



# This is the LFV Group



The LFV Group consists of the State enterprise and its subsidiaries and associated companies. The Group operates 16 airports and is responsible for air navigation services in Sweden. The LFV Group's reported sales amounted to SEK 6.0 billion and its profit was SEK M 447 in 2006. There are 4054 employees.

A large proportion of the revenue (65%) arises from charges relating to aviation traffic at our airports and also from over-flight traffic within Swedish airspace. Other revenues (35%) relate to the Airports' commercial stores, parking areas, conference facilities, restaurants and much more. Stores and restaurants are managed by tenants and associated partners whilst parking areas are generally provided under LFV's own auspices.

Our role is to operate and improve cost-effective, safe and smoothly functioning airports and air navigation services in a businesslike and profitable way.



## The LFV Group's Vision

Our customers shall single out LFV's airports and air navigation services as a good example when it comes to cost effectiveness, safety and functionality.

## Airports

Traffic growth prevails within the air travel business. International traffic has increased dramatically whilst at the same time domestic traffic has reduced somewhat. LFV's cargo traffic has paid good dividends at a number of airports. Higher revenues from both airport operations as well as commercial products in combination with cost reducing actions have made it possible to introduce the largest price cut in the history of the LFV Group. The aim is to improve conditions

for an expansion in traffic destinations to provide the business community as well as the individual with a more efficient transport supply. Adapting the number of airports to the changing market conditions has continued.

## Earnings substantially improved

We have, through increased passenger numbers and cost reducing actions combined with increased dividends from our commercial enterprises, achieved a much improved result – from SEK M 238 in 2005 to SEK M 447 in 2006.



## This is the LFV Group con.

### **Air navigation services**

Flight safety is the highest priority. The task is to control and monitor air traffic within the Swedish airspace. Much effort and energy is expended in maintaining a high level of aviation safety. Over the coming years the technological systems will be further developed in stages. The work carried out will be through a Nordic collaboration which has generated much interest. As a consequence of the EU initiative Single European Sky, alliances are being formed between the air navigation services within Europe, to cooperate and improve the efficiency of the common airspace. New control centres have been brought into operation in Malmö and Stockholm.

### **Largest price cut ever**

At year end 2006/2007 the LFV Group implemented the largest cut in prices ever. This applied to international traffic from Stockholm-Arlanda Airport and Göteborg-Landvetter Airport. This substantial venture amounted to SEK M 15 and involved so-called "in-tourism" Through marketing Sweden in a cooperation project, the LFV Group hoped to put Sweden on the tourist map by attracting foreign airline companies into establishing routes and destinations. This strengthened businesses at a number of airports.

### **Major investments**

In the years ahead the LFV Group will be investing SEK 1 billion annually. Terminal 5 at Stockholm-Arlanda Airport has been re-built. An increased number of stores and restaurants mean increased service. Extensive work has been carried out at Malmö Airport. At Göteborg-

Landvetter Airport new cargo terminals, arrivals halls and multi-storey car parks have been built. An international cooperation project involving upgrading of the air traffic control system has begun.

### **New trademark**

From fifteen letters to three – Luftartsverket has become LFV. This name change focuses on the LFV Group's narrowed down role, an increased internationalisation and avoids the risk of confusion with the authoritative role of the Swedish Civil Aviation Authority. The new trademark will act as guarantor and a proof of quality for the organisation and the portfolio of trademarks which have been developed for the LFV Group's airports and air navigation services.

### **A climate neutral major business**

The LFV Group has halved its emissions of carbon dioxide and will continue to reduce levels further. To compensate for remaining emissions contributions have been made towards reforestation in Costa Rica, wind power in China and bio-fuel based heating production in South Africa. The LFV Group is one of the first major climate neutral companies in Sweden. The Group works actively towards reducing the organisation's environmental impact and concur that air travel should be included in emission rights trading. Environmental considerations will always be taken into account when making decisions. LFV's airports are continuously examined in accordance with Environmental Code and the Group works intensively with those emission sources that it can affect as well as with other environmental actions. The LFV Group shall be an example in sustainability.