

Strong overall 2016 results, reductions in charges and European leadership in innovation terms

Geneva, 21 March 2017. Skyguide achieved strong overall results for the 2016 business year. Switzerland's air navigation services provider delivered an outstanding performance in managing and monitoring Europe's most complex airspace, including a further improvement on its already high punctuality from the prior year's 96.8% of delay-free flights to 97.2%. This is a new record. On the en-route traffic front, the average delay in 2016 was just 0.07 minutes (or 4.2 seconds) per flight.

Earnings before interest and taxes (EBIT) were also improved, with the CHF 33.6 million for the year a tangible increase on the CHF 28.1 million of 2015. In addition to the higher-than-expected growth in annual traffic volumes, the improved EBIT result is attributable to rigorous cost controls. These will need to be further strictly pursued, however, to meet the target performance demands of the European authorities.

Positive traffic trends, stable costs and reduced charges

2016 brought a further 1.8% increase in skyguide's annual traffic volumes, with some 1.2 million flights handled during the year. The growth was primarily driven by low oil prices and Europe's improved economic prospects. Skyguide's total operating revenue rose accordingly, with the CHF 455.0 million generated for the year a 1% improvement on the CHF 451.6 million of 2015.

Skyguide also reduced its charges, to the benefit of its customers, in 2016. Route charges were lowered by 4.4% and approach charges to Geneva and Zurich airports by 5.5%. Total operating expense for 2016 amounted to CHF 422.4 million, virtually unchanged from the CHF 422.5 million of the previous year. But at CHF 32.6 million, EBIT for the year was a 15.7% improvement on the CHF 28.1 million prior-year operating result.

"These are excellent operating and financial results," says Walter T. Vogel, Chairman of the Skyguide Board of Directors. "And they confirm the effectiveness of the actions our company has taken over the past few years. Thanks to a further increase in the volumes of traffic handled, and thanks above all to our rigorous and consistent cost controls, we have achieved a further improvement in our annual earnings result. At the same time, we continue to invest in our advanced training, our sustainable capacity expansions and our forward-looking technologies."

An international leader in innovation terms

Skyguide also earned a vital and encouraging acknowledgement of its visionary concepts for the air navigation services of tomorrow at the recent World ATM Congress, which was held in Madrid at the beginning of March. The company received a Single European Sky Award from the European Commission for its work on the "Virtual Centre" initiative within the overall SESAR programme to modernize Europe's air navigation services.

Skyguide views this distinction as a confirmation of the rightness and the potential of its chosen business strategy. The company also earned a further Single European Sky Award at the Congress as a member of a European consortium that is currently developing innovative approach procedures for Zurich Airport.

Change on the Board of Directors

After a 10 year mandate, Hans-Peter Strodel will resign from skyguide's Board of Directors. As a new member, Res Schmid, Councilman of the Government of the Canton of Nidwalden, will be proposed to the General Assembly. He has a very broad professional experience in military and civil aviation.

Change on the Executive Board

Daniel Weder will step down as CEO of skyguide on 1 July 2017 after ten years at the helm. He will hand over to his designated successor, current Chief Operating Officer Alex Bristol. This will lead to a further change on the Executive Board, with Urs Lauener succeeding Alex Bristol as company COO.

Skyguide's sound positioning will enable the company to continue to pursue its adopted strategy in a phase of major technological change. And CEO Daniel Weder is convinced that, with the nature and the timing of the succession arrangements made, skyguide will continue to strengthen its position within the Swiss and the European aviation landscape.

"In Alex Bristol and Urs Lauener we have two proven professionals and highly experienced colleagues to ensure the further successful pursuit of our chosen corporate strategy," Daniel Weder confirms. "And I am delighted that, for both these vital and highly challenging positions, we have found such skilled and suitable successors from within our own ranks."

The 2016 Skyguide Annual Report is available online at:
<http://www.skyguide.ch/en/company/publications/publications/>

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Skyguide provides air navigation services for Switzerland and certain adjacent parts of neighbouring countries. With its 1,500 employees at 14 locations in Switzerland, the company guides some 1.2 million civil and military flights a year safely and efficiently through Europe's busiest airspace.

Skyguide is well integrated into the international air navigation services community and, with its innovative and customer-minded solutions, helps enhance Switzerland's appeal as a place to live, work and do business. The company is majority-owned by the Swiss Confederation, and is headquartered in Geneva.
