MEDIA RELEASE

SWISSPORT WITH INCREASED REVENUE AND RESULT

Swissport increased its revenue to EUR 1,526.0 million in the first half of 2019 compared to EUR 1,437.9 million in the first half of 2018 (plus 6.1%). The company's revenue growth continued to be profitable with its operating EBITDA up 7.2% to EUR 121.9 million for the first six months of 2019 (EUR 113.7 million in the first half of 2018).

Revenue for the six months ending 30 June 2019 increased to EUR 1,526.0 million compared to EUR 1,437.9 million for the first half of 2018 (or EUR 1,472.4 million on a constant currency basis). This is a plus of 6.1% year-on-year (or 3.6% on a constant currency basis). Operating EBITDA (IFRS 16 adjusted) for the six months ending 30 June 2019 climbed to EUR 121.9 million compared to EUR 113.7 million in the first half of 2018 (or EUR 116.5 million on a constant currency basis). This is a plus of 7.2% year-on-year (or 4.6% on a constant currency basis). Operating cash-flow for the first half of 2019 climbed to EUR 78.1 million, up almost four-fold compared to the same period last year (EUR 20.2 million). In accordance with IFRS 16, which came into effect in January 2019, operating EBITDA in the first half of 2019 was EUR 191.4 million and operating cash-flow EUR 148.1 million.[1]

"Our solid half-year results were driven by profitable revenue growth and our continued efforts to further improve our cost efficiency," says Eric Born, President and CEO of Swissport International AG. „As the global aviation market now shows visible signs of a slowdown, we are implementing additional measures to safeguard earnings and to improve the Group's profitability in the medium term."

Swissport's revenue for the second quarter ending 30 June 2019 increased to EUR 776.5 million compared to EUR 753.6 million for the second quarter 2018. This is an increase of 3.0% compared to the same period in 2018. Operating EBITDA (IFRS 16 adjusted) for the period remained roughly stable at EUR 76.1 million compared to EUR 76.4 million for the second quarter 2018 (or EUR 78.0 million on a constant currency basis). In accordance with IFRS 16 operating EBITDA for the second quarter of 2019 amounted to EUR 109.9 million.[1]

In the first six months of 2019, Swissport handled 1.02 million passenger flights globally (minus 1.3%), serving some 128 million airline passengers. Changes in Swissport's client portfolio at London Stansted Airport and at Bristol Airport in the UK, and the strategic decision to discontinue the ground service business at Los Angeles International Airport in the US, were the main reasons for the 3.2% decline in passenger volumes compared to the 132 million served in the same period last year. The adjustment at Los Angeles, taken in the second half of 2018, has been delivering the expected economic benefits to Swissport's US business.

At 115 cargo warehouses worldwide Swissport handled 2.23 million tons of air freight in the first half of 2019 compared to 2.35 million tons in the first half of 2018. The sale of the cargo handling business in France, which was successfully completed in June 2018, accounts for 2.1 p.p. of the overall 5.4% volume decline. The remaining 3.3% volume reduction are roughly in line with the 3.6% contraction of the global air cargo market. According to IATA, June 2019 marked the eighth consecutive month with declining year-on-year air cargo volumes.

Considering such demand side pressures, Swissport's increased EBITDA in the first half of 2019 is a solid result. Profitable organic revenue growth, the first-time consolidation of Australian Aerocare for a complete six-month period, compared to just four months in the first half of 2018, a strong de-icing season in the first three months of 2019 and continued growth in the Middle East were all factors contributing to the positive half-year result.

In August 2019, Swissport has successfully refinanced existing corporate debt, well ahead of the 2021/2022 maturities. The new senior notes and senior secured notes with maturities in 2024 and 2025, respectively, and a new term loan B, have a total volume of EUR 1,510 million. Swissport used the net proceeds from the offering of the notes and the term loan B facility primarily to repay its outstanding borrowings, which consisted of existing outstanding term loan B facilities and an existing outstanding revolving credit facility, and to fully redeem the aggregate principal amount of its existing outstanding senior secured and senior notes.

The refinancing at more favorable terms also significantly increased Swissport's cash position. This provides additional stability and strategic flexibility and enables the company to further expand its leading global market position through organic growth, direct market entries or selective bolt-on acquisitions.

[1] The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial recognition on 1 January 2019. The operating EBITDA of EUR 191.4 million reflects the impact of the new standard and represents the reported EBITDA. Whereas the operating EBITDA of EUR 121.9 million is the IFRS16 adjusted (pre IFRS16 adoption) result based on management estimates.

In 2018, Swissport International AG provided best-in-class airport ground services for some 282 million airline passengers and handled roughly 4.8 million tons of air freight in 115 cargo warehouses worldwide. Several of its warehouses have been certified for pharmaceutical logistics by IATA's CEIV. The world's leader in airport ground services and air cargo handling, with 66,000 employees, achieved consolidated operating revenue of 2.99 billion euros in 2018. At the end of June 2019, Swissport was active at 310 airports in 49 countries on six continents.

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