

# Company Presentation

## Flughafen Wien AG

March, 2006



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# At a Glance



## **Facts & Activities**

### **◆ Vienna Airport plc**

- Privatised in 1992
- Ownership structure 2001:  
Public sector reduced to 40%

### **◆ 15.9 m passengers in 2005**

### **◆ Share of transfer traffic 34.4 %**

### **◆ High dividend yield**

### **◆ Excellent location as gateway to East European countries**

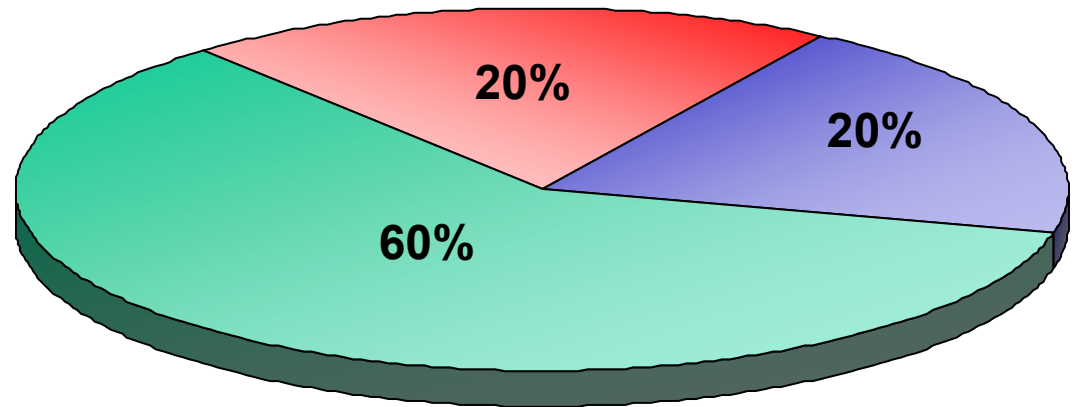
### **◆ Full-service airport provider (incl. ground handling)**

### **◆ Working environment:**

- Approx. 3,600 employees in the Flughafen Wien Group

## Shareholder Structure

- 20% City of Vienna
- 20% Province of Lower Austria
- 60% Private shareholders  
thereof 10% employee trust



# Highlights 2005



## Highlights 2005

- Total turnover: EUR 410.3 m + 3.0%
- Net profit : EUR 74.3 m + 3.6%  
*after minority interests*
- Dividend per share: EUR 2.00
- Passenger development: + 7.3%  
(above European average of 5.8%\*)
- Competitiveness increased through changes in incentives and tariffs

\* Source: ACI

# Financial Results for 2005



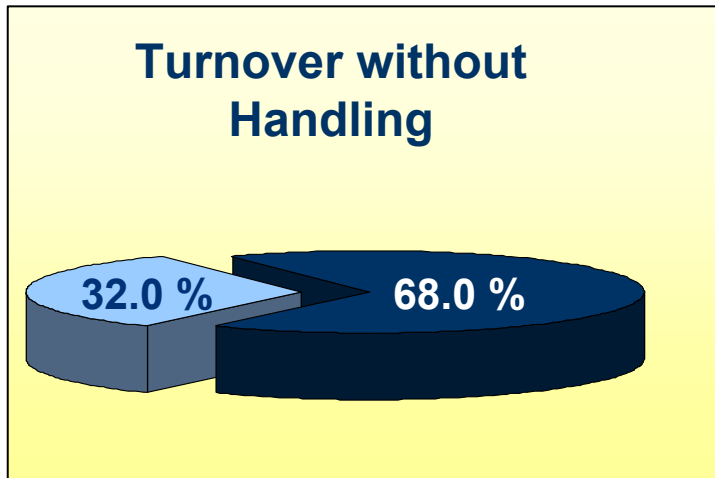
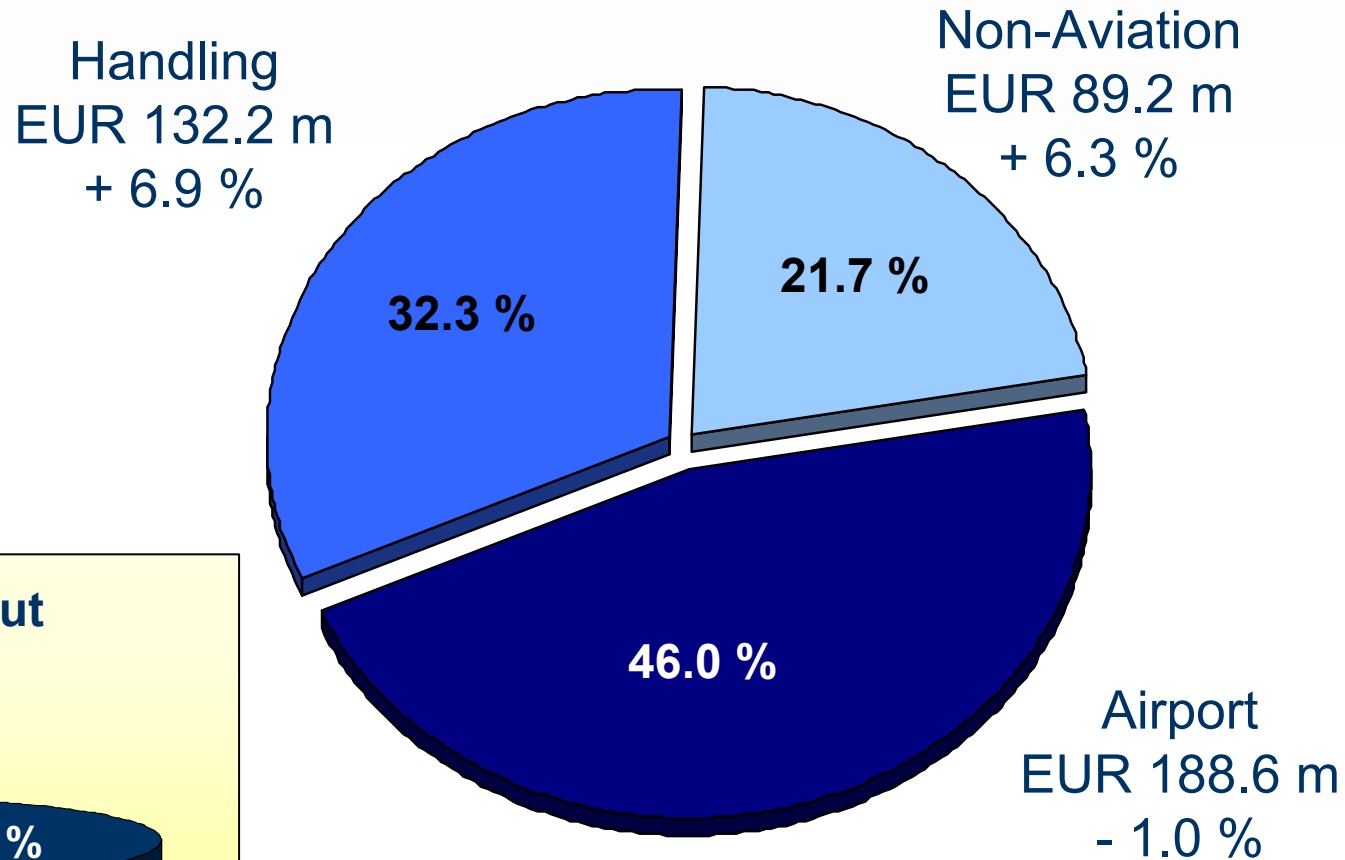


## Financial Results for 2005

	in EUR mill.	2005	2004	Change in %	
Turnover		<b>410.3</b>	398.3	+	3.0
Other income		<b>23.2</b>	20.5	+	13.1
Operating income		<b>433.5</b>	418.8	+	3.5
Operating expenses (without depreciation)		<b>283.8</b>	267.3	+	6.2
EBITDA		<b>149.6</b>	151.5	-	1.2
Depreciation		<b>57.4</b>	48.9	+	17.3
EBIT		<b>92.3</b>	102.5	-	10.0
Financial results		<b>7.7</b>	2.9	+	164.9
EBT		<b>100.0</b>	105.4	-	5.1
Taxes		<b>25.3</b>	33.8	-	25.0
Minority interests		<b>0.4</b>	0.0		n.a.
Net profit after minority interests		<b>74.3</b>	71.7	+	3.6

# Financial Results for 2005

## Turnover by Segment



# Financial Results for 2005

## Summary of Operating Expenses

	EUR m	2005	2004	Change in %
Cost of materials and services		<b>35.9</b>	26.5	+ 35.2
Personnel expenses		<b>184.6</b>	170.0	+ 8.6
Depreciation		<b>57.4</b>	48.9	+ 17.3
Other operating expenses		<b>63.4</b>	70.8	- 10.5
<b>Total operating expenses</b>		<b>341.2</b>	316.2	+ 7.9

# Financial Results for 2005

## Cash Flow

EUR m	2005	2004
From operating activities	<b>+ 158.0</b>	+ 194.4
From investing activities	<b>- 336.9</b>	- 179.9
From financing activities	<b>+ 128.2</b>	- 42.1
Change in cash and cash equivalents incl. revaluation reserve for securities and foreign exchange differences	<b>- 49.7</b>	- 23.1
Cash and cash equivalents at the end of the year	<b>58.2</b>	108.0

# Financial Results for 2005

## Financial Indicators

	in %	2005	2004
EBIT Margin		21.3	24.5
EBITDA Margin		34.5	36.2
ROE		11.5	11.7
ROCE		10.2	13.1
WACC		5.9	7.2

# Results by Segment



# Results by Segment

## Airport Segment \*

EUR m	2005	2004
Turnover	<b>188.6</b>	190.5
Segment earnings (EBIT)	<b>66.7</b>	77.8
EBITDA-Margin in %	<b>46.4</b>	47.8
Employees as of 31.12.	<b>386</b>	371

# Results by Segment

## Handling Segment \*

EUR m	2005	2004
Turnover	<b>132.2</b>	123.6
Segment earnings (EBIT)	<b>15.5</b>	18.0
EBITDA-Margin in %	<b>14.8</b>	16.9
Employees as of 31.12.	<b>1,859</b>	1,756



## Results by Segment

### Non-Aviation Segment \*

	EUR m	2005	2004
Turnover		<b>89.2</b>	83.9
Segment earnings (EBIT)		<b>34.5</b>	30.3
EBITDA-Margin in %		<b>32.3</b>	31.8
Employees as of 31.12.		<b>1,174</b>	980

# Traffic Results 2005



# Traffic Results 2005

## Highlights

- **Strong passenger growth in long-haul-flights to the east**
  - Growth Far East 12.9 %
  - Growth Middle East 34.0 %
- **Passenger growth Eastern Europe 9.9 %**
- **Passenger growth Low-Cost Carrier 19.7 %**
- **Passenger growth 2005 7.3 %**  
above European average (+5.8%\*)
- **Cargo growth (incl. trucking) 12.0 %**

\* Source: ACI

## Traffic Results 2005

### Passengers:

15,859,050 (+ 7.3 %)

### Transfer passengers:

5,443,078 (+ 6.9 %)

### Flight movements:

230,900 (+ 2.7 %)

### MTOW ( in tonnes):

6,525,425 (+ 4.6 %)

### Cargo incl. trucking (in tonnes):

234,677 (+ 12.0 %)



## Traffic Results 2005

### Major contributors to above-average growth

<b>Low-Cost Carriers</b>	+ 19.7% vs. 2004
Share of passenger growth	30.2%
Additional PAX vs. 2004	+ 324,361
<b>Eastern Europe</b>	+ 9.9% vs. 2004
Share of passenger growth	20.1%
Additional PAX vs. 2004	+ 215,350
<b>Middle East and Asia</b>	+ 18.9% vs. 2004
Share of passenger growth	26.1%
Additional PAX vs. 2004	+ 280.434

# Traffic Results 2005

## Scheduled Traffic - Passengers

	Share of traffic in %	Change in %
<b>Europe</b>	<b>83.1</b>	<b>+ 9.1</b>
East:	16.2	+ 9.9
West:	67.0	+ 8.9
<b>Far East</b>	<b>8.1</b>	<b>+ 12.9</b>
<b>Middle East</b>	<b>3.9</b>	<b>+ 34.0</b>
<b>North America</b>	<b>3.2</b>	<b>+ 7.0</b>
<b>Others</b>	<b>1.7</b>	<b>+ 37.8</b>
<b>TOTAL</b>	<b>100.0</b>	<b>+ 10.5</b>

*Scheduled traffic comprises 93.1 % of total traffic*

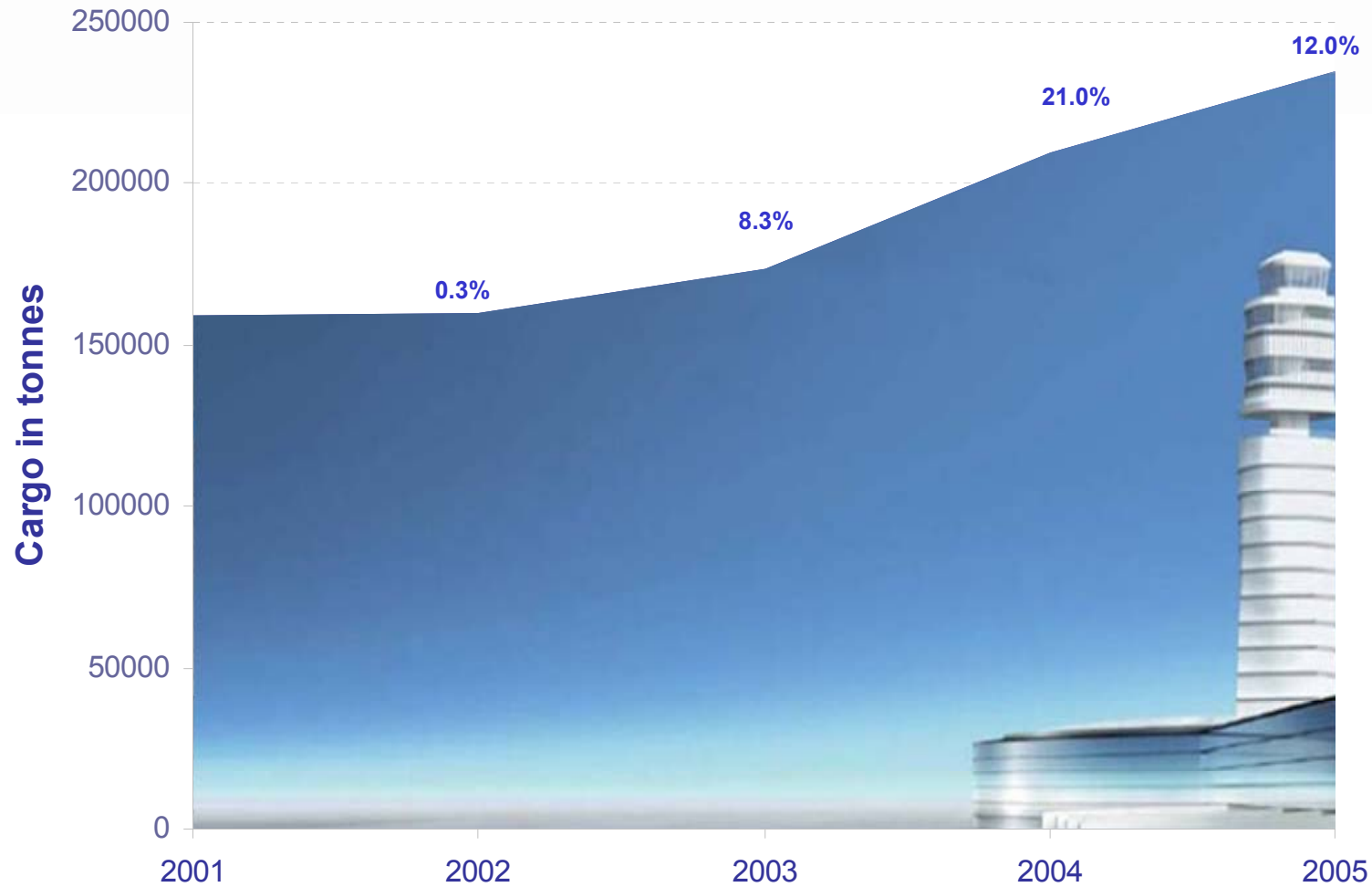
# Traffic Results 2005

## Airlines - Passenger Share

%	2005	2004
Austrian Airlines Group	<b>56.6</b>	57.8
Air Berlin	<b>5.9</b>	5.2
Lufthansa	<b>5.5</b>	6.1
Niki	<b>4.3</b>	3.0
British Airways	<b>2.2</b>	2.3
Germanwings	<b>2.1</b>	2.0
Swiss Intl.	<b>2.0</b>	2.1
Air France	<b>1.8</b>	1.9
Others	<b>19.6</b>	19.6

# Traffic Results 2005

## Cargo Development





# Traffic Results 2005

## Cargo Development

	2005	2004	Change in %
Air freight (dep. + arr.) in tonnes	167,494	145,602	15.0
Trucking (dep. + arr.) in tonnes	67,183	64,023	4.9
<b>Air freight + trucking in tonnes</b>	<b>234,677</b>	<b>209,625</b>	<b>12.0</b>

## Traffic Results January to February 2006

	January 2006	February 2006	January-February 2006
Passengers	1,083,000	1,041,113	2,124,113
Change in %	+9.9	+9.8	+9.9
MTOW ( in tonnes)	500,790	467,274	968,064
Change in %	+3.9	+5.1	+4.5
Flight movements	17,925	16,859	34,784
Change in %	+3.3	+3.7	+3.5
Cargo incl. trucking (in tonnes)	18,891	19,345	38,235
Change in %	+21.1	+19.7	+20.4

## Forecast 2006

**Passengers** + 6.0 %

**MTOW** + 3.0 %

**Flight movements** + 2.0 %

# Strategy



# Strategy

## ● Utilise growth opportunities

- Focus on Eastern Europe
- Transfer hub to Middle and Far East
  - ➔ Tariff measures
    - Transfer incentives
    - Change in tariff structure
    - Freight incentives
  - ➔ Capacity policy
    - Ground handling (contracts mostly long-term secured)
    - Maintenance of 25 minute MCT
    - VIE-Skylink Terminal
- Development of new markets
  - Bratislava

# Strategy

- **Increase in Non-Aviation turnover**
  - **Construction of new, rentable objects**
    - Office Park
    - Air Cargo Center
    - AUA headquarters
    - Parking areas
  
  - **Further development of shops and gastronomy**
    - New areas in VIE-Skylink
      - Shopping: 5.977 m<sup>2</sup>
      - Gastronomy: 3.451 m<sup>2</sup>

## Strategy - Utilise Growth Opportunities

**Expansion of VIE-Skylink Terminal up to 24 million passengers**



# Strategy - Utilise Growth Opportunities

## Expansion of VIE-Skylink Terminal

### - Capacity:

➤ Check-in counters	96
➤ Aircraft parking positions	17
➤ Gates	51
➤ Baggage carousels	10

- Baggage sorting equipment for 5,500 pieces per hour

- One-roof concept

- Passenger flows separated over various levels

- Minimum Connecting Time:

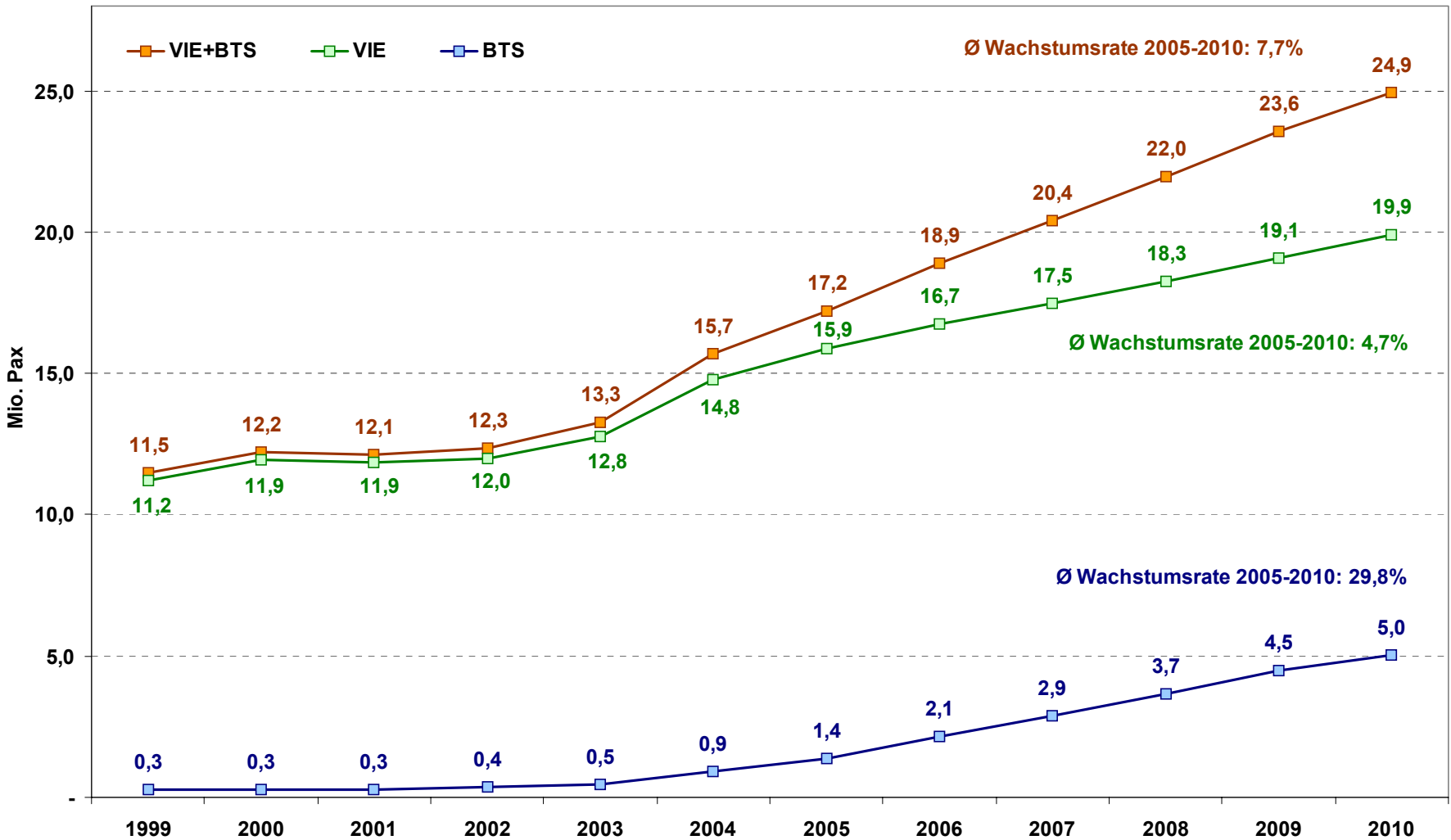
➤ 25 minutes





# Strategy - Utilise Growth Opportunities

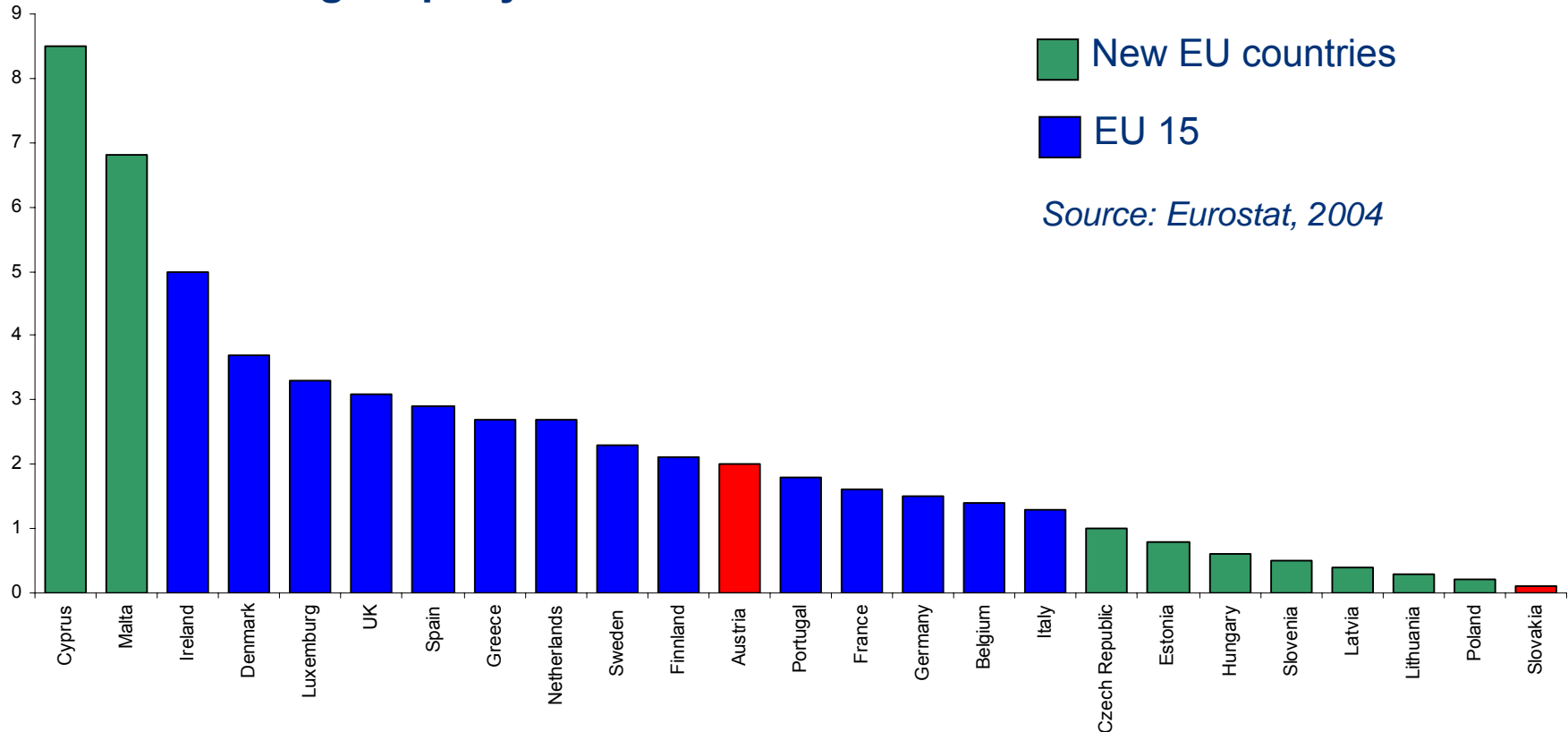
## Development of passengers VIE/BTS



# Strategy - Utilise Growth Opportunities

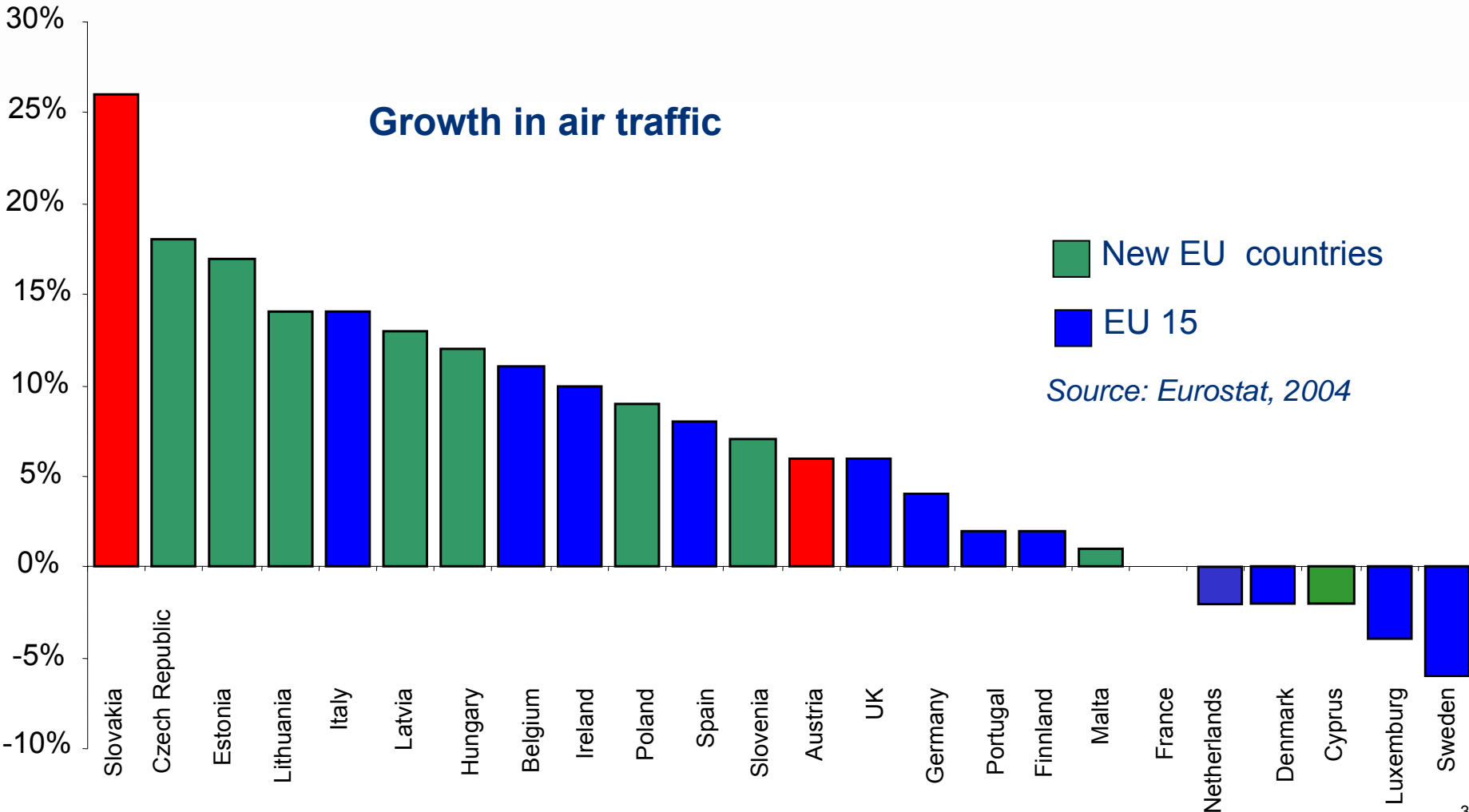
## Development of new markets

### Flights per year and resident

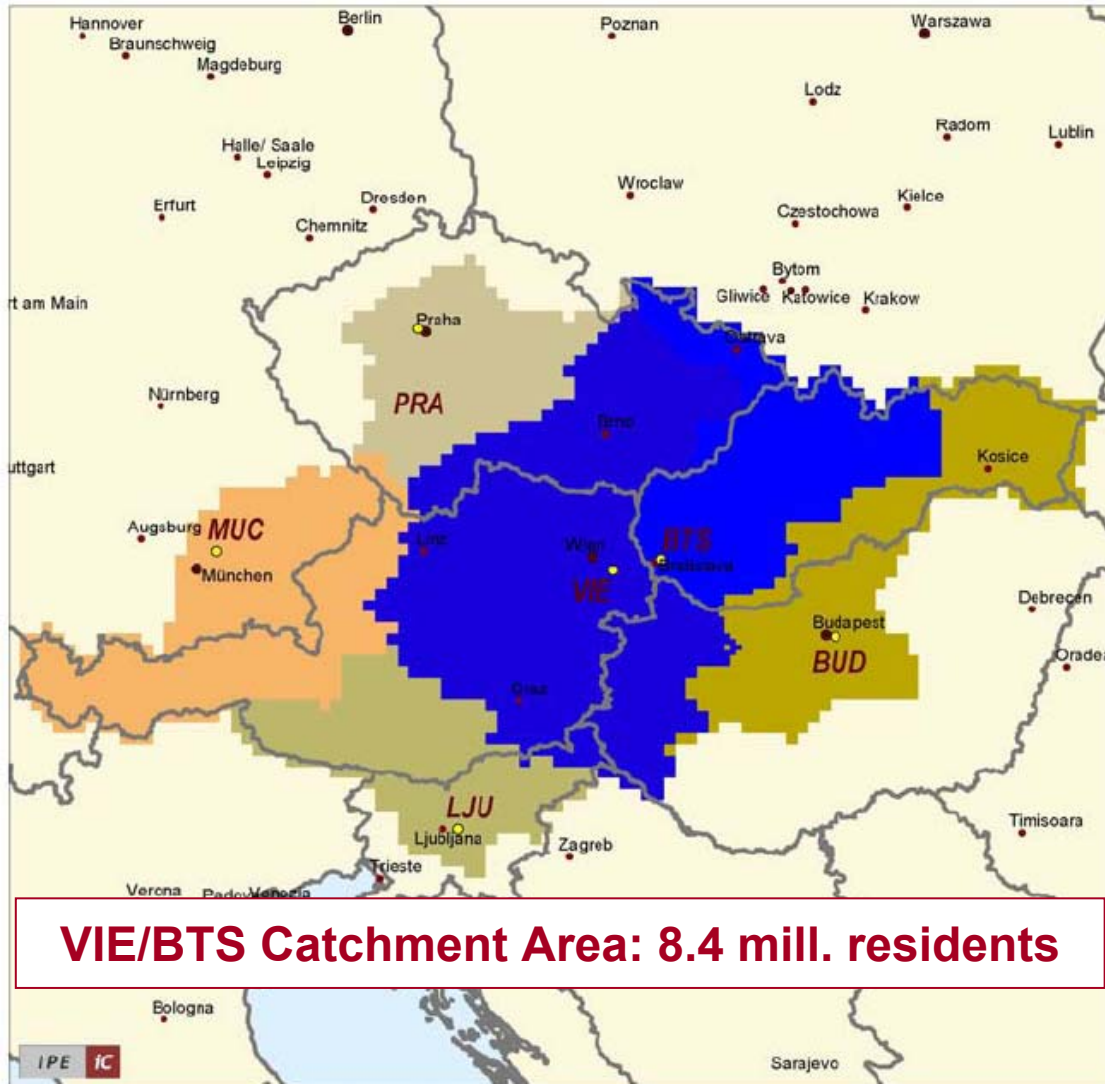


# Strategy - Utilise Growth Opportunities

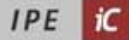
## Development of new markets



# Access to nearest airport



**VIE/BTS Catchment Area: 8.4 mill. residents**



*a member of iC group*


## 2000

### Study Area by Road Traveltime to Nearest Airport (w/o CR)

- City
- Airport Site
- National Border

Nearest Airport by Road Traveltime

- BTS
- VIE
- BUD
- LJU
- MUC
- PRG



N

Quelle: IPE GmbH  
Datum: Oct 2004

IPE GmbH  
 a member of iC Group  
 1070 Wien, Kaiserstraße 45  
 ++43-1-522 47 67-301 office@ipe.co.at www.ipe.co.at

# Investments



## Investments 2006 - 2010

	EUR mill.
<b>Airport</b>	
Skylink	351
Apron, taxiways	69
Other	36
<b>TOTAL AIRPORT:</b>	<b>456</b>
<b>Non Aviation</b>	
Office Park Phase 2	38
Parking	18
Forwarding agent building	16
Other	5
<b>TOTAL NON-AVIATION</b>	<b>77</b>
<b>TOTAL</b>	<b>533</b>

## GOALS

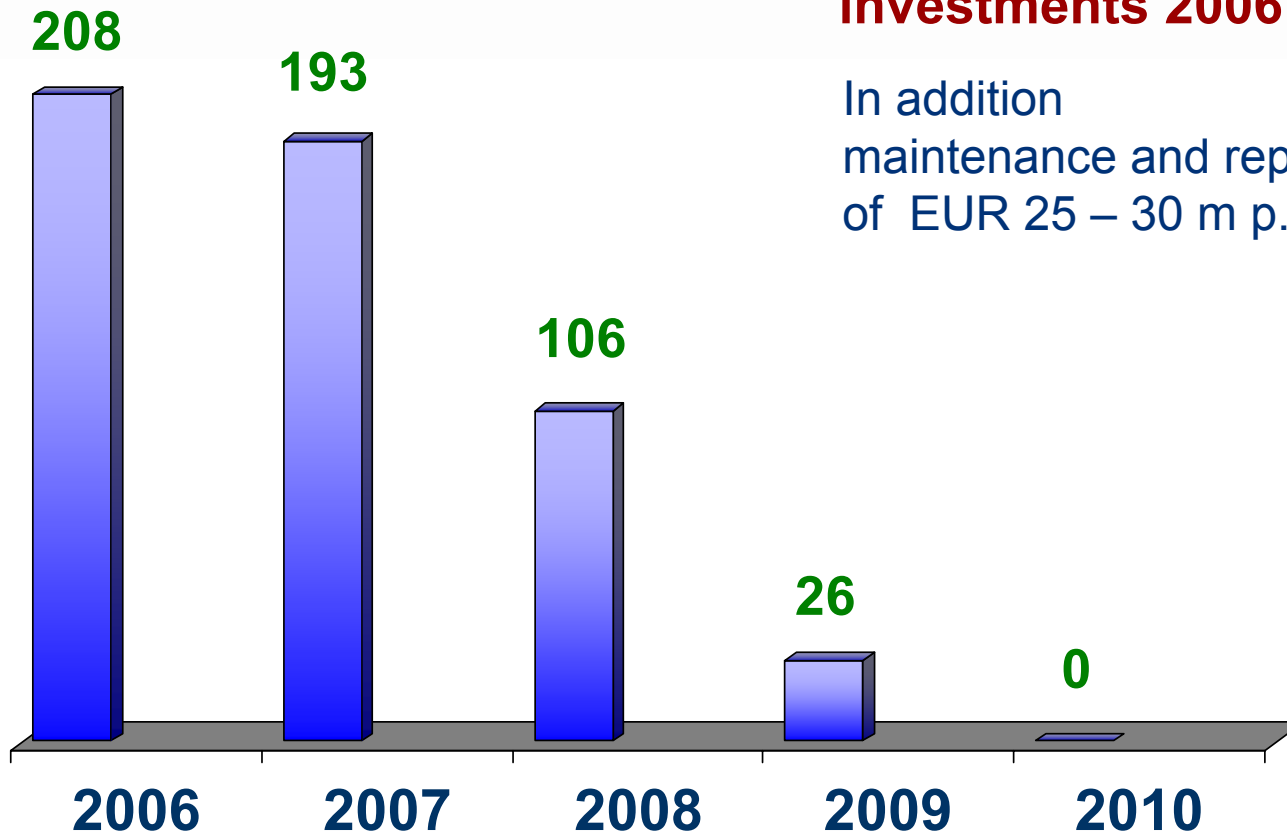
- Within budget and on time
- Maximise return

# Investments 2006 - 2010

in EUR mill

**Airport- and Non-Aviation  
investments 2006 - 2010: EUR 533 m**

In addition  
maintenance and replacement investments  
of EUR 25 – 30 m p.a.



# International Projects





## International Projects

- Bratislava
- Košice
- Malta
- Consulting in Riga and Abu Dhabi

# International Projects

## Indicators for BTS/KSC privatisation

- **Bratislava**

- Purchase price: 10.5 bill. SKK (~EUR 275 mill.)
- Capital contribution: 7.9 bill. SKK (~EUR 203 mill.)
- Investment programme: 9,37 bill. SKK (~EUR 240 mill.) during the first five years

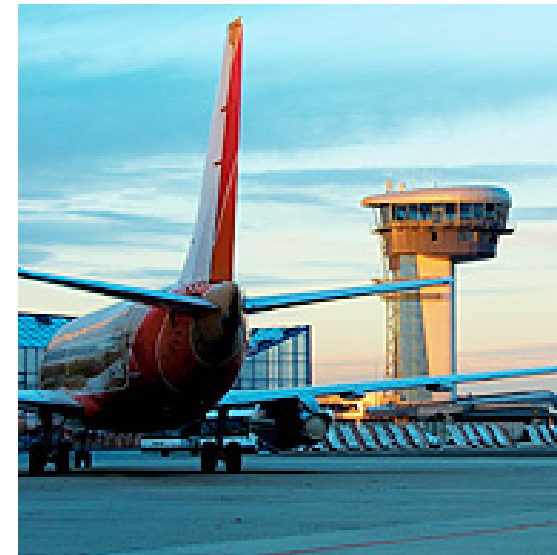
- **Košice**

- Purchase price: 900 mill. SKK (~EUR 24 mill.)
- Capital contribution: mill. SKK (~EUR 10 mill.)
- Investment programme : 415.6 mill. SKK (~EUR 11 mill.) during the first five years

# International Projects

## Bratislava Airport

- Total area: 4.8 km<sup>2</sup>
- 2 runways:
  - Runway 13/31: 3,190m
  - Runway 04/22: 2,900m
- 1.3 mill. passengers in 2005
- Airport operator:
  - Letisko M. R. Štefánika – Airport Bratislava, a.s.
- Full-service provider (incl. handling)



# International Projects

## Košice Airport

- Total area: 3.4 km<sup>2</sup>
- 1 runway:
  - Runway 01/19: 3,100m
- 269,885 passengers in 2005
- Full-service provider (incl. handling)



# International Projects

## Strategic focus on VIE-BTS-KSC Airports

### Vienna:

- Transfer hub East/West Europe and long-haul flights

### Bratislava:

- Direct traffic (point-to-point) with focus on low-cost carriers and charters

→ This specialisation will create a competitive advantage over Zurich, Munich, Budapest and Prague

### Košice

- Hub connections to Vienna, Frankfurt, Prague, etc. and tourist charters

# Malta

## Financial Indicators

In EUR mill.	2004/2005
Total turnover	<b>38.6</b>
EBIT	<b>13.8</b>
Net profit for the period	<b>7.5</b>
EBITDA margin in %	<b>43.6</b>
EBIT margin in %*	<b>35.7</b>



\* 2002/2003: The EBIT margin was 21% when the 40% stake was acquired by MML.

## Malta

- Passengers 2005
  - 2.8 mill.
- Ownership structure
  - Government of Malta: 20%
  - Private investors: 30%
  - VIE owns through wholly owned subsidiary 10%
  - MML (Malta Mediterranean Consortium ): 40%



## Further informations

### **Hans Mayer**

Press and Information

Tel: 01/7007-23000

Fax: 01/7007-23805

E-mail: [h.mayer@viennaairport.com](mailto:h.mayer@viennaairport.com)

### **Robert Dusek**

Investor Relations

Tel: 01/7007-23126

Fax: 01/7007-23058

E-mail: [r.dusek@viennaairport.com](mailto:r.dusek@viennaairport.com)

### **Michael Kochwalter**

Communications

Tel: 01/7007-23333

Fax: 01/7007-23806

E-mail: [m.kochwalter@viennaairport.com](mailto:m.kochwalter@viennaairport.com)

VIE in the Internet:

[www.viennaairport.com](http://www.viennaairport.com)

Flughafen Wien AG

P.O. Box 1

A-1300 Wien-Flughafen



