

# EUROSTAR IS FINALLY BACK ON TRACK WITH POSITIVE RESULTS



The Eurostar Group, created by the merger of Thalys and Eurostar, has just announced a turnover of 1.53 billion euros for 2022. This is 2.5 times more than in 2021. The company's EBITDA is at a record level of 332 million euros. According to the railway company, this result is "remarkable in a context of inflation punctuated by social unrest in the U.K., Belgium, and France".

In terms of traffic, Eurostar carried 14.8 million passengers in 2022—more precisely, 8.3 million for Eurostar and 6.5 million for Thalys. After a sharp drop related to Covid-19 at the beginning of 2022, it took only 3 months for both companies to move from 30% to 80% of 2019 passenger volume.

This strong cash performance allows Eurostar to prepay its debt and invest in the customer journey. Strong cash generation enabled the Eurostar Group to repay €127 million of debt. Nevertheless, at the end of December 2022, total debt remained at €964 million. Recall that in 2021, the rail company narrowly avoided bankruptcy.

## **Eurostar loves Amsterdam**

The railway company is trying to develop an offer to meet dynamic demand and will continue to strive to reach its target of 30 million passengers by 2030.

Eurostar's main routes that have experienced significant growth are between London and the Netherlands and between Paris and Amsterdam. The London-Dutch route remarkably doubled in volume compared to its pre-pandemic levels, which can be attributed to introducing a direct return service without changing trains in October 2020. Eurostar has observed that leisure travelers primarily drive demand. December 2022 had the highest volumes despite strikes, surpassing the volumes seen in the two years preceding the pandemic.

## **Business travel is still struggling**

On the other hand, all Eurostar Group routes are affected by a slower recovery in business travel than in the pre-pandemic period, especially following virtual meetings. 2023 is marked by an 80% recovery in business travel.

Date: 2023-06-29

Article link:

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