

# FLUGHAFEN WIEN AG

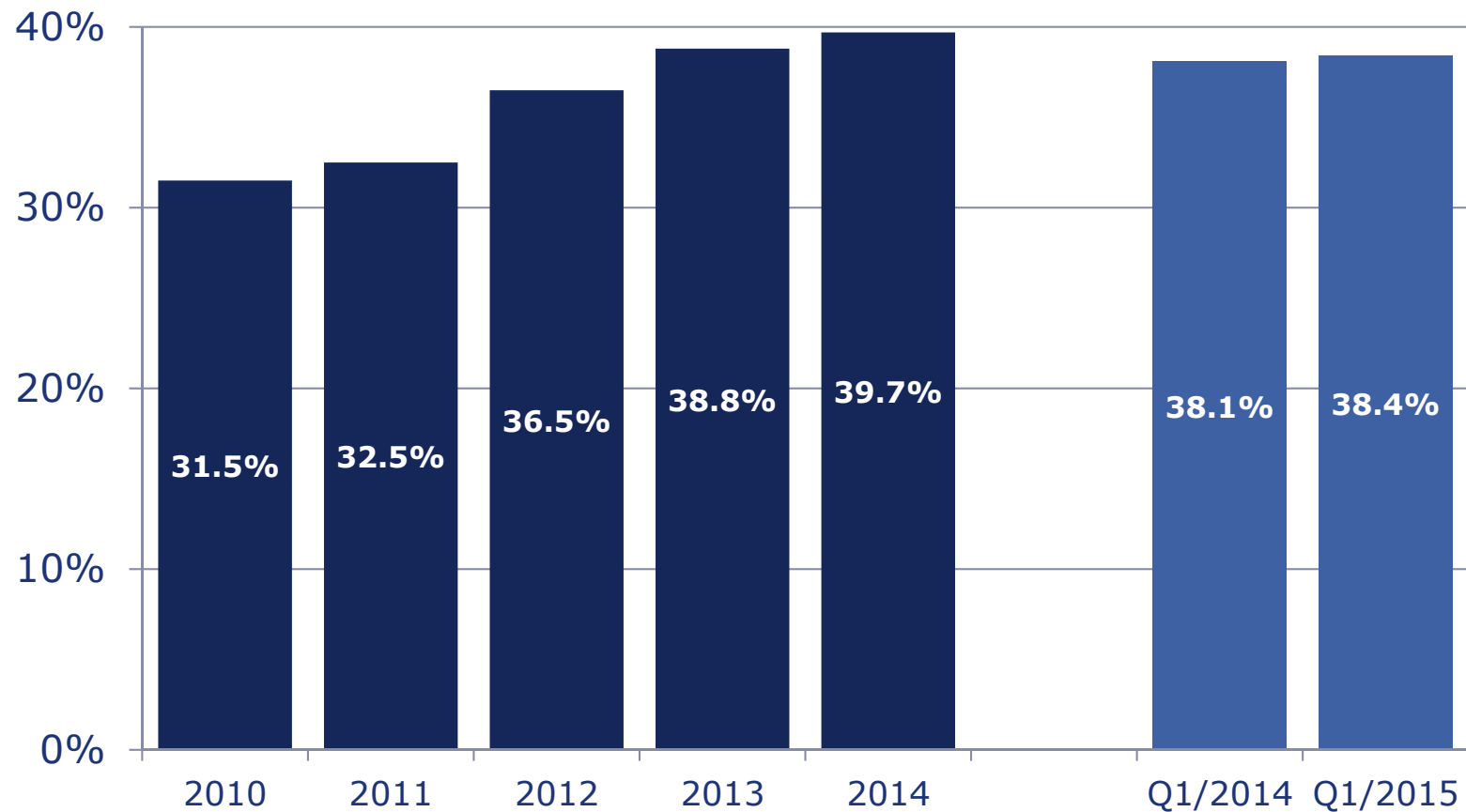
Q1/2015 Results



# Q1/2015: Earnings improvement despite weak traffic results

- ✈ Good business development of the company in Q1/2015: clearly improved net profit <sup>1)</sup> of € 14.1 million (+15.4%) in spite of modest revenue growth (+0.9%)
- ✈ Earnings growth thanks to strong improvement in productivity: EBITDA margin rises from 31.5% (2010) to 38.4% (Q1/2015)
- ✈ Costs under control – cost reduction was achieved following restructuring (insourcing of external services)
- ✈ Further reduction of net debt – already clearly below the medium-term objective of net debt/EBITA of 2.5
- ✈ Continuing growth prospects for the entire year 2015 despite passenger decline in the first months – guidance confirmed

# Continuously improved EBITDA demonstrates productivity gains



# Slight revenue increase despite passenger decline

€ million	Q1/2015	Q1/2014	Δ in %
Revenue	140.7	139.5	+0.9
Earnings before interest, tax, depreciation and amortization (EBITDA)	54.0	53.2	+1.4
Earnings before interest and taxes (EBIT)	21.9	20.9	+4.8
Financial results	-3.6	-4.9	-27.0
Earnings before tax (EBT)	18.3	16.0	+14.7
Net profit (after taxes and non-controlling interests)	14.1	12.2	+15.4

- ✈ Revenue rise due to fee adjustments, lower incentives as a result of fewer transfer passengers, higher income from parking, shopping & gastro and handling operations
- ✈ Expenses remain constant despite higher personnel costs thanks to efficiency enhancement and strict cost discipline

# Expenses: kept constant due to cost discipline despite higher personnel expenses

- ✈ Energy-saving measures and reductions in fuel consumption and de-icing materials result in decline in consumables and services used by € 1.7 million
- ✈ Personnel expenses up € 2.1 million due to
  - ✈ Collective wage and salary increases
  - ✈ Slightly higher average number of employees (4,277, +0.4%) as a consequence of the integration of acquisition of temporary employees in the subsidiary VAT and hiring of new employees for passenger handling
- ✈ Reduction in other operating expenses mainly based on decline in maintenance, third party services and other expenses
- ✈ Depreciation, amortization and impairment losses at basically the same level as in the previous year

€ million	Q1/2015	Q1/2014	Δ in %
Consumables and services used	-9.6	-11.3	-15.2
Personnel	-62.2	-60.1	+3.5
Other operating expenses	-18.5	-19.1	-2.9
Depreciation, amortization & impairment losses	-32.1	-32.3	-0.7

# Further reduction of net debt (-2.6%)

	Q1/2015	Q1/2014	Δ in %
Net debt (€ million) <sup>1)</sup>	492.9	506.2	-2.6
Gearing (%) <sup>1)</sup>	51.0	53.1	-2.1%p.
Cash flow from operating activities (€ million)	42.3	46.7	-9.4
Free cash flow (€ million)	13.6	28.4	-52.3
CAPEX (€ million) <sup>2)</sup>	17.0	10.1	+68.4
Equity (€ million) <sup>1)</sup>	967.2	952.5	+1.5
Equity ratio (%) <sup>1)</sup>	51.6	50.3	+1.3%p.

Net debt already clearly below the medium-term objective of net debt/EBITDA ratio of about 2.5x

# Further improvement of net debt (€ 492.9 million) and gearing (51.0%)

✈ Net debt down € 13.3 million since beginning of the year to € 492.9 million – already below 2015 target of under € 500 million – clearly surpassed medium-term goal of net debt/EBITDA of 2.5x

✈ Decrease in non-current assets primarily related to scheduled depreciation

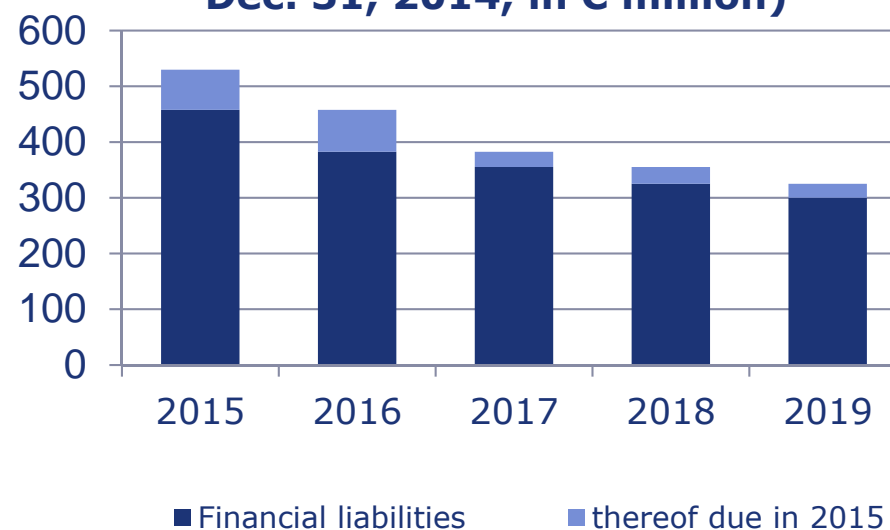
✈ Current assets declined mainly due to drop in other receivables

✈ Reduction in non-current liabilities of 1.1% primarily related to the termination of a long-term liability

✈ 9% drop in current liabilities compared to Dec. 31, 2014 as a result of loan repayments and reduction of debts to suppliers

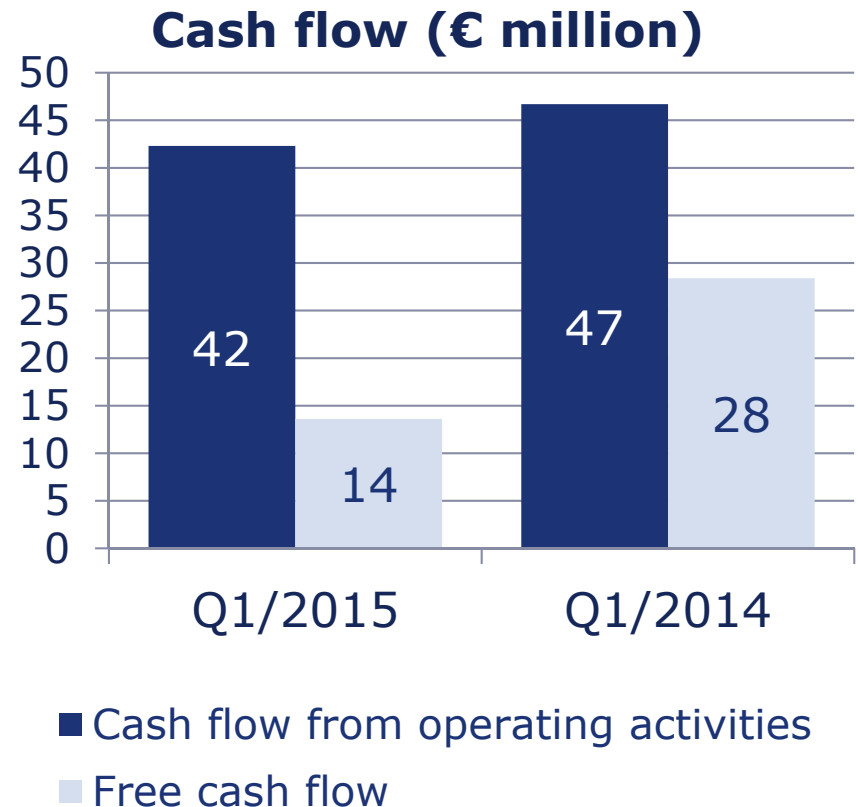
	March 31, 2015	Dec. 31, 2014	Δ in %
Net debt (€ million)	492.9	506.2	-2.6
Gearing (%)	51.0	53.1	-2.1%p.

**Maturity structure (as of Dec. 31, 2014, in € million)**



# Cash flow continues to be strong CAPEX above the previous year

- ✈ Positive free cash flow at € 13.6 million below the prior-year level due to higher payments for investments
- ✈ Cash flow from operating activities down 9.4% to € 42.3 million – improved operating results in contrast to higher level of receivables
- ✈ Cash flow from investing activities: higher level especially due to increased payments for facilities and equipment (among others winter service and equipment parking garages)
- ✈ Negative cash flow from financing activities as a consequence of debt repayment
- ✈ Investments (CAPEX) of € 17.0 million – largest investments related to winter service and equipment parking garages (€ 10.7 million) along with investments for the 3<sup>rd</sup> Runway, refrigeration machines, the charter bus terminal completed in February and Pier West





# Airport to continue extensive investments in 2015

## CAPEX forecast of about € 95 million

### Main projects in 2015:

- ✈ Acquisition of winter service building
- ✈ Project begin for expansion of Air Cargo Center
- ✈ Preparations for new hotel construction
- ✈ Runway renovation 11/29 – Part 1
- ✈ Expansion of conferencing/revitalization of Office Park 3



# Outlook for 2015: Targeted earnings improvement despite passenger drop in Q1

	2014		Financial targets in 2015
Revenue	€ 630.2 million	→	> € 645 million
EBITDA	€ 250.2 million	→	> € 250 million
Group net profit <sup>1)</sup>	€ 82.5 million	→	≥ € 85 million
Net debt	€ 506.2 million	→	≤ € 500 million
CAPEX	€ 75.1 million	→	~ € 95 million

# SEGMENT RESULTS

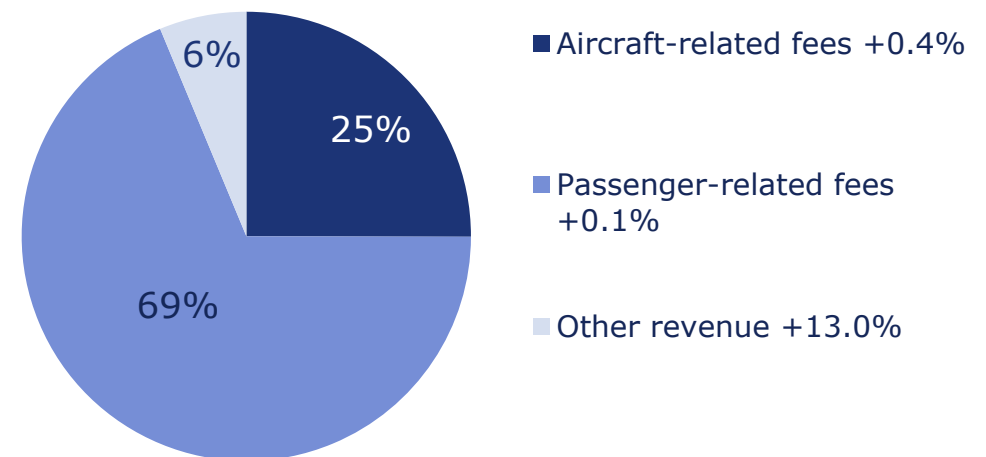


# Airport: Revenue rise despite weak PAX level

- ✈ Crises in Eastern Europe and Middle East negatively impact Vienna Airport as a CEE hub – positive effect of flight traffic to Africa, but North America and Far East can also partly offset negative influences
- ✈ Freight development also slightly negative (-1.2%) compared to Q1/2014 after six consecutive positive quarters on a year-on year base
- ✈ Revenue rise due to fee increases in accordance with index formula and reduced burden of incentives related to drop in transfer passengers

€ million	Q1/2015	Q1/2014	Δ in %
External revenue	70.9	70.3	+0.9
EBITDA	25.0	24.6	+1.6
EBIT	1.7	0.7	+141.7
Employees (as of March 31st)	505	502	+0.7

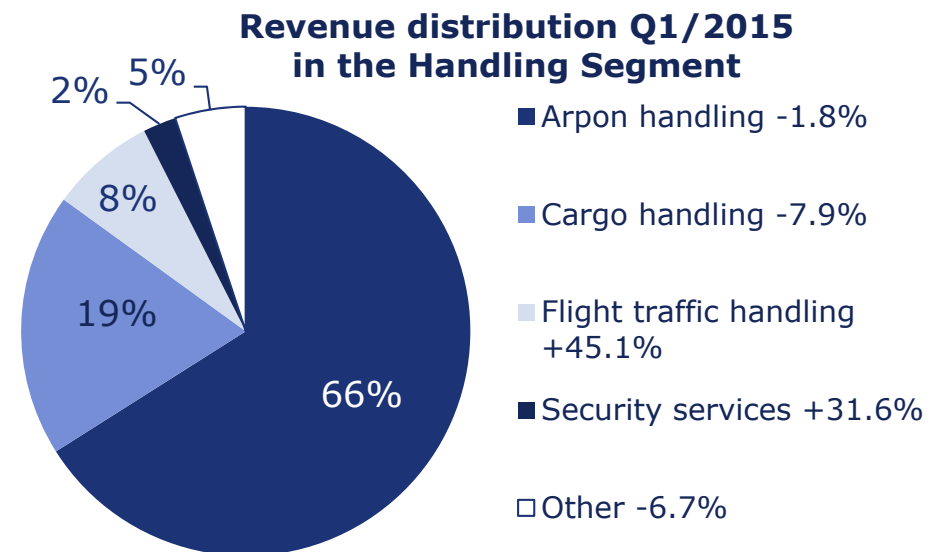
Revenue breakdown Q1/2015 in the Airport Segment



# Handling: negative impact due to reduced flight traffic – positive development of PAX handling

- ✈ Decline in revenue from apron handling as a result of fewer flight movements and from cargo handling due to reduced cargo volumes ...
- ✈ ... but increased revenue from flight traffic handling thanks to expansion of the service offering (PAX handling)
- ✈ Slightly lower revenue and higher expenses on the basis of higher personnel costs mandated by collective wage agreements and hiring for PAX handling result in decline in EBIT and EBITDA year-on-year

€ million	Q1/2015	Q1/2014	Δ in %
External revenue	35.2	35.3	-0.3
EBITDA	3.1	3.8	-18.9
EBIT	1.7	2.5	-32.5
Employees (as of March 31st)	3,085	2,984	+3.4



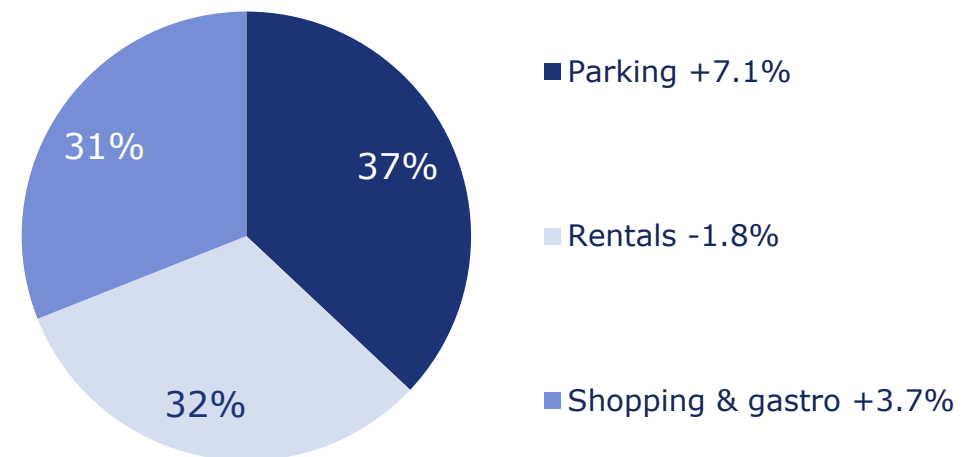
# Retail & Properties: Increased revenue from shopping & gastro and parking

✈ Shopping and gastro strategy has a positive impact: revenue up 3.7% despite PAX decrease, and rise in income per passenger in spite of crises in Russia/Ukraine (PRR: € 2.24 per PAX, +7.3% vs Q1/2014)

✈ Parking revenue up 7.1% despite PAX decrease, not least due to new marketing strategy

€ million	Q1/2015	Q1/2014	Δ in %
External revenue	30.9	30.0	+3.1
EBITDA	20.7	19.6	+5.7
EBIT	16.6	15.8	+4.6
Employees (as of March 31st)	84	82	+3.5

**Revenue distribution Q1/2015  
in the Retail & Properties Segment**



# Results of strategic investments

## Malta Int. Airport

### Q1/2015

- ✈ **Approx. 693,000 passengers (+5.6%)**

### 2014

- ✈ About 4.3 million passengers (+6.4%)
- ✈ Revenue: € 64.3 million
- ✈ EBITDA: € 34.1 million  
EBIT: € 27.5 million
- ✈ EBITDA/EBIT margin: 53.0%/42.8%
- ✈ Earnings contribution: € 4.7 million

## Kosice Airport

### Q1/2015

- ✈ **Approx. 54,000 passengers (+15.0%)**

### 2014

- ✈ About 0.4 million passengers (+50.4%)
- ✈ Revenue: € 9.0 million
- ✈ EBITDA: € 2.7 million  
EBIT: € 1.9 million
- ✈ EBITDA/EBIT margin: 30.0%/20.8%
- ✈ Earnings contribution: € 1.0 million





# TRAFFIC RESULTS

Results and outlook 2015





# Traffic development at Vienna Airport Q1/2015

	Q1/2015	Q1/2014	Δ in %
Passengers (millions)	4.30	4.42	-2.8
Local passengers (millions)	3.18	3.13	+1.4
Transfer passengers (millions)	1.10	1.28	-14.7
Flight movements (in 1,000)	49.66	51.22	-3.0
MTOW (millions of tonnes)	1.77	1.76	+0.5
Seat load factor (percent)	67.7	68.6	-0.8%p
Cargo incl. trucking (in 1,000 tonnes)	63.31	64.11	-1.2

# Share of passengers by airline – Q1/2015

	Q1/2015	Q1/2014	Δ in %
	Share in %	Share in %	PAX Δ in %
Austrian Airlines Group	43.4	48.1	-12.1
Lufthansa	4.6	5.7	-22.5
Germanwings	4.5	3.2	+34.9
Swiss Intl.	2.1	1.9	+4.3
Total LH Group <sup>1)</sup>	56.1	60.3	-9.5
NIKI	8.3	8.3	-2.8
airberlin	7.1	6.8	+2.1
Total HG/AB Group	15.4	15.0	-0.6
Turkish Airlines	2.4	2.4	-1.3
Emirates	2.3	2.4	-3.2
British Airways	2.1	1.9	+8.0
Air France	1.7	1.5	+7.6
Other	19.9	16.5	+17.6

1) Including Brussels Airlines, SunExpress and SunExpress Deutschland

# Traffic development at Vienna Airport in April

	<b>4/2015</b>	<b>4/2014</b>	<b>Δ in %</b>
Passengers (millions)	1.92	1.94	-1.1
Local passengers (millions)	1.38	1.36	+1.5
Transfer passengers (millions)	0.52	0.57	-8.4
Flight movements (in 1,000)	19.32	19.49	-0.9
MTOW (millions of tonnes)	0.72	0.69	+5.3
Seat load factor (percent)	72.9	77.0	-4.1%p
Cargo incl. trucking (in 1,000 tonnes)	23.03	23.33	-1.3

# What's new in 2015


- ✈ **Austrian Airlines:** Mauritius, Sri Lanka, Miami, Odessa, Menorca, increased frequencies to Newark, Athens
- ✈ **NIKI:** Catania, Alicante, Athens and increased frequencies to Zurich and Paphos
- ✈ **Other frequency increases and new destinations**

✈ **British Airways**   
(new to London Gatwick)

✈ **Vueling** (new to Rome) 

✈ **TUIFly** (new to Rhodes, Kos, Corfu, Heraklion) 

✈ **Aegean** (new to Rhodes) 

✈ **SunExpress** (new to Dalaman) 

✈ **Air Baltic** (new to Tallinn) 

✈ **Estonian Air** (new to Tallinn) 

✈ **Montenegro Airlines** (new to Tivat) 

✈ **Air Moldova** (new to Chişinău) 

✈ **Europe Airpost** (new to Bordeaux and Toulouse) 

# Traffic forecast for 2015

- ✈ **New destinations and higher frequencies in contrast to route reductions**
- ✈ Higher seating capacity planned, especially for the summer – but capacity utilization remains a factor of uncertainty
- ✈ Decline in Q1/2015 as expected – Outlook for entire year 2015 is slightly positive

	2014	Forecast for 2015
Passengers	22.5 million	0% to +2%
Flight movements	230,781	0% to +1%

**THANK YOU FOR YOUR ATTENTION!**

