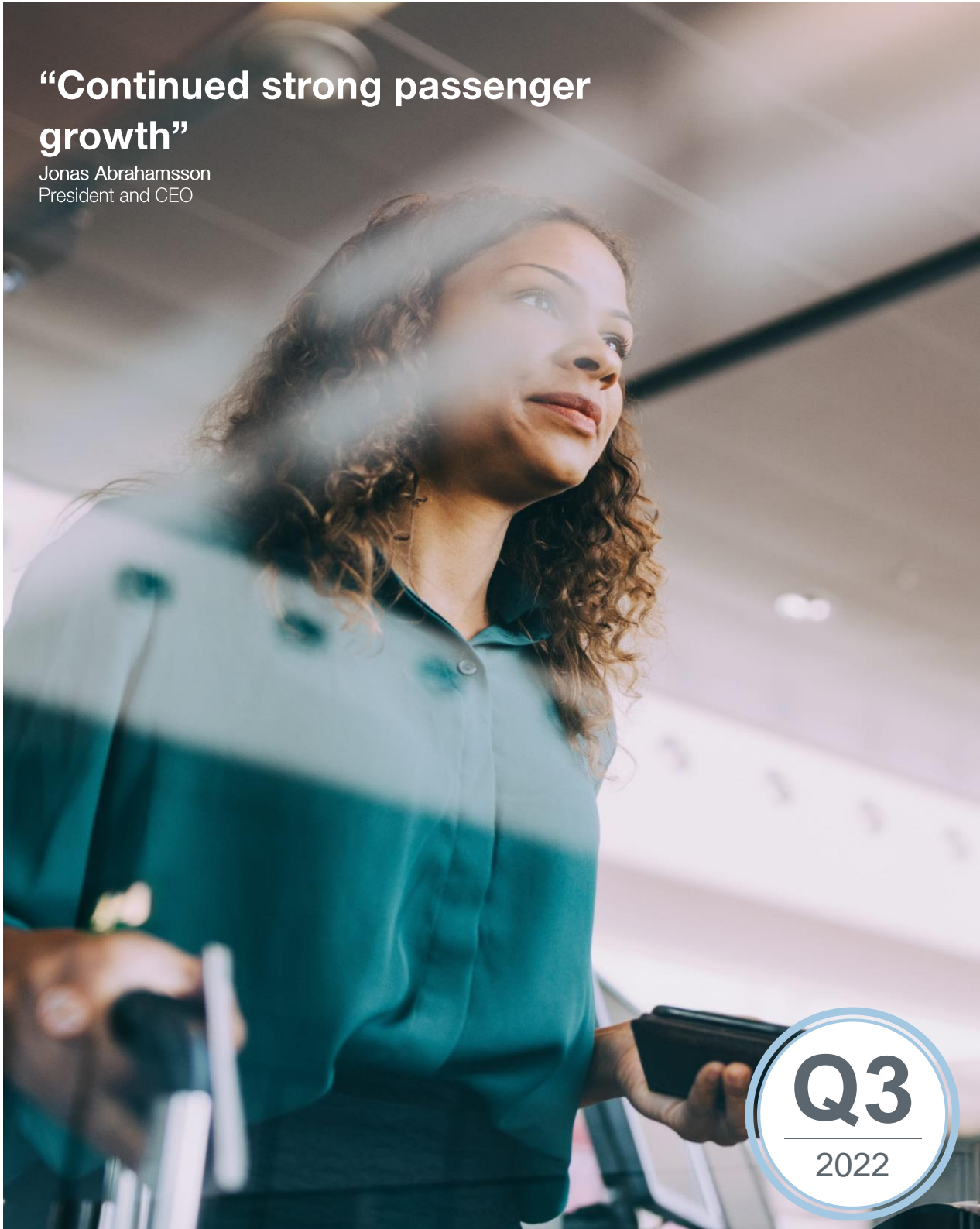


Interim report

January – September 2022

**“Continued strong passenger
growth”**

Jonas Abrahamsson
President and CEO



Q3

2022

Interim Report

January – September

2022

January – September 2022

- During the first nine months of the year, Swedavia's airports had 20.3 million (6.9)¹ passengers, which is nearly three times higher than for the same period last year. Passenger volume was 66 per cent of the figure for the same period in 2019, before the Covid-19 pandemic, and passenger volume for the third quarter was 76 per cent of the figure for Q3 2019
- Net revenue totalled SEK 3,496 M (1,733)
- Operating profit was SEK -183 M (-1,119) including capital gains from real estate operations of SEK 44 M (71)
- Profit for the period was SEK -166 M (-905). Profit for the third quarter was positive at SEK 46 M (-206)
- Cash flow from operating activities for the first nine months of the year was positive at SEK 306 M (-535). Cash flow from operating activities for the third quarter was SEK 322 M (93)
- Investments for the Group totalled SEK 1,293 M (1,321)

KEY FINANCIAL FIGURES, GROUP ³

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
SEK M, unless otherwise indicated					
Net revenue	1,311	793	3,496	1,733	2,717
Operating profit	75	-250	-183	-1,119	-1,385
Operating profit excluding capital gains, impairment losses and disposals	76	-244	-221	-1,157	-1,420
Operating margin, %	5.7	-31.5	-5.2	-64.6	-51.0
Operating margin excluding capital gains, impairment losses and disposals, %	5.8	-30.8	-6.3	-66.8	-52.3
Profit for the period	46	-206	-166	-905	-1,182
Return on operating capital, %	-1.8	-9.1	-1.8	-9.1	-6.3
Return on operating capital, % impairment losses, and disposals, %	-1.9	-8.4	-1.9	-8.4	-6.3
Debt/equity ratio, times	0.8	1.2	0.8	1.2	0.8
Cash flow from operating activities	322	93	306	-535	-293
Capital spending	402	353	1,293	1,321	1,831
Average number of employees	2,307	2,303	2,307	2,303	2,244
Passengers, million	8.5	4.4	20.3	6.9	11.9
Operating costs per departing passenger, SEK ²	229.3	328.9	284.0	649.2	526.2
Commercial revenues per departing passenger, SEK	84.9	76.4	87.7	84.6	86.9

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 pages 20–21

Continued strong passenger growth

During the third quarter, passenger growth at Swedavia's airports continued to be strong, and the increase in travel had a positive impact on the company's earnings. What was at times a very strained situation at Stockholm Arlanda Airport, mainly during the second quarter, improved considerably during the period, reaching a normal situation in August and September, when intensive recruitment efforts and compensatory measures had their full effect.

In late spring and summer, the situation in much of the international aviation industry was very strained. Air travel increased at a rapid pace after most Covid restrictions were lifted, and difficulties in rehiring staff at a fast enough pace for airport operators, airlines, ground handling companies, subcontractors and other stakeholders in the value chain led to considerable friction in an otherwise really well-oiled machine.

In some cases, airlines and also airports have had to reduce capacity to handle the situation. This never had to be done at Stockholm Arlanda Airport, although wait times for check-in, security screening and passport control were far too long. I am truly sorry that many passengers, especially at the start of the summer, did not have the positive travel experience we strive for and in a few cases even missed their flight. The intensive recruitment efforts and compensatory measures that we and our partners carried out at the start of the quarter had their full effect, and the situation at one of Sweden's most important transport hubs is now normal. At our other nine airports, better handling of this extreme passenger growth was possible. However, the industry as a whole continues to face operational challenges related to effects of the pandemic.

During the third quarter, 8.5 million passengers travelled to or from Swedavia's airports. That is nearly double the figure compared to the same period last year, which had a significant positive effect on revenue and income. However, there is still a way to go to reach the passenger levels we saw before the pandemic. Net revenue totalled SEK 1,311 M, an increase of SEK 518 M compared to the same period last year. Operating profit was SEK 75 M, which is SEK 325 M better than last year. Cash flow from operating activities was positive for the second straight quarter at SEK 322 M. For the period January to September, cash flow from operating activities was also positive at SEK 306 M.

HIGH PUNCTUALITY AT ARLANDA

One consequence of the pandemic and the war in Ukraine is that punctuality for air travel in Europe has deteriorated. Among other factors, a shortage of air traffic controllers has limited capacity and caused delays. Furthermore, congestion in European airspace, caused in part by commercial air traffic not being able to pass through Ukrainian or Russian airspace, has contributed to delays. Nonetheless, given the context it is gratifying that during the third quarter Arlanda was one of the three airports in Europe with the highest punctuality.

Improving air traffic punctuality is an important issue that is a joint priority for the aviation industry. High punctuality is one of the factors that make air travel competitive, and delays in Europe also affect our Swedish airports. Swedavia is thus working together with our European colleagues in the trade association Airport Council International (ACI) Europe to increase the efficiency of airports and airspace, especially in the longer term, which will also reduce greenhouse gas emissions from aviation. Alongside this, we continue the work that is unceasingly carried out to make the processes at Swedavia's own airports more efficient so that we can deliver top-class punctuality in the future as well.



TURMOIL AROUND THE WORLD

This year, we could almost feel the anticipation in the air as people were once again able to travel the world to meet their loved ones, experience new things or do business. This is wonderfully inspiring and perhaps feels especially important these days – because we are living in turbulent times. The war in Ukraine continues, with tragic consequences for millions of people. It also has major repercussions for a global economy already under pressure, characterised by inflation and uncertainty. The situation has led the World Bank to lower its global economic growth forecasts. Moreover, the pandemic is still around, and while it is unlikely that we will need restrictions going forward like those we saw earlier in the pandemic, there is still uncertainty about what course it will take.

These are all external factors that can affect the strong recovery we have seen in the aviation market this year. Meanwhile, there is still a pent-up demand for travel following the lifting of Covid restrictions – something the favourable trend during the third quarter also clearly indicated. All in all, it is difficult to determine the passenger trend in the short term, but in the longer term, there are many indications that air travel will increase globally. We therefore need to continue developing our airports to enable the air transport of the future.

DEVELOPMENT IS GOING QUICKLY

A lot is happening at Swedavia's airports, and this development will continue going forward. The range of food, beverage and shopping options available mostly at Stockholm Arlanda, but also at Göteborg Landvetter, will be improved in the years ahead and will provide a great boost to our passengers. At Arlanda, a new, modern and centrally located security checkpoint is taking shape.

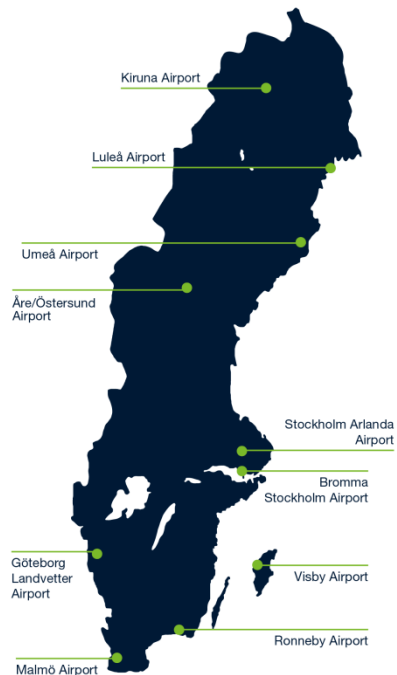
Rapid advances are being made in electric, hybrid and hydrogen-powered aircraft, and our regional airports in particular have served as important testing grounds for the technology of the future. It is gratifying that a Swedish company like Heart Aerospace is considered a world leader in the development of electric aircraft. During the quarter, Swedavia took a seat on the company's Industry Advisory Board in order to contribute our perspective on the very exciting development of electric aviation. New types of electric aircraft will place new requirements on our airports, and given that electric aircraft are just a few years from being put into commercial use, we need to make preparations even now. Already today, there is charging infrastructure at Åre Östersund and Visby Airport to handle the smaller aircraft on the market, but going forward this will be available at all of our airports. That is an important part of aviation's large-scale transition to net zero operations and thus very welcome. Swedavia is a world leader in operating and developing climate-smart airports, and we will also be that going forward.

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 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 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, 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 from 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 wholly owned by Swedavia

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, 2022	Actual ⁴ Sep 30, 2021	Targets 2022	Targets 2025
Satisfied passengers, % ⁵	77	81	82	85
Engaged leaders and employees, % ⁶	60	n/a	n/a	n/a
Return on operating capital, %	-1.8	-9.1	6.0	6.0
Mixture of renewable jet fuel, % ⁷	0.4	0.0	0.5	5.0

⁴ The actual figure is for 12 rolling months

⁵ Concerns the customer group passengers at Stockholm Arlanda Airport and Göteborg Landvetter. As of the second quarter of 2022, measurements are taken for all airports.

⁶ No measurement was carried out using the Engaged Leader and Employee method last year. Starting in 2022, a new method of measurement has been adopted, which is why new targets will be determined in conjunction with the business plan for the coming year.

⁷ The target is measured based on having 5 per cent of all aviation fuel used for refuelling in Sweden be renewable by 2025.

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 concept

Together with our partners, Swedavia creates added value for customers by offering attractive airports and access 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

Important events

January – September

ARLANDA COMMISSION REPORT SUBMITTED TO GOVERNMENT

On February 15, the previous Swedish government appointed a commission entrusted with the task of preparing a plan for the development of Stockholm Arlanda Airport. The government wants to ensure there is sufficient air transport capacity at Arlanda in order to close Bromma Stockholm Airport in the long term.

The commission's report was presented on June 17 and has now been open to public consultation. Among the commission's findings were that preparations for expanding capacity at Arlanda need to be accelerated, essential air transport services need to be brought together at Arlanda, more people should take mass transport to the airport, the need for increased capacity in the road and rail transport system around Arlanda needs to be investigated, an aviation fuel commission should be appointed, and the proposal was put forward that Bromma Stockholm Airport should only operate fossil-free air traffic after 2030 and can be closed at the earliest in 2035.

Responses to the public consultation must be received by the Swedish Ministry of Infrastructure by October 31, 2022.

SALE OF LAND-OWNING COMPANIES

On March 21, 2022, four land-owning companies with building rights in the logistics park at Göteborg Landvetter Airport were sold. The underlying property value was SEK 60 M and the capital gain was SEK 44 M.

STRIKE AND CHAPTER 11 FILING FOR AIRLINE CUSTOMER

The Scandinavian carrier SAS is one of Swedavia's biggest customers. On July 4, pilots employed by SAS Scandinavia went on strike. Flights operated by SAS Link, SAS Connect and SAS's external partners were not affected by the strike. On July 19, the parties announced that an agreement had been reached and the strike ended. SAS serves all of Swedavia's airports except Bromma Stockholm Airport, and the strike had a negative effect on Swedavia's traffic and revenue.

On July 5, SAS and some of its subsidiaries filed for Chapter 11 bankruptcy protection (a legal process for financial restructuring) in the US. On July 7, the US court announced that SAS can maintain its normal business operations while the Chapter 11 proceedings are under way. So far, these proceedings have not had any negative effect for Swedavia. The process is monitored continuously by Swedavia in order to assess any future consequences.

RECOVERY OF PART OF SHAREHOLDER CONTRIBUTION TO SWEDAVIA

On September 1, 2022, the Swedish government decided to commission the Swedish Legal, Financial and Administrative Services Agency to examine the matter of recovery and to recover SEK 879 M of the SEK 2.5 billion shareholder contribution paid to Swedavia on October 23, 2020, based on authorisation previously given by the Swedish Parliament.

The owner's decision to provide a shareholder contribution of SEK 2.5 billion in October 2020 was based on market terms. Following the filing of a complaint, the European Commission is examining the shareholder contribution in view of the praxis established during the COVID-19 pandemic. As a result, the Swedish government has determined that SEK 1,621 M of this amount can be approved by the European Commission based on State aid rules laid out in the Treaty of the Functioning of the European Union (TFEU). Consequently, the overpayment of SEK 879 M plus interest needs to be repaid by Swedavia.

After examining the matter, the Legal, Financial and Administrative Services Agency determined on October 5, 2022, that Swedavia must repay SEK 879 M of the shareholder contribution paid earlier, plus SEK 19 M in interest. The payment must be received by the Agency by October 31, 2022.

Swedavia will now also study the potential consequences of this decision for restructuring aid totalling SEK 441 M received earlier on account of the Covid pandemic.

The review of the shareholder contribution and uncertainty about the potential effect on other State aid were noted earlier in the risk section in Swedavia's quarterly reports and Annual Report.

Swedavia has capacity to manage the repayments in terms of liquidity and continue to meet the owner's capital structure target for the company. Existing operations and investment programmes will also continue in line with current planning.

Events after the end of the period

COMMUNICATION ON BROMMA STOCKHOLM AIRPORT IN THE TIDÖ AGREEMENT

In the so-called Tidö Agreement presented by the Moderate Party, Christian Democrats, Liberals and Sweden Democrats on October 14, the parties stated that no decision on the closure of Bromma Stockholm Airport will be made during their current term of office.

Passenger trends

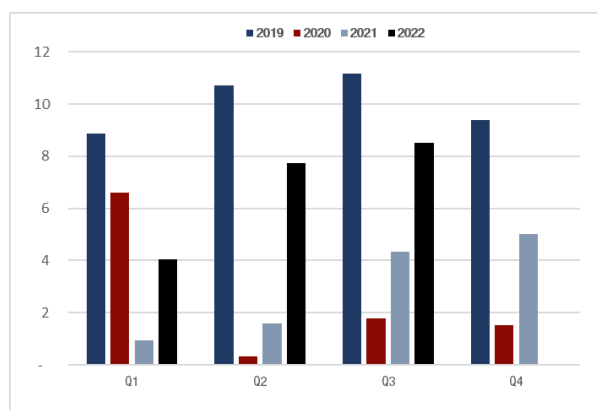
January – September

After the first few months of the year, the effect of the Covid-19 pandemic on demand had almost entirely disappeared, resulting in a sharp rebound in travel and thus more passengers at Swedavia's airports. The year began with an increase in the spread of the Omicron variant, which brought the reintroduction of restrictions and reduced air traffic. The effects of this variant gradually diminished, and most restrictions were lifted in early February. Consequently, demand for travel increased sharply starting in March and continued to increase during the rest of the nine-month period. Increased demand for travel has led airlines to gradually expand their offering with more destinations and an increased number of departures.

During the nine-month period, 20.3 million passengers travelled via Swedavia's airports. That is nearly three times as many passengers as in the same period last year, when Swedavia had 6.9 million passengers. Passenger volume for the first nine months of the year was 66 per cent of the pre-pandemic volume.

PASSENGER VOLUME – SWEDAVIA

QUARTERLY PASSENGER VOLUME, 2019 – 2022 (MILLION)



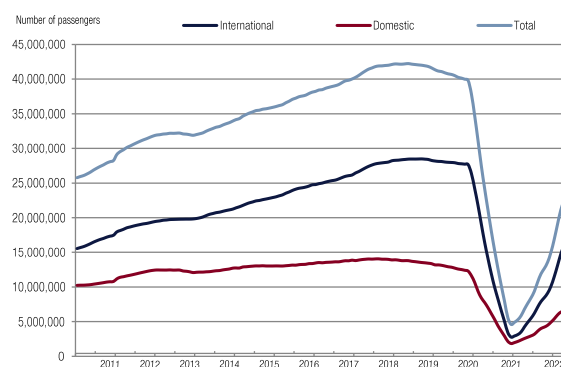
July – September

During the third quarter of 2022, demand for travel continued to rise. For Swedavia, that meant the passenger increase that began during the first half of the year continued during the third quarter. Airlines continued to expand their offering of destinations and number of departures during the third quarter in order to meet the increased demand.

During the third quarter of 2022, 8.5 million passengers travelled via Swedavia's airports, nearly twice as many passengers as during the same period last year, when Swedavia had 4.4 million passengers. Passenger volume during the third quarter was 76 per cent of the pre-pandemic volume. The pilot strike at the Scandinavian carrier SAS in July had a negative effect on passenger volume of about 150,000 passengers, which is equivalent to 1.8 per cent of the volume during the quarter.

PASSENGER TREND – SWEDAVIA

NUMBER OF PASSENGERS, ROLLING TWELVE-MONTH TREND, APRIL 2010 – SEPTEMBER 2022



PASSENGER VOLUME

JAN-SEP 2022

Passengers	Number of passengers Jan-Sep			Number of passengers Jul-Sep		
	2022	2021	Per cent change	2022	2021	Per cent change
International	14,876,000	4,567,000	225.7%	6,502,000	3,075,000	111.4%
Domestic	5,396,000	2,323,000	132.3%	1,978,000	1,277,000	54.9%
Total	20,272,000	6,889,000	194.3%	8,481,000	4,353,000	94.8%

Economic overview, Group

Operating profit

JANUARY-SEPTEMBER

Net revenue for the period totalled SEK 3,496 M (1,733), which is an increase of SEK 1,763 M or 102 per cent compared to the same period last year. In the Airport Operations segment, net revenue increased SEK 1,756 M to SEK 3,491 M (1,735). Net revenue in the Real Estate segment totalled SEK 33 M (26).

Revenue from Aviation Business totalled SEK 2,159 M (1,057), which is SEK 1,102 M or 104 per cent higher compared to the same period last year, mainly due to higher passenger volume and increased air traffic primarily during the second and third quarter. Revenue from Commercial Services also increased, totalling SEK 1,329 M (667), mainly due to revenue from Parking & Entry and from Retail, Food & Beverage which, combined, totalled SEK 886 M (291), an increase of SEK 595 M. Real Estate revenue was SEK 51 M higher compared to the same period last year and totalled SEK 338 M (287), mainly due to increased revenue from the resale of electricity and heating. Revenue from Commercial Services during the first nine months of the year was positively affected by a rent relief grant from the Swedish State of SEK 8 M (3).

Other operating revenue totalled SEK 80 M (297), mainly due to a capital gain of SEK 44 M (71) from the sale of land-owning companies at Göteborg Landvetter Airport and restructuring aid received of SEK 20 M (208).

External costs and staff expenses, including capitalised work for the company's own account, totalled SEK 2,764 M (2,148), which is SEK 616 M higher compared to the same period last year. Higher costs are largely explained by increased passenger volume and higher energy costs. Last year, State aid for furloughs had a positive effect of SEK 81 M.

Depreciation, amortisation and impairment losses totalled SEK 993 M (1,001). Excluding impairment losses and a non-recurring item of SEK 25 M last year, underlying depreciation and amortisation increased SEK 17 M, due to facilities being placed in service.

Consolidated operating profit totalled SEK -183 M (-1,119) and the consolidated operating margin was -5.2% (-64.6). Excluding restructuring costs, impairment losses and capital gains, operating profit was SEK -221 M (-1,157).

Operating profit in the Airport Operations segment was SEK 966 M higher compared to the same period last year and totalled SEK-221 M (-1,187), mainly due to increased air traffic and higher passenger volumes.

Operating profit in the Airport Operations segment was SEK 21 M (58). The operating profit for the first nine months is mainly due to a capital gain of SEK 44 M (80).

JULY-SEPTEMBER

Net revenue for the third quarter totalled SEK 1,311 M (793), which is an increase of SEK 518 M or 65 per cent compared to the same period last year. In the Airport Operations segment, net revenue increased SEK 508 M to SEK 1,309 M (801). Net revenue in the Real Estate segment totalled SEK 16 M (-2).

Revenue from Aviation Business totalled SEK 810 M (507), an increase of SEK 303 M. The increase in passenger- and aircraft-related revenue was less than the increase in passenger volume, which is explained by higher discounts given to new and additional traffic volume. Revenue from the Swedish Transport Agency for security screening increased, due to the increased cost base.

Revenue from Commercial Services was SEK 216 M higher compared to the same period last year and totalled SEK 498 M (282). The increase in revenue from Retail, Food & Beverage was greater than the increase in passenger volume, mainly due to a lower share of rent discounts given compared to the same period last year. Revenue from Parking & Entry was SEK 94 M higher, mainly due to revenue from passenger parking, which increased in line with the passenger trend. Revenue from Real Estate was SEK 8 M higher compared to the same period last year, due to revenue from the resale of electricity to external customers. Revenue from Commercial Services was affected during the third quarter by State rent relief grants of SEK 0 M (0).

Other operating revenue totalled SEK 7 M (-26). The same quarter last year was negatively affected by an adjustment in restructuring aid previously recognised as income.

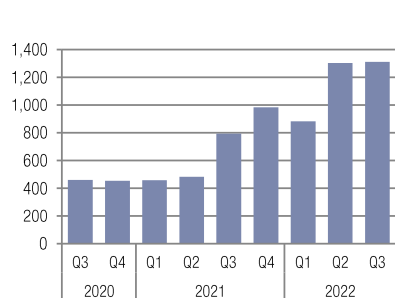
External costs and staff expenses, including capitalised work for the company's own account, totalled SEK 912 M (670), which is SEK 242 M higher compared to the same period last year. Higher costs are mostly explained by increasing passenger volume. Higher energy costs also had a negative effect. Last year, State aid for furloughs had a positive effect on external operating costs of SEK 10 M.

Depreciation, amortisation and impairment losses totalled SEK 329 M (347). Excluding impairment losses and a non-recurring item of SEK 18 M last year, depreciation and amortisation were on a par with the figure for the third quarter last year.

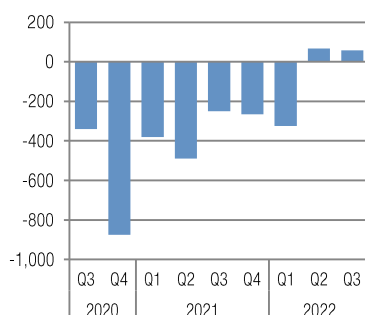
Consolidated operating profit for the third quarter was positive, for the second straight quarter, and totalled SEK 75 M (-250). The consolidated operating margin was 5.7% (-31.5). Excluding restructuring costs, impairment losses and capital gains, operating profit was SEK 76 M (-244).

For the Airport Operations segment, operating profit totalled SEK 76 M (-247) and was SEK 323 M higher compared to the same period last year. Operating profit for the Real Estate segment was SEK -7 M (-9).

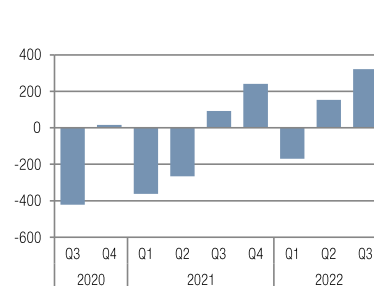
NET REVENUE, SEK M



OPERATING PROFIT, SEK M
(including capital gains)



CASH FLOW FROM OPERATING ACTIVITIES, SEK M



Financial items

Financial items for the first nine months were a net expense of SEK 58 M (35), which is SEK 23 M higher than for the same period last year. The difference is mostly explained by higher borrowing costs, SEK 116 M (93).

Financial items the third quarter were a net expense of SEK 18 M (-11).

Profit for the period

Profit before tax for the period January to September was SEK -241 M (-1,154), and profit for the period was SEK -166 M (-905).

Profit before tax for the third quarter was SEK 57 M (-261) and profit for the third quarter was SEK 46 M (-206).

Investments

Investments through the third quarter totalled SEK 1,293 M (1,321), SEK 1,287 M (1,257) of which is investments in the Airport Operations segment. Most investments were made in the development programme at Stockholm Arlanda Airport, but important investments were also made in runways and vehicles.

Investments in Real Estate and property development totalled SEK 6 M (64).

During the third quarter, investments totalled SEK 402 M (353).

Cash flow

Cash flow through the third quarter totalled SEK 624 M (463).

Cash flow from operating activities for the period was positive at SEK 306 M (-535), which is SEK 841 M higher compared to last year. The improved cash flow is mainly explained by higher cash-generating income. Cash flow from the change in operating capital was SEK -141 M (114).

Cash flow from investing activities was SEK -1,283 M (-689), which is SEK 594 M lower than for the same period last year.

Expenditures for investments totalled SEK 1,293 M (1,321). The sale of subsidiaries generated a positive cash flow of SEK 64 M (470). During the period, increased short-term investments generated a negative cash flow of SEK 53 M (+162).

Cash flow from financing activities was SEK 1,601 M (1,687). Bank loans increased SEK 500 M, medium-term note loans increased SEK 682 M and commercial paper increased SEK 546 M, which together increased loan liabilities by SEK 1,728 M. The payment of interest due to hybrid bonds, SEK 49 M (11), had a negative effect on cash flow. Lease liabilities totalling SEK 79 M (78) were repaid.

Cash flow from operating activities for the third quarter was positive at SEK 322 M (93), and cash flow for the quarter was SEK 614 M (379).

Liquidity and financial position

Equity includes hybrid bonds of SEK 3,500 M, SEK 1,000 M of which was issued in November 2019 and SEK 2,500 M of which was issued in November 2021. Equity decreased SEK 898 M due to the repayment of a shareholder contribution, SEK 879 M, plus interest of SEK 19 M. In terms of liquidity, settlement will be made during the fourth quarter and the item was recognised as of September 30 as a current non-interest-bearing liability. Equity increased SEK 917 M, due to changes in the value of cash flow hedges and a revaluation of the pension liability.

Swedavia's loan liabilities at the end of the third quarter totalled SEK 11,400 M (9,672), which is an increase of SEK 1,728 M. Swedavia's loan liabilities are broken down into bank loans of SEK 4,200 M (3,700), medium-term notes of SEK 6,554 M (5,872) and commercial paper of SEK 646 M (100). At the end of the third quarter, the average capital tie-up period, which includes the effect of interest rate derivatives, was 3.4 years (4.4) and the average interest rate lock-in period was 3.9 years (2.9). The average interest rate as of September 30 was 1.7 per cent (1.3). On the balance sheet date, the nominal total of interest rate derivatives was SEK 7,100 M (5,750).

Liquid assets increased SEK 624 M to SEK 2,724 M (2,100) at the end of the quarter. Short-term investments through the third quarter increased by SEK 53 M, from SEK 297 M to SEK 350 M. Net liabilities increased SEK 700 M from SEK 9,293 M to SEK 9,993 M.

The debt/equity ratio was 0.8 times (0.8).

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

On the balance sheet date, there were no unutilised framework loan agreements. At year-end 2021, unutilised framework loan agreements totalled SEK 500 M.

Return on operating capital, excluding restructuring costs, capital gains, impairment losses and disposals, was -1.9 per cent (-6.3) at the end of the quarter.

FINANCIAL TARGETS FOR SWEDAVIA'S OWNER

	Actual Sep 30, 2022	Target
Return on operating capital, %	-1.8	6
Debt/equity ratio, times	0.8	0.7-1.5
Dividend target, % ⁷	-	10-50

KEY FINANCIAL METRICS

	Actual Sep 30, 2022	Actual Sep 30, 2021	Actual Dec 31, 2021	Policy
Average interest rate, %	1.7	1.0	1.3	n/a
Average interest rate lock-in period, year	3.9	2.4	2.9	1-4
Average capital tie-up period, years	3.4	3.5	4.4	2-5

Employees

The average number of employees for the period October 1, 2021 – September 30, 2022, was 2,307 (2,303). The average number of employees decreased through the first quarter of 2022 as an effect of a structural change carried out in the organisation. The average number of employees then increased during the second and third quarter in order to meet growing 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 2021 on pages 62–65 and in Note 47.

Swedavia's biggest risks are associated with the air traffic trend. During 2022, the effects of the Covid-19 pandemic diminished significantly, and air traffic has recovered to a significant extent. However, there is still a risk of new virus variants and increased infection. During the third quarter, the war in Ukraine continued. For Swedavia, the direct effects on air traffic have so far been limited. In the long term, developments around the world, which have entailed higher inflation and higher energy, fuel and commodity prices, among other things, will also have a negative impact on global economic growth, which in turn will affect the trend in the aviation industry. 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 may have a major impact on Swedavia's operations if one of these were to have financial problems. The Covid-19 pandemic has had enormous effects on all of Swedavia's airline customers and entails a risk of a major negative economic impact on these airlines. During the third quarter, the Scandinavian carrier SAS filed for bankruptcy protection in the US. 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 lower passenger 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-based rental income for Swedavia.

The recovery in air traffic now under way also involves challenges in terms of ramping up operations, where there is a risk of capacity challenges when traffic volume is high, 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 cybercrime and other external events. There is moreover 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 contests the claim in full, but the amount involved is material. The District Court issued a ruling on the case on March 24, 2022, in Swedavia's favour. The ruling has been appealed by the counterparty, and the Court of Appeal has granted leave of appeal.

After examining the matter, the Swedish Legal, Financial and Administrative Services Agency decided to recover some of the shareholder contribution that Swedavia received in 2020, which in turn may affect the restructuring aid Swedavia received on account 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

Net revenue for the Parent Company through the third quarter of 2022 totalled SEK 3,479 M (1,679), which is an increase of SEK 1,800 M, mainly due to increased passenger volume through the third quarter compared to the same period last year. Other operating revenue, SEK 36 M (227), was affected by restructuring aid received of SEK 20 M (208). Operating profit for the period totalled SEK -315 M (-1,341) and the operating margin was -9 per cent (-79.9). The effects of the Covid-19 pandemic on operating profit gradually diminished, including through the third quarter. Profit before tax for the first nine months of the year was SEK 282 M (-1,441) and was positively affected by dividends from subsidiaries of SEK 700 M (-). Profit for the period was SEK 386 M (-1,146).

Profit before tax for the third quarter was SEK 7 M (-335) and profit for the period was SEK 5 M (-266).

Consolidated income statement

Amounts in SEK M	Note	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net revenue	2,3	1,311	793	3,496	1,733	2,717
Other operating revenue	6	7	-26	80	297	325
Total revenue		1,317	767	3,576	2,030	3,042
Work performed by the company for its own use and capitalised		24	29	90	120	161
External costs		-558	-387	-1,656	-1,189	-1,707
Staff expenses		-378	-312	-1,198	-1,080	-1,484
Depreciation/ amortisation and impairment losses on tangible fixed assets and intangible non-current assets		-329	-347	-993	-1,001	-1,382
Other operating costs		-2	1	-2	0	-14
Operating profit		75	-250	-183	-1,119	-1,385
Income from financial items						
Income from holdings in associated companies and joint ventures		23	21	51	54	71
Interest income and similar items		5	2	9	4	4
Interest expenses and similar items		-46	-33	-118	-94	-131
Income after financial items		57	-261	-241	-1,154	-1,441
Tax		-11	55	75	250	258
Profit for the period	2	46	-206	-166	-905	-1,182
Earnings per share before and after dilution, SEK		0.02	-0.15	-0.15	-0.64	-0.83
The total number of shares was 1,441,403,026 for all periods						

Consolidated statement of comprehensive income

Amounts in SEK M	Note	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Profit for the period		46	-206	-166	-905	-1,182
Other comprehensive income:						
Items that can be reclassified to the income statement						
Cash flow hedges						
Items reclassified to the income statement		6	27	7	3	8
Change in fair value for the period		219	13	860	134	177
Tax		-46	-8	-179	-28	-38
Other comprehensive income from joint ventures, net after tax		11	-2	41	5	13
Items that cannot be reclassified to the income statement						
Revaluations of defined benefit pensions		90	-4	297	15	-3
Tax		-19	1	-61	-3	1
Total other comprehensive income, net after tax		262	27	965	126	157
Comprehensive income for the period		308	-178	799	-779	-1,025

Consolidated balance sheet, summary

Amounts in SEK M	Note	Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
ASSETS	2			
NON-CURRENT ASSETS				
Intangible assets		661	692	702
Fixed assets		19,641	19,178	19,214
Right-of-use assets		1,054	1,111	1,088
Deferred tax asset		17	179	169
Derivative instruments		870	-	42
Non-current financial assets		1,378	1,189	1,282
Total non-current assets		23,621	22,349	22,498
CURRENT ASSETS				
Materials and supplies		70	61	62
Trade receivables	5	422	243	383
Receivables from associated companies		7	5	27
Other receivables		163	326	248
Prepaid expenses and accrued income		156	107	95
Derivative instruments		5	-	-
Short-term investments		350	13	297
Liquid assets		2,724	1,925	2,100
Total current assets		3,898	2,679	3,213
TOTAL ASSETS		27,518	25,028	25,711
EQUITY AND LIABILITIES	2			
EQUITY				
Share capital		1,441	1,441	1,441
Other paid-in capital		3,782	4,661	4,661
Hedge reserve		695	-32	6
Hybrid bonds		3,500	1,000	3,500
Retained earnings (including profit for the year)		2,424	2,672	2,381
Total equity		11,843	9,743	11,990
NON-CURRENT LIABILITIES				
Provisions		834	1,082	1,153
Interest-bearing liabilities		8,251	9,502	8,002
Derivative instruments	4	2	39	35
Lease liability		991	1,041	1,022
Other non-current liabilities		57	240	128
Total non-current liabilities		10,135	11,903	10,339
CURRENT LIABILITIES				
Provisions		91	81	98
Interest-bearing liabilities		3,149	2,008	1,671
Derivative instruments	4	4	6	4
Lease liability		123	124	122
Trade payables		485	457	565
Liabilities to associated companies		29	42	64
Other liabilities		1,008	122	305
Accrued expenses and prepaid income		651	542	553
Total current liabilities		5,541	3,382	3,382
TOTAL EQUITY AND LIABILITIES		27,518	25,028	25,711

Consolidated change in equity

Amounts in SEK M	Note	Sep 30, 2022	Sep 30, 2021
Equity, opening balance		11,990	10,533
Hybrid bond interest and transaction costs		-49	-11
Repayment, unconditional shareholder contribution ¹		-898	-
Total transactions with owner and others		-947	-11
Profit for the period		-166	-905
Other comprehensive income		965	126
Other comprehensive income for the period		799	-779
Equity, closing balance		11,843	9,743

¹ Repayment of unconditional shareholder contribution of SEK 879 M plus interest of SEK 19 M; in terms of liquidity, to be settled in Q4 2022.

Consolidated cash flow statement

Amounts in SEK M	Note	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Operating activities						
Profit after financial items		57	-260	-241	-1,154	-1,441
Adjustments for items not included in cash flow etc.		259	302	773	544	993
Tax paid		-15	-10	-83	-40	-16
		300	32	448	-650	-463
Cash flow from changes in working capital						
Increase(-)/Decrease(+) in materials and supplies		-1	-2	-7	-4	-5
Increase(-)/Decrease(+) in operating receivables		39	144	68	331	160
Increase(+)/Decrease(-) in operating liabilities		-16	-82	-202	-213	14
Cash flow from operating activities		322	93	306	-535	-293
Investing activities						
Disposal of subsidiaries	6	-	-	64	470	488
Acquisitions/disposal of intangible assets		-6	-16	-28	-34	-74
Acquisitions/disposal of fixed assets		-397	-337	-1,266	-1,287	-1,755
Acquisitions short-term investments		-299	-	-1,433	-62	-347
Disposal short-term investments		644	-	1,380	225	225
Dividends from associated companies		-	-	-	-	78
Cash flow from investing activities		-58	-352	-1,283	-689	-1,386
Financing activities						
Hybrid bond issue		-	-	-	-	2,500
Hybrid bond interest and transaction costs		-20	-4	-49	-11	-18
Borrowings raised		697	1,300	2,297	3,994	4,494
Borrowings repaid		-300	-632	-568	-2,218	-4,555
Repayment of lease liabilities		-27	-25	-79	-78	-104
Cash flow from financing activities		350	639	1,601	1,687	2,317
Cash flow for the period		614	379	624	463	638
Liquid assets at the beginning of the period		2,110	1,546	2,100	1,462	1,462
Liquid assets at the end of the period		2,724	1,925	2,724	1,925	2,100

Parent Company income statement

Amounts in SEK M	Note	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net revenue		1,304	783	3,479	1,679	2,698
Other operating income		7	-26	36	227	233
Total revenue		1,310	757	3,515	1,906	2,932
Work performed by the company for its own use and capitalised		24	29	90	120	161
External expenses		-609	-467	-1,806	-1,396	-1,913
Staff expenses		-381	-309	-1,208	-1,069	-1,494
Depreciation and amortisation on tangible fixed assets and non-current intangible assets		-297	-315	-903	-902	-1,263
Other operating expenses		-2	1	-2	0	-14
Operating profit		44	-303	-315	-1,341	-1,592
Income from financial items						
Profit on holdings in Group companies		-	-	700	-	-
Interest income and similar items		9	2	14	5	10
Interest expenses and similar items		-47	-34	-118	-104	-141
Income from financial items		7	-335	282	-1,441	-1,722
Appropriations		-	-	-	-	667
Profit before tax		7	-335	282	-1,441	-1,056
Tax		-2	69	105	295	157
Profit for the period		5	-266	386	-1,146	-898

Parent Company statement of comprehensive income

Amount in SEK M	Note	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Profit for the period		5	-266	386	-1 146	-898
Other comprehensive income		-	-	-	-	-
Comprehensive income for the period		5	-266	386	-1 146	-898

Parent Company balance sheet, summary

Amounts in SEK M	Note	Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
ASSETS				
NON-CURRENT ASSETS				
Intangible non-current assets		495	549	555
Tangible fixed assets		18,681	18,058	18,248
Total financial assets		1,846	1,728	1,737
Non-current assets		21,021	20,335	20,540
CURRENT ASSETS				
Materials and supplies		69	57	61
Current receivables		1,865	1,472	1,557
Short-term investments		350	13	297
Liquid assets		2,724	1,917	2,100
Total current assets		5,008	3,459	4,015
Total assets		26,029	23,794	24,555
EQUITY AND LIABILITIES				
EQUITY				
Restricted equity				
Share capital (1,441,403,026 shares)		1,441	1,441	1,441
Reserve for development expenditures		10	19	17
Unrestricted equity				
Share premium reserve		2,161	2,161	2,161
Hybrid bonds		3,500	1,000	3,500
Retained earnings/Share premium reserve		2,144	3,919	3,983
Profit for the period		386	-1,146	-898
Total equity		9,644	7,395	10,204
Untaxed reserves		1,083	1,575	1,083
Provisions		1,454	1,394	1,482
Non-current liabilities		8,298	9,732	8,120
Current liabilities		5,551	3,698	3,666
TOTAL EQUITY AND LIABILITIES		26,029	23,794	24,555

Notes

NOTE 1. ACCOUNTING PRINCIPLES

GENERAL

The 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 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 2022

None of the new and revised standards and interpretations that went into effect on January 1, 2022, has had a material effect on Swedavia's financial reports.

New and revised standards that enter into effect in 2023 or later

The effects on the Group's financial reports and position on amendments that are mandatory for the financial year 2023 are being assessed but are expected not to have any impact on the Group's financial reports. For new and revised standards that enter into force in 2023 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 restructuring aid 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 *		Group	
Income statement Jul-Sep								
Amounts in SEK M	2022	2021	2022	2021	2022	2021	2022	2021
Net revenue	1,309	801	16	-2	-14	-6	1,311	793
Other operating income, external	7	-26	-	-	-	-	7	-26
Total revenue	1,316	775	16	-2	-14	-6	1,317	767
Work performed by the company for its own use and capitalised	24	29	-	-	-	-	24	29
Operating expenses	-968	-738	-17	-1	50	40	-936	-699
Depreciation, amortisation and impairment losses	-293	-313	-6	-6	-30	-28	-329	-347
Other operating costs	-2	1	-	0	-	-	-2	1
Operating profit	76	-247	-7	-9	5	6	75	-250
Financial income	9	2	23	21	-4	0	28	22
Financial expenses	-50	-36	-3	0	7	3	-46	-33
Profit before tax	36	-281	13	11	8	9	57	-261
Tax	-8	58	-1	-1	-2	-2	-11	55
Profit for the period	28	-223	12	11	7	7	46	-206
Other segment information								
Investments	402	348	0	5	-	-	402	353
Restructuring costs	0	1	-	-	-	-	0	1
Impairment losses/disposals	1	5	-	-	-	-	1	5

	Airport Operations		Real Estate		Eliminations/adjustments *		Group	
Income statement Jan-Sep								
Amounts in SEK M	2022	2021	2022	2021	2022	2021	2022	2021
Net revenue	3,491	1,735	33	26	-27	-28	3,496	1,733
Other operating income, external	36	227	44	80	0	-9	80	297
Total revenue	3,527	1,961	77	106	-27	-37	3,576	2,030
Work performed by the company for its own use and capitalised	90	120	-	-	-	-	90	120
Operating expenses	-2,946	-2,370	-39	-29	131	131	-2,855	-2,268
Depreciation, amortisation and impairment losses	-890	-898	-17	-19	-87	-84	-993	-1,001
Other operating costs	-2	0	0	0	0	0	-2	0
Operating profit	-221	-1,187	21	58	17	10	-183	-1,119
Profit from holdings in subsidiaries	700	-	-	-	-700	-	-	-
Financial income	14	5	51	54	-5	-1	60	58
Financial expenses	-128	-110	-5	-1	16	17	-118	-94
Profit before tax	365	-1,292	66	111	-672	26	-241	-1,154
Tax	87	264	-7	-9	-6	-5	75	250
Profit for the period	453	-1,028	60	102	-678	21	-166	-905
Other segment information								
Investments	1,287	1,257	6	64	-	-	1,293	1,321
Capital gains	-	-2	44	80	-	-9	44	69
Restructuring costs	3	16	-	-	-	-	3	16
Impairment losses/disposals	4	15	-	-	-	-	4	15

SEGMENT REPORTING, BALANCE SHEET

	Airport Operations		Real Estate		Eliminations/adjustments *		Group	
Balance sheet								
Amounts in SEK M	Sep 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021
Non-current assets	20,709	20,079	1,700	1,719	1,212	551	23,621	22,349
Current assets	4,983	3,475	135	431	-1,220	-1,226	3,898	2,679
Total assets	25,692	23,554	1,835	2,150	-8	-675	27,518	25,028
Equity	11,039	9,103	724	1,316	79	-677	11,843	9,743
Liabilities	14,653	14,451	1,111	834	-87	1	15,676	15,286
Total equity and liabilities	25,692	23,554	1,835	2,150	-8	-675	27,518	25,028

NOTE 3. NET REVENUE

Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2022 Jul-Sep	2021 Jul-Sep	2022 Jul-Sep	2021 Jul-Sep	2022 Jul-Sep	2021 Jul-Sep	2022 Jul-Sep	2021 Jul-Sep
Breakdown of net revenue								
Aviation Business								
Passenger-related revenue	374	213	-	-	-	-	374	213
Aircraft-related revenue	165	108	-	-	-	-	165	108
Externally regulated charges	200	137	-	-	-	-	200	137
Ground handling	37	27	-	-	-	-	37	27
Other ancillary services	33	22	-	-	-	-	33	22
Total Aviation Business	810	507	-	-	-	-	810	507
Commercial Services								
Parking & entry	207	113	-	-	-	-	207	113
Retail, food & beverage	149	52	-	-	-	-	149	52
Real estate revenue	101	93	8	8	-3	-3	105	98
Advertising	23	16	-	-	-	-	23	16
Other commercial services	14	16	7	-11	-8	-1	14	4
Total Commercial Services	494	289	15	-3	-11	-4	498	282
Other net revenue	5	5	1	1	-3	-2	2	4
Total net revenue	1,309	801	16	-2	-14	-6	1,311	793
Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2022 Jan-Sep	2021 Jan-Sep	2022 Jan-Sep	2021 Jan-Sep	2022 Jan-Sep	2021 Jan-Sep	2022 Jan-Sep	2021 Jan-Sep
Breakdown of net revenue								
Aviation Business								
Passenger-related revenue	928	329	-	-	-	-	928	329
Aircraft-related revenue	435	215	-	-	-	-	435	215
Externally regulated charges	564	389	-	-	-	-	564	389
Ground handling	128	65	-	-	-	-	128	65
Other ancillary services	104	59	-	-	-	-	104	59
Total Aviation Business	2,159	1,057	-	-	-	-	2,159	1,057
Commercial Services								
Parking & entry	521	201	-	-	-	-	521	201
Retail, food & beverage	365	90	-	-	-	-	365	90
Real estate revenue	324	276	24	24	-10	-14	338	287
Advertising	61	46	-	-	-	-	61	46
Other commercial services	46	50	8	1	-11	-9	43	43
Total Commercial Services	1,318	664	31	25	-20	-22	1,329	667
Other net revenue	13	14	1	1	-7	-5	8	9
Total net revenue	3,491	1,735	33	26	-27	-28	3,496	1,733

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 2,946 M (1,477), which pertains to total net revenue as of September 30 including sales revenue from Retail, Food & Beverage of SEK 365 M (90) and rental revenue under FRS 16 of SEK 185 M (165).

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 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.

Group	Measurement under IFRS 9	Book value		Fair value	
		2022 Sep 30	2021 Dec 31	2022 Sep 30	2021 Dec 31
Amounts in SEK M					
Loan receivables and trade receivables	Amortised cost	3,972	3,405	3,972	3,405
Other financial liabilities	Amortised cost	-13,083	-10,588	-12,966	-10,572
Derivatives	Fair value	870	4	870	4
Total		-8,241	-7,179	-8,124	-7,163

NOTE 5. CUSTOMER 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. 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 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 SEK 64 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, SEK 986 M (894), and pension obligations in endowment insurance owned by the company, SEK 8 M (7).

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.

NOTE 8. SUPPLEMENTARY INFORMATION FOR KEY FINANCIAL METRICS**DEBT/EQUITY RATIO (LEVERAGE)**

Swedavia's debt/equity ratio is affected by the pension liability trend. The pension liability was SEK 552 M on September 30, 2022, and SEK 874 M on December 31, 2021.

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

In calculating this key financial metric on September 30, 2022, operating profit for a rolling 12 months was adjusted for restructuring costs of SEK 4 M, impairment losses and disposals of SEK 40 M and capital gains of SEK 66 M. Operating profit for a rolling 12 months on September 30, 2021, was adjusted for restructuring costs of SEK 32 M, impairment losses and disposals of SEK 185 M and a capital gain of SEK 74 M.

NOTE 9. EVENTS AFTER THE END OF THE PERIOD**COMMUNICATION ON BROMMA STOCKHOLM AIRPORT IN THE TIDÖ AGREEMENT**

In the so-called Tidö Agreement presented by the Moderate Party, Christian Democrats, Liberals and Sweden Democrats on October 14, the parties stated that no decision on the closure of Bromma Stockholm Airport will be made during their current term of office.

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 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/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 hybrid bonds 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 and short-term investments.

NET REVENUE

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

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 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 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.

TARGETS FOR SUSTAINABLE VALUE CREATION

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 2021.

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 2022	February 15, 2023
Annual and Sustainability Report 2022	March 30, 2023
Interim report Jan-Mar 2023	April 28, 2023

Swedavia's financial reports are published on Swedavia's website www.swedavia.com.

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 31, 2022, at 3:00 p.m. CET.

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

Contact people

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On behalf of the Board of Directors, the President and CEO hereby submits the Interim Report for the period
January-September 2022

Stockholm-Arlanda, October 31, 2022

Jonas Abrahamsson
President and CEO

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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, 2022 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 31, 2022

KPMG AB

Tomas Gerhardsson

Authorised public accountant