

## **Positive Business Development of Flughafen Wien AG in the first nine months of 2014**

**2.9% increase in passenger traffic and 16.4% higher net profit for the period – upward revision of guidance for 2014**

- **2.9% more passengers in the period January to September 2014 (1.4% increase in October 2014)**
- **Q1-3/2014 revenue up 1.4% to €476.8 million, significant improvement of EBITDA (+ 4.8%) to €200.8 million and EBIT (+ 12.1%) to €105.8 million**
- **Strong increase of 17.2% in the net profit for the period after non-controlling interests to €75.4 million**
- **Further reduction of net debt to €519.9 million**
- **Improved outlook for the entire year 2014: EBITDA above €245 million (previously €240 million) and net profit anticipated to exceed €80 million (previously €75 million)**

Flughafen Wien AG reports a good traffic and business development in the first nine months of 2014. After an extremely mild winter in the first quarter of 2014 and the related decline in revenue from aircraft de-icing, revenue of Flughafen Wien AG picked up again in the following months and increased by 1.4% in the period January to September 2014.

Earnings could be significantly improved thanks to cost reduction and productivity increases. EBITDA climbed 4.8% to €200.8 million (Q1-3/2013: €191.5 million), whereas EBIT rose by 12.1% to €105.8 million (Q1-3/2013: €94.4 million) and the net profit after non-controlling interests for the period was up 17.2% to €75.4 million (Q1-3/2013: €64.3 million). Net debt was once again substantially reduced to the current level of €519.9 million.

On the basis of this good business development, Flughafen Wien revised its original guidance for 2014 upwards. EBITDA is expected to surpass €245 million, compared to the previous forecast of €240 million, and the consolidated net profit will likely be over €80 million, up from €75 million. Flughafen Wien AG expects an increase in passenger traffic of between 2% and 3% for 2014.

“Business developed well in spite of considerable challenges facing us such as political crises in Ukraine and Middle East, unfavourable exchange rate fluctuations and strike-related flight cancellations. Therefore we have made an upward revision to our original guidance for 2014. We generated a substantial improvement in the net profit for the period and further reduced the level of net debt thanks to stringent cost discipline and sustainable productivity increases”, says Günther Ofner, Chief Financial Officer of Flughafen Wien AG.

“From a traffic perspective, the year has been proceeding well up until now, and we have now pinpointed the growth forecast for passenger volume to be in the range of 2% to 3% for the entire year 2014. In particular, long-haul flight connections to North America and the Far East are developing very positively. At the same time, we are pressing ahead with our service drive. The new design of Pier West featuring an extensive culinary offering from DO & CO has been concluded, numerous new shops were opened and new service facilities were initiated such as waiting time measurements at security checks. The putting into

operation of the enlarged train station at Vienna Airport enabling long-distance trains coming from a westerly direction to make a stop at the airport will provide added impetus”, states Julian Jäger, Member of the Management Board of Flughafen Wien AG.

### **2.9% rise in passenger traffic in Q1-3/2014**

Flughafen Wien AG reported a 2.9% increase in passenger traffic at Vienna Airport in the first nine months of 2014 up to 17,220,242 passengers, including the strongest monthly volume in the company's history featuring 2,275,933 passengers in August 2014. The number of local passengers rose by 5.2% in Q1-3/2014, whereas the number of transfer passengers fell by 2.8%. This can be primarily attributed to the 4.7% drop in passenger traffic to Eastern Europe in the first three quarters of the year caused mainly by the Ukraine crisis. In contrast, there was a 3.6% rise in the number of passengers travelling to Western Europe in the same period. Passenger traffic to North America developed gratifyingly in Q1-3/2014, climbing by 29.2%, while the number of passengers flying to destinations in the Far East rose by 14.0%. This development was mainly driven by the new Austrian Airlines flight connections to Newark and Chicago and the assumption of flight service to Peking by Air China. Middle Eastern destinations registered a 4.1% rise in passenger volume in Q1-3/2014.

The number of flight movements also rose marginally, increasing by 0.2% to 175,683 starts and landings during the period January to September 2014. The maximum take-off weight was up 3.5% to 6,174,010 tonnes, and capacity utilisation of the aircraft improved as reflected in the increased seat load factor of 75.6%. Cargo volume (air cargo and trucking) also developed very well, rising by 7.3% to 199,165 tonnes.

### **Revenue development of the segments**

In the first nine months of 2014, external revenue of the Airport Segment climbed 4.5% year-on-year to € 262.1 million. The Handling segment reported a 4.5% drop in external revenue to € 109.8 million due to the mild winter and the resulting decline in income from aircraft de-icing services. The Retail & Properties Segment generated a 1.8% revenue increase to € 93.3 million. External revenue of the “Other Segments” segment fell by 9.6% to € 11.7 million.

### **Investments**

The total investments of € 54.1 million in the first three quarters of 2014 included € 10.9 million for construction of a new maintenance hangar, € 6.2 million for the modernisation of Pier West and € 5.2 million for the environmental fund and technical noise protection.

### **Traffic development in October 2014: Passenger increase of 1.4%**

In October 2014 the number of passengers handled by Vienna Airport was up 1.4% in a year-on-year comparison to 2,038,924 people. Total flight movements climbed by 0.7%, whereas the maximum take-off weight grew by 4.1% and cargo volume rose by 10.8%.

The number of transfer passengers at Vienna Airport fell by 5.1% from the prior-year level. One major factor underlying this development was the passenger decline to Eastern European destinations as a consequence of the crisis situation in the Ukraine. The number of local passengers rose by 4.1% in the same period, which more than compensated for the crisis-related decrease in transfer passenger traffic.

The number of passengers departing for Western Europe in October 2014 was up 1.4%, in contrast to the 11.8% decrease in passengers travelling to Eastern Europe related to the Ukraine crisis. The Middle East reported a 0.6% increase in October 2014, whereas passenger traffic to the Far East was up 13.1%. Passenger volumes to North America rose sharply, climbing by 29.4% compared to October 2013. This development is mainly due to the launch of flight service to Newark (USA) by Austrian Airlines and the increase in the frequency of its flights to Chicago (USA).

### Good development of strategic investments in Malta and Kosice

The strategic investments of Flughafen Wien AG also developed well. Malta Airport reported a cumulative passenger growth of 6.7% in the period January-October 2014 to 3.8 million passengers in the first ten months of the year. The number of passengers handled by Kosice Airport also rose by 53.7% in the same period to 320,554 passengers.

### Results in detail

	October 2014	Change in %	January to October 2014	Change in %
<b>Passengers:</b>	2,038,924	+1.4	19,259,585	+2.7
<b>Local passengers:</b>	1,409,463	+4.1	13,491,966	+5.1
<b>Transfer passengers:</b>	620,588	-5.1	5,706,716	-3.1
<b>Maximum take-off weight (in tonnes):</b>	743,042	+4.1	6,917,030	+3.6
<b>Flight movements (arrival &amp; departure):</b>	20,654	+0.7	196,336	+0.2
<b>Cargo in tonnes (air cargo and trucking):</b>	26,974	+10.8	226,589	+7.7

(Detailed information on the consolidated financial statements as at September 30, 2014 can be found on the next page).

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**Key Indicators of the Consolidated Interim Financial Statement Indicators as of September 30, 2014**

<b>Income Statement in €million</b>	<b>Q1-3/2014</b>	<b>Q1-3/2013</b>	<b>Change in %</b>
<b>Revenue</b>	<b>476.8</b>	<b>470.3</b>	<b>1.4</b>
Other operating income	11.2	16.5	-32.5
<b>Operating income</b>	<b>488.0</b>	<b>486.8</b>	<b>0.2</b>
Consumables and services used	-28.2	-34.7	-18.6
Personnel expenses	-188.2	-185.4	1.6
Other operating expenses	-70.8	-75.3	-6.0
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>200.8</b>	<b>191.5</b>	<b>4.8</b>
Depreciation and amortisation	-95.0	-92.0	3.2
Impairments	0.0	5.1	-100.0
<b>Earnings before interest and taxes (EBIT)</b>	<b>105.8</b>	<b>94.4</b>	<b>12.1</b>
Income from investments excl. companies at equity	0.1	2.3	-94.1
Interest income	1.1	1.4	-21.4
Interest expense	-18.4	-19.8	-6.9
Other financial results	0.1	0.0	n.a.
Financial results excl. companies at equity	-17.1	-16.0	6.7
Result from companies accounted for using the equity method	8.8	5.2	69.2
<b>Financial results</b>	<b>-8.3</b>	<b>-10.8</b>	<b>-23.2</b>
<b>Earnings before taxes (EBT)</b>	<b>97.5</b>	<b>83.6</b>	<b>16.7</b>
Income taxes	-22.6	-19.2	17.6
<b>Net profit for the period</b>	<b>74.9</b>	<b>64.3</b>	<b>16.4</b>
<b>Thereof attributable to:</b>			
<b>Equity holders of the parent</b>	<b>75.4</b>	<b>64.3</b>	<b>17.2</b>
Non-Controlling interests	-0.5	0.0	n.a.
Earnings per share (in €, basic = diluted)	3.59	3.06	17.2

<b>Balance sheet Indicators in €million</b>	<b>30.9.2014</b>	<b>31.12.2013</b>	<b>Change in %</b>
<b>ASSETS:</b>			
Non-current assets	1,819.3	1,857.6	-2.1
Current assets	86.7	96.3	-10.0
<b>EQUITY AND LIABILITIES:</b>			
Equity	947.4	905.9	4.6
Non-current liabilities	718.1	748.2	-4.0
Current liabilities	240.5	299.8	-19.8
Balance sheet total	1,906.0	1,953.9	-2.5
Net debt	519.9	633.4	-17.9
Gearing (in %)	54.9	69.9	n.a.
<b>Cash flow Statement in €million</b>			
	<b>Q1-3/2014</b>	<b>Q1-3/2013</b>	<b>Change in %</b>
Cash flow from operating activities	186.8	171.3	9.0
from investing activities	-47.5	-59.0	-19.5
from financing activities	-140.0	-144.9	-3.4
<b>Free cash flow</b>	<b>139.3</b>	<b>112.3</b>	<b>24.0</b>
CAPEX	54.1	55.2	-2.0

The report by Flughafen Wien AG of the first nine months of 2014, from January 1 to September 30, 2014, is available to the general public at the company's offices at 1300 Flughafen Wien and at Bank Austria, 1010 Vienna, Schottengasse 6-8. It is also available on the Internet at [http://viennaairport.com/en/company/investor\\_relations/publications\\_and\\_reports/quarterly\\_reports](http://viennaairport.com/en/company/investor_relations/publications_and_reports/quarterly_reports)

The Management Board of Flughafen Wien AG

November 18, 2014