	66	23	-672	-183	-241
Tax	94	87	-2	-7	-10	-6	82	75
Net income for the period	-104	453	-11	60	13	-678	-101	-166
Other segment information								
Income from holdings in associate companies and	-	-	36	51	-	-	36	51
Investments	1,497	1,287	25	6	-	-	1,522	1,293
Restructuring costs	-	-	-	44	-	-	-	44
Restructuring costs	2	3	-	-	-	-	2	3
Impairment losses/disposals	112	4	-	-	-	-	112	4
Balance sheet								
Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2023	2022	2023	2022	2023	2022	2023	2022
Non-current assets	21,730	20,709	1,651	1,700	1,056	1,212	24,438	23,621
Current assets	3,153	4,983	119	135	-1,224	-1,220	2,048	3,898
Total assets	24,883	25,692	1,770	1,835	-168	-8	26,486	27,518
Equity	10,227	11,039	647	724	-94	79	10,780	11,843
Liabilities	14,656	14,653	1,124	1,111	-74	-87	15,706	15,676
Total equity and liabilities	24,883	25,692	1,770	1,835	-168	-8	26,486	27,518

NOTE 3 Net revenue

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

For the first nine months of the year, revenue from contracts with customers under IFRS 15 totalled SEK 3,729 M (2,946), which pertains to total net revenue to the end of September including revenue from Retail, Food and Beverage of SEK 514 M (365), and rental income under IFRS 16 of SEK 199 M (185).

Breakdown of net revenue Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	Jul-Sep 2023	Jul-Sep 2022	Jul-Sep 2023	Jul-Sep 2022	Jul-Sep 2023	Jul-Sep 2022	Jul-Sep 2023	Jul-Sep 2022
Aviation Business								
Passenger-related revenue	449	374	-	-	-	-	449	374
Aircraft-related revenue	195	165	-	-	-	-	195	165
Externally regulated charges	287	200	-	-	-	-	287	200
Ground handling	39	37	-	-	-	-	39	37
Other ancillary services	37	33	-	-	-	-	37	33
Total Aviation Business	1,008	810	-	-	-	-	1,008	810
Commercial Services								
Parking & entry	234	207	-	-	-	-	234	207
Retail, food & beverage	212	149	-	-	-	-	212	149
Real estate revenue	108	101	8	8	-3	-3	114	105
Advertising	25	23	-	-	-	-	25	23
Other commercial services	17	14	0	7	-1	-8	16	14
Total Commercial Services	595	494	9	15	-4	-11	600	498
Other net revenue	7	5	-0	1	-2	-3	6	2
Total	1,610	1,309	9	16	-6	-14	1,613	1,311

Breakdown of net revenue Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	Jan-Sep 2023	Jan-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Sep 2023	Jan-Sep 2022
Aviation Business								
Passenger-related revenue	1,171	928	-	-	-	-	1,171	928
Aircraft-related revenue	564	435	-	-	-	-	564	435
Externally regulated charges	739	564	-	-	-	-	739	564
Ground handling	173	128	-	-	-	-	173	128
Other ancillary services	137	104	-	-	-	-	137	104
Total Aviation Business	2,784	2,159	-	-	-	-	2,784	2,159
Commercial Services								
Parking & entry	642	521	-	-	-	-	642	521
Retail, food & beverage	514	365	-	-	-	-	514	365
Real estate revenue	355	324	26	24	-9	-10	372	338
Advertising	67	61	-	-	-	-	67	61
Other commercial services	50	46	1	8	-3	-11	48	43
Total Commercial Services	1,628	1,318	27	31	-12	-20	1,643	1,329
Other net revenue	23	13	0	1	-7	-7	15	8
Total	4,434	3,491	27	33	-19	-27	4,442	3,496

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 carrying amount is considered to reflect the fair value.

Fair value for interest-bearing liabilities is calculated by discounting future cash flows of the principal and interest discounted at the current market interest rate. At the balance sheet date, all derivatives are classified under Level 2, which means that prices can be determined for the derivatives through directly or indirectly quoted prices based on observable market data.

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

Carrying amount and fair value of financial instruments, SEK M	Jan-Sep 2023						
	Financial assets measured at fair value via income statement	Financial assets measured at amortized cost	Financial liabilities measured at fair value via income statement	Financial liabilities measured at amortized cost	Derivatives under hedge accounting	Net carrying amount	Fair value
Assets	-	1,936	-	-	584	2,520	2,520
of which derivatives	-	-	-	-	584	584	584
Liabilities	-	-	-7	-12,503	-	-12,510	-12,387
of which loan liabilities	-	-	-	-11,750	-	-11,750	-11,627
of which derivatives	-	-	-7	-	-	-7	-7
Total assets and liabilities by category	-	1,936	-7	-12,503	584	-9,990	-9,867

Carrying amount and fair value of financial instruments, SEK M	Jan-Sep 2022						
	Financial assets measured at fair value via income statement	Financial assets measured at amortized cost	Financial liabilities measured at fair value via income statement	Financial liabilities measured at amortized cost	Derivatives under hedge accounting	Net carrying amount	Fair value
Assets	-	3,736	-	-	875	4,611	4,611
of which derivatives	-	-	-	-	875	875	875
Liabilities	-	-	-5	-13,083	-	-13,088	-12,971
of which loan liabilities	-	-	-	-11,400	-	-11,400	-11,283
of which derivatives	-	-	-5	-	-	-5	-5
Total assets and liabilities by category	-	3,736	-5	-13,083	875	-8,476	-8,359

Carrying amount and fair value of financial instruments, SEK M	Jan-Dec 2022						
	Financial assets measured at fair value via income statement	Financial assets measured at amortized cost	Financial liabilities measured at fair value via income statement	Financial liabilities measured at amortized cost	Derivatives under hedge accounting	Net carrying amount	Fair value
Assets	-	2,448	-	-	672	3,120	3,120
of which derivatives	-	-	-	-	672	672	672
Liabilities	-	-	-6	-12,050	-	-12,056	-11,941
of which loan liabilities	-	-	-	-11,144	-	-11,144	-11,029
of which derivatives	-	-	-6	-	-	-6	-6
Total assets and liabilities by category	-	2,448	-6	-12,050	672	-8,936	-8,821

NOTE 5 Trade receivables

In accordance with IFRS 9 “Financial instruments”, at 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 measured at amortised cost and for financial assets measured at fair value through other comprehensive income. A provision for 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. 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 in relation to future economic prospects. The assessment of future economic prospects is based on market data, credit ratings and other financial information.

NOTE 6 Acquisitions and sales of subsidiaries

On March 21, 2022, four wholly owned subsidiaries, Logistic 4.1 Landvetter AB, Logistic 4.2 Landvetter AB, Logistic 4.3 Landvetter AB and Logistic 4.4 Landvetter AB, in the logistics park at Göteborg Landvetter Airport were sold. The underlying property value was SEK 60 M, the capital gain was SEK 44 M, and the purchase price was SEK 54 M. The transaction generated a positive cash flow of 60 M.

NOTE 7 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 in the amount of SEK 960 M (926) and pension obligations in endowment insurance owned by the company in the amount of SEK 10 M (13).

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 cover events after the company was formed.

NOTE 8 Supplementary information for key metrics**Debt/equity ratio**

Swedavia’s debt/equity ratio is affected by the pension liability trend. The pension liability was SEK 590 M on September 30, 2023, and SEK 572 M on December 31, 2022.

Return on operating capital excluding capital gains, impairment losses, disposals and restructuring

In calculating this key metric as at September 30, 2023, operating income for a rolling 12 months was adjusted for restructuring costs of SEK 6 M and impairment losses and disposals of SEK 130 M. Operating income for a rolling 12 months as at September 30, 2022, was adjusted for restructuring costs of SEK 5 M, impairment losses and disposals of SEK 40 M and capital gains of SEK 66 M.

NOTE 9 Events after the end of the period**Airline customer applies for corporate restructuring**

On October 19, the airline BRA applied for corporate restructuring. BRA has announced that it intends to continue its day-to-day operations as normal while the restructuring takes place. Swedavia has made an initial assessment of the impact of this and will be continuously monitoring the process.

Definitions

AVIATION BUSINESS

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

RETURN ON OPERATING CAPITAL*

Operating income plus income from holdings in associate 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 strategic targets for sustainable value creation. This metric reflects the Group's cost of capital.

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

Operating income excluding restructuring costs (mainly due to staff changes), capital gains, impairment losses and disposals plus income from holdings in associate 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 income from operations.

BALANCE SHEET TOTAL

Total assets.

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 leasing of advertising space.

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.

EBITDA

Earnings before interest, tax, depreciation and amortisation – in other words, operating income excluding depreciation, amortisation and disposals of tangible and intangible assets.

AIRPORT OPERATIONS

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

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.

INVESTMENTS*

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

CAPITAL TIE-UP PERIOD

Volume-weighted average remaining maturity for interest-bearing liabilities 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.

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.

TARGETS FOR SUSTAINABLE VALUE CREATION

Swedavia's strategic targets for sustainable value creation 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 2022.

NET LIABILITIES

Interest-bearing liabilities plus pension liability minus liquid assets and short-term investments.

NET REVENUE

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

OPERATING CAPITAL

Equity plus net liabilities.

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.

NET INCOME FOR THE PERIOD

Net income after tax.

REAL ESTATE

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

EARNINGS PER SHARE

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

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.

INTEREST-BEARING LIABILITIES

Interest-bearing liabilities on the balance sheet consist of liabilities to credit institutions, bonds, notes,

commercial papers, liabilities to leasing companies and other liabilities.

OPERATING MARGIN*

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

OPERATING INCOME EXCLUDING CAPITAL GAINS*

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

OPERATING INCOME EXCLUDING RESTRUCTURING COSTS, CAPITAL GAINS, IMPAIRMENT LOSSES AND DISPOSALS*

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

DEBT/EQUITY RATIO*

Net liabilities divided by equity. This leverage 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 net income 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.

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

Calendar

Year-End Report Jan–Dec 2023, Feb 15, 2024
Annual and Sustainability Report 2023, Mar 20, 2024
Interim Report Jan–Mar 2024, Apr 29, 2024

Swedavia's financial reports are published on Swedavia's website 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 listed here for publication on October 30, 2023, at 3:00 p.m. CET.

This Interim Report has been reviewed by Swedavia's auditors as described in the Review report on page 23.

Contact persons

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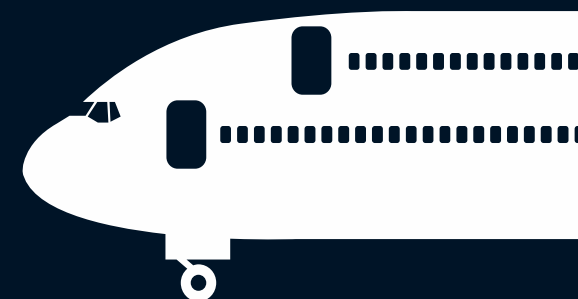
On behalf of the Board of Directors, the CEO hereby presents the Interim Report for the period January–September 2023

Stockholm-Arlanda, October 30, 2023

Jonas Abrahamsson
President and CEO

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Review report

Swedavia AB
Corp. ID No 556797–0818

Introduction

We have conducted a review of the summarised interim financial information (the interim report) for Swedavia AB as at September 30, 2023, and the nine-month period ending on that date. The Board of Directors and the CEO 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 an opinion on this interim report based on our review.

Scope and focus of the review

We have conducted our review in accordance with the International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information 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 smaller in scope and has a different focus compared with the scope and focus of an audit conducted in accordance with ISA and generally accepted auditing standards. The review procedures performed consequently do not enable us to obtain an assurance that would make us aware of all significant matters that might be identified in an audit. The opinion expressed based on a review therefore does not provide the same level of assurance as an opinion expressed based on an audit.

Opinion

Based on our review, nothing has come to our attention that would cause us to believe that this interim report has not, in all material respects, been prepared on behalf of the Group in accordance with IAS 34 and the Swedish Annual Accounts Act, and on behalf of the parent company in accordance with the Swedish Annual Accounts Act.

Stockholm, October 30, 2023

KPMG AB

Tomas Gerhardsson
Authorised Public Accountant