

Flughafen Wien AG

Q3/2011 Quarterly results



Q3 Highlights

- Positive traffic growth momentum continuing – despite current general constraints in the aviation sector
- Positive development of operative performance negatively influenced by special items totalling € 74 mill., as announced last week (for Skylink, Kosice Airport, investment property and personnel)
- Skylink progressing on-track, test phase to commence December as scheduled
- New leadership team started in September

Q3 Highlights – First measures of the new board

Strong competition amongst airlines, pressure on cost, tariffs, quality and capacity

Improvements of infrastructure and service quality; further investments required

Quality improvement and cost reduction are vital!

Sustain strengths

- Strengthen the competitive position
- Intensify the co-operation with airlines
- Secure growth

Reduce weaknesses

- Increase Non Aviation revenues
- Improve project management (especially construction projects)
- Optimize structures and processes

Develop innovation

- Improve service quality, with special focus on passengers' experience

First measures

- Financial review and stringent monitoring
- Restructuring
- Cost cutting (personnel, purchasing, projects)
- Special charges booked in Q3/2011
- CAPEX reduction / improve financial position

Focus on

- Efficiency increase
- Retail and property
- Skylink
- 3rd runway
- Observe developments at Bratislava

At a glance – Financials 1-9/2011

in € mill.	1-9/11	1-9/10	Δ in %	Q3/11	Q3/10	Δ in %
Revenue	435.3	397.8	+9.4	155.0	144.7	+7.2
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	158.2	144.5	+9.5	59.7	58.8	+1.5
Earnings before interest and taxes (EBIT)	63.0	95.2	-33.8	-3.0	42.6	n.m.
Financial results	-28.4	-1.2	n.m.	-20.5	1.6	n.m.
Profit before taxes (EBT)	34.7	94.0	-63.1	-23.5	44.2	n.m.
Taxes	-14.4	-21.8	-33.8	0.4	-10.1	n.m.
Net profit for the period (after non-controlling interests)	20.2	72.2	-72.0	-23.1	34.1	n.m.
Clean EBITDA	163.8	144.5	+13.4	65.3	58.8	+11.1
Clean EBIT	115.3	95.2	+21.1	49.2	42.6	+15.5
Clean net profit for the period	82.3	72.2	+14.0	39.0	34.1	+14.3

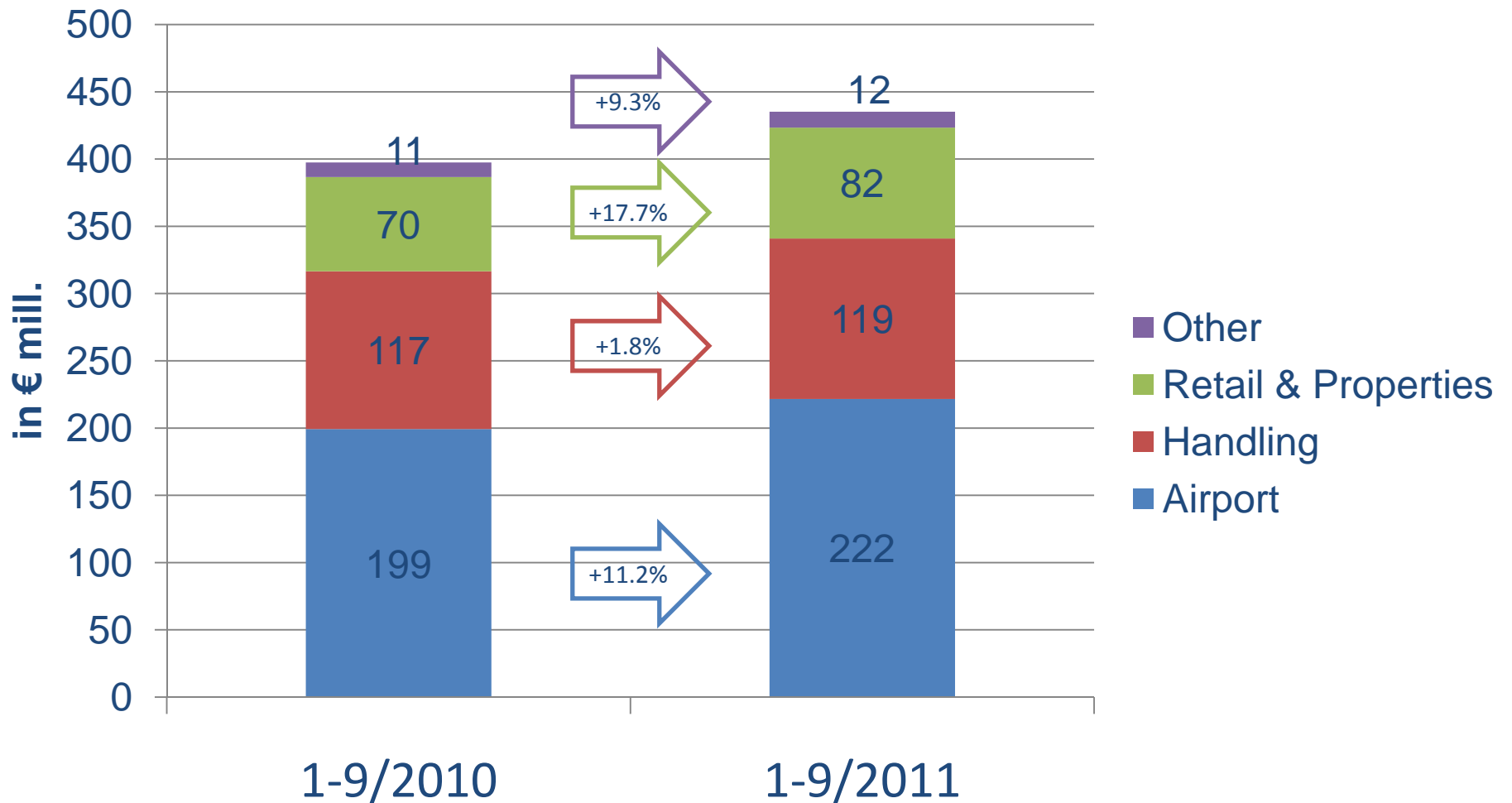
At a glance – Special items

in € mill.	1-9/11
Clean EBITDA	163.8
Provisions for part-time work for older employees	-5.6
EBITDA	158.2
Amortisation and depreciation (excluding special items)	-48.5
Clean EBIT	115.3
Skylink impairment	-29.1
Investment property impairment	-17.5
EBIT	63.0
Clean financial results (excluding special items)	-7.0
Kosice impairment	-21.4
Financial results	-28.4
Clean Taxes	-26.0
Taxes	-14.4
Clean net profit for the period (after non-controlling interests)	82.3
Net profit for the period (after non-controlling interests)	20.2

Specials items

- Skylink: in the cases reviewed, total damages identified amount to € 57 mill.
 - thereof € 29 mill. are impaired;
 - for the outstanding amount, VIE will actively pursue claims for compensation from the involved companies
- Impairment of Kosice Airport by € 21 mill. due to substantially lower traffic growth compared to the estimations in the past
- Impairment in properties for one building by approx. € 18 mill. due to occupancy levels below original expectations
- Provisions booked for part-time work for older employees amount to approx. € 6 mill.

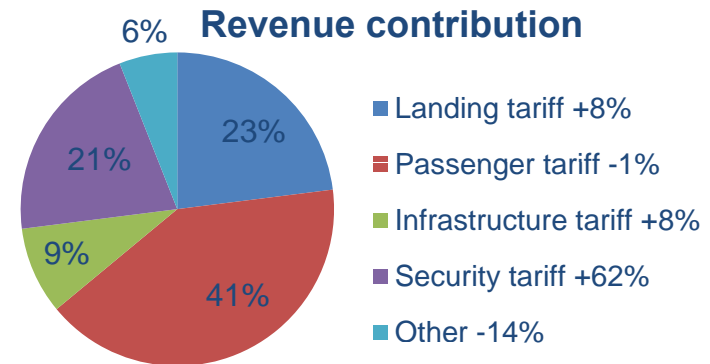
Revenue contribution



Segment – Airport

- Strong growth in traffic (also due to negative effects of the ash cloud in 2010)
- New security charge accounted for in 1-9/11
- Increased depreciation due to Skylink impairment
- High increase in incentives

	1-9/11	1-9/10	Δ in %
External revenue (in € mill.)	221.6	199.3	+11.2
Clean EBIT (in € mill.)	75.1	66.3	+13.4
EBIT (in € mill.)	44.8	66.3	-32.4
EBIT margin (in %)	18.3	29.5	-38.1
EBITDA margin (in %)	40.4	40.7	-0.8
Number of employees	416	411	1.1

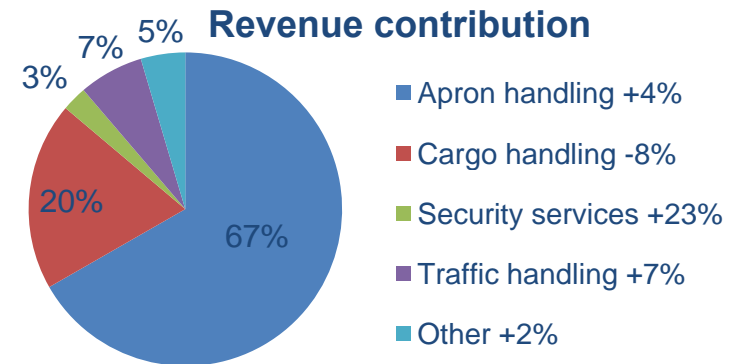


* The security tariff was introduced based on the EU regulations and replaces the former revenues from security, passenger and baggage controls.

Segment – Handling

- Market share broadly flat at 89%
- Increase in personnel expenses due to higher number of employees, as well as due to provisions for part-time work for older employees

	1-9/11	1-9/10	Δ in %
External revenue (in € mill.)	119.4	117.3	+1.8
Clean EBIT	8.1	13.2	-38.9
EBIT (in € mill.)	5.2	13.2	-60.6
EBIT margin (in %)	3.2	8.4	-61.9
EBITDA margin (in %)	6.1	11.7	-48.2
Number of employees	3,280	2,961	+10.8

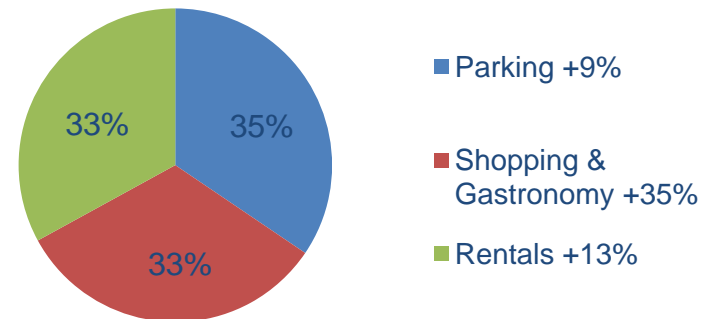


Segment – Retail & Properties

- Increase in shopping and gastro revenue due to
 - Strong traffic growth
 - Renegotiated lease agreements
- Increased revenues from parking and rentals
- Slight decrease in expenses in general but the impairment in investment property burdens the good results

	1-9/11	1-9/10	Δ in %
External revenue (in € mill.)	82.4	70.0	+17.7
Clean EBIT	46.8	32.7	+43.4
EBIT (in € mill.)	29.2	32.7	-10.5
EBIT margin (in %)	30.3	39.8	-23.8
EBITDA margin (in %)	59.7	53.1	+12.4
Number of employees	68	77	-11.5

Revenue contribution



Expenses

- Personnel (€ 189.6 mill.): + 12.5% above 1-9/10, mainly due to higher number of employees (+8.8%) but also due to provisions for other employee-related items, however positive effect from reduction in overtime
- Consumables and services used (€ 27.7 mill.): fell below 1-9/10 mainly due to the reduction in the use of de-icing materials, lower expenses for services and a credit for fuel invoices
- Other operating expenses (€ 73.0 mill.): +7.9% primarily due to the positive effects from the release of a provision (€ 2.1 mill.) in 1-9/10

Financial results including participations

- Airport Kosice impairment and full write-off of Friedrichshafen Airport adversely effecting financial result (EBT) by € 27 mill.

in € mill.	1-9/11	1-9/10	Δ in %
Financial result	-28.4	-1.2	n.m.
At equity contribution	-23.2	3.5	n.m.
Net interest result	-7.2	-5.1	+40.9

- Main investments:
 - Malta € 3.3 mill.
 - Kosice € -20.4 mill. (thereof € -21.4 mill. impairment)
 - Friedrichshafen € -6.0 mill. (thereof € -5.7 mill. full write-off of the investment)
- Interest expense € 2.5 mill. higher due to approx. € 100 mill. increase in financial liabilities
- Interest income amounted to € 2.9 mill.

Financial position & gearing

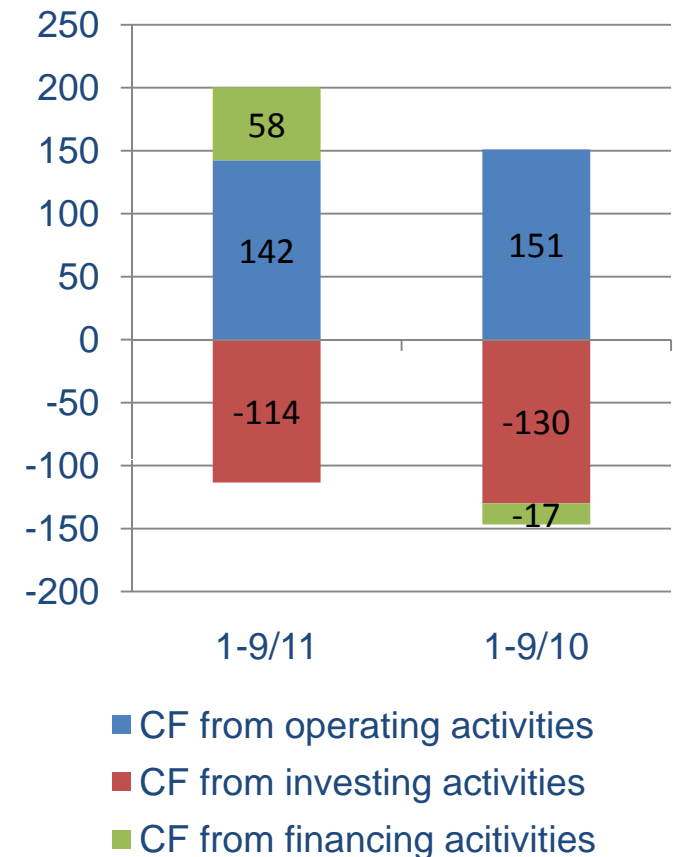
- Current securities reduced by € 34.8 mill. mainly due to the sale of an investment fund
- Increase in net debt, chiefly due to rise in financial liabilities
- Decline in ROCE

	1-9/11	1-9/10	Δ in %
Net debt (in € mill.)	714.4	642.0	+11.3
Gearing (in %)	89	78	+14.9
ROCE (in %)	3.0	4.8	-37.2

Cash flow & CAPEX

- Cash flow from operating activities: below 1-9/10 due to changes in working capital
- Cash flow from investing activities: below 1-9/10; investments above prior year level were contrasted by payments received for securities disposals
- Cash flow from financing activities: increased due to growth in long-term financial liabilities (+ € 100 mill.)
- Investments: at € 179.3 mill. above 1-9/10 due to higher investments in Skylink project (interruption of the project until February 2010 and reduced spending levels at restart)

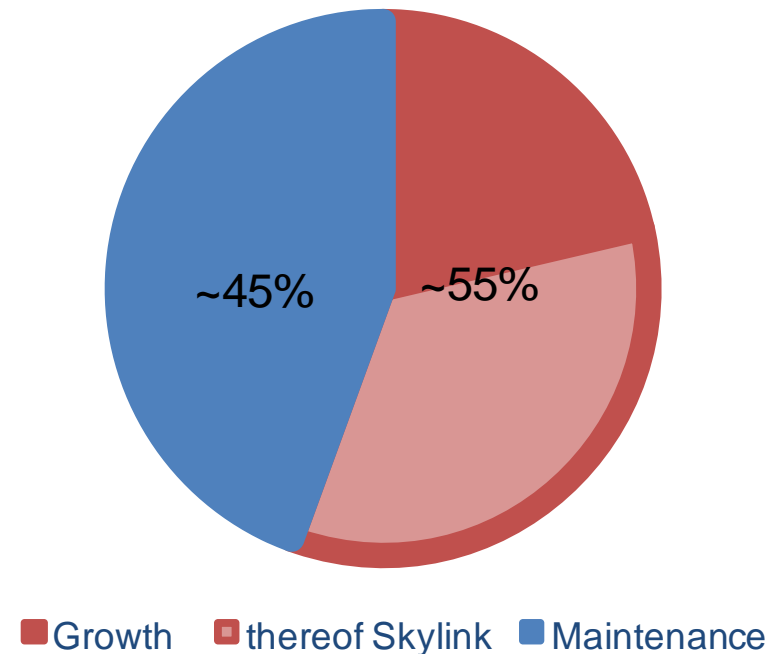
Cash flow (in € mill.)



CAPEX 2011-2015 – Revised

- CAPEX 2011-2015:
approx. € 590 mill.
- Reduction by € 70 mill due lower CAPEX at Skylink as well as cancellation of individual projects
- Main projects:
 - Maintenance (ca. € 260 mill.)
 - Skylink (ca. € 210 mill.)
 - Shoulder improvement 16/34
 - Shoulder and surface improvement 11/29
 - Adaptation Terminal 2
 - Cargo position enlargement
 - Technical noise protection

**CAPEX
2011-2015**



Traffic – At a glance

	1-9/11	1-9/10	Δ in %
Passenger traffic (in mill.)	16.0	14.9	+7.5
Transfer passengers (in mill.)	4.9	4.6	+8.1
Middle East (in mill.)*	0.4	0.4	+2.5
Eastern Europe (in mill.)*	1.5	1.3	+13.7
Flight movements (in thousand)	186	186	+0.4
MTOW (in 1,000 tonnes)	6,257	5,948	+5.2
Cargo incl. trucking (in tonnes)	207,460	217,259	-4.5

* Number of departing passengers

Traffic – At a glance

	Q2/11	Q2/10	Q3/11	Q3/10	vs. Q3/10 Δ in %
Passenger traffic (in mill.)	5.6	5.0	6.3	6.0	+6.0
Transfer passengers (in mill.)	1.6	1.5	2.1	1.9	+13.2
Middle East (in mill.)*	0.1	0.1	0.1	0.1	-0.2
Eastern Europe (in mill.)*	0.5	0.4	0.6	0.5	+15.3
Flight movements (in thousand)	63	62	65	66	-1.5
MTOW (in 1,000 tonnes)	2,151	2,043	2,191	2,203	-0.6
Cargo incl. trucking (in tonnes)	70,848	77,962	64,944	68,906	-5.7

* Number of departing passengers

Traffic – Airlines

	1-9/11	1-9/10	Δ in %
Passengers (in mill.)	16.0	14.9	+7.5
	Share in %	Share in %	Δ in %
AUA	50.0	51.6	+4.1
Lufthansa	5.0	4.7	+15.4
Germanwings	2.3	2.1	+13.5
Swiss	1.6	1.5	+9.1
Total LHGR *	58.8	60.0	+5.4
Niki	12.0	10.6	+21.5
Air Berlin	6.5	7.0	+0.2
Total Niki & Air Berlin	18.5	17.6	+13.1
British Airways	1.6	1.6	+5.6
Air France	1.4	1.5	-0.5
Turkish Airlines	1.3	1.2	+11.9
Emirates	1.3	1.1	+28.7
Other	17.1	17.0	+8.5

* Excluding Brussels Airlines, SunExpress, British Midland and Air Dolomiti

Traffic – Growth in new airlines and destinations*

New airlines*

- Cirrus Airlines
- People's Viennaline
- Transavia
- TAP Portugal
- SkyWork
- Aegean Airlines
- Ural Airlines
- Condor

New destinations*

- Valencia (Niki, saisonal)
- Rotterdam (Transavia)
- Lissabon (TAP Portugal)
- Baghdad (AUA)
- Bern (SkyWork)
- Chelyabinsk (Ural Airlines)
- Punta Cana (Condor)
- Male (AUA, saisonal)

Increased frequency*

- Berlin, Dusseldorf (Air Berlin)
- Malta (Air Malta)
- Toronto, Klagenfurt, Linz, Belgrade (AUA)
- Sofia (Bulgaria Air)
- Frankfurt (Lufthansa)
- Belgrade, Sofia (Niki)

Traffic – Forecast

2011:

- Passengers above +5%
- Maximum take-off weight +3%
- Flight movements +1%

Long-term forecast 2011 – 2020*:

4.2% average growth p.a.

(24.6 mill. passengers in 2015 and

30.6 mill. passengers in 2020, respectively)

* Source: Intraplan 2009

Outlook 2011

- Productivity enhancement and cost reduction program ongoing
- Skylink:
 - Maximum costs reduced to € 770 mill. (down from previously calculated € 800 mill.)
 - Preparations for test period in progress
 - Test period to start in December 2011
- Third runway:
 - Hearing took place end of August, start of September 2011
 - Official ruling in the first instance expected for beginning of 2012 the earliest
- Traffic forecast increased – still in line with expectations

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