

Finavia Business Review Q1/2017

Finavia airports had a strong start to the year

Demand for air transport continued to grow strongly in the first quarter, with passenger numbers at Finavia's airports rising by 6.9 percent on same period in the previous year.

The main factors behind the buoyant start to the year were the growing interest of Chinese passengers in Finland, and the wonderful winter season in Lapland.

The total number of passengers at Finavia's airports during the first quarter of the year was 5,255,893 (compared to 4,917,647 passengers for January–March 2016). Of these, international passengers accounted for 69 percent. The growth in passenger volume in Lapland's airports set a new record: thanks to the booming winter season, passenger numbers increased by 21 per cent.

International transit travel, which is strategically central to Finavia, also developed well in the first quarter, with the number of passengers switching to another flight having increased by 4.5 percent. From the Asian market, the greatest relative growth in passenger volume was due to international transit passengers from South Korea.

At Helsinki Airport, the total number of passengers rose by 6.1 percent. More and more passengers chose Finland as their destination, and continued on to the snows of Lapland. Behind the growth was Finavia's long-term development of flight routes, the development of services by local tourism operators, as well as joint targeted marketing of Finland. Of Helsinki's nearby destinations, Tallinn and St. Petersburg also benefited from the Helsinki Airport passenger flows.

"In terms of growth in tourism, this year started excellently. In addition to the positive development of growth in tourism, as the summer season approaches new routes are now being rapidly opened to Finland," says Finavia's Chief Executive Officer Kari Savolainen.

"Our active and long-running work in support of Finnish air traffic is producing results, and thanks to our efforts new airlines have found Finland to be an attractive destination. So the beginning of the year bodes well for the development of passenger numbers for the year overall."

The number of routes is greater than in 2016, and new routes are on the way this year not only at Helsinki Airport but also at the network airports.

Lapland's super winter: transit passenger numbers from China rose by 167 percent

A superb winter of tourism for Lapland provides some impressive figures.

"Many entrepreneurs in Northern Finland have said that demand for their services has grown significantly," says Kari Savolainen. "Our statistics support this news coming out of Lapland, because our northern airports have had many more passengers this year than in the same period last year. The air traffic growth strongly invigorates the economic life of the region."

In the international transit travel statistics, the number of Chinese transit passengers clearly stands out. This not only indicates the attractiveness of Lapland in China, but also well-functioning transit airports and good flight connections between Finland and China. The tailored services offered to Chinese travellers are gaining in popularity at Helsinki Airport also.

Major investments in Helsinki Airport, incorporation of air navigation

The EUR 900 million development programme for terminal expansion at Helsinki Airport has proceeded on schedule. Now under construction are the south wing and the large central square of the terminal extension. The south wing will be opened in the summer of 2017, and the central square at the start of 2019. An investment decision concerning the west wing was made at the beginning of the year, and it is scheduled for completion by the beginning of 2020.

During the first quarter, Finavia carried out in-company structural reforms. Air navigation business operations were detached to form a separate company, ANS Finland Oy. Approximately 400 Finavia employees transferred to the new company.

The new company began operations on 01 April 2017, under the ownership steering of the Ministry of Transport and Communications. At the same time, Finavia assumed ownership steering of the Prime Minister's Office

More information on the development of Finavia's airports and passenger numbers can be found in our monthly publication of traffic statistics.