

# FLUGHAFEN WIEN AG

Results H1/2020



# H1/2020: Covid-19 effects are strongly felt – Results significantly below previous year



## ➤ H1/2020 – Passenger decline

FWAG Group: -66.0%, Vienna: -65.3%,  
Malta: -68.7%, Košice: -76.8%

➤ **Revenue decrease** to € 195.8 million (-51.2%), EBITDA down by 73.3% to € 48.9 million, EBIT lower by 113.8% to € -16.2 million

➤ **Net profit for the period<sup>1</sup> down** to € -18.2 million (-121.9%)

## ➤ **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 significantly beyond the end of the year.

# Significant profit and revenue drop due to Covid-19 pandemic



in € million	H1/2020	H1/2019	Δ in %
Revenue	195.8	401.4	-51.2
Earnings before interest, tax, depreciation and amortization (EBITDA)	48.9	183.1	-73.3
Earnings before interest and taxes (EBIT)	-16.2	117.2	-113.8
Financial results	-7.8	-6.1	-27.1
Earnings before tax (EBT)	-24.0	111.0	-121.6
Net profit for the period	-18.2	82.9	-121.9
Net profit for the period after noncontrolling interests	-16.7	75.8	-122.0

- The Covid-19 crisis and the related negative traffic development has led to a drop in revenue in all business segments which had a particularly negative impact on earnings in the second quarter of 2020

# Expenses: Significant cost reduction achieved in all positions



➤ Expenses for consumables and services used were significantly below previous year, energy expenses fell by € 2.2 million

➤ Personnel expenses were down by 28.9%, essentially due to the short-time work introduced from 16 March 2020 as well

as the accompanying measures to use up holiday time, overtime hours and flexitime credit

➤ Other operating expenses were reduced by 51.1%

➤ Depreciation and amortisation fell by 1.4%

in € million	H1/2020	H1/2019	Δ in %
Consumables and services used	-14.0	-20.3	-30.9
Personnel expenses	-109.4	-153.8	-28.9
Other operating expenses	-26.0	-53.3	-51.1
Depreciation and Amortisation	-65.0	-65.9	-1.4

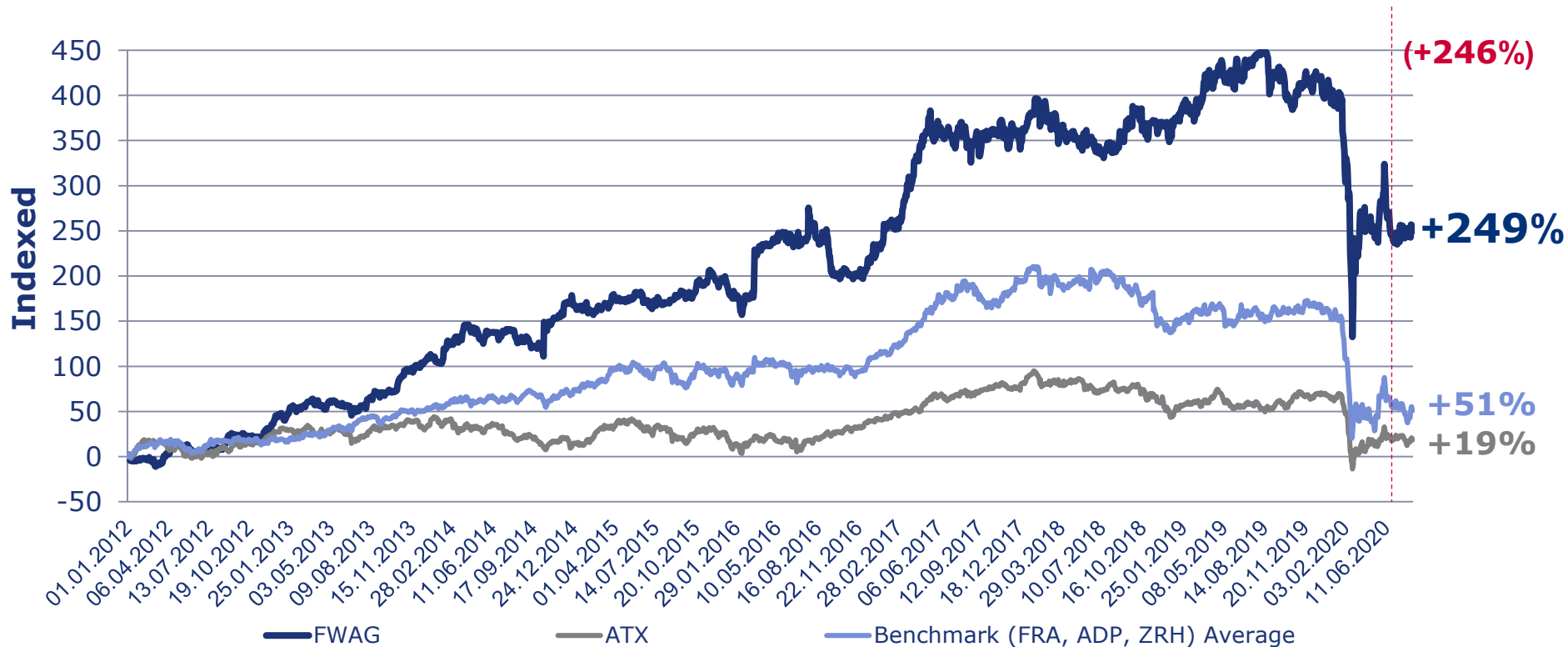
# Net debt rises due to crisis, CAPEX has been greatly reduced



	H1/2020	H1/2019	Δ in %
Net debt (€ million) <sup>1</sup>	149.0	81.4	83.0
Gearing (in %) <sup>1</sup>	11.0	5.9	n.a.
Cash flow from operating activities (€ million)	-6.8	156.0	-104.4
Free cash flow (€ million)	-69.0	76.0	-190.7
CAPEX (€ million) <sup>2</sup>	39.2	63.5	-38.2
Equity (€ million) <sup>1</sup>	1,395.3	1,380.9	-1.6
Equity ratio (%) <sup>1</sup>	60.2	60.0	n.a.

- Net debt rises due to crisis to € 149.0 million
- Cashflow from operating activities drops sharply, leads to negative free cash flow (€ -69.0 million)
- Significant CAPEX reduction, equity ratio remains stable at 60.2%

**Share price increase since 01/2012: +249%**  
**(end of H1/2020: +246%), market cap about**  
**€ 2.1 billion (end of H1/2020: € 2.1 billion)**



6 Share price development from 1.1.2012 to 14.8.2020

# Health has highest priority at VIE



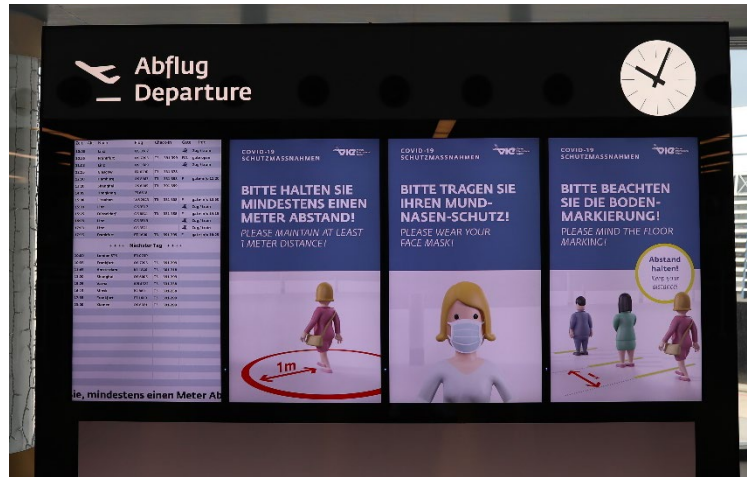
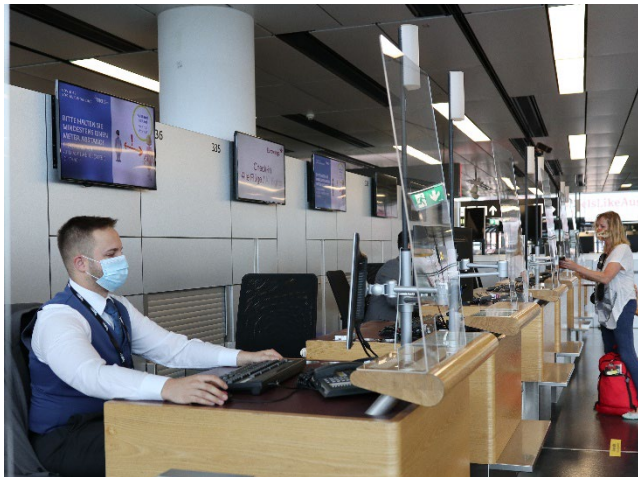
- **Strict requirements by the authorities:**
  - Health authorities are measuring the body temperature of all arriving passengers
  - Arriving passengers from risk areas without a negative Covid-19 certificate are required to enter a 10-day quarantine period
- **Worldwide trailblazer: Since 4 May 2020 Vienna Airport offers molecularbiological PCR tests directly on location**
  - More than 15,000 tests since the beginning, over 600 tests per day, results are available within 3 to 6 hours, with a negative test at the airport, quarantine is not necessary anymore
  - Future-proof solution for comprehensive entry regulations in Covid-19 times



# Health has highest priority at VIE



- **Vienna Airport has introduced 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





# New Office Park 4 building at the Airport City starts its operations



- **Opening in August 2020:** Construction of building finished, first tenants are moving in
- **Over 40% already rented out:** Active tenant interest – high demand for first-time usage spaces and co-working spaces
- **A total of 26,000 m<sup>2</sup> of cutting-edge office and event spaces:** Partly multi-storey spaces, own kindergarten, terrace space, work stations for 2,000 employees
- **High sustainability:** Innovative building technology and geothermal heat: Heating and cooling using thermal energy, 441 energy poles in the ground, brine-water heat pump – 94% of heating requirement and 45% of cooling energy p.a. should be covered this way
- **New ad space creates additional revenue stream:** Austria's biggest LED video wall, located directly above the access road to the airport



# Reduction of investments, virtual AGM, 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 significantly beyond 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 held as a virtual AGM on 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 H1/2020



# Traffic development H1/2020

## Flughafen Wien Group



<b>Group passenger development</b>	<b>H1/2020</b>	<b>H1/2019</b>	<b>Δ in %</b>
Vienna Airport (millions)	5.1	14.7	-65.3
Malta Airport (millions)	1.0	3.3	-68.7
Kosice Airport (millions)	0.1	0.2	-76.8
Vienna Airport and its strategic investments (VIE, MLA, KSC)	6.2	18.1	-66.0

<b>Traffic development Vienna Airport</b>	<b>H1/2020</b>	<b>H1/2019</b>	<b>Δ in %</b>
Passengers (millions)	5.1	14.7	-65.3
Local passengers (millions)	4.1	11.4	-63.9
Transfer passengers (millions)	1.0	3.2	-69.3
Flight movements (in 1,000)	53.1	127.9	-58.5
MTOW (millions of tonnes)	2.3	5.2	-55.6
Seat load factor (percent)	63.9	75.1	-11.2%p
Cargo incl. trucking (in 1,000 tonnes)	107.9	136.0	-20.7

# Shares of scheduled airlines



H1/2020	Anteil in %	Passagiere	PAX Δ zu H1/2019
1. Austrian Airlines	37.3	1,897,854	-69.5
2. Lauda	12.6	641,660	-45.0
3. Wizz Air	10.0	506,764	-46.3
4. Eurowings	4.9	247,326	-76.9
5. easyJet <sup>1</sup>	3.7	188,472	-69.8
6. Lufthansa	3.3	169,572	-58.4
7. Turkish Airlines	2.1	104,374	-58.1
8. Emirates	1.8	92,083	-53.1
9. SWISS	1.6	81,498	-63.3
10. British Airways	1.5	74,177	-63.1
11. Level	1.3	64,201	-80.0
12. Air France	1.2	62,529	-60.0
13. Qatar Airways	1.2	62,093	-42.3
14. KLM Royal Dutch Airlines	1.2	61,840	-65.8
15. Aeroflot	1.2	60,067	-64.3
Other	15.2	776,036	-68.0
<b>Total</b>	<b>100.0</b>	<b>5,090,546</b>	<b>-65.3</b>
thereof Lufthansa Group <sup>2</sup>	47.7	2,427,882	-69.7
thereof low-cost carriers	30.5	1,552,858	-56.9

1) easyJet: easyJet, easyJet Europe and easyJet Switzerland

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

# Traffic development Vienna Airport July 2020



	<b>07/2020</b>	<b>07/2019</b>	<b>Δ in %</b>
Passengers (millions)	0.6	3.2	-81.8
Local passengers (millions)	0.5	2.4	-79.4
Transfer passengers (millions)	0.1	0.8	-88.7
Flight movements (in 1,000)	7.6	25.2	-69.9
MTOW (millions of tonnes)	301.7	1,025.0	-70.6
Seat load factor (percent)	52.8	81.8	n.a.
Cargo incl. trucking (in 1,000 tonnes)	15.8	23.3	-32.1

- July figures are better than at the peak of the Covid-crisis, but much lower than in the previous year; cargo drop not as pronounced

# Traffic development Vienna Airport 1-14 August 2020



	<b>08/2020</b>	<b>08/2019</b>	<b>Δ in %</b>
Passengers (millions)	0.4	1.4	-74.9
Local passengers (millions)	0.3	1.0	-72.0
Transfer passengers (millions)	0.1	0.4	-83.2
Flight movements (in 1,000)	4.8	11.1	-57.3
MTOW (millions of tonnes)	178.6	454.2	-60.7

- Development in the first half of August slightly better than in July, passenger numbers have contracted by around 75%

# 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
- During the lockdown phase, daily cargo flights of Austrian Airlines and other airlines were operated transporting medical supplies
- Over 7,500 people have been brought back to Austria from 29 countries on repatriation flights





# For the time after the crisis: Modernisation of Terminal 2 is continued, all other projects on hold



- Passenger handling is currently performed centrally in Terminal 3. Depending on passenger volume, other terminal areas can be swiftly reactivated. The projects „Southern Extension“ and „Modernisation Pier East“ are currently on hold. A new timetable will not be available before the end of the year 2020
- The Modernisation of Terminal 2 is currently in progress and is expected to be completed in early 2021. Because of the current interruption of operations, works there can be performed rapidly
- Terminal 2 will offer a new level of comfort: Central security check, new baggage claim area, redesigned lounges, modern ambience





# SEGMENT RESULTS H1/2020



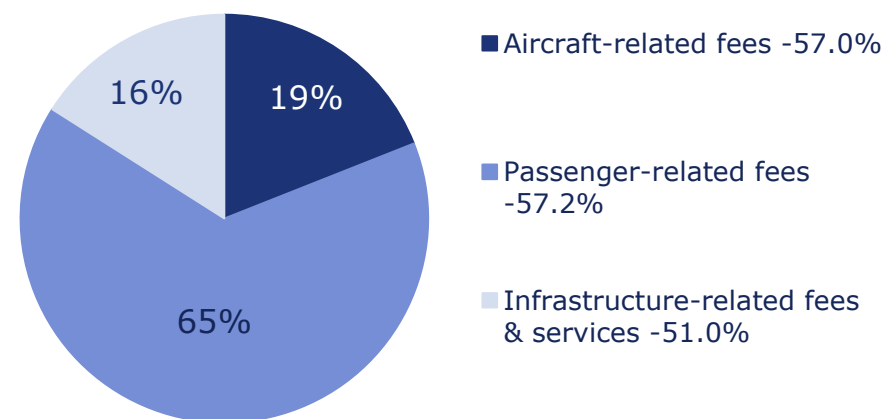
# Airport: Passenger decline leads to lower EBITDA and EBIT



- Notable revenue decrease due to decline in passengers and flight movements
- Revenue from aircraft-related fees declined by 57.0% to € 15.8 million (H1/2019: € 36.8 million), passenger-related fees decreased by 57.2% to € 54.6 million (H1/2019: € 127.6 million) and infrastructure-related fees & services sank by 51.0% to € 13.0 million (H1/2019: € 26.6 million)
- As a consequence of lower traffic figures, EBITDA and EBIT decreased accordingly

in € million	H1/2020	H1/2019	Δ in %
External revenue	83.4	191.0	-56.3
EBITDA	25.3	90.9	-72.2
EBIT	-14.7	49.2	-129.9

**Revenue distribution H1/2020 in the Airport Segment**

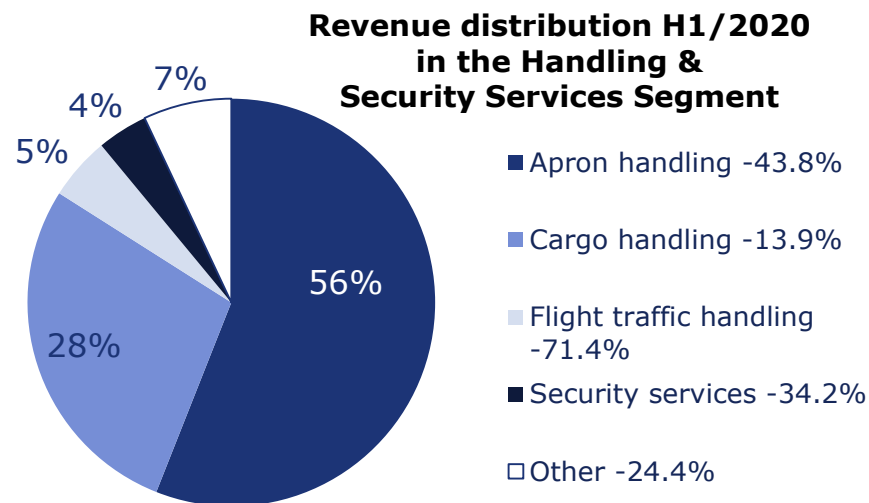


# Handling & Security Services: Lower revenue due to lower volumes



- Revenue from apron handling decreased by 43.8% to € 26.8 million as a result of the pandemic-related decrease in movements and lower de-icing revenue
- Revenue from cargo handling fell by 13.9% to € 13.8 million in the first half of the year due to the decline in volumes
- The cost of materials fell by 32.9% year-on-year to € 3.0 million.
- Personnel expenses fell by 33.4% to € 58.8 million (H1/2019: € 88.3 million) despite the higher average headcount due to measures to use up holiday time and overtime hours and assistance from the COVID-19 short-time work program

in € million	H1/2020	H1/2019	Δ in %
External revenue	48.2	79.4	-39.3
EBITDA	-9.4	4.6	n.a.
EBIT	-14.0	0.5	n.a.



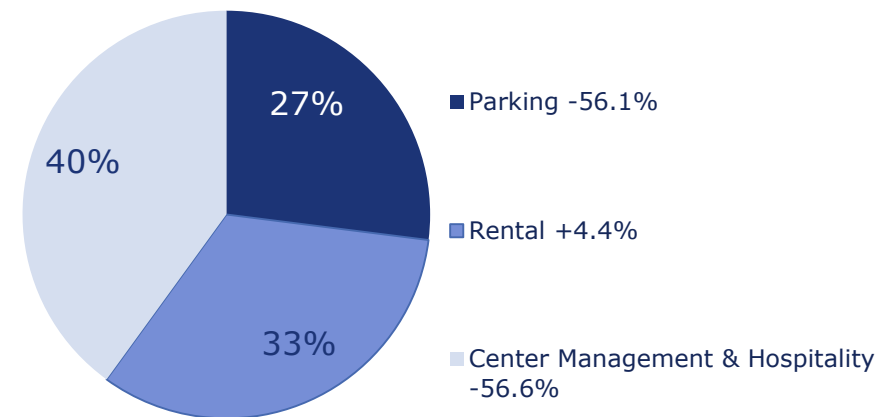
# Retail & Properties: Also lower revenue and results



- Lower revenue from centre management & hospitality, which fell by 56.6% to € 16,9 million (H1/2019: € 39.0 million)
- Parking revenue also fell by 56.1% from € 25.6 million to € 11.2 million
- In contrast, rental revenue was up 4.4% at € 14.1 million (H1/2019: € 13.5 million).

in € million	H1/2020	H1/2019	Δ in %
External revenue	42.2	78.1	-45.9
EBITDA	20.1	51.9	-61.3
EBIT	11.5	43.0	-73.3

**Revenue distribution H1/2020 in the Retail & Properties Segment**



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

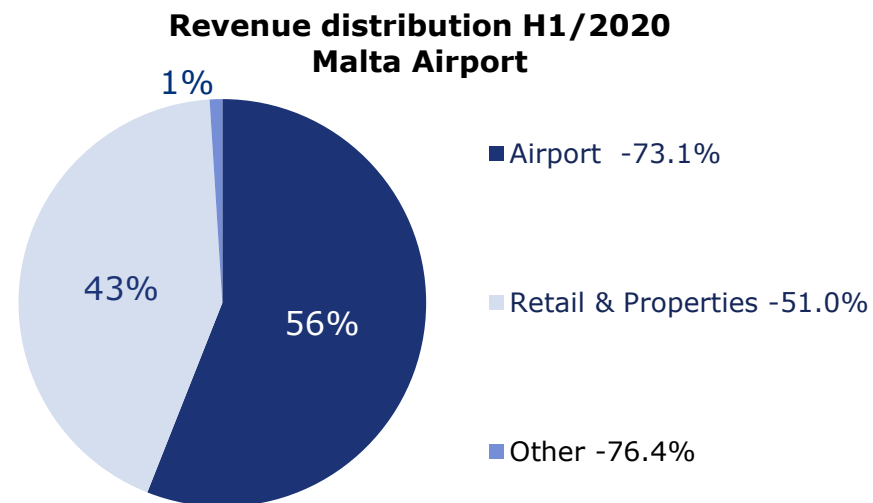


➤ Airport-related revenue declined by 73.1% year on-year to € 8.4 million, which is also primarily due in this segment to the decrease in traffic at Malta Airport due to travel restrictions as a result of the Covid-19 pandemic

in € million	H1/2020	H1/2019	Δ in %
External revenue	14.9	44.6	-66.5
EBITDA	2.6	27.3	-90.5
EBIT	-3.1	21.8	n.a.

➤ The Retail & Properties segment also posted a revenue drop of 51.0% to € 6.5 million

➤ Personnel expenses fell by 16.5% to € 4.1 million (H1/2019: € 4.9 million) despite the higher headcount and pay increases under collective bargaining agreements



**THANK YOU FOR YOUR ATTENTION!**

