

FLUGHAFEN WIEN AG

Q1/2017 Results



Q1/2017 characterised by passenger growth and improved earnings



Q1 passenger growth in Vienna of +3.7% (Group: +6.6%) despite later Easter (already in March in 2016, first in April in 2017); strong increase in passenger volume in Malta (+22.2%) but also positive performance in Kosice (+8.5%)

Revenue increase to € 160.6 million (+4.3%), EBITDA rise of 1.6% to € 60.7 million, EBIT up 3.5% to € 26.0 million

Net profit for the period¹ climbs to € 15.9 million (+9.8%)

Net debt further reduced to € 324.6 million (drop of € 30.9 million from the end of 2016)

Guidance for 2017: Original guidance of passenger growth of up to 2% in Vienna and up to 3% in the Flughafen Wien Group will likely be exceeded due to the positive passenger development.

Positive operating results thanks to strong passenger development



in € million	Q1/2017	Q1/2016	Δ in %
Revenue	160.6	154.0	+4.3
Earnings before interest, tax, depreciation and amortization (EBITDA)	60.7	59.7	+1.6
Earnings before interest and taxes (EBIT)	26.0	25.2	+3.5
Financial results	-4.5	-5.4	+16.8
Earnings before tax (EBT)	21.5	19.7	+9.1
Net profit	15.9	14.5	+9.8
Net profit of the parent company	14.9	13.9	+7.6

- ✈ Rise in revenue particularly due to apron handling, passenger development, fee adjustments as well as the positive contribution from Malta Airport
- ✈ Slight rise in the cost level, mainly attributable to
 - ✈ higher material costs for aircraft de-icing and fuel due to the cold winter
 - ✈ higher legal and consulting expenses
- ✈ Improved financial results thanks to lower interest expense

Expenses: Slight rise in costs



✈ Expenses for consumables and services used up by € 1.5 million due to higher consumption of de-icing material and fuel

✈ Personnel expenses rise by only € 0.8 million

✈ despite increases mandated by collective bargaining agreements

✈ as a consequence of the slight drop in the number of employees

(4,511 vs. 4,595) and lower provision requirements compared to Q1/2016

✈ Other operating expenses up by € 2.2 million due to

✈ higher legal, auditing and consulting costs

✈ higher third-party services

✈ increased expenditures for marketing and market communication

in € million	Q1/2017	Q1/2016	Δ in %
Consumables and services used	-10.6	-9.2	+16.1
Personnel expenses	-67.6	-66.8	+1.3
Other operating expenses	-24.4	-22.2	+10.1
Depreciation, amortisation and impairment	-34.6	-34.5	+0.2

Further reduction of net debt: € 30.9 million less than end of 2016



	Q1/2017	Q1/2016	Δ in %
Net debt (€ million) ¹	324.6	355.5	-8.7
Gearing (%) ¹	28.0	31.1	n.a.
Cash flow from operating activities (€ million)	66.5	61.2	+8.7
Free cash flow (€ million)	40.7	116.2	-64.9
CAPEX (€ million) ²	35.6	11.8	n.a.
Equity (€ million) ¹	1,159.9	1,144.0	+1.4
Equity ratio (%) ¹	57.7	56.7	n.a.

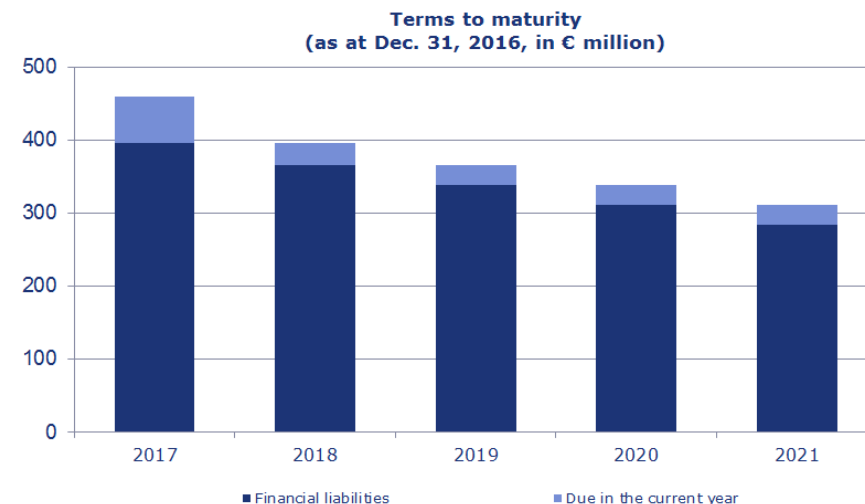
- ✈ Net debt target of under € 350 million already well secured in Q1/2017
- ✈ Free cash flow declined due to development of the cash flow from investing activities, as Q1/2016 included a one-off effect – advance rental payment by Austrian Airlines (Hermione)

Further improvement in net debt (€ 324.6 million) and gearing (28.0%)



- ✈ Net debt reduced by € 30.9 million to € 324.6 million
- ✈ Stable non-current assets: depreciation and amortisation offset by investments
- ✈ Slight reduction in current assets, mainly as a consequence of drop in trade receivables relating to incentive credits – despite higher cash and cash equivalents arising from the positive cash flow
- ✈ Increased equity due to net profit for the period
- ✈ Non-current liabilities at a constant level
- ✈ Decrease in current liabilities resulting from repayment of debt

	31.3.2017	31.12.2016	Δ in %
Net debt (€ million)	324.6	355.5	-8.7
Gearing (%)	28.0	31.1	n.a.



Improved operating cash flow



✈ Free cash flow considerably below the prior-year level due to development of the cash flow from investing activities (Q1/2016: advance rental payment by Austrian Airlines – Hermione)

✈ Cash flow from operating activities: increase related to improved earnings

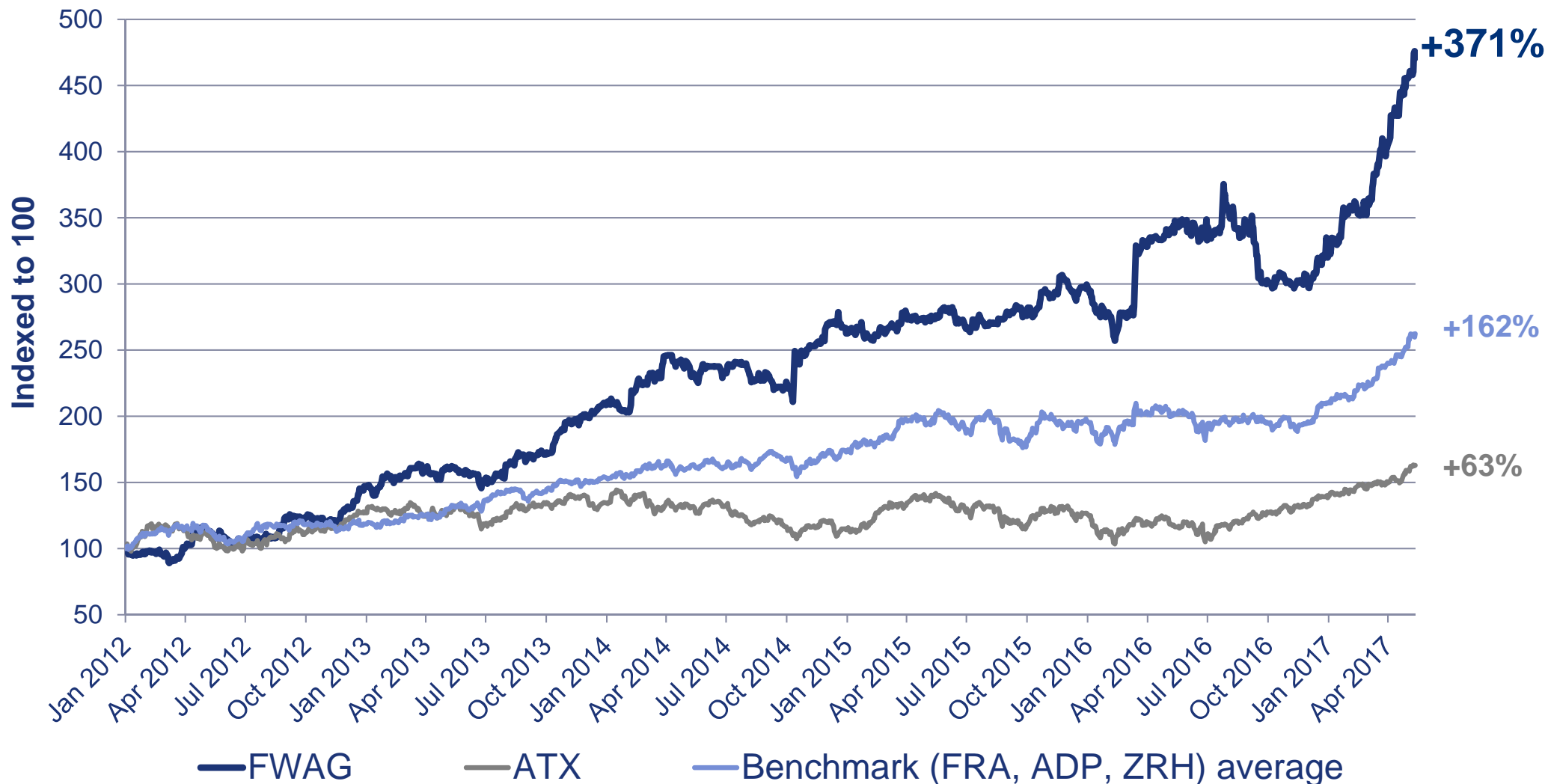
✈ Cash flow from investing activities: decrease following the positive cash flow in 2016 as a result of cash inflows of € 69.1 million from the disposal of assets held for sale relating to a new finance lease agreement (Hermione).

✈ Cash flow from financing activities: Q1/2017 attributable to repayment of debt – 2016 included cash outflows of € 60.4 million for the acquisition of non-controlling interests (increase in Malta Airport shareholding)

✈ Investments (CAPEX) at € 35.6 million – the largest additions included purchases of land for the development of property projects (€ 14.2 million), expansion of the Air Cargo Center East (€ 4.3 million), terminal alterations in Malta (€ 4.2 million) and expansion of a transformer station (€ 1.5 million)

in € million	Q1/2017	Q1/2016	Δ in%
Cash flow from operating activities	66.5	61.2	+8.7
Cash flow from investing activities	-25.8	55.0	n.a.
Cash flow from financing activities	-32.5	-94.2	-65.5
Free cash flow	40.7	116.2	-64.9

Share price development since January 2012: +371% – market capitalisation about € 2.9 billion

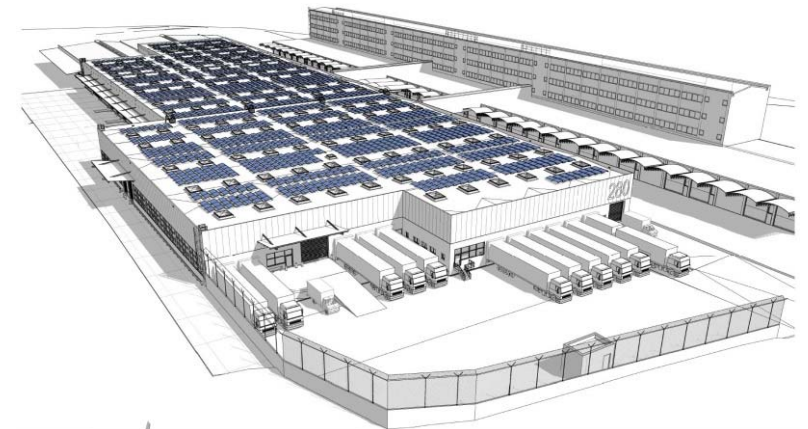


Share price development from January 1, 2012 to May 12, 2017

Vienna Airport continues on growth path



- ✈️ MOXY Hotel open since March 2017, 20,000 m² new office space in Office Park 4 as of 2020
- ✈️ Expansion of Air Cargo Centers by 15,000 m² by the end of 2017
- ✈️ Investments of € 30 million in measures to reduce CO₂ emissions – planned construction of one of Austria's largest photovoltaic plants (5,000 m²) – Investments in energy efficiency and sustainability called into question due to recent Austrian Administrative Court decision



Guidance confirmed for 2017



Outlook 2017

Revenue



> € 740 million

EBITDA



> € 315 million

Group net profit¹



> € 120 million

Net debt



< € 350 million

CAPEX



> € 100 million



SEGMENT RESULTS Q1/2017



Airport: Positive development surpassing Q1/2016 even without "Easter effect"

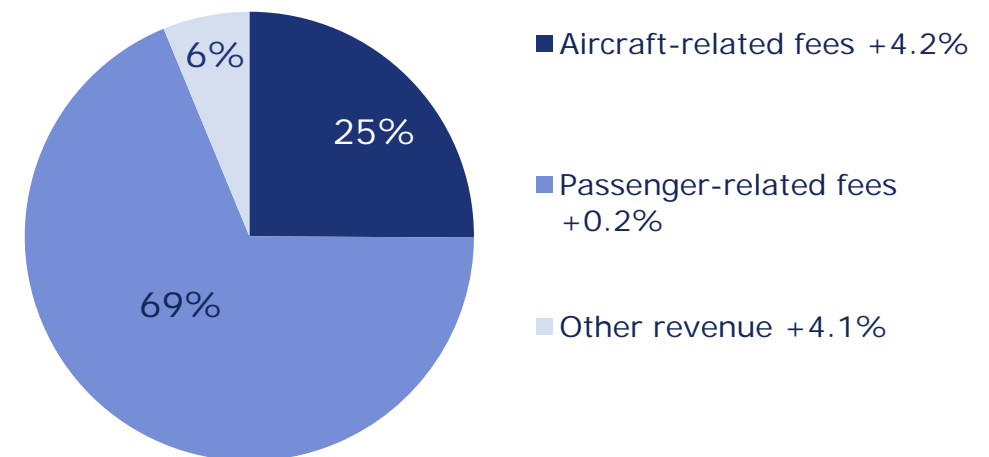


- ✈ Passenger volume up 3.7% to 4.6 million travellers
- ✈ Main drivers of this positive development were Austrian Airlines, Eurowings and easyJet – enabling to compensate for restructuring-related decreases at the airberlin Group

in € million	Q1/2017	Q1/2016	Δ in %
External revenue	75.0	74.0	+1.4
EBITDA	27.3	26.4	+3.6
EBIT	4.7	4.3	+8.6

- ✈ Flight traffic to Eastern European destinations could recover from pressure in earlier periods
- ✈ North America below the previous year due to capacity reductions
- ✈ Further rise in profitability: improved EBITDA (+3.6%) and EBIT (+8.6%)

Revenue distribution Q1/2017 in the Airport Segment



Handling: Higher revenue despite slight drop in flight movements



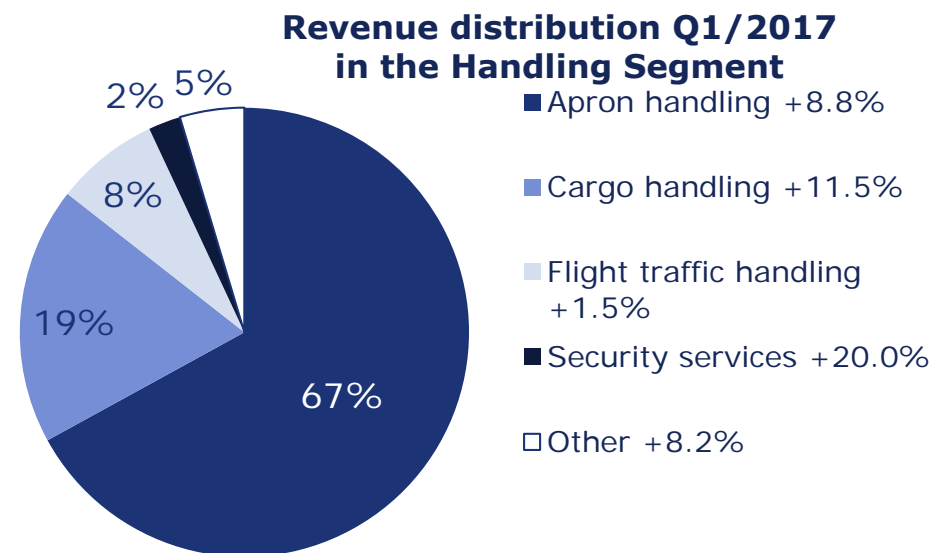
✈ Rise in income despite modest drop in flight movements related to deployment of larger aircraft (higher MTOW), new customers, price adjustments as well as higher de-icing income attributable to the cold winter

✈ Stable traffic handling and positive cargo development

✈ Higher material costs (de-icing) and other expenses could be partially offset by lower personnel expenses (reduction in the number of employees)

✈ Positive development:
EBITDA increase: +€ 2.3 million
EBIT rise: +€ 2.3 million

in € million	Q1/2017	Q1/2016	Δ in %
External revenue	39.0	35.8	+8.9
EBITDA	3.8	1.5	n.a.
EBIT	2.5	0.1	n.a.



Retail & Properties: Slight revenue increase



✈ Shopping and F&B: recovery on the horizon due to good development for passengers from Russia and China (PRR at € 2.15 vs. € 2.11 in Q1/2016)

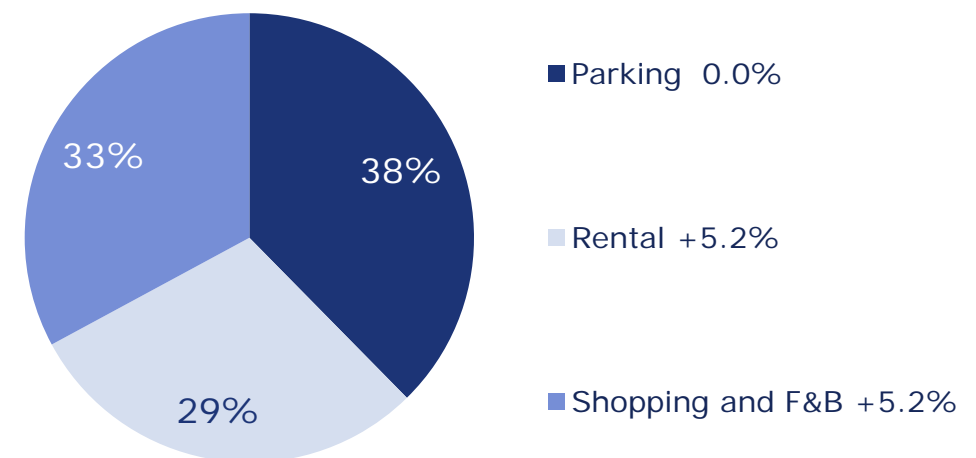
✈ Positive development of rental income

✈ Parking income at a constant level

✈ Slight rise in costs relating to increases in the number of employees and other operating expenses (mainly maintenance)

in € million	Q1/2017	Q1/2016	Δ in %
External revenue	29.4	28.5	+3.2
EBITDA	18.0	20.0	-9.8
EBIT	13.5	15.5	-12.8

**Revenue distribution Q1/2017
in the Retail & Properties Segment**



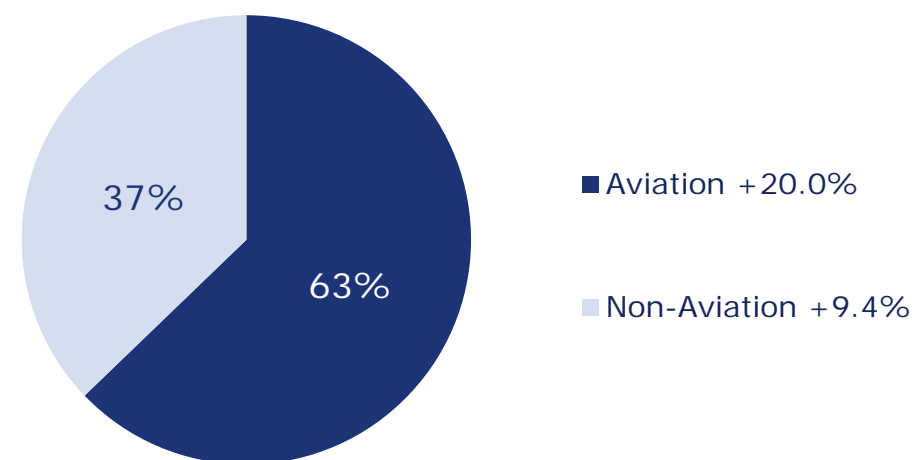
Malta: Earnings increase due to strong passenger growth



- ✈ +22.2% passenger growth in Q1/2017
- ✈ Significant revenue increase reflects flight traffic development: Airport and Retail & Properties revenue benefits from higher passenger volume
- ✈ Cost level slightly above the prior-year – however increase level far below passenger growth

in € million	Q1/2017	Q1/2016	Δ in %
External revenue	13.4	11.6	+15.8
EBITDA	5.6	4.1	+35.5
EBIT	3.5	1.8	+89.4

Revenue distribution Q1/2017 in the Malta Segment



Results of strategic investments



Malta Int. Airport

Q1/2017

✈ About 1.0 million passengers (+22.2%)

2016

- ✈ About 5.1 million passengers (+10.0%)
- ✈ Revenue: € 73.1 million
- ✈ EBITDA: € 40.0 million
- ✈ EBITDA margin: 54.7%
- ✈ Net profit: € 21.0 million

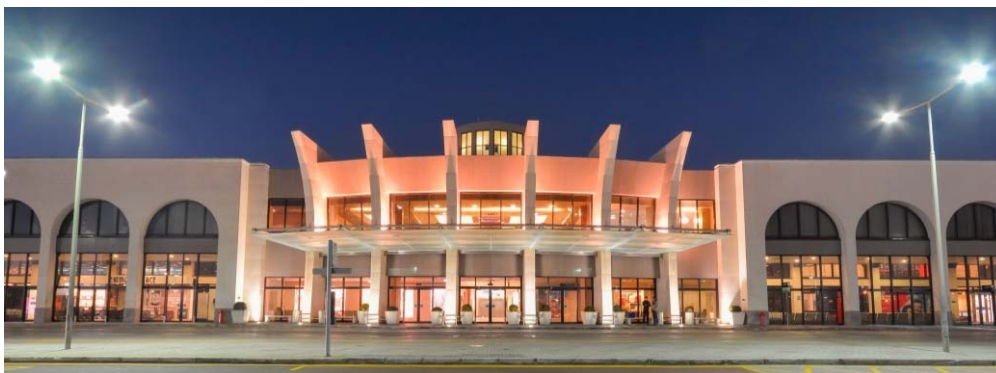
Kosice Airport

Q1/2017

✈ About 0.1 million passengers (+8.5%)

2016

- ✈ About 0.4 million passengers (+6.4%)
- ✈ Revenue: € 9.1 million
- ✈ EBITDA: € 2.7 million
- ✈ EBITDA margin: 29.2%
- ✈ Net profit: € 1,5 million





TRAFFIC RESULTS Q1/2017



Traffic development Q1/2017

Flughafen Wien Group



Group passenger development	Q1/2017	Q1/2016	Δ in %
Vienna Airport (millions)	4.56	4.40	+3.7
Malta Airport (millions)	0.98	0.80	+22.2
Kosice Airport (millions)	0.08	0.07	+8.5
Vienna Airport and its strategic investments (VIE, MLA, KSC)	5.62	5.27	+6.6

Traffic development/Vienna Airport	Q1/2017	Q1/2016	Δ in %
Passengers (millions)	4.56	4.40	+3.7
Local passengers (millions)	3.46	3.31	+4.5
Transfer passengers (millions)	1.07	1.06	+0.8
Flight movements (in 1,000)	47.86	48.83	-2.0
MTOW (millions of tonnes)	1.89	1.82	+3.7
Seat load factor (percent)	66.7	66.8	-0.1%p
Cargo incl. trucking (in 1,000 tonnes)	65.44	64.55	+1.4

Shares of scheduled carriers



Q1/2017	Share in %	Passengers	PAX Δ% vs. Q1/2016
1. Austrian Airlines	42.4	1,932,735	+3.5
2. Eurowings & Germanwings	7.9	359,291	+47.5
3 airberlin	7.0	319,044	+9.6
4. Lufthansa	4.7	215,159	+4.7
5. easyJet Group ¹	3.6	166,498	+45.5
6. Emirates	2.7	123,434	+16.3
7. NIKI	2.6	118,055	-67
8. SWISS	2.3	104,197	+29.5
9. British Airways	2.2	102,352	+0.9
10. Turkish Airlines	2.1	94,878	-15.5
11. KLM Royal Dutch Airlines	1.7	76,945	+3.4
12. Aeroflot	1.5	69,566	+12.5
13. Air France	1.5	66,527	+1.4
14. Iberia	1.0	47,726	+5.5
15. Vueling Airlines	1.0	44,158	+21.7
Other	15.8	722,259	+13.5
Total	100.0	4,562,824	+3.7
thereof Lufthansa Group ²	58.2	2,654,035	+8.9
thereof NIKI/airberlin	9.6	437,099	-32.6

1) easyJet Gruppe: easyJet and easyJet Switzerland

2) Lufthansa Group: Austrian Airlines. Lufthansa. Germanwings. Eurowings. SWISS. Brussels Airlines

Traffic development at Vienna Airport in April 2017



	Apr./2017	Apr./2016	Δ in %
Passengers (millions)	2.12	1.85	+14.6
Local passengers (millions)	1.56	1.36	+14.8
Transfer passengers (millions)	0.56	0.48	+14.6
Flight movements (in 1,000)	18.63	18.96	-1.7
MTOW (millions of tonnes)	738.79	714.99	+3.3
Seat load factor (in %)	77.4	70.4	+7.0%p
Cargo incl. trucking (in 1,000 tonnes)	24.17	25.08	-3.6

- ✈ 2.12 million passengers: 14.6% above the prior-year month
 - ✈ Easter in April
 - ✈ PAX rise and good capacity utilisation, above all Austrian Airlines and Eurowings
- ✈ Passenger development of strategic investments: Malta +26.6%, Kosice +12.5%

New flight offerings and discontinued flight service in 2017



✈ **Austrian Airlines**

New: Los Angeles, Mahé (Seychelles), Burgas, Gothenburg, Shiraz

Frequency increases: Cairo, Hamburg, Heraklion, Lviv, Milan, Odessa, Paris, Stockholm, Zurich

Service terminated: Barcelona, Rome, Jerez

✈ **NIKI**

Reduction to 22 holiday destinations

✈ **airberlin**


Frequency increase: Berlin

Service terminated: Hamburg, Hannover

✈ **UTAir**

New: Moscow

✈ **Other frequency increases**

Aeroflot: Moscow 

Easyjet: Berlin, Geneva 

Rossiya: St. Petersburg 

Swiss: Zurich 

✈ **Eurowings**

New: Birmingham, Brindisi, Hurghada, Ibiza, Jerez, Kalamata, Kavala, Lamezia Terme, Las Palmas, Madrid, Malaga, Malta, Marsa Alam, Mytilene, Nice, Nuremberg, Olbia, Paphos, Pisa, Porto, Samos, Thira, Zadar

Frequency increases: Barcelona, Hamburg, Hannover, Rome

Service terminated: Valencia

✈ **Volotea**

New: Genoa, Marseille, Nantes

✈ **Flybe/Stobart Air**

New: London Southend

✈ **Germania**

New: Rostock

✈ **S7 Airlines**

New: Moscow

✈ **SunExpress**

New: Ankara

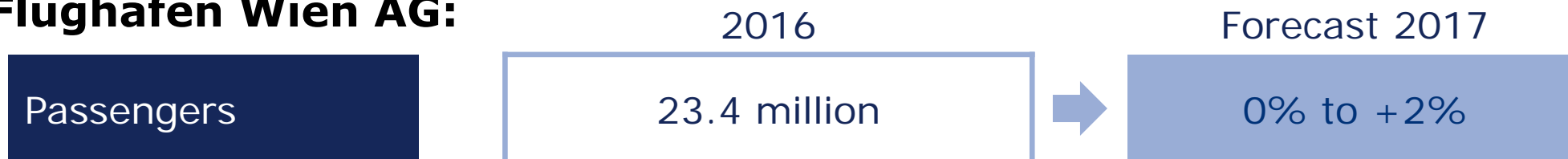
Traffic forecast for 2017: Upward revision of guidance is likely



Flughafen Wien Group:



Flughafen Wien AG:



- ✈ Recovery of flight traffic to Eastern Europe
- ✈ Far-reaching capacity reductions due to restructuring of the airberlin Group – expected overcompensation by low-cost segment and Lufthansa Group as growth drivers in 2017

THANK YOU FOR YOUR ATTENTION

