

FLUGHAFEN WIEN AG

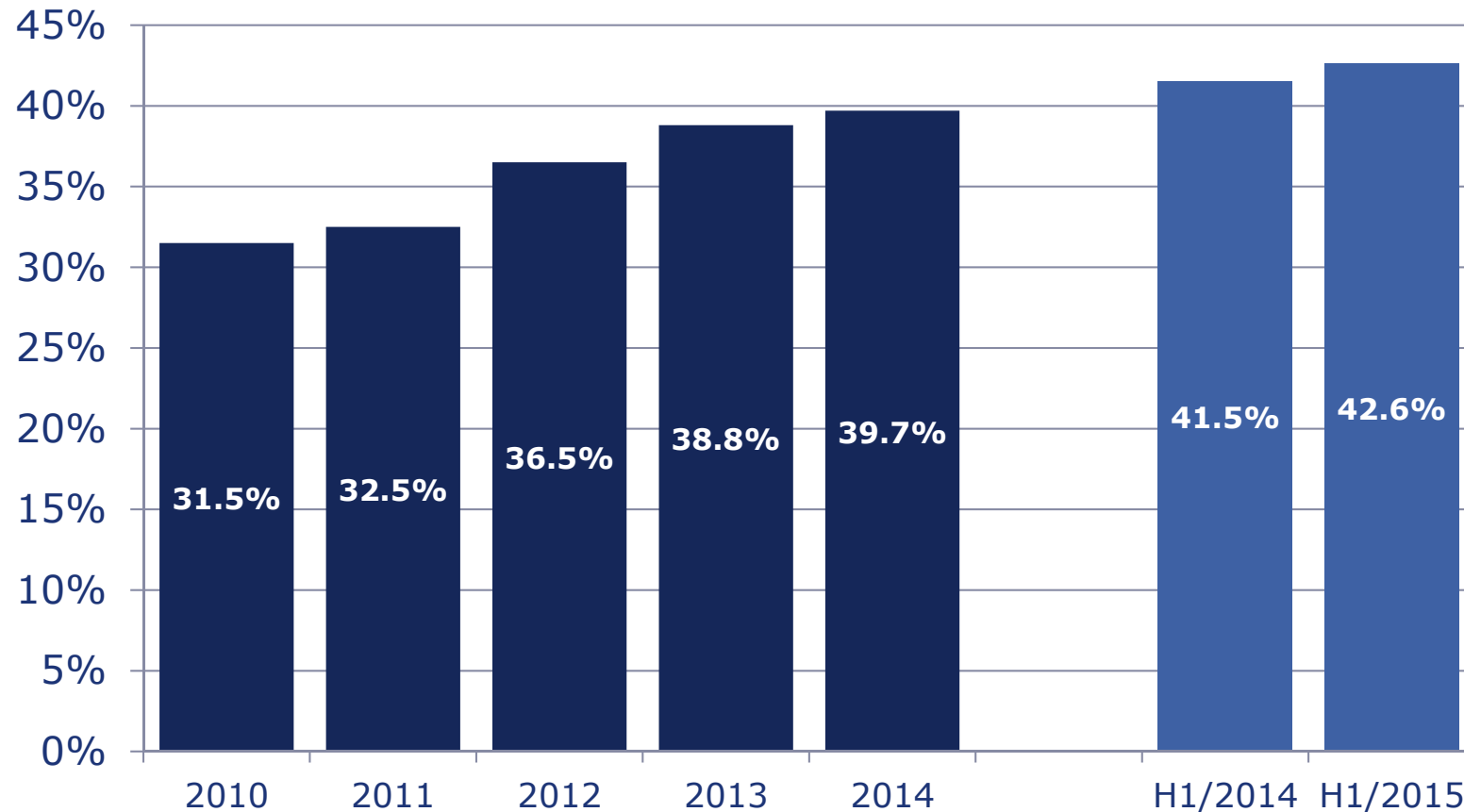
H1 Results/2015



H1/2015: Slight recovery of traffic results in Q2 - Disproportional increase in earnings

- ✈ Passenger volume in H1/2015 down 0.8% year-on-year as a result of crisis regions and temporary capacity reductions by Austrian Airlines
- ✈ Good business development in H1/2015:
Revenue up 2.2%, disproportional improvement in net profit for the period¹⁾ of € 47.6 million (+8.1%)
- ✈ Earnings growth based on enhanced productivity:
EBITDA margin up from 31.5% (2010) to 42.6% (H1/2015)
- ✈ Costs under control – on balance cost reductions could be generated after restructuring (insourcing of external services)
- ✈ Further reduction of net debt – already clearly below the medium-term target of a net debt/EBITDA of 2.5x
- ✈ Growth prospects for the entire year 2015 in spite of passenger decline in the first months: guidance confirmed

Continuously improved EBITDA margin demonstrates strong gains in productivity



Steady improvement in earnings in spite of weak passenger development in the first half-year

€ million	H1/2015	H1/2014	Δ in %
Revenue	311.5	304.7	+2.2
Earnings before interest, tax, depreciation and amortization (EBITDA)	132.7	126.5	+4.9
Earnings before interest and taxes (EBIT)	68.6	63.1	+8.6
Financial results	-6.3	-6.1	+3.5
Earnings before tax (EBT)	62.2	57.0	+9.1
Net profit for the period (after taxes and non-controlling interests)	47.6	44.0	+8.1

- ✈ Revenue rise due to fee adjustments, lower incentives as a result of fewer transfer passengers, higher income from shopping & gastro and handling operations
- ✈ Expenses remain constant despite higher wage & salary levels and one-off effect of allocations to employee provisions thanks to efficiency enhancement, strict cost discipline and release of provisions
- ✈ Financial results at about the prior-year level despite the shortfall of the positive effect relating to the sale of Friedrichshafen in 2014 (€ 2.3 million)

Expenses: kept constant due to cost discipline despite wage & salary level increases

✈ Expenses for consumables and services used down € 2.5 million from the previous year as a result of

- ✈ Energy-saving measures and reduced energy prices
- ✈ Savings in fuel consumption
- ✈ Shift due to insourcing of personnel costs by integrating them into Flughafen Wien AG

€ million	H1/2015	H1/2014	Δ in %
Consumables and services used	-17.2	-19.7	-12.8
Personnel	-130.3	-123.3	+5.6
Other operating expenses	-37.2	-42.7	-12.9
Depreciation, amortization & impairment losses	-64.2	-63.3	+1.3

✈ Personnel expenses up € 7.0 million due to

- ✈ Collective wage increases
- ✈ Slightly higher average number of employees (4,326, +0.7%) as a consequence of integration of temporary employees in the subsidiary VAT and hiring of new employees for passenger handling
- ✈ One-off effect from allocation to provisions

✈ Reduction in other operating expenses of € 5.5 million, mainly because of lower third party services (due to insourcing) and release of provisions

Further reduction in net debt (-7.5%)

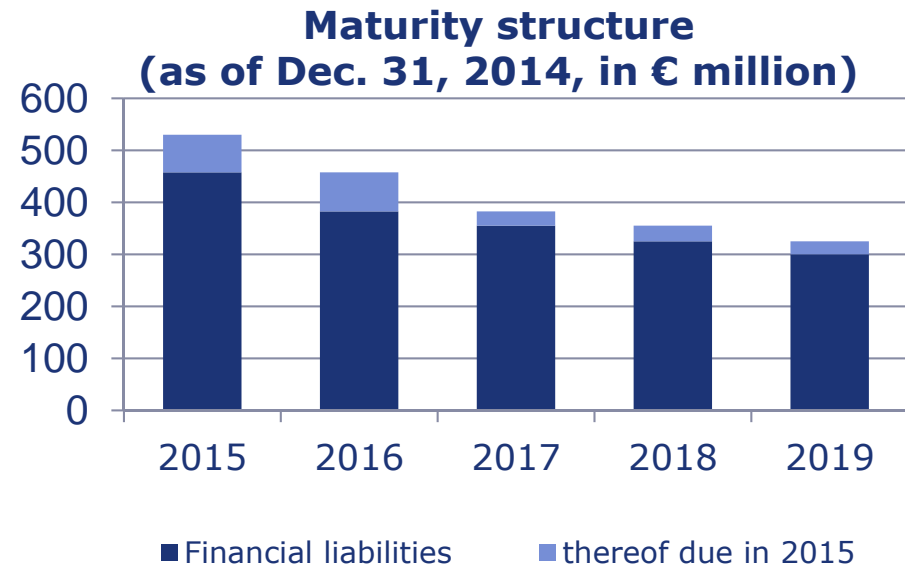
	H1/2015	H1/2014	Δ in %
Net debt (€ million) ¹⁾	468.0	506.2	-7.5
Gearing (%) ¹⁾	48.5	53.1	-4.6%p.
Cash flow from operating activities (€ million)	110.1	104.3	+5.6
Free cash flow (€ million)	73.4	74.0	-0.9
CAPEX (€ million) ²⁾	24.6	31.0	-20.6
Equity (€ million) ¹⁾	965.8	952.5	+1.4
Equity ratio (%) ¹⁾	52.2	50.3	+1.9%p.

Net debt already clearly below the medium-term target of net debt/EBITDA of about 2.5x

Further improvement of net debt (€ 468.0 million) and gearing (48.5%)

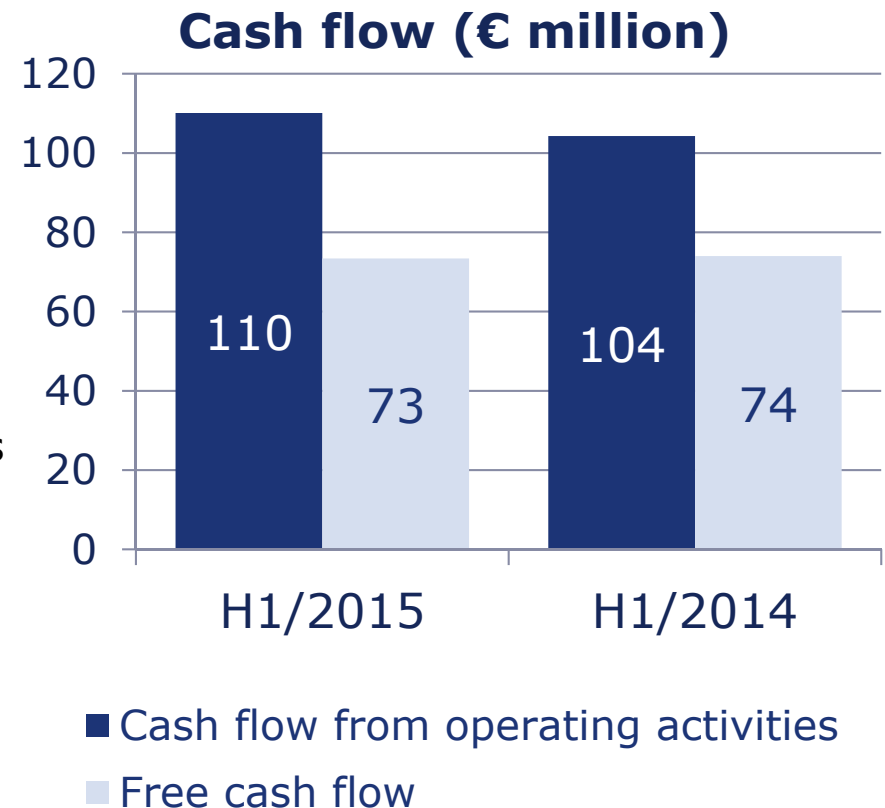
- ✈ Net debt down € 38.2 million since beginning of the year – further reduction below 2015 target of € 500 million – clearly surpassed medium-term goal of net debt/EBITDA of 2.5x
- ✈ Decrease in non-current assets primarily related to scheduled depreciation
- ✈ Increase in current assets due to assets held for sale (commercial properties)
- ✈ Drop in non-current liabilities of 9.6% related to end of a non-current liability and reclassification in current liabilities due to the maturity profile
- ✈ Current liabilities up 3.5% from Dec. 31, 2014 as a result of reclassification to current liabilities related to the maturity profile and higher tax provisions – in spite of loan repayments and reduction of trade payables

	June 30, 2015	Dec. 31, 2014	Δ in %
Net debt (€ million)	468.0	506.2	-7.5
Gearing (%)	48.5	53.1	-4.6%p.



Cash flow remains strong CAPEX below the prior-year level

- ✈ Positive free cash flow of € 73.4 million, slightly below prior-year level due to higher payments for investments
- ✈ Cash flow from operating activities up 5.6% to € 110.1 million – improved operating results in contrast to reduction of provisions and liabilities
- ✈ Cash flow from investing activities: higher level especially due to increased payments for facilities (e.g. winter service and equipment storage halls)
- ✈ Negative cash flow from financing activities due to repayment of financial liabilities and dividend distribution in Q2/2015



- ✈ Investments (CAPEX) of € 24.6 million – the biggest additions to property, plant and equipment related to winter service and equipment storage halls (€ 10.7 million) along with investments for Runway 3, cooling units, the charter bus terminal completed in February, Pier West and a transformer station

CAPEX outlook reduced to below € 95 million as a result of cost reductions, delays and cancellation of several projects

Main projects in 2015:

- ✈ Acquisition of winter service and equipment storage halls
- ✈ Project begin for expansion of Air Cargo Center
- ✈ Preparations for new hotel construction
- ✈ Runway renovation 11/29 – Part 1
- ✈ Expansion of conferencing/revitalization of Office Park 3



Outlook for 2015: Targeted earnings rise despite weak H1 passenger development

	2014	Financial objectives in 2015
Revenue	€ 630.2 million	> € 645 million
EBITDA	€ 250.2 million	> € 250 million
Group net profit ¹⁾	€ 82.5 million	≥ € 85 million
Net debt	€ 506.2 million	≤ € 500 million
CAPEX	€ 75.1 million	< € 95 million

SEGMENT RESULTS



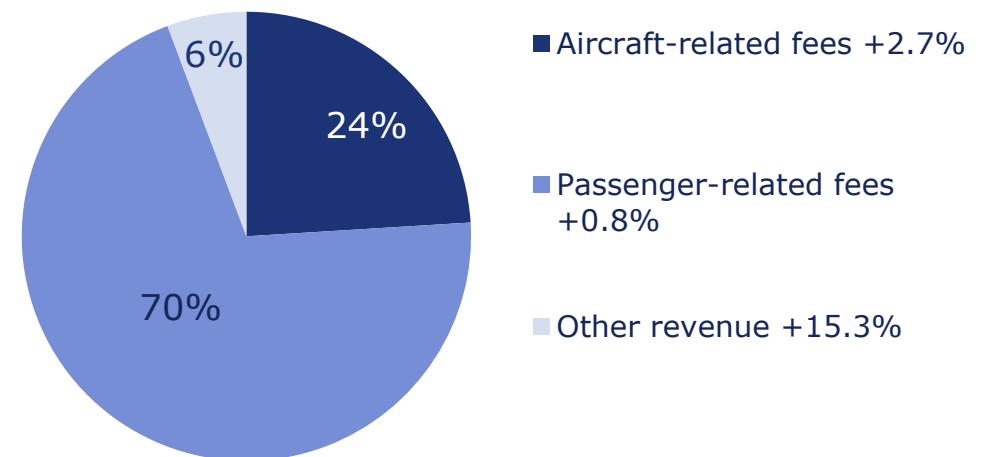
Airport: Revenue increase despite negative PAX level

✈ Crisis regions negatively burden Vienna Airport as a CEE flight hub
 – positive effects of flight traffic to North America, Africa and Far East

✈ Revenue rise due to improved MTOW, fee increases in line with index formula and reduced burden of incentives related to decrease in the number of transfer passengers

€ million	H1/2015	H1/2014	Δ in %
External revenue	166.7	163.5	+2.0
EBITDA	71.7	68.8	+4.2
EBIT	25.0	22.4	+11.4
Employees ¹⁾	509	508	+0.3

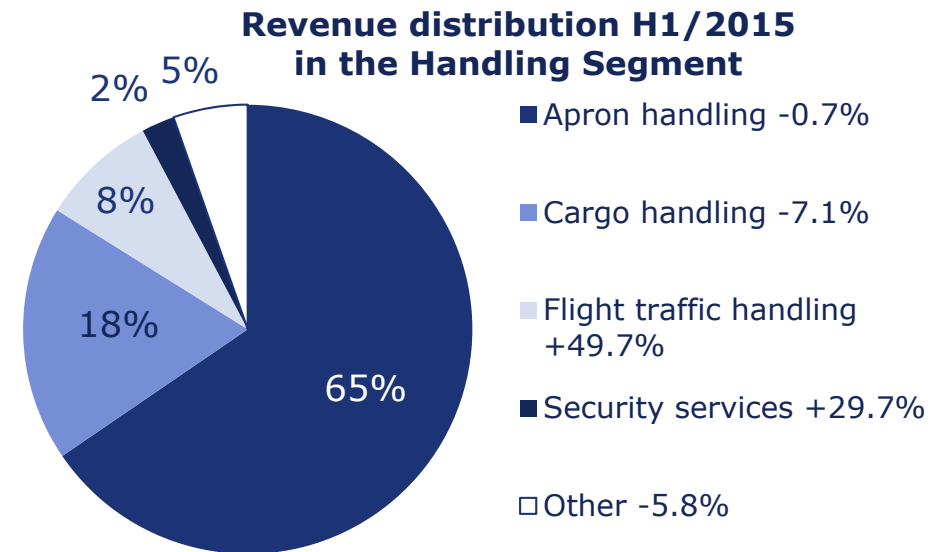
Revenue breakdown H1/2015 in the Airport Segment



Handling: Negative impact due to reduced flight movements – positive development of PAX handling

- ✈ Decline in revenue from cargo handling due to lower cargo volumes and partly from apron handling as a result of fewer flight movements ...
- ✈ ... but increased revenue from flight traffic handling thanks to expansion of the service offering (PAX handling).
- ✈ Higher expenses, especially because of higher wages and salaries mandated by collective wage agreements, hiring of personnel for PAX handling and one-off effect related to employee provisions result in a year-on-year decline in EBIT and EBITDA

€ million	H1/2015	H1/2014	Δ in %
External revenue	73.6	72.2	+2.1
EBITDA	5.9	8.6	-31.0
EBIT	3.1	5.9	-47.0
Employees ¹⁾	3,097	3,013	+2.8



Retail & Properties: Increased income from shopping & gastro and parking

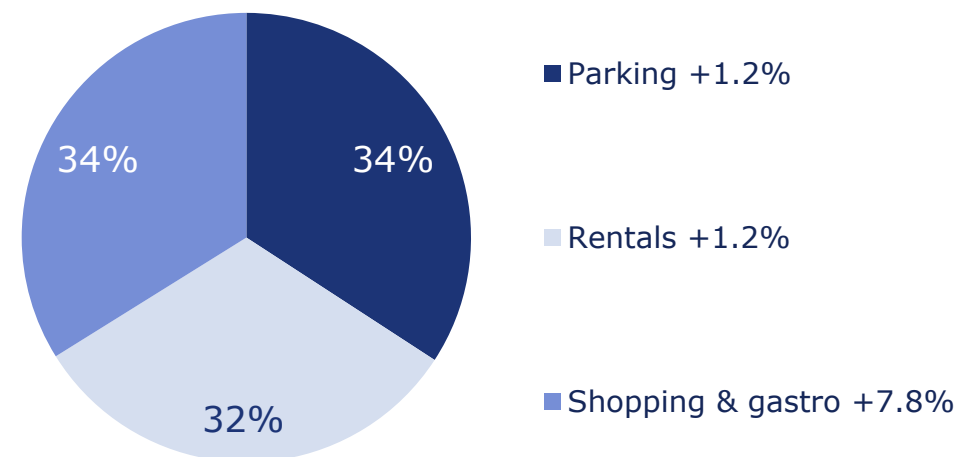
✈ Shopping and gastro strategy has a positive impact: revenue up 7.8% despite PAX decrease, and higher income per passenger in spite of crises in Russia/Ukraine (PRR: € 2.06 per passenger, 9.0% rise from H1/2014)

€ million	H1/2015	H1/2014	Δ in %
External revenue	63.4	61.3	+3.4
EBITDA	44.3	39.3	+12.8
EBIT	36.3	31.8	+14.1
Employees ¹⁾	90	87	+3.4

✈ Parking revenue rise of 1.2% in spite of PAX decrease due to marketing measures

✈ Revenue from rentals (advertising, properties) also climbed by 1.2%

Revenue distribution H1/2015 in the Retail & Properties Segment



Results of strategic investments 2014 & H1/2015

Malta Int. Airport

H1/2015

✈ ~1,987,000 passengers (+6.9%)

2014

- ✈ About 4.3 million passengers (+6.4%)
- ✈ Revenue: € 64.3 million
- ✈ EBITDA: € 34.1 million
EBIT: € 27.5 million
- ✈ EBITDA/EBIT margin: 53.0%/42,8%
- ✈ Earnings contribution: € 4.7 million

Airport Kosice

H1/2015

✈ ~143,500 passengers (+15.7%)

2014

- ✈ About 0.4 million passengers (+50.4%)
- ✈ Revenue: € 9.0 million
- ✈ EBITDA: € 2.7 million
EBIT: € 1.9 million
- ✈ EBITDA/EBIT margin: 30.0%/20.8%
- ✈ Earnings contribution: € 1.0 million



TRAFFIC RESULTS

Results and outlook 2015



Traffic development at Vienna Airport H1/2015

	H1/2015	H1/2014	Δ in %
Passengers (millions)	10.46	10.54	-0.8
Local passengers (millions)	7.61	7.47	+1.8
Transfer passengers (millions)	2.79	3.05	-8.4
Flight movements (in 1,000)	109.98	112.46	-2.2
MTOW (millions of tons)	4.01	3.91	+2.7
Seat load factor (percent)	71.5	73.1	-1.6%p
Cargo incl. trucking (in 1,000 tonnes)	130.02	130.80	-0.6

- ✈ Decline in Q1/2015 could be mostly offset by positive development in Q2/2015
- ✈ Crisis regions particularly have negative effect on transfer passenger volumes

Shares of scheduled carriers in H1/2015

	H1/2015	H1/2014	
	Share in %	Share in %	PAX Δ in %
Austrian Airlines Group	45.4	48.7	-7.5
Lufthansa	4.1	5.1	-19.3
Germanwings	4.0	2.9	+37.4
Swiss Intl.	1.7	1.7	+0.3
Total for LH Group ¹⁾	56.8	59.8	-5.7
NIKI	10.0	10.4	-4.4
airberlin	6.8	6.5	+2.6
Total for HG/AB Group	16.7	16.9	-1.7
Turkish Airlines	2.2	2.2	-3.0
British Airways	2.0	1.8	+8.9
Emirates	1.8	1.7	+7.8
KLM	1.5	1.3	+11.6
Other	18.9	16.3	+15.3

1) Including Brussels Airlines, SunExpress and SunExpress Germany

Traffic development of Vienna Airport in July


	7/2015	7/2014	Δ in %	1-7/2015	1-7/2014	Δ in %
Passengers (millions)	2.36	2.21	+6.7	12.82	12.76	+0.5
Local passengers (millions)	1.64	1.53	+7.3	9.25	9.00	+2.8
Transfer passengers (millions)	0.72	0.68	+5.5	3.51	3.73	-5.8
Flight movements (in 1,000)	21.,24	21.37	-0.6	131.22	133.83	-1.9
MTOW (millions of tonnes)	0.80	0.76	+5.0	4.81	4.67	+3.0
Seat load factor (percent)	80.0	78.5	+1.6%p	72.9	74.0	-1.1%p
Cargo incl. trucking (in 1,000 tonnes)	22.13	23.54	-1.8	152.15	153.34	-0.8

What's new in 2015

✈ **Austrian Airlines:** Colombo (Sri Lanka), Manchester, Mauritius, Miami, Menorca, Odessa, more flights to Newark, Athens

✈ **NIKI:** Alicante, Catania, Paphos and more flights to Zurich

✈ **Other increase in frequencies and new destinations**

✈ **New Eurowings-base** 
New to Barcelona, London Stansted, Palma and Rome

✈ **Easyjet** 
New to Amsterdam, Berlin, Bristol, London Luton and Manchester

✈ **Aegean** 
New to Rhodes

✈ **Air Baltic** 
New to Tallinn


✈ **Air Moldova** 
New to Chisinau

✈ **British Airways** 
New to London Gatwick

✈ **Estonian Air** 
New to Tallinn

✈ **Europe Airpost** 
New to Bordeaux and Toulouse

✈ **SunExpress**  SunExpress
New to Dalaman

✈ **TUIfly** 
New to Heraklion, Corfu, Kos and Rhodes

✈ **Vueling** 
New to Rome

Services discontinued in 2015

✈ **Austrian Airlines:** Kharkiv, Dubai and Rostov

✈ **NIKI:** Athens, Moscow, Munich and Tel Aviv

✈ Other discontinued services:

✈ **Germanwings**  **germanwings**
Termination Berlin

✈ **Ukraine Intl.**  **Ukraine Intl.**
Termination Odessa

✈ **Alitalia**  **Alitalia**
Termination Mailand Linate

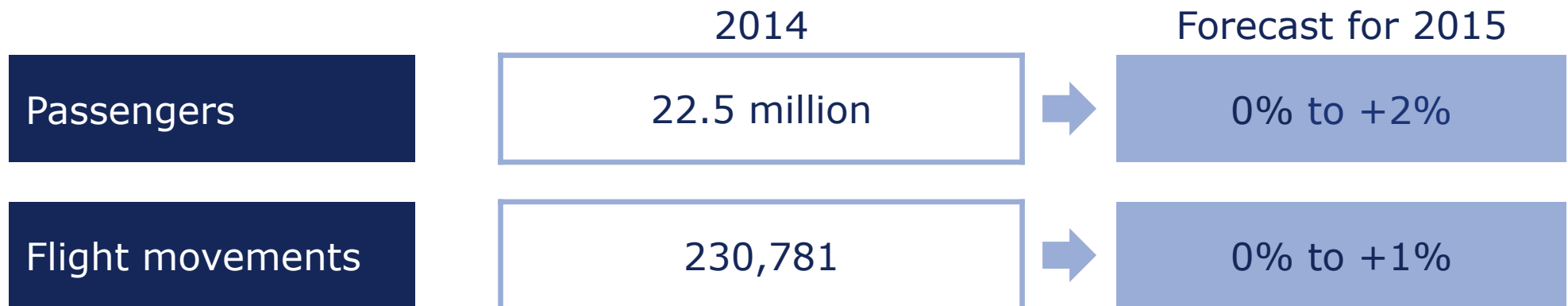
✈ **Transaero**  **Transaero**
Termination St. Petersburg

✈ **Etihad regional**  **Etihad regional**
Termination Dresden

Traffic forecast for 2015

New destinations and increased frequencies in H2/2015

- ✈ Positive outlook for entire year
 - Higher seating capacities – but seat load factor remains a factor of uncertainty
 - New long-haul routes as of the fall of 2015 (Colombo, Mauritius, Miami)
 - New Eurowings-base to start in autumn 2015
 - Expansion in destinations and flight connections in H2



THANK YOU FOR YOUR ATTENTION

