

# Sajtóközlemény / Press release

## Budapest Airport closes the second loss-making year of the pandemic in 2021

20 May 2022. 25 million EUR more in revenues and 22 million EUR less in losses - this is a concise summary of Budapest Airport's financial year 2021. Despite a 20% increase in passenger traffic last year and a 36% increase in air cargo volume compared to 2020, the company operating Ferenc Liszt International Airport ended the second year of the coronavirus pandemic with a significant loss. The company closed the 2021 financial year with net revenues of 143 million EUR and a loss of 87.6 million EUR.

2021 was another disastrous year for the aviation industry, but marginally better than the first year of the pandemic, 2020. Last year, European trends in passenger traffic were in line with expectations, as the recovery from the severe crisis caused by the coronavirus pandemic began in the second half of the year. Airline capacities and, in parallel, traffic at airports recovered steadily, but passenger numbers were still far below 2019 levels. In the air cargo segment, however, cargo volumes reached unprecedented heights, thanks to the speed, reliability and safety of this mode of transport.

The start of the recovery is also reflected in Budapest Airport's financial results; the company posted a 21% increase in net revenue to 143.3 million EUR compared to the previous year, ending last year with an overall 20% lower loss of 87.6 million EUR. Budapest Airport continued to make up some of this major revenue shortfall caused by the decline in passenger numbers with record cargo traffic and stable property revenues from tenants whose operations were not influenced by passenger traffic, such as aircraft maintenance companies and integrators. This demonstrated the strength and the significance of the diversification strategy pursued by the airport in recent years.

However, it is important to emphasize that the figures continue to reflect the challenge that the second year of the pandemic posed for aviation. Despite this, Budapest Airport spent 36.6 million EUR on developments last year, bringing the total investments in capacity expansion, infrastructure and sustainability over the past three years to more than 200 million EUR, and increased wages by an average of 13% from March 2022. In parallel, Budapest Airport also commenced preparations for the reopening of Terminal 1 and the construction of the new Terminal 3. The total value of the two investments will exceed 1 billion EUR.

Taking last year's financial results into account, the Budapest Airport group has still only generated cash profits in two years, 2018 and 2019, since the appearance of the current owners in 2007. Adding up the results of the profitable years and subtracting the losses of the previous years, we get a total loss of 326 million EUR between 2007-2021.

However, thanks to the company's continued responsible financial management and its well-capitalized owners, neither the previous years of losses, nor the second year of the coronavirus pandemic could shake Budapest Airport's stability. Despite the significant loss of traffic and revenue over the past two years, the company has managed to maintain continuous and safe operations at the airport, and has put in place the financial, human and infrastructural conditions necessary for recovery.

Commenting on the financial results, Chris Dinsdale, the CEO of Budapest Airport highlighted: "We are proud that we were able to get through the second year of the pandemic without state support, and that we continued developments at a dynamic pace, despite all the difficulties. We have been preparing for a recovery for months, both in terms of human resources and capacity, and I am confident that in 2022, we will approach our 2019 results in passenger numbers, and thus in terms of revenues as well."

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## Notes to editors

Budapest Airport is the best airport in the region, as recognized by Skytrax in 8 consecutive years from 2014 to 2021, based on passenger ratings. Over the past years, BUD has emerged as a leader, becoming the fastest developing airport in the region. Together with its airline partners, it is a key contributor to the development of tourism in Hungary and Budapest. The BUD Cargo City is a focal point for import and export air cargo; Budapest Airport's aim is to become the cargo gateway for East-Central Europe.