

# MID-YEAR **REPORT** 2023







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Farnborough Airport Company Limited

Company Information

**Registered Number:**  
12123129  
(England and Wales)

**Registered Office:**  
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England  
EC1Y 8YZ

**Auditor:**  
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Abbey Street  
Reading  
RG1 3BD

**Solicitors:**  
Trowers & Hamlin  
3 Bunhill Row  
London  
EC1Y 8YZ

**Bankers:**  
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25 Gresham Street  
London  
EC2V 7HN

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E14 5AH

**Directors:**  
G Parsons (appointed 20 July 2023)  
A Rakowski (appointed 12 April 2023)  
S Geere  
B O'Reilly  
J K Bruen (resigned 4 January 2023)  
R EWD Watt (resigned 13 July 2023)

**Secretary:**  
T&H Secretarial  
Services Limited



1.1. ACTIVITIES

**The Group’s principal activity is the operation of Farnborough Airport. Europe’s market leader for premium air travel connectivity, the airport is located on the M3 motorway corridor south west of London.**

Activities include airfield operations, passenger and aircraft handling services, hangarage for contract and transient aircraft parking, as well as real estate facilities including an on-site hotel - the Aviator Hampshire.

The Group’s goal is to be the world’s leading business aviation airport, setting the standards for premium air travel connectivity and exceptional customer care. The Group also strives to be a global showcase for airport sustainability.

As the most modern airport of its kind, Farnborough Airport offers a fully dedicated and integrated product to its customers. All core activities are undertaken by the Group without unnecessary reliance on third-party service providers.

This enables the Group to provide a complete portfolio of services to deliver premium air travel connectivity, dedicated solely to delivering a peerless and truly exceptional customer service experience.

1.2. TRADING UPDATE

**H1 Annual Air Traffic Movements (“ATMs”) were 15,292 which is in line with 2019 ATMs of 15,293 but lower than H1 2022 ATMs of 17,047. ATMs in H1 2022 benefited the from the post pandemic surge in demand.**

Occupancy levels at the Aviator Hampshire have matched 2022 levels of 78%.

H1 ATMS

H1	15,292
2023	
H1	17,047
H2	16,073
2022	
H1	15,293
H2	17,073
2019	

1.3. PROGRESS ON STRATEGIC FOCUS AREAS

**Putting sustainability at the heart of everything we do**

In July Farnborough Airport became the UK’s first business aviation airport to be awarded Level 4+, the highest level of carbon accreditation, by the Airport Carbon Accreditation scheme.

**Minimising our environmental impact**

The Board approved a £2m investment in rooftop solar in April. Once fully operational in H1 2024, the investment will generate the equivalent of c25% of the Group’s annual electricity use.

The on-site electric vehicle charging infrastructure has been significantly upgraded and expanded. Progress continues to be made transitioning the operational vehicle fleet to fully electric models and expanding the use of Hydrotreated Vegetable Oil (HVO) where electrification is not an option. 85% of operational vehicles are now either fully electric or run on HVO.

The project to phase out the use of diesel Ground Power Units (GPU) and replace with electric models is nearing completion with 75% of the GPU fleet now electric models.

**Supporting economic wellbeing and prosperity for the region**

A new study, commissioned by Rushmoor Borough Council, was published in February highlighting the impact the Group has had on boosting regional prosperity. The independent study shows that over the last decade total employment directly and indirectly associated with the Group grew by 57%, and the value generated in the production of goods and services (Direct Gross Value Added - GVA) increased by 63%. Furthermore, it concluded for every 100 ATMs, the Group supports 10 jobs and generates approximately £0.5 million GVA.

**Working with our community partners**

The first half of 2023 saw the Group continue to be active in supporting and engaging with our community. This included tree planting and a litter pick in our local country-park, Southwood Park, in which 19 employees from the Group collected 46 bags of rubbish. Volunteers also joined local businesses to maintain the communal grounds at Reg’s Garden, next to Farnborough North Rail Station. The Group ran a CV support session at the Vine Centre, an Aldershot-based charity that works to support the most vulnerable and disadvantaged members of the local community.

In July the Group opened the Nexus, a new state-of-the-art facility to host community and educational events in addition to providing a learning and development centre for employees. Future visits to the Nexus will involve a range of attendees – from schools and colleges, through to local civic and special interest groups – all keen to find out more about Farnborough Airport’s work and its significance as the UK’s leading business aviation airport.

**Being an employer of choice and responsibility**

Building on gaining certification through Great Place to Work® UK – the global authority on workplace culture, in 2022 the Group was named one of the top 100 UK Best Workplaces and further recognised for Wellbeing and Workplaces for Women in 2023.





Investment and development in our product and facilities

The project to construct a third hangar (Domus III), increase apron stands for screening and enhance taxiways remains on schedule and on budget. The expanded apron parking became operational in Q2. The rest of the project, including the new hangar, is expected to be completed in Q1 2024. This investment represents one of the largest single private investments into the Borough of Rushmoor for many years. Once completed this will increase the market leading hangarage capacity on site by more than 70%.

Continued delivery of exceptional customer care

Farnborough Airport was awarded the top Fixed Based Operator in Europe, Middle East, Africa, and Asia Pacific in May 2023 for the 17th year in a row. The Group’s integrated product offering and exceptional customer care continues to underpin its leading position in the London Business Aviation market.



In June 2023, The Aviator Hotel was voted in the top 10 hotels in the UK by TripAdvisor in their “Travellers’ Choice Best of the Best” category. This is another example of the Group delivering exceptional customer service.

1.4. FINANCIAL PERFORMANCE

The Group delivered H1 2023 EBITDA pre-exceptionals of £20.6m with a gross margin pre exceptionals of 57.5%. With the Airport achieving an EBITDA per ATM of £1,304 compared to £1,150 for the same period in 2022.

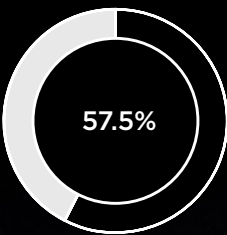
In May 2023 the Group successfully concluded a refinancing replacing the existing debt facilities. The new facility consists of a term loan of £183.5m, a capex facility of £68.0m and a revolving facility of £5.0m.

At 30 June 2023, the Group had £8.9m cash in hand, drawn down external bank facilities of £191.1m and an undrawn working capital facility of £5.0m. The Group maintained material headroom on all banking ratios throughout the first half of 2023 on both a backward-looking and forward-looking basis.

H1 2023 Normalised EBITDA

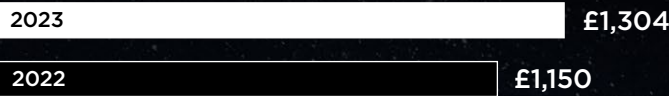
£20.6m

H1 2023 Normalised EBITDA Gross Margin



Normalised EBITDA margin: the ratio of normalised Group EBITDA to turnover from airport operations

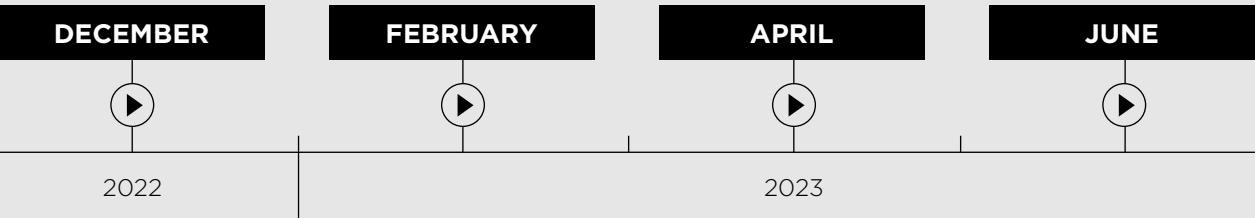
Normalised Airport EBITDA per ATM



DOMUS III UPDATE

The construction of our third hangar, Domus III is on schedule and on budget. Follow the progress made this year with updates from our Head of Projects and Planning.

Click on the buttons below to view progress.





[www.farnboroughairport.com](http://www.farnboroughairport.com)