Annual Financial Report 2014

in accordance with § 82 (4) of the Austrian Stock Exchange Act

www.viennaairport.com

Flughafen Wien AG

Key Data on the Flughafen Wien Group

Financial Indicators

in € million (excluding employees)	2014	Change in %	2013	2012	2011
Total revenue	630.2	1.3	622.0	607.4	582.0
Thereof Airport*	344.1	3.8	331.4	315.3	294.6
Thereof Handling*	145.7	-4.0	151.9	155.9	160.5
Thereof Retail & Properties*	123.8	2.2	121.2	119.5	110.6
Thereof Other Segments*	16.6	-5.4	17.5	16.6	16.1
EBITDA	250.2	3.6	241.5	221.4	189.0
EBITDA margin (in %)[1]	39.7	n.a.	38.8	36.5	32.5
EBIT	119.8	6.9	112.1	108.0	67.2
EBIT margin (in %)[2]	19.0	n.a.	18.0	17.8	11.5
ROCE (in %)[3]	5.6	n.a.	5.1	4.9	3.2
Net profit after non-controlling interests	82.5	12.5	73.3	71.9	31.6
Cash flow from operating activities	220.6	7.9	204.4	179.7	178.9
Equity	952.5	5.1	905.9	851.6	811.4
Equity ratio (in %)	50.3	n.a.	46.4	41.3	37.7
Net debt	506.2	-20.1	633.4	719.6	751.7
Total assets	1,892.2	-3.2	1,953.9	2,061.8	2,150.2
Gearing (in %)	53.1	n.a.	69.9	84.5	92.6
Capital expenditure[4]	75.1	3.1	72.8	101.2	260.2
Income taxes	24.8	5.3	23.5	21.4	13.5
Average number of employees for the year[5]	4,306	-2.1	4,399	4,475	4,525
Number of employees on 31.12.	4,208	-0.9	4,247	4,306	4,500

* 2012 adjusted to the new segment reporting

Definitions: 1) EBITDA margin (Earnings before Interest, Taxes, Depreciation and Amortisation) = EBIT + depreciation and amortisation / revenue; 2) EBIT margin (Earnings before Interest and Taxes) = EBIT / revenue; 3) ROCE (Return on Capital Employed after Tax) = (EBIT less allocated taxes) / Average capital employed; 4) Capital expenditure: Intangible assets, property, plant and equipment and prepayments, including corrections to invoices from previous years; 5) Average number of employees for the year: Weighted average number of employees including apprentices excluding employees on official non-paying leave (maternity, military, etc.) and excluding the Management Board and managing directors

Industry Indicators

	2014	Change in %	2013	2012	2011
Passengers (in mill.)	22.5	2.2	22.0	22.2	21.1
Thereof transfer passengers (in mill.)	6.5	-3.9	6.8	7.1	6.5
Flight movements	230,781	-0.2	231,179	244,650	246,157
MTOW (in mill. tonnes)[6]	8.2	3.4	7.9	8.1	8.3
Cargo (air cargo and trucking; in tonnes)	277,532	8.3	256,194	252,276	277,784
Seat load factor (in %)[7]	75.0	n.a.	74.8	73.0	69.6

Stock Market Indicators

	2014	Change in %	2013	2012	2011
Shares outstanding (in million)	21	0.0	21	21	21
P/E ratio (as of 31.12.)	19.5	11.4	17.5	12.6	19.4
Earnings per share (in €)	3.93	12.5	3.49	3.42	1.50
Dividend per share (in €)[8]	1.65	26.9	1.30	1.05	1.00
Dividend yield (as of 31.12.; in %)	2.1	n.a.	2.1	2.4	3.4
Pay-out ratio (as a % of net profit)	42.0	n.a.	37.3	30.5	66.5
Market capitalisation (as of 31.12.; in € mill.)	1,613.2	25.9	1,281.0	902.8	614.3
Stock price: high (in €)	81.50	32.7	61.43	42.99	51.98
Stock price: low (in €)	59.38	44.8	41.00	26.04	25.70
Stock price: as of 31.12. (in €)	76.82	25.9	61.00	42.99	29.25
Market weighting ATX (as of 31.12.; in %)[9]	1.5	n.a.	-	-	-

6) MTOW: Maximum take-off weight for aircraft; 7) Seat occupancy: Number of passengers/Available number of seats; 8) Dividend 2014: Recommendation to the Annual General Meeting; 9) ATX: The VIE share was reclassified from the ATX Prime to the ATX in March 2014

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The Business Environment

Economic and currency developments, political crises and other events that lead to flight and route cancellations or frequency reductions have a significant influence on air travel performance. As an international hub in Central Europe, the economic development of Vienna Airport is primarily influenced by economic developments in the eurozone and – because of its geographical location – particularly by economic trends in the CEE region, as well as by the economic and political situation in the Middle East and Russia.

In 2014 there was a slight upturn in the global economy. The ECB currently expects growth in global GDP of around 3.6%. While industrial nations such as the UK and the USA are showing increasingly strong growth through rising domestic consumption and a clear recovery in the labour market, the impetus for growth in the emerging markets has continued to weaken. However, economic growth in the EU member states in Central, Eastern and South-Eastern Europe (with the exception of Croatia) restarted to accelerate in the third quarter, showing an average of 2.7% year-on-year growth for the same quarter. Economic growth in the eurozone also gained pace at the end of the year, but the current forecast shows restrained growth of only 0.8%. However, economic >

stimuli should help the economy in the eurozone to recover in 2015. (Source: Austrian National Bank, economic report)

Growth in the Austrian economy was lower in 2014 than expected at the start of the year. The Austrian National Bank is now expecting GDP growth of around 0.4% for 2014. This is mainly due to the weak economies in the eurozone and the resulting weak demand on Austrian companies from European trading partners. In contrast, the fall in value of the Euro created a positive stimulus for the domestic export economy to the USA, UK and Switzerland. Real consumption by private households showed only weak growth of 0.5%, but the recent strong fall in crude oil prices had a positive effect on it. The inflation rate across the whole year was 1.5%. In spite of the extremely low interest rate and the slow increase in lending since mid-2014, investments by Austrian companies for the whole year remain below expectations. However, the increase in imports of intermediate goods at the year end, such as machinery and vehicles, was considered to be positive. Nevertheless, no economic stimulus is expected from the construction industry, which is currently shrinking. (Source: Austrian National Bank, economic report)

› Tourism in Austria

In 2014, the number of overnight stays was only just under that of the previous year's record at 131.9 million (2013: 132.6 million). This was due to a decrease in stays by both domestic (minus 0.3%) and foreign (minus 0.7%) guests. The trend of structural change, which has been seen for several years, also continued in 2014 – while guests from Germany, the Netherlands and Russia stayed less often in Austria, more guests from Switzerland, Czech Republic, Poland and the USA were recorded in the year-on-year comparison. The strong growth in the number of arrivals points to a decline in the average length of stay. (Source: Statistik Austria, Tourism 2014)

› Travel in Austria

Travel by the Austrian public rose slightly year-on-year in 2014. In the first three quarters, vacations increased by 1.5% to 14.7 million. In summer 2014 (July–September), the most important vacation time, the level remained almost constant at 6.7 million vacations (Source: Statistik Austria, Vacation and Business Travel by the Austrian Population).

Traffic at Vienna Airport

› Vienna: significant increase in local passengers and cargo in 2014, decline in transfer passengers

Traffic indicators	2014	Change in %	2013	2012
MTOW (in million tonnes)	8.2	+3.4	7.9	8.1
Total passengers (in million)	22.5	+2.2	22.0	22.2
Thereof local passengers (in million)	15.9	+4.6	15.2	15.1
Thereof transfer passengers (in million)	6.5	-3.9	6.8	7.1
Flight movements	230,781	-0.2	231,179	244,650
Cargo (air cargo and trucking; in tonnes)	277,532	+8.3	256,194	252,276
Seat load factor (in %)	75.0	n.a.	74.8	73.0
Number of destinations	172	-2.8	177	179
Number of airlines	70	-1.4	71	71

Passenger development in European airports showed average growth of 5.4%. While airports in Turkey, Iceland and Serbia showed even higher increases, EU airports achieved growth of 4.9% (Source: ACI Airport Council Inernational - Europe. Inhouse; January December 2014).

Vienna Airport handled 22,483,158 passengers in 2014 (2013: 21,999,926), which represents a year-on-year increase of 2.2%. Despite this new record number, it was a volatile year that was mainly influenced by political developments in Eastern Europe. The important function of Vienna Airport as an east-west hub was more strongly affected by this than other airports in Western Europe. In addition, the market environment in 2014 was characterised by strikes by airline and airport staff in Germany and France.

However, the reduction in transfers (minus 3.9%) was offset by strong growth in local traffic (plus 4.6%). The result included the start of many, mainly long-haul, flights, leading to growth in passenger volumes. After a weak first quarter, passenger traffic became significantly better during the summer season.

Growth in take-offs and landings of 2.6% was seen throughout Europe (Source: ACI Airport Council Inernational - Europe. Inhouse; January December 2014). At Vienna Airport, 230,781 flight movements were recorded, which represents a year-on-year reduction of 0.2% (2013: 231,179). The maximum take-off weight (MTOW) increased year-on-year, mainly due to new long-haul offerings, by 3.4% to 8,179,391 tonnes (2013: 7,913,505 tonnes).

Growth in cargo traffic since the second half of 2013 also continued in 2014. The full 12 months resulted in solid growth of 8.3% to 277,532 tonnes (2013: 256,194 tonnes). In addition to a plus in trucking of 3.1% (at Vienna Airport), this mainly resulted from growth of 10.6% in air cargo to 197,761 tonnes. This was carried by airlines such as Korean Air, TNT Airways, China Southern Airlines and Cargolux. Thus Vienna also showed better growth in 2014 than the European average with an increase in cargo volume of 3.6% (Source: ACI Airport Council Inernational - Europe. Inhouse; January December 2014).

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› Comparison of traffic at European airports in 2014 (extract)

	Passengers in thousand	Change vs. 2013 in %	Flight movements[1]	Change vs. 2013 in %
London*	131,459.8	4.6	869,012	2.7
Paris**	92,669.0	2.6	693,222	-1.3
Frankfurt	59,566.1	2.6	458,305	-0.7
Amsterdam	54,978.0	4.6	438,296	3.0
Madrid	41,815.3	5.3	341,911	2.9
Munich	39,700.5	2.7	357,295	-1.2
Rome	38,506.5	6.5	307,916	3.3
Milan***	36,598.1	2.0	319,017	-0.5
Zurich	25,426.9	2.5	248,943	0.9
Vienna	**22,483.2**	**2.2**	**229,450**	**-0.1**
Prague	11,149.9	1.6	122,311	-2.7
Budapest	9,146.7	7.5	80,586	3.5

* London Heathrow, Gatwick, Stansted
** Paris Charles de Gaulle, Paris Orly
*** Milan Malpensa, Linate, Bergamo
Source: ACI Europe Traffic Report December 2014

In 2014 Vienna remained one of the top ten airports in Europe for punctuality and further improved its service levels.

› Departing passengers in 2014 (scheduled and charter) by region

Region	2014	2013	Change in %	Share 2014 in %	Share 2013 in %	Change in %-points
Eastern Europe	2,025,666	2,165,556	-6.5	18.1	19.7	-1.6
Western Europe	7,761,325	7,536,817	+3.0	69.2	68.6	+0.6
Far East	408,707	363,163	+12.5	3.6	3.3	+0.3
Middle East	538,923	522,691	+3.1	4.8	4.8	0.0
North America	298,630	233,682	+27.8	2.7	2.1	+0.6
Africa	167,341	157,229	+6.4	1.5	1.4	+0.1
South America	12,024	10,977	+9.5	0.1	0.1	0.0
Total	**11,212,616**	**10,990,115**	**+2.0**	**100.0**	**100.0**	

Destinations in Western Europe, Vienna Airport's region with the highest passenger volumes, grew by 3.0% to 7,761,325 departing passengers, thus increasing the Western Europe region's share of passenger volumes from 68.6% to 69.2%. This growth was mainly due to increases in frequency in Western European capitals. The reduction by 6.5% to 2,025,666 departing passengers to destinations in Eastern Europe is mainly due to the crisis in Ukraine. The North American destinations continued to show positive growth (plus 27.8%) to 298,630 travellers, due to new destinations and increases in frequency. Thus its share of passenger volumes rose to 2.7%. Destinations in the Middle East (plus 3.1%), Africa (plus 6.4%) and South America (plus 9.5%) also showed growth.

1) Flight movements as per ACI: Movements exclusive General Aviation and Other Aircraft movements

As in previous years, Frankfurt was the most frequently selected destination. Here Vienna Airport registered a growth of 3.3% to 680,895 passengers. Strong absolute passenger growth was also seen in London (plus 8.5%), Berlin (plus 6.3%) and Madrid (plus 31.2%). On the long-haul routes, Bangkok was the most sought-after destination (115,726), followed by New York incl. Newark (110,467) and Tokyo (73,715).

› Development of the major airlines at Vienna Airport

The largest customer of the Flughafen Wien Group (FWAG) – Austrian Airlines – reported a slight reduction of 0.7% in the number of passengers in 2014. This was reflected in a decline in the carrier's share of the total passenger traffic to 47.7% (2013: 49.1%). However, Austrian Airlines is still the dominating home carrier at Vienna Airport.

Restructuring within the Lufthansa Group resulted in shifts between passengers of Lufthansa (minus 12.4%) and Germanwings (plus 20.1%). With 3,884,471 passengers, NIKI/airberlin have a share of 17.3% of passenger volumes (2013: 17.1%). With 496,935 passengers, Turkish Airlines contributed 2.2% to overall passenger numbers. Other European airlines also demonstrated pleasing growth, including Alitalia, Vueling Airlines, TAP Portugal and easyJet.

The average seat load factor (scheduled and charter) rose in 2014 from 74.8% to 75.0%. In 2014, 70 airlines (2013: 71) regularly flew into Vienna Airport, serving 172 destinations in 71 countries. New airlines include Air China und Ethiopian Airlines, which added Vienna to their long-haul flight schedules in 2014.

Fee and Incentive Policy

The fee adjustments based on the price-cap formula and the procedure for adjustments in 2014 were based on the Austrian Aviation Security Act (FEG), which has been in force since 1 July 2012.

Vienna International Airport has a fee system that is very attractive in international comparison. The fees were adjusted as of 1 January 2014 based on a price-cap formula that was accepted by the airlines and the Austrian civil aviation authority (Austrian Ministry for Transport, Innovation and Technology) and is embedded in the FEG. 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 and landside infrastructure fee are based on the number of passengers. The infrastructure fee for fuelling is based on the volume of fuel. The maximum change in the fee equals the inflation rate minus 0.35-times the growth in traffic, which is defined as the three-year average for the change in traffic calculated over the twelve-month period from 1 August to 31 July. If traffic growth is negative, the maximum fee adjustment equals the inflation rate.

The fee structure was adjusted as follows as of 1 January 2014:

› Landing fee, airside infrastructure fee, parking fee:	+ 1.87 %
› Passenger fee, landside infrastructure fee:	+ 0.55 %
› Infrastructure fee for fuelling:	+ 1.83 %

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The PRM fee (passengers with reduced mobility) remained unchanged at € 0.34 per departing passenger.

The Austrian Airport Fee Act and the Austrian Aviation Security Act (LSG) of 2011 require Flughafen Wien AG to collect a security fee from departing passengers. This fee equals € 7.70 for each departing passenger (local and transfer).

The transfer incentive of € 12.50 levied per departing transfer passenger from 1 January 2013 also remained unchanged at that level in 2014. This transfer incentive programme, which should reinforce Vienna Airport's role as a transfer airport, also calls for further progressive rates under certain growth conditions.

Flughafen Wien AG also continued its growth incentive programme, which comprises destination and frequency incentives as well as a frequency rate incentive, in 2014. These measures provide sustainable protection for the role of Vienna Airport as a bridgehead between west and east. The fee adjustments implemented on 1 January 2014 as well as the continuation and/or expansion of the successful incentive programme are designed to strengthen the competitive position of Vienna Airport and to promote strategically important intercontinental routes and traffic to destinations in Eastern and Central Europe.

Revenue in 2014

The rise in passenger numbers of 2.2% and the growth in cargo traffic at Vienna Airport (plus 8.3%) enabled the Flughafen Wien Group (FWAG) to achieve a year-on-year increase in revenue in 2014 of 1.3% or € 8.2 million from € 622.0 million to € 630.2 million. Parking and other revenue from rentals and concessions also showed growth in 2014. In contrast, declines were recorded mainly in de-icing revenue due to the milder winter compared to 2013.

Due to the seasonality of the airport business, FWAG normally generates its highest revenue during the holiday periods in the second and third quarter. As in the previous year the third quarter was the strongest in 2014 with 27.3% of annual revenue, followed by the second quarter with a share of 26.2%, the fourth quarter with 24.3% and the first quarter with 22.2%.

Segment Developments

› Revenue by segment

in € million	2014	Change in %	2013	2012[1]
Airport	344.1	3.8	331.4	315.3
Handling	145.7	-4.0	151.9	155.9
Retail & Properties	123.8	2.2	121.2	119.5
Other Segments	16.6	-5.4	17.5	16.6
Group revenue	**630.2**	**1.3**	**622.0**	**607.4**

1) adjusted

› Revenue: Airport Segment

in € million	2014	Change in %	2013	2012[1]
Landing fee	59.8	4.4	57.3	58.8
Passenger fees (incl. PRM)	151.0	4.4	144.5	134.6
Infrastructure fee	30.4	2.5	29.6	29.1
GAC building and hangar	1.7	3.8	1.6	0.9
Security fee	85.9	1.8	84.3	79.0
Fuelling	2.4	4.2	2.3	2.4
Special guest services (lounges)	5.8	12.2	5.2	5.0
Rentals	5.7	10.3	5.2	4.6
Vöslau Airfield	0.7	7.4	0.6	0.6
Other	0.7	-0.2	0.7	0.4
Total segment revenue	**344.1**	**3.8**	**331.4**	**315.3**

1) adjusted

In the reporting period, the Airport segment achieved a revenue increase of 3.8% or € 12.6 million from € 331.4 million to € 344.1 million. As a result of passenger growth, passenger fees (incl. PRM) increased by 4.4% to € 151.0 million (2013: € 144.5 million) and passenger-related security fees by 1.8% to € 85.9 million (2013: € 84.3 million). Despite the small reduction in flight movements (minus 0.2%), revenue from landing fees increased by 4.4% due to the rise in the MTOW (plus 3.4%) and the adjusted fee structure, to € 59.8 million (2013: € 57.3 million). The infrastructure fee for the use of infrastructure equipment and facilities also increased by 2.5% from € 29.6 million to € 30.4 million. On the one hand, airport lounges showed particularly strong growth with an increase of 12.2%, contributing € 5.8 million to revenue (2013: € 5.2 million), while on the other hand, so did rental income, which grew from € 5.2 million to € 5.7 million (plus 10.3%). With a share of 54.6% (2013: 53.3%), the Airport Segment again made the largest contribution to Group revenue in 2014.

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While internal revenues remained fairly constant at € 34.5 million (2013: € 34.1 million), other revenue fell by half to € 4.3 million (2013: € 9.5 million), partly because compensation for damages had been recorded in the previous year.

Consumables in the Airport segment decreased by 28.6% in year-on-year comparison due to the lower cost of the winter services (de-icing materials and fuel) which decreased by € 1.9 million to € 4.8 million (2013: € 6.7 million). With almost identical staff numbers of 499 employees (plus 0.5%) and despite the low winter service activities, personnel expenses rose from € 39.1 million to € 40.8 million (plus 4.3%), to a lesser extent due to the wage and salary increases mandated by collective bargaining agreements and to a greater extent due to additions to provisions through changes in parameters (reduction in the discount rate used) and past service costs due to changed measurement bases. Other operating expenses increased slightly by 3.3% or € 1.8 million to € 55.0 million, due to higher maintenance expenses for the terminals and aprons. In contrast, internal operating expenses reduced by 1.5% or € 2.2 million to € 141.0 million.

Total EBITDA for 2014 rose by 6.4% or € 8.5 million to € 141.3 million, after € 132.8 million in the previous year. The EBITDA margin rose to 37.3% (2013: 36.3%).

The increase in depreciation and amortisation (incl. impairments) from € 90.8 million to € 95.5 million (plus 5.2%) is the result of putting large investment projects into operation and a new estimate of expected useful lives. EBIT for the Airport segment rose by 9.0% from € 42.0 million to € 45.7 million, resulting in an EBIT margin of 12.1% compared to 11.5% in the previous year.

› Revenue: Handling Segment

in € million	2014	Change in %	2013	2012[1]
Apron handling	94.6	-9.4	104.5	103.8
Cargo handling	30.9	12.9	27.4	30.6
Security services	3.4	-0.5	3.4	3.7
Traffic handling	8.7	7.2	8.1	9.3
General aviation	8.2	-4.2	8.5	8.6
Total segment revenue	**145.7**	**-4.0**	**151.9**	**155.9**

1) adjusted

The Handling segment showed a reduction of external revenue in 2014 of 4.0% or € 6.1 million to € 145.7 million (2013: € 151.9 million). Revenue from apron handling fell by 9.4% or € 9.9 million to € 94.6 million, which can be mainly attributed to the reduction in individual services (particularly in the area of aircraft de-icing). In 2014, an additional handling service – passenger handling – was added to the VIE range, which was partially responsible for revenue growth from traffic handling of 7.2% or € 0.6 million to € 8.7 million. The VIE handling achieved an average market share of 87.7% (2013: 88.5%).

Revenue from cargo handling rose by 12.9% or € 3.5 million to € 30.9 million, which can be attributed to the growth in cargo volumes (air cargo plus 10.6%, trucking minus 1.6%). The average market share of VIE-Handling in the cargo segment remained at a very high 92.5% (2013: 93.2%).

Despite no longer handling document control, the subsidiary Vienna Airport Security Services Ges.m.b.H. (VIAS) achieved fairly steady external revenue in the security services sector of € 3.4 million (minus 0.5%). Despite slightly higher general aviation flight movements, revenue from general aviation services (incl. the operation of the VIP and Business Centers) fell slightly by € 0.4 million or 4.2% to € 8.2 million, due to the increasing competition posed by new competitors (and associated reduced handling activity). The Handling segment's total share of Group revenue was 23.1% (2013: 24.4%).

Both internal revenue with other segments and the other income in the Handling segment showed year-on-year increases to € 73.9 million (2013: € 71.5 million) and € 1.4 million (2013: € 0.9 million) respectively.

In the Handling segment, the milder winter led to a lower use of de-icing materials, which was reflected in a reduction in consumables of € 3.5 million or 31.0% to € 7.7 million. Despite the lower average headcount of 3,126 employees (2013: 3,199 employees), personnel expenses increased by € 4.5 million or 2.9% to € 160.7 million, mainly due to the wage and salary increases mandated by collective bargaining agreements and due to additions to provisions through changes in parameters (reduction in the discount rate used) and partly to past service costs due to changed measurement bases and also to one-time effects that resulted from higher reversal of provisions in the previous year. Other operating expenses increased by 11.4% or € 0.5 million to € 5.3 million, because valuation adjustments to receivables were reversed in the previous year.

In 2014, the Handling segment achieved EBITDA of € 17.6 million and thus showed a decrease of 21.9% or € 5.0 million. This is mainly due to the decrease in de-icing revenue and the negative effect of higher personnel costs. After the deduction of depreciation and amortisation totalling € 5.5 million (2013: € 5.4 million), EBIT decreased by 29.3% or € 5.0 million to € 12.1 million compared to € 17.2 million in 2013. Both the EBITDA margin and the EBIT margin fell to 8.0% and 5.5% respectively (2013: 10.1% and. 7.7% respectively).

› Revenue: Retail & Properties Segment

in € million	2014	Change in %	2013	2012[1]
Parking	42.0	5.0	40.0	41.8
Rentals	38.4	-2.8	39.5	37.2
Shopping/Gastronomy	43.4	4.1	41.7	40.5
Total segment revenue	**123.8**	**2.2**	**121.2**	**119.5**

1) adjusted

After a restrained start to the year, the external revenue of the Retail & Properties segment grew by 2.2% or € 2.6 million in year-on-year comparison to € 123.8 million. This growth was due to increased parking revenue of € 42.0 million (plus 5.0% or € 2.0 million) and higher revenue from shopping and gastronomy of € 43.4 million (plus 4.1% or € 1.7 million). In contrast, rental income fell in year-on-year comparison, partly due to lower invoices for other rental revenue. The segment's share of Group revenue of 19.6% (2013: 19.5%) underlines the importance of exploiting the expansion potential of the non-aviation business and as part of the Airport City strategy at Vienna Airport even more extensively.

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While the internal revenues rose, primarily due to higher internal rental revenue, by € 1.0 million to € 18.1 million, other revenue of € 3.9 million (2013: € 3.9 million) in this year mainly comprised land sales.

Consumables fell by € 0.4 million or 24.3% to € 1.4 million; whereas personnel expenses rose from € 6.9 million to € 8.0 million (plus 16.1%). The wage and salary increases mandated by collective bargaining agreements and additions to personnel provisions also increased costs in the Retail & Properties segment. The reduction in other operating expenses by 30.5% or € 9.5 million to € 21.7 million is mainly attributable to lower maintenance and renovation costs for real estate at the airport. The internal operating expenses fell by € 0.8 million to € 39.8 million (minus 2.1%) due to the effect of lower costs for the rental business unit.

In year-on-year comparison, EBITDA was therefore 21.6% or € 13.3 million higher at € 74.9 million. Depreciation and amortisation in the segment declined by 19.3% to € 15.9 million (2013: € 19.8 million), primarily due to the impairment charges in the previous year. EBIT rose year-on-year by 41.0% or € 17.1 million to € 59.0 million. The EBITDA margin was 52.8% (2013: 44.5%) and the EBIT margin was 41.6% (2013: 30.3%).

› Revenue: Other Segments

in € million	2014	Change in %	2013	2012[1]
Energy supply and waste disposal	6.2	-4.3	6.5	6.7
Telecommunications and IT	3.0	-2.6	3.1	3.2
Materials management	1.7	-8.7	1.9	2.2
Electrical engineering, security equipment	1.2	-51.4	2.5	1.4
Facility management	1.7	43.8	1.2	0.9
Workshops	0.6	36.7	0.4	0.5
Visitair Center	0.3	26.5	0.2	0.2
Other	1.9	5.8	1.8	1.6
Total segment revenue	**16.6**	**-5.4**	**17.5**	**16.6**

1) adjusted

External revenue for Other Segments was € 16.6 million in 2014 compared to € 17.5 million in the previous year, equating to a reduction of 5.4% or € 1.0 million. The fall is mainly due to lower revenue in the area of construction and maintenance of infrastructure facilities including the sale of security equipment. While reduced energy requirements led to a slight fall in revenue in energy supply and waste disposal of € 0.3 million or 4.3% to € 6.2 million, revenue in facility management rose by € 0.5 million to € 1.7 million. The other revenues sector also achieved revenues of € 1.9 million (2013: € 1.8 million), partly due to consulting services. The Other Segments recorded 2.6% of Group revenue (2013: 2.8%).

Due to lower operating costs for terminal operations, internal revenue fell year-on-year by € 7.9 million to € 92.3 million. Other revenue also fell from € 9.5 million to € 6.6 million.

Expenses for consumables and services used were correspondingly reduced by 5.3% or € 1.4 million to € 25.0 million (2013: € 26.4 million). In contrast, personnel expenses increased slightly by € 0.9 million or 2.1% to € 44.6 million (2013: € 43.7 million). Although average headcount fell from 621 employees to 597 employees (minus 3.8%), expenses rose, to a lesser extent due to the wage and salary increases mandated by collective bargaining agreements and to a greater extent due to additions to provisions through changes in parameters (reduction in the discount rate used) and past service costs due to changed measurement bases. Despite the allocation of valuation adjustments to receivables of € 2.8 million, other operating expenses were reduced, partly due to the reduced use of third-party services, by 8.7% or 2.0 million to € 21.2 million. Depreciation and amortisation remained the same year-on-year at € 13.5 million, while internal operating expenses fell by € 1.1 million to € 8.3 million.

The Other Segments generated EBITDA of € 16.4 million for the reporting year (2013: € 24.5 million) and EBIT of € 2.9 million (2013: € 11.1 million).

Earnings

The development of earnings in FWAG in 2014 can be summarised as follows:

- Revenue: plus 1.3% or € 8.2 million to € 630.2 million
- Operating income, despite lower de-icing revenue and lower other operating income, rises to € 646.3 million (2013: € 645.8 million)
- Operating expenses, excl. depreciation and amortisation: minus 2.0% or € 8.2 million to € 396.1 million
- Earnings before interest, taxes, depreciation and amortisation (EBITDA): plus 3.6% to € 8.7 million to € 250.2 million
- Scheduled depreciation and amortisation: plus 4.9% or € 6.1 million to € 130.4 million
- No impairments in 2014 (2013: € 5.1 million)
- Earnings before interest and taxes (EBIT): plus 6.9% or € 7.7 million to € 119.8 million
- Financial results: improved by 14.5% or € 2.2 million to minus € 13.1 million
- Earnings before taxes (EBT): plus 10.2% or € 9.9 million to € 106.7 million
- Net profit attributable to the parent company: plus 12.5% or € 9.2 million to € 82.5 million

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Income statement, summary

Consolidated income statement in € million	2014	Change in %	2013	2012
Revenue	630.2	1.3	622.0	607.4
Other operating income	16.1	-32.2	23.8	24.1
Operating income	**646.3**	**0.1**	**645.8**	**631.5**
Operating expenses, excl. depreciation, amortisation and impairment	396.1	-2.0	404.3	410.1
EBITDA	**250.2**	**3.6**	**241.5**	**221.4**
Depreciation, amortisation and impairment	130.4	0.8	129.4	113.4
EBIT	**119.8**	**6.9**	**112.1**	**108.0**
Financial results	-13.1	-14.5	-15.3	-14.3
EBT	**106.7**	**10.2**	**96.8**	**93.7**
Income taxes	24.8	5.3	23.5	21.4
Net profit for the period	**81.9**	**11.8**	**73.3**	**72.3**
thereof attributable to non-controlling interests	-0.5	n.a.	-0.0	0.4
thereof attributable to equity holders of the parent	82.5	12.5	73.3	71.9
Earnings per share in EUR	3.93	12.5	3.49	3.42

in € million	Airport	Handling	Retail & Properties	Other Segments	Group reconciliation	Total
Operating income	382.9	221.0	145.8	115.5	-218.8	646.3
Expenses	337.1	208.8	86.8	112.5	-218.8	526.5
EBIT	45.7	12.1	59.0	2.9	0.0	119.8

Despite difficult market conditions, FWAG revenues increased in 2014 by 1.3% or € 8.2 million to € 630.2 million. This can be mainly attributed to growth in the Airport segment. Growth in passenger volumes led to revenue from passenger fees incl. PRM and security fees increasing by € 8.0 million or 3.5% to € 236.9 million. Landing fees contributed € 59.8 million to revenue (plus 4.4%). The Retail & Properties segment saw year-on-year increases, mainly in parking revenues of € 2.0 million (plus 5.0%) and shopping and gastronomy revenues of € 1.7 million (plus 4.1%). The main losses were in de-icing revenue (minus € 9.1 million) due to the comparatively mild winter.

Other operating income fell by around one third or € 7.7 million to € 16.1 million (2013: € 23.8 million). Own work capitalised (Flughafen Wien AG and the subsidiaries VIE ÖBA GmbH and Vienna Airport Technik GmbH) decreased by 24.2% or € 2.2 million to € 6.7 million. Income from the disposal of non-current assets fell in year-on-year comparison, as compensation for damages from the arbitration settlement of € 4.0 million had been recorded in the previous year. In 2014, however, income of € 1.8 million was recorded from the disposal of non-current assets, mainly as a result of land sales. Other income fell by

15.3% or € 0.6 million to € 3.3 million. Income from the reversal of provisions fell to € 4.0 million (2013: € 6.3 million), as, in the previous year, a lawsuit had been decided in favour of FWAG.

› Operating expenses: minus 1.3% to € 526.5 million due to cost savings and a milder winter

in € million	2014	Change in %	2013	2012
Consumables and services used	38.9	-15.7	46.1	43.2
Personnel	254.1	3.4	245.8	249.7
Other operating expenses	103.1	-8.2	112.3	117.2
Depreciation, amortisation and impairment	130.4	0.8	129.4	113.4
Total	**526.5**	**-1.3**	**533.7**	**523.4**

In addition to lower expenses for de-icing materials and fuel, the milder winter at the start of 2014 compared to 2013 resulted in a reduction in energy costs, which was also further supported by the cost-reducing effects of energy-saving measures. Expenses for consumables (incl. energy expenses) thus reduced by 22.5% or € 9.7 million to € 33.6 million. Expenses for services rose by € 2.5 million to € 5.3 million, mainly due to the higher cost of the use of third-parties for customer orders and production-related services.

Personnel expenses rose in 2014 by 3.4% or € 8.3 million from € 245.8 million to € 254.1 million. To a lesser extent this is due to the wage and salary increases mandated by collective bargaining agreements of 2.0% from May 2014 and to a greater extent due to additions to provisions through changes to parameters (reduction in the discount rate used) and past service costs due to changed measurement bases. Expenses for winter services reduced in line with the lower activity rate. The average headcount fell by 2.1% to 4,306 employees.

The effects of wage and salary increases mandated by collective bargaining agreements and employee-related provisions can be seen in all segments: In the Airport segment, personnel expenses rose by 4.3% despite there being less of a negative impact due to the milder winter. The Handling segment displayed growth of 2.9%, including one-time effects that resulted from higher reversal of provisions in the previous year. The Retail & Properties and Other Segments also saw rises in personnel expenses in year-on-year comparison of 16.1% and 2.1% respectively.

The average number of employees increased slightly by 0.5% in the Airport Segment, but declined by 2.3% in the Handling Segment. On average, the Retail & Properties segment employed 1.4% more people than in 2013. The average number of employees in Other Segments decreased by 3.8%.

Total wage costs rose slightly by € 0.4 million or 0.4% to € 110.0 million. The positive effect of the lower winter service activities was cancelled out by additions to provisions as a result of the lowering of the interest rate. Salary costs also increased by € 7.7 million or 11.0% to € 78.0 million. The employee-related provisions also had a negative effect here. Expenses for severance compensation rose by 1.8% or € 0.2 million to € 9.4 million, while expenses for pensions remained constant in year-on-year comparison at >

€ 3.1 million (plus 1.6%). Social security expenses fell by € 0.3 million or 0.7% to € 51.6 million, whereas other employee benefit expenses increased by € 0.3 million or 15.5% to € 2.0 million.

Other operating expenses were reduced in year-on-year comparison through the clear focus on cost savings and the absence of the negative effects of the snowy winter of 2012/2013 by € 9.2 million or 8.2% to € 103.1 million. Due to lower maintenance costs for buildings and equipment, and to contra-cyclical renovation measures, maintenance costs fell by € 8.9 million or 27.0% to € 24.1 million. Transport costs fell by half or € 1.0 million, as the removal of the immense volumes of snow had a negative effect in 2013. While third-party services reduced by € 7.6 million or 35.9% to € 13.5 million, services performed by related companies rose by € 3.5 million or 39.1% to € 12.4 million due to the expanded range of services. Marketing and market communication expenses showed a rise of 6.1% to € 20.5 million. (2013: € 19.4 million). Legal, auditing and consulting fees were € 1.3 million below the level of the previous year at € 4.7 million (minus 21.5%). Valuation adjustments (incl. reversals) to receivables had a negative effect on the total results of € 3.1 million.

› Group EBITDA plus 3.6%

EBITDA in € million	2014	Change in %	2013	2012[1]
Airport	141.3	6.4	132.8	123.9
Handling	17.6	-21.9	22.6	18.8
Retail & Properties	74.9	21.6	61.6	64.2
Other Segments	16.4	-33.2	24.5	14.4
Group EBITDA	**250.2**	**3.6**	**241.5**	**221.4**

1) adjusted

EBITDA by segment	2014	2013	2012[1]
Airport	56.5 %	55.0 %	56.0 %
Handling	7.0 %	9.3 %	8.5 %
Retail & Properties	30.0 %	25.5 %	29.0 %
Other Segments	6.5 %	10.2 %	6.5 %
Group EBITDA	**100.0 %**	**100.0 %**	**100.0 %**

1) adjusted

FWAG's earnings before interest, taxes, depreciation and amortisation (EBITDA) rose year-on-year by another 3.6% or € 8.7 million to € 250.2 million (2013: € 241.5 million).

› Scheduled depreciation and amortisation of € 130.4 million

in € million	2014	2013	2012
Capital expenditure (incl. financial assets)	75.1	72.9	101.7
Scheduled depreciation and amortisation	130.4	124.3	98.1
Impairment	0.0	5.1	15.3

In 2014, the volume of investments again showed a slight rise of 3.0%. Although it still did not reach the level of the years prior to the start of operations of Terminal 3, a total of € 75.1 million was invested (including invoice adjustments from prior years; 2013: € 72.9 million). Of this amount, € 1.3 million was accounted for by intangible assets and € 73.7 million by property, plant and equipment. In 2013, invoice adjustments of € 8.2 million were recognised especially due to an arbitration court decision in favour of Flughafen Wien AG in proceedings against a contractor involved in Terminal 3. Scheduled depreciation and amortisation increased due to the ongoing investment projects and due to the new estimate of expected useful lives.

There were no impairment charges for FWAG in 2014.

In the previous year, impairment charges of € 5.1 million were recognised. The impairment test carried out led to the recognition in 2013 of an impairment charge on a property (CGU "Real Estate Cargo") to the total value of € 4.9 million, which was recognised in the Retail & Properties segment. Impairment charges of € 0.2 million were recognised on property, plant and equipment in the Airport CGU.

› Group EBIT rises to € 119.8 million

in € million	2014	Change in %	2013	2012[1]
Airport	45.7	9.0	42.0	55.6
Handling	12.1	-29.3	17.2	12.9
Retail & Properties	59.0	41.0	41.9	38.1
Other Segments	2.9	-73.7	11.1	1.4
Group EBIT	**119.8**	**6.9**	**112.1**	**108.0**

1) adjusted

EBIT by segment	2014	2013	2012[1]
Airport	38.2 %	37.4 %	51.5 %
Handling	10.1 %	15.3 %	12.0 %
Retail & Properties	49.3 %	37.4 %	35.3 %
Other Segments	2.4 %	9.9 %	1.2 %
Group EBIT	**100.0 %**	**100.0 %**	**100.0 %**

1) adjusted

Despite the higher scheduled depreciation and amortisation, Group EBIT rose by € 7.7 million or 6.9% to € 119.8 million due to the improvement in EBITDA and the absence of the impairment charges compared to 2013.

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› Financial results improved to minus € 13.1 million

Financial results in € million	2014	Change in %	2013	2012
Income from investments, excl. companies at equity	0.1	-94.1	2.3	0.9
Interest income	0.9	-58.4	2.2	4.2
Interest cost	-24.2	-6.9	-25.9	-25.2
Other financial expense/ income	0.1	n.a.	0.0	0.2
Financial results, excl. companies at equity	**-23.1**	**7.5**	**-21.4**	**-19.9**
Proportional share of income and results from the disposal of companies recorded at equity	10.0	62.2	6.2	5.6
Financial results	**-13.1**	**-14.5**	**-15.3**	**-14.3**

The financial result improved year-on-year from minus € 15.3 million to minus € 13.1 million. Income from investments of € 2.3 million were achieved in the previous year. This income in the previous year also included a payment from the investment "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2), which, since the start of 2014, (and due to the initial consolidation) is now shown as part of the at-equity result, but is still included in the financial result. Income from investments therefore fell to € 0.1 million in 2014.

Interest result fell, firstly due to the repayment of financial liabilities and the rescheduling of existing loans at more favourable conditions, and, secondly, due to lower interest income, among others resulting from the redemption of securities in the middle of 2013, from minus € 23.8 million to minus € 23.3 million (minus 2.2%).

The contributions to income by the investments carried at equity (incl. results from the disposal of companies recoded at equity) also grew in 2014 and totalled € 10.0 million (2013: € 6.2 million). A one-time effect from the initial consolidation of GET2 of € 0.6 million and the sale of the shares in Flughafen Friedrichshafen GmbH (revaluation in Q2/2014) was recognised here at € 2.3 million. The current results from the investments recorded at equity totalled € 7.1 million, of which € 1.0 million is allocated to Kosice Airport and € 4.7 million to Malta Airport. The deconsolidation of Columinis Holding GmbH (liquidation in Q2/2014) did not lead to any material effects on the financial result.

› Net profit attributable to the equity holders of the parent of € 82.5 million (plus 12.5%)

In 2014, FWAG increased its total profit before taxes by € 9.9 million or 10.2% to € 106.7 million (2013: € 96.8 million).

The income from the companies included in the consolidated financial statements was taxed almost exclusively in Austria. The tax rate applicable to profit before tax equalled 23.2% in 2014 (2013: 24.3%).

Net profit for the reporting year was € 81.9 million (2013: € 73.3 million). This includes minus € 0.5 million attributable to non-controlling interests for the proportional share of the loss recorded by the subsidiary BTS Holding a.s. “v likvidacii” (in liquidation). The net profit attributable to the equity holders of the parent company, after deduction of the pro-rata share of the loss, amounted to € 82.5 million in 2014 (2013: € 73.3 million), which equates to an increase of 12.5%.

Based on an unchanged number of shares outstanding, earnings per share equalled € 3.93 (2013: € 3.49).

› Financial and capital management

Financial management in FWAG is supported by a system of indicators that is based on selected and closely synchronised ratios. These indicators define the scope of development, profitability and financial security within which FWAG moves in the pursuit of its primary goal to generate profitable growth.

Depreciation has a significant influence on the earnings indicators monitored by FWAG. In order to permit an independent evaluation of the operating strength and performance of the individual business segments, EBITDA (operating profit plus depreciation, amortisation and impairment) is defined as the key indicator. The company also uses the EBITDA margin, which shows the relationship of EBITDA to revenue. The EBITDA margin equalled 39.7% in 2014, compared with 38.8% in the previous year. The protection of high profitability is a stated long-term goal of management.

The optimisation of the financial structure has top priority. This financial security is measured by the gearing ratio, which compares net financial liabilities with the carrying amount of equity. The ratio of net debt to EBITDA is also used to manage the financial structure. The company's medium-term goal is maintain this ratio at approx. 2.5. In 2014, net debt to EBITDA equalled 2.02 (2013: 2.62).

Despite a slightly higher volume of investments, financial liabilities fell by € 127.5 million, mainly due to the premature and scheduled repayments of loans. Cash and cash equivalents therefore fell by € 1.7 million to € 2.2 million as of the reporting date. Net debt, considering invested funds, totalled € 506.2 million (2013: € 633.4 million). Based on equity of € 952.5 million (2013: € 905.9 million) gearing equalled 53.1% (2013: 69.9%).

In addition to the EBITDA margin, the return on equity (ROE) is also used to evaluate the company's profitability. ROE compares net profit for the period with the average equity during the financial year.

› Profitability indicators

in %	2014	2013	2012
EBITDA margin[1]	39.7	38.8	36.5
EBIT margin[2]	19.0	18.0	17.8
ROE[3]	8.8	8.3	8.7
ROCE before tax[4]	7.5	6.8	6.5

1) EBITDA margin: Earnings before interest, taxes, depreciation and amortisation / Revenue
2) EBIT margin: Earnings before interest and taxes / Revenue
3) ROE (Return on Equity) = Net profit for the period / Average equity
4) ROCE (Return on Capital Employed before Tax) = EBIT / Average capital employed (Capital Employed = non-current assets, inventories, receivables and other assets minus current provisions and liabilities)

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Financial Asset and Capital Structure

› Balance sheet structure

	2014		2013	
	in € million	as a % of total assets	in € million	as a % of total assets
ASSETS				
Non-current assets	1,803.4	95.3	1,857.6	95.1
Current assets	88.8	4.7	96.3	4.9
Total assets	**1,892.2**	**100.0**	**1,953.9**	**100.0**
EQUITY AND LIABILITIES				
Equity	952.5	50.3	905.9	46.4
Non-current liabilities	672.2	35.5	748.2	38.3
Current liabilities	267.5	14.1	299.8	15.3
Total equity and liabilites	**1,892.2**	**100.0**	**1,953.9**	**100.0**

The total assets of FWAG amounted to € 1,892.2 million as of 31 December 2014, which represents a year-on-year decline of 3.2% or € 61.7 million. The capital-intensive nature of the Group's business activities was reflected in an increase in the proportion of non-current assets to 95.3% (2013: 95.1%). Current assets fell, mainly due to the decrease in other receivables and assets.

The share of equity rose year-on-year by 3.9 percentage points to 50.3% or from € 905.9 million to € 952.5 million. The repayment of financial liabilities and the reclassification of items to current liabilities reduced non-current liabilities as a per cent of total assets to 35.5% (2013: 38.3%). Current liabilities were also reduced by 10.8% in 2014 and totalled € 267.5 million as of 31 December 2014.

› Assets

Non-current assets declined year-on-year by 2.9% or € 54.2 million and totalled € 1,803.4 million.

The carrying amount of intangible assets was 20.6% or € 2.8 million lower year-on-year at € 10.9 million. Additions of € 1.3 million were mainly contrasted by amortisation of € 4.2 million.

Property, plant and equipment with a carrying amount of € 1,561.2 million (2013: € 1,622.2 million) represented the largest component of non-current assets in 2014: investments of € 62.6 million were contrasted by depreciation of € 121.1 million.

The carrying amount of land and buildings declined by 3.6% or € 41.5 million year-on-year to € 1,107.7 million. This change resulted primarily from depreciation of € 56.2 million, investments incl. reclassifications of finished projects of € 15.2 million and disposals of € 0.5 million.

The carrying amount of technical equipment and machinery fell by 4.9% or € 16.4 million to € 316.8 million as of 31 December 2014. This was firstly due to scheduled depreciation and amortisation of € 39.9 million and, secondly, € 23.6 million was invested in this area or reclassified from construction in progress. Other equipment, furniture, fixtures and office equipment also declined, as expected, by 11.2% or € 8.6 million to € 68.4 million. The carrying amount of projects under construction rose by 8.8% or € 5.5 million to € 68.2 million as of 31 December 2014.

The change in investment property comprised additions of € 11.2 million and reclassifications of € 1.7 million as well as scheduled depreciation of € 5.1 million. The carrying amount of investment property totalled € 124.9 million as of 31 December 2014 (31 December 2013: € 119.6 million).

The carrying amount of companies recorded at equity increased by 4.8% or € 4.7 million from € 97.9 million to € 102.5 million. The investment "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2), which was not consolidated until 2013, was recognised for the first time as an at-equity investment at the start of 2014 due to the increasing involvement of operating activities in the Group with a carrying amount of € 0.6 million. As a result, there was a reduction of € 0.1 million in investments in non-consolidated subsidiaries in "other financial assets".

Current assets declined in 2014 by 7.8% or € 7.5 million to € 88.8 million. While inventories remained almost constant at € 4.3 million, securities increased due to the market valuation by 6.5% or € 1.3 million to € 21.3 million. Net trade receivables rose due to revenue growth by 5.0% or € 1.7 million to € 36.2 million. The reduction in tax office receivables is mainly attributable to lower VAT tax credits. Other receivables, which fell from € 13.9 million to € 7.6 million, comprised claims arising from a arbitration judgement of € 4.6 million as of the 2013 balance sheet date, which were paid at the start of 2014. Cash and cash equivalents fell year-on-year by 42.9% or € 1.7 million to € 2.2 million (2013: € 3.9 million).

Despite the decline in the carrying amount of non-current assets, non-current assets as a share of total assets increased slightly to 95.3% (2013: 95.1%) among others due to a reduction in cash and cash equivalents and receivables.

› Equity and liabilities

Equity recorded by FWAG rose by 5.1% or € 46.6 million to € 952.5 million at year-end 2014. Net profit of € 81.9 million for the reporting year was contrasted by the dividend payment of € 27.3 million for the 2013 financial year. The change in other reserves from the market valuation of debt instruments and similar rights contributed € 1.0 million to the increase in equity. The recognition of actuarial losses due to changes to parameters used to calculate employee-related provisions (revaluation of defined benefit plans) reduced equity by € 9.0 million. The equity ratio therefore improved, firstly due to the positive net profit for the period and, secondly, due to the fall in total assets as a result of debt repayment and reduction in the carrying amounts, to 50.3% as of the balance sheet date (2013: 46.4%).

The non-controlling interests as of 31 December 2014 represent the stake in the Slovakian subsidiary BTS Holding a.s. “v likvidacii” (in liquidation), Bratislava, held by the co-shareholder Raiffeisen-Invest-Gesellschaft m.b.H. Non-controlling interests include the current annual results reported by the subsidiary, which contains a valuation allowance to receivables of € 2.8 million.

The reduction in non-current liabilities of 10.2% or € 76.0 million to € 672.2 million is mainly attributable to the repayment and reclassification of financial liabilities. Existing >

(current and non-current) financial liabilities totalling € 155.5 million were repaid in 2014 and € 28.0 million were taken on. Repayments that will be made in 2015 were reclassified to current financial liabilities. Non-current financial liabilities thus declined by 17.0% or € 93.9 million to a total of € 457.7 million.

Non-current provisions rose by 23.7% or € 31.4 million in 2014 to € 163.8 million, mainly due to an increase in employee-related provisions due to the updated valuation of the defined benefit plans (severance payment and pension provisions, service anniversary bonuses and semi-retirement provisions). In addition, other provisions of € 7.9 million were reclassified to non-current liabilities. Other non-current liabilities fell by 14.3% or € 4.9 million to € 29.6 million, chiefly due to the reclassification of other liabilities and accruals to current liabilities. Non-current deferred tax liabilities totalled € 21.0 million as of 31 December 2014. The year-on-year change from € 29.6 million in 2013 resulted primarily from differences in employee-related provisions.

Non-current liabilities fell by 10.8% or € 32.3 million year-on-year to € 267.5 million. While non-current provisions fell by 17.4% or € 12.8 million to € 60.9 million, mainly due to the intended use of provisions and adjustment of maturities, provisions for taxation rose by € 14.4 million to € 24.8 million due to the positive Group net profit. Trade payables fell by 24.0% or € 11.9 million from € 49.7 million to € 37.8 million. In contrast, current liabilities rose year-on-year by 19.2% or € 11.6 million to € 72.0 million. This can be attributed to reclassifications due to maturity profiles, an increase in liabilities to associated companies and provisioning for the environmental fund.

Current financial liabilities reduced by 31.8% or € 33.6 million to € 72.1 million. This was mainly contrasted by reclassifications from non-current financial liabilities and by an increase in current borrowings (incl. cash advances) of € 56.2 million, and by repayments on the ULSG loan, promissory notes and other loans of € 89.8 million.

› Financial Indicators

	2014	2013	2012
Net debt in € million[1]	506.2	633.4	719.6
Equity ratio in %	50.3	46.4	41.3
Gearing in %[2]	53.1	69.9	84.5
Equity in € million	952.5	905.9	851.6
Working capital in € million[3]	-101.0	-80.1	-77.5
Fixed asset ratio in %[4]	95.3	95.1	92.7
Asset coverage in %[5]	90.1	89.0	88.2

1) Net debt = Interest-bearing liabilities – cash and cash equivalents – current securities
2) Gearing = (Interest-bearing liabilities – cash and cash equivalents) / Equity
3) Working Capital = Inventories, current receivables and other assets minus current provisions and liabilities (excl. liabilities from investing activities)
4) Fixed assets / total assets = Non-current assets / total assets
5) Asset coverage = (Equity + non-current liabilities) / Non-current assets

› Cash flow statement – free cash flow increased to € 153.1 million

in € million	2014	Change in %	2013	2012
Cash and cash equivalents as of 1 January	3.9	-90.3	40.4	111.3
Cash flow from operating activities	220.6	7.9	204.4	179.7
Cash flow from investing activities	-67.5	-21.9	-86.4	-126.7
Cash flow from financing activities	-154.8	0.2	-154.5	-123.9
Cash and cash equivalents as of 31 December	2.2	-42.9	3.9	40.4
Free cash flow	**153.1**	**29.8**	**118.0**	**53.0**

Cash flow from operating activities increased by 7.9% or € 16.2 million to € 220.6 million in 2014. The increase mainly resulted from the improvement in the operating result (EBT & depreciation and amortisation) of 4.8% or plus € 10.9 million to € 237.1 million. Furthermore the proportional share of results and the dividend payments received from the investments carried at equity of minus € 4.6 million, and profits from the disposal of non-current assets of € 3.5 million were included. While inventories remained almost constant, receivables fell by € 9.0 million, partly due to lower tax office and other receivables. Liabilities (provisions and liabilities) rose by € 1.2 million. Income tax payments of € 18.4 million also had to be paid in 2014.

Net cash flow from investing activities totalled minus € 67.5 million for the reporting year, compared with minus € 86.4 million in 2013. Payments of € 74.8 million were made in 2014 for the purchase of non-current assets (2013: € 97.4 million). Payments received from the disposal of non-current assets of € 7.3 million included among others the sale of the investment in Flughafen Friedrichshafen GmbH and the cash effect of the arbitration judgement from the previous year. In the previous year a payment of € 10.0 million was received from the disposal of current securities.

Free cash flow (cash flow from operating activities minus cash flow from investing activities) rose year-on-year by 29.8% or € 35.2 million from € 118.0 million to € 153.1 million.

Cash flow from financing activities of minus € 154.8 million can be attributed to the sum of additions (plus € 28.0 million) and repayments of financial liabilities of € 155.5 million and the dividend payment to the shareholders of the parent company of € 27.3 million in May 2014.

In total, cash and cash equivalents declined year-on-year by 42.9% or € 1.7 million to € 2.2 million.

Corporate Spending

Investments in intangible assets, property, plant and equipment and financial assets rose by 3.0% or € 2.2 million to € 75.1 million in 2014. Invoice corrections of approx. € 8.2 million in favour of Vienna Airport from the December 2013 arbitration judgment in proceedings against a contractor involved in the Terminal 3 construction were included in the previous year.

Capital expenditure included € 73.7 million for property, plant and equipment and investment property, and € 1.3 million for intangible assets. The major investments made in 2014 and 2013 are listed under note (13) in the notes to the consolidated financial statements. The variance from the original forecast of € 110 million is primarily due to shifts into the following periods and cost reductions.

The reporting year was characterised by several large construction projects. New occupants moved into the new hangar 7 (investment in 2014: € 10.9 million) in early summer. The new Pier West was opened in late autumn (investment in 2014: € 9.6 million). The opening of the new railway station at Vienna Airport was a notable feature in December (investments in 2014: € 7.8 million), as was the completion of the new cargo apron positions, in which € 11.8 million was invested in 2014. These were cross-segment investments.

Investments and financing

Investments in € million	2014	Change in %	2013	2012
Intangible assets	1.3	-2.1	1.4	3.3
Property, plant and equipment	73.7	3.2	71.5	97.9
Financial assets	0.0	n.a.	0.0	0.5
Total investments	**75.1**	**3.0**	**72.9**	**101.7**
Financing in € million				
Net cash flow from operating activities	220.6	7.9	204.4	179.7
Depreciation and amortisation, including impairment charges to intangible assets, property, plant and equipment, and investment property	130.4	0.8	129.4	113.4

Positive development of airport investments recorded at equity

The Flughafen Wien Group (FWAG) held investments in three international airports in 2014.

- In Malta Airport, FWAG owns a combined stake of approx. 33%. Of the total shares, 40% are held by a consortium in which FWAG has an investment of 57.1%; 10.1% are owned directly by FWAG (through VIE Malta), 20% by the Maltese government, and the remaining shares are listed on the stock exchange in Malta. In 2014, Malta Airport surpassed the previous year's record and showed a year-on-year increase of 6.4% with 4.29 million passengers.
- Flughafen Wien AG has an indirect investment of 66% in Košice Airport. Although FWAG holds the majority of voting rights, this company is managed as a joint venture because major corporate decisions are taken together with the co-shareholders. Košice Airport reported growth of 50.4% over the previous year to 356,750 passengers.
- The 25.15% holding in Flughafen Friedrichshafen GmbH was sold in 2014 in equal parts to the city of Friedrichshafen and the district of Lake Constance. After approval of the transaction by the Federal Cartel Office, Flughafen Friedrichshafen GmbH was deconsolidated.

Financial Instruments

Information on the financial instruments used by the Flughafen Wien Group is provided in the notes to the consolidated financial statements (see note (34)).

Branch Offices

Flughafen Wien AG had no branch offices in 2014 or 2013.

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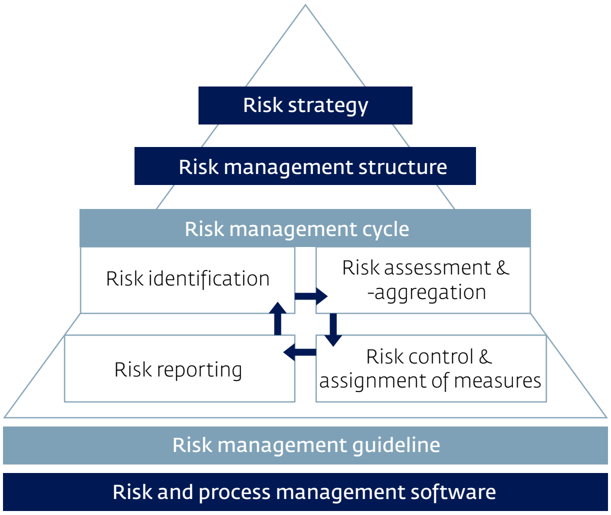
Risks of Future Development

› Risk management

The Flughafen Wien Group (FWAG) utilises an extensive risk management system, which ensures that relevant risks are identified, analysed, assessed and dealt with by suitable measures. This system is described in the following diagram.



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

The risk management system is controlled by risk policy principles in the form of the risk strategy. A clearly defined risk management organisational structure is based on these guidelines and applies across the whole structure of the Flughafen Wien Group.

From an organisational perspective, risk management is located within the Controlling Department. All risk management activities are coordinated by this function. However, all employees of FWAG are required to participate actively in risk management in their areas of activity in order to integrate the function into their ongoing business processes. Risk owner and risk deputies are especially responsible for this.

The risk management cycle, consisting of risk identification, risk assessment and aggregation, risk control and assignment of measures, and final reporting, runs efficiently on the basis of these persons and their defined roles. This process is supported by comprehensive written documentation of FWAG's entire risk management system in the form of the risk management guideline that applies throughout the Group, and process and risk management software which serves as a central database of all identified risks and associated measures. Finally, the active and open communication of risks is a stated goal and a key success factor of the risk management system.

The internal control system (ICS) also covers aspects of risk management in the sense of ensuring the reliability of operational reporting, complying with the associated legislation and rules, and safeguarding the assets. The internal audit department of Flughafen

Wien AG also regularly evaluates business practices and organisational processes for compliance with Group guidelines, security and efficiency. The Management Board therefore has access to the necessary instruments and structures to identify risks at an early point in time and to implement appropriate countermeasures or otherwise minimise these risks. The existing systems are evaluated on a regular basis and extended as required.

› Economic risks

The development of business at FWAG is significantly influenced by regional, European and global aviation trends which, for their part, are heavily dependent on general economic conditions. Economic fluctuations can therefore have a significant influence on FWAG. Based on an autumn forecast by the European Commission, FWAG assumes the development of the macroeconomic environment in 2015 will be more positive than in the previous year.

The development of traffic is also significantly influenced by external factors such as terror, war or other external shocks (e.g. pandemics, closing of air space due to natural disasters etc.). In addition to emergency plans, Vienna Airport works to counter the effects of such shocks with high standards on the quality of security and proactive public relations. This involves close cooperation with the Austrian Federal Ministry of the Interior and the Federal Police Department in Schwechat as well as specific security measures for customers.

Increasing trade barriers, sanctions and political crises can have a negative effect on the supply and demand situation for air travel. In 2014, this especially applied to the political situation in Ukraine and in the crisis regions in the Middle East. Such developments are therefore monitored and evaluated closely to allow for the implementation of countermeasures or preparatory actions. The development of the oil price and the related price of kerosene can also have a substantial impact on air travel.

Depending on the intensity and impact of such events, FWAG can react to the decline in traffic triggered by such shocks by adjusting available resources and modifying its capital expenditure programme.

› Industry risks

The industry association IATA is forecasting an overall increase in profit for the European airlines in 2015 (Source: IATA Financial Forecast, December 2014). However, FWAG expects a continuation of the high competitive and cost pressure on the airlines. It can therefore be assumed that the airlines will proceed with their efficiency and profitability improvement programmes (cost reduction, portfolio optimisation, slower fleet expansion, fleet reduction). This will also increase the cost pressure on the European airports.

The enactment of a new federal law ("Flugabgabegesetz") in 2011 resulted in an additional charge for airline passengers. The airlines are required to collect this additional duty for passengers departing from Austrian airports on behalf of the Austrian Ministry of Finance. The amount of the duty is dependent on the destination, and equalled € 7 for short-haul flights, € 15 for medium-haul flights and € 35 for long-haul flights since 1 January 2013. The duty has a negative effect on passenger traffic and thus weakens Vienna Airport's competitive position, as most European countries do not levy taxes of this kind.

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FWAG believes the EU emission guidelines and environmental standards significantly weaken the position of European airlines as well as the role of European airports as transfer hubs in comparison with alternative locations outside Europe. This could reduce the attractiveness of European airports as transfer hubs or lead to a reduction in transfer traffic over the medium term. In the long term, the creation of new hubs in the Middle East and Turkey could lead to a shift in global (transfer) traffic.

› Market and customer structure risks

The Austrian Airlines Group is responsible for 47.7% of the passengers and is FWAG's largest customer. Its sustainable development as a strong home carrier linked to the network strategy of the Star Alliance, in which the Austrian airlines group is integrated as a partner, have a significant influence on the commercial success of FWAG. The development of this key customer is continuously monitored and analysed by the responsible business units.

In autumn 2014, the agreement to a new collective bargaining agreement for the flight crew of Austrian Airlines was announced. As a result, the litigation over the transfer of operations into the subsidiary Tyrolean Airlines was settled and the conditions have been created for the entire flight operations to be once again handled via Austrian Airlines from March 2015. This agreement means that the uncertainty regarding the further development of the airline has been considerably reduced.

The trouble spots in Ukraine and the Middle East had a negative effect on Austrian Airlines over the past year, resulting in a reduction in passenger traffic across the entire company of 1.1%. A reduction of 2.5% in continental European traffic was partly offset by the positive development of long-haul routes (plus 7.3%). Furthermore, capacities were extended with an additional Boeing 777. As a result, Austrian Airlines transported around 10.7 million passengers over the year at Vienna Airport (minus 0.7% year-on-year). The development of the long-haul connections (Newark) made a further contribution to strengthening its attractiveness as a transfer hub. FWAG assumes that, after the settlement of the collective bargaining agreement, the airline will continue on its consolidation course, successfully complete its economic turnaround and thus lay the foundations for continuing the current network strategy with a focus on east-west transfers. However, there remains a residual risk in respect of the further development, which depends on various factors (overarching strategy of the Group parent, competitive environment, regulatory frameworks, etc.).

NIKI and airberlin hold second and third place in the FWAG customer ranking with passenger shares of 11.0% and 6.2%, respectively. At a Group level, airberlin increased passenger numbers by 0.6% in 2014. Traffic at Vienna Airport also grew, with plus 2.7% for NIKI and plus 4.0% for airberlin. Despite wide-ranging measures and improvements in cost efficiency, the economic turnaround of the airberlin Group had still not been achieved in 2014.

The new strategic direction and restructuring at NIKI has been largely completed. A strategic partnership with Etihad Airways was achieved in 2014, which includes a codesharing programme with daily NIKI flights to Abu Dhabi. In addition, the range of destinations was selectively adjusted, which resulted in the removal of former destinations (incl. Frankfurt and Copenhagen), and the inclusion of new routes (incl. Larnaca and Madrid).

The future development of the airberlin Group is connected with uncertainty due to the current earnings situation, in spite of the investment and support provided by Etihad

Airways. The Group continues to find itself in the red, with the need for further action despite successes through its "Turbine" turnaround programme. In mid-2014 a further restructuring programme was announced, which aims to achieve an improvement in net profit of € 400 million by 2016 – largely through cost savings, efficiency increases and network restructurings. However, FWAG assumes these adjustments will only have a minimal direct effect on Vienna Airport.

FWAG counteracts market risk with marketing measures as well as competitive fee and incentive models that apply equally to all airlines. In particular, the company's goal is to share the airlines' market risk and thereby promote strategically important intercontinental routes and traffic to destinations in Central and Eastern Europe.

In 2014, growing developments that are relevant to FWAG were noted at Bratislava Airport. This mainly concerns the increased presence of the low-cost segment (especially Ryanair and flydubai), which has increased competitive pressure in the catchment area through the deployment of aircraft and extending the range of destinations.

Flughafen Wien AG was able to successfully protect its leading market position in ramp, traffic and cargo handling during the reporting year. The foundation for this strong standing in competition with other service providers is formed by specially designed service packages and high quality standards. Long-term handling agreements for ramp services were concluded with the key customers Austrian Airlines and NIKI/airberlin. These agreements substantially reduced the market risk for the Handling Segment.

The handling services provided by FWAG are the subject to growing price pressure as well as rising quality demands from the airlines. Service level agreements (SLA) that include penalties in case of failure to meet quality targets are becoming increasingly popular. The number of those flight movements that is relevant to the handling revenue of Flughafen Wien AG has continued to decline, although the extent of the decline has significantly diminished (only minus 1.2% in year-on-year comparison).

As part of the European Commission's work programme for 2015, it was announced at the end of 2014 that the intention to liberalise ground handling services would no longer be pursued. It must therefore be assumed that any negative consequences from the licensing of a third ramp handling agent and the associated increase in competitive pressure and loss of market share to competitors cannot be directly expected. If and when the Commission will make a new attempt cannot currently be foreseen.

In the cargo business, the dominant market position of a few airlines and forwarding agents represents a certain risk. FWAG works to further diversity its portfolio and thereby reduce this risk by continuously monitoring the airlines and acquiring new customers. The cargo business is also highly sensitive to economic fluctuations. FWAG is therefore continuing to monitor these developments very closely because of the active cargo strategy and the related expansion of the cargo infrastructure at Vienna Airport that is currently being planned.

FWAG rents buildings and space that are used primarily by companies whose business is dependent on the development 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-related contractual components, this is linked to effects on the revenue situation in the retail and real estate sectors.

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› Development risks for international business

The remaining foreign airport investments of Flughafen Wien AG (Malta and Košice – Friedrichshafen was sold in 2014) are not only exposed to the above-mentioned industry risks, but also to additional local challenges and market risks. One of the major risks in this area is the five-year restructuring plan for Air Malta, which is expected to, and indeed must, ensure the survival of Malta's home carrier by 2016. The bankruptcy of this airline would most likely have negative consequences for the investment in Malta Airport. While progress has been made in the last few years, the airline has once again found itself in the red. Nevertheless, the turnaround for the 2016 financial year will be adhered to.

Political and regulatory risks – which include the taxation of air travel, air traffic restrictions by public authorities or changes in applicable laws and requirements by public authorities that result in additional costs – are monitored continuously. These types of factors can influence medium-term planning and create a risk that a specific investment may become impaired.

› Financial risks

Capital expenditure at FWAG is financed by operating cash flows as well as long-term, fixed interest and/or variable interest borrowings.

Interest rate risk results, above all, from variable interest on financial liabilities and assets. The FWAG treasury department is responsible for the efficient management of interest rate and market risks, evaluates the respective risk positions on a regular basis as part of risk controlling and selectively uses interest rate derivatives to minimise the risk of changing interest rates.

Detailed information on financial instruments, strategies and financial risks – including liquidity risk, credit risk, interest rate risk and foreign exchange risk – is provided in the notes to the consolidated financial statements.

The EIB credit agreement defines terms for the liability of qualified guarantors. The current guarantors cancelled the guarantee agreement that serves as collateral for the EIB loan as of 27 June 2013 at the full amount of € 400.0 million. Following the conclusion of a new syndicated guarantee agreement, as of 28 June 2013, six financial institutions took over as guarantors for the outstanding EIB loan of € 400.0 million. After one guarantor had to be changed in August 2014 due to a rating downgrade, two of the existing financial institutions assumed the released guarantee amount. Thus there are now five financial institutions acting as guarantors to the EIB.

› Investment risks

FWAG's expansion projects are exposed to various risks – including the loss of suppliers, higher construction costs or changes in planning – that could increase the intended expenditures. A special analysis procedure is therefore used in the planning stage to evaluate the potential risk associated with investment projects, while regular risk monitoring is based on an analysis and evaluation process that is part of project controlling. Any special risks identified by the project managers (e.g. contaminated soil) are incorporated in the respective calculations.

Expansion projects are developed in close coordination with the airlines based on the expected development of traffic. Expert forecasts for the growth in passenger volumes over the medium- and long-term reduce the financial risk associated with these investments and ensure that sufficient capacity is available to meet the forecasted demand.

The provincial government of Lower Austria, as the responsible public authority, at first instance officially confirmed the environmental compatibility of the project "parallel runway 11R/29L" (the third runway) during summer 2012. Twenty-three appeals against this first instance decision were brought to the environmental tribunal within the stated deadline. Due to the objections and the changed legal situation, additional expert opinions were commissioned as part of the second instance proceedings. At the end of 2013, responsibility passed from the environmental tribunal to the newly created Austrian Federal Administrative Court, which is now responsible for the second instance proceedings. Oral proceedings took place at the beginning of January 2015. From today's standpoint, the decision of the Austrian Federal Administrative Court is expected during the course of 2015. It is also possible that the Supreme Courts, or even the European Court of Justice, will also be asked to review this matter.

Current forecasts for the development of passenger traffic indicate that Vienna Airport will reach its capacity limits after 2020. The parallel runway project (third runway) is therefore crucial to ensure the availability of sufficient capacity on a timely basis. As soon as a legally binding decision is issued, Flughafen Wien AG will decide on the realisation of this project based on the expected development of passenger traffic and movements and updated profitability calculations. If the project is not realised, significant elements of the capitalised project costs would probably have to be written off. The amount of this would be dependent on the extent to which an alternative use could be found.

The valuation of assets is based on the assumption that Vienna Airport will maintain its position as an east-west hub.

› Legal risks

The requirements of public authorities, above all in the area of environmental protection (e.g. noise, emissions, changes in departure and approach routes) can create legal risks. Flughafen Wien AG works to counter these risks, above all, with information and the involvement of local citizens in the mediation process (e.g. third runway) or through neighbourhood advisory boards.

The start of the project to introduce the EMAS environmental management system in 2014 will ensure that proof of legal conformity in the environmental field is provided through positive external certification in October 2015.

The liberalisation of ground handling services will no longer be pursued at the level of the European Commission, as a result of which there will be no further market liberalisation for the time being.

Non-compliance with legal requirements can create liabilities for management. Legal risks are therefore monitored in all software projects, and the necessary actions taken. For example, any storage or archiving of personal data is reported in accordance with Austrian data protection laws. Flughafen Wien AG implemented the Issuer Compliance Regulations in a separate corporate guideline. The company has established permanent areas of non-disclosure to prevent the misuse or distribution of insider information, and also creates ad-hoc areas as needed. A variety of organisational measures and control mechanisms has also been implemented to monitor these processes on a regular basis.

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The compliance officer of Flughafen Wien AG discusses his activities with the Supervisory Board each year, and also prepares a written report that is submitted to the Austrian Financial Market Authority.

› Personnel risks

Motivated and committed employees play an important role in the success of FWAG. In order to counteract the loss of know-how through turnover, numerous measures have been implemented to strengthen employee ties. Steps have also been taken to increase occupational safety and to minimise illness-related absences.

› ICT risks

The inclusion of risk management in the planning process allows for the early identification, assessment of risks – above all for ICT projects (information and communication technology) – and the implementation of appropriate measures. Measures are also in place to continuously improve this risk management process.

The major operating risks in the area of information and communications technology include system breakdowns, the destruction of central systems and the potential loss of sensitive data. This risk was further reduced in 2014 by the expansion of preventive measures, e.g. the implementation of additional redundancies.

The basic infrastructure, which includes electricity and air conditioning supplies, is exposed to risk in connection with the availability of central systems. Measures have been and are being continuously developed to achieve the greatest possible reliability, such as via ring mains.

Redundant systems have been implemented at all central network interfaces to permit the continued operation of the network and related systems if an individual component breaks down. However, there is a low residual risk because unforeseeable errors (disasters) preclude guarantees for 100% availability.

State-of-the art monitoring systems and emergency procedures have been implemented for all operating systems – for example, regarding the "mach2", Vienna Airport's core system – which support the early identification of problems and ensure a high degree of reliability. These systems are the focus of continuous development to guarantee compliance with the latest technical and legal requirements.

The mach2 systems form the backbone of the IT systems used at Vienna Airport. They provide nearly all other systems with an update on incoming and outgoing flights in near-real-time and also show flights planned for the future. The necessary master data (e.g. airlines etc.) is administered centrally and also made available to the related systems.

In addition, the mach2 systems include special functions that are required for smooth airport operations. Examples of these functions are load planning, telex reception, dispatch and distribution, and display systems for passengers and employees.

Additional systems are linked to mach2 and cover apron planning, ground handling disposition and cargo handling.

The ERP software (Enterprise Resource Planning) SAP is used as the central accounting and HR management system. This system is not only used for invoicing, but also for central analysis and reporting. In addition to previously realised measures and controls, additional quality assurance measures are planned to further minimise the risk of a breakdown.

› Environmental risks

The situation at Vienna Airport can be considered stable because of the existing operational restrictions (no use of noise-sensitive take-off and landing routes from 9:00 pm to 7:00 am) as well as a limit on the absolute number of flight movements between 11:30 pm and 5:30 am. Additional restrictions on night flights which could lead, in particular, to a decline in cargo and long-haul traffic, are not currently expected.

› Damage risks

The risk of damages includes fire and other events that could result from natural disasters, accidents or terror as well as the theft of or damage to property. In addition to appropriate safety and fire protection measures and emergency plans that are rehearsed on a regular basis, these risks are covered by insurance.

The major liability risks connected with operations are covered by aviation liability insurance, while the risks associated with terror liability are covered by terror liability insurance. The efficient and central handling of insurance business is dealt within the relevant department.

› General risk assessment

A general evaluation of the risk situation concluded that the continued existence of FWAG is protected for the foreseeable future and did not identify any risks that could endanger this continued existence. From the current point of view, FWAG generates sufficient funds to pursue the airport expansion as planned.

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Report on the key features of the internal control and risk management systems for accounting processes

In accordance with § 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 the organisation of the internal controls related to accounting processes at FWAG.

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 their particular company. These managers also represent the final authority for ensuring compliance with all related Group guidelines and directives.

The structure and design of FWAG's internal control system (ICS) was defined in a policy. The objective of the internal control system is to ensure the reliability of financial reporting and compliance with all applicable laws and regulations.

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 documentation for the control system is maintained in a standard software that also supports the process-related depiction of risks and controls.

› 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 moral standards, 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. The consolidated and annual financial statements form the main criteria for the identification of the major ICS risks. A change in the volume of business processes or the underlying accounts can lead to changes in the identifiable ICS risks and controls.

When preparing the consolidated and annual financial statements, selective estimates of future development must be made, which carries an inherent risk of deviation from these planning assumptions. In particular, the following circumstances or positions in the annual (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. The company draws on external experts or obtains a validation from external sources, peer group comparisons and other suitable instruments in order to minimise the risk of inaccurate estimates.

› 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 transition 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 and PC Konsol enterprise reporting software are used for accounting and financial reporting purposes. The functionality of the accounting system is guaranteed, among others, 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. Activities at the management level are intended to ensure compliance with all accounting guidelines and directives, and to also identify and communicate weak points and opportunities for the improvement of accounting processes. The accounting staff also attends regular training courses that cover changes in international accounting policies and practices, in order to minimise the risk of errors.

› Monitoring

Management, the controlling 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. Controls are reviewed to ensure their effectiveness, and the ICS itself is also evaluated by the internal audit department. The results of monitoring activities are reported to the audit Committee and the Supervisory Board.

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Research and Development

As a central internal service provider of information and communications technology, the information systems service unit develops and operates software for airport operations. The MACH airport operating system, which was used for many decades, was replaced by the mach2 successor system in 2012.

This system replacement also included the ongoing improvement and expansion of individual programme modules by the information systems service unit.

In 2014, some improvements were made to the electronic display systems during the renewal of the passenger guidance system. So, for example, layouts on flight information monitors were improved in close collaboration with associations for persons with special needs. Furthermore, the information monitors were modified to show waiting times in the baggage claim area and in security, as well as travel times to the gates.

Work also proceeded on the implementation of the CDM-ISP project (Collaborative Decision Making - Information Sharing platform) in 2014. The information sharing platform to be developed as part of this project will create the basis for introducing the CDM process at Vienna Airport. Through more exact planning, better analysis and the optimisation of resources, this tool will lead to significant cost savings for the participating system partners (Airlines, Passenger and Ground Handling, Air Traffic Control). In 2014, the status "Airport CDM locally implemented" was achieved and, in future, work will proceed on achieving "fully implemented" status.

Another focus was and still is on increasing customer satisfaction; this can be achieved through the further development of an airport-specific app for iOS and Android (Vienna Airport app), among other things.

Expenses for the research and development of individual programme modules of the airport operations software and other development activities amounted to € 0.6 million in 2014 (2013: € 0.7 million).

Environmental and Labour Issues

› The environment

FWAG is committed to considerate environmental management that is focused on sustainability. Within the framework of its corporate social responsibility strategy, FWAG works to sustainably increase the value of the company and to continuously reduce the negative ecological effects of its business operations. Accordingly, the company has introduced a variety of measures to reduce the impact of air traffic. As a result, the effects of pollutant and noise emissions on the environment should be kept to a minimum.

For example, a wide range of optimisation projects led to a significant and sustainable reduction in energy consumption. Substantial savings have already been realised with the replacement of technical equipment, the further optimisation of ventilation equipment through the installation of air flaps and various improvements to lighting in the apron and terminal areas and in various advertising spaces.

In 2014, a total of € 1.1 million (2013: € 1.1 million) was invested in environmental protection during the reporting year (excluding the noise protection programme). Projects were focused on the reduction of pollutant and noise emissions in order to minimise the effects on the environment – and above all on neighbouring residents.

In 2014, environmental management focused on the preparations for the enactment of the Energy Efficiency Law in 2015. The new Energy Efficiency Law requires companies to carry out regular energy audits or to implement an energy management system. Flughafen Wien AG has decided to introduce the even more extensive EMAS environmental management system, which goes further than the legal requirements. The aim of EMAS is to continually improve environmental protection in the business. EMAS will help to show where ecological and economic improvements can be made, and where supplies and energy, and therefore costs, can be saved. In addition to showing all activities in the area of environmental protection and ascertaining energy savings measures, it will ensure legal conformity in the environmental field. The implementation (including certification) will be completed by 31 October 2015.

Based on the commitment of the airports to continually reduce their CO_2 emissions, the branch association Airports Council International (ACI) originated the Airport Carbon Accreditation System in 2009. More than 100 airports have already joined the initiative – including Vienna Airport. In 2013 alone, the participating European airports achieved a reduction of 353,842 tonnes of CO_2. In 2014, FWAG achieved Level 1 for the second time in a row; this requires the preparation of a CO_2 emission balance sheet. The aim in 2015 is to achieve the next level – Level 2, which the reduction of CO_2 emissions at the Airport already provides for.

Airport City Vienna is the first industrial park in Austria to be awarded the district certificate for industrial parks by ÖGNI (Austrian Sustainable Building Council) in December 2014. The park, which includes over 70,000 m² of office and conference space as well as hotels and transport offerings, was assessed against various criteria, such as ecological and economic quality, as well as socio-cultural and functional features. This certificate ensures that the development of the Airport City Vienna site takes account of sustainable criteria in an objective way.

The FWAG noise protection programme that was started in 2005 as part of the mediation contract was successfully continued during 2014. Nearly 12,000 households in the region now benefit from the related measures. Funds totalling € 51.5 million have been provided for the implementation of noise protection measures. Expert opinions were prepared for roughly 6,235 properties by the end of 2014, and optimal noise protection was installed in 2,878 of these properties. During the implementation of the noise protection programme, up to 1,300 tonnes of CO_2 are saved each year through window replacement and renovation (17,000 windows since 2007).

› Over view of environmental indicators for Flughafen Wien AG:

	2014	2013
Number of passengers	22,483,158	21,999,926
Electricity consumption per year in kWh	144,161,388	151,642,950
Electricity consumption in kWh per year and passenger	6.50	6.89
Heat consumption per year in MWh	107,065	126,194
Heat consumption in MWh per year and passenger	0.0048	0.0057
Water consumption per year in m^3	582,704	650,603
Water consumption in m^3 per year and passenger	0.026	0.030
Waste water disposal per year in m^3	601,501	768,420
Waste water disposal per year and passenger	0.027	0.035
Residual waste aircraft in kg	1,168,080	1,134,400
Residual waste aircraft in kg per passenger	0.053	0.052
Waste paper aircraft in kg	843,660	1,148,920
Waste paper aircraft in kg per passenger	0.038	0.052
Residual waste VIE in kg	2,859,820	2,813,660
Residual waste VIE in kg per passenger	0.128	0.127
Waste paper VIE in kg	522,020	497,560
Waste paper VIE in kg per passenger	0.023	0.023
Aluminium/cans/metal VIE in kg	6,030	5.730
Aluminium/cans/metal VIE in kg per passenger	0.0003	0.0003
Biogenic waste VIE in kg	159,500	182,680
Biogenic waste in kg per passenger	0.007	0.008
Glass VIE in kg	122,820	110,210
Glass VIE in kg per passenger	0.006	0.005
Plastic packaging VIE in kg	154,950	130,080
Plastic packaging VIE in kg per passenger	0.007	0.006
Hazardous waste VIE in kg	229,850	195,266
Hazardous waste VIE in kg per passenger	0.010	0.009
Share recycled in %	90.8%	89.3%

The reduction in power consumption of 4.9% year-on-year was mainly driven by the energy efficiency measures that were implemented, especially in the areas of ventilation, air conditioning and lighting, where frequency converters now control ventilators in line with demand, and additional built-in air flaps enable further energy reductions.

A lower number of heating degree days in 2014 was the main reason why total heating requirements were 15.2% lower year-on-year.

Because more and more airlines are dispensing with free newspapers in economy class, the amount of waste paper from aircraft has declined year-on-year by 26.6%. This trend will accelerate in the next few years.

Workforce issues

The average number of employees in the Flughafen Wien Group declined by an average of 93 employees from 4,399 to 4,306 in 2014 (minus 2.1%) as a result of synergy effects from organisational restructuring and the on-going cost reduction programme. The largest staff reduction was recorded in the Handling Segment, where process optimisation led to a decline of 73 employees on average (minus 2.3%).

FWAG had 4,208 employees as of 31 December 2014, or 39 less than on 31 December 2013 (4,247 employees).

Average number of employees by segment

	2014	Change in %	2013	2012[1)]
Airport	499	0.5	496	492
Handling	3,126	-2.3	3,199	3,281
Retail & Properties	84	1.4	83	83
Other Segments	597	-3.8	621	620
Total	**4,306**	**-2.1**	**4,399**	**4,475**

1) adjusted

Employees

	2014	Change in %	2013	2012
Number of employees (average)	4,306	- 2.1	4,399	4,475
Thereof wage employees	3,112	- 3.1	3,213	3,301
Thereof salaried employees	1,193	0.6	1,186	1,174
Number of employees (31 December)	4,208	- 0.9	4,247	4,306
Thereof wage employees	2,964	- 2.8	3,050	3,112
Thereof salaried employees	1,244	3.9	1,198	1,194
Apprentices (average)	56	2.4	55	57
Traffic units per employee[*]	7,699	3.7	7,426	7,362
Average age in years[*]	40.7	0.7	40.4	39.9
Length of service in years[*]	11.1	1.8	10.9	10.4
Share of women in %[*]	11.6	- 7.2	12.5	12.4
Training expenditures in EUR[*]	987,000	1.0	972,000	730,000
Reportable accidents[*]	115	n.a.	115	145

*) Based on Flughafen Wien AG

The number of traffic units per employee in FWAG rose by 3.7% to 7,699 in 2014 based on the continued implementation of measures to improve efficiency throughout the Group.

Flughafen Wien AG also provides voluntary benefits for its workforce to strengthen identification with the company and to increase motivation. These benefits include free-of-charge transportation to and from Vienna, a day care centre with flexible opening hours and reduced costs for numerous recreational and sporting activities.

Flughafen Wien AG created an independent employee foundation over ten years ago to allow its employees to participate directly in the success of the company. This foundation holds 10% of the shares in FWAG and distributes the dividends received on these shares to company employees. The bodies of the foundation are defined in the articles of association and are completely independent of Flughafen Wien AG. Approx. € 2.73 million from the dividends was paid out from the employee foundation to the employees in 2014; this retroactively represents the dividend for 2013 and corresponds to 34.09% of the average gross monthly salary or wage per employee. The allocation is based on the individual gross annual salary or wage.

Disclosures required by § 243a of the Austrian Commercial Code

› 1. Share capital and shares

The share capital of Flughafen Wien AG totals € 152,670,000 and is fully paid in. It is divided into 21,000,000 shares of bearer stock, which are securitised in a collective certificate and deposited at the ÖKB (Österreichische Kontrollbank AG). All shares carry the same rights and obligations ("one share – one vote").

› 2. Syndication agreement

Two core shareholders – the province 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 was concluded in 1999 and has remained unchanged since that time. It calls for the joint exercise of voting rights on the syndicated shares at the annual general meeting. Any amendments to the syndication agreement, the dissolution of the syndicate and resolutions to admit a new partner to the syndicate require unanimous approval. The syndication agreement provides for reciprocal rights of purchase if one party intends to sell its syndicated shares to a buyer outside the syndicate (third party) through a legal transaction in exchange for return compensation. This reciprocal right of purchase does not apply if the syndicated shares are transferred to a holding company in which the transferring syndicate partner owns at least a majority stake. The company is not aware of any other limitations on voting rights or the transfer of shares.

› 3. Investments of over 10% in the company

The city of Vienna and the province of Lower Austria each hold 20%, and Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee foundation) holds 10% of the share capital of Flughafen Wien AG. On 7 November 2014, Airports Group Europe S.à.r.l., a limited liability company with its registered office in the Grand Duchy of Luxembourg, made a voluntary public offering under §§ 4 et seqq. of the Austrian Takeover Act for up to 6,279,000 shares with voting rights in Flughafen Wien Aktiengesellschaft. This corresponds to up to 29.9% of the voting rights. On 19 December 2014, Flughafen Wien AG was informed by Airports Group Europe S.à.r.l. that Airports Group Europe S.à.r.l. had acquired 6,279,000 shares in Flughafen Wien AG by the end of the acceptance period (this corresponds to 29.9% of the voting rights). The company is not aware of any other shareholders with a stake of 10% or more in share capital.

› 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 to or dismissal of members from the foundation's managing board requires the approval of the advisory board of the Flughafen Wien employee foundation, whereby a simple majority is required for such decisions. 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 and Supervisory Boards

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 his/her 65th birthday. Election to the Supervisory Board is possible for the last time in the calendar year in which the candidate reaches his/her 70th birthday. There are no other provisions governing the appointment or dismissal of members of the Managing 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 has been granted no explicit rights that are not derived directly from Austrian law, in particular with respect to the issue or repurchase of shares in the company. The company has no authorised capital at the present time.

› 8. Change of control

Change of control clauses are included in the agreements for both the EIB (European Investment Bank) loan of € 400.0 million and other financing agreements with a total volume of € 101.34 million (current balance: € 78.64 million). These financing agreements with a total volume of € 501.34 million (current balance: € 478.64 million) were concluded with Austrian and international financial institutions. 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 province 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 a controlling influence over these persons). For financing of € 400 million, a change of control does not include the direct or indirect reduction in the joint investment held by the province of Lower Austria and the city of Vienna to less than 40% but more than 30% of the voting shares in Flughafen Wien AG in conjunction with a capital increase by the company without the full or partial exercise of subscription rights by these two shareholders, unless a natural person or legal entity that does not currently exercise control over Flughafen Wien AG gains control (as defined above) over the company at the same time.

› 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

The corporate governance report for 2014 is published on the website of Flughafen Wien AG at www.viennaairport.com in accordance with § 243b of the Austrian Commercial Code.

Outlook

After a year of weak growth, the Austrian National Bank (ÖNB) does not forecast any noteworthy revival for 2015. Although GDP growth should be slightly stronger at 0.7% than 2014 (0.4%), unemployment will rise to 5.3% due to the weak growth. The inflation rate should level off at the current level of around 1.5%, which can support private consumption. The Austrian economic research institute WIFO is projecting restrained economic growth of 0.5%. According to WIFO, Austria's export sector should record a real increase of 2.5% in 2015. (Source: Austrian National Bank, WIFO)

The marked reduction in crude oil prices could continue to have a positive effect on economic performance, provided it is sustainable. The ECB currently expects growth in global GDP of around 4.0% (2014: 3.6%). While the Chinese economy should continue to grow (plus 7.0%), Japan's economic performance is rated as weak, with a forecast of 1.1%. In the eurozone, low investment volumes, excess capacities and weak global trade have a negative effect on the economic forecast of the ECB, which currently expects growth of 1.0%. GDP growth of 1.5% is forecast for 2016. (Source: Austrian National Bank, economic report)

FWAG expects a downward movement in total traffic in the first quarter of 2015. During the rest of the year, this trend will continue to improve from the viewpoint of the airport, and passenger growth of between 0% and 2% is expected for the whole of 2015. The planned additional funds and expansions to the flight offerings by the airlines flying from Vienna in the 2015 summer flight plan, e.g. to destinations in the USA, Italy, Greece, France, Spain, Turkey, Estonia, Moldova, Montenegro and Switzerland, will provide the stimulus for this.

Against this background, FWAG estimates the business outlook for 2015 to be essentially optimistic: Thus it is aiming for revenue growth of more than € 645 million and an increase in EBITDA to more than € 250 million. The current view is that profit after tax will be at least € 85 million. The company's net debt should be further reduced to less than € 500 million. Investments of around € 95 million are envisaged in 2015.

Supplementary Report

The number of passengers handled fell in January, as expected by Vienna Airport. In year-on-year comparison, passenger traffic fell by 5.9% to a total of 1,323,682. In addition to the negative effects of the crisis situations in Russia and Ukraine and the associated negative development in transfer traffic, the reduction in the flights on offer from Austrian Airlines was the most crucial factor in this. In contrast, Qatar Airways, Iberia and Air France-KLM, for example, showed significant passenger growth. The newly added routes in 2014 from Air China and Ethiopian Airlines also developed well.

In January 2015, Vienna Airport recognised a fall of 18.5% in transfer passengers compared to January 2014, which can be attributed almost entirely to the reductions by Austrian Airlines already mentioned. The number of local passengers fell in the same period by 1.2%. Cargo traffic saw a fall of 1.1% in January 2015. Flight movements fell by 4.5% and the maximum take-off weight also fell slightly at minus 0.6%.

The fee structure at Vienna Airport was adjusted as follows, as of 1 January 2015 and based on the index formula defined in the Austrian Airport Fee Act:

- Landing fee, airside infrastructure fee, parking fee: + 1.68%
- Passenger fee, landside infrastructure fee, security fee: + 0.69%
- Infrastructure fee for fuelling: + 1.68%

The PRM fee was increased from € 0.34 to € 0.38 per departing passenger.

Schwechat, 3 March 2015

The Management Board

Günther Ofner
Member, CFO

Julian Jäger
Member, COO

Consolidated Financial Statements 2014 of Flughafen Wien AG

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Consolidated Income Statement

for the period from 1 January to 31 December 2014

in T€	Notes	2014	2013
Revenue	(1)	**630,157.2**	**621,993.5**
Other operating income	(2)	16,125.5	23,782.3
Operating income		**646,282.7**	**645,775.9**
Consumables and services used	(3)	-38,907.7	-46,147.2
Personnel expenses	(4)	-254,051.8	-245,789.5
Other operating expenses	(5)	-103,104.1	-112,344.0
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**250,219.2**	**241,495.2**
Depreciation and amortisation	(6)	-130,442.6	-124,300.1
Impairment	(6)	0.0	-5,116.0
Earnings before interest and taxes (EBIT)		**119,776.5**	**112,079.1**
Income from investments, excl. companies at equity	(8)	139.0	2,338.0
Interest income	(9)	898.6	2,160.9
Interest expense	(9)	-24,167.1	-25,946.7
Other financial expense/income	(10)	74.1	0.0
Financial results, excl. companies at equity		-23,055.3	-21,447.9
Results from the disposal of companies recorded at equity	(7)	2,250.6	0.0
Proportional share of income from companies recorded at equity	(7)	7,732.9	6,155.9
Financial results		**-13,071.8**	**-15,292.0**
Profit before taxes (EBT)		**106,704.7**	**96,787.1**
Income taxes	(11)	-24,755.2	-23,501.7
Net profit for the period		**81,949.5**	**73,285.4**
Thereof attributable to:			
Equity holders of the parent		**82,481.5**	**73,291.3**
Non-controlling interests		-532.0	-5.9
Number of shares outstanding (weighted average)	(21)	21,000,000	21,000,000
Earnings per share (in €, basic = diluted)		3.93	3.49
Recommended/paid dividend per share (in €)		1.65	1.30
Recommended/paid dividend (in T€)		34,650.0	27,300.0

Consolidated Statement of Comprehensive Income

for the period from 1 January to 31 December 2014

in T€	2014	2013
Net profit for the period	**81,949.5**	**73,285.4**
Other comprehensive income from items that may not be reclassified to the income statement in future periods		
Revaluations from defined benefit plans	-12,029.2	3,706.0
Thereof deferred taxes	3,007.3	-926.5
Other comprehsensive income from items that may be reclassified to the income statement in future periods		
Change in fair value of available-for-sale securities	1,333.5	437.3
Thereof changes not recognised through profit or loss	1,382.0	89.3
Thereof realised gains and losses	-48.5	348.0
Thereof deferred taxes	-333.4	-109.3
Other comprehensive income	**-8,021.8**	**3,107.4**
Total comprehensive income	**73,927.8**	**76,392.9**
Thereof attributable to:		
Equity holders of the parent	**74,459.7**	**76,398.8**
Non-controlling interests	-532.0	-5.9

Consolidated Balance Sheet

as of 31 December 2014

in T€	Notes	31.12.2014	31.12.2013
ASSETS			
Non-current assets			
Intangible assets	(12)	10,903.0	13,733.1
Property, plant and equipment	(13)	1,561,171.6	1,622,159.0
Investment property	(14)	124,866.6	119,561.1
Investments accounted for using the equity method	(15)	102,520.4	97,865.9
Other financial assets	(16)	3,957.5	4,290.3
		1,803,419.0	**1,857,609.2**
Current assets			
Inventories	(17)	4,293.9	4,360.8
Securities	(18)	21,292.2	20,000.0
Receivables and other assets	(19)	60,975.8	68,043.7
Cash and cash equivalents	(20)	2,242.1	3,923.3
		88,804.0	**96,327.7**
Total Assets		**1,892,223.0**	**1,953,937.0**
EQUITY AND LIABILITIES			
Equity			
Share capital	(21)	152,670.0	152,670.0
Capital reserves	(22)	117,657.3	117,657.3
Other reserves	(23)	-18,097.6	-10,075.9
Retained earnings	(24)	700,209.4	645,027.9
Attributable to equity holders of the parent		952,439.1	905,279.3
Non-controlling interests	(25)	110.0	641.9
		952,549.0	**905,921.3**
Non-current liabilities			
Provisions	(26)	163,844.6	132,460.4
Financial liabilities	(27)	457,721.3	551,646.4
Other liabilities	(28)	29,612.5	34,540.1
Deferred tax liabilities	(29)	21,033.9	29,580.7
		672,212.2	**748,227.7**
Current liabilities			
Provisions for taxation	(30)	24,790.1	10,429.3
Other provisions	(30)	60,850.9	73,635.2
Financial liabilities	(27)	72,055.1	105,646.0
Trade payables	(31)	37,793.6	49,717.6
Other liabilities	(32)	71,971.9	60,359.9
		267,461.7	**299,788.1**
Total Equity and Liabilities		**1,892,223.0**	**1,953,937.0**

Consolidated Cash Flow Statement

for the period from 1 January to 31 December 2014

	in T€	2014	2013
	Profit before taxes	106,704.7	96,787.1
+	Depreciation of non-current assets	130,442.6	129,416.1
-	Proportional share of income from companies recorded at equity	-7,732.9	-6,155.9
+	Dividends from companies recorded at equity	3,122.8	3,008.9
+	Losses / - gains on the disposal of non-current assets	-3,517.1	-4,250.5
-	Reversal of investment subsidies from public funds	-207.8	-223.8
-	Other non-cash transactions*	-361.5	-1,130.7
+	Interest and dividend result*	23,129.4	21,447.9
+	Dividends received*	139.0	2,345.5
+	Interest received *	1,475.0	2,571.3
-	Interest paid *	-24,381.9	-25,230.1
-	Increase / + decrease in inventories	66.9	-4.8
-	Increase / + decrease in receivables	8,986.9	10,642.3
+	Increase / - decrease in provisions	6,570.7	13,366.1
+	Increase / - decrease in liabilities	-5,414.3	-22,041.4
	Net cash flows from ordinary operating activities	239,022.6	220,547.9
-	Income taxes paid	-18,431.4	-16,193.5
	Net cash flow from operating activities	**220,591.2**	**204,354.4**
+	Payments received on the disposal of non-current assets	7,263.0	1,054.7
-	Payments made for the purchase of non-current assets	-74,791.2	-97,430.9
+	Payments received in connection with non-refundable government grants	71.9	0.3
+	Payments received on the disposal of current securities	0.0	10,000.0
	Net cash flow from investing activities	**-67,456.2**	**-86,375.9**
-	Dividend	-27,300.0	-22,050.0
+	Payments received from the addition of financial liabilities	27,990.0	124,000.0
-	Payments made for the repayment of financial liabilities	-155,506.1	-256,444.2
	Net cash flow from financing activities	**-154,816.1**	**-154,494.2**
	Change in cash and cash equivalents	**-1,681.2**	**-36,515.7**
+	Cash and cash equivalents at the beginning of the period	3,923.3	40,439.0
	Cash and cash equivalents at the end of the period	**2,242.1**	**3,923.3**

* Due to changes in the presentation, the previous year's amounts for these items have been adjusted accordingly

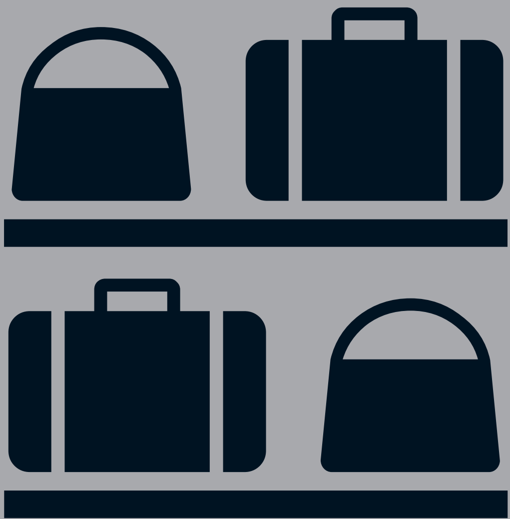
Detailed explanation see note (33).

Consolidated Statement of Changes in Equity

from 1.1 to 31.12.2014

	Attributable to equity			
in T€	Share capital	Capital reserves	Available-for-sale reserve	Revaluations from defined benefit plans
Balance on 1.1.2013	**152,670.0**	**117,657.3**	**-69.6**	**-20,746.5**
Market valuation of securities			328.0	
Revaluations from defined benefit plans				2,779.5
Other comprehensive income	0.0	0.0	328.0	2,779.5
Net profit for the period				
Total comprehensive income	**0.0**	**0.0**	**328.0**	**2,779.5**
Dividend				
Balance on 31.12.2013	**152,670.0**	**117,657.3**	**258.4**	**-17,967.1**
Balance on 1.1.2014	**152,670.0**	**117,657.3**	**258.4**	**-17,967.1**
Market valuation of securities			1,000.1	
Revaluations from defined benefit plans				-9,021.9
Other comprehensive income	0.0	0.0	1,000.1	-9,021.9
Net profit for the period				
Total comprehensive income	**0.0**	**0.0**	**1,000.1**	**-9,021.9**
Dividend				
Balance on 31.12.2014	**152,670.0**	**117,657.3**	**1,258.5**	**-26,989.0**

holders of the parent						
	Currency translation reserve	Total other reserves	Retained earnings	Total	Non-controlling interests	Total
	7,632.9	**-13,183.3**	**593,786.5**	**850,930.5**	**647.9**	**851,578.4**
		328.0		328.0		328.0
		2,779.5		2,779.5		2,779.5
	0.0	3,107.4	0.0	3,107.4	0.0	3,107.4
			73,291.3	73,291.3	-5.9	73,285.4
	0.0	**3,107.4**	**73,291.3**	**76,398.8**	**-5.9**	**76,392.9**
			-22,050.0	-22,050.0		-22,050.0
	7,632.9	**-10,075.9**	**645,027.9**	**905,279.3**	**641.9**	**905,921.3**
	7,632.9	**-10,075.9**	**645,027.9**	**905,279.3**	**641.9**	**905,921.3**
		1,000.1		1,000.1		1,000.1
		-9,021.9		-9,021.9		-9,021.9
	0.0	-8,021.8	0.0	-8,021.8	0.0	-8,021.8
			82,481.5	82,481.5	-532.0	81,949.5
	0.0	**-8,021.8**	**82,481.5**	**74,459.7**	**-532.0**	**73,927.8**
			-27,300.0	-27,300.0		-27,300.0
	7,632.9	**-18,097.6**	**700,209.4**	**952,439.1**	**110.0**	**952,549.0**



Notes to the Consolidated Financial Statements for 2014 Financial Year

General Information and Methods

› Information on the company

Flughafen Wien Aktiengesellschaft (AG), the parent company of the Group, and its subsidiaries are service companies that are active in the construction and operation of civil airports and related facilities. As a civil airport operator, Flughafen Wien AG manages Vienna Airport. The company's headquarters are located in Schwechat, Austria. The address is: Flughafen Wien AG, P.O. Box 1, A-1300 Wien-Flughafen. Flughafen Wien AG is listed in the company register of the provincial and commercial court of Korneuburg under number FN 42984 m.

› Operating permits

The major operating permits held by Flughafen Wien AG are as follows:

In accordance with § 7 of the Austrian Air Transportation Act dated 21 August 1936, the Federal Ministry for Transportation and State-Owned Entities issued a permit to Flughafen Wien Betriebsgesellschaft m.b.H. on 27 March 1955 for the creation and operation of Vienna Airport / Schwechat to serve general traffic purposes and for runway 11/29.

In accordance with § 78 (2) of the Austrian Air Transportation Act (Federal Gazette BGBl. Nr. 253/1957), the Federal Ministry for Transportation issued an operating permit for instrument runway 16/34, including taxiways and lighting systems, on 15 September 1977.

Vienna Airport was certified by the Federal Ministry for Transportation, Innovation and Technology in 2010, in accordance with the guidelines issued by the International Civil Aviation Organization (ICAO). The certification document for this was issued on 31 December 2010. This document confirms that the facilities used by Flughafen Wien AG to ensure safe and smooth operations comply with the applicable Austrian regulations. This certification is valid up to the end of 2015 and/or as long as the respective requirements are met.

On the basis of EU-Regulation 139/2014 and the associated requirement for EU certification up to the end of 2017, Flughafen Wien AG had already applied in 2014 to extend the certification up to 31 December 2017. The Austrian Federal Ministry for Transport, Innovation and Technology agreed to this on 12 December 2014 and issued Flughafen Wien AG with a new certification document.

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› Basis of preparation

The consolidated financial statements of Flughafen Wien AG as of 31 December 2014 were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), as well as the additional disclosures required for the notes by § 245a of the Austrian Commercial Code (UBG).

The financial year represents the calendar year. The structure of the balance sheet distinguishes between non-current and current assets and liabilities, which are in part classified by term in the notes. The income statement is prepared in accordance with the nature of expense method under which "total costs" are shown.

The consolidated financial statements are generally prepared at historical acquisition and production cost. In contrast to this procedure, derivative financial instruments and available-for-sale financial assets are stated at fair value. A corresponding note can be found in the relevant accounting policies.

Historical acquisition and production costs are generally based on the fair value of return compensation paid in exchange for the asset.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This applies regardless of whether the price can be directly observed or is estimated using a valuation method.

The financial statements of Flughafen Wien AG and its subsidiaries are consolidated on the basis of uniform accounting and valuation principles. The financial statements of all subsidiaries included in the consolidation are prepared as of the balance sheet date for the consolidated financial statements.

The consolidated financial statements are prepared in euros. In order to provide a better overview, amounts are generally shown in thousand euros (T€). These rounded figures also include exact amounts that are not shown, and rounding differences can therefore occur. The same applies to other information such as the number of employees, traffic data etc.

› Application of new and revised standards and interpretations

The Group applied all new or revised standards and interpretations that were issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) of the IASB and adopted by the EU, if these standards and interpretations were relevant for the business activities of the Group. In particular, the following announcements of the IASB were applied for the first time during the reporting year:

■ Amendments to IAS 32 concerning “Offsetting Financial Assets and Financial Liabilities”	Applicable to financial years beginning on or after 1 January 2014
■ IFRS 10 “Consolidated Financial Statements”	Applicable to financial years beginning on or after 1 January 2014
■ IFRS 11 "Joint Arrangements"	Applicable to financial years beginning on or after 1 January 2014
■ IFRS 12 “Disclosures of Interests in Other Entities”	Applicable to financial years beginning on or after 1 January 2014
■ New version of IAS 27 “Separate Financial Statements”	Applicable to financial years beginning on or after 1 January 2014
■ New version of IAS 28 “Investments in Associates and Joint Ventures”	Applicable to financial years beginning on or after 1 January 2014
■ Amendments to IFRS 10, IFRS 11 and IFRS 12 “Transition guidance”	Applicable to financial years beginning on or after 1 January 2014
■ Amendments to IFRS 10, IFRS 12 and IAS 27 "Investment Entities"	Applicable to financial years beginning on or after 1 January 2014
■ Amendments to IAS 39 “Novation of Derivatives and Continuation of Hedge Accounting”	Applicable to financial years beginning on or after 1 January 2014
■ Amendments to IAS 36 “Recoverable Amount Disclosures for Non-Financial Assets”	Applicable to financial years beginning on or after 1 January 2014

In 2014, the following new and revised standards, which regulate the consolidation, accounting for joint arrangements and for investments, and the associated disclosures, were applied for the first time:

IFRS 10 "Consolidated Financial Statements" results in the establishment of a uniform control model for determining whether a subsidiary should be consolidated. This control model focuses on whether the parent has power over the investee, is exposed to risks from or has rights to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of its returns. IFRS 10 replaces the previous consolidation guidelines under IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation - Special Purpose Entities". In accordance with the transition rules defined by IFRS 10, Flughafen Wien AG, as the parent company, has re-evaluated the existence of control over the companies in which it holds investments as of 1 January 2014. There were no changes in the consolidation range of the Flughafen Wien Group as a result of the first-time application of this standard.

IFRS 11 "Joint Arrangements" regulates the accounting of joint arrangements and replaces IAS 31 “Financial Reporting of Interests in Joint Ventures”. Under IFRS 11, the Flughafen Wien Group must classify its interests in joint arrangements as a joint operation (if the Group has rights to the assets and obligations for the liabilities relating to the arrangement) or a joint venture (if the Group has rights to the net assets of the arrangement). In accordance with the transition rules defined by IFRS 11, Flughafen Wien AG, as >

the parent company, has also re-evaluated the classification of its joint ventures as of 1 January 2014. This evaluation of the joint arrangements of the Flughafen Wien Group did not result in any changes to the accounting policies for companies recorded at equity, but it did result in a reclassification of the stake in Malta Mediterranean Link Consortium Ltd. (MMLC) and the stake in Malta International Airport Ltd. (MIA) in associated companies.

IFRS 12 "Disclosure of Interests in Other Entities" summarises the disclosure requirements for subsidiaries, associates and joint ventures as well as unconsolidated structured entities. It replaces the respective rules in IAS 27, IAS 28 and IAS 31, and requires more extensive disclosures in the annual financial statements.

The application of the other new or amended standards and interpretations had no effect on the asset, financial or earnings position, financial performance or cash flows of the Flughafen Wien Group.

The following standards and interpretations had been announced by 31 December 2014, but did not require mandatory application during the reporting year:

■ IFRIC 21 "Levies"	Applicable to financial years beginning on or after 1 July 2014
■ IFRS 9 "Financial Instruments"	Applicable to financial years beginning on or after 1 January 2018; not adopted by the EU into European law as of the balance sheet date.
■ IFRS 14 "Regulatory Deferral Accounts"	Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date.
■ IFRS 15 "Revenue from Contracts with Customers"	Applicable to financial years beginning on or after 1 January 2017; not adopted by the EU into European law as of the balance sheet date.
■ Improvements to individual IFRS (Improvement Project 2010-2012)	Applicable to financial years beginning on or after 1 February 2015
■ Improvements to individual IFRS (Improvement Project 2011-2013)	Applicable to financial years beginning on or after 1 January 2015.
■ Improvements to individual IFRS (Improvement Project 2012-2014)	Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date.
■ Amendments to IAS 19 (2011) "Employee Benefits: Employee Contributions"	Applicable to financial years beginning on or after 1 February 2015
■ Amendments to IFRS 10 and IAS 28 "Sale or contribution of assets between an investor and its associate or joint venture"	Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date.

■ Amendments to IFRS 11 "Accounting for acquisition of interests in joint operations"	Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date.
■ Amendments to IAS 16 and IAS 38 "Clarification of acceptable methods of depreciation and amortisation"	Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date.
■ Amendments to IAS 16 and IAS 41: "Agriculture: bearer plants"	Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date.
■ Amendments to IAS 27: "Equity Method in Separate Financial Statements"	Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date.
■ Amendments to IAS 1: "Disclosure initiative"	Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date.
■ Amendments to IFRS 10, 12 and IAS 28: "Applying the Consolidation Exception"	Applicable to financial years beginning on or after 1 January 2016; not adopted by the EU into European law as of the balance sheet date.

There are no plans for the voluntary premature application of the above-mentioned standards and interpretations. The effects of the changes are as follows:

IFRS 9
IFRS 9 (2009) "Financial Instruments" introduces new requirements for classifying and measuring financial assets. In accordance with this standard, financial assets are classified and measured on the basis of the business model within they are held and the characteristics of the contractual cash flows. IFRS 9 (2010) also introduces changes relating to financial liabilities. The effects of IFRS 9 on the asset, financial or earnings position Flughafen Wien Group were not yet evaluated.

IFRS 14
IFRS 14 "Regulatory Deferral Accounts" permits an entity which is a first-time adopter of IFRS to continue to account, with some limited changes, for "regulatory deferral account balances". Nevertheless, the application of the regulation is explicitly only intended for first-time adopters of IFRS and entities already accounted for under IFRS are excepted from its application. There are therefore no future effects on the consolidated financial statements of Flughafen Wien AG.

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IFRS 15

IFRS 15 "Revenue from Contracts with Customers" specifies when and in what amount revenue is to be recognised. The preparer of the financial statements is also required to provide more informative disclosures than before to users of financial statements. IFRS 15 must be strictly applied to all contracts with customers. The following contracts are exceptions:

- Leases within the scope of IAS 17 Leases;
- Financial instruments and other contractual rights or obligations within the scope of IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures;
- Insurance contracts within the scope of IFRS 4 Insurance Contracts; and
- Non-monetary exchanges between entities in the same line of business to facilitate sales to customers or potential customers.

In contrast with the currently valid regulations, the new standard envisages a single, principle-based, five-step model that must be applied to all contracts with customers. According to this five-step model, the contract with the customer must first be identified (step 1). Step 2 involves identifying the performance obligations in the contract. The next step 3 requires the transaction price to be determined and includes explicit provisions for treating elements of variable consideration, financing components, payments to the customer and exchange deals. After determining the transaction price, step 4 involves allocating the transaction price to the individual performance obligations. This is based on the individual selling price for the individual performance obligations. Finally, in step 5 the revenue can be recognised, provided that the entity has satisfied the performance obligation. The prerequisite for this is that control of the goods or service has passed to the customer.

When a contract is concluded, under IFRS 15 it must be determined whether the revenue resulting from the contract is to be recognised at a particular point in time or over time. In doing this, it must first be clarified on the basis of specific criteria whether the control of the performance obligation is satisfied over time. If this is not the case, the revenue must be recognised at the point in time at which control is passed to the customer.

The standard also includes new comprehensive provisions relating to information on the revenue that must be disclosed in the financial statements. In particular, both qualitative and quantitative information must be disclosed on each of the following points:

- Contracts with customers,
- Significant judgements, and changes in the judgements, made in applying the guidance to those contracts
- Any assets arising from recognised costs for obtaining and fulfilling a contract with a customer.

The Flughafen Wien Group expects that, as a result of amendments from IFRS 15, adjustments will be necessary in the area of "internal controls". Any adjustments to the IT architecture and the effects on the asset, financial or earnings position from the first-time application of these standards on the balance sheet date have not yet been evaluated in detail.

Amendments to IFRS 10 and IAS 28

The amendments address a conflict between the provisions of IAS 28 "Investments in Associates and Joint Ventures" and IFRS 10 "Consolidated Financial Statements". They clarify that, in the case of transactions with an associate or joint venture, the amount of the gain or loss depends on whether the sold or acquired assets constitute a business operation as defined in IFRS 3 (Business Combinations).

Transactions to date with associates or joint ventures in the Group do not constitute a business operation within the meaning of IFRS 3, but only individual assets. The Flughafen Wien Group therefore assumes that the amendments to IFRS 10 and IAS 28 will not have any effect on the Group's net profit.

Amendments to IFRS 11

The amendments to IFRS 11 (Joint Arrangements) contain guidelines on accounting for the acquisition of an interest in a joint operation if this constitutes a business operation within the meaning of IFRS 3 (Business Combinations). In this case, all principles relating to accounting for business combinations under IFRS 3 and other IFRSs must be used, provided these do not contradict the guidelines in IFRS 11.

The amendments must be applied to the purchase of interests in an existing joint operation and to the purchase of interests at the time a joint operation is formed, provided the formation of the joint operation does not coincide with the formation of the business.

The Flughafen Wien Group assumes that the amendments to IFRS 11 will not have any material effect on the consolidated financial statements.

Other standards

The other standards and interpretations are not expected to have any effect on the consolidated financial statements.

Significant accounting policies and valuation methods

› Consolidation

a) Subsidiaries
The consolidated financial statements contain the financial statements for the parent company and for the companies it controls, including structured entities (its subsidiaries). The Group specifically controls an investee when, and only when, it presents all the following characteristics:

- It has power 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 yields) and
- is exposed to risks from or has rights to variable returns from its involvement with the investee and
- has the ability to use its power over the investee to affect the amount of its returns.

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,
- 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 has 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 and valuation methods used by the 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 property, plant and equipment 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 surrendered assets and issued equity instruments as well as any liabilities arising or assumed as of the transaction date. The acquisition cost also includes the fair value of recognised assets or liabilities resulting from a contingent consideration agreement. Acquisition-related costs are recognised as expenses. In connection with the initial consolidation, the identifiable assets, liabilities and contingent liabilities resulting from the business combination are measured at fair value as of the acquisition date.

In principle, goodwill represents the excess of the fair value of return compensation, the value of any non-controlling interest in the acquired company and the fair value of any previously held equity interests as of the acquisition date over the Group's share of net assets measured at fair value. Non-controlling interests are valued on the date of purchase at their corresponding proportion of the identifiable net assets of the acquired company. 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 again reviewed and subsequently recognised to profit or loss.

Non-controlling interests are reported separately on the consolidated balance sheet under equity.

b) Associated companies and joint ventures

An associated company is an entity over which the Group can exercise 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 whereby the parties that have joint control of the arrangements 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 recorded at cost as of initial recognition using the equity method. This carrying amount is subsequently increased or decreased by the share of profit or loss attributable to the Flughafen Wien 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 on a scheduled basis. In the periods following the initial recognition of a business combination, any realised differences between the carrying amount and the fair value of assets and liabilities are adjusted, 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.

› 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 business deal. Monetary items in foreign currencies are translated at the exchange rate in effect on the balance sheet date. Differences arising from foreign currency translation are basically recognised to profit or loss as a net amount.

› Intangible assets

Intangible assets with a finite useful life are recognised at cost and amortised on a straight-line basis over a useful life of four to twenty years. If there are signs of impairment and the recoverable amount – which is the higher of fair value less costs to sell and the value in use of the asset – is less than the carrying amount, an impairment loss is recognised.

Internally generated intangible assets are recognised at production cost when the relevant criteria are met and amortised over their expected useful life. The useful life of these assets equals eight years.

Borrowing costs and development expenses are capitalised when the relevant criteria are met and subsequently amortised over the useful life of the asset.

Intangible assets with indefinite useful lives are valued at cost. These assets are not amortised on a systematic basis, but are tested for impairment each year and reduced to the recoverable amount if necessary. If the reasons for a previously recognised impairment loss cease to exist, the carrying amount of the relevant asset is increased accordingly; this procedure is not applied to a previously impaired goodwill.

Goodwill is not amortised on a systematic basis; but is tested for impairment by evaluating the recoverable amount of the cash-generating unit (CGU) to which it was allocated ("impairment only approach"). Cash-generating units are created by combining assets at the lowest level that generate independent cash flows or form the basis of monitoring by management. An impairment test must be carried out each year and also when there are signs that the cash-generating unit may be impaired. If the carrying amount of a cash-generating unit exceeds its recoverable amount, the relevant goodwill must be written down by the difference. Impairment losses recognised to goodwill may never be reversed. If the impairment of a cash-generating unit exceeds the carrying amount of allocated goodwill, the remaining impairment loss is recognised through a proportional reduction in the carrying amounts of the assets belonging to the cash-generating unit.

The recoverable amount of a cash-generating unit is generally determined by calculating the value in use according to the discounted cash flow (DCF) method. These DCF calculations are based on financial plans covering several years, which were approved by management and are also used for internal reporting. The designated planning periods reflect the assumptions for market developments over the short- to mid-term. Cash flows after the detailed planning period are computed using the expected long-term growth rates. The risk-adjusted cost of capital represents the weighted average cost of capital for equity and debt (WACC).

› Property, plant and equipment

Property, plant and equipment are carried at acquisition or production cost, which is reduced by straight-line depreciation. The production cost for internally generated assets comprises direct costs and an appropriate share of material and production overheads as well as production-based administrative expenses. Acquisition and production cost includes the purchase price as well as 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 qualified assets are capitalised as part of acquisition or production 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.

Scheduled depreciation is based on the following group-wide useful lives:

	Years
Operational buildings	33.3
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 machines	5 – 20
Motor vehicles	2 – 10
Other equipment, furniture, fixtures and office equipment	2 – 15

The measures for technical noise protection were identified as an independent component of property, plant and equipment for the first time in 2012. This reflects the growing importance of noise programmes for general operations in the vicinity of airports.

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› Investment property

Investment property comprises all property that is held to generate rental income and/or for capital appreciation, and is not used for production or administrative purposes. 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 acquisition or production cost. Depreciation is calculated over a period of 10 to 50 years based on the straight line method. The fair value of investment property is determined independent of measurement based on the depreciated purchase or production cost. As prices on an active market are not available for the airport location in Schwechat, fair value is not based on market factors but is determined internally by applying the capitalised income method as of the balance sheet date. Additional information on the valuation methods and key parameters is provided under note (14).

› Impairment of 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 associate the asset with future cash flows that are independent of other 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 generally 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 input factors are not available, the fair value is also calculated using a discounted cash flow method, although taking into account market expectations regarding the expected cash flows and interest rate.

The individual assets of the Flughafen Wien Group are aggregated together 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). The Flughafen Wien Group follows the concept of mutual (complementary) production or technical service relationships or legal dependence between individual assets to assess the independence of cash inflows. However, it also takes into account the manner in which the investment decisions are taken (e.g. to extend 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.

The cash-generating units (CGU) of the Flughafen Wien Group for which impairment charges were recognised in the previous year are listed below:

- **CGU „Real Estate Cargo“:** The cash-generating unit “Real Estate Cargo” covers the rental and management of cargo buildings at Vienna Airport.

- **CGU „Aviation“:** The cash-generating unit “Aviation” covers all activities involved in the aviation process (passenger handling, security, aircraft take-off and landing).

› Leasing

A lease is an agreement under which a lessor conveys the right to use an asset for an agreed period of time to a lessee in exchange for a payment. The Flughafen Wien Group serves as both a lessor and lessee.

A lease that transfers the major opportunities and risks connected with the ownership of the leased asset to the lessee is classified as a finance lease in accordance with IAS 17. All other leases are classified as operating leases.

If economic ownership is attributable to the Flughafen Wien Group as the lessee (finance lease), the leased asset is recognised as a non-current asset at the lower of the present value of future minimum lease payments and fair value. The asset is subsequently depreciated over the economic useful life or over the term of the lease if this period is shorter. Any impairment losses are charged to the carrying amount of the leased asset. The future payment obligations resulting from finance leases are recorded under other financial liabilities.

If the economic ownership of the leased asset remains with the lessor, the lease payments are distributed over the term of the lease on a straight-line basis and recorded under other operating expenses (operating lease). In cases where the Flughafen Wien Group acts as the lessor, the leased assets are capitalised at acquisition or production cost and depreciated accordingly. Income from operating leases is recognised on a straight-line basis over the lease term.

› Inventories

Inventories are stated at the lower of cost and net selling value, whereby the determination of cost is based on the moving average price method. Net selling value represents the estimated proceeds on sale in a normal business transaction less the estimated costs of completion and estimated selling expenses. Any impairment that could result from reduced usability is also included.

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

The provisions for severance compensation, pensions, semi-retirement programmes for older employees and service anniversary bonuses are accounted for as obligations resulting from defined benefit plans, whereby the calculations are based on actuarial principles and the projected unit credit method. The recognised liabilities represent the defined benefit obligation. For the severance compensation and pension provisions, actuarial gains and losses arising from adjustments to reflect past history or changes in actuarial assumptions are recognised to other comprehensive income; the comparable changes in service anniversary bonuses and semiretirement programmes are expensed as incurred. Revaluations recognised in other comprehensive income form part of the reserves and are not reclassified to the income statement. Past service cost is recognised as personnel expenses when the change in plan occurs. All other changes, such as service cost or interest expense, are reported under personnel expenses.

The determination of the present value of future claims incorporates future wage and salary increases.

Employee turnover (for severance compensation and service anniversary bonuses) was included in the calculation in the form of annual turnover probabilities, which were based on actual employee turnover in the Group during the past ten years. No turnover probabilities were included for employees in semiretirement programmes. Employee turnover (combined with probability of pay-outs) was included on the basis of a graduated scale ranging from 1 to 25 years of service, with separate scales for wage employees (6.2% with 30.7% probability of pay-outs to 6.7% with 92.0% probability of pay-outs) and salaried employees (7.7% with 41.7% probability of pay-outs to 7.3% with 92.2% probability of pay-outs). The provisions for service anniversary bonuses include turnover probabilities ranging from year 1 to 25 of employment in the Group, also with separate indicators for wage employees (6.2% to 0.6%) and salaried employees (7.7% to 0.6%).

The discount rate was based on the investment yields applicable to the respective balance sheet dates.

The retirement age represents the first possible date for early retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. The retirement age for female employees reflects a gradual increase in the retirement age for women in keeping with Austrian law.

The F.W. Pagler AVÖ 2008-P life expectancy tables (mixed stand) form the biometric basis for the calculation of the provisions, whereby the specifications for salaried employees apply to the provision for pensions.

The obligations for severance compensation, pensions, semiretirement programmes for older employees and service anniversary bonuses were calculated on the basis of the following parameters:

	2014	2013
Discount rate (pensions, severance compensation, service anniversary bonuses)	1.78 %	3.35 %
Discount rate (semiretirement programmes)	0.30 %	1.00 %
Wage and salary increases (severance compensation, service anniversary bonuses)	3.69 %	3.69 %
Pension increases (only for pensions)	2.10 %	2.10 %

Payments required by defined contribution plans (contributions to pension plans and legally required employee severance compensation funds) are recognised to profit or loss in the appropriate period, and shown 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 or 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 created 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 discounting of other provisions are included with the costs of the respective provisions.

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 recognised as income 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 recorded 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.

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› Measurement of fair value

The Group values financial instruments and non-financial assets at fair value at each balance sheet date. The fair values of financial instruments carried at amortised cost are listed in note (34).

The fair value is the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. When measuring the fair value it is assumed that the transaction in which the sale of the asset or the transfer of the liability takes place is either on the main market for the asset or liability, or on the most advantageous market for the asset or liability if the main market is not available.

The fair value of an asset or a liability is based on the assumptions that the market participants would be subject to in creating the price for the asset or the liability. Here it is assumed that the market participants are acting in their own best commercial interests.

The Flughafen Wien Group applies valuation techniques that are appropriate for the relevant circumstances and for which sufficient data is available to measure the fair value. In the process, the use of significant, observable input factors must be kept as high as possible and that of non-observable input factors as low as possible.

All assets and liabilities for which the fair value has been calculated or shown in the financial statements are classified in the following fair value hierarchy, based on the lowest level input parameter that is significant in calculating the fair value.

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 (excluding derivatives) whose fair value is determined by applying recognised valuation models and valuation parameters that are not based on observable market data.

› Financial Instruments

A financial instrument is a contract that simultaneously creates a financial asset in one entity and a financial liability or equity instrument in another entity. In particular, financial assets include financial investments such as non-consolidated subsidiaries and other holdings, securities, trade receivables, credits granted and other receivables, non-derivative and derivative financial assets held for trading, and cash and cash equivalents. Financial liabilities generally represent an obligation to deliver cash or other financial assets to a creditor and consist, above all, of amounts due to financial institutions, trade payables and derivative financial liabilities. The initial recognition and derecognition of financial instruments generally takes place as of the settlement date, which is the day on which the asset is delivered to or by the Group. Financial assets and financial liabilities are normally not offset for presentation, except in cases where there is a legally enforceable right to offset the amounts and settlement will take place on a net basis.

Financial assets are initially recognised at fair value. The fair values shown on the balance sheet generally represent the market prices of the financial assets. In cases where market prices are not readily available, fair value is determined using accepted valuation models and current market parameters. For this calculation, the cash flows previously fixed or determined by way of forward rates based on the current yield curve are discounted as of the measurement date using the discount factors calculated from the yield curve applicable to the reporting date.

The Flughafen Wien Group has not elected to use the option that permits, under certain conditions, the designation of financial assets and financial liabilities upon initial recognition as financial assets or financial liabilities at fair value through profit or loss (fair value option).

› Investments and securities

Securitised receivables for which there is no active market are assigned to the category "loans and receivables" and carried at amortised cost. Non-interest bearing financial assets and low-interest financial assets are recognised at fair value on the date of purchase. Any material difference between cost and the repayment amount is accrued over the term of the loan in accordance with the effective interest rate method and reported under financial results. In the event of impairment, the carrying amount of the financial asset is reduced to the present value of the expected repayments with recognition through profit or loss. If the reasons for previously recognised impairment losses cease to exist, the impairment loss is appropriately reversed.

Shares in non-consolidated subsidiaries and other securities as well as associated companies and other investments that are not recorded at equity are classified as "available-for-sale financial assets" and generally measured at fair value if this figure can be reliably determined.

If the fair value of non-listed equity instruments cannot be reliably determined, the shares are carried at cost after the deduction of any necessary impairment losses.

Gains and losses resulting from changes in fair value are basically recognised under other comprehensive income (available-for-sale reserve) after the deduction of deferred taxes. Impairment losses that reflect a lasting and significant decline in fair value are recognised to profit or loss and removed from the fair value reserve. If circumstances at a later measurement date indicate that fair value has increased as a result of events which occurred after the recognition of the impairment loss, a corresponding reversal of the impairment loss is generally recognised to profit or loss. Impairment losses recognised to profit or loss for available-for-sale equity instruments may only be reversed without recognition to profit or loss. Impairment losses to equity instruments that are measured at cost may neither be reversed to profit or loss nor recognised directly in equity.

Any accumulated gains and losses recognised to equity on the measurement of financial assets at fair value are transferred to the income statement when the relevant asset expires or is sold.

Purchases and sales are recognised as of the settlement date.

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› Receivables

Trade receivables and other current receivables are measured at the initially recognised value less impairment losses. Individual valuation allowances are recorded to reflect the expected credit risk. The conclusion of bankruptcy proceedings leads to derecognition of the involved receivables, whereby previously recognised valuation adjustments are used when a receivable is derecognised. The creation of individual valuation allowances also involves the aggregation of potentially impaired receivables based on similar credit risk characteristics and the subsequent recognition of valuation allowances in accordance with past experience. Impairment losses on trade receivables are recorded to separate allowance accounts. Other non-current receivables are measured at amortised cost and, if material, payment at a later date is reflected through discounting.

› 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.

› Income taxes

Income taxes include the taxes due and payable on taxable income as well as deferred taxes. The provisions for taxation generally comprise domestic and foreign income tax obligations, and cover the reporting year as well as 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.

Flughafen Wien AG is the group parent under the definition provided by § 9 (8) of the 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 records taxable profit. This settlement of tax charges leads to a reduction in the tax expense shown on the income statement of the group parent. If there are any subsequent variances, the tax settlements with group companies are adjusted accordingly.

In accordance with the liability approach, deferred tax assets and deferred tax liabilities are recognised on temporary differences between the carrying amounts on the consolidated balance sheet and the balance sheet prepared for tax purposes as well as on 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 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 sale will be taxable. Deferred taxes are valued in accordance with the tax regulations that are valid or were enacted as of the balance sheet date for the financial statements. Therefore, the tax rates expected in the future are applied to the reversal of temporary differences.

› Realisation of income

Revenue and other operating income is realised when services are provided or the risks and opportunities associated with these services have been transferred to the buyer, under the assumption that a probable economic benefit will flow.

Traffic and handling fees:
Some fees are subject to the approval of the Austrian civil aviation authority: Flughafen Wien levies charges for the use of airport infrastructure in the form of landing , parking, passenger and infrastructure fees. Flughafen Wien also charges various types of ground handling fees that are not subject to the approval of public authorities, e.g. for apron, cargo and traffic handling.

Rental and other fees:
In addition, the Flughafen Wien Group realises revenue from the rental of parking space and other areas (which is based on fixed or variable (revenue-related) fees) as well as revenue from energy supply and waste disposal and security services. Rental income is recognised as revenue on a straight-line basis over the term of the respective rental agreement. Rental incentives granted to tenants are accounted for as a component of the total rental income over the term of the rental agreement. Variable rents are accrued in line with the related revenue.

Interest income:
Interest income is recognised when a probable economic benefit will flow to the Group and the amount of the income can be reliably determined. Interest income is time-limited according to the outstanding nominal amount and using the effective interest rate. The effective interest rate is the interest rate by which the expected future payments are discounted over the term of the financial asset such that the net carrying amount of this asset is reached exactly at initial recognition. Interest income is recognised in the financial results.

Dividends:
Income is recognised at the time of the legal requirement to pay; that is generally the point in time when the shareholders decide on the dividends. Dividends are recognised in the financial results.

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› Discretionary judgment and estimation uncertainty

The presentation of the Group's asset, financial and earnings position in the consolidated financial statements requires discretionary judgment concerning the measurement and valuation methods applied as well as the assumptions and estimates made by management. Actual results may differ from these estimates. The following key estimates and related assumptions as well as the uncertainties connected with the accounting and valuation methods applied by the Group are decisive for an understanding of the underlying risks of financial reporting and the possible effects on the consolidated financial statements in future financial years.

The impairment testing of intangible assets (carrying amount: T€ 10,848.8, 2013: T€ 13,678.9) and goodwill (carrying amount: T€ 54.2, 2013: T€ 54.2), property, plant and equipment (carrying amount: T€ 1,561,171.6, 2013: T€ 1,622,159.0), investment property (carrying amount: T€ 124,866.6, 2013: T€ 119,561.1) and non-current financial assets (carrying amount: T€ 106,477.8, 2013: T€ 102,156.1), including investments in companies recorded at equity (carrying amount: T€ 102,520.4, 2013: T€ 97,865.9) involves estimates for the cause, timing and amount of impairment/revaluation. Impairment/revaluation can be caused by a number of factors, such as changes in the current competitive situation, expectations for the development of passenger volume, increases 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 classification of an asset as impaired depends to a high degree on the management's judgment and evaluation of future development opportunities.

When testing the useful life of intangible assets, property, plant and equipment, and investment property, estimates are made regarding the expected useful life (remaining useful life). At the annual review of the expected useful life, the useful life may be shortened or lengthened.

The determination of the acquisition and production cost of property, plant and equipment and investment property is connected with uncertainty because of the on-going construction activity and related examination requirements. This uncertainty is related primarily to recently completed and current construction projects (construction in progress).

Current forecasts for the development of passenger traffic indicate that Vienna Airport will reach its capacity limits after 2020. The parallel runway project (runway 3) is therefore crucial to ensure the availability of sufficient capacity on a timely basis. As soon as a legally binding decision is issued, Flughafen Wien AG will decide on the realisation of this project based on the expected development of passenger traffic and movements and updated profitability calculations. If the project is not realised, significant elements of the capitalised project costs would probably have to be written off. The amount of this would be dependent on the extent to which an alternative use could be found. The carrying amount allocated to property, plant and equipment (excl. land and construction in progress) is currently T€ 38,055.5 (previous year: T€ 43,194.8) and to construction in progress T€ 62,463.3 (previous year: T€ 51,886.6). An alternative use of the land with a carrying value of T€ 47,883.1 (2013: T€ 48,091.7) also requires a closer evaluation, where it must be assumed that there is the need for a partial impairment.

The Flughafen Wien Group created valuation allowances of T€ 6,442.6 (previous year: T€ 7,841.9) for doubtful trade receivables and T€ 3,059.8 (previous year: T€ 318.1) for other receivables to reflect expected losses arising from the unwillingness or inability of debtors to meet their payment obligations. Management evaluates the appropriateness of these valuation allowances based on the term structure of receivable balances and past experience with the derecognition of receivables, also considering the credit standing of debtors and changes in payment conditions. If the financial position of contract partners deteriorates, actual write-offs could exceed the scope of the expected derecognition.

The valuation of provisions for severance compensation, pensions and service anniversary bonuses with a combined carrying amount of T€ 123,244.4 (previous year: T€ 102,738.1) and for semiretirement programmes with a carrying amount of T€ 21,425.1 (2013: T€ 20,262.0) is based on assumptions for the discount rate, retirement age, life expectancy and turnover probabilities as well as future increases in wages, salaries and pensions.

The provisions for pending legal proceedings and other outstanding obligations arising from settlement, arbitration or government proceedings total T€ 3,346.5 (previous year: T€ 4,004.2) and impending losses from pending contracts of T€ 11,298.9 (previous year: T€ 9,460.3). The recognition and measurement of these provisions are connected to a significant degree with estimates made by management. The evaluation of the probability that pending legal proceedings will be successful and lead to a liability as well as the quantification of the possible amount of a related payment obligation are dependent to a significant degree on an assessment of the respective situation. As a result of the uncertainties connected with this assessment, actual losses may differ from the original estimates and the amount of the provision.

Income taxes are computed for every tax jurisdiction in which the Group operates. This involves the calculation of actual expected taxes for each tax subject as well as an evaluation of the temporary differences between the carrying amounts of certain balance sheet items in the consolidated financial statements and the financial statements prepared for tax purposes. Deferred tax assets of T€ 16,671.0 (previous year: T€ 12,118.8) are recognised to the extent that it is probable that the Group will be able to utilise them in the future. The use of deferred tax assets is dependent on the ability to generate sufficient income in the individual tax jurisdictions. Various factors are used to evaluate the probability of the future use of deferred tax assets, which may include past earnings, operating forecasts and/or tax planning strategies. If actual earnings differ from these estimates or the estimates must be adjusted in future periods, this may have a negative effect on the asset, financial and earnings position of the group. The impairment of a deferred tax asset leads to derecognition of the relevant item through profit or loss.

The external tax audit of the Austrian companies included in the consolidated financial statements, which is currently underway, covers the years from 2008 to 2011 (including, among others, corporate income tax and value added tax) as well as a review pursuant to § 144 of the Austrian Fiscal Code for 2012 and 2013. Provisionally, it has not led to any major objections. The obligations resulting to date are reflected in these consolidated financial statements. Any resulting obligations are connected with uncertainty as of the balance sheet date on 31 December 2014, and future developments may lead to adjustments in subsequent periods.

› Consolidation range

The consolidated financial statements include all subsidiaries, joint ventures and associated companies, with the exception of three subsidiaries (previous year: four).

The three subsidiaries were not included in the consolidated financial statements for 2014 or 2013 because their economic significance and influence on the asset, financial and earnings position of the Group are immaterial. The consolidated revenues of these companies equalled less than 1.0% of Group revenue for the reporting year (2013: less than 2.0%). The internal materiality thresholds were defined to ensure that only individual immaterial subsidiaries are not included in the consolidation.

The 2014 consolidated financial statements include Flughafen Wien AG as well as 14 domestic (2013: 14) and 7 foreign (2013: 7) subsidiaries that are controlled by Flughafen Wien AG. In addition, 3 domestic (2013: 3) and three foreign companies (2013: 4) were included at equity.

The companies included in the consolidated financial statements and the respective consolidation methods are listed in appendix 1 to the notes.

City Air Terminal Betriebsgesellschaft m.b.H., Malta Mediterranean Link Consortium Ltd. and Letisko Košice – Airport Košice, a.s., and „GetService"-Flughafen-Sicherheits- und Servicedienst GmbH are included in the consolidated financial statements using the equity method, even though Flughafen Wien AG directly or indirectly controls the majority of voting rights. Malta Mediterranean Link Consortium Ltd. is an associated company because, even though a significant influence can be exercised, there is no possibility of control due to the qualified voting right requirement for the relevant decisions in the company. The other companies are considered to be under joint control because key decisions on corporate policies are made in cooperation with the co-shareholders.

The stake in Malta International Airport plc that is held directly is classified as an associate because the total investment held through Malta Mediterranean Link Consortium Ltd. allows Flughafen Wien AG to exercise a significant influence on business and financial policies.

Changes in the consolidation range during 2014

Initial consolidation	by	Type of consolidation	Share of capital
„GetService"-Flughafen-Sicherheits- und Servicedienst GmbH	1.1.2014	at Equity	51.0 %

As of 1 January 2014, „GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2) was integrated into the consolidation range due to its increased importance for the operational business development of the Flughafen Wien Group. As of the balance sheet date of 31 December 2014 the company was not included in the consolidated financial statements due to its immaterial significance. The company was classified as a joint venture under IFRS 11 even though the Flughafen Wien Group holds the majority of the voting rights. However, the voting rights involved are not substantial, because significant decisions are only possible with a qualified majority of 75% (and thus with the agreement of the two shareholders). The joint venture was included in the consolidated financial statements at equity.

Deconsolidations	by	Type of consolida-tion	Share of capital	Note
Columinis Holding GmbH in Liquidation	19.5.2014	at Equity	50.0 %	Liquidation
Flughafen Friedrichshafen GmbH	20.8.2014	at Equity	25.15 %	Sale

Columinis Holding GmbH was liquidated with a commercial register decision of 19 May 2014. The deconsolidation has no significant effects on the asset, financial or earnings position of the Flughafen Wien Group.

Flughafen Wien AG transferred its entire holding in Flughafen Friedrichshafen GmbH of 25.15% in equal parts to the city of Friedrichshafen and the district of Lake Constance in the third quarter of 2014. As the last contract partner, the relevant political committees of the district of Lake Constance also gave their approval to the transaction on 22 July 2014. The Federal Cartel Office agreed to the purchase of the shares on 20 August 2014. Flughafen Friedrichshafen GmbH was therefore deconsolidated on 20 August 2014.

Changes in the consolidation range during 2013

There were no initial consolidations or deconsolidations in 2013.

Notes to the Consolidated Income Statement

› (1) Revenue and segment reporting

Revenue includes all income generated by the ordinary business activities of the Flughafen Wien Group. Revenue is presented excluding value added tax as well as other taxes that are collected from customers and passed on to taxation authorities.

In accordance with IFRS 8, segment reporting is based on the Group's internal reporting structure. The operating segments of the Flughafen Wien Group include the business units of Flughafen Wien AG that form the basis for the company's organisation as well as the various subsidiaries and holdings in companies accounted for at equity. These operating segments are aggregated into the following reporting segments: Airport, Handling, Retail & Properties and Other Segments. The management of the Flughafen Wien Group is based on reporting that covers profit and loss, capital expenditure and employee-related data for the individual business units of Flughafen Wien AG as well as revenue, EBITDA, EBIT, planned investments and employee-related data for the individual subsidiaries.

Airport

The operations business unit of Flughafen Wien AG and the subsidiaries that provide airport services are combined under the reporting segment Airport. The operations business unit generally 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 involved in 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

The Handling Segment includes the handling business unit of Flughafen Wien AG as well as the subsidiaries that provide services in this segment. The Handling segment supplies a variety of services for the handling of aircraft and passengers on scheduled and charter flights. It is also responsible for the handling of general aviation aircraft and passengers. The General Aviation Center also includes the VIP lounges and the Business Center. In addition, security controls for persons and hand luggage are performed by the Handling Segment.

Retail & Properties

The Retail & Properties Segment covers the real estate and centre management business units of Flughafen Wien AG as well as the subsidiaries that provide services under this segment.

This segment provides various services to support airport operations, including shopping, gastronomy and parking. Activities for the development and marketing of real estate are also included here.

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.

Included here are various services provided by individual business units of Flughafen Wien AG or other subsidiaries, e.g. technical services and repairs, energy supply and waste disposal, telecommunications and information technology, electromechanical and building services, the construction and maintenance of infrastructure facilities, construction management and consulting.

This segment additionally includes the investments and investment holding companies that are not independently reportable under recording at equity, as well as those that have no operating activities.

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 the Flughafen Wien Group to evaluate segment performance include, among others, EBITDA and EBIT (after the deduction of overhead costs). Depreciation and amortisation is split into scheduled depreciation, amortisation and impairment losses, and is derived from the assets allocated to the individual segments. The underlying prices for inter-segment revenues 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. In particular, segment assets include intangible assets, property, plant and equipment, trade receivables and other receivables, investments in companies carried at equity as well as inventories. The Flughafen Wien Group does not show segment liabilities for each reportable operating segment because 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. The Group assets designated as not allocated consist primarily of other financial assets, current securities, receivables due from taxation authorities, other receivables and assets, prepaid expenses and deferred charges and cash and cash equivalents.

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Segment investments include additions to intangible assets and property, plant and equipment, and investment property, including invoice corrections.

The information provided by geographic area also includes information on the revenue generated with external customers as well as the amounts recognised 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 recognised 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 scope of employment.

› Segment results for 2014

2014 in T€	Airport	Handling	Retail & Properties	Other Segments	Group
External segment revenue	344,076.0	145,713.8	123,777.3	16,590.0	630,157.2
Internal segment revenue	34,512.3	73,903.9	18,123.8	92,267.4	
Segment revenue	378,588.4	219,617.7	141,901.1	108,857.4	
Other external operating income	2,025.4	1,350.6	3,582.5	2,422.3	9,380.9
Other internal operating income *	2,262.5	1.4	294.6	4,186.2	6,744.7
Operating income	382,876.3	220,969.7	145,778.2	115,465.9	
Consumables and services used	4,815.9	7,708.3	1,397.3	24,986.3	38,907.7
Personnel expenses	40,796.0	160,706.2	7,969.1	44,580.5	254,051.8
Other expenses	54,998.5	5,266.7	21,673.2	21,165.6	103,104.1
Internal expense	140,988.2	29,665.1	39,807.8	8,346.3	
Segment EBITDA	**141,277.7**	**17,623.4**	**74,930.9**	**16,387.1**	**250,219.2**
Scheduled depreciation and amortisation	95,545.9	5,493.8	15,936.9	13,466.1	130,442.6
Segment EBIT	**45,731.9**	**12,129.7**	**58,994.0**	**2,921.0**	**119,776.5**
Segment investments**	56,419.9	6,514.4	5,135.3	6,995.4	75,065.0
Segment assets	1,367,663.5	33,601.6	276,193.4	163,412.9	1,840,871.5
Thereof carrying amount of companies recorded at equity				102,520.4	
Other (not allocated)					51,351.5
Group assets					**1,892,223.0**
Segment employees (average)	499	3,126	84	597	**4,306**

* relates to own work capitalised
** including invoice corrections and excluding financial assets

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› Segment results for 2013***

2013 in T€	Airport	Handling	Retail & Properties	Other Segments	Group
External segment revenue	331,430.8	151,856.5	121,166.0	17,540.2	621,993.5
Internal segment revenue	34,067.1	71,468.0	17,143.3	100,183.7	
Segment revenue	365,497.8	223,324.5	138,309.3	117,723.9	
Other external operating income	7,212.6	916.1	3,589.4	3,165.7	14,883.9
Other internal operating income **	2,301.2	0.0	265.8	6,331.4	8,898.5
Operating income	375,011.7	224,240.6	142,164.6	127,221.0	
Consumables and services used	6,742.6	11,172.2	1,845.3	26,387.1	46,147.2
Personnel expenses	39,096.0	156,168.0	6,864.3	43,661.1	245,789.5
Other expenses	53,235.2	4,728.7	31,199.2	23,181.0	112,344.0
Internal expense	143,157.8	29,594.8	40,654.0	9,455.4	
Segement EBITDA	**132,780.2**	**22,576.9**	**61,601.7**	**24,536.4**	**241,495.2**
Scheduled depreciation and amortisation	90,607.5	5,413.8	14,850.0	13,428.8	124,300.1
Impairment	216.0	0.0	4,900.0	0.0	5,116.0
Segment EBIT	**41,956.6**	**17,163.1**	**41,851.8**	**11,107.6**	**112,079.1**
Segment investments*	55,203.1	4,351.9	9,478.1	3,809.1	72,842.1
Segment assets	1,406,569.2	33,014.4	261,589.6	191,500.6	1,892,673.9
Thereof carrying amount of companies recorded at equity				97,865.9	
Other (not allocated)					61,263.1
Group assets					**1,953,937.0**
Segment employees (average)	496	3,199	83	621	**4,399**

* including invoice corrections and excluding financial assets
** relates to own work capitalised
*** adjusted for line structure

Reconciliation of segment assets to Group assets

in T€	31.12.2014	31.12.2013
Assets by segment		
Airport	1,367,663.5	1,406,569.2
Handling	33,601.6	33,014.4
Retail & Properties	276,193.4	261,589.6
Other Segments	163,412.9	191,500.6
Total assets in reportable segments	**1,840,871.5**	**1,892,673.9**
Other (non-allocated) assets		
Other financial assets	3,855.4	3,810.6
Current securities	21,292.2	20,000.0
Receivables due from taxation authorities	12,063.5	14,778.9
Other receivables and assets	7,572.1	13,856.2
Prepaid expenses and deferred charges	4,326.1	4,894.1
Cash and cash equivalents	2,242.1	3,923.3
Total not allocated	**51,351.5**	**61,263.1**
Group assets	**1,892,223.0**	**1,953,937.0**

Disclosures for 2014 by region

in T€	Austria	Malta	Slovakia	Group
External revenue	629,152.7	1,004.5	0.0	630,157.2
Non-current assets	1,710,782.1	58,154.2	34,482.8	1,803,419.0

Disclosures for 2013 by region

in T€	Austria	Malta	Slovakia	Group
External revenue	621,068.1	925.4	0.0	621,993.5
Non-current assets	1,768,184.6	55,539.3	33,885.4	1,857,609.2

The assets allocated to Malta and Slovakia also include the investments in other companies owned by these fully consolidated subsidiaries. The investments in Malta Airport generated net profit of € 4.7 million in 2014 (2013: € 5.0 million), which is reported under income from investments recorded at equity. The investment in Košice Airport generated at equity income of € 1.0 million (2013: € 0.5 million). The values of the investments in the airport corporations in Malta and Slovakia are not shown here.

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Information on key customers

The Flughafen Wien Group recorded revenue of € 273.0 million with its major customer Lufthansa Group (incl. Austrian Airlines) (previous year: € 280.4 million) and revenue of € 74.6 million with Air Berlin Group (incl. Niki) (previous year: € 73.0 million). This revenue was generated in all segments.

› (2) Other operating income

in T€	2014	2013
Own work capitalised	6,744.7	8,898.5
Income from the disposal of property, plant and equipment	1,849.3	4,440.9
Thereof income from compensation for damages/arbitration judgment	0.0	4,000.0
Income from the reversal of provisions	4,012.1	6,307.5
Income from the reversal of investment subsidies (government grants)	207.8	223.8
Granting of rights	1,076.4	844.4
Income from insurance	110.2	107.6
Miscellaneous	2,125.1	2,959.7
	16,125.5	**23,782.3**

› (3) Consumables and services used

in T€	2014	2013
Consumables	16,026.8	23,449.4
Energy	17,548.2	19,859.9
Services	5,332.7	2,837.9
	38,907.7	**46,147.2**

(4) Personnel expenses

in T€	2014	2013
Wages	109,997.2	109,585.8
Salaries	77,991.9	70,283.3
Expenses for severance compensation	9,425.1	9,255.6
Thereof contributions to severance fund	1,692.0	1,690.5
Expenses for pensions	3,109.8	3,061.7
Thereof contributions to pension funds	2,597.1	2,549.3
Expenses for legally required duties and contributions	51,552.5	51,892.8
Other employee benefits	1,975.2	1,710.2
	254,051.8	**245,789.5**

(5) Other operating expenses

in T€	2014	2013
Other taxes (excluding income taxes)	591.5	680.6
Maintenance	24,147.8	33,097.2
Third-party services	13,545.4	21,132.0
Third-party services from related parties	12,431.6	8,937.2
Consulting expenses	4,748.2	6,045.4
Marketing and market communication	20,535.7	19,359.3
Postage and telecommunications	1,126.4	1,191.1
Rental and lease payments	6,775.3	6,639.7
Insurance	3,077.6	3,348.6
Travel and training	2,102.6	2,057.5
Damages	103.5	352.8
Impending losses	1,838.6	488.3
Valuation allowances and derecognition of receivables	3,187.3	-11.8
Losses on the disposal of property, plant and equipment	656.9	190.4
Exchange rate differences, bank charges	556.3	588.6
Miscellaneous operating expenses	7,679.3	8,247.2
	103,104.1	**112,344.0**

Maintenance expenses cover the regular upkeep of buildings and equipment, the maintenance of data processing equipment, runways, aprons, taxiways and car parks.

Third party services consist primarily of costs for the baggage reconciliation system and baggage-related services, fees for waste water and garbage disposal, cleaning services and temporary personnel for the subsidiary Vienna Airport Technik GmbH (previously Vienna Airport Infrastruktur Maintenance GmbH).

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Consulting expenses include fees paid to attorneys, notaries public, tax advisors and the auditors of the annual financial statements as well as miscellaneous consulting fees.

Impending losses comprise losses related to residual value risks arising from leases for real estate at the Vienna Airport location (also see note (26), Miscellaneous provisions).

The expenses for marketing and market communications were related chiefly to marketing measures, above all to strengthen Vienna's position as a hub, as well as traditional public relations activities.

The following services were provided by the auditor of the annual financial statements during the reporting year:

in T€	2014	2013
Audit of the annual financial statements	260.3	253.6
Other auditing services	12.0	62.0
Other services	4.2	0.5
	276.5	316.1

› (6) Depreciation, amortisation and impairment

in T€	2014	2013
Amortisation of intangible assets		
Scheduled amortisation	4,202.3	4,065.1
	4,202.3	4,065.1
Depreciation of property, plant and equipment		
Scheduled depreciation	121,090.8	116,280.3
Impairment	0.0	216.0
Thereof CGU "Aviation"	0.0	216.0
	121,090.8	116,496.3
Depreciation of investment property		
Scheduled depreciation	5,149.5	3,954.7
Impairment	0.0	4,900.0
Thereof CGU "Real Estate Cargo"	0.0	4,900.0
	5,149.5	8,854.7
	130,442.6	129,416.1

Impairment testing in **2014** did not result in any recognition of impairments.

Impairment testing in **2013** for the cash generating unit "Real Estate Cargo" resulted in the recognition of a total impairment of € 4.9 million. The recoverable amount for the affected cash generating unit was calculated based on the value in use. The future cash inflows and outflows of the individual cash-generating units are determined on the basis of the latest forecasts approved by the Management Board for the period from 2014 to 2018. The weighted average cost of capital (WACC) after tax of 6.1% was used as the discount rate. The impairment charge was based on the estimated medium-term development of the market and demand as defined by the forecast. The most important parameters for the calculation of the value in use were the discount rate (WACC) after tax and a growth rate of 1% after the detailed planning period (five years). The forecasted EBITDAs are based on expectations for future results with an adjustment for past experience. The impairment charge was recognised in the Retail & Properties Segment.

In addition, impairment charges of T€ 216.0 were recognised to other property, plant and equipment in 2013. These impairment charges were recorded in the Airport Segment.

› (7) Income from investments recorded at equity

in T€	2014	2013
Proportional share of results for the period	7,732.9	6,155.9
Results from the disposal of companies recorded at equity	2,250.6	0.0
	9,983.5	6,155.9

The cumulative total of unrecognised losses equals T€ 0.0 (2013: T€ 1,484.4). In 2013, a pro rata share of losses totalling T€ 295.1 was not recognised because the related shares were written off completely.

A summary of financial information on associated companies and joint ventures is provided in the appendix "Investments" at the end of the notes.

The results from the disposal of companies carried at equity in 2014 relate to the sale of investments in Flughafen Friedrichshafen GmbH and the liquidation of Columinis Holding GmbH in liquidation.

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

in T€	2014	2013
Income from non-consolidated subsidiaries	69.0	2,268.0
Income from investments in other companies	70.0	70.0
	139.0	2,338.0

› (9) Interest income/expense

in T€	2014	2013
Interest and similar income	898.6	2,160.9
Interest and similar expenses	-24,167.1	-25,946.7
	-23,268.4	-23,785.9

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› (10) Other financial income/expense

in T€	2014	2013
Income from the disposal of securities	74.1	0.0
	74.1	**0.0**

› (11) Income taxes

in T€	2014	2013
Current tax expense	30,209.0	18,026.9
Current tax income related to prior periods	419.0	297.1
Change in deferred taxes	-5,426.3	2,898.0
Deferred taxes related to prior periods	-446.6	2,279.7
	24,755.2	**23,501.7**

The tax expense of T€ 24,755.2 for 2014 (previous year: T€ 23,501.7) is T€ 1,921.0 (previous year: T€ 695.1) lower than the calculated tax expense of T€ 26,676.2 (previous year: T€ 24,196.8) that would result from the application of the Austrian corporate tax rate (25%) to profit before tax of T€ 106,704.7 (2013: T€ 96,787.1).

The difference between the calculated tax rate and the effective tax rate shown in the financial statements is explained by the following table:

› Tax reconciliation

in T€	2014	2013
Profit before taxes	106,704.7	96,787.1
Calculated income tax	26,676.2	24,196.8
Adjustments for foreign tax rates	-328.5	-183.8
At equity valuations	-2,495.9	-1,544.7
Income from investments (tax free)	-34.8	-578.8
Other permanent differences	965.7	-964.6
Income tax expense for the period	**24,782.7**	**20,924.9**
Tax income/expense from prior periods	-27.6	2,576.8
Income tax expense as reported on the income statement	**24,755.2**	**23,501.7**
Effective tax rate	23.2%	24.3%

The differences between the carrying amounts in the IFRS financial statements and the financial statements prepared for tax purposes as well as the loss carryforwards recognised as of the balance sheet date have an effect on deferred tax liabilities as shown on the balance sheet. Additional information is provided under note (29).

Notes to the Consolidated Balance Sheet

Non-current assets

› (12) Intangible assets

› Development from 1.1. to 31.12.2014

in T€	Concessions and rights	Goodwill Real Estate Office	Goodwill Real Estate Parking	Total
Net carrying amount as of 1.1.2014	13,678.9	0.0	54.2	13,733.1
Additions	1,331.1	0.0	0.0	1,331.1
Transfers	55.3	0.0	0.0	55.3
Disposals	-14.2	0.0	0.0	-14.2
Amortisation	-4,202.3	0.0	0.0	-4,202.3
Net carrying amount as of 31.12.2014	**10,848.8**	**0.0**	**54.2**	**10,903.0**

› Balance on 31.12.2014

Acquisition cost	41,122.7	4,340.2	54.2	45,517.0
Accumulated amortisation	-30,273.9	-4,340.2	0.0	-34,614.0
Net carrying amount	**10,848.8**	**0.0**	**54.2**	**10,903.0**

› Development from 1.1. to 31.12.2013

in T€	Concessions and rights	Goodwill Real Estate Office	Goodwill Real Estate Parking	Total
Net carrying amount as of 1.1.2013	16,122.8	0.0	54.2	16,177.0
Additions	1,360.0	0.0	0.0	1,360.0
Transfers	283.4	0.0	0.0	283.4
Disposals	-22.2	0.0	0.0	-22.2
Amortisation	-4,065.1	0.0	0.0	-4,065.1
Net carrying amount as of 31.12.2013	**13,678.9**	**0.0**	**54.2**	**13,733.1**

› Balance on 31.12.2013

Acquisition cost	42,660.1	4,340.2	54.2	47,054.4
Accumulated amortisation	-28,981.2	-4,340.2	0.0	-33,321.4
Net carrying amount	**13,678.9**	**0.0**	**54.2**	**13,733.1**

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The major additions and transfers for the reporting year represent purchased software. Expenses of T€ 614.4 (previous year: T€ 741.6) for research and development of individual modules of the airport operations software programme were recognised as expenses in 2014.

› (13) Property, plant and equipment

› Development from 1.1. to 31.12.2014

in T€	Land and buildings	Technical equip-ment and machines	Other equip-ment, furniture, fixtures and office equip-ment	Prepay-ments made and construc-tion in progress	Total
Net carrying amount as of 1.1.2014	1,149,224.7	333,235.9	77,002.9	62,695.5	1,622,159.0
Additions*	797.7	3,740.1	13,181.1	44,851.2	62,570.1
Transfers	14,384.5	19,894.7	3,306.4	-39,354.8	-1,769.1
Disposals	-509.8	-83.2	-104.5	0.0	-697.5
Depreciation	-56,173.4	-39,947.3	-24,970.1	0.0	-121,090.8
Net carrying amount as of 31.12.2014	**1,107,723.7**	**316,840.2**	**68,415.7**	**68,191.9**	**1,561,171.6**

› Balance on 31.12.2014

Acquisition cost	1,596,942.1	830,911.7	233,299.4	68,706.8	2,729,860.1
Accumulated depreciation	-489,218.5	-514,071.4	-164,883.7	-514.9	-1,168,688.5
Net carrying amount	**1,107,723.7**	**316,840.2**	**68,415.7**	**68,191.9**	**1,561,171.6**

* The additions include invoice corrections of € 4.5 million which are accounted for as negative additions.

Development from 1.1. to 31.12.2013

in T€	Land and buil-dings	Technical equip-ment and machines	Other equip-ment, furniture, fixtures and office equip-ment	Prepay-ments made and construc-tion in progress	Total
Net carrying amount as of 1.1.2013	1,193,590.9	331,727.9	81,818.0	70,397.6	1,677,534.4
Additions*	-1,606.4	30,377.4	17,243.9	14,930.1	60,944.9
Transfers	11,623.6	10,724.6	844.5	-22,632.2	560.4
Disposals	-35.2	-13.3	-335.9	0.0	-384.4
Depreciation	-54,348.1	-39,580.7	-22,351.5	0.0	-116,280.3
Impairment	0.0	0.0	-216.0	0.0	-216.0
Net carrying amount as of 31.12.2013	**1,149,224.7**	**333,235.9**	**77,002.9**	**62,695.5**	**1,622,159.0**

Balance on 31.12.2013

Acquisition cost	1,586,204.5	810,703.8	238,047.5	63,210.4	2,698,166.1
Accumulated depreciation	-436,979.8	-477,467.9	-161,044.6	-514.9	-1,076,007.2
Net carrying amount	**1,149,224.7**	**333,235.9**	**77,002.9**	**62,695.5**	**1,622,159.0**

* The additions include invoice corrections of € 13.5 million, which are accounted for as negative additions, as well as a reduction of € 8.2 million in acquisition costs to reflect an arbitration judgment.

Borrowing costs of T€ 0.0 were capitalised in 2014 (2013: T€ 88.4). The average interest rate on financing for the previous year was 3.30%.

Property, plant and equipment includes a building with a net carrying amount of T€ 5,778.3 (previous year: T€ 6,690.7) and a technical facility with a net carrying amount of T€ 211.6 (previous year: T€ 145.1) that are accounted for as finance leases.

The following table shows the major additions to property, plant and equipment, intangible assets, and investment property in 2014 and 2013, including capitalised borrowing costs:

› 2014 Financial Year:

Airport Segment in T€	2014
Cargo items	11,699.1
Hangar 7	10,560.5
Third runway	8,228.5
Pier West	9,409.4
Airport railway station	7,798.4
Fixtures and operating equipment, incl. software	1,795.1
X-ray equipment	1,514.9
Guidance system	1,092.9

Handling Segment in T€	2014
Towing vehicles	2,049.2
Special vehicles	1,283.5
Road feeder service tracks	1,006.9
Automobiles, busses, vans, delivery trucks	888.7
Ground equipment for apron handling	522.1

Retail & Properties Segment in T€	2014
Charter bus terminal	1,789.3
Retail expansion	1,333.6
Forwarding agent building	1,064.2

Other Segments in T€	2014
IT hardware	1,930.3
Software	1,204.6
Transformer station	573.6
Refrigeration machines	568.5

› 2013 Financial Year:

Airport Segment in T€	2013
Runway 16/34	25,801.9
Third runway	8,564.2
Hangar 7	6,066.3
Jet sweepers	4,479.3
Railway station building	4,241.5
Existing building, south-corridor	3,164.7
Special vehicles	2,249.3
Fire brigade vehicles	1,382.1
Adaptations to Terminal 3	1,265.4
Airport fencing	1,025.4

Handling Segment in T€	2013
Towing vehicles	1,518.7
Lifting and loading vehicles	760.9
Ground equipment for apron handling	702.2
Automobiles, busses, vans, delivery trucks	385.3
Special vehicles	277.5
X-ray equipment	220.0
Transport and baggage carts	205.6

Retail & Properties Segment in T€	2013
Forwarding agent building	7,790.3
Advertising space in Terminal 3	901.0
Fixtures and operating equipment, incl. software and tools	847.3
Work on buildings	192.8

Other Segments in T€	2013
IT hardware	2,025.7
Software	991.4
Fixtures and operating equipment	749.2
Automobiles, busses, vans, delivery trucks	277.2
Machinery, tools	80.9

(14) Investment property

Development from 1.1. to 31.12.2014

in T€	Investment property	Prepayments made and construction in progress	Total
Net carrying amount as of 1.1.2014	112,035.7	7,525.3	119,561.1
Additions	85.8	11,078.0	11,163.8
Transfers	20,317.1	-18,603.3	1,713.8
Disposals	-2,422.5	0.0	-2,422.5
Depreciation	-5,149.5	0.0	-5,149.5
Net carrying amount as of 31.12.2014	**124,866.6**	**0.0**	**124,866.6**

Balance on 31.12.2014

Acquistion cost	208,727.7	0.0	208,727.7
Accumulated depreciation	-83,861.0	0.0	-83,861.0
Net carrying amount	**124,866.6**	**0.0**	**124,866.6**

Development from 1.1. to 31.12.2013

in T€	Investment property	Prepayments made and construction in progress	Total
Net carrying amount as of 1.1.2013	113,322.4	5,541.2	118,863.6
Additions	3,034.9	7,502.3	10,537.2
Transfers	4,674.4	-5,518.2	-843.8
Disposals	-141.2	0.0	-141.2
Depreciation	-3,954.7	0.0	-3,954.7
Impairment	-4,900.0	0.0	-4,900.0
Net carrying amount as of 31.12.2013	**112,035.7**	**7,525.3**	**119,561.1**

Balance on 31.12.2013

Acquisition cost	190,435.0	7,525.3	197,960.3
Accumulated depreciation	-78,399.2	0.0	-78,399.2
Net carrying amount	**112,035.7**	**7,525.3**	**119,561.1**

Investment property consists of buildings that are mainly held to generate rental income.

in T€	2014	2013
Rental income	14,436.5	15,007.7
Operating expenses for rented properties	7,109.2	6,191.3
Operating expenses for vacant properties	570.7	710.2

Fair value

As of the balance sheet date, the fair value of the investment property was T€ 143,066.8 (previous year: T€ 130,824.2).

Valuation method and input factors

The fair value was calculated based on a valuation model that does not rely on non-observable input factors (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 Flughafen Wien Group. The net cash flows reflect the amounts in the 2015 budget and long-term corporate planning.

Key, non-observable input factors:

- Increases in rents of 2.0% (previous year: 2.0%)
- Occupancy rates of 30.95% - 100%, weighted average: 88.65% (previous year: 15.94% - 100%, weighted average: 95.17%)
- Growth rate of 0.0% for perpetual yield (previous year: 1.0%)
- Increases in rents of 25% (previous year: 25%)
- After-tax WACC of 5.4% (previous year: 6.1%)

The following changes in the non-observable input factors 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

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(15) Investments accounted for using the equity method

Development from 1.1. to 31.12.

in T€	2014	2013
Net carrying amount as of 1.1.	97,865.9	94,718.9
Share of profit for the period	7,760.9	6,178.8
Share of loss for the period	-28.1	-22.8
Sales of shares (disposal)	-6.6	0.0
Reclassification from changes in the consolidation range	51.0	0.0
Dividends	-3,122.8	-3,008.9
Net carrying amount as of 31.12.	**102,520.4**	**97,865.9**

A summary of financial information on associated companies and joint ventures is provided in the appendix "Investments" at the end of the notes.

The initial consolidation of "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2) resulted in an increase in the at equity value of holdings of T€ 596.7, which is included in the share of profit for the period.

(16) Other financial assets

in T€	31.12.2014	31.12.2013
Originated loans and receivables (LaR)	612.7	595.1
Thereof loans granted to employees	102.1	90.6
Thereof other loans and receivables	510.6	504.5
Available-for-sale assets (AfS)	3,344.8	3,695.2
Thereof investments in non-consolidated subsidiaries	106.3	157.3
Thereof long-term investment funds and rights	3,238.5	3,537.9
	3,957.5	**4,290.3**

Abbreviations: LaR – loans and receivables, AfS – financial instruments available for sale

Originated loans and receivables include the following: a loan of T€ 201.4 (2013: T€ 188.6), and loans granted to employees of T€ 102.1 (2013: T€ 90.6), a receivable of T€ 103.0 related to the granting of an investment subsidy by the Austrian Government Environmental Fund (2013: T€ 109.6) and a loan of T€ 206.2 (2013: T€ 206.2) for the pre-financing of a bicycle path for the surrounding communities.

The valuation allowances recognised to the above items totalled T€ 0.0 (2013: T€ 332.0).

Available-for-sale assets consist of rights that have been held for a longer period of time (previous year: investment fund shares and similar rights) of T€ 3,238.5 (previous year: T€ 3,537.9) and shares in non-consolidated subsidiaries of T€ 106.3 (previous year: T€ 157.3), which were not included in the consolidated financial statements because the related amounts are currently immaterial.

Shares in non-consolidated subsidiaries (2014):

- GetService Dienstleistungsgesellschaft m.b.H.
- Salzburger Flughafen Sicherheitsgesellschaft m.b.H.
- VIE Shops Entwicklungs- und Betriebsges.m.b.H.

Current assets

(17) Inventories

in T€	31.12.2014	31.12.2013
Consumables and supplies	4,293.9	4,360.8
	4,293.9	**4,360.8**

Consumables and supplies consist mainly of de-icing materials, fuel, spare parts and other materials used in airport operations. As of 31 December 2014 and 31 December 2013, no inventories were valued at the net selling price.

(18) Securities

in T€	31.12.2014	31.12.2013
Debt instruments	21,292.2	20,000.0
	21,292.2	**20,000.0**

Debt instruments involve a supplementary capital obligation.

› (19) Receivables and other assets

in T€	31.12.2014	31.12.2013
Gross trade receivables	42,615.9	42,105.9
Less valuation allowances	-6,442.6	-7,841.9
Receivables due from non-consolidated subsidiaries	14.1	188.6
Net trade receivables (LaR)	**36,187.5**	**34,452.6**
Receivables due from investments recorded at equity (LaR)	826.5	61.8
Other receivables and assets (LaR)	7,541.8	13,802.9
Receivables due from taxation authorities	12,063.5	14,778.9
Other receivables and assets	30.4	53.3
Prepaid expenses and deferred charges	4,326.1	4,894.1
	60,975.8	**68,043.7**

Definition of valuation category: LaR - Loans and receivables

The payment terms for trade receivables generally range from 8 to 30 days. Individual valuation allowances were recognised to reflect possible bad debt losses. The carrying amount of trade receivables approximates the fair value of these items. The receivables due from taxation authorities represent advance payments on corporate income taxes as well as VAT tax credits that were offset against liabilities arising from payroll-related taxes.

› (20) Cash and cash equivalents

in T€	31.12.2014	31.12.2013
Cash	140.4	127.2
Short-term deposits	2,101.7	3,796.0
	2,242.1	**3,923.3**

All short-term investments had a maximum commitment period of three months at the time the investment was made. The average interest rate on deposits with financial institutions equalled 0.05% as of 31.12.2014 (2013: 0.2%) The carrying amount of cash and cash equivalents approximates fair value.

No fixed-term deposits were pledged to domestic financial institutions as of the balance sheet date.

Equity

› (21) Share capital

The share capital of Flughafen Wien AG is fully paid in and totals T€ 152,670.0. It is divided into 21,000,000 shares of bearer stock, which are securitised in a collective instrument that is deposited with Österreichische Kontrollbank. All shares carry the same rights and obligations ("one share – one vote"). There were 21,000,000 shares outstanding as of the balance sheet date, which represents the same number as in the prior year.

Earnings per share as shown on 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. There are no option rights for the issue of new shares. Therefore, basic earnings per share equal diluted earnings per share.

The recommended dividend is dependent on the approval of the annual general meeting, and was therefore not recognised as a liability in the consolidated financial statements. The recommended dividend for the 2014 financial year equals € 1.65 (2013: € 1.30) per share.

› (22) Capital reserves

Capital reserves comprise a T€ 92,221.8 premium generated by the stock issue in 1992 and a T€ 25,435.5 premium realised on the capital increase in 1995. These items were recognised in the individual financial statements of Flughafen Wien AG.

› (23) Other reserves

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

a) **Available-for-Sale reserve:** This reserve comprises the accumulated gains or losses on the market valuation of available-for-sale financial assets. These amounts are recognised in other comprehensive income after the addition or deduction of any transfers to profit or loss in connection with a sale or an impairment charge.

b) **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.

c) **Currency translation reserve:** This reserve covers all differences resulting from the translation of foreign subsidiary financial statements from the functional currency to the Group's reporting currency.

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› (24) Retained earnings

Retained earnings comprise the profits generated by the Group after the deduction of dividends. The maximum amount available for distribution to the shareholders of the parent company equals the amount shown as "total profit" on the individual financial statements of Flughafen Wien AG as of 31 December 2014, which were prepared in accordance with Austrian generally accepted accounting principles.

Income and expenses related to the employee foundation

The tenth (extraordinary) annual general meeting on 15 November 2000 authorised the repurchase of Flughafen Wien shares at an amount equal to 10% of share capital for subsequent transfer to an employee foundation. The shares owned by the foundation carry voting and dividend rights, whereby the dividends received from Flughafen Wien AG are distributed directly to employees with no deductions. The effects of these distributions to employees in 2000 and 2001 as well as the corporate income tax payments made on behalf of the employee foundation in this and following years total T€ 14,012.4 and were recognised directly in equity under retained earnings. There were no such effects in 2013 or 2014.

› (25) Non-controlling interests

Non-controlling interests represent shares held by third parties in the equity of consolidated subsidiaries. The non-controlling interests as of the balance sheet date represent the stake in the Slovakian subsidiary BTS Holding a.s. "v likvidacii" (in liquidation) held by the co-shareholder Raiffeisen-Invest-Gesellschaft m.b.H.

The development of non-controlling interests is shown on the statement of changes in equity.

Non-current liabilities

› (26) Non-current provisions

in T€	31.12.2014	31.12.2013
Severance compensation	82,959.5	71,995.8
Pensions	16,631.9	15,060.2
Service anniversary bonuses	23,653.0	15,682.1
Semiretirement programmes for older employees	21,425.1	20,262.0
Miscellaneous provisions	19,175.1	9,460.3
	163,844.6	132,460.4

Defined benefit severance compensation plans

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 this severance compensation is based on the length of service with the company and compensation at the end of employment.

Employees who joined the company after 31 December 2002 no longer have a direct claim to legal severance compensation from their employer. For these employment contracts, severance compensation obligations are met through regular payments to an employee benefit fund. This severance compensation model only requires the employer to make regular contributions. Collective bargaining agreements also exist for these employees (wage employees: entry until 30 June 2014, salaried employees: entry until 31 October 2014), for which provisions have been created.

This defined benefit plan exposes the Flughafen Wien Group to actuarial risks, e.g. interest rate risks.

Actuarial assumptions

Information on the actuarial assumptions is provided under the section on significant accounting policies.

› Development of the provision for severance compensation

in T€	2014	2013
Provision recognised as of 1.1. = present value (DBO) of obligations	71,995.8	71,460.5
Net expense recognised to profit or loss	6,974.8	7,014.1
Actuarial gains (-) /losses (+) recognised under other comprehensive income	9,872.9	-2,699.3
Thereof from financial assumptions	12,122.3	-972.5
Thereof from demographic assumptions	-2,249.3	-1,726.9
Severance compensation payments	-5,884.0	-3,779.6
Provision recognised as of 31.12. = present value (DBO) of obligations	**82.959,5**	**71.995,8**

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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€ -25,186.0 as of 31 December 2014 (previous year: T€ -17,781.3).

Personnel expenses include the following:

in T€	2014	2013
Service cost	4,578.6	4,796.3
Interest cost	2,396.2	2,217.8
Severance compensation expense recorded under personnel expenses*	**6,974.8**	**7,014.1**

*excluding voluntary severance payments

The expected payments for severance compensation obligations in the coming year total T€ 4,105.7 (2013: T€ 4,578.6).

Maturity profile of commitments

As of 31.12.2014 the weighted average remaining term of the defined benefit obligations was 10.8 years (2013: 11.9 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 severance compensation

in T€	Increase (+1 %)	Decrease (-1 %)
Discount rate	-8,098.2	9,569.2
Future wage and salary increases	8,849.7	-7,676.8

Defined benefit pension plans

Flughafen Wien AG has concluded individual agreements for the payment of supplementary defined pension benefits to certain active employees and retired key employees. Similar to the prior year, these commitments were not covered by plan assets as of the balance sheet date.

Employees who joined the company before 1 September 1986 had a claim to defined benefit pension subsidies based on special company 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 equal to 100% of the 2000 provision for pensions, as calculated in accordance with Austrian commercial law, 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 at the beginning of 2002. Retired employees who did not accept the settlement offered in 2001 still have a claim to pension payments.

This defined benefit plan exposes the Flughafen Wien Group to actuarial risks, e.g. longevity or interest rate risks.

Actuarial assumptions

Information on the actuarial assumptions is provided under the section on significant accounting policies.

Defined contribution pension plans

For employees who joined the company between 1 September 1986 and 1 November 2014, Flughafen Wien AG has concluded a company agreement for retirement, invalidity and survivors' pensions through a contract with a pension fund (defined contribution plan).

The company makes payments equal to 2.5% of monthly wages and salaries for all employees covered by the company pension agreement as long as their employment relationship remains in effect. In addition, employees can make additional contributions to the fund. Employees' claims to retirement and survivors' pensions 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.

Employees who joined the company after 1 November 2014 will not have a defined contribution pension plan. No contributions to the pension funds are made for these employees.

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› Development of the provision for pensions

in T€	2014	2013
Provision recognised as of 1.1. = present value (DBO) of obligations	15,060.2	16,658.6
Net expense recognised to profit or loss	512.6	512.4
Actuarial gains (-) /losses (+) recognised under other comprehensive income	2,156.3	-1,006.6
Thereof from financial assumptions	2,125.7	-1,006.6
Thereof from demographic assumptions	30.6	0.0
Pension payments	-1,097.2	-1,104.2
Provision recognised as of 31.12. = present value (DBO) of obligations	**16,631.9**	**15,060.2**

The cumulative actuarial differences (after deduction of deferred taxes) on the pension provisions amounted to T€ -1,802.9 as of 31 December 2014 (previous year: T€ -185.8).

Personnel expenses include the following:

in T€	2014	2013
Service cost	8.1	8.5
Interest cost	504.5	503.9
Pension expenses recorded under personnel expenses	**512.6**	**512.4**

The expected payments for pension obligations in the coming year total T€ 1,276.9 (previous year: T€ 1,276.2).

Maturity profile of commitments

As of 31.12.2014 the weighted average remaining term of the defined benefit obligations was 11.2 years (2013: 11.8 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	-1,411.7	1,653.8
Increase in compensation during entitlement period	27.3	-25.3
Increase in pensions during payment phase	1,603.4	-1,402.2

Provisions for service anniversary bonuses

The employees are entitled to receive special long-service bonuses. The specific entitlement criteria and amount of the bonus are regulated by the collective bargaining agreements for the employees of public airports in Austria.

› Development of the provision for service anniversary bonuses

in T€	2014	2013
Provision recognised as of 1.1. = present value (DBO) of obligations	15,682.1	17,128.8
Income/expense recognised to profit or loss	8,763.0	-873.5
Service anniversary payments	-792.1	-573.2
Provision recognised as of 31.12. = present value (DBO) of obligations	**23,653.0**	**15,682.1**

Personnel expenses include the following:

in T€	2014	2013
Service cost	1,097.5	1,162.8
Interest cost	508.7	509.3
Past service cost	3,407.5	0.0
Actuarial gains (-) / losses (+) recognised to profit or loss	3,749.4	-2,545.6
Service anniversary bonuses recorded under personnel expenses	**8,763.0**	**-873.5**

Provisions for semiretirement programmes for older employees

Provisions were recognised for the expenses arising from the obligation to make supplementary payments (so-called "wage/salary equalisation") to employees working under semiretirement programmes and the costs for additional work in excess of the agreed part-time employment. In accordance with the changes to IAS 19 (2011), from 2013 onwards, these supplementary payments were no longer classified as termination benefits but as other long-term employee benefits. These supplementary payments are not recognised as a lump-sum provision at the start of the part-time employment, but recorded successively over the active working phase based on an average employment (salaried employees: 24 years; wage employees: 15 years).

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› Provisions for semiretirement programmes for older employees

in T€	2014	2013
Provision recognised as of 1.1. = present value (DBO) of obligations	20,262.0	19,487.0
Net expense recognised to profit or loss	4,773.7	4,273.8
Payments for semiretirement programmes	-3,610.6	-3,498.8
Provision recognised as of 31.12. = present value (DBO) of obligations	**21,425.1**	**20,262.0**

Personnel expenses include the following:

in T€	2014	2013
Service cost	3,302.3	3,878.9
Interest cost	182.5	172.7
Actuarial gains (-) / losses (+) recognised to profit or loss	1,289.0	222.2
Semiretirement payments recorded under personnel expenses	**4,773.7**	**4,273.8**

Miscellaneous provisions

in T€	1.1.2014	Reclassifi-cations*	Allocation	31.12.2014
Miscellaneous provisions	9,460.3	7,876.1	1,838.6	19,175.1

*Reclassification of a provision recognised as current in the previous year

in T€	1.1.2013	Use	Allocation	31.12.2013
Miscellaneous provisions	8,972.0	0.0	488.3	9,460.3

This position mainly consists of provisions for impending losses related to non-cancellable operating leases.

The effect from the compounding of this provision amounted to T€ 550.5 (2013: T€ 496.2).

› (27) Non-current and current financial liabilities

in T€	31.12.2014	31.12.2013
Current financial liabilities	72,055.1	105,646.0
Non-current financial liabilities	457,721.3	551,646.4
Financial liabilities	**529,776.4**	**657,292.5**

Current financial liabilities include short-term advances of € 43.8 million (previous year: € 15.8 million).

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

in T€	31.12.2014	31.12.2013
Up to one year	72,055.1	105,646.0
Over one year and up to five years	157,721.3	226,646.4
Over five years	300,000.0	325,000.0
	529,776.4	**657,292.5**

All financial liabilities were concluded in euros. The average interest rate on financial liabilities equalled 4.19% for the 2014 reporting year (2013: 3.55%).

› (28) Other non-current liabilities

in T€	31.12.2014	31.12.2013
Waste water association	0.0	2,700.0
Finance lease liabilities	5,779.8	6,655.1
Subtotal financial liabilities (FLAC)*	**5,779.8**	**9,355.1**
Accruals	22,754.1	23,958.4
Investment subsidies from public funds	1,078.6	1,226.6
	29,612.5	**34,540.1**

*FLAC: financial liabilities at amortised cost

The accruals consist primarily of rental prepayments by Austro Control GmbH for the air traffic control tower, which was completed in 2005. The lease has a term of 33 years ending in April 2038.

Flughafen Wien AG received non-repayable investment subsidies from public authorities during the period from 1977 to 1985. In 1997, 1998 and 1999 Flughafen Wien AG also received investment subsidies from the European Union. The investment allowances received from the Republic of Austria from 2002 to 2004 are accounted for as government grants and reversed to profit or loss over the useful life of the relevant assets.

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Other non-current liabilities also include finance lease liabilities, which reflect the rental of a maintenance and winter services hall and the rental of telephone equipment. The current portion of the lease liability is reported under other current liabilities (see note (32)).

› The term structure of the lease liabilities is shown in the following table:

in T€	31.12.2014	31.12.2013
Up to one year	873.3	811.5
Over one year and up to five years	4,132.9	3,873.3
Over five years	1,646.9	2,781.8
	6,653.2	7,466.6

The remaining term of the minimum lease payments and the transition to the present value as of the balance sheet date are as follows:

	Remaining term			Total
in T€	Up to 1 year	1-5 years	Over 5 years	31.12.2014
Lease payments	1,324.6	5,246.5	1,732.9	8,304.0
- Discounts	451.3	1,113.6	86.0	1,650.8
Present value	**873.3**	**4,132.9**	**1,646.9**	**6,653.2**

	Remaining term			Total
in T€	Up to 1 year	1-5 years	Over 5 years	31.12.2013
Lease payments	1,322.6	5,273.5	3,032.5	9,628.6
- Discounts	511.1	1,400.2	250.7	2,162.0
Present value	**811.5**	**3,873.3**	**2,781.8**	**7,466.6**

(29) Deferred taxes

in T€	2014	2013
Deferred tax assets		
Intangible assets and property, plant and equipment	26.8	29.6
Financial assets	165.6	199.3
Provisions for severance compensation	10,608.9	7,922.5
Provisions for pensions	1,604.9	1,145.7
Provisions for service anniversary bonuses	2,804.6	1,422.4
Other provisions	1,460.2	1,399.3
	16,671.0	**12,118.8**
Deferred tax liabilities		
Intangible assets and property, plant and equipment	37,505.3	39,354.3
Securities	323.1	15.6
Other assets and liabilities	5.8	13.5
Tax provisions from consolidation entries	-129.2	2,316.1
	37,704.9	**41,699.5**
Total net deferred taxes	**-21,033.9**	**-29,580.7**

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

Development of deferred tax assets

in T€	2014	2013
Balance on 1.1.	**12,118.8**	**12,802.3**
Changes recognised to profit or loss	1,544.9	243.0
Changes recognised to other comprehensive income		
Revaluations from defined benefit plans	3,007.3	-926.5
Balance on 31.12.	**16,671.0**	**12,118.8**

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› Development of deferred tax liabilities

in T€	2014	2013
Balance on 1.1.	**41,699.5**	**36,169.4**
Changes recognised to profit or loss	-4,328.0	5,420.8
Changes recognised to other comprehensive income:		
Non-current securities	10.3	22.3
Current securities	323.1	87.0
Total changes recognised to other comprehensive income	333.4	109.3
Balance on 31.12.	**37,704.9**	**41,699.5**

The calculation of the actual and deferred tax assets for the Austrian companies was based on the applicable corporate income rate (25%). 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 (5.0% - 35% for Malta and 19% for Slovakia).

The change recorded without recognition through profit or loss involves gains and losses on available-for-sale financial instruments as well as the revaluation 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€ 12,863.2 (previous year: T€ 551.0) are related to investments and joint ventures recorded at equity, which would have led to deferred tax liabilities of T€ 3,215.8 (previous year: T€ 137.8).

Deferred tax assets of T€ 1,980.7 had not been recognised as of 31 December 2014 (previous year: T€ 1,998.4). These amounts are related primarily to deferred tax assets on loss carryforwards. Also included here are deferred tax assets on loss carryforwards from the write-off of investments, which must be distributed over seven years.

Current liabilities

› (30) Current provisions

in T€	31.12.2014	31.12.2013
Unused vacation	8,472.5	8,513.3
Other claims by employees	8,729.2	9,147.2
Income taxes	24,790.1	10,429.3
Goods and services not yet invoiced	28,473.6	28,339.9
Outstanding discounts	7,185.5	8,549.3
Miscellaneous provisions	7,990.1	19,085.4
	85,641.0	**84,064.5**

› Development from 1.1. to 31.12.2014

in T€	1.1.2014	Reclassi-fications	Use	Reversal	Alloca-tion	31.12.2014
Unused vacation	8,513.3	0.0	-161.5	-45.0	165.7	8,472.5
Other claims by employees	9,147.2	0.0	-4,773.4	-2,514.6	6,870.0	8,729.2
Income taxes	10,429.3	0.0	-8,040.9	-47.5	22,449.2	24,790.1
Goods and services not yet invoiced	28,339.9	0.0	-17,188.1	-958.8	18,280.6	28,473.6
Outstanding discounts	8,549.3	0.0	-7,825.6	-723.7	7,185.5	7,185.5
Miscellaneous provisions	19,085.4	-7,876.1	-3,882.8	-2,198.6	2,862.2	7,990.1
	84,064.5	**-7,876.1**	**-41,872.3**	**-6,488.2**	**57,813.2**	**85,641.0**

The provisions for other claims by employees consist primarily of accrued overtime pay, other remuneration and performance bonuses.

The provisions for outstanding discounts represent discounts to which the airlines are entitled and cover the period up to the balance sheet date.

Miscellaneous current provisions consist chiefly of provisions for damages and legal proceedings as well as other accruals.

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(31) Trade payables

in T€	31.12.2014	31.12.2013
To third parties	34,643.9	46,843.4
To non-consolidated subsidiaries	1,077.6	2,843.4
To companies recorded at equity	2,072.1	30.8
	37,793.6	**49,717.6**

(32) Other current liabilities

in T€	31.12.2014	31.12.2013
Amounts due to companies recorded at equity	10,835.3	7,938.3
Customers with credit balances	1,051.4	1,597.7
Environmental fund	35,069.9	29,535.6
Finance lease liabilities (current portion)	873.3	811.5
Miscellaneous liabilities	6,115.4	2,595.1
Accrued wages	6,975.9	6,815.9
Subtotal financial liabilities (FLAC)*	**60,921.3**	**49,294.1**
Other tax liabilities	2,127.1	2,295.4
Other accruals	1,611.4	1,405.0
Social security liabilities	7,098.8	7,164.1
Investment subsidies (government grants)	213.4	201.2
	71,971.9	**60,359.9**

* FLAC: financial liabilities at amortised cost

The liabilities to the environmental fund represent obligations arising from the mediation process. Of the outstanding liability, T€ 35,069.9 were classified to other current liabilities as of 31 December 2014 to reflect the assumption that the conditions for payment will be met in 2015.

The other accruals consist primarily of the current portion of rental prepayments by Austro Control GmbH for the air traffic control tower.

Other Information

(33) Cash flow statement

The indirect method was used to prepare the consolidated cash flow statement. Information on the components of cash and cash equivalents is provided under note (20).

Interest payments and dividends received are included under cash flow from operating activities. The dividend paid by Flughafen Wien AG is included under cash flow from financing activities.

Purchases of (investment in) property, plant and equipment in prior years that did not lead to cash outflows in 2014 (previous year: led to cash outflows) resulted in the deduction of T€ 310.6 (previous year: T€ 24,544.5) from payments made for the purchase of non-current assets (previous year: addition).

(34) Additional disclosures on financial instruments

Receivables, originated loans and other financial asset

The following tables show the term structure of receivables, originated loans and other financial assets (loans and receivables) as well as the development of valuation allowances:

2014 in T€	Carrying amount after valuation allowance 31.12.2014	Thereof neither adjusted nor overdue	Thereof not adjusted but overdue during the following periods				
			up to 30 days	from 31 to 90 days	from 91 to 180 days	from 181 to 360 days	over 360 days
Remaining term up to 1 year	44,555.8	40,173.2	968.9	442.9	903.6	279.6	0.0
Remaining term over 1 year	612.7	612.7	0.0	0.0	0.0	0.0	0.0
Subtotal	**45,168.5**	**40,785.9**	**968.9**	**442.9**	**903.6**	**279.6**	**0.0**

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2013 in T€	Carrying amount after valuation allowance 31.12.2013	Thereof neither adjusted nor overdue	Thereof not adjusted but overdue during the following periods up to 30 days	from 31 to 90 days	from 91 to 180 days	from 181 to 360 days	over 360 days
Remaining term up to 1 year	68,317.3	62,465.8	1,747.1	164.5	0.0	359.1	2,780.9
Remaining term over 1 year	595.1	595.1	0.0	0.0	0.0	0.0	0.0
Subtotal	**68,912.4**	**63,060.9**	**1,747.1**	**164.5**	**0.0**	**359.1**	**2,780.9**

There were no indications as of the balance sheet date that the debtors would be unable to meet their obligations for the payment of receivables or originated loans that were neither adjusted nor overdue.

The valuation allowances relate primarily to trade and other receivables, and developed as follows:

2014 in T€	Valuation allowance 1.1.2014	Use	Reversal	Addition	Valuation allowance 31.12.2014
Individual valuation allowances	8,151.8	-1,769.1	-980.1	4,053.9	9,456.6
Collective (Indiviual) valuation allowances	8.2	0.0	0.0	37.7	45.9
Subtotal	**8,160.0**	**-1,769.1**	**-980.1**	**4,091.6**	**9,502.4**

2013 in T€	Valuation allowance 1.1.2013	Use	Reversal	Addition	Valuation allowance 31.12.2013
Individual valuation allowances	8,375.5	-191.8	-1,226.0	1,194.1	8,151.8
Collective (Indiviual) valuation allowances	14.0	0.0	-5.8	0.0	8.2
Subtotal	**8,389.4**	**-191.8**	**-1,231.7**	**1,194.1**	**8,160.0**

Expenses for the derecognition of receivables (primarily trade receivables) totalled T€ 75.8 in the 2014 reporting period (previous year: T€ 25.8).

An analysis of the receivables adjusted as of the balance sheet date according to the period overdue is shown below:

2014 in T€	Carrying amount before valuation allowances 31.12.2014	Individual valuation allowance 31.12.2014	Carrying amount before valuation allowance 31.12.2014	Carrying amount after valuation allowance 31.12.2014
Overdue < 1 year	1,324.2	1,028.7	6.7	288.8
Overdue > 1 year	9,965.9	8,427.9	39.2	1,498.8
Subtotal	**11,290.1**	**9,456.6**	**45.9**	**1,787.7**

2013 in T€	Carrying amount before valuation allowances 31.12.2013	Individual valuation allowance 31.12.2013	Carrying amount before valuation allowance 31.12.2013	Carrying amount after valuation allowance 31.12.2013
Overdue < 1 year	1,225.9	1,110.5	1.1	114.3
Overdue > 1 year	7,734.1	7,041.3	7.1	685.7
Subtotal	**8,960.0**	**8,151.8**	**8.2**	**800.0**

Financial liabilities – term structure

The following tables show the contractually agreed conditions and (undiscounted) interest and principal payments on the non-derivative financial liabilities held by the Flughafen Wien Group:

2014 in T€	Currency	Carrying amount 31.12.2014	Gross cash flows 31.12.2014	Cashflows < 1 year	Cashflows 1 - 5 years	Cashflows > 5 years	Interest rate*
Fixed-interest financial liabilities	EUR	455,975.0	635,831.0	50,186.2	197,679.1	387,965.6	4.80%
Variable interest financial liabilities	EUR	73,801.4	74,149.0	44,058.2	30,090.8		0.45%
Trade payables	EUR	37,793.6	37,793.6	37,793.6			n.a.
Other liabilities	EUR	60,048.0	60,048.0	60,048.0			n.a.
Finance lease liabilities	EUR	6,653.2	8,304.0	1,324.6	5,246.5	1,732.9	7.51%
Total		**634,271.2**	**816,125.6**	**193,410.7**	**233,016.4**	**389,698.5**	

* Weighted average as of the balance sheet date, including any guarantee fees

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2013 in T€	Currency	Carrying amount 31.12.2013	Gross cash flows 31.12.2013	Cashflows < 1 year	Cashflows 1 - 5 years	Cashflows > 5 years	Interest rate*
Fixed-interest financial liabilities	EUR	461,983.8	664,289.3	24,624.7	211,266.6	428,398.0	4.78%
Variable interest financial liabilities	EUR	195,308.7	198,174.7	104,711.3	93,463.4		0.94%
Trade payables	EUR	49,717.6	49,717.6	49,717.6			n.a.
Other liabilities	EUR	51,182.6	51,182.5	48,482.5	2,700.0		n.a.
Finance lease liabilities	EUR	7,466.6	9,628.6	1,322.6	5,273.5	3,032.5	7.51%
Total		**765,659.2**	**972,992.8**	**228,858.7**	**312,703.5**	**431,430.5**	

* Weighted average as of the balance sheet date, including any guarantee fees

Of the total bank loans, T€ 455,975.0 (previous year: T€ 505,429.6) are secured by guarantees in accordance with the respective contracts. These guarantors receive a fee for these commitments.

The credit agreement with the European Investment Bank (EIB) defines terms for the liability of qualified guarantors. The current guarantors cancelled the guarantee agreement that serves as collateral for the EIB loan as of 27 June 2013 at the full amount of T€ 400,000.0. Following the conclusion of a new syndicated guarantee agreement, on 28 June 2013 six financial institutions took over as guarantors for the outstanding EIB loan of T€ 400,000.0. After one guarantor had to be changed in August 2014 due to a rating downgrade, two of the existing financial institutions assumed the released guarantee amount. Thus there are now five financial institutions acting as guarantors to the EIB.

This listing includes all instruments held by the Group as of 31 December 2014 for which payments have been contractually agreed. The variable interest payments on financial instruments were based on the interest rates on 31 December 2014. Financial liabilities that can be repaid at any time are always allocated to the earliest repayment period.

Carrying amounts, amounts recognised and fair values by valuation category

Management assumes that – with the exception of the items listed below – the carrying amounts of financial assets and financial liabilities stated at cost generally reflect fair value.

Trade receivables, originated loans and other receivables generally have short remaining terms and therefore basically approximate fair value. Trade payables and other liabilities also normally have short remaining terms, so the carrying amounts of these items approximate fair value as of the balance sheet date.

The fair values of financial liabilities due to financial institutions (bank loans) and other financial liabilities (above all leasing liabilities) are generally determined using the present value of the payments for these obligations in accordance with the yield curve applicable to the respective remaining terms and a credit spread appropriate for Flughafen Wien (Level 2).

The fair value of the available-for-sale (AfS) securities is based on rights from life insurance policies and calculated using the capitalisation value of these policies. The capitalisation value equals the coverage capital and the profit participation of the respective policy (Level 2).

The fair value of the available-for-sale (AfS) debt instruments (securities) was calculated based on a price determined from credit spread and interest rate risk. (Level 2)

No items were reclassified between Levels 1 and 2 during the reporting year.

The following tables show the carrying amounts, fair values and amounts recognised for the financial assets and liabilities, broken down by valuation category. The information on the fair value of financial assets and liabilities that are not recognised at fair value is for information purposes only. Because the balance sheet items "receivables and other assets" and "other liabilities" contain both non-financial assets and non-financial liabilities, the line "not a financial instrument" has been inserted in order to ensure a reconciliation of the carrying amounts with the corresponding balance sheet item.

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ASSETS

Amounts in T€	Valuation category	Carrying amounts Non-current assets Other financial assets	Current assets Securities	Current assets Receivables and Other assets
31 December 2014				
Financial assets carried at fair value				
Rights	AfS	2,605.8		
Debt instruments (securities)	AfS		21,292.2	
Financial assets not recognised at fair value				
Trade receivables**	LaR			36,187.5
Receivables due from associated companies	LaR			826.5
Other receivables****	LaR			7,541.8
Originated loans	LaR	612.7		
Equity instruments (securities)***	AfS	632.7		
Investments in other companies***	AfS	106.3		
Cash and cash equivalents	Cash reserve			
Non financial instruments				
Other receivables and accruals	n.a.			16,420.0
Total		**3,957.5**	**21,292.2**	**60,975.8**
31 December 2013				
Financial assets carried at fair value				
Investment fund shares and similar rights	AfS	2,905.1		
Financial assets not recognised at fair value				
Trade receivables**	LaR			34,452.6
Receivables due from associated companies	LaR			61.8
Other receivables****	LaR			13,802.9
Originated loans	LaR	595.1		
Debt instruments (securities)*	LaR		20,000.0	
Equity instruments (securities)***	AfS	632.7		
Investments in other companies***	AfS	157.3		
Cash and cash equivalents	Cash reserve			
Non financial instruments				
Other receivables and accruals	n.a.			19,726.4
Total		**4,290.3**	**20,000.0**	**68,043.7**

* Level adjusted
** Less valuation allowances incl. receivables due from non-consolidated subsidiaries
*** Due to being immaterial (and lack of a quoted price) information on this has been omitted
**** Less valuation allowances

			Fair value				
	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total	Valuation approach as per IAS 39
		2,605.8		2,605.8		2,605.8	Fair value not recognised in profit or loss
		21,292.2		21,292.2		21,292.2	Fair value not recognised in profit or loss
		36,187.5					Amortised cost
		826.5					Amortised cost
		7,541.8					Amortised cost
		612.7					Amortised cost
		632.7					Cost
		106.3					Cost
	2,242.1	2,242.1					Nominal value = fair value
		16,420.0					
	2,242.1	88,467.6					
		2,905.1	389.1	2,516.0		2,905.1	Fair value not recognised in profit or loss
		34,452.6					Amortised cost
		61.8					Amortised cost
		13,802.9					Amortised cost
		595.1					Amortised cost
		20,000.0		21,507.2		21,507.2	Amortised cost
		632.7					Cost
		157.3					Cost
	3,923.3	3,923.3					Nominal value = fair value
		19,726.4					
	3,923.3	96,257.2					

Abbreviations
LaR - Loans and Receivables
AfS - Available-for-Sale financial instruments

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EQUITY AND LIABILITIES

		Carrying amounts			
		Non-current liabilities		Current liabilities	
Amounts in T€	Valuation category	Financial liabilities	Other liabilities	Financial liabilities	Trade payables
31 December 2014					
Financial liabilities recognised at fair value					
Financial liabilities not recognised at fair value					
Trade payables	FLAC				37,793.6
Financial liabilities	FLAC	457,721.3		72,055.1	
Lease liabilities	FLAC		5,779.8		
Other liabilities	FLAC				
Non financial instruments					
Other liabilities and accruals	n.a.		23,832.7		
Total		**457,721.3**	**29,612.5**	**72,055.1**	**37,793.6**
31 December 2013 *					
Financial liabilities recognised at fair value					
Financial liabilities not recognised at fair value					
Trade payables	FLAC				49,717.6
Financial liabilities	FLAC	551,646.4		105,646.0	
Lease liabilities	FLAC		6,655.1		
Other liabilities	FLAC		2,700.0		
Non financial instruments					
Other liabilities and accruals	n.a.		25,185.0		
Total		**551,646.4**	**34,540.1**	**105,646.0**	**49,717.6**

* adjusted

		Fair value				
Other liabilities	Total	Level 1	Level 2	Level 3	Total	Valuation approach as per IAS 39
	37,793.6					Amortised cost
	529,776.4		559,821.4		559,821.4	Amortised cost
873.3	6,653.2		7,760.8		7,760.8	Amortised cost
60,048.0	60,048.0					Amortised cost
11,050.6	34,883.3					
71,971.9	669,154.4					
	49,717.6					Amortised cost
	657,292.5		666,736.3		666,736.3	Amortised cost
811.5	7,466.6		8,625.1		8,625.1	Amortised cost
48,482.6	51,182.6					Amortised cost
11,065.8	36,250.9					
60,359.9	801,910.1					

Abbreviations
FLAC - Financial Liabilities measured at amortised cost)

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Net results by valuation category

2014 in T€	from interest / dividends income	from interest expense
Cash reserve	2.3	
Loans and receivables (LaR)	90.5	-30.1
Available-for-sale financial assets (AfS)	944.8	
Financial liabilities at amortised cost (FLAC)		-24,137.0
Total	**1,037.6**	**-24,167.1**

2013* in T€	from interest / dividends income	from interest expense
Cash reserve	87.3	
Loans and receivables (LaR)	1,790.6	-30.0
Available-for-sale financial assets (AfS)	2,621.0	
Financial liabilities at amortised cost (FLAC)		-25,916.7
Total	**4,498.9**	**-25,946.7**

*adjusted

	From subsequent measurement				
	At fair value not through profit or loss	Foreign currency trans-lation	Valuation allowance	from derecognition	Net results
		-2.0			-2.0
			-3,187.3		-3,187.3
	1,382.0			25.6	1,407.6
					0.0
	1,382.0	**-2.0**	**-3,187.3**	**25.6**	**-1,781.7**

	From subsequent measurement				
	At fair value not through profit or loss	Foreign currency trans-lation	Valuation allowance	from derecognition	Net results
		3.9			3.9
		-2.4	11.8		9.4
	89.3			348.0	437.3
					0.0
	89.3	**1.5**	**11.8**	**348.0**	**450.6**

The interest received on financial instruments is included under net financing costs. The other components of net results are recorded under other financial results, with the exception of the valuation allowances to trade and other receivables that are classified under loans and receivables. These valuation allowances are shown under other operating expenses.

Net financing costs of T€ 24,137.0 (previous year: T€ 25,916.7) for financial liabilities measured at amortised cost consist primarily of interest expense on bank loans. This item also includes the interest added to and discounted from other financial liabilities.

In connection with the recording of changes in the fair value of available-for-sale financial assets without recognition to profit or loss, valuation gains of T€ 1,382.0 gross (less deferred taxes T€ 1,036.5) were recognised in other comprehensive income for the 2014 financial year (previous year: gross T€ 89.3, net T€ 67.0).

The 2014 net profit from derecognition relates to the sale of securities.

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› (35) Risk management

Financial risks

The financial assets, liabilities and planned transactions of the Flughafen Wien Group are exposed to a variety of market risks that include the risks resulting from changes in interest rates, exchange rates and stock market prices. The goal of financial risk management is to limit these market risks through the continuous optimisation of operating and financial 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. Hedging generally involves only those risks that could influence the Group's cash flows. Derivative financial instruments are used exclusively for hedging purposes, and never for trading or other speculative reasons. In order to minimise credit risk, hedges are principally concluded 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 on-going 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 if necessary. The Group's business units provide the treasury department with information that is used to develop a liquidity profile. This active management of payment flows is used to optimise net financing costs. Certain components of financial investments are held in the form of rights (investment funds, bonds) that serve as a liquidity reserve and can generally be sold at any time.

Additional quantitative information is provided under note (34).

Credit risk

The Flughafen Wien Group is exposed to risks arising from its business operations as well as 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 at least an "A" 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 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 risk of default is countered by individual and collective valuation allowances. The credit risk associated with receivables can generally be considered low, since the majority of receivables are due and payable within a short period of time and are based on long-term relationships with customers.

The carrying amount of financial assets represents the maximum default and credit risk, since there were no major agreements (e.g. settlement agreements) as of 31 December 2014 that would reduce the maximum risk of default.

Additional quantitative information is provided under note (34). Information on other financial obligations and risks is included in note (37).

Interest rate risk

Interest rate risk represents the risk that the fair value or the future payment flows generated by a financial instrument could fluctuate because of changes in market interest rate levels. Interest rate risk includes the present value risk on fixed interest financial instruments as well as the risk associated with cash flows from variable interest financial instruments, and is related above all to long-term financial instruments. These longer terms are less important in the operating area, but can be material for financial assets, securities and financial liabilities.

The Flughafen Wien Group is exposed to interest rate risk mainly in the euro zone.

In order to depict market risks, IFRS 7 requires the disclosure of sensitivity analyses that demonstrate the effects of hypothetical changes in relevant risk variables on earnings and equity. The Flughafen Wien 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 of the balance sheet date for the financial statements. This procedure assumes that the amount determined as of this date is representative of the entire year.

Interest rate risks are presented in the form of sensitivity analyses as required by IFRS 7. These analyses show the effects of changes in interest rate levels on financing costs, interest income and expenses as well as other components of earnings and equity. The interest rate sensitivity analyses are based on the following assumptions:

- Changes in the interest rates of non-derivative 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 non-derivative variable interest financial instruments affect earnings and are included in the sensitivity calculations for earnings.

If market interest rates had been 100 basis points higher/lower as of 31 December 2014, earnings would have been T€ 300.0 lower or T€ 263.7 higher (previous year: T€ 1,389.4 lower or T€ 1,310.7 higher). The theoretical impact on earnings results from the potential effect of variable interest securities and financial liabilities. If market interest rates had >

been 100 basis points higher/lower as of 31 December 2014, equity – including tax effects – would have been T€ 225.0 lower or T€ 197.8 higher (previous year: T€ 1,042.0 lower or T€ 983.0 higher).

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 for which they are measured. For the purposes of IFRS, 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 Flughafen Wien Group is exposed to foreign exchange risks in connection with investments, financing measures and operating activities. Foreign exchange risks in the investment area arise primarily in connection with the purchase and sale of stakes in foreign companies. As of the balance sheet date for the 2014 financial statements, the Group was not exposed to any material risks from transactions denominated in a foreign currency.

Foreign exchange risks in the financing area are related to financial liabilities that are denominated in foreign currencies as well as foreign currency loans that were concluded as financing for Group companies. The Flughafen Wien Group was not exposed to any material foreign exchange risks in the financing area as of 31 December 2014.

The individual Group companies carry out their business activities almost entirely in their relevant functional currency (euro), which is generally the same as the reporting currency of the Flughafen Wien 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 generally presented in the form of a sensitivity analysis. The relevant risk variables are generally non-functional currencies in which the Group holds financial instruments. The foreign exchange sensitivity analysis is based on the following assumptions:

The major non-derivative monetary financial instruments – which include receivables, interest-bearing securities and debt instruments, cash and cash equivalents, and interest-bearing liabilities – are denominated primarily in the functional currency. Therefore, changes in foreign exchange rates have no material effect on earnings or equity.

Interest income from and expenses for financial instruments are recognised primarily in the functional currency. As a result, changes in the foreign exchange rates relating to these items have no effect on earnings or equity.

In summary, the risks to the Flughafen Wien Group arising from changes in foreign exchange rates were considered to be immaterial as of the closing date for the 2014 financial statements.

Other price risks

In connection with the analysis 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. As of 31 December 2014 and 2013, the Flughafen Wien Group held no investments that would be categorised as available for sale – with the exception of shares in subsidiaries not included in the consolidation and immaterial investments.

Capital management

Financial management in the Flughafen Wien Group is designed to support a sustainable increase in the value of the company and also maintain a capital structure that will ensure an excellent credit rating.

Gearing represents an indicator for financial management. It is defined as the ratio of net financial liabilities (non-current and current financial liabilities less liquid funds and current securities) to equity as shown on the consolidated balance sheet. The main instruments used for managing gearing are an increase or decrease in financial liabilities as well as the strengthening of the equity base through the retention of earnings or the adjustment of dividend payments. 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€	2014	2013
Financial liabilities	529,776.4	657,292.5
– Cash and cash equivalents	-2,242.1	-3,923.3
– Current securities	-21,292.2	-20,000.0
= Net financial liabilities	**506,242.1**	**633,369.2**
./. Carrying amount of equity	952,549.0	905,921.3
= Gearing	**53.1%**	**69.9%**

Gearing declined year-on-year, above all due to the repayment of borrowings.

The ratio of net debt to EBITDA is also used to manage the financial structure. The company's medium-term goal is maintain this ratio at approx. 2.5. In 2014 net debt to EBITDA equalled 2.02 (2013: 2.62).

Neither Flughafen Wien AG nor its subsidiaries are subject to minimum capital requirements defined by external sources.

› (36) Operating leases

Flughafen Wien as the lessor:

The following table shows the lease payments arising from non-cancellable rental and lease contracts in which the Flughafen Wien Group serves as the lessor. In particular, the related objects represent operating and commercial buildings at Vienna Airport (including investment property).

in T€	2014	2013
Lease payments recognised as income of the reporting period	138,977.9	133,589.6
Thereof conditional payments from revenue-based rents	4,524.1	5,023.3

Future minimum lease payments:		
Up to one year	70,593.9	69,129.8
Over one and up to five years	143,347.9	165,802.4
Over five years	106,500.4	104,040.9

Flughafen Wien as the lessee:

Major non-cancellable leases in which the Flughafen Wien Group serves as the lessee have been concluded with HERMIONE Raiffeisen-Immobilien-Leasing GmbH for the rental of operating buildings at Vienna International Airport. The following table shows the lease payments arising from these contracts:

in T€	2014	2013
Lease payments recognised as expenses of the reporting period	6,196.3	6,246.5
Thereof conditional payments from expense-based rents	792.5	860.2

Future minimum lease payments:		
Up to one year	5,913.8	6,175.1
Over one and up to five years	21,768.0	22,773.0
Over five years	28,394.1	34,063.0

The conditional lease payments recognised as expenses during the reporting period are linked to a fixed reference interest rate (six-month EURIBOR).

› (37) Other obligations and risks

Flughafen Wien AG is required to assume the costs of the "Flughafen Wien Mitarbeiter-Beteiligung-Privatstiftung" (the employee foundation), which consist primarily of corporate income tax and administrative costs, in the form of subsequent contributions.

In accordance with § 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€ 2,503.1 of loans related to the construction and expansion of sewage treatment facilities (previous year: T€ 2,977.5).

The Malta Mediterranean Link Consortium Group (MMLC) entered into a loan with a term ending in mid-2018 and an outstanding balance of € 6.91 million as of 31.12.2014 (2013: € 9.0 million). Flughafen Wien AG has agreed not to sell its investment in MMLC during the term of this loan. Furthermore, Flughafen Wien AG has confirmed the following to the lending institution: all necessary steps will be undertaken to ensure that the group's investments maintain a healthy financial position at all times; the corporate policies of Flughafen Wien AG include the fulfilment of financial obligations by MMLC at all times; and MMLC will be equipped with a financial basis that enables the company to meet its obligations at any time.

Information on commitments for pension and pension subsidy payments is provided under note (26).

As of 31 December 2014, obligations for the purchase of intangible assets amounted to € 0.5 million (2013: € 1.0 million) and obligations for the purchase of property, plant and equipment to € 8.2 million (2013: € 20.2 million).

› (38) Information on business associations with related companies and persons

Related companies include subsidiaries, non-consolidated subsidiaries of the Flughafen Wien Group, associated companies, the shareholders of Flughafen Wien AG (the province of Lower Austria and the city of Vienna each hold 20% of the shares, and Airports Group Europe S.à.r.l holds 29.9%) and their major subsidiaries as well as the members of management in key positions. The Flughafen Wien Group maintains business relations with companies in which the province of Lower Austria and/or 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 carried out in the sense of IAS 24 involve everyday transactions related to the operating business and were not material in total. 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 Flughafen Wien AG and non-consolidated subsidiaries are immaterial. Information on the receivables and liabilities due from/to related companies and persons is provided under the relevant position in the notes. The services provided by non-consolidated subsidiaries led to expenses of T€ 3,688.2 (previous year incl. GET2: T€ 8,937.2). The services provided by "GetService"-Flughafen-Sicherheits-und Servicedienst GmbH (GET2) led to expenses in 2014 of T€ 8,743.40 (previous year: in non-consolidated subsidiaries).

From the joint venture City Air Terminal Betriebsgesellschaft m.b.H., the Flughafen Wien Group achieved revenue in 2014 of T€ 1,058.1 (previous year: T€ 985.1), from the joint venture "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2) revenues of T€ 531.7 (previous year: non-consolidated) from the associate Schedule Coordination Austria GmbH revenues of T€ 385.4 (previous year: T€ 634.4) and from the associate Malta International Airport plc revenues of T€ 1,008.8 (previous year: T€ 925,4). The revenue recorded from transactions with City Air Terminal Betriebsgesellschaft.m.b.H consists chiefly of services provided by Flughafen Wien AG and its subsidiaries for railway >

operations (baggage handling, station operations, IT services etc.). The revenue generated by the associated company Schedule Coordination Austria GmbH represents charges by Flughafen Wien AG for the provision of personnel as well as IT and other services. The revenue recorded with the associate Malta International Airport plc. is generated primarily by consulting services. The revenue generated with the joint venture GET2 mainly affects services of Flughafen Wien AG.

On 31 December 2014, total receivables and originated loans due from joint ventures recorded at equity amounted to T€ 756.6 (previous year: T€ 37.3). The comparable amount from associated companies recorded at equity was T€ 69.9 (previous year: T€ 27.5).

On the same date, the liabilities to the joint ventures recorded at equity amounted to T€ 12,903.8 (previous year: T€ 7,938.3). The comparable amount for associated companies recorded at equity was T€ 3.7 (previous year: T€ 30.8).

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 bodies of the company are described under note (39).

› (39) Information on corporate bodies and employees

The following table shows the average number of employees in the Flughafen Wien Group:

Employees (excluding Management Board and managing directors)	2014	2013
Wage employees	3,112	3,213
Salaried employees	1,193	1,186
	4,306	**4,399**

The members of the management Board of Flughafen Wien AG received the following remuneration for their work in 2014 and 2013:

› Management Board remuneration in 2014 (payments)

in T€	Fixed compensation	Performance-based components for 2013	Non-cash remuneration	Total remuneration
Günther Ofner	259.3	189.6	8.4	457.3
Julian Jäger	259.3	189.6	8.4	457.3
	518.6	**379.1**	**16.8**	**914.6**

› Management Board remuneration in 2013 (payments)

in T€	Fixed compensation	Performance-based components for 2012	Non-cash remuneration	Total remuneration
Günther Ofner	253.7	183.2	7.2	444.2
Julian Jäger	253.7	183.2	7.2	444.2
	507.5	**366.5**	**14.4**	**888.4**

The remuneration system for the members of the Management Board and first level of management is comprised of fixed and performance-based components. The performance-based compensation represents bonuses for the 2013 financial year, which were paid out during 2014. There are no stock option plans for management.

On behalf of Julian Jäger and Günther Ofner, the company makes payments equalling 15% of the respective salary to a pension fund. The contribution for each board member amounted to T€ 67.3 in 2014 (previous year: incl. partial back payment for 2012: T€ 70.8) for each board member.

For other employees, exceptional performance and the realisation of targeted goals are rewarded in the form of bonuses.

Remuneration paid to former members of the Management Board amounted to T€ 984.7 in 2014 (previous year: T€ 606.8).

Expenses for persons in key management positions

Key management includes the members of the Management Board, the authorised officers of Flughafen Wien AG 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 2014

in T€	Supervisory Board	Management Board	Key employees
Short-term benefits	117.4	1,054.1	2,891.6
Post-employment benefits (contributions to pension funds)	0.0	134.7	44.7
Other long-term benefits	0.0	0.0	282.1
Termination benefits	0.0	0.0	473.3
Subtotal	**117.4**	**1,188.8**	**3,691.7**

› Expenses in 2013

in T€	Supervisory Board	Management Board	Key employees
Short-term benefits	115.9	1,027.4	2,645.7
Post-employment benefits (contributions to pension funds)	0.0	141.6	44.9
Other long-term benefits	0.0	0.0	20.6
Termination benefits	0.0	0.0	110.2
Subtotal	**115.9**	**1,169.0**	**2,821.5**

Payments of T€ 117.4 were made to the members of the Supervisory Board in 2014 (previous year: T€ 115.9).

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› (40) Significant events occurring after the balance sheet date

All events occurring after the balance sheet date that are important for valuation and measurement as of 31 December 2014 – such as outstanding legal proceedings or claims for damages and other obligations or impending losses that must be recognised or disclosed in accordance with IAS 10 – are included in these consolidated financial statements or are not known.

Schwechat, 3 March 2015

The Management Board

Günther Ofner	**Julian Jäger**
Member, CFO	Member, COO

Group companies of Flughafen Wien AG

Company	Abbre-viation	Parent company	Country	Share owned	Type of con-solidation	Segment
Flughafen Wien AG	VIE		Austria		VK	All
Flughafen Wien Immobilien-verwertungsgesellschaft m.b.H.	IVW	VIE	Austria	100.0 %	VK	Airport, Retail & Properties
Flugplatz Vöslau BetriebsGmbH	LOAV	VAH	Austria	100.0 %	VK	Airport
Mazur Parkplatz GmbH	MAZU	VIEL	Austria	100.0 %	VK	Retail & Properties
VIE International Beteiligungs-management Gesellschaft m.b.H.	VINT	VIAB	Austria	100.0 %	VK	Other
VIE Liegenschaftsbeteiligungsgesells-chaft m.b.H.	VIEL	VIE	Austria	100.0 %	VK	Retail & Properties
VIE Office Park Errichtungs- und Betriebsgesellschaft m.b.H.	VOPE	VIEL	Austria	100.0 %	VK	Retail & Properties
Vienna Aircraft Handling Gesellschaft m.b.H.	VAH	VIE	Austria	100.0 %	VK	Handling
Vienna Airport Business Park Immo-bilienbesitzgesellschaft m.b.H.	BPIB	VIEL	Austria	100.0 %	VK	Retail & Properties
Vienna Airport Technik GmbH	VAT	VIE	Austria	100.0 %	VK	Other
Vienna International Airport Beteili-gungsholding GmbH	VIAB	VIE	Austria	100.0 %	VK	Other
Vienna International Airport Security Services Ges.m.b.H.	VIAS	VIE	Austria	100.0 %	VK	Handling
VIE Office Park 3 BetriebsGmbH	VWTC	VIEL	Austria	100.0 %	VK	Retail & Properties
BTS Holding a.s. "v likvidacii"	BTSH	VIE	Slovakia	80.95 %	VK	Other
KSC Holding a.s.	KSCH	VIE	Slovakia	100.0 %	VK	Other
VIE (Malta) Limited	VIE Malta	VINT	Malta	100.0 %	VK	Other
VIE Malta Finance Holding Ltd.	VIE MFH	VIE	Malta	100.0 %	VK	Other
VIE Malta Finance Ltd.	VIE MF	VIE MFH	Malta	100.0 %	VK	Other
VIE Operations Holding Limited	VIE OPH	VINT	Malta	100.0 %	VK	Other
VIE Operations Limited	VIE OP	VIE OPH	Malta	100.0 %	VK	Other

Company	Abbre-viation	Parent company	Country	Share owned	Type of con-solidation	Segment
VIE ÖBA GmbH	OEBA	VIE	Austria	100.0 %	VK	Other
Vienna Passenger Handling Services GmbH	VPHS	VIE	Austria	100.0 %	VK	Other
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
Malta International Airport plc	MIA	VIE Malta	Malta	33.0 %	EQ	Other
Malta Mediterranean Link Consortium Limited (subgroup mit Malta International Airport plc)	MMLC	VIE Malta	Malta	57.1 %	EQ	Other
"GetService"-Flughafen-Sicherheits- und Servicedienst GmbH	GET2	VIAS	Austria	51.0 %	EQ	Other
"GetService" Dienstleistungs-gesellschaft m.b.H.	GETS	VIAS	Austria	100.0 %	NK	Other
Salzburger Flughafen Sicherheits-gesellschaft m.b.H.	SFS	VIAS	Austria	100.0 %	NK	Other
VIE Shops Entwicklungs- und Betriebsges.m.b.H.	SHOP	VIE	Austria	100.0 %	NK	Other

Type of consolidation:
VK = full consolidation
EQ = equity method
NK = not consolidated for reasons of immateriality

Investments of Flughafen Wien AG

Amounts were determined in accordance with national law, unless IFRS data were available.

› 1. Subsidiaries included in the Group financial statements through full consolidation

› Flughafen Wien Immobilienverwertungsgesellschaft m.b.H. (IVW)

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: The commercial leasing of assets, in particular real estate, as well as the acquisition of property and buildings at Vienna Airport.

Amounts in T€	**2014**	**2013**
Revenue	17,279.0	17,042.1
Net profit for the period	14,959.0	8,417.6
Other comprehensive income	0.0	0.0
Total comprehensive income	**14,959.0**	**8,417.6**
Current and non-current assets	99,584.5	103,017.7
Current and non-current liabilities	6,650.4	16,624.5
Net assets	**92,934.1**	**86,393.1**

› Flugplatz Vöslau BetriebsGmbH (LOAV)

Headquarters:	Bad Vöslau
Share owned:	100 % VAH

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

Amounts in T€	**2014**	**2013**
Revenue	970.3	921.0
Net profit for the period	175.3	92.4
Other comprehensive income	-2.0	-0.1
Total comprehensive income	**173.3**	**92.4**
Current and non-current assets	1,540.6	1,594.1
Current and non-current liabilities	171.2	397.9
Net assets	**1,369.4**	**1,196.2**

› Mazur Parkplatz GmbH (MAZU)

Headquarters:	Schwechat
Share owned:	100 % VIEL

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

Amounts in T€	2014	2013
Revenue	2,373.7	2,442.1
Net profit for the period	1,272.1	1,367.7
Other comprehensive income	-0.7	2.9
Total comprehensive income	**1,271.4**	**1,370.7**
Current and non-current assets	5,818.0	5,951.9
Current and non-current liabilities	189.5	223.7
Net assets	**5,628.6**	**5,728.2**

› VIE International Beteiligungsmanagement Gesellschaft m.b.H. (VINT)

Headquarters:	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€	2014	2013
Revenue	1,013.3	937.9
Net profit for the period	3,359.5	2,112.5
Other comprehensive income	0.0	0.0
Total comprehensive income	**3,359.5**	**2,112.5**
Current and non-current assets	48,476.1	44,874.8
Current and non-current liabilities	4,884.9	4,643.2
Net assets	**43,591.1**	**40,231.6**

› VIE Liegenschaftsbeteiligungsgesellschaft m.b.H. (VIEL)

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Holding company for the BPIB, VOPE, MAZUR and VWTC subsidiaries, which are active in the purchase. development and marketing of property under their ownership.

Amounts in T€	2014	2013
Revenue	0.0	0.0
Net profit for the period	2,757.3	2,701.7
Other comprehensive income	0.0	0.0
Total comprehensive income	**2,757.3**	**2,701.7**
Current and non-current assets	35,938.4	33,575.1
Current and non-current liabilities	5,516.0	5,910.0
Net assets	**30,422.4**	**27,665.1**

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

Headquarters:	Schwechat
Share owned:	100 % VIEL

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

Amounts in T€	2014	2013
Revenue	3,219.7	3,212.8
Net profit for the period	1,395.8	1,386.9
Other comprehensive income	0.0	0.0
Total comprehensive income	**1,395.8**	**1,386.9**
Current and non-current assets	40,145.2	41,479.7
Current and non-current liabilities	20,807.4	22,132.6
Net assets	**19,337.9**	**19,347.1**

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

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Provision of a full range of services for general aviation and, in particular, for business aviation; major revenue generators are private aircraft handling and aircraft handling services provided on behalf of Flughafen Wien AG in the general aviation sector (incl. fuelling and the provision of hangar space).

Amounts in T€	2014	2013
Revenue	12,335.6	12,180.5
Net profit for the period	1,930.6	2,232.1
Other comprehensive income	-73.2	49.2
Total comprehensive income	**1,857.5**	**2,281.3**
Current and non-current assets	7,934.9	7,447.3
Current and non-current liabilities	1,798.3	1,301.2
Net assets	**6,136.5**	**6,146.1**

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

Headquarters:	Schwechat
Share owned:	99 % VIEL 1 % IVW

Object of the company: Purchase and marketing of property.

Amounts in T€	2014	2013
Revenue	8,678.9	9,162.4
Net profit for the period	1,972.7	1,960.4
Other comprehensive income	0.0	0.0
Total comprehensive income	**1,972.7**	**1,960.4**
Current and non-current assets	18,253.5	14,147.7
Current and non-current liabilities	11,972.0	9,838.9
Net assets	**6,281.5**	**4,308.8**

› Vienna Airport Technik GmbH (VAT), previously: Vienna Airport Infrastruktur Maintenance GmbH (VAI)

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Provision of services for electrical facilities and equipment, as well as the construction of electrical and supply facilities, in particular technical equipment for airports; the installation of electrical infrastructure; and the sale of security equipment.

Amounts in T€	2014	2013
Revenue	14,690.0	19,024.5
Net profit for the period	1,810.5	1,143.6
Other comprehensive income	45.8	87.8
Total comprehensive income	**1,856.3**	**1,231.4**
Current and non-current assets	5,427.9	6,084.5
Current and non-current liabilities	2,128.1	3,452.1
Net assets	**3,299.7**	**2,632.4**

› Vienna International Airport Beteiligungsholding GmbH (VIAB)

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Acquisition and investment in international subsidiaries and other companies; participation in international airport privatisation programmes; this company serves as the holding company for the VINT subsidiary.

Amounts in T€	2014	2013
Revenue	0.0	0.0
Net profit for the period	34.8	34.7
Other comprehensive income	0.0	0.0
Total comprehensive income	**34.8**	**34.7**
Current and non-current assets	59,981.7	59,885.4
Current and non-current liabilities	2,277.8	2,216.4
Net assets	**57,703.9**	**57,669.0**

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

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Provision of security services (persons and hand luggage) on behalf of the Austrian Ministry of the Interior; and various other services for aviation customers (wheelchair transport, control of oversize baggage, document control etc.); the company also participates in tenders for the provision of security services at other airports through its Austrian subsidiaries.

Amounts in T€	2014	2013
Revenue	51,987.2	51,441.5
Net profit for the period	9,310.6	9,591.6
Other comprehensive income	-323.5	324.7
Total comprehensive income	**8,987.1**	**9,916.4**
Current and non-current assets	29,512.5	32,876.5
Current and non-current liabilities	12,228.4	14,479.6
Net assets	**17,284.1**	**18,397.0**

› VIE Office Park 3 BetriebsGmbH (VWTC)

Headquarters:	Schwechat
Share owned:	99% VIEL 1% BPIB

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

Amounts in T€	2014	2013
Revenue	2,531.0	2,329.9
Net profit for the period	86.3	951.9
Other comprehensive income	0.0	0.0
Total comprehensive income	**86.3**	**951.9**
Current and non-current assets	8,476.7	8,625.2
Current and non-current liabilities	5,681.0	5,915.8
Net assets	**2,795.7**	**2,709.4**

› BTS Holding a.s. "v likvidacii" (BTSH)

Headquarters:	Bratislava, Slovakia
Share owned:	47.7% VIE 33.25% VINT

Object of the company: Provision of services and consulting for airports; plans also call for the company to hold the intended investment in Bratislava Airport.

Amounts in T€	2014	2013
Revenue	0.0	0.0
Loss for the period	-2,792.0	-31.1
Other comprehensive income	0.0	0.0
Total comprehensive income	**-2,792.0**	**-31.1**
Current and non-current assets	885.6	3,672.8
Current and non-current liabilities	308.2	303.4
Net assets	**577.4**	**3,369.4**

KSC Holding a.s. (KSCH)

Headquarters:	Bratislava, Slovakia
Share owned:	47.7% VIE 52.3% VINT

Object of the company: Holding company for the 66% investment in Košice Airport as well as the provision of consulting services.

Amounts in T€	2014	2013
Revenue	0.0	0.0
Net profit for the period	1,012.7	489.3
Other comprehensive income	0.0	0.0
Total comprehensive income	**1,012.7**	**489.3**
Current and non-current assets	34,309.2	33,724.7
Current and non-current liabilities	2,754.5	3,182.7
Net assets	**31,554.7**	**30,542.0**

VIE (Malta) Limited (VIE Malta)

Headquarters:	Luqa, Malta
Share owned:	99.8% VINT 0.2% VIAB

Object of the company: Provision of services and consulting for airports; the financial statements of VIE (Malta) Limited include the at-equity valuation of the subgroup financial statements of Malta Mediterranean Link Consortium Ltd. and Malta International Airport plc.

Amounts in T€	2014	2013
Revenue	0.0	0.0
Net profit for the period	4,397.4	4,842.6
Other comprehensive income	0.0	0.0
Total comprehensive income	**4,397.4**	**4,842.6**
Current and non-current assets	58,506.7	56,439.6
Current and non-current liabilities	9,610.3	11,940.7
Net assets	**48,896.3**	**44,498.9**

VIE Malta Finance Holding Ltd. (VIE MFH)

Headquarters:	Luqa, Malta
Share owned:	99.95% VIE 0.05% VIAB

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

Amounts in T€	2014	2013
Revenue	0.0	0.0
Net profit for the period	663.3	6,184.1
Other comprehensive income	0.0	0.0
Total comprehensive income	**663.3**	**6,184.1**
Current and non-current assets	14,824.3	14,157.6
Current and non-current liabilities	18.1	14.7
Net assets	**14,806.2**	**14,142.9**

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VIE Malta Finance Ltd. (VIE MF)

Headquarters:	Luqa, Malta
Share owned:	99.95% VIE MFH 0.05% VIAB

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

Amounts in T€	2014	2013
Revenue	0.0	0.0
Net profit for the period	488.2	665.6
Other comprehensive income	385.2	0.0
Total comprehensive income	**873.4**	**665.6**
Current and non-current assets	51,736.5	173,129.4
Current and non-current liabilities	50,861.1	172,461.8
Net assets	**875.4**	**667.6**

VIE ÖBA GmbH (OEBA)

Headquarters:	Schwechat
Share owned:	100% VIE

Object of the company: Provision of all types of construction and construction-related services, among others for construction projects realised by Flughafen Wien AG or other companies.

Amounts in T€	2014	2013
Revenue	3,463.6	3,793.8
Net profit for the period	246.1	398.4
Other comprehensive income	0.0	0.0
Total comprehensive income	**246.1**	**398.4**
Current and non-current assets	517.4	906.2
Current and non-current liabilities	218.3	440.2
Net assets	**299.1**	**466.0**

Vienna Passenger Handling Services GmbH (VPHS), previously VIE Auslands Projektentwicklung und Beteiligung GmbH (VAPB)

Headquarters:	Schwechat
Share owned:	100% VIE

Object of the company: Provision of ground handling services within the meaning of the Act on Airport Ground Handling. The services comply with those in the appendix to the Act on Airport Ground Handling.

Amounts in T€	2014	2013
Revenue	0.0	0.0
Loss for the period	-14.0	-9.5
Other comprehensive income	0.0	0.0
Total comprehensive income	**-14.0**	**-9.5**
Current and non-current assets	65.7	214.9
Current and non-current liabilities	0.6	200.9
Net assets	**65.0**	**14.0**

VIE Operations Holding Limited (VIE OPH)

Headquarters:	Luqa, Malta
Share owned:	99.95% VINT 0.05% VIAB

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

Amounts in T€	2014	2013
Revenue	0.0	0.0
Net profit for the period	1,205.2	1,070.8
Other comprehensive income	0.0	0.0
Total comprehensive income	**1,205.2**	**1,070.8**
Current and non-current assets	408.9	156.4
Current and non-current liabilities	180.6	33.3
Net assets	**228.3**	**123.1**

VIE Operations Limited (VIE OP)

Headquarters:	Luqa, Malta
Share owned:	99.95% VIE OPH 0.05% VINT

Object of the company: Provision of support, services and consultancy for international airports.

Amounts in T€	2014	2013
Revenue	1,007.5	925.4
Net profit for the period	673.0	597.5
Other comprehensive income	0.0	0.0
Total comprehensive income	**673.0**	**597.5**
Current and non-current assets	395.3	552.9
Current and non-current liabilities	244.8	203.4
Net assets	**150.5**	**349.5**

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

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

Type of holding:	Joint venture
Headquarters:	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 development of traffic connections between airports and cities.

Amounts in T€	2014	2013
Revenue	11,495.8	10,844.8
Net profit for the period	1,897.9	1,309.8
Other comprehensive income	0.0	0.0
Total comprehensive income	**1,897.9**	**1,309.8**

The above net profit includes the following amounts:

Amounts in T€	2014	2013
Scheduled depreciation and amortisation	623.1	761.0
Interest income	3.6	1.5
Interest expenses	0.3	0.4
Income tax expense or income	621.6	402.1

Amounts in T€	31.12.2014	31.12.2013
Current assets	12,048.7	8,467.6
Non-current assets	7,756.1	8,979.4
Current liabilities	1,328.3	839.3
Non-current liabilities	309.6	338.7
Net assets	**18,166.9**	**16,269.0**

The assets and liabilities listed above include the following amounts:

Amounts in T€	31.12.2014	31.12.2013
Cash and cash equivalents	5.8	5.9
Current financial liabilities *	0.0	0.0
Non-current financial liabilities *	0.0	0.0

* not including trade liabilities and other liabilities or provisions

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

Amounts in T€	2014	2013
Proportional share of net assets of the investment as of 1.1. (proportional equity)	8,150.8	7,494.6
Total comprehensive income attributable to the Group	950.8	656.2
Dividends received	0.0	0.0
Carrying amount as of 31.12.	**9,101.6**	**8,150.8**

› "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2)

Type of holding:		Joint venture
Headquarters:		Schwechat
Share owned:	51% VIAS	49% CKV Group

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

Amounts in T€	2014	2013
Revenue	9,615.4	8,756.8
Net profit for the period	885.6	1,098.9
Other comprehensive income	0.0	0.0
Total comprehensive income	**885.6**	**1,098.9**

The above net profit includes the following amounts:

Amounts in T€	2014	2013
Scheduled depreciation and amortisation	155.7	88.6
Interest income	0.2	0.0
Interest expenses	0.6	0.1
Income tax expense or income	293.9	351.3

Amounts in T€	31.12.2014	31.12.2013
Current assets	2,360.8	2,592.6
Non-current assets	850.9	844.5
Current liabilities	2,076.2	2,086.9
Non-current liabilities	80.0	80.2
Net assets	**1,055.5**	**1,270.0**

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The assets and liabilities listed above include the following amounts:

Amounts in T€	31.12.2014	31.12.2013
Cash and cash equivalents	0.7	3.6
Current financial liabilities *	0.0	0.0
Non-current financial liabilities *	0.0	0.0

* not including trade liabilities and other liabilities or provisions

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

Amounts in T€	2014	2013*
Proportional share of net assets of the investment as of 1.1. (proportional equity)	647.7	n.a.
Adjustment to net assets (related to prior periods)	-596.7	n.a.
Adjustment to net profit for the period (related to prior periods)	596.7	n.a.
Total comprehensive income attributable to the Group	451.6	n.a.
Dividends received	-561.0	n.a.
Carrying amount as of 31.12.	538.3	**n.a.**

* not consolidated in 2013

❯ Letisko Košice - Airport Košice, a.s. (KSC)

Type of holding:	Joint venture
Headquarters:	Košice, Slovakia
Share owned:	66% KSCH

Object of the company: Operation of Košice Airport.

Amounts in T€	2014*	2013
Revenue	9,048.1	7,301.2
Net profit for the period	1,571.3	780.0
Other comprehensive income	0.0	0.0
Total comprehensive income	1,571.3	**780.0**

* Preliminary values

The above net profit includes the following amounts:

Amounts in T€	2014*	2013
Scheduled depreciation and amortisation	834.2	889.8
Interest income	95.0	104.5
Interest expenses	0.0	0.0
Income tax expense or income	427.4	476.8

* Preliminary values

Amounts in T€	31.12.2014*	31.12.2013
Current assets	18,952.2	16,792.4
Non-current assets	34,994.3	35,469.7
Current liabilities	1,695.1	1,111.1
Non-current liabilities	595.3	342.8
Net assets	**51,656.1**	**50,808.1**

* Preliminary values

The assets and liabilities listed above include the following amounts:

Amounts in T€	31.12.2014	31.12.2013
Cash and cash equivalents	16,711.1	14,258.7
Current financial liabilities *	0.0	0.0
Non-current financial liabilities *	0.0	0.0

* not including trade liabilities and other liabilities or provisions

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

Amounts in T€	31.12.2014	31.12.2013
Proportional share of net assets of the investment as of 1.1. (proportional equity)	33,533.4	33,848.8
Total comprehensive income attributable to the Group	1,037.1	514.8
Other	352.0	328.0
Dividends received	-439.7	-806.2
Carrying amount as of 31.12.	**34,482.8**	**33,885.4**

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

Malta Mediterranean Link Consortium Ltd. (MMLC) Group

Type of holding:	Associated company
Headquarters:	La Valetta, Malta
Share owned:	57.1% VIE Malta

Object of the company: Holding company for the investment in Malta International Airport.

Amounts in T€	2014	2013
Profit or loss	16,730.7	14,484.7
Other comprehensive income	-68.0	-121.4
Total comprehensive income	**16,662.7**	**14,363.3**
attributable to non-controlling interests	10,056.1	8,679.8
attributable to the shareholders of the investment	6,606.6	5,683.5

Amounts in T€	31.12.2014	31.12.2013
Current assets	45,902.0	41,999.2
Non-current assets	146,676.5	146,961.8
Current liabilities	26,819.5	26,858.8
Non-current liabilities	72,128.2	77,172.0
Net assets	**93,630.7**	**84,930.3**
attributable to non-controlling interests	44,307.4	40,190.3
attributable to the shareholders of the investment	49,323.3	44,740.0

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

Amounts in T€	31.12.2014	31.12.2013
Proportional share of net assets of the investment as of 1.1. (proportional equity)	25,546.6	23,616.1
Adjustment to net assets (related to prior periods)	0.0	-257.6
Adjustment to net profit for the period (related to prior periods)	-698.7	257.6
Total net income attributable to the Group	3,787.8	3,272.7
Other comprehensive income attributable to the Group	-15.4	-27.4
Dividends received	-1,084.9	-1,233.4
Goodwill	667.1	667.1
Other	37.1	-126.4
Carrying amount as of 31.12.	**28,239.6**	**26,168.8**

❯ Malta International Airport plc. (MIA)

Type of holding:	Associated company
Headquarters:	Luqa, Malta
Share owned:	10.1% VIE Malta 40% MMLC
Object of the company: Operation of Malta International Airport.	

Amounts in T€	2014	2013
Profit or loss	16,828.8	14,587.7
Other comprehensive income	-68.0	-121.4
Total comprehensive income	**16,760.8**	**14,466.3**

This company is listed on the Malta Stock Exchange. The market price per share equalled € 2.35 as of the balance sheet date (2013: € 2.16) and the market value of the 10.1% directly owned stake was T€ 32,113.5 (2013: T€ 29,517.1).

Amounts in T€	31.12.2014	31.12.2013
Current assets	45,837.6	41,960.2
Non-current assets	119,861.7	120,147.0
Current liabilities	24,757.9	24,843.8
Non-current liabilities	67,318.2	70,279.6
Net assets	**73,623.2**	**66,983.8**

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

Amounts in T€	2014	2013
Proportional share of net assets of the investment as of 1.1. (proportional equity)	6,765.4	6,296.9
Adjustment to net assets (related to prior periods)	0.0	-43.4
Adjustment to net profit for the period (related to prior periods)	-43.4	43.4
Total net income attributable to the Group	1,699.7	1,473.4
Other comprehensive income attributable to the Group	-6.9	-12.3
Dividends received	-1,024.9	-956.6
Goodwill	22,569.1	22,569.1
Other	-44.5	0.0
Carrying amount as of 31.12.	**29,914.6**	**29,370.5**

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SCA Schedule Coordination Austria GmbH (SCA)

Type of holding:	Associated company
Headquarters:	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€	2014*	2013
Revenue	805.0	813.1
Loss for the period	-57.3	-46.5
Other comprehensive income	0.0	0.0
Total comprehensive income	**-57.3**	**-46.5**
Current and non-current assets	596.9	661.5
Current and non-current liabilities	122.0	104.3
Net assets	**474.9**	**557.3**

* Preliminary values

Amounts in T€	31.12.2014	31.12.2013*
Carrying amounts of the investments in non-significant associated companies	243.5	290.4

*2013: incl. carrying amount of CMIS (Columinis Holding GmbH in Liquidation)

4. Investments not included in the consolidated financial statements:

GetService Dienstleistungsgesellschaft m.b.H. (GETS)

Headquarters:	Schwechat
Share owned:	100% VIAS

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

Amounts in T€	2014	2013
Revenue	4,591.6	1,488.6
Net profit for the period	141.0	78.0
Other comprehensive income	0.0	0.0
Total comprehensive income	**141.0**	**78.0**
Current and non-current assets	1,180.7	708.3
Current and non-current liabilities	548.2	147.7
Net assets	**632.5**	**560.6**

› Salzburger Flughafen Sicherheitsgesellschaft m.b.H. (SFS)

Headquarters:	Schwechat
Share owned:	100% VIAS

Object of the company: Provision of security services; the company is not active at the present time.

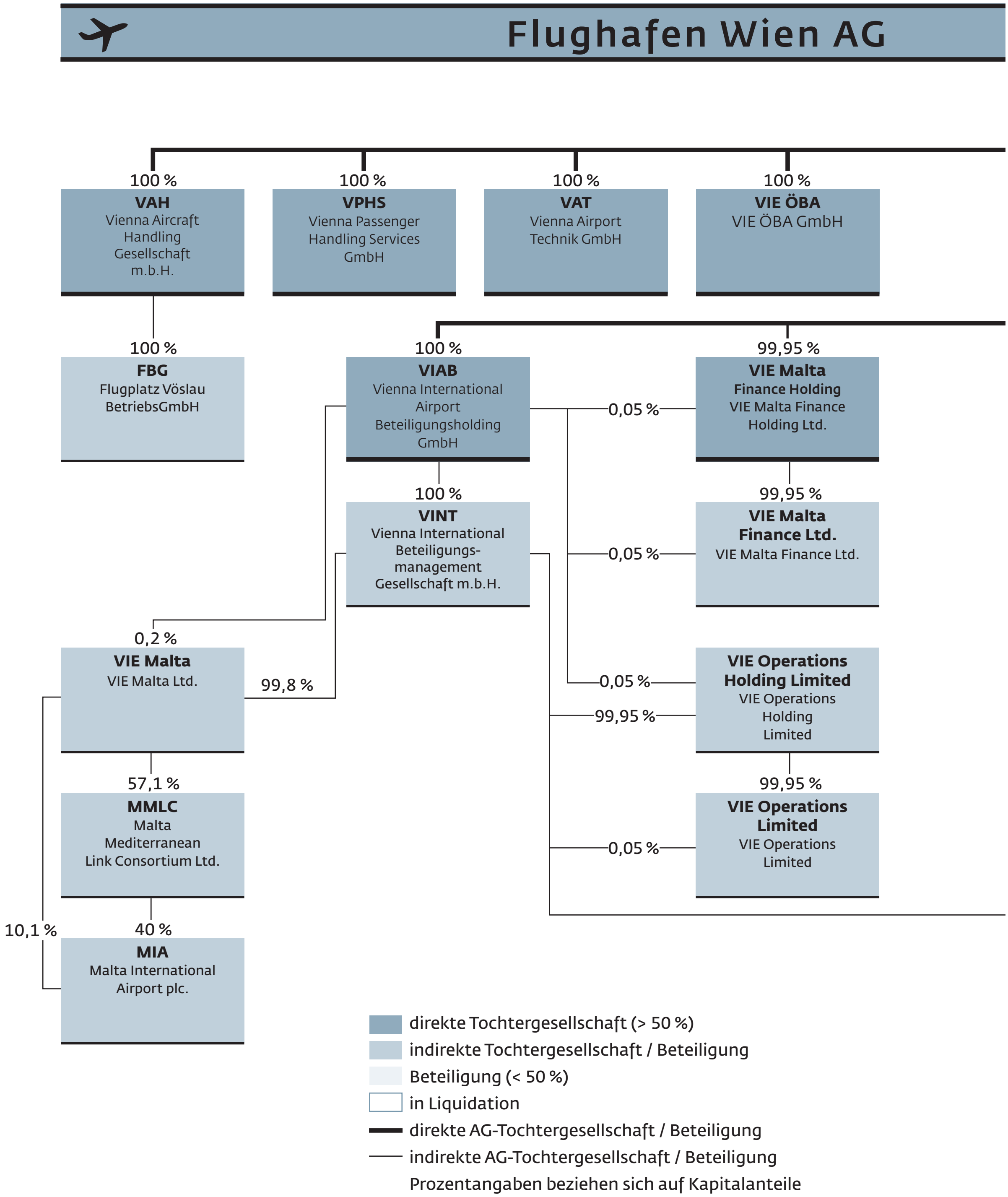
Amounts in T€	2014	2013
Revenue	0.0	0.0
Loss for the period	-1.4	-1.7
Other comprehensive income	0.0	0.0
Total comprehensive income	**-1.4**	**-1.7**
Current and non-current assets	48.0	49.4
Current and non-current liabilities	0.0	0.1
Net assets	**48.0**	**49.4**

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

Headquarters:	Schwechat
Share owned:	100% VIE

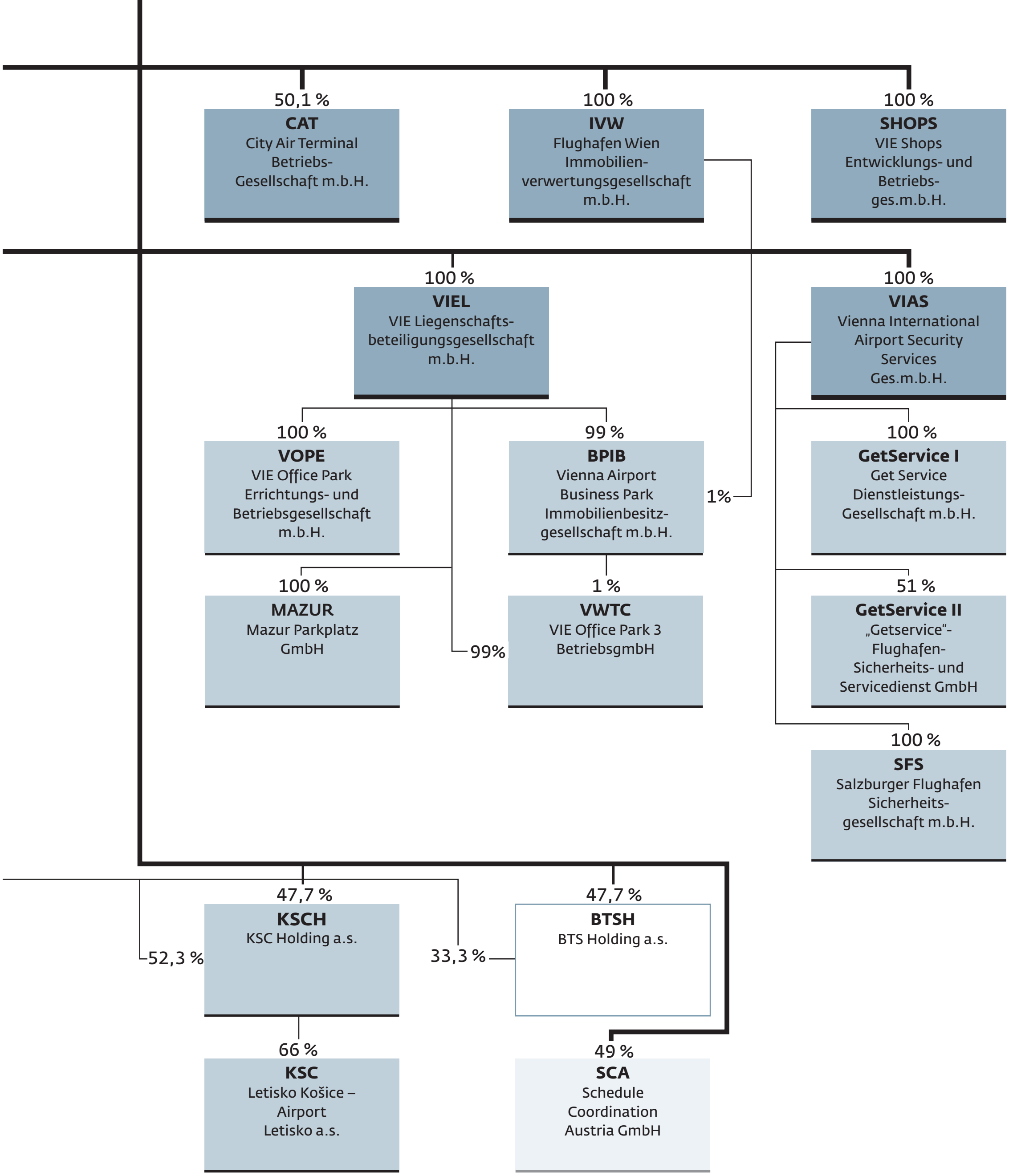
Object of the company: Planning, development, marketing and operation of shops at airports in Austria and other countries.

Amounts in T€	2014	2013
Revenue	0.0	0.0
Loss for the period	-2.0	-2.9
Other comprehensive income	0.0	0.0
Total comprehensive income	**-2.0**	**-2.9**
Current and non-current assets	0.1	1.6
Current and non-current liabilities	0.4	0.0
Net assets	**-0.4**	**1.6**


Flughafen Wien AG
100 %
VAH
Vienna Aircraft Handling Gesellschaft m.b.H.
100 %
VPHS
Vienna Passenger Handling Services GmbH
100 %
VAT
Vienna Airport Technik GmbH
100 %
VIE ÖBA
VIE ÖBA GmbH
100 %
FBG
Flugplatz Vöslau BetriebsGmbH
100 %
VIAB
Vienna International Airport Beteiligungsholding GmbH
99,95 %
VIE Malta Finance Holding
VIE Malta Finance Holding Ltd.
0,05 %
100 %
VINT
Vienna International Beteiligungs-management Gesellschaft m.b.H.
99,95 %
VIE Malta Finance Ltd.
VIE Malta Finance Ltd.
0,05 %
0,2 %
VIE Malta
VIE Malta Ltd.
99,8 %
0,05 %
99,95 %
VIE Operations Holding Limited
VIE Operations Holding Limited
57,1 %
MMLC
Malta Mediterranean Link Consortium Ltd.
99,95 %
VIE Operations Limited
VIE Operations Limited
0,05 %
10,1 %
40 %
MIA
Malta International Airport plc.
direkte Tochtergesellschaft (> 50 %)
indirekte Tochtergesellschaft / Beteiligung
Beteiligung (< 50 %)
in Liquidation
direkte AG-Tochtergesellschaft / Beteiligung
indirekte AG-Tochtergesellschaft / Beteiligung
Prozentangaben beziehen sich auf Kapitalanteile

Tochtergesellschaften und Beteiligungen

Stand: 01.02.2014



Statement by the Members of the Management Board

In accordance with § 82 of the Austrian Stock Corporation Act

› Financial Statements

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, 3 March 2015
The Mangement Board

Günther Ofner
Member, CFO

Julian Jäger
Member, COO

Auditor's Report

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of

Flughafen Wien Aktiengesellschaft,
Schwechat,

for the **year from 1 January 2014 to 31 December 2014**. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2014, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the fiscal year 2014 and a summary of significant accounting policies and other explanatory notes.

› Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to § 245a UGB (Austrian Commercial Code). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

› Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and, as well as in accordance with International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. >

In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

› Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of 31 December 2014 and of its financial performance and its cash flows for the year from 1 January to 31 December 2014 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

› Report on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 3 March 2015

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by:

Heidi Schachinger	**Michael Schlenk**
Wirtschaftsprüferin	Wirtschaftsprüfer

(Austrian Chartered Accountants)

Flughafen Wien AG Management Report for 2014

The Business Environment

Economic and currency developments, political crises and other events that lead to flight and route cancellations or frequency reductions have a significant influence on air travel performance. As an international hub in Central Europe, the economic development of Vienna Airport is primarily influenced by economic developments in the eurozone and – because of its geographical location – particularly by economic trends in the CEE region, as well as by the economic and political situation in the Middle East and Russia.

In 2014 there was a slight upturn in the global economy. The ECB currently expects growth in global GDP of around 3.6%. While industrial nations such as the UK and the USA are showing increasingly strong growth through rising domestic consumption and a clear recovery in the labour market, the impetus for growth in the emerging markets has continued to weaken. However, economic growth in the EU member states in Central, Eastern and South-Eastern Europe (with the exception of Croatia) restarted to accelerate in the third quarter, showing an average of 2.7% year-on-year growth for the same quarter. Economic growth in the eurozone also gained pace at the end of the year, but the current forecast shows restrained growth of only 0.8%. However, economic >

stimuli should help the economy in the eurozone to recover in 2015. (Source: Austrian National Bank, economic report)

Growth in the Austrian economy was lower in 2014 than expected at the start of the year. The Austrian National Bank is now expecting GDP growth of around 0.4% for 2014. This is mainly due to the weak economies in the eurozone and the resulting weak demand on Austrian companies from European trading partners. In contrast, the fall in value of the Euro created a positive stimulus for the domestic export economy from the USA, UK and Switzerland. Real consumption by private households showed only weak growth of 0.5%, but the recent strong fall in crude oil prices had a positive effect on it. The inflation rate across the whole year was 1.5%. In spite of the extremely low interest rate and the slow increase in lending since mid-2014, investments by Austrian companies for the whole year remain below expectations. However, the increase at the year-end of intermediated goods, such as machinery and vehicles, was considered to be positive. Nevertheless, no economic stimulus is expected from the construction industry, which is currently shrinking. (Source: Austrian National Bank, economic report)

› Tourism in Austria

In 2014, the number of overnight stays was only just under that of the previous year's record at 131.9 million (2013: 132.6 million). This was due to a decrease in stays by both domestic (minus 0.3%) and foreign (minus 0.7%) guests. The trend of structural change, which has been seen for several years, also continued in 2014 – while guests from Germany, the Netherlands and Russia stayed less often in Austria, more guests from Switzerland, Czech Republic, Poland and the USA were recorded in year-on-year comparison. The strong growth in the number of arrivals points to a decline in the average length of stay. (Source: Statistik Austria, Tourism 2014)

› Travel in Austria

Travel by the Austrian public rose slightly year-on-year in 2014. In the first three quarters, vacations increased by 1.5% to 14.7 million. In summer 2014 (July–September), the most important vacation time, the level remained almost constant at 6.7 million vacations (Source: Statistik Austria, Vacation and Business Travel by the Austrian Population).

Traffic at Vienna Airport

› Vienna: significant increase in local passengers and cargo in 2014, decline in transfer passengers

Traffic indicators	2014	Change in %	2013	2012
MTOW (in million tonnes)	8.2	+3.4	7.9	8.1
Total passengers (in million)	22.5	+2.2	22.0	22.2
Thereof local passengers (in million)	15.9	+4.6	15.2	15.1
Thereof transfer passengers (in million)	6.5	-3.9	6.8	7.1
Flight movements	230,781	-0.2	231,179	244,650
Cargo (air cargo and trucking; in tonnes)	277,532	+8.3	256,194	252,276
Seat load factor (in %)	75.0	n.a.	74.8	73.0
Number of destinations	172	-2.8	177	179
Number of airlines	70	-1.4	71	71

Passenger development in European airports showed average growth of 5.4%. While airports in Turkey, Iceland and Serbia showed even higher increases, EU airports achieved growth of 4.9% (Source: ACI Airport Council Inernational - Europe. Inhouse; January December 2014).

Vienna Airport handled 22,483,158 passengers in 2014 (2013: 21,999,926), which represents a year-on-year increase of 2.2%. Despite this new record number, it was a volatile year that was mainly influenced by political developments in Eastern Europe. The important function of Vienna Airport as an east-west hub was more strongly affected by this than other airports in Western Europe. In addition, the market environment in 2014 was characterised by strikes by airline and airport staff in Germany and France.

However, the reduction in transfers (minus 3.9%) was offset by strong growth in local traffic (plus 4.6%). The result included the start of many, mainly long-haul, flights, leading to growth in passenger volumes. After a weak first quarter, passenger traffic became significantly better during the summer season.

Growth in take-offs and landings of 2.6% was seen throughout Europe (Source: ACI Airport Council Inernational - Europe. Inhouse; January December 2014). At Vienna Airport, 230,781 flight movements were recorded, which represents a year-on-year reduction of 0.2% (2013: 231,179). The maximum take-off weight (MTOW) increased year-on-year, mainly due to new long-haul offerings, by 3.4% to 8,179,391 tonnes (2013: 7,913,505 tonnes).

Growth in cargo traffic since the second half of 2013 also continued in 2014. The full 12 months resulted in solid growth of 8.3% to 277,532 tonnes (2013: 256,194 tonnes). In addition to a plus in trucking of 3.1% (at Vienna Airport), this mainly resulted from growth of 10.6% in air cargo to 197,761 tonnes. This was carried by airlines such as Korean Air, TNT Airways, China Southern Airlines and Cargolux. Thus Vienna also showed better growth in 2014 than the European average with an increase in cargo volume of 3.6% (Source: ACI Airport Council Inernational - Europe. Inhouse; January December 2014).

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› Comparison of traffic at European airports in 2014 (extract)

	Passengers in thousand	Change vs. 2013 in %	Flight movements[1]	Change zu 2013 in %
London*	131,459.8	4.6	869,012	2.7
Paris**	92,669.0	2.6	693,222	-1.3
Frankfurt	59,566.1	2.6	458,305	-0.7
Amsterdam	54,978.0	4.6	438,296	3.0
Madrid	41,815.3	5.3	341,911	2.9
Munich	39,700.5	2.7	357,295	-1.2
Rome	38,506.5	6.5	307,916	3.3
Milan***	36,598.1	2.0	319,017	-0.5
Zurich	25,426.9	2.5	248,943	0.9
Vienna	**22,483.2**	**2.2**	**229,450**	**-0.1**
Prague	11,149.9	1.6	122,311	-2.7
Budapest	9,146.7	7.5	80,586	3.5

* London Heathrow, Gatwick, Stansted ** Paris-Charles-de-Gaulle, Paris-Orly *** Mailand Malpensa, Linate, Bergamo
Source: ACI Europe Traffic Report December 2014

In 2014 Vienna remained one of the top ten airports in Europe for punctuality and further improved its service levels.

› Departing passengers in 2014 (scheduled and charter) by region

Region	2014	2013	Change in %	Share 2014 in %	Share 2013 in %	Change in %-points
Eastern Europe	2,025,666	2,165,556	-6.5	18.1	19.7	-1.6
Western Europe	7,761,325	7,536,817	+3.0	69.2	68.6	+0.6
Far East	408,707	363,163	+12.5	3.6	3.3	+0.3
Middle East	538,923	522,691	+3.1	4.8	4.8	0.0
North America	298,630	233,682	+27.8	2.7	2.1	+0.6
Africa	167,341	157,229	+6.4	1.5	1.4	+0.1
South America	12,024	10,977	+9.5	0.1	0.1	0.0
Total	**11,212,616**	**10,990,115**	**+2.0**	**100.0**	**100.0**	

Destinations in Western Europe, Vienna Airport's region with the highest passenger volumes, grew by 3.0% to 7,761,325 departing passengers, thus increasing the Western Europe region's share of passenger volumes from 68.6% to 69.2%. This growth was mainly due to increases in frequency in Western European capitals. The reduction by 6.5% to 2,025,666 departing passengers to destinations in Eastern Europe is mainly due to the crisis in Ukraine. The North American destinations continued to show positive growth (plus 27.8%) to 298,630 travellers, due to new destinations and increases in frequency. Thus its share of passenger volumes rose to 2.7%. Destinations in the Middle East (plus 3.1%), Africa (plus 6.4%) and South America (plus 9.5%) also showed growth.

As in previous years, Frankfurt was the most frequently selected destination. Here

1) Flight movements as per ACI: Movements exclusive General Aviation and Other Aircraft Movements

Vienna Airport registered a growth of 3.3% to 680,895 passengers. Strong absolute passenger growth was also seen in London (plus 8.5%), Berlin (plus 6.3%) and Madrid (plus 31.2%). On the long-haul routes, Bangkok was the most sought-after destination (115,726), followed by New York incl. Newark (110,467) and Tokyo (73,715).

› Development of the major airlines at Vienna Airport

The largest customer of Flughafen Wien AG – Austrian Airlines – reported a slight reduction of 0.7% in the number of passengers in 2014. This was reflected in a decline in the carrier's share of the total passenger traffic to 47.7% (2013: 49.1%). However, Austrian Airlines is still the dominating home carrier at Vienna Airport.

Restructuring within the Lufthansa Group resulted in shifts between passengers of Lufthansa (minus 12.4%) and Germanwings (plus 20.1%). With 3,884,471 passengers, NIKI/airberlin have a share of 17.3% of passenger volume (2013: 17.1%). With 496,935 passengers, Turkish Airlines contributed 2.2% to overall passenger numbers. Other European airlines also demonstrated pleasing growth, including Alitalia, Vueling Airlines, TAP Portugal and easyJet.

The average seat load factor (scheduled and charter) rose in 2014 from 74.8% to 75.0%. In 2014, 70 airlines (2013: 71) regularly flew into Vienna Airport, serving 172 destinations in 71 countries. New airlines include Air China und Ethiopian Airlines, which added Vienna to their long-haul flight schedules in 2014.

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Fee and Incentive Policy

The fee adjustments based on the price-cap formula and the procedure for adjustments in 2014 were based on the Austrian Aviation Security Act (FEG), which has been in force since 1 July 2012.

Vienna International Airport has a fee system that is very attractive in international comparison. The fees were adjusted as of 1 January 2014 based on a price-cap formula that was accepted by the airlines and the Austrian civil aviation authority (Austrian Ministry for Transport, Innovation and Technology) and is embedded in the FEG. 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 and landside infrastructure fee are based on the number of passengers. The infrastructure fee for fuelling is based on the volume of fuel. The maximum change in the fee equals the inflation rate minus 0.35-times the growth in traffic, which is defined as the three-year average for the change in traffic calculated over the twelve-month period from 1 August to 31 July. If traffic growth is negative, the maximum fee adjustment equals the inflation rate.

The fee structure was adjusted as follows as of 1 January 2014:

› Landing fee, airside infrastructure fee, parking fee:	+ 1.87 %
› Passenger fee, landside infrastructure fee:	+ 0.55 %
› Infrastructure fee for fuelling:	+ 1.83 %

The PRM fee (passengers with reduced mobility) remained unchanged at € 0.34 per departing passenger.

The Austrian Airport Fee Act and the Austrian Aviation Security Act (LSG) of 2011 require Flughafen Wien AG to collect a security fee from departing passengers. This fee equals € 7.70 for each departing passenger (local and transfer).

The transfer incentive of € 12.50 levied per departing transfer passenger from 1 January 2013 also remained unchanged at that level in 2014. This transfer incentive programme, which should reinforce Vienna Airport's role as a transfer airport, also calls for further progressive rates under certain growth conditions.

Flughafen Wien AG also continued its growth incentive programme, which comprises destination and frequency incentives as well as a frequency rate incentive, in 2014. These measures provide sustainable protection for the role of Vienna Airport as a bridgehead between west and east. The fee adjustments implemented on 1 January 2014 as well as the continuation and/or expansion of the successful incentive programme are designed to strengthen the competitive position of Vienna Airport and to promote strategically important intercontinental routes and traffic to destinations in Eastern and Central Europe.

Revenue in 2014

The rise in passenger numbers of 2.2% and the growth in cargo traffic at Vienna Airport (plus 8.3%) enabled Flughafen Wien AG to achieve a year-on-year increase in revenue in 2014 of 1.7% or € 10.5 million from € 603.8 million to € 614.2 million. Parking and other revenue from rentals and concessions also showed growth in 2014. In contrast, declines were recorded mainly in de-icing revenue due to the milder winter compared to 2013.

Airport revenues rose by 3.6% or € 10.9 million to € 317.9 million. Growth in passenger traffic drove growth in gross revenue from passenger fees (incl. PRM) of 2.6% or € 4.8 million to € 193.5 million, and passenger-related security fees from € 84.7 million to € 86.5 million. Despite the small reduction in flight movements (minus 0.2%), revenue from landing fees increased by 5.5%, due to the rise in the MTOW (plus 3.4%) and the adjusted fee structure, to € 66.4 million (2013: € 62.9 million). The infrastructure fee for the use of infrastructure equipment and facilities also increased by 2.3% or € 0.5 million to € 23.1 million. Reductions in revenue (cash discounts and incentives) fell mainly due to the smaller number of transfer passengers.

Handling revenue declined by 4.1% or € 5.7 million to € 135.1 million in 2014. Although gross revenue from cargo handling rose by 13.5% or € 3.8 million to € 32.0 million due to the growth in cargo volumes, individual services in particular saw a reduction of 42.9% or € 8.9 million to € 11.8 million, mainly due to lower revenue from aircraft de-icing as a result of the milder winter.

Non-aviation revenue incl. revenue from Group companies showed a total increase in 2014 of 3.4% or € 5.3 million to € 161.2 million. This growth was caused by the rise in parking revenues (plus 6.6% or € 2.1 million) and in other rental and concession revenue (plus 3.7% or € 3.0 million). The lounges contributed additional revenue of 10.3% or € 0.6 million.

Earnings

The development of earnings at Flughafen Wien AG in 2014 can be summarised as follows:

- Revenue: plus 1.7% or € 10.5 million to € 614.2 million
- Operating income, despite lower de-icing revenue and lower other operating income, rises to € 623.4 million (2013: € 617.8 million)
- Operating expenses, excl. depreciation and amortisation: minus 3.6% or € 15.9 million to € 425.5 million
- Earnings before interest, taxes, depreciation and amortisation (EBITDA): plus 12.2% to € 21.5 million to € 197.9 million
- Scheduled depreciation and amortisation: plus 4.6% or € 5.3 million to € 119.7 million
- No impairment in 2014 (2013: € 5.1 million)
- Earnings before interest and taxes (EBIT): plus 37.5% or € 21.3 million to € 78.2 million
- Financial results: plus 93.0% or € 2.0 million to minus € 0.1 million
- Earnings before taxes (EBT): plus 42.5% or € 23.3 million to € 78.1 million
- Net profit: plus 31.6% or € 14.0 million to € 58.4 million
- Retained earnings: € 34.7 million (2013: € 27.3 million)

Income statement, summary

in € million	2014	Change in %	2013
Revenue	614.2	1.7	603.8
Other operating income (incl. own work capitalised)	9.2	-34.6	14.1
Operating income	**623.4**	**0.9**	**617.8**
Operating expenses, excl. depreciation and amortisation	-425.5	-3.6	-441.4
EBITDA	**197.9**	**12.2**	**176.4**
Depreciation, amortisation and impairment	-119.7	0.2	-119.5
EBIT	**78.2**	**37.5**	**56.9**
Financial results	-0.1	-93.0	-2.1
EBT	**78.1**	**42.5**	**54.8**
Income taxes	-19.7	88.2	-10.5
Net profit for the period	**58.4**	**31.6**	**44.3**

In spite of lower de-icing income, Flughafen Wien AG recorded an increase in revenue of 1.7% or € 10.5 million to € 614.2 million, mainly due to the growth in airport revenue and non-aviation revenue.

Other operating income was around one third or € 4.9 million below the 2013 level at € 9.2 million in 2014. This can mainly be attributed to lower income from the disposal of non-current assets, as compensation for damages from the arbitration settlement of € 4.0 million had been recorded in the previous year. While own work capitalised remained almost constant for Flughafen Wien AG at € 2.2 million, income from the reversal of provisions fell by 14.4% or € 0.6 million to € 3.8 million.

Operating income rose in 2014 by 0.9% or € 5.6 million to € 623.4 million due to higher revenue.

› Operating expenses fell by 2.8% or € 15.7 million to € 545.2 million

in € million	2014	2013
Consumables and services	76.0	82.6
Personnel	221.6	196.9
Other operating expenses	127.9	161.9
Depreciation, amortisation and impairment	119.7	119.5
Total operating expenses	**545.2**	**560.9**

In addition to lower expenses for de-icing materials and fuel, the milder winter at the start of 2014 compared to 2013 resulted in a reduction in energy costs, which was also further supported by the cost-reducing energy-saving measures. Expenses for consumables (incl. energy expenses) thus fell by 20.1% or € 7.9 million to € 31.4 million. Expenses for services (incl. charges for security services) rose slightly by 2.8% or € 1.2 million to € 44.6 million.

Personnel expenses rose in 2014 by 12.6% or € 24.7 million from € 196.9 million to € 221.6 million. To a lesser extent this is due to the wage and salary increases of 2.0% from May 2014 mandated by collective bargaining agreements and, to a greater extent, to additions to provisions through changes to parameters (reduction in the discount rate used) and past service costs due to changed measurement bases. Expenses for winter services reduced in line with the lower activity rate. The average headcount fell by 1.0% to 3,183 employees.

Total wage costs rose slightly by 2.5% or € 2.0 million to € 83.6 million. The positive effect of the lower winter service activities was cancelled out by additions to provisions as a result of reducing the discount rate. Salary costs also increased by 11.6% or € 7.4 million to € 71.2 million. The employee-related provisions also had a negative effect here. Expenses for severance compensation rose by € 11.8 million to € 17.9 million due to higher provisions as a result of the reduction in the discount rate used. This also had an effect on expenses for pensions, which rose in year-on-year comparison by € 3.2 million to € 5.3 million. Social security expenses rose slightly by 0.7% or € 0.3 million to € 42.0 million. Other employee benefit expenses remained at the 2013 level of € 1.6 million.

Other operating expenses were reduced in year-on-year comparison by 21.0% or € 33.9 million to € 127.9 million, due to lower maintenance costs, the clear focus on cost savings and the absence of the negative effects of the snowy winter of 2012/2013. Maintenance expenses fell by € 31.3 million to € 23.6 million due to contra-cyclical renovation measures. Total expenses of € 25.8 million were recognised in 2013 for the renovation of runway 16/34. Transport costs also fell by 68.4% or € 1.1 million, as the removal of the immense volumes of snow had a negative effect in 2013. While third-party services reduced by € 1.7 million or 13.5% to € 10.7 million, services by Group companies rose by 1.3% or € 0.7 million to € 51.8 million due to the expanded range of services provided by these companies. Marketing and market communication expenses showed >

a rise of 6.1% to € 20.5 million. (2013: € 19.4 million). Legal, auditing and consulting fees were € 1.3 million or 23.2% below the level of the previous year at € 4.4 million in 2014.

EBITDA rose by 12.2% to € 197.9 million

Due to increased revenue and lower costs, the earnings before interest, taxes, depreciation and amortisation (EBITDA) of Flughafen Wien AG rose by 12.2% to € 197.9 million (2013: € 176.4 million).

› Depreciation and amortisation of € 119.7 million

in € million	2014	2013
Depreciation, amortisation and impairment	119.7	119.5
Capital expenditure (incl. financial assets)	80.0	68.5

In 2014, investments in intangible assets totalled € 1.2 million and investments in property, plant and equipment amounted to € 78.6 million. In addition to the higher investment volumes, scheduled depreciation and amortisation also increased year-on-year by € 5.3 million to € 119.7 million, partly due to the new estimate of expected useful lives. In 2013, impairment charges of € 4.9 million and € 0.2 million respectively were recognised for a cargo building and for other property, plant and equipment.

EBIT improves by 37.5% to € 78.2 million

The slight increase in depreciation and amortisation of € 0.2 million to € 119.7 million enabled growth in EBIT for Flughafen Wien AG of 37.5% or € 21.3 million to € 78.2 million.

Financial results reduced to minus € 0.1 million

The financial result fell from minus € 2.1 million to minus € 0.1 million. Higher income from investments of € 22.1 million (plus 11.3% or € 2.2 million) contrasted with lower revenue from the disposal of and write-ups to financial assets, which decreased by 67.6% or € 1.2 million to € 0.6 million in year-on-year comparison.

Interest result fell from minus € 24.5 million to minus € 23.6 million (minus 3.7%), firstly due to the repayment of financial liabilities and the rescheduling of existing loans at more favourable conditions, and, secondly, due to lower interest income (among others resulting from the redemption of securities in mid-2013).

Earnings before taxes rose by 42.5% to € 78.1 million

Flughafen Wien AG recorded earnings before taxes of € 78.1 million in 2014 (2013: € 54.8 million). The tax rate for 2014 equalled 25.3% (2013: 19.1%). The net profit rose by 31.6% year-on-year from € 44.3 million to € 58.4 million.

› Financial and capital management

Financial management at Flughafen Wien AG is supported by a system of indicators that is based on selected and closely synchronised ratios. These indicators define the scope of development, profitability and financial security within which Flughafen Wien AG moves in the pursuit of its primary goal to generate profitable growth.

Depreciation has a significant influence on the earnings indicators monitored by Flughafen Wien AG. In order to permit an independent evaluation of the operating strength and performance of the individual business segments, EBITDA – which equals operating profit plus depreciation and amortisation – is defined as the key indicator. The company also uses the EBITDA margin, which shows the relationship of EBITDA to revenue. The EBITDA margin equalled 32.2% in 2014, compared with 29.2% in the previous year. The protection of high profitability is a stated long-term goal of management.

The optimisation of the financial structure has top priority. At the Group level, this financial security is measured by the gearing ratio, which compares net financial liabilities with the carrying amount of equity. The ratio of net debt to EBITDA is also used to manage the financial structure.

Despite higher volumes of investments, financial liabilities fell year-on-year due to the premature and scheduled repayments of loans in 2014. Cash and cash equivalents fell accordingly by € 0.8 million and totalled € 0.7 million as of 31 December 2014.

In addition to the EBITDA margin, the return on equity (ROE after tax) is also used to evaluate the company's profitability. ROE compares net profit for the period with the average equity during the financial year.

› Profitability indicators

	2014	2013
EBIT in € million	78.2	56.9
EBITDA in € million	197.9	176.4
EBIT margin in %	12.7%	9.4%
EBITDA margin in %	32.2%	29.2%
ROE in %	7.8%	6.2%

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 profit for the period / Average equity (including untaxed reserves and government grants)
Average equity: (Equity in the prior year + equity in the current year) / 2

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Financial, Asset and Capital Structure

Balance sheet structure of Flughafen Wien AG

	2014	2013
Assets		
Non-current assets in %	95.3%	94.9%
Current assets in %	4.7%	5.1%
Total assets in T€	**1,753,991.3**	**1,815,133.9**
Equity and liabilities		
Equity*) in %	43.3%	40.1%
Liabilities in %	56.7%	59.9%
Total equity and liabilities in T€	**1,753,991.3**	**1,815,133.9**

*) including untaxed reserves and government grants

Total assets of Flughafen Wien AG amounted to € 1,754.0 million as of 31 December 2014, which represents a year-on-year decline of 3.4% or € 61.1 million. The capital-intensive nature of the company's business activities was reflected in an increase in the per cent of non-current assets to 95.3% (2013: 94.9%). Current assets were lower, mainly due to the decrease in other receivables.

Equity (including untaxed reserves and government grants) rose 3.2 percentage points year-on-year to 43.3% of the total assets and from € 728.7 million to € 759.6 million. The repayment of financial liabilities reduced liabilities as a per cent of the total assets to 56.7% (2013: 59.9%).

Assets

Non-current assets declined by 3.0% or € 51.0 million to € 1,671.1 million as of 31 December 2014. The carrying amount of intangible assets was 20.2% or € 2.6 million lower at € 10.3 million. Additions of € 1.2 million were contrasted by amortisation of € 4.0 million. Property, plant and equipment with a carrying amount of € 1,420.1 million represented the largest component of non-current assets: additions of € 78.6 million were contrasted by depreciation of € 115.7 million.

The carrying amount of land and buildings, including buildings on land owned by third parties, declined 1.6% or € 17.0 million to € 1,062.0 million. In 2014, capital expenditure (purchase of non-current assets and the start of operations in assets under construction) of € 39.8 million was made and depreciation of € 52.0 million was recognised.

The carrying amount of technical equipment and machinery also fell to € 227.5 million due to the recognition of scheduled depreciation of € 39.9 million and of additions (incl. reclassifications from assets under construction) of € 25.4 million.

A total of € 16.1 million was invested in other equipment, furniture, fixtures and office equipment during 2014 (additions to assets and putting assets under construction into operation). The carrying amount of these assets totalled € 64.8 million as of 31 December 2014.

Projects under construction, including prepayments made, amounted to € 65.8 million at year-end 2014 (2013: € 68.8 million).

Current assets (excl. deferred charges) fell by 11.0% or € 9.7 million in 2014 to € 78.6 million in 2014. This can be attributed to a reduction in other receivables, which fell by almost half in year-on-year comparison to € 13.0 million. On 31 December 2013, these included claims arising from an arbitration settlement of € 4.6 million and receivables from funds in transit of € 2.6 million.

Trade receivables rose by 6.4% or € 2.1 million to € 34.6 million, due to the increase in revenue. While receivables due from subsidiaries were almost at the level of 2013 at € 13.6 million, receivables from companies in which an investment is held rose by € 0.5 million. Securities remained unchanged year on year at € 12.1 million. Cash and cash equivalents sank from € 1.5 million to € 0.7 million.

Prepaid expenses and deferred charges were lower in year-on-year comparison due to lower prepayments, among others for duties and miscellaneous services.

› Equity and liabilities

Equity recorded by Flughafen Wien AG rose by 4.4% or € 31.7 million at year-end 2014 to € 749.8 million. Net profit of € 58.4 million for the reporting year was contrasted by the dividend payment of € 27.3 million for the 2013 financial year. Untaxed reserves fell by € 0.7 million to € 8.5 million due to the intended reversal.

Provisions rose by 16.4% or € 32.8 million in 2014 to € 233.4 million, mainly due to an increase in employee-related provisions due to the updated valuation of the defined benefit plans (severance payment and pension provisions, and service anniversary bonuses and semi-retirement provisions). Provisions for taxes rose due to the company's improved operating result. Other provisions (excluding provisions for service anniversary bonuses) fell by 3.5% or € 3.3 million to € 90.8 million, mainly due to their intended use.

Amounts due to financial institutions fell by 0.9% or € 4.4 million to € 499.8 million due to the repayment of financial liabilities. Trade liabilities fell by 25.5% to € 33.3 million.

Amounts due to subsidiaries fell by € 118.3 million to € 132.4 million, mainly due to the repayment of intercompany loans. Amounts due to companies in which an investment is held rose by € 4.5 million to € 12.5 million, mainly due to increased cash investments made by these companies to Flughafen Wien AG.

While other liabilities rose by € 5.6 million to € 59.6 million, primarily due to provisioning for the environmental fund, prepaid expenses and deferred charges fell by € 0.9 million to € 23.5 million.

› Cash Flow Statement

	in T€	2014	2013
Net cash flow from operating activities:			
+/−	Net profit for the period	58,351.2	44,329.7
+	Depreciation, amortisation and impairment	119,690.7	119,498.7
−	Write-ups to financial assets	-565.1	-645.4
+	Change in government grants	-135.9	-223.6
+/−	Change in employee-related provisions	19,356.3	-1,518.4
+/−	Change in other non-current provisions	1,117.2	775.0
−/+	Gains (-) / losses (+) on the disposal of intangible assets and property, plant and equipment	243.9	-4,154.2
+	Results from the disposal of current securities	0.0	-1,100.0
+/−	Other non-cash income and expenses	0.0	3.9
	Gross cash flow	**198,058.3**	**156,965.8**
−/+	Increase / decrease in inventories	206.6	-425.4
−/+	Increase / decrease in trade receivables	-2,078.8	8,464.7
−/+	Increase / decrease in receivables due from subsidiaries and associates	-389.9	-3,473.6
−/+	Increase / decrease in other receivables and assets (excl. financing) as well as prepaid expenses and deferred charges	7,661.3	2,503.9
+/−	Increase / decrease in trade payables and in other provisions	-2,179.9	2,908.1
+/−	Increase / decrease in amounts due to Group companies (excl. financing)	7,753.5	7,974.7
+/−	Increase / decrease in other liabilities (excl. financing) and deferred income	4,656.8	-3,213.0
		15,629.5	**14,739.4**
	Operating Cash flow	**213,687.8**	**171,705.1**
Net cash flow from investing activities:			
−	Payments made for investments in intangible assets and property, plant and equipment	-70,874.1	-74,566.7
+	Disposal of intangible assets and property, plant and equipment	4,437.5	501.4
−	Payments made for investments in financial assets	-191.6	-130.8
+	Payments received from the disposal of financial assets and current securities	5,369.3	15,423.0
		-61,258.9	**-58,773.1**
Net cash flow from financing activities:			
−	Dividend payments	-27,300.0	-22,050.0
+/−	Change in medium- and short-term financial liabilities	-125,914.0	-125,350.4
		-153,214.0	**-147,400.4**
Change in cash and cash equivalents		**-785.2**	**-34,468.4**

Corporate Spending

Investments in intangible assets, property, plant and equipment and financial assets rose by 16.7% or € 11.5 million to € 80.0 million in 2014. Capital expenditure in 2014 included € 78.6 million for property, plant and equipment and € 1.2 million for intangible assets.

The reporting year was characterised by several large construction projects. New occupants moved in to the new hangar 7 (investment in 2014: € 10.9 million) in early summer. The new Pier West was opened in late autumn (investment in 2014: € 9.6 million). The opening of the new railway station at Vienna Airport was a notable feature in December (investments in 2014: € 7.8 million), as was the completion of the new cargo apron positions, in which € 11.8 million was invested in 2014.

Branch Offices

Flughafen Wien AG had no branch offices in 2014 or 2013.

Financial Instruments

A financial instrument is a contract that simultaneously creates a financial asset in one entity and a financial liability or equity instrument in another entity. In particular, financial assets include financial investments such as consolidated and other holdings, securities, trade receivables, originated loans and other receivables, non-derivative and derivative financial assets, and cash and cash equivalents. Financial liabilities generally represent an obligation to deliver cash or other financial assets to a creditor and consist, above all, of amounts due to financial institutions, trade payables and derivative financial liabilities. Financial assets and financial liabilities are normally not offset for presentation, 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 the purchase of the shares in Flugplatz Vöslau BetriebsGmbH by Flughafen Wien AG for a fixed price of T€ 5,562.4. Further details are provided in the notes to the financial statements.

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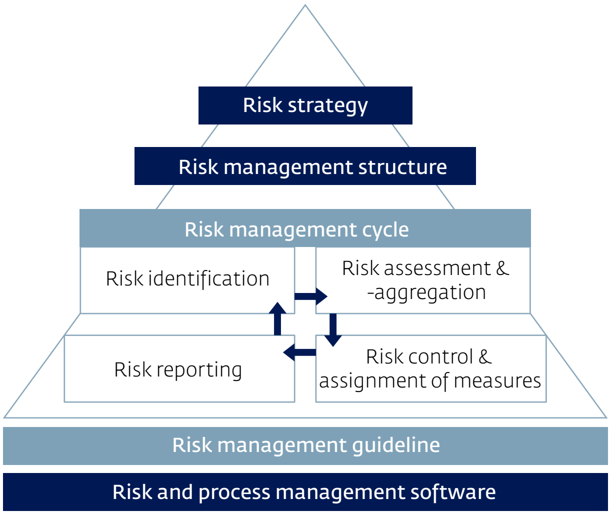
Risks of Future Development

› Risk management

The Flughafen Wien Group (FWAG) utilises an extensive risk management system, which ensures that relevant risks are identified, analysed, assessed and dealt with by suitable measures. This system is described in the following diagram.



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

The risk management system is controlled by risk policy principles in the form of the risk strategy. A clearly defined risk management organisational structure is based on these guidelines and applies across the whole structure of the Flughafen Wien Group.

From an organisational perspective, risk management is located within the Controlling Department. All risk management activities are coordinated by this function. However, all employees of FWAG are required to participate actively in risk management in their areas of activity in order to integrate the function into their ongoing business processes. Risk owner and risk deputies are especially responsible for this.

The risk management cycle, consisting of risk identification, risk assessment and aggregation, risk control and assignment of measures, and final reporting, runs efficiently on the basis of these persons and their defined roles. This process is supported by comprehensive written documentation of FWAG's entire risk management system in the form of the risk management guideline that applies throughout the Group, and process and risk management software which serves as a central database of all identified risks and associated measures. Finally, the active and open communication of risks is a stated goal and a key success factor of the risk management system.

The internal control system (ICS) also covers aspects of risk management in the sense of ensuring the reliability of operational reporting, complying with the associated legislation and rules, and safeguarding the assets. The internal audit department of Flughafen

Wien AG also regularly evaluates business practices and organisational processes for compliance with Group guidelines, security and efficiency. The Management Board therefore has access to the necessary instruments and structures to identify risks at an early point in time and to implement appropriate countermeasures or otherwise minimise these risks. The existing systems are evaluated on a regular basis and extended as required.

› Economic risks

The development of business at FWAG is significantly influenced by regional, European and global aviation trends which, for their part, are heavily dependent on general economic conditions. Economic fluctuations can therefore have a significant influence on FWAG. Based on an autumn forecast by the European Commission, FWAG assumes the development of the macroeconomic environment in 2015 will be more positive than in the previous year.

The development of traffic is also significantly influenced by external factors such as terror, war or other external shocks (e.g. pandemics, closing of air space due to natural disasters etc.). In addition to emergency plans, Vienna Airport works to counter the effects of such shocks with high standards on the quality of security and proactive public relations. This involves close cooperation with the Austrian Federal Ministry of the Interior and the Federal Police Department in Schwechat as well as specific security measures for customers.

Increasing trade barriers, sanctions and political crises can have a negative effect on the supply and demand situation for air travel. In 2014, this especially applied to the political situation in Ukraine and in the crisis regions in the Middle East. Such developments are therefore monitored and evaluated closely to allow for the implementation of countermeasures or preparatory actions. The development of the oil price and the related price of kerosene can also have a substantial impact on air travel.

Depending on the intensity and impact of such events, FWAG can react to the decline in traffic triggered by such shocks by adjusting available resources and modifying its capital expenditure programme.

› Industry risks

The industry association IATA is forecasting an overall increase in profit for the European airlines in 2015 (Source: IATA Financial Forecast, December 2014). However, FWAG expects a continuation of the high competitive and cost pressure on the airlines. It can therefore be assumed that the airlines will proceed with their efficiency and profitability improvement programmes (cost reduction, portfolio optimisation, slower fleet expansion, fleet reduction). This will also increase the cost pressure on the European airports.

The enactment of a new federal law ("Flugabgabegesetz") in 2011 resulted in an additional charge for airline passengers. The airlines are required to collect this additional duty for passengers departing from Austrian airports on behalf of the Austrian Ministry of Finance. The amount of the duty is dependent on the destination, and equalled € 7 for short-haul flights, € 15 for medium-haul flights and € 35 for long-haul flights since 1 January 2013. The duty has a negative effect on passenger traffic and thus weakens Vienna Airport's competitive position, as most European countries do not levy taxes of this kind. >

FWAG believes the EU emission guidelines and environmental standards significantly weaken the position of European airlines as well as the role of European airports as transfer hubs in comparison with alternative locations outside Europe. This could reduce the attractiveness of European airports as transfer hubs or lead to a reduction in transfer traffic over the medium term. In the long term, the creation of new hubs in the Middle East and Turkey could lead to a shift in global (transfer) traffic.

› Market and customer structure risks

The Austrian Airlines Group is responsible for 47.7% of the passengers and is FWAG's largest customer. Its sustainable development as a strong home carrier linked to the network strategy of the Star Alliance, in which the Austrian airlines group is integrated as a partner, have a significant influence on the commercial success of FWAG. The development of this key customer is continuously monitored and analysed by the responsible business units.

In autumn 2014, the agreement to a new collective bargaining agreement for the flight crew of Austrian Airlines was announced. As a result, the litigation over the transfer of operations into the subsidiary Tyrolean Airlines was settled and the conditions have been created for the entire flight operations to be once again handled via Austrian Airlines from March 2015. This agreement means that the uncertainty regarding the further development of the airline has been considerably reduced.

The trouble spots in Ukraine and the Middle East had a negative effect on Austrian Airlines over the past year, resulting in a reduction in passenger traffic across the entire company of 1.1%. A reduction of 2.5% in continental European traffic was partly offset by the positive development of long-haul routes (plus 7.3%). Furthermore, capacities were extended with an additional Boeing 777. As a result, Austrian Airlines transported around 10.7 million passengers over the year at Vienna Airport (minus 0.7% year-on-year). The development of the long-haul connections (Newark) made a further contribution to strengthening its attractiveness as a transfer hub. FWAG assumes that, after the settlement of the collective bargaining agreement, the airline will continue on its consolidation course, successfully complete its economic turnaround and thus lay the foundations for continuing the current network strategy with a focus on east-west transfers. However, there remains a residual risk in respect of the further development, which depends on various factors (overarching strategy of the Group parent, competitive environment, regulatory frameworks, etc.).

NIKI and airberlin hold second and third place in the FWAG customer ranking with passenger shares of 11.0% and 6.2%, respectively. At a Group level, airberlin increased passenger numbers by 0.6% in 2014. Traffic at Vienna Airport also grew, with plus 2.7% for NIKI and plus 4.0% for airberlin. Despite wide-ranging measures and improvements in cost efficiency, the economic turnaround of the airberlin Group had still not been achieved in 2014.

The new strategic direction and restructuring at NIKI has been largely completed. A strategic partnership with Etihad Airways was achieved in 2014, which includes a codesharing programme with daily NIKI flights to Abu Dhabi. In addition, the range of destinations was selectively adjusted, which resulted in the removal of former destinations (incl. Frankfurt and Copenhagen), and the inclusion of new routes (incl. Larnaca and Madrid).

The future development of the airberlin Group is connected with uncertainty due to the current earnings situation, in spite of the investment and support provided by Etihad

Airways. The Group continues to find itself in the red, with the need for further action despite successes through its "Turbine" turnaround programme. In mid-2014 a further restructuring programme was announced, which aims to achieve an improvement in net profit of € 400 million by 2016 – largely through cost savings, efficiency increases and network restructurings. However, FWAG assumes these adjustments will only have a minimal direct effect on Vienna Airport.

FWAG counteracts market risk with marketing measures as well as competitive fee and incentive models that apply equally to all airlines. In particular, the company's goal is to share the airlines' market risk and thereby promote strategically important intercontinental routes and traffic to destinations in Central and Eastern Europe.

In 2014, growing developments that are relevant to FWAG were noted at Bratislava Airport. This mainly concerns the increased presence of the low-cost segment (especially Ryanair and flydubai), which has increased competitive pressure in the catchment area through the deployment of aircraft and extending the range of destinations.

Flughafen Wien AG was able to successfully protect its leading market position in ramp, traffic and cargo handling during the reporting year. The foundation for this strong standing in competition with other service providers is formed by specially designed service packages and high quality standards. Long-term handling agreements for ramp services were concluded with the key customers Austrian Airlines and NIKI/airberlin. These agreements substantially reduced the market risk for the Handling Segment.

The handling services provided by FWAG are the subject to growing price pressure as well as rising quality demands from the airlines. Service level agreements (SLA) that include penalties in case of failure to meet quality targets are becoming increasingly popular. The number of those flight movements that is relevant to the handling revenue of Flughafen Wien AG has continued to decline, although the extent of the decline has significantly diminished (only minus 1.2% in year-on-year comparison).

As part of the European Commission's work programme for 2015, it was announced at the end of 2014 that the intention to liberalise ground handling services would no longer be pursued. It must therefore be assumed that any negative consequences from the licensing of a third ramp handling agent and the associated increase in competitive pressure and loss of market share to competitors cannot be directly expected. If and when the Commission will make a new attempt cannot currently be foreseen.

In the cargo business, the dominant market position of a few airlines and forwarding agents represents a certain risk. FWAG works to further diversity its portfolio and thereby reduce this risk by continuously monitoring the airlines and acquiring new customers. The cargo business is also highly sensitive to economic fluctuations. FWAG is therefore continuing to monitor these developments very closely because of the active cargo strategy and the related expansion of the cargo infrastructure at Vienna Airport that is currently being planned.

FWAG rents buildings and space that are used primarily by companies whose business is dependent on the development 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-related contractual components, this is linked to effects on the revenue situation in the retail and real estate sectors.

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› Development risks for international business

The remaining foreign airport investments of Flughafen Wien AG (Malta and Košice – Friedrichshafen was sold in 2014) are not only exposed to the above-mentioned industry risks, but also to additional local challenges and market risks. One of the major risks in this area is the five-year restructuring plan for Air Malta, which is expected to, and indeed must, ensure the survival of Malta's home carrier by 2016. The bankruptcy of this airline would most likely have negative consequences for the investment in Malta Airport. While progress has been made in the last few years, the airline has once again found itself in the red. Nevertheless, the turnaround for the 2016 financial year will be adhered to.

Political and regulatory risks – which include the taxation of air travel, air traffic restrictions by public authorities or changes in applicable laws and requirements by public authorities that result in additional costs – are monitored continuously. These types of factors can influence medium-term planning and create a risk that a specific investment may become impaired.

› Financial risks

Capital expenditure at FWAG is financed by operating cash flows as well as long-term, fixed interest and/or variable interest borrowings.

Interest rate risk results, above all, from variable interest on financial liabilities and assets. The FWAG treasury department is responsible for the efficient management of interest rate and market risks, evaluates the respective risk positions on a regular basis as part of risk controlling and selectively uses interest rate derivatives to minimise the risk of changing interest rates.

Detailed information on financial instruments, strategies and financial risks – including liquidity risk, credit risk, interest rate risk and foreign exchange risk – is provided in the notes to the consolidated financial statements.

The EIB credit agreement defines terms for the liability of qualified guarantors. The current guarantors cancelled the guarantee agreement that serves as collateral for the EIB loan as of 27 June 2013 at the full amount of € 400.0 million. Following the conclusion of a new syndicated guarantee agreement, as of 28 June 2013, six financial institutions took over as guarantors for the outstanding EIB loan of € 400.0 million. After one guarantor had to be changed in August 2014 due to a rating downgrade, two of the existing financial institutions assumed the released guarantee amount. Thus there are now five financial institutions acting as guarantors to the EIB.

› Investment risks

FWAG's expansion projects are exposed to various risks – including the loss of suppliers, higher construction costs or changes in planning – that could increase the intended expenditures. A special analysis procedure is therefore used in the planning stage to evaluate the potential risk associated with investment projects, while regular risk monitoring is based on an analysis and evaluation process that is part of project controlling. Any special risks identified by the project managers (e.g. contaminated soil) are incorporated in the respective calculations.

Expansion projects are developed in close coordination with the airlines based on the expected development of traffic. Expert forecasts for the growth in passenger volumes over the medium- and long-term reduce the financial risk associated with these investments and ensure that sufficient capacity is available to meet the forecasted demand.

The provincial government of Lower Austria, as the responsible public authority, at first instance officially confirmed the environmental compatibility of the project "parallel runway 11R/29L" (the third runway) during summer 2012. Twenty-three appeals against this first instance decision were brought to the environmental tribunal within the stated deadline. Due to the objections and the changed legal situation, additional expert opinions were commissioned as part of the second instance proceedings. At the end of 2013, responsibility passed from the environmental tribunal to the newly created Austrian Federal Administrative Court, which is now responsible for the second instance proceedings. Oral proceedings took place at the beginning of January 2015. From today's standpoint, the decision of the Austrian Federal Administrative Court is expected during the course of 2015. It is also possible that the Supreme Courts, or even the European Court of Justice, will also be asked to review this matter.

Current forecasts for the development of passenger traffic indicate that Vienna Airport will reach its capacity limits after 2020. The parallel runway project (third runway) is therefore crucial to ensure the availability of sufficient capacity on a timely basis. As soon as a legally binding decision is issued, Flughafen Wien AG will decide on the realisation of this project based on the expected development of passenger traffic and updated profitability calculations. If the project is not realised, significant elements of the capitalised project costs would probably have to be written off. The amount of this would be dependent on the extent to which an alternative use could be found.

The valuation of assets is based on the assumption that Vienna Airport will maintain its position as an east-west hub.

› Legal risks

The requirements of public authorities, above all in the area of environmental protection (e.g. noise, emissions, changes in departure and approach routes) can create legal risks. Flughafen Wien AG works to counter these risks, above all, with information and the involvement of local citizens in the mediation process (e.g. third runway) or through neighbourhood advisory boards.

The start of the project to introduce the EMAS environmental management system in 2014 will ensure that proof of legal conformity in the environmental field is provided through positive external certification in October 2015.

The liberalisation of ground handling services will no longer be pursued at the level of the European Commission, as a result of which there will be no further market liberalisation for the time being.

Non-compliance with legal requirements can create liabilities for management. Legal risks are therefore monitored in all software projects, and the necessary actions taken. For example, any storage or archiving of personal data is reported in accordance with Austrian data protection laws. Flughafen Wien AG implemented the Issuer Compliance Regulations in a separate corporate guideline. The company has established permanent areas of non-disclosure to prevent the misuse or distribution of insider information, and also creates ad-hoc areas as needed. A variety of organisational measures and control mechanisms has also been implemented to monitor these processes on a regular basis. The compliance officer of Flughafen Wien AG discusses his activities with the Supervisory >

Board each year, and also prepares a written report that is submitted to the Austrian Financial Market Authority.

› Personnel risks

Motivated and committed employees play an important role in the success of FWAG. In order to counteract the loss of know-how through turnover, numerous measures have been implemented to strengthen employee ties. Steps have also been taken to increase occupational safety and to minimise illness-related absences.

› ICT risks

The inclusion of risk management in the planning process allows for the early identification, assessment of risks – above all for ICT projects (information and communication technology) – and the implementation of appropriate measures. Measures are also in place to continuously improve this risk management process.

The major operating risks in the area of information and communications technology include system breakdowns, the destruction of central systems and the potential loss of sensitive data. This risk was further reduced in 2014 by the expansion of preventive measures, e.g. the implementation of additional redundancies.

The basic infrastructure, which includes electricity and air conditioning supplies, is exposed to risk in connection with the availability of central systems. Measures have been and are being continuously developed to achieve the greatest possible reliability, such as via ring mains.

Redundant systems have been implemented at all central network interfaces to permit the continued operation of the network and related systems if an individual component breaks down. However, there is a low residual risk because unforeseeable errors (disasters) preclude guarantees for 100% availability.

State-of-the art monitoring systems and emergency procedures have been implemented for all operating systems – for example, regarding the "mach2", Vienna Airport's core system – which support the early identification of problems and ensure a high degree of reliability. These systems are the focus of continuous development to guarantee compliance with the latest technical and legal requirements.

The mach2 systems form the backbone of the IT systems used at Vienna Airport. They provide nearly all other systems with an update on incoming and outgoing flights in near-real-time and also show flights planned for the future. The necessary master data (e.g. airlines etc.) is administered centrally and also made available to the related systems.

In addition, the mach2 systems include special functions that are required for smooth airport operations. Examples of these functions are load planning, telex reception, dispatch and distribution, and display systems for passengers and employees.

Additional systems are linked to mach2 and cover apron planning, ground handling disposition and cargo handling.

The ERP software (Enterprise Resource Planning) SAP is used as the central accounting and HR management system. This system is not only used for invoicing, but also for central analysis and reporting. In addition to previously realised measures and controls, additional quality assurance measures are planned to further minimise the risk of a breakdown.

› Environmental risks

The situation at Vienna Airport can be considered stable because of the existing operational restrictions (no use of noise-sensitive take-off and landing routes from 9:00 pm to 7:00 am) as well as a limit on the absolute number of flight movements between 11:30 pm and 5:30 am. Additional restrictions on night flights which could lead, in particular, to a decline in cargo and long-haul traffic, are not currently expected.

› Damage risks

The risk of damages includes fire and other events that could result from natural disasters, accidents or terror as well as the theft of or damage to property. In addition to appropriate safety and fire protection measures and emergency plans that are rehearsed on a regular basis, these risks are covered by insurance.

The major liability risks connected with operations are covered by aviation liability insurance, while the risks associated with terror liability are covered by terror liability insurance. The efficient and central handling of insurance business is dealt within the relevant department.

› General risk assessment

A general evaluation of the risk situation concluded that the continued existence of FWAG is protected for the foreseeable future and did not identify any risks that could endanger this continued existence. From the current point of view, FWAG generates sufficient funds to pursue the airport expansion as planned.

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Report on the key features of the internal control and risk management systems for accounting processes

In accordance with § 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 the organisation of the internal controls related to accounting processes at FWAG.

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 their particular company. These managers also represent the final authority for ensuring compliance with all related Group guidelines and directives.

The structure and design of FWAG's internal control system (ICS) was defined in a policy. The objective of the internal control system is to ensure the reliability of financial reporting and compliance with all applicable laws and regulations.

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 documentation for the control system is maintained in a standard software that also supports the process-related depiction of risks and controls.

› 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 moral standards, 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. The consolidated and annual financial statements form the main criteria for the identification of the major ICS risks. A change in the volume of business processes or the underlying accounts can lead to changes in the identifiable ICS risks and controls.

When preparing the consolidated and annual financial statements, selective estimates of future development must be made, which carries an inherent risk of deviation from these planning assumptions. In particular, the following circumstances or positions in the annual (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. The company draws on external experts or obtains a validation from external sources, peer group comparisons and other suitable instruments in order to minimise the risk of inaccurate estimates.

› 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 transition 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 and PC Konsol enterprise reporting software are used for accounting and financial reporting purposes. The functionality of the accounting system is guaranteed, among others, 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. Activities at the management level are intended to ensure compliance with all accounting guidelines and directives, and to also identify and communicate weak points and opportunities for the improvement of accounting processes. The accounting staff also attends regular training courses that cover changes in international accounting policies and practices, in order to minimise the risk of errors.

› Monitoring

Management, the controlling 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. Controls are reviewed to ensure their effectiveness, and the ICS itself is also evaluated by the internal audit department. The results of monitoring activities are reported to the audit Committee and the Supervisory Board.

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Research and Development

As a central internal service provider of information and communications technology, the information systems service unit develops and operates software for airport operations. The MACH airport operating system, which was used for many decades, was replaced by the mach2 successor system in 2012.

This system replacement also included the ongoing improvement and expansion of individual programme modules by the information systems service unit.

In 2014, some improvements were made to the electronic display systems during the renewal of the passenger guidance system. So, for example, layouts on flight information monitors were improved in close collaboration with associations for persons with special needs. Furthermore, the information monitors were modified to show waiting times in the baggage claim area and in security, as well as travel times to the gates.

Work also proceeded on the implementation of the CDM-ISP project (Collaborative Decision Making - Information Sharing platform) in 2014. The information sharing platform to be developed as part of this project will create the basis for introducing the CDM process at Vienna Airport. Through more exact planning, better analysis and the optimisation of resources, this tool will lead to significant cost savings for the participating system partners (Airlines, Passenger and Ground Handling, Air Traffic Control).

In 2014, the status "Airport CDM locally implemented" was achieved and, in future, work will proceed on achieving "fully implemented" status.

Another focus was and still is on increasing customer satisfaction; this can be achieved through the further development of an airport-specific app for iOS and Android (Vienna Airport app), among other things.

Expenses for the research and development of individual programme modules of the airport operations software and other development activities amounted to € 0.6 million in 2014 (2013: € 0.7 million).

Environmental and Labour Issues

› The environment

Flughafen Wien AG is committed to considerate environmental management that is focused on sustainability. Within the framework of its corporate social responsibility strategy, Flughafen Wien AG works to sustainably increase the value of the company and to continuously reduce the negative ecological effects of its business operations. Accordingly, the company has introduced a variety of measures to reduce the impact of air traffic. As a result, the effects of pollutant and noise emissions on the environment should be kept to a minimum.

For example, a wide range of optimisation projects led to a significant and sustainable reduction in energy consumption. Substantial savings have already been realised with the replacement of technical equipment, the further optimisation of ventilation equipment through the installation of air flaps and various improvements to lighting in the apron and terminal areas and in various advertising spaces.

In 2014, a total of € 1.1 million (2013: € 1.1 million) was invested in environmental protection during the reporting year (excluding the noise protection programme). Projects were focused on the reduction of pollutant and noise emissions in order to minimise the effects on the environment – and above all on neighbouring residents.

In 2014, environmental management focused on the preparations for the enactment of the Energy Efficiency Law in 2015. The new Energy Efficiency Law requires companies to carry out regular energy audits or to implement an energy management system. Flughafen Wien AG has decided to introduce the even more extensive EMAS environmental management system, which goes further than the legal requirements. The aim of EMAS is to continually improve environmental protection in the business. EMAS will help to show where ecological and economic improvements can be made, and where supplies and energy, and therefore costs, can be saved. In addition to showing all activities in the area of environmental protection and ascertaining energy savings measures, it will ensure legal conformity in the environmental field. The implementation (including certification) will be completed by 31 October 2015.

Based on the commitment of the airports to continually reduce their CO_2 emissions, the branch association Airports Council International (ACI) originated the Airport Carbon Accreditation System in 2009. More than 100 airports have already joined the initiative – including Vienna Airport. In 2013 alone, the participating European airports achieved a reduction of 353,842 tonnes of CO_2. In 2014, Flughafen Wien AG achieved Level 1 for the second time in a row; this requires the preparation of a CO_2 emission balance sheet. The aim in 2015 is to achieve the next level – Level 2, which the reduction of CO_2 emissions at the Airport already provides for.

Airport City Vienna is the first industrial park in Austria to be awarded the district certificate for industrial parks by ÖGNI (Austrian Sustainable Building Council) in December 2014. The park, which includes over 70,000 m² of office and conference space as well as hotels and transport offerings, was assessed against various criteria, such as ecological and economic quality, as well as socio-cultural and functional features. This certificate ensures that the development of the Airport City Vienna site takes account of sustainable criteria in an objective way.

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Flughafen Wien AG's noise protection programme that was started in 2005 as part of the mediation contract was successfully continued during 2014. Nearly 12,000 households in the region now benefit from the related measures. Funds totalling € 51.5 million have been provided for the implementation of noise protection measures. Expert opinions were prepared for roughly 6,235 properties by the end of 2014, and optimal noise protection was installed in 2,878 of these properties. During the implementation of the noise protection programme, up to 1,300 tonnes of CO_2 are saved each year through window replacement and renovation (17,000 windows since 2007).

› Overview of environmental indicators for Flughafen Wien AG:

	2014	2013
Number of passengers	22,483,158	21,999,926
Electricity consumption per year in kWh	144,161,388	151,642,950
Electricity consumption in kWh per year and passenger	6.50	6.89
Heat consumption per year in MWh	107,065	126,194
Heat consumption in MWh per year and passenger	0.0048	0.0057
Water consumption per year in m³	582,704	650,603
Water consumption in m³ per year and passenger	0.026	0.030
Waste water disposal per year in m³	601,501	768,420
Waste water disposal per year and passenger	0.027	0.035
Residual waste aircraft in kg	1,168,080	1,134,400
Residual waste aircraft in kg per passenger	0.053	0.052
Waste paper aircraft in kg	843,660	1,148,920
Waste paper aircraft in kg per passenger	0.038	0.052
Residual waste VIE in kg	2,859,820	2,813,660
Residual waste VIE in kg per passenger	0.128	0.127
Waste paper VIE in kg	522,020	497,560
Waste paper VIE in kg per passenger	0.023	0.023
Aluminium/cans/metal VIE in kg	6,030	5,730
Aluminium/cans/metal in kg per passenger	0.0003	0.0003
Biogenic waste VIE in kg	159,500	182,680
Biogenic waste in kg per passenger	0.007	0.008
Glass VIE in kg	122,820	110,210
Glass VIE in kg per passenger	0.006	0.005
Plastic packaging VIE in kg	154,950	130,080
Plastic packaging VIE in kg per passenger	0.007	0.006
Hazardous waste VIE in kg	229,850	195,266
Hazardous waste VIE in kg per passenger	0.010	0.009
Share recycled in %	90.8%	89.3%

The reduction in power consumption of 4.9% year-on-year was mainly driven by the energy efficiency measures that were implemented, especially in the areas of ventilation, air conditioning and lighting, where frequency converters now control ventilators in line with demand, and additional built-in air flaps enable further energy reductions.

A lower number of heating degree days in 2014 was the main reason why total heating requirements were 15.2% lower year-on-year.

Because more and more airlines are dispensing with free newspapers in economy class, the amount of waste paper from aircraft has reduced year-on-year by 26.6%. This trend will accelerate in the next few years.

› Workforce issues

The average number of employees in Flughafen Wien AG declined from 3,216 to 3,183 in 2014 (minus 1.0%) as a result of synergy effects from organisational restructuring and the on-going cost reduction programme.

Employees	2014	Change in %	2013
Number of employees (average)	3,183	-1.0	3,216
Thereof wage employees	2,128	-1.1	2,151
Thereof salaried employees	1,056	-0.8	1,065
Number of employees (31 December)	3,087	1.7	3,035
Traffic units per employee	7,699	3.7	7,426
Average age in years	40.7	0.7	40.4
Length of service in years	11.1	1.8	10.9
Share of women in %	11.6	- 7.2	12.5
Training expenditures in EUR	987,000	1.0	972,000
Reportable accidents	115	n.a.	115

The number of traffic units per employee in Flughafen Wien AG rose by 3.7% to 7,699 in 2014 based on the continued implementation of measures to improve efficiency throughout the company.

Flughafen Wien AG also provides voluntary benefits for its workforce to strengthen identification with the company and to increase motivation. These benefits include free-of-charge transportation to and from Vienna, a day care centre with flexible opening hours and reduced costs for numerous recreational and sporting activities.

Flughafen Wien AG created an independent employee foundation over ten years ago to allow its employees to participate directly in the success of the company. This foundation holds 10% of the shares in FWAG and distributes the dividends received on these shares to company employees. The bodies of the foundation are defined in the articles of association and are completely independent of Flughafen Wien AG. Approx. € 2.73 million from the dividends was paid out from the employee foundation to the employees in 2014; this retroactively represents the dividend for 2013 and corresponds to 34.09% of the average gross monthly salary or wage per employee. The allocation is based on the individual gross annual salary or wage.

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Disclosures required by § 243a of the Austrian Commercial Code

› 1. Share capital and shares

The share capital of Flughafen Wien AG totals € 152,670,000 and is fully paid in. It is divided into 21,000,000 shares of bearer stock, which are securitised in a collective certificate and deposited at the ÖKB (Österreichische Kontrollbank AG). All shares carry the same rights and obligations ("one share – one vote").

› 2. Syndication agreement

Two core shareholders – the province 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 was concluded in 1999 and has remained unchanged since that time. It calls for the joint exercise of voting rights on the syndicated shares at the annual general meeting. Any amendments to the syndication agreement, the dissolution of the syndicate and resolutions to admit a new partner to the syndicate require unanimous approval. The syndication agreement provides for reciprocal rights of purchase if one party intends to sell its syndicated shares to a buyer outside the syndicate (third party) through a legal transaction in exchange for return compensation. This reciprocal right of purchase does not apply if the syndicated shares are transferred to a holding company in which the transferring syndicate partner owns at least a majority stake. The company is not aware of any other limitations on voting rights or the transfer of shares.

› 3. Investments of over 10% in the company

The city of Vienna and the province of Lower Austria each hold 20%, and Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee foundation) holds 10% of the share capital of Flughafen Wien AG. On 7 November 2014, Airports Group Europe S.à r.l., a limited liability company with its registered office in the Grand Duchy of Luxembourg, made a voluntary public offering under §§ 4 et seqq. of the Austrian Takeover Act for up to 6,279,000 shares with voting rights in Flughafen Wien Aktiengesellschaft. This corresponds to up to 29.9% of the voting rights. On 19 December 2014, Flughafen Wien AG was informed by Airports Group Europe S.à r.l. that Airports Group Europe S.à r.l. had acquired 6,279,000 shares in Flughafen Wien AG by the end of the acceptance period (this corresponds to 29.9% of the voting rights). The company is not aware of any other shareholders with a stake of 10% or more in share capital.

› 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 to or dismissal of members from the foundation's managing board requires the approval of the advisory board of the Flughafen Wien employee foundation, whereby a simple majority is required for such decisions. 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 and Supervisory Boards

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 his/her 65th birthday. Election to the Supervisory Board is possible for the last time in the calendar year in which the candidate reaches his/her 70th birthday. There are no other provisions governing the appointment or dismissal of members of the Managing 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 has been granted no explicit rights that are not derived directly from Austrian law, in particular with respect to the issue or repurchase of shares in the company. The company has no authorised capital at the present time.

› 8. Change of control

Change of control clauses are included in the agreements for both the EIB (European Investment Bank) loan of € 400.0 million and other financing agreements with a total volume of € 101.34 million (current balance: € 78.64 million). These financing agreements with a total volume of € 501.34 million (current balance: € 478.64 million) were concluded with Austrian and international financial institutions. 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 province 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 a controlling influence over these persons). For financing of € 400 million, a change of control does not include the direct or indirect reduction in the joint investment held by the province of Lower Austria and the city of Vienna to less than 40% but more than 30% of the voting shares in Flughafen Wien AG in conjunction with a capital increase by the company without the full or partial exercise of subscription rights by these two shareholders, unless a natural person or legal entity that does not currently exercise control over Flughafen Wien AG gains control (as defined above) over the company at the same time.

› 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

The corporate governance report for 2014 is published on the website of Flughafen Wien AG at www.viennaairport.com in accordance with § 243b of the Austrian Commercial Code.

Outlook

After a year of weak growth, the Austrian National Bank (ÖNB) does not forecast any noteworthy revival for 2015. Although GDP growth should be slightly stronger at 0.7% than 2014 (0.4%), unemployment will rise to 5.3% due to the weak growth. The inflation rate should level off at the current level of around 1.5%, which can support private consumption. The Austrian economic research institute WIFO is projecting restrained economic growth of 0.5%. According to WIFO, Austria's export sector should record a real increase of 2.5% in 2015. (Source: Austrian National Bank, WIFO)

The marked reduction in crude oil prices could continue to have a positive effect on economic performance, provided it is sustainable. The ECB currently expects growth in global GDP of around 4.0% (2014: 3.6%). While the Chinese economy should continue to grow (plus 7.0%), Japan's economic performance is rated as weak, with a forecast of 1.1%. In the eurozone, low investment volumes, excess capacities and weak global trade have a negative effect on the economic forecast of the ECB, which currently expects growth of 1.0%. GDP growth of 1.5% is forecast for 2016. (Source: Austrian National Bank, economic report)

Flughafen Wien AG expects a downward movement in total traffic in the first quarter of 2015. During the rest of the year, this trend will continue to improve from the viewpoint of the airport, and passenger growth of between 0% and 2% is expected for the whole of 2015. The planned additional funds and expansions to the flight offerings by the airlines flying from Vienna in the 2015 summer flight plan, e.g. to destinations in the USA, Italy, Greece, France, Spain, Turkey, Estonia, Moldova, Montenegro and Switzerland, will provide the stimulus for this.

Against this background, Flughafen Wien AG estimates the business outlook for 2015 as basically optimistic: It is thus expecting Group revenue to grow to over € 645 million and is aiming for an increase in Group EBITDA to more than € 250 million. The current view is that Group profit after tax will be at least € 85 million. The Group's net debt should be further reduced to less than € 500 million. Group investments of around € 95 million are envisaged in 2015.

Subsequent events

No significant events occurred after the balance sheet date which would have had a material effect on the earnings, financial or asset position of Flughafen Wien AG.

Supplementary Report

The number of passengers handled fell in January, as expected by Vienna Airport. In year-on-year comparison, passenger traffic fell by 5.9% to a total of 1,323,682. In addition to the negative effects of the crisis situations in Russia and Ukraine and the associated negative development in transfer traffic, the reduction in the flights on offer from Austrian Airlines was the most crucial factor in this. In contrast, Qatar Airways, Iberia and Air France-KLM, for example, showed significant passenger growth. The newly added routes in 2014 from Air China and Ethiopian Airlines also developed well.

In January 2015, Vienna Airport recorded a fall of 18.5% in transfer passengers compared to January 2014, which can be attributed almost entirely to the reductions by Austrian Airlines already mentioned. The number of local passengers fell in the same period by 1.2%. Cargo traffic saw a fall of 1.1% in January 2015. Flight movements fell by 4.5% and the maximum take-off weight also fell slightly at minus 0.6%.

The fee structure at Vienna Airport was adjusted as follows, as of 1 January 2015 and based on the index formula defined in the Austrian Airport Fee Act:

› Landing fee, airside infrastructure fee, parking fee:	+ 1.68 %
› Passenger fee, landside infrastructure fee, security fee:	+ 0.69 %
› Infrastructure fee for fuelling:	+ 1.68 %

The PRM fee was increased from € 0.34 to € 0.38 per departing passenger.

Schwechat, 3 March 2015

The Management Board

Dr. Günther Ofner
Member, CFO

Mag. Julian Jäger
Member, COO

Annual Financial Statements 2014 of Flughafen Wien AG

Balance Sheet

as of 31.12.2014

ASSETS		31.12.2014 in €	31.12.2013 in T€
A	**Non-current assets**		
I.	Intangible assets		
	1. Concessions and rights	10,263,498.14	12,868.5
II.	Property, plant and equipment		
	1. Land and buildings	1,061,963,426.88	1,078,957.6
	2. Machinery and equipment	227,543,699.43	243,116.8
	3. Other equipment, furniture, fixtures and office equipment	64,766,813.53	72,934.4
	4. Prepayments made and construction in progress	65,819,196.42	68,825.0
	Total II	**1,420,093,136.26**	**1,463,833.8**
III.	Financial assets		
	1. Shares in subsidiaries	190,821,648.10	190,756.6
	2. Loans granted to subsidiaries	37,012,083.32	41,785.5
	3. Investments in other companies	9,116,686.50	9,116.7
	4. Non-current securities	3,238,482.91	3,148.8
	5. Other loans granted	510,591.08	504.5
	Total III	**240,699,491.91**	**245,312.1**
Total A		**1,671,056,126.31**	**1,722,014.4**
B	**Current assets**		
I.	Inventories		
	1. Supplies	4,154,169.78	4,360.8
II.	Receivables and other assets		
	1. Trade receivables	34,553,778.76	32,475.0
	2. Receivables due from subsidiaries	13,637,648.44	13,706.4
	3. Receivables due from companies in which an investment is held	520,513.30	61.8
	4. Other receivables and assets	12,981,652.91	24,156.3
	Total II	**61,693,593.41**	**70,399.5**
III.	Securities and shares		
	1. Miscellaneous securities and shares	12,050,000.00	12,050.0
IV.	Cash on hand and deposits with financial institutions	733,372.97	1,518.6
Total B		**78,631,136.16**	**88,328.8**
C	**Prepaid expenses and deferred charges**	**4,303,993.58**	**4,790.6**
Total ASSETS		**1,753,991,256.05**	**1,815,133.9**

EQUITY AND LIABILITIES		31.12.2014 in €	31.12.2013 in T€
A	**Equity**		
I.	Share capital	152,670,000.00	152,670.0
II.	Share premium (appropriated)	117,657,318.52	117,657.3
III.	Reserves		
	1. Statutory reserve	2,579,158.88	2,579.2
	2. Other reserves (voluntary reserves)	442,190,888.90	417,800.9
	Total III	**444,770,047.78**	**420,380.0**
IV.	Retained earnings	34,658,074.31	27,305.3
	Thereof profit carried forward: € 5,339.67; prev. year: T€ 1.3		
Total A		**749,755,440.61**	**718,012.7**
B	**Untaxed reserves**		
	1. Valuation reserve based on special depreciation	8,383,308.49	9,074.8
	2. Other untaxed reserves	159,203.15	159.2
Total B		**8,542,511.64**	**9,234.0**
C	**Government grants**	**1,291,941.55**	**1,427.8**
D	**Provisions**		
	1. Provisions for severance compensation	79,024,885.00	68,666.2
	2. Provisions for pensions	16,631,875.99	15,060.2
	3. Provisions for taxes	24,536,852.76	7,739.1
	4. Other provisions	113,167,258.87	109,057.0
Total D		**233,360,872.62**	**200,522.5**
E	**Liabilities**		
	1. Amounts due to financial institutions	499,775,321.14	504,139.4
	2. Trade receivables	33,268,183.83	44,660.7
	3. Amounts due to subsidiaries	132,427,619.34	250,756.1
	4. Amounts due to companies in which an investment is held	12,475,052.49	7,943.1
	5. Other liabilities	59,611,513.45	54,044.0
	Thereof from taxes: € 0.0 prev. year: T€ 0.0		
	Thereof from social security: € 6,065,403.61; prev. year: T€ 6,021.5		
Total E		**737,557,690.25**	**861,543.3**
F	**Deferred income**	**23,482,799.38**	**24,393.5**
TOTAL EQUITY AND LIABILITIES		**1,753,991,256.05**	**1,815,133.9**
Contingent Liabilities		**74,650,676.59**	**68,491.1**

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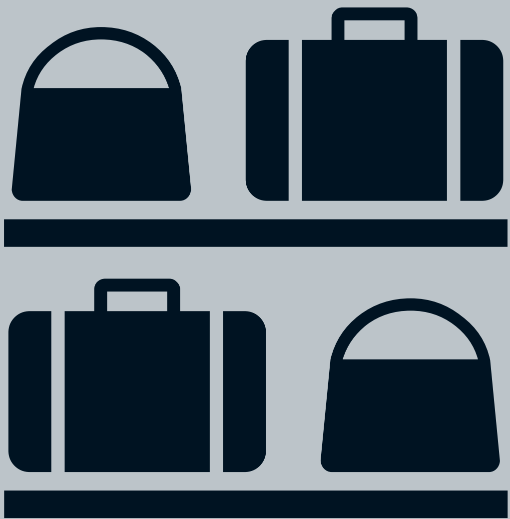
Flughafen Wien AG, Schwechat
Income statement

from 1 January to 31 December 2014

		1.1. - 31.12.2014 in €	1.1. - 31.12.2013 in T€
1.	Revenue	614,245,609.27	603,754.8
2.	Own work capitalised	2,249,072.64	2,204.6
3.	Other operating income		
	a) Income from the disposal of non-current assets with the exception of financial assets	190,984.31	4,301.1
	b) Income from the reversal of provisions	3,759,738.76	4,392.2
	c) Income from the reversal of government grants	207,819.77	223.8
	d) Miscellaneous	2,787,433.13	2,937.6
	Total 3.	**6,945,975.97**	**11,854.7**
4.	**Operating income (subtotal of No. 1 to 3)**	**623,440,657.88**	**617,814.1**
5.	Cost of consumables and other manufacturing services		
	a) Cost of materials	31,354,112.75	39,241.9
	b) Cost of services	44,629,180.74	43,405.5
	Total 5.	**75,983,293.49**	**82,647.4**
6.	Personnel expenses		
	a) Wages	83,615,580.57	81,613.6
	b) Salaries	71,216,876.19	63,829.8
	c) Expenses for severance compensation and contributions to employee severance compensation fund	17,888,670.64	6,095.0
	d) Expenses for pensions	5,266,053.58	2,055.1
	e) Expenses for legally required duties and contributions and payroll-related duties and mandatory contributions	42,009,594.15	41,731.3
	f) Other employee benefits	1,610,122.51	1,556.0
	Total 6.	**221,606,897.64**	**196,880.8**
7.	Depreciation and amortisation	119,690,683.66	119,498.7
	Thereof impairment charges to non-current assets in acc. with §204 (2) Austrian Commercial Code: € 0.0; prev. year: T€ 5,116.0		

		1.1. - 31.12.2014 in €	1.1. - 31.12.2013 in T€
8.	Other operating expenses		
	a) Taxes, if not included in Z 17	486,421.24	574.3
	b) Other	127,429,944.28	161,288.7
	Total 8.	127,916,365.52	**161,862.9**
	Total 5. - 8.	545,197,240.31	**560,889.9**
9.	**Operating profit (subtotal of No. 4 to 8)**	**78,243,417.57**	**56,924.2**
10.	Income from investments in other companies	22,069,252.70	19,821.4
	Thereof from subsidiaries: € 21,987,002.70; prev. year: T€ 19,738.7		
11.	Income from other securities and loans granted	803,616.18	828.1
	Thereof from subsidiaries: € 795,868.85; prev. year: T€ 820.8		
12.	Interest and similar income	1,248,911.86	2,864.2
	Thereof from subsidiaries: € 598,712.22; prev. year: T€ 1,219.9		
13.	Income from the disposal and write-up of Financial assets	565,141.47	1,745.4
14.	Interest and similar expenses	24,835,057.09	27,363.7
	Thereof to subsidiaries: € 1,590,344.05; prev. year: T€ 4,669.0		
15.	**Financial results (subtotal of No. 10 to 14)**	**-148,134.88**	**-2,104.5**
16.	**Profit on ordinary activities**	**78,095,282.69**	**54,819.7**
17.	Income taxes	-19,744,073.00	-10,490.0
18.	**Net profit for the period**	**58,351,209.69**	**44,329.7**
19.	Reversal of untaxed reserves	691,524.95	444.3
20.	Addition to reserves	24,390,000.00	17,470.0
21.	Profit carried forward from the prior year	5,339.67	1.3
22.	**Retained earnings**	**34,658,074.31**	**27,305.3**



Notes to the 2014 Annual Financial Statements of Flughafen Wien AG

General information on the 2014 Annual Financial Statements

› Information on the company

Flughafen Wien Aktiengesellschaft (AG) and its subsidiaries are service companies that are active in the construction and operation of civil airports and related facilities. As a civil airport operator, Flughafen Wien AG manages Vienna Airport. The company's headquarters are located in Schwechat, Austria. The address is: Flughafen Wien AG, P.O. Box 1, A-1300 Wien-Flughafen. Flughafen Wien AG is listed in the company register of the provincial and commercial court of Korneuburg under number FN 42984 m.

The major operating permits held by Flughafen Wien AG are as follows:

In accordance with § 7 of the Austrian Air Transportation Act dated 21 August 1936, the Federal Ministry for Transportation and State-Owned Entities issued a permit to Flughafen Wien Betriebsgesellschaft m.b.H. on 27 March 1955 for the creation and operation of Vienna Airport / Schwechat to serve general traffic purposes and for runway 11/29.

In accordance with § 78 (2) of the Austrian Air Transportation Act (Federal Gazette BGBl. Nr. 253/1957), the Federal Ministry for Transportation issued an operating permit for instrument runway 16/34, including taxiways and lighting systems, on 15 September 1977.

Vienna Airport was certified by the Federal Ministry for Transportation, Innovation and Technology in 2010, in accordance with the guidelines issued by the International Civil Aviation Organization (ICAO). The certification document for this was issued on 31 December 2010. This document confirms that the facilities used by Flughafen Wien AG to ensure safe and smooth operations comply with the applicable Austrian regulations. This certification is valid up to the end of 2015 and/or as long as the respective requirements are met.

On the basis of EU-Regulation 139/2014 and the associated requirement for EU certification up to the end of 2017, Flughafen Wien AG had already applied in 2014 to extend the certification up to 31 December 2017. The Austrian Federal Ministry for Transport, Innovation and Technology agreed to this on 12 December 2014 and issued Flughafen Wien AG with a new certification document.

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› Additional Information

The annual financial statements as of 31 December 2014 were prepared in accordance with the provisions of the Austrian Commercial Code, in the current version.

The annual financial statements were prepared in accordance with the principles of correct bookkeeping and accounting (§ 201 (2) of the Austrian Commercial Code) as well as the general principle of providing a true and fair view of the asset, financial and earnings position of the company (§ 222 (2) of the Austrian Commercial Code). In particular, the principle of prudence was observed and impending losses were recognised but unrealised gains were not recorded. All assets, provisions and obligations were recorded and individually measured, whereby valuation was free of arbitrariness.

It should be noted that rounding differences can result from the use of rounded amounts in the annual financial statements.

› Legal Relationships

As of 31 December 2014, Flughafen Wien AG was party to a contract for the transfer of profit and loss with the subsidiary Vienna Aircraft Handling Gesellschaft m.b.H.

› Classification

The company is classified as a large corporation under the provisions of § 221 (3) of the Austrian Commercial Code.

› Structure and Accounting Methods

The balance sheet and the income statement were structured in accordance with the provisions of §§ 195 to 211 and 222 to 235 of the Austrian Commercial Code. The income statement was prepared in accordance with the nature of expense method, under which "total costs" are show, in accordance with § 231 (2) of the Austrian Commercial Code.

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 scheduled amortisation and depreciation as well as any necessary impairment charges. Production costs also include an appropriate part of material and production overheads, but exclude interest.

The company's assets have the following useful lives: intangible assets: 4 to 20 years; facilities installed on property: 10 to 20 years; buildings: 10 to 50 years; machinery and equipment: 4 to 20 years; other equipment, furniture, fixtures and office equipment: 4 to 15 years; and technical noise protection: 20 years.

The measures for technical noise protection, which were recognised as project costs in connection with the third runway, were reclassified in 2012 and will be depreciated over their useful life. This reflects the growing importance of noise programmes for general operations in the vicinity of airports.

Assets are depreciated or amortised beginning on the recognition date, i.e. the date the asset is placed in use. Scheduled depreciation/amortisation has been 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.

The determination of the acquisition and production cost of property, plant and equipment is connected with uncertainty because of the on-going construction activity and associated examination requirements. This uncertainty is related primarily to recently completed and current construction projects (construction in progress).

› Financial assets

Financial assets are recognised at cost. Impairment charges and write-ups are only recorded if the circumstances are considered to be lasting. Write-ups do not result in an increase in the carrying amount of the asset over its original cost.

Non-interest bearing loans granted by the company are discounted, while interest-bearing loans are carried at the nominal value as of the balance sheet date.

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CURRENT ASSETS

In accordance with § 206 of the Austrian Commercial Code, current assets are carried at acquisition or production cost that reflects loss-free valuation.

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. 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.

› Inventories

Inventories are recognised at acquisition or production cost that reflects loss-free valuation.

› Receivables and other assets

Identifiable risks related to receivables are reflected in valuation adjustments.

Revaluations permitted by § 208 (1) of the Austrian Commercial Code were not recorded in accordance with § 208 (2) of the Austrian Commercial Code, when a lower value could be retained for the determination of taxable profit under the condition that this amount is also used in the annual financial statements.

The company did not elect to use the option provided by § 198 (10) of the Austrian Commercial Code for the capitalisation of deferred tax assets.

› Provisions

Provisions were recorded at the amount considered necessary by reasonable judgment. Detailed information on the calculation of the provisions for severance compensation, pensions, service anniversary bonuses and semiretirement programmes for older employees is provided under the respective balance sheet positions.

› Liabilities

Liabilities were recorded at their repayment amount, in accordance with the principle of conservatism.

› Derivative financial instruments

The subsidiary Vienna Aircraft Handling Gesellschaft m.b.H. was granted an option that provides for the purchase of the shares in Flugplatz Vöslau Betriebs GmbH by Flughafen Wien AG for a fixed price of T€ 5,562.4.

The company held no other derivative financial instruments as of 31 December 2014.

Notes to the Major Balance Sheet Positions

› Assets

Non-current assets

The development of the individual positions of **non-current assets** is shown on the attached schedule of non-current assets.

The value of land included under land and buildings is T€ 92,259.2 (2013: T€ 92,442.0).

Loans granted to subsidiaries included write-ups to reflect the reversal of the discount from a shareholder loan (IVW) of T€ 458.9 (2013: T€ 534.8) and from a shareholder loan (KSC-Holding) of T€ 106.3 (2013: T€ 110.5).

Of the total loans granted, T€ 3,599.4 (2013: T€ 2,599.4) are due and payable within one year.

Non-current securities (rights)

Non-current securities comprise the following:

Amounts in T€	2014	2013
Shares	494.9	494.9
Other	2,743.6	2,653.9
	3,238.5	**3,148.8**

The position "Other" consists mainly of the repurchase value of reinsurance for pensions of T€ 2,605.8 (2013: T€ 2,516.0).

Current assets

Inventories were valued using the weighted average price method or, in certain cases, the fixed price method. In individual cases, write-downs were recorded to reflect low turnover.

Valuation adjustments of T€ 6,225.1 had been recorded to **trade receivables** as of the balance sheet date (2013: T€ 7,707.8).

As in the prior year, **receivables due from subsidiaries** resulted primarily from invoices for the provision of goods and services as well as contracts for the transfer of profit and loss.

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The following table shows the terms of **receivables and other assets**:

Remaining term up to one year

Amounts in T€	2014	2013
Trade receivables	34,553.8	32,475.0
Receivables due from subsidiaries	13,637.6	13,706.4
Receivables due from associates	520.5	61.8
Other receivables and assets	12,879.6	24,065.7
Total	**61,591.5**	**70,308.9**

Remaining term over one year

Amounts in T€	2014	2013
Other receivables and assets	102.1	90.6
Total	**102.1**	**90.6**

A collective valuation allowance of T€ 45.0 (2013: T€ 8.0) was recognised.

Other receivables and assets include T€ 1,393.2 (2013: T€ 1,303.4) of credit card settlements, which will only become due and payable after the balance sheet date.

The major components of other receivables are as follows:

Amounts in T€	2014	2013
Receivables from taxes	10,459.0	14,270.3
Receivables from arbitration settlement	0.0	4,584.5
Receivables from funds in transit	0.0	2,607.3
Receivables from credit card companies	1,393.2	1,303.4
Miscellaneous receivables	1,129.5	1,390.7
Total	**12,981.7**	**24,156.3**

The receivables from taxes consist primarily of corporate income tax prepayments of T€ 11,104.0 (2013: T€ 11,104.0) as well as value added tax credits which were offset against payroll taxes and duties.

Own shares

The company held no own shares as of 31 December 2014.

Current securities

Current securities consist of the following:

› Current securities

Amounts in T€	Book value 2014	Market value 2014	Book value 2013	Market value 2013
RLB NÖ supplementary capital	12,050.0	12,828.6	12,050.0	13,021.6
Total	**12,050.0**	**12,828.6**	**12,050.0**	**13,021.6**

No write-ups to current securities would have been possible in 2014.

Prepaid expenses and deferred charges

The company did not elect to use the option provided by § 198 (10) of the Austrian Commercial Code for the capitalisation of deferred tax assets. Deferred tax assets totalled T€ 16,150.4 (2013: T€ 10,649.8).

The deferred tax assets are related primarily to employee-related provisions.

› Equity and liabilities

Equity

Share capital totalled € 152,670,000.00 as of 31 December 2014. It is divided into 21,000,000 shares of zero par value bearer common stock with voting and dividend rights, which are securitised in a collective instrument that is deposited with Österreichische Kontrollbank.

The stock issue in 1992 generated a premium of T€ 92,221.8, while the capital increase in 1995 generated a premium of T€ 25,435.5. These two amounts comprise the appropriated share premium. The statutory reserve remains unchanged at the prior year level of T€ 2,579.2.

Voluntary reserves rose by T€ 24,390.0 from T€ 417,800.9 to T€ 442,190.9.

Retained earnings amounted to T€ 34,658.1 (2013: T€ 27,305.3).

The following table shows the development of retained earnings during the reporting year:

Amounts in T€	
Retained earnings as of 31.12.2013	**27,305.3**
– Distribution of profit	-27,300.0
+ Net profit for the year	58,351.2
+ Release of untaxed reserves	691.5
– Addition to reserves	-24,390.0
Retained earnings as of 31.12.2014	**34,658.1**

Untaxed reserves

The composition and development of **untaxed reserves** is shown in the attached appendices 2, 3 and 4.

Government grants

The company received investment subsidies from public authorities during the period from 1977 to 1985. These grants are shown separately after untaxed reserves as an extension to the legal structure of the balance sheet. The classification and development of this position are shown in the attached listing (Appendix 5).

Provisions

The calculation of the **provision for severance compensation** at Flughafen Wien AG as of 31 December 2014 was based on an actuarial expert opinion, which was prepared in accordance with IFRS (IAS 19). A discount rate of 1.78% (2013: 3.35%) and the projected unit credit method were used for the calculation. The retirement age represents the first possible date for (early) retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. The biometric basis for the calculation is formed by the F.W. Pagler – AVÖ 2008-P life expectancy tables for male and female employees. An increase of salaries and wages of 3.69% (2013: 3.69%) was assumed. Employee turnover (combined with probability of pay-outs) was included on the basis of a graduated scale ranging from 1 to 25 years of service, with separate scales for wage employees (6.2% with 30.7% probability of pay-outs to 6.7% with 92.0% probability of pay-outs) and salaried employees (7.7% with 41.7% probability of pay-outs to 7.3% with 92.2% probability of pay-outs). All actuarial gains and losses were recognised immediately to profit or loss.

The **provisions for pensions** were determined in accordance with actuarial principles based on IFRS (IAS19). A discount rate of 1.78% (2013: 3.35%) and the projected unit credit method were used for the calculation. The biometric basis for calculation is formed by the F.W. Pagler – AVÖ 2008-P life expectancy tables for salaried employees. The retirement age represents the first possible date for (early) retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. An assumed increase of 3.69% (2013: 3.69%) was applied to salaries and a pension increase of 2.10% (2013: 2.10%) was assumed. Employee turnover was not included in the calculation since only two more active employees have defined benefit claims. All actuarial gains and losses were recognised immediately to profit or loss.

The **provisions for service anniversary bonuses** were determined in accordance with the actuarial principles based on the regulations under IFRS (IAS19). A discount rate of 1.78% (2013: 3.35%) and the projected unit credit method were used. The biometric basis for calculation is formed by the F.W. Pagler – AVÖ 2008-P life expectancy tables for male and female employees. The retirement age represents the first possible date for (early) retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. An assumed increase of salaries and wages of 3.69% (2013: 3.69%) was assumed. The provisions for service anniversary bonuses include turnover probabilities ranging from year 1 to 25 of employment in the Group, also with separate indicators for wage employees (6.2% to 0.6%) and salaried employees (7.7% to 0.6%). All actuarial gains and losses were recognised immediately to profit or loss.

The **provisions for semiretirement programmes** were computed in accordance with actuarial principles based on IFRS (IAS19). A discount rate of 0.3% (2013: 1.0%) and the projected unit credit method were used for the calculation. An assumed increase of salaries and wages of 3.69% (2013: 3.69 %) was assumed. Ancillary payroll costs were included at approx. 21% (up to the maximum contribution threshold under Austrian "ASVG" social security law). All actuarial gains and losses were recognised immediately to profit or loss.

Other provisions consist mainly of the following: Service anniversary bonuses T€ 22,322.3 (2013: T€ 14,896.3), provisions for semi-retirement programmes T€ 21,379.2 (2013: T€ 20,262.0), unused vacation T€ 7,030.6 (2013: T€ 6,940.0), bonuses for 2014 and previous years T€ 2,892.6 (2013: T€ 2,696.2), goods and services not yet invoiced T€ 26,382.2 (2013: T€ 26,479.4), discounts T€ 7,185.5 (2013: T€ 8,549.9), various employee-related expenses T€ 3,488.7 (2013: T€ 3,972.5) and a provision for an impending loss from a put option of T€ 5,562.4 granted to Vienna Aircraft Handling Ges.m.b.H for the acquisition of Flugplatz Vöslau Betriebs GmbH (2013: T€ 5,562.4).

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Liabilities

The following table shows the terms of **liabilities**:

› Remaining term up to one year

Amounts in T€	2014	2013
Amounts due to financial institutions	72,054.1	20,664.4
Trade payables	33,268.2	44,660.7
Amounts due to subsidiaries	132,427.6	86,806.1
Amounts due to companies in which an investment is held	12,475.1	7,943.1
Other liabilities	53,831.7	44,690.9
Total	**304,056.6**	**204,765.1**

› Remaining term from one to five years

Amounts in T€	2014	2013
Amounts due to financial institutions	127,721.3	158,475.0
Amounts due to subsidiaries	0.0	150,250.0
Other liabilities	4,132.9	3,871.3
Total	**131,854.2**	**312,596.3**

› Remaining term over five years

Amounts in T€	2014	2013
Amounts due to financial institutions	300,000.0	325,000.0
Amounts due to subsidiaries	0.0	13,700.0
Other liabilities	1,646.9	5,481.8
Total	**301,646.9**	**344,181.8**

Liabilities due to subsidiaries of T€ 42,400.0 (2013: T€ 163,950.0) resulted from financing activities and, among others, from deposits of subsidiaries' liquid funds.

Amounts due to companies in which an investment is held consist primarily of bank deposits invested for City Air Terminal Betriebsgesellschaft m.b.H.

Other liabilities include the following expenses that will become due and payable after the balance sheet date: wages and salaries of T€ 5,456.2 (2013: T€ 5,029.8) from payroll accounting for December 2014 and 2013, customer credits of T€ 949.2 (2013: T€ 1,470.0), amounts of T€ 6,065.4 (2013: T€ 6,021.5) due to social security carriers and accrued interest of T€ 217.1 (2013: T€ 217.3). In addition, other liabilities mainly includes liabilities to the environmental fund of T€ 35,069.9 (2013: T€ 29,535.6).

Deferred income

Deferred income consists chiefly of T€ 22,272.4 (2013: T€ 23,227.0) in advance rental payments for the air traffic control tower.

Contingent Liabilities

In accordance with § 7 (4) of the charter of the Schwechat Waste Water Association dated 10 December 2003, Flughafen Wien AG is liable for T€ 2,503.1 (2013: T€ 2,977.5) of loans related to the construction and expansion of sewage treatment facilities.

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€ 69,347.6 (2013: T€ 62,713.6).

Flughafen Wien AG issued an open-ended comfort letter on behalf of VIE Office Park 3 Betriebs GmbH to cover current and future liabilities. This comfort letter carries a maximum liability of T€ 2,800.0 (2013: T€ 2,800.0).

Other Financial Obligations

The company had purchase obligations for intangible assets and property, plant and equipment totalling € 8.4 million as of 31 December 2014 (2013: € 21.0 million).

Flughafen Wien AG is required to carry the costs of the Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee foundation) through subsequent contributions to the fund. These costs consist primarily of corporate income tax.

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€	2015	2015-2019
Liabilities arising from operating leases	840.0	4,200.0
Liabilities arising from a contract for participation rights concluded with subsidiaries	17,279.0	86,394.9
Total	**18,119.0**	**90,594.9**

Flughafen Wien AG is also liable to Raiffeisenbank International for the correct and timely payment of principal and interest on short-term financing of € 30.0 million (loan agreements) for the subsidiary VIE Malta Finance Ltd. The outstanding balance equalled € 30.0 million. This financing is included under amounts due to subsidiaries and additional disclosures under contingent liabilities are therefore not required.

The Malta Mediterranean Link Consortium Group (MMLC) entered into a loan with a term ending in mid-2018, which had an outstanding balance of € 6.91 million as of 31 December 2014. Flughafen Wien AG has agreed not to sell its investment in MMLC during the term of this loan. Furthermore, Flughafen Wien AG has confirmed the following to the lending institution: all necessary steps will be undertaken to ensure that the company's investments maintain a healthy financial position at all times; the corporate policies of Flughafen Wien AG include the fulfilment of financial obligations by MMLC at all times; and MMLC will be equipped with a financial basis that enables the company to meet its obligations at any time. >

Notes to the Income Statement

Amounts in T€	2014	2013
Airport revenue	317,906.8	306,981.7
Handling revenue	135,134.9	140,882.3
Aviation revenue	**453,041.6**	**447,864.0**
Lease, rental and usage revenue, parking revenue	120,239.6	115,090.1
Other revenue	40,964.3	40,800.7
Non-aviation revenue	**161,204.0**	**155,890.8**
Total revenue	**614,245.6**	**603,754.8**
Thereof with subsidiaries	13,470.4	13,602.3

Aviation revenue comprises airport and handling revenues. Non-aviation revenue consists of revenues generated by energy supply and waste disposal services, IT services, rentals and concessions, passenger services and other services.

All revenues were generated in Austria.

The increase in **aviation revenue** of 1.2% to T€ 453,041.6 can be attributed to growth in passenger traffic and cargo (passengers: +2.2%, MTOW: +3.4%, Cargo: +8.3%), whereas the mild winter in 2014 resulted in lower revenues from individual services (aircraft de-icing).

The company's **non-aviation revenue** rose by 3.4% to T€ 161,204.0 and resulted mainly from higher turnover-based revenue and rental income, including advertising space, and higher parking revenue.

The company's **personnel expenses** rose in year-on-year comparison by 12.6% to T€ 221,606.9 (2013: T€ 196,880.8). The increase can mainly be attributed to higher provisions for pensions, severance compensation and service anniversary bonuses, which is partly due to the change to the discount rate.

Wage costs increased by T€ 2,002.0 to T€ 83,615.6, and salary costs increased by T€ 7,387.1 to T€ 71,216.9.

Severance compensation expenses are classified as follows:

Amounts in T€	2014	2013
Change in severance compensation provision	10,358.7	839.3
Severance payments (incl. voluntary severance payments)	6,276.5	4,034.5
Contributions to employee severance compensation funds	1,253.5	1,221.2
Total	**17,888.7**	**6,095.0**

Depreciation and amortisation showed a year-on-year increase of 0.2% or T€ 191.9 to T€ 119,690.7. Impairment charges of T€ 5,116.0 were recognised in the previous year.

Other operating expenses comprise the following:

Amounts in T€	2014	2013
Services from group companies	51,760.0	52,424.6
Maintenance	23,645.0	54,992.7
Marketing and market communication	20,508.1	19,326.1
Third party services	10,663.2	12,321.5
Miscellaneous operating costs	4,914.2	4,207.5
Legal, audit and consulting fees	4,379.2	5,698.6
Insurance	2,969.7	3,254.1
Travel and training	1,730.0	1,715.7
Rentals and leasing	1,488.2	1,389.4
Additions to valuation adjustments to receivables	1,199.6	1,161.9
Postage and telecommunications expenses	1,079.7	1,137.2
Transportation	487.9	1,544.7
Other taxes	486.4	574.3
Losses on disposals of non-current assets	434.9	146.9
Damages	83.0	109.2
Miscellaneous	2,087.3	1,858.5
Subtotal	**127,916.4**	**161,862.9**

Information on expenses for the auditor of the annual financial statements is provided in the notes to the consolidated financial statements of Flughafen Wien AG.

The negative **financial result** totalled minus T€ 148.1 (2013: minus T€ 2,104.5) and is comprised as follows:

Amounts in T€	2014	2013
Income from investments in other companies	22,069.3	19,821.4
Thereof from subsidiaries	21,987.0	19,738.7
Income from securities and loans granted	803.6	828.1
Thereof from subsidiaries	795.9	820.8
Interest and similar income	1,248.9	2,864.2
Thereof from subsidiaries	598.7	1,219.9
Income from the disposal and write-up of financial assets	565.1	1,745.4
Thereof from the write-up of loans to subsidiaries	565.1	645.4
Interest and similar expenses	-24,835.1	-27,363.7
Thereof from subsidiaries	-1,590.3	-4,669.0
Total	**-148.1**	**-2,104.5**

Income from investments in other companies includes income of T€ 1,867.0 (2013: T€ 2,294.7) from the transfer of profit and loss from subsidiaries. >

Since 2005, Flughafen Wien AG has served as the head of a tax group as defined in § 9 of the Austrian Corporate Tax Act. The head of the group charges or (in the case of a loss) credits corporate income tax to the members of the group based on their individual tax liability (or credit). **Income tax expenses** amounted to T€ 19,744.1 (2013: T€ 10,490.0) and include the tax expense of the head of the group for that year as well as tax income of T€ 384.1 relating to a previous accounting period (2013: T€ 300.0).

Other Information

› Corporate Bodies and Employees

The members of the Supervisory Board in 2014 are listed below:

Gabriele DOMSCHITZ
Bettina GLATZ-KREMSNER
Erwin HAMESEDER
Burkhard HOFER
Ewald KIRSCHNER
Wolfgang RUTTENSTORFER
Karin Rest
Gerhard STARSICH
Herbert PAIERL
Robert LASSHOFER

Delegated by the Works' Committee:

Manfred BIEGLER (up to 16 February 2015)
Thomas SCHÄFFER
Heinz WESSELY (up to 21 November 2014)
Heinz STRAUBY
Michael STRASSEGGER
Herbert FRANK (from 16 February 2015)
Thomas FAULHUBER (from 21 November 2014)

Chairman of the Supervisory Board:

Ewald KIRSCHNER

His Deputies:

Erwin HAMESEDER
Wolfgang RUTTENSTORFER

The members of the Management Board in 2014 were:

Julian JÄGER
Günther OFNER

The average number of employees (excl. the Management Board) was as follows:

	2014	2013
Wage employees	2,128	2,151
Salaried employees	1,056	1,065
Total	**3,183**	**3,216**

The members of the Management Board of Flughafen Wien AG received the following remuneration for their work in 2014 and 2013:

› Management Board remuneration in 2014 (payments)

Amounts in T€	Fixed compensation	Performance-based components for 2013	Non-cash remuneration	Total remuneration
Günther Ofner	259.3	189.6	8.4	457.3
Julian Jäger	259.3	189.6	8.4	457.3
	518.6	**379.1**	**16.8**	**914.6**

› Management Board remuneration in 2013 (payments)

Amounts in T€	Fixed compensation	Performance-based components for 2012	Non-cash remuneration	Total remuneration
Günther Ofner	253.7	183.2	7.2	444.2
Julian Jäger	253.7	183.2	7.2	444.2
	507.5	**366.5**	**14.4**	**888.4**

The performance-based compensation represents bonuses for the 2013 financial year, which were paid out during 2014.

On behalf of Julian Jäger and Günther Ofner, the company makes payments equalling 15% of the respective salary to a pension fund. In 2014, T€ 67.3 (2013 incl. partial additional payment for 2012: T€ 70.8) for each board member.

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Remuneration paid to former members of the Management Board amounted to T€ 984.7 (2013: T€ 606.8).

Total expenses for severance compensation and pensions for the members of the Management Board and key employees, excluding former members of the Management Board, amounted to T€ 652.7 (2013: T€ 296.7). The comparable amount for other employees was T€ 22,502.0 (2013: T€ 7,853.3).

The members of the Supervisory Board received attendance fees and remuneration of T€ 117.4 in 2014 (2013: T€ 115.9).

As of 31 December 2014, there were no outstanding receivables from advances or loans granted to the members of the Supervisory Board or Management Board.

Schwechat, 3 March 2015

The Management Board

Günther Ofner
Member, CFO

Julian Jäger
Member, COO

Appendix to the Notes

› Development of Non-Current Assets from 1 January to 31 December 2014

Appendix 1 to the Notes

	Development of acquisition and production cost			
Non-current assets in €	Balance on 1.1.2014	Direct additions	Reclassifications	Disposals
I. Intangible assets				
Concessions and rights	39,605,037.91	1,233,528.08	152,828.98	2,894,582.50
Subtotal	39,605,037.91	1,233,528.08	152,828.98	2,894,582.50
II. Property, plant and equipment				
1. Land and buildings, including buildings on land owned by third parties	1,416,023,358.91	5,093,733.09	34,701,607.16	8,399,482.11
2. Machinery and equipment	766,670,666.62	4,820,506.12	20,583,440.89	5,471,247.22
3. Other equipment, furniture, fixtures and office equipment	231,121,271.70	12,799,042.93	3,306,388.70	20,280,396.79
4. Prepayments made and construction in progress	68,825,048.80	55,838,413.35	-58,744,265.73	100,000.00
Subtotal	2,482,640,346.03	78,551,695.49	-152,828.98	34,251,126.12
III. Financial assets				
1. Shares in subsidiaries	192,456,648.10	65,000.00	0.00	0.00
2. Loans granted to subsidiaries	43,621,693.01	0.00	0.00	5,338,553.35
3. Investments in other companies	9,116,686.50	0.00	0.00	0.00
4. Non-current securities (rights)	3,148,771.07	89,711.84	0.00	0.00
5. Other loans granted	504,474.71	36,842.73	0.00	30,726.36
Subtotal	248,848,273.39	191,554.57	0.00	5,369,279.71
Total	**2,771,093,657.33**	**79,976,778.14**	**0.00**	**42,514,988.33**

			Carrying amounts			
	Balance on 31.12.2014	Cumulative Depreciation, amortisation and impairment 31.12.2014	Balance on 31.12.2014	Balance on 1.1.2014	Depreciation and amortisation 2014	Write-ups 2014
	38,096,812.47	27,833,314.33	10,263,498.14	12,868,530.29	3,983,454.94	0.00
	38,096,812.47	27,833,314.33	10,263,498.14	12,868,530.29	3,983,454.94	0.00
	1,447,419,217.05	385,455,790.17	1,061,963,426.88	1,078,957,551.47	51,956,242.51	0.00
	786,603,366.41	559,059,666.98	227,543,699.43	243,116,818.71	39,890,437.09	0.00
	226,946,306.54	162,179,493.01	64,766,813.53	72,934,366.75	23,860,549.12	0.00
	65,819,196.42	0.00	65,819,196.42	68,825,048.80	0.00	0.00
	2,526,788,086.42	1,106,694,950.16	1,420,093,136.26	1,463,833,785.73	115,707,228.72	0.00
	192,521,648.10	1,700,000.00	190,821,648.10	190,756,648.10	0.00	0.00
	38,283,139.66	1,271,056.34	37,012,083.32	41,785,495.20	0.00	-565,141.47
	9,116,686.50	0.00	9,116,686.50	9,116,686.50	0.00	0.00
	3,238,482.91	0.00	3,238,482.91	3,148,771.07	0.00	0.00
	510,591.08	0.00	510,591.08	504,474.71	0.00	0.00
	243,670,548.25	2,971,056.34	240,699,491.91	245,312,075.58	0.00	-565,141.47
	2,808,555,447.14	**1,137,499,320.83**	**1,671,056,126.31**	**1,722,014,391.60**	**119,690,683.66**	**-565,141.47**

› Development of valuation reserve based on special depreciation

Appendix 2 to the Notes

Amounts in €	Balance on 1.1.2014	Usage to cover direct depreciation	Reversal to disposed assets	Additions	Balance on 31.12.2014
I. Property, plant and equipment					
1. Land and buildings	1,227,601.23	0.00	0.00	0.00	1,227,601.23
2. Machinery and equipment	1,060,038.37	21,027.19	0.00	0.00	1,039,011.18
3. Other equipment, furniture, fixtures and office equipment	1,767,800.19	664,782.93	4,261.65	0.00	1,098,755.61
Total	**4,055,439.79**	**685,810.12**	**4,261.65**	**0.00**	**3,365,368.02**

› Development of valuation reserve based on transfer of undisclosed reserves in acc. with § 12 austrian income tax act

Appendix 3 to the notes

Amounts in €	Balance on 1.1.2014	Usage to cover direct depreciation	Additions	Balance on 31.12.2014
I. Property, plant and equipment				
1. Land and buildings	5,019,393.65	1,453.18	0.00	5,017,940.47
Total	**5,019,393.65**	**1,453.18**	**0.00**	**5,017,940.47**

Development of other untaxed reserves

Appendix 4 to the Notes

Investment allowance in acc. with § 10 of the Austrian Income Tax Act

Amounts in €	Balance on 1.1.2014	Reversal	Additions	Balance on 31.12.2014
2000	159,203.15	0.00	0.00	159,203.15
Total	**159,203.15**	**0.00**	**0.00**	**159,203.15**

Development of government grants

Appendix 5 to the Notes

Amounts in €	Balance on 1.1.2014	Disposal	Reversal	Additions	Balance on 31.12.2014
I. Property, plant and equipment					
1. Land and buildings	1,251,081.46	0.00	170,899.34	0.00	1,080,182.12
2. Machinery and equipment	121,908.76	0.00	22,315.88	59,323.00	158,915.88
3. Other equipment, furniture, fixtures and office equipment	54,857.10	0.00	14,604.55	12,591.00	52,843.55
Total	**1,427,847.32**	**0.00**	**207,819.77**	**71,914.00**	**1,291,941.55**

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Investments of Flughafen Wien AG

Appendix 6 to the Notes

› Flughafen Wien Immobilienverwertungsgesellschaft m.b.H. (IVW)

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: The commercial leasing of assets, in particular real estate, as well as the acquisition of property and buildings at Vienna Airport.

Amounts in T€	2014	2013
Equity	92,695.1	85,731.1
Revenue	17,279.0	17,042.1
Net profit for the period	15,382.0	8,417.9

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

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Provision of a full range of services for general aviation and, in particular, for business aviation; major revenue generators are private aircraft handling and aircraft handling services provided on behalf of Flughafen Wien AG in the general aviation sector (incl. fuelling and the provision of hangar space).

Amounts in T€	2014	2013
Equity	5,583.4	5,583.4
Revenue	12,335.6	12,180.5
Net profit for the period	1,858.5	2,293.7

› Vienna Airport Technik GmbH (VAT), previously: Vienna Airport Infrastruktur Maintenance GmbH (VAI)

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Provision of services for electrical facilities and equipment, as well as the construction of electrical and supply facilities, in particular technical equipment for airports; the installation of electrical infrastructure; and the sale of security equipment.

Amounts in T€	2014	2013
Equity	3,231.6	2,500.6
Revenue	14,690.0	19,024.5
Net profit for the period	1,916.5	1,195.3

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

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Provision of security services (persons and hand luggage) on behalf of the Austrian Ministry of the Interior; and various other services for aviation customers (wheelchair transport, control of oversize baggage, document control etc.); the company also participates in tenders for the provision of security services at other airports through its Austrian subsidiaries.

Amounts in T€	2014	2013
Equity	16,386.2	17,695.5
Revenue	51,987.2	51,441.5
Net profit for the period	8,764.1	10,131.1

› VIE Liegenschaftsbeteiligungsgesellschaft m.b.H. (VIEL)

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Holding company for the BPIB, VOPE, MAZUR and VWTC subsidiaries, which are active in the purchase, development and marketing of property under their ownership.

Amounts in T€	2014	2013
Equity	28,584.4	26,069.1
Revenue	0.0	0.0
Net profit for the period	2,515.3	2,454.7

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Vienna International Airport Beteiligungsholding GmbH (VIAB)

Headquarters:	Schwechat
Share owned:	100 % VIE

Object of the company: Acquisition and investment in international subsidiaries and other companies; participation in international airport privatisation programmes; this company serves as the holding company for the VINT subsidiary.

Amounts in T€	2014	2013
Equity	57,703.8	57,668.9
Revenue	0.0	0.0
Net profit for the period	34.8	34.7

VIE Shops Entwicklungs- und Betriebsgesellschaft m.b.H (VIE-Shops)

Headquarters:	Schwechat
Share owned:	100% VIE

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

Amounts in T€	2014	2013
Equity	-0.4	1.6
Revenue	0.0	0.0
Loss of the period	-2.0	-2.9

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

Headquarters:	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 development of traffic connections between airports and cities.

Amounts in T€	2014	2013
Equity	18,070.1	15,551.3
Revenue	11,495.8	10,844.8
Net profit for the period	2,517.9	1,727.2

SCA Schedule Coordination Austria GmbH (SCA)

Headquarters:	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€	2014*	2013
Equity	474.9	557.3
Revenue	805.0	813.1
Loss of the period	-57.3	-46.5

* Preliminary values

BTS Holding a.s. „v likvidacii" (BTSH)

Headquarters:	Bratislava, Slovakia
Share owned:	47.7% VIE 33.25% VINT

Object of the company: Provision of services and consulting for airports; plans also call for the company to hold the intended investment in Bratislava Airport.

IFRS values in T€	2014	2013
Equity	577.4	3,369.4
Revenue	0.0	0.0
Loss of the period	-2,792.0	-31.1

KSC Holding a.s. (KSCH)

Headquarters:	Bratislava, Slovakia
Share owned:	47.7% VIE 52.3% VINT

Object of the company: Holding company for the 66% investment in Košice Airport as well as the provision of consulting services.

IFRS values in T€	2014	2013
Equity	31,554.7	30,542.0
Revenue	0.0	0.0
Net profit for the period	1,012.7	489.3

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VIE ÖBA GmbH (OEBA)

Headquarters:	Schwechat
Share owned:	100% VIE

Object of the company: Provision of all types of construction and construction-related services, among others for construction projects realised by Flughafen Wien AG or other companies.

Amounts in T€	2014	2013
Equity	287.7	448.1
Revenue	3,463.6	3,793.8
Net profit for the period	247.2	407.2

Vienna Passenger Handling Services GmbH (VPHS), previously: VIE Auslands Projektentwicklung und Beteiligung GmbH (VAPB)

Headquarters:	Schwechat
Share owned:	100% VIE

Object of the company: Provision of ground handling services within the meaning of the Act on Airport Ground Handling. The services comply with those in the appendix to the Act on Airport Ground Handling.

Amounts in T€	2014	2013
Equity	65.0	14.0
Revenue	0.0	0.0
Net profit for the period	-14.0	-9.5

VIE Malta Finance Holding Ltd. (VIE MFH)

Headquarters:	Luqa, Malta
Share owned:	99.95% VIE 0.05% VIAB

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

IFRS values in T€	2014	2013
Equity	14,806.2	14,142.9
Revenue	0.0	0.0
Net profit for the period	663.3	6,184.1

Statement by the Members of the Management Board

In accordance with § 82 of the Austrian Stock Corporation Act

› Financial Statements

We confirm to the best of our knowledge that the seperate 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, 3 March 2015
The Mangement Board

Günther Ofner
Member, CFO

Julian Jäger
Member, COO

Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements, including the accounting system, of

Flughafen Wien Aktiengesellschaft,
Schwechat,

for the **fiscal year from 1 January 2014 to 31 December 2014**. These financial statements comprise the statement of financial position as of 31 December 2014, the income statement for the fiscal year 2014, and the notes.

› Management's Responsibility for the Financial Statements and for the Accounting System

The Company's management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

› Auditors' Responsibility and Description of Type and Scope of the statutory audit

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

› Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of 31 December 2014 and of its financial performance for the year from 1 January 2014 to 31 December 2014 in accordance with Austrian Generally Accepted Accounting Principles.

› Report on Other Legal Requirements (Management Report)

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report is consistent with the financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 3 March 2015

KPMG Austria AG
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by:

Heidi Schachinger	**Michael Schlenk**
Wirtschaftsprüferin	Wirtschaftsprüfer

(Austrian Chartered Accountants)

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Investor Relations:
http://ir.viennaairport.com
Noise protection programme at Vienna International Airport:
http://www.laermschutzprogramm.at
The environment and aviation:
http://www.vie-umwelt.at
Facts & figures on the third runway:
http://www.drittepiste.viennaairport.com
Dialogue forum at Vienna International Airport:
http://www.dialogforum.at
Mediation process (archive):
http://www.viemediation.at

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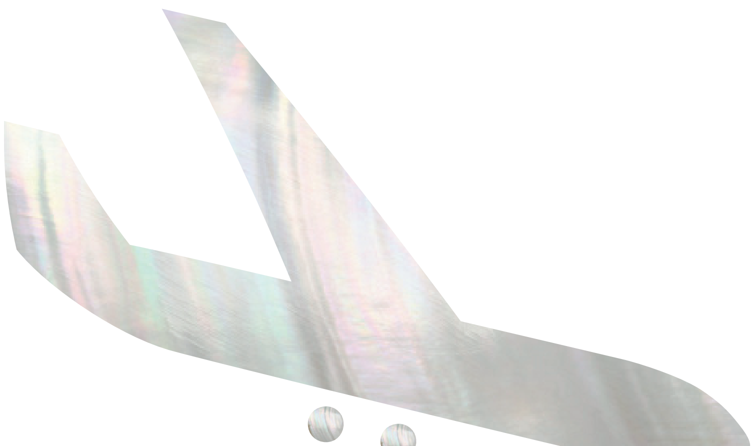

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