Quarterly Report
2/2023

Flughafen Wien AG

Content

Key Data of the Flughafen Wien Group

Financial indicators (in € million. excluding employees)

	H1/2023	H1/2022	Change in %
Total revenue	428.1	294.7	45.3%
Thereof Airport	199.4	134.2	48.6%
Thereof Handling & Security Services	78.5	56.9	37.9%
Thereof Retail & Properties	84.2	57.3	47.1%
Thereof Malta	53.6	37.3	43.8%
Thereof Other Segments	12.4	9.1	36.6%
EBITDA	177.4	143.1	23.9%
EBITDA margin (in %)[1]	41.4	48.6	n.a.
EBIT	112.6	75.8	48.5%
EBIT margin (in %)[2]	26.3	25.7	n.a.
Net profit	82.7	52.3	58.0%
Net profit parent company	74.0	46.4	59.5%
Cash flow from operating activities	197.9	96.6	104.9%
Capital expenditure[3]	28.7	25.9	10.7%
Income taxes	30.0	19.2	56.0%
Average number of employees[4]	4,883	4,649	5.0%
	30.6.2023	**31.12.2022**	**Change in %**
Equity	1,454.7	1,448.5	0.4%
Equity ratio (in %)	65.0	65.1	n.a.
Net liquidity	246.3	149.4	64.9%
Total assets	2,239.1	2,224.9	0.6%
Gearing (in %)[5]	-16.9	-10.3	n.a.
Number of employees at end of period	5,220	4,854	7.5%

1) EBITDA margin (Earnings before Interest, Taxes, Depreciation and Amortisation) = EBITDA / Revenue
2) EBIT margin (Earnings before Interest and Taxes) = EBIT / Revenue
3) Capital expenditure: intangible assets, property, plant and equipment and investment property including corrections to invoices from previous years, excluding financial assets
4) According to the degree of employment including apprentices, exclusive employees without reference (parental leave, armed forces etc.), exclusive board members and managing directors weighted „full-time equivalent" on an annual average
5) Gearing is negative due to the presence of net liquidity

Industry indicators

	H1/2023	H1/2022	Change in %
Passenger development of the Group			
Vienna Airport (in mill.)	13.3	9.2	44.3%
Malta Airport (in mill.)	3.4	2.3	46.4%
Košice Airport (in mill.)	0.2	0.2	29.5%
Vienna Airport and strategic investments	17.0	11.8	44.5%
Traffic development Vienna Airport			
Passengers (in mill.)	13.3	9.2	44.3%
Thereof transfer passengers (in mill.)	3.0	2.1	42.7%
Aircraft movements	103,292	81,017	27.5%
MTOW (in mill. tonnes)[6]	4.3	3.4	27.0%
Cargo (air cargo and trucking; in tonnes)	120,257	123,900	-3.0%
Seat load factor (in %)[7]	78.6	71.6	n.a.

Stock market indicators

Market capitalisation (as of 30.6.2023; in € mill.)	4,027.8
Stock price: high (26.6.2023; in €)	48.60
Stock price: low (5.1.2023 in €)	32.25
Stock price as of 30.6.2023 (in €)	47.95
Stock price as of 31.12.2022 (in €)	32.35
Market weighting ATX Prime (as of 30.6.2023; in %)	0.73%

Ticker symbols

Reuters	VIEV.VI
Bloomberg	FLU AV
Nasdaq	FLU-AT
ISIN	AT00000VIE62
Kassamarkt	FLU
ADR	VIAAY

6) MTOW: maximum take off weight for aircraft
7) Seat load factor: Number of passengers / available number of seats

Dear Shareholders,

The marked recovery in aviation following the severe slumps caused by the COVID-19 pandemic has continued in the first half of 2023. Despite higher ticket prices the desire to travel is undiminished. The Flughafen Wien Group, which includes the airports in Malta and Košice as well as Vienna Airport, reported passenger growth of around 45% to 17.0 million passengers in the first two quarters. This is equivalent to around 94% of the pre-crisis level. Increased capacity by airlines and a number of new destinations complete the picture of continued dynamic business. A key indicator of this is the traffic volume in July, which was even 1% higher than the record level of 2019.

There was significant growth at Vienna Airport as well, where the number of passengers rose by 44% to 13.3 million, or approximately 91% of the record year of 2019. Movements increased by 28% to 103,292 and the seat load factor, i.e. the utilisation of aircraft capacity, improved noticeably from 72% to 79%. In the summer flight plan, around 60 airlines serve more than 200 destinations in almost 70 countries, which also highlights the significance of Vienna Airport as a hub.

The momentum of this recovery has exceeded our expectations overall and is also clearly reflected in our key performance indicators. Revenue rose by 45.3% from € 294.7 million in the first half of 2022 to € 428.1 million, which is 7% higher than the previous record year of 2019. EBITDA climbed by 23.9% to € 177.4 million and EBIT by 48.5% to € 112.6 million, whereby a positive financial result was achieved for the first time as well thanks to debt reduction and higher interest on bank balances. The net profit after non-controlling interests improved by a remarkable 59.5% to € 74.0 million with earnings per share of € 0.88.

This gratifying development also led to a further improvement in the financial position. The company is net debt-free and its equity ratio is a proud 65.0% after the first half of the year. As usual, more details on the figures can be found later in this report.

In one respect, the first half of 2023 was an especially important milestone: Thanks to concerted efforts and forward-looking capital expenditure, airport operations are now CO2 neutral. Despite the passenger growth of around 40% since 2011, CO2 emissions have been reduced by 60,000 tonnes each year. As a result of the expansion of the photovoltaic plant to 45 hectares, we are now able to generate around 50% of our power requirements on-site. These successes in climate protection are the result of a team effort by all our employees, and we would like to take this opportunity to thank them for their dedication and professionalism on behalf of the Supervisory Board as well. Thanks to their commitment, Vienna Airport was again one of Europe's most punctual airports in the first half of 2023 and also achieved top results in baggage handling reliability and waiting times at security.

The site's development is making good progress as well. The preparations for the start of construction on the southern extension are at an advanced stage, as are those for a new hotel project with 500 beds. And also the AirportCity is expanding: In 2023 alone, 20 new companies have set up shop here, now bringing the total to more than 250.

And as for the third runway project, the environmental impact assessment authority has approved the extension of the completion date until 30 June 2033. Several lawsuits have again been launched against this decision, though without suspensive effect. A ruling on these can take several more years. Air traffic – according to experts in the field – will continue to rise, with the result that the current runway system will reach the limits of its capacity in the 2030s. The anticipated long-term growth in aviation is also verified by a new study by Airbus and Boeing, which assumes that the global aircraft fleet will double to 48,000 by 2042.

However, we on the Management Board of Flughafen Wien AG have good reason to be optimistic for the near future as well. The excellent figures to date for the first half of the year allow us to raise our guidance for the current year: We are now forecasting 28.5 million passengers at Vienna Airport (previously: 26 to 27 million) and 36.5 million for the Group (previously: 32 to 34 million). Accordingly, we also anticipate significantly higher revenue and a significant increase in EBITDA and net profit before non-controlling interests compared to our previous guidance (previously: revenue around € 830 million, EBITDA at least € 325 million, net profit before non-controlling interests € 150 million). Meanwhile, capital expenditure is expected to amount to € 100 million rather than € 135 million guided earlier. As for the dividend, it will be possible to increase the pay-out ratio from previously 60%.

Finally, we would like to thank you, our shareholders, for your confidence in us and our company. We wish you all a relaxing summer and a successful start to autumn!

Schwechat, 17 August 2023

The Management Board

Günther Ofner
Member of the board, CFO

Julian Jäger
Member of the board, COO

Group Management Report

Dynamic passenger development for Flughafen Wien Group

In H1/2023, the Flughafen Wien Group reported an increase in passengers of roughly 45% compared to the same period of 2022 to 17,008,160 in total or around 94% of the pre-crisis level of 2019.

The number of local passengers increased by around 45% year-on-year to 13,961,964 while the number of transfer passengers rose by around 43% to 3,009,414. The number of movements in the Group increased under proportionately by around 28% at 128,565 take-offs and landings while cargo volume was down slightly by around 1% to 129,468 tonnes in the reporting period.

Traffic recovery continues at Vienna Airport

Despite consistently high inflation and rising ticket prices, H1/2023 saw a significant increase in traffic at Vienna Airport. Demand for air travel is back at a similar level to before the pandemic. Following a strong first quarter, traffic continued to recover in the second quarter as well.

The cumulative passenger volume at Vienna Airport increased by around 44% year-on-year to 13,327,604 passengers in the period from January to June 2023. The number of passengers thus rose to around 91% of pre-crisis levels. The traffic volume was already at 95% of the June 2019 level in June of this year. The number of local passengers increased by 45% to 10,295,431 while the number of transfer passengers rose by around 43% to 2,995,402.

The current upward trend at Vienna Airport is reflected in virtually all regions (all figures relate to departing passengers):

The number of passengers to Western Europe rose by 39% to 4,552,888. The growth drivers in this region were Germany, Italy and Spain. With business travel still subdued, the number of passengers flying to Germany in particular remains well below the 2019 level.

The Eastern Europe region counted 1,090,187 passengers, an increase of 40% compared to H1/2022 with the strongest growth in Poland followed by Romania and Bulgaria.

Traffic bound for the Middle East rose sharply by 73% as against H1/2022 to 458,486 passengers. The most significant growth was in the number of passengers flying to the United Arab Emirates as well as Israel and Saudi Arabia.

Destinations in the Far East attracted 295% more passengers, with 209,910 passengers to this region in total. The strongest growth as against 2022 was accounted for by the rising traffic volume to Taiwan, Korea and Thailand.

149,820 passengers for Africa were handled. The increase of 52% is predominantly thanks to traffic to Egypt and Morocco.

The traffic volume to North America has risen by around 51% to 181,905 passengers.

The positive trend in H1/2023 can also be seen by the average utilisation of aircraft capacity, which rose from 72% to 79%. Movements increased by around 28% to 103,292 take-offs and landings in total. The maximum take-off weight (MTOW) rose by 27% to 4,317,360 tonnes in total, while the cargo volume declined by 3% to 120,257 tonnes.

The largest customer at the site Austrian handled 6,126,557 passengers in H1/2023, an increase of 47% compared to the 2022 reporting period. Departing transfer passengers increased by around 41% in total to 1,360,946. Its market share of the total passenger volume increased by 0.9 percentage points year-on-year to 46.0%.

Ryanair/Lauda, the second-largest carrier at the site, saw its market share drop by 0.4 percentage points to 21.3%, though its passenger numbers rose by around 41% to 2,833,580 in total.

Passenger numbers of Wizz Air, the third-largest airline in Vienna, rose by 36% as against 2022 to 910,237. Its market share of the total passenger volume nevertheless contracted marginally by 0.4 percentage points year-on-year to 6.8%.

Development at Malta and Košice

The rising trend can also be clearly seen at FWAG's foreign investments. The passenger volume for both investments was already much higher in H1/2023 than in the same period of 2019. At Malta Airport, passenger volume was up by around 46% as against the same period of 2022 at 3,434,470 in the first half of 2023 while passenger traffic at Košice Airport rose by around 30% to 246,086.

Earnings in the first half of 2023

Revenue up 45.3% at € 428.1 million

The Flughafen Wien Group (FWAG) generated revenue of € 428.1 million in H1/2023 (H1/2022: € 294.7 million), a year-on-year increase of 45.3%. In particular, the strong growth was thanks to the significant increase in passenger volume (up 44.5%) and the rise in traffic movements (up 28.1%). Revenue is therefore approximately 7% higher than in the same period of the pre-crisis year of 2019. The most significant changes were in the following areas:

Revenue in the Airport segment increased by 48.6% to € 199.4 million (H1/2022: € 134.2 million). This was driven mainly by higher revenue from passenger and aircraft fees (up € 59.2 million). Revenue from infrastructure and other services increased by € 6.1 million.

Revenue from ground handling rose from € 35.4 million in H1/2022 to € 52.5 million in H1/2023 as a result of the increase in movements and MTOW. Revenue from cargo handling was slightly higher than in the previous year at € 13.9 million (H1/2022: € 12.9 million), though cargo volumes were in decline year-on-year at Vienna Airport (cargo: down 3.0%).

Revenue from centre management and hospitality rose sharply by 65.7% to € 41.3 million in H1/2023 (H1/2022: € 24.9 million), while parking revenue increased by € 8.9 million or around 50% to € 27.2 million (H1/2022: € 18.3 million).

Revenue at Malta Airport was also up by 43.8% year-on-year at € 53.6 million (H1/2022: € 37.3 million) as a result of significantly higher passenger numbers.

Other operating income declined by € 10.5 million year-on-year to € 5.5 million (H1/2022: € 16.1 million). This reduction is essentially due to one-time effects in the same period of the previous year. Income of € 8.3 million from the sale of land and of € 3.2 million from COVID-19 support measures was recognised in H1/2022. Own work capitalised increased by € 0.5 million as a result of more intensive construction work.

Expenses for consumables and purchased services rose by 49.4% to € 28.9 million in H1/2023 (H1/2022: € 19.4 million). Energy expenses increased by € 5.2 million to € 13.9 million (H1/2022: € 8.7 million), while expenses for other consumables climbed by 46.6% at € 13.1 million (H1/2022: € 8.9 million). Purchased services are roughly stable year-on-year at € 1.9 million (H1/2022: € 1.8 million).

Personnel expenses grew by 39.8% year-on-year to € 167.8 million. This increase is due essentially to three factors: In Q1/2022, short-time work allowances of € 10.8 million were still being claimed that have been discontinued this year. Furthermore, two collective wage increases (1 January 2023 and 1 May 2023) have caused corresponding expenses and, thirdly, additions were made to provisions on account of changes in parameters (see note 6).

The average headcount (full-time equivalents) at the Flughafen Wien Group is 4,883 after 4,649 in the same period of the previous year, an increase of 5.0%. Wages rose by 42.1% to € 64.3 million as against the previous year (H1/2022: € 45.3 million), while salaries were up by 50.2% at € 62.7 million (H1/2022: € 41.8 million). Expenses for severance compensation doubled to € 5.1 million (H1/2022: € 2.6 million), also on account of the one-time effect in the previous year (reversal of a provision of € 1.3 million), while pension costs were virtually unchanged at € 1.4 million (H1/2022: € 1.2 million). Expenses for social security contributions amounted to € 33.0 million in the first two quarters of 2023 (H1/2022: € 28.0 million), while other social security expenses were unchanged at € 1.2 million (H1/2022: € 1.2 million).

Other operating expenses (including impairment and reversals of impairment on receivables) rose by € 31.4 million to € 59.8 million (H1/2022: € 28.4 million) for operational reasons. The most significant increases were in third-party services (up € 4.6 million), maintenance (up € 4.1 million), marketing and market communication (up € 9.1 million) and other operating expenses including lounges (up € 3.7 million). The addition to write-downs on receivables amounts to € 2.2 million, offset by reversals of write-downs of € 3.7 million in the same period of the previous year, essentially as the result of a positive court ruling.

The operating results of investments recorded at equity amounted to € 0.2 million (H1/2022: € 0.1 million).

EBITDA increase to € 177.4 million (H1/2022: € 143.1 million)

As a result of the positive development in revenue, EBITDA rose by 23.9% year-on-year from € 143.1 million to € 177.4 million. The EBITDA margin normalised at 41.4%, but was 7.1 percentage points below the previous period, mainly due to the above-mentioned extraordinary income in the same period of the previous year.

EBIT increase of almost 50% to € 112.6 million (H1/2022: € 75.8 million)

Depreciation and amortisation declined slightly to € 64.8 million in H1/2023 (H1/2022: € 67.3 million).

The better EBITDA and the drop in depreciation and amortisation allowed EBIT to rise by € 36.8 million, almost 50%, to € 112.6 million (H1/2022: € 75.8 million). The EBIT margin improved marginally from 25.7% to 26.3%.

Financial results slightly positive for first time at € 0.1 million (H1/2022: minus € 4.3 million)

Thanks in particular to a clear improvement in net interest, positive financial results were achieved for the first time since the start of the millennium in the reporting period. Financial results improved from minus € 4.3 million to a positive € 0.1 million in H1/2023. Net interest amounts to minus € 0.9 million (H1/2022: minus € 4.6 million) and consists of interest expenses of € 6.2 million (H1/2022: € 7.0 million) and significantly higher interest income of € 5.4 million as a result of an increase in investment volumes (H1/2022: € 2.4 million). Interest income in the same period of the previous year includes a one-time effect from default interest income of € 2.3 million. Other financial results of plus € 0.5 million (H1/2022: minus € 0.1 million) include the remeasurement of financial instruments.

Net profit for the period improved by € 30.4 million to € 82.7 million (H1/2022: € 52.3 million)

Profit before taxes (EBT) improved by € 41.1 million as against H1/2022 (€ 71.5 million) to € 112.7 million in H1/2023. Taking income taxes of € 30.0 million into account (H1/2022: € 19.2 million), net profit for the period amounted to € 82.7 million (H1/2022: € 52.3 million).

The net profit attributable to the equity holders of the parent company amounts to € 74.0 million (H1/2022: € 46.4 million) or € 0.88 per share (H1/2022: € 0.55 per share). The result attributable to non-controlling interests was € 8.7 million (H1/2022: € 5.9 million).

Earnings in second quarter of 2023

Revenue up by 34.8% in Q2/2023 as against Q2/2022

The Flughafen Wien Group's revenue increased by € 64.0 million or 34.8% to € 247.7 million in Q2/2023 (Q2/2022: € 183.8 million). This growth is based on higher passenger and handling revenue as a result of rising travel and an associated increase in centre & hospitality as well as parking revenue.

Revenue in the Airport segment was up € 32.8 million, while the Handling & Security Services segment contributed € 9.7 million to revenue growth in Q2/2023. Revenue in the Retail & Properties segment was up by € 12.4 million. Revenue at Malta Airport also increased by € 8.2 million as against the same quarter of the previous year.

Other operating income was down significantly on the previous year's figure at € 2.6 million (Q2/2022: € 4.5 million). This is partly due to the fact that, unlike in the same period of the previous year, there was no state aid income in 2023 (Q2/2022: € 1.6 million).

At € 11.2 million, expenses for consumables and purchased services were up significantly as against Q2/2022 (€ 8.7 million), essentially as a result of higher expenses for materials and energy.

Personnel expenses rose by € 23.6 million to € 92.2 million in Q2/2023. As set out above, this is due to collective wage increases, a higher average headcount, the addition to the provision for capacity underutilisation and additions to provisions for employees as a result of changes in parameters (see note 6).

Other operating expenses (including impairment on receivables) rose by € 22.1 million to € 36.7 million. The most significant cost increases were in third-party services at € 2.0 million, marketing and market communication expenses at € 5.7 million, other operating expenses at € 2.3 million and maintenance at € 4.1 million. Write-downs on receivables amount to € 2.3 million in this quarter, which were offset in the comparative period by reversals of write-downs of € 4.0 million.

The pro rata share of net profit for the period of the investments recorded at equity declined from € 0.4 million in the previous year to € 0.3 million.

Q2/2023: EBITDA increase of € 13.8 million to € 110.5 million, EBIT of € 77.8 million, net profit for the period of € 57.7 million

EBITDA climbed to € 110.5 million in Q2/2023 after € 96.8 million in Q2/2022 as a result of higher revenue.

Depreciation and amortisation declined slightly by € 0.6 million to € 32.7 million (Q2/2022: € 33.4 million). The improved EBITDA and lower depreciation and amortisation have allowed EBIT to rise to € 77.8 million (Q2/2022: € 63.4 million).

Financial results amounted to € 0.9 million in Q2/2023 after minus € 0.8 million in Q2/2022. Despite the one-time effect of default interest of € 2.3 million in the same period of the previous year, this was as a result of higher interest income on one hand and lower interest expenses on the other. The subsequent measurement of securities in other financial results amounts to plus € 0.3 million in the second quarter of 2023 after minus € 0.1 million in the same period of the previous year.

At € 78.7 million, the profit before taxes was € 16.2 million higher than in the second quarter of 2022. Taking income taxes of € 21.0 million into account (Q2/2022: € 16.9 million), net profit for the period improved by € 12.1 million to € 57.7 million (Q2/2022: € 45.7 million).

The net profit for the period attributable to the parent company amounted to € 51.0 million, thus improving by € 11.1 million (Q2/2022: € 39.9 million). The net profit for the second quarter attributable to non-controlling interests amounts to € 6.8 million (Q2/2022: € 5.8 million).

Financial, asset and capital structure

Equity ratio still very strong at 65.0%, net liquidity of € 246.3 million (31 December 2022: € 149.4 million)

Net liquidity amounted to € 246.3 million as at 30 June 2023, an increase of € 96.9 million as against the end of 2022. Thanks to the strong result for the first half of the year, the equity ratio is 65.0% and is down by just 0.1 percentage points despite the dividend payment.

Cash flow more than doubles to € 197.9 million (H1/2022: € 96.6 million)

The net cash flow from operating activities was € 197.9 million in H1/2023 after € 96.9 million in H1/2022, an increase of € 101.3 million. Operating earnings (EBT plus depreciation and amortisation, plus/less measurement of financial instruments) rose by € 37.9 million to € 176.9 million (H1/2022: € 139.0 million). Disposal of assets of minus € 0.4 million were also included in H1/2023 (H1/2022: minus € 8.4 million). The Group reported a reduction in receivables of € 26.4 million in H1/2023 (H1/2022: increase of € 14.3 million) (including short-time work subsidies from previous years and proceeds on trade receivables). Equity and liabilities rose by € 0.3 million (H1/2022: reduction of € 14.0 million). Payments for income taxes amounted to € 0.4 million in H1/2023 (H1/2022: € 2.7 million).

The net cash flow from investing activities amounted to minus € 152.3 million after minus € 120.6 million in the previous year. Payments received on the disposal of assets amounted to € 0.4 million (H1/2022: € 22.7 million). While € 28.1 million was paid for investment projects (including financial assets) in H1/2023, payments were slightly higher at € 34.4 million in H1/2022. Furthermore, € 273.4 million (H1/2022: € 114.0 million) was invested in current and non-current investments (time deposits and treasury bills) in H1/2023. A further € 20.0 million was invested in securities. This was offset by proceeds from matured term deposits and treasury bills of € 168.8 million (H1/2022: € 5.0 million).

The free cash flow (net cash flow from operating activities plus net cash flow from investing activities) improved by roughly € 70 million to € 45.6 million (H1/2022: minus € 24 million).

The net cash flow from financing activities of minus € 98.7 million (H1/2022: minus € 51.1 million) is due to the repayment of financial liabilities of € 25.0 million (H1/2022: € 51.0 million) and dividend payments. The dividend payment to shareholders of FWAG amounts to € 64.6 million while dividends of € 9.1 million were paid to non-controlling shareholders.

Cash and cash equivalents amounted to € 52.1 million as at 30 June 2023 after € 105.2 million as at 31 December 2022.

Assets

Non-current assets have fallen by a net amount of € 35.5 million since the start of the year to € 1,652.3 million. Current additions to intangible assets, property, plant and equipment and investment property of € 28.7 million are offset by depreciation and amortisation of € 64.8 million. The carrying amounts of investments recorded at equity increased slightly from € 42.7 million to € 42.9 million on account of operating results. At € 8.5 million, other assets are up slightly on the end of 2022 (31 December 2022: € 8.2 million).

Current assets increased by € 49.7 million as against the end of 2022 to € 586.8 million (31 December 2022: € 537.1 million), mainly as a result of higher short-term investments in time deposits, treasury bills and securities (up € 125.1 million). However, net trade receivables were down by € 19.3 million year-on-year at € 37.4 million as at the end of the reporting period (31 December 2022: € 56.6 million). Other receivables declined by € 5.7 million to € 31.1 million (31 December 2022: € 36.7 million), partly on account of short-time work allowances paid. Securities rose by € 20.5 million to € 46.0 million as a result of ongoing remeasurement and the purchase of a new security. Current time deposits and treasury bills increased by € 104.6 million to € 402.9 million. Cash and cash equivalents declined by € 53.1 million to € 52.1 million as at 30 June 2023 (31 December 2022: € 105.2 million).

Equity and liabilities

Equity was virtually unchanged as against the end of the previous year at € 1,454.7 million (31 December 2022: € 1,448.5 million). On the one hand, the net profit for the current period (including non-controlling interests) amounted to € 82.7 million, with the remeasurement of financial instruments (FVOCI) contributing a net amount of € 0.3 million. On the other, this was offset by the actuarial remeasurement of pension provisions, which resulted in a loss of € 3.0 million and dividends of € 73.7 million were distributed in H1/2023; € 64.6 million of which related to the shareholders of FWAG and € 9.1 million to non-controlling interests of the MIA Group, MMLC and BTSH. The equity ratio was 65.0% as at 30 June 2023 (31 December 2022: 65.1%).

Non-current liabilities declined from € 483.0 million to € 461.3 million, primarily as a result of the reclassification of financial liabilities due to their maturity profile. However, this is offset by an increase in long-term provisions of € 6.8 million to € 180.7 million (partly on account of changes in parameters). Other long-term liabilities declined by € 1.4 million to € 25.7 million. Deferred tax liabilities amount to € 24.9 million (31 December 2022: € 27.2 million).

Current liabilities increased by € 29.6 million to € 323.1 million. The positive net profit for the period caused provisions for taxes to increase significantly by € 30.9 million to € 63.1 million. Current finance and lease liabilities were virtually unchanged as against 31 December 2022 at € 25.0 million. Trade payables decreased by € 1.8 million to € 33.5 million as at the end of the reporting period. Short-term provisions rose by € 2.7 million to € 71.9 million (31 December 2022: € 69.3 million). Other liabilities likewise remained relatively stable at € 129.5 million (31 December 2022: € 131.7 million).

Capital expenditure

A total of € 28.7 million (H1/2022: € 25.9 million) was invested in intangible assets, property, plant and equipment and investment property or paid as advance payments in H1/2023. The largest capital expenditure projects at the Vienna site are the southern extension (€ 1.3 million), the Lima East and West Pier taxiways (€ 2.4 million), the adaptation for the exit/entry system (€ 1.8 million), further photovoltaic systems (€ 1.6 million) and investments for the sorter in Terminal 3 (€ 1.3 million). A total of € 7.7 million was invested at Malta Airport in the first half of the year.

Risks of future development

The aviation industry is strongly affected by general political and economic trends at national and international level. In particular, the current focus is on inflation, highly volatile energy prices, Russia's war of aggression against Ukraine, supply chain problems and the tense situation on the employment market. However, as these have long been matters of significance, the overall risk position of the Flughafen Wien Group (FWAG) has not changed in substance in H1/2023.

Economic environment

FWAG's business performance is significantly influenced by global, European and regional aviation trends, which in turn are dependent on general economic conditions. Economic fluctuations can therefore have a significant influence on the company.

The last few years have been critically influenced by external effects and events. In 2020 and 2021, the effects of the COVID pandemic and the far-reaching measures to contain it were keenly felt in almost all sectors. In 2022, Russia's invasion of Ukraine began with the associated supply uncertainty and rising commodity and energy prices as a result of EU sanctions (and countersanctions), which manifested in high inflationary pressure.

While prices of energy sources will slowly decline on the world market in 2023 after extreme increases in the previous year, the significantly higher interest rates as a result of a more restrictive monetary policy are subduing economic expectations. Current forecasts anticipate that the global economy will grow by 2.8% in 2023. (OECD, Global Economic Outlook GEO, 06/2023). The Austrian economy is expected to expand at a much slower rate of 0.3% in 2023. However, there are discernible signs of easing in many sectors in the current financial year. Starting with exports, the economic recovery will subsequently be felt in many areas of the Austrian economy. Economic growth of 1.4% is forecast for Austria for 2024 (WIFO Economic Outlook, 06/2023).

Market and industry development

Following the far-reaching travel restrictions during the COVID pandemic, demand for aviation services increased significantly in 2022 and 2023. Holiday and visiting friends and relatives (VFR) travel in particular are again at a very high level. Meanwhile, business travel is recovering more slowly for various reasons (e.g. increased use of video conferencing). In May 2023, global passenger air traffic was already at 96.1% of the pre-crisis level of 2019 (in utilised passenger kilometres). A full recovery is forecast for 2024/25. (Source: EUROCONTROL, Forecast Update 2023-2029, IATA, Air Passenger Market Analysis, 05/2023).

Freight traffic was significantly less affected by the COVID crisis than passenger traffic, and similar global volumes were handled in the low-passenger years 2020 and 2021 as in 2019. However, the current circumstances (in particular high inflation, weak global supply and service flows and the war in Ukraine) are hitting freight traffic harder than passenger traffic. The cargo volume (in cargo tonne-kilometres) decreased by 5.2% in May 2023 compared to 2022, and is thus 7.0% less than the volume of May 2019. For the first time in three years, industry-wide freight capacity returned to pre-crisis levels in April 2023. In May 2023, the comparative figures from 2019 for available cargo tonne-kilometres were even exceeded by 5.9% (source: IATA, Air Cargo Market Analysis, 05/2023).

The low-cost carriers (LCCs) are likewise heavily affected by the challenging industry environment. However, LCCs are experiencing strong growth thanks to greater flexibility. Ryanair continued to expand its flights from Vienna in 2022 and increased its market share to 20.9%. The Irish airline's fleet of 19 aircraft serves 75 destinations in total from Vienna and in summer 2023 will offer more than 800 weekly flights and thereby 10% more than in the previous year (source: FWAG press release 03/2023).

Despite LCC successes, Austrian was by far Flughafen Wien AG's biggest customer in 2022 with a share of 47.1% at the Vienna site. Austrian Airlines' strategy and its long-term development thus have a significant influence on FWAG's commercial success. While the airline's survival was guaranteed only thanks to a government bailout of € 600 million in total during the COVID crisis, 2022 was extraordinarily good for Austrian Airlines. It was able to repay its entire loan from the Austrian government ahead of schedule thanks to its best quarterly results in 20 years (Q3/2022). The investment in four new Airbus A320neo aircraft and ten new 787-9 long-haul aircraft and the early end to the voluntary pay waiver by the entire staff and thus the overall substantial increase in collectively agreed pay are being seen as a highly positive sign of the Lufthansa Group's commitment to the Vienna site (source: AUA press release 04/2023).

The high level of competition between airlines has been driving price pressure on upstream service providers, such as handling services, for years. To counteract this, FWAG has launched a range of measures to increase efficiency and optimise workflows along the entire value chain, which were successfully implemented and resulted in a sustainable increase in productivity. In 2023 as well, the handling services unit was the market leader in ramp handling and cargo handling at Vienna Airport. The risk of a significant loss of market share is generally low thanks to long-term service agreements with key accounts and the high quality standards delivered.

Like the freight sector as a whole, air cargo is also very much affected by the current challenges. The cargo volume at Vienna Airport is down by around 3% year-on-year and is 15.7% below the 2019 volume. A prolonged recession is currently unlikely, but the considerably slower economic growth will continue to have a negative impact on air cargo in the second half of the year as well.

Political environment

In Russia's war of aggression in Ukraine, there is a warlike conflict of the highest escalation level in Europe. The EU has condemned the Russian offensive and imposed severe sanctions. The close proximity to Austria and the EU mean that this war and the sanctions and countersanctions imposed are also affecting Vienna Airport. Combined, Russia (1.4%) and Ukraine (2.1%) accounted for 3.5% of traffic at Vienna Airport in 2021. In particular, negative repercussions are arising from the closure of Ukrainian air space to civil aviation and flying bans imposed on Russian aircraft across large areas of Europe. Furthermore, restrictions on Russian air space for European airlines are leading to an adverse impact on long-haul connections to East and South East Asia. Moreover, the general economic repercussions of a conflict of this magnitude are evident as well. Other armed conflicts between Armenia and Azerbaijan as well as the tense situation between Serbia and Kosovo are currently seen as limited wars without a dramatic impact on FWAG (source: Heidelberg Institute for International Conflict Research, 05/2023).

In the past, political tension and terrorist threats in individual countries and regions have had a negative impact on bookings in the respective tourist destinations. However, such declines are usually of a short-term nature and are compensated by other destinations.

The measures to curb global warming and climate change constitute a key risk factor. Around the world, measures are being drawn up that will affect the whole of the aviation industry and thereby lead to substantial cost increases in this sector of the economy. Thanks to extensive capital expenditure in PV systems and energy efficiency measures, FWAG has already succeeded in achieving carbon-neutral operations in 2023 and can thus be regarded as a pioneer in the field of sustainability.

Legal risks

The EU Commission has removed several dossiers, some of which have been in preparation and discussed for several years, from its Work Programme and thus effectively deferred them to the next legislative period (from 2025). In particular, these include the Airports Charges Directive, the Groundhandling Directive and the Slots Regulation.

New regulations apply to non-financial reporting based on the EU Taxonomy Regulation. As an affected company, FWAG is required to break down revenue, CapEx and OpEx in accordance with sustainability criteria and publish the result. The Corporate Sustainability Reporting Directive (CSRD) must also be endorsed in Austrian law by 2024. New regulations on environmental, social and governance (ESG) issues are currently being negotiated as well. As a result, FWAG will be subject to new, comprehensive and integrated reporting requirements from 2025.

Amendments to the Aviation Act, the Airport Charges Act and the Federal Environmental Noise Protection Act were approved at national level in 2021; further amendments could follow in this legislative period (until 2024).

The introduction of the EU Entry/Exit System (EES) has been delayed again and may take place in H2/2024. The establishment of areas and kiosks for the EES is costly and entails significant construction work. In future, all non-Schengen passengers will be registered in the EES when they enter the Schengen area (including biometric data).

Operating risks

Traffic development is influenced by the political, economic and legal risks described above. There are also national and external factors to be considered (e.g. airspace closures due to natural events, strikes). Local damage risks such as fire, natural disasters, accidents or terrorism on site, theft or damage to property also constitute operating risks. Global climate change can represent a risk for airport operations, also in Europe. Increasing weather extremes, such as storms, unusual levels of precipitation and longer lasting heat and cold waves can negatively impact air traffic on a short-term basis.

On the basis of ongoing monitoring, Vienna Airport aims to be correspondingly prepared for the impact of these operating risks. Furthermore, Vienna Airport ensures it is prepared for emergencies through appropriate emergency plans, safety and fire protection measures, and high safety standards. These operating risks are largely covered by appropriate insurance (aviation liability insurance, terror liability insurance, etc.). The energy policy consequences of Russia's war of aggression in Ukraine have once again raised broad awareness of the risk of a possible black-out. FWAG is countering this scenario with emergency power generators and a significant increase in in-house power generation using photovoltaic systems.

As Vienna Airport plays a critical role as a key infrastructure provider and backbone of international integration in the entire Central and Eastern European region, particularly high demands are made of the availability, confidentiality and integrity of the ICT (information and communication technology) systems it uses.

The operating risks relating to ICT were adjusted based on the level of cyberthreat in Austria in the reporting year. Material operating risks in corporate risk management are the risks of a cyberattack and the associated failure of information technology. FWAG is continuously implementing measures to reduce ICT risks in order to guarantee a high degree of IT security. One such measure is the effective operation of an information security management system

(ISMS) and the use and ongoing refinement of a technical IT security roadmap derived from it. Measures under the IT security roadmap intended to counteract cyber threats include the extensive monitoring of security incidents, regular vulnerability scans of the IT infrastructure, including pen tests in particular, and the replacement of outdated systems (end of life).

Unemployment figures are still at a very low level in 2023; there is therefore still fierce competition for qualified personnel. FWAG is aware of the great importance of motivated and committed employees for the attainment of corporate goals. Despite comparatively low fluctuation rates, employee loyalty is an important topic area in FWAG's ongoing strategy process. Furthermore, a number of measures also been implemented to increase occupational safety and to minimise absences due to illness.

Environmental risks

Environmental and climate protection remain key issues at both national and European level. In Austria, carbon pricing was already introduced in conjunction with the "eco-social tax reform" and the increase of the air travel levy was resolved in 2021. The government is currently discussing further proposals for environmental legislation, such as the Climate Protection Act and the Energy Efficiency Act, though these require a two-thirds majority in parliament.

In July 2021, the EU Commission presented the legislative package "Fit for 55" aimed at achieving the targets of the European Green Deal. This package contains measures that will significantly increase the costs of aviation. The revision of the EU Emissions Trading System (EU ETS) has already been resolved, which will lead to a significant increase in prices for emissions rights. Also, the allowances currently issued for free are to be gradually reduced to zero by the end of 2026. This represents a clear disadvantage in competition with hubs located in/flights from non-member countries and entails the risk of carbon leakage. New obligations regarding the infrastructure for alternative drives (in particular the electrification of pier and remote positions) have also been resolved in the AFIR dossier, as well as mandatory SAF blending quotas at European airports (ReFuelEU Aviation). The planned, gradual introduction of a tax on kerosene from 2023 is not being pursued any further for the time being (in particular in connection with the Russian invasion of Ukraine). Also, in conjunction with the revision of the TEN-T Regulation, the obligation is currently being debated for airports in excess of 4 million pax/a to provide pre-conditioned air (PCA) systems at all pier positions by 2030.

General risk assessment

All assets are measured based on the assumption that Vienna Airport will maintain its position as an east-west hub. A general assessment of FWAG's risk situation did not identify any going concern risks, hence its continued existence is assured moving forward.

Other disclosures

Information on significant transactions with related parties can be found under note 9 in the notes to the condensed consolidated interim financial statements.

Guidance and financial outlook

As a result of the positive development of passenger numbers, FWAG raised its passenger forecast for this year in an ad-hoc announcement on 2 August.

FWAG now expects 28.5 million passengers for Vienna Airport (previously 26-27 million) and 36.5 million passengers for the Flughafen Wien Group (incl. Malta and Kosice, previously 32-34 million).

As a result, management expects significantly higher revenues as well as a substantial increase in EBITDA and profit for the period compared to the previous guidance (previous outlook: sales around € 830 million, EBITDA at least € 325 million, profit for the period before minorities over € 150 million). The investment volume should be lower than in the previous forecast (around € 135 million) at around € 100 million.

These figures are based on the assumption that the war in Ukraine and other geopolitical tensions will not have any additional significant impact on travel behaviour during the rest of the year and that there will be no new pandemic-related restrictions.

Development of traffic in July 2023

Flughafen Wien Group: Further passenger increase in July 2023

Vienna Airport and its investments in Malta Airport and Košice Airport together handled 4,090,161 passengers in total in July (July 2022: 3,558,388) and is thus 0.8% above July 2019. Accumulated passenger volume rose by 37.6% to 21,098,354 in the period January to July.

Vienna Airport in July 2023

The passenger volume handled at the Vienna Airport site increased to 3,144,573 in July 2023 (July 2022: 2,773,629). The number of local passengers was 2,394,120, transfer passengers amounted to 741,754. Aircraft movements increased to 21,779 (+12.7%) in July 2023.

Schwechat, 17 August 2023

The Management Board

Günther Ofner
Member of the Management Board, CFO

Julian Jäger
Member of the Management Board, COO

Condensed Consolidated Interim Financial Statements as of 30 June 2023

Consolidated Income Statement

from 1 January to 30 June 2023

Amounts in T€	H1/2023	H1/2022	Q2/2023	Q2/2022
Revenue	428,108.4	294,710.7	247,749.2	183,772.0
Other operating income	5,528.1	16,054.3	2,612.4	4,478.2
thereof COVID-19 support	0.0	3,197.6	0.0	1,607.9
Operating income	**433,636.5**	**310,765.0**	**250,361.6**	**188,250.3**
Expenses for consumables and purchased services	-28,917.9	-19,355.4	-11,208.1	-8,662.4
Personnel expenses	-167,813.0	-120,067.5	-92,159.3	-68,605.1
Other operating expenses	-57,614.2	-32,071.6	-34,451.0	-18,621.0
Impairment/reversals of impairment on receivables	-2,170.0	3,697.4	-2,254.4	3,997.3
Pro rata results of companies recorded at equity	231.3	130.4	253.3	397.1
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**177,352.6**	**143,098.3**	**110,542.1**	**96,756.3**
Depreciation and amortisation	-64,761.6	-67,299.5	-32,738.2	-33,377.0
Earnings before interest and taxes (EBIT)	**112,591.0**	**75,798.8**	**77,803.9**	**63,379.2**
Income from investments, not including investments recorded at equity	409.8	417.6	409.8	417.6
Interest income	5,369.5	2,430.1	3,322.9	2,363.5
Interest expense	-6,239.8	-6,986.4	-3,068.2	-3,542.5
Other financial results	545.0	-115.8	272.5	-78.0
Financial results	**84.4**	**-4,254.5**	**937.0**	**-839.4**
Profit before taxes (EBT)	**112,675.5**	**71,544.3**	**78,741.0**	**62,539.8**
Income taxes	-29,964.2	-19,203.0	-20,992.0	-16,872.8
Net profit for the period	**82,711.2**	**52,341.2**	**57,749.0**	**45,667.1**
Thereof attributable to:				
Equity holders of the parent	**73,997.3**	**46,403.8**	**50,997.8**	**39,903.5**
Non-controlling interests	8,713.9	5,937.5	6,751.1	5,763.6
Number of shares outstanding (weighted average)	83,874,681	83,874,681	83,874,681	83,874,681
Earnings per share (in €, basic = diluted)	0.88	0.55	0.61	0.47

Consolidated Statement of Comprehensive Income

from 1 January to 30 June 2023

Amounts in T€	**H1/2023**	**H1/2022**	**Q2/2023**	**Q2/2022**
Net profit for the period	82,711.2	52,341.2	57,749.0	45,667.1
Other comprehensive income from items that will not be reclassified to the consolidated income statement in future periods				
Remeasurement from defined benefit plans	-3,939.3	4,188.6	-4,649.5	4,501.5
Market valuation of equity investments	370.0	660.0	370.0	660.0
Thereof deferred taxes	820.9	-1,212.2	984.3	-1,290.4
Other comprehensive income	-2,748.4	3,636.5	-3,295.2	3,871.1
Comprehensive income	79,962.8	55,977.7	54,453.7	49,538.2
Thereof attributable to:				
Equity holders of the parent	**71,248.9**	**50,040.2**	**47,702.6**	**43,774.6**
Non-controlling interests	8,713.9	5,937.5	6,751.1	5,763.6

Consolidated Balance Sheet

as at 30.6.2023

Amounts in T€	30.6.2023	31.12.2022
ASSETS		
Non-current assets		
Intangible assets	158,252.3	159,163.6
Property, plant and equipment	1,307,770.1	1,339,212.4
Investment property	134,859.4	138,573.6
Investments in companies recorded at equity	42,915.6	42,684.3
Other assets	8,531.4	8,229.4
	1,652,328.8	**1,687,863.3**
Current assets		
Inventories	7,223.2	7,313.8
Securities	46,039.7	25,494.8
Receivables and other assets	481,427.4	399,035.0
Cash and cash equivalents	52,107.7	105,218.6
	586,798.1	**537,062.1**
Total assets	**2,239,126.9**	**2,224,925.4**
EQUITY AND LIABILITIES		
Equity		
Share capital	152,670.0	152,670.0
Capital reserves	117,885.1	117,885.1
Other reserves	-6,342.6	-3,328.8
Retained earnings	1,066,045.8	1,056,366.6
Attributable to equity holders of the parent	1,330,258.3	1,323,592.9
Non-controlling interests	124,480.8	124,868.4
	1,454,739.1	**1,448,461.3**
Non-current liabilities		
Provisions	180,746.0	173,921.6
Financial and lease liabilities	229,970.6	254,822.1
Other liabilities	25,695.4	27,110.8
Deferred tax liabilities	24,911.7	27,150.8
	461,323.7	**483,005.3**
Current liabilities		
Tax provisions	63,089.7	32,155.6
Other provisions	71,932.0	69,253.3
Financial and lease liabilities	25,034.6	25,034.1
Trade payables	33,507.8	35,292.4
Other liabilities	129,500.0	131,723.3
	323,064.1	**293,458.8**
Total equity and liabilities	**2,239,126.9**	**2,224,925.4**

Consolidated Cash Flow Statement

from 1 January to 30 June 2023

Amounts in T€		H1/2023	H1/2022
Profit before taxes (EBT)		112,675.5	**71,544.3**
+/-	Depreciation and amortisation/reversals thereof	64,761.6	67,299.5
+/-	Fair value measurement of financial instruments	-545.0	115.8
+/-	Pro rata results of companies recorded at equity	-231.3	-130.4
+	Losses/- gains from disposal of assets	-377.0	-8,439.3
-	Reversal of investment subsidies from public funds	-46.5	-60.7
+	Interest and dividend result	460.6	4,138.8
+	Dividends received	0.0	417.6
+	Interest received	1,679.5	163.7
-	Interest paid	-6,741.4	-7,265.7
-	Increase/+ decrease in inventories	90.5	-220.6
-	Increase/+ decrease in receivables	26,387.1	-14,263.1
+	Increase/- decrease in provisions	5,563.7	-10,559.6
+	Increase/- decrease in liabilities	-5,290.1	-3,465.5
Net cash flow from ordinary operating activities		**198,387.1**	**99,274.7**
-	Income taxes paid	-448.2	-2,675.2
Net cash flow from operating activities		**197,938.9**	**96,599.4**
+	Payments received on the disposal of assets (not including financial assets)	387.9	22,737.6
+	Payments received from the disposal of financial assets	3.3	3.3
-	Payments made for the purchase of assets (not including financial assets)	-28,123.9	-34,350.4
-	Payments made for the purchase of financial assets	-15.0	0.0
+	Payments received from non-refundable grants	0.0	1.9
+	Payments received of current and non-current investments	168,789.4	5,000.0
-	Payments made for current securities	-20,000.0	0.0
-	Payments made for current and non-current investments	-273,389.6	-114,000.0
Net cash flow from investing activities		**-152,347.7**	**-120,607.6**
-	Dividend payment to Flughafen Wien AG shareholders	-64,583.5	0.0
-	Dividend payment to non-controlling interests	-9,101.6	0.0
-	Payments made for the repayment of financial liabilities	-25,000.0	-51,000.4
-	Payments made for the repayment of lease liabilities	-17.0	-138.6
Net cash flow from financing activities		**-98,702.0**	**-51,139.0**
Change in cash and cash equivalents		-53,110.9	-75,147.2
+	Cash and cash equivalents at the beginning of the period	105,218.6	123,641.6
Cash and cash equivalents at the end of the period		**52,107.7**	**48,494.4**

Consolidated Statement of Changes in Equity

from 1 January to 30 June 2023

	Attributable to equity holders of the parent						
Amounts in T€	**Share capital**	**Capital reserves**	**Total other reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total**
As at 1.1.2022	**152,670.0**	**117,885.1**	**-8,725.2**	**948,128.8**	**1,209,958.7**	**104,507.5**	**1,314,466.2**
Market valuation of equity investments			495.0		495.0	0.0	495.0
Remeasurement from defined benefit plans			3,141.5		3,141.5	0.0	3,141.5
Other comprehensive income	0.0	0.0	3,636.5	0.0	3,636.5	0.0	3,636.5
Net profit for the period				46,403.8	46,403.8	5,937.5	52,341.2
Comprehensive income	**0.0**	**0.0**	**3,636.5**	**46,403.8**	**50,040.2**	**5,937.5**	**55,977.7**
Reversal of revaluation surplus			-181.1	181.1	0.0	0.0	0.0
As at 30.6.2022	**152,670.0**	**117,885.1**	**-5,269.9**	**994,713.7**	**1,259,998.9**	**110,444.9**	**1,370,443.9**
As at 1.1.2023	**152,670.0**	**117,885.1**	**-3,328.8**	**1,056,366.6**	**1,323,592.9**	**124,868.4**	**1,448,461.3**
Market valuation of equity investments			284.9		284.9	0.0	284.9
Remeasurement from defined benefit plans			-3,033.3		-3,033.3	0.0	-3,033.3
Other comprehensive income	0.0	0.0	-2,748.4	0.0	-2,748.4	0.0	-2,748.4
Net profit for the period				73,997.3	73,997.3	8,713.9	82,711.2
Comprehensive income	**0.0**	**0.0**	**-2,748.4**	**73,997.3**	**71,248.9**	**8,713.9**	**79,962.8**
Reversal of revaluation surplus			-181.1	181.1	0.0	0.0	0.0
Reversal of currency translation reserve			-84.3	84.3	0.0	0.0	0.0
Dividend payment			0.0	-64,583.5	-64,583.5	-9,101.6	-73,685.1
As at 30.6.2023	**152,670.0**	**117,885.1**	**-6,342.6**	**1,066,045.8**	**1,330,258.3**	**124,480.8**	**1,454,739.1**

Selected Notes

(1) Accounting principles

The condensed consolidated interim financial statements of Flughafen Wien AG as at 30 June 2023 were prepared in accordance with IAS 34 as adopted by the European Union (EU).

In accordance with IAS 34 (Interim Financial Reporting), the condensed consolidated interim financial statements do not include all the information and disclosures that are required for annual financial statements, and should therefore be read in conjunction with the consolidated financial statements of FWAG as at 31 December 2022.

In addition to the information provided in the notes and interim consolidated financial statements, other detailed information can be found in the management report (IAS 34.16A).

These condensed interim consolidated financial statements have been neither audited nor reviewed by a chartered accountant.

(2) Accounting policies

The accounting policies and methods of calculation used to prepare the 2022 consolidated financial statements are the same as those used to prepare the condensed interim consolidated financial statements as at 30 June 2023. Additional information on these accounting policies and the new standards effective as at 1 January 2023 is provided in the consolidated financial statements as at 31 December 2022, which form the basis for these condensed interim consolidated financial statements.

The presentation of the Group's asset, financial and earnings position requires judgements concerning measurement and accounting policies and the assumptions and estimates made by management. Further information on judgements, assumptions and estimates can also be found in the 2022 consolidated financial statements.

The following standards and interpretations were applied for the first time this financial year:

» IFRS 17 Insurance Contracts
» Amendments to IAS 1 Presentation of Financial Statements – Notes on Accounting Policies
» Amendments to IAS 8 Accounting Policies – Definition of Accounting Estimates
» Amendment to IFRS 17 Insurance Contracts Initial Application of IFRS 17 and IFRS 9 Comparative Information
» Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

None of the new or improved standards applied for the first time have any material effect on the Group's asset, financial and earnings position.

Arithmetic differences can occur when adding rounded amounts and percentages due to the use of computer-aided tools.

(3) Significant events

In addition to the comments in the 2022 consolidated financial statements, negative repercussions must also be anticipated on account of the Russia/Ukraine war. This relates to highly volatile energy prices, the risk of supply shortages and uncertainty stemming from possible new sanctions and countersanctions. Civil aviation is directly affected by the ongoing closure of Ukrainian air space and flying bans imposed on Russian aircraft. Persistently high inflation and the monetary policy of central banks can still lead to costs increasing more than expected or to demand breaking off. Further information can be found in the updated risk section of the interim Group management report.

(4) Consolidated group

No changes have occurred in the consolidated group since 31 December 2022.

As at 30 June 2023, the condensed consolidated interim financial statements include Flughafen Wien AG plus 27 domestic (31 December 2022: 27) and 10 foreign subsidiaries (31 December 2022: 10) that are controlled by Flughafen Wien AG. In addition, two domestic companies (31 December 2022: 2) and one foreign company (31 December 2022: 1) were accounted for using the equity method.

Two (31 December 2022: 2) subsidiaries were not included in the condensed consolidated interim financial statements as they are immaterial to a true and fair view of the asset, financial and earnings position of the Flughafen Wien Group.

(5) Information on operating segments (IFRS 8) and revenue (IFRS 15)

In accordance with IFRS 8, segment reporting is based on the Group's internal reporting. The operating segments of the Flughafen Wien Group include the business units of FWAG AG that form the basis for the company's organisation and the individual subsidiaries and investments in companies recorded at equity. These operating segments are aggregated into the following reporting segments: Airport, Handling & Security Services, Retail & Properties, Malta and Other Segments. The Group is managed based on reporting on profit and loss, capital expenditure and employee-related data for the respective divisions of Flughafen Wien AG, plus revenue, EBITDA, EBIT, planned capital expenditure and employee-related data for the individual subsidiaries.

The Flughafen Wien Group assigns its revenue flows to "Aviation" and "Non-Aviation" operations. Furthermore, the different revenue flows are broken down further for each segment, as shown by the tables below.

Breakdown between Aviation and Non-Aviation revenue

H1/2023 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Aviation	193,546.4	72,679.0	0.0	36,256.7	0.0	302,482.1
Non-aviation	5,859.9	5,785.2	84,210.4	17,387.9	12,382.7	125,626.3
External segment revenue	**199,406.3**	**78,464.3**	**84,210.4**	**53,644.7**	**12,382.7**	**428,108.4**

H1/2022 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Aviation	128,391.8	52,734.5	0.0	24,319.4	0.0	205,445.7
Non-aviation	5,788.4	4,167.6	57,258.4	12,985.8	9,064.8	89,265.0
External segment revenue	**134,180.2**	**56,902.1**	**57,258.4**	**37,305.2**	**9,064.8**	**294,710.7**

Segment revenue by territory

H1/2023 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Austria	199,406.3	78,464.3	84,210.4	0.0	12,382.7	374,463.7
Malta	0.0	0.0	0.0	53,644.7	0.0	53,644.7
External segment revenue	**199,406.3**	**78,464.3**	**84,210.4**	**53,644.7**	**12,382.7**	**428,108.4**

H1/2022 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
Austria	134,180.2	56,902.1	57,258.4	0.0	9,064.8	257,405.6
Malta	0.0	0.0	0.0	37,305.2	0.0	37,305.2
External segment revenue	**134,180.2**	**56,902.1**	**57,258.4**	**37,305.2**	**9,064.8**	**294,710.7**

Segment revenue and segment results in H1/2023 and H1/2022

H1/2023 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Reconciliation	Group
External segment revenue	199,406.3	78,464.3	84,210.4	53,644.7	12,382.7		428,108.4
Thereof revenue from contracts with customers	188,500.2	75,868.8	38,728.2	42,008.0	12,378.3		357,483.6
Internal segment revenue	18,528.6	43,177.6	8,590.0	0.0	74,264.2	-144,560.4	0.0
Segment revenue	**217,934.9**	**121,641.9**	**92,800.4**	**53,644.7**	**86,647.0**	**-144,560.4**	**428,108.4**
Segment EBITDA	**81,946.8**	**4,106.3**	**45,682.8**	**33,594.3**	**12,022.3**	**0.0**	**177,352.6**
Segment EBITDA margin (in %)	37.6	3.4	49.2	62.6	13.9		
Segment EBIT	**44,415.4**	**150.7**	**35,959.4**	**26,456.0**	**5,609.5**	**0.0**	**112,591.0**
Segment EBIT margin (in %)	20.4	0.1	38.7	49.3	6.5		

H1/2022 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Reconciliation	Group
External segment revenue	134,180.2	56,902.1	57,258.4	37,305.2	9,064.8		294,710.7
Thereof revenue from contracts with customers	126,114.0	54,891.8	24,771.7	28,544.6	9,060.6		243,382.7
Internal segment revenue	16,766.0	32,971.3	8,145.7	0.0	56,908.2	-114,791.1	0.0
Segment revenue	**150.946,2**	**89.873,4**	**65.404,1**	**37.305,2**	**65.973,0**	**-114.791,1**	**294.710,7**
Segment EBITDA	**56,929.8**	**4,649.7**	**40,636.7**	**23,364.5**	**17,517.6**	**0.0**	**143,098.3**
Segment EBITDA margin (in %)	37.7	5.2	62.1	62.6	26.6		
Segment EBIT	**16,441.7**	**182.5**	**30,812.3**	**16,557.7**	**11,804.6**	**0.0**	**75,798.8**
Segment EBIT margin (in %)	10.9	0.2	47.1	44.4	17.9		

Airport segment

Amounts in € million	H1/2023	H1/2022	Absolute change	Change in %
Aircraft-related fees	32.5	27.1	5.4	19.8%
Passenger-related fees	141.7	87.9	53.8	61.2%
Infrastructure revenue & services	25.2	19.2	6.1	31.6%
Airport segment revenue	**199.4**	**134.2**	**65.2**	**48.6%**

Revenue rises significantly to € 199.4 million (H1/2022: € 134.2 million)

External revenue in the Airport segment increased by 48.6% to € 199.4 million in H1/2023 (H1/2022: € 134.2 million). Revenue from aircraft-related fees rose by 19.8% year-on-year to € 32.5 million (H1/2022: € 27.1 million), essentially as a result of more intensive traffic (movements: up 27.5%, MTOW: up 27.0%). This higher revenue is offset by discounts granted to airlines. Passenger-related fees increased significantly by 61.2% to € 141.7 million in H1/2023 (H1/2022: € 87.9 million) based on passenger development (up 44.3%) and fee increases. Revenue from the provision and rental of infrastructure and from other services in the Airport segment climbed by 31.6% to € 25.2 million (H1/2022: € 19.2 million). Internal revenue increased by 10.5% year-on-year to € 18.5 million. Other income declined by € 1.1 million to € 3.0 million. Own work capitalised was up as a result of increased construction activity while, on the other, state aid income was recognised the same period of the previous year.

The external cost of materials rose by € 1.0 million to € 3.5 million on account of the higher consumption of de-icing agents and other materials for operational reasons. The increase in personnel expenses of € 8.8 million to € 26.1 million essentially relates to collective wage increases, transfers to provisions and short-time work allowances recognised in profit or loss in the same period of the previous year (short-time work ended on 31 March 2022). The average headcount was 524 (H1/2022: 547). Other operating expenses increased by € 10.3 million to € 17.8 million (H1/2022: € 7.6 million) as a result of higher expenses for third-party personnel, market communication and maintenance, as well as higher transfers to write-downs on receivables. Internal operating expenses rose significantly to € 91.5 million after € 70.6 million in the same period of the previous year. The main cost drivers were costs for energy, IT services, security controls and other passenger services.

EBIT margin climbs to over 20%

As a result of the sharp increase in revenue, EBITDA in the Airport segment rose by € 25.0 million to € 81.9 million in the first six months of 2023 (H1/2022: € 56.9 million). Taking depreciation and amortisation of € 37.5 million into account (H1/2022: € 40.5 million), segment EBIT amounted to € 44.4 million after € 16.4 million in the same period of the previous year. The EBITDA margin was stable year-on-year at 37.6% (H1/2022: 37.7%) while the EBIT margin rose by 9.5 percentage points to a strong 20.4%.

Handling & Security Services segment

Amounts in € million	H1/2023	H1/2022	Absolute change	Change in %
Ground handling	52.5	35.4	17.1	48.4%
Cargo handling	13.9	12.9	1.1	8.4%
Security services	2.2	1.4	0.9	63.0%
Passenger handling	4.6	3.2	1.4	44.8%
General aviation, other	5.2	4.1	1.1	25.8%
Handling & Security Services segment revenue	**78.5**	**56.9**	**21.6**	**37.9%**

Revenue up 37.9% at € 78.5 million

External revenue of € 78.5 million was generated in the Handling & Security Services segment H1/2023 (H1/2022: € 56.9 million). Revenue from ground handling (apron and traffic handling) increased by 48.4% to € 52.5 million as a result of growth in traffic. Revenue from cargo handling is up slightly by € 1.1 million on the previous year's level at € 13.9 million (H1/2022: € 12.9 million). The cargo volume was down by 3.0% at 120,257 tonnes. External revenue from passenger handling rose by 44.8% to € 4.6 million (H1/2022: € 3.2 million). External revenue from security services rose to € 2.2 million (H1/2022: € 1.4 million). The General Aviation area generated revenue of € 5.2 million (up 25.8%) in the first six months of 2023 after € 4.1 million in the same period of the previous year. Partly as a result of passenger-related services (e.g. security controls) for other segments, internal revenue climbed by 31.0% to € 43.2 million (H1/2022: € 33.0 million). Meanwhile, other income declined by € 1.3 million year-on year to € 0.1 million (H1/2022: € 1.4 million) on account of the discontinuation of COVID-19 support measures recognised in the same period of the previous year.

The cost of materials rose by 43.2% year-on-year to € 4.8 million, partly on account of higher expenses for de-icing agents, fuel and other consumables.

Personnel expenses rose by € 22.1 million to € 86.6 million (H1/2022: € 64.5 million). In this segment as well, the increase relates to collective wage increases, transfers to provisions and short-time work allowances recognised in profit or loss in the same period of the previous year (short-time work ended on 31 March 2022). The average headcount also increased by 159 to 2,792. Other operating expenses were significantly higher than in the previous year at € 7.0 million (H1/2022: € 2.2 million) and relate to increases in third-party services for traffic handling and higher write-downs on receivables. Internal operating expenses rose by 16.5% to € 19.3 million, mainly on account of higher costs for energy and increased maintenance.

EBITDA down slightly, EBIT still stable

EBITDA in the Handling & Security Services segment amounts to € 4.1 million after € 4.6 million in the same period of the previous year. Adjusted for depreciation and amortisation of € 4.0 million (H1/2022: € 4.5 million), EBIT amounted to € 0.2 million (H1/2022: € 0.2 million). The EBITDA margin was below the previous year's level of 5.2% at 3.4%, while the EBIT margin was 0.1% in H1/2023 (H1/2022: 0.2%).

Retail & Properties segment

Amounts in € million	H1/2023	H1/2022	Absolute change	Change in %
Parking	27.2	18.3	8.9	48.6%
Rentals	15.7	14.0	1.7	11.9%
Centre management & hospitality	41.3	24.9	16.4	65.7%
Retail & Properties segment revenue	**84.2**	**57.3**	**27.0**	**47.1%**

Revenue up 47.1% year-on-year at € 84.2 million

External revenue in the Retail & Properties segment climbed by 47.1% year-on-year to € 84.2 million (H1/2022: € 57.3 million). This development was driven by higher revenue from centre management and hospitality on the one hand, which rose by 65.7% to € 41.3 million (H1/2022: € 24.9 million), and by parking revenue, which increased by almost 50% from € 18.3 million to € 27.2 million, on the other. Rental revenue was up slightly on the previous year by € 1.7 million at € 15.7 million (H1/2022: € 14.0 million). Internal revenue rose by € 0.5 million to € 8.6 million, while other income declined by € 8.0 million to € 1.4 million (H1/2022: € 9.4 million), essentially as a result of the sale of land in the same period of the previous year.

The cost of materials rose to € 1.4 million (H1/2022: € 1.1 million), partly on account of higher purchased services passed on. While the headcount was largely unchanged at 169 (H1/2022: 166), personnel expenses rose by 61.6% to € 9.1 million (H1/2022: € 5.6 million), essentially as a result of collective wage increases and the discontinuation of short-time work allowances recognised in the same period of the previous year. Other operating expenses rose by € 5.5 million to € 10.1 million and relate to increases in the areas of other operating expenses (lounges), maintenance and expenses for market communication. Internal operating expenses also rose significantly by € 5.1 million to € 27.9 million.

EBITDA rises further to € 45.7 million (H1/2022: € 40.6 million)

EBITDA in the Retail & Properties segment increased by 12.4% from € 40.6 million to € 45.7 million as a result of higher revenue in H1/2023. Depreciation and amortisation is marginally lower than in the previous year at € 9.7 million (H1/2022: € 9.8 million). EBIT also increased by € 5.1 million to € 36.0 million (H1/2022: € 30.8 million). The EBITDA margin was 49.2% (H1/2022: 62.1%) and the EBIT margin was 38.7% (H1/2022: 47.1%). The drop in the margins is due to the fact that the same period of the previous year had included the one-time effect of a property sale.

Malta segment

Amounts in € million	H1/2023	H1/2022	Absolute change	Change in %
Airport	36.4	24.4	12.0	49.1%
Retail & Property	16.8	12.8	4.1	31.8%
Other	0.4	0.1	0.3	n.a.
Malta segment revenue	**53.6**	**37.3**	**16.3**	**43.8%**

Revenue up 43.8% at € 53.6 million

External revenue in the Malta segment increased by 43.8% to € 53.6 million in H1/2023 (H1/2022: € 37.3 million). The development in airport-related revenue was particularly positive, rising by 49.1% as against 2022 to € 36.4 million as a result of significantly higher traffic. However, the Retail & Properties area also contributed a good result with revenue growth of 31.8% to € 16.8 million.

At € 1.1 million, the cost of materials was only slightly higher than in the previous year (H1/2022: € 1.0 million). Meanwhile, personnel expenses rose by 63.1% to € 6.3 million (H1/2022: € 3.9 million). The Malta site received government wage subsidies in accordance with the COVID Wage Supplement until May 2022 (€ 800 per full-time employee). Other operating expenses climbed by 39.3% to € 12.6 million and included expenses for security staff, cleaning, PRM services, other third-party personnel services, IT services, airline marketing and maintenance.

EBITDA improves by € 10.2 million to € 33.6 million

The Malta segment reported EBITDA of € 33.6 million for H1/2023 (H1/2022: € 23.4 million) and a consistently strong EBITDA margin of 62.6% (H1/2022: 62.6%). Taking depreciation and amortisation of € 7.1 million (H1/2022: € 6.8 million) into account, EBIT amounted to € 26.5 million (H1/2022: € 16.6 million) with an EBIT margin of 49.3% (H1/2022: 44.4%).

Other Segments

Amounts in € million	H1/2023	H1/2022	Absolute change	Change in %
Energy supply and waste disposal	8.1	5.5	2.6	46.7%
Telecommunications and IT	1.6	1.5	0.1	3.8%
Materials management	0.6	0.5	0.1	15.0%
Electrical engineering, security equipment, workshops	0.3	0.2	0.1	60.1%
Facility management, building maintenance	0.7	0.5	0.2	35.9%
"GetService"-Flughafen-Sicherheits- und Servicedienst GmbH	0.7	0.6	0.1	24.6%
Other, including foreign investments	0.5	0.3	0.2	70.0%
Other Segments revenue	**12.4**	**9.1**	**3.3**	**36.6%**

Revenue improves from € 9.1 million to € 12.4 million

External revenue in Other Segments amounted to € 12.4 million in H1/2023 (H1/2022: € 9.1 million). This increase essentially results from higher revenue from energy supply and waste disposal. Internal revenue amounts to € 74.3 million (H1/2022: € 56.9 million), largely on account of higher Group services in relation to technical services and internal energy supply and waste disposal. Other income (including own work capitalised) amounted to € 1.0 million (H1/2022: € 1.2 million).

The cost of consumables and purchased services increased by 59.9% year-on-year to € 18.0 million (H1/2022: € 11.3 million), in particular on account of higher expenses for purchasing energy and for the consumption of fuel and other consumables. Personnel expenses climbed by € 11.0 million to € 39.7 million as a result of the discontinuation of short-time work subsidies in the same period of the previous year (short-time work ended on 31 March 2022) on the one hand as well as collective wage increases and transfers to provisions on the other. The average headcount was 1,023 (an increase of 45). Other operating expenses rose by € 7.3 million year-on-year to € 12.2 million owing to a number of factors such as higher expenses for maintenance and third-party services as well as rental and licence expenses. Comparisons are distorted by the one-time effect of a reversal of write-downs on receivables (€ 3.0 million) in the same period of the previous year. Internal expenses amount to € 5.9 million (H1/2022: € 4.9 million).

Positive operating earnings of at equity investments of € 0.2 million were generated in H1/2023 (H1/2022: € 0.1 million).

EBITDA down significantly at € 12.0 million

Overall, Other Segments reported EBITDA of € 12.0 million (H1/2022: € 17.5 million). Adjusted for depreciation and amortisation of € 6.4 million (H1/2022: € 5.7 million), segment EBIT amounted to € 5.6 million (H1/2022: € 11.8 million). The EBITDA margin was 13.9% (H1/2022: 26.6%) and the EBIT margin was 6.5% (H1/2022: 17.9%).

Disclosure of segment assets

➔ Reconciliation of segment assets to Group assets

Amounts in T€	30.6.2023	31.12.2022
Assets by segment		
Airport	908,571.6	949,756.0
Handling & Security Services	52,017.7	60,770.3
Retail & Properties	273,274.2	285,792.3
Malta	414,936.1	407,531.6
Other Segments	112,996.8	113,273.3
Total assets in reportable segments	**1,761,796.3**	**1,817,123.6**
Assets not allocated to a specific segment[1]		
Other non-current assets	6,618.5	6,236.8
Securities	46,039.7	25,494.8
Receivables from taxation authorities	304.7	331.3
Other current receivables and assets	30,598.5	36,135.5
Prepaid expenses, time deposits and treasury bills	373,815.5	258,804.9
Cash and cash equivalents	19,953.6	80,798.6
Total assets not allocated to a specific segment	**477,330.6**	**407,801.8**
Group assets	**2,239,126.9**	**2,224,925.4**

1) Not including assets of the MIA Group

(6) Supplementary notes to the interim financial statements

Please refer as well to the interim Group management report and to note (5) for disclosures on the balance sheet and the income statement.

Notes to the balance sheet

Intangible assets, property, plant and equipment and investment property

Property, plant and equipment with a carrying amount of € 1,307.8 million (31 December 2022: € 1,339.2 million), intangible assets with a carrying amount of € 158.3 million (31 December 2022: € 159.2 million) and investment property with a carrying amount of € 134.9 million (31 December 2022: € 138.6 million) recognised in the statement of financial position also include right-of-use assets in connection with lease accounting. The development of right-of-use assets is shown in the 2022 consolidated financial statements. No material additions nor disposals of right-of-use assets have been recorded in the current financial year.

Equity

As at 30 June 2023, the Flughafen Wien Group held 125,319 (31 December 2022: 125,319) shares in the company, equivalent to 0.15% of its share capital.

Dividends of € 73.7 million were distributed in H1/2023, € 64.6 million of which related to the shareholders of Flughafen Wien AG and € 9.1 million to non-controlling interests of the MIA Group, MMLC and BTSH (resolved at the 35th Annual General Meeting on 5 June 2023).

On the basis of earnings after income taxes of € 74.0 million (H1/2022: € 46.4 million), earnings per share amount to € 0.88 (H1/2022: € 0.55). Diluted earnings per share are equal to basic earnings per share.

Personnel provisions

The obligations for severance compensation, pensions, semi-retirement programmes and service anniversary bonuses were calculated on the basis of the following parameters:

Discount rate	**30.6.2023**	**31.12.2022**
Austrian companies		
Discount rate (pensions, severance compensation, service anniversary bonuses)	3.70%	3.70%
Discount rate (semi-retirement programmes)	3.60%	3.30%
Maltese companies		
Discount rate (pensions)	3.70%	3.70%

The discount rate for the provision for underutilised capacity is graded individually by term. As at 30 June 2023, the interest rate ranges between 3.6% (31 December 2022: 3.4%) for terms of up to five years and 3.8% (31 December 2022: 4.2%) for terms of up to 20 years.

The following parameters were used as the wage and salary trend for the Austrian obligation for severance compensation and service anniversary bonuses:

Wage and salary increases (severance compensation and service anniversary bonuses)	**30.6.2023**	**31.12.2022**
2023	n.a.	12.43%
2024	8.73%	8.08%
2025	5.76%	5.58%
2026	5.03%	4.83%
2027 (PY: from 2027)	4.58%	4.16%
From 2028	4.16%	-

The above parameters less a discount of 1% were used accordingly for the wage and salary trend for provisions for partial early retirement and underutilised capacity.

All other parameters were the same as in the previous year.

Financial and lease liabilities

Development of financial liabilities

Amounts in T€	Non-current financial liabilities	Current financial liabilities	Total
As at 1.1.2023	200,000.0	25,000.0	225,000.0
Additions	0.0	0.0	0.0
Repayments	0.0	-25,000.0	-25,000.0
Reclassification	-25,000.0	25,000.0	0.0
As at 30.6.2023	**175,000.0**	**25,000.00**	**200,000.0**

Amounts in T€	Non-current financial liabilities	Current financial liabilities	Total
As at 1.1.2022	225,000.0	51,000.4	**276,000.4**
Additions	0.0	0.0	0.0
Repayments	0.0	-51,000.4	-51,000.4
Reclassification	-25,000.0	25,000.0	0.0
As at 30.6.2022	**200,000.0**	**25,000.0**	**225,000.0**

Development of lease liabilities

Amounts in T€	Non-current lease liabilities	Current lease liabilities	Total
As at 1.1.2023	54,822.1	34.2	**54,856.3**
Measurement effect	166.4	0.0	166.4
Repayments	0.0	-17.4	-17.4
Reclassification	-17.8	17.8	0.0
As at 30.6.2023	**54,970.7**	**34.6**	**55,005.3**

Amounts in T€	Non-current lease liabilities	Current lease liabilities	Total
As at 1.1.2022	55,649.8	273.3	**55,923.1**
Measurement effect	237.5	0.0	237.5
Repayments	0.0	-138.6	-138.6
Reclassification	-125.9	125.9	0.0
As at 30.6.2022	**55,761.4**	**260.6**	**56,021.9**

Notes to the income statement

Revenue

The revenue of the Flughafen Wien Group increased again in H1/2023 as well. The Group reported a marked increase in traffic volume as against the previous year. As a result, consolidated revenue rose by 45.3% or € 133.4 million to € 428.1 million (H1/2022: € 294.7 million). Detailed revenue analysis and details of the revenue from contracts with customers can be found in the segment report in note (5) and in the interim Group management report.

Other operating income

Other operating income declined by € 10.5 million to € 5.5 million (H1/2022: € 16.1 million). This decline is essentially due to two effects. Income of € 8.3 million from the sale of land on the one hand and income of € 3.2 million from COVID-19 support measures, since discontinued, was recognised in H1/2022.

Personnel expenses

Personnel expenses rose by € 47.7 million to € 167.8 million in H1/2023 (H1/2022: € 120.1 million). The following effects should be taken into account:

» short-time work allowances of € 10.8 million received in H1/2022;
» adjustment of the parameters for provisions for employees as at 30 June 2023 and 31 December 2022 as against H1/2022 (see notes to the balance sheet);
» collective pay increases as at 1 January 2023 and 1 May 2023;
» reversal of a provision of € 1.3 million in H1/2022.
» The average headcount grew by 5.0% from H1/2022 to H1/2023.

Reversals of impairment/impairment on receivables

Write-downs on receivables (previous year: reversals of write-downs on receivables) amounted to € 2.2 million in H1/2023 (H1/2022: reversal of € 3.7 million, € 3.0 million as the result of a positive court ruling).

Depreciation and amortisation

Depreciation and amortisation of € 64.8 million (H1/2022: € 67.3 million) was recognised in H1/2023.

Amounts in T€	**H1/2023**	**H1/2022**
Amortisation of intangible assets	3,689.5	3,649.9
Depreciation of property, plant and equipment and investment property	61,072.0	63,649.5
Total depreciation and amortisation	**64,761.6**	**67,299.5**

Income taxes

Income taxes for the interim reporting period are based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Tax expense for the Flughafen Wien Group comprises the following items:

Amounts in T€	H1/2023	H1/2022
Current income tax expense	31,382.3	23,412.2
Deferred tax income (-)	-1,418.1	-4,209.2
Total taxes	**29,964.2**	**19,203.0**

Tax expenses amount to € 30.0 million for H1/2023 (H1/2022: € 19.2 million). The effective tax rate for the current financial year is 26.6% (H1/2022: 26.8%).

(7) Seasonal nature of airport business

Business in the aviation industry is influenced by two different seasonal factors. Firstly, the revenue generated in the first and fourth quarter tends to be below average, while the revenue in the second and third quarter tends to be above average. This is on account of the increased passenger volume in the summer months in Europe. Secondly, there are fluctuations in maintenance and repair expenses. Such work is usually performed in autumn and winter, which reduces earnings more towards the end of the year.

(8) Other obligations and contingent liabilities

There are purchase obligations for intangible assets, property, plant and equipment and investment property of € 26.6 million as at 30 June 2023 (31 December 2022: € 45.4 million).

If the construction of the third runway is approved, a payment obligation, derived from traffic figures, arising from the environmental fund – Vienna Airport service agreement from the mediation process will be triggered in connection with the environmental fund within eight weeks of the notification of construction commencement. The payment obligation amounts to around € 20.4 million (31 December 2022: € 20.4 million).

Otherwise, there have been no material changes in contingent liabilities or other financial obligations since the end of the last reporting period.

(9) Related parties

The group of related parties (legal entities and persons) is unchanged since the last consolidated financial statements.

Business relations with related parties have not changed significantly since the same period of the previous year and are conducted at arm's-length conditions.

There were no material transactions with related parties in H1/2023. The third-party services purchased from related parties (non-consolidated subsidiaries or companies recorded at equity) amounted to € 0.1 million in the reporting period (H1/2022: € 0.0 million). Revenue with these companies amounted to € 1.1 million (H1/2022: € 0.7 million). Receivables amounted to € 0.3 million (31 December 2022: € 0.3 million) and liabilities to € 9.0 million as at 30 June 2023 (31 December 2022: € 7.9 million).

(10) Financial instruments

Management assumes that – with the exception of the items listed below – the carrying amounts of financial assets and financial liabilities reported at amortised cost essentially reflect fair value. Trade receivables, originated loans and other receivables have predominantly short remaining terms and are therefore essentially at fair value. Trade payables and other liabilities also have predominantly short remaining terms, hence the amounts recognised for these items are approximately their fair value. The fair value of the fund in the FVPL category is based on listed funds (level 1). The debt instruments in the FVPL category relate to a tier 2 capital obligation (level 2). The equity instruments are investments and securities that are assigned to level 3 in the absence of an active market or quoted price. These are held by the FWAG Group for a longer period of time for strategic reasons. These equity instruments are measured through other comprehensive income (OCI). No designations were made regarding the fair values of the FVPL and FVOCI category. The fair values of financial liabilities to banks (bank loans) and other financial liabilities are calculated using the present value of the payments connected with these liabilities in accordance with the yield curve applicable to their respective remaining terms and an appropriate credit spread (level 2). No items were reclassified between levels 1 and 2 in the reporting period.

→ The following measurement methods and inputs were applied

Financial instrument	Level	Measurement method	Input factors
Funds	1	Market value	Market price
Debt instruments (securities)	2	Market value	Price derived from market price
Equity instruments (securities)	3	Net present value approach	Equity costs, future profit distribution
Equity instruments (investments)	3	Net present value approach	Cost as a best estimate (on account of immateriality)

Level 3 equity instruments (securities) are measured according to a net present value approach. The measurement model considers the present value of the expect dividends discounted by a risk-adjusted discount rate. The significant unobservable inputs for level 3 equity instruments (securities) are:

» Expected future cash flows from dividends: around T€ 440.0 p.a. (31 December 2022: around T€ 410.0)
» Risk-adjusted discount rate: 8.29% (31 December 2022: 8.29%)

The dividends received from these equity instruments in the current financial year amount to T€ 409.8 (2022: T€ 417.6).

The estimated level 3 fair value would increase (decrease) as follows if the discount rate were to be adjusted by +/- 0.25%:

Amounts in T€	Sensitivity analysis	
	Carrying amount in event of	
	Reduction of discount rate	Rise in discount rate
Discount rate +/- 0.5%	5,891.9	5,251.9

Level 3 measurement of financial instruments

Amounts in T€	
Carrying amount as at 1.1.2023	**5,181.9**
Net gain on remeasurement (recognised in other comprehensive income in other reserves)	370.0
Carrying amount as at 30.6.2023	**5,551.9**

The following tables show the carrying amounts and fair values of financial assets and liabilities, broken down by measurement category. The information on the fair value of financial assets and liabilities that are not recognised at fair value is for information purposes only. As the items "Receivables and other assets" and "Other liabilities" contain both non-financial assets and non-financial liabilities, the line "Non-financial instruments" has been added in order to ensure the reconciliation of the carrying amounts to the corresponding statement of financial position item.

Definition of measurement categories

FVPL = fair value through profit and loss
FVOCI = fair value through other comprehensive income
AC = amortised cost

ASSETS		Carrying amounts					Fair value				
		Non-current assets	Current assets								
Amounts in T€	Measurement category	Other financial assets	Securities	Receivables and other assets	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total	Valuation approach as per IFRS 9
30 June 2023											
Financial assets at fair value											
Debt instruments (funds)	FVPL		20,000.0			**20,000.0**	20,000.0			**20,000.0**	Fair value through profit and loss (P&L)
Debt instruments (securities)	FVPL		21,057.0			**21,057.0**		21,057.0		**21,057.0**	Fair value through profit and loss (P&L)
Equity instruments (investments, securities)	FVOCI	5,552.0				**5,552.0**			5,552.0	**5,552.0**	Fair value through other comprehensive income (OCI)
Financial assets not at fair value											
Trade receivables[1]	AC			37,103.5		**37,103.5**					Amortised cost
Receivables from associated companies[1]	AC			265.9		**265.9**					Amortised cost
Other receivables[1]	AC	1,912.8		31,073.7		**32,986.5**					Amortised cost
Investments (time deposits and treasury bills)[1]	AC	220.0		402,889.6		**403,109.6**					Amortised cost
Originated loans[1]	AC	846.6				**846.6**					Amortised cost
Debt instruments (securities)[1]	AC		4,982.7			**4,982.7**					Amortised cost
Cash and cash equivalents[1]	AC				52,107.7	**52,107.7**					Nominal value = fair value
Non-financial instruments											
Other receivables and prepaid expenses	n.a.	0.0		10,094.8		**10,094.8**					
		8,531.4	**46,039.7**	**481,427.4**	**52,107.7**	**588,106.2**					

1) Fair value equals amortised cost

ASSETS		Carrying amounts					Fair value				
		Non-current assets	Current assets								
Amounts in T€	**Measurement category**	**Other financial assets**	**Securities**	**Receivables and other assets**	**Cash and cash equivalents**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Valuation approach as per IFRS 9**
31 December 2022											
Financial assets at fair value											
Debt instruments (securities)	FVPL		20,512.1			**20,512.1**		20,512.1		**20,512.1**	Fair value through profit and loss (P&L)
Equity instruments (investments, securities)	FVOCI	5,181.9				**5,181.9**			5,181.9	**5,181.9**	Fair value through other comprehensive income (OCI)
Financial assets not at fair value											
Trade receivables[1]	AC			56,316.0		**56,316.0**					Amortised cost
Receivables from associated companies[1]	AC			328.5		**328.5**					Amortised cost
Other receivables[1]	AC	1,992.6		36,748.9		**38,741.5**					Amortised cost
Investments (time deposits and treasury bills)[1]	AC	220.0		298,289.4		**298,509.4**					Amortised cost
Originated loans[1]	AC	834.9				**834.9**					Amortised cost
Debt instruments (securities)[1]	AC		4,982.7			**4,982.7**					Amortised cost
Cash and cash equivalents[1]	AC				105,218.6	**105,218.6**					Nominal value = fair value
Non-financial instruments											
Other receivables and prepaid expenses	n.a.	0.0		7,352.0		**7,352.0**					
		8,229.4	**25,494.8**	**399,035.0**	**105,218.6**	**537,977.7**					

1) Fair value equals amortised cost

EQUITY AND LIABILITIES		Carrying amounts						Fair value				
		Non-current liabilities		Current liabilities								
Amounts in T€	Measurement category	Financial and lease liabilities	Other liabilities	Financial and lease liabilities	Trade payables	Other liabilities	Total	Level 1	Level 2	Level 3	Total	Valuation approach as per IFRS 9
30 June 2023												
Financial liabilities at fair value												
n.a.												
Financial liabilities not at fair value												
Trade payables[1]	AC				33,507.8		**33,507.8**					Amortised cost
Financial liabilities[1]	AC	175,000.0		25,000.0			**200,000.0**		222.637,1		**0,0**	Amortised cost
Lease liabilities[2]	AC	54,970.6		34.6			**55,005.2**					Amortised cost
Other liabilities[1]	AC		715.3			98,089.1	**98,804.5**					Amortised cost
Non-financial instruments												
Other liabilities and accruals	n.a.		24,980.0			31,410.9	**56,391.0**					
		229,970.6	**25,695.4**	**25,034.6**	**33,507.8**	**129,500.0**	**443,708.3**					

1) Fair value equals amortised cost
2) The disclosure of the fair value of lease liabilities is not necessary in accordance with IFRS 7,29 (d),

EQUITY AND LIABILITIES		Carrying amounts						Fair value				
		Non-current liabilities		Current liabilities								
Amounts in T€	Measurement category	Financial and lease liabilities	Other liabilities	Financial and lease liabilities	Trade payables	Other liabilities	Total	Level 1	Level 2	Level 3	Total	Valuation approach as per IFRS 9
31 December 2022												
Financial liabilities at fair value												
n.a.												
Financial liabilities not at fair value												
Trade payables[1]	AC				35,292.4		**35,292.4**					Amortised cost
Financial liabilities[1]	AC	200,000.0		25,000.0			**225,000.0**		220,302.0		**220,302.0**	Amortised cost
Lease liabilities[2]	AC	54,822.1		34.1			**54,856.3**					Amortised cost
Other liabilities[1]	AC		1,184.0			112,597.6	**113,781.7**					Amortised cost
Non-financial instruments												
Other liabilities and accruals	n.a.		25,926.8			19,125.7	**45,052.5**					
		254,822.1	**27,110.8**	**25,034.1**	**35,292.4**	**131,723.3**	**473,982.8**					

1) Fair value equals amortised cost
2) The disclosure of the fair value of lease liabilities is not necessary in accordance with IFRS 7,29 (d),

(11) Events after the end of the reporting period

Other events after the end of the interim reporting period that are of material importance to accounting on 30 June 2023, such as pending legal proceedings or claims for damages, other obligations and anticipated losses that must be recognised or disclosed in accordance with IAS 10 have been included in these interim financial statements or are not known.

Schwechat, 17 August 2023

The Management Board

Günther Ofner
Member of the board, CFO

Julian Jäger
Member of the board, COO

Statement of the members of the Management Board

in accordance with section 125(1) sentence 3 BörseG 2018

We confirm to the best of our knowledge that the condensed consolidated interim financial statements prepared in accordance with the applicable accounting standards provide a true and fair view of the asset, financial and earnings position of the Group and that the half-year Group management report provides a true and fair view of the asset, financial and earnings position of the Group regarding important events that occurred during the first six months of the financial year and their impact on the condensed consolidated interim financial statements regarding the principal risks and uncertainties for the remaining six months of the financial year and the major related party transactions to be disclosed.

Schwechat, 17 August 2023

The Management Board

Günther Ofner
Member of the board, CFO

Julian Jäger
Member of the board, COO

Imprint

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at Vienna International Airport:
www.laermschutzprogramm.at

The environment and aviation:
www.vie-umwelt.at

Facts & figures on the third runway:
www.viennaairport.com/en/company/flughafen_wien_ag/third_runway_project

Dialogue forum at
Vienna International Airport:
www.dialogforum.at

Mediation process (archive):
www.viemediation.at

Layout:
Michaela Fruhwirth

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