

# FLUGHAFEN WIEN AG

Q1-3/2016 Results



# Q1-3/2016: Considerably more passengers and further improvement in the net profit



## Passenger growth of the Flughafen Wien Group: +2.2%

- ✈ Vienna Airport +1.1% – positive effect of low cost carriers dampened by terrorist attacks
- ✈ Strong passenger growth at Malta Airport (+7.5%) and Kosice Airport (+5.5%)

**Revenue** increase to € 545.4 million (+10.2%), **EBITDA** up 36.1% to € 306.5 million (clean i.e. adjusted for Malta effect +13.1% to € 254.7 million, **EBIT** rise of 67.2% to € 208.7 million (clean +25.7% to € 156.9 million)

**Positive business development: net profit for the period<sup>1</sup>** up to € 150.6 million (+78.5% from € 84.4 million in Q1-3/2015, clean +17.1% from Q1-3/2015 to € 98.8 million)

**Net debt further reduced** to € 370.8 million (drop of € 95.2 million from the end of 2015) – Annual target < € 400 million has already been reached

**Special effects due to the Malta transaction:** upward revaluation of stake in Malta Airport by € 51.8 million and first-time full consolidation of Malta Airport (EBITDA of the new Malta Segment in Q2-3/2016: € 27.8 million)

**Financial guidance confirmed for 2016:** rise in revenue to € 725 million, EBITDA of € 310 million, increase in the net profit for the period before non-controlling interests adjusted for Malta revaluation to € 115 million

2 *Comparable figures adjusted for 2015: at equity stakes included in operating earnings (EBITDA) and not in the financial results*  
1) *Net profit for the period after non-controlling interests*

# Q3/2016 – Upward trend continues: Passenger growth and strong earnings improvement



## Passenger growth of the Group +2.4%

- ✈ Vienna Airport +2.1% – positive effect of LCC
- ✈ Rise in passenger volume at Malta Airport (+4.6%), decline in Kosice (-3.8%)

**Revenue** up 14.9% to € 211.0 million, contribution of Malta Airport of € 24.1 million, also positive revenue development of Airport and Handling Segments

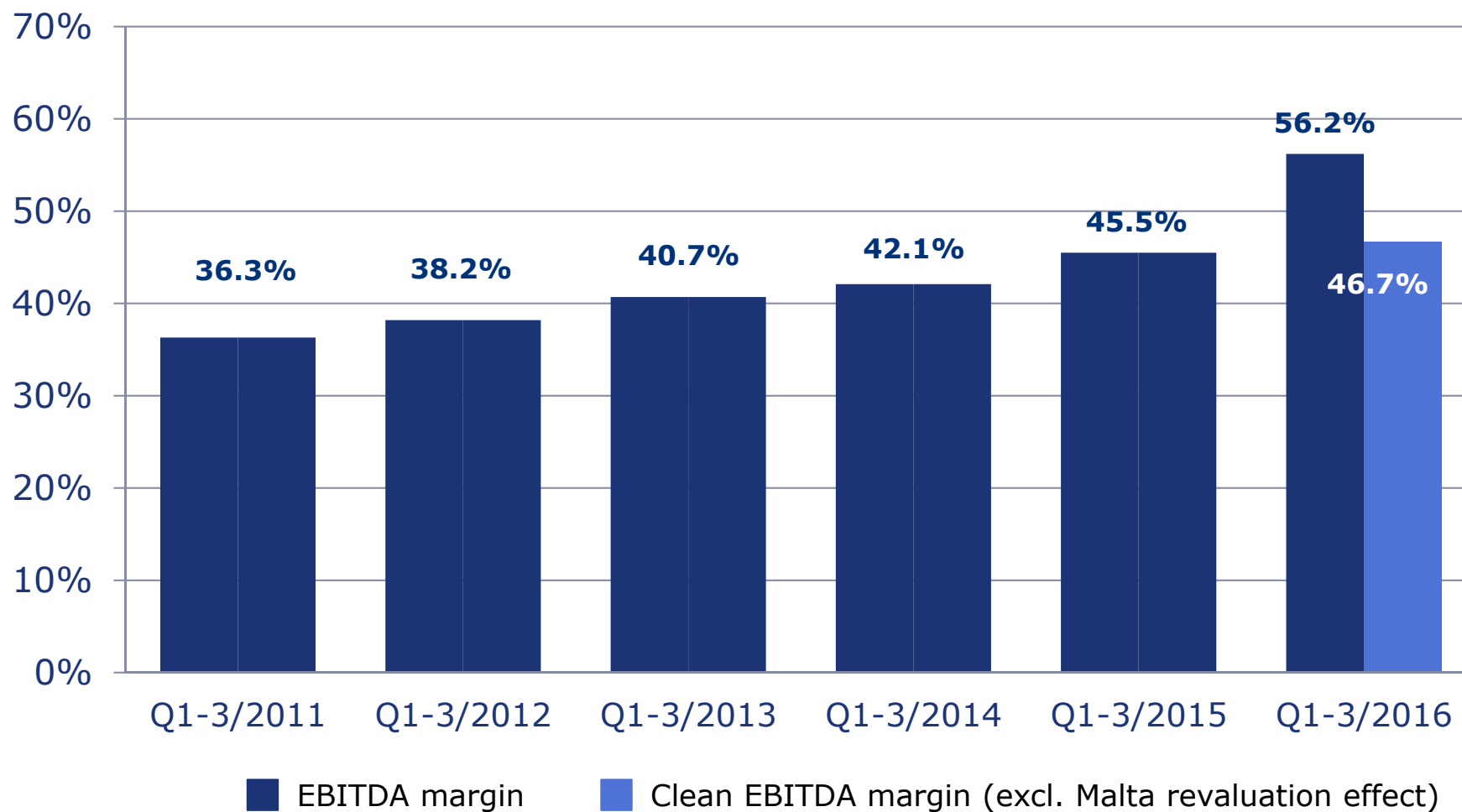
**EBITDA** shows disproportionately high growth of 17.9% to € 105.0 million, Malta contribution of € 15.6 million, costs under control

**EBIT** rise of 33.3% to € 70.4 million, € 12.6 million from Malta

**Positive business development: increased net profit for the period<sup>1</sup>** to € 44.2 million (+20.2% from € 36.8 million in Q3/2015)

3 *Comparable figures adjusted for 2015: at equity stakes included in operating earnings (EBITDA) and not in the financial results*  
1) *Net profit for the period after non-controlling interests*

# Ongoing improvement in the EBITDA margin shows strong productivity gains



# Significant improvement of all financial performance indicators



in € million	Q1-3/2016	Q1-3/2015 <sup>1</sup>	Δ in %
Revenue	545.4	495.1	+10.2
Earnings before interest, tax, depreciation and amortization (EBITDA)	306.5	225.2	+36.1
Earnings before interest and taxes (EBIT)	208.7	124.8	+67.2
Financial results	-13.4	-15.2	-11.9
Earnings before tax (EBT)	195.3	109.6	+78.2
Net profit (after taxes and non-controlling interests)	150.6	84.4	+78.5
Clean EBITDA	254.7	225.2	+13.1
Clean EBIT	156.9	124.8	+25.7
Clean net profit for the period	98.8	84.4	+17.1

- ✈ Revenue rise (also excl. Malta consolidation) due to passenger development, fee adjustments, lower transfer incentives, cargo, apron and flight traffic handling
- ✈ Costs under control due to efficiency enhancement and stringent budget discipline despite higher personnel costs
- ✈ Very positive development of operating results

# Expenses: Cost discipline and reduced depreciation



- ✈ Expenses for consumables and services used below prior-year level despite full consolidation of Malta Airport. Savings in energy costs and repair materials, reduction in services used.
- ✈ Personnel expenses up € 7.3 million
  - ✈ as a result of the Malta expansion (+306 employees as at Sept. 30, 2016), average number of employees in the Group up 4.8%
  - ✈ due to salary increases mandated by collective wage agreements and updating of actuarial parameters as well as changes in the consolidation range
  - ✈ Positive special effects related to updating of actuarial parameters for wages
- ✈ Other operating expenses up € 13.6 million, mainly attributable to the full consolidation of Malta Airport (€ 10.0 million) and release of provisions in the previous year
- ✈ Higher scheduled depreciation due to full consolidation of Malta stake more than compensated by reversal of impairment on an office building (€ 3.9 million) due to increased rental income

in € million	Q1-3/2016	Q1-3/2015	Δin%
Consumables and services used	24.4	25.5	-4.3
Personnel expenses	198.4	191.1	+3.8
Other operating expenses	80.5	66.9	+20.2
Depreciation, amortisation and impairment reversals	97.8	100.4	-2.6

# Further improvement in the balance sheet structure: considerable increase in equity



	Q1-3/2016	Q1-3/2015	Δ in %
Net debt (€ million) <sup>1</sup>	370.8	466.0	-20.4
Gearing (%) <sup>1</sup>	29.6	45.7	n.a.
Cash flow from operating activities (€ million)	209.8	186.6	+12.4
Free cash flow (€ million)	206.8	139.1	+48.7
CAPEX (€ million) <sup>2</sup>	69.0	45.0	+53.3
Equity (€ million) <sup>1</sup>	1,254.2	1,020.0	+23.0
Equity ratio (%) <sup>1</sup>	55.7	53.4	n.a.

- ✈ Net debt target of under € 400 million reached ahead of time
- ✈ Above-average increase in the free cash flow due to the advance payment from a finance lease agreement

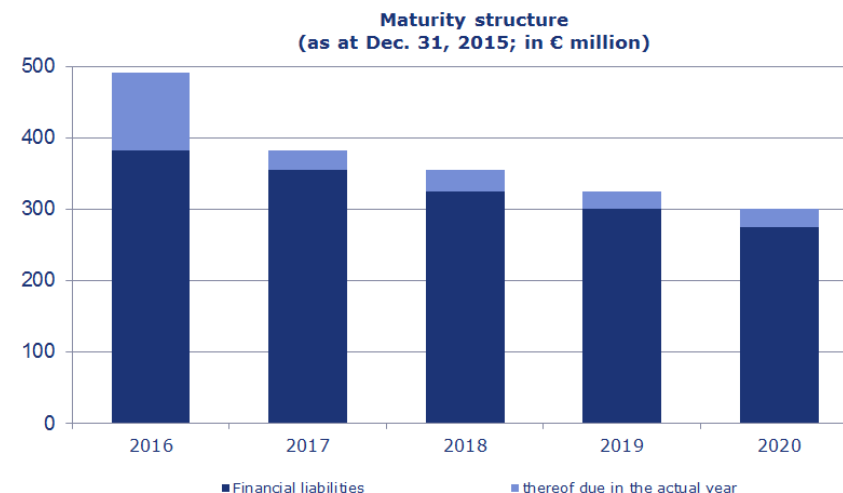


# Further improvement in net debt (€ 370.8 million) and gearing (29.6%)



- ✈ Net debt reduced by € 95.2 million to € 370.8 million
- ✈ Non-current assets mainly reflect the full consolidation of Malta Airport: increase in property, plant and equipment through the expansion of the consolidation range, rise in goodwill, and the book value of the investment property in contrast to the reduction of the at-equity stakes related to the change in the consolidation range
- ✈ Equity primarily increased as a result of the full consolidation of Malta Airport: on the one hand due to the strong rise in the net profit for the period, on the other hand as a result of the higher book value of non-controlling interests
- ✈ Higher level of non-current liabilities due to full consolidation of Malta stake, but decrease in current liabilities due to repayment of debt

	30.9.2016	31.12.2015	Δ in %
Net debt (€ million)	370.8	466.0	-20.4
Gearing (%)	29.6	45.7	-16.1%p.



Terms to maturity as at December 31, 2015 do not include the full consolidation of Malta Airport



# Higher cash flow from operating activities – cash inflows strengthen free cash flow

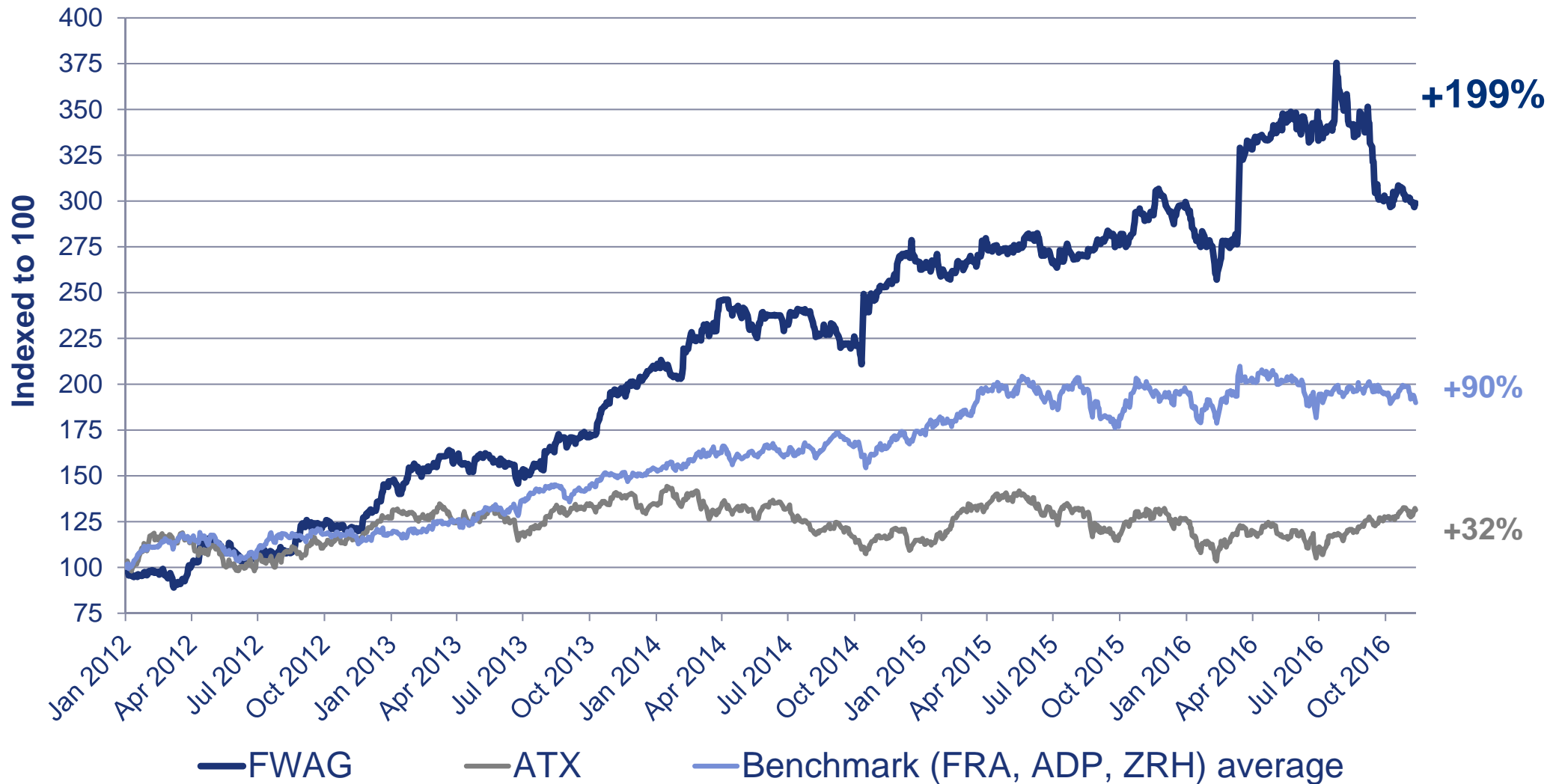


- ✈ Strong increase in the free cash flow mainly due to advance rent payment from a finance lease agreement
- ✈ Cash flow from operating activities: rise related to improved earnings and rental prepayment due to a change in the existing agreement
- ✈ Cash flow from financing activities: increase mainly related to higher debt repayment and dividend distribution

in € million	Q1-3/2016	Q1-3/2015	Δ in%
Cash flow from operating activities	209.8	186.6	+12.4
Cash flow from investing activities	-2.9	-47.5	-93.9
Cash flow from financing activities	-139.3	-78.2	+78.1
Free cash flow	206.8	139.1	+48.7

- ✈ Investments (CAPEX) at € 69.0 million (excl. business acquisitions) – the largest additions were for the Runway System 11/29 (€ 23.9 million), investments in connection with the 3rd Runway (€ 8.0 million) as well as renovation of a handling building (€ 2.4 million)
- ✈ On a provisional basis, the following values in relation to Malta Airport were added to the consolidated balance sheet (Q1/2016): € 61.3 million for goodwill, € 0.9 million for intangible assets and € 363.8 million for property, plant and equipment and investment property.

# Share price development since 1/2012: +199%; market capitalisation of about € 1.8 bn



# Successful site development – the Airport City continues to grow



- ✈ Numerous business location projects in 2015 and 2016 create about 600 jobs at the airport site
- ✈ Opening of a MOXY hotel at the beginning of 2017
- ✈ Start of project development work on Office Park 4
- ✈ Vienna Airport Region project: start of joint marketing activities for the site
- ✈ About 40,000m<sup>2</sup> of logistics properties in planning



# Guidance for 2016 – targeted earnings improvement for the entire year



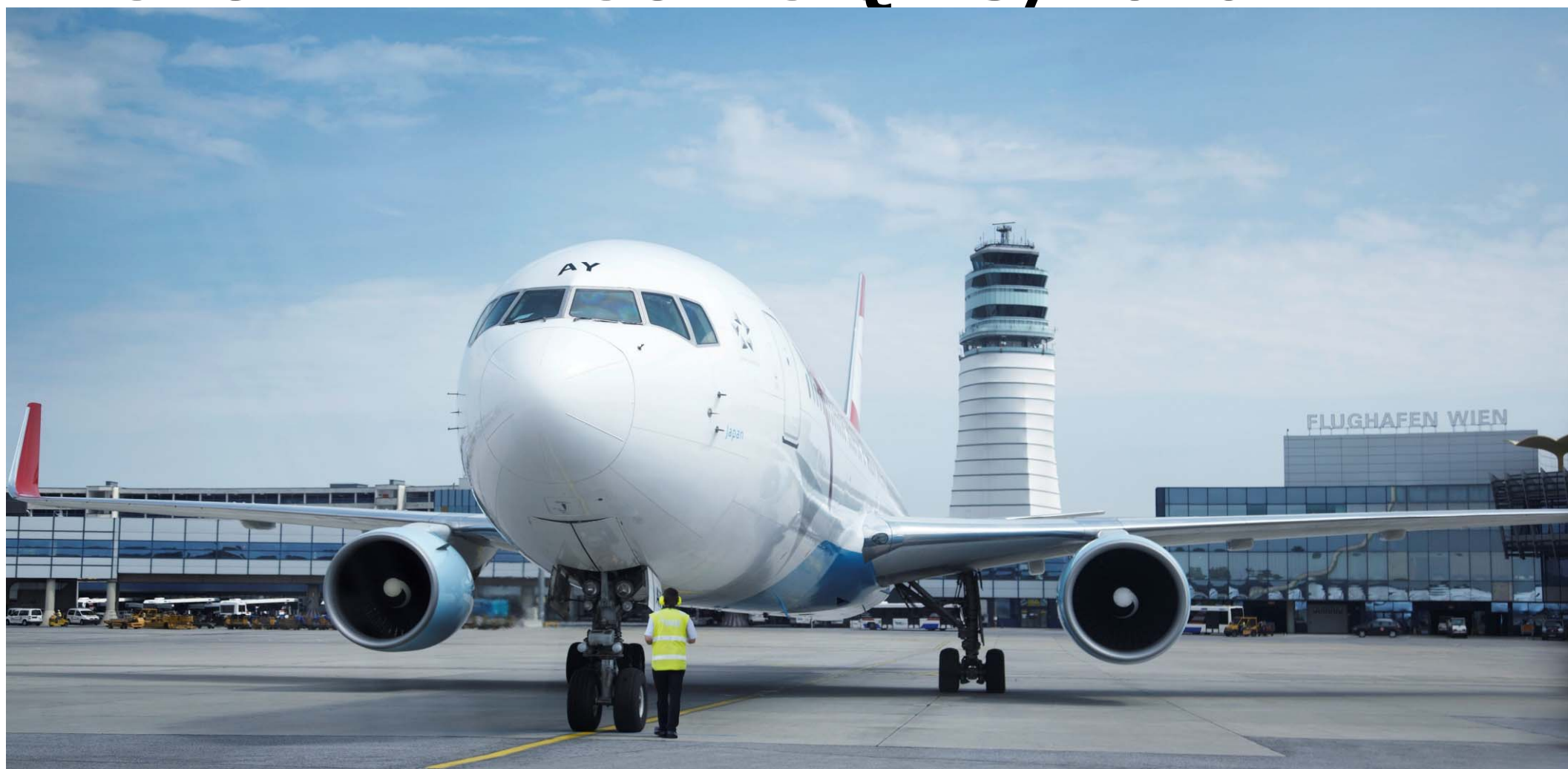
	Excl. Malta	Incl. Malta <sup>2</sup>
Revenue	> € 675 million	> € 725 million <sup>3</sup>
EBITDA	> € 280 million	> € 310 million
Group net profit <sup>1</sup>	≥ € 105 million	≥ € 115 million
Net debt	≤ € 400 million	≤ € 400 million
CAPEX	~ € 95 million <sup>4</sup>	–

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- 1) Net profit for the period before non-controlling interests
- 2) Estimates based on results before revaluation effects due to the acquisition (i.e. clean results)
- 3) Revenue: pro forma calculation on the basis of the original estimate of € 675 million plus the minimum assumption of € 65 million for Malta based on the 2015 revenue level of € 67 million
- 4) Excluding effects of the acquisition of an increased stake in Malta Airport



# SEGMENT RESULTS Q1-3/2016





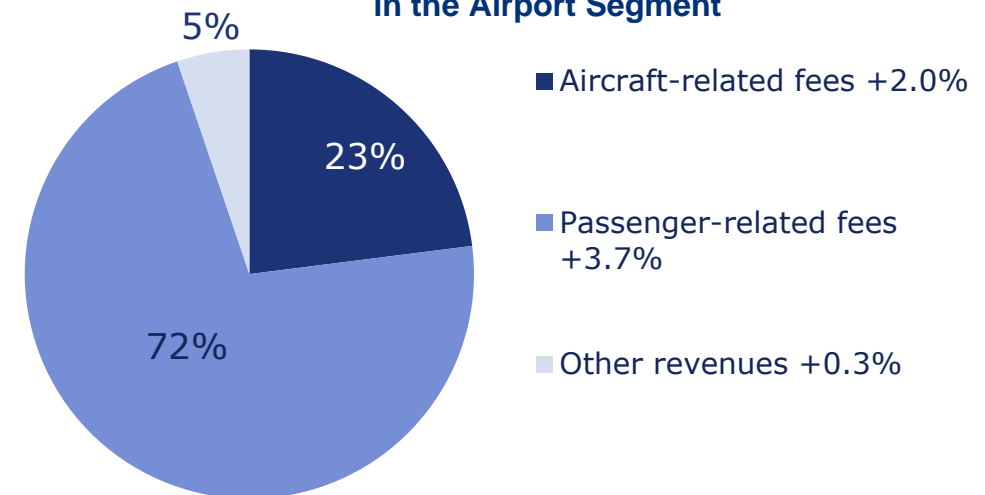
# Airport: Strong third quarter with record number of passengers



- ✈ Passenger volume up 1.1% to 17.7 million
- ✈ Effects of situation in Turkey, Russia and North Africa more than compensated by growth to North America and increases in Western Europe, Far and Middle East
- ✈ Considerable increase in business for easyJet and Eurowings
- ✈ Rise in the number of local passengers supports fee development
- ✈ Increased productivity – reduction of cost level
- ✈ EBIT rise thanks to change in the cost structure (depreciation and amortization reported as internal expenses)

in € million	Q1-3/2016	Q1-3/2015	Δ in %
External revenue	281.5	273.0	+3.1
EBITDA	136.6	127.0	+7.5
EBIT	70.8	52.7	+34.4
Employees (Sept. 30, 2016)	509	510	-0.1

Revenue distribution in Q1-3/2016 in the Airport Segment

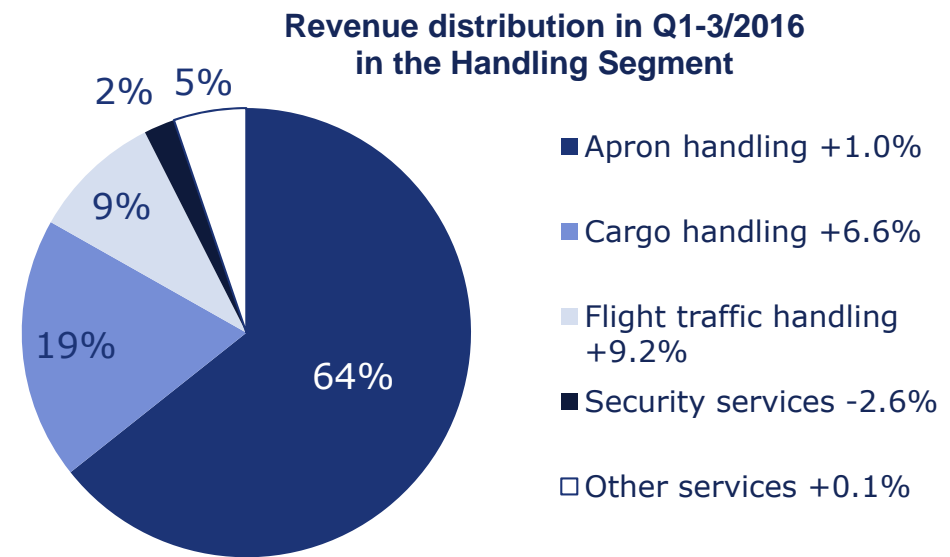


# Handling: Revenue increase despite slight decline in flight movements



- ✈ Rise in revenue in spite of slight drop in number of flight movements due to larger aircraft (higher MTOW) and new customers for apron handling
- ✈ Ongoing positive cargo development
- ✈ Flight traffic handling also above the prior-year level due to new passenger handling customers
- ✈ Positive earnings development as a result of good revenue and cost controls following cost pressure in Q1

in € million	Q1-3/2016	Q1-3/2015	Δ in %
External revenue	116.6	113.6	+2.6
EBITDA	16.4	15.9	+3.2
EBIT	12.4	11.8	+5.2
Employees (Sept. 30, 2016)	3,015	3,069	-1.8





# Retail & Properties: Earnings under pressure



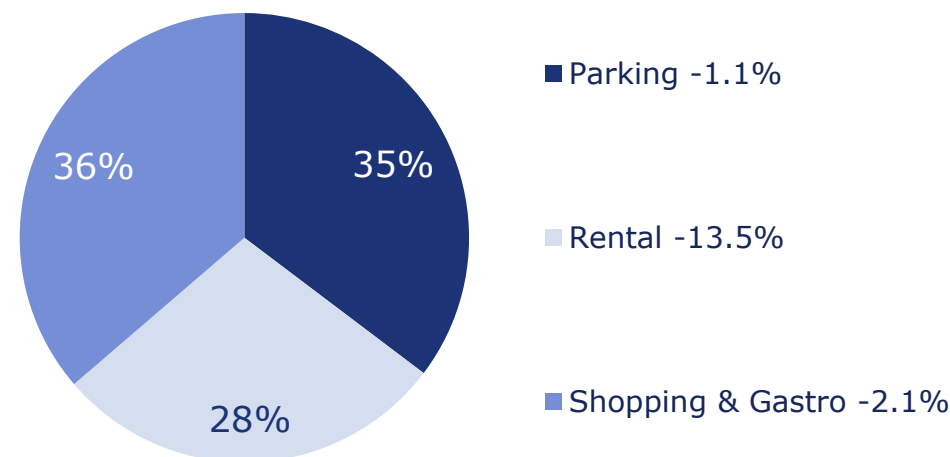
- ✈ Increase in the gastronomy business more than offset by decline in shopping spending, pushing PRR down to € 1.89 (Q1-3/2015: € 1.95)
- ✈ PRR of € 2.00 expected for the entire year

in € million	Q1-3/2016	Q1-3/2015	Δ in %
External revenue	91.7	96.8	-5.3
EBITDA	55.3	59.2	-6.6
EBIT	45.7	47.1	-2.9
Employees (Sept. 30, 2016)	87	95	-8.0

- ✈ Decrease in external rental income due to acquisition of Hermione against the backdrop of a reduction in operating expenses

- ✈ Slight drop in parking revenue

Revenue distribution in Q1-3/2016 in the Retail & Properties Segment



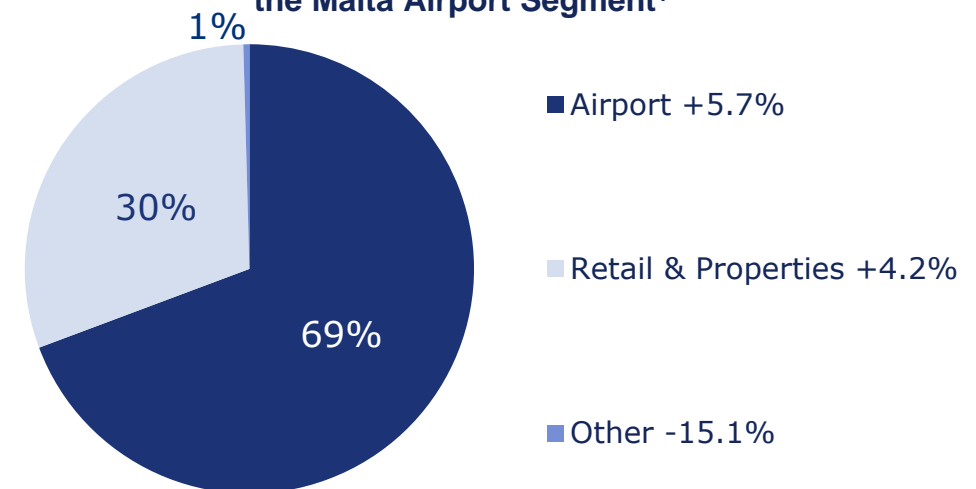
# Malta: New segment due to full consolidation of strategic investment



- ✈ Malta results only take account of Q2/2016 and Q3/2016
- ✈ Increase in passenger volume of 7.5% in Q1-3/2016
- ✈ Airport and Retail & Properties revenue profit from PAX growth

in € million	Q2-3/2016	Q2-3/2015	Δ in %
External revenue	43.9	0.0	n.a.
EBITDA	27.8	0.0	n.a.
EBIT	21.8	0.0	n.a.
Employees (Sept. 30, 2016)	306	0.0	n.a.

Revenue distribution in H1/2016 for the Malta Airport Segment<sup>1</sup>





# TRAFFIC RESULTS Q1-3/2016



# Traffic development Q1-3/2016

## Flughafen Wien Group



<b>Group passenger development</b>	<b>Q1-3/2016</b>	<b>Q1-3/2015</b>	<b>Δ in %</b>
Vienna Airport (millions)	17.68	17.49	+1.1
Malta Airport (millions)	3.89	3.62	+7.5
Kosice Airport (millions)	0.35	0.33	+5.5
Vienna Airport and its strategic investments (VIE, MLA, KSC)	21.92	21.44	+2.2

<b>Traffic development at Vienna Airport</b>	<b>Q1-3/2016</b>	<b>Q1-3/2015</b>	<b>Δ in %</b>
Passengers (millions)	17.68	17.49	+1.1
Local passengers (millions)	12.85	12.49	+2.9
Transfer passengers (millions)	4.75	4.92	-3.4
Flight movements (in 1,000)	171.50	172.98	-0.9
MTOW (millions of tonnes)	6.52	6.38	+2,2
Seat load factor (percent)	73.6	74.7	-1.2%p
Cargo incl. trucking (in 1,000 tonnes)	208.83	198.94	+5.0

# Shares of scheduled carriers – Q1-3/2016



<b>Vienna Airport</b>	<b>Q1-3/2016</b>	<b>Q1-3/2015</b>	<b>Passengers</b>
	Share in %	Share in %	relative Δ in %
Austrian Airlines Group	44.6	45.7	-1.3
Eurowings/Germanwings	5.1	3.6	+43.4
Lufthansa	3.9	3.9	-0.4
Swiss Intl.	1.6	1.6	+2.0
Total LH Group <sup>1</sup>	56.5	56.4	+1.2
NIKI	10.4	11.2	-5.5
airberlin	5.6	6.4	-10.6
Total HG/AB Group	16.1	17.6	-7.3
easyJet Group	2.5	1.3	+98.1
British Airways	2.1	1.9	+14.0
Turkish Airlines	2.1	2.1	-1.9
Emirates	1.8	1.7	+4.7
Other	18.9	19.0	+0.8
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>+1.1</b>

1) Including Brussels Airlines, SunExpress and SunExpress Germany

# Traffic development at Vienna Airport in October 2016 – Positive trend continues



	Oct./2016	Oct./2015	Δ in %
Passengers (millions)	2.17	2.03	+6.5
Local passengers (millions)	1.55	1.44	+7.5
Transfer passengers (millions)	0.61	0.59	+4.2
Flight movements (in 1,000)	20.35	20.01	+1.7
MTOW (millions of tonnes)	784.06	744.50	+5.3
Seat load factor (percent)	75.1	74.8	+0.2%p
Cargo incl. trucking (in 1,000 tonnes)	27.03	25.80	+4.8

- ✈ 2.17 million passengers represents 6.5% passenger growth year-on-year, PAX increase due to LCCs but also Austrian Airlines
- ✈ Gratifying cargo development, mainly to Asian destinations
- ✈ Passenger development of strategic investments: Malta Airport +10.4%; Kosice Airport +6.1%

# Traffic development at Vienna Airport January -October 2016



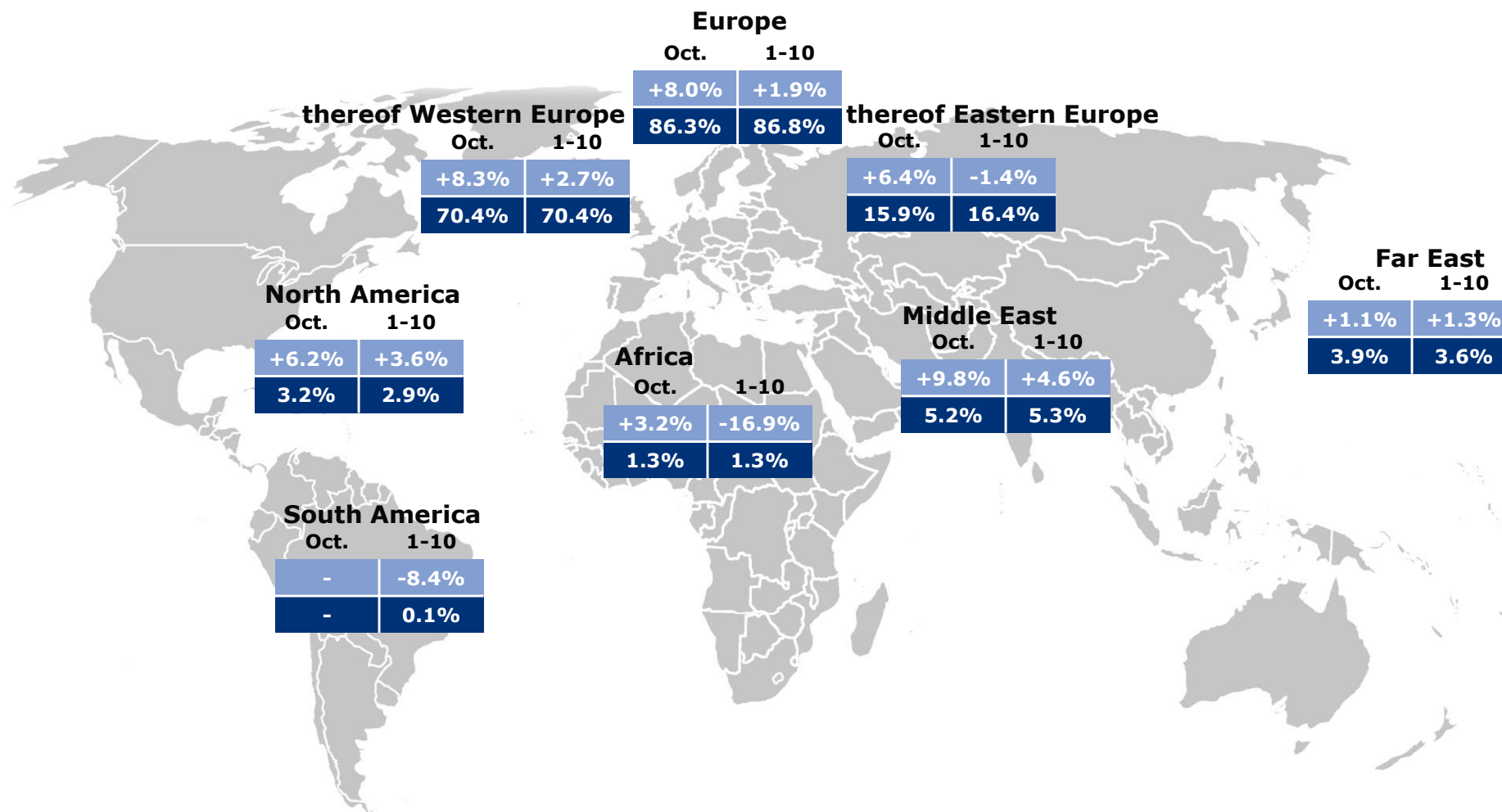
	1-10/2016	1-10/2015	Δ in %
Passengers (millions)	19.84	19.52	+1.7
Local passengers (millions)	14.40	13.93	+3.4
Transfer passengers (millions)	5.36	5.51	-2.6
Flight movements (in 1,000)	191.85	192.99	-0.6
MTOW (millions of tonnes)	7.31	7.12	+2.5
Seat load factor (percent)	73.7	74.8	-1.0%p
Cargo incl. trucking (in 1,000 tonnes)	235.83	224.74	+4.9

Passenger development of the strategic investments January - October:

- ✈ Malta Airport +7.8%
- ✈ Kosice Airport +5.6%



# Regional development



Passenger growth compared to prior-year level  
 Share of total passenger volume

*Deported passengers;  
 Figures for October 2016 and 1-10/2016 development compared to October 2015 and 1-10/2015 respectively*

# New flight offerings and discontinuation of flight service in 2016



## ✈ Austrian Airlines



New: Bari, Havana, Hong Kong, Isfahan, Jerez and Shanghai

Service terminated: Astana, Baku, Bodrum, Chios, Delhi, Djerba, Kavala, Palma, Rome and Tokyo

## ✈ Air India

New: Delhi



## ✈ Emirates

New as of July: A380 daily



## ✈ NIKI/airberlin



New: Bodrum, Dubrovnik, Faro, Mahon and Split

Service terminated: Agadir, Enfidha, Nuremberg, seasonal discontinuation: Malta

### Also new:

#### ✈ Jet2com: Edinburgh



#### ✈ Nordica: Tallinn



#### ✈ SAS: Copenhagen



#### ✈ Sun Express: Varna



#### ✈ Transavia: Paris Orly



#### ✈ Turkish Airlines: Trabzon



#### ✈ Vueling: Paris CDG



## ✈ Eurowings



New: Alicante, Bastia, Faro, Fuerteventura, Hurghada, Jerez, Las Palmas, Malaga, Marsa Alam, Nurnberg, Pisa, Rome and Valencia

### Service discontinued:

#### ✈ Aegean: Rhodes



#### ✈ Germania: Bremen



#### ✈ Jet2com: Manchester



#### ✈ Onur Air: Istanbul



#### ✈ TUIfly: Hurghada, Corfu and Kos



## ✈ easyJet



New: Edinburgh, Lyon and Naples  
Service terminated: Rome

# Traffic guidance confirmed for 2016



	2015	Guidance for 2016
Passengers	22.8 million	0% to +2%
Flight movements	226,811	-1% to 0%

- ✈ 2016: Optimistic outlook for passenger volume in the entire year
  - Strong growth of business for low cost carrier
  - Austrian Airlines: Havana and Hong Kong in the winter flight schedule
  - In spite of various crisis areas
- ✈ 2017: less visibility, especially due to a variety of potential development scenarios for airberlin/NIKI

**THANK YOU FOR YOUR ATTENTION**

