

Flughafen Wien Group in H1/2020: COVID-19 Crisis Severely Burdens the Aviation Sector – Vienna Airport Registers Two-Thirds Fewer Passengers, Group Revenue Down 51.2%, EBITDA Decrease of 73.3% but Still Positive at € 48.9 Million, Earnings Turn Negative to Minus € 18.2 Million

- **Only sluggish improvement in passenger volume in July 2020 due to the coronavirus crisis, drop in number of passengers of -81.9% in the Flughafen Wien Group in July (-81.8% at Vienna Airport) despite gradual resumption of flight traffic**
- **Massive cost savings programme of € 220 million, € 100 million reduction in investment projects and company-wide short-time work for approx. 6,000 employees are the cornerstones of crisis response efforts**
- **Development of Airport City at Vienna Airport continues despite the pandemic, the first tenants move into the new Office Park 4 – one of Austria’s most modern and energy-efficient office buildings is put into operation**

“There is a threat looming on the horizon of the crisis extending even longer without functioning international flight traffic. This not only applies to tourism and conferences but also to large parts of the economy and industry. Whoever is not present today on the marketplace in such an export-oriented economy like Austria will not have any orders and thus no work tomorrow. For this reason, unified European-wide and global travel regulations as well as a comprehensive testing strategy are urgently needed, so that extensive international business and holiday travel is once again possible. To support Austria’s good entry rules, Vienna Airport has already successfully introduced PCR tests for travellers. Recently more than 800 tests have been carried out each day”, states Günther Ofner, Member of the Management Board of Flughafen Wien AG. “Life and also the development of the Airport City are continuing despite the pandemic. During these very days, the first tenants are moving into the new Office Park 4, one of Austria’s most modern and energy-efficient office buildings”, Günther Ofner adds.

“Passenger volume has increased since the beginning of July compared to the weeks beforehand but is still significantly below the level reached in previous years. The number of travellers in the first two weeks of August climbed to about 25,000 per day. Nevertheless, it remains to be seen how flight traffic will develop in the coming months in the light of the growing number of people across the globe who are inflicted with COVID-19. In any case, the related short-term changes in travel regulations strongly inhibit passenger volumes. COVID-19 will remain with us for some time to come. For this reason, unified international regulations for air travel are urgently needed in times of the coronavirus, along with the electronic recording of travel data, especially for entering the Schengen Area”, explains Julian Jäger, Member of the Management Board of Flughafen Wien AG.

January-June 2020: 65.3% fewer passengers at Vienna Airport

The global COVID-19 pandemic continues to have substantial effects on international travel and thus on Vienna Airport as well. From January to June 2020, the Flughafen Wien Group including the foreign strategic investments in Malta Airport and Kosice Airport reported a drop in the number of passengers handled by 66.0% year-on-year to a total of 6.2 million. The number of passengers at Vienna Airport fell by 65.3% from the prior-year level to 5,090,546 travellers. The number of flight movements from January to June 2020 was down by 58.5%

from the prior-year period to 53,093 starts and landings. The average capacity utilisation of the aircraft (seat load factor) fell from 75.1% to 63.9%. Cargo volume (air cargo and trucking) fell by 20.7% year-on-year to 107,860 tonnes. Malta Airport registered a 68.7% decrease in passenger volume in H1/2020 to 1,017,850 travellers. Kosice Airport handled 50,508 passengers in the same period, down 76.8% from the previous year.

H1/2020: Revenue of € 195.8 million (-51.2%) and net profit¹ of minus € 18.2 million (-121.9%)

Revenue of the Flughafen Wien Group in H1/2020 fell by 51.2% to € 195.8 million. EBITDA declined by 73.3% to € 48.9 million, and EBIT was down by 113.8% to minus € 16.2 million. The net profit for the period before non-controlling interests in H1/2020 equalled minus € 18.2 million, comprising a drop of 121.9%. The net debt of the company increased to € 149.0 million (31 December 2019: € 81.4 million). The free cash flow amounted to minus € 69.0 million (H1/2019: € 76.0 million).

Revenue and earnings development of the segments

H1/2020 revenue of the Airport Segment fell by 56.3% year-on-year to € 83.4 million. Segment EBIT equalled € -14,7 million (H1/2019: € 49,2 million). The Handling and Security Services Segment registered a decrease in revenue of 39.3% to € 48.2 million, with the segment's EBIT decreasing to minus € 14.0 million (H1/2019: € 0.5 million). This segment also includes the security services of VIAS as well as the handling services provided by Vienna Aircraft Handling (VAH) and Vienna Passenger Handling Services (VPHS) and the services rendered by GetService Dienstleistungsgesellschaft m.b.H. The Retail & Properties Segment reported a drop in revenue of 45.9% to € 42.2 million in the first six months of 2020. EBIT of this segment amounted to € 11.5 million (H1/2019: € 43.0 million). Revenue of the Malta Segment was down 66.5% to € 14.9 million, whereas segment EBIT totalled minus € 3.1 million (H1/2019: € 21.8 million). Revenue of the Other Segments was € 7.0 million in H1/2020 (H1/2019: € 8.4 million) and segment EBIT amounted to € 4.1 million (H1/2019: € 2.7 million).

Investments

Total investments in the first three months of 2020 amounted to € 39.2 million, with the largest investments of € 12.5 million relating to the terminal modernisation projects along with € 2.0 million for construction of a connecting bridge to Car Park 3, € 2.0 million for commercial properties, € 1.3 million for aircraft towing tractors, € 1.2 million for new passenger buses, € 1.2 million for Office Park 4 and € 1.1 million for new advertising space. A total of € 5.5 million was invested at Malta Airport in the first half of 2020.

Traffic development in July 2020: Ongoing drop in flight traffic

Flughafen Wien Group: 734,612 passengers (-81.9%) in July 2020

In spite of a slight improvement related to the change in travel regulations and the current holiday travel, the significant decline in air traffic continued at Vienna Airport. The number of passengers handled by the Flughafen Wien Group (Vienna Airport, Malta Airport, Kosice Airport) in July 2020 fell by 81.9% to 734,612 travellers. The accumulated passenger volume in the period January to July 2020 was down 68.9% from the prior-year period to 6.9 million. Vienna Airport also continued its negative development from January to July 2020, with the number of passengers declining by 68.2% to 5.7 million.

Vienna Airport: Passenger decline of 81.8% in July 2020

The number of passengers handled by Vienna Airport in the month of July 2020 decreased by 81.8% to 576,370 travellers. The number of local passengers was down by 79.4%, whereas the number of transfer passengers fell by 88.7%. The number of flight movements in July 2020 showed a decline of 69.6% year-on-year. Cargo volume at Vienna Airport dropped by 32.1% from the comparable level of July 2019.

The total number of passengers at Vienna Airport flying to destinations in Western Europe was down by 76.1% in July 2020, whereas Eastern European traffic decreased by 86,1%. Passenger traffic to the Far East was down 98,2% from the prior-year month, and passenger

volume to Middle Eastern destinations showed a drop of 97,3% in July 2020. The number of passengers travelling to destinations in North America fell by 97,6%, and passenger traffic to Africa was down by 91,4%.

Malta Airport reported a drop in passenger volume of 80.9% in the month of July 2020, whereas the total number of passengers handled at Kosice Airport decreased by 94.4%.

1) *Profit for the period before non-controlling interests*

Traffic Development**July 2020****Vienna Airport (VIE)**

	07/2020	Diff.%	01-07/2020	Diff.%
Passengers arr+dep+transit	576,370	-81.8	5,666,916	-68.2
Local passengers arr+dep	486,402	-79.4	4,591,025	-66.6
Transfer passengers arr+dep	89,412	-88.7	1,069,290	-73.1
Flight movements arr+dep	7,648	-69.6	60,741	-60.3
Cargo arr+dep (in tonnes)	15,847	-32.1	123,677	-22.4
MTOW (in tonnes)	301,653	-70.6	2,619,960	-58.0

Malta Airport (MLA, fully consolidated)

	07/2020	Diff.%	01-07/2020	Diff.%
Passengers arr+dep+transit	152,818	-80.9	1,170,668	-71.1
Local passengers arr+dep	151,915	-80.8	1,162,221	-71.1
Transfer passengers arr+dep	840	-84.7	8,206	-64.9
Flight movements arr+dep	1,577	-70.3	10,866	-62.8
Cargo arr+dep (in tonnes)	1,471	+18.0	9,423	+3.3
MTOW (in tonnes)	56,392	-72.0	419,594	-62.1

Kosice Airport (KSC, consolidated at equity)

	07/2020	Diff.%	01-07/2020	Diff.%
Passengers arr+dep+transit	5,424	-94.4	55,932	-82.2
Local passengers arr+dep	5,424	-94.4	55,932	-82.2
Transfer passengers arr+dep	0	n.a.	0	n.a.
Flight movements arr+dep	114	-85.9	911	-73.6
Cargo arr+dep (in tonnes)	0	-100.0	4	-86.4
MTOW (in tonnes)	2,097	-91.2	17,376	-79.9

Vienna Airport and strategic investments (VIE, MLA, KSC)

	07/2020	Diff.%	01-07/2020	Diff.%
Passengers arr+dep+transit	734,612	-81.9	6,893,516	-68.9
Local passengers arr+dep	643,741	-80.2	5,809,178	-67.9
Transfer passengers arr+dep	90,252	-88.7	1,077,496	-73.1
Flight movements arr+dep	9,339	-70.1	72,518	-61.0
Cargo arr+dep (in tonnes)	17,317	-29.6	133,104	-21.0
MTOW (in tonnes)	360,142	-71.2	3,056,930	-58.9

*Note: Total number of passengers includes local, transfer, and transit passengers.
Traffic data adjusted*

Preliminary Consolidated Financial Statements

in € million	H1/2020	H1/2019	Diff. in %
Revenue	195.8	401.4	-51.2
Other operating income	3.3	7.9	-57.8
Operating income	199.1	409.3	-51.3
Expenses for consumables and services used	-14.0	-20.3	-30.9
Personnel expenses	-109.4	-153.8	-28.9
Other operating expenses	-25.6	-53.5	-52.1
Impairment/reversals of impairments on receivables	-0.5	0.2	n.a.
Proportional share of income from companies recorded at equity	-0.7	1.3	-157.1
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	48,9	183.1	-73.3
Depreciation and amortisation	-65.0	-65.9	-1.4
Earnings before interest and taxes (EBIT)	-16.2	117.2	-113.8
Income from investments, excluding companies recorded at equity	0.5	0.7	-22.4
Interest income	0.4	0.4	-14.9
Interest expense	-8.1	-8.7	-7.5
Other financial result	-0.6	1.5	-144.2
Financial result	-7.8	-6.1	-27.1
Earnings before taxes (EBT)	-24.0	111.0	-121.6
Income taxes	5.8	-28.1	-120.7
Net profit for the period	-18.2	82.9	-121.9
Thereof attributable to:			
Equity holders of the parent	-16.7	75.8	-122.0
Non-controlling interests	-1.5	7.1	-120.9
Earnings per share (in €, basic = diluted)	-0.20	0.90	-122.0

Balance Sheet Indicators

in € million	30.06.2020	31.12.2019	Diff. in%
ASSETS:			
Non-current assets	2,025.8	1,999.6	+1.3
Current assets	230.3	301.1	-23.5
LIABILITIES:			
Equity	1,359.3	1,380.9	-1.6
Non-current liabilities	540.9	572.5	-5.5
Current liabilities	356.0	347.2	+2.5
Total assets	2,256.1	2,300.6	-1.9
Net debt	149.0	81.4	+83.0
Gearing (in%)	11.0	5.9	n.a.

Cash Flow Statement

in € million	H1/2020	H1/2019	Diff. in %
Net cash flow from operating activities	-6.8	156.0	-104.4
investing activities	-62.2	-79.9	-22.2
financing activities	72.0	-72.2	-199.6
Free cash flow	-69.0	76.0	-190,7
CAPEX ¹	39.2	63.5	-38.2

1) Excluding financial assets

The report by Flughafen Wien AG for the first six months of 2019, from January 1 to June 30, 2019, is available to the general public at the company's offices at 1300 Flughafen Wien and at Bank Austria, 1020 Vienna, Rothschildplatz 1. It is also available on the Internet at http://viennaairport.com/en/company/investor_relations/publications_and_reports/quarterly_reports.

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