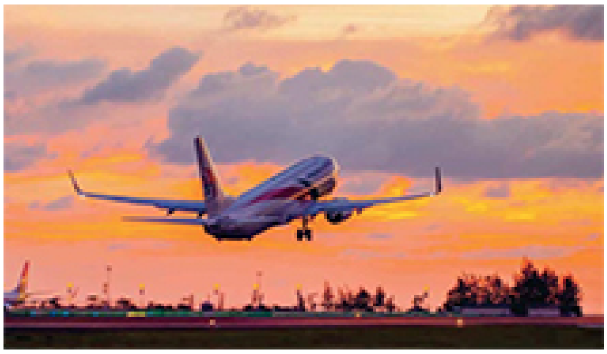
AOT revenue rise aided by duty free revenue sharing

Airports of Thailand has reported concession revenues up 5.81% to Bht.9,776.70m ($299.8m) in 2014 compared with Bht.9,299.29 ($285.1m) in 2013.



In its annual report released today, AOT says that these revenues accounted for 62% of all non-aeronautical revenues in 2014 – a one per cent drop from 63% in 2013. For the year ended September 30, 2014, non-aeronautical revenue of Bht.15,692.38m ($481.1m) increased by Bht.861.56m ($26.4m) or by 5.81% compared to 2013. This was due to an increase in concession revenues of Bht.477.41m ($14.6m) or 5.13%.

The main cause was an increase in the revenue sharing rate – especially revenue sharing from King Power International Group’s duty free shops – which increased by Bht.305.27m ($9.36m).

Airports of Thailand operates six international airports in Thailand which handled 324,792 international flights and 285,145 domestic services – representing increases of 2.75% and 17.18% respectively.

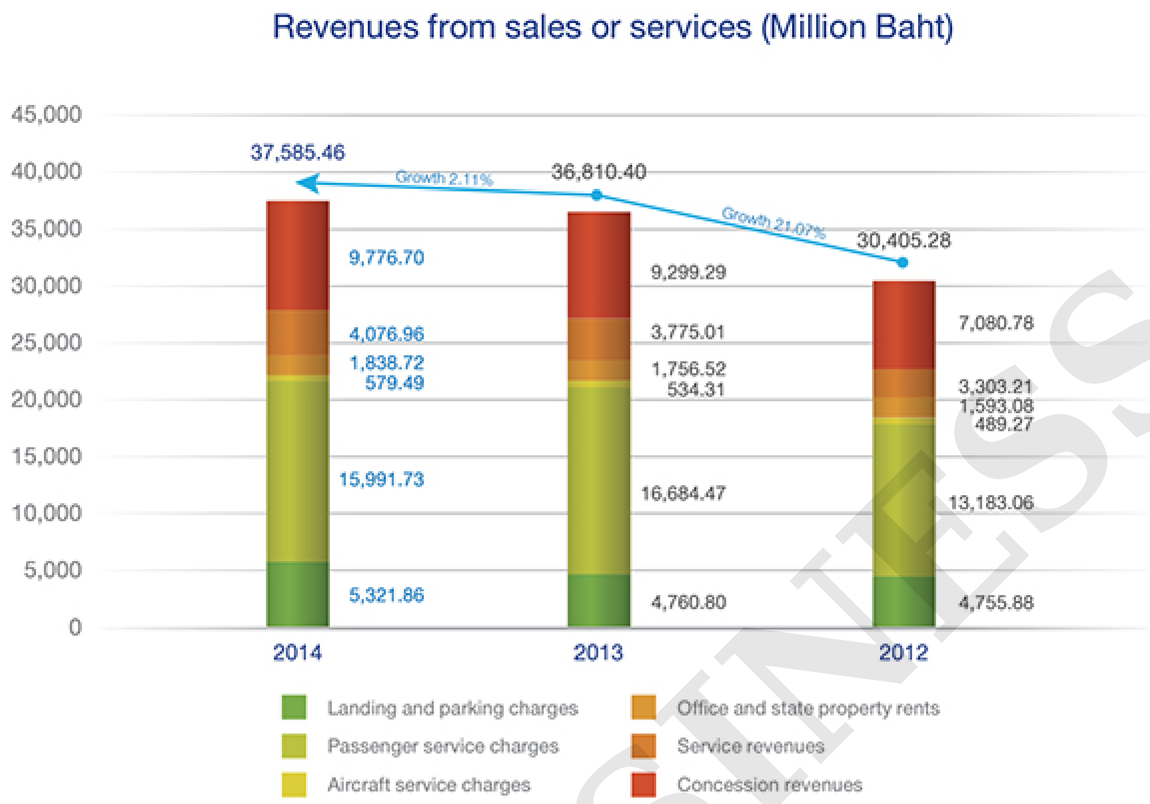
Bangkoks Suvarnabhumi International Airport.

The total number of passengers handled at all six airports was 87,572,416 (+1.67%) of which international passengers accounted for 51,195,490 (-5.66%), while domestic passengers increased to 36,376,926 (+14.14%).

In 2014, Suvarnabhumi Airport and Don Mueang International handled 454,763 flights, an increase of

AOT revenue rise aided by duty free revenue sharing

7.26% from the fiscal year 2013. A total number of 65,847,198 passengers passed through the two main airports, representing a slight decrease of -0.93%.



INTERNATIONAL PASSENGERS DOWN -9.65%

Suvarnabhumi Airport served 109 scheduled airlines, including 99 mixed passenger-cargo airlines and 10 cargo-only carriers. AOT said that the unsettled political situation in Thailand that began in November 2013 had a negative impact on passenger confidence, so reducing the total number of international flights in fiscal 2014 to 226,875 (-0.70%) while domestic flights rose +10.95% to 66,057 in total.

Total passenger volume at Suvarnabhumi reached 46,497, 257 (-8.65%), including 38,031,114 international passengers – a -9.65% drop from the previous year.

Meanwhile, Don Mueang International Airport handled 14 scheduled airlines with total air traffic movements in 2014 up by 19% to 161,831 flights, including 43,937 international flights (+10.55%). Total passengers at the airport numbered 19,349,941 (+24.33%) of which 5,340,585 were international (+5.56%).

Out in the regions, Chiang Mai International airport handled a total of 6,213,446 passengers (+20.12%) and this included 1,197,430 international passengers (a significant increase of +64.9%).

Mae Fah-Chiang Rai International Airport served six airlines and 442 international flights (9,587 domestic). Total arriving and departing passengers numbered 1,291,708 and international passenger numbers reached just 28,148.

Phuket International Airport handled 111,275,805 passengers (+2.7%), including 6,383,639 international passengers, while Hat Yai International served just 214,574 international passengers (-5.4%).

Another shot of Suvarnabhumi International Airport.

AOT HOPES FOR SUSTAINED STABILITY

As reported, Project Suvarnabhumi Airport Development (2011-2017) is also still on-going and by the end of its duration Suvarnabhumi Airport is expected to offer a passenger capacity of around 60m a year.

However, AOT warns that significant factors affecting AOT's ability to grow in future include continued support from the Ministry of Finance – the major shareholder with its 70% stake – plus an end to the political unrest and other pressures such as martial law that have challenged the economy recently.

Meanwhile, the King Power International Group's total sales turnover was around Baht.62.41bn ($1.8bn) last year (from all international airports in Thailand and its downtown stores-Ed] based on its own projections released last November when it celebrated 25 years in business.

As a historic guide, the volumes of merchandise sold by the retailer at its Suvarnabhumi Airport outlets alone in 2013 were also impressive. For example, it sold 1,348,527 bottles of whisky, 835,036 boxes of souvenir chocolates from Thailand, 691 tonnes of dried fruit, 147,788 imported handbags, 400,718 lipsticks and 13,396 local handbags.

King Power's sales breakdown by value in 2013 was as follows: cosmetics 24.57%; fashion 16.41%; watches 16.04%; Perfume 11.36%; Liquor 10.01%; Food 8.65%; souvenirs and local products 7.16%; Electronics 2.96%; and Tobacco 2.84%.