# Annual Report **2014**

## Flughafen Wien AG

www.viennaairport.com

Key Data on the Flughafen Wien Group

# Key Data on the Flughafen Wien Group

## Financial Indicators

| in € million (excluding employees) | 2014 | Change in % | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|
| Total revenue | 630.2 | 1.3 | 622.0 | 607.4 | 582.0 |
| Thereof Airport* | 344.1 | 3.8 | 331.4 | 315.3 | 294.6 |
| Thereof Handling* | 145.7 | -4.0 | 151.9 | 155.9 | 160.5 |
| Thereof Retail & Properties* | 123.8 | 2.2 | 121.2 | 119.5 | 110.6 |
| Thereof Other Segments* | 16.6 | -5.4 | 17.5 | 16.6 | 16.1 |
| EBITDA | 250.2 | 3.6 | 241.5 | 221.4 | 189.0 |
| EBITDA margin (in %)[1] | 39.7 | n.a. | 38.8 | 36.5 | 32.5 |
| EBIT | 119.8 | 6.9 | 112.1 | 108.0 | 67.2 |
| EBIT margin (in %)[2] | 19.0 | n.a. | 18.0 | 17.8 | 11.5 |
| ROCE (in %)[3] | 5.6 | n.a. | 5.1 | 4.9 | 3.2 |
| Net profit after non-controlling interests | 82.5 | 12.5 | 73.3 | 71.9 | 31.6 |
| Cash flow from operating activities | 220.6 | 7.9 | 204.4 | 179.7 | 178.9 |
| Equity | 952.5 | 5.1 | 905.9 | 851.6 | 811.4 |
| Equity ratio (in %) | 50.3 | n.a. | 46.4 | 41.3 | 37.7 |
| Net debt | 506.2 | -20.1 | 633.4 | 719.6 | 751.7 |
| Total assets | 1,892.2 | -3.2 | 1,953.9 | 2,061.8 | 2,150.2 |
| Gearing (in %) | 53.1 | n.a. | 69.9 | 84.5 | 92.6 |
| Capital expenditure[4] | 75.1 | 3.1 | 72.8 | 101.2 | 260.2 |
| Income taxes | 24.8 | 5.3 | 23.5 | 21.4 | 13.5 |
| Average number of employees for the year[5] | 4,306 | -2.1 | 4,399 | 4,475 | 4,525 |
| Number of employees on 31.12. | 4,208 | -0.9 | 4,247 | 4,306 | 4,500 |

* 2012 adjusted to the new segment reporting

**Definitions:** 1) EBITDA margin (Earnings before Interest, Taxes, Depreciation and Amortisation) = EBIT + depreciation and amortisation / revenue; 2) EBIT margin (Earnings before Interest and Taxes) = EBIT / revenue; 3) ROCE (Return on Capital Employed after Tax) = (EBIT less allocated taxes) / Average capital employed; 4) Capital expenditure: Intangible assets, property, plant and equipment and prepayments, including corrections to invoices from previous years; 5) Average number of employees for the year: Weighted average number of employees including apprentices excluding employees on official non-paying leave (maternity, military, etc.) and excluding the Management Board and managing directors

## Industry Indicators

| | 2014 | Change in % | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|
| Passengers (in mill.) | 22.5 | 2.2 | 22.0 | 22.2 | 21.1 |
| Thereof transfer passengers (in mill.) | 6.5 | -3.9 | 6.8 | 7.1 | 6.5 |
| Flight movements | 230,781 | -0.2 | 231,179 | 244,650 | 246,157 |
| MTOW (in mill. tonnes)[6] | 8.2 | 3.4 | 7.9 | 8.1 | 8.3 |
| Cargo (air cargo and trucking; in tonnes) | 277,532 | 8.3 | 256,194 | 252,276 | 277,784 |
| Seat load factor (in %)[7] | 75.0 | n.a. | 74.8 | 73.0 | 69.6 |

## Stock Market Indicators

| | 2014 | Change in % | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|
| Shares outstanding (in million) | 21 | 0.0 | 21 | 21 | 21 |
| P/E ratio (as of 31.12.) | 19.5 | 11.4 | 17.5 | 12.6 | 19.4 |
| Earnings per share (in €) | 3.93 | 12.5 | 3.49 | 3.42 | 1.50 |
| Dividend per share (in €)[8] | 1.65 | 26.9 | 1.30 | 1.05 | 1.00 |
| Dividend yield (as of 31.12.; in %) | 2.1 | n.a. | 2.1 | 2.4 | 3.4 |
| Pay-out ratio (as a % of net profit) | 42.0 | n.a. | 37.3 | 30.5 | 66.5 |
| Market capitalisation (as of 31.12.; in € mill.) | 1,613.2 | 25.9 | 1,281.0 | 902.8 | 614.3 |
| Stock price: high (in €) | 81.50 | 32.7 | 61.43 | 42.99 | 51.98 |
| Stock price: low (in €) | 59.38 | 44.8 | 41.00 | 26.04 | 25.70 |
| Stock price: as of 31.12. (in €) | 76.82 | 25.9 | 61.00 | 42.99 | 29.25 |
| Market weighting ATX (as of 31.12.; in %)[9] | 1.5 | n.a. | - | - | - |

6) MTOW: Maximum take-off weight for aircraft; 7) Seat occupancy: Number of passengers/Available number of seats; 8) Dividend 2014: Recommendation to the Annual General Meeting; 9) ATX: The VIE share was reclassified from the ATX Prime to the ATX in March 2014

# Content


Mag. Julian Jäger Dr. Günther Ofner

# Dear Shareholders,

The 2014 financial year was very successful for the Flughafen Wien Group (FWAG), despite many challenges. This is clearly reflected in a new record number of passengers, increased margins and earnings, and significantly lower debt. It is all the more noteworthy because important destinations for our airport have been affected by numerous political crises, such as those in Russia and Ukraine, Syria, Libya and Egypt. We also felt the negative effects of strikes at some of our major airlines and airports, and of a much milder winter that led to a significant reduction in de-icing revenue. The fact that we nonetheless managed to exceed all our corporate objectives and achieve a further increase in productivity is down to the performance of all FWAG employees, to whom we would like to offer our sincere thanks.

A total of 22.5 million passengers used Vienna Airport in 2014, which represents an increase of 2.2% on the previous year (2013: 22.0 million). It is also a new record. To put this in perspective, an average of 62,000 travellers passed through the airport every day: far more than the population of St. Pölten, the capital of Lower Austria.

There were two contrasting trends in the development of passenger traffic. While the number of local passengers increased by 4.6% from 15.18 million to 15.87 million, the number of transfer passengers fell by 3.9% from 6.80 million to 6.53 million. The latter is due to the aforementioned political crises, particularly in Russia and Ukraine, and to a reduction in the number of seats available from our largest domestic carrier Austrian Airlines. We are particularly gratified by the increase in long-haul travellers, up by 20% in 2014, including an increase of no less than 28% in North American destinations. Flight movements remained almost unchanged compared to 2013 at around 231,000, while cargo volumes increased by 8.3% to around 278,000 tonnes.

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FWAG recorded a year-on-year increase in revenue of 1.3% to € 630 million in 2014. This relatively low increase is due to the reduction in de-icing revenue already mentioned. In contrast, EBITDA rose by 3.6% to € 250.2 million and the EBITDA margin rose to 39.7%. Profitability before taxes, depreciation and amortisation has thus improved by more than a quarter since 2010, when the EBITDA margin was only 31.5%. Net profit rose by 12.5%, from € 73.3 million to € 82.5 million. Further improvements in productivity are also reflected in the 2.1% reduction in the headcount, with an average of 4,306 employees at Vienna Airport in 2014 (2013: 4,399).

We are particularly encouraged by the marked improvement in the balance sheet structure. By implementing consistent efficiency improvements and strict cost discipline we have managed to reduce debt by € 127 million, from € 633 million to € 506 million. Gearing – i.e. net debt in relation to equity – improved by 16.8 percentage points to 53.1%. We have therefore already far exceeded the desired goal for 2016 of reducing debt to 2.5-times EBITDA. This increases the scope for future capital expenditure and improves the creditworthiness of FWAG very significantly. The company's internal financing strength, measured by cash flow, improved further in 2014. The relevant indicator rose by 7.9% to € 220.6 million. FWAG's two international investments in Malta and Kosice also performed very successfully. Malta achieved new record passenger numbers, and Kosice also made an earnings contribution in the millions.

FWAG's excellent overall earnings give us greater scope when recommending the dividend to the Annual General Meeting. This will be increased from € 1.30 in 2013 to € 1.65 per share. The performance of our shares was also very satisfying, with a price increase of 25.9% to € 76.82. The successful voluntary takeover bid for 29.9% of the company's shares by the Australian pension fund IFM at the price of € 82 contributed to this excellent price development. The company is delighted to welcome a new major shareholder since December 2014.

The company's financial results must, of course, always be viewed against the background of our primary goal – profitable growth. This requires the further development of our infrastructure and the expansion of our route network, and we made considerable progress on both in 2014. Pier West was refurbished and now has a modern, elegant ambience – as well as new shops and additional restaurants. An improved guidance system and waiting-time information at security control and at baggage claim create added convenience for passengers.

Many new airlines, such as Air China or Ethiopian Airways, and services to new destinations in the USA, Italy, France, Greece, Spain and Switzerland emphasise Vienna Airport's role as Austria's most important gateway to the world.

With the award of a contract for a new hotel project at the airport and the relocation of two companies to a FWAG site near Fischamend, we have moved a few more steps closer to our Airport City vision.

We intend to continue with these positive developments in 2015. As expected, the first quarter showed a negative trend in terms of passenger traffic – but we are forecasting an increase in passenger traffic for the full year of between 0% and 2% owing to the new routes and increased frequencies that the airlines have announced for their summer flight plans. In terms of financial objectives we expect revenue of over € 645 million, EBITDA of over € 250 million and net profit of over € 85 million. Net debt should continue to fall to below € 500 million at the year-end.

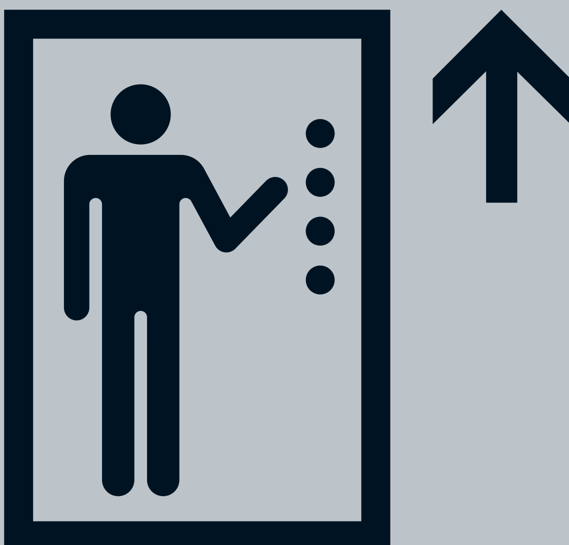
Our company's strategic focus remains unchanged. We want to strengthen Vienna Airport's position as the leading air traffic hub to destinations in Central and Eastern Europe, improve the airport's infrastructure, and make maximum use of the resulting opportunities for earnings and growth.

We would be pleased to have you accompany us on this journey as our shareholders, and we thank you sincerely for the confidence you have placed in us.

Schwechat, 3 March 2015
**The Management Board**

**Günther Ofner**
Member, CFO

**Julian Jäger**
Member, COO



# Corporate profile

## Vision, values and company purpose

In a process covering the whole company and supported by external consultants, management and staff redefined and sharpened the long-term goals and corporate purpose of the Flughafen Wien Group in 2013. In the process, four fundamental values were defined to which the Flughafen Wien Group (FWAG) and its employees are committed and with which the professional and commercial activities of the whole Group are aligned.

The FWAG vision is:

“We are one of the best airports in Europe because we meet the needs of our customers as a key east-west hub with a professional approach and a focus on service.”

The long-term corporate goal focuses on a sustainable increase in enterprise value:

"We are pursuing an aggressive growth strategy at the airport location, creating the conditions necessary to take advantage – jointly with our partners – of the wide range of potential opportunities in air travel. This is enabling us to achieve the best possible sustainable increase in our enterprise value."

The four fundamental values to which FWAG's management and staff are committed are as follows:

› **Customer orientation:** Our top priority is to meet the needs of our customers. We see ourselves as service providers. We treat our customers in a friendly and respectful manner, taking account of their individual wishes.

› **Professionalism:** Our work is characterised by the highest levels of professionalism and commitment. We are proud that we complete our tasks carefully, reliably and safely, and we integrate new technologies and procedures into our processes in order to make further improvements.

› **Efficiency:** We use our economic and natural resources and energy sparingly, efficiently and responsibly.

› **Respect:** We treat each other with trust and honesty, seeing errors as a spur to improvement. We respect the views and achievements of others, and we give each other mutual support.

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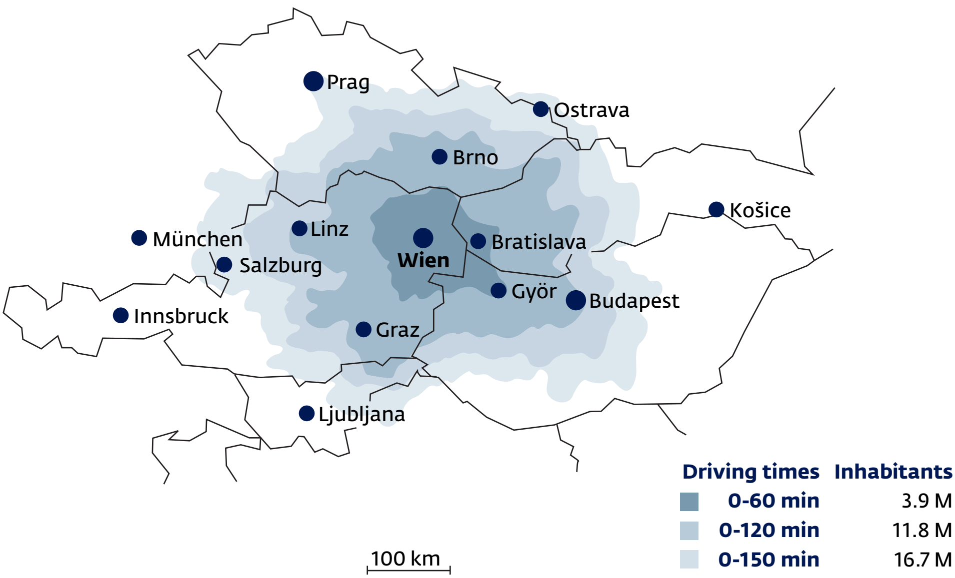
## › The airport location in Vienna–Schwechat

Vienna Airport covers an area of more than 10 km2. Located roughly 20 kilometres from the centre of Vienna, it can be reached easily and quickly by motorway, train and local transport connections such as buses, the rapid transit railway and the City Airport Train (CAT). In 2014, in addition, the long-distance railway station at the airport was opened, making it quicker and easier for passengers to travel from metropolitan areas such as Linz, Salzburg and St. Pölten.

With the advantage of its geographical location, Vienna Airport has positioned itself as a major hub to destinations in Central and Eastern Europe and the Middle East. The distinguishing factors for Vienna Airport include comprehensive services to 172 destinations in 71 countries, as well as high service quality: fast connections, outstanding reliability in baggage handling, and a punctuality rate that has been among the best in Europe for many years.

Besides Austria, the catchment area covers parts of the Czech Republic, Slovakia, Hungary and Slovenia - all within two hours by car. Around11.8 million people live within this radius, and adding just one more hour expands the catchment area to 23.4 million people (see diagram). Infrastructure development in neighbouring countries has led to the steady expansion of Vienna airport's catchment area in recent years. The economic recovery process in these countries is also reflected in a growing interest in travel.




Source: VIE 2013

With its geographical location as the gateway to Eastern Europe and a catchment area with above-average economic growth as well as high-quality services, many airlines have good reason to see Vienna airport as a transfer hub. This is true for Vienna's home carrier Austrian Airlines, and consequently for the Lufthansa Group – as well as for NIKI/airberlin, which uses Vienna as a hub for destinations in Greece, in particular.

In regular operation, Vienna's current system of two intersecting runways can accommodate up to 72 flight movements per hour. In order to benefit from the expected future growth in air traffic it is important for capacity to be expanded in good time. In addition to terminal areas, aircraft parking positions and improved taxiways, an airport must also have sufficient runway capacity to meet future demand (see "Corporate strategy" starting on page 22).

### Vienna Airport: facts and figures

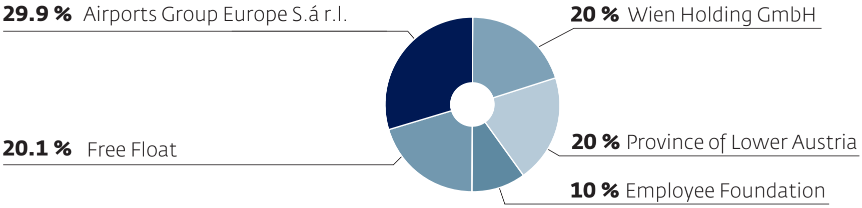
| | |
|---|---|
| Passengers in 2014 | 22,483,158 |
| Airport area | 10 km² |
| Airlines[1] | 70 |
| Destinations[1] | 172 |
| Flughafen Wien Group employees[2] | 4,306 |
| Total employees at the Vienna Airport location | 20,000 |
| Baggage handled per year | around 18 million items |
| Check-in counters | 128 |
| Parking positions, maximum | 96 |
| Thereof docking positions | 37 |
| Rentable space in 2014[3] | 123,118 m² |
| Thereof rentable cargo space[3] | 25,402 m² |
| Thereof rentable office space[3] | 96,255 m² |
| Selling space in retail outlets[3] | 10,147 m² |
| Selling space in gastronomy outlets[3] | 8,695 m² |
| Vacancies in outlets[3] | 622 m² |
| Total outlet space[3] | 19,464 m² |
| Ratio of airside to landside areas | approx. 65% : 35% |
| Parking spaces, indoor[1] | 11,064 |
| Parking spaces, outdoor[1] | 10,573 |

1) as at 31 December 2014
2) Average number of employees for the year
3) Rentable space (office, cargo and technical open space): Year-on-year differences in these areas may be the result of rezoning and do not necessarily represent an increase or decrease in actual square metres.

# The Flughafen Wien Group

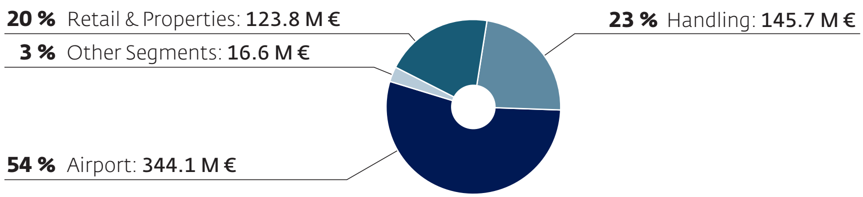
The Flughafen Wien Group (FWAG), with its diversified service portfolio, is responsible for the smooth operation of Vienna Airport. The company was partially privatised in 1992, since when it has been listed on the Vienna Stock Exchange. The largest shareholders are Airports Group Europe S.à. r.l. with 29.9%, followed by Wien Holding GmbH and the province of Lower Austria each with 20.0%, and the Flughafen Wien employee foundation with 10.0%. The remaining 20.1% of the shares are in free float (see diagram), making FWAG one of the few European airports with a stock-market listing.

**Shareholder structure**




As a developer, builder and full-service operator, FWAG manages airport operations and also provides a wide range of infrastructure services. FWAG and its first- and second-tier subsidiaries are responsible for nearly all activities at Vienna Airport. From the development and maintenance of infrastructure, ground handling, passenger handling and security services to a diverse variety of retail, gastronomy and parking services as well as real estate marketing, the Flughafen Wien Group covers nearly the entire added value chain at Vienna Airport. The business activities of the Flughafen Wien Group are classified under four segments: Airport, Handling, Retail & Properties and Other Segments. A detailed description of developments in the segments can be found in the management report on page 85.

**Revenue distribution FWAG**



## › Airport Segment

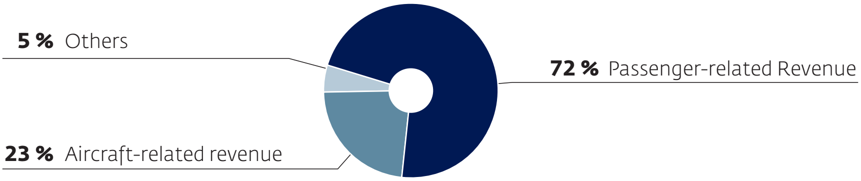
The Airport Segment is responsible for the operation and maintenance of all movement areas and the terminals, the facilities involved in passenger and baggage handling as well as security controls for passengers and hand luggage (security controls are conducted by wholly-owned subsidiary VIAS). Another field of activity is the acquisition of new airlines in point-to-point traffic and transfers, and the associated increase in the number of destinations and flight frequencies. These efforts are supported by attractive fees and incentives. The activities of the Airport Segment include:

- Airport operations
- Access controls
- Operation and maintenance of all movement areas
- Operation and maintenance of the terminals and equipment required for aircraft handling
- Rental of facilities to airlines
- Assisting existing airline customers and acquiring new carriers
- Development of fees and incentives
- Response to emergencies and service disruptions
- Fire department
- Medical centre
- Winter services (aprons and runways)
- Operation of the Vöslau location
- Environmental management and coordination of the surrounding area

Vienna Airport handled around 22.5 million passengers in 2014, an increase of 2.2% over the previous year. A sharp increase in local passengers more than made up for a reduction in the number of transfer passengers. Flight movements remained unchanged at approx. 231,000 (for detailed traffic results see page 29).

With revenue of € 344.1 million in 2014, the Airport Segment contributed 54.6% of the total revenue of the Flughafen Wien Group. Detailed information on the earnings contribution of the segment is provided on page 85 of the notes.

**Revenue: Airport segment**



## › Handling Segment

As a ground and cargo-handling agent, the Handling Segment provides services for aircraft and passenger handling in scheduled, charter and general aviation traffic. In addition to ramp, cargo and passenger handling, the Handling Segment also provides security services. These include security controls for passengers and hand luggage, as well as the required checks when moving from landside to airside and the control of checked-in baggage. The Handling Segment is also responsible for general aviation activities, which covers civil aviation with the exception of scheduled and charter flights. It includes private as well as commercial flights by operators such as business aviation companies, private persons, corporate jets and air rescue operators. The activities of the Handling Segment include:

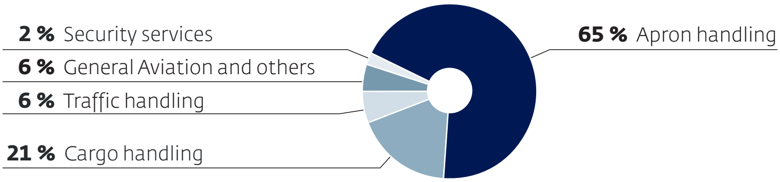
- Loading and unloading of aircraft
- Cargo handling
- Passenger handling
- Transport of passengers and crews
- Catering transport
- Cabin cleaning
- Sanitary services
- Aircraft push-back and towing
- Aircraft de-icing
- Baggage and mail handling
- Preparation of aircraft documents, inc. monitoring and management functions
- Handling for air cargo and trucking
- Security services (also for the Airport Segment)
- Management of the import-export warehouse
- Operation of the VIP & Business Center and lounges

The working environment for the Handling Segment is influenced by aviation sector trends as well as steady pressure on prices. It requires flexible reactions to the airlines' demands for shorter ground time and reduced service packages. The ground-handling unit is successfully holding its own, with short turnarounds, a high punctuality score and tailor-made services. Its market share remained stable at 87.7% in 2014 (2013: 88.5%), despite direct competition from Celebi Ground Handling Austria GmbH.

FWAG handled 256,762 tonnes of cargo during the reporting year (market share: 92.5%), which represents an increase of 7.5% over 2013. Total cargo turnover at Vienna Airport increased by 8.3% in 2014 to 277,532 tonnes. Detailed cargo results are described in the section "Traffic results 2014" on page 32.

With revenue of € 145.7 million in 2014, the segment contributed 23.1% of the total revenue of the Flughafen Wien Group. Detailed information on the earnings contribution of the segment is provided on page 85 of the notes.

**Revenue: Handling segment**




## › Retail & Properties Segment

In addition to the typical airport-related activities carried out by the Handling and Airport Segments, other sources of revenue are becoming increasingly important for Vienna Airport. These additional sources are related, above all, to opportunities in the area of real estate development – keyword: Airport City – and the airport's function as a shopping centre. The traditional role of the passenger is evolving from a simple air traveller into a person who also shops, uses services and frequents gastronomy facilities. Passengers, users of parking facilities, hotel guests, participants of conferences, employees at the site, meeters and greeters represent important target groups. Other substantial contributions to income in addition to shopping and gastronomy include advertising revenue, parking and the rental of office and cargo space. The activities of the Retail & Properties Segment include:

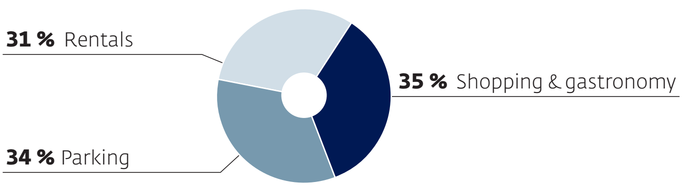
- › Shopping and gastronomy
- › Marketing of advertising space
- › Real estate development and marketing
- › Rental of office and cargo areas
- › Management of parking facilities and traffic connections

The focal point in the retail area in 2014 was the implementation of new attractive offers in Pier West and the Plaza (see also "Corporate strategy" page 22).

With over 30 million passengers and visitors a year, Vienna Airport is one of the most heavily frequented locations for advertising and communication. The new Internet platform www.airport-media.at bundles together these multidimensional, state-of-the-art communications and media services at Vienna Airport. After a noteworthy increase of 28% in 2013, advertising revenue also remained stable at this high level in 2014.

With revenue of € 123.8 million in 2014, the segment contributed 19.6% of the total revenue of the Flughafen Wien Group. Detailed information on the earnings contribution of the segment is provided on page 85 of the notes.

**Revenue: Retail & Properties segment**



## › Other Segments

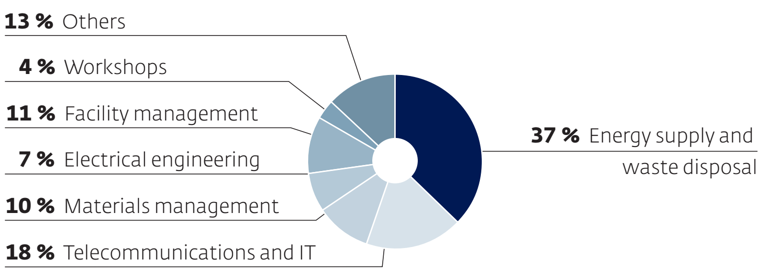
The reporting segment "Other Segments" provides a wide range of services for the other operating segments of the Flughafen Wien Group as well as external customers. The activities of the Other Segments include:

- › Technical services and repairs
- › Maintenance of infrastructure facilities
- › Energy supply and waste disposal
- › Telecommunications and information technology
- › Electromechanical and building services
- › Construction and maintenance of infrastructure facilities
- › Construction management
- › Consulting
- › Foreign subsidiaries
- › VisitAir visitors centre

This segment includes the subsidiaries of Flughafen Wien AG that directly or indirectly hold shares in foreign associates and joint ventures and have no other operating activities.

In 2014 the Other Segments recorded revenue of € 16.6 million, or 2.8% of Group revenue. Detailed information on the earnings contribution of the segment is provided on page 85 of the notes.

**Revenue: Other segments**



## › Improved results from foreign investments

FWAG holds investments in two international airports:

- Malta Airport: FWAG holds a combined stake of approx. 33%. Of the total shares, 40% is held by a consortium in which FWAG has an investment of 57.1% and 10.1% is owned directly by FWAG via subsidiaries. A further 20% is held by the Maltese government, and the remaining shares are listed on the Malta stock exchange. Malta Airport handled a record number of passengers in 2014, with around 4.29 million travellers. This represents an increase of 6.4% over 2013, which was also reflected in earnings: with € 4.7 million (2013: € 5.0 million), this investment made a significant contribution to the financial results of FWAG.

- Košice Airport: FWAG holds an indirect 66% stake through a holding company. In 2014 the number of passengers increased by 50.4% to 356,750, particularly due to the commencement of operations by a new airline, its contribution equalled € 1.0 million (2013: € 0.5 million).

FWAG held a stake of 25.15% in Flughafen Friedrichshafen GmbH until July 2014. This investment was written off in full in the 2nd quarter of 2011. Flughafen Wien Group has transferred its entire stake in Flughafen Friedrichshafen GmbH in equal parts to the city of Friedrichshafen and the administrative district of Lake Constance. The purchase price was € 2.3 million.

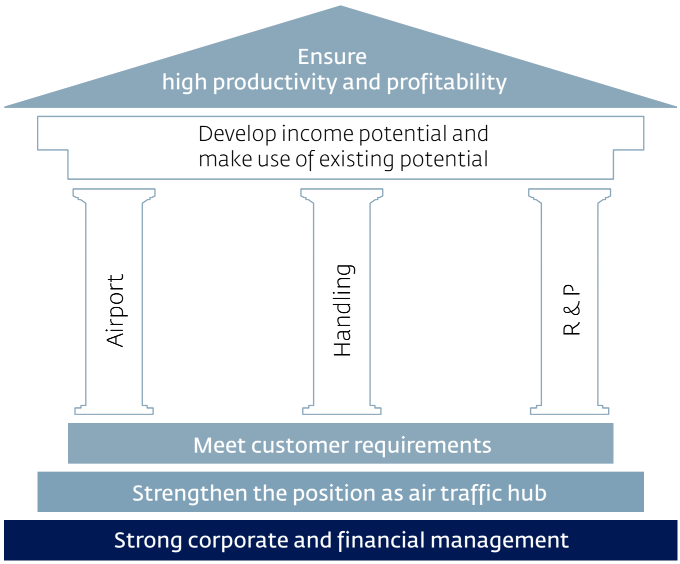
# Corporate strategy

The Flughafen Wien Group (FWAG) is the full-service operator of Vienna Airport. It pursues an aggressive growth strategy at the airport location, creating the necessary conditions – jointly with its partners – to take advantage of the wide range of potential opportunities in air travel, and thus consistently pursues its primary goal of achieving a sustainable increase in enterprise value.

FWAG therefore strives to strengthen its position strategically in the growing international air traffic market in the coming years, thus achieving passenger growth above the European average. There is also still considerable growth potential in the Retail & Properties Segment.

FWAG's corporate strategy concentrates on four main focal points that are intended to support a sustainable increase in the value of the company. They are described in more detail below (see also diagram):

› 1. Strengthen its position as an air traffic hub and satisfy customer requirements even better
› 2. Develop earnings potential and make use of existing potential
› 3. Ensure high productivity and profitability
› 4. Ensure that new capital expenditure can be financed



## 1. Strengthen its position as an air traffic hub and satisfy customer requirements even better

### › Further improve customer satisfaction

Vienna Airport already holds a leading position Europe-wide in many quality and service indicators that are vital for customer satisfaction for both passengers and airlines, e.g. punctuality, transfer reliability and aircraft handling. We aim to strengthen this orientation in the future and reach a customer satisfaction rating that is above-average on an international comparison. The activities to meet this goal include, above all, focused construction and organisational measures to improve passenger comfort and the terminal experience.

### › Create the best possible conditions for transfer traffic and long-haul travellers

The incentive programme for the fees charged by Flughafen Wien AG – in particular the transfer incentive – is designed to strengthen the airport's hub function. Flughafen Wien AG counteracts the market risk of the airlines and shares their risk through marketing measures as well as through competitive fee and incentive models that apply equally to all airlines. Aviation Marketing is responsible, above all, for actively promoting transfers to strategically important intercontinental destinations and traffic to Eastern and Central Europe. This is one of the focal points in building our share of long-haul flights, which is still relatively small at Vienna Airport compared to other airports of a similar size. Productive cooperation with our major customers Austrian Airlines and NIKI continued in 2014, with the improved coordination of core processes to generate service and cost advantages for both sides. We are also consistently optimising the transfer quality at Vienna Airport by creating the necessary spatial requirements for short transfer routes and quick connecting times. The Handling Segment plays an important role in the airport's competitive strength with the high quality of its processes and services. Service level agreements with the airlines, continuous quality monitoring and a proactive approach to dealing with customer requests help to protect and increase this high quality level over the long-term.

## 2. Develop new income potential and make use of existing potential

### › Airport

Global air travel is still a growth market. Traffic is expected to double over the next 20 years. By expanding the airport infrastructure and capacity to meet demand, we ensure that the airlines can make the most of opportunities for growth. The project "parallel runway 11R/29L" (third runway), now in an advanced stage of the official approval process, will offer airlines a long-term growth perspective in Vienna. Due to the capacity bottlenecks expected in the mid term at other European hub airports, the third runway project is extremely important for Flughafen Wien AG and its future role in European aviation. Work is currently proceeding to optimise the existing two-runway system in close cooperation with the system partners until a final decision is taken on the realisation of the third runway project.

### › Retail & Properties

There is still considerable growth potential in the shopping and gastronomy area. In the long term, Flughafen Wien AG aims to create additional space for retail and gastronomy and to improve passenger flow further as part of the above-mentioned terminal development. That will allow opportunities for additional income to be realised.

A balanced development strategy for the "Airport City Vienna" is being pursued in the real estate area. The product segments with an attractive earnings/risk profile will be actively expanded in the coming years, above all in the hotels, meetings and conferencing, offices and cargo real estate areas. FWAG will be working at different levels of the value chain, depending on the specific projects.

The portfolio of advertising options and formats is being offered as a bundle under a separate umbrella brand "Vienna Airport-MEDIA" (http://www.airport-media.at). This will support the premium positioning of its products with a focus on innovation, exclusivity and quality. The goal is to increase advertising revenue at a rate that is substantially higher than the growth in passenger volumes.

### › Handling

The Handling Segment is the clear market leader for both aircraft and cargo handling. In 2014, the Handling Segment had an average market share of 87.7%. However, only modest growth in flight movements is expected over the coming years because of changes in the airlines' fleet mix (trend towards larger aircraft) and rising seat load factor. In the long term Flughafen Wien AG wants to protect its leading position in order to make the best possible use of the available market potential. Activities in the Handling Segment will continue to be focused, above all, on strengthening quality leadership, further expanding added value and continuing to improve process and cost efficiency.

## 3. Generate high productivity and profitability

The realisation of the planned aggressive growth strategy requires appropriate positioning of the segments that again require capital expenditure. However, this capital expenditure is possible only if earnings can be further strengthened and the company's internal financing capability is improved. The Flughafen Wien Group has therefore launched or implemented a number of strategic measures to increase productivity, streamline processes and sustainably improve cost efficiency. These measures will lay the foundations necessary for the continued ability to offer extremely competitive rates and services in comparison with the primary hubs used by the Lufthansa Group (Frankfurt, Munich and Zurich).

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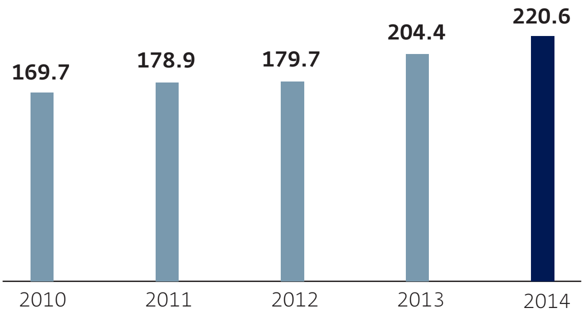
All segments and business units are involved in this optimisation programme. A number of measures have been successfully launched or implemented in recent months, bringing positive results in terms of time, costs and quality.

Productivity – as measured by the number of traffic units (passengers and cargo) per employee – increased further in 2014. This has been achieved through ongoing efforts to optimise the organisational structures and workflows.

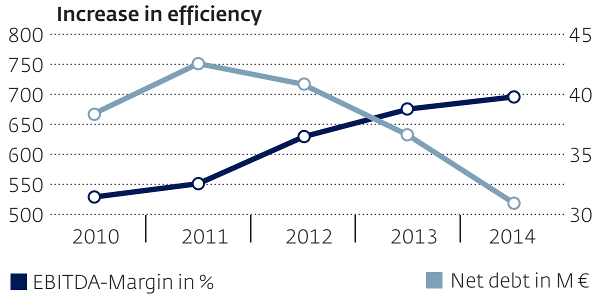
## 4. Ensure that new capital expenditure can be financed

The strategic objectives of financial management in the Flughafen Wien Group are to protect liquidity, to limit financial risks and to increase profitability. Associated with this is the desire for a high credit rating in order to keep financing costs as low as possible. Financing for capital-intensive infrastructure investments is provided primarily from operating cash flow, or by borrowings that are based on the Group's solid equity structure. In 2014 the Flughafen Wien Group generated operating cash flow of € 220.6 million.

**Operating cash flow – in million €**




The measures implemented throughout the Group to improve efficiency and manage costs are intended to sustainably strengthen earnings, increase the EBITDA margin and reinforce the company's internal financing capability. Net debt was substantially reduced in 2014 through productivity improvements in the personnel area, a reduction in other operating expenses and a cutback in capital expenditure. Net debt totalled € 506.2 million at year-end 2014 (2013: € 633.4 million), which led to an improvement in gearing to 53.1% (2013: 69.9%). Equity amounted to € 952.5 million (2013: € 905.9 million). FWAG thus enjoys high financial standing. This position, together with increasing earning power and sound prospects for growth, would be reflected in ratings of A- or BBB+.




The management of financial risks – e.g. liquidity and interest rate risk – is regulated by Group treasury guidelines. These activities are carried out by the treasury department together with the individual corporate units.

# Strategic Conditions

## Location and economic development

A favourable geopolitical location after the opening of Eastern Europe and the resulting expansion of the catchment area have created additional growth opportunities for Vienna Airport. Forecasts for neighbouring countries in Eastern Europe point to strong above-average growth in the next few years. Consequently there is potential to grow passenger numbers faster than the European average in the long term. Vienna Airport can benefit from both stronger economic development in the CEE region and the existing pent-up demand for air travel per person and per year.

### › GDP growth

| in % | 2013 | 2014e | 2015e |
|---|---|---|---|
| Austria | 0.2 | 0.7 | 1.2 |
| Germany | 0.1 | 1.3 | 1.1 |
| Slovakia | 1.4 | 2.4 | 2.5 |
| Czech republic | -0.7 | 2.5 | 2.7 |
| Hungary | 1.5 | 3.2 | 2.5 |
| Eurozone | -0.5 | 0.8 | 1.1 |

Source: Eurostat, Statistik Austria, Austrian Economic Chambers

The image of Vienna as a conference and tourist destination and the seat of many international organisations is a strategic advantage, as is the fact that many international corporations have established their CEE headquarters in Vienna. In 2014 Mercer ranked Vienna as the city with the highest quality of life for the fifth year in succession. For the eighth year in succession, Vienna is one of the top three cities for numbers of congresses (source: ICCA). A series of record statistics for overnight stays in recent years underscores the potential of this city as an ideal tourism and business destination. >

Vienna Airport expects passenger numbers to grow by between 0% and 2% in 2015. A slight increase of between 0% and 1% is expected in flight movements. Vienna Airport is expected to record an average increase of 3.3% per year in the number of passengers in long-term forecasts from 2013 to 2020. Based on this calculation, approx. 28 million passengers can be expected in 2020.

## Fee and Incentive Policy

Fee adjustments based on the price-cap formula and the procedure for adjustments in 2014 were regulated by the Austrian Airport Fee Act (FEG), which has been in force since 1 July 2012.

Vienna International Airport has a fee system that is very attractive in international comparison. The fees were adjusted as of 1 January 2014 based on a price-cap formula that was accepted by the airlines and the Austrian civil aviation authority (Austrian Ministry for Transport, Innovation and Technology (BMVIT)) and is incorporated in the FEG. The maximum change in the fee equals the inflation rate minus 0.35 times the growth in traffic, which is defined as the three-year average for the change in traffic over the 12-month period from 1 August to 31 July. If average traffic growth is negative, the maximum fee adjustment equals the inflation rate. The calculation of the landing, parking and airside infrastructure fee is based on the maximum take-off weight (MTOW) of the aircraft, while the passenger and landside infrastructure fees are based on passenger numbers. The infrastructure fee for fuelling is based on the volume of fuel.

The fee structure was adjusted as follows as of 1 January 2014:

| | |
|---|---|
| › Landing fee, airside infrastructure fee, parking fee | +1.87 % |
| › Passenger fee, landside infrastructure fee: | +0.55 % |
| › Infrastructure fee for fuelling: | +1.83 % |

The fee for passengers with reduced mobility remained unchanged at € 0.34 per departing passenger. The security fee also remained the same for all departing passengers (local and transfer) at € 7.70.

The transfer incentive per departing transfer passenger, which was raised to € 12.50 on 1 January 2013, also remained at this level in 2014. This transfer incentive programme is intended to underpin the role of Vienna Airport as a transfer airport. It also calls for further progressive rates under certain growth conditions.

Flughafen Wien AG also pursued other incentive programmes in 2014 to create incentives for new destinations and increases in frequency. This should have the effect of promoting the long-term role of Vienna Airport as a bridgehead between west and east. The fee adjustments implemented on 1 January 2014 as well as the continuation of the successful incentive programme are designed to strengthen the competitive position of Vienna Airport and to develop strategically important intercontinental routes and traffic to destinations in Eastern and Central Europe.

# Traffic development in 2014

A strong airport needs strong home carriers, and Vienna is the home airport for Austrian Airlines and NIKI. Based on the share of passengers carried, Austrian Airlines is the leading airline with 47.7%, followed by NIKI with 11.0%, airberlin with 6.2% and Lufthansa with 4.8%. This ranking also shows germanwings, Air China and Ethiopian with the strongest growth in passenger traffic. Average seat occupancy on scheduled and charter flights rose from 74.8% in 2013 to 75.0% for the reporting year.

Seventy airlines offered scheduled flights to/from Vienna in 2014, which serviced 172 destinations in 71 countries.

### › Share of passengers by Airlines

| | Airline | 2014 | Change in % | 2013 | Share in % 2014 | Share in % 2013 |
|---|---|---|---|---|---|---|
| 1. | Austrian | 10,718,908 | -0.7 | 10,797,360 | 47.7 | 49.1 |
| 2. | NIKI | 2,482,938 | 2.7 | 2,417,552 | 11.0 | 11.0 |
| 3. | airberlin | 1,401,533 | 4 | 1,347,937 | 6.2 | 6.1 |
| 4. | Lufthansa | 1,068,390 | -12.4 | 1,220,204 | 4.8 | 5.5 |
| 5. | Germanwings | 712,841 | 20.1 | 593,451 | 3.2 | 2.7 |
| 6. | Turkish Airlines | 496,935 | 0.2 | 496,018 | 2.2 | 2.3 |
| 7. | British Airways | 402,907 | 0.7 | 400,065 | 1.8 | 1.8 |
| 8. | SWISS | 378,922 | 4.1 | 364,146 | 1.7 | 1.7 |
| 9. | Emirates | 366,337 | 5 | 348,841 | 1.6 | 1.6 |
| 10. | KLM Royal Dutch Airlines | 307,453 | 8.9 | 282,447 | 1.4 | 1.3 |
| | Others | 4,145,994 | 11.1 | 3,731,905 | 18.4 | 16.9 |
| **Passengers** | | **22,483,158** | **2.2** | **21,999,926** | **100.0** | **100.0** |

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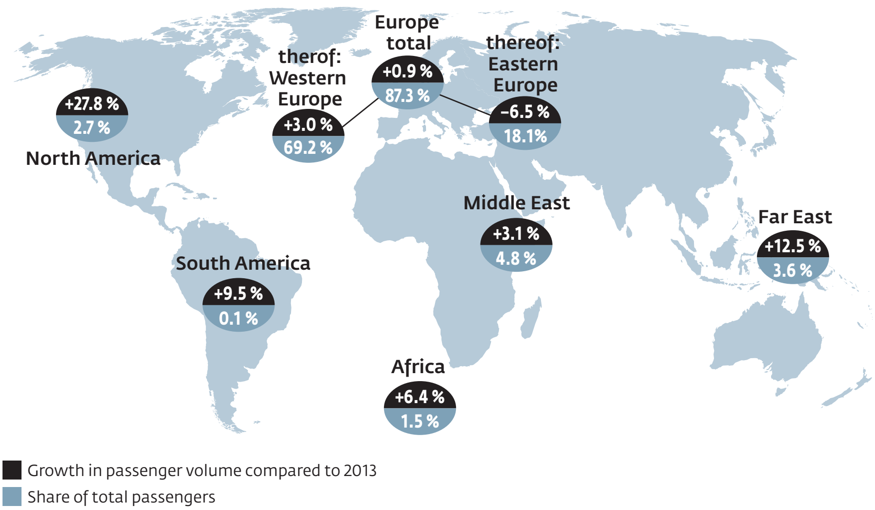
## › Development and Share of Passengers by Region

An analysis of passenger traffic by region shows above-average growth to destinations in North America, which reflects the start of flights to Newark by Austrian Airlines and the positive trend in Chicago. The number of passengers travelling to destinations in Western Europe and the Far East also increased during the reporting year. The crises in Russia and Ukraine had a negative effect on destinations in Eastern Europe, where traffic fell correspondingly.

**Departing passengers**
Development and share of passengers by region




## › Destinations

Vienna Airport positions itself as the most important transfer hub for flights to and from Eastern Europe. It also offers the most destinations in this region. As seen over the entire reporting year, Vienna offered flights to 41 destinations in Central and Eastern Europe. The comparison in the following table is based on statistics from a sample calendar week.

### › Number of destinations in Eastern Europe

| | 2014 | 2013 | 2012 |
|---|---|---|---|
| Vienna (VIE) | 35 | 37 | 38 |
| Munich (MUC) | 32 | 31 | 35 |
| Frankfurt (FRA) | 34 | 31 | 34 |
| Prague (PRG) | 24 | 22 | 23 |
| Zurich (ZRH) | 19 | 18 | 19 |
| Budapest (BUD) | 12 | 12 | 10 |

Source: OAG MAX Historical, calendar week 46

## Scheduled traffic to Central and Eastern Europe

| | Destination | 2014 | Change in % | 2013 |
|---|---|---|---|---|
| 1. | Moscow | 329,513 | -10.9 | 369,692 |
| 2. | Bucharest | 201,929 | -4.0 | 210,290 |
| 3. | Sofia | 162,265 | -5.3 | 171,390 |
| 4. | Warsaw | 103,345 | +0.3 | 103,007 |
| 5. | Belgrade | 90,289 | -13.7 | 104,627 |
| 6. | Zagreb | 78,636 | +4.2 | 75,431 |
| 7. | Prague | 78,329 | -0.4 | 78,610 |
| 8. | Tirana | 73,316 | +0.4 | 72,991 |
| 9. | Kiev | 72,939 | -21.4 | 92,810 |
| 10. | St. Petersburg | 60,928 | -11.6 | 68,941 |
| | Other | 774,177 | -5.3 | 817,767 |
| **Passengers handled** | | **2,025,666** | **-6.5** | **2,165,556** |

## Scheduled traffic – long-haul

| | Destinations | 2014 | Change in % | 2013 |
|---|---|---|---|---|
| 1. | Bangkok | 115,726 | +1.6 | 113,864 |
| 2. | New York and Newark | 110,467 | +26.2 | 87,523 |
| 3. | Tokyo | 73,715 | +1.2 | 72,874 |
| 4. | Washington | 72,355 | +16.9 | 61,900 |
| 5. | Delhi | 58,617 | +26.6 | 46,300 |
| 6. | Toronto | 57,981 | +12.4 | 51,603 |
| 7. | Chicago | 57,827 | +78.4 | 32,411 |
| 8. | Beijing | 56,944 | +29.9 | 43,820 |
| 9. | Taipei | 54,425 | +12.5 | 48,376 |
| 10. | Seoul | 25,359 | +60.1 | 15,835 |
| | Others | 45,061 | +28.7 | 35,013 |
| **Passengers handled** | | **728,477** | **+19.5** | **609,519** |

## Scheduled traffic to the Middle East

| | Destination | 2014 | Change in % | 2013 |
|---|---|---|---|---|
| 1. | Dubai | 232,128 | +4.2 | 222,722 |
| 2. | Tel Aviv | 157,155 | -4.9 | 165,328 |
| 3. | Doha | 48,069 | +14.1 | 42,114 |
| 4. | Amman | 46,194 | +12.1 | 41,203 |
| 5. | Teheran | 27,612 | +215.9 | 8,742 |
| 6. | Others | 27,765 | -34,8 | 42,582 |
| **Passengers handled** | | **538,923** | **+3.1** | **522,691** |

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## Cargo traffic at Vienna Airport

The growth seen in the second half of 2013 continued in 2014. The volume of cargo (inc. trucking) handled at Vienna Airport rose by 8.3% year-on-year to 277,532 tonnes in 2014. The distribution among the various cargo segments was nearly constant in comparison with 2013: pure freight carriers were responsible for 35% of the total volume, freight loaders 35% and trucking 30%. The growth in air cargo was mainly due to an increase in volume to the Far East and North America.

### › Cargo development 2014 vs. 2013

| | 2014 | Change in % | 2013 |
|---|---|---|---|
| Cargo (arrival+departure) | 277,532 | +8.3 | 256,194 |
| Arrival | 156,368 | +14.9 | 136,128 |
| Departure | 121,165 | +0.9 | 120,065 |
| Air cargo (arrival+departure) | 197,761 | +10.6 | 178,857 |
| Arrival | 115,812 | +16.0 | 99,805 |
| Departure | 81,949 | +3.7 | 79,052 |
| Trucking (arrival+departure | 79,771 | +3.1 | 77,336 |
| Arrival | 40,556 | +11.7 | 36,323 |
| Departure | 39,215 | -4.4 | 41,013 |

# Strategic Transformation in the Segments

### › Service offensive and accessibility

A wide-ranging service offensive was started in 2014 in order to focus on improving the company's services. More than 120 individual measures and projects were completed within the scope of the project. This resulted in a significant increase in passenger satisfaction according to the global Airport Service Quality (ASQ) survey. In the ASQ report, Vienna Airport achieved a passenger satisfaction rating above the average of the relevant peer group.

Accessibility was of particular importance in this project. Findings of passenger surveys and in-depth discussions with associations for persons with special needs led to an improvement to the passenger walkways. A wide range of improvement measures was developed in different work groups, and more than three-quarters of these were implemented. They included the new accessible connection between terminals 2 and 3, and improvements to the visual orientation system in the terminals - its clear structure simplifying passenger orientation.

A special attraction for children was opened in March 2014 – the Family Fun Gate. This is a specially equipped area in terminal 3 where the youngest passengers can let off steam on the climbing frame, two slides, a climbing wall and many more attractions while they are waiting for their flight. Entry to the adventure playground is free, and it is open 24/7.

The Airport also offers the Vienna Airport app, which is free to download. This enables people to view all information and updates on departures and arrivals on their mobiles. This constant availability of up-to-date information makes for stress-free departures and relaxed collections.

## › Modernisation of Pier West and the Plaza

The revitalisation of the Pier West terminal area was one of the most important projects in the quality strategy of Flughafen Wien AG in 2014. The result is a more spacious and consistent gate area, a high quality gastronomy offering and an overall lighter and more pleasant atmosphere in the terminal. New flooring, walls, ceilings, lighting and fittings were installed on over 9,500 m² of floor space in the terminal.

Bench seats with power and USB sockets for charging mobiles and laptops provide additional convenience, as does the opportunity to use unlimited free WiFi throughout the terminal area. Great attention was paid to a high-quality gastronomy offering. DO & CO constructed a completely new restaurant area on around 800 m² of floor space. The culinary offering ranges from traditional coffee house culture and typical Viennese cuisine through to high-end dishes from the US.

The range of shops at the gates has also been extended. Travellers can find a wide selection of sweets, traditional specialities, and a display of products by cult brand PEZ. A large Welcome Fashion shop offers brands such as Flug zeug, Capo, Codello and Vilebrequin, and the souvenir shop Senses of Austria rounds off the retail facilities.

The Plaza area was also updated. This includes Austria's only Victoria´s Secret shop, and a pop-up shop area, which can be used to display a range of different brands. The main duty-free shop was also expanded and made more appealing, and the gastronomy offering for passengers was improved. The retail offer in terminal 3 was also extended to include well-known international brands such as Picard, Philipp Plein and Ermenegildo Zegna.

A new information and management system to measure and improve performance was also implemented in individual shops. This will make it easier to fully exploit existing purchasing power at the site over the next few years. There is now a total of more than 30 catering operations and over 70 retail outlets available to travellers at Vienna Airport.

## › CDM implemented – a contribution towards environmentally friendly aviation

In 2014, Flughafen Wien AG, Austro Control and the airlines and handling companies operating at Vienna Airport began implementing Airport Collaborative Decision Making (CDM). This program ensures that all aspects of aircraft handling – from flight planning and landing to connecting flight take-offs – are standardised and coordinated between all parties involved: airports, security, airlines and handling agents. Information required for fast ground handling is exchanged between all project partners in a standardised way, resulting in lower costs, improved punctuality and reduced fuel consumption on the ground. Improved processes mean that passengers benefit from even more punctual flight handling. The successful implementation of CDM not only makes a significant contribution to environmentally friendly flight handling at Vienna Airport, but also improves service quality and customer satisfaction in the Handling Segment.

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## › Long-distance railway station opened

The long-distance railway station at Vienna Airport, constructed jointly with ÖBB, was opened at the end of 2014. This means that travellers from the western metropolitan areas of Salzburg, Linz and St. Pölten will have a significantly more comfortable and much shorter journey to Vienna Airport, because they no longer need to change trains in Vienna. That should reduce the travelling time from Linz to Vienna Airport to approx. 1 hour and 40 minutes and the travelling time from Salzburg to Vienna Airport to approx. 2 hours and 45 minutes, and extend the catchment area towards the west. Passengers in Salzburg and Upper Austria, who could previously travel more quickly to Munich Airport, are now being targeted more heavily with appropriate promotional activity.

## › Third runway project pushes ahead strongly

If growth forecasts are met in the coming years, the capacity limit will be reached after 2020. In order to react to this projected demand, an application was filed with the responsible authorities in the provincial government of the province of Lower Austria in March 2007 to request approval for the realisation of the project "parallel runway 11R/29L" (the third runway). A positive decision in the first instance was issued in July 2012. The proceedings relating to appeals against this decision were held in the Austrian Federal Administrative Court at the start of 2015. However, it is expected that the supreme court will also be involved in the matter. The second-instance ruling is expected in 2015. After this permit is received and/or any supreme court proceedings are concluded, Flughafen Wien AG will take a decision on the realisation of this project based on the expected growth in passenger traffic and flight movements and its economic feasibility.

## › Handling quality further improved

Handling once again improved its already very high reliability and quality in 2014. It achieved an outstanding punctuality rate of 99.15% over the whole year (2013: 98.97%). That gives Flughafen Wien AG a top ranking compared with other European hub airports. This is also reflected in Austrian Airlines, the largest home carrier at Vienna Airport, being ranked as the third most punctual airline worldwide. The number of items of baggage lost due to a handling error was reduced in 2014 to the lowest level since the awards started.
A consistent focus on customer service and professionalism has also enabled FWAG to hold its own with its major competitors in the cargo segment, Munich and Frankfurt. Lufthansa Cargo voted Vienna "Europe's fastest cargo hub", not least due to the process of continuing education for its employees. Over 800 internal participants are trained or (re) certified through the legally prescribed hazardous materials training courses.
The remote load sheet service, which has been in existence since 2013, was expanded in 2014. This means that the plane's load sheet is actually prepared here in Vienna for a steadily growing number of Austrian Airlines outstations. It is intended to develop this revenue source further in 2015.

## › Entry into passenger handling

Passenger handling – one of the last handling services not to have been performed by the Flughafen Wien Handling Segment – was successfully incorporated into its range of services on 1 April 2014. Since then, many airlines have become customers – from low-cost carriers (e.g. EasyJet or Jet2.com) to business airlines (e.g. People's Viennaline) and scheduled carriers (e.g. Qatar Airways, Transaero or Rossiya Airlines). At the start of 2015 Vienna Airport was also charged with passenger handling for the second Viennese home carrier NIKI/airberlin.

## › Successful introduction of online parking

Since September 2014 it has been possible to select parking spaces directly via http://parking.viennaairport.com and book them in advance. Entering the required length of stay immediately lists all parking options and their corresponding costs. This provides travellers with a good overview of the available car parks at the airport, their location in relation to the terminal building and how much they cost. The new service has already been well received, particularly by business customers. Structural improvements to short-stay car park K3, which is working close to capacity, provided 38 extra parking spaces.

## › Aviation Marketing

Market analysis and regular customer contacts play an important role in the acquisition of new airlines. Market opportunities as well as current airline developments, legal regulations (traffic rights) and the existing competition are analysed on an ongoing basis. In-depth efforts are made to acquire new airlines, for example by developing customer contacts through regular discussions and via presentations at conferences and trade fairs. New airlines are assisted with their entry into the Viennese market and supported in their communications (e.g. inaugural events, road shows, etc.). Regular structural analyses of passengers, international quality analyses (e.g. ASQ or SkyTrax), in-depth market research and discussions with customers enable Flughafen Wien AG to react to changed requirements.

## › Airport-City pushes ahead

The concept of developing Vienna Airport into Airport City continues to push ahead. The addition of a new hotel in the budget price segment and the expansion of available areas in the current air cargo centre are currently in a concrete planning or realisation phase. The tender process for the new hotel was successfully conducted in 2014. The commission was awarded to the Marriott hotel chain, which will erect the first Austrian hotel in the Moxy chain here.

In addition, two new business parks were implemented on the site through the sale of part of the operating area owned by Flughafen Wien Group near the municipality of Fischamend. The short-term goal for the office properties is to optimise the existing portfolio, and improve earnings by increasing occupancy and reducing operating costs.

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## › Successful restructuring and reorganisation

To produce synergies, the Technical Services unit and Vienna Airport Infrastruktur Maintenance GmbH were combined into the new company Vienna Airport Technik GmbH as part of a restructuring project in 2014. It became operational at the start of 2015.

The strategy and reorganisation project introduced in the Information Services unit in 2014 is already at an advanced stage of implementation. This project involves comprehensive improvements to the ICT processes (information and communications technology) and the restructuring and streamlining of the development organisation. This should strengthen the service unit's positioning as a more efficient, more professional and more service-oriented ICT service provider and business partner at the Vienna Airport site.

## › Plans and projects for 2015

Maintenance work to runway 11/29 and numerous measures in the terminal are planned for 2015, such as expanding the lounge facilities. Concept planning is also already under way on the modernisation of terminal 2, one of the airport's oldest structures. This project is part of the planned long-term development of the terminal, with the aim of expanding the available space and capacity and improving the existing terminal configuration.

# Responsible Management

Responsible management covers not only economic factors, but also a company's thoughtful interaction with society and the environment. The Flughafen Wien Group (FWAG) has a special standing in society above and beyond aviation operations, as well as a responsibility to stakeholders and interest groups. Beside the approx. 22.5 million passengers, who are accompanied by another roughly ten million "meeters and greeters", this also applies in particular to all of the neighbouring residents and employees.

In the surrounding communities large numbers of people enjoy the benefits of the airport and live with its drawbacks. The Vienna Airport location is one of the largest employers in Austria. Of the approx. 20,000 men and women who work here, nearly one-third live nearby and most of the remainder live within about 50 km.

Vienna Airport is also an important driver of employment in commerce and tourism. Efficient morning and evening service to Eastern Europe as well as effective connections to global markets are vital, in particular for the more than 300 corporations whose East European holding companies are located in Austria.

Flughafen Wien's sustainability strategy places a high priority on being a good neighbour and maintaining an intensive dialogue with all stakeholders. This strategy includes conscientious interaction with the environment, a reduction in the consumption of resources and the long-term protection of the quality of life in the region, despite the long-term increase in passenger volumes. The corporate social responsibility (CSR) strategy of Flughafen Wien AG combines a sustainable increase in enterprise value with the minimisation of negative environmental effects. The company has accordingly introduced a variety of measures to reduce the impact of air traffic. >

## › CSR as a key success factor for the future

As a service company that covers an entire economic and tourism region, high acceptance by customers, employees and the population in the surrounding area is supremely important to Flughafen Wien. Conflicts over airport infrastructure projects in other countries underscore the importance of social acceptance for the sustainable and successful development of the company and its home location. FWAG will therefore continue to concentrate on the implementation and improvement of its CSR activities.

## › Sponsorship and donations

FWAG has a particular obligation to serve society through sponsoring activities and donations because of the large number of persons and stakeholders involved with and affected by the airport, as well as the influence of aviation operations and related effects on the environment and the quality of life. The company therefore sponsors events and other activities with a social, sports, economic, cultural, environmental or other comparable content. The related decision process and responsibilities are defined in a sponsorship guideline that was approved by the Management Board and presented to the Supervisory Board. This guideline ensures full compliance with all applicable legal regulations. Sponsorship and donation activities are also checked in detail for efficiency and appropriateness by a court-accredited expert.

As a company with a significant public sector shareholding, FWAG is subject to the regulations of the Austrian Media Transparency Act and the related provisions of the Austrian Anticorruption Act. No donations may be made to political parties or related organisations (§ 2 no.1–3 of the Austrian Political Party Act of 2012), parliamentary groups as defined in § 1 of the Austrian Political Group Financing Act of 1985, legal entities as defined in § 1 of the Austrian Journalism Funding Act 1984 or public authorities and their related legal entities.

## › Stakeholder communication and dialogue forum

Flughafen Wien AG founded a neighbourhood advisory board in 1989 to promote a dialogue with local communities. Meeting up to four times a year, this board comprises the Management Board of FWAG, the mayors of Schwechat, Fischamend, Kleinneusiedl, Enzersdorf a.d. Fischa, Schwadorf, Grossenzersdorf, Rauchenwarth, Zwölfaxing and Himberg, as well as representatives of the 11th (Simmering) and 22nd (Donaustadt) districts of Vienna.

When planning the third runway, Flughafen Wien AG consistently pursued the path that it started out on some years ago of a high commitment to environmental protection and a serious, honest dialogue with the people in the region. The stated goal is jointly to develop solutions for people, the environment and the economy that are widely recognised and as environmentally friendly as possible.

Flughafen Wien AG is proud of what it has achieved so far: From 2000 to 2005 the most comprehensive mediation process that had ever been carried out in Europe took place. Around 50 mediation parties (citizens' initiatives, neighbouring communities, Austrian Airlines, air traffic controllers Austro Control etc.) together invested thousands of hours of work in the search for amicable solutions. This process was concluded with the mediation contract, which is binding under civil law, the establishment of the dialogue forum as a communication platform and the founding of the environmental fund. Flughafen Wien AG thereby voluntarily assumed obligations that – in the interests of the people who live close to the airport – go far beyond what is required by law.

This communication and dialogue platform now includes Austro Control, Austrian Airlines, all the communities in the extended region adjoining the airport, citizens' initiatives from these regions, the provinces of Vienna, Lower Austria and Burgenland, the environmental protection agencies of Vienna and Lower Austria and communities from Gänserndorf, Bruck a.d.L., Baden, Mödling, the greater Vienna area and the various districts of Vienna.

The role of the dialogue forum is to deal with those topics that need to be implemented based on the mediation contract.

It evaluates the success of air traffic measures each year and documents the results in an assessment report that is published on its website at http://www.dialogforum.at. The focal points of this report are the development of noise zones, compliance with the corridors established for air traffic, distribution rates and night flight rules as well as the results of the noise charges model. Another important focus is the development of further options to reduce the negative effects of air traffic in order to improve the quality of life of those affected. This joint problem-solving approach has gained increasing international recognition in recent years, and it serves as a benchmark for regional relations at many airports.

In the summer of 2012 the provincial government of Lower Austria, as the responsible public authority, issued initial confirmation of the environmental compatibility of the third runway project, against which 23 objections were raised. The oral appeal proceedings took place before the Federal Administrative Court at the start of 2015. The ruling of the court of the second instance is expected during 2015.

## › A glimpse behind the scenes: the Visitair Center at Vienna Airport

The Visitair Center at Vienna Airport is another product of the mediation process. Roughly 60,000 guests each year stop by this exhibit to learn more about the airport. Especially popular are the bus tours of the apron, which provide a close real-time look at the hectic airport activity, and the Visitors Deck. With a length of 250 metres and an area of 1,350 m² directly on the roof of Terminal 3, it offers an unobstructed view of the airport apron as well as take-offs, landings and exciting airport operations. Illustrated charts provide information on airport-related professions, details on the most frequently seen types of aircraft, and facts and figures on aviation. Additional information can be found at:
www.viennaairport.com/en/passengers/airport/visitair_centre_-_the_visitor_centre.

## › vie-umwelt.at

The online platform "The environment and aviation" www.vie-umwelt.at is a key element in communications with residents who are affected by air traffic. In particular, measurement data is available from 15 stationary and three mobile flight noise measurement stations. The schedule for each coming year shows the location and duration of all mobile measurements. Information is also provided on events that could disturb normal flight operations (such as runway closures). An RSS feed is integrated into the homepage. This tool provides residents with an immediate update via the latest news.

## › Aircraft noise management

**Night flights in 2014**

The percentage of flight movements between 10 pm and 6 am rose from 7.4 % to 8.1% in 2014, which represents an absolute value of 55 (2013: 50) flight movements per night. In accordance with an agreement reached during the mediation process, the number of flight movements between 11.30 pm and 5.30 am should remain constant at the 2009 level, a target that was met during the reporting year. The actual number of flight movements was 305 below the 4,700 level defined in the mediation contract.

In the entire term of this regulation from 2007 to 2014, the actual number of flight movements was 993 (approx. 2.5%) less than the cumulative target of 39,300 flight movements.

Plans call for a further step-by-step reduction in the number of flight movements to 3,000 per year, starting three years before the third runway comes into service. Details of night flights at Vienna International Airport can be found in the evaluation report that will be released by the dialogue forum at the mid-year point.

**Flugspuren.at**

The depiction of flight paths in the internet also makes the practical implementation of measures agreed by the mediation process more understandable and transparent for the general public. The website www.flugspuren.at is managed jointly by Flughafen Wien AG and Austro Control.

This service provides statistics on flight movements, classified by take-offs and landings. The altitude, time and type of engine (propeller or jet) can be reviewed for each flight. Improved storage capacity enabled the coverage period to be extended from 14 to 32 days in 2013 to show older movements too.

One feature unique in Europe is the option to call up additional information on the number of flight movements within a specific period of time on a specific departure or arrival route. This information is released with a delay to comply with data protection requirements, but it has been possible to reduce this from the previous 24 to six hours since 2013.

In 2014 a total of 13,718 visitors (2013: 12,727) and 25,118 hits (2013: 22,630 hits) were registered, representing approx. 62 hits per day (2013: 62).

**Noise protection**

The FWAG noise protection programme that was started in 2005 as part of the mediation contract aims to protect the health and improve the quality of life of people who live close to the airport.

Where the continuous sound level exceeds 54 dB(A) during the day and 45 dB (A) during the night, the airport assumes between 50% and 100% of the costs, such as for the installation of soundproof windows and doors. By the end of 2014, expert opinions were prepared by construction and structural experts for 6,235 properties, and optimum noise protection measures were installed in 2,878 of them.

Flughafen Wien AG has also agreed to purchase, at fair value, the properties located in a noise zone where the continuous sound level exceeds 65 dB(A) during the day and 57dB(A) at night. This option was selected by two of the 60 or so property owners who were offered it.

With the noise protection programme, Flughafen Wien AG significantly falls below the limit values prescribed by law. According to the Federal Environmental Noise Protection Ordinance, threshold values for the development of action plans, such as during the night, are only envisaged from a continuous sound level above 55 dB(A), whereas the airport's noise protection programme lists levels above 45 dB(A).

Funds totalling € 51.5 million have been provided for the implementation of noise protection measures.

## › $CO_2$ emissions and ACAS

$CO_2$ emission assessment was prepared for 2014. The results for Vienna Airport – including air traffic, the aprons, handling, energy consumption and feeder traffic – show a 0.4% reduction in emissions to approx. 306,900 t $CO_2$. This includes full operation of Terminal 3 during the year. Of the total emissions, only 12% can be directly influenced by FWAG. A comparison of these controllable $CO_2$ emissions with traffic units (VE) shows a decline of 11% (kg/VE) vis-à-vis 2013. FWAG uses this $CO_2$ emission assessment as the basis for its participation in the ACAS (Airport Carbon Accreditation System) led by ACI Europe. The first certification level was confirmed in 2014 (determination of $CO_2$ emissions at the airport location), and plans call for the attainment of level 2 status (reduction in $CO_2$ emissions at the airport location) in 2015. Additional information on this programme can be found at http://www.airportcarbonaccreditation.org.

## › Sustainability certification for Airport City Vienna

In December 2014 Airport City Vienna was the first business park in Austria to be awarded the district certificate for business parks by ÖGNI (Austrian Sustainable Building Council). The site, which comprises over 70,000 m² of office and conference space (Office Park 1-3 and Object 645) as well as hotels and transport facilities, was evaluated against a range of criteria such as environmental and economic quality, as well as socio-cultural and functional features. This certificate guarantees that the development of Airport City Vienna is in line with objective and measurable sustainability criteria.

## › Energy efficiency programme

The energy efficiency programme implemented in 2013 was also intensively pursued in 2014. The aim of this initiative is to ensure optimum operation of the airport with regard to energy usage. In 2014, once again, an impressive package of measures was put together that should deliver noticeable and sustainable savings:

- Optimisations in the air conditioning system in Terminal 3 saved 2,500 MWh, which represents roughly 13% of the annual cooling requirements.
- Savings of 1,900 MWh of electricity were made on lighting and ventilation.
- In addition, further savings of 815 MWh of electricity, 1,300 MWh of cooling and 1,300 MWh of heating were achieved by implementing measures such as the installation of air circulation flaps in Terminal 3 and the implementation of a usage-dependent lighting system in the fixed passenger boarding bridges. Some of these measures will only come fully into effect in 2015.

In 2015 the focus will again be on optimising the various building service plants and electro-technical systems.

## › Fit for EMAS and ISO 14001

Initial preparations were made in special workshops for implementing the "Eco-Management and Audit Scheme" (EMAS) environmental management system (including ISO 14001). Almost all the preconditions required for an environmental management system are now in place.

The EMAS environmental management system meets the requirements of the Energy Efficiency Act, which came into force in January 2015. It guarantees ecological procurement and simplifies administrative processes. In this way, synergy effects can be maximised. By starting the project to introduce EMAS in 2014, conformity with environmental legislation is guaranteed – after the planned award of external certification in October 2015.

## › Mobility

**Regional mobility project for the airport region**

One initiative of the neighbourhood advisory board is the project to optimise local public passenger transport in the airport region. During the summer of 2013 an employee mobility survey was carried out at the airport on behalf of the EU leader region Römerland-Carnuntum, in which 2,300 employees in 15 companies at the airport location participated. Data on the mobility habits of 8,000 households in 27 communities throughout this region were also collected at the same time. The resulting database will be used to make demand-related adjustments to bus connections. A regional mobility concept was also developed for the Schwechat-Vienna Airport region together with all key stakeholders to reflect the growing integration of Vienna and the surrounding communities. The relevant districts of Vienna, the communities in Lower Austria, representatives of Vienna Airport and traffic planning experts worked closely together to this end. The measures jointly defined will be implemented in stages over the next few years.

**Online car-sharing platform for airport employees**

In a collaborative project with Austrian Airlines, Flughafen Wien AG initiated the implementation of a car-sharing platform for employees. This facilitated and encouraged carpooling among employees with similar journeys to work. In order to develop a network based on mutual trust, the platform is only available to people who work at Vienna Airport. In the first stage it is open to around 10,000 employees of the two companies. The project, which was presented for subsidy to the klima:aktiv mobil fund, will later include all employees at the Vienna Airport site. The calculated environmental effect of reducing individual traffic and fuel use is around 600 tonnes of $CO_2$ per year. The platform was launched in spring 2015.

## › Ecology at the workplace

In 2014, the "Öko-LOGISCH!" employee awareness campaign focused on the topic of environmentally friendly mobility. This resulted in the development of fuel-efficiency training for company car users and commuters, which will be offered in 2014 as part of the training programme. Since the opening of the airport bicycle path in 2013, cycling to and from work has seen an increase in popularity. In order to promote this further, bicycles have been made available on loan free of charge through a collaborative programme.

## › Security management

Safe and smooth aviation operations are the top priority at Vienna Airport. Security-related duties are the responsibility of Vienna Airport's operational and command task force. A safety management system was installed to integrate all measures required to improve security at Vienna Airport. Proactive risk management identifies potentially threatening situations in advance, allowing for the timely implementation of appropriate countermeasures. This system has noticeably reduced the number of accidents at Vienna Airport – and the resulting costs – to a minimum. In 2014 the number of accidents with motor vehicle and/or property damage or damage to aircraft was substantially beneath the ten-year low, despite significantly higher passenger traffic.

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Vienna Airport has been certified in accordance with the guidelines issued by the International Civil Aviation Organization (ICAO) and the Austrian Federal Ministry for Transport, Innovation and Technology (BMVIT) since 2010. External controls at the airport measure compliance and support the further improvement of security standards. The BMVIT carried out two audits in 2014.

The centralisation of security controls and the related efficiency improvement continued in 2014, and there was a significant improvement in productivity. Waiting time at the central security control was between 0 and 3 minutes for 93% of passengers, and it s now on public display to passengers in the terminal. In January 2014 the new regulation regarding liquid control was implemented, allowing transfer passengers to take their duty-free purchases from third countries with them in their hand luggage when disembarking at Vienna Airport after security screening. All requirements by public authorities were checked by audits, inspections and tests, as well as by both national and international authorities, and found to have been met.

# Employees

## › Strategy and management

The Vienna Airport location is one of the largest employers in Eastern Austria. In 2014, on average, around 20,000 people were employed in some 230 businesses that are responsible for punctuality, comfort and safety. According to economic studies of the industry, a further 52,500 or so jobs are indirectly linked to Vienna Airport.

The Flughafen Wien Group employed an average of 4,306 people in 2014, plus around 300 more in subsidiaries that are not fully consolidated.

In autumn 2014 an anonymous employee survey was undertaken to check the status of employee satisfaction and motivation. The survey was carried out by an external market research institute. Over 1,700 questionnaires were returned, which equates to an unusually high response rate of 40%. The results give valuable insights into what is already working well, as well as areas where the company still needs to improve. The development and implementation of suitable improvement measures aimed at staff orientation is a focus for 2015.

## › Training

An important function of the Human Resources (HR) Department is to find employees with specialist skills and employ them in suitable positions, nurture existing potential and develop new skills. The subject of staff development is therefore an important part of the HR strategy. Employees must have the required skills and expertise to deal with future challenges.

Each month we say "welcome aboard!" to new employees. In a half-day event, members of the Management Board and managers present the company to their new colleagues. A good opportunity to acquire airport-specific knowledge is provided by the "Airport Know-how" event. Organised by employees for employees, it presents particularly interesting areas and jobs at Vienna Airport.

Employees' training needs are discussed and recorded at the annual performance review meeting. It is not just technical training that is of great importance here. The key focus is also on personal development measures. Employees are offered numerous seminars and workshops on topics such as leadership, languages, IT, and health and safety, which are summarised in the annual training catalogue.

The international exchange of know-how in the Flughafen Wien Group is supported by the Airport Management Training Programme (AMTP). The seventh group with airport employees from Kosice, Malta and Vienna is currently completing the one-year programme. The six modules give participants an opportunity to broaden their specialised expertise and academic skills, and to intensify and expand their contacts within the group.

One focal point of training programmes for managers is individual employee development. The foundation is formed by extensive basic education, which continues in the form of individual coaching. The goal is to develop managers with excellent specialised qualifications, who are also highly reflective and can recognise and utilise their own leadership skills on a targeted basis.

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Apprenticeship training plays an important role at Flughafen Wien AG. In addition to theoretical education in a vocational school and practical on-the-job training, the apprentices attend numerous seminars. English and IT courses as well as group and individual coaching sessions form an important part of their training. In order to improve the social skills of apprentices, a one-week seminar was again held in 2014 on the subject of “addiction prevention and experiential education”. Flughafen Wien apprentices can also familiarise themselves with other companies as part of the three-week “Leonardo da Vinci” exchange programme with Munich Airport.

## › Performance-based compensation for managers

The remuneration scheme for the members of the Management Board and the first two levels of management includes a performance-based component. The amount of this variable compensation is based on the fulfilment of quantitative and qualitative goals.

## › Employee foundation

Flughafen Wien AG created an independent employee foundation over ten years ago to allow its employees to participate directly in the success of the company. This foundation holds 10% of the shares in FWAG, distributing the dividends received on them to company employees. The foundation's governing bodies are set out in the articles of association, and they act completely independently of Flughafen Wien AG. In 2014 a dividend payout of € 2.73 million was made for 2013, amounting on average to 34% of the average employee's gross monthly salary or wage. The allocation is based on the individual gross annual salary or wage. A total of € 3.465 million is due to be paid out for 2014, which represents more than approx. 40% of average gross pay.

## › Labour trust

The Steyr labour trust was founded in 1993 to provide goal-oriented support for the professional reintegration of employees who lose their jobs in economically difficult times. FWAG has been a member of this trust for many years, in keeping with its responsibility to former employees. Twelve employees joined the Steyr labour trust in 2014, raising the total number of employees who have undergone training since its inception to 68.

## › Focal points for staff development

Two focal points in the staff development area are older employees and support for women. The goal of keeping employees with the company for longer is only feasible in practice with the implementation of extensive preventive and organisational measures, above all with regard to the high physical stress to which many of our employees are constantly exposed.

## › Retirement planning

For all staff who joined the company before November 2014, Flughafen Wien transfers 2.5% of their monthly salary or wage to a company pension fund as a supplement to statutory pension schemes and optional private pensions. Employees can also choose to make a matching contribution. In addition, the company provides financial subsidies for supplementary accident and health or pension insurance.

## › Voluntary benefits

Flughafen Wien AG offers a variety of voluntary benefits to increase the motivation and strengthen the identification of employees with the company. Examples include free-of-charge transportation to workplaces at the airport with the City Airport Train (CAT) and bus connections to Vienna and the neighbouring communities. The company invested more than € 300,000 in these services in 2014. A meal subsidy of € 1.00 per employee and working day (total for 2014: € 523,000) is also provided, and numerous benefits are available for leisure time and sporting activities.

## › Flexible working time models

Flughafen Wien has introduced flexible and individualised working time models to meet the needs of employees to the best possible extent. Flexible working hour models are found, above all, in the company's commercial functions, and many areas offer part-time employment - except in the traffic-dependent area, where full operations must be guaranteed around the clock and seven days per week. The company has also implemented different shift models. In 2014 the special models for part-time training and educational leave were used once again.

## › Work and family

A family-friendly working climate is particularly important for a healthy work-life balance. Daycare facilities are available directly at the airport, where extended, flexible opening hours also provide employees in shift jobs with reliable supervision for their children. The airport day care centre has received numerous awards for its excellent services and high pedagogical standards.

Employees on parental leave are kept up to date with regular information on important events to facilitate their return to work. An increasing number of men are also taking on primary responsibility for child care, with 15 men on parental leave from Flughafen Wien AG in 2014.

Flughafen Wien introduced a so-called "Daddy's month" for employees in 2012. New fathers can take up to 28 consecutive calendar days' leave during the first three months after the birth of a child living in the same household with them and the mothers. This time off allows the father to help with the care of the new-born and mother and to establish a bond with the child. During the "Daddy's month", the employee receives 50% of his previous monthly wage or salary. Increasing use of the "Daddy's month" is being made by Flughafen Wien employees: 47 fathers took advantage of it in 2014.

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## › Support for women

Female employees currently account for 11.6% of the Flughafen Wien AG workforce. This is attributable to the relatively low percentage of women in specialised functions at Vienna Airport, where roughly two-thirds of the employees are engaged in heavy physical labour. All the same, the company recognises the value of women for the working world and intends to increase this ratio, especially in management positions. The proportion of women at all four management levels in 2014 was 19.23%. Each year the company takes part in the "Vienna Daughters' Day", which is designed to give girls better insights into technical professions. The Flughafen Wien Group had an average of four female commercial trainees in 2014. 30% of the Supervisory Board of Flughafen Wien AG is female. In order to position the company as an attractive employer for women, specific measures have been implemented to support their work-life balance and suitable career opportunities have been created.

## › Workplace health and safety – preventive services

Whether or not a service company fulfils its function depends partly on attitudes, the corporate culture, and how staff are deployed. A safe and healthy workplace creates motivation and employee commitment, and thus contributes towards the company's success. Safe performance of work and the associated trouble-free and accident-free operational processes contribute towards profitability and customer satisfaction. Thirteen training events were held to inform and raise awareness on the topic of "Working Safely", which were attended by 214 new employees.

The success of ongoing efforts to increase safety in the workplace can be seen in the further fall of 2.2% in the rate of reportable workplace accidents per 1,000 employees to 35.5 (see table). Managers also received detailed advice on subjects from the field of employee protection, such as the ergonomic configuration of work stations, accident prevention, operational capability of employees with illnesses/injuries, first aid training, psychological stress at the workplace and maternity leave.

The medical fitness and follow-up examinations required by Austrian law for specific employees also represented an important focal point of industrial medicine services in 2014. These examinations covered respiratory tests for the airport fire brigade, welding smoke check-ups for exposed workshop staff, and noise evaluations for employees affected by it. The evaluation of psychological stress at the workplace by department that was started in 2013 was continued in 2014.

First aid courses lasting 4, 8 and 16 hours were organised, as in past years. Workplace inspections included a check of the first aid kits.

Special medical services such as ergonomic advice (correct sitting, lifting and carrying), pulmonary function tests, eye tests, blood pressure measurements and sports medicine performance diagnostics, etc. were offered during the entire year. Regular health examinations were also offered in the outpatient clinic. The preventive services on offer also included vaccinations against ticks and (free of charge) influenza.

The medical advisory services for travellers and vaccinations, which are available not only to patients and customers in the airport outpatient clinic but also to employees, were again very popular, especially before vacations.

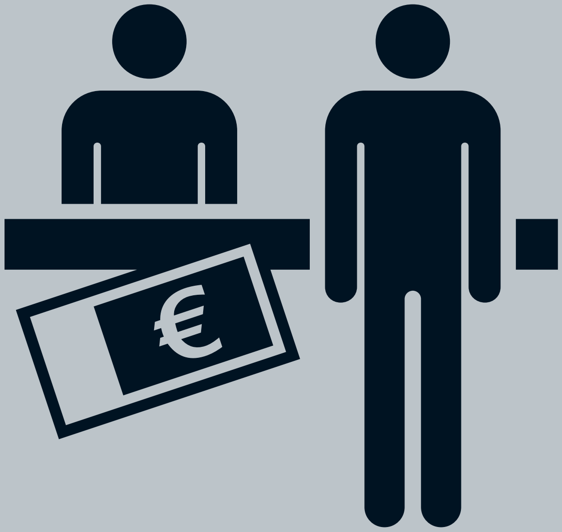
## › Reportable accidents[1]

There was further improvement in the rate of reportable accidents per 1,000 employees in 2014. On a five-year comparison it fell by around one third from 49.6 to 35.5.

### › Employee statistics[1]

| | 2014 | Change in % | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|---|
| Reportable accidents | 115 | 0 | 115 | 145 | 143 | 165 |
| per 1,000 employees | 35.5 | - 2.2 | 36.3 | 44.8 | 43.5 | 49.6 |

1) Based on Flughafen Wien AG



# Investor Relations

The goal of Flughafen Wien AG investor relations is to establish and maintain active and transparent communications with the capital markets. The investor relations team serves as an interface between the company's interest groups at the capital markets, and is available to answer questions on the company and, in particular, on the Flughafen Wien share.

## › The market environment and the Vienna Stock Exchange

The determining factors for the capital markets in 2014 were inconsistent economic development, uncertainty regarding the policies of central banks, and a series of political crises. Several important emerging markets had to significantly reduce their growth forecasts already in the first six months of the year, and the sharp fall in oil prices pushed other emerging markets into recession in the second half of 2014. Accelerated growth in Europe generally failed to materialise. The crisis in Ukraine and the associated sanctions against Russia depressed growth in CEE.

In contrast, the trend in the US economy was relatively strong. As a result, the US stock exchanges were among this year's winners. The Dow Jones Industrial (DJI) index posted strong performance in 2014, with a gain of 7.5%. In percentage terms, the broader S&P 500 Index and the technology-weighted Nasdaq Composite Index rose more sharply than the Dow Jones Industrial in 2014.

The Eurostoxx 50 recorded much less dynamic growth of 1.2%. Its weak performance reflected depressed economic activity in Europe, the ongoing structural problems in major European economies (Italy and France) and continuing uncertainty over the stability of the currency union.

The East European CECE Index, denominated in EUR, posted a significant fall of 6.0% owing to the weakness of economic activity and the crisis in Ukraine.

The Vienna Stock Exchange started off the year well, the ATX, its leading index, reaching its 2014 high of 2,729.07 points in mid-January. Worries about global economic development and the crisis in Ukraine led to volatile share-price performance, tending towards a slight decline. Although prices had fallen to an low for the year of 2,032.13 by mid October, the index still managed to reach a closing level of 2,160.08 thanks to a recovery in the last two months of 2014. With good volumes, the ATX fell by 15.2% in 2014. >

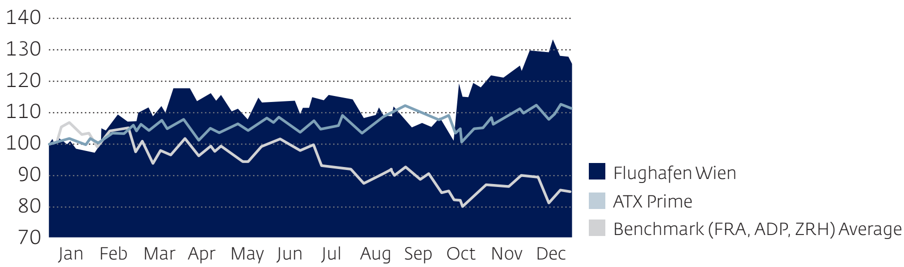
## › Performance of the Flughafen Wien share

After the Flughafen Wien share was reinstated in the ATX leading index in March owing to significantly improved liquidity, its price performance was extremely positive - both in absolute terms and in comparison with the ATX. The year-end price of € 76.82 represented a 25.9% increase over the price at the end of 2013 (€ 61.00). Based on a recommended dividend of € 1.65 per share and the year-end price, the dividend yield equals 2.15% (2013: 2.13%). The Flughafen Wien share reached its low for 2014 on 3 February at € 59.38, and its high on 18 December 2014 at € 81.50. The rise in the FWAG share price accelerated in the fourth quarter when a subsidiary of IFM, an Australian investor, announced a takeover bid for 29.9% of the shares of Flughafen Wien AG.

The stock exchange turnover of the Flughafen Wien share in 2014 more than doubled, rising by 139% to € 649.2 million (2013: € 271.9 million).

The weighting of Flughafen Wien AG in the ATX was 1.48% at the end of 2014 (2013 weighting – then still in the ATX Prime – 1.42%).

**The Flughafen Wien share 2014**
indexed (1.1.2014=100)




## › Voluntary public takeover bid

On 7 November 2014, Airports Group Europe S.à.r.l., an indirect subsidiary of IFM Global Infrastructure Fund (Australia), published a voluntary public offer to acquire a minority shareholding of between 20.0% and 29.9% of the share capital of Flughafen Wien AG at a price per share of € 80.00. On 1 December 2014, Airports Group Europe S.à r.l. improved its offer to € 82.00 per share. With effect from 23 December 2014, Airports Group Europe S.à.r.l. finally acquired 6,279,000 voting rights/shares corresponding to 29.9% of the share capital of Flughafen Wien AG.

## › Stock market listings

The FWAG share has traded on the Vienna Stock Exchange since 1992. The company's share capital of € 152,670,000 is divided into 21,000,000 registered common shares that can be purchased and sold in continuous trading on the Vienna Stock Exchange. The Flughafen Wien share is one of the base values in the ATX Prime. It was reinstated in the benchmark ATX index on 5 March 2014.

In addition to Vienna, the Flughafen Wien share is listed over-the-counter on exchanges in Berlin, Munich, Stuttgart, Frankfurt and Hamburg. The Flughafen Wien share has also traded internationally in London's SEAQ over-the-counter market since October 1994.

An ADR Programme was established in the USA in 1994, where one share of Flughafen Wien stock corresponds to four American Depository Receipts.

## › Shareholder Structure

Any changes in the shareholder structure that exceed the threshold defined by Austrian stock exchange law are disclosed in accordance with the relevant requirements. During the year Lazard Asset Management LLC, Franklin Resources Inc., Silchester International Investors LLP ("Silchester LLP"), London, and Airports Group Europe S.à.r.l. reported changes in their holdings.

As at the year-end, Airports Group Europe S.à.r.l., Luxembourg, held an investment over the 25% reporting threshold, Wien Holding GmbH and the province of Lower Austria still held each 20%, the employee foundation 10%. All other shareholders were below the 4% reporting threshold at the year-end.

## › Voting rights

The exercise of voting rights is regulated by § 13 of the articles of association of Flughafen Wien AG, which ensures that the principle of "one share – one vote" is observed. The articles of association can be downloaded from the website at
http://www.viennaairport.com/en/company/investor_relations/
corporate_governance/articles_of_association .

### › Ticker symbols

| | |
|---|---|
| Reuters | VIEV.VI |
| Bloomberg | FLU: AV |
| Datastream | O:AV |
| ISIN | AT000 0911805 |
| ÖKB-WKN | 91180 |
| ÖTOB | FLU |
| ADR | VIAAY |

### Information on the Flughafen Wien share

| | 2014 | 2013 | 2012 |
|---|---|---|---|
| Share capital in € million | 152.67 | 152.67 | 152.67 |
| Number of shares in millions | 21 | 21 | 21 |
| Share price on 31.12. in € | 76.82 | 61.00 | 42.99 |
| High for the year in € | 81.50 | 61.43 | 42.99 |
| Low for the year in € | 59.38 | 41.00 | 26.04 |
| Market capitalisation as of 31.12. in € million | 1,613.2 | 1.281.0 | 902.8 |
| Earnings per share in € | 3.93 | 3.49 | 3.42 |
| P/earnings ratio[1] | 19.5 | 17.5 | 12.6 |
| Price/cash flow ratio[1] | 7.3 | 6.3 | 5.0 |
| Dividend[2] | 1.65 | 1.30 | 1.05 |
| Dividend yield in %[1, 2] | 2.15 | 2.13 | 2.44 |
| Pay-out ratio in %[2] | 42.0 | 37.3 | 30.5 |

1) The share price at year-end was used to calculate the price/earnings ratio, the price/cash flow ratio and the dividend
2) Dividend 2014: recommendation to the Annual General Meeting

## Annual General Meeting

The 26th Annual General Meeting of Flughafen Wien AG was held on 5 May 2014 at the Multiversum in Schwechat. A total of 377 shareholders attended, representing 16,200,499 voting rights (attendance for the vote on item 2 of the agenda). In addition to the presentation of results for the year, the agenda covered voting on the appropriation of retained earnings and the ratification of the actions of the Supervisory and Management Boards during the 2013 financial year. Statutory auditors were elected for the 2014 annual and consolidated financial statements. Additional information on the 26th Annual General Meeting of Flughafen Wien AG can be found on the internet at http://www.viennaairport.com/en/company/investor_relations/annual_general_meeting/archive_-_general_meetings .

### Financial Calendar 2015

| | |
|---|---|
| 27th Annual General Meeting | Wednesday 6 May 2015 |
| Ex-dividend day | Monday 11 May 2015 |
| Dividend payment date | Wednesday 13 May 2015 |
| First quarter results for 2015 | Tuesday 19 May 2015 |
| Interim financial report for 2015 | Tuesday 18 August 2015 |
| Third quarter results for 2015 | Tuesday 17 November 2015 |

The schedule for the announcement of monthly traffic results can be found on the Flughafen Wien AG website at
http://www.viennaairport.com/en/company/investor_relations/financial_calendar__dates__events

## › Transparent communications

Flughafen Wien AG pursues an active and transparent capital market communications policy that is designed to provide all stakeholder groups with the same comprehensive information on the company at the same time. In addition to quarterly reports, the company issues monthly announcements on traffic results. Regular presentations are also held for analysts and institutional investors.

In 2014 management presented the latest corporate developments at investor conferences and road shows in Europe (London, Zurich, Munich, Frankfurt and Berlin) and the USA (New York, Boston and Chicago) as well as at conferences and events in Austria (Vienna, Stegersbach, Zürs and Dornbirn).

The growing interest of investors was reflected in numerous one-on-one meeting with management. In 2014 the company was also represented at the Austrian "Gewinnmesse" trade fair for the general investing public.

### › The following financial institutions published analyses of the Flughafen Wien share in 2014

| | |
|---|---|
| Barclays (London) | Kepler Cheuvreux (Frankfurt) |
| Citigroup Global Markets (London) | Morgan Stanley (London) |
| Commerzbank (Frankfurt) | Nomura (London) |
| ERSTE Group (Vienna) | Raiffeisen Centrobank (Vienna) |
| Goldman Sachs (London) | Royal Bank of Canada (London) |
| HSBC (London) | UBS (London) |
| J.P. Morgan Cazenove (London) | |

## › Private shareholders' day

On 28 August 2014 the private shareholders of Flughafen Wien AG had an opportunity to learn about the development of business during a special event with management. The discussions were followed by a tour of the airport. A private shareholders day is also planned for 2015. Initial details of this will be announced at the Annual General Meeting. As in the previous year, it will be possible to register for this event a few weeks before the private shareholders day via the Flughafen Wien AG website.

## › Additional information

Extensive information as well as a wide variety of publications and current press releases can be found on the internet at http://www.viennaairport.com/en/company/investor_relations. By registering for the Flughafen Wien shareholder service, you can also receive a wide range of printed information on the company.

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## › Dividend policy and recommendation for the distribution of profit

The dividend policy pursued by Flughafen Wien AG is designed to create a balance between growth investments and a return to shareholders.

The 2014 financial year closed with distributable profit of € 34,658,074.31. The Management Board of Flughafen Wien AG recommends the payment of a € 1.65 dividend per share for 2014, for a total distribution of € 34.65 million, and the carryforward of the remaining € 8,074.31. The recommended dividend represents a payout ratio of 42.0 %.

Guidance for the long-term dividend policy, currently being revised, depends on the intended capital expenditure for the coming years. This capital expenditure – such as the construction of Terminal 2 – is currently being planned or coordinated with the Supervisory Board. Decisions are expected in the second half of 2015. Depending on the outcome, the dividend guidance will also be adapted and published.

Schwechat, 3 March 2015
**The Management Board**

# Corporate Governance Report

pursuant to Section 243b UGB (Austrian Commercial Code)

The foremost goal of Flughafen Wien AG is to create and maintain a sustainable increase in the value of the company. The actions to reach this goal include responsible corporate management as well as a commitment to the Austrian Corporate Governance Code. Flughafen Wien has been committed to compliance with the code since 2003.

## › Commitment to responsible corporate management

Flughafen Wien AG declared its intent to comply with the Austrian Corporate Governance Code (ÖCGK) in 2003, and last renewed this commitment in 2012. The code is available for review under http://www.corporate-governance.at.

Among other stipulations, it includes the so-called comply-or-explain rules that require the explanation of any non-compliance. Flughafen Wien AG meets all regulations of the code with the exception of Article 16, first sentence, and explains this deviation as follows: a chairman was not appointed for the management board in order to promote the team spirit between its members.

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## The Management

During the 2014 reporting year, Mr. Julian Jäger and Günther Ofner served as the members of the Management Board of Flughafen Wien AG.

### Organisational structure by function in 2014

| Management Board Dr. Günther Ofner | Management Board Julian Jäger |
|---|---|
| Real Estate Management<br>**Werner Hackenberg** | Operations<br>**Nikolaus Gretzmacher, MBA** |
| Planning, Construction & Facility Management<br>**Georg Kroyer** | Handling Services<br>**Wolfgang Fasching** |
| Finance and Accounting<br>**Rita Heiss** | Center Management<br>**Adil Raihani** |
| Strategy, Controlling and Group Shareholdings<br>**Andreas Schadenhofer** | Technical Services<br>**Thomas Briza**[1] |
| Secretary General<br>**Wolfgang Köberl** | Internal Audit<br>**Günter Grubmüller** |
| Personnel<br>**Christoph Lehr** | Information Systems<br>**Susanne Ebm** |
| Corporate Communications<br>**Stephan Klasmann** | |
| Purchasing<br>**Andreas Eder** | |

1) Until 27 July 2014 Christoph Edlinger

### Joint Signatories

| |
|---|
| Andreas Eder |
| Christoph Edlinger[2] |
| Wolfgang Fasching |
| Nikolaus Gretzmacher |
| Werner Hackenberg |
| Rita Heiss |
| Michael Höferer[3] |
| Stephan Klasmann |
| Wolfgang Köberl |
| Georg Kroyer |
| Christoph Lehr |
| Adil Raihani |
| Andreas Schadenhofer |

2) Until 27 November 2014
3) Until 13 November 2014

# Management Board

## › Member of the Board Julian Jäger

Born in 1971, in 2002 he joined the legal department of Flughafen Wien AG after completing his studies in law at the University of Vienna. From 2004 to 2006 he served as the head of the business development department in the airline and terminal services unit. He joined Malta International Airport plc as chief commercial officer in 2007 and was appointed chief executive officer in 2008. He was appointed to the Management Board of Flughafen Wien AG on 5 September 2011; his term of office ends on 4 September 2016.

Member of the Supervisory Board or comparable function in external corporations:

- Österreichische Gesellschaft für Zivilluftfahrt mit beschränkter Haftung

## › Member of the Board Günther Ofner

Born in 1956, he received his doctor of laws degree from the University of Vienna in 1983, where he also worked as a lecturer from 1986 to 2000. He served as the Managing Director of Friedrich Funder Institut für Journalistenausbildung und Medienforschung from 1981 to 1992, and then joined Österreichische Elektrizitätswirtschafts AG as the deputy head of the foreign office from 1992 to 1994. From 1994 to 2004 he was a member of the Management Board of Burgenländische Elektrizitätswirtschafts AG. He served on the Management Board of Burgenland Holding AG from 1995 to 1997 and 2005 to 2011, and on this company's Supervisory Board from 2004 to 2005. His other functions include Chairman of the Management Board of UTA Telekom AG from 2004 to 2005, as well as Managing Director in various Austrian and foreign subsidiaries of EVN AG from 2005 to 2011. He was appointed to the Management Board of Flughafen Wien AG on 5 September 2011; his term of office ends on 4 September 2016.

Member of the Supervisory Board or comparable function in external corporations:

- Plaut Aktiengesellschaft
- Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group

## › Work Processes of the Management Board

The activities of the Management Board are defined by law, the articles of association and the rules of procedure. The rules of procedure regulate the distribution of operational responsibilities and the cooperation between the members of the Management Board. This document also lists the information and reporting obligations of the Management Board and includes a catalogue of measures that require the approval of the Supervisory Board. The Management Board holds weekly meetings to discuss the development of business and, in these meetings, takes decisions that require the approval of the full Management Board. The members of the Management Board also exchange information on important activities and events on a regular basis.

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## Management Board Remuneration

The remuneration of the Management Board includes a fixed and a performance-based component as well as non-cash remuneration. The variable component is tied to specific targets that are defined each year together with the Supervisory Board based on corporate goals.

In accordance with rule 27 of the Austrian Corporate Governance Code, 50% of the variable remuneration for Julian Jäger and Günther Ofner is dependent on the attainment of goals for the respective financial year and 50% on sustainable, long-term goals. Goal attainment is measured by the improvement in customer satisfaction based on a comparison with the international ASQ study and on EBITDA and ROCE targets. The targets and, above all, the criteria for payment of the variable remuneration are defined, explained and weighted by the Presidium and Personnel Committee of the Supervisory Board at the beginning of each financial year. If the basis for variable remuneration proves to be incorrect after this payment is made, the respective Management Board member is obliged to return the resulting bonus in full. The variable remuneration is limited to 100% of the fixed component.

Details on the remuneration paid to the individual board members are provided in the following table and in note 39 to the consolidated financial statements. On behalf of Mr. Julian Jäger and Mr. Günther Ofner the company makes payments equalling 15% of the respective salary to a pension fund.

There are no special agreements that would take effect in the event of a public takeover offer. If the contracts with Mr. Julian Jäger and Mr. Günther Ofner are terminated prematurely without compelling reason, compensation will be continued for a maximum of 24 months in accordance with rule 27a of the Austrian Corporate Governance Code. The members of the Management Board have no claims to severance compensation or other settlement payments at the end of their contracts, regardless of the grounds for termination. No stock options have been granted. The company has arranged for D&O insurance, and carries the related costs.

### Management Board remuneration for 2014 and 2013

| | 2014 | 2014 | 2014 | 2014 | 2014 | 2014 | 2014 | 2013 |
|---|---|---|---|---|---|---|---|---|
| in T€ | Fixed compensation | Share of total | Performance-related compensation for 2013 | Share of total | Non-cash remuneration | Share of total | Total remuneration | Total remuneration |
| Julian Jäger | 259.3 | 56.70% | 189.6 | 41.46% | 8.4 | 1.84% | 457.3 | 444.2 |
| Günther Ofner | 259.3 | 56.70% | 189.6 | 41.46% | 8.4 | 1.84% | 457.3 | 444.2 |

## Supervisory Board

The Supervisory Board comprises ten shareholder representatives and five delegates from the Works Committee. All shareholder representatives were elected by the 25th annual general meeting (AGM) on 30 April 2013 and have terms of office extending up to the AGM that will vote on the release from liability for the 2017 financial year. At the 165th meeting of the Supervisory Board on 30 April 2013, Ewald Kirschner was elected chairman of this body. All members of the Supervisory Board of Flughafen Wien AG have declared their independence according to the guidelines defined by the Supervisory Board pursuant to the requirements of the Austrian Corporate Governance Code. The company therefore complies with rules 39 and 53 of the Austrian Corporate Governance Code.

### Members of the Supervisory Board

| Name, year of birth | Profession | First appointed on | Positions on other supervisory boards and comparable functions |
|---|---|---|---|
| **Shareholder representatives** | | | |
| Ewald Kirschner, Chairman since 30 April 2013, 1957 | General Director of GESIBA Gemeinnützige Siedlungs- und Bauaktiengesellschaft | 29 April 2011 | - |
| Erwin Hameseder, deputy since 30 April 2013, 1956 | General Director of Raiffeisen-Holding NÖ-Wien reg. Gen. mbH | 31 August 2011[4] | Member of the supervisory boards of: Strabag SE, AGRANA Beteiligungs-Aktiengesellschaft, Raiffeisen Bank International AG, UNIQA Insurance Group AG, Südzucker AG |
| Wolfgang Ruttenstorfer, deputy since 29 April 2011, 1950 | Chairman of the Supervisory Board of CA Immobilien Anlagen AG | 29 April 2011 | CA Immobilien Anlagen Aktiengesellschaft (Chairman), RHI AG, NIS a.d. Naftna industrija Srbije |
| Gabriele Domschitz, 1959 | Member of the Management Board of Wiener Stadtwerke Holding AG | 29 April 2011 | - |
| Bettina Glatz-Kremsner, 1962 | Member of the Management Boards of Casinos Austria AG and Österreichische Lotterien GesmbH | 29 April 2011 | - |
| Burkhard Hofer, 1944 | (Former) General Director of EVN AG | 20 August 2009 | Member of Supervisory Board of: EVN AG (Chairman) |
| Robert Lasshofer, 1957 | Chairman of the Management Board of Wiener Städtische Versicherung AG Vienna Insurance Group | 30 April 2013 | - |
| Herbert Paierl, 1952 | pcb Paierl Consulting Beteiligungs GmbH | 30 April 2013 | Board of Directors: Landi Renzo S.P.A. |
| Karin Rest, 1972 | RSB Rechtsanwälte GmbH | 30 April 2013 | - |
| Gerhard Starsich, 1960 | General Director of Münze Österreich Aktiengesellschaft | 30 April 2013 | - |

4) Mr. Hameseder served as a member of the Supervisory Board from 22 April 2004 to 19 May 2009

>

## › Delegated by the Works Committee

| Name, year of birth | Profession | First appointed on | Positions on other supervisory boards and comparable functions |
|---|---|---|---|
| **Delegated by the Works Committee** | | | |
| Manfred Biegler, 1956 | Chairman of the Salaried Employees' Works Committee | | - |
| Michael Straßegger, 1966 | Deputy Chairman of the Salaried Employees' Works Committee | | - |
| Thomas Schäffer, 1983 | Deputy Chairman of the Salaried Employees' Works Committee | | - |
| Heinz Strauby, 1974 | Waged Employees' Works Committee | | - |
| Thomas Faulhuber, 1971[5] | Waged Employees' Works Committee | | - |

5) Until 21 November 2014 Heinz Wessely

## › Representative of the Supervisory Authority

In a letter dated 29 April 2012, the Supervisory Authority indicated that they would no longer exercise their right to delegate a representative.

## › Representatives of Free Float Shareholders

The 25th AGM on 30 April 2013 elected Mr. Robert Lasshofer and Mr. Burkhard Hofer as the representatives of free float shareholders.

## › Work process of the supervisory board

The Supervisory Board monitors corporate management and can request a report from the Management Board on business-related issues and may review the company's accounting records and documentation at any time. The transactions itemised in § 95 (5) of the Austrian Stock Corporation Act and the activities listed in the rules of procedure for the Management Board require the consent of the Supervisory Board.

## › Committees of the Supervisory Board

The committees, which exercise consultative functions, are intended to improve the efficiency of Supervisory Board work processes and also deal with complex issues. The chairmen of these committees report regularly to the Supervisory Board on their work. The Supervisory Board is required to designate one committee to make decisions in urgent cases. Irrespective of their assigned duties, the committees can also be charged with other tasks involving analysis, advising and the preparation of recommendations to the full Supervisory Board for voting.

## › Presidium and Personnel Committee

The Presidium and Personnel Committee is responsible for personnel issues related to the members of the Management Board, including succession planning, and deals with the content of employment contracts and the remuneration of the board members. This committee also evaluates the acceptability of additional activities by the Management Board members and assists the chairman, above all in preparing the Supervisory Board meetings. Moreover, the Presidium and Personnel Committee serves as a committee for urgent issues in accordance with rule 39 of the Austrian Corporate Governance Code and performs the functions of a nominating committee as defined in rule 41 of the Austrian Corporate Governance Code as well as the duties of the remuneration committee in accordance with rule 43.

### › Members of the Presidium and Personnel Committee

| | |
|---|---|
| Ewald Kirschner (Chairman) | Manfred Biegler |
| Erwin Hameseder | Thomas Faulhuber[6] |
| Wolfgang Ruttenstorfer | |

6) Until 21.November 2014 Heinz Wessely

## › Strategy Committee

The Strategy Committee works on strategic issues together with the Management Board and, if necessary, also with other experts. The related decisions are taken by the full Supervisory Board.

### › Members of the Strategy Committee

| | |
|---|---|
| Ewald Kirschner (Chairman) | Manfred Biegler |
| Erwin Hameseder | Heinz Strauby |
| Wolfgang Ruttenstorfer | Thomas Faulhuber[7] |
| Gabrielle Domschitz | |
| Bettina Glatz-Kremsner | |

6) Until 21.November 2014 Heinz Wessely

## › Audit Committee

The Audit Committee deals with accounting issues as well as the audit of the company and the group. It evaluates the report by the auditor on the examination of the annual financial statements, and informs the Supervisory Board of the results of this analysis. This committee is responsible for examining and preparing decisions for the Supervisory Board on the following subjects: the annual financial statements, the recommendation for the distribution of profit and the management report; the audit of the consolidated financial statements; the audit of accounting systems; the corporate governance report; the monitoring and effectiveness of the internal control system, the internal audit system and risk management. The Audit Committee also makes a recommendation to the Supervisory Board for the nomination of an auditor, monitors the independence of this firm and deals with the content of the management letter and the report on the >

effectiveness of risk management. Erwin Hameseder, the chairman of this committee, has served as the financial expert since 30 April 2013; Erwin Hameseder, whose many years of professional experience qualify him for this position.

### › Members of the Audit Committee

| | |
|---|---|
| Erwin Hameseder (Chairman) | Gabriele Domschitz |
| Wolfgang Ruttenstorfer | Manfred Biegler |
| Ewald Kirschner | Heinz Strauby |
| Burkhard Hofer | Thomas Faulhuber[8] |

8) Until 21 November 2014 Heinz Wessely

## › Frequency of meetings and key issues

The Supervisory Board held five meetings in 2014. In addition, the Presidium and Personnel Committee held three meetings and the Audit Committee two meetings. The Strategy Committee met once during the reporting year.

The Supervisory Board and its committees particularly dealt with the new corporate strategy, the economic development of the company, the traffic development, the measures within the context of risk management, the functionality of the internal control system and the reports of the auditor. Furthermore, measures of Flughafen Wien AG for improving quality and reducing costs were discussed. Additional emphases were on the discussion of the strategy for investments in other companies, the future development of the terminal, the development of the corporate vision and the corporate strategy derived from this, as well as the discussion of the public takeover bid by an Australian investor. Furthermore, there were ongoing reports in the situation of the key airline customers, the reduction of debt, the amendment of the existing collective bargaining agreements and the handling of valid claims by former members of the Management Board. There were additional reports on the ongoing construction activity, the completed tax audits, the sale of shares in Flughafen Friedrichshafen GmbH, on audit reports and the derived consequences and the developments in key legal proceedings. The committees reported to the full Supervisory Board on their activities. The Management Board provided the Supervisory Board with regular information on the development of business and the position of the individual group companies. Therefore, the Supervisory Board was able to monitor the performance of the company on a continuous basis and support the Management Board on decisions of fundamental importance.

Additional information is provided in the report of the Supervisory Board.

## › Remuneration of the Supervisory Board members 2014[9]

The remuneration scheme for the Supervisory Board calls for an annual payment of € 12,000 to the chairman, € 10,000 for each deputy and € 8,000 for each ordinary member as well as a standard attendance fee of € 300 per meeting. The following table provides detailed information on the remuneration paid to the individual members of the Supervisory Board.

| | | | | | |
|---|---|---|---|---|---|
| Ewald Kirschner | € | 14,647.94 | Franz Lauer | € | 2,608.22 |
| Erwin Hameseder | € | 13,952.06 | Hans-Jörgen Manstein | € | 2,608.22 |
| Wolfgang Ruttenstorfer | € | 13,300.00 | Alfons Metzger | € | 2,608.22 |
| Burkhard Hofer | € | 9,500.00 | Claus Raidl | € | 2,608.22 |
| Gabriele Domschitz | € | 10,100.00 | Manfred Biegler | € | 2,400.00 |
| Bettina Glatz-Kremsner | € | 9,500.00 | Thomas Schäffer | € | 1,500.00 |
| Robert Lasshofer | € | 6,891.78 | Heinz Strauby | € | 2,400.00 |
| Gerhard Starsich | € | 6,591.78 | Heinz Wessely | € | 900.00 |
| Herbert Paierl | € | 6,291.78 | Michael Straßegger | € | 1,500.00 |
| Karin Rest | € | 6,891.78 | Thomas Faulhuber | € | 600.00 |

9) In 2014, the Supervisory Board remuneration was paid out for 2013, as well as attendance fees for 2014.

## › Internal Audit and Risk Management

The internal audit department reports directly to the Management Board and each year, this department prepares an audit schedule, as well as a report on its activities during the past financial year. Both documents are submitted to the Management Board and discussed with the Audit Committee of the Supervisory Board. The effectiveness of risk management is evaluated by the auditor based on documents and other available information. This audit report is submitted to the Management Board and the chairman of the Supervisory Board, and subsequently presented to the full Supervisory Board.

## › Guidelines for the Independence of the Supervisory Board Members

The criteria for the independence of the Supervisory Members are based on rule 53 of the Austrian Corporate Governance Code. All members of the Supervisory Board of Flughafen Wien AG meet the independence criteria defined in the following guidelines:

- A member of the Supervisory Board is considered to be independent when he/she has no business or personal relations with the company or its management board that may lead to a material conflict of interest and are therefore capable of influencing the actions of the board member.
- The Supervisory Board member may not have served on the management board or as a key employee of the company or a subsidiary of the company during the previous five years.
- The Supervisory Board member may not have - or had in the last year - any business relations with the company or a subsidiary of the company that are considered to be material for this Supervisory Board member. The same applies to business relations with companies in which the member of the Supervisory Board holds a significant economic interest. The approval of individual transactions by the Supervisory Board as defined in L-Rule 48 does not automatically lead to qualification as not independent.

- The Supervisory Board member may not have worked on the audit of the company during the past three years and may not have owned an interest in or been employed by the public accounting firm during this period.
- The Supervisory Board member may not serve on the management board of another firm in which a member of the company's management board holds a position on the supervisory board. The Supervisory Board member may not be closely related (son or daughter, husband or wife, companion, parent, uncle, aunt, sister or brother, niece or nephew) to a member of the management board or a person serving in one of the positions described above.

## Self-evaluation of the Supervisory Board

The Supervisory Board analysed the efficiency of its activities within the framework of a self-evaluation process that focused, above all, on its organisation and working procedures. The required information was collected through questionnaires that were completed by all Supervisory Board members, and the results were presented at the 173rd Supervisory Board meeting on 17 December 2014.

## Annual Financial Statements according to the Austrian Commercial Code

The financial statements of Flughafen Wien AG as prepared in accordance with the Austrian Commercial Code are available at the headquarters of the company. Interested parties can also order copies by e-mail under investor-relations@viennaairport.com or by calling +43/1/7007-22826. These financial statements are also published on www.viennaairport.com/en/company/investor_relations under the menu item "Publications and reports" > "Financial reports".

## Financial Report pursuant to the Austrian Stock Exchange Act

The annual financial report and the quarterly reports are available on www.viennaairport.com/en/company/investor_relations under the menu item "Publications and reports".

## › Auditor

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, 1090 Vienna, Porzellangasse 51, were elected as auditor of the 2014 annual financial statements by the 26th Annual General Meeting of Flughafen Wien AG, and were commissioned to perform this audit. Prior to its election as the auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft submitted a written report to the Audit Committee that covered the following points:

- › Authorisation to audit a stock corporation as well as proof that there are no grounds for exclusion from such engagements;
- › A listing by type of service of the total fees received from the company for the previous financial year;
- › Inclusion in a legal quality assurance system;
- › Disclosure of any circumstances that could give reason for concern over possible bias; and
- › Measures taken to ensure the independence of the audit.

Expenses for the auditor for 2014 amounted to € 260.3 for the audit of the financial statements, T € 12.0 for other confirmation services and T € 4.2 for other services.

## › Compliance Rules

Flughafen Wien AG implemented the Issuer Compliance Regulations in the version dated 1 November 2007 revised by Federal Gazette BGBI. II No. 30/2012 through a separate corporate guideline. The company has established permanent areas of non-disclosure to prevent the misuse or distribution of insider information, and also creates ad-hoc areas as needed. These areas of non-disclosure cover all employees and corporate bodies of Flughafen Wien AG in Austria and other countries as well as any external service providers who have access to insider information. A variety of organisational measures and control mechanisms has also been implemented to monitor these processes on a regular basis. The compliance officer of Flughafen Wien AG discusses his activities with the Supervisory Board each year, and also prepares a written report that is submitted to the Austrian Financial Market Authority (FMA).

## › Ad-hoc Publications and Directors' Dealings

Ad-hoc publication requirements are met through disclosure on the company's website. In 2014 there were no purchases or sales of Flughafen Wien shares by members of corporate bodies or managers (directors' dealings) that would be subject to the reporting requirements of the Austrian Stock Exchange Act.

## › Airport Carbon Accreditation System

Flughafen Wien AG participates in the ACAS programme (Airport Carbon Accreditation System) managed by Airport Council International (ACI, the worldwide professional association of airport operators). This programme is monitored by independent experts and will lead to a sustainable reduction in $CO_2$ emissions at Vienna Airport.

During the reporting year, Level 1 was reached for the second time in a row; this requires the preparation of a $CO_2$ emission balance sheet. The next level - Level 2, which envisages the reduction of $CO_2$ emissions at the airport - is aimed at for 2015.

## › Equal Opportunities

The share of female employees in the Flughafen Wien AG workforce currently equals 11.6%. This is a result of the relatively low percentage of women in the specialised functions at Vienna Airport,

2/3 of the employees perform heavy physical labour. All the same, the company recognises the value of women for the working world and intends to increase this ratio, above all in management positions. The share of women at all four management levels equalled 19.23%. Each year Flughafen Wien AG takes part in the "Vienna Daughters' Day", which is designed to give girls better insight into technical professions - the company had an average of four female commercial apprentices in 2014. The Supervisory Board of Flughafen Wien AG has three female members. In order to also position the company as an attractive employer for women, specific measures have been implemented to support the work-life balance and suitable career opportunities have been created.

Schwechat

**The Management Board**

**Günther Ofner**
Member, CFO

**Julian Jäger**
Member, COO

**Ewald Kirschner**
Chairman of the supervisory board

# Report of the Supervisory Board

## › Frequency of meetings and key issues

The Supervisory Board held five meetings in 2014. In addition, the Presidium and Personnel Committee held three meetings and the Audit Committee two meetings. The Strategy Committee met once during the reporting year.

The Supervisory Board and its committees particularly dealt with the new corporate strategy, the economic development of the company, the traffic development, the measures within the context of risk management, the functionality of the internal control system and the reports of the auditor. Furthermore, measures of Flughafen Wien AG for improving quality and reducing costs were discussed. Additional emphases were on the discussion of the strategy for investments in other companies, the future development of the terminal, the development of the corporate vision and the corporate strategy derived from this, as well as the discussion of the public takeover bid by an Australian investor. Furthermore, there were ongoing reports in the situation of the key airline customers, the reduction of debt, the amendment of the existing collective bargaining agreements and the handling of valid claims by former members of the Management Board. There were additional reports on the ongoing construction activity, the completed tax audits, the sale of shares in Flughafen Friedrichshafen GmbH, on audit reports and the derived consequences and the developments in key legal proceedings. The committees reported to the full Supervisory Board on their activities. The Management Board provided the Supervisory Board with regular information on the development of business and the position of the individual group companies. Therefore, the Supervisory Board was able to monitor the performance of the company on a continuous basis and support the Management Board on decisions of fundamental importance.

In 2015, the focus will be on further quality improvement to increase customer satisfaction, further development of the terminal infrastructure, expansion of the cargo area and strengthening the non-aviation segment. Efforts will also continue to increase the number of airlines and the destination offering in order to strengthen Vienna's hub function and drive growth. From an economic perspective, opportunities to reduce costs and improve earnings will be used to continue the reduction of debt and further improve productivity.

## › Commitment to the Corporate Governance Code

Flughafen Wien AG has been committed to compliance with the Austrian Corporate Governance Code since 2003. Accordingly, the Supervisory Board fulfils the duties and responsibilities set forth in this code.

## › Audit of the annual financial statements

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, 1090 Vienna, Porzellangasse 51, were elected as auditor of the 2014 annual financial state- >

ments by the 26th Annual General Meeting of Flughafen Wien AG, and were commissioned to perform this audit. This audited the annual and consolidated financial statements as of 31 December 2014 and the related management reports for the company and the Group, which were prepared by the Management Board, and awarded these financial statements unqualified opinions. The Management Board presented the following documents to the Supervisory Board and provided a detailed report on this information: the annual financial statements of Flughafen Wien AG, which were prepared in accordance with Austrian accounting principles; the consolidated financial statements for the Flughafen Wien Group, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU; and the management reports for the company and the Group for the 2014 financial year.

## › Audit of the annual and consolidated financial statements

The Audit Committee reviewed the following documents at its meetings in the presence and with the support of the auditor: the annual financial statements and consolidated financial statements, the company and Group management reports and the corporate governance report of Flughafen Wien AG for the 2014 financial year. The effectiveness of the internal control and risk management system was also discussed at these meetings. This analysis was based in part on the management letter and the auditor's report on the risk management system. The Audit Committee then informed the Supervisory Board of the results of its work, which formed the basis for the evaluation of the annual and consolidated financial statements by the Supervisory Board.

## › Approval of the annual financial statements

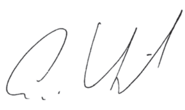
The Supervisory Board accepted the annual financial statements and the management report of Flughafen Wien AG for the 2014 financial year in the presence of the auditor. The annual financial statements of Flughafen Wien AG for the 2014 financial year were therefore approved.

## › Recommendation for the distribution of profit

The Supervisory Board agrees with the recommendation of the Management Board to distribute a dividend of € 1.65 per share, for a total of € 34,650,000.00, from distributable net profit of € 34,658,074.31 for the 2014 financial year and to carry forward the remaining € 8,074.31.

## › Acknowledgement

The Supervisory Board would like to express its thanks to the employees, key managers and the members of the Management Board for their commitment and performance in 2014.



**Ewald Kirschner**
Chairman of the supervisory board

Schwechat, March 2015

# Group Management Report for the 2014 Financial Year

# The Business Environment

Economic and currency developments, political crises and other events that lead to flight and route cancellations or frequency reductions have a significant influence on air travel performance. As an international hub in Central Europe, the economic development of Vienna Airport is primarily influenced by economic developments in the eurozone and – because of its geographical location – particularly by economic trends in the CEE region, as well as by the economic and political situation in the Middle East and Russia.

In 2014 there was a slight upturn in the global economy. The ECB currently expects growth in global GDP of around 3.6%. While industrial nations such as the UK and the USA are showing increasingly strong growth through rising domestic consumption and a clear recovery in the labour market, the impetus for growth in the emerging markets has continued to weaken. However, economic growth in the EU member states in Central, Eastern and South-Eastern Europe (with the exception of Croatia) restarted to accelerate in the third quarter, showing an average of 2.7% year-on-year growth for the same quarter. Economic growth in the eurozone also gained pace at the end of the year, but the current forecast shows restrained growth of only 0.8%. However, economic >

stimuli should help the economy in the eurozone to recover in 2015. (Source: Austrian National Bank, economic report)

Growth in the Austrian economy was lower in 2014 than expected at the start of the year. The Austrian National Bank is now expecting GDP growth of around 0.4% for 2014. This is mainly due to the weak economies in the eurozone and the resulting weak demand on Austrian companies from European trading partners. In contrast, the fall in value of the Euro created a positive stimulus for the domestic export economy to the USA, UK and Switzerland. Real consumption by private households showed only weak growth of 0.5%, but the recent strong fall in crude oil prices had a positive effect on it. The inflation rate across the whole year was 1.5%. In spite of the extremely low interest rate and the slow increase in lending since mid-2014, investments by Austrian companies for the whole year remain below expectations. However, the increase in imports of intermediate goods at the year end, such as machinery and vehicles, was considered to be positive. Nevertheless, no economic stimulus is expected from the construction industry, which is currently shrinking. (Source: Austrian National Bank, economic report)

## › Tourism in Austria

In 2014, the number of overnight stays was only just under that of the previous year's record at 131.9 million (2013: 132.6 million). This was due to a decrease in stays by both domestic (minus 0.3%) and foreign (minus 0.7%) guests. The trend of structural change, which has been seen for several years, also continued in 2014 – while guests from Germany, the Netherlands and Russia stayed less often in Austria, more guests from Switzerland, Czech Republic, Poland and the USA were recorded in the year-on-year comparison. The strong growth in the number of arrivals points to a decline in the average length of stay. (Source: Statistik Austria, Tourism 2014)

## › Travel in Austria

Travel by the Austrian public rose slightly year-on-year in 2014. In the first three quarters, vacations increased by 1.5% to 14.7 million. In summer 2014 (July–September), the most important vacation time, the level remained almost constant at 6.7 million vacations (Source: Statistik Austria, Vacation and Business Travel by the Austrian Population).

# Traffic at Vienna Airport

**› Vienna: significant increase in local passengers and cargo in 2014, decline in transfer passengers**

| Traffic indicators | 2014 | Change in % | 2013 | 2012 |
|---|---|---|---|---|
| MTOW (in million tonnes) | 8.2 | +3.4 | 7.9 | 8.1 |
| Total passengers (in million) | 22.5 | +2.2 | 22.0 | 22.2 |
| Thereof local passengers (in million) | 15.9 | +4.6 | 15.2 | 15.1 |
| Thereof transfer passengers (in million) | 6.5 | -3.9 | 6.8 | 7.1 |
| Flight movements | 230,781 | -0.2 | 231,179 | 244,650 |
| Cargo (air cargo and trucking; in tonnes) | 277,532 | +8.3 | 256,194 | 252,276 |
| Seat load factor (in %) | 75.0 | n.a. | 74.8 | 73.0 |
| Number of destinations | 172 | -2.8 | 177 | 179 |
| Number of airlines | 70 | -1.4 | 71 | 71 |

Passenger development in European airports showed average growth of 5.4%. While airports in Turkey, Iceland and Serbia showed even higher increases, EU airports achieved growth of 4.9% (Source: ACI Airport Council Inernational - Europe. Inhouse; January December 2014).

Vienna Airport handled 22,483,158 passengers in 2014 (2013: 21,999,926), which represents a year-on-year increase of 2.2%. Despite this new record number, it was a volatile year that was mainly influenced by political developments in Eastern Europe. The important function of Vienna Airport as an east-west hub was more strongly affected by this than other airports in Western Europe. In addition, the market environment in 2014 was characterised by strikes by airline and airport staff in Germany and France.

However, the reduction in transfers (minus 3.9%) was offset by strong growth in local traffic (plus 4.6%). The result included the start of many, mainly long-haul, flights, leading to growth in passenger volumes. After a weak first quarter, passenger traffic became significantly better during the summer season.

Growth in take-offs and landings of 2.6% was seen throughout Europe (Source: ACI Airport Council Inernational - Europe. Inhouse; January December 2014). At Vienna Airport, 230,781 flight movements were recorded, which represents a year-on-year reduction of 0.2% (2013: 231,179). The maximum take-off weight (MTOW) increased year-on-year, mainly due to new long-haul offerings, by 3.4% to 8,179,391 tonnes (2013: 7,913,505 tonnes).

Growth in cargo traffic since the second half of 2013 also continued in 2014. The full 12 months resulted in solid growth of 8.3% to 277,532 tonnes (2013: 256,194 tonnes). In addition to a plus in trucking of 3.1% (at Vienna Airport), this mainly resulted from growth of 10.6% in air cargo to 197,761 tonnes. This was carried by airlines such as Korean Air, TNT Airways, China Southern Airlines and Cargolux. Thus Vienna also showed better growth in 2014 than the European average with an increase in cargo volume of 3.6% (Source: ACI Airport Council Inernational - Europe. Inhouse; January December 2014).

### › Comparison of traffic at European airports in 2014 (extract)

| | Passengers in thousand | Change vs. 2013 in % | Flight movements[1] | Change vs. 2013 in % |
|---|---|---|---|---|
| London* | 131,459.8 | 4.6 | 869,012 | 2.7 |
| Paris** | 92,669.0 | 2.6 | 693,222 | -1.3 |
| Frankfurt | 59,566.1 | 2.6 | 458,305 | -0.7 |
| Amsterdam | 54,978.0 | 4.6 | 438,296 | 3.0 |
| Madrid | 41,815.3 | 5.3 | 341,911 | 2.9 |
| Munich | 39,700.5 | 2.7 | 357,295 | -1.2 |
| Rome | 38,506.5 | 6.5 | 307,916 | 3.3 |
| Milan*** | 36,598.1 | 2.0 | 319,017 | -0.5 |
| Zurich | 25,426.9 | 2.5 | 248,943 | 0.9 |
| **Vienna** | **22,483.2** | **2.2** | **229,450** | **-0.1** |
| Prague | 11,149.9 | 1.6 | 122,311 | -2.7 |
| Budapest | 9,146.7 | 7.5 | 80,586 | 3.5 |

* London Heathrow, Gatwick, Stansted
** Paris Charles de Gaulle, Paris Orly
*** Milan Malpensa, Linate, Bergamo
Source: ACI Europe Traffic Report December 2014

In 2014 Vienna remained one of the top ten airports in Europe for punctuality and further improved its service levels.

### › Departing passengers in 2014 (scheduled and charter) by region

| Region | 2014 | 2013 | Change in % | Share 2014 in % | Share 2013 in % | Change in %-points |
|---|---|---|---|---|---|---|
| Eastern Europe | 2,025,666 | 2,165,556 | -6.5 | 18.1 | 19.7 | -1.6 |
| Western Europe | 7,761,325 | 7,536,817 | +3.0 | 69.2 | 68.6 | +0.6 |
| Far East | 408,707 | 363,163 | +12.5 | 3.6 | 3.3 | +0.3 |
| Middle East | 538,923 | 522,691 | +3.1 | 4.8 | 4.8 | 0.0 |
| North America | 298,630 | 233,682 | +27.8 | 2.7 | 2.1 | +0.6 |
| Africa | 167,341 | 157,229 | +6.4 | 1.5 | 1.4 | +0.1 |
| South America | 12,024 | 10,977 | +9.5 | 0.1 | 0.1 | 0.0 |
| **Total** | **11,212,616** | **10,990,115** | **+2.0** | **100.0** | **100.0** | |

Destinations in Western Europe, Vienna Airport's region with the highest passenger volumes, grew by 3.0% to 7,761,325 departing passengers, thus increasing the Western Europe region's share of passenger volumes from 68.6% to 69.2%. This growth was mainly due to increases in frequency in Western European capitals. The reduction by 6.5% to 2,025,666 departing passengers to destinations in Eastern Europe is mainly due to the crisis in Ukraine. The North American destinations continued to show positive growth (plus 27.8%) to 298,630 travellers, due to new destinations and increases in frequency. Thus its share of passenger volumes rose to 2.7%. Destinations in the Middle East (plus 3.1%), Africa (plus 6.4%) and South America (plus 9.5%) also showed growth.

1) Flight movements as per ACI: Movements exclusive General Aviation and Other Aircraft movements

As in previous years, Frankfurt was the most frequently selected destination. Here Vienna Airport registered a growth of 3.3% to 680,895 passengers. Strong absolute passenger growth was also seen in London (plus 8.5%), Berlin (plus 6.3%) and Madrid (plus 31.2%). On the long-haul routes, Bangkok was the most sought-after destination (115,726), followed by New York incl. Newark (110,467) and Tokyo (73,715).

### › Development of the major airlines at Vienna Airport

The largest customer of the Flughafen Wien Group (FWAG) – Austrian Airlines – reported a slight reduction of 0.7% in the number of passengers in 2014. This was reflected in a decline in the carrier's share of the total passenger traffic to 47.7% (2013: 49.1%). However, Austrian Airlines is still the dominating home carrier at Vienna Airport.

Restructuring within the Lufthansa Group resulted in shifts between passengers of Lufthansa (minus 12.4%) and Germanwings (plus 20.1%). With 3,884,471 passengers, NIKI/airberlin have a share of 17.3% of passenger volumes (2013: 17.1%). With 496,935 passengers, Turkish Airlines contributed 2.2% to overall passenger numbers. Other European airlines also demonstrated pleasing growth, including Alitalia, Vueling Airlines, TAP Portugal and easyJet.

The average seat load factor (scheduled and charter) rose in 2014 from 74.8% to 75.0%. In 2014, 70 airlines (2013: 71) regularly flew into Vienna Airport, serving 172 destinations in 71 countries. New airlines include Air China und Ethiopian Airlines, which added Vienna to their long-haul flight schedules in 2014.

## Fee and Incentive Policy

The fee adjustments based on the price-cap formula and the procedure for adjustments in 2014 were based on the Austrian Aviation Security Act (FEG), which has been in force since 1 July 2012.

Vienna International Airport has a fee system that is very attractive in international comparison. The fees were adjusted as of 1 January 2014 based on a price-cap formula that was accepted by the airlines and the Austrian civil aviation authority (Austrian Ministry for Transport, Innovation and Technology) and is embedded in the FEG. The calculation of the landing, parking and airside infrastructure fee is based on the maximum take-off weight (MTOW) of the aircraft, while the passenger fee and landside infrastructure fee are based on the number of passengers. The infrastructure fee for fuelling is based on the volume of fuel. The maximum change in the fee equals the inflation rate minus 0.35-times the growth in traffic, which is defined as the three-year average for the change in traffic calculated over the twelve-month period from 1 August to 31 July. If traffic growth is negative, the maximum fee adjustment equals the inflation rate.

The fee structure was adjusted as follows as of 1 January 2014:

| | |
|---|---|
| › Landing fee, airside infrastructure fee, parking fee: | + 1.87 % |
| › Passenger fee, landside infrastructure fee: | + 0.55 % |
| › Infrastructure fee for fuelling: | + 1.83 % |

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The PRM fee (passengers with reduced mobility) remained unchanged at € 0.34 per departing passenger.

The Austrian Airport Fee Act and the Austrian Aviation Security Act (LSG) of 2011 require Flughafen Wien AG to collect a security fee from departing passengers. This fee equals € 7.70 for each departing passenger (local and transfer).

The transfer incentive of € 12.50 levied per departing transfer passenger from 1 January 2013 also remained unchanged at that level in 2014. This transfer incentive programme, which should reinforce Vienna Airport's role as a transfer airport, also calls for further progressive rates under certain growth conditions.

Flughafen Wien AG also continued its growth incentive programme, which comprises destination and frequency incentives as well as a frequency rate incentive, in 2014. These measures provide sustainable protection for the role of Vienna Airport as a bridgehead between west and east. The fee adjustments implemented on 1 January 2014 as well as the continuation and/or expansion of the successful incentive programme are designed to strengthen the competitive position of Vienna Airport and to promote strategically important intercontinental routes and traffic to destinations in Eastern and Central Europe.

# Revenue in 2014

The rise in passenger numbers of 2.2% and the growth in cargo traffic at Vienna Airport (plus 8.3%) enabled the Flughafen Wien Group (FWAG) to achieve a year-on-year increase in revenue in 2014 of 1.3% or € 8.2 million from € 622.0 million to € 630.2 million. Parking and other revenue from rentals and concessions also showed growth in 2014. In contrast, declines were recorded mainly in de-icing revenue due to the milder winter compared to 2013.

Due to the seasonality of the airport business, FWAG normally generates its highest revenue during the holiday periods in the second and third quarter. As in the previous year the third quarter was the strongest in 2014 with 27.3% of annual revenue, followed by the second quarter with a share of 26.2%, the fourth quarter with 24.3% and the first quarter with 22.2%.

# Segment Developments

### Revenue by segment

| in € million | 2014 | Change in % | 2013 | 2012[1] |
|---|---|---|---|---|
| Airport | 344.1 | 3.8 | 331.4 | 315.3 |
| Handling | 145.7 | -4.0 | 151.9 | 155.9 |
| Retail & Properties | 123.8 | 2.2 | 121.2 | 119.5 |
| Other Segments | 16.6 | -5.4 | 17.5 | 16.6 |
| **Group revenue** | **630.2** | **1.3** | **622.0** | **607.4** |

1) adjusted

### Revenue: Airport Segment

| in € million | 2014 | Change in % | 2013 | 2012[1] |
|---|---|---|---|---|
| Landing fee | 59.8 | 4.4 | 57.3 | 58.8 |
| Passenger fees (incl. PRM) | 151.0 | 4.4 | 144.5 | 134.6 |
| Infrastructure fee | 30.4 | 2.5 | 29.6 | 29.1 |
| GAC building and hangar | 1.7 | 3.8 | 1.6 | 0.9 |
| Security fee | 85.9 | 1.8 | 84.3 | 79.0 |
| Fuelling | 2.4 | 4.2 | 2.3 | 2.4 |
| Special guest services (lounges) | 5.8 | 12.2 | 5.2 | 5.0 |
| Rentals | 5.7 | 10.3 | 5.2 | 4.6 |
| Vöslau Airfield | 0.7 | 7.4 | 0.6 | 0.6 |
| Other | 0.7 | -0.2 | 0.7 | 0.4 |
| **Total segment revenue** | **344.1** | **3.8** | **331.4** | **315.3** |

1) adjusted

In the reporting period, the Airport segment achieved a revenue increase of 3.8% or € 12.6 million from € 331.4 million to € 344.1 million. As a result of passenger growth, passenger fees (incl. PRM) increased by 4.4% to € 151.0 million (2013: € 144.5 million) and passenger-related security fees by 1.8% to € 85.9 million (2013: € 84.3 million). Despite the small reduction in flight movements (minus 0.2%), revenue from landing fees increased by 4.4% due to the rise in the MTOW (plus 3.4%) and the adjusted fee structure, to € 59.8 million (2013: € 57.3 million). The infrastructure fee for the use of infrastructure equipment and facilities also increased by 2.5% from € 29.6 million to € 30.4 million. On the one hand, airport lounges showed particularly strong growth with an increase of 12.2%, contributing € 5.8 million to revenue (2013: € 5.2 million), while on the other hand, so did rental income, which grew from € 5.2 million to € 5.7 million (plus 10.3%). With a share of 54.6% (2013: 53.3%), the Airport Segment again made the largest contribution to Group revenue in 2014.

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While internal revenues remained fairly constant at € 34.5 million (2013: € 34.1 million), other revenue fell by half to € 4.3 million (2013: € 9.5 million), partly because compensation for damages had been recorded in the previous year.

Consumables in the Airport segment decreased by 28.6% in year-on-year comparison due to the lower cost of the winter services (de-icing materials and fuel) which decreased by € 1.9 million to € 4.8 million (2013: € 6.7 million). With almost identical staff numbers of 499 employees (plus 0.5%) and despite the low winter service activities, personnel expenses rose from € 39.1 million to € 40.8 million (plus 4.3%), to a lesser extent due to the wage and salary increases mandated by collective bargaining agreements and to a greater extent due to additions to provisions through changes in parameters (reduction in the discount rate used) and past service costs due to changed measurement bases. Other operating expenses increased slightly by 3.3% or € 1.8 million to € 55.0 million, due to higher maintenance expenses for the terminals and aprons. In contrast, internal operating expenses reduced by 1.5% or € 2.2 million to € 141.0 million.

Total EBITDA for 2014 rose by 6.4% or € 8.5 million to € 141.3 million, after € 132.8 million in the previous year. The EBITDA margin rose to 37.3% (2013: 36.3%).

The increase in depreciation and amortisation (incl. impairments) from € 90.8 million to € 95.5 million (plus 5.2%) is the result of putting large investment projects into operation and a new estimate of expected useful lives. EBIT for the Airport segment rose by 9.0% from € 42.0 million to € 45.7 million, resulting in an EBIT margin of 12.1% compared to 11.5% in the previous year.

### › Revenue: Handling Segment

| in € million | 2014 | Change in % | 2013 | 2012[1] |
|---|---|---|---|---|
| Apron handling | 94.6 | -9.4 | 104.5 | 103.8 |
| Cargo handling | 30.9 | 12.9 | 27.4 | 30.6 |
| Security services | 3.4 | -0.5 | 3.4 | 3.7 |
| Traffic handling | 8.7 | 7.2 | 8.1 | 9.3 |
| General aviation | 8.2 | -4.2 | 8.5 | 8.6 |
| **Total segment revenue** | **145.7** | **-4.0** | **151.9** | **155.9** |

1) adjusted

The Handling segment showed a reduction of external revenue in 2014 of 4.0% or € 6.1 million to € 145.7 million (2013: € 151.9 million). Revenue from apron handling fell by 9.4% or € 9.9 million to € 94.6 million, which can be mainly attributed to the reduction in individual services (particularly in the area of aircraft de-icing). In 2014, an additional handling service – passenger handling – was added to the VIE range, which was partially responsible for revenue growth from traffic handling of 7.2% or € 0.6 million to € 8.7 million. The VIE handling achieved an average market share of 87.7% (2013: 88.5%).

Revenue from cargo handling rose by 12.9% or € 3.5 million to € 30.9 million, which can be attributed to the growth in cargo volumes (air cargo plus 10.6%, trucking minus 1.6%). The average market share of VIE-Handling in the cargo segment remained at a very high 92.5% (2013: 93.2%).

Despite no longer handling document control, the subsidiary Vienna Airport Security Services Ges.m.b.H. (VIAS) achieved fairly steady external revenue in the security services sector of € 3.4 million (minus 0.5%). Despite slightly higher general aviation flight movements, revenue from general aviation services (incl. the operation of the VIP and Business Centers) fell slightly by € 0.4 million or 4.2% to € 8.2 million, due to the increasing competition posed by new competitors (and associated reduced handling activity). The Handling segment's total share of Group revenue was 23.1% (2013: 24.4%).

Both internal revenue with other segments and the other income in the Handling segment showed year-on-year increases to € 73.9 million (2013: € 71.5 million) and € 1.4 million (2013: € 0.9 million) respectively.

In the Handling segment, the milder winter led to a lower use of de-icing materials, which was reflected in a reduction in consumables of € 3.5 million or 31.0% to € 7.7 million. Despite the lower average headcount of 3,126 employees (2013: 3,199 employees), personnel expenses increased by € 4.5 million or 2.9% to € 160.7 million, mainly due to the wage and salary increases mandated by collective bargaining agreements and due to additions to provisions through changes in parameters (reduction in the discount rate used) and partly to past service costs due to changed measurement bases and also to one-time effects that resulted from higher reversal of provisions in the previous year. Other operating expenses increased by 11.4% or € 0.5 million to € 5.3 million, because valuation adjustments to receivables were reversed in the previous year.

In 2014, the Handling segment achieved EBITDA of € 17.6 million and thus showed a decrease of 21.9% or € 5.0 million. This is mainly due to the decrease in de-icing revenue and the negative effect of higher personnel costs. After the deduction of depreciation and amortisation totalling € 5.5 million (2013: € 5.4 million), EBIT decreased by 29.3% or € 5.0 million to € 12.1 million compared to € 17.2 million in 2013. Both the EBITDA margin and the EBIT margin fell to 8.0% and 5.5% respectively (2013: 10.1% and. 7.7% respectively).

### › Revenue: Retail & Properties Segment

| in € million | 2014 | Change in % | 2013 | 2012[1] |
|---|---|---|---|---|
| Parking | 42.0 | 5.0 | 40.0 | 41.8 |
| Rentals | 38.4 | -2.8 | 39.5 | 37.2 |
| Shopping/Gastronomy | 43.4 | 4.1 | 41.7 | 40.5 |
| **Total segment revenue** | **123.8** | **2.2** | **121.2** | **119.5** |

1) adjusted

After a restrained start to the year, the external revenue of the Retail & Properties segment grew by 2.2% or € 2.6 million in year-on-year comparison to € 123.8 million. This growth was due to increased parking revenue of € 42.0 million (plus 5.0% or € 2.0 million) and higher revenue from shopping and gastronomy of € 43.4 million (plus 4.1% or € 1.7 million). In contrast, rental income fell in year-on-year comparison, partly due to lower invoices for other rental revenue. The segment's share of Group revenue of 19.6% (2013: 19.5%) underlines the importance of exploiting the expansion potential of the non-aviation business and as part of the Airport City strategy at Vienna Airport even more extensively.

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While the internal revenues rose, primarily due to higher internal rental revenue, by € 1.0 million to € 18.1 million, other revenue of € 3.9 million (2013: € 3.9 million) in this year mainly comprised land sales.

Consumables fell by € 0.4 million or 24.3% to € 1.4 million; whereas personnel expenses rose from € 6.9 million to € 8.0 million (plus 16.1%). The wage and salary increases mandated by collective bargaining agreements and additions to personnel provisions also increased costs in the Retail & Properties segment. The reduction in other operating expenses by 30.5% or € 9.5 million to € 21.7 million is mainly attributable to lower maintenance and renovation costs for real estate at the airport. The internal operating expenses fell by € 0.8 million to € 39.8 million (minus 2.1%) due to the effect of lower costs for the rental business unit.

In year-on-year comparison, EBITDA was therefore 21.6% or € 13.3 million higher at € 74.9 million. Depreciation and amortisation in the segment declined by 19.3% to € 15.9 million (2013: € 19.8 million), primarily due to the impairment charges in the previous year. EBIT rose year-on-year by 41.0% or € 17.1 million to € 59.0 million. The EBITDA margin was 52.8% (2013: 44.5%) and the EBIT margin was 41.6% (2013: 30.3%).

### › Revenue: Other Segments

| in € million | 2014 | Change in % | 2013 | 2012[1] |
|---|---|---|---|---|
| Energy supply and waste disposal | 6.2 | -4.3 | 6.5 | 6.7 |
| Telecommunications and IT | 3.0 | -2.6 | 3.1 | 3.2 |
| Materials management | 1.7 | -8.7 | 1.9 | 2.2 |
| Electrical engineering, security equipment | 1.2 | -51.4 | 2.5 | 1.4 |
| Facility management | 1.7 | 43.8 | 1.2 | 0.9 |
| Workshops | 0.6 | 36.7 | 0.4 | 0.5 |
| Visitair Center | 0.3 | 26.5 | 0.2 | 0.2 |
| Other | 1.9 | 5.8 | 1.8 | 1.6 |
| **Total segment revenue** | **16.6** | **-5.4** | **17.5** | **16.6** |

1) adjusted

External revenue for Other Segments was € 16.6 million in 2014 compared to € 17.5 million in the previous year, equating to a reduction of 5.4% or € 1.0 million. The fall is mainly due to lower revenue in the area of construction and maintenance of infrastructure facilities including the sale of security equipment. While reduced energy requirements led to a slight fall in revenue in energy supply and waste disposal of € 0.3 million or 4.3% to € 6.2 million, revenue in facility management rose by € 0.5 million to € 1.7 million. The other revenues sector also achieved revenues of € 1.9 million (2013: € 1.8 million), partly due to consulting services. The Other Segments recorded 2.6% of Group revenue (2013: 2.8%).

Due to lower operating costs for terminal operations, internal revenue fell year-on-year by € 7.9 million to € 92.3 million. Other revenue also fell from € 9.5 million to € 6.6 million.

Expenses for consumables and services used were correspondingly reduced by 5.3% or € 1.4 million to € 25.0 million (2013: € 26.4 million). In contrast, personnel expenses increased slightly by € 0.9 million or 2.1% to € 44.6 million (2013: € 43.7 million). Although average headcount fell from 621 employees to 597 employees (minus 3.8%), expenses rose, to a lesser extent due to the wage and salary increases mandated by collective bargaining agreements and to a greater extent due to additions to provisions through changes in parameters (reduction in the discount rate used) and past service costs due to changed measurement bases. Despite the allocation of valuation adjustments to receivables of € 2.8 million, other operating expenses were reduced, partly due to the reduced use of third-party services, by 8.7% or 2.0 million to € 21.2 million. Depreciation and amortisation remained the same year-on-year at € 13.5 million, while internal operating expenses fell by € 1.1 million to € 8.3 million.

The Other Segments generated EBITDA of € 16.4 million for the reporting year (2013: € 24.5 million) and EBIT of € 2.9 million (2013: € 11.1 million).

# Earnings

The development of earnings in FWAG in 2014 can be summarised as follows:

- Revenue: plus 1.3% or € 8.2 million to € 630.2 million
- Operating income, despite lower de-icing revenue and lower other operating income, rises to € 646.3 million (2013: € 645.8 million)
- Operating expenses, excl. depreciation and amortisation: minus 2.0% or € 8.2 million to € 396.1 million
- Earnings before interest, taxes, depreciation and amortisation (EBITDA): plus 3.6% to € 8.7 million to € 250.2 million
- Scheduled depreciation and amortisation: plus 4.9% or € 6.1 million to € 130.4 million
- No impairments in 2014 (2013: € 5.1 million)
- Earnings before interest and taxes (EBIT): plus 6.9% or € 7.7 million to € 119.8 million
- Financial results: improved by 14.5% or € 2.2 million to minus € 13.1 million
- Earnings before taxes (EBT): plus 10.2% or € 9.9 million to € 106.7 million
- Net profit attributable to the parent company: plus 12.5% or € 9.2 million to € 82.5 million

### Income statement, summary

| Consolidated income statement in € million | 2014 | Change in % | 2013 | 2012 |
|---|---|---|---|---|
| Revenue | 630.2 | 1.3 | 622.0 | 607.4 |
| Other operating income | 16.1 | -32.2 | 23.8 | 24.1 |
| **Operating income** | **646.3** | **0.1** | **645.8** | **631.5** |
| Operating expenses, excl. depreciation, amortisation and impairment | 396.1 | -2.0 | 404.3 | 410.1 |
| **EBITDA** | **250.2** | **3.6** | **241.5** | **221.4** |
| Depreciation, amortisation and impairment | 130.4 | 0.8 | 129.4 | 113.4 |
| **EBIT** | **119.8** | **6.9** | **112.1** | **108.0** |
| Financial results | -13.1 | -14.5 | -15.3 | -14.3 |
| **EBT** | **106.7** | **10.2** | **96.8** | **93.7** |
| Income taxes | 24.8 | 5.3 | 23.5 | 21.4 |
| **Net profit for the period** | **81.9** | **11.8** | **73.3** | **72.3** |
| thereof attributable to non-controlling interests | -0.5 | n.a. | -0.0 | 0.4 |
| thereof attributable to equity holders of the parent | 82.5 | 12.5 | 73.3 | 71.9 |
| Earnings per share in EUR | 3.93 | 12.5 | 3.49 | 3.42 |

| in € million | Airport | Handling | Retail & Properties | Other Segments | Group reconciliation | Total |
|---|---|---|---|---|---|---|
| Operating income | 382.9 | 221.0 | 145.8 | 115.5 | -218.8 | 646.3 |
| Expenses | 337.1 | 208.8 | 86.8 | 112.5 | -218.8 | 526.5 |
| EBIT | 45.7 | 12.1 | 59.0 | 2.9 | 0.0 | 119.8 |

Despite difficult market conditions, FWAG revenues increased in 2014 by 1.3% or € 8.2 million to € 630.2 million. This can be mainly attributed to growth in the Airport segment. Growth in passenger volumes led to revenue from passenger fees incl. PRM and security fees increasing by € 8.0 million or 3.5% to € 236.9 million. Landing fees contributed € 59.8 million to revenue (plus 4.4%). The Retail & Properties segment saw year-on-year increases, mainly in parking revenues of € 2.0 million (plus 5.0%) and shopping and gastronomy revenues of € 1.7 million (plus 4.1%). The main losses were in de-icing revenue (minus € 9.1 million) due to the comparatively mild winter.

Other operating income fell by around one third or € 7.7 million to € 16.1 million (2013: € 23.8 million). Own work capitalised (Flughafen Wien AG and the subsidiaries VIE ÖBA GmbH and Vienna Airport Technik GmbH) decreased by 24.2% or € 2.2 million to € 6.7 million. Income from the disposal of non-current assets fell in year-on-year comparison, as compensation for damages from the arbitration settlement of € 4.0 million had been recorded in the previous year. In 2014, however, income of € 1.8 million was recorded from the disposal of non-current assets, mainly as a result of land sales. Other income fell by

15.3% or € 0.6 million to € 3.3 million. Income from the reversal of provisions fell to € 4.0 million (2013: € 6.3 million), as, in the previous year, a lawsuit had been decided in favour of FWAG.

### › Operating expenses: minus 1.3% to € 526.5 million due to cost savings and a milder winter

| in € million | 2014 | Change in % | 2013 | 2012 |
|---|---|---|---|---|
| Consumables and services used | 38.9 | -15.7 | 46.1 | 43.2 |
| Personnel | 254.1 | 3.4 | 245.8 | 249.7 |
| Other operating expenses | 103.1 | -8.2 | 112.3 | 117.2 |
| Depreciation, amortisation and impairment | 130.4 | 0.8 | 129.4 | 113.4 |
| **Total** | **526.5** | **-1.3** | **533.7** | **523.4** |

In addition to lower expenses for de-icing materials and fuel, the milder winter at the start of 2014 compared to 2013 resulted in a reduction in energy costs, which was also further supported by the cost-reducing effects of energy-saving measures. Expenses for consumables (incl. energy expenses) thus reduced by 22.5% or € 9.7 million to € 33.6 million. Expenses for services rose by € 2.5 million to € 5.3 million, mainly due to the higher cost of the use of third-parties for customer orders and production-related services.

Personnel expenses rose in 2014 by 3.4% or € 8.3 million from € 245.8 million to € 254.1 million. To a lesser extent this is due to the wage and salary increases mandated by collective bargaining agreements of 2.0% from May 2014 and to a greater extent due to additions to provisions through changes to parameters (reduction in the discount rate used) and past service costs due to changed measurement bases. Expenses for winter services reduced in line with the lower activity rate. The average headcount fell by 2.1% to 4,306 employees.

The effects of wage and salary increases mandated by collective bargaining agreements and employee-related provisions can be seen in all segments: In the Airport segment, personnel expenses rose by 4.3% despite there being less of a negative impact due to the milder winter. The Handling segment displayed growth of 2.9%, including one-time effects that resulted from higher reversal of provisions in the previous year. The Retail & Properties and Other Segments also saw rises in personnel expenses in year-on-year comparison of 16.1% and 2.1% respectively.

The average number of employees increased slightly by 0.5% in the Airport Segment, but declined by 2.3% in the Handling Segment. On average, the Retail & Properties segment employed 1.4% more people than in 2013. The average number of employees in Other Segments decreased by 3.8%.

Total wage costs rose slightly by € 0.4 million or 0.4% to € 110.0 million. The positive effect of the lower winter service activities was cancelled out by additions to provisions as a result of the lowering of the interest rate. Salary costs also increased by € 7.7 million or 11.0% to € 78.0 million. The employee-related provisions also had a negative effect here. Expenses for severance compensation rose by 1.8% or € 0.2 million to € 9.4 million, while expenses for pensions remained constant in year-on-year comparison at >

€ 3.1 million (plus 1.6%). Social security expenses fell by € 0.3 million or 0.7% to € 51.6 million, whereas other employee benefit expenses increased by € 0.3 million or 15.5% to € 2.0 million.

Other operating expenses were reduced in year-on-year comparison through the clear focus on cost savings and the absence of the negative effects of the snowy winter of 2012/2013 by € 9.2 million or 8.2% to € 103.1 million. Due to lower maintenance costs for buildings and equipment, and to contra-cyclical renovation measures, maintenance costs fell by € 8.9 million or 27.0% to € 24.1 million. Transport costs fell by half or € 1.0 million, as the removal of the immense volumes of snow had a negative effect in 2013. While third-party services reduced by € 7.6 million or 35.9% to € 13.5 million, services performed by related companies rose by € 3.5 million or 39.1% to € 12.4 million due to the expanded range of services. Marketing and market communication expenses showed a rise of 6.1% to € 20.5 million. (2013: € 19.4 million). Legal, auditing and consulting fees were € 1.3 million below the level of the previous year at € 4.7 million (minus 21.5%). Valuation adjustments (incl. reversals) to receivables had a negative effect on the total results of € 3.1 million.

### › Group EBITDA plus 3.6%

| EBITDA in € million | 2014 | Change in % | 2013 | 2012[1] |
|---|---|---|---|---|
| Airport | 141.3 | 6.4 | 132.8 | 123.9 |
| Handling | 17.6 | -21.9 | 22.6 | 18.8 |
| Retail & Properties | 74.9 | 21.6 | 61.6 | 64.2 |
| Other Segments | 16.4 | -33.2 | 24.5 | 14.4 |
| **Group EBITDA** | **250.2** | **3.6** | **241.5** | **221.4** |

1) adjusted

| EBITDA by segment | 2014 | 2013 | 2012[1] |
|---|---|---|---|
| Airport | 56.5 % | 55.0 % | 56.0 % |
| Handling | 7.0 % | 9.3 % | 8.5 % |
| Retail & Properties | 30.0 % | 25.5 % | 29.0 % |
| Other Segments | 6.5 % | 10.2 % | 6.5 % |
| **Group EBITDA** | **100.0 %** | **100.0 %** | **100.0 %** |

1) adjusted

FWAG's earnings before interest, taxes, depreciation and amortisation (EBITDA) rose year-on-year by another 3.6% or € 8.7 million to € 250.2 million (2013: € 241.5 million).

### › Scheduled depreciation and amortisation of € 130.4 million

| in € million | 2014 | 2013 | 2012 |
|---|---|---|---|
| Capital expenditure (incl. financial assets) | 75.1 | 72.9 | 101.7 |
| Scheduled depreciation and amortisation | 130.4 | 124.3 | 98.1 |
| Impairment | 0.0 | 5.1 | 15.3 |

In 2014, the volume of investments again showed a slight rise of 3.0%. Although it still did not reach the level of the years prior to the start of operations of Terminal 3, a total of € 75.1 million was invested (including invoice adjustments from prior years; 2013: € 72.9 million). Of this amount, € 1.3 million was accounted for by intangible assets and € 73.7 million by property, plant and equipment. In 2013, invoice adjustments of € 8.2 million were recognised especially due to an arbitration court decision in favour of Flughafen Wien AG in proceedings against a contractor involved in Terminal 3. Scheduled depreciation and amortisation increased due to the ongoing investment projects and due to the new estimate of expected useful lives.

There were no impairment charges for FWAG in 2014.

In the previous year, impairment charges of € 5.1 million were recognised. The impairment test carried out led to the recognition in 2013 of an impairment charge on a property (CGU "Real Estate Cargo") to the total value of € 4.9 million, which was recognised in the Retail & Properties segment. Impairment charges of € 0.2 million were recognised on property, plant and equipment in the Airport CGU.

### › Group EBIT rises to € 119.8 million

| in € million | 2014 | Change in % | 2013 | 2012[1] |
|---|---|---|---|---|
| Airport | 45.7 | 9.0 | 42.0 | 55.6 |
| Handling | 12.1 | -29.3 | 17.2 | 12.9 |
| Retail & Properties | 59.0 | 41.0 | 41.9 | 38.1 |
| Other Segments | 2.9 | -73.7 | 11.1 | 1.4 |
| **Group EBIT** | **119.8** | **6.9** | **112.1** | **108.0** |

1) adjusted

| EBIT by segment | 2014 | 2013 | 2012[1] |
|---|---|---|---|
| Airport | 38.2 % | 37.4 % | 51.5 % |
| Handling | 10.1 % | 15.3 % | 12.0 % |
| Retail & Properties | 49.3 % | 37.4 % | 35.3 % |
| Other Segments | 2.4 % | 9.9 % | 1.2 % |
| **Group EBIT** | **100.0 %** | **100.0 %** | **100.0 %** |

1) adjusted

Despite the higher scheduled depreciation and amortisation, Group EBIT rose by € 7.7 million or 6.9% to € 119.8 million due to the improvement in EBITDA and the absence of the impairment charges compared to 2013.

### › Financial results improved to minus € 13.1 million

| Financial results in € million | 2014 | Change in % | 2013 | 2012 |
|---|---|---|---|---|
| Income from investments, excl. companies at equity | 0.1 | -94.1 | 2.3 | 0.9 |
| Interest income | 0.9 | -58.4 | 2.2 | 4.2 |
| Interest cost | -24.2 | -6.9 | -25.9 | -25.2 |
| Other financial expense/ income | 0.1 | n.a. | 0.0 | 0.2 |
| **Financial results, excl. companies at equity** | **-23.1** | **7.5** | **-21.4** | **-19.9** |
| Proportional share of income and results from the disposal of companies recorded at equity | 10.0 | 62.2 | 6.2 | 5.6 |
| **Financial results** | **-13.1** | **-14.5** | **-15.3** | **-14.3** |

The financial result improved year-on-year from minus € 15.3 million to minus € 13.1 million. Income from investments of € 2.3 million were achieved in the previous year. This income in the previous year also included a payment from the investment "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2), which, since the start of 2014, (and due to the initial consolidation) is now shown as part of the at-equity result, but is still included in the financial result. Income from investments therefore fell to € 0.1 million in 2014.

Interest result fell, firstly due to the repayment of financial liabilities and the rescheduling of existing loans at more favourable conditions, and, secondly, due to lower interest income, among others resulting from the redemption of securities in the middle of 2013, from minus € 23.8 million to minus € 23.3 million (minus 2.2%).

The contributions to income by the investments carried at equity (incl. results from the disposal of companies recoded at equity) also grew in 2014 and totalled € 10.0 million (2013: € 6.2 million). A one-time effect from the initial consolidation of GET2 of € 0.6 million and the sale of the shares in Flughafen Friedrichshafen GmbH (revaluation in Q2/2014) was recognised here at € 2.3 million. The current results from the investments recorded at equity totalled € 7.1 million, of which € 1.0 million is allocated to Kosice Airport and € 4.7 million to Malta Airport. The deconsolidation of Columinis Holding GmbH (liquidation in Q2/2014) did not lead to any material effects on the financial result.

## › Net profit attributable to the equity holders of the parent of € 82.5 million (plus 12.5%)

In 2014, FWAG increased its total profit before taxes by € 9.9 million or 10.2% to € 106.7 million (2013: € 96.8 million).

The income from the companies included in the consolidated financial statements was taxed almost exclusively in Austria. The tax rate applicable to profit before tax equalled 23.2% in 2014 (2013: 24.3%).

Net profit for the reporting year was € 81.9 million (2013: € 73.3 million). This includes minus € 0.5 million attributable to non-controlling interests for the proportional share of the loss recorded by the subsidiary BTS Holding a.s. “v likvidacii” (in liquidation). The net profit attributable to the equity holders of the parent company, after deduction of the pro-rata share of the loss, amounted to € 82.5 million in 2014 (2013: € 73.3 million), which equates to an increase of 12.5%.

Based on an unchanged number of shares outstanding, earnings per share equalled € 3.93 (2013: € 3.49).

## › Financial and capital management

Financial management in FWAG is supported by a system of indicators that is based on selected and closely synchronised ratios. These indicators define the scope of development, profitability and financial security within which FWAG moves in the pursuit of its primary goal to generate profitable growth.

Depreciation and amortisation has a significant influence on the earnings indicators monitored by FWAG. In order to permit an independent evaluation of the operating strength and performance of the individual business segments, EBITDA (operating profit plus depreciation, amortisation and impairment) is defined as the key indicator. The company also uses the EBITDA margin, which shows the relationship of EBITDA to revenue. The EBITDA margin equalled 39.7% in 2014, compared with 38.8% in the previous year. The protection of high profitability is a stated long-term goal of management.

The optimisation of the financial structure has top priority. This financial security is measured by the gearing ratio, which compares net financial liabilities with the carrying amount of equity. The ratio of net debt to EBITDA is also used to manage the financial structure. The company's medium-term goal is maintain this ratio at approx. 2.5. In 2014, net debt to EBITDA equalled 2.02 (2013: 2.62).

Despite a slightly higher volume of investments, financial liabilities fell by € 127.5 million, mainly due to the premature and scheduled repayments of loans. Cash and cash equivalents therefore fell by € 1.7 million to € 2.2 million as of the reporting date. Net debt, considering invested funds, totalled € 506.2 million (2013: € 633.4 million). Based on equity of € 952.5 million (2013: € 905.9 million) gearing equalled 53.1% (2013: 69.9%).

In addition to the EBITDA margin, the return on equity (ROE) is also used to evaluate the company's profitability. ROE compares net profit for the period with the average equity during the financial year.

### › Profitability indicators

| in % | 2014 | 2013 | 2012 |
|---|---|---|---|
| EBITDA margin[1] | 39.7 | 38.8 | 36.5 |
| EBIT margin[2] | 19.0 | 18.0 | 17.8 |
| ROE[3] | 8.8 | 8.3 | 8.7 |
| ROCE before tax[4] | 7.5 | 6.8 | 6.5 |

1) EBITDA margin: Earnings before interest, taxes, depreciation and amortisation / Revenue
2) EBIT margin: Earnings before interest and taxes / Revenue
3) ROE (Return on Equity) = Net profit for the period / Average equity
4) ROCE (Return on Capital Employed before Tax) = EBIT / Average capital employed (Capital Employed = non-current assets, inventories, receivables and other assets minus current provisions and liabilities)

# Financial Asset and Capital Structure

## › Balance sheet structure

| | 2014 | | 2013 | |
|---|---|---|---|---|
| | in € million | as a % of total assets | in € million | as a % of total assets |
| **ASSETS** | | | | |
| Non-current assets | 1,803.4 | 95.3 | 1,857.6 | 95.1 |
| Current assets | 88.8 | 4.7 | 96.3 | 4.9 |
| **Total assets** | **1,892.2** | **100.0** | **1,953.9** | **100.0** |
| | | | | |
| **EQUITY AND LIABILITIES** | | | | |
| Equity | 952.5 | 50.3 | 905.9 | 46.4 |
| Non-current liabilities | 672.2 | 35.5 | 748.2 | 38.3 |
| Current liabilities | 267.5 | 14.1 | 299.8 | 15.3 |
| **Total equity and liabilites** | **1,892.2** | **100.0** | **1,953.9** | **100.0** |

The total assets of FWAG amounted to € 1,892.2 million as of 31 December 2014, which represents a year-on-year decline of 3.2% or € 61.7 million. The capital-intensive nature of the Group's business activities was reflected in an increase in the proportion of non-current assets to 95.3% (2013: 95.1%). Current assets fell, mainly due to the decrease in other receivables and assets.

The share of equity rose year-on-year by 3.9 percentage points to 50.3% or from € 905.9 million to € 952.5 million. The repayment of financial liabilities and the reclassification of items to current liabilities reduced non-current liabilities as a per cent of total assets to 35.5% (2013: 38.3%). Current liabilities were also reduced by 10.8% in 2014 and totalled € 267.5 million as of 31 December 2014.

## › Assets

Non-current assets declined year-on-year by 2.9% or € 54.2 million and totalled € 1,803.4 million.

The carrying amount of intangible assets was 20.6% or € 2.8 million lower year-on-year at € 10.9 million. Additions of € 1.3 million were mainly contrasted by amortisation of € 4.2 million.

Property, plant and equipment with a carrying amount of € 1,561.2 million (2013: € 1,622.2 million) represented the largest component of non-current assets in 2014: investments of € 62.6 million were contrasted by depreciation of € 121.1 million.

The carrying amount of land and buildings declined by 3.6% or € 41.5 million year-on-year to € 1,107.7 million. This change resulted primarily from depreciation of € 56.2 million, investments incl. reclassifications of finished projects of € 15.2 million and disposals of € 0.5 million.

The carrying amount of technical equipment and machinery fell by 4.9% or € 16.4 million to € 316.8 million as of 31 December 2014. This was firstly due to scheduled depreciation and amortisation of € 39.9 million and, secondly, € 23.6 million was invested in this area or reclassified from construction in progress. Other equipment, furniture, fixtures and office equipment also declined, as expected, by 11.2% or € 8.6 million to € 68.4 million. The carrying amount of projects under construction rose by 8.8% or € 5.5 million to € 68.2 million as of 31 December 2014.

The change in investment property comprised additions of € 11.2 million and reclassifications of € 1.7 million as well as scheduled depreciation of € 5.1 million. The carrying amount of investment property totalled € 124.9 million as of 31 December 2014 (31 December 2013: € 119.6 million).

The carrying amount of companies recorded at equity increased by 4.8% or € 4.7 million from € 97.9 million to € 102.5 million. The investment "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2), which was not consolidated until 2013, was recognised for the first time as an at-equity investment at the start of 2014 due to the increasing involvement of operating activities in the Group with a carrying amount of € 0.6 million. As a result, there was a reduction of € 0.1 million in investments in non-consolidated subsidiaries in "other financial assets".

Current assets declined in 2014 by 7.8% or € 7.5 million to € 88.8 million. While inventories remained almost constant at € 4.3 million, securities increased due to the market valuation by 6.5% or € 1.3 million to € 21.3 million. Net trade receivables rose due to revenue growth by 5.0% or € 1.7 million to € 36.2 million. The reduction in tax office receivables is mainly attributable to lower VAT tax credits. Other receivables, which fell from € 13.9 million to € 7.6 million, comprised claims arising from a arbitration judgement of € 4.6 million as of the 2013 balance sheet date, which were paid at the start of 2014. Cash and cash equivalents fell year-on-year by 42.9% or € 1.7 million to € 2.2 million (2013: € 3.9 million).

Despite the decline in the carrying amount of non-current assets, non-current assets as a share of total assets increased slightly to 95.3% (2013: 95.1%) among others due to a reduction in cash and cash equivalents and receivables.

## › Equity and liabilities

Equity recorded by FWAG rose by 5.1% or € 46.6 million to € 952.5 million at year-end 2014. Net profit of € 81.9 million for the reporting year was contrasted by the dividend payment of € 27.3 million for the 2013 financial year. The change in other reserves from the market valuation of debt instruments and similar rights contributed € 1.0 million to the increase in equity. The recognition of actuarial losses due to changes to parameters used to calculate employee-related provisions (revaluation of defined benefit plans) reduced equity by € 9.0 million. The equity ratio therefore improved, firstly due to the positive net profit for the period and, secondly, due to the fall in total assets as a result of debt repayment and reduction in the carrying amounts, to 50.3% as of the balance sheet date (2013: 46.4%).

The non-controlling interests as of 31 December 2014 represent the stake in the Slovakian subsidiary BTS Holding a.s. “v likvidacii” (in liquidation), Bratislava, held by the co-shareholder Raiffeisen-Invest-Gesellschaft m.b.H. Non-controlling interests include the current annual results reported by the subsidiary, which contains a valuation allowance to receivables of € 2.8 million.

The reduction in non-current liabilities of 10.2% or € 76.0 million to € 672.2 million is mainly attributable to the repayment and reclassification of financial liabilities. Existing >

(current and non-current) financial liabilities totalling € 155.5 million were repaid in 2014 and € 28.0 million were taken on. Repayments that will be made in 2015 were reclassified to current financial liabilities. Non-current financial liabilities thus declined by 17.0% or € 93.9 million to a total of € 457.7 million.

Non-current provisions rose by 23.7% or € 31.4 million in 2014 to € 163.8 million, mainly due to an increase in employee-related provisions due to the updated valuation of the defined benefit plans (severance payment and pension provisions, service anniversary bonuses and semi-retirement provisions). In addition, other provisions of € 7.9 million were reclassified to non-current liabilities. Other non-current liabilities fell by 14.3% or € 4.9 million to € 29.6 million, chiefly due to the reclassification of other liabilities and accruals to current liabilities. Non-current deferred tax liabilities totalled € 21.0 million as of 31 December 2014. The year-on-year change from € 29.6 million in 2013 resulted primarily from differences in employee-related provisions.

Non-current liabilities fell by 10.8% or € 32.3 million year-on-year to € 267.5 million. While non-current provisions fell by 17.4% or € 12.8 million to € 60.9 million, mainly due to the intended use of provisions and adjustment of maturities, provisions for taxation rose by € 14.4 million to € 24.8 million due to the positive Group net profit. Trade payables fell by 24.0% or € 11.9 million from € 49.7 million to € 37.8 million. In contrast, current liabilities rose year-on-year by 19.2% or € 11.6 million to € 72.0 million. This can be attributed to reclassifications due to maturity profiles, an increase in liabilities to associated companies and provisioning for the environmental fund.

Current financial liabilities reduced by 31.8% or € 33.6 million to € 72.1 million. This was mainly contrasted by reclassifications from non-current financial liabilities and by an increase in current borrowings (incl. cash advances) of € 56.2 million, and by repayments on the ULSG loan, promissory notes and other loans of € 89.8 million.

## › Financial Indicators

| | 2014 | 2013 | 2012 |
|---|---|---|---|
| Net debt in € million[1] | 506.2 | 633.4 | 719.6 |
| Equity ratio in % | 50.3 | 46.4 | 41.3 |
| Gearing in %[2] | 53.1 | 69.9 | 84.5 |
| Equity in € million | 952.5 | 905.9 | 851.6 |
| Working capital in € million[3] | -101.0 | -80.1 | -77.5 |
| Fixed asset ratio in %[4] | 95.3 | 95.1 | 92.7 |
| Asset coverage in %[5] | 90.1 | 89.0 | 88.2 |

1) Net debt = Interest-bearing liabilities – cash and cash equivalents – current securities
2) Gearing = (Interest-bearing liabilities – cash and cash equivalents) / Equity
3) Working Capital = Inventories, current receivables and other assets minus current provisions and liabilities (excl. liabilities from investing activities)
4) Fixed assets / total assets = Non-current assets / total assets
5) Asset coverage = (Equity + non-current liabilities) / Non-current assets

### › Cash flow statement – free cash flow increased to € 153.1 million

| in € million | 2014 | Change in % | 2013 | 2012 |
|---|---|---|---|---|
| Cash and cash equivalents as of 1 January | 3.9 | -90.3 | 40.4 | 111.3 |
| Cash flow from operating activities | 220.6 | 7.9 | 204.4 | 179.7 |
| Cash flow from investing activities | -67.5 | -21.9 | -86.4 | -126.7 |
| Cash flow from financing activities | -154.8 | 0.2 | -154.5 | -123.9 |
| Cash and cash equivalents as of 31 December | 2.2 | -42.9 | 3.9 | 40.4 |
| **Free cash flow** | **153.1** | **29.8** | **118.0** | **53.0** |

Cash flow from operating activities increased by 7.9% or € 16.2 million to € 220.6 million in 2014. The increase mainly resulted from the improvement in the operating result (EBT & depreciation and amortisation) of 4.8% or plus € 10.9 million to € 237.1 million. Furthermore the proportional share of results and the dividend payments received from the investments carried at equity of minus € 4.6 million, and profits from the disposal of non-current assets of € 3.5 million were included. While inventories remained almost constant, receivables fell by € 9.0 million, partly due to lower tax office and other receivables. Liabilities (provisions and liabilities) rose by € 1.2 million. Income tax payments of € 18.4 million also had to be paid in 2014.

Net cash flow from investing activities totalled minus € 67.5 million for the reporting year, compared with minus € 86.4 million in 2013. Payments of € 74.8 million were made in 2014 for the purchase of non-current assets (2013: € 97.4 million). Payments received from the disposal of non-current assets of € 7.3 million included among others the sale of the investment in Flughafen Friedrichshafen GmbH and the cash effect of the arbitration judgement from the previous year. In the previous year a payment of € 10.0 million was received from the disposal of current securities.

Free cash flow (cash flow from operating activities minus cash flow from investing activities) rose year-on-year by 29.8% or € 35.2 million from € 118.0 million to € 153.1 million.

Cash flow from financing activities of minus € 154.8 million can be attributed to the sum of additions (plus € 28.0 million) and repayments of financial liabilities of € 155.5 million and the dividend payment to the shareholders of the parent company of € 27.3 million in May 2014.

In total, cash and cash equivalents declined year-on-year by 42.9% or € 1.7 million to € 2.2 million.

# Corporate Spending

Investments in intangible assets, property, plant and equipment and financial assets rose by 3.0% or € 2.2 million to € 75.1 million in 2014. Invoice corrections of approx. € 8.2 million in favour of Vienna Airport from the December 2013 arbitration judgment in proceedings against a contractor involved in the Terminal 3 construction were included in the previous year.

Capital expenditure included € 73.7 million for property, plant and equipment and investment property, and € 1.3 million for intangible assets. The major investments made in 2014 and 2013 are listed under note (13) in the notes to the consolidated financial statements. The variance from the original forecast of € 110 million is primarily due to shifts into the following periods and cost reductions.

The reporting year was characterised by several large construction projects. New occupants moved into the new hangar 7 (investment in 2014: € 10.9 million) in early summer. The new Pier West was opened in late autumn (investment in 2014: € 9.6 million). The opening of the new railway station at Vienna Airport was a notable feature in December (investments in 2014: € 7.8 million), as was the completion of the new cargo apron positions, in which € 11.8 million was invested in 2014. These were cross-segment investments.

### › Investments and financing

| Investments in € million | 2014 | Change in % | 2013 | 2012 |
|---|---|---|---|---|
| Intangible assets | 1.3 | -2.1 | 1.4 | 3.3 |
| Property, plant and equipment | 73.7 | 3.2 | 71.5 | 97.9 |
| Financial assets | 0.0 | n.a. | 0.0 | 0.5 |
| **Total investments** | **75.1** | **3.0** | **72.9** | **101.7** |
| | | | | |
| **Financing in € million** | | | | |
| Net cash flow from operating activities | 220.6 | 7.9 | 204.4 | 179.7 |
| Depreciation and amortisation, including impairment charges to intangible assets, property, plant and equipment, and investment property | 130.4 | 0.8 | 129.4 | 113.4 |

# Positive development of airport investments recorded at equity

The Flughafen Wien Group (FWAG) held investments in three international airports in 2014.

- In Malta Airport, FWAG owns a combined stake of approx. 33%. Of the total shares, 40% are held by a consortium in which FWAG has an investment of 57.1%; 10.1% are owned directly by FWAG (through VIE Malta), 20% by the Maltese government, and the remaining shares are listed on the stock exchange in Malta. In 2014, Malta Airport surpassed the previous year's record and showed a year-on-year increase of 6.4% with 4.29 million passengers.
- Flughafen Wien AG has an indirect investment of 66% in Košice Airport. Although FWAG holds the majority of voting rights, this company is managed as a joint venture because major corporate decisions are taken together with the co-shareholders. Košice Airport reported growth of 50.4% over the previous year to 356,750 passengers.
- The 25.15% holding in Flughafen Friedrichshafen GmbH was sold in 2014 in equal parts to the city of Friedrichshafen and the district of Lake Constance. After approval of the transaction by the Federal Cartel Office, Flughafen Friedrichshafen GmbH was deconsolidated.

# Financial Instruments

Information on the financial instruments used by the Flughafen Wien Group is provided in the notes to the consolidated financial statements (see note (34)).

# Branch Offices

Flughafen Wien AG had no branch offices in 2014 or 2013.

# Risks of Future Development

## › Risk management

The Flughafen Wien Group (FWAG) utilises an extensive risk management system, which ensures that relevant risks are identified, analysed, assessed and dealt with by suitable measures. This system is described in the following diagram.


Source: adapted from Denk, Exner-Merkelt, Ruthner (2008)

The risk management system is controlled by risk policy principles in the form of the risk strategy. A clearly defined risk management organisational structure is based on these guidelines and applies across the whole structure of the Flughafen Wien Group.

From an organisational perspective, risk management is located within the Controlling Department. All risk management activities are coordinated by this function. However, all employees of FWAG are required to participate actively in risk management in their areas of activity in order to integrate the function into their ongoing business processes. Risk owner and risk deputies are especially responsible for this.

The risk management cycle, consisting of risk identification, risk assessment and aggregation, risk control and assignment of measures, and final reporting, runs efficiently on the basis of these persons and their defined roles. This process is supported by comprehensive written documentation of FWAG's entire risk management system in the form of the risk management guideline that applies throughout the Group, and process and risk management software which serves as a central database of all identified risks and associated measures. Finally, the active and open communication of risks is a stated goal and a key success factor of the risk management system.

The internal control system (ICS) also covers aspects of risk management in the sense of ensuring the reliability of operational reporting, complying with the associated legislation and rules, and safeguarding the assets. The internal audit department of Flughafen

Wien AG also regularly evaluates business practices and organisational processes for compliance with Group guidelines, security and efficiency. The Management Board therefore has access to the necessary instruments and structures to identify risks at an early point in time and to implement appropriate countermeasures or otherwise minimise these risks. The existing systems are evaluated on a regular basis and extended as required.

## › Economic risks

The development of business at FWAG is significantly influenced by regional, European and global aviation trends which, for their part, are heavily dependent on general economic conditions. Economic fluctuations can therefore have a significant influence on FWAG. Based on an autumn forecast by the European Commission, FWAG assumes the development of the macroeconomic environment in 2015 will be more positive than in the previous year.

The development of traffic is also significantly influenced by external factors such as terror, war or other external shocks (e.g. pandemics, closing of air space due to natural disasters etc.). In addition to emergency plans, Vienna Airport works to counter the effects of such shocks with high standards on the quality of security and proactive public relations. This involves close cooperation with the Austrian Federal Ministry of the Interior and the Federal Police Department in Schwechat as well as specific security measures for customers.

Increasing trade barriers, sanctions and political crises can have a negative effect on the supply and demand situation for air travel. In 2014, this especially applied to the political situation in Ukraine and in the crisis regions in the Middle East. Such developments are therefore monitored and evaluated closely to allow for the implementation of countermeasures or preparatory actions. The development of the oil price and the related price of kerosene can also have a substantial impact on air travel.

Depending on the intensity and impact of such events, FWAG can react to the decline in traffic triggered by such shocks by adjusting available resources and modifying its capital expenditure programme.

## › Industry risks

The industry association IATA is forecasting an overall increase in profit for the European airlines in 2015 (Source: IATA Financial Forecast, December 2014). However, FWAG expects a continuation of the high competitive and cost pressure on the airlines. It can therefore be assumed that the airlines will proceed with their efficiency and profitability improvement programmes (cost reduction, portfolio optimisation, slower fleet expansion, fleet reduction). This will also increase the cost pressure on the European airports.

The enactment of a new federal law ("Flugabgabegesetz") in 2011 resulted in an additional charge for airline passengers. The airlines are required to collect this additional duty for passengers departing from Austrian airports on behalf of the Austrian Ministry of Finance. The amount of the duty is dependent on the destination, and equalled € 7 for short-haul flights, € 15 for medium-haul flights and € 35 for long-haul flights since 1 January 2013. The duty has a negative effect on passenger traffic and thus weakens Vienna Airport's competitive position, as most European countries do not levy taxes of this kind. >

FWAG believes the EU emission guidelines and environmental standards significantly weaken the position of European airlines as well as the role of European airports as transfer hubs in comparison with alternative locations outside Europe. This could reduce the attractiveness of European airports as transfer hubs or lead to a reduction in transfer traffic over the medium term. In the long term, the creation of new hubs in the Middle East and Turkey could lead to a shift in global (transfer) traffic.

## › Market and customer structure risks

The Austrian Airlines Group is responsible for 47.7% of the passengers and is FWAG's largest customer. Its sustainable development as a strong home carrier linked to the network strategy of the Star Alliance, in which the Austrian airlines group is integrated as a partner, have a significant influence on the commercial success of FWAG. The development of this key customer is continuously monitored and analysed by the responsible business units.

In autumn 2014, the agreement to a new collective bargaining agreement for the flight crew of Austrian Airlines was announced. As a result, the litigation over the transfer of operations into the subsidiary Tyrolean Airlines was settled and the conditions have been created for the entire flight operations to be once again handled via Austrian Airlines from March 2015. This agreement means that the uncertainty regarding the further development of the airline has been considerably reduced.

The trouble spots in Ukraine and the Middle East had a negative effect on Austrian Airlines over the past year, resulting in a reduction in passenger traffic across the entire company of 1.1%. A reduction of 2.5% in continental European traffic was partly offset by the positive development of long-haul routes (plus 7.3%). Furthermore, capacities were extended with an additional Boeing 777. As a result, Austrian Airlines transported around 10.7 million passengers over the year at Vienna Airport (minus 0.7% year-on-year). The development of the long-haul connections (Newark) made a further contribution to strengthening its attractiveness as a transfer hub. FWAG assumes that, after the settlement of the collective bargaining agreement, the airline will continue on its consolidation course, successfully complete its economic turnaround and thus lay the foundations for continuing the current network strategy with a focus on east-west transfers. However, there remains a residual risk in respect of the further development, which depends on various factors (overarching strategy of the Group parent, competitive environment, regulatory frameworks, etc.).

NIKI and airberlin hold second and third place in the FWAG customer ranking with passenger shares of 11.0% and 6.2%, respectively. At a Group level, airberlin increased passenger numbers by 0.6% in 2014. Traffic at Vienna Airport also grew, with plus 2.7% for NIKI and plus 4.0% for airberlin. Despite wide-ranging measures and improvements in cost efficiency, the economic turnaround of the airberlin Group had still not been achieved in 2014.

The new strategic direction and restructuring at NIKI has been largely completed. A strategic partnership with Etihad Airways was achieved in 2014, which includes a codesharing programme with daily NIKI flights to Abu Dhabi. In addition, the range of destinations was selectively adjusted, which resulted in the removal of former destinations (incl. Frankfurt and Copenhagen), and the inclusion of new routes (incl. Larnaca and Madrid).

The future development of the airberlin Group is connected with uncertainty due to the current earnings situation, in spite of the investment and support provided by Etihad

Airways. The Group continues to find itself in the red, with the need for further action despite successes through its "Turbine" turnaround programme. In mid-2014 a further restructuring programme was announced, which aims to achieve an improvement in net profit of € 400 million by 2016 – largely through cost savings, efficiency increases and network restructurings. However, FWAG assumes these adjustments will only have a minimal direct effect on Vienna Airport.

FWAG counteracts market risk with marketing measures as well as competitive fee and incentive models that apply equally to all airlines. In particular, the company's goal is to share the airlines' market risk and thereby promote strategically important intercontinental routes and traffic to destinations in Central and Eastern Europe.

In 2014, growing developments that are relevant to FWAG were noted at Bratislava Airport. This mainly concerns the increased presence of the low-cost segment (especially Ryanair and flydubai), which has increased competitive pressure in the catchment area through the deployment of aircraft and extending the range of destinations.

Flughafen Wien AG was able to successfully protect its leading market position in ramp, traffic and cargo handling during the reporting year. The foundation for this strong standing in competition with other service providers is formed by specially designed service packages and high quality standards. Long-term handling agreements for ramp services were concluded with the key customers Austrian Airlines and NIKI/airberlin. These agreements substantially reduced the market risk for the Handling Segment.

The handling services provided by FWAG are the subject to growing price pressure as well as rising quality demands from the airlines. Service level agreements (SLA) that include penalties in case of failure to meet quality targets are becoming increasingly popular. The number of those flight movements that is relevant to the handling revenue of Flughafen Wien AG has continued to decline, although the extent of the decline has significantly diminished (only minus 1.2% in year-on-year comparison).

As part of the European Commission's work programme for 2015, it was announced at the end of 2014 that the intention to liberalise ground handling services would no longer be pursued. It must therefore be assumed that any negative consequences from the licensing of a third ramp handling agent and the associated increase in competitive pressure and loss of market share to competitors cannot be directly expected. If and when the Commission will make a new attempt cannot currently be foreseen.

In the cargo business, the dominant market position of a few airlines and forwarding agents represents a certain risk. FWAG works to further diversity its portfolio and thereby reduce this risk by continuously monitoring the airlines and acquiring new customers. The cargo business is also highly sensitive to economic fluctuations. FWAG is therefore continuing to monitor these developments very closely because of the active cargo strategy and the related expansion of the cargo infrastructure at Vienna Airport that is currently being planned.

FWAG rents buildings and space that are used primarily by companies whose business is dependent on the development of air traffic (retailers, airlines, etc.). Therefore this business is subject not only to the general risks of the real estate market, but also to the risks of changes in passenger volumes and changes in passengers' buying power, such as in connection with the devaluation of the relevant domestic currency against the euro (currency risks). Due to revenue-related contractual components, this is linked to effects on the revenue situation in the retail and real estate sectors.

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## › Development risks for international business

The remaining foreign airport investments of Flughafen Wien AG (Malta and Košice – Friedrichshafen was sold in 2014) are not only exposed to the above-mentioned industry risks, but also to additional local challenges and market risks. One of the major risks in this area is the five-year restructuring plan for Air Malta, which is expected to, and indeed must, ensure the survival of Malta's home carrier by 2016. The bankruptcy of this airline would most likely have negative consequences for the investment in Malta Airport. While progress has been made in the last few years, the airline has once again found itself in the red. Nevertheless, the turnaround for the 2016 financial year will be adhered to.

Political and regulatory risks – which include the taxation of air travel, air traffic restrictions by public authorities or changes in applicable laws and requirements by public authorities that result in additional costs – are monitored continuously. These types of factors can influence medium-term planning and create a risk that a specific investment may become impaired.

## › Financial risks

Capital expenditure at FWAG is financed by operating cash flows as well as long-term, fixed interest and/or variable interest borrowings.

Interest rate risk results, above all, from variable interest on financial liabilities and assets. The FWAG treasury department is responsible for the efficient management of interest rate and market risks, evaluates the respective risk positions on a regular basis as part of risk controlling and selectively uses interest rate derivatives to minimise the risk of changing interest rates.

Detailed information on financial instruments, strategies and financial risks – including liquidity risk, credit risk, interest rate risk and foreign exchange risk – is provided in the notes to the consolidated financial statements.

The EIB credit agreement defines terms for the liability of qualified guarantors. The current guarantors cancelled the guarantee agreement that serves as collateral for the EIB loan as of 27 June 2013 at the full amount of € 400.0 million. Following the conclusion of a new syndicated guarantee agreement, as of 28 June 2013, six financial institutions took over as guarantors for the outstanding EIB loan of € 400.0 million. After one guarantor had to be changed in August 2014 due to a rating downgrade, two of the existing financial institutions assumed the released guarantee amount. Thus there are now five financial institutions acting as guarantors to the EIB.

## › Investment risks

FWAG's expansion projects are exposed to various risks – including the loss of suppliers, higher construction costs or changes in planning – that could increase the intended expenditures. A special analysis procedure is therefore used in the planning stage to evaluate the potential risk associated with investment projects, while regular risk monitoring is based on an analysis and evaluation process that is part of project controlling. Any special risks identified by the project managers (e.g. contaminated soil) are incorporated in the respective calculations.

Expansion projects are developed in close coordination with the airlines based on the expected development of traffic. Expert forecasts for the growth in passenger volumes over the medium- and long-term reduce the financial risk associated with these investments and ensure that sufficient capacity is available to meet the forecasted demand.

The provincial government of Lower Austria, as the responsible public authority, at first instance officially confirmed the environmental compatibility of the project "parallel runway 11R/29L" (the third runway) during summer 2012. Twenty-three appeals against this first instance decision were brought to the environmental tribunal within the stated deadline. Due to the objections and the changed legal situation, additional expert opinions were commissioned as part of the second instance proceedings. At the end of 2013, responsibility passed from the environmental tribunal to the newly created Austrian Federal Administrative Court, which is now responsible for the second instance proceedings. Oral proceedings took place at the beginning of January 2015. From today's standpoint, the decision of the Austrian Federal Administrative Court is expected during the course of 2015. It is also possible that the Supreme Courts, or even the European Court of Justice, will also be asked to review this matter.

Current forecasts for the development of passenger traffic indicate that Vienna Airport will reach its capacity limits after 2020. The parallel runway project (third runway) is therefore crucial to ensure the availability of sufficient capacity on a timely basis. As soon as a legally binding decision is issued, Flughafen Wien AG will decide on the realisation of this project based on the expected development of passenger traffic and movements and updated profitability calculations. If the project is not realised, significant elements of the capitalised project costs would probably have to be written off. The amount of this would be dependent on the extent to which an alternative use could be found.

The valuation of assets is based on the assumption that Vienna Airport will maintain its position as an east-west hub.

## › Legal risks

The requirements of public authorities, above all in the area of environmental protection (e.g. noise, emissions, changes in departure and approach routes) can create legal risks. Flughafen Wien AG works to counter these risks, above all, with information and the involvement of local citizens in the mediation process (e.g. third runway) or through neighbourhood advisory boards.

The start of the project to introduce the EMAS environmental management system in 2014 will ensure that proof of legal conformity in the environmental field is provided through positive external certification in October 2015.

The liberalisation of ground handling services will no longer be pursued at the level of the European Commission, as a result of which there will be no further market liberalisation for the time being.

Non-compliance with legal requirements can create liabilities for management. Legal risks are therefore monitored in all software projects, and the necessary actions taken. For example, any storage or archiving of personal data is reported in accordance with Austrian data protection laws. Flughafen Wien AG implemented the Issuer Compliance Regulations in a separate corporate guideline. The company has established permanent areas of non-disclosure to prevent the misuse or distribution of insider information, and also creates ad-hoc areas as needed. A variety of organisational measures and control mechanisms has also been implemented to monitor these processes on a regular basis.

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The compliance officer of Flughafen Wien AG discusses his activities with the Supervisory Board each year, and also prepares a written report that is submitted to the Austrian Financial Market Authority.

## › Personnel risks

Motivated and committed employees play an important role in the success of FWAG. In order to counteract the loss of know-how through turnover, numerous measures have been implemented to strengthen employee ties. Steps have also been taken to increase occupational safety and to minimise illness-related absences.

## › ICT risks

The inclusion of risk management in the planning process allows for the early identification, assessment of risks – above all for ICT projects (information and communication technology) – and the implementation of appropriate measures. Measures are also in place to continuously improve this risk management process.

The major operating risks in the area of information and communications technology include system breakdowns, the destruction of central systems and the potential loss of sensitive data. This risk was further reduced in 2014 by the expansion of preventive measures, e.g. the implementation of additional redundancies.

The basic infrastructure, which includes electricity and air conditioning supplies, is exposed to risk in connection with the availability of central systems. Measures have been and are being continuously developed to achieve the greatest possible reliability, such as via ring mains.

Redundant systems have been implemented at all central network interfaces to permit the continued operation of the network and related systems if an individual component breaks down. However, there is a low residual risk because unforeseeable errors (disasters) preclude guarantees for 100% availability.

State-of-the art monitoring systems and emergency procedures have been implemented for all operating systems – for example, regarding the "mach2", Vienna Airport's core system – which support the early identification of problems and ensure a high degree of reliability. These systems are the focus of continuous development to guarantee compliance with the latest technical and legal requirements.

The mach2 systems form the backbone of the IT systems used at Vienna Airport. They provide nearly all other systems with an update on incoming and outgoing flights in near-real-time and also show flights planned for the future. The necessary master data (e.g. airlines etc.) is administered centrally and also made available to the related systems.

In addition, the mach2 systems include special functions that are required for smooth airport operations. Examples of these functions are load planning, telex reception, dispatch and distribution, and display systems for passengers and employees.

Additional systems are linked to mach2 and cover apron planning, ground handling disposition and cargo handling.

The ERP software (Enterprise Resource Planning) SAP is used as the central accounting and HR management system. This system is not only used for invoicing, but also for central analysis and reporting. In addition to previously realised measures and controls, additional quality assurance measures are planned to further minimise the risk of a breakdown.

## Environmental risks

The situation at Vienna Airport can be considered stable because of the existing operational restrictions (no use of noise-sensitive take-off and landing routes from 9:00 pm to 7:00 am) as well as a limit on the absolute number of flight movements between 11:30 pm and 5:30 am. Additional restrictions on night flights which could lead, in particular, to a decline in cargo and long-haul traffic, are not currently expected.

## Damage risks

The risk of damages includes fire and other events that could result from natural disasters, accidents or terror as well as the theft of or damage to property. In addition to appropriate safety and fire protection measures and emergency plans that are rehearsed on a regular basis, these risks are covered by insurance.

The major liability risks connected with operations are covered by aviation liability insurance, while the risks associated with terror liability are covered by terror liability insurance. The efficient and central handling of insurance business is dealt within the relevant department.

## General risk assessment

A general evaluation of the risk situation concluded that the continued existence of FWAG is protected for the foreseeable future and did not identify any risks that could endanger this continued existence. From the current point of view, FWAG generates sufficient funds to pursue the airport expansion as planned.

# Report on the key features of the internal control and risk management systems for accounting processes

In accordance with § 82 of the Austrian Stock Corporation Act, the Management Board is responsible for the development and implementation of an internal control and risk management system for accounting processes that meets the company's requirements. The following section explains the organisation of the internal controls related to accounting processes at FWAG.

For subsidiaries, the respective managers are responsible for developing and implementing an internal control and risk management system for accounting processes that meets the needs of their particular company. These managers also represent the final authority for ensuring compliance with all related Group guidelines and directives.

The structure and design of FWAG's internal control system (ICS) was defined in a policy. The objective of the internal control system is to ensure the reliability of financial reporting and compliance with all applicable laws and regulations.

The description of the major features of these internal controls is based on the structure of the internationally recognised COSO model (Committee of Sponsoring Organisations of the Treadway Commission). Accordingly, the internal control system comprises the following components: control environment, risk assessment, control activities, information and communication and monitoring. The relevant processes involve the identification and assessment of the financial and accounting risks to which the company is exposed as well as the implementation of appropriate controls. The documentation for the control system is maintained in a standard software that also supports the process-related depiction of risks and controls.

## › Control environment

The corporate culture within which management and employees operate has a significant influence on the control environment. FWAG works actively to improve communications and to convey its principal values as a means of anchoring moral standards, ethics and integrity in the company and in interaction with other parties. An important contribution in this area is the voluntary code of conduct implemented by FWAG, which defines the rules for giving and accepting gifts and invitations.

The implementation of the internal control system for accounting processes is regulated by internal guidelines and directives. The related responsibilities were adjusted to meet the needs of the company and thereby create a satisfactory control environment.

## › Risk assessment

Attention is focused on risks that are considered to be material. The consolidated and annual financial statements form the main criteria for the identification of the major ICS risks. A change in the volume of business processes or the underlying accounts can lead to changes in the identifiable ICS risks and controls.

When preparing the consolidated and annual financial statements, selective estimates of future development must be made, which carries an inherent risk of deviation from these planning assumptions. In particular, the following circumstances or positions in the annual (consolidated) financial statements are involved: employee-related provisions, the results of legal disputes, the collectability of receivables, impending losses from pending business and the valuation of investments in other companies and property, plant and equipment. The company draws on external experts or obtains a validation from external sources, peer group comparisons and other suitable instruments in order to minimise the risk of inaccurate estimates.

## › Control activities

Control activities are carried out by management and assigned persons promptly and in support of the accounting processes. Potential errors or variances in financial reporting are prevented, discovered and corrected. These controls range from the variance-based analysis of results by management and the controlling department to the specific transition of accounts and the analysis of routine accounting processes.

Control activities to guarantee IT security represent an integral part of the internal control system. Access to sensitive functions and data is restricted. SAP and PC Konsol enterprise reporting software are used for accounting and financial reporting purposes. The functionality of the accounting system is guaranteed, among others, by automated IT controls.

## › Information and communication

The guidelines and directives for financial reporting are updated regularly by management, and communicated to all involved employees via the Intranet or internal announcements. Activities at the management level are intended to ensure compliance with all accounting guidelines and directives, and to also identify and communicate weak points and opportunities for the improvement of accounting processes. The accounting staff also attends regular training courses that cover changes in international accounting policies and practices, in order to minimise the risk of errors.

## › Monitoring

Management, the controlling department and the Supervisory Board are responsible for continuous monitoring of the internal control systems in FWAG. In addition, the individual department heads and senior managers are responsible for monitoring activities in their respective areas. Specific persons have been designated as the responsible control authorities. Controls are reviewed to ensure their effectiveness, and the ICS itself is also evaluated by the internal audit department. The results of monitoring activities are reported to the audit Committee and the Supervisory Board.

# Research and Development

As a central internal service provider of information and communications technology, the information systems service unit develops and operates software for airport operations. The MACH airport operating system, which was used for many decades, was replaced by the mach2 successor system in 2012.

This system replacement also included the ongoing improvement and expansion of individual programme modules by the information systems service unit.

In 2014, some improvements were made to the electronic display systems during the renewal of the passenger guidance system. So, for example, layouts on flight information monitors were improved in close collaboration with associations for persons with special needs. Furthermore, the information monitors were modified to show waiting times in the baggage claim area and in security, as well as travel times to the gates.

Work also proceeded on the implementation of the CDM-ISP project (Collaborative Decision Making - Information Sharing platform) in 2014. The information sharing platform to be developed as part of this project will create the basis for introducing the CDM process at Vienna Airport. Through more exact planning, better analysis and the optimisation of resources, this tool will lead to significant cost savings for the participating system partners (Airlines, Passenger and Ground Handling, Air Traffic Control). In 2014, the status "Airport CDM locally implemented" was achieved and, in future, work will proceed on achieving "fully implemented" status.

Another focus was and still is on increasing customer satisfaction; this can be achieved through the further development of an airport-specific app for iOS and Android (Vienna Airport app), among other things.

Expenses for the research and development of individual programme modules of the airport operations software and other development activities amounted to € 0.6 million in 2014 (2013: € 0.7 million).

# Environmental and Labour Issues

## › The environment

FWAG is committed to considerate environmental management that is focused on sustainability. Within the framework of its corporate social responsibility strategy, FWAG works to sustainably increase the value of the company and to continuously reduce the negative ecological effects of its business operations. Accordingly, the company has introduced a variety of measures to reduce the impact of air traffic. As a result, the effects of pollutant and noise emissions on the environment should be kept to a minimum.

For example, a wide range of optimisation projects led to a significant and sustainable reduction in energy consumption. Substantial savings have already been realised with the replacement of technical equipment, the further optimisation of ventilation equipment through the installation of air flaps and various improvements to lighting in the apron and terminal areas and in various advertising spaces.

In 2014, a total of € 1.1 million (2013: € 1.1 million) was invested in environmental protection during the reporting year (excluding the noise protection programme). Projects were focused on the reduction of pollutant and noise emissions in order to minimise the effects on the environment – and above all on neighbouring residents.

In 2014, environmental management focused on the preparations for the enactment of the Energy Efficiency Law in 2015. The new Energy Efficiency Law requires companies to carry out regular energy audits or to implement an energy management system. Flughafen Wien AG has decided to introduce the even more extensive EMAS environmental management system, which goes further than the legal requirements. The aim of EMAS is to continually improve environmental protection in the business. EMAS will help to show where ecological and economic improvements can be made, and where supplies and energy, and therefore costs, can be saved. In addition to showing all activities in the area of environmental protection and ascertaining energy savings measures, it will ensure legal conformity in the environmental field. The implementation (including certification) will be completed by 31 October 2015.

Based on the commitment of the airports to continually reduce their $CO_2$ emissions, the branch association Airports Council International (ACI) originated the Airport Carbon Accreditation System in 2009. More than 100 airports have already joined the initiative – including Vienna Airport. In 2013 alone, the participating European airports achieved a reduction of 353,842 tonnes of $CO_2$. In 2014, FWAG achieved Level 1 for the second time in a row; this requires the preparation of a $CO_2$ emission balance sheet. The aim in 2015 is to achieve the next level – Level 2, which the reduction of $CO_2$ emissions at the Airport already provides for.

Airport City Vienna is the first industrial park in Austria to be awarded the district certificate for industrial parks by ÖGNI (Austrian Sustainable Building Council) in December 2014. The park, which includes over 70,000 m² of office and conference space as well as hotels and transport offerings, was assessed against various criteria, such as ecological and economic quality, as well as socio-cultural and functional features. This certificate ensures that the development of the Airport City Vienna site takes account of sustainable criteria in an objective way.

The FWAG noise protection programme that was started in 2005 as part of the mediation contract was successfully continued during 2014. Nearly 12,000 households in the region now benefit from the related measures. Funds totalling € 51.5 million have been provided for the implementation of noise protection measures. Expert opinions were prepared for roughly 6,235 properties by the end of 2014, and optimal noise protection was installed in 2,878 of these properties. During the implementation of the noise protection programme, up to 1,300 tonnes of $CO_2$ are saved each year through window replacement and renovation (17,000 windows since 2007).

### › Over view of environmental indicators for Flughafen Wien AG:

| | 2014 | 2013 |
|---|---|---|
| Number of passengers | 22,483,158 | 21,999,926 |
| Electricity consumption per year in kWh | 144,161,388 | 151,642,950 |
| Electricity consumption in kWh per year and passenger | 6.50 | 6.89 |
| Heat consumption per year in MWh | 107,065 | 126,194 |
| Heat consumption in MWh per year and passenger | 0.0048 | 0.0057 |
| Water consumption per year in m³ | 582,704 | 650,603 |
| Water consumption in m³ per year and passenger | 0.026 | 0.030 |
| Waste water disposal per year in m³ | 601,501 | 768,420 |
| Waste water disposal per year and passenger | 0.027 | 0.035 |
| Residual waste aircraft in kg | 1,168,080 | 1,134,400 |
| Residual waste aircraft in kg per passenger | 0.053 | 0.052 |
| Waste paper aircraft in kg | 843,660 | 1,148,920 |
| Waste paper aircraft in kg per passenger | 0.038 | 0.052 |
| Residual waste VIE in kg | 2,859,820 | 2,813,660 |
| Residual waste VIE in kg per passenger | 0.128 | 0.127 |
| Waste paper VIE in kg | 522,020 | 497,560 |
| Waste paper VIE in kg per passenger | 0.023 | 0.023 |
| Aluminium/cans/metal VIE in kg | 6,030 | 5.730 |
| Aluminium/cans/metal VIE in kg per passenger | 0.0003 | 0.0003 |
| Biogenic waste VIE in kg | 159,500 | 182,680 |
| Biogenic waste in kg per passenger | 0.007 | 0.008 |
| Glass VIE in kg | 122,820 | 110,210 |
| Glass VIE in kg per passenger | 0.006 | 0.005 |
| Plastic packaging VIE in kg | 154,950 | 130,080 |
| Plastic packaging VIE in kg per passenger | 0.007 | 0.006 |
| Hazardous waste VIE in kg | 229,850 | 195,266 |
| Hazardous waste VIE in kg per passenger | 0.010 | 0.009 |
| Share recycled in % | 90.8% | 89.3% |

The reduction in power consumption of 4.9% year-on-year was mainly driven by the energy efficiency measures that were implemented, especially in the areas of ventilation, air conditioning and lighting, where frequency converters now control ventilators in line with demand, and additional built-in air flaps enable further energy reductions.

A lower number of heating degree days in 2014 was the main reason why total heating requirements were 15.2% lower year-on-year.

Because more and more airlines are dispensing with free newspapers in economy class, the amount of waste paper from aircraft has declined year-on-year by 26.6%. This trend will accelerate in the next few years.

## Workforce issues

The average number of employees in the Flughafen Wien Group declined by an average of 93 employees from 4,399 to 4,306 in 2014 (minus 2.1%) as a result of synergy effects from organisational restructuring and the on-going cost reduction programme. The largest staff reduction was recorded in the Handling Segment, where process optimisation led to a decline of 73 employees on average (minus 2.3%).

FWAG had 4,208 employees as of 31 December 2014, or 39 less than on 31 December 2013 (4,247 employees).

### Average number of employees by segment

| | 2014 | Change in % | 2013 | 2012[1] |
|---|---|---|---|---|
| Airport | 499 | 0.5 | 496 | 492 |
| Handling | 3,126 | -2.3 | 3,199 | 3,281 |
| Retail & Properties | 84 | 1.4 | 83 | 83 |
| Other Segments | 597 | -3.8 | 621 | 620 |
| **Total** | **4,306** | **-2.1** | **4,399** | **4,475** |

1) adjusted

### Employees

| | 2014 | Change in % | 2013 | 2012 |
|---|---|---|---|---|
| Number of employees (average) | 4,306 | - 2.1 | 4,399 | 4,475 |
| Thereof wage employees | 3,112 | - 3.1 | 3,213 | 3,301 |
| Thereof salaried employees | 1,193 | 0.6 | 1,186 | 1,174 |
| Number of employees (31 December) | 4,208 | - 0.9 | 4,247 | 4,306 |
| Thereof wage employees | 2,964 | - 2.8 | 3,050 | 3,112 |
| Thereof salaried employees | 1,244 | 3.9 | 1,198 | 1,194 |
| Apprentices (average) | 56 | 2.4 | 55 | 57 |
| Traffic units per employee* | 7,699 | 3.7 | 7,426 | 7,362 |
| Average age in years* | 40.7 | 0.7 | 40.4 | 39.9 |
| Length of service in years* | 11.1 | 1.8 | 10.9 | 10.4 |
| Share of women in %* | 11.6 | - 7.2 | 12.5 | 12.4 |
| Training expenditures in EUR* | 987,000 | 1.0 | 972,000 | 730,000 |
| Reportable accidents* | 115 | n.a. | 115 | 145 |

*) Based on Flughafen Wien AG

The number of traffic units per employee in FWAG rose by 3.7% to 7,699 in 2014 based on the continued implementation of measures to improve efficiency throughout the Group.

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Flughafen Wien AG also provides voluntary benefits for its workforce to strengthen identification with the company and to increase motivation. These benefits include free-of-charge transportation to and from Vienna, a day care centre with flexible opening hours and reduced costs for numerous recreational and sporting activities.

Flughafen Wien AG created an independent employee foundation over ten years ago to allow its employees to participate directly in the success of the company. This foundation holds 10% of the shares in FWAG and distributes the dividends received on these shares to company employees. The bodies of the foundation are defined in the articles of association and are completely independent of Flughafen Wien AG. Approx. € 2.73 million from the dividends was paid out from the employee foundation to the employees in 2014; this retroactively represents the dividend for 2013 and corresponds to 34.09% of the average gross monthly salary or wage per employee. The allocation is based on the individual gross annual salary or wage.

# Disclosures required by § 243a of the Austrian Commercial Code

## › 1. Share capital and shares

The share capital of Flughafen Wien AG totals € 152,670,000 and is fully paid in. It is divided into 21,000,000 shares of bearer stock, which are securitised in a collective certificate and deposited at the ÖKB (Österreichische Kontrollbank AG). All shares carry the same rights and obligations (“one share – one vote”).

## › 2. Syndication agreement

Two core shareholders – the province of Lower Austria (via NÖ Landes-Beteiligungsholding GmbH) and the city of Vienna (via Wien Holding GmbH) – hold 40% of the company's shares in a syndicate. The syndication agreement was concluded in 1999 and has remained unchanged since that time. It calls for the joint exercise of voting rights on the syndicated shares at the annual general meeting. Any amendments to the syndication agreement, the dissolution of the syndicate and resolutions to admit a new partner to the syndicate require unanimous approval. The syndication agreement provides for reciprocal rights of purchase if one party intends to sell its syndicated shares to a buyer outside the syndicate (third party) through a legal transaction in exchange for return compensation. This reciprocal right of purchase does not apply if the syndicated shares are transferred to a holding company in which the transferring syndicate partner owns at least a majority stake. The company is not aware of any other limitations on voting rights or the transfer of shares.

## › 3. Investments of over 10% in the company

The city of Vienna and the province of Lower Austria each hold 20%, and Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee foundation) holds 10% of the share capital of Flughafen Wien AG. On 7 November 2014, Airports Group Europe S.à.r.l., a limited liability company with its registered office in the Grand Duchy of Luxembourg, made a voluntary public offering under §§ 4 et seqq. of the Austrian Takeover Act for up to 6,279,000 shares with voting rights in Flughafen Wien Aktiengesellschaft. This corresponds to up to 29.9% of the voting rights. On 19 December 2014, Flughafen Wien AG was informed by Airports Group Europe S.à.r.l. that Airports Group Europe S.à.r.l. had acquired 6,279,000 shares in Flughafen Wien AG by the end of the acceptance period (this corresponds to 29.9% of the voting rights). The company is not aware of any other shareholders with a stake of 10% or more in share capital.

## › 4. Shares with special control rights

The company is not aware of any special control rights on the part of shareholders.

## › 5. Control of voting rights for the shares held by the employee foundation

The voting rights for the shares held by the Flughafen Wien employee foundation are exercised by the managing board of this entity. The appointment to or dismissal of members from the foundation's managing board requires the approval of the advisory board of the Flughafen Wien employee foundation, whereby a simple majority is required for such decisions. The advisory board is comprised of five members, with two members each delegated by employees and the employer. These four members unanimously elect a fifth person to serve as the chairman of the advisory board.

## › 6. Appointment and dismissal of members of the Management and Supervisory Boards

In accordance with the Austrian Corporate Governance Code, the company's articles of association permit the appointment of a person to the Management Board for the last time in the calendar year in which the candidate reaches his/her 65th birthday. Election to the Supervisory Board is possible for the last time in the calendar year in which the candidate reaches his/her 70th birthday. There are no other provisions governing the appointment or dismissal of members of the Managing Board or Supervisory Board or the amendment of the company's articles of association that are not derived directly from Austrian law.

## › 7. Share buyback and authorised capital

The Management Board has been granted no explicit rights that are not derived directly from Austrian law, in particular with respect to the issue or repurchase of shares in the company. The company has no authorised capital at the present time.

## › 8. Change of control

Change of control clauses are included in the agreements for both the EIB (European Investment Bank) loan of € 400.0 million and other financing agreements with a total volume of € 101.34 million (current balance: € 78.64 million). These financing agreements with a total volume of € 501.34 million (current balance: € 478.64 million) were concluded with Austrian and international financial institutions. In the event of an actual, impending >

or justifiably assumed change of control (in accordance with the following definition), these financial liabilities could be called prematurely and related collateral may be cancelled if there are reasons to assume the change will or could have a negative impact on the future fulfilment of the financial liability and Flughafen Wien AG does not take actions within a certain period of time to provide this contract partner with collateral that is deemed acceptable. A change of control is defined as an event that leads to (i) a direct or indirect reduction in the investment held jointly by the province of Lower Austria and the city of Vienna in Flughafen Wien AG to less than 40% of the total number of voting shares or (ii) a natural person or legal entity that currently does not exercise control over Flughafen Wien AG gains control over Flughafen Wien AG (e.g. either directly or indirectly, through the ownership of shares, economic circumstances or in another manner, and either alone or together with third parties (i) acquires more than 50% of the voting shares in Flughafen Wien AG or (ii) the right to nominate the majority of members to the decision-making bodies of Flughafen Wien AG or exercises a controlling influence over these persons). For financing of € 400 million, a change of control does not include the direct or indirect reduction in the joint investment held by the province of Lower Austria and the city of Vienna to less than 40% but more than 30% of the voting shares in Flughafen Wien AG in conjunction with a capital increase by the company without the full or partial exercise of subscription rights by these two shareholders, unless a natural person or legal entity that does not currently exercise control over Flughafen Wien AG gains control (as defined above) over the company at the same time.

### › 9. Compensation agreements in the event of a public takeover

There are no agreements for compensation between the company and the members of its Management Board, Supervisory Board or employees that would take effect if a public takeover bid is made.

# Corporate governance

The corporate governance report for 2014 is published on the website of Flughafen Wien AG at www.viennaairport.com in accordance with § 243b of the Austrian Commercial Code.

# Outlook

After a year of weak growth, the Austrian National Bank (ÖNB) does not forecast any noteworthy revival for 2015. Although GDP growth should be slightly stronger at 0.7% than 2014 (0.4%), unemployment will rise to 5.3% due to the weak growth. The inflation rate should level off at the current level of around 1.5%, which can support private consumption. The Austrian economic research institute WIFO is projecting restrained economic growth of 0.5%. According to WIFO, Austria's export sector should record a real increase of 2.5% in 2015. (Source: Austrian National Bank, WIFO)

The marked reduction in crude oil prices could continue to have a positive effect on economic performance, provided it is sustainable. The ECB currently expects growth in global GDP of around 4.0% (2014: 3.6%). While the Chinese economy should continue to grow (plus 7.0%), Japan's economic performance is rated as weak, with a forecast of 1.1%. In the eurozone, low investment volumes, excess capacities and weak global trade have a negative effect on the economic forecast of the ECB, which currently expects growth of 1.0%. GDP growth of 1.5% is forecast for 2016. (Source: Austrian National Bank, economic report)

FWAG expects a downward movement in total traffic in the first quarter of 2015. During the rest of the year, this trend will continue to improve from the viewpoint of the airport, and passenger growth of between 0% and 2% is expected for the whole of 2015. The planned additional funds and expansions to the flight offerings by the airlines flying from Vienna in the 2015 summer flight plan, e.g. to destinations in the USA, Italy, Greece, France, Spain, Turkey, Estonia, Moldova, Montenegro and Switzerland, will provide the stimulus for this.

Against this background, FWAG estimates the business outlook for 2015 to be essentially optimistic: Thus it is aiming for revenue growth of more than € 645 million and an increase in EBITDA to more than € 250 million. The current view is that profit after tax will be at least € 85 million. The company's net debt should be further reduced to less than € 500 million. Investments of around € 95 million are envisaged in 2015.

# Supplementary Report

The number of passengers handled fell in January, as expected by Vienna Airport. In year-on-year comparison, passenger traffic fell by 5.9% to a total of 1,323,682. In addition to the negative effects of the crisis situations in Russia and Ukraine and the associated negative development in transfer traffic, the reduction in the flights on offer from Austrian Airlines was the most crucial factor in this. In contrast, Qatar Airways, Iberia and Air France-KLM, for example, showed significant passenger growth. The newly added routes in 2014 from Air China and Ethiopian Airlines also developed well.

In January 2015, Vienna Airport recognised a fall of 18.5% in transfer passengers compared to January 2014, which can be attributed almost entirely to the reductions by Austrian Airlines already mentioned. The number of local passengers fell in the same period by 1.2%. Cargo traffic saw a fall of 1.1% in January 2015. Flight movements fell by 4.5% and the maximum take-off weight also fell slightly at minus 0.6%.

The fee structure at Vienna Airport was adjusted as follows, as of 1 January 2015 and based on the index formula defined in the Austrian Airport Fee Act:

- Landing fee, airside infrastructure fee, parking fee: + 1.68%
- Passenger fee, landside infrastructure fee, security fee: + 0.69%
- Infrastructure fee for fuelling: + 1.68%

The PRM fee was increased from € 0.34 to € 0.38 per departing passenger.

Schwechat, 3 March 2015

**The Management Board**

**Günther Ofner**
Member, CFO

**Julian Jäger**
Member, COO

# Consolidated Financial Statements 2014 of Flughafen Wien AG

# Consolidated Income Statement

for the period from 1 January to 31 December 2014

| in T€ | Notes | 2014 | 2013 |
|---|---|---|---|
| **Revenue** | (1) | **630,157.2** | **621,993.5** |
| Other operating income | (2) | 16,125.5 | 23,782.3 |
| **Operating income** | | **646,282.7** | **645,775.9** |
| | | | |
| Consumables and services used | (3) | -38,907.7 | -46,147.2 |
| Personnel expenses | (4) | -254,051.8 | -245,789.5 |
| Other operating expenses | (5) | -103,104.1 | -112,344.0 |
| **Earnings before interest, taxes, depreciation and amortisation (EBITDA)** | | **250,219.2** | **241,495.2** |
| | | | |
| Depreciation and amortisation | (6) | -130,442.6 | -124,300.1 |
| Impairment | (6) | 0.0 | -5,116.0 |
| **Earnings before interest and taxes (EBIT)** | | **119,776.5** | **112,079.1** |
| | | | |
| Income from investments, excl. companies at equity | (8) | 139.0 | 2,338.0 |
| Interest income | (9) | 898.6 | 2,160.9 |
| Interest expense | (9) | -24,167.1 | -25,946.7 |
| Other financial expense/income | (10) | 74.1 | 0.0 |
| Financial results, excl. companies at equity | | -23,055.3 | -21,447.9 |
| Results from the disposal of companies recorded at equity | (7) | 2,250.6 | 0.0 |
| Proportional share of income from companies recorded at equity | (7) | 7,732.9 | 6,155.9 |
| **Financial results** | | **-13,071.8** | **-15,292.0** |
| | | | |
| **Profit before taxes (EBT)** | | **106,704.7** | **96,787.1** |
| | | | |
| Income taxes | (11) | -24,755.2 | -23,501.7 |
| **Net profit for the period** | | **81,949.5** | **73,285.4** |
| | | | |
| **Thereof attributable to:** | | | |
| **Equity holders of the parent** | | **82,481.5** | **73,291.3** |
| Non-controlling interests | | -532.0 | -5.9 |
| | | | |
| Number of shares outstanding (weighted average) | (21) | 21,000,000 | 21,000,000 |
| Earnings per share (in €, basic = diluted) | | 3.93 | 3.49 |
| Recommended/paid dividend per share (in €) | | 1.65 | 1.30 |
| Recommended/paid dividend (in T€) | | 34,650.0 | 27,300.0 |

# Consolidated Statement of Comprehensive Income

for the period from 1 January to 31 December 2014

| in T€ | 2014 | 2013 |
|---|---|---|
| **Net profit for the period** | **81,949.5** | **73,285.4** |
| **Other comprehensive income from items that may not be reclassified to the income statement in future periods** | | |
| Revaluations from defined benefit plans | -12,029.2 | 3,706.0 |
| Thereof deferred taxes | 3,007.3 | -926.5 |
| **Other comprehsensive income from items that may be reclassified to the income statement in future periods** | | |
| Change in fair value of available-for-sale securities | 1,333.5 | 437.3 |
| Thereof changes not recognised through profit or loss | 1,382.0 | 89.3 |
| Thereof realised gains and losses | -48.5 | 348.0 |
| Thereof deferred taxes | -333.4 | -109.3 |
| **Other comprehensive income** | **-8,021.8** | **3,107.4** |
| **Total comprehensive income** | **73,927.8** | **76,392.9** |
| **Thereof attributable to:** | | |
| **Equity holders of the parent** | **74,459.7** | **76,398.8** |
| Non-controlling interests | -532.0 | -5.9 |

# Consolidated Balance Sheet

as of 31 December 2014

| in T€ | Notes | 31.12.2014 | 31.12.2013 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Intangible assets | (12) | 10,903.0 | 13,733.1 |
| Property, plant and equipment | (13) | 1,561,171.6 | 1,622,159.0 |
| Investment property | (14) | 124,866.6 | 119,561.1 |
| Investments accounted for using the equity method | (15) | 102,520.4 | 97,865.9 |
| Other financial assets | (16) | 3,957.5 | 4,290.3 |
| | | **1,803,419.0** | **1,857,609.2** |
| **Current assets** | | | |
| Inventories | (17) | 4,293.9 | 4,360.8 |
| Securities | (18) | 21,292.2 | 20,000.0 |
| Receivables and other assets | (19) | 60,975.8 | 68,043.7 |
| Cash and cash equivalents | (20) | 2,242.1 | 3,923.3 |
| | | **88,804.0** | **96,327.7** |
| **Total Assets** | | **1,892,223.0** | **1,953,937.0** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | (21) | 152,670.0 | 152,670.0 |
| Capital reserves | (22) | 117,657.3 | 117,657.3 |
| Other reserves | (23) | -18,097.6 | -10,075.9 |
| Retained earnings | (24) | 700,209.4 | 645,027.9 |
| Attributable to equity holders of the parent | | 952,439.1 | 905,279.3 |
| Non-controlling interests | (25) | 110.0 | 641.9 |
| | | **952,549.0** | **905,921.3** |
| **Non-current liabilities** | | | |
| Provisions | (26) | 163,844.6 | 132,460.4 |
| Financial liabilities | (27) | 457,721.3 | 551,646.4 |
| Other liabilities | (28) | 29,612.5 | 34,540.1 |
| Deferred tax liabilities | (29) | 21,033.9 | 29,580.7 |
| | | **672,212.2** | **748,227.7** |
| **Current liabilities** | | | |
| Provisions for taxation | (30) | 24,790.1 | 10,429.3 |
| Other provisions | (30) | 60,850.9 | 73,635.2 |
| Financial liabilities | (27) | 72,055.1 | 105,646.0 |
| Trade payables | (31) | 37,793.6 | 49,717.6 |
| Other liabilities | (32) | 71,971.9 | 60,359.9 |
| | | **267,461.7** | **299,788.1** |
| **Total Equity and Liabilities** | | **1,892,223.0** | **1,953,937.0** |

# Consolidated Cash Flow Statement

for the period from 1 January to 31 December 2014

| | in T€ | 2014 | 2013 |
|---|---|---|---|
| | Profit before taxes | 106,704.7 | 96,787.1 |
| + | Depreciation and amortisation of non-current assets | 130,442.6 | 129,416.1 |
| - | Proportional share of income from companies recorded at equity | -7,732.9 | -6,155.9 |
| + | Dividends from companies recorded at equity | 3,122.8 | 3,008.9 |
| + | Losses / - gains on the disposal of non-current assets | -3,517.1 | -4,250.5 |
| - | Reversal of investment subsidies from public funds | -207.8 | -223.8 |
| - | Other non-cash transactions* | -361.5 | -1,130.7 |
| + | Interest and dividend result* | 23,129.4 | 21,447.9 |
| + | Dividends received* | 139.0 | 2,345.5 |
| + | Interest received * | 1,475.0 | 2,571.3 |
| - | Interest paid * | -24,381.9 | -25,230.1 |
| - | Increase / + decrease in inventories | 66.9 | -4.8 |
| - | Increase / + decrease in receivables | 8,986.9 | 10,642.3 |
| + | Increase / - decrease in provisions | 6,570.7 | 13,366.1 |
| + | Increase / - decrease in liabilities | -5,414.3 | -22,041.4 |
| | Net cash flows from ordinary operating activities | 239,022.6 | 220,547.9 |
| - | Income taxes paid | -18,431.4 | -16,193.5 |
| | **Net cash flow from operating activities** | **220,591.2** | **204,354.4** |
| | | | |
| + | Payments received on the disposal of non-current assets | 7,263.0 | 1,054.7 |
| - | Payments made for the purchase of non-current assets | -74,791.2 | -97,430.9 |
| + | Payments received in connection with non-refundable government grants | 71.9 | 0.3 |
| + | Payments received on the disposal of current securities | 0.0 | 10,000.0 |
| | **Net cash flow from investing activities** | **-67,456.2** | **-86,375.9** |
| | | | |
| - | Dividend | -27,300.0 | -22,050.0 |
| + | Payments received from the addition of financial liabilities | 27,990.0 | 124,000.0 |
| - | Payments made for the repayment of financial liabilities | -155,506.1 | -256,444.2 |
| | **Net cash flow from financing activities** | **-154,816.1** | **-154,494.2** |
| | | | |
| | **Change in cash and cash equivalents** | **-1,681.2** | **-36,515.7** |
| + | Cash and cash equivalents at the beginning of the period | 3,923.3 | 40,439.0 |
| | **Cash and cash equivalents at the end of the period** | **2,242.1** | **3,923.3** |

* Due to changes in the presentation, the previous year's amounts for these items have been adjusted accordingly

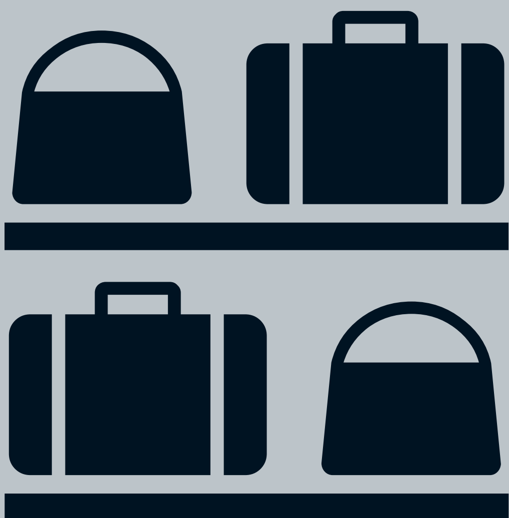
Detailed explanation see note (33).

# Consolidated Statement of Changes in Equity

from 1.1 to 31.12.2014

| | Attributable to equity | | | |
|---|---|---|---|---|
| in T€ | Share capital | Capital reserves | Available-for-sale reserve | Revaluations from defined benefit plans |
| **Balance on 1.1.2013** | **152,670.0** | **117,657.3** | **-69.6** | **-20,746.5** |
| Market valuation of securities | | | 328.0 | |
| Revaluations from defined benefit plans | | | | 2,779.5 |
| Other comprehensive income | 0.0 | 0.0 | 328.0 | 2,779.5 |
| Net profit for the period | | | | |
| **Total comprehensive income** | **0.0** | **0.0** | **328.0** | **2,779.5** |
| Dividend | | | | |
| **Balance on 31.12.2013** | **152,670.0** | **117,657.3** | **258.4** | **-17,967.1** |
| | | | | |
| **Balance on 1.1.2014** | **152,670.0** | **117,657.3** | **258.4** | **-17,967.1** |
| Market valuation of securities | | | 1,000.1 | |
| Revaluations from defined benefit plans | | | | -9,021.9 |
| Other comprehensive income | 0.0 | 0.0 | 1,000.1 | -9,021.9 |
| Net profit for the period | | | | |
| **Total comprehensive income** | **0.0** | **0.0** | **1,000.1** | **-9,021.9** |
| Dividend | | | | |
| **Balance on 31.12.2014** | **152,670.0** | **117,657.3** | **1,258.5** | **-26,989.0** |

| holders of the parent | | | | | |
|---|---|---|---|---|---|
| Currency translation reserve | Total other reserves | Retained earnings | Total | Non-controlling interests | Total |
| 7,632.9 | -13,183.3 | 593,786.5 | 850,930.5 | 647.9 | 851,578.4 |
| | 328.0 | | 328.0 | | 328.0 |
| | 2,779.5 | | 2,779.5 | | 2,779.5 |
| 0.0 | 3,107.4 | 0.0 | 3,107.4 | 0.0 | 3,107.4 |
| | | 73,291.3 | 73,291.3 | -5.9 | 73,285.4 |
| 0.0 | 3,107.4 | 73,291.3 | 76,398.8 | -5.9 | 76,392.9 |
| | | -22,050.0 | -22,050.0 | | -22,050.0 |
| 7,632.9 | -10,075.9 | 645,027.9 | 905,279.3 | 641.9 | 905,921.3 |
| | | | | | |
| 7,632.9 | -10,075.9 | 645,027.9 | 905,279.3 | 641.9 | 905,921.3 |
| | 1,000.1 | | 1,000.1 | | 1,000.1 |
| | -9,021.9 | | -9,021.9 | | -9,021.9 |
| 0.0 | -8,021.8 | 0.0 | -8,021.8 | 0.0 | -8,021.8 |
| | | 82,481.5 | 82,481.5 | -532.0 | 81,949.5 |
| 0.0 | -8,021.8 | 82,481.5 | 74,459.7 | -532.0 | 73,927.8 |
| | | -27,300.0 | -27,300.0 | | -27,300.0 |
| 7,632.9 | -18,097.6 | 700,209.4 | 952,439.1 | 110.0 | 952,549.0 |



# Notes to the Consolidated Financial Statements for 2014 Financial Year

# General Information and Methods

## › Information on the company

Flughafen Wien Aktiengesellschaft (AG), the parent company of the Group, and its subsidiaries are service companies that are active in the construction and operation of civil airports and related facilities. As a civil airport operator, Flughafen Wien AG manages Vienna Airport. The company's headquarters are located in Schwechat, Austria. The address is: Flughafen Wien AG, P.O. Box 1, A-1300 Wien-Flughafen. Flughafen Wien AG is listed in the company register of the provincial and commercial court of Korneuburg under number FN 42984 m.

## › Operating permits

The major operating permits held by Flughafen Wien AG are as follows:

In accordance with § 7 of the Austrian Air Transportation Act dated 21 August 1936, the Federal Ministry for Transportation and State-Owned Entities issued a permit to Flughafen Wien Betriebsgesellschaft m.b.H. on 27 March 1955 for the creation and operation of Vienna Airport / Schwechat to serve general traffic purposes and for runway 11/29.

In accordance with § 78 (2) of the Austrian Air Transportation Act (Federal Gazette BGBl. Nr. 253/1957), the Federal Ministry for Transportation issued an operating permit for instrument runway 16/34, including taxiways and lighting systems, on 15 September 1977.

Vienna Airport was certified by the Federal Ministry for Transportation, Innovation and Technology in 2010, in accordance with the guidelines issued by the International Civil Aviation Organization (ICAO). The certification document for this was issued on 31 December 2010. This document confirms that the facilities used by Flughafen Wien AG to ensure safe and smooth operations comply with the applicable Austrian regulations. This certification is valid up to the end of 2015 and/or as long as the respective requirements are met.

On the basis of EU-Regulation 139/2014 and the associated requirement for EU certification up to the end of 2017, Flughafen Wien AG had already applied in 2014 to extend the certification up to 31 December 2017. The Austrian Federal Ministry for Transport, Innovation and Technology agreed to this on 12 December 2014 and issued Flughafen Wien AG with a new certification document.

>

## › Basis of preparation

The consolidated financial statements of Flughafen Wien AG as of 31 December 2014 were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), as well as the additional disclosures required for the notes by § 245a of the Austrian Commercial Code (UBG).

The financial year represents the calendar year. The structure of the balance sheet distinguishes between non-current and current assets and liabilities, which are in part classified by term in the notes. The income statement is prepared in accordance with the nature of expense method under which "total costs" are shown.

The consolidated financial statements are generally prepared at historical acquisition and production cost. In contrast to this procedure, derivative financial instruments and available-for-sale financial assets are stated at fair value. A corresponding note can be found in the relevant accounting policies.

Historical acquisition and production costs are generally based on the fair value of return compensation paid in exchange for the asset.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This applies regardless of whether the price can be directly observed or is estimated using a valuation method.

The financial statements of Flughafen Wien AG and its subsidiaries are consolidated on the basis of uniform accounting and valuation principles. The financial statements of all subsidiaries included in the consolidation are prepared as of the balance sheet date for the consolidated financial statements.

The consolidated financial statements are prepared in euros. In order to provide a better overview, amounts are generally shown in thousand euros (T€). These rounded figures also include exact amounts that are not shown, and rounding differences can therefore occur. The same applies to other information such as the number of employees, traffic data etc.

## › Application of new and revised standards and interpretations

The Group applied all new or revised standards and interpretations that were issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) of the IASB and adopted by the EU, if these standards and interpretations were relevant for the business activities of the Group. In particular, the following announcements of the IASB were applied for the first time during the reporting year:

| | |
|---|---|
| ■ Amendments to IAS 32 concerning “Offsetting Financial Assets and Financial Liabilities” | Applicable to financial years beginning on or after 1 January 2014 |
| ■ IFRS 10 “Consolidated Financial Statements” | Applicable to financial years beginning on or after 1 January 2014 |
| ■ IFRS 11 "Joint Arrangements" | Applicable to financial years beginning on or after 1 January 2014 |
| ■ IFRS 12 “Disclosures of Interests in Other Entities” | Applicable to financial years beginning on or after 1 January 2014 |
| ■ New version of IAS 27 “Separate Financial Statements” | Applicable to financial years beginning on or after 1 January 2014 |
| ■ New version of IAS 28 “Investments in Associates and Joint Ventures” | Applicable to financial years beginning on or after 1 January 2014 |
| ■ Amendments to IFRS 10, IFRS 11 and IFRS 12 “Transition guidance” | Applicable to financial years beginning on or after 1 January 2014 |
| ■ Amendments to IFRS 10, IFRS 12 and IAS 27 "Investment Entities" | Applicable to financial years beginning on or after 1 January 2014 |
| ■ Amendments to IAS 39 “Novation of Derivatives and Continuation of Hedge Accounting” | Applicable to financial years beginning on or after 1 January 2014 |
| ■ Amendments to IAS 36 “Recoverable Amount Disclosures for Non-Financial Assets” | Applicable to financial years beginning on or after 1 January 2014 |

In 2014, the following new and revised standards, which regulate the consolidation, accounting for joint arrangements and for investments, and the associated disclosures, were applied for the first time:

IFRS 10 "Consolidated Financial Statements" results in the establishment of a uniform control model for determining whether a subsidiary should be consolidated. This control model focuses on whether the parent has power over the investee, is exposed to risks from or has rights to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of its returns. IFRS 10 replaces the previous consolidation guidelines under IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation - Special Purpose Entities". In accordance with the transition rules defined by IFRS 10, Flughafen Wien AG, as the parent company, has re-evaluated the existence of control over the companies in which it holds investments as of 1 January 2014. There were no changes in the consolidation range of the Flughafen Wien Group as a result of the first-time application of this standard.

IFRS 11 "Joint Arrangements" regulates the accounting of joint arrangements and replaces IAS 31 “Financial Reporting of Interests in Joint Ventures”. Under IFRS 11, the Flughafen Wien Group must classify its interests in joint arrangements as a joint operation (if the Group has rights to the assets and obligations for the liabilities relating to the arrangement) or a joint venture (if the Group has rights to the net assets of the arrangement). In accordance with the transition rules defined by IFRS 11, Flughafen Wien AG, as >

the parent company, has also re-evaluated the classification of its joint ventures as of 1 January 2014. This evaluation of the joint arrangements of the Flughafen Wien Group did not result in any changes to the accounting policies for companies recorded at equity, but it did result in a reclassification of the stake in Malta Mediterranean Link Consortium Ltd. (MMLC) and the stake in Malta International Airport Ltd. (MIA) in associated companies.

IFRS 12 “Disclosure of Interests in Other Entities” summarises the disclosure requirements for subsidiaries, associates and joint ventures as well as unconsolidated structured entities. It replaces the respective rules in IAS 27, IAS 28 and IAS 31, and requires more extensive disclosures in the annual financial statements.

The application of the other new or amended standards and interpretations had no effect on the asset, financial or earnings position, financial performance or cash flows of the Flughafen Wien Group.

The following standards and interpretations had been announced by 31 December 2014, but did not require mandatory application during the reporting year:

| | |
|---|---|
| ■ IFRIC 21 "Levies" | Applicable to financial years beginning on or after 1 July 2014 |
| ■ IFRS 9 "Financial Instruments" | Applicable to financial years beginning on or after 1 January 2018; not adopted by the EU into European law as of the balance sheet date. |
| ■ IFRS 14 "Regulatory Deferral Accounts" | Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date. |
| ■ IFRS 15 "Revenue from Contracts with Customers" | Applicable to financial years beginning on or after 1 January 2017; not adopted by the EU into European law as of the balance sheet date. |
| ■ Improvements to individual IFRS (Improvement Project 2010-2012) | Applicable to financial years beginning on or after 1 February 2015 |
| ■ Improvements to individual IFRS (Improvement Project 2011-2013) | Applicable to financial years beginning on or after 1 January 2015. |
| ■ Improvements to individual IFRS (Improvement Project 2012-2014) | Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date. |
| ■ Amendments to IAS 19 (2011) "Employee Benefits: Employee Contributions" | Applicable to financial years beginning on or after 1 February 2015 |
| ■ Amendments to IFRS 10 and IAS 28 "Sale or contribution of assets between an investor and its associate or joint venture" | Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date. |

| | |
|---|---|
| ■ Amendments to IFRS 11 "Accounting for acquisition of interests in joint operations" | Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date. |
| ■ Amendments to IAS 16 and IAS 38 "Clarification of acceptable methods of depreciation and amortisation" | Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date. |
| ■ Amendments to IAS 16 and IAS 41: "Agriculture: bearer plants" | Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date. |
| ■ Amendments to IAS 27: "Equity Method in Separate Financial State-ments" | Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date. |
| ■ Amendments to IAS 1: "Disclosure initiative" | Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date. |
| ■ Amendments to IFRS 10, 12 and IAS 28: "Applying the Consolidation Exception" | Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date. |

There are no plans for the voluntary premature application of the above-mentioned standards and interpretations. The effects of the changes are as follows:

**IFRS 9**

IFRS 9 (2009) "Financial Instruments" introduces new requirements for classifying and measuring financial assets. In accordance with this standard, financial assets are classified and measured on the basis of the business model within they are held and the characteristics of the contractual cash flows. IFRS 9 (2010) also introduces changes relating to financial liabilities. The effects of IFRS 9 on the asset, financial or earnings position Flughafen Wien Group were not yet evaluated.

**IFRS 14**

IFRS 14 "Regulatory Deferral Accounts" permits an entity which is a first-time adopter of IFRS to continue to account, with some limited changes, for "regulatory deferral account balances". Nevertheless, the application of the regulation is explicitly only intended for first-time adopters of IFRS and entities already accounted for under IFRS are excepted from its application. There are therefore no future effects on the consolidated financial statements of Flughafen Wien AG.

**IFRS 15**

IFRS 15 "Revenue from Contracts with Customers" specifies when and in what amount revenue is to be recognised. The preparer of the financial statements is also required to provide more informative disclosures than before to users of financial statements. IFRS 15 must be strictly applied to all contracts with customers. The following contracts are exceptions:

- Leases within the scope of IAS 17 Leases;
- Financial instruments and other contractual rights or obligations within the scope of IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures;
- Insurance contracts within the scope of IFRS 4 Insurance Contracts; and
- Non-monetary exchanges between entities in the same line of business to facilitate sales to customers or potential customers.

In contrast with the currently valid regulations, the new standard envisages a single, principle-based, five-step model that must be applied to all contracts with customers. According to this five-step model, the contract with the customer must first be identified (step 1). Step 2 involves identifying the performance obligations in the contract. The next step 3 requires the transaction price to be determined and includes explicit provisions for treating elements of variable consideration, financing components, payments to the customer and exchange deals. After determining the transaction price, step 4 involves allocating the transaction price to the individual performance obligations. This is based on the individual selling price for the individual performance obligations. Finally, in step 5 the revenue can be recognised, provided that the entity has satisfied the performance obligation. The prerequisite for this is that control of the goods or service has passed to the customer.

When a contract is concluded, under IFRS 15 it must be determined whether the revenue resulting from the contract is to be recognised at a particular point in time or over time. In doing this, it must first be clarified on the basis of specific criteria whether the control of the performance obligation is satisfied over time. If this is not the case, the revenue must be recognised at the point in time at which control is passed to the customer.

The standard also includes new comprehensive provisions relating to information on the revenue that must be disclosed in the financial statements. In particular, both qualitative and quantitative information must be disclosed on each of the following points:

- Contracts with customers,
- Significant judgements, and changes in the judgements, made in applying the guidance to those contracts
- Any assets arising from recognised costs for obtaining and fulfilling a contract with a customer.

The Flughafen Wien Group expects that, as a result of amendments from IFRS 15, adjustments will be necessary in the area of "internal controls". Any adjustments to the IT architecture and the effects on the asset, financial or earnings position from the first-time application of these standards on the balance sheet date have not yet been evaluated in detail.

**Amendments to IFRS 10 and IAS 28**

The amendments address a conflict between the provisions of IAS 28 "Investments in Associates and Joint Ventures" and IFRS 10 "Consolidated Financial Statements". They clarify that, in the case of transactions with an associate or joint venture, the amount of the gain or loss depends on whether the sold or acquired assets constitute a business operation as defined in IFRS 3 (Business Combinations).

Transactions to date with associates or joint ventures in the Group do not constitute a business operation within the meaning of IFRS 3, but only individual assets. The Flughafen Wien Group therefore assumes that the amendments to IFRS 10 and IAS 28 will not have any effect on the Group's net profit.

**Amendments to IFRS 11**

The amendments to IFRS 11 (Joint Arrangements) contain guidelines on accounting for the acquisition of an interest in a joint operation if this constitutes a business operation within the meaning of IFRS 3 (Business Combinations). In this case, all principles relating to accounting for business combinations under IFRS 3 and other IFRSs must be used, provided these do not contradict the guidelines in IFRS 11.

The amendments must be applied to the purchase of interests in an existing joint operation and to the purchase of interests at the time a joint operation is formed, provided the formation of the joint operation does not coincide with the formation of the business.

The Flughafen Wien Group assumes that the amendments to IFRS 11 will not have any material effect on the consolidated financial statements.

**Other standards**

The other standards and interpretations are not expected to have any effect on the consolidated financial statements.

# Significant accounting policies and valuation methods

## › Consolidation

**a) Subsidiaries**

The consolidated financial statements contain the financial statements for the parent company and for the companies it controls, including structured entities (its subsidiaries). The Group specifically controls an investee when, and only when, it presents all the following characteristics:

- It has power over the investee (i.e. the Group is able, based on current legislation, to control those activities of the investee that have a significant influence on its yields) and
- is exposed to risks from or has rights to variable returns from its involvement with the investee and
- has the ability to use its power over the investee to affect the amount of its returns.

If the Group does not have a majority of the voting rights or comparable rights in an investment, it takes into account all relevant issues and circumstances when assessing whether it has control of this investee. These include:

- A contractual agreement with the other voters,
- Rights resulting from other contractual agreements,
- The Group's voting rights and potential voting rights.

If indications arise from the issues and circumstances that one or more of the three control elements has changed, the Group must check again as to whether it controls an investee. The consolidation of a subsidiary starts on the day on which the Group gains control over the subsidiary. It ends when the Group loses control over the subsidiary.

The accounting and valuation methods used by the subsidiaries were changed, where necessary, and adapted to local accounting principles to ensure the application of uniform policies throughout the Group.

All intercompany balances, business transactions, and income and expenses are eliminated. Any gains or losses resulting from intercompany transactions that are included in the carrying amount of assets such as inventories or property, plant and equipment are also eliminated.

Changes in the investment that do not lead to a loss of control over the subsidiary are accounted for as transactions with shareholders of the parent company. If the acquisition of a non-controlling interest results in a difference between the return compensation and the respective share of the carrying amount of the net assets in the subsidiary, this difference is recognised directly in equity. Gains or losses on the sale of non-controlling interests are also recognised directly in equity.

In accordance with IFRS, acquired subsidiaries are accounted for using the acquisition method. The cost of the acquisition represents the fair value of the surrendered assets and issued equity instruments as well as any liabilities arising or assumed as of the transaction date. The acquisition cost also includes the fair value of recognised assets or liabilities resulting from a contingent consideration agreement. Acquisition-related costs are recognised as expenses. In connection with the initial consolidation, the identifiable assets, liabilities and contingent liabilities resulting from the business combination are measured at fair value as of the acquisition date.

In principle, goodwill represents the excess of the fair value of return compensation, the value of any non-controlling interest in the acquired company and the fair value of any previously held equity interests as of the acquisition date over the Group's share of net assets measured at fair value. Non-controlling interests are valued on the date of purchase at their corresponding proportion of the identifiable net assets of the acquired company. If an acquisition takes place below market value – i.e. the acquisition cost is lower than the net assets of the acquired company measured at fair value – this negative amount is again reviewed and subsequently recognised to profit or loss.

Non-controlling interests are reported separately on the consolidated balance sheet under equity.

**b) Associated companies and joint ventures**

An associated company is an entity over which the Group can exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangements have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations that are used to determine significant influence or joint control are comparable to those that are required to determine control over subsidiaries.

The Group's investments in associated companies and joint ventures are recorded at equity.

Under the equity method, interests in associated companies and joint ventures are recorded at cost as of initial recognition using the equity method. This carrying amount is subsequently increased or decreased by the share of profit or loss attributable to the Flughafen Wien Group and by any distributions, capital contributions or capital withdrawals. Goodwill related to an associated company or joint venture is included in the carrying amount of the investment and is not amortised on a scheduled basis. In the periods following the initial recognition of a business combination, any realised differences between the carrying amount and the fair value of assets and liabilities are adjusted, amortised or reversed in accordance with the treatment of the corresponding items. If the application of IAS 39 indicates that an investment could be impaired, the full carrying amount is tested for impairment.

## › Foreign currency translation

The reporting currency and functional currency of all Group companies is the euro.

Foreign currency transactions in the individual company financial statements are translated into the functional currency at the exchange rate in effect on the date of the business deal. Monetary items in foreign currencies are translated at the exchange rate in effect on the balance sheet date. Differences arising from foreign currency translation are basically recognised to profit or loss as a net amount.

## › Intangible assets

Intangible assets with a finite useful life are recognised at cost and amortised on a straight-line basis over a useful life of four to twenty years. If there are signs of impairment and the recoverable amount – which is the higher of fair value less costs to sell and the value in use of the asset – is less than the carrying amount, an impairment loss is recognised.

Internally generated intangible assets are recognised at production cost when the relevant criteria are met and amortised over their expected useful life. The useful life of these assets equals eight years.

Borrowing costs and development expenses are capitalised when the relevant criteria are met and subsequently amortised over the useful life of the asset.

Intangible assets with indefinite useful lives are valued at cost. These assets are not amortised on a systematic basis, but are tested for impairment each year and reduced to the recoverable amount if necessary. If the reasons for a previously recognised impairment loss cease to exist, the carrying amount of the relevant asset is increased accordingly; this procedure is not applied to a previously impaired goodwill.

Goodwill is not amortised on a systematic basis; but is tested for impairment by evaluating the recoverable amount of the cash-generating unit (CGU) to which it was allocated ("impairment only approach"). Cash-generating units are created by combining assets at the lowest level that generate independent cash flows or form the basis of monitoring by management. An impairment test must be carried out each year and also when there are signs that the cash-generating unit may be impaired. If the carrying amount of a cash-generating unit exceeds its recoverable amount, the relevant goodwill must be written down by the difference. Impairment losses recognised to goodwill may never be reversed. If the impairment of a cash-generating unit exceeds the carrying amount of allocated goodwill, the remaining impairment loss is recognised through a proportional reduction in the carrying amounts of the assets belonging to the cash-generating unit.

The recoverable amount of a cash-generating unit is generally determined by calculating the value in use according to the discounted cash flow (DCF) method. These DCF calculations are based on financial plans covering several years, which were approved by management and are also used for internal reporting. The designated planning periods reflect the assumptions for market developments over the short- to mid-term. Cash flows after the detailed planning period are computed using the expected long-term growth rates. The risk-adjusted cost of capital represents the weighted average cost of capital for equity and debt (WACC).

## › Property, plant and equipment

Property, plant and equipment are carried at acquisition or production cost, which is reduced by straight-line depreciation. The production cost for internally generated assets comprises direct costs and an appropriate share of material and production overheads as well as production-based administrative expenses. Acquisition and production cost includes the purchase price as well as any direct costs that are required to bring the asset to the intended location and operating condition. Borrowing costs that are directly related to the acquisition, construction or production of qualified assets are capitalised as part of acquisition or production cost. In cases where major components of property, plant or equipment must be replaced at regular intervals, the Group recognises these components as separate assets with a specific useful life and depreciates them accordingly. The cost of major inspections is recognised in the carrying amount of the item of property, plant and equipment if the recognition criteria are met. All other maintenance and service costs are expensed as incurred. The depreciation period reflects the expected useful life and is regularly checked.

Scheduled depreciation is based on the following group-wide useful lives:

| | Years |
|---|---|
| Operational buildings | 33.3 |
| Terminal 3 components: | |
| Building shell | 50 |
| Facade | 25 |
| Interior furnishings | 20 |
| Technical equipment | 25 |
| Other buildings | 10 – 50 |
| Take-off and landing runways, taxiways, aprons | 20 – 60 |
| Technical noise protection | 20 |
| Other facilities | 7 – 20 |
| Technical equipment and machines | 5 – 20 |
| Motor vehicles | 2 – 10 |
| Other equipment, furniture, fixtures and office equipment | 2 – 15 |

The measures for technical noise protection were identified as an independent component of property, plant and equipment for the first time in 2012. This reflects the growing importance of noise programmes for general operations in the vicinity of airports.

## › Investment property

Investment property comprises all property that is held to generate rental income and/or for capital appreciation, and is not used for production or administrative purposes. It also includes land held for a future use that cannot be determined at the present time. If the property is used in part for business operations, the relevant share is allocated to this category of use. Investment property is carried at depreciated cost. Borrowing costs are capitalised as part of acquisition or production cost. Depreciation is calculated over a period of 10 to 50 years based on the straight line method. The fair value of investment property is determined independent of measurement based on the depreciated purchase or production cost. As prices on an active market are not available for the airport location in Schwechat, fair value is not based on market factors but is determined internally by applying the capitalised income method as of the balance sheet date. Additional information on the valuation methods and key parameters is provided under note (14).

## › Impairment of intangible assets, property, plant and equipment, and investment property

Intangible assets, property, plant and equipment, and investment property that show signs of impairment are tested by comparing the respective carrying amount with the recoverable amount. If it is not possible to associate the asset with future cash flows that are independent of other assets, the impairment test is performed on the next higher group of assets (cash-generating unit). If the recoverable amount is less than the carrying amount, an impairment loss is recognised to reduce the asset or cash-generating unit to this lower amount. In cases where the reasons for previously recognised impairment losses cease to exist, the impairment loss is accordingly reversed.

The recoverable amount of the cash-generating unit generally represents the higher of the value in use or fair value less the cost of disposal. The value in use is calculated according to the discounted cash flow (DCF) method, which involves the preparation of cash flow forecasts for the expected useful life of the asset or cash-generating unit. The discount rate used for the calculation reflects the risk associated with the asset or cash-generating unit. If market prices or other Level 1 input factors are not available, the fair value is also calculated using a discounted cash flow method, although taking into account market expectations regarding the expected cash flows and interest rate.

The individual assets of the Flughafen Wien Group are aggregated together with other assets until a group is identified that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. This type of group is designated as a cash-generating unit (CGU). The Flughafen Wien Group follows the concept of mutual (complementary) production or technical service relationships or legal dependence between individual assets to assess the independence of cash inflows. However, it also takes into account the manner in which the investment decisions are taken (e.g. to extend a terminal). However, if the products of a group of assets can be sold on an active market, this forms a CGU even if the products are used by other units of the company either in whole or in part.

The cash-generating units (CGU) of the Flughafen Wien Group for which impairment charges were recognised in the previous year are listed below:

- **CGU „Real Estate Cargo“:** The cash-generating unit "Real Estate Cargo" covers the rental and management of cargo buildings at Vienna Airport.

- **CGU „Aviation“:** The cash-generating unit "Aviation" covers all activities involved in the aviation process (passenger handling, security, aircraft take-off and landing).

## › Leasing

A lease is an agreement under which a lessor conveys the right to use an asset for an agreed period of time to a lessee in exchange for a payment. The Flughafen Wien Group serves as both a lessor and lessee.

A lease that transfers the major opportunities and risks connected with the ownership of the leased asset to the lessee is classified as a finance lease in accordance with IAS 17. All other leases are classified as operating leases.

If economic ownership is attributable to the Flughafen Wien Group as the lessee (finance lease), the leased asset is recognised as a non-current asset at the lower of the present value of future minimum lease payments and fair value. The asset is subsequently depreciated over the economic useful life or over the term of the lease if this period is shorter. Any impairment losses are charged to the carrying amount of the leased asset. The future payment obligations resulting from finance leases are recorded under other financial liabilities.

If the economic ownership of the leased asset remains with the lessor, the lease payments are distributed over the term of the lease on a straight-line basis and recorded under other operating expenses (operating lease). In cases where the Flughafen Wien Group acts as the lessor, the leased assets are capitalised at acquisition or production cost and depreciated accordingly. Income from operating leases is recognised on a straight-line basis over the lease term.

## › Inventories

Inventories are stated at the lower of cost and net selling value, whereby the determination of cost is based on the moving average price method. Net selling value represents the estimated proceeds on sale in a normal business transaction less the estimated costs of completion and estimated selling expenses. Any impairment that could result from reduced usability is also included.

## › Provisions for severance compensation, pensions, semiretirement programmes for older employees and service anniversary bonuses

The provisions for severance compensation, pensions, semi-retirement programmes for older employees and service anniversary bonuses are accounted for as obligations resulting from defined benefit plans, whereby the calculations are based on actuarial principles and the projected unit credit method. The recognised liabilities represent the defined benefit obligation. For the severance compensation and pension provisions, actuarial gains and losses arising from adjustments to reflect past history or changes in actuarial assumptions are recognised to other comprehensive income; the comparable changes in service anniversary bonuses and semiretirement programmes are expensed as incurred. Revaluations recognised in other comprehensive income form part of the reserves and are not reclassified to the income statement. Past service cost is recognised as personnel expenses when the change in plan occurs. All other changes, such as service cost or interest expense, are reported under personnel expenses.

The determination of the present value of future claims incorporates future wage and salary increases.

Employee turnover (for severance compensation and service anniversary bonuses) was included in the calculation in the form of annual turnover probabilities, which were based on actual employee turnover in the Group during the past ten years. No turnover probabilities were included for employees in semiretirement programmes. Employee turnover (combined with probability of pay-outs) was included on the basis of a graduated scale ranging from 1 to 25 years of service, with separate scales for wage employees (6.2% with 30.7% probability of pay-outs to 6.7% with 92.0% probability of pay-outs) and salaried employees (7.7% with 41.7% probability of pay-outs to 7.3% with 92.2% probability of pay-outs). The provisions for service anniversary bonuses include turnover probabilities ranging from year 1 to 25 of employment in the Group, also with separate indicators for wage employees (6.2% to 0.6%) and salaried employees (7.7% to 0.6%).

The discount rate was based on the investment yields applicable to the respective balance sheet dates.

The retirement age represents the first possible date for early retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. The retirement age for female employees reflects a gradual increase in the retirement age for women in keeping with Austrian law.

The F.W. Pagler AVÖ 2008-P life expectancy tables (mixed stand) form the biometric basis for the calculation of the provisions, whereby the specifications for salaried employees apply to the provision for pensions.

The obligations for severance compensation, pensions, semiretirement programmes for older employees and service anniversary bonuses were calculated on the basis of the following parameters:

| | 2014 | 2013 |
|---|---|---|
| Discount rate (pensions, severance compensation, service anniversary bonuses) | 1.78 % | 3.35 % |
| Discount rate (semiretirement programmes) | 0.30 % | 1.00 % |
| Wage and salary increases (severance compensation, service anniversary bonuses) | 3.69 % | 3.69 % |
| Pension increases (only for pensions) | 2.10 % | 2.10 % |

Payments required by defined contribution plans (contributions to pension plans and legally required employee severance compensation funds) are recognised to profit or loss in the appropriate period, and shown under personnel expenses.

## › Other provisions

Other provisions include legal or constructive obligations to third parties, which are based on past transactions or events and are expected to lead to an outflow or resources that can be reliably estimated. These provisions reflect all recognisable risks related to the assumed settlement amount and are based on the best possible estimate. A provision is not created if it is not possible to reliably estimate the amount of the obligation. Provisions are discounted if the resulting effect is material. Expenses resulting from the discounting of other provisions are included with the costs of the respective provisions.

## › Government grants

Government grants are recognised at fair value when it is reasonably certain that the Group will meet the relevant conditions attached to the grants and it is reasonably certain the grants will actually be received.

Government grants for costs are recognised as income over the periods required to match them with the costs they are intended to compensate.

Government grants for the purchase of property, plant and equipment (“investment subsidies”) are recorded under current or non-current liabilities and recognised as income on a straight-line basis over the useful life of the related asset. The special investment allowances granted by the Republic of Austria are treated as investment subsidies.

## › Measurement of fair value

The Group values financial instruments and non-financial assets at fair value at each balance sheet date. The fair values of financial instruments carried at amortised cost are listed in note (34).

The fair value is the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. When measuring the fair value it is assumed that the transaction in which the sale of the asset or the transfer of the liability takes place is either on the main market for the asset or liability, or on the most advantageous market for the asset or liability if the main market is not available.

The fair value of an asset or a liability is based on the assumptions that the market participants would be subject to in creating the price for the asset or the liability. Here it is assumed that the market participants are acting in their own best commercial interests.

The Flughafen Wien Group applies valuation techniques that are appropriate for the relevant circumstances and for which sufficient data is available to measure the fair value. In the process, the use of significant, observable input factors must be kept as high as possible and that of non-observable input factors as low as possible.

All assets and liabilities for which the fair value has been calculated or shown in the financial statements are classified in the following fair value hierarchy, based on the lowest level input parameter that is significant in calculating the fair value.

**Level 1**

The market price (stock exchange price) represents the fair value for financial assets and financial liabilities that are traded on active liquid markets at standardised terms and conditions. This method is also applied to listed redeemable obligations, promissory notes and perpetual bonds.

**Level 2**

The fair value of the financial assets and financial liabilities in this category, which are not traded on an active market, is derived directly (i.e. similar to market price) or indirectly (i.e. similar to prices or quoted prices) from market prices.

**Level 3**

This category includes financial assets and financial liabilities (excluding derivatives) whose fair value is determined by applying recognised valuation models and valuation parameters that are not based on observable market data.

## › Financial Instruments

A financial instrument is a contract that simultaneously creates a financial asset in one entity and a financial liability or equity instrument in another entity. In particular, financial assets include financial investments such as non-consolidated subsidiaries and other holdings, securities, trade receivables, credits granted and other receivables, non-derivative and derivative financial assets held for trading, and cash and cash equivalents. Financial liabilities generally represent an obligation to deliver cash or other financial assets to a creditor and consist, above all, of amounts due to financial institutions, trade payables and derivative financial liabilities. The initial recognition and derecognition of financial instruments generally takes place as of the settlement date, which is the day on which the asset is delivered to or by the Group. Financial assets and financial liabilities are normally not offset for presentation, except in cases where there is a legally enforceable right to offset the amounts and settlement will take place on a net basis.

Financial assets are initially recognised at fair value. The fair values shown on the balance sheet generally represent the market prices of the financial assets. In cases where market prices are not readily available, fair value is determined using accepted valuation models and current market parameters. For this calculation, the cash flows previously fixed or determined by way of forward rates based on the current yield curve are discounted as of the measurement date using the discount factors calculated from the yield curve applicable to the reporting date.

The Flughafen Wien Group has not elected to use the option that permits, under certain conditions, the designation of financial assets and financial liabilities upon initial recognition as financial assets or financial liabilities at fair value through profit or loss (fair value option).

## › Investments and securities

Securitised receivables for which there is no active market are assigned to the category "loans and receivables" and carried at amortised cost. Non-interest bearing financial assets and low-interest financial assets are recognised at fair value on the date of purchase. Any material difference between cost and the repayment amount is accrued over the term of the loan in accordance with the effective interest rate method and reported under financial results. In the event of impairment, the carrying amount of the financial asset is reduced to the present value of the expected repayments with recognition through profit or loss. If the reasons for previously recognised impairment losses cease to exist, the impairment loss is appropriately reversed.

Shares in non-consolidated subsidiaries and other securities as well as associated companies and other investments that are not recorded at equity are classified as "available-for-sale financial assets" and generally measured at fair value if this figure can be reliably determined.

If the fair value of non-listed equity instruments cannot be reliably determined, the shares are carried at cost after the deduction of any necessary impairment losses.

Gains and losses resulting from changes in fair value are basically recognised under other comprehensive income (available-for-sale reserve) after the deduction of deferred taxes. Impairment losses that reflect a lasting and significant decline in fair value are recognised to profit or loss and removed from the fair value reserve. If circumstances at a later measurement date indicate that fair value has increased as a result of events which occurred after the recognition of the impairment loss, a corresponding reversal of the impairment loss is generally recognised to profit or loss. Impairment losses recognised to profit or loss for available-for-sale equity instruments may only be reversed without recognition to profit or loss. Impairment losses to equity instruments that are measured at cost may neither be reversed to profit or loss nor recognised directly in equity.

Any accumulated gains and losses recognised to equity on the measurement of financial assets at fair value are transferred to the income statement when the relevant asset expires or is sold.

Purchases and sales are recognised as of the settlement date.

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## › Receivables

Trade receivables and other current receivables are measured at the initially recognised value less impairment losses. Individual valuation allowances are recorded to reflect the expected credit risk. The conclusion of bankruptcy proceedings leads to derecognition of the involved receivables, whereby previously recognised valuation adjustments are used when a receivable is derecognised. The creation of individual valuation allowances also involves the aggregation of potentially impaired receivables based on similar credit risk characteristics and the subsequent recognition of valuation allowances in accordance with past experience. Impairment losses on trade receivables are recorded to separate allowance accounts. Other non-current receivables are measured at amortised cost and, if material, payment at a later date is reflected through discounting.

## › Cash and cash equivalents

Cash and cash equivalents, which include bank accounts and short-term deposits with credit institutions, have a remaining term of up to three months at the date of acquisition. These items are measured at fair value, which generally reflects the nominal value.

## › Liabilities

Financial liabilities are recognised at an amount equal to the actual funds received, which generally reflects fair value. Any material difference between the amount received and the repayment amount is distributed over the term of the liability according to the effective interest rate method, and reported under financial results. Trade payables and other liabilities are carried at amortised cost.

## › Income taxes

Income taxes include the taxes due and payable on taxable income as well as deferred taxes. The provisions for taxation generally comprise domestic and foreign income tax obligations, and cover the reporting year as well as any obligations from previous years. The liabilities are calculated in accordance with the tax regulations of the countries where the Group conducts its business activities.

Flughafen Wien AG is the group parent under the definition provided by § 9 (8) of the Austrian Corporate Income Tax Act of 1988. In this function, the group parent apportions and charges the applicable share of taxes to the member companies of the group; if a group company generates a loss, the relevant credit is only made when this company again records taxable profit. This settlement of tax charges leads to a reduction in the tax expense shown on the income statement of the group parent. If there are any subsequent variances, the tax settlements with group companies are adjusted accordingly.

In accordance with the liability approach, deferred tax assets and deferred tax liabilities are recognised on temporary differences between the carrying amounts on the consolidated balance sheet and the balance sheet prepared for tax purposes as well as on tax loss carryforwards. Deferred tax assets are recognised when it is probable that sufficient taxable profit will be available to utilise a deductible temporary difference.

Deferred tax assets and liabilities are only recognised on temporary differences arising from shares in subsidiaries and companies recorded at equity if there is an intention to sell the investment and the gain on sale will be taxable. Deferred taxes are valued in accordance with the tax regulations that are valid or were enacted as of the balance sheet date for the financial statements. Therefore, the tax rates expected in the future are applied to the reversal of temporary differences.

## › Realisation of income

Revenue and other operating income is realised when services are provided or the risks and opportunities associated with these services have been transferred to the buyer, under the assumption that a probable economic benefit will flow.

**Traffic and handling fees:**
Some fees are subject to the approval of the Austrian civil aviation authority: Flughafen Wien levies charges for the use of airport infrastructure in the form of landing , parking, passenger and infrastructure fees. Flughafen Wien also charges various types of ground handling fees that are not subject to the approval of public authorities, e.g. for apron, cargo and traffic handling.

**Rental and other fees:**
In addition, the Flughafen Wien Group realises revenue from the rental of parking space and other areas (which is based on fixed or variable (revenue-related) fees) as well as revenue from energy supply and waste disposal and security services. Rental income is recognised as revenue on a straight-line basis over the term of the respective rental agreement. Rental incentives granted to tenants are accounted for as a component of the total rental income over the term of the rental agreement. Variable rents are accrued in line with the related revenue.

**Interest income:**
Interest income is recognised when a probable economic benefit will flow to the Group and the amount of the income can be reliably determined. Interest income is time-limited according to the outstanding nominal amount and using the effective interest rate. The effective interest rate is the interest rate by which the expected future payments are discounted over the term of the financial asset such that the net carrying amount of this asset is reached exactly at initial recognition. Interest income is recognised in the financial results.

**Dividends:**
Income is recognised at the time of the legal requirement to pay; that is generally the point in time when the shareholders decide on the dividends. Dividends are recognised in the financial results.

## › Discretionary judgment and estimation uncertainty

The presentation of the Group's asset, financial and earnings position in the consolidated financial statements requires discretionary judgment concerning the measurement and valuation methods applied as well as the assumptions and estimates made by management. Actual results may differ from these estimates. The following key estimates and related assumptions as well as the uncertainties connected with the accounting and valuation methods applied by the Group are decisive for an understanding of the underlying risks of financial reporting and the possible effects on the consolidated financial statements in future financial years.

The impairment testing of intangible assets (carrying amount: T€ 10,848.8, 2013: T€ 13,678.9) and goodwill (carrying amount: T€ 54.2, 2013: T€ 54.2), property, plant and equipment (carrying amount: T€ 1,561,171.6, 2013: T€ 1,622,159.0), investment property (carrying amount: T€ 124,866.6, 2013: T€ 119,561.1) and non-current financial assets (carrying amount: T€ 106,477.8, 2013: T€ 102,156.1), including investments in companies recorded at equity (carrying amount: T€ 102,520.4, 2013: T€ 97,865.9) involves estimates for the cause, timing and amount of impairment/revaluation. Impairment/revaluation can be caused by a number of factors, such as changes in the current competitive situation, expectations for the development of passenger volume, increases in the cost of capital, changes in the future availability of financing, technological obsolescence, the termination of services, current replacement costs, the purchase prices paid for comparable transactions or other changes in the operating environment. The classification of an asset as impaired depends to a high degree on the management's judgment and evaluation of future development opportunities.

When testing the useful life of intangible assets, property, plant and equipment, and investment property, estimates are made regarding the expected useful life (remaining useful life). At the annual review of the expected useful life, the useful life may be shortened or lengthened.

The determination of the acquisition and production cost of property, plant and equipment and investment property is connected with uncertainty because of the on-going construction activity and related examination requirements. This uncertainty is related primarily to recently completed and current construction projects (construction in progress).

Current forecasts for the development of passenger traffic indicate that Vienna Airport will reach its capacity limits after 2020. The parallel runway project (runway 3) is therefore crucial to ensure the availability of sufficient capacity on a timely basis. As soon as a legally binding decision is issued, Flughafen Wien AG will decide on the realisation of this project based on the expected development of passenger traffic and movements and updated profitability calculations. If the project is not realised, significant elements of the capitalised project costs would probably have to be written off. The amount of this would be dependent on the extent to which an alternative use could be found. The carrying amount allocated to property, plant and equipment (excl. land and construction in progress) is currently T€ 38,055.5 (previous year: T€ 43,194.8) and to construction in progress T€ 62,463.3 (previous year: T€ 51,886.6). An alternative use of the land with a carrying value of T€ 47,883.1 (2013: T€ 48,091.7) also requires a closer evaluation, where it must be assumed that there is the need for a partial impairment.

The Flughafen Wien Group created valuation allowances of T€ 6,442.6 (previous year: T€ 7,841.9) for doubtful trade receivables and T€ 3,059.8 (previous year: T€ 318.1) for other receivables to reflect expected losses arising from the unwillingness or inability of debtors to meet their payment obligations. Management evaluates the appropriateness of these valuation allowances based on the term structure of receivable balances and past experience with the derecognition of receivables, also considering the credit standing of debtors and changes in payment conditions. If the financial position of contract partners deteriorates, actual write-offs could exceed the scope of the expected derecognition.

The valuation of provisions for severance compensation, pensions and service anniversary bonuses with a combined carrying amount of T€ 123,244.4 (previous year: T€ 102,738.1) and for semiretirement programmes with a carrying amount of T€ 21,425.1 (2013: T€ 20,262.0) is based on assumptions for the discount rate, retirement age, life expectancy and turnover probabilities as well as future increases in wages, salaries and pensions.

The provisions for pending legal proceedings and other outstanding obligations arising from settlement, arbitration or government proceedings total T€ 3,346.5 (previous year: T€ 4,004.2) and impending losses from pending contracts of T€ 11,298.9 (previous year: T€ 9,460.3). The recognition and measurement of these provisions are connected to a significant degree with estimates made by management. The evaluation of the probability that pending legal proceedings will be successful and lead to a liability as well as the quantification of the possible amount of a related payment obligation are dependent to a significant degree on an assessment of the respective situation. As a result of the uncertainties connected with this assessment, actual losses may differ from the original estimates and the amount of the provision.

Income taxes are computed for every tax jurisdiction in which the Group operates. This involves the calculation of actual expected taxes for each tax subject as well as an evaluation of the temporary differences between the carrying amounts of certain balance sheet items in the consolidated financial statements and the financial statements prepared for tax purposes. Deferred tax assets of T€ 16,671.0 (previous year: T€ 12,118.8) are recognised to the extent that it is probable that the Group will be able to utilise them in the future. The use of deferred tax assets is dependent on the ability to generate sufficient income in the individual tax jurisdictions. Various factors are used to evaluate the probability of the future use of deferred tax assets, which may include past earnings, operating forecasts and/or tax planning strategies. If actual earnings differ from these estimates or the estimates must be adjusted in future periods, this may have a negative effect on the asset, financial and earnings position of the group. The impairment of a deferred tax asset leads to derecognition of the relevant item through profit or loss.

The external tax audit of the Austrian companies included in the consolidated financial statements, which is currently underway, covers the years from 2008 to 2011 (including, among others, corporate income tax and value added tax) as well as a review pursuant to § 144 of the Austrian Fiscal Code for 2012 and 2013. Provisionally, it has not led to any major objections. The obligations resulting to date are reflected in these consolidated financial statements. Any resulting obligations are connected with uncertainty as of the balance sheet date on 31 December 2014, and future developments may lead to adjustments in subsequent periods.

## › Consolidation range

The consolidated financial statements include all subsidiaries, joint ventures and associated companies, with the exception of three subsidiaries (previous year: four).

The three subsidiaries were not included in the consolidated financial statements for 2014 or 2013 because their economic significance and influence on the asset, financial and earnings position of the Group are immaterial. The consolidated revenues of these companies equalled less than 1.0% of Group revenue for the reporting year (2013: less than 2.0%). The internal materiality thresholds were defined to ensure that only individual immaterial subsidiaries are not included in the consolidation.

The 2014 consolidated financial statements include Flughafen Wien AG as well as 14 domestic (2013: 14) and 7 foreign (2013: 7) subsidiaries that are controlled by Flughafen Wien AG. In addition, 3 domestic (2013: 3) and three foreign companies (2013: 4) were included at equity.

The companies included in the consolidated financial statements and the respective consolidation methods are listed in appendix 1 to the notes.

City Air Terminal Betriebsgesellschaft m.b.H., Malta Mediterranean Link Consortium Ltd. and Letisko Košice – Airport Košice, a.s., and „GetService"-Flughafen-Sicherheits- und Servicedienst GmbH are included in the consolidated financial statements using the equity method, even though Flughafen Wien AG directly or indirectly controls the majority of voting rights. Malta Mediterranean Link Consortium Ltd. is an associated company because, even though a significant influence can be exercised, there is no possibility of control due to the qualified voting right requirement for the relevant decisions in the company. The other companies are considered to be under joint control because key decisions on corporate policies are made in cooperation with the co-shareholders.

The stake in Malta International Airport plc that is held directly is classified as an associate because the total investment held through Malta Mediterranean Link Consortium Ltd. allows Flughafen Wien AG to exercise a significant influence on business and financial policies.

## Changes in the consolidation range during 2014

| Initial consolidation | by | Type of consolidation | Share of capital |
|---|---|---|---|
| „GetService"-Flughafen-Sicherheits- und Servicedienst GmbH | 1.1.2014 | at Equity | 51.0 % |

As of 1 January 2014, „GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2) was integrated into the consolidation range due to its increased importance for the operational business development of the Flughafen Wien Group. As of the balance sheet date of 31 December 2014 the company was not included in the consolidated financial statements due to its immaterial significance. The company was classified as a joint venture under IFRS 11 even though the Flughafen Wien Group holds the majority of the voting rights. However, the voting rights involved are not substantial, because significant decisions are only possible with a qualified majority of 75% (and thus with the agreement of the two shareholders). The joint venture was included in the consolidated financial statements at equity.

| Deconsolidations | by | Type of consolida-tion | Share of capital | Note |
|---|---|---|---|---|
| Columinis Holding GmbH in Liquidation | 19.5.2014 | at Equity | 50.0 % | Liquidation |
| Flughafen Friedrichshafen GmbH | 20.8.2014 | at Equity | 25.15 % | Sale |

Columinis Holding GmbH was liquidated with a commercial register decision of 19 May 2014. The deconsolidation has no significant effects on the asset, financial or earnings position of the Flughafen Wien Group.

Flughafen Wien AG transferred its entire holding in Flughafen Friedrichshafen GmbH of 25.15% in equal parts to the city of Friedrichshafen and the district of Lake Constance in the third quarter of 2014. As the last contract partner, the relevant political committees of the district of Lake Constance also gave their approval to the transaction on 22 July 2014. The Federal Cartel Office agreed to the purchase of the shares on 20 August 2014. Flughafen Friedrichshafen GmbH was therefore deconsolidated on 20 August 2014.

## Changes in the consolidation range during 2013

There were no initial consolidations or deconsolidations in 2013.

# Notes to the Consolidated Income Statement

## › (1) Revenue and segment reporting

Revenue includes all income generated by the ordinary business activities of the Flughafen Wien Group. Revenue is presented excluding value added tax as well as other taxes that are collected from customers and passed on to taxation authorities.

In accordance with IFRS 8, segment reporting is based on the Group's internal reporting structure. The operating segments of the Flughafen Wien Group include the business units of Flughafen Wien AG that form the basis for the company's organisation as well as the various subsidiaries and holdings in companies accounted for at equity. These operating segments are aggregated into the following reporting segments: Airport, Handling, Retail & Properties and Other Segments. The management of the Flughafen Wien Group is based on reporting that covers profit and loss, capital expenditure and employee-related data for the individual business units of Flughafen Wien AG as well as revenue, EBITDA, EBIT, planned investments and employee-related data for the individual subsidiaries.

### Airport

The operations business unit of Flughafen Wien AG and the subsidiaries that provide airport services are combined under the reporting segment Airport. The operations business unit generally provides the traditional services performed by an airport operator. These services include the operation and maintenance of all aircraft movement areas and the terminals as well as the equipment and facilities involved in passenger and baggage handling. The fees for these services are, for the most part, subject to fee regulations. The operations business unit also provides a wide range of services to support airport operations, to deal with emergencies and disruptions and to ensure security.

### Handling

The Handling Segment includes the handling business unit of Flughafen Wien AG as well as the subsidiaries that provide services in this segment. The Handling segment supplies a variety of services for the handling of aircraft and passengers on scheduled and charter flights. It is also responsible for the handling of general aviation aircraft and passengers. The General Aviation Center also includes the VIP lounges and the Business Center. In addition, security controls for persons and hand luggage are performed by the Handling Segment.

## Retail & Properties

The Retail & Properties Segment covers the real estate and centre management business units of Flughafen Wien AG as well as the subsidiaries that provide services under this segment.

This segment provides various services to support airport operations, including shopping, gastronomy and parking. Activities for the development and marketing of real estate are also included here.

## Other Segments

The operating segments that are not independently reportable and cannot be aggregated with another reportable segment are combined into the reporting segment "Other Segments" in accordance with IFRS 8.16.

Included here are various services provided by individual business units of Flughafen Wien AG or other subsidiaries, e.g. technical services and repairs, energy supply and waste disposal, telecommunications and information technology, electromechanical and building services, the construction and maintenance of infrastructure facilities, construction management and consulting.

This segment additionally includes the investments and investment holding companies that are not independently reportable under recording at equity, as well as those that have no operating activities.

## Explanations of the amounts shown

The accounting principles used to develop the segment data are the same as the accounting principles applied in preparing the IFRS consolidated financial statements. The criteria used by the Flughafen Wien Group to evaluate segment performance include, among others, EBITDA and EBIT (after the deduction of overhead costs). Depreciation and amortisation is split into scheduled depreciation, amortisation and impairment losses, and is derived from the assets allocated to the individual segments. The underlying prices for inter-segment revenues and services reflect market-based standard costs or rates, which are based on internal costs.

Other items such as financial results or tax expense attributable to the individual operating segments are not included under segment information because internal reporting only covers these positions down to and including EBIT and these other positions are monitored centrally.

Segment assets and liabilities comprise all assets and liabilities that can be allocated to the operating business. In particular, segment assets include intangible assets, property, plant and equipment, trade receivables and other receivables, investments in companies carried at equity as well as inventories. The Flughafen Wien Group does not show segment liabilities for each reportable operating segment because these liabilities are monitored centrally. Segment assets do not include the assets shown under "Other (not allocated)" in the reconciliation of segment assets to Group assets. The Group assets designated as not allocated consist primarily of other financial assets, current securities, receivables due from taxation authorities, other receivables and assets, prepaid expenses and deferred charges and cash and cash equivalents.

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Segment investments include additions to intangible assets and property, plant and equipment, and investment property, including invoice corrections.

The information provided by geographic area also includes information on the revenue generated with external customers as well as the amounts recognised for non-current assets. The allocation of assets and income to the various geographical areas is based on the location of the unit (subsidiary) that recognised the income or owns the assets.

The number of employees at the segment level is based on the average number of employees for the financial year, weighted by the scope of employment.

### › Segment results for 2014

| 2014 in T€ | Airport | Handling | Retail & Properties | Other Segments | Group |
|---|---|---|---|---|---|
| External segment revenue | 344,076.0 | 145,713.8 | 123,777.3 | 16,590.0 | 630,157.2 |
| Internal segment revenue | 34,512.3 | 73,903.9 | 18,123.8 | 92,267.4 | |
| Segment revenue | 378,588.4 | 219,617.7 | 141,901.1 | 108,857.4 | |
| Other external operating income | 2,025.4 | 1,350.6 | 3,582.5 | 2,422.3 | 9,380.9 |
| Other internal operating income * | 2,262.5 | 1.4 | 294.6 | 4,186.2 | 6,744.7 |
| Operating income | 382,876.3 | 220,969.7 | 145,778.2 | 115,465.9 | |
| Consumables and services used | 4,815.9 | 7,708.3 | 1,397.3 | 24,986.3 | 38,907.7 |
| Personnel expenses | 40,796.0 | 160,706.2 | 7,969.1 | 44,580.5 | 254,051.8 |
| Other expenses | 54,998.5 | 5,266.7 | 21,673.2 | 21,165.6 | 103,104.1 |
| Internal expense | 140,988.2 | 29,665.1 | 39,807.8 | 8,346.3 | |
| **Segment EBITDA** | **141,277.7** | **17,623.4** | **74,930.9** | **16,387.1** | 250,219.2 |
| Scheduled depreciation and amortisation | 95,545.9 | 5,493.8 | 15,936.9 | 13,466.1 | 130,442.6 |
| **Segment EBIT** | **45,731.9** | **12,129.7** | **58,994.0** | **2,921.0** | 119,776.5 |
| | | | | | |
| Segment investments** | 56,419.9 | 6,514.4 | 5,135.3 | 6,995.4 | 75,065.0 |
| | | | | | |
| Segment assets | 1,367,663.5 | 33,601.6 | 276,193.4 | 163,412.9 | 1,840,871.5 |
| Thereof carrying amount of companies recorded at equity | | | | 102,520.4 | |
| Other (not allocated) | | | | | 51,351.5 |
| **Group assets** | | | | | 1,892,223.0 |
| | | | | | |
| Segment employees (average) | 499 | 3,126 | 84 | 597 | 4,306 |

* relates to own work capitalised
** including invoice corrections and excluding financial assets

## › Segment results for 2013***

| 2013 in T€ | Airport | Handling | Retail & Properties | Other Segments | Group |
|---|---|---|---|---|---|
| External segment revenue | 331,430.8 | 151,856.5 | 121,166.0 | 17,540.2 | 621,993.5 |
| Internal segment revenue | 34,067.1 | 71,468.0 | 17,143.3 | 100,183.7 | |
| Segment revenue | 365,497.8 | 223,324.5 | 138,309.3 | 117,723.9 | |
| Other external operating income | 7,212.6 | 916.1 | 3,589.4 | 3,165.7 | 14,883.9 |
| Other internal operating income ** | 2,301.2 | 0.0 | 265.8 | 6,331.4 | 8,898.5 |
| Operating income | 375,011.7 | 224,240.6 | 142,164.6 | 127,221.0 | |
| Consumables and services used | 6,742.6 | 11,172.2 | 1,845.3 | 26,387.1 | 46,147.2 |
| Personnel expenses | 39,096.0 | 156,168.0 | 6,864.3 | 43,661.1 | 245,789.5 |
| Other expenses | 53,235.2 | 4,728.7 | 31,199.2 | 23,181.0 | 112,344.0 |
| Internal expense | 143,157.8 | 29,594.8 | 40,654.0 | 9,455.4 | |
| **Segement EBITDA** | **132,780.2** | **22,576.9** | **61,601.7** | **24,536.4** | **241,495.2** |
| Scheduled depreciation and amortisation | 90,607.5 | 5,413.8 | 14,850.0 | 13,428.8 | 124,300.1 |
| Impairment | 216.0 | 0.0 | 4,900.0 | 0.0 | 5,116.0 |
| **Segment EBIT** | **41,956.6** | **17,163.1** | **41,851.8** | **11,107.6** | **112,079.1** |
| | | | | | |
| Segment investments* | 55,203.1 | 4,351.9 | 9,478.1 | 3,809.1 | 72,842.1 |
| | | | | | |
| Segment assets | 1,406,569.2 | 33,014.4 | 261,589.6 | 191,500.6 | 1,892,673.9 |
| Thereof carrying amount of companies recorded at equity | | | | 97,865.9 | |
| Other (not allocated) | | | | | 61,263.1 |
| **Group assets** | | | | | **1,953,937.0** |
| | | | | | |
| Segment employees (average) | 496 | 3,199 | 83 | 621 | 4,399 |

* including invoice corrections and excluding financial assets
** relates to own work capitalised
*** adjusted for line structure

### › Reconciliation of segment assets to Group assets

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Assets by segment | | |
| Airport | 1,367,663.5 | 1,406,569.2 |
| Handling | 33,601.6 | 33,014.4 |
| Retail & Properties | 276,193.4 | 261,589.6 |
| Other Segments | 163,412.9 | 191,500.6 |
| **Total assets in reportable segments** | **1,840,871.5** | **1,892,673.9** |
| Other (non-allocated) assets | | |
| Other financial assets | 3,855.4 | 3,810.6 |
| Current securities | 21,292.2 | 20,000.0 |
| Receivables due from taxation authorities | 12,063.5 | 14,778.9 |
| Other receivables and assets | 7,572.1 | 13,856.2 |
| Prepaid expenses and deferred charges | 4,326.1 | 4,894.1 |
| Cash and cash equivalents | 2,242.1 | 3,923.3 |
| **Total not allocated** | **51,351.5** | **61,263.1** |
| **Group assets** | **1,892,223.0** | **1,953,937.0** |

### › Disclosures for 2014 by region

| in T€ | Austria | Malta | Slovakia | Group |
|---|---|---|---|---|
| External revenue | 629,152.7 | 1,004.5 | 0.0 | 630,157.2 |
| Non-current assets | 1,710,782.1 | 58,154.2 | 34,482.8 | 1,803,419.0 |

### › Disclosures for 2013 by region

| in T€ | Austria | Malta | Slovakia | Group |
|---|---|---|---|---|
| External revenue | 621,068.1 | 925.4 | 0.0 | 621,993.5 |
| Non-current assets | 1,768,184.6 | 55,539.3 | 33,885.4 | 1,857,609.2 |

The assets allocated to Malta and Slovakia also include the investments in other companies owned by these fully consolidated subsidiaries. The investments in Malta Airport generated net profit of € 4.7 million in 2014 (2013: € 5.0 million), which is reported under income from investments recorded at equity. The investment in Košice Airport generated at equity income of € 1.0 million (2013: € 0.5 million). The values of the investments in the airport corporations in Malta and Slovakia are not shown here.

## Information on key customers

The Flughafen Wien Group recorded revenue of € 273.0 million with its major customer Lufthansa Group (incl. Austrian Airlines) (previous year: € 280.4 million) and revenue of € 74.6 million with Air Berlin Group (incl. Niki) (previous year: € 73.0 million). This revenue was generated in all segments.

## (2) Other operating income

| in T€ | 2014 | 2013 |
|---|---|---|
| Own work capitalised | 6,744.7 | 8,898.5 |
| Income from the disposal of property, plant and equipment | 1,849.3 | 4,440.9 |
| Thereof income from compensation for damages/arbitration judgment | 0.0 | 4,000.0 |
| Income from the reversal of provisions | 4,012.1 | 6,307.5 |
| Income from the reversal of investment subsidies (government grants) | 207.8 | 223.8 |
| Granting of rights | 1,076.4 | 844.4 |
| Income from insurance | 110.2 | 107.6 |
| Miscellaneous | 2,125.1 | 2,959.7 |
| | 16,125.5 | 23,782.3 |

## (3) Consumables and services used

| in T€ | 2014 | 2013 |
|---|---|---|
| Consumables | 16,026.8 | 23,449.4 |
| Energy | 17,548.2 | 19,859.9 |
| Services | 5,332.7 | 2,837.9 |
| | 38,907.7 | 46,147.2 |

## (4) Personnel expenses

| in T€ | 2014 | 2013 |
|---|---|---|
| Wages | 109,997.2 | 109,585.8 |
| Salaries | 77,991.9 | 70,283.3 |
| Expenses for severance compensation | 9,425.1 | 9,255.6 |
| Thereof contributions to severance fund | 1,692.0 | 1,690.5 |
| Expenses for pensions | 3,109.8 | 3,061.7 |
| Thereof contributions to pension funds | 2,597.1 | 2,549.3 |
| Expenses for legally required duties and contributions | 51,552.5 | 51,892.8 |
| Other employee benefits | 1,975.2 | 1,710.2 |
| | **254,051.8** | **245,789.5** |

## (5) Other operating expenses

| in T€ | 2014 | 2013 |
|---|---|---|
| Other taxes (excluding income taxes) | 591.5 | 680.6 |
| Maintenance | 24,147.8 | 33,097.2 |
| Third-party services | 13,545.4 | 21,132.0 |
| Third-party services from related parties | 12,431.6 | 8,937.2 |
| Consulting expenses | 4,748.2 | 6,045.4 |
| Marketing and market communication | 20,535.7 | 19,359.3 |
| Postage and telecommunications | 1,126.4 | 1,191.1 |
| Rental and lease payments | 6,775.3 | 6,639.7 |
| Insurance | 3,077.6 | 3,348.6 |
| Travel and training | 2,102.6 | 2,057.5 |
| Damages | 103.5 | 352.8 |
| Impending losses | 1,838.6 | 488.3 |
| Valuation allowances and derecognition of receivables | 3,187.3 | -11.8 |
| Losses on the disposal of property, plant and equipment | 656.9 | 190.4 |
| Exchange rate differences, bank charges | 556.3 | 588.6 |
| Miscellaneous operating expenses | 7,679.3 | 8,247.2 |
| | **103,104.1** | **112,344.0** |

Maintenance expenses cover the regular upkeep of buildings and equipment, the maintenance of data processing equipment, runways, aprons, taxiways and car parks.

Third party services consist primarily of costs for the baggage reconciliation system and baggage-related services, fees for waste water and garbage disposal, cleaning services and temporary personnel for the subsidiary Vienna Airport Technik GmbH (previously Vienna Airport Infrastruktur Maintenance GmbH).

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Consulting expenses include fees paid to attorneys, notaries public, tax advisors and the auditors of the annual financial statements as well as miscellaneous consulting fees.

Impending losses comprise losses related to residual value risks arising from leases for real estate at the Vienna Airport location (also see note (26), Miscellaneous provisions).

The expenses for marketing and market communications were related chiefly to marketing measures, above all to strengthen Vienna's position as a hub, as well as traditional public relations activities.

The following services were provided by the auditor of the annual financial statements during the reporting year:

| in T€ | 2014 | 2013 |
|---|---|---|
| Audit of the annual financial statements | 260.3 | 253.6 |
| Other auditing services | 12.0 | 62.0 |
| Other services | 4.2 | 0.5 |
| | 276.5 | 316.1 |

## › (6) Depreciation, amortisation and impairment

| in T€ | 2014 | 2013 |
|---|---|---|
| **Amortisation of intangible assets** | | |
| Scheduled amortisation | 4,202.3 | 4,065.1 |
| | 4,202.3 | 4,065.1 |
| **Depreciation of property, plant and equipment** | | |
| Scheduled depreciation | 121,090.8 | 116,280.3 |
| Impairment | 0.0 | 216.0 |
| Thereof CGU "Aviation" | 0.0 | 216.0 |
| | 121,090.8 | 116,496.3 |
| **Depreciation of investment property** | | |
| Scheduled depreciation | 5,149.5 | 3,954.7 |
| Impairment | 0.0 | 4,900.0 |
| Thereof CGU "Real Estate Cargo" | 0.0 | 4,900.0 |
| | 5,149.5 | 8,854.7 |
| | 130,442.6 | 129,416.1 |

Impairment testing in **2014** did not result in any recognition of impairments.

Impairment testing in **2013** for the cash generating unit "Real Estate Cargo" resulted in the recognition of a total impairment of € 4.9 million. The recoverable amount for the affected cash generating unit was calculated based on the value in use. The future cash inflows and outflows of the individual cash-generating units are determined on the basis of the latest forecasts approved by the Management Board for the period from 2014 to 2018. The weighted average cost of capital (WACC) after tax of 6.1% was used as the discount rate. The impairment charge was based on the estimated medium-term development of the market and demand as defined by the forecast. The most important parameters for the calculation of the value in use were the discount rate (WACC) after tax and a growth rate of 1% after the detailed planning period (five years). The forecasted EBITDAs are based on expectations for future results with an adjustment for past experience. The impairment charge was recognised in the Retail & Properties Segment.

In addition, impairment charges of T€ 216.0 were recognised to other property, plant and equipment in 2013. These impairment charges were recorded in the Airport Segment.

## › (7) Income from investments recorded at equity

| in T€ | 2014 | 2013 |
|---|---|---|
| Proportional share of results for the period | 7,732.9 | 6,155.9 |
| Results from the disposal of companies recorded at equity | 2,250.6 | 0.0 |
| | 9,983.5 | 6,155.9 |

The cumulative total of unrecognised losses equals T€ 0.0 (2013: T€ 1,484.4). In 2013, a pro rata share of losses totalling T€ 295.1 was not recognised because the related shares were written off completely.

A summary of financial information on associated companies and joint ventures is provided in the appendix "Investments" at the end of the notes.

The results from the disposal of companies carried at equity in 2014 relate to the sale of investments in Flughafen Friedrichshafen GmbH and the liquidation of Columinis Holding GmbH in liquidation.

## › (8) Income from investments, excluding investments recorded at equity

| in T€ | 2014 | 2013 |
|---|---|---|
| Income from non-consolidated subsidiaries | 69.0 | 2,268.0 |
| Income from investments in other companies | 70.0 | 70.0 |
| | 139.0 | 2,338.0 |

## › (9) Interest income/expense

| in T€ | 2014 | 2013 |
|---|---|---|
| Interest and similar income | 898.6 | 2,160.9 |
| Interest and similar expenses | -24,167.1 | -25,946.7 |
| | -23,268.4 | -23,785.9 |

>

## › (10) Other financial income/expense

| in T€ | 2014 | 2013 |
|---|---|---|
| Income from the disposal of securities | 74.1 | 0.0 |
| | **74.1** | **0.0** |

## › (11) Income taxes

| in T€ | 2014 | 2013 |
|---|---|---|
| Current tax expense | 30,209.0 | 18,026.9 |
| Current tax income related to prior periods | 419.0 | 297.1 |
| Change in deferred taxes | -5,426.3 | 2,898.0 |
| Deferred taxes related to prior periods | -446.6 | 2,279.7 |
| | **24,755.2** | **23,501.7** |

The tax expense of T€ 24,755.2 for 2014 (previous year: T€ 23,501.7) is T€ 1,921.0 (previous year: T€ 695.1) lower than the calculated tax expense of T€ 26,676.2 (previous year: T€ 24,196.8) that would result from the application of the Austrian corporate tax rate (25%) to profit before tax of T€ 106,704.7 (2013: T€ 96,787.1).

The difference between the calculated tax rate and the effective tax rate shown in the financial statements is explained by the following table:

### › Tax reconciliation

| in T€ | 2014 | 2013 |
|---|---|---|
| Profit before taxes | 106,704.7 | 96,787.1 |
| Calculated income tax | 26,676.2 | 24,196.8 |
| | | |
| Adjustments for foreign tax rates | -328.5 | -183.8 |
| At equity valuations | -2,495.9 | -1,544.7 |
| Income from investments (tax free) | -34.8 | -578.8 |
| Other permanent differences | 965.7 | -964.6 |
| | | |
| **Income tax expense for the period** | **24,782.7** | **20,924.9** |
| Tax income/expense from prior periods | -27.6 | 2,576.8 |
| **Income tax expense as reported on the income statement** | **24,755.2** | **23,501.7** |
| | | |
| Effective tax rate | 23.2% | 24.3% |

The differences between the carrying amounts in the IFRS financial statements and the financial statements prepared for tax purposes as well as the loss carryforwards recognised as of the balance sheet date have an effect on deferred tax liabilities as shown on the balance sheet. Additional information is provided under note (29).

# Notes to the Consolidated Balance Sheet

## Non-current assets

### (12) Intangible assets

#### Development from 1.1. to 31.12.2014

| in T€ | Concessions and rights | Goodwill Real Estate Office | Goodwill Real Estate Parking | Total |
|---|---|---|---|---|
| Net carrying amount as of 1.1.2014 | 13,678.9 | 0.0 | 54.2 | 13,733.1 |
| Additions | 1,331.1 | 0.0 | 0.0 | 1,331.1 |
| Transfers | 55.3 | 0.0 | 0.0 | 55.3 |
| Disposals | -14.2 | 0.0 | 0.0 | -14.2 |
| Amortisation | -4,202.3 | 0.0 | 0.0 | -4,202.3 |
| **Net carrying amount as of 31.12.2014** | **10,848.8** | **0.0** | **54.2** | **10,903.0** |

#### Balance on 31.12.2014

| | | | | |
|---|---|---|---|---|
| Acquisition cost | 41,122.7 | 4,340.2 | 54.2 | 45,517.0 |
| Accumulated amortisation | -30,273.9 | -4,340.2 | 0.0 | -34,614.0 |
| **Net carrying amount** | **10,848.8** | **0.0** | **54.2** | **10,903.0** |

#### Development from 1.1. to 31.12.2013

| in T€ | Concessions and rights | Goodwill Real Estate Office | Goodwill Real Estate Parking | Total |
|---|---|---|---|---|
| Net carrying amount as of 1.1.2013 | 16,122.8 | 0.0 | 54.2 | 16,177.0 |
| Additions | 1,360.0 | 0.0 | 0.0 | 1,360.0 |
| Transfers | 283.4 | 0.0 | 0.0 | 283.4 |
| Disposals | -22.2 | 0.0 | 0.0 | -22.2 |
| Amortisation | -4,065.1 | 0.0 | 0.0 | -4,065.1 |
| **Net carrying amount as of 31.12.2013** | **13,678.9** | **0.0** | **54.2** | **13,733.1** |

#### Balance on 31.12.2013

| | | | | |
|---|---|---|---|---|
| Acquisition cost | 42,660.1 | 4,340.2 | 54.2 | 47,054.4 |
| Accumulated amortisation | -28,981.2 | -4,340.2 | 0.0 | -33,321.4 |
| **Net carrying amount** | **13,678.9** | **0.0** | **54.2** | **13,733.1** |

>

The major additions and transfers for the reporting year represent purchased software. Expenses of T€ 614.4 (previous year: T€ 741.6) for research and development of individual modules of the airport operations software programme were recognised as expenses in 2014.

## › (13) Property, plant and equipment

### › Development from 1.1. to 31.12.2014

| in T€ | Land and buildings | Technical equip-ment and machines | Other equip-ment, furniture, fixtures and office equip-ment | Prepay-ments made and construc-tion in progress | Total |
|---|---|---|---|---|---|
| Net carrying amount as of 1.1.2014 | 1,149,224.7 | 333,235.9 | 77,002.9 | 62,695.5 | 1,622,159.0 |
| Additions* | 797.7 | 3,740.1 | 13,181.1 | 44,851.2 | 62,570.1 |
| Transfers | 14,384.5 | 19,894.7 | 3,306.4 | -39,354.8 | -1,769.1 |
| Disposals | -509.8 | -83.2 | -104.5 | 0.0 | -697.5 |
| Depreciation | -56,173.4 | -39,947.3 | -24,970.1 | 0.0 | -121,090.8 |
| **Net carrying amount as of 31.12.2014** | **1,107,723.7** | **316,840.2** | **68,415.7** | **68,191.9** | **1,561,171.6** |

### › Balance on 31.12.2014

| | | | | | |
|---|---|---|---|---|---|
| Acquisition cost | 1,596,942.1 | 830,911.7 | 233,299.4 | 68,706.8 | 2,729,860.1 |
| Accumulated depreciation | -489,218.5 | -514,071.4 | -164,883.7 | -514.9 | -1,168,688.5 |
| **Net carrying amount** | **1,107,723.7** | **316,840.2** | **68,415.7** | **68,191.9** | **1,561,171.6** |

* The additions include invoice corrections of € 4.5 million which are accounted for as negative additions.

### › Development from 1.1. to 31.12.2013

| in T€ | Land and buildings | Technical equipment and machines | Other equipment, furniture, fixtures and office equipment | Prepayments made and construction in progress | Total |
|---|---|---|---|---|---|
| Net carrying amount as of 1.1.2013 | 1,193,590.9 | 331,727.9 | 81,818.0 | 70,397.6 | 1,677,534.4 |
| Additions* | -1,606.4 | 30,377.4 | 17,243.9 | 14,930.1 | 60,944.9 |
| Transfers | 11,623.6 | 10,724.6 | 844.5 | -22,632.2 | 560.4 |
| Disposals | -35.2 | -13.3 | -335.9 | 0.0 | -384.4 |
| Depreciation | -54,348.1 | -39,580.7 | -22,351.5 | 0.0 | -116,280.3 |
| Impairment | 0.0 | 0.0 | -216.0 | 0.0 | -216.0 |
| **Net carrying amount as of 31.12.2013** | **1,149,224.7** | **333,235.9** | **77,002.9** | **62,695.5** | **1,622,159.0** |

### › Balance on 31.12.2013

| | | | | | |
|---|---|---|---|---|---|
| Acquisition cost | 1,586,204.5 | 810,703.8 | 238,047.5 | 63,210.4 | 2,698,166.1 |
| Accumulated depreciation | -436,979.8 | -477,467.9 | -161,044.6 | -514.9 | -1,076,007.2 |
| **Net carrying amount** | **1,149,224.7** | **333,235.9** | **77,002.9** | **62,695.5** | **1,622,159.0** |

* The additions include invoice corrections of € 13.5 million, which are accounted for as negative additions, as well as a reduction of € 8.2 million in acquisition costs to reflect an arbitration judgment.

Borrowing costs of T€ 0.0 were capitalised in 2014 (2013: T€ 88.4). The average interest rate on financing for the previous year was 3.30%.

Property, plant and equipment includes a building with a net carrying amount of T€ 5,778.3 (previous year: T€ 6,690.7) and a technical facility with a net carrying amount of T€ 211.6 (previous year: T€ 145.1) that are accounted for as finance leases.

The following table shows the major additions to property, plant and equipment, intangible assets, and investment property in 2014 and 2013, including capitalised borrowing costs:

### › 2014 Financial Year:

| Airport Segment in T€ | 2014 |
|---|---|
| Cargo items | 11,699.1 |
| Hangar 7 | 10,560.5 |
| Third runway | 8,228.5 |
| Pier West | 9,409.4 |
| Airport railway station | 7,798.4 |
| Fixtures and operating equipment, incl. software | 1,795.1 |
| X-ray equipment | 1,514.9 |
| Guidance system | 1,092.9 |
| **Handling Segment in T€** | **2014** |
| Towing vehicles | 2,049.2 |
| Special vehicles | 1,283.5 |
| Road feeder service tracks | 1,006.9 |
| Automobiles, busses, vans, delivery trucks | 888.7 |
| Ground equipment for apron handling | 522.1 |
| **Retail & Properties Segment in T€** | **2014** |
| Charter bus terminal | 1,789.3 |
| Retail expansion | 1,333.6 |
| Forwarding agent building | 1,064.2 |
| **Other Segments in T€** | **2014** |
| IT hardware | 1,930.3 |
| Software | 1,204.6 |
| Transformer station | 573.6 |
| Refrigeration machines | 568.5 |

### › 2013 Financial Year:

| Airport Segment in T€ | 2013 |
|---|---|
| Runway 16/34 | 25,801.9 |
| Third runway | 8,564.2 |
| Hangar 7 | 6,066.3 |
| Jet sweepers | 4,479.3 |
| Railway station building | 4,241.5 |
| Existing building, south-corridor | 3,164.7 |
| Special vehicles | 2,249.3 |
| Fire brigade vehicles | 1,382.1 |
| Adaptations to Terminal 3 | 1,265.4 |
| Airport fencing | 1,025.4 |

| Handling Segment in T€ | 2013 |
|---|---|
| Towing vehicles | 1,518.7 |
| Lifting and loading vehicles | 760.9 |
| Ground equipment for apron handling | 702.2 |
| Automobiles, busses, vans, delivery trucks | 385.3 |
| Special vehicles | 277.5 |
| X-ray equipment | 220.0 |
| Transport and baggage carts | 205.6 |

| Retail & Properties Segment in T€ | 2013 |
|---|---|
| Forwarding agent building | 7,790.3 |
| Advertising space in Terminal 3 | 901.0 |
| Fixtures and operating equipment, incl. software and tools | 847.3 |
| Work on buildings | 192.8 |

| Other Segments in T€ | 2013 |
|---|---|
| IT hardware | 2,025.7 |
| Software | 991.4 |
| Fixtures and operating equipment | 749.2 |
| Automobiles, busses, vans, delivery trucks | 277.2 |
| Machinery, tools | 80.9 |

## (14) Investment property

### Development from 1.1. to 31.12.2014

| in T€ | Investment property | Prepayments made and construction in progress | Total |
|---|---|---|---|
| Net carrying amount as of 1.1.2014 | 112,035.7 | 7,525.3 | 119,561.1 |
| Additions | 85.8 | 11,078.0 | 11,163.8 |
| Transfers | 20,317.1 | -18,603.3 | 1,713.8 |
| Disposals | -2,422.5 | 0.0 | -2,422.5 |
| Depreciation | -5,149.5 | 0.0 | -5,149.5 |
| **Net carrying amount as of 31.12.2014** | **124,866.6** | **0.0** | **124,866.6** |

### Balance on 31.12.2014

| | | | |
|---|---|---|---|
| Acquistion cost | 208,727.7 | 0.0 | 208,727.7 |
| Accumulated depreciation | -83,861.0 | 0.0 | -83,861.0 |
| **Net carrying amount** | **124,866.6** | **0.0** | **124,866.6** |

### Development from 1.1. to 31.12.2013

| in T€ | Investment property | Prepayments made and construction in progress | Total |
|---|---|---|---|
| Net carrying amount as of 1.1.2013 | 113,322.4 | 5,541.2 | 118,863.6 |
| Additions | 3,034.9 | 7,502.3 | 10,537.2 |
| Transfers | 4,674.4 | -5,518.2 | -843.8 |
| Disposals | -141.2 | 0.0 | -141.2 |
| Depreciation | -3,954.7 | 0.0 | -3,954.7 |
| Impairment | -4,900.0 | 0.0 | -4,900.0 |
| **Net carrying amount as of 31.12.2013** | **112,035.7** | **7,525.3** | **119,561.1** |

### Balance on 31.12.2013

| | | | |
|---|---|---|---|
| Acquisition cost | 190,435.0 | 7,525.3 | 197,960.3 |
| Accumulated depreciation | -78,399.2 | 0.0 | -78,399.2 |
| **Net carrying amount** | **112,035.7** | **7,525.3** | **119,561.1** |

Investment property consists of buildings that are mainly held to generate rental income.

| in T€ | 2014 | 2013 |
|---|---|---|
| Rental income | 14,436.5 | 15,007.7 |
| Operating expenses for rented properties | 7,109.2 | 6,191.3 |
| Operating expenses for vacant properties | 570.7 | 710.2 |

**Fair value**

As of the balance sheet date, the fair value of the investment property was T€ 143,066.8 (previous year: T€ 130,824.2).

**Valuation method and input factors**

The fair value was calculated based on a valuation model that does not rely on non-observable input factors (Level 3). The model is based on the present value of the net cash flows generated by the properties on the basis of market expectations and includes the expected increase in rents, relocations, occupancy rates and all other costs attributable to these assets. The expected net cash flows are discounted with a WACC of a peer group of the Flughafen Wien Group. The net cash flows reflect the amounts in the 2015 budget and long-term corporate planning.

Key, non-observable input factors:

- Increases in rents of 2.0% (previous year: 2.0%)
- Occupancy rates of 30.95% - 100%, weighted average: 88.65% (previous year: 15.94% - 100%, weighted average: 95.17%)
- Growth rate of 0.0% for perpetual yield (previous year: 1.0%)
- Increases in rents of 25% (previous year: 25%)
- After-tax WACC of 5.4% (previous year: 6.1%)

The following changes in the non-observable input factors would lead to a material increase (decrease) in fair value:

- Increasing (decreasing) rental income per square metre
- Higher (lower) occupancy rate
- Decrease (increase) in the discount rate (WACC)
- Higher (lower) growth rate for the perpetual yield

## (15) Investments accounted for using the equity method

### Development from 1.1. to 31.12.

| in T€ | 2014 | 2013 |
|---|---|---|
| Net carrying amount as of 1.1. | 97,865.9 | 94,718.9 |
| Share of profit for the period | 7,760.9 | 6,178.8 |
| Share of loss for the period | -28.1 | -22.8 |
| Sales of shares (disposal) | -6.6 | 0.0 |
| Reclassification from changes in the consolidation range | 51.0 | 0.0 |
| Dividends | -3,122.8 | -3,008.9 |
| **Net carrying amount as of 31.12.** | **102,520.4** | **97,865.9** |

A summary of financial information on associated companies and joint ventures is provided in the appendix "Investments" at the end of the notes.

The initial consolidation of "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2) resulted in an increase in the at equity value of holdings of T€ 596.7, which is included in the share of profit for the period.

## (16) Other financial assets

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Originated loans and receivables (LaR) | 612.7 | 595.1 |
| Thereof loans granted to employees | 102.1 | 90.6 |
| Thereof other loans and receivables | 510.6 | 504.5 |
| Available-for-sale assets (AfS) | 3,344.8 | 3,695.2 |
| Thereof investments in non-consolidated subsidiaries | 106.3 | 157.3 |
| Thereof long-term investment funds and rights | 3,238.5 | 3,537.9 |
| | **3,957.5** | **4,290.3** |

Abbreviations: LaR – loans and receivables, AfS – financial instruments available for sale

Originated loans and receivables include the following: a loan of T€ 201.4 (2013: T€ 188.6), and loans granted to employees of T€ 102.1 (2013: T€ 90.6), a receivable of T€ 103.0 related to the granting of an investment subsidy by the Austrian Government Environmental Fund (2013: T€ 109.6) and a loan of T€ 206.2 (2013: T€ 206.2) for the pre-financing of a bicycle path for the surrounding communities.

The valuation allowances recognised to the above items totalled T€ 0.0 (2013: T€ 332.0).

Available-for-sale assets consist of rights that have been held for a longer period of time (previous year: investment fund shares and similar rights) of T€ 3,238.5 (previous year: T€ 3,537.9) and shares in non-consolidated subsidiaries of T€ 106.3 (previous year: T€ 157.3), which were not included in the consolidated financial statements because the related amounts are currently immaterial.

**Shares in non-consolidated subsidiaries (2014):**

- GetService Dienstleistungsgesellschaft m.b.H.
- Salzburger Flughafen Sicherheitsgesellschaft m.b.H.
- VIE Shops Entwicklungs- und Betriebsges.m.b.H.

# Current assets

## (17) Inventories

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Consumables and supplies | 4,293.9 | 4,360.8 |
| | **4,293.9** | **4,360.8** |

Consumables and supplies consist mainly of de-icing materials, fuel, spare parts and other materials used in airport operations. As of 31 December 2014 and 31 December 2013, no inventories were valued at the net selling price.

## (18) Securities

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Debt instruments | 21,292.2 | 20,000.0 |
| | **21,292.2** | **20,000.0** |

Debt instruments involve a supplementary capital obligation.

## › (19) Receivables and other assets

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Gross trade receivables | 42,615.9 | 42,105.9 |
| Less valuation allowances | -6,442.6 | -7,841.9 |
| Receivables due from non-consolidated subsidiaries | 14.1 | 188.6 |
| **Net trade receivables (LaR)** | **36,187.5** | **34,452.6** |
| Receivables due from investments recorded at equity (LaR) | 826.5 | 61.8 |
| Other receivables and assets (LaR) | 7,541.8 | 13,802.9 |
| Receivables due from taxation authorities | 12,063.5 | 14,778.9 |
| Other receivables and assets | 30.4 | 53.3 |
| Prepaid expenses and deferred charges | 4,326.1 | 4,894.1 |
| | **60,975.8** | **68,043.7** |

Definition of valuation category: LaR - Loans and receivables

The payment terms for trade receivables generally range from 8 to 30 days. Individual valuation allowances were recognised to reflect possible bad debt losses. The carrying amount of trade receivables approximates the fair value of these items. The receivables due from taxation authorities represent advance payments on corporate income taxes as well as VAT tax credits that were offset against liabilities arising from payroll-related taxes.

## › (20) Cash and cash equivalents

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Cash | 140.4 | 127.2 |
| Short-term deposits | 2,101.7 | 3,796.0 |
| | **2,242.1** | **3,923.3** |

All short-term investments had a maximum commitment period of three months at the time the investment was made. The average interest rate on deposits with financial institutions equalled 0.05% as of 31.12.2014 (2013: 0.2%) The carrying amount of cash and cash equivalents approximates fair value.

No fixed-term deposits were pledged to domestic financial institutions as of the balance sheet date.

# Equity

## › (21) Share capital

The share capital of Flughafen Wien AG is fully paid in and totals T€ 152,670.0. It is divided into 21,000,000 shares of bearer stock, which are securitised in a collective instrument that is deposited with Österreichische Kontrollbank. All shares carry the same rights and obligations ("one share – one vote"). There were 21,000,000 shares outstanding as of the balance sheet date, which represents the same number as in the prior year.

Earnings per share as shown on the income statement are calculated by dividing the share of net profit for the period attributable to the shareholders of the parent company by the weighted average number of shares outstanding for the financial year. There are no option rights for the issue of new shares. Therefore, basic earnings per share equal diluted earnings per share.

The recommended dividend is dependent on the approval of the annual general meeting, and was therefore not recognised as a liability in the consolidated financial statements. The recommended dividend for the 2014 financial year equals € 1.65 (2013: € 1.30) per share.

## › (22) Capital reserves

Capital reserves comprise a T€ 92,221.8 premium generated by the stock issue in 1992 and a T€ 25,435.5 premium realised on the capital increase in 1995. These items were recognised in the individual financial statements of Flughafen Wien AG.

## › (23) Other reserves

The component items of other reserves are described below. The development of these reserves is shown on the statement of changes in equity:

a) **Available-for-Sale reserve:** This reserve comprises the accumulated gains or losses on the market valuation of available-for-sale financial assets. These amounts are recognised in other comprehensive income after the addition or deduction of any transfers to profit or loss in connection with a sale or an impairment charge.

b) **Revaluations from defined benefit plans:** Actuarial gains and losses on the provisions for severance compensation and pensions, which result from experience-based adjustments or changes in actuarial assumptions, are recognised directly in other comprehensive income during the period incurred.

c) **Currency translation reserve:** This reserve covers all differences resulting from the translation of foreign subsidiary financial statements from the functional currency to the Group's reporting currency.

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## › (24) Retained earnings

Retained earnings comprise the profits generated by the Group after the deduction of dividends. The maximum amount available for distribution to the shareholders of the parent company equals the amount shown as "total profit" on the individual financial statements of Flughafen Wien AG as of 31 December 2014, which were prepared in accordance with Austrian generally accepted accounting principles.

**Income and expenses related to the employee foundation**

The tenth (extraordinary) annual general meeting on 15 November 2000 authorised the repurchase of Flughafen Wien shares at an amount equal to 10% of share capital for subsequent transfer to an employee foundation. The shares owned by the foundation carry voting and dividend rights, whereby the dividends received from Flughafen Wien AG are distributed directly to employees with no deductions. The effects of these distributions to employees in 2000 and 2001 as well as the corporate income tax payments made on behalf of the employee foundation in this and following years total T€ 14,012.4 and were recognised directly in equity under retained earnings. There were no such effects in 2013 or 2014.

## › (25) Non-controlling interests

Non-controlling interests represent shares held by third parties in the equity of consolidated subsidiaries. The non-controlling interests as of the balance sheet date represent the stake in the Slovakian subsidiary BTS Holding a.s. "v likvidacii" (in liquidation) held by the co-shareholder Raiffeisen-Invest-Gesellschaft m.b.H.

The development of non-controlling interests is shown on the statement of changes in equity.

# Non-current liabilities

## › (26) Non-current provisions

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Severance compensation | 82,959.5 | 71,995.8 |
| Pensions | 16,631.9 | 15,060.2 |
| Service anniversary bonuses | 23,653.0 | 15,682.1 |
| Semiretirement programmes for older employees | 21,425.1 | 20,262.0 |
| Miscellaneous provisions | 19,175.1 | 9,460.3 |
| | **163,844.6** | **132,460.4** |

## Defined benefit severance compensation plans

Legal regulations and collective bargaining agreements grant employees who joined the company before 1 January 2003 a lump-sum payment on termination or retirement. The amount of this severance compensation is based on the length of service with the company and compensation at the end of employment.

Employees who joined the company after 31 December 2002 no longer have a direct claim to legal severance compensation from their employer. For these employment contracts, severance compensation obligations are met through regular payments to an employee benefit fund. This severance compensation model only requires the employer to make regular contributions. Collective bargaining agreements also exist for these employees (wage employees: entry until 30 June 2014, salaried employees: entry until 31 October 2014), for which provisions have been created.

This defined benefit plan exposes the Flughafen Wien Group to actuarial risks, e.g. interest rate risks.

### Actuarial assumptions

Information on the actuarial assumptions is provided under the section on significant accounting policies.

### › Development of the provision for severance compensation

| in T€ | 2014 | 2013 |
|---|---|---|
| Provision recognised as of 1.1. = present value (DBO) of obligations | 71,995.8 | 71,460.5 |
| Net expense recognised to profit or loss | 6,974.8 | 7,014.1 |
| Actuarial gains (-) /losses (+) recognised under other comprehensive income | 9,872.9 | -2,699.3 |
| Thereof from financial assumptions | 12,122.3 | -972.5 |
| Thereof from demographic assumptions | -2,249.3 | -1,726.9 |
| Severance compensation payments | -5,884.0 | -3,779.6 |
| **Provision recognised as of 31.12. = present value (DBO) of obligations** | **82.959,5** | **71.995,8** |

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The cumulative actuarial differences (after deduction of deferred taxes) on the provisions for severance compensation that were recognised in other comprehensive income amounted to T€ -25,186.0 as of 31 December 2014 (previous year: T€ -17,781.3).

Personnel expenses include the following:

| in T€ | 2014 | 2013 |
|---|---|---|
| Service cost | 4,578.6 | 4,796.3 |
| Interest cost | 2,396.2 | 2,217.8 |
| **Severance compensation expense recorded under personnel expenses*** | **6,974.8** | **7,014.1** |

*excluding voluntary severance payments

The expected payments for severance compensation obligations in the coming year total T€ 4,105.7 (2013: T€ 4,578.6).

### Maturity profile of commitments

As of 31.12.2014 the weighted average remaining term of the defined benefit obligations was 10.8 years (2013: 11.9 years).

### Sensitivity analyses

The following actuarial assumptions used to calculate the defined benefit obligation are considered material. Changes in these assumptions would have the following effect on the obligation:

**› Change in the defined benefit obligation (DBO) from severance compensation**

| in T€ | Increase (+1 %) | Decrease (-1 %) |
|---|---|---|
| Discount rate | -8,098.2 | 9,569.2 |
| Future wage and salary increases | 8,849.7 | -7,676.8 |

## Defined benefit pension plans

Flughafen Wien AG has concluded individual agreements for the payment of supplementary defined pension benefits to certain active employees and retired key employees. Similar to the prior year, these commitments were not covered by plan assets as of the balance sheet date.

Employees who joined the company before 1 September 1986 had a claim to defined benefit pension subsidies based on special company agreements. These payments were dependent on the length of employment and final compensation. In autumn 2001 active employees were given the option of receiving a one-time settlement payment equal to 100% of the 2000 provision for pensions, as calculated in accordance with Austrian commercial law, and transferring to a contribution-based pension fund model with no requirement for subsequent contributions on the part of the employer. A total of 588 employees accepted this offer at the beginning of 2002. Retired employees who did not accept the settlement offered in 2001 still have a claim to pension payments.

This defined benefit plan exposes the Flughafen Wien Group to actuarial risks, e.g. longevity or interest rate risks.

### Actuarial assumptions

Information on the actuarial assumptions is provided under the section on significant accounting policies.

## Defined contribution pension plans

For employees who joined the company between 1 September 1986 and 1 November 2014, Flughafen Wien AG has concluded a company agreement for retirement, invalidity and survivors' pensions through a contract with a pension fund (defined contribution plan).

The company makes payments equal to 2.5% of monthly wages and salaries for all employees covered by the company pension agreement as long as their employment relationship remains in effect. In addition, employees can make additional contributions to the fund. Employees' claims to retirement and survivors' pensions arising from contributions made by the employer are transferred to the pension fund five years after the start of contribution payments. These amounts become vested after a further five years.

Employees who joined the company after 1 November 2014 will not have a defined contribution pension plan. No contributions to the pension funds are made for these employees.

### › Development of the provision for pensions

| in T€ | 2014 | 2013 |
|---|---|---|
| Provision recognised as of 1.1. = present value (DBO) of obligations | 15,060.2 | 16,658.6 |
| Net expense recognised to profit or loss | 512.6 | 512.4 |
| Actuarial gains (-) /losses (+) recognised under other comprehensive income | 2,156.3 | -1,006.6 |
| Thereof from financial assumptions | 2,125.7 | -1,006.6 |
| Thereof from demographic assumptions | 30.6 | 0.0 |
| Pension payments | -1,097.2 | -1,104.2 |
| **Provision recognised as of 31.12. = present value (DBO) of obligations** | **16,631.9** | **15,060.2** |

The cumulative actuarial differences (after deduction of deferred taxes) on the pension provisions amounted to T€ -1,802.9 as of 31 December 2014 (previous year: T€ -185.8).

Personnel expenses include the following:

| in T€ | 2014 | 2013 |
|---|---|---|
| Service cost | 8.1 | 8.5 |
| Interest cost | 504.5 | 503.9 |
| **Pension expenses recorded under personnel expenses** | **512.6** | **512.4** |

The expected payments for pension obligations in the coming year total T€ 1,276.9 (previous year: T€ 1,276.2).

**Maturity profile of commitments**

As of 31.12.2014 the weighted average remaining term of the defined benefit obligations was 11.2 years (2013: 11.8 years).

**Sensitivity analyses**

The following actuarial assumptions used to calculate the defined benefit obligation are considered material. Changes in these assumptions would have the following effect on the obligation:

### › Change in the defined benefit obligation (DBO) from pensions

| in T€ | Increase (+1 %) | Decrease (-1 %) |
|---|---|---|
| Discount rate | -1,411.7 | 1,653.8 |
| Increase in compensation during entitlement period | 27.3 | -25.3 |
| Increase in pensions during payment phase | 1,603.4 | -1,402.2 |

## Provisions for service anniversary bonuses

The employees are entitled to receive special long-service bonuses. The specific entitlement criteria and amount of the bonus are regulated by the collective bargaining agreements for the employees of public airports in Austria.

### › Development of the provision for service anniversary bonuses

| in T€ | 2014 | 2013 |
|---|---|---|
| Provision recognised as of 1.1. = present value (DBO) of obligations | 15,682.1 | 17,128.8 |
| Income/expense recognised to profit or loss | 8,763.0 | -873.5 |
| Service anniversary payments | -792.1 | -573.2 |
| **Provision recognised as of 31.12. = present value (DBO) of obligations** | **23,653.0** | **15,682.1** |

Personnel expenses include the following:

| in T€ | 2014 | 2013 |
|---|---|---|
| Service cost | 1,097.5 | 1,162.8 |
| Interest cost | 508.7 | 509.3 |
| Past service cost | 3,407.5 | 0.0 |
| Actuarial gains (-) / losses (+) recognised to profit or loss | 3,749.4 | -2,545.6 |
| **Service anniversary bonuses recorded under personnel expenses** | **8,763.0** | **-873.5** |

## Provisions for semiretirement programmes for older employees

Provisions were recognised for the expenses arising from the obligation to make supplementary payments (so-called “wage/salary equalisation”) to employees working under semiretirement programmes and the costs for additional work in excess of the agreed part-time employment. In accordance with the changes to IAS 19 (2011), from 2013 onwards, these supplementary payments were no longer classified as termination benefits but as other long-term employee benefits. These supplementary payments are not recognised as a lump-sum provision at the start of the part-time employment, but recorded successively over the active working phase based on an average employment (salaried employees: 24 years; wage employees: 15 years).

### › Provisions for semiretirement programmes for older employees

| in T€ | 2014 | 2013 |
|---|---|---|
| Provision recognised as of 1.1. = present value (DBO) of obligations | 20,262.0 | 19,487.0 |
| Net expense recognised to profit or loss | 4,773.7 | 4,273.8 |
| Payments for semiretirement programmes | -3,610.6 | -3,498.8 |
| **Provision recognised as of 31.12. = present value (DBO) of obligations** | **21,425.1** | **20,262.0** |

Personnel expenses include the following:

| in T€ | 2014 | 2013 |
|---|---|---|
| Service cost | 3,302.3 | 3,878.9 |
| Interest cost | 182.5 | 172.7 |
| Actuarial gains (-) / losses (+) recognised to profit or loss | 1,289.0 | 222.2 |
| **Semiretirement payments recorded under personnel expenses** | **4,773.7** | **4,273.8** |

## Miscellaneous provisions

| in T€ | 1.1.2014 | Reclassifi-cations* | Allocation | 31.12.2014 |
|---|---|---|---|---|
| Miscellaneous provisions | 9,460.3 | 7,876.1 | 1,838.6 | 19,175.1 |

*Reclassification of a provision recognised as current in the previous year

| in T€ | 1.1.2013 | Use | Allocation | 31.12.2013 |
|---|---|---|---|---|
| Miscellaneous provisions | 8,972.0 | 0.0 | 488.3 | 9,460.3 |

This position mainly consists of provisions for impending losses related to non-cancellable operating leases.

The effect from the compounding of this provision amounted to T€ 550.5 (2013: T€ 496.2).

## (27) Non-current and current financial liabilities

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Current financial liabilities | 72,055.1 | 105,646.0 |
| Non-current financial liabilities | 457,721.3 | 551,646.4 |
| **Financial liabilities** | **529,776.4** | **657,292.5** |

Current financial liabilities include short-term advances of € 43.8 million (previous year: € 15.8 million).

### The remaining terms of the financial liabilities are as follows:

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Up to one year | 72,055.1 | 105,646.0 |
| Over one year and up to five years | 157,721.3 | 226,646.4 |
| Over five years | 300,000.0 | 325,000.0 |
| | **529,776.4** | **657,292.5** |

All financial liabilities were concluded in euros. The average interest rate on financial liabilities equalled 4.19% for the 2014 reporting year (2013: 3.55%).

## (28) Other non-current liabilities

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Waste water association | 0.0 | 2,700.0 |
| Finance lease liabilities | 5,779.8 | 6,655.1 |
| **Subtotal financial liabilities (FLAC)*** | **5,779.8** | **9,355.1** |
| Accruals | 22,754.1 | 23,958.4 |
| Investment subsidies from public funds | 1,078.6 | 1,226.6 |
| | **29,612.5** | **34,540.1** |

*FLAC: financial liabilities at amortised cost

The accruals consist primarily of rental prepayments by Austro Control GmbH for the air traffic control tower, which was completed in 2005. The lease has a term of 33 years ending in April 2038.

Flughafen Wien AG received non-repayable investment subsidies from public authorities during the period from 1977 to 1985. In 1997, 1998 and 1999 Flughafen Wien AG also received investment subsidies from the European Union. The investment allowances received from the Republic of Austria from 2002 to 2004 are accounted for as government grants and reversed to profit or loss over the useful life of the relevant assets.

Other non-current liabilities also include finance lease liabilities, which reflect the rental of a maintenance and winter services hall and the rental of telephone equipment. The current portion of the lease liability is reported under other current liabilities (see note (32)).

**❯ The term structure of the lease liabilities is shown in the following table:**

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Up to one year | 873.3 | 811.5 |
| Over one year and up to five years | 4,132.9 | 3,873.3 |
| Over five years | 1,646.9 | 2,781.8 |
| | **6,653.2** | **7,466.6** |

The remaining term of the minimum lease payments and the transition to the present value as of the balance sheet date are as follows:

| | Remaining term | | | Total |
|---|---|---|---|---|
| **in T€** | **Up to 1 year** | **1-5 years** | **Over 5 years** | **31.12.2014** |
| Lease payments | 1,324.6 | 5,246.5 | 1,732.9 | 8,304.0 |
| - Discounts | 451.3 | 1,113.6 | 86.0 | 1,650.8 |
| **Present value** | **873.3** | **4,132.9** | **1,646.9** | **6,653.2** |

| | Remaining term | | | Total |
|---|---|---|---|---|
| **in T€** | **Up to 1 year** | **1-5 years** | **Over 5 years** | **31.12.2013** |
| Lease payments | 1,322.6 | 5,273.5 | 3,032.5 | 9,628.6 |
| - Discounts | 511.1 | 1,400.2 | 250.7 | 2,162.0 |
| **Present value** | **811.5** | **3,873.3** | **2,781.8** | **7,466.6** |

# (29) Deferred taxes

| in T€ | 2014 | 2013 |
|---|---|---|
| **Deferred tax assets** | | |
| Intangible assets and property, plant and equipment | 26.8 | 29.6 |
| Financial assets | 165.6 | 199.3 |
| Provisions for severance compensation | 10,608.9 | 7,922.5 |
| Provisions for pensions | 1,604.9 | 1,145.7 |
| Provisions for service anniversary bonuses | 2,804.6 | 1,422.4 |
| Other provisions | 1,460.2 | 1,399.3 |
| | **16,671.0** | **12,118.8** |
| **Deferred tax liabilities** | | |
| Intangible assets and property, plant and equipment | 37,505.3 | 39,354.3 |
| Securities | 323.1 | 15.6 |
| Other assets and liabilities | 5.8 | 13.5 |
| Tax provisions from consolidation entries | -129.2 | 2,316.1 |
| | **37,704.9** | **41,699.5** |
| **Total net deferred taxes** | **-21,033.9** | **-29,580.7** |

The following tables show the development and allocation of the total change in the provision for deferred taxes into the components recognised to profit or loss and the components recognised to other comprehensive income:

## Development of deferred tax assets

| in T€ | 2014 | 2013 |
|---|---|---|
| **Balance on 1.1.** | **12,118.8** | **12,802.3** |
| Changes recognised to profit or loss | 1,544.9 | 243.0 |
| Changes recognised to other comprehensive income | | |
| Revaluations from defined benefit plans | 3,007.3 | -926.5 |
| **Balance on 31.12.** | **16,671.0** | **12,118.8** |

### › Development of deferred tax liabilities

| in T€ | 2014 | 2013 |
|---|---|---|
| **Balance on 1.1.** | **41,699.5** | **36,169.4** |
| Changes recognised to profit or loss | -4,328.0 | 5,420.8 |
| Changes recognised to other comprehensive income: | | |
| Non-current securities | 10.3 | 22.3 |
| Current securities | 323.1 | 87.0 |
| Total changes recognised to other comprehensive income | 333.4 | 109.3 |
| **Balance on 31.12.** | **37,704.9** | **41,699.5** |

The calculation of the actual and deferred tax assets for the Austrian companies was based on the applicable corporate income rate (25%). The deferred tax assets and deferred tax liabilities held by the Austrian companies were netted out. The calculation of taxes in foreign countries is based on the applicable tax rates (5.0% - 35% for Malta and 19% for Slovakia).

The change recorded without recognition through profit or loss involves gains and losses on available-for-sale financial instruments as well as the revaluation of defined benefit plans.

Deferred taxes were not recognised for investments recorded at equity or shares in subsidiaries and joint ventures. Temporary differences of T€ 12,863.2 (previous year: T€ 551.0) are related to investments and joint ventures recorded at equity, which would have led to deferred tax liabilities of T€ 3,215.8 (previous year: T€ 137.8).

Deferred tax assets of T€ 1,980.7 had not been recognised as of 31 December 2014 (previous year: T€ 1,998.4). These amounts are related primarily to deferred tax assets on loss carryforwards. Also included here are deferred tax assets on loss carryforwards from the write-off of investments, which must be distributed over seven years.

# Current liabilities

## (30) Current provisions

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Unused vacation | 8,472.5 | 8,513.3 |
| Other claims by employees | 8,729.2 | 9,147.2 |
| Income taxes | 24,790.1 | 10,429.3 |
| Goods and services not yet invoiced | 28,473.6 | 28,339.9 |
| Outstanding discounts | 7,185.5 | 8,549.3 |
| Miscellaneous provisions | 7,990.1 | 19,085.4 |
| | **85,641.0** | **84,064.5** |

### Development from 1.1. to 31.12.2014

| in T€ | 1.1.2014 | Reclassi-fications | Use | Reversal | Alloca-tion | 31.12.2014 |
|---|---|---|---|---|---|---|
| Unused vacation | 8,513.3 | 0.0 | -161.5 | -45.0 | 165.7 | 8,472.5 |
| Other claims by employees | 9,147.2 | 0.0 | -4,773.4 | -2,514.6 | 6,870.0 | 8,729.2 |
| Income taxes | 10,429.3 | 0.0 | -8,040.9 | -47.5 | 22,449.2 | 24,790.1 |
| Goods and services not yet invoiced | 28,339.9 | 0.0 | -17,188.1 | -958.8 | 18,280.6 | 28,473.6 |
| Outstanding discounts | 8,549.3 | 0.0 | -7,825.6 | -723.7 | 7,185.5 | 7,185.5 |
| Miscellaneous provisions | 19,085.4 | -7,876.1 | -3,882.8 | -2,198.6 | 2,862.2 | 7,990.1 |
| | **84,064.5** | **-7,876.1** | **-41,872.3** | **-6,488.2** | **57,813.2** | **85,641.0** |

The provisions for other claims by employees consist primarily of accrued overtime pay, other remuneration and performance bonuses.

The provisions for outstanding discounts represent discounts to which the airlines are entitled and cover the period up to the balance sheet date.

Miscellaneous current provisions consist chiefly of provisions for damages and legal proceedings as well as other accruals.

## › (31) Trade payables

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| To third parties | 34,643.9 | 46,843.4 |
| To non-consolidated subsidiaries | 1,077.6 | 2,843.4 |
| To companies recorded at equity | 2,072.1 | 30.8 |
| | **37,793.6** | **49,717.6** |

## › (32) Other current liabilities

| in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Amounts due to companies recorded at equity | 10,835.3 | 7,938.3 |
| Customers with credit balances | 1,051.4 | 1,597.7 |
| Environmental fund | 35,069.9 | 29,535.6 |
| Finance lease liabilities (current portion) | 873.3 | 811.5 |
| Miscellaneous liabilities | 6,115.4 | 2,595.1 |
| Accrued wages | 6,975.9 | 6,815.9 |
| **Subtotal financial liabilities (FLAC)*** | **60,921.3** | **49,294.1** |
| Other tax liabilities | 2,127.1 | 2,295.4 |
| Other accruals | 1,611.4 | 1,405.0 |
| Social security liabilities | 7,098.8 | 7,164.1 |
| Investment subsidies (government grants) | 213.4 | 201.2 |
| | **71,971.9** | **60,359.9** |

* FLAC: financial liabilities at amortised cost

The liabilities to the environmental fund represent obligations arising from the mediation process. Of the outstanding liability, T€ 35,069.9 were classified to other current liabilities as of 31 December 2014 to reflect the assumption that the conditions for payment will be met in 2015.

The other accruals consist primarily of the current portion of rental prepayments by Austro Control GmbH for the air traffic control tower.

# Other Information

## › (33) Cash flow statement

The indirect method was used to prepare the consolidated cash flow statement. Information on the components of cash and cash equivalents is provided under note (20).

Interest payments and dividends received are included under cash flow from operating activities. The dividend paid by Flughafen Wien AG is included under cash flow from financing activities.

Purchases of (investment in) property, plant and equipment in prior years that did not lead to cash outflows in 2014 (previous year: led to cash outflows) resulted in the deduction of T€ 310.6 (previous year: T€ 24,544.5) from payments made for the purchase of non-current assets (previous year: addition).

## › (34) Additional disclosures on financial instruments

### Receivables, originated loans and other financial asset

The following tables show the term structure of receivables, originated loans and other financial assets (loans and receivables) as well as the development of valuation allowances:

| 2014 in T€ | Carrying amount after valuation allowance 31.12.2014 | Thereof neither adjusted nor overdue | Thereof not adjusted but overdue during the following periods | | | | |
|---|---|---|---|---|---|---|---|
| | | | up to 30 days | from 31 to 90 days | from 91 to 180 days | from 181 to 360 days | over 360 days |
| Remaining term up to 1 year | 44,555.8 | 40,173.2 | 968.9 | 442.9 | 903.6 | 279.6 | 0.0 |
| Remaining term over 1 year | 612.7 | 612.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Subtotal** | **45,168.5** | **40,785.9** | **968.9** | **442.9** | **903.6** | **279.6** | **0.0** |

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| 2013 in T€ | Carrying amount after valuation allowance 31.12.2013 | Thereof neither adjusted nor overdue | Thereof not adjusted but overdue during the following periods | | | | |
|---|---|---|---|---|---|---|---|
| | | | up to 30 days | from 31 to 90 days | from 91 to 180 days | from 181 to 360 days | over 360 days |
| Remaining term up to 1 year | 68,317.3 | 62,465.8 | 1,747.1 | 164.5 | 0.0 | 359.1 | 2,780.9 |
| Remaining term over 1 year | 595.1 | 595.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Subtotal** | **68,912.4** | **63,060.9** | **1,747.1** | **164.5** | **0.0** | **359.1** | **2,780.9** |

There were no indications as of the balance sheet date that the debtors would be unable to meet their obligations for the payment of receivables or originated loans that were neither adjusted nor overdue.

The valuation allowances relate primarily to trade and other receivables, and developed as follows:

| 2014 in T€ | Valuation allowance 1.1.2014 | Use | Reversal | Addition | Valuation allowance 31.12.2014 |
|---|---|---|---|---|---|
| Individual valuation allowances | 8,151.8 | -1,769.1 | -980.1 | 4,053.9 | 9,456.6 |
| Collective (Individual) valuation allowances | 8.2 | 0.0 | 0.0 | 37.7 | 45.9 |
| **Subtotal** | **8,160.0** | **-1,769.1** | **-980.1** | **4,091.6** | **9,502.4** |

| 2013 in T€ | Valuation allowance 1.1.2013 | Use | Reversal | Addition | Valuation allowance 31.12.2013 |
|---|---|---|---|---|---|
| Individual valuation allowances | 8,375.5 | -191.8 | -1,226.0 | 1,194.1 | 8,151.8 |
| Collective (Individual) valuation allowances | 14.0 | 0.0 | -5.8 | 0.0 | 8.2 |
| **Subtotal** | **8,389.4** | **-191.8** | **-1,231.7** | **1,194.1** | **8,160.0** |

Expenses for the derecognition of receivables (primarily trade receivables) totalled T€ 75.8 in the 2014 reporting period (previous year: T€ 25.8).

An analysis of the receivables adjusted as of the balance sheet date according to the period overdue is shown below:

| 2014 in T€ | Carrying amount before valuation allowances 31.12.2014 | Individual valuation allowance 31.12.2014 | Carrying amount before valuation allowance 31.12.2014 | Carrying amount after valuation allowance 31.12.2014 |
|---|---|---|---|---|
| Overdue < 1 year | 1,324.2 | 1,028.7 | 6.7 | 288.8 |
| Overdue > 1 year | 9,965.9 | 8,427.9 | 39.2 | 1,498.8 |
| **Subtotal** | **11,290.1** | **9,456.6** | **45.9** | **1,787.7** |

| 2013 in T€ | Carrying amount before valuation allowances 31.12.2013 | Individual valuation allowance 31.12.2013 | Carrying amount before valuation allowance 31.12.2013 | Carrying amount after valuation allowance 31.12.2013 |
|---|---|---|---|---|
| Overdue < 1 year | 1,225.9 | 1,110.5 | 1.1 | 114.3 |
| Overdue > 1 year | 7,734.1 | 7,041.3 | 7.1 | 685.7 |
| **Subtotal** | **8,960.0** | **8,151.8** | **8.2** | **800.0** |

## Financial liabilities – term structure

The following tables show the contractually agreed conditions and (undiscounted) interest and principal payments on the non-derivative financial liabilities held by the Flughafen Wien Group:

| 2014 in T€ | Currency | Carrying amount 31.12.2014 | Gross cash flows 31.12.2014 | Cashflows < 1 year | Cashflows 1 - 5 years | Cashflows > 5 years | Interest rate* |
|---|---|---|---|---|---|---|---|
| Fixed-interest financial liabilities | EUR | 455,975.0 | 635,831.0 | 50,186.2 | 197,679.1 | 387,965.6 | 4.80% |
| Variable interest financial liabilities | EUR | 73,801.4 | 74,149.0 | 44,058.2 | 30,090.8 | | 0.45% |
| Trade payables | EUR | 37,793.6 | 37,793.6 | 37,793.6 | | | n.a. |
| Other liabilities | EUR | 60,048.0 | 60,048.0 | 60,048.0 | | | n.a. |
| Finance lease liabilities | EUR | 6,653.2 | 8,304.0 | 1,324.6 | 5,246.5 | 1,732.9 | 7.51% |
| **Total** | | **634,271.2** | **816,125.6** | **193,410.7** | **233,016.4** | **389,698.5** | |

* Weighted average as of the balance sheet date, including any guarantee fees

| 2013 in T€ | Currency | Carrying amount 31.12.2013 | Gross cash flows 31.12.2013 | Cashflows < 1 year | 1 - 5 years | > 5 years | Interest rate* |
|---|---|---|---|---|---|---|---|
| Fixed-interest financial liabilities | EUR | 461,983.8 | 664,289.3 | 24,624.7 | 211,266.6 | 428,398.0 | 4.78% |
| Variable interest financial liabilities | EUR | 195,308.7 | 198,174.7 | 104,711.3 | 93,463.4 | | 0.94% |
| Trade payables | EUR | 49,717.6 | 49,717.6 | 49,717.6 | | | n.a. |
| Other liabilities | EUR | 51,182.6 | 51,182.5 | 48,482.5 | 2,700.0 | | n.a. |
| Finance lease liabilities | EUR | 7,466.6 | 9,628.6 | 1,322.6 | 5,273.5 | 3,032.5 | 7.51% |
| **Total** | | **765,659.2** | **972,992.8** | **228,858.7** | **312,703.5** | **431,430.5** | |

* Weighted average as of the balance sheet date, including any guarantee fees

Of the total bank loans, T€ 455,975.0 (previous year: T€ 505,429.6) are secured by guarantees in accordance with the respective contracts. These guarantors receive a fee for these commitments.

The credit agreement with the European Investment Bank (EIB) defines terms for the liability of qualified guarantors. The current guarantors cancelled the guarantee agreement that serves as collateral for the EIB loan as of 27 June 2013 at the full amount of T€ 400,000.0. Following the conclusion of a new syndicated guarantee agreement, on 28 June 2013 six financial institutions took over as guarantors for the outstanding EIB loan of T€ 400,000.0. After one guarantor had to be changed in August 2014 due to a rating downgrade, two of the existing financial institutions assumed the released guarantee amount. Thus there are now five financial institutions acting as guarantors to the EIB.

This listing includes all instruments held by the Group as of 31 December 2014 for which payments have been contractually agreed. The variable interest payments on financial instruments were based on the interest rates on 31 December 2014. Financial liabilities that can be repaid at any time are always allocated to the earliest repayment period.

## Carrying amounts, amounts recognised and fair values by valuation category

Management assumes that – with the exception of the items listed below – the carrying amounts of financial assets and financial liabilities stated at cost generally reflect fair value.

Trade receivables, originated loans and other receivables generally have short remaining terms and therefore basically approximate fair value. Trade payables and other liabilities also normally have short remaining terms, so the carrying amounts of these items approximate fair value as of the balance sheet date.

The fair values of financial liabilities due to financial institutions (bank loans) and other financial liabilities (above all leasing liabilities) are generally determined using the present value of the payments for these obligations in accordance with the yield curve applicable to the respective remaining terms and a credit spread appropriate for Flughafen Wien (Level 2).

The fair value of the available-for-sale (AfS) securities is based on rights from life insurance policies and calculated using the capitalisation value of these policies. The capitalisation value equals the coverage capital and the profit participation of the respective policy (Level 2).

The fair value of the available-for-sale (AfS) debt instruments (securities) was calculated based on a price determined from credit spread and interest rate risk. (Level 2)

No items were reclassified between Levels 1 and 2 during the reporting year.

The following tables show the carrying amounts, fair values and amounts recognised for the financial assets and liabilities, broken down by valuation category. The information on the fair value of financial assets and liabilities that are not recognised at fair value is for information purposes only. Because the balance sheet items "receivables and other assets" and "other liabilities" contain both non-financial assets and non-financial liabilities, the line "not a financial instrument" has been inserted in order to ensure a reconciliation of the carrying amounts with the corresponding balance sheet item.

## ASSETS

| Amounts in T€ | Valuation category | Carrying amounts: Non-current assets: Other financial assets | Current assets: Securities | Current assets: Receivables and Other assets |
|---|---|---|---|---|
| **31 December 2014** | | | | |
| **Financial assets carried at fair value** | | | | |
| Rights | AfS | 2,605.8 | | |
| Debt instruments (securities) | AfS | | 21,292.2 | |
| **Financial assets not recognised at fair value** | | | | |
| Trade receivables** | LaR | | | 36,187.5 |
| Receivables due from associated companies | LaR | | | 826.5 |
| Other receivables**** | LaR | | | 7,541.8 |
| Originated loans | LaR | 612.7 | | |
| Equity instruments (securities)*** | AfS | 632.7 | | |
| Investments in other companies*** | AfS | 106.3 | | |
| Cash and cash equivalents | Cash reserve | | | |
| **Non financial instruments** | | | | |
| Other receivables and accruals | n.a. | | | 16,420.0 |
| **Total** | | **3,957.5** | **21,292.2** | **60,975.8** |
| **31 December 2013** | | | | |
| **Financial assets carried at fair value** | | | | |
| Investment fund shares and similar rights | AfS | 2,905.1 | | |
| **Financial assets not recognised at fair value** | | | | |
| Trade receivables** | LaR | | | 34,452.6 |
| Receivables due from associated companies | LaR | | | 61.8 |
| Other receivables**** | LaR | | | 13,802.9 |
| Originated loans | LaR | 595.1 | | |
| Debt instruments (securities)* | LaR | | 20,000.0 | |
| Equity instruments (securities)*** | AfS | 632.7 | | |
| Investments in other companies*** | AfS | 157.3 | | |
| Cash and cash equivalents | Cash reserve | | | |
| **Non financial instruments** | | | | |
| Other receivables and accruals | n.a. | | | 19,726.4 |
| **Total** | | **4,290.3** | **20,000.0** | **68,043.7** |

* Level adjusted
** Less valuation allowances incl. receivables due from non-consolidated subsidiaries
*** Due to being immaterial (and lack of a quoted price) information on this has been omitted
**** Less valuation allowances

| | | Fair value | | | | |
|---|---|---|---|---|---|---|
| Cash and cash equiva-lents | Total | Level 1 | Level 2 | Level 3 | Total | Valuation approach as per IAS 39 |
| | | | | | | |
| | | | | | | |
| | 2,605.8 | | 2,605.8 | | 2,605.8 | Fair value not recognised in profit or loss |
| | 21,292.2 | | 21,292.2 | | 21,292.2 | Fair value not recognised in profit or loss |
| | | | | | | |
| | 36,187.5 | | | | | Amortised cost |
| | 826.5 | | | | | Amortised cost |
| | 7,541.8 | | | | | Amortised cost |
| | 612.7 | | | | | Amortised cost |
| | 632.7 | | | | | Cost |
| | 106.3 | | | | | Cost |
| 2,242.1 | 2,242.1 | | | | | Nominal value = fair value |
| | | | | | | |
| | 16,420.0 | | | | | |
| 2,242.1 | 88,467.6 | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | 2,905.1 | 389.1 | 2,516.0 | | 2,905.1 | Fair value not recognised in profit or loss |
| | | | | | | |
| | 34,452.6 | | | | | Amortised cost |
| | 61.8 | | | | | Amortised cost |
| | 13,802.9 | | | | | Amortised cost |
| | 595.1 | | | | | Amortised cost |
| | 20,000.0 | | 21,507.2 | | 21,507.2 | Amortised cost |
| | 632.7 | | | | | Cost |
| | 157.3 | | | | | Cost |
| 3,923.3 | 3,923.3 | | | | | Nominal value = fair value |
| | | | | | | |
| | 19,726.4 | | | | | |
| 3,923.3 | 96,257.2 | | | | | |

**Abbreviations**
LaR - Loans and Receivables
AfS - Available-for-Sale financial instruments

>

## EQUITY AND LIABILITIES

| | | Carrying amounts | | | |
|---|---|---|---|---|---|
| | | Non-current liabilities | | Current liabilities | |
| Amounts in T€ | Valuation category | Financial liabilities | Other liabilities | Financial liabilities | Trade payables |
| **31 December 2014** | | | | | |
| **Financial liabilities recognised at fair value** | | | | | |
| **Financial liabilities not recognised at fair value** | | | | | |
| Trade payables | FLAC | | | | 37,793.6 |
| Financial liabilities | FLAC | 457,721.3 | | 72,055.1 | |
| Lease liabilities | FLAC | | 5,779.8 | | |
| Other liabilities | FLAC | | | | |
| **Non financial instruments** | | | | | |
| Other liabilities and accruals | n.a. | | 23,832.7 | | |
| **Total** | | **457,721.3** | **29,612.5** | **72,055.1** | **37,793.6** |
| **31 December 2013 *** | | | | | |
| **Financial liabilities recognised at fair value** | | | | | |
| **Financial liabilities not recognised at fair value** | | | | | |
| Trade payables | FLAC | | | | 49,717.6 |
| Financial liabilities | FLAC | 551,646.4 | | 105,646.0 | |
| Lease liabilities | FLAC | | 6,655.1 | | |
| Other liabilities | FLAC | | 2,700.0 | | |
| **Non financial instruments** | | | | | |
| Other liabilities and accruals | n.a. | | 25,185.0 | | |
| **Total** | | **551,646.4** | **34,540.1** | **105,646.0** | **49,717.6** |

* adjusted

| | | Fair value | | | | |
|---|---|---|---|---|---|---|
| Other liabilities | Total | Level 1 | Level 2 | Level 3 | Total | Valuation approach as per IAS 39 |
| | 37,793.6 | | | | | Amortised cost |
| | 529,776.4 | | 559,821.4 | | 559,821.4 | Amortised cost |
| 873.3 | 6,653.2 | | 7,760.8 | | 7,760.8 | Amortised cost |
| 60,048.0 | 60,048.0 | | | | | Amortised cost |
| 11,050.6 | 34,883.3 | | | | | |
| 71,971.9 | 669,154.4 | | | | | |
| | 49,717.6 | | | | | Amortised cost |
| | 657,292.5 | | 666,736.3 | | 666,736.3 | Amortised cost |
| 811.5 | 7,466.6 | | 8,625.1 | | 8,625.1 | Amortised cost |
| 48,482.6 | 51,182.6 | | | | | Amortised cost |
| 11,065.8 | 36,250.9 | | | | | |
| 60,359.9 | 801,910.1 | | | | | |

**Abbreviations**
FLAC - Financial Liabilities measured at amortised cost)

## Net results by valuation category

| 2014 in T€ | from interest / dividends income | from interest expense |
|---|---|---|
| Cash reserve | 2.3 | |
| Loans and receivables (LaR) | 90.5 | -30.1 |
| Available-for-sale financial assets (AfS) | 944.8 | |
| Financial liabilities at amortised cost (FLAC) | | -24,137.0 |
| **Total** | **1,037.6** | **-24,167.1** |

| 2013* in T€ | from interest / dividends income | from interest expense |
|---|---|---|
| Cash reserve | 87.3 | |
| Loans and receivables (LaR) | 1,790.6 | -30.0 |
| Available-for-sale financial assets (AfS) | 2,621.0 | |
| Financial liabilities at amortised cost (FLAC) | | -25,916.7 |
| **Total** | **4,498.9** | **-25,946.7** |

*adjusted

| From subsequent measurement | | | | |
|---|---|---|---|---|
| **At fair value not through profit or loss** | **Foreign currency translation** | **Valuation allowance** | **from derecognition** | **Net results** |
| | -2.0 | | | -2.0 |
| | | -3,187.3 | | -3,187.3 |
| 1,382.0 | | | 25.6 | 1,407.6 |
| | | | | 0.0 |
| **1,382.0** | **-2.0** | **-3,187.3** | **25.6** | **-1,781.7** |

| From subsequent measurement | | | | |
|---|---|---|---|---|
| **At fair value not through profit or loss** | **Foreign currency translation** | **Valuation allowance** | **from derecognition** | **Net results** |
| | 3.9 | | | 3.9 |
| | -2.4 | 11.8 | | 9.4 |
| 89.3 | | | 348.0 | 437.3 |
| | | | | 0.0 |
| **89.3** | **1.5** | **11.8** | **348.0** | **450.6** |

The interest received on financial instruments is included under net financing costs. The other components of net results are recorded under other financial results, with the exception of the valuation allowances to trade and other receivables that are classified under loans and receivables. These valuation allowances are shown under other operating expenses.

Net financing costs of T€ 24,137.0 (previous year: T€ 25,916.7) for financial liabilities measured at amortised cost consist primarily of interest expense on bank loans. This item also includes the interest added to and discounted from other financial liabilities.

In connection with the recording of changes in the fair value of available-for-sale financial assets without recognition to profit or loss, valuation gains of T€ 1,382.0 gross (less deferred taxes T€ 1,036.5) were recognised in other comprehensive income for the 2014 financial year (previous year: gross T€ 89.3, net T€ 67.0).

The 2014 net profit from derecognition relates to the sale of securities.

# › (35) Risk management

## Financial risks

The financial assets, liabilities and planned transactions of the Flughafen Wien Group are exposed to a variety of market risks that include the risks resulting from changes in interest rates, exchange rates and stock market prices. The goal of financial risk management is to limit these market risks through the continuous optimisation of operating and financial activities. The measures to achieve these objectives are contingent on the expected risk, and include the selected use of derivative and non-derivative hedging instruments. Hedging generally involves only those risks that could influence the Group's cash flows. Derivative financial instruments are used exclusively for hedging purposes, and never for trading or other speculative reasons. In order to minimise credit risk, hedges are principally concluded with leading financial institutions that have a first-class credit rating.

The basic principles of the Group's financial policy are defined each year by the Management Board and monitored by the Supervisory Board. The Group treasury department is responsible for the implementation of financial policy and on-going risk management. Certain transactions require the prior approval of the business unit manager and, if specific limits are exceeded, the approval of the Management Board, which is provided with regular information on the scope and volume of the Group's current risk exposure. The treasury department views the effective management of liquidity risk and market risk as one of its primary duties.

## Liquidity risk

The objective of liquidity management is to ensure that the Group is able to meet its payment obligations at all times. Liquidity management is based on short-term and long-term liquidity forecasts, which are subject to variance analyses and adjusted if necessary. The Group's business units provide the treasury department with information that is used to develop a liquidity profile. This active management of payment flows is used to optimise net financing costs. Certain components of financial investments are held in the form of rights (investment funds, bonds) that serve as a liquidity reserve and can generally be sold at any time.

Additional quantitative information is provided under note (34).

## Credit risk

The Flughafen Wien Group is exposed to risks arising from its business operations as well as the risk of default that is connected with certain investment and financing activities. In the investment and financing area, transactions are concluded almost exclusively with partners that have at least an "A" credit rating (S&P, Moody's). Contract partners that are not rated by these agencies must have an excellent credit standing. The Group only acquires shares in investment funds that are directed by recognised international asset management companies. In the operating business, outstanding receivables are monitored continuously on a centralised basis. The risk resulting from default is minimised by short payment periods, agreements for the provision of collateral such as deposits or bank guarantees, and the increased use of direct debit and automatic collection procedures. The risk of default is countered by individual and collective (individual) valuation allowances. The credit risk associated with receivables can generally be considered low, since the majority of receivables are due and payable within a short period of time and are based on long-term relationships with customers.

The carrying amount of financial assets represents the maximum default and credit risk, since there were no major agreements (e.g. settlement agreements) as of 31 December 2014 that would reduce the maximum risk of default.

Additional quantitative information is provided under note (34). Information on other financial obligations and risks is included in note (37).

## Interest rate risk

Interest rate risk represents the risk that the fair value or the future payment flows generated by a financial instrument could fluctuate because of changes in market interest rate levels. Interest rate risk includes the present value risk on fixed interest financial instruments as well as the risk associated with cash flows from variable interest financial instruments, and is related above all to long-term financial instruments. These longer terms are less important in the operating area, but can be material for financial assets, securities and financial liabilities.

The Flughafen Wien Group is exposed to interest rate risk mainly in the euro zone.

In order to depict market risks, IFRS 7 requires the disclosure of sensitivity analyses that demonstrate the effects of hypothetical changes in relevant risk variables on earnings and equity. The Flughafen Wien Group is not only exposed to interest rate risks, but also to foreign exchange risks and price risks arising from investments in other companies. The periodic effects are determined by evaluating the hypothetical changes in risk variables on financial instruments as of the balance sheet date for the financial statements. This procedure assumes that the amount determined as of this date is representative of the entire year.

Interest rate risks are presented in the form of sensitivity analyses as required by IFRS 7. These analyses show the effects of changes in interest rate levels on financing costs, interest income and expenses as well as other components of earnings and equity. The interest rate sensitivity analyses are based on the following assumptions:

- Changes in the interest rates of non-derivative financial instruments with fixed-interest rates only affect earnings that are measured at fair value. Therefore, fixed-interest financial instruments carried at amortised cost are not exposed to interest rate risk as defined in IFRS 7.

- Changes in the interest rates of non-derivative variable interest financial instruments affect earnings and are included in the sensitivity calculations for earnings.

If market interest rates had been 100 basis points higher/lower as of 31 December 2014, earnings would have been T€ 300.0 lower or T€ 263.7 higher (previous year: T€ 1,389.4 lower or T€ 1,310.7 higher). The theoretical impact on earnings results from the potential effect of variable interest securities and financial liabilities. If market interest rates had >

been 100 basis points higher/lower as of 31 December 2014, equity – including tax effects – would have been T€ 225.0 lower or T€ 197.8 higher (previous year: T€ 1,042.0 lower or T€ 983.0 higher).

## Foreign exchange risk

Foreign exchange risks arise in connection with financial instruments that are denominated in a currency other than the functional currency of the group company for which they are measured. For the purposes of IFRS, there is no foreign exchange risk on financial instruments that are denominated in the functional currency. Differences resulting from the translation of financial statements from a foreign currency into the Group currency are not affected by the provisions of IFRS 7.

The Flughafen Wien Group is exposed to foreign exchange risks in connection with investments, financing measures and operating activities. Foreign exchange risks in the investment area arise primarily in connection with the purchase and sale of stakes in foreign companies. As of the balance sheet date for the 2014 financial statements, the Group was not exposed to any material risks from transactions denominated in a foreign currency.

Foreign exchange risks in the financing area are related to financial liabilities that are denominated in foreign currencies as well as foreign currency loans that were concluded as financing for Group companies. The Flughafen Wien Group was not exposed to any material foreign exchange risks in the financing area as of 31 December 2014.

The individual Group companies carry out their business activities almost entirely in their relevant functional currency (euro), which is generally the same as the reporting currency of the Flughafen Wien Group. For this reason, the Group's foreign exchange risk in the operating area is considered to be low.

In accordance with IFRS 7, foreign exchange risks are generally presented in the form of a sensitivity analysis. The relevant risk variables are generally non-functional currencies in which the Group holds financial instruments. The foreign exchange sensitivity analysis is based on the following assumptions:

The major non-derivative monetary financial instruments – which include receivables, interest-bearing securities and debt instruments, cash and cash equivalents, and interest-bearing liabilities – are denominated primarily in the functional currency. Therefore, changes in foreign exchange rates have no material effect on earnings or equity.

Interest income from and expenses for financial instruments are recognised primarily in the functional currency. As a result, changes in the foreign exchange rates relating to these items have no effect on earnings or equity.

In summary, the risks to the Flughafen Wien Group arising from changes in foreign exchange rates were considered to be immaterial as of the closing date for the 2014 financial statements.

## Other price risks

In connection with the analysis of market risks, IFRS 7 also requires the disclosure of information on the effects of hypothetical changes in risk variables on the price of financial instruments. The relevant risk variables include, above all, stock market prices or indexes. As of 31 December 2014 and 2013, the Flughafen Wien Group held no investments that would be categorised as available for sale – with the exception of shares in subsidiaries not included in the consolidation and immaterial investments.

## Capital management

Financial management in the Flughafen Wien Group is designed to support a sustainable increase in the value of the company and also maintain a capital structure that will ensure an excellent credit rating.

Gearing represents an indicator for financial management. It is defined as the ratio of net financial liabilities (non-current and current financial liabilities less liquid funds and current securities) to equity as shown on the consolidated balance sheet. The main instruments used for managing gearing are an increase or decrease in financial liabilities as well as the strengthening of the equity base through the retention of earnings or the adjustment of dividend payments. Management has not defined a specific target for gearing, but it should not exceed 60% over the medium-term. This goal remains unchanged from the previous year. The following table shows the development of gearing:

| in T€ | 2014 | 2013 |
|---|---|---|
| Financial liabilities | 529,776.4 | 657,292.5 |
| – Cash and cash equivalents | -2,242.1 | -3,923.3 |
| – Current securities | -21,292.2 | -20,000.0 |
| **= Net financial liabilities** | **506,242.1** | **633,369.2** |
| ./. Carrying amount of equity | 952,549.0 | 905,921.3 |
| **= Gearing** | **53.1%** | **69.9%** |

Gearing declined year-on-year, above all due to the repayment of borrowings.

The ratio of net debt to EBITDA is also used to manage the financial structure. The company's medium-term goal is maintain this ratio at approx. 2.5. In 2014 net debt to EBITDA equalled 2.02 (2013: 2.62).

Neither Flughafen Wien AG nor its subsidiaries are subject to minimum capital requirements defined by external sources.

## (36) Operating leases

**Flughafen Wien as the lessor:**

The following table shows the lease payments arising from non-cancellable rental and lease contracts in which the Flughafen Wien Group serves as the lessor. In particular, the related objects represent operating and commercial buildings at Vienna Airport (including investment property).

| in T€ | 2014 | 2013 |
|---|---|---|
| Lease payments recognised as income of the reporting period | 138,977.9 | 133,589.6 |
| Thereof conditional payments from revenue-based rents | 4,524.1 | 5,023.3 |

| Future minimum lease payments: | | |
|---|---|---|
| Up to one year | 70,593.9 | 69,129.8 |
| Over one and up to five years | 143,347.9 | 165,802.4 |
| Over five years | 106,500.4 | 104,040.9 |

**Flughafen Wien as the lessee:**

Major non-cancellable leases in which the Flughafen Wien Group serves as the lessee have been concluded with HERMIONE Raiffeisen-Immobilien-Leasing GmbH for the rental of operating buildings at Vienna International Airport. The following table shows the lease payments arising from these contracts:

| in T€ | 2014 | 2013 |
|---|---|---|
| Lease payments recognised as expenses of the reporting period | 6,196.3 | 6,246.5 |
| Thereof conditional payments from expense-based rents | 792.5 | 860.2 |

| Future minimum lease payments: | | |
|---|---|---|
| Up to one year | 5,913.8 | 6,175.1 |
| Over one and up to five years | 21,768.0 | 22,773.0 |
| Over five years | 28,394.1 | 34,063.0 |

The conditional lease payments recognised as expenses during the reporting period are linked to a fixed reference interest rate (six-month EURIBOR).

## (37) Other obligations and risks

Flughafen Wien AG is required to assume the costs of the "Flughafen Wien Mitarbeiter-Beteiligung-Privatstiftung" (the employee foundation), which consist primarily of corporate income tax and administrative costs, in the form of subsequent contributions.

In accordance with § 7 (4) of the charter of the Schwechat Waste Water Association dated 10 December 2003, Flughafen Wien AG is liable as a member of this organisation for T€ 2,503.1 of loans related to the construction and expansion of sewage treatment facilities (previous year: T€ 2,977.5).

The Malta Mediterranean Link Consortium Group (MMLC) entered into a loan with a term ending in mid-2018 and an outstanding balance of € 6.91 million as of 31.12.2014 (2013: € 9.0 million). Flughafen Wien AG has agreed not to sell its investment in MMLC during the term of this loan. Furthermore, Flughafen Wien AG has confirmed the following to the lending institution: all necessary steps will be undertaken to ensure that the group's investments maintain a healthy financial position at all times; the corporate policies of Flughafen Wien AG include the fulfilment of financial obligations by MMLC at all times; and MMLC will be equipped with a financial basis that enables the company to meet its obligations at any time.

Information on commitments for pension and pension subsidy payments is provided under note (26).

As of 31 December 2014, obligations for the purchase of intangible assets amounted to € 0.5 million (2013: € 1.0 million) and obligations for the purchase of property, plant and equipment to € 8.2 million (2013: € 20.2 million).

## › (38) Information on business associations with related companies and persons

Related companies include subsidiaries, non-consolidated subsidiaries of the Flughafen Wien Group, associated companies, the shareholders of Flughafen Wien AG (the province of Lower Austria and the city of Vienna each hold 20% of the shares, and Airports Group Europe S.à.r.l holds 29.9%) and their major subsidiaries as well as the members of management in key positions. The Flughafen Wien Group maintains business relations with companies in which the province of Lower Austria and/or the city of Vienna hold direct or indirect investments; these entities are also classified as related companies in the sense of IAS 24. Transactions with these companies are carried out at arm's length. The transactions carried out in the sense of IAS 24 involve everyday transactions related to the operating business and were not material in total. Purchases are made at ordinary market prices less standard volume rebates or other rebates granted on the basis of the business relationship.

The business relationships between Flughafen Wien AG and non-consolidated subsidiaries are immaterial. Information on the receivables and liabilities due from/to related companies and persons is provided under the relevant position in the notes. The services provided by non-consolidated subsidiaries led to expenses of T€ 3,688.2 (previous year incl. GET2: T€ 8,937.2). The services provided by "GetService"-Flughafen-Sicherheits-und Servicedienst GmbH (GET2) led to expenses in 2014 of T€ 8,743.40 (previous year: in non-consolidated subsidiaries).

From the joint venture City Air Terminal Betriebsgesellschaft m.b.H., the Flughafen Wien Group achieved revenue in 2014 of T€ 1,058.1 (previous year: T€ 985.1), from the joint venture "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2) revenues of T€ 531.7 (previous year: non-consolidated) from the associate Schedule Coordination Austria GmbH revenues of T€ 385.4 (previous year: T€ 634.4) and from the associate Malta International Airport plc revenues of T€ 1,008.8 (previous year: T€ 925,4). The revenue recorded from transactions with City Air Terminal Betriebsgesellschaft.m.b.H consists chiefly of services provided by Flughafen Wien AG and its subsidiaries for railway >

operations (baggage handling, station operations, IT services etc.). The revenue generated by the associated company Schedule Coordination Austria GmbH represents charges by Flughafen Wien AG for the provision of personnel as well as IT and other services. The revenue recorded with the associate Malta International Airport plc. is generated primarily by consulting services. The revenue generated with the joint venture GET2 mainly affects services of Flughafen Wien AG.

On 31 December 2014, total receivables and originated loans due from joint ventures recorded at equity amounted to T€ 756.6 (previous year: T€ 37.3). The comparable amount from associated companies recorded at equity was T€ 69.9 (previous year: T€ 27.5).

On the same date, the liabilities to the joint ventures recorded at equity amounted to T€ 12,903.8 (previous year: T€ 7,938.3). The comparable amount for associated companies recorded at equity was T€ 3.7 (previous year: T€ 30.8).

**Natural related parties:**
No material transactions were conducted between the Flughafen Wien Group and persons in key management positions or their close family members. Relations with bodies of the company are described under note (39).

## › (39) Information on corporate bodies and employees

The following table shows the average number of employees in the Flughafen Wien Group:

| Employees (excluding Management Board and managing directors) | 2014 | 2013 |
|---|---:|---:|
| Wage employees | 3,112 | 3,213 |
| Salaried employees | 1,193 | 1,186 |
| | **4,306** | **4,399** |

The members of the management Board of Flughafen Wien AG received the following remuneration for their work in 2014 and 2013:

### › Management Board remuneration in 2014 (payments)

| in T€ | Fixed compensation | Performance-based components for 2013 | Non-cash remuneration | Total remuneration |
|---|---:|---:|---:|---:|
| Günther Ofner | 259.3 | 189.6 | 8.4 | 457.3 |
| Julian Jäger | 259.3 | 189.6 | 8.4 | 457.3 |
| | **518.6** | **379.1** | **16.8** | **914.6** |

### › Management Board remuneration in 2013 (payments)

| in T€ | Fixed compensation | Performance-based components for 2012 | Non-cash remuneration | Total remuneration |
|---|---:|---:|---:|---:|
| Günther Ofner | 253.7 | 183.2 | 7.2 | 444.2 |
| Julian Jäger | 253.7 | 183.2 | 7.2 | 444.2 |
| | **507.5** | **366.5** | **14.4** | **888.4** |

The remuneration system for the members of the Management Board and first level of management is comprised of fixed and performance-based components. The performance-based compensation represents bonuses for the 2013 financial year, which were paid out during 2014. There are no stock option plans for management.

On behalf of Julian Jäger and Günther Ofner, the company makes payments equalling 15% of the respective salary to a pension fund. The contribution for each board member amounted to T€ 67.3 in 2014 (previous year: incl. partial back payment for 2012: T€ 70.8) for each board member.

For other employees, exceptional performance and the realisation of targeted goals are rewarded in the form of bonuses.

Remuneration paid to former members of the Management Board amounted to T€ 984.7 in 2014 (previous year: T€ 606.8).

## Expenses for persons in key management positions

Key management includes the members of the Management Board, the authorised officers of Flughafen Wien AG and the members of the Supervisory Board of Flughafen Wien AG. The following table shows the remuneration paid to these persons, including the changes in provisions:

### › Expenses in 2014

| in T€ | Supervisory Board | Management Board | Key employees |
|---|---|---|---|
| Short-term benefits | 117.4 | 1,054.1 | 2,891.6 |
| Post-employment benefits (contributions to pension funds) | 0.0 | 134.7 | 44.7 |
| Other long-term benefits | 0.0 | 0.0 | 282.1 |
| Termination benefits | 0.0 | 0.0 | 473.3 |
| **Subtotal** | **117.4** | **1,188.8** | **3,691.7** |

### › Expenses in 2013

| in T€ | Supervisory Board | Management Board | Key employees |
|---|---|---|---|
| Short-term benefits | 115.9 | 1,027.4 | 2,645.7 |
| Post-employment benefits (contributions to pension funds) | 0.0 | 141.6 | 44.9 |
| Other long-term benefits | 0.0 | 0.0 | 20.6 |
| Termination benefits | 0.0 | 0.0 | 110.2 |
| **Subtotal** | **115.9** | **1,169.0** | **2,821.5** |

Payments of T€ 117.4 were made to the members of the Supervisory Board in 2014 (previous year: T€ 115.9).

## (40) Significant events occurring after the balance sheet date

All events occurring after the balance sheet date that are important for valuation and measurement as of 31 December 2014 – such as outstanding legal proceedings or claims for damages and other obligations or impending losses that must be recognised or disclosed in accordance with IAS 10 – are included in these consolidated financial statements or are not known.

Schwechat, 3 March 2015

**The Management Board**

**Günther Ofner**
Member, CFO

**Julian Jäger**
Member, COO

# Group companies of Flughafen Wien AG

| Company | Abbre-viation | Parent company | Country | Share owned | Type of con-solidation | Segment |
|---|---|---|---|---|---|---|
| Flughafen Wien AG | VIE | | Austria | | VK | All |
| Flughafen Wien Immobilien-verwertungsgesellschaft m.b.H. | IVW | VIE | Austria | 100.0 % | VK | Airport, Retail & Properties |
| Flugplatz Vöslau BetriebsGmbH | LOAV | VAH | Austria | 100.0 % | VK | Airport |
| Mazur Parkplatz GmbH | MAZU | VIEL | Austria | 100.0 % | VK | Retail & Properties |
| VIE International Beteiligungs-management Gesellschaft m.b.H. | VINT | VIAB | Austria | 100.0 % | VK | Other |
| VIE Liegenschaftsbeteiligungsgesells-chaft m.b.H. | VIEL | VIE | Austria | 100.0 % | VK | Retail & Properties |
| VIE Office Park Errichtungs- und Betriebsgesellschaft m.b.H. | VOPE | VIEL | Austria | 100.0 % | VK | Retail & Properties |
| Vienna Aircraft Handling Gesellschaft m.b.H. | VAH | VIE | Austria | 100.0 % | VK | Handling |
| Vienna Airport Business Park Immo-bilienbesitzgesellschaft m.b.H. | BPIB | VIEL | Austria | 100.0 % | VK | Retail & Properties |
| Vienna Airport Technik GmbH | VAT | VIE | Austria | 100.0 % | VK | Other |
| Vienna International Airport Beteili-gungsholding GmbH | VIAB | VIE | Austria | 100.0 % | VK | Other |
| Vienna International Airport Security Services Ges.m.b.H. | VIAS | VIE | Austria | 100.0 % | VK | Handling |
| VIE Office Park 3 BetriebsGmbH | VWTC | VIEL | Austria | 100.0 % | VK | Retail & Properties |
| BTS Holding a.s. "v likvidacii" | BTSH | VIE | Slovakia | 80.95 % | VK | Other |
| KSC Holding a.s. | KSCH | VIE | Slovakia | 100.0 % | VK | Other |
| VIE (Malta) Limited | VIE Malta | VINT | Malta | 100.0 % | VK | Other |
| VIE Malta Finance Holding Ltd. | VIE MFH | VIE | Malta | 100.0 % | VK | Other |
| VIE Malta Finance Ltd. | VIE MF | VIE MFH | Malta | 100.0 % | VK | Other |
| VIE Operations Holding Limited | VIE OPH | VINT | Malta | 100.0 % | VK | Other |
| VIE Operations Limited | VIE OP | VIE OPH | Malta | 100.0 % | VK | Other |

| Company | Abbre- viation | Parent company | Country | Share owned | Type of con- solidation | Segment |
|---|---|---|---|---|---|---|
| VIE ÖBA GmbH | OEBA | VIE | Austria | 100.0 % | VK | Other |
| Vienna Passenger Handling Services GmbH | VPHS | VIE | Austria | 100.0 % | VK | Other |
| City Air Terminal Betriebsgesellschaft m.b.H. | CAT | VIE | Austria | 50.1 % | EQ | Other |
| SCA Schedule Coordination Austria GmbH | SCA | VIE | Austria | 49.0 % | EQ | Other |
| Letisko Košice – Airport Košice, a.s. | KSC | KSCH | Slovakia | 66.0 % | EQ | Other |
| Malta International Airport plc | MIA | VIE Malta | Malta | 33.0 % | EQ | Other |
| Malta Mediterranean Link Consortium Limited (subgroup mit Malta International Airport plc) | MMLC | VIE Malta | Malta | 57.1 % | EQ | Other |
| "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH | GET2 | VIAS | Austria | 51.0 % | EQ | Other |
| "GetService" Dienstleistungs- gesellschaft m.b.H. | GETS | VIAS | Austria | 100.0 % | NK | Other |
| Salzburger Flughafen Sicherheits- gesellschaft m.b.H. | SFS | VIAS | Austria | 100.0 % | NK | Other |
| VIE Shops Entwicklungs- und Betriebsges.m.b.H. | SHOP | VIE | Austria | 100.0 % | NK | Other |

Type of consolidation:
VK = full consolidation
EQ = equity method
NK = not consolidated for reasons of immateriality

# Investments of Flughafen Wien AG

Amounts were determined in accordance with national law, unless IFRS data were available.

## 1. Subsidiaries included in the Group financial statements through full consolidation

### Flughafen Wien Immobilienverwertungsgesellschaft m.b.H. (IVW)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100 % VIE |

**Object of the company:** The commercial leasing of assets, in particular real estate, as well as the acquisition of property and buildings at Vienna Airport.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 17,279.0 | 17,042.1 |
| Net profit for the period | 14,959.0 | 8,417.6 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **14,959.0** | **8,417.6** |
| Current and non-current assets | 99,584.5 | 103,017.7 |
| Current and non-current liabilities | 6,650.4 | 16,624.5 |
| **Net assets** | **92,934.1** | **86,393.1** |

### Flugplatz Vöslau BetriebsGmbH (LOAV)

| | |
|---|---|
| **Headquarters:** | Bad Vöslau |
| **Share owned:** | 100 % VAH |

**Object of the company:** Operation and development of Vöslau Airport as well as the planning, construction and operation of buildings and equipment.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 970.3 | 921.0 |
| Net profit for the period | 175.3 | 92.4 |
| Other comprehensive income | -2.0 | -0.1 |
| **Total comprehensive income** | **173.3** | **92.4** |
| Current and non-current assets | 1,540.6 | 1,594.1 |
| Current and non-current liabilities | 171.2 | 397.9 |
| **Net assets** | **1,369.4** | **1,196.2** |

### Mazur Parkplatz GmbH (MAZU)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100 % VIEL |
| **Object of the company:** Operation of the Mazur car park and parking facilities. | |

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 2,373.7 | 2,442.1 |
| Net profit for the period | 1,272.1 | 1,367.7 |
| Other comprehensive income | -0.7 | 2.9 |
| **Total comprehensive income** | **1,271.4** | **1,370.7** |
| Current and non-current assets | 5,818.0 | 5,951.9 |
| Current and non-current liabilities | 189.5 | 223.7 |
| **Net assets** | **5,628.6** | **5,728.2** |

### VIE International Beteiligungsmanagement Gesellschaft m.b.H. (VINT)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100 % VIAB |
| **Object of the company:** Founding and management of local project companies for international acquisitions; consulting and project management. | |

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 1,013.3 | 937.9 |
| Net profit for the period | 3,359.5 | 2,112.5 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **3,359.5** | **2,112.5** |
| Current and non-current assets | 48,476.1 | 44,874.8 |
| Current and non-current liabilities | 4,884.9 | 4,643.2 |
| **Net assets** | **43,591.1** | **40,231.6** |

### VIE Liegenschaftsbeteiligungsgesellschaft m.b.H. (VIEL)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100 % VIE |
| **Object of the company:** Holding company for the BPIB, VOPE, MAZUR and VWTC subsidiaries, which are active in the purchase. development and marketing of property under their ownership. | |

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Net profit for the period | 2,757.3 | 2,701.7 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **2,757.3** | **2,701.7** |
| Current and non-current assets | 35,938.4 | 33,575.1 |
| Current and non-current liabilities | 5,516.0 | 5,910.0 |
| **Net assets** | **30,422.4** | **27,665.1** |

### › VIE Office Park Errichtungs- und Betriebsgesellschaft m.b.H. (VOPE)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100 % VIEL |

**Object of the company:** Development of real estate, in particular the Office Park 2.

| **Amounts in T€** | **2014** | **2013** |
|---|---|---|
| Revenue | 3,219.7 | 3,212.8 |
| Net profit for the period | 1,395.8 | 1,386.9 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **1,395.8** | **1,386.9** |
| Current and non-current assets | 40,145.2 | 41,479.7 |
| Current and non-current liabilities | 20,807.4 | 22,132.6 |
| **Net assets** | **19,337.9** | **19,347.1** |

### › Vienna Aircraft Handling Gesellschaft m.b.H. (VAH)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100 % VIE |

**Object of the company:** Provision of a full range of services for general aviation and, in particular, for business aviation; major revenue generators are private aircraft handling and aircraft handling services provided on behalf of Flughafen Wien AG in the general aviation sector (incl. fuelling and the provision of hangar space).

| **Amounts in T€** | **2014** | **2013** |
|---|---|---|
| Revenue | 12,335.6 | 12,180.5 |
| Net profit for the period | 1,930.6 | 2,232.1 |
| Other comprehensive income | -73.2 | 49.2 |
| **Total comprehensive income** | **1,857.5** | **2,281.3** |
| Current and non-current assets | 7,934.9 | 7,447.3 |
| Current and non-current liabilities | 1,798.3 | 1,301.2 |
| **Net assets** | **6,136.5** | **6,146.1** |

### › Vienna Airport Business Park Immobilienbesitzgesellschaft m.b.H. (BPIB)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 99 % VIEL 1 % IVW |

**Object of the company:** Purchase and marketing of property.

| **Amounts in T€** | **2014** | **2013** |
|---|---|---|
| Revenue | 8,678.9 | 9,162.4 |
| Net profit for the period | 1,972.7 | 1,960.4 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **1,972.7** | **1,960.4** |
| Current and non-current assets | 18,253.5 | 14,147.7 |
| Current and non-current liabilities | 11,972.0 | 9,838.9 |
| **Net assets** | **6,281.5** | **4,308.8** |

## › Vienna Airport Technik GmbH (VAT), previously: Vienna Airport Infrastruktur Maintenance GmbH (VAI)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100 % VIE |

**Object of the company:** Provision of services for electrical facilities and equipment, as well as the construction of electrical and supply facilities, in particular technical equipment for airports; the installation of electrical infrastructure; and the sale of security equipment.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 14,690.0 | 19,024.5 |
| Net profit for the period | 1,810.5 | 1,143.6 |
| Other comprehensive income | 45.8 | 87.8 |
| **Total comprehensive income** | **1,856.3** | **1,231.4** |
| Current and non-current assets | 5,427.9 | 6,084.5 |
| Current and non-current liabilities | 2,128.1 | 3,452.1 |
| **Net assets** | **3,299.7** | **2,632.4** |

## › Vienna International Airport Beteiligungsholding GmbH (VIAB)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100 % VIE |

**Object of the company:** Acquisition and investment in international subsidiaries and other companies; participation in international airport privatisation programmes; this company serves as the holding company for the VINT subsidiary.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Net profit for the period | 34.8 | 34.7 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **34.8** | **34.7** |
| Current and non-current assets | 59,981.7 | 59,885.4 |
| Current and non-current liabilities | 2,277.8 | 2,216.4 |
| **Net assets** | **57,703.9** | **57,669.0** |

## › Vienna International Airport Security Services Ges.m.b.H. (VIAS)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100 % VIE |

**Object of the company:** Provision of security services (persons and hand luggage) on behalf of the Austrian Ministry of the Interior; and various other services for aviation customers (wheelchair transport, control of oversize baggage, document control etc.); the company also participates in tenders for the provision of security services at other airports through its Austrian subsidiaries.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 51,987.2 | 51,441.5 |
| Net profit for the period | 9,310.6 | 9,591.6 |
| Other comprehensive income | -323.5 | 324.7 |
| **Total comprehensive income** | **8,987.1** | **9,916.4** |
| Current and non-current assets | 29,512.5 | 32,876.5 |
| Current and non-current liabilities | 12,228.4 | 14,479.6 |
| **Net assets** | **17,284.1** | **18,397.0** |

## › VIE Office Park 3 BetriebsGmbH (VWTC)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 99% VIEL 1% BPIB |

**Object of the company:** Rental and development of real estate, in particular the Office Park 3.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 2,531.0 | 2,329.9 |
| Net profit for the period | 86.3 | 951.9 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **86.3** | **951.9** |
| Current and non-current assets | 8,476.7 | 8,625.2 |
| Current and non-current liabilities | 5,681.0 | 5,915.8 |
| **Net assets** | **2,795.7** | **2,709.4** |

## › BTS Holding a.s. "v likvidacii" (BTSH)

| | |
|---|---|
| **Headquarters:** | Bratislava, Slovakia |
| **Share owned:** | 47.7% VIE 33.25% VINT |

**Object of the company:** Provision of services and consulting for airports; plans also call for the company to hold the intended investment in Bratislava Airport.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Loss for the period | -2,792.0 | -31.1 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **-2,792.0** | **-31.1** |
| Current and non-current assets | 885.6 | 3,672.8 |
| Current and non-current liabilities | 308.2 | 303.4 |
| **Net assets** | **577.4** | **3,369.4** |

## › KSC Holding a.s. (KSCH)

| | |
|---|---|
| **Headquarters:** | Bratislava, Slovakia |
| **Share owned:** | 47.7% VIE 52.3% VINT |

**Object of the company:** Holding company for the 66% investment in Košice Airport as well as the provision of consulting services.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Net profit for the period | 1,012.7 | 489.3 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **1,012.7** | **489.3** |
| Current and non-current assets | 34,309.2 | 33,724.7 |
| Current and non-current liabilities | 2,754.5 | 3,182.7 |
| **Net assets** | **31,554.7** | **30,542.0** |

## › VIE (Malta) Limited (VIE Malta)

| | |
|---|---|
| **Headquarters:** | Luqa, Malta |
| **Share owned:** | 99.8% VINT 0.2% VIAB |

**Object of the company:** Provision of services and consulting for airports; the financial statements of VIE (Malta) Limited include the at-equity valuation of the subgroup financial statements of Malta Mediterranean Link Consortium Ltd. and Malta International Airport plc.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Net profit for the period | 4,397.4 | 4,842.6 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **4,397.4** | **4,842.6** |
| Current and non-current assets | 58,506.7 | 56,439.6 |
| Current and non-current liabilities | 9,610.3 | 11,940.7 |
| **Net assets** | **48,896.3** | **44,498.9** |

## › VIE Malta Finance Holding Ltd. (VIE MFH)

| | |
|---|---|
| **Headquarters:** | Luqa, Malta |
| **Share owned:** | 99.95% VIE 0.05% VIAB |

**Object of the company:** Holding company for the subsidiary VIE Malta Finance Ltd.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Net profit for the period | 663.3 | 6,184.1 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **663.3** | **6,184.1** |
| Current and non-current assets | 14,824.3 | 14,157.6 |
| Current and non-current liabilities | 18.1 | 14.7 |
| **Net assets** | **14,806.2** | **14,142.9** |

>

## › VIE Malta Finance Ltd. (VIE MF)

| | |
|---|---|
| **Headquarters:** | Luqa, Malta |
| **Share owned:** | 99.95% VIE MFH 0.05% VIAB |

**Object of the company:** Purchase and sale, investment and trading in financial instruments.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Net profit for the period | 488.2 | 665.6 |
| Other comprehensive income | 385.2 | 0.0 |
| **Total comprehensive income** | **873.4** | **665.6** |
| Current and non-current assets | 51,736.5 | 173,129.4 |
| Current and non-current liabilities | 50,861.1 | 172,461.8 |
| **Net assets** | **875.4** | **667.6** |

## › VIE ÖBA GmbH (OEBA)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100% VIE |

**Object of the company:** Provision of all types of construction and construction-related services, among others for construction projects realised by Flughafen Wien AG or other companies.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 3,463.6 | 3,793.8 |
| Net profit for the period | 246.1 | 398.4 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **246.1** | **398.4** |
| Current and non-current assets | 517.4 | 906.2 |
| Current and non-current liabilities | 218.3 | 440.2 |
| **Net assets** | **299.1** | **466.0** |

## › Vienna Passenger Handling Services GmbH (VPHS), previously VIE Auslands Projektentwicklung und Beteiligung GmbH (VAPB)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100% VIE |

**Object of the company:** Provision of ground handling services within the meaning of the Act on Airport Ground Handling. The services comply with those in the appendix to the Act on Airport Ground Handling.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Loss for the period | -14.0 | -9.5 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **-14.0** | **-9.5** |
| Current and non-current assets | 65.7 | 214.9 |
| Current and non-current liabilities | 0.6 | 200.9 |
| **Net assets** | **65.0** | **14.0** |

## › VIE Operations Holding Limited (VIE OPH)

| | |
|---|---|
| **Headquarters:** | Luqa, Malta |
| **Share owned:** | 99.95% VINT 0.05% VIAB |

**Object of the company:** Holding company for VIE Operations Limited.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Net profit for the period | 1,205.2 | 1,070.8 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **1,205.2** | **1,070.8** |
| Current and non-current assets | 408.9 | 156.4 |
| Current and non-current liabilities | 180.6 | 33.3 |
| **Net assets** | **228.3** | **123.1** |

## › VIE Operations Limited (VIE OP)

| | |
|---|---|
| **Headquarters:** | Luqa, Malta |
| **Share owned:** | 99.95% VIE OPH 0.05% VINT |

**Object of the company:** Provision of support, services and consultancy for international airports.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 1,007.5 | 925.4 |
| Net profit for the period | 673.0 | 597.5 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **673.0** | **597.5** |
| Current and non-current assets | 395.3 | 552.9 |
| Current and non-current liabilities | 244.8 | 203.4 |
| **Net assets** | **150.5** | **349.5** |

## 2. Joint ventures included in the consolidated financial statements at equity:

### City Air Terminal Betriebsgesellschaft m.b.H. (CAT)

| | |
|---|---|
| **Type of holding:** | Joint venture |
| **Headquarters:** | Schwechat |
| **Share owned:** | 50.1% VIE |

**Object of the company:** Operation of the City Airport Express as a railway operator from the "Wien-Mitte" transit centre to and from Vienna International Airport; operation of check-in facilities at the "Wien-Mitte" transit centre combined with baggage logistics for airport passengers; consulting for third parties on the organisation and development of traffic connections between airports and cities.

| **Amounts in T€** | **2014** | **2013** |
|---|---|---|
| Revenue | 11,495.8 | 10,844.8 |
| Net profit for the period | 1,897.9 | 1,309.8 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **1,897.9** | **1,309.8** |

The above net profit includes the following amounts:

| **Amounts in T€** | **2014** | **2013** |
|---|---|---|
| Scheduled depreciation and amortisation | 623.1 | 761.0 |
| Interest income | 3.6 | 1.5 |
| Interest expenses | 0.3 | 0.4 |
| Income tax expense or income | 621.6 | 402.1 |

| **Amounts in T€** | **31.12.2014** | **31.12.2013** |
|---|---|---|
| Current assets | 12,048.7 | 8,467.6 |
| Non-current assets | 7,756.1 | 8,979.4 |
| Current liabilities | 1,328.3 | 839.3 |
| Non-current liabilities | 309.6 | 338.7 |
| **Net assets** | **18,166.9** | **16,269.0** |

The assets and liabilities listed above include the following amounts:

| **Amounts in T€** | **31.12.2014** | **31.12.2013** |
|---|---|---|
| Cash and cash equivalents | 5.8 | 5.9 |
| Current financial liabilities * | 0.0 | 0.0 |
| Non-current financial liabilities * | 0.0 | 0.0 |

* not including trade liabilities and other liabilities or provisions

The reconciliation of proportional net assets to the carrying amount is as follows:

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Proportional share of net assets of the investment as of 1.1. (proportional equity) | 8,150.8 | 7,494.6 |
| Total comprehensive income attributable to the Group | 950.8 | 656.2 |
| Dividends received | 0.0 | 0.0 |
| **Carrying amount as of 31.12.** | **9,101.6** | **8,150.8** |

### "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2)

| | | |
|---|---|---|
| **Type of holding:** | | Joint venture |
| **Headquarters:** | | Schwechat |
| **Share owned:** | 51% VIAS | 49% CKV Group |

**Object of the company:** Provision of security services, personnel leasing, cleaning including snow removal etc.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 9,615.4 | 8,756.8 |
| Net profit for the period | 885.6 | 1,098.9 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **885.6** | **1,098.9** |

The above net profit includes the following amounts:

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Scheduled depreciation and amortisation | 155.7 | 88.6 |
| Interest income | 0.2 | 0.0 |
| Interest expenses | 0.6 | 0.1 |
| Income tax expense or income | 293.9 | 351.3 |

| Amounts in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Current assets | 2,360.8 | 2,592.6 |
| Non-current assets | 850.9 | 844.5 |
| Current liabilities | 2,076.2 | 2,086.9 |
| Non-current liabilities | 80.0 | 80.2 |
| **Net assets** | **1,055.5** | **1,270.0** |

The assets and liabilities listed above include the following amounts:

| Amounts in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Cash and cash equivalents | 0.7 | 3.6 |
| Current financial liabilities * | 0.0 | 0.0 |
| Non-current financial liabilities * | 0.0 | 0.0 |

* not including trade liabilities and other liabilities or provisions

The reconciliation of proportional net assets to the carrying amount is as follows:

| Amounts in T€ | 2014 | 2013* |
|---|---|---|
| Proportional share of net assets of the investment as of 1.1. (proportional equity) | 647.7 | n.a. |
| Adjustment to net assets (related to prior periods) | -596.7 | n.a. |
| Adjustment to net profit for the period (related to prior periods) | 596.7 | n.a. |
| Total comprehensive income attributable to the Group | 451.6 | n.a. |
| Dividends received | -561.0 | n.a. |
| **Carrying amount as of 31.12.** | **538.3** | **n.a.** |

* not consolidated in 2013

### › Letisko Košice - Airport Košice, a.s. (KSC)

| | |
|---|---|
| **Type of holding:** | Joint venture |
| **Headquarters:** | Košice, Slovakia |
| **Share owned:** | 66% KSCH |

**Object of the company:** Operation of Košice Airport.

| Amounts in T€ | 2014* | 2013 |
|---|---|---|
| Revenue | 9,048.1 | 7,301.2 |
| Net profit for the period | 1,571.3 | 780.0 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **1,571.3** | **780.0** |

* Preliminary values

The above net profit includes the following amounts:

| Amounts in T€ | 2014* | 2013 |
|---|---|---|
| Scheduled depreciation and amortisation | 834.2 | 889.8 |
| Interest income | 95.0 | 104.5 |
| Interest expenses | 0.0 | 0.0 |
| Income tax expense or income | 427.4 | 476.8 |

* Preliminary values

| Amounts in T€ | 31.12.2014* | 31.12.2013 |
|---|---|---|
| Current assets | 18,952.2 | 16,792.4 |
| Non-current assets | 34,994.3 | 35,469.7 |
| Current liabilities | 1,695.1 | 1,111.1 |
| Non-current liabilities | 595.3 | 342.8 |
| **Net assets** | **51,656.1** | **50,808.1** |

* Preliminary values

The assets and liabilities listed above include the following amounts:

| Amounts in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Cash and cash equivalents | 16,711.1 | 14,258.7 |
| Current financial liabilities * | 0.0 | 0.0 |
| Non-current financial liabilities * | 0.0 | 0.0 |

* not including trade liabilities and other liabilities or provisions

The reconciliation of proportional net assets to the carrying amount is as follows:

| Amounts in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Proportional share of net assets of the investment as of 1.1. (proportional equity) | 33,533.4 | 33,848.8 |
| Total comprehensive income attributable to the Group | 1,037.1 | 514.8 |
| Other | 352.0 | 328.0 |
| Dividends received | -439.7 | -806.2 |
| **Carrying amount as of 31.12.** | **34,482.8** | **33,885.4** |

## 3. Associated companies included in the consolidated financial statements at equity:

### Malta Mediterranean Link Consortium Ltd. (MMLC) Group

| | |
|---|---|
| **Type of holding:** | Associated company |
| **Headquarters:** | La Valetta, Malta |
| **Share owned:** | 57.1% VIE Malta |

**Object of the company:** Holding company for the investment in Malta International Airport.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Profit or loss | 16,730.7 | 14,484.7 |
| Other comprehensive income | -68.0 | -121.4 |
| **Total comprehensive income** | **16,662.7** | **14,363.3** |
| attributable to non-controlling interests | 10,056.1 | 8,679.8 |
| attributable to the shareholders of the investment | 6,606.6 | 5,683.5 |

| Amounts in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Current assets | 45,902.0 | 41,999.2 |
| Non-current assets | 146,676.5 | 146,961.8 |
| Current liabilities | 26,819.5 | 26,858.8 |
| Non-current liabilities | 72,128.2 | 77,172.0 |
| **Net assets** | **93,630.7** | **84,930.3** |
| attributable to non-controlling interests | 44,307.4 | 40,190.3 |
| attributable to the shareholders of the investment | 49,323.3 | 44,740.0 |

The reconciliation of proportional net assets to the carrying amount is as follows:

| Amounts in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Proportional share of net assets of the investment as of 1.1. (proportional equity) | 25,546.6 | 23,616.1 |
| Adjustment to net assets (related to prior periods) | 0.0 | -257.6 |
| Adjustment to net profit for the period (related to prior periods) | -698.7 | 257.6 |
| Total net income attributable to the Group | 3,787.8 | 3,272.7 |
| Other comprehensive income attributable to the Group | -15.4 | -27.4 |
| Dividends received | -1,084.9 | -1,233.4 |
| Goodwill | 667.1 | 667.1 |
| Other | 37.1 | -126.4 |
| **Carrying amount as of 31.12.** | **28,239.6** | **26,168.8** |

### › Malta International Airport plc. (MIA)

| | |
|---|---|
| **Type of holding:** | Associated company |
| **Headquarters:** | Luqa, Malta |
| **Share owned:** | 10.1% VIE Malta 40% MMLC |
| **Object of the company:** Operation of Malta International Airport. | |

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Profit or loss | 16,828.8 | 14,587.7 |
| Other comprehensive income | -68.0 | -121.4 |
| **Total comprehensive income** | **16,760.8** | **14,466.3** |

This company is listed on the Malta Stock Exchange. The market price per share equalled € 2.35 as of the balance sheet date (2013: € 2.16) and the market value of the 10.1% directly owned stake was T€ 32,113.5 (2013: T€ 29,517.1).

| Amounts in T€ | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Current assets | 45,837.6 | 41,960.2 |
| Non-current assets | 119,861.7 | 120,147.0 |
| Current liabilities | 24,757.9 | 24,843.8 |
| Non-current liabilities | 67,318.2 | 70,279.6 |
| **Net assets** | **73,623.2** | **66,983.8** |

The reconciliation of proportional net assets to the carrying amount is as follows:

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Proportional share of net assets of the investment as of 1.1. (proportional equity) | 6,765.4 | 6,296.9 |
| Adjustment to net assets (related to prior periods) | 0.0 | -43.4 |
| Adjustment to net profit for the period (related to prior periods) | -43.4 | 43.4 |
| Total net income attributable to the Group | 1,699.7 | 1,473.4 |
| Other comprehensive income attributable to the Group | -6.9 | -12.3 |
| Dividends received | -1,024.9 | -956.6 |
| Goodwill | 22,569.1 | 22,569.1 |
| Other | -44.5 | 0.0 |
| **Carrying amount as of 31.12.** | **29,914.6** | **29,370.5** |

### SCA Schedule Coordination Austria GmbH (SCA)

| | |
|---|---|
| **Type of holding:** | Associated company |
| **Headquarters:** | Schwechat |
| **Share owned:** | 49% VIE |

**Object of the company:** Schedule coordinator for airports in Austria, e.g. the company allocates time slots to aircraft in accordance with EU law, principles defined by the IATA and applicable legal regulations, and also carries out other activities that are directly or indirectly related to the business of the company.

| Amounts in T€ | 2014* | 2013 |
|---|---|---|
| Revenue | 805.0 | 813.1 |
| Loss for the period | -57.3 | -46.5 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **-57.3** | **-46.5** |
| Current and non-current assets | 596.9 | 661.5 |
| Current and non-current liabilities | 122.0 | 104.3 |
| **Net assets** | **474.9** | **557.3** |

* Preliminary values

| Amounts in T€ | 31.12.2014 | 31.12.2013* |
|---|---|---|
| Carrying amounts of the investments in non-significant associated companies | 243.5 | 290.4 |

*2013: incl. carrying amount of CMIS (Columinis Holding GmbH in Liquidation)

## 4. Investments not included in the consolidated financial statements:

### GetService Dienstleistungsgesellschaft m.b.H. (GETS)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100% VIAS |

**Object of the company:** Provision of all types of security services related to airport operations.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 4,591.6 | 1,488.6 |
| Net profit for the period | 141.0 | 78.0 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **141.0** | **78.0** |
| Current and non-current assets | 1,180.7 | 708.3 |
| Current and non-current liabilities | 548.2 | 147.7 |
| **Net assets** | **632.5** | **560.6** |

### › Salzburger Flughafen Sicherheitsgesellschaft m.b.H. (SFS)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100% VIAS |

**Object of the company:** Provision of security services; the company is not active at the present time.

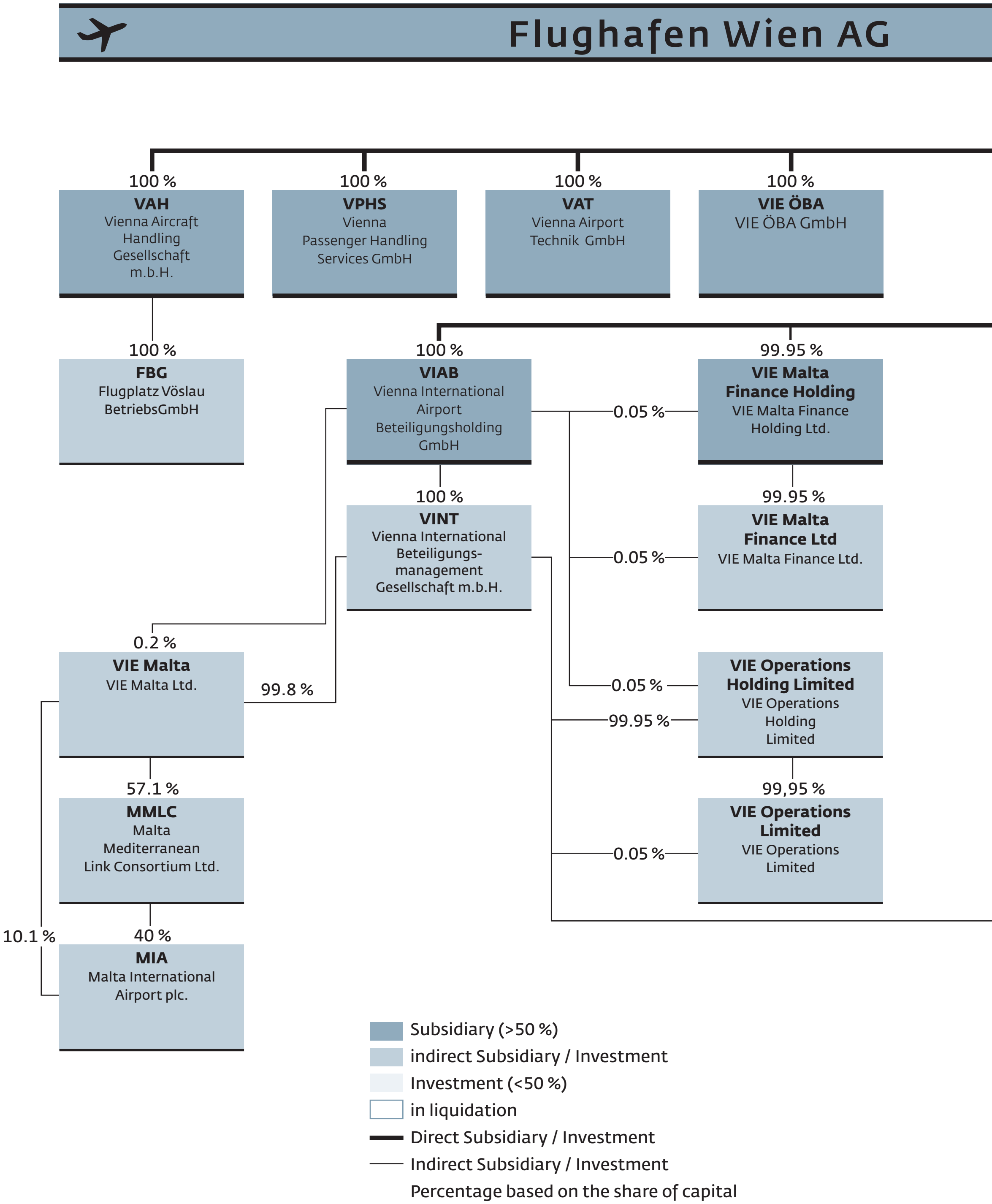
| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Loss for the period | -1.4 | -1.7 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **-1.4** | **-1.7** |
| Current and non-current assets | 48.0 | 49.4 |
| Current and non-current liabilities | 0.0 | 0.1 |
| **Net assets** | **48.0** | **49.4** |

### › VIE Shops Entwicklungs- und Betriebsges.m.b.H (SHOP)

| | |
|---|---|
| **Headquarters:** | Schwechat |
| **Share owned:** | 100% VIE |

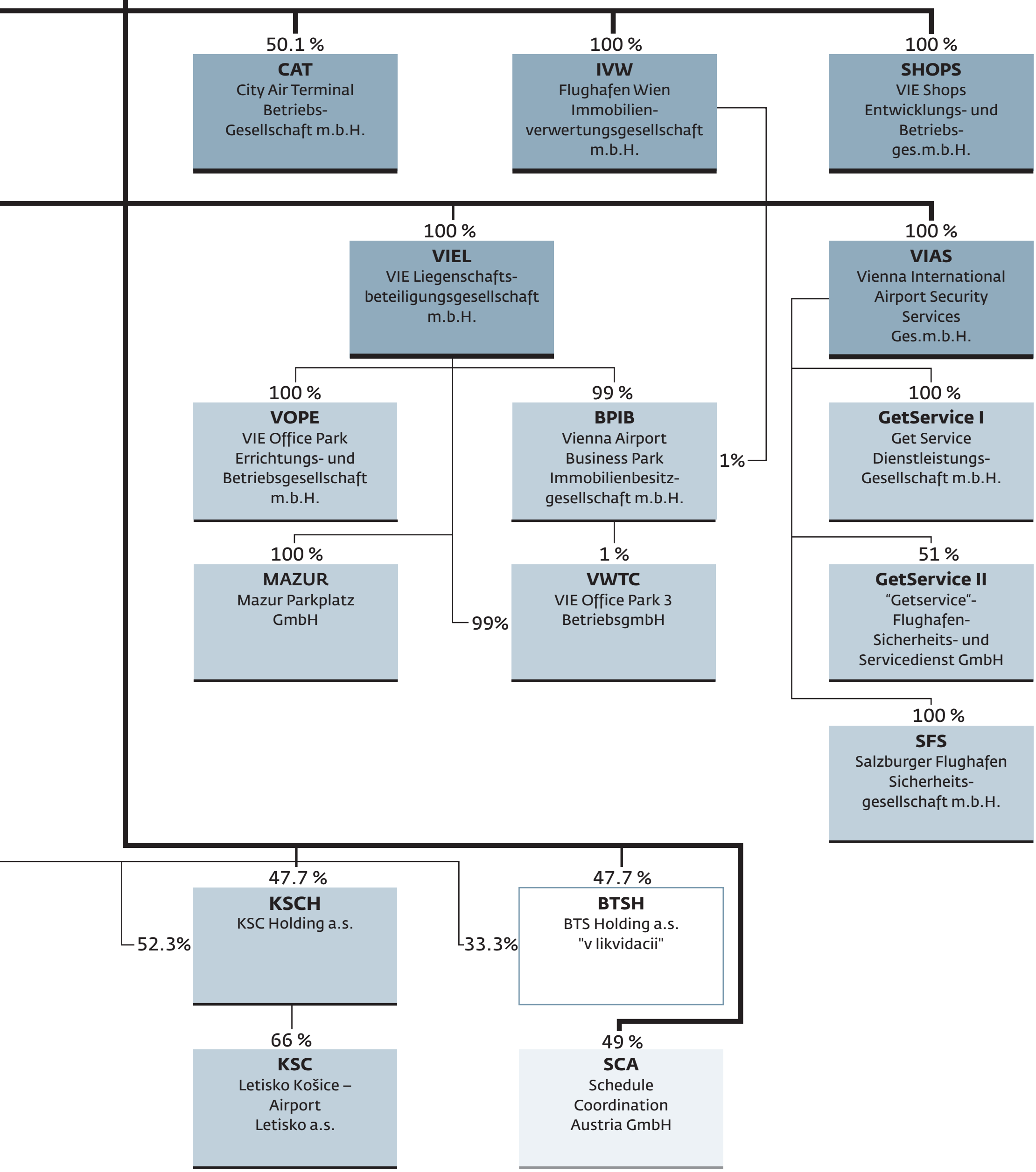
**Object of the company:** Planning, development, marketing and operation of shops at airports in Austria and other countries.

| Amounts in T€ | 2014 | 2013 |
|---|---|---|
| Revenue | 0.0 | 0.0 |
| Loss for the period | -2.0 | -2.9 |
| Other comprehensive income | 0.0 | 0.0 |
| **Total comprehensive income** | **-2.0** | **-2.9** |
| Current and non-current assets | 0.1 | 1.6 |
| Current and non-current liabilities | 0.4 | 0.0 |
| **Net assets** | **-0.4** | **1.6** |


Flughafen Wien AG
100 %
VAH
Vienna Aircraft Handling Gesellschaft m.b.H.
100 %
VPHS
Vienna Passenger Handling Services GmbH
100 %
VAT
Vienna Airport Technik GmbH
100 %
VIE ÖBA
VIE ÖBA GmbH
100 %
FBG
Flugplatz Vöslau BetriebsGmbH
100 %
VIAB
Vienna International Airport Beteiligungsholding GmbH
99.95 %
VIE Malta Finance Holding
VIE Malta Finance Holding Ltd.
0.05 %
100 %
VINT
Vienna International Beteiligungs-management Gesellschaft m.b.H.
99.95 %
VIE Malta Finance Ltd
VIE Malta Finance Ltd.
0.05 %
0.2 %
VIE Malta
VIE Malta Ltd.
99.8 %
0.05 %
99.95 %
VIE Operations Holding Limited
VIE Operations Holding Limited
57.1 %
MMLC
Malta Mediterranean Link Consortium Ltd.
99,95 %
VIE Operations Limited
VIE Operations Limited
0.05 %
10.1 %
40 %
MIA
Malta International Airport plc.
Subsidiary (>50 %)
indirect Subsidiary / Investment
Investment (<50 %)
in liquidation
Direct Subsidiary / Investment
Indirect Subsidiary / Investment
Percentage based on the share of capital

# Subsidiaries and Investments

as of 31. 1. 2015



# Statement by the Members of the Management Board

In accordance with § 82 of the Austrian Stock Corporation Act

## › Financial Statements

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces.

Schwechat, 3 March 2015
**The Mangement Board**

**Günther Ofner**
Member, CFO

**Julian Jäger**
Member, COO

# Auditor's Report

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of

**Flughafen Wien Aktiengesellschaft,**
**Schwechat,**

for the **year from 1 January 2014 to 31 December 2014**. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2014, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the fiscal year 2014 and a summary of significant accounting policies and other explanatory notes.

### › Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to § 245a UGB (Austrian Commercial Code). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### › Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and, as well as in accordance with International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. >

In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## › Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of 31 December 2014 and of its financial performance and its cash flows for the year from 1 January to 31 December 2014 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

## › Report on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 3 March 2015

**KPMG Austria GmbH**
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by:

| **Heidi Schachinger** | **Michael Schlenk** |
|---|---|
| Wirtschaftsprüferin | Wirtschaftsprüfer |

(Austrian Chartered Accountants)

# Glossary

- **Austro Control:** Agency responsible for safe and economical air traffic operations in Austrian air space
- **Catchment Area:** Geographical region where passengers can reach Vienna International Airport within a two-hour drive, or where the travelling time to Vienna is shorter than to any other comparable airport
- **Flight Movements:** Take-offs and landings Handling: Various services required by aircraft before and after flights Home Carrier: Domestic airline
- **Hub:** Transfer airport
- **Incentive**: Promotional measure that uses tariffs to encourage airlines to add new flight connections and increase frequencies
- **Issuer Compliance Guideline:** Directive that establishes principles for the distribution of information in a company and related organisational measures to prevent the misuse of insider information; effective as of 1 November 2007
- **Maximum Take-off Weight (MTOW):** Maximum allowable take-off weight determined by manufacturer for each type of aircraft
- **Minimum Connecting Time:** The minimum amount of time needed for passengers and their baggage to make their connecting flights without difficulty
- **Noise Protection Programme:** Agreement reached as part of the mediation contract; under certain conditions, the installation of special windows to protect the health and living quality of neighbouring residents is financed at least in part by Flughafen Wien
- **Noise Charge:** A charge based on the amount of noise produced by aircraft; part of this fee has been charged since July 2010
- **Noise Zone:** Sector in which a specific noise level is exceeded
- **One-Roof Concept:** Inclusion of all building functions under a single roof Ramp Handling: Services related to the loading/unloading of aircraft, baggage handling, catering transport, cabin cleaning and sanitary services, passenger transport, push-back etc.
- **Trucking:** Air cargo transported by lorries (substitute means of transportation)
- **Terminal 3:** An extension of the existing terminal constructed in stages and connected with the existing Terminal 2 on the northeast side
- **VISITAIR Center:** Exhibition and information centre on Vienna Airport that opened in 2007.

### Calculation of Financial Indicators

- **Asset Coverage:** Fixed assets / total assets
- **Asset Coverage 2:** (Equity + long-term borrowings) / fixed assets
- **Capital Employed:** Property, plant and equipment + intangible assets + noncurrent receivables + working capital
- **EBITDA Margin:** (EBIT + amortisation and depreciation) / revenue
- **EBIT Margin:** EBIT / revenue
- **Equity Ratio:** Equity / balance sheet total
- **Gearing:** Net debt / equity
- **Net Debt:** (Current and non-current financial liabilities) – cash and cash equivalents – current securities
- **ROCE (Return on Capital Employed after Tax):** EBIT after taxes / average capital employed
- **ROE (Return on Equity after Tax):** Net profit for the period / average equity
- **ROS (Return on Sales):** EBIT / turnover Weighted Average Cost of Capital
- **(WACC):** Weighted average cost of equity and debt
- **Working Capital:** Inventories + current receivables and other assets – current tax provisions – other current provisions – trade payables – other current liabilities

### Abbreviations

- **ACI:** Airports Council International
- **BMVIT:** Austrian Federal Ministry for Transport, Innovation and Technology
- **$CO_2$:** Carbon dioxide
- **ECAC:** European Civil Aviation Confe-rence
- **IATA:** International Air Transport Association (umbrella organisation of the airlines)
- **ICAO:** International Civil Aviation Organization
- **NOx:** Nitrogen oxide
- **OAG:** Official Airline Guide
- **PAX:** Passenger
- **TSA:** Transportation Security Administ-ration (agency of the US Department of Homeland Security)
- **VIAS:** Vienna International Airport Security Services GesmbH

# Imprint

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**Investor Relations:**
http://www.viennaairport.com/en/company/investor_relations
**Noise protection programme at Vienna International Airport:**
http://www.laermschutzprogramm.at
**The environment and aviation:**
http://www.vie-umwelt.at
**Facts & figures on the third runway:**
http://www.drittepiste.viennaairport.com
**Dialogue forum at Vienna International Airport:**
http://www.dialogforum.at
**Mediation process (archive):**
http://www.viemediation.at

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Vienna International Airport

**on behalf of Flughafen Wien AG.**

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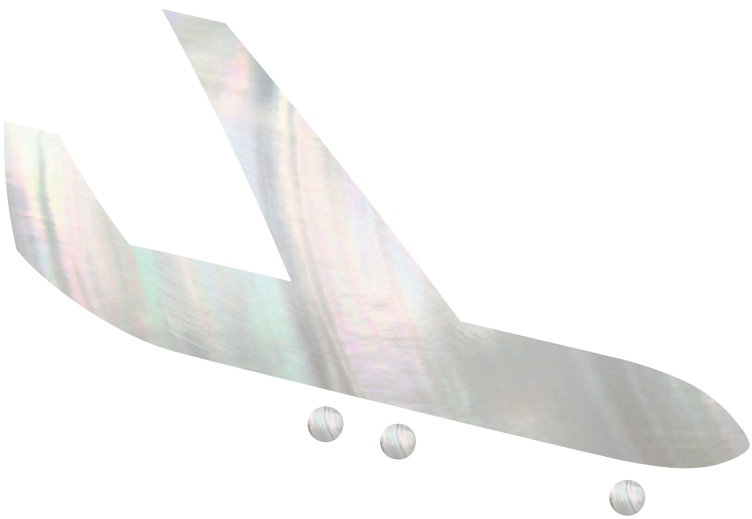

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