

Flughafen Wien AG Results in H1/2015: Increased Revenue and Earnings despite the slight Decline in Passenger Volume

- **REVENUE** up 2.2% to €311.5 million, improvement in EBITDA to €132.7 million (+4.9%) and EBIT to €68.6 million (+8.6%)
- **NET PROFIT FOR THE PERIOD*** rose significantly to €47.6 million (+8.1%)
- **NET DEBT:** further substantial reduction to €468.0 million
- **TRAFFIC RESULTS IN JULY 2015:** 6.7% increase in the number of passengers – highest single-day passenger volume in the airport’s history
- **POSITIVE OUTLOOK** confirmed for 2015: revenue of more than €645 million, net profit to surpass €85 million, passenger growth between 0% and 2%

In spite of a slight decline of 0.8% in passenger volume in the first half of 2015, the Flughafen Wien Group reported a substantial improvement in revenue and earnings. Revenue was up 2.2% to €311.5 million, EBITDA rose by 4.9% to €132.7 million, EBIT climbed 8.6% to €68.6 million and the net profit for the period was up 8.1% to €47.6 million. A significant further reduction of net debt was achieved thanks to the strong cash flow. Flughafen Wien AG confirms its guidance for the entire year 2015, and expects passenger growth of between 0% and 2% as well as an increase in revenue and net profit for the period and a further decrease in the net debt.

“The first half-year was very successful despite the slight decline in the number of passengers handled by the airport. We managed to generate a disproportionately high increase in revenue and significantly improve earnings indicators. Thanks to strict cost discipline and productivity increases, the net profit for the period rose by 8.1%, and the strong cash flow served as the basis for a further substantial reduction in net debt”, says Günther Ofner, Member of the Management Board of Flughafen Wien AG. “We are exploiting new market potential on the basis of new service offerings such as online parking and the further development of our Airport City with new services such as the new Moxy Hotel, an automobile cleaning service and a new fitness center. We are resolutely continuing on this path and from today’s perspective will also achieve our earnings targets for 2015”, Günther Ofner adds.

“A key driver for the revenue increase in the first half of 2015 were higher shopping and gastronomy income, which shows that we are on the right path with our strategy of bringing more quality and new brands to the passenger terminal“, states Julian Jäger, Member of the Management Board of Flughafen Wien AG. “We also see positive developments in terms of our traffic results. On July 31st, we recorded the highest passenger volume for a single-day in the airport’s history. We also expect positive growth impetus in the remaining months of the year, not least due to new long-haul offerings on the part of Austrian Airlines and other new flight connections. We anticipate a slightly higher passenger volume for the entire year 2015”, Julian Jäger adds.

**Net profit for the period after non-controlling interests*

Slight passenger decline in H1/2015 – Forecast confirmed for the entire year 2015

In the first six months of 2015, a total of 10,456,454 passengers were handled by Vienna Airport, comprising a slight year-on-year drop of 0.8%. This development can be attributed to capacity reductions carried out by airlines and the consequences of the crisis situations in Russia and the Ukraine. Total passenger volume to Eastern Europe fell by 10.4%, whereas the number of passengers flying to Western European destinations was down marginally by 0.6%. In contrast, passenger volume to the Middle East developed positively, rising by 2.7%, and the expanding flight offering to Far Eastern destinations led to a 4.6% growth in the number of passengers. North American destinations saw a substantial increase of 16.3%, and the total number of passengers flying to Africa was up by 30.2%. Air traffic forecasts for 2015 as a whole remain unchanged, predicting growth of between 0% and 2% in the total number of passengers.

Average seat occupancy (seat load factor) fell to 71.5% in the first half of 2015 from the prior-year level of 73.1%. During the same period, the number of flight movements declined by 2.2% to 109,980 starts and landings. In contrast, due to the use of larger aircrafts the absolute number of passengers per flight actually increased, with passenger volume developing more favorably than the average seat occupancy and number of flight movements. The maximum take-off weight (MTOW) rose by 2.7% to 4,014,756 tonnes. Cargo volume (air cargo and trucking) in the first half of 2015 was down slightly by 0.6% to 130,024 tonnes.

Revenue and earnings development in the segments

In the first six months of 2015, revenue of the Airport Segment rose 2.0% year-on-year to €166.7 million. Revenue generated by the Handling Segment climbed 2.1% to €73.6 million. The Retail & Properties Segment reported a considerable rise in revenue of 3.4% to €63.4 million. Revenue in the Other Segments was unchanged at €7.7 million.

Investments

Of the total investments amounting to €24.6 million in the first half of 2015, €10.7 million related to winter services and equipment storage halls, whereas investments made in connection with Runway 3 totaled €4.0 million, and €1.3 million was for cooling units and €0.8 million for a transformer station. Investments are expected to be well below €95 million.

Traffic development in July 2015: 6.7% increase in passenger volume

The number of passengers handled by Vienna Airport in July 2015 was up 6.7% compared to July 2014 to 2,363,785. A total of 88,652 passengers were handled by Vienna Airport on July 31, 2015, a record single-day passenger volume in the airport's history. In July 2015, the number of local passengers was up 7.3% from the previous year, whereas the total volume of transfer passengers also increased, rising by 5.5% compared to July 2014. The number of flight movements (starts and landings) was down 0.6%, and the development of the maximum take-off weight (MTOW) was clearly positive, rising by 5.0%. Air cargo declined by 1.8% in July 2015 compared to the prior-year level. Cumulative passenger volume in the months January to July 2015 was up 0.5% from the previous year.

The number of passengers flying to Western Europe and Eastern Europe in July 2015 rose by 7.3% and 3.1% respectively. Passenger traffic to the Middle East was up sharply by 42.5%, compared to an increase of 8.3% for Far Eastern destinations. Passenger growth to North America climbed by 6.0%. In July 2015 the number of passengers flying to Africa dropped by 10.9% from the previous year.

Good development of strategic investments in Malta and Kosice

The foreign strategic investments of the Flughafen Wien Group developed well. Malta Airport reported a cumulative passenger growth of 6.9% from January to July 2015 to more than 2.5 million passengers in the first seven months of the year. Kosice Airport handled a total of 215,149 passengers, comprising a rise of 11.0% in the same period.

Results in detail

	July 2015	Change in %	January-July 2015	Change in %
Passengers (total):	2,363,785	+6.7	12,820,415	+0.5
Local passengers:	1,637,910	+7.3	9,249,258	+2.8
Transfer passengers:	716,946	+5.5	3,510,442	-5.8
Maximum take-off weight in tonnes:	796,583	+5.0	4,811,339	+3.0
Flight movements (arrivals & departures):	21,240	-0.6	131,220	-1.9
Air cargo and trucking in tonnes:	22,128	-1.8	152,151	-0.8

Consolidated Interim Financial Statements as of 30 June 2015

Income Statement in € million	H1/2015	H1/2014	Change in %
Revenue	311.5	304.7	2.2
Other operating income	5.8	7.5	-22.0
Operating income	317.3	312.2	1.7
Consumables and services used	-17.2	-19.7	-12.8
Personnel expenses	-130.3	-123.3	5.6
Other operating expenses	-37.2	-42.7	-12.9
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	132.7	126.5	4.9
Depreciation and amortisation	-64.2	-63.3	1.3
Earnings before interest and taxes (EBIT)	68.6	63.1	8.6
Income from investments, excluding companies recorded at equity	0.1	0.1	100.0
Interest income	1.3	0.7	82.2
Interest expense	-11.2	-12.2	-8.3
Other financial result	-0.1	0.0	n.a.
Financial results excl. companies at equity	-9.8	-11.4	-13.8
Result from companies accounted for using the equity method	3.5	5.3	-33.9
Financial results	-6.3	-6.1	3.5
Earnings before taxes (EBT)	62.2	57.0	9.1
Income taxes	-14.6	-13.0	12.6
Net profit for the period	47.6	44.0	8.1
Thereof attributable to:			
Equity holders of the parent	47.6	44.0	8.1
Non-Controlling interests (in €1,000)	-1.2	-1.9	-36.6
Earnings per share (in €, basic = diluted)	2.27	2.10	8.1

Balance sheet Indicators in € million	30.6.2015	31.12.2014	Change in %
ASSETS:			
Non-current assets	1,758.0	1,803.4	-2.5
Current assets	92.1	88.8	3.7
EQUITY AND LIABILITIES:			
Equity	965.8	952.5	1.4
Non-current liabilities	607.4	672.2	-9.6
Current liabilities	276.9	267.5	3.5
Balance sheet total	1,850.1	1,892.2	-2.2
Net debt	468.0	506.2	-7.5
Gearing (in %)	48.5	53.1	n.a.

Cash flow Statement in €million	H1/2015	H1/2014	Change in %
Cash flow from operating activities	110.1	104.3	5.6
from investing activities	-36.8	-30.3	21.4
from financing activities	-69.9	-74.8	-6.6
Free cash flow	73.4	74.0	-0.9
CAPEX	24.6	31.0	-20.6

The report by Flughafen Wien AG of the first six months of 2015, from January 1 to June 30, 2015, 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.

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