



Press Release, November 4 2016

## **AVTECH provides a Business Update**

**AVTECH Sweden AB informs that the Etihad RFP process has ended. Etihad decided to contract with another supplier. A new agreement made with Met Office will substantially decrease operating costs.**

### **The Etihad Request for Proposal process has ended**

Starting in November 2014 AVTECH performed a two-month commercial evaluation contract with Etihad. This evaluation proved that Aventus Descent generates fuel savings of in between 13-96 kg of jet fuel per descent over one of AVTECH's main competitors - depending on aircraft type and weather conditions. Following the successfully completed tests Etihad decided to invite to a formal Request for Proposal ("RFP") process.

AVTECH today announces that the Request for Proposal process has ended. Etihad chose to contract with another, yet undisclosed supplier than AVTECH for its wind uplink services.

In a comment Christer Fehrling, the CEO of AVTECH, says:

"It is obviously frustrating not to win a process as lengthy as the one we've just experienced with Etihad, especially as we've received such good feedback from the operational users within the Etihad group. It is our assessment that we did not lose the contract due to our solution being in any way inferior to our competitors, but to the fact that we held our ground price wise, not wanting to severely discount, nor being able to bundle our Aventus service with any potential hardware sale, to the point where it wouldn't have been feasible to deliver the service with the high level of quality and net savings we aspire".

Christer Fehrling continues, "The Etihad contract would indeed have been important to win, but we respect the decision that has been made and we are glad to see yet another larger player embrace the concept of FMS-integrated optimized winds, in-flight, which will regardless help open the market for our services even further with other airlines globally. Already having two of the leading airlines in the world as solid reference customers puts us in a very nice position in any procurement race. Today we have further strengthened our portfolio of Aventus family products. In addition to full-flight winds we are also able to offer in-flight weather hazards notifications delivered to the cockpit", finishes Christer Fehrling.

## **Significantly lowered costs for weather provision**

Following negotiations with the Met Office (UK) AVTECH has switched its primary Aventus services premium weather supplier to the Met Office from Panasonic Weather. The new Met Office agreement results in a 10% direct cost, based on the turnover of Aventus Full Flight services, for the provision of superior weather information into the Aventus system. This shift applies to current and future Aventus customers, including the large volume of Southwest descent flights.

Christer Fehrling, the CEO of AVTECH, says:

“A strong Partnership with the Met Office including a supplier warranty for best aviation weather forecast existing in the world and a substantial further reduction of our direct costs for weather information, represents a milestone in the history of AVTECH. It obviously has a tremendous impact on the financial potential of AVTECH as any financial analyst would recognize. Looking beyond the lost Etihad contract the Partnership with the Met Office will boost our ability to create an impact on the global aviation market even further, and it is very pleasant – financially speaking – to being able to potentially do so with such a low variable cost rate as the one we are operating today”.

### **For more information, please contact**

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### **About Aventus NowCast**

The Aventus NowCast system is a unique and patented system that enables accurate wind information and/or 4-Dimensional Trajectories for flights, making use of the very best in atmospheric modeling combined with weather information to create high resolution wind models and wind data packages for the different segments of a flight; a so called NowCast. Data packages are uplinked to aircrafts to enable the onboard Flight Management Systems (FMS) to accurately calculate an optimized flight profile and an accurate time when each waypoint of a flight will be reached. The immediate benefits of Aventus NowCast are airline fuel- and CO<sub>2</sub> savings, i.e. the solution is highly environmentally friendly. It is also imperative for Time-based operations in aviation, which is an area where Aventus NowCast provides an even larger overall financial and environmental benefits through the provision of increased efficiency and punctuality of individual flights

### **About AVTECH Sweden AB (publ)**

AVTECH develops products and services for digital Air Traffic Management (ATM). Its customers include the global aviation industry; e.g. airlines, airports, aviation authorities, technology companies and airline manufacturers. By using AVTECH's products and services, each individual flight as well as the entire airline operation can be optimized in terms of cost, noise and emission, efficiency, punctuality and safety. The head office is in Stockholm, Sweden with subsidiaries in Toulouse, France and an associated company in Dubai, U.A.E. AVTECH Sweden AB is listed on NASDAQ OMX First North and has appointed Redeye AB, tel: +46 8 545 013 30, as Certified Adviser.

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