

# FLUGHAFEN WIEN GROUP

## 32nd Annual General Meeting

4 September 2020



# 2019 was a strong year – Flughafen Wien Group performed successfully



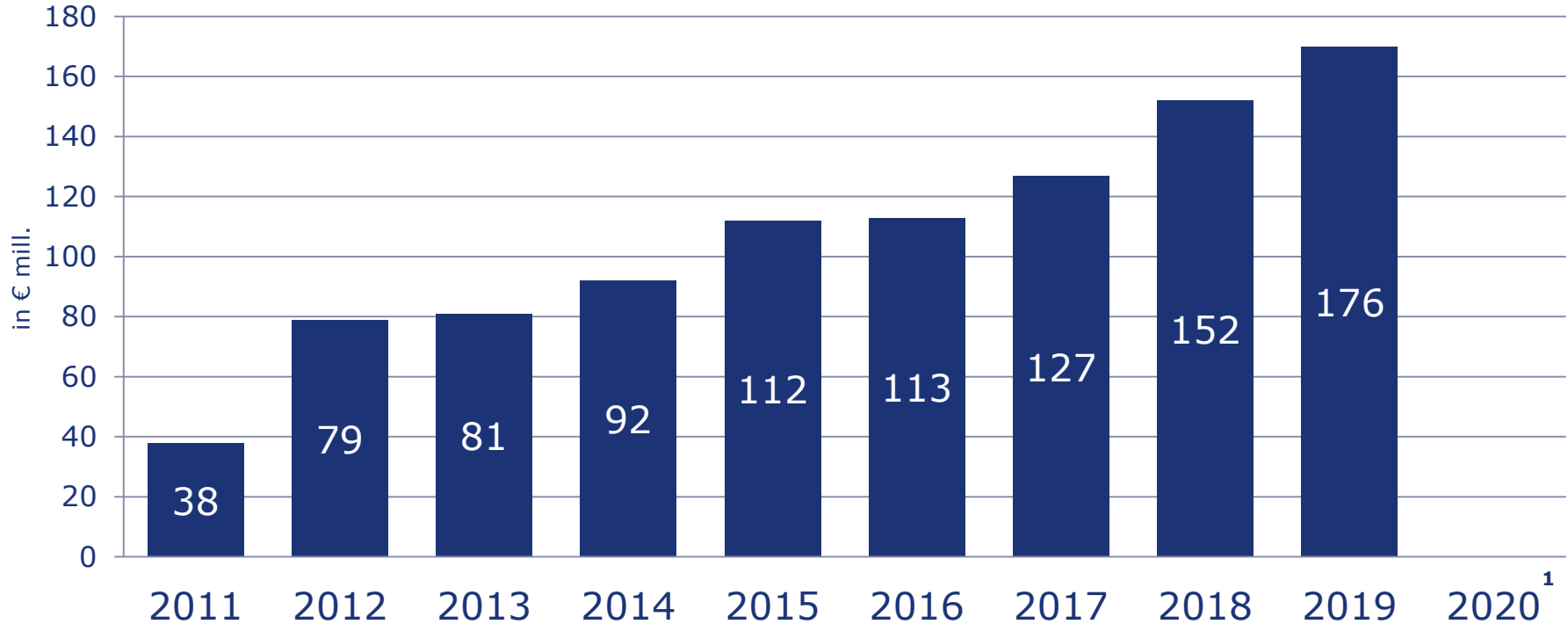
- **Company operated successfully in 2019 – record results in all relevant parameters:** increases in revenue (+7.2%) to € 857.6 million and net profit for the period<sup>1</sup> (+15.7%) to € 175.7 million
- **Far-reaching reduction in net debt to only about € 80 million net debt at the end of 2019**
- **Vienna Airport continues its environmental protection drive: - 16% energy consumption -15% in CO<sub>2</sub> emissions despite 2019 traffic growth**
- **Management Board and Supervisory Board propose that Annual General Meeting approve crisis-related suspension of dividends**
- **Precise guidance for 2020 financial year is difficult due to unpredictability of the COVID-19 crisis**
- **Close cooperation with public authorities to protect passengers and employees**

# Flughafen Wien AG: Revenue increase and good net profit for the period in 2019



€ million	2019	2018	Δ in %
Revenue	857.6	799.7	+7.2
Earnings before interest, tax, depreciation and amortization (EBITDA)	384.8	350.4	+9.8
Earnings before interest and taxes (EBIT)	252.3	220.8	+14.3
Financial results	-14.4	-12.5	-15.3
Earnings before tax (EBT)	237.9	208.3	+14.2
Net profit for the period	175.7	151.9	+15.7
Net profit for the period after non-controlling interests	158.9	137.3	+15.7
Dividend (in €) <sup>1</sup>	-	0.89	-100.0

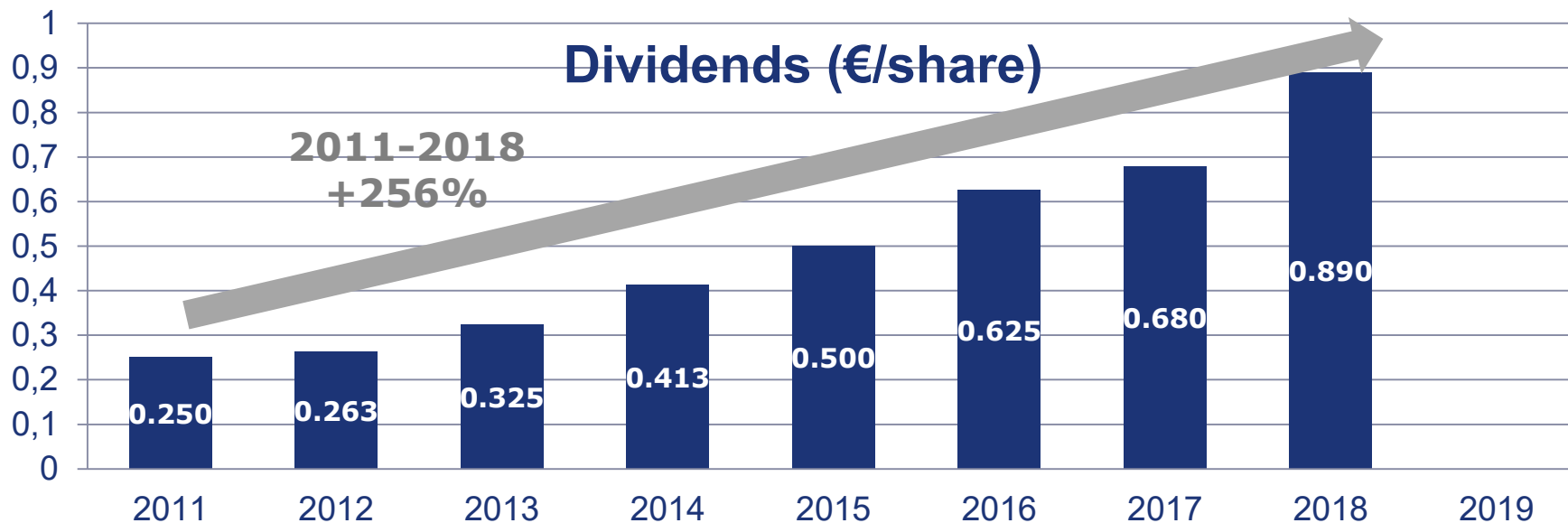
# Ongoing increase in the profit for the period over the last nine years – Coronavirus unfortunately makes continuation of growth impossible



Profit for the period bef. non-controlling interests: figures adjusted for 2011-2015

1) No guidance for 2020

# Continuous rise in dividends until 2018 – Suspension of dividend payment proposed for 2019



- Management Board and Supervisory Board propose that the Annual General Meeting approves suspension of the dividend payment for 2019

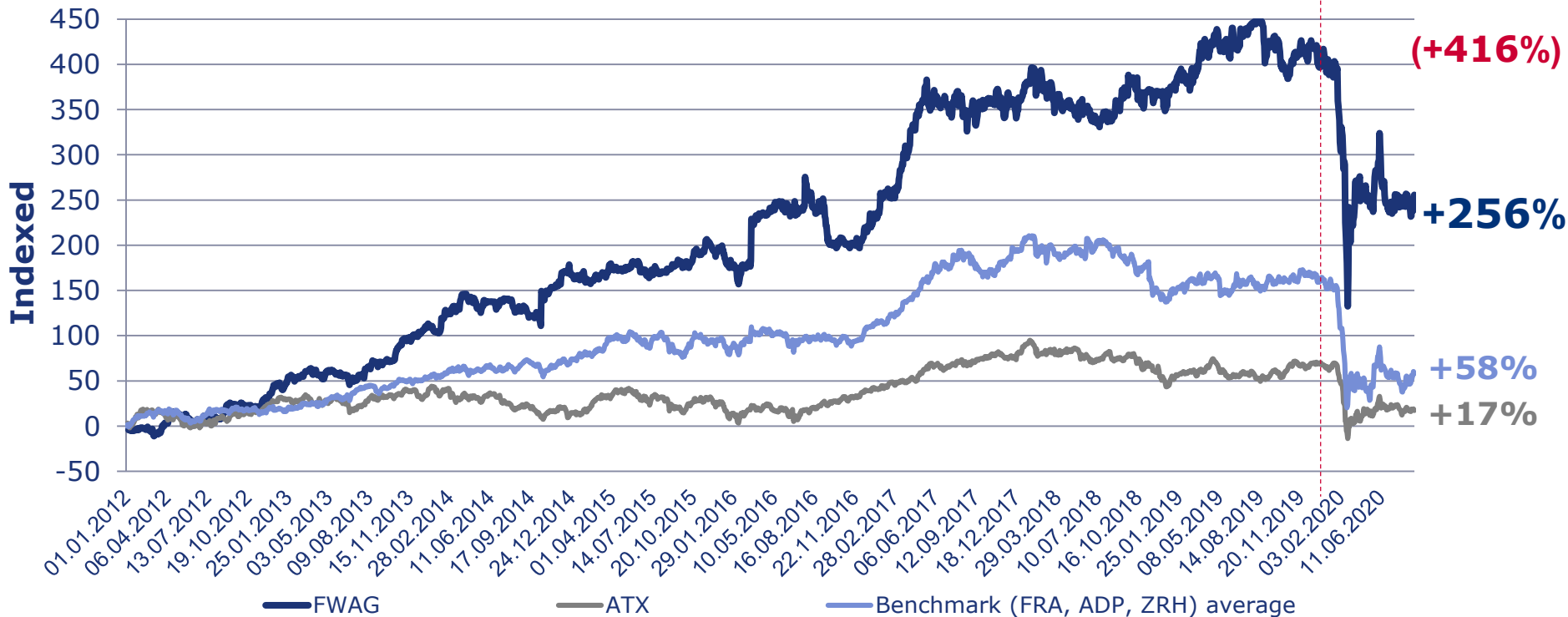
# Mountain of debt reduced: net debt only € 81 million at the end of 2019



	2019	2018 <sup>2</sup>	Δ in %
Net debt (€ million)	81.4	198.2	-58.9
Gearing (%)	5.9	15.3	-9.4%p
Cash flow from operating activities (€ million)	373.0	291.2	+28.1
Free cash flow (€ million)	196.9	92.4	+113.3
CAPEX (€ million) <sup>1</sup>	171.8	165.7	+3.7
Equity (€ million)	1,380.9	1,297.0	+6.5
Equity ratio (in %)	60.0	60.1	-0.1%p

# Share price rise since Jan. 2012: +256% (FY2019: +416%)

## Market cap of about € 2.2 billion (FY2019: € 3.2 billion)



# Vienna Airport further improves energy efficiency despite growth



	2019	2018	Δ in %
Electricity consumption (kWh/TU <sup>1</sup> )	2.72	3.24	-15.9
Heating consumption (kWh/TU)	1.46	1.66	-12.0
Fuel consumption (kWh/TU)	1.07	1.15	-6.8
Total energy consumption (kWh/TU)	5.26	6.05	-13.1
CO <sub>2</sub> emissions (kg/TU)*	0.58	0.68	-14.7

\*Figure forecast for 2019





# “Green Airport”: Vienna Airport will become Europe`s most environmentally-friendly airport



- **Vienna Airport will already be CO<sub>2</sub> neutral in the coming year**
- **Expansion of photovoltaics: Airport plans a ten-fold rise in its own electricity production – About 30 hectares of PV surfaces in planning**
- **Smart Airport City:** Project “Intelligent Control” with Vienna University of Technology – Software to control energy supply and consumption
- **Use of geothermal energy:** in Office Park 4 and terminal projects - 94% of heating needs and 45% of cooling requirements p.a. should be supplied in this way
- **Use of waste heat for airport climate control**



# New Office Park 4 in the Airport City put into operation



- **2020:** Completion of construction, first tenants move in
- **More than 40% already leased:** Extensive interest on the part of prospective tenants – high demand for first-time occupancy and co-working spaces
- **A total of 26,000 m<sup>2</sup> of state-of-the-art office and event space:** facilities in part over several floors, own kindergarten), terrace area, workplaces for 2,000 employees
- **High level of sustainability:** Innovative building engineering and geothermal energy –heating and cooling with thermal energy, 441 energy piles in the ground, sole water heat pump, 94% of heat and 45% of cooling requirements p.a. should be covered
- **New advertising space brings additional revenue:** Austria's largest LED wall directly over the airport entrance road



# Flughafen Wien AG is well equipped to master the COVID-19 crisis



- The company's liquidity is secured beyond the end of the year by taking advantage of government aid measures, short-time work for the entire staff, sufficient lines of credit and the successful implementation of cost reduction measures
- At the beginning of May, we became the world's first airport to offer PCR tests on site, in the meantime about 1,000 tests per day
- Planned investments for 2020 cut to below € 100 million, but Office Park 4 and Terminal 2 were or will be finished, the other major construction projects have been delayed, such as the Southern Extension and Modernisation of Pier East. A new schedule will not exist before the end of 2020
- The development of operating performance and financial indicators is negative due to decline in flight traffic, but does not threaten the company's existence
- The company is well equipped to master this crisis, even if lasts even longer

# TRAFFIC RESULTS REVIEW OF 2019



# 2019: Strong passenger growth, tough competition and increase on long-haul routes

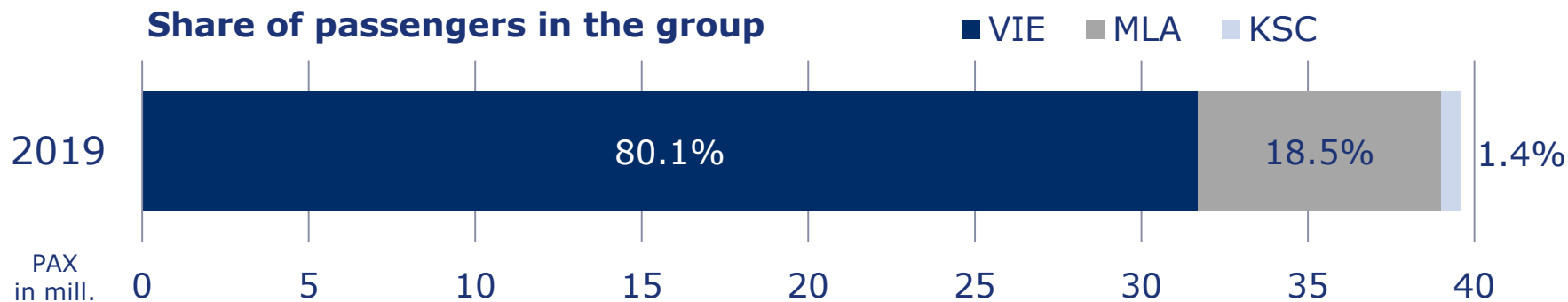


- **Record year in 2019**
  - **Vienna Airport: 17.1% growth** to a total of 31.7 million passengers
  - **Flughafen Wien Group: +15.0% growth** to about 40 million passengers
  
- **Austrian Airlines still the top airline in Vienna**
  - Growth of 6.4% to 13.7 million passengers
  - Increase in capacity offering on short-haul and medium-haul routes
  
- **Catch-up effect after discontinuation of AirBerlin: Growth of low-cost carriers**
  - Lauda +2.1 million travellers to 2.7 million passengers
  - Wizz Air +1.6 million travellers to 2.1 million passengers
  - LCC share of passengers at 31.6% (+7.9%p)
  
- **Strong growth of long-haul routes**
  - Increase of 21.8% to about 2.6 million travellers
  - Long-haul routes account for 8.1% of total passenger traffic
  - Strong expansion to North America and Far East

# Traffic development: Flughafen Wien Group in 2019



Group passenger development	2019	2018	Δ in %
Vienna Airport (millions)	31.7	27.0	+17.1
Malta Airport (millions)	7.3	6.8	+7.4
Kosice Airport (millions)	0.6	0.5	+2.9
Vienna Airport and its strategic investments (VIE, MLA, KSC)	39.5	34.4	+15.0



# Traffic development: Vienna Airport in 2019

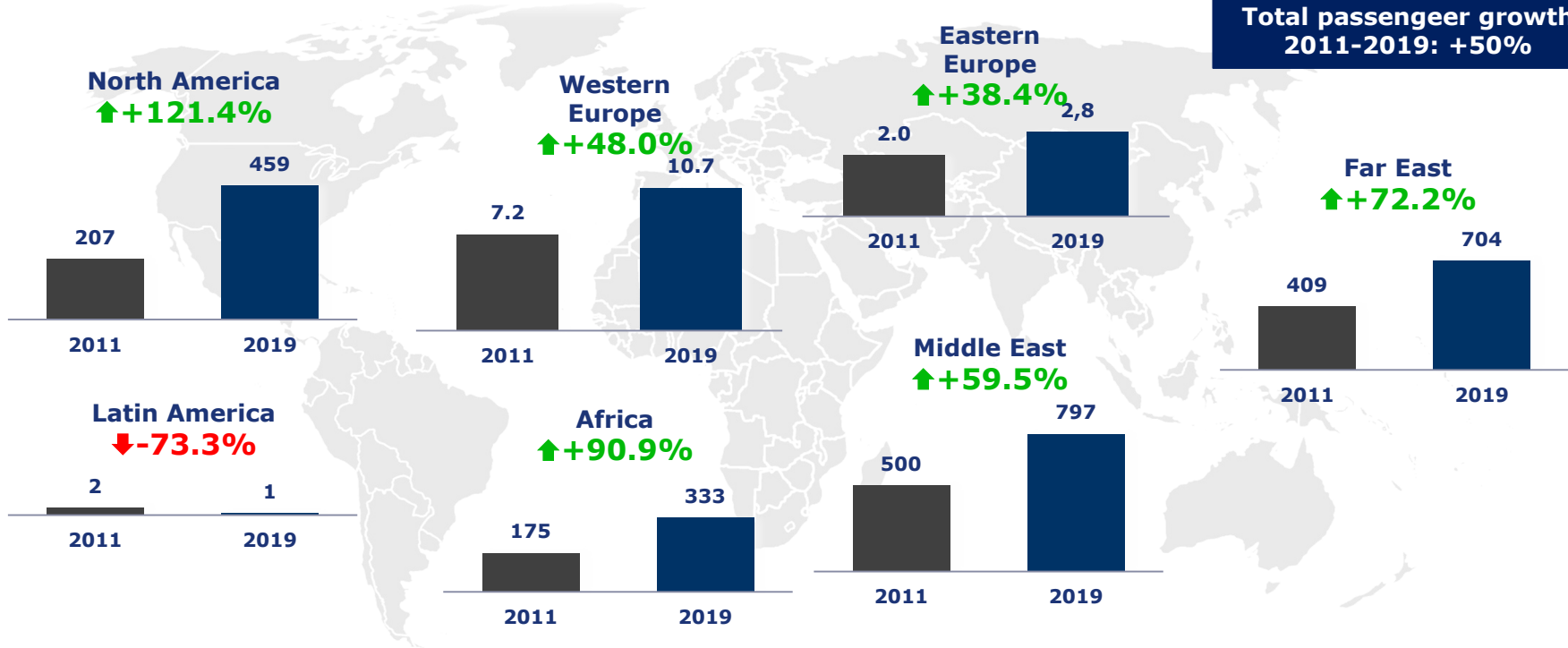


<b>Traffic development/Vienna Airport</b>	<b>2019</b>	<b>2018</b>	<b>Δ in %</b>
Passengers (millions)	31.7	27.0	+17.1
Local passengers (millions)	24.3	20.3	+20.0
Transfer passengers (millions)	7.2	6.7	+7.6
Flight movements (in 1,000)	266.8	241.0	+10.7
MTOW (millions of tonnes)	10.9	9.6	+13.6
Seats arrival & departure (millions)	41.1	35.7	+15.3
Seat load factor (percent)	77.3	76.0	+1.3p.
Cargo incl. trucking (in 1,000 tonnes)	283.8	295.4	-3.9

# Expansion of long-haul routes as a strategic goal: 50% passenger growth over the last 8 years



**Total passenger growth  
2011-2019: +50%**





# Shares of scheduled airlines



2019	Share in %	Passengers	PAX Δ% from 2018
1. Austrian	43.2	13,673,856	+6.4
2. Lauda	8.4	2,656,768	+347.9
3. Eurowings	7.2	2,277,788	-8.3
4. Wizz Air	6.6	2,080,809	+368.0
5. easyjet	3.9	1,235,356	-7.3
6. Lufthansa	2.3	730,061	-20.6
7. Level	1.9	610,887	+73.6
8. Turkish Airlines	1.7	550,309	+0.8
9. British Airways	1.4	447,966	-7.1
10. SWISS	1.4	445,260	-5.1
11. Emirates	1.3	415,533	-7.1
12. KLM Royal Dutch Airlines	1.2	379,618	-3.2
13. Aeroflot	1.1	348,088	+2.9
14. Vueling Airlines	1.1	340,389	-18.2
15. Air France	1.0	314,412	+3.2
Other	16.3	5,155,089	+10.5
<b>Total</b>	<b>100.0</b>	<b>31,662,189</b>	<b>+17.1</b>
thereof Lufthansa Group <sup>1</sup>	54.7	17,318,078	+2.3
thereof low-cost carriers	31.6	10,009,363	+56.3

# SEGMENT RESULTS 2019



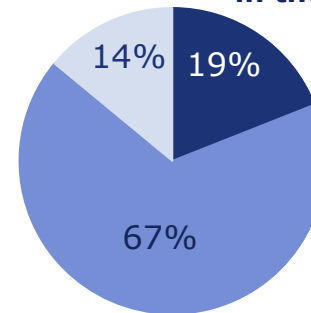
# Airport: Strong EBITDA and EBIT growth based on passenger record



- Passenger record at Vienna Airport with 31.7 million passengers (+17.1%)
- Increase in flight movements (+10.7%)
- Ongoing strong growth of low-cost carriers and Austrian Airlines
- New record: +25.1% lounge visits in 2019
- New noise pollution fee model in 2020
- Airport continues its quality drive: terminal modernisation, punctuality, services

€ million	2019	2018	Δ in %
External revenue	411.7	381.7	+7.9
EBITDA	187.6	183.3	+2.4
EBIT	104.0	99.8	+4.2

**Revenue distribution 2019  
in the Airport Segment**



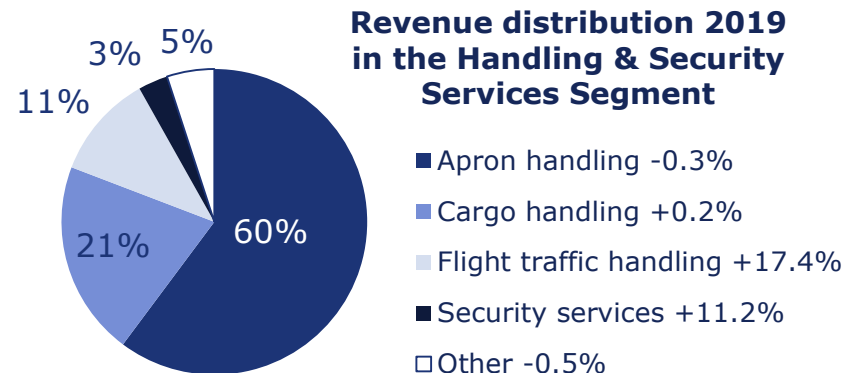
- Aircraft-related fees +11.2%
- Passenger-related fees +5.8%
- Infrastructure-related fees and services +14.6%

# Handling & Security Services: Higher earnings due to revenue increase and savings achieved



- Higher income (+ € 3.0 million) especially due to additional income from traffic handling (+ € 4.8 million) related to increasing number of flight movements and new customers, in spite of weather-related decline of de-icing revenue (- € 3.6 million)
- Slight rise in handling market share to 85% due to additional customers (2018: 84%)
- On the cost side: lower material costs, stable personnel expenses and higher other operating expenses related to more third-party services

€ million	2019	2018	Δ in %
External revenue	166.3	163.3	+1.8
EBITDA	15.8	10.7	+47.1
EBIT	7.3	2.2	+224.5

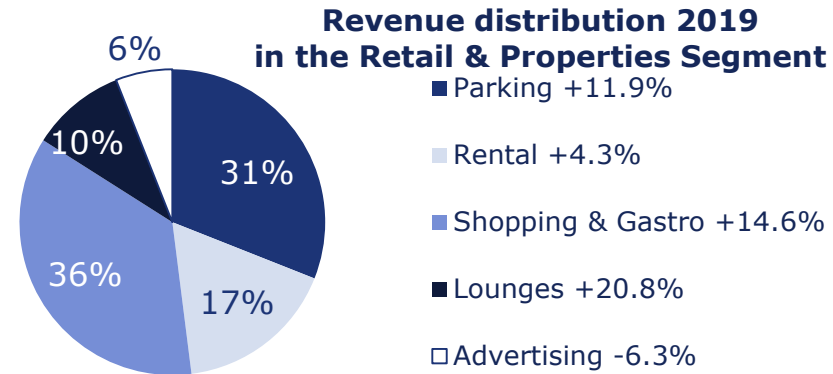


# Retail & Properties: Growth in all areas



- Strong rise in revenue from the gastronomy (+19.4%) and retail (+12,9%) businesses – in spite of the modernisation of Terminal 2 and temporary shutdown of shops
- PRR of € 1.88 slightly below the previous year due to disproportionately high PAX growth on the part of LCCs (2018: € 1.92)
- Slight rise in rental income, up 4.3% from prior-year level
- Significant increase in parking income (+11.9%)
- Substantial improvement in EBITDA and EBIT
- About 1,100 m<sup>2</sup> of new restaurant openings over the next 12 months

€ million	2019	2018	Δ in %
External revenue	162.6	146.4	+11.1
EBITDA	103.3	90.4	+14.2
EBIT	85.6	73.1	+17.1

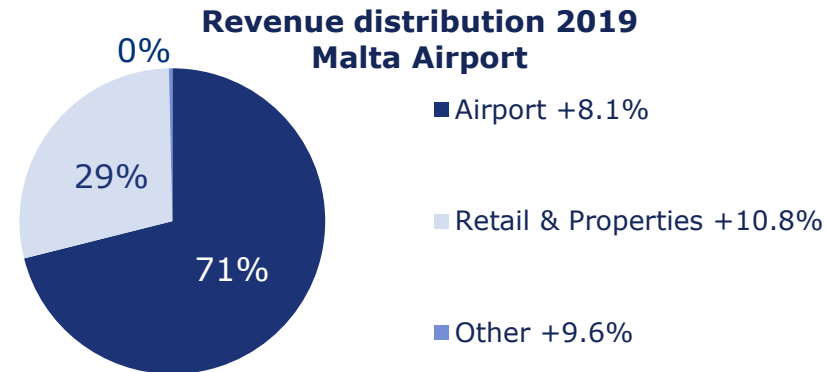


# Malta: Earnings increase due to strong passenger growth



- New record in 2019: more than 7.3 million passengers, 7.4% passenger growth
- Considerable revenue growth reflects the traffic development: Airport and Retail & Properties income benefits from increased passenger volume
- Slight increase in the cost level due to higher personnel expenses (rise in the number of employees and salary increases mandated by collective wage agreements), higher maintenance, marketing and market communication expenses
- Investments in air traffic surfaces and construction work on a new parking garage drive airport development forward

€ million	2019	2018	Δ in %
External revenue	100.3	92.2	+8.8
EBITDA	63.5	53.2	+19.3
EBIT	52.4	44.0	+19.0



# Results of strategic investments in 2019



## Kosice Airport

- About 0.6 million passengers (+2.9%)
- Revenue: € 14.0 million
- EBITDA: € 4.3 million
- EBITDA margin: 30.7%
- Net profit for the period: € 2.7 million



# COVID-19 crisis: Vienna Airport is Austria's lifeline



- Vienna Airport has been in operation since the outbreak of the COVID-19 crisis and is always accessible for flight traffic
- Daily cargo flights transporting medical supplies were operated by Austrian Airlines and other airlines during the lockdown phase
- More than 7,500 people brought back to Austria from 29 countries on repatriation flights

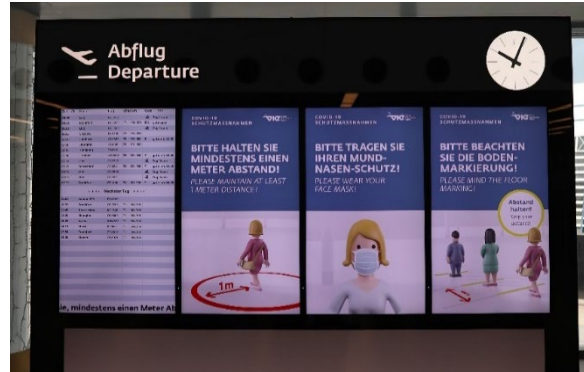
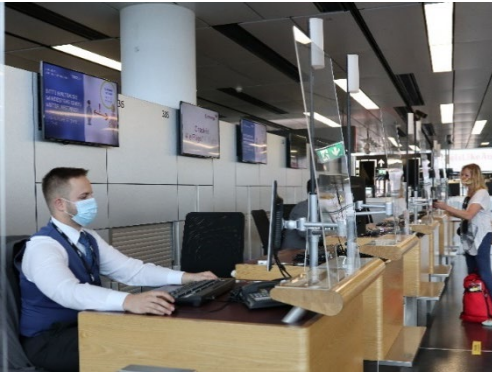




# Health is the highest priority at Vienna Airport



- **Vienna Airport has implemented numerous protective measures for passengers and employees and is EASA Test-Airport:**
  - Requirement to wear protective masks in the terminal, sneeze guards at check-in, boarding and information counters, distance markers in queuing areas, hand disinfectant dispensers, increased cleaning measures, protective equipment for employees (face protection, protective mask, gloves)



# Health is the highest priority at Vienna Airport



## ➤ Stringent requirements imposed by authorities:

- Body temperature of all arriving passengers is measured by health authorities.
- Travellers from risk areas must either show negative COVID-19 test certificate or are subject to ten days of mandatory quarantine.



# For the period following the crisis: continued modernisation of Terminal 2, other projects on hold



- Passenger handling is currently being performed centrally in Terminal 3. Depending on passenger volume, other terminal areas can be quickly reactivated. The projects "Southern Extension" and "Modernisation of Pier East" are currently on hold. A new timetable will not be available before the end of the year 2020
- The modernisation of Terminal 2 is currently in progress and is expected to be completed in early 2021. Because of the current interruption of operations, work there can be rapidly carried out.
- Terminal 2 will offer a new level of comfort: central security checks, new baggage claim area, redesigned lounges, modern atmosphere.



# CURRENT TRAFFIC RESULTS AND DEVELOPMENTS



# Traffic development H1/2020 Flughafen Wien Group



<b>Group passenger development</b>	<b>H1/2020</b>	<b>H1/2019</b>	<b>Δ in %</b>
Vienna Airport (millions)	5.1	14.7	-65.3
Malta Airport (millions)	1.0	3.3	-68.7
Kosice Airport (millions)	0.1	0.2	-76.8
Vienna Airport and its strategic investments (VIE, MLA, KSC)	6.2	18.1	-66.0

<b>Traffic development/Vienna Airport</b>	<b>H1/2020</b>	<b>H1/2019</b>	<b>Δ in %</b>
Passengers (millions)	5.1	14.7	-65.3
Local passengers (millions)	4.1	11.4	-63.9
Transfer passengers (millions)	1.0	3.2	-69.3
Flight movements (in 1,000)	53.1	127.9	-58.5
MTOW (millions of tonnes)	2.3	5.2	-55.6
Seat load factor (percent)	63.9	75.1	-11.2%p
Cargo incl. trucking (in 1,000 tonnes)	107.9	136.0	-20.7

# Traffic development Vienna Airport July 2020



	07/2020	07/2019	Δ in %
Passengers (millions)	0.6	3.2	-81.8
Local passengers (millions)	0.5	2.4	-79.4
Transfer passengers (millions)	0.1	0.8	-88.7
Flight movements (in 1,000)	7.6	25.2	-69.9
MTOW (millions of tonnes)	301.7	1,025.0	-70.6
Seat load factor (percent)	52.8	81.8	n.a.
Cargo incl. trucking (in 1,000 tonnes)	15.8	23.3	-32.1

# Traffic development Vienna Airport 1-28 August 2020<sup>1</sup>



	1-28/8/2020	1-28/8/2019	Δ in %
Passengers (millions)	0.7	2.8	-74.9
Local passengers (millions)	0.6	2.1	-72.2
Transfer passengers (millions)	0.1	0.7	-83.1
Flight movements (in 1,000)	9.4	22.3	-57.8
MTOW (millions of tonnes)	352.5	908.0	-61.2
Seat load factor (percent)	82.8	52.4	n.a.

# Current traffic development Malta & Kosice (July 2020)



## Malta Int. Airport

- Passengers: About 0.2 Mio. (-80.9%)
- Flight movements in 1,000: 1.6 (-70.3%)

## Airport Kosice

- Passengers: About 5,000 (-94.4%)
- Flight movements: 114 (-85.9%)





# Medium-/longterm traffic development



- Air travel is developing differently worldwide: Whereas Europe and the USA are still in the midst of the crisis, the situation in Chinese domestic traffic has almost reached normal figures again (-14% vs. 2019)
- In autumn and winter 2020 the prevailing Covid crisis is not expected to allow an improvement of the traffic figures of Flughafen Wien Group, a noticeable recovery is expected to start in the summer flight schedule 2021
- Flughafen Wien expects air travel in Europe to reach passenger levels of 2019 in the time period 2024-2027 at the earliest

# THANK YOU FOR YOUR ATTENTION!

