

# FLUGHAFEN WIEN AG

Q1/2020 Results



# Q1/2020: Negative traffic development due to Covid-19 – Net profit below prev. year



## ➤ Q1/2020 – Passenger decline

FWAG Group: -18.6%, Vienna: -18.8%;

Malta: -16.1%, Košice: -40.6%

➤ **Revenue decrease** to € 161.4 million (-9.0%), EBITDA down by 17.7% to € 59.0 million, EBIT lower by 31.2% to € 26.4 million

➤ **Net profit for the period<sup>1</sup> down** to € 16.1 million (-36.6%)

## ➤ Outlook for the full year 2020:

The development of operational and financial key performance indicators is negative due to the significantly reduced traffic volume, but does not risk the survival of the company. Usage of state aid packages, the provision of sufficient credit lines and the successful implementation of saving measures guarantee the liquidity of the company, even if the crisis prevails until the end of the year.

# Profit and revenue drop due to Covid-19 pandemic



in € million	Q1/2020	Q1/2019	Δ in %
Revenue	161.4	177.3	-9.0
Earnings before interest, tax, depreciation and amortization (EBITDA)	59.0	71.6	-17.7
Earnings before interest and taxes (EBIT)	26.4	38.4	-31.2
Financial results	-5.0	-3.5	-44.0
Earnings before tax (EBT)	21.4	34.9	-38.7
Net profit for the period	16.1	25.5	-36.6
Net profit for the period after non-controlling interests	15.6	24.1	-35.1

- The Covid-19 crisis and the related negative traffic development has led to a drop in revenue / stagnant revenue in all business segments which had a negative impact on net profit

# Expenses: Significant cost reduction, slight rise in personnel expenses



- Expenses for consumables and services used significantly below previous year, energy expenses fell by € 0.8 million
- Higher personnel expenses (+3.9%) due to
  - pay increases under collective bargaining agreements
  - higher average headcount, also due to the full consolidation of GET2 as of 1.5.2019

in € million	Q1/2020	Q1/2019	Δ in %
Consumables and services used	-10.4	-11.2	-7.0
Personnel expenses	-76.8	-73.9	3.9
Other operating expenses	-14.4	-24.3	-41.0
Depreciation and amortisation	-32.6	-33.3	-2.0

- Short-time work that was introduced at the Vienna site from 16 March has softened personnel costs in the first quarter mainly through the consumption of holiday time and overtime hours
- Other operating expenses were reduced significantly by 41.0%, chiefly due to cost reductions introduced immediately at the start of the COVID-19 pandemic as well as the lower level of third-party services due to the change in the scope of consolidation on 1 May of the previous year. (main changes: maintenance (down € 5.0 million) as well as the third-party services from Group companies due to the inclusion of GET2 in the scope of consolidation from 1 May of the previous year (down € 3.4 million))
- Depreciation and amortisation was down by 2.0%

# Net debt remains stable, significant CAPEX reduction

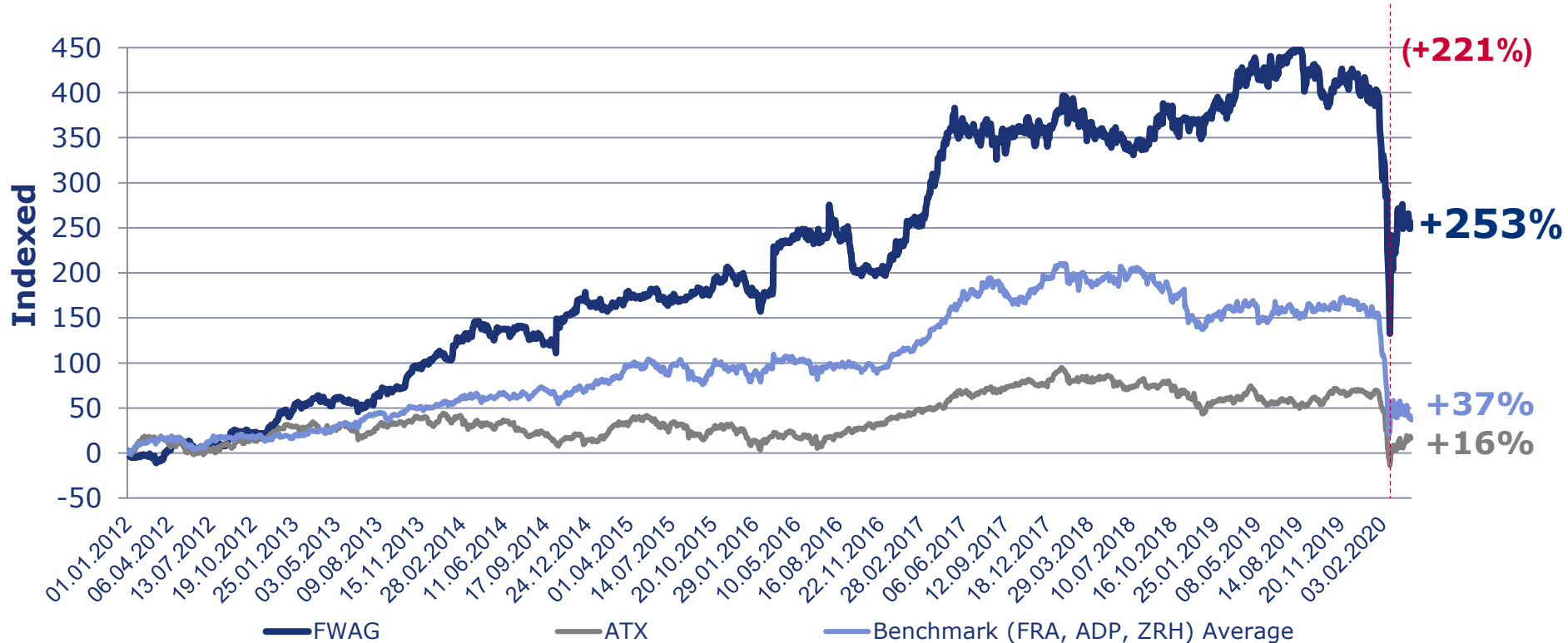


	Q1/2020	Q1/2019	Δ in %
Net debt (€ million) <sup>1</sup>	81.1	81.4	-0.4
Gearing (%) <sup>1</sup>	5.8	5.9	n.a.
Cash flow from operating activities (€ million)	26.5	72.3	-63.4
Free cash flow (€ million)	-21.0	24.6	n.a.
CAPEX (€ million) <sup>2</sup>	21.9	25.9	-15.3
Equity (€ million) <sup>1</sup>	1,394.3	1,380.9	+1.0
Equity ratio (%) <sup>1</sup>	59.2	60.0	n.a.

- Net debt remains stable at € 81.1 million
- Cashflow from operating activities drops sharply, leads to negative free cash flow (€ -21.0 million), also due to payments from provisions becoming cash effective
- Significant CAPEX reduction, equity ratio remains stable at 59.2%

5 <sup>1)</sup> Comparison of March 31, 2020 vs. December 31, 2019  
<sup>2)</sup> CAPEX excl. financial assets and business combinations

# Share price increase since 01/2012: +253% (end of Q1/2020: +221%) market cap about € 2.2 billion (end of Q1/2020: € 2.0 billion)





# Covid-19 crisis: Vienna Airport's role as a „lifeline“ for Austria



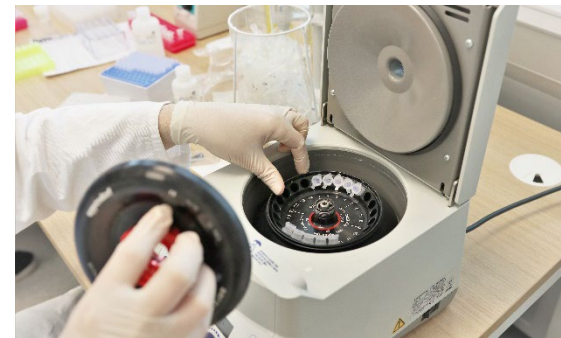
- Vienna Airport has been continuously operating since the beginning of the Covid-19 crisis and was always available for flight traffic
- Daily cargo flights of Austrian Airlines and other airlines transporting medical supplies
- Over 7,500 people have been brought back to Austria from 29 countries on repatriation flights



# Health has highest priority at VIE



- **Requirements by the authorities are enforced:**
  - Health authorities are measuring the body temperature of all arriving passengers
  - Arriving passengers without a negative Covid-19 certificate are required to enter a 14-day quarantine period
- **Service for business travellers: Since 4 May 2020 Vienna Airport offers molecularbiological PCR tests directly on location**
  - Around 100 tests per day, results are ready within 3 hours after the test
  - With a negative test at the airport, quarantine is not necessary anymore

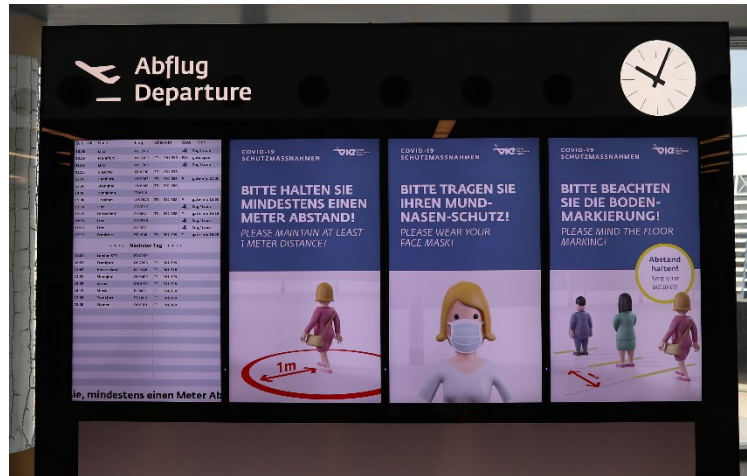
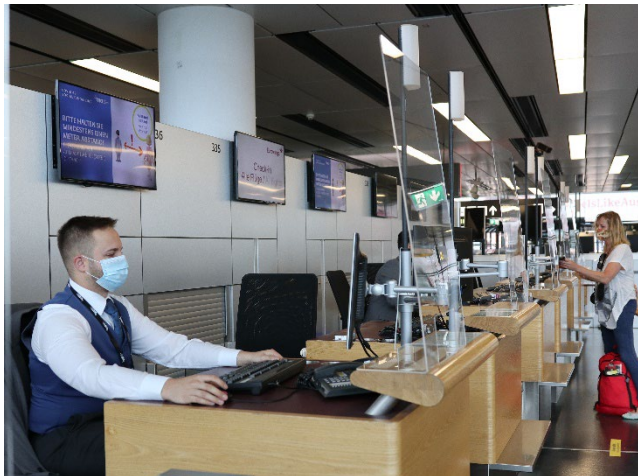




# Health has highest priority at VIE



- **Comprehensive safety measures for passengers and employees:**
  - Requirement to wear safety masks in the terminal, protective devices at check-in, boarding and information counters, distance markings at queuing points, hand disinfectant dispensers, increased cleaning measures, protective gear for employees (face masks, safety masks, gloves), separate bus dispatch



# No new guidance due to current events – emergency measures are implemented



- Due to the massive reduction in flight offers from the airlines operating at Vienna Airport, the revenue and earnings forecast of Flughafen Wien AG for financial year 2020 cannot be achieved. Due to the uncertain development in the coming months, a new forecast cannot be issued
- Emergency measures to safeguard operations and reduce costs are implemented. Flughafen Wien AG responds to the ongoing COVID-19 crisis, that has led to a reduction of passenger volume of about 99%, with an extensive savings and liquidity protection programme. The savings programme comprises a volume of over € 220m which corresponds to more than 25% of planned revenue for 2020. In addition, staff is in reduced working hours.

# Reduction of investments, AGM postponed, proposal to suspend dividend payment



- Usage of state aid packages, the provision of sufficient credit lines and the successful implementation of saving measures guarantee the liquidity of the company, even if the crisis prevails until the end of the year. Planned investments for 2020 will be reduced to a figure below € 100m. Office Park 4 and Terminal 2 will be completed, all other substantial construction projects, such as the southern extension and the refurbishment of Pier East, will be delayed. A new schedule will not be available before the end of 2020
- The annual general meeting for the financial year 2019 will be rescheduled to Friday, 4 September 2020. Like at other listed European Airports, the proposal for the distribution of profits of Flughafen Wien AG will call for the profit to be carried forward and will no longer provide for a dividend payment for the financial year 2019. This measure also safeguards the access to further state aid if needed
- The development of operational and financial key performance indicators is negative due to the significantly reduced traffic volume, but does not risk the survival of the company



# TRAFFIC RESULTS

## Q1/2020



# Traffic development Q1/2020

## Flughafen Wien Group



<b>Group passenger development</b>	<b>Q1/2020</b>	<b>Q1/2019</b>	<b>Δ in %</b>
Vienna Airport (millions)	4.9	6.1	-18.8
Malta Airport (millions)	1.0	1.2	-16.1
Kosice Airport (millions)	0.0	0.1	-40.6
Vienna Airport and its strategic investments (VIE, MLA, KSC)	6.0	7.3	-18.6

<b>Traffic development Vienna Airport</b>	<b>Q1/2020</b>	<b>Q1/2019</b>	<b>Δ in %</b>
Passengers (millions)	4.9	6.1	-18.8
Local passengers (millions)	4.0	4.8	-17.4
Transfer passengers (millions)	1.0	1.2	-22.4
Flight movements (in 1,000)	48.6	56.3	-13.7
MTOW (millions of tonnes)	2.0	2.3	-12.8
Seat load factor (percent)	65.3	70.7	-5.3%p
Cargo incl. trucking (in 1,000 tonnes)	63.2	66.6	-5.2



# Shares of scheduled airlines



Q1/2020	Share in %	Passengers	PAX Δ vs. Q1/2019
1. Austrian Airlines	37.5	1,844,233	-23.2
2. Lauda	13.0	641,650	+31.8
3. Wizz Air	9.8	480,581	+24.0
4. Eurowings	4.7	233,038	-49.6
5. easyJet <sup>1</sup>	3.8	188,472	-33.1
6. Lufthansa	2.8	140,071	-32.3
7. Turkish Airlines	1.9	95,910	-18.3
8. Emirates	1.8	90,972	-16.3
9. SWISS	1.5	75,971	-26.6
10. British Airways	1.5	74,177	-16.7
11. Level	1.3	63,991	-36.4
12. Air France	1.3	61,575	-24.8
13. Aeroflot	1.2	95,873	-25.3
14. Qatar Airways	1.2	58,954	+6.2
15. KLM Royal Dutch Airlines	1.1	56,452	-25.8
Other	15.3	753,668	-26.2
<b>Total</b>	<b>100.0</b>	<b>4,919,588</b>	<b>-18.8</b>
thereof Lufthansa Group <sup>2</sup>	47.2	2,324,365	-27.7
thereof low-cost carriers	30.9	1,521,688	+1.2

1) easyJet: easyJet, easyJet Europe und easyJet Switzerland

2) Lufthansa Group: Austrian Airlines, Lufthansa, Eurowings, SWISS, Brussels Airlines

# Traffic development at Vienna Airport April 2020



	Apr./2020	Apr./2019	Δ in %
Passengers (millions)	0.0	2.7	-99.5
Local passengers (millions)	0.0	2.1	-99.4
Transfer passengers (millions)	0.0	0.6	-99.9
Flight movements (in 1,000)	1.0	22.8	-95.8
MTOW (millions of tonnes)	87.8	943.2	-90.7
Seat load factor (percent)	15.5	78.3	n.a.
Cargo incl. trucking (in 1,000 tonnes)	14.5	23.5	-38.2

- All figures have dropped dramatically due to Covid-19 crisis, cargo drop not as pronounced

# Current passenger flight schedule at Vienna Airport



Airlines	Destination	Frequency/week
Air Serbia	Belgrade	up to 14x
Belavia	Minsk	up to 4x
Bulgaria Air	Sofia	up to 3x
Eurowings	Düsseldorf	up to 4x
	Hamburg	up to 4x
KLM	Amsterdam	up to 6x
Lufthansa	Frankfurt	up to 14x
Qatar Airways	Doha	from June
Tarom	Bucharest	up to 2x
Wizz Air	Dortmund	2-3x
	Lisbon	2-3x
	Varna	2-3x

- Austrian has currently cancelled all scheduled flights up to 31.5.2020, the exact date of recommencement has not been decided yet, most probably this will be in mid June
- Ryanair Group (Lauda, Malta Air; Buzz, Ryanair, Ryanair UK): Restart of flights planned for 1.7.2020
- Wizz Air: Additional destinations will most likely follow in June



# SEGMENT RESULTS Q1/2020



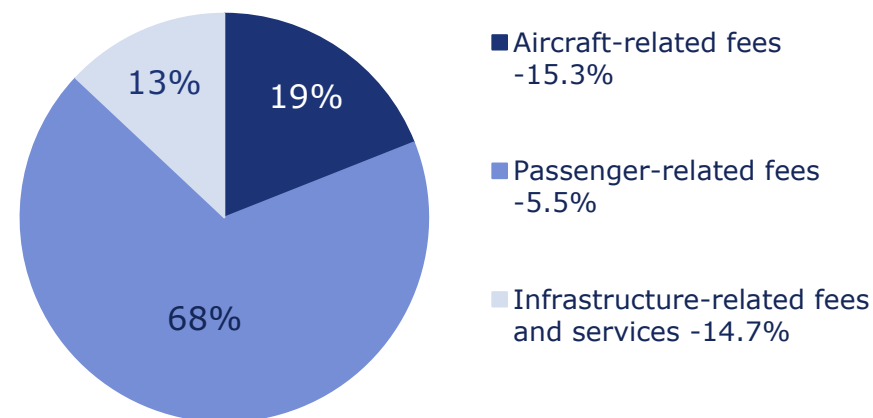
# Airport: Passenger decline leads to lower EBITDA and EBIT



- Notable revenue decrease due to decline in passengers and flight movements
- Revenue from aircraft-related fees declined by 15.3% year-on-year to € 14.1 million (Q1/2019: € 16.7 million)
- Passenger-related fees decreased by 5.5% to € 51.7 million in the first quarter of 2020 (Q1/2019: € 54.7 million)
- As a consequence of lower traffic figures, EBITDA and EBIT decreased accordingly

in € million	Q1/2020	Q1/2019	Δ in %
External revenue	75.8	83.2	-8.8
EBITDA	30.4	34.7	-12.4
EBIT	10.4	13.8	-3.4

**Revenue distribution Q1/2020 in the Airport Segment**



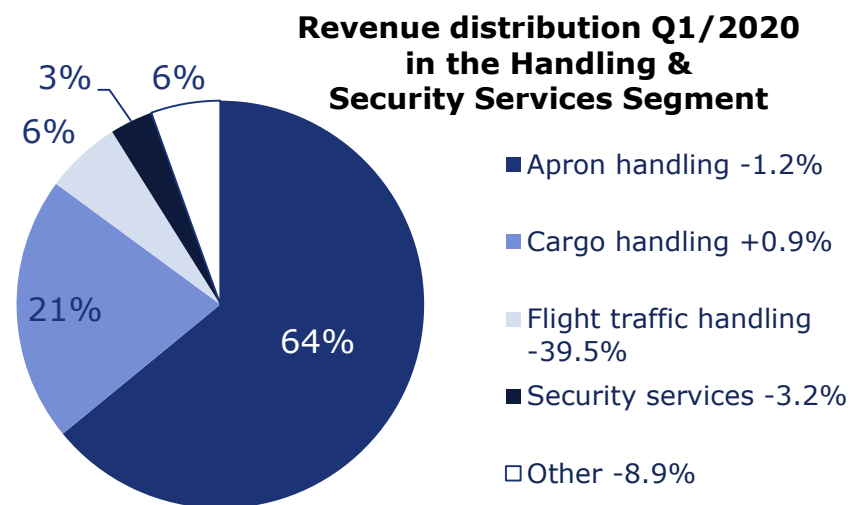


# Handling & Security Services: Lower revenue



- Revenue from apron handling moved down by 1.2% to € 23.4 million also due to lower de-icing revenue
- Despite the decline in volumes, revenue from cargo handling remained at the level of the previous year at € 7.8 million
- The cost of materials fell by 4.5% year-on-year to € 2.6 million
- Due to a reduction in holiday and overtime hours and receivables from COVID-19 short-time work, personnel expenses declined by 1.4% to € 42.4 million (Q1/2019: € 43.0 million) despite higher average headcount

in € million	Q1/2020	Q1/2019	Δ in %
External revenue	36.6	38.5	-5.0
EBITDA	-0.8	1.2	n.a.
EBIT	-3.1	-1.1	n.a.



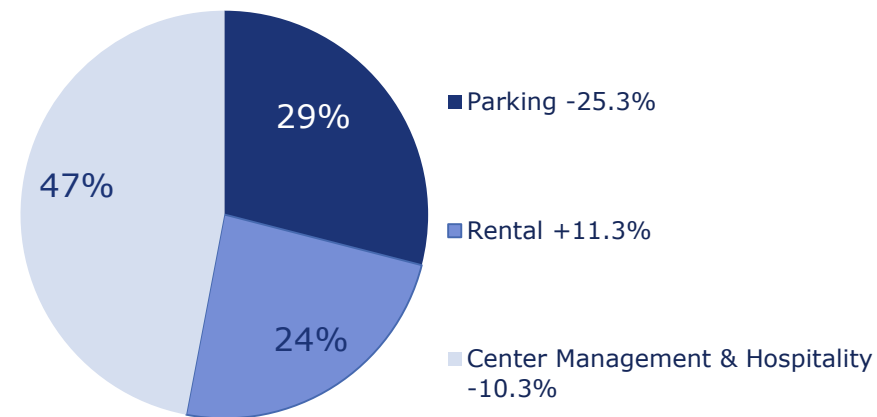
# Retail & Properties: Also lower revenue and results



- Lower revenue from centre management & hospitality, which fell by 10.3% to € 15.2 million (Q1/2019: € 16.9 million)
- Parking revenue also fell by 25.3% from € 12.5 million to € 9.3 million
- Rental revenue amounted to € 7.6 million (Q1/2019: € 6.8 million)

in € million	Q1/2020	Q1/2019	Δ in %
External revenue	32.1	36.2	-11.4
EBITDA	18.2	24.6	-25.8
EBIT	13.9	20.2	-30.8

**Revenue distribution Q1/2020 in the Retail & Properties Segment**

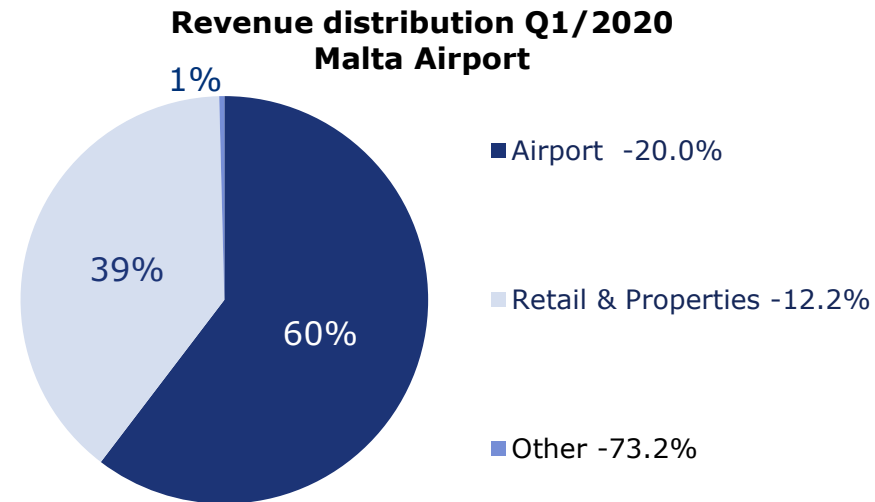


# Malta: Lower revenue and results due to Covid-19



- Airport-related revenue declined by 20.0% year-on-year to € 7.8 million, which in this segment is also due in large part to the decrease in traffic as a result of the travel restrictions during the COVID-19 pandemic
- The Retail & Properties segment also posted a reduction in revenue of 12.2% to € 5.0 million
- Personnel expenses climbed by 17.3% to € 2.7 million (Q1/2019: € 2.3 million) owing to the higher headcount and pay increases under collective bargaining agreements

in € million	Q1/2020	Q1/2019	Δ in %
External revenue	12.8	15.6	-17.7
EBITDA	5.0	7.4	-33.0
EBIT	2.1	4.6	-53.8



# Results of strategic investments



## Malta Int. Airport

### Q1/2020

- Approx. 1.0 million PAX (-16.1%)

### 2019

- About 7.3 million PAX (+7.4%)
- Revenue: € 100.3 million
- EBITDA: € 63.2 million
- EBITDA margin: 63.0%
- Net profit: € 34.0 million

## Airport Košice

### Q1/2020

- Approx. 0.0 Mio. PAX (-40.6%)

### 2019

- About 0.6 Mio. PAX (+2.9%)
- Revenue: € 14.0 million
- EBITDA: € 4.3 million
- EBITDA margin: 30.7%
- Net profit: € 2.7 million



**THANK YOU FOR YOUR ATTENTION!**

