

Business Results in 2019: Flughafen Wien Generates Higher Revenue and Earnings – Improved Environmental Scorecard Despite Growth

- **2019 results: REVENUE INCREASE to € 857.6 million (+7.2%)**
- **NET PROFIT FOR THE PERIOD¹ up to € 175.7 million (+15.7%)**
- **DIVIDEND RISE proposed for 2019 to € 1.13/share (+27.0%)**
- **Earnings and traffic outlook for 2020: Currently high uncertainty with regard to estimate of effects of the coronavirus phenomenon, but traffic forecast (+3% to +5%) and earnings guidance still achievable. A better assessment will be possible in 4 to 6 weeks. A cost-cutting package to safeguard earnings will be introduced nevertheless. From a historic point of view, such external shocks have only resulted in a temporary reduction of growth**
- **TRAFFIC DEVELOPMENT 1 JANUARY UNTIL 27 FEBRUARY 2020: So far passenger growth of +9.8%, in the last couple of days, however, a strong weakening was observed**
- **CLOSE COOPERATION WITH AUTHORITIES to protect passengers and employees**
- **2019: in spite of growth less energy consumption (-16%) and further reduction in CO₂ (-15% per traffic unit) once again compared to 2018**
- **Airport growth creates many new jobs and increases value creation: 25,000 people will work at Vienna Airport in 2020 - Aviation accounts for about 1.7% of Austria's GDP**

“Flughafen Wien AG is developing very well, as shown by a 7.2% growth in revenue and 15.7% increase in the net profit for the period. For this reason, we will propose an increase in the dividend by 27.0% to € 1.13/share to the upcoming Annual General Meeting, from which employees will also profit. We expect further growth in 2020, which in turn also creates new jobs and added value. The number of employees at the Vienna Airport site will climb to 25,000 in 2020, and seven new companies have already located their business operations here. In May 2020 the new Office Park 4 will open in the Airport City. In spite of growth we have succeeded in improving our sustainability performance. Energy consumption has been reduced by 16% and CO₂ emissions cut by 15% compared to 2018. On balance, CO₂ emissions have fallen by more than 70% since the year 2012. Vienna Airport will turn into a green airport. Concerning the earnings guidance there is high uncertainty with regard to the estimate of effects of the coronavirus phenomenon, but the earnings guidance 2020 still seems achievable. A better assessment will be possible in 4 to 6 weeks. A cost-cutting package to safeguard earnings will be introduced nevertheless. From a historic point of view, such external shocks have only resulted in a temporary reduction of growth”, explains Günther Ofner, Member of the Management Board of Flughafen Wien AG.

“The strong traffic growth in Vienna in 2019 is reflected in the good business development of Flughafen Wien AG. For this year, however, the coronavirus is big uncertainty factor: After a strong growth of passenger figures of +9,8% from 1 January until 27 February 2020, travel behaviour has significantly fallen in the last couple of days: A decrease in passenger figures from -9% to -12% has been recorded. From today's perspective, passenger and traffic

¹ Net profit for the period before non-controlling interests

growth of +3% to +5% can still be achieved, the longer travel behaviours stays negatively impacted by the coronavirus, the more difficult this will become. In any case, Flughafen Wien AG is economically and operationally well prepared and we will prevail in this challenging situation for the aviation and travel industries. Mid-term to long-term we are optimistic: As in similar situations like SARS, Ebola, 9/11 and the economic crisis 2009, the aviation industry will quickly rebound after temporary shocks”, states Julian Jäger, Member of the Management Board of Flughafen Wien AG.

Dividend proposal: +27.0% to € 1.13 per share

The Management Board will propose that the Annual General Meeting scheduled for May 28, 2020 approves a 27.0% increase in the dividend to € 1.13 per share (2018: € 0.89), or a total of € 94.9 million. Through the employee foundation, which holds 10% of the shares, all Flughafen Wien AG employees will benefit from the higher dividends, which comprise more than 80% of a monthly salary and which is also the result of their successful work. The dividend yield in 2019 equals 3.0%, and the payout ratio will reach the announced target level of 60%.

Revenue and earnings development in the segments

In 2019, revenue in the Airport Segment rose by 7.9% year-on-year to € 411.7 million. Segment EBIT improved by 4.2% to € 104.0 million. The Handling and Security Services Segment registered a slight 1.8% rise in revenue to € 166.3 million. As a result of the revenue increase and savings which were realised, EBIT generated by the Handling and Security Services Segment improved to € 7.3 million, up 224.5%. This segment also includes the security services of VIAS as well as the handling services provided by Vienna Aircraft Handling (VAH) and Vienna Passenger Handling Services (VPHS). The Retail & Properties Segment reported a significant revenue increase of 11.1% in 2019 to € 162.6 million. Segment EBIT totalled € 85.6 million, up 17.1%. Revenue of the Malta Segment climbed 8.8% to € 100.3 million in 2019, thus surpassing the threshold of € 100 million for the first time, whereas segment EBIT equalled € 52.4 million, comprising an increase of 19.0%. Revenue of the Other Segments was up 3.1% in 2019 to € 16.7 million, and segment EBIT amounted to € 3.0 million, up 85.6% from the previous year.

2019: Investments of € 171.8 million – 2020: Increase to approx. € 230 million

A total of € 171.8 million was invested in many ongoing projects in 2019, such as terminal development, Office Park 4 and the Environmental Fund, but also in Malta Airport. Investments of about € 230 million are planned in the year 2020.

Traffic development in 2019: 31.7 million travellers at Vienna Airport

The number of passengers handled by the Flughafen Wien Group (Vienna Airport and the strategic foreign investments in Malta Airport and Kosice Airport) in 2019 amounted to 39.5 million, comprising a rise of 15.0% year-on-year. Vienna Airport registered a total of 31.7 million passengers in the year 2019, thus handling 17.1% more travellers than in the previous year.

+9.8% passenger growth from 1 January until 27 February 2020

With an increase of +9,8% to 3,976,291 passengers from 1 January until 27 February 2020, the growth pattern at Vienna Airport continues, although a significant drop has been recorded in the last days of February. Flight to and from China are currently suspended.

Preliminary Consolidated Financial Statements for 2019

Income Statement

in € million	2019	2018 ¹	Change in %
Revenue	857.6	799.7	+7.2
Other operating income	13.7	12.3	+11.5
Operating income	871.3	812.0	+7.3
Expenses for consumables and services used	-41.3	-42.1	-2.0
Personnel expenses	-323.2	-301.5	+7.2
Other operating expenses	-125.2	-120.4	+4.0
Impairment/reversal of impairment losses on receivables	0.0	-1.1	n.a.
Proportional share of income from companies recorded at equity	3.2	3.6	-10.9
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	384.8	350.4	+9.8
Depreciation and amortisation	-130.7	-129.6	+0.9
Impairment	-1.8	0.0	n.a.
Earnings before interest and taxes (EBIT)	252.3	220.8	+14.3
Income from investments, excluding companies recorded at equity	0.7	0.3	+109.5
Interest income	2.2	2.0	+8.9
Interest expense	-17.9	-15.9	+13.2
Other financial result	0.6	1.0	-38.8
Financial result	-14.4	-12.5	-15.3
Earnings before taxes (EBT)	237.9	208.3	+14.2
Income taxes	-62.2	-56.4	+10.2
Net profit for the period	175.7	151.9	+15.7
Thereof attributable to:			
Equity holders of the parent	158.9	137.3	+15.7
Non-controlling interests	16.8	14.6	+15.3
Earnings per share (in €, basic = diluted)	1.89	1.63	+15.7

1) Application of IFRS 16 since January 1, 2019: No adjustment to the prior-year period

Balance Sheet Indicators

in € million	31.12.2019	31.12.2018 ¹	Change in%
ASSETS:			
Non-current assets	1,999.6	1,957.2	+2.2
Current assets	301.1	200.9	+49.9
LIABILITIES:			
Equity	1,380.9	1,297.0	+6.5
Non-current liabilities	572.5	549.3	+4.2
Current liabilities	347.2	311.8	+11.4
Total assets	2,300.6	2,158.1	+6.6
Net debt ²	81.4	198.2	-58.9
Gearing (in%) ²	5.9	15.3	n.a.

Cashflow Rechnung

in € million	2019	2018 ¹	Veränd. in %
Net cash flow from operating activities	373.0	291.2	+28.1
investing activities	-176.1	-198.8	-11.4
financing activities	-142.3	-110.2	+29.1
Free cash flow	196.9	92.4	+113.3
CAPEX³	171.8	165.7	+3.7

1) Application of IFRS 16 since January 1, 2019: No adjustment to the prior-year period

2) Net debt and gearing as of 1.1.2019: Beginning of the year adjusted for lease liabilities according to IFRS 16

3) excluding financial assets

The Annual Report of Flughafen Wien AG for 2019, from January 1 to December 31 2019, will be available to the general public on the Internet at http://viennaairport.com/en/company/investor_relations/publications_and_reports end of April 2020.


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The Management Board

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