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AVTECH signs important contract for Aventus NowCast™, AVTECH initiates and expands Aventus-trials but experiences delays within Professional Services.

AVTECH today announces that it continues the expansion and commercialization of its “green flying” product portfolio by signing an important commercial contract with Emirates airline on the delivery of Aventus NowCast as part of the ongoing FLOW-project in the Middle East. Aventus NowCast will be used as a crucial part in enabling Time Based Operations (TBO), the first step towards Performance Based Operations (PBO). The system generates substantial fuel savings and provides crucial input to meet issued Required Time of Arrivals (RTA’s), by up-linking tailored winds optimized to the aircraft’s computed trajectory. This ensures a more efficient descent, equating to savings in fuel and subsequently, time as well as a reduced environmental impact in terms of noise and emissions.

The Emirates FLOW-project will allow the airline to strategically sequence aircrafts based on business and operational requirements. This will be done by using information from a number of sources, among them the aircraft’s navigation computers or Flight Management System (FMS), and assigning time constraints , RTA’s, at the arrival fixes of UAE airspace.

Wolfgang Sagmeister, Business Unit Director of Products & Marketing at AVTECH, says:

“Emirates have always been forerunners in the aviation industry and continuously pioneer new areas to extend their success within the industry. They can see that the implementation of Aventus will increase the successful outcome of the FLOW-project and we are very proud to be able to contribute to their success.”

Connected with Aventus, AVTECH also announces that it will enter into the trial phase with a big European low cost carrier and conduct expanded trials with SAS on five more regional airports in Sweden. Luleå, Skellefteå, Umeå, Åre/Östersund and Sundsvall will be included in the trial which will start shortly. The aim is to validate benefits of using the product in an environment which will exploit Aventus full potential of fuel savings. The trials, together with the commercial contract with Emirates airline and an increased number of ongoing customer discussions, represent important steps in successfully establishing Aventus NowCast on the market.

While commercializing Aventus, delivering the company’s ongoing Middle East projects according to plan, - the company is currently experiencing delays on decisions on behalf of customers within its Business Unit Professional Services to initiate procurement of a number of critical projects needed to meet the ongoing air-traffic growth of the world. A positive development is the awarding of 3 MSEK project for Wake Vortex development from the Swedish Governmental Agency for Innovation Systems,-VINNOVA, which is requiring the investing of significant additional resources earlier than planned. The company is also experiencing some administrative delays on part of the European Commission in paying for services already provided by AVTECH. As a consequence of the associated cash flow implications, AVTECH is now exploring solutions to finance the delays and to secure the group’s financial ability to fully take advantage of the ongoing global change within Air Traffic Management, a change which AVTECH is uniquely positioned for.

“While experiencing some delays within Professional Services and a somewhat slower initial process bringing Aventus NowCast to the market than previously expected, it is important to note that all fundamentals remain unchanged for both the market as a whole and for AVTECH as a company.” says the Chairman of the Board, Lars GV Lindberg.

“AVTECH has not lost any tenders nor received negative feedback from any of the players in the industry on the company’s ability to provide world leading solutions on Performance Based Operations (PBO), which is a “do or die” issue for future aviation. On the contrary we believe that signals recently received even further strengthens our business case as the short term need for PBO is ever increasing, driven by increased fuel costs for airlines, environmental issues and lack of capacity. In spite of the current delays, the important contract on Aventus NowCast; the high level of interest we receive from the aviation industry on Aventus and on our PBO-knowledge in general all vouch for the successful future and intrinsic value of AVTECH.”

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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 Dubai, U.A.E. AVTECH Sweden AB is listed on NASDAQ OMX First North and has appointed Thenberg & Kinde Fondkommission AB as Certified Adviser.