

Daily News

Business & Finance



DAILY NEWS THURSDAY, SEPTEMBER 3, 2020 19

Swissport sees business increase at end year

By DAILY NEWS
Reporter

SWISSPORT Tanzania has said business is expected to register a gradual increase of cargo and flight volumes towards the end of the year.

The prediction by the ground handler firm whose business had been hit hard by the Covid-19 pandemic came

as several airlines are slowly resuming business, which is an encouraging sign of recovery.

Swissport Chairman, Jeron de Clercq said they are carefully monitoring the situation while supporting the airlines during the re-start of operations and responding to the rapidly changing business landscape.

"Our business is slowly re-

covering as business cautiously resumes, and we expect to register a gradual increase towards the end of the year.

"A few of our airline customers have resumed operations at JNA and KIA, albeit with frequencies significantly below pre Covid-19," Mr de Clercq said via a statement.

However, in the first six months to June, the firm posted

"Flight frequencies were significantly down," the firm statement said, "we handled only about 20% of pre-Covid-19 volumes."

a loss of 1.128bn/- compared to the net profit of 1.225bn/- of similar period last year.

"The sharp deterioration in revenue and profit was attributed to the adverse impact of Covid-19 pandemic on the aviation industry," the chairman said.

Due to the loss, Swissport decided not to declare "dividend." The firm is listed on

Dar es Salaam Stock Exchange (DSE) and stocks traded at 1,300/- yesterday.

Swissport cargo volumes went down by about 40 per cent compared to pre-pandemic period, but were fairly stable to sustain business.

"Flight frequencies were significantly down," the firm statement said, "we handled only about 20 per cent of pre-

Covid-19 volumes."

Total revenue during the period decreased by 25 per cent from 17.24bn/- to 12.19bn/-. On the other hand, total operating costs declined by 10 per cent from 15.13bn/- to 13.66bn/- due to various cost saving initiatives adopted by the firm.

Early this year, Swissport secured a hub management contract for Air Tanzania, the

largest airline company in the land.

The new agreement with the national flag carrier includes airport ground services and air cargo handling and aviation security.

Swissport will provide check-in and gate services, baggage handling, moving of aircraft, cargo loading and aviation security services.