



Annual Financial Report **2020** Flughafen Wien AG

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Key Data on the Flughafen Wien Group

→ Financial Indicators

(in € million, excluding employees)

	2020	Change	2019	2018	2017
Total revenue	333.7	-61.1%	857.6	799.7	753.2
Thereof Airport	133.0	-67.7%	411.7	381.7	368.2
Thereof Handling & Security Services	86.1	-48.2%	166.3	163.3	160.7
Thereof Retail & Properties	70.4	-56.7%	162.6	146.4	126.1
Thereof Malta	32.2	-67.9%	100.3	92.2	82.4
Thereof Other Segments	12.0	-28.2%	16.7	16.2	15.7
EBITDA	54.1	-85.9%	384.8	350.4	326.5
EBITDA margin (in %) ¹	16.2	n.a.	44.9	43.8	43.3
EBIT	-86.5	-134.3%	252.3	220.8	191.8
EBIT margin (in %) ²	-25.9	n.a.	29.4	27.6	25.5
ROCE before tax (in %) ³	-4.9	n.a.	13.9	12.5	11.0
ROCE after tax (in %) ⁴	-3.7	n.a.	10.4	9.4	8.2
Net profit	-75.7	-143.1%	175.7	151.9	126.9
Net profit after non-controlling interests	-72.8	-145.8%	158.9	137.3	114.7
Cash flow from operating activities	-23.0	-106.2%	373.0	291.2	277.9
Capital expenditure ⁵	79.9	-53.5%	171.8	165.7	103.6
Income taxes	-25.2	-140.5%	62.2	56.4	46.5
Headcount (Flughafen Wien Group) ⁶	6,541	-9.5%	7,231	6,330	5,772
Annual average employees (FTE) (Flughafen Wien Group) ⁷	5,452	1.2%	5,385	4,830	4,624

	31.12.2020	Change	31.12.2019	31.12.2018	31.12.2017
Equity	1,305.5	-5.5%	1,380.9	1,297.0	1,211.0
Equity ratio (in %)	60.1	n.a.	60.0	60.1	58.7
Net debt	201.9	148.0%	81.4	198.2	227.0
Net assets	2,173.3	-5.5%	2,300.6	2,158.1	2,063.0
Gearing (in %)	15.5	n.a.	5.9	15.3	18.7

1) EBITDA margin (Earnings before Interest, Taxes, Depreciation and Amortisation) = EBITDA / Revenue

2) EBIT margin (Earnings before Interest and Taxes) = EBIT / Revenue

3) ROCE before tax (return on capital employed before tax) = EBIT / average capital employed

4) ROCE after tax (return on capital employed after tax) = EBIT less allocated taxes / average capital employed

5) Capital expenditure: intangible assets, property, plant and equipment and investment property including corrections to invoices from previous years, excluding financial assets

6) Headcount: number of all employment relationships of the Flughafen Wien Group in the relevant year

7) According to the degree of employment including apprentices, exclusive employees without reference (parental leave, armed forces etc.), exclusive board members and managing directors weighted „full-time equivalent“ on an annual average

→ Industry Indicators

	2020	Change	2019	2018	2017
Passenger development of the Group					
Vienna Airport (in mill.)	7.8	-75.3%	31.7	27.0	24.4
Malta Airport (in mill.)	1.7	-76.1%	7.3	6.8	6.0
Košice Airport (in mill.)	0.1	-82.6%	0.6	0.5	0.5
Vienna Airport and strat. Investments (VIE, MLA, KSC)	9.7	-75.6%	39.5	34.4	30.9
Traffic development Vienna Airport					
Passengers (in mill.)	7.8	-75.3%	31.7	27.0	24.4
Thereof transfer passengers (in mill.)	1.5	-79.2%	7.2	6.7	6.4
Aircraft movements	95,880	-64.1%	266,802	241,004	224,568
MTOW (in mill. tonnes) ⁸	4.0	-63.3%	10.9	9.6	8.8
Cargo (air cargo and trucking; in tonnes)	217,888	-23.2%	283,806	295,427	287,962
Seat load factor (in%) ⁹	57.4	n.a.	77.3	76.0	74.8

→ Stock Market Indicators

	2020	Change	2019	2018	2017
Shares outstanding (in million)	84.0	0.0%	84.0	84.0	84.0
P/E ratio (as of 31.12.)	-35.0	n.a.	20.0	21.1	24.6
Earnings per share (in €)	-0.87	n.a.	1.89	1.63	1.37
Dividend per share (in €) ¹⁰	0.0	n.a.	0.0	0.89	0.68
Dividend yield (as of 31.12.; in %)	0.0	n.a.	0.0	2.58	2.02
Pay-out ratio (as a % of net profit)	0.0	n.a.	0.0	54.5	49.8
Market capitalisation (as of 31.12.; in € million)	2,557.8	-19.3%	3,171.0	2,898.0	2,826.6
Stock price: high (in €)	38.10	-5.9%	40.50	36.30	35.32
Stock price: low (in €)	17.00	-50.1%	34.05	31.50	23.59
Stock price: as of 31.12. (in €)	30.45	-19.3%	37.75	34.50	33.65
Market weighting ATX Prime (as of 31.12.; in %)	1.05	n.a.	1.16	1.27	0.92

→ Ticker Symbols

Reuters	VIEV.VI
Bloomberg	FLU:AV
Nasdaq	FLU-AT
ISIN	AT0000911805
Kassamarkt	FLU
ADR	VIAAY

8) MTOW: maximum take off weight for aircraft

9) Seat load factor: Number of passengers / available number of seats

10) Reporting year: proposal to the general meeting



**Group Management
Report for the 2020
Financial Year**

The Flughafen Wien Group

Business model

The Flughafen Wien Group (FWAG) is made up of three international airports in Austria (Vienna), Malta and Slovakia (Košice) and the Bad Vöslau airfield. Vienna Airport acts as an important hub for destinations in Eastern Europe. As one of the largest employers in Eastern Austria, it is an important factor driving growth and business for Austria. With its fully consolidated subsidiaries, FWAG employs 5,452 full-time equivalent (FTE) staff with a headcount of 6,541. In 2020, 9.7 million passengers (2019: 39.5 million passengers) were handled at the Group's three international airports.

The five segments of the Group's operating activities

Airport

The Airport segment is responsible for the operation and maintenance of all movement areas of the terminal, the facilities involved in passenger and baggage handling, as well as security controls for passengers and hand luggage at Vienna Airport, the acquisition of new airlines and the increase in the number of destinations.

Handling & Security Services

The Handling & Security Services segment provides services for aircraft and passenger handling of scheduled, charter and general aviation traffic. In addition to ramp, cargo and passenger handling, this segment also includes the provision of security services such as checks of passengers and hand luggage as well as general aviation, and is also responsible for guaranteeing short turnarounds and punctuality and providing tailor-made offerings.

Retail & Properties

Passengers, users of parking facilities, hotel guests, conference participants, employees at the site, and meeters and greeters are important target groups in the Retail & Properties segment. Other substantial contributions to income in addition to Centre Management & Hospitality with shopping, food & beverages, passenger services (lounges, VIP) and advertising revenue include parking and the rental of office and cargo space.

Malta

The Malta segment includes Malta Airport (Malta International Airport plc, MIA) and its direct investments (hereinafter referred to as the MIA Group). Malta Airport and its investments are responsible for the operation of Malta Airport. In addition to traditional aviation services, the companies of the MIA Group also generate revenue from parking and the rental of retail and office space.

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. This segment includes the subsidiaries of Flughafen Wien AG that directly or indirectly hold shares in foreign associates and joint ventures (e.g. at Košice Airport), and that have no other operating activities.

Note: Arithmetic differences can occur when adding rounded amounts and percentages due to the use of computer-aided tools. The same applies to other information such as headcount, traffic data, etc.

The business environment

The macroeconomic environment, especially economic growth, currency relations and the development of disposable incomes and international trade have a major influence on aviation performance. As an international hub in Central Europe, the economic development of Vienna Airport is primarily influenced by economic trends in the euro area and – given its geographical location – those in the Central and Eastern Europe (CEE) region in particular. The same applies to the airports of Malta and Košice, which are also significantly influenced by the general economic development in their region. Another key factor for FWAG is the economic and political situation in the Far East, the Middle East and Russia. The outbreak of the coronavirus pandemic in the first quarter of 2020 was followed around the world by sweeping measures to contain the further spread of the disease and to protect the population, which in turn resulted in a massive slump in economic output and air traffic. In 2020, the global economy shrank by 4.2%, while in the eurozone, economic output dropped by approx. 7.5%. The prospect of an effective and widely available vaccination, however, is laying the foundation for a gradual recovery. Current forecasts assume that the global economic output that had been achieved before the corona crisis will be restored by the end of 2021. (Source: OECD - Economic Outlook, December 2020) Growth rates for the eurozone of 3.6% in 2021 and 3.3% in 2022 have been forecast, albeit with a huge degree of uncertainty. (Source: OECD - Economic Outlook, December 2020). Austria's GDP declined by 7.3% in 2020. It is not expected to increase until the second quarter of 2021. (Source: WIFO Economic Outlook, 18 December 2020) The coronavirus pandemic is also influencing the situation on the labour market. While the rate of unemployment reached 10.2%, a further increase was avoided by means of extensive part-time working programmes. Recovery will be slow. According to forecasts, unemployment will drop slightly to 8.9% by 2023, while inflation will moderately decline to 1.3%. (Sources: OeNB – Economic Outlook for Austria, December 2020; WIFO – Economic Outlook, December 2020).

→ Tourism in Austria

The coronavirus pandemic has had a drastic impact on tourism in Austria. After a record year in 2019, overnight stays dropped by 35.9% in 2020, whereby overnight stays by foreign guests declined by 41.2% and by Austrian guests by 20.8%. The most severely affected was the federal capital of Vienna, where overnight stays in 2020 declined by 74% to 4.6 million (2019: 17.5 million). (Source: Statistik Austria)

→ Travel in Austria

Travel by the Austrian population also declined severely as a result of the pandemic. While 16.8 million holiday trips were taken in the first three quarters of 2019, this number dropped to 11.5 million in 2020, a reduction of just under 32%. Holiday trips within Austria only declined by 2% in the same period. Business trips were more severely affected. In the first three quarters of 2020, the number of business trips was 40.5% lower than the same period of the previous year. (Source: Statistik Austria).

Traffic development of the Flughafen Wien Group

Cumulative traffic development of the Flughafen Wien Group

Traffic figures for VIE, MLA, KSC	2020	Change	2019
Total passengers	9,657,416	-75.6%	39,527,803
Thereof local passengers	8,132,024	-74.7%	32,135,634
Thereof transfer passengers	1,508,810	-79.2%	7,237,646
Aircraft movements	116,349	-64.2%	324,740
Cargo (air cargo and trucking; in tonnes)	233,680	-22.2%	300,266

The Flughafen Wien Group, including its foreign investments in Malta Airport and Košice Airport, recorded a drastic decline of 75.6% to 9.7 million passengers in 2020 due to the COVID-19 pandemic.

Traffic at Vienna Airport 2020

Considerable drop in the number of passengers (-75.3%) due to the outbreak of the coronavirus pandemic

Traffic indicators	2020	Change	2019	2018
Passengers (in million)	7.8	-75.3%	31.7	27.0
Thereof local passengers (in million)	6.3	-74.1%	24.3	20.3
Thereof transfer passengers (in million)	1.5	-79.2%	7.2	6.7
Thereof transit passengers (in million)	0.0	-89.5%	0.2	0.1
Aircraft movements	95,880	-64.1%	266,802	241,004
MTOW (in mill. tonnes)	4.0	-63.3%	10.9	9.6
Cargo (air cargo and trucking; in tonnes)	217,888	-23.2%	283,806	295,427
Seat load factor in %	57.4	n.a.	77.3	76.0
Number of destinations	201	-7.4%	217	205
Number of airlines	75	-2.6%	77	74

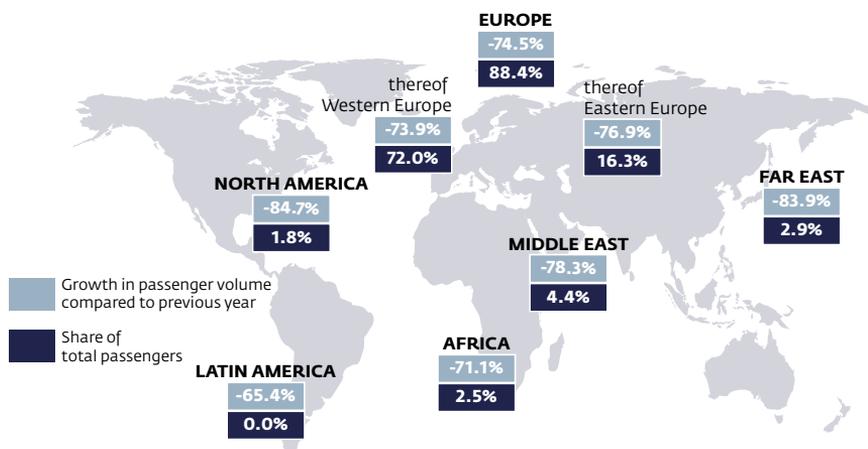
The worldwide effects of the global COVID-19 pandemic could also be strongly felt at Vienna Airport. In 2020, only a total of 7,812,938 passengers were handled - a decline of 75.3% to a number last recorded in 1994. In the first two months of 2020, the successful traffic development of previous years continued. At 4,111,134 passengers, this represented more than half of the total number for 2020. The first negative effects of the spread of coronavirus began to be felt at the end of February. From mid-March, passenger flights came to a virtual standstill for several months as a result of the global travel warnings. Continued travel warnings throughout the summer months as well as continuously changing travel guidelines meant there was only a slight recovery, generally to holiday destinations within Europe. Due to the reintroduction of travel restrictions in autumn and further lockdowns in Austria towards the end of the year, the decline in passenger numbers continued through to the end of the year. The number of local passengers decreased year-on-year to 6,298,880 - a decline of 74.1%. Its share of the total passenger volume increased by 3.8 percentage points to 80.6%. The number of passengers in transfer traffic dropped to 1,497,946 (down 79.2%). Key traffic indicators also followed a negative trend as a result of the COVID-19 pandemic. The number of aircraft movements dropped by 64.1% to a total of 95,880 take-offs and landings, the average seat load factor on scheduled and charter flights decreased by 19.9 percentage points to 57.4% and the maximum take-off weight (MTOW) declined by 63.3% to 3,987,681 tonnes. Cargo traffic, on the other hand, recorded a similar decline of 23.2% to 217,888 tonnes. 75 airlines flew to Vienna Airport in 2020, serving 201 destinations in 65 countries for scheduled flights.

Development of passenger numbers at Vienna Airport

→ Departing passengers in 2020 (scheduled and charter) by region

Region	2020	2019	Change	Share in 2020	Share in 2019	Change to share in percentage points
Western Europe	2,801,567	10,717,728	-73.9%	72.0%	68.0%	+4.0
Eastern Europe*	635,285	2,755,423	-76.9%	16.3%	17.5%	-1.1
Far East*	112,304	698,436	-83.9%	2.9%	4.4%	-1.5
Middle East	172,979	797,495	-78.3%	4.4%	5.1%	-0.6
North America	70,087	459,377	-84.7%	1.8%	2.9%	-1.1
Africa	96,353	333,305	-71.1%	2.5%	2.1%	+0.4
Latin America	205	593	-65.4%	0.0%	0.0%	0.0
Total	3,888,780	15,762,357	-75.3%	100.0%	100.0%	

*) Deviation from traffic data published in 2019 as a result of an update to the allocation of destinations within the respective regions



Departed passengers, development in 2020 compared to 2019 and share of total passenger volume in 2020

In 2020, all regions recorded a huge decline as a result of the COVID-19 pandemic and the resulting travel restrictions. Passenger volume to Western Europe fell by 73.9% to 2,801,567 departing passengers. This region's share of passenger volume increased by 4.0 percentage points to 72.0%. With regard to Eastern Europe, 635,285 departing passengers were handled, representing a decline of 76.9%. The share of passengers to this region decreased by 1.1 percentage points to 16.3%. The Far East reported a downturn of 83.9% to 112,304 departing passengers. Its share of the passenger volume decreased by 1.5 percentage points to 2.9%. Passenger traffic to the Middle East dropped by 78.3% to 172,979 departing passengers. Its share of the total passenger volume decreased by 0.6 percentage points to 4.4%. Passenger traffic to North America declined by 84.7% to 70,087 departing passengers. The region's market

share decreased by 1.1 percentage points to 1.8%. Traffic bound for Africa decreased by 71.1% to 96,353 departing passengers. Its market share of the total passenger volume increased by 0.4 percentage points to 2.5%.

Development of key airlines at Vienna Airport

→ Passenger volume by airline in 2020

Airline	2020	Change	2019	Share in 2020	Share in 2019
Austrian	3,023,467	-77.9%	13,673,856	38.7%	43.2%
Ryanair/Lauda	1,158,848	-56.4%	2,656,939	14.8%	8.4%
Wizz Air	865,336	-58.4%	2,080,809	11.1%	6.6%
Eurowings	362,453	-84.1%	2,277,788	4.6%	7.2%
Lufthansa	228,314	-68.7%	730,061	2.9%	2.3%
easyjet	210,845	-82.9%	1,235,356	2.7%	3.9%
Turkish Airlines	205,927	-62.6%	550,309	2.6%	1.7%
SWISS	121,481	-72.7%	445,260	1.6%	1.4%
Emirates	119,630	-71.2%	415,533	1.5%	1.3%
KLM Royal Dutch Airlines	117,891	-68.9%	379,618	1.5%	1.2%
Other	1,398,746	-80.6%	7,216,660	17.9%	22.8%
Thereof Lufthansa Group ¹	3,772,787	-78.2%	17,318,078	48.3%	54.7%
Thereof low-cost carriers ²	2,509,876	-67.2%	7,663,225	32.1%	24.2%
Total passengers	7,812,938	-75.3%	31,662,189	100.0%	100.0%

1) Lufthansa Group (100% subsidiaries): Austrian, Brussels, Eurowings, Lufthansa and SWISS

2) Deviation from 2019 management report due to an update to LCC allocation

Austrian Airlines, still the biggest customer at the site, recorded the largest relative decline of 77.9% in comparison to the other airlines stationed at the site as a result of the pandemic. In 2020, Austrian Airlines handled 3,023,467 passengers. The share of total passenger volume decreased by 4.5 percentage points to 38.7%. Scheduled flights were suspended at the start of the first lockdown in Austria from 18 March up to and including 14 June. During this period, the airline worked in cooperation with the government to fly stranded passengers home and transport medical equipment on cargo flights. The second largest carrier at the site, Ryanair/Lauda, also suspended flights from 16 March up to and including 23 June. In 2020, the airline handled 1,158,848 passengers (down 56.4%). Despite the decline in the number of passengers, the market share of the total passenger volume increased by 6.4 percentage points to 14.8%. Wizz Air stopped scheduled flights from 24 March up to and including 30 April as a result of the pandemic. The market share of the total passenger volume increased by 4.5 percentage points to 11.1% as a result of increasing its capacities prior to the outbreak of the pandemic in January and February and resuming flights earlier than its competitors at the start of May. In 2020, the airline handled 865,336 passengers (down 58.4%).

Decline in cargo volume (down 23.2%)

In 2020, the cargo sector again held its ground against the second cargo handling provider (Swissport) in an extremely difficult general environment with an average market share of 94.6%. FWAG handled 206,085 tonnes of cargo in the reporting year, a decrease of 24.0% compared to 2019. This negative development is the result of the temporary complete suspension of flights and the reduction in long-haul flights as well as the general downturn in global economic activity. Total cargo turnover at Vienna Airport in 2020 (including the second cargo handling provider) amounted to 217,888 tonnes, which likewise equates to a decline of 23.2%. While the air cargo handled fell by 27.6% year-on-year to 148,172 tonnes, the trucking volume remained relatively constant at 69,715 tonnes (-11.8%). Within the context of air cargo, the cargo segment was able to compensate for the decline in belly cargo somewhat with a growth of 27.9%. While export declined by 32.8%, import remained relatively stable with a decline of just minus 14.1%. In addition to imported relief supplies, this was due mainly to the fact that Vienna Airport was able to maintain its position as a hub for Central and Eastern Europe for the electronics and automotive industry.

Traffic development at Malta and Košice airports

→ Malta (fully consolidated subsidiary)

Traffic indicators	2020	Change	2019
Passengers (in million)	1.7	-76.1%	7.3
Aircraft movements	18,982	-63.4%	51,910
MTOW (in mill. tonnes)	0.7	-64.0%	2.0
Cargo (air cargo and trucking; in tonnes)	15,788	-3.9%	16,422

In January (+14.2%) and February (+17.3%) 2020, a positive trend in passenger growth was still being recorded. From 21 March to the end of June 2020, the Maltese government imposed a general flying ban due to the COVID-19 pandemic. Only repatriation flights, humanitarian aid flights and cargo flights were permitted during this period. In the second quarter, 94% of the 311 repatriation flights were made by Air Malta. Malta Airport resumed operations on 1 July 2020, when the travel ban was lifted for a number of selected markets. In mid-July, further restrictions were eased, allowing passengers from Great Britain to travel to Malta again. However, due to the Europe-wide travel restrictions in the third and fourth quarter, the encouraging trend of the summer months could not be continued. In the winter of the reporting year, eight airlines were active at minimum capacity.

→ Košice (investment recorded at equity)

Traffic indicators	2020	Change	2019
Passengers (in million)	0.1	-82.6%	0.6
Aircraft movements	1,487	-75.3%	6,028
MTOW (in mill. tonnes)	0.0	-78.7%	0.2
Cargo (air cargo and trucking; in tonnes)	5	-87.6%	38

All types of flight were affected by the reduction. The greatest decline was in charter flights and the smallest decline in traffic with the UK. The strongest effects of the COVID-19 pandemic were felt in the period from the end of March to the end of June 2020 as a result of the government-imposed suspension of scheduled flight operations and, from November 2020 the travel restrictions and resulting decline in traffic. Ryanair temporarily introduced two new destinations (Prague, Liverpool).

Fee and incentive policy at Vienna Airport

The fee adjustments based on the price cap formula and the procedure for adjustments in 2020 were regulated by the Austrian Airport Charges Act. Vienna Airport has a fee system that is highly attractive by international comparison. As at 1 January 2020, fees were adjusted on the basis of a price cap formula that was agreed between airlines and the Austrian Civil Aviation Authority (Austrian Ministry for Climate Protection, Environment, Energy, Mobility, Innovation and Technology (BMK)) and is embedded in the Austrian Airport Charges Act. 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, landside infrastructure fee and security fee are based on the number of passengers. The infrastructure fee for fuelling is based on the volume of fuel. Specifically, the maximum change in the fee is calculated from the rate of inflation less 0.35-times the traffic growth. Traffic growth is calculated using the three-year average, with each twelve month period running from 1 August to 31 July. If traffic growth is negative, the maximum fee adjustment is equal to the rate of inflation. After appropriate consultation with the airlines, FWAG applied for the following fee adjustments from 1 January 2020, which were approved by the Austrian Civil Aviation Authority:

Landing fee, infrastructure fee airside, parking fee:	- 0.830%
Passenger fee, infrastructure fee landside, security fee:	- 1.676%
Fuelling infrastructure fee:	- 1.268%

The PRM (passengers with reduced mobility) fee was unchanged at € 0.46 per departing passenger. The security fee for 2020 was € 8.32 per departing passenger, taking into account the change in line with the price cap formula. The transfer incentive, which is intended to boost Vienna Airport's role as a transfer airport, was € 12.50 per departing transfer passenger in 2020. In addition, the volume incentive was used to encourage sustainable passenger volumes of airlines with a base in Vienna. Start-up assistance for the development of additional passenger growth under certain conditions was also continued in the form of the success-based incentive. In 2020, FWAG also continued its incentive programme – comprising destination and frequency incentives in addition to a high-frequency incentive – which promotes the role of Vienna Airport as a bridgehead between east and west in the long term. As a result of the COVID-19 pandemic and the associated drastic decline in air traffic, passenger airlines are being offered the landing fee incentive for 2020 and the ramp-up incentive for 2021, which are intended to support airlines in resuming flights from and to Vienna Airport.

Malta Airport fees

Fees at Malta Airport are charged in line with a fee schedule. The fees were not increased in the reporting year. The current incentive system, which offers discounts for landing, parking and other fees, particularly in the winter schedule, is available equally to all airlines.

Revenue development in 2020

External revenue by segment

Amounts in € million	2020	Change	2019
Airport	133.0	-67.7%	411.7
Handling & Security Services	86.1	-48.2%	166.3
Retail & Properties	70.4	-56.7%	162.6
Malta	32.2	-67.9%	100.3
Other Segments	12.0	-28.2%	16.7
External Group revenue	333.7	-61.1%	857.6

The global introduction of limitations on entry to other countries and contact between people due to the COVID-19 pandemic as well as the associated reduction of flight schedules was the key factor driving the revenue decline in all segments. Details on the development of revenue can be found in the following sections.

Segment developments

Segment results – 2020

in € million	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group reconciliation	Total
Segment revenue	164.5	124.3	90.4	32.2	93.7	-171.5	333.7
Operating income	167.0	124.8	93.2	32.3	95.4	-171.5	341.2
Operating expenses*	237.2	153.6	76.0	38.3	94.0	-171.5	427.6
EBITDA	17.1	-19.6	36.0	5.8	14.7		54.1
EBITDA margin in %	10.4	-15.7	39.8	18.2	15.7		16.2
EBIT	-70.2	-28.9	17.2	-6.0	1.4		-86.5
EBIT margin in %	-42.7	-23.2	19.1	-18.6	1.5		-25.9

*incl. depreciation, amortisation, impairment and at-equity results in Other Segments

Segment results – 2019

in € million	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group reconciliation	Total
Segment revenue	445.7	248.5	177.0	100.3	139.0	-252.9	857.6
Operating income	452.2	249.0	182.1	100.3	140.5	-252.9	871.3
Operating expenses*	348.3	241.7	96.5	47.9	137.5	-252.9	619.0
EBITDA	187.6	15.8	103.3	63.5	14.7		384.8
EBITDA margin in %	42.1	6.3	58.4	63.3	10.5		44.9
EBIT	104.0	7.3	85.6	52.4	3.0		252.3
EBIT margin in %	23.3	2.9	48.4	52.3	2.2		29.4

*incl. depreciation, amortisation, impairment and at-equity results in Other Segments

Airport Segment

Amounts in € million	2020	Change	2019
Aircraft-related fees	22.3	-71.4%	78.1
Passenger-related fees	77.9	-72.0%	277.8
Infrastructure revenue & services	32.8	-41.2%	55.8
Airport segment revenue	133.0	-67.7%	411.7

Revenue from aircraft-related fees decreased by 71.4% year-on-year to € 22.3 million (2019: € 78.1 million) in connection with the decline in the MTOW (down 63.3%), the landing fees not charged from the end of March and the index-based rise in fees. As in previous years, the segment again made the largest contribution to Group revenue with a share of 39.9% (2019: 48.0%). Partly due to a change in internal rental revenue, internal revenue was down by 7.2%

year-on-year at € 31.5 million. Other income fell by 62.8% to € 2.4 million, partly due to lower own work capitalised. Despite cost reductions resulting from lower consumption of materials, de-icing materials and fuel, the cost of materials increased by € 3.9 million year-on-year to € 8.2 million (2019: € 4.3 million) due to higher purchased services for PCR tests, although these were offset by corresponding external revenue. The reduction in personnel expenses is due primarily to the short-time work introduced from 16 March 2020 and the accompanying measures to use up holiday time and overtime hours. Other operating expenses decreased by 70.2% to € 13.9 million (2019: € 46.6 million) as a result of the cost reduction programme initiated at the start of the pandemic. This relates in particular to savings of maintenance costs, third-party services, market communication and other operating expenses. Internal operating costs amounted to € 95.6 million in 2020, having decreased by € 67.8 million year-on-year due to cost savings. In the Airport segment, the EBITDA decreased by 90.9% to € 17.1 million as a result of this (2019: € 187.6 million). Taking depreciation and amortisation of € 87.3 million into account, including an extraordinary depreciation and amortisation amounting to € 7.0 million (2019: € 83.7 million), segment EBIT amounted to minus € 70.2 million after plus € 104.0 million in the same period of the previous year.

Handling & Security Services Segment

Amounts in € million	2020	Change	2019
Apron handling	43.4	-56.3%	99.2
Cargo handling	28.2	-17.4%	34.2
Security services	3.1	-46.5%	5.8
Traffic handling	4.4	-76.1%	18.4
General aviation, other	7.0	-19.2%	8.7
Handling & Security Services segment revenue	86.1	-48.2%	166.3

Revenue from apron handling decreased by 56.3% to € 43.4 million (2019: € 99.2 million) as a result of the pandemic-related decrease in movements and lower de-icing revenue. Revenue from cargo handling fell by 17.4% to € 28.2 million year-on-year (2019: € 34.2 million) due to the decline in volumes. The average market share of VIE handling (aircraft/movements) amounted to 89.8% (2019: 85.0%). Internal revenue declined by 53.5% year-on-year to € 38.2 million (2019: € 82.2 million) due to lower settlements of internal services (cost savings and lower usage of Group services). At € 4.5 million, the cost of materials was 47.4% below the previous year's level due to the lower consumption of fuel, de-icing materials, uniforms and other materials. Personnel expenses fell by 38.9% to € 110.5 million (2019: € 180.9 million) despite the slightly higher average headcount (an increase of 2 to 3,283 employees). In this segment, too, the reduction is due to the short-time work introduced from 16 March 2020 and the accompanying measures to use up holiday time and overtime hours. The decline in other operating expenses resulted primarily from lower expenses for third-party services, maintenance and short-term rent expenses on account of the cost reduction programme. EBITDA in the Handling & Security Services segment fell to minus € 19.6 million in 2020 (2019: plus € 15.8 million), particularly as a result of lower revenue.

Retail & Properties Segment

Amounts in € million	2020	Change	2019
Parking revenue	17.6	-64.9%	50.1
Rentals	27.3	-1.9%	27.8
Centre Management & Hospitality	25.5	-69.9%	84.6
Retail & Properties segment revenue	70.4	-56.7%	162.6

The decline in external revenue in the Retail & Properties segment was mainly due to lower revenue from Centre Management and Hospitality, which fell by 69.9% to € 25.5 million (2019: € 84.6 million). At € 17.6 million, parking revenue was also down year-on-year by 64.9% or € 32.5 million (2019: € 50.1 million). The Retail & Properties segment's share of Group revenue came to 21.1% (2019: 19.0%). Internal revenue increased by 39.3% to € 20.0 million as a result of internal allocations of PCR tests, while other income fell to € 2.9 million (2019: € 5.1 million) as a result of a non-recurring effect from sales of land in the previous year. Personnel expenses declined by 39.3% to € 8.6 million (2019: € 14.1 million) with a headcount of 140 (2019: 145), due in particular to the short-time work introduced from 16 March 2020. Other operating expenses decreased by 55.2% from € 17.6 million to € 7.9 million as a result of lower other expenses (lounges), maintenance, market communication and third-party services. As a result of lower revenue, EBITDA in the Retail & Properties segment decreased by 65.2% from € 103.3 million to € 36.0 million in the 2020 financial year. Depreciation and amortisation was € 1.1 million higher than the previous year as a result of the completion of Office Part 4. EBIT also decreased by 79.9% to € 17.2 million (2019: € 85.6 million). The EBITDA margin was 39.8% (2019: 58.4%) and the EBIT margin was 19.1% (2019: 48.4%).

Malta Segment

Amounts in € million	2020	Change	2019
Airport	17.9	-74.8%	70.8
Retail & Properties	14.0	-51.9%	29.2
Other	0.3	-11.5%	0.4
Malta segment revenue	32.2	-67.9%	100.3

Airport-related revenue, which includes income from tariffs, aviation concessions and PRM services, declined by 74.8% year on-year to € 17.9 million (2019: € 70.8 million), which is also primarily due in this segment to the decrease in traffic as a result of the pandemic. Income from retail outlets and rental, including VIP lounges and parking revenue, also dropped by 51.9% to € 14.0 million (2019: € 29.2 million). In addition to salary waivers, cost-saving measures also include savings in operating costs. Support from the Maltese government was also utilised. At € 1.1 million, the cost of materials was below the previous year's level of € 3.1 million. Personnel expenses fell by 19.4% to € 8.6 million (2019: € 10.7 million) despite the slightly lower headcount and pay increases under collective bargaining agreements. Other operating expenses were reduced by 31.4% to € 15.8 million, and included expenses for security staff, cleaning, PRM services, other third-party personnel services, IT services, airline marketing and maintenance. The Malta Segment reported EBITDA of € 5.8 million for 2020 (2019: € 63.5 million) with an EBITDA margin of 18.2% after 63.3% in the previous year. Taking into account depreciation and amortisation of € 11.8 million (2019: € 11.1 million), EBIT amounted to minus € 6.0 million (2019: plus € 52.4 million) with an EBIT margin of minus 18.6% (2019: 52.3%).

Other Segments

Amounts in € million	2020	Change	2019
Energy supply and waste disposal	6.6	-26.0%	8.9
Telecommunications and IT	3.1	3.0%	3.0
Materials management	0.6	-62.8%	1.5
Electrical engineering, security equipment, workshops (VAT)	0.4	-57.1%	1.0
Facility management, building maintenance	0.2	-67.3%	0.5
Visitor World	0.1	-84.2%	0.6
GET2	0.6	-17.8%	0.8
Other	0.4	-2.5%	0.4
Other Segments revenue	12.0	-28.2%	16.7

The decline in external revenue was due primarily to the lower cost allocation as a result of the pandemic in the areas of energy supply and waste disposal, materials management as well as electrical engineering, security equipment and workshops. Internal revenue declined by 33.2% year-on-year to € 81.7 million (2019: € 122.3 million). Other income (including own work capitalised) amounted to € 1.7 million (2019: € 1.5 million). The cost of consumables and services used fell by 43.2% year-on-year to € 13.4 million (2019: € 23.6 million), due in particular to the lower consumption of fuel, energy and other consumables. With an average headcount of 1,114 employees (2019: 1,019), personnel expenses decreased by 36.0% from € 67.2 million to € 43.0 million as a result of the short-time work introduced in 2020. This was offset by higher expenses from the full consolidation of GET2 from 1 May 2019. Other operating expenses decreased year-on-year from € 27.9 million to € 12.7 million on account of lower maintenance costs, third-party services and legal, auditing and consulting costs. Internal expenses amounted to € 10.3 million, a reduction of 0.6%. The results of investments in companies recorded at equity reflect the operating results of these investments at Košice Airport and City Airport Train (CAT). Negative operating earnings of € 1.2 million were generated in 2020 (2019: positive operating earnings of € 3.2 million). Overall, Other Segments reported EBITDA of € 14.7 million (2019: € 14.7 million). Adjusted for depreciation and amortisation (incl. an extraordinary write-down of € 1.0 million) of € 13.4 million (2019: € 11.6 million), segment EBIT amounted to € 1.4 million (2019: € 3.0 million). The EBITDA margin was 15.7% (2019: 10.5%) and the EBIT margin was 1.5% (2019: 2.2%).

Earnings in 2020 at a glance

Income statement, summary, in € million

Net profit	2020	Change	2019
Revenue	333.7	-61.1%	857.6
Other operating income	7.5	-45.3%	13.7
Operating income	341.2	-60.8%	871.3
Operating expenses, not including depreciation, amortisation and impairment	-285.9	-41.6%	-489.7
Results of companies recorded at equity	-1.2	-137.9%	3.2
EBITDA	54.1	-85.9%	384.8
Depreciation and amortisation including impairment	-140.6	6.1%	-132.5
EBIT	-86.5	-134.3%	252.3
Financial results	-14.4	0.0%	-14.4
EBT	-100.9	-142.4%	237.9
Income taxes	25.2	-140.5%	-62.2
Net profit for the period	-75.7	-143.1%	175.7
Thereof attributable to non-controlling interests	-3.0	-117.8%	16.8
Thereof attributable to equity holders of the parent	-72.8	-145.8%	158.9
Earnings per share in €	-0.87	-145.8%	1.89

The COVID-19 pandemic has resulted in a revenue decline across all segments. Due to the seasonality in the airport business resulting from holiday trips, FWAG normally generates its highest revenue in the second and third quarters. This development was not reflected in the financial year as a result of the pandemic. Other operating income declined by 45.3% year-on-year to € 7.5 million (2019: € 13.7 million). This was mainly attributable to the lower level of own work capitalised for construction projects and the non-recurring effect from the sale of land in the first quarter of 2019. Other operating income also includes receivables of € 1.7 million as revenue compensation in connection with the lockdown.

→ Operating expenses down 31.5% in 2020

Amounts in € million	2020	Change	2019
Consumables and purchased services	29.3	-29.0%	41.3
Personnel expenses	202.9	-37.2%	323.2
Other operating expenses	53.7	-57.1%	125.2
Depreciation, amortisation and impairment	140.6	6.1%	132.5
Total operating expenses (incl. depreciation, amortisation & impairment)	426.4	-31.5%	622.2

The cost of consumables was lowered by a total of € 11.6 million, due in particular to lower consumption of fuel, other consumables and de-icing materials. Expenses for energy were reduced by 29.7% to € 11.5 million (2019: € 16.4 million). Purchased services increased by € 4.5 million to € 7.8 million due to services for PCR tests, although these were offset by corresponding external revenue. The reduction in personnel expenses is due primarily to the

short-time work introduced in 2020 and the accompanying measures to use up holiday time, overtime hours and flexitime credit. Pay increases under collective bargaining agreements from May of the previous year and a higher average headcount due mainly to the change in the scope of consolidation (GET2 fully consolidated from 1 May 2019) had the opposite effect. Wages fell by 48.1% to € 67.3 million as against the previous year (2019: € 129.6 million), while salaries were down 44.8% at € 61.6 million (2019: € 111.5 million). Expenses for severance compensation amounted to € 13.0 million (2019: € 13.5 million) and for pensions € 2.8 million (2019: € 3.1 million). The average headcount (FTE, full-time equivalents) at the FWAG Group increased by 1.2% year-on-year from 5,385 to 5,452 due to the change in the consolidated group. As at the end of the reporting period, the headcount had decreased by 471 employees to 5,296 (down 8.2%) in comparison to 31 December 2019. In 2020, reimbursement claims totalling around € 79.8 million were recognised in profit or loss at Vienna Airport, mainly from short-time working allowance. Other operating expenses (including impairment and reversals of impairment on receivables) were reduced by 57.1% to € 53.7 million (2019: € 125.2 million) due to cost reductions as well as the lower level of third-party services due to the change in the scope of consolidation on 1 May of the previous year. The main reductions in expenses were in the area of maintenance (down € 28.8 million), third-party services (down € 13.9 million) and the third-party services from Group companies due to the inclusion of GET2 in the scope of consolidation from 1 May of the previous year (down € 4.7 million). Expenses for marketing and market communication (down € 11.2 million), other operating costs (down € 3.2 million), legal, auditing and consulting costs (down € 2.8 million) and expenses for travel and training (down € 2.4 million) were also reduced. Value allowances for receivables (Level 3) increased by € 1.6 million as a result of the pandemic.

Results of companies recorded at equity

The operating results of investments recorded at equity (Košice Airport and City Airport Train) declined by € 4.4 million to minus € 1.2 million (2019: plus € 3.2 million). Due to numerous cancellations of flights, the City Airport Train (CAT) temporarily ceased operations from 19 March.

→ Group EBITDA fell 85.9% to € 54.1 million

Amounts in € million	2020	Change	2019
Airport	17.1	-90.9%	187.6
Handling & Security Services	-19.6	-224.2%	15.8
Retail & Properties	36.0	-65.2%	103.3
Malta	5.8	-90.8%	63.5
Other Segments	14.7	0.4%	14.7
Group EBITDA	54.1	-85.9%	384.8
EBITDA Group share (in %)	2020		2019
Airport	31.6		48.8
Handling & Security Services	-36.2		4.1
Retail & Properties	66.5		26.8
Malta	10.8		16.5
Other Segments	27.2		3.8
Group EBITDA	100.0		100.0

As a result of the negative revenue development and the cost-savings measures that impacted only with a time lag, EBITDA declined by 85.9% year-on-year from € 384.8 million to € 54.1 million. The EBITDA margin fell from 44.9% to 16.2%.

→ Depreciation, amortisation and impairment of € 140.6 million

Amounts in € million	2020	Change	2019
Investment in non-current assets	79.9	-53.5%	171.8
Depreciation and amortisation	132.5	1.4%	130.7
Impairment	8.0	n.a.	1.8
Total depreciation, amortisation and impairment	140.6	6.1%	132.5

A total amount of € 79.9 million (2019: € 171.8 million) was invested in intangible assets, property, plant and equipment and investment property or paid as advance payments in 2020. The biggest investment projects at the Vienna site relate to the terminal alteration (€ 23.0 million), land (€ 2.0 million), aircraft and diesel towing vehicles (€ 1.7 million), sweepers (€ 1.6 million), lounges (€ 3.8 million) and Office Park 4 (€ 2.0 million). At Malta Airport, € 9.0 million was invested in a car park and € 2.2 million in a cargo building. Further details can be found in note (14) to the consolidated financial statements. There was extraordinary depreciation and amortisation of T€ 8,013.2 in 2020, T€ 6,922.8 of which relates to the Airport segment and T€ 1,090.4 to the Other Segments. The COVID-19 pandemic disrupted and halted construction projects, resulting in changes to acquisition and production costs. Impairment tests conducted in December did not result in any impairment of property, plant and equipment or intangible assets. For more information, see the remarks in Section V. "Effects of COVID-19" of the consolidated financial statements. In the 2019 financial year, the impairment tests carried out resulted in recognising impairment of fixed assets in the Vöslau Airfield cash-generating unit of € 1.8 million. This was recognised in the Airport segment. Further information can be found in note (7) to the consolidated financial statements.

→ EBIT down by € 338.8 million to minus € 86.5 million

Amounts in € million	2020	Change	2019
Airport	-70.2	-167.5%	104.0
Handling & Security Services	-28.9	n.a.	7.3
Retail & Properties	17.2	-79.9%	85.6
Malta	-6.0	-111.4%	52.4
Other Segments	1.4	-54.8%	3.0
Group EBIT	-86.5	-134.3%	252.3

EBIT Group share (in %)	2020	2019
Airport	81.2	41.2
Handling & Security Services	33.4	2.9
Retail & Properties	-19.9	33.9
Malta	6.9	20.8
Other Segments	-1.6	1.2
Group EBIT	100.0	100.0

Due to the decrease in EBITDA as well as higher depreciation and amortisation, EBIT declined by € 338.8 million to minus € 86.5 million (2019: plus € 252.3 million). The EBIT margin fell from 29.4% to minus 25.9%.

→ Financial results at minus € 14.4 million

Amounts in € million	2020	Change	2019
Income from investments, excluding companies recorded at equity	0.5	-22.4%	0.7
Interest income	2.2	0.0%	2.2
Interest expense	-15.7	-12.6%	-17.9
Other financial results	-1.5	n.a.	0.6
Financial results	-14.4	0.0%	-14.4

At minus € 14.4 million, the financial results remained at the level of the previous year. Net interest came to minus € 13.5 million (2019: minus € 15.7 million), which was considerably lower than the previous year. Other financial results of minus € 1.5 million (2019: plus € 0.6 million) include the measurement of financial instruments.

Group net profit for the period fell by € 251.4 million to minus € 75.7 million.

The profit before taxes (EBT) of FWAG declined by € 338.8 million to minus € 100.9 million. After income taxes of plus € 25.2 million (2019: minus € 62.2 million), the net profit for the period amounted to minus € 75.7 million (2019: plus € 175.7 million), a decrease of € 251.4 million. The net loss (previous period: net profit) attributable to shareholders of the parent company amounted to minus € 72.8 million (2019: plus € 158.9 million). The result attributable to non-controlling interests (including the pro rata loss of the subsidiary BTS Holding a.s. as well as the minority of Maltese companies (MIA Group and MMLC) for the 2020 financial year was minus € 3.0 million (2019: plus € 16.8 million). In 2020, the weighted average number of shares outstanding was 83,883,764 (2019: 83,966,504). This results in earnings per share of minus € 0.87 (2019: plus € 1.89). As at 31 December 2020, FWAG held 125,319 (31 December 2019: 47,939) of its own shares.

Financial, asset and capital structure

Statement of financial position structure

Statement of financial position structure	2020		2019	
	in € million	in % of the total assets	in € million	in % of the total assets
ASSETS				
Non-current assets	1,882.6	86.6	1,999.6	86.9
Current assets	290.7	13.4	301.1	13.1
Total assets	2,173.3	100.0	2,300.6	100.0
EQUITY AND LIABILITIES				
Equity	1,305.5	60.1	1,380.9	60.0
Non-current liabilities	535.2	24.6	572.5	24.9
Current liabilities	332.6	15.3	347.2	15.1
Total assets	2,173.3	100.0	2,300.6	100.0

Assets

Compared to 31 December 2019, non-current assets decreased by 5.8% to € 1,882.6 million (2019: € 1,999.6 million). The change is the result of current additions to intangible assets, property, plant and equipment and investment property of € 79.9 million, which are offset by depreciation, amortisation and impairment losses of € 140.6 million. The change in other assets is primarily attributable to reclassifications of time deposits based on their maturity profile and new investments (in total down € 50.0 million). Therefore, the share of total assets accounted for by non-current assets declined overall to 86.6% (2019: 86.9%). Property, plant and equipment with a carrying amount of € 1,469.0 million (2019: € 1,530.3 million) was the largest component of non-current assets. Within this item, capital expenditure (additions) of € 73.0 million, reclassifications of € 2.4 million and reclassifications to assets available for sale of € 3.8 million were offset by depreciation and amortisation of € 119.7 million, impairment losses of € 8.0 million and derecognition of assets of € 0.4 million. The carrying amount of land and buildings was down by 4.7% from € 1,030.6 million (2019) to € 981.8 million. In addition to capital expenditure of € 8.3 million, depreciation and amortisation of € 59.7 million was recognised and reclassifications of € 6.6 million were made from finished projects. The derecognition of assets in this item came to € 0.3 million, with reclassifications to assets available for sale of € 3.8 million. The "Technical equipment and machinery" item, with a carrying amount of € 229.0 million as at 31 December 2020, was 10.5% lower year-on-year (2019: € 255.7 million). Firstly, capital expenditure and reclassifications of completed projects were recognised in the amount of € 7.7 million and secondly, depreciation and amortisation of € 34.4 million was recorded. The "Other equipment, operating and office equipment" item rose year-on-year by 3.3% to € 119.3 million (2019: € 115.5 million). Advance payments and projects under development posted a € 10.4 million increase in their carrying amount to € 138.9 million (2019: € 128.5 million) as a result of current construction projects at the Vienna and Malta sites. Reclassifications of € 14.0 million were made from finished projects, reducing this item. An impairment loss of

€ 6.9 million was recorded in relation to Pier East. Details can be found in note (7). The carrying amount of investment property declined by 2.2% year-on-year to € 174.8 million as at the end of the year (2019: € 178.7 million). Depreciation and amortisation of € 7.0 million is offset by reclassifications to property, plant and equipment of € 0.9 million as well as capital expenditure and advance payments amounting to € 4.0 million, relating primarily to Office Park 4. The carrying amount of investments in companies recorded at equity decreased by 6.2% from € 43.7 million to € 41.0 million. On the one hand, this is due to dividends received of € 1.5 million. On the other hand, this is due to the negative operating earnings of these investments of € 1.2 million. Non-current other assets decreased from € 80.7 million to € 31.3 million. Equity instruments under non-current assets fell from € 4.6 million to € 3.9 million, mainly due to the measurement of financial instruments. Due to the maturity profile of the time deposits, other receivables fell from € 75.2 million to € 25.2 million in connection with investments. Current assets decreased by 3.4% year-on-year to € 290.7 million (2019: € 301.1 million). While current term deposits decreased by € 35.0 million and net trade receivables were down € 51.1 million to € 17.4 million (31 December 2019: € 68.4 million) due to the sharp decline in revenue as at the end of the reporting period, other receivables increased by € 12.5 million to € 29.7 million, primarily as a result of unpaid receivables from short-time work allowances. Due to the remeasurement of existing investments at market value amounting to minus € 1.5 million as well as the purchase of two securities, the carrying amount of securities dropped by € 31.8 million to € 26.9 million as at 31 December 2020 (2019: € 58.7 million). Cash and cash equivalents grew to € 173.1 million as at 31 December 2020 (2019: € 84.8 million).

Equity and liabilities

Overall, equity fell by 5.5% to € 1,305.5 million (2019: € 1,380.9 million). While net profit for the current period (including the results of non-controlling interests) was recognised in the amount of minus € 75.7 million, net actuarial gains resulting from revaluation of defined benefit plans amounting to € 3.6 million and the devaluation of financial instruments (FVOCI) were recognised in the amount of € 0.5 million. In addition, own shares were purchased for € 2.7 million in 2020. No dividend was distributed in the financial year. The net retained profits from 2019 were carried forward. The equity ratio is 60.1% (previous year: 60.0%). Non-controlling interests relate to the other shareholders in Malta Airport (Malta International Airport plc), Malta Mediterranean Link Consortium Limited (MMLC) and the Slovakian subsidiary BTS Holding a.s. They changed in line with the current results for the year of the subsidiaries and the distributions made. The carrying amount of non-controlling interests was € 101.6 million (2019: € 104.6 million). The 6.5% decrease in non-current liabilities from € 572.5 million to € 535.2 million was due primarily to reclassifications of financial liabilities based on their maturity profile as well as the reversal of deferred tax liabilities. Non-current provisions decreased from € 175.0 million to € 170.3 million, primarily due to the ongoing measurement (including updating actuarial parameters) of non-current staff provisions. Other non-current liabilities increased by € 1.2 million to € 29.8 million. Current liabilities were down € 14.6 million at € 332.6 million. The € 117.0 million increase in current financial and lease liabilities to € 142.4 million resulted mainly from taking up new short-term loans. As at the end of the reporting period, trade payables decreased by € 18.8 million to € 26.6 million. Current provisions were down € 101.1 million at € 111.4 million. This decrease was partly due to the credit note for incentives in the previous year, as well as measures to use up holiday time. Tax provisions amounted to € 0.4 million (2019: € 11.4 million).

Financial indicators

	2020	Change	2019
Equity in € million	1,305.5	-5.5%	1,380.9
Equity ratio in %	60.1	n.a.	60.0
Net debt in € million	-201.9	148.0%	-81.4
Gearing in %	15.5	n.a.	5.9
Working capital in € million	-103.3	-36.5%	-177.1
Fixed-asset ratio in %	85.4	n.a.	83.6

Cash Flow Statement

in € million	2020	Change	2019
Cash and cash equivalents as at 1 January	84.8	181.7%	30.1
Cash flow from operating activities	-23.0	-106.2%	373.0
Cash flow from investing activities	22.5	-112.8%	-176.1
Cash flow from financing activities	88.8	-162.4%	-142.3
Cash and cash equivalents at end of period	173.1	104.2%	84.8
Free cash flow	-0.5	-100.2%	196.9

Net cash flow from operating activities was minus € 23.0 million in 2020 after plus € 373.0 million in the previous year. Operating earnings (EBT plus depreciation and amortisation less measurement of financial instruments) fell by € 328.6 million to € 41.2 million (2019: € 369.8 million). In 2020, the FWAG Group posted a decrease in receivables of € 28.1 million (2019: increase of € 0.2 million). Liabilities and provisions were down € 99.4 million (2019: up € 75.6 million), due primarily to the incentives credited at the start of 2020 from the previous year. Payments for income taxes amounted to plus € 5.5 million (refunds), whereas income taxes of € 69.8 million were paid in the previous year. Net cash flow from investing activities amounted to plus € 22.5 million, after minus € 176.1 million in the previous year. While € 99.2 million was paid for investment projects (including financial assets) in 2020, payments of € 177.1 million were made in the previous year. Furthermore, € 0.7 million (2019: € 110.7 million) was invested in current and non-current investments (term deposits) in 2020. In 2019, € 30.0 million was invested in securities. This was offset by proceeds from past term deposits of € 85.7 million (2019: € 106.1 million). In 2020, € 30.3 million was generated by selling financial assets (securities). An income of € 6.1 million (2019: € 5.3 million) was generated from the disposal of assets, including the sale of land. Free cash flow (net cash flow from operating activities plus net cash flow from investing activities) therefore amounted to minus € 0.5 million (2019: plus € 196.9 million). Net cash flow from financing activities of plus € 88.8 million (2019: minus € 142.3 million) is attributable to the change in financial liabilities (repayments less borrowings) in the amount of plus € 91.9 million (2019: minus € 57.0 million). Short-term loans of € 117.0 million were taken up as a result of the COVID-19 pandemic. A dividend of € 83.1 million was distributed in 2019 (€ 74.8 million of which for shareholders of Flughafen Wien AG and € 8.3 million for non-controlling interests). The acquisition of own shares amounted to € 2.7 million (2019: € 1.8 million). Cash and cash equivalents as at 31.12.2020 amounted to € 173.1 million, after € 84.8 million in the previous year.

Capital expenditure

Amounts in € million	2020	Change	2019
Intangible assets	3.0	-8.1%	3.3
Property, plant and equipment including investment property	76.9	-54.3%	168.5

Capital expenditure on non-current assets included € 76.9 million for property, plant and equipment and investment property plus € 3.0 million for intangible assets. The additions to non-current assets in 2020 and 2019 are described under note (14) in the notes to the consolidated financial statements.

Investments in foreign airports

The Flughafen Wien Group (FWAG) held investments in two international airports in 2020. As at 31 December 2020, FWAG held an indirect interest of 48.44% of shares in Malta Airport (fully consolidated company): 40% of the shares are held by Mediterranean Link Consortium Limited (MMLC), in which FWAG has held 95.85% since the end of the first quarter of 2016, 10.1% is held directly by FWAG (through VIE (Malta) Limited) and 20% is held by the Maltese government. The remaining shares are listed on the stock exchange in Malta. FWAG indirectly holds 66% in Košice Airport (recorded at equity). Despite this, this company is run as a joint venture as key business decisions are made together with the other shareholders.

Financial instruments

Information on the financial instruments used by the Flughafen Wien Group can be found in the notes to the consolidated financial statements (notes (36) and (37)).

Financial and capital management

Financial management in FWAG uses a system of performance indicators based on carefully selected and coordinated figures. These key performance indicators define the tightrope between growth, profitability and financial security that FWAG walks in the pursuit of its primary goal to generate profitable growth. High profitability is the stated long-term goal of management. Depreciation and amortisation have a significant influence on FWAG's earnings figures. EBITDA (operating profit plus depreciation, amortisation and impairment less impairment reversals) is a key indicator, as is the EBITDA margin. An EBITDA margin of 16.2% is reported for 2020 (2019: 44.9%) as a result of the pandemic. The development of operational and financial key performance indicators is negative due to the significantly reduced traffic volume, but is not a risk to the survival of the company. The optimisation of the financial structure is a high priority. This financial security is measured by the gearing ratio, which compares net debt with the carrying amount of equity. The company's medium-term goal is to limit the net debt/EBITDA ratio to a maximum of 2.5. The ratio was 3.7 as at 31 December 2020 (2019: 0.2), with the increase a result of the pandemic due to lower EBITDA and taking up short-term cash advances. Financial and lease liabilities increased by € 92.0 million, due essentially to taking up short-term cash advances. This was offset by scheduled repayments. Cash and cash equivalents amounted to € 173.1 million as at 31 December 2020 (2019: € 84.8 million). Investments of € 45.9 million (2019: € 131.0 million) are reported in current and non-current assets. Securities amounted to € 26.9 million after € 58.7 million as at 31 December 2019. Net debt including these deposits was € 201.9 million (2019: € 81.4 million). With reported equity of € 1,305.5 million (2019: € 1,380.9 million), the gearing ratio was 15.5% (2019: 5.9%). Further details on liquidity and going concern can be found in Section V "Effects of COVID-19" in the notes. In addition to the EBITDA margin, the return on equity after tax (ROE) is also used to assess the company's profitability. ROCE (return on capital employed) and cash flow are also used to manage the company.

→ Profitability indicators in % or € million

	2020	2019
EBITDA margin ¹	16.2	44.9
EBIT margin ²	-25.9	29.4
ROE ³	-5.6	13.1
ROCE before tax ⁴	-4.9	13.9
ROCE after tax	-3.7	10.4
Free cash flow in € million	-0.5	196.9

1) EBITDA margin (Earnings before Interest, Taxes, Depreciation and Amortisation) = EBITDA/Revenue

2) EBIT margin (Earnings before Interest and Taxes) = EBIT/Revenue

3) ROE (return on equity) = net profit for the period/average equity

4) ROCE before tax (return on capital employed before tax) = EBIT/average capital employed (capital employed = non-current assets, inventories, receivables and other assets including time deposits, less current provisions and liabilities)

Risks of future development

Risk management system

FWAG uses a risk management system that identifies, analyses, assesses and suitably handles relevant risks. This system is shown in the following diagram:



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

The risk management system for the entire Group is uniformly based on the Committee of Sponsoring Organisations of the Treadway Commission's (COSO) "Standard for Enterprise Risk Management", implemented in a separate policy. Malta Airport has issued its own risk management policy, which is based on the uniform Group-wide standards referred to above and is located within strategic controlling. This centrally coordinates all risk management activities. Risk owners and risk officers in the business units and affiliated companies are responsible for its implementation. The risk management cycle, consisting of risk identification, risk assessment and aggregation, risk control and assignment of measures, and final reporting, runs efficiently. Documentation of the entire risk management system takes place in the form of process and risk management software that serves as a central database for all identified risks and associated measures. The internal control system (ICS) covers aspects of risk management in the sense of ensuring the reliability of operational reporting and compliance with the associated laws and provisions in addition to protecting the assets of the Flughafen Wien Group. In addition, the internal audit department of Flughafen Wien AG regularly evaluates business practices and organisational processes for compliance with Group guidelines, security and usefulness. The existing systems are evaluated on a regular basis and extended as required. Risk management is complemented by Group-wide innovation management, used to identify new earnings potential in all areas of the company at an early stage and to develop them to market readiness. For further information, refer to the following text section.

Economic, political and legal risks

The development of business is significantly influenced by global, European and regional aviation trends, which in turn are heavily dependent on general economic conditions. Economic fluctuations or a sustained slowdown in economic growth can therefore have a decisive influence on the business performance of the company. The overall risk position of the FWAG

Group has changed significantly as a result of the coronavirus pandemic and the resulting economic downturn. Uncertainties in the geopolitical field persist in the shape of the political ties between the European Union and Russia as well as the sanctions imposed, with little impact on FWAG. In 2020, the departure of the UK from the European Union was concluded. A transition period until 31 December 2020 was agreed in order to achieve an agreement on a trade deal between Great Britain and the EU, which was signed on 30 December 2020. The agreement entered into force provisionally on 1 January 2021, until ratification by the European Parliament. The two parties granted comprehensive traffic rights for aviation within the agreement, namely the first four freedoms of air travel. The fifth freedom (i.e. the place of departure or arrival must be in the territory covered by the agreement, whereby stopovers are possible) can also be granted within a bilateral agreement with the individual Member States; cabotage (the provision of transport services by a company not located within the territory covered by the agreement) is, however, explicitly excluded. The agreement is not expected to have any negative effects on Vienna Airport. Transit flights, which fall under the fifth freedom, have no major relevance to Vienna Airport and can be conceded quickly and easily by means of a bilateral agreement. Within the scope of the agreement, the right to cabotage within the EU is reserved only for airlines with headquarters and ownership within the EU area. British airlines can only achieve this by founding subsidiaries in the EU, as was the case with easyJet, for example, which founded easyJet Europe in Austria in 2017. Brexit may be of greater relevance, with a negative impact, for Malta Airport. Great Britain accounted for a share of around 19.6% of the passenger volume in 2020. This may have negative impacts on the traffic volume in the short term. This risk has been significantly minimised by the agreement that has now been concluded, however, as Malta remains primarily a holiday destination for point-to-point traffic. Political tension and terrorist threats in individual countries and regions have a negative impact on bookings for the respective tourist destinations. In the past, however, it has been observed that such declines were of a short-term nature or were compensated by other destinations. Negative sales effects are possible in duty free business if passengers from non-EU destinations avoid destinations within the internal market. For the evaluation of the ground handling services regulation (BVD), a roadmap was published in February 2019 that provides for evaluation by 2021. The outcome of this evaluation is not yet known. A further increase in the number of handling agents in the restricted-access ground handling services would further heighten the competitive and price pressure on the market. Aviation has been included in the European Union Emissions Trading System (EU ETS) since 2012, the costs of which may increase significantly in the coming years, however. This could result in air traffic becoming more expensive in the European context. Both at national and European level, climate protection is currently a key issue. At EU level, the European Commission is presenting its work under the "European Green Deal". A dedicated "Climate Law" has also been announced, although this is currently still at the legislative process phase. This defines measures and targets for the Member States for reducing their emissions. These targets will have to be incorporated into national legislation by the Member States. In 2020, the European Council approved a new emission reduction target for 2030. Internally, by 2030 net greenhouse emissions are to be reduced by at least 55% in comparison with 1990, a significant increase on previous targets by 40%. It is not currently possible to fully estimate the effects of these resolutions on aviation. It can, however, be assumed that a higher price will be applied to CO₂ emissions, which - depending on the price elasticity of demand - may slow down the growth in market demand. Within the scope of the ACI Europe initiative, Vienna Airport has committed to reducing its CO₂ emissions to zero by 2050. The ACI Europe is committed to achieving its targets of climate neutrality in 2050 within the scope of the "European Green Deal". In Austria, the federal government announced an eco-social tax reform as part of its government programme. The increase in air ticket tax

for short- and medium-haul flights was implemented on 1 September 2020. Furthermore, changes in regulatory requirements or other relevant legal principles can negatively influence the company's results. FWAG does not anticipate any changes to the current regulations on permissible flight operating times or current night flight rules.

Non-compliance with legal requirements can give rise to liability on the part of management or the Management Board. Compliance with the relevant regulations is therefore ensured by internal guidelines, such as the Issuer Compliance Guideline and the Market Abuse Regulation (MAR). To prevent abuse or forwarding of insider information, the necessary non-disclosure areas have been established in FWAG.

Market and competitive risks

The coronavirus pandemic is the greatest crisis in the history of commercial aviation, with far-reaching ramifications for the airlines operating at Vienna Airport. In 2020, European air traffic effectively came to a standstill for months. This situation is an existential threat for many airlines. The IATA (International Air Transportation Association) anticipates a global decline of 60.5% in the number of departing passengers in 2020. A widely available and effective vaccination in conjunction with comprehensive testing should lay the foundation for recovery in 2021. A passenger volume of around 50% of the level prior to the corona crisis is forecast. Air cargo traffic supported the global supply and delivery chains during the coronavirus pandemic and was therefore less negatively impacted by the crisis. A decline of 11.5% is assumed for 2020, measured in terms of cargo and air mail tonne kilometres. In 2021, the level is expected to reach that of 2019 (+13.1%). (Source: IATA Economic Performance of Airline Industry, November 2020).

It is currently expected that the traffic volume seen in 2019 will be regained only in the medium term. Experience from previous crises such as 9/11 (2001), the 2008/2009 financial crisis and earlier pandemics such as SARS (2003), however, shows that air traffic is generally highly resilient and recovers from downturns completely within a few years. The low-cost carrier (LCC) segment is likewise heavily affected by the challenging industry environment. Level Europe, the low-cost subsidiary of the IAG, filed for bankruptcy in 2020, while Ryanair subsidiary Laudamotion, which also operates from Vienna, had to introduce restructuring measures in order to survive the crisis. After lengthy negotiations, the planned withdrawal from Vienna was avoided, although the airline is downsizing its base in Vienna so that only 10 rather than 16 aircraft will be stationed in Vienna for the time being. This is a positive sign in terms of the commitment to the Vienna site, although development will continue to be monitored closely, as low-cost carriers are generally more flexible when it comes to stationing their aircraft. Laudamotion GmbH was also closed in Vienna and all assets transferred to the new Ryanair subsidiary Lauda Europe Ltd. in Malta. It is not currently possible to predict the competitive situation at Vienna Airport once the coronavirus pandemic has come to an end. Austrian Airlines is FWAG's biggest customer and accounts for 38.7% (2019: 43.2%) of total passenger traffic at the Vienna site. Austrian Airlines' strategic focus and its long-term development as a strong network carrier have a significant influence on the commercial success of FWAG, and are therefore under constant observation and analysis by the business areas responsible. Austrian Airlines has also been severely affected by the coronavirus pandemic. The survival of the airline was guaranteed only with the assistance of a government rescue package totalling € 600 million. The grant of € 150 million from the Austrian government was approved by the EU at the beginning of July 2020. Lufthansa will inject another € 150 million as equity capital, and € 300 million will be raised via a bank loan (90% of which guaranteed by the Austrian government). The Austrian government has tied the package to conditions and covenants with a focus on environmental protection and sustainability. Overall, the rescue package and

the restructuring measures are a positive sign of the survival of Austrian Airlines and of the confidence that Lufthansa places in its subsidiary. The rescue package will help to safeguard the Viennese hub for flights to Central and Eastern Europe and long-haul destinations in the long term. However, uncertainties remain with regard to further economic development, in particular future investment decisions by parent company Lufthansa. It has been possible to at least postpone the necessary renewal of AUA's long-haul fleet as a result of the impact the crisis has had on Lufthansa's free cash and cash equivalents. This would have a negative impact on the number of long-haul destinations on offer and on the development of passenger numbers at Vienna Airport.

In the immediate catchment area of Vienna Airport, the activities at Bratislava Airport continue to be regarded as particularly relevant and remain under close observation. The airport investments in Malta (fully consolidated) and Košice (recorded at equity) are not only exposed to the above industry risks, but also to additional local challenges and market risks. As a traditional holiday destination, Malta Airport has been very significantly affected by the coronavirus pandemic. As was the case for most European airports, traffic came virtually to a complete standstill from mid-March 2020. Malta Airport reopened for travellers from most European countries on 1 July. The home carrier Air Malta (2020 market share: 29.5%) also started flying again on 1 July. As with all European countries, however, air traffic in the summer months remained considerably lower than the previous year's level and declined continuously during the second half of the year. In comparison with the previous year, only 23.9% of the total passenger volume was handled at Malta Airport in 2020. It remains to be seen how the coronavirus pandemic will affect Air Malta's already difficult economic situation. The probability of a comprehensive realignment of the airline has, however, increased as a result of the crisis.

The loss of the airline would have negative repercussions on passenger traffic and thus the results of Malta Airport in the short term. In the medium and long term, however, it is expected that new airlines or those already represented at the site would increase their capacity and serve the existing demand. Košice Airport has also been very significantly affected by the coronavirus pandemic. In 2020, only 17.4% of the previous year's passenger volume was handled. Although a new route to Liverpool was introduced in October, traffic came virtually to a complete standstill for several months of the year, as was the case in all European countries. As airlines are making cost improvements and restructuring plans, there is always a risk that flights to and from regional airports may be cut or reduced. The coronavirus pandemic has increased this risk. It is not currently possible to predict the situation at Košice Airport once the crisis has come to an end.

The coronavirus pandemic is also posing major challenges for handling services as well as the aviation industry as a whole. The high level of competition between the airlines has been increasing the price pressure on upstream service providers for years. The lower volumes as a result of the crisis will further intensify margin pressure. The decline in aircraft movements tends also to result in a reduction in labour productivity, as economies of scale can be achieved only to a lesser extent. In light of this challenging situation, which has existed for years, in 2018 a multitude of measures were launched to increase efficiency in workflows along the entire value chain, which were successfully implemented in stages in 2019 and have resulted in a sustainable increase in productivity. Again in 2020, the handling services segment was the market leader in ramp handling as well as cargo handling. The risk of losing market share is buffered by the existence of long-term service agreements with the most important key accounts (Austrian Airlines, Wizz, Ryanair/Lauda and Lufthansa) as well as high quality standards. Down 23.2% from the previous year, the cargo sector was also severely affected by the coronavirus pandemic, although the declines in this area were considerably less significant, primarily as a result of the increased use of cargo aircraft. However, the possibility of a longer-lasting recession is

also an uncertainty factor in cargo. Current estimations from the IATA suggest that the global cargo market will increase again in 2021, although there is much uncertainty surrounding this forecast. (Source: IATA Economic Performance of Airline Industry, November 2020). Growth depends on a far-reaching resumption of passenger flight connections in order to increase the use of belly cargo (cargo transported in passenger aircraft). Even if aircraft movements and cargo volume increase in the near future, it will take years to reach pre-crisis levels. In light of this, the focus will continue to be on increasing productivity in future. The use of larger aircraft has had a positive impact on the revenue of the handling services segment across all areas.

In the Retail & Properties segment, FWAG rents out buildings and space that are used primarily by companies whose business development is dependent on that 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-based contractual components, this is linked to effects on FWAG's revenue situation in the retail and property sectors.

The Retail & Properties segment has also been severely affected by the coronavirus pandemic. The terminal closures due to low utilisation impacted earnings as a result of the reduced rent and not all tenants could be retained. Even with a gradual increase in passenger numbers, a reduced utilisation of rented spaces is therefore expected. In the long term, however, Vienna Airport expects to increase utilisation to pre-crisis levels.

Finance and investment risks

The FWAG treasury department is responsible for the efficient management of interest rate and market risks and evaluates the respective risk positions on a regular basis as part of risk controlling. The gradual reduction of variable rate financial liabilities has already significantly reduced the potential impact of interest rate changes on FWAG. The EIB credit agreement in place defines terms for the liability of qualified guarantors. Following the conclusion of a new guarantee agreement, three banks are liable to the EIB as guarantors for the remainder of the loan at this time, currently € 275 million. Detailed information on financial risks – including liquidity risk, credit risk, interest rate risk and foreign exchange risk – and the financial instruments used to counter these risks can be found in note (37) to the consolidated financial statements. The general and specific market risks already referred to above, in addition to country-specific political and regulatory risks in Malta and Slovakia, can adversely affect the medium-term planning of the investments in Malta and Košice airports and lead to impairment on assets, goodwill and the carrying amounts of investments. FWAG's capex projects are exposed to various risks – including the loss of suppliers, higher construction costs, or changes in planning – that could increase the intended expenditures. Therefore, in the pre-project phase, a full risk assessment is already performed for the relevant capex project. Any special risks identified by the project managers (e.g. contaminated soil) are incorporated in the respective calculations. The provisions to be complied with regarding project organisation, audits and approvals within the framework of the handling of construction projects were defined by FWAG in a separate construction manual (BHB) as a mandatory corporate instruction (directive). All capex projects take account of the forecast traffic volume. The current crisis caused by the coronavirus pandemic has resulted in a large number of investment projects being postponed within the scope of the comprehensive savings programme. The focus is currently on surviving the crisis; after then the investment programme will be reassessed. The construction of the "Parallel runway 11R/29L" (third runway) is a key project for FWAG's long-term development and growth potential, has been incontestably approved by Austria's supreme courts and is

continuing as a top priority. As a result of the pandemic, however, the airport will reach its capacity limits in the existing two-runway system considerably later than 2025 based on foreseeable passenger development. All assets were measured based on the assumption that Vienna Airport will maintain its position as an east-west hub.

Operating risks

The development of traffic is also significantly influenced by national and external factors such as terrorism, war, or other latent risks (e.g. pandemics, closing of air space due to natural disasters, strikes, etc.). Local damage risks, such as fire, natural disasters, accidents, or terrorism on site, as well as theft of or damage to property, likewise constitute operating risks. Vienna Airport takes key precautions against such events in the form of appropriate safety and fire protection measures, emergency plans and high safety standards. These risks are covered by insurance (aviation liability insurance, terror liability insurance, etc.). As Vienna Airport plays a critical role as a key infrastructure provider and backbone of international integration in the entire Eastern European region, particularly high demands are made of the availability, the reliability, the quality and the data security of the ICT (information and communication technology) systems used. The inclusion of risk management in planning processes allows for the early identification, analysis and assessment of risks in ICT projects and, if required, the implementation of appropriate measures to reduce risk. The major operating risks in the area of information and communications technology include potential failures of central infrastructure facilities and services, the impairment of basic supply, the destruction of central ICT infrastructure and the potential loss of sensitive data. State-of-the-art monitoring systems and emergency procedures have been implemented for all critical ICT systems – such as Vienna Airport's core system, "mach2", or the ERP (enterprise resource planning) system SAP – which support the early identification, analysis and handling of problems and ensure a high degree of reliability. Given the business requirements, ICT systems are generally implemented redundantly and, if necessary, with high availability, so that a failure of individual components does not endanger the availability of overall systems. The basic infrastructure (electricity, heating, refrigeration, water and wastewater) is exposed to risks in connection with the availability of central systems. Measures have been and are being continuously developed to achieve the greatest possible reliability (e.g. ring circuits).

As a result of employees having to work and carry out business processes from home, additional security measures such as multi-factor authentication and extensive monitoring of security incidents were implemented at Vienna Airport in order to guarantee maximum IT security for the company. Plans for emergency measures, crisis management and operational continuity management have also been enacted at Malta International Airport. These are regularly reviewed and updated to ensure the possibility of a fast and effective response to operational disruptions. FWAG is aware of the great importance of motivated and committed employees for the attainment of corporate goals. In order to counteract the loss of know-how through turnover, numerous measures have been implemented to strengthen employee retention. Numerous steps have also been implemented to increase occupational safety and to minimise absences due to illness.

General risk assessment

Despite the considerable challenges caused by the coronavirus pandemic, a general evaluation of FWAG's risk situation did not identify any risks to the company as a going concern, hence its continued existence is secured going forward. FWAG has sufficient means to survive the crisis.

Innovation management

As a modern and forward-looking company, driving innovation and exploiting opportunities are of central importance for FWAG. As a provider of critical infrastructure and a service provider in multiple business segments, there are numerous motives and requirements for modern innovation management within the Group. In times of crisis in particular, there is a huge amount of pressure to develop innovative approaches to solutions, which companies with large capacities for innovation can use to their advantage. In 2020, the company's partnership with the globally renowned innovation platform "Plug and Play" was further strengthened and the first successful projects were implemented. This innovative partnership also led to FWAG being awarded the coveted "TRAVEL GLOBAL INNOVATION AWARD 2020" from "Plug and Play". This prize recognises companies that show extraordinary commitment to the inclusion of technology startups in the development of digital innovations. During the reporting year, numerous projects were initiated and supported by innovation management. The introduction of COVID-19 tests at the Vienna Airport Health Centre at the start of May, for example, was the only scheme of its kind at the time (and was thus reported on widely throughout the world) and enabled well over 100,000 customers to be tested for the SARS-CoV-2 virus by the end of the year. The completion of Office Park 4 also opened up a range of promising opportunities with the co-working space and conference facilities, which are unparalleled in Austria. As a result of the close collaboration with technology startups, huge steps could also be taken in areas such as "Chatbots" and "Robotic Process Automation".

Report on the key features of the internal control system for accounting processes

In accordance with Section 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 how the Management Board of FWAG satisfies this legal requirement. 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 the particular company. These managers also represent the final authority for ensuring compliance with all related Group guidelines and directives. The effects of the short-time work introduced at Flughafen Wien AG in mid-March 2020, which involved reducing working time by up to 10% and numerous employees of the company working from home, on the internal control system (ICS) were assessed and various modifications (mainly technical) were made.

Features of FWAG's internal control system

The structure and design of FWAG's ICS was defined in a policy. The objective of FWAG's internal control system is to ensure the reliability of financial reporting and compliance with all applicable laws and regulations. The ICS in a broader sense also comprises safeguarding assets and ensuring the completeness of activity recording and invoicing. 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 control system is documented in standard software that also allows risks and controls to be depicted in context as part of the process.

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 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. Materiality is based on a combination of probability of occurrence and potential effects (amount of damage). For the latter, the consolidated and annual financial statements are the key criteria. To determine probability of occurrence, an expanded evaluation model with a number of qualitative aspects has been used on the basis of a weighted scoring model since 2019. Account will be taken of such factors as complexity and degree of automation of processes or the presence of specific organisational backup measures. The results of this expanded risk assessment will be used as a basis for planning the effectiveness test by Internal Audit. From time to time, estimates must be made on future developments when preparing the consolidated and annual financial statements. This poses an imminent risk that the future business development may deviate from these planning assumptions. In particular, the following circumstances or positions in the 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 (see also Section IV. "Judgements and estimate uncertainty" in the notes to the consolidated financial statements).

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 reconciliation 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 (incl. SAP-BPC) enterprise reporting software and PC Konsol are used for accounting and financial reporting purposes. The functionality of the accounting system is among others guaranteed 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.

Monitoring

Management, the controlling department, the audit 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. The checks are reviewed for their effectiveness each year by Internal Audit. The operational effectiveness (performance of checks as defined) and the design effectiveness (are the checks accurate or suitable, particularly in respect of the risk) is reviewed and evaluated. During the annual ICS review with the organisational units and subsidiaries of the Flughafen Wien Group, the results of this effectiveness review are the basis for ongoing system improvements with a view to a continuous improvement process. The results of monitoring activities and the developments of the ICS are reported to the Audit Committee and the Supervisory Board.

Research and development

The Information Systems service unit is the central, internal service provider for information and communication technology (ICT). It operates all ICT systems deployed in the various corporate units. Optimising the ICT systems and processes takes place on an ongoing basis.

Key topics finalised and implemented in 2020 included the following:

→ Loading process planning technology upgrade

The system used for planning the aircraft loading process is a proprietary system and was to be upgraded in order to provide users with new functions and a state-of-the-art user interface. In 2020, the modernisation of the load sheeting agent module was completed.

→ Flight plan automation

The manual process of saving flight plans that has been carried out to date has been replaced by a new, automated flight planning system. At times when flight plans changed, a huge amount of manual effort was required. The new system is designed to reduce this.

→ Security control 4.0

In order to increase the safety and comfort of passengers while minimising the personnel expenses involved, an innovative method of security control has been developed and a preliminary draft drawn up. A patent for this is already pending.

→ Chatbot

A pilot project involving information regarding Covid tests was carried out at the health centre as a way of validating the acceptance of information provided with interactive, automated solutions. This was subsequently expanded in such a way that up-to-date information regarding Covid measures as well as gastro and shopping was available in the terminal via a chatbot.

€ 0.6 million was spent on the development and introduction of new systems in 2020 (2019: € 1.7 million).

Non-financial declaration required by Section 267a of the Austrian Commercial Code

Sustainability is of tremendous importance to the management and employees of Flughafen Wien AG. The careful use of resources, responsibility for the surrounding area and its citizens and for stakeholders, including passengers, employees, partners and customers, is deeply rooted in the corporate culture. FWAG is unconditionally committed to its ecological, social and economic responsibility. In doing so, it is important to pursue the various goals in a balanced way and to play an active part in the sustainable development of both the company and the region. Further information on FWAG's business model can be found at the beginning of the management report in the "Flughafen Wien Group" chapter. Risks that could have an impact on business performance and non-financial performance indicators are described in the "Risks of future development" chapter of the management report. Vienna Airport regularly publishes a sustainability report. The key indicators and data from the sustainability report are updated once a year at the end of May at www.viennaairport.com/sustainability_report. The current 2017 Sustainability Report reports on the years 2015 to 2017 and the future sustainability goals. It corresponds to the standards of the Global Reporting Initiative (GRI standards) and reached the application level "In Accordance Core" and also includes the industry-specific, additional indicators for airport operators. The report was audited externally by TÜV Süd. The sustainability report is usually published every three years. Due to the coronavirus pandemic and the resulting restrictions and cost saving measures, the next comprehensive sustainability report for the years 2018 to 2021 is not set to be published until summer 2022. Reports on sustainability concepts also exist for Malta Airport and Košice Airport. The sustainability report for Malta Airport is published on its website (www.maltairport.com).

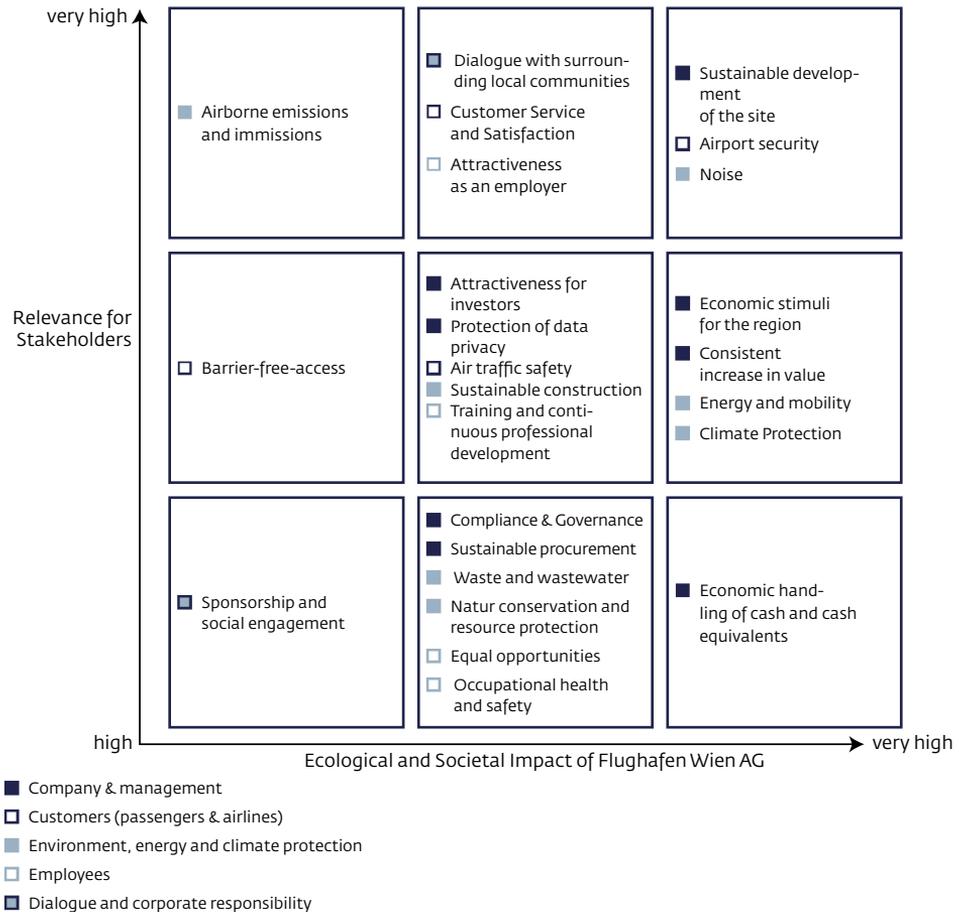
Key non-financial performance indicators

Material sustainability aspects of the company have been defined in a process which integrates not only employees but also relevant external stakeholders. This took place in the context of regular stakeholder communication, e.g. the Dialogue Forum, or in regular customer surveys. In addition, a survey was implemented including the relevant stakeholders. This Materiality Matrix is the basis for the sustainability report.

The Materiality Matrix covers 24 topics, which can be grouped into the following categories:

1. Environmental issues
2. Social issues and employee matters
3. Respect for human rights
4. Combating corruption and bribery

→ The materiality matrix of Flughafen Wien AG



Sustainability management

In order to track the “sustainability” target on an ongoing basis and as an important element of corporate activity, Flughafen Wien has defined a sustainability programme from which the targets and measures are derived. These are then examined and further developed on an ongoing basis. The team responsible coordinates and implements the sustainability agendas. The sustainability strategy finds expression in the four corporate values:

→ 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. Fair dealing and honest communication with our customers and business partners is important for us. Here we leave nothing to chance and set high standards with our compliance system.”

→ Professionalism:

“Our work is characterised by the highest levels of professionalism and commitment. We are proud that we perform our tasks carefully, reliably and safely, and we integrate new technologies and procedures into our processes to make further improvements. As professionals we manage the various aspects of sustainability and deal with current challenges in a professional manner. We set sustainability targets and report regularly on our progress. Such as with climate protection where we are treading new paths with Airport Carbon Accreditation, or in the matter of security, where our security concept ensures airport operations are carried out without danger.”

→ Efficiency:

“We use our economic and natural resources and energy sparingly, efficiently and responsibly. We consider ourselves to be an economic engine in the region and with a well thought out site development set a challenging course for the “Airport City”. In doing so, intensive dialogue with our stakeholders is a key focus. After all, we want to design a sustainable (regional) development together.”

→ Respect:

“We treat each other with trust and honesty, seeing errors as an incentive to improve. We respect the views and achievements of others, and we give each other mutual support. In their diversity, the employees of Flughafen Wien AG are a factor driving the success of our company, a factor we want to nurture and extend. For this reason, we want to make even more efforts for an attractive working environment, equality of opportunity and providing interesting career options.”

Environmental issues

FWAG is committed to protective and conscientious interaction with the environment and pledges to comply with all environmental laws, regulations, binding agreements and official requirements and to continuously minimise the negative ecological impact of its business operations. First and foremost, FWAG has set the goal of further reducing its energy consumption, reducing the effects of noise emissions while further reducing Vienna Airport's CO₂ emissions, so that it will become CO₂-neutral over the medium term. Vienna Airport has established a comprehensive and systematic energy and environmental management system (EMS) and subjects itself to an environmental audit in line with the ISO 14001 standard as well as the Eco-Management and Audit Scheme (EMAS) with which the European Union places the highest requirements in the world on environmental management systems. FWAG was first entered in the EMAS register in 2015. The certificate is valid for three years and is reissued following an external recertification audit. In the interim, yearly monitoring audits review the achievement of the set goals and adherence to the defined rules. External monitoring audits took place in 2019 and 2020 following recertification in 2018. Another recertification audit is planned in 2021. In addition, with EMAS the airport meets the requirements of the Austrian Energy Efficiency Act. Within the scope of EMS, environmental aspects and their impact are recorded, relevant topics identified and assessed on the basis of cost-benefit analyses. Subsequently, environmental policy, objectives and measures are determined and their progress and the performance of the overall system regularly examined on the basis of specified key performance indicators, annual management reviews and in the context of internal and external audits. EMS also secures legal compliance of the operation in respect to environmental law. To do this all regulations relating to the environment (laws, directives, notifications) are identified, recorded in an environmental database with the resulting obligations being implemented and monitored. Responsibility for the successful implementation of the EMS is with the Management Board and the executives according to the Flughafen Wien Group line organisation. The environmental manager in the Environment and Sustainability Management department of the Operations area coordinates and manages all internal and external activities relating to environmental protection. Here he is supported by an environmental team constituted from those responsible for specific topics in the various corporate divisions. Since 2015, Vienna Airport has improved markedly in all material environmental aspects. During the period from 2015 to 2020, FWAG's overall energy consumption was lowered by 62,800 MWh - a reduction of around 34%. In addition, another € 0.5 million (2019: € 0.9 million) was invested in environmental protection in 2020 (not including the noise protection programme). The focus here was on the reduction of pollutant and noise emissions as well as expanding the use of BIM and alternative energy.

Energy efficiency programme

The Flughafen Wien Group has implemented an energy efficiency programme and has already realised numerous projects. The five photovoltaic systems at the Vienna Airport site have a peak output of some 2,000 kWp, which generated an annual output of more than 2.0 million kWh in 2020. Further solar modules will also be installed on the roofs of car parks 3 and 8 in 2021, with a total peak output of 1,150 kWp. This will increase the area of the solar panels at Vienna Airport by around one half to approximately 16,000 m². The conversion of conventional lighting to more energy-efficient LED technology continues. Malta Airport also uses photovoltaic systems for energy production and has switched to LED lighting. The expansion of the photovoltaic systems is just one of many measures in the energy-efficient environmental

management at Vienna Airport. For example, the electric fleet, currently with more than 380 electric vehicles, is being constantly expanded. Another focus is the sustainable construction of future buildings such as Office Park 4 and the energy optimisation of existing buildings using the specially developed Smart City management software. Last but not least, business flights by FWAG employees are offset by the purchase of CO₂ certificates.

Smart Airport City

To optimise the consumption of power, cooling and heating, Flughafen Wien AG and TU Wien (Vienna University of Technology) launched a development project in 2017 to create a prototype for a computer-assisted “virtual city”, which can simulate and subsequently improve the consumption of electricity, cooling or heating. On this basis, scenarios for maintenance, improvement and expansion to the Smart Airport City are designed in order to optimise capacity and manage consumption as well as possible.

Opening of Office Park 4

After around two and a half years of construction work, Office Park 4 was opened in September 2020. The building provides enough space for around 2,500 employees. The new Office Park offers flexible working areas, a wide range of co-working opportunities and state-of-the-art event areas. During the planning process, a huge amount of consideration was given to energy efficiency. Initial findings from the Smart Airport City were also incorporated into this. Energy consumption is less than a third of that of conventional offices. The façade, around 60% of which is transparent, lets a huge amount of daylight into the interior of Office Park 4 and its special design also takes account of the wind that flows around the building. Office Park 4 is also innovative in terms of its sustainable construction. The use of geothermal energy (cooling and heating with thermal energy) also plays a significant role. A photovoltaic system is also installed on the roof of Office Park 4 for optimal use of sustainable energy sources. Even before its completion, Office Park 4 was awarded the preliminary Platinum certificate by the Austrian Sustainable Building Council (ÖGNI).

Aircraft noise management

Throughout Europe, road and rail traffic are the main causes of noise pollution, followed by air traffic. Take-offs and landings and ground noise such as taxiing movements and engine run-ups are the main sources of noise at airports. The Federal Environmental Noise Protection Regulations regulate the threshold values connected to flight noise that, to protect the local population, must not be exceeded – namely a day-evening-night noise index of 65 dB. However, Vienna Airport’s commitment goes significantly beyond these statutory requirements: The airport’s noise control programme, for example, includes the daytime protection zone with an equivalent continuous sound level of over 54 dB. The night-time protection zone starts at a continuous sound level as low as over 45 dB.

Noise protection

The Vienna Airport 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 during the day and 45 dB during the night, the airport assumes between 50% and 100% of the costs for noise pro-

tection measures, for example, the installation of soundproof windows and doors. Until the end of 2020, building expert opinions were prepared for 6,306 properties, and optimal noise protection was installed in 2,975 of these properties. One positive side effect of this is that the improved building insulation and lower heating costs have reduced CO₂ emissions in the affected areas by around 1,300 tonnes per year.

Emissions and climate protection

The operation of an airport, especially aircraft handling operations and land-side traffic, contributes, albeit to a lesser degree, to general airborne emissions. All emissions are recorded without gaps in the area around the airport as part of air quality monitoring and through the production of an annual carbon footprint. Measures and programmes are developed on an ongoing basis with airlines to systematically minimise emissions. With the help of a carbon footprint, FWAG also takes part in the Airport Carbon Accreditation System (ACAS) programme managed by the Airports Council International Europe (ACI Europe) www.airportcarbonaccreditation.org. Vienna Airport was given Level 1 certification back in 2013, in 2015 there was a move up to Level 2, and in October 2016 Level 3 certification was achieved for the first time. Flughafen Wien AG was able to retain its Level 3 certification in the reporting year. This certification stipulates a reduction of CO₂ emissions on site with greater involvement of all companies operating at the airport. To reach this Level 3 all companies located at the site had to be integrated in measures to reduce CO₂. Despite further medium-term growth, Vienna Airport wants to achieve CO₂ neutrality by 2030. In order to achieve this target, it is working rigorously on its environment programme. To achieve improved identification of its CO₂ emissions, Malta Airport also joined the ACI Airport Carbon Accreditation Programme in 2016 and began preparing for Level 2 certification. To this end, a detailed plan of targets and measures is being compiled to further reduce CO₂ emissions. Malta Airport aims to achieve CO₂ neutrality by 2050.

Waste

Unavoidable waste is appropriately sorted and, depending on the options available, assigned for reuse or recycling. The total volume of waste at Vienna Airport in 2020 amounted to 1,754 tonnes (2019: 4,299 tonnes). In 2016, at Malta Airport monitoring and reporting on waste management was improved with a new contractor. The total volume of waste in 2020 amounted to 567 tonnes (2019: approx. 1,276 tonnes).

Water consumption

Vienna Airport's water supply is provided by four wells owned by the airport. Not including customers, the Flughafen Wien Group's water consumption in 2020 fell by approximately 139,575 m³ compared with 2019 to 306,548 m³. Adding consumption by customers, consumption decreased by around 34% in 2020 due to the reduced number of passengers. As a result of its location, Malta Airport has low levels of precipitation, so that conscious handling of water is essential. In addition to collecting rainwater and groundwater, the shortfall is purchased. In the 2020 financial year, water consumption decreased by 37.8% due to the reduced number of passengers.

Sustainable procurement

Sustainable, environmentally friendly procurement, meaning the purchase of “green” products and services that are also manufactured and performed in accordance with social standards is a key company target. Regional providers are also taken into account.

In Austria, the “National action plan for sustainable procurement” was launched under the guidance of the Ministry of the Environment. In this way, sustainable criteria are taken into consideration in the procurement process and the action plan is implemented jointly. The action plan has been in effect since autumn 2010 with the Federal Procurement Agency (BBG). Some procurement by the Flughafen Wien Group has also been handled via the BBG. Vienna Airport is also subject to some requirements under the Bundesvergabegesetz (Austrian Federal Public Procurement Act).

The largest suppliers in terms of order value belong to the sectors of construction, petroleum processing, metal working, special vehicles, technology and various services such as IT and airport handling. Measured in terms of order value, the majority of contractors are regional to the airport: around 80% of the 35 largest suppliers are from Vienna and Lower Austria, 2% from other Austrian states and the remaining 18% are predominantly from Europe.

Selected indicators

Vienna Airport site		2020	Change	2019
Passengers	PAX	7,812,938	-75.3%	31,662,189
Consumption of electrical energy	MWh	66,583	-27.5%	91,855
Heat consumption	MWh	37,405	-24.2%	49,329
Cooling consumption	MWh	16,812	-45.7%	30,967
Fuel consumption	MWh	17,734	-50.9%	36,093
Total energy requirements	MWh	121,722	-31.3%	177,277
Total energy requirements from renewable sources	MWh	66,583	-27.5%	91,855
Share of renewable energy in total energy requirements	%	54.7	n.a.	51.8
Water consumption	m ³	306,548	-31.3%	446,123
Waste water	m ³	188,592	-46.2%	350,386
Total waste	t	1,754	-59.2%	4,299

Malta Airport site		2020	Change	2019
Passengers	PAX	1,748,050	-76.1%	7,310,289
Consumption of electrical energy	MWh	9,483	-30.5%	13,638
Fuel consumption	MWh	597	-32.4%	883
Total energy requirements	MWh	10,080	-30.6%	14,521
Total energy requirements from renewable sources	MWh	2,106	116.7%	972
Share of renewable energy in total energy requirements	%	20.9	n.a.	6.7
Water consumption	m ³	103,593.0	-37.8%	166,446.0
Total waste	t	567.2	-55.5%	1,275.7

Social issues and employee matters

In 2020, full-time equivalents (FTE) of the Flughafen Wien Group (fully consolidated companies) rose from 5,385 to 5,452 (plus 1.2%). The number of employees (headcount) was 6,541, a year-on-year decrease of 9.5%. As at 31 December 2020, there were 5,296 employees in the Flughafen Wien Group, 471 fewer than the previous year (5,767 employees).

Average number of employees by segment (FTEs)	2020	Change	2019 ¹
Airport	453	1.1%	449
Handling & Security Services ²	3,242	-0.1%	3,246
Retail & Properties	97	-4.2%	101
Malta	356	-6.0%	379
Other Segments	1,088	9.1%	996
Administration	216	1.3%	214
Total	5,452	1.2%	5,385

1) adjusted
2) incl. LION

Especially in times of crisis, employees are a central resource, as the company's success as a service company depends decisively on the specialist competence and experience as well as the motivation and commitment of each and every individual employee. In March of the reporting year, the company was facing the most significant change as well as the greatest challenge in its history. In early March, the government decided to introduce the first flight bans for aircraft from COVID-19 risk areas. In mid-March, entry into the country was heavily regulated and shortly thereafter the Flughafen Wien Group recorded a decline in passenger numbers of 70-80%. From 16 March, the Corona short-time work scheme implemented by the Management Board and Works Council was introduced and, while maintaining the remaining flight operations, employees began working from home where possible. The COVID-19 social partnership agreement served as the basis for the short-time work scheme. During short-time work phase I, higher percentages were agreed at operational level (legal regulation 90%-85%-80%; operational regulation 90%). During short-time work phase II (from 1 October), pay was reduced to 85% or 90%. The negotiations for the implementation of exclusively legal framework conditions in 2021 were concluded in December. On average, the replacement rate in the period between March 2020 and December 2020 was 50% and the benefits ratio was 32%. The short-time work scheme both secured employment relationships and prevented a loss of know-how.

Education and further training

As a result of short-time work and the economic situation, expenses for education and further training were almost completely suspended in 2020. Only € 108,000 was invested in total. The training of apprentices and trainees continued within the scope of short-time work. In November, 13 new apprentices were taken on, a clear indicator of a positive outlook for the future. In autumn, employee appraisals were started across all areas of the company as a Human Resources development measure in order to create a platform for discussing the current economic and personal situation with all employees.

Performance-related remuneration for management

The salary of the members of the Management Board and members of the first and second management levels has a performance-related component. The level of this variable remuneration is determined on the basis of qualitative and quantitative targets.

Employee foundation

Twenty years ago, Flughafen Wien AG founded an independent employee foundation, which holds 10% of the shares in Flughafen Wien AG and distributes the dividends received to company employees. No dividend income was paid out in 2020 for the 2019 financial year.

Labour trust

The Steyr labour trust provides goal-oriented support for the professional reintegration of employees who mutually end their employment relationship in economically difficult times or for health reasons. Flughafen Wien AG has been a member of this trust for several years. In 2020, five employees joined the foundation.

Pension provisions – company pension fund and benefit fund

For all employees of Flughafen Wien AG who joined before 1 November 2014 in addition to the statutory pension insurance and any private pension provision, the company transfers 2.5% of the monthly salary per employee to a company pension fund. Furthermore, each employee is given the option of making additional provision by transferring the same amount. If employees conclude additional accident or health insurance policies, they also receive an allowance. Since 1 January 2018, the employee benefit fund has been managed by Niederösterreichische Vorsorgekasse (NÖVK).

Employees of Malta Airport are granted defined benefit pension subsidies based on collective agreements.

Voluntary benefits

Flughafen Wien AG offers a variety of voluntary benefits to increase the motivation and strengthen employees' sense of identification with the company. Examples include free transport to work with the City Airport Train (CAT) and bus connections to Vienna and the neighbouring communities, the provision of financial support for staff meals and comprehensive specialist care with appointments at short notice through the Vienna Airport Health Centre.

Work and family

Family-friendly policies of the company are of crucial importance for an appropriate work-life balance. Day care facilities are available for the children of the employees of all companies at the Vienna site. The extended, flexible opening hours provide employees even in shift jobs with reliable supervision for their children once they start crawling. The focus of this educational care package is on bilingualism, exercise and healthy eating. In 2020, support was provided for

home-schooling, caring for relatives and working from home in the context of being a “family-friendly company” during these challenging times.

Workplace health and safety – Preventative Services

Following the disappointing development in the number of accidents at work in 2019, the preventative measures that were introduced were continued at the start of 2020. These measures, combined with the decline in traffic development as a result of the coronavirus pandemic, which was already evident from mid-March, also significantly reduced the number of accidents.

The pandemic has also shifted the focus of preventative services from the activities that were originally planned such as training, inspections, apprentice weeks, BGF projects, etc. Occupational Health in particular was called upon to participate in the crisis management group and provide medical expertise within the context of Corona-related protective measures. Working from home, short-time work and changes to construction activities dominated the advisory activities of the safety specialists.

Within the scope of workplace health promotion, vaccination programmes against measles, TBE and influenza were rolled out throughout the Group despite the change in conditions. Managers were continuously informed of measures for personal protection and the protection of all employees in the form of “Guidelines for working at the airport during the Corona pandemic”.

Vienna site	2020	Change	2019	2018
Reportable accidents	71	-56.7%	164	131
Per 1,000 employees	14.0	-53.2%	29.9	29.3

Diversity

Diversity is a central issue for Flughafen Wien AG. The importance of diversity at Vienna Airport can be seen by the fact that over 65 nationalities, belonging to 11 different religious faiths, are currently represented among the employees of Flughafen Wien AG and its subsidiaries. All service processes run smoothly in spite of this great cultural diversity thanks primarily to the comprehensive training measures that make it easier for employees to integrate and understand their duties.

Promotion of women

The proportion of women within the Flughafen Wien Group was approximately 26% in 2020. This low rate can be attributed to the proportion of specialist activities at Vienna Airport – two thirds of employees working at the airport perform heavy manual labour. In order to make Vienna Airport more attractive as an employer to women as well, specific measures have been implemented to support work-life balance and suitable career opportunities have been created. It is a clear goal of the company to increase the share of women – especially in management positions. The share of women at Flughafen Wien AG is currently 13.2% across all four management levels. Equal opportunities and equal treatment at the workplace are a fundamental requirement in the Flughafen Wien Group. 22% of the shareholder representatives on the Supervisory Board of Flughafen Wien AG are female.

Flexible working time models

Flexible and individualised working time models meet the needs of employees to the best possible extent. Flexitime schemes are found, above all, in the company's commercial functions. Furthermore, the option was created for all employees to consume pay components (e.g. service bonuses) as time off. Part-time training, training leave models, sabbaticals and remote working are also offered.

Older employees

Many employees continuously perform heavy manual labour. Measures to facilitate mobility within the company and the offer of suitable jobs to this group of employees are being handled by the Career and Development Centre. Over the last two years, for example, the Centre has coordinated the internal transfer of 33 older employees from the apron, which entails hard physical labour, to a new role in the terminal, which will be more beneficial to their health. The further development of the Centre is being worked on intensively as a result of the present crisis with the objective of qualifying employees internally for other tasks in future.

People with special needs

Vienna Airport works intensively with nine charities, associations and institutions to continuously improve accessibility. Individual measures with regard to the focus areas of facilities, signage, lifts, stairs, parking and toilets have been jointly decided upon and implemented.

Selected indicators

Employees at the Vienna site[°]	2020	Change	2019
Number of employees (average, FTE)	5,063	1.6%	4,983
Thereof wage-earning employees	3,440	1.3%	3,397
Thereof salaried employees	1,623	2.3%	1,586
Number of employees (31 December, FTE)	4,936	-7.6%	5,341
Thereof wage-earning employees	3,331	-8.4%	3,638
Thereof salaried employees	1,605	-5.8%	1,703
Number of employees (headcount)	6,182	-9.2%	6,805
Apprentices (average)	50	-3.9%	52
Average age in years	40.6	3.0%	39.4
Length of service in years	9.6	12.6%	8.5
Share of women in %	26	-3.6%	27
Training expenses in T€	504	-64.6%	1,422
Reportable accidents	71	-56.7%	164

[°] excluding CAT, Malta, LION

Employees at the Malta site	2020	Change	2019
Number of employees (average, FTE)	356	-6.0%	379
Number of employees (31 December, FTE)	329	-14.7%	386
Average age in years [*]	39	1.3%	39
Length of service in years [*]	11	6.8%	10.3
Share of women in % [*]	35.2	-0.9%	35.5
Training expenses in T€ [*]	108	-58.3%	259
Reportable accidents [*]	6	-40.0%	10

^{*)} preliminary figures

Respect for human rights

The company is committed to observing and respecting human rights. Flughafen Wien AG and its affiliates do not have any business sites in countries with a poor understanding of human rights, but operate entirely within the European Union. As a provider of infrastructure and services, Flughafen Wien AG also obtains finished products from its suppliers and has no influence on their supply chain. Alongside the corporate values, the Code of Conduct contains important principles for the interaction of all employees with internal and external partners. As the trust of customers, shareholders, employees and the public has a material impact on the performance of the Flughafen Wien Group, integrity is a key element within the corporation.

Combating corruption and bribery

The company actively communicates its corporate objectives to all employees by applying clear regulations and regular training. Teaching basic values such as morals, ethics and integrity in the company and treating each other with respect is of the greatest importance here. The relevant guidelines are provided by the Code of Conduct of Flughafen Wien AG. A whistle-blower hotline has been available since autumn 2015. In organisational terms, the Secretary General arranges the necessary support and sees to it that conduct is in compliance with the law. The head of the department is simultaneously the senior Group compliance officer. He also arranges training for the relevant staff and provides information on current new legal requirements, for example, in the area of anti-corruption law in internal workshops. As a sectoral contracting entity, for its procurement FWAG is subject to some regulations of the Austrian Federal Public Procurement Act. This implements all precautions for avoiding incipient corruption. This is supported by the activities of corporate procurement and corporate controlling combined by the vigorous implementation of the two-person principle.

Issuer compliance

The obligations of the EU Market Abuse Regulation and the Stock Exchange Act on which it is based are implemented by Vienna Airport in an internal policy. To prevent abuse or forwarding of insider information, internal non-disclosure areas have been established. This covers all employees and executive bodies of Flughafen Wien AG working in Austria and abroad, but also third-party service providers, who have potential access to inside information. A variety of organisational measures and control mechanisms have also been implemented to monitor these processes on a regular basis. Thus each employee who works in a compliance-relevant area receives personal training on how to deal with confidential information. In order to increase awareness of "issuer compliance" in the rest of the company, all employees are informed on this topic in the intranet and in articles of the in-house employee magazine. Also at Malta Airport the local stock exchange regulations and European directives are implemented and monitored. For this there are internal guidelines which cover not only the legal requirements but also a general code of conduct.

Disclosures required by Section 243a of the Austrian Commercial Code

1. Share capital and shares

The share capital of Flughafen Wien AG is fully paid in and amounts to € 152,670,000. Following the share split on 27 June 2016, it is divided into 84,000,000 bearer shares, which are securitised by a global certificate deposited with Oesterreichische Kontrollbank. All shares carry the same rights and obligations (“one share – one vote”).

Further details on the articles of association and the shares are available on the Flughafen Wien AG website at www.viennaairport.com.

2. Investments of over 10% in the company

Airports Group Europe S.à.r.l. holds 39.8% of the shares. The city of Vienna and the state of Lower Austria each hold 20.0% and Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee foundation) holds 10.0% of the share capital of Flughafen Wien AG. The company is not aware of any other shareholders with a stake of 10.0% or more in share capital.

3. Syndication agreement

Two shareholders – the state 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 provides for joint exercise of voting rights in the Annual General Meeting and mutual acquisition rights in the event of paid transfer of syndicated investments to third parties. Any amendments to the syndication agreement, the dissolution of the syndicate and resolutions to admit a new partner to the syndicate require unanimous approval.

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 and dismissal of the foundation’s Managing Board requires consent from the Advisory Board of Flughafen Wien Mitarbeiterbeteiligung Privatstiftung. The Advisory Board requires simple majority to do so. 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 Board and Supervisory Board

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 the age of 65. Election to the Supervisory Board is possible for the last time in the calendar year in which the candidate reaches the age of 70. There are no other provisions governing the appointment or dismissal of members of the Management 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 of Flughafen Wien AG exercised the share buyback authorisation granted by the Annual General Meeting on 3 May 2019 to buy back up to 840,000 bearer shares, equating to up to 1% of the share capital, at a price of € 30.00 to € 38.00 in the period from 4 November 2019 to 30 June 2020, in accordance with Section 65(1) no. 8 of the Austrian Stock Corporation Act. In the reporting year, 77,380 shares were acquired for € 2,727,369.40. The buy-back programme was prematurely terminated on 29 May 2020.

8. Change of control

The agreement on the loan from the EIB (European Investment Bank) of € 400.0 million (current balance: € 275.0 million) is subject to a change of control clause. 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 state 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 control over these persons.)

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

In accordance with Section 267b of the Austrian Commercial Code, the consolidated corporate governance report for the 2020 financial year is published on the Flughafen Wien AG website at www.viennaairport.com.

Supplementary report

Traffic in January 2021

Including the investments Malta Airport and Košice Airport, the Flughafen Wien Group experienced a 90.5% decline in the number of passengers in January 2021.

Traffic development at Vienna Airport

The number of passengers handled at Vienna Airport decreased by 90.5% in January 2021 to 198,295. Vienna Airport reported an 88.9% decrease in transfer passengers compared to January 2020 to 47,366 in January 2021. The number of local passengers fell by 91.1% in the same period to 148,310. Cargo volume declined slightly, by 3.1% to 19,735 tonnes handled. Aircraft movements were down by 80.9%, the maximum take-off weight by 78.6%.

Traffic development at Malta Airport and Košice Airport

The number of passengers at Malta Airport declined by 90.7% in January 2021. The passenger volume was down by 87.3% for Košice Airport.

Vienna Airport 2021 fees

As at 1 January 2021, the fees at Vienna Airport were adjusted as follows based on the index formula defined by Austrian Airport Fee Act:

» Landing fee, infrastructure fee airside, parking fee:	+1.45%
» Passenger fee, infrastructure fee landside, security fee:	+1.45%
» Fuelling infrastructure fee:	+1.45%

The PRM fee remained at € 0.46 per departing passenger.

The security fee for 2021 was € 8.44 per departing passenger taking account of the change under the price cap formula.

Outlook

Outlook for passenger development: Around 15.9 million passengers expected within the Flughafen Wien Group and around 12.5 million passengers at the Vienna site.

There will be a recovery in 2021, but the situation will still be challenging. While the first three to six months currently seem likely to develop slowly, a significant increase in the number of passengers is expected from the summer onwards and in the second half of the year. Around 12.5 million passengers are expected at Vienna Airport throughout 2021 and around 15.9 million for the Flughafen Wien Group (incl. investments). This would depend heavily, however, on the rapid roll-out of a widely available vaccination as well as internationally consistent travel regulations.

Financial outlook for 2021

The Flughafen Wien Group has a solid economic basis and plans to recover from its losses in 2021. Its liquidity is sufficiently guaranteed for all foreseeable crisis scenarios. For the 2021 financial year, a revenue of € 430 million, a positive EBITDA of € 150 million and a moderately positive annual profit of € 4 million is currently expected. The company's net debt is expected to drop to around € 100 million. Capital expenditure will amount to around € 62 million.

Schwechat, 11 March 2021

The Management Board



Günther Ofner
Member of the Board, CFO



Julian Jäger
Member of the Board, COO



**Consolidated Financial
Statements 2020 of
Flughafen Wien AG**

Consolidated Income Statement

from 1 January to 31 December 2020

in T€	Notes	2020	2019
Revenue	(1)	333,673.2	857,617.1
Other operating income	(2)	7,503.2	13,708.9
Operating income		341,176.3	871,326.1
Expenses for consumables and purchased services	(3)	-29,339.3	-41,294.0
Personnel expenses	(4)	-202,882.5	-323,203.6
Other operating expenses	(5)	-52,095.0	-125,206.2
Reversals of impairment/impairment on receivables	(5) (36)	-1,562.7	22.3
Pro rata results of companies recorded at equity	(6)	-1,203.3	3,178.1
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		54,093.5	384,822.8
Depreciation and amortisation	(7)	-132,549.5	-130,702.7
Impairment	(7)	-8,013.2	-1,821.0
Earnings before interest and taxes (EBIT)		-86,469.1	252,299.1
Income from investments, excluding companies recorded at equity	(8)	538.5	694.1
Interest income	(9)	2,229.2	2,229.6
Interest expense	(9)	-15,690.4	-17,945.9
Other financial result	(10)	-1,512.6	585.5
Financial results		-14,435.3	-14,436.7
Earnings before taxes (EBT)		-100,904.4	237,862.4
Income taxes	(11)	25,158.2	-62,161.7
Net profit for the period		-75,746.1	175,700.7
Thereof attributable to:			
Equity holders of the parent		-72,751.8	158,857.5
Non-controlling interests		-2,994.4	16,843.3
Number of shares outstanding (weighted average)	(12)	83,883,764	83,996,504
Earnings per share (in €, basic = diluted)		-0.87	1.89

Consolidated Statement of Comprehensive Income

from 1 January to 31 December 2020

in T€	Notes	2020	2019
Net profit for the period		-75,746.1	175,700.7
Other comprehensive income from items that will not be reclassified to the Consolidated Income Statement in future periods			
Revaluation from defined benefit plans	(25)	4,817.0	-8,592.5
Change in fair value of equity investments	(25)	-690.0	-640.0
Thereof deferred taxes	(31)	-1,031.8	2,316.3
Other financial result		3,095.3	-6,916.2
Total		-72,650.9	168,784.5
Thereof attributable to:			
Equity holders of the parent		-69,656.5	152,010.7
Non-controlling interests		-2,994.4	16,773.8

Consolidated Balance Sheet

As at 31 December 2020

in T€	Notes	31.12.2020	31.12.2019
ASSETS			
Non-current assets			
Intangible assets	(13)	166,552.1	166,064.1
Property, plant and equipment	(14)	1,469,019.6	1,530,346.5
Investment property	(15)	174,763.9	178,729.5
Investments in companies recorded at equity	(16)	40,992.1	43,706.9
Other assets	(17)	31,304.8	80,723.5
		1,882,632.5	1,999,570.6
Current assets			
Inventories	(18)	5,947.4	6,201.5
Securities	(19)	26,900.6	58,709.9
Assets available for sale	(20)	3,772.2	0.0
Receivables, other assets and contract assets	(21)	80,964.5	151,375.2
Cash and cash equivalents	(22)	173,099.9	84,782.9
		290,684.6	301,069.5
Total assets		2,173,317.1	2,300,640.1
EQUITY & LIABILITIES			
Equity			
Share capital	(23)	152,670.0	152,670.0
Capital reserves	(24)	117,885.1	117,744.4
Other reserves	(25)	-10,693.7	-10,699.4
Retained earnings	(26)	944,031.0	1,016,561.2
Attributable to equity holders of the parent		1,203,892.4	1,276,276.3
Non-controlling interests	(27)	101,605.0	104,632.6
		1,305,497.4	1,380,908.8
Non-current liabilities			
Provisions	(28)	170,293.5	175,013.0
Financial liabilities	(29)	305,447.1	330,432.9
Other liabilities	(30)	29,809.8	28,576.2
Deferred tax liabilities	(31)	29,690.5	38,483.5
		535,240.9	572,505.6
Current liabilities			
Tax provisions	(32)	384.9	11,428.7
Other provisions	(32)	111,443.4	212,563.7
Financial liabilities	(29)	142,398.0	25,443.7
Trade payables	(33)	26,620.1	45,423.4
Other liabilities	(34)	51,732.4	52,366.1
		332,578.9	347,225.8
Total equity and liabilities		2,173,317.1	2,300,640.1

Consolidated Cash Flow Statement

from 1 January to 31 December 2020

in T€	Notes	2020	2019
Earnings before taxes (EBT)		-100,904.4	237,862.4
+/- Depreciation and amortisation/reversals thereof	(7)	132,549.5	130,702.7
+ Impairment	(7)	8,013.2	1,821.0
+/- Fair value measurement of financial instruments	(10)	1,512.6	-585.5
+/- Pro rata results of companies recorded at equity	(6)	1,203.3	-3,178.1
+ Dividends from companies recorded at equity	(16)	1,511.5	2,093.9
+ Losses/- gains on the disposal of assets	(2) (5) (10)	-453.8	-3,230.7
- Reversal of investment subsidies from public funds	(2)	-240.2	-172.9
+/- Other non-cash transactions		0.0	56.4
+ Interest and dividend result	(8) (9)	12,922.7	15,022.2
+ Dividends received	(35)	538.5	694.1
+ Interest received	(35)	1,783.7	2,336.0
- Interest paid	(35)	-15,889.7	-15,860.1
- Increase/+ decrease in inventories	(18)	254.1	-91.0
- Increase/+ decrease in receivables	(17) (21)	28,132.4	-156.0
+ Increase/- decrease in provisions	(28) (32)	-101,022.8	76,181.6
+ Increase/- decrease in liabilities	(30) (33) (34) (35)	1,661.9	-625.8
Net cash flow from ordinary operating activities		-28,427.5	442,870.4
- Income taxes paid	(11) (31) (32)	5,470.4	-69,825.2
Net cash flow from operating activities		-22,957.1	373,045.2
+ Payments received on the disposal of assets (not including financial assets)		6,124.1	5,263.3
+ Payments received from the disposal of financial assets		30,333.7	39.8
- Payments made for the purchase of assets (not including financial assets)	(13) (14) (15) (35)	-99,158.5	-177,057.4
- Payments made for the purchase of financial assets	(17)	-8.0	-75.7
+ Payments received of non-repayable grants		204.7	345.0
+ Payments received of current and non-current investments	(17) (21)	85,674.6	106,089.4
- Payments made for current and non-current investments and securities	(17) (19) (21)	-692.4	-110,718.2
Net cash flow from investing activities		22,478.4	-176,113.7
- Dividend payment to Flughafen Wien AG shareholders	(23)	0.0	-74,760.0
- Dividend payment to non-controlling interests	(27)	-33.2	-8,303.9
- Acquisition of own shares	(25)	-2,727.4	-1,805.3
+ Payments received from the borrowing of financial liabilities	(29)	117,000.0	38.5
- Payments made for the repayment of financial liabilities	(29)	-25,055.0	-57,000.0
- Payments made for the repayment of leasing liabilities	(29)	-388.7	-423.6
Net cash flow from financing activities		88,795.7	-142,254.2
Change in cash and cash equivalents		88,316.9	54,677.4
+ Cash and cash equivalents from changes in the consolidated group		0.0	6.8
+ Cash and cash equivalents at the beginning of the period	(22)	84,782.9	30,098.8
Cash and cash equivalents at the end of the period		173,099.9	84,782.9

Consolidated Statement of Changes in Equity

from 1 January to 31 December 2020

Attributable to equity holders of the parent													
in T€	Notes	Share capital	Capital reserves	Change in fair value of equity instruments reserve	Revaluation of intangible assets	Revaluation from defined benefit plans	Currency translation reserve	Own shares	Total other reserves	Retained earnings	Total	Non-controlling interests	Total
As at 1.1.2019		152,670.0	117,657.3	3,381.1	17,476.9	-30,176.0	7,632.9	0.0	-1,685.1	932,188.6	1,200,830.9	96,162.6	1,296,993.5
Market valuation of equity investments	(25)			-480.0					-480.0		-480.0		-480.0
Revaluation from defined benefit plans	(25)					-6,366.8			-6,366.8		-6,366.8	-69.5	-6,436.2
Other comprehensive income		0.0	0.0	-480.0	0.0	-6,366.8	0.0	0.0	-6,846.8	0.0	-6,846.8	-69.5	-6,916.2
Net profit for the period										158,857.5	158,857.5	16,843.3	175,700.7
Comprehensive income		0.0	0.0	-480.0	0.0	-6,366.8	0.0	0.0	-6,846.8	158,857.5	152,010.7	16,773.8	168,784.5
Reversal of revaluation surplus	(25)				-362.2				-362.2	362.2	0.0		0.0
Acquisition of own shares	(25)							-1,805.3	-1,805.3		-1,805.3		-1,805.3
Allocation of capital reserves	(24)		87.1						0.0	-87.1			0.0
Dividend payment	(23)								0.0	-74,760.0	-74,760.0	-8,303.9	-83,063.9
As at 31.12.2019		152,670.0	117,744.4	2,901.1	17,114.7	-36,542.8	7,632.9	-1,805.3	-10,699.4	1,016,561.2	1,276,276.3	104,632.6	1,380,908.8
As at 1.1.2020		152,670.0	117,744.4	2,901.1	17,114.7	-36,542.8	7,632.9	-1,805.3	-10,699.4	1,016,561.2	1,276,276.3	104,632.6	1,380,908.8
Market valuation of equity investments	(25)			-517.5					-517.5		-517.5		-517.5
Revaluation from defined benefit plans	(25)					3,612.8			3,612.8		3,612.8		3,612.8
Other comprehensive income		0.0	0.0	-517.5	0.0	3,612.8	0.0	0.0	3,095.3	0.0	3,095.3	0.0	3,095.3
Net profit for the period										-72,751.8	-72,751.8	-2,994.4	-75,746.1
Comprehensive income		0.0	0.0	-517.5	0.0	3,612.8	0.0	0.0	3,095.3	-72,751.8	-69,656.5	-2,994.4	-72,650.9
Reversal of revaluation surplus	(25)				-362.2				-362.2	362.2	0.0		0.0
Acquisition of own shares	(25)							-2,727.4	-2,727.4		-2,727.4		-2,727.4
Allocation of capital reserves	(24)		140.6						0.0	-140.6			0.0
Dividend payment	(23)								0.0		0.0	-33.2	-33.2
As at 31.12.2020		152,670.0	117,885.1	2,383.6	16,752.5	-32,930.0	7,632.9	-4,532.6	-10,693.7	944,031.0	1,203,892.4	101,605.0	1,305,497.4



**Notes to the
Consolidated Financial
Statements for the
Financial Year 2020**

I. The Company

Information on the reporting company

Flughafen Wien Aktiengesellschaft (AG), the parent company of the Group, and its subsidiaries are service companies in the field of the construction and operation of civil airports and all related facilities. As a civil airport operator, Flughafen Wien AG manages Vienna Airport. The company's headquarters are located in Schwechat, Austria. Its address is Flughafen Wien AG, Postfach 1, A-1300 Wien-Flughafen, Austria. Flughafen Wien AG is listed in the register of companies of the Korneuburg Regional and Commercial Court under FN 42984 m.

Operating permits

FWAG has the following key operating permits: On 27 March 1955, in accordance with section 7 of the Luftverkehrsgesetz (Austrian Air Traffic Act) of 21 August 1936, the Federal Ministry for Transport and State-owned Entities issued a permit to Flughafen Wien Betriebsgesellschaft m.b.H. to create and operate Vienna Airport for general traffic purposes and for runway 11/29. On 15 September 1977, in accordance with section 78(2) of the Luftfahrtgesetz (LFG – Austrian Aviation Act) (Federal Gazette BGBl. no. 253/1957), the Federal Ministry for Transport issued an operating permit for instrument runway 16/34, including taxiways and lighting systems. In 2017, Vienna Airport was certified by the Austrian Federal Ministry for Transport, Innovation and Technology in accordance with the requirements of the Commission Regulation (EU) No 139/2014. The relevant certificate which is valid until cancelled was issued on 14 December 2017. The EU certification of European passenger airports serves to create and maintain a standard, high level of safety for civil aviation in Europe. The subsidiary Malta International Airport p.l.c. (MIA) is responsible for the operation and development of Malta Airport. MIA received a 65 year concession to operate the airport from July 2002.

II. Basis of accounting

The consolidated financial statements of Flughafen Wien AG as at 31 December 2020 were prepared in accordance with IFRS, as adopted by the EU, and section 245a of the Unternehmensgesetzbuch (UGB – Austrian Commercial Code).

The financial year is the calendar year. The structure of the statement of financial position distinguishes between non-current and current assets and liabilities, some of which are reported on in more detail by maturity in the notes. The income statement is prepared in accordance with the nature of expense method. Details on accounting methods can be found in notes (44) – (48). Details on the COVID-19 pandemic are included in section V. The consolidated financial statements were prepared under the going concern assumption. Based on current company planning, sufficient liquidity and financing measures in place, the company's Management Board believes that the Group's liquidity is secured for at least the next 12 months. See section V "Effects of COVID-19" for more information on this.

III. Functional presentation currency

The consolidated financial statements are prepared in euro. All amounts are reported in thousands of euro (T€) for the purposes of clarity. Arithmetic differences can occur when adding rounded amounts and percentages due to the use of computer-aided tools. The same applies to other information such as headcount, traffic data, etc.

IV. Judgements and estimate uncertainty

The presentation of the Group's asset, financial and earnings position in the consolidated financial statements requires judgements concerning measurement and accounting policies and the assumptions and estimates made by management. Actual results may differ from these estimates. The following estimates, assumptions and uncertainties associated with the accounting policies applied by the Group are crucial for an understanding of the related risks of financial reporting and the possible effects on future consolidated financial statements.

Value/impairment of assets

The impairment testing of concessions and rights (carrying amount: T€ 138,090.2, previous year: T€ 137,602.3) and goodwill (carrying amount: T€ 28,461.8, previous year: T€ 28,461.8), property, plant and equipment (carrying amount: T€ 1,469,019.6, previous year: T€ 1,530,346.5), investment property (carrying amount: T€ 174,763.9, previous year: T€ 178,729.5) and non-current other assets (carrying amount: T€ 72,297.0, previous year: T€ 124,430.5), including investments in companies recorded at equity (carrying amount: T€ 40,992.1, previous year: T€ 43,706.9) involves estimates regarding the cause, timing and amount of impairment losses and their reversal. An impairment loss and its reversal can be caused by a number of factors, such as changes in the current competitive situation, expectations regarding passenger growth, a change 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 assessment of whether an asset is impaired or impairment is reversed depends to a high degree on the management's judgement and its evaluation of future development opportunities.

Useful lives and accrual basis of accounting

When testing the useful life of intangible assets, property, plant and equipment and investment property, estimates are made each year regarding the expected (remaining) useful life. This may lead to the useful life being shortened or extended. Due to the ongoing construction projects and the associated audit requirements, estimates must be made regarding the accrual basis of accounting when determining the costs of property, plant and equipment and investment property.

Allowances for doubtful accounts

The FWAG Group recognised valuation allowances for trade receivables and for other receivables in relation to expected losses from defaulted receivables and recognised Stage 2 valuation allowances ("lifetime expected credit loss") of T€ 376.4 (31 December 2019: T€ 229.4) and Stage 3 valuation allowances ("credit impairment") of T€ 6,572.5 (31 December 2019: T€ 7,222.7). For valuation allowances due to expected credit losses for trade receivables and contract assets, key assumptions are made in the calculation of the weighted average loss rate. These are described under "Accounting policies" and relate among others to notes (21) and (36).

Employee-related provisions

The measurement of provisions for severance compensation, pensions and service anniversary bonuses with a combined carrying amount of T€ 144,335.9 (previous year: T€ 152,599.7) and for semi-retirement programmes with a carrying amount of T€ 21,547.0 (previous year: T€ 21,417.4) is based on assumptions regarding the discount rate, retirement age, life expectancy, turnover probabilities, future increases in wages, salaries and pensions, and probabilities of disability.

Other provisions

The provisions for pending legal proceedings and other outstanding obligations arising from settlement, arbitration or government proceedings total T€ 573.8 (previous year: T€ 100.5). The recognition and measurement of these provisions are significantly influenced by management estimates, particularly regarding the assessment of probability of success or failure, and the quantification of the possible amount of the payment obligation. As a result, actual losses may differ from the original estimates and the amount of the provision.

Deferred taxes

Income taxes must be calculated for every tax jurisdiction in which the Group operates. The anticipated income tax must be calculated for each taxable entity. The temporary differences between the carrying amounts of certain items of the statement of financial position in the consolidated financial statements and in the tax accounts must be assessed. Deferred tax assets of T€ 32,658.3 (previous year: T€ 31,322.7) are recognised to the extent that it is probable that the Group will be able to utilise them in future. The use of deferred tax assets is dependent on the ability to generate sufficient income in the individual tax jurisdictions. This requires using various factors, such as past earnings, operating forecasts or tax planning strategies. If actual earnings differ from these estimates or the estimates must be adjusted in future periods, this can have a negative effect on the asset, financial and earnings position of the Group. In this case, the deferred tax assets recognised are to be derecognised in profit or loss.

Service concession agreements

The Malta Airport Group (sub-group of the FWAG Group) conducts its commercial and operational activities under a concession granted in 2002. It does not fall within the scope of IFRIC 12 due to the high degree of non-regulated activities.

Determining fair value

A number of accounting standards require fair values to be determined for financial and non-financial assets and liabilities. As far as possible, the Group uses data observable on the market to determine fair value. The measurement of fair value is shown under "Accounting policies" and relates among others to note (36).

COVID-19 (impairment, going concern)

Due to the currently uncalculable effects of the COVID-19 pandemic, estimates and assumptions made by the management are subject to increased uncertainty. Please see the remarks in section V for information on the impairment of assets and on the company as a going concern.

V. Effects of COVID-19

The outbreak of the COVID-19 pandemic triggered a global economic crisis, resulting in massive air traffic restrictions. Operating processes at airports had to be adapted to the new hygiene and safety requirements in order to restart flight operations. It is currently still impossible to forecast the further effects on the aviation industry. However, the pandemic can be expected to result in material negative effects on the earnings and all financial key performance indicators of the FWAG Group, despite the use of government support and initiation of countermeasures (cost reduction programme and financing measures). Nonetheless, these effects are not expected to constitute a risk to the survival of the company. Another consequence is that estimates and assumptions are subject to increased uncertainty.

Revenue, costs and expenses

The impact of the pandemic is directly reflected in the decline in revenue, which dropped by over 61% compared with the previous year. Revenue declined in all segments. The Group therefore took numerous measures to compensate for the lost revenue, in particular an extensive cost savings and liquidity protection programme. Since the start of April, only Terminal 3 has been used for passenger handling. Expenditures not absolutely necessary for operations have been cut and planned capital expenditure sharply reduced (Office Park 4 and Terminal 2 will be completed, all other substantial construction projects have been postponed). In addition, government relief and support have been utilised. In total, operating costs (cost of materials, personnel expenses, other operating expenses) were reduced by 41% to € 203.8 million.

Relief and support (government assistance)

The FWAG Group made use of government support in the reporting period, chiefly in the form of short-time work at Vienna Airport from 16 March 2020 onwards. At Malta Airport, the government also granted fixed, monthly support payments for every full-time employee. The FWAG Group is currently preparing applications for fixed cost subsidies for Flughafen Wien AG and some subsidiaries. This has not been capitalised in these consolidated financial statements. Subsidies that are not attached to counter performance and are reasonably certain to be granted, or to which a legal entitlement exists, were recognised under other receivables, provided the criteria for this are met. Subsidies to cover costs were netted in the respective cost item. In the 2020 financial year, a total of around € 79.8 million was recognised in profit or loss at Vienna Airport from short-time working allowances. Further reimbursement claims in profit or loss totalling € 1.7 million were granted as revenue compensation during the lockdowns in November and December and recognised in other operating income. Furthermore, tax losses for the 2020 financial year were also carried back to past financial years with positive tax results (tax loss carryback).

Write-downs on receivables

Due to higher expected credit risk, the FWAG Group has increased the group valuation allowances for receivables from customers not yet due. Individual valuation allowances were made in the 2020 financial year and are shown in the relevant notes.

Impairment testing

FWAG identified the COVID-19 pandemic as a triggering event with regard to impairment testing. The analysis of external and internal sources and the update of the expected net cash flows show that the assets will perform as expected in the future because, even in the updated assumptions of the short- and long-term liquidity planning and the updated weighted average cost of capital (WACC), the fair values less costs to sell of the cash-generating units are higher than their carrying amounts, i.e. there was no need for impairment on non-current assets as at 31 December 2020.

Key performance indicators

The development of operational and financial key performance indicators is negative due to the significantly reduced traffic volume, but is not a risk to the survival of the company.

Liquidity and going concern

As at 31 December 2020, the FWAG Group reported net loss/income for the year of T€ 75,746.1 and operating cash flow of minus T€ 22,957.1. At the time of preparing the financial statements, it had funds of T€ 245,912.8, which comprise cash and cash equivalents and other highly liquid assets (securities and time deposits). There are also other credit lines that have not been utilised. On account of the uncertainty created by the pandemic, current planning for the 2021 financial year includes several scenarios depending on the severity of restrictions. None of these scenarios identify any risks to the company as a going concern. The cost savings programme is being continued and all government assistance is utilised where possible. The consolidated financial statements were therefore prepared under the going concern assumption and do not contain any changes to carrying amounts or classifications of assets, liabilities and reported expenses that may be necessary if the going concern assumption was not appropriate.

VI. Notes to the Consolidated Income Statement

Segment reporting on the 5 segments

In accordance with IFRS 8, segment reporting is based on the Group's internal reporting. The operating segments of the FWAG Group include the FWAG business units and the individual subsidiaries and investments in companies recorded at equity. These operating segments are aggregated into the following reporting segments: Airport, Handling & Security Services, Retail & Properties, Malta and Other Segments. The Group is managed based on reporting on profit and loss, capital expenditure and employee-related data for the respective divisions of FWAG, plus revenue, EBITDA, EBIT, planned capital expenditure and employee-related data for the individual subsidiaries. Revenue flows are broken down further for each segment.

Airport

The Operations business unit of FWAG and the subsidiaries that provide airport services in Austria are combined under the Airport reporting segment, which 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 for 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 & Security Services

The Handling & Security Services segment includes the Handling business unit of Flughafen Wien AG and the subsidiaries that provide services in this segment. It supplies a variety of services for the handling of aircraft and passengers on scheduled and charter flights and is also responsible for handling general aviation aircraft and passengers and for security controls for passengers and hand luggage.

Retail & Properties

The Retail & Properties segment covers the Property and Centre Management business units of Flughafen Wien AG and the subsidiaries that provide services under this segment. It provides various services to support airport operations, including centre management & hospitality (shopping, food & beverages), passenger services (VIP, lounges) and parking, as well as the development and marketing of properties.

Malta

The Malta segment includes Malta Airport (Malta International Airport p.l.c., MIA) and its direct investments (hereinafter referred to as the MIA Group). Malta Airport and its investments are responsible for the operation of Malta Airport. In addition to traditional aviation services, the companies of the MIA Group also generate revenue from parking and the rental of retail and office space. Handling is outsourced.

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. This includes various services provided by individual business units of FWAG or other subsidiaries: technical services and repairs, energy supply and waste disposal, telecommunications and information technology, electromechanical and building services, the construction and maintenance of infrastructure, construction management and consulting. This segment additionally includes the investments recorded at equity as well as investment holding companies with no operating activities that are not independently reportable.

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 FWAG to assess segment performance include EBITDA and EBIT (after the deduction of overheads). Depreciation and amortisation are reported separately as depreciation, amortisation and impairment losses (and reversals of impairment losses), and result from the assets allocated to the individual segments. The underlying prices for inter-segment revenue 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. These include intangible assets, property, plant and equipment, trade receivables and other receivables, investments in companies recorded at equity and inventories. The FWAG Group does not report segment liabilities for each reportable operating segment as 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. These essentially consist of other financial assets, current securities, receivables due from taxation authorities, other receivables and assets, prepaid expenses and cash and cash equivalents, except the assets of the MIA Group. Segment investments (capital expenditure) include additions to intangible assets, property, plant and equipment and investment property, including invoice corrections. The information provided by geographic area also includes information on the income generated with external customers and the amounts 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 generated 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 level of employment.

Changes in the 2020 financial year:

There were no changes to segment reporting in the 2020 financial year compared to the 2019 financial year.

Changes in the 2019 financial year:

The segment reporting was adapted to the new reporting structure. Passenger services (lounges, VIP services) are now bundled and assigned to the Retail & Properties segment. The comparative information was restated accordingly (IFRS 8.29). FWAG Entwicklungsgebiet

West GmbH (EGW) acquires, develops and lets properties and real estate of all kinds. It was consolidated and assigned to the Retail & Properties segment. VIE Shops Entwicklungs- und Betriebsges.m.b.H (SHOP) plans, develops and markets businesses. It was consolidated and allocated to the Retail & Properties segment. "GetService"-Flughafen-Sicherheits- und Service-dienst GmbH (GET2) provides security, personnel leasing, cleaning and snow removal services. It was consolidated and allocated to the Other segment.

→ Segment results 2020

in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
External segment revenues	133,044.7	86,110.3	70,365.5	32,197.5	11,955.1	333,673.2
Thereof revenue from contracts with customers	123,033.4	82,589.3	25,064.1	32,192.6	2,450.6	
Internal segment revenue	31,489.9	38,238.6	20,031.7	0.0	81,719.0	
Segment revenue	164,534.6	124,348.9	90,397.2	32,197.5	93,674.1	
Other external operating income	423.6	382.9	2,128.3	92.7	975.9	4,003.3
Internal other operating income ¹	2,012.5	61.9	723.8	0.0	701.6	3,499.8
Operating income	166,970.7	124,793.6	93,249.2	32,290.2	95,351.6	
Consumables and other purchased services	8,237.0	4,456.8	1,221.6	2,012.4	13,411.4	29,339.3
Personnel expenses	32,101.4	110,504.6	8,579.4	8,648.6	43,048.5	202,882.5
Other expenses and valuation allowances	13,894.5	3,407.0	7,902.0	15,781.0	12,673.3	53,657.7
Thereof valuation allowance on receivables ²	752.1	499.0	184.3	52.4	74.9	
Pro rata results of companies recorded at equity					-1,203.3	-1,203.3
Internal expense	95,631.8	25,992.4	39,562.8	0.0	10,292.2	
Segment EBITDA	17,106.1	-19,567.2	35,983.5	5,848.2	14,722.9	54,093.5
Impairment	6,922.8				1,090.4	8,013.2
Depreciation and amortisation	80,400.4	9,283.0	18,759.5	11,844.8	12,261.7	132,549.5
Segment depreciation and amortisation	87,323.2	9,283.0	18,759.5	11,844.8	13,352.1	140,562.6
Segment EBIT	-70,217.1	-28,850.3	17,224.0	-5,996.6	1,370.9	-86,469.1
Segment investments ³	37,317.3	7,899.2	13,021.9	16,294.8	5,406.9	79,940.1
Segment assets	1,061,107.7	71,258.9	319,385.7	360,779.0	101,830.8	1,914,362.0
Thereof carrying amount of companies recorded at equity					40,992.1	
Other (not allocated)						258,955.1
Group assets						2,173,317.1
Segment employees (average including administration)	560	3,283	140	356	1,114	5,452

1) Relates to own work capitalised

2) Excluding derecognition of defaulted receivables

3) Including invoice corrections, excluding financial assets

→ Segment results 2019

in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
External segment revenues	411,746.3	166,299.6	162,597.5	100,312.3	16,661.5	857,617.1
Thereof revenue from contracts with customers	387,810.2	162,129.0	69,605.8	79,569.1	16,656.1	
Internal segment revenue	33,927.3	82,204.6	14,381.3	0.0	122,346.7	
Segment revenue	445,673.6	248,504.3	176,978.8	100,312.3	139,008.1	
Other external operating income	1,680.7	122.6	3,815.9	0.0	409.9	6,029.2
Internal other operating income ¹	4,873.0	363.9	1,320.6	0.0	1,122.3	7,679.8
Operating income	452,227.3	248,990.8	182,115.3	100,312.3	140,540.3	
Consumables and other purchased services	4,293.2	8,469.2	1,833.5	3,102.8	23,595.3	41,294.0
Personnel expenses	50,205.8	180,883.9	14,141.6	10,727.0	67,245.1	323,203.6
Other expenses and valuation allowances	46,627.5	10,073.4	17,619.8	22,996.5	27,866.7	125,183.9
Thereof valuation allowance on receivables ²	-104.0	-30.1	-36.0	166.6	-19.0	-22.3
Pro rata results of companies recorded at equity					3,178.1	3,178.1
Internal expense	163,453.1	33,811.7	45,245.9	0.0	10,349.3	
Segment EBITDA	187,647.7	15,752.6	103,274.6	63,486.0	14,662.0	384,822.8
Impairment	1,821.0	0.0	0.0	0.0	0.0	1,821.0
Depreciation and amortisation	81,868.8	8,492.0	17,663.1	11,052.1	11,626.8	130,702.7
Segment depreciation and amortisation	83,689.8	8,492.0	17,663.1	11,052.1	11,626.8	132,523.7
Segment EBIT	103,958.0	7,260.6	85,611.4	52,433.9	3,035.2	252,299.1
Segment investments ³	87,233.5	10,542.3	38,836.8	19,869.9	15,309.0	171,791.5
Segment assets	1,132,436.8	79,379.4	332,181.4	373,244.9	113,450.3	2,030,692.8
Thereof carrying amount of companies recorded at equity					43,706.9	
Other (not allocated)						269,947.4
Group assets						2,300,640.1
Segment employees (average including administration)	562	3,281	145	379	1,019	5,385

1) Relates to own work capitalised

2) Excluding derecognition of defaulted receivables

3) Including invoice corrections, excluding financial assets

→ Reconciliation of segment assets to group assets

in T€	31.12.2020	31.12.2019
Assets by segment		
Airport	1,061,107.7	1,132,436.8
Handling & Security Services	71,258.9	79,379.4
Retail & Properties	319,385.7	332,181.4
Malta	360,779.0	373,244.9
Other Segments	101,830.8	113,450.3
Total assets in reportable segments	1,914,362.0	2,030,692.8
Assets not allocated to a specific segment ¹		
Other non-current assets	29,962.0	80,722.3
Securities	26,900.6	58,709.9
Receivables from taxation authorities	9,714.8	6,202.0
Other current receivables and assets	27,022.8	14,947.8
Prepaid expenses	18,302.5	52,757.4
Cash and cash equivalents	147,052.6	56,608.0
Total not allocated	258,955.1	269,947.4
Group assets	2,173,317.1	2,300,640.1

1) Not including assets of the MIA Group

→ Disclosures for 2020 by region

in T€	Austria	Malta	Slovakia	Group
External revenue	301,475.7	32,197.5	0.0	333,673.2
Non-current assets	1,528,236.0	320,889.5	33,507.0	1,882,632.5

→ Disclosures for 2019 by region

in T€	Austria	Malta	Slovakia	Group
External revenue	757,304.9	100,312.3	0.0	857,617.1
Non-current assets	1,648,751.6	315,097.9	35,721.1	1,999,570.6

The assets of the Slovakia region include the investment held by the fully consolidated subsidiary. The investments at Košice Airport account for investment income from companies recorded at equity of minus € 0.7 million in the 2020 financial year (previous year: € 1.7 million).

Information on key customers

The FWAG Group generated total revenue of € 96.0 million (previous year: € 317.8 million) with its main customer Lufthansa Group in all segments.

(1.2) Revenue and revenue from contracts with customers

The FWAG Group generates revenue chiefly in aviation operations, from the Airport's typical business activities such as traffic fees, ground handling services and concessions, in non-aviation operations from rentals (including revenue based on sales) and other revenue. Revenue is reported net of VAT and other taxes that are collected from customers and passed on to taxation authorities. The revenue from contracts with customers is described in detail under "Accounting policies".

Breakdown of revenue into revenue from contracts with customers and other revenue

The FWAG Group generates revenue from contracts with customers (essentially from aviation operations and other revenue from non-aviation operations) and other revenue. Other revenue relates to rental income from investment property (see also note (15)) and other revenue from letting.

2020 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Revenue from contracts with customers	123,033.4	82,589.3	25,064.1	22,693.0	11,950.2	265,329.9
Other revenue	10,011.3	3,521.1	45,301.4	9,504.5	4.9	68,343.2
External segment revenues	133,044.7	86,110.3	70,365.5	32,197.5	11,955.1	333,673.2

2019 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Revenue from contracts with customers	387,810.2	162,129.0	69,605.8	79,569.1	16,656.1	715,770.2
Other revenue	23,936.1	4,170.6	92,991.7	20,743.2	5.4	141,846.9
External segment revenues	411,746.3	166,299.6	162,597.5	100,312.3	16,661.5	857,617.1

Breakdown of revenue into aviation and non-aviation

2020 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Aviation	113,343.2	78,169.1	0.0	17,855.5	0.0	209,367.8
Non-Aviation	19,701.5	7,941.2	70,365.5	14,342.0	11,955.1	124,305.3
External segment revenues	133,044.7	86,110.3	70,365.5	32,197.5	11,955.1	333,673.2

2019 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Aviation	400,557.1	154,075.8	0.0	70,790.6	0.0	625,423.5
Non-Aviation	11,189.1	12,223.8	162,597.5	29,521.7	16,661.5	232,193.6
External segment revenues	411,746.3	166,299.6	162,597.5	100,312.3	16,661.5	857,617.1

Breakdown of revenue by geographical area

2020 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Austria	133,044.7	86,110.3	70,365.5	0.0	11,955.1	301,475.7
Malta	0.0	0.0	0.0	32,197.5	0.0	32,197.5
External segment revenues	133,044.7	86,110.3	70,365.5	32,197.5	11,955.1	333,673.2

2019 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Austria	411,746.3	166,299.6	162,597.5	0.0	16,661.5	757,304.9
Malta	0.0	0.0	0.0	100,312.3	0.0	100,312.3
External segment revenues	411,746.3	166,299.6	162,597.5	100,312.3	16,661.5	857,617.1

Revenue in the Airport segment

in € million	2020	C. in %	2019
Aircraft-related fees	22.3	-71.4	78.1
Passenger-related fees	77.9	-72.0	277.8
Infrastructure revenue & services	32.8	-41.2	55.8
Airport segment revenue (external)	133.0	-67.7	411.7
Thereof aviation	113.3		400.6
Thereof non-aviation	19.7		11.2

Revenue in the Handling & Security Services segment

in € million	2020	C. in %	2019
Apron handling	43.4	-56.3	99.2
Cargo handling	28.2	-17.4	34.2
Security services	3.1	-46.5	5.8
Traffic handling	4.4	-76.1	18.4
General aviation, other	7.0	-19.2	8.7
Handling & Security Services segment revenue (external)	86.1	-48.2	166.3
Thereof aviation	78.2		154.1
Thereof non-aviation	7.9		12.2

Revenue in the Retail & Properties segment

in € million	2020	C. in %	2019
Parking	17.6	-64.9	50.1
Rentals	27.3	-1.9	27.8
Shopping, food and beverage services	25.5	-69.9	84.6
Retail & Properties segment revenue (external)	70.4	-56.7	162.6
Thereof aviation	0.0		0.0
Thereof non-aviation	70.4		162.6

Revenue in the Malta segment

in € million	2020	C. in %	2019
Airport	17.9	-74.8	70.8
Retail & Properties	14.0	-51.9	29.2
Other	0.3	-11.5	0.4
Malta segment revenue (external)	32.2	-67.9	100.3
Thereof aviation	17.9		70.8
Thereof non-aviation	14.3		29.5

Revenue in Other Segments

in € million	2020	C. in %	2019
Energy supply and waste disposal	6.6	-26.0	8.9
Telecommunications and IT	3.1	3.0	3.0
Materials management	0.6	-62.8	1.5
Electrical engineering, security equipment, workshops (VAT)	0.4	-57.1	1.0
Facility management, building maintenance	0.2	-67.3	0.5
Visitair World	0.1	-84.2	0.6
"GetService"-Flughafen-Sicherheits- und Servicedienst GmbH	0.6	-17.8	0.8
Other	0.4	-2.5	0.4
Other Segments revenue (external)	12.0	-28.2	16.7
Thereof aviation	0.0		0.0
Thereof non-aviation	12.0		16.7

Contract balances

The following table provides information about receivables from contracts with customers:

in T€	Notes	31.12.2020	31.12.2019
Receivables from contracts with customers included in trade and other receivables	(21)	11,252.4	63,633.1

Performance obligations

Revenue is measured on the basis of the consideration stipulated in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. The table below provides information about the nature and timing of the fulfilment of performance obligations from contracts with customers, including significant payment terms. The revenue recognition principles and the accounting methods are shown under "Accounting policies".

Type of product/service	Nature and timing of the fulfilment of performance obligations, including significant payment terms	Revenue recognition in accordance with IFRS 15 ¹
Traffic fees (subject to approval)	Invoices for traffic fee services are issued every two weeks and are usually payable within 8 to 30 days.	The revenue is recognised immediately as the service is rendered or, if the invoice has not yet been issued, deferred accordingly.
Ground handling services (not subject to approval)	Invoices for ground handling services are issued every two weeks and are usually payable within 8 to 30 days.	The revenue is recognised immediately as the service is rendered or, if the invoice has not yet been issued, deferred accordingly.

Concession revenue	Invoices for concession revenue are issued every month and are usually payable within 30 days.	The revenue is recognised immediately as the service is rendered or, if the invoice has not yet been issued, deferred accordingly.
Other revenue from:		
Lounges	Invoices for lounge services are issued every month and are usually payable within 14 days or immediately in cash on occurrence.	The revenue is recognised immediately as the service is rendered or, if the invoice has not yet been issued, deferred accordingly.
Security Energy supply and waste disposal IT Electrical engineering Workshops Materials management Facility management Building maintenance	Invoices for these miscellaneous other services are issued every month and are usually payable within 14 days. When products are sold (e.g. by the workshops), the customers obtain control immediately when the goods are taken from the warehouse.	The revenue is recognised immediately as the service is rendered or, if the invoice has not yet been issued, deferred accordingly. Revenue from the sale of goods is recognised when the goods are issued to the customer.

1) The breakdown of the transaction price into performance obligations is shown under "Accounting policies"

(2) Other operating income

in T€	2020	2019
Own work capitalised	3,499.8	7,679.8
Income from the disposal of property, plant and equipment	788.0	3,468.8
Income from the reversal of investment subsidies (government grants)	240.2	172.9
Granting of rights	634.3	1,285.6
Income from insurance	57.6	505.5
Lockdown revenue compensation	1,704.7	0.0
Other	578.5	596.4
	7,503.2	13,708.9

Other operating income includes receivables of € 1.7 million as revenue compensation in connection with the lockdowns in November and December 2020.

(3) Expenses for consumables and purchased services

in T€	2020	2019
Consumables	9,992.3	21,546.3
Energy	11,524.1	16,384.5
Purchased services	7,822.9	3,363.2
	29,339.3	41,294.0

(4) Personnel expenses

in T€	2020	2019
Wages	115,225.0	129,566.3
Wages short-time work allowances	-47,938.7	0.0
Salaries	93,473.6	111,479.0
Salaries short-time work allowances	-31,882.3	0.0
Expenses for severance compensation	13,009.1	13,512.4
Thereof contributions to severance fund	2,580.2	2,605.9
Expenses for pensions	2,757.9	3,053.7
Thereof contributions to pension funds	2,593.6	2,733.4
Expenses for legally required duties and contributions	57,311.0	62,631.3
Other personnel expenses	927.0	2,960.8
	202,882.5	323,203.6

In personnel expenses, reimbursement rights totalling € 79.8 million were recognised in profit or loss at Vienna Airport, mainly from short-time working allowances. Wages account for € 47.9 million and salaries for € 31.9 million of this.

(5) Other operating expenses and reversals of impairment/impairment on receivables

Other operating expenses

in T€	2020	2019
Other taxes (not including income taxes)	489.3	644.7
Maintenance	13,396.1	42,178.7
Third-party services	13,594.5	27,479.1
Third-party services from Group companies ¹	5.7	4,672.5
Consulting expenses	3,136.6	5,902.4
Marketing and market communication	5,753.4	16,941.2
Postage and telecommunication expenses	1,434.1	1,578.2
Rental and lease payments ²	2,521.9	2,705.8
Insurance	2,733.2	2,677.3
Travel and training	820.3	3,239.0
Damages	784.1	997.2
Bad debt losses ³	30.6	32.7
Losses on the disposal of property, plant and equipment	334.3	238.1
Exchange rate differences, bank charges	524.8	693.4
Miscellaneous operating expenses	6,536.2	15,226.1
	52,095.0	125,206.2

1) Full consolidation of Get2 from 1 May 2019

2) See note (38).

3) Full derecognition of receivables

Maintenance expenses cover the upkeep of buildings and equipment and the maintenance of IT equipment, runways, aprons, taxiways and car parks. Third-party services essentially consist of costs for the baggage reconciliation system and baggage-related services, fees for waste water and garbage disposal, cleaning services, IT services and temporary personnel for the subsidiary Vienna Airport Technik GmbH and Malta International Airport p.l.c. "Consulting expenses" include fees paid to lawyers and notaries, tax advisors and the auditors of the annual financial statements in addition to miscellaneous consulting fees. The expenses for marketing and market communications result from marketing measures, cooperation's with airlines and conventional public relations activities. The rental and lease payments relate to expenses for short-term leases, expenses for leases of low-value assets and expenses that do not fall under IFRS 16. These expenses are broken down in detail in note (38).

The auditor provided the following services in the past financial year:

in T€	2020	2019
Audits of financial statements	231.7	215.1
Other assurance services	11.3	11.3
Other services	40.6	23.0
	283.5	249.3

Reversals of impairment/impairment on receivables

in T€	2020	2019
Reversals of impairment/impairment on receivables ¹	1,562.7	-22.3
	1,562.7	-22.3

1) Minus represents a reversal of impairment.

Further information is shown in note (36).

(6) Income from investments recorded at equity

On account of their operational nature, the results of the companies recorded at equity in the consolidated financial statements of the FWAG Group are reported within operating EBIT.

in T€	2020	2019
Pro rata results of companies recorded at equity	-1,203.3	3,178.1
	-1,203.3	3,178.1

As in the previous year, the cumulative total of unrecognised losses is T€ 0.0. A summary of financial information on associated companies and joint ventures is provided in Appendix 2 "Investments".

(7) Depreciation, amortisation and impairment

in T€	2020	2019
Amortisation of intangible assets		
Depreciation and amortisation	5,865.5	5,589.6
Depreciation of property, plant and equipment		
Depreciation and amortisation	119,674.9	119,300.1
Depreciation on investment property		
Depreciation and amortisation	7,009.1	5,813.0
Total depreciation and amortisation	132,549.5	130,702.7
Impairment and extraordinary depreciation of property, plant and equipment		
Impairment on "Vöslau Airfield" CGU	0.0	1,821.0
Extraordinary depreciation and amortisation Airport segment	6,922.8	0.0
Extraordinary depreciation and amortisation Other segments	1,090.4	0.0
Total impairment and extraordinary depreciation and amortisation	8,013.2	1,821.0

Depreciation and amortisation included depreciation and amortisation of right-of-use assets amounting to T€ 2,754.9 in the 2020 financial year (previous year: T€ 2,778.2).

There was extraordinary depreciation and amortisation of T€ 8,013.2 in the 2020 financial year, T€ 6,922.8 of which relates to the Airport segment and T€ 1,090.4 to the Other segments. The COVID-19 pandemic disrupted and temporary halted construction projects, resulting in write-downs on carrying amounts as future use is not currently considered to exist on account of technical obsolescence of planning services at the time of continuing the project. Impairment tests conducted in December did not result in any impairment of property, plant and equipment or intangible assets. For more information, see the remarks in section V. "Effects of COVID-19".

The impairment tests performed in the 2019 financial year resulted in impairment losses in the Vöslau Airfield cash-generating unit totalling T€ 1,821.0. The recoverable amount for the affected cash-generating unit was calculated based on the fair value less costs to sell and amounts to T€ 2,796.2. This impairment results from the current estimate of the medium-term development of the market, cost and price. The impairment of the "Vöslau Airfield" cash-generating unit is allocated to the Airport segment.

Measurement method and inputs

The fair value was calculated based on a measurement model using unobservable inputs (level 3). The model is based on the present value of the net cash flows generated by the assets of the cash-generating unit on the basis of market expectations and includes the expected traffic development at the site and the capacity utilisation and recoverable rental income for the aircraft hangar and properties allocated to the cash-generating unit. The expected net cash flows are discounted with a WACC ("weighted average cost of capital") of a peer group of the FWAG Group. The net cash flows reflect the amounts in the 2020 budget. Significant unobservable inputs for the "Vöslau Airfield" CGU are annual price increases for letting of hangar and office space at the level of the expected consumer price index of 1.7% to 1.8%, capacity utilisation in hangar and lettable office space 100%, compound annual growth rate (CAGR) of aircraft movements of 2.0%, growth rate of 0.0% for perpetual yield, tax rates of 25.0% and after-tax WACC

of 5.3%. The following changes in the unobservable inputs 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), change in traffic growth (aircraft movements), higher (lower) growth rate for the perpetual yield.

(8) Income from investments, excluding companies recorded at equity

in T€	2020	2019
Income from other investments	220.7	439.6
Dividends from securities and investments in other companies (FVOCI ¹⁾)	317.8	254.5
	538.5	694.1

Definition of measurement categories:

1) FVOCI = fair value through other comprehensive income

(9) Interest income/expense

in T€	2020	2019
Interest and similar income	2,229.2	2,229.6
Interest and similar expenses	-15,690.4	-17,945.9
	-13,461.2	-15,716.3

Interest and similar expenses include interest expenses from lease liabilities of T€ 2,166.8 (previous year: T€ 2,158.1).

(10) Other financial result

in T€	2020	2019
Measurement of debt instrument (FVPL ¹⁾)	-1,512.6	585.5
	-1,512.6	585.5

Definition of measurement categories:

1) FVPL = fair value through profit and loss

(11) Income taxes

in T€	2020	2019
Current income tax income/expense	-15,333.4	68,434.8
Change in deferred taxes	-9,824.8	-6,273.1
	-25,158.2	62,161.7

The tax income (previous year: tax expense) of T€ 25,158.2 for 2020 (previous year: T€ 62,161.7) is T€ 67.9 (previous year: T€ 2,696.1) lower (previous year: higher) than the calculated tax income (previous year: tax expense) of T€ 25,226.1 (previous year: T€ 59,465.6) that would result from the application of the corporate tax rate (25%) to loss (previous year: profit) before income taxes of minus T€ 100,904.4 (previous year: plus T€ 237,862.4).

The difference between the calculated tax income and the effective tax income reported in the financial statements (previous year: tax expense) is explained by the following table:

→ Tax reconciliation

in T€	2020	2019
Profit before taxes	-100,904.4	237,862.4
Calculated income tax	-25,226.1	59,465.6
Adjustments for foreign tax rates	-540.4	5,169.5
Investments recorded at equity	300.8	-794.5
Income from investments (tax-free)	-79.5	-63.6
Recognition/utilisation of deferred tax assets on loss carryforwards	128.6	97.8
Other and permanent differences	-199.8	-6.8
Income tax expense for the period	-25,616.3	63,868.0
Aperiodic tax expense/tax income	458.0	-1,706.3
Reported income tax expense	-25,158.2	62,161.7
Effective tax rate	24.9%	26.1%

The differences between the carrying amounts in the tax and IFRS accounts and the loss carryforwards as at the end of the reporting period affect the deferred tax liabilities reported in the statement of financial position. For further information see note (31).

The FWAG Group has the option of utilising a tax loss carryback. Recognising a COVID-19 reserve in the 2019 assessment triggered the tax group's tax provision for 2019 and reduced the advance payments for 2019. As current tax losses were higher than the COVID-19 reserve, these are also taken into account in the 2019 assessment.

Flughafen Wien AG has been the head of a tax group as defined in section 9 of the Körperschaftsteuergesetz (KStG – Austrian Corporate Income Tax Act) since 2005. The Group parent apportions and charges or credits (in the event of a loss) the applicable share of corporation taxes to the member companies of the Group.

(12) Earnings per share

The calculation of basic earnings per share is based on the profit or loss attributable to the ordinary shareholders and a weighted average of shares outstanding. The diluted earnings per share is also calculated after adjusting for all dilutive effects of potential voting rights. In the 2020 financial year, the weighted average number of shares outstanding was 83,883,764 (previous year: 83,996,504). This results in earnings per share (basic = diluted) of minus € 0.87 for the 2020 financial year and € 1.89 for the previous year.

in T€	2020	2019
Shares outstanding 1 January	84,000,000	84,000,000
Effect of own shares	-116,236	-3,496
Weighted average 31 December	83,883,764	83,996,504

VII. Notes to the Consolidated Statement of Financial Position

Non-current assets

(13) Intangible assets

→ Development from 1.1. to 31.12.2020

in T€	Concessions and rights	Goodwill for "Real Estate Parking"	Goodwill for "Malta"	Total
Net carrying amount as at 1.1.2020	137,602.3	54.2	28,407.6	166,064.1
Additions	2,999.2	0.0	0.0	2,999.2
Transfers	3,354.2	0.0	0.0	3,354.2
Derecognition	0.0	0.0	0.0	0.0
Depreciation and amortisation	-5,865.5	0.0	0.0	-5,865.5
Net carrying amount as at 31.12.2020	138,090.2	54.2	28,407.6	166,552.1

As at 31.12.2020

Cost	218,414.8	54.2	28,407.6	246,876.6
Accumulated depreciation	-80,324.5	0.0	0.0	-80,324.5
Net carrying amount	138,090.2	54.2	28,407.6	166,552.1

→ Development from 1.1. to 31.12.2019

in T€	Concessions and rights	Goodwill for "Real Estate Parking"	Goodwill for "Malta"	Total
Net carrying amount as at 1.1.2019	127,212.5	54.2	28,407.6	155,674.3
IFRS 16 adjustments	10,747.0	0.0	0.0	10,747.0
Restated net carrying amount as at 1.1.2019	137,959.5	54.2	28,407.6	166,421.3
Additions	3,263.4	0.0	0.0	3,263.4
Transfers	1,981.0	0.0	0.0	1,981.0
Derecognition	-11.9	0.0	0.0	-11.9
Depreciation and amortisation	-5,589.6	0.0	0.0	-5,589.6
Net carrying amount as at 31.12.2019	137,602.3	54.2	28,407.6	166,064.1

As at 31.12.2019

Cost	212,251.7	54.2	28,407.6	240,713.5
Accumulated depreciation	-74,649.4	0.0	0.0	-74,649.4
Net carrying amount	137,602.3	54.2	28,407.6	166,064.1

The item "Concessions and rights" includes a concession to operate Malta Airport with a carrying amount of T€ 112,841.8 (previous year: T€ 115,281.6) and a remaining term of around 45 years as at 31 December 2020. In addition, right-of-use assets (IFRS 16) relating to this concession are included with a carrying amount of T€ 10,303.8 as at 31 December 2020 (previous year: T€ 10,525.4). The development of right-of-use assets is shown in note (38). The material additions and transfers for the financial year relate to purchased software. Expenses of T€ 610.8 (previous year: T€ 1,698.4) for the research and development of individual modules of the airport operations software programme were recognised as expenses in 2020.

Impairment testing of cash-generating units with goodwill

An impairment test was performed in the current financial year for a cash-generating unit containing goodwill. Goodwill of T€ 28,407.6 (previous year: T€ 28,407.6) has been assigned to the "Malta" cash-generating unit.

→ Measurement method and inputs:

The recoverable amount of the "Malta" cash-generating unit is based on its fair value less costs to sell, which was estimated using discounted cash flows. Based on the inputs in the measurement methods used, the measurement was classified as a level 3 fair value. The forecast net cash flows are discounted using weighted average cost of capital (WACC) of the FWAG Group's peer group, taking into account the sovereign risk premium for Malta. The net cash flows reflect the amounts in the 2021 budget (previous year: 2020 budget) and Group controlling forecasts.

Significant inputs for the "Malta" CGU: growth rate of 0.5% for rough planning period (to 2067) (previous year: 0.5%), tax rate of 35% (previous year: 35%), after-tax WACC of 6.3% (previous year: 5.5%). The calculation of the fair value is based on specific cash flow forecasts for five years (detailed planning period) and a further series of payments based on the last year of the detailed planning period with an annual growth rate of 0.5% (previous year: 0.5%) until the end of the concession in July 2067 (rough planning period). The planned EBITDA is estimated on the basis of general market expectations regarding the future development of aviation in general and traffic development at Malta Airport in particular. The growth forecast for revenue takes into account the volume and price development of past years and the expected market and price growth momentum for the next five years.

The following changes in the significant inputs would lead to an increase (decrease) in fair value: decrease (increase) in the discount rate (WACC), higher (lower) growth rate in the rough planning period. The estimated recoverable income of the "Malta" cash-generating unit exceeds its carrying amount by approximately € 109 million (previous year: € 266 million). A change in the discount rate (WACC) used for the calculation of fair value less costs of disposal ranging between 6.3% plus 1% and 6.3% minus 1% or in the growth rate in the rough planning period ranging between 0.5% plus 1% and 0.5% minus 1%, which the management considers possible, would have the following effects on the amount by which the carrying amount is exceeded:

→ Sensitivities of fair value less costs of disposal minus carrying amount for various manifestations of the planning parameters WACC and growth rate in the rough planning period

2020		Growth rate p.a.		
in € million		-0.50%	0.50%	1.50%
WACC	5.30%	125	195	282
	6.30%	56	109	176
	7.30%	2	43	94

2019		Growth rate p.a.		
in € million		-0.50%	0.50%	1.50%
WACC	4.50%	286	385	514
	5.50%	191	266	362
	6.50%	117	174	246

(14) Property, plant and equipment

→ Development from 1.1. to 31.12.2020

in T€	Land and buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments and assets under construction	Total
Net carrying amount as at 1.1.2020	1,030,641.6	255,709.8	115,506.3	128,488.7	1,530,346.5
Additions ¹⁾	8,336.2	4,339.9	28,906.6	31,386.4	72,969.1
Reclassifications	6,632.5	3,356.2	1,601.5	-14,016.2	-2,425.9
Transfers	-3,772.2	0.0	0.0	0.0	-3,772.2
Derecognition	-300.5	-25.1	-84.3	0.0	-409.9
Depreciation and amortisation	-59,717.2	-34,397.2	-25,560.6	0.0	-119,674.9
Impairment	0.0	0.0	-1,090.4	-6,922.8	-8,013.2
Net carrying amount as at 31.12.2020	981,820.4	228,983.7	119,279.3	138,936.2	1,469,019.6
As at 31.12.2020					
Cost	1,851,427.0	934,574.5	377,464.9	145,859.0	3,309,325.4
Accumulated depreciation	-869,606.6	-705,590.8	-258,185.7	-6,922.8	-1,840,305.8
Net carrying amount	981,820.4	228,983.7	119,279.3	138,936.2	1,469,019.6

1) The additions include invoice corrections of € 1.1 million which are accounted for as negative additions.

Property, plant and equipment includes right-of-use assets of T€ 79,012.8 (previous year: T€ 81,539.2) in connection with lease assets that do not meet the definition of investment property. The development is shown in note (38).

→ Development from 1.1. to 31.12.2019

in T€	Land and buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments and assets under construction	Total
Net carrying amount as at 1.1.2019	1,002,693.8	262,507.0	103,002.1	80,709.5	1,448,912.4
IFRS 16 adjustments	58,289.7	0.0	562.6	0.0	58,852.2
Restated net carrying amount as at 1.1.2019	1,060,983.5	262,507.0	103,564.7	80,709.5	1,507,764.6
Changes in the consolidated group	0.0	0.0	1,183.2	0.0	1,183.2
Additions ¹⁾	27,558.7	26,432.6	34,174.4	54,987.7	143,153.5
Transfers	4,206.4	2,907.5	797.3	-7,208.5	702.7
Derecognition	-1,088.5	-160.9	-86.9	0.0	-1,336.3
Depreciation and amortisation	-61,018.6	-34,155.2	-24,126.3	0.0	-119,300.1
Impairment	0.0	-1,821.0	0.0	0.0	-1,821.0
Net carrying amount as at 31.12.2019	1,030,641.6	255,709.8	115,506.3	128,488.7	1,530,346.5
As at 31.12.2019					
Cost	1,842,680.9	928,165.8	357,266.6	128,488.7	3,256,602.0
Accumulated depreciation	-812,039.4	-672,455.9	-241,760.2	0.0	-1,726,255.5
Net carrying amount	1,030,641.6	255,709.8	115,506.3	128,488.7	1,530,346.5

1) The additions include invoice corrections of € 0.2 million which are accounted for as negative additions.

Please see note (7) for information on impairment losses/extraordinary depreciation and amortisation recognised in the 2020 financial year.

No borrowing costs were capitalised in the 2020 financial year (previous year: T€ 0.0).

The following table shows the biggest additions to property, plant and equipment, intangible assets and investment property in the 2020 and 2019 financial years:

2020:

Airport segment in T€	2020
Terminal alteration	22,986.8
Lounges	3,772.3
Land	1,959.3
Sweepers	1,603.2
Taxiway 34	1,220.6
Runway restoration	1,209.5
Baggage claim line	1,157.2
Boarding doors	420.7
Handling & Security Services segment in T€	2020
Special vehicles, lifting and loading vehicles	2,546.9
Aircraft towing vehicles, diesel towing vehicles	1,664.0
Cars, buses, vans, delivery trucks	1,530.8
Engine starter units, work stairs, boarding stairs	1,374.6
Retail & Properties segment in T€	2020
Office Park 4	1,947.4
Expansion of shipping building	1,770.5
Car park skywalk	1,270.3
Tenant improvement for coworking space/Conferencing Office Park 4	1,186.5
Outside areas Office Park 4	516.6
Advertising space Car park skywalk	486.6
Furnishing Coworking/Conferencing Office Park 4	461.9
Malta segment in T€	2020
Car park	9,010.1
Cargo buildings	2,170.5
Other Segments in T€	2020
Software	3,026.2
IT hardware	2,036.3
Cooling units	847.5
Transformer station	329.3

2019:

Airport segment in T€	2019
Terminal alteration	37,714.5
West Apron	12,286.3
Hangar 8 and 9	11,366.6
Land	5,655.7
Taxiways	5,285.4
Schengen bus gates	2,821.8
Runway sweepers	1,603.2

Handling & Security Services segment in T€	2019
Cars, buses, vans, delivery trucks	2,704.2
Work stairs and engine starter units	1,907.3
Aircraft and electric towing vehicles	1,382.5
De-icing equipment	965.2
Conveying systems	818.1

Retail & Properties segment in T€	2019
Office Park 4	24,732.8
Helicopter hangar	2,725.8
Land	2,390.2
Car park skywalk	1,174.0

Malta segment in T€	2019
Car park	6,851.0
HBS CT scanners	2,371.8
Taxiways	1,282.9

Other Segments in T€	2019
IT hardware	6,098.4
Software	2,395.0
HNS equipment	1,421.4
Installation ducts	1,030.4

(15) Investment property

→ Development from 1.1. to 31.12.2020

in T€	Investment property	Prepayments and assets under construction	Total
Net carrying amount as at 1.1.2020	118,841.2	59,888.3	178,729.5
Additions	1,629.5	2,342.4	3,971.8
Transfers	61,302.3	-62,230.7	-928.4
Depreciation and amortisation	-7,009.1	0.0	-7,009.1
Net carrying amount as at 31.12.2020	174,763.9	0.0	174,763.9

As at 31.12.2020

Cost	266,465.9	0.0	266,465.9
Accumulated depreciation	-91,702.0	0.0	-91,702.0
Net carrying amount	174,763.9	0.0	174,763.9

→ Development from 1.1. to 31.12.2019

in T€	Investment property	Prepayments and assets under construction	Total
Net carrying amount as at 1.1.2019	126,484.1	35,014.7	161,498.8
IFRS 16 adjustments	341.5	0.0	341.5
Restated net carrying amount as at 1.1.2019	126,825.5	35,014.7	161,840.3
Additions	501.0	24,873.6	25,374.6
Transfers	-2,672.4	0.0	-2,672.4
Depreciation and amortisation	-5,813.0	0.0	-5,813.0
Net carrying amount as at 31.12.2019	118,841.2	59,888.3	178,729.5

As at 31.12.2019

Cost	204,042.1	59,888.3	263,930.4
Accumulated depreciation	-85,200.9	0.0	-85,200.9
Net carrying amount	118,841.2	59,888.3	178,729.5

Investment property consists of buildings and land that are mainly held to generate rental income:

in T€	2020	2019
Rental income	17,044.3	17,523.0
Operating expenses for rented properties	6,622.6	6,911.5
Operating expenses for vacant properties	1,157.2	186.4

The investment property includes right-of-use assets (IFRS 16) with a carrying amount of T€ 327.5 as at 31 December 2020 (previous year: T€ 334.5). The development is shown in note (38).

Fair value:

The fair value of investment property was T€ 199,559.5 as at the end of the reporting period (previous year: T€ 214,275.4).

Measurement method and inputs

The fair value was calculated based on a measurement model using unobservable inputs (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 FWAG Group. The net cash flows reflect the amounts in the 2021 budget (previous year: 2020 budget) and long-term Group controlling forecasts. Significant unobservable inputs: rent increases by type of property of 0.0% to 2.0% (previous year: 0.0% to 2.0%), occupancy rates for 2021 of 50% to 100%, weighted average: 82% (previous year: 0.0% to 100%, weighted average: 95%), growth rate of 0.0% for perpetual yield (previous year: 0.0%), tax rate of 25% to 35% (previous year: 25.0% to 35.0%), after-tax WACC of 3.2% to 6.2% (previous year: 3.4% to 4.7%). The following changes in the unobservable inputs 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.

(16) Investments in companies recorded at equity**→ Development from 1.1. to 31.12.**

in T€	2020	2019
Net carrying amount as at 1.1.	43,706.9	42,909.2
Pro rata results of companies recorded at equity	-1,203.3	3,178.1
Changes in the consolidated group	0.0	-286.5
Dividend payment	-1,511.5	-2,093.9
Net carrying amount as at 31.12.	40,992.1	43,706.9

A summary of financial information on associated companies and joint ventures is provided in Appendix 2 "Investments". For details please see note (6).

(17) Other assets

in T€	31.12.2020	31.12.2019
Loans and receivables (AC ¹⁾)	2,179.6	908.3
Thereof loans granted to employees	134.5	175.9
Thereof other loans and receivables	2,045.1	732.4
Receivables from investments and time deposits(AC ¹)	25,220.0	75,220.0
Equity instruments (FVOCI ²)	3,905.3	4,595.3
Thereof shares in non-consolidated affiliates	1.2	1.2
Thereof other investments	65.9	65.9
Thereof securities	3,838.2	4,528.2
	31,304.8	80,723.5

Definition of measurement categories:

1) AC = amortised cost

2) FVOCI = fair value through other comprehensive income

Loans and receivables include a loan of T€ 90.2 (previous year: T€ 112.5) to Société Internationale Télécommunications Aéronautiques SC, loans granted to employees of T€ 134.5 (previous year: T€ 175.9), a receivable of T€ 63.3 (previous year: T€ 69.9) relating to an investment subsidy from the Austrian Government Environmental Fund, another loan to the Works Council of Flughafen Wien AG of T€ 550.0 (previous year: T€ 550.0) and another non-current receivable of T€ 1,341.7 (previous year: T€ 0.0).

There are **receivables from investments and time deposits** of T€ 25,220.0 (previous year: T€ 75,220.0). The average interest rate for the time deposits is 0.29% (previous year: 0.31%).

The **equity instruments** consist of strategic securities (e.g. in CESEAG AG) that have been held for a longer period of time of T€ 3,838.2 (previous year: T€ 4,528.2) and shares in non-consolidated affiliates and other investments of T€ 67.1 (previous year: T€ 67.1) that are not included in the consolidated financial statements on account of their current immateriality.

Current assets

(18) Inventories

in T€	31.12.2020	31.12.2019
Consumables and Supplies	5,947.4	6,201.5
	5,947.4	6,201.5

In particular, consumables and supplies consist of de-icing materials, fuel, spare parts and other materials used in airport operations. As in the previous year, there were no inventories measured at net realisable value as at the end of the reporting period.

(19) Securities

in T€	31.12.2020	31.12.2019
Funds (FVPL ²)	0.0	30,826.5
Debt instruments (AC ¹)	4,982.7	4,982.7
Debt instruments (FVPL ²)	21,917.9	22,900.7
	26,900.6	58,709.9

Definition of measurement categories:

1) AC = amortised cost

1) FVPL = fair value through profit and loss

The debt instrument (FVPL) is a tier 2 capital obligation.

(20) Assets available for sale

in T€	31.12.2020	31.12.2019
Assets available for sale	3,772.2	0.0
	3,772.2	0.0

Several plots of land and one building with a total carrying amount of T€ 3,772.2 were reported under "Assets available for sale" in accordance with IFRS 5 as at 31 December 2020. Both the land and the buildings relate to planned disposals for a commercial park in the surrounding area and are assigned to Retail & Properties. The assets are reported at the lower of carrying amount and fair value less costs to sell. No impairment losses were incurred. Accounting in accordance with IFRS 5 did not lead to any recognition of gains or losses as at 31 December 2020. No assets were classified as available for sale as at 31 December 2019.

(21) Receivables and other assets

in T€	31.12.2020	31.12.2019
Net trade receivables (AC ¹)	17,203.3	68,134.8
Receivables from investments recorded at equity (AC ¹)	177.0	297.4
Other receivables and assets (AC ¹)	28,307.8	14,455.6
Receivables from investments and time deposits (AC ¹)	20,692.4	55,738.5
Prepaid incentive (AC ¹)	1,387.5	2,787.5
Receivables from taxation authorities ²	9,714.8	6,202.0
Prepaid expenses ²	3,481.8	3,759.3
	80,964.5	151,375.2

Definition of measurement categories:

1) AC = amortised cost

2) Non-financial instruments

The payment terms for trade receivables generally range from 8 to 30 days and are classified as current. Details on the Group's impairment methods are shown in the accounting policies, the development of valuation allowances in note (36).

The receivables due from taxation authorities represent receivables from corporate income taxes and VAT tax credits that were offset against liabilities arising from payroll-related taxes.

Other receivables and assets include short-term investments (time deposits) with a commitment period of more than three months in the amount of T€ 20,692.4 (previous year: T€ 55,738.5). The average interest rate for the investment is 0.49% (previous year: 0.30%). The time deposits include investments in foreign currency of T\$ 850.4 (previous year: T\$ 829.4). Claims relating to government support that have not yet been refunded are also capitalised in other receivables.

(22) Cash and cash equivalents

in T€	31.12.2020	31.12.2019
Cash	233.1	338.5
Checks	5.6	6.5
Bank balances	172,861.2	84,438.0
	173,099.9	84,782.9

All short-term investments had a maximum commitment period of three months at the time the investment was made. The average interest rate on Austrian bank balances was 0.11% as at 31 December 2020 (previous year: 0.00%). The carrying amounts of cash and cash equivalents approximate their fair value.

Equity

(23) Share capital

The share capital of FWAG is fully paid in and amounts to T€ 152,670.0. It is divided into 84,000,000 (previous year: 84,000,000) no-par-value bearer shares with voting and profit-sharing rights, which are securitised by a global certificate deposited with Oesterreichische Kontrollbank. All shares carry the same rights and obligations ("one share – one vote"). There were 83,883,764 (previous year: 83,952,061) shares outstanding as at 31 December 2020. On 31 December 2020, FWAG held 125,319 (previous year: 47,939) of the company's own shares. Earnings per share as shown in 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. Basic earnings per share are equal to diluted earnings per share. By resolution of the Annual General Meeting, the net retained profits reported in the 2019 annual financial statements were carried forward in full. The Management Board of Flughafen Wien AG proposes carrying forward the net retained profits for the 2020 financial year in accordance with UGB of € 44,805,409.69.

(24) Capital reserves

Capital reserves comprise a T€ 92,221.8 premium generated by the stock issue in the 1992 financial year, a T€ 25,435.5 premium from the share capital increase in the 1995 reporting year, and an addition of T€ 140.6 in the 2020 financial year (previous year: T€ 87.1) due to the purchase of own shares. The capital reserves are the same as those in the separate financial statements of Flughafen Wien AG.

(25) Other reserves

The component items of other reserves are described below. The development of these reserves is shown in the statement of changes in equity:

- » **Change in fair value of equity instruments reserve (FVOCI):** The Group recognises changes in the fair value of certain investments in equity instruments in other comprehensive income, as described in XI. Accounting policies. These changes are accumulated in the FVOCI reserve in equity. The Group transfers amounts from this reserve to retained earnings when the corresponding equity instruments are derecognised.
- » **Revaluation of intangible assets:** Revaluation surplus from the pro rata increase by the hidden reserves of the existing shares held in MMLC and the MIA Group at the time of first-time consolidation (2006) in accordance with IFRS 3.59 (2004).
- » **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.
- » **Currency translation reserve:** This reserve covers all differences resulting from the translation of the annual financial statements of foreign subsidiaries from their functional currency to the Group's reporting currency.
- » **Reserve for own shares:** The reserve for the company's own shares comprises the acquisition costs of the company's own shares held by the Group. On 31 December 2020, the FWAG Group held 125,319 (previous year: 47,939) of the company's shares.

(26) Retained earnings

Retained earnings comprise the profits and losses generated by the Group after the deduction of dividends. The amount available for distribution to the shareholders is the amount reported as "Net retained profits" in the separate financial statements of FWAG as at 31 December 2020.

(27) Non-controlling interests

Non-controlling interests represent shares held by third parties in the equity of consolidated subsidiaries. The non-controlling interests in Malta Mediterranean Link Consortium Limited (MMLC) amount to 4.15% (previous year: 4.15%) as at the end of the reporting period, and indirectly to 51.56% in Malta International Airport p.l.c. and its subsidiaries (MIA Group) (previous year: indirectly 51.56%). The non-controlling interests in the Slovakian subsidiary BTS Holding a.s. are the shares held by the co-shareholder Raiffeisen-Invest-Gesellschaft m.b.H. The development of non-controlling interests is shown in the statement of changes in equity. For details of material non-controlling interests, see Appendix 3.

Non-current liabilities

(28) Non-current provisions

in T€	31.12.2020	31.12.2019
Severance compensation	92,257.0	98,701.0
Pensions	16,862.3	17,327.4
Service anniversary bonuses	35,216.5	36,571.3
Semi-retirement programmes	21,547.0	21,417.4
Miscellaneous provisions	4,410.6	995.9
	170,293.5	175,013.0

Defined benefit severance compensation plans for Austrian Group companies

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 which is based on the length of service with the company and the amount of the compensation at the end of employment. Employees who joined the company after 31 December 2002 are not entitled to legal severance compensation from their employer. Instead, severance compensation obligations are met through regular employer payments to an employee benefit fund. Collective bargaining agreements also exist for these employees (wage-earning employees: entry by 30 June 2014, salaried employees: entry by 31 October 2014), for which provisions have been recognised. This defined benefit plan exposes the FWAG Group to actuarial risks, e.g. interest rate risks. Actuarial assumptions: Information on the actuarial assumptions can be found in "XI. Accounting policies".

Development of the provision for severance compensation

in T€	2020	2019
Provision recognised as at 1.1. = present value (DBO) of obligations	98,701.0	91,405.9
Changes in the consolidated group	0.0	139.9
Net expense recognised in profit or loss	5,657.9	6,012.5
Actuarial gains (-)/losses (+) recognised in other comprehensive income	-5,103.0	7,543.5
Thereof from financial assumptions	-4,464.8	6,735.1
Thereof from demographic assumptions	0.0	0.0
Thereof from experience-based assumptions	-638.2	808.4
Severance compensation payments	-6,998.8	-6,400.8
Provision recognised as at 31.12. = present value (DBO) of obligations	92,257.0	98,701.0

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€ -30,599.7 as at the end of the reporting period (previous year: T€ -34,426.9). Personnel expenses include the following:

in T€	2020	2019
Service cost	5,073.6	4,840.9
Interest expense	584.3	1,171.6
Severance compensation expense recognised as personnel expenses¹	5,657.9	6,012.5

1) Not including voluntary severance payments

The expected payments for severance compensation obligations in the coming financial year total T€ 6,513.5 (previous year: T€ 6,496.3). Maturity profile of commitments: As at 31 December 2020, the weighted average remaining term of the defined benefit obligation was 9.8 years (previous year: 10.4 years). Sensitivity analyses: The following actuarial assumptions used to calculate the defined benefit obligation are considered material. Changes would have the following effect on this:

Change in the defined benefit obligation (DBO) from severance compensation in T€	Increase (+1%)	Decrease (-1%)
Discount rate	-8,293.6	9,715.4
Future wage and salary increases	8,872.8	-7,770.3

Defined benefit pension plans

Defined benefit pension plans for Austrian Group companies: FWAG has concluded individual agreements for the payment of supplementary defined pension benefits to a small number of former managers. These commitments were not covered by plan assets as at the end of the reporting period (or the end of the previous year). Employees who joined the company before 1 September 1986 had a claim to defined benefit pension subsidies based on works 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 as at 31 December 2000 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. Some retired employees did not accept the settlement offered and still have a claim to pension payments.

Defined benefit pension plans for Maltese Group companies: On the basis of the Pensions Ordinance (Cap 93), Malta Airport grants pension subsidies to individual active employees who joined the public sector before 15 January 1979 and who were taken on by the company. As in the previous year, there are no plan assets for this obligation as at the end of the reporting period. Employees of Malta Airport are also granted defined benefit pension subsidies based on collective agreements. These defined benefit plans expose the FWAG Group to actuarial risks, e.g. longevity or interest rate risks. Actuarial assumptions: Information on the actuarial assumptions can be found in "XI. Accounting policies".

Defined contribution pension plans for Austrian Group companies

FWAG has concluded a works agreement for retirement, invalidity and survivors' pensions through a contract with a pension fund only for employees who joined the company between 1 September 1986 and 1 November 2014. While their employment relationship remains in effect, it makes payments equal to 2.5% of monthly wages and salaries for all employees covered by the works pension agreement. In addition, employees can make additional contributions to the fund. Employees' claims 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.

→ Development of the provision for pensions

in T€	2020	2019
Provision recognised as at 1.1. = present value (DBO) of obligations	17,327.4	17,175.0
Net expense recognised in profit or loss	163.6	278.7
Actuarial gains (-)/losses (+) recognised in other comprehensive income	286.0	1,049.1
Thereof from financial assumptions	0.0	951.6
Thereof from demographic assumptions	0.0	0.0
Thereof from experience-based assumptions	286.0	97.5
Pension payments	-914.6	-1,175.4
Provision recognised as at 31.12. = present value (DBO) of obligations	16,862.3	17,327.4

The cumulative actuarial differences (after deduction of deferred taxes) on pension provisions that were recognised in other comprehensive income amounted to T€ -3,050.0 as at the end of the reporting period (previous year: T€ -2,835.9). Personnel expenses include the following:

in T€	2020	2019
Service cost	84.4	108.9
Interest expense	79.2	169.8
Pension expenses recognised as personnel expenses¹	163.6	278.7

1) Not including contributions to pension funds or other pension expenses

The expected payments for pension obligations in the coming financial year total T€ 1,035.8 (previous year: T€ 1,019.3). Maturity profile of commitments: As at 31 December 2020, the weighted average remaining term of the defined benefit obligation was 10.6 years (previous year: 10.8 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	-1,101.7	1,229.6
Increase in pensions during payment phase	1,348.2	-955.1

Provisions for anniversary bonuses for Austrian Group companies

Employees at the Vienna Airport site are entitled to receive special long-service bonuses. The specific entitlement criteria and amount of the bonus are regulated by the collective bargaining agreements.

→ Development of the provision for service anniversary bonuses

in T€	2020	2019
Provision recognised as at 1.1. = present value (DBO) of obligations	36,571.3	31,985.6
Net expense recognised in profit or loss	-191.2	5,726.7
Service anniversary payments	-1,163.7	-1,140.9
Provision recognised as at 31.12. = present value (DBO) of obligations	35,216.5	36,571.3

→ Personnel expenses include the following:

in T€	2020	2019
Service cost	2,504.8	2,165.1
Interest expense	214.0	407.2
Actuarial gains (-)/losses (+) recognised in profit or loss	-2,909.9	3,154.4
Service anniversary bonuses recognised as personnel expenses	-191.2	5,726.7

Provisions for semi-retirement programmes for Austrian Group companies

Provisions were recognised for expenses arising from the obligation to make supplementary payments (so-called "wage/salary equalisation") to employees working under semi-retirement programmes and the costs for additional work in excess of the agreed part-time employment and these are recognised as other long-term employee benefits and therefore distributed/incurred over the active working phase, taking into account an actual average minimum length of service (salaried employees: 24 years; wage-earning employees: 15 years).

→ Development of the provision for semi-retirement programmes

in T€	2020	2019
Provision recognised as at 1.1. = present value (DBO) of obligations	21,417.4	20,872.3
Net expense recognised in profit or loss	5,774.0	6,201.0
Payments for semi-retirement programmes	-5,644.4	-5,655.9
Provision recognised as at 31.12. = present value (DBO) of obligations	21,547.0	21,417.4

→ Personnel expenses include the following:

in T€	2020	2019
Service cost	4,718.1	4,625.0
Interest expense	36.7	53.3
Actuarial gains (-)/losses (+) recognised in profit or loss	1,019.2	1,522.7
Semi-retirement expenses recognised as personnel expenses	5,774.0	6,201.0

Miscellaneous provisions

in T€	1.1.2020	Transfer ¹	31.12.2020
Miscellaneous provisions	995.9	3,414.7	4,410.6

1) Transfer between current and non-current provisions

in T€	1.1.2019	Transfer ¹	31.12.2019
Miscellaneous provisions	1,245.0	-249.1	995.9

1) Transfer between current and non-current provisions

(29) Non-current and current financial and lease liabilities

in T€	31.12.2020	31.12.2019
Current lease liabilities (AC ¹)	398.0	388.7
Current financial liabilities (AC ¹)	142,000.0	25,055.0
Current financial and lease liabilities	142,398.0	25,443.7
Non-current lease liabilities (AC ¹)	55,447.1	55,432.9
Non-current financial liabilities (AC ¹)	250,000.0	275,000.0
Non-current financial and lease liabilities	305,447.1	330,432.9
Financial liabilities	447,845.1	355,876.6

Definition of measurement categories:

1) AC = amortised cost

Current financial liabilities include cash advances of € 117.0 million (previous year: € 0.0 million).

→ The remaining terms of the financial liabilities are as follows:

in T€	31.12.2020	31.12.2019
Up to one year	142,000.0	25,055.0
Over one year and up to five years	100,000.0	100,000.0
Over five years	150,000.0	175,000.0
	392,000.0	300,055.0

→ Financial liabilities developed as follows:

in T€	Non-current financial liabilities	Current financial liabilities	Total
As at 1.1.2020	275,000.0	25,055.0	300,055.0
Addition ¹⁾	0.0	117,000.0	117,000.0
Repayments	0.0	-25,055.0	-25,055.0
Reclassification	-25,000.0	25,000.0	0.0
As at 31.12.2020	250,000.0	142,000.0	392,000.0

1) Primarily relates to current bank overdrafts

in T€	Non-current financial liabilities	Current financial liabilities	Total
As at 1.1.2019	300,000.0	57,016.5	357,016.5
Addition ¹⁾	0.0	38.5	38.5
Repayments	0.0	-57,000.0	-57,000.0
Reclassification	-25,000.0	25,000.0	0.0
As at 31.12.2019	275,000.0	25,055.0	300,055.0

1) Primarily relates to current cash advances

Financial liabilities are denominated in euro and the average interest rate is 3.26% (previous year: 4.65%). Information on collateral can be found in notes (17) and (36).

→ Lease liabilities developed as follows:

in T€	Non-current lease liabilities	Current lease liabilities	Total
As at 1.1.2020	55,432.9	388.7	55,821.6
Valuation effects	412.2	0.0	412.2
Repayments	0.0	-388.7	-388.7
Reclassification	-398.0	398.0	0.0
As at 31.12.2020	55,447.1	398.0	55,845.1

in T€	Non-current lease liabilities	Current lease liabilities	Total
As at 1.1.2019	55,364.2	370.1	55,734.3
Valuation effects	510.9	0.0	510.9
Repayments	-53.5	-370.1	-423.6
Reclassification	-388.7	388.7	0.0
As at 31.12.2019	55,432.9	388.7	55,821.6

The average interest rate on lease liabilities is 3.98% (previous year: 3.98%).

(30) Other non-current liabilities

in T€	31.12.2020	31.12.2019
Other financial liabilities (AC ¹)	2,340.1	0.0
Deferred income ²	26,978.5	28,110.8
Government grants ²	491.2	465.4
	29,809.8	28,576.2

Definition of measurement categories:

- 1) AC = amortised cost
- 2) Non-financial instruments

Deferred income includes rental prepayments by Austro Control GmbH for the air traffic control tower completed in 2005 and other prepayments received for existing properties. The lease for the air traffic control tower has a term of 33 years ending in April 2038. FWAG received non-repayable investment subsidies from public authorities in the period from 1977 to 1985. FWAG also received investment subsidies from the EU in 1997, 1998 and 1999. The investment allowances received from 2002 to 2004 are accounted for as government grants and recognised in profit or loss over the useful life of the relevant item of property, plant and equipment.

(31) Deferred taxes

in T€	31.12.2020	31.12.2019
Deferred tax assets		
Intangible assets and property, plant and equipment	4,561.3	3,479.3
Provisions for severance compensation	10,956.8	12,596.3
Provisions for pensions	2,754.5	2,786.7
Provisions for service anniversary bonuses	4,801.9	4,861.0
Tax loss carryforwards	379.5	508.2
Other liabilities	5,732.0	5,307.5
Other provisions	2,326.3	538.0
Other assets/liabilities	1,146.0	1,245.8
	32,658.3	31,322.7
Deferred tax liabilities		
Intangible assets and property, plant and equipment	60,499.2	67,306.0
Debt and equity instruments	1,059.9	1,610.6
Other assets/liabilities	789.7	889.7
	62,348.8	69,806.3
Total net deferred taxes	-29,690.5	-38,483.6

The following tables show the development and allocation of the change in deferred taxes to components recognised in profit or loss and components recognised in other comprehensive income:

→ Development of deferred tax assets

in T€	2020	2019
As at 1.1	31,322.7	27,576.3
Changes recognised in profit and loss	2,539.8	1,590.1
Changes recognised in other comprehensive income:		
Revaluation from defined benefit plans	-1,204.3	2,156.3
As at 31.12.	32,658.3	31,322.7

→ Development of deferred tax liabilities

in T€	2020	2019
As at 1.1	69,806.3	74,650.7
Changes in the consolidated group	0.0	-1.4
Changes recognised in profit and loss	-7,285.0	-4,683.1
Changes recognised in other comprehensive income:		
Thereof equity instruments (FVOCI)	-172.5	-160.0
As at 31.12.	62,348.8	69,806.3

The calculation of the current and deferred taxes was based on the applicable corporate income tax rate of 25% for the Austrian companies and 35% for Malta. 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 (35.0% for Malta and 21.0% for Slovakia). The change in equity relates to gains and losses from financial instruments recognised in other comprehensive income and the remeasurement 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€ 2,691.1 (previous year: T€ 5,405.9) relate to investments and joint ventures recorded at equity, which would lead to deferred tax liabilities of T€ 627.8 (previous year: T€ 1,351.5). Deferred tax assets of T€ 269.5 had not been recognised as at 31 December 2020 (previous year: T€ 569.3). These amounts are for deferred tax assets on loss carryforwards.

Current liabilities

(32) Current provisions

in T€	31.12.2020	31.12.2019
Unused vacation	630.1	14,497.9
Other claims by employees	13,133.6	14,676.2
Income taxes	384.9	11,428.7
Goods and services not yet invoiced	64,484.1	83,102.9
Outstanding discounts	21,536.2	84,054.8
Miscellaneous provisions	11,659.4	16,232.0
	111,828.3	223,992.5

→ Development from 1.1. to 31.12.2020

in T€	1.1.2020	Utilisation	Reversal	Addition ¹	31.12.2020
Unused vacation	14,497.9	-13,976.9	-24.3	133.5	630.1
Other claims by employees	14,676.2	-4,978.4	-2,581.9	6,017.7	13,133.6
Income taxes	11,428.7	-1,970.1	-9,450.8	377.0	384.9
Goods and services not yet invoiced	83,102.9	-75,424.8	-2,000.8	58,806.8	64,484.1
Outstanding discounts	84,054.8	-81,582.1	-2,472.7	21,536.2	21,536.2
Miscellaneous provisions	16,232.0	-3,827.9	-2,868.9	2,124.1	11,659.4
	223,992.5	-181,760.1	-19,399.4	88,995.4	111,828.3

1) Including transfers

Provisions for other claims by employees mainly consist of accrued overtime pay, other remuneration and performance bonuses. Provisions for outstanding discounts relate to discounts to which the airlines are entitled and cover the period until the end of the reporting period. Miscellaneous current provisions consist primarily of provisions for damages, legal proceedings and other obligations.

(33) Trade payables

in T€	31.12.2020	31.12.2019
To third parties (AC ¹)	26,591.1	45,355.4
To non-consolidated affiliates (AC ¹)	0.1	0.1
To companies recorded at equity (AC ¹)	29.0	68.0
	26,620.1	45,423.4

Definition of measurement categories:

1) AC = amortised cost

(34) Other current liabilities

in T€	31.12.2020	31.12.2019
Amounts due to companies recorded at equity	7,090.9	8,639.8
Customers with credit balances	7,832.5	1,605.3
Miscellaneous liabilities	12,817.6	19,754.9
Accrued wages	7,799.5	10,100.3
Subtotal financial liabilities (AC1)	35,540.5	40,100.4
Other tax liabilities ²	1,234.1	1,063.9
Other deferred income ²	2,929.1	2,943.7
Other social security liabilities ²	11,861.3	8,029.4
Government grants ²	167.4	228.8
	51,732.4	52,366.1

Definition of measurement categories:

1) AC = amortised cost

2) Non-financial instruments

Miscellaneous liabilities include outstanding payment obligations arising from the environmental fund – Vienna Airport service agreement from the mediation process of T€ 2,460.5 (previous year: T€ 6,088.7). The other deferred income essentially consists of the current portion of rental prepayments by Austro Control GmbH for the air traffic control tower.

VIII. Consolidated Cash Flow Statement

(35) Consolidated Cash Flow Statement

The Consolidated Cash Flow Statement was prepared using the indirect method. Information on cash and cash equivalents is provided under note (22). Interest and dividends received are included under cash flow from operating activities. The dividend paid by FWAG is included under cash flow from financing activities. Purchases of (investment in) intangible assets, property, plant and equipment (including investment property) and financial assets in prior years that led to cash outflows in the financial year resulted in the addition of T€ 19,630.5 (previous year: T€ 5,776.8) from payments made for purchases of non-current assets.

IX. Financial instruments and risk management

(36) Additional disclosures on financial instruments

Receivables

The FWAG Group applies the simplified approach in accordance with IFRS 9 in order to measure expected credit losses, so lifetime expected credit losses (Stage 2) are used for all trade receivables, receivables from associates, other receivables and contract assets. The method is described under XI. "Accounting policies" and also takes account of current and future macroeconomic parameters. On this basis, the valuation allowance for receivables and contract assets as at 31 December 2020 was calculated as follows:

31.12.2020 in T€	Weighted loss	Gross receivable ¹	Valuation allowance	Credit impaired ²
No default	2.55%	43,244.4	1,101.8	YES & no
Up to 1 month	11.50%	2,266.5	260.7	YES & no
Up to 3 months	19.20%	1,312.1	251.9	YES & no
Up to 6 months	7.10%	2,371.8	168.4	YES & no
Up to 12 months	59.62%	789.9	470.9	YES & no
Over 12 months	87.25%	5,381.4	4,695.2	YES
Total		55,366.2	6,948.9	

- 1) Gross trade receivables (AC), gross receivables from associates (AC), and other receivables (AC) not including time deposits
 2) Stage 3 lifetime expected credit losses (valuation allowance) in the event of credit impairment

31.12.2019 in T€	Weighted loss	Gross receivable ¹	Valuation allowance	Credit impaired ²
No default	0.20%	71,560.1	141.2	YES & no
Up to 1 month	0.74%	12,052.5	89.5	No
Up to 3 months	0.86%	1,459.8	12.6	No
Up to 6 months	1.22%	340.8	4.1	No
Up to 12 months	2.35%	247.3	5.8	YES & no
Over 12 months	96.41%	7,467.0	7,198.7	YES
Total		93,127.3	7,452.0	

- 1) Gross trade receivables (AC), gross receivables from associates (AC), contract assets (AC) and other receivables (AC) not including time deposits
 2) Stage 3 lifetime expected credit losses (valuation allowance) in the event of credit impairment

Receivables are credit-impaired if there is no longer a reasonable expectation of recovery. Indicators of this include a debtor's failure to commit to a repayment plan vis-à-vis the Group and the failure to make contractual payments for a period of more than 90 days.

in T€	2020			Total
	12-month ECL	Lifetime ECL ¹	Credit impairment ²	
	Stage 1	Stage 2	Stage 3	
As at 1 January	0.0	229.4	7,222.7	7,452.0
Allocation		195.7	1,551.6	1,747.3
Consumption			-2,065.8	-2,065.8
Reversal			-184.6	-184.6
Transfer to lifetime ECL	0.0	0.0		0.0
Transfer to lifetime ECL – Credit impaired ³		-48.7	48.7	0.0
As at 31 December	0.0	376.4	6,572.5	6,948.9

1) Stage 2 lifetime expected credit losses (valuation allowance)

2) Stage 3 lifetime expected credit losses (valuation allowance) in the event of credit impairment

3) Transfer to lifetime expected credit losses – credit impaired

The credit-impaired receivables in the 2020 financial year are still subject to collection measures.

in T€	2019			Total
	12-month ECL	Lifetime ECL ¹	Credit impairment ²	
	Stage 1	Stage 2	Stage 3	
As at 1 January	0.0	211.1	7,416.2	7,627.3
Changes in the consolidated group			1.2	1.2
Allocation		37.3	199.4	236.7
Consumption			-154.1	-154.1
Reversal			-259.0	-259.0
Transfer to lifetime ECL	0.0	0.0		0.0
Transfer to lifetime ECL – Credit impaired ³		-19.0	19.0	0.0
As at 31 December	0.0	229.4	7,222.7	7,452.0

1) Stage 2 lifetime expected credit losses (valuation allowance)

2) Stage 3 lifetime expected credit losses (valuation allowance) in the event of credit impairment

3) Transfer to lifetime expected credit losses – credit impaired

Of the above impairment losses of T€ 6,948.9 (previous year: T€ 7,452.0), T€ 2,673.3 (previous year: T€ 1,845.2) relates to receivables from contracts with customers and T€ 4,275.6 (previous year: T€ 5,606.8) to receivables that do not come from contracts with customers.

Debt instruments not related to receivables

All debt instruments measured at amortised cost are deemed to have “low credit risk”, so the valuation allowance to be recognised is limited to the 12-month expected credit losses. The management considers the criterion of low credit risk, e.g. for listed promissory notes and time deposits, to be met if there is an investment grade rating from at least one of the major rating agencies. Other instruments are deemed to have low credit risk if the risk of non-fulfilment is low and the issuer is at all times able meet its contractual payment obligations in the near term. The method is described under XI. “Accounting policies”. The other financial assets measured at amortised cost comprise time deposits, current securities and originated loans. The calculation of the 12-month credit losses (all debt instruments are currently in Stage 1) gave

an amount for these debt instruments that was not recognised in profit or loss on account of its immateriality. The FWAG Group currently holds no debt instruments that are measured at fair value through other comprehensive income.

Cash and cash equivalents

The FWAG Group maintains bank balances only at banks with a good investment grade. The calculation of the 12-month credit losses gave an amount for cash and cash equivalents that was not recognised in profit or loss on account of its immateriality.

Financial liabilities – term structure

The tables show the agreed conditions and (discounted) interest and principal payments on the primary financial liabilities held by the FWAG Group:

2020 in T€	Currency	Carrying amount	Gross Cashflows	Cashflows			Interest rate ¹
		31.12.2020	31.12.2020	< 1 year	1-5 years	> 5 years	
Fixed-interest financial liabilities	EUR	275,000.0	345,780.2	37,703.7	137,171.3	170,905.2	4.65%
Other financial liabilities	EUR	117,000.0	117,000.0	117,000.0	0.0	0.0	0.00%
Leasing-liabilities	EUR	55,845.1	138,972.0	2,111.7	8,384.3	128,476.0	3.98%
Trade payables	EUR	26,620.1	26,620.1	26,620.1	0.0	0.0	0.00%
Other liabilities	EUR	37,880.6	37,880.6	36,680.6	1,200.0	0.0	0.00%
Total		512,345.8	666,252.9	220,116.2	146,755.5	299,381.2	

1) Weighted average as at the end of the reporting period, including any guarantee fees

2019 in T€	Currency	Carrying amount	Gross Cashflows	Cashflows			Interest rate ¹
		31.12.2019	31.12.2019	< 1 year	1-5 years	> 5 years	
Fixed-interest financial liabilities	EUR	300,000.0	383,833.1	38,392.7	141,917.6	203,522.8	4.65%
Other financial liabilities	EUR	55.0	55.0	55.0	0.0	0.0	0.00%
Leasing-liabilities	EUR	55,821.6	141,077.6	2,105.6	8,390.2	130,581.8	3.98%
Trade payables	EUR	45,423.4	45,423.4	45,423.4	0.0	0.0	0.00%
Other liabilities	EUR	40,100.4	40,100.4	38,900.4	1,200.0	0.0	0.00%
Total		441,400.4	610,489.4	124,877.1	151,507.8	334,104.6	

1) Weighted average as at the end of the reporting period, including any guarantee fees

Guarantors receive a fee for these commitments. T€ 275,000.0 (previous year: T€ 300,000.0) of bank loans are secured by guarantees in accordance with the respective contracts, with the credit agreement with the European Investment Bank (EIB) accounting for T€ 400,000.0 (current balance: T€ 275,000.0).

This included all instruments on 31 December 2020 for which payments were already contractually agreed. Variable rate interest payments on financial instruments were based on interest rates last set before 31 December 2020. Financial liabilities repayable at any time are always assigned to the earliest time band.

Carrying amounts, amounts recognised and fair values by measurement category

Management assumes that – with the exception of the items listed below – the carrying amounts of financial assets and financial liabilities reported at amortised cost essentially reflect fair value. Trade receivables, originated loans and other receivables predominantly have short remaining terms and are therefore essentially at fair value. Trade payables and other liabilities also have predominantly short remaining terms, hence the amounts recognised for these items are approximately their fair value. The fair value of the fair value through profit and loss (FVPL) fund in the previous year is based on listed funds (level 1). The debt instruments in the FVPL category relate to a tier 2 capital obligation (level 2). The equity instruments are investments and securities that are assigned to level 3 in the absence of an active market or quoted price. These are held by the FWAG Group for a longer period of time for strategic reasons. These equity instruments are measured through other comprehensive income (OCI). No designations were made regarding the fair values of the FVPL and FVOCI category. The fair values of financial liabilities to banks (bank loans) and other financial liabilities are calculated using the present value of the payments connected with these liabilities in accordance with the yield curve applicable to their respective remaining terms and an appropriate credit spread (level 2). No items were reclassified between levels 1 and 2 in the reporting period.

Measurement method and inputs:

The table below shows the measurement methods used to determine fair values as well as the significant unobservable inputs.

Financial instrument	Level	Measurement method	Input factors
Funds	1	Market value	Market price
Debt instruments (securities)	2	Market value	Price derived from market price
Equity instruments (securities)	3	Net present value approach	Equity costs, future profit distribution
Equity instruments (investments)	3	Net present value approach	Cost as a best estimate (on account of immateriality)

Level 3 equity instruments (securities) are measured according to a net present value approach. The measurement model considers the present value of the expected dividends discounted by a risk-adjusted discount rate. The significant unobservable inputs for level 3 equity instruments (securities) are: expected future cash flows from dividends 31 December 2020: around T€ 310.0 p.a. (previous year: T€ 360 p.a.) and risk-adjusted discount rate: 31 December 2020: 8.29% (previous year: 8.29%). The dividends received from these equity instruments in the current financial year total T€ 317.8 (previous year: T€ 254.5).

The estimated level 3 fair value would increase (decrease) as follows if the discount rate were to be adjusted by +/- 0.25%:

in T€	Sensitivity	
	Carrying amount in event of	
	reduction of discount rate	rise in discount rate
Discount rate +/- 0.25%	4,025.3	3,798.5

→ Level 3 - Measurement of financial instruments:

in T€	
Carrying amount as at 1.1.2020	4,595.3
Net gain on remeasurement (recognised in other comprehensive income in other reserves)	-690.0
Carrying amount as at 31.12.2020	3,905.3

The following tables show the carrying amounts and fair values of financial assets and liabilities, broken down by measurement category. The information on the fair value of financial assets and liabilities that are not recognised at fair value is for information purposes only. As the items "Receivables and other assets" and "Other liabilities" contain both non-financial assets and non-financial liabilities, the line "Non-financial instruments" has been added in order to ensure the reconciliation of the carrying amounts to the corresponding statement of financial position item.

ASSETS	Measurement category	Carrying amounts					Fair value				Measurement category under IFRS 9
		Non-current assets	Current assets			Total	Level 1	Level 2	Level 3	Total	
		Other financial assets	Securities	Receivables and other assets	Cash and cash equivalents						
Amounts in T€											
31. December 2020											
Financial assets recognised at fair value											
Funds	FVPL		0.0			0.0	0.0			0.0	Fair value through profit and loss (P&L)
Debt instruments (securities)	FVPL		21,917.9			21,917.9		21,917.9		21,917.9	Fair value through profit and loss (P&L)
Equity instruments (investments, securities)	FVOCI	3,905.3				3,905.3			3,905.3	3,905.3	Fair value through other comprehensive income (OCI)
Financial assets not recognised at fair value											
Trade receivables ¹	AC			17,203.3		17,203.3					Amortised cost
Receivables due from associated companies ¹	AC			177.0		177.0					Amortised cost
Receivables and contract assets ¹	AC	1,341.7		29,695.3		31,037.0					Amortised cost
Investments (time deposits) ¹	AC	25,220.0		20,692.4		45,912.4					Amortised cost
Originated loans ¹	AC	837.9				837.9					Amortised cost
Debt instruments (securities) ¹	AC		4,982.7			4,982.7					Amortised cost
Cash and cash equivalents ¹	AC				173,099.9	173,099.9					Nominal value = fair value
Non-financial instruments											
Other receivables and accruals	n. a.	0.0		13,196.6		13,196.6					
Total		31,304.8	26,900.6	80,964.5	173,099.9	312,269.8					

1) Fair value equals amortised cost

Definition of measurement categories
 FVPL = fair value through profit and loss
 FVOCI = fair value through other comprehensive income
 AC = amortised cost

ASSETS	Measurement category	Carrying amounts					Fair value				Measurement category under IFRS 9
		Non-current assets	Current assets				Level 1	Level 2	Level 3	Total	
		Other financial assets	Securities	Receivables and other assets	Cash and cash equivalents	Total					
Amounts in T€											
31. December 2019											
Financial assets recognised at fair value											
Funds	FVPL		30,826.5			30,826.5	30,826.5			30,826.5	Fair value through profit and loss (P&L)
Debt instruments (securities)	FVPL		22,900.7			22,900.7		22,900.7		22,900.7	Fair value through profit and loss (P&L)
Equity instruments (investments, securities)	FVOCI	4,595.3				4,595.3			4,595.3	4,595.3	Fair value through other comprehensive income (OCI)
Financial assets not recognised at fair value											
Trade receivables ¹	AC			68,134.8		68,134.8					Amortised cost
Receivables due from associated companies ¹	AC			297.4		297.4					Amortised cost
Receivables and contract assets ¹	AC			17,243.1		17,243.1					Amortised cost
Investments (time deposits) ¹	AC	75,220.0		55,738.5		130,958.5					Amortised cost
Originated loans ¹	AC	908.3				908.3					Amortised cost
Debt instruments (securities) ¹	AC		4,982.7			4,982.7					Amortised cost
Cash and cash equivalents ¹	AC				84,782.9	84,782.9					Nominal value = fair value
Non-financial instruments											
Other receivables and accruals	n. a.	0.0		9,961.3		9,961.3					
Total		80,723.5	58,709.9	151,375.2	84,782.9	375,591.5					

1) der beizulegende Zeitwert entspricht den fortgeführten Anschaffungskosten

Definition of measurement categories
 FVPL = fair value through profit and loss
 FVOCI = fair value through other comprehensive income
 AC = amortised cost

EQUITY & LIABILITIES	Measurement category	Carrying amount						Fair value				Measurement category under IFRS 9
		Non-current liabilities		Current liabilities				Level 1	Level 2	Level 3	Total	
		Financial liabilities	Other liabilities	Financial liabilities	Trade payables	Other liabilities	Total					
Amounts in T€												
31. December 2020												
Financial liabilities recognised at fair value												
n. a.												
Financial liabilities not recognised at fair value												
Trade payables ¹	AC				26,620.1		26,620.1					Amortised cost
Financial liabilities ¹	AC	250,000.0		142,000.0			392,000.0		462,780.2		462,780.2	Amortised cost
Leasing liabilities ²	AC	55,447.1		398.0			55,845.1					Amortised cost
Other liabilities ¹	AC		2,340.1			35,540.5	37,880.6					Amortised cost
Non-financial instruments												
Other liabilities and accruals	n. a.		27,469.7			16,191.9	43,661.6					
Total		305,447.1	29,809.8	142,398.0	26,620.1	51,732.4	556,007.4					

1) Fair value equals amortised cost

2) The declaration of the fair value of leasing liabilities is not necessary according to IFRS 7.29 (d)

Definition of measurement categories

FVPL = fair value through profit and loss

FVOCI = fair value through other comprehensive income

AC = amortised cost

EQUITY & LIABILITIES	Measurement category	Carrying amount						Fair value				Measurement category under IFRS 9
		Non-current liabilities		Current liabilities				Level 1	Level 2	Level 3	Total	
Amounts in T€		Financial liabilities	Other liabilities	Financial liabilities	Trade payables	Other liabilities	Total					
31. December 2019												
Financial liabilities recognised at fair value												
n. a.												
Financial liabilities not recognised at fair value												
Trade payables ¹	AC				45,423.4		45,423.4					Amortised cost
Financial liabilities ¹	AC	275,000.0		25,055.0			300,055.0		359,273.6		359,273.6	Amortised cost
Leasing liabilities ²	AC	55,432.9		388.7			55,821.6					Amortised cost
Other liabilities ¹	AC		0.0			40,100.4	40,100.4					Amortised cost
Non-financial instruments												
Other liabilities and accruals	n. a.		28,576.2			12,265.8	40,842.0					
Total		330,432.9	28,576.2	25,443.7	45,423.4	52,366.1	482,242.4					

1) Fair value equals amortised cost

2) The declaration of the fair value of leasing liabilities is not necessary according to IFRS 7.29 (d)

Definition of measurement categories

FVPL = fair value through profit and loss

FVOCI = fair value through other comprehensive income

AC = amortised cost

Net results by measurement category

2020 in T€	From interest/ dividends income	From interest expense	At fair value through profit or loss	From subsequent measurement		From disposal		Net result 2020
				At fair value- through other comprehensive income	Foreign currency translation	Valuation allowance		
Cash and cash equivalents	0.4				1.0			1.0
Financial assets measured at fair value (FVOCI and FVPL)	1,696.5		-1,512.6	-690.0				-2,202.6
Thereof from funds			-529.8					
Thereof debt instruments (securities)	1,378.7		-982.8					
Thereof equity instruments (investments, securities)	317.8			-690.0				
Other financial assets	220.7							0.0
Financial assets at amortised cost (AC)	850.2				-28.0	-1,593.3		-1,621.3
Financial liabilities at amortised cost (AC)		-15,690.4			-3.2			-3.2
Total	2,767.7	-15,690.4	-1,512.6	-690.0	-30.2	-1,593.3	0.0	-3,826.1

Explanation: The expenses for valuation allowances include defaults of T€ 32.7. Interest expenses from financial liabilities also include interest from leases.

2019 in T€	From interest/ dividends income	From interest expense	At fair value through profit or loss	From subsequent measurement		From disposal		Net result 2019
				At fair value- through other comprehensive income	Foreign currency translation	Valuation allowance		
Cash and cash equivalents	1.2				-6.9			-6.9
Financial assets measured at fair value (FVOCI and FVPL)	1,634.5		588.5	-640.0				-51.5
Thereof from funds			826.5					
Thereof debt instruments (securities)	1,380.0		-238.0					
Thereof equity instruments (investments, securities)	254.5			-640.0				
Other financial assets	439.6							0.0
Financial assets at amortised cost (AC)	848.4				8.7	-10.3		-1.6
Financial liabilities at amortised cost (AC)		-17,945.9			-0.7			-0.7
Total	2,923.7	-17,945.9	588.5	-640.0	1.2	-10.3	0.0	-60.7

Explanation: The expenses for valuation allowances include defaults of T€ 32.7. Interest expenses from financial liabilities also include interest from leases.

Net results by measurement category

Interest and dividends from financial assets measured at amortised cost (AC) or at fair value either through other comprehensive income (FVOCI) or through profit or loss (FVPL) are recognised in interest income/expense. The FWAG Group recognises the other components of net results under other financial results, with the exception of the valuation allowances on trade and other receivables. Net interest expenses from financial liabilities measured at amortised cost (AC) of T€ 15,690.4 (previous year: T€ 17,945.9) essentially include interest expense from bank loans. This item also includes the interest on and discounted from other financial liabilities. The changes in value of equity instruments measured at fair value through other comprehensive income (FVOCI) relate among other things to CEESEG AG. Value measurements of minus T€ 690.0 (previous year: minus T€ 640.0) were recognised in the financial year, or T€ 517.5 (previous year: T€ 480.0) net of deferred taxes. Further information can be found under XI. "Accounting policies".

(37) Risk management

Financial risks

The financial assets, liabilities and planned transactions of the FWAG Group are exposed to market, interest rate, exchange rate and stock market price risks. The goal of financial risk management is to limit these market risks through continuous operating 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. Only those risks that could influence the Group's cash flows are hedged. Derivative financial instruments are used exclusively for hedging purposes and concluded only 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 ongoing 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 to account for the liquidity profile. This active management of cash flows is used to optimise net financing costs. Certain components of financial investments are held in the form of rights (investment funds, bonds) and time deposits that serve as a liquidity reserve and can be sold at any time. The Group launched an extensive cost savings and liquidity protection programme in light of the COVID-19 pandemic. The measures taken are described in section V "Effects of COVID-19". The FWAG Group does not believe there are any circumstances that could cast significant doubts on its ability to continue as a going concern. Additional quantitative information is provided under note (36).

Credit risk

The FWAG Group is exposed to risks arising from its business operations and 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 a good or very good 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 and 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 Group uses an impairment matrix in order to determine the expected credit losses of the receivables. The credit risk associated with receivables can be considered low as the majority of receivables are due and payable within a short period of time and are based on long-term relationships with customers. Stage 3 valuation allowances increased as a result of the COVID-19 pandemic. This change is shown in note (36). The carrying amount of financial assets represents the maximum default and credit risk as there were no material agreements (e.g. settlement agreements) as at the end of the reporting period that would reduce the maximum risk of default. Precise disclosures on the revenue concentration risk are included in note (1). Austrian Airlines (LH Group) is the largest customer at the Vienna site, accounting for 38.5% (previous year: 43.2%) of passenger traffic. Austrian Airlines' strategic focus and its long-term development as a strong network carrier have a significant influence on the commercial success of FWAG, and are therefore under constant observation and analysis, including as regards COVID-19. Additional information is provided under note (36) and information on other financial obligations and risks is included in note (39).

Interest rate risk

The risk that the fair value of cash flows generated by a financial instrument could fluctuate because of changes in market interest rate level relates above all to non-current financial instruments. These longer terms are less important in the operating area, but can be material for financial assets, securities and financial liabilities. The FWAG Group is exposed to interest rate risk mainly in the euro zone. In order to present market risks, IFRS 7 requires the disclosure of sensitivity analyses. The FWAG 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 at the end of the reporting period. This procedure assumes that the amount determined as at this date is representative for the year as a whole. Interest rate risks are presented in the form of sensitivity analyses as required by IFRS 7. The interest rate sensitivity analyses are based on the following assumptions: Changes in the interest rates of primary 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 primary variable rate financial instruments affect earnings and are included in the sensitivity calculations for earnings. As in the previous year, the FWAG Group did not have any variable interest financial instruments in 2020. The sensitivities of securities measured at fair value are not reported because the hypothetical effect is immaterial.

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 in which they are measured. For the purposes of IFRS accounting, 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 FWAG Group is exposed to foreign exchange risks in connection with investments, financing measures and operating activities. As at the end of the reporting period, the Group was not exposed to any material risks from transactions (regarding investment area) denominated in a foreign currency. The individual Group companies conduct their business activities almost entirely in their respective functional currency (euro), which is also the reporting currency of the FWAG 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 presented in the form of a sensitivity analysis. The relevant risk variables are all non-functional currencies in which the Group holds financial instruments. The foreign exchange sensitivity analyses are based on the following assumptions: Material primary monetary financial instruments – which include receivables, interest-bearing securities and debt instruments, cash and cash equivalents and interest-bearing liabilities – are primarily denominated in functional currency. Changes in foreign exchange rates therefore essentially have no effect on earnings or equity. Interest income from and expenses for financial instruments are also primarily recognised in functional currency. As a result, these have no effect on these items. The risks to the FWAG Group arising from changes in foreign exchange rates is considered to be immaterial as at the end of the reporting period.

Other price risks

In connection with the presentation 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. The effects of such changes are shown in note (36).

Capital management

Financial management in the FWAG Group is designed to support a sustainable increase in the value of the company and to maintain a capital structure that will ensure an excellent credit rating. Gearing is used as an indicator for management, which is defined as the ratio of net debt (non-current and current financial liabilities less cash and cash equivalents and current securities, non-current and current investments and current securities) to equity. The main instruments used are an increase or decrease in financial liabilities and the strengthening of the equity base through the retention of earnings or the adjustment of dividends. 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€	2020	2019
Financial liabilities	447,845.1	355,876.6
– Cash and cash equivalents	-173,099.9	-84,782.9
– Current and non-current investments ¹	-45,912.4	-130,958.5
– Current securities	-26,900.6	-58,709.9
= Net debt	201,932.3	81,425.2
./. Carrying amount of equity	1,305,497.4	1,380,908.8
= Gearing	15.5%	5.9%

1) Current and non-current investments are other investments and time deposits

Gearing rose year-on-year, chiefly due to taking up short-term cash advances. The ratio of net debt to EBITDA is also used to manage the financial structure. The company's medium-term goal is to limit the net debt/EBITDA ratio to a maximum of 2.5. The ratio was 3.7 in the financial year (previous year: 0.2), with the increase a result of the pandemic due to lower EBITDA and taking up short-term cash advances. Neither FWAG nor its subsidiaries are subject to minimum capital requirements defined by external sources.

X. Other Disclosures

(38) Leases

(38 A) Flughafen Wien as a lessor:

→ Operating leases

The following table shows the future lease payments arising from non-cancellable leases in which the FWAG Group is the lessor. They primarily relate to the rental of operating and commercial buildings at the Vienna Airport and Malta Airport sites (including investment property).

in T€	2020	2019
Lease payments recognised as income in the reporting period	68,343.2	141,846.9
Thereof conditional payments from revenue-based rents	11,410.7	52,109.3

Future minimum lease payments:

Less than one year	61,167.0	114,634.0
One to two years	87,595.1	94,495.8
Two to three years	67,164.3	86,133.9
Three to four years	41,277.5	41,817.3
Four to five years	36,260.6	35,102.3
Over five years	333,903.5	334,039.7

The following assets are included in property, plant and equipment and relate to operating leases as lessor. These assets are reconciled as follows (IFRS 16.95):

in T€	Land and buildings	Technical equipment and machinery	Total
Net carrying amount as at 1.1.2020	114,492.3	180.1	114,672.5
Additions	1,286.3		1,286.3
Derecognition	-22.5		-22.5
Transfer	-7,119.8	-7.4	-7,127.3
Depreciation and amortisation	-5,658.4	-33.1	-5,691.5
Net carrying amount as at 31.12.2020	102,977.9	139.6	103,117.5

As at 31.12.2020

Cost	164,349.8	507.4	164,857.2
Accumulated depreciation	-61,371.9	-367.8	-61,739.7
Net carrying amount	102,977.9	139.6	103,117.5

in T€	Land and buildings	Technical equipment and machinery	Total
Net carrying amount as at 1.1.2019	110,769.1	213.7	110,982.7
IFRS 16 adjustment	9,268.8		9,268.8
Restated net carrying amount as at 1.1.2019	120,037.9	213.7	120,251.5
Additions	581.3		581.3
Disposals	0.0		0.0
Transfer	70.8		70.8
Depreciation, amortisation and impairment	-6,197.7	-33.5	-6,231.2
Net carrying amount as at 31.12.2019	114,492.3	180.1	114,672.5
As at 31.12.2019			
Cost	177,044.6	519.6	177,564.2
Accumulated depreciation	-62,552.2	-339.5	-62,891.7
Net carrying amount	114,492.3	180.1	114,672.5

Finance leases

In the 2020 consolidated financial statements of the lessor (Flughafen Wien Group), as in the previous financial year, rental agreements relating to properties essential to flight operations (hangars, flight operation buildings and workshops) are recognised as finance leases.

At the time the contract was concluded, a rent prepayment was received and the beneficial ownership transferred to the lessee (finance lease). The rent prepayment was entirely offset against the lease receivable.

(38 B) Flughafen Wien as a lessee:

The FWAG Group leases various plots of land, properties and equipment. The leases are concluded with various terms ranging between one and 100 years and relate primarily to lease of a cargo property at the Vienna site, land lease at the Vienna site, lease of land and airport-specific property at the Malta site (incl. aerodrome licence), lease of combination copiers, lease of smoking booths and right-of-use assets:

Right-of-use assets recognised as property, plant and equipment

in T€	Concessions and rights	Total
Development from 1.1. to 31.12.2020		
Net carrying amount as at 1.1.2020	10,525.4	10,525.4
Depreciation and amortisation	-221.6	-221.6
Net carrying amount as at 31.12.2020	10,303.8	10,303.8

in T€	Concessions and rights	Total
Development from 1.1. to 31.12.2019		
Net carrying amount as at 1.1.2019	0.0	0.0
IFRS 16 adjustments	10,747.0	10,747.0
Restated net carrying amount as at 1.1.2019	10,747.0	10,747.0
Depreciation and amortisation	-221.6	-221.6
Net carrying amount as at 31.12.2019	10,525.4	10,525.4

As at 31 December 2020, intangible assets included right-of-use assets of T€ 10,303.8 (previous year: T€ 10,525.4). See note (13) for more information.

Right-of-use assets recognised as property, plant and equipment

in T€	Land and buildings	Other equipment, operating and office equipment	Total
Development from 1.1. to 31.12.2020			
Net carrying amount as at 1.1.2020	81,125.0	414.2	81,539.2
Depreciation and amortisation	-2,338.0	-188.4	-2,526.4
Net carrying amount as at 31.12.2020	78,787.0	225.8	79,012.8

in T€	Land and buildings	Other equipment, operating and office equipment	Total
Development from 1.1. to 31.12.2019			
Net carrying amount as at 1.1.2019	25,174.5	0.0	25,174.5
IFRS 16 adjustments	58,289.7	562.6	58,852.2
Restated net carrying amount as at 1.1.2019	83,464.2	562.6	84,026.8
Additions	0.0	62.1	62.1
Depreciation and amortisation	-2,339.2	-210.4	-2,549.6
Net carrying amount as at 31.12.2019	81,125.0	414.2	81,539.2

Property, plant and equipment includes a right-of-use asset ("temporary emphyteusis") relating to the base rent at Malta Airport. The payments from these leases are payable to the government of Malta. The terms of these leases range between 58 and 65 years. The lease payments are periodically adjusted according to an index. The right-of-use is depreciated on a straight-line basis over the term of the lease.

Right-of-use assets recognised as investment property

in T€	Investment property	Total
Development from 1.1. to 31.12.2020		
Restated net carrying amount as at 1.1.2020	334.5	334.5
Depreciation and amortisation	-7.0	-7.0
Net carrying amount as at 31.12.2020	327.5	327.5

in T€	Investment property	Total
Development from 1.1. to 31.12.2019		
Net carrying amount as at 1.1.2019	0.0	0.0
IFRS 16 adjustments	341.5	341.5
Restated net carrying amount as at 1.1.2019	341.5	341.5
Depreciation and amortisation	-7.0	-7.0
Net carrying amount as at 31.12.2019	334.5	334.5

Amounts recognised in the income statement

in T€	2020	2019
Depreciation and amortisation from leases	2,754.9	2,778.2
Interest expenses from lease liabilities	2,166.8	2,158.0
Expenses from short-term leases	290.0	741.7
Expenses for leases for low-value assets	750.5	578.7
Expenses that do not fall under IFRS 16 fallen and are disclosed in note (5) under rental and lease payments	1,481.4	1,385.3

Amounts recognised in the cash flow statement

in T€	2020	2019
Total cash outflow for leases	2,124.2	2,142.2

(39) Other obligations and risks

FWAG is required to assume the costs of the “Flughafen Wien Mitarbeiter-Beteiligung-Privatstiftung” (the employee foundation), which essentially consist of corporate income tax and administrative costs.

In accordance with section 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€ 467.0 in loans relating to the construction and expansion of the sewage treatment facilities (previous year: T€ 555.8). As at the end of the reporting period Malta International Airport p.l.c. had a legal dispute with the Maltese government (amount in dispute: around € 6.3 million; previous year: around € 5.1 million) and receivables from individual employees. The FWAG Group believes that all claims are unfounded. If the construction of the third runway is approved, a payment obligation, derived from traffic figures, arising from the environmental fund – Vienna Airport service agreement from the mediation process will be triggered in connection with the environmental fund within eight weeks of the notification of construction commencement. As at 31 December 2020, this came to around € 20.4 million (previous year: around € 20.0 million). Information on commitments for pension and pension subsidy payments is provided under note (28). As at the end of the reporting period, obligations for the purchase of intangible assets amounted to € 0.2 million (previous year: € 0.1 million) and obligations for the purchase of property, plant and equipment to € 17.7 million (previous year: € 74.9 million).

(40) Composition of the consolidated group

The consolidated financial statements include all subsidiaries, joint ventures and associated companies, with the exception of two subsidiaries (previous year: two). As in the previous year, the two subsidiaries were not included in the consolidated financial statements because their economic significance and influence on the asset, financial and earnings position of the Group are immaterial to a true and fair view of the asset, financial and earnings position of the Flughafen Wien Group. The consolidated revenue of these companies amounted to less than 1.0% of consolidated revenue for the financial year (previous year: less than 1.0%). The internal materiality thresholds were defined to ensure that only individually immaterial subsidiaries are not included in consolidation. The group of companies included in consolidation did not change in the 2020 financial year compared to the previous year.

	Domestic	International	Total
Flughafen Wien AG	1	0	1
Subsidiaries			
31.12.2019 = 31.12.2020	26	12	38
Companies recorded at equity			
Joint venture			
31.12.2019 = 31.12.2020	1	1	2
Associated companies			
31.12.2019 = 31.12.2020	1	0	1
Consolidated group 31.12.2019 = 31.12.2020	29	13	42

City Air Terminal Betriebsgesellschaft m.b.H. and Letisko Košice – Airport Košice, a.s. are included in the consolidated financial statements at equity even though FWAG directly or indirectly controls the majority of voting rights. These companies are considered to be under joint control because key decisions on corporate policies are made in cooperation with the co-shareholders. The companies included in the consolidated financial statements and the respective consolidation methods are listed in appendix 1 to the notes. The disclosures on subsidiaries, joint ventures, associates and non-controlling interests can be found in appendices 2 and 3 to the notes and the corresponding sections of the notes.

No changes in the consolidated group in 2020

Changes in the consolidated group in 2019

First-time consolidation	As at	Type of consolidation	Share of capital	Note
"GetService"-Flughafen-Sicherheits- und Servicedienst GmbH	1.5.2019	Full consolidation	51%	Change in consolidation
VIE Shops Entwicklungs- und Betriebsges.m.b.H. ¹⁾	1.8.2019	Full consolidation	100%	Change in consolidation
FWAG Entwicklungsgebiet West GmbH	1.8.2019	Full consolidation	100%	Newly founded

1) Added to full consolidation on account of their increased importance to the operations of the FWAG Group.

The company "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2), in which the FWAG Group holds 51% of shares, was recorded at-equity in the consolidated financial statements until 30 April 2019, as key decisions for the company under joint control had to be made in cooperation with the co-shareholders. The FWAG Group has controlled GET2 since 1 May 2019. VIE Shops Entwicklungs- und Betriebsges.m.b.H (SHOP) was added to the consolidated group effective 1 August 2019 on account of its increased importance to operations. Up to 31 July 2019, this company was not included in the consolidated financial statements on account of its immateriality. The company is allocated to the Retail & Properties segment. The subsidiary FWAG Entwicklungsgebiet West GmbH (EGW) was founded by the subsidiary VIE Shops Entwicklungs- und Betriebsges.m.b.H and fully consolidated by way of certificate of incorporation of 8 August 2018. The subsidiary is allocated to the Retail & Properties segment. In the 2019 financial year, MMLC Holdings Malta Limited (MMLCH) was merged with VIE (Malta) Limited with retroactive effect as at 1 January 2019.

(41) Related party disclosures

Related companies include non-consolidated affiliates of the FWAG Group, associated companies, the shareholders of FWAG (the state of Lower Austria and the city of Vienna each hold 20% of shares and Airports Group Europe S.à.r.l. holds 39.80%) and their material subsidiaries in addition to the members of management in key positions. The Flughafen Wien Group maintains business relations with companies in which the state of Lower Austria and 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 performed with these entities in the sense of IAS 24 were everyday transactions relating to operating activities and were immaterial as a whole. 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 FWAG and non-consolidated affiliates are immaterial. Information on the receivables from and liabilities to related entities can be found under the note to the relevant line item. The services provided by "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2) led to expenses of T€ 4,672.5 in the first four months of the previous year (the company is fully consolidated from 1 May 2019, see note (40)). The FWAG Group generated revenue of T€ 587.6 in 2020 (previous year: T€ 1,531.8) from the joint venture City Air Terminal Betriebsgesellschaft m.b.H., T€ 163.3 from the joint venture "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2) in the previous year (the company is fully consolidated from 1 May 2019, see note (40)) and T€ 448.6 (previous year: T€ 668.0) from the associate SCA Schedule Coordination Austria GmbH. Revenue generated from City Air Terminal Betriebsgesellschaft m.b.H essentially relates to services of Flughafen Wien AG and its subsidiaries such as baggage handling, security services, station operations, IT services, etc. Revenue from the associated company SCA Schedule Coordination Austria GmbH relates to offsetting by FWAG for personnel services, IT services and other services. Revenue from the GET2 joint venture essentially relates to services. Total loans and receivables from joint ventures recorded at equity amounted to T€ 143.1 (previous year: T€ 274.2) on 31 December 2020, while total loans and receivables from associated companies recorded at equity amounted to T€ 33.9 (previous year: T€ 23.3). Liabilities to the joint ventures recorded at equity amounted to T€ 7,119.8 (previous year: T€ 8,705.7), while liabilities to associated companies recorded at equity amounted to T€ 0.0 (previous year: T€ 2.1).

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 executive bodies of the company are described under note (42).

(42) Disclosures on executive bodies and employees

Average number of employees (not including Management Board members or managers):

	2020	2019
Wage-earning employees	3,440	3,397
Salaried employees	2,012	1,988
	5,452	5,385

The members of the Management Board of Flughafen Wien AG received the following remuneration for their work in 2020 and 2019 (payments):

Management Board remuneration in 2020 (payments)

in T€	Fixed compensation 2020	Performance-based compensation	Non-cash remuneration 2020	Total remuneration 2020
	664.0	343.4	17.5	1,024.9

Management Board remuneration in 2019 (payments)

in T€	Fixed compensation 2019	Performance-based compensation	Non-cash remuneration 2019	Total remuneration 2019
	696.8	686.8	17.3	1,400.9

For other employees, exceptional performance and the achievement of agreed targets are rewarded in the form of bonuses. Remuneration paid to former members of the Management Board amounted to T€ 475.0 in the reporting year (previous year: T€ 464.9).

Expenses for persons in key management positions

Key management includes Management Board, the authorised signatories of FWAG, the management of MIA 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 the 2020 financial year

in T€	Supervisory Board	Management Board	Key employees
Fixed and performance-based annual compensation	159.2	1,099.6	2,757.3
Post-employment benefits (contributions to pension funds)	0.0	131.0	33.5
Other long-term benefits	0.0	0.0	52.5
Termination benefits	0.0	0.0	152.9
Total	159.2	1,230.6	2,996.1

Expenses in the 2019 financial year

in T€	Supervisory Board	Management Board	Key employees
Fixed and performance-based annual compensation	175.2	1,410.8	3,495.2
Post-employment benefits (contributions to pension funds)	0.0	207.5	57.0
Other long-term benefits	0.0	0.0	23.7
Termination benefits	0.0	0.0	99.1
Total	175.2	1,618.4	3,675.0

Payments of T€ 160.7 were made to the members of the Supervisory Board in the reporting year (previous year: T€ 177.6).

(43) Significant events after the reporting period

No events occurring after the reporting period relevant to measurement or recognition on 31 December 2020 – such as pending legal proceedings, claims for damages, or other obligations or impending losses that would have to be reported or disclosed in accordance with IAS 10 – are known.

XI. Accounting policies

(44) Measurement

The consolidated financial statements are generally prepared at amortised cost. An exception to this is made for derivative financial instruments, financial assets measured at fair value (FVPL or FVOCI) and deferred taxes. A note to this effect can be found in the respective accounting policies. The consolidated financial statements are prepared using management judgements and estimates that can affect the consolidated financial statements. These are presented separately under "Judgements and estimate uncertainty". The financial statements of FWAG and its subsidiaries are consolidated on the basis of uniform accounting policies. The annual financial statements of all the companies included in consolidation are prepared as at the same date as the consolidated financial statements.

(45) Principles of consolidation

Subsidiaries

The consolidated financial statements contain the financial statements for the parent company and for the companies it controls. In particular, the Group specifically controls an investee when, and only when, it presents all the following characteristics: it has control 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 returns) and it is exposed to risks from or has rights to variable returns from its involvement with the investee and has the ability to utilise its control so as to influence the amount of returns from the investee. 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 and 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 have 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 policies of 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 non-current assets 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 assets surrendered and equity instruments issued plus any liabilities arising or assumed as at the transaction date. It also includes the fair value of reported assets or liabilities resulting from contingent consideration agreement. Acquisition-related costs are recognised as expenses. On first-time consolidation, the identifiable

assets, liabilities and contingent liabilities resulting from a business combination are measured at fair value as at the acquisition date. Goodwill represents the excess of the fair value of consideration, the value of any non-controlling interest in the acquired company and the fair value of any previously held equity interests as at the acquisition date over the Group's share of net assets measured at fair value. Non-controlling interests are measured as at the purchase date at the proportionate share of the acquirer's identifiable net assets. 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 reviewed again and subsequently recognised in the Consolidated Income Statement. Non-controlling interests are reported separately under equity on the Consolidated Statement of Financial Position.

Associated companies and joint ventures

An associated company is an entity over which the Group has 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 in which the parties that have joint control of the arrangement 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 reported at cost on first-time recognition using the equity method. This carrying amount is subsequently increased or decreased by the share of profit or loss attributable to the FWAG 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. In the periods following the first-time recognition of a business combination, any differences between the carrying amount and the fair value of assets and liabilities are remeasured, 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.

(46) Accounting and valuation methods

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 transaction. Monetary items in foreign currency are translated at the exchange rate in effect as at the end of the reporting period. Differences arising from foreign currency translation are recognised in profit or loss as a net amount.

Intangible assets

Intangible assets with a finite useful life are measured at cost and amortised on a straight-line basis over a useful life of four to twenty years. The useful life of the Malta Airport concession is

61 years (as is the term of the concession). Internally generated intangible assets are measured at cost when the relevant criteria are met and amortised over their useful life. The useful life of these assets is eight years. Borrowing costs and development expenses are also capitalised and subsequently amortised over the useful life of the asset. Intangible assets with indefinite useful lives are measured at cost. These assets are not amortised, and are instead tested for impairment each year and written down to their recoverable amount if necessary. Goodwill is not amortised, and is instead tested for impairment by determining the recoverable amount of the cash-generating unit (CGU) to which it was allocated (“impairment only approach”).

Property, plant and equipment

Property, plant and equipment are measured at cost less straight-line depreciation. The cost of internally generated assets comprises direct costs and an appropriate share of material and production overheads plus production-based administrative expenses. Cost includes the purchase price plus 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 qualifying assets are capitalised as part of 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.

Depreciation is based on the following Group-wide useful lives:

	Years
Operational buildings	33.3 – 50
Right-of-use asset (“temporary emphyteusis”)	58 – 65
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 machinery	5 – 20
Motor vehicles	2 – 10
Other equipment, operating and office equipment	2 – 15

Investment property

Investment property comprises all property that is held to generate rental income or for capital appreciation, and is not used in the operating area. 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 cost. Depreciation is calculated over a period of 10 to 40 years based on the straight-line method. The fair value of investment

property is determined independently of measurement based at amortised cost. As there are no active market prices for the Vienna Airport site, its fair value is determined using assumed market data. The fair value is calculated internally by applying the capitalised income method as at the end of the reporting period. Additional information on measurement methods and key parameters can be found under note (15).

Assets available for sale

Non-current assets or disposal groups that comprise assets and liabilities are classified as available for sale or held for distribution if it is highly likely that they will be realised predominantly by sale or distribution and not by continued use. These assets or disposal groups are reported at the lower of carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is initially allocated to goodwill and then to the remaining assets and liabilities on a pro rata basis – with the exception that no loss is allocated to inventories, financial assets, deferred tax assets or investment property, which are still measured according to the Group's other accounting policies. Impairment losses on first-time classification as available for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

As soon as they are classified as available for sale or held for distribution, intangible assets and property, plant and equipment are no longer depreciated or amortised and each investee is no longer recorded at equity.

Impairment and reversals thereof on 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 assign future cash flows that are independent of other assets to the 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 (CGU) 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 inputs are not available, the fair value is also calculated using a discounted cash flow method, though taking into account market expectations regarding the expected cash flows and interest rate. The assets of the FWAG Group are aggregated 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). We follow the concept of mutual (complementary) production or technical service relationships or legal dependence between individual assets to assess the independence of cash inflows. However, we also take into account the manner in which the investment decisions are made (e.g. extension of 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.

Leases

At inception of a contract, it is assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The assessment of whether the contract contains the right to control an identified asset is based on the definition of a lease in accordance with IFRS 16, provided the contracts were concluded on or after 1 January 2019.

The Group as a lessee: At the commencement date or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract on the basis of the relative stand-alone prices. For property leases, however, the Group has elected not to separate the non-lease components, and instead to account for lease and non-lease components as a single lease component. At the commencement date, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost, equaling the initial measurement of the lease liability, adjusted for payments made at or before the commencement date, plus any initial direct costs and an estimate of costs for dismantling and removing the underlying asset or restoring the underlying asset or the site on which it is located, less any lease incentives received. Subsequently, the right-of-use asset is depreciated on a straight-line basis from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In this event, the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined according to the rules for property, plant and equipment. In addition, the right-of-use asset is continuously adjusted for impairment losses, if necessary, and for certain remeasurements of the lease liability. The lease liability is measured for the first time at the present value of the lease payments not yet paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the Group's incremental borrowing rate. Normally, the Group uses its incremental borrowing rate as the discount rate. To calculate its incremental borrowing rate, the Group obtains interest rates from various external financial sources and makes certain adjustments to reflect the lease terms and the asset type. The lease payments included in the measurement of the lease liability comprise: fixed payments, including in-substance fixed payments, variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, amounts expected to be payable under a residual value guarantee, the exercise price of a purchase option if the Group is reasonably certain to exercise that option, lease payments for an option to extend the lease if the Group is reasonably certain to exercise that option, and payments of penalties for terminating the lease, unless the Group is reasonably certain not to terminate the lease. The lease liability is measured at the amortised carrying amount using the effective interest method. It is remeasured if the future lease payments change as a result of an index or rate change, if the Group adjusts its estimate of expected payments under a residual value guarantee, if the Group changes its estimate regarding the exercise of a purchase, extension or termination option, or if an in-substance fixed lease payment changes. In the event of such remeasurement of the lease liability, the carrying amount of the right-of-use asset is adjusted accordingly, or the adjustment is recognised in profit or loss if the carrying amount of the right-of-use asset is reduced to zero. In the statement of financial position, the Group recognises right-of-use assets that do not meet the definition of investment property in property, plant and equipment and in intangible assets. Lease liabilities

are recognised in financial liabilities. The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets or short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group as a lessor: At inception of a contract or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract on the basis of the relative stand-alone prices. If the Group acts as lessor, it classifies each lease as either a finance lease or an operating lease at inception of the contract. To classify each lease, the Group has made an overall assessment as to whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is an operating lease. In making this assessment, the Group considers certain factors such as whether the lease term is for the major part of the economic life of the asset. If the Group acts as an intermediate lessor, it accounts for the head lease and the sublease separately. It classifies the sublease by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. If the head lease is a short-term lease to which the Group applies the above exception, it classifies the sublease as an operating lease. If an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract. The Group applies the derecognition and impairment requirements of IFRS 9 to the net investment in the lease (see note 45(R)(i)). The Group regularly reviews the estimated unguaranteed residual values used in computing the gross investment in the lease. The Group recognises lease payments from operating leases as income under revenue on a straight-line basis.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost is calculated based on the moving average price method. Net realisable value is the estimated proceeds from a sale in the ordinary course of business less the estimated costs still necessary to complete and sell the assets. Any impairment that could result from reduced usability is also included.

Reacquisition of own equity instruments (own shares)

If share capital recognised in equity is repurchased, the amount paid including the direct costs is deducted from equity. The acquired shares are classified as own shares and recognised in the other reserves for own shares. If the shares are sold or reissued at a later date, the revenue is recognised as an increase in equity. Any difference is recognised within capital reserves.

Provisions for severance compensation, pensions, semiretirement programmes and service anniversary bonuses

The provisions for severance compensation, pensions, semi-retirement programmes and service anniversary bonuses are calculated in accordance with actuarial principles using the projected unit credit method and obligations are measured at the amount of the defined benefit obligation (DBO). For severance compensation and pension provisions, actuarial gains and losses from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the period in which they are incurred; the comparable changes

in provisions for service anniversary bonuses and semi-retirement programmes are expensed as incurred. Remeasurement recognised in other comprehensive income is a component of retained earnings and will not be reclassified to the Consolidated Income Statement. Past service cost is recognised as personnel expenses when the plan amendment occurs. All other changes, such as service cost or interest expense, are reported under personnel expenses. The calculation of the defined benefit obligation takes into account future wage and salary increases. Employee turnover (for severance compensation and service anniversary bonuses) was included in the calculation for the Austrian Group companies in the form of annual turnover probabilities based on actual employee turnover in the Group (ten-year average). No turnover probabilities were included for employees in semi-retirement programmes.

→ Employee turnover for severance compensation (combined with probability of pay-outs)

Austrian companies (VIE)		2020	2019
Wage-earning employees:	From 1 st year	at 6.9%: 28.2%	at 6.9%: 28.2%
	Until 25 th year	at 7.0%: 85.2%	at 7.0%: 85.2%
Salaried employees:	From 1 st year	at 8.9%: 42.8%	at 8.9%: 42.8%
	Until 25 th year	at 7.1%: 86.6%	at 7.1%: 86.6%

Austrian companies (subsidiaries)		2020	2019
Wage-earning employees:	From 1 st year	at 6.9%: 28.0%	at 6.9%: 28.0%
	Until 25 th year	at 1.1%: 0.0%	at 1.1%: 0.0%
Salaried employees:	From 1 st year	at 8.9%: 42.8%	at 8.9%: 42.8%
	Until 25 th year	at 1.0%: 0.0%	at 1.0%: 0.0%

→ Employee turnover for service anniversary bonuses

Austrian companies		2020	2019
Wage-earning employees:	From 1 st year	6.9%	6.9%
	Until 25 th year	1.1%	1.1%
Salaried employees:	From 1 st year	8.9%	8.9%
	Until 25 th year	1.0%	1.0%

For the Austrian Group companies, the notional retirement age was taken as the earliest possible date for (early) retirement permitted by the 2004 pension reform (2003 Budget Concomitant Act), taking all transition regulations into account. The retirement age for female employees reflects a gradual increase in the retirement age for women in keeping with Austrian law. The AVÖ 2018-P mortality tables (mixed) (previous year: AVÖ 2018-P (mixed)) form the biometric basis for the calculation of the provisions for the Austrian companies, whereby the specifications for salaried employees apply to the provision for pensions. The probabilities of disability were adjusted individually to the FWAG Group. Life expectancies for men (79 years) and women (83 years) were used for the Maltese companies. The demographic parameters were unchanged year-on-year. The obligations for severance compensation, pensions, semi-retirement programmes and service anniversary bonuses were calculated on the basis of the following parameters:

	2020	2019
Austrian companies		
Discount rate (pensions, severance compensation, service anniversary bonuses)	0.60%	0.60%
Discount rate (semi-retirement programmes)	0.20%	0.20%
Wage and salary increases (severance compensation, service anniversary bonuses)	3.31%	3.83%
Pension increases (only for pensions)	2.10%	2.10%
Maltese companies		
Discount rate (pensions)	0.80%	0.80%
Pay increases	3.00%	3.00%

The discount rate was based on the investment yields applicable as at the end of the respective reporting period. Payments required by defined contribution plans (contributions to pension plans and legally required employee severance compensation funds) are recognised in profit or loss in the period to which they relate 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 of 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 recognised 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 interest adding back to other provisions are included in the costs of the respective provisions. Income from the reversal of provisions is recognised in the item affected by the provision.

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 offset and recognised in the respective cost item 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 reported 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 measures financial instruments and non-financial assets at fair value as at the end of each reporting period. The fair values of financial instruments carried at amortised cost are listed in note (36). In measuring fair value it is assumed that the transaction in which the asset is sold or the liability is transferred takes place either on the principal market for the asset or liability, or the most advantageous market for the asset or liability if there is no principal market. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability. It is assumed that the market parti-

participants act in their economic best interest. The FWAG Group applies measurement methods that are appropriate in the circumstances and for which there are sufficient data to measure fair value. All assets and liabilities for which the fair value has been calculated or reported in the financial statements are assigned to the following levels of the fair value hierarchy based on the lowest input factor that is material overall for measurement.

- » **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 (except derivatives) whose fair value is determined by applying recognised measurement models and parameters that are not based on observable market inputs.

Financial instruments and other financial assets

The Group assigns its financial assets to the following measurement categories: Subsequently measured at fair value (either through other comprehensive income or through profit or loss), and measured at amortised cost. The classification depends on the entity's business model for managing financial assets and contractual cash flows. In the case of assets measured at fair value, gains and losses are recognised either through profit or loss or through other comprehensive income. In the case of investments in equity instruments not held for trading, this depends on whether the Group irrevocably decided on initial recognition to measure the equity instruments at fair value through other comprehensive income. The Group only reclassifies debt instruments if the business model for managing such assets changes. On initial recognition, the Group recognises a financial asset at fair value plus – in the case of a financial asset not subsequently measured at fair value through profit or loss – the transaction costs directly attributable to the acquisition of this financial asset. Transaction costs of financial assets measured at fair value through profit or loss are recognised as expenses in profit or loss. Financial assets with embedded derivatives are viewed in their entirety when it is determined whether their cash flows are solely payments of principal and interest.

Debt instruments: The subsequent measurement of debt instruments depends on the Group's business model for managing the financial asset and the asset's cash flow characteristics. The Group classifies its debt instruments as follows:

- » At amortised cost (AC): Assets that are held to collect contractual cash flows and for which these cash flows are solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is recognised in interest income using the effective interest rate method. Gains or losses on derecognition are recognised under other financial results in the income statement.
- » At fair value through profit or loss (FVPL): Assets that do not meet the criteria for the "measured at amortised cost" (AC) or "at fair value through other comprehensive income" (FVOCI) categories are allocated to the "at fair value through profit or loss" (FVPL) category. Gains or losses from a debt instrument that is subsequently measured at FVPL are recognised net under other financial results in the income statement in the period in which they arise.

Equity instruments: The Group subsequently measures all equity instruments held at fair value. If the management of the Group has decided to recognise effects from the change in the fair value of equity instruments in other comprehensive income, these gains or losses are not subsequently reclassified to profit or loss after the instrument is derecognised. Dividends from such instruments continue to be recognised in financial results in profit or loss when the Group's claim to the receipt of payments is substantiated. The equity instruments include shares in CEESEG AG and other investments. In the absence of an active market or quoted price, the fair value of the shares in CEESEG AG must be calculated using a net present value approach (level 3). A review of the fair value of other investments found that the cost is the best estimate of fair value.

Impairment of financial assets

The Group has the following types of financial assets subject to the model of expected credit losses: Receivables, debt instruments measured at amortised cost. Cash and cash equivalents are likewise subject to the impairment requirements of IFRS 9, but the identified impairment loss was immaterial.

Receivables and contract assets: Receivables include trade receivables, receivables from associates and other receivables. The Group applies the simplified approach in order to measure expected credit losses, so lifetime expected credit losses (Stage 2) are used for all trade receivables, other receivables and receivables from associates. To measure the expected credit losses, these receivables were grouped on the basis of shared credit risk characteristics and days past due. The expected loss rates are based on the payment profiles of the revenue over a period of five years and the historical defaults in this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that affect the customers' ability to settle the receivables. The Group has identified the gross domestic product, unemployment rates, inflation and future passenger growth rates of the countries in which it sells services as relevant factors. Receivables are derecognised if there is no longer a reasonable expectation of recovery. Impairment losses on receivables are recognised in other operating expenses. Amounts generated in subsequent periods and already written down in previous periods are recognised in the same item.

Debt instruments: Debt instruments include time deposits, originated loans and current securities. The general impairment requirements apply to time deposits, loans granted (without a significant financing component) and current securities, whereby the expected default over the next twelve months is calculated first (Stage 1). The expected default over the entire term of the financial instruments is only calculated when there is a significant deterioration in the debtor's credit characteristics. The Group considers a financial asset to be in default if it is unlikely that the debtor will be able to pay its full credit obligation to the Group without the Group having to resort to measures such as the realisation of collateral (if available), or if the financial asset is more than 90 days past due. From the Group's perspective, a bond has a low default risk if its credit risk rating meets the global definition of "investment grade". The Group considers this criterion to be met in the event of a rating of Baa3 or higher from Moody's or a corresponding rating from another agency (e.g. Standard & Poor's). Lifetime expected credit losses (Stage 2) are expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month credit losses (Stage 1) are the portion of expected credit losses that result from all possible default events within 12 months of the reporting date. The maximum period to be taken into account when estimating expected credit losses is the maximum contract term in which the Group is exposed to credit risk.

Trade receivables are initially carried at fair value or – if they do not contain significant financing components – at the transaction price and subsequently at amortised cost according to the effective interest rate method, less valuation allowances.

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.

Financial liabilities

Financial liabilities are measured at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense is recognised in profit or loss, as are gains or losses on the derecognition of financial liabilities.

Income taxes

Income taxes include current and deferred taxes. The provisions for taxation essentially include domestic and foreign income tax obligations, and comprise both the current year and 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. FWAG is the Group parent as defined by section 9(8) of the Körperschaftsteuergesetz (KStG – 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 generates taxable profit. This settlement of tax charges leads to a reduction in the tax expense shown in the income statement of the Group parent. If there are any subsequent deviations, the tax settlements with Group companies are adjusted accordingly. In accordance with the liability approach, deferred tax assets and deferred tax liabilities are recognised for temporary differences between the carrying amounts on the Consolidated Statement of Financial Position and the tax accounts, and for 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 the disposal will be taxable. Deferred taxes are measured in accordance with the tax regulations that are valid or were enacted as at the end of the reporting period for the financial statements. Therefore, the tax rates expected in future are applied to the reversal of temporary differences.

Revenue from contracts with customers and other income

The FWAG Group essentially generates revenue from aviation and non-aviation operations.

Traffic fees (subject to approval): Some fees are subject to the approval of the civil aviation authority, for example those relate to the use of the airport infrastructure and include landing, parking, passenger and infrastructure fees. The calculation of the landing, parking and airside infrastructure fee is based on the maximum take-off weight (MTOW) of the aircraft, while the landside infrastructure fee, passenger fee and security fee are based on the number of passengers. The infrastructure fee for fuelling is based on the volume of fuel. The billing of these fees is the same for all customers and is regulated in a fee schedule. There is also an approved incentive system for customers. The entire fee from these service agreements with airlines is allocated across all services (performance obligation) based on their standalone selling price (transaction price). The standalone selling price is determined on the basis of the schedule of fees charged by the Group for services in separate transactions. Variable, fee-reducing discounts and rebates based on the incentive system are taken into account in calculating and allocating the transaction price. The Flughafen Wien Group exercises the portfolio approach practical expedient in assessing these contracts.

Ground handling services (not subject to approval): Fees not subject to approval relate to ground handling services, including ramp handling, cargo handling and passenger handling. Cargo handling services and standalone selling prices are regulated in the cargo regulations. The ramp handling contracts are based on the International Air Transport Association (IATA)'s standard ground handling agreement. In these contracts, service obligations are defined on the basis of the individual services offered and a transaction price per turnaround and aircraft type. If individual service obligations (individual services) are required in addition to the contractually defined service packages, they can be purchased as extras on the basis of the current price list. The transaction price is allocated to the service obligations on the basis of the relative standalone selling prices or on the basis of the current standalone selling prices when additional service obligations are purchased. The portfolio approach practical expedient is used when assessing these contracts.

Concession revenue: Concession revenue (Malta ground handling) comprises revenue for the right to perform ground handling services at Malta Airport and is distributed over the term of the concession on an accrual basis in line with the respective contract. The transaction price is calculated according to a fee structure based on various underlying parameters (departing passengers, aircraft movements, MTOW, cargo volume, fuelling volume). Revenue is recognised if a reasonably certain inflow of resources can be assumed and its amount can be reliably determined.

Rentals including revenue based on sales: Rental revenue is recognised on a straight-line basis over the term of the lease. Rental incentives granted to tenants are recognised as a component of the total rental income over the term of the lease. Revenue based on sales (variable rents) is recognised on an accrual basis based on the revenue generated.

Other revenue: In addition to the above, the Group also generates revenue from lounges, security, energy supply and waste disposal, IT services, electrical engineering, workshops, materials management, facility management and building maintenance.

Finance income and financing expenses: The Group's finance income and financing expenses include:

Interest income and interest expense: Interest income (interest expense) is recognised when it is probable that the economic benefits will flow to (flow from) the Group and the amount of the income (expense) can be measured reliably. Interest income (interest expense)

is deferred in line with the outstanding nominal amount using the effective interest rate. The effective interest rate is the interest rate by which the expected future cash receipts (payments) are discounted over the term of the financial asset such that the net carrying amount of this asset (financial liability) is reached exactly at first-time recognition. Interest income (interest expense) is recognised in the financial results.

Dividends: Income is recognised when the legal right to payment arises; this is the time when the shareholders resolve the dividend. Dividends are reported in the financial results.

Net gains or losses from financial assets measured at FVPL: For information on the recognition of net gains from debt instruments measured at FVPL, see the remarks under “Financial instruments and other financial assets”.

(47) Adoption of new and amended standards and interpretations

In the financial year the Group applied all new or amended standards and interpretations that were issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB and endorsed by the EU to the extent that these standards and interpretations were relevant to the business activities of the Group and already effective. In particular, the following standards of the IASB were adopted for the first time in the financial year:

■ Amendments to IFRS 3 Business Combinations	Effective for reporting periods beginning on or after 1 January 2020.
■ Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies: Definition of Material	Effective for reporting periods beginning on or after 1 January 2020.
■ Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform	Effective for reporting periods beginning on or after 1 January 2020.
■ Amendments to References to the Conceptual Framework in the IFRS Standards	Effective for reporting periods beginning on or after 1 January 2020.

All new or improved standards applied for the first time have no material effect on the Group's asset, financial and earnings position.

(48) New standards that have not been adopted

The following standards and interpretations had been issued as at the end of the reporting period, but did not require mandatory application during the financial year:

■ Amendments to IFRS 16 Covid-19-Related Rent Concessions	Effective for reporting periods beginning on or after 1 June 2020.
■ Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform – Phase 2	Effective for reporting periods beginning on or after 1 January 2021.
■ Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract	Effective for reporting periods beginning on or after 1 January 2022; not endorsed by the EU as at the end of the reporting period
■ Annual Improvements to IFRS Standards 2018-2020	Effective for reporting periods beginning on or after 1 January 2022; not endorsed by the EU as at the end of the reporting period
■ Amendments to IAS 16 Property, Plant and Equipment – Proceeds before Intended Use	Effective for reporting periods beginning on or after 1 January 2022; not endorsed by the EU as at the end of the reporting period
■ Amendments to IFRS 3 References to the Conceptual Framework	Effective for reporting periods beginning on or after 1 January 2022; not endorsed by the EU as at the end of the reporting period
■ IFRS 17 Insurance Contracts	Effective for reporting periods beginning on or after 1 January 2023; not endorsed by the EU as at the end of the reporting period
■ Amendments to IAS 1 Classification of Liabilities as Current or Non-current	Effective for reporting periods beginning on or after 1 January 2023; not endorsed by the EU as at the end of the reporting period
■ Amendments to IAS 1 Presentation of Financial Statements – Notes on Accounting Policies	Effective for reporting periods beginning on or after 1 January 2023; not endorsed by the EU as at the end of the reporting period
■ Amendments to IAS 8 Accounting Policies – Definition of Accounting Estimates	Effective for reporting periods beginning on or after 1 January 2023; not endorsed by the EU as at the end of the reporting period
■ Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Adoption deferred indefinitely

There are no plans for the voluntary early adoption of the above standards and interpretations. The amended standards are not expected to have any material effect on the consolidated financial statements.

Schwechat, 11 March 2021

The Management Board



Günther Ofner

Member of the Board, CFO



Julian Jäger

Member of the Board, COO

Group companies of Flughafen Wien AG

Company	Abbreviation	Parent company	Country	Share owned^a	Type of consolidation	Segment
Flughafen Wien AG	VIE		Austria		FC	All except Malta
Flughafen Wien Immobilienverwertungsgesellschaft m.b.H.	IVW	VIE	Austria	100.0%	FC	Airport, Retail & Properties
Flugplatz Vöslau BetriebsGmbH	LOAV	VAH	Austria	100.0%	FC	Airport
Mazur Parkplatz GmbH	MAZU	VIEL	Austria	100.0%	FC	Retail & Properties
VIE International Beteiligungsmanagement Gesellschaft m.b.H.	VINT	VIAB	Austria	100.0%	FC	Other
VIE Liegenschaftsbeteiligungsgesellschaft m.b.H.	VIEL	VIE	Austria	100.0%	FC	Retail & Properties
VIE Office Park Errichtungs- und Betriebsgesellschaft m.b.H.	VOPE	VIEL	Austria	100.0%	FC	Retail & Properties
Vienna Aircraft Handling Gesellschaft m.b.H.	VAH	VIE	Austria	100.0%	FC	Handling & Security Services
Vienna Airport Business Park Immobilienbesitzgesellschaft m.b.H.	BPIB	VIEL	Austria	100.0%	FC	Retail & Properties
Vienna Airport Technik GmbH	VAT	VIE	Austria	100.0%	FC	Other
Vienna International Airport Beteiligungsholding GmbH	VIAB	VIE	Austria	100.0%	FC	Other
Vienna International Airport Security Services Ges.m.b.H.	VIAS	VIE	Austria	100.0%	FC	Handling & Security Services
VIE Office Park 3 BetriebsGmbH	VWTC	VIEL	Austria	100.0%	FC	Retail & Properties
VIE Logistikzentrum West GmbH & Co KG	LZW	VIEL	Austria	100.0%	FC	Airport
VIE Immobilien Betriebs GmbH	IMB	VIEL	Austria	100.0%	FC	Retail & Properties
VIE Flugbetrieb Immobilien GmbH	VFI	BPIB	Austria	100.0%	FC	Retail & Properties
Airport Services VIE IMMOBILIEN GmbH	BPL	VIEL	Austria	100.0%	FC	Retail & Properties

Company	Abbreviation	Parent company	Country	Share owned^o	Type of consolidation	Segment
Alpha Liegenschafts- entwicklungs GmbH	ALG	VIEL	Austria	100.0%	FC	Retail & Properties
Office Park 4 Errichtungs- und Betriebs GmbH	BLG	VIEL	Austria	100.0%	FC	Retail & Properties
Vienna AirportCity Conferencing & Co-Working GmbH formerly Airport Co-Working & Conferences GmbH	ACS	VIE	Austria	100.0%	FC	Retail & Properties
Vienna Passenger Handling Services GmbH	VPHS	VIE	Austria	100.0%	FC	Handling & Security Services
GetService Dienstleistungsgesellschaft m.b.H.	GETS	VIAS	Austria	100.0%	FC	Handling & Security Services
Vienna Airport Health Center GmbH	VHC	VIEL	Austria	100.0%	FC	Retail & Properties
VIE FINANCE HOLDING GmbH	VFH	VIE	Austria	100.0%	FC	Other
BTS Holding, a.s.	BTSH	VIE	Slovakia	81.0%	FC	Other
KSC Holding, a.s.	KSCH	VIE	Slovakia	100.0%	FC	Other
Load Control International SK s.r.o	LION	VIE	Slovakia	100.0%	FC	Handling & Security Services
VIE (Malta) Limited	VIE Malta	VINT	Malta	100.0%	FC	Other
VIE Malta Finance Ltd.	VIE MF	VFH	Malta	100.0%	FC	Other
VIE Operations Holding Limited	VIE OPH	VINT	Malta	100.0%	FC	Other
VIE Operations Limited	VIE OP	VIE OPH	Malta	100.0%	FC	Other
Malta Mediterranean LiNC Consortium Limited	MMLC	VIE Malta	Malta	95.9%	FC	Other
Malta International Airport p.l.c.	MIA	MMLC	Malta	48.4%	FC	Malta
Airport Parking Limited	APL	MIA	Malta	48.4%	FC	Malta
Sky Parks Development Limited	SPD	MIA	Malta	48.4%	FC	Malta
Sky Parks Business Centre Limited	SBC	MIA	Malta	48.4%	FC	Malta
„GetService“-Flughafen- Sicherheits- und Servicedienst GmbH	GET2	VIAS	Austria	51.0%	FC	Other

Company	Abbreviation	Parent company	Country	Share owned^o	Type of consolidation	Segment
VIE Shops Entwicklungs- und Betriebsges.m.b.H.	SHOP	VIE	Austria	100.0%	FC	Retail & Properties
FWAG Entwicklungsgebiet West GmbH	EGW	SHOP	Austria	100.0%	FC	Retail & Properties
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
Flughafen Parken GmbH	FPG	VIE	Germany	16.66%	NC	Other
Kirkop PV Farm Limited	KFL	MIA	Malta	48.4%	NC	Malta

^o Direct and indirect in total

Type of consolidation

FC = full consolidation

EQ = equity method

NC = not consolidated for reasons of immateriality

Investments of Flughafen Wien AG

Amounts shown in accordance with national GAAP where IFRS unavailable.

1. Subsidiaries fully consolidated in the consolidated financial statements:

a) Austrian subsidiaries

→ Vienna Aircraft Handling Gesellschaft m.b.H. (VAH)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: This company offers a full range of services for all divisions of general aviation and for business aviation in particular. Its key revenue drivers are private aircraft handling and aircraft handling services for Flughafen Wien AG in the general aviation sector (including fuelling and parking).

Amounts in T€	2020	2019
Revenue	8,495.6	13,270.4
Net profit for the period	-48.7	1,397.9
Other comprehensive income	52.8	-68.0
Comprehensive income	4.2	1,329.9
Current and non-current assets	12,183.0	12,617.2
Current and non-current liabilities	2,826.7	3,254.6
Net assets	9,356.3	9,362.6

→ Flugplatz Vöslau BetriebsGmbH (LOAV)

Registered office: Bad Vöslau

Share owned: 100% VAH

Object of the company: Operation and development of Vöslau Airport and the planning, construction and operation of buildings and equipment.

Amounts in T€	2020	2019
Revenue	1,726.6	1,772.5
Net profit for the period	475.5	-985.4
Other comprehensive income	-1.5	-5.8
Comprehensive income	474.0	-991.3
Current and non-current assets	5,649.0	5,226.9
Current and non-current liabilities	1,852.6	1,904.5
Net assets	3,796.4	3,322.4

→ Mazur Parkplatz GmbH (MAZU)

Registered office: Schwechat

Share owned: 100% VIEL

Object of the company: Operation of the Mazur car park and parking facilities.

Amounts in T€	2020	2019
Revenue	569.9	4,196.9
Net profit for the period	274.2	2,554.8
Other comprehensive income	0.0	0.0
Comprehensive income	274.2	2,554.8
Current and non-current assets	7,447.4	7,192.3
Current and non-current liabilities	253.9	272.9
Net assets	7,193.6	6,919.4

→ Vienna International Airport Beteiligungsholding GmbH (VIAB)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: Acquisition of and investment in international subsidiaries and equity investments, participation in international airport privatisation projects. The company serves as a holding company for the subsidiary VINT.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	6,832.9	6,279.5
Other comprehensive income	0.0	0.0
Comprehensive income	6,832.9	6,279.5
Current and non-current assets	125,977.1	125,423.2
Current and non-current liabilities	0.0	0.0
Net assets	125,977.1	125,423.2

→ VIE International Teilnehmungsmanagement Gesellschaft m.b.H. (VINT)

Registered office: 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€	2020	2019
Revenue	311.7	1,008.6
Net profit for the period	-49.9	6,694.9
Other comprehensive income	0.0	0.0
Comprehensive income	-49.9	6,694.9
Current and non-current assets	120,667.0	127,668.0
Current and non-current liabilities	60.4	181.5
Net assets	120,606.6	127,486.5

→ **Flughafen Wien Immobilienverwertungsgesellschaft m.b.H. (IVW)**

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: The commercial leasing of assets, in particular property, and the acquisition of properties and buildings at the site of Flughafen Wien AG.

Amounts in T€	2020	2019
Revenue	8,950.0	8,850.0
Net profit for the period	3,073.9	2,233.2
Other comprehensive income	0.0	0.0
Comprehensive income	3,073.9	2,233.2
Current and non-current assets	40,167.6	42,493.7
Current and non-current liabilities	4.2	1,404.2
Net assets	40,163.4	41,089.6

→ **VIE Liegenschaftsbeteiligungsgesellschaft m.b.H. (VIEL)**

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: The company serves as a holding company for the BPIB, VOPE, MAZUR, LZW, IMB, ALG, BLG, BPL, VHC and VWTC subsidiaries, the purpose of which is the purchase, development and marketing of the properties they own.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	4,582.1	7,568.1
Other comprehensive income	0.0	0.0
Comprehensive income	4,582.1	7,568.1
Current and non-current assets	57,930.6	54,448.6
Current and non-current liabilities	0.0	0.0
Net assets	57,930.6	54,448.6

→ **VIE Office Park Errichtungs- und Betriebsgesellschaft m.b.H. (VOPE)**

Registered office: Schwechat

Share owned: 100% VIEL

Object of the company: Development of properties, in particular Office Park 2.

Amounts in T€	2020	2019
Revenue	4,145.1	4,449.5
Net profit for the period	1,387.2	1,435.7
Other comprehensive income	0.0	0.0
Comprehensive income	1,387.2	1,435.7
Current and non-current assets	30,173.6	29,467.5
Current and non-current liabilities	8,988.4	9,669.5
Net assets	21,185.2	19,798.0

→ **Vienna Airport Business Park Immobilienbesitzgesellschaft m.b.H. (BPIB)**

Registered office: Schwechat

Share owned: 99% VIEL
1% IVW

Object of the company: Purchase and marketing of properties.

Amounts in T€	2020	2019
Revenue	4,097.9	4,192.7
Net profit for the period	2,514.9	4,018.8
Other comprehensive income	0.0	0.0
Comprehensive income	2,514.9	4,018.8
Current and non-current assets	110,801.6	113,029.6
Current and non-current liabilities	81,095.1	81,838.1
Net assets	29,706.4	31,191.5

→ **VIE Office Park 3 BetriebsgmbH (VWTC)**

Registered office: Schwechat

Share owned: 99% VIEL
1% BPIB

Object of the company: Rental and development of property, in particular Office Park 3.

Amounts in T€	2020	2019
Revenue	4,085.3	4,394.6
Net profit for the period	1,528.7	1,494.1
Other comprehensive income	0.0	0.0
Comprehensive income	1,528.7	1,494.1
Current and non-current assets	16,136.0	14,657.0
Current and non-current liabilities	417.6	467.3
Net assets	15,718.4	14,189.7

→ **VIE Logistikzentrum West GmbH & Co KG (LZW)**

Registered office: Schwechat

Share owned: 99.7% VIEL
0.3% IVW

Object of the company: The object of the company is property development, the rental of buildings owned by the company on third-party land (winter services and maintenance hall) and administration of its own assets.

Amounts in T€	2020	2019
Revenue	1,946.2	1,929.0
Net profit for the period	673.1	654.3
Other comprehensive income	0.0	0.0
Comprehensive income	673.1	654.3
Current and non-current assets	13,477.2	13,746.2
Current and non-current liabilities	2,769.6	3,057.5
Net assets	10,707.5	10,688.7

→ VIE Immobilien Betriebs GmbH (IMB)

Registered office: Schwechat

Share owned: 100% VIEL

Object of the company: Operation of properties and acting as general partner in subsidiaries and second-tier subsidiaries of Flughafen Wien Aktiengesellschaft.

Amounts in T€	2020	2019
Revenue	23.3	22.9
Net profit for the period	3.0	3.0
Other comprehensive income	0.0	0.0
Comprehensive income	3.0	3.0
Current and non-current assets	719.3	693.0
Current and non-current liabilities	203.0	179.6
Net assets	516.3	513.3

→ VIE Flugbetrieb Immobilien GmbH (VFI)

Registered office: Schwechat

Share owned: 94% BPIB
6% IMB

Object of the company: Rental and management of flight operations buildings.

Amounts in T€	2020	2019
Revenue	1,470.6	1,504.2
Net profit for the period	-243.6	-257.6
Other comprehensive income	0.0	0.0
Comprehensive income	-243.6	-257.6
Current and non-current assets	84,086.7	85,445.3
Current and non-current liabilities	75,144.8	76,259.8
Net assets	8,941.9	9,185.4

→ Alpha Liegenschaftsentwicklungs GmbH (ALG)

Registered office: Schwechat

Share owned: 100% VIEL

Object of the company: The object of the company is the development of property projects, the rental and sale of properties, facility and property management and the performance of associated consulting and services.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	-146.4	-100.5
Other comprehensive income	0.0	0.0
Comprehensive income	-146.4	-100.5
Current and non-current assets	15,376.7	15,482.1
Current and non-current liabilities	14,296.1	14,255.1
Net assets	1,080.6	1,227.0

→ Office Park 4 Errichtungs- und Betriebs GmbH (BLG)

Registered office: Schwechat

Share owned: 100% VIEL

Object of the company: The object of the company is the development of property projects, the rental and sale of properties, facility and property management and the performance of associated consulting and services.

Amounts in T€	2020	2019
Revenue	558.2	34.0
Net profit for the period	-1,255.6	-173.3
Other comprehensive income	0.0	0.0
Comprehensive income	-1,255.6	-173.3
Current and non-current assets	62,555.4	62,985.0
Current and non-current liabilities	64,417.7	63,591.7
Net assets	-1,862.3	-606.7

→ Airport Services VIE IMMOBILIEN GmbH (BPL)

Registered office: Fischamend

Share owned: 94% BPIB
6% IMB

Object of the company: The object of the company is the development of property projects, the rental and sale of properties, facility and property management and the performance of associated consulting and services.

Amounts in T€	2020	2019
Revenue	46.3	91.1
Net profit for the period	-39.4	2.2
Other comprehensive income	0.0	0.0
Comprehensive income	-39.4	2.2
Current and non-current assets	3,149.1	3,184.8
Current and non-current liabilities	1,836.0	1,832.2
Net assets	1,313.2	1,352.6

→ Vienna Airport Technik GmbH (VAT)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: The company provides services for the electrical facilities sector. It also builds electrical and supply facilities, in particular technical equipment for airports, and installs electrical infrastructure.

Amounts in T€	2020	2019
Revenue	24,060.0	43,531.0
Net profit for the period	-303.5	1,747.3
Other comprehensive income	25.8	-25.3
Comprehensive income	-277.7	1,722.0
Current and non-current assets	6,261.4	9,308.6
Current and non-current liabilities	3,409.4	6,178.9
Net assets	2,852.0	3,129.7

→ Vienna International Airport Security Services Ges.m.b.H. (VIAS)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: VIAS is responsible for the performance of security controls (passengers and hand luggage) on behalf of the Federal Ministry of the Interior. It also performs services for other aviation customers (wheelchair transport, oversize baggage control, document control, etc.). The company also participates in tenders for the provision of security services for airports through its Austrian subsidiaries.

Amounts in T€	2020	2019
Revenue	30,037.4	58,508.1
Net profit for the period	-228.6	6,658.9
Other comprehensive income	272.9	-345.7
Comprehensive income	44.3	6,313.2
Current and non-current assets	24,303.4	27,496.2
Current and non-current liabilities	10,293.0	13,530.0
Net assets	14,010.4	13,966.2

→ Vienna AirportCity Conferencing & Co-Working GmbH

formerly Airport Co-Working & Conferences GmbH

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: Provision of all types of construction and construction-related services, including for construction projects of Flughafen Wien AG and other contractors..

Amounts in T€	2020	2019
Revenue	137.4	34.6
Net profit for the period	-155.6	-82.5
Other comprehensive income	0.0	0.0
Comprehensive income	-155.6	-82.5
Current and non-current assets	2,549.2	945.7
Current and non-current liabilities	2,751.7	992.7
Net assets	-202.6	-47.0

→ Vienna Passenger Handling Services GmbH (VPHS)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: Provision of ground handling services as defined by the Flughafen-Bodenabfertigungsgesetz (Austrian Airport Ground Handling Act). The services are consistent with those detailed in the appendix to the Austrian Airport Ground Handling Act.

Amounts in T€	2020	2019
Revenue	5,730.7	8,845.1
Net profit for the period	5.1	27.2
Other comprehensive income	0.0	0.0
Comprehensive income	5.1	27.2
Current and non-current assets	1,366.5	1,583.4
Current and non-current liabilities	862.7	1,084.6
Net assets	503.8	498.8

→ GetService Dienstleistungsgesellschaft m.b.H. (GETS)

Registered office: Schwechat

Share owned: 100% VIAS

Object of the company: Provision of all types of security services related to airport operations.

Amounts in T€	2020	2019*
Revenue	2,051.4	3,320.6
Net profit for the period	-67.2	45.2
Other comprehensive income	-3.9	-3.8
Comprehensive income	-71.1	41.5
Current and non-current assets	801.9	932.7
Current and non-current liabilities	363.3	423.0
Net assets	438.6	509.7

*adjusted

→ Vienna Airport Health Center GmbH (VHC)

Registered office: Schwechat

Share owned: 100% VIEL

Object of the company: VHC offers healthcare services.

Amounts in T€	2020	2019
Revenue	6,986.9	1,000.0
Net profit for the period	3,710.6	-257.4
Other comprehensive income	0.0	0.0
Comprehensive income	3,710.6	-257.4
Current and non-current assets	3,415.3	904.3
Current and non-current liabilities	485.8	1,685.5
Net assets	2,929.4	-781.2

→ VIE FINANCE HOLDING GmbH (VFH)

formerly VIE Malta Finance Holding Ltd. (VIE MFH) mit Sitz in Luqa, Malta

Registered office: Kottlingbrunn

Share owned: 99.95% VIE
0.05% VIAB

Object of the company: Holding company for the subsidiary VIE Malta Finance Ltd.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	1,425.6	-194.8
Other comprehensive income	0.0	0.0
Comprehensive income	1,425.6	-194.8
Current and non-current assets	11,114.0	16,667.6
Current and non-current liabilities	22.1	1.2
Net assets	11,091.9	16,666.4

→ „GetService“-Flughafen-Sicherheits- und Servicedienst GmbH (GET2)

Registered office: Schwechat

Share owned: 51% VIAS

Object of the company: Provision of security services, personnel leasing, cleaning including snow removal, etc.

Amounts in T€	2020	2019 ^o
Revenue	13,566.0	16,136.0
Net profit for the period	692.6	615.0
Other comprehensive income	35.3	-12.1
Comprehensive income	727.9	602.9
Current and non-current assets	3,007.0	3,870.0
Current and non-current liabilities	1,834.7	3,014.1
Net assets	1,172.3	856.0

^o Full consolidation as of May 01, 2019

→ VIE Shops Entwicklungs- und Betriebsges.m.b.H (SHOP)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: Planning, development, marketing and operation of shops at airports in Austria and other countries, and the acquisition and management of other companies.

Amounts in T€	2020	2019 ^o
Revenue	0.0	0.0
Net profit for the period	-0.5	-0.9
Other comprehensive income	0.0	0.0
Comprehensive income	-0.5	-0.9
Current and non-current assets	5,212.2	5,209.3
Current and non-current liabilities	26.2	24.3
Net assets	5,186.0	5,185.1

^o Full consolidation as of August 01, 2019

→ FWAG Entwicklungsgebiet West GmbH (EGW)

Registered office: Schwechat

Share owned: 100% SHOP

Object of the company: Purchase and development of properties of all sorts and operation and rental of properties.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	-0.4	-1.8
Other comprehensive income	0.0	0.0
Comprehensive income	-0.4	-1.8
Current and non-current assets	5,203.6	5,204.1
Current and non-current liabilities	0.0	0.0
Net assets	5,203.6	5,204.1

b) Slowakische Tochterunternehmen

→ BTS Holding a.s. (BTSH)

Registered office: Bratislava, Slowakei

Share owned: 47.7% VIE
33.3% VINT

Object of the company: Performance of consulting and other services for airports. It was also intended that the company will hold the planned equity investment in Bratislava Airport.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	-49.7	-146.3
Other comprehensive income	0.0	0.0
Comprehensive income	-49.7	-146.3
Current and non-current assets	307.7	353.9
Current and non-current liabilities	10.0	6.5
Net assets	297.8	347.4

→ KSC Holding a.s. (KSCH)

Registered office: Bratislava, Slowakei

Share owned: 47.7% VIE
52.3% VINT

Object of the company: The object of the company, in addition to holding the 66% investment in Košice Airport, is the performance of consulting services.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	-729.9	1,681.1
Other comprehensive income	0.0	0.0
Comprehensive income	-729.9	1,681.1
Current and non-current assets	37,373.9	38,105.2
Current and non-current liabilities	8.6	10.1
Net assets	37,365.3	38,095.2

→ Load Control International SK s.r.o (LION)

Registered office: Košice, Slowakei

Share owned: 100% VIE

Object of the company: Preparation of loadsheets

Amounts in T€	2020	2019
Revenue	447.7	650.4
Net profit for the period	-76.3	23.0
Other comprehensive income	0.0	0.0
Comprehensive income	-76.3	23.0
Current and non-current assets	101.9	172.6
Current and non-current liabilities	131.6	125.9
Net assets	-29.7	46.6

c) Maltesische Tochterunternehmen

→ VIE (Malta) Limited (VIE Malta)

Registered office: Luqa, Malta

Share owned: 99.8% VINT
0.2% VIAB

Object of the company: Performance of consulting and other services for airports. Holding of the equity investment in Malta Mediterranean Link Consortium Ltd. and Malta International Airport plc.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	599.6	6,108.0
Other comprehensive income	0.0	0.0
Comprehensive income	599.6	6,108.0
Current and non-current assets	80,071.4	84,596.9
Current and non-current liabilities	14,757.0	19,882.1
Net assets	65,314.4	64,714.8

→ VIE Malta Finance Ltd. (VIE MF)

Registered office: Luqa, Malta

Share owned: 99.95% VFH
0.05% VIAB

Object of the company: Purchase and sale, investment and trading in financial instruments.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	-44.9	1,074.3
Other comprehensive income	0.0	0.0
Comprehensive income	-44.9	1,074.3
Current and non-current assets	1,487.3	1,653.6
Current and non-current liabilities	1,365.8	187.2
Net assets	121.6	1,466.4

→ VIE Operations Holding Limited (VIE OPH)

Registered office: Luqa, Malta

Share owned: 99.95% VINT
0.05% VIAB

Object of the company: Holding company for VIE Operations Limited.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	0.0	-65.6
Other comprehensive income	0.0	0.0
Comprehensive income	0.0	-65.6
Current and non-current assets	184.6	184.6
Current and non-current liabilities	149.2	149.2
Net assets	35.4	35.4

→ VIE Operations Limited (VIE OP)

Registered office: Luqa, Malta

Share owned: 99.95% VIE OPH
0.05% VINT

Object of the company: Performance of support, consulting and other services in connection with international airports.

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	0.0	-28.0
Other comprehensive income	0.0	0.0
Comprehensive income	0.0	-28.0
Current and non-current assets	96.5	96.5
Current and non-current liabilities	99.7	99.7
Net assets	-3.2	-3.2

→ Malta Mediterranean Link Consortium Limited (MMLC)

Registered office: La Valetta, Malta

Share owned: 95.9% VIE Malta

Object of the company: Holding company for the equity investment in Malta International Airport p.l.c. (MIA).

Amounts in T€	2020	2019
Revenue	0.0	0.0
Net profit for the period	-47.0	6,443.8
Other comprehensive income	0.0	0.0
Comprehensive income	-47.0	6,443.8
Current and non-current assets	50,320.6	51,177.7
Current and non-current liabilities	13.7	23.9
Net assets	50,306.9	51,153.9

→ Malta International Airport p.l.c. (MIA)

Registered office: Luqa, Malta

Share owned: 10.1% VIE Malta
40.0% MMLC

Object of the company: Operation of Malta International Airport.

Amounts in T€	2020	2019
Revenue	29,354.3	96,168.3
Net profit for the period	-4,627.9	32,612.1
Other comprehensive income	0.0	-134.7
Comprehensive income	-4,627.9	32,477.4
Current and non-current assets	230,460.7	236,161.7
Current and non-current liabilities	106,550.3	107,623.4
Net assets	123,910.4	128,538.3

→ Airport Parking Limited (APL)

Registered office: Luqa, Malta

Share owned: 100% MIA

Object of the company: Operation of the car park and parking facilities at Malta Airport.

Amounts in T€	2020	2019
Revenue	1,064.8	2,364.5
Net profit for the period	15.1	465.9
Other comprehensive income	0.0	0.0
Comprehensive income	15.1	465.9
Current and non-current assets	17,860.8	9,858.2
Current and non-current liabilities	16,085.7	8,098.2
Net assets	1,775.1	1,760.0

*adjusted

→ Sky Parks Development Limited (SPD)

Registered office: Luqa, Malta

Share owned: 100% MIA

Object of the company: Development and management of office buildings at Malta Airport.

Amounts in T€	2020	2019
Revenue	1,996.9	1,943.7
Net profit for the period	469.6	415.0
Other comprehensive income	0.0	0.0
Comprehensive income	469.6	415.0
Current and non-current assets	17,275.0	17,546.1
Current and non-current liabilities	17,476.4	18,217.1
Net assets	-201.4	-671.0

→ Sky Parks Business Center Limited (SBC)

Registered office: Luqa, Malta

Share owned: 100% MIA

Object of the company: Operation of office buildings (Skypark) at Malta Airport.

Amounts in T€	2020	2019
Revenue	2,964.3	3,742.0
Net profit for the period	41.0	440.3
Other comprehensive income	0.0	0.0
Comprehensive income	41.0	440.3
Current and non-current assets	3,564.6	1,977.7
Current and non-current liabilities	2,110.3	564.3
Net assets	1,454.3	1,413.4

2. Joint ventures included in the consolidated financial statements at equity:

→ City Air Terminal Betriebsgesellschaft m.b.H. (CAT)

Type of holding: Joint venture

Registered office: 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 implementation of traffic connections between airports and cities.

Amounts in T€	2020	2019
Revenue	2,517.9	15,323.0
Net profit for the period	-968.5	2,471.6
Other comprehensive income	0.0	0.0
Comprehensive income	-968.5	2,471.6

The above net profit includes the following amounts:

Amounts in T€	2020	2019
Depreciation and amortisation	1,688.7	1,480.4
Interest income	0.0	0.1
Interest expenses	110.0	119.5
Income tax expense or income	-330.9	817.9

Amounts in T€	31.12.2020	31.12.2019
Current assets	8,697.2	10,949.9
Non-current assets	14,127.6	13,051.0
Current liabilities	4,097.2	3,827.7
Non-current liabilities	4,539.2	5,016.3
Net assets	14,188.4	15,156.9

The assets and liabilities listed above include the following amounts:

Amounts in T€	31.12.2020	31.12.2019
Cash and cash equivalents	32.3	27.4
Current financial liabilities*	0.0	0.0
Non-current financial liabilities *	0.0	0.0

* Not including trade payables, other liabilities, or provisions

The reconciliation of proportional net assets to the carrying amount is as follows:

Amounts in T€	2020	2019
Share of net assets of the company as at 1.1. (proportional equity)	7,593.6	6,355.4
Total comprehensive income attributable to the Group	-485.2	1,238.3
Dividend paid and capital repayments	0.0	0.0
Carrying amount as of 31. 12.	7,108.4	7,593.6

→ Letisko Košice - Airport Košice, a.s. (KSC)
Type of holding: : Joint venture

Registered office: Košice, Slovakia

Share owned: 66% KSCH

Object of the company: Operation of Košice Airport.

Amounts in T€	2020^o	2019
Revenue	5,470.2	14,047.5
Net profit for the period	-924.7	2,653.0
Other comprehensive income	0.0	0.0
Comprehensive income	-924.7	2,653.0

^o Preliminary figures

The above net profit includes the following amounts:

Amounts in T€	2020^o	2019
Depreciation and amortisation	855.6	946.9
Interest income	0.0	8.9
Interest expenses	0.0	0.0
Income tax expense or income	-243.6	709.5

^o Preliminary figures

Amounts in T€	31.12.2020^o	31.12.2019
Current assets	15,488.1	19,304.4
Non-current assets	38,168.5	38,204.2
Current liabilities	2,531.5	2,841.2
Non-current liabilities	737.7	967.5
Net assets	50,387.4	53,699.9

^o Preliminary figures

The assets and liabilities listed above include the following amounts:

Amounts in T€	31.12.2020^o	31.12.2019
Cash and cash equivalents	13,948.3	17,501.9
Current financial liabilities**	0.0	0.0
Non-current financial liabilities**	0.0	0.0

^o Preliminary figures

^{**} Not including trade payables, other liabilities, or provisions

The reconciliation of proportional net assets to the carrying amount is as follows:

Amounts in T€	31.12.2020^o	31.12.2019
Share of net assets of the company as at 1. 1. (proportional equity)	35,441.9	35,229.6
Adjustment to comprehensive income (related to prior periods)	-91.1	-43.3
Total comprehensive income attributable to the Group	-610.3	1,751.0
Other	277.9	251.8
Dividend paid	-1,511.5	-1,469.2
Carrying amount as of 31. 12.	33,507.0	35,719.9

^o Preliminary figures

3. Associated companies included in the consolidated financial statements at equity:

→ SCA Schedule Coordination Austria GmbH (SCA)

Type of holding: Associated company

Registered office: 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€	2020 ^o	2019
Revenue	610.2	1,086.2
Net profit for the period	-33.9	152.6
Other comprehensive income	0.0	0.0
Comprehensive income	-33.9	152.6
Current and non-current assets	842.4	916.4
Current and non-current liabilities	117.1	157.2
Net assets	725.3	759.2

^o Preliminary figures

Amounts in T€	31.12.2020	31.12.2019
Carrying amount of shares in non-material associated companies		
Carrying amount of the investments in SCA	376.7	393.4

4. Investments not included in the consolidated financial statements:

→ Kirkop PV Farm Limited (KFL)

Registered office: Luqa, Malta

Share owned 100% MIA

Object of the company: The main activity of the company is to explore the opportunities of photovoltaic power generation.

Amounts in T€	2020	2019
Revenue	0,0	0,0
Net profit for the period	0,0	0,0
Other comprehensive income	0,0	0,0
Comprehensive income	0,0	0,0
Current and non-current assets	1,2	1,2
Current and non-current liabilities	0,0	0,0
Net assets	1,2	1,2

Material non-controlling interests

The following table contains a summary of financial information for the sub-group Malta International Airport plc – which contains material non-controlling interests, This information was prepared using the same accounting policies as the Group and amendments were made to the fair value as at the acquisition date, The Malta International Airport plc sub-group is assigned to the Malta Segment, The “Others” column contains aggregate information on subsidiaries with immaterial non-controlling interests, These are the companies MMLC and BTSH,

2020 financial year

in T€	MIA Group before elimination of intercompany transactions	Elimination of intercompany transactions	MIA Group after elimination of intercompany transactions	Others before elimination of intercompany transactions	Elimination of intercompany transactions	Others after elimination of intercompany transactions	Total
Percentage of non-controlling interests (indirect)	51.56%	51.56%	51.56%				
Percentage of non-controlling interests (direct)	49.90%	49.90%	49.90%				
Goodwill	28,407.6	0.0	28,407.6	0.0	0.0	0.0	
Other non-current assets	292,481.9	0.0	292,481.9	49,506.2	-49,506.2	0.0	
Current assets	39,253.8	0.0	39,253.8	1,122.2	0.0	1,122.2	
Non-current liabilities	90,953.7	0.0	90,953.7	0.0	0.0	0.0	
Current liabilities	43,897.1	-50.5	43,846.6	23.7	0.0	23.7	
Net assets	225,292.5	50.5	225,343.0	50,604.6	-49,506.2	1,098.4	
Net assets of non-controlling interests	101,513.8		101,513.8	2,144.5	-2,053.3	91.1	101,605.0
Revenue	32,197.5	0.0	32,197.5	0.0	0.0	0.0	
Net profit for the period	-5,786.4	0.0	-5,786.4	-96.7	12.5	-84.2	
Other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0	
Comprehensive income	-5,786.4	0.0	-5,786.4	-96.7	12.5	-84.2	
Net profit attributable to non-controlling interests	-2,983.5	0.0	-2,983.5	-11.4	0.5	-10.9	
Other comprehensive income attributable to non-controlling interests	0.0	0.0	0.0	0.0	0.0	0.0	
Total comprehensive income attributable to non-controlling interests	-2,983.5	0.0	-2,983.5	-11.4	0.5	-10.9	-2,994.4
Cash flow from operating activities	13,737.0			-103.0			
Cash flow from investing activities	-16,276.9			0.0			
Cash flow from financing activities	412.2			-800.0			
thereof dividend to non-controlling interests	0.0			-33.2			-33.2
Net increase (reduction) in cash and cash equivalents	-2,127.7			-903.0			

2019 financial year

in T€	MIA Group before elimination of intercompany transactions	Elimination of intercompany transactions	MIA Group after elimination of intercompany transactions	Others before elimination of intercompany transactions	Elimination of intercompany transactions	Others after elimination of intercompany transactions	Total
Percentage of non-controlling interests (indirect)	51.56%	51.56%	51.56%				
Percentage of non-controlling interests (direct)	49.90%	49.90%	49.90%				
Goodwill	28,407.6	0.0	28,407.6	0.0	0.0	0.0	
Other non-current assets	286,690.2	0.0	286,690.2	49,506.2	-49,506.2	0.0	
Current assets	58,329.2	0.0	58,329.2	2,025.5	0.0	2,025.5	
Non-current liabilities	90,867.9	0.0	90,867.9	0.0	0.0	0.0	
Current liabilities	51,480.2	-96.1	51,384.0	30.4	-3.7	26.6	
Net assets	231,078.9	96.1	231,175.1	51,501.3	-49,502.4	1,998.9	
Net assets of non-controlling interests	104,497.3		104,497.3	2,189.1	-2,053.8	135.2	104,632.6
Revenue	100,312.3	0.0	100,312.3	0.0	0.0	0.0	
Net profit for the period	32,716.1	0.0	32,716.1	6,297.5	-6,459.5	-162.0	
Other comprehensive income	-134.7	0.0	-134.7	0.0	0.0	0.0	
Comprehensive income	32,581.4	0.0	32,581.4	6,297.5	-6,459.5	-162.0	
Net profit attributable to non-controlling interests	16,868.4	0.0	16,868.4	239.5	-264.7	-25.2	
Other comprehensive income attributable to non-controlling interests	-69.5	0.0	-69.5	0.0	0.0	0.0	
Total comprehensive income attributable to non-controlling interests	16,799.0	0.0	16,799.0	239.5	-264.7	-25.2	16,773.8
Cash flow from operating activities	49,031.3			6,295.7			
Cash flow from investing activities	-24,873.5			0.0			
Cash flow from financing activities	-16,236.0			-4,870.0			
thereof dividend payment	-16,236.0						
thereof dividend payment to principal shareholder	-8,134.2						
thereof dividend to non-controlling interests	-8,101.8			-202.1			-8,303.9
Net increase (reduction) in cash and cash equivalents	7,921.8			1,425.7			

Statement by the Members of the Management Board

In accordance with Section 124 (1) Z3 of the Austrian Stock Corporation Act 2018

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, 11 March 2021

The Management Board



Günther Ofner
Member of the Board, CFO



Julian Jäger
Member of the Board, COO

Auditor's report

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of
Flughafen Wien Aktiengesellschaft, Schwechat

and its subsidiaries ("the Group"), which comprise the consolidated Balance Sheet as at 31 December 2020 and the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and the Notes to the Consolidated Financial Statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 31 December 2020, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code).

Basis for our Opinion

We conducted our audit in accordance with the EU Regulation 537/2014 ("AP Regulation") and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, however, we do not provide a separate opinion thereon.

In our opinion the key audit matters are the following:

1. Valuation of Investments in Property, Plant and Equipment and Investment Property
2. Recognition of Investments in Property, Plant and Equipment

1. Valuation of Investments in Property, Plant and Equipment and Investment Property

Refer to notes section IV. as well as note (7) and (46)

Risk for the Financial Statements

Valuation of property, plant and equipment and investment property is of particular significance, because property, plant and equipment and investment property in the amount of EUR 1,643.8 million represent 76% of Flughafen Wien AG's total assets.

At each reporting date, Management assesses whether there is any indication that an asset may be impaired or an impairment loss recognized in prior periods may no longer exist or may have decreased. In case of such triggering events, Management assesses property, plant and equipment and investment property by comparing the carrying amount of the asset to its fair value less costs of disposal. Fair value is determined by discounting future cash flows by a discounted cash flow method.

Determination whether impairment tests have to be performed is based on estimates and judgement. Valuation depends substantially on Management's estimate of future cashflows for purposes of the discounted cash flow calculation, the underlying discount rates, growth rates as well as the underlying planning periods. As such, the valuation is subject to significant estimation uncertainties.

There is a risk that property, plant and equipment is overstated in the financial statements.

Our Response

We assessed the valuation of property, plant and equipment and investment property as follows:

- » In order to assess whether triggering events have occurred, we obtained an understanding of the planning assumptions as well as the relevant processes and internal controls through inquiry of the Management. Additionally, we tested the operating effectiveness of selected internal controls. We further analysed the documentation ("trigger list") provided to us and compared the underlying estimates and assumptions with our understanding gained in the course of the audit of the financial statements, in particular with the analyses of actual results.
- » We evaluated the process and methods applied to the impairment testing of property, plant, and equipment and investment property and critically questioned whether these processes are adequate to appropriately value property, plant, and equipment and investment property. For those items of property, plant, and equipment and investment property, for which a formal determination of the fair value was made, we assessed the valuation model, the planning assumptions and the parameters used in the valuation on a sample basis.
- » On a sample basis, we agreed the planning figures on which the valuation is based to the mid-term planning approved by Management.
- » In consultation with our valuation specialists we evaluated the appropriateness of the underlying estimates in determining the discount rates by comparison with market and industry specific benchmarks and we obtained an understanding of the calculation model for determining the discount rates.
- » On a sample basis we compared actual cash flows as well as current planning figures with prior periods forecasts. We discussed deviations identified with Management.
- » We agreed the respective carrying amounts to the fixed assets subledger.

2. Recognition of Investments in Property, Plant and Equipmen

Refer to notes section IV. as well as note (14) and (15)

Risk for the Financial Statements

Investments in property, plant and equipment and investment property amount to EUR 76.9 million in 2020.

The Company assesses whether property, plant and equipment and investment property should be capitalized and in which amount. In particular in the case of construction projects not yet finalized, capitalisation of services performed requires estimates related to the stage of completion of the project.

Due to the requirements of the audit of the ongoing construction projects, the determination of acquisition and construction costs of property, plant and equipment and investment property is subject to uncertainties.

There is a risk that assets are recognized incorrectly resulting in an incorrect result for the period.

Our Response

We assessed the recognition of property, plant and equipment and investmetn property as follows:

- » In the course of our audit, we gained an understanding of the processes of and internal controls over the recognition of property, plant and equipment and investment property and we tested the operating effectiveness of selected internal controls.
- » For the purpose of assessing existence and accuracy of accrued acquisition and production costs we analysed to which extent additions to property, plant and equipment and investment property resulted from invoices received or cost accruals.
- » For a sample of projects, we discussed the status of the project and further development of the project with the responsible persons.
- » Moreover, we agreed a sample of additions to property, plant and equipment and investment property to the underlying documents.

Other Information

Management is responsible for other information. Other information is all information provided in the annual report, other than the consolidated financial statements, the group management report and the auditor's report. Until the date of this report we received the corporate governance report and the remaining parts of the annual report will probably be made available to us after this date.

Our opinion on the consolidated financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

If, on the basis of our work on the other information obtained before the date of the auditor's report, we conclude that there is a material misstatement of fact in other information, we must report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement – whether due to fraud or error – and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with the AP Regulation and Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the AP Regulation and Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

→ Moreover:

- » We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- » We obtain an understanding of internal control relevant to the audit 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.
- » We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- » We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the respective note in the consolidated fi-

financial statements. If such disclosures are not appropriate, we will modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- » We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- » We obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- » We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.
- » We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.
- » From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor's report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal Requirements

Group Management Report

In accordance with the Austrian company law, the group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with legal requirements. It is our responsibility to determine whether the consolidated non-financial statement has been prepared as part of the group management report, to read and assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

Management is responsible for the preparation of the group management report in accordance with the Austrian company law.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

Opinion

In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Statement

Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the group management report.

Additional Information in accordance with Article 10 AP Regulation

We were elected as auditors at the Annual General Meeting on 4 September 2020 and were appointed by the supervisory board on 4 November 2020 to audit the financial statements of Company for the financial year ending 31 December 2020.

We have been auditors of the Company, without interruption, since the consolidated financial statements at 31 December 2007.

We declare that our opinion expressed in the "Report on the Consolidated Financial Statements" section of our report is consistent with our additional report to the Audit Committee, in accordance with Article 11 AP Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 AP Regulation) and that we have ensured our independence throughout the course of the audit, from the audited Group.

Engagement Partner

The engagement partner is Mr. Walter Reiffenstuhl

Vienna, 11 March 2021

KPMG Austria GmbH

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Walter Reiffenstuhl

Wirtschaftsprüfer

(Austrian Chartered Accountant)



**Management Report for
the 2020 Financial Year**

Flughafen Wien AG

Description of the business model

As a civil airport operator, Flughafen Wien Aktiengesellschaft manages Vienna Airport and offers the entire range of related services. In addition to operational airport operations, this includes ground handling services, security services and other services.

The operating activities of Flughafen Wien AG are divided into several areas

→ Operations

The Operations segment is responsible for the operation and maintenance of all movement areas of the terminals, the facilities involved in passenger and baggage handling, as well as security controls for passengers and hand luggage at Vienna Airport.

→ Handling services

The provision of ground and cargo handling, as well as other services for the handling of aircraft and passengers, are located in the segment of 'Handling Services'.

→ Centre Management and Real Estate Management

'Centre Management' and 'Real Estate Management' are responsible for the areas of shopping and F&B, advertising, parking and the rental of office and cargo space.

→ Support

These areas are supported by the Information Systems, Finance and Accounting, Secretary General, Audit, Communications, Planning, Construction & Facility Management, Strategy, Controlling & Investment Management, Human Resources and Central Purchasing departments.

Note: Arithmetic differences can occur when adding rounded amounts and percentages due to the use of computer-aided tools. The same applies to other information such as headcount, traffic data, etc.

The business environment

The macroeconomic environment, especially economic growth, currency relations and the development of disposable incomes and international trade have a major influence on aviation performance. As an international hub in Central Europe, the economic development of Vienna Airport is primarily influenced by economic trends in the euro area and – given its geographical location – those in the Central and Eastern Europe (CEE) region in particular. The same applies to the airports of Malta and Košice, which are also significantly influenced by the general economic development in their region. Another key factor for FWAG is the economic and political situation in the Far East, the Middle East and Russia. The outbreak of the coronavirus pandemic in the first quarter of 2020 was followed around the world by sweeping measures to contain the further spread of the disease and to protect the population, which in turn resulted in a massive slump in economic output and air traffic. In 2020, the global economy shrank by 4.2%, while in the eurozone, economic output dropped by approx. 7.5%. The prospect of an effective and widely available vaccination, however, is laying the foundation for a gradual recovery. Current forecasts assume that the global economic output that had been achieved before the corona crisis will be restored by the end of 2021. (Source: OECD - Economic Outlook, December 2020) Growth rates for the eurozone of 3.6% in 2021 and 3.3% in 2022 have been forecast, albeit with a huge degree of uncertainty. (Source: OECD - Economic Outlook, December 2020). Austria's GDP declined by 7.3% in 2020. It is not expected to increase until the second quarter of 2021. (Source: WIFO Economic Outlook, 18 December 2020) The coronavirus pandemic is also influencing the situation on the labour market. While the rate of unemployment reached 10.2%, a further increase was avoided by means of extensive part-time working programmes. Recovery will be slow. According to forecasts, unemployment will drop slightly to 8.9% by 2023, while inflation will moderately decline to 1.3%. (Sources: OeNB – Economic Outlook for Austria, December 2020; WIFO – Economic Outlook, December 2020).

→ Tourism in Austria

The coronavirus pandemic has had a drastic impact on tourism in Austria. After a record year in 2019, overnight stays dropped by 35.9% in 2020, whereby overnight stays by foreign guests declined by 41.2% and by Austrian guests by 20.8%. The most severely affected was the federal capital of Vienna, where overnight stays in 2020 declined by 74% to 4.6 million (2019: 17.5 million). (Source: Statistik Austria)

→ Travel in Austria

Travel by the Austrian population also declined severely as a result of the pandemic. While 16.8 million holiday trips were taken in the first three quarters of 2019, this number dropped to 11.5 million in 2020, a reduction of just under 32%. Holiday trips within Austria only declined by 2% in the same period. Business trips were more severely affected. In the first three quarters of 2020, the number of business trips was 40.5% lower than the same period of the previous year. (Source: Statistik Austria).

Traffic at Vienna Airport 2020

Considerable drop in the number of passengers (-75.3%) due to the outbreak of the coronavirus pandemic

Traffic indicators	2020	Change	2019	2018
Passengers (in million)	7.8	-75.3%	31.7	27.0
Thereof local passengers (in million)	6.3	-74.1%	24.3	20.3
Thereof transfer passengers (in million)	1.5	-79.2%	7.2	6.7
Thereof transit passengers (in million)	0.0	-89.5%	0.2	0.1
Aircraft movements	95,880	-64.1%	266,802	241,004
MTOW (in mill. tonnes)	4.0	-63.3%	10.9	9.6
Cargo (air cargo and trucking; in tonnes)	217,888	-23.2%	283,806	295,427
Seat load factor in %	57.4	n.a.	77.3	76.0
Number of destinations	201	-7.4%	217	205
Number of airlines	75	-2.6%	77	74

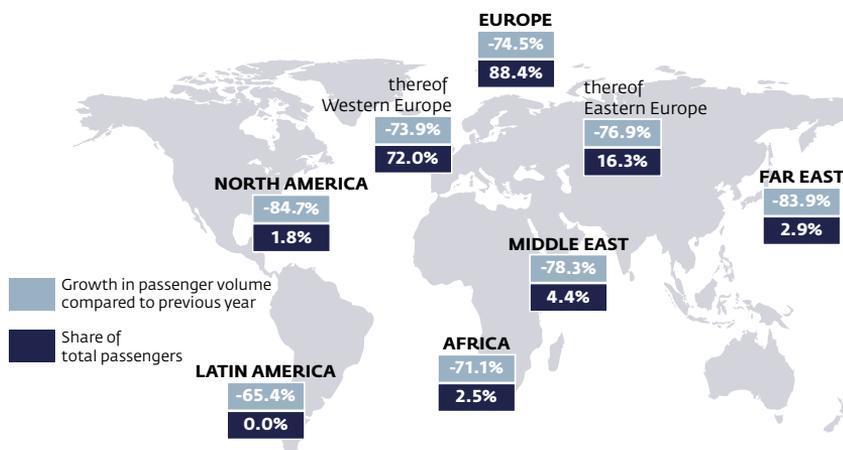
The worldwide effects of the global COVID-19 pandemic could also be strongly felt at Vienna Airport. In 2020, only a total of 7,812,938 passengers were handled - a decline of 75.3% to a number last recorded in 1994. In the first two months of 2020, the successful traffic development of previous years continued. At 4,111,134 passengers, this represented more than half of the total number for 2020. The first negative effects of the spread of coronavirus began to be felt at the end of February. From mid-March, passenger flights came to a virtual standstill for several months as a result of the global travel warnings. Continued travel warnings throughout the summer months as well as continuously changing travel guidelines meant there was only a slight recovery, generally to holiday destinations within Europe. Due to the reintroduction of travel restrictions in autumn and further lockdowns in Austria towards the end of the year, the decline in passenger numbers continued through to the end of the year. The number of local passengers decreased year-on-year to 6,298,880 - a decline of 74.1%. Its share of the total passenger volume increased by 3.8 percentage points to 80.6%. The number of passengers in transfer traffic dropped to 1,497,946 (down 79.2%). Key traffic indicators also followed a negative trend as a result of the COVID-19 pandemic. The number of aircraft movements dropped by 64.1% to a total of 95,880 take-offs and landings, the average seat load factor on scheduled and charter flights decreased by 19.9 percentage points to 57.4% and the maximum take-off weight (MTOW) declined by 63.3% to 3,987,681 tonnes. Cargo traffic, on the other hand, recorded a similar decline of 23.2% to 217,888 tonnes. 75 airlines flew to Vienna Airport in 2020, serving 201 destinations in 65 countries for scheduled flights.

Development of passenger numbers at Vienna Airport

→ Departing passengers in 2020 (scheduled and charter) by region

Region	2020	2019	Change	Share in 2020	Share in 2019	Change to share in percentage points
Western Europe	2,801,567	10,717,728	-73.9%	72.0%	68.0%	+4.0
Eastern Europe*	635,285	2,755,423	-76.9%	16.3%	17.5%	-1.1
Far East*	112,304	698,436	-83.9%	2.9%	4.4%	-1.5
Middle East	172,979	797,495	-78.3%	4.4%	5.1%	-0.6
North America	70,087	459,377	-84.7%	1.8%	2.9%	-1.1
Africa	96,353	333,305	-71.1%	2.5%	2.1%	+0.4
Latin America	205	593	-65.4%	0.0%	0.0%	0.0
Total	3,888,780	15,762,357	-75.3%	100.0%	100.0%	

*) Deviation from traffic data published in 2019 as a result of an update to the allocation of destinations within the respective regions



Departed passengers, development in 2020 compared to 2019 and share of total passenger volume in 2020

In 2020, all regions recorded a huge decline as a result of the COVID-19 pandemic and the resulting travel restrictions. Passenger volume to Western Europe fell by 73.9% to 2,801,567 departing passengers. This region's share of passenger volume increased by 4.0 percentage points to 72.0%. With regard to Eastern Europe, 635,285 departing passengers were handled, representing a decline of 76.9%. The share of passengers to this region decreased by 1.1 percentage points to 16.3%. The Far East reported a downturn of 83.9% to 112,304 departing passengers. Its share of the passenger volume decreased by 1.5 percentage points to 2.9%. Passenger traffic to the Middle East dropped by 78.3% to 172,979 departing passengers. Its share of the total passenger volume decreased by 0.6 percentage points to 4.4%. Passenger traffic to North America declined by 84.7% to 70,087 departing passengers. The region's market

share decreased by 1.1 percentage points to 1.8%. Traffic bound for Africa decreased by 71.1% to 96,353 departing passengers. Its market share of the total passenger volume increased by 0.4 percentage points to 2.5%.

Development of key airlines at Vienna Airport

→ Passenger volume by airline in 2020

Airline	2020	Change	2019	Share in 2020	Share in 2019
Austrian	3,023,467	-77.9%	13,673,856	38.7%	43.2%
Ryanair/Lauda	1,158,848	-56.4%	2,656,939	14.8%	8.4%
Wizz Air	865,336	-58.4%	2,080,809	11.1%	6.6%
Eurowings	362,453	-84.1%	2,277,788	4.6%	7.2%
Lufthansa	228,314	-68.7%	730,061	2.9%	2.3%
easyJet	210,845	-82.9%	1,235,356	2.7%	3.9%
Turkish Airlines	205,927	-62.6%	550,309	2.6%	1.7%
SWISS	121,481	-72.7%	445,260	1.6%	1.4%
Emirates	119,630	-71.2%	415,533	1.5%	1.3%
KLM Royal Dutch Airlines	117,891	-68.9%	379,618	1.5%	1.2%
Other	1,398,746	-80.6%	7,216,660	17.9%	22.8%
Thereof Lufthansa Group ¹	3,772,787	-78.2%	17,318,078	48.3%	54.7%
Thereof low-cost carriers ²	2,509,876	-67.2%	7,663,225	32.1%	24.2%
Total passengers	7,812,938	-75.3%	31,662,189	100.0%	100.0%

1) Lufthansa Group (100% subsidiaries): Austrian, Brussels, Eurowings, Lufthansa and SWISS

2) Deviation from 2019 management report due to an update to LCC allocation

Austrian Airlines, still the biggest customer at the site, recorded the largest relative decline of 77.9% in comparison to the other airlines stationed at the site as a result of the pandemic. In 2020, Austrian Airlines handled 3,023,467 passengers. The share of total passenger volume decreased by 4.5 percentage points to 38.7%. Scheduled flights were suspended at the start of the first lockdown in Austria from 18 March up to and including 14 June. During this period, the airline worked in cooperation with the government to fly stranded passengers home and transport medical equipment on cargo flights. The second largest carrier at the site, Ryanair/Lauda, also suspended flights from 16 March up to and including 23 June. In 2020, the airline handled 1,158,848 passengers (down 56.4%). Despite the decline in the number of passengers, the market share of the total passenger volume increased by 6.4 percentage points to 14.8%. Wizz Air stopped scheduled flights from 24 March up to and including 30 April as a result of the pandemic. The market share of the total passenger volume increased by 4.5 percentage points to 11.1% as a result of increasing its capacities prior to the outbreak of the pandemic in January and February and resuming flights earlier than its competitors at the start of May. In 2020, the airline handled 865,336 passengers (down 58.4%).

Decline in cargo volume (down 23.2%)

In 2020, the cargo sector again held its ground against the second cargo handling provider (Swissport) in an extremely difficult general environment with an average market share of 94.6%. FWAG handled 206,085 tonnes of cargo in the reporting year, a decrease of 24.0% compared to 2019. This negative development is the result of the temporary complete suspension of flights and the reduction in long-haul flights as well as the general downturn in global economic activity. Total cargo turnover at Vienna Airport in 2020 (including the second cargo handling provider) amounted to 217,888 tonnes, which likewise equates to a decline of 23.2%. While the air cargo handled fell by 27.6% year-on-year to 148,172 tonnes, the trucking volume remained relatively constant at 69,715 tonnes (-11.8%). Within the context of air cargo, the cargo segment was able to compensate for the decline in belly cargo somewhat with a growth of 27.9%. While export declined by 32.8%, import remained relatively stable with a decline of just minus 14.1%. In addition to imported relief supplies, this was due mainly to the fact that Vienna Airport was able to maintain its position as a hub for Central and Eastern Europe for the electronics and automotive industry.

Fee and incentive policy at Vienna Airport

The fee adjustments based on the price cap formula and the procedure for adjustments in 2020 were regulated by the Austrian Airport Charges Act. Vienna Airport has a fee system that is highly attractive by international comparison. As at 1 January 2020, fees were adjusted on the basis of a price cap formula that was agreed between airlines and the Austrian Civil Aviation Authority (Austrian Ministry for Climate Protection, Environment, Energy, Mobility, Innovation and Technology (BMK)) and is embedded in the Austrian Airport Charges Act. 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, landside infrastructure fee and security fee are based on the number of passengers. The infrastructure fee for fuelling is based on the volume of fuel. Specifically, the maximum change in the fee is calculated from the rate of inflation less 0.35-times the traffic growth. Traffic growth is calculated using the three-year average, with each twelve month period running from 1 August to 31 July. If traffic growth is negative, the maximum fee adjustment is equal to the rate of inflation. After appropriate consultation with the airlines, FWAG applied for the following fee adjustments from 1 January 2020, which were approved by the Austrian Civil Aviation Authority:

Landing fee, infrastructure fee airside, parking fee:	- 0.830%
Passenger fee, infrastructure fee landside, security fee:	- 1.676%
Fuelling infrastructure fee:	- 1.268%

The PRM (passengers with reduced mobility) fee was unchanged at € 0.46 per departing passenger. The security fee for 2020 was € 8.32 per departing passenger, taking into account the change in line with the price cap formula. The transfer incentive, which is intended to boost Vienna Airport's role as a transfer airport, was € 12.50 per departing transfer passenger in 2020. In addition, the volume incentive was used to encourage sustainable passenger volumes of airlines with a base in Vienna. Start-up assistance for the development of additional passenger growth under certain conditions was also continued in the form of the success-based incentive. In 2020, FWAG also continued its incentive programme – comprising destination and frequency incentives in addition to a high-frequency incentive – which promotes the role of Vienna Airport as a bridgehead between east and west in the long term. As a result of the COVID-19 pandemic and the associated drastic decline in air traffic, passenger airlines are being offered the landing fee incentive for 2020 and the ramp-up incentive for 2021, which are intended to support airlines in resuming flights from and to Vienna Airport.

Revenue in 2020

Flughafen Wien AG's revenue amounted to € 298.7 million in 2020 (2019: € 755.6 million), down 60.5% on the comparative period. The global introduction of limitations on entry to other countries and contact between people due to the COVID-19 pandemic as well as the associated flight cancellations was the key factor driving the revenue decline.

In the reporting year, airport revenue declined by 72.4% or € 289.4 million to € 110.5 million. The reduction in MTOW, the index-based rise in the fee, fewer aircraft movements and the landing fees not charged from the end of March reduced revenue from landing fees by 62.5% year-on-year to € 35.4 million. In line with the decline in passenger numbers (-75.3%), the passenger fee (not including PRM) decreased by 75.7% to € 66.9 million. The security fee of € 32.4 million is likewise 75.7% or € 101.0 million lower than in the previous year. Discounts therefore decreased by 72.6% or € 112.4 million overall to € 42.3 million.

In 2020, handling revenue fell by 49.8% to € 75.6 million. Revenue from individual services amounted to € 10.0 million (2019: € 16.0 million). This € 6.0 million decline in revenue primarily stemmed from lower de-icing revenue on account of the winter in 2020. Cargo revenue amounted to € 28.5 million (2019: € 34.0 million), down by € 5.5 million from the previous year's figure; cargo volume decreased by 23.2%. Revenue from ramp handling of € 31.4 million is € 53.8 million lower than in 2019. Traffic revenue decreased by € 9.4 million or 59.4% to € 6.4 million. Discounts from handling revenue amounted to € 0.7 million (2019: € 0.4 million).

The average market share of VIE handling (aircraft/movements) in total volume at Vienna Airport declined slightly to 89.8% (2019: 85.0%).

Non-aviation revenue including revenue from Group companies decreased by 45.1% or € 92.4 million in 2020 to € 112.6 million. Income from affiliate services (Group companies) decreased by € 8.0 million to € 23.5 million (adjustments of intragroup settlements).

Earnings

The development of earnings at Flughafen Wien AG in the 2020 financial year can be summarised as follows:

Income statement, summary

Amounts in € million	2020	C. in %	2019
Revenue	298.7	-60.5	755.6
Other operating income (including own work capitalised)	65.6	n.a.	9.5
Operating income	364.3	-52.4	765.1
Operating expenses, not including depreciation, amortisation and impairment	-338.7	-32.3	-500.7
EBITDA	25.6	-90.3	264.4
Depreciation, amortisation and impairment	-104.2	8.2	-96.3
EBIT	-78.6	-146.8	168.0
Financial result	6.4	-64.9	18.1
EBT	-72.3	-138.3	186.1
Income taxes	22.1	-159.5	-37.2
Net loss/income for the year	-50.1	-133.6	149.0

In 2020, revenue at Flughafen Wien AG declined by 60.5% or € 456.9 million to € 298.7 million due to the sharp drop in passenger numbers as a result of the travel restrictions and social distancing rules in response to the pandemic. Aviation income fell by 66.2% to € 186.1 million. Non-aviation revenue also decreased by 45.1% to € 112.6 million as a result of the pandemic-related rental restrictions.

Own work capitalised declined year-on-year to € 1.3 million (2019: € 2.7 million). Other operating income (not including own work capitalised) was € 54.4 million higher than the previous year's level at € 64.3 million. This increase is primarily attributable to higher income from the reversal of provisions of € 7.8 million and the recognition of COVID-19 short-time work assistance of € 53.4 million. The miscellaneous other income also includes € 1.4 million in lockdown revenue compensation granted by the federal government as part of the COVID-19 assistance. Income from disposals and write-ups of fixed assets amounted to € 0.8 million (2019: € 1.3 million). Income from the reversal of provisions of € 7.9 million was therefore higher than the previous year's figure of € 4.2 million. Other operating income increased by € 54.4 million year-on-year to € 55.5 million.

Operating expenses down 25.8% to € 443.0 million

Amounts in € million	2020	2019
Consumables, purchased services	44.1	74.0
Personnel expenses	193.6	243.0
Other operating expenses	101.1	183.8
Depreciation, amortisation and impairment	104.2	96.3
Total operating expenses	443.0	597.1

Expenses for consumables and purchased services decreased by 40.4% to € 44.1 million after € 74.0 million in the previous period as a result of the sharp drop in passenger numbers and the

cost savings programmes initiated in the COVID-19 pandemic. The cost of materials decreased by € 7.4 million to € 6.9 million due to lower consumption of de-icing materials, fuel and materials. Energy expenses were reduced by € 4.0 million to € 9.3 million. Expenses for security services from Vienna International Airport Security Services Ges.m.b.H. (VIAS) fell to € 20.8 million (2019: € 44.2 million). Other purchased services increased due to services relating to PCR tests, offset by corresponding external revenue.

In total, personnel expenses fell by 20.3% or € 49.3 million to € 193.6 million (2019: € 243.0 million), with wages reduced by € 12.0 million to € 71.7 million and salaries by € 16.1 million to € 72.0 million. This reduction is essentially due to the COVID-19-related short-time work introduced at the Vienna site from 16 March as well as the accompanying measures to use up holiday time, overtime hours and flexitime credit. Grants relating to short-time work were recognised in other operating income. The total average headcount (wage-earning and salaried employees, in FTE) decreased slightly by 1.0% to 3,140 (2019: 3,172).

Expenses for severance compensation decreased by € 13.3 million to € 5.9 million (2019: € 19.2 million). Expenses for pensions fell by € 0.8 million to € 3.0 million (2019: € 3.8 million).

Social security expenses decreased by € 5.0 million to € 40.0 million (2019: € 45.0 million). Other employee benefit expenses decreased by € 2.1 million to € 1.1 million (2019: € 3.2 million).

Other operating expenses decreased by € 82.8 million to € 101.1 million (2019: € 183.8 million) as a result of the cost reduction programme initiated as soon as the COVID-19 pandemic began. Expenses for marketing and market communication decreased by € 8.0 million to € 2.8 million, maintenance expenses fell by € 25.7 million to € 12.0 million and third-party services from Group companies by € 26.3 million to € 62.7 million in the reporting year. Legal, auditing and consulting costs were reduced by € 2.0 million to € 2.3 million, expenses for third-party personnel by € 12.5 million to € 5.7 million. Valuation allowances of € 1.6 million (2019: € 0.1 million) had to be made on receivables in the reporting year.

EBITDA down 90.3% to € 25.6 million

Flughafen Wien AG's earnings before interest, taxes, depreciation and amortisation (EBITDA) decreased by 90.3% in the reporting year to € 25.6 million (2019: € 264.4 million).

Depreciation and amortisation of € 104.2 million

Amounts in € million	2020	2019
Depreciation and amortisation including impairment	104.2	96.3
Capital expenditure (incl. financial assets)	56.6	145.1

Investments in intangible assets amounted to € 5.6 million in 2020 while investments in property, plant and equipment were at € 51.0 million (including reclassifications). Impairment of € 8.0 million was recognised in the reporting year. See the remarks in the notes.

Depreciation and amortisation decreased only slightly year-on-year by € 0.3 million to € 93.5 million.

EBIT down 146.8% to minus € 78.6 million (2019: € 168.0 million)

As a result of the higher impact from depreciation and amortisation and the lower operating earnings, EBIT at Flughafen Wien AG decreased by 146.8%, or € 246.7 million to minus € 78.6 million.

Positive financial results of € 6.4 million

The financial results decreased by € 11.7 million to € 6.4 million. This is largely due to lower income from investments in subsidiaries and other investments of Flughafen Wien AG of € 18.7 million (2019: € 31.7 million).

Net interest result decreased by € 1.0 million to minus € 13.5 million due to lower interest expenses resulting from the repayment (less borrowings) of financial liabilities in the reporting year and interest income from investment in time deposits.

Earnings before taxes down 138.8% to minus € 72.3 million

Flughafen Wien AG generated negative earnings before taxes of minus € 72.3 million in 2020 (2019: € 186.1 million). Tax income amounted to € 22.1 million (2019: tax expenses of € 37.2 million). The net loss for the reporting year amounted to € 50.1 million (net income for 2019: € 149.0 million).

Financial, asset and capital structure

Finance sheet structure of Flughafen Wien AG

	2020	2019
Assets		
Fixed assets in %	85.1	83.8
Current assets ¹ in %	14.9	16.2
Total assets in T€	1,855,927.9	1,954,608.3
Equity and liabilities		
Equity ² in %	54.2	54.2
Liabilities in %	45.7	45.8
Total equity and liabilities in T€	1,855,927.9	1,954,608.3

1) Including prepaid expenses and deferred tax assets

2) Including government grants

Total assets of Flughafen Wien AG amounted to € 1,856.0 million as at 31 December 2020, a decrease of 5.0% as against 2019 (2019: € 1,954.65 million). The capital-intensive nature of the company's business activities is reflected in the share of fixed assets of 85.1% (2019: 83.8%). Current assets decreased in the area of trade receivables and other receivables in particular on account of the investment in time deposits and securities.

The equity ratio (including government grants) was nearly unchanged compared with 2019 at 54.3%. Due to the reduction in liabilities, which was offset by the take-up of financial liabilities, the debt ratio fell only slightly to 45.7% (2019: 45.8%).

Assets

In the reporting year, fixed assets decreased by 3.5% from € 1,637.1 million to € 1,580.2 million due to reduced investing activities. The carrying amount of intangible assets rose by 32.7% to € 11.5 million (2019: € 8.7 million). Additions, including reclassifications of € 5.6 million, were offset by amortisation of € 2.7 million.

Property, plant and equipment was the largest component of assets with a carrying amount of € 1,146.7 million. Additions (including reclassifications) of € 51.0 million were offset by depreciation of € 101.5 million and carrying amount disposals of € 2.0 million.

The carrying amount of land and buildings including buildings on third-party land declined by 4.4% to € 816.3 million. Capital expenditure (additions to fixed assets and the completion of assets formerly under construction) amounted to € 2.1 million, while depreciation was recognised in the amount of € 50.3 million in 2020.

The item "Technical equipment and machinery" also declined to € 130.9 million (2019: € 150.5 million) as a result of the recognition of depreciation of € 25.0 million and additions (including reclassifications from assets under construction) of € 5.9 million.

A total of € 13.1 million was invested in other equipment, operating and office equipment in 2020 (additions to assets and completion of assets formerly under construction). Depreciation in the financial year amounted to € 19.2 million. The carrying amount as at 31 December 2020 was € 61.6 million (2019: € 67.8 million).

Projects under construction, including prepayments, amounted to € 138.0 million as at the end of the reporting period (2019: € 126.7 million), which also include payments in connection with the third runway and the terminal development projects.

The shares in subsidiaries were unchanged in the reporting year at € 268.7 million. Loans to subsidiaries include repayments of € 7.4 million.

Current assets (not including prepaid expenses or deferred taxes) decreased by 15.8% to € 239.0 million in 2020 (2019: € 284.0 million). This is essentially due to lower other receivables, which include time deposits of € 40.7 million (2019: € 125.7 million). Trade receivables fell by 75.4% from € 46.6 million to € 11.5 million. Receivables from subsidiaries increased from € 3.9 million to € 5.5 million. Receivables from companies in which an investment is held declined to € 0.1 million (2019: € 0.2 million).

Inventories decreased slightly by 2.8% to € 3.8 million (2019: € 3.9 million), while the sale of two funds is reflected in the decrease in securities from € 47.0 million to € 17.0 million. Cash and cash equivalents increased by € 89.7 million to € 131.4 million. For information on liquidity, please refer to the remarks in the notes.

Prepaid expenses rose by € 0.2 million to € 2.2 million on account of higher prepayments. Deferred tax assets amounted to € 34.5 million against € 31.5 million in the previous year and mainly related to deferred taxes for employee-related provisions and fixed assets.

Equity and liabilities

Flughafen Wien AG's equity (including government grants) fell by 5.0% to € 1,006.9 million in the reporting year (2019: € 1,059.8 million). The net loss for the year amounts to € 50.1 million.

Provisions fell by 31.1% to € 233.5 million in the reporting year (2019: € 339.0 million). This was chiefly due to lower other provisions due to reduced construction activity, lower provisions for outstanding discounts/incentives and reduced other personnel provisions due to the reduction in holiday during the short-time work phase.

Liabilities to financial institutions increased by 30.6% to € 392.0 million as a result of taking up cash advances to secure liquidity. Trade payables fell by 49.3% to € 18.9 million as at the end of the reporting period (2019: € 37.4 million). Liabilities to subsidiaries decreased by 8.0% year-on-year to € 148.3 million (2019: € 161.1 million); these include financing liabilities and other liabilities regarding funds invested for subsidiaries. Liabilities to companies in which an investment is held fell by € 1.6 million to € 7.1 million as a result of lower funds invested.

Other liabilities increased slightly from € 29.8 million to € 31.1 million. Deferred income included net reversals of € 0.7 million.

Cash flow statement

in T€	2020	2019
Net cash flow from operating activities:		
+/- Net income for the year	-50.116,9	148.956,0
+ Depreciation, amortisation and impairment	104.219,6	96.346,0
- Write-ups of property, plant and equipment	0,0	0,0
- Write-ups of financial assets	-46,5	-75,8
- Change in government grants	-239,6	-172,3
+/- Change in employee-related provisions	-8.251,2	10.538,2
+/- Change in other non-current provisions	54,0	517,5
Gains (-)/losses (+) on disposals of tangible assets and property, plant and equipment	-448,1	-620,8
+/- Gains (-)/losses (+) on disposals of financial assets	-409,1	0,0
Cash flow from ordinary business	44.762,1	255.488,8
-/+ Increase/decrease in inventories	111,8	-57,9
-/+ Increase/decrease in trade receivables	35.127,1	1.156,6
-/+ Change in receivables from Group companies	-1.382,3	7.943,6
Increase/decrease in other receivables and assets, and prepaid expenses	-14.359,8	21.423,9
+/- Increase/decrease in trade payables and other provisions, including tax payments	-102.596,8	45.374,0
+/- Increase/decrease in liabilities to Group companies	-14.420,4	-20.043,3
+/- Increase/decrease in other liabilities and deferred income	634,4	-7.113,8
	-96.886,0	48.683,0
Cash flow from operating activities	-52.123,8	304.171,8
Net cash flow from investing activities:		
- Payments for investments in tangible assets and property, plant and equipment	-71.111,1	-96.903,8
+ Payments from intangible assets and property, plant and equipment	829,5	6.071,5
+ Payments received of non-repayable grants	204,7	345,0
- Payments for investments in financial assets	-8,0	-27.376,6
- Payments for securities	0,0	-30.000,0
+ Payments from short-term investments	85.674,6	106.089,4
- Payments made for current investments	-692,4	-105.738,5
- Acquisition of own shares	-2.727,4	-1.805,3
+ Proceeds from disposal of financial assets and current securities	37.733,7	15.312,8
	49.903,7	-134.005,5
Net cash flow from financing activities:		
- Dividend payments	0,0	-74.760,0
+/- Change in medium-and short-term financial liabilities	91.945,0	-56.961,5
	91.945,0	-131.721,5
Change in cash and cash equivalents	89.724,8	38.444,8
+ Cash and cash equivalents at the beginning of the period	41.719,2	3.274,3
Cash and cash equivalents at the end of the period	131.444,0	41.719,2

As a result of the earnings slump due to the COVID-19 pandemic, operating cash flow is negative at € 52.1 million. The positive operating cash flow of € 44.8 million is more than offset primarily by the reduction of liabilities and provisions. Despite the negative operating cash flow, positive net cash flow from investing activities of € 49.9 million due to the change in current investments and securities, together with net cash flow from financing activities due to the take-up of loans, results in an increase in cash and cash equivalents of € 89.7 million.

Capital expenditure

Capital expenditure for intangible assets, property, plant and equipment, and financial assets rose amounted to € 56.6 million. Capital expenditure included € 55.7 million for tangible assets and € 0.9 million for intangible assets. Financial assets include capital expenditure of T€ 0.8, primarily for loans.

The largest additions to property, plant and equipment related to capital expenditure of € 23.0 million for the terminal alteration, of € 3.8 million for the lounges and of € 2.0 million for land.

Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. In particular, financial assets include financial investments such as consolidated and other investments, securities, trade receivables, loans and other receivables, primary and derivative financial assets and cash and cash equivalents. Financial liabilities usually grant the creditor a claim to receive cash and cash equivalents or other financial assets. In particular, they include liabilities due to financial institutions, trade payables and derivative financial liabilities. Financial assets and financial liabilities are usually reported without netting, except in cases where there is a legally enforceable right to offset the amounts and settlement will take place on a net basis.

Vienna Aircraft Handling Gesellschaft m.b.H. was granted an option that provides for Flughafen Wien AG to acquire the shares in Flugplatz Vöslau Betriebs GmbH at a fixed purchase price of cost plus all grants recognised on the holding (T€ 8,673.4).

Financial and capital management

Financial management at Flughafen Wien AG uses a system of performance indicators based on carefully selected and coordinated figures. These key performance indicators define the tightrope between growth, profitability and financial security that FWAG walks in the pursuit of its primary goal to generate profitable growth.

The protection of high profitability is a stated long-term goal of management. Depreciation and amortisation have a significant influence on FWAG's earnings figures. In order to permit an independent assessment of the operating strength and performance of the individual business segments, EBITDA (earnings before interest, taxes, depreciation, amortisation and impairment) is defined as the key indicator together with the EBITDA margin, which is the ratio of EBITDA to revenue. The EBITDA margin was 8.6% in the 2020 financial year after 35.0% in the previous year. The development of operational and financial key performance indicators is negative due to the significantly reduced traffic volume, but is not a risk to the survival of the company.

The optimisation of the financial structure has top priority. At Group level, this financial security is measured by the gearing ratio, which compares net debt with the carrying amount of equity. The ratio of net debt to EBITDA is also used to manage the financial structure.

Financial liabilities increased, due essentially to taking up short-term cash advances in the 2020 financial year, but this was offset by scheduled repayments. Cash and cash equivalents, including time deposits (other receivables of € 40.7 million; 2019: € 125.7 million), amounted to € 172.1 million as at the end of the reporting period (2019: € 167.4 million). Further details on liquidity and going concern can be found in under "Effects of COVID-19" in the notes.

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

→ Profitability indicators in € million and %

	2020	2019
EBIT in € million	-78.6	168.0
EBITDA in € million	25.6	264.4
EBIT margin in %	-26.3	22.2
EBITDA margin in %	8.6	35.0
ROE in %	-5.0	14.6

Definition of indicators:

EBIT margin

EBIT = earnings before interest and taxes

Formula: EBIT/revenue

EBITDA margin

EBITDA = earnings before interest, taxes, depreciation and amortisation

Formula: (EBIT + depreciation and amortisation)/revenue

ROE

Return on equity after tax

Formula: Net loss for the year/average equity (including government grants)

Average equity: (equity in the prior year + equity in the current year)/2

Risks of future development

Risk management system

FWAG uses a risk management system that identifies, analyses, assesses and suitably handles relevant risks. This system is shown in the following diagram:



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

The risk management system for the entire Group is uniformly based on the Committee of Sponsoring Organisations of the Treadway Commission's (COSO) "Standard for Enterprise Risk Management", implemented in a separate policy. Malta Airport has issued its own risk management policy, which is based on the uniform Group-wide standards referred to above and is located within strategic controlling. This centrally coordinates all risk management activities. Risk owners and risk officers in the business units and affiliated companies are responsible for its implementation. The risk management cycle, consisting of risk identification, risk assessment and aggregation, risk control and assignment of measures, and final reporting, runs efficiently. Documentation of the entire risk management system takes place in the form of process and risk management software that serves as a central database for all identified risks and associated measures. The internal control system (ICS) covers aspects of risk management in the sense of ensuring the reliability of operational reporting and compliance with the associated laws and provisions in addition to protecting the assets of the Flughafen Wien Group. In addition, the internal audit department of Flughafen Wien AG regularly evaluates business practices and organisational processes for compliance with Group guidelines, security and usefulness. The existing systems are evaluated on a regular basis and extended as required. Risk management is complemented by Group-wide innovation management, used to identify new earnings potential in all areas of the company at an early stage and to develop them to market readiness. For further information, refer to the following text section.

Economic, political and legal risks

The development of business is significantly influenced by global, European and regional aviation trends, which in turn are heavily dependent on general economic conditions. Economic fluctuations or a sustained slowdown in economic growth can therefore have a decisive influence on the business performance of the company. The overall risk position of the FWAG Group has changed significantly as a result of the coronavirus pandemic and the resulting

economic downturn. Uncertainties in the geopolitical field persist in the shape of the political ties between the European Union and Russia as well as the sanctions imposed, with little impact on FWAG. In 2020, the departure of the UK from the European Union was concluded. A transition period until 31 December 2020 was agreed in order to achieve an agreement on a trade deal between Great Britain and the EU, which was signed on 30 December 2020. The agreement entered into force provisionally on 1 January 2021, until ratification by the European Parliament. The two parties granted comprehensive traffic rights for aviation within the agreement, namely the first four freedoms of air travel. The fifth freedom (i.e. the place of departure or arrival must be in the territory covered by the agreement, whereby stopovers are possible) can also be granted within a bilateral agreement with the individual Member States; cabotage (the provision of transport services by a company not located within the territory covered by the agreement) is, however, explicitly excluded. The agreement is not expected to have any negative effects on Vienna Airport. Transit flights, which fall under the fifth freedom, have no major relevance to Vienna Airport and can be conceded quickly and easily by means of a bilateral agreement. Within the scope of the agreement, the right to cabotage within the EU is reserved only for airlines with headquarters and ownership within the EU area. British airlines can only achieve this by founding subsidiaries in the EU, as was the case with easyJet, for example, which founded easyJet Europe in Austria in 2017. Brexit may be of greater relevance, with a negative impact, for Malta Airport. Great Britain accounted for a share of around 19.6% of the passenger volume in 2020. This may have negative impacts on the traffic volume in the short term. This risk has been significantly minimised by the agreement that has now been concluded, however, as Malta remains primarily a holiday destination for point-to-point traffic. Political tension and terrorist threats in individual countries and regions have a negative impact on bookings in the respective tourist destinations. In the past, however, it has been observed that such declines were of a short-term nature or were compensated by other destinations. Negative sales effects are possible in duty free business if passengers from non-EU destinations avoid destinations within the internal market. For the evaluation of the ground handling services regulation (BVD), a roadmap was published in February 2019 that provides for evaluation by 2021. The outcome of this evaluation is not yet known. A further increase in the number of handling agents in the restricted-access ground handling services would further heighten the competitive and price pressure on the market. Aviation has been included in the European Union Emissions Trading System (EU ETS) since 2012, the costs of which may increase significantly in the coming years, however. This could result in air traffic becoming more expensive in the European context. Both at national and European level, climate protection is currently a key issue. At EU level, the European Commission is presenting its work under the "European Green Deal". A dedicated "Climate Law" has also been announced, although this is currently still at the legislative process phase. This defines measures and targets for the Member States for reducing their emissions. These targets will have to be incorporated into national legislation by the Member States. In 2020, the European Council approved a new emission reduction target for 2030. Internally, by 2030 net greenhouse emissions are to be reduced by at least 55% in comparison with 1990, a significant increase on previous targets by 40. It is not currently possible to fully estimate the effects of these resolutions on aviation. It can, however, be assumed that a higher price will be applied to CO₂ emissions, which - depending on the price elasticity of demand - may slow down the growth in market demand. Within the scope of the ACI Europe initiative, Vienna Airport has committed to reducing its CO₂ emissions to zero by 2050. The ACI Europe is committed to achieving its targets of climate neutrality in 2050 within the scope of the "European Green Deal". In Austria, the federal government announced an eco-social tax reform as part of its government programme. The increase in air ticket tax for short- and medium-haul flights was implemented on 1 September 2020. Furthermore,

changes in regulatory requirements or other relevant legal principles can negatively influence the company's results. FWAG does not anticipate any changes to the current regulations on permissible flight operating times or current night flight rules.

Non-compliance with legal requirements can give rise to liability on the part of management or the Management Board. Compliance with the relevant regulations is therefore ensured by internal guidelines, such as the Issuer Compliance Guideline and the Market Abuse Regulation (MAR). To prevent abuse or forwarding of insider information, the necessary non-disclosure areas have been established in FWAG.

Market and competitive risks

The coronavirus pandemic is the greatest crisis in the history of commercial aviation, with far-reaching ramifications for the airlines operating at Vienna Airport. In 2020, European air traffic effectively came to a standstill for months. This situation is an existential threat for many airlines. The IATA (International Air Transportation Association) anticipates a global decline of 60.5% in the number of departing passengers in 2020. A widely available and effective vaccination in conjunction with comprehensive testing should lay the foundation for recovery in 2021. A passenger volume of around 50% of the level prior to the corona crisis is forecast. Air cargo traffic supported the global supply and delivery chains during the coronavirus pandemic and was therefore less negatively impacted by the crisis. A decline of 11.5% is assumed for 2020, measured in terms of cargo and air mail tonne kilometres. In 2021, the level is expected to reach that of 2019 (+13.1%). (Source: IATA Economic Performance of Airline Industry, November 2020).

It is currently expected that the traffic volume seen in 2019 will be regained only in the medium term. Experience from previous crises such as 9/11 (2001), the 2008/2009 financial crisis and earlier pandemics such as SARS (2003), however, shows that air traffic is generally highly resilient and recovers from downturns completely within a few years. The low-cost carrier (LCC) segment is likewise heavily affected by the challenging industry environment. Level Europe, the low-cost subsidiary of the IAG, filed for bankruptcy in 2020, while RyanAir subsidiary Laudamotion, which also operates from Vienna, had to introduce restructuring measures in order to survive the crisis. After lengthy negotiations, the planned withdrawal from Vienna was avoided, although the airline is downsizing its base in Vienna so that only 10 rather than 16 aircraft will be stationed in Vienna for the time being. This is a positive sign in terms of the commitment to the Vienna site, although development will continue to be monitored closely, as low-cost carriers are generally more flexible when it comes to stationing their aircraft. Laudamotion GmbH was also closed in Vienna and all assets transferred to the new RyanAir subsidiary Lauda Europe Ltd. in Malta. It is not currently possible to predict the competitive situation at Vienna Airport once the coronavirus pandemic has come to an end. Austrian Airlines is FWAG's biggest customer and accounts for 38.7% (2019: 43.2%) of total passenger traffic at the Vienna site. Austrian Airlines' strategic focus and its long-term development as a strong network carrier have a significant influence on the commercial success of FWAG, and are therefore under constant observation and analysis by the business areas responsible. Austrian Airlines has also been severely affected by the coronavirus pandemic. The survival of the airline was guaranteed only with the assistance of a government rescue package totalling € 600 million. The grant of € 150 million from the Austrian government was approved by the EU at the beginning of July 2020. Lufthansa will inject another € 150 million as equity capital, and € 300 million will be raised via a bank loan (90% of which guaranteed by the Austrian government). The Austrian government has tied the package to conditions and covenants with a focus on environmental protection and sustainability. Overall, the rescue package and the restructuring measures are a positive sign of the survival of Austrian Airlines and of the

confidence that Lufthansa places in its subsidiary. The rescue package will help to safeguard the Viennese hub for flights to Central and Eastern Europe and long-haul destinations in the long term. However, uncertainties remain with regard to further economic development, in particular future investment decisions by parent company Lufthansa. It has been possible to at least postpone the necessary renewal of AUA's long-haul fleet as a result of the impact the crisis has had on Lufthansa's free cash and cash equivalents. This would have a negative impact on the number of long-haul destinations on offer and on the development of passenger numbers at Vienna Airport.

In the immediate catchment area of Vienna Airport, the activities at Bratislava Airport continue to be regarded as particularly relevant and remain under close observation. The airport investments in Malta (fully consolidated) and Košice (recorded at equity) are not only exposed to the above industry risks, but also to additional local challenges and market risks. As a traditional holiday destination, Malta Airport has been very significantly affected by the coronavirus pandemic. As was the case for most European airports, traffic came virtually to a complete standstill from mid-March 2020. Malta Airport reopened for travellers from most European countries on 1 July. The home carrier Air Malta (2020 market share: 29.5%) also started flying again on 1 July. As with all European countries, however, air traffic in the summer months remained considerably lower than the previous year's level and declined continuously during the second half of the year. In comparison with the previous year, only 23.9% of the total passenger volume was handled at Malta Airport in 2020. It remains to be seen how the coronavirus pandemic will affect Air Malta's already difficult economic situation. The probability of a comprehensive realignment of the airline has, however, increased as a result of the crisis.

The loss of the airline would have negative repercussions on passenger traffic and thus the results of Malta Airport in the short term. In the medium and long term, however, it is expected that new airlines or those already represented at the site would increase their capacity and serve the existing demand. Košice Airport has also been very significantly affected by the coronavirus pandemic. In 2020, only 17.4% of the previous year's passenger volume was handled. Although a new route to Liverpool was introduced in October, traffic came virtually to a complete standstill for several months of the year, as was the case in all European countries. As airlines are making cost improvements and restructuring plans, there is always a risk that flights to and from regional airports may be cut or reduced. The coronavirus pandemic has increased this risk. It is not currently possible to predict the situation at Košice Airport once the crisis has come to an end.

The coronavirus pandemic is also posing major challenges for handling services as well as the aviation industry as a whole. The high level of competition between the airlines has been increasing the price pressure on upstream service providers for years. The lower volumes as a result of the crisis will further intensify margin pressure. The decline in aircraft movements tends also to result in a reduction in labour productivity, as economies of scale can be achieved only to a lesser extent. In light of this challenging situation, which has existed for years, in 2018 a multitude of measures were launched to increase efficiency in workflows along the entire value chain, which were successfully implemented in stages in 2019 and have resulted in a sustainable increase in productivity. Again in 2020, the handling services sector was the market leader in ramp handling as well as cargo handling. The risk of losing market share is buffered by the existence of long-term service agreements with the most important key accounts (Austrian Airlines, Wizz, Ryanair/Lauda and Lufthansa) as well as high quality standards. Down 23.2% from the previous year, the cargo sector was also severely affected by the coronavirus pandemic, although the declines in this area were considerably less significant, primarily as a result of the increased use of cargo aircraft. However, the possibility of a longer-lasting recession is also an uncertainty factor in cargo. Current estimations from the IATA suggest that the global

cargo market will increase again in 2021, although there is much uncertainty surrounding this forecast. (Source: IATA Economic Performance of Airline Industry, November 2020). Growth depends on a far-reaching resumption of passenger flight connections in order to increase the use of belly cargo (cargo transported in passenger aircraft). Even if aircraft movements and cargo volume increase in the near future, it will take years to reach pre-crisis levels. In light of this, the focus will continue to be on increasing productivity in future. The use of larger aircraft has had a positive impact on the revenue of the handling services segment across all areas.

In the Retail & Properties segment, FWAG rents out buildings and space that are used primarily by companies whose business development is dependent on that 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-based contractual components, this is linked to effects on FWAG's revenue situation in the retail and property sectors.

The Retail & Properties segment has also been severely affected by the coronavirus pandemic. The terminal closures due to low utilisation impacted earnings as a result of the reduced rent and not all tenants could be retained. Even with a gradual increase in passenger numbers, a reduced utilisation of rented spaces is therefore expected. In the long term, however, Vienna Airport expects to increase utilisation to pre-crisis levels.

Finance and investment risks

The FWAG treasury department is responsible for the efficient management of interest rate and market risks and evaluates the respective risk positions on a regular basis as part of risk controlling. The gradual reduction of variable rate financial liabilities has already significantly reduced the potential impact of interest rate changes on FWAG. The EIB credit agreement in place defines terms for the liability of qualified guarantors. Following the conclusion of a new guarantee agreement, three banks are liable to the EIB as guarantors for the remainder of the loan at this time, currently € 275 million. The interest rate is fixed for the remaining term. Detailed information on financial risks – including liquidity risk, credit risk, interest rate risk and foreign exchange risk – and the financial instruments used to counter these risks can be found in note (37) to the consolidated financial statements. The general and specific market risks already referred to above, in addition to country-specific political and regulatory risks in Malta and Slovakia, can adversely affect the medium-term planning of the investments in Malta and Košice airports and lead to impairment on assets, goodwill and the carrying amounts of investments. FWAG's capex projects are exposed to various risks – including the loss of suppliers, higher construction costs, or changes in planning – that could increase the intended expenditures. Therefore, in the pre-project phase, a full risk assessment is already performed for the relevant capex project. Any special risks identified by the project managers (e.g. contaminated soil) are incorporated in the respective calculations. The provisions to be complied with regarding project organisation, audits and approvals within the framework of the handling of construction projects were defined by FWAG in a separate construction manual (BHB) as a mandatory corporate instruction (directive). All capex projects take account of the forecast traffic volume. The current crisis caused by the coronavirus pandemic has resulted in a large number of investment projects being postponed within the scope of the comprehensive savings programme. The focus is currently on surviving the crisis; after then the investment programme will be reassessed. The construction of the "Parallel runway 11R/29L" (third runway) is a key project for FWAG's long-term development and growth potential, has been incontestably approved by Austria's supreme courts and is continuing as a top priority. As a result of

the pandemic, however, the airport will reach its capacity limits in the existing two-runway system considerably later than 2025 based on foreseeable passenger development. All assets were measured based on the assumption that Vienna Airport will maintain its position as an east-west hub.

Operating risks

The development of traffic is also significantly influenced by national and external factors such as terrorism, war, or other latent risks (e.g. pandemics, closing of air space due to natural disasters, strikes, etc.). Local damage risks, such as fire, natural disasters, accidents, or terrorism on site, as well as theft of or damage to property, likewise constitute operating risks. Vienna Airport takes key precautions against such events in the form of appropriate safety and fire protection measures, emergency plans and high safety standards. These risks are covered by insurance (aviation liability insurance, terror liability insurance, etc.). As Vienna Airport plays a critical role as a key infrastructure provider and backbone of international integration in the entire Eastern European region, particularly high demands are made of the availability, the reliability, the quality and the data security of the ICT (information and communication technology) systems used. The inclusion of risk management in planning processes allows for the early identification, analysis and assessment of risks in ICT projects and, if required, the implementation of appropriate measures to reduce risk. The major operating risks in the area of information and communications technology include potential failures of central infrastructure facilities and services, the impairment of basic supply, the destruction of central ICT infrastructure and the potential loss of sensitive data. State-of-the-art monitoring systems and emergency procedures have been implemented for all critical ICT systems – such as Vienna Airport’s core system, “mach2”, or the ERP (enterprise resource planning) system SAP – which support the early identification, analysis and handling of problems and ensure a high degree of reliability. Given the business requirements, ICT systems are generally implemented redundantly and, if necessary, with high availability, so that a failure of individual components does not endanger the availability of overall systems. The basic infrastructure (electricity, heating, refrigeration, water and wastewater) is exposed to risks in connection with the availability of central systems. Measures have been and are being continuously developed to achieve the greatest possible reliability (e.g. ring circuits).

As a result of employees having to work and carry out business processes from home, additional security measures such as multi-factor authentication and extensive monitoring of security incidents were implemented at Vienna Airport in order to guarantee maximum IT security for the company. Plans for emergency measures, crisis management and operational continuity management have also been enacted at Malta International Airport. These are regularly reviewed and updated to ensure the possibility of a fast and effective response to operational disruptions. FWAG is aware of the great importance of motivated and committed employees for the attainment of corporate goals. In order to counteract the loss of know-how through turnover, numerous measures have been implemented to strengthen employee retention. Numerous steps have also been implemented to increase occupational safety and to minimise absences due to illness.

General risk assessment

Despite the considerable challenges caused by the coronavirus pandemic, a general evaluation of FWAG’s risk situation did not identify any risks to the company as a going concern, hence its continued existence is secured going forward. FWAG has sufficient means to survive the crisis.

Innovation management

As a modern and forward-looking company, driving innovation and exploiting opportunities are of central importance for FWAG. As a provider of critical infrastructure and a service provider in multiple business segments, there are numerous motives and requirements for modern innovation management within the Group. In times of crisis in particular, there is a huge amount of pressure to develop innovative approaches to solutions, which companies with large capacities for innovation can use to their advantage. In 2020, the company's partnership with the globally renowned innovation platform "Plug and Play" was further strengthened and the first successful projects were implemented. This innovative partnership also led to FWAG being awarded the coveted "TRAVEL GLOBAL INNOVATION AWARD 2020" from "Plug and Play". This prize recognises companies that show extraordinary commitment to the inclusion of technology startups in the development of digital innovations. During the reporting year, numerous projects were initiated and supported by innovation management. The introduction of COVID-19 tests at the Vienna Airport Health Centre at the start of May, for example, was the only scheme of its kind at the time (and was thus reported on widely throughout the world) and enabled well over 100,000 customers to be tested for the SARS-CoV-2 virus by the end of the year. The completion of Office Park 4 also opened up a range of promising opportunities with the co-working space and conference facilities, which are unparalleled in Austria. As a result of the close collaboration with technology startups, huge steps could also be taken in areas such as "Chatbots" and "Robotic Process Automation".

Report on the key features of the internal control system for accounting processes

In accordance with section 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 how the Management Board of FWAG satisfies this legal requirement. 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 the particular company. These managers also represent the final authority for ensuring compliance with all related Group guidelines and directives. The effects of the short-time work introduced at Flughafen Wien AG in mid-March 2020, which involved reducing working time by up to 10% and numerous employees of the company working from home, on the internal control system (ICS) were assessed and various modifications (mainly technical) were made.

Features of FWAG's internal control system

The structure and design of FWAG's ICS was defined in a policy. The objective of FWAG's internal control system is to ensure the reliability of financial reporting and compliance with all applicable laws and regulations. The ICS in a broader sense also comprises safeguarding assets and ensuring the completeness of activity recording and invoicing. 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 control system is documented in standard software that also allows risks and controls to be depicted in context as part of the process.

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 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. Materiality is based on a combination of probability of occurrence and potential effects (amount of damage). For the latter, the consolidated and annual financial statements are the key criteria. To determine probability of occurrence, an expanded evaluation model with a number of qualitative aspects has been used on the basis of a weighted scoring model since 2019. Account will be taken of such factors as complexity and degree of automation of processes or the presence of specific organizational backup measures. The results of this expanded risk assessment will be used as a basis for planning the effectiveness test by Internal Audit. From time to time, estimates must be made on future developments when preparing the consolidated and annual financial statements. This poses an imminent risk that the future business development may deviate from these planning assumptions. In particular, the following circumstances or positions in the 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 (see also section IV. "Judgements and estimate uncertainty" in the notes to the consolidated financial statements).

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 reconciliation 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 (incl. SAP-BPC) enterprise reporting software and PC Konsol are used for accounting and financial reporting purposes. The functionality of the accounting system is among others guaranteed 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.

Monitoring

Management, the controlling department, the audit 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. The checks are reviewed for their effectiveness each year by Internal Audit. The operational effectiveness (performance of checks as defined) and the design effectiveness (are the checks accurate or suitable, particularly in respect of the risk) is reviewed and evaluated. During the annual ICS review with the organisational units and subsidiaries of the Flughafen Wien Group, the results of this effectiveness review are the basis for ongoing system improvements with a view to a continuous improvement process. The results of monitoring activities and the developments of the ICS are reported to the Audit Committee and the Supervisory Board.

Research and development

The Information Systems service unit is the central, internal service provider for information and communication technology (ICT). It operates all ICT systems deployed in the various corporate units. Optimising the ICT systems and processes takes place on an ongoing basis.

Key topics finalised and implemented in 2020 included the following:

→ Loading process planning technology upgrade

The system used for planning the aircraft loading process is a proprietary system and was to be upgraded in order to provide users with new functions and a state-of-the-art user interface. In 2020, the modernisation of the load sheeting agent module was completed.

→ Flight plan automation

The manual process of saving flight plans that has been carried out to date has been replaced by a new, automated flight planning system. At times when flight plans changed, a huge amount of manual effort was required. The new system is designed to reduce this.

→ Security control 4.0

In order to increase the safety and comfort of passengers while minimising the personnel expenses involved, an innovative method of security control has been developed and a preliminary draft drawn up. A patent for this is already pending.

→ Chatbot

A pilot project involving information regarding COVID tests was carried out at the health centre as a way of validating the acceptance of information provided with interactive, automated solutions. This was subsequently expanded in such a way that up-to-date information regarding COVID measures as well as dining and shopping was available in the terminal via a chatbot.

€ 0.6 million was spent on the development and introduction of new systems in 2020 (2019: € 1.7 million).

Non-financial declaration required by section 267a of the Austrian Commercial Code

Sustainability is of tremendous importance to the management and employees of Flughafen Wien AG. The careful use of resources, responsibility for the surrounding area and its citizens and for stakeholders, including passengers, employees, partners and customers, is deeply rooted in the corporate culture. FWAG is unconditionally committed to its ecological, social and economic responsibility. In doing so, it is important to pursue the various goals in a balanced way and to play an active part in the sustainable development of both the company and the region. Further information on FWAG's business model can be found at the beginning of the management report in the "Flughafen Wien Group" chapter. Risks that could have an impact on business performance and non-financial performance indicators are described in the "Risks of future development" chapter of the management report. Vienna Airport regularly publishes a sustainability report. The key indicators and data from the sustainability report are updated once a year at the end of May at www.viennaairport.com/sustainability_report. The current 2017 Sustainability Report reports on the years 2015 to 2017 and the future sustainability goals. It corresponds to the standards of the Global Reporting Initiative (GRI standards) and reached the application level "In Accordance Core" and also includes the industry-specific, additional indicators for airport operators. The report was audited externally by TÜV Süd. The sustainability report is usually published every three years. Due to the coronavirus pandemic and the resulting restrictions and cost saving measures, the next comprehensive sustainability report for the years 2018 to 2021 is not set to be published until summer 2022. Reports on sustainability concepts also exist for Malta Airport and Košice Airport. The sustainability report for Malta Airport is published on its website (www.malairport.com).

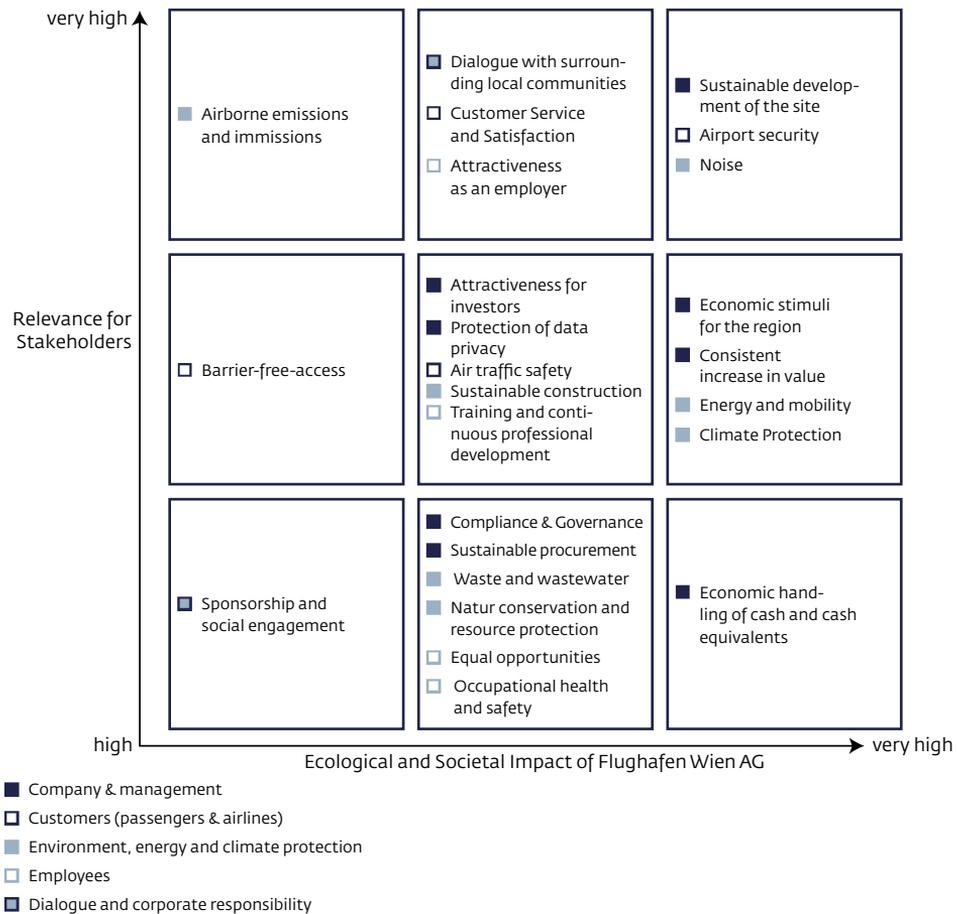
Key non-financial performance indicators

Material sustainability aspects of the company have been defined in a process which integrates not only employees but also relevant external stakeholders. This took place in the context of regular stakeholder communication, e.g. the Dialogue Forum, or in regular customer surveys. In addition, a survey was implemented including the relevant stakeholders. This Materiality Matrix is the basis for the sustainability report.

The Materiality Matrix covers 24 topics, which can be grouped into the following categories:

1. Environmental issues
2. Social issues and employee matters
3. Respect for human rights
4. Combating corruption and bribery

→ The materiality matrix of Flughafen Wien AG



Sustainability management

In order to track the “sustainability” target on an ongoing basis and as an important element of corporate activity, Flughafen Wien has defined a sustainability programme from which the targets and measures are derived. These are then examined and further developed on an ongoing basis. The team responsible coordinates and implements the sustainability agendas. The sustainability strategy finds expression in the four corporate values:

→ 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. Fair dealing and honest communication with our customers and business partners is important for us. Here we leave nothing to chance and set high standards with our compliance system.”

→ Professionalism:

“Our work is characterised by the highest levels of professionalism and commitment. We are proud that we perform our tasks carefully, reliably and safely, and we integrate new technologies and procedures into our processes to make further improvements. As professionals we manage the various aspects of sustainability and deal with current challenges in a professional manner. We set sustainability targets and report regularly on our progress. Such as with climate protection where we are treading new paths with Airport Carbon Accreditation, or in the matter of security, where our security concept ensures airport operations without danger.”

→ Efficiency:

“We use our economic and natural resources and energy sparingly, efficiently and responsibly. We consider ourselves to be an economic engine in the region and with a well thought out site development set challenging accents for the “Airport City”. In doing so, intensive dialogue with our stakeholders is a key focus. After all, we want to design a sustainable (regional) development together.”

→ Respect:

“We treat each other with trust and honesty, seeing errors as an incentive to improve. We respect the views and achievements of others, and we give each other mutual support. In their diversity, the employees of Flughafen Wien AG are a factor driving the success of our company, a factor we want to nurture and extend. For this reason, we want to make even more efforts for an attractive working environment, equality of opportunity and providing interesting career options.”

Environmental issues

FWAG is committed to protective and conscientious interaction with the environment and pledges to comply with all environmental laws, regulations, binding agreements and official requirements and to continuously minimise the negative ecological impact of its business operations. First and foremost, FWAG has set the goal of further reducing its energy consumption, reducing the effects of noise emissions while further reducing Vienna Airport's CO₂ emissions, so that it will become CO₂-neutral over the medium term. Vienna Airport has established a comprehensive and systematic energy and environmental management system (EMS) and subjects itself to an environmental audit in line with the ISO 14001 standard as well as the Eco-Management and Audit Scheme (EMAS) with which the European Union places the highest requirements in the world on environmental management systems. FWAG was first entered in the EMAS register in 2015. The certificate is valid for three years and is reissued following an external recertification audit. In the interim, yearly monitoring audits review the achievement of the set goals and adherence to the defined rules. External monitoring audits took place in 2019 and 2020 following recertification in 2018. Another recertification audit is planned in 2021. In addition, with EMAS the airport meets the requirements of the Austrian Energy Efficiency Act. Within the scope of EMS, environmental aspects and their impact are recorded, relevant topics identified and assessed on the basis of cost-benefit analyses. Subsequently, environmental policy, objectives and measures are determined and their progress and the performance of the overall system regularly examined on the basis of specified key performance indicators, annual management reviews and in the context of internal and external audits. EMS also secures legal compliance of the operation in respect to environmental law. To do this all regulations relating to the environment (laws, directives, notifications) are identified, recorded in an environmental database with the resulting obligations being implemented and monitored. Responsibility for the successful implementation of the EMS is with the Management Board and the executives according to the Flughafen Wien Group line organisation. The environmental manager in the Environment and Sustainability Management department of the Operations area coordinates and manages all internal and external activities relating to environmental protection. Here he is supported by an environmental team constituted from those responsible for specific topics in the various corporate divisions. Since 2015, Vienna Airport has improved markedly in all material environmental aspects. During the period from 2015 to 2020, FWAG's overall energy consumption was lowered by 62,800 MWh – a reduction of around 34. In addition, another € 0.5 million (2019: € 0.9 million) was invested in environmental protection in 2020 (not including the noise protection programme). The focus here was on the reduction of pollutant and noise emissions as well as expanding the use of BIM and alternative energy.

Energy efficiency programme

The Flughafen Wien Group has implemented an energy efficiency programme and has already realised numerous projects. The five photovoltaic systems at the Vienna Airport site have a peak output of some 2,000 kWp, which generated an annual output of more than 2.0 million kWh in 2020. Further solar modules will also be installed on the roofs of car parks 3 and 8 in 2021, with a total peak output of 1,150 kWp. This will increase the area of the solar panels at Vienna Airport by around one half to approximately 16,000 m². The conversion of conventional lighting to more energy-efficient LED technology continues. Malta Airport also uses photovoltaic systems for energy production and has switched to LED lighting. The expansion of the photovoltaic systems is just one of many measures in the energy-efficient environmental

management at Vienna Airport. For example, the electric fleet, currently with more than 380 electric vehicles, is being constantly expanded. Another focus is the sustainable construction of future buildings such as Office Park 4 and the energy optimisation of existing buildings using the specially developed Smart City management software. Last but not least, business flights by FWAG employees are offset by the purchase of CO₂ certificates.

Smart Airport City

To optimize the consumption of power, cooling and heating, Flughafen Wien AG and TU Wien (Vienna University of Technology) launched a development project in 2017 to create a prototype for a computer-assisted “virtual city”, which can simulate and subsequently improve the consumption of electricity, cooling or heating. On this basis, scenarios for maintenance, improvement and expansion to the Smart Airport City are designed in order to optimize capacity and manage consumption as well as possible.

Opening of Office Park 4

After around two and a half years of construction work, Office Park 4 was opened in September 2020. The building provides enough space for around 2,500 employees. The new Office Park offers flexible working areas, a wide range of co-working opportunities and state-of-the-art event areas. During the planning process, a huge amount of consideration was given to energy efficiency. Initial findings from the Smart Airport City were also incorporated into this. Energy consumption is less than a third of that of conventional offices. The façade, around 60% of which is transparent, lets a huge amount of daylight into the interior of Office Park 4 and its special design also takes account of the wind that flows around the building. Office Park 4 is also innovative in terms of its sustainable construction. The use of geothermal energy (cooling and heating with thermal energy) also plays a significant role. A photovoltaic system is also installed on the roof of Office Park 4 for optimal use of sustainable energy sources. Even before its completion, Office Park 4 was awarded the preliminary Platinum certificate by the Austrian Sustainable Building Council (ÖGNI).

Aircraft noise management

Throughout Europe, road and rail traffic are the main causes of noise pollution, followed by air traffic. Take-offs and landings and ground noise such as taxiing movements and engine run-ups are the main sources of noise at airports. The Federal Environmental Noise Protection Regulations regulate the threshold values connected to flight noise that, to protect the local population, must not be exceeded – namely a day-evening-night noise index of 65 dB. However, Vienna Airport’s commitment goes significantly beyond these statutory requirements: The airport’s noise control programme, for example, includes the daytime protection zone with an equivalent continuous sound level of over 54 dB. The night-time protection zone starts at a continuous sound level as low as over 45 dB.

Noise protection

The Vienna Airport 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 during the day and 45 dB during the night, the airport assumes between 50% and 100% of the costs for noise pro-

tection measures, for example, the installation of soundproof windows and doors. Until the end of 2020, building expert opinions were prepared for 6,306 properties, and optimal noise protection was installed in 2,975 of these properties. One positive side effect of this is that the improved building insulation and lower heating costs have reduced CO₂ emissions in the affected areas by around 1,300 tonnes per year.

Emissions and climate protection

The operation of an airport, especially aircraft handling operations and land-side traffic, contributes, albeit to a lesser degree, to general airborne emissions. All emissions are recorded without gaps in the area around the airport as part of air quality monitoring and through the production of an annual carbon footprint. Measures and programmes are developed on an ongoing basis with airlines to systematically minimise emissions. With the help of a carbon footprint, FWAG also takes part in the Airport Carbon Accreditation System (ACAS) programme managed by the Airports Council International Europe (ACI Europe) www.airportcarbonaccreditation.org. Vienna Airport was given Level 1 certification back in 2013, in 2015 there was a move up to Level 2, and in October 2016 Level 3 certification was achieved for the first time. Flughafen Wien AG was able to retain its Level 3 certification in the reporting year. This certification stipulates a reduction of CO₂ emissions on site with greater involvement of all companies operating at the airport. To reach this Level 3 all companies located at the site had to be integrated in measures to reduce CO₂. Despite further medium-term growth, Vienna Airport wants to achieve CO₂ neutrality by 2030. In order to achieve this target, it is working rigorously on its environment programme. To achieve improved identification of its CO₂ emissions, Malta Airport also joined the ACI Airport Carbon Accreditation Programme in 2016 and began preparing for Level 2 certification. To this end, a detailed plan of targets and measures is being compiled to further reduce CO₂ emissions. Malta Airport aims to achieve CO₂ neutrality by 2050.

Waste

Unavoidable waste is appropriately sorted and, depending on the options available, assigned for reuse or recycling. The total volume of waste at Vienna Airport in 2020 amounted to 1,754 tonnes (2019: 4,299 tonnes). In 2016, at Malta Airport monitoring and reporting on waste management was improved with a new contractor. The total volume of waste in 2020 amounted to 567 tonnes (2019: approx. 1,276 tonnes).

Water consumption

Vienna Airport's water supply is provided by four wells owned by the airport. Not including customers, the Flughafen Wien Group's water consumption in 2020 fell by approximately 139,575 m³ compared with 2019 to 306,548 m³. Adding consumption by customers, consumption decreased by around 34% as a result of the lower number of passengers in 2020.

Sustainable procurement

Sustainable, environmentally friendly procurement, meaning the purchase of "green" products and services that are also manufactured and performed in accordance with social standards is a key company target. Regional providers are also taken into account.

In Austria, the “National action plan for sustainable procurement” was launched under the guidance of the Ministry of the Environment. In this way, sustainable criteria are taken into consideration in the procurement process and the action plan is implemented jointly. The action plan has been in effect since autumn 2010 with the Federal Procurement Agency (BBG). Some procurement by the Flughafen Wien Group has also been handled via the BBG. Vienna Airport is also subject to some requirements under the Bundesvergabegesetz (Austrian Federal Public Procurement Act).

The largest suppliers in terms of order value belong to the sectors of construction, petroleum processing, metal working, special vehicles, technology and various services such as IT and airport handling. Measured in terms of order value, the majority of contractors are regional to the airport: around 80% of the 35 largest suppliers are from Vienna and Lower Austria, 2% from other Austrian states and the remaining 18% are predominantly from Europe.

Selected indicators

Vienna Airport site		2020	Change	2019
Passengers	PAX	7,812,938	-75.3%	31,662,189
Consumption of electrical energy	MWh	66,583	-27.5%	91,855
Heat consumption	MWh	37,405	-24.2%	49,329
Cooling consumption	MWh	16,812	-45.7%	30,967
Fuel consumption	MWh	17,734	-50.9%	36,093
Total energy requirements	MWh	121,722	-31.3%	177,277
Total energy requirements from renewable sources	MWh	66,583	-27.5%	91,855
Share of renewable energy in total energy requirements	%	54.7	n.a.	51.8
Water consumption	m ³	306,548	-31.3%	446,123
Waste water	m ³	188,592	-46.2%	350,386
Total waste	t	1,754	-59.2%	4,299

Social issues and employee matters

In 2020, full-time equivalents (FTE) of Flughafen Wien AG decreased from 3,172 to 3,140 (minus 1.0%).

The number of employees (headcount) was 3,669, a year-on-year decrease of 7.6%.

As at 31 December 2020, there were 3,057 employees at Flughafen Wien AG, 184 fewer than 31 December 2019 (3,241 employees).

Especially in times of crisis, the Flughafen Wien Group regards its employees as its central resource, as its success as a service company depends decisively on the specialist competence and experience as well as the motivation and commitment of each and every individual employee.

Especially in times of crisis, employees are a central resource, as the company's success as a service company depends decisively on the specialist competence and experience as well as the motivation and commitment of each and every individual employee. In March of the reporting year, the company was facing the most significant change as well as the greatest challenge in its history. In early March, the government decided to introduce the first flight bans for aircraft from COVID-19 risk areas. In mid-March, entry into the country was heavily regulated and shortly thereafter the Flughafen Wien Group recorded a decline in passenger numbers of 70-80%. From 16 March, the Corona short-time work scheme implemented by the Management Board and Works Council was introduced and, while maintaining the remaining flight operations, employees began working from home where possible. The COVID-19 social partnership agreement served as the basis for the short-time work scheme. During short-time work phase I, higher percentages were agreed at operational level (legal regulation 90%-85%-80%; operational regulation 90%). During short-time work phase II (from 1 October), pay was reduced to 85% or 90%. The negotiations for the implementation of exclusively legal framework conditions in 2021 were concluded in December. On average, the replacement rate in the period between March 2020 and December 2020 was 50% and the benefits ratio was 32%. The short-time work scheme both secured employment relationships and prevented a loss of know-how.

Education and further training

As a result of short-time work and the economic situation, expenses for education and further training were almost completely suspended in 2020. Only € 108,000 was invested in total. The training of apprentices and trainees continued within the scope of short-time work. In November, 13 new apprentices were taken on, a clear indicator of a positive outlook for the future. In autumn, employee appraisals were started across all areas of the company as a Human Resources development measure in order to create a platform for discussing the current economic and personal situation with all employees.

Performance-related remuneration for management

The salary of the members of the Management Board and members of the first and second management levels have a performance-related component. The level of this variable remuneration is determined on the basis of qualitative and quantitative targets.

Employee foundation

Twenty years ago, Flughafen Wien AG founded an independent employee foundation, which holds 10% of the shares in Flughafen Wien AG and distributes the dividends received to company employees. No dividend income was paid out in 2020 for the 2019 financial year.

Labour trust

The Steyr labour trust provides goal-oriented support for the professional reintegration of employees who mutually end their employment relationship in economically difficult times or for health reasons. Flughafen Wien AG has been a member of this trust for several years. In 2020, five employees joined the foundation.

Pension provisions – company pension fund and benefit fund

For all employees of Flughafen Wien AG who joined before 1 November 2014 in addition to the statutory pension insurance and any private pension provision, the company transfers 2.5% of the monthly salary per employee to a company pension fund. Furthermore, each employee is given the option of making additional provision by transferring the same amount. If employees conclude additional accident or health insurance policies, they also receive an allowance. Since 1 January 2018, the employee benefit fund has been managed by Niederösterreichische Vorsorgekasse (NÖVK).

Employees of Malta Airport are granted defined benefit pension subsidies based on collective agreements.

Voluntary benefits

Flughafen Wien AG offers a variety of voluntary benefits to increase the motivation and strengthen employees' sense of identification with the company. Examples include free transport to work with the City Airport Train (CAT) and bus connections to Vienna and the neighbouring communities, the provision of financial support for staff meals and comprehensive specialist care with appointments at short notice through the Vienna Airport Health Centre.

Work and family

Family-friendly policies of the company are of crucial importance for an appropriate work-life balance. Day care facilities are available for the children of the employees of all companies at the Vienna site. The extended, flexible opening hours provide employees even in shift jobs with reliable supervision for their children once they start crawling. The focus of this educational care package is on bilingualism, exercise and healthy eating. In 2020, support was provided for home-schooling, caring for relatives and working from home in the context of being a "family-friendly company" during these challenging times.

Workplace health and safety – Preventive Services

Following the disappointing development in the number of accidents at work in 2019, the preventative measures that were introduced were continued at the start of 2020. These measures, combined with the decline in traffic development as a result of the coronavirus pandemic, which was already evident from mid-March, also significantly reduced the number of accidents.

The pandemic has also shifted the focus of preventative services from the activities that were originally planned such as training, inspections, apprentice weeks, BGF projects, etc. Occupational Health in particular was called upon to participate in the crisis management group and provide medical expertise within the context of Corona-related protective measures. Working from home, short-time work and changes to construction activities dominated the advisory activities of the safety specialists.

Within the scope of workplace health promotion, vaccination programmes against measles, TBE and influenza were rolled out throughout the Group despite the change in conditions. Managers were continuously informed of measures for personal protection and the protection of all employees in the form of "Guidelines for working at the airport during the Corona pandemic".

Vienna site	2020	Change	2019	2018
Reportable accidents	71	-56.7%	164	131
Per 1,000 employees	14.0	-53.2%	29.9	29.3

Diversity

Diversity is a central issue for Flughafen Wien AG. The importance of diversity at Vienna Airport can be seen by the fact that over 65 nationalities, belonging to 11 different religious faiths, are currently represented among the employees of Flughafen Wien AG and its subsidiaries. All service processes run smoothly in spite of this great cultural diversity thanks primarily to the comprehensive training measures that make it easier for employees to integrate and understand their duties.

Promotion of women

The proportion of women within the Flughafen Wien Group was approximately 26% in 2020. This low rate can be attributed to the proportion of specialist activities at Vienna Airport – two thirds of employees working at the airport perform heavy manual labour. In order to make Vienna Airport more attractive as an employer to women as well, specific measures have been implemented to support work-life balance and suitable career opportunities have been created. It is a clear goal of the company to increase the share of women – especially in management positions. The share of women at Flughafen Wien AG is currently 13.2% across all four management levels. Equal opportunities and equal treatment at the workplace are a fundamental requirement in the Flughafen Wien Group. 22% of the shareholder representatives on the Supervisory Board of Flughafen Wien AG are female.

Flexible working time models

Flexible and individualised working time models meet the needs of employees to the best possible extent. Flexitime schemes are found, above all, in the company's commercial functions. Furthermore, the option was created for all employees to consume pay components (e.g. service bonuses) as time off. Part-time training, training leave models, sabbaticals and remote working are also offered.

Older employees

Many employees continuously perform heavy manual labour. Measures to facilitate mobility within the company and the offer of suitable jobs to this group of employees are being handled by the Career and Development Centre. Over the last two years, for example, the Centre has coordinated the internal transfer of 33 older employees from the apron, which entails hard physical labour, to a new role in the terminal, which will be more beneficial to their health. The further development of the Centre is being worked on intensively as a result of the present crisis with the objective of qualifying employees internally for other tasks in future.

People with special needs

Vienna Airport works intensively with nine charities, associations and institutions to continuously improve accessibility. Individual measures with regard to the focus areas of facilities, signage, lifts, stairs, parking and toilets have been jointly decided upon and implemented.

Selected indicators

Employees of Flughafen Wien AG	2020	Change	2019
Number of employees (average, FTE)	3,140	-1.0%	3,172
Thereof wage-earning employees	1,890	-1.6%	1,920
Thereof salaried employees	1,251	-0.1%	1,252
Number of employees (31 December, FTE)	3,057	-5.7%	3,241
Thereof wage-earning employees	1,807	-6.5%	1,933
Thereof salaried employees	1,250	-4.5%	1,308
Number of employees (headcount)	3,669	-7.6%	3,963
Apprentices (average)	50	-3.9%	52
Average age in years	42.9	2.4%	41.9
Length of service in years	12.6	8.6%	11.6
Share of women in %	12.1	-2.7%	12.5
Training expenses in T€	504	-64.6%	1,422
Reportable accidents	71	-56.7%	164

Respect for human rights

The company is committed to observing and respecting human rights. Flughafen Wien AG and its affiliates do not have any business sites in countries with a poor understanding of human rights, but operate entirely within the European Union. As a provider of infrastructure and services, Flughafen Wien AG also obtains finished products from its suppliers and has no influence on their supply chain. Alongside the corporate values, the Code of Conduct contains important principles for the interaction of all employees with internal and external partners. As the trust of customers, shareholders, employees and the public has a material impact on the performance of the Flughafen Wien Group, integrity is a key element within the corporation.

Combating corruption and bribery

The company actively communicates its corporate objectives to all employees by applying clear regulations and regular training. Teaching basic values such as morals, ethics and integrity in the company and treating each other with respect is of the greatest importance here. The relevant guidelines are provided by the Code of Conduct of Flughafen Wien AG. A whistle-blower hotline has been available since autumn 2015. In organisational terms, the Secretary General arranges the necessary support and sees to it that conduct is in compliance with the law. The head of the department is simultaneously the senior Group compliance officer. He also arranges training for the relevant staff and provides information on current new legal requirements, for example, in the area of anti-corruption law in internal workshops. As a sectoral contracting entity, for its procurement FWAG is subject to some regulations of the Austrian Federal Public Procurement Act. This implements all precautions for avoiding incipient corruption. This is supported by the activities of corporate procurement and corporate controlling combined by the vigorous implementation of the two-person principle.

Issuer compliance

The obligations of the EU Market Abuse Regulation and the Stock Exchange Act on which it is based are implemented by Vienna Airport in an internal policy. To prevent abuse or forwarding of insider information, internal non-disclosure areas have been established. This covers all employees and executive bodies of Flughafen Wien AG working in Austria and abroad, but also third-party service providers, who have potential access to inside information. A variety of organisational measures and control mechanisms have also been implemented to monitor these processes on a regular basis. Thus each employee who works in a compliance-relevant area receives personal training on how to deal with confidential information. In order to increase awareness for "issuer compliance" in the rest of the company, all employees are informed on this topic in the intranet and in articles of the in-house employee magazine. Also at Malta Airport the local stock exchange regulations and European directives are implemented and monitored. For this there are internal guidelines which cover not only the legal requirements but also a general code of conduct.

Disclosures required by section 243a of the Austrian Commercial Code

1. Share capital and shares

The share capital of Flughafen Wien AG is fully paid in and amounts to € 152,670,000. Following the share split on 27 June 2016, it is divided into 84,000,000 bearer shares, which are securitised by a global certificate deposited with Oesterreichische Kontrollbank. All shares carry the same rights and obligations (“one share – one vote”).

Further details on the articles of association and the shares are available on the Flughafen Wien AG website at www.viennaairport.com.

2. Investments of over 10% in the company

Airports Group Europe S.à.r.l. holds 39.8% of the shares. The city of Vienna and the state of Lower Austria each hold 20.0% and Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee foundation) holds 10.0% of the share capital of Flughafen Wien AG. The company is not aware of any other shareholders with a stake of 10.0% or more in share capital.

3. Syndication agreement

Two shareholders – the state 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 provides for joint exercise of voting rights in the Annual General Meeting and mutual acquisition rights in the event of paid transfer of syndicated investments to third parties. Any amendments to the syndication agreement, the dissolution of the syndicate and resolutions to admit a new partner to the syndicate require unanimous approval.

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 and dismissal of the foundation's Managing Board requires consent from the Advisory Board of Flughafen Wien Mitarbeiterbeteiligung Privatstiftung. The Advisory Board requires simple majority to do so. 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 Board and Supervisory Board

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 the age of 65. Election to the Supervisory Board is possible for the last time in the calendar year in which the candidate reaches the age of 70. There are no other provisions governing the appointment or dismissal of members of the Management 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 of Flughafen Wien AG exercised the share buyback authorisation granted by the Annual General Meeting on 3 May 2019 to buy back up to 840,000 bearer shares, equating to up to 1% of the share capital, at a price of € 30.00 to € 38.00 in the period from 4 November 2019 to 30 June 2020, in accordance with section 65(1) no. 8 of the Austrian Stock Corporation Act. In the reporting year, 77,380 shares were acquired for € 2,727,369.40. The buy-back programme was prematurely terminated on 29 May 2020.

8. Change of control

The agreement on the loan from the EIB (European Investment Bank) of € 400.0 million (current balance: € 275.0 million) is subject to a change of control clause. 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 state 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 control over these persons.)

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

In accordance with Section 267b of the Austrian Commercial Code, the consolidated corporate governance report for the 2020 financial year is published on the Flughafen Wien AG website at www.viennaairport.com.

Supplementary report

Traffic development at Vienna Airport

The number of passengers handled at Vienna Airport decreased by 90.5% in January 2021 to 198,295. Vienna Airport reported an 88.9% decrease in transfer passengers compared to January 2020 to 47,366 in January 2021. The number of local passengers fell by 91.1% in the same period to 148,310. Cargo volume declined slightly, by 3.1% to 19,735 tonnes handled. Aircraft movements were down by 80.9%, the maximum take-off weight by 78.6%.

Vienna Airport 2021 fees

As at 1 January 2021, the fees at Vienna Airport were adjusted as follows based on the index formula defined by Austrian Airport Fee Act:

- | | |
|---|--------|
| » Landing fee, infrastructure fee airside, parking fee: | +1.45% |
| » Passenger fee, infrastructure fee landside, security fee: | +1.45% |
| » Fuelling infrastructure fee: | +1.45% |

The PRM fee remained at € 0.46 per departing passenger.

The security fee for 2021 was € 8.44 per departing passenger taking account of the change under the price cap formula.

Outlook

Outlook for passenger development: Around 15.9 million passengers expected within the Flughafen Wien Group and around 12.5 million passengers at the Vienna site.

There will be a recovery in 2021, but the situation will still be challenging. While the first three to six months currently seem likely to develop slowly, a significant increase in the number of passengers is expected from the summer onwards and in the second half of the year. Around 12.5 million passengers are expected at Vienna Airport throughout 2021 and around 15.9 million for the Flughafen Wien Group (incl. investments). This would depend heavily, however, on the rapid roll-out of a widely available vaccination as well as internationally consistent travel regulations.

Financial outlook for 2021

The Flughafen Wien Group has a solid economic basis and plans to recover from its losses in 2021. Its liquidity is sufficiently guaranteed for all foreseeable crisis scenarios. For the 2021 financial year, a revenue of € 430 million, a positive EBITDA of € 150 million and a moderately positive annual profit of € 4 million is currently expected. The company's net debt is expected to drop to around € 100 million. Capital expenditure will amount to around € 62 million.

Schwechat, 11 March 2021

The Management Board



Günther Ofner
Member of the Board, CFO



Julian Jäger
Member of the Board, COO



**Annual Financial
Statements 2020
of Flughafen Wien AG**

Balance Sheet Flughafen Wien AG

Assets

	31.12.2020	31.12.2019
	€	T€
→ A) Non-current assets		
I. Intangible assets		
1. Concessions and rights	11,516,951.73	8,679.1
II. Property, Plant and Equipment		
1. Property, Plant and Equipment	816,254,086.37	854,251.1
2. Technical equipment and machinery	130,862,969.29	150,522.4
3. Other equipment, operating construction in progress and office equipment	61,590,356.16	67,090.1
4. Prepayments made and construction in progress	138,007,390.02	127,386.1
Subtotal II	1,146,714,801.84	1,199,249.7
III. Financial assets		
1. Shares in subsidiaries	268,722,778.57	268,722.8
2. Loans granted to subsidiaries	147,662,136.53	154,903.2
3. Investments in other companies	4,182,553.17	4,182.6
4. Non-current securities (rights)	659,543.52	659.5
5. Other loans granted	703,415.71	732.4
Subtotal III	421,930,427.50	429,200.5
Subtotal A)	1,580,162,181.07	1,637,129.3
→ B) Current assets		
I. Inventories		
1. Consumables and Supplies	3,822,416.44	3,934.2
II. Receivables and other assets	86,764,578.40	191,327.5
Thereof with a remaining term < 1 year	61,630,105.63	116,152.1
Thereof with a remaining term > 1 year	25,134,472.77	75,175.4
III. Securities and shares		
1. Miscellaneous securities and shares	17,032,700.00	47,032.7
IV. Cash on hand and deposits with financial institutions	131,444,004.90	41,719.2
Subtotal B)	239,063,699.74	284,013.6
→ C) Prepaid expenses	2,204,904.26	2,009.2
→ D) Deferred tax assets	34,497,110.03	31,456.2
Total Assets	1,855,927,895.10	1,954,608.3

Equity and Liabilities

	31.12.2020	31.12.2019
	€	T€
→ A) Equity		
I. Unpaid, subscribed and paid in share capital	152,670,000.00	152,670.0
Own shares	-227,767.28	-87.1
Subtotal I	152,442,232.72	152,582.9
II. Capital reserves (allocated)	117,885,085.80	117,744.4
III. Reserves (retained earnings)		
1. Statutory reserve	2,579,158.88	2,579.2
2. Other reserves (voluntary reserves)	692,904,253.03	693,044.9
3. Reserves for own shares (allocated)	-4,304,879.62	-1,718.1
Subtotal III	691,178,532.29	693,905.9
IV. Net retained profit		
Thereof profit carryforward: € 94,922,284.84; previous year: T€ 6.2	44,805,409.69	94,922.3
Subtotal A)	1,006,311,260.50	1,059,155.5
→ B) Government grants	596,797.54	631.7
→ C) Provisions		
1. Provisions for severance compensation	87,758,394.48	93,981.8
2. Provisions for pensions	12,621,755.36	13,153.5
3. Provisions for taxes	0.00	9,450.8
4. Other provisions	133,081,894.11	222,421.2
Subtotal C)	233,462,043.95	339,007.3
→ D) Liabilities	597,471,289.34	537,035.2
Thereof with a remaining term < 1 year	282,471,289.34	197,035.2
Thereof with a remaining term > 1 year	315,000,000.00	340,000.0
→ E) Deferred income	18,086,503.77	18,778.7
Total Equity and Liabilities	1,855,927,895.10	1,954,608.3

Income Statement

from 1 January to 31 December 2020

	1.1. - 31.12.2020	1.1. - 31.12.2019
	€	T€
1. Revenue	298,723,888.29	755,582.4
2. Own work capitalised	1,295,728.94	2,678.1
3. Other operating income		
a) Income from disposals and write-ups of non-current assets with the exception of financial assets	756,570.34	1,336.3
b) Income from the reversal of provisions	7,788,162.24	4,201.8
c) Income from the reversal of investment subsidies (government grants)	239,643.28	172.3
d) Miscellaneous	55,525,204.88	1,135.9
Subtotal 3.	64,309,580.74	6,846.4
4. Operating income (subtotal of No. 1 to 3)	364,329,197.97	765,106.9
5. Cost of materials and other purchased services		
a) Cost of materials	16,199,185.69	27,524.5
b) Cost of purchased services	27,856,844.31	46,432.1
Subtotal 5.	44,056,030.00	73,956.6
6. Personnel expenses		
a) Wages	71,735,729.83	83,702.1
b) Salaries	71,992,830.04	88,134.3
c) Social security expenses	49,891,821.45	71,120.1
Thereof in respect of pensions	2,958,717.95	3,761.2
Thereof in respect of severance compensation and contributions to employee severance compensation funds	5,915,650.37	19,165.8
Thereof expenses for legally required duties and payroll-related duties and mandatory contributions	39,960,838.42	44,978.7
Subtotal 6.	193,620,381.32	242,956.5
7. Depreciation, amortisation and impairment		
Thereof extraordinary depreciation and amortisation on property, plant and equipment € 8,013,152.47; Previous year: T€ 0.0	104,219,556.09	96,346.0
8. Other operating expenses		
a) Taxes, if not included in no. 18	344,808.71	530.5
b) Miscellaneous	100,710,527.66	183,276.8
Subtotal 8.	101,055,336.37	183,807.3
Subtotal 5. - 8.	442,951,303.78	597,066.3
9. Operating profit (subtotal of 4 to 8)	-78,622,105.81	168,040.6

INCOME STATEMENT

10. Income from investments in other companies, Thereof from subsidiaries: € 18.386.025,66; Previous year: T€ 31.459,3	18,703,826.46	31,726.6
11. Income from other securities and loans granted, Thereof from subsidiaries: € 666.073,08; Previous year: T€ 693,7	673,893.30	704.2
12. Other interest and similar income, Thereof from subsidiaries: € 577,64; Previous year: T€ 9,2	1,301,557.02	1,513.2
13. Income from the disposal and write-up of financial assets	455,640.50	75.8
14. Expenses for financial assets and current securities, Thereof from subsidiaries: € 1.263.091,66; Previous year: T€ 1.365,2	14,775,022.85	15,924.6
15. Financial results (subtotal of 10 to 15)	6,359,894.43	18,095.2
16. Profit before taxes	-72,262,211.38	186,135.7
17. Income taxes,	22,145,336.23	-37,179.7
Thereof deferred tax income	3,040,893.70	5,400.4
18. Net loss / income for the period	-50,116,875.15	148,956.0
19. Addition to reserves	0.00	54,040.0
20. Profit carryforward from the previous year	94,922,284.84	6.2
21. Net retained profit	44,805,409.69	94,922.3



**Notes to the Financial
Statements for the
2020 Financial Year**

General Information on the 2020 Annual Financial Statements

Information on the company

Flughafen Wien Aktiengesellschaft (AG) and its subsidiaries are service companies in the field of the construction and operation of civil airports and all related facilities. As a civil airport operator, Flughafen Wien AG manages Vienna Airport. The company's headquarters are located in Schwechat, Austria. Its address is Flughafen Wien AG, Postfach 1, A-1300 Wien-Flughafen, Austria. Flughafen Wien AG is listed in the register of companies of the Korneuburg Regional and Commercial Court under FN 42984 m.

Flughafen Wien AG has the following key operating permits:

On 27 March 1955, in accordance with section 7 of the Luftverkehrsgesetz (Austrian Air Traffic Act) of 21 August 1936, the Federal Ministry for Transport and State-owned Entities issued a permit to Flughafen Wien Betriebsgesellschaft m.b.H. to create and operate Vienna Airport for general traffic purposes and for runway 11/29.

On 15 September 1977, in accordance with section 78(2) of the Luftfahrtgesetz (LFG – Austrian Aviation Act) (Federal Gazette BGBl. no. 253/1957), the Federal Ministry for Transport issued an operating permit for instrument runway 16/34, including taxiways and lighting systems.

In 2017, Vienna Airport was certified by the Austrian Federal Ministry for Transport, Innovation and Technology in accordance with the requirements of the Commission Regulation (EU) No 139/2014. The relevant certificate which is valid until cancelled was issued on 14 December 2017. The EU certification of European passenger airports serves to create and maintain a standard, high level of safety for civil aviation in Europe.

General information

The annual financial statements as at 31 December 2020 were prepared in accordance with the provisions of the Unternehmensgesetzbuch (UGB – Austrian Commercial Code) in its current version.

The annual financial statements were prepared in accordance with the principles of proper accounting (section 201(2) UGB) and the general principle of providing a true and fair view of the asset, financial and earnings position of the company (section 222(2) UGB). In particular, the prudence principle was observed and impending losses were expensed but unrealised gains were not recognised. All assets, provisions and obligations were recognised in full and measured individually, whereby valuation was free of arbitrariness.

The previous form of the presentation was retained in the preparation of these annual financial statements.

To improve clarity, receivables and liabilities are broken down in accordance with section 223(6) 2 UGB in the notes.

The company is the parent of the Flughafen Wien AG consolidated group.

Rounding differences can occur in the annual financial statements as a result of using rounded figures. The same applies to other information such as headcount, etc.

Legal relationships

As at 31 December 2020, there was a profit-and-loss transfer agreement with the subsidiary Vienna Aircraft Handling Gesellschaft m.b.H.

Size classification

The company is classified as a large corporation in accordance with section 221(3) UGB.

Structure and accounting methods

The balance sheet and the income statement were prepared in accordance with the structure and accounting provisions of sections 195 to 211 and 222 to 235 UGB. The income statement was prepared in accordance with the total cost (nature of expenditure) format in line with section 231(2) UGB.

The continuation of the company as a going concern was assumed in measurement. Based on current company planning, sufficient liquidity and financing measures in place, the company's Management Board believes that the Flughafen Wien AG's liquidity is secured for at least the next 12 months.

The accounting and valuation methods used to date have been retained.

Accounting and valuation methods

Non-Current Assets

Intangible assets and property, plant and equipment

Purchased intangible assets and property, plant and equipment are carried at acquisition or production cost, less amortisation, depreciation and impairment. Production cost also includes appropriate amounts of materials and production overheads, but not interest.

The company's assets have the following useful lives: intangible assets: four to 20 years; facilities installed on property: ten to 20 years; buildings: ten to 50 years; technical equipment and machinery: four to 20 years; other equipment, operating and office equipment: four to 15 years; and technical noise protection: 20 years.

Assets are depreciated or amortised beginning on the recognition date, i.e. the date the asset is placed in use. Depreciation and amortisation are calculated on a straight-line basis and starting with the month the asset is placed in use (pro rata temporis).

Low-value assets are written off completely in the year of purchase.

Intangible assets and property, plant and equipment that show signs of impairment are tested by comparing the respective carrying amount with their fair value. If the fair value is less than the carrying amount, the asset is written down to the lower fair value if the impairment is expected to be permanent. The fair value is calculated in accordance with the discounted cash flow method using forecasts for cash flows over the estimated useful life. The discount rate used for the calculation reflects the risk associated with the asset. The discount rate used for the calculation reflects the risk associated with the asset.

As a result of the ongoing construction project and the associated audit requirements, estimates have to be made in connection with determining the acquisition/production cost of property, plant and equipment with regard to accruals.

Write-ups on fixed assets are recognised when the reasons for the impairment no longer apply. Write-ups are permitted up to the net carrying amount that would have applied without impairment, taking into account normal depreciation and amortisation.

Financial assets

Financial assets are measured at cost. Non-interest-bearing loans granted by the company are discounted, while interest-bearing loans are carried at the nominal value as at the balance sheet date. Impairment and write-ups (up to maximum of acquisition cost) are recognised only if the circumstances are considered to be permanent.

Current Assets

In accordance with section 206 UGB, current assets are carried at the lower of cost or market value.

Foreign currency assets are measured using the exchange rate in effect on the date of acquisition or the lower rate on the balance sheet date.

Write-ups on current assets are recognised when the reasons for impairment no longer apply.

Inventories

Inventories are carried at the lower of cost or market value. Inventory risks resulting from the duration of storage and diminished usability are accounted for with valuation allowances.

Inventories were measured using the weighted average price method or, in certain cases, the fixed price method. In individual cases, write-downs were recognised to reflect low turnover.

Receivables and other assets

Receivables and other assets are recognised at nominal amount.

In the case of receivables, identifiable risks were accounted for with individual valuation allowances.

Deferred taxes

Deferred taxes are recognised in accordance with section 198(9) and (10) UGB in line with the liability approach and without discounting on the basis of the current corporation tax rate of 25%.

Provisions and liabilities

Provisions

Provisions are recognised in the amount of expected use in line with the prudence principle. Detailed information on the calculation of the provisions for severance compensation, pensions, service anniversary bonuses and semi-retirement programmes for older employees is provided under the respective balance sheet items.

In line with the prudence principle, other provisions take into account all risks discernible at the time of the preparation of the balance sheet and obligations of uncertain amounts and merits in the amount deemed necessary by prudent business judgement.

Liabilities

Liabilities are reported at their settlement amount.

Foreign currency liabilities are measured using the exchange rate in effect on the date of acquisition or the higher rate on the balance sheet date.

Derivative financial instruments

The subsidiary Vienna Aircraft Handling Gesellschaft m.b.H. was granted an option that provides for Flughafen Wien AG to acquire the shares in Flugplatz Vöslau Betriebs GmbH at a fixed purchase price of cost plus all grants recognised on the holding (T€ 8,673.4).

The company held no other derivative financial instruments as at the balance sheet date.

Effects of COVID-19

Relief and support

Subsidies that are not attached to counterperformance and are reasonably certain to be granted, or to which a legal entitlement exists, were recognised under other receivables, provided the criteria for this are met. Subsidies were presented as other operating income. In the 2020 financial year, reimbursement rights totalling T€ 53,433.9 were recognised in profit or loss at Vienna Airport, mainly from short-time working allowances. Further reimbursement claims in profit or loss totalling T€ 1,374.6 were granted as revenue compensation during the lockdowns in November and December and recognised in other operating income. Furthermore, tax losses for the 2020 financial year were also carried back to past financial years with positive tax results (tax loss carryback).

Liquidity and going concern

As at 31 December 2020, the Flughafen Wien AG reported net loss/income for the year of T€ 50,116.9 and operating cash flow of minus T€ 52,123.8. At the time of preparing the financial statements, it had funds of T€ 189,169.1, which comprise cash and cash equivalents and other highly liquid assets (securities and time deposits). There are also other credit lines that have not been utilised. On account of the uncertainty created by the pandemic, current planning for the 2021 financial year includes several scenarios depending on the severity of restrictions. None of these scenarios identify any risks to the company as a going concern. The cost savings programme is being continued and all government assistance is utilised where possible. The consolidated financial statements were therefore prepared under the going concern assumption and do not contain any changes to carrying amounts or classifications of assets, liabilities and reported expenses that may be necessary if the going concern assumption was not appropriate.

Measurement of assets

Extraordinary depreciation and amortisation of T€ 8,013.2 was recognised in the 2020 financial year. The COVID-19 pandemic disrupted and temporarily halted construction projects, resulting in write-downs on carrying amounts. A write-down to the lower fair value was performed, as the planning services are currently classified as technically obsolete at the time of continuing the project. Other assets continue to be measured at amortised cost, and there are no indications of impairment as a result of the COVID-19 pandemic. In the case of receivables, identifiable increased risks as a result of the pandemic were accounted for with individual valuation allowances.

Notes to the Balance Sheet

Assets

Non-current assets

The development of the individual items of fixed assets is shown in the statement of changes in fixed assets (see appendix).

Intangible assets and property, plant and equipment

The intangible assets of T€ 11,517.0 increased by 32.7% or T€ 2,837.8 and relate essentially to concessions and rights.

The property, plant and equipment decreased by 4.4% or T€ 52,534.9 to T€ 1,146,714.8. This includes land and buildings, technical equipment and machinery, other equipment, operating and office equipment as well as prepayments made and assets under construction.

The value of land included under land and buildings is T€ 101,519.5 (2019: T€ 99,519.5).

The carrying amounts of prepayments made and assets under construction were T€ 126,696.4 as at 31 December 2019, and increased to T€ 138,007.4 by 31 December 2020 as a result of additions less reclassifications.

Financial assets

Loans to subsidiaries included write-ups to reflect the reversal of the discount from a shareholder loan (IVW) of T€ 46.5 (2019: T€ 75.8). The loan was repaid in full in the financial year.

A total of T€ 12,829.0 (2019: T€ 6,456.6) of the loans are due within one year.

The shares in subsidiaries were not written up in the 2020 financial year or in the previous year.

Non-current securities comprise the following:

Amounts in T€	2020	2019
Shares	521.8	521.8
Other	137.7	137.7
	659.5	659.5

Current assets

→ Receivables and other assets

Receivables and other assets break down as follows:

31.12.2020	Receivables with a remaining term			Total
	Amounts in T€	up to one year	from one to five years	
1. Trade receivables	11,476.3	0.0	0.0	11,476.3
2. Receivables due from subsidiaries	5,471.6	0.0	0.0	5,471.6
3. Receivables due from companies in which an investment is held	68.6	0.0	0.0	68.6
4. Other receivables and assets	44,613.7	25,134.5	0.0	69,748.1
	61,130.1	25,134.5	0.0	86,764.6

31.12.2019	Receivables with a remaining term			Total
	Amounts in T€	up to one year	from one to five years	
1. Trade receivables	46,603.5	0.0	0.0	46,603.5
2. Receivables due from subsidiaries	3,907.7	0.0	0.0	3,907.7
3. Receivables due from companies in which an investment is held	250.1	0.0	0.0	250.1
4. Other receivables and assets	65,390.9	75,175.4	0.0	140,566.3
	116,152.1	75,175.4	0.0	191,327.5

Valuation allowances of T€ 5,746.0 had been recognised for trade receivables as at the end of the reporting period (2019: T€ 6,401.6). No global individual valuation allowance was recognised in the 2020 financial year.

As in the previous year, receivables due from subsidiaries resulted essentially from invoices for the provision of goods and services and contracts for the transfer of profit and loss.

The key items of other receivables are as follows:

Amounts in T€	2020	2019
Receivables from the investment in time deposits	40,692.4	125,738.5
Receivables from taxes	8,714.8	5,333.4
Receivables from credit card companies	347.7	1,280.8
Miscellaneous receivables	19,993.3	8,213.6
Total	69,748.1	140,566.3

Other receivables and assets include T€ 347.7 (2019: T€ 1,280.8) in credit card settlements that will be recognised in cash after the end of the reporting period.

The receivables from taxes essentially related to corporation tax receivables of T€ 7,171.6 (2019: T€ 8,005.9) and VAT tax credits that were offset against liabilities arising from payroll-related taxes. In the 2020 reporting year, the total receivable amounts to T€ 8,714.8 (2019: T€ 5,333.4).

Current securities

→ Current securities consist of the following:

Amounts in T€	Carrying amount	Market value	Carrying amount	Market value
	2020	2020	2019	2019
RLB NÖ tier 2 capital	12,050.0	12,854.5	12,050.0	13,446.6
Hypo NÖ bond	4,982.7	5,114.5	4,982.7	5,137.0
RLB NÖ Cap 01/26	0.0	0.0	15,000.0	15,826.5
RLB NÖ Cap 01/30	0.0	0.0	15,000.0	15,000.0
Total	17,032.7	17,969.0	47,032.7	49,410.1

No write-ups to current securities were possible in the 2020 financial year. The two RLB NÖ Cap securities were sold during the year.

Deferred taxes

Deferred taxes as at the balance sheet date were recognised for temporary differences between the tax carrying amounts and those based on the commercial code of the following items:

Amounts in T€	31.12.2020	31.12.2019
Deferred tax assets		
Intangible assets and property, plant and equipment	16,760.3	13,680.5
Personnel provisions	16,050.2	18,183.8
Loans	0.0	39.7
Other provisions	3,785.9	1,614.3
	36,596.4	33,518.2
Deferred tax liabilities		
Property, plant and equipment	-2,099.3	-2,062.0
	-2,099.3	-2,062.0
Total net deferred taxes	34,497.1	31,456.2

Equity and liabilities

Equity

→ Share capital

The share capital amounts to € 152,670,000.00 as at 31 December 2020. It is divided into 84,000,000 (2019: 84,000,000) no-par-value bearer ordinary shares with voting and profit-sharing rights, which are securitised by a global certificate deposited with Oesterreichische Kontrollbank. In accordance with section 229 UGB, the acquisition of 125,319 own shares (nominal amount) is recognised as an equity adjustment item of T€ 227.8 (2019: T€ 87.1).

→ Capital reserves

Capital reserves comprise a T€ 92,221.8 premium generated by the stock issue in the 1992 financial year and a T€ 25,435.5 premium from the share capital increase in 1995.

Due to the acquisition of own shares, an amount of T€ 140.6 (2019: T€ 87.1) (nominal amount of own shares) was added to the allocated capital reserves from the unallocated capital reserves in the 2020 financial year.

→ Reserves (retained earnings)

The legal reserve is unchanged year-on-year at T€ 2,579.2.

The own shares of T€ 2,586.7 (2019: T€ 1,718.1) acquired in the 2020 financial year are counted against the unallocated capital reserves as the difference between the nominal amount and the acquisition cost of the own shares.

Other reserves (including unallocated reserves) changed from T€ 693,044.9 to T€ 692,904.3 due to the reallocation of minus T€ 140.6 to the allocated capital reserves.

→ Net retained profit

Net retained profit amounted to T€ 44,805.4 (2019: T€ 94,922.3).

The following table shows the development of net retained profit in the reporting year:

Amounts in T€	
Net retained profit as at 31.12.2019	94,922.3
– Distribution of profit	0.0
– Net loss for the year	-50,116.9
Net retained profit as at 31.12.2020	44,805.4

Government grants

The company received non-repayable investment subsidies from public authorities in the period from 1977 to 1985. Flughafen Wien AG also received investment subsidies from the European Union in 1997, 1998 and 1999. The investment allowances received from the Republic of Austria from 2002 to 2004 are accounted for as government grants and recognised in profit or loss over the useful life of the relevant item of property, plant and equipment. Government grants are reported separately after equity in line with the statutory structure for the statement of financial position. The development of government grants can be seen in Appendix 3.

Provisions

The calculation of the provision for severance compensation at Flughafen Wien AG as at 31 December 2020 was based on an actuarial expert opinion, which was prepared in accordance with IFRS (IAS 19). A discount rate of 0.6% (2019: 0.60%) and the projected unit credit method were used for the calculation. The notional retirement age was taken as the earliest possible date for (early) retirement permitted by the 2004 pension reform (2003 Austrian Budget Concomitant Act), taking all transition regulations into account; an early retirement age was applied for manual labourers and night-shift manual labourers. The AVÖ 2018-P mortality tables (mixed) with disability probabilities adapted to the Flughafen Wien Group's workforce were used as the biometric basis. An increase in salaries of 3.31% (2019: 3.83%) was assumed. As in the previous

year, the provision for severance compensation was recognised on the basis of employee turnover (combined with probability of pay-outs) using a graduated scale ranging from one to 25 years of service, with separate scales for wage-earning employees (6.9% with 28.2% probability of pay-outs to 7.0% with 85.2%) and salaried employees (8.9% with 42.8% probability of pay-outs to 7.1% with 86.6%). The actuarial gains and losses of plus T€ 4,594.3 (2019: minus T€ 6,929.2) are recognised immediately in profit or loss under personnel expenses.

Provisions for pensions were calculated in accordance with actuarial principles based on IFRS (IAS 19). A discount rate of 0.6% (2019: 0.60%) and the projected unit credit method were used for the calculation. The AVÖ 2018-P mortality tables (salaried employees) were used as the biometric basis. The notional retirement age was taken as the earliest possible date for (early) retirement permitted by the 2004 pension reform (2003 Austrian Budget Concomitant Act), taking all transition regulations into account. An assumed increase of 3.31% (2019: 3.83%) was applied to salaries and a pension increase of 2.10% (2019: 2.10%) was assumed. Employee turnover was not included in the calculation as no active employees (2019: no active employees) have defined benefit claims. The actuarial gains and losses of minus T€ 286.0 (2019: minus T€ 858.6) are recognised immediately in profit or loss under personnel expenses.

Provisions for service anniversary bonuses were calculated in accordance with the actuarial principles based on the regulations under IFRS (IAS 19). A discount rate of 0.6% (2019: 0.60%) and the projected unit credit method were used. The AVÖ 2018-P mortality tables (mixed) with disability probabilities adapted to the Flughafen Wien Group's workforce were used as the biometric basis. The notional retirement age was taken as the earliest possible date for (early) retirement permitted by the 2004 pension reform (2003 Austrian Budget Concomitant Act), taking all transition regulations into account; an early retirement age was applied for manual labourers and night-shift manual labourers. An increase in salaries of 3.31% (2019: 3.83%) was assumed. The provisions for service anniversary bonuses include employee turnover probabilities ranging from one to 25 years of service, also with separate scales for wage-earning employees (6.9% to 1.1%) and salaried employees (8.9% to 1.0%). The actuarial gains and losses of plus T€ 2,575.8 (2019: minus T€ 2,902.4) are recognised immediately in profit or loss under personnel expenses.

Provisions for semi-retirement programmes were calculated in accordance with actuarial principles based on IFRS (IAS 19). A discount rate of 0.2% (2019: 0.2%) and the projected unit credit method were used for the calculation. An increase in salaries of 3.83% (2019: 3.83%) was assumed. Incidental wage costs of 7.28% and employer's social security contributions of 21.23% (up to the maximum contribution threshold under Austrian social security law) were taken into account. The actuarial gains and losses of minus T€ 958.9 (2019: minus T€ 1,482.7) are recognised immediately in profit or loss under personnel expenses.

Interest expenses relating to provisions for severance compensation, pensions, semi-retirement programmes and service anniversary bonuses and the effect of a change in the interest rate are recognised under personnel expenses.

Other provisions include essentially the following provisions: service anniversary bonuses T€ 31,930.9 (2019: T€ 33,426.9), provisions for semi-retirement programmes T€ 21,354.1 (2019: T€ 21,300.1), unused holiday T€ 380.1 (2019: T€ 10,970.3), bonuses for the reporting year and previous years T€ 2,129.1 (2019: T€ 4,374.5), goods and services not yet invoiced T€ 21,635.6 (2019: T€ 34,224.3), discounts T€ 21,536.2 (2019: T€ 84,054.8), various employee-related expenses T€ 9,721.1 (2019: T€ 8,236.6) and a provision for an impending loss from a put option of T€ 6,352.8 granted to Vienna Aircraft Handling Ges.m.b.H for the acquisition of Flugplatz Vöslau Betriebs GmbH (2019: T€ 6,352.8).

Liabilities

→ Liabilities break down as follows:

31.12.2020 Amounts in T€	Liabilities with a remaining term			Total
	up to one year	from one to five years	over five years	
1. Liabilities to financial institutions	142,000.0	100,000.0	150,000.0	392,000.0
2. Trade payables	18,944.5	0.0	0.0	18,944.5
3. Liabilities due to subsidiaries	83,285.7	20,000.0	45,000.0	148,285.7
4. Liabilities due to companies in which an investment is held	7,092.1	0.0	0.0	7,092.1
5. Other liabilities	31,149.0	0.0	0.0	31,149.0
thereof taxes	0.0	0.0	0.0	0.0
thereof social security liabilities	8,477.1	0.0	0.0	8,477.1
	282,471.3	120,000.0	195,000.0	597,471.3

→ The remaining terms of the previous year were as follows:

31.12.2019 Amounts in T€	Liabilities with a remaining term			Total
	up to one year	from one to five years	over five years	
1. Liabilities to financial institutions	25,055.0	100,000.0	175,000.0	300,055.0
2. Trade payables	37,359.6	0.0	0.0	37,359.6
3. Liabilities due to subsidiaries	96,099.9	20,000.0	45,000.0	161,099.9
4. Liabilities due to companies in which an investment is held	8,698.3	0.0	0.0	8,698.3
5. Other liabilities	29,822.4	0.0	0.0	29,822.4
thereof taxes	0.0	0.0	0.0	0.0
thereof social security liabilities	5,629.7	0.0	0.0	5,629.7
	197,035.2	120,000.0	220,000.0	537,035.2

Liabilities due to subsidiaries include T€ 70,000.0 (2019: T€ 70,000.0) relating to financing activities, the investment of affiliates' cash and cash equivalents at the parent company and trade payables.

Liabilities due to companies in which an investment is held mostly result from bank balances deposited for City Air Terminal Betriebsgesellschaft m.b.H.

Other liabilities include the following expenses that will be recognised in cash after the balance sheet date: wages and salaries of T€ 5,608.2 (2019: T€ 6,718.5) from payroll accounting for December 2020/2019, social security expenses of T€ 8,477.1 (2019: T€ 5,629.7) and deferred interest of T€ 141.3 (2019: T€ 154.2). The "Other liabilities" item also includes outstanding payment obligations arising from the environmental fund – Vienna Airport service agreement from the mediation process of T€ 2,460.5 (previous year: T€ 6,088.8) in connection with the environmental fund.

As at 31 December 2020, no time deposits were pledged to banks.

Deferred income

Deferred income essentially consists of T€ 15,590.7 (2019: T€ 16,545.2) in rental prepayments received for the air traffic control tower.

Contingent liabilities

Contingent liabilities amounted to T€ 98,493.8 in total as at 31 December 2020 (2019: T€ 103,612.6). These break down as follows:

In accordance with section 7(4) of the charter of the Schwechat Waste Water Association dated 10 December 2003, Flughafen Wien AG is liable for T€ 467.0 in loans relating to the construction and expansion of the sewage treatment facilities (2019: T€ 555.8).

Flughafen Wien AG has issued a guarantee for the payment of liabilities from leases for the subsidiary Vienna Airport Business Park Immobilienbesitzgesellschaft m.b.H., currently amounting to T€ 37,335.0 (2019: T€ 42,365.1).

Flughafen Wien AG issued an open-ended comfort letter on behalf of VIE Office Park 3 BetriebsGmbH to cover current and future liabilities. This comfort letter carries a maximum liability of T€ 2,800.0 (2019: T€ 2,800.0).

Flughafen Wien AG issued an open-ended comfort letter on behalf of Vienna Airport Health Center GmbH to cover current and future liabilities. This comfort letter carries a maximum liability of T€ 3,000.0.

Flughafen Wien AG issued an open-ended comfort letter on behalf of Alpha Liegenschaftsentwicklungs GmbH to cover current and future liabilities. This comfort letter carries a maximum liability of T€ 210.7.

Flughafen Wien AG issued an open-ended comfort letter on behalf of Office Park 4 Errichtungs- und Betriebs GmbH to cover current and future liabilities. This comfort letter carries a maximum liability of T€ 54,681.0.

Other financial obligations

The company had purchase obligations for intangible assets and property, plant and equipment totalling € 15.4 million as at the balance sheet date (2019: € 52.3 million).

Flughafen Wien AG is required to assume the costs of the "Flughafen Wien Mitarbeiter-Beitragungs-Privatstiftung" (the employee foundation), which consist essentially of corporate income tax, in the form of subsequent contributions.

The following table shows the obligations to third parties arising from the use of property, plant and equipment not shown on the balance sheet:

Remaining term from one to five years		
Amounts in T€	2021	2022-2025
Liabilities from operating leases	458.5	1,206.2
Liabilities from operating leases with subsidiaries	1,946.2	7,784.6
Liabilities from a contract for participation rights with subsidiaries	8,950.0	35,800.0
Total	11,354.6	44,790.8

If the construction of the third runway is approved, a payment obligation, derived from traffic figures, arising from the environmental fund – Vienna Airport service agreement from the mediation process will be triggered in connection with the environmental fund within eight weeks of the notification of construction commencement. A figure of approx. € 20.4 million is derived for this obligation on the basis of the traffic figures determined as at 31 December 2020.

Notes to the Income Statement

Revenue

Amounts in T€	2020	2019
Airport revenue	110,525.6	399,943.0
Handling revenue	75,614.5	150,652.8
Aviation revenue	186,140.1	550,595.9
Lease, rental and usage revenue, parking revenue	58,466.2	137,966.7
Other revenue	54,117.7	67,019.9
Non-aviation revenue	112,583.8	204,986.6
Total revenue	298,723.9	755,582.4
thereof with subsidiaries ¹	23,529.4	31,540.8

1) Including companies in which an investment is held

Aviation revenue comprises airport and handling revenue. Non-aviation revenue consists of revenue generated by energy supply and waste disposal services, IT services, rentals and concessions, passenger services and other services.

All revenue was generated in Austria.

Aviation revenue decreased by 66.2% to T€ 186,140.1. This is due to the reduction of MTOW, fewer aircraft movements and the landing fees not charged from the end of March.

Flughafen Wien AG's non-aviation revenue including revenue from Group companies fell by 45.1% to T€ 112,583.8 in 2020 and resulted essentially from lower parking, rental and concession revenue.

Other operating income (including own work capitalised) was T€ 64,309.6 on the balance sheet date (2019: T€ 6,846.4). This increase is primarily attributable to higher income from the reversal of provisions and the recognition of COVID-19 short-time work assistance of T€ 53,433.9. The miscellaneous other income includes T€ 1,374.6 in lockdown revenue compensation granted as part of the COVID-19 assistance.

Cost of materials and other purchased services

The cost of materials and other purchased services was T€ 44,056.0 after T€ 73,956.6 in the previous financial year. The cost of materials decreased due to lower consumption of de-icing materials, fuel and materials.

Personnel expenses

Flughafen Wien AG's personnel expenses decreased by 20.3% year-on-year to T€ 193,620.4 (2019: T€ 242,956.5). In the 2020 financial year, other personnel provisions of T€ 8,694.9 (2019: T€ 3,183.6) were reversed.

Wage costs decreased by T€ 11,966.4 to T€ 71,735.7, and salary costs fell by T€ 16,141.4 to T€ 71,992.8.

The reduction in personnel and wage costs is essentially due to the short-time work as a result of COVID-19 introduced in Vienna from 16 March as well as the accompanying measures to use up holiday time, overtime hours and flexitime credit.

Expenses for severance compensation and contributions to employee severance compensation funds break down as follows:

Amounts in T€	2020	2019
Expenses for severance compensation	4,220.1	17,416.1
Contributions to employee severance compensation funds	1,695.6	1,749.6
Total expenses for severance compensation	5,915.7	19,165.7

Personnel expenses include the following components for service anniversary bonuses:

Amounts in T€	2020	2019
Addition to/reversal of the provision for service anniversary bonuses		
in wages (addition)	-222.5	1,413.2
in salaries (addition)	-125.4	3,659.5
in wages (utilisation)	-244.7	-310.7
in salaries (utilisation)	-903.5	-809.3
Total change in provision	-1,496.0	3,952.7

In the 2020 financial year, T€ 2,958.7 (2019: T€ 3,761.2) was recognised as expenses for pensions, T€ 2,593.8 of which (2019: T€ 2,733.4) was paid into defined contribution pension funds and T€ 364.9 (2019: T€ 1,027.8) into defined benefit pensions.

Depreciation, amortisation and impairment

Depreciation and amortisation increased by 8.2% or T€ 7,873.6 year-on-year to T€ 104,219.6.

Impairment of T€ 8,013.2 was recognised in the 2020 financial year.

Other operating expenses

Other operating expenses comprise the following:

Amounts in T€	2020	2019
Services from Group companies	62,734.7	89,046.8
Maintenance	12,011.4	37,707.5
Third-party services	5,727.9	18,194.0
Marketing and market communication	2,749.8	10,791.2
Legal, audit and consulting fees	2,252.1	4,288.9
Other operating expenses	2,766.2	5,450.6
Travel and training costs	624.2	2,389.9
Insurance	2,154.8	2,082.7
Rentals and leasing	2,951.5	2,819.5
Postage and telecommunication expenses	1,239.1	1,380.5
Damages	967.4	1,009.1
Additions to valuation allowances	1,564.9	13.6
Transportation	216.8	629.9
Other taxes	344.8	530.5
Losses on disposals of fixed assets	308.5	335.1
Miscellaneous	2,441.3	7,137.4
Total	101,055.3	183,807.3

Information on expenses for the auditor of the annual financial statements in the financial year can be found in the notes to the consolidated financial statements of Flughafen Wien AG.

Financial result

Income from investments includes income from the transfer of profit by Vienna Aircraft Handling GmbH of T€ 10.5 (2019: T€ 1,286.3).

Income taxes

Flughafen Wien AG has been the head of a tax group as defined in section 9 of the Körperschaftsteuergesetz (KStG – Austrian Corporate Income Tax Act) since 2005. The Group parent apportions and charges or credits (in the event of a loss) the applicable share of corporation taxes to the member companies of the Group. Income taxes (not including deferred taxes) amounted to T€ 19,104.4 (2019: T€ 42,580.1) and include the tax income (previous year: tax expense) of the parent company for the current financial year and prior-period income of T€ 82.7 (2019: prior-period expense of T€ 1,232.6).

Deferred tax income amounts to T€ 3,040.9 (2019: T€ 5,400.4). The net amount of negative tax allocations is T€ 4,155.5 (2019: T€ 300.1), while the net amount of positive tax allocations is T€ 1,511.2 (2019: T€ 7,438.1).

Other Disclosures

Significant events after the balance sheet

There were no relevant events after the balance sheet date.

Appropriation of earnings

It is proposed to carry forward the net retained profits of T€ 44,805.4 to new account.

Corporate bodies and employees

→ The members of the Supervisory Board in the 2020 financial year are listed below:

- » Bettina GLATZ-KREMSNER (until 4 September 2020)
- » Ewald KIRSCHNER
- » Wolfgang RUTTENSTORFER
- » Robert LASSHOFER (until 31 December 2020)
- » Werner KERSCHL (until 8 July 2020)
- » Lars BESPOLKA
- » Susanne HÖLLINGER
- » Ralph MÜLLER (from 1 January 2021)
- » Herbert PAIERL
- » Manfred PERNSTEINER (from 4 September 2020)
- » Karin REST
- » Boris SCHUCHT (from 1 January 2021)
- » Gerhard STARSICH

→ Delegated by the Works Council:

- » Thomas SCHÄFFER
- » Heinz STRAUBY
- » Herbert FRANK
- » Thomas FAULHUBER
- » David JOHN

→ Chairman/Chairwoman of the Supervisory Board:

- » Bettina GLATZ-KREMSNER (until 4 September 2020)
- » Susanne HÖLLINGER (from 4 September 2020)

→ His/her Deputies:

- » Ewald KIRSCHNER
- » Wolfgang RUTTENSTORFER

→ **The members of the Management Board in 2020 were:**

- » Julian JÄGER
- » Günther OFNER

→ **The average number of employees (not including the Management Board) was as follows:**

	2020	2019
Wage-earning employees	1,890	1,920
Salaried employees	1,251	1,252
Total employees	3,140	3,172

The members of the Management Board of Flughafen Wien AG received the following remuneration for their work in 2020 and 2019 financial years:

→ **Management Board remuneration in 2020 (payments)**

in T€	Fixed remuneration	Performance-based remuneration for	Non-cash remuneration	Total remuneration
	2020	2019	2020	2020
	664.0	343.4	17.5	1,024.9

→ **Management Board remuneration in 2019 (payments)**

in T€	Fixed remuneration	Performance-based remuneration for	Non-cash remuneration	Total remuneration
	2019	2018	2019	2019
	696.8	686.8	17.3	1,400.9

Total remuneration paid to former members of the Management Board amounted to T€ 475.0 (2019: T€ 464.9).

Total expenses for severance compensation and pensions for the members of the Management Board and key employees, not including former members of the Management Board, amounted to T€ 317.4 (2019: T€ 363.6). The comparable amount for other employees was T€ 8,557.0 (2019: T€ 22,563.30).

The members of the Supervisory Board received attendance fees (payments) of T€ 160.7 in 2020 (2019: T€ 177.6).

There were no outstanding receivables from advances or loans granted to the members of the Supervisory Board or Management Board as at the balance sheet date.

Schwechat, 11 March 2021

The Management Board:



Günther Ofner
Member of the Board, CFO



Julian Jäger
Member of the Board, COO

Appendix to the Notes

Appendix 1 to the Notes.

Statement of changes in fixed assets from 1 January to 31 December 2020

Fixed assets Amounts in €	Development of acquisition/production cost					Development of accumulated depreciation					Carrying amounts		
	As at 1.1.2020	Additions	Reclassifica- tions	Disposals	As at 31.12.2020	As at 1.1.2020	Additions	Write-ups	Reclassi- fications	Disposals	As at 31.12.2020	As at 31.12.2020	As at 1.1.2020
I. Intangible assets													
Concessions and rights	46,221,953.18	877,537.57	4,681,339.80	189,424.98	51,591,405.57	37,542,812.10	2,721,063.36	0.00	0.00	189,421.62	40,074,453.84	11,516,951.73	8,679,141.08
Total	46,221,953.18	877,537.57	4,681,339.80	189,424.98	51,591,405.57	37,542,812.10	2,721,063.36	0.00	0.00	189,421.62	40,074,453.84	11,516,951.73	8,679,141.08
II. PROPERTY, PLANT AND EQUIPMENT													
1. Land and buildings, including buildings on third-party land	1,467,636,173.95	2,078,332.91	10,693,628.85	3,654,516.55	1,476,753,619.16	613,385,066.41	50,329,813.12	0.00	0.00	3,215,346.74	660,499,532.79	816,254,086.37	854,251,107.54
2. Technical equipment and machinery	842,920,849.48	1,523,422.21	4,394,051.50	1,724,171.93	847,114,151.26	692,398,474.11	25,048,986.28	0.00	0.00	1,196,278.42	716,251,181.97	130,862,969.29	150,522,375.37
3. Other equipment, operating and office equipment	264,461,153.09	11,530,344.72	1,579,847.89	9,124,191.78	268,447,153.92	196,681,356.13	19,196,892.88	0.00	0.00	9,021,451.25	206,856,797.76	61,590,356.16	67,779,796.96
4. Prepayments made and construction in progress	126,696,394.31	40,540,520.60	-21,348,868.04	957,856.40	144,930,190.47	0.00	6,922,800.45	0.00	0.00	0.00	6,922,800.45	138,007,390.02	126,696,394.31
Total	2,701,714,570.83	55,672,620.44	-4,681,339.80	15,460,736.66	2,737,245,114.81	1,502,464,896.65	101,498,492.73	0.00	0.00	13,433,076.41	1,590,530,312.97	1,146,714,801.84	1,199,249,674.18
III. Financial assets													
1. Shares in subsidiaries	268,739,778.57	0.00	0.00	0.00	268,739,778.57	17,000.00	0.00	0.00	0.00	0.00	17,000.00	268,722,778.57	268,722,778.57
2. Loans granted to subsidiaries	155,152,361.05	0.00	0.00	7,400,000.00	147,752,361.05	249,142.52	0.00	46,540.44	0.00	112,377.56	90,224.52	147,662,136.53	154,903,218.53
3. Investments other companies	4,182,553.17	0.00	0.00	0.00	4,182,553.17	0.00	0.00	0.00	0.00	0.00	0.00	4,182,553.17	4,182,553.17
4. Non-current securities (rights)	659,543.52	0.00	0.00	0.00	659,543.52	0.00	0.00	0.00	0.00	0.00	0.00	659,543.52	659,543.52
5. Other loans granted	732,377.39	8,022.76	0.00	36,984.44	703,415.71	0.00	0.00	0.00	0.00	0.00	0.00	703,415.71	732,377.39
Total	429,466,613.70	8,022.76	0.00	7,436,984.44	422,037,652.02	266,142.52	0.00	46,540.44	0.00	112,377.56	107,224.52	421,930,427.50	429,200,471.18
Total	3,177,403,137.71	56,558,180.77	0.00	23,087,146.08	3,210,874,172.40	1,540,273,851.27	104,219,556.09	46,540.44	0.00	13,734,875.59	1,630,711,991.33	1,580,162,181.07	1,637,129,286.44

Investments of Flughafen Wien AG¹

Appendix 2 to the Notes.

→ Flughafen Wien Immobilienverwertungsgesellschaft m.b.H. (IVW)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: The object of IVW comprises the commercial leasing of assets, in particular property, and the acquisition of properties and buildings at the site of Flughafen Wien AG.

	2020	2019
	T€	T€
Equity	40,167.7	41,093.8
Revenue	8,950.0	8,850.0
Net income for the year	3,073.9	2,233.2

→ Vienna Aircraft Handling Gesellschaft m.b.H. (VAH)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: This company offers a full range of services for all divisions of general aviation and for business aviation in particular. Its key revenue drivers are private aircraft handling and aircraft handling services for Flughafen Wien AG in the general aviation sector (including fuelling and parking).

	2020	2019
	T€	T€
Equity	8,699.8	8,699.8
Revenue	8,475.6	13,270.4
Net income for the year	10.5	1,286.3

→ Vienna Airport Technik GmbH (VAT)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: The company provides services for the electrical facilities sector. It also builds electrical and supply facilities, in particular technical equipment for airports, and installs electrical infrastructure.

	2020	2019
	T€	T€
Equity	2,704.3	3,066.9
Revenue	24,068.9	43,530.5
Net loss/income for the year	-362.6	1,713.2

1) Austrian companies according to UGB

→ Vienna International Airport Security Services Ges.m.b.H. (VIAS)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: VIAS is responsible for the performance of security controls (passengers and hand luggage) on behalf of Flughafen Wien AG. It also performs services for other aviation customers (wheelchair transport, oversize baggage control, document control, etc.). The company also participates in tenders for the provision of security services for airports through its Austrian subsidiaries.

	2020	2019
	T€	T€
Equity	13,555.6	13,900.3
Revenue	30,037.4	58,508.1
Net loss/income for the year	-344.7	6,294.2

→ VIE Liegenschaftsbeteiligungsgesellschaft m.b.H. (VIEL)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: The company serves as a holding company for the BPIB, VOPE, MAZUR, LZW, IMB, ALG, BLG, BPL, VHC and VWTC subsidiaries, the purpose of which is the purchase, development and marketing of the properties they own.

	2020	2019
	T€	T€
Equity	56,228.0	52,685.1
Revenue	0.0	0.0
Net income for the year	4,642.9	7,468.7

→ Vienna International Airport Beteiligungsholding GmbH (VIAB)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: Acquisition of and investment in international subsidiaries and equity investments, participation in international airport privatisation projects. The company serves as a holding company for the subsidiary VINT.

	2020	2019
	T€	T€
Equity	125,976.8	125,423.0
Revenue	0.0	0.0
Net income for the year	6,832.8	6,279.3

→ VIE Shops Entwicklungs- und Betriebsges.m.b.H (VIE-Shops)

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: Planning, development, marketing and operation of shops at airports in Austria and other countries, and the acquisition and management of other companies.

	2020	2019
	T€	T€
Equity	5,185.5	5,184.7
Revenue	0.0	0.0
Net income/loss for the year	0.7	-1.2

→ City Air Terminal Betriebsgesellschaft m.b.H. (CAT)

Registered office: 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 implementation of traffic connections between airports and cities.

	2020	2019
	T€	T€
Equity	9,232.5	12,298.7
Revenue	2,517.9	15,323.0
Net loss/income for the year	-3,066.2	174.1

→ SCA Schedule Coordination Austria GmbH (SCA)

Registered office: 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.

	2020 ^e	2019
	T€	T€
Equity	725.3	759.2
Revenue	610.0	1,086.4
Net loss/income for the year	-33.9	152.6

^e) vorläufige Werte

→ BTS Holding a.s. (BTSH)

Registered office: Bratislava, Slowakei

Share owned: 47,7% VIE

33,3% VINT

Object of the company: Performance of consulting and other services for airports. It was also intended that the company will hold the planned equity investment in Bratislava Airport.

IFRS-Werte	2020	2019
	T€	T€
Equity	297.8	347.4
Revenue	0.0	0.0
Net loss for the year	-49.7	-146.3

→ KSC Holding a.s. (KSCH)

Registered office: Bratislava, Slowakei

Share owned: 47,7% VIE

52,3% VINT

Object of the company: The object of the company, in addition to holding the 66% invest-ment in Košice Airport, is the performance of consulting services.

IFRS-Werte	2020	2019
	T€	T€
Equity	37,365.3	38,095.2
Revenue	0.0	0.0
Net loss/income for the year	-729.9	1,681.1

→ **Airport Co-Working & Conferences GmbH (ACS)**

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: Provision of all types of construction and construction-related services, including for construction projects of Flughafen Wien AG and other contractors.

	2020	2019
	T€	T€
Equity	-293.8	-77.8
Revenue	137.4	34.6
Net loss for the year	-216.0	-108.4

→ **Vienna Passenger Handling Services GmbH (VPHS)**

Registered office: Schwechat

Share owned: 100% VIE

Object of the company: Provision of ground handling services as defined by the Flughafen-Bodenabfertigungsgesetz (Austrian Airport Ground Handling Act). The services are consistent with those detailed in the appendix to the Austrian Airport Ground Handling Act.

	2020	2019
	T€	T€
Equity	500.1	498.4
Revenue	5,732.5	8,852.9
Net income for the year	1.8	27.2

→ **VIE FINANCE HOLDING Ltd. (VFH)**

Registered office: Kottlingbrunn

Share owned: 99,95% VIE

0,05 % VIAB

Object of the company: Holding company for the subsidiary VIE Malta Finance Ltd.

IFRS-Werte	2020	2019
	T€	T€
Equity	11,324.9	16,606.3
Revenue	0.0	0.0
Net income/loss for the year	1,718.6	-254.9

→ **Load Control International SK s.r.o (LION)**

Registered office: Kosice, Slowakei

Share owned: 100% VIE

Object of the company: The object of the company is the preparation of load sheets.

IFRS-Werte	2020	2019
	T€	T€
Equity	-29.7	46.6
Revenue	447.7	650.4
Net loss/income for the year	-76.3	23.0

Development of Government Grants

Appendix 3 to the Notes

Amounts in €	As at 1.1.2020	Disposal	Reversal	Addition	As at 31.12.2020
I. Property, Plant and Equipment					
1. Land and buildings	572,432.08	0.00	216,303.12	0.00	356,128.96
2. Technical equipment and machinery	47,380.41	0.00	20,450.72	204,721.17	231,650.86
3. Other equipment, operating and office equipment	11,907.16	0.00	2,889.44	0.00	9,017.72
Total	631,719.65	0.00	239,643.28	204,721.17	596,797.54

Statement by the Members of the Management Board

In accordance with Section 124 (1) Z3 of the Austrian Stock Corporation Act 2018

We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Schwechat, 11. March 2021

The Management Board



Günther Ofner
Member of the Board, CFO



Julian Jäger
Member of the Board, COO

Auditor's report

Report on the Financial Statements

Audit Opinion

We have audited the financial statements of
Flughafen Wien Aktiengesellschaft, Schwechat,

which comprise the Balance Sheet as of 31 December 2020, the Income Statement for the year then ended, and the notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2020, and its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles.

Basis for our Opinion

We conducted our audit in accordance with the Regulation (EU) 537/2014 ("AP Regulation") and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section of our report. We are independent of the Company, in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. These matters were addressed in the context of our audit of the financial statements as a whole, however, we do not provide a separate opinion thereon.

In our opinion the key audit matters are the following:

1. Valuation of property, plant and equipment
2. Recognition of investments in property, plant and equipment

1. Valuation of Property, Plant and Equipment

Refer to notes pages 6, 11 and 21

Risk for the Financial Statements

Valuation of property, plant and equipment is of particular significance, because property, plant and equipment in the amount of EUR 1,146.7 million. represent approx. 62% of Flughafen Wien AG's total assets.

At each reporting date, Management assesses whether there is any indication that an asset may be impaired or an impairment loss recognized in prior periods may no longer exist or may have decreased. In case of such triggering events, Management assesses property, plant and

equipment through comparing the carrying amount to its fair value. Fair value is determined by discounting future cash flows by a discounted cash flow method.

Determination whether impairment tests have to be performed is based on estimates and judgement. Valuation depends substantially on Management's estimate of future cash flows for purposes of the discounted cash flow calculation, the underlying discount rates, growth rates as well as the underlying planning periods. As such, the valuation is subject to significant estimation uncertainties.

There is a risk that property, plant and equipment is overstated in the financial statements.

Our Response

We assessed the valuation of property, plant and equipment as follows:

- » In order to assess whether triggering events have occurred, we obtained an understanding of the planning assumptions as well as the relevant processes and internal controls through inquiry of the Management. Additionally, we tested the operating effectiveness of selected internal controls. We further analysed the documentation ("trigger list") provided to us and compared the underlying estimates and assumptions with our understanding gained in the course of the audit of the financial statements, in particular with the analyses of actual results.
- » We evaluated the process and methods applied to the impairment testing of Property, Plant, and Equipment and critically questioned whether these processes are adequate to appropriately value Property, Plant, and Equipment. For those items of Property, Plant, and Equipment, for which a formal determination of the fair value was made, we assessed the valuation model, the planning assumptions and the parameters used in the valuation.
- » On a sample basis, we agreed the planning figures on which the valuation is based to the mid-term planning approved by Management.
- » In consultation with our valuation specialists we evaluated the appropriateness of the underlying estimates in determining the discount rates by comparison with market and industry specific benchmarks and we obtained an understanding of the calculation model for determining the discount rates.
- » On a sample basis we compared actual cash flows as well as current planning figures with prior periods forecasts. We discussed deviations identified with Management.
- » We agreed the respective carrying amounts to the fixed assets subledger.

2. Recognition of Investments in Property, Plant and Equipment

Refer to notes page 6 and the management report page 18

Risk for the Financial Statements

Investments in property, plant and equipment amount to EUR 57 million in 2020.

The Company assesses whether Property, plant and equipment should be capitalized and in which amount. In particular in the case of construction projects not yet finalized, capitalisation of services performed requires estimates related to the stage of completion of the project.

Due to the requirements of the audit of the ongoing construction projects, the determination of acquisition and construction costs of property, plant and equipment is subject to uncertainties.

There is a risk that assets are recognized incorrectly resulting in an incorrect result for the period.

Our Response

We assessed the recognition of property, plant and equipment as follows:

- » In the course of our audit, we gained an understanding of the processes of and internal controls over the recognition of property, plant and equipment and we tested the operating effectiveness of selected internal controls.
- » For the purpose of assessing existence and accuracy of accrued acquisition and production costs, we analysed to which extent additions to property plant and equipment resulted from invoices received or cost accruals.
- » For a sample of projects, we discussed the status of the project and further development of the project with the responsible persons.
- » Moreover, we agreed a sample of additions to property plant and equipment to the underlying invoices.

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's the financial reporting process.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement – whether due to fraud or error – and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with the AP Regulation and Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the AP Regulation and Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

→ Moreover:

- » We identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those

risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- » We obtain an understanding of internal control relevant to the audit 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 entity's internal control.
- » We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- » We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the respective note in the financial statements. If such disclosures are not appropriate, we will modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- » We evaluate the overall presentation, structure and content of the financial statements, including the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- » We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.
- » We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.
- » From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor's report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal Requirements

Management Report

In accordance with the Austrian company law, the management report is to be audited as to whether it is consistent with the financial statements and prepared in accordance with legal requirements.

It is our responsibility to determine whether the non-financial statement has been prepared as part of the management report, to read and assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the financial statements or any apparent material misstatement of fact.

Management is responsible for the preparation of the management report in accordance with the Austrian company law.

We have conducted our audit in accordance with generally accepted standards on the audit of management reports.

Opinion

In our opinion, the management report is consistent with the financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB are appropriate.

Statement

Based on our knowledge gained in the course of the audit of the financial statements and our understanding of the Company and its environment, we did not note any material misstatements in the management report.

Additional Information in accordance with Article 10 AP Regulation

We were elected as auditors at the Annual General Meeting on 4 September 2020 and were appointed by the supervisory board on 4 November 2020 to audit the financial statements of Company for the financial year ending 31 December 2020.

We have been auditors of the Company, without interruption, since the financial statements as of 31 December 2007.

We declare that our opinion expressed in the "Report on the Financial Statements" section of our report is consistent with our additional report to the audit committee, in accordance with Article 11 AP Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 AP Regulation) and that we have ensured our independence throughout the course of the audit, from the audited Company.

Engagement Partner

The engagement partner is Mr Walter Reiffenstuhl.

Vienna, 11 March 2021

KPMG Austria GmbH

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Walter Reiffenstuhl

Wirtschaftsprüfer

(Austrian Chartered Accountant)

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
- › **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 Charge:** A charge based on the amount of noise produced by aircraft; part of this fee has been charged since July 2010
- › **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 Zone:** Sector in which a specific noise level is exceeded
- › **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

→ 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 – current and non-current investments (time deposits)
- › **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
- › **CO₂:** Carbon dioxide
- › **IATA:** International Air Transport Association (umbrella organisation of the airlines)
- › **ICAO:** International Civil Aviation Organization
- › **PAX:** Passenger
- › **TU:** Traffic unit

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The Flughafen Wien Group provides the following information in the Internet:

Flughafen Wien AG website:
www.viennaairport.com

Investor Relations:

https://www.viennaairport.com/en/company/investor_relations

Noise protection programme at Vienna International Airport:

www.laermschutzprogramm.at

The environment and aviation:

www.vie-umwelt.at

Facts & figures on the third runway:

www.viennaairport.com/en/company/flughafen_wien_ag/third_runway_project

Dialogue forum at Vienna International Airport:

www.dialogforum.at

Mediation process (archive) :

www.viemediation.at

Layout:

Philipp Stöhr



Disclaimer: This annual financial report contains assumptions and forecasts, which are based on information available up to the copy deadline in March 2021. If the premises for these forecasts do not occur or risks indicated in the risk report arise, actual results may vary from these estimates. Although the greatest caution was exercised in preparing data, all information related to the future is provided without guarantee. The Annual Financial Report 2020 of Flughafen Wien AG is also available on our homepage www.viennaairport.com/en/company/investor_relations under the menu point "Publications and reports".