

Growing demand in Andermatt leads to record property sales at Andermatt Swiss Alps Group

Andermatt, 30 March 2023 – In 2022, the Andermatt Swiss Alps Group recorded a significant increase in demand. Compared to 2021, property sales increased by 24 per cent to a record CHF 151.1 million. Taking into account the one-time effect from discontinued operations (transaction with Vail Resorts, Inc. regarding Andermatt-Sedrun Sport AG), the Andermatt Swiss Alps Group achieved a net profit of CHF 34.3 million in the 2022 financial year. Due to the strong demand within Switzerland as well as various international markets, the Andermatt Swiss Alps Group plans to further invest around CHF 500 million in the coming years into Andermatt and Sedrun.

In the 2022 financial year, the Andermatt Swiss Alps Group recorded a revenue of CHF 180.9 million (previous year adjusted CHF 180.5 million). The gross profit amounted to CHF 42.4 million. Compared to 2021, this is an increase by CHF 1.4 million, and the gross profit margin improved by almost 1 percentage point to 23.5 per cent. For the first time, Andermatt Swiss Alps Group was able to achieve a consolidated positive net result. Together with the result from discontinued operations and the one-time profit from the transaction with Vail Resorts, Inc. regarding Andermatt-Sedrun Sport AG, a net profit of CHF 34.3 million was generated (previous year net loss of CHF -8.0 million). Since the start of the project in 2007 until the end of 2022, a total of around CHF 1.4 billion has been invested.

“The ongoing rising demand into Andermatt and the fact that we were able to increase our gross profits again, despite a difficult market environment, is very satisfying. That we can report a profit for the first time, taking into account the one-time profit from the transaction with Vail Resorts, Inc., is a milestone for the Andermatt Swiss Alps Group,” says CEO Raphael Krucker. “These achievements were only possible thanks to the extraordinary efforts of all our employees, partners, customers, guests, and shareholders. We are confident that the Andermatt Swiss Alps Group is ideally positioned and will continue its profitable growth journey.”

Property sales up by 24 per cent

Property sales reached CHF 151.1 million in 2022 (previous year CHF 122.0 million). This represents an increase of around 24 per cent. Demand has therefore increased once again, after already attaining all-time highs in both previous years. This high level of demand is attributable to the availability of different products, the high-quality standards, as well as to the increasing modernisation of the destination as a whole.

The company sold 70 apartments in 2022 (previous year 92 apartments), with the average price per square metre increasing by 17 per cent to over CHF 17,500. The square metre prices in Andermatt Reuss increased by over 50 per cent on average between 2012 and 2022. At the end of the 2022 financial year, 650 of a total of 665 apartments and hotel residences already completed or under construction had been sold.

70 per cent of the buyers live in Switzerland and 15 per cent each divided between Europe and the rest of the world.

Hospitality: In high demand

The five-star deluxe hotel The Chedi Andermatt achieved a year-round occupancy of 68 per cent in 2022 (previous year 70 per cent). Turnover fell slightly year on year to CHF 41.4 million (previous year CHF 43.5 million). The number of guests fell by 9.7 per cent to 58,585 (previous year 64,887). This slight drop is attributable to the fact that the hotel needed to be closed for a longer maintenance period compared to 2021.

The Radisson Blu Hotel Reussen increased its turnover to CHF 15.0 million (previous year CHF 14.6 million). Hosting 66,618 guests (up 1 per cent year on year), the Radisson Blu Hotel Reussen achieved an occupancy rate of around 48 per cent, which has already been significantly exceeded in the first months of 2023.

The rental of holiday apartments under the Andermatt Alpine Apartments brand experienced an increasing demand, turnover increased by 24 per cent to CHF 3.2 million (previous year CHF 2.6 million). The number of holiday apartments in the rental pool increased by approx. 50 per cent year on year, comprising 143 properties at the end of 2022.

Almost 600 employees

The Andermatt Swiss Alps Group, with its hotels The Chedi Andermatt and Radisson Blu Hotel Reussen, employed 576 staff at the end 2022. 84 per cent are in year-round employment. The group employs people from 42 nations. These include 13 apprentices and 19 interns. The Andermatt Swiss Alps Group offers 483 full-time posts per year on average. Another 452 people are employed at Andermatt-Sedrun Sport AG (including 96 year-round posts).

Further investments planned of CHF 500 million

The Andermatt Swiss Alps Group is optimistic about the near future. “Thanks to the partnership with Vail Resorts, Inc., and closer collaboration with Orascom Development Holding, the course is set for profitable growth. Planned investments of around CHF 500 million in the coming years will further increase the attractiveness of the destination and thus the value of the existing and new assets,” says CEO Raphael Krucker.

The construction of six apartment buildings and initial work on a new lifestyle and sports hotel are planned for 2023. An additional shopping and restaurant street is scheduled to open within Andermatt Reuss by the end of 2024. This will include twelve retail and three gastronomy outlets.

The Andermatt Swiss Alps Group is focussing on collaboration with powerful partners like the Cotton Club, well known from Mallorca, Ibiza and Zakynthos, which will operate The Swiss House located on the golf course from the winter of 2023/24. The Swiss three-star chef Andreas Caminada will be opening a restaurant under the Igniv brand in the late autumn of 2024. Further cooperative ventures with national and international brands are in discussion. A chemist’s shop will be opening in August of 2023.

Andermatt Swiss Alps AG – Welcome home.

Andermatt Swiss Alps AG, with registered office in Andermatt, plans, builds, and develops the year-round destination of Andermatt. In 2009 Andermatt Reuss came into being, with apartment buildings, hotels, and villas. The Andermatt Swiss Alps Group owns the The Chedi Andermatt and Radisson Blu Reussen hotels, an 18-hole, par-72 championship golf course and the Andermatt Concert Hall. A close partnership is in place with Andermatt-Sedrun Sport AG (SkiArena Andermatt-Sedrun, the gastrobrand Mountain Food, the Swiss Snowsports School Andermatt and the sport shop Gleis 0) and its majority shareholder Vail Resorts, Inc. for developing the destination. Vail Resorts, the largest operator of ski resorts, and Andermatt Swiss Alps are together pursuing the vision of becoming The Prime Alpine Destination. In doing so, they are committed to an intact environment and a sustainable future that will enable coming generations to have an extraordinary home. During high season, Andermatt Swiss Alps and Andermatt-Sedrun Sport AG have more than 1,000 employees working at the locations in Altdorf, Andermatt and Sedrun.

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