

# Heathrow heads toward "year of renewal"



John Holland-Kaye, CEO, Heathrow Airport

[Heathrow Airport](#) CEO John Holland-Kaye says 2023 could shape up to be "a year of renewal."

According to its year end results (December 31, 2022) passenger numbers reached 62 million, indicating more growth than "any other airport in the world last year."

Heathrow said service is now returning to pre-pandemic levels. In the last 18 months, more than 25,000 people have started jobs at the airport, bringing resource levels close to those of pre-pandemic. The focus is now on improving skills and experience and building resilience.



In the last 18 months, more than 25,000 people have started jobs at the airport, bringing resource levels close to those of pre-pandemic

Annual losses in 2022 decreased from £1,270 million (US\$1,526 million) to £684 million (US\$822 million), but the airport cites inflation, lower passenger numbers and insufficient regulated charges as factors impacting underlying profitability.

No dividends were paid in 2022 and none are planned for 2023. Financing remains “conservative,” with strong liquidity and gearing falling below pre-pandemic levels. The final decision on the H7 settlement from the CAA, which will determine investment levels in passenger service over coming years, is expected next month.

At year ended 31 December	2021	2022	Change (%)
(£m unless otherwise stated)			
Revenue	1,214	2,913	140.0
Cash generated from operations	613	1,719	180.4
(Loss)/Profit before tax	(1,792)	169	109.4
Adjusted loss before tax <sup>(2) (4)</sup>	(1,270)	(684)	46.1
Adjusted EBITDA <sup>(1) (4)</sup>	384	1,684	338.8
Heathrow (SP) Limited consolidated nominal net debt <sup>(3) (4)</sup>	13,332	14,579	9.4
Heathrow Finance plc consolidated nominal net debt <sup>(3) (4)</sup>	15,440	15,786	2.2
Regulatory Asset Base <sup>(5)(4)</sup>	17,474	19,182	9.8
Passengers (million) <sup>(6)</sup>	19.4	61.6	217.6

In other accomplishments, Heathrow Airport secured the global agreement of net zero aviation by 2050 at ICAO.

"Sustainable aviation fuel (SAF) will play a critical role in decarbonizing the sector and we have created a £38 million (US\$45 million) incentive scheme to encourage airlines to switch out kerosene for SAF - making us one of world's largest users of SAF," read the press release.

Later this year Virgin Atlantic will operate the first 100% SAF-powered transatlantic flight from Heathrow to New York, with aims to demonstrate that the faster the sector scales up SAF production, the faster it can decarbonize aviation.

Holland-Kaye continued, "Our teams have already delivered a successful Christmas and half-term getaway, and with a great investment plan in place, we are determined to once again rank in the top 10 airports for service. I couldn't be prouder of how far Team Heathrow has come in my nine years as CEO - from transforming customer service, to securing Parliamentary approval for expansion to surviving two years of border closures and rebuilding the business. My successor will take on a fantastic team who are making Heathrow a world leading hub that Britain can be proud of."