



# FLUGHAFEN WIEN GROUP

## Q1/2019 Results



# Q1/2019: Positive traffic development – Slight upward revision of guidance



## ✈️ Q1/2019 – Passenger growth

Vienna Airport Group at +19.9%, Vienna Airport at +24.6%; more passengers in Malta (+2.6%), decline in Kosice (-8.5%)

✈️ **Revenue increase** to € 177.3 million (+8.2%), EBITDA improvement of 10.5% to € 71.6 million, EBIT even up 15.1% to € 38.4 million

✈️ **Net profit for the period<sup>1</sup> rose** to € 25.5 million (+18.0%)

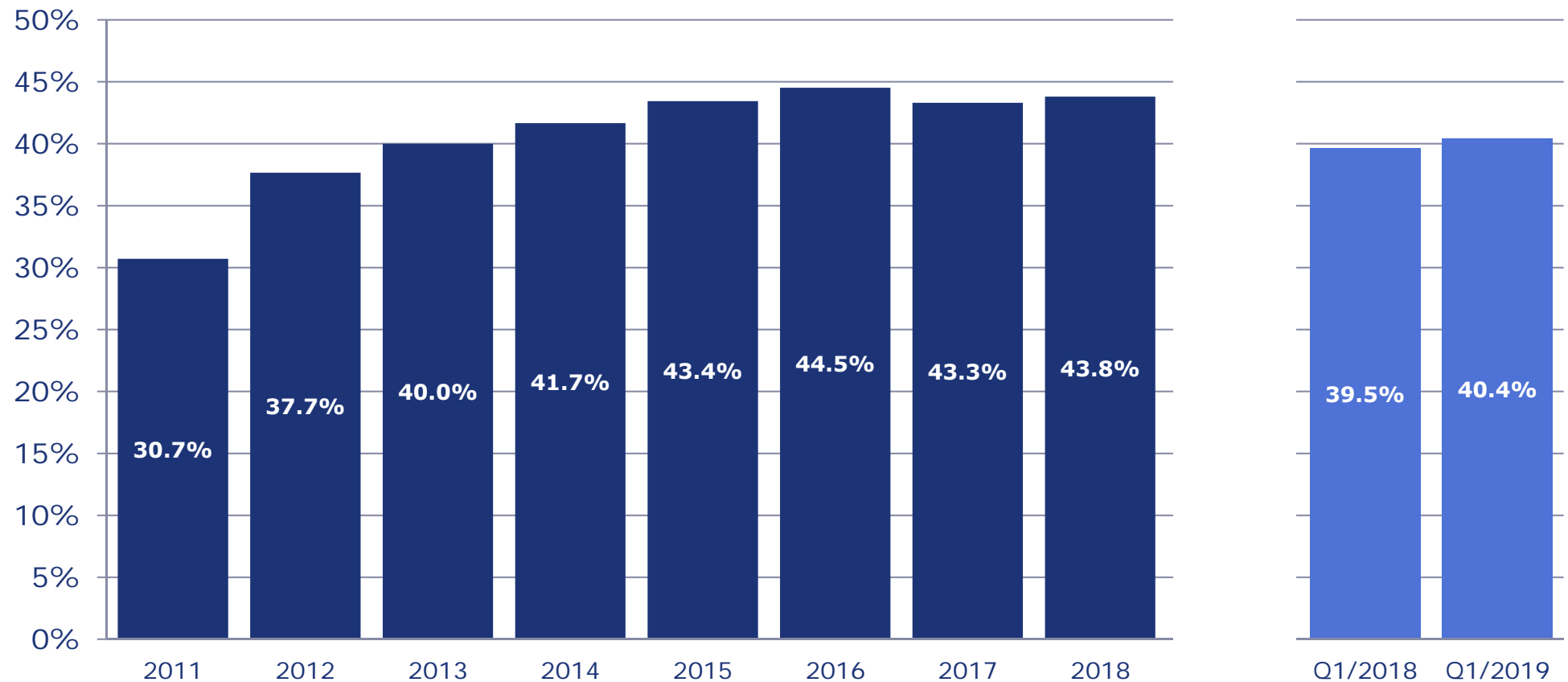
✈️ **Net debt<sup>2</sup> reduced to** € 157.4 million (down € 40.8 million since the beginning of 2019)

## ✈️ Positive outlook for the entire year 2019

Increase of Passenger numbers and movements expected: at Group level increase in passengers of 8% to 10%, and for Vienna Airport an increase of more than 10% to around 30 million passengers anticipated  
Upward revision of financial guidance: revenue expected to rise to at least € 830 million, EBITDA up to more than € 375 million and net profit for the period<sup>1</sup> to exceed € 170 million

2 <sup>1)</sup> Before non-controlling interests  
<sup>2)</sup> Net debt adjusted for lease liabilities pursuant to IFRS 16; comparative value correspondingly adjusted at the beginning of the year

# Positive development of EBITDA margin documents significant productivity rise



# Good business results thanks to revenue development and cost discipline



in € million	Q1/2019	Q1/2018	Δ in %
Revenue	177.3	163.9	+8.2
Earnings before interest, tax, depreciation and amortization (EBITDA)	71.6	64.8	+10.5
Earnings before interest and taxes (EBIT)	38.4	33.3	+15.1
Financial results	-3.5	-4.1	+14.8
Earnings before tax (EBT)	34.9	29.3	+19.3
Net profit for the period	25.5	21.6	+18.0
Net profit for the period after non-controlling interests	24.1	20.5	+17.7

# Cost level slightly above prior-year



✈ Expenses for consumables and services used at the prior-year level: energy costs stable at € 5.0 million despite growth as a result of energy-saving measures

✈ Personnel expenses up € 3.7 million due to

✈ salary increases mandated by collective wage agreements

✈ higher average number of employees (+5.4% to 4,878)

✈ changes in provisions

✈ Other operating expenses up € 0.3 million; environmental fund burden (€ 0.9 million)

✈ Rise of € 1.8 million in depreciation and amortisation attributable to

✈ higher write-downs on buildings and structures

✈ the effect of applying IFRS 16 starting January 1, 2019

in € million	Q1/2019	Q1/2018	Δ in %
Consumables and services used	-11.2	-11.3	-1.0
Personnel expenses	-73.9	-70.2	+5.3
Other operating expenses	-24.1	-23.8	+1.4
Depreciation and amortisation	-33.3	-31.5	+5.6



# Further reduction of net debt by € 40.8 million



	Q1/2019	Q1/2018	Δ in %
Net debt (€ million) <sup>1</sup>	157.4	198.2	-20.6
Gearing (%) <sup>1</sup>	11.9	15.3	n.a.
Cash flow from operating activities (€ million)	72.3	52.9	+36.6
Free cash flow (€ million)	24.6	13.0	+88.9
CAPEX (€ million) <sup>2</sup>	25.9	71.3	-63.6
Equity (€ million) <sup>3</sup>	1,322.1	1,267.0	+1.9
Equity ratio (%) <sup>3</sup>	59.9	60.1	n.a.

- ✈ Substantial reduction of net debt: net debt target unchanged at < €150 million despite adjustment related to IFRS 16)
- ✈ Free cash flow almost double the previous year, mainly attributable to improved cash flow from operating activities and in spite of higher cash flow from investing activities
- ✈ CAPEX below the prior-year level – Q1/2018 included capitalisation of more than € 50million for the payment obligation arising from the service agreement for the mediation process in connection with the environmental fund (3rd Runway )

6 1) Comparison of March 31, 2019 to January 1, 2019 (adjusted for lease liabilities pursuant to IFRS 16)  
 2) Excluding financial assets and business combinations  
 3) Comparison of March 31, 2019 to December 31, 2018

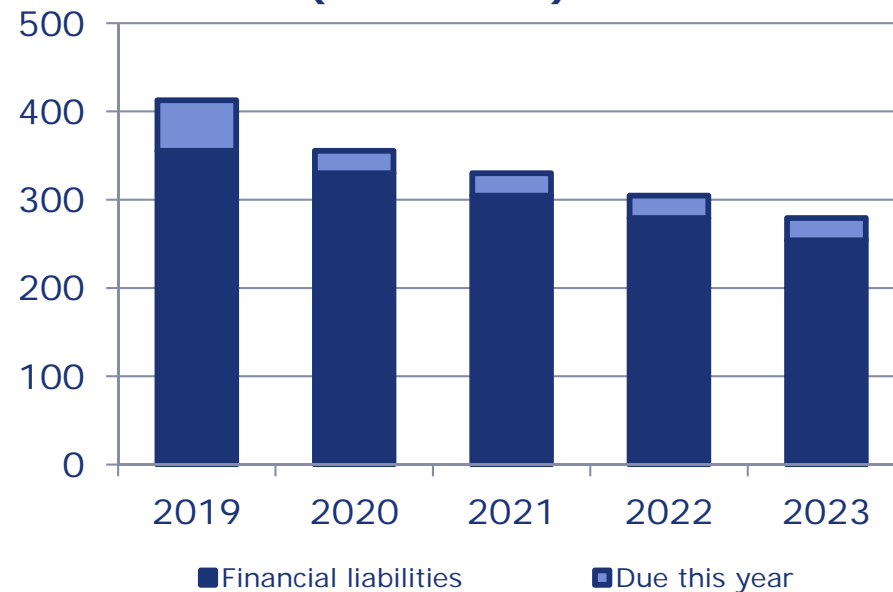
# Ongoing positive development of net debt and gearing



- ✈ Net debt<sup>1</sup> down € 40.8 million to € 157.4 million
- ✈ Slight rise in equity by 1.9% to € 1,322.1 million
- ✈ Non-current assets basically at a constant level: increases mainly due to application of IFRS 16 as at Jan. 1, 2019 (above all as a result of recognition of long-term leases at Malta Airport)
- ✈ Current assets above the previous year due to rise in receivables and other assets in spite of the reduction in trade receivables (- € 15.2 million)
- ✈ Non-current liabilities up € 45.2 million, mainly as a result of the recognition of lease liabilities
- ✈ The reduction in current liabilities by € 19.7 million can be primarily attributed to debt redemption (- € 15.0 million) and decline in trade payables by € 5.3 million

	March 31, 2019	Jan. 1, 2019	Δ in %
Net debt <sup>1</sup> (in € million)	157.4	198.2	-20.6
Gearing <sup>1</sup> (in %)	11.9	15.3	n.a.

**Maturity structure<sup>1</sup>**  
(in € million)



7 1) Net debt adjusted for lease liabilities pursuant to IFRS 16; comparative figure correspondingly adjusted for the beginning of the year

# Free cash flow underlines financial strength

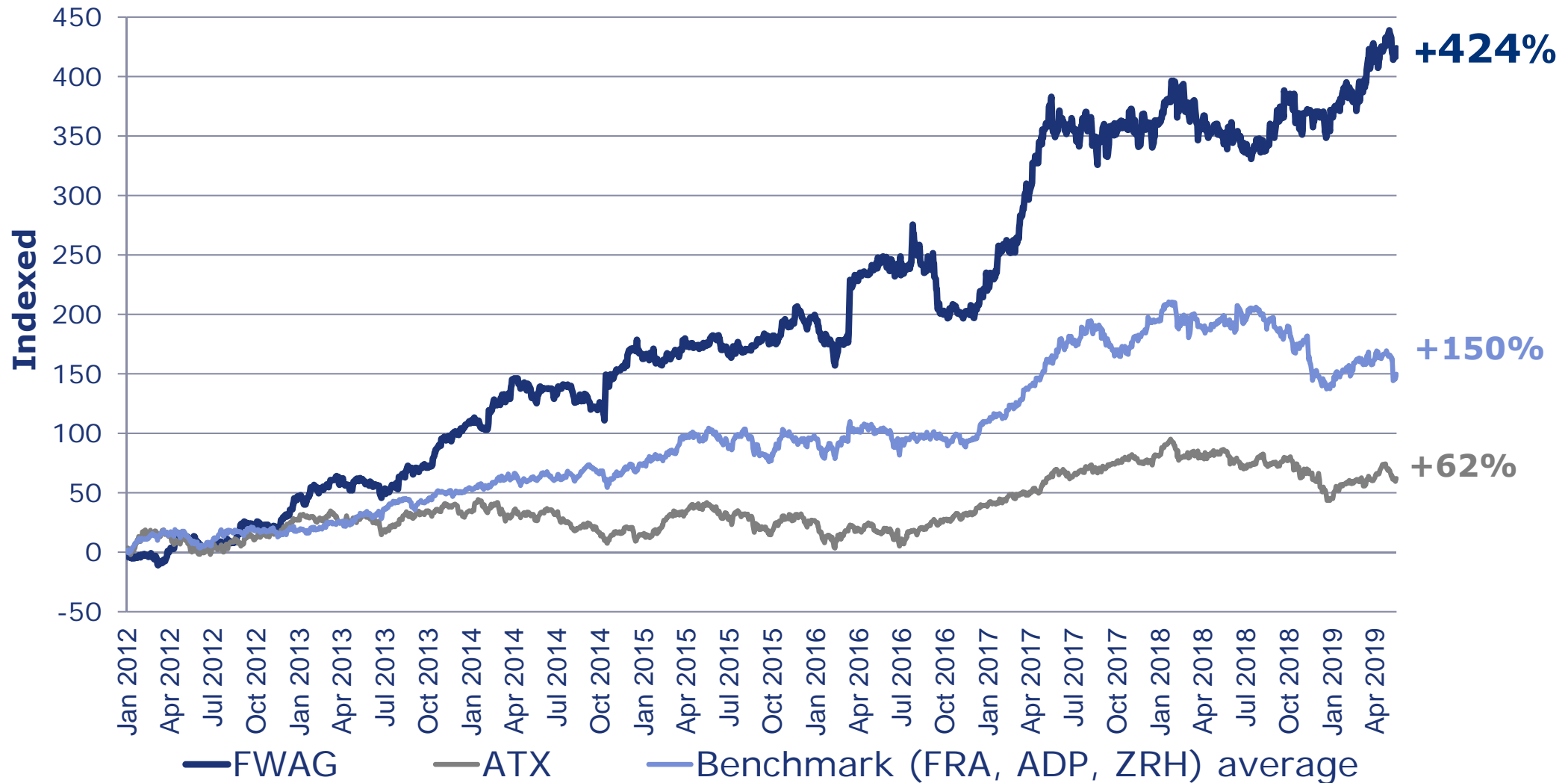


- ✈ Close to doubling of free cash flow, primarily due to improved cash flow from operating activities despite higher cash flow from investing activities
- ✈ Cash flow from operating activities above the previous year
- ✈ Rise in the cash flow from investing activities: € 32.6 million for investment projects (incl. financial assets), € 35.2 million for current and non-current investments (time deposits) and € 15.0 million for securities in Q1/2019. This is in contrast to net cash inflows from matured time deposits of € 35.0 million. Net cash outflows for investment projects totalled € 20.0 million in Q1/2018 along with € 20.0 million for current and non-current investments (time deposits).
- ✈ Cash flow from financing activities: development is due to changes in financial liabilities (redemptions less borrowings) of € 15.0 million (Q1/2018: € 2.8 million)
- ✈ Investments (CAPEX) at € 25.9 million – the biggest additions at Vienna Airport related to € 5.2 million for Office Park 4, € 2.5 million for construction of Hangars 8 and 9 and € 2.0 million for terminal development projects; € 5.2 million was invested at Malta Airport in Q1/2019, primarily for air traffic surfaces and preparations for a new parking garage.

in € million	Q1/2019	Q1/2018	Δ in %
Cash flow from operating activities	72.3	52.9	+36.6
Cash flow from investing activities	-47.7	-39.9	+19.5
Cash flow from financing activities	-15.1	-2.8	n.a.
Free cash flow	24.6	13.0	+88.9



# Share price development since January 2012: +424%, market capitalisation ~€ 3.2 bill.

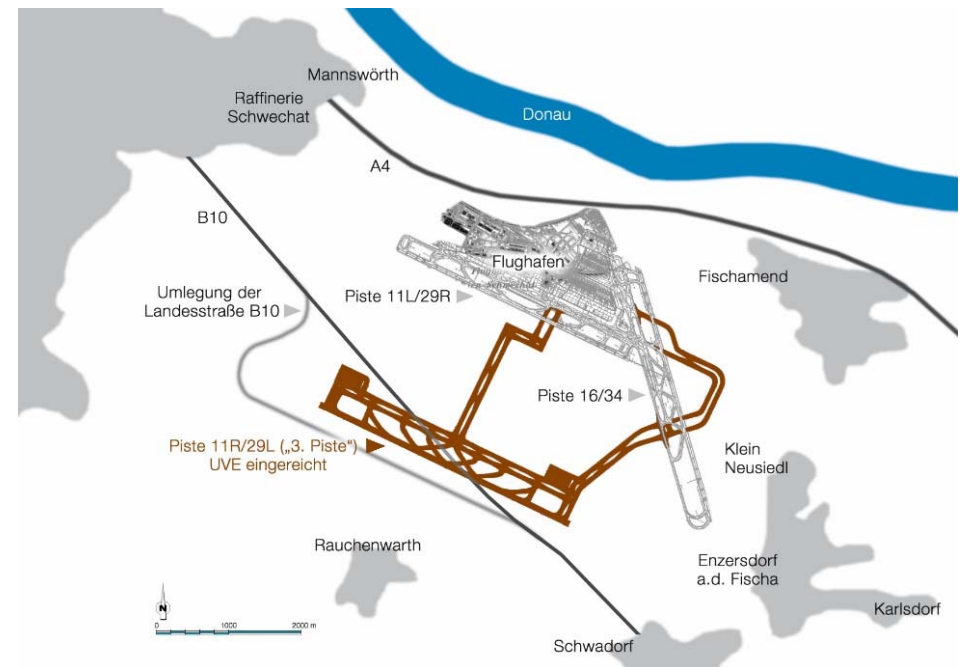


# 3rd Runway: Vienna Airport welcomes Austrian Constitutional Court decision



This decision ensures long-term growth perspectives and competitiveness, not only for Vienna Airport but for Austria's economy, industry, tourism and labour market.

Vienna Airport will now strongly focus on the project. The decision of the administrative authority will be analysed in detail and an in-depth project plan will be prepared.



# Airport City emerging as an “innovation hub”



## ✈️ **Vienna Airport enters into partnership with startup incubator**

- Target: Airport City should become a centre for innovative startups in the eastern region of Austria
- Excellent geographical location and easy accessibility via air, railway and road connections
- Airport City creates a bridge between the East and Silicon Valley

## ✈️ **New centrepiece: Office Park 4 as a high-tech centre for startups**

- Innovation platform brings startups together with global investors
- Focus: “Travel & Hospitality”
- Co-working spaces for creative young companies on the first floor with 2,700 m<sup>2</sup> of floor space

## ✈️ **Office Park 4 – Start of operations in May 2020**

- A total of 26,000 m<sup>2</sup> of state-of-the-art office and event space in OP4 (facilities in part over several floors, own kindergarten)
- Fortunately strong interest shown by prospective tenants



# Airport City and Airport Region continue to grow



✈ **Airport City: Lowest vacancy rate** on the Viennese office market at 2.2% (Source: Vienna Research Forum)



✈ **Vienna Pharma Handling Center** for temperature-sensitive pharmaceuticals in operation since December 2018



✈ **3rd hotel at the airport** in preparation



✈ **Expansion of the cargo area** by 1,000 m<sup>2</sup>



✈ **Opening of the DHL Logistics Campus** on May 23, 2019

# Positive outlook for 2019: Significant rise in earnings and investments – Slightly improved guidance



<Outlook 2019

Revenue



> € 830 million

EBITDA



> € 375 million

Group net profit<sup>1</sup>



> € 170 million

Net debt



< € 150 million

CAPEX



~ € 220 million





# SEGMENT RESULTS Q1/2019



# “Best Airport Staff in Europe” also in 2019



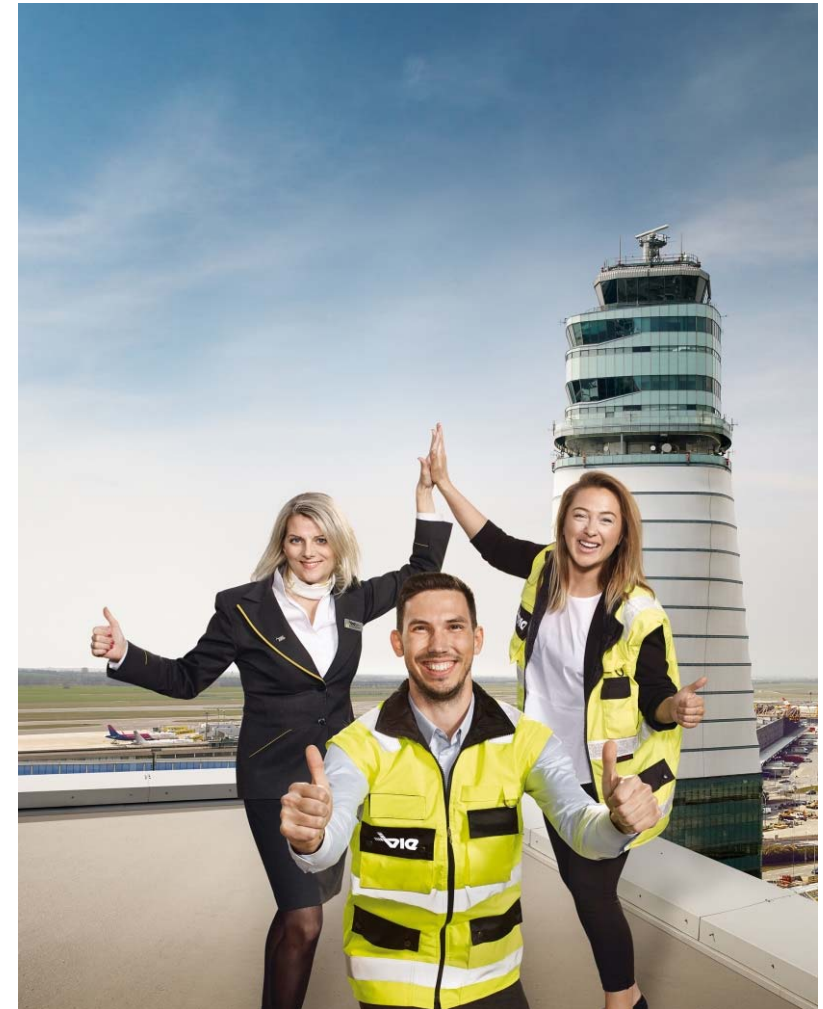
✈ **Vienna Airport is already European champion for the fourth time in the ranking of the air transport rating agency Skytrax**

- First place for Vienna Airport in the years 2015, 2016, 2017 and 2019
- 2018: European Vice Champion for the “Best Airport Staff in Europe”

✈ **Outstanding customer friendliness and competence of employees**

✈ **2019: rise to 19th place among the “World’s Top 100 Airports”: first time in the top 20!**

✈ **Since 2015: Vienna Airport boasts “4-Star Airport” quality rating**



# Airport: Strong EBITDA and EBIT growth thanks to record passenger volume



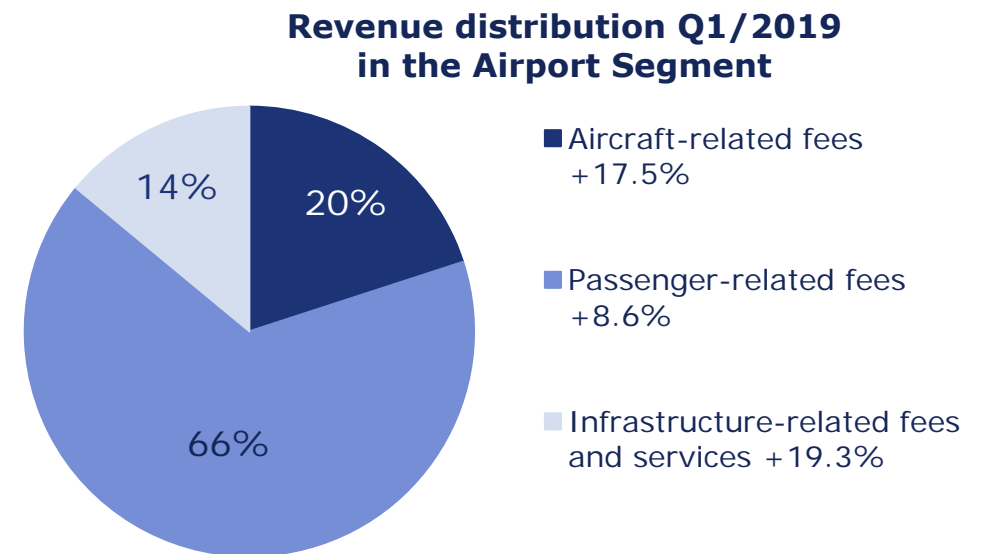
✈ Surge in growth at Vienna Airport continues: 6.1 million passengers (+24.6%) in Q1/2019

✈ Flight movement rise once again (+15.8%)

✈ Main growth drivers were the low cost carriers Laudamotion, WizzAir and Level, but the home carrier Austrian Airlines also showed substantial growth

✈ Revenue growth and only slight rise in expenses resulted in significant increase in EBITDA and EBIT

in € million	Q1/2019	Q1/2018	Δ in %
External revenue	83.2	74.4	+11.7
EBITDA	34.7	28.7	+21.1
EBIT	13.8	8.5	+61.4

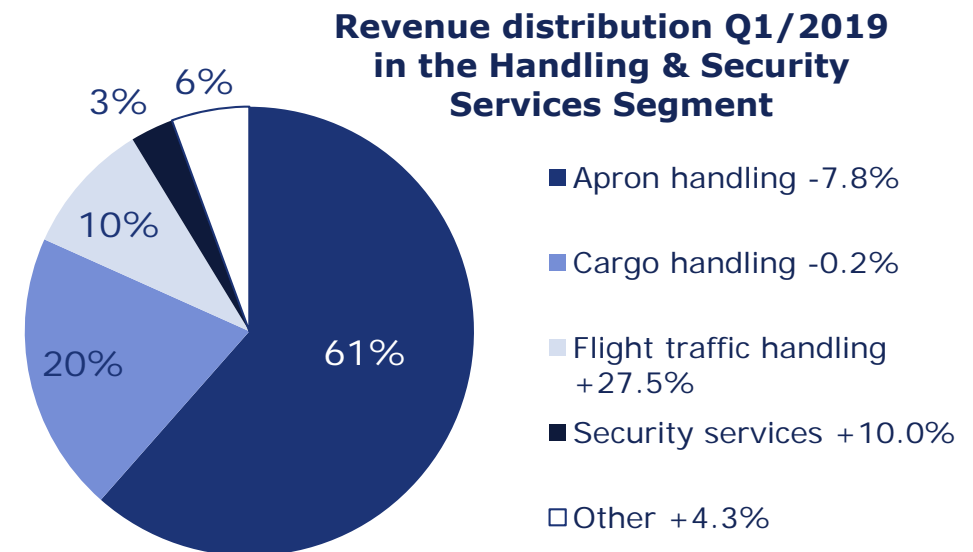


# Handling & Security Services: slight revenue decline



- ✈ Revenue decline based on contractual adjustments with the LH-Group and lower de-icing revenue in spite of slight rise in flight traffic handling from new customers
- ✈ Positive impact on passenger handling: new customers such as Laudamotion and Hainan and doubled frequencies of Qatar
- ✈ Higher cost level as a result of increase in the average number of employee (+171 to 3,108 people)
- ✈ Process optimisation in the segment should enhance efficiency

in € million	Q1/2019	Q1/2018	Δ in %
External revenue	38.5	39.5	-2.6
EBITDA	1.2	5.0	-76.2
EBIT	-1.1	3.1	n.a.



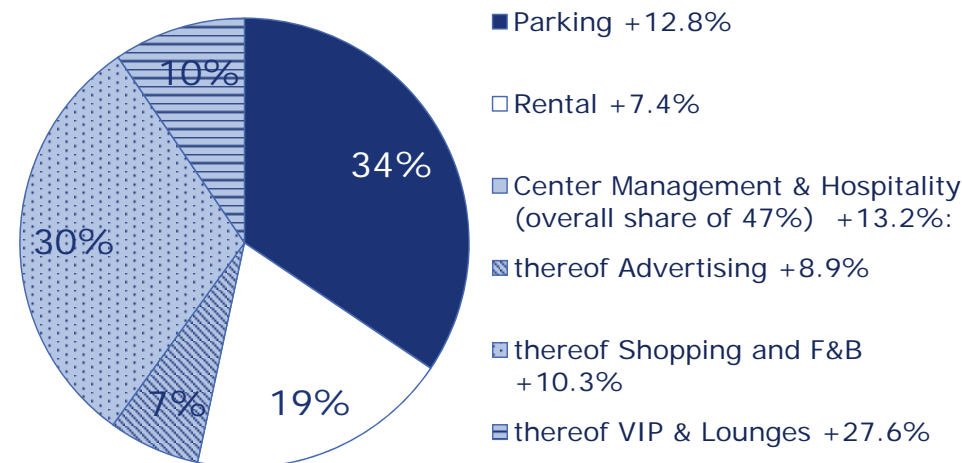
# Retail & Properties: Strong growth in all areas



- ✈ New business area bundles competencies in the “Center Management & Hospitality” – includes Shopping & Gastro and is complemented by results from Advertising, VIP & Lounges (Passenger Services)
  - ✈ Substantial rise in the F&B (+18.7%) and retail revenue (+7.4%)
  - ✈ Advertising income up 8.9%
  - ✈ New in the segment (previously assigned to the Handling and Security Services and the Airport Segment): VIP & Lounges rose 27.6% from Q1/2018
- ✈ The new structure enables improved comparability to other airports – adjustment to PRR calculations:
  - ✈ Positive development, rise in income of 13.2%;
  - ✈ However, PRR at € 2.81 below the prior-year level (Q1/2018: € 3.09) due to disproportionately high PAX growth
- ✈ Rental income up 7.4% from the previous year
- ✈ Significant increase in parking revenue (+12.8%)
- ✈ Substantial rise in EBITDA and EBIT due to higher revenue despite lower proceeds from property sales

in € million	Q1/2019	Q1/2018	Δ in %
External revenue	36.2	32.3	+11.9
EBITDA	24.6	21.0	+16.9
EBIT	20.2	16.8	+19.9

**Revenue distribution Q1/2019 in the Retail & Properties Segment**



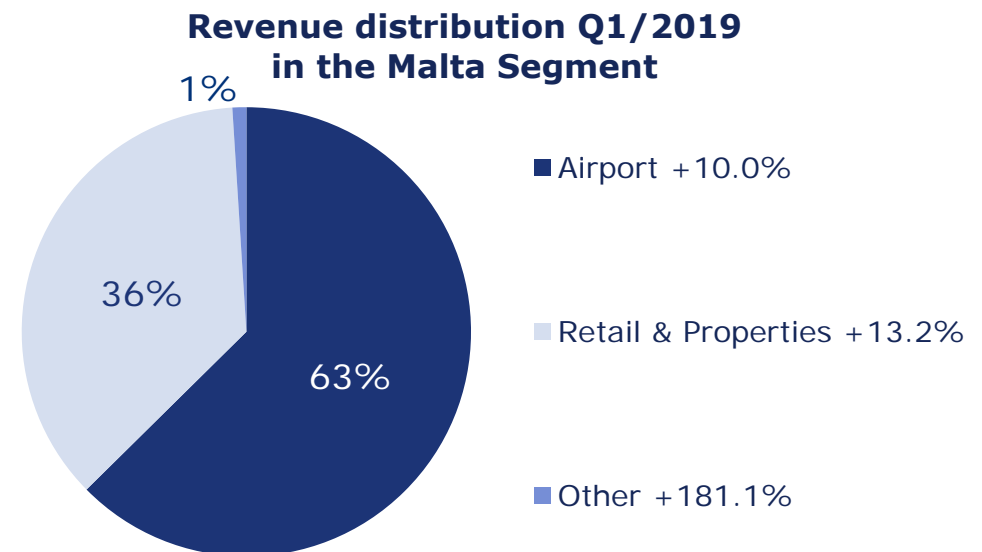


# Malta: Earnings improvement related to passenger growth



- ✈ Ongoing growth: 1.2 million passengers, up 2.6%
- ✈ Substantial revenue growth: Airport as well as Retail & Properties revenue benefit from higher passenger volume
- ✈ Slight rise in cost level due to higher number of employees and salary increases mandated by collective wage agreements whereas other operating expenses were reduced. The application of IFRS 16 led to reduction of rental and leasing expenses by € 0.8 million in contrast to higher depreciation and (€ 0.4 million).
- ✈ Investments in air traffic surfaces and preparations for a new parking garage drive airport development forward.

in € million	Q1/2019	Q1/2018	Δ in %
External revenue	15.6	13.9	+11.9
EBITDA	7.4	5.8	+28.5
EBIT	4.6	3.5	+32.5



# Results of strategic investments in 2018



## Malta Int. Airport

### Q1/2019

✈ Approx. 1.2 million PAX (+2.6%)

### 2018

- ✈ ~6.8 million passengers (+13.2%)
- ✈ Revenue: € 92.2 million
- ✈ EBITDA: € 54.4 million
- ✈ EBITDA margin: 59.0%
- ✈ Net profit: € 30.3 million

## Airport Kosice

### Q1/2019

✈ Approx. 0.1 million PAX (-8.5%)

### 2018

- ✈ ~0.5 million passengers (+9.1%)
- ✈ Revenue: € 13.3 million
- ✈ EBITDA: € 4.1 million
- ✈ EBITDA margin: 31.0%
- ✈ Net profit: € 2.6 million





# TRAFFIC RESULTS Q1/2019



# Traffic development Q1/2019

## Flughafen Wien Group



<b>Group passenger development</b>	<b>Q1/2019</b>	<b>Q1/2018</b>	<b>Δ in %</b>
Vienna Airport (millions)	6.06	4.86	+24.6
Malta Airport (millions)	1.20	1.17	+2.6
Kosice Airport (millions)	0.08	0.09	-8.5
Vienna Airport and its strategic investments (VIE, MLA, KSC)	7.35	6.13	+19.9

<b>Traffic development/Vienna Airport</b>	<b>Q1/2019</b>	<b>Q1/2018</b>	<b>Δ in %</b>
Passengers (millions)	6.06	4.86	+24.6
Local passengers (millions)	4.79	3.70	+29.4
Transfer passengers (millions)	1.24	1.14	+8.6
Flight movements (in 1,000)	56.34	48.67	+15.8
MTOW (millions of tonnes)	2.31	1.94	+19.0
Seat load factor (percent)	70.7	70.0	+0.7%p
Cargo incl. trucking (in 1,000 tonnes)	66.64	67.97	-2.0

# Shares of scheduled airlines



Q1/2019	Share in %	Passengers	PAX Δ% vs. Q1/2018
1. Austrian Airlines	39.6	2,400,124	+8.6
2. Laudamotion	8.0	487,016	n.a.
3. Eurowings	7.6	462,651	-10.9
4. Wizz Air	6.4	387,586	n.a.
5. easyJet Group <sup>1</sup>	4.6	281,682	+19.5
6. Lufthansa	3.4	206,831	-4.6
7. Turkish Airlines	1.9	117,343	-0.7
8. Emirates	1.8	108,632	-9.8
9. SWISS	1.7	103,564	-8.1
10. Level	1.7	100,611	n.a.
11. British Airways	1.5	89,076	-20.4
12. Vueling Airlines	1.4	86,645	+30.5
13. Air France	1.4	81,875	+15.9
14. Aeroflot	1.3	80,109	+6.7
15. KLM Royal Dutch Airlines	1.3	76,122	-5.0
Other	16.3	989,833	+6.8
<b>Total</b>	<b>100.0</b>	<b>6,059,700</b>	<b>+24.6</b>
thereof Lufthansa Group <sup>2</sup>	53.1	3,215,563	+3.6
thereof low cost carriers	32.4	1,965,636	+105.1



# Traffic development at Vienna Airport in April 2019



**New all-time high on April 12th: PAX of 106,969**

	April/2019	April/2018	Δ in %
Passengers (millions)	2.74	2.17	+26.6
Local passengers (millions)	2.09	1.58	+32.2
Transfer passengers (millions)	0.62	0.58	+8.2
Flight movements (in 1,000)	22.84	19.57	+16.7
MTOW (millions of tonnes)	943.17	777.92	+21.2
Seat load factor (percent)	78.3	76.1	+2.2%p
Cargo incl. trucking (in 1,000 tonnes)	23.39	25.23	-7.3

- ✈ Marked growth of 26.6% year-on-year to 2.74 million passengers. Growth drivers were the LCCs Laudamotion, Wizz Air and Level as well as Austrian Airlines. Moreover, Easter holidays in April (vs. March in 2018) contributed to the increase
- ✈ Passenger development of strategic investments: Malta Airport still on a growth path (+10.5%), Kosice Airport down 6.3%, negatively impacted by Wizz Air

# Highlights in 2019

Up to to +221 frequencies in the summer flight schedule



## 15 new destinations

thereof 3 new long-haul routes:

- Tokyo-Haneda,
- Ürümqi/Guangzhou
- Montreal

## 4 new airlines

- Air Canada
- ANA
- China Southern
- Royal Air Maroc

## LCC highlights im SFP 2019 (incl. Charter)




- Eurowings: 32 destinations
- Laudamotion: 31 destinations
- Wizz Air: 31 destinations
- Level: 18 destinations
- easyJet Grp.: 12 destinations

## New in 2019:

### Long-haul

- ✈  Tokyo-Haneda since Feb.
- ✈  Montreal since April
- ✈  AIR CANADA Toronto since April
- ✈  中国南方航空 CHINA SOUTHERN Guangzhou via Ürümqi as of June

### Short-/Medium-haul

- ✈  Skyros, Rostock & Brindisi as of June
- ✈  LEVEL Amsterdam, Copenhagen Hamburg & Porto since April Seasonal: Calvi & Genoa
- ✈  Wizz Malmö, Milan, Madrid, Stockholm & Reykjavik since Feb.

- ✈  Stuttgart & Kiev since Feb. Agadir, Brussels, Münster, Oslo & Liverpool as of Oct.
- ✈  vueling Florence as of Sept.
- ✈  VOLOTEA Bordeaux since April
- ✈  الخطوط الملكية المغربية royal air maroc Casablanca since April

# Traffic forecast for 2019



## Flughafen Wien Group:



## Flughafen Wien AG:



- ✈ Passenger growth in 2018 continuing unabated in 2019
- ✈ VIE: Share of low cost carriers up to about 25-30% (2018: 24%), further growth of Austrian Airlines (e.g. impacted by phase-out of Dash turboprops)
- ✈ Intercontinental growth primarily to North America (more than 20%)
- ✈ Passenger forecasts: Malta +5.8%, Kosice -5%

**THANK YOU FOR YOUR ATTENTION!**

