

Flughafen Wien Group Continues Growth: More Passengers and Strong Earnings Improvement in the First Half of 2018

- **NET PROFIT FOR THE PERIOD¹** increases substantially to €72.4 million (+20.4%)
- **REVENUE** rises to €373.5 million (+4.5%), **EBITDA** up to €167.6 million (+6.1%), **EBIT** improvement to €104.5 million (+16.7%)
- **Traffic development in H1/2018:** Passenger volume climbs 7.6% in the Flughafen Wien Group and 5.5% at Vienna Airport
- **Strong passenger growth in July 2018:** number of passengers up 8.5% in the Flughafen Wien Group and 7.4% at Vienna Airport
- **New passenger record: more than 100,000 passengers for the first time on a single day, with 100,229 travellers recorded on July 29, 2018**

“The Flughafen Wien Group is successfully continuing its growth development in the first half of 2018. Revenue and net profit for the period have risen significantly, and the financial guidance is very positive, with an expected net profit of more than € 148 million for the entire year 2018. Moreover, the Airport City is steadily expanding. The new health centre at the airport will open at the beginning of October. DHL is setting up a logistics campus, and about 2,500 new jobs will be created in 2018 at the Airport City and the Airport Region thanks to new airline bases and business location projects”, explains Günther Ofner, Member of the Management Board of Flughafen Wien AG.

“2018 will be a record summer for Vienna Airport. July was the first month in airport history to surpass the threshold of 100,000 passengers on a single day. We are also optimistic about the second half of the year. Numerous new flight offerings such as a new long-haul flight connection to Shenzhen in China, new destinations in Europe and several frequency increases are already set. Therefore, we now expect passenger growth of more than 8% in the Group at 6% at Vienna Airport”, states Julian Jäger, Member of the Management Board of Flughafen Wien AG.

Good traffic development in H1/2018: 7.6% rise in passenger volume in the Flughafen Wien Group

The Flughafen Wien Group including its foreign strategic investments in Malta Airport and Kosice Airport handled 15.1 million passengers in the period January to June 2018, comprising a year-on-year increase of 7.6%.

5.5% increase in passengers handled by Vienna Airport

The number of passengers handled by Vienna Airport in the period January-June 2018 was up 5.5% to 11,840,245 travellers. The number of local passengers climbed 5.7% in the first half-year 2018 and transfer passenger volume rose by 5.2%. The number of passengers to Western Europe was up 4.3%, and Eastern European destinations showed passenger growth of 5.3%. Passenger volume to the Far East rose by 32.3% in H1/2018, whereas passenger traffic to the Middle East was up by 2.7%. The number of passengers flying to Africa showed a clearly positive development with growth of 40.2%, and the total number of passengers flying to North America was up slightly by 0.7%.

The number of flight movements in the period January to June 2018 increased by 3.2% from the prior-year level to 110,835 starts and landings. The average seat occupancy (seat load factor) improved substantially from 71.9% to 73.8% in the first half of 2018. Cargo volume increased by 3.5% in the same period to 142,605 tonnes (air cargo and trucking).

Good traffic and business development at Malta and Kosice airports

The foreign strategic investments of the Flughafen Wien Group in Malta and Kosice airports are also developing very well. Malta Airport reported a strong rise in passenger volume of 16.3% in the first half of 2018 to 3,069,673 passengers. Kosice Airport registered a considerable increase of 14.2% in a year-on-year comparison, handling a total of 212,741 passengers.

Revenue up 4.5% in H1/2018 to € 373.5 million – significant improvement in financial performance indicators

In the first half of 2018, the Flughafen Wien Group generated revenue of € 373.5 million, comprising a year-on-year increase of 4.5%, and EBITDA improved by 6.1% to € 167.6 million. EBIT was up 16.7% to € 104.5 million, and the improved financial results led to a 20.4% rise in the net profit for H1/2018 to € 72.4 million. Net debt was reduced once again to € 190.4 million. The free cash flow amounted to € 72.1 million (H1/2017: € 78.7 million).

Revenue and earnings development in the segments

Revenue in the Airport Segment in H1/2018 rose by 5.5% year-on-year to € 182.0 million. Segment EBIT improved to € 49.0 million (H1/2017: € 34.1 million). The Handling and Security Services Segment registered a 0.9% rise in revenue to € 80.4 million and reduced its EBIT to € 1.7 million (H1/2017: € 7.5 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) as well as the services provided by GetService Dienstleistungsgesellschaft m.b.H. The Retail & Properties Segment reported a 1.4% rise in revenue to € 62.2 million, and EBIT of the segment was up to € 32.6 million (H1/2017: € 29.3 million). Revenue of the Malta Segment climbed by 11.5% to € 40.9 million, with segment EBIT improving to € 18.9 million (H1/2017: € 16.1 million). Revenue in the Segment "Other Segments" amounted to € 8.0 million in H1/2018 (H1/2017: € 7.3 million), and segment EBIT totalled € 2.3 million (H1/2017: € 2.6 million).

Investments

Total investments in the first six months of 2018 amounted to € 91.9 million. The largest investment project related to payment obligations of the environmental fund to the amount of € 56.8 million in connection with the 3rd Runway project as a consequence of the official approval granted for the runway. This was accompanied by investments of € 4.9 million earmarked for the terminal development project, € 2.7 million for Office Park 4 and € 1.8 million for high-performance snow cutter blowers. A total of € 3.3 million was invested in Malta Airport among others for terminal modernisation work and airport traffic surfaces.

Continuation of the growth path: financial and passenger guidance for 2018

The company continues to expect passenger growth of at least 8% in the Flughafen Wien Group in 2018 and at least 6% at Vienna Airport. Revenue is anticipated to rise to more than € 770 million for the entire year and EBITDA is expected to total more than € 350 million. From today's perspective, the net profit¹ for 2018 will likely surpass € 148 million. Flughafen Wien AG confirms its original financial guidance of € 175 million with respect to investments and net debt at a level below € 250 million.

Traffic development in July 2018:

Flughafen Wien Group handles 3.6 million passengers (+8.5%)

In July 2018, the number of passengers handled by the Flughafen Wien Group (Vienna Airport, Malta Airport, Kosice Airport) showed an increase of 8.5% to 3.6 million travellers. Accumulated passenger volume in the period January to July 2018 was up 7.8% to 18.7

million travellers. Vienna Airport also developed very well, registering 5.8% growth to 14,570,749 passengers in the months January-July 2018.

Vienna Airport: Strong growth in passengers and flight movements – More than 100,000 passengers per day for the first time

The number of passengers handled by Vienna Airport in the month of July 2018 rose by 7.4% compared to the prior-year month to 2,730,440 travellers. July 29, 2018 marked the busiest day in the airport's history, with 100,229 passengers. (The previous record was June 29, 2018 featuring 97,845 passengers).

The number of local passengers rose significantly by 10.9%, whereas transfer passenger volume declined slightly by 0.8%. In July 2018, the number of flight movements increased by 6.0% in a year-on-year comparison. Cargo volume at Vienna Airport showed a rise of 4.0% from the comparable level of July 2017.

The total number of passengers at Vienna Airport flying to destinations in Western Europe was up 8.0% in July 2018 in contrast to the 1.1% decline in passenger traffic to Eastern Europe. In July 2018, the number of passengers travelling to the Far East increased by 36.8% from the prior-year month, and passenger volume to Middle Eastern destinations climbed by 10.6%. The number of passengers travelling to North America was stable, showing a marginal drop of 0.2%, whereas passenger traffic to Africa rose by 13.2%.

Malta Airport reported strong growth in passenger volume of 12.1% in the month of July 2018, and Kosice Airport also showed a gratifying year-on-year rise of 12.9% in the number of passengers it handled.

1) *Net profit for the period before non-controlling interests*

Traffic development July 2018

Vienna Airport (VIE)

	07/2018	Δ%	01-07/2018	Δ%
Passengers arr+dep+transit	2,730,440	+7.4	14,570,749	+5.8
Local passengers arr+dep	1,979,545	+10.9	10,791,796	+6.6
Transfer passengers arr+dep	740,380	-0.8	3,722,138	+3.9
Flight movements arr+dep	22,404	+6.0	133,239	+3.6
Cargo in tonnes arr+dep in to	25,493	+4.0	168,098	+3.6
MTOW in tonnes	890,568	+6.4	5,281,876	+4.0

Malta Airport (MLA, fully consolidated)

	07/2018	Δ%	01-07/2018	Δ%
Passengers arr+dep+transit	756,356	+12.1	3,826,029	+15.4
Local passengers arr+dep	750,295	+11.8	3,803,320	+15.4
Transfer passengers arr+dep	5,720	+90.3	21,994	+59.7
Flight movements arr+dep	5,076	+11.3	27,685	+15.6
Cargo in tonnes arr+dep in to	1,360	+17.1	9,258	+10.3
MTOW in tonnes	199,288	+10.9	1,109,614	+15.1

Kosice Airport (KSC, consolidated at equity)

	07/2018	Δ%	01-07/2018	Δ%
Passengers arr+dep+transit	89,666	+12.9	302,479	+13.9
Local passengers arr+dep	88,955	+12.8	294,351	+14.0
Transfer passengers arr+dep	0	n.a.	0	n.a.
Flight movements arr+dep	776	-0.8	3,611	+2.4
Cargo in tonnes arr+dep in to	7	+29.7	38	+37.5
MTOW in tonnes	21,871	-1.5	85,503	+1.4

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

	07/2018	Δ%	01-07/2018	Δ%
Passengers arr+dep+transit	3,576,462	+8.5	18,699,257	+7.8
Local passengers arr+dep	2,818,795	+11.2	14,889,467	+8.9
Transfer passengers arr+dep	746,100	-0.5	3,744,132	+4.2
Flight movements arr+dep	28,256	+6.7	164,535	+5.4
Cargo in tonnes arr+dep in to	26,860	+4.6	177,394	+3.9
MTOW in tonnes	1,111,727	+7.0	6,476,993	+5.7

Note: Total number of passengers includes local, transfer, and transit passengers.
Retroactive adjustment of comparative values for 2017 and transit figures in Kosice

Consolidated Financial Statement

in € million	H1/2018	H1/2017	Δ in %
Revenue	373.5	357.5	+4.5
Other operating income	8.9	5.6	+59.3
Operating income	382.4	363.1	+5.3
Expenses for consumables and services used	-20.0	-18.6	+7.4
Personnel expenses	-145.2	-137.3	+5.8
Other operating expenses	-50.7	-50.6	+0.3
Proportional share of income from companies recorded at equity	1.0	1.2	-12.8
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	167.6	157.9	+6.1
Depreciation and amortisation	-63.1	-67.6	-6.7
Impairment	0.0	-0.7	-100.0
Earnings before interest and taxes (EBIT)	104.5	89.6	+16.7
Income from investments, excluding companies recorded at equity	0.3	0.5	-28.7
Interest income	0.2	0.4	-46.0
Interest expense	-8.3	-9.3	-11.1
Other financial result	1.5	0.1	n.a.
Financial result	-6.3	-8.4	+25.0
Earnings before taxes (EBT)	98.2	81.2	+20.9
Income taxes	-25.9	-21.1	+22.6
Net profit for the period	72.4	60.1	+20.4
Thereof attributable to:			
Equity holders of the parent	66.1	54.9	+20.4
Non-controlling interests	6.2	5.2	+20.2
Earnings per share (in € basic = diluted)	0.79	0.65	+20.4

Balance Sheet Indicators

in €million	30.06.2018	31.12.2017	Δ in%
ASSETS:			
Non-current assets	1,898.7	1,870.9	+1.5
Current assets	197.2	192.1	+2.6
LIABILITIES:			
Equity	1,223.2	1,211.0	+1.0
Non-current liabilities	551.1	601.3	-8.3
Current liabilities	321.5	250.7	+28.2
Total assets	2,095.9	2,063.0	+1.6
Net debt	190.4	227.0	-16.1
Gearing (in%)	15.6	18.7	n.a.

Cash flow

in €million	H1/2018	H1/2017	Δ in %
Net cash flow from operating activities	128.9	136.1	-5.3
investing activities	-56.8	-57.4	-1.1
financing activities	-98.1	-73.8	+32.9
Free cash flow	72.1	78.7	-8.4
CAPEX¹	91.9	61.3	+49.9

1) Excluding financial assets

The report by Flughafen Wien AG for the first half year of 2018, from January 1 to June 30, 2018, is available to the general public at the company's offices at 1300 Flughafen Wien and at Bank Austria, 1010 Vienna, Schottengasse 6-8. It is also available on the Internet at http://viennaairport.com/en/company/investor_relations/publications_and_reports/quarterly_reports.


Flughafen Wien AG, August 21, 2018

The Management Board

Please address inquiries to Corporate Communications of Flughafen Wien AG

Press Office

Peter Kleemann, Company Spokesman
 Tel.: (+43-1-) 7007-23000
 E-mail: p.kleemann@viennaairport.com
 Website: www.viennaairport.com

 www.facebook.com/flughafenwien

 [PeterKleemannVIE](https://twitter.com/PeterKleemannVIE)

Investor Relations

Judit Helenyi
 Tel.: (+43-1-) 7007-23126
 E-mail: j.helenyi@viennaairport.com