

# CONTINUED DEBT REDUCTION

In 2023, Genève Aéroport records a profit, before retrocession to the State of Geneva, of 88.6 million CHF and 44.3 million CHF after retrocession.

The year 2023 confirms the end of the post-Covid convalescence for Genève Aéroport and the entry into the financial consolidation phase. With 16.5 million passengers recorded in 2023, traffic remains 8.05 % lower than recorded in 2019 but has increased by 17.02% compared to 2022.

The return to profit since 2022 illustrates the sensitivity of Genève Aéroport's economic model to the number of passengers and its great capacity for resilience as soon as traffic resumes. In addition to the effect of traffic, there is also a significant effect of tariffs following the increase in prices of 4.45 CHF per passenger, negotiated in 2020 with the airlines to cover the depreciation charges linked to the entry into service of the East Wing. Thanks to this adaptation, better cost management and increased efficiency, the 2023 net income returns to pre-health crisis levels while the traffic level still remains lower than 2019. This good result in 2023 is necessary to continue repaying the debt incurred during the health crisis. It will also be important to maintain strict and responsible management of expenditure in the future.

## KEY FIGURES

in millions CHF

	2018	2019	2020	2021	2022	2023
Turnover	490.2	493.9	191.2	209.0	423.1	489.6
EBITDA	170.3	156.7	-59.7	-15.7	158.4	188.9
Net profit	85.1 <sup>1</sup>	84.1 <sup>1</sup>	-129.5	-88.9	46.3	44.3
Share of profit paid to the State in Y+1	42.6	42.0	0.0	0.0	15.4	44.3
Land rights	5.0	5.0	5.0	5.0	5.0	5.5
Operating cash flow	217.3	171.3	-8.6	-26.2	157.1	198.3
Investment cash flow	-143.8	-232.5	-126.5	-121.1	-61.2	-68.3
Net debt <sup>2</sup>	203.2	310.1	618.9	772.7	684.7	578.3
EBITDA / Turnover	34.7%	31.7%	-31.2%	-7.5%	37.4%	38.6%
Net debt / EBITDA	1.2	2.0	na <sup>3</sup>	na <sup>3</sup>	4.3	3.1

<sup>1</sup> the portion of net profit paid to the State in N+1 is not deducted from net profit in 2018 and 2019

<sup>2</sup> non-current and current borrowings and other liabilities, less cash and cash equivalents and short-term investments

<sup>3</sup> not applicable

## CONTINUED DEBT REDUCTION

Thanks to the profits, after retrocession to the State, recorded in 2022 (46.3 million CHF) and in 2023 (44.3 million CHF), Genève Aéroport is rigorously continuing its debt reduction process, in accordance with the health crisis exit strategy approved by the Board of Directors.



This proactive strategy aims to prepare the airport in anticipation of the future investment phase, which will include the replacement of the main terminal (CAP2030).

After a peak in net debt of 790 million CHF in January 2022, it decreased in 2023 to 578 million CHF (685 million CHF at the end of 2022). The company's debt level is better than expected at the end of the 2023 financial year due to a delay in planned capital expenditure for the construction of the new baggage sorting system (BLC).

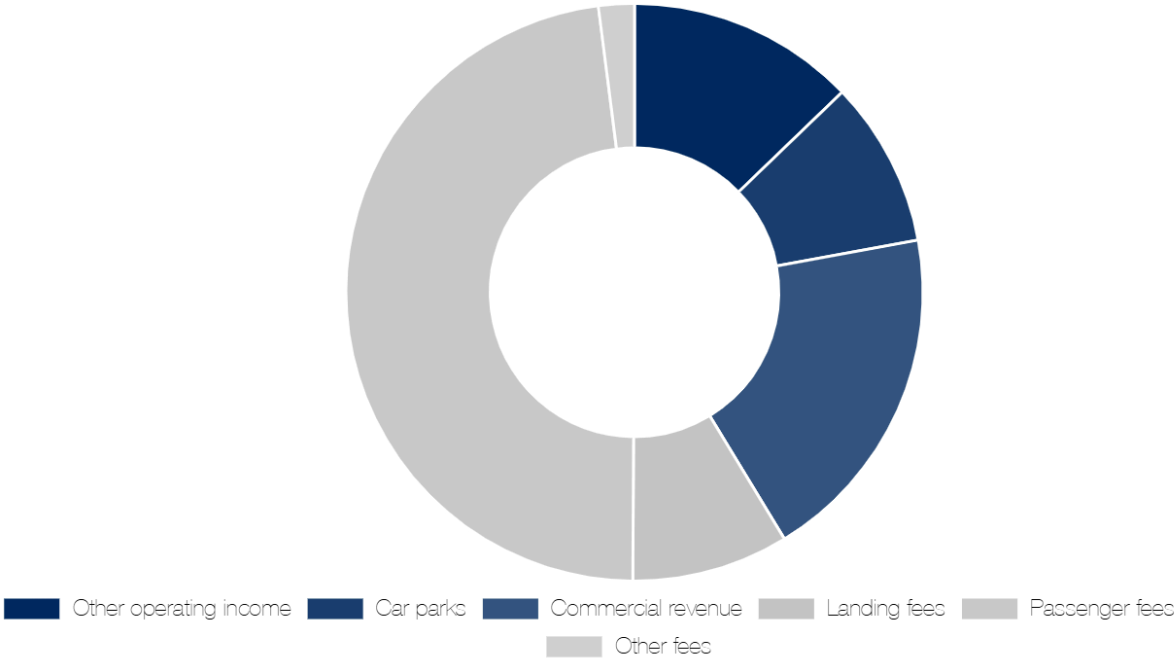
Genève Aéroport repaid in 2023 a bond loan of 300 million CHF issued during the Covid crisis and maturing in May 2023.

2023 EBITDA ON THE RISE

The margin on earnings before interest, taxes, depreciation and amortisation (EBITDA) stood at +38.6 % (+37.4 % in 2022). Geneva Airport is improving its profitability thanks to strict control of operating costs, improved efficiency and the increase in turnover linked to the resumption of passenger traffic. This performance indicator is particularly monitored to ensure the economic sustainability of the company.

DISTRIBUTION OF INCOME

Aeronautical income(gray) and non-aeronautical income(blue). Data presented in %.



REVENUES UP 15.7 %

Driven by the recovery of passenger traffic, Genève Aéroport's 2023 revenues increased by 15.7 % compared to 2022 and reached 489.6 million CHF. For the record, pre-crisis turnover amounted to 493.9 million CHF at the end of 2019.

Aeronautical revenues increase by 15.7 % compared to 2022, due to the increase in traffic to reach 287.2 million CHF. However, 2023 traffic remains below the level observed in 2019, despite very strong demand. This is partly explained by a supply problem for certain airlines having difficulties meeting passenger demand. Nevertheless, the improvement is confirmed in Q3 and Q4, with a gap continuing to narrow compared to 2019.

The share of aeronautical revenue in Genève Aéroport's total revenue remains stable compared to 2022. It represents 58.7 % at the end of 2023 (58.6 % in 2022). Non-aeronautical revenues (retail, parking, rents, etc.) are aligned with the evolution of traffic and to increase by 15.7 % to 202.5 million CHF. Commercial royalties, and particularly those from duty free and catering, have sharply increased (+23 % compared to 2022), illustrating the dynamism found in this sector of activity.

CONTROL OF OPERATING COSTS

Personnel costs increase by 5.2 million CHF (+3.6 % compared to 2022). The standard compensation increase mechanisms, which were suspended during the health crisis, are applied again in 2023. Operating expenses follow the progression of activity and increase by 25.8 % compared to 2022 to reach 150.1 million CHF at the end of 2023. The effects of inflation on Genève Aéroport's accounts are limited.

RETROCESSION TO THE STATE INCREASED IN 2023

At the end of the Covid crisis and to support Genève Aéroport in its convalescence, the State Council decided, by decree on 14 September 2022, to decrease the retrocession on the 2022 profit to 25 % of the profit before retrocession, instead of the usual 50 %. This measure was not renewed in 2023, and the retrocession returns to its pre-Covid level of 50%, in application of the objectives agreement.



## INVESTMENTS

Investment cash flow amounts to 68.3 million CHF in 2023. This a relatively low level can be explained by a delay in planned investment expenditure, in particular on the project to replace the baggage sorting system.

## POSITIVE OUTLOOK FOR 2024

The traffic outlook and the activity observed in January and February 2024 now allow us to affirm that the debt reduction plan will continue in 2024.

## REFLECTION ON SUSTAINABLE FINANCE

In 2023, Genève Aéroport conducted a reflection on sustainable finance which resulted in the definition of a framework validated by the Board of Directors. Whether within the framework of its « borrower » profile or its « lender » profile, Genève Aéroport has specified its commitments and the demanding ethical criteria that must be respected when entering into a relationship with a counterparty. The company integrates ESG criteria into its management choices and has decided to release for the first time its extra-financial performance report for the 2023 financial year.



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