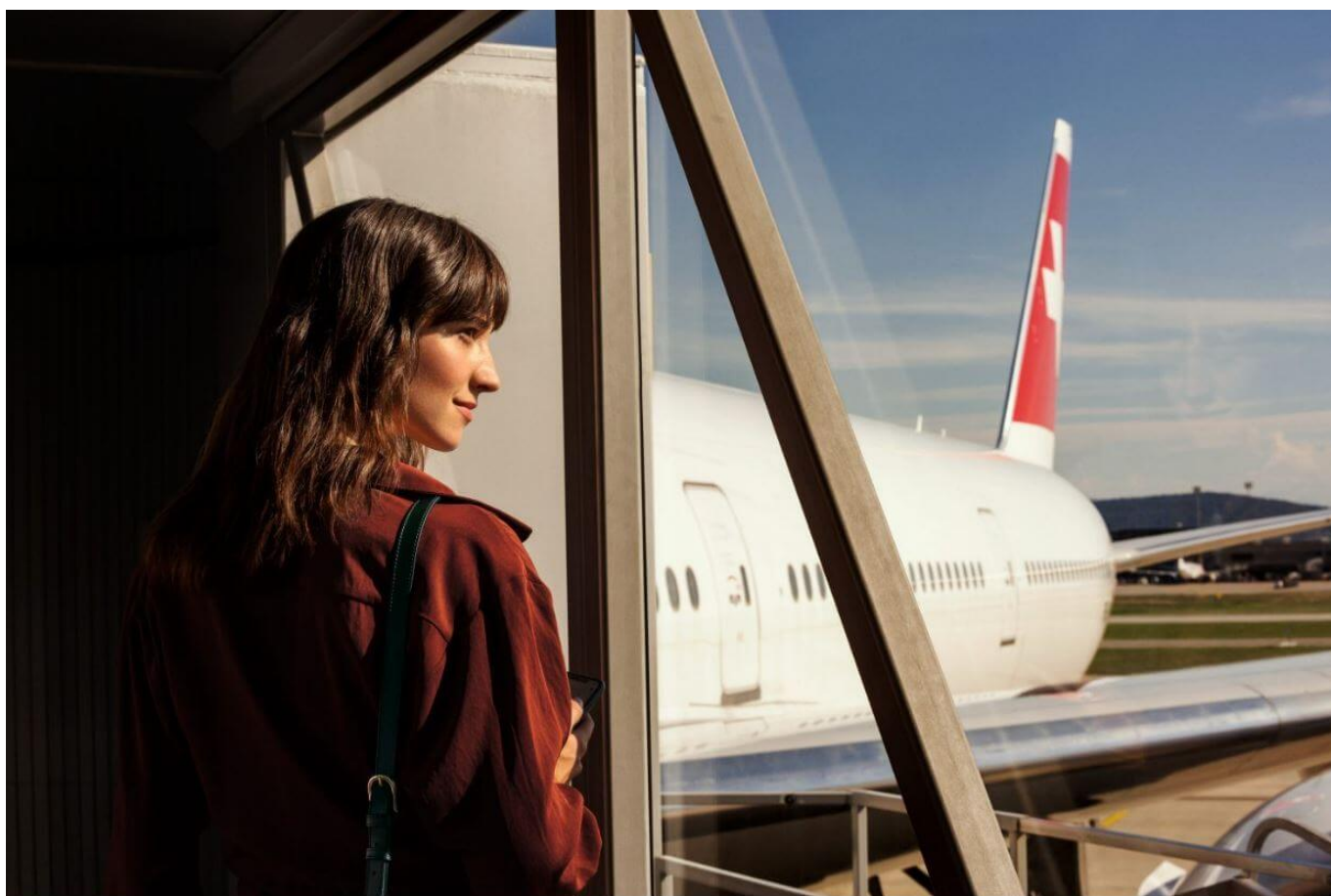


# SWISS returns to profit in 2022



SWISS transported some 12.8 million passengers in 2022

[SWISS](#), Switzerland's biggest airline, achieved turnaround in 2022 and reported strong earnings of CHF 456 million, an improvement of almost CHF 900 million on the prior-year result. The successful business performance was attributed to optimized cost structures, stable flight operations and advantageous market conditions. Adjusted EBIT margin for the year returned to double digits at 10.4 percent, and total revenues for 2022 was around double its prior-year level at CHF 4.41 billion.

In a March 3 press release, SWISS CEO Dieter Vranckx said, "Despite some substantial challenges throughout the aviation sector, we achieved our turnaround already last year and, with an operational stability of more than 99 percent in the summer months, we have flown our company firmly back into the profit zone. The scheduling stability that has been such a key element in this success will remain one of our top focuses this year, too."

SWISS also significantly raised its fourth-quarter earnings in 2022 and reported an operating profit for the period of CHF 169 million, a CHF 200 million improvement on the prior-year period. Fourth-quarter revenues totalled CHF 1.23 billion, a tangible improvement of more than 67 percent on the prior-year period.

The first quarter of 2022 was still characterized by sizeable uncertainties with both the prevalence of the Omicron virus variant and the outbreak of the conflict between Russia and Ukraine. In spring, however, people's confidence in travelling quickly returned, and the demand for air travel showed a steeply upward curve. The rapid ramp-up of flight operations in response posed major structural challenges throughout the air transport sector. The substantial pent-up demand for air travel

exceeded the capacities available, and this had a major impact on SWISS's business results for the year.

Operating results for 2022 were further boosted by the still-strong demand for air cargo services, which produced the best cargo result in the company's history. The successful business performance was also buoyed by the optimized cost structures established through the corporate restructuring of the previous year.

Thanks to the positive developments in its liquidity situation, SWISS was able to repay the bank loans which had been 85-per-cent guaranteed by the Swiss Confederation, along with interest totalling CHF 60 million, earlier than envisaged at the end of May 2022 and arrange its further financing via the capital markets. SWISS's liquidity situation has since further improved.

"With an adjusted EBIT margin of over 10 percent, our financial results for 2022 are substantially better than we had originally expected," said SWISS CFO Markus Binkert. "They also allow all our stakeholders to share in our success. Our employees, for example, have been awarded more than CHF 100 million in the form of various one-off payments and variable salary components."

SWISS transported some 12.8 million passengers in 2022, a 116-per-cent increase on the previous year. Some 107,000 flights were operated, 89 percent more than in 2021. Systemwide available seat-kilometre (ASK) capacity was raised 65 percent, while total traffic volume, measured in revenue passenger-kilometres (RPK), was a 145 percent year-on-year improvement. Systemwide seat load factor for the year stood at 80.9 percent, an increase in 2021 of 26.5 percentage points. Seat load factors were slightly higher on intercontinental services than on European routes.

SWISS plans to offer total capacity for 2023 which is at a conservative 85 percent of its pre-coronavirus 2019 level. Its aim in doing so is to continue to keep its flight operations as stable as possible. To these ends, the full SWISS fleet will be based back in Zurich and Geneva in time for the summer season. The company has also taken early steps with its wet-lease partners Helvetic Airways and Air Baltic to cover the expected further growth in the demand for air travel. On the cabin staffing front, the process of concluding a new collective labour agreement is still underway, as the first such accord proposed jointly by SWISS and the kapers cabin crew union was recently rejected by kapers members. On the cockpit and ground personnel fronts, SWISS and its social partners were able to agree to new overall terms and conditions of employment in the course of 2022.

"With our successful 2022 business performance, we have given ourselves a good starting point for 2023," said CEO Dieter Vranckx on the prospects for the current year. "We have the financial resources we need to remain an attractive employer for our people, to raise our customers' experience to new levels and to further evolve our pioneering role as a sustainable Swiss airline."